

Ak Yatırım Menkul Değerler A.Ş.

**Financial statements together with independent
auditor's report for the year ended
December 31, 2010**

**(Convenience translation of financial statements and auditor's report
originally issued in Turkish, see note 2.F)**

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

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(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

**Independent auditor's report on the financial statements
for the year ended December 31, 2010**

To the Board of Directors of
Ak Yatırım Menkul Değerler A.Ş.

Introduction

We have audited the accompanying financial statements of Ak Yatırım Menkul Değerler A.Ş. ("the Company") which comprise the balance sheet as at December 31, 2010 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Responsibility of the Company management related to the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting standards issued by the Capital Markets Board ("CMB"). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Responsibility of the independent auditor

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Ak Yatırım Menkul Değerler A.Ş. as of December 31, 2010, and of its financial performance and its cash flows for the year then ended in accordance with the financial reporting standards issued by CMB.

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

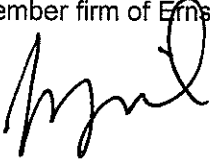
Other matter

The financial statements of the Ak Yatırım Menkul Değerler A.Ş. for the year ended December 31, 2009 prepared in accordance with International Financial Reporting Standards were audited by another auditor who expressed an audit report with an unqualified opinion on those statements on March 5, 2010.

Additional paragraph for convenience translation into English of financial statements originally issued in Turkish

The accounting principles described in Note 2 (defined as Capital Markets Board Financial Reporting Standards) to the accompanying financial statements differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board with respect to the application of inflation accounting which was ceased one year earlier than in IFRS and the presentation of the basic financial statements and the notes to them. Accordingly, the accompanying financial statements are not intended to present the financial position, results of operations and cash flows of the Company in accordance with IFRS.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi
A member firm of Ernst & Young Global Limited

A handwritten signature in black ink, appearing to read 'F. Yücel', written over a faint circular stamp.

Fatma Ebru Yücel, SMMM
Partner

March 4, 2011
İstanbul, Türkiye

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

Balance sheets as of December 31, 2010 and 2009

(Amounts are expressed in Turkish Lira (TRY) unless otherwise stated.)

| | | Audited | Audited |
|---|-------|----------------------|----------------------|
| | Notes | December 31, 2010 | December 31, 2009 |
| Assets | | | |
| Current assets | | | |
| | | 526.556.405 | 409.821.412 |
| Cash and cash equivalents | 3 | 442.574.608 | 324.615.834 |
| Financial investments | 4 | 4.046.059 | 9.169.715 |
| Trade receivables | 6 | 77.961.227 | 75.317.236 |
| Other receivables | 7 | 160.566 | 439.610 |
| Other current assets | 12 | 1.813.945 | 279.017 |
| Non-current assets | | | |
| | | 28.168.774 | 29.333.410 |
| Financial investments | 4 | 1.003.337 | 1.052.832 |
| Property and equipment | 8 | 25.601.344 | 26.721.486 |
| Intangible assets | 9 | 239.852 | 349.429 |
| Deferred tax assets | 19 | 1.324.241 | 1.209.663 |
| Total assets | | | |
| | | 554.725.179 | 439.154.822 |
| Liabilities | | | |
| Current liabilities | | | |
| | | 473.448.172 | 360.993.113 |
| Financial liabilities | 5 | 400.083.603 | 282.794.847 |
| Trade payables | 6 | 69.213.997 | 74.466.388 |
| Provisions | 10 | 414.710 | 1.097.920 |
| Provisions for employee benefits | 11 | 3.050.000 | 1.675.049 |
| Other current liabilities | 12 | 685.862 | 958.909 |
| Non-current liabilities | | | |
| | | 77.078 | 158.210 |
| Provisions for employee benefits | 11 | 77.078 | 158.210 |
| Shareholders' equity | | | |
| | | 81.199.929 | 78.003.499 |
| Share capital | 13 | 30.000.000 | 30.000.000 |
| Adjustment to share capital | 13 | 16.802.123 | 16.802.123 |
| Restricted reserves | 13 | 9.857.986 | 7.803.867 |
| Retained earnings | 13 | 7.333.969 | 170.726 |
| Net income for the period | 13 | 17.205.851 | 23.226.783 |
| Total liabilities and shareholders' equity | | | |
| | | 554.725.179 | 439.154.822 |

The accompanying policies and explanatory notes are an integral part of these financial statements.

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

Statements of comprehensive income for the year ended December 31, 2010 and 2009

(Amounts are expressed in Turkish Lira (TRY) unless otherwise stated.)

| | | Audited | Audited |
|--|-------|-------------------------------------|------------------------------------|
| | Notes | January 1 - December 31, 2010 | January 1- December 31, 2009 |
| Continuing operations | | | |
| Operating revenue | | | |
| Sales | 14 | 1.860.751.897 | 3.131.242.012 |
| Services income | 16 | 24.720.474 | 44.317.963 |
| Deductions from services income (-) | 16 | (1.279.510) | (20.029.413) |
| Cost of sales (-) | 14 | (1.856.876.811) | (3.126.976.328) |
| Interest income from operating activities | 16 | 1 | 1.823.673 |
| Gross operating profit | | 27.316.051 | 30.377.907 |
| Marketing, sales and distribution expenses (-) | 15 | (1.850.593) | (2.929.637) |
| General administrative expenses (-) | 15 | (15.860.370) | (17.542.409) |
| Other operating income | 16 | 2.525.918 | 11.574.812 |
| Other operating expenses (-) | | - | - |
| Operating profit | | 12.131.006 | 21.480.673 |
| Financial income | 17 | 38.100.553 | 24.683.716 |
| Financial expenses (-) | 18 | (28.758.733) | (17.186.716) |
| Profit before tax | | 21.472.826 | 28.977.673 |
| Tax expense (-) | | | |
| Taxes on income (expense) | 19 | (4.381.553) | (4.361.427) |
| Deferred tax income (expense) | 19 | 114.578 | (1.389.463) |
| Net Income for the period | | 17.205.851 | 23.226.783 |
| Other comprehensive income | | - | - |
| Other comprehensive income (After tax) | | - | - |
| Total comprehensive income | | 17.205.851 | 23.226.783 |
| Earnings per Share (Kr) | | 0,57 | 0,48 |

The accompanying policies and explanatory notes are an integral part of these financial statements.

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

Statement of the changes in equity for the year ended December 31, 2010 and 2009
(Amounts are expressed in Turkish Lira (TRY) unless otherwise stated.)

| | Equity | Total equity adjustment | Total paid in capital | Restricted reserves | Retained earnings | Net income for the year | Total equity |
|-------------------------------|--------------|-------------------------|-----------------------|---------------------|-------------------|-------------------------|--------------|
| January 1, 2009 | 50.000.000 | 16.802.123 | 66.802.123 | 6.451.647 | - | 11.866.307 | 85.120.077 |
| Transfer to retained earnings | - | - | - | - | 11.866.307 | (11.866.307) | - |
| Transfer to legal reserves | - | - | - | 1.352.220 | (1.352.220) | - | - |
| Dividend paid | - | - | - | - | (10.343.361) | - | (10.343.361) |
| Capital decrease (Note 13) | (20.000.000) | - | (20.000.000) | - | - | - | (20.000.000) |
| Net income for the year | - | - | - | - | - | 23.226.783 | 23.226.783 |
| December 31, 2009 | 30.000.000 | 16.802.123 | 46.802.123 | 7.803.867 | 170.726 | 23.226.783 | 78.003.499 |
| January 1, 2010 | 30.000.000 | 16.802.123 | 46.802.123 | 7.803.867 | 170.726 | 23.226.783 | 78.003.499 |
| Transfer to retained earnings | - | - | - | - | 23.226.783 | (23.226.783) | - |
| Transfer to legal reserves | - | - | - | 2.054.119 | (2.054.119) | - | - |
| Dividend paid | - | - | - | - | (14.009.421) | - | (14.009.421) |
| Net income for the year | - | - | - | - | - | 17.205.851 | 17.205.851 |
| December 31, 2010 | 30.000.000 | 16.802.123 | 46.802.123 | 9.857.986 | 7.333.969 | 17.205.851 | 81.199.929 |

The accompanying policies and explanatory notes are an integral part of these financial statements.

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

Statement of cash flows for the years ended December 31, 2010 and 2009
(Amounts are expressed in Turkish Lira (TRY) unless otherwise stated.)

| | Notes | December 31, 2010 | December 31, 2009 |
|---|--------|----------------------|----------------------|
| Cash flows from operating activities: | | | |
| Net income for the year | | 17.205.851 | 23.226.783 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | |
| Depreciation and amortisation | 8, 9 | 1.285.521 | 1.374.632 |
| Provision for employment termination benefits | 11 | (65.933) | 191.943 |
| Provision for personnel bonus, unused vacation and personnel case | 10, 11 | 3.465.171 | 2.772.969 |
| Provision for income taxes | 19 | 4.266.975 | 5.750.890 |
| Interest income, net | | (11.328.826) | (11.664.644) |
| Interest paid | | (26.538.570) | (14.519.616) |
| Interest received | | 38.373.862 | 26.982.084 |
| Impairment of leasehold improvements | | - | - |
| Cancellation of provision for impairment of property and equipment | | - | (8.313.554) |
| Sales expense / (income) of property and equipment | | 248 | 179.080 |
| Operating profit before changes in operating assets and liabilities: | | 26.664.299 | 25.980.567 |
| Net decrease / (increase) in securities) | | 3.289.910 | 12.670.217 |
| Net (increase) / decrease in receivables from commercial and credited customers | | (2.643.991) | (16.619.979) |
| Net decrease / (increase) in other assets and prepayments | | 251.969 | 1.513.540 |
| Net increase in other liabilities | | 114.240.067 | 93.981.762 |
| Income taxes paid | 19 | (5.889.406) | (4.361.427) |
| Employment termination benefits paid | 11 | (15.199) | (366.284) |
| Net decrease / (increase) in trade payables | | (5.252.391) | 29.031.557 |
| Net cash provided by operating activities | | 130.645.258 | 141.829.953 |
| Cash flows from investing activities: | | | |
| Sale of property and equipment | | 10.809 | 276.979 |
| Capital returns of financial assets ready for sale | | 49.495 | - |
| Purchase of property and equipment | 8 | (36.288) | (153.941) |
| Purchase of intangible assets, net | 9 | (30.571) | (33.911) |
| Net cash provided from / (used in) investing activities | | (6.555) | 89.127 |
| Cash flows from in financing activities: | | | |
| Net (decrease) / increase in financial debts | | 2.212 | (107.367) |
| Dividend paid | | (14.009.421) | (10.343.361) |
| Capital decrease | | - | (20.000.000) |
| Net cash used in financing activities | | (14.007.209) | (30.450.728) |
| Net increase in cash and cash equivalents | | 116.631.494 | 111.468.352 |
| Cash and cash equivalents at the beginning of the year | | 323.641.375 | 212.173.023 |
| Cash and cash equivalents at the end of year | 3 | 440.272.869 | 323.641.375 |

The accompanying policies and explanatory notes are an integral part of these financial statements.

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

**Convenience translation into English of
notes to the financial statements at December 31, 2010
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)**

1. Principal activities and organization

Ak Yatırım Menkul Değerler A.Ş. ("the Company") was incorporated on 11 December 1996 in accordance with the Capital Markets Law and other related regulations to perform capital market operations.

The Company: acts as an intermediary for initial public offerings or as an intermediary for the sale and purchase of equity securities previously offered to the public; offers individual portfolio management services; acts as an intermediary for the sale and purchase of derivative instruments; engages in repurchase agreement and reverse repurchase agreement transactions; and renders portfolio management services by obtaining the necessary licences from the Capital Markets Board of Turkey which grants the permission to conduct each operation.

The Company transferred domestic individual customer accounts to Akbank T.A.Ş.. After the transfer domestic individual customer accounts' operations are carried by Akbank T.A.Ş. Private Banking Branches, Akbank T.A.Ş. Treasury and Capital Market Transactions Department and Akbank T.A.Ş. branches.

As disclosed in Note 13, following the decision of the Company's Board of Directors on 6 April 2009, as a result of the capital remained excess according to remaining operations' size after the transfer of domestic sales and marketing operations to Akbank, capital of the Company is decreased from TL 50,000,000 to TL 30,000,000 upon Capital Market Board's 20 July 2009 dated permission and decreased capital is distributed to shareholders' according to their shares.

As of December 31, 2010, the number of employees was 46 (December 31, 2009: 60). The address of the headquarters and registered office of the Company is İnönü Caddesi, No: 42 Gümüşsuyu 34437 Taksim - Istanbul, Turkey.

The Company's financial statements for the period ended December 31, 2010 have been approved by the Company's Board of Directors on March 4, 2011. The General Assembly and the regulated bodies have the right to amend the financial statements within the legal framework.

2. Basis of presentation of financial statements

A. Basis of presentation

(a) Accounting standards

The Capital Markets Board of Turkey ("CMB") regulated the principles and procedures of preparation, presentation and announcement of financial statements prepared by the entities with the Communiqué Serial XI No. 29, "Principles of Financial Reporting in Capital Markets" ("the Communiqué"). According to the Communiqué, entities shall prepare their financial statements in accordance with International Financial Reporting Standards ("IAS/IFRS") endorsed by the European Union. Until the differences of the IAS/IFRS as endorsed by the European Union from the ones issued by the International Accounting Standards Board ("IASB") are announced by Turkish Accounting Standards Board ("TASB"), IAS/IFRS issued by the IASB shall be applied. Accordingly, Turkish Accounting Standards/Turkish Financial Reporting Standards ("TAS/TFRS") issued by the TASB which are in line with the aforementioned standards shall be considered.

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

**Convenience translation into English of
notes to the financial statements at December 31, 2010 (continued)**
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. Basis of presentation of financial statements (continued)

As the differences of the IAS/IFRS endorsed by the European Union from the ones issued by the IASB have not been announced by TASB as of the date of preparation of these financial statements, the financial statements have been prepared within the framework of Communiqué Serial XI No. 29 and related promulgations to this Communiqué as issued by the CMB in accordance with the accounting and reporting principles accepted by the CMB ("CMB Financial Reporting Standards") which are based on IAS/IFRS. The financial statements and the related notes to them are presented in accordance with the formats required by the CMB announced at 17th April, 2008 including the compulsory disclosures. Accordingly, required reclassifications have been made in the comparative financial statements (Please refer to note 2.d).

These financial statements, except for financial assets and liabilities expressed at fair values, are based on the statutory records, which are maintained under historical cost conversion, with the required adjustments and reclassifications reflected within the framework of Communiqué Serial XI No. 29 "Financial Reporting Standards in the Capital Markets" and in TL.

(b) Adoption of new and revised standards

In the current year, the Company has adopted all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board ("the IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB that are relevant to its operations and effective for accounting periods beginning on January 1, 2010. The adoption of these new and amended Standards and Interpretations has not resulted in any significant changes to the Company's accounting policies:

- IFRIC 17 Distributions of Non-cash Assets to Owners
- IAS 39 Financial Instruments: Recognition and Measurement (Amended) – eligible hedged items
- IFRS 2 Group Cash-settled Share-based Payment Transactions (Amended)
- IFRS 3 Business Combinations (Revised) and IAS 27 Consolidated and Separate Financial Statements (Amended)
- Improvements to IFRSs (May 2008) All amendments issued are effective as at December 31, 2009, apart from the following: IFRS 5 Non-current Assets Held for Sale and Discontinued Operations: clarifies when a subsidiary is classified as held for sale, all its assets and liabilities are classified as held for sale, even when the entity retains a non-controlling interest after the sale transaction. The amendment is applied prospectively.
- Improvements to IFRSs (April 2009)

Such standards and interpretations did not have any effect on the Company's financial statements and operations.

IFRIC 17 Distributions of Non-Cash Assets to Owners

The interpretation provides guidance on how to account for non-cash distributions to owners. The interpretation clarifies when to recognize a liability, how to measure it and the associated assets, and when to derecognize the asset and liability

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

**Convenience translation into English of
notes to the financial statements at December 31, 2010 (continued)**
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. Basis of presentation of financial statements (continued)

IAS 39 Financial Instruments: Recognition and Measurement (Amended) – eligible hedged items:

The amendment clarifies that an entity is permitted to designate a portion of the fair value changes or cash flow variability of a financial instrument as hedged item. This also covers the designation of inflation as a hedged risk or portion in particular situations.

IFRS 2 Group Cash-settled Share-based Payment Transactions (Amended)

This amendment clarifies the accounting for group cash-settled share-based payment transactions and how such transactions should be arranged in the individual financial statements of the subsidiary.

IFRS 3 Business Combinations (Revised) and IAS 27 Consolidated and Separate Financial Statements (Amended)

The revised IFRS 3 introduces a number of changes in the accounting for business combinations which will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. Such changes include the expensing of acquisition-related costs and recognising subsequent changes in fair value of contingent consideration in the profit or loss (rather than by adjusting goodwill). The amended IAS 27 requires that a change in ownership interest of a subsidiary is accounted for as an equity transaction. Therefore such a change will have no impact on goodwill, nor will it give rise to a gain or loss. Furthermore the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary.

Amendments resulting from improvements to IFRSs (April 2009) to the following standards which had or did not have an effect on the accounting policies, financial position or performance of the Company.

- IFRS 2 Share-based Payment
- IFRS 5 Non-current Assets Held for Sale and Discontinued Operations
- IFRS 8 Operating Segment Information
- IAS 1 Presentation of Financial Statements
- IAS 7 Statement of Cash Flows
- IAS 17 Leases
- IAS 18 Revenue
- IAS 36 Impairment of Assets
- IAS 38 Intangible Assets
- IAS 39 Financial Instruments: Recognition and Measurement
- IFRIC 9 Reassessment of Embedded Derivatives
- IFRIC 16 Hedges of a Net Investment in a Foreign Operation

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

Convenience translation into English of
notes to the financial statements at December 31, 2010 (continued)
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. Basis of presentation of financial statements (continued)

Standards issued but not yet effective and not early adopted

- **IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments**

The interpretation is effective for annual periods beginning on or after July 1, 2010. This interpretation addresses the accounting treatment when there is a renegotiation between the entity and the creditor regarding the terms of a financial liability and the creditor agrees to accept the entity's equity instruments to settle the financial liability fully or partially. IFRIC 19 clarifies such equity instruments are "consideration paid" in accordance with paragraph 41 of IAS 39. As a result, the financial liability is derecognized and the equity instruments issued are treated as consideration paid to extinguish that financial liability. The Company does not expect that the amendment will have impact on the financial position or performance of the Company.

- **IFRIC 14 Prepayments of a Minimum Funding Requirement (Amended)**

The amendment is effective for annual periods beginning on or after January 1, 2011. The purpose of this amendment was to permit entities to recognize as an asset some voluntary prepayments for minimum funding contributions. Earlier application is permitted and must be applied retrospectively. The Company does not expect that the amendment will have impact on the financial position or performance of the Company

- **IFRS 9 Financial Instruments – Phase 1 financial assets and liabilities, classification and measurement**

The new standard is effective for annual periods beginning on or after January 1, 2013. Phase 1 of this new IFRS introduces new requirements for classifying and measuring financial assets and liabilities. Early adoption is permitted. The Company is in the process of assessing the impact of the new standard on the financial position and performance of the Company.

- **IAS 32 Classification on Rights Issues (Amended)**

The amendment is effective for annual periods beginning on or after February 1, 2010. This amendment relates to the rights issues offered for a fixed amount of foreign currency which were treated as derivative liabilities by the existing standard. The amendment states that if certain criteria are met, these should be classified as equity regardless of the currency in which the exercise price is denominated. The amendment is to be applied retrospectively. The Company does not expect that the amendment will have impact on the financial position or performance of the Company.

- **IAS 24 Related Party Disclosures (Revised)**

The revision is effective for annual periods beginning on or after January 1, 2011. This revision relates to the judgment which is required so as to assess whether a government and entities known to the reporting entity to be under the control of that government are considered a single customer. In assessing this, the reporting entity shall consider the extent of economic integration between those entities. Early application is permitted and adoption shall be applied retrospectively. The Company does not expect that the amendment will have impact on the financial position or performance of the Company.

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

**Convenience translation into English of
notes to the financial statements at December 31, 2010 (continued)**
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. Basis of presentation of financial statements (continued)

In May 2010 the IASB issued its third omnibus of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording. The effective dates of the improvements are various and the earliest is for the financial years beginning July 1, 2010. Early application is permitted in all. Improvement project has not been approved yet by the European Union. The company doesn't expect to have an impact on the financial position or performance of amendments.

- **IFRS 3 Business Combinations**, effective for annual periods beginning on or after July 1, 2010
- **IFRS 7 Financial Instruments: Disclosures**, effective for annual periods beginning on or after January 1, 2011
- **IFRS 1 First-time adoption**, effective for annual periods beginning on or after January 1, 2011.
- **IAS 27 Consolidated and Separate Financial Statements**, effective for annual periods beginning on or after July 1, 2010
- **IAS 34 Interim Financial Reporting**, effective for annual periods beginning on or after January 1, 2011
- **IFRIC 13 Customer Loyalty Programmes**, effective for annual periods beginning on or after January 1, 2011
- **IFRS 7 Financial Instruments: Disclosures as part of its comprehensive review of off balance sheet activities (Amended)** The amendment is effective for annual periods beginning on or after July 1, 2011
- **IAS 12 Income Taxes: Recovery of Underlying Assets (Amended)** The amendment is effective for annual periods beginning on or after January 1, 2012.

(c) Comparative figures and the reclassification to the financial statements of the prior period

The Company complies with the principles and articles of valid commercial laws and regulations and Communiqués announced by CMB in the accounting records and the preparation of the financial statements.

In order to determine the financial status and performance trends, the financial statements of the Company have been prepared in comparison with the financial statements of previous periods. The Company prepared its balance sheet as of December 31, 2010 in comparison with the balance sheet prepared as of December 31, 2009; prepared the statement of income, statement of changes in shareholders' equity and cash flow statement between January 1 - December 31, 2010 in comparison with January 1 - December 31, 2009. Reclassifications are made on comparative figures to conform to changes in presentation of the financial statements in the current period.

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

Convenience translation into English of
notes to the financial statements at December 31, 2010 (continued)
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. Basis of presentation of financial statements (continued)

Expenses amounting to total of TL 955.260 classified under deductions from services income, TL 280.082 of money market commission, Turkdex exchange fee and Securities L/B Market commission is classified to marketing, sales and distribution expenses and the remaining guarantee letter commission amounting to TL 675.178 is classified to financial expenses.

TL 53.057 of entertainment expenses classied under general administrative expenses is classified into marketing, sales and distribution expenses.

(d) Functional currency

Functional and presentation currency of the Company is Turkish Lira (TL).

(e) Offsetting

Financial assets and liabilities are offset and the net amount reported in the financial statements when there is a legally enforceable right to set-off the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

B. Changes in accounting policies and the errors

Significant changes in accounting policies or material errors are corrected, retrospectively; by restating the prior period financial statements.

C. Restatement and the errors in the accounting estimates

The effect of changes in accounting estimates affecting the current period is recognized in the current period; the effect of changes in accounting estimates affecting current and future periods is recognized in the current and future periods. The accounting estimates are not changed for the January 1 - December 31, 2010 period.

D. Summary of significant accounting policies

The significant accounting policies followed in the preparation of these financial statements are summarized below:

(a) Fee, Commission and Interest Income/Expense

(i) Fee and commission income and expenses

Fees and commissions are recorded as income or expense at the time the transactions to which they relate are made. Furthermore fund management, investment consulting fees, intermediary commissions and portfolio management commissions are recognized on an accrual basis.

(ii) Interest income and expense

Interest income and expenses are recognized in the income statement in the period to which they relate on an accrual basis. Interest income includes coupons earned on fixed income investment securities and amortization of discounts on government bonds.

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

**Convenience translation into English of
notes to the financial statements at December 31, 2010 (continued)**
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. Basis of presentation of financial statements (continued)

(b) Property and equipment

All property and equipment are carried at cost less depreciation (Note 8).

Depreciation is calculated on the restated amounts of property and equipment using the straight-line method to write-off the restated cost of each asset to its residual value over its estimated useful life as follows:

| | |
|------------------------|----------|
| Buildings | 50 years |
| Furniture and fixtures | 5 years |
| Motor vehicles | 5 years |
| Leasehold improvements | 5 years |

Expenditures for the repair and renewal of property and equipment are recognized as expense. The capital expenditures incurred in order to increase the capacity of the tangible asset or to increase the future benefit of the asset are capitalized on the cost of the tangible asset. Capital expenditures include the cost components that increase the useful life, or the capacity of the asset, increase the quality of the product or decrease the costs.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Company assesses at the end of each reporting period whether there is any indication that an impairment loss recognised in prior periods for an asset may no longer exist or may have decreased. If any such indication exists, the Company estimate the recoverable amount of that asset and book value of the asset is increased to reestimated recoverable amount and impairment provision is reversed through income statement. Increased book value of the asset due to reversal of impairment loss, can not exceed the book value that may be realized if impairment loss is not recognized for the asset in prior periods.

Gains and losses on the disposal of premises and equipment are determined in reference to their carrying amounts and are taken into account in determining operating profit and they are reflected to related income and expense accounts in the current period.

(c) Intangible assets

Intangible assets comprise acquired intellectual property and computer software. They are recorded at acquisition cost and amortised on a straight-line basis over their estimated economic lives for a period not exceeding five years from the date of acquisition (Note 9).

Where an indication of impairment exists, the carrying amount of any intangible asset is assessed and written down immediately to its recoverable amount.

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

**Convenience translation into English of
notes to the financial statements at December 31, 2010 (continued)
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)**

2. Basis of presentation of financial statements (continued)

(d) Financial instruments

(i) Trading securities

Trading securities are securities which were either acquired for generating a profit from short-term fluctuations in price or a dealer's margin, or are securities included in a portfolio in which a pattern of short-term profit making exists.

Trading securities are initially recognized at cost and are subsequently re-measured at fair value based on quoted bid prices. After, trading securities are valued at current market value.

In assessing the fair value of the trading securities, the best bid price as of the balance sheet date is used.

All regular way purchases and sales of trading securities are recognised at the settlement date, which is the date that the asset is delivered to/from the Company.

Profit and loss due to the changes in fair value of trading securities is included into "Other income and expenses" in the income statement. Interest and other income from trading securities is also included into "Other income" in the income statement.

Trading securities are recorded and derecognized at the transaction date.

(ii) Investment securities

Investment securities are classified into the following two categories: held-to-maturity and available-for-sale assets.

Investment securities intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, exchange rates or equity prices, are classified as available-for-sale. Management determines the appropriate classification of its investments at the time of the purchase.

Available-for-sale securities are initially recognised at cost. Available-for-sale investment debt and equity securities are subsequently remeasured at fair value based on quoted bid prices, or amounts derived from cash flow models. Unrealised gains and losses arising from changes in the fair value of securities classified as available-for-sale are recognised in the shareholders' equity, unless there is a permanent decline in the fair values of such assets, in which case they are charged to the income statement. When the securities are disposed of or impaired, the related accumulated fair value adjustments are transferred to the income statement.

Investment securities with fixed maturity where management has both the intent and the ability to hold to maturity are classified as held-to-maturity. Held-to-maturity investments are carried at amortised cost using the effective yield method, less any provision for impairment.

Interest earned while holding investment securities is reported as interest income. The dividends receivable is included separately in dividend income.

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

**Convenience translation into English of
notes to the financial statements at December 31, 2010 (continued)
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)**

2. Basis of presentation of financial statements (continued)

Investment securities that are recognised at the settlement date, which is the date.

Available for sale financial instruments whose fair values can not be determined reliably and that are not operating in organized markets are carried in financial statements with their historic costs deducting impairment loss, if any.

(iii) Sale and repurchase agreements

Securities sold under sale and repurchase agreements ("repos") are retained in the financial statements and the counterparty liability is recorded as due to customers. Securities purchased under agreements to resell ("reverse repos") are recorded as reverse repo receivables on the cash and due from banks account, together with the difference between the sale and repurchase price, which is accrued evenly over the life of the agreement using the effective field method.

(iv) Originated loans and provisions for loan impairment

Loans originated by the Company by providing money directly to the borrower or to a sub-participation agent at draw down are categorised as loans originated by the Company and are carried at amortised cost. All originated loans are recognised when cash is advanced to borrowers.

The Company grants margin trading loans to its customers for equity share transactions.

A credit risk provision for loan impairment is established if there is objective evidence that the Company will not be able to collect all amounts due. The amount of the provision is the difference between the carrying amount and recoverable amount, being the present value of expected cash flows, including the amount recoverable from guarantees and collateral, discounted based on the interest rate at inception.

(e) Foreign exchange transactions

Transactions denominated in foreign currencies are accounted for at the exchange rates prevailing at the date of the transactions. The foreign currency denominated monetary assets and liabilities are translated with the buy exchange rates declared by the Central Bank of the Republic of Turkey. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

(f) Borrowing costs

If an asset needs to be classified as construction-in-progress for a significant time, in order to be available for sale or available to use, borrowing costs related to the purchase and additional construction expenses are capitalized within the cost of asset. If there is an investment income related to the unconsumed part of the loans, it will be deducted from the capitalized interest expense.

All other finance expenses will be expensed during the period incurred.

(g) Subsequent events

Subsequent events cover any events which arise between the reporting date and the balance sheet date, even if they occurred after any declaration of the net profit for the period or specific financial information publicly disclosed. The Company adjusts its financial statements if such subsequent events arise which require an adjustment to the financial statements.

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

**Convenience translation into English of
notes to the financial statements at December 31, 2010 (continued)
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)**

2. Basis of presentation of financial statements (continued)

(h) Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Possible assets or obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company are not included in the financial statements and treated as "contingent assets or liabilities" (Note 10).

(i) Finance leases - as lessee

Assets acquired under finance lease agreements are capitalised at the inception of the lease at the fair value of the leased asset. Leased assets are included in the property and equipment and depreciation on the leased asset is charged to income on a straight-line basis over the useful life of the asset. Interest and financial expenses related with Financial leasing is included in income statements. The total payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

(j) Related parties

For the purpose of these financial statements, direct and indirect shareholders, key management personnel and board members within the Hacı Ömer Sabancı Holding A.Ş. Group are considered and referred to as related parties. A number of transactions were entered into with related parties in the normal course of business (Note 20).

(k) Corporate and deferred taxes

Corporate tax

Corporate tax is calculated according to the Tax Procedural Law, and tax expenses except corporate tax are recognised in operating expenses (Note 19).

Corporate tax is subject to offsetting when a legal right exists about netting off the current tax assets / liabilities or when they are related to the corporate tax collected by the same tax regulator.

Deferred income taxes

Deferred income tax is provided, using the liability method, for all temporary differences arising between the tax base of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred income taxes.

The significant temporary differences result from the impairment on property and equipment, personnel bonus provision, difference between the carrying value and tax base of property and equipment, and employment termination benefits.

Deferred tax liabilities are recognised for all taxable temporary differences, whereas deferred tax assets resulting from deductible temporary differences are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilised (Note 19).

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

**Convenience translation into English of
notes to the financial statements at December 31, 2010 (continued)**
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. Basis of presentation of financial statements (continued)

(l) Employment termination benefits

The Company accounts for employee termination benefits, vacation rights and other benefits to employees in accordance with "International Accounting Standard for Employee Rights" ("IAS 19") and they are classified under "provision for employment termination benefits" and "other current liabilities" accounts in the balance sheet respectively.

Under Turkish Labour Law, the Company is required to pay a specific amount to the employees who have retired or whose employment is terminated other than for the reasons specified in the Turkish Labour Law. The reserve for employment termination benefits represents the present value of the estimated total reserve for the future probable obligation of the Company arising from this liability regarding the actuarial projections and reflected to financial statements (Note 11).

The Company have to pay contribution to Social Security Association on behalf of the employees in the amounts determined by law. These contributions are expensed when they are accrued.

(m) Reporting of cash flows

For the purposes of the cash flow statement, cash and cash equivalents include cash and due from banks with maturities shorter than three months excluding accrued interest and reverse repo (Note 3).

(n) Share capital and dividends

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

(o) Turkey Derivatives Exchange ("TURKDEX") Transactions

Cash guarantees given to perform transactions in the TURKDEX market are classified as trade receivables. Gains and losses arising as a result of transactions within the period are classified as other operating income. The valuation differences that are reflected to the income statements as a result of valuating the open transactions on the basis of market prices are classified under the trade receivables after offsetting them with the commissions paid and interest income due to the accretion of remaining guarantees.

E. Significant accounting estimates and assumptions

Preparation of financial statements requires the usage of estimations and assumptions which may affect the reported amounts of assets and liabilities as of the balance sheet date, disclosure of contingent assets and liabilities and reported amounts of income and expenses during financial period. Although the estimations and assumptions are based on the best estimates of the management's existing incidents and operations, they may differ from the actual results. Significant accounting evaluations, estimates and assumptions which must be specified separately are explained in the related notes.

F. Convenience translation into English of financial statements originally issued in Turkish

The accounting principles described in Note 2A (defined as 'CMB Financial Reporting Standards') to the accompanying financial statements differ from IFRS issued by the International Accounting Standards Board with respect to the application of inflation accounting for the period between January 1, and December 31, 2005 and presentation of the basic financial statements and the notes to them. Accordingly, these financial statements are not intended to present the financial position and results of operations in accordance with IFRS.

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

Convenience translation into English of
notes to the financial statements at December 31, 2010 (continued)
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

3. Cash and cash equivalents

| | December 31, 2010 | December 31, 2009 |
|-----------------|------------------------------|----------------------|
| Demand deposits | 206.445 | 6.141.375 |
| Time deposits | 439.301.143 | 300.971.220 |
| Reverse repo | 3.067.020 | 17.503.239 |
| | 442.574.608 | 324.615.834 |

Cash and cash equivalents included in the statements of cash flows for the year ended December 31, 2010 and 2009 are as follows:

| | December 31, 2010 | December 31, 2009 |
|-----------------|------------------------------|----------------------|
| Demand deposits | 206.445 | 6.141.375 |
| Time deposits | 437.000.000 | 300.000.000 |
| Reverse repo | 3.066.424 | 17.500.000 |
| | 440.272.869 | 323.641.375 |

Maturity of the time deposits is less than 1.5 months and the average interest rate is %9,06.

4. Financial investments

a) Current assets

| | December 31, 2010 | December 31, 2009 |
|-------------------------------------|------------------------------|----------------------|
| Trading securities | | |
| Government bonds and treasury bills | 892.301 | 7.466.796 |
| Investment funds | - | 1.327.006 |
| Equity securities (listed) | 3.153.758 | 375.913 |
| | 4.046.059 | 9.169.715 |

Securities in the amount of TL 879.753 (December 31, 2009: TL 7.458.102) with a nominal value of TL 860.220 (December 31, 2009: TL 7.372.207) have been pledged at Takasbank A.Ş. as collateral at December 31, 2010.

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

Convenience translation into English of
notes to the financial statements at December 31, 2010 (continued)
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

4. Financial investments (continued)

b) Non-current assets

| | December 31, 2010 | December 31, 2009 |
|---------------------------|------------------------------|----------------------|
| Trading securities | | |
| Common stocks | 1.003.337 | 1.052.832 |
| | 1.003.337 | 1.052.832 |

When the securities are disposed of or impaired, the related accumulated fair value adjustments are transferred to the income statement.

Non-listed equity securities at December 31, 2010 and 2009 are as follows:

| | Share % | December 31, 2010 | December 31, 2009 |
|---|----------------|------------------------------|----------------------|
| Tursa Sabancı Turizm ve Yatırım İşletmeleri A.Ş. | 0,48 | 1.000.000 | 1.000.000 |
| Gelişen Bilgi Teknolojileri A.Ş. | 1,00 | 505 | 50.000 |
| Ak Finansal Kiralama A.Ş. | 0,002 | 2.804 | 2.804 |
| Ak Portföy Yönetimi A.Ş. | 0,001 | 28 | 28 |
| | | 1.003.337 | 1.052.832 |

5. Financial liabilities

| | December 31, 2010 | December 31, 2009 |
|--------------------------------|------------------------------|----------------------|
| Exchange money market payables | 400.004.543 | 282.717.999 |
| Bank loan | 79.060 | 76.848 |
| | 400.083.603 | 282.794.847 |

The payables to exchange money market has an average maturity of 46 days and the average interest rate is %7,27. Bank loans and tax payables are interest free liabilities.

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

Convenience translation into English of
notes to the financial statements at December 31, 2010 (continued)
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

6. Trade receivables and payables

Short-term trade receivables:

| | December 31, 2010 | December 31, 2009 |
|---|------------------------------|------------------------------|
| Receivables from customers | 71.581.791 | 41.160.015 |
| Receivables from exchange and keeping | - | 32.110.475 |
| Receivables from Turkish Derivatives Exchange | 1.298.241 | 1.399.586 |
| Deposits and Guarantees given | 4.487.330 | 647.160 |
| Receivables from consultancy | 593.865 | - |
| Doubtful trade receivables | 9.500 | 9.500 |
| Provision for doubtful trade receivables | (9.500) | (9.500) |
| | 77.961.227 | 75.317.236 |

The Company has terminated giving guarantees against receivables margin trading customers as of December 31, 2010. As of December 31, 2010, the Company does not hold stocks traded on the stock exchange, which have been given as guarantees against receivables from customers (December 31, 2009 - None).

Short-term trade payables:

| | December 31, 2010 | December 31, 2009 |
|---------------------------------|------------------------------|------------------------------|
| Payable to customers | 62.114.276 | 74.054.790 |
| Payable to suppliers | 124.404 | 348.991 |
| Payable to exchange and keeping | 6.405.668 | - |
| Other | 569.649 | 62.607 |
| | 69.213.997 | 74.466.388 |

7. Other receivables and payables

Other short-term receivables

| | December 31, 2010 | December 31, 2009 |
|--|------------------------------|------------------------------|
| Guarantees given to Turkish Derivatives Exchange | - | 23.100 |
| Other | 160.566 | 416.510 |
| | 160.566 | 439.610 |

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

**Convenience translation into English of
notes to the financial statements at December 31, 2010 (continued)**
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

8. Property and equipment

| | Buildings | Motor vehicles | Furniture and fixtures | Construction in progress | Leasehold improvement | Total |
|--|-------------------|-------------------|---------------------------|-----------------------------|--------------------------|-------------------|
| Net book value, January 1 2010 | 26.400.000 | - | 321.486 | - | - | 26.721.486 |
| Addition | - | - | 36.288 | 12.817 | - | 49.105 |
| Transfers | - | - | - | (12.817) | - | (12.817) |
| Disposals | - | - | (333.602) | - | - | (333.602) |
| Disposals (depreciation) | - | - | 322.545 | - | - | 322.545 |
| Accumulated depreciation | (978.041) | - | (167.332) | - | - | (1.145.373) |
| Net book value, December 31, 2010 | 25.421.959 | - | 179.385 | - | - | 25.601.344 |
| December 31, 2010 | | | | | | |
| Cost, net of impairment | 31.016.893 | - | 3.990.450 | - | - | 35.007.343 |
| Accumulated depreciation | (5.594.934) | - | (3.811.065) | - | - | (9.405.999) |
| Net book value | 25.421.959 | - | 179.385 | - | - | 25.601.344 |
| Net book value, January 1 2009 | 18.852.931 | 12.273 | 1.058.036 | - | - | 19.923.240 |
| Addition | - | - | 153.941 | - | - | 153.941 |
| Disposals | - | (54.278) | (2.085.630) | - | (821.683) | (2.961.591) |
| Disposals (depreciation) | - | 46.528 | 1.637.929 | - | 677.365 | 2.361.822 |
| Accumulated depreciation | (766.485) | (4.523) | (442.790) | - | - | (1.213.798) |
| Cancellation of impairment (Note 16) | 8.313.554 | - | - | - | 144.318 | 8.457.872 |
| Net book value, December 31, 2009 | 26.400.000 | - | 321.486 | - | - | 26.721.486 |
| December 31, 2009 | | | | | | |
| Cost, net of impairment | 31.016.893 | - | 4.287.764 | - | - | 35.304.657 |
| Accumulated depreciation | (4.616.893) | - | (3.966.278) | - | - | (8.583.171) |
| Net book value | 26.400.000 | - | 321.486 | - | - | 26.721.486 |

The impairment on buildings relates to the decrease in the value of the building used as the head office of the Company. As of December 31, 2010 the Company, reversed TL 8.313.554 of impairment provision of TL 19.629.733 in the current year, considering the value determined with 29 December 2009 dated expert opinion. As of December 31, 2008 the impairment on leasehold improvement relates to the branches which are transferred to Akbank T.A.Ş. / closed. The recoverable amount of the impaired building represents the estimated selling price determined by reference to the market price.

As of December 31, 2010 and December 31, 2009, there are no mortgages on property, plant and equipment.

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

Convenience translation into English of
notes to the financial statements at December 31, 2010 (continued)
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

9. Intangible assets

December 31, 2010

| | Computer software |
|--------------------------------|------------------------------|
| Net book value, January 1 2010 | 349.429 |
| Additions | 17.754 |
| Transfers | 12.817 |
| Disposals, net | - |
| Amortisation charge | (140.148) |
| Net book value | 239.852 |

December 31, 2010

| | |
|--------------------------|----------------|
| Cost | 1.467.118 |
| Accumulated amortization | (1.227.266) |
| Net book value | 239.852 |

December 31, 2009

| | |
|--------------------------------|----------------|
| Net book value, January 1 2009 | 476.959 |
| Additions | 33.911 |
| Transfers | - |
| Disposals, net | (607) |
| Amortisation charge | (160.834) |
| Net book value | 349.429 |

December 31, 2009

| | |
|--------------------------|----------------|
| Cost | 1.436.547 |
| Accumulated amortization | (1.087.118) |
| Net book value | 349.429 |

10. Provisions, commitments and contingent

| | December 31, 2010 | December 31, 2009 |
|----------------------------------|------------------------------|----------------------|
| (a) Short-term provisions | | |
| Provision for personnel cases | 414.710 | 1.097.920 |
| | 414.710 | 1.097.920 |

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

**Convenience translation into English of
notes to the financial statements at December 31, 2010 (continued)**
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

10. Provisions, commitments and contingent (continued)

| | December 31, 2010 | December 31, 2009 |
|----------------------------|------------------------------|----------------------|
| January 1 | 1.097.920 | 115.600 |
| Payments during the period | (1.250.889) | (85.095) |
| Charge for the period | 567.679 | 1.067.415 |
| December 31, | 414.710 | 1.097.920 |

(b) Letters of credit given:

The letters of credit given to third parties are as follows:

| | December 31, 2010 | December 31, 2009 |
|--------------------------------------|------------------------------|----------------------|
| ISE exchange and keeping bank | 414.840.000 | 278.934.000 |
| Istanbul stock exchange | 11.100.000 | 2.400.000 |
| Üsküdar 4th execution administration | - | 214.329 |
| Privatization administration | 5.700 | 5.700 |
| Central Bank of Turkish Republic | 1.800 | 1.800 |
| | 425.947.500 | 281.555.829 |

The sum of foreign currency guarantees given to third parties is USD 68.105.000 and they were given to Takas ve Saklama Bankası A.Ş.(December 31, 2009 : USD 68.105.000).

(c) TURKDEX transactions

As of December 31, 2010, the Company didn't take any position regarding to TURKDEX transactions (December 31, 2009 : The Company had 33 short positions from 111F_IX0300210 contract regarding to TURKDEX transactions).

As of December 31, 2010, the Company guarantees which are classified under other receivables given regarding to TURKDEX transactions (December 31, 2009 - TL 23.100).

As of December 31, 2010, cash guarantees given regarding to TURKDEX transactions amounts to TL 41.373 (December 31, 2009 - TL 154.367).

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

**Convenience translation into English of
notes to the financial statements at December 31, 2010 (continued)**
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

10. Provisions, commitments and contingent (continued)

(d) Custodian services/Other

As at December 31, 2010, the nominal value of Treasury bills, government bonds and stocks kept as trust in custody in the name of the customers is TL 91.348, TL 909.871.521, TL 67.114 respectively (December 31, 2009: TL 0, TL 4.800.424.125, TL 9.022.937).

As of December 31, 2010, the return value of repo / reverse repo transactions on behalf of customers at maturity date is TL 83.615 (December 31, 2009 - None).

(e) Legal disputes

As at December 31, 2010, legal disputes against the Company amount to TL583.418 (December 31, 2009: TL 1.712.050). Provision amounting to TL 414.710 has been booked regarding the cases (December 31, 2009: TL 1.097.920).

11. Employee benefits

| | December 31, 2010 | December 31, 2009 |
|---|------------------------------|----------------------|
| Provision for short-term employment benefits | | |
| Provision for personnel bonus | 2.500.000 | 1.500.000 |
| Provision for unused vacation | 550.000 | 175.049 |
| | 3.050.000 | 1.675.049 |
| <hr/> | | |
| | December 31, 2010 | December 31, 2009 |
| Provision for long-term employment benefits | | |
| Provision for employment termination benefits | 77.078 | 158.210 |
| | 77.078 | 158.210 |

The provision for employment termination benefits is reserved in line with the explanations below:

Under the Turkish Labour Law, the Company is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, is called up for military service, dies or who retires after completing 25 years of service (20 years for women) and reaches the retirement age (58 for women and 60 for men). Since the legislation was changed on 23 May 2002, there are certain transitional provisions relating to length of service prior to retirement. The amount payable consists of one month's salary limited to a maximum of TL 2.517,01 (December 31, 2009: TL 2.365,16) for each period of service at December 31, 2010.

The liability is not funded, as there is no funding requirement.

The provision has been calculated by estimating the present value of the future probable obligation arising from the retirement of employees.

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

**Convenience translation into English of
notes to the financial statements at December 31, 2010 (continued)
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)**

11. Employee benefits (continued)

IFRS requires actuarial valuation methods to be developed to estimate the provision for employment termination benefits. Accordingly the following actuarial assumptions were used in the calculation of the total liability:

| | December 31, 2010 | December 31, 2009 |
|---|------------------------------|----------------------|
| Discount rate (%) | 4,66 | 5,92 |
| Turnover rate to estimate the probability of retirement (%) | 20,25 | 8,03 |

Additionally, the principal assumption is that the maximum liability for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the effects of future inflation. As the liability is revised two times in a year, the amount of TL 2.623,23 at January 1 2011 will be taken into consideration in calculating the reserve for employment termination benefit (January 1 2010: TL 2.427,04).

Movements in the reserve for employment termination benefits during the current year are as follows:

| | December 31, 2010 | December 31, 2009 |
|---------------------------|------------------------------|----------------------|
| January 1 | 158.210 | 332.551 |
| Payments during the year | (15.199) | (366.284) |
| Provision during the year | (65.933) | 191.943 |
| December 31 | 77.078 | 158.210 |

Movements in the provision for unused vacation during the current year are as follows:

| | December 31, 2010 | December 31, 2009 |
|---|------------------------------|----------------------|
| January 1 | 175.049 | 360.437 |
| Payments during the year | (22.541) | (89.101) |
| Provision (decrease) / reserved during the year | 397.492 | (96.287) |
| December 31 | 550.000 | 175.049 |

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

Convenience translation into English of
notes to the financial statements at December 31, 2010 (continued)
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

12. Other current assets and liabilities

a) Other current assets

| | December 31, 2010 | December 31, 2009 |
|------------------------------|----------------------|----------------------|
| Prepaid income tax (Note 19) | 1.786.870 | 279.017 |
| Prepaid expenses | 27.075 | - |
| | 1.813.945 | 279.017 |

b) Other short-term liabilities

| | December 31, 2010 | December 31, 2009 |
|-------------------------|----------------------|----------------------|
| Taxes and funds payable | 671.112 | 732.895 |
| Expense accruals | 14.750 | 226.014 |
| | 685.862 | 958.909 |

13. Shareholders' equity

The share capital of the Company is TL 30.000.000 (December 31, 2009: TL 30.000.000) and consists of 3.000.000.000 (December 31, 2009: 3.000.000.000) authorized shares with a nominal value of Kr 1 each. As of December 31, 2010 and 2009, the company didn't have any preferred stock.

At December 31, 2010 and December 31, 2009 the issued and fully paid-in share capital held is as follows:

| | Share (%) | December 31, 2010 | Share (%) | December 31, 2009 |
|--|---------------|----------------------|---------------|----------------------|
| Akbank T.A.Ş. | 99,80 | 29.940.000 | 99,80 | 29.940.000 |
| Hacı Ömer Sabancı Holding A.Ş. | 0,16 | 47.400 | 0,16 | 47.400 |
| Aksigorta A.Ş. | - | - | 0,02 | 6.000 |
| Exsa Export San. Mam. Sat. ve Araş. A.Ş. | 0,02 | 6.000 | - | - |
| AvivaSa Emeklilik ve Hayat A.Ş. (Ak Emeklilik A.Ş.) | 0,02 | 6.000 | 0,02 | 6.000 |
| Tursa Sabancı Turizm ve Yatırım Hizm. A.Ş. | 0,00 | 600 | 0,00 | 600 |
| Paid-in share capital (Historical cost) | 100,00 | 30.000.000 | 100,00 | 30.000.000 |
| Adjustment to share capital | | 16.802.123 | | 16.802.123 |
| Total paid-in share capital | | 46.802.123 | | 46.802.123 |

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

Convenience translation into English of
notes to the financial statements at December 31, 2010 (continued)
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

13. Shareholders' equity (continued)

Adjustment to share capital represents the restatement effect of cash and cash equivalent contributions to share capital in terms of equivalent purchasing power at December 31, 2004.

Following the decision of the Company's Board of Directors on 6 April 2009, as a result of the capital remained excess according to remaining operations' size after the transfer of domestic sales and marketing operations to Akbank, capital of the Company is decreased from TL 50.000.000 to TL 30.000.000 upon Capital Market Board's 20 July 2009 dated permission and decreased capital is distributed to shareholders' according to their shares.

Retained earnings:

| | December 31, 2010 | December 31, 2009 |
|---|----------------------|----------------------|
| Legal reserves | 9.857.986 | 7.803.867 |
| Retained earnings | 7.333.969 | 170.726 |
| | 17.191.955 | 7.974.593 |
| Historical amounts of distributed dividends during the year | 14.009.421 | 10.343.361 |

Companies whose shares are quoted in the ISE are subject to profit distribution rules of the CMB as follows:

The legal reserves consist of first and second reserves, appropriated in accordance with the Turkish Commercial Code (the "TCC"). The TCC stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Company's paid-in share capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the paid-in share capital. Under the TCC, the legal reserves may only be used to absorb losses provided that they do not exceed 50% of the share capital.

The Company has decided to arrange its financial statements according to the announced communiqué XI-29 by CMB and TFRS that addresses the communiqué of CMB XI-25 starting from the ending period of December 31, 2004. Retained earnings per these financial statements are available for distribution.

In accordance with the Communiqué Serial XI, No. 29 which became effective as of January 1 2008 and according to the CMB announcements clarifying the said Communiqué, "Share Capital", "Restricted Reserves Allocated from Profit" and "Share Premiums" need to be recognized over the amounts contained in the legal records. The valuation differences (such as inflation adjustment differences) shall be disclosed as follows:

- if the difference is arising from the valuation of "Paid-in Capital" and not yet been transferred to capital should be classified under the "Inflation Adjustment to Share Capital";
- if the difference is arising from valuation of "Restricted Reserves" and "Share Premium" and the amount has not been subject to dividend distribution or capital increase, it shall be classified under "Retained Earnings".

Other equity items shall be carried at the amounts calculated based on CMB Financial Reporting Standards.

Capital adjustment differences have no other use other than being transferred to share capital.

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

**Convenience translation into English of
notes to the financial statements at December 31, 2010 (continued)**
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

13. Shareholders' equity (continued)

Profit distribution

Listed companies perform dividend distributions as envisaged by Turkish Capital Market Board as explained below:

In accordance with the CMB Communiqué IV No:27 Clause:5 and other several decisions of CMB, in case of dividend distribution the rate of first dividend could not be less than of remaining distributable profit after deducting the prior year losses if any. Depending on the decisions taken by General Assemblies, publicly traded joint stock companies are free to distribute dividends in cash, in share certificates, in partial distribution within cash or share certificates while retaining a portion within the company or retain as a whole with distributing neither cash nor stocks.

As required by CMB decision numbered 7/242 dated February 25, 2005; amount of distributable profit, calculated from net distributable profit in accordance with CMB regulations related to minimum dividend distribution requirements shall be fully distributed, wherein the amount could be compensated by net distributable profit per statutory books, otherwise full amount of net distributable profit per statutory books will be distributed. No profit distribution shall be made in the case of net loss in either statutory books or the financial statements prepared in accordance with CMB regulations.

In accordance with the Capital Market Board decision dated January 27, 2010, concerning with distribution of dividends for publicly traded joint stock companies, it was decided that no minimum dividend distribution requirement will be applied for publicly traded joint stock companies.

Inflation adjustments to issued capital and historical amount of extraordinary reserves can be used as an internal source of capital increase, dividend distribution in cash or the net off from prior period losses. In case of usage of inflation adjustment to issued capital in dividend distribution in cash, it is subject to corporation tax.

14. Sales and cost of sales

| | January 1 - December 31, 2010 | January 1- December 31, 2009 |
|------------------------------------|--|---|
| Treasury bills | 1.617.954.097 | 2.924.676.066 |
| Stocks | 223.310.369 | 189.177.457 |
| Treasury bonds | 17.795.954 | 12.891.179 |
| Mutual funds | 1.691.477 | 4.497.310 |
| Sales | 1.860.751.897 | 3.131.242.012 |
| Treasury bills | 1.617.956.574 | 2.924.593.709 |
| Stocks | 219.434.980 | 185.097.329 |
| Treasury bonds | 17.794.045 | 12.788.415 |
| Mutual funds | 1.691.212 | 4.496.875 |
| Cost of sales | 1.856.876.811 | 3.126.976.328 |
| Gross sales margin / (loss) | 3.875.086 | 4.265.684 |

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

Convenience translation into English of
notes to the financial statements at December 31, 2010 (continued)
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

15. Expenses by nature

Marketing, sales and distribution expenses

| | January 1- December 31, 2010 | January 1- December 31, 2009 |
|--|------------------------------------|------------------------------------|
| Stock exchange shares | 490.204 | 346.705 |
| Securities L/B Market commission expense | 429.480 | 205.600 |
| Money market exchange transaction commission expense | 312.720 | 36.208 |
| Exchange and keeping expenses | 229.234 | 1.921.976 |
| TURKDEX share | 63.386 | 38.274 |
| Fixed yield securities transaction share | 34.204 | 159.133 |
| Entertainment expenses | 33.087 | 53.057 |
| Other marketing selling expenses | 258.278 | 168.684 |
| | 1.850.593 | 2.929.637 |

General administrative expenses

| | January 1- December 31, 2010 | January 1- December 31, 2009 |
|---|------------------------------------|------------------------------------|
| Personnel expense | 9.723.466 | 10.755.333 |
| Depreciation and amortisation (Notes 8, 9) | 1.285.521 | 1.374.632 |
| Sundry taxes and duties | 998.066 | 968.964 |
| Communication expenses | 794.177 | 1.038.686 |
| Legal expenses | 567.679 | 1.067.415 |
| Information technology | 466.104 | 394.339 |
| Unused vacation provision (Note 11) | 397.492 | (185.388) |
| Research and consultancy fees | 287.154 | 215.508 |
| Travel expenses | 207.796 | 133.834 |
| Repair and maintenance expenses | 189.200 | 213.886 |
| Electricity, water and heating | 172.427 | 176.435 |
| CMB protection fund of investors | 137.261 | 220.148 |
| Provision for employment termination benefits (Note 11) | (65.933) | 191.943 |
| Other expenses | 699.960 | 976.674 |
| | 15.860.370 | 17.542.409 |

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

Convenience translation into English of
notes to the financial statements at December 31, 2010 (continued)
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

16. Other income and expenses

| | January 1 - December 31, 2010 | January 1 - December 31, 2009 |
|---|-------------------------------------|-------------------------------------|
| Service revenues | | |
| Stock purchase-sale underwriting commission | 17.458.385 | 35.464.637 |
| Public offer sales commission | 3.300.525 | - |
| Stock Public offer management commission | 2.050.874 | - |
| Corporate finance consultancy commission | 766.919 | 423.591 |
| Exchange keeping commission | 463.715 | 2.319.525 |
| Mutual funds sales commission | 320.200 | 3.520.769 |
| Other commissions | 359.856 | 2.589.441 |
| | 24.720.474 | 44.317.963 |
| Deductions from services income | | |
| Commissions paid to the agencies | 523.698 | 19.803.444 |
| Commission reimbursements | - | 22.311 |
| Other paid commissions | 755.812 | 203.658 |
| | 1.279.510 | 20.029.413 |
| Interest income from operating activities | | |
| Interest income of credited securities | 1 | 1.823.673 |
| | 1 | 1.823.673 |
| Other operating income | | |
| Cancellation of provision for impairment property and equipment (Note 8) | - | 8.313.554 |
| Account fees from customers | 1.251.406 | 1.654.564 |
| Rent income | 1.079.561 | 1.358.744 |
| Annual keeping fee from issuer | 171.048 | 179.364 |
| Income from previous years | 64 | 15.754 |
| Other operating income | 23.839 | 52.832 |
| | 2.525.918 | 11.574.812 |

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

**Convenience translation into English of
notes to the financial statements at December 31, 2010 (continued)**
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

17. Financial income

| | January 1 - December 31, 2010 | January 1 - December 31, 2009 |
|--|--|-------------------------------------|
| Interest income from time deposits | 37.370.258 | 22.551.179 |
| Repo interest income, net | 217.798 | 912.377 |
| Interest income from government bonds and Treasury bills | 261.858 | 818.989 |
| Other interests, net | 64.743 | 230.775 |
| Portfolio dividend income | 185.896 | 170.396 |
| | 38.100.553 | 24.683.716 |

18. Financial expenses

| | January 1 - December 31, 2010 | January 1 - December 31, 2009 |
|---|--|-------------------------------------|
| Exchange money market interest expense, net | 26.513.896 | 14.870.251 |
| Common stock value decrease expense | 86.310 | 324.497 |
| Other expenses | 2.158.527 | 1.991.968 |
| | 28.758.733 | 17.186.716 |

19. Taxes on income

The Corporate Tax Law was altered by Law No.5520 on 13 June 2006. The majority of regulations in Corporate Tax Law No.5520 became effective as of January 1 2006. According to this Law, the corporate tax rate of the fiscal year 2010 is 20% (2009: 20%). Corporate tax is payable at a rate of 20% on the total income of the Company after adjusting for certain disallowable expenses, corporate income tax exemptions (participation exemption, investment allowance, etc) and corporate income tax deductions (e.g. research and development expenditures deductions). No further tax is payable unless the profit is distributed.

In Turkey, withholding tax is not imposed on dividend payments to corporations resident in Turkey or to foreign-based taxpayers who draw an income through their permanent representatives or businesses in the country. Excluding these, withholding tax with a rate of 15% is imposed on dividend payments made to individuals and corporations. Additions of net income to capital are not deemed dividend payments.

Corporations are required to pay advance corporation tax quarterly at the rate of 20% on their corporate income. Advance tax is payable by the 17th of the second month following each calendar quarter end. Advance tax paid by corporations is credited against the annual corporation tax liability. The balance of the advance tax paid may be refunded or used to set off against other liabilities to the government.

A 75% portion of the capital gains derived from the sale of equity investments and immovable properties held for at least two years is tax exempt, if such gains are added to paid-in capital or held in a special account under shareholder's equity for five years.

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

Convenience translation into English of
notes to the financial statements at December 31, 2010 (continued)
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

19. Taxes on income (continued)

Under the Turkish taxation system, tax losses can be carried forward to offset against future taxable income for up to five years. Tax losses cannot be carried back to offset profits from previous periods.

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies fill their corporate tax declarations on the 25th of the fourth month following the close of the financial year to which they relate. Additionally, tax authorities can audit the accounting records for five years and if they found inaccurate records, the amount of taxes to be paid could change.

Tax expense

| | January 1 - December 31, 2010 | January 1 - December 31, 2009 |
|---------------------------------|-------------------------------------|-------------------------------------|
| Prepaid taxes | 4.381.553 | 4.361.427 |
| Deferred tax expense / (income) | (114.578) | 1.389.463 |
| Tax expense | 4.266.975 | 5.750.890 |

Tax liability

| | December 31, 2010 | December 31, 2009 |
|--|----------------------|----------------------|
| Corporate tax payable | 4.381.553 | 4.361.427 |
| Prepaid taxes | (6.168.423) | (4.640.444) |
| (Deductible) / Income tax payable (Note 12) | (1.786.870) | (279.017) |

Reconciliation between the theoretical tax amount that would arise using the basic tax rate of the Company and the actual taxation charge for the period is stated below:

| | December 31, 2010 | December 31, 2009 |
|--|----------------------|----------------------|
| Profit before tax | 21.472.826 | 28.977.673 |
| Theoretical income tax at the applicable tax rate of 20% | 4.294.565 | 5.795.535 |
| Additions | 9.589 | 23.683 |
| Deductions (-) | (37.179) | (68.328) |
| Current year tax | 4.266.975 | 5.750.890 |

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

Convenience translation into English of
notes to the financial statements at December 31, 2010 (continued)
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

19. Taxes on income (continued)

Deferred tax assets

| | December 31, 2010 | | December 31, 2009 | |
|--|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| | Cumulative temporary difference | Deferred tax assets/liabilities | Cumulative temporary difference | Deferred tax assets/liabilities |
| Impairment on property and equipment | 11.316.179 | 2.263.236 | 11.316.179 | 2.263.236 |
| Bonus payable to personnel | 2.500.000 | 500.000 | 1.500.000 | 300.000 |
| Expense provisions | 414.710 | 82.942 | 1.097.920 | 219.584 |
| Unused vacation provision | 550.000 | 110.000 | 175.049 | 35.010 |
| Employment termination benefits | 77.078 | 15.416 | 158.210 | 31.642 |
| Other | - | - | 11.193 | 2.239 |
| Deferred tax assets | | 2.971.594 | | 2.851.711 |
| Difference between carrying value and tax base of property and equipment | (8.288.374) | (1.657.675) | (8.175.542) | (1.635.108) |
| Valuation difference on securities | 51.612 | 10.322 | (34.697) | (6.940) |
| Deferred tax liabilities | | (1.647.353) | | (1.642.048) |
| Deferred tax assets, net | | 1.324.241 | | 1.209.663 |

| | December 31, 2010 | December 31, 2009 |
|--|-------------------|-------------------|
| Beginning deferred tax assets, net | 1.209.663 | 2.599.126 |
| Deferred tax income | 114.578 | (1.389.463) |
| Ending deferred tax assets, net | 1.324.241 | 1.209.663 |

20. Balances and transactions with related parties

(a) Balances with related parties

The balances with related parties have not been classified as due from/due to related parties due to integrity of balance sheet.

Marketable securities:

At December 31, 2010, the marketable securities portfolio of the Company includes the listed equity shares of related parties in the amount of TL 489.600 (December 31, 2009 - TL 231.763).

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

Convenience translation into English of
notes to the financial statements at December 31, 2010 (continued)
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

20. Balances and transactions with related parties (continued)

Nominal values of these trading securities are as follows:

| | December 31, 2010 | December 31, 2009 |
|---|----------------------|----------------------|
| S&P/IFCI Türkiye A Tipi Akbank Borsa Yatırım Fonu | - | 16.379 |
| Hacı Ömer Sabancı Holding A.Ş. | 68.000 | - |
| | 68.000 | 16.379 |

Deposits due from related parties:

| | | |
|--------------------------------|------------|-----------|
| Time deposit (Akbank T.A.Ş.) | 28.066.256 | - |
| Demand deposit (Akbank T.A.Ş.) | 201.043 | 6.134.204 |
| | 28.267.299 | 6.134.204 |

Due to customers:

| | | |
|---------------------|---|----|
| Other related party | - | 88 |
| | - | 88 |

Letters of credit received:

| | | |
|---|---------|-----------|
| Akbank T.A.Ş. | 841.800 | 7.450.129 |
| Akbank T.A.Ş. (TL translated amount of USD) | 7.730 | 7.529 |
| | 849.530 | 7.457.658 |

(b) Transactions with related parties

| Commission income and service income: | January 1 - December 31, 2010 | January 1 - December 31, 2009 |
|---|-------------------------------------|-------------------------------------|
| Hacı Ömer Sabancı Holding A.Ş. | 168.794 | 587.116 |
| Ak B Tipi Yatırım Ortaklığı A.Ş. | 147.727 | 134.143 |
| Çimsa Çimento Sanayi ve Ticaret A.Ş. | 39.800 | 32.870 |
| Akçansa Çimento Sanayi Ticaret A.Ş. | 31.408 | 27.501 |
| Aksigorta A.Ş. | 25.441 | 69.483 |
| Sasa Dupont Sabancı Polyester Sanayi A.Ş. | 10.409 | 10.564 |
| Kordsa Endüstriyel İplik ve Kord Bezi San. ve Tic. A.Ş. | 8.327 | 8.451 |
| Ak Portföy Yönetimi A.Ş. | - | 177 |
| Exsa Eksport Sanayi A.Ş. | - | 84.635 |
| Bossa Tic. ve San. İşletmeleri T.A.Ş. | - | 8.451 |
| Other | 65.574 | 79.182 |
| | 497.480 | 1.042.573 |

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

Convenience translation into English of
notes to the financial statements at December 31, 2010 (continued)
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

20. Balances and transactions with related parties (continued)

| | January 1 - December 31, 2010 | January 1 - December 31, 2009 |
|--|-------------------------------------|-------------------------------------|
| Commission expenses and the discounts from sale of services | | |
| Akbank T.A.Ş | 1.248.127 | 19.803.444 |
| | 1.248.127 | 19.803.444 |

| | January 1 - December 31, 2010 | January 1 - December 31, 2009 |
|--|-------------------------------------|-------------------------------------|
| Other operating and financial income: | | |
| Akbank T.A.Ş. (rent income) | 2.751.417 | - |
| Akbank T.A.Ş. (rent income) | 691.763 | 993.938 |
| Ak Finansal Kiralama A.Ş. (rent income) | 373.434 | 351.297 |
| Ak B tipi Yatırım Ortaklığı A.Ş. (rent income) | 14.364 | 13.509 |
| | 3.830.978 | 1.358.744 |

| | January 1 - December 31, 2010 | January 1 - December 31, 2009 |
|---|-------------------------------------|-------------------------------------|
| Operating expenses: | | |
| Aksigorta A.Ş. (insurance and other expenses) | 140.773 | 209.448 |
| AvivaSa Emeklilik ve Hayat A.Ş. (Ak Emeklilik A.Ş.) (insurance expenses) | 161.635 | 178.202 |
| Akbank T.A.Ş. (rent expenses) | - | 34.791 |
| | 302.408 | 422.441 |

Salaries and other benefits paid to the Board of Directors and top management:

Total salaries and benefits paid to members of the Board of Directors, General Manager, General Co-ordinator, Assistant General Managers and other top management amount to TL 1.779.126 at December 31, 2010 (December 31, 2009 - TL 1.479.202).

21. Financial instruments and financial risk management

The Company's activities expose it to a variety of financial risks, including the effects of changes in debt and equity market prices, foreign currency exchange rates and interest rates. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Company.

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

**Convenience translation into English of
notes to the financial statements at December 31, 2010 (continued)**
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

21. Financial instruments and financial risk management (continued)

i. Credit risk

Financial instruments contain an element of risk that the counterparties may be unable to meet the terms of the agreements. This risk is monitored in reference to credit ratings and managed by limiting the aggregate risk to any individual counterparty. Exposure to credit risk is also managed by obtaining collaterals in the form of listed equity securities.

| December 31, 2010 | Trade receivables | | Other receivables | | Bank deposits | Financial investments | Other |
|--|---|---------------|-------------------|---------------|---------------|-----------------------|-----------|
| | Related parties | Other parties | Related parties | Other parties | | | |
| | Maximum credit risk exposure at the report date | - | 77.961.227 | - | | | |
| Secured part of maximum risk with guarantee | - | - | - | - | - | - | - |
| Net book value of unexpired or unimpaired financial assets | - | 77.961.227 | - | 160.566 | 439.507.588 | - | 8.116.416 |
| Off-balance sheet items with credit risks | - | - | - | - | - | - | - |

| December 31, 2009 | Trade receivables | | Other receivables | | Bank deposits | Financial investments | Other |
|--|---|---------------|-------------------|---------------|---------------|-----------------------|------------|
| | Related parties | Other parties | Related parties | Other parties | | | |
| | Maximum credit risk exposure at the report date | - | 75.317.236 | - | | | |
| Secured part of maximum risk with guarantee | - | - | - | - | - | - | - |
| Net book value of unexpired or unimpaired financial assets | - | 75.317.236 | - | 416.510 | 307.112.595 | 23.100 | 27.725.786 |
| Off-balance sheet items with credit risks | - | - | - | - | - | - | - |

ii. Price risk

The trading securities of the Company are traded on Istanbul Stock Exchange ("ISE"). Analyses were performed to assess the impact of market interest rate movements on the fair value of these trading securities. Based upon these analyses, if prevailing ISE index had been 5% higher or lower at December 31, 2010, and all other factors had remained the same, the net income for the period of the Company would have increased or decreased by TL 157.688 (December 31, 2009: increase/decrease TL 18.796).

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

**Convenience translation into English of
notes to the financial statements at December 31, 2010 (continued)**
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

21. Financial instruments and financial risk management (continued)

iii. Information on market risk

Foreign currency risk

The Company does not have foreign currency assets and liabilities as at December 31, 2010 and 2009.

Interest rate risk

The Company is exposed to interest rate risk through the impact of rate changes on interest bearing liabilities and assets. These exposures are managed by using natural hedges that arise from offsetting interest rate sensitive assets and liabilities.

Based upon the analyses performed by the Company for the government bonds with the carrying value of TL 892.301, if prevailing TL interest rates had been 1% higher or lower at December 31, 2010, and all other factors had remained the same, the net income for the period of the Company would have decreased by TL 13.759 or increased by TL 11.346 (December 31, 2009: Decrease by TL 38.485 or increase by TL 39.070 on government bonds at value of TL 7.466.796).

| | December 31, 2010 | December 31, 2009 |
|--|------------------------------|----------------------|
| Financial instruments with fixed interest rates: | | |
| Financial assets | 437.000.000 | 300.000.000 |
| Held for trading | 293.304 | 4.604.872 |
| Financial liabilities | 400.004.543 | 282.717.999 |
| Financial instruments with variable interest rates: | | |
| Financial assets | - | - |
| Held for trading | 598.997 | 2.861.924 |

The table below summarizes the weighted average interest rates for financial instruments outstanding at December 31, 2010 and December 31, 2009 based on year-end contractual rates:

| | December 31, 2010 | December 31, 2009 |
|---------------------------------|------------------------------|----------------------|
| | TL | TL |
| Assets | | |
| Cash and due from banks: | | |
| - Deposits with banks | 9,34 | 11,95 |
| - Reverse repo transactions | 6,54 | 8,99 |
| Trading securities | 7,19 | 13,91 |
| Originated loans: | | |
| - Receivables from customers | - | 14,07 |
| Liabilities | | |
| Other liabilities | | |
| - Due to exchange money markets | 7,24 | 9,27 |

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

Ak Yatırım Menkul Değerler A.Ş.

**Convenience translation into English of
notes to the financial statements at December 31, 2010 (continued)
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)**

21. Financial instruments and financial risk management (continued)

The Company's assets and liabilities in carrying amounts classified in terms of periods remaining to contractual re-pricing dates are as follows:

| | December 31, 2010 | | | | | |
|-------------------------------|--------------------|--------------------|-------------------------|---------------------|-------------------------|--------------------|
| | Up to 1 month | Up to 3 months | 3 months - to 1 year | 1 year - 5 years | Non-interest bearing | Total |
| Cash and cash equivalents | 341.130.722 | 101.237.441 | - | - | 206.445 | 442.574.608 |
| Financial investments | 598.997 | - | 293.304 | - | 3.153.758 | 4.046.059 |
| Trade receivables | - | - | - | - | 77.961.227 | 77.961.227 |
| Other receivables | - | - | - | - | 160.566 | 160.566 |
| Other current assets | - | - | - | - | 1.813.945 | 1.813.945 |
| Financial investments | - | - | - | - | 1.003.337 | 1.003.337 |
| Tangible assets | - | - | - | - | 25.601.344 | 25.601.344 |
| Intangible assets | - | - | - | - | 239.852 | 239.852 |
| Deferred tax assets | - | - | - | - | 1.324.241 | 1.324.241 |
| Total Assets | 341.729.719 | 101.237.441 | 293.304 | - | 111.464.715 | 554.725.179 |
| Financial liabilities | 301.783.235 | 98.221.308 | - | - | 79.060 | 400.083.603 |
| Trade payables | - | - | - | - | 69.213.997 | 69.213.997 |
| Provisions | - | - | - | - | 414.710 | 414.710 |
| Employee termination benefits | - | - | - | - | 3.127.078 | 3.127.078 |
| Other liabilities | - | - | - | - | 685.862 | 685.862 |
| Total Liabilities | 301.783.235 | 98.221.308 | - | - | 73.520.707 | 473.525.250 |
| Interest risk | 39.946.484 | 3.016.133 | 293.304 | - | 37.944.008 | 81.199.929 |

| | December 31, 2009 | | | | | |
|-------------------------------|--------------------|-------------------|-------------------------|------------------------|-------------------------|--------------------|
| | Up to 1 month | Up to 3 months | 3 months - to 1 year | 1 year - to 5 years | Non-interest bearing | Total |
| Cash and cash equivalents | 318.474.459 | - | - | - | 6.141.375 | 324.615.834 |
| Financial investments | - | 8.695 | 4.604.872 | 2.853.229 | 1.702.919 | 9.169.715 |
| Trade receivables | - | - | - | - | 75.317.236 | 75.317.236 |
| Other receivables | 23.100 | - | - | - | 416.510 | 439.610 |
| Other current assets | - | - | - | - | 279.017 | 279.017 |
| Financial investments | - | - | - | - | 1.052.832 | 1.052.832 |
| Tangible assets | - | - | - | - | 26.721.486 | 26.721.486 |
| Intangible assets | - | - | - | - | 349.429 | 349.429 |
| Deferred tax assets | - | - | - | - | 1.209.663 | 1.209.663 |
| Total Assets | 318.497.559 | 8.695 | 4.604.872 | 2.853.229 | 113.190.467 | 439.154.822 |
| Financial liabilities | 282.717.999 | - | - | - | 76.848 | 282.794.847 |
| Trade payables | - | - | - | - | 74.466.388 | 74.466.388 |
| Provisions | - | - | - | - | 1.097.920 | 1.097.920 |
| Employee termination benefits | - | - | - | - | 1.833.259 | 1.833.259 |
| Other liabilities | 732.895 | - | - | - | 226.014 | 958.909 |
| Total Liabilities | 283.450.894 | - | - | - | 77.700.429 | 361.151.323 |
| Interest risk | 35.046.665 | 8.695 | 4.604.872 | 2.853.229 | 35.490.038 | 78.003.499 |

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

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**Convenience translation into English of
notes to the financial statements at December 31, 2010 (continued)**
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

21. Financial instruments and financial risk management (continued)

iv. Liquidity risk

Liquidity risk is the inability of the Company to match the net funding requirements with sufficient liquidity. A decrease in funding sources mainly due to market instability or a decrease in credit risk results in liquidity risk. The Company manages the liquidity risk by maintaining sufficient cash and other liquid assets in order to fund the current and prospective debt requirements.

The following table presents the cash flows payable by the Company under non-derivative financial liabilities remaining contractual maturities as of December 31, 2010 and 2009:

December 31, 2010

| | Carrying value | Up to 1 month | 1 month - to 3 months | 3 months- to 1 Years | Total of contractual cash outflows |
|---------------------------|--------------------|--------------------|-----------------------|----------------------|------------------------------------|
| Financial liabilities | 400.083.603 | 302.846.957 | 98.847.895 | - | 401.694.852 |
| Trade payables | 69.213.997 | 69.213.997 | - | - | 69.213.997 |
| Other short-term payables | 685.862 | 685.862 | - | - | 685.862 |
| Total liabilities | 469.983.462 | 372.746.816 | 98.847.895 | - | 471.594.711 |

December 31, 2009

| | Carrying value | Up to 1 Month | 1 month - to 3 months | 3 months- to 1 Years | Total of contractual cash outflows |
|---------------------------|--------------------|--------------------|-----------------------|----------------------|------------------------------------|
| Financial liabilities | 282.794.847 | 102.967.972 | 181.832.477 | - | 284.800.449 |
| Trade payables | 74.466.388 | 74.466.388 | - | - | 74.466.388 |
| Other short-term payables | 958.909 | 958.909 | - | - | 958.909 |
| Total liabilities | 358.220.144 | 178.393.269 | 181.832.477 | - | 360.225.746 |

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

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Convenience translation into English of
notes to the financial statements at December 31, 2010 (continued)
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

21. Financial instruments and financial risk management (continued)

The following table presents asset and liability items according to their days to maturities:

| | December 31, 2010 | | | | | |
|-------------------------------|--------------------|--------------------|-------------------------|------------------------|-------------------|--------------------|
| | Up to 1 Month | Up to 3 Months | 3 months - to 1 year | 1 year - to 5 years | Demand | Total |
| Cash and cash equivalents | 341.130.722 | 101.237.441 | - | - | 206.445 | 442.574.608 |
| Financial investments | 598.997 | - | 293.304 | - | 3.153.758 | 4.046.059 |
| Trade receivables | 77.961.227 | - | - | - | - | 77.961.227 |
| Other receivables | 160.566 | - | - | - | - | 160.566 |
| Other current assets | - | - | 27.075 | - | 1.786.870 | 1.813.945 |
| Financial investments | - | - | - | - | 1.003.337 | 1.003.337 |
| Tangible assets | - | - | - | - | 25.601.344 | 25.601.344 |
| Intangible assets | - | - | - | - | 239.852 | 239.852 |
| Deferred tax assets | - | - | - | - | 1.324.241 | 1.324.241 |
| Total assets | 419.851.512 | 101.237.441 | 320.379 | - | 33.315.847 | 554.725.179 |
| Financial liabilities | 301.783.235 | 98.221.308 | - | - | 79.060 | 400.083.603 |
| Trade payables (net) | 69.213.997 | - | - | - | - | 69.213.997 |
| Provisions | - | - | 414.710 | - | - | 414.710 |
| Employee termination benefits | - | - | 3.050.000 | - | 77.078 | 3.127.078 |
| Other liabilities | 671.112 | - | - | - | 14.750 | 685.862 |
| Total liabilities | 371.668.344 | 98.221.308 | 3.464.710 | - | 170.888 | 473.525.250 |
| Liquidity risk | 48.183.168 | 3.016.133 | (3.144.331) | - | 33.144.959 | 81.199.929 |

| | December 31, 2009 | | | | | |
|-------------------------------|--------------------|-------------------|-------------------------|------------------------|-------------------|--------------------|
| | Up to 1 Month | Up to 3 Months | 3 months - to 1 year | 1 year - to 5 years | Demand | Total |
| Cash and cash equivalents | 318.474.459 | - | - | - | 6.141.375 | 324.615.834 |
| Financial investments | - | 8.695 | 4.604.872 | 2.853.229 | 1.702.919 | 9.169.715 |
| Trade receivables | 74.670.076 | - | - | - | 647.160 | 75.317.236 |
| Other receivables | 416.510 | - | - | - | 23.100 | 439.610 |
| Other current assets | - | - | - | - | 279.017 | 279.017 |
| Financial investments | - | - | - | - | 1.052.832 | 1.052.832 |
| Tangible assets | - | - | - | - | 26.721.486 | 26.721.486 |
| Intangible assets | - | - | - | - | 349.429 | 349.429 |
| Deferred tax assets | - | - | - | - | 1.209.663 | 1.209.663 |
| Total assets | 393.561.045 | 8.695 | 4.604.872 | 2.853.229 | 38.126.981 | 439.154.822 |
| Financial liabilities | 282.717.999 | - | - | - | 76.848 | 282.794.847 |
| Trade payables (net) | 74.466.388 | - | - | - | - | 74.466.388 |
| Provisions | - | - | 1.097.920 | - | - | 1.097.920 |
| Employee termination benefits | - | - | 1.675.049 | - | 158.210 | 1.833.259 |
| Other liabilities | 732.895 | - | - | - | 226.014 | 958.909 |
| Total liabilities | 357.917.282 | - | 2.772.969 | - | 461.072 | 361.151.323 |
| Liquidity risk | 35.643.763 | 8.695 | 1.831.903 | 2.853.229 | 37.665.909 | 78.003.499 |

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

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Convenience translation into English of
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22. Financial instruments

Fair value of the financial instruments

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and is best evidenced by a quoted market price, if one exists.

The estimated fair values of financial instruments have been determined by the Company using available market information and appropriate valuation methodologies. However, judgment is necessarily required to interpret market data to estimate the fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Company could realize in a current market exchange.

Market prices was based on determining the fair value of the securities.

The following methods and assumptions were used to estimate the fair value of the financial instruments for which it is practicable to estimate fair value:

i. Financial assets:

The fair values of financial assets carried at cost, including cash and cash equivalents and other financial assets are booked with their discounted values and are considered to approximate their respective carrying values due to their short-term nature and their insignificant potential damages.

ii. Financial liabilities:

The fair value of monetary liabilities is considered to approximate their respective carrying values. The fair values and carrying values of financial asset and liabilities of the Company are as follows:

| | December 31, 2010 | | December 31, 2009 | |
|---------------------------|-------------------|----------------|-------------------|----------------|
| | Fair value | Carrying value | Fair value | Carrying value |
| Cash and cash equivalents | 442.574.608 | 442.574.608 | 324.615.834 | 324.615.834 |
| Financial liabilities | 4.046.059 | 4.046.059 | 9.169.715 | 9.169.715 |
| Trade receivables | 77.961.227 | 77.961.227 | 75.317.236 | 75.317.236 |
| Financial liabilities | 400.083.603 | 400.083.603 | 284.800.449 | 282.794.847 |
| Trade payables | 69.213.997 | 69.213.997 | 74.466.388 | 74.466.388 |

The value of the financial assets that measured at fair value at the balance sheet, is determined with the quoted market prices that the first level of the fair value hierarchy.

23. Subsequent events

None (December 31, 2009 - None).

(Convenience translation of financial statements originally issued in Turkish, see note 2.F)

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Convenience translation into English of
notes to the financial statements at December 31, 2010 (continued)
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

24. Disclosure of other matters that may affect financial statements significantly or is necessary for financial statements to be clear, interpretable and comprehensive

Capital management and capital adequacy requirements

The Company describes and manages its capital in accordance with CMB Communiqué Serial V No. 34 of regarding Capital and Capital Adequacy of the Brokerage Houses ("Communiqué Serial V No. 34). In accordance with the said Communiqué, capital of the brokerage houses are the group including the amounts followed on the financial statements prepared as of the valuation day and representing the part of the net assets which is covered by the partnership. According to the principles of the Communiqué Serial V No. 34, the initial capital amount that is required for intermediary activity of the Brokerage Houses determined as TL 803.000 for the year ending December 31, 2010 (January 1-December 31, 2009 - TL 799.000). Furthermore, brokerage houses are required to increase their capital at the rates stated below for each type of capital market activity they conduct. Total capital requirement of the Company in this context is TL 2.015.000 (December 31, 2009 - TL 2.006.000).

- a) 50% of the initial capital required for Brokerage activities is required for public offering intermediary activities.
- b) 50% of the initial capital required for Brokerage activities is required for marketable security repurchase and resale activities.
- c) 40% of the initial capital required for Brokerage activities is required for portfolio management activities.
- d) 10% of the initial capital required for Brokerage activities is required for investment consultancy activities.

In accordance with the Article 4 of Communiqué Serial V No. 34, the capital adequacy bases of the brokerage houses represent the amounts calculated by deducting the net amounts of the tangible and intangible assets, financial assets and other assets net of the impairment provisions and capital commitments, excluding those listed in stock exchanges and other organized markets, unsecured receivables from the staff, shareholders, associates, subsidiaries and people or entities directly or indirectly related to the firm in respect of capital, management and audit, even if they bear client status, and amounts of capital market instruments issued by these people and entities which are not listed in stock exchanges and other organized markets from the shareholders' equity.

In accordance with Article 8 of Communiqué Serial V No. 34 the Capital adequacy bases of brokerage houses cannot be lower than any of the following; minimum capital requirement according to the market activity they conduct, risk amount calculated in accordance with the stated Communiqué and operating expenses of the three months prior to the valuation date.

As of December 31, 2010 and 2009 the Company is in compliance with the relevant requirements of capital adequacy.