EKSPO FAKTORİNG A.Ş.

FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 DECEMBER 2016
AND INDEPENDENT AUDITOR'S REPORT

Deloitte.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Ekspo Faktoring A.Ş.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Ekspo Faktoring A.Ş. ("the Company"), which comprise the statement of financial position as at 31 December 2016, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2016, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (*IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

DRT BAĞIMSIZ DENETİM VE SMMM AŞ

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

İstanbul, 12 April 2017

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Ekspo Faktoring Anonim Şirketi

Statement of Financial Position

As at 31 December 2016

(Currency: Thousands of Turkish Lira ("TL") unless otherwise stated)

	Notes	31 December 2016	31 December 2015
Assets			
Cash and cash equivalents	10	4.447	5.735
Derivative financial assets	21	684	268
Factoring receivables	11	331.452	278.900
Other assets	12	945	764
Investment properties	14	1.095	1.118
Tangible assets	15	1.416	1.651
Intangible assets	16	79	81
Deferred tax assets	9	1.586	1.333
Total assets		**341.704**	**289.850**
Liabilities			
Loans and borrowings	17	221.008	185.874
Derivative financial liabilities	21	508	139
Factoring payables	19	5.932	4.022
Other liabilities	20	1.493	818
Income taxes payable	9	795	431
Reserve for employee severance payments and unused vacation pay liability	22	660	686
Total liabilities		**230.396**	**191.970**
Equity			
Share capital	23	60.000	60.000
Adjustment to share capital	23	279	279
Legal reserves	23	11.466	10.878
Retained earnings		39.563	26.723
Total shareholders' equity		**111.308**	**97.880**
Total sharesholders' equity and liabilities		**341.704**	**289.850**
Commitments and contingencies	25	-	-

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

Ekspo Faktoring Anonim Şirketi

Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 31 December 2016
(Currency: Thousands of Turkish Lira ("TL") unless otherwise stated)

	Notes	*1 January-31 December 2016*	*1 January-31 December 2015*
Factoring interest income		52.632	40.307
Factoring commission income, net		3.554	2.028
Income from factoring operations		**56.186**	**42.335**
Interest expense on bank borrowings		(23.659)	(20.141)
Interest expense on debt securities issued		-	-
Derivative trading profits, net		156	37
Foreign exchange gains (losses), net	*5*	803	3.180
Interest income other than on factoring interest income		26	223
Interest, commission and foreign exchange income, net		**33.512**	**25.634**
Personnel expenses	*7*	(8.145)	(7.655)
Administrative expenses	*8*	(2.890)	(2.469)
Provision for impaired factoring receivables, net	*11*	(1.372)	(2.407)
Depreciation and amortisation expenses	*14,15,16*	(302)	(380)
Other income	*6*	501	327
Profit before income taxes		**21.304**	**13.050**
Income tax expense	*9*	(4.276)	(2.626)
Profit for the year		**17.028**	**10.424**
Other comprehensive income for the year, net of income tax		-	-
Total comprehensive income for the year		**17.028**	**10.424**

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

Ekspo Faktoring Anonim Şirketi
Statement of Changes in Equity
For the Year Ended 31 December 2016
(Currency: Thousands of Turkish Lira ("TL") unless otherwise stated)

	Notes	Share Capital	Adjustment to Share Capital	Legal Reserves	Retained Earnings	Total Equity
Balances at 1 January 2015		60.000	279	10.361	19.216	89.856
Total comprehensive income for the year						
Profit for the year		-	-	-	10.424	10.424
Total comprehensive income for the year		-	-	-	**10.424**	**10.424**
Transfer to legal reserves		-	-	517	(517)	-
Dividend paid		-	-	-	(2.400)	(2.400)
Total		-	-	**517**	**(2.917)**	**(2.400)**
Balances at 31 December 2015	23	60.000	279	10.878	26.723	97.880
Balances at 1 January 2016		60.000	279	10.878	26.723	97.880
Total comprehensive income for the year						
Profit for the year		-	-	-	17.028	17.028
Total comprehensive income for the year		-	-	-	**17.028**	**17.028**
Transfer to capital		-	-	-	-	-
Transfer to legal reserves		-	-	588	(588)	-
Dividend paid		-	-	-	(3.600)	(3.600)
Total		-	-	**588**	**(4.188)**	**(3.600)**
Balances at 31 December 2016	23	60.000	279	11.466	39.563	111.308

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

Ekspo Faktoring Anonim Şirketi
Statement of Cash Flows
For the Year Ended 31 December 2016
(Currency: Thousands of Turkish Lira ("TL") unless otherwise stated)

	Notes	1 January-31 December 2016	1 January-31 December 2015
Cash Flows From Operating Activities:			
Profit for the year		17.028	10.424
Adjustments for:			
Depreciation and amortisation expense	*4, 15, 16*	302	380
Provision for employee severance payments	*22*	174	103
Other expense (income) accruals		(895)	(1.324)
Deferred and income taxes	*9*	4.276	2.626
Interest income		(52.658)	(40.530)
Interest expenses		23.659	20.141
Provision for impaired factoring receivables	*11*	1.372	2.407
Unrealized foreign currency exchange gain		(595)	(310)
Changes in fair value of derivative financial instruments	*21*	(47)	153
Changes in factoring receivables and payables		**(7.384)**	**(5.930)**
Factoring Recaivables and Payables		(50.459)	(2.882)
Changes in other assets		(181)	32
Changes in other liabilities		604	(631)
Employee severance paid	*22*	(129)	(110)
Taxes paid	*9*	(4.165)	(2.523)
Interest received		51.446	41.202
Proceeds from recoveries of impaired factoring receivables	*11*	364	435
Net cash provided by / (used in) operating activities		**(9.904)**	**29.593**
Cash Flows From Investing Activities:			
Acquisition of property and equipment	*15*	(20)	(54)
Acquisition of intangible assets	*16*	(22)	(46)
Net cash used in investing activities		**(42)**	**(100)**
Cash Flows From Financing Activities:			
Changes in loans and borrowings		33.444	(2.342)
Interest paid		(21.781)	(19.489)
Dividends paid	*23*	(3.600)	(2.400)
Net cash (used in) / provided from financing activities		**8.063**	**(24.231)**
Effect of changes in foreign exchange rate on cash and cash equivalents		595	310
Net increase / (decrease) in cash and cash equivalents		**(1.288)**	**5.572**
Cash and cash equivalents at 1 January		**5.735**	**163**
Cash and cash equivalents at 31 December	*10*	**4.447**	**5.735**

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

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NOTES TO THE FINANCIAL STATEMENTS

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 on 2 June 2000.

The Company operates in both domestic and 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.

The Company also applies the requirements of the Communique on the "Principles and Procedures of Receivables Allowances to be Provided by Financial Leasing, Factoring and Financing Companies"; which is based on the Communique on "The Application of Uniform Charts of Accounts and its Guides Book in Connection to the Establishment and Main Activities of Financial Leasing, Factoring and Financing Companies" published in the Official Gazette No: 28267 on 24 April 2013; published in the Official Gazette No: 26588 on 20 July 2007, respectively.

The Company operates mainly factoring transactions in one geographical area (Turkey).

The Company's head office is located at Maslak Mah. Maslak Meydan Sok. No: 5/B Spring Giz Plaza B Blok Sarıyer-İstanbul/Türkiye'dir.

2 Basis of preparation of financial statements

(a) Statement of compliance

The accompanying financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by International Accounting Standards Board.

The Company maintains its books of account and prepares its statutory financial statements in Turkish Lira ("TL") in accordance with the Turkish Accounting Standards as promulgated by the Banking Regulation and Supervision Agency ("BRSA") and also the Turkish Commercial Code.

The statement of balance sheet and comprehensive income of the Company as at and for the year ended 31 December 2016 were authorized for issue by the Board of Directors on 12 April 2017. The General Assembly and certain regulatory bodies have power to amend the statutory financial statements after issue.

(b) Basis of measurement

The financial statements are based on the statutory records, with adjustments and reclassifications for the purpose of fair presentation in accordance with IFRS. They are prepared on the historical cost basis, except for derivatives which are measured at fair value, adjusted for the effects of inflation during the hyperinflationary period lasted by 31 December 2005.

(c) Functional and presentation currency

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

(d) Use of estimates and judgements

The preparation of financial statements in conformity with IFRSs 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 recognized in the period in which the estimate is revised and in any future periods affected.

(Currency: Thousands of Turkish Lira ("TL") unless otherwise stated)

2 Basis of preparation *(Continued)*

(d) Use of estimates and judgements *(Continued)*

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 recognized in the financial statements are described in the following notes:

- Note 4 Determination of fair values
- Note 9 Taxation
- Note 11 Factoring receivables, provision for impairment of doubtful receivables
- Note 14 Investment property
- Note 15 Tangible assets
- Note 16 Intangible assets

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 reporting 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 stabilisation, decrease in the interest rates and the appreciation of TL 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 of the Company as at and for the year ended 31 December 2006 and thereafter.

(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 to TL at the exchange rates ruling at reporting date with the resulting exchange differences recognized in the profit or loss as foreign exchange gain or loss. Gains and losses arising from foreign currency transactions are reflected in the comprehensive profit or loss as realized during the course of the year.

Foreign exchange rates used by the Company as at 31 December are as follows:

	2016	2015
USD	3,5192	2.9076
EURO	3,7099	3,1776
GBP	4.3189	4,3007
CHF	2.4454	2.9278

3 Significant accounting policies *(Continued)*

(c) Financial Instruments

(i) Non-derivative financial instruments

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

A financial instrument is recognized if the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized 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 derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled.

Non-derivative financial instruments are recognized 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:

Cash and cash equivalents

Cash and cash equivalents comprise cash balances, time and demand deposits at banks having original maturity less than 3 months and readily to be used by the Company or not blocked for any other purpose.

Time deposits are measured at amortised cost using the effective interest method, less any impairment losses.

Accounting for financial income and expense is discussed in note 3(m).

Factoring receivables

Factoring receivables are measured at amortised cost less specific allowances for uncollectibility 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.

Borrowings

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

Other

Other assets and liabilities are measured at cost due to their short term nature.

3 Significant accounting policies *(Continued)*

(c) Financial Instruments *(Continued)*

(ii) Derivative financial instruments

Derivatives are recognized initially at fair value; attributable transaction costs are recognized in the profit or loss when incurred. Subsequent to initial recognition, derivative financial instruments are measured at fair value. Fair values are based on available quoted market prices and discounted cash flow model if needed. Fair value of unquoted foreign exchange contracts are presented by the rate of the first term of the contract compared by the rest of the relevant currency market interest rates calculated on the table, minus the maturity rate as determined by comparing the statement of financial position. If fair value of derivative financial instruments is positive, it is accounted as assets; if the fair value is negative, it is accounted as liabilities.

Derivative financial instruments are initially measured at fair value on the contract date, and are re-measured to fair value at subsequent reporting dates, as estimated based on the available quoted market rates prevailing at the reporting date.

(iii) Share capital

Ordinary shares

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

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

(d) Investment property

Investment property is accounted using the cost model, less accumulated depreciation, and impairment losses. Depreciation is recognized in the statement of comprehensive income on a straight-line basis over 50 years.

(e) Assets held for sale

Assets that are classified as held for sale are carried at the lower of carrying amount and fair value less costs to sell. A non-current asset is not depreciated (or amortised) while it is classified as held for sale.

(Currency: Thousands of Turkish Lira ("TL") unless otherwise stated)

3 Significant accounting policies *(Continued)*

(f) Tangible assets

(i) Recognition and measurement

Items of tangible assets acquired before 1 January 2006 are measured at cost restated for the effects of inflation in TL units current at 31 December 2005 pursuant to IAS 29 less accumulated depreciation and impairment losses, if any. Tangible assets acquired after 31 December 2005 are measured at cost, less accumulated depreciation and impairment losses, if any.

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

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

Any gain and loss on disposal of an item of tangible assets (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised net in other income and other expenses in profit or loss.

(ii) Subsequent costs

The cost of replacing part of an item of tangible assets is recognized 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 tangible assets are recognized in the statement of comprehensive income as incurred.

(iii) Depreciation

Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of tangible assets.

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 amortised over the periods of the respective leases on a straight-line basis.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(g) 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 TL units current at 31 December 2005 pursuant to IAS 29, less accumulated amortisation, and impairment losses, if any. Intangible assets acquired after 31 December 2005 are measured at cost, less accumulated amortisation, and impairment losses, if any. Amortisation is charged to the profit or loss on a straight-line basis over the estimated useful lives of intangible assets.

The estimated useful lives for the current and comparative periods are 5 years.

3 Significant accounting policies *(Continued)*

(h) 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.

All financial assets are tested for impairment on an individual basis. Rest of financial assets are evaluated according to same properties of loan risk in group.

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

(ii) Non-financial assets

The carrying amounts of the non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment except deferred tax asset (accounting policy n). 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 reporting date.

An impairment loss is recognized 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 recognized in the statements of profit or loss and other compressive income.

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.

Impairment losses recognized 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 in respect of goodwill is not reversed. 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 recognized.

3 Significant accounting policies *(Continued)*

(i) 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 in accordance with IAS 39. 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 through statistical methodology.

The assumptions used in the calculation are as follows:

	31 December 2016	31 December 2015
Net discount rate	3.44%	3.74%
Expected salary / limit increase	7.50%	7.00%

(ii) Short-term benefits

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

A provision is recognized 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.

(j) Provisions

A provision is recognized 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.

(k) Offsetting

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position 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.

(l) Related parties

The shareholders of the Company and other companies that are controlled by them or related with them and key management personnel of the Company are considered and referred to as the related parties.

3 Significant accounting policies *(Continued)*

(m) Revenue and cost recognition

(i) Factoring interest and commission income

Factoring interest and commission income are recognized in profit or loss on an accrual basis using the effective interest method. Commission income is a certain percentage of the total amount of invoices subject to spot factoring transactions.

(ii) Factoring commission expense

Factoring commission charges are recognised as expense in profit or loss on accrual basis.

(iii) Other income and expenses

Other income and expenses are recognized in profit or loss on the accrual basis.

(iv) Financial income / expenses

Financial income includes foreign exchange gains and interest income from time deposits calculated using the effective interest method.

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

(n) Income tax

Taxes on income comprise current and deferred taxes. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred income tax is provided, 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.

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.

(Currency: Thousands of Turkish Lira ("TL") unless otherwise stated)

3 Significant accounting policies *(Continued)*

(o) Application of new and revised international financial reporting standards (IFRSs)

New and Revised International Financial Reporting Standards

a) Amendments to IFRSs affecting amounts reported and/or disclosures in the financial statements

None.

b) New and revised IFRSs applied with no material effect on the financial statements

IFRS 14	*Regulatory Deferral Accounts* [1]
Amendments to IFRS 11	*Accounting for Acquisition of Interests in Joint Operations* [1]
Amendments to IAS 16 and IAS 38	*Clarification of Acceptable Methods of Depreciation and Amortisation* [1]
Amendments to IAS 16 and IAS 41	*Agriculture: Bearer Plants* [1]
Amendments to IAS 27	*Equity Method in Separate Financial Statements* [1]
Annual Improvements to 2012-2014 Cycle	*IFRS 5, IFRS 7, IAS 19, IAS 34* [1]
Amendments to IAS 1	*Disclosure Initiative* [1]
Amendments to IFRS 10, IFRS 12 and IAS 28	*Investment Entities: Applying the Consolidation Exception* [1]

[1] Effective for annual periods beginning on or after 1 January 2016.

IFRS 14 *Regulatory Deferral Accounts*

IFRS 14 *Regulatory Deferral Accounts* permits an entity, which is a first-time adopter of International Financial Reporting Standards to continue to account, with some limited changes, for 'regulatory deferral account balances' in accordance with its previous GAAP, both on initial adoption of IFRS and in subsequent financial statements.

IFRS 14 was issued by the IASB on 30 January 2014 and is applied to an entity's first annual IFRS financial statements for a period beginning on or after 1 January 2016.

Amendments to IFRS 11 *Accounting for Acquisition of Interests in Joint Operations*

This amendment requires an acquirer of an interest in a joint operation in which the activity constitutes a business to:

- apply all of the business combinations accounting principles in IFRS 3 and other IFRSs, except for those principles that conflict with the guidance in IFRS 11,
- disclose the information required by IFRS 3 and other IFRSs for business combinations.

3 Significant accounting policies *(Continued)*

(o) Application of new and revised international financial reporting standards (IFRSs)

New and Revised International Financial Reporting Standards (cont'd)

b) New and revised IFRSs applied with no material effect on the financial statements (cont'd)

Amendments to IAS 16 and IAS 38 *Clarification of Acceptable Methods of Depreciation and Amortisation*

This amendment clarifies that that a depreciation method that is based on revenue that is generated by an activity that includes the use of an asset is not appropriate for property, plant and equipment, and introduces a rebuttable presumption that an amortisation method that is based on the revenue generated by an activity that includes the use of an intangible asset is inappropriate, which can only be overcome in limited circumstances where the intangible asset is expressed as a measure of revenue, or when it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated. The amendment also adds guidance that expected future reductions in the selling price of an item that was produced using an asset could indicate the expectation of technological or commercial obsolescence of the asset, which, in turn, might reflect a reduction of the future economic benefits embodied in the asset.

Amendments to IAS 16 and IAS 41 *Agriculture: Bearer Plants*

This amendment include 'bearer plants' within the scope of IAS 16 rather than IAS 41, allowing such assets to be accounted for a property, plant and equipment and measured after initial recognition on a cost or revaluation basis in accordance with IAS 16. The amendment also introduces a definition of 'bearer plants' as a living plant that is used in the production or supply of agricultural produce, is expected to bear produce for more than one period and has a remote likelihood of being sold as agricultural produce, except for incidental scrap sales, and clarifies that produce growing on bearer plants remains within the scope of IAS 41.

Amendments to IAS 27 *Equity Method in Separate Financial Statements*

This amendment permits investments in subsidiaries, joint ventures and associates to be optionally accounted for using the equity method in separate financial statements.

Annual Improvements 2012-2014 Cycle

IFRS 5: Adds specific guidance in IFRS 5 for cases in which an entity reclassifies an asset from held for sale to held for distribution or vice versa and cases in which held-for-distribution accounting is discontinued.

IFRS 7: Additional guidance to clarify whether a servicing contract is continuing involvement in a transferred asset, and clarification on offsetting disclosures in condensed interim financial statements.

IAS 19: Clarify that the high quality corporate bonds used in estimating the discount rate for post-employment benefits should be denominated in the same currency as the benefits to be paid.

IAS 34: Clarify the meaning of 'elsewhere in the interim report' and require a cross-reference.

Amendments to IAS 1 *Disclosure Initiative*

This amendment addresses perceived impediments to preparers exercising their judgment in presenting their financial reports.

(Currency: Thousands of Turkish Lira ("TL") unless otherwise stated)

3 Significant accounting policies *(Continued)*

(o) Application of new and revised international financial reporting standards (IFRSs)

New and Revised International Financial Reporting Standards (cont'd)

b) New and revised IFRSs applied with no material effect on the financial statements (cont'd)

Amendments to IFRS 10, IFRS 12 and IAS 28 *Investment Entities: Applying the Consolidation Exception*

This amendment addresses issues that have arisen in the context of applying the consolidation exception for investment entities by clarifying the following points:

- The exemption from preparing consolidated financial statements for an intermediate parent entity is available to a parent entity that is a subsidiary of an investment entity, even if the investment entity measures all of its subsidiaries at fair value.
- A subsidiary that provides services related to the parent's investment activities should not be consolidated if the subsidiary itself is an investment entity.
- When applying the equity method to an associate or a joint venture, a non-investment entity investor in an investment entity may retain the fair value measurement applied by the associate or joint venture to its interests in subsidiaries.
- An investment entity measuring all of its subsidiaries at fair value provides the disclosures relating to investment entities required by IFRS 12.

c) New and revised IFRSs in issue but not yet effective

The Company has not applied the following new and revised IFRSs that have been issued but are not yet effective:

Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
Amendments to IAS 12	*Recognition of Deferred Tax Assets for Unrealized Losses* [1]
Amendments to IAS 7	*Disclosure Initiative* [1]
IFRS 9	*Financial Instruments* [2]
IFRS 15	*Revenue from Contracts with Customers* [2]
Amendments to IFRS 15	*Revenue from Contracts with Customers* [2]
Amendments to IFRS 2	*Classification and Measurement of Share-Based Payment Transactions* [2]
IFRS 16	*Leases* [3]
Amendments to IFRS 4	*Applying IFRS 9 'Financial Instruments' with IFRS 4 'Insurance Contracts'*
IFRIC 22	*Foreign Currency Transactions and Advance Consideration* [2]
Amendments to IAS 40	*Transfers of Investment Property* [2]
Annual Improvements to IFRS Standards 2014–2016 Cycle	*IFRS 1* [2], *IFRS 12* [1], *IAS 28* [2]

[1] Effective for annual periods beginning on or after 1 January 2017.
[2] Effective for annual periods beginning on or after 1 January 2018.
[3] Effective for annual periods beginning on or after 1 January 2019.

Amendments to IFRS 10 and IAS 28 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

This amendment clarifies the treatment of the sale or contribution of assets from an investor to its associate or joint venture.

3 Significant accounting policies *(Continued)*

(o) Application of new and revised international financial reporting standards (IFRSs)

New and Revised International Financial Reporting Standards (cont'd)

c) New and revised IFRSs in issue but not yet effective (cont'd)

Amendments to IAS 12 *Recognition of Deferred Tax Assets for Unrealized Losses*

This amendment clarifies the following aspects:

- Unrealized losses on debt instruments measured at fair value and measured at cost for tax purposes give rise to a deductible temporary difference regardless of whether the debt instrument's holder expects to recover the carrying amount of the debt instrument by sale or by use.
- The carrying amount of an asset does not limit the estimation of probable future taxable profits.
- Estimates for future taxable profits exclude tax deductions resulting from the reversal of deductible temporary differences.
- An entity assesses a deferred tax asset in combination with other deferred tax assets. Where tax law restricts the utilization of tax losses, an entity would assess a deferred tax asset in combination with other deferred tax assets of the same type.

Amendments to IAS 7 *Disclosure Intiative*

This amendment clarifies that entities shall provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities.

IFRS 9 *Financial Instruments*

IFRS 9, issued in November 2009, introduces new requirements for the classification and measurement of financial assets. IFRS 9 is amended in October 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and in November 2013 to include the new requirements for general hedge accounting. Another revised version of IFRS 9 is issued in July 2014 mainly to include a) impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing a "fair value through other comprehensive income ("FVTOCI") measurement category for certain simple debt instruments.

IFRS 15 *Revenue from Contracts with Customers*

IFRS 15 provides a single, principles based five-step model to be applied to all contracts with customers.

The five steps in the model are as follows:

- Identify the contract with the customer,
- Identify the performance obligations in the contract,
- Determine the transaction price,
- Allocate the transaction price to the performance obligations in the contracts,
- Recognise revenue when the entity satisfies a performance obligation.

Amendments to IFRS 15 *Revenue from Contracts with Customers*

This amendment clarifies three aspects of the standard (identifying performance obligations, principal versus agent considerations, and licensing) and provides some transition relief for modified contracts and completed contracts.

3 Significant accounting policies *(Continued)*

(o) Application of new and revised international financial reporting standards (IFRSs)

New and Revised International Financial Reporting Standards (cont'd)

c) New and revised IFRSs in issue but not yet effective (cont'd)

Amendments to IFRS 2 ***Classification and Measurement of Share-Based Payment Transactions***

This amendment clarifies the standard in relation to the accounting for cash-settled share-based payment transactions that include a performance condition, the classification of share-based payment transactions with net settlement features, and the accounting for modifications of share-based payment transactions from cash-settled to equity settled.

IFRS 16 ***Leases***

This new standard brings most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and finance leases. Lessor accounting however remains largely unchanged and the distinction between operating and finance leases is retained. IFRS 16 supersedes IAS 17 "Leases" and related interpretations and is effective for periods beginning on or after 1 January 2019, with earlier adoption permitted if IFRS 15 'Revenue from Contracts with Customers' has also been applied.

Amendments to IFRS 4 ***Applying IFRS 9 'Financial Instruments' with IFRS 4 'Insurance Contracts'***

This amendment provides optional approaches for entities that issue insurance contracts within the scope of IFRS 4, and the entities are permitted to stop applying them before the new insurance standard is applied.

IFRIC 22 ***Foreign Currency Transactions and Advance Consideration***

The interpretation addresses foreign currency transactions or parts of transactions where:

- there is consideration that is denominated or priced in a foreign currency;
- the entity recognizes a prepayment asset or a deferred income liability in respect of that consideration, in advance of the recognition of the related asset, expense or income; and
- the prepayment asset or deferred income liability is non-monetary.

The Interpretations Committee came to the following conclusion:

- The date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability.
- If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt.

Amendments to IAS 40 ***Transfers of Investment Property***

The amendments to IAS 40 Investment Property:

- Amends paragraph 57 to state that an entity shall transfer a property to, or from, investment property when, and only when, there is evidence of a change in use. A change of use occurs if property meets, or ceases to meet, the definition of investment property. A change in management's intentions for the use of a property by itself does not constitute evidence of a change in use.
- The list of examples of evidence in paragraph 57(a) – (d) is now presented as a non-exhaustive list of examples instead of the previous exhaustive list.

3 Significant accounting policies *(Continued)*

(o) Application of new and revised international financial reporting standards (IFRSs)

New and Revised International Financial Reporting Standards (cont'd)

c) New and revised IFRSs in issue but not yet effective (cont'd)

Annual Improvements to IFRS Standards 2014–2016 Cycle

- **IFRS 1:** Deletes the short-term exemptions in paragraphs E3–E7 of IFRS 1, because they have now served their intended purpose.

- **IFRS 12:** Clarifies the scope of the standard by specifying that the disclosure requirements in the standard, except for those in paragraphs B10–B16, apply to an entity's interests listed in paragraph 5 that are classified as held for sale, as held for distribution or as discontinued operations in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

- **IAS 28:** Clarifies that the election to measure at fair value through profit or loss an investment in an associate or a joint venture that is held by an entity that is a venture capital organisation, or other qualifying entity, is available for each investment in an associate or joint venture on an investment-by-investment basis, upon initial recognition.

The Company evaluates the effects of these standards, amendments and improvements on the financial statements.

3 Significant accounting policies *(Continued)*

(p) Events after the reporting period

Events after the reporting period include all events up to the date when the financial statements are authorized for issue. In accordance with IAS 10, "Events After the Reporting Period", the Company adjusts the amounts recognized in its financial statements to reflect adjusting events after the reporting period. Non adjusting events are disclosed in the notes to the financial statements.

(q) Statement of cash flows

The Company prepares cash flow statements to inform the users of the financial statements about the changes in its net assets, its financial structure and its ability to affect the amount and timing of its cash flows with respect to changing external conditions.

In the statement of cash flows, cash flows of the period are reported with a classification based on operating, investing and financing activities. Cash flows from operating activities represent cash flows from activities within the scope of business. Cash flows relating to investment activities represent cash flows used and generated from investment activities (fixed investments and financial investments). Cash flows relating to financing activities represent the sources of financing the Company used and the repayments of these sources.

(r) Segment reporting of financial information

Since the Company does not have segments whose financial performances are reviewed by operating decision makers, no segment reporting information is provided in the notes.

(Currency: Thousands of Turkish Lira ("TL") unless otherwise stated)

4 Determination of fair values

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

31 December 2016	**Level 1**	**Level 2**	**Level 3**	**Total**
Derivative financial assets	-	684	-	**684**
	-	**684**	-	**684**
Derivative financial liabilities	-	**508**	-	**508**
	-	**508**	-	**508**

31 December 2015	**Level 1**	**Level 2**	**Level 3**	**Total**
Derivative financial assets	-	268	-	268
	-	**268**	-	**268**
Derivative financial liabilities	-	139	-	139
	-	**139**	-	**139**

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 necessarily 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 financial position instruments is not materially different than their recorded values due to their short nature. These statement of financial position instruments include cash and cash equivalents, factoring receivables, factoring payables, loans and borrowings, other assets and other liabilities.

(Currency: Thousands of Turkish Lira ("TL") unless otherwise stated)

4 Determination of fair values *(Continued)*

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

	2016		2015	
	Carrying amount	**Fair Value**	**Carrying amount**	**Fair value**
Financial assets				
Cash and cash equivalents	4,447	4,447	5,735	5,735
Factoring receivables	331,452	331,452	278,900	278,900
Financial liabilities				
Bank borrowings	221,008	221,008	185,874	185,874
Factoring payables	5,932	5,932	4,022	4,022
Other liabilities	1,493	1,493	818	818

Fair value is estimated to approximate carrying value.

5 Interest income other than factoring operations

As at and for the years ended 31 December, interest income other than factoring operations are as follows:

	2016	*2015*
Interest income from securities	-	215
Interest income on bank deposits	26	8
	26	**223**

6 Other income

For the year ended 31 December 2016, other income comprised of mediation income amounting to TL 501 (2015: TL 327).

7 Personnel expenses

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

	1 January-31 December 2016	*1 January- 31 December 2015*
Salary expenses	6,889	6,456
Social security premium employer's share	628	498
Insurance expenses	245	216
Meal expenses	128	135
Transportation expenses	164	179
Unemployment security employer's share	47	42
Others	44	129
	8,145	**7,655**

(Currency: Thousands of Turkish Lira ("TL") unless otherwise stated)

8 Administrative expenses

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

	1 January-31 December 2016	*1 January- 31 December 2015*
Rent expenses	851	771
Legal expenses	449	91
Depreciation and amortization expense	302	380
IT related expenses	261	210
Audit and consultancy expenses	216	159
Provisions for employee termination benefits expense	174	103
Subscription fees	164	142
Travel expenses	153	78
Vehicle expenses	135	127
Taxes and duties other than on income	94	102
Communication expenses	85	92
Presentation expense	67	30
Other	238	564
	3,192	**2,849**

9 Taxation

As at 31 December 2016, corporate income tax is levied at the rate of 20% (2015: 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, was redefined according to the Cabinet Decision numbered 2006/10731, which was 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. Losses cannot be carried back.

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns within four month twenty five days 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.

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.

(Currency: Thousands of Turkish Lira ("TL") unless otherwise stated)

9 Taxation *(Continued)*

The statement of profit or loss and comprehensive income for the years ended 31 December is different than the amounts computed by applying the statutory tax rate to profits before income taxes.

	2016		2015	
	Amount	*%*	*Amount*	*%*
Reported profit before income taxes	21,304		13,050	
Taxes on reported profit per statutory tax rate	(4,261)	(20)	(2,610)	(20)
Permanent differences:				
Non-taxable expenses	(15)		(16)	
Income tax expense	**(4,276)**		**(2,626)**	

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

	2016	2015
Current tax expense	4,529	2,494
Deferred tax expense	(253)	132
Income tax expense	**(4,276)**	**(2,626)**

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 statement of financial position.

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

	2016	2015
Taxes on income	4,529	2,494
Less: Corporation taxes paid in advance	(3,734)	(2,063)
Income taxes payable	**795**	**431**

For the years ended 31 December 2016 and 2015, movement of the Company's net deferred tax assets and liabilities is as follows:

	2016	2015
Opening balance	1,333	1,465
Deferred tax income recognized in profit or loss	253	(132)
Closing balance	**1,586**	**1,333**

(Currency: Thousands of Turkish Lira ("TL") unless otherwise stated)

9 Taxation *(Continued)*

Deferred income tax is provided, 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.

As at 31 December, details of deferred tax assets and deferred tax liabilities calculated by the prevailing tax rate are as follows:

	Temporary differences		**Deferred tax assets/(liabilities)**	
	31 December 2016	**31 December 2015**	**31 December 2016**	**31 December 2015**
Unearned interest income	7,215	6,235	1,443	1,247
Reserve for employee severance payments	532	487	106	97
Reserve for employee permission payments	128	199	26	40
Prepaid commissions	665	122	133	24
Deferred tax assets	**8,540**	**7,043**	**1,708**	**1,408**
Derivative financial instruments	348	358	70	71
Tangible assets, and intangible assets	176	19	35	4
Prepaid commissions	85	-	17	-
Deferred tax liabilities	**524**	**377**	**122**	**75**
Deferred tax assets / (liabilities), net			**1,586**	**1,333**

For the years ended 31 December 2016 and 2015, all movements in the deferred tax assets and liabilities have been recognised in profit or loss. As at 31 December 2016 and 2015, there are no unrecognised deferred tax assets and liabilities. Future profit projections and potential tax planning strategies have been taken into consideration during assessment of recoverability of deferred tax assets.

(Currency: Thousands of Turkish Lira ("TL") unless otherwise stated)

10 Cash and cash equivalents

As at 31 December, cash and cash equivalents are as follows:

	2016	*2015*
Demand deposits at banks	4,447	5,735
Total cash and cash equivalents	**4,447**	**5,735**

As at 31 December 2016, there is not any blockage on bank deposits (31 December 2015: None).

11 Factoring receivables

At 31 December, factoring receivables comprised the following:

	2016	*2015*
Domestic factoring receivables	272,884	244,815
Export and import factoring receivables	65,783	40,320
Impaired factoring receivables	4,247	4,401
Factoring receivables, gross	342,946	289,536
Unearned factoring interest income	(7,215)	(6,235)
Allowance for impaired factoring receivables	(4,247)	(4,401)
Factoring receivables	**331,452**	**278,900**

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

	2016	*2015*
Customer notes and cheques	169,996	158,704
Mortgage	14,177	1,800
Suretyship	2,639,959	1,927,514
Total	**2,824,132**	**2,088,018**

Movements in the allowance for impaired factoring receivables during the years ended 31 December are as follows:

	2016	*2015*
Balance at the beginning of the year	4,401	5,923
Sold loans (*)	(1,526)	(3,929)
Provision for the year	1,736	2,842
Recoveries during the year	(364)	(435)
Balance at the end of the year	**4,247**	**4,401**

(*) The Company has sold non-performing loans amount to 1,526 TL with %100 provision having the value of 1 TRY (31 December 2015: 3,929 TL-0,5 TL)

As at 31 December, the ageing analysis of the impaired factoring receivables are as follows:

	2016	*2015*
Overdue 1 to 3 months	354	1,727
Overdue 3 to 6 months	-	50
Overdue 6 to 12 months	1,351	577
Overdue over 1 year	2,542	2,047
	4,247	**4,401**

(Currency: Thousands of Turkish Lira ("TL") unless otherwise stated)

12 Other assets

As at 31 December, other assets are as follows:

	2016	2015
Prepaid expenses	410	341
Others	535	423
	945	**764**

13 Assets held for sale

As at 31 December 2016, there is no assets classified as held for sale. (2015: None).

14 Investment properties

Movement of investment properties and related accumulated depreciation during the year ended 31 December 2016 is as follows:

	1 January 2016	Additions	Disposals	31 December 2016
Cost				
Buildings	1,344	-	-	1,344

	1 January 2016	Year Charge	Disposals	31 December 2016
Less: Accumulated Depreciation				
Buildings	226	23	-	249
Net carrying value	**1,118**			**1,095**

Movement of investment properties and related accumulated depreciation during the year ended 31 December 2015 is as follows:

	1 January 2015	Additions	Disposals	31 December 2015
Cost				
Buildings	1,344	-	-	1,344

	1 January 2015	Year Charge	Disposals	31 December 2015
Less: Accumulated Depreciation				
Buildings	203	23	-	226
Net carrying value	**1,141**			**1,118**

Investment properties include a flat owned by the Company which is property held either to earn rental income or for capital appreciation or for both. The investment properties are amortized with straight-line method over its estimated useful life of 50 years.

(Currency: Thousands of Turkish Lira ("TL") unless otherwise stated)

14 Investment properties *(Continued)*

Fair value measurement of the Company's investment properties

The fair value of the investment property of the Company is determined by an independent real estate appraisal company as of 31 December 2016 and 2015. The appraisal company has the appropriate qualification and experience for the valuation of property. The expertise report was prepared in accordance with International Valuation Standards and by considering the market prices of the similar properties around the same locations with the related properties.

Details of the Company's investment properties and information about the fair value hierarchy as at 31 December are as follows:

	Carrying value	Fair value as at 31 December 2015		
	31 December 2016	Level 1 TL	Level 3 TL	Level 3 TL
Commercial property	1,095	-	-	4,000

	Carrying value	Fair value as at 31 December 2014		
	31 December 2015	Level 1 TL	Level 3 TL	Level 3 TL
Commercial property	1,118	-	-	3,800

15 Tangible Assets

Movement of tangible assets and related accumulated depreciation during the year ended 31 December 2016 is as follows:

	1 January 2016	Additions	Disposals	31 December 2016
Cost				
Motor vehicles	1,833	-	-	1,833
Furniture and fixtures	586	20	-	606
Leasehold improvements	345	-	-	345
Others (*)	831	-	-	831
Total cost	**3,595**	**20**	**-**	**3,615**

	1 January 2016	Year charge	Disposals	31 December 2016
Less: Accumulated depreciation				
Motor vehicles	1,201	195	-	1,396
Furniture and fixtures	406	56	-	462
Leasehold improvements	337	4	-	341
Total accumulated depreciation	**1,944**	**255**	**-**	**2,199**
Net carrying value	**1,651**			**1,416**

(*) Other item included tables which are not subject to depreciation.

(Currency: Thousands of Turkish Lira ("TL") unless otherwise stated)

15 Tangible assets *(Continued)*

Movement of tangible assets and related accumulated depreciation during the year ended 31 December 2015 is as follows:

	1 January 2015	Additions	Disposals	31 December 2015
Cost				
Motor vehicles	1,998	-	(165)	1,833
Furniture and fixtures	532	54	-	586
Leasehold improvements	345	-	-	345
Others (*)	831	-	-	831
Total cost	**3,076**	**54**	**(165)**	**3,595**

	1 January 2015	Year charge	Disposals	31 December 2015
Less: Accumulated depreciation				
Motor vehicles	1,074	292	(165)	1,201
Furniture and fixtures	358	48	-	406
Leasehold improvements	332	5	-	337
Total accumulated depreciation	**1,764**	**345**	**(165)**	**1,944**
Net carrying value	**1,942**			**1,651**

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

As at 31 December 2016, total amount of insurance on tangible assets is TL 3,009 (31 December 2015: TL 2,988) and total amount of insurance premium on tangible assets is TL 31 (31 December 2015: TL 24). As at 31 December 2016 and 2015, there is no pledge on tangible assets.

(Currency: Thousands of Turkish Lira ("TL") unless otherwise stated)

16 Intangible assets

Movement of intangible assets and related accumulated amortisation during the year ended 31 December 2016 is as follows:

	1 January 2016	Additions	Disposals	31 December 2016
Cost				
Rights	239	22	-	261

	1 January 2016	Current year charge	Disposals	31 December 2016
Less: Accumulated amortisation				
Rights	158	24	-	182
Net carrying value	**81**			**79**

Movement of intangible assets and related accumulated amortisation during the year ended 31 December 2015 is as follows:

	1 January 2015	Additions	Disposals	31 December 2015
Cost				
Rights	193	46	-	239

	1 January 2015	Current year charge	Disposals	31 December 2015
Less: Accumulated amortisation				
Rights	146	12	-	158
Net carrying value	**47**			**81**

As at 31 December 2016 and 2015, the Company does not have any internally generated intangible assets.

(Currency: Thousands of Turkish Lira ("TL") unless otherwise stated)

17 Loans and borrowings

As at 31 December, borrowings are as follows:

	2016			
		Nominal	TL amount	
	Original	Interest	Up to	1 year
	Amount	Rate (%) (*)	1 year	and over
TL	148,209	10.48-13.10	148,209	-
TL (**)	10,492	3.60-3.65	10,492	-
USD	13,778	1.23-4.19	48,823	-
EUR	3,523	0.5-2.95	13,077	-
GBP	93	0.75-3.13	407	-
Total	**176,096**		**221,008**	-

	2015			
		Nominal	TL amount	
	Original	Interest	Up to	1 year
	Amount	Rate (%) (*)	1 year	and over
TL	111,655	11.95-14.50	111,656	-
TL (**)	17,966	3.25-4.00	17,966	-
USD	16,464	0.91-3.67	48,372	-
EUR	1,524	0.5-2.95	4,851	-
GBP	703	3.34	3,030	
Total	**148,312**		**185,874**	-

(*) These rates represent the average nominal interest rate range of outstanding borrowings with fixed and floating rates as at 31 December 2016 and 2015.

(**) Includes the balances with reference to foreign currency indexed bank borrowings.

As at 31 December 2016, the Company has cheques and promissory notes amounting to TL 308,831 (31 December 2015: TL 217,118) given as collateral against its outstanding bank borrowings.

(Currency: Thousands of Turkish Lira ("TL") unless otherwise stated)

18 Debt securities issued

None (31 December 2015: None)

19 Factoring payables

As at 31 December, factoring payables comprised the following:

	2016	2015
Domestic factoring payables	5,932	4,022
Total	**5,932**	**4,022**

Factoring payables represent the amounts collected on behalf of but not yet paid to the factoring customers at the reporting date.

20 Other liabilities

As at 31 December, other liabilities comprised the following:

	2016	2015
Taxes and duties other than on income tax	456	364
Trade payables to vendors	295	259
Unearned income	665	122
Social security payables	77	73
Total	**1,493**	**818**

(Currency: Thousands of Turkish Lira ("TL") unless otherwise stated)

21 Derivative financial assets and derivative financial liabilities

The Company uses currency swap derivative instruments. "Currency swaps" are commitments to exchange one set of cash flows for another. Swaps result in an economic exchange of currencies. The Company uses these derivative financial instruments, not designated in a qualifying hedge relationship, to manage its exposure to foreign currency risk.

The notional amounts of certain types of financial instruments provide a basis for comparison with instruments recognized on the statement of financial position but do not necessarily indicate the amounts of future cash flows involved or the current fair value of the instruments and, therefore, do not indicate the Company's exposure to credit or price risks. The derivative instruments become favorable (assets) or unfavorable (liabilities) as a result of fluctuations in foreign exchange rates and interest rates relative to their terms. The aggregate contractual or notional amount of derivative financial instruments on hand, the extent to which instruments are favorable or unfavorable and, thus the aggregate fair values of derivative financial assets and liabilities can fluctuate significantly from time to time.

The fair values of derivative instruments held as at 31 December, which represent the carrying values are as follows:

	2016		*2015*	
	Assets	*Liabilities*	*Assets*	*Liabilities*
Currency swap purchases and sales	684	508	268	139
	684	**508**	**268**	**139**

As at 31 December 2016 and 2015, the details of derivative transactions are presented in Note 25.

(Currency: Thousands of Turkish Lira ("TL") unless otherwise stated)

22 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 TL 4,297.21 at 31 December 2016 (2015: TL 3,828.37) 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.

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

	2016	*2015*
Balance at the beginning of the year	**487**	**494**
Interest cost	18	10
Service cost	140	74
Paid during the year	(129)	(110)
Actuarial difference	16	19
Balance at the end of the year	**532**	**487**

Provision for employee benefis	*2016*	*2015*
Unused vacation liability	128	199
	128	**199**

Unused Vacation Liability Movement

	2016	*2015*
Balance at the beginning of the year	199	-
Current charge	(71)	199
	128	**199**

(Currency: Thousands of Turkish Lira ("TL") unless otherwise stated)

23 Capital and reserves

23.1 Paid-in capital

At 31 December 2016, the Company's nominal value of authorized and paid-in share capital amounts to TL 60,000,000 (2015: TL 60,000,000) comprisingregistered shares of par value of TL 1 each. Adjustment to share capital represents the restatement effect of the cash contributions to share capital equivalent to purchasing power of TL as of 31 December 2005.

As at 31 December, the composition of the authorized and paid-in share capital are as follows:

	2016		2015	
	Share (%)	**TL**	**Share (%)**	**TL**
M. Semra Tümay	49.00	29,400	49.00	29,400
Murat Tümay	25.50	15,300	25.50	15,300
Zeynep Ş. Akçakayalıoğlu	25.50	15,300	25.50	15,300
Share capital	100%	60,000	100%	60,000
Adjustment to share capital		279		279
Total share capital		**60,279**		**60,279**

23.2 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.

23.3 Dividends

According to the decisions based on the general assembly meeting held on 25 February 2016 and extraordinary general assembly meeting held on 25 July 2016 the Company has decided to distribute dividend to shareholders amount to 2,400 TL and 1,200 TL, respectively. As of 31 December 2016 all dividend amounts paid to shareholders.

According to the decision based on the extraordinary general assembly meeting held on 12 January 2017, the Company has decided to distribute dividend to shareholders amount to TL 2,000 and all amounts has been paid.

24 Risk management disclosures

The Company has exposure to the following risks from its use of financial instruments:

- credit risk
- market risk
- liquidity risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

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. The Company does not enter into factoring transactions with the firms which do not meet the predetermined criteria for credit approval. Credit evaluations are performed on all customers by the Credit Risk Committee based on their authorisation limits. The Credit Risk Committee meets every week regularly and performs credit evaluations. The Company has early warning controls with respect to the monitoring of on-going credit risks and the Company regularly performs scoring of the creditworthiness of the customers. A special software program has been developed to monitor the credit risk of the Company.

At 31 December 2016, 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 statement of financial position.

(Currency: Thousands of Turkish Lira ("TL") unless otherwise stated)

24 Risk management disclosures (Continued)

Credit risk *(Continued)*

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

	2016	%	2015	%
Financial Services	63,980	19.30	54,974	19.71
Textiles	57.471	17.34	25,039	8.98
Retail and wholesale trade	56,471	17.04	36,217	12.99
Construction	30,368	9.17	12,974	4.65
Agriculture and ranching	29,925	9.03	12,139	4.35
Iron, steel, coal, petroleum, other mines	25,260	7.62	17,528	6.28
Wood and Wooden Products	24,559	7.41	18,313	6.57
Leather industry	19,433	5.86	22,705	8.14
Rubber and plastic goods	6,402	1.93	7,498	2.69
Transportation, storage and communication	6,316	1.91	15,516	5.56
Chemicals and pharmaceuticals	4,846	1.46	6,380	2.29
Non-metal industry	2,101	0.63	5,415	1.94
Computer and computer equipment	1,466	0.44	3,189	1.14
Electrical equipment	1,115	0.34	-	-
Cultural, recreational and sports activities	646	0.19	136	0.05
Food, beverages and tobacco	543	0.16	14,972	5.37
Machinery and equipment	333	0.10	8,028	2.88
Automotive	217	0.07	2,657	0.95
Researching, consulting and advertising	-	-	905	0.32
Tourism	-	-	14,315	5.13
	331,452	**100.00**	**278,900**	**100.00**

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

As at 31 December 2016 and 2015, details of the financial assets exposed to credit risk are as follows:

	2016	2015
Cash at banks	4,447	5,735
Factoring receivables, net	331,452	278,900
Derivative financial assets	684	268

(Currency: Thousands of Turkish Lira ("TL") unless otherwise stated)

24 Risk management disclosures *(Continued)*

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

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 re-price 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 table below summarize average effective interest rates by major currencies for monetary financial instruments at 31 December:

	2016				2015		
	USD (%)	GBP (%)	EUR (%)	TL (%)	USD (%)	EUR (%)	TL (%)
Assets							
Factoring receivables	3.79	3.86	1.20	17.19	5.99	2.43	15.60
Liabilities							
Loans and borrowings	3.24	0.76	0.84	11.60	3.54	2.21	13.01

(Currency: Thousands of Turkish Lira ("TL") unless otherwise stated)

24 Risk management disclosures *(Continued)*

Market risk *(Continued)*

Interest rate profile

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

	Carrying Amount	
Fixed rate instruments	2016	2015
Factoring receivables	185,019	156,839
Loans and borrowings	148,209	111,654
Floating rate instruments		
Factoring receivables	146,433	122,061
Loans and borrowings	72,799	74,220

Cash flow sensitivity analysis for variable rate instrument

A change of 100 basis points in interest rates at 31 December would have increased profit or loss before tax 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**
2016		
Floating rate instruments	76	(76)
2015		
Floating rate instruments	106	(106)

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect profit or loss.

Additionally, the Company does not account for any fixed rate financial assets and liabilities as available-for-sale. Therefore a change in interest rates at the reporting date would not directly affect equity.

Foreign currency risk

The Company is exposed to currency risk through transactions (such as factoring operations and borrowings) in foreign currencies. As the currency in which the Company presents its financial statements is TL, the financial statements are affected by movements in the exchange rates against TL. The Company uses currency swap contracts to manage its exposure to foreign currency risk, which will be realized in a short period of time.

As at 31 December , the foreign currency position of the Company is as follows (TL equivalents):

	31 December 2016	31 December 2015
A. Foreign currency monetary assets	79,170	80,251
B. Foreign currency monetary liabilities	(77,034)	(77,761)
C. Derivative financial instruments	176	110
Net foreign currency position (A+B+C)	**2,312**	**2,600**

(Currency: Thousands of Turkish Lira ("TL") unless otherwise stated)

24 Risk management disclosures *(Continued)*

Market risk (Continued)

Foreign currency risk (Continued)

As at 31 December, TL equivalents of the currency risk exposures of the Company are as follows:

31 December 2016

	USD	Euro	GBP	Total
Foreign currency monetary assets				
Cash and cash equivalents	4,095	53	118	4,266
Factoring receivables	57,873	14,003	3,024	74,900
Other assets	4	-	-	4
Total foreign currency monetary assets	**61,972**	**14,056**	**3,142**	**79,170**
Foreign currency monetary liabilities				
Loans and borrowings	59,315	13,077	407	72,799
Factoring payables	534	995	2,695	4,224
Other payables	5	3	3	11
Total foreign currency monetary liabilities	**59,854**	**14,075**	**3,105**	**77,034**
Net on balance sheet position	**2,118**	**(19)**	**37**	**2,136**
Off balance sheet net notional position	176	-	-	176
Net position	**2,294**	**(19)**	**37**	**2,312**

31 December 2015	USD	Euro	GBP	Total
Foreign currency monetary assets				
Cash and cash equivalents	2,682	2,945	14	5,641
Factoring receivables(*)	64,335	7,208	3,064	74,607
Other assets	3	-	-	3
Total foreign currency monetary assets	**67,020**	**10,153**	**3,078**	**80,251**
Foreign currency monetary liabilities				
Loans and borrowings(**)	65,534	5,655	3,030	74,219
Factoring payables	1,394	2,121	-	3,515
Other payables	-	22	5	27
Total foreign currency monetary liabilities	**66,928**	**7,798**	**3,035**	**77,761**
Net on balance sheet position	**92**	**2,355**	**43**	**2,490**
Off balance sheet net notional position	110	-	-	110
Net position	**202**	**2,355**	**43**	**2,600**

(*)TL 9,117 Amounting Factoring receivables which is foreign currency indexed has been included. (2015:34,287)
(**) TL 10,492 Amounting Loans which is foreign currency indexed has been included (2015:17,966).

(Currency: Thousands of Turkish Lira ("TL") unless otherwise stated)

24 Risk management disclosures *(Continued)*

Market risk (Continued)

Foreign currency sensitivity analysis

Depreciation of TL by 10% against the other currencies as at 31 December 2016 and 2015 would have decreased profit or loss before tax by the amounts shown below. This analysis assumes that all other variables, as at 31 December 2016 and 2015 remain constant.

TL	Profit/(Loss) 2016	Profit/(Loss) 2015
USD	229	20
EURO	(2)	236
GBP	4	4
Total	**231**	**262**

(*) Equity effect includes profit or loss effect.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. 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 Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The following are the contractural maturities of financial liabilities of the Company:

			31 December 2016			
	Carrying Amount	Contractual cash flows	3 months or less	3-12 months	1-5 years	More than 5 years
Non-derivative financial liabilities	**227,235**	**230,536**	**167,904**	**62,632**	**-**	**-**
Loans and borrowings	221,008	224,309	161,677	62,632	-	-
Factoring payables	5,932	5,932	5,932	-	-	-
Derivative financial liabilities	**482**	**653**	**180**	**167**	**-**	**-**
Inflow	684	1,044	426	618	-	-
Outflow	(508)	(697)	(246)	(451)	-	-

(Currency: Thousands of Turkish Lira ("TL") unless otherwise stated)

24 Risk management disclosures *(Continued)*

Liquidity risk (Continued)

	31 December 2015					
	Carrying amount	**Contractual cash flows**	**3 months or less**	**3-12 months**	**1-5 years**	**More than 5 years**
Non-derivative financial liabilities	**190,155**	**191,138**	**127,226**	**63,912**	**-**	**-**
Loans and borrowings	185,874	186,857	122,945	63,912	-	-
Factoring payables	4,022	4,022	4,022	-	-	-
Derivative financial liabilities	**129**	**177**	**(165)**	**311**	**31**	**-**
Inflow	268	390	48	311	31	-
Outflow	(139)	(213)	(213)	-	-	-

Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to meet local regulatory requirements. The Board of Directors monitors the return on capital, which includes the capital and reserves explained in note 23. The management has evaluated the risk of relatable capital associated with capital cost during these review. There is no change in the capital management policy of the Company in the current year.

25 Commitments and contingencies

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

Letters of guarantee	*2016*	*2015*
Given Guarantees and suretyship for the benefit of customer	14,177	1,800
Total	**14,177**	**1,800**

As at 31 December 2016, the Company has given cheques and notes amounting to TL 308,831 (2015: TL 217,118) as collateral against its outstanding bank borrowings.

(Currency: Thousands of Turkish Lira ("TL") unless otherwise stated)

25 Commitments and contingencies *(Continued)*

As at 31 December, commitments for purchase and sale of currencies under swap contracts are as follows:

	31 December 2016		31 December 2015	
	TRY	FC	TRY	FC
Forward purchases	3,862	4,300	8,646	8,434
Forward sales	3,681	4,299	8,438	8,435
	7,543	**8,599**	**17,084**	**16,869**

As at 31 December 2016 and 2015, the details of the Company's items held in custody is as follows:

	2016	*2015*
Customers' Cheques	282,729	231,590
Customers' Notes	93,881	47,359
Mortgages	4,076	3,557
	380,686	**282,506**

(Currency: Thousands of Turkish Lira ("TL") unless otherwise stated)

26 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.

Balances with related parties

Transaction with related parties	*1 January- 31 December 2016*	*1 January- 31 December 2015*
General administrative expenses		
M. Semra Tümay - rental expense	821	742
	821	**742**

27 Events after the reporting period

According to the decision based on the extraordinary general assembly meeting held on 12 January 2017, the Company has decided to distribute dividend to shareholders amount to TL 2,000 and all amounts has been paid.