MENDERES TEKSTİL SANAYİ VE TİCARET A.Ş.,
ITS SUBSIDIARIES AND EQUITY PARTICIPATIONS
FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT
FOR THE PERIODS ENDED
AT 31 DECEMBER 2013

MENDERES TEKSTİL SANAYİ VE TİCARET A.Ş., PARTNERS AND SHAREHOLDERS

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INDEPENDENT AUDITOR'S REPORT OF FINANCIAL TABLES OF 1 JANUARY – 31 DECEMBER 2013

To the Board of Directors of
MENDERES TEKSTİL Sanayi ve Ticaret Anonim Şirketi
İzmir, Turkey

We have audited the financial statements of MENDERES TEKSTİL Sanayi ve Ticaret Anonim Şirketi which comprise the balance sheets as of 31 December 2013, 2012 and 2011 and the statements of comprehensive income, statement of changes in equity and statements of cash flows for the period then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

The management of the Company is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards issued by Public Oversight Accounting and Auditing Standards Authority. This responsibility includes; designing, implementing and maintaining internal control relevant to the proper preparation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

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

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

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

Basis for Qualified Opinion

Menderes Bulgaria Ltd. which is located in Bulgaria; going into liqudation as of the date due to not prepared any audit report , consolidation working of 31 December 2013,2012,2011 realised on not auditing financial tables.In 31 December 2005, profit carried forward in unaudited financial tables is different from the unaudited financial tables.Related differences are shown in the statement of consolidated equity.Liquidation of Menderes Bulgaria Ltd. continuing by report date, for this period haven't any audited financial table.

Qualified Opinion

In our opinion ,
Except the effect of above provision paragraph, attached financial tables, Financial position of Group on date 31 December 2013,2012,2011 and six monthly period of financial performance and cash flow ,Public Oversight of the accounting and Auditing Standarts issued by the Agency in accordance with the financial reporting standarts which reflect a true and fair manner about any issues were encountered.

Reports on independent auditor's responsibilities arising from other regulatory requirements

In accordance with Article 402 of the Turkish Commercial Code ("TCC"); the Board of Directors submitted to us the necessary explanations and provided required documents within the context of audit, additionally, no significant matter has come to our attention that causes us to believe that the Group's bookkeeping activities for the period 1 January - 31 December 2013 is not in compliance with the code and provisions of the Company's articles of association in relation to financial reporting.

Pursuant to Article 378 of Turkish Commercial Code no. 6102, Board of Directors of publicly traded companies are required to form an expert committee, and to run and to develop the necessary system for the purposes of: early identification of causes that jeopardize the existence, development and continuity of the company; applying the necessary measures and remedies in this regard; and, managing the related risks. According to subparagraph 4, Article 398 of the code, the auditor is required to prepare a separate report explaining whether the Board of Directors has established the system and authorized committee stipulated under Article 378 to identify risks that threaten or may threaten the company and to provide risk management, and, if such a system exists, the report, the principles of which shall be announced by the POA, shall describe the structure of the system and the practices of the committee. This report sflall be submitted to the Board of Directors along with the auditor 's report. Our audit does not include evaluating the operational efficiency and adequacy of the operations carried out by the management of the Group in order to manage these risks. As of the balance sheet date, POA has not announced the principles of this report yet so no separate report has been drawn up relating to it. On the other hand, the Company formed the mentioned committee on 03 March 2014 and it is comprised of two members.

Birleşim Bağımsız Denetim Yeminli Mali Müşavirlik A.Ş.

Ergun Şenlik
Responsible Lead Auditor

İstanbul, 05 March 2014

MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES
AUDITED (INDEPENTENT) IN 31 DECEMBER 2013
STATEMENT OF FINANCIAL TABLE (CONSOLIDATED)
(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

		Audited (Independent)	*Audited (Independent)*	*Audited (Independent)*
	Footnote References	**Current Period 31.12.2013**	**Prior Period 31.12.2012**	**Prior Period 31.12.2011**
ASSETS				
Current Assets				
Cash and Cash equivalents	4	59,971,644	41,140,313	15,818,760
Financial Investments	5	4,570,577	2,930,267	7,528,761
Trade Receivables		65,243,742	50,449,859	50,509,582
Trade Receivables from Related Parties	*7*	*297,633*	*276,870*	*843,308*
Trade Receivables from Third Parties	*7*	*64,946,109*	*50,172,989*	*49,666,274*
Other Receivables		84,554,051	51,143,943	63,891,125
Other Receivables from Related Parties	*9*	*77,131,772*	*46,310,682*	*59,620,906*
Other Receivables from Third Parties	*9*	*7,422,279*	*4,833,261*	*4,270,219*
Derivative Financial Instruments	10	696,738	430,928	-
Inventories	11	140,986,886	109,489,755	106,627,727
Biological Assets	12	3,778,127	1,142,494	2,183,274
Prepaid Expenses	13	3,655,964	2,243,138	2,306,813
Assets related to Current Year Tax	14	5,815,114	1,443,829	9,473,883
Other Current Assets	21	11,518,344	7,097,762	3,998,941
TOTAL CURRENT ASSETS		**380,791,187**	**267,512,288**	**262,338,866**
Non-Current Assets				
Financial Investments	5	2,750,000	-	-
Other Receivables		14,694	14,694	17,121
Other Receivables from Third Parties	*9*	*14,694*	*14,694*	*17,121*
Investments Valued by Equity Method	15	107,335,435	95,485,795	96,721,038
Tangible Assets	16	134,270,062	88,822,175	79,646,696
Intangible Assets		166,660	422,892	235,121
Other Intangible Assets	*17*	*166,660*	*422,892*	*235,121*
Prepaid Expenses	13	2,601,219	324,915	157,044
Deferred Tax Assets	28	10,167,357	7,580,816	5,747,194
TOTAL NON-CURRENT ASSETS		**257,305,427**	**192,651,287**	**182,524,214**
TOTAL ASSETS		**638,096,614**	**460,163,575**	**444,863,080**
RESOURCES				
Short Term Liabilities				
Short -Dated Loan	8	172,173,455	78,199,117	76,632,685
Long-Dated Loaning of Short-Dated Parts	8	20,971,284	9,491,117	6,893,938
Trade Debts		71,572,873	60,381,894	29,797,179
Trade Payables to Related Parties	*7*	*748,589*	*8,540,083*	*6,220,680*
Trade Payables to Third Parties	*7*	*70,824,284*	*51,841,811*	*23,576,499*
Employee Benefit Obligations	20	3,413,065	2,611,946	2,232,354
Other Payables		2,226,254	10,103,749	12,253,237
Other Payables to Related Parties	*9*	*1,227,287*	*9,190,661*	*11,108,080*
Other Payables to Third Parties	*9*	*998,967*	*913,088*	*1,145,157*
Derivative Financial Instruments	10	6,164,062	352,055	-
Deferred Income	13	9,547,867	7,261,788	14,204,926
Tax Liabilities of Period Profit	28	6,487,101	167,246	12,658,782
Short Term Provisions		356,325	46,039	196,381
Other Short Term Provisions	*19*	*356,325*	*46,039*	*196,381*
TOTAL SHORT TERM LIABILITIES		**292,912,286**	**168,614,951**	**154,869,482**
Long-Term Liabilities				
Long Term Loan	8	41,058,430	12,962,229	5,872,920
Trade Debts		-	-	60,240
Trade Debts to Third Parties	*7*	-	-	60,240
Long Term Provisions		6,392,684	5,667,560	5,038,368
Long Term Provisions for Employee Benefits	*19*	*6,392,684*	*5,667,560*	*5,038,368*
Deferred Tax Liability	28	281,000	216,986	207,720
TOTAL LONG TERM LIABILITIES		**47,732,114**	**18,846,775**	**11,179,248**
EQUITY				
Resources equity of main partners		**295,306,152**	**270,427,129**	**276,404,404**
Paid in Capital Share	22.1	250,000,000	250,000,000	225,000,000
Inflation adjustments to paid in capital	22.2	485,133	485,133	485,133
Other comprehensive income/(expense) not to be reclassified to profit or loss				
Actuarial gain/loss arising from retired benefits	22.3	*(319,081)*	*(1,044)*	*109,502*
Other comprehensive income/expense to be reclassified to profit or loss				
Foreign Currency Conversion Differences		*(1,091,445)*	*(575,365)*	*(656,642)*
Restricted Reserves of Profit	22.4	8,507,915	8,180,517	5,788,317
Retained Earnings / Losses	22.5	12,010,490	18,396,440	(3,734,362)
Net Income / Loss for the Period		25,713,140	(6,058,552)	49,412,456
Non-Controlling Shares	22.6	**2,146,062**	**2,274,720**	**2,409,946**
TOTAL EQUITY		**297,452,214**	**272,701,849**	**278,814,350**
TOTAL RESOURCES		**638,096,614**	**460,163,575**	**444,863,080**

The accompanying notes form an integral part of these financial statements.

MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES
AUDITED STATEMENTS FOR THE PERIOD 01.01.2013-31.12.2013
PROFIT OR LOSS AND THE OTHER COMPREHENSIVE INCOME TABLE (CONSOLIDATED)
(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

	Footnote References	*Audited (Independent)* **Current Period 01.01.2013-31.12.2013**	*Audited (Independent)* **Prior Period 01.01.2012-31.12.2012**
GAIN/LOSS PART			
Revenue (net)	23.1	482,293,700	409,722,402
Cost of Sales (-)	23.2	(422,666,276)	(375,570,928)
GROSS PROFIT/LOSS		**59,627,424**	**34,151,474**
General Administrative Expenses (-)	24.1	(5,701,580)	(5,331,656)
Marketing, Selling and Distrubution Expenses	24.2	(10,715,740)	(6,900,811)
Research and Development Expenses (-)	24.3	(352,537)	(579,316)
Other Operating Income	25.1	10,994,926	13,225,949
Other Operating Expenses (-)	25.2	(22,301,057)	(19,293,509)
OPERATING PROFIT/LOSS		**31,551,436**	**15,272,131**
Income from Investment Activities	26.1	823,087	288,372
Expenses from Investment Activities	26.2	-	(23,181)
Shares of Investments Valued with Equity Method	26.3	8,649,640	(8,878,743)
FINANCING EXPENSES BEFORE OPERATING PROFIT / LOSS		**41,024,163**	**6,658,579**
Financial Income	27.1	56,051,380	19,125,627
Financial Expenses (-)	27.2	(67,395,519)	(33,643,198)
CONTINUING OPERATIONS BEFORE TAX PROFIT/LOSS		**29,680,024**	**(7,858,992)**
Taxes Profit/loss of Continuing Operations		**(4,044,084)**	**1,657,110**
Income Expense Tax for the Period	28	(6,487,101)	(167,246)
Deferred Tax Income /Expense	28	2,443,017	1,824,356
PERIOD PROFIT/LOSS		**25,635,940**	**(6,201,882)**
Distribution of Period Income/Loss			
Non-controlling Shares		(77,200)	(143,330)
Main Partner Shares		25,713,140	(6,058,552)
Earning per share			
Earnings Per Share from Continuing Operation Activities		0.1025	(0.0248)
OTHER COMPREHENSIVE INCOME			
Items not to be reclassified to profit or loss in subsequent periods:			
Actuarial gain/loss arising from retired benefits		(397,546)	(138,183)
Other comprehensive income/expense not to be reclassified to profit or loss			
Deferred Tax Income/Loss		79,510	27,637
Other comprehensive income to be reclassified to profit or loss in subsequent periods			
Change in foreign currency translation differences		(516,080)	81,277
OTHER COMPREHENSIVE INCOME		(834,116)	(29,269)
TOTAL COMPREHENSIVE INCOME		24,801,824	(6,231,151)
Distribution of Total Comprehensive Income			
Non-controlling Shares		(77,200)	(143,330)
Main Partner Shares		24,879,024	(6,087,821)

The accompanying notes form an integral part of these financial statements.

MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES
AUDITED STATEMENTS FOR THE PERIOD 01.01.2013-31.12.2013
CASH FLOW TABLE (CONSOLIDATED)

			Other comprehensive income	Other comprehensive		Retained Profits				
	Share Capital	Inflation adjustment to paid in capital	Actuarial gain/loss arising from employee benefits	Foreign currency conversion difference	Restricted reserves allocated from profits	Accumulated Profit/Loss	Net profit/loss of the period	Resources equity of main partners	**Non - controlling shares**	**Total Resources**
Balances as at 01.01.2012 (Begining of the period)	**225,000,000**	**485,133**	**109,502**	**(656,642)**	**5,788,317**	**(3,623,816)**	**49,412,456**	**276,514,950**	**2,409,946**	**278,924,896**
Transfers	-	-	-	-	2,392,200	47,020,256	(49,412,456)	-	-	-
Total comprehensive income/loss	-	-	(110,546)	81,277	-	-	(6,058,552)	(6,087,821)	(143,330)	**(6,231,151)**
Capital Increase	25,000,000	-	-	-	-	(25,000,000)	-	-		-
Increase/decrease from change in accounting policy	-	-	-	-	-	-	-	-	8,104	**8,104**
Balances as at 31.12.2012 (End of the period)	**250,000,000**	**485,133**	**(1,044)**	**(575,365)**	**8,180,517**	**18,396,440**	**(6,058,552)**	**270,427,129**	**2,274,720**	**272,701,849**
CURRENT PERIOD									-	
Balances as at 01.01.2013 (Begining of the period)	**250,000,000**	**485,133**	**(1,044)**	**(575,365)**	**8,180,517**	**18,396,440**	**(6,058,552)**	**270,427,129**	**2,274,720**	**272,701,849**
Transfers	-	-	-	-	327,398	(6,385,950)	6,058,552	-	-	-
Total comprehensive income/loss	-	-	(318,037)	(516,080)	-	-	25,713,140	24,879,023	(77,200)	**24,801,823**
Increase/decrease from change in accounting policy	-	-	-	-	-	-	-	-	(51,458)	**(51,458)**
Balances as at 31.12.2013 (End of the period)	**250,000,000**	**485,133**	**(319,081)**	**(1,091,445)**	**8,507,915**	**12,010,490**	**25,713,140**	**295,306,152**	**2,146,062**	**297,452,214**

The accompanying notes form an integral part of these financial statements.

MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES
AUDITED STATEMENTS FOR THE PERIOD 01.01.2013-31.12.2013
CASH FLOW TABLE (CONSOLIDATED)
(All amounts are expressed in TL)

	Footnote References	*Reviewed* Current Period 01.01.-31.12.2013	*Reviewed* Prior Period 01.01.-31.12.2012
A. NET CASH PROVIDED BY OPERATING ACTIVITIES		**(63,207,618)**	**35,667,104**
Profit/Loss for the period before tax		**29,680,024**	**(7,858,992)**
Adjustments to reconcile profit/loss before tax to cash provided by operating activities:		**-**	**-**
Adjustment for Depreciation, amortisation expenses	16-17	10,543,323	11,666,758
Provision for employee termination benefits	19-24.1	725,124	629,192
Adjustment for provisions	19	310,286	-
Adjustment for Interest income and (expense)	8-27.2	755,438	578,971
Unearned interests on receivables	25.2	810,109	801,079
Unearned interests on payables	25.1	1,211,087	612,238
Net working capital changes in:			
Adjustments for financial assets increase / decrease with related revisions	5	(4,390,310)	4,598,494
Adjustments for trade receivables increase / decrease with related revisions	7	(15,603,992)	(741,356)
Adjustments for changes in inventories increase / decrease with related revisions	11	(31,497,131)	(2,862,028)
Adjustments for changes in biological assets increase / decrease with related revisions	12	(2,635,633)	1,040,780
Adjustments for increase / decrease in other receivables related with operations	9	(33,410,108)	12,749,609
Prepaid expenses	13	(3,689,130)	(104,196)
Other Assets	14+21	(8,791,867)	4,931,233
Adjustments for increase / decrease in trade payables	7	9,979,892	29,912,237
Adjustments for increase / decrease in other payables related with operations	9-13-20	(4,790,297)	(8,713,034)
Adjustments for increase / decrease short-term provisions	19	-	(150,342)
Change in investments valued by equity method		(11,849,640)	1,235,243
Other cash inflows/outflows	22.3	(397,547)	-
Cash flow provided by operating activities			
Tax payments/returns	28	(167,246)	(12,658,782)
B. NET CASH FLOW PROVIDED BY INVESTMENT OPERATIONS		**(55,786,436)**	**(21,021,904)**
Proceeds from sale of property, plant, equipment and intangible assets	16-17	1,368,386	247,660
Proceeds from purchase of property, plant, equipment and intangible assets	16-17	(57,103,364)	(21,277,668)
Changes in minority interest	22.5	(51,458)	8,104
C. NET CASH FLOW PROVIDED BY FINANCIAL ACTIVITIES		**138,341,465**	**10,595,076**
Cash inflows/outflows from financial liabilities	8	112,848,275	10,873,820
Cash outflows from finance leases	8	19,946,993	(199,871)
Loss/gain on derivative financial instruments	10-27	5,546,197	(78,873)
BEFORE THE IMPACT OF FOREIGN CURRENCY TRANSLATION DIFFERENCES ON CASH AND CASH EQUIVALENTS NET INCREASE/DECREASE (A+B+C)		**19,347,411**	**25,240,276**
D. IMPACT OF FOREIGN CURRENCY TRANSLATION DIFFERENCES ON CASH AND CASH EQUIVALENTS		(516,080)	81,277
NET INCREASE/ DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C+D)		**18,831,331**	**25,321,553**
E. CASH AND CASH EQUIVALENTS AT THE BEGINING OF THE PERIOD	**5**	**41,140,313**	**15,818,760**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+D+E)	**5**	**59,971,644**	**41,140,313**

The accompanying notes form an integral part of these financial statements.

NOTE 1 – ORGANIZATION AND NATURE OF 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 01.01 – 31.12. 2013, average 3,745 personnel are employed by the Company (As of 31 December 2013: 3,806 personnel)

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

Production Capacity (Textile)

According to the capacity report from Denizli Industrial Chamber dated 25 December 2013, numbered 338 and valid until 26 December 2016, Company's production capacity has been calculated with daily 8 hours, yearly 300 days. Company works for 3 shifts a day:

Products	Unit	Amount
Cotton yarn (is used in its production)	Kg	5,227,967
Raw fabric woven (is used in its production)	M^2	59,151,060
Knitted Fabric (is used in its production)	Kg	1,001,700
Linens	Unit	4,200,000
Pillow case	Unit	12,600,000
Sheet	Unit	6,600,000
Fabric painting (is used in its production)	kg	3,744,000
Fabric printing (is used in its production)	kg	13,500,000
Digital fabric printing (is used in its production)	kg	1,311,786

Production Capacity (Energy)

According to the capacity report from Denizli Industrial Chamber dated 29 January 2014, numbered 24 and valid until 30 January 2017, 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	kilowatt saat	161,827,000
Steam (is used in its production)	joule	617,569,920,000
Hot water (is used in its production)	joule	238,360,320,000

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 m^2' to 206,232 m^2 with adding 114,432 m^2. 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 196,932 m^2, of Smyrna Seracılık Ticaret A.Ş..

According to the capacity report from Denizli Industrial Chamber dated 02 April 2010, numbered 80 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
Quick-frozen tomato	Ton	684

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 December 2013, average 107 personnel are employed in the Company (As 31 December 2013: 52 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 Company 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.

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.

Per the Material Disclosure announced by the Group at 12 September 2011 that 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, aucted by Alaşehir Belediyesi under the name of "Doğal Mineralli Su/Jeotermal Kökenli Gaz Arama Devri İhalesi". From the date 30 November 2011, company has started drilling operation in accordance with the contract. Drilling operations of two wells have been completed and 12 Mw electricity production capacity is available, drilling operations of third well has also been started. Totally 8 wells are planned to operate within the exploration licenses. After fourth well is drilled and first two wells are reached to operate properly, the turbine installation process will be started.

Per the material Disclosure announced by the Group as of 17 February 2012 that Akça Enerji Otoprodüktör Grubu A.Ş. has started drilling in the area addressed in Denizli / Sarayköy, Tosunlar Beldesi according to the license of "Doğal Mineralli Sular Kaynağı Arama", numbered 5686.

An agreement was reached between Akça Enerji Üretim Otoprodüktör Grubu A.Ş and Exergy SPA firm for 3,950,000 EUR to build a jeothermal power plant for the two wells whose drilling was finished in Tosunlar Town, Sarayköy county, in Denizli City which will produce 3.288 Kwe electricity per year.

Akça Enerji Otoprodüktör Group A.Ş., which is started in 17.02.2012, as a result of drilling operations, Drilling of two wells have been completed. As a result, the following data was obtained from MTA measurements. Maximum tempeture is 251,53 degree celcius in 2965 meter When AK-1 well is static condition, those AK-3 well is maximum water production capacity 518 tones/hour, maximum static temperature 131,98 degree celcius in 2437 meter but it is maximum dynamic temperature 132,7 degree celcius during production. Maximum static temperature 148,76 degrees celcius in 2,630 meter at AK-6 well, with Statik pressure is 249,82 bar. Measurement result of two wells can be produced up to 5MW capacity. AK-2 Well drilled down to 3011 m depth and the measurement results are expected from MTA. Since February 2014, AK-4 continue its drilling at 2900 m. Drilling work is continuing at AK-4 and AK-5 wells.

Akça Enerji Üretim Otoprodüktör Grubu A.Ş. and Osman Akça Tarım Ürünleri İthalat İhracat San. ve Tic. A.Ş. have been included to the consolidation with the equity method.

As of 31 December 2013, Akça Enerji owns 30.5% of Ures Elektrik and 20% of Akça Solar. Because of Akça Solar and Ures Elektrik 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. Company has integrated 20 established and 4 mobile vehicle inspection stations. License rights has been started in 2008 and will continue until 2028.

The Premises of Administration is planned to be built, with 1,400m2 area of usage and planned as two floors excluding basement floor, at Fatih Mahallesi 203 Sokak No:11 Sarnıç Gaziemir/İzmir with the latest technology. The Premises, with meeting and education rooms, is planned exactly to meet companies logistics needs and staff's educational needs. Excavation works has started, and is planned to end in July 2014. The expected total cost of the building is TL 850,000.

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 İzmir. 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.

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.

The Preparation of Financial Statements

The interim condensed consolidated financial statements and disclosures have been prepared in accordance with the communiqué numbered II-14,1 "Communiqué on the Principles of Financial Reporting In Capital Markets"(the Communiqué") announced by the Capital Markets Board ("CMB")(hereinafter will be referred to as "the CMB Reporting Standards") on 13 June 2013 which is published on Official Gazette numbered 28676.

Approval of Financial Statements

Consolidated financial statements are approved by the Board of Directors and granted authority to publish on 05 March 2014. 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.

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)

	31.12.2013	31.12.2012	31.12.2011
	Ratio %	Ratio %	Ratio %
Public Offered Shares	51.9	51.9	51.9
Akça Holding A.Ş.	45.7	45.7	45.7
Other	2.4	2.4	2.4
	100.0	**100.0**	**100.0**

As of 31 December 2013, 2012 and 2011 capital structures of the subsidiaries and equity participations are as following:

Menderes Bulgaria Ltd. (Subsidiary)

	31.12.2013	31.12.2012	31.12.2011
	Ratio %	Ratio %	Ratio %
Menderes Tekstil Sanayi ve Ticaret A.Ş.	90.0	90.0	90.0
Other	10.0	10.0	10.0
	100.0	**100.0**	**100.0**

Smyrna Seracılık Ticaret A.Ş. (Subsidiary)

	31.12.2013	31.12.2012	31.12.2011
	Ratio %	Ratio %	Ratio %
Menderes Tekstil Sanayi ve Ticaret A.Ş.	79.2	79.2	79.2
Cemal İpekoğlu	20.4	20.4	20.4
Akça Holding A.Ş.	0.2	0.2	0.2
Rıza Akça	0.1	0.1	0.1
Dilek Göksan	0.1	0.1	0.1
Ali Atlamaz	<0.1	<0.1	<0.1
	100.0	**100.0**	**100.0**

Akça Enerji Üretim Otoprodüktör Grubu A.Ş. (Subsidiary)

	31.12.2013	31.12.2012	31.12.2011
	Ratio %	**Ratio %**	**Ratio %**
Tan Elektrik Üretim A.Ş.	45.71	00.0	00.0
Menderes Tekstil Sanayi ve Ticaret A.Ş.	20.0	20.0	20.0
Akça Holding A.Ş.	17.5	40.9	40.9
Osman Akça Tarım Ürün. İth. İhr. San. ve Tic. A.Ş.	10.7	25.0	25.0
Selin Tekstil Sanayi Ticaret A.Ş.	5.6	13.0	13.0
Akçasaraylı Tekstil Ltd. Şti.	0.5	1.1	1.1
	100.0	**100.0**	**100.0**

Menderes Tekstil Pazarlama A.Ş. (Subsidiary)

	31.12.2013	31.12.2012	31.12.2011
	Ratio %	**Ratio %**	**Ratio %**
Menderes Tekstil Sanayi ve Ticaret A.Ş.	45.0	45.0	45.0
Akça Holding A.Ş.	45.0	45.0	45.0
Rıza Akça	4.5	4.5	4.5
Dilek Göksan	4.5	4.5	4.5
Ahmet Bilge Göksan	1.0	1.0	1.0
	100.0	**100.0**	**100.0**

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

	31.12.2013	31.12.2012	31.12.2011
	Ratio %	**Ratio %**	**Ratio %**
Menderes Tekstil Sanayi ve Ticaret A.Ş.	48.0	48.0	48.0
Nihat Zeybekçi	49.5	49.5	49.5
Other	2.5	2.5	2.5
	100.0	**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.

Recognition in light of equity method was made to operating results, assets and liabilities of associates in financial consolidated tables attached. In equity method the associatess in consolidated statement are stated after the amount obtained from decrasing any impairment occured in share from associates net assets value. Loss exceeding the Group's associates share are not recorded. Additional loss reserve is only made when Group is exposed to legal or constructive obligation or payments made in name of associate or partner.

Reporting Currency

As of 31 December 2013, 2012 and 2011, 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 it s 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.

2.d. Comparative Information and Previous Periods Adjustments

For the purpose of conducting a comparison of financial position and performance trend, Company's current financial statements are prepared comparative with previous periods. Comparative information is reclassified to be compatible with the presentation of current financial statements, when necessary.

The interim condensed financial statements are based on the statutory records,with adjustments and reclassifications for the purpose of fair presentation in accordance with the Turkish Accounting Standards published by POA.

As part of the amendment effective as of 01 january 2013 in "Employee Benefits" of the IAS 19, regarding the severance pay liability which is recognized under employee termination benefits of the Group, the total actuarial gains/(losses) (includes deferred tax effect), is shown in statements of changes in equity "actuarial profit (loss) from retirement pay provision". With the changes in the standard, the Group, In the balance sheet for the periods ended at 31 December 2012 amounting to TRY 1,044 in "Net profit / (loss) for the period" classified to "actuarial profit (loss) from retirement pay provision" in equity. (2011: 109,502 TRY).

Pursuant to the decree taken in the CMB's meeting dated 07 June 2013 and numbered 20/670, for capital market board institutions within the scope of the Communique on Principles Regarding Financial Reporting in the Capital Market,financial statement templates and user guide have been published, effective as of the interim periods ended after 31 March 2013.Various classifications were made in the Group's statement of financial position pursuant to these formats which have taken effect. The classifications made in the balance sheet of the the group as of 31 December 2012 and 2011 are as follows;

As of 31 December 2012, TRY 2,930,267 and as of 31 December 2011, TRY 7,528,761, which are more than 3 months bank deposits and accrued interests, as shown in cash and cash equivalents, are classified in balance sheet as a separate account within the scope of the financial investments.

As of 31 December 2012, TRY 1,824,678 and as of 31 December 2011, TRY 1,913,416, which are order advances given, as shown in other current assets, are classified in balance sheet as a separate account within the scope of the prepaid expenses- short term.

As of 31 December 2012, TRY 418,460 and as of 31 December 2011, TRY 393,397 which are prepaid expenses- short term, as shown in other current assets, are classified in balance sheet as a separate account within the scope of the prepaid expenses- short term.

As of 31 December 2012, TRY 1,443,829 and as of 31 December 2011, TRY 9,440,453 which are prepaid taxes and funds, as shown in other current assets, are classified in balance sheet as a separate account within the scope of the current taxes assets.

As of 31 December 2012, TRY 430,928 which are accrual of forward exchange, as shown in other current assets, are classified in balance sheet as a separate account within the scope of the derivative instruments.

As of 31 December 2012, TRY 2,221,382 and as of 31 December 2011, TRY 1,656,060 which are vat return receivables, as shown in other current assets, are classified in balance sheet as a separate account within the scope of the other receivables.

As of 31 December 2012, TRY 174,237, TRY 1,656,060 which are advances given for tangible fixed assets, as shown in other long term assets, are classified in balance sheet as a separate account within the scope of the prepaid expenses-long term.

As of 31 December 2012, TRY 150,678 and as of 31 December 2011, TRY 157,044 which are Prepaid expenses - Long Term, as shown in other long term assets, are classified in balance sheet as a separate account within the scope of the prepaid expenses-long term.

As of 31 December 2012, TRY 9,491,117 and as of 31 December 2011, TRY 6,893,938 which are current portion of amounts payable after one year, as shown in financial liabilities - short term, are classified in balance sheet as a separate account.

As of 31 December 2011, TRY 1,000,000 which are" long-term liabilities", as shown in the financial liabilities - short term, are classified in balance sheet in financial liabilities – long term.

As of 31 December 2012, TRY 6,000, and 31 December 2011, TRY 6,000 which are" Deposits and guarantees received", as shown in the trade receivables, are classified in balance sheet in other short term liabilities.

As of 31 December 2012, TRY 1,979,293, and 31 December 2011, TRY 1,646,946 which are" Due to personnel", as shown in the other current liabilities, are classified in balance sheet in employee benefits debts.

As of 31 December 2012, TRY 632,653, and 31 December 2011, TRY 585,408 which are" Social security premiums payable, as shown in the other current liabilities, are classified in balance sheet in employee benefits debts.

As of 31 December 2012, TRY 7,261,788, and 31 December 2011, TRY 14,204,926 which are" advances received, as shown in the other current liabilities, are classified in balance sheet in deferred income.

As of 31 December 2012, TRY 33,969, and 31 December 2011, TRY 35,158 which are" expense accruals, as shown in the other current liabilities, are classified in balance sheet in trade payables.

As of 31 December 2012, TRY 294, and 31 December 2011, TRY 466,694 which are" provision scope of law numbered 6111, as shown in the other current liabilities, are classified in balance sheet in other current payables.

As of 31 December 2012, TRY 352,055 which are" expense accrual of forward exchange, as shown in the other current liabilities, are classified in balance sheet in derivative instruments.

As of 31 December 2011, TRY 33,428 which are" prepaid expenses, as shown in the provision for period income tax, are classified in balance sheet in assets related to current period taxes.

Reclassifications to Company's income statement at 31 December 2012 are as follows;

TRY 2,502,727 which are" foreign exchange gains", as shown in the financial income, are classified in income statement in other real operating income.

TRY 612,238 which are "discount income", as shown in the financial income, are classified in income statement in other real operating income.

TRY 3,330,202 TL which are foreign exchange losses, as shown in the "financial expense", are classified in income statement in "other operating expense".

TRY 801,079 TL which are discount expense, as shown in the "financial expense", are classified in income statement in "other operating expense".

TRY 41,511 which are " income from sales of fixed assets", as shown in the other real operating income, are classified in income statement in incomes from investing activities.

TRY 246,861 which are " rent incomes ", as shown in the other real operating income, are classified in income statement in incomes from investing activities.

TRY 23,181 which are " losses from sales of fixed assets", as shown in the other real operating expense, are classified in income statement in expenses from investing activities.

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

The Company 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 December 2012, for the related to its business activities, in the current fiscal period.

The new standards, amendments and interpretations which will be effective after 31 December 2012 are as follows:

IFRS 9 - "*Financial Instruments, Classification and Measurement*"; In November 2009, the first part of IFRS 9 relating to the classification and measurement of financial assets was issued. IFRS 9 will ultimately replace IAS 39 Financial Instruments: Recognition and Measurement. The standard requires an entity to classify its financial assets on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, and subsequently measure the financial assets as either at amortized cost or at fair value. The new standard is mandatory for annual periods beginning on or after 1 January 2013.

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.

IFRS 10 – "*Consolidated Financial Statements*" standard is effective for annual periods beginning on or after 1 January 2013 and is applied on a modified retrospective basis. This new Standard may be adopted early, but IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests in Other Entities should be also adopted early. IFRS 10 replaces the portion of IAS 27 Consolidated and Separate Financial Statements that addresses the accounting for consolidated financial statements. A new definition of "*control*" is introduced, which is used to determine which entities are consolidated. This is a principle based standard and require preparers of financial statements to exercise significant judgment. This standard has not yet been endorsed by the EU.

IFRS 11 - "*Joint Arrangements*" standard is effective for annual periods beginning on or after 1 January 2013 and is applied on a modified retrospective basis. This new Standard may be adopted early, but IFRS 10 "*Consolidated Financial Statements"* and IFRS 12 "*Disclosure of Interests in Other Entities"* should be also adopted early. The standard describes the accounting for joint ventures and joint operations with joint control. Among other changes introduced, under the new standard, proportionate consolidation is not permitted for joint ventures.

IFRS 12 - "*Disclosure of Interests in Other Entities*" standard is effective for annual periods beginning on or after 1 January 2013 and is applied on a modified retrospective basis. This new Standard may be adopted early, but IFRS 10 "*Consolidated Financial Statements*" and IFRS 11 "*Joint Arrangements*" should be also adopted early. IFRS 12 includes all of the disclosures that were previously in IAS 27 Consolidated and Separate Financial Statements related to consolidated financial statements, as well as all of the disclosures that were previously included in IAS 31 "*Interests in Joint Ventures*" and IAS 28 "*Investment in Associates"*. These disclosures relate to an entity's interests in subsidiaries, joint arrangements, associates and structured entities. Under the new standard the Company will provide more comprehensive disclosures for interests in other entities.

Revised UFRS 13 - "*Fair Value Measurement*" standard provides guidance on how to measure fair value under IFRS but does not change when an entity is required to use fair value. It is a single source of guidance under IFRS for all fair value measurements. The new standard also brings new disclosure requirements for fair value measurements. IFRS 13 is effective for annual periods beginning on or after 1 January 2013 and will be adopted prospectively. Early application is permitted. The new disclosures are only required for periods beginning after IFRS 13 is adopted — that is, comparative disclosures for prior periods are not required.

IAS 27 - "*Separate Financial Statements*" As a consequential amendment to IFRS 10, the IASB also amended IAS 27, which is now limited to accounting for subsidiaries, jointly controlled entities, and associates in separate financial statements. Transitional requirement of this amendment is similar to IFRS 10. On or after January 1, 2013 shall apply to annual periods beginning on or after that date.

IAS 28 – "*Investments in Associates and Joint Ventures (Amended)*" - As a consequential amendment to IFRS 11, the IASB also amended IAS 28, which has been renamed IAS 28 Investments in Associates and Joint Ventures, to describe the application of the equity method to investments in joint ventures in addition to associates. Transitional requirement of this amendment is similar to IFRS 11 and is effective for annual periods beginning on or after January 1, 2013. This standard has not yet been endorsed by the EU.

IAS 19 - "*Employee Benefits*" Amended standard is effective for annual periods beginning on or after January 1, 2013, with earlier application permitted. With very few exceptions retrospective application is required. Numerous changes or clarifications are made under the amended standard. Among there numerous amendments, the most important changes are removing the corridor mechanism and making the distinction between short-term and other long-term employee benefits based on expected timing of settlement rather than employee entitlement.

IAS 32 *Financial Instruments: Presentation - Classifications on Rights Issues (Amended)*
The amendment alters the definition of a financial liability in IAS 32 to enable entities to classify rights issues and certain options or warrants as equity instruments. The amendment is applicable if the rights are given pro rata to all of the existing owners of the same class of an entity's non-derivative equity instruments, to acquire a fixed number of the entity's own equity instruments for a fixed amount in any currency. The amendments are effective for annual periods beginning on or after 1 January 2014 and will be adopted retrospectively.

IFRS 7 *Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities (Amended)*
New disclosures would provide users of financial statements with information that is useful in i) evaluating the effect or potential effect of netting arrangements on an entity's financial position and ii) analyzing and comparing financial statements prepared in accordance with IFRS and other generally accepted accounting standards. This standard has not yet been endorsed by the EU. The amendments are to be retrospectively applied for annual periods beginning on or after 1 January 2013 and interim periods within those annual periods. The amendment affects disclosures only.

IFRIC 20 *Stripping Costs in the Production Phase of a Surface Mine*
The Interpretation is effective for annual periods beginning on or after 1 January 2013 with earlier application permitted. Entities will be required to apply its requirements for production phase stripping costs incurred from the start of the earliest comparative period presented. The Interpretation clarifies when production stripping should lead to the recognition of an asset and how that asset should be measured, both initially and in subsequent periods. This standard has not yet been endorsed by the EU.

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

Improvements published by "POA":

In addition to those mentioned above, the POA has promulgated the following resolutions regarding the implementation of Turkish Accounting Standards. "The financial statement examples and user guide" became immediately effective at its date of issuance; however, the other resolutions shall become effective for the annual reporting periods beginning after 31 December 2012.

2013-1 Financial Statement Examples and User Guide: The POA promulgated "financial statement examples and user guide" on May 20, 2013 in order to ensure the uniformity of financial statements and facilitate their audit. The financial statement examples within this framework were published to serve as an example to financial statements to be prepared by companies obliged to apply Turkish Accounting Standards, excluding financial institutions established to engage in banking, insurance, private pensions or capital market. The Company has made the classification adjustments stated in Note 2.2 in order to comply with the requirements of this regulation.

2013-2 Accounting of Combinations under Common Control: In accordance with the resolution it has been decided that i) combination of entities under common control should be recognized using the pooling of interest method, ii) and thus, goodwill should not be included in the financial statements and iii) while using the pooling of interest method, the financial statements should be prepared as if the combination has taken place as of the beginning of the reporting period in which the common control occurs and should be presented comparatively from the beginning of the reporting period in which the common control occurred. These resolutions are not expected to have an impact on the financial statements of the Company.

2013-3 Accounting of Redeemed Share Certificates: Clarification has been provided on the conditions and circumstances where the redeemed share certificates shall be recognized as a financial liability or equity based financial instruments. These resolutions are not expected to have an impact on the financial statements of the Company.

2013-4 Accounting of Cross Shareholding Investments: If a subsidiary of an entity holds shares of the entity then this is defined as cross shareholding investment and accounting of this cross investment is assessed based on the type of the investment and different recognition principles adopted.
With the subject resolution, this topic has been assessed under three main headings below and the recognition principles for each one of them has been determined

- The subsidiary holding the equity based financial instruments of the parent,
- The associates or joint ventures holding the equity based financial instruments of the parent
- The parent's equity based financial instruments are held by an entity, which is accounted as an investment within the scope of TAS 39 and TFRS 9 by the parent.

These resolutions are not expected to have an impact on the financial statements of the Company.

2.f. Summary of Significant Accounting Policy

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.

Financial Investments

Initial measurement of financial assets and financial liabilities

When a financial asset or financial liability is recognised initially, an entity shall measure it at its fair value plus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

When an entity uses settlement date accounting for an asset that is subsequently measured at cost or amortised cost, the asset is recognised initially at its fair value on the trade date.

Subsequent measurement of financial assets

After initial recognition, an entity shall measure financial assets, including derivatives that are assets, at their fair values, without any deduction for transaction cost it may incur on sale or other disposal, except for the following financial assets:

(i) Loan and receivables which shall be measured at amortized cost using the effective interest method;
(ii) Held-to-maturity investments which shall be measured at amortized cost using the effective interest method; and
(iii) Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that is linked to and must be settled by delivery of such unquoted equity instruments which shall be measured at cost.

Financial assets and liabilities at fair value through profit or loss:

It is classified as tangible assets hold for future sale. A financial asset or financial liability is classified as tangible assets hold for future sale if it is:

(i) Acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
(ii) Part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit making; or
(iii) A derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Held-to maturity investments

Non derivative financial assets with fixed or determinable payments and fixed maturity that an entity has the positive intention and ability to hold to maturity.

(i) Those that the entity upon initial recognition designates as at fair value through profit or loss;
(ii) Those that the entity designates as available for sale; and
(iii) Those that meet the definition of loans and receivables.

Available-for-sale financial assets

Non-derivative financial assets that are designated as available for sale or are not classified as loans and receivables, held-to-maturity investments or financial assets at fair value through profit or loss.

Financial assets carried at cost

If there is objective evidence that an impairment loss has been incurred on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured, or on a derivative asset that is linked to and must be settled by delivery of such unquoted equity instrument, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses shall not be reversed.

Shares

If shares are quoted in Istanbul Stock Exchange Market, then these shares are revalued with closing price as of balance sheet date. If shares are not quoted, then these shares are revalued with acquirement price as of balance sheet date. Funds given against financial assets reverse repo are reflected as reverse repo receivables under marketable securities in the accompanying consolidated financial statements. The portion of the difference between purchase and sale back price by these reverse repo agreements for the interim period is calculated by "internal discount rate" as discounted income and it is accounted by adding to cost of reverse repo.

Marketable securities

Financial assets in which Parent Company has voting right below 20%, or over 20% which Parent Company does not exercise a significant influence, and subsidiaries or joint venture, which are not included in consolidation that they are immaterial or which are immaterial, that do not have a quoted market price in active markets and whose fair value cannot be measured reliably are carried at cost less any provision for diminution in value.

Financial Borrowings

Financial borrowings are recognized initially at the proceeds received, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost using the effective yield method; any difference between proceeds, net of transaction costs, and the redemption value is recognized in the income statement over the borrowing period. Borrowing costs are charged to income statement when they incur and reclassed to bank loans.

Trade Receivables and Payables

The trade receivables and payables derived from providing services or selling goods by the Group and purchasing goods or receiving services are clarified with deferred financial income and expense in the accompanying financial statements.

Post clarification, trade receivables and trade payables are calculated from the values of following the record of the original invoice values, by rediscounting with effective interest rate method. Short term receivables without designated interest rate are reflected the invoice values in case the effective interest rate effect is insignificant.

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.

Provision for Doubtful Receivables
The Group sets provisions for doubtful receivable when it is realized uncollectible due to objective findings. Amount of this provision is the difference of registered and collectible amounts. All cash flow including the collectible sum amount from guarantee and assurance is discounted on the base of the effective interest rate of trade receivable occurred.

In case of collecting doubtful receivable that is provided, the collected amount is deducted from the provision for doubtful receivable and in case of a remaining balance; the balance is added to other income.

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.

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:

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

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.

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.

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.

Provision Employee Benefits / Severance Pay

- **Severance Pay**

Under Turkish Labor Law, the Group is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, or who retires in accordance with social insurance regulations or is called up for military service or dies. As of 31 December 2013, such payments are calculated on the basis of 30 days' pay limited to a maximum of TRY 3,255 (31 December 2012: TRY 3,034, 2011: TRY 2,732) per year of employment at the rate of pay applicable at the date of retirement.

Group used "Projection Method" to calculate the termination benefits and the duration to be completed based on the past experience and discounted with rate of Treasury bond at balance sheet date. The calculated profits and losses are reflected in income statements.

- **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.

Taxes

Taxes on income for the period comprise current tax and the change in the deferred taxes. The charge for current tax is based on the results for the period as adjusted for items which are non-assessable or disallowed. It is calculated using tax rates enacted by the balance sheet date. Deferred tax is accounted for using the "liability" method in respect of temporary differences arising from differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable (statutory) profit. Deferred tax is accounted by temporary differences between the values of assets and liabilities in financial statements using "liability method" and the values of financial statements for the legal purpose. Deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction which affects neither the tax profit nor the accounting profit. Net deferred tax assets created from term differences deducted in proportion as tax allowances in conditions of there is no certain information for the coming periods.

Accounting Estimates
According to Communiqué XI No: 29 of CMB of financial statements, during the preparation of financial statements, the Company is required to disclose the carrying amount of value of the assets and liabilities stated in the financial statements as of the balance sheet date and to give explanations regarding off balance sheet liabilities, and to provide assumptions that might affect the totals of income and expense realized during the period. However, actual results may vary from these results.

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.

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.

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.

Interest income:

Interest income is accrued in proportion as effective interest rate which reduces estimated cash addition to recorded value of the asset in corresponding period.

Dividend and other incomes:

Dividend income which obtained from share investments, is recorded when shareholders' have the right to get dividend.

Other incomes are recorded with the possibility of having the worth giving service or accrual of the facts related with income, making the transfer of risk and benefit, determination of income amount and enrollment of economic benefits related with the procedure.

Leasing procedures

Operating lease as owner

Leases where the lesser retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. In operating lease, the rented assets are classified under the tangible fixed assets in the balance sheet. The income from the rent and lease are reflected at the end of procedures in equal amounts in other incomes account. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

Company's rental incomes derived from assets subjected to operating lease, are not fixed related to the contracts, those rent incomes are considered as future sales percentage described in the contracts.

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:

	31.12.2013	31.12.2012	31.12.2011
USD	2.1343	1.7826	1.8889
EUR	2.9365	2.3517	2.4438
GBP	3.5114	2.8708	2.9170

Derivative financial instruments and instruments to protect from risk
Company's derivative financial instruments include foreign currency forward contracts and interest rate swap transactions.

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.

Effects of Change in Currency Rate
Assets and liabilities in foreign currency and purchase and sale commitments create exchange risk. Foreign exchange risk stemming from depreciation or appreciation of Turkish Lira managed by top management by following the currency position of the Group and taking position according to approved limits.

Earning Per Share / (Loss)
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.

In Turkey, companies can increase their share capital by making distribution of “bonus shares” to existing shareholders from Inflation adjustment difference in shareholder’s equity. For the purpose of the earnings per share computations, the weighted average number of shares outstanding during the year has been adjusted in respect of “bonus shares” issued without corresponding change in resources by giving them retroactive effect for the period in which they were issued and each earlier period.

Other Balance Sheet Entries
Other balance sheet entries are reflected with their book values.

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

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.

Related Parties

In the presence of one of the following criteria, parties are considered as related to the Group,

(a) Directly, or indirectly through one or more intermediaries, the party,
(i) Controls, is controlled by, or is under common control with, the Company (this includes parents, subsidiaries and fellow subsidiaries);
(ii) Has an interest in Group that gives it significant influence over the Group; or
(iii) Has joint control over the Group;
(b) The party is an associate of the Group,
(c) The party is a joint venture, in which the Group is a venture,
(d) The party is member of the key management personnel of the Group or its parent,
(e) The party is a close member of the family of any individual referred to in (a) or (d),
(f) The party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or
(g) The party has a defined benefit plan for the employees of the Company or a related party of the Company.

Transactions with related parties are transfer of resources or obligations between related parties, regardless of whether a price is charged. Group interacts with its related parties within the frame of ordinary business activities (Note 6).

Details of related parties are as follows:

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 December 2012, 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.

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.

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 Etablished in 1990 in İzmir. It is engaged of the sale of textile products.

A Trademark Lease contract was made between Menderes Tekstil San. and Tic. A.Ş. and Akça Saraylı Tekstil San. ve Tic. Ltd. Şti. With this contract signed, Akça Saraylı Tekstil San. ve Tic. Ltd.Şti. is obliged to pay 2% of its annual net sales to Menderes Tekstil San. ve Tic. A.Ş. as a leasing fee. Consequently, Akça Saraylı Tekstil San. ve Tic. Ltd. Şti. leased the trademarks of mendereshome store-menderesstore-menderestore.

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.).

2.g. Significant accounting estimates and assumptions

There is no significant accounting judgments, estimates and assumptions on the accompanying financial statements.

2.f. Segment reporting of results of operations

Group mainly operates in textile and agriculture sectors, agricultural production is conducting by Smyrna Balance sheet items and operating results are given in Note 3.

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

NOTE 3 – SEGMENT REPORTING

31 December 2013	Textile Sector	Agricultural Sector	Elimination	Total
ASSETS				
Cash and Cash Equivalents	59,968,236	3,408	-	59,971,644
Financial Assets	4,570,577	-	-	4,570,577
Trade Receivables	63,725,470	1,518,272	-	65,243,742
Other Receivables	96,604,282	94,880	(12,145,111)	84,554,051
Derivative Financial Instruments	696,738	-	-	696,738
Inventories	140,482,723	504,163	-	140,986,886
Biological Assets	-	3,778,127	-	3,778,127
Prepaid Expenses	3,629,048	26,916	-	3,655,964
Related to Current Tax Assets	5,790,135	24,979	-	5,815,114
Other Current Assets	9,358,723	2,159,621	-	11,518,344
Current Assets	**384,825,932**	**8,110,366**	**(12,145,111)**	**380,791,187**
Financial Assets	-	2,750,000	-	2,750,000
Other Receivables	11,568	3,126	-	14,694
Investments Valued With Equity Method	116,835,435	-	(9,500,000)	107,335,435
Tangible Assets	105,896,745	28,373,317	-	134,270,062
Intangible Assets	161,893	4,767	-	166,660
Prepaid Expenses	2,394,365	206,854		2,601,219
Deferred Tax Assets	9,997,910	677,904	(508,457)	10,167,357
Non-Current Assets	**235,297,916**	**32,015,968**	**(10,008,457)**	**257,305,427**
TOTAL ASSETS	**620,123,848**	**40,126,334**	**(22,153,568)**	**638,096,614**
LIABILITIES				
Current Liabilities	172,173,455	-	-	172,173,455
Short-Term Portion of Long Term Debt	18,030,397	2,940,887	-	20,971,284
Trade Payables	70,499,379	1,073,494	-	71,572,873
Scope of Employee Benefits Liabilities	3,234,379	178,686	-	3,413,065
Other Payables	566,278	13,805,087	(12,145,111)	2,226,254
Derivative Financial Instruments	6,164,062	-	-	6,164,062
Deferred Incomes	9,547,867	-	-	9,547,867
Corporation Tax Liabilities	6,437,989	49,112	-	6,487,101
Short Term Provisions	356,325	-	-	356,325
Short Term Liabilities	**287,010,131**	**18,047,266**	**(12,145,111)**	**292,912,286**
Long Term Borrowings	31,103,061	9,955,369	-	41,058,430
Long Term Provisions	6,336,543	56,141	-	6,392,684
Deferred Tax Liabilities	274,254	515,203	(508,457)	281,000
Long Term Liabilities	**37,713,858**	**10,526,713**	**(508,457)**	**47,732,114**
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
Accumulated Other Comprehensive Income and Expenses Not Reclassified in the Profit Or Loss	(319,081)	-	-	(319,081)
Foreign Currency Conversion Differences	(1,091,445)	-	-	(1,091,445)
Restricted Reserves Appropriated from Profit	8,484,796	23,119	-	8,507,915
Retained Earnings / Losses	12,092,347	(100,203)	18,346	12,010,490
Net Income / (Loss) for the period	26,006,501	(370,561)	77,200	25,713,140
Non-Controlling Interests	(258,392)	-	2,404,454	2,146,062
SHAREHOLDERS' EQUITY	**295,399,859**	**11,552,355**	**(9,500,000)**	**297,452,214**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**620,123,848**	**40,126,334**	**(22,153,568)**	**638,096,614**

31 December 2013	**Textile Sector**	**Agricultural Sector**	**Elimination**	**Total**
		-		
Revenues	475,850,740	6,442,960	-	482,293,700
Cost of Sales (-)	(419,233,664)	(3,432,612)	-	(422,666,276)
GROSS PROFIT/LOSS	**56,617,076**	**3,010,348**	**-**	**59,627,424**
General Administrative Expenses (-)	(5,511,499)	(190,081)	-	(5,701,580)
Marketing expenses (-)	(9,777,795)	(937,945)	-	(10,715,740)
Research & development expenses (-)	(352,537)	-	-	(352,537)
Other Operating Income	10,546,827	448,099	-	10,994,926
Other Operating Expenses (-)	(22,127,738)	(173,319)	-	(22,301,057)
OPERATING PROFİT/LOSS	**29,394,334**	**2,157,102**	**-**	**31,551,436**
Investing Activities Income	823,087	-	-	823,087
Profit /Loss from the participations valued by Equity Method	8,649,640	-	-	8,649,640
OPERATIONS PROFIT/LOSS BEFORE FINANCING EXPENSES	**38,867,061**	**2,157,102**	**-**	**41,024,163**
Financial Income (+)	55,769,389	339,322	(57,331)	56,051,380
Financial Expenses (-)	(64,397,414)	(3,055,436)	57,331	(67,395,519)
CONTINUING OPERATIONS PROFIT/LOSS BEFORE TAX	**30,239,036**	**(559,012)**	**-**	**29,680,024**
Continuing Operations Tax Income/Expense				
- Income/Expense Tax for the period	(6,437,989)	(49,112)	-	(6,487,101)
- Deferred Tax Income/Expense	2,205,454	237,563	-	2,443,017
PROFIT/(LOSS) FOR THE PERIOD	**26,006,501**	**(370,561)**	**-**	**25,635,940**

NOTE 4 – CASH AND CASH EQUIVALENTS

As of 31 December 2013, 2012 and 2011, details of cash and cash equivalents are as following:

	31.12.2013	31.12.2012	31.12.2011
Cash	6,474	21,692	8,272
Banks	59,860,042	40,946,215	15,782,012
Demand deposits	21,533,674	27,202,467	178,649
Time deposits	38,326,368	13,743,748	15,603,363
Interest accruals for banks	105,128	172,406	28,476
	59,971,644	**41,140,313**	**15,818,760**

As of 31 December 2013, 2012 and 2011, maturity schedule of time deposits in the cash and cash equivalents are as following:

	31.12.2013	31.12.2012	31.12.2011
Within 1 month	32,104,500	7,648,089	12,750,981
1-3 month	6,221,868	6,095,659	2,852,382
	38,326,368	**13,743,748**	**15,603,363**

As of 31 December 2013, effective interest rates of time deposits in TRY and USD are 6.44% and 2.35% respectively (31.12.2012: for TRY 7.07%, USD 2.46% and 31.12.2011: for TRY 7.25%, USD 2.55%, EUR 2.02%).

As of 31 December 2013, average maturity date of time deposits is 39 days (31 December 2012: 35 days, 2011: 17 days). As of 31.12.2013, time deposits consist of TRY 32,122,751 and USD 2,906,628 (TRY 6,203,617) (31.12.2012: TRY 916,600 and USD 7,195,752 (TRY 12,827,148), 31.12.2011: TRY 375,559, USD 7,976,538 (TRY 14,519,102) ve EUR 290,000 (TRY 708,702)).

As of 31.12.2013, the blockage's amount on the less than 3 months bank deposits of the Group is USD 1,850,000 (TRY 3,948,455) for the borrowings are taken from Şekerbank T.A.Ş. 31.12.2011: USD 545,000 (TRY 1,029,451)).

NOTE 5 – FINANCIAL INVESTMENTS

Short Term Financial Investments

	31.12.2013	31.12.2012	31.12.2011
Deposits with maturities over 3 months	4,515,300	2,869,349	7,347,821
Bank interest accruals	55,277	60,918	180,940
	4,570,577	**2,930,267**	**7,528,761**

As of 31 December 2013, the effective interest rate of TRY and USD time deposits are 8.78% and 2.5%. (31.12.2012: TRY - 7.98%, USD - 4% and 31.12.2011: USD - 4.09%).

As of 31 December 2013, the average maturity of time deposits are 170 days. (31.12.2012: 143 ve 31.12.2011: 228). As of 31.12.2013, time deposits consist of TRY 139,985 and USD 2,050,000 (TRY 4,375,315) (31.12.2012: TRY 17,189 and USD 1,600,999 (TRY 2,852,160) ,31.12.2011: USD 3,890,000 (TRY 7,347,821)).

As of 31 December 2013, the blockage's amount on the more than 3 months bank deposits of the Group is USD 2,050,000 (TRY 4,375,315) for the borrowings are taken from Şekerbank T.A.Ş. (31.12.2012: USD 1,600,000 (TRY 2,852,160), 31.12.2011: USD 3,890,000 (TRY 7,347,821)).

Long Term Financial Investments

	31.12.2013	31.12.2012	31.12.2011
Tan Elektrik Üretim A.Ş.	2,750,000	-	-
	2,750,000	**-**	**-**

On the 8 January 2013, Smyrna Seracılık A.Ş. have collaborated to Tan Elektrik Üretim A.Ş. 21% share of the capital on the basis of nominal value.

NOTE 6 – DUE TO FROM RELATED PARTIES

i) Transactions and balances with related parties:

a) Trade receivables from related parties (Note 7):

	31.12.2013	31.12.2012	31.12.2011
Akçasaraylı Tekstil Sanayi ve Ticaret Ltd. Şti.	90,825	-	617,666
Menderes Tekstil Pazarlama A.Ş.	207,572	275,612	242,011
Akça Solar Enerji Üretim Sanayi ve Ticaret A.Ş.	-	1,258	-
Discount	(764)	-	(16,369)
	297,633	**276,870**	**843,308**

b) Trade payables to related parties (Note 7):

	31.12.2013	31.12.2012	31.12.2011
Selin Tekstil Sanayi ve Ticaret A.Ş.	753,608	7,943,121	6,061,326
Ak-San Sigorta Aracılık Hizmetleri Ltd. Şti.	939	610,216	270,508
Discount	(5,958)	(13,254)	(111,154)
	748,589	**8,540,083**	**6,220,680**

c) Due from shareholders (Note 9):

	31.12.2013	31.12.2012	31.12.2011
Osman Akça Tarım Ürün. İth. İhr. San. ve Tic. A.Ş.	37,956,354	34,687,876	58,608,870
Akça Holding A.Ş.	5,954	-	-
	37,962,308	**34,687,876**	**58,608,870**

d) Non-trade receivables from related parties (Note 9):

	31.12.2013	31.12.2012	31.12.2011
Akça Enerji Üretim Otoprodüktör Grubu A.Ş.	39,159,100	11,503,763	533,345
Tan Elektrik Üretim A.Ş.	10,364	-	-
Aktur Araç Muayene İstasyonları İşletmeciliği A.Ş.	-	-	336
Akça Holding A.Ş.	-	-	242,935
Akçamen Tekstil A.Ş.	-	119,043	235,420
	39,169,464	**11,622,806**	**1,012,036**

e) Due to shareholders (Note 9):

	31.12.2013	31.12.2012	31.12.2011
Rıza Akça	681,726	9,055,349	10,248,344
Ali Atlamaz	16,665	54,220	20,534
Ahmet Bilge Göksan	-	24,244	837,244
Dilek Göksan	-	1,850	1,958
Akça Holding A.Ş.	-	54,998	-
	698,391	**9,190,661**	**11,108,080**

f) Due to subsidiaries (Note 9):

	31.12.2013	31.12.2012	31.12.2011
Akça Solar Üretim Sanayi Ticaret A.Ş.	148,403	-	-
Akçamen Tekstil A.Ş.	65,744	-	-
Akça Enerji Üretim Otoprodüktör Grubu A.Ş.	314,749	-	-
	528,896	**-**	**-**

g) Advances received from related parties (Note 13):

	31.12.2013	31.12.2012	31.12.2011
Menderes Tekstil Pazarlama A.Ş.	6,271,610	5,204,157	9,928,982
Akçasaraylı Tekstil Sanayi ve Ticaret Ltd. Şti.	-	55,341	-
	6,271,610	**5,259,498**	**9,928,982**

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

a) Major sales to related parties (Note 23.1):

	01.01.-31.12.2013	01.01.-31.12.2012
Menderes Tekstil Pazarlama A.Ş. (a)	61,928,059	51,999,454
Osman Akça Tarım Ürünleri (b)	137,747	112,043
Akçasaraylı Tekstil Sanayi ve Ticaret Ltd. Şti. (c)	1,339,229	1,014,889
Aktur Araç Muayene İstasyonları İşletmeciliği A.Ş.	14,200	14,330
Selin Tekstil Sanayi ve Ticaret A.Ş.	216,502	-
Akça Enerji Üretim Otoprodüktör Grubu A.Ş.	190,002	-
Akça Holding A.Ş.	51,252	-
	63,876,991	**53,140,716**

(a) For the period 01.01.–31.12.2013, Group has sales of textile products TRY 61,928,059 to Menderes Tekstil Pazarlama A.Ş., (01.01-31.12.2012, TRY 51,999,454).

(b) For the period 01.01.-31.12.2013, Group has sales of TRY 106,842 of packaging material and TRY 30,905 of textile product sales to Osman Akça Tarım Ürünleri. (01.01.-31.12.2012: 112,043 TRY of packaging metarial).

(c) For the period 01.01-31.12.2013, Group has sales of textile product TRY 1,240,798, energy TRY 25,301 and 73,130 TRY tomato sales to Akçasaraylı Tekstil. (01.01.-31.12.2012, TRY 985,311 textile product, TRY 29,578 energy has sold).

b) Major purchases from related parties (Note 23.2):

	01.01.-31.12.2013	01.01.-31.12.2012
Osman Akça Tarım Ürünleri (a)	536,600	4,281,525
Selin Tekstil (b)	27,660,000	22,211,000
Akça Enerji Üretim Otoprodüktör Grubu A.Ş.	133,350	395,957
Akça Holding A.Ş.	59,789	60,965
	28,389,739	**26,949,447**

(a) For the period ended 01.01-31.12.2013, Group has purchased TRY 104,600 of dried fruit, TRY 432,000 of rent service from Osman Akça Tarım Ürünleri. (01.01.-31.12.2012 TRY 3,880,125 of dried fruit and TRY 401,400 of rent services have purchased).

(b) For the period 01.01.-31.12.2013, Group has purchases of subcontract service TRY 26,278,000 and severence pay service TRY 1,382,000 from Selin Tekstil. (01.01.-31.12.2012: TRY 20,925,000 subcontract service, TRY 1,286,000 severence pay service.)

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

a) Benefits provided to member of the board of directors, gross (Note 24):

	01.01.-31.12.2013	01.01.-31.12.2012
Members of the Boards of Directors	1,133,510	1,058,245
	1,133,510	**1,058,245**

b) Service expenses paid to related parties (Note 24):

	01.01.-31.12.2013	01.01.-31.12.2012
Ak-San Sigorta Aracılık Hizmetleri Ltd. Şti.	545,444	344,709
Akça Holding A.Ş.	149,744	145,362
	695,188	**490,071**

c) Rent expenses paid to related parties (Note 26.1):

	01.01.-31.12.2013	01.01.-31.12.2012
Menderes Tekstil Pazarlama A.Ş.	10,200	9,600
Akça Enerji Üretim Otoprodüktör Grubu A.Ş.	26,400	24,000
Selin Tekstil Sanayi ve Ticaret A.Ş.	26,400	24,000
Akçasaraylı Tekstil Sanayi ve Ticaret Ltd. Şti.	51,000	48,000
Akçamen Tekstil Sanayi Ticaret A.Ş.	9,000	8,400
	123,000	**114,000**

d) Service income from related parties (Note 24):

	01.01.-31.12.2013	01.01.-31.12.2012
Menderes Tekstil Pazarlama A.Ş.	57,000	54,000
	57,000	**54,000**

e) Foreign currency differences income from the related parties (Note 27.1):

	01.01.-31.12.2013	01.01.-31.12.2012
Osman Akça Tarım Ürünleri	34,797,518	-
	34,797,518	**-**

f) Interest income from related parties (Note 27.1):

	01.01.-31.12.2013	01.01.-31.12.2012
Akça Holding A.Ş.	-	9,649
Osman Akça Tarım Ürünleri İthalat İhracat San. ve Tic. A.Ş.	6,027,872	1,584,652
Akçamen Tekstil Sanayi Ticaret A.Ş.	-	18,523
Akçasaraylı Tekstil Sanayi ve Ticaret Ltd. Şti.	-	19,024
Akça Enerji Üretim Otoprodüktör Grubu A.Ş.	2,771,318	427,967
Tan Elektrik	5,658	-
	8,804,848	**2,059,815**

For the period 01.01-31.12.2013, USD and GBP non-trade receivables from related parties has been used 6.68% interest rate. (01.01.-31.12.2012: USD - 1% interest rate).

For the period 01.01.-20.06.2013, TRY non-trade receivables from related parties has been used 13.75% interest rate, for the period 21.06.-26.12.2013, it has been used 11% interest rate and for the period 27.12.-31.12.2013, it has been used 11.75% interest rate. (01.01.-19.06.2012: 17.75%, 20.06.2012-19.12.2012: 16.5%, 20.12.2012-31.12.2012: 13.75%).

g) Foreign currency differences paid to the related parties (Note 27.2):

	01.01.-31.12.2013	01.01.-31.12.2012
Osman Akça Tarım Ürünleri	5,100,728	14,865,300
	5,100,728	**14,865,300**

h) Interest differences paid to related parties (Note 27.2):

	01.01.-31.12.2013	01.01.-31.12.2012
Osman Akça Tarım Ürünleri İthalat İhracat San. ve Tic. A.Ş.	1,445,184	814,003
Akça Holding A.Ş.	5,224	53,627
Akça Enerji Üretim Otoprodüktör Grubu A.Ş.	-	118,269
Menderes Tekstil Pazarlama A.Ş.	321,997	858,294
Akçasaraylı Tekstil Sanayi ve Ticaret Ltd. Şti.	28,396	7,076
Akçamen Tekstil Sanayi Ticaret A.Ş.	6,781	-
Akça Solar Enerji Üretim Sanayi ve Ticaret A.Ş.	115,472	-
	1,923,054	**1,851,269**

For the period 01.01.-31.12.2013, EUR and CHF non-trade payables to related parties has been used 6.89% interest rate.

For the period 01.01.-20.06.2013, TRY non-trade payables to related parties has been used 13.75% interest rate, for the period 21.06.-26.12.2013 it has been used 11% interest rate and for the period 27.12.-31.12.2013 it has been used 11.75% interest rate. (01.01.-19.06.2012: 17.75%, 20.06.2012-19.12.2012: 16.5%, 20.12.2012-31.12.2012:).

NOTE 7 – TRADE RECEIVABLES AND TRADE PAYABLES

Short Term Trade Receivables

	31.12.2013	31.12.2012	31.12.2011
Trade receivables	62,922,498	50,489,969	49,869,525
Unearned interest on trade receivables	(416,727)	(316,980)	(203,251)
Doubtful trade receivables	251,802	212,837	280,552
Provision for doubtful receivables (-)	(251,802)	(212,837)	(280,552)
Income Accruals	2,440,338	-	-
Trade Receivables From Third Parties	**64,946,109**	**50,172,989**	**49,666,274**
Receivables from related parties (Note 6-i-a)	90,825	1,258	617,666
Receivables from related parties (Note 6-i-a)	207,572	275,612	242,011
Unearned interests on receivables from related parties	(764)	-	(16,369)
Trade Receivables From Related Parties	**297,633**	**276,870**	**843,308**
Total Short-Term Trade Receivables	**65,243,742**	**50,449,859**	**50,509,582**

As of 31 December 2013, 2012 and 2011, Group has TRY 950,000 guarantee given as a provision for receivables.

Maturity schedule of notes receivable as of 31 December 2013, 2012 and 2011 are as following:

	31.12.2013	31.12.2012	31.12.2011
Overdue	-	-	31,706
1-30 days	67,623	118,871	65,103
31-60 days	75,949	77,500	69,817
61-90 days	-	79,241	75,385
121-150 days	32,000	-	
151-180 days	32,000	-	
	207,572	**275,612**	**242,011**

As of 31 December 2013, 2012 and 2011, movement of provision for doubtful receivables is as following:

	31.12.2013	31.12.2012	31.12.2011
Opening balance	212,837	280,552	275,854
Collection within the period	-	(80,935)	-
Provision for the period	38,965	13,220	4,698
Closing Balance	**251,802**	**212,837**	**280,552**

Short Term Trade Payables

	31.12.2013	31.12.2012	31.12.2011
Trade payables	63,806,934	44,503,790	20,898,606
Unearned interests on trade payables	(816,370)	(322,795)	(335,135)
Notes payable	7,878,600	7,683,416	3,015,680
Unearned interests on note payables	(71,779)	(56,569)	(37,810)
Expense accruals	26,899	33,969	35,158
Trade Payables From Third Parties	**70,824,284**	**51,841,811**	**23,576,499**
Due to related parties (Note 6-i-b)	754,547	8,553,337	6,331,834
Unearned interests on notes payables to related parties (Not 6-i-b)	(5,958)	(13,254)	(111,154)
Trade Payables to Related Parties	**748,589**	**8,540,083**	**6,220,680**
Total Short-Term Trade Payables	**71,572,873**	**60,381,894**	**29,797,179**

As of 31.12.2013, bank has given guarantees for trade payables of the Group of USD 1,366,619 (TRY 2,916,775) and EUR 854,908 (TRY 2,510,437). (31.12.2012: USD 3,518,511 (TRY 6,272,097) and EUR 646,313 (TRY 1,519,935), 31.12.2011: USD 1,049,337 (TRY 1,982,093) and EUR 536,363 (TRY 1,310,764)).

As of 31.12.2013, 2012 ve 2011, maturity breakdown of notes payables are as following:

	31.12.2013	31.12.2012	31.12.2011
1 – 30 days	3,865,129	2,994,867	2,019,728
31 – 60 days	2,705,307	2,119,386	585,610
61 – 90 days	1,308,164	2,569,163	191,234
91 – 120 days	-	-	172,122
121 – 150 days	-	-	46,986
	7,878,600	**7,683,416**	**3,015,680**

Long Term Trade Payables

	31.12.2013	31.12.2012	31.12.2011
Trade payables	-	-	60,240
	-	**-**	**60,240**

NOTE 8 – FINANCIAL BORROWINGS

	31.12.2013	31.12.2012	31.12.2011
Short term financial borrowings:			
TRY borrowings	719,189	502,921	17,302
USD borrowings	130,676,921	65,127,317	64,973,504
EUR borrowings	38,894,841	11,064,495	11,117,681
GBP borrowings	1,305,089	1,041,873	400,246
Accrued interest of short term financial borrowings:			
USD accrued interest of financial borrowings	401,926	457,614	121,278
EUR accrued interest of financial borrowings	175,489	4,897	2,632
GBP accrued interest of financial borrowings	-	-	42
Short term financial borrowings	**172,173,455**	**78,199,117**	**76,632,685**
Current installments of long-term borrowings:			
Lease Payables:			
USD lease payables, net	209,318	-	-
EUR lease payables, net	4,983,654	39,215	197,801
Borrowings:			
TRY borrowings	-	1,000,000	-
USD borrowings	10,278,181	7,244,849	4,818,049
EUR borrowings	5,322,109	1,090,593	1,825,555
Accrued interest of long term financial borrowings:			
TRY accrued interest of financial borrowings	-	54,861	4,028
USD accrued interest of financial borrowings	20,887	17,354	32,471
EUR accrued interest of financial borrowings	157,135	44,245	16,034
Current installments of long-term borrowings	**20,971,284**	**9,491,117**	**6,893,938**
Long term lease payables:			
USD lease payables, net	258,207	-	-
EUR lease payables, net	14,548,613	13,584	54,869
Long term borrowings:			
TRY borrowings	-	-	1,000,000
USD borrowings	6,385,373	2,697,940	4,818,051
EUR borrowings	19,866,237	10,250,705	-
Long term financial borrowings	**41,058,430**	**12,962,229**	**5,872,920**
Total financial liabilities	**234,203,169**	**100,652,463**	**89,399,543**

As of 31.12.2013, 2012 ve 2011, maturity analyses of borrowings and other financial borrowings are as following:

	31.12.2013	31.12.2012	31.12.2011
Within 3 month	90,030,154	46,639,167	42,730,423
Between 3 - 12 month	97,166,176	40,432,881	40,421,914
Between 1 – 5 year	26,251,610	12,948,645	5,818,051
	213,447,940	**100,020,693**	**88,970,388**

As of 31.12.2013, 2012 ve 2011, maturity schedule of long term bank borrowings are as following:

	31.12.2013	31.12.2012	31.12.2011
Payables within 1-2 years	11,707,482	4,975,876	4,818,051
Payables within 2-3 years	5,322,109	2,277,934	1,000,000
Payables within 3-4 years	5,322,109	2,277,934	-
Payables within 4-5 years	3,899,910	2,277,934	-
Payables within 5-6 years	-	1,138,967	-
	26,251,610	**12,948,645**	**5,818,051**

As of 31.12.2013, USD, EUR and GBP bank loans, effective interest rates are 2.64%, 3.74% and 3.80%. (31.12.2012: TRY-5%, USD-3.46%, EUR-3.25% and GBP-4.44%, 31.12.2011: USD-3.31%, EUR-4.87% and GBP-3.81%).

As of 31.12.2013, the blockage's amount on the bank deposits of the Group is USD 3,900,000 (TRY 8,323,770) for the borrowings are taken from Şekerbank T.A.Ş. (31.12.2012: USD 3,995,000 (TRY 7,121,487, 31.12.2011: USD 4,435,000 (TRY 8,377,272)).

Total amount of mortgage on lands and buildings for fixed assets of the Group given to financial institutions is USD 156,200,000 (TRY 333,377,660), EUR 5,140,426 (TRY 15,094,861) and TRY 73,170,000.

As of 31.12.2013, 31.12.2012 ve 2011, details of financial leasing borrowings of group are as follows

	31.12.2013	31.12.2012	31.12.2011
Short term lease payables	5,949,073	41,454	208,070
Cost of deferred short term lease payables (-)	(756,101)	(2,239)	(10,269)
	5,192,972	**39,215**	**197,801**
Long term lease payables	15,897,372	13,949	57,574
Cost of deferred lease payables (-)	(1,090,552)	(365)	(2,705)
	14,806,820	**13,584**	**54,869**

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

	Liabilities from financial leasing transactions	Cost of deferred lease payables	Total liabilities
Payables within 0 – 1 years	5,949,073	(756,101)	5,192,972
Payables within 1 – 2 years	5,303,713	(531,534)	4,772,179
Payables within 2 – 3 years	4,444,791	(341,764)	4,103,027
Payables within 3 – 4 years	4,091,573	(177,113)	3,914,460
Payables within 4 – 5 years	1,963,601	(39,186)	1,924,415
Payables within 5 – 6 years	93,694	(955)	92,739
	21,846,445	**(1,846,653)**	**19,999,792**

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	41,454	(2,239)	39,215
Payables within 1 – 2 years	13,749	(165)	13,584
Payables within 2 – 3 years	200	(200)	-
	55,403	**(2,604)**	**52,799**

Maturity schedule of repayment of finance lease payables as of 31 December 2011 are as following:

	Liabilities from financial leasing transactions	Cost of deferred lease payables	Total liabilities
Payables within 0 – 1 years	208,070	(10,269)	197,801
Payables within 1 – 2 years	43,077	(2,326)	40,751
Payables within 2 – 3 years	14,290	(172)	14,118
Payables within 3 – 4 years	207	(207)	-
	265,644	**(12,974)**	**252,670**

NOTE 9 – OTHER RECEIVABLES AND PAYABLES

Other Current Receivables

	31.12.2013	31.12.2012	31.12.2011
Deposit and guarantees given	250,918	271,758	177,992
VAT return receivables	4,249,319	2,221,382	1,656,060
Sundry debtors(*)	2,922,042	2,340,121	2,436,167
Other Receivables from Related parties	**7,422,279**	**4,833,261**	**4,270,219**
Due from shareholders (Note 6-i-c)	37,962,308	34,687,876	58,608,870
Due from related parties (Note 6-i-d)	39,169,464	11,622,806	1,012,036
Other Receivables from Other parties	**77,131,772**	**46,310,682**	**59,620,906**
	84,554,051	**51,143,943**	**63,891,125**

(*) Amount in other sundry receivables are comprised of receivables from tax offices, customs administration and subcontractor related to Menderes Bulgaria Ltd. (31.12.2012: TRY 2,340,121, 2011: TRY 2,431,767)

As of 31 December 2013, non-trade receivables from related companies comprise 20.22% of total current assets and 12.07% of total assets. (It composes 17.31% of the total current assets and 10.06% of total assets as of 31 December 2012 and 22.73% of the total current assets and 13.40% of total assets as of 31 December 2011).

Other Non Current Payables

	31.12.2013	31.12.2012	31.12.2011
Deposits given and guarantees	14,694	14,694	17,121
	14,694	**14,694**	**17,121**

Other Current Payables

Other Current Payables	**31.12.2013**	**31.12.2012**	**31.12.2011**
Advances received and guarantees	6,000	6,000	6,000
Taxes and funds payable	991,018	904,845	670,518
Under Law no 6111 increase in provision of tax base	-	294	466,694
Sundry debtors	1,949	1,949	1,945
Other Payables from third parties	**998,967**	**913,088**	**1,145,157**
Due to shareholders (Note 37-i-e)	698,391	9,190,661	11,108,080
Due to related parties (Note 37-i-f)	528,896	-	-
Other Payables from related parties	**1,227,287**	**9,190,661**	**11,108,080**
	2,226,254	**10,103,749**	**12,253,237**

NOTE 10 – DERRIVATIVE INSTRUMENTS

	31.12.2013	**31.12.2012**	**31.12.2011**
Income accrual of forward exchange	696,738	430,928	-
	696,738	**430,928**	**-**

	31.12.2013	**31.12.2012**	**31.12.2011**
Expense accrual of forward exchange	6,164,062	352,055	-
	6,164,062	**352,055**	**-**

NOTE 11 – INVENTORIES

	31.12.2013	31.12.2012	31.12.2011
Raw materials	69,988,059	57,138,657	69,706,961
Work in progress	41,578,636	40,051,875	30,479,559
Finished goods	28,629,984	11,551,256	5,764,938
Merchandises	226,208	255,339	449,349
Other Inventories	563,999	492,628	226,920
	140,986,886	**109,489,755**	**106,627,727**

The Group's inventories were insured.

NOTE 12 – BIOLOGICAL ASSETS

Current biological assets

	31.12.2013	31.12.2012	31.12.2011
Biological assets (tomato)	3,778,127	1,142,494	2,183,274
	3,778,127	**1,142,494**	**2,183,274**

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.

NOTE 13 – PREPAID EXPENSES AND DEFERRED INCOME

Short term prepaid expenses

	31.12.2013	31.12.2012	31.12.2011
Order Advances Given	3,148,319	1,824,678	1,913,416
Prepaid expenses	507,645	418,460	393,397
	3,655,964	**2,243,138**	**2,306,813**

Long term prepaid expenses

	31.12.2013	31.12.2012	31.12.2011
Advances to purchases tangible assets	2,456,908	174,237	-
Prepaid expenses	144,311	150,678	157,044
	2,601,219	**324,915**	**157,044**

Short term deferred income

	31.12.2013	**31.12.2012**	**31.12.2011**
Advances received	9,547,867	7,261,788	14,204,926
	9,547,867	**7,261,788**	**14,204,926**

NOTE 14 – CURRENT PERIOD TAX INCOME ASSETS

	31.12.2013	**31.12.2012**	**31.12.2011**
Prepaid taxes and funds	5,815,114	1,443,829	9,473,883
	5,815,114	**1,443,829**	**9,473,883**

NOTE 15 – INVESTMENTS VALUED WITH EQUITY PICK-UP METHOD

As of 31.12.2013, 2012 and 2011, 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:

	31.12.2013	**Share (%)**	**31.12.2012**	**Share (%)**	**31.12.2011**	**Share (%)**
Akça Enerji Üretim Dağıtım	2,627,460	20%	866,539	20%	566,844	20%
Menderes Tekstil Pazarlama A.Ş.	10,390,720	45%	9,071,442	45%	8,241,623	45%
Aktur Araç Muayene İstasyon	94,317,255	48%	85,547,814	48%	87,912,571	48%
	107,335,435		**95,485,795**		**96,721,038**	

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.

Per the Material Disclosure announced by the Group at 12 September 2011 that 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, aucted by Alaşehir Belediyesi under the name of "Doğal Mineralli Su/Jeotermal Kökenli Gaz Arama Devri İhalesi". From the date 30 November 2011, company has started drilling operation in accordance with the contract. Drilling operations of two wells have been completed and 12 Mw electricity production capacity is available, drilling operations of third well has also been started. Totally 8 wells are planned to operate within the exploration licenses. After fourth well is drilled and first two wells are reached to operate properly, the turbine installation process will be started.

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 license of numbered 5686 "Doğal Mineralli Sular Kaynağı Arama".

Akça Enerji Otoprodüktör Group A.Ş., which is started in 17.02.2012, as a result of drilling operations, Drilling of two wells have been completed. As a result, the following data was obtained from MTA measurements. Maximum tempeture is 251,53 degree celcius in 2965 meter When AK-1 well is static condition, those AK-3 well is maximum water production capacity 518 tones/hour, maximum static temperature 131,98 degree celcius in 2437 meter but it is maximum dynamic temperature 132,7 degree celcius during production. Maximum static temperature 148,76 degrees celcius in 2,630 meter at AK-6 well, with Statik pressure is 249,82 bar. Measurement result of two wells can be produced up to 5MW capacity. AK-2 Well drilled down to 3011 m depth and the measurement results are expected from MTA. Since February 2014, AK-4 continue its drilling at 2900 m. Drilling work is continuing at AK-4 and AK-5 wells.

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 December 2013, 2012 and 2011 are as following:

	31.12.2013	**31.12.2012**	**31.12.2011**
Current Assets	12,326,427	3,496,275	74,674
Non-current Assets	44,992,402	31,216,669	8,397,955
Total Assets	**57,318,829**	**34,712,944**	**8,472,629**
Current liabilities	43,910,762	30,069,805	4,698,920
Non-current liabilities	270,769	310,442	939,491
Shareholders' equity	13,137,298	4,332,697	2,834,218
Total Equities	**57,318,829**	**34,712,944**	**8,472,629**
Sales, net	387,145	85,823	64,799
Cost of sales	(305,140)	(70,341)	(208,777)
Net profit / (loss)	(7,192,449)	1,498,479	(6,846,708)

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 December 2013, 2012 and 2011 are as following:

	31.12.2013	**31.12.2012**	**31.12.2011**
Current Assets	17,817,243	15,789,992	17,275,358
Non-current Assets	8,951,929	5,166,250	2,154,396
Total Assets	**26,769,172**	**20,956,242**	**19,429,754**
Current liabilities	3,584,995	690,545	1,023,295
Non-current liabilities	93,689	106,936	91,742
Shareholders' equity	23,090,488	20,158,761	18,314,717
Total Equities	**26,769,172**	**20,956,242**	**19,429,754**
Sales, net	68,818,290	54,661,428	46,600,467
Cost of sales	(64,342,819)	(51,937,046)	(43,623,685)
Net profit / (loss)	2,943,709	1,844,044	2,494,093

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, at 20 established and 4 mobile vehicle inspection stations in Aydın, Denizli, İzmir and Manisa for 20 years. License rights started in 2008 and will continue until 2028.

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 December 2013, 2012 and 2011 are as following:

	31.12.2013	**31.12.2012**	**31.12.2011**
Current Assets	40,658,792	24,446,261	25,939,751
Non-current Assets	302,442,448	305,264,932	347,916,488
Total Assets	**343,101,240**	**329,711,193**	**373,856,239**
Current liabilities	29,282,961	24,779,219	32,161,914
Non-current liabilities	117,323,998	126,707,362	158,543,136
Shareholders' Equity	196,494,281	178,224,612	183,151,189
Total Equities	**343,101,240**	**329,711,193**	**373,856,239**
Sales, net	186,256,433	157,647,111	141,502,381
Cost of sales, net	(156,873,508)	(134,808,006)	(122,322,646)
Net profit / (loss)	32,480,159	9,171,355	20,899,003

In the period of 01 January - 31 December 2013, net profit from investments subject to equity pick-up method is TRY (8,649,640)

	Cost	%	Restated Shareholders' Equity	Restated Participation Amount	Difference
Menderes Tekstil Pazarlama A.Ş.	5,725,502	45	23,090,488	10,390,720	4,665,218
Akça Enerji Üretim Otoprodüktör Grubu A.Ş.	5,601,507	20	13,137,298	2,627,460	(2,974,047)
Aktur Araç Muayene İstasyonları İşlet. A.Ş.	105,132,000	48	196,494,281	94,317,255	(10,814,745)
	116,459,009		**232,722,067**	**107,335,435**	**(9,123,574)**

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

	Cost	%	Restated Shareholders' Equity	Restated Participation Amount	Difference
Menderes Tekstil Pazarlama A.Ş.	5,725,502	45	20,158,761	9,071,442	3,345,940
Enerji Üretim Otoprodüktör Grubu A.Ş.	2,401,507	20	4,332,697	866,539	(1,534,968)
Aktur Araç Muayene İstasyonları İşlet. A.Ş.	105,132,000	48	178,224,612	85,547,814	(19,584,186)
	113,259,009		**202,716,070**	**95,485,795**	**(17,773,214)**

In the period of 01 January - 31 December 2011, net profit from investments subject to equity pick-up method is TRY 3,017,516.

	Cost	%	Restated Shareholders' Equity	Restated Participation Amount	Difference
Menderes Tekstil Pazarlama A.Ş.	438,002	45	18,314,717	8,241,623	7,803,621
Akça Enerji Üretim Otoprodüktör Grubu A.Ş.	45,507	20	2,834,218	566,844	521,337
Aktur Araç Muayene İstasyonları İşlet. A.Ş.	105,132,000	48	183,151,189	87,912,571	(17,219,429)
	105,615,509		**204,300,124**	**96,721,038**	**(8,894,471)**

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 11,399,627 (31 December 2012: TRY 13,091,379, 31 December 2011: TRY 14,783,130) 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 (10,814,745) (31 December 2012: TRY (19,584,186), 31 December 2011: TRY (17,219,429) in consolidation.

NOTE 16 – TANGIBLE FIXES ASSETS

Cost	Land and land improvements	Buildings	Property, plant and equipment	Vehicles	Fixtures and fittings	Construction in progress	Total
01 January 2011 Opening balance	**10,459,750**	**49,335,758**	**196,089,000**	**1,523,950**	**5,754,712**	**180,084**	**263,343,254**
Additions	482,838	24,504	1,714,477	108,944	301,129	81,381	2,713,273
Disposals	-	-	-	(420,488)	-	-	(420,488)
Transfers	261,465	-	-	-	-	(261,465)	-
31 December 2011 closing 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	231,718	85,750	25,359,313	812,205	969,211	29,373,484	56,831,681
Disposals	-	-	(10,965,199)	(153,229)	(3,715,380)	-	(14,833,808)
Transfers	16,848,306	4,926,825	21,639,753	-	330,303	(43,745,187)	-
31 December 2013 closing balance	29,600,227	54,896,294	234,973,189	1,858,589	3,879,600	3,006,196	328,214,095
Accumulated depreciation							
01 January 2011 Opening balance	**1,157,973**	**10,993,143**	**157,128,238**	**712,338**	**4,303,049**	**-**	**174,294,741**
Additions	500,773	986,964	10,172,793	156,708	274,352	-	12,091,590
Disposals	-	-	-	(396,988)	-	-	(396,988)
31 December 2011 closing 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	633,673	1,033,222	8,195,772	185,392	389,486	-	10,437,545
Disposals	-	-	(10,039,311)	(153,229)	(3,695,019)	-	(13,887,559)
31 December 2013 closing balance	2,798,638	14,002,790	174,946,788	595,737	1,600,080	-	193,944,033
31.12.2011, Net Book Value	**9,545,307**	**37,380,155**	**30,502,446**	**740,348**	**1,478,440**	**-**	**79,646,696**
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**
31.12.2013, Net Book Value	**26,801,589**	**40,893,504**	**60,026,401**	**1,262,852**	**2,279,520**	**3,006,196**	**134,270,062**

As of 31 December 2013, the depreciation expense of tangible fixed assets for the fiscal period is TRY 10,437,545 (31 December 2012: TRY 11,528,938, 31 December 2011: TRY 12,091,590).

As of 31 December 2013, fixed assets were insured for TRY 146,069,254, USD 344,393 (TRY 735,038), EUR 7,931,080 (TRY 23,289,616). (31 December 2012: TRY 4,042,508 and EUR 59,168,370 (TRY139,146,256).

Total amount of mortgage on lands and buildings for fixed assets of the Group given to financial institutions is USD 156,200,000 (TRY 333,377,600), EUR 5,140,426 (TRY 15,094,861) and TRY 73,170,000.

NOTE 17 – INTANGIBLE ASSETS

Cost	**Rights**	**Research and development expenses**	**Other intangible assets**	**Total**
01 January 2011 Opening	**2,553**	**-**	**383,612**	**386,165**
Additions	167	-	72,465	72,632
31 December 2011 closing 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	-	188,109	83,574	271,683
Disposals	-	(351,432)	(325,363)	(676,795)
31 December 2013 closing balance	27,720	-	297,556	325,276
Accumulated depreciation				
01 January 2011 Opening balance	**861**	**-**	**175,472**	**176,333**
Additions	530	-	46,813	47,343
31 December 2011 closing balance	1,391	-	222,285	223,676
Additions	5,406	2,732	75,682	83,820
31 December 2012 closing balance	6,797	2,732	297,967	307,496
Additions	9,350	-	96,428	105,778
Disposals	-	(2,732)	(251,926)	(254,658)
31 December 2013 closing balance	16,147	-	142,469	158,616
31.12.2011, Net Book Value	**1,329**	**-**	**233,792**	**235,121**
31.12.2012, Net Book Value	**20,923**	**160,591**	**241,378**	**422,892**
31.12.2013, Net Book Value	**11,573**	**-**	**155,087**	**166,660**

As of 31 December 2013, the amortization expense of intangible fixed assets for the fiscal period is TRY 163,126 (31 December 2012: TRY 83,280, 31 December 2011: TRY 47,343)

NOTE 18 – COMMITMENTS

As of 31.12.2013, 2012 and 2011, the Group's guarantee / pledge / mortgage position are as following:

Guarantees, security and mortgage (GSM) given by the Group	**31.12.2013**	**31.12.2012**	**31.12.2011**
A. Total Amount of GSM given on behalf of legal entity	542,344,590	440,700,806	469,282,099
B. Total Amount of GSM given for partnerships which included in full consolidation	11,460	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	None
D. Total Amount of other GSM given	None	None	None
i. Total Amount of GSM given for the Parent Company	211,295,700	176,477,400	190,555,200
ii. Total Amount of GSM Given for Other Group Companies not Included in B and C Clauses	207,167,080	173,029,114	186,831,840
iii. Total Amount of GSM Given for Third Parties not Included in C Clause	None	None	None
Total	**960,818,830**	**790,218,780**	**846,680,599**

31 December 2013, Ratio which is the groups given other GSM's over its equity's is 140%. (31.12.2012: %128, 31.12.2011: %135).

Group has given joint and collective guarantee at most USD 5,565,586 (TRY 11,878,630) 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), 31 December 2011: USD 5,565,586 (TRY 10,512,825)).

The sum of loans granted bail by the Group In favor of relevant institutions is USD 91,500,000 (TRY 195,288,450). (31 December 2012: USD 91,500,000 (TRY 163,107,900), 31 December 2011: USD 91,500,000 (TRY 172,834,350)). Loans Granted bail amount is USD 99,000,000 (TRY 211,295,700) these are from relevant institutions that is the Group is a party related to credit agreements. (31.12.2012: 99,000,000 USD (TRY 176,477,400), 31.12.2011: 99,000,000 USD (TRY 187,001,100)).

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

Details of Mortgage	FX type	FX amount	FX rate	TRY Equivalent
Türkiye Vakıflar Bankası T.A.O	TRY	71,570,000	1.0000	71,570,000
Türkiye Vakıflar Bankası T.A.O	TRY	147,700,000	2.1343	315,236,110
Vakıf Finansal Kiralama Anonim Şirketi	USD	8,500,000	2.1343	18,141,550
Vakıf Finansal Kiralama Anonim Şirketi	EUR	5,140,426	2.9365	15,094,861
Türkiye Finans Katılım Bankası A.Ş.	TRY	1,600,000	1.0000	1,600,000
				421,642,521

Total amount of mortgage on lands and buildings of the company given to financial institutions is USD 156,200,000 (TRY 333,377,660), EUR 5,140,426 (TRY 15,094,861), and TRY 73,170,000.

Guarantee Letters Given	FX type	TRY Equivalent
Electricity suppliers	TRY	1,638,511
Tax office	TRY	190,250
Custom authorities	TRY	4,907,906
Other	TRY	891,504
		7,628,171

Bank Details of Guarantee Letters Given	FX type	TRY Equivalent
Türkiye Vakıflar Bankası T.A.O.	TRY	5,106,879
Türkiye Finans Katılım Bankası A.Ş.	TRY	58,000
Alternatifbank A.Ş.	TRY	604,400
Tekstilbankası A.Ş.	TRY	11,460
ING Bank A.Ş.	TRY	820
Halk Bank A.Ş.	TRY	886,612
Akbank Denizli Ticari Şubesi	TRY	960,000
		7,628,171

General Borrowing Contracts:	FX type	TRY Equivalent
ING Bank A.Ş.	TRY	7,000,000
Finansbank A.Ş.	TRY	13,000,000
Halk Bankası A.Ş.	TRY	250,000
Halk Bankası A.Ş.	TRY	250,000
Halk Bankası A.Ş.	TRY	250,000
Halk Bankası A.Ş.	TRY	250,000
Halk Bankası A.Ş.	TRY	250,000
Halk Bankası A.Ş.	TRY	250,000
Halk Bankası A.Ş.	TRY	10,000,000
Albarakaturk A.Ş.	TRY	15,000,000
		46,500,000

Guarantee Notes Given	Bank name	FX type	FX amount	FX rate	TRY Equivalent
Ekspo Factoring A.Ş.	Şekerbank T.A.Ş.	USD	8,777,000	2.1343	18,732,751
					18,732,751

Guarantee Notes Given	FX type	FX amount	FX rate	TRY Equivalent
Eximbank	USD	370,750	2.1343	791,292
				791,292

Bond	Bank name	FX type	FX amount	FX rate	TRY Equivalent
Türk Eximbank	Türkiye Vakıflar Bankası T.A.O.	USD	10,000,000	2.1343	21,343,000
Türk Eximbank	Denizbank A.Ş.	USD	3,000,000	2.1343	6,402,900
Türk Eximbank	Şekerbank T.A.Ş.	USD	4,500,000	2.1343	9,604,350
Türk Eximbank	Finansbank A.Ş.	USD	2,300,000	2.1343	4,908,890
Türk Eximbank	ING BANK A.Ş.	USD	500,000	2.1343	1,067,150
Türk Eximbank	ABANK	USD	1,000,000	2.1343	2,134,300
Türk Eximbank	Odea Bank	USD	750,000	2.1343	1,600,725
					47,061,315

Guarantee Letters Received	Bank name	FX 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 December 2013, bank has given guarantees for trade payables of USD 1,366,619 (TRY 2,916,775) and EUR 854,908 (TRY 2,510,437) (31.12.2012: USD 3,518,511 (TRY 6,272,097) and EUR 646,313 (TRY 1,519,935), 31.12.2011: USD 1,049,337 (TRY 1,982,093) and EUR 536,363 (TRY 1,310,764).

As of 31 December 2013, Group has deposit blockage amount of USD 3,900,000 (TRY 8,233,770) for bank loans used from Şekerbank T.A.Ş. (31.12.2012: USD 3,995,000 (TRY 7,121,487), 31.12.2011: USD 4,435,000 (TRY 8,377,272)).

NOTE 19 – SHORT TERM PROVISIONS

Other Short Term Provisions

	31.12.2013	31.12.2012	31.12.2011
Provision for the court cases	356,325	46,039	196,381
	356,325	**46,039**	**196,381**

Provisions for employee long term benefits include

	31.12.2013	31.12.2012	31.12.2011
Provision for severance pay	6,392,684	5,667,560	5,038,368
	6,392,684	**5,667,560**	**5,038,368**

For the period 01 January – 31 December 2013, average personnel number including subcontractors employed by the Group is 3,852.

The taken rate of retirement probability is 98%.

For the period ended 31 December 2013, 2012 and 2011, the movement schedule of severance pay provision is as following;

	31.12.2013	31.12.2012	31.12.2011
Balance of 1 January	5,667,560	5,038,368	4,087,007
Increase in the period	3,074,348	2,735,972	3,004,971
Interest cost	306,543	278,618	238,660
Severance pay that are paid in the period	(3,053,313)	(2,523,581)	(2,155,392)
Actuarial profit/(loss)	397,546	138,183	(136,878)
Balance at the end of the period	**6,392,684**	**5,667,560**	**5,038,368**

NOTE 20 – EMPLOYEE BENEFITS DEBTS

	31.12.2013	31.12.2012	31.12.2011
Due to personnel	2,557,956	1,979,293	1,646,946
Social security deductions payable	855,109	632,653	585,408
	3,413,065	**2,611,946**	**2,232,354**

NOTE 21 – OTHER CURRENT / NON-CURRENT ASSETS AND LIABILITIES

Other current assets

	31.12.2013	31.12.2012	31.12.2011
VAT carried forward	11,518,344	7,097,762	3,998,941
	11,518,344	**7,097,762**	**3,998,941**

NOTE 22 – SHARE CAPITAL

22.1 Paid in Capital

As of 31 December 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, 31 December 2011: 225,000,000).

As of 31 December 2013, 2012 and 2011, Group's paid in capital is as following:

	31.12.2013		31.12.2012		31.12.2011	
Shareholders:	**Share (%)**	**TRY**	**Share (%)**	**TRY**	**Share (%)**	**TRY**
Public Offer Shareholders	51.93%	129,828,520	51.93%	129,828,520	51.93%	116,845,668
Akça Holding A.Ş.	45.68%	114,208,053	45.68%	114,208,053	45.68%	102,787,248
Other	2.39%	5,963,427	2.39%	5,963,427	2.39%	5,367,084
Total	**100.00%**	**250,000,000**	**100.00%**	**250,000,000**	**100.00%**	**225,000,000**

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.

In 2012, board of director of the Group has decided to increase their capital from TRY 225,000,000 to TRY 250,000,000 which was increased from retained earnings amounting to TL 8,747,974 and from the profit of 2011 amounting to TL 16,252,026.

22.2 Inflation Adjustment Difference in Shareholder's Equity

	31.12.2013	**31.12.2012**	**31.12.2011**
Inflation adjustment difference in shareholder's equity	485,133	485,133	485,133
	485,133	**485,133**	**485,133**

22.3 Profit / loss again be classified Accumulated Other Comprehensive Income / Expenses

22.3.1 Actuarial Benefit/ (Loss) of the Retirement Plans

	31.12.2013	**31.12.2012**	**31.12.2011**
Actuarial benefit/(loss) of the retirement plans	(319,081)	(1,044)	109,502
	(319,081)	**(1,044)**	**109,502**

22.4 Restricted Reserves Appropriated from Profit

	31.12.2013	31.12.2012	31.12.2011
Legal reserves	8,507,915	8,180,517	5,788,317
	8,507,915	**8,180,517**	**5,788,317**

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.

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.

22.5 Previous Year’s Profit / Loss

In accordance with the communiqué Serial: XI No: 29, effective from 1 January 2008, and its related announcements, “Paid-in Share Capital”, “Restricted Reserves Appropriated from Profit” and “Share Premium” should be presented with statutory amounts. The restatement differences arise during the application of the communiqué should be presented in “Adjustment to Share Capital”, if the difference is resulted from paid-in share capital and not has not added to capital yet; should be presented in “Retained Earnings / Losses”, if the difference is resulted from “Restricted Reserves Appropriated from Profit” and “Share Premium” and has not been subject to profit distribution or has not added to capital yet.

According to the decision dated 30 December 2003 and numbered 66/1630 of Capital Market Board, "Previous Year's Losses" account which arises from first time application of inflation adjustment on financial statements is taken into consideration as deductible item, during the calculation of distributable profit for the inflation adjusted financial statements under the profit distribution principles of the Capital Market Board. Nonetheless, it is also possible to set off "Previous Year's Losses" with the Company's current profit and accumulated profit. The remaining part of prior year' loss is possibly set off extraordinary reserves, legal reserves and inflation effect on shareholder's equity account, respectively.

In accordance with Turkish Commercial Code, legal reserves consist of first and second legal reserves. Until the Company's legal reserve reaches 20% of the nominal paid-up share capital, legal reserves are set aside as the first 5% of net income. The second legal reserve, on 5% of the Company's share capital is divided into 10% of all profits from the distribution. According to the Turkish Commercial Code, legal reserves for distribution unless they exceed 50%, but can be used to offset losses at the point of profit reserves have been exhausted.

22.6 Minority Interest

31 December 2013	Total Shareholders' Equity	Profit/(Loss) of the Period	Parent Company Share	Minoriy Interest	Minority part of Shareholders' Equity	Minority part of Profit/(Loss)
Menderes Bulgaria	(2,583,924)	-	%90	%10	(258,392)	-
Smryna	11,911,935	(370,561)	%79	%21	2,404,454	(77,200)
					2,146,062	

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	

31 December 2011	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	(2,150,382)	-	%90	%10	(215,038)	-
Smryna	11,678,852	921,067	%79	%21	2,624,984	191,889
					2,409,946	

NOTE 23 – SALES AND COST OF SALES

23.1 Sales

	01.01.- 31.12.2013	**01.01.- 31.12.2012**
Domestic sales	102,402,854	108,112,575
Export sales	384,818,567	301,887,277
Other sales	792,428	340,083
	488,013,849	**410,339,935**
Sales returns	(5,692,993)	(617,533)
Sales discounts	(27,156)	-
Sales Income, (net)	**482,293,700**	**409,722,402**

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

	Unit	**01.01.- 31.12.2013**	**01.01.- 31.12.2012**
Yarn	Kg	1,305,048	3,121,100
Raw fabric	M^2	-	33,040
Finished fabric	M^2	23,138,974	19,336,938
Inter facing undercoat	M^2	24,801,286	25,316,698
Cover, pillow, curtain	Unit	18,430,155	14,930,964
Electricity	KWH	1,708,564	1,943,456
Waste cotton	Kg	817,761	302,220
Patch fabric	Kg	4,085,050	3,442,937
Oakum	Kg	1,091,795	930,260
Waste dust	Kg	99,280	172,680
Bunch tomatoes	Kg	2,559,407	1,669,230

23.2 Cost of Sales

	01.01.-31.12.2013	**01.01.-31.12.2012**
Direct material cost	342,298,502	289,453,708
Direct labor cost	61,997,624	49,720,717
General production overheads	12,978,280	10,071,017
Depreciation expenses	8,556,369	10,188,717
Change in semi-finished goods		
1. Beginning inventory (+)	40,051,875	30,479,559
2. Ending inventory (-)	(41,578,636)	(40,051,875)
Cost of finished goods produced	424,304,014	349,861,843
Change in finished goods inventory		
1. Beginning inventory (+)	11,551,256	5,764,938
2. Ending inventory (-)	(28,629,984)	(11,551,256)
Cost of finished goods sold	407,225,286	344,075,525
Cost of merchandise		
1. Beginning Merchandise Inventory (+)	255,339	449,349
2. Purchases During the Period (+)	11,085,687	26,202,113
3. Ending Merchandise Inventory (-)	(226,208)	(255,339)
Cost of merchandise sold	11,114,818	26,396,123
Cost of other service rendered	976,500	845,155
Cost of biological assets	2,575,447	3,648,600
Depreciation of biological assets	774,225	605,525
Cost of sales, net	**422,666,276**	**375,570,928**

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

	Unit	01.01.- 31.12.2013	01.01.- 31.12.2012
Yarn	Kg	10,061,861	11,619,523
Raw fabric	M^2	123,136,024	131,558,429
Finished fabric	M^2	182,531,539	152,721,240
Inter facing undercoat	M^2	25,828,477	26,696,640
Cover, sheet, pillow, curtain	Unit	19,006,903	15,237,254
Electricity	KWH	81,266,377	101,546,384
Waste cotton	Kg	529,971	600,300
Patch fabric	Kg	4,985,961	3,435,435
Oakum	Kg	1,100,279	930,260
Waste dust	Kg	99,280	172,680
Bunch tomatoes	Kg	2,559,407	1,669,230

NOTE 24 – RESEARCH AND DEVELOPMENT EXPENSES, MARKETING, SALES AND DISTRIBUTION EXPENSES AND GENERAL ADMINISTRATIVE EXPENSES

	01.01.- 31.12.2013	01.01.- 31.12.2012
Research and development expenses	352,537	579,316
Marketing, sales and distribution expenses	10,715,740	6,900,811
General administrative expenses	5,701,580	5,331,656
	16,769,857	**12,811,783**

24.1 General administrative expenses:

	01.01.- 31.12.2013	**01.01.- 31.12.2012**
Personnel expenses	94,605	34,346
Insurance expenses	746,673	578,688
Representation and accommodation expenses	137,259	20,438
Communication expenses	123,642	124,200
Rent expenses	198,395	150,636
Education and consultancy expenses	134,535	236,598
General administrative material consumption	254,510	209,256
Capital market expenses	62,500	144,423
Repair and maintenance expenses	87,454	71,655
Traveling expenses	431,883	339,293
Chamber fee expenses	22,135	19,447
Tax and duty expenses	368,148	597,837
Chamber fee expenses	149,744	145,362
Notary and insurance expenses	26,490	12,813
Aid and donation expenses	422,906	158,627
Audit and consulting expenses	268,815	249,175
Electricity expenses	281,664	260,494
Lawsuit provisions	310,286	49,126
Severance pay provision expenses	21,035	788,279
Doubtful receivable provisions	38,965	13,220
Depreciation expenses	1,176,123	798,369
Rent expenses	42,000	-
Other expenses	301,813	329,374
	5,701,580	**5,331,656**

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

24.2 Marketing, sales and distribution expenses:

	01.01.- 31.12.2013	**01.01.- 31.12.2012**
Personnel expenses	2,589,329	2,144,878
Export expenses	7,003,837	3,574,234
Transportation of domestic sale	931,230	935,227
Depreciation expenses	36,606	66,526
Other expenses	154,738	179,946
	10,715,740	**6,900,811**

24.3 Research and development expenses:

	01.01.-31.12.2013	01.01.-31.12.2012
Raw materials and supplies expenses	211,090	441,044
Personnel expenses	59,382	54,797
Depreciation expenses	-	7,621
Other expenses	82,065	75,854
	352,537	**579,316**

NOTE 25 – INCOME/ EXPENSE FROM OTHER OPERATIONS

25.1 Income From Other Operations

	01.01.-31.12.2013	01.01.-31.12.2012
Dividend income from subsidiaries	-	7,643,500
Reversal of unnecessary provision	-	311,428
Foreign exchange gain	6,896,942	2,502,727
Discount income / expenses on trade payables, net	1,211,087	612,238
Prior period income and profit	194,559	99,113
Other income and profit (*)	2,692,338	2,056,943
	10,994,926	**13,225,949**

(*) TRY 1,828,154 of other extraordinary income consist of income from Social Security Institution law no. 4857 and income of agricultural support (31 December 2012: TRY 1,408,105).

25.2 Other operating expenses (-)

	01.01.-31.12.2013	01.01.-31.12.2012
Commissions expenses	(18,781,225)	(15,031,424)
Foreign exchange losses	(2,709,377)	(3,330,202)
Discount income / expenses on trade receivables	(810,109)	(801,079)
Other expenses and losses	(346)	(130,804)
	(22,301,057)	**(19,293,509)**

NOTE 26 – INVESTMENT OPERATING INCOME/(EXPENSE)

26.1 Investment Operating Income

	01.01.-31.12.2013	**01.01.-31.12.2012**
Rent income	259,645	246,861
Profit on sale of fixed assets	563,442	41,511
	823,087	**288,372**

26.2 Investment Operating Expense (-)

	01.01.-31.12.2013	**01.01.-31.12.2012**
Losses on sale of fixed assets	-	(23,181)
	-	**(23,181)**

26.3 Other Operating Income and Profit or Other Operating Expenses and Losses

	01.01.-31.12.2013	**01.01.-31.12.2012**
Shares related with investment valued by the equity method	8,649,640	(8,878,743)
	8,649,640	**(8,878,743)**

NOTE 27 – FINANCIAL INCOME / EXPENSES

27.1 Financial Income

	01.01.-31.12.2013	01.01.-31.12.2012
Interest income	651,475	462,866
Maturity differences due from related parties (6-iii-f)	8,804,848	2,059,815
Foreign exchange income	11,008,715	13,997,248
Foreign exchange gain related parties (6-iii-e)	34,797,518	-
Foreign exchange gains arising from future contract	788,824	2,605,698
	56,051,380	**19,125,627**

27.2 Financial Expenses (-)

	01.01.-31.12.2013	01.01.-31.12.2012
Interest expenses	(5,714,200)	(5,295,484)
Foreign exchange losses	(44,304,818)	(9,867,524)
Foreign exchange losses on related parties (6-iii-g)	(5,100,728)	(14,865,300)
Commission expenses of borrowing	(722,255)	(1,013,111)
Commission expenses of letter of guarantees	(48,178)	(89,815)
Maturity differences expenses on related parties (6-iii-h)	(1,923,054)	(1,851,269)
Foreign exchange losses arising from futures contracts	(8,756,902)	(604,120)
Other financial expenses	(825,384)	(56,575)
	(67,395,519)	**(33,643,198)**

NOTE 28 – TAX ASSETS AND LIABILITIES

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 December 2013 is 20% (2012: 20%)

Permanent tax is calculated and accrued quarterly in Turkey. As of temporary tax periods, the effective corporation tax rate is 20% in 2013 (2012: 20%).

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.

There are some exceptions on Corporation Tax Law. These exceptions that company will possibly utilize are explained as below;

Taxable losses
According to Turkish Tax Legislation, deduction of financial losses which are decelerated on financial statements, are possible to deduct from profit of the company with the condition not exceeding 5 years. However, financial losses are not possible to be set-off from previous year profits. Group has deferred allowable taxable losses from the 2011 for the amount of TRY 12,360,275. Group is allowed to deduct related amount from the tax assessment until the year of 2016.

Issue Premium Exception
The Premium income provided by the disposing of stocks, formed whiles the establishments of Incorporated Companies or while increasing their capital, below their nominal values is an exemption from Corporation tax.

The Real Estate and Subsidiary Share Sales Gain Exemption
The 75 % of income of corporations composed of subsidiary shares, real estates, privilege, and promoter's stock and perpetual bonds are exemptions of Corporation tax. In order to benefit from exemption, the questioned income should be kept in a fund account in liabilities and should not be removed of operation during 5 years. The sale price should be received at the end of the following 2nd calendar year. Corporations getting income from the sale of such kind of values they own, like Stocks and bonds and real estate trading and renting are beyond the scope of exemption.

Investment Allowance Exemptions
Post abolishment of the law numbered 5479, temporary 69 th article is added to Income Tax Legislation related investment allowance.

According to this execution, Income and Corporation Taxpayers;

a. As of 31 December 2005, its existence is subject and the investment allowance amount that was not able to be deducted from 2005 earnings,

b. In the extent of investment incentive certificate which were issued and based on the application before 24 April 2003, ante abolishment of Income Tax Legislation numbered 193 and dated 09 April 2003 and law numbered 4842, in the extent of certificate the commenced investment projects relying on 1, 2, 3, 4, 5 and 6th the article of appendix and the ones commenced after 01 January 2006,

c. In the extent of abolished 19th article of Income Tax Legislation numbered 193, the started investments prior to 01 January 2006, in terms of economical and technical completeness the ones started post the date,

In terms of regulatory provisions effective on 31 December 2005, calculated amounts of exemptions from investment allowances, again in the extent of legal provisions valid on 31 December 2005 (including tax rate related legal provisions) was deducted merely from earnings of 2006, 2007 and 2008. However, with the decision numbered 2006/95, which was taken during the meeting of the Constitutional Court on 15 October 2009, the phrase "... only related to the years 2006, 2007 and 2008…" which was a part of the Temporary Article 69 of the Income Tax Law was cancelled and the cancellation became effective from the date the decision has been published in the Official Gazette on 8 January.2010. According to the decision, the investment incentive amount outstanding that cannot be deducted from 2008 taxable income previously will be deducted from taxable income of the subsequent profitable years.

Regarding the cancellation decision taken by the Constitutional Court, an amendment was made in the 69th article in Income Tax Regulation using the regulation numbered 6009 and dated 23/07/2010. Consequently, in compliance with the cancellation decision of the Constitutional Court, the year limitation has been abolished and investment allowance has been limited to 25% of the profit. Corporate tax ratio of 30% in the previous regulation for the ones who benefit from investment allowance has been decreased to the effective corporate tax with the amendment made (2010: 20%).

Within the frame of the Communiqué "Decision regarding Government Incentive Assistance in Investment" dated 16 July 2009 and numbered 2009/01, newly investing companies are held subject to investment incentives based on the some regions.

Investment incentives and grants are; discount in corporation and income taxes (differs from region to region), provision for the investment, interest support.

Group is qualified for the investment incentives stated above due to the current and future investment expenditures. The investment area is within the 2nd Region according to the law numbered 5520, article 32/A; so the Company is qualified for 55% discount on corporation tax rate, which reduces corporation tax rate to 9% in accordance with Communiqué, 20% of total investment expenditures will be deducted from accrued corporation tax amount in the coming periods.

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.

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:

	31.12.2013		31.12.2012		31.12.2011	
	Cumulative temporary differences	**Deferred tax / (liability)**	**Cumulative temporary differences**	**Deferred tax / (liability)**	**Cumulative temporary differences**	**Deferred tax / (liability)**
Deferred tax assets:						
Rediscount receivables	417,491	83,498	316,980	63,396	219,620	43,924
Severance pay provision	6,392,684	1,278,537	5,667,560	1,133,512	5,038,368	1,007,674
Reversal of capitalized financial expenses	11,034,714	2,206,943	2,537,346	507,469	170,274	34,055
Reversal of capitalized on buildings	2,992,047	149,602	-	-	-	-
Tangible fixed assets (land, building, land improvements and depreciations excluded), net	21,658,162	4,331,632	24,841,344	4,968,269	20,725,133	4,145,027
Tangible fixed assets (land, building, land improvements and depreciations), net	398,131	19,907	363,133	18,157	976,020	48,801
Financial fixes assets	9,123,573	456,179	17,773,213	888,661	8,894,480	444,724
Biological assets cost adjustments	-	-	-	-	108,177	21,635
Provision for the court cases	310,286	62,057	-	-	-	-
Forward	5,467,324	1,093,465	-	-	-	-
Investment allowance	18,770,506	412,951	-	-	-	-
Allowable financial losses	349,432	69,886	-	-	-	-
Other	13,500	2,700	6,760	1,352	6,770	1,354
Deferred tax assets		**10,167,357**		**7,580,816**		**5,747,194**
Deferred tax liabilities:						
Rediscount payables	894,107	178,822	392,623	78,525	484,099	96,820
Foreign exchange	468,432	93,686	573,430	114,686	467,274	93,455
Forward	-	-	78,873	15,775	-	-
Other	42,468	8,492	40,001	8,000	87,222	17,445
Deferred tax liabilities		**281,000**		**216,986**		**207,720**
Deferred tax assets/(liabilities), net		**9,886,357**		**7,363,830**		**5,539,474**

For the period ended 31 December 2013, 2012 and 2011, movements of deferred tax assets and liabilities are as following:

	01.01.- 31.12.2013	**01.01.- 31.12.2012**
Current corporation tax	(6,487,101)	(167,246)
Deferred tax assets/(liabilities), net	2,443,017	1,824,356
	(4,044,084)	**1,657,110**

Deferred Tax (Asset) / Liability Movements:	**01.01.- 31.12.2013**	**01.01.- 31.12.2012**	**01.01.- 31.12.2011**
Opening balance	7,363,830	5,539,474	4,401,276
Deferred tax expense / (income)	2,443,017	1,824,356	1,138,198
Actuarial (gain) / loss effect prior periods	79,510	-	-
Closing balance	**9,886,357**	**7,363,830**	**5,539,474**

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

	01.01.- 31.12.2013	**01.01.- 31.12.2012**
Unaudited profit before tax	31,599,224	6,715,206
Total additions to tax base	6,035,064	3,835,566
Total deductions from tax base	(2,476,039)	(9,714,542)
Unaudited financial profit	35,158,249	836,230
Investment allowances	(4,950,443)	-
Tax base (%20)	30,207,806	836,230
Tax base (%9)	4,950,443	-
Calculated tax (%20)	6,041,561	167,246
Calculated tax (%9)	445,540	-
Total calculated tax	6,487,101	167,246
Tax provision in the income statements	(6,487,101)	(167,246)

For the period 01.01.-31.12.2012, there has been period loss in Smyrna Seracılık Ticaret A.Ş; therefore, this loss is not taken into account in the table below. Tax provision was calculated for Menderes Tekstil Sanayi ve Ticaret A.Ş.

NOTE 29 – EARNINGS PER SHARE

	01.01.- 31.12.2013	**01.01.- 31.12.2012**
Net period profit / (loss)	25,635,940	(6,201,882)
Weighted-average number of shares outstanding (per share with 1 TRY value)	250,000,000	250,000,000
Profit per share (TRY)	**0.1025**	**(0.0248)**

NOTE 30 – FINANCIAL INSTRUMENTS

Financial assets	**31.12.2013**	**31.12.2012**	**31.12.2011**
Cash and cash equivalents	59,971,644	41,140,313	15,818,760
Trade receivables	65,243,742	50,449,859	50,509,582
Financial assets	7,320,577	2,930,267	7,528,761
Financial liabilities			
Borrowings	214,203,377	100,599,664	89,146,873
Lease payables	19,999,792	52,799	252,670
Other payables	2,226,254	10,103,749	12,253,237
Trade payables	71,572,873	60,381,894	29,857,419

NOTE 31 – NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS

Financial Instruments

Credit Risk

Group is subject to credit risk arising from trade receivables related to credit sales and deposits at banks. These risks are managed by limiting the aggregate risk from any individual counterparty and obtaining sufficient collateral where necessary and making only cash based sales to customer considered as having a higher risk. Collect ability of trade receivables are evaluated by management depending on their past experiences and current economic condition, and presented in the financial statements net of adequate doubtful provision.

Group allocated the provision for doubtful receivables if there is objective evidence about the loan/credit will not stay the collection of the possibilities. Moreover, a possible impairment of financial assets are reviewed for the purpose of determining the carrying value and fair value of financial assets and is tested by comparing.

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

	Trade Receivables		Other Receivables			
	Related Party	Third Party	Related Party	Third Party	Related Party	Third Party
Maximum net credit risk as of balance sheet date (A+B+C+D+E)	297,633	64,946,109	77,131,772	7,436,973	59,860,042	
The part of maximum risk under guarantee with collateral	-	-	-	-	-	
A. Net book value of financial assets that are neither past due nor impaired	297,633	64,946,109	77,131,772	4,514,931	59,860,042	
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	-	-	-	2,922,042	-	
The part under guarantee with collateral etc	-	-	-	-	-	
D. Net book value of impaired assets	-	-	-	-	-	
Past due (gross carrying amount)	-	251,802	-	-	-	
Impairment (-)	-	(251,802)	-	-	-	
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 2013, 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	-	2,922,042
	-	**2,922,042**

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

	Trade Receivables		Other Receivables			
	Related Party	**Third Party**	**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	4,847,955	40,946,215	-
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	2,507,834	40,946,215	-
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**

Maximum net credit risk as of 31 December 2011 is as following:

	Trade Receivables		Other Receivables			
	Related Party	**Third Party**	**Related Party**	**Third Party**	**Related Party**	**Third Party**
Maximum net credit risk as of balance sheet date (A+B+C+D+E)	843,308	49,666,274	59,620,906	4,287,340	15,782,012	-
The part of maximum risk under guarantee with collateral	-	-	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	811,602	49,666,274	59,620,906	2,130,711	15,782,012	-
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	31,706	-	-	2,156,629	-	-
The part under guarantee with collateral etc	-	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-	-
Past due (gross carrying amount)	-	280,552	-	-	-	-
Impairment (-)	-	(280,552)	-	-	-	-
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	31,706	-
Overdue 1 – 3 months	-	-
Overdue 3 - 12 months	-	-
Overdue 1 - 5 year	-	2,156,629
	31,706	**2,156,629**

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.

As of 31 December 2013, Group's liquidity risk table is shown below:

Maturities according to agreement	**Book Value**	**Contractual Total cash outflow (=I+II+III)**	**Less than 3 months (I)**	**3 – 12 months (II)**	**1- 5 Years (III)**
Financial Liabilities Non Derivatives	**308,002,296**	**313,675,588**	**161,430,046**	**109,150,868**	**43,094,674**
Financial borrowings	214,203,377	217,163,581	91,068,881	98,888,093	27,206,607
Financial leasing	19,999,792	21,818,773	1,538,131	4,392,575	15,888,067
Trade payables	71,572,873	72,466,980	67,830,067	4,636,913	-
Other liabilities	2,226,254	2,226,254	992,967	1,233,287	-
	308,002,296	**313,675,588**	**161,430,046**	**109,150,868**	**43,094,674**

As of 31 December 2012, Group's liquidity risk table is shown below:

Maturities according to agreement	**Book Value**	**Contractual Total cash outflow (=I+II+III)**	**Less than 3 months (I)**	**3 – 12 months (II)**	**1- 5 Years (III)**
Financial Liabilities Non Derivatives	**171,138,106**	**173,253,522**	**105,799,272**	**52,736,447**	**14,717,803**
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	60,381,894	60,774,511	57,493,591	3,280,920	-
Other liabilities	10,103,749	10,103,455	906,794	9,196,661	-
	171,138,106	**173,253,522**	**105,799,272**	**52,736,447**	**14,717,803**

As of 31 December 2011, Group's liquidity risk table is shown below:

Maturities according to agreement	**Book Value**	**Contractual Total cash outflow (=I+II+III)**	**Less than 3 months (I)**	**3 – 12 months (II)**	**1- 5 Years (III)**
Financial Liabilities Non Derivatives	**131,510,199**	**132,957,070**	**76,950,810**	**50,989,704**	**5,016,556**
Financial borrowings	89,146,873	90,549,765	46,898,290	38,754,514	4,896,961
Financial leasing	252,670	265,645	56,661	151,410	57,574
Trade payables	29,857,419	30,355,113	29,323,392	969,700	62,021
Other liabilities	12,253,237	11,786,547	672,467	11,114,080	-
	131,510,199	**132,957,070**	**76,950,810**	**50,989,704**	**5,016,556**

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 December 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 402, 041.

Foreign Currency Risk

The effects occurring from exchange rate fluctuation, in case of having foreign currency assets, liabilities, off-balance sheet liabilities, are foreign currency risk. Transactions in foreign currencies during the year have been translated at the exchange rate prevailing at dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates prevailing at the balance sheet dates. Foreign exchange gains or losses arising from the settlement of such transactions and from the translation of monetary assets and liabilities are recognized in the statement of profit/loss. Monetary liabilities of the Company exceed monetary assets of the Company; in case of exchange rate rise, the Company is exposed to foreign currency risk.

Foreign Currency Risk Sensitivity

As of 31 December 2013, if TRY evaluates / devaluates against foreign currency by 10% and all other variables remains the same, profit before tax which occurs as a result of the foreign exchange loss / gain arising from net foreign exchange exposure would have been 19,109,983 TL more / less.

	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	(16,588,927)	16,588,927	-	-
2-Part of hedged from USD risk (-)	-	-	-	-
3-USD net effect (1+2)	**(16,588,927)**	**16,588,927**	**-**	**-**
	In the case of increasing / losing value of TRY by 10% against EUR			
4- Euro net asset / liability	(2,644,990)	2,644,990	(775,223)	775,223
5- Part of hedged from Euro risk (-)	-	-	-	-
6-Euro net effect (4+5)	**(2,644,990)**	**2,644,990**	**(775,223)**	**775,223**
	In the case of increasing / losing value of TRY by 10% against GBP			
7- GBP net asset / liability	123,934	(123,934)	-	-
8- Part of hedged from GBP risk (-)	-	-	-	-
9- GBP net effect 7+8)	**123,934**	**(123,934)**	**-**	**-**
TOTAL (3+6+9)	**(19,109,983)**	**19,109,983**	**(775,223)**	**775,223**

As of 31 December 2012, if TRY evaluates / devaluates against foreign currency by 10% and all other variables remains the same, profit before tax which occurs as a result of the foreign exchange loss / gain arising from net foreign exchange exposure would have been TRY 889,953 more / less.

	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 EUR			
4- Euro net asset / liability	(926,312)	926,312	(207,535)	207,535
5- Part of hedged from Euro risk (-)	-	-	-	-
6-Euro net effect (4+5)	**(926,312)**	**926,312**	**(207,535)**	**207,535**
	In the case of increasing / losing value of TRY by 10% against GBP			
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)	**(889,953)**	**889,953**	**(207,535)**	**207,535**

As of 31 December 2011, if TRY evaluates / devaluates against foreign currency by 10% and all other variables remains the same, profit before tax which occurs as a result of the foreign exchange loss / gain arising from net foreign exchange exposure would have been TRY 2,104,975 more / less.

	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	1,889,845	(1,889,845)	-	-
2-Part of hedged from USD risk (-)	-	-	-	-
3-USD net effect (1+2)	**1,889,845**	**(1,889,845)**	**-**	**-**
	In the case of increasing / losing value of TRY by 10% against EUR			
4- Euro net asset / liability	157,706	(157,706)	(215,663)	215,663
5- Part of hedged from Euro risk (-)	-	-	-	-
6-Euro net effect (4+5)	**157,706**	**(157,706)**	**(215,663)**	**215,663**
	In the case of increasing / losing value of TRY by 10% against GBP			
7- GBP net asset / liability	57,424	(57,424)	-	-
8- Part of hedged from GBP risk (-)	-	-	-	-
9- GBP net effect 7+8)	**57,424**	**(57,424)**	**-**	**-**
TOTAL (3+6+9)	**2,104,975**	**(2,104,975)**	**(215,663)**	**215,663**

As of 31 December 2013, amounts of assets and liabilities of the Company in foreign currency are as follows:

	TRY Equivalent (Functional Unit)	USD	EURO	GBP
1. Trade Receivables	46,481,702	5,303,588	11,043,984	777,922
2a. Monetary Financial Assets (including cash and banks)	11,960,787	5,420,267	133,029	476
2b. Non-monetary financial assets	2,766,797	1,068,180	165,837	-
3. Other	29,108,685	-	9,912,714	-
4. Current Assets (1+2+3)	**90,317,971**	**11,792,035**	**21,255,564**	**778,398**
5. Trade Receivables	-	-	-	-
6a. Monetary financial receivables	-	-	-	-
6b. Non-monetary financial assets	180,947	-	61,620	-
7. Other	-	-	-	-
8. Non-Current Assets (5+6+7)	**180,947**	**-**	**61,620**	**-**
9. Total Assets (4+8)	**90,498,918**	**11,792,035**	**21,317,184**	**778,398**
10. Trade Payables	24,768,252	9,362,385	1,629,870	-
11. Financial Liabilities	192,425,550	66,338,954	16,868,119	371,672
12a. Other monetary financial liabilities	22,996,659	10,686,326	-	53,777
12b. Other non-monetary financial liabilities	349,854	16,978	106,800	-
13. Current Liabilities (10+11+12)	**240,540,315**	**86,404,643**	**18,604,789**	**425,449**
14. Trade Payables	-	-	-	-
15. Finansal Liabilities	41,058,430	3,112,768	11,719,683	-
16a. Other monetary financial liabilities	-	-	-	-
16b. Other non-monetary financial liabilities	-	-	-	-
17. Non-Current Liabilities (14+15+16)	**41,058,430**	**3,112,768**	**11,719,683**	**-**
18. Total Liabilities (13+17)	**281,598,745**	**89,517,411**	**30,324,472**	**425,449**
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)	**(191,099,827)**	**(77,725,376)**	**(9,007,288)**	**352,949**
21. Net foreign currency asset / liability position of monetary items (IFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	(222,806,402)	(78,776,578)	(19,040,659)	352,949
22. Fair value of derivative instruments used in foreign currency hedge	-	-	-	-
23. Exports*	377,875,499	198,842,796	-	-
24. Imports*	194,440,020	102,316,761	-	-

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

As of 31 December 2012, amounts of assets and liabilities of the Company in foreign currency are as follows:

	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	86,132,452	40,865,663	5,206,210	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)	**106,402,318**	**50,579,858**	**6,460,734**	**363,994**
14. Trade Payables	-	-	-	-
15. Finansal 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)	**119,364,547**	**52,093,343**	**10,825,360**	**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)	**(8,899,527)**	**(599,842)**	**(3,938,904)**	**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)	(45,040,148)	(20,678,485)	(4,088,375)	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.

As of 31 December 2011, amounts of assets and liabilities of the Company in foreign currency are as follows:

	TRY Equivalent (Functional Unit)	**USD**	**EURO**	**GBP**
1. Trade Receivables	36,397,183	9,900,672	6,842,324	334,087
2a. Monetary Financial Assets (including cash and banks)	22,877,849	11,709,694	310,749	-
2b. Non-monetary financial assets	-	-	-	-
3. Other	58,851,806	31,156,655	-	-
4. Current Assets (1+2+3)	**118,126,838**	**52,767,021**	**7,153,073**	**334,087**
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)	**118,126,838**	**52,767,021**	**7,153,073**	**334,087**
10. Trade Payables	8,638,631	3,181,650	1,075,707	-
11. Financial Liabilities	83,505,293	37,029,649	5,384,933	137,226
12a. Other monetary financial liabilities	-	-	-	-
12b. Other non-monetary financial liabilities	-	-	-	-
13. Current Liabilities (10+11+12)	**92,143,924**	**40,211,299**	**6,460,640**	**137,226**
14. Trade Payables	60,240	-	24,650	-
15. Finansal Liabilities	4,872,920	2,550,717	22,452	-
16a. Other monetary financial liabilities	-	-	-	-
16b. Other non-monetary financial liabilities	-	-	-	-
17. Non-Current Liabilities (14+15+16)	**4,933,160**	**2,550,717**	**47,102**	-
18. Total Liabilities (13+17)	**97,077,084**	**42,762,016**	**6,507,742**	**137,226**
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)	**21,049,754**	**10,005,005**	**645,331**	**196,861**
21. Net foreign currency asset / liability position of monetary items (IFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	(37,802,052)	(21,151,650)	645,331	196,861
22. Fair value of derivative instruments used in foreign currency hedge	-	-	-	-
23. Exports*	308,134,302	184,484,423	-	-
24. Imports*	150,711,932	90,231,322	1,491	-

NOTE 32 – FINANCIAL INSTRUMENTS (STATEMENTS OF FAIR VALUES AND STATEMENTS WITHIN ACCOUNTING ENSURING FINANCIAL RISK)

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and is best evidenced by a quoted market price, if one exists. The estimated fair values of financial instruments have been determined by the Group using available markets information in Turkey and appropriate valuation methodologies. However, judgment is necessarily required to interpret market data to estimate the fair value. Accordingly, the estimates presented here in are not necessarily indicative of the amounts the Group could realize in a current market exchange.

The following methods and assumptions are utilized for the current values of financial instruments which are predictable in practice:
Financial Assets
Monetary assets for which fair value approximates carrying value:

-Balances denominated in foreign currencies are converted at period exchange rates.
-The fair value of certain financial assets carried at cost, including cash and cash equivalents are considered to approximate their respective carrying amounts in the financial statements.
-The carrying value of trade receivables, net of allowances for possible non-recovery of uncollectible are considered to approximate their fair values.

Financial Liabilities
Monetary liabilities for which fair value approximates carrying value:

-The fair value of short-term bank loans and other monetary liabilities are considered to approximate their respective carrying values due to their short-term nature.
-The fair values of long-term bank borrowings, which are denominated in foreign currencies and converted at period exchange rates, are considered to approximate their carrying values.
-The carrying amount of accounts payable and accrued expenses reported in the financial statements for estimated third party payer settlements approximates its fair values.

Capital Risk Management
In capital management, the Group aims at enhancing profitability while keeping a reasonable leverage, on the other hand rendering sustainability in its operations.

The Company follows capital by using debt to equity ratio. This rate is found by dividing net debt to total equity. Net debt is calculated by deducting cash and cash equivalents from total payable amount (as shown in balance sheet, trade and other payables and loans). Total capital, as shown in balance sheet, is calculated by adding up equity and net debt.

As of 31 December 2013 and 31 December 2012 net debt / total equity ratio is as follows:

	31.12.2013	**31.12.2012**	**31.12.2011**
Total debts	340,644,400	187,461,726	166,048,730
Less: Liquid assets	(59,971,644)	(41,140,313)	(15,818,760)
Net debt	280,672,756	146,321,413	150,229,970
Total equity	297,452,214	272,701,849	278,814,350
Total capital	578,124,970	419,023,262	429,044,320
Net Debt/Total Equity ratio	49%	35%	35%

NOTE 33 – OTHER ISSUES AFFECTING THE CONSOLIDATED FINANCIAL STATEMENTS SIGNIFICANTLY OR REQUIRED TO BE DISCLOSED FOR CLEAR, UNDERSTANDABLE AND INTERPRETALE 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, prouction 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.

Per the Material Disclosure announced by the Group at 12 September 2011 that 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, aucted by Alaşehir Belediyesi under the name of "Doğal Mineralli Su/Jeotermal Kökenli Gaz Arama Devri İhalesi". From the date 30 November 2011, company has started drilling operation in accordance with the contract. Drilling operations of two wells have been completed and 12 Mw electricity production capacity is available, drilling operations of third well has also been started. Totally 8 wells are planned to operate within the exploration licenses. After fourth well is drilled and first two wells are reached to operate properly, the turbine installation process will be started.

Per the material Disclosure announced by the Group as of 17 February 2012 that Akça Enerji Otoprodüktör Grubu A.Ş. has started drilling in the area addressed in Denizli / Sarayköy, Tosunlar Beldesi according to the license of "Doğal Mineralli Sular Kaynağı Arama", numbered 5686.

An agreement was reached between Akça Enerji Üretim Otoprodüktör Grubu A.Ş and Exergy SPA firm for 3,950,000 EUR to build a jeothermal power plant for the two wells whose drilling was finished in Tosunlar Town, Sarayköy county, in Denizli City which will produce 3.288 Kwe electricity per year.

Akça Enerji Otoprodüktör Group A.Ş., which is started in 17.02.2012, as a result of drilling operations, Drilling of two wells have been completed. As a result, the following data was obtained from MTA measurements. Maximum tempeture is 251,53 degree celcius in 2965 meter When AK-1 well is static condition, those AK-3 well is maximum water production capacity 518 tones/hour, maximum static temperature 131,98 degree celcius in 2437 meter but it is maximum dynamic temperature 132,7 degree celcius during production. Maximum static temperature 148,76 degrees celcius in 2,630 meter at AK-6 well, with Statik pressure is 249,82 bar. Measurement result of two wells can be produced up to 5MW capacity. AK-2 Well drilled down to 3011 m depth and the measurement results are expected from MTA. Since February 2014, AK-4 continue its drilling at 2900 m. Drilling work is continuing at AK-4 and AK-5 wells.

The Premises of Administration is planned to be built, with 1,400m2 area of usage and planned as two floors excluding basement floor, at Fatih Mahallesi 203 Sokak No:11 Sarnıç Gaziemir/İzmir with the latest technology. The Premises, with meeting and education rooms, is planned exactly to meet companies logistics needs and staff's educational needs. Excavation works has started, and is planned to end in July 2014. The expected total cost of the building is TL 850,000.

A Trademark Lease contract was made between Menderes Tekstil San. and Tic. A.Ş. and Akça Saraylı Tekstil San. ve Tic. Ltd. Şti. With this contract signed, Akça Saraylı Tekstil San. ve Tic. Ltd.Şti. is obliged to pay 2% of its annual net sales to Menderes Tekstil San. ve Tic. A.Ş. as a leasing fee. Consequently, Akça Saraylı Tekstil San. ve Tic. Ltd. Şti. leased the trademarks of mendereshome store-menderesstore-menderestore.