

**MENDERES TEKSTİL SANAYİ
VE TİCARET ANONİM ŞİRKETİ
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT
AS OF 31 MARCH 2013**

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ,
BAĞLI ORTAKLIKLARI VE İŞTİRAKLERİ**

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MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ

BALANCE SHEET (TRY)
(XI-29 CONSOLIDATED)

	Notes	Unaudited 31.03.2013	Audited 31.12.2012
ASSETS			
Current Assets		272,445,032	267,512,288
Cash and Cash Equivalents	6	33,751,438	44,070,580
Financial Investments	7	0	0
Trade Receivables	10	33,694,985	50,449,859
Receivables Due From Finance Sector Activities	12	0	0
Other Receivables	11	45,776,238	48,922,561
Inventories	13	137,045,968	109,489,755
Biological Assets	14	1,427,410	1,142,494
Other Current Assets	26	20,748,993	13,437,039
(Subtotal)		272,445,032	267,512,288
Assets Held for Sale	34	0	0
Non-current Assets		201,671,886	192,651,287
Trade Receivables	10	0	0
Receivables Due From Finance Sector Activities	12	0	0
Other Receivables	11	14,694	14,694
Financial Investments	7	2,750,000	0
Investments Valued With Equity Method	16	99,518,411	95,485,795
Biological Assets	14	0	0
Investment Properties	17	0	0
Tangible Assets	18	89,972,110	88,822,175
Intangible Assets	19	568,286	422,892
Goodwill	20	0	0
Deferred Tax Assets	35	8,068,569	7,580,816
Non-current Assets	26	779,816	324,915
TOTAL ASSETS		474,116,918	460,163,575
LIABILITIES			
Current Liabilities		175,716,608	168,614,956
Financial Borrowings	8	95,606,568	87,690,234
Other Financial Liabilities	9	0	0
Trade Payables	10	57,347,160	60,353,925
Other Payables	11	21,313,292	19,971,189
Payables Due to Finance Sector Activities	12	0	0
Government Grants and Incentives	21	0	0
Corporation Tax Liabilities	35	1,377,086	167,246
Provisions for Liabilities	22	46,039	46,039
Other Current Liabilities	26	26,463	386,323
(Subtotal)		175,716,608	168,614,956
Liabilities Related to Non-current Assets Held for Sale	34	0	0
Non-current Liabilities		20,863,088	18,846,775
Financial Borrowings	8	13,519,187	12,962,229
Other Financial Liabilities	9	0	0
Trade Payables	10	0	0
Other Payables	11	0	0
Payables Due To Finance Sector Activities	12	0	0
Governments Grants and Incentives	21	0	0
Provisions for Liabilities	22	0	0
Severance Pay Provision	24	6,972,988	5,667,560
Deferred Tax Liabilities	35	370,913	216,986
Other Non-current Liabilities	26	0	0
SHAREHOLDERS' EQUITY		277,537,222	272,701,844
Shareholders' Equity	27	275,152,235	270,427,124
Paid in Capital Share	27.1	250,000,000	250,000,000
Inflation Adjustments to Shareholders' Equity	27.2	485,133	485,133
Foreign Currency Conversion Differences		(546,419)	(575,365)
Profit Reserves	27.3	8,180,517	8,180,517
Retained Earnings/Losses	27.4	12,336,839	18,395,391
Net Income/Loss for the Period		4,696,165	(6,058,552)
Minority Interest		2,384,987	2,274,720
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		474,116,918	460,163,575

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

MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ

INCOME STATEMENT (TRY)
(XI-29 CONSOLIDATED)

		Unaudited	Unaudited
	Notes	01.01.2013- 31.03.2013	01.01.2012- 31.03.2012
OPERATING ACTIVITIES			
Sales	28.1	80,538,601	61,156,664
Cost of Sales (-)	28.2	(69,712,657)	(59,205,508)
Gross Operating Profit (Loss)		10,825,944	1,951,156
Interest, Wages, Premium, Commission and Other Income		0	0
Interest, Wages, Premium, Commission and Other Expense (-)		0	0
Gross Profit (Loss) from Finance Sector Activities		0	0
GROSS OPERATING PROFIT/LOSS		10,825,944	1,951,156
Research and Development Expenses (-)	30	0	0
Marketing, Sales and Distribution Expenses (-)	30	(1,688,494)	(1,135,064)
General Administrative Expenses (-)	30	(2,696,658)	(1,242,315)
Other Operating Income	31	616,486	507,316
Other Operating Expenses (-)	31	(2,930,804)	(1,508,411)
OPERATING PROFIT/LOSS		4,126,474	(1,427,318)
Shares of Investments Valued with Equity Method	16	832,616	(2,525,524)
(Non-operating) Financial Income	32	6,128,577	12,729,906
(Non-operating) Financial Expenses (-)	33	(5,240,861)	(13,425,685)
INCOME/LOSS BEFORE TAXES		5,846,806	(4,648,621)
Taxes from Operating Profit/Loss		(1,043,260)	342,266
- Income/Expense Tax for the period	35	(1,377,086)	(78,590)
- Deferred Tax Income/Expense	35	333,826	420,856
NET OPERATING PROFIT/LOSS		4,803,546	(4,306,355)
DISCONTINUED OPERATIONS		0	0
Net Income / (Loss) after Tax of Discontinued Operations		0	0
NET INCOME/(LOSS) FOR THE PERIOD		4,803,546	(4,306,355)
Other comprehensive income / (loss)			
Change in currency conversion difference		28,946	68,305
OTHER COMPREHENSIVE INCOME / (LOSS) (AFTER TAX)		28,946	68,305
OTHER COMPREHENSIVE INCOME / (LOSS)		4,832,492	(4,238,050)
Distribution of Income/(Loss)			
Minority Interest	27	107,381	39,813
Parent Company's Share		4,696,165	(4,346,168)
Dispersal of Total Comprehensive Income / (Loss)			
Minority interest	27	107,381	39,813
Parent Company's share		4,725,111	(4,277,863)
Earnings Per Share	36	0.0192	(0.0191)
Earnings Per Share from Operating Activities	36	0.0192	(0.0191)

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

MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ

CHANGES IN THE SHAREHOLDERS' EQUITY STATEMENTS (TRY)
(XI-29 CONSOLIDATED)

Note 27	Share Capital	Profit Reserves	Foreign Currency Conversion Difference	Inflation Adjustment Differences in Shareholders' Equity	Retained Earnings	Net Income / (Loss) for the period	Parent Company's Equity	Minority Interest	Total Shareholders' Equity
Balance at 01 January 2012	225,000,000	5,788,317	(656,642)	485,133	(3,624,865)	49,412,456	276,404,399	2,409,946	278,814,345
Transfer from retained earning	0	2,392,200	0	0	47,020,256	(49,412,456)	0	0	0
Foreign currency conversion difference	0	0	68,305	0	0	0	68,305	6,811	75,116
Net income/loss for the period	0	0	0	0	0	(4,346,168)	(4,346,168)	39,813	(4,306,355)
Balances at 31 March 2012	225,000,000	8,180,517	(588,337)	485,133	43,395,391	(4,346,168)	272,126,536	2,456,570	274,583,106
Balance at 01 January 2013	250,000,000	8,180,517	(575,365)	485,133	18,395,391	(6,058,552)	270,427,124	2,274,720	272,701,844
Transfer from retained earning	0	0	0	0	(6,058,552)	6,058,552	0	0	0
Foreign currency conversion difference	0	0	28,946	0	0	0	28,946	2,886	31,832
Net income/loss for the period	0	0	0	0	0	4,696,165	4,696,165	107,381	4,803,546
Balances at 31 March 2013	250,000,000	8,180,517	(546,419)	485,133	12,336,839	4,696,165	275,152,235	2,384,987	277,537,222

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

MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ

CASH FLOW STATEMENTS (TRY)
(XI-29 CONSOLIDATED)

	Notes	Unaudited 1 January- 31 March 2013	Unaudited 1 January- 31 March 2012
Net period income/loss		4,803,546	(4,306,355)
Adjustments to reconcile net income before taxation			
to net cash from operating activities:			
Amortization and depreciation expense	18-19-28.2-30.1-30.2-30.3	2,586,455	3,084,303
Changes in provision for employee	24-30.3	1,305,428	83,169
Deferred tax	35	(333,826)	(420,856)
Accrual of interest expense	8-33	376,028	355,186
Provision of doubtful receivables	10	0	0
Unearned interest on receivables	10-33	552,389	665,536
Unearned interest on payables	10-32	772,511	698,668
Changes in provision for taxes	35	1,209,840	(12,546,764)
Net cash from operating activities			
before changes in operating assets and liabilities:		11,272,371	(12,387,113)
Changes in trade receivables	10	16,202,485	31,085,852
Changes in other receivables	11	3,146,323	(11,158,335)
Changes in inventories	13	(27,556,213)	(28,394,434)
Changes in biological assets	14	(284,916)	382,975
Changes in other current assets	26	(7,311,954)	5,606,917
Changes in other non-current assets	26	(454,901)	0
Changes in trade payables	10	(3,779,276)	986,160
Changes in other payables	11	1,342,103	2,788,228
Changes in provisions of liability	22	0	(32,751)
Changes in other current liabilities	26	(359,860)	(143,829)
Net cash provided by operating activities		(7,783,838)	(11,266,330)
Investing activities			
Purchases tangible and intangible fixed assets, net	18-19	(3,881,784)	(1,520,330)
Changes in minority interest		2,886	6,811
Financial activities			
Change in financial investment	7	(2,750,000)	0
Changes in the investment subject to equity pick-up method	16	(4,032,616)	2,525,524
Change in long and short term financial borrowings	8	8,097,264	653,191
Conversion differences from unaudited financial statements of Menderes Bulgaria		28,946	68,305
Net cash used by financial activities		1,343,594	3,247,020
Changes in cash and cash equivalents		(10,319,142)	(9,532,829)
Cash and cash equivalents at the beginning of the period		44,070,580	23,347,521
Cash and cash equivalents at the end of the period	6	33,751,438	13,814,692

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

MENDERES TEKSTİL SANAYİ VE TİCARET A.Ş., AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2013 AND 31 DECEMBER 2012
(Amounts are expressed as Turkish Lira “TRY” unless otherwise stated.)

NOTE 1 – ORGANIZATION AND ACTIVITIES

Menderes Tekstil Sanayi ve Ticaret Anonim Şirketi (“Company”), its Subsidiaries and Investments are referred as “Group” in the accompanying consolidated financial statements.

The entities mentioned below are applied “Full Consolidation Method”:

- Menderes Tekstil Sanayi ve Ticaret A.Ş.
- Smyrna Seracılık Ticaret A.Ş.
- Menderes Bulgaria Ltd.

The entities mentioned below are applied “Equity Pick Up Method”:

- Akça Enerji Üretim Otoprodüktör Grubu A.Ş.
- Menderes Tekstil Pazarlama A.Ş.
- Aktur Araç Muayene İstasyonları İşletmeciliği A.Ş.

Menderes Tekstil Sanayi ve Ticaret A.Ş.

Company produces cotton press, yarn, fabric, valances, dust ruffles, ruffled and tailored shams, comforter shells, printed towels and linens in integrated cotton and synthetic textile establishment.

As 16 April 2010 dated no.7545 trade registry gazette, Company’s address changed from Köprübaşı Mevki No: 146 Sarayköy, Denizli” to “Cumhuriyet Mah. Gazi Mustafa Kemal Paşa Bulvarı No: 242 Sarayköy, Denizli”, without any physical change, as a result of Sarayköy Municipality’s address work.

In the period of 01 January – 31 March 2013, average 3,471 personnel are employed by the Company (01 January – 31 March 2012 : 3,195).

Company shares are traded in the Istanbul Stock Exchange since 2000.

Production Capacity (Textile)

According to the capacity report from Denizli Industrial Chamber dated 14 December 2010, numbered 287 and valid until 20 December 2013, Company’s production capacity has been calculated with daily 8 hours, yearly 300 days. Company works for 3 shifts a day:

Products	Unit	Amount
Tricot	Kg	1,060,200
Linens	unit	2,400,000
Pillow case	unit	6,300,000
Sheet	unit	28,080,000

Production Capacity (Energy)

According to the capacity report from Denizli Industrial Chamber dated 01 February 2011, numbered 23 and valid until 01 February 2014, Company’s production capacity has been calculated with daily 8 hours, yearly 300 days. Company works for 3 shifts a day:

	Unit	Amount
Electricity energy	kwh/year	161,827,000
Steam	joule/year	617,569,920
Hot water	joule/year	238,360,320

MENDERES TEKSTİL SANAYİ VE TİCARET A.Ş., AND ITS SUBSIDIARIES
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Smyrna Seracılık Ticaret A.Ş.

Smyrna Seracılık Ticaret A.Ş. was established in 2007 in İzmir. It is engaged in production of agricultural. No. 7296 on 21 June 2009 the company's name in the Trade Registry Gazette has been changed from Smyrna Organik Tarım Sanayi ve Ticaret A.Ş. to Smyrna Seracılık Ticaret A.Ş. Company has been included to the complete consolidation in 2009.

Smyrna Seracılık Ticaret A.Ş., has signed an agreement with the construction company for increasing the capacity of the plant which will be increased from 82,500 m² to 196,500 m² with adding 114,000 m². Smyrna Seracılık A.Ş. has started to design environment and infrastructure of the new area. The new area will be constructed on the existing area, which is 206,232 m², of Smyrna Seracılık Ticaret A.Ş.

According to the capacity report from Denizli Industrial Chamber dated 28 January 2010, numbered 20 Company's production capacity has been calculated with daily 8 hours. Company works for 1 shifts a day:

Product	Unit	Amount
Tomato	Ton	2,400

No. 6911 on 08 October 2007 in the Trade Registry Gazette the Company's headquarter was changed to Denizli. The registered address of the Company is as following:

Köyiçi Mevkii, Tosunlar Kasabası Sarayköy, Denizli

In the period of 01 January – 31 March 2013, average 74 personnel are employed in the Company (01 January – 31 March 2012: 68 personnel)

Menderes Bulgaria Ltd.

Menderes Bulgaria Ltd. constitutes the 90% of the consolidated financial statements of Group. Company's unaudited financial statements in accordance with Bulgarian regulations are consolidated within the frame of full consolidation method of Communiqué XI, No: 29 of Capital Market Board.

Menderes Bulgaria Ltd. is established in 2002 in Bulgaria. Main activity of Menderes Bulgaria Ltd. (Parent Company) is custom manufacturing as receiving raw materials and unfinished, intermediate goods from Menderes Tekstil Sanayi ve Ticaret A.Ş. to process and send them back.

The Group announced the liquidation process for the subsidiary Menderes Bulgaria Ltd. started with the decision of its the Board of Members dated 06 December 2005 and numbered 2005/17 with the Statement of Material Disclosure to the Istanbul Stock Exchange Market and Capital Market Board of Turkey (CMB) on 05 December 2005 and to be completed before 30 January 2006. As of report date, the liquidation process is not completed yet.

MENDERES TEKSTİL SANAYİ VE TİCARET A.Ş., AND ITS SUBSIDIARIES
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Akça Enerji Üretim Otoprodüktör Grubu A.Ş.

Akça Enerji Üretim Otoprodüktör Grubu A.Ş. is established on 13 July 1998. Head quarter of the company is in Denizli. Main activity is to produce electricity.

Group had ensured its demand of energy from its subsidiary, Akça Enerji Üretim Otoprodüktör Grubu A.Ş. until 31 October 2008. However, since 31 October 2008, it has become energy producer for itself with auto producer license obtained from Energy Market Regulatory Board.

As of 12.09.2011 Group announced a special situation. According to that announcement Akça Enerji Üretim Otoprodüktör Grubu A.Ş. obtained the contract for the area, which is sized 858.59 hectare and contains mineral water and gas, acted by Alaşehir Belediyesi under the name of “Doğal Mineralli Su/Jeotermal Kökenli Gaz Arama Devri İhalesi”. As of 30 November 2011, Company has started drilling in accordance with the contract.

As of 17.02.2012 Group announced a special situation. According to that announcement Akça Enerji Otoprodüktör Grubu A.Ş. has started drilling in the area addressed in Denizli / Sarayköy, Tosunlar Beldesi according to the licence of “Doğal Mineralli Sular Kaynağı Arama”.

Akça Enerji and Osman Akça Tarım Ürünleri have been included to the consolidation with the equity method.

As of 31 March 2013, Akça Enerji owns 30.5% of Ures Elektrik, 20% of Akça Solar Enerji. Because of Tan Elektrik and Akça Solar does not have any operation, they have not been included to the consolidation with Akça Enerji by the equity method.

As of 31 December 2012, Akça Enerji owns 30.5% of Ures Elektrik, 21% of Tan Elektrik and 20% of Akça Solar Enerji. Because of Tan Elektrik and Akça Solar does not have any operation, they have not been included to the consolidation with Akça Enerji by the equity method.

Menderes Tekstil Pazarlama A.Ş.

Menderes Tekstil Pazarlama A.Ş. was established in 1998. Head quarter of the Company is in Izmir. Company does marketing of home textile productions.

Aktur Araç Muayene İstasyonları İşletmeciliği A.Ş.

Aktur Araç Muayene İstasyonları İşletmeciliği A.Ş. was established in 2006. Head quarter of the Company is in Izmir. Company operates vehicle inspection stations which are privatized within the context of law numbered 4046, in Aydın, Manisa, Denizli and Izmir for 20 years. As of 31 March 2013, company has integrated 20 established and 4 mobile vehicle inspection stations.

Osman Akça Tarım Ürünleri İthalat İhracat Sanayi ve Ticaret A.Ş.

Osman Akça Tarım Ürünleri İthalat ve İhracat San. ve Tic. A.Ş. was established on 25 July 1985. Head quarter of the company is in Izmir. Main activity is established to process the fruit and agricultural products.

Osman Akça Tarım Ürünleri owns 70% of Tan Elektrik and 70% of Akça Solar Enerji. Because of Tan Elektrik and Akça Solar Enerji does not have any operation, they have not been included to the consolidation with Akça Enerji by the equity method.

MENDERES TEKSTİL SANAYİ VE TİCARET A.Ş., AND ITS SUBSIDIARIES
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(Amounts are expressed as Turkish Lira “TRY” unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.a. Basis of Presentation

Compliance Statement

Group prepares their statutory financial statements in accordance with the principles of Capital Market Board (CMB), Turkish Commercial Code (“TCC”) and Tax Legislation and the Uniform Chart of Accounts issued by the Ministry of Finance and presents in Turkish Liras. Consolidated financial statements are prepared on statutory records, which are maintained with historical cost, with the necessary adjustments and reclassifications made for the fair presentation in accordance with Communiqué XI, No: 29 “Accounting Standards in Capital Markets” published by the Capital Markets Board.

Principles of Preparing Financial Statements

Communiqué XI, No: 29 “Accounting Standards in Capital Markets” published by the Capital Markets Board is published in Official Gazette date 09 April 2008 and numbered 26842. This communiqué is effective for the first interim period financial statements after 01 January 2008 regarding companies in stock market, financial intermediary agencies, portfolio management companies and businesses connected to these partnerships, subsidiaries and business partnerships.

Capital Market Board defines principles, procedures and basis to prepare financial reports to be prepared by the companies and to be presented to the authorities in accordance with Communiqué XI, No: 29 “Accounting Standards in Capital Markets”. This communiqué is effective starting for first interim financial statements after 01 January 2008 and Communiqué XI, No: 25 “Accounting Standards in Capital Markets” has been abolished. Based on Communiqué XI, No: 29, companies are obliged to prepare their financial statements according to International Financial Reporting Standards (IAS/IFRS) accepted by European Union. However, it will be applied IAS/IFRS published by International Financial Reporting Standard Committee and accepted by European Union until the difference between IAS/IFRS and Turkish Accounting Standards/Turkish Financial Reporting Standards (TAS/TFRS) is published. In this manner, TAS/TFRS published by Turkish Financial Reporting Committee (TFRC) will be basis and not contradictory to adopted standards.

Till difference between IAS/IFRS published by International Financial Reporting Committee (IFRSC) and accepted by European Union and Turkish Accounting Standards/Turkish Financial Reporting Standards (TAS/TFRS) by Turkish Financial Reporting Committee (TFRC) is published, financial statements will be prepared in accordance to IAS/IFRS within the frame of Communiqué XI No: 29 by Capital Market Board. Accompanying financial statements and notes are prepared compatible with formats obliged by announcement dated 14 April 2008 by Capital Market Board.

Approval of Financial Statements

Consolidated financial statements are approved by the Board of Directors and granted authority to publish on 17 May 2013. Boards of Directors have authority to change financial statements.

Financial Statements Correction in High Inflation Period

The CMB has announced that, effective from 1 January 2005, the application of inflation accounting is no longer required for companies operating in Turkey and preparing their financial statements in accordance with CMB Accounting Standards. Therefore the Company was abolished inflation accounting application for the year 2005.

MENDERES TEKSTİL SANAYİ VE TİCARET A.Ş., AND ITS SUBSIDIARIES
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(Amounts are expressed as Turkish Lira “TRY” unless otherwise stated.)

Basis of consolidation

The accompanying consolidated financial statements include Group’s financial statements. The financial statements of the companies included in the consolidation have been prepared as of the date of the accompanying consolidated financial statements and are based on the statutory records, with adjustments and reclassifications for the purpose of presentation in Communiqué XI, No: 29 on Capital Market Accounting Standards and applying uniform accounting policies and applications.

Menderes Tekstil Sanayi ve Ticaret A.Ş. (Parent Company)

	31 March 2013	31 December 2012
	<u>Ratio %</u>	<u>Ratio %</u>
Halka Arz Hissedarları	51.9	51.9
Akça Holding A.Ş.	45.7	45.7
Other	2.4	2.4
	100.0	100.0

As of 31 March 2013 and 31 December 2012 capital structures of the subsidiaries and equity participations are as following:

Menderes Bulgaria Ltd. (Subsidiary)

	31 March 2013	31 December 2012
	<u>Ratio %</u>	<u>Ratio %</u>
Menderes Tekstil Sanayi ve Ticaret A.Ş.	90.0	90.0
Other	10.0	10.0
	100.0	100.0

Smyrna Seracılık Ticaret A.Ş. (Subsidiary)

	31 March 2013	31 December 2012
	<u>Ratio %</u>	<u>Ratio %</u>
Menderes Tekstil Sanayi ve Ticaret A.Ş.	79.2	79.2
Cemal İpekoğlu	20.4	20.4
Akça Holding A.Ş.	0.2	0.2
Rıza Akça	0.1	0.1
Dilek Göksan	0.1	0.1
Ali Atlamaz	<0.1	<0.1
	100.0	100.0

According to Board of Director’s decision numbered 2009/14 and dated 08.04.2009, Group decided to affiliate TRY 9,500,000 (79.2% share) of Smyrna Seracılık Ticaret A.Ş.’s capital at par as a set-off against its receivables from Smyrna Seracılık Ticaret A.Ş. by common consent. There is not any expertise valuation is made about Company’s share buy out.

MENDERES TEKSTİL SANAYİ VE TİCARET A.Ş., AND ITS SUBSIDIARIES
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Akça Enerji Üretim Otoprodüktör Grubu A.Ş. (Investment)

	31 March 2013	31 December 2012
	<u>Ratio %</u>	<u>Ratio %</u>
Tan Elektrik Üretim A.Ş.	45.71	00.0
Menderes Tekstil Sanayi ve Ticaret A.Ş.	20.0	20.0
Akça Holding A.Ş.	17.5	40.9
Osman Akça Tarım Ürünleri İthalat İhracat San. ve Tic. A.Ş.	10.7	25.0
Selin Tekstil Sanayi Ticaret A.Ş.	5.6	13.0
Akçasaraylı Tekstil Ltd. Şti.	0.48	1.1
	100.0	100.0

Menderes Tekstil Pazarlama A.Ş. (Investment)

	31 March 2013	31 December 2012
	<u>Ratio %</u>	<u>Ratio %</u>
Menderes Tekstil Sanayi ve Ticaret A.Ş.	45.0	45.0
Akça Holding A.Ş.	45.0	45.0
Rıza Akça	4.5	4.5
Dilek Göksan	4.5	4.5
Ahmet Bilge Göksan	1.0	1.0
	100.0	100.0

Aktur Araç Muayene İstasyon İşletmeleri A.Ş. (Investment)

	31 March 2013	31 December 2012
	<u>Ratio %</u>	<u>Ratio %</u>
Menderes Tekstil Sanayi ve Ticaret A.Ş.	48.0	48.0
Nihat Zeybekçi	49.5	49.5
Other	2.5	2.5
	100.0	100.0

Equity participations are accounted for using the equity pick-up method. Equity participations are companies in which Group has a voting right between 20% and 50% of the ordinary share capital or significant influence is exercised on the operations of the company.

Subsidiaries are included or excluded from the consolidation since the date Group has control over or loses control.

Minority shares of shareholders are pursued in net assets of the subsidiaries and in the result of the operations and consolidated balance sheet and income statements.

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Reporting Currency

As of 31 March 2013, Group’s functional and reporting currency unit is represented in TRY compared to previous periods.

Offsetting

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

2.b. Changes in Accounting Policies

A group only could change its accounting policy under following circumstances;

- If a standard or interpretation makes it necessary or
- If the change make effect of operations or incidents on financial position and performance or cash flows more appropriate and reliable.

Financial statements have to be comparable to see trends in financial position of companies, performance and cash flows for user of financial statements. This is why, if the change is not granting one of above conditions, each interim and fiscal periods has to be applied same accounting policy.

There have not been significant changes to affect accompanying financial statements.

2.c. Changes in Accounting Estimates and Errors

The accompanying financial statements necessitate that some predictions about income and expenses regarding possible assets and liabilities in the financial statements prepared by group management to be compatible with statements required by Capital Market Board. Realized amounts can differ from the predictions. These predictions are observed regularly and reported periodically in income statements.

Significant amendments in accounting policies and significant accounting errors are applied retrospectively and prior period financial statements should be restated. Changes in accounting estimates should be applied prospectively, if only for a period in which the change in current period. If it relates to future periods they are recognized to prospectively both in the current period and in the future period.

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2.d. Adoption of New and Revised International Financing Reporting Standards

The Group has applied the new and revised standards and interpretations of the International Accounting Standards Committee (IASC) published by International Financial Reporting Interpretations Committee (IFRIC”) of IASC for the interim financial statements dated 31 March 2013, for the related to its business activities, in the current fiscal period.

The new standards, amendments and interpretations which will be effective after 31 March 2013 are as follows:

IFRS 9 - Financial Instruments – Classification and measurement; as amended in December 2011, the new standard is effective for annual periods beginning on or after 1 January 2015. Phase 1 of this new IFRS introduces new requirements for classifying and measuring financial instruments. The amendments made to IFRS 9 will mainly affect the classification and measurement of financial assets and measurement of fair value option liabilities and requires that the change in fair value of a FVO financial liability attributable to credit risk is presented under other comprehensive income. Early adoption is permitted. This standard has not yet been endorsed by the EU.

IAS 32 Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities (Amended) - The amendments clarify the meaning of “currently has a legally enforceable right to set-off” and also clarify the application of the IAS 32 offsetting criteria to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous. These amendments are to be retrospectively applied for annual periods beginning on or after 1 January 2014.

The Group is assessing the effects of these interpretation and amendment revisions on the Group’s financial statements.

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2.e. Summary of Significant Accounting Policy

Revenue

Revenue is recognized on accrual basis at the fair value of the amount obtained or to be obtained based on the assumptions that delivery is realized, the income can be reliably determined and the inflow of the economic benefits related with the transaction to the Group is probable. Net sales are calculated after the sales returns and sales discounts are deducted.

Sales of Goods:

Revenue from sale of goods is recognized when all the following conditions are satisfied:

- The Group has transferred to the buyer the significant risks and rewards of ownership of the goods,
- The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold,
- The amount of revenue can be measured reliably,
- It is probable that the economic benefits associated with the transaction will flow to the entity;
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services:

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction shall be recognized by reference to the stage of completion of the transaction at the balance sheet date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company;
- The stage of completion of the transaction at the balance sheet date can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Inventories

Inventories are valued at the lower of cost or net realizable value. Inventory costs include purchasing costs. The cost of inventories is determined on the first in first out (FIFO) basis for each purchase. Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

Biological Assets

Group's biological assets consist of planted tomatoes. Due to no presence of active market for tomatoes, they were reflected in the accompanying combined financial statements with their costs minus if there is impairment in the cost then it is deducted.

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Property, Plant and Equipment

Tangible assets are reflected with adjusted cost value according to the inflationary accounting effective as of 1 January 2005 for the entries purchased before 01 January 2005 and acquired cost of entries purchased after 01 January 2005 by deducting the accumulated depreciation.

Property, plant and equipment are carried at cost less accumulated depreciation. Depreciation is provided on restated amounts of property, plant and equipment using the straight-line basis with prorates method based on the estimated useful lives of the assets. Expenses for the repair of property, plant and equipment are normally charged as an expense.

Economic useful lives of assets approximately are as follows:

	<u>Year</u>
Land improvements	10-30
Buildings	50
Machinery, plant and equipments	5-10
Motor vehicles	5
Fixtures and fittings	10

Leasing

Group acquired assets under finance lease agreements and capitalized at the inception of the lease starting from acquired date. Payables to lease are pursued under financial leasing liability in balance sheet. Calculation of minimum leasing payment is to find out current market value as the valid proportion is calculated practically in financial leasing process then it is, otherwise proportion of interest rate of loan is used as discount factor. Expenses of asset acquisition through financial leasing are included in costs. The liability from financial leasing is decomposed into interest rate and the main loan. Expenses of interest rate are calculated with the fixed interest rate and are issued in related periods.

Intangible Assets

Intangible assets are reflected with adjusted cost value according to the inflationary accounting effective as of 31 December 2004 for the entries purchased before 01 January 2005 and acquired cost of entries purchased after 01 January 2005 by deducting the accumulated amortization.

Intangible assets comprise acquired usage rights, information systems, research and development expenses and other identified rights. They are recorded at acquisition cost and amortized on a straight-line based on pro-rata over their estimated useful lives for a period not exceeding between 10% and 20% for a year.

Impairment of assets

In the case of detecting that carrying values of fixed assets fall below the level that can realize / can be gained from this asset in the future due to different events and situations, material and non-material fixed assets are tested in terms of value losses. In the case of being over the value of book value of material and non-material fixed assets realizable value or the value that can be gained from this asset in the future, provision are made for fixed asset value diminution.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All of the other borrowing costs are recorded in the income statement in the period in which they are incurred.

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Financial Investments

Except diminution in accordance with Communiqué XI, No: 29 published by CMB, income or loss related to ready to be liquidated financial assets are reflected in the financial statements through changes in shareholders' equity statements until these financial assets are out of financial statements. When these assets are cashed out financial statements, retained income or loss previously reflected in the shareholders' equity is booked in current period net income. However, the difference between the amount when the ready to be liquidated assets are booked for the first time and timed amount is subject to effective interest method and the accrued amount stands for interest and it is reflected in the financial statements as profit or loss. As a result of this communiqué, the ready to be liquidated assets are valued with its fair value. If the difference between fair value and the value calculated by effective interest method is positive, then it is booked in capital reserve. If the difference is negative, then it is deducted from existing capital reserve. If still it is negative, it is booked under other operating activities expenses in the income statements.

Fair value of shares quoted in stock exchange is taken from closing price of Istanbul Stock Exchange as of the balance sheet date.

Financial Instruments

Financial instruments are classified as assets for investments, financial instruments for purchase and sale, financial instruments which can be hold to the due date and financial instruments which are ready to be sold. The financial instruments which are bought to make gain of short term fluctuations are classified as commerce financial instruments and included to the current assets. Financial instruments which the group management can have the ability or the will to control to the due date and have specific or fixed payment date and the financial instruments which had a fixed due date are classified as financial instruments that are hold to the due date.

The financial instruments which are hold to sell for cash requirements or for changes of rate interests are called as ready to sell financial instruments. Ready to sell financial instruments are included in fixed assets if the management don't have the will to hold it or don't need it for capital increase in less than 12 months after balance sheet date.

All financial instruments are shown with the acquirement costs included the expenses of purchase of investment. Financial assets after reflecting financial statements are classified as ready to sell financial instruments are appreciated with the reasonable value if it is possible to calculate.

Current value is the value which brings willing and informed buyers and sellers together and they can replace assets or make a commitment. The market value of a financial instrument is equal to the amount of the sale or to the debt of purchase if there is an active market.

Estimated current value of financial instruments is set by using the information about the markets and necessary valuation method. However, to set current value it is needed the commented market data. Because of this, presented estimates in this report can't be the obtained values in the current market if the group charges the assets off.

Bank deposits and receivables are important financial instruments which can affect the group's financial state negatively if the other side doesn't fill the conditions.

The cost value of some financial instruments is equal to the registered value and because of their short term character and it is assumed as equal to the current value.

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Derivative financial instruments and instruments to protect from risk

The acquisition cost is used by recording derived financial instruments and foreign exchange commitments and transaction cost is added to acquisition cost. Derived financial instruments are appreciated with reasonable value in the following periods. All derived financial instruments are reclassified as financial instruments of no balance sheet but associated with income sheet. All derived financial instruments are reclassified as financial instruments of no balance sheet but associated with income sheet.

At the end of valuation, the derived financial instruments which are appreciated with the reasonable value and associated with income statement will be reflected as a result of valuation to the income sheet.

It has been calculated with comparison of the revalued gains and losses in the forward purchase and sale agreements of foreign currency with the foreign exchange spot rate as of balance sheet date and the revalued original amount calculated with linear method with valid foreign exchange spot rate as of starting date of agreements. Amounts related with income statement have been classified as income/expense accruals under other receivables and other payables in the balance sheet.

Cash and Cash Equivalents

Cash and cash equivalent values contain cash on hand, bank deposits and high liquidity investments. Cash and cash equivalents are showed with obtaining costs and the total of accrued interests.

Trade Receivables and Trade Payable

The balance sheet values of trade receivables and payables after doubtful receivables are truthful estimated values except the trade receivables and payments which are reduced to present value.

Due from / to Related Parties

The balance sheet values of receivables and payables from related parties are truthful estimated values except the receivables and payables from related parties which hold in a specific credit period.

Financial Borrowings

The interest rates of the credits are fixed at the using date but then it can follow fluctuation of interest rate in the market. The group uses risky financial instruments at the time of ordinary activities as letter of credit. The cost of these financial instruments is equal to commitment amount.

Other Balance Sheet Entries

Other balance sheet entries are reflected with their book values.

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Related Parties

For the purpose of the consolidated financial statements, shareholders, key management personnel and board members, in each case together with their families and companies controlled by or affiliated with them, Associates and Joint Ventures are considered and referred to as “related parties”. These companies’ partners and chiefly managers and that company’s board of management’s members and also families are fallen within related to establishment. These operations are performed generally in accordance with market conditions.

Smyrna Seracılık Ticaret A.Ş.

Smyrna Seracılık Ticaret A.Ş. was established in 2007, İzmir. No. 7296 on 21 April 2009 the Company’s name (Smyrna Organik Tarım Sanayi ve Ticaret A.Ş.) has been changed to Smyrna Seracılık Ticaret A.Ş. No 6911 on 8 October 2007 the Company’s head quarter in the Trade Registry Gazette has been changed to Denizli. The Company’s main activity is the production of agricultural. Company is included in the consolidation in 2009.

Akça Enerji Üretim Otoprodüktör Grubu

Akça Enerji Üretim Otoprodüktör Grubu A.Ş. was established in 1998. Head quarter of the company is in Denizli and its main activity is to supply the electricity.

Menderes Tekstil Pazarlama A.Ş.

Menderes Tekstil Pazarlama A.Ş. was established in 1998. Head quarter of the Company is in İzmir. Company does marketing of home textile productions.

Aktur Araç Muayene İstasyonları İşletmeciliği A.Ş.

Aktur Araç Muayene İstasyonları İşletmeciliği A.Ş. was established in 2006. Head quarter of the Company is in İzmir. Company operates vehicle inspection stations which are privatized within the context of law b-numbered 4046, in Aydın, Manisa, Denizli and İzmir for 20 years. As of 31 March 2013, company has integrated 20 established and 4 mobile vehicle inspection stations.

Osman Akça Tarım Ürünleri İthalat İhracat Sanayi ve Ticaret A.Ş. “Osman Akça Tarım Ürünleri”

Osman Akça Tarım Ürünleri İthalat ve İhracat San. ve Tic. A.Ş. was established on 25 July 1985. Head quarter of the company is in İzmir. Main activity is established to process the fruit and agricultural products.

Tan Elektrik Üretim A.Ş. “Tan Elektrik”

Tan Elektrik Üretim A.Ş. was established in Izmir on 18 July 2006 as” MTT Elektrik Üretim A.Ş.” The company name was changed to “ Tan Elektrik Üretim A.Ş.” on 9 November 2006. Main activity of company is building production facilities, joining in to operation, renting, generating electricity and marketing electricity to customers. The Company does not operate yet.

Akçamen Tekstil Sanayi ve Ticaret A.Ş. “Akçamen Tekstil”

Akçamen Tekstil Sanayi ve Ticaret A.Ş. was established on 26 July 1994. Head quarter of the company is in İzmir. No. 7186 on 11 November 2008 in the Trade Registry Gazette the company was changed to the center of Denizli. Main activity is to produce cotton.

Ak-San Sigorta ve Aracılık Hizmetleri Ltd. Şti. “Aksan Sigorta”

Ak-San Sigorta Aracılık Hizmetleri Ltd. Şti. was established on 13 March 1997. Head quarter of the company is in İzmir. Main activity is insurance intermediary services.

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Selin Tekstil Sanayi ve Ticaret A.Ş. “Selin Tekstil”

Selin Tekstil Sanayi ve Ticaret A.Ş. was established in 1992. Head quarter of the company is in Denizli. Main activity is outsourcing of textile manufacturing.

Akçasaraylı Tekstil Sanayi ve Ticaret Ltd. Şti. “Akçasaraylı Tekstil”

Akçasaraylı Tekstil Sanayi ve Ticaret Ltd. Şti. was established in 1990 in İzmir. It is engaged of the sale of textile products.

Akça Holding A.Ş. “Akça Holding”

Akça Holding A.Ş. was established in 1994 in İzmir. It is engaged in providing financial support to the group firms.

Akça Solar Enerji Üretim Sanayi ve Ticaret A.Ş. “Akça Solar”

Akça Solar Enerji Üretim Sanayi ve Ticaret A.Ş. was established in 4 September 2012 in Denizli. It is engaged in the production and sale of every kind of renewable energy (sun energy, wind energy, etc.).

Taxes calculated from Corporate Profit

Because Turkish Tax Legislation does not allow preparing consolidated tax return to parent company and its subsidiary, as reflected on the attached consolidated financial statements, provisions for taxes are calculated separately.

Taxes on income for the period comprise current tax and the change in the deferred taxes.

Current Tax

Current year tax liability is calculated from liable to tax part of the period profit. Because liable to tax profit excludes taxable items in other years or tax deductibles and the items that is not possible to make taxable or reduction of tax, it is different than profit on the income statement. The Group’s current tax liability is calculated by using the tax rate that became law as of balance sheet date or the tax rate that significantly became law.

Deferred Tax

Deferred tax liability or asset is determined by calculating temporary differences between the balances of assets and liabilities on financial statements and the balances considered in legal tax base account according to balance sheet method by considering legal tax rates of tax effects. While the deferred tax liability is calculated for all the taxable temporary differences, tax assets that consist of deductible temporary differences are calculated if there is a possibility of benefiting from the temporary profit in the future. The assets and liabilities are not accounted if temporary difference related with the operation that does not effect commercial or fiscal profit/loss stems from taking to financial statements goodwill or other assets or liabilities (except business combinations) firstly.

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Deferred tax liabilities are calculated for all taxable temporary differences associated with shares in the business associations and investments in subsidiaries and affiliates except in the cases when the group’s temporary differences are controlled and when the probability of the elimination of this difference is very low in near future. Deferred tax liabilities stemming from taxable temporary differences that is associated with this kind of investments and shares are calculated on condition when the probability of utilizing the related differences by gaining sufficient liable to tax profits in near future is very high and when elimination of the differences about future is probable.

The recorded value of deferred tax asset is revised as of each balance sheet date. Financial profit is deducted with unlikely performing amount to ensure future partial or complete benefit of booked value of deferred tax assets.

Deferred tax assets and liabilities are calculated over the tax rates (tax regulations) that are expected to be valid in the period when assets will realize or liabilities will be fulfilled and that become law as of balance sheet date or significantly become law. At the time of the calculation of the deferred tax assets and liabilities, as of balance sheet date the tax results of the methods are considered that the group forecasted for recovery of the book value of the assets or fulfillment of the liabilities.

The existence of legal right to deduct deferred tax assets and liabilities from current tax assets and liabilities or income tax collected by very same tax authorities related to these assets and liabilities or deduction will be realized when there payment will by netting of Group’s assets and liabilities.

Current and deferred tax of period

Associated with the items that are booked in shareholders’ equity accounts as debit or credit directly, (in this case, related deferred tax of the items are directly entered in shareholders’ equity account) or current tax except that stem from first recording of business combinations and deferred tax of the period are entered in income or expense accounts in income statements. Tax effect are considered in business combinations, goodwill calculations or determination of the exceeding part of the cost of purchase of buyer’s obtained share from purchased subsidiary’s fair value of definable asset, liability and conditional payables.

Provision Employee Benefits / Severance Pay

Severance Pay

According to the present laws and collective bargaining agreement severance pay is given in case of retirement and dismissal. The payments in accordance with updated IAS 19 Employee Benefits Standard (“IAS 19”) are described as defined retirement benefit plans.

The severance pay liability booked in balance sheet means today’s value of liability remained after correction at the rate of actuarial income and losses excluded from income statement.

Social Insurance Premium

Group pays social security contribution to social security organization compulsorily. So long as the company pays these premiums, it has no liability. These premiums are reflected as personnel expenses in the period in which they are paid.

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Provisions, Conditional Liabilities and Conditional Assets

Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event. It is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Conditional Liabilities and Conditional Assets

Transactions that may give rise to contingencies and commitments are those where the outcome and the performance of which will be ultimately confirmed only on the occurrence or non occurrence of certain future events, unless the expected performance is not very likely. Accordingly, contingent losses are recognized in the financial statements of Group if a reasonable estimate of the amount of the resulting loss can be made. Contingent gains are reflected only if it is probable that the gain will be realized.

The Effects of Exchange Rates

Foreign currency transactions are entered in the accounts with current rates in transaction date. Foreign currency assets and liabilities in the balance sheet are converted to the TRY as the rates in the balance sheet date. Foreign exchange and losses are reflected to the financial statements.

The foreign currency rates used at the end of the period are as following:

	31 March 2013	31 December 2012
USD	1.8087	1.7826
EUR	2.3189	2.3517
GBP	2.7441	2.8708

Earnings Per Share

The amount of gain/ loss per share is calculated by dividing the period gain/ loss of the company with weighted average share unit in the period.

Subsequent Events

Although subsequent events arise after the explanation of the financial information to the public or any announcement related to profitability, it encloses all the events with balance sheet date and authorization date for the diffusion of the balance sheet. Group adjusts the amounts in the financial statements if there exists any events necessitates adjustment.

Segment Reporting of Operation Results

Group mainly operates in textile and agriculture sectors, agricultural production is conducting by Smyrna Balance sheet items and operating results are given in Note 5.

As of report date, Menderes Bulgaria Ltd. has terminated the operation and started liquidation. Hence financial segment reports are not prepared.

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Cash Flow Statement

Cash flow statement is prepared in accordance with communiqué by Capital Market Board.

Income Accruals

Revenue is recognized on the accrual basis at the time deliveries are made, at the invoiced values. Net sales reflect gross sales, net of sales discounts and returns.

Foreign Currency Assets and Liabilities

Foreign currency transactions are entered in the accounts with current rates in transaction date. Foreign currency assets and liabilities in the balance sheet are converted to the TRY as the rates in the balance sheet date. Foreign exchange profit and loss are reflected to the income statements.

Dividends

Dividends receivable are recognized as income in the period when they are declared and dividends payables are recognized as an appropriation of profit in the period in which they are declared.

Investments Subject to Equity Pick-up Method

Equities valued with equity pick-up method are carried at their initial acquisition cost. This amount is accounted by equity pick-up method by restating subject to company accounting policies calculating the share of company from the net assets.

NOTE 3 – BUSINESS MERGERS

None (31 December 2012 – None).

NOTE 4 – BUSINESS PARTNERSHIP

None (31 December 2012 – None).

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NOTE 5 – SEGMENT REPORTING

31 March 2013	Textile Sector	Agricultural Sector	Elimination	Total
ASSETS				
Cash and Cash Equivalents	33,749,100	2,338	-	33,751,438
Trade Receivables	32,802,123	892,862	-	33,694,985
Other Receivables	46,119,173	-	(342,935)	45,776,238
Inventories	136,458,711	587,257	-	137,045,968
Biological Assets	-	1,427,410	-	1,427,410
Other Current Assets	18,880,622	1,918,948	(50,577)	20,748,993
Current Assets	268,009,729	4,828,815	(393,512)	272,445,032
Financial Investment	-	2,750,000	-	2,750,000
Investments Valued With Equity Method	109,018,411	-	(9,500,000)	99,518,411
Other Receivables	11,568	3,126	-	14,694
Tangible Assets	62,840,421	27,131,689	-	89,972,110
Intangible Assets	567,637	649	-	568,286
Deferred Tax Assets	8,159,098	63,443	(153,972)	8,068,569
Non Current Assets	568,615	211,201	-	779,816
Non-Current Assets	181,165,750	30,160,108	(9,653,972)	201,671,886
TOTAL ASSETS	449,175,479	34,988,923	(10,047,484)	474,116,918
LIABILITIES				
Financial Borrowings	92,290,244	3,316,324	-	95,606,568
Trade Payables	55,750,009	1,597,151	-	57,347,160
Other Payables	13,249,319	8,406,907	(342,934)	21,313,292
Corporation Tax Liabilities	1,352,107	24,979	-	1,377,086
Provisions for Liabilities	46,039	-	-	46,039
Other Current Liabilities	73,665	3,375	(50,577)	26,463
Current Liabilities	162,761,383	13,348,736	(393,511)	175,716,608
Financial Borrowings	4,534,534	8,984,653	-	13,519,187
Severance Pay Provision	6,905,674	67,314	-	6,972,988
Deferred Tax Liabilities	364,033	160,852	(153,972)	370,913
Non-current Liabilities	11,804,241	9,212,819	(153,972)	20,863,088
Paid in Capital Share	250,000,000	12,000,000	(12,000,000)	250,000,000
Inflation Adjustments to Shareholders' Equity	485,133	-	-	485,133
Foreign Currency Conversion Differences	(546,419)	-	-	(546,419)
Profit Reserves	8,157,396	23,121	-	8,180,517
Retained Earnings	12,429,676	(111,182)	18,345	12,336,839
Net Income / (Loss) for the period	4,288,117	515,429	(107,381)	4,696,165
Minority Interest	(204,048)	-	2,589,035	2,384,987
SHAREHOLDERS' EQUITY	274,609,855	12,427,368	(9,500,001)	277,537,222
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	449,175,479	34,988,923	(10,047,484)	474,116,918

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31 March 2013	Textile Sector	Agricultural Sector	Elimination	Total
Sales	79,327,242	1,211,359	-	80,538,601
Cost of Sales (-)	(68,993,992)	(718,665)	-	(69,712,657)
Research & development expenses (-)	-	-	-	-
Marketing, Sales and Distribution Expenses (-)	(1,626,265)	(62,229)	-	(1,688,494)
General Administrative Expenses (-)	(2,652,063)	(44,595)	-	(2,696,658)
Other Operating Income	593,599	22,887	-	616,486
Other Operating Expenses (-)	(2,922,129)	(8,675)	-	(2,930,804)
Shares of Investments Valued with Equity Method	832,616	-	-	832,616
(Non-operating) Financial Income	5,947,616	231,538	(50,577)	6,128,577
(Non-operating) Financial Expenses (-)	(5,225,517)	(65,921)	50,577	(5,240,861)
- Income/Expense Tax for the period	(1,352,107)	(24,979)	-	(1,377,086)
- Deferred Tax Income/Expense	359,117	(25,291)	-	333,826
Net Income / (Loss) For The Period	4,288,117	515,429	-	4,803,546

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NOTE 6 – CASH AND CASH EQUIVALENTS

As of 31 March 2013 and 31 December 2012, details of cash and cash equivalents are as following:

	31.03.2013	31.12.2012
Cash	28,251	21,692
Banks	33,611,313	43,815,564
Demand deposits	1,008,497	27,202,467
Time deposits	32,602,816	16,613,097
Interest accruals for banks	111,874	233,324
	33,751,438	44,070,580

As of 31 March 2013 and 31 December 2012, Group’s time deposits over three months, if desired it classified to cash and cash equivalents with balance sheet value.

As of 31 March 2013 and 31 December 2012, maturity schedule of time deposits in the cash and cash equivalents are as following:

	31.03.2013	31.12.2012
Within 1 month	23,449,370	7,648,089
1-3 months	2,995,570	6,095,659
3-12 months	6,157,876	2,869,349
	32,602,816	16,613,097

As of 31 March 2013, effective interest rates of time deposits in TRY and USD are 5.14% and 2.75% respectively (31 December 2012: for TRY 6.45%, USD 2.74%).

As of 31 March 2013, average maturity date of time deposits is 83 days (31 December 2012: 60 days). Amount of these time deposits comprised of TRY 22,187,511 (31 December 2012: TRY 933,789), TRY 10,415,305 equivalent to USD (31 December 2012: TRY 15,679,308 equivalent to USD).

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NOTE 7 – FINANCIAL INVESTMENT

Current Financial Investments

None (31 December 2012 – None).

Non-current financial investments

	31.03.2013	31.12.2012
Tan Elektrik Üretim A.Ş.	2,750,000	-
	2,750,000	-

On 8 January 2013, Smyrna Seracılık A.Ş. affiliated TRY 2,750,000 (21% share) of Tan Elektrik Üretim A.Ş.’s capital. There is not any expertise valuation is made about Company’s share buy out.

NOTE 8 – FINANCIAL BORROWINGS

	31.03.2013	31.12.2012
Short term Turkish lira bank borrowings	1,039,174	1,502,918
Short term foreign currency borrowings	78,317,922	71,559,232
Foreign currency financial borrowings (factoring borrowings)	4,625,436	5,674,456
Short term lease payables, net	209,908	39,214
Current installments of long-term borrowings	11,038,100	8,335,443
Accrued interest of borrowings	376,028	578,971
Total short term financial borrowings	95,606,568	87,690,234
Long term foreign currency borrowings	13,163,108	12,948,644
Long term lease payables, net	356,079	13,585
Total long term financial borrowings	13,519,187	12,962,229
Total financial liabilities	109,125,755	100,652,463

As of 31.03.2013, TRY, USD, EUR and GBP bank loans, effective interest rates are 5.0%, 3.21%, 3.74% and 3.82% (31.12.2012: TRY- 5%, USD-3.46%, EUR-3.25% ve GBP-%4.44’ dir) respectively.

As of 31.03.2013, Group has deposit mortgages amount of USD 3,450,000 (TRY 6,240,015) for bank loans amounting used from Şekerbank T.A.Ş. (31.12.2012: USD 3,995,000 (TRY 7,121,487)).

Total amount of mortgage on lands and buildings for fixed assets of the Group given to financial institutions is USD 156,200,000 (TRY 282,518,940), EUR 5,140,426 (TRY 11,920,134) and TRY 75,145,000.

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Maturity analysis of the bank loans and other financial borrowings as of 31 March 2013 and 31 December 2012 are as following:

	31.03.2013	31.12.2012
Within 3 month	40,769,267	46,639,167
Between 3-12 months	54,251,365	40,432,882
Between 1–5 years	13,163,108	12,948,644
	108,183,740	100,020,693

As of 31 March 2013 and 31 December 2012 maturity schedule of long term bank borrowings are as following:

	31.03.2013	31.12.2012
Payables within 1-2 years	6,424,616	4,975,875
Payables within 2-3 years	2,246,164	2,277,934
Payables within 3-4 years	2,246,164	2,277,934
Payables within 4-5 years	2,246,164	2,277,934
Payables within 5-6 years	-	1,138,967
	13,163,108	12,948,644

As of 31 March 2013, details of total bank borrowings and other financial borrowings are as following:

Currency	FX Amount	Currency Rate	TRY Equivalent
TL	1,039,174	1.0000	1,039,174
USD	44,657,368	1.8087	80,771,782
EUR	10,895,250	2.3189	25,264,994
GBP	403,699	2.7441	1,107,790
Total			108,183,740

As of 31 December 2012, details of total bank borrowings and other financial borrowings are as follows:

Currency	FX Amount	Currency Rate	TRY Equivalent
TL	1,502,923	1.0000	1,502,923
USD	42,112,703	1.7826	75,070,104
EUR	9,527,488	2.3517	22,405,792
GBP	362,921	2.8708	1,041,874
Total			100,020,693

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As of 31 March 2013 and 31 December 2012, details of financial leasing borrowings of group are as follows:

Short term financial leasing borrowings:

	31.03.2013	31.12.2012
Short term lease payables	234,334	41,453
Cost of deferred short term lease payables (-)	(24,426)	(2,239)
	209,908	39,214

Long term financial leasing borrowings:

	31.03.2013	31.12.2012
Long term lease payables	374,776	13,950
Cost of deferred lease payables (-)	(18,697)	(365)
	356,079	13,585

Maturity schedule of repayment of finance lease payables as of 31 March 2013 are as following:

	Liabilities from financial leasing transactions	Cost of deferred lease payables	Total liabilities
Payables within 0 – 1 years	234,334	(24,426)	209,908
Payables within 1 – 2 years	197,045	(13,992)	183,053
Payables within 2 – 3 years	177,713	(4,687)	173,026
Payables within 3 – 4 years	18	(18)	-
	609,110	(43,123)	565,987

Maturity schedule of repayment of finance lease payables as of 31 December 2012 are as following:

	Liabilities from financial leasing transactions	Cost of deferred lease payables	Total liabilities
Payables within 0 – 1 years	41,453	(2,239)	39,214
Payables within 1 – 2 years	13,750	(165)	13,585
Payables within 2 – 3 years	200	(200)	-
	55,403	(2,604)	52,799

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NOTE 9 – OTHER FINANCIAL LIABILITIES

Other Short Term Financial Liabilities

None (31 December 2012 – None).

Other Long Term Financial Liabilities

None (31 December 2012 – None).

NOTE 10 – TRADE RECEIVABLES AND TRADE PAYABLES

Short Term Trade Receivables

As of 31 March 2013 and 31 December 2012, details of trade receivables are as following:

	31.03.2013	31.12.2012
Trade receivables	33,456,989	50,489,969
Unearned interest on trade receivables	(159,771)	(316,980)
Receivables from related parties (Note 37-i-a)	-	1,258
Notes receivables from related parties (Not 37-i-a)	397,767	275,612
Doubtful trade receivables	212,837	212,837
Provision for doubtful receivables (-)	(212,837)	(212,837)
Short-term trade receivables	33,694,985	50,449,859

As of 31 March 2013 and 31 December 2012, Group has TRY 950,000 guarantee given as a provision for receivables.

Maturity schedule of notes receivable as of 31 March 2013 and 31 December 2012 are as following:

	31.03.2013	31.12.2012
1-30 days	58,981	118,871
31-60 days	78,178	77,500
61-90 days	44,678	79,241
91-120 days	123,000	-
121-150 days	78,441	-
151-180 days	14,489	-
	397,767	275,612

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As of 31 March 2013 and 31 December 2012, movement of provision for doubtful receivables is as following:

	31.03.2013	31.12.2012
Opening balance	212,837	280,552
Provision for the period	-	(80,935)
Collection within the period	-	13,220
Closing balance	212,837	212,837

Details of trade receivables from related parties are as following (Note 37-i-a):

	31.03.2013	31.12.2012
Menderes Tekstil Pazarlama A.Ş. (*)	397,767	275,612
Akca Solar Enerji Üretim Sanayi ve Ticaret A.Ş.	-	1,258
	397,767	276,870

(*) These amounts are consisted of cheques and notes receivable.

Long Term Trade Receivables

None (31 December 2012 – None).

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Short Term Trade Receivables

As of 31 March 2013 and 31 December 2012, details of the short term trade payables to related parties are as following:

	31.03.2013	31.12.2012
Trade payables	46,515,493	44,503,790
Unearned interest on trade payables	(389,819)	(336,049)
Due to related parties (Note 37-i-b)	3,222,629	8,553,337
Notes payable	8,058,569	7,683,416
Unearned interest on notes payable	(65,712)	(56,569)
Deposits and guarantees received	6,000	6,000
	57,347,160	60,353,925

As of 31 March 2013, bank has given guarantees for trade payables of USD 6,975,035 (TRY 12,615,746) and EUR 618,913 (TRY 1,435,196). As of 31 December 2012, bank has given guarantees for trade payables of USD 3,518,511 (TRY 6,272,097) and EUR 646,313 (TRY 1,519,935).

Maturity schedule of notes payable as of 31 March 2013 and 31 December 2012 are as following:

	31.03.2013	31.12.2012
1 – 30 days	3,729,613	2,994,867
31 – 60 days	2,074,314	2,119,386
61 – 90 days	2,254,642	2,569,163
	8,058,569	7,683,416

Details of trade payables to related parties are as following (Note 37-i-b):

	31.03.2013	31.12.2012
Selin Tekstil Sanayi ve Ticaret A.Ş.	2,578,930	7,943,121
Ak-San Sigorta Aracılık Hizmetleri Ltd. Şti.	643,699	610,216
	3,222,629	8,553,337

Non Current Trade Payables

None (31 December 2012 – None).

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NOTE 11 – OTHER RECEIVABLES AND PAYABLES

Other Current Receivables

As of 31 March 2013 and 31 December 2012, details of other current receivables of Group are as following:

Other current receivables	31.03.2013	31.12.2012
Deposit and guarantees given	311,561	271,758
Due from related parties (Note 37-i-c)	29,821,324	34,687,876
Receivables from related parties (Not 37-i-d)	13,182,041	11,622,806
Sundry debtors	2,461,312	2,340,121
	45,776,238	48,922,561

Amount in other sundry receivables are comprised of receivables from tax offices, customs administration and subcontractor related to Menderes Bulgaria Ltd.

Details of non trade receivables from shareholders are as following (Note 37-i-c):

	31.03.2013	31.12.2012
Osman Akça Tarım Ürünleri İthalat İhracat San. ve Tic. A.Ş.	29,821,324	34,687,876
	29,821,324	34,687,876

As of 31 March 2013 and 31 December 2012, all amounts above are composed of non-trade receivables. For non-trade receivables from related parties with foreign currency balances; for the period 01.01.-31.03.2013 it is 1.1% interest rate is used, for 01.01.-31.12.2012, it is 1% and with TRY balances; for the period 01.01.-19.06.2012 it is 17.75%, for 20.06.2012-19.12.2012 it is 16.5%; for 20.12.2012-31.12.2012 it is %13.75. Income from these transactions is presented in Note 37 iii-f.

As of 31 March 2013, non-trade receivables from related companies comprise 15.78% of total current assets and 9.07% of total assets. (It composes 17.31% of the total current assets and 10.06% of total assets as of 31 December 2012).

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Details of non trade receivables from related parties are as following (Note 37-i-d):

	31.03.2013	31.12.2012
Akça Enerji Üretim Otoprodüktör Grubu A.Ş.	13,181,841	11,503,763
Aktur Araç Muayene İstasyonları İşletmeciliği A.Ş.	200	-
Akçamen Tekstil Sanayi Ticaret A.Ş.	-	119,043
	13,182,041	11,622,806

For non-trade receivables from related parties; for the period 01.01.-31.03.2013 it is 13.75% interest rate is used, for 01.01.-19.06.2012, it is 17.75%, for the period 20.06.2012-19.12.2012 it is 16.5% and for the period 20.12.2012-31.12.2012 it is 13.75%. Income from these transactions is presented in Note 37 iii-f.

Other Non Current Payables

	31.03.2013	31.12.2012
Deposits given and guarantees	14,694	14,694
	14,694	14,694

Other Current Payables

As of 31 March 2013 and 31 December 2012, details of other current payables of Group are as following:

	31.03.2013	31.12.2012
Taxes and funds payable	608,792	904,845
Social security deductions payable	713,594	632,653
Due to personnel	2,348,215	1,979,293
Advances received (Not 37-i-e)	6,107,845	7,261,788
Due to shareholders (Not 37-i-f)	11,267,628	9,190,661
Sundry debtors	267,218	1,949
	21,313,292	19,971,189

Details of advances to related parties are as following (Not 37-i-e):

	31.03.2013	31.12.2012
Menderes Tekstil Pazarlama A.Ş.	3,709,952	5,204,157
Akçasaraylı Tekstil Sanayi ve Ticaret Ltd. Şti.	92,924	55,341
	3,802,876	5,259,498

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Details of non trade payables to shareholders are as following (Not 37-i-f):

	31.03.2013	31.12.2012
Rıza Akça	11,125,572	9,055,349
Ali Atlamaz	19,650	54,220
Ahmet Bilge Göksan	24,244	24,244
Dilek Göksan	1,850	1,850
Akça Holding A.Ş.	96,312	54,998
	11,267,628	9,190,661

Other non-current payables

None (31 December 2012 – None).

NOTE 12 – RECEIVABLES AND PAYABLES FROM/TO FINANCE SECTOR ACTIVITIES

Current receivables and payables from finance sector activities

None (31 December 2012 – None).

Non-current receivables and payables from finance sector activities

None (31 December 2012 – None).

NOTE 13 – INVENTORIES

	31.03.2013	31.12.2012
Raw materials	62,108,743	57,138,657
Work in progress	53,468,218	40,051,875
Finished goods	20,802,568	11,551,256
Merchandises	327,482	255,339
Other Inventories	338,957	492,628
	137,045,968	109,489,755

The Group’s inventories were insured.

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NOTE 14 – BIOLOGICAL ASSETS

Current biological assets

	31.03.2013	31.12.2012
Biological assets (tomato)	1,427,410	1,142,494
	1,427,410	1,142,494

Group’s biological assets are related with tomatoes. If available impairment and cost is indicated after provision in the combined financial statements Due to no presence of active market for growing tomatoes, they were reflected in the accompanying combined financial statements with their costs minus if there is impairment in the cost then it is deducted.

Non-current biological assets

None (31 December 2012 – None).

NOT 15 – RECEIVABLES FROM ON GOING CONSTRUCTION CONTRACTS

None (31 December 2012 – None).

NOT 16 – INVESTMENTS VALUED WITH EQUITY PICK-UP METHOD

As of 31 March 2013 and 31 December 2012, Akça Enerji Üretim Otoprodüktör Grubu A.Ş., Menderes Tekstil Pazarlama A.Ş. and Aktur Araç Muayene İstasyonları İşletmeciliği A.Ş. are held subject to equity pick-up method by the Group, with rate of 20%, 45% and 48% respectively.

	31.03.2013	Share (%)	31.12.2012	Share (%)
Akça Enerji Üretim Dağıtım Otoprodüktör A.Ş.	4,147,556	%20	866,539	%20
Menderes Tekstil Pazarlama A.Ş.	9,359,162	%45	9,071,442	%45
Aktur Araç Muayene İstasyon İşletmeleri A.Ş.	86,011,693	%48	85,547,814	%48
	99,518,411		95,485,795	

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Summary information about investment accounted for using the equity method is as following:

Akça Enerji Üretim Otoprodüktör Grubu A.Ş.

Akça Enerji Üretim Otoprodüktör Grubu A.Ş. is established on 13 July 1998. Head quarter of the Company is in Denizli. Main activity of the Company is producing electricity, hot water and steam.

Total of assets, liabilities and shareholders' equity of Akça Enerji Üretim Otoprodüktör Grubu A.Ş. and summarized income statements for the period ending at the date of 31 March 2013 and 31 December 2012 are as following:

	31.03.2013	31.12.2012
Current Assets	4,294,477	3,496,275
Non-current Assets	33,901,712	31,216,669
Total Assets	38,196,189	34,712,944
Current liabilities	17,365,101	30,069,805
Non-current liabilities	93,307	310,442
Shareholders' equity	20,737,781	4,332,697
Total Equities	38,196,189	34,712,944
Sales, net	29,636	85,823
Cost of sales	(21,309)	(70,341)
Net profit / (loss)	405,084	1,498,479

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Menderes Tekstil Pazarlama A.Ş.

Menderes Tekstil Pazarlama Anonim Şirketi was established in 1998. The head office is in İzmir. It is engaged in sales of home textile products.

Total of assets, liabilities and shareholders' equity of Menderes Tekstil Pazarlama A.Ş. and summarized income statements for the period ending at the date of 31 March 2013 and 31 December 2012 are as following:

	31.03.2013	31.12.2012
Current Assets	12,525,860	15,789,992
Non-current Assets	8,944,508	5,166,250
Total Assets	21,470,368	20,956,242
Current liabilities	384,340	690,545
Non-current liabilities	287,891	106,936
Shareholders' equity	20,798,137	20,158,761
Total Equities	21,470,368	20,956,242
Sales, net	17,009,637	54,661,428
Cost of sales	(15,939,225)	(51,937,046)
Net profit / (loss)	639,376	1,844,044

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Aktur Araç Muayene İstasyonları İşletmeciliği A.Ş.

Aktur Araç Muayene İstasyonları İşletmeciliği A.Ş. was established in 2006. Head quarter of the Company is in İzmir. Company operates vehicle inspection stations which are privatized within the context of law numbered 4046, in Aydın, Denizli, İzmir and Manisa for 20 years. As of 31 March 2013, Company has integrated 20 established and 4 mobile vehicle inspection stations.

Total of assets, liabilities and shareholders' equity of Aktur Araç Muayene İstasyonları İşletmeciliği A.Ş. and summarized income statements for the period ending at the date of 31 March 2013 and 31 December 2012 are as following:

	31.03.2013	31.12.2012
Current Assets	34,533,896	24,446,261
Non-current Assets	299,403,553	305,264,932
Total Assets	333,937,449	329,711,193
Current liabilities	32,306,638	24,779,220
Non-current liabilities	122,439,784	126,707,361
Shareholders' Equity	179,191,027	178,224,612
Total Equities	333,937,449	329,711,193
Sales, net	41,167,536	157,647,111
Cost of sales, net	(35,134,008)	(134,808,006)
Net profit / (loss)	4,490,898	9,171,355

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In the period of 01 January - 31 March 2013, net profit from investments subject to equity pick-up method is TRY (832,616).

	31 March 2013			
	Share in capital	Restated Shareholders' Equity	Restated Participation Amount	Net Profit/Loss
Akça Enerji Üretim Otoprodüktör Grubu A.Ş.	20%	20,737,781	4,147,556	(1,453,951)
Menderes Tekstil Pazarlama A.Ş.	45%	20,798,137	9,359,162	3,633,660
Aktur Araç Muayene İstasyonları İşletmeciliği A.Ş.	48%	179,191,027	86,011,693	(19,120,307)
			99,518,411	(16,940,598)

In the period of 01 January - 31 December 2012, net profit from investments subject to equity pick-up method is TRY (8,878,743).

	31 December 2012			
	Share in capital	Restated Shareholders' Equity	Restated Participation Amount	Net Profit/Loss
Akça Enerji Üretim Otoprodüktör Grubu A.Ş.	20%	4,332,697	866,539	(1,534,968)
Menderes Tekstil Pazarlama A.Ş.	45%	20,158,761	9,071,442	3,345,940
Aktur Araç Muayene İstasyonları İşletmeciliği A.Ş.	48%	178,224,612	85,547,814	(19,584,186)
			95,485,795	(17,773,214)

According to the signed agreement between TÜVTURK [North/ South] Taşıt Muayene İstasyonları Yapım ve İşletim A.Ş. (Contractor) and Aktur Araç Muayene İstasyonları İşletmeciliği A.Ş. (Subcontractor), subcontractors is allowed to establish a partial or full right to claim rights or receivables based on the agreement, directly or indirectly through cooperating with subsidiaries and/or equity participants by written prior authorization or to transfer to any third party or individual or credit institution.

Based on this, according to valuation report of Aktur Araç Muayene İstasyonları İşletmeciliği A.Ş. prepared by Raymond James Yatırım Menkul Kıymetler A.Ş. dated 29.06.2008, Group has participated in Aktur Araç Muayene İstasyonları A.Ş. with 48% capital ratio. As a result of this acquisition, deferred tax has been calculated based on issue stated above and calculated deferred tax had an effect amounting to TRY 12,668,441 (31 December 2012: TRY 13,091,379) in the Group's balance sheet. The total effect of Aktur Araç Muayene İstasyonları İşletmeciliği A.Ş. according to the equity pick-up method is TRY (19,120,307) (31 December 2012: TRY (19,584,186) in consolidation.

NOTE 17 – INVESTMENT PROPERTY

None (31 December 2012 – None).

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NOTE 18 – TANGIBLE FIXES ASSETS

Cost	Land and land improvements	Buildings	Property, plant and equipment	Vehicles	Fixtures and fittings	Construction in progress	Total
01 January 2012 Opening balance	11,204,053	49,360,262	197,803,477	1,212,406	6,055,841	-	265,636,039
Additions	1,316,150	523,457	1,272,161	276,785	239,625	17,377,899	21,006,077
Disposals	-	-	(136,316)	(289,578)	-	-	(425,894)
31 December 2012 closing balance	12,520,203	49,883,719	198,939,322	1,199,613	6,295,466	17,377,899	286,216,222
Additions	122,400	35,749	946,887	26,350	184,859	2,384,297	3,700,542
31 March 2013 closing balance	12,642,603	49,919,468	199,886,209	1,225,963	6,480,325	19,762,196	289,916,764
Accumulated depreciation							
01 January 2012 Opening balance	1,658,746	11,980,107	167,301,031	472,058	4,577,401	-	185,989,343
Additions	506,219	989,461	9,604,985	154,061	328,212	-	11,582,938
Disposals	-	-	(115,689)	(62,545)	-	-	(178,234)
31 December 2012 closing balance	2,164,965	12,969,568	176,790,327	563,574	4,905,613	-	197,394,047
Additions	126,552	251,604	2,048,549	36,150	87,752	-	2,550,607
31 March 2013 closing balance	2,291,517	13,221,172	178,838,876	599,724	4,993,365	-	199,944,654
31.12.2012 Net Book Value	10,355,238	36,914,151	22,148,995	636,039	1,389,853	17,377,899	88,822,175
31.03.2013 Net Book Value	10,351,086	36,698,296	21,047,333	626,239	1,486,960	19,762,196	89,972,110

As of 31 March 2013, the depreciation expense of tangible fixed assets for the fiscal period is TRY 2,550,607 (31 December 2012: TRY 11,582,938).

As of 31 March 2013, fixed assets were insured for TRY 3,891,225 and EUR 59,168,370 (TRY 137,205,534). As of 31 December 2012, fixed assets were insured for TRY 4,042,508, EUR 59,168,370 (TRY 139,146,256).

Total amount of mortgage on lands and buildings for fixed assets of the Group given to financial institutions is USD 156,200,000 (TRY 282,518,940), EUR 5,140,426 (TRY 11,920,134) and TRY 75,145,000.

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NOTE 19 – INTANGIBLE ASSETS

Cost	Rights	Research and development expenses	Other intangible assets	Total
01 January 2012 Opening balance	2,720	-	456,077	458,797
Additions	25,000	163,323	83,268	271,591
31 December 2012 closing balance	27,720	163,323	539,345	730,388
Additions	-	171,898	9,344	181,242
31 March 2013 closing balance	27,720	335,221	548,689	911,630
Accumulated depreciation				
01 January 2012 Opening balance	1,391	-	222,285	223,676
Additions	5,406	2,732	75,682	83,820
31 December 2012 closed balance	6,797	2,732	297,967	307,496
Additions	2,219	11,031	22,598	35,848
31 March 2013 closed balance	9,016	13,763	320,565	343,344
31.12.2012 Net Book Value	20,923	160,591	241,378	422,892
31.03.2013 Net Book Value	18,704	321,458	228,124	568,286

As of 31 March 2013, the amortization expense of intangible fixed assets for the fiscal period is TRY 35,848 (31 December 2012: TRY 83,280)

NOTE 20 – GOODWILL

None (31 December 2012 – None).

NOTE 21 – GOVERNMENT GRANTS AND INCENTIVES

None (31 December 2012 – None).

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NOTE 22 – PROVISIONS, COMMITMENTS AND CONTINGENT LIABILITIES

Short Term Provisions, Commitments and Contingent Liabilities

	31.03.2013	31.12.2012
Provision for the court cases	46,039	46,039
	46,039	46,039

Long term provisions, commitments and contingent liabilities

None (31 December 2012 – None)

NOTE 23 – COMMITMENTS

As of 31 March 2013 and 31 December 2012, the Group's guarantee / pledge / mortgage position are as following:

Guarantees, security and mortgage (GSM) given by the Group	31.03.2013	31.12.2012
A. Total Amount of GSM given on behalf of legal entity	478,032,891	440,700,806
B. Total Amount of GSM given for partnerships which included in full consolidation	11,460	11,460
C. Total Amount of GSM given for the purpose of guaranteeing third party loans to carry the regular trade activities	None	None
D. Total Amount of other GSM given	None	None
<i>i. Total Amount of GSM given for the Parent Company</i>	179,061,300	176,477,400
<i>ii. Total Amount of GSM Given for Other Group Companies not Included in B and C Clauses</i>	175,562,525	173,029,114
<i>iii. Total Amount of GSM Given for Third Parties not Included in C Clause</i>	None	None
Total	832,668,176	790,218,780

31 March 2013, Ratio which is the Group's given other GSM's over its equity's is 128%. (31 December 2012; 128%)

Group has given joint and collective guarantee at most USD 5,565,586 (TRY 10,066,475) for the financial leasing agreement of Aktur Araç Muayene İstasyonları İşletmeciliği A.Ş. signed with İş Finansal Kiralama A.Ş (31 December 2012: USD 5,565,586 (TRY 9,921,214)).

The sum of loans granted bail by the Group in favor of relevant institutions is USD 91,500,000 (TRY 165,496,050). (31 December 2012: USD 91,500,000 (TRY 163,107,900)). Loans Granted bail amount is USD 99,000,000 (TRY 179,061,300) these are from relevant institutions that is the Group is a party related to credit agreements ((31 December 2012: USD 99,000,000 (TRY 176,477,400))).

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As of 31 March 2013, details of the commitments are as following:

Details of Mortgage	Currency type	FX amount	FX rate	TRY Equivalent
Türkiye Vakıflar Bankası T.A.O	TRY	71,545,000	1.0000	71,545,000
Türkiye Vakıflar Bankası T.A.O	USD	147,700,000	1.8087	267,144,990
Vakıf Finansal Kiralama Anonim Şirketi	USD	8,500,000	1.8087	15,373,950
Vakıf Finansal Kiralama Anonim Şirketi	EUR	5,140,426	2.3189	11,920,134
Türkiye Finans Katılım Bankası A.Ş.	TRY	1,600,000	1.0000	1,600,000
T.C Ziraat Bankası A.Ş.	TRY	2,000,000	1.0000	2,000,000
				369,584,074

Total amount of mortgage on lands and buildings of the company given to financial institutions is USD 156,200,000 (TRY 282,518,940), EUR 5,140,426 (TRY 11,920,134), and TRY 75,145,000.

Guarantee Letters Given	Currency type	TRY Equivalent
Electricity suppliers	TRY	1,264,012
Custom authorities	TRY	204,747
Execution office	TRY	155,000
Natural gas suppliers	TRY	11,460
Tax office	TRY	458,250
Other	TRY	11,460
		2,104,929

Bank Details of Guarantee Letters Given	Currency type	TRY Equivalent
Türkiye Vakıflar Bankası T.A.O.	TRY	877,177
Türkiye Finans Katılım Bankası A.Ş.	TRY	58,000
Alternatifbank A.Ş.	TRY	314,400
Tekstilbankası A.Ş.	TRY	22,920
ING Bank A.Ş.	TRY	820
Halk Bank A.Ş.	TRY	831,612
		2,104,929

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General Borrowing Contracts	Currency type	FX amount	FX rate	TRY Equivalent
Şekerbank T.A.Ş.	USD	15,000,000	1.8087	27,130,500
Şekerbank T.A.Ş.	EURO	5,000,000	2.3189	11,594,500
Şekerbank T.A.Ş.	TRY	8,500,000	1.0000	8,500,000
Tekstilbank A.Ş.	USD	715,000	1.8087	1,293,221
Denizbank A.Ş.	USD	9,000,000	1.8087	16,278,300
Halk Bankası A.Ş.	USD	10,000,000	1.8087	18,087,000
Halk Bankası A.Ş.	TRY	5,000,000	1.0000	5,000,000
				87,883,521

Guarantee Notes Given	Bank name	Currency type	FX amount	FX rate	TRY Equivalent
Ekspo Factoring A.Ş.	Şekerbank T.A.Ş.	USD	4,210,000	1.8087	7,614,627
UASAC Denizcilik A.Ş.	Şekerbank T.A.Ş.	TRY	5,000	1.0000	5,000
					7,619,627

Bond	Bank name	Currency type	FX amount	FX rate	TRY Equivalent
Türk Eximbank	Tekstilbank A.Ş.	USD	2,000,000	1.8087	3,617,400
Türk Eximbank	Denizbank A.Ş.	USD	2,000,000	1.8087	3,617,400
Türk Eximbank	Şekerbank T.A.Ş.	USD	2,000,000	1.8087	3,617,400
					10,852,200

Guarantee Letters Received	Bank name	Currency type	Amount
İtimat Manifatura	Kuveyt Türk Katılım Bankası	TRY	200,000
İtimat Manifatura	Türkiye Finans Katılım Bankası A.Ş.	TRY	750,000
			950,000

As of 31 March 2013, bank has given guarantees for trade payables of USD 6,975,035 (TRY 12,865,746) and EUR 618,913 (TRY 1,435,196). As of 31 December 2012, bank has given guarantees for trade payables of USD 3,518,511 (TRY 6,272,097) and EUR 646,313 (TRY 1,519,935).

As of 31 March 2013, Group has deposit mortgages amount of USD 3,450,000 (TRY 6,240,015) for bank loans used from Şekerbank T.A.Ş ((31.12.2012: 3,995,000 USD (TRY 7,121,487)).

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NOTE 24 – SEVERANCE PAY PROVISION

	31.03.2013	31.12.2012
Provision for severance pay	6,972,988	5,667,560
Total Long Term provision	6,972,988	5,667,560

For the period 01 January – 31 March 2013, average personnel number including subcontractors employed by the Group is 3,545.

The taken rate of retirement probability is 98%.

For the period ended 31 March 2013 and 31 December 2012, the movement schedule of severance pay provision is as following;

	31.03.2013	31.12.2012
Balance of 1 January	5,667,560	5,038,368
Increase in the period	2,144,297	3,152,773
Payments	(838,869)	(2,523,581)
Balance at the end of the period	6,972,988	5,667,560

NOTE 25 – RETIREMENT PLANS

None (31 December 2012 – None).

NOTE 26 – OTHER CURRENT / NON-CURRENT ASSETS AND LIABILITIES

Other current assets

As of 31 March 2013 and 31 December 2012, details of other current assets are as following:

	31.03.2013	31.12.2012
Order advances given	6,114,289	1,824,678
Prepaid expenses	243,422	418,460
VAT carried forward	8,916,380	7,097,762
VAT receivables	2,617,972	2,221,382
Prepaid taxes and funds	1,307,419	1,443,829
Forward exchange income accruals	1,148,730	430,928
Business advances	400,781	-
	20,748,993	13,437,039

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Non-current assets

	31.03.2013	31.12.2012
Prepaid expenses	150,678	150,678
Advances to purchases non-current assets	629,138	174,237
	779,816	324,915

Other current liabilities

	31.03.2013	31.12.2012
Expense accruals	26,463	34,268
Forward exchange expense accruals	-	352,055
	26,463	386,323

Other non-current liabilities

None (31 December 2012 – None).

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NOTE 27 – SHARE CAPITAL

27.1 Paid in Capital

As of 31 March 2013, Group’s paid in capital was divided into 250,000,000 shares as each valued at TRY 1 nominally (31 December 2012: 250,000,000).

As of 31 March 2013 and 31 December 2012, Group’s paid in capital is as following:

Shareholders:	31.03.2013		31.12.2012	
	Share (%)	TRY	Share (%)	TRY
Public offer shareholders	51.93%	129,828,520	51.93%	129,828,520
Akça Holding A.Ş.	45.68%	114,208,053	45.68%	114,208,053
Other	2.39%	5,963,427	2.39%	5,963,427
Total	100.00%	250,000,000	100.00%	250,000,000

According to company’s main article of association, more than half of the Members of Board required to be elected from the candidates which are pointed out from A Group shareholders.

As of 20.01.2012 Group has decided to increase their capital from TRY 225,000,000 to 250,000,000.

Board of director of the Group has decided to increase their capital from TRY 225,000,000 to TRY 250,000,000 with a decision. TRY 8,747,974 of 25,000,000 is financed with prior years’ profit and the remaining TRY 15,252,026 is financed with net profit of 2011.

27.2 Inflation Adjustment Difference in Shareholder’s Equity

	31.03.2013	31.12.2012
Inflation adjustment difference in shareholder’s equity	485,133	485,133
	485,133	485,133

27.3 Profit Reserves

	31.03.2013	31.12.2012
Legal Reserves	8,180,517	8,180,517
	8,180,517	8,180,517

The legal reserves consist of first and second legal reserves in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of the statutory profits at the rate of 5 %, until the total reserve reaches a maximum of 20 % of the Group’s share capital. The second legal reserve is appropriated at the rate of 10 % of all distributions in excess of 5 % of the Group’s share capital. The first and second legal reserves are not available for distribution unless they exceed 50 % of the share capital, but may be used to absorb losses in the event that the general reserve is exhausted.

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Listed companies are subject to dividend requirements regulated by the CMB as follows:

It was announced in the CMB decision dated January 9, 2009, number 1/6 that without considering the fact that a profit distribution has been declared in the general assemblies of the subsidiaries, joint ventures and associates, which are consolidated into the parent company’s financial statements, the net income from these companies that are consolidated into the financial statements of the parent company can be considered when calculating the distributable amount, as long as the statutory reserves of these entities are sufficient for a such profit distribution. After completing these requirements, the parent company may distribute profit by considering the net income included in the consolidated financial statements prepared in accordance with Communiqué No. XI-29 of CMB.

In accordance with the CMB decision dated January 27, 2010, it’s decided to remove the obligation related with the minimum dividend distribution rate for publicly traded companies.

Inflation adjustment to shareholders' equity can only be netted-off against prior years' losses and used as an internal source for capital increase where extraordinary reserves can be netted-off against prior years' loss and used in the distribution of bonus shares and dividends to shareholders. However, in case inflation adjustment to shareholders' equity is used on cash profit distribution, it will be subject to corporation tax.

The base for the profit distribution is the net income reported in the financial statements filed with Capital Market Board in accordance with Series IX, No. 29

27.4 Retained Earnings

As of 31 March 2013, other profit reserve of TRY 28,796,333 of Parent Company is included in the retained earnings of TRY 12,336,839 (31 December 2012: other profit reserve of TRY 28,796,333 out of TRY 18,895,391).

27.5 Minority Interest

Group’s minority interest is TRY (107,381) as of balance sheet date (31 December 2012: TRY 143,330).

31 March 2013	Total Shareholders’ Equity	Profit/(Loss) of the Period	Parent Company Share	Minority Interest	Minority part of Shareholders’ Equity	Minority part of Profit/(Loss)
Menderes Bulgaria	(2,040,478)	-	%90	%10	(204,048)	-
Smryna	11,911,936	515,430	%79	%21	2,589,035	107,381
					2,384,987	

31 December 2012	Total Shareholders’ Equity	Profit/(Loss) of the Period	Parent Company Share	Minority Interest	Minority part of Shareholders’ Equity	Minority part of Profit/(Loss)
Menderes Bulgaria	(2,069,339)	-	%90	%10	(206,934)	-
Smryna	12,599,919	(687,984)	%79	%21	2,481,654	(143,330)
					2,274,720	

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NOTE 28 – SALES AND COST OF SALES

28.1 Sales

	01.01.- 31.03.2013	01.01.- 31.03.2012
Domestic sales	21,824,092	26,866,215
Export sales	61,010,769	34,229,319
Other sales	32,158	123,683
	82,867,019	61,219,217
Sales returns	(2,328,418)	(62,553)
Sales income, (net)	80,538,601	61,156,664

For the period ended 01 January – 31 March 2013 and 2012, for each main product sales of goods and service amounts are as following:

	Unit	01.01.- 31.03.2013	01.01.- 31.03.2012
Yarn	Kg	199,388	860,187
Raw fabric	m ²	-	53
Finished fabric	m ²	6,743,891	3,103,763
Inter facing undercoat	m ²	6,076,277	7,734,150
Cover, pillow, curtain	Unit	2,919,476	1,483,741
Electricity	KWH	544,586	497,086
Waste cotton	Kg	314,321	202,980
Patch fabric	Kg	744,780	557,600
Oakum	Kg	270,920	95,014
Waste dust	Kg	37,240	63,520
Bunch tomatoes	Kg	439,882	451,465

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Sales to related parties are as following (Not 37-ii-a):

	01.01.- 31.03.2013	01.01.- 31.03.2012
Menderes Tekstil Pazarlama A.Ş. (a)	15,875,284	13,133,571
Akçasaraylı Tekstil Sanayi ve Ticaret Ltd. Şti. (b)	288,297	281,058
Aktur Araç Muayene İstasyonları İşletmeciliği A.Ş.	7,600	7,200
	16,171,181	13,421,829

(a) For the period 01.01.–31.03.2013, Group has sales of textile products TRY 15,875,284 to Menderes Tekstil Pazarlama A.Ş., for the period ended 01.01.-31.03.2012, TRY 13,133,571 textile product has sold.

(b) For the period 01.01.-31.03.2013, Group has sales of textile products TRY 256,551, energy TRY 9,322, tomato TRY 22,424 to Akçasaraylı Tekstil. For the period 01.01.-31.03.2012, Group has sales of textile products TRY 272,270 and energy TRY 8,788.

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28.2 Cost of Sales

	01.01.- 31.03.2013	01.01.- 31.03.2012
Direct material cost	71,496,986	62,292,602
Direct labor cost	13,307,862	10,995,085
General production overheads	2,512,173	1,888,646
Depreciation expenses	2,284,938	2,655,677
<u>Change in work-in progress goods inventory</u>		
1. Beginning inventory (+)	40,051,875	30,631,637
2. Ending inventory (-)	(53,468,218)	(50,984,342)
Cost of finished goods produced	76,185,616	57,479,305
<u>Change in finished goods inventory</u>		
1. Beginning inventory (+)	11,551,256	5,764,938
2. Ending inventory (-)	(20,802,568)	(14,726,723)
Cost of finished goods sold	66,934,304	48,517,520
<u>Cost of merchandise</u>		
1. Beginning Merchandise Inventory (+)	255,339	449,349
2. Purchases During the Period (+)	1,656,993	8,623,916
3. Ending Merchandise Inventory (-)	(327,482)	(25,463)
Cost of merchandise sold	1,584,850	9,047,802
Cost of other service rendered	474,838	557,281
Cost of biological assets	561,939	934,654
Depreciation of biological assets	156,726	148,251
Cost of sales, net	69,712,657	59,205,508

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For the period ended 01 January – 31 March 2013 and 2012, for each main production of goods and service amounts are as following:

	Unit	01.01.- 31.03.2013	01.01.- 31.03.2012
Yarn	Kg	2,058,477	3,932,722
Raw fabric	m ²	27,966,499	36,375,855
Finished fabric	m ²	34,043,863	26,882,168
Inter facing undercoat	m ²	7,376,706	7,746,074
Cover, sheet, pillow, curtain	Unit	3,265,477	1,688,152
Electricity	KWH	20,161,772	21,138,864
Waste cotton	Kg	236,483	202,980
Patch fabric	Kg	647,941	980,873
Oakum	Kg	270,920	95,014
Waste dust	Kg	37,240	63,520
Bunch tomatoes	Kg	1,032,325	1,986,312

Purchases from related parties are as following (Not 37-ii-b):

	01.01.- 31.03.2013	01.01.- 31.03.2012
Osman Akça Tarım Ürünleri (a)	212,600	2,335,049
Selin Tekstil (b)	5,775,000	4,034,970
Akça Enerji	24,750	20,625
Akça Holding A.Ş.	16,051	12,983
	6,028,401	6,403,627

(a) For the period ended 01.01-31.03.2013, Group has purchased TRY 104,600 of dried fruit, TRY 108,000 of rent service from Osman Akça Tarım Ürünleri. For the period 01.01.-31.03.2012 TRY 2,226,149 of dried fruit, TRY 108,900 of rent services has purchased.

(b) For the period ended 01.01.-31.03.2013, Group has purchased TRY 5,483,000 of contracted service and TRY 292,000 of severance pay have purchased from Selin Tekstil. For the period 01.01.-31.03.2012, TRY 3,796,140 of contracted service and TRY 238,830 of severance pay have purchased.

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NOTE 29 – RESEARCH AND DEVELOPMENT EXPENSES, MARKETING, SALES AND DISTRIBUTION EXPENSES AND GENERAL ADMINISTRATIVE EXPENSES

	01.01.- 31.03.2013	01.01.- 31.03.2012
Marketing, sales and distribution expenses	1,688,494	1,135,064
General administrative expenses	2,696,658	1,242,315
	4,385,152	2,377,379

The details of the benefits provided to member of the board of directors pursued in the operating expenses are as following (Not 37-iii-a):

	01.01.- 31.03.2013	01.01.- 31.03.2012
Member of the board of directors	201,595	177,368
	201,595	177,368

NOTE 30 – OPERATING EXPENSES ACCORDING TO THEIR NATURE

30.1. Research and development expenses

None (01.01.-31.03.2012: None)

30.2. Marketing, sales and distribution expenses:

	01.01.- 31.03.2013	01.01.- 31.03.2012
Personnel expenses	554,009	487,694
Export expenses	1,007,944	487,358
Transportation of domestic sale	102,162	106,286
Depreciation expenses	9,747	9,404
Other expenses	14,632	44,322
	1,688,494	1,135,064

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30.3 General administrative expenses:

	01.01.- 31.03.2013	01.01.- 31.03.2012
Personnel expenses	46,125	14,596
Insurance expenses	149,294	128,637
Representation and accommodation expenses	1,875	3,770
Communication expenses	31,362	26,800
Rent expenses	50,933	50,118
Education and consultancy expenses	41,553	42,496
General administrative material consumption	53,450	42,664
Capital market expenses	62,500	56,313
Repair and maintenance expenses	20,913	17,218
Traveling expenses	114,772	137,476
Membership fees	120	1,245
Tax and duty expenses	48,572	138,690
Contribution rate to holding expenses (*)	38,877	35,462
Notary and insurance expenses	6,832	2,576
Aid and donation expenses	253,501	20,505
Audit and consulting expenses	105,593	49,337
Electricity expenses	63,511	-
Severance pay provision expenses	1,305,428	83,169
Depreciation expenses	135,044	270,971
Office rent expenses	10,500	-
Other expenses	155,903	120,272
	2,696,658	1,242,315

(*) Composed of the personnel expenses reflected to Group by Akça Holding.

Details of cost of service paid to related parties in general administrative expenses are following (Not 37-iii-b):

	01.01.- 31.03.2013	01.01.- 31.03.2012
Ak-San Sigorta Aracılık Hizmetleri Ltd. Şti.	39,024	25,561
Akça Holding A.Ş.	38,877	35,462
	77,901	61,023

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NOTE 31 – INCOME/ EXPENSE FROM OTHER OPERATIONS

For the period ended 01 January - 31 March 2013 and 2012 income from other operations is as following:

	01.01.- 31.03.2013	01.01.- 31.03.2012
Reversal of unnecessary provision	-	32,751
Rent income	64,641	-
Prior period income and profit	102,930	99,113
Other income and profit (*)	448,915	370,777
Profit on sale of fixed assets	-	4,675
	616,486	507,316

(*)TRY 412,343 of other extraordinary income consist of income from Social Security Institution law no. 4857 and income of agricultural support (31 March 2012: TRY 275,233).

Details of rent income from related parties in other income are as following (Not 37-iii-c):

	01.01.- 31.03.2013	01.01.- 31.03.2012
Menderes Tekstil Pazarlama A.Ş.	2,550	2,400
Akça Enerji Üretim Otoprodüktör Grubu A.Ş.	6,600	6,000
Selin Tekstil Sanayi ve Ticaret A.Ş.	6,600	6,000
Akçasaraylı Tekstil Sanayi ve Ticaret Ltd. Şti.	12,750	12,000
Akçamen Tekstil Sanayi Ticaret A.Ş.	2,250	2,100
	30,750	28,500

Details of service income from related parties in other income are as following (Not 37-iii-d):

	01.01.- 31.03.2013	01.01.- 31.03.2012
Menderes Tekstil Pazarlama A.Ş.	14,250	13,500
	14,250	13,500

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For the period ended 01 January - 31 March 2013 and 2012, expenses for other operations are as following:

	01.01.- 31.03.2013	01.01.- 31.03.2012
Commissions expenses	(2,927,691)	(1,490,026)
Other expenses and losses	(3,113)	(18,385)
	(2,930,804)	(1,508,411)

NOTE 32 – FINANCIAL INCOME

For the period ended 01 January - 31 March 2013 and 2012, financial incomes are as following:

	01.01.- 31.03.2013	01.01.- 31.03.2012
Interest and term differences income	694,216	1,155,962
Foreign exchange gain	3,718,466	9,533,836
Unearned interest on payables gain/(loss), net	772,511	698,668
Forward exchange foreign exchange income	943,384	1,341,440
	6,128,577	12,729,906

Foreign exchange difference income from related parties in financial incomes is as following (Not 37-iii-e):

	01.01.- 31.03.2013	01.01.- 31.03.2012
Osman Akça Tarım Ürünleri İthalat İhracat San. ve Tic. A.Ş.	1,104,436	-
	1,104,436	-

Interest income from related parties in financial incomes are as following (Not 37-iii-f):

	01.01.- 31.03.2013	01.01.- 31.03.2012
Akça Holding A.Ş.	-	9,649
Osman Akça Tarım Ürünleri İthalat İhracat San. ve Tic. A.Ş.	177,716	1,007,191
Akçamen Tekstil Sanayi Ticaret A.Ş.	-	7,717
Akçasaraylı Tekstil Sanayi ve Ticaret Ltd. Şti.	-	17,642
Akça Enerji Üretim Otoprodüktör Grubu A.Ş.	419,361	-
	597,077	1,042,199

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NOTE 33 – FINANCIAL EXPENSES

For the period ended 01 January – 31 March 2013 and 2012, financial expenses are as following:

	01.01.-	01.01.-
	31.03.2013	31.03.2012
Interest expenses	(865,391)	(1,069,297)
Foreign exchange losses	(3,463,893)	(10,158,845)
Commission expenses of borrowing	(221,494)	(352,768)
Commission expenses of letter of guarantees	(4,915)	(59,926)
Term differences expenses	(359,551)	(919,353)
Unearned interest on receivables gain/(loss), net	(552,389)	(665,536)
Foreign exchange losses arising from futures contracts	246,460	(188,553)
Other financial expenses	(19,688)	(11,407)
	(5,240,861)	(13,425,685)

Foreign currency difference paid to related parties listed in financial expenses are as following: (Not 37-iii-g):

	01.01.-	01.01.-
	31.03.2013	31.03.2012
Osman Akça Tarım Ürünleri İthalat İhracat San. ve Tic. A.Ş.	-	4,200,453
	-	4,200,453

Interest paid to related parties listed in financial expenses are as following: (Not 37-iii-h):

	01.01.-	01.01.-
	31.03.2013	31.03.2012
Osman Akça Tarım Ürünleri İthalat İhracat San. ve Tic. A.Ş.	162,491	-
Akça Holding A.Ş.	2,198	11,142
Akça Enerji Üretim Otoprodüktör Grubu A.Ş.	25,545	118,269
Menderes Tekstil Pazarlama A.Ş.	114,655	442,967
Akçasaraylı Tekstil Sanayi ve Ticaret Ltd. Şti.	3,221	-
Akçamen	864	-
	308,974	572,378

NOT 34 – FIXED ASSETS HELD FOR FURTHER SALE AND ABOLISHED OPERATIONS

None (31 December 2012 – None).

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NOTE 35 – TAX ASSETS AND LIABILITIES

Corporation tax

Group is liable to corporation tax valid in Turkey. The necessary provisions are made on the attached financial statements for expected tax liabilities related to the group’s current period activity results.

Corporation tax rate that will be accrued over corporation tax base is calculated over the tax base that remains after adding expenses recorded as expense in determination of commercial earnings that are nondeductible from tax base and subtracting tax-exempt profit, tax- free income and other deductions (if there are losses from previous years and used investment allowances if preferred).

The applied effective interest rate in 31 March 2013 is 20% (31 December 2012: 20%)

Permanent tax is calculated and accrued quarterly in Turkey. As of temporary tax periods, the effective corporation tax rate is 20% (2011: 20%) in year 2012.

Losses may be carried forward for a maximum period of five years in order to be deducted from the taxable profit for a maximum period of five years.

There is no absolute and certain confirmation procedure related to tax evaluation in Turkey. Companies prepare their tax return between 1-25 Aprils coming after the related year’s balancing period (for the companies having special account period, between 1-25 of fourth month following the closing of period). These tax returns and related accounting records may be inspected and changed by tax department in five years.

As explained in article 5, “Exceptions”, Corporation Tax Law, with condition of companies’ tangible assets and founding notes with same period to participation shares, redeemed shares in the assets for 2 years, and 75% of profit from sale of pre-emptive rights in the fund for 5 years is exceptional from Corporation Tax.

Withholding Tax

In addition to Corporation tax, it is required to calculate withholding tax from the dividends distributed by full pledge taxpayer enterprise and include in its income tax base and except dividends distributed by foreign companies to its subsidiary in Turkey. As of 23 July 2006 income tax stoppage rate was changed as 15%. Dividends that are added to capital without distribution are not subject to income tax stoppage. It is necessary to make tax withholding at 19,8% over investment allowance balance utilized based on investment incentive certificate taken before 24 April 2003. 40% of group activities directly related to production investment certificate investment expenses made after this date can be deducted. Tax withholding cannot be made on investment expenses without incentive certificate.

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Deferred Tax:

The potential deferred tax assets/(liabilities) of the Group represents the tax effects of temporary differences, arising between the financial statements reported for Communiqué purposes and the statutory tax financial statements. Such differences arise due to the different treatment of certain items of income and expense included in the Communiqué financial statements compared to the local tax return, in accordance with applicable tax laws.

As of balance sheet date, accumulated temporary differences and deferred tax assets and liabilities prepared by using current applicable tax rate is as follows:

	31.03.2013		31.12.2012	
	Cumulative temporary differences	Deferred tax / (liability)	Cumulative temporary differences	Deferred tax / (liability)
<u>Deferred tax assets:</u>				
Unearned interest on receivable	159,771	31,954	316,980	63,396
Severance pay provision	6,972,988	1,394,598	5,667,560	1,133,512
Reversal of capitalized financial expenses	3,346,029	669,205	2,537,346	507,469
Tangible fixed assets (land, building, land improvements and depreciations excluded), net	25,533,942	5,106,789	24,841,344	4,968,269
Tangible fixed assets (land, building, land improvements and depreciations), net	365,857	18,293	363,133	18,157
Investments	16,940,597	847,030	17,773,213	888,661
Other	3,501	700	6,760	1,352
Deferred tax assets		8,068,569		7,580,816
<u>Deferred tax liabilities:</u>				
Unearned interest on payables	455,531	91,106	392,623	78,525
Foreign exchange	235,571	47,114	573,430	114,686
Forward	1,148,729	229,746	78,873	15,775
Other	14,732	2,947	40,001	8,000
Deferred tax liabilities		370,913		216,986
Deferred tax assets/(liabilities), net		7,697,656		7,363,830

For the period ended 31 March 2013 and 2012, movements of deferred tax assets and liabilities are as following:

	01.01.- 31.03.2013	01.01.- 31.03.2012
Current corporation tax	(1,377,086)	(78,590)
Deferred tax assets/(liabilities), net	333,826	420,856
	(1,043,260)	342,266
Deferred Tax (Asset) / Liability Movements:		
	01.01.- 31.03.2013	01.01.- 31.12.2012
Opening balance	7,363,830	5,539,474
Deferred tax expense / (income)	333,826	1,824,356
Closing balance	7,697,656	7,363,830

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Agreement of tax provision that is shown in income statement is as follows:

	01.01.- 31.03.2013	01.01.- 31.03.2012
Unaudited profit before tax	5,341,087	408,491
Total additions to tax base	2,191,718	17,215
Total deductions from tax base	647,377	32,751
Unaudited financial profit	6,885,428	392,955
Valid tax rate	%20	%20
Calculated tax	1,377,086	78,590
Tax provision in the income statements	(1,377,086)	(78,590)

For the period 01.01.-31.03.2013, there has been period loss in Menderes Tekstil Sanayi ve Ticaret A.Ş, therefore, this loss is not taken into account in the table below. Tax provision was calculated for Smyrna Seracılık Ticaret A.Ş.

NOTE 36 – EARNINGS PER SHARE

	01.01.- 31.03.2013	01.01.- 31.03.2012
Net period profit / (loss)	4,803,546	(4,306,355)
Weighted-average number of shares outstanding (per share with 1 TRY value)	250,000,000	225,000,000
Profit per share (TRY)	0.0192	(0.0191)

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NOTE 37 – DUE TO/FROM RELATED PARTIES

i) Transactions and balances with related parties:

a) Trade receivables from related parties (Note 10):

	31.03.2013	31.12.2012
Menderes Tekstil Pazarlama A.Ş.	397,767	275,612
Akca Solar Enerji Üretim Sanayi ve Ticaret A.Ş.	-	1,258
	397,767	276,870

b) Trade payables to related parties (Note 10):

	31.03.2013	31.12.2012
Selin Tekstil Sanayi ve Ticaret A.Ş.	2,578,930	7,943,121
Ak-San Sigorta Aracılık Hizmetleri Ltd. Şti.	643,699	610,216
	3,222,629	8,553,337

c) Due from shareholders (Note 11):

	31.03.2013	31.12.2012
Osman Akça Tarım Ürünleri İthalat İhracat San. ve Tic. A.Ş.	29,821,324	34,687,876
	29,821,324	34,687,876

As of 31 March 2013 and 31 December 2012, all amounts above are composed of non-trade receivables. For non-trade receivables from related parties with foreign currency balances; for the period 01.01.-31.03.2013 it is 1.1% interest rate is used, for 01.01.-31.12.2012, it is 1% and with TRY balances; for the period 01.01.-19.06.2012 it is 17.75%, for 20.06.2012-19.12.2012 it is 16.5%; for 20.12.2012-31.12.2012 it is %13.75. Income from these transactions is presented in Note 37 iii-f.

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d) Non-trade receivables from related parties (Note 11):

	31.03.2013	31.12.2012
Akça Enerji Üretim Otoprodüktör Grubu A.Ş.	13,181,841	11,503,763
Aktur Araç Muayene İstasyonları İşletmeciliği A.Ş.	200	-
Akçamen Tekstil Sanayi Ticaret A.Ş.	-	119,043
	13,182,041	11,622,806

For non-trade receivables from related parties; for the period 01.01.-31.03.2013 it is 13.75% interest rate is used, for 01.01.-19.06.2012, it is 17.75%, for the period 20.06.2012-19.12.2012 it is 16.5% and for the period 20.12.2012-31.12.2012 it is 13.75%. Income from these transactions is presented in Note 37 iii-f.

e) Advances received from related parties (Note 11):

	31.03.2013	31.12.2012
Menderes Tekstil Pazarlama A.Ş.	3,709,952	5,204,157
Akçasaraylı Tekstil Sanayi ve Ticaret Ltd. Şti.	92,924	55,341
	3,802,876	5,259,498

f) Due to shareholders (Not 11):

	31.03.2013	31.12.2012
Rıza Akça	11,125,572	9,055,349
Ali Atlamaz	19,650	54,220
Ahmet Bilge Göksan	24,244	24,244
Dilek Göksan	1,850	1,850
Akça Holding A.Ş.	96,312	54,998
	11,267,628	9,190,661

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ii) Major sales to related parties and major purchases from related parties:

a) Major sales to related parties (Not 28.1):

	01.01.- 31.03.2013	01.01.- 31.03.2012
Menderes Tekstil Pazarlama A.Ş. (a)	15,875,284	13,133,571
Akçasaraylı Tekstil Sanayi ve Ticaret Ltd. Şti. (b)	288,297	281,058
Aktur Araç Muayene İstasyonları İşletmeciliği A.Ş.	7,600	7,200
	16,171,181	13,421,829

(a) For the period 01.01.-31.03.2013, Group has sales of textile products TRY 15,875,284 to Menderes Tekstil Pazarlama A.Ş., for the period ended 01.01.-31.03.2012, TRY 13,133,571 textile product has sold.

(b) For the period 01.01.-31.03.2013, Group has sales of textile product TRY 256,551, energy sales TRY 9,322 and tomatoes sales TRY 22,424 to Akçasaraylı Tekstil. For the period ended 01.01.-31.03.2012, TRY 272,270 textile product and TRY 8,788 energy has sold.

b) Major purchases from related parties (Not 28.2):

	01.01.- 31.03.2013	01.01.- 31.03.2012
Osman Akça (a)	212,600	2,335,049
Selin Tekstil (b)	5,775,000	4,034,970
Akça Enerji Üretim Otoprodüktör Grubu A.Ş.	24,750	20,625
Akça Holding A.Ş.	16,051	12,983
	6,028,401	6,403,627

(a) For the period ended 01.01.-31.03.2013, Group has purchased TRY 104,600 of dried fruit, TRY 108,000 of rent service from Osman Akça Tarım Ürünleri. For the period 01.01.-31.03.2012 TRY 2,226,149 of dried fruit, TRY 108,900 of rent services has purchased.

(b) For the period ended 01.01.-31.03.2013, Group has purchased TRY 5,483,000 of contracted service and TRY 292,000 of severance pay from Selin Tekstil. For the period 01.01.-31.03.2012, TRY 3,796,140 of contracted service and TRY 238,830 of severance pay have purchased.

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c) Purchases for fixed assets from related parties

	01.01.-	01.01.-
	31.03.2013	31.03.2012
Akça Enerji Üretim Otoprodüktör Grubu A.Ş.	120,000	-
Osman Akça	-	26,483
	120,000	26,483

iii) Other income and expenses resulting from transactions between related parties:

a) Benefits provided to member of the board of directors (Not 29):

	01.01.-	01.01.-
	31.03.2013	31.03.2012
Members of the Boards of Directors	201,595	177,368
	201,595	177,368

b) Service expenses paid to related parties (Not 29):

	01.01.-	01.01.-
	31.03.2013	31.03.2012
Ak-San Sigorta Aracılık Hizmetleri Ltd. Şti.	39,024	25,561
Akça Holding A.Ş.	38,877	35,462
	77,901	61,023

c) Rent expenses paid to related parties (Not 31):

	01.01.-	01.01.-
	31.03.2013	31.03.2012
Menderes Tekstil Pazarlama A.Ş.	2,550	2,400
Akça Enerji Üretim Otoprodüktör Grubu A.Ş.	6,600	6,000
Selin Tekstil Sanayi ve Ticaret A.Ş.	6,600	6,000
Akçasaraylı Tekstil Sanayi ve Ticaret Ltd. Şti.	12,750	12,000
Akçamen Tekstil Sanayi Ticaret A.Ş.	2,250	2,100
	30,750	28,500

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d) Service income from related parties (Not 31):

	01.01.-	01.01.-
	31.03.2013	31.03.2012
Menderes Tekstil Pazarlama A.Ş.	14,250	13,500
	14,250	13,500

e) Foreign currency differences income from the related parties (Not 32):

	01.01.-	01.01.-
	31.03.2013	31.03.2012
Osman Akça Tarım Ürünleri İthalat İhracat San. ve Tic. A.Ş.	1,104,436	-
	1,104,436	-

f) Interest income from related parties (Not 32):

	01.01.-	01.01.-
	31.03.2013	31.03.2012
Akça Holding A.Ş.	-	9,649
Osman Akça Tarım Ürünleri İthalat İhracat San. ve Tic. A.Ş.	177,716	1,007,191
Akçamen Tekstil Sanayi Ticaret A.Ş.	-	7,717
Akçasaraylı Tekstil Sanayi ve Ticaret Ltd. Şti.	-	17,642
Akça Enerji Üretim Otoprodüktör Grubu A.Ş.	419,361	-
	597,077	1,042,199

g) Foreign currency differences paid to the related parties (Not 33):

	01.01.-	01.01.-
	31.03.2013	31.03.2012
Osman Akça Tarım Ürünleri İthalat İhracat San. ve Tic. A.Ş.	-	4,200,453
	-	4,200,453

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h) Interest differences paid to related parties (Not 33):

	01.01.- 31.03.2013	01.01.- 31.03.2012
Osman Akça Tarım Ürünleri İthalat İhracat San. ve Tic. A.Ş.	162,491	-
Akça Holding A.Ş.	2,198	11,142
Akça Enerji Üretim Otoprodüktör Grubu A.Ş.	25,545	118,269
Menderes Tekstil Pazarlama A.Ş.	114,655	442,967
Akçasaraylı Tekstil Sanayi ve Ticaret Ltd. Şti.	3,221	-
Akçamen	864	-
	308,974	572,378

i) Fixed assets sales to related parties:

	31.03.2013	31.12.2012
Osman Akça Tarım Ürünleri İthalat İhracat San. ve Tic. A.Ş.	-	63,173
Akça Enerji Üretim Otoprodüktör Grubu A.Ş.	-	47,789
Akça Solar Enerji Üretim Sanayi ve Ticaret A.Ş.	-	51,874
	-	162,836

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NOTE 38 – NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS

Credit Risk

Registered value of financial assets is the maximum net credit risk.

Maximum net credit risk as of 31 March 2013 is as following:

	Trade Receivables		Other Receivables		Bank
	Related Party	Third Party	Related Party	Third Party	Deposits
Maximum net credit risk as of balance sheet date (A+B+C+D+E)	397,767	33,297,218	43,003,365	2,787,567	33,723,187
The part of maximum risk under guarantee with collateral	-	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	215,930	33,297,218	43,003,365	480,085	33,723,187
B. Net book value of financial assets that are renegotiated, if not that will be accepted as past due or impaired	-	-	-	-	-
C. Carrying value of financial assets that are past due but not impaired	181,837	-	-	2,307,482	-
The part under guarantee with collateral etc	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-
Past due (gross carrying amount)	-	212,837	-	-	-
Impairment (-)	-	(212,837)	-	-	-
The part of net value under guarantee with collateral etc	-	-	-	-	-
Not past due (gross carrying amount)	-	-	-	-	-
Impairment (-)	-	-	-	-	-
The part of net value under guarantee with collateral etc	-	-	-	-	-
E. Off-balance sheet items with credit risk	-	-	-	-	-

As of 31 March 2013, aging of overdue receivables is as following:

31.03.2013	Trade Receivables	Other Receivables
Overdue 1 - 30 day	-	-
Overdue 1 – 3 months	181,837	-
Overdue 3 - 12 months	-	-
Overdue 1 - 5 year	-	2,307,482
	181,837	2,307,482

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Maximum net credit risk as of 31 December 2012 is as following:

	Trade Receivables		Other Receivables		Bank Deposits	Other
	Related Party	Third Party	Related Party	Third Party		
Maximum net credit risk as of balance sheet date (A+B+C+D+E)	276,870	50,172,989	46,310,682	2,626,573	44,048,888	-
The part of maximum risk under guarantee with collateral	-	-	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	276,870	50,172,989	46,310,682	286,452	44,048,888	-
B. Net book value of financial assets that are renegotiated, if not that will be accepted as past due or impaired	-	-	-	-	-	-
C. Carrying value of financial assets that are past due but not impaired	-	-	-	2,340,121	-	-
The part under guarantee with collateral etc	-	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-	-
Past due (gross carrying amount)	-	212,837	-	-	-	-
Impairment (-)	-	(212,837)	-	-	-	-
The part of net value under guarantee with collateral etc	-	-	-	-	-	-
Not past due (gross carrying amount)	-	-	-	-	-	-
Impairment (-)	-	-	-	-	-	-
The part of net value under guarantee with collateral etc	-	-	-	-	-	-
E. Off-balance sheet items with credit risk	-	-	-	-	-	-

As of 31 December 2012, aging of overdue receivables is as following:

	Trade Receivables	Other Receivables
Overdue 1 - 30 day	-	-
Overdue 1 – 3 months	-	-
Overdue 3 - 12 months	-	-
Overdue 1 - 5 year	-	2,340,121
	-	2,340,121

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Foreign Currency Risk

As of 31 March 2013, foreign currency position of the Group in terms of original currency is as following:

	TRY Equivalent (Functional Unit)	USD	EURO	GBP	CHF
1. Trade Receivables	15,378,877	1,232,688	4,474,596	1,010,595	-
2a. Monetary Financial Assets (including cash and banks)	11,805,359	5,866,639	223,054	246,758	-
2b. Non-monetary financial assets	6,003,714	2,273,712	802,484	4,326	9,731
3. Other	29,820,890	16,472,867	-	9,626	-
4. Current Assets (1+2+3)	63,008,840	25,845,906	5,500,134	1,271,305	9,731
5. Trade Receivables	-	-	-	-	-
6a. Monetary financial receivables	-	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-	-
7. Other	-	-	-	-	-
8. Non-Current Assets (5+6+7)	-	-	-	-	-
9. Total Assets (4+8)	63,008,840	25,845,906	5,500,134	1,271,305	9,731
10. Trade Payables	19,130,128	9,057,003	1,185,358	-	-
11. Financial Liabilities	94,500,038	42,600,072	7,046,987	403,786	-
12a. Other monetary financial liabilities	-	-	-	-	-
12b. Other non-monetary financial liabilities	747,359	54,134	17,760	221,662	-
13. Current Liabilities (10+11+12)	114,377,525	51,711,209	8,250,105	625,448	-
14. Trade Payables	-	-	-	-	-
15. Financial Liabilities	13,519,187	2,505,203	3,875,987	-	-
16a. Other monetary financial liabilities	-	-	-	-	-
16b. Other non-monetary financial liabilities	-	-	-	-	-
17. Non-Current Liabilities (14+15+16)	13,519,187	2,505,203	3,875,987	-	-
18. Total Liabilities (13+17)	127,896,712	54,216,412	12,126,092	625,448	-
19. Net asset / liability position of off- balance sheet derivative instruments (19a-19b)	-	-	-	-	-
19a. Off-balance sheet foreign currency derivative assets	-	-	-	-	-
19b. Off-balance sheet foreign currency derivative liabilities	-	-	-	-	-
20. Net foreign currency asset / liabilities (9-18+19)	(64,887,872)	(28,370,506)	(6,625,958)	645,857	9,731
21. Net foreign currency asset / liability position of monetary items (IFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	(99,965,117)	(47,062,951)	(7,410,682)	853,567	-
22. Fair value of derivative instruments used in foreign currency hedge	-	-	-	-	-
23. Exports*	59,987,834	33,697,244	-	-	-
24. Imports*	40,268,820	22,620,391	-	-	-

(*) As of 31 March 2013, exports and imports' balances were appreciated with average rate of exchange.

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As of 31 December 2012, foreign currency position of the Group in terms of original currency is as following:

	TRY Equivalent (Functional Unit)	USD	EURO	GBP
1. Trade Receivables	31,217,538	7,475,093	6,581,324	841,277
2a. Monetary Financial Assets (including cash and banks)	42,940,393	23,899,795	116,481	21,837
2b. Non-monetary financial assets	1,493,714	659,466	135,285	-
3. Other	34,687,875	19,459,147	-	-
4. Current Assets (1+2+3)	110,339,520	51,493,501	6,833,090	863,114
5. Trade Receivables	-	-	-	-
6a. Monetary financial receivables	-	-	-	-
6b. Non-monetary financial assets	125,500	-	53,366	-
7. Other	-	-	-	-
8. Non-Current Assets (5+6+7)	125,500	-	53,366	-
9. Total Assets (4+8)	110,465,020	51,493,501	6,886,456	863,114
10. Trade Payables	20,103,398	9,674,225	1,215,344	-
11. Financial Liabilities	86,132,463	40,865,663	5,206,215	362,922
12a. Other monetary financial liabilities	-	-	-	-
12b. Other non-monetary financial liabilities	166,468	39,970	39,180	1,072
13. Current Liabilities (10+11+12)	106,402,329	50,579,858	6,460,739	363,994
14. Trade Payables	-	-	-	-
15. Financial Liabilities	12,962,229	1,513,485	4,364,626	-
16a. Other monetary financial liabilities	-	-	-	-
16b. Other non-monetary financial liabilities	-	-	-	-
17. Non-Current Liabilities (14+15+16)	12,962,229	1,513,485	4,364,626	-
18. Total Liabilities (13+17)	119,364,558	52,093,343	10,825,365	363,994
19. Net asset / liability position of off- balance sheet derivative instruments (19a-19b)	-	-	-	-
19a. Off-balance sheet foreign currency derivative assets	-	-	-	-
19b. Off-balance sheet foreign currency derivative liabilities	-	-	-	-
20. Net foreign currency asset / liabilities (9-18+19)	(8,899,538)	(599,842)	(3,938,910)	499,120
21. Net foreign currency asset / liability position of monetary items (IFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	(45,040,159)	(20,678,485)	(4,088,380)	500,192
22. Fair value of derivative instruments used in foreign currency hedge	-	-	-	-
23. Exports*	299,902,477	167,338,178	-	-
24. Imports*	161,739,634	90,246,723	-	-

(*) As of 31 December 2012, exports and imports' balances were appreciated with average rate of exchange.

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Foreign Currency Risk Sensitivity

As of 31 March 2013 and 31 December 2012, in the case of increasing / losing value of TRY at 10% in view of foreign currencies below, shareholders' equity and income statement will be affected as below. While making analysis, firstly interest rates and all other variables are assumed as fixed.

	For the period 01.01. - 31.03.2013			
	Profit / Loss		Profit / Loss	
	Appreciation of foreign currency against TRY	Depreciation of foreign currency against TRY	Appreciation of foreign currency against TRY	Depreciation of foreign currency against TRY
	In the case of increasing / losing value of TRY by 10% against USD			
1-USD net asset / liability	(5,131,373)	5,131,373	-	-
2-Part of hedged from USD risk (-)	-	-	-	-
3-USD net effect (1+2)	(5,131,373)	5,131,373	-	-
	In the case of increasing / losing value of TRY by 10% against EURO			
4- Euro net asset / liability	(1,536,493)	1,536,493	(175,695)	175,695
5- Part of hedged from Euro risk (-)	-	-	-	-
6-Euro net effect (4+5)	(1,536,493)	1,536,493	(175,695)	175,695
	In the case of increasing / losing value of TRY by 10% against GBP			
7- GBP net asset / liability	177,230	(177,230)	-	-
8- Part of hedged from GBP risk (-)	-	-	-	-
9- GBP net effect (7+8)	177,230	(177,230)	-	-
	In the case of increasing / losing value of TRY by 10% against CHF			
10- CHF net asset / liability	1,850	(1,850)	-	-
11- Part of hedged from CHF risk (-)	-	-	-	-
12- CHF net effect (10+11)	1,850	(1,850)	-	-
TOTAL (3+6+9+12)	(6,488,786)	6,488,786	(175,695)	175,695

	For the period 01.01. - 31.12.2012			
	Profit / Loss		Profit / Loss	
	Appreciation of foreign currency against TRY	Depreciation of foreign currency against TRY	Appreciation of foreign currency against TRY	Depreciation of foreign currency against TRY
	In the case of increasing / losing value of TRY by 10% against USD			
1-USD net asset / liability	(106,928)	106,928	-	-
2-Part of hedged from USD risk (-)	-	-	-	-
3-USD net effect (1+2)	(106,928)	106,928	-	-
	In the case of increasing / losing value of TRY by 10% against EURO			
4- Euro net asset / liability	(926,313)	926,313	(207,535)	207,535
5- Part of hedged from Euro risk (-)	-	-	-	-
6-Euro net effect (4+5)	(926,313)	926,313	(207,535)	207,535
	In the case of increasing / losing value of TRY by 10% against CHF			
7- GBP net asset / liability	143,287	(143,287)	-	-
8- Part of hedged from GBP risk (-)	-	-	-	-
9-GBP net effect (7+8)	143,287	(143,287)	-	-
TOTAL (3+6+9)	(889,954)	889,954	(207,535)	207,535

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Liquidity Risk

Liquidity risk is the Group’s possibility of not fulfilling net funding liabilities. Occurrence of events like deteriorations in markets or decrease in credit score that causes decreases in fund resources, are reasons of liquidity risk. The Group management manages liquidity risk by distributing the funds and by keeping sufficient cash and cash equivalents resources to cover the current and possible liabilities.

31 March 2013					
Financial Liabilities Non Derivatives	Book Value	Contractual Total cash outflow (=I+II+III)	Less than 3 months (I)	3 – 12 months (II)	1- 5 Years (III)
Financial borrowings	108,559,768	110,838,095	41,334,441	55,401,425	14,102,229
Financial leasing	565,987	609,110	58,584	175,750	374,776
Trade payables	57,347,160	57,802,691	52,929,729	4,872,962	-
Other liabilities	21,313,292	21,313,292	3,937,819	17,375,473	-
Provision of liabilities	46,039	46,039	-	46,039	-
Other current liabilities	26,463	26,463	-	26,463	-
	187,858,709	190,635,690	98,260,573	77,898,112	14,477,005

31 December 2012					
Financial Liabilities Non Derivatives	Book Value	Contractual Total cash outflow (=I+II+III)	Less than 3 months (I)	3 – 12 months (II)	1- 5 Years (III)
Financial borrowings	100,599,664	102,320,150	47,388,373	40,227,925	14,703,852
Financial leasing	52,799	55,406	10,514	30,941	13,951
Trade payables	60,353,925	60,746,542	57,459,622	3,286,920	-
Other liabilities	19,971,189	19,971,189	3,518,740	16,452,449	-
Provision of liabilities	46,039	46,039	-	46,039	-
Other current liabilities	386,323	386,323	-	386,323	-
	181,409,939	183,525,649	108,377,249	60,430,597	14,717,803

Interest Rate Risk

The group’s financial liabilities exposure the Group to interest rate risk. The group’s financial liabilities mainly consist of fixed rate borrowings. As of 31 March 2013, according to the current balance sheet position, in the case of 1% decrease / increase and keeping fixed all the variables the Group’s net profit will increase / decrease TRY 499,718.

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Capital risk management

In capital management, while the group tries to provide continuity, on the other hand aims at increasing profitability by using the balance of payable and equity most efficiently.

Group monitors its capital with Liability/Total Capital ratio. This ratio is net liability divided by total capital. Net liability is calculated as cash and cash equivalents are deducted from total liability (short term and long term liabilities are included as in balance sheet).

As of 31 March 2013 and 31 December 2012 the net debt / equity ratio is as following:

	31.03.2013	31.12.2012
Total debt	196,579,696	187,461,731
Less: Cash and cash equivalents	33,751,438	44,070,580
Net debt	162,828,258	143,391,151
Total equity	277,537,222	272,701,844
Total capital	440,365,480	416,092,995
Net Debt / Total Capital ratio	37%	34%

Important accounting policies

The Group’s accounting policies about financial instruments are disclosed in note 2 "Significant Accounting Policies".

Categories of financial instruments

	31.03.2013	31.12.2012
Financial assets		
Liquid assets	33,751,438	44,070,580
Trade receivables	33,694,985	50,449,859
Financial assets	2,750,000	-
Financial liabilities		
Borrowings	108,559,768	100,599,664
Lease payables	565,987	52,799
Other payables	21,313,292	19,971,189
Trade payables	57,347,160	60,353,925

NOTE 39 – FINANCIAL INSTRUMENTS (STATEMENTS OF FAIR VALUES AND STATEMENTS WITHIN ACCOUNTING ENSURING FINANCIAL RISK)

Group states that the financial instruments are reflected with their fair value of registered value.

NOTE 40 – POST BALANCE SHEET EVENTS

None.

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NOTE 41 – OTHER ISSUES AFFECTING THE CONSOLIDATED FINANCIAL STATEMENTS SIGNIFICANTLY OR REQUIRED TO BE DISCLOSED FOR CLEAR, UNDERSTANDABLE AND INTERPRETABLE PRESENTATION

Group has reached a decision dated 06 December 2005 and numbered 2005/17 to liquidate the subsidiary, Menderes Bulgaria Ltd. and liquidation process to be completed on 30 January 2006 and to notify Istanbul Stock Exchange and Capital Market Board on 17 December 2005, with special case announcement. Along with the liquidation process is still not completed as of report date, Group management has indicated that it would be completed in year 2013.

Dated 04.04.2012, according to the situation of the Group, Smyrna Seracılık Ticaret A.Ş., manufacturing facility operates 82,500 m2 in the field of greenhouse, production facilities made additional 114,000 m2 to increase 196,500 m2. For the additional 114,000 m2 sign a contract with contractor company. Smyrna Seracılık A.Ş. had begun to additional ground floor corrections and other infrastructure works. Additional facilities will be constructed in Smyrna Seracılık Ticaret A.Ş.’s 206,232 m2 land.

Dated 12.09.2011, according to the situation of the Group, municipality of Alaşehir issued a total of 858.59 hectares of vineyards in the tender on 24.08.2011 Natural Mineral Water / Geothermal Energy Production-Based Gas Exploration Period Bidding Maples Autoproducer Group Inc gained by Akça Enerji Üretim Otoprodüktör Grubu A.Ş. Drilling activities under this contract has been started as of November 30, 2011.

As of 17.02.2012, according to special explanation of The Group’s, Akça Enerji Otoprodüktör Group A.Ş., Denizli, Sarayköy, Tosunlar District, based on no. 5686 Geothermal Resources and Natural Mineral Water Supply Exploration License permits to operate on drilling. It’s started in 17.02.2012.

Akça Enerji Otoprodüktör Group A.Ş., which is started in 17.02.2012, as a result of drilling operations, Drilling of two wells has been completed. As a result the following data was obtained from MTA measurements. Maximum temperature is 251,53 degree Celsius in 2965 meter When AK-1 well is static condition. AK-3 well is maximum 518 tones/hour, maximum static temperature 131,98 degree Celsius in 2437 meter and but it is maximum dynamic temperature 132,7 degree Celsius in same meter. Maximum static temperature 148,76 degrees Celsius in 2,630 meter at AK-6 well, Static pressure is 249,82 bar. Measurement result of two wells can be produced up to 5MW power capacity. Drilling work is continuing at AK-4 and AK-5 wells.

For the period 01.01.-31.03.2013, Group was calculated 177,716 TRY ADAT to Osman Akça for foreign currency receivables, for the period 01.01.-31.12.2012 753,401 TRY ADAT was calculated for foreign currency receivables and 831,251 TRY ADAT was calculated for TRY receivables. Interest rate which is using for receivables from Osman Akça agricultural products, All loans was used Osman Akça agricultural products. It’s paid all interest during the year for all loans (financial expenses), that is finding with rate of used total all loans. Interest rate varies during the year.