

Ak Yatırım Menkul Değerler A.Ş.

**Financial statements and independent auditor's report of
the fiscal year 2015 (1st January - 31st December)**

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

(Convenience translation of financial statements and auditor's report originally issued in Turkish, see note 2.5)

Ak Yatırım Menkul Değerler A.Ş.

Contents	<u>Page</u>
Independent auditor's report	1 - 2
Statement of financial position (Balance sheet)	3
Statement of comprehensive income	4
Statement of changes in equity	5
Statement of cash flows	6
Notes to the financial statements	7 – 44

(Convenience translation of financial statements and auditor's report originally issued in Turkish, see note 2.5)

Independent auditors' report on the financial statements

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

1. We have audited the accompanying financial statements of Ak Yatırım Menkul Değerler A.Ş. (the "Company") as of December 31, 2015, and the related statement of profit or loss, statement of other 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 explanatory notes.

Responsibility of the management related to the financial statements

2. The Company's management is responsible for the preparation and fair presentation of financial statements in accordance with the Turkish Accounting Standards and for such internal controls as management determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error and/or fraud.

Independent auditors' responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. Our audit was conducted in accordance with Standards on Auditing as issued by the Capital Markets Board of Turkey and Auditing Standards which are part of the Turkish Auditing Standards. Those standards require that ethical requirements are complied with and that the independent audit is planned and performed to obtain reasonable assurance whether the financial statements are free from material misstatement.

4. Independent audit involves performing independent audit procedures to obtain independent audit evidence about the amounts and disclosures in the financial statements. The independent audit procedures selected depend on our professional judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to error and/or fraud. In making those risk assessments, the Company's internal control system is taken into consideration. Our purpose, however, is not to express an opinion on the effectiveness of internal control system, but to design independent audit procedures that are appropriate for the circumstances in order to identify the relation between the financial statements prepared by the Company and its internal control system. Our independent audit includes also evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Company's management, as well as evaluating the overall presentation of the financial statements.

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



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Opinion

6. In our opinion, the accompanying financial statements present fairly the financial position of Ak Yatırım Menkul Değerler A.Ş. as at December 31, 2015 and their financial performance and cash flows for the year then ended in accordance with the Turkish Accounting Standards.

Reports on independent auditor responsibilities arising from other regulatory requirements

7. In accordance with Law no: 6102, Article 402 of the Turkish Commercial Code ("TCC"); no significant matter has come to our attention that causes us to believe that the Company's bookkeeping activities for the period January 1 – December 31, 2015 are not in compliance with the code and provisions of the Company's articles of association in relation to financial reporting.

8. In accordance with Article 402 of the Turkish Commercial Code ("TCC"); the Board of Directors submitted to us the necessary explanations and provided required documents within the context of audit.

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

As at December 31, 2015, the accounting principles described in Note 2 (defined as Turkish Accounting Standards/Turkish 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, certain reclassifications and also for certain disclosures requirement of the Public Oversight Accounting and Auditing Standards Authority/CMB. Accordingly, the accompanying financial statements are not intended to present the financial position and results of operations in accordance with IFRS.

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



Istanbul, February 1, 2016

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

Ak Yatırım Menkul Değerler A.Ş.

Statement of financial position (Balance sheet)

as of December 31, 2015 and 2014

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

	Notes	Audited December 31, 2015	Audited December 31, 2014
Assets			
Current assets			
Cash and cash equivalents	3	36.104.167	532.270.629
Financial investments	4	28.900.240	50.075.968
Trade receivables	6	443.222.566	176.960.643
- Trade receivables from related parties		181.130.366	109.280.245
- Trade receivables from third parties		262.092.200	67.680.398
Other receivables	7	36.774.097	161.722
- Other receivables from third parties		36.774.097	161.722
Prepaid expenses	12	364.986	153.304
Current tax related assets		-	-
Other current assets		5.390	-
Non-current assets		545.371.446	759.622.266
Fixed Assets			
Financial investments	4	164.965	164.046
Other receivables	7	2.823.414	1.557.264
- Other receivables from third parties		2.823.414	1.557.264
Property and equipment	8	3.997.172	1.107.885
Intangible assets	9	2.062.633	958.947
Deferred tax assets	19	1.461.029	878.699
Total fixed costs		10.509.213	4.666.841
Total assets		555.880.659	764.289.107
Liabilities			
Short-term Liabilities			
Short-term borrowings	5	84.729.155	441.930.281
Trade payables	6	289.368.078	174.851.510
- Due to related parties		1.725.827	11.430.169
- Trade payables to third parties		287.642.251	163.421.341
Allowance for profit tax obligations	10	2.049.164	68.883
Short-term provisions		6.953.600	3.855.440
- Short term provisions for employee benefits	11	6.740.000	3.638.000
- Other short term provisions	10	213.600	217.440
Other current liabilities	12	2.986.888	1.946.575
Total non-current liabilities		386.086.885	622.652.689
Long-term Liabilities			
Provisions			
-Long term provisions for employee benefits	11	2.834.648	1.619.010
Total long-term liabilities		2.834.648	1.619.010
Shareholders' equity			
Paid-in share capital	13	30.000.000	30.000.000
Adjustment to share capital	13	16.802.123	16.802.123
Restricted reserves	13	59.230.554	59.230.554
Retained earnings	13	33.984.731	10.894.641
Net income for the year		26.941.718	23.090.090
Total shareholders' equity		166.959.126	140.017.408
Total liabilities and shareholders' equity		555.880.659	764.289.107

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 income

as of December 31, 2015 and 2014

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

		Audited	Audited
	Notes	December 31, 2015	December 31, 2014
Operating revenue		4.158.699.901	2.735.972.826
Sales	14	4.080.345.035	2.688.292.520
Services income	14	88.784.204	50.414.875
Deductions from services income (-)	14	(10.429.338)	(2.734.569)
Cost of sales (-)	14	(4.081.045.257)	(2.687.990.838)
Gross profit from commercial activities		77.654.644	47.981.988
Interest income from operating activities	14	10.732.660	14.108.846
Gross profit from financial sector operations	14	10.732.660	14.108.846
Gross operating profit		88.387.304	62.090.834
General administrative expenses (-)	16	(55.590.860)	(27.556.139)
Marketing, sales and distribution expenses (-)	16	(11.200.523)	(7.335.870)
Other operating income	15	1.604.844	772.836
Operating profit		23.200.765	27.971.661
Financial income	17	28.684.485	30.991.982
Financial expenses (-)	18	(18.186.446)	(30.076.783)
Profit before tax from continuing operations	19	33.698.804	28.886.860
Continuing operations tax expense / (income)	19	(6.757.086)	(5.796.770)
Taxes on income (expense)	19	(7.339.416)	(5.974.192)
Deferred tax income (expense)	19	582.330	177.422
Profit from continuing operations for the period		26.941.718	23.090.090
Discontinued activities period profit / loss		-	-
Profit for the period		26.941.718	23.090.090
Other comprehensive income		-	-
Other comprehensive income (after tax)		-	-
Total comprehensive income		26.941.718	23.090.090
Income per share		0,90	0,77

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
as of December 31, 2015 and 2014
(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, 2014	30.000.000	16.802.123	46.802.123	57.835.358	11.732.061	16.009.737	132.379.279
Transfers	-	-	-	1.395.196	14.614.541	(16.009.737)	-
Dividend paid	-	-	-	-	(15.451.961)	-	(15.451.961)
Net income for the year	-	-	-	-	-	23.090.090	23.090.090
December 31, 2014	30.000.000	16.802.123	46.802.123	59.230.554	10.894.641	23.090.090	140.017.408
January 1, 2015	30.000.000	16.802.123	46.802.123	59.230.554	10.894.641	23.090.090	140.017.408
Transfers	-	-	-	-	23.090.090	(23.090.090)	-
Net income for the year	-	-	-	-	-	26.941.718	26.941.718
December 31, 2015	30.000.000	16.802.123	46.802.123	59.230.554	33.984.731	26.941.718	166.959.126

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

as of December 31, 2015 and 2014

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

	Notes	December 31, 2015	December 31, 2014
A. Cash flows from operating activities		(492.498.225)	147.496.053
Net income for the year		26.941.718	23.090.090
Adjustments to reconcile net income to net cash provided by operating activities		(3.969.536)	8.709.081
Depreciation and amortization	8, 9	1.269.011	600.363
Provisions		8.100.003	4.442.230
Interest income		(12.751.373)	(2.131.723)
Provision for income taxes		(582.330)	5.796.770
Sales expense / (income) of property and equipment		(4.847)	1.441
Changes in working capital		(526.982.321)	122.967.959
Net (increase) / decrease in receivables from commercial and credited customers		(266.261.923)	34.870.035
Net decrease / (increase) in other receivables		(40.134.209)	2.142.365
Net decrease / (increase) in securities		23.567.262	12.203.213
Net decrease / (increase) in trade payables		114.516.568	(37.905.345)
Net increase in other liabilities		(358.670.019)	111.657.691
Net cash flow provided by operating activities		(504.010.139)	154.767.130
Dividends received		(10.552)	(46)
Interest paid		(12.860.283)	(28.889.098)
Interest received		26.119.888	30.670.820
Income taxes paid	19	2.049.164	(5.905.309)
Other cash flows		(3.786.205)	(3.147.444)
B. Net cash provided by investing activities		(5.258.056)	(1.028.561)
Capital outflows of financial assets ready for sale		(919)	(766)
Sale of property and equipment		11.488	677
Purchase of property, equipment and intangible assets, net		(5.268.625)	(1.028.472)
C. Net cash provided from financing activities		4.489.487	(15.423.491)
Increase in financial debts		4.697.839	208.352
Debt payments		(208.352)	(179.882)
Dividends paid	10	-	(15.451.961)
Net increase/decrease in cash and cash equivalents before the foreign currency translation difference (A+B+C)		(493.266.794)	131.044.001
D. The impact of foreign currency translation difference on cash and cash equivalents		-	-
Net increase/decrease in cash and cash equivalents (A+B+C+D)		(493.266.794)	131.044.001
E. Cash and cash equivalents at the beginning of the year		529.359.503	398.315.502
Cash and cash equivalents at the end of year		36.092.807	529.359.503

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.

**Notes to the financial statements
as of December 31, 2015 and 2014**

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

1. Principal activities and organization

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

The principal activity of the Company is to provide intermediary services. The Company acts as an intermediary for the sale of the capital market instruments through the initial public offerings or through the issuer's without initial public offerings and acts as an intermediary for the purchase and sale of the instruments which are previously issued, offers individual portfolio management services; acts as an intermediary for the sale and purchase of derivative instruments; makes purchase and sale activities of repurchase agreement and reverse repurchase agreement transactions in line with the regulations by obtaining the necessary licenses, which are defined in the relevant notifications for each transaction, from the Capital Markets Board of Turkey.

The Company has taken over domestic individual customer accounts, which it transferred to Akbank T.A.Ş. in 2009, as of April 6, 2015 again including the personnel who carries out marketing activities to the customers.

As of December 31, 2015, the headquarters of the company is located in İstanbul and the total number of employees is 184 (December 31, 2014: 78). The address of the headquarters is Sabancı Center 4. Levent, 34330 İstanbul, Turkey. The company's main shareholder is Akbank T.A.Ş. and the ultimate controlling party is Hacı Ömer Sabancı Holding A.Ş.

Approval of the financial statements:

The Company's financial statements for the period ended December 31, 2015 have been approved by the Company's Board of Directors on February 1, 2016. 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 accompanying financial statements of Capital Markets Board ("CMB") June 13, 2013 and 28676 numbered Official Gazette Series II 14.1 No. "Capital Markets Financial Reporting in the Communiqué on Principles Regarding" ("the Communiqué") pursuant to the provisions of Public Oversight Accounting and Auditing Standards Board ("POA"), which was enacted by Turkey Accounting Standards (IAS) have been prepared in accordance.

The Company's functional currency is the Turkish lira (TL) and prepares their statutory financial legislation in TL according to the requirements of the accounting records and the Uniform Chart of Accounts issued by the Ministry of Finance in Turkey.

The accompanying financial statements are based on the Company's statutory records and denominated in TL to express the Company's status according to Turkish Accounting Standards published by the POA, certain adjustments and reclassifications have been made.

Ak Yatırım Menkul Değerler A.Ş.

Notes to the financial statements

as of December 31, 2015 and 2014 (continued)

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. Basis of presentation of financial statements (continued)

(b) Adoption of new and revised standards

The accounting policies adopted in preparation of the financial statements as at December 31, 2015 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRIC interpretations effective as of January 1, 2015. The effects of these standards and interpretations on the Company's financial position and performance have been disclosed in the related paragraphs.

The new standards, amendments and interpretations:

The accounting policies adopted in preparation of the financial statements as at December 31, 2015 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRIC interpretations effective as of January 1, 2015. The effects of these standards and interpretations on the Company's financial position and performance have been disclosed in the related paragraphs.

i) The new standards, amendments and interpretations which are effective as at January 1, 2015 are as follows:

TAS 19 Defined Benefit Plans: Employee Contributions (Amendment)

TAS 19 requires an entity to consider contributions from employees or third parties when accounting for defined benefit plans. The amendments clarify that, if the amount of the contributions is independent of the number of years of service, an entity is permitted to recognize such contributions as a reduction in the service cost in the period in which the service is rendered, instead of allocating the contributions to the periods of service. These amendments are to be retrospectively applied for annual periods beginning on or after July 1, 2014. The amendments will not have an impact on the financial position or performance of the Company.

Annual Improvements to TAS/TFRSs

In September 2014, Public Oversight Authority (POA) has issued the below amendments to the standards in relation to "Annual Improvements - 2010–2012 Cycle" and "Annual Improvements - 2011–2013 Cycle". The changes are effective for annual reporting periods beginning on or after 1 July 2014.

Annual Improvements - 2010–2012 Cycle

TFRS 2 Share-based Payment:

Definitions relating to vesting conditions have changed and performance condition and service condition are defined in order to clarify various issues. The amendment is effective prospectively.

TFRS 3 Business Combinations

The amendment clarifies that all contingent consideration arrangements classified as liabilities (or assets) arising from a business combination should be subsequently measured at fair value through profit or loss whether or not they fall within the scope of IAS 39 (or IFRS 9, as applicable). The amendment is effective for business combinations prospectively.

Ak Yatırım Menkul Değerler A.Ş.

Notes to the financial statements

as of December 31, 2015 and 2014 (continued)

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. Basis of presentation of financial statements (continued)

The new standards, amendments and interpretations (continued)

TFRS 8 Operating Segments

The changes are as follows: i) An entity must disclose the judgment made by management in applying the aggregation criteria in IFRS 8, including a brief description of operating segments that have been aggregated and the economic characteristics (e.g., sales and gross margins) used to assess whether the segments are 'similar'. ii) The reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker. The amendments are effective retrospectively.

TAS 16 Property, Plant and Equipment and TAS 38 Intangible Assets

The amendment to TAS 16.35(a) and TAS 38.80(a) clarifies that revaluation can be performed, as follows:

i) Adjust the gross carrying amount of the asset to market value or ii) determine the market value of the carrying amount and adjust the gross carrying amount proportionately so that the resulting carrying amount equals the market value. The amendment is effective retrospectively.

TAS 24 Related Party Disclosures

The amendment clarifies that a management entity – an entity that provides key management personnel services – is a related party subject to the related party disclosures. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management services. The amendment is effective retrospectively.

Annual Improvements – 2011–2013 Cycle

TFRS 3 Business Combinations

The amendment clarifies that: i) Joint arrangements are outside the scope of TFRS 3, not just joint ventures ii) The scope exception applies only to the accounting in the financial statements of the joint arrangement itself. The amendment is effective prospectively.

TFRS 13 Fair Value Measurement

The portfolio exception in TFRS 13 can be applied to financial assets, financial liabilities and other contracts within the scope of IAS 39 (or IFRS 9, as applicable). The amendment is effective prospectively.

TAS 40 Investment Property

The amendment clarifies the interrelationship of TFRS 3 and TAS 40 when classifying property as investment property or owner-occupied property. The amendment is effective prospectively.

The amendments did not have a significant impact on the financial statements of the Company

Ak Yatırım Menkul Değerler A.Ş.

Notes to the financial statements

as of December 31, 2015 and 2014 (continued)

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. Basis of presentation of financial statements (continued)

The new standards, amendments and interpretations (continued)

ii) Standards issued but not yet effective and not early adopted

Standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of issuance of the financial statements are as follows. The Company will make the necessary changes if not indicated otherwise, which will be affecting the financial statements and disclosures, when the new standards and interpretations become effective.

TFRS 9 Financial Instruments – Classification and measurement

As amended in December 2012 and February 2015, the new standard is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. Phase 1 of this new TFRS introduces new requirements for classifying and measuring financial instruments. The amendments made to TFRS 9 will mainly affect the classification and measurement of financial assets and measurement of fair value option (FVO) liabilities and requires that the change in fair value of a FVO financial liability attributable to credit risk is presented under other comprehensive income. The Company will quantify the effect in conjunction with the other phases, when the final standard including all phases is adopted by POA.

TFRS 11 Acquisition of an Interest in a Joint Operation (Amendment)

TFRS 11 is amended to provide guidance on the accounting for acquisitions of interests in joint operations in which the activity constitutes a business. This amendment requires the acquirer of an interest in a joint operation in which the activity constitutes a business, as defined in TFRS 3 Business Combinations, to apply all of the principles on business combinations accounting in TFRS 3 and other TFRSs except for those principles that conflict with the guidance in this TFRS. In addition, the acquirer shall disclose the information required by TFRS 3 and other TFRSs for business combinations. These amendments are to be applied prospectively for annual periods beginning on or after January 1, 2016. Earlier application is permitted. The amendments will not have an impact on the financial position or performance of the Company.

TAS 16 and TAS 38 - Clarification of Acceptable Methods of Depreciation and Amortization (Amendments to TAS 16 and TAS 38)

The amendments to TAS 16 and TAS 38, have prohibited the use of revenue-based depreciation for property, plant and equipment and significantly limiting the use of revenue-based amortization for intangible assets. The amendments are effective prospectively for annual periods beginning on or after January 1, 2016. Earlier application is permitted. The amendments will not have an impact on the financial position or performance of the Company.

TAS 16 Property, Plant and Equipment and TAS 41 Agriculture (Amendment) – Bearer Plants

TAS 16 is amended to provide guidance that bearer plants, such as grape vines, rubber trees and oil palms should be accounted for in the same way as property, plant and equipment in TAS 16. Once a bearer plant is mature, apart from bearing produce, its biological transformation is no longer significant in generating future economic benefits. The only significant future economic benefits it generates come from the agricultural produce that it creates. Because their operation is similar to that of manufacturing, either the cost model or revaluation model should be applied. The produce growing on bearer plants will remain within the scope of TAS 41, measured at fair value less costs to sell. Entities are required to apply the amendments for annual periods beginning on or after January 1, 2016.

Ak Yatırım Menkul Değerler A.Ş.

Notes to the financial statements

as of December 31, 2015 and 2014 (continued)

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. Basis of presentation of financial statements (continued)

The new standards, amendments and interpretations (continued)

TAS 16 Property, Plant and Equipment and TAS 41 Agriculture (Amendment) – Bearer Plants (continued)

Earlier application is permitted. The amendment is not applicable for the Company and will not have an impact on the financial position or performance of the Company.

TAS 27 Equity Method in Separate Financial Statements (Amendments to TAS 27)

In April 2015, Public Oversight Accounting and Auditing Standards Authority (POA) of Turkey issued an amendment to TAS 27 to restore the option to use the equity method to account for investments in subsidiaries and associates in an entity's separate financial statements. Therefore, an entity must account for these investments either:

- At cost
 - In accordance with IFRS 9,
- Or
- Using the equity method defined in TAS 28

The entity must apply the same accounting for each category of investments. The amendment is effective for annual periods beginning on or after January 1, 2016. The amendments must be applied retrospectively. Early application is permitted and must be disclosed. The amendment is not applicable for the Company and will not have an impact on the financial position or performance of the Company.

TFRS 10 and TAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments)

In February 2015, amendments issued to TFRS 10 and TAS 28, to address the acknowledged inconsistency between the requirements in TFRS 10 and TAS 28 in dealing with the loss of control of a subsidiary that is contributed to an associate or a joint venture, to clarify that an investor recognizes a full gain or loss on the sale or contribution of assets that constitute a business, as defined in TFRS 3, between an investor and its associate or joint venture. The gain or loss resulting from the re-measurement at fair value of an investment retained in a former subsidiary should be recognized only to the extent of unrelated investors' interests in that former subsidiary. An entity shall apply those amendments prospectively to transactions occurring in annual periods beginning on or after January 1, 2016. Earlier application is permitted. The amendment is not applicable for the Company and will not have an impact on the financial position or performance of the Company.

TFRS 10, TFRS 12 and TAS 28: Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10 and IAS 28)

In February 2015, amendments issued to TFRS 10, TFRS 12 and TAS 28, to address the issues that have arisen in applying the investment entities exception under TFRS 10 Consolidated Financial Statements. The amendments are applicable for annual periods beginning on or after January 1, 2016. Earlier application is permitted. The amendment is not applicable for the Company and will not have an impact on the financial position or performance of the Company.

TAS 1: Disclosure Initiative (Amendments to TAS 1)

In February 2015, amendments issued to TAS 1. Those amendments include narrow-focus improvements in the following five areas: Materiality, Disaggregation and subtotals, Notes structure,

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

Ak Yatırım Menkul Değerler A.Ş.

Notes to the financial statements

as of December 31, 2015 and 2014 (continued)

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. Basis of presentation of financial statements (continued)

The new standards, amendments and interpretations (continued)

TAS 1: Disclosure Initiative (Amendments to TAS 1) (continued)

Disclosure of accounting policies, Presentation of items of other comprehensive income (OCI) arising from equity accounted investments. The amendments are applicable for annual periods beginning on or after January 1, 2016. Earlier application is permitted. These amendments are not expected to have a significant impact on the notes to the financial statements of the Company.

Annual Improvements to TFRSs - 2012-2014 Cycle

In February 2015, POA issued, Annual Improvements to TFRSs 2012-2014 Cycle. The document sets out five amendments to four standards, excluding those standards that are consequentially amended, and the related Basis for Conclusions. The standards affected and the subjects of the amendments are:

- IFRS 5 Non-current Assets Held for Sale and Discontinued Operations – clarifies that changes in methods of disposal (through sale or distribution to owners) would not be considered a new plan of disposal, rather it is a continuation of the original plan
- IFRS 7 Financial Instruments: Disclosures – clarifies that i) the assessment of servicing contracts that includes a fee for the continuing involvement of financial assets in accordance with IFRS 7; ii) the offsetting disclosure requirements do not apply to condensed interim financial statements, unless such disclosures provide a significant update to the information reported in the most recent annual report
- IAS 19 Employee Benefits – clarifies that market depth of high quality corporate bonds is assessed based on the currency in which the obligation is denominated, rather than the country where the obligation is located
- IAS 34 Interim Financial Reporting –clarifies that the required interim disclosures must either be in the interim financial statements or incorporated by cross-reference between the interim financial statements and wherever they are included within the interim financial report

The amendments are effective for annual periods beginning on or after January 1, 2016, with earlier application permitted. The Company is in the process of assessing the impact of the amendments on financial position or performance of the Company.

The new standards, amendments and interpretations that are issued by the International Accounting Standards Board (IASB) but not issued by Public Oversight Authority (POA)

The following standards, interpretations and amendments to existing IFRS standards are issued by the IASB but not yet effective up to the date of issuance of the financial statements. However, these standards, interpretations and amendments to existing IFRS standards are not yet adopted/issued by the POA, thus they do not constitute part of TFRS. The Company will make the necessary changes to its financial statements after the new standards and interpretations are issued and become effective under TFRS.

Ak Yatırım Menkul Değerler A.Ş.

**Notes to the financial statements
as of December 31, 2015 and 2014 (continued)**
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. Basis of presentation of financial statements (continued)

The new standards, amendments and interpretations (continued)

Annual Improvements – 2010–2012 Cycle

IFRS 13 Fair Value Measurement

As clarified in the Basis for Conclusions short-term receivables and payables with no stated interest rates can be held at invoice amounts when the effect of discounting is immaterial. The amendment is effective immediately.

Annual Improvements – 2011–2013 Cycle

IFRS 15 Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15 Revenue from Contracts with Customers. The new five-step model in the standard provides the recognition and measurement requirements of revenue. The standard applies to revenue from contracts with customers and provides a model for the sale of some non-financial assets that are not an output of the entity's ordinary activities (e.g., the sale of property, plant and equipment or intangibles). IFRS 15 original effective date was January 1, 2017. However, in September 2015, IASB decided to defer the effective date to reporting periods beginning on or after January 1, 2018, with early adoption permitted. Entities will transition to the new standard following either a full retrospective approach or a modified retrospective approach. The modified retrospective approach would allow the standard to be applied beginning with the current period, with no restatement of the comparative periods, but additional disclosures are required. The Company is in the process of assessing the impact of the standard on financial position or performance of the Company.

IFRS 9 Financial Instruments - Final standard (2014)

In July 2014 the IASB published the final version of IFRS 9 Financial Instruments. The final version of IFRS 9 brings together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 is built on a logical, single classification and measurement approach for financial assets that reflects the business model in which they are managed and their cash flow characteristics. Built upon this is a forward-looking expected credit loss model that will result in more timely recognition of loan losses and is a single model that is applicable to all financial instruments subject to impairment accounting. In addition, IFRS 9 addresses the so-called 'own credit' issue, whereby banks and others book gains through profit or loss as a result of the value of their own debt falling due to a decrease in credit worthiness when they have elected to measure that debt at fair value. The Standard also includes an improved hedge accounting model to better link the economics of risk management with its accounting treatment. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. However, the Standard is available for early application. In addition, the own credit changes can be early applied in isolation without otherwise changing the accounting for financial instruments. The Company is in the process of assessing the impact of the standard on financial position or performance of the Company.

IFRS 16 Leases

In January 2016, the IASB has published a new standard, IFRS 16 'Leases'. The new standard brings most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and finance leases. Lessor accounting however remains largely unchanged and the distinction between operating and finance leases is retained. IFRS 16 supersedes IAS 17 'Leases' and related interpretations and is effective for periods beginning on or after January 1, 2019, with earlier adoption permitted if IFRS 15 'Revenue from Contracts with Customers' has also been applied. The Company is in the process of assessing the impact of the standard on financial position or performance of the Company.

Ak Yatırım Menkul Değerler A.Ş.

Notes to the financial statements

as of December 31, 2015 and 2014 (continued)

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. Basis of presentation of financial statements (continued)

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. Changes 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, 2014 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.

(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:

Furniture and fixtures	5 years
Motor vehicles	5 years
Leasehold improvements	Lease Duration

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.

Ak Yatırım Menkul Değerler A.Ş.

Notes to the financial statements

as of December 31, 2015 and 2014 (continued)

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. Basis of presentation of financial statements (continued)

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 recognized 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, cannot 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 amortized on a straight-line basis over their estimated economic lives for a period not exceeding five years from the date of acquisition.

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

(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 recognized 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.

Ak Yatırım Menkul Değerler A.Ş.

**Notes to the financial statements
as of December 31, 2015 and 2014 (continued)
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)**

2. Basis of presentation of financial statements (continued)

Available-for-sale securities are initially recognized 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. Unrealized gains and losses arising from changes in the fair value of securities classified as available-for-sale are recognized 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 amortized 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.

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

Available for sale financial instruments whose fair values cannot 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 categorized as loans originated by the Company and are carried at amortized cost. All originated loans are recognized 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.

Trade receivables and payables related to financial assets recognized according to date of transaction are recorded on the date in which the transaction is made on the balance sheet.

(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.

Ak Yatırım Menkul Değerler A.Ş.

Notes to the financial statements

as of December 31, 2015 and 2014 (continued)

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. Basis of presentation of financial statements (continued)

(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.

(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".

(i) Finance leases - as lessee

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

- a) A person or that person's immediate family are considered as related party to the Company if the following conditions have been met:

Certain party,

- (i) If it has control or joint control over the Company,
- (ii) If it has significant influence over the Company
- (iii) In the case of a member of the Company or the parent Company's key management personnel

- b) If any of the following conditions are present, the company is considered as related party:

- (i) In the case of the Company and the Entity are members of a same group,
- (ii) In the case of the Entity, (or other entity that is a member of a member of a group) is a subsidiary or joint venture of the other entity,
- (iii) In the event of the Company and the Entity are both joint venture of a third party,
- (iv) In the event of the Company is a joint venture of a third entity of one and the other entity is a subsidiary of such third the company,
- (v) In the event of the Company, has post-employment benefit plans related to the Entity or the associated entity's employees (in the event of the company itself has such plan, the sponsoring employers are also recognized related to the Company)

Ak Yatırım Menkul Değerler A.Ş.

Notes to the financial statements

as of December 31, 2015 and 2014 (continued)

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. Basis of presentation of financial statements (continued)

- (vi) If the Company is controlled or jointly controlled by a person defined at (a)
- (vii) In the event of a person defined at article (a) subparagraph (i) have a significant influence over the Company or the respective entity (or of a parent of the entity) is member of the entity's key management

(k) Corporate and deferred taxes

Corporate tax

Corporate tax is calculated according to the Tax Procedural Law, and tax expenses except corporate tax are recognized in operating expenses.

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 recognized for all taxable temporary differences, whereas deferred tax assets resulting from deductible temporary differences are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilized.

(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" ("TAS 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.

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) Statement 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).

Ak Yatırım Menkul Değerler A.Ş.

Notes to the financial statements

as of December 31, 2015 and 2014 (continued)

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. Basis of presentation of financial statements (continued)

(n) Share capital and dividends

Ordinary shares are classified as equity. Dividends on ordinary shares are recognized 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. Reporting on sections

As at December 31, 2015, accordingly, the accompanying financial statements are not intended to present the financial position, reporting couldn't be made relating to section.

G. Additional paragraph for convenience translation to English:

The effects of differences between the accounting principles and standards set out by regulations, communiqués, interpretations and circulars published by the BRSA, and accounting principles generally accepted in the countries in which the accompanying financial statements are to be distributed and IFRS have not been quantified in the accompanying financial statements. Accordingly, the accompanying financial statements are not intended to present the financial position, results of operations and changes in financial position and cash flows in accordance with the accounting principles generally accepted in such countries and IFRS.

3. Cash and cash equivalents

	31 December 2015	31 December 2014
Demand deposits	6.092.807	3.340.118
Time deposits	30.011.360	528.930.511
Total	36.104.167	532.270.629

Ak Yatırım Menkul Değerler A.Ş.

Notes to the financial statements

as of December 31, 2015 and 2014 (continued)

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

3. Cash and cash equivalents (continued)

Cash and cash equivalents included in the statements of cash flows for the year ended December 31, 2015 is as follows:

	December 31, 2015	December 31, 2014
Demand Deposits	6.092.807	3.340.118
Time Deposits	30.000.000	526.019.385
Total	36.092.807	529.359.503

The maturity of time deposits is 50 days on average and average interest rate is 13,95%. (December 31, 2014 : 33 days – 10,57 %)

As of December 31,2015 The amount of guarantee for the security transactions is TL 1.744.560 (December 31,2014 None).

4. Financial investments

a) Current assets-Financial Investments

	December 31, 2015	December 31, 2014
Trading securities		
Government bonds and treasury bills	8.448.146	5.820.007
Investment funds	13.919.865	44.255.961
Equity securities	6.532.229	-
Total	28.900.240	50.075.968

Securities in the amount of TL 8.448.146 (December 31, 2014: TL 5.820.007) with a nominal value of TL 8.570.000 (December 31, 2014: TL 5.877.000) have been pledged at Istanbul Settlement and Custody Bank Inc (IMKB Takas ve Saklama Bankası A.Ş. (Takasbank A.Ş.)) as collateral at December 31, 2015.

b) Non-current assets-Financial Investments

	December 31, 2015	December 31, 2014
Available-for-sale financial assets		
Common stocks	164.965	164.046
Total	164.965	164.046

Non-listed available for sale financial assets at December 31, 2015 and 2014 are as follows:

	Share %	December 31, 2015	December 31, 2014
Borsa Istanbul (BIST)	0,03374	159.711	159.711
Ak Finansal Kiralama A.Ş.	0,002	5.254	4.335
		164.965	164.046

Ak Yatırım Menkul Değerler A.Ş.

Notes to the financial statements

as of December 31, 2015 and 2014 (continued)

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

As of December 31, 2015, the participation of the Company in Borsa Istanbul is 0,377%. The Company has 159.711 shares with a nominal value of TL 15.971.094.

5. Financial liabilities

	December 31, 2015	December 31, 2014
Money market payables	80.031.316	441.721.929
Issued bonds and stock	2.838.845	-
Bank borrowings	1.858.994	208.352
	84.729.155	441.930.281

The average maturity of Money Market payables is 21 days and the average interest rate is 13,58% (December 31, 2014: 30 days – 10,14%). Bank loans are interest-free loans used in tax repayments.

6. Trade receivables and payables

Short-term trade receivables:

	December 31, 2015	December 31, 2014
Margin trading customers	148.284.311	-
Receivables from customers	288.334.485	172.695.187
Receivables from exchange and keeping	352.549	94.541
Receivables from Turkish Derivatives Exchange	6.242.146	4.055.099
Receivables from consultancy	7.990	115.816
Advance payments	1.085	-
Doubtful trade receivables	9.500	9.500
Provision for doubtful trade receivables	(9.500)	(9.500)
Total	443.222.566	176.960.643

As of December 31, 2015, the Company has allocated loans to its customers to be used in stock transactions at an amount of TL148.284.311. The Company has stocks traded in the foreign exchange for loans it has provided at an amount of TL 293.879.770 (December 31, 2014: None).

As of December 31, 2015, the Company has doubtful trade receivables amounting to TL 9.500. (December 31, 2014 : TL 9.500)

As of December 31, 2014, the Company has short sale transactions at an amount of TL2.371.446 (December 31, 2014 : None)

Short-term trade payables:

	December 31, 2015	December 31, 2014
Payables to customers	83.809.360	51.906.783
Payables to suppliers	2.837.962	186.891
Payables to exchange and keeping	200.084.890	122.571.045
Other trade payables	2.393.366	186.791
Guarantees received from the market in order to obtain short selling	242.500	-
Total	289.368.078	174.851.510

Ak Yatırım Menkul Değerler A.Ş.

**Notes to the financial statements
as of December 31, 2015 and 2014 (continued)**
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

7. Other receivables and payables

Other short-term receivables

	December 31, 2015	December 31, 2014
Deposits and guarantees given (*)	33.732.388	-
Derivative market guarantees	2.251.179	-
Other receivables	790.530	161.722
	36.774.097	161.722

(*) The given deposits and guarantees were given as a loaned guarantee for the security transactions to Citibank on December 31, 2015.

Other long-term receivables

	December 31, 2015	December 31, 2014
Deposits and guarantees given (*)	2.823.414	1.557.264
	2.823.414	1.557.264

(*) As of December 31, 2015, it includes guarantee of TURKDEX amounted to TL 2.678.783 (31.12.2014: 1.465.675 TL).

Ak Yatırım Menkul Değerler A.Ş.

Notes to the financial statements

as of December 31, 2015 and 2014 (continued)

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

8. Property and equipment

	Furniture and fixtures	Construction in progress	Leasehold improvement	Total
Net book value, January 1, 2015	746.053	-	361.832	1.107.885
Addition	2.351.693	1.711.305	4.216	4.067.214
Disposals	(15.180)	-	-	(15.180)
Transfers	-	(1.711.305)	1.397.621	(15.180)
Disposals depreciation	15.180	-	-	15.180
	(552.096)	(312.147)	(864.243)	(552.096)
Net book value, December 31, 2015	2.545.650	-	1.451.522	3.997.172
December 31, 2015				
Cost	4.771.267	-	2.284.084	7.055.351
Accumulated depreciation	(2.225.617)	-	(832.562)	(3.058.179)
Net book value, December 31, 2015	2.545.650	-	1.451.522	3.997.172
	Furniture and fixtures	Construction in progress	Leasehold improvement	Total
Net book value, January 1, 2014	833.512	-	499.447	1.332.959
Addition	175.720	197.029	37.323	410.072
Disposal	(5.414)	(197.029)	-	(202.443)
Disposal Depreciation	3.296	-	-	3.296
Depreciation expense	(261.061)	-	(174.938)	(435.999)
Net book value, December 31, 2014	746.053	-	361.832	1.107.885
December 31, 2014				
Cost	2.434.754	-	882.247	3.317.001
Accumulated depreciation	(1.688.701)	-	(520.415)	(2.209.116)
Net book value, December 31, 2014	746.053	-	361.832	1.107.885

Ak Yatırım Menkul Değerler A.Ş.

Notes to the financial statements
as of December 31, 2015 and 2014 (continued)
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

9. Intangible assets

December 31, 2015

	Computer software
Net book value, January 1, 2015	958.947
Additions	1.201.412
Redemption	(404.769)
Transfers	313.684
Amortization charge	(6.641)
Net book value	2.062.633

December 31, 2015

Cost	4.150.516
Accumulated amortization	(2.087.883)
Net book value	2.062.633

December 31, 2014

	Computer software
Net book value, January 1, 2014	307.882
Additions	815.429
Amortization charge	(164.364)
Net book value	958.947

December 31, 2014

Cost	2.645.637
Accumulated amortization	(1.686.690)
Net book value	958.947

10. Provisions, commitments and contingent assets or liabilities

	December 31, 2015	December 31, 2014
Short-term provisions		
Provision for personnel cases	213.600	217.440
Corporate tax allowance	2.049.164	68.883
Total	2.262.764	286.323

Ak Yatırım Menkul Değerler A.Ş.

Notes to the financial statements

as of December 31, 2015 and 2014 (continued)

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

10. Provisions, commitments and contingent assets or liabilities (continued)

	2015	2014
Beginning of the period, January 1	217.440	243.500
Payments during the period	(61.240)	(395.200)
Charge for the period	57.400	369.140
End of the period, December 31	213.600	217.440

(b) Letters of guarantees given:

The letters of guarantees (TL) given to third parties are as follows:

	December 31, 2015	December 31, 2014
Istanbul Settlement and Custody Bank Inc	87.340.000	442.340.000
Borsa İstanbul A.Ş.	96.250.000	45.250.000
Privatization administration	250.000	250.000
Central Bank of Turkish Republic	1.800	1.800
Istanbul Chamber of Commerce	28.011	-
Total	183.869.811	487.841.800

The sum of foreign currency guarantees given to third parties is USD 55.505.000 and USD 46.500.000 given to Istanbul Settlement and Custody Bank Inc (December 31, 2014 : USD 46.500.000) while USD 9.005.000 given Borsa İstanbul A.Ş. (December 31, 2014: USD 9.155.000).

(c) TURKDEX transactions

As of December 31, 2015, guarantees given regarding TURKDEX classified in other receivables at an amount of TL 2.254.179 (December 31, 2014: None)

As of December 31, 2015, the cash guarantees given regarding TURKDEX transactions amounts to TL 2.678.783 (December 31, 2014: TL 1.465.675).

(d) Custodian services/Other

As of December 31, 2015, the nominal value of treasury bills, government bonds and stocks kept as trust in custody in the name of the customers is TL 1.045.613.927, TL 7.611.752.824, TL 3.431.935.030 respectively (December 31, 2014: TL 3.966.800 , TL1.241.373.521, TL 7.218).

As of December 31, 2015, the return value of repo / reverse repo transactions on behalf of customers at maturity date is TL 1.143.977.921 (December 31, 2014: TL 732.062.628).

As of December 31, 2015, the balance of customers on banks is amount to TL 2.472.452 (December 31, 2014 : 1.929.428 TL)

Ak Yatırım Menkul Değerler A.Ş.

Notes to the financial statements

as of December 31, 2015 and 2014 (continued)

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

10. Provisions, commitments and contingent (continued)

(e) Legal disputes

As of December 31, 2015, the legal disputes against the Company amount to TL 457.100 (December 31, 2014: TL 487.238). In the light of the assessments made regarding the lawsuits filed against the Company, provision amounting to TL 213.600 has been booked (December 31, 2014: TL 217.440).

As of December 31, 2015 and December 31, 2014, the guarantee, pledge and mortgage position of the Company is as follows:

Collaterals, pledges and mortgages given (CPM)	December 31, 2015	December 31, 2014
A.Total amount of CPM given on behalf of its own legal entity	381.811.951	618.457.444
B.Total amount of CPM given on behalf of its subsidiaries included in consolidation	-	-
C.The total amount of CPM given in order to guarantee the debts of third parties to run the ordinary commercial activities	-	-
D. The total amount of other CPM	-	-
i. Total amount of CPM given on behalf of the main partner	-	-
ii. Total amount of CPM given on behalf of other group companies which are not in the scope of B ve C	-	-
iii. Total amount of CPM given on behalf of third parties which are not covered in C.	-	-
Total	381.811.951	618.457.444

11. Employee benefits

	December 31, 2015	December 31, 2014
Provision for short-term employment benefits		
Provision for personnel bonus	6.740.000	3.638.000
Total	6.740.000	3.638.000
Provision for long-term employment benefits		
Provision for employment termination benefits	440.801	240.357
Provision for unused vacation rights	2.393.847	1.378.653
Total	2.834.648	1.619.010

Ak Yatırım Menkul Değerler A.Ş.

Notes to the financial statements

as of December 31, 2015 and 2014 (continued)

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

11. Employee benefits (continued)

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 3.828,37 (December 31, 2014: TL 3.438,22) for each period of service at December 31, 2015.

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.

TFRS 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, 2015	December 31, 2014
Discount rate (%)	3,62	3,62
Turnover rate to estimate the probability of retirement (%)	14,65	15,57

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 4.092,53 at January 1, 2016 will be taken into consideration in calculating the reserve for employment termination benefit (January 1 2015: TL 3.541,37).

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

	December 31, 2015	December 31, 2014
January 1	240.357	189.657
Payments during the year	(309.964)	(40.609)
Provision during the year	510.408	91.309
December 31	440.801	240.357

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

	December 31, 2015	December 31, 2014
January 1	1.378.653	1.152.822
Payments during the year	(102.862)	(117.950)
Provision (decrease) / reserved during the year	1.118.056	343.781
December 31	2.393.847	1.378.653

Ak Yatırım Menkul Değerler A.Ş.

**Notes to the financial statements
as of December 31, 2015 and 2014 (continued)**
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

12. Other current assets and liabilities

a) Prepaid expenses

	December 31, 2015	December 31, 2014
Prepaid expenses	364.986	153.304
Total	364.986	153.304

b) Other short-term liabilities

	December 31, 2015	December 31, 2014
Taxes and funds payable	2.665.769	1.108.115
Expense accruals	321.119	838.460
Total	2.986.888	1.946.575

13. Shareholders' equity

The share capital of the Company is TL 30.000.000 (December 31, 2014: TL 30.000.000) and consists of 30.000.000 (December 31, 2014: 30.000.000) authorized shares with a nominal value of TL 1 each. As of December 31, 2015 and 2014, the Company doesn't have any preferred stocks.

At December 31, 2015 and December 31, 2014 the issued and fully paid-in share capital held is as follows:

	Share (%)	December 31, 2015	Share (%)	December 31, 2014
Akbank T.A.Ş.	100	30.000.000	100	30.000.000
Paid-in share capital (Historical cost)	100	30.000.000	100	30.000.000
Adjustment to share capital	-	16.802.123	-	16.802.123
Total paid-in share capital		46.802.123		46.802.123

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.

Ak Yatırım Menkul Değerler A.Ş.

Notes to the financial statements

as of December 31, 2015 and 2014 (continued)

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

13. Shareholders' equity (continued)

Retained earnings:

	December 31, 2015	December 31, 2014
Legal reserves	17.611.972	17.611.972
Special reserves(*)	41.618.582	41.618.582
Extraordinary reserves	22.781.522	-
Retained earnings	11.203.209	10.894.641
Total	93.215.285	70.125.195

Historical amounts of distributed dividends during the year - 15.451.961

(*) In accordance with Article 5, Clause 1, Subparagraph e of the Corporate Tax Law, the Company did not distribute TL 41,618,582 which makes up 75% of the profit amounting to TL 55,491,444 acquired from the sale of the Gümüşsuyu service building on July 26, 2012, and transferred this amount to its special fund account.

Profit distribution

The company has not distributed its net profit at an amount of TL 22.781.522 sourcing from operations of 2014 and transferred this amount to its extraordinary reserve (As at December 31, 2014, according to CMB's framework of profit distribution; after the subtraction of prior year losses from profit for the period, and to be met by prior year extraordinary reserves, after deducting the amount required by law and articles of association are separated, remaining amount of TL 15.451.961 is paid as dividend as at March 31, 2014).

Publicly traded companies shall perform dividend distribution in accordance with the Communiqué on Dividends II-19.1 of the Capital Market Board effective as of February 1, 2014.

Companies shall distribute their profits within the framework of the profit distribution policies to be determined by their general assemblies and in accordance with the provisions of the related regulation. Companies are required to include in minimum the following matters in their profit distribution policies:

- a) Whether dividend distribution will be made; and the distribution rate for shareholders and those participating in the distribution in the event of distribution.
- b) Mode of payment of the dividend.
- c) Time of dividend payment, on condition that dividend payment procedures start at the latest as of the end of the period in which the general assembly meeting was held.
- d) Whether dividend advances will be distributed and the related principles in the event of distribution.

In accordance with the Turkish Commercial Code (TCC), unless the required reserves and the dividend for shareholders as determined in the main agreement or in the dividend distribution policy of the company are set aside, no decision may be made to set aside other reserves, to transfer profits to the subsequent year or to distribute dividends to the holders of usufruct right certificates, to the members of the board of directors or to the employees; and no dividend can be distributed to these persons unless the determined dividend for shareholders is paid in cash.

The part of the accumulated loss of the companies that exceeds the total of retained earnings, general legal reserves including premiums related to shares, the amounts arising from the adjustment of equity items except capital stock in accordance with inflation accounting are taken into account as discount items.

Ak Yatırım Menkul Değerler A.Ş.

Notes to the financial statements

as of December 31, 2015 and 2014 (continued)

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

14. Sales and cost of sales

	January 1 - December 31, 2015	January 1 - December 31, 2014
Treasury bills	71.329.269	2.338.759
Stocks	95.562.177	33.647.893
Treasury bonds	3.913.453.589	2.652.305.868
Sales	4.080.345.035	2.688.292.520
Treasury bills	71.287.145	2.316.343
Stocks	96.925.871	33.616.872
Corporate bonds	3.912.832.241	2.652.057.623
Cost of sales	4.081.045.257	2.687.990.838

Other Operating Income / Expenses

	January 1 - December 31, 2015	January 1 - December 31, 2014
Service Revenue		
Stock purchase-sale underwriting commission	40.103.507	17.648.393
Public offer sales commission	18.401.581	19.275.245
FX Income	11.346.135	2.787.392
TURKDEX transaction commissions	6.505.376	4.353.097
Other commissions	5.686.300	3.220.570
Repo / reverse repo brokerage commissions	2.129.623	1.984.239
Wholesale market commissions	1.979.040	-
Exchange keeping commission	1.035.975	321.158
Commissions on capital increase	553.101	400.682
Government debt securities purchase-sale underwriting commission	450.205	311.261
Corporate finance consultancy commission	439.186	-
Preemptive right and dividend collection commissions	83.933	6.752
Stock purchase-sale underwriting commission	70.242	106.086
Total	88.784.204	50.414.875

	January 1 - December 31, 2015	January 1 - December 31, 2014
Deductions from services income		
Commissions paid to the agencies	(8.715.031)	(2.240.337)
Other commissions paid	(1.714.307)	(494.232)
Total	(10.429.338)	(2.734.569)

Ak Yatırım Menkul Değerler A.Ş.

Notes to the financial statements
as of December 31, 2015 and 2014 (continued)
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

14. Sales and cost of sales (continued)

	January 1 - December 31, 2015	January 1 - December 31, 2014
Interest income from operating activities		
Income/loss from operations in TURKDEX, net	1.288.210	(83.880)
Income from derivative transactions	9.444.450	14.192.726
Gross profit	10.732.660	14.108.846

15. Other operating income

	January 1 - December 31, 2015	January 1 - December 31, 2014
Other operating income		
Annual keeping fee from issuer	459.651	460.545
Other operating income	1.145.193	312.291
Total	1.604.844	772.836

16. Expenses by nature

Marketing, sales and distribution expenses

	January 1 - December 31, 2015	January 1 - December 31, 2014
Fixed yield securities transaction shares	2.466.657	2.000.214
Stock exchange shares	2.704.421	1.609.525
TURKDEX share	1.614.982	1.198.086
Money market exchange transaction commission expense	1.363.740	1.163.097
Other sales marketing expenses	655.606	604.820
Exchange and keeping expenses	1.920.767	689.457
Entertainment expenses	187.776	81.780
Securities L/B Market commission expense	286.574	46.027
Total	11.200.523	7.335.870

Ak Yatırım Menkul Değerler A.Ş.

Notes to the financial statements
as of December 31, 2015 and 2014 (continued)
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

16. Expenses by nature (continued)

General Administrative Expenses

	January 1- December 31, 2015	January 1- December 31, 2014
Personnel expenses	34.229.640	17.868.143
Communication expenses	4.789.490	2.165.475
Information Technology expenses	2.594.426	1.902.902
Rent Expenses	3.390.024	1.408.515
Sundry taxes and duties	3.576.001	891.706
Other expenses	1.744.353	774.290
Depreciation and amortization (Notes 8, 9)	1.269.012	600.362
Legal Expenses	81.728	492.811
Travel Expenses	487.258	372.283
Unused vacation provisions (Note 11)	1.015.194	225.831
Transportation expenses	433.998	229.322
Research and Consultancy Fees	618.039	139.298
Stationary Expenses	288.777	115.448
Membership expenses	200.550	99.506
Provision for employment termination benefits (Note 11)	510.408	91.309
CMB protection fund of investors	7.524	71.774
Maintenance and Repair Expenses	268.348	69.534
Insurance expenses	16.309	14.931
Training expenses	56.764	22.699
Electricity, water and heating expenses	13.017	-
Total	55.590.860	27.556.139

17. Financial income

	January 1- December 31, 2015	January 1- December 31, 2014
Interest received from margin trading	10.221.693	-
Private sector bond yield income	8.579.034	2.274.316
Interest income from time deposits	6.483.703	24.470.591
Other interest income	2.820.393	225.619
Interest income from government bonds and Treasury bills	567.834	3.919.507
Portfolio dividend income	10.552	46
Government bonds and treasury bills rediscount	1.276	-
Gain on marketable securities	-	101.490
Total	28.684.485	30.991.982

Ak Yatırım Menkul Değerler A.Ş.

Notes to the financial statements

as of December 31, 2015 and 2014 (continued)

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

18. Financial expenses

	January 1 - December 31, 2015	January 1 - December 31, 2014
Exchange Money market interest expense, net	12.236.419	28.514.305
Common stock value decrease expense	33.600	-
Other expenses	2.283.038	1.562.478
Repo interest expenses, net	3.633.389	-
	18.186.446	30.076.783

19. Taxes on income

The Corporate Tax Law numbered 5520 became effective after being published in the Official Gazette dated June 21, 2006 and numbered 26205, with most provisions effective as of January 1, 2006. According to this Law, the corporate tax rate of the fiscal year 2015 is 20% (2014: 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 14th 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.

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 shareholders' equity for five years.

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.

Ak Yatırım Menkul Değerler A.Ş.

**Notes to the financial statements
as of December 31, 2015 and 2014 (continued)
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)**

19. Taxes on income (continued)

Tax expense

	January 1 - December 31, 2015	January 1 - December 31, 2014
Prepaid taxes	7.339.416	5.974.192
Deferred tax income	(582.330)	(177.422)
Tax expense	6.757.086	5.796.770

Tax liability

	December 31, 2015	December 31, 2014
Corporate tax payable	7.339.416	5.974.192
Prepaid taxes	(5.290.252)	(5.905.309)
(Deductible) / Income tax payable (Note 10)	2.049.164	68.883

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, 2015	December 31, 2014
Profit before tax	33.698.804	28.886.860
Theoretical income tax at the applicable tax rate of 20%	6.739.761	5.777.372
Additions	19.435	19.407
Deductions (-)	(2.110)	(9)
Current year tax expense	6.757.086	5.796.770

Deferred tax assets

	December 31, 2015		December 31, 2014	
	Cumulative temporary difference	Deferred tax assets/ liabilities	Cumulative temporary difference	Deferred tax assets/ Liabilities
Bonus payable to personnel	6.740.000	1.348.000	3.638.000	727.600
Claim provision	213.600	42.720	217.440	43.488
Unused vacation provision	2.393.847	478.769	1.378.653	275.731
Employment termination benefits	440.801	88.160	240.357	48.071
Other	38.856	7.771	1.276	255
Deferred tax assets		1.965.420		1.095.145
Difference between carrying value and Tax base of property and equipment	2.521.956	(504.391)	1.082.229	(216.446)
Deferred tax liabilities		(504.391)		(216.446)
Deferred tax assets, net		1.461.029		878.699

Ak Yatırım Menkul Değerler A.Ş.

**Notes to the financial statements
as of December 31, 2015 and 2014 (continued)**
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

19. Taxes on income (continued)

	December 31, 2015	December 31, 2014
Beginning deferred tax assets, net	878.699	701.277
Deferred tax (expense)/ income	582.330	177.422
Ending deferred tax assets, net	1.461.029	878.699

20. Balances and transactions with related parties

(a) Balances with related parties

Marketable securities:

As at December 31, 2015, the marketable securities portfolio of the Company includes corporate bonds of related parties in the amount of of TL 80.025. (December 31,2014: TL 377.280)

The list of nominal values of these private sector bond and bills are as follows:

	December 31, 2015	December 31, 2014
Başkent Elektrik Dağıtım A.Ş.	77.845	1.000
Akbank T.A.Ş.	-	59.100
Ak Finansal Kiralama A.Ş.	-	313.742
Total	77.845	373.842

At December 31, 2015 the Company has listed equity shares of related parties at an amount of TL 750.008. (December 31, 2014 : None).

Nominal values of these trading securities are as follows:

Deposits due from related parties:	December 31, 2015	December 31, 2014
Time deposit (Akbank T.A.Ş.)	-	327.244.205
Demand deposit (Akbank T.A.Ş.)	2.609.476	2.086.719
Foreign currency demand deposit (Akbank T.A.Ş.)	1.671.194	758.103
Total	4.280.670	330.089.027

Letters of credit received	December 31, 2015	December 31, 2014
Akbank T.A.Ş.	1.369.811	1.341.800
Akbank T.A.Ş. (TL – denominated amount of USD)	14.538	11.395
Total	1.384.349	1.353.195

Ak Yatırım Menkul Değerler A.Ş.

**Notes to the financial statements
as of December 31, 2015 and 2014 (continued)**
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

20. Balances and transactions with related parties (continued)

Receivables from related parties	December 31, 2015	December 31, 2014
Ak Asset Management Mutual Funds	157.014	4.853.506
Ak Investment Mutual Funds	-	4.044
Avivasa Retirement Funds	180.947.277	104.422.697
Other	26.075	-
Total	181.130.366	109.280.245

Payables to related parties	December 31, 2015	December 31, 2014
Ak Asset Management Mutual Funds	450.754	330.948
Akbank Mutual Funds	-	41.778
Ak Investment Mutual Funds	4.527	-
AvivaSA Retirement Funds	654.952	10.867.459
Akbank T.A.Ş.	2.268.897	379.376
Hacı Ömer Sabancı Holding A.Ş.	55.561	-
BİMSA A.Ş.	149.953	-
Ak Sigorta A.Ş.	177	-
Total	3.584.821	11.619.561

(b) Transactions with related parties

Commission expenses and discounts from sales of services	January 1 - December 31, 2015	January 1 - December 31, 2014
Akbank T.A.Ş	8.648.267	6.227.974
Ak Finansal Kiralama A.Ş.	551.940	702.245
Hacı Ömer Sabancı Holding A.Ş.	2.243.364	136.820
Brisa Bridges Sab. Lastik San Ve Tic AŞ.	88.255	88.777
Çimsa Çimento Sanayi ve Ticaret A.Ş.	69.249	66.981
Aksigorta A.Ş.	51.703	43.965
Teknosa A.Ş.	29.016	39.653
Yünsa Yünlü San. Ve Tic. A.Ş.	23.789	25.245
Sasa Dupont Sabancı Polyester Sanayi A.Ş.	13.070	15.306
Akçansa Çimento Sanayi Ticaret A.Ş.	10.456	15.306
Kordsa Endüstriyel İplik ve Kord Bezi San. ve Tic. A.Ş.	43.926	12.245
Başkent Elektrik Dağıtım A.Ş.	11.905	11.722
Diğer	274.455	33.631
Total	12.059.395	7.419.870

Ak Yatırım Menkul Değerler A.Ş.

Notes to the financial statements

as of December 31, 2015 and 2014 (continued)

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

20. Balances and transactions with related parties (continued)

Commission expenses and the discounts from sale of services	January 1 - December 31, 2015	January 1 - December 31, 2014
Akbank T.A.Ş.	8.715.031	2.240.337
Total	8.715.031	2.240.337
Other operating and financial income:	January 1 - December 31, 2015	January 1 - December 31, 2014
Akbank T.A.Ş. (interest income)	5.579.740	13.535.678
Total	5.579.740	13.535.678
Operating expenses:	January 1 - December 31, 2015	January 1 - December 31, 2014
Aksigorta A.Ş. (insurance and other expenses)	600.010	270.273
AvivaSa Emeklilik ve Hayat A.Ş. (Ak Emeklilik A.Ş.) (insurance expenses)	533.676	296.639
Akbank T.A.Ş. (guarantee letter commission expense)	9.031	11.419
Akbank T.A.Ş. (rent expenses)	385.651	27.207
Sabancı Holding A.Ş. (rent expense)	2.803.473	1.460.830
Total	4.331.841	2.066.368

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

The total amount of wages, premiums, bonuses and similar financial benefits provided to the senior executives of the company in 2015 is TL 2.673.974 (December 31, 2014 – TL 2.281.897).

21. Financial instruments and financial risk management

Its activities expose the Company 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.

i. Credit risk disclosures

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. As of December 31, 2015 and 2014, the Company has no financial assets which are overdue but not impaired and the condition of which has been re-discussed, and which would otherwise be considered as overdue and impaired.

Ak Yatırım Menkul Değerler A.Ş.**Notes to the financial statements****as of December 31, 2015 and 2014 (continued)**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

21. Financial instruments and financial risk management (continued)

	Receivables						
	Trade receivables		Other receivables		Bank deposits	Derivative Instruments – TURKDEX guarantees	Other
	Related parties	Other parties	Related parties	Other parties			
December 31, 2015							
Maximum credit risk exposure at the report date	181.130.366	262.092.200	-	34.522.918	36.104.167	2.251.179	31.888.619
Secured part of maximum risk with guarantee	-	293.879.770	-	29.604.576	-	-	-
Net book value of unexpired or unimpaired financial assets	181.130.366	262.092.200	-	34.522.918	36.104.167	2.251.179	31.888.619
Off-balance sheet items with credit risks	-	-	-	-	-	-	-
	Receivables						
	Trade receivables		Other receivables		Bank deposits	Derivative Instruments – TURKDEX guarantees	Other
	Related parties	Other parties	Related parties	Other parties			
December 31, 2014							
Maximum credit risk exposure at the report date	109.280.245	87.680.398	-	161.722	532.270.629	-	51.797.278
Secured part of maximum risk with guarantee	-	-	-	-	-	-	-
Net book value of unexpired or unimpaired financial assets	109.280.245	87.680.398	-	161.722	532.270.629	-	51.797.278
Off-balance sheet items with credit risks	-	-	-	-	-	-	-

ii. Price risk

The trading securities of the Company, at an amount of TL 6.532.229 are traded on Borsa Istanbul ("BIST"). 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 BIST index had been 5% higher or lower on December 31, 2015, and all other factors had remained the same, the net income for the period of the Company would not have increased or decreased at an amount of TL 326.612(December 31, 2014: None).

Ak Yatırım Menkul Değerler A.Ş.

Notes to the financial statements

as of December 31, 2015 and 2014 (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 breakdown of the Company's foreign currency assets and liabilities as of December 31, 2014 and December 31, 2015 is as follows:

	December 31, 2015					
	TL	USD	EUR	YEN	GBP	Other
1. Trade receivables	-	-	-	-	-	-
2a. Monetary financial assets (cash and bank accounts included)	3.415.754	1.133.778	37.396	1	-	822
2b. Non-monetary financial assets	-	-	-	-	-	-
3. Other	-	-	-	-	-	-
4. Current Assets (1+2+3)	3.415.754	1.133.778	37.396	1	-	822
5. Trade receivables	-	-	-	-	-	-
6a. Monetary financial assets	-	-	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-	-	-
7. Other	-	-	-	-	-	-
8. Non-current assets (5+6+7)	-	-	-	-	-	-
9. Total Assets (4+8)	3.415.754	1.133.778	37.396	1	-	822
10. Trade payables	-	-	-	-	-	-
11. Financial liabilities	-	-	-	-	-	-
12a. Other monetary financial liabilities	-	-	-	-	-	-
12b. Other non-monetary financial liabilities	-	-	-	-	-	-
13. Short term liabilities (10+11+12)	-	-	-	-	-	-
14. Trade payables	-	-	-	-	-	-
15. Financial liabilities	-	-	-	-	-	-
16 a. Other monetary financial liabilities	-	-	-	-	-	-
16 b. Other non-monetary financial liabilities	-	-	-	-	-	-
17. Long term liabilities (14+15+16)	-	-	-	-	-	-
18. Total liabilities (13+17)	-	-	-	-	-	-
19. Off balance sheet derivative financial instruments denominated in foreign currency net asset /(liability) position(19a-19b)	-	-	-	-	-	-
19a. Off-balance sheet derivative assets denominated in foreign currencies	-	-	-	-	-	-
19b. Off-balance sheet derivative liabilities denominated in foreign currencies	-	-	-	-	-	-
20. Net foreign currency asset / (liability) position (9-18+19)	3.415.754	1.133.778	37.396	1	-	822
21. Monetary items net foreign currency asset / (liability) position (TFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	3.415.754	1.133.778	37.396	1	-	822
22. Fair value of derivative instruments used for currency hedge	-	-	-	-	-	-
23. Total amount of foreign currency assets used for hedge	-	-	-	-	-	-
24. Total amount of foreign currency liabilities used for hedge	-	-	-	-	-	-

Ak Yatırım Menkul Değerler A.Ş.

Notes to the financial statements

as of December 31, 2015 and 2014 (continued)

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

21. Financial instruments and financial risk management (continued)

	December 31, 2014					
	TL	USD	EUR	Japanese Yen	British Pound	Other
1. Trade receivables	-	-	-	-	-	-
2a. Monetary financial assets (cash and bank accounts included)	758.103	326.918	4	-	-	-
2b. Non-monetary financial assets	-	-	-	-	-	-
3. Other	-	-	-	-	-	-
4. Current Assets (1+2+3)	758.103	326.918	4	-	-	-
5. Trade receivables	649.983	280.298	-	-	-	-
6a. Monetary financial assets	-	-	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-	-	-
7. Other	-	-	-	-	-	-
8. Non-current assets (5+6+7)	649.983	280.298	-	-	-	-
9. Total Assets (4+8)	1.408.086	607.216	4	-	-	-
10. Trade payables	-	-	-	-	-	-
11. Financial liabilities	-	-	-	-	-	-
12a. Other monetary financial liabilities	-	-	-	-	-	-
12b. Other non-monetary financial liabilities	-	-	-	-	-	-
13. Short term liabilities (10+11+12)	-	-	-	-	-	-
14. Trade payables	-	-	-	-	-	-
15. Financial liabilities	-	-	-	-	-	-
16 a. Other monetary financial liabilities	-	-	-	-	-	-
16 b. Other non-monetary financial liabilities	-	-	-	-	-	-
17. Long term liabilities (14+15+16)	-	-	-	-	-	-
18. Total liabilities (13+17)	-	-	-	-	-	-
19. Off balance sheet derivative financial instruments denominated in foreign currency net asset /(liability) position(19a-19b)	-	-	-	-	-	-
19a. Off-balance sheet derivative assets denominated in foreign currencies	-	-	-	-	-	-
19b. Off-balance sheet derivative liabilities denominated in foreign currencies	-	-	-	-	-	-
20. Net foreign currency asset / (liability) position (9-18+19)	1.408.086	607.216	4	-	-	-
21. Monetary items net foreign currency asset / (liability) position (TFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	1.408.086	607.216	4	-	-	-
22. Fair value of derivative instruments used for currency hedge	-	-	-	-	-	-
23. Total amount of foreign currency assets used for hedge	-	-	-	-	-	-
24. Total amount of foreign currency liabilities used for hedge	-	-	-	-	-	-

Interest rate risk

The Company is exposed to interest rate risk through the impact of rate changes on interest bearing liabilities and assets. Sensitivity of the Company to interest rate risk is related to mismatch regarding maturities of assets and liabilities accounts. 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 22.458.803, if prevailing TL interest rates had been 1% higher or lower at December 31, 2015, and all other factors had remained the same, the net income for the period of the Company would have decreased by TL 1.547.386 or increased by TL 224.093 (December 31, 2014: Government bonds with the carrying value of TL 50.075.968, the net income for the period of the Company would have decrease by 557.742TL or increase by TL545.019).

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

Ak Yatırım Menkul Değerler A.Ş.

**Notes to the financial statements
as of December 31, 2015 and 2014 (continued)**
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

21. Financial instruments and financial risk management (continued)

	December 31, 2015	December 31, 2014
Financial instruments with fixed interest rates:		
Financial assets	30.000.000	526.019.385
Financial liabilities	80.031.316	441.721.929

Annual average interest rates for financial instruments at December 31, 2015 and December 31, 2014:

	December 31, 2015	December 31, 2014
	TL	TL
Assets		
Cash and due from banks:		
- Deposits with banks	11,93	10,95
- Reverse repo transactions	-	20,14
- Marketable securities held for trading	45,44	12,98
Liabilities		
Other liabilities		
- Due to exchange money markets	11,69	10,22

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

Ak Yatırım Menkul Değerler A.Ş.

Notes to the financial statements

as of December 31, 2015 and 2014 (continued)

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

21. Financial instruments and financial risk management (continued)

v. 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 Company's assets and liabilities in carrying amounts classified in terms of periods remaining to contractual repricing dates are as follows:

	December 31, 2015					
	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	30.011.360	-	-	-	6.092.807	36.104.167
Financial investments	-	1.153.164	11.834.570	9.380.277	6.532.229	28.900.240
Trade receivables	148.284.311	-	-	-	294.938.255	443.222.566
Other short-term receivables	2.251.179	-	-	-	34.522.918	36.774.097
Other long-term receivables	-	-	-	-	2.823.414	2.823.414
Financial assets	-	-	-	-	164.965	164.965
Total assets	180.546.850	1.153.164	11.834.570	9.380.277	345.074.588	547.989.449
Financial liabilities	80.031.316	-	-	-	4.697.839	84.729.155
Trade payables	-	-	-	-	289.368.078	289.368.078
Total Liabilities	80.031.316	-	-	-	294.065.917	374.097.233
Liquidity	100.515.534	1.153.164	11.834.570	9.380.277	51.008.671	173.892.216

	December 31, 2014					
	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	528.930.511	-	-	-	3.340.118	532.270.629
Financial investments	1.455.820	358.167	12.441.145	35.820.836	-	50.075.968
Trade receivables	-	-	-	-	176.960.643	176.960.643
Other short-term receivables	-	-	-	-	161.722	161.722
Financial assets	-	-	-	-	1.557.264	1.557.264
Other long-term receivables	-	-	-	-	164.046	164.046
Total assets	530.386.331	358.167	12.441.145	35.820.836	82.183.793	761.190.272
Financial liabilities	441.721.929	-	-	-	208.352	441.930.281
Trade payables	-	-	-	-	174.851.510	174.851.510
Total Liabilities	441.721.929	-	-	-	175.059.862	616.781.791
Liquidity	88.664.402	358.167	12.441.145	35.820.836	7.123.931	144.408.481

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

Ak Yatırım Menkul Değerler A.Ş.

Notes to the financial statements

as of December 31, 2015 and 2014 (continued)

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

21. Financial instruments and financial risk management (continued)

The following table presents the cash flows payable by the Company under non-derivative financial liabilities remaining contractual maturities as of December 31, 2015 and 2014:

December 31, 2015

	Carrying value	Up to 1 month	1 month - to 3 months	3 months- to 1 Year	Total of contractual Cash Outflows
Financial liabilities	84.729.155	55.319.258	30.010.916	-	85.330.173
Trade payables	289.368.078	289.368.078	-	-	289.368.078
Other short-term payables	2.986.888	2.986.888	-	-	2.986.888
Total liabilities	377.084.121	347.674.224	30.010.916	-	377.685.139

December 31, 2014

	Carrying value	Up to 1 Month	1 month - to 3 months	3 months- to 1 Year	Total of contractual cash outflows
Financial liabilities	441.930.281	442.910.338	-	-	442.910.338
Trade payables	174.851.510	174.851.510	-	-	174.851.510
Other short-term payables	1.946.575	1.946.575	-	-	1.946.575
Total liabilities	618.728.366	619.708.423	-	-	619.708.423

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.

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.

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

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.

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

Ak Yatırım Menkul Değerler A.Ş.

Notes to the financial statements
as of December 31, 2015 and 2014 (continued)
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

22. Financial instruments (continued)

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 assets and liabilities of the Company are as follows:

	December 31, 2015		December 31, 2014	
	Fair value	Carrying value	Fair value	Carrying value
Cash and cash equivalents	36.104.167	36.104.167	532.270.629	532.270.629
Trade receivables	443.222.566	443.222.566	176.960.643	176.960.643
Financial liabilities	85.330.173	84.729.155	442.910.338	441.930.281
Trade payables	289.368.078	289.368.078	174.851.510	174.851.510

The value of the financial assets 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.

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

Communiqué Serial: V, No: 34 of the minimum core capital requirement of capital adequacy bases floor tool of institutions according to Article 7, is required TL 2.000.000 for summary authorized intermediaries, TL 10.000.000 for partial authorized intermediaries and TL 25.000.000 for broad authorized intermediaries.

As of December 31, 2015 and December 31, 2014 the Company is in compliance with the relevant requirements of capital adequacy.