

# Corporate Governance Principles Compliance Report

## 1. Declaration of Compliance with the Principles of Corporate Governance.

In 2011, all necessary attention was paid to each of the following matters, including those arrangements that are not required to be complied with given the listing under the heading 'Corporate Governance Principles' as published by the company in 2005, after revision, and explained in the details below. Moreover, the preliminary work towards harmonization was started at the same time, pursuant to the "Communique on the Determination and Implementation of the Principles of Corporate Management", Serial No. IV 56 published by SPK in the Official Gazette No. 28158 dated 30 December 2011. The work ensuring compliance with all necessary restrictions listed in the abovementioned Communique are still ongoing and will be completed within the periods mentioned in the relevant Communique and SPK notifications.

## SECTION I-SHAREHOLDERS

### 2. Relationship with our Shareholders.

Our company has a Corporate Investors Relations Department to manage relationships with shareholders. This department is coordinated by our Assistant General Manager (Financial Affairs) Nevra Özhatay (n.ozhatay@cimsa.com.tr). In addition, Ahmet Büyükalp (a.buyukalp@cimsa.com.tr) and Borhan Tosun (b.tosun@cimsa.com.tr) work in this department as specialists. This department's phone number 0 (216) 651 53 00 and its fax number 0 (216) 651 14 15; both can be used to contact this department's staff.

This department works to maintaining the company's relationships with its shareholders. Negotiations were conducted with forty corporate shareholders nationwide

during 2011 and one analyst meeting was held as part of the execution of these duties. Moreover, the company participated in two investment conferences in Turkey and one international Roadshow. Also, the shares of four of our stockholders who could not participate in the previous year's capital increase were appropriately and correctly adjusted.

### 3. Use of Shareholders' Right to Information

In our company, no shareholder has the right to additional privileges or priority when accessing information. To expand all shareholders' right to information and to maintain the proper use of this right, all required information, documentation and financial statements are continuously updated and made available to shareholders, in both Turkish and English, on our company's corporate website ([www.cimsa.com.tr](http://www.cimsa.com.tr)) within the required notice time.

In 2011, information requests related to the capital increase, dividend distributions, the exchange of shares, dematerialization and the general assembly were handled via the telephone, e-mail, fax and in face-to face communication. Additionally, four annual reports were requested and posted to shareholders.

Shareholders can follow information about the company via [www.cimsa.com.tr](http://www.cimsa.com.tr), specific events disclosures via the Disclosure Platform ([www.kap.gov.tr](http://www.kap.gov.tr)) and in newspaper advertisements.

The Company's Articles of Association does not have a provision for the assignment of a private auditor. In 2011, no such requests were received from our shareholders.

#### **4. General Assembly Information**

An Ordinary Meeting of the General Assembly was held on April 6, 2011; the meeting's quorum was met with an attendance of 70.88%. Some of the company's stakeholders participated in the General Assembly after being requested to complete the required processes. Invitations to the general assembly were made in compliance with the Turkish Commercial Code and its Articles of Association, as approved by Ministry of Industry and the Trade Commissary. Prior to General Assembly, a meeting notice and meeting agenda were published on KAP, in Turkish Trade Registry Gazette and in the Dünya Newspaper in order to notify the company's shareholders.

In the meeting, shareholders could ask questions and each received the proper and necessary explanations. An activity report was prepared and distributed to the partners attending the General Assembly. In this report the partners were informed about the previous year's activities. Replacements for those Members of Board of Directors and the Audit Committee which resigned during the year were selected in accordance with the shareholder's suggestions. The General Assembly's meeting's minutes are available from the company's headquarters upon shareholder request. The meeting's minutes were also published in the Turkish Trade Registry Gazette. Additionally, a table listing the General Assembly's attendants and the meeting's minutes was published on [www.cimsa.com.tr](http://www.cimsa.com.tr), the company's website.

During the General Assembly, important decisions as specified in the Turkish Trade Registry Gazette, were submitted for the shareholder's approval. As compliance of the company's Principles of Corporate

Governance with all laws is ensured, all important decisions related to changes in laws will be submitted to shareholders for the approval of the General Assembly.

#### **5. Voting Rights and Minority Rights**

The Articles of Association do not contain privileged vote rights.

The Articles of Association do not have any arrangement for cumulative voting. As any granting of a cumulative vote under the current partnership structure will ruin the harmony of the company's management structure, no such arrangement has been made.

#### **6. Profit Distribution Policy and Time for Distribution of Profit**

The company's dividend distribution policy is specified in article 26 of its Articles of Association. Accordingly, the dividend is distributed from the company's net profit, after taxes are subtracted from the company's gross profit, in the proportion specified by the proposal of the Board of Directors and approved by the General Assembly under the company's Articles of Association, considering its legal reserve funds and CMB Legislation.

Dividend distribution policy is covered in a separate section in the company's annual report and is disclosed to shareholders and the public at the General Assembly.

The company's dividend is distributed within the legal period. The company has adopted a policy of the "distribution of a minimum of 50% of the distributable profit to its partners before the end of the May following the end of the accounting period".

# Corporate Governance Principles Compliance Report

This policy can be reviewed every year by the Board of Directors in accordance with national and global economic conditions, and given the current status of the company's projects and its funds. No privileges are available for any shareholder in terms of the dividend distribution.

## 7. Transfer of Shares

Company Articles of Association does not have any provision that limits the transfer of shares.

## SECTION II - DISCLOSURE AND TRANSPARENCY

### 8. Company Information Policy.

The Board of Directors is authorized and responsible for tracking, monitoring and improving Çimsa Çimento Sanayi ve Ticaret A.Ş.'s disclosure and information policy.

The Information Policy was created and approved by the Board of Directors in accordance with the CMB Corporate Governance Principles. It was disclosed through a Disclosure of Specific Events on 30 April 2009, being available at [www.cimsa.com.tr](http://www.cimsa.com.tr) as of this date. The Information Policy was submitted to partners at the company's Extraordinary General Meeting of 28 August 2009.

In accordance with this policy, each year the company discloses to the public independently audited financial statements in the sixth and twelfth month, and non-audited financial statements in the year's third and ninth month. Announcement of the consolidated reports prepared in accordance with International Financial Reporting Standards (IFRS) are made within the period legally specified by the CMB.

The company's disclosure of information is made through press bulletins, e-mail messages, telephone conversations, interviews with media organizations and via press agents.

Also, information about the company is available on its web site as recommended by the CMB Corporate Management Principles published in 2005, with amendments and additions in line with the company's Information Policy.

The sub-headings under the Investment section of the web site are as follows.

- Partnership Structure
- Board of Directors
- Articles of Association
- Trade Registry Information
- Information Policy
- Corporate Compliance Report
- Profit Share Distribution
- General Assembly Information
- Annual Report
- All Financial Information
- Resolutions of the Board of Directors
- Special Situation Statements
- Investors Relations
- Frequently Asked Questions

### 9. Disclosures of Specific Events

In 2011, the company has make nineteen Special Situation Statements in accordance with the regulations of the Capital Markets Board and the İstanbul Stock Exchange. As part of its Disclosure Project, the company submits its Disclosure of Specific Events for its shareholder's information. These declarations have

all been made on time, and neither the SPK nor the ISE imposed any sanctions. The company's stock is not traded on foreign exchange markets.

#### **10. The Company's Web Site and its Content.**

The company has a website at [www.cimsa.com.tr](http://www.cimsa.com.tr). The information specified in the article 1.11.5 of Chapter II of the CMB Corporate Management Policies published in 2005, with amendments and additions, is available on this website. The website contains information on the corporation, its products, services, financial indicators, annual reports, investor relations, financial statements, its information policy, its social responsibility activities and its human resources policies.

The content on the website is arranged in accordance with the resolution of the Capital Markets Board meeting dated 10 December 2004, no 48/1588.

#### **11. Declaration of Real Person Ultimate Controlling Shareholder/Shareholders.**

Our company has no real person ultimate controlling shareholder.

#### **12. Public Disclosure of the Company's Insider Trading List.**

The Members of the Company's Board of Directors, the Auditors, its Senior Managers are each listed on the company's Insider Trading List appearing in the company's annual report. In addition, the insider trading list includes the Strategy and Marketing Manager, Financial Affairs Manager, Budget and Finance Manager, Information Technologies and Automation Manager, Internal Auditing Manager, Corporate Risk Manager and the Independent Audit Agency.

### **CHAPTER III - STAKEHOLDERS**

#### **13. Notification of Stakeholders**

Notifications to all stakeholders are made through the İstanbul Stock Exchange by periodic public notifications, as required by the relevant legislation and through the specific events disclosure forms. Matters such as Ordinary and Extraordinary General Assembly Meetings and dividend distributions are announced in newspaper advertisements as stipulated in the relevant legislation and in the Company's Articles of Association. Notifications are also made through meetings with the press, press releases and in interviews with media organizations.

Furthermore, company employees are notified through the company's quarterly newsletter, through information sent by e-mail, in internal training sessions, via the Cimsa Portal and at annual notification meetings.

Notifications for clients are made through annual meetings, in publicity activities and through trainings and seminars.

Partners are concurrently notified of all information, other than confidential and trade secret information, in an accurate and clear manner.

#### **14. Participation of Stakeholders in Management**

At least once a year, the Company organizes meetings at which the activities of the previous year are evaluated, targets for the next year are shared with its employees and their feedback collected.

Within our business excellence practices, our learning organization efforts and as part of our recommendation system, team work is encouraged. Thus it is ensured

# Corporate Governance Principles Compliance Report

that the project team participates in issues such as goal setting, process improvements and in all investments that are of interest to the company.

Partners participate in the company's management through the company's Ordinary and the Extraordinary General Assembly Meetings.

Partners also participate in the company's management through retailer meetings and client engagement surveys.

## Human Resources

### 15. Human Resources Policy

The Company's corporate development and human resources vision is to create a culture of high performance; its mission is to ensure organizational change and development. In line with this, Çimsa's operational model and organization structure has been redesigned through the SADE (Responsibility-Openness-Change-Activity) Project that began two years ago. All roles and responsibilities have been redefined under this new structure in order to ensure that the employees feel more responsibility for their tasks and to help Çimsa achieve its targets.

All issues relating to union member employees are managed under the scope of the Collective Labor Agreement in effect. There are departments to manage relationships with all employees, including Corporate Development and Human Resources, Corporate Communications, the Code of Ethics Consultancy, and the Labor Health and Security. There are also detailed written guidelines and procedures that embody all of the relevant regulations and practices related to business life.

To date, no discrimination issues have been reported by Çimsa employees.

### 16. Information about Relationships with Clients and Vendors.

The company's new organizational structure was implemented in 2011.

In parallel with the goal of becoming customer and market oriented, the purpose of these changes is to have a structure that uses all "Customer and Market" expectations as the core inputs into all activities, a structure that manages the value chain more actively and that carries out all of its activities more effectively. The sales organization was restructured into Domestic and Foreign Sales in order to learn about the market, manage change in the market and to plan better for the future. The Domestic Sales organization was divided into two: Central Anatolia and Mediterranean. Moreover, the sales organization now incorporates "Channel Sales Management" in order to learn more about customers, their needs and their demands, and then to convert these expectations and demands into operational actions. End users, distributors and ready-mixed concrete customers are redefined as the customer groups and sales channels to be focused on.

The aim was for the new structure to separate operational and strategic works from each other, increase profitability, and to improve the company's customer-oriented approach. For these purposes, operational activities were defined and a "Shared Services Center (OHM)" organization was built by bringing together all such responsibilities under one single umbrella. Çimsa employees serving in the Accounting, Purchase and Sale operations are expected to create synergy and to increase operational effectiveness under the OHM umbrella.

A Supply Chain Management Approach was created that comprises the backbone of the new operational model. This structure, including the Planning and Logistics functions, started its activities with the "Optimum Project". This project aimed to generate better estimates and planning. Infrastructure investments have been made in order to improve inventory management, shipment management and the company's planning ability. Organization and Task Allocation were made more product group-oriented (that is, category-orientated) in order to increase effectiveness and efficiency in purchasing processes.

### **17. Social Responsibility**

Çimsa, one of the leading organizations of the cement sector, continues to provide important services and make investments for the benefit of its country, especially regarding culture, the arts, the environment, education, health and earthquake preparations - in addition to its contribution in the economic field.

Within this scope, the following activities were conducted in 2011:

With the cooperation of Çimsa, the "Across - Kiklad Isles and West Anatolia in Three Thousand B.C." exhibition, a very important event dealing with shared history in the Aegean, ran from March 23 to October 30, 2011 at Sabancı University's Sakıp Sabancı Museum. Çimsa shared this event with all employees of the cement sector and all stakeholders with local media visits.

Around 200,000 young people from five universities were reached via the "Sabancı Spring 2011" organized under the sponsorship of Çimsa and with a high level of participation from Çimsa Eskişehir employees.

As a company that carries out industry leading work in the field of occupational health and safety, Çimsa became the sponsor of a comic competition with the theme "Occupational Accidents and Occupational Health in the Construction Sector" organized by the Department of Construction Engineering at Eskişehir Anadolu University.

Çimsa has always contributed to activities in the cities in which its plants are located that help support and preserve the local heritage. In line with this goal, Çimsa contributed to the event "Do you know Niğde and its 6,000 years of history?" in Niğde. This event tells the historical and social aspects of Niğde, a city in which Çimsa continues to conduct its production activities.

Believing that only young people can create the path that ensures a strong Turkey, Çimsa became the sponsor to the "Model United Nations Turkey Conference" at Kadir Has University organized by the Young Prediction Association. The conference, running from October 7 to October 9, 2011, was held in Turkey - and in Turkish - for the first time last year.

Wanting to fulfill all of its employees with the pleasure of creating together, sharing and getting results, Çimsa implemented the "Zeytin Ağacı: Idea Factory" to evaluate the social responsibility projects suggested by its employees. This year the "Life Long Learning" project was undertaken, inspired by ideas from the Idea Factory. This project aims to provide Çimsa's employees and their families living close to each other in various cities with opportunities that would support their social and cultural development.

# Corporate Governance Principles Compliance Report

## CHAPTER IV – THE BOARD OF DIRECTORS

### 18. The Structure and Constitution of the Board of Directors and its Independent Members

#### Board of Directors:

- 1- Mehmet GÖÇMEN - Chairman
  - 2- Mustafa Nedim BOZFAKIOĞLU - Vice Chairman
  - 3- Serra SABANCI - Member
  - 4- Levent DEMİRAĞ - Member
  - 5- Mahmut Volkan KARA - Member (until August 15, 2011)
- Seyfettin Ata KÖSEOĞLU - Member (since August 15, 2011)
- Mehmet HACIKAMILOĞLU - General Manager

There are no executive members of the Board of Directors.

The Board of Directors is composed of five members elected by the shareholders as stipulated in the Company's Articles of Association. There are no independent members among the members elected by the General Assembly.

Board Members may assume additional role(s) outside the company, and these additional roles are not limited and subject to any specific rules. Upon the resolution of the General Assembly, Board Members are entitled to carry out the transactions described in articles 334 and 335 of the Turkish Commercial Code.

### 19. Qualifications of the Board Members

Although there are no provisions in the Articles of Association regarding the minimum qualifications required for those seeking election to the Board

Members, all Board Members comply with articles 3.1.1, 3.1.2 and 3.1.5 of Section IV of the Capital Markets Board's Corporate Management Principles published in 2005 and its amendments and additions.

### 20. The Company's Mission, Vision and its Strategic Objectives

The Company's Board of Directors has identified the Company's vision and mission, and it has announced these to the public in its activity report and via the company's corporate web site ([www.cimsa.com.tr](http://www.cimsa.com.tr)). The rate of attainment of targets set in the company's annual budgets is presented to the Board of Directors both as a comparison within the financial year in terms of 'budget versus actual' and in comparison to the same period in previous years. The Board of Directors repeats this process every month.

**Our Vision:** To be Turkey's most profitable cement and concrete company

**Our Mission:** To be an international business partner for cement and concrete users.

Strategic targets are prepared through the company's annual strategic planning process, based on work conducted by the strategic planning department and with the active participation of the company's senior and middle level managers. At the end of this process, the targets are presented to the Board of Directors and approved by the Board of Directors.

**Main strategic objectives:** Provide operational excellence: Set targets for every function in value chain processes, including management, production, sales and delivery; follow these targets with key performance indicators; make continuous improvements in

performance process; establish a corporate information database; take each necessary measure identified by the detailed scenario-based studies up of the cash flow forecasts; deliver operational excellence by managing each of these under a “system approach” discipline.

Be a sustainable construction products company: Starting with the stakeholders who are most affected by the company's social and environmental impacts, effectively manage communication with all stakeholders; create long term value, both for stakeholders and for the Company.

Be market and customer oriented: Listen to and understand the customers' needs and requests by making the market and customers the focal point of all of the company's activities; thus creating added value for customers; be the customers' most preferred business partner.

Grow profitably: Make investments in new and attractive areas that will create synergies with Çimsa's current operational markets in such a way that these investments will create added value for the company's other primary targets and will help the company to grow sustainably.

## **21. Risk Management and Internal Control Mechanisms**

Our Corporate Risk Management Unit works to ensure that risk management is effectively used by the Board of Directors. As part of the work of the Corporate Risk Management Unit, it has developed and implemented processes for company-based effective risk management.

The main function of the Internal Audit Department is to render independent and unbiased security and

counselling services, utilizing the Global Internal Audit Standards pertaining to Çimsa Çimento San. ve Tic.. The Internal Audit Department, affiliated with the Audit Committee and composed of members of the Board of Directors, conducts inspections, investigations and examinations to protect the rights and interests of the Company. It then develops recommendations regarding each internal and an external risk. It carries out each of the following duties in order to contribute to the growth, development and institutionalization of the company:

- a)** To examine each site's and department's internal control systems, in the company's central offices and regional areas including all of its terminals, warehouses and international enterprises. These examinations are to ensure compliance with corporate management principles and ethical values, to ensure the effectiveness and efficiency of its risk management practices, to prepare audit plan programs and to implement these in accordance with the pre-determined schedule,
- b)** To monitor audit report practices, and to ensure that all work and transactions are carried out in accordance with the agreements made and in compliance with the directions of the General Directorate;
- c)** To conduct inspection, research and investigation in relation to special tasks assigned by the Chairman of the Board of Directors, the Audit Committee and the General Manager; to submit the results of these studies, as a report, to the relevant authority;
- d)** To monitor the execution of all company regulations, procedures, communiques and unit-specific directions, ensuring that they are enforced and to then make suggestions in connection to those matters that need to be remedied;



# Corporate Governance Principles Compliance Report

e) To ensure that the activities and transactions of all units are carried out in line with the Board of Directors' decisions, plans and budget targets and in accordance with all legislation, regulations, procedures, communiques, directions etc.;

f) To make financial and economic analyses in relation to the work and transactions conducted and to develop suggestions that will ensure that efficiency increases;

g) To keep the Audit Committee continuously informed about all audit activities, the adequacy of the domestic control system and to implement all of the committee's demands and suggestions;

h) To carry out all the tasks as suggested by the Board of Directors and senior management, to provide value-adding consultancy and support services related to the achievement of the company's goals, to increase the value of the company's shares, to help develop the company's processes and activities, to increase service quality and customer satisfaction etc.

Using the Corporate Risk Management Unit, the company measures, evaluates and prioritizes all of its operational, financial, strategic and external environmental risks that could prevent it from attaining its general strategy and targets. The company can then assesses its resources requirements, coordinate its activities, take action against the identified critical risks and regularly monitor all risks.

With the establishment of Corporate Risk Management, the aim is to develop a risk management perspective and culture in all of the company's units, develop proactive approaches, reveal possible opportunities, protect and increase the company's value, develop natural hedging and portfolio management and to further increase its stakeholders' trust and reliance.

The Corporate Risk Management Unit reports to the board of directors as to whether its current actions have created the desired impact and improvement in regards to risk, as well as in relation to the other results achieved by recent actions.

The Board of Directors has decided that the Internal Audit Manager will report to the Committee Responsible for Audit.

## **22. Authority and Responsibilities of Members of the Board and of Managers**

The Company's Board of Directors' management rights and representative authorities are defined in general terms in the Company's Articles of Association. The rights and responsibilities of managers, on the other hand, are not included in the Company's Articles of Association. However, these authorities and responsibilities have been defined by the Company's Board of Directors.

## **23. Board of Directors' Principles of Activity**

As mentioned in company's articles of association, Çimsa's Board of Directors consists of five members selected from among its shareholders at its annual General Assembly. As mentioned in the Company's Articles of Association, each member for the Çimsa's Board of Directors is elected for three years at the most. At the end of this time those members whose time has concluded can be reelected. As mentioned in the Company's Articles of Association, the Members of the Board of Directors elect a Vice President to represent the President in his or her absence. The Board of Directors gathers at least once a month (as required by the articles of association) to review the monthly operating results.

The agenda of the Company's Board of Directors Meetings is set by the Company's General Manager. The Financial Affairs Assistant General Manager

assumes the duties of the secretariat and ensures the supply of information to, and the communications of, the members of the Board of Directors.

Çimsa's Board of Directors met twenty times during 2011 and made forty-four decisions.

During the meetings held during 2011, no opinions were expressed in opposition to the decisions made by the Members of the Board of Directors.

While the issues contained in the SPK Corporate Management Principles IV. part 2.17.4. published in 2005 with amendments and additions were being resolved, the actual participation of those Members who did not present any apologies for any of their absences was provided for at the Board of Directors' meetings. Since the Members of the Board of Directors did not have any questions regarding these issues, none have been appended to the record. The Members of the Board of Directors are not entitled to a majority vote or to the right of veto in regard to these decisions.

**24. Prohibition of Transactions and Competition with the Company** During the current period, the Members of the Board of Directors did not perform any activities that should be identified as transaction with, or competition with, the company.

**25. Ethical Rules** The Rules of Business ethics are established and implemented by the company. The rules of business ethics are published on the corporate web site and announced to the public. Employees are informed about these rules through the publication of these rules on the company's internal communication portal, in printed booklets that are distributed to all employees and in training sessions. In addition, at the end of each year, each employee refreshes their knowledge of business ethics through an e-learning program, and they renew their commitment to the rules

of business ethics on the "Business Ethic Compliance Declaration" they fill out and sign.

## **26. The Number, Structure and Independence of the Committees established by the Board of Directors.**

Reporting to the Board of Directors, the Audit Committee is formed from the non-executive members of the Board of Directors. As the Board of Directors of the Company is concerned personally with the Principles of Corporate Compliance, it was not deemed necessary to form any separate committee.

The Members of the Audit Committee are chosen as Committee Members in order to harness their global experiences and their knowledge.

There are no executive or independent members of the Board of Directors.

There have been no conflicts of interest during 2011 due to the committees' member structure.

**27. Financial Benefits Provided to the Board of Directors** According to the Articles of Association, each right, benefit and salary provided to the Members of the Board will be determined by the General Assembly. No dividend for being a member of the Board of Directors, or another payment, was made during 2011.

During 2011, the company did not lend any money to any Member of the Board of Directors; it did not give any loans; it did not allow the use of loans in the name of personal loans through third persons, and it did not give any assurances, such as bailments, in their favor.

# Auditor's Report

## ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. TO THE GENERAL ASSEMBLY OF

### Shareholding

<b>Title</b>	: Çimsa Çimento Sanayi ve Ticaret A.Ş.
<b>Registered Office</b>	: İstanbul
<b>Capital</b>	: 135,084,442 TL
<b>Field of Activity</b>	: Cement Production and Trade

### Auditor's

<b>Name-Surname</b>	: İlker YILDIRIM - Nur ŞENOL
<b>Terms of Office</b>	: Two to three years
<b>Partnership Status</b>	: They are one of the company's partners.

**Number of Meetings of Board of Directors and Audit Committee** : They did not participate in the Board of Directors meetings. The Audit Committee organized four meetings.

**Scope, date and results of the inspection on partnership accounts, books and documents** : An inspection was made in each of June, September and December 2011, and in February of 2012, in accordance with Commercial Law and the Tax Legislation. Nothing was found that needed to be reviewed. All decisions of the company's management were seen to have been registered in the company's records.

**Number and results of the counting at the partnership counter, pursuant to paragraph 353/1-3 of TCC** : The counter countings and records were found to comply with each other.

**Dates and results of the inspection pursuant to paragraph 353/4 of TCC** : It was determined through monthly inspections that all negotiable documents and books are present and that they comply with the company's records.

**Complaints, frauds and transactions associated with these** : No complaints were made.

We inspected the accounts and transactions of ÇİMSA Çimento Sanayi ve Ticaret A.Ş. covering the period from 01 January 2011 to 31 December 2011 in accordance with the Turkish Commercial Code, the Articles of Association of the Partnership, other legislation and in terms of generally accepted accounting principles and standards.

The attached balance sheet issued on 31 December 2011, whose content we accepted according to our comments, reflects the actual financial situation of the partnership at the aforementioned date. The Income Statement for the period from 01 January 2011 to 31 December 2011 reflects the actual activity results for the aforementioned period. The Annual Report is found to be in compliance with reality. In relation to the profit distribution, the suggestion complies with all laws and with the Articles of Association of the Partnership.

We hereby submit our approval of the Balance Sheet, of the Income Statement, and our release of the Board of Directors to your vote.

21 March 2012

### AUDIT COMMITTEE

**İlker YILDIRIM**

**Nur ŞENOL**