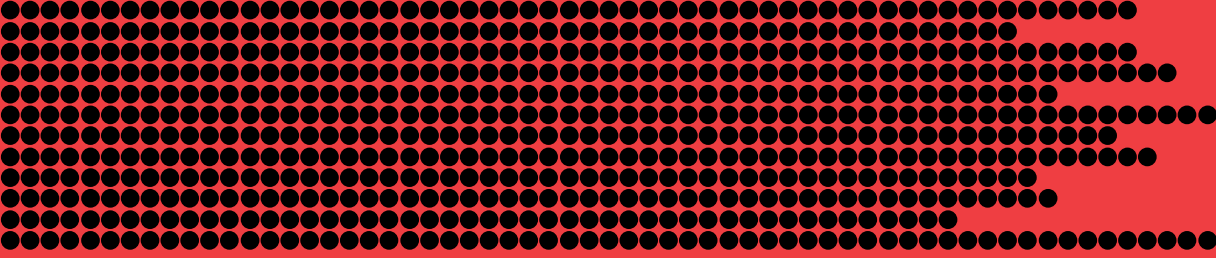


'12 annual report



Sarkuysan's I.D.

The Name of the Company: Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Date of foundation: 03.05.1972

Registered Capital: TL100.000.000,00

Paid-up Capital: TL100.000.000,00

Trade Registry Number: 13898

Venue of Registration: Gebze Registry Office

Address: Emek Mahallesi Aşıroğlu Caddesi No: 147
41700 Darıca-Kocaeli-TURKEY

Telephone: 90.262.676 66 00

Telefax: 90.262.676 66 81 / 90.262.676 66 83

E-mail: export@sarkuysan.com

Web Site: www.sarkuysan.com

The 41st Ordinary General Meeting of Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Date: 20 May 2013, Monday **Time:** 14:30

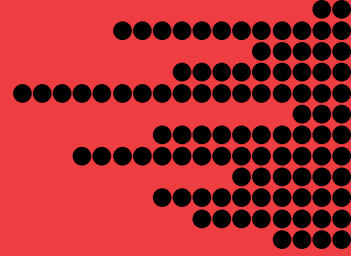
Venue: Sarkuysan Elektrolitik Bakır San. ve Tic. A.Ş. Head Office / Emek Mahallesi Aşıroğlu Cad. No: 147 41700 Darıca-Kocaeli-TURKEY

Agenda of the Annual General Meeting of Shareholders

- Opening and election of the Council
- To read and to discuss the Report of the Board of Directors for the year 2012,
- To read the Reports of the Board of Auditors and Independent Auditors,
- To read, to discuss and to ratify the Consolidated Financial Statements for the year 2012,
- To discharge the Board of Directors and Auditors separately for the 2012 operations of the company,
- To determine the mode of use of the profit as well as the distributable profit amount and the ratio of dividends
- To present information to the shareholders on the donations made by the company in 2012,
- To present information to the shareholders on pledges, guarantees and mortgages related with the company,
- To present information to the shareholders on the remuneration principles of the Board of Directors and senior officers,
- To present information to the shareholders on "the Company's Disclosure Policy" in accordance with the relevant regulations of the Capital Markets Board
- To make a resolution concerning the amendment of the 6th article of the Articles of Incorporation by the Board Resolution nr.1366/13.04 dated 24.01.2013 in order to be able to increase the ceiling of the registered capital of the company in accordance with the permissions of Capital Markets Board dated 05.03.2013 nr. 2110 and Ministry of Customs and Trade dated 11.03.2013 nr.1983,
- To make a resolution concerning the amendment of the 4th, 7th, 9th, 10th, 11th, 12th, 13th, 14th, 15th, 16th, 17th, 18th, 19th, 20th, 21st, 22nd, 23rd, 24th, 25th, 26th, 27th, 28th, and 29th articles of the Articles of Incorporation and the amendment of 30th article and including it into 35th article and addition of the 30th, 31st, 32nd, 33rd and 34th articles into the Articles of Incorporation in order to harmonize with the New Turkish Commercial Code nr. 6102 by the Board Resolution nr. 1375/13.13 dated 14.03.2013 in accordance with the permissions of Capital Markets Board and Ministry of Customs and Trade,
- To discuss the company's General Assembly Internal Guidelines and present it for approval,
- To determine the salaries and benefits of the members of the Board of Directors,
- Election of the two independent directors designated by the Board of Directors and to determine their term of Office,
- Approval of Çağdaş Bağımsız Denetim Serbest Muhasebeci Mali Müşavirlik A.Ş., the independent auditing company which was designated for one year by the Board of Directors upon suggestion of the Audit Committee in accordance with the regulations of the Turkish Commercial Code and Capital Markets Board,
- To empower the members of the Board of Directors to practise the transactions under the 395th and 396th articles of the Turkish Commercial Code,
- Wishes and proposals, the meeting adjourns.

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Sarkuysan's I.D.			
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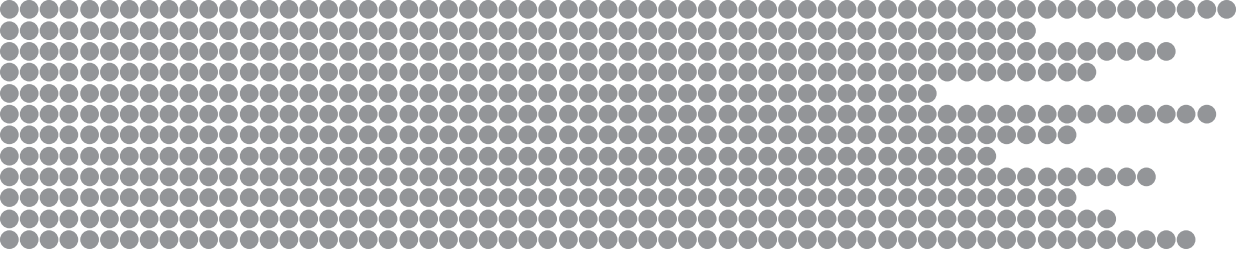
Mission and Vision Statements

Our Mission

With the sense of responsibility of being the first successful publicly owned corporation in the history of industrialization of the country, our mission is to strive to provide the highest benefit to our shareholders, employees, customers and the country as a eco-friendly, respectable, dependable and modern company both in the domestic and international electrolytic copper industry.

Our Vision

Our vision is to make competitive, innovative, customer focused production as a world class company in compliance with the international quality systems in the electrolytic copper sector.



History



Sarkuysan
Live and let live -
Cihan Bektaş
(1928-2002)

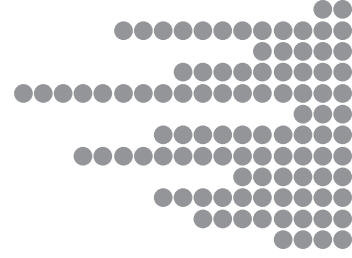
Founded by the gold dealers of the Covered Bazaar, an important centre of commerce in Istanbul in 1972 to produce electrolytic copper products, the company derives its name from the first syllables and three letters of the founders' professions (SARraf: Gold dealer; KUYumcu: Jeweller; SANatkar: Artist).

We remember with respect all the dear members of our family who passed away.

The company has a special place in the history of industrialization of the country as the first successful publicly held corporation. The production plants of Sarkuysan are located in Gebze and Darıca, 40 kilometres from Istanbul on the premises on an area of 180.000 square metres and with a covered area of over 77.000 square metres where electrolytic copper products, copper tube and bus bars are produced. The company increased annual production capacity to over 200.000 tonnes which was 10.000 tonnes at the initial stage. The company's products are the standard input materials of several industries including electro technique, electronic, motor, communication, power generation and distribution, solar and renewable energy, home appliances, measurement instruments, defence, automotive, chemical, construction, heating, air-conditioning and sanitary plumbing. The company carries out its activities in accordance with requirements of the ISO- EN 9001 and ISO/TS 16949 Quality

Management Systems. The company has also obtained certificates of ISO 14001 Environmental Management System and OHSAS 18001 Occupational Health and Safety Management System. Sarkuysan, with its trademark "sks" products meets a significant portion of the domestic market, and exports approximately half of its products to nearly 60 countries in five continents. It is estimated that a significant number of the autos and commercial vehicles produced in Europe use Sarkuysan's wires. For many years the company has been selling oxygen free and nickel plated copper wires to the suppliers of NASA and in recent years to aerospace industry.

The company has over 650 employees. Nearly 90 per cent of the workers at the production units are graduates of either vocational schools or high school and they attend on-the-job and outside training programs every year.



The Company manufactures a significant portion of its own machinery or plants to be used in house. In addition, a considerable portion of power and steam requirement of the Company is generated at the power generator on its premises. Sarkuysan, utilizing its own know-how and technological information accumulated during a period of nearly 40 years, obtains successful results both at home and abroad.

Sarkuysan is a group of companies. Bemka A.Ş., one of the leading cable and enamelled copper wire manufacturers of Turkey with annual production capacity of 27.000tonnes with plants in Gebze and Tuzla Industrial Zones was acquired in the last quarter of 2012 through a deal which consisted of a purchase of 57,3% of the company's capital of TL35.000.000,00.

The group also includes SARMAKİNA A.Ş., active in the field of manufacture of machinery spare parts as well as environmental protection technologies, DEMİSAŞ A.Ş., a manufacturer of nodular and grey iron and various parts for the automotive and machinery manufacturing industry, SARDA A.Ş. marketing and sales company of Sarkuysan products and BEKTAŞ A.Ş. an affiliated company in Bemka A.Ş. In line with its intensive export sales marketing efforts, Sarkuysan has a branch, Sarkuysan S.P.A., in Italy and sales and marketing incorporation, Sark-USA, Inc., in the USA since 2002. Sark-Wire, Incorporated in Albany, New York, commenced production at its own plant in Albany towards the end of 2009. Thus Sarkuysan has become a pioneer Turkish company with a production facility in the USA. Also high value added products are produced at the Aegean Free Zone plant of the company and exported to various countries.

In line with the corporate image of a socially responsible entity, Sarkuysan realizes various social projects in many fields.

The company, for example, contributed to the cultural legacy by restoring the historical Frej Han building, used as the company headquarters for many years until recently; it further contributed to education by building Sarkuysan High School in Gebze and Sarkuysan Nursery and Primary School and by awarding scholarships to students for higher education; in the area of religious affairs it contributed by building Sarkuysan Mosque in the Ottoman Architectural style; to health by allocating funds every year for the purchase of much needed medical equipment donated to state hospitals; to sport it contributed with its table tennis team often representing the country in the European Cup Winners' Championship, to art with folklore and modern dance groups as well as with its Turkish Music Chorus made up of our employees, to the environment the Company helped by forestation works and to the promotion of the country by hosting international events and organizations related to its sector.

In addition, Sarkuysan, as the Turkish Coordinator of "European Copper Institute", distributes technical publications to 5500 establishments in the power and telecommunication industries, thus the Company plays an active role in the dissemination of Information to the public.

SARKUYSAN supplies many products, made in accordance with international standards with "sks" trademark to both domestic and world markets. These products are used as input material for the manufacture of industrial products that facilitate and add colour to our lives. Every year the company offers employment opportunities to many people. With approximately 5.000 shareholders, Sarkuysan, with its tax payments and distribution of dividends, and foreign currency revenues, creates added value for the country's economy. Today SARKUYSAN is a dynamic and enterprising International Corporation truly publicly owned and run by professional management with a modern management structure.

Chairman's Message



Hayrettin ÇAYCI
Chairman

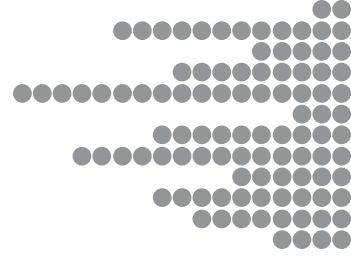
Dear Shareholders,

Welcome to the 41st Ordinary General Meeting of the Company. I respectfully salute all of you.

First of all, I would like to touch on the general state of the economy over the past year in short. The world entered the year 2012 with the economic hardships inherited from the previous year. The most striking global economic fact of past year was the decrease in the growth. With the Euro crisis deepening by a contagion to other Euro zone countries causing the increase in debt and unemployment rates were at the top of the list of the issues remained to be solved.

Our company is focused on speeding up the search for new markets, particularly in the geographic areas covering developing countries as well as putting emphasis on manufacturing high value added products in order to increase profit margin.

From the point of view of our country, 2012 was a year in which the domestic demand contracted and the rate of economic growth slowed harder than the target. The growth rate which was 8.5% the previous year slowed down to 2.2% in 2012. However, positive developments such as narrowing in the current budget deficit, fall in the inflation rate down to 6%, 15% increase in the export revenues up to US\$152 billion despite loss in the market share due to problems in the Euro Zone and decrease in the rate of public sector debt to national income caused Turkey to be in the safe side when compared to many countries. However, to maintain this positive outlook the savings rate which went down to about 12% must definitely be increased. Otherwise, due to the country's dependence on the foreign resources, it is always likely to enter into a critical phase.



In 2012, despite the unfavourable global economic climate our company experienced a successful operational year. The fact that LME copper prices and foreign exchange rates followed relatively stable trends made it possible to manage the risks in a better environment. By the way, I would like to point out that, risk management, which carries special importance particularly for our sector, was transformed into a corporate structure in the form of a managership within our organisation.

The year 2013 has commenced with positive developments for the USA. The data indicating recovery for this country have begun to emerge. For the time being, China exhibits a stable position. Unfortunately, however, Euro zone does not follow suit to these positive developments and statistics yet to indicate that the crisis has been overcome. It is not expected that global economy may record a meaningful move forward this year either. However, it is hoped that a slight improvement may only be recorded at most.

In the light of this projection, our company is focused on increasing the profit margin by speeding up the search for new markets, particularly in the geographic areas covering developing countries as well as putting emphasis on manufacturing high value added products in order to increase profit margin.

Bemka A.Ş., in which we had previously shareholding of 17% through Bektaş A.Ş. was acquired in the last quarter of 2012 by buying of the remaining shares of the said company by our Group companies. It is expected that with the current value and potential of the said company, this acquisition will positively improve our profitability in the medium term.

As a result according to the legal book records, our company has recorded a gross profit in the amount of TL30.102.672,00 for the year 2012. The net profit after deducting the taxes is TL24.157.254. In this report our financial tables are disclosed having consolidated with the financial tables of our subsidiaries and affiliates.

I would like to thank all our officers and employees who worked with sacrifice in this period in attaining these results. Also I would like to remember all the members of our society who passed away. I wish that our General Meeting will be to the good of our company.

Yours faithfully,

Mr Hayrettin CAYCI
Chairman and CEO

Board of Directors



Standing (from left to right) Hamit MÜCELLİT / Director, Ziya AKKURT / Independent Director, Tahsin ÖZTİRYAKİ / Independent Director, Didem ERKAN / Director, Aykut MENETLİOĞLU / Director, Semih YARDIM / Director

Seated (from left to right) Fuat SUCU / Vice Chairman, Maksut URUN / Director, Hayrettin ÇAYCI / Chairman, Köksal AHISKA / Director, A. Hamdi BEKTAŞ / Director

Term of Office

Directors: May 2011 - May 2014

Independent Directors: May 2012 - May 2013

Authority

Directors: Stated by the Turkish Commercial Code, Regulations of the Capital Markets Board and Articles of Incorporation

Independent Directors: Stated by the Regulations of the Capital Markets Board and Articles of Incorporation.

Board of Auditors

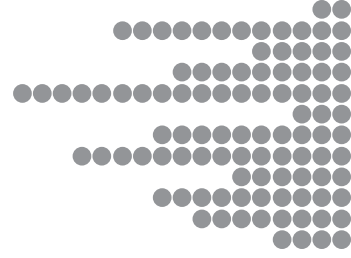


Mehmet Ali YILDIRIMTÜRK
Auditor

Mehmet Faik ÖZBOYACI
Auditor

Turgay ŞOHOĞLU
Auditor

Term of Office: May 2012 - May 2013



President



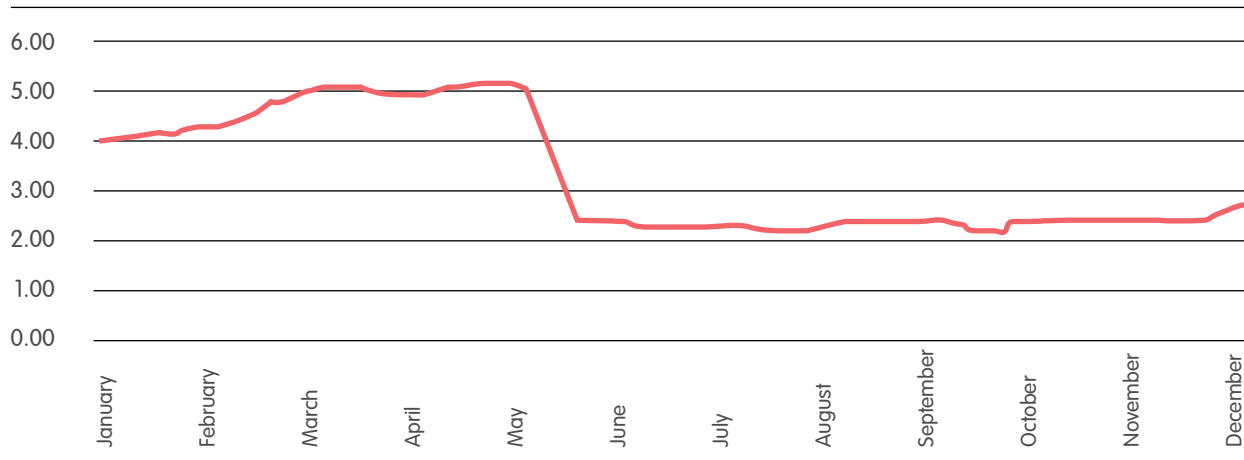
Hayrettin ÇAYCI
President

Management

Hayrettin ÇAYCI	President - M.Sc. Metallurgical Engineer
Doğan ÇAKIR	Vice President (Domestic Trade) - M.Sc. Metallurgical Engineer
Sevgür ARSLANPAY	Vice President (Technical) - Chemical Engineer
Erhan AKBAŞ	EDP Manager - System Analyst
Sabri ATILLA	Administrative Operations Manager - Business Administrator
Murat AYMAN	Maintenance Manager – Marine Engineer
Ömer CANIBEYAZ	Purchasing Manager – Mechanical Engineer
Murat DOĞANÇA	Marketing Manager - Electrical Engineer
Tolga EDİZ	Continuous Casting Manager - Metallurgical Engineer
Oğuz ERGÜNGÖR	Human Resources Manager - Economist
Dilek Mine GİNİ	Import Manager - Business Administrator
Emine GÜNDAĞ	Manager of Commercial Accounting - Business Administrator (CPA)
Selçuk HARPUT	R&D Manager - Metallurgical Engineer
Şükrü KARAÇ	End Production Manager - Mechanical Engineer
Faruk Şekip KARŞANBAŞ	Industrial Automation and Electronics Maintenance Manager-Electronics Engineer
Meryem KAYA	Export Operations Manager - Business Administrator
İlhan KOCAMAN	Manager of Quality Assurance - Metallurgical Engineer
Levent Şakir KULAÇ	Refinery Manager - Metallurgical Engineer
Filiz TEKİN SALMANLI	Production and Material Planning Manager – Industrial Engineer
Nezih SÜRMEİ	Sales Manager - Mechanical Engineer
Ferhan TURNAGİL	Manager of Cost Accounting-Economist (CPA)
Ömer Münci ÜNAL	Tube Plant Manager - Mechanical Engineer
Ayşe YAVUZ	Industrial Engineering Manager - Industrial Engineer
M. Mahir YILDIZ	Export Marketing Manager – Foreign Trade Expert
Erkin YILMAZ	Financial Manager - Economist

Capital Structure

Price Movements of Sarkuysan Shares 2012 (TL)



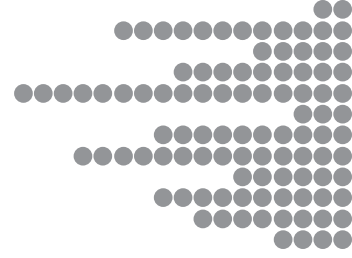
While a company share was TL3,94 on 31.12.2011 on the Istanbul Stock Exchange, following the 100% capital increase through bonus issue on 31.05.2012 and distribution of net dividends of 7%, the price of the company share closed the year at TL2,63 on 31.12.2012.

Capital Shares

Shares	Paid up Capital (TL)	Number of Shares	Shareholding %
Group A – Registered	5,-	500	0,000005
Group B- Bearer	99.999.995,-	9.999.999.500	99,999995
Total	100.000.000,-	10.000.000.000	100,00000

Financial Highlights

(TL thousand)	2008	2009	2010	2011	2012
Registered Capital	100.000	100.000	100.000	100.000	100.000
Paid-up Capital	50.000	50.000	50.000	50.000	100.000
Total Par-Value of Shares	4.268	4.268	4.268	4.268	4.268
Total Par-Value of Bonus Shares	45.732	45.732	45.732	45.732	95.732
Capital Increase (%)	-	-	-	-	100
Share price as at year end (TL)	1,47	2,70	4,07	3,94	2,63
Addition of Fixed Assets over the Year	12.173	14.282	1.949	4.275	20.618
Amount of Distributed Dividends (Gross)	11.765	-	5.000	7.500	4.118
Amount of Distributed Dividends (Net)	10.000	-	4.250	6.375	3.500
Dividend Rate (Gross) (%)	23,52	-	10	15	8,23
Dividend Rate (Net) (%)	20	-	8,50	12,75	7



General Information

The Annual Report covers the period from 01.01.2012 to 31.12.2012. During this period, special cases related with the company were made public and announced through public disclosure platform (PDP) and on our website to our shareholders.

The Ordinary General Meeting of the shareholders for the year 2011 was held on 25.05.2012 at the Meeting Hall of the Company Head Office Building at the address of Emek Mahallesi, Aşıroğlu Caddesi, No: 147 Darıca/Kocaeli. At this meeting, the Board of Directors and Auditors were discharged from liability for their activities and the financial statements were approved unanimously and it was decided to distribute 7% net dividend out of the profit of the year 2011.

Concurrently with the dividend payment, the capital of the company was increased 100% through bonus issue from TL50.000.000,00 to TL100.000.000,00 and thus the ceiling of the paid-up capital was reached.

Bemka A.Ş., in which we had previously shareholding through our subsidiary Bektaş A.Ş. was acquired during 2012 in a deal amounting to TL1.379.870,00 for a stake of 57,304%.

At this meeting, in accordance with the Communiqués of Capital Markets Board Serial: IV, numbers 56-57, the 8th Article titled Board of Directors of the Articles of Association, and 9th Article titled Meetings of the Board of Directors and the 12th Article titled Auditors and 20th Article titled Notices were amended and a new article titled "Compliance to the Corporate Governance Principles" was added. Again in accordance with the Communiqué of Capital Markets Board Serial: IV, number 56, the proposal of the Board of Directors concerning the nominations of Mr Tahsin ÖZTİRYAKI and Mr Ziya AKKURT as the independent members of the Board of Directors for a term

of one year was approved unanimously. Also Mr Mehmet Faik ÖZBOYACI, Mr Turgay ŞOHOĞLU and Mr Mehmet Ali YILDIRIMTÜRK were elected to the Board of Auditors.

In accordance with the compliance to the corporate governance principles, Mr Tahsin ÖZTİRYAKI, Independent Board of Director, Mr Köksal AHISKA, Director, Mr Aykut MENETLİOĞLU, Director and Mrs Didem ERKAN, Director were elected to the Corporate Governance Committee. Mr. Ziya AKKURT and Tahsin ÖZTİRYAKI, independent directors were elected to the Auditing Committee together with Mr. Sevgür ARSLANPAY, Vice President, responsible for technical auditing, and Mr. Ferhan TURNAGİL, Cost Accounting Manager, responsible for financial auditing while Mr. Ziya AKKURT, independent Director, Mr. Semih YARDIM and Mr. Doğan ÇAKIR, Vice President were elected to the Early Risk Detection Committee.

During the year, a resolution to sell the divisions at the S Block of Sarkuysan Ak-Business Center located in Altunizade, Üsküdar, in which we had a stake of 90%, was taken and the sale transaction took place in the beginning of 2013.

The Board of Directors held 38 meetings during 2012 which were attended by a majority of all directors.

During the General Meetings the shareholders has one voting right for each share owned. The company is wholly publicly owned and as of 31.12.2012, the shareholdings of Mr. Hayrettin ÇAYCI, Mr. A. Hamdi BEKTAŞ, Mr. Aykut MENETLİOĞLU, Mr. Maksut URUN and Mr. Fuat SUCU, among the Directors of the company, are 6,84%, 2,16%, 1,56%, 1,20% and 0,95% respectively. The shareholdings of each of the other Directors are below these percentages.

As at 31.12.2012, the company shares ratio in actual circulation is 69,61%.

Financial Position

Main Indicators*

(TL thousand)	2011	2012	Change %
Total Assets	736.529	847.041	15,00
Total Shareholders' Equity and Liabilities	212.982	239.801	12,59
Total Sales (Net)	2.145.663	2.244.400	4,60
Domestic Sales	1.332.439	1.409.817	5,81
Export Sales	813.224	834.583	2,63

Main Financial Ratios**

(%)	2011	2012
Liquidity		
Current Ratio (Current Assets/ Short-Term Liabilities)	1,23	1,13
Liquidity Ratio (Current Assets-Inventory/Short-Term Liabilities)	1,04	0,87
Ratios for Financial Position		
Total Debts/Total Equity	1,93	2,19
Short-Term Liabilities / Total Assets	0,64	0,67
Profitability		
Pre-tax Profit / Sales	1,41	1,80

*Figures belong to Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

**Consolidated information



Total Assets
(TL million)



Shareholders' Equity
(TL million)



Total Sales
(TL million)



A global star with
export sales to nearly
60 countries in
5 continents



We are TOP ONE

Sarkuysan maintained its success in export markets and ranked 1st in the "Copper Exports" Category of the "Stars of the Export Awards" granted by the Istanbul Mineral and Metals Exporters' Association in 2012 as well.

Subsidiaries and Affiliates



Demisaş Döküm Emaye Mamulleri San. A.Ş.

Demisaş A.Ş., established in 1974, has a factory located in Bilecik. On these premises, there are two separate foundries, a cupola furnace and induction furnace where melting takes place and 3 Disamatic Lines where the production takes place. The company manufactures hermetic compressor parts, scroll compressor parts, and nodular and gray iron, brake discs, vented brake discs, hub drums, flywheels, exhaust manifolds, rings, brake cylinders, brackets and brake security parts for the automotive industry and water pump bodies. The annual production capacity of the company is 80.000 tonnes, nearly 48% of which is exported primarily to Western Europe. The shares of this affiliate are quoted on the Istanbul Stock Exchange. The capital ceiling of the company is TL80.000.000,00 and paid up capital is TL35.000.000,00. Our shareholding in Demisaş is 44,44%.

BEKTAŞ

Bakır Emaye Kablo Sanayi ve Ticaret A.Ş.

Bektaş Bakır Emaye Kablo San. ve Tic. A.Ş.

The company stopped production in 2003. Its capital is TL5.500.000,00 in which our company has a shareholding of 70,71% and Sarda A.Ş. has a shareholding of 29,12%. Bektaş A.Ş. has a shareholding of 17% in Bemka A.Ş. the enamelled copper winding wire manufacturer, currently with a capital of TL35.000.000,00.



Sarmakina San. ve Tic. A.Ş.

Established in 1991, the company successfully continues to manufacture steel and plastic reels, supplementary special machinery for the wire and cable industry with sales to the leading companies in the domestic and global wire and cable industry. Also the company realizes copper wire paper coating, copper and aluminium bar production for the electromechanical industry and undertakes projects on a turnkey basis to its customer base in other sectors as a manufacturer and subcontractor including steel construction projects. The capital of Sarmakina is TL2.000.000,00 in which our company has a stake of 99%.



Bemka Emaye Bobin Teli ve Kablo Sanayi Ticaret A.Ş.

Established in 2002, Bemka A.Ş. is one of the leading cable and enamelled copper wire manufacturers of Turkey with annual production capacity of 27.000 tonnes with plants in Gebze and Tuzla Industrial Zones. Bemka A.Ş. meets nearly 50% of the domestic enamelled copper wire requirement of the country and has export sales to mainly western European countries. The capital of Bemka A.Ş. is TL35.000.000,00 in which the stakes of Sarkuysan A.Ş., Bektaş A.Ş., Sarda A.Ş. and Sarmakina A.Ş. are 57,304%, 17%,10% and 10% respectively. Sarkuysan and group companies' total stake in Bemka A.Ş. reached 94,304% in 2012.



Sarda Dağıtım ve Tic. A.Ş.

Established in 1979 in Istanbul, the company handles a portion of domestic sales promotions and marketing of Sarkuysan products as well as exports, imports and distributes products within its field of activity. Its successful results have contributed substantially to Sarkuysan's progress for many years. The capital of Sarda A.Ş. was increased by 66,66% from TL6.000.000,00 to TL10.000.000,00 from internal resources over the year. Our stake in Sarda A.Ş. is 99,97%.



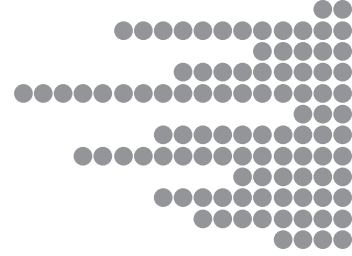
Sark - USA, Incorporated

Incorporated in 2002, Sark-USA, Inc. markets Sarkuysan and Sark-Wire Corp's products directly in the USA. The capital of the company is US\$100.000,00 whose 100% belongs to our company.



Sark Wire Corporation

Incorporated in 2008 in Albany, New York in the USA, Sark Wire Corporation, commenced production of a wide range of high value added electrolytic copper conductors and other products manufactured of electrolytic copper conductors on 15.12.2009 upon completion of the assembly works of the machinery and plants equipped with the latest technology. In 2012 Sark Wire Corp with the quality level of its products became a company whose products are sought for in the USA market. All the operations of the company are carried out in compliance with the ISO 9001 Quality Management System Certificate standards. The capital of the company is US\$8.000.000,00 in which stakes of Sarkuysan, Sarmakina, Bektaş and Sark-USA Inc. are 60%, 15%, 12,50% and 12,50% respectively.



Subsidiaries and Affiliates

(TL thousand)	2008	2009	2010	2011	2012
Demisaş Döküm Emaye Mamulleri Sanayi A.Ş.					
Paid-up Capital	28.000	28.000	28.000	28.000	35.000
Our Shareholding	12.444	12.444	12.444	12.444	15.554
Shareholding Rate (%)	44,44	44,44	44,44	44,44	44,44
Bemka Emaye Bobin Teli ve Kablo Sanayi Ticaret A.Ş.					
Paid-up Capital	-	-	-	-	35.000
Our Shareholding	-	-	-	-	20.056
Shareholding Rate (%)	-	-	-	-	57,304
Bektaş Bakır Emaye Kablo Sanayi ve Tic. A.Ş.					
Paid-up Capital	4.250	5.500	5.500	5.500	5.500
Our Shareholding	3.889	3.889	3.889	3.889	3.889
Shareholding Rate (%)	91,50	70,71	70,71	70,71	70,71
Sarda Dağıtım ve Tic. A.Ş.					
Paid-up Capital	6.000	6.000	6.000	6.000	10.000
Our Shareholding	5.998	5.998	5.998	5.998	9.997
Shareholding Rate (%)	99,97	99,97	99,97	99,97	99,97
Sarmakina San. ve Tic. A.Ş.					
Paid-up Capital	2.000	2.000	2.000	2.000	2.000
Our Shareholding	1.980	1.980	1.980	1.980	1.980
Shareholding Rate (%)	99,00	99,00	99,00	99,00	99,00
(US\$ thousand)	2008	2009	2010	2011	2012
Sark - USA, Inc.					
Paid-up Capital	100	100	100	100	100
Our Shareholding	100	100	100	100	100
Shareholding Rate (%)	100	100	100	100	100
Sark Wire Corp.					
Paid-up Capital	5.000	5.000	8.000	8.000	8.000
Our Shareholding	3.000	3.000	4.800	4.800	4.800
Shareholding Rate (%)	60	60	60	60	60

Annual Operations 2012

Sales

Following the recovery period in 2011, the global financial crisis, which was particularly felt in the Euro zone in 2012, not only affected the companies but also the countries. However, in this volatile market conditions, despite the rise of energy costs and volatility in prices, thanks to our knowledge and experience, the company managed to increase the sales by over 3% in comparison to the previous year.

Under the circumstances, as a result of the active sales policy and by virtue of our top quality products, the sales quantity reached 159.305 tonnes. The company's export sales reached US\$473.961.417,00 while domestic sales proceeds recorded at TL2.274.496.920.

In 2012, Sarkuysan exported its products to the countries in EU, Americas, Eastern Europe, Africa, Middle East and Australia. The company participated in various exhibitions and fairs both abroad and at home to promote sales during the year. Among these are the following:

Exhibitions in 2012

Domestic Exhibitions

29 March - 01 April 2012

19th International Industrial Automation Fair (WIN 2012)/ Tüyap-İSTANBUL

02-05 May 2012

SODEX 2012 Refrigeration Exhibition / CNR Expo Center - İSTANBUL

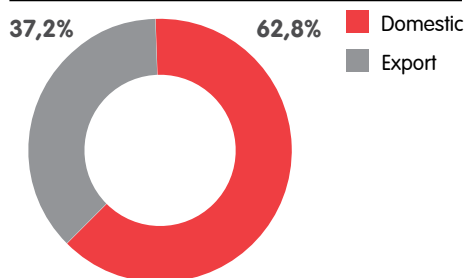
International Exhibitions

07-09 February 2012 Middle East Electricity / Dubai – UAE

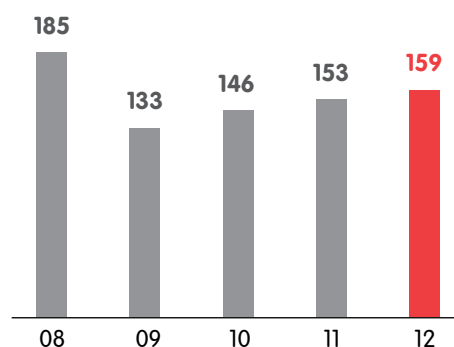
26-30 March 2012 Wire Düsseldorf / Germany

18-21 September 2012 InnoTrans 2012/Germany

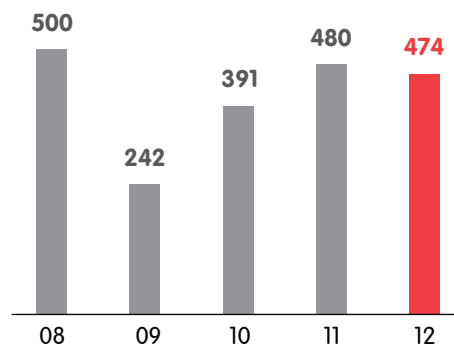
Distribution of Sales Turnover (2012)



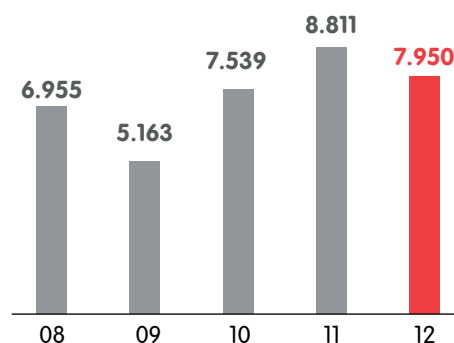
Sales (thousand tonnes)

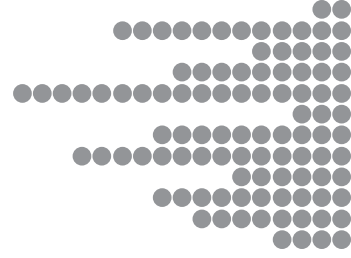


Export Sales (US\$ million)



LME Copper Prices US\$/tonnes (Annual Averages)





Investments

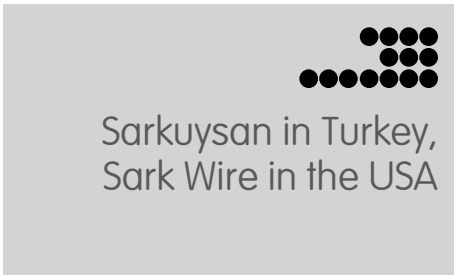
The company continued investment projects which deemed necessary in 2012 as well. Particularly by taking into consideration the intensive competitive climate in our industry and new tendencies in technology, investment projects focused on high value added products. Utmost care was given in order for the machineries and plants which were commissioned during the year to possess the latest technologies. By virtue of these investments, the product range was broadened thereby contributing positively towards meeting the customer requirements.

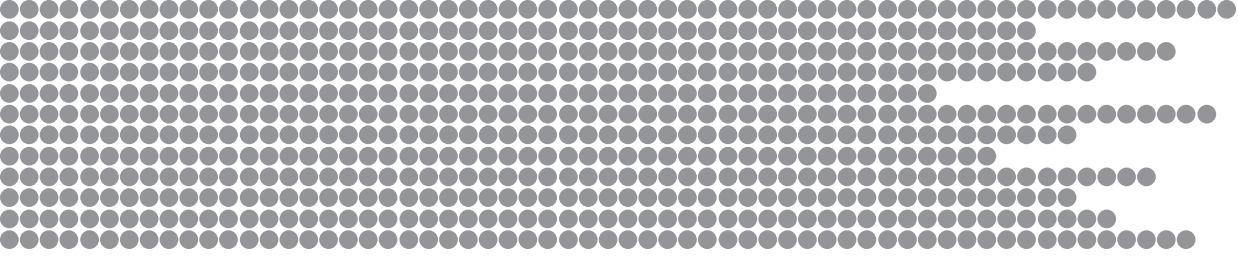


In the wire drawing unit, machinery and capacity expansion investments were made to enable high quality and efficient production as well as broaden product range including alternative materials, particularly for the automotive industry. At the continuous casting plant, copper nugget production machinery was developed as an original facility. Company commenced to sell copper nuggets in 2012 which are widely used in plating applications.

Our Production Plant in the USA: Sark Wire Corporation

Incorporated in Albany, New York in the USA, Sark Wire Corporation, whose 60% capital is owned by our company. Sark Wire, thanks to the quality level achieved, competitive pricing, short delivery terms, broad product range and a marketing strategy giving priority to customer satisfaction as the main company principle, is a successful corporation whose products are on demand in the North American market with annual production capacity of 12.000 tonnes. All the operations of Sark Wire are carried out in compliance with the requirements of ISO 9001 Quality Management System Certificate.





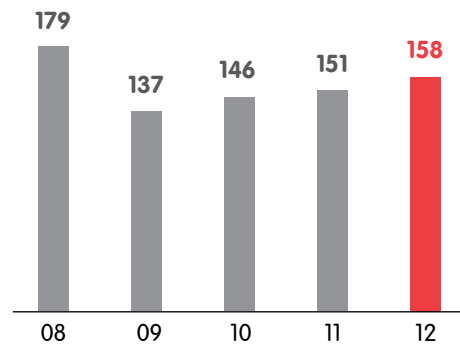
Annual Operations 2012

Production Operations

Sarkuysan was founded in 1972 in Istanbul for the production of electrolytic copper products. The production plants of the company are located in Osmangazi, Gebze 40 km from Istanbul on an area of 180.000 m². The "sks" trademark product range which includes a wide range of electrolytic copper conductors in various diameters and forms manufactured in accordance with international standards also includes grooved copper tubes and tin plated bus bars. The annual production capacity of the company exceeds 200.000 tons. Environment friendly production is realized at Sarkuysan plants equipped with modern environment protection technologies.

With its subsidiaries and affiliates, approximately 5.000 shareholders, and social projects, Sarkuysan, the first truly publicly owned company of Turkey, has been adding value to the country's socio-economic life since 1972 under its professional management. The company realized sales of 159.305 tonnes in 2012.

Production (thousand tonnes)



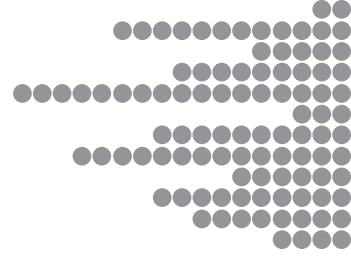
Product Range

- Copper Cathode
- Electrolytic Copper Products
 - Rods
 - Wire rods
 - Wire in various diameters
 - Flat wire (bare or insulated)
 - Overhead Catenary Wires (trolley wires, dropper wires, y dropper, messenger wire, feeding cable, insulated or non-insulated connection wire to the rail at pole earthing)
 - Profiles
 - Tin-plated wire
 - Nickel-plated wire
 - Bunched and stranded wire
 - Ropes
 - Copper tubes (LWC, pancake, straight, grooved)
 - Copper bus bar (bare or tin plated)
 - Copper nuggets (Cu-OF and Cu-DXP)

159,3



Sarkuysan realized net sales of 159.305 tonnes in 2012



Research and Development Operations

Sarkuysan is aware of the fact that the path to be followed to be competitive with the serious competitors in the international markets goes through Research and Development operations. With this in mind, our R&D operations have been maintained with the aim of contributing to the development of science and technology as well as using the current technology and know-how to manufacture new products, improve the existing processes and to carry out work towards developing new projects.

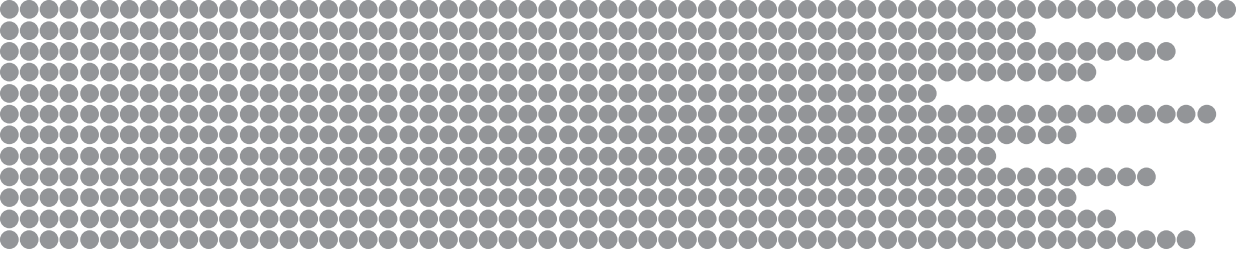


At the Research and Development Department:

- Research and development works are carried out to maintain the top quality of products at all times and broaden our product range by introducing new products;
- Also works to develop special cables with lower cost and higher performance in place of various applications in different industrial fields continued. In this context, highly durable cables have been developed and presented for use in the automotive industry. Also these products have been used in the defence industry. The product which was developed by Sarkuysan exclusively was registered with the trademark of "sks-hsw".



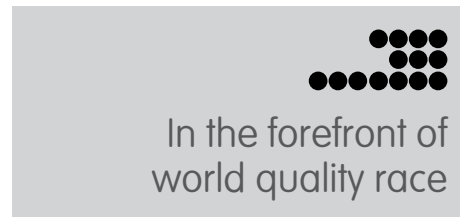
R&D focused
on Innovation

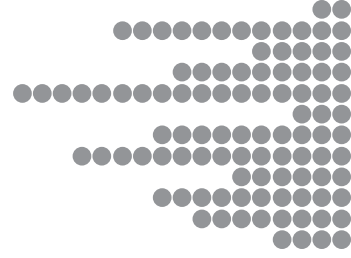


Annual Operations 2012

Quality Policy

Quality is a tradition at Sarkuysan A.Ş. It has always been the main policy of our company to produce “High Quality Goods” which meet the needs and expectations of our customers. Our main aim is to maintain and improve our place among the leading producers in the world quality race by virtue of high technology, accumulation of information, experience, and qualified workforce. We also stick to the principle of “Environment Friendly Production” for a clean nature. Our quality management is based on continuous improvement of quality management system and its effectiveness by investment, coordination and support programs together with complete fulfilment of quality management system requirements in order to meet the expectations of our customers in a world moving towards a single market. Since high quality production is the fruit of the mutual efforts of our workforce, training and incentive programs for the realization and improvement of the quality consciousness constitute the basis of our training policy. Our “Handbook of Quality” which is the main document of TS EN ISO 9001 and ISO/TS 16949 Quality Management System, explains the complete principles and procedures of the system. Our management and employees must abide by these principles and procedures. These principles assure that products of Sarkuysan A.Ş. are produced in compliance with customer requirements, national and international standards as well as law. Effective implementation of the Quality Management System will bring about low cost and high quality production, thus increase our competitiveness both in domestic and international markets. Within the framework of this basic quality policy it is the common and essential duty of our employees to maintain and improve further the success obtained in the product quality. For all the activities included in the Quality Policy, our principle of respecting the environment and giving priority to the health and safety of our employees is supported by our operations in compliance with ISO 14001 Environmental Management System Certificate and OHSAS 18001 Workplace Health and Safety Management System Certificate.





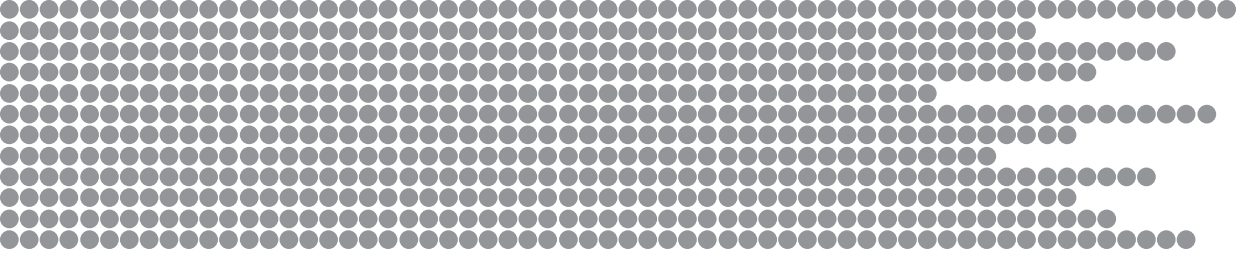
Environmental protection, Workplace Health and Safety Policy

The principles of Sarkuysan A.Ş. concerning environmental protection, workplace health and safety policy are: To use clean technologies which do not pollute the environment and minimize waste with recycling possibilities in the production of products in accordance with the requirements of our customers; within the framework of our Environmental Management System which is based on continuous improvement; to ensure the efficient use of energy and natural resources for sustainable development and to develop systems which prevent pollution; to take all necessary measures in order to prevent workplace accidents and to preserve our employees from occupational diseases; to comply with the requirements of environmental, workplace health and safety legislation and approved code of practice in the course of activities; to set achievable aims and objectives and continuously seek to improve them in line with the continuous improvement principle; to ensure the effective implementation of Environmental Protection, Workplace Health and Safety Systems and to educate and train the employees to raise awareness.



Customer-focused
quality production
respecting workplace
health and safety
principles and the
environment

Our policies are accessible to all stakeholders and the public for information purposes.



Annual Operations 2012

Human Resources

The human resources policy and management operations of the company have been carried out in accordance with the basic company principles and objectives. In 2012, the employment volume of the company remained at almost the same level as with the previous year. Total number of personnel employed was 640, including 180 management, 102 technical and 358 workers.

To stimulate the occupational and social development, our employees were encouraged to participate in in-house and external training programs. Also various activities were organized to improve the communication and motivation among the employees.

Principles for the Remuneration of the Directors and Senior Officers

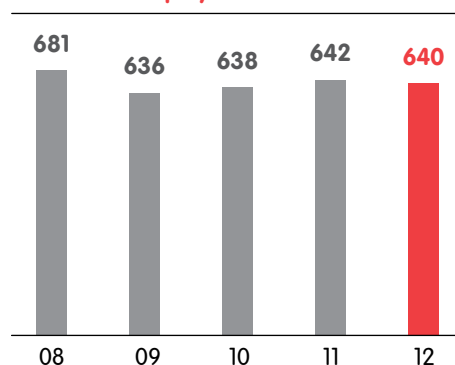
The remuneration of the Directors of the Board is determined by the Ordinary General Meeting held annually.

Every year in the beginning of March and September, a study for the determination of the remuneration of the all officers, including the senior officers employed by the company is carried out taking into consideration the general economic and industrial circumstances and the balance sheet results of the company, as well as the salaries paid in the similar companies in the market, the results of the performance evaluation and also pay rise percentages stemming from the collective labour agreement, in line with the collective labour agreement pay rise periods for the workers. This study is evaluated by the Board of Directors and remuneration thus determined is implemented upon approval of the Board.

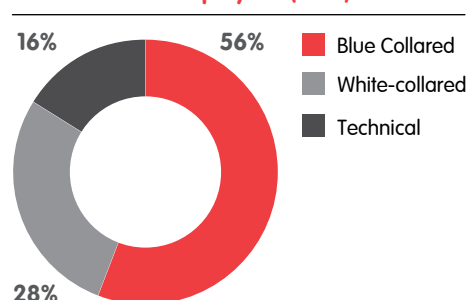
Attendance fee, wage, premium, bonus and profit share	TL3.264.272,00
Allowance, travel and accommodation costs, insurance and representation costs	TL106.575,00
Total	TL3.370.847,00

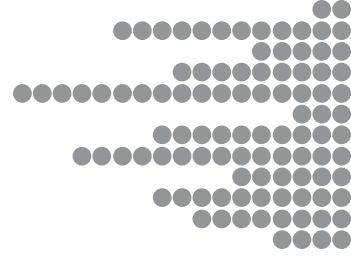


Number of Employees



Distribution of Employees (2012)





Actively involved in the social responsibility events

Social Responsibility

The company also realized various activities in line with the corporate image of a socially responsible entity including the following.

- The company continued to contribute to youth education over the year with 57 undergraduates, including employees' children and successful graduates of Sarkuysan High School, being awarded scholarships. Also 64 students were awarded scholarships from a private fund established by our personnel. Vocational high school students and undergraduates are also given the chance of training at the company to the extent of the quota allocated by the company.
- Our warm relationship with Sarkuysan High School has always been maintained and traditional essay writing contest during the Atatürk Week was organized.
- As has now become a tradition, Sarkuysan allocates the funds set aside for New Year promotional gifts to the purchase of much needed medical equipment to be donated to state hospitals. In this way, contributions were made to the Gebze Fatih State Hospital and Darica Farabi Hospital by purchasing and donating "a lithotripter", "a resectoscope set" and "a dressing and pharmacy cart".
- Sarkuysan table tennis team continued to play in the super league.
- Sarkuysan Classical Turkish Music Chorus, made up of our employees, gave a successful concert on the occasion of our 37th anniversary of start-up of Sarkuysan plant at the Gebze Osman Hamdi Bey Concert Hall on 22nd December 2012.
- The company sponsored the Solar Car Team formed by the Istanbul Technical University students supported by the İ.T.Ü. Foundation.

Annual Operations 2012

Donations and Charity

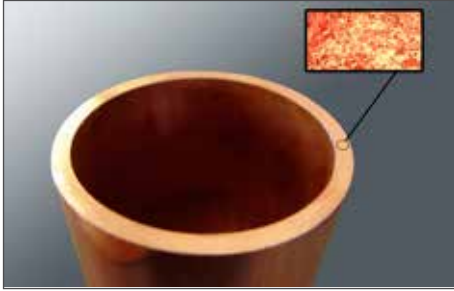
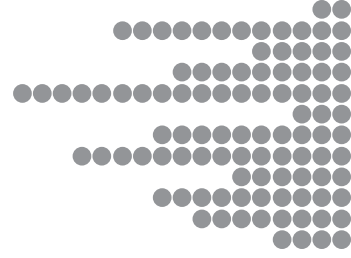
During the year the total sum of donations and charity reached TL271.513,12. The most important of them was the contributions in the sum of TL85.000,00 made to Dumlupınar Primary School which was built under the auspices of the Kocaeli Chamber of Commerce. Also a colour Doppler at a price of TL50.397,12 was donated to the Okmeydanı State Hospital.

Donations and charity made by our company in 2012 (TL)

Kocaeli Chamber of Commerce/Dumlupınar Primary School	85.000,00
Okmeydanı State Hospital	50.397,12
Kartal Occupational Diseases Hospital	32.578,52
Sarkuysan High School / Gebze	32.414,70
Sarkuysan Sport Club	20.450,00
Istanbul Technical University Foundation	10.000,00
Gebze Fatih State Hospital	7.560,00
Aid Campaign for Myanmar, Governorship of Kocaeli	5.000,00
Turkish American Business Association	3.750,00
Solidarity Association for the Disabled	3.600,00
Others	20.762,78
TOTAL	271.513,12



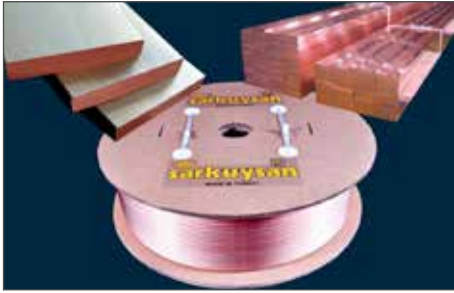
Raising the bar with
strong objectives



Our Targets

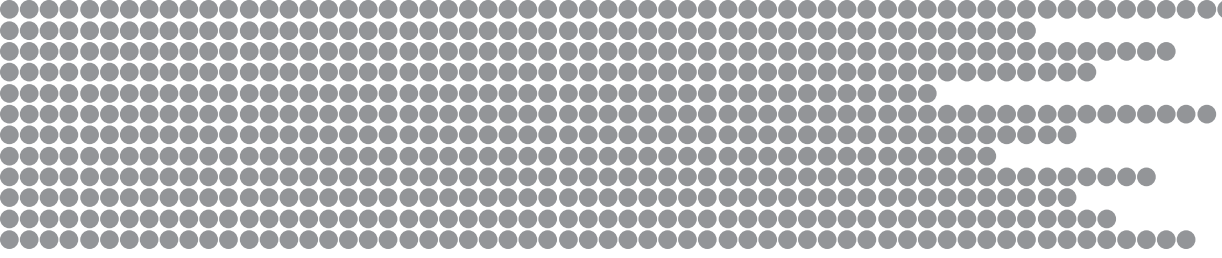
The company reached its targets concerning the export marketing and sales operations over the year 2012 by increasing its customer base through penetrating new geographic locations. Thanks to the customer policy the best service was supplied to the domestic market, as well.

Within the Research and Development activities, new projects were implemented in line with the modernization works at our facilities, and product quality objectives were attained.



Works commenced to increase the production and sales potential of Bemka A.Ş. which was acquired in 2012 and the desired product range was reached over the period.

Within the context of quality policy, training programs to enhance the man power and our employees' experience continued and affirmative results were obtained in this respect.



Internal Audit

The internal audit system of the company consists of job descriptions, authorisation system, policies and written procedures which were determined according to the work flow and processes.

With the internal auditing the company aims to accomplish its objectives in terms of efficiency and effectiveness of operations, the reliability of financial reporting and compliance with laws and regulations.

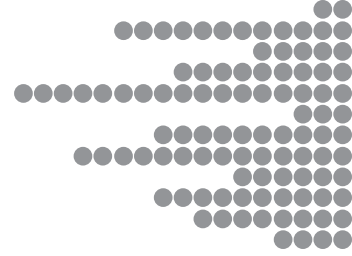
Internal audit system regularly passes through periodic evaluation process, and effectiveness of the production operations are audited by the Quality Assurance Department.

Risks and Evaluation by the Board of Directors

Early Detection of Risk Committee was established as per the provisions set forth by Turkish Commercial Code No. 6102 and Corporate Governance Principles and the reports prepared by the said committee which reviewed current risks and the future strategy of the company were evaluated by the Board of Directors and effective measures were taken against the likely risks during 2012. Solutions were produced for risk tolerance and strategy by taking into consideration of the current and potential micro economic conditions along with the environmental factors. The models used in the risk management systems and social changes were meticulously approached and the risks of critical importance were accurately and timely monitored. Also social and qualification plans were applied concerning the risk weights to be applied in the determination of the incentives and remuneration of the officers. It has been ensured that required resources obtained and in the case of necessity, requisite information and experienced human resources are accessible and utilised concerning the subject matter.

Other Matters

In order to comply with the Turkish Commercial Code No. 6102 and amended Capital Markets Law no. 6362 relevant articles of the Company's Articles of Association were amended and permission from the Customs and Commerce Ministry were obtained. The said amendments will be presented to the Ordinary General Meeting to be held in 2013 for approval of the shareholders. The Compliance Report with the Corporate Governance Principles was also amended in accordance with the changes in the Capital Markets Regulations.



Proposal for Profit Distribution

In line with the Capital Markets Board's communiqués, we propose that after the legal reserve is appropriated and tax is deducted and grants and contributions are included, out of the net distributable profit in the amount of TL32.410.131,00 included in the consolidated balance sheet dated 31.12.2012, total TL15.000.000,00 is to be distributed in the manner indicated in the following table in accordance with the 25th Article of the Articles of Incorporation and that a net dividend of 15% is to be paid to the shareholders and that dividend distribution date to be determined as 31.05.2013.

Should this proposal of ours is accepted, for each share of TL1,00 par value forming the paid-up capital of TL100.000.000,00, a gross dividend of 17,64706% (TL0,176) and a net dividend of 15% (TL0,15) will be paid in cash.

Yours sincerely,
Board of Directors

SAR KUYSAN ELEKTROLİTİK BAKIR SANAYİ ve TİCARET A.Ş. PROFIT DISTRIBUTION STATEMENT FOR 2012 (TL)

1. Paid-up Capital			100.000.000
2. Total Reserves (According to legal records)			12.280.271
Privileges with respect to profit distribution as per the Articles of Incorporation			None
		ACCORDING TO CAPITAL MARKETS LEGISLATION	ACCORDING TO LEGAL RECORDS
3. PROFIT FOR THE YEAR (Excluding Minority Interest)		42.670.472	30.102.672
4. Taxes to be paid (-)		9.323.992	5.945.437
	Corporation tax (-)	8.148.251	5.945.437
	Provision for deferred tax (+)	1.175.741	-
5. NET PROFIT FOR THE YEAR		33.346.480	24.157.236
6. Loss from previous years (-)		-	-
7. First legal reserves (-)		1.207.862	1.207.862
8. 75% of the Revenues from the sale of real estate		-	-
9. NET DISTRIBUTABLE PROFIT FOR THE YEAR		32.138.618	22.949.374
10. Donations (+)		271.513	-
11. Net distributable profit including donations as calculation basis for first dividends		32.410.131	-
12. First dividend to shareholders		1.620.507	-
	In cash	1.620.507	-
	Bonus share	-	-
	Total	1.620.507	-
13. Dividends to preferred shareholders		-	-
14. Profit Share to directors		1.079.952	-
15. Dividends to founder shareholders		-	-
16. Second dividend to shareholders		16.026.554	-
	In cash	16.026.554	-
	Bonus share	-	-
	Total	16.026.554	-
17. Second legal reserves (-)		1.372.701	-
18. Statutory reserves		-	-
19. Special reserves		-	-
20. EXTRAORDINARY RESERVES		12.038.904	2.849.661
21. Other Distributable Funds		-	-
	- Profit from previous period	-	-
	- Extraordinary reserves	-	-
	- Other distributable reserves as per law and Articles of Incorporation	-	-

INFORMATION ON DISTRIBUTABLE DIVIDEND

TOTAL DIVIDEND DISTRIBUTION		
ORDINARY SHAREHOLDERS		17.647.060
PROFIT SHARE TO THE BOARD OF DIRECTORS		1.079.952
		18.727.012

INFORMATION ON DIVIDEND PER SHARE

		TOTAL DIVIDEND AMOUNT (TL)	DIVIDEND PER SHARE OF TL 1 PAR VALUE	
			AMOUNT (TL)	RATE (%)
GROSS	A	0,88	0,17647060	17,647060
	B	17.647.059,12	0,17647060	17,647060
	TOTAL	17.647.060,00	0,17647060	17,647060
NET	A	0,75	0,15	15,000000
	B	14.999.999,25	0,15	15,000000
	TOTAL	15.000.000,00	0,15	15,000000

RATIO OF NET DISTRIBUTABLE PROFIT TO THE NET PROFIT INCLUDING DONATIONS

TOTAL DIVIDENDS TO SHAREHOLDERS (TL)	RATIO OF NET DISTRIBUTABLE PROFIT TO THE NET PROFIT INCLUDING DONATIONS (%)
17.647.060,00	54,45



Independent Auditor's Report

TO THE BOARD OF DIRECTORS OF
SARKUYSAN ELEKTROLİTİK BAKIR SANAYİ VE TİCARET ANONİM ŞİRKETİ

We have audited the accompanying consolidated financial statements of **Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret Anonim Şirketi and its subsidiaries** ("together the Group"), which comprise the consolidated balance sheet as of December 31, 2012 and the consolidated income statement, consolidated comprehensive income statement, consolidated statements of shareholders' equity and consolidated statements of cash-flow for the years then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

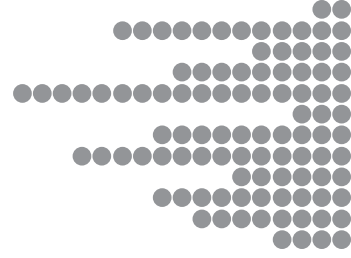
Group Management is responsible for the preparation and fair presentation of these financial statements in accordance with financial reporting standards published by Capital Market Board (CMB). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Responsibility of Independent Auditing Firm

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 ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

Our audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity'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 policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of **Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret Anonim Şirketi** as of December 31, 2012 and of its consolidated financial performance and its consolidated cash flow for the year then ended in accordance with financial reporting standards published by Capital Market Board (CMB).

GÜRELİ YEMİNLİ MALİ MÜŞAVİRLİK VE BAĞIMSIZ DENETİM HİZMETLERİ A.Ş.

An Independent Member of BAKER TILLY INTERNATIONAL

Dr. M. Özgür GÜNEL
Certified Public Accountant

Istanbul, Turkey April 11, 2013

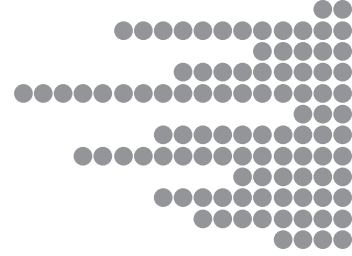
Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Consolidated Balance Sheet (XI-29)

(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

	Note	Audited Current Period 31.12.2012	Audited Previous Period 31.12.2011
ASSETS			
Current Assets			
Cash and Cash Equivalents	Note.6	49.927.919	58.688.389
Financial Investments	Note.7	-	-
Trade Receivables	Note.10	483.210.474	438.038.048
<i>Other Trade Receivables</i>	Note.10	482.944.446	391.349.476
<i>Trade Receivables from Related Parties</i>	Note.10, 37	266.028	46.688.572
Due From Finance Sector Operations	Note.12	-	-
Other Receivables	Note.11	32.963.011	52.591.185
Inventories	Note.13	182.595.146	104.532.953
Derivative Financial Instruments	Note.14	712.924	4.724.868
Other Current Assets	Note.26	21.770.526	9.190.676
Total		771.180.000	667.766.119
Fixed Assets Held For Sale Purposes	Note.34	-	-
Non-Current Assets			
Trade Receivables	Note.10	-	-
Due From Finance Sector Operations	Note.12	-	-
Other Receivables	Note.11	910.186	3.472
Financial Investments	Note.7	11.797	11.797
Investments Evaluated with Equity Method	Note.16	29.847.342	31.925.378
Investment Properties	Note.17	66.820.000	60.045.000
Tangible Assets	Note.18	141.809.679	84.229.724
Intangible Assets	Note.19	3.783.671	304.336
Goodwill	Note.20	4.056.423	4.056.423
Deferred Tax Asset	Note.35	137.489	78.347
Other Non-Current Assets	Note.26	55.190	-
TOTAL ASSETS		1.018.611.777	848.420.596

The accompanying notes form an integral part of the consolidated financial statements.



Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Consolidated Balance Sheet (XI-29)

(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

	Note	<i>Audited</i> Current Period 31.12.2012	<i>Audited</i> Previous Period 31.12.2011
LIABILITIES			
Short-Term Liabilities			
Financial Liabilities	Note.8	509.192.322	369.704.813
Other Financial Liabilities	Note.9	-	-
Trade Payables	Note.10	139.466.939	157.461.518
Other Payables	Note.11	4.417.978	4.401.761
Due to Finance Sector Operations	Note.12	-	-
Government Grants And Assistance	Note.21	-	-
Period Profit Tax Liabilities	Note.35	2.298.933	108.546
Derivative Financial Instruments	Note.14	141.542	2.365
Provisions	Note.22	2.310.365	1.435.899
Other Short-Term Liabilities	Note.26	21.997.717	10.747.227
Total		679.825.796	543.862.129
Payables Related to Fixed Assets Held for Sale Purposes	Note.34	-	-
Long-Term Liabilities			
Financial Liabilities	Note.8	679.709	-
Other Financial Liabilities	Note.9	-	-
Trade Payables	Note.10	-	-
Other Payables	Note.11	-	-
Due to Finance Sector Operations	Note.12	-	-
Government Grants And Assistance	Note.21	-	-
Provisions	Note.22	-	-
Provision For Termination Indemnity	Note.24	13.686.629	10.553.756
Deferred Tax Liabilities	Note.35	5.275.399	4.025.569
Other Long-Term Liabilities	Note.26	-	-
SHAREHOLDERS' EQUITY			
Parents Company Shareholders' Equity	Note.27	318.409.568	289.829.425
Capital		100.000.000	50.000.000
Inflation Adjustment of Shareholders' Equity		51.466.039	62.162.278
Capital Adjustments Due to Cross-Ownership		-	-
Share Premiums		-	-
Revaluation Funds		36.754.096	36.754.096
Foreign Currency Translation Adjustments		679.788	926.194
Restricted Reserves		14.700.122	13.988.391
Retained Earnings		81.421.715	95.708.285
Net Profit/(Loss) for the Period		33.387.808	30.290.181
Non-Controlling Interests	Note.27	734.676	149.717
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		1.018.611.777	848.420.596

The accompanying notes form an integral part of the consolidated financial statements.

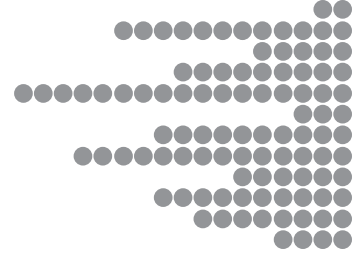
Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Consolidated Income Statement (XI-29)

(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

	Note	Audited Current Period 01.01.2012 - 31.12.2012	Audited Previous Period 01.01.2011 - 31.12.2011
CONTINUED OPERATIONS			
Sales	Note. 5, 28	2.366.690.290	2.202.640.009
Cost of Sales (-)	Note. 5, 28	(2.300.812.926)	(2.154.343.486)
Gross Profit/(Loss) from Trade Operations		65.877.364	48.296.523
Interest, Premium, Commission and Other Incomes		-	-
Interest, Premium, Commission and Other Expenses (-)		-	-
Gross Profit/(Loss) from Finance Sector Operations		-	-
GROSS PROFIT/(LOSS)		65.877.364	48.296.523
Marketing, Selling and Distribution Expenses (-)	Note.29	(17.608.716)	(15.225.124)
General Administration Expenses (-)	Note.29	(20.172.230)	(15.019.823)
Research and Development Expenses (-)	Note.29	(643.972)	(942.099)
Other Operating Income	Note.31	28.370.267	60.627.459
Other Operating Expenses (-)	Note.31	(6.791.458)	(1.679.670)
OPERATION PROFIT/(LOSS)		49.031.255	76.057.266
The Profit/(Loss) of Investments Evaluated According to Equity Method	Note.16	(2.078.036)	(2.945.970)
Financial Income	Note.32	115.301.801	163.529.477
Financial Expense (-)	Note.33	(119.584.548)	(205.563.663)
CONTINUED OPERATIONS PROFIT/(LOSS) BEFORE TAX		42.670.472	31.077.110
Continued Operations Tax Profit/(Loss)	Note.35	(9.323.992)	(766.650)
- Current Period Tax Income/(Expense)		(8.148.251)	(2.675.546)
- Deferred Tax Income/(Expense)		(1.175.741)	1.908.896
CONTINUED OPERATIONS PERIOD PROFIT/(LOSS)		33.346.480	30.310.460
DISCONTINUED OPERATIONS			
Discontinued Operations Profit/(Loss) After Tax		-	-
PERIOD PROFIT/(LOSS)		33.346.480	30.310.460
Distribution of Period Profit/(Loss)		33.346.480	30.310.460
Non-Controlling Interests		(41.328)	20.279
Parent Company		33.387.808	30.290.181
Net Earnings Per Share	Note.36	0,0033	0,0030

The accompanying notes form an integral part of the consolidated financial statements.



Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Consolidated Comprehensive Income Statement (XI-29)

(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

	Note	<i>Audited</i> Current Period		<i>Audited</i> Previous Period	
		01.01.2012	31.12.2012	01.01.2011	31.12.2011
PERIOD PROFIT/(LOSS)	Note.36		33.346.480		30.310.460
Other Comprehensive Income					
Changes in Financial Assets Revaluation Reserves			-		-
Changes in Investment Properties Revaluation Reserves			-		-
Changes in Hedging Reserves			-		-
Changes in Foreign Currency Translation Adjustment			(246.406)		(68.680)
Actuarial Gains and Losses From Retirement Plan			-		-
Part of Other Comprehensive Income From Partnership Evaluated by Equity Method			-		-
Tax Income/Expense Related Other Comprehensive Income			-		-
OTHER COMPREHENSIVE INCOME (AFTER TAX)			(246.406)		(68.680)
TOTAL COMPREHENSIVE INCOME			33.100.074		30.241.780
Distribution of Comprehensive Income			33.100.074		30.241.780
Non-Controlling Interests			(41.328)		20.279
Parent Company			33.141.402		30.221.500

The accompanying notes form an integral part of the consolidated financial statements.

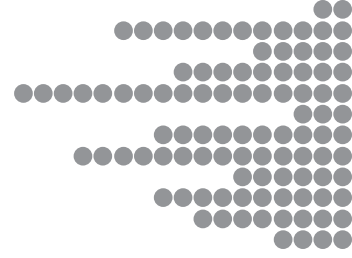
Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Consolidated Statement of Cash Flows (XI-29)

(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

	Note	<i>Audited</i> Current Period 01.01.2012 - 31.12.2012	<i>Audited</i> Previous Period 01.01.2011 - 31.12.2011
A) CASH FLOWS FROM OPERATING ACTIVITIES			
CONTINUED OPERATIONS PROFIT/(LOSS) BEFORE TAX		42.670.472	31.077.110
Adjustments:			
Depreciation	Note.17, 18, 19	12.141.553	10.628.418
Increase in Provision for Termination Indemnities	Note.24	4.007.158	3.244.403
Rediscount on Receivables	Note.10, 33	(80.992)	1.497.995
Provision for Doubtful Receivables	Note.10, 31	2.502.849	88.265
Other Provisions	Note.22	874.466	725.548
Provisions for no longer doubtful receivables	Note.10, 31	(30.836)	(12.473)
Interest Income (-)	Note.32	(16.934.327)	(13.558.155)
Interest Expense (+)	Note.33	30.585.424	35.359.565
Credit Foreign Exchange Income		(14.406.188)	61.275.167
Expense Accrual	Note.26	(451.314)	2.697.480
Income Accrual	Note.26	478.348	(476.970)
Profits from Sale of an Investment Property (-)	Note.17	-	(35.411.800)
Decrease Value of Tangible Assets	Note.18	(983.100)	-
Net Income/Expense from/to Derivative Transactions	Note.14	4.151.121	(4.422.225)
Share in Profit/(Loss) of Investments Evaluated by Equity Method	Note.16	2.078.036	2.945.970
Provision for Decrease in Value of Inventories	Note.13	5.105	16.155
Rediscount on Notes Payable	Note.10, 32	233.762	(405.946)
Profit on Sale of Fixed Assets	Note.31	(2.160.298)	-
Time Deposits Interest Income Accruals	Note.6	35.127	-
Increase in Value of Investment Property		-	(3.910.556)
Operational Income before Changes in Working Capital (+)		64.716.366	91.357.951
Increase in Trade Receivables/Other Receivables	Note.10, 11	(28.841.987)	(225.793.067)
Decrease in Inventories	Note.13	(78.067.298)	37.711.918
Changes in Trade and Other Payables	Note.10, 11	(18.212.125)	93.342.785
Changes in Factoring Payables	Note.8	(29.157.427)	83.061.253
Net Cash Inflow Provided/(Used) From Operating Activities (+)		(89.562.471)	79.680.840

The accompanying notes form an integral part of the consolidated financial statements.



Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Consolidated Statement of Cash Flows (XI-29)

(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

	Note	<i>Audited</i> Current Period 01.01.2012 - 31.12.2012	<i>Audited</i> Previous Period 01.01.2011 - 31.12.2011
Other Increase and Decrease in Working Capital (+)/(-)	Note.22, 26	(2.546.049)	1.751.020
Deferred VAT	Note.26	(9.262.307)	(62.333)
Advances Given for Purchases	Note.26	2.094.228	(1.537.903)
Job Advances	Note.26	-	40.908
Advances Received	Note.26	(1.192.117)	(1.729.455)
Net Cash Inflow Provided/(Used) From Operating Activities		(100.468.716)	78.143.077
Taxes Paid	Note.35	(5.957.864)	(2.612.757)
Interest Paid		(29.197.709)	(29.984.677)
Termination Indemnity Paid	Note.24	(874.285)	(1.320.046)
Interest Collected (+)		16.934.327	13.558.155
Net Cash Provided/(Used) From Investment Activities		(119.564.247)	57.783.752
B) NET CASH PROVIDED/(USED) FROM INVESTMENT ACTIVITIES			
Acquisitions of Tangible Assets (-)	Note.18, 19	(74.387.577)	(5.167.826)
Acquisitions of Financial Fixed Assets (-)		2.793.108	-
Net Value of Tangible Assets Disposals	Note.18, 19	2.481.375	332.008
Investment Property Disposals (+)	Note.17	-	53.911.800
Net Cash Provided/(Used) From Investment Activities		(69.113.094)	49.075.982
C) NET CASH PROVIDED/(USED) FROM FINANCIAL ACTIVITIES			
Foreign Currency Translation Adjustments (+)	Note.27	(246.406)	(68.680)
Credit Received	Note.8	665.563.193	345.491.972
Credit Paid	Note.8	(485.308.330)	(424.039.359)
Increase in Value of Investment Property	Note.27	(6.775.000)	-
Changes in Financial Leasing	Note.8	2.087.027	-
Dividend Paid (-)	Note.27	4.561.260	(6.872.878)
Net Cash Used in Financial Activities		179.881.744	(85.488.945)
Net Decrease in Cash and Cash Equivalents		(8.795.597)	21.370.789
BEGINNING BALANCE of CASH and CASH EQUIVALENTS	Note.6	58.688.389	37.317.600
ENDING BALANCE of CASH and CASH EQUIVALENTS	Note.6	49.892.792	58.688.389

The accompanying notes form an integral part of the consolidated financial statements.

Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Statement of Changes in Shareholders' Equity (XI-29)

(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

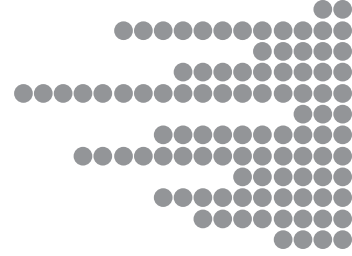
AUDITED

Current Period 01.01.2012	Notes	Capital	Inflation Adjustment of Shareholders' Equity	Restricted Reserves Assorted from Profit	Revaluation Funds
		50.000.000	62.162.278	13.988.391	36.754.096
Transfer	Note.27	-	-	711.731	-
Capital Increase	Note.27	50.000.000	(10.696.239)	-	-
Arising from Merger Bemka	Note.27	-	-	-	-
Dividend	Note.27	-	-	-	-
Total Comprehensive Income	Note.27	-	-	-	-
31.12.2012		100.000.000	51.466.039	14.700.122	36.754.096

AUDITED

Previous Period 01.01.2011		Capital	Inflation Adjustment of Shareholders' Equity	Restricted Reserves Assorted from Profit	Revaluation Funds
		50.000.000	62.162.278	12.795.733	49.304.362
Transfer	Note.27	-	-	51.772	-
Capital Increase	Note.27	-	-	-	-
Dividend	Note.27	-	-	1.140.886	-
Total Comprehensive Income	Note.27	-	-	-	(12.550.266)
31.12.2011		50.000.000	62.162.278	13.988.391	36.754.096

The accompanying notes form an integral part of the consolidated financial statements.



Foreign Currency Translation Adjustments	Net Period Profit/(Loss)	Retained Earnings	Main Shareholders' Equity	Non-Controlling Interests	Total Shareholders' Equity
926.194	30.290.181	95.708.285	289.829.425	149.717	289.979.142
-	(30.290.181)	29.578.450	-	-	-
-	-	(39.303.760)	-	-	-
-	-	-	-	604.706	604.706
-	-	(4.561.260)	(4.561.260)	21.580	(4.539.680)
(246.406)	33.387.808	-	33.141.403	(41.328)	33.100.074
679.788	33.387.808	81.421.715	318.409.568	734.675	319.144.244
994.874	11.433.283	79.790.269	266.480.799	129.438	266.610.237
-	(11.433.283)	11.381.511	-	-	-
-	-	-	-	-	-
-	-	(8.013.761)	(6.872.875)	-	(6.872.875)
(68.680)	30.290.181	12.550.266	30.221.500	20.279	30.241.780
926.194	30.290.181	95.708.825	289.829.425	149.717	289.979.142

Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2012

(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

1 ORGANIZATION AND BUSINESS SEGMENT

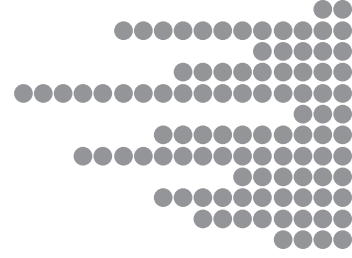
Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş. (The Company) was established on 03.05.1972 and company shares are traded on the Istanbul Stock Exchange. The main operations of the company are to produce and trade electrolytic copper wire, copper and copper alloys.

The registered address of the company is at Emek Mahallesi Aşıroğlu Cad. No:147 Darıca, Kocaeli.

All of the shares are publicly traded and there is no shareholder who is holding voting rights more than 10%.

The subsidiaries and affiliates of the company as of 31.12.2012 are as follows:

Partner Name	Subsidiary Name	Area of Operation	Country	Partnership Percentage
Sarkuysan A.Ş.	Sarmakina San.ve Tic. A.Ş.	Packaging materials (steel reel), manufacturing and trade of machinery	Turkey	99,00
Sarkuysan A.Ş.	Sarda Dağ.ve Tic. A.Ş.	Marketing and Distribution	Turkey	99,97
Sarkuysan A.Ş.	Bektaş Emaye Kablo San. Tic. A.Ş.	Non-operational, but receives participation income	Turkey	70,71
Sarkuysan A.Ş.	Sark - USA, Inc.	Markets Sarkuysan and Sark Wire Corp's products in the US market	USA	100,00
Sarkuysan A.Ş.	Aegean Free Zone Branch	Production and trade of electrolytic copper wire.	Turkey	100,00
Sarkuysan A.Ş.	Demisaş Döküm Emaye Mam. San. A.Ş.	Manufacture and trade of iron spare parts for automotive and household appliances	Turkey	44,44
Sarkuysan A.Ş.	Bemka Emaye Bobin Teli ve Kablo San. Tic. A.Ş.	Manufacturer of power, data, telecom cables, other insulated conductors and components as well as trade of these products in domestic and export markets	Turkey	57,30
Sarda Dağ. ve Tic. A.Ş.	Bektaş Emaye Kablo San. Tic. A.Ş.	Non-operational, but receives participation income.	Turkey	29,12
Sarda Dağ ve Tic. A.Ş.	Bemka Emaye Bobin Teli ve Kablo San. Tic. A.Ş.	Manufacturer of power, data, telecom cables, other insulated conductors and components as well as trade of these products in domestic and export markets	Turkey	10,00
Bektaş Emaye Kablo San. Tic. A.Ş.	Bemka Emaye Bobin Teli ve Kablo San. Tic. A.Ş.	Manufacturer of power, data, telecom cables, other insulated conductors and components as well as trade of these products in domestic and export markets	Turkey	17,00
Sarkuysan A.Ş.	Sark Wire Corp.	Production and Trade of copper wire.	USA	60,00
Bektaş Emaye Kablo San. Tic. A.Ş.	Sark Wire Corp.	Production and Trade of copper wire.	USA	12,50
Sark - USA, Inc.	Sark Wire Corp.	Production and Trade of copper wire.	USA	12,50
Sarmakina San. ve Tic. A.Ş.	Sark Wire Corp.	Production and Trade of copper wire.	USA	15,00
Sarmakina San. ve Tic. A.Ş.	Bemka Emaye Bobin Teli ve Kablo San. Tic. A.Ş.	Manufacturer of power, data, telecom cables, other insulated conductors and components as well as trade of these products in domestic and export markets	Turkey	10,00



Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2012

(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

Hereafter, in the consolidated financial statements and footnotes, Sarkuysan and the consolidated subsidiaries will be referred as "Group".

The average number of the personnel is 904. (31.12.2011: 753)

	31.12.2012	31.12.2011
Unionized employees	426	358
Non-unionized employees	107	71
White-collared employees	371	324
Total	904	753

These consolidated financial statements were approved to be published at a meeting of the Board of Directors, dated April 11, 2013 and were signed by the Chairman of the Board of Directors Hayrettin Çaycı, Accounting Manager Emine Gündoğ on behalf of the Board. The General Assembly has the authority to change the financial statements.

2 BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.01 Basic Principles for the Presentation

The Group maintains its books of accounts and legal financial statement in accordance with Turkish Commercial Code and accounting principles determined in tax legislations. Subsidiaries operating in foreign countries prepare accounting records and statutory financial statements according to currencies of the country where they are in and in accordance with the legislation of the countries. The Group's financial statements were prepared in accordance with the Capital Market Board's ("CMB") regulations for accounting and reporting.

The CMB published a comprehensive set of accounting principles in accordance with the communiqué Serial: XI, No:29 on "Communiqué on Financial Reporting at Capital Markets". This communiqué became valid for the first interim financial period subsequent to January 01, 2008. The supplementary communiqué Serial: XI, No: 29 was issued as an amendment to Communiqué Serial: XI No: 25 and states that, the financial statements will be prepared in accordance with the International Financial Reporting Standards ("IFRS") as conceded by the European Union ("EU"). IFRS will be applied until the time differences between the IFRS and Turkish Accounting/Financial Reporting Standards ("TFRS") are declared by the Turkish Accounting Standards Board. Thus TFRS, which are in compliant with the applied standards, will be adopted.

The accompanying consolidated financial statements and notes were prepared in accordance with IFRS as declared in the communiqué Serial: XI, No: 29, with the required formats announced by the CMB on April 18, 2008 and January 09, 2009.

Statutory Decree No:660, which had become effective and published in the Official Gazette on 2 November 2011, and the Additional Clause 1 of the Law No: 2499 were nullified and accordingly, Public Oversight, Accounting and Audit Standards Institution (the "Institution") was established. As per Additional Article 1 of the Statutory Decree, applicable laws and standards will apply until new standards and regulations be issued by the Institution and will become effective. In this respect, the respective matter has no effect over the "Basis of The Preparation of Financial Statements" Notes disclosed in the accompanying financial statements of the reporting date.

The Group's financial statements are presented with its functional currency that is the currency of the primary economic environment in which the Group operates. The Group's financial position and operation results are indicated in the Group's functional currency, Turkish Lira.



Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2012

(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

Financial Statements of the subsidiaries which are operated in other countries:

If the functional currency of the group firm is different than the report, the currency is translated by the following rules (none of the currencies are belong to a hyper inflationist economy)

- All assets and liabilities in the Balance Sheet are translated by the exchange rate in balance sheet date
- Revenues and expenses in the Income Statement are translated by the average exchange rate and the translation loss is shown in the Owners' Equity and Comprehensive Income Statement as a separate item

If some of the foreign operations are sold, it is shown as a sleuthed translation in Owners' Equity and income/loss from sales in Income Statement. Goodwill and fair value adjustments by the acquisition of a foreign company are considered to be an asset and liability of it.

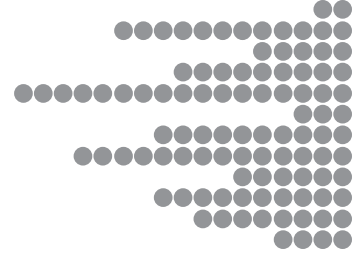
2.02 Dealing with the Inflation Effects in Hyper-Inflationary Periods

According to the decision dated March 17, 2005 with No:11/367 made by the CMB, the inflation accounting had been no longer effective for the periods after January 01, 2005 for the companies that are operating in Turkey and preparing financial statements in accordance with CMB standards. Therefore, application of International Accounting Standards 29 "Financial Reporting on Hyper-Inflationist Economies" was terminated after January 01, 2005.

2.03 Basis of Consolidation

Subsidiaries are companies in which the current shares has the power to control the financial and operating policies for the benefit of the Group, either (a) through the power to exercise more than 50% of the voting rights relating to shares in the companies as a result of shares owned directly and indirectly by itself and/or companies whereby the Group exercises control over the voting rights of the shares held by them, or (b) although not having the power to exercise more than 50% of the voting rights, through the exercise of an actual dominant influence over the financial and operating policies.

The balance sheets and statements of income of the Subsidiaries are consolidated on a line-by-line basis and the carrying value of the investment held by the Group and its Subsidiaries is eliminated against the related shareholders' equity. Intercompany transactions and balances between the Group and its Subsidiaries are eliminated on consolidation. The cost of, and the dividends arising from, shares held by the Group in its Subsidiaries are eliminated from shareholders' equity and income for the period, respectively.



Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2012

(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

The proportion of ownership interest and effective interest of the Group in these Joint Ventures as of December 31, 2011 and December 31, 2012 are as follows;

31.12.2012

Subsidiaries Name	Direct Shares Owned by Parent Company	Indirect Shares Owned by Parent Company	Total Shares
Sarmakina San. ve Tic. A.Ş.	99%	-	99%
Sarda Dağ.ve Tic. A.Ş.	99,97%	-	99,97%
Bektaş Emaye Kablo San. Tic. A.Ş.	70,71%	29,11%	99,82%
Sark-USA, Inc.	100%	-	100%
Aegean Free Zone Branch	100%	-	100%
Sark Wire Corp.	60%	39,83%	99,83%
Bemka Emaye Bobin Teli ve Kablo San. Tic. A.Ş.	57,30%	36,87%	94,17%

31.12.2011

Subsidiaries Name	Direct Shares Owned by Parent Company	Indirect Shares Owned by Parent Company	Total Shares
Sarmakina San. Ve Tic. A.Ş.	99%	-	99%
Sarda Dağ.ve Tic. A.Ş.	99,97%	-	99,97%
Bektaş Emaye Kablo San. Tic. A.Ş.	70,71%	29,11%	99,82%
Sark USA, INC.	100%	-	100%
Aegean Free Zone Branch	100%	-	100%
Sark Wire Corp	60%	39,83%	99,83%

Investments in Affiliates are accounted for by the equity method of accounting. These are entities over which the Group generally has between 20% and 50% of voting rights or has significant influence, but does not have control on these affiliates' operations. Unrealized gains that result from intercompany transactions between the Group and its Associates are eliminated on consolidation, whereas unrealized losses are eliminated unless they do not address any impairment. Equity accounting is discontinued when the carrying amount of the investment in an Associate reaches zero, unless the Group has incurred obligations or guaranteed obligations in respect of the Associates. Such Associates are accounted at fair value if the fair value can be determined objectively; otherwise, they are accounted at cost.

Demisaş A.Ş., a subsidiary of Sarkuysan Elektrolitik Bakır Sanayi and Ticaret A.Ş. is accounted for under the equity method. In the equity method of accounting, subsidiaries are recorded initially at acquisition cost, the amount of the parent's interest in the associate's shareholders' equity in the financial statements to reflect the increase or decrease the reflection method.

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The table below sets out all affiliates and shows the total interest of the Group in these affiliates as of December 31, 2012 and December 31, 2011;

31.12.2012

Subsidiaries Name	Direct Shares Owned by Parent Company	Indirect Shares Owned by Parent Company	Total Shares
Demisaş Döküm Emaye Mam. San. A.Ş.	44,44%	-	44,44%

31.12.2011

Subsidiaries Name	Direct Shares Owned by Parent Company	Indirect Shares Owned by Parent Company	Total Shares
Demisaş Döküm Emaye Mam. San. A.Ş.	44,44%	-	44,44%
Bemka Emaye Bobin Teli ve Kablo San. Tic. A.Ş.	-	16,98%	16,98%

Financial Assets in which the Group and its Subsidiaries, have interest below 20%, or over which the Group does not have a significant influence are classified as financial assets available for sale. Financial Assets available for sale that do not have a quoted market price in active markets and whose fair value cannot be measured reliably are carried at cost less any provision for diminution in value. Financial Assets available for sale that have a quoted market price in active markets and whose fair values can be measured reliably are carried at fair value.

The results of Subsidiaries are included or excluded from consolidation regarding to their effective dates of acquisition and disposal, respectively.

Accounted for by the equity method as of December 31, 2011 Bemka A.Ş. merged under the umbrella of transferring the Group as at 31 July 2012 have been completed. Bemka A.Ş., following the purchase, as the subsidiary reported.

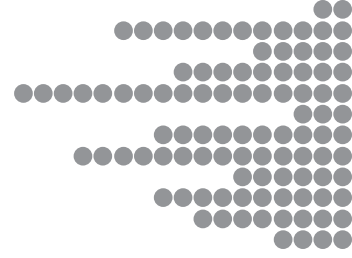
The portion of the profit or loss and net assets of subsidiaries attributable to equity interests that are not owned, directly or indirectly through the Subsidiaries, by the parents, is presented as minority interest.

2.04 Comparative Information and Adjustment of the Previous Consolidated Financial Statements

The financial statements were prepared comparatively to assess the financial position and the performance trends of the Group. The Group prepared comparative Balance Sheet dated as of 31.12.2012 and 31.12.2011 and income statement, comprehensive income statement, cash flow and statement of changes in shareholders' equity for the period's 01.01.202-31.12.2012 and 01.01.2011-31.12.2011.

As of July 31, 2012 as a subsidiary of the reported Bemka A.Ş.'s operating results as of the date of acquisition effects are reflected in the consolidated financial statements. Operating results prior to the date of acquisition retained earnings/losses are accounted for.

If necessary, the classification amendments for the financial statements in the current period can be applied to the financial statements of the previous period in order to be in coherence.



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(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

2.05 Significant Accounting Considerations, Predictions and Assumptions

During the preparation of the financial statements, the Group management has to make assumptions and predictions, which would indicate the possible liabilities, commitments as of the balance sheet date as well as amounts of income and expense as of the reporting date. The realized results may differ from the estimates. Estimations are reviewed regularly and any corrections made to those estimates is corrected in the current period and reflected on the income statement in the period which is occurred.

The Comments, which may have significant effects for the amounts reflected on the financial statements and the assumptions made that existed as of balance sheet date or may occur in the future are as below:

a) Termination Indemnity Liability is determined using the actuarial valuations (discount rates, salary increases for the future periods and estimated probability of retirement rates) (Note 24)

b) Tangible assets are depreciated using the straight-line method over their economic lives. The estimated useful life and amortization are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. (Note: 2.09.03- 2.09.04)

c) In the accompanying financial statements, the Group management made a litigation provision related to the law suits disclosed in Note 22 in line with the opinion of the Group's legal counsellors based on the most precise estimates.

d) According to the accounting principles disclosed in Note 2.11, the goodwill is reviewed annually by the group management. The recoverable amount of cash generating units is based on the calculations of value in use. There are certain assumptions made for these calculations which are disclosed in the Note 20.

e) The impairment for the trade receivables is determined using the credibility of debtors, previous payment performances and restructuring terms in case of restructure. (Note:10)

f) The inventories with an undefined sale price and a lower predictable net realizable value compared with their cost amounts, have provisions for the decrease in value of inventories in accordance with the information related with the waiting period and the physical received from the technical staff. (Note:13)

g) The Group has chosen to use the revaluation model for Investment Properties.

h) The Group has calculated deferred tax accounts in accordance with IFRS and it is reflected on the consolidated financial statements. Future financial losses taken into account in calculation of deferred taxes of 2.523.820 TL is expected to use the five-year period. (Note:35)

2.06 Changes in Accounting Policies

The changes to the current accounting policies can be performed if it is necessary or the changes provide more appropriate and reliable presentation of the transactions and events related to the financial position, performance and the cash flow of the Group that affect the financial statements of the Group. If the changes in accounting policies affect the prior periods, policy is applied to the prior period financial statements as if it is applied before. There are not any changes in the accounting policies of the Group in the current period.



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2.07 Changes in Accounting Estimates and Errors

Accounting estimates are made based on reliable information and using appropriate estimation methods. However, if new or additional information becomes available or the circumstances, which the initial estimates based on, change, then the estimates are reviewed and revised, if necessary. If the change in the accounting estimates is only related to a sole period, then only that period's financial statements are adjusted. On the other hand, if the amendments are related to the current as well as the forthcoming periods, then both current and forthcoming periods' financial statements are adjusted.

In instances where the accounting estimates affect both current and forthcoming periods, then description and monetary value of the estimate is disclosed in the notes to the financial statements. However; if the effect of the accounting estimate to the financial statement is not determinable, then it is not disclosed in the notes to the financial statements. There are not any changes in accounting estimates which may affect the period results of the current period.

2.08 Offsetting

The financial assets and liabilities in the financial statements are offset and the net amount reported in the balance sheet, where there is a legally enforceable right to offset the recognized amounts, and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

2.09 Summary of Significant Accounting Policies

The significant accounting policies used in the preparation of the financial statements are as follows:

2.09.01 Revenue Recognition

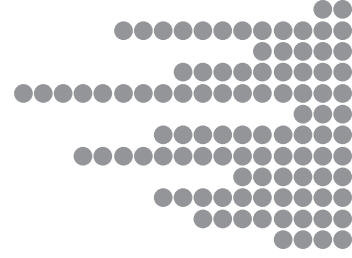
Group revenues consist of electrolytic copper wire, copper tube, bus bar, enamelled wire and copper alloys sales to the domestic market and overseas as well as toll conversion revenues. Rental Revenues from investment properties are accounted for sales revenue.

The Group recognizes income according to the accrual basis, when the Group reasonably determines the income and economic benefit is probable. Revenue is reduced for customer returns and sales discounts.

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

- The significant risks and the ownership of the goods are transferred to the buyer;
- The Group refrains the managerial control over the goods and the effective control over the goods sold;
- The revenue can be measured reasonably;
- It is probable that the economic benefits related to transaction will flow to the entity;
- The costs incurred or will be incurred in conjunction with the transaction can be measured reliably.

When the revenue from services can be measured reliably, the revenue is recorded in accordance with its completion level. If the revenue cannot be measured reliably, revenues are recognized as much as the recoverable amount of expenses that are associated with these revenues.



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Other miscellaneous revenues that are earned by the Group,

Interest Income, on the basis of effective interest method

Rent and Royalty Income, on accrual basis

Dividend Income, on the date of dividend payment occurrence

Rental income from investment properties is recognized on a straight-line basis over the term of the respective lease.

When there is significant amount of cost of financing included in the sales, the fair value is determined by discounting all probable future cash flows with the yield rate, which is embedded in the cost of financing. The differences between the fair value and the nominal value are recorded as interest income according to the accrual basis.

2.09.02 Inventories

Inventories are stated either at the lower of acquisition cost or net realizable value. The cost basis of the inventories includes; the acquisition cost, conversion costs, and the costs incurred to bring the inventories to their existing status. Costs, including an appropriate portion of fixed and variable overhead expenses, are assigned to inventories held by the method most appropriate to the particular class of inventory, with the majority being valued using the monthly weighted average method. Net realizable value represents the estimated selling price less all estimated costs of completion and costs necessary to make a sale.

2.09.03 Tangible Fixed Assets

The property, plant, and equipment acquired after January 01, 2005 are carried at historical cost, which is computed by deducting the accumulated depreciation from their cost basis. For assets that were acquired before January 01, 2005, the tangible fixed assets are presented on the financial statement at indexed historical cost for inflation effects as at December 31, 2004. Tangible assets are depreciated using the straight-line method over their economic lives.

The following rates, determined in accordance with the economic lives of the fixed assets, are used in calculation of depreciation:

TYPE	Economic Life (Year)	Depreciation Rates as of December 31, 2012 (%)	Depreciation Rates as of December 31, 2011 (%)
Land Improvements	25	4	4
Buildings	50	2	2
Machinery, Plant, and Equipment	12,5	8	8
Furniture and Fixtures	5	20	20
Vehicles	5	20	20
Other Tangible Assets	5	20	20
Leasehold improvements	5	20	20
Acquisition of Leased Assets	8-10	10-12,5	-

The expected useful lives, residual values and the depreciation method are reviewed annually for the probable effects of changes that occur in estimates. If there are any changes regarding the estimates, their effects are recognized retroactively.

The profit and loss arisen from fixed asset sales are determined by comparing the net book value with the sales price and the difference is recorded as operating profit or loss.

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Maintenance and repair costs are recorded as expense as at their realization date. If the maintenance and repair expenses clearly improve the economic value or performance of the related asset, then these costs are capitalized.

2.09.04 Intangible Assets

Intangible fixed assets acquired before January 01, 2005 are carried at indexed historical cost for inflation effects as at December 31, 2004; however, purchases after January 01, 2005 are carried at their historical cost less accumulated amortization and impairment. Intangible assets are depreciated on a straight-line basis over their expected useful lives. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

TYPE	Economic Life (Year)	Depreciation Rates as of December 31, 2012 (%)	Depreciation Rates as of December 31, 2011 (%)
Rights	5	20	20
Development cost	5	20	20
Other Intangible Assets	3,3- 10	10 - 33	10 - 33

2.09.05 Impairment of Assets

Assets that have an indefinite useful life, such as goodwill, are not subject to amortization but they are annually tested for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of impairment at each reporting date.

2.09.06 Leasing Operations

i) Financial Leasing

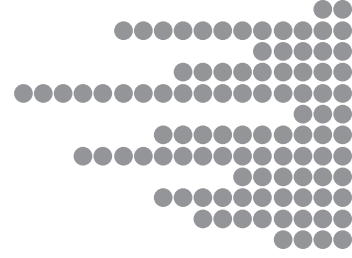
None.

ii) Operational Leasing

Lease agreements, which the lessor retains all the risks and benefits pertaining to the goods, are described as operational leases.

The Group as Lessee:

Lease payments made for an operational leasing are recorded as expense according to normal method throughout the lease term. The total rent expense paid in the current period is TL 189.126. The transactions between parent company and subsidiaries are eliminated reciprocally within the scope of consolidation. (Note:29- 30)



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The Group as Lessor:

Rents received for an operational leasing are recorded as income according to normal method throughout the lease term. The total rent income by 31.12.2012 is TL 3.352.946. (31.12.2011; TL 3.139.514) TL 2.638.421 of this amount consists of the rent income from investment properties. (31.12.2011; TL 2.147.364) The Group presents the rent income derived from investment properties in sales. The remaining amount, TL 714.525 (31.12.2011; TL 992.150), is recognized as Other Operations Income. The transactions between parent company and subsidiaries are eliminated reciprocally within the scope of consolidation. (Note:31)

2.09.07 Research and Development Costs

Research and development costs are expensed as incurred. These expenses consist of the costs of the Group's internal research and development activities and the costs of developing new products and enhancing existing products. In case newly developed projects are tested to be successful in terms of commercial and technological use and its expenses measured reliably, they are recognized as intangible assets. Other research costs are expensed as incurred. Expenses recognized in previous periods cannot be capitalized in following periods. Research and Development costs are considered to be an intangible asset only as follows,

Expenditures for research and development are charged against income in the period incurred expect for project development costs which comply with the following criteria:

- The products or process is clearly defined and costs are separately identified and measured reliably,
- The technical feasibility of the product is demonstrated,,
- The product or process will be sold or used in-house
- A potential market exist for the product or its usefulness in case of internal use is demonstrated,
- Adequate technical, financial and other resources required for completion of the project are available.

The cost of R&D projects which are satisfying the criteria above should be capitalized by linear depreciation method. The total amount which the Firm capitalized during 2012 is TL 498.475 (31.12.2011; TL 328.840)

2.09.08 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All of the other borrowing costs are recorded in the income statement in the period in which they are incurred. The Group did not capitalize any borrowing costs as of period end.

2.09.09 Financial Instruments

(i) Financial Assets

Investments are recognized and derecognized on trade date where the purchase of sales of an investment is under a contract, whose terms require delivery of the investment within the timeframe established by the market concerned and are initially measured at fair value, net of transaction costs except for those financial assets classified as fair value through profit or loss which are initially measured at fair value.

Other financial assets are classified as "financial assets, whose fair value differences are reflected to the profit or loss", "financial assets held to the maturity", "financial assets available for-sale" and "loans and receivables.



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Prevailing Interest Method

Prevailing interest method is the valuation of financial asset with their amortized cost and allocation of interest income to the relevant period. Prevailing interest rate is the rate that discounts the estimated cash flow for the expected life of financial instrument or, where appropriate, a shorter period.

Income related to financial assets, except the "financial assets, whose fair value differences are reflected to the profit or loss", is calculated by using the prevailing interest rate.

a) Financial Assets Whose Fair Value Differences Are Reflected to the Profit or Loss

"Financial assets whose fair value differences are reflected to the profit or loss", are the financial assets that are held for trading purposes. If a financial asset is acquired for trading purposes, it is classified in this category. Also, derivative instruments, which are not exempt from financial risk, are also classified as "Financial assets whose fair value differences are reflected to the profit or loss". These financial assets are classified as current assets.

b) Financial Assets Which Will Be Held to the Maturity

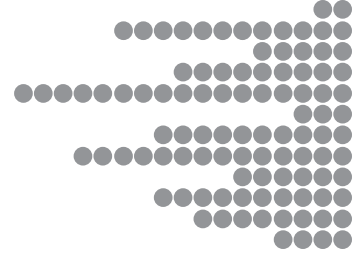
Debt instruments, which the Group has the intention and capability to hold to maturity, and/or have fixed or determinable payment arrangement, are classified as "Investments Held to the Maturity". Financial asset that will be held to the maturity, are recorded after deducting the impairment from the cost basis, which has been amortized with prevailing interest method. All relevant income is calculated using the prevailing interest method.

c) Financial Assets Available-For-Sale

Financial assets, which are "Available-for-Sale" are either (a) financial assets, which will not be held to maturity or (b) financial assets, which are not held for trading purposes. Financial assets Available-for-Sale are recorded with their fair value if their fair value can be determined reliably. Marketable securities are shown at their cost basis unless their fair value can be reliably measured or have an active trading market. Profit or loss pertaining to the financial assets Available-for-Sale is not recorded on the income statement. The fluctuations in the fair value of these assets are shown in the statement of shareholders' equity. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognized is included in profit or loss for the period. Provisions recorded in the income statement pertaining to the impairment of financial asset Available-for-Sale cannot be reversed from the income statement in future periods. Except equity instruments classified as available-for-sale, if impairment loss decreases in next period and if therein decreasing can be related to an event occurred after the accounting of impairment loss, impairment loss accounted before can be cancelled in income statement.

d) Loans and Receivables

Trade receivables, other receivables, and loans are initially recognized at their fair value. Subsequently, receivables and loans are measured at amortized cost using the effective interest method.



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Impairment of Financial Assets

Financial assets, whose fair value differences are reflected to the profit or loss, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired, where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted. For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced with the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts, which were previously written off, are reversed against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

With respect to available-for-sale equity securities, any increase in fair value subsequent to an impairment loss is recognized directly in equity.

Cash and Cash Equivalents

Cash and cash equivalents are cash, demand deposit and other short-term highly liquid investments, which their maturities are three months or less from the date as of acquisition, that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

(ii) Financial Liabilities

Financial liabilities and equity instruments are classified according to the contractual agreements entered into and the definition of financial liability and equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all the liabilities. Accounting policies determined for the financial liabilities and the financial instruments based on equity are explained below.

Financial liabilities are classified as either "financial liabilities whose fair value differences are reflected to the profit/loss" or other financial liabilities.

a) Financial Liabilities Whose Fair Value Differences Are Reflected to the Profit/Loss

"Financial liabilities whose fair value differences are reflected to the profit/loss" are recorded at fair value and are re-evaluated at the end of each balance sheet date. Changes in fair value are recognized in the income statement. Recognized net earnings and/or losses in the income statement also include interest payments made for this financial liability.



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b) Other Financial Liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis.

The prevailing interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The prevailing interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

(iii) Derivative Financial Instruments

Derivative financial instruments are initially recorded with their fair value and evaluated with fair value in next periods.

The hedging agreements made by the Group in the current period, which contains the required risk accounting conditions in scope of TMS 39 are accounted for as derivative financial assets held for cash flow hedges, whereas although providing an efficient protection against the risks that the Group may be exposed to, hedging agreements which do not bear the required risk accounting conditions are classified as held for trading derivative financial instruments. Profit or loss arising from the changes at the fair values of held for trading derivative financial instruments which do not comprise a financial risk protection relation are reflected to the income statement. Profit or loss arising from the hedged item and which is related to the protected risk is reflected to the book value of the hedged item and is accounted for in the income statement. The mentioned policy is applied even though the hedged item was measured at cost.

2.09.10 Effects of Currency Fluctuations

All transactions, denominated in foreign currencies, are converted into TL by the exchange rate ruling at the transaction date. All foreign currency denominated monetary assets and liabilities stated at the balance sheet are converted into TL by the exchange rate ruling at the balance sheet date. Foreign exchange gains and/or losses as a result of the conversions are recorded in the income statement.

2.09.11 Earnings per Share

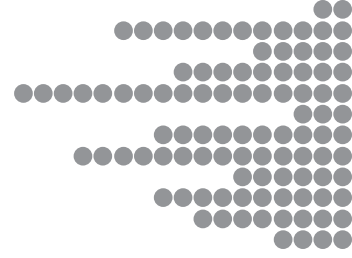
Earnings per share in the income statement are calculated by dividing net income by the weighted average number of common shares outstanding for the period.

In Turkey, companies are allowed to increase their share capital by distributing "bonus shares" from retained earnings. These bonus shares are deemed as issued shares while calculating the net earnings per share.

Accordingly, the retrospective effect for those share distributions is taken into consideration in determining the weighted-average number of shares outstanding used in this computation.

2.09.12 Subsequent Events

Subsequent events cover all events that occur between the balance sheet date and the publication date of the financial statements. If there is substantial evidence that the subsequent events existed or arose after the balance sheet date, these events are disclosed and explained in the notes to the financial statements.



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2.09.13 Provisions, Contingent Liabilities & Assets

A provision is set-forth in the financial statements, if a legal liability exists as a result of past events as if (a) the cash out-flow is probable for the reversal of provision and (b) the liability amount can be estimated reliably. Contingent liabilities are consistently reviewed prior to the probability of any cash out-flow. In case of the cash out-flow is probable, provision is set forth in the financial statements of the year the probability of contingent liability accounts is changed.

A provision is recognized when the Group has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and reliable estimate can be made for the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

When portion or full amount of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.09.14 Related Party Disclosures

The partners' of the Group, Group's management personnel, Group companies and its directors, close family members in the charge of the Group, and other companies directly or indirectly controlled by the Group are considered related parties. The transactions done with the related parties due to ordinary operations are occurred in accordance with the market conditions. (Note 37)

2.09.15 Government Grants and Assistance

The government grants and research and development incentives are accounted according to accrual basis with their fair values when the authorities approve the Group's submission for these incentives.

2.09.16 Taxation and Deferred Tax

Turkish tax legislation does not permit a parent company and its subsidiary to file a consolidated tax return. Therefore, provisions for taxes, as reflected in the consolidated financial statements, have been calculated on a separate-entity basis.

Income tax expense represents the sum of the tax currently payable and deferred tax.



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Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases which is used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

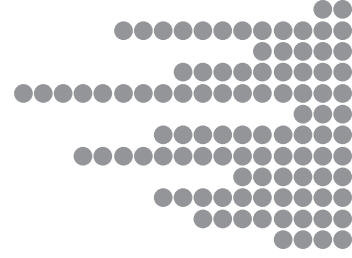
Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred 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 they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the period

Current and deferred tax are recognized as an expense or income to the income statement, except when they relate to items credited or debited directly to equity, in which case the tax is also recognized directly in the equity, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquirer's identifiable assets, liabilities and contingent liabilities over cost.

Taxes stated in financial statements contain changes in current and deferred taxes for the period. The Group calculates current period tax and deferred tax over the period results.



Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2012

(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

Offsetting Tax Income and Liabilities

Corporate tax amounts are offset with prepaid corporate tax as they are related. Deferred tax assets and liabilities are also offset.

2.09.17 Retirement Pay

According to Turkish Labour Law, employee termination benefit is reflected in the financial statements, when the termination indemnities are deserved. Such payments are considered as being part of defined retirement benefit plan as per IAS No.19 "Employee Benefits".

The retirement benefit obligation recognized in the financial statements represents the present value of the defined benefit obligation as adjusted for unrecognized gains and losses.

2.09.18 Cash Flow Statement

Cash and cash equivalents are stated at their fair values in the balance sheet. The cash and cash equivalents comprises cash in hand, bank deposits and highly liquid investments. On cash flow statement, the Group classifies period's cash flows as investment, financing activities and operational activities.

The cash flows from operational activities show the cash flows generated from the main operations of the Group. The cash flows from investing activities show the cash inflows and outflows generated from/used fixed assets and financial assets investments.

Cash flow concerned with financial activities represents sources used from financial activities and pay-back of these funds.

2.09.19 Investment Property

Investment property, which is held to earn rentals and/or for capital appreciation is carried at their cost less the accumulated depreciation and any impairment losses. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met; and excludes the costs of day to day servicing of an investment property.

Investment properties are taken out of the balance sheet when either they are sold or no future economic benefit is expected -from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognized in the income statement in the year of retirement or disposal. No assets held under the operating lease have been classified as investment properties.

Investment Properties are reviewed for any impairment and if the carrying amount of these investment properties exceeds the recoverable amount as a result of these reviews, the carrying amount is reduced to recoverable amount through making provision. The recoverable amount is the higher of the net cash flows derived from the current usage of the related investment property and net sales price.

The fair values of the real estates were determined according to the results of the appraisal reports signed by a licensed Real Estate Appraisal Company in line with the regulations of the CMB Communiqué Serial VIII No: 35 "Communiqué On Principles Regarding Appraisal Companies And Their Listings By The Board" (Note 17)

Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2012

(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

2.10 Capital and Dividends

The ordinary shares are classified as equity. The dividends paid to ordinary shares deducted from accumulated profits during the period they are declared.

2.11 Goodwill

When the acquisition amount of a subsidiary/participation exceeds the share in the fair value of the net identifiable assets of the acquired subsidiary/participation, this amount is recognized as goodwill. Goodwill is reviewed annually for any impairment and is measured in the financial statements at cost value less any accumulated impairments. The goodwill is allocated per cash generating unit for the impairment analysis. The allocation is made to the cash generating units or unit groups which are expected to provide benefits as a result of the business combination that creates the goodwill. The impairment for goodwill cannot be annulled. (Note: 20)

2.12 Foreign Currency Transactions

Functional Currency

The functional currency is defined as the currency in which the Group carries out important part of the activities and financial statement items of every group company are measured at the functional currency of the mentioned company. The accompanying financial statements are presented with the functional currency of Sarkuysan A.Ş. which is TL.

Group Companies Abroad, Foreign Currency Transactions and Balances

The financial statements of subsidiaries operating in foreign countries are prepared in accordance with the laws and legislations that are valid for the countries where the transactions are operated. The financial statements are arranged by the reflections of necessary adjustments and classifications in order to provide the correct presentation in accordance with the Financial Reporting Standards of Capital Market Board. The financial results of group companies which prepare their financial statements with a currency other than TL are converted to TL using the average foreign exchange rates of the related period. The difference arising from the conversion of assets and liabilities using the balance sheet date foreign exchange rates and the conversion of income statement using the average rates are presented in the consolidated financial statements under equity and are made subject to total comprehensive income.

As of December 31, 2012 and December 31, 2011 the USD/TL conversion rates are as follows:

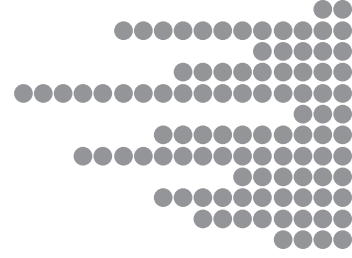
	Period-End USD/TL
December 31, 2012	1,7826
December 31, 2011	1,8889

As of December 31, 2012 and December 31, 2011 the average USD/TL conversion rates are as follows:

	Average Rate USD/TL
December 31, 2011-December 31, 2012	1,7922
December 31, 2010-December 31, 2011	1,6612

2.13 Going Concern Concept

The consolidated financial statements of the Group are prepared with respect to going concern concept.



Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2012

(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

2.14 New and Revised International Financial Reporting Standards

New standards, amendments and interpretations in IFRSs that have effect on amounts stated in financial statements are as follows:

- There are not any new or revised standards which have an effect on presentation and disclosures of the Company.
- There are not any new or revised standards which have an effect on financial performance and/or financial position of the Company.

New standards, amendments and interpretations thereof to be effective as of January 01, 2012 are as follows:

- IFRS 7 Financial Instruments: Disclosures - Financial Assets Transfer (Amendment)
- IAS 12 Income Taxes-Recovery of Underlying Assets (Amendment)

Standards that have been published but have not come into force yet and that have not been subjected to earlier application

The new standards and amendments which have been published as of the date of authorization of the financial statements but have not been come into force yet in the current reporting period and which were not subjected to earlier application by the Company are provided below. Unless specified otherwise, the Company shall, upon the effective date of the new standards and interpretations, make the required changes which will affect the financial statements and the notes thereto.

- IAS 1 Presentation of Financial Statements (Amendment)-Presentation of Other Comprehensive Income Items (Amendment)
- IAS 1 Amendment to IAS 1, 'Presentation of Financial Statements' (Amendment) - Clarification of The Disclosure Requirements For Comparative Information
- IAS 19 (2011) Employee Benefits
- IAS 27 (2011) Separate Financial Statements
- IAS 28 Investments in Associates and Joint Ventures (Amendment)
- IAS 32 Financial Instruments: Presentation-Offsetting of Financial Assets and Financial Liabilities (Amendment)
- IFRS 1 First Time Adoption of International Financial Reporting Standards (Amendment)
- IFRS 7 Financial Instruments: Disclosures -Offsetting of Financial Assets and Financial Liabilities (Amendment)
- IFRS 9 and IFRS 7 IFRS 9 and Mandatory Effectuation Date of Transition Disclosures (Amendments)
- IFRS 10 Consolidated Financial Statements
- IFRS 11 Joint Arrangements
- IFRS 12 Disclosures of Interests in Other Entities
- IFRS 13 Fair Value Measurement
- IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine

Improvements in IFRS

IASB published annual 2009 - 2011 period IFRS improvements including amendments in current standards.

- IAS 1 Presentation of Financial Statements
- IAS 16 Properties, Plant and Equipment
- IAS 32 Financial Instruments: Presentation
- IAS 34 Interim Financial Reporting

Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2012

(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

3 BUSINESS COMBINATIONS

If the investment's nature turns into a subsidiary, the investment is accounted for in accordance with IFRS 3 Business Combinations. With the purchase price of the acquiree's identifiable assets, liabilities and contingent liabilities of the cost of an acquisition over the fair value of the difference is recognized as goodwill. The purchase price of acquired identifiable assets, liabilities and contingent liabilities, the difference is lower than the fair value in the income statement. Goodwill recognized in a business combination is not amortized, instead of once a year, or more frequently if circumstances indicate that impairment is tested for impairment. The acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination the acquirer's interest in the fair value, the difference is recognized as income in the event. Acquired company are included in the consolidated income statement from the date of purchase.

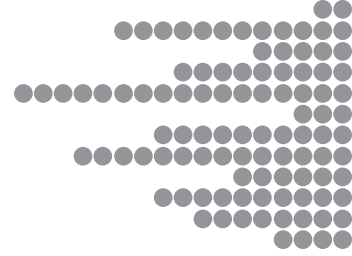
Accounted for by the equity method as of December 31, 2011 Bemka A.Ş. 's 77.19% stake TL 2.793.108 at 31 July 2012 was acquired by the Group. Bemka A.Ş. merged under the umbrella of transferring the Group as at 31 July 2012 have been completed. Bemka A.Ş. following the purchase, reported as the subsidiary. Negative goodwill resulting from the purchase transaction, amounting to TL 7.561.221 on 31 December 2012 is recorded in Other Operating Income. (Note. 31) (Participation rate of 16.98% as of December 31, 2011)

As of July 31, 2012 as a subsidiary of the reported Bemka A.Ş. 's operating results as of the date of acquisition effects are reflected in the consolidated financial statements. Operating results prior to the date of acquisition retained earnings/losses are accounted for. Acquisition-date fair values of the assets transferred by the Group (the net assets acquired) information on the following.

Total Cash Amount	2.793.108
Net Assets Acquired (Fair Value)	10.995.113
Acquisition of Participation Rate	% 94,1721
Corresponding to the Acquired Net Assets of the Parent Section (Fair Value)	10.354.329
- Previous Equity Shares Being Acquired	1.866.970
- Shares Purchased	8.487.359
Negative Goodwill	7.561.221

4 BUSINESS PARTNERSHIPS

None.



Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2012

(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

5 SEGMENT REPORTING

The group's operating segments based on profit/loss summary are as follows:

31.12.2012

	Copper	Enamelled Copper Wire	CTC Wire	Roller	Machine	Other	Total	Adjustment of Consolidation and Elimination	01.01.2012 31.12.2012
Sales	2.869.058.639	52.458.525	9.956.038	1.852.643	1.067.665	2.805.612	2.937.199.122	(570.508.832)	2.366.690.290
Cost of Sales	(2.807.247.683)	(52.536.727)	(8.426.433)	(1.422.587)	(549.318)	(1.534.882)	(2.871.717.630)	570.904.704	(2.300.812.926)
Gross Profit/Loss	61.810.956	(78.202)	1.529.605	430.056	518.347	1.270.730	65.481.492	395.872	65.877.364

31.12.2011

	Copper	Roller	Machine	Other	Total	Adjustment of Consolidation and Elimination	01.01.2011 31.12.2011
Sales	2.503.086.021	1.493.108	1.911.794	2.988.360	2.509.479.283	(306.839.274)	2.202.640.009
Cost of Sales	(2.457.064.463)	(997.395)	(1.021.566)	(2.099.336)	(2.461.182.760)	306.839.274	(2.154.343.486)
Gross Profit/Loss	46.021.558	495.713	890.228	889.024	48.296.523	-	48.296.523

6 CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents for the periods ended are as follows:

Account Name	31.12.2012	31.12.2011
Cash	22.221	9.343
Banks	49.905.698	58.679.046
-Demand Deposits	40.343.712	45.430.337
-Time Deposits	9.561.986	13.248.709
Total	49.927.919	58.688.389

There is no any blocked account.

Interest income accruals related to time deposits were calculated as TL 35.127 (31.12.2011 was TL 33.272) using effective interest rate method.

Time deposits related to the maturity analysis are given below:

Account Name	31.12.2012	31.12.2011
Demand Deposits	40.343.712	45.430.337
1-30 days	7.555.463	8.937.605
30-90 days	2.006.523	4.311.104
Total	49.905.698	58.679.046

Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2012

(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

Effective interest rates of time deposits are as follows:

Type of Currency	31.12.2012		31.12.2011	
	Amount	Interest Rate	Amount	Interest Rate
TL	8.735.122	5%-8,30%	8.933.077	9,96%-12,34%
USD	200.001	0,25%	2.000.096	1,77%
EURO	200.001	0,15%	220.006	1%

7 FINANCIAL ASSETS & INVESTMENTS

I) Short Term Financial Investments

None.

II) Long Term Financial Investments

Financial Assets available for sale for the periods by December 31, 2012 and December 31, 2011 are as follows;

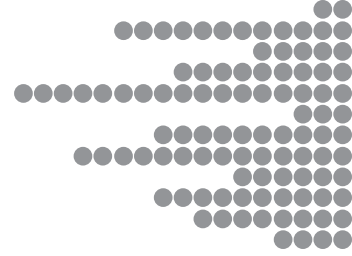
31.12.2012

Company Name	Share Percentage	Provision for Decrease in Value	Net Value
Karadeniz Bakır İşletmeleri A.Ş.	-	-	7
Rabak A.Ş.	-	-	1
Kamaş Kuyumcukent Alış Veriş Merkezi	-	-	531
Kamaş Kuyumcukent İşletme A.Ş.	-	-	10.555
Kuyuş Kuyumculuk Gayrimenkul Yatırım Ort.	-	-	703
Total	-	-	11.797

31.12.2011

Company Name	Share Percentage	Provision for Decrease in Value	Net Value
Karadeniz Bakır İşletmeleri A.Ş.	-	-	7
Rabak A.Ş.	-	-	1
Kamaş Kuyumcukent Alış Veriş Merkezi	-	-	531
Kamaş Kuyumcukent İşletme A.Ş.	-	-	10.555
Kuyuş Kuyumculuk Gayrimenkul Yatırım Ort.	-	-	703
Total	-	-	11.797

Financial assets available for sale consist of financial assets which are not publicly traded. Groups' share in capital of long-term securities is under 1%.



Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2012

(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

Movement of Long-Term Securities is as follows:

Long-Term Securities	01.01.2012 31.12.2012	01.01.2011 31.12.2011
Opening Balance	11.797	11.797
Additions	-	-
Disposals (-)	-	-
Closing Balance	11.797	11.797

When the fair values of Available For Sale Financial Assets cannot be measured reliably due to the conditions that these assets are either not traded in an active market or other methods which are used for fair value calculation are not applicable, the recorded value of these assets are the acquisition costs less the impairments.

8 FINANCIAL LIABILITIES

Short-Term financial liabilities for the years ended are as follows:

Account Name	31.12.2012	31.12.2011
Bank Loans	453.879.950	286.643.560
Lease Obligations	1.531.218	-
Deferred Leasing Costs (-)	(123.900)	-
Factoring Loans	53.903.826	83.061.253
Other	1.228	-
Total	509.192.322	369.704.813

Bank loans are reflected in accompanying financial statements with their amortized cost amounts. The provision for credit interest calculated by effective interest method is TL 7.814.371 as of December 31, 2012. (31.12.2011: TL 5.374.887).

Long-Term financial liabilities for the years ended are as follows:

Account Name	31.12.2012	31.12.2011
Lease Obligations	706.768	-
Deferred Leasing Costs (-)	(27.059)	-
Total	679.709	-

a) The maturities of bank loans are as follows:

Loans	31.12.2012	31.12.2011
0-3 months	186.327.177	82.993.177
3-12 months	267.552.773	203.650.383
Total	453.879.950	286.643.560

Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2012

(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

Finance Lease Payables	31.12.2012	31.12.2011
0-3 months	637.962	-
3-12 months	769.356	-
12-36 months	679.709	-
Total	2.087.027	-

b) Effective interest rates of financial liabilities are as follows:

31.12.2012

Loans

Type	Foreign Currency Amount	Amount in TL	Interest Rate (%)
TL Loans	-	78.538.128	8,75%-12,81%
USD Loans	190.311.719	339.249.670	1,11%-7,00%
EURO Loans	15.347.260	36.092.152	5,90%-6,20%
Total		453.879.950	

Finance Lease Payables

Type	Foreign Currency Amount	Amount in TL	Interest Rate (%)
EUR Payables	887.454	2.087.027	6-10
Finance Lease Payables Total		2.087.027	

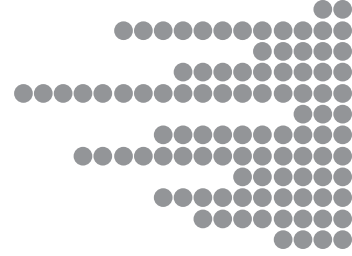
31.12.2011

Loans

Type	Foreign Currency Amount	Amount in TL	Interest Rate (%)
TL Loans	-	15.855.845	8,8%-12,4%
USD Loans	124.280.678	234.753.772	3,2%-6,4%
EURO Loans	14.745.046	36.033.943	3,2%-3,8%
Total		286.643.560	

9 OTHER FINANCIAL LIABILITIES

None.



Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2012

(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

10 TRADE RECEIVABLES AND PAYABLES

The details of the Short-Term Trade Receivables are as follows:

Account Name	31.12.2012	31.12.2011
Trade Receivables	375.817.557	335.472.920
- Trade Receivables from Related Parties	266.028	46.688.572
- Doubtful Receivables from Related Parties	79.606	-
- Provision For Doubtful Receivables from Related Parties	(79.606)	-
- Other	375.551.529	288.784.348
Notes Receivables	109.418.836	104.672.038
Discount on Notes Receivables (-)	(2.025.919)	(2.106.910)
Doubtful Receivables	7.310.404	3.831.452
Provision for Doubtful Receivables (-)	(7.310.404)	(3.831.452)
Total	483.210.474	438.038.048

When deciding upon the possibility of collection of the receivables, the Group reviews any change in the creditability of mentioned receivables starting from recording date of the receivable until the balance sheet date. There is not an important credit risk concentration due to the fact that the credit risk is distributed between many different customers the Group does business with.

The weighted term of receivables are 55 days (31.12.2011: 106 days). 90% of the Receivables related with export sales is guaranteed by Exim Bank. There are guarantee letters, guarantee notes and guarantee checks which are related to domestic sales are disclosed in Note 22 and the level of risks on trade receivables are disclosed in Note 38, included in trade receivables factoring receivables amounting to TL 52.306.336 of the customer receivables, pledged.

The provisions are reflected to the financial statements related to all of the receivables for which there are objective evidences concluding that they are no longer collectible. The provision amount for the current period is TL 2.207.464 (Note: 31)

Receivables are recognized by amortized cost amounts. The discount rates are 6% for TL receivables, 0,8425% for USD receivables, 0,44% for Euro receivables and 1,013% for GBP receivables. (31.12.2011; TL: 11%, Euro: 1,91343%, USD: 1,12805%, GBP: 1,87069%)

Doubtful Receivables are as follows:

Account Name	01.01.2012 31.12.2012	01.01.2011 31.12.2011
Opening Balance	(3.831.452)	(3.755.660)
The Merger	(1.306.867)	-
The Amount Collected During the Period (-)	30.836	12.473
Exchange Rate	4.543	-
Period Expense	(2.207.464)	(88.265)
Closing Balance	(7.310.404)	(3.831.452)

The group has no Long-term Trade Receivables.

Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2012

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Short-Term Trade payables for the period ended are as follows:

Account Name	31.12.2012	31.12.2011
Trade Payables	75.409.355	14.770.366
-Trade Payables from Related Parties (Note.37)	-	-
-Other	75.409.355	14.770.366
Notes Payables (*)	64.386.833	143.260.219
Rediscount on Notes Payable (-)	(357.906)	(591.667)
Other Trade Payables	28.657	22.600
Total	139.466.939	157.461.518

(*) As of December 31, 2012, notes payables to Codelco are 28.432.607 USD which is equivalent to 50.683.966 TL. Along with these notes payable the firm has notes payable to Kazakhmys worth 7.639.085 USD which amount to 13.617.432 TL and the remaining 85.435 TL consists of other notes payable.

Payables are recognized with their amortized cost amounts. The discount rates are 6% for TL payables and 0.8425% for USD payables.

Average maturity of purchasing of the Group from its suppliers is 21 days. (31.12.2011: 31 days)

The Group has no Long-term Trade Payables.

11 OTHER RECEIVABLES AND PAYABLES

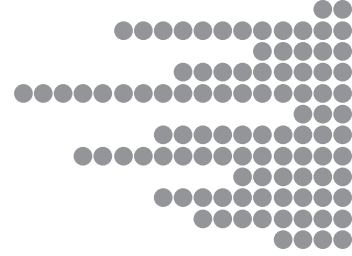
Other Short-term Receivables for the period ended are as follows:

Account Name	31.12.2012	31.12.2011
Deposits and Guarantees Given	144.888	95.535
Receivables from Tax Administration (*)	32.302.215	52.294.966
Receivables from Personnel	73.000	58.024
Deposits and Guarantees Given	347.610	142.660
Non-trade Receivables From Related Parties	95.298	-
Total	32.963.011	52.591.185

(*) Receivables from Tax Administration as TL 32.302.215 consist of VAT returns. The Group collects all of its VAT returns by the reports of CPAs.

Other Long-Term Receivables for the period ended are as follows:

Account Name	31.12.2012	31.12.2011
Deposits and Guarantees Given	910.186	3.472
Total	910.186	3.472



Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2012

(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

Other Short-term Payables for the periods ended are as follows:

Account Name	31.12.2012	31.12.2011
Other Payables	1.575.537	193.774
- Non-trade Payables to Related Parties	100.341	101.574
- Other	1.475.196	92.200
Deposits and Guarantees Taken	12.585	12.912
Taxes and Funds Payable	1.441.184	2.845.453
Social Security Institution Payable	1.100.437	928.703
Due to Personnel	288.235	408.704
Matured, Delayed or Deferred Tax by Instalments and Other Liabilities	-	12.215
Total	4.417.978	4.401.761

The Group has no other Long-term Payables.

12 RECEIVABLES AND PAYABLES FROM/TO FINANCIAL OPERATIONS

None.

13 INVENTORIES

Inventory balances for periods ended are as follows:

Account Name	31.12.2012	31.12.2011
Raw Materials	15.512.157	7.623.421
Semi-finished Goods	12.043.810	5.132.105
Finished Goods	81.780.752	72.025.029
Commercial Goods	25.599.858	11.613.539
Other Inventories	47.719.445	8.194.630
Provisions for Impairment of Inventories (-)	(60.876)	(55.771)
Total	182.595.146	104.532.953

The raw materials acquired by the Group consist of assets which are used in operating cycle of production and sold afterwards. The insurance coverage of assets is disclosed in the Note: 22. There are no inventories which are pledged as collateral. In the current or previous periods there is not any financial expenses over inventories cost.

The inventories with an undefined sale price and a lower predictable net realizable value compared with their cost amounts, have provisions for the decrease in value of inventories in accordance with the information received from the technical staff related with the waiting period and the physical situations of the inventories. Provision for impairment for inventories is calculated for inventory in which has a lower calculable stock value than its cost.

	31.12.2012	31.12.2011
Cost Value	60.876	55.771
Provisions for Impairment of Inventories (-)	(60.876)	(55.771)
Take part with cost value	182.595.146	104.532.953
Total Inventories	182.595.146	104.532.953

Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2012

(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

Movement of Provision for Decrease in Value of Inventories are as follows:

	01.01.2012 - 31.12.2012	01.01.2011 - 31.12.2011
Opening Balance	(55.771)	(39.616)
Provision for the Current Period (-)	(5.105)	(16.861)
Provisions no longer required	-	706
Total	(60.876)	(55.771)

14 DERIVATIVE FINANCIAL INSTRUMENTS

The Group enters into transactions with derivative instruments including forwards, swaps and options in the foreign exchange and capital markets. Most of these derivative transactions are considered as effective economic hedges under the Group's risk management policies; however since they do not qualify for hedge accounting under the specific provisions of IAS 39, they are treated as derivatives held for trading. Derivative financial instruments are initially recognized at fair value on the date at which a derivative contract is entered into and subsequently re-measured at fair value. Any gains or losses arising from changes in fair value on derivatives are recognized in the consolidated income statement. Fair values are obtained from quoted market prices in active markets, including recent market transactions, to the extent publicly available, and valuation techniques, including discounted cash flow models and options pricing models as appropriate. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

Forward Contracts:

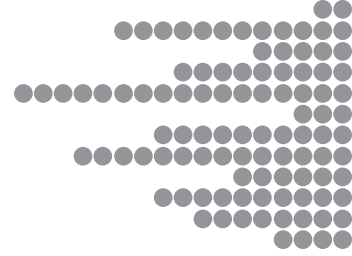
The Group has forward contracts within the context of Euro selling/USD buying or USD selling/Euro buying in order to dispose the currency risks that arise from export sales with the usage of Euro and the precaution of currency risks related with raw material procurement through the usage of USD. Derivative Financial Instruments contains foreign currency forward and selling, swap and options contracts.

As of December 31, 2012 the Group has foreign currency swap options with maturities, for which a total of USD 8.100.000 is hedged with Euro 6.000.000 sold. The average Euro rate and USD rate of contracts are TL 2,3368 and TL 1,8062 with respectively, in parallel with these contracts that the Group has liabilities with the amount of TL 141.148 by December 31, 2012.

As of December 31, 2012 the Group has foreign currency swap options with maturities, for which a total of USD 966.060 is hedged with GBP 600.000 sold. The average GBP rate and USD rate of contracts are 2,8595 and 1,7764 respectively, therefore the Group has liabilities that amounts TL 394 in accordance with these contracts.

The assets and liabilities in relation to derivative financial instrument are as follows:

	31.12.2012		31.12.2011	
	Asset	Liability	Asset	Liability
Forward Contracts	-	141.542	1.740.477	2.365
Commodity Swaps as Hedge Instruments	712.924	-	1.681.200	-
Option Contract	-	-	1.303.191	-
	712.924	141.542	4.724.868	2.365



Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2012

(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

15 CONSTRUCTION CONTRACTS IN PROGRESS

None.

16 INVESTMENTS EVALUATED BY EQUITY METHOD

Corporation Name	Participation Ratio	Provision for Impairment	December 31, 2012 Balance Sheet Net Value
Demisaş	44,44	-	29.847.342
Total		-	29.847.342

Corporation Name	Participation Ratio	Provision for Impairment	December 31, 2011 Balance Sheet Net Value
Demisaş	44,44	-	31.925.378
Bemka	16,95	-	-
Total		-	31.925.378

Bemka A.Ş. which was accounted for by the equity method until December 31, 2011, merged under the umbrella of the Group as at 31 July 2012. Upon completion of acquisition transaction Bemka A.Ş. has been reported as a subsidiary.

Fair Value Movement Schedule of investments evaluated by Equity Method is as follow:

	Demisaş	Total
Opening Balance - 01.01.2012	31.925.378	31.925.378
Fair Value Difference	(2.078.036)	(2.078.036)
Closing Balance - 31.12.2012	29.847.342	29.847.342

	Demisaş	Bemka	Total
Opening Balance - 01.01.2011	33.779.202	1.092.146	34.871.348
Fair Value Difference	(1.853.824)	(1.092.146)	(2.945.970)
Closing Balance - 31.12.2011	31.925.378	-	31.925.378

The summary of financial information about investments which are recognized with "Equity Method" is as follows;

	31.12.2012	31.12.2011
Total Assets	122.215.867	208.929.066
Shareholders' Equity	67.163.231	54.070.607
Net Sales	136.307.400	318.235.422

The data for December 31 2012 is from Demisaş A.Ş and the December 31 2011 data is from Demisaş and Bemka.

17 INVESTMENT PROPERTY

The group has classified its lands and equipment under investment properties due to the intention of using such assets for goods and services productions or for rental income or appreciation potential or both intentions instead of selling.

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The Group measures the investment properties at fair value in the financial statements. As of December 31, 2012 and December 31, 2011 the tangible assets at fair values are as follows. There are no borrowing costs allocated to investment properties in scope of IAS 23.

31.12.2012

Asset Value	Opening Balance	Fair Value Difference	Additions	Disposals (-)	December 31, 2012
Land and Properties	9.595.000	260.000	-	-	9.855.000
Lands	9.595.000	260.000	-	-	9.855.000
Buildings	50.450.000	6.515.000	-	-	56.965.000
Sarkuysan Ak Trade Center	40.050.000	4.450.000	-	-	44.500.000
Gebze Warehouse	3.535.000	1.610.000	-	-	5.145.000
Pendik Plants	6.865.000	455.000	-	-	7.320.000
Total	60.045.000	6.775.000	-	-	66.820.000

31.12.2011

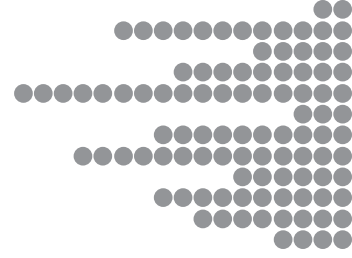
Asset Value	Opening Balance	Fair Value Difference	Additions	Disposals (-)	December 31, 2011
Land and Properties	9.015.000	580.000	-	-	9.595.000
Lands	9.015.000	580.000	-	-	9.595.000
Buildings	65.619.444	3.330.556	-	18.500.000	50.450.000
Sarkuysan Ak Trade Center	37.394.444	2.655.556	-	-	40.050.000
Sarkuysan Trade Center	18.500.000	-	-	18.500.000	-
Gebze Warehouse	3.395.000	140.000	-	-	3.535.000
Pendik Plants	6.330.000	535.000	-	-	6.865.000
Total	74.634.444	3.910.556	-	18.500.000	60.045.000

The details of Cost of Investment Properties which were reflected to Financial Statements with their fair values are as follows,

31.12.2012

TYPE	Asset Amount	Accumulated Depreciation	Net Book Value	Fair Value	Difference in Fair Value	Increase in Value Reflected to Equity	Deferred Tax Effect	Net Difference Reflected to Equity		Value Increase Fund Reflected to Income Statement	
								Previous Period	Current Period	Previous Period	Current Period
Buildings	13.010.321	(2.522.142)	10.488.179	56.965.000	46.476.821	32.716.300	1.635.814	31.080.486	-	7.245.521	6.515.000
Lands	2.902.050	-	2.902.050	9.855.000	6.952.950	5.212.345	260.617	4.951.728	-	1.480.605	260.000
TOTAL	15.912.371	(2.522.142)	13.390.229	66.820.000	53.429.771	37.928.645	1.896.431	36.032.214	-	8.726.126	6.775.000

Increase in fair value in current period is TL 6.775.000. This increase is accounted in Other Revenues.



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The valuation of the property which is amongst the investment properties belonging to the firm are Sarkuysan Ak İş Merkezi, Depot (Gebze) and properties in Pendik (Kocaeli - Darıca-Gebze). The fair market value of these properties are based on the expertise report written on 19.11.2012 by Elit Gayrimenkul Değerleme A.Ş. Investment properties held on 04.02.2013 which were included in the sales price Sarkuysan Ak valued at Business Center.

31.12.2011

TYPE	Asset Amount	Accumulated Depreciation	Net Book Value	Fair Value	Difference in Fair Value	Increase in Value Reflected to Equity	Deferred Tax Effect	Net Difference Reflected to Equity		Value Increase Fund Reflected to Income Statement	
								Previous Period	Current Period	Previous Period	Current Period
Buildings	13.010.321	(2.522.142)	10.488.179	50.450.000	39.961.821	32.716.300	1.635.814	31.080.486	-	3.914.965	3.330.556
Lands	2.902.050	-	2.902.050	9.595.000	6.692.950	5.212.345	260.617	4.951.728	-	900.605	580.000
TOTAL	15.912.371	(2.522.142)	13.390.229	60.045.000	46.654.771	37.928.645	1.896.431	36.032.214	-	4.815.570	3.910.556

Increase in fair value for the period is TL 3.910.556 . All of the mentioned increase in value recorded in other income.

The fair values of the investment properties including Sarkuysan Ak Business Center (Üsküdar), Sarkuysan Business Center (Şişhane), warehouse in Gebze, facilities in Pendik and Lands in Kocaeli-Darıca were determined according to the results of the appraisal reports signed by Elit Gayrimenkul Değerleme A.Ş. dated February 10, 2011 (Sarkuysan Business Center), February 11, 2011 (warehouse and machine factory) and February 14, 2011 (facilities and lands) respectively.

The Investment Property of Group as of 31.12.2012 is listed as follow:

City	Province	Village	Deed (m ²)	Receiving Date	Net Asset Value
İstanbul	Üsküdar	-	9.314	31.12.2005	8.409.511
Kocaeli	Gebze	Sirasöğütler	4.801	30.06.2000	1.426.597
İstanbul	Pendik	Ortamahalle	4.983,5	10.06.1990	3.174.211
Kocaeli	Darıca	Darıca 2	16.111	15.03.2004	1.759.814
Kocaeli	Darıca	Darıca 2	4.248	06.08.2004	502.732
Kocaeli	Darıca	Darıca 2	1.515	31.08.2009	375.550
Kocaeli	Darıca	Tepecik Köyü	7.050	28.07.1998	52.241
Kocaeli	Darıca	Tepecik Köyü	14.800	28.07.1998	109.668
Kocaeli	Gebze	Duraklı Köyü	23.888	09.07.1997	18.636
Kocaeli	Gebze	Duraklı Köyü	7.360	09.07.1997	38.609
Kocaeli	Gebze	Duraklı Köyü	8.620	09.07.1997	44.802
Total					15.912.371

Lands:

a) As of the report date, there is no mortgage, levy or annotation on the lands in Emek District, Aşıroğlu Street. 1333rd block in Darıca, Kocaeli and parcel of land numbered 2 with an area of 1.515 m² and parcel of land numbered 3 with an area of 4.248 m² in Darıca Ş Village. These lands are showed as "municipal and regional work areas" in Darıca Municipality's regulatory development plan which is approved by Kocaeli Metropolitan Municipality on July 18, 2008. These lands were showed as "Industrial Areas" in prior plans. The immovable subjected to valuation are empty lots as of the report date.

Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

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(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

b) As of December 31, 2012, there is an easement right of TEK for the part of 240 m² of the land which is placed in 30K-3B plot, 1365 block in Darıca Ş Village, Darıca - Kocaeli with an area of 16.311 m². There is no mortgage, levy or annotation on the land apart from the above mentioned situation. This land is showed as "Municipal and regional work areas" in Darıca Municipality's Regulatory Development Plant dated December 16, 2008. There is an architectural project dated August 05, 2008 for the facilities which were planned to be constructed on this Land. In regard to this plan there are 2 construction permits numbered 360 and dated December 25, 2008. (Construction Area is 13.087 m²) But the company has not started the construction and the immovable subjected to valuation are empty lots as of the report date.

c) As of December 31, 2012, there is an enclosure within the borders of forest for the part 117,61 m² of the total 14.800 m² of the land which is placed parcel of land numbered 18, A.13.A plot, in Tepecik Village, Darıca Province - Kocaeli City. The part with an area of 14.682,38 m² is based on for the determination of fair value. There is no mortgage, levy or annotation on the land apart from the above mentioned situation. The immovable subjected to valuation are empty lots as of the report date.

d) As of December 31, 2012, there is an enclosure within the borders of forest for the part 533,211 m² of the total 7.050 m² of the land which is placed parcel of land numbered 17, A.13.A plot, in Tepecik Village, Darıca Province - Kocaeli City. The part with an area of 6.516,78 m² is based on for the determination of fair value. There is no mortgage, levy or annotation on the land apart from the above mentioned situation. The immovables subjected to valuation are empty lots as of the report date.

e) As of December 31, 2012, the Group owns the land which is placed parcel of land numbered 1128, 7 plot with the 23.888 m², in Duraklı Village, Gebze Province - Kocaeli City. There is no mortgage, levy or annotation on the land apart. The immovables subjected to valuation are empty lots as of the report date.

f) As of December 31, 2012, the Group is subject to valuation of the land which is placed parcel of land numbered 1135, 7 plot with the 7.360 m², in Duraklı Village, Gebze Province - Kocaeli City. There is no mortgage, levy or annotation on the land. The immovables subjected to valuation are empty lots as of the report date.

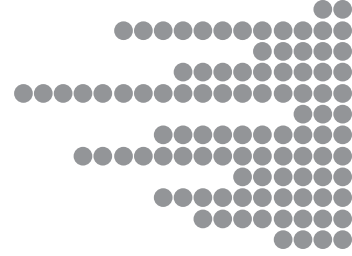
g) As of December 31, 2012, the Group is subject to valuation of the land which is placed parcel of land numbered 1155, 8 plot with the 8.620 m², in Duraklı Village, Gebze Province - Kocaeli City. There is no mortgage, levy or annotation on the land apart. The immovables subjected to valuation are empty lots as of the report date.

Facilities in Pendik:

As of the report date, there is no mortgage, levy or annotation on the Facilities placed in Ortamahalle District, Cemal Gürsel Street, No:1, Pendik - İstanbul. (8627 block, 3 and 4 parcels). The area of the Facilities is 5.795 m² and the 811,50 m² of the facilities is owned by İstanbul Municipality and 150 m² of the facilities is rented to Sarda Dağ. Ve Tic. A.Ş.

The amount of pledges, securities and limitations on Investment Properties is disclosed in **Note. 22**

Insurance amount of Investment Properties are disclosed in **Note. 22**



Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2012

(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

18 TANGIBLE ASSETS

Tangible assets for the periods ended are as follows:

31.12.2012

Cost

	January 01, 2012	The Merger	Impairment Of	Additions	Disposals (-)	Transfers	December 31, 2012
Land	3.952.577	8.950.536	(550.536)	-	-	-	12.352.577
Land Improvements	2.248.344	-	-	-	(12.592)	61.253	2.297.005
Buildings	37.561.704	7.922.331	(432.564)	381.844	(19.000)	79.084	45.493.399
Machinery, Plants and Equipment	251.320.223	60.966.643	-	2.234.087	(7.484.245)	2.664.463	309.701.171
Vehicles	4.606.707	673.582	-	14.577	(63.908)	-	5.230.958
Furniture and Fixtures	4.417.044	4.478.309	-	227.493	(240.514)	-	8.882.332
Other Fixed Assets	12.822.352	-	-	69.522	(206.775)	7.707	12.692.806
Constructions in Progress	3.776.028	36.534	-	2.806.867	(4.585)	(2.821.056)	3.793.788
Leasehold Improvements	439.573	959.463	-	-	-	8.549	1.407.585
Acquired Assets Under Finance Leases	-	24.405.050	-	-	-	-	24.405.050
Total	321.144.552	108.392.448	(983.100)	5.734.390	(8.031.619)	-	426.256.671

Accumulated Depreciation

	Opening Balance January 01, 2012	The Merger	Period Depreciation	Disposals	Closing balance December 31, 2012
Land Improvements	(1.195.716)	-	(67.073)	7.723	(1.255.066)
Buildings	(13.634.090)	(889.767)	(777.515)	-	(15.301.372)
Machinery, Plants and Equipment	(202.103.027)	(31.469.678)	(9.540.631)	7.309.375	(235.803.961)
Vehicles	(3.832.712)	(660.008)	(247.612)	63.908	(4.676.424)
Furniture and Fixtures	(3.791.716)	(3.621.455)	(427.763)	240.205	(7.600.729)
Other Fixed Assets	(12.271.241)	-	(193.301)	206.774	(12.257.768)
Leasehold Improvements	(86.326)	(718.503)	(78.169)	-	(882.998)
Acquired Assets Under Finance Leases	-	(6.006.676)	(661.998)	-	(6.668.674)
Total	(236.914.828)	(43.366.087)	(11.994.062)	7.827.985	(284.446.992)
Tangible Assets, Net		84.229.724			141.809.679

The amounts of liens and other restrictions on Tangible assets are disclosed in **Note: 22**.

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(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

31.12.2011

Cost

	January 01, 2011	Additions	Disposals (-)	Transfers	December 31, 2011
Land	3.236.701	-	-	715.887	3.952.588
Land Improvements	1.909.396	35.293	-	303.655	2.248.344
Buildings	37.475.434	42.488	-	43.782	37.561.704
Machinery, Plants and Equipment	248.583.792	1.653.794	(1.737.449)	2.820.076	251.320.213
Vehicles	4.495.406	494.846	(383.545)	-	4.606.707
Furniture and Fixtures	4.478.503	214.000	(275.459)	-	4.417.044
Other Fixed Assets	12.622.529	172.097	(42.147)	69.873	12.822.352
Constructions in Progress	5.504.751	2.224.550	-	(3.953.273)	3.776.028
Leasehold Improvements	439.572	-	-	-	439.572
Total	318.746.084	4.837.068	(2.438.600)	-	321.144.552

Accumulated Depreciation

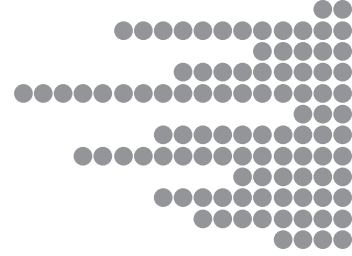
	Opening Balance January 01, 2011	Period Depreciation	Disposals	Closing balance December 31, 2011
Land Improvements	(1.144.036)	(51.680)	-	(1.195.716)
Buildings	(12.863.176)	(774.343)	-	(13.637.519)
Machinery, Plants and Equipment	(194.496.001)	(9.019.632)	1.416.041	(202.099.592)
Vehicles	(3.929.055)	(277.858)	374.200	(3.832.713)
Furniture and Fixtures	(3.863.231)	(202.689)	274.205	(3.791.715)
Other Fixed Assets	(12.124.697)	(188.691)	42.147	(12.271.241)
Leasehold Improvements	(46.061)	(40.271)	-	(86.332)
Total	(228.466.257)	(10.555.164)	2.106.593	(236.914.828)

Tangible Assets, Net	90.279.827	84.229.724
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The amounts of liens and other restrictions on Tangible assets are disclosed in **Note: 22**.

Insurance amount of Tangible assets are disclosed in **Not. 22**

Due to fact that Tangibles Assets do not fall under the scope of qualifying assets as described in IAS 23 "Borrowing Costs" the financial expenses related to tangible assets are reflected to the income statement and are not capitalized The Group does not have any tangible assets which are temporarily inoperative.



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19 INTANGIBLE ASSETS

31.12.2012

Cost

	January 01, 2012	The Merger	Transfers	Additions	Disposals (-)	December 31, 2012
Rights	268.542	14.738.375	-	152.037	(5.048)	15.153.906
Development Cost	328.840	-	-	498.475	-	827.315
Other Intangible Assets	-	172.257	-	-	-	172.257
Total	597.382	14.910.632		650.512	(5.048)	16.153.478

Accumulated Amortization

	January 01, 2012	The Merger	Transfers	Period Amortization	Disposals (-)	December 31, 2012
Rights	(236.983)	(11.768.322)	-	(106.828)	5.048	(12.107.085)
Development Cost	(56.063)	-	-	(39.690)	-	(95.753)
Other Intangible Assets	-	(165.996)	-	(973)	-	(166.969)
Total	(293.046)	(11.934.318)	-	(147.491)	5.048	(12.369.807)
Intangible Assets, NET	304.336		-	-	-	3.783.671

31.12.2011

Cost

	January 01, 2011	Transfers	Additions	Disposals (-)	December 31, 2011
Rights	266.624	-	1.918	-	268.542
Development Cost	-	-	328.840	-	328.840
Total	266.624		330.758	-	597.382

Accumulated Amortization

	January 01, 2011	Transfers	Period Amortization	Disposals (-)	December 31, 2011
Rights	(219.792)	-	(17.191)	-	(236.983)
Development Cost	-	-	(56.063)	-	(56.063)
Total	(219.792)	-	(73.254)	-	(293.046)
Intangible Assets, NET	46.832	-	-	-	304.336

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Notes to the Consolidated Financial Statements as of December 31, 2012

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20 GOODWILL

Movements of Goodwill as of 31.12.2012 and 31.12.2011 are as follows;

	31.12.2012	31.12.2011
Opening Balance January 1	4.056.423	4.056.423
Acquisitions	-	-
Impairments	-	-
Closing Balance	4.056.423	4.056.423

As of December 31,2012 the goodwill with an amount of TL 4.056.423 is composed of investments in Sarda, Bektaş, Sark USA with the amounts TL 1.421.859 (31.12.2011: TL 1.421.859), TL 2.208.029 (31.12.2011: TL 2.208.029), TL 426.535 (31.12.2011: TL 426.535) respectively.

The recoverable amount of cash generating units are determined taking the calculations of value in use or fair value less sales costs into consideration. These calculations were based on the cash flow estimates of the Group management. The estimated cash flows were calculated using the growth rates and discount rates which are specified in the following table.

The budgeted periods and important assumptions used in recoverable amount calculations are as follows:

Cash Generating Company	Method	Period	Rate 1	Rate 2
Sarda	Fair Value, TL	5 Years	5%	11%
Bektaş	Fair Value, TL	5 Years	5%	11%
Sark USA	Fair Value, USD	5 Years	5%	11%

Rate 1: The growth rates used for calculating the pro forma cash flows after the budgeted periods

Rate 2: Discount rates applied to the cash flow estimates

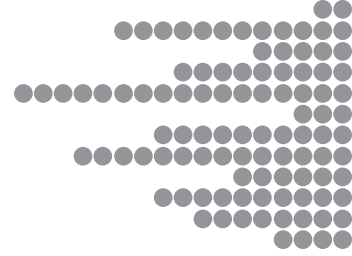
21 GOVERNMENT GRANT AND ASSISTANCE

The Group benefits from incentives in scope of Research and Development Law. (100% Corporate Tax Exemption).

22 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

22.1 Provisions

Provisions for Liabilities	31.12.2012	31.12.2011
Provision for Lawsuits	134.706	124.381
Provision for Contract Manufacturing Raw Materials	101.120	-
Provision for Unused Authorization	1.092.212	799.609
Provision for Unpaid Loan Bill	704	-
Other Provision	300.973	-
Provision for Factoring Commissions	680.650	511.909
Total	2.310.365	1.435.899



Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2012

(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

31.12.2012	Provision for Lawsuits	Provision for Unused Authorization	Provision for Unpaid Loan Bill	Provision for Factoring Commissions	Provision for Contract Manufacturing Raw Materials	Provisions for sales rebates	Total
October 1, 2011	124.381	799.609	-	-	-	-	923.990
The Merger	98.693	234.759	-	660	1.005.641	18.398	1.358.151
Additional provisions	-	168.567	704	685.368	5.012.343	282.575	6.149.557
Payments	-	-	-	(5.378)	(5.916.864)	-	(5.922.242)
Provisions cancelled	(88.368)	(110.723)	-	-	-	-	(199.091)
December 31, 2012	134.706	1.092.212	704	680.650	101.120	300.973	2.310.365

31.12.2011	Provision for Lawsuits	Provision for Costs	Allowance for Cost Expense	Provision for Authorization	Provision for Factoring Commission	Total
October 1, 2011	124.381	579.900	6.070	-	-	710.351
Additional provisions	-	-	-	799.609	511.909	1.311.518
Payments	-	(579.900)	(6.070)	-	-	(585.970)
Provisions cancelled	-	-	-	-	-	-
December 31, 2011	124.381	-	-	799.609	511.909	1.435.889

There are no Provisions for Long-Term Liabilities for the end of the period.

22.2 Contingent Assets and Liabilities:

Contingent Events:

31.12.2012

The Group make provisions for doubtful receivables for the receivables which had not been collected even they had come to maturity as of 31.12.2012; the Group made provision for receivables amount of TL 7.310.404 and in the previous year, provisions for lawsuits amount of TL 134.706 for the lawsuits against the Group. (10.324 TL has been incurred in the current period from the merger with Bemka)

31.12.2011

The Group make provisions for doubtful receivables for the receivables which had not been collected even they had come to maturity As of 31.12.2010; the Group made provision for receivables amount of TL 3.831.452 and in the previous year, provisions for lawsuits amount of TL 124.381 for the lawsuits against the Group.

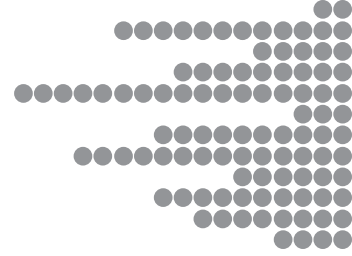
Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2012

(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

22.3 Commitments Not Presented in the Liabilities of the Balance Sheet;

Description	Type of Currency	31.12.2012	31.12.2012	31.12.2011	31.12.2011
		Currency Amount	TL Amount	Currency Amount	TL Amount
Sarkuysan Letters of Guarantees Given	TL	-	150.814.969	-	161.286.806
Sarkuysan Letters of Guarantees Given	USD	9.000	16.043	9.000	17.000
Sarmakina Letters of Guarantees Given	TL	-	32.120	-	32.120
Sarmakina Letters of Guarantees Given	USD	17.495	31.187	217.495	410.826
Sarmakina Letters of Guarantees Given	EURO	-	-	4.760	11.632
Bemka Letters of Guarantees Given	TL	-	356.905	-	-
Bemka Letters of Guarantees Given	USD	309.938	552.495	-	-
Bektaş Letters of Guarantees Given	TL	-	5.355	-	6.342
Sarda Letters of Guarantees Given	TL	-	12.128.000	-	-
Aegean Free Zone Letters of Guarantees Given	USD	1.838	3.280	1.838	3.471
Total			163.940.354		161.768.197
Sarkuysan Bails Given (*)	TL	-	63.696.342	-	6.342
Sarkuysan Bails Given (*)	EUR	500.000	1.175.850	500.000	1.221.900
Sarkuysan Bails Given (**)	USD	7.000.000	12.478.200	6.000.000	11.333.400
Bektaş Bails Given (***)	TL	-	-	-	1.622.675
Total			77.350.392		14.184.317
Sarda Letters of Guarantees Taken	TL	-	890.000	-	890.000
Sarmakina Letters of Guarantees Taken	TL	-	15.000	-	-
Sarmakina Letters of Guarantees Taken	USD	14.665	26.142	-	-
Sarmakina Letters of Guarantees Taken	EUR	5.546	13.043	-	-
Sarkuysan Letters of Guarantees Taken	TL	-	8.875.000	-	10.265.000
Sarkuysan Letters of Guarantees Taken	USD	3.340.661	5.955.062	4.645.000	8.773.941
Sarkuysan Letters of Guarantees Taken	EUR	20.000	47.034	-	-
Total			15.821.281		19.928.941
Sarda Cheques of Guarantees Received	TL	-	1.425.000	-	1.445.000
Sarkuysan Cheques of Guarantees Received	TL	-	78.700	-	380.000
Sarkuysan Cheques of Guarantees Received	USD	-	-	200.000	377.780
Total			1.503.700		2.202.780
Sarkuysan Notes of Guarantees Received	TL	-	20.650.493	-	9.780.983
Sarkuysan Notes of Guarantees Received	USD	34.962.041	62.323.334	18.714.620	35.350.046
Sarkuysan Notes of Guarantees Received	EUR	36.325	85.426	136.525	333.640
Sarda Notes of Guarantees Received	TL	-	10.280.000	-	750.000
Sarda Notes of Guarantees Received	USD	12.750.000	22.974.600	-	-
Total			116.313.853		46.214.669
Sarkuysan Notes of Guarantees Given	TL	-	450.000	-	75.000
Sarkuysan Notes of Guarantees Given	USD	37.046.387	66.038.889	2.711.644	5.122.024
Total			66.488.889		5.197.024
Bemka Mortgages Given	EUR	1.100.000	2.586.870	-	-
Total			2.586.870		-
Bemka Pledge of Assets	TL	-	5.500.000	-	-
Total			5.500.000		-
Sarkuysan Guarantees of Factoring	TL	-	52.306.336	-	58.057.385
Sarkuysan Hedging Operations	USD	72.640.506	129.488.966	83.076.288	156.922.800
Sarkuysan Hedging Operations	EURO	21.975.511	51.679.810	17.502.567	42.772.773
Sarkuysan Hedging Operations	GBP	723.646	2.077.444	602.184	1.756.570
Total			235.552.556		259.509.528



Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

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(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

In the current period, TL 1.425.000 of the Cheques of Guarantees Received of the company belongs to its customers and TL 78.700 belongs to the enterprises that sell service sales.

Letter of guarantees with the amount of TL 15.611.281 are from the customers and TL 210.000 from service sales.

Notes of Guarantees Received were taken from the customers and suppliers with the amounts of TL 112.427.742 and TL 3.886.111, respectively.

Letter of guarantees given with the amount of TL 154.287.515 to Large-size tax payers' office and the remaining part to other public institutions. 5.000.000 TL was given to the Undersecretariat of Customs, 2.544.326 TL to Gazport and 2.108.513 TL to other public institutions.

All of the notes of guarantees given consist of Eximbank Guarantees.

(*) Bails given to Bektaş (TL 6.342), Sarmakina (TL 1.175.850), Sarda (18.370.000 TL) and Bemka (45.320.000 TL) were consolidated according to full consolidation method.

(**) Bails given to Sark Wire were consolidated according to full consolidation method.

(***) Bails given to Bemka were consolidated according to equity method by Bektaş which is consolidated according to full consolidation method

22.4 Total Amount of Insurances on Assets;

31.12.2012

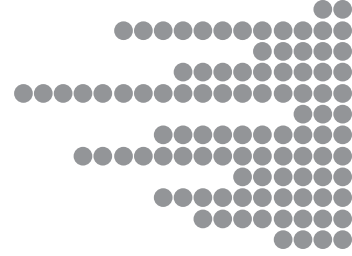
Asset Insured	Company	Insurance Company	Insurance Period	Currency	Insurance Amount	
					TL	Foreign Currency
Interruption Insurance	Sarkuysan	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	95.000.000
Fire	Sarkuysan	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	277.608.600
Loss Profit	Sarkuysan	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	23.305.861
Electronic Equip.	Sarkuysan	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	4.000.000
Cash Fire-Robbery	Sarkuysan	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	4.000.000
Product Liability Insurance	Sarkuysan	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	485.000.000
Carried Money- Value	Sarkuysan	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	1.000.000
Breach of Trust	Sarkuysan	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	400.000
Employer's Liability	Sarkuysan	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	143.600.000
Individual Accident Insurance	Sarkuysan	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	360.000.000
Financial Liability Policies of Related Individuals	Sarkuysan	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	200.000
Sarkuysan- Ak Trade Center Fire	Sarkuysan	Anadolu Sigorta A.Ş.	01.01.2012-31.12.2012	TL	6.547.000	-
Sarkuysan Ak Business Centre Glass	Sarkuysan	Anadolu Sigorta A.Ş.	01.01.2012-31.12.2012	TL	200.000	-
Vehicles	Sarkuysan	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	TL	800.388	-
Building (Fire)	AegeanFree Zone	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	248.522
Commodity (Fire)	AegeanFree Zone	Axa SigortaA.Ş.	01.01.2012-31.12.2012	USD	-	550.000
Furniture and Fixtures (Fire)	Aegean Free Zone	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	59.700
Machine (Fire)	Aegean Free Zone	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	527.855
Additional Benefits	Aegean Free Zone	Axa SigortaA.Ş.	01.01.2012-31.12.2012	USD	-	1.634.599
Terror	Aegean Free Zone	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	1.634.599
Earthquake	Aegean Free Zone	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	1.634.599
Commodity Robbery	Aegean Free Zone	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	550.000
Furniture and Fixtures (Robbery)	Aegean Free Zone	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	59.700
Machinery and Facility (Robbery)	Aegean Free Zone	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	527.855
Loss Profit	Aegean Free Zone	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	100.000

Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

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(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

Asset Insured	Company	Insurance Company	Insurance Period	Currency	Insurance Amount	
					TL	Foreign Currency
Interruption of Glass	Aegean Free Zone	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	1.000
Environmental Regulation (Fire)	Aegean Free Zone	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	248.522
Carried Money - Value	Sarmakina A.Ş.	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	350.000
Breach of Trust	Sarmakina A.Ş.	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	550.000
Interruption of Machinery	Sarmakina A.Ş.	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	1.900.000
Electronic Equipment	Sarmakina A.Ş.	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	204.000
Building Fire	Sarmakina A.Ş.	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	143.000
Building Fire	Sarmakina A.Ş.	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	8.407.800
Building Fire	Sarmakina A.Ş.	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	74.200
3 rd Person Financial Responsibility	Sarmakina A.Ş.	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	1.000.000
Vehicles	Sarmakina A.Ş.	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	TL	165.977	-
Fire	Bektaş A.Ş.	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	3.000.000
Employer Financial Responsibility	Bektaş A.Ş.	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	200.000
Personal Accident Insurance	Bektaş A.Ş.	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	150.000
Fire and Robbery	Sarda A.Ş.	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	200.000
Carried Money - Value	Sarda A.Ş.	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	360.000
Breach of Trust	Sarda A.Ş.	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	25.000
Cash Contents	Sarda A.Ş.	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	1.000.000
3 rd Person Financial Responsibility	Sarda A.Ş.	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	1.000.000
Employer Financial Responsibility	Sarda A.Ş.	Axa Sigorta A.Ş.	01.01.2012-31.12.2012	USD	-	1.000.000
Vehicles	Sarda A.Ş.	Axa Sigorta A.Ş.	30.09.2012-30.09.2013	TL	22.500	-
Vehicles	Sarda A.Ş.	Axa Sigorta A.Ş.	06.10.2012-06.10.2013	TL	50.000	-
Vehicles	Sarda A.Ş.	Axa Sigorta A.Ş.	26.12.2012-26.12.2013	TL	22.500	-
Vehicles	Sarda A.Ş.	Axa Sigorta A.Ş.	30.12.2012-30.12.2013	TL	50.000	-
Commercial Goods	Sarda A.Ş.	Axa Sigorta A.Ş.	25.02.2012-25.02.2013	USD	-	450.000
Gebze Machine Plant Fire	Bemka	Ak Sigorta	20.06.2012-30.03.2013	USD	-	7.672.150
Gebze Machine Plant Fire	Bemka	Ak Sigorta	20.06.2012-30.03.2013	USD	-	1.500.000
Gebze Building Fire	Bemka	Ak Sigorta	20.06.2012-30.03.2013	USD	-	1.500.000
Gebze Commodity Fire	Bemka	Ak Sigorta	20.06.2012-30.03.2013	USD	-	2.400.000
Profit Loss Insurance	Bemka	Ak Sigorta	20.06.2012-30.03.2013	USD	-	750.000
Gebze Warehouse Machinery Plant Fire	Bemka	Ak Sigorta	20.06.2012-30.03.2013	USD	-	1.427.500
Tuzla CTC Machine Plant Fire	Bemka	Ak Sigorta	20.03.2012-30.03.2013	USD	-	2.792.800
Tuzla Enamel Machinery, Plant Fire	Bemka	Ak Sigorta	20.03.2012-30.03.2013	USD	-	998.000
Tuzla CTC Commodity Fire	Bemka	Ak Sigorta	20.03.2012-30.03.2013	USD	-	1.600.000
Tuzla Enamel Commodity Fire	Bemka	Ak Sigorta	20.03.2012-30.03.2013	USD	-	800.000
Tuzla Asset Fire	Bemka	Ak Sigorta	20.03.2012-30.03.2013	USD	-	100.000
Profit Loss Insurance	Bemka	Ak Sigorta	20.03.2012-30.03.2013	USD	-	750.000
Gebze Machinery Breakdown	Bemka	Ak Sigorta	20.03.2012-30.03.2013	USD	-	8.439.365
Tuzla CTC Machine Failure	Bemka	Ak Sigorta	20.03.2012-30.03.2013	USD	-	3.072.000
Tuzla Enamel Machine Failure	Bemka	Ak Sigorta	20.03.2012-30.03.2013	USD	-	1.097.000
Electronics	Bemka	Ak Sigorta	20.03.2012-16.03.2013	USD	-	400.000



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(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

Asset Insured	Company	Insurance Company	Insurance Period	Currency	Insurance Amount	
					TL	Foreign Currency
Eskişehir Commodity	Bemka	Ak Sigorta	20.03.2012-20.03.2013	USD		400.000
Tekirdağ Commodity	Bemka	Ak Sigorta	20.03.2012-20.03.2013	USD		400.000
Carried Money	Bemka	Ak Sigorta	20.03.2012-20.03.2013	USD		500.000
Cash Fire	Bemka	Ak Sigorta	20.03.2012-20.03.2013	USD		500.000
3 rd Person Financial Responsibility	Bemka	Ak Sigorta	20.03.2012-20.03.2013	USD		100.000
Employer Financial Responsibility	Bemka	Ak Sigorta	20.03.2012-20.03.2013	USD		100.000
Product Responsibility Insurance	Bemka	Allianz Sigorta	17.12.2012-17.12.2013	EUR		2.000.000
Product Recall	Bemka	Allianz Sigorta	17.12.2012-17.12.2013	EUR		2.000.000
Tuzla Financial Breaking Machine	Bemka	Ak Finansal	14.11.2012-14.11.2013	EUR		1.255.000
Tuzla Financial Breaking Machine	Bemka	Ray Sigorta	28.02.2012-28.02.2013	EUR		7.164.404
34 BMK 70 Bmw 730	Bemka	Nart (Anadolu) Sig	17.12.2012-17.12.2013	TL	112.000	
34 TY 1418 Honda Accord	Bemka	Nart (Anadolu) Sig	17.12.2012-17.12.2013	TL	38.800	
34 TY 0594 Honda Accord	Bemka	Nart (Zürich) Sig.	16.12.2012-16.12.2013	TL	38.800	
34 TY 1416 Honda Accord	Bemka	Nart (Zürich) Sig.	16.12.2012-16.12.2013	TL	38.800	
34 TY 0759 Honda Accord	Bemka	Nart (Zürich) Sig.	16.12.2012-16.12.2013	TL	38.800	
34 DU 5750 Honda Civic	Bemka	Nart (Zürich) Sig.	16.12.2012-16.12.2013	TL	26.250	
34 DU 5747 Honda Civic	Bemka	Nart (Zürich) Sig.	16.12.2012-16.12.2013	TL	26.250	
34 DU 5749 Honda Civic	Bemka	Nart (Zürich) Sig.	16.12.2012-16.12.2013	TL	26.250	
34 BS 5922 Tofaş Doblo	Bemka	Nart (Zürich) Sig.	16.12.2012-16.12.2013	TL	17.100	
34 UD 3913 Tofaş Doblo	Bemka	Anadolu Sigorta	11.06.2012-11.06.2013	TL	12.500	
34 EY 3510 Honda Civic	Bemka	Zürh Sigorta	29.05.2012-29.05.2013	TL	30.250	
Total					8.264.165	1.471.623.631

31.12.2011

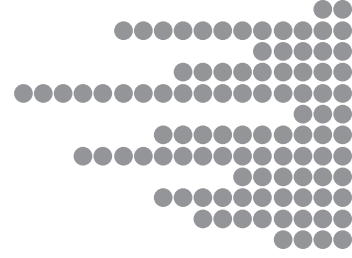
Asset Insured	Company	Insurance Company	Insurance Period	Currency	Insurance Amount	
					TL	Foreign Currency
Interruption Insurance	Sarkuysan	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	70.000.000
Fire	Sarkuysan	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	302.555.000
Loss Profit	Sarkuysan	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	10.279.180
Electronic Equip.	Sarkuysan	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	3.000.000
Cash Fire-Robbery	Sarkuysan	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	3.000.000
Product Liability Insurance	Sarkuysan	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	485.000.000
Carried Money- Value	Sarkuysan	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	700.000
Breach of Trust	Sarkuysan	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	400.000
Employer's Liability	Sarkuysan	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	139.400.000
Individual Accident Insurance	Sarkuysan	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	360.000.000
Financial Liability Policies of Related Individuals	Sarkuysan	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	200.000
Sarkuysan- Ak Trade Center Fire	Sarkuysan	Anadolu Sigorta A.Ş.	01.01.2011-31.12.2011	TL	6.545.000	-
Vehicles	Sarkuysan	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	TL	801.700	-
Building (Fire)	Aegean Free Zone	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	798.522
Furniture and Fixtures (Fire)	Aegean Free Zone	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	59.700
Machine (Fire)	Aegean Free Zone	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	527.855
Commodity (Robbery)	Aegean Free Zone	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	550.000
Fixtures (Robbery)	Aegean Free Zone	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	59.700

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(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

Asset Insured	Company	Insurance Company	Insurance Period	Currency	Insurance Amount	
					TL	Foreign Currency
Machinery and Facility (Robbery)	Aegean Free Zone	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	527.855
Loss Profit	Aegean Free Zone	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	100.000
Interruption of Glass	Aegean Free Zone	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	1.000
Carried Money - Value	Sarmakina A.Ş.	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	350.000
Breach of Trust	Sarmakina A.Ş.	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	200.000
Safe Content	Sarmakina A.Ş.	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	200.000
Interruption of Machinery	Sarmakina A.Ş.	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	1.900.000
Electronic Equipment	Sarmakina A.Ş.	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	204.000
SKS Factory-Gebze (Fire)	Sarmakina A.Ş.	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	130.000
SMK Factory - Gebze (Fire)	Sarmakina A.Ş.	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	7.703.000
Financial Liability Policies of Related Individuals	Sarmakina A.Ş.	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	200.000
Vehicles	Sarmakina A.Ş.	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	TL	110.950	-
Fire and Robbery	Sarda A.Ş.	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	200.000
Carried Money - Value	Sarda A.Ş.	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	360.000
Breach of Trust	Sarda A.Ş.	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	25.000
Safe Content	Sarda A.Ş.	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	1.000.000
Vehicles	Sarda A.Ş.	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	TL	79.651	-
Commodity	Sarda A.Ş.	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	20.000
Altunizade building (Fire)	Sarda A.Ş.	Anadolu Sig. A.Ş.	01.01.2011-31.12.2011	TL	654.500	-
Fire	Bektaş A.Ş.	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	2.665.000
Individual Accident Insurance	Bektaş A.Ş.	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	150.000
Employer's Liability	Bektaş A.Ş.	Axa Sigorta A.Ş.	01.01.2011-31.12.2011	USD	-	200.000
Total					8.191.801	1.392.665.812



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Notes to the Consolidated Financial Statements as of December 31, 2012

(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

22.5 Distribution of given Mortgages & Guarantees and portion in Owners' Equity

Mortgages & Guarantees Given by the Company	31.12.2012	31.12.2011
A. Total amount of M&G Given on behalf of the Group	238.516.113	166.965.221
B. Total amount of M&G Given on behalf of the Subsidiaries and Affiliated	77.350.392	12.561.642
C. Total Amount of M&G Given on behalf of the third person liability in order to sustain usual business activities.	-	-
D. Total Amount of other M&G Given	-	1.622.675
i. Total Amount of M&G Given on behalf of main shareholder	-	-
ii. Total Amount of M&G Given on behalf of other affiliated companies which cannot be classified under section B and C.	-	1.622.675
iii. Total Amount of M&G Given on behalf of the third person that cannot be classified under section C.	-	-
Total	315.866.505	181.149.538

The group does not have any other mortgages and guarantees. (31.12.2011: 0,006%)

*Bektaş which was recognized using the Full consolidation method consists of commitments given to Bemka which were recognized using the equity method.

23 COMMITMENTS

None.

24 EMPLOYEE TERMINATION BENEFITS

Account Name	31.12.2012	31.12.2011
Provisions For Termination Indemnity	13.686.629	10.553.756
Total	13.686.629	10.553.756

In context of current Labour Law, liability of payment of legal benefit for termination indemnity arises when terminated employment contract is qualified for termination indemnity. In addition, according to currently operated Social Insurance Law making payment to employee, who has the right of severance with termination indemnity, is a legal liability. As of December 31, 2012, termination indemnity upper limit is monthly TL 3.129,25 (December 31, 2011: TL 2.805,04) .

Termination indemnity payable is not subjected to any legal funding.

Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

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Termination indemnity payable, is calculated by forecasting the present value of currently working employee's possible future liabilities IAS 19 ("Employee Termination Benefits"), predicts to build up Group's liabilities with using actuarial valuation techniques in context of defined benefit plans. According to these predictions, actuarial assumptions used in calculation of total liabilities are as follows:

Base assumption is the inflation parallel increase of maximum liability of each year. Applied discount rate must represent expected real discount rate after the adjustment of future inflation. As of December 31, 2012, provisions in financial statement are calculated by forecasting the present value of currently working employee's possible future liabilities.

The provisions at the balance sheet dates have been calculated assuming an annual inflation rate of 5,10% and a discount rate of 10%. The real discount rate of 4,66% (31.12.2011: 4,66%) was used in the computation. Employee termination benefits related to severance for December, 31 2012 probability estimate was calculated as 98%. (31.12.2011: 99%). There were not any changes in discount assumptions in the current period by the management.

Movements of Provisions for Termination Indemnity are as follows;

	January 1, 2012 - December 31, 2012	January 1, 2011 - December 31, 2011
Provision as of January 1	10.553.756	8.629.399
Current Period Service Cost	793.149	1.716.830
Interest Cost	3.181.496	393.356
Actuarial Income/Loss	622.412	1.134.217
Previous year service cost	(589.899)	-
Payments	(874.285)	(1.320.046)
Closing Balance	13.686.629	10.553.756

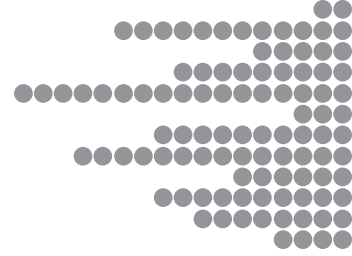
25 RETIREMENT BENEFIT PLANS

None.

26 OTHER ASSETS AND LIABILITIES

Other current assets for the periods ended, are as follows:

Account Name	31.12.2012	31.12.2011
Prepaid Expenses	3.747.284	3.366.878
Income Accruals	1.571.962	1.093.615
Job Advances	18.130	2.914
Prepaid Taxes	1.443.913	370.192
Deferred V.A.T	9.382.137	119.830
Advances Given For Purchases	1.777.645	3.871.872
Other doubtful assets	295.385	252.092
Provisions for Other doubtful Assets (-)	(295.385)	(252.092)
Other	3.829.455	365.375
Total	21.770.526	9.190.676



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Provisions for other doubtful assets:

Account Name	31.12.2011	31.12. 2011
Opening balance	252.092	-
Received amount in the current year	(241.096)	-
Provisions cancelled	(10.996)	-
Period cost	295.385	252.092
Closing balance	295.385	252.092

Group's Other Non-Current Assets for the periods ended, are as follows:

Account Name	31.12.2012	31.12.2011
Other	55.190	-
Total	55.190	-

Group's Other Short-Term Liabilities for the periods ended, are as follows:

Account Name	31.12.2012	31.12.2011
Advances Received	4.291.556	5.483.673
Taxes and Funds Payable	132.933	193.602
Social Security Institution Payable	99.465	89.034
Income for the following months	13.481.273	555.807
Expense Accruals (*)	3.950.528	4.401.842
Other	41.962	23.269
Total	21.997.717	10.747.227

(*) TL 2.564.821 (31.12.2011; 3.656.722 TL) of the Expense Accruals related with the foreign currency loss belongs to Codelco which is one of the group's suppliers and the part that amounts TL 399.273 (31.12.2011; 489.974 TL) is related with the provision for Commission of Foreign Sales and the part that amounts TL 986.434 (31.12.2011; 255.146 TL) is related for other expense accruals.

(**) Prepaid expenses for the following months consist of revenues that are to be discharged after the balance sheet date.

The Group has no Other Long-Term Liabilities for the periods ended.

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27 SHAREHOLDERS' EQUITY

27.1 Non-Controlling Interests

Balance Sheet	31.12.2012	31.12.2011
Non-Controlling Interests	734.676	149.717
Total	734.676	149.717

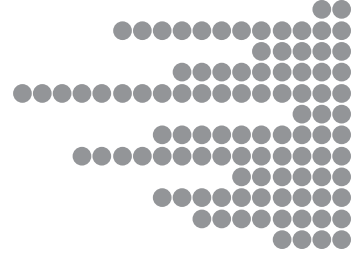
Income Statement	01.01.2012 - 31.12.2012	01.01.2011 - 31.12.2011
Non-Controlling Interests	(41.328)	20.279
Total	(41.328)	20.279

Non-Controlling Interests Movement table is as follows:

	January 1, 2012 December 31, 2012	January 1, 2011 December 31, 2011
1 January	149.717	129.438
Share from Current Period Profit	(41.328)	34.510
Bemka before Acquisition	640.784	-
Foreign Currency Translation Differences	6.017	-
Profit Distribution	(21.580)	(14.231)
Other	1.066	-
Closing Balance	734.676	149.717

27.2 Equity

Account Name	31.12.2012	31.12.2011
Capital	100.000.000	50.000.000
Capital Adjustments Differences	51.466.039	62.162.278
Value Increase Funds	36.754.096	36.754.096
Foreign Currency Exchange Differences	679.788	926.194
Restricted Reserves	14.700.122	13.988.391
Previous Years' Profit	81.421.715	95.708.285
Net Period Profit	33.387.808	30.290.181
Parent Company Shareholders' Equity	318.409.568	289.829.425
Non-Controlling Interests	734.676	149.717
Total Shareholders' Equity	319.144.244	289.979.142



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27.3 Capital

All of the equity is publicly held and there is no shareholder with more than 10% stake.

Increase in Capital:

According to the board's decision on 23.02.2012 numbered 1316/12.06 the group increased the capital from 50.000.000 TL to 100.000.000 TL.

The group's increase in capital comes from the 39.303.760 TL sale of property, 10.696.240 TL comes from the positive change in equity, with this addition, the equity increased from 50.000.000 TL to 100.000.000 TL. As of 31.12.2012 the company's equity issued and consisted of 10.000.000.000 stocks at a price of 1 krş per share nominal value.

The capital increase was registered and announced in the Official Gazette on 11.06.2012 Numbered 8087.

Changes in Shareholder Structure

None.

27.4 Restricted Reserves from Profit

The legal reserves consist of first and second legal reserves, appropriated in accordance with the Turkish Commercial Code (TCC). The TCC stipulates that the first legal reserve is appropriated out of historical statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Group's historical paid-in share capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the historical paid-in share capital. Under TCC, the legal reserves are not available for distribution unless they exceed 50% of the historical paid-in share capital but may be used to offset losses in the event that historical general reserve is exhausted.

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Notes to the Consolidated Financial Statements as of December 31, 2012

(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

27.5 Previous Years' Profits/(Losses)

Profits of previous years consist of extraordinary reserves, and profits of other previous years.

Previous year's profits/(Losses) for the period ended are as follows:

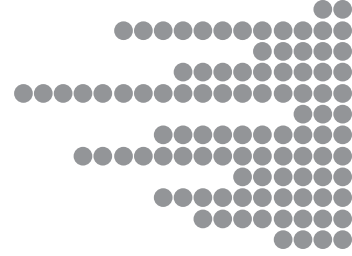
Account Name	31.12.2012	31.12.2011
Extraordinary Reserves	53.233.099	51.688.525
Other Previous Years' Profits/(Losses)	34.749.612	44.019.760
Total	87.982.711	95.708.285

In accordance with the CMB's decision numbered 7/242 dated on February 25, 2005; if the amount of net distributable profit based on the CMB's requirement on the minimum profit distribution arrangements, which is computed over the net profit determined based on the CMB's regulations, does not exceed the net distributable profit in the statutory accounts, the whole amount should be distributed, otherwise; all distributable amount in the statutory accounts are distributed. However, no profit distribution would be made if any financial statements prepared in accordance with the CMB or any statutory accounts carry net loss for the period. Based on the declaration concerning the publicly held corporations on January 27, 2010 by the Capital Markets Board of Turkey, it is decided that there will be no minimum dividend payment obligation.

Capitalization issue of Equity Inflation Adjustment Differences and Extraordinary Reserves registered values can be used in deduction of cash profit distribution or loss. However, Equity Inflation Adjustment Differences will be liable to corporate tax if it is used in cash profit distribution.

27.6 Value Increase Funds

The Group was subject to valuation for its investment properties for the first time in 2009 and based on this valuation, the Group had recognized the valuation differences under the equity. These deferred tax liabilities that are corresponded to the value increase funds had been offset from the fund. The calculations regarding to revaluation done by Elit Gayrimenkul Değerleme A.Ş as of December 31, 2011 and December 31, 2012 for the investment properties are disclosed in Note:17. The Value increases related with investment properties that are subject to valuation for the first time in the current period are recognized in shareholders' equity. On the other side, the Value increases related with investment properties that are subject to revaluation (valuated in the past years) during the current period are recognized within the context of income statement.



Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2012

(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

27.7 Other

In accordance with the communiqué numbered Serie:XI, No: 29 which became effective as of January 1, 2008 and the explanatory announcements of the CMB, 'Paid in Capital' has to be shown over the legal registered amounts of 'Restricted Reserves Assorted from Profit' and 'Share Premium'. During the application of this communiqué, the differences occurred in the valuation shall be disclosed:

- As a separate line item "Capital Adjustment Differences" on the shareholders' equity statement when the difference is due to Paid in capital and has not yet been added to the Capital,
- As part of the "Prior Period Profit/Loss" if the difference is due to the of Restricted Reserves Assorted from Profit and Share Premium and the profit distribution not yet occurred or not yet become subject to Capital increase.

Other Equity accounts shall be disclosed in accordance with the CMB Standards.

28 SALES AND COST OF SALES

Breakdown of Sales for the periods ended are as follows:

Account Name	01.01.2012 - 31.12.2012	01.01.2011 - 31.12.2011
Domestic Sales	1.395.243.166	1.298.994.430
Foreign Sales	955.633.302	898.323.026
Rental Income From Investment Properties	2.638.421	2.147.364
Other Sales	32.002.706	23.148.645
Sales returns (-)	(6.145.942)	(8.716.089)
Discounts (-)	(12.681.363)	(11.257.367)
Net Sales	2.366.690.290	2.202.640.009
Cost of Sales (-)	(2.300.812.926)	(2.154.343.486)
Gross Operating Profit/(Loss)	65.877.364	48.296.523

Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

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(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

Details of Cost of Sales are as follows:

Account Name	01.01.2012 - 31.12.2012	01.01.2011 - 31.12.2011
Cost of Products Sold (-)	(1.698.593.957)	(1.827.483.516)
Cost of Commercial Goods Sold (-)	(559.771.407)	(305.312.751)
Cost of Services Sold (-)	(12.683.651)	(17.978.184)
Depreciation (-)	(11.361.804)	(9.877.427)
Cost of Other Sales (-)	(18.402.107)	(3.569.035)
Cost of Sales (-)	(2.300.812.926)	(2.154.343.486)

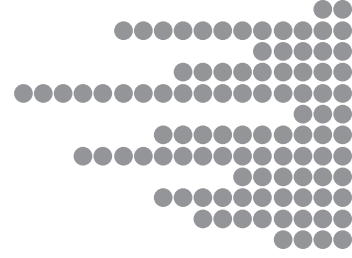
Production Quantities	Quantity	01.01.2012 - 31.12.2012	01.01.2011 - 31.12.2011
Copper Wire	Tons	148.318	147.129
Copper Tube, Bars, Bronze, etc.	Tons	15.271	13.140
Copper bar, plate	Tons	233	246
CTC Wire	Tons	1.113	-
Enamelled copper wire	Tons	2.771	-
Steel and Plastic Reels	Units	1.621	495
Machine Manufacturing	Units	15	42

Sales Quantities	Quantity	01.01.2012 - 31.12.2012	01.01.2011 - 31.12.2011
Copper Wire	Tons	146.853	147.854
Copper Tube, Bars, Bronze, etc.	Tons	14.909	12.958
Enamelled copper wire	Tons	3.827	712
Copper bar, plate	Tons	233	246
Steel and Plastic Reels	Units	1.621	495
Machine Manufacturing	Units	15	42
CTC Wire	Tons	1.091	-

29 RESEARCH AND DEVELOPMENT, MARKETING, SALES & DISTRIBUTION EXPENSES AND GENERAL ADMINISTRATION EXPENSES

The Operation Expenses of the Group for the periods ended are as follows:

Account Name	01.01.2012 - 31.12.2012	01.01.2011 - 31.12.2011
Marketing, Sales & Distribution Expenses (-)	(17.608.716)	(15.225.124)
General Administration Expenses (-)	(20.172.230)	(15.019.823)
Research and Development Expenses (-)	(643.972)	(942.099)
Total Operation Expenses	(38.424.918)	(31.187.047)



Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2012

(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

30 EXPENSES ACCORDING TO THEIR NATURE

Group's Expenses According to Their Nature for the periods ended are as follows:

Marketing, Sales & Distribution Expenses	01.01.2012 - 31.12.2012	01.01.2011 - 31.12.2011
Personnel Expenses	(5.600.372)	(4.765.320)
Market Research Expenses	(428.204)	(253.304)
Communication Expenses	(159.007)	(160.479)
Transportation Expenses	(4.397.080)	(3.304.902)
Packaging Expenses	(4.607.472)	(4.447.392)
Rent Expenses	(56.273)	(135.475)
Advertisement Expenses	(321.465)	(153.009)
Building Maintenance and Repair Expenses	(120.895)	(1.655)
Insurance Expenses	(73.150)	(217.227)
Taxes, Duties and Charges Expenses	(117.568)	(82.876)
Termination Indemnity Expenses	(36.295)	(31.824)
Depreciation Expenses	(169.409)	(100.154)
Representation Expenses	(93.150)	(55.001)
Vehicle Expenses	(213.787)	(213.458)
Export Expenses	(98.939)	-
Other	(1.115.650)	(1.303.048)
Total	(17.608.716)	(15.019.823)

Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2012

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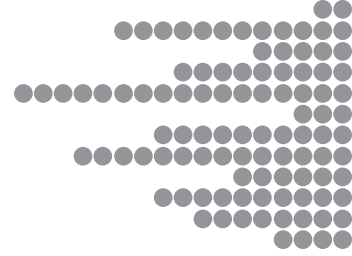
General Administration Expenses	01.01.2012 - 31.12.2012	01.01.2011 - 31.12.2011
Personnel Expenses	(11.050.465)	(9.388.012)
Communication Expenses	(300.308)	(290.534)
Scholarship Expenses	(253.201)	(266.334)
Representation Expenses	(176.701)	(142.752)
Insurance Expenses	(1.051.557)	(116.545)
Consultancy Expenses	(764.188)	(439.568)
Building Maintenance and Repair Expenses	(83.067)	(28.623)
Termination Indemnity Expenses	(2.119.370)	(1.016.134)
Rent Expenses	(132.853)	(92.613)
Taxes, Duties and Charges Expenses	(932.694)	(550.799)
Advertisement Expenses	(167.890)	(71.330)
Depreciation Expenses	(542.129)	(563.839)
Travel Expenses	(62.756)	(34.367)
Vehicle Expenses	(177.259)	(120.540)
Office Expenses	(64.377)	-
Other	(2.293.415)	(2.143.005)
Total	(20.172.230)	(15.264.995)

Research & Development Expenses	01.01.2012 - 31.12.2012	01.01.2011 - 31.12.2011
Personnel Expenses	(387.682)	(458.405)
Outsourced Benefits and Services	(16.842)	(9.092)
Depreciation Expenses	(67.709)	(86.998)
Other	(171.739)	(387.604)
Total	(643.972)	(942.099)

R&D expenses in the current period are TL 1.142.447 out of which TL 498.475 was capitalized.

The distribution of depreciation expenses that are stated in the income statement are as follows;

	01.01.2012 - 31.12.2012	01.01.2011 - 31.12.2011
Cost of Sales	(11.361.804)	(9.877.427)
Marketing, Sales & Distribution Expenses	(169.409)	(100.154)
General Administration Expenses	(542.129)	(563.839)
Research & Development Expenses	(67.709)	(86.998)
Total	(12.141.051)	(10.628.418)



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The distribution of the personnel expenses that are stated in the income statement are as follows;

	01.01.2012 - 31.12.2012	01.01.2011 - 31.12.2011
Cost of Sales	(30.773.052)	(23.073.433)
Marketing, Sales & Distribution Expenses	(5.600.372)	(4.765.320)
General Administration Expenses	(11.050.465)	(9.388.012)
Research & Development Expenses	(387.682)	(458.405)
Total	(47.811.571)	(37.685.170)

31 OTHER OPERATING INCOME/EXPENSE

Group's Other Operating Income for the periods ended are as follows:

Other Income	01.01.2012 - 31.12.2012	01.01.2011 - 31.12.2011
Provisions for Doubtful Receivables Released	271.932	13.628
Profit on Sale of Fixed Assets	2.160.298	39.088.580
Reversal of Provision for litigation	88.368	-
Rent Income	714.525	992.150
Insurance Indemnity Revenue Income	176.986	161.479
Inventory Differences	9.514.047	15.463.399
Investment Properties Fair Value Profits	6.775.000	3.910.556
Incentive Premium	50.530	11.615
Negative Goodwill (*)	7.561.221	-
Other	1.057.360	986.052
Total	28.370.267	60.627.459

*As of 31 December 2011 Bemka A.Ş.'s 77.9% stake was recognized using the equity method and was purchased on 31 July 2012 by the Group for 2.793.108 TL. Bemka A.Ş.'s acquisition and integration into the group was completed on July 31, 2012. Following the purchase Bemka A.Ş. has been reported as a subsidiary. Per the acquisition the negative goodwill of 7.561.221 was recognized in Other Operating Income as of 31 December 2012.

Expenses from Other Operations for the periods ended are as follows:

Other Expenses	01.01.2012 - 31.12.2012	01.01.2011 - 31.12.2011
Provisions for Doubtful Receivables Expenses	(2.502.849)	(340.357)
Provision for Impairment of Fixed Assets	(983.100)	-
Other Provision Expenses	(1.121)	-
Commission Expenses	(20.998)	-
Idle Capacity Expenses	(247.231)	(142.699)
Provision for unused authorization	(175.173)	(799.609)
Provision for Decrease in Value of Inventories	(3.558)	(16.155)
Donations and Aid	(270.923)	(118.932)
Other	(2.586.505)	(261.918)
Total	(6.791.458)	(1.679.670)

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32 FINANCIAL INCOME

Group's Financial Income for the periods ended are as follows:

Financial Income	01.01.2012 - 31.12.2012	01.01.2011 - 31.12.2011
Interest Income	8.733.979	5.775.473
Foreign Exchange Gain	77.641.982	128.952.530
Incomes Provided from Derivative Transactions	18.398.182	19.818.208
Interest Eliminated from Sales	8.200.348	7.782.684
Rediscount Interest Income	220.400	591.667
Cancellation of Previous Period's Rediscount Expense	2.106.910	608.915
Total	115.301.801	163.529.477

33 FINANCIAL EXPENSES

Group's Financial Expenses for the periods ended are as follows:

Financial Expenses	01.01.2012 - 31.12.2012	01.01.2011 - 31.12.2011
Interest Expense (-)	(28.453.342)	(21.471.301)
Foreign Exchange Loss (-)	(72.248.460)	(163.231.002)
Expenses from Derivative Transactions (-)	(13.017.219)	(16.826.397)
Late Interest Expense (-)	(247.048)	(144.625)
Interest Eliminated from purchases	(2.132.082)	(1.352.535)
Letter of Guarantee commission expenses	(1.082.595)	(245.172)
Rediscount Expense of Current Period (-)	(1.795.282)	(2.106.911)
Cancellation of Previous Period's Rediscount	(591.668)	(185.720)
Other	(16.852)	-
Total	(119.584.548)	(205.563.663)

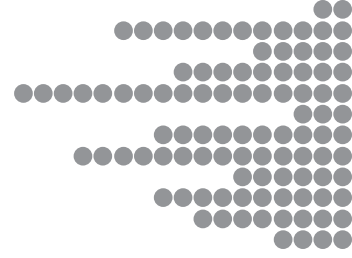
34 FIXED ASSETS HELD FOR SALE PURPOSES AND DISCONTINUED OPERATIONS

None.

35 TAX ASSETS AND LIABILITIES

The Group's tax income/(expense) are composed of current period's corporate tax expense and deferred tax income/(expense).

Account Name	01.01.2012 - 31.12.2012	01.01.2011 - 31.12.2011
Current Corporate Tax Provision (-)	(8.148.251)	(2.675.546)
Deferred Tax Income/(Expense)	(1.175.741)	1.908.896
Total Tax Income/(Expense)	(9.323.992)	(766.650)



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Notes to the Consolidated Financial Statements as of December 31, 2012

(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

35.1 Provision for Current Period Tax

The Group and subsidiaries are subject to Corporate Tax in Turkey. The necessary tax liability provisions have been made for the estimated Group's operation results for the current period.

Account Name	31.12.2012	31.12.2011
Provision for Taxes	8.148.251	2.675.546
Prepaid Taxes	(5.849.318)	(2.567.000)
Total Tax Liabilities of Current Period	2.298.933	108.546

Companies calculate their temporary taxes on their quarterly financial profits in Turkey. Corporate income as of the temporary tax periods, temporary tax rate of 20% over the corporate income was calculated and prepaid taxes deducted from taxation on income.

According to Turkish Corporate Tax Law, losses can be carried forward to offset the future taxable income for a maximum period of 5 years. On the other hand, such losses cannot be carried back to offset previous years' profits.

According to Corporate Tax Law's Article: 20, the corporate tax is imposed by the taxpayer's tax returns. There is no procedure for a final and definitive agreement on tax assessments. Annual corporate tax returns are submitted until the 25th of April following the closing of the accounting year. Moreover, the tax authorities have the right to examine the tax returns and the related accounting records within five years.

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The information about the consolidated temporary tax and provision of tax for the period ended as follows:

Account Name	01.01.2012 - 31.12.2012	01.01.2011 - 31.12.2011
Trade Profit/(Loss)	39.073.761	51.622.978
Additions	7.629.311	4.674.951
Default Interest	643.826	-
Rediscount on Notes and Cheques	290.754	503.947
Other Non-allowable Charges	1.293.933	803.184
Provision for Termination Indemnity	3.956.568	3.263.029
Donations and Aid	230.205	104.791
Passenger Vehicle Tax	17.115	-
Disguised Restriction of Capital Expenditure	1.196.910	-
Discount from Tax Base (-)	(5.974.878)	(45.920.472)
Participation Income	(3.538.535)	(3.389.051)
Research & Development Discount	(822.000)	(1.238.172)
Rediscount on Notes and Cheques	(503.947)	(259.079)
Donations and Aid	(230.055)	(104.692)
Termination Indemnity Rediscounted from Basis (Payment Balance)	(860.623)	(1.320.046)
75% Profit of Property Sell	-	(39.303.760)
Incomes Received from Free Zones	(19.718)	(115.989)
Other Discounts	-	(189.683)
Fiscal Profit/(Loss)	40.728.194	10.377.457

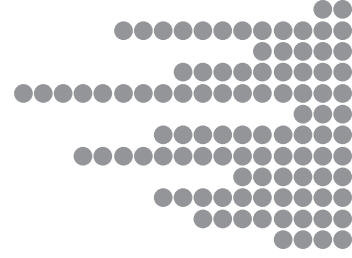
Effective Corporate Tax Rate:

According to the corporate tax law numbered 5520, which was published in the official gazette dated June 21, 2006, the effective corporate tax rate was set as 20%.

According to Turkish Corporate Tax Law, losses can be carried forward to offset the future taxable income for a maximum period of 5 years. On the other hand, such losses cannot be carried back to offset prior years' profits.

Income Withholding Tax:

In addition to corporate tax, companies should also calculate income withholding tax on any dividends and income distributed, except for resident companies in Turkey receiving dividends from resident companies in Turkey and Turkish branches of foreign companies. The rate of withholding tax was increased from 10% to 15% upon the Cabinet decision No: 2006/10731, which was published in Official Gazette on July 23, 2006.



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35.2 Deferred Tax:

The deferred tax asset and tax liability is based on the temporary differences, which arise between the financial statements prepared according to CMB's accounting standards and statutory tax financial statements. These differences are usually due to the recognition of revenue and expenses in different reporting periods for the CMB standards and tax purposes.

Temporary differences are result of recognizing certain income and expense items differently for accounting and tax purposes. Temporary differences are calculated off of the tangible fixed assets (except land and buildings), intangible fixed assets, stocks, the revaluation of prepaid expenses, discount of receivables, provision for termination indemnities, and previous years' loss. Every accounting year, the Group reviews the deferred tax asset and in circumstances, where the deferred tax assets cannot be used against the future taxable income, the Group writes-off the recorded deferred tax asset. Corporate tax rate is used in the calculation of deferred taxes.

Account Name	31.12.2012 Accumulated Permanent Differences	31.12.2011 Accumulated Permanent Differences	31.12.2012 Deferred Tax Receivable/ (Payable)	31.12.2011 Deferred Tax Receivable/ (Payable)
Fixed Assets	1.721.102	18.342.486	264.725	(3.668.497)
Investment Property Valuation Differences (Equity)	37.928.645	37.928.645	(1.896.432)	(1.896.432)
Investment Property Valuation Differences (Income Statement)	15.839.866	8.726.126	791.993)	(436.306)
Fiscal Loss	2.523.820	68.235	517.105	13.647
Elimination of Profit Margin on Inventories	39.124	485.200	7.825	97.040
Depreciation Expense Allocated to Inventories	65.470	69.500	(13.094)	13.900
Rediscount Expense	2.025.919	2.106.910	405.184	421.382
Provision for Termination Indemnity	11.766.848	10.481.930	2.721.078	2.096.386
Provision for Doubtful Receivables	3.808.897	668.360	761.779	133.672
Provision for Law Suits	2.957	124.380	50.344	24.876
Provision for Decrease in Value of Inventories	273.156	55.770	54.631	11.154
Provision for Effective Interest Expense	127.264	109.515	(25.453)	(21.903)
Rediscount of Payables	347.160	591.665	(71.580)	(118.333)
Net Expenses/Income from Derivative Transactions	68.854	1.515.880	(13.771)	303.176
Provision for Unused Authorization	968.207	799.610	193.642	159.922
Special Funds	6.349.698	6.530.705	(1.269.940)	(1.306.141)
Factoring Commissions Accrual Expenses	-	511.909	-	102.382
Warehouse Inventory at Overseas	21.938	-	239.232	-
Periodic Shift	1.196.154	555.805	(4.388)	111.161
Other	189.611	58.467	(37.467)	11.692
Deferred Tax Assets/Liabilities			5.137.910	(3.947.222)

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	01.01.2012 - 31.12.2012	01.01.2011 - 31.12.2011
Balance at the beginning of the period	(3.947.222)	(5.856.118)
Recognized at other comprehensive income statement	(226.893)	-
Tax Refund	211.948	-
Deferred Tax Income/(Expense)	(1.175.741)	1.908.896
Balance at the end of the period	(5.137.910)	(3.947.222)

Reconciliation of Tax Provision for the periods ended is as follows;

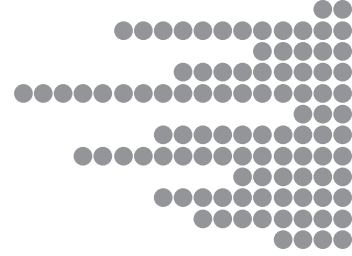
Reconciliation of Tax Provision	01.01.2012 - 31.12.2012	01.01.2011 - 31.12.2011
Profits obtained from continuing operations	42.670.472	31.077.111
Income tax rate 20%	(8.534.094)	(6.215.422)
Tax effect:		
-Non-taxable Income	1.480.403	5.609.409
-Non-allowable Expenses	(2.270.301)	(160.637)
-Other Temporary Differences	-	-
Deferred Tax Income	(9.323.992)	(766.650)

36 EARNINGS PER SHARE

Earnings per share in the income statement are calculated by dividing net income by the weighted average number of common shares outstanding for the period:

	01.01.2012 - 31.12.2012	01.01.2011 - 31.12.2011
Net Profit For The Period/(Loss)	33.387.808	30.290.181
Weighted Average Number of Common Shares Outstanding	10.000.000.000	10.000.000.000
Earnings per Share	0,0033	0,0030

Weighted-average shares used for profit per share calculations are obtained by free of charge past shares, therefore, profit of year 2011 is divided by 10.000.000.000 shares. As of 31 December 2011 the company's equity has been discharged and new shares of 1 krş nominal value at 10.000.000.000 shares are in effect.



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37 EXPLANATIONS OF RELATED PARTIES

37.1 Balances of Related Parties:

December 31, 2012	Receivables		Liabilities	
	Commercial	Non-Commercial	Commercial	Non-Commercial
Demisaş	266.028	-	-	-
Shareholders	-	95.298	-	100.341
Total	266.028	95.298	-	100.341

December 31, 2011	Receivables		Liabilities	
	Commercial	Non-Commercial	Commercial	Non-Commercial
Bemka	46.235.221	-	-	-
Demisaş	453.351	-	-	-
Shareholders	-	-	-	101.574
Total	46.688.572	-	-	101.574

The mortgages taken from customers with the amount of TL 18.000.000 are from Bemka to Sarkuysan and TL 5.000.000 Bemka to Sarda. There is not any guarantee taken from Group companies except the ones mentioned above.

37.2 Details of the Purchases and Sales of Related Parties:

31.12.2012

Related Parties	Goods and Service Sales	Rent Income	F/X - Interest Expense	Other Sales	Total
Bemka (*)	49.354.823	171.925	3.170.768	170.961	52.868.477
Demisaş	3.143.497	80.334	-	117.261	3.341.092
Total	52.498.320	252.259	3.170.768	288.222	56.209.569

Related Parties	Purchase of Goods and Services	Rent Expense	F/X - Interest Expense	Other Purchases	Total
Bemka	14.297.195	-	1.877.671	-	16.174.865
Total	14.297.195	-	1.877.671	-	16.174.865

* Bemka A.Ş was acquired and consolidated under the roof of the Group on 31.07.2012. After this date the company is recognized as a subsidiary of the group. The transactions featured above are the sales and purchases made by Bemka until the date of acquisition. Purchases and sales made by the firm after this date are cancelled out in the Consolidated Financial Statements.

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Notes to the Consolidated Financial Statements as of December 31, 2012

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31.12.2011

Related Parties	Good and Service Sales	Rent Income	F/X - Interest Expense	Other Sales	Total
Bemka	62.371.610	794.751	10.968.300	107.135	74.241.796
Demisaş	3.391.055	96.000	-	130.477	3.617.532
Total	65.762.665	890.751	10.968.300	237.612	77.859.328

Related Parties	Purchase of Goods and Services	Rent Expense	F/X - Interest Expense	Other Purchases	Total
Bemka	12.938.674	-	922.196	34.865	13.895.735
Demisaş	-	-	-	5.203	5.203
Total	12.938.674	-	922.196	40.068	13.900.938

37.3 Benefits provided to senior executives:

Benefits provided to senior executives as of December 31, 2012 are TL 5.464.249. (31.12.2011: TL 4.355.377)

38 THE CHARACTERISTICS AND LEVEL OF RISKS EXISTING FROM FINANCIAL INSTRUMENTS

38.1 Capital Risk Management

The Group is planning to secure the business continuity and on the other hand planning to increase the profitability by using the balance of liabilities and share capital efficiently.

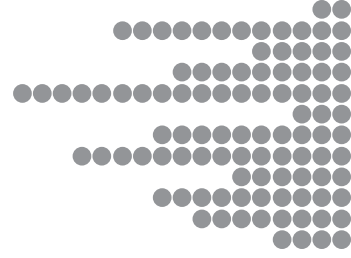
The Group's capital structure consists of payables including the credits remarked in Note 8, cash and cash equivalents in Note 6, shareholders' equity including issued capital, capital reserves, profit reserves and previous years' profit remarked in Note 27.

The risks related to cost of capital and all categories of capital are evaluated by senior executives. By these evaluations of senior executives, structure of capital is planned to be balanced by dividend payments and issuing new shares as much as new credits or time extension of existent credits.

The group is monitoring capital by liabilities/share capital rate. This rate is calculated by dividing net liabilities to share capital. Net liabilities are calculated by subtracting cash and cash equivalents from total liabilities (stated in balance sheet like credits, financial leasings and trade payables). Total share capital, as stated in balance sheet, is calculated by the sum of owners' equity and net liabilities.

The Group's general strategy which depends on borrowings was not changed according to previous periods.

The Group risk policy mainly focuses on unpredictability and volatility of financial markets and intends to minimize the probable negative effects through the policies applied.



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38.2 Important Accounting Policies

The Group's important accounting policies relating to financial instruments are presented in the Note 2.

38.3 Market Risk

The Group, due to its activities, is exposed to changes in exchange rates (see article d) and interest rates (see article e), and other risks (article f). The Group, as it holds the financial instruments, also bears the risk of other party not meeting the requirements of the agreement. (Article g)

Market risks seen at the level of group are measured according to the sensitivity analysis principle. The market risk of the Group incurred during the current year or the method of handling the encountered risks or the method of measuring those risks are no different from the previous year.

The Group's raw materials are foreign based. Accordingly, production costs are sensitive to the exchange rates. There is possibility of decreasing in the Group's profit margin in the case of increasing costs do not reflect to the sale prices because of competitive conditions in the period when foreign currency increases. The forward raw material purchases contracts have been made in order to decrease of the adverse effect of fluctuation in prices on the Group's profitability.

38.4 Foreign currency risk management

Transactions in foreign currencies expose the Group to foreign currency risk.

This risk mainly arises from fluctuation of foreign currency used in conversion of foreign assets and liabilities into Turkish Lira. Foreign currency risk arises as a result of trading transactions in the future and the difference between the assets and liabilities recognized.

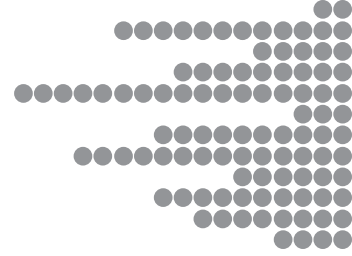
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Notes to the Consolidated Financial Statements as of December 31, 2012

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The Group is exposed to foreign currency risk mainly due to bank deposits, receivables and payables in foreign currencies.

Foreign Exchange Rate Sensitivity Analysis Table				
Current Period				
	Profit/Loss		Equity	
	Appreciation of Foreign Exchange	Devaluation of Foreign Currency	Appreciation of Foreign Exchange	Devaluation of Foreign Currency
In the event of 10% value change of US Dollar against TL;				
1- US Dollar Net Asset/Liability	(9.903.508)	9.903.508	-	-
2- The part, hedged from US Dollar Risk (-)	-	-	-	-
3- US Dollar Net Effect (1+2)	(9.903.508)	9.903.508	-	-
In the event of 10% value change of Euro against TL;				
4- Euro Net Asset/Liability	5.062.638	(5.062.638)	-	-
5- The part, hedged from Euro Risk (-)	-	-	-	-
6- Euro Net Effect (4+5)	5.062.638	(5.062.638)	-	-
In the event of 10% value change of GBP against TL;				
7- GBP Net Asset/Liability	2.723.893	(2.723.893)	-	-
8- The part, hedged from GBP Risk (-)	-	-	-	-
9- GBP Net Effect (7+8)	2.723.893	(2.723.893)	-	-
In the event of 10% value change of Other against TL;				
10- Other Net Asset/Liability	-	-	-	-
11- The part, hedged from Other Risk (-)	-	-	-	-
12- Other Net Effect (10+11)	-	-	-	-
TOTAL	(2.116.978)	2.116.978	-	-



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Foreign Exchange Rate Sensitivity Analysis Table				
	Previous Period			
	Profit/Loss		Equity	
	Appreciation of Foreign Exchange	Devaluation of Foreign Currency	Appreciation of Foreign Exchange	Devaluation of Foreign Currency
In the event of 10% value change of US Dollar against TL;				
1- US Dollar Net Asset/Liability	(11.527.938)	11.527.938	-	-
2- The part, hedged from US Dollar Risk (-)	-	-	-	-
3- US Dollar Net Effect (1+2)	(11.527.938)	11.527.938	-	-
In the event of 10% value change of Euro against TL;				
4- Euro Net Asset/Liability	2.782.843	(2.782.843)	-	-
5- The part, hedged from Euro Risk (-)	-	-	-	-
6- Euro Net Effect (4+5)	2.782.843	(2.782.843)	-	-
In the event of 10% value change of GBP against TL;				
7- GBP Net Asset/Liability	2.643.920	(2.643.920)	-	-
8- The part, hedged from GBP Risk (-)	-	-	-	-
9- GBP Net Effect (7+8)	2.643.920	(2.643.920)	-	-
In the event of 10% value change of Other against TL;				
10- Other Net Asset/Liability	-	-	-	-
11- The part, hedged from Other Risk (-)	-	-	-	-
12- Other Net Effect (10+11)	-	-	-	-
TOTAL	(6.101.175)	6.101.175	-	-

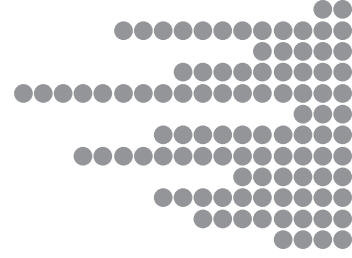
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Table of Foreign Exchange Position

	Current Period		
	TL Value	USD	Euro
1. Trade Receivables	333.774.029	128.241.114	35.785.403
2a. Monetary Financial Assets	98.877.089	45.734.292	4.689.209
2b. Non-Monetary Financial Assets	-	-	-
3. Other	3.586.465	1.357.556	496.019
4. Current Assets Total (1+2+3)	436.237.583	175.332.962	40.970.631
5. Trade Receivables	-	-	-
6a. Monetary Financial Assets	-	-	-
6b. Non-Monetary Financial Assets	-	-	-
7. Other	-	-	-
8. Fixed Assets Total (5+6+7)	-	-	-
9. Total Assets (4+8)	436.237.583	175.332.962	40.970.631
10. Trade Payables	57.117.040	27.881.494	3.133.762
11. Financial Liabilities	413.845.583	211.119.470	15.947.619
12a. Other Monetary Liabilities	-	-	-
12b. Other Non-Monetary Liabilities	3.839.654	2.028.011	72.654
13. Total Short Term Liabilities (10+11+12)	474.802.277	241.028.975	19.154.036
14. Trade Payables	-	-	-
15. Financial Liabilities	679.709	-	289.029
16a. Other Monetary Liabilities	-	-	-
16b. Other Non-Monetary Liabilities	-	-	-
17. Total Long Term Liabilities (14+15+16)	679.709	-	289.029
18. Total Liabilities (13+17)	475.481.986	241.028.975	19.443.065
19. Net Asset/(Liability) Position of Derivative Instruments off the Balance Sheet (19a-19b)	18.074.628	10.139.475	-
19a. Total Amount of Hedged Assets	-	-	-
19b. Total Amount of Hedged Liabilities	18.074.628	10.139.475	-
20. Net Foreign Exchange Asset/(Liability) Position (9-18+19)	(21.169.775)	(55.556.538)	21.527.566
21. Monetary Items Net Foreign Exchange Asset/(liability) position (1+2a+3+5+6a-10-11-12a-12b-14-15-16a)	(38.991.215)	(65.025.557)	21.104.202
22. Total Fair Value of Financial Instruments Used for the Foreign Exchange Hedge	-	-	-
22a. The Amount of Hedged part of Foreign Exchange Assets	-	-	-
22b. The Amount of Hedged part of Foreign Exchange Liabilities	-	-	-
23. Export	963.124.986	265.084.378	194.365.314
24. Import	1.849.796.552	1.026.493.330	4.597.646



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									Previous Period	
	GBP	JPY	Other	TL Value	USD	Euro	GBP	Other		
	7.320.220	-	-	281.917.193	103.802.766	25.377.080	8.168.543	-		
	2.202.705	-	-	111.146.458	53.874.866	2.734.273	925.679	-		
	-	-	-	-	-	-	-	-		
	-	-	-	3.493.849	1.849.674	-	-	-		
	9.522.925	-	-	396.557.500	159.527.306	28.111.353	9.094.222	-		
	-	-	-	-	-	-	-	-		
	-	-	-	-	-	-	-	-		
	-	-	-	-	-	-	-	-		
	-	-	-	-	-	-	-	-		
	9.522.925	-	-	396.557.500	159.527.306	28.111.353	9.094.222	-		
	15.961	-	-	150.214.324	78.392.746	861.011	11.699	-		
	-	-	-	338.718.603	158.817.890	15.847.242	-	-		
	-	-	-	-	-	-	-	-		
	18.691	-	-	5.240.376	2.725.070	15.741	18.691	-		
	34.652	-	-	494.173.303	239.935.706	16.723.994	30.390	-		
	-	-	-	-	-	-	-	-		
	-	-	-	-	-	-	-	-		
	-	-	-	-	-	-	-	-		
	-	-	-	-	-	-	-	-		
	34.652	-	-	494.173.303	239.935.706	16.723.994	30.390	-		
	-	-	-	36.604.049	19.378.500	-	-	-		
	-	-	-	-	-	-	-	-		
	-	-	-	36.604.049	19.378.500	-	-	-		
	9.488.273	-	-	(61.011.754)	(61.029.900)	11.387.359	9.063.832	-		
	-	-	-	(95.869.275)	(79.533.004)	11.403.100	9.082.524	-		
	9.506.964	-	-	-	-	-	-	-		
	-	-	-	-	-	-	-	-		
	-	-	-	-	-	-	-	-		
	-	-	-	-	-	-	-	-		
	13.922.811	-	-	913.378.170	241.516.862	191.871.072	23.635.712	-		
	13.819	504.000	-	1.668.685.827	1.004.882.29	1.210.895	71.604	65.677		

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Interest Position Table

Fixed Interest Financial Instruments	Current Period	Previous Period
Financial Assets	9.561.986	13.248.709
Financial Liabilities	(509.872.031)	(369.704.813)
Variable Interest Financial Instruments		
Financial Assets	-	-
Financial Liabilities	-	-

The significant part of bank deposits of Group is time deposits. All financial liabilities are short term loans.

Increases in interest rates will result with decreases in Income revenue of Group. In 31.12.2012, if TL interest rate was 1 point bigger/lesser than the actual one, profit before tax of Group would be TL 5.003.100 lesser/bigger than the actual one. (31.12.2011: TL 3.564.561)

38.5 Analysis Related to Other Risks

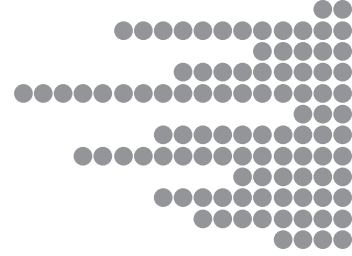
Risks Related to Financial Instruments, Stocks Etc.

Group has no stocks or similar marketable securities evaluated by fair value in the current period.

38.6 Credit Risk Management

Possessing financial instruments has the risk of other party's non-execution of liabilities resulting from agreement. Group's payment collection risk mostly arises from trade receivables. Trade receivables must be assessed in accordance with corporate policies and procedures for making net value of trade receivables after provision of doubtful receivables are classified. (Note 10)

The financial liabilities expose the Group to interest rate risk.



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CREDIT TYPES INCURRED IN RESPECT OF FINANCIAL INSTRUMENT TYPES

Current Period	Receivables				Notes	Bank Deposits	Notes
	Trade Receivables		Other Receivables				
	Related	Other	Related	Other			
Maximum credit risk incurred as of the date of reporting (A+B+C+D+E)	266.028	482.944.446	95.298	33.777.899		49.905.698	
- The part of maximum risk secured by guarantee etc.	-	101.795.230	-	-	22	-	22
A. Net book value of financial assets which are undue or which did not decline in value	266.028	482.944.446	95.298	33.777.899	10-11	49.905.698	6
B. Book value of financial assets which conditions are renegotiated, and which otherwise would be counted as overdue or declined in value	-	-	-	-	10-11	-	6
C. Net book value of assets, overdue but did not decline in value.	-	-	-	-		-	6
- The part secured by guarantee etc.	-	-	-	-	10-11	-	6
D. Net book values of assets declined in value	-	-	-	-		-	6
- Overdue (gross book value)	79.606	7.310.404	-	-	10-11	-	6
- Decline in value (-)	(79.606)	(7.310.404)	-	-	10-11	-	6
- The part of net value secured by guarantee etc.	-	-	-	-	10-11	-	6
- Undue (gross book value)	-	-	-	-	10-11	-	6
- Decline in value (-)	-	-	-	-	10-11	-	6
- The part of net value secured by guarantee etc.	-	-	-	-	10-11	-	6
E. Elements containing credit risk off the balance	-	-	-	-		-	

CREDIT TYPES INCURRED IN RESPECT OF FINANCIAL INSTRUMENT TYPES

Previous Period	Receivables				Notes	Bank Deposits	Notes
	Trade Receivables		Other Receivables				
	Related	Other	Related	Other			
Maximum credit risk incurred as of the date of reporting (A+B+C+D+E)	46.688.572	391.349.476	-	52.594.657		58.679.046	
- The part of maximum risk secured by guarantee etc.	23.000.000	77.986.326	-	-	22	-	22
A. Net book value of financial assets which are undue or which did not decline in value	15.935.187	391.349.476	-	52.594.657	10-11	58.679.046	6
B. Book value of financial assets which conditions are renegotiated, and which otherwise would be counted as overdue or declined in value	-	-	-	-	10-11	-	6
C. Net book value of assets, overdue but did not decline in value.	30.753.385	-	-	-		-	6
- The part secured by guarantee etc.	-	-	-	-	10-11	-	6
D. Net book values of assets declined in value	-	-	-	-		-	6
- Overdue (gross book value)	-	3.831.452	-	-	10-11	-	6
- Decline in value (-)	-	(3.831.452)	-	-	10-11	-	6
- The part of net value secured by guarantee etc.	-	-	-	-	10-11	-	6
- Undue (gross book value)	-	-	-	-	10-11	-	6
- Decline in value (-)	-	-	-	-	10-11	-	6
- The part of net value secured by guarantee etc.	-	-	-	-	10-11	-	6
E. Elements containing credit risk off the balance	-	-	-	-		-	

Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2012

(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

38.7 Liquidity Risk Management

Group manages liquidity risk by matching maturities of assets and liabilities with regular control of cash flows and providing permanence in adequate funds and reserves.

Liquidity Risk Statements

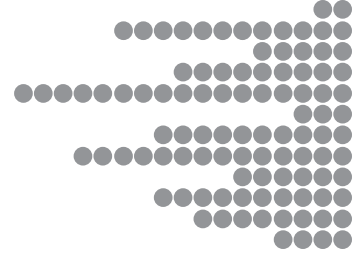
Liquidity risk management involves having adequate cash, and power of offsetting fund resources with adequate loan.

Risk of funding current and future possible loan requirements should be managed by providing permanent access to adequate and quality loan providers.

Following statement indicates maturity allocation of Group's derivative and non-derivative financial liabilities.

31.12.2012

Expected Terms	Book Value	Cash Outflows Total As Per the Agreement	Maturity			More than 5 Years
			Less than 3 Months	3-12 Months	1-5 Years	
Non-derivative Financial Liabilities	597.764.866	604.026.708	282.353.472	321.673.236	-	-
Loans	453.879.950	459.783.885	187.147.727	272.636.158	-	-
Issued debt instrument	-	-	-	-	-	-
Financial Lease Liabilities	-	-	-	-	-	-
Trade Payables	139.466.938	139.824.845	90.787.767	49.037.078	-	-
- Related Parties	-	-	-	-	-	-
- Other	139.466.938	139.824.845	90.787.767	49.037.078	-	-
Other Payables	4.417.978	4.417.978	4.417.978	-	-	-
- Related Parties	100.341	100.341	100.341	-	-	-
Other	4.317.637	4.317.637	4.317.637	-	-	-



Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2012

(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

Derivative Financial Instruments	Book Value	Cash Outflows Total As Per the Agreement	Cash Outflows			More than 5 Years
			Less than 3 Months	3-12 Months	1-5 Years	
<i>Derivative Cash Flow</i>	-	34.409.992	19.149.644	10.617.994	4.642.355	-
<i>Derivative Cash Outflow</i>	-	33.838.610	18.436.828	10.698.383	4.703.400	-
Net Derivative Financial Instruments	-	571.382	712.816	(80.389)	(61.045)	-

31.12.2011

Expected Terms	Book Value	Cash Outflows Total As Per the Agreement	Cash Outflows			More than 5 Years
			Less than 3 Months	3-12 Months	1-5 Years	
Non-derivative Financial Liabilities	485.542.584	454.497.196	154.110.662	300.386.534	-	-
<i>Loans</i>	286.643.560	292.042.250	83.233.729	208.808.521	-	-
<i>Issued debt instrument</i>	-	-	-	-	-	-
<i>Financial Lease Liabilities</i>	-	-	-	-	-	-
<i>Trade Payables</i>	157.461.518	158.053.185	66.475.172	91.578.013	-	-
- Related Parties	-	-	-	-	-	-
- Other	157.461.518	158.053.185	66.475.172	91.578.013	-	-
<i>Other Payables</i>	4.401.761	4.401.761	4.401.761	-	-	-
-Related Parties	101.574	101.574	101.574	-	-	-
Other	4.300.187	4.300.187	4.300.187	-	-	-

Derivative Financial Instruments	Book Value	Cash Outflows Total As Per the Agreement	Cash Outflows			More than 5 Years
			Less than 3 Months	3-12 Months	1-5 Years	
<i>Derivative Cash Flow</i>	-	92.928.549	52.911.040	40.017.509	-	-
<i>Derivative Cash Outflow</i>	-	88.206.047	50.306.828	37.899.219	-	-
Net Derivative Financial Instruments	-	4.722.502	2.604.212	2.118.290	-	-



Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2012

(The amounts are stated as Turkish Lira ("TL") unless otherwise indicated.)

39 FINANCIAL INSTRUMENTS (DECLARATIONS WITHIN THE CONTEXT OF FAIR VALUE AND HEDGING)

Group claims that book values of financial instruments reflect fair values.

Objectives of Financial Risk Management

Group's department of Finance is responsible for adequate access to financial market and managing financial risks arises from operational activities of Group. Financial risks of operation contain market risk (currency rate risk, fair value of interest risk and price risk), loan risk, liquidity risk and cash flow interest rate risk.

In order to decrease the effect of risk and avoiding financial risk, Group uses forward foreign currency transaction agreements as a financial instrument. The group has option transactions in order to reduce the foreign currency risk and to finalize these risks that may occur in the market.

40 EVENTS AFTER BALANCE SHEET DATE

31.12.2012

The company's board on their meeting dated 12.01.2013 decided to increase the equity ceiling from 100.000.000 TL to 200.000.000 TL. The filing was approved by the Capital Markets Board on 05.03.2013 with permit numbered 2110.

Regarding to the sale of Sarkuysan-AK business centre located at Istanbul province, Üsküdar County, Altunizade district, Kısıklı Street, Bağlarbaşı; of which 90% is owned by the Company; after the evaluation of the offers, the property was sold to the highest bidder, AK İnşaat Mermercilik ve Gayrimenkul Yatırım Ticaret A.Ş., in cash with the value of TL 40.050.000.

The company's board with decision 1375/13.13 dated 14.03.2013 applied for an amendment draft of their article of incorporation with the Capital Markets Board on 18.03.2013.

41 OTHER ISSUES

None.

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