Ekspo Faktoring Anonim Şirketi

Financial Statements
31 December 2007
With Independent Auditors' Report Thereon

Akis Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik
Anonim Şirketi

29 February 2008

This report includes 1 page of independent auditors' report and 27 pages of financial statements together with its explanatory notes.

Ekspo Faktoring Anonim Şirketi

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Independent Auditors' Report

To the Board of Directors of
Ekspo Faktoring Anonim Şirketi

Report on the financial statements
We have audited the accompanying financial statements of Ekspo Faktoring Anonim Şirketi ("the Company"), which comprise the balance sheet as at 31 December 2007, and the income statement, and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting principles 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.

Opinion
In our opinion, the accompanying financial statements give a true and fair view of the financial position of the the Company as at 31 December 2007, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

29 February 2008
İstanbul, Turkey

KPMG Akis Bağımsız Denetim ve SMMM AŞ

Ekspo Faktoring Anonim Şirketi

Income Statement

For the Year Ended 31 December 2007

(Currency: New Turkish Lira ("YTL") unless otherwise stated)

	Notes	Year ended 31 December 2007	Year ended 31 December 2006
Factoring interest income		26,996,225	25,654,071
Factoring commission income, net		6,049,834	4,647,477
Income from factoring operations, net		**33,046,059**	**30,301,548**
Interest expense on bank borrowings		(11,812,486)	(11,955,330)
Foreign exchange gains/(losses), net		517,162	(883,264)
Recoveries of/(provision for) impaired factoring receivables	*8*	(881,645)	465,756
Income after interest expense, foreign exchange losses and recoveries of/(provision for) impaired factoring receivables		**20,869,090**	**17,928,710**
Other operating income		47,739	32,086
Operating profit		**20,916,829**	**17,960,796**
Salaries and employee benefits		(3,921,653)	(3,432,545)
Administrative expenses	*5*	(1,389,416)	(1,514,172)
Depreciation and amortisation expenses	*10,11,12*	(322,099)	(280,301)
Operating expenses		**(5,633,168)**	**(5,227,018)**
Profit before income taxes		**15,283,661**	**12,733,778**
Income tax expense	*6*	(3,079,436)	(2,565,254)
Net profit for the year		**12,204,225**	**10,168,524**

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

Ekspo Faktoring Anonim Şirketi

Balance Sheet

As at 31 December 2007

(Currency: New Turkish Lira ("YTL") unless otherwise stated)

	Notes	31 December 2007	31 December 2006
Assets			
Cash and cash equivalents	7	253,045	506,288
Factoring receivables	8	224,141,545	188,612,058
Other assets	9	127,687	105,567
Investment property	10	774,899	791,534
Property and equipment	11	1,314,040	1,416,642
Intangible assets	12	14,321	20,929
Total assets		**226,625,537**	**191,453,018**
Equity			
Share capital	17	32,500,000	25,000,000
Adjustment to share capital	17	279,326	279,326
Total share capital		32,779,326	25,279,326
Retained earnings	17	2,615,494	1,826,731
Net profit for the year		12,204,225	10,168,524
Total shareholders' equity		**47,599,045**	**37,274,581**
Liabilities			
Bank borrowings	13	75,947,810	86,559,598
Factoring payables	14	101,806,486	66,162,319
Other liabilities	15	527,054	563,688
Income taxes payable	6	601,706	786,679
Deferred tax liabilities	6	49,201	45,860
Reserve for employee severance payments	16	94,235	60,293
Total liabilities		**179,026,492**	**154,178,437**
Total equity and liabilities		**226,625,537**	**191,453,018**
Commitments and contingencies	19		

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

Ekspo Faktoring Anonim Şirketi
Statement of Cash Flows
For the Year Ended 31 December 2007
(Currency: New Turkish Lira ("YTL") unless otherwise stated)

	Notes	Year ended 31 December 2007	Year ended 31 December 2006
Cash Flows From Operating Activities:			
Net profit for the year		12,204,225	10,168,524
Components of net profit not generating or using cash			
Depreciation	*10, 11*	315,491	275,410
Amortisation	*12*	6,608	4,891
Provision for employee severance payments	*16*	58,447	48
Changes in unearned factoring interest income	*8*	(217,557)	(105,539)
Changes in factoring interest income accruals		(221,648)	(92,754)
Provision for deferred and income taxes	*6*	3,079,436	2,565,254
Provision for bad and doubtful factoring receivables	*8*	1,018,820	333,046
Interest expense/income accrual		(506,784)	478,269
Changes in operating assets and liabilities			
Factoring receivables, payables		(602,110)	(32,490,587)
Other assets		(22,120)	(46,383)
Other liabilities		(823,313)	(807,404)
Employee severance paid	*16*	(24,505)	(11,861)
Taxes paid	*6*	(2,474,389)	(1,776,007)
Proceeds from recoveries of bad and doubtful factoring receivables	*8*	137,175	665,534
Net cash provided by/(used in) operating activities		11,927,776	(20,839,559)
Investing Activities :			
Acquisition of property and equipment	*11*	(196,254)	(493,011)
Acquisition of intangible assets	*12*	-	(11,172)
Net cash used in investing activities		(196,254)	(504,183)
Financing Activities:			
Bank borrowings		(10,105,004)	17,630,381
Dividends paid		(1,879,761)	(1,402,313)
Net cash provided by/(used in) financing activities		(11,984,765)	16,228,068
Net decrease in cash and cash equivalents		**(253,243)**	**(5,115,674)**
Cash and cash equivalents at 1 January		**506,288**	**5,621,962**
Cash and cash equivalents at 31 December	*7*	**253,045**	**506,288**

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

Ekspo Faktoring Anonim Şirketi

Notes to the financial statements

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1 Reporting entity

Ekspo Faktoring Anonim Şirketi ("the Company") was incorporated in Turkey to provide factoring services to industrial and commercial firms and registered to Turkish Trade Registry Gazette on 2 June 2000.

The Company operates in both domestic market and in international markets and factors its without recourse type transactions via its correspondent factoring companies abroad. The Company provides domestic, import and export factoring services to industrial and commercial enterprises in Turkey through its head office in Istanbul.

The Company's head office is located at Ayazağa Mahallesi Meydan Sokak Büyükdere Asfaltı Mevkii Spring Giz Plaza B Blok Şişli-İstanbul/Türkiye.

The Company has 34 employees as at 31 December 2007 (2006: 32 employees).

2 Basis of preparation

(a) Statement of compliance

The Company maintains its books of accounts and prepares its statutory financial statements in New Turkish Lira ("YTL") in accordance with the Turkish Uniform Chart of Accounts, the Turkish Commercial Code and Tax Legislation. The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and are based on the statutory records with adjustments and reclassifications for the purpose of fair presentation in accordance with IFRS.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis.

The methods used to measure fair values are discussed further in note 4.

(c) Functional and presentation currency

These financial statements are presented in YTL, which is the Company's functional currency. All financial information presented in YTL is rounded to the nearest digit.

(d) Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

- Note 4 – fair value measurement of financial instruments
- Note 6 – taxation

2 Basis of preparation *(continued)*

- Note 16 –reserve for employee severance payments
- Note 19 –commitments and contingencies

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Accounting in hyperinflationary economies

International Accounting Standard ("IAS") 29, which deals with the effects of inflation in the financial statements, requires that financial statements prepared in the currency of a hyperinflationary economy to be stated in terms of the measuring unit current at the balance sheet date and the corresponding figures for previous periods be restated in the same terms. One characteristic that necessitates the application of IAS 29 is a cumulative three year inflation rate approaching or exceeding 100%.

The cumulative three-year inflation rate in Turkey has been 35.61% at 31 December 2005, based on the Turkish nation-wide wholesale price indices announced by Turkish Statistical Institute. This, together with the sustained positive trend in the quantitative factors such as financial and economical stabilization, decrease in the interest rates and the appreciation of YTL against the US Dollars ("USD"), have been taken into consideration to categorize Turkey as a non-hyperinflationary economy under IAS 29 effective from 1 January 2006. Therefore, IAS 29 has not been applied to the financial statements as of and for the years ended 31 December 2007 and 2006.

(b) Foreign currency transactions

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are converted into YTL at the exchange rates ruling at balance sheet date with the resulting exchange differences recognized in the income statement as foreign exchange gain or loss. Gains and losses arising from foreign currency transactions are reflected in the income statement as realized during the course of the year.

(c) Financial Instruments

(i) Non-derivative financial instruments

Non-derivative financial instruments comprise factoring receivables, other assets, cash and cash equivalents, bank borrowings, factoring payables and other liabilities.

Non-derivative financial instruments are recognised initially at fair value plus any directly attributable transaction costs except as described below. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

A financial instrument is recognised if the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Company's contractual rights to the cash flows from the financial assets expire or if the Company transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Regular way purchases and sales of financial assets are accounted for at trade date, i.e., the date that the Company commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Company's obligations specified in the contract expire or are discharged or cancelled.

3 Significant accounting policies *(continued)*

Cash and cash equivalents

Cash and cash equivalents comprise demand deposits, which are measured at cost.

Accounting for financial income and expenses is discussed in note 3(l).

Factoring receivables and other assets

Factoring receivables are measured at amortised cost less specific allowances for uncollectability and unearned interest income. Specific allowances are made against the carrying amount of factoring receivables and that are identified as being impaired based on regular reviews of outstanding balances to reduce factoring receivables to their recoverable amounts. When a factoring receivable is known to be uncollectible, all the necessary legal procedures have been completed, and the final loss has been determined, receivable is written off immediately. Subsequent to initial recognition, other assets are measured at cost due to their short term nature.

Bank borrowings

Bank borrowings are recognized initially at cost, net of any transaction costs incurred. Subsequent to initial recognition, bank borrowings are stated at amortized cost with any difference between cost and redemption value being recognized in the income statement over the period of the borrowings.

Other

Other assets and liabilities are measured at cost.

(c) Financial Instruments *(continued)*

(ii) Share capital

Ordinary shares

Incremental costs directly attributable to issue of ordinary shares and share options are recognised as a deduction from equity.

Share capital increases pro-rata to existing shareholders are accounted for at par value as approved at the annual meeting of shareholders.

(d) Investment property

Investment property includes a flat owned by the Company which is property held either to earn rental income or for capital appreciation or for both. Investment property accounted using the cost model, less accumulated depreciation, and impairment losses. Depreciation is recognised in the income statement on a straight-line basis over 50 years. The fair value of the investment property is approximated to the net book value of the related property.

(e) Property and equipment

(i) Recognition and measurement

Items of property and equipment acquired before 1 January 2006 are measured at cost restated for the effects of inflation in YTL units current at 31 December 2005 pursuant to IAS 29 less accumulated depreciation and impairment losses. Property and equipment acquired after 31 December 2005 are measured at cost, less accumulated depreciation, and impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset.

3 Significant accounting policies *(continued)*

When parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

(ii) Subsequent costs

The cost of replacing part of an item of property and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property and equipment are recognized in the income statement as incurred.

(iii) Depreciation

Depreciation is recognised in the income statement on a straight-line basis over the estimated useful lives of each part of an item of property and equipment.

The estimated useful lives for the current and comparative periods are as follows:

Furniture and fixtures	5 years
Motor vehicles	5 years

Leasehold improvements are amortized over the periods of the respective leases on a straight-line basis.

(f) Intangible assets

Intangible assets represent computer software licenses and rights. Intangible assets acquired before 1 January 2006 are measured at cost restated for the effects of inflation in YTL units current at 31 December 2005 pursuant to IAS 29, less accumulated amortization, and impairment losses. Intangible assets acquired after 31 December 2005 are measured at cost, less accumulated amortisation, and impairment losses. Amortization is charged to the income statement on a straight-line basis over the estimated useful lives of intangible assets.

(g) Impairment

(i) Financial assets

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in income statement. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost, the reversal is recognized in the income statement to the extent that the impairment loss in respect of a financial asset was not recognized in the previous year.

3 Significant accounting policies *(continued)*

(g) Impairment *(continued)*

(ii) Non-financial assets

The carrying amounts of the non-financial assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For intangible assets that have indefinite lives or that are not yet available for use, recoverable amount is estimated at each balance sheet date.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the income statement.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(h) Employee benefits

(i) Reserve for employee severance payments

In accordance with the existing social legislation in Turkey, the Company is required to make certain lump-sum payments to employees whose employment is terminated due to retirement or for reasons other than resignation or misconduct. Such payments are calculated on the basis of an agreed formula, are subject to certain upper limits and are recognized in the accompanying financial statements as accrued. The reserve has been calculated by estimating the present value of the future obligation of the Company that may arise from the retirement of the employees.

(ii) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A provision is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

3 Significant accounting policies *(continued)*

(i) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(j) Offsetting

Financial assets and liabilities are offset and the net amount is 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 to realize the asset and settle the liability simultaneously.

(k) Related parties

For the purpose of accompanying financial statements, the shareholders, key management personnel and the Board members, and in each case, together with their families and companies controlled by/affiliated with them; and investments are considered and referred to as the related parties.

(l) Revenue and cost recognition

(i) Factoring interest and commission income

Factoring interest and commission income is recognized on the accrual basis.

(ii) Factoring commission expense

Factoring commission charges are recognized on the accrual basis.

(iii) Other income and expenses

Other income and expenses are recognized on the accrual basis.

(iv) Financial income/ (expenses)

Financial income includes foreign exchange gains.

Financial expenses include interest expense on borrowings calculated using the effective interest rate method, foreign exchange losses and other financial expenses.

(m) Income tax

Taxes on income comprise current tax and the change in the deferred taxes. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred income tax is provided, using the balance sheet liability method, on all taxable temporary differences arising between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

(Currency: New Turkish Lira ("YTL") unless otherwise stated)

3 Significant accounting policies *(continued)*

(m) Income tax *(continued)*

Deferred tax liabilities and assets are recognized when it is probable that the future economic benefits resulting from the reversal of taxable temporary differences will flow to or from the Company. Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the deferred tax assets can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Currently enacted tax rates are used to determine deferred taxes on income.

4 Determination of fair values

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and / or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

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.

The estimated fair values of financial instruments have been determined using available market information by the Company, and where it exists, appropriate valuation methodologies. However, judgement is necessary required to interpret market data to determine the estimated fair value. While management has used available market information in estimating the fair values of financial instruments, the market information may not be fully reflective of the value that could be realised in the current circumstances. Management has estimated that the fair value of certain balance sheet instruments is not materially different than their recorded values due to their short nature. These balance sheet instruments include cash and cash equivalents, factoring receivables, factoring payables, bank borrowings and overdrafts, other assets and other liabilities.

As at 31 December, the carrying amounts and fair values of financial instruments are as follows:

	2007		2006	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Cash and cash equivalents	253,045	253,045	506,288	506,288
Factoring receivables	224,141,545	224,141,545	188,612,058	188,612,058
Other assets	127,687	127,687	105,567	105,567
Financial liabilities				
Bank borrowings	75,947,810	75,947,810	86,559,598	86,559,598
Factoring payables	101,806,486	101,806,486	66,162,319	66,162,319
Other liabilities	527,054	527,054	563,688	563,688

(Currency: New Turkish Lira ("YTL") unless otherwise stated)

5 Administrative expenses

For the years ended 31 December, administrative expenses comprised the following:

	2007	2006
Rental expenses	256,341	286,893
Consulting fees	239,411	253,890
Travel expenses	193,872	147,190
Promotion fees	97,968	187,836
Communication expenses	95,513	64,420
Vehicle expenses	70,162	55,976
IT related expenses	55,943	51,153
Repair and maintenance expenses	37,598	23,684
Taxes and duties other than on income	32,954	31,880
Subscription fees	32,636	30,680
Utilities	24,065	24,813
Stationary expenses	22,204	21,762
Others	230,749	333,995
Total	**1,389,416**	**1,514,172**

6 Taxation

At 31 December 2007, corporate income tax is levied at the rate of 20% (31 December 2006: 20%) on the statutory corporate income tax base, which is determined by modifying accounting income for certain exclusions and allowances for tax purposes. There is also a withholding tax levied at a certain rate on the dividends paid and is accrued only at the time of such payments. Some of the deduction rates included in the 15th and 30th articles of the Law no. 5520 on the Corporate Tax , have been redefined according to the cabinet decision numbered 2006/10731, which has been announced at Trade Registry Gazette of 23 July 2006-26237. In this context, withholding tax rate on dividend payments which are made to the companies except those which are settled in Turkey or generate income in Turkey via a business or a regular agent was increased to 15% from 10%.

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

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns within four months following the close of the accounting year to which they relate. Tax returns are open for five years from the beginning of the year that follows the date of filing during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their findings.

In Turkey, the transfer pricing provisions have been stated under the Article 13 of Corporate Tax Law with the heading of "disguised profit distribution via transfer pricing". The General Communiqué on disguised profit distribution via Transfer Pricing, dated 18 November 2007 sets details about implementation.

(Currency: New Turkish Lira ("YTL") unless otherwise stated)

6 Taxation *(continued)*

If a taxpayer enters into transactions regarding sale or purchase of goods and services with related parties, where the prices are not set in accordance with arm's length principle, then related profits are considered to be distributed in a disguised manner through transfer pricing. Such disguised profit distributions through transfer pricing are not accepted as tax deductible for corporate income tax purposes. The reported income tax expense for the years ended 31 December are different than the amounts computed by applying the statutory tax rate to profits before income taxes as shown in the following reconciliation:

	2007		2006	
	Amount	**%**	**Amount**	**%**
Reported profit before income taxes	15,283,661		12,733,778	
Taxes on reported profit per statutory tax rate	(3,056,732)	20.00	(2,546,756)	20.00
Permanent differences:				
Non-deductible expenses	(22,704)	0.14	(33,108)	0.26
Effect of change in tax rate	-	-	14,610	(0.11)
Income tax expense	(3,079,436)	20.14	(2,565,254)	20.15

The income tax expense for the years ended 31 December comprised the following items:

	2007	2006
Current corporation and income taxes	3,076,095	2,562,686
Deferred taxes on taxable temporary differences	3,341	2,568
Taxation charge	3,079,436	2,565,254

In accordance with the related regulation for prepaid taxes on income, advance payments during the year are being deducted from the final tax liability computed over current year operations. Accordingly, the income tax expense is not equal to the final tax liability appearing on the balance sheet.

The taxes payable on income at 31 December comprised the following:

	2007	2006
Taxes on income	3,076,095	2,562,686
Less: Corporation taxes paid in advance	(2,474,389)	(1,776,007)
Income taxes payable	601,706	786,679

Deferred income tax is provided, using the balance sheet liability method, on all taxable temporary differences arising between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes, except for the initial recognition of assets and liabilities which effect neither accounting nor taxable profit.

Deferred tax assets (DTA) and deferred tax liabilities (DTL) at 31 December were attributable to the items detailed in the table below:

	2007		2006	
	Assets	**Liabilities**	**Assets**	**Liabilities**
Bad and doubtful factoring receivables	1,558	-	13,094	-
Reserve for employee severance payments	18,847	-	12,059	-
Property and equipment, and intangible assets	-	69,499	-	68,840
Bank borrowings	-	107	-	2,173
Total DTA and DTL	20,405	69,606	25,153	71,013

(Currency: New Turkish Lira ("YTL") unless otherwise stated)

6 Taxation *(continued)*

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The following amounts at 31 December, determined after appropriate offsetting, are shown in the balance sheet:

	2007			2006		
	Gross	Offsetting	Net	Gross	Offsetting	Net
DTA	20,405	(20,405)	-	25,153	(25,153)	-
DTL	(69,606)	20,405	(49,201)	(71,013)	25,153	(45,860)
DTL, net	(49,201)	-	(49,201)	(45,860)	-	(45,860)

7 Cash and cash equivalents

At 31 December 2007 and 2006, cash and cash equivalents comprised demand deposits at banks. As at 31 December 2007 and 2006, there is no restriction on cash at banks.

8 Factoring receivables

At 31 December, factoring receivables comprised the following:

	2007	2006
Domestic factoring receivables	205,618,487	177,256,071
Export and import factoring receivables	19,766,945	12,817,431
Bad and doubtful factoring receivables	2,561,912	1,680,267
Factoring receivables, gross	227,947,344	191,753,769
Unearned factoring interest income	(1,243,887)	(1,461,444)
Allowance for bad and doubtful factoring receivables	(2,561,912)	(1,680,267)
Factoring receivables	224,141,545	188,612,058

At 31 December, factoring receivables by their current and non-current portions were as follows:

	2007	2006
Short-term factoring receivables	224,124,272	188,612,058
Long-term factoring receivables	17,273	-
	224,141,545	188,612,058

The Company has obtained the following collaterals for its receivables at 31 December:

	2007	2006
Customer notes and cheques obtained as collateral	219,365,553	166,298,319
Mortgages	2,076,120	2,901,500
Total	221,441,673	169,199,819

(Currency: New Turkish Lira ("YTL") unless otherwise stated)

8 Factoring receivables *(continued)*

Movements in the allowance for bad and doubtful factoring receivables during the years ended 31 December was as follows:

	2007	2006
Balance at the beginning of the year	1,680,267	2,146,023
Allowance for the year	1,018,820	333,046
Recoveries of amounts previously provided	(137,175)	(665,534)
Written-off during the year*	-	(133,268)
Balance at the end of the year	2,561,912	1,680,267

* During 2006, the Company has legally ceased from a portion of the factoring receivable from a customer and have written off that amount.

9 Other assets

At 31 December, other assets comprised the following:

	2007	2006
Prepaid expenses	125,940	104,865
Others	1,747	702
	127,687	105,567

Prepaid expenses are related to the prepaid subscription, Banking Regulation and Supervisory Agency ("BRSA") participation fee and, health and vehicle insurance expenses that will be expensed in the subsequent months.

(Currency: New Turkish Lira ("YTL") unless otherwise stated)

10 Investment property

Movement of investment property and related accumulated depreciation during the year ended 31 December 2007 was as follows:

Cost	1 January 2007	Additions	Disposals	31 December 2007
Buildings	831,731	-	-	831,731

Less: Accumulated depreciation	1 January 2007	Current year charge	Disposals	31 December 2007
Buildings	40,197	16,635	-	56,832
Net carrying value	791,534			774,899

Movement of investment property and related accumulated depreciation during the year ended 31 December 2006 was as follows:

Cost	1 January 2006	Additions	Disposals	31 December 2006
Buildings	831,731	-	-	831,731

Less: Accumulated depreciation	1 January 2006	Current year charge	Disposals	31 December 2006
Buildings	23,562	16,635	-	40,197
Net carrying value	808,169			791,534

(Currency: New Turkish Lira ("YTL") unless otherwise stated)

11 Property and equipment

Movement of property and equipment and related accumulated depreciation during the year ended 31 December 2007 was as follows:

	1 January 2007	*Additions*	*Disposals*	*31 December 2007*
Cost				
Motor vehicles	1,039,135	-	-	1,039,135
Furniture and fixtures	428,117	31,394	-	459,511
Leasehold improvements	224,055	97,700	-	321,755
Others	625,528	67,160	-	692,688
Total cost	2,316,835	196,254	-	2,513,089

	1 January 2007	*Current year charge*	*Disposals*	*31 December 2007*
Less: Accumulated depreciation				
Motor vehicles	609,069	175,684	-	784,753
Furniture and fixtures	215,334	70,223	-	285,557
Leasehold improvements	75,790	52,949	-	128,739
Total accumulated depreciation	900,193	298,856	-	1,199,049
Net carrying value	1,416,642			1,314,040

Others comprise paintings and other decorative items which are not depreciated.

Movement of property and equipment and related accumulated depreciation during the year ended 31 December 2006 was as follows:

	1 January 2006	*Additions*	*Disposals*	*31 December 2006*
Cost				
Motor vehicles	893,093	146,042	-	1,039,135
Furniture and fixtures	320,003	108,113	-	428,117
Leasehold improvements	224,055	-	-	224,055
Others	386,672	238,856	-	625,528
Total cost	1,823,823	493,011	-	2,316,835

	1 January 2006	*Current year charge*	*Disposals*	*31 December 2006*
Less: Accumulated depreciation				
Motor vehicles	460,155	148,914	-	609,069
Furniture and fixtures	150,285	65,049	-	215,334
Leasehold improvements	30,978	44,812	-	75,790
Total accumulated depreciation	641,418	258,775	-	900,193
Net carrying value	1,182,405			1,416,642

(Currency: New Turkish Lira ("YTL") unless otherwise stated)

12 Intangible assets

Movement of intangible assets and related accumulated amortisation during the year ended 31 December 2007 was as follows:

	1 January 2007	***Additions***	***Disposals***	***31 December 2007***
Cost				
Rights	101,093	-	-	101,093

	1 January 2007	***Current year charge***	***Disposals***	***31 December 2007***
Less: Accumulated amortisation				
Rights	80,164	6,608	-	86,772
Net carrying value	20,929			14,321

Movement of intangible assets and related accumulated amortisation during the year ended 31 December 2006 was as follows:

	1 January 2006	***Additions***	***Disposals***	***31 December 2006***
Cost				
Rights	89,921	11,172	-	101,093

	1 January 2006	***Current year charge***	***Disposals***	***31 December 2006***
Less: Accumulated amortisation				
Rights	75,273	4,891	-	80,164
Net carrying value	14,648			20,929

(Currency: New Turkish Lira ("YTL") unless otherwise stated)

13 Bank borrowings and overdrafts

At 31 December, secured bank borrowings and overdrafts comprised the following:

	2007				2006			
		Nominal	YTL amount			Nominal	YTL amount	
	Original Amount	Interest Rate (%)*	Up to 1 year	1 year and over	Original Amount	Interest Rate (%)*	Up to 1 year	1 year And over
YTL	58,735,443	17.13	58,735,443	-	72,513,956	21.14	72,513,956	-
USD	3,947,387	7.88	4,597,522	-	3,659,771	8.45	5,144,174	-
Euro	5,130,251	5.82	8,773,755	-	4,611,762	5.87	6,685,999	1,852,678
Other	1,651,442	-	3,841,090	-	131,594	-	362,791	-
Total			**75,947,810**	**-**			**84,706,920**	**1,852,678**

* These rates represent the average nominal interest rates of outstanding borrowings with fixed and floating rates at 31 December 2007 and 2006.

At 31 December 2007, secured bank borrowings and overdrafts included bank overdrafts amounting to YTL 8,167,348. Bank overdrafts result from the time lag between the collections from and payments to the correspondent factoring firms. Export customers factor their export receivables to the Company and in return receive collection service from the Company. Since collection is realized in foreign currency denominated terms, the correspondent factoring firms transfer those funds to the Company's accounts at the intermediary banks. As the Company's correspondent factoring firm approves and collects the amount of factored receivables, the related cash is transferred to Company's account at the intermediary bank.

14 Factoring payables

As at 31 December, factoring payables comprised the following:

	2007	***2006***
Domestic factoring payables	91,500,099	58,669,700
Foreign factoring payables	10,306,387	7,492,619
Total	101,806,486	66,162,319

15 Other liabilities

At 31 December, other liabilities comprised the following:

	2007	***2006***
Taxes and duties other than on income	385,065	421,684
Trade payables to vendors	107,256	107,160
Social security payables	33,633	34,844
Payable to personnel	1,100	-
Total	527,054	563,688

(Currency: New Turkish Lira ("YTL") unless otherwise stated)

16 Reserve for employee severance payments

In accordance with existing social legislation in Turkey, the Company is required to make lump-sum payments to employees whose employment is terminated due to retirement or for reasons other than resignation or misconduct. Such payments are calculated on the basis of 30 days' pay, maximum of YTL 2,030.19 at 31 December 2007 (31 December 2006: YTL 1,857.43) per year of employment at the rate of pay applicable at the date of retirement or termination. The principal assumption used in the calculation of the total liability is that the maximum liability for each year of service will increase in line with inflation semi-annually.

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

International Accounting Standard No 19 ("IAS 19") requires actuarial valuation methods to be developed to estimate the enterprise's obligation under defined benefit plans. The reserve has been calculated by estimating the present value of future probable obligation of the Company arising from the retirement of the employees. Accordingly, the following actuarial assumptions were used in the calculation of the following liability at 31 December:

	2007	***2006***
Expected inflation rate	5%	5%
Expected rate of salary/limit increase	11%	11%
Turnover rate to estimate the probability of retirement	15%	17%

For the years ended 31 December, movements in the reserve for employee severance payments were as follows:

	2007	***2006***
Balance at the beginning of the year	60,293	72,106
Paid during the year	(24,505)	(11,861)
Increase during the year	58,447	48
Balance at the end of the year	94,235	60,293

(Currency: New Turkish Lira ("YTL") unless otherwise stated)

17 Equity

For the years ended 31 December, movements in equity were as follows:

	Nominal paid-in share capital	*Adjustment to share capital*	*Retained earnings*	*Net profit for the year*	*Total equity*
Balances at 31 December 2005	17,500,000	279,326	2,383,439	8,345,605	28,508,370
Transfers	-	-	8,345,605	(8,345,605)	-
Share capital increase	7,500,000	-	(7,500,000)	-	-
Dividend paid	-	-	(1,402,313)	-	(1,402,313)
Net profit for the year	-	-	-	10,168,524	10,168,524
Balances at 31 December 2006	25,000,000	279,326	1,826,731	10,168,524	37,274,581
Transfers	-	-	10,168,524	(10,168,524)	-
Share capital increase	7,500,000	-	(7,500,000)	-	-
Dividend paid	-	-	(1,879,761)	-	(1,879,761)
Net profit for the year	-	-	-	12,204,225	12,204,225
Balances at 31 December 2007	32,500,000	279,326	2,615,494	12,204,225	47,599,045

17.1 Paid-in capital

At 31 December 2007, the Company's nominal value of authorized and paid-in share capital amounts to YTL 32,500,000 (31 December 2006: YTL 25,000,000) comprising 32.500.000 (31 December 2006: 25.000.000) registered shares of par value of 1 YTL each. Adjustment to share capital represents the restatement effect of the contributions to share capital equivalent to purchasing power of YTL at 31 December 2005.

(Currency: New Turkish Lira ("YTL") unless otherwise stated)

17 Equity *(continued)*

17.1 Paid-in capital (continued)

At 31 December, the composition of the authorized and paid-in share capital was as follows:

	2007		2006	
	Share (%)	YTL	Share (%)	YTL
M. Semra Tümay	45%	14,625,000	45%	11,250,000
M. Gürbüz Tümay	25%	8,125,000	25%	6,250,000
Murat Tümay	15%	4,875,000	15%	3,750,000
Zeynep Ş. Akçakayalıoğlu	14%	4,550,000	14%	3,500,000
Other	1%	325,000	1%	250,000
Share capital	100%	32,500,000	100%	25,000,000
Adjustment to share capital		279,326		279,326
Total paid-in share capital		**32,779,326**		**25,279,326**

The Company decided to increase its paid in share capital from YTL 17,500,000 to YTL 25,000,000, with the Board of Directors' minute dated 16 June 2006. The paid-in capital increase is funded by retained earnings. The paid-in capital increase has been announced on Trade Registry Gazette dated 25 July 2006.

The Company decided to increase its paid in share capital from YTL 25,000,000 to YTL 32,500,000, with the Board of Directors' minute dated 12 November 2007. The paid-in capital increase is funded by retained earnings. The paid-in capital increase has been announced on Trade Registry Gazette dated 19 December 2007.

17.2 Legal Reserves

The legal reserves are established by annual appropriations amounting to 5% of income disclosed in the Company's statutory accounts until it reaches 20% of paid-in share capital (first legal reserve). Without limit, a further 10% of dividend distributions in excess of 5% of paid-in capital is to be appropriated to increase legal reserves (second legal reserve). The first legal reserve is restricted and is not available for distribution as dividend unless it exceeds 50% of share capital. In the accompanying financial statements, the total of the legal reserves is YTL 2,428,024 (historical) at 31 December 2007 (31 December 2006: YTL 1,851,489 historical).

(Currency: New Turkish Lira ("YTL") unless otherwise stated)

18 Risk management disclosures

Counter party credit risk:

The Company is subject to credit risk through its factoring operations. The Company requires a certain amount of collateral in respect of its financial assets. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers.

At 31 December 2007, there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

At 31 December, the breakdown of the factoring receivables by industrial groups is as follows:

	2007	%	2006	%
Textiles	62,455,094	28	64,882,548	34
Metal and machinery	33,525,137	15	26,028,464	14
Tourism	29,619,533	13	9,619,215	5
Media and advertising	16,957,640	8	13,580,068	7
Finance	12,638,382	6	-	-
Construction	12,317,359	5	15,088,965	8
Automotive	10,459,292	5	1,131,672	1
Chemicals and pharmaceuticals	10,342,808	5	25,274,016	13
Manufacturing	10,094,889	4	3,583,629	2
Food and beverage	8,824,676	4	9,430,603	5
Iron, steel, coal and petrol	7,918,542	4	2,640,569	1
Retail	892,513	-	10,750,887	6
Others	8,095,680	3	6,601,422	4
	224,141,545	**100**	**188,612,058**	**100**

Interest rate risk

The Company's operations are subject to the risk of interest rate fluctuations to the extent that interest-earning assets and interest-bearing liabilities mature or are re-priced at different times or in differing amounts. Risk management activities are aimed at optimizing net interest income, given market interest rate levels consistent with the Company's business strategies.

The tables below summarize average effective interest rates by major currencies for monetary financial instruments at 31 December:

	2007			2006		
	USD (%)	EUR (%)	YTL (%)	USD (%)	EUR (%)	YTL (%)
Assets						
Factoring receivables	8.80	7.31	24.41	9.19	8.78	28.06
Liabilities						
Bank borrowings	7.81	5.78	17.11	8.45	5.87	21.14

(Currency: New Turkish Lira ("YTL") unless otherwise stated)

18 Risk management disclosures (continued)

Interest rate profile:

At 31 December, the interest rate profile of the interest-bearing financial instruments was as follows:

	Carrying Amount	
Fixed rate instruments	**2007**	**2006**
Factoring receivables	130,723,091	78,816,278
Factoring payables	59,375,242	27,647,584
Bank borrowings	53,707,581	67,929,823
Variable rate instruments		
Factoring receivables	93,418,454	109,795,780
Factoring payables	42,431,244	38,514,735
Bank borrowings	22,240,229	18,629,775

Fair value sensitivity analysis for fixed rate instruments:

At 31 December 2007, a change of 100 basis points in interest rates would have increased or decreased equity by YTL 179 thousand (31 December 2006: YTL 160 thousand).

Cash flow sensitivity analysis for variable rate instruments:

A change of 100 basis points in interest rates at 31 December would have increased profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Profit or (loss)	
	100 bp increase	**100 bp decrease**
2007		
Variable rate instruments	287,894	(287,894)
2006		
Variable rate instruments	526,635	(526,635)

(Currency: New Turkish Lira ("YTL") unless otherwise stated)

18 Risk management disclosures (continued)

Foreign currency risk

The Company is exposed to currency risk through transactions (such as factoring operations and bank borrowings) in foreign currencies. As the currency in which the Company presents its financial statements is YTL, the financial statements are affected by movements in the exchange rates against YTL.

At 31 December, the currency risk exposures of the Company were as follows (YTL equivalents):

	2007			
	USD	***Euro***	***Other Currencies***	***YTL Total***
Foreign currency monetary assets				
Cash and cash equivalents	13,845	4,202	1,246	19,293
Factoring receivables	3,808,224	19,540,066	7,772,849	31,121,139
Total foreign currency monetary assets	3,822,069	19,544,268	7,774,095	31,140,432
Foreign currency monetary liabilities				
Bank borrowings	4,597,522	8,773,755	3,841,090	17,212,367
Factoring payables	638,670	9,109,056	3,841,345	13,589,071
Total foreign currency monetary liabilities	5,236,192	17,882,811	7,682,435	30,801,438
Net position	**(1,414,123)**	**1,661,457**	**91,660**	**338,994**

	2006			
	USD	***Euro***	***Other Currencies***	***YTL Total***
Foreign currency monetary assets				
Cash and cash equivalents	16,509	22,363	922	39,794
Factoring receivables	11,731,890	12,244,199	2,300,026	26,276,115
Total foreign currency monetary assets	11,748,399	12,266,562	2,300,948	26,315,909
Foreign currency monetary liabilities				
Bank borrowings	5,144,174	8,538,677	362,791	14,045,642
Factoring payables	7,356,822	3,875,297	1,919,061	13,151,180
Total foreign currency monetary liabilities	12,500,996	12,413,974	2,281,852	27,196,822
Net position	**(752,597)**	**(147,412)**	**19,096**	**(880,913)**

(Currency: New Turkish Lira ("YTL") unless otherwise stated)

18 Risk management disclosures *(continued)*

Liquidity risk

Liquidity risk arises in the general funding of the Company's activities. It includes both risk of being unable to fund assets at appropriate maturities and rates and risk of being unable to liquidate an asset at a reasonable price and in an appropriate time frame. The Company has access to funding sources from banks. The Company continuously assesses liquidity risk by identifying and monitoring changes in funding required in meeting business goals and targets set in terms of the overall Company strategy.

The following tables provide an analysis of monetary assets and monetary liabilities of the Company into relevant maturity holdings based on the remaining periods to repayment:

	31 December 2007				
Monetary Assets	***Up to 1 Month***	***1 to 3 Months***	***3 to 12 Months***	***Over 1 year***	***Total***
New Turkish Lira:					
Cash and cash equivalents	233,752	-	-	-	233,752
Factoring receivables	64,465,656	86,234,457	42,305,418	14,875	193,020,406
Other assets	127,687	-	-	-	127,687
Total YTL monetary assets	64,827,095	86,234,457	42,305,418	14,875	193,381,845
Foreign Currencies:					
Cash and cash equivalents	19,293	-	-	-	19,293
Factoring receivables	10,393,951	13,903,787	6,821,003	2,398	31,121,139
Total foreign currency monetary assets	10,413,244	13,903,787	6,821,003	2,398	31,140,432
Total monetary assets	**75,240,339**	**100,138,244**	**49,126,421**	**17,273**	**224,522,277**

	31 December 2007				
Monetary Liabilities	***Up to 1 Month***	***1 to 3 Months***	***3 to 12 Months***	***Over 1 year***	***Total***
New Turkish Lira:					
Bank borrowings	49,475,443	9,260,000	-	-	58,735,443
Factoring payables	29,463,172	39,412,314	19,335,130	6,799	88,217,415
Other liabilities	527,054	-	-	-	527,054
Income taxes payable	-	601,706	-	-	601,706
Deferred tax liabilities	-	-	-	49,201	49,201
Reserve for employee severance payments	-	-	-	94,235	94,235
Total YTL monetary liabilities	79,465,669	49,274,020	19,335,130	150,235	148,225,054
Foreign Currencies:					
Bank borrowings	2,937,314	12,980,230	1,294,823	-	17,212,367
Factoring payables	4,538,527	6,071,100	2,978,397	1,047	13,589,071
Total foreign currency monetary liabilities	7,475,841	19,051,330	4,273,220	1,047	30,801,438
Total monetary liabilities	**86,941,510**	**68,325,350**	**23,608,350**	**151,282**	**179,026,492**

(Currency: New Turkish Lira ("YTL") unless otherwise stated)

18 Risk management disclosures *(continued)*

	31 December 2006				
Monetary Assets	***Up to 1 Month***	***1 to 3 Months***	***3 to 12 Months***	***Over 1 year***	***Total***
New Turkish Lira:					
Cash and cash equivalents	466,494	-	-	-	466,494
Factoring receivables	61,905,837	60,529,985	39,900,121	-	162,335,943
Other assets	105,567	-	-	-	105,567
Total YTL monetary assets	62,477,898	60,529,985	39,900,121	-	162,908,004
Foreign Currencies:					
Cash and cash equivalents	39,794	-	-	-	39,794
Factoring receivables	10,020,239	9,797,540	6,458,336	-	26,276,115
Total foreign currency monetary assets	10,060,033	9,797,540	6,458,336	-	26,315,909
Total monetary assets	**72,537,931**	**70,327,525**	**46,358,457**	**-**	**189,223,913**

	31 December 2006				
Monetary Liabilities	***Up to 1 Month***	***1 to 3 Months***	***3 to 12 Months***	***Over 1 year***	***Total***
New Turkish Lira:					
Bank borrowings and overdrafts	44,788,973	25,211,985	2,512,998	-	72,513,956
Factoring payables	20,215,479	19,766,192	13,029,468	-	53,011,139
Other liabilities	563,688	-	-	-	563,688
Income taxes payable	-	-	786,679	-	786,679
Deferred tax liabilities	-	-	-	45,860	45,860
Reserve for employee severance payments	-	-	-	60,293	60,293
Total YTL monetary liabilities	65,568,140	44,978,177	16,329,145	106,153	126,981,615
Foreign Currencies:					
Bank borrowings and overdrafts	2,437,938	8,187,791	1,567,235	1,852,678	14,045,642
Factoring payables	5,015,123	4,903,663	3,232,394	-	13,151,180
Total foreign currency monetary liabilities	7,453,061	13,091,454	4,799,629	1,852,678	27,196,822
Total monetary liabilities	**73,021,201**	**58,069,631**	**21,128,774**	**1,958,831**	**154,178,437**

(Currency: New Turkish Lira ("YTL") unless otherwise stated)

19 Commitments and contingencies

Commitments and contingent liabilities arising in the ordinary course of business comprised the following items at 31 December:

Letters of guarantee	***2007***	***2006***
Given to legal courts	350,200	90,517
Given to others	560	560
Total	350,760	91,077

At 31 December 2007, the Company has given cheques and notes amounting to YTL 87,107,445 (31 December 2006: YTL 113,299,431) as collateral against the bank borrowings.

20 Related party disclosures

For the purpose of accompanying financial statements, the shareholders, key management personnel and the Board members, and in each case, together with their families and companies controlled by/affiliated with them; and their investments are considered and referred to as the related parties. A number of transactions are entered into with the related parties in the normal course of business. These transactions were carried out on an arms-length basis during the normal course of business.

	31 December 2007	***31 December 2006***
Other liabilities		
Aktif İnşaat Sanayi ve Ticaret Ltd. Şti.	-	43,498
M. Gürbüz Tümay	-	1,437
	-	**44,935**
General administrative expenses		
M. Semra Tümay (rent expense)	244,454	275,851
	244,454	**275,851**

Total benefit of key management for the years ended 31 December 2007 and 2006 amounted to YTL 1,286,381 and YTL 1,361,492, respectively.

21 Subsequent events

None.