



LEADING TECHNOLOGY IN ALL KEY SEGMENTS
AND BEST IN CLASS R&D CAPABILITIES SUPPORTING GLOBAL
THE DEVELOPMENT
STRONGER PLATFORM TO ENHANCE CUSTOMER SERVICE
SERVICE **LINKING** WORLDWIDE LEADER IN R
TECHNOLOGY **TURKEY TO THE FUTURE** CUSTOMER SERVICE
EXTENDED PRODUCT OFFERING IN OGP AND INDUSTRIAL APPLICATIONS
SUSTAINABLE ENERGY SUPPORTING GLOBAL
THE DEVELOPMENT

Prysmian
Group

TÜRK PRYSMIAN KABLO VE SİSTEMLERİ A.Ş.
2011 ANNUAL REPORT

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MESSAGE FROM CEO



2011 has been an exciting year for our company with various developments around the world. We started the year with the merger announcement of Prysmian and Draka, two of the leading players in the industry of high tech cables and system solutions. The merger created the Prysmian Group which became the number one cable company in the world with sales around €8 billion, 22,000 employees spread throughout 98 plants in more than 50 countries. The newly created Group has also significantly expanded its product and service offerings in terms of products, brands, technologies and most importantly, customer service. This new reality has made our company the leading player in all main segments of both energy and telecommunication markets along with clear leadership in the Utility, Energy and Infrastructure, Industrial and Telecom segments. Today Türk Prysmian Kablo ve Sistemleri A.Ş. benefits from this merger with access to new products, brands and technologies from affiliates around the globe more than ever before.

The continuing recession in the global economy is a well known fact to everybody. Most major economies have experienced a slower growth in the 4th quarter of 2011 which triggered the questions about recessionary expectations especially in Europe together with the debt sustainability crises of many European countries. The main risks we foresee, are a moderate recession in Europe, in addition to the continuing political unrest in Middle East and North Africa, which may limit our export capabilities along with oil prices which may put further pressure on local and global inflation. Raw material prices are very volatile based on expectations of global market recovery and so are the exchange rates which are increasing the complexity of pricing especially in long term projects. In today's market environment, the lowest cost is not just a function of most efficient transformation of raw material but also requires an excellent financial management of different hedging vehicles timely to understand and serve the best need of our customers and their projects.

The Turkish economy started 2011 as the fastest growing economy of the world with 11% growth exceeding China. The growth continued to be strong in the third quarter

of 2011 with 8.2%, this time being second to China. The domestic market is strong but remains volatile in terms of demand, highly affected by the exchange rates and raw material prices. The sudden drop in copper prices during the end of summer from \$9,000s to \$7,000s per ton hurt many players in the domestic cable market that do not hedge this strategic raw material. US Dollar, Euro, TL exchange rates were very volatile with a 25% gap between the minimum and maximum levels during the year. Despite these difficult conditions in the domestic market, Türk Prysmian Kablo ve Sistemleri A.Ş. successfully managed to improve the financial results in the second half of the year thanks to overall financial and commercial discipline, improved mix and improved price management.

The dynamic construction and manufacturing sectors clearly are key drivers of the economic development in Turkey. Energy network investments are expected in the following years to serve the needs of the growing Turkish economy. Electricity consumption per capita increased to 2,467kWh with an annual growth rate of 8.4% in 2010 and is estimated to close the year at 2,593kWh with a further growth of 5.1%. The Telecom cables and solutions market also remains dynamic with a structural change of decreasing fixed voice lines from 16,2 mil. in 2010 to 15,7 mil. in 2011. The fixed voice line penetration on the population is also decreasing from 22.1% to 21.2% for the same time period. On the other hand, the number of fixed broadband subscribers has increased to 8,6 mil., a growth rate of 26.8%, is estimated to increase to 9,6 mil., a growth rate of 10.7%. The change in demand mix clearly requires different products and the newest technology cables and systems solutions to be implemented to serve the needs of our customers. The strength of Türk Prysmian Kablo ve Sistemleri A.Ş. with access to the newest technology overall the world, in addition to the excellent skilled human resources we have in Turkey, will ultimately deliver sustainable growth and profit. In fact, starting with the third quarter of 2011, despite the challenging market conditions locally and globally, Türk Prysmian Kablo ve Sistemleri A.Ş. clearly experienced this improvement in the financial results. After three consecutive quarters of net loss

since the third quarter of 2010, we managed to achieve a satisfactory profit level of TL3,2 mil. in the third quarter of 2011. At the end of 2011, 12 months moving net profit level achieved a positive result for the first time since second quarter of 2009, resulting TL3,5 mil.

As a part of the Prysmian family, we share the belief in the effective, efficient and sustainable supply of Energy and Information as a primary driver in the development of communities. We provide our customers worldwide with superior cable solutions based on the highest technology and consistent excellence in execution. Turkey, the perfect hub for the region, is and will always be a centre of attraction for the world. As the market leader of the cable industry both globally and locally, our intention is to develop the local cable market with our high tech products and solutions. Acting as a family with a strong sense of belonging, our team has the motivation to focus on business challenges, improve and create value for our shareholders and stakeholders.

As the market leader and considering the impressive economic progress in the region; we will also accelerate our work in actively promoting a safer market, reducing the non-fit-for-purpose products that are

still widely sold on the market and will promote more appropriate standards regulations in the changing construction market. The alarming statistics regarding fires caused by unsafe electrical installation and lost lives in natural disasters like Van earthquake are now clearly indicating that this issue is more urgent.

Moving forward our mission at Turk Prysmian is to further develop our role as the leading "partner" linking Turkey and the surrounding regions to the future and combining our impressive state-of-the-art manufacturing unit in Mudanya that today can offer more than 22,000 different product solutions. Together with our global and local technology leadership, extensive manufacturing capabilities across the world and our 402 highly skilled staff located in Mudanya, I feel confident and excited about our ability to take on this important challenge and together building the future for this country, our company and ourselves.

Hans Hoegstedt
CEO



Ercan Karaismailoğlu
Board Member & CFO

Halil İbrahim Kongur
Factory Director

Hans G. S. Hoegstedt
Vice Chairman of Board
of Directors & CEO

TÜRK PRYSMIAN KABLO VE SİSTEMLERİ A.Ş. AT A GLANCE



Türk Prysmian Kablo ve Sistemleri A.Ş. has sustained its leadership as regarding to innovation, technology, quality and customer satisfaction in Turkey and in the international markets. The ownership of the cable factory which was established in 1964 in Mudanya and which belonged to Siemens acquired by Pirelli S.p.A. on 5 August 1999 and then was named as Prysmian after the share transfer realized on 28 July 2005. Finally on July 2011, after the merge with Draka, the company has been named as Prysmian Group, worldwide.

Today, Türk Prysmian Kablo ve Sistemleri A.Ş. carries out its activities in a total area of 180.000 m² (covered area: 79.000 m²). All the energy cables up to 220 kV, special cables used underground and underwater, copper conductor communication cables up to 3.600 pairs, coaxial cables and optical fiber cables are in the product mix of Türk Prysmian Kablo ve Sistemleri A.Ş.



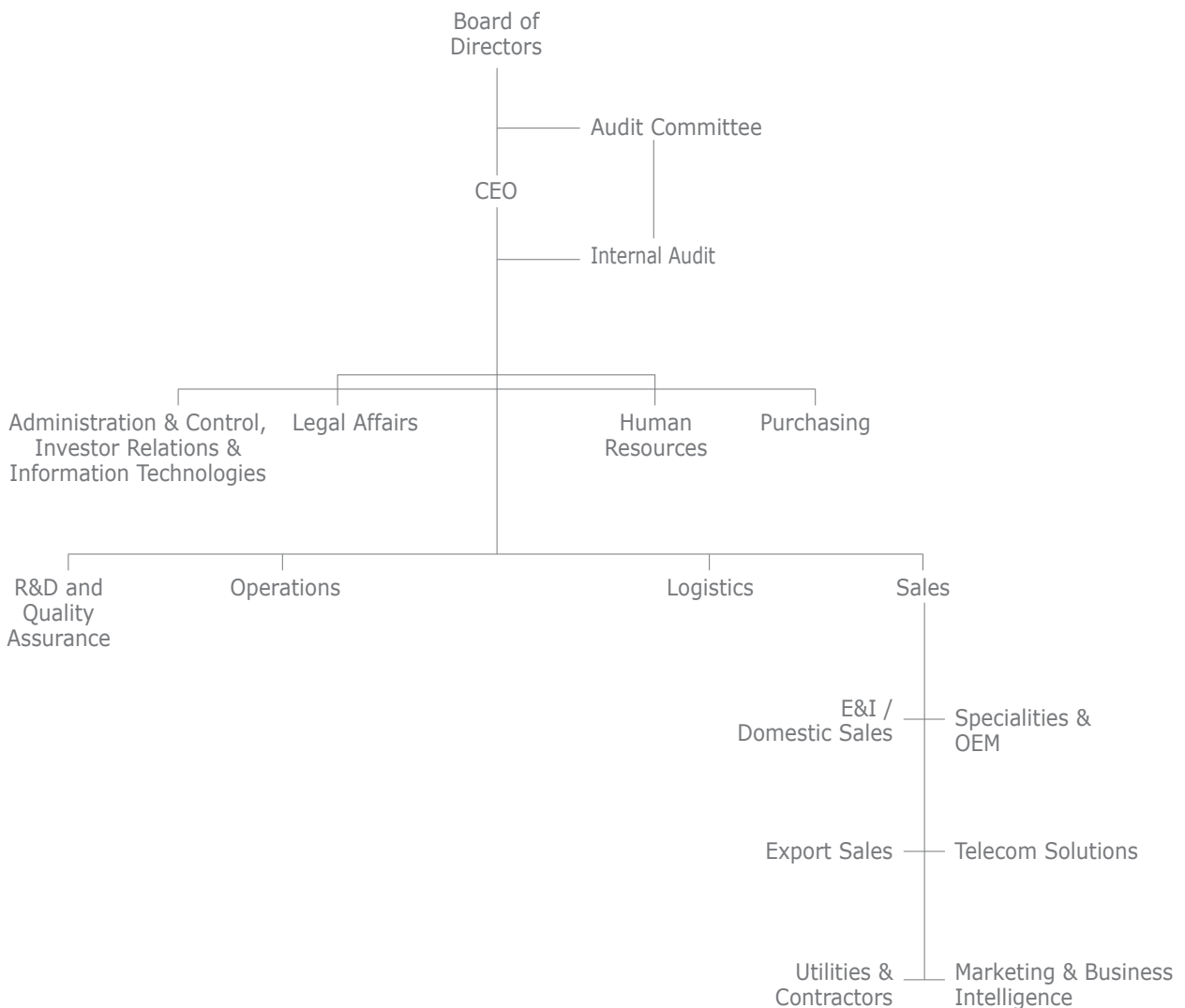
Our company is the owner of the unique thermal, mechanical and electrical research and test laboratories in the cable sector, these laboratories use the most advanced technology and are certified by the Turkish Standards Institute. Besides all these, our company performs "turn key" projects for cables and systems, and provides all our customers with unique and superior services.

With the innovative technology of the patented AIRBAG™, the cables which are produced also in Turkey, are more flexible, lighter and more unsusceptible to external mechanical damages by an effective protection system. This technology also helps to reduce the necessary attachments by giving rise to the production of longer cables and mounting work is thus facilitated. Again, Afumex™ cables which are novel and which must be used in our country in areas with a dense population and which do not evolve acids and do not emit intense smoke and toxic gases in case of fire are produced by Türk Prysmian, therefore a protection of the highest level as regards life and property security during fire is ensured.

The installed capacity of Türk Prysmian Kablo ve Sistemleri A.Ş. is able to meet the whole demand of the domestic market and is also at a level to compete in the international markets. Türk Prysmian Kablo ve Sistemleri A.Ş. which continues to be a privileged export center within the Prysmian Group exported 35% of its TL687 Million turnover approximately in year 2011.

Türk Prysmian Kablo ve Sistemleri A.Ş. which increases the effectiveness of its products and services everyday not only in Turkey, but also in global markets has proven the value it gives to human being and to the environment by obtaining ISO/DQS 9001, and ISO 14000 certifications in its sector.

ORGANISATIONAL STRUCTURE



COMPANY BOARDS

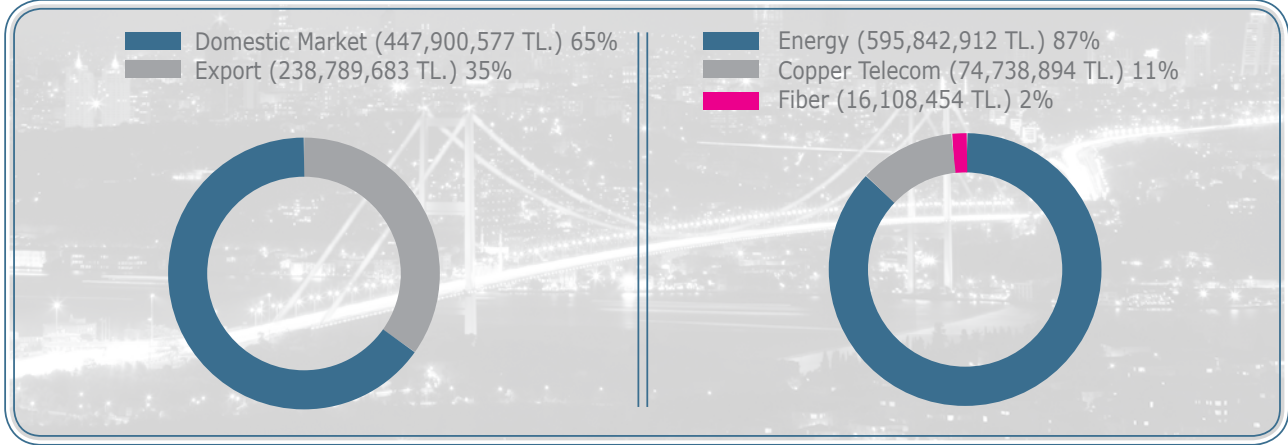
The Board of Directors	<i>Chairman</i>	Mahmut Tayfun ANIK
	<i>Vice Chairman</i>	Hans Gunnar Staffan HOEGSTEDT
	<i>Board Member</i>	Fabio Ignazio ROMEO
		Ercan KARAİSMAİLOĞLU
Audit Committee	<i>Audit Committee Member</i>	Mahmut Tayfun ANIK
		Fabio Ignazio ROMEO
The Board of Auditors	<i>The Board of Auditor</i>	Hikmet TÜRKEN
		Raşit YAVUZ



SALES STRUCTURE

Türk Prysmian Kablo ve Sistemleri A.Ş.'s sales structure, from the first day of its establishment, is composed of its A Team Distributors from all around Turkey and its Key Account customers from Turkey and worldwide.

Our company's sales structure in 2011 is as below:



Türk Prysmian's A Team Distributors are as below:

Adnan Elektrik	Egesim	Kıraç Elektrik	Ruhbaş Elektrik
Alfa Elektrik	Ekay Elektrik	Konya Elmak	Santral Elektrik
Asal Elektrik	Elpim	Mefa Elektrik	Simpa Elektrik
Cihan Elektrik	Emta Adana	Nepa Elektrik	Ünko Elektrik
Çağın Elektromarket	Findikkaya Elektrik	Oskar Elektrik	Yeğenler Elektrik
Çetin-İş Elektrik	Gerilim Elektrik	Özteknik Enerji	Yılmaz Elektrik
Delta Tema Elektrik	Güzel Ufuk Elektrik	Panosan Elektrik	
Derya Elektrik	Karadeniz Elektromarket	Promeda Elektrik	

Türk Prysmian's Some Key Account Customers are as below:

ABB	Ege Yapı	Nuh Çimento	Tekfen
Alarko	Enerji-SA	Park Teknik	Teleset
Alstom	Ereğli Demir Çelik	Petrofac	Tınarsoy
Anel Elektrik	Habaş	Savronik	Torunlar
Arçelik	HKS Has Asansör	Siemens	Tüpraş
Areva	İçdaş	Superonline	Türk Telekom
Beşiktaş Gemi İnşa	İnşel	Taisei	Vestel
Cengiz Enerji	İskenderun Demir Çelik	Technip	Vodafone
Diler / Yazıcı Demir Çelik	Karadeniz Enerji	Teiaş	



PRESTIGIOUS PROJECT REFERENCES



Türk Prysmian Kablo ve Sistemleri A.Ş. yielded the cable infrastructure of several prestigious projects in Turkey and also worldwide.

- **Ayada**, First Turkish Island in Maldives / Maldives, 2011
- **Baku Flame Towers**, The Tallest and Most Modern Building of Azerbaijan / Baku, Azerbaijan, 2011
- **Fenerbahçe Ülker Sports Arena City**, The Most Modern Indoor Facility of Turkey / Istanbul, 2011
- **Istanbul Sapphire Tower**, The Tallest Building of Turkey / Istanbul, 2011
- **Marmara Forum**, The Shopping Mall With the Highest Number of Brands / Istanbul, 2011
- **Marmaray**, The Largest Infrastructure Project Connecting Europe to Asia / Istanbul, 2011
- **Mecca Clock Tower**, The Tallest Building of Saudi Arabia / Mecca, Saudi Arabia, 2011
- **Terracity**, The Biggest Shopping Center in Antalya / Antalya, 2011
- **Türk Telekom Arena**, The Newest and High Technology Football Stadium of Turkey / Istanbul, 2011
- **Trump Towers Istanbul**, The First "Trump" Towers in Europe / Istanbul, 2011
- **Zorlu Center**, Master Planning – Cityscape Architectural Awards / Istanbul, 2011
- **City of Capitals**, The Tallest Building of Europe / Moscow, 2010
- **Çağlayan Court of Justice**, The Largest Court of Justice of Turkey / Istanbul, 2010
- **Dubai Metro**, The Longest Metro Built in One Go / Dubai, 2010
- **Tripoli University**, The Largest University of Libya / Tripoli, Libya, 2010
- **MMK Metalurji A.Ş.**, The Best Metal Project in Europe / İskenderun, 2010
- **Palazzo Versace**, The First Hotel With a Refrigerated Beach / Dubai, 2010
- **Mardan Palace Hotel**, The Most Luxury Hotel in Turkey / Antalya, 2009
- **Sabiha Gökçen Airport**, World's Best International Public Development Project / Istanbul, 2009
- **Zonguldak Termic Energy Station**, The Best Energy Project in Europe / Zonguldak, 2009
- **380 kV TEİAŞ Davutpaşa - İkitelli Project**, Turkey's First 380 kV Underground Power Cable Project / Istanbul, 2007
- **154 kV TEİAŞ Alibeyköy - Etiler Project**, Turkey's First 154 kV XLPE 1600 mm² Miliken HV Power Cable Project / Istanbul, 2006
- **Adam&Eve Hotel**, The Best Design Hotel in Turkey / Antalya, 2006
- **Formula1 Istanbul Park**, The Biggest Race Circuit of Turkey / Istanbul, 2004

MANAGERS

Hans G. S. Hoegstedt

Vice Chairman of Board of Directors & CEO

Hans Hoegstedt, before its appointment to Turk Prysmian as CEO, worked as "Worldwide Director for the two targets business units; Power Distribution and Trade & Installers" within Prysmian Group '06-'11. Hoegstedt, started his career in London in 1994 and has since then held several senior marketing, sales and general manager / CEO positions in leading B2C and B2B multinational companies including The Coca-Cola Company, Fiat Auto/ Alfa Romeo and now the Prysmian Group. During his career he has worked in 7 different countries including UK, Germany, US, Romanian, Italy and now Turkey. He holds an BA and MBA studying at Pepperdine University and Harvard University.

Ercan Karaismailođlu

Board Member & CFO

Ercan Karaismailođlu has joined to Prysmian family in 2001 as a Planning and Controlling Manager. Between 2004 - 2009, he has worked as Chief Financial Officer (CFO) of Turk Prysmian Cables and Systems. Between 2009 - 2011 he went to USA and worked as North America Chief Financial Officer (CFO). He returned to Turkey in April 2011 and started to work as Chief Financial Officer (CFO) again. He started his professional career life in 1995 in PriceWaterhouseCoopers Audit department, then worked in Arthur Andersen Tax and Outsourcing departments. He has graduated from Middle East Technical University, department of Economics and has certification of CPA (Chart of Public Accountant).

Halil İbrahim Kongur

Factory Director

Halil İbrahim Kongur has joined to the Prysmian family in 1986 and since 2003 he has been working as Factory Director. Kongur, worked as Planning Engineer, Logistics Manager, Production Manager and Purchasing Director before assigned to this job. He has graduated from Karadeniz Technical University, department of Mechanical Engineering and completed his masters degree in Berlin Technical University in Manufacturing Technologies department.

Erkan Aydođdu

Logistics and R&D Manager

Erkan Aydođdu started to work in the Production Planning department in 1997 in Prysmian family. Between 2001 - 2002 he went to Italy-HQ and worked as Process Kaizen Engineer in the Logistics department. He returned to Turkey in 2003 and started to work as Logistics Chief and then Logistics Manager. Since 2010 he has been managing both Logistics and R&D Manager. Aydođdu has graduated from Middle East Technical University department of Mechanical Engineering.

İbrahim Etem Bakaç

Domestics Sales Director

İbrahim Etem Bakaç started to work in Domestics Sales department in 2001. In 2003, he was appointed as Domestics Sales Manager and between 2010 - 2011 he worked as Sales & Marketing Director. Since 2011 he has been working as Domestics Sales Director. He has graduated from Istanbul Technical University department of Electrical & Electronics Engineering and he completed his masters degree in Istanbul Technical University department of Electrical & Electronics Engineering.

Aydan Biltekin

Internal Audit Manager

Aydan Biltekin has started her professional career in 2003 in Moore Stephens Audit Services Consultancy as Tax Auditor. In 2004 she started to work in Ernst & Young as Auditor. Biltekin has joined to Prysmian family in 2006. She has been working as Internal Audit Manager, graduated from Marmara University department of Business Administration and completed her masters degree in Marmara University of Finance department. Biltekin has certification of CPA (Chart of Public Accountant).

Ufuk Çolak

Marketing and Business Intelligence Manager

Ufuk Çolak has joined to Prysmian Group family in 1994 and has worked in different roles in Sales and Marketing department. Çolak has worked as FP Product Manager at Prysmian Cables UK from 2007 to 2009. On his return to Turkey in 2010, he started to work as Key Account Manager. Since 2011 he has been working as Marketing and Business Intelligence Manager. Ufuk Çolak has graduated from Istanbul Technical University department of Electrical Engineering.

Faik Kürkçü

Utilities & Contractors Sales Director

Faik Kürkçü started to work in Utility Sales department in 1995 and he was appointed as Utility Sales Manager in 2005. Since 2010 he has been working as Utilities & Contractors Sales Director. He has graduated from Yıldız Technical University department of Electrical Engineering.

Sabri Levent Özçengel**Human Resources Manager**

Sabri Levent Özçengel has joined to Prysmian family in 2000. Since 2006 he has been working as Human Resources Manager, before he assigned to his current job, he worked in Administration & Control and Export Sales departments. Özçengel has graduated from Middle East Technical University department of Public Administration, and he completed his masters degree in Anadolu University department of International Economics.

İlhan Öztürk**Special Cables Sales Manager**

İlhan Öztürk has worked in various positions in Sales and Logistics departments in Cable sector since 1994. Öztürk has joined to Prysmian family as Industrial Sales Manager. Between 2010 - 2011 he worked as Export Sales Manager. He has been working as Special Cables Sales Manager since 2011. Öztürk has graduated from İstanbul Technical University department of Electrical Engineering.

Murat Tezcan**Export Sales and Telecom Solutions Director**

Murat Tezcan started to work in Export Sales department in 1992 in Prysmian. Between 2000 - 2010 he worked as Export Sales Manager. Between 2010 - 2011 he went to Italy-HQ and worked as TLC Cables Worldwide Sales Director, and he returned to Turkey and in addition to TLC Cables Worldwide Sales Coordinator position, started to work as Export Sales & TLC Solutions Sales Director. Tezcan, graduated from Yıldız Technical University department of Mechanical Engineering. He completed his masters degree in Istanbul University in International Trade department and he is currently attending to his second masters education about Finance in Yeditepe University.

Yiğit Türsoy**Legal Affairs Manager**

Yiğit Türsoy has joined to Prysmian family in 2005. He has been working as Legal Affairs Manager, graduated from Istanbul University Faculty of Law. Türsoy, in 2007, completed his masters degree in Galatasaray University in Law and Economics department and in 2010 Istanbul Bilgi University Master of Business Administration programme.

Sevda Yücel**Purchasing Manager**

Sevda Yücel started to work in Purchasing department in 1997 in Prysmian family. Between 2001 - 2002 she went to Italy-HQ and worked as a Lead Buyer in the Purchasing department. She returned to Turkey in 2003 and continued her task as Raw Material Purchasing Chief in Pirelli Group. Since 2005, she has been working as Purchasing Manager. She has graduated from İstanbul Technical University department of Mechanical Engineering, and she completed her masters degree in İstanbul Technical University department of Mechanical Engineering.



Left to right; Sevda Yücel, Murat Tezcan, S. Levent Özçengel, Ufuk Çolak, İbrahim Etem Bakaç, Ercan Karaismailoğlu.

Hans G. S. Hoegstedt
Vice Chairman of Board
of Directors & CEO

Left to right; Halil İbrahim Kongur, Erkan Aydoğdu, Aydan Biltekin, Faik Kürkcü, İlhan Öztürk, Yiğit Türsoy.

Esat Baykal**Quality Manager**

Esat Baykal started to work in Prysmian family in 1984. Since 2004 he has been working as Quality Manager. Before he has been assigned to his current job, he worked as High Voltage Laboratory Chief, Communication Cables Quality Manager and R&D Manager. He has graduated from Middle East Technical University department of Electrical Engineering.

İdris Çolakgil**Information Technology Manager**

İdris Çolakgil has provided consulting services to our company since 1998, and started to work in the Information Technology department in 2000 in Prysmian family. He worked as SAP Logistics Specialist and Information Technology Chief and since 2008 he has been working as Information Technology Manager. İdris Çolakgil has graduated from Middle East Technical University department of Electrical & Electronics Engineering.

Ercan Gökdağ**Planning and Controlling Manager**

Ercan Gökdağ has started his professional career in 2004 in Ernst & Young as Auditor. Gökdağ has joined to Prysmian family in 2007. He has been working as Planning and Controlling Manager, graduated from Marmara University department of Economics.

Nevin Kocabaş**General Accounting and Investor Relations Manager**

Nevin Kocabaş has started her professional career in 2003 in T. İş Bankası A.Ş. at exchange department. She had worked at the group of T. Şişe ve Cam Fabrikaları A.Ş as a General Accounting Chief from 2005. Kocabaş has joined to Prysmian family in 2011. She has graduated from Uludağ University department of Business Administration and also completed her masters degree in Uludağ University, department of Accounting and Finance.

Murat Okatan**Credit and Risk Manager**

Murat Okatan after 8 years of banking experience, has joined to Prysmian family in 2004 and he has been working as Credit and Risk Manager. Okatan has graduated from Marmara University department of Business Administration.

Figen Tamuroğlu**Treasury Manager**

Figen Tamuroğlu has started her professional life in foreign trade business, worked as finance and import expert before joining the Prysmian group in 1994. She has continued her work as Treasury Chief and Group Treasury Manager between 2003 - 2005 in Pirelli Group. Tamuroğlu has been working as Treasury Manager, she has graduated from İstanbul University Faculty of Foresty Engineering, completed her master degree in Managerial economics in faculty of Business Administration in İstanbul University.

Okay Yıldız**Technical Services Manager**

Okay Yıldız started to work in the Technical Services department in 1988 in Prysmian family. From 1993, he worked as Mechanical Group Manager and Energy Cables Production Manager, since 2002 he has been working as Technical Services Manager. Yıldız has graduated from Uludağ University department of Mechanical Engineering.



2011 ECONOMIC OVERVIEW



Developments in EURO area have become the focus of markets throughout the year. OECD reported in its November report that the area appeared to be in a mild recession and the crisis may deepen spreading global economy unless necessary steps taken by policy makers. Standart and Poors and other financial institutions accelerated rating downgrades of countries and banks mostly based in Europe and USA in last months of the year.

ECB (Central Bank of Europe) kept its policy rate unchanged after lending € 489 billion to 523 banks in December relieving liquidity pressures in the Eurozone banking system. Negotiations between the Greek government and bond holders still continue. EUR / USD parity closed the year around 1.39-1.30 being effected by negative news from EUR area.

Central Bank of Republic of Turkey (CB)'s extra tightening at the end of 2011 supported TRY which closed the year around 1.89 levels. The two year benchmark bond yield closed 2011 above 11% compounds.

The 5 year CDS spread of Turkey has followed an upward trend in November and reached 319 basis points its highest level since June 2009, than decreased to 273 basis points parallel to developments in global markets. International credit rating institution Fitch's comments about Turkish economy also played a role in the deterioration of risk perception against Turkey. Fitch revised its credit rating outlook from positive to stable while confirming Turkey's BB+ foreign currency credit rating .

Annual inflation rose by 10.45% at the end of 2011. Three month accumulated increase in consumer prices in the final quarter of the year was 5.66%. The main factors causing inflation to exceed the target which was 5.5% for 2011 are the high rates of increases in import prices and the exchange rate observed through the year.

In December, exports increased by 5.6% while imports rose by only 0.2% compared to the same month of the previous year. Monthly foreign trade deficit which contracted in November on annual basis for the first time since October 2009 also decreased by 7.2% in December. 2011 Foreign trade deficit increased to USD 105.9 billion, widened by 47.7% compared to 2010.

Capacity utilization kept its strong performance in December and increased 1.0% to 76.6% from 75.6 in November. Central Government budget deficit decreased to TL 17.4 billion in 2011 from TL 40 billion in 2010. In terms of budget revenues a positive performance beyond the targets was observed. Tax revenues increased by 20.5% compared to 2010.

However monthly current account deficit has declined in November for the first time since 2009, annual current account deficit realized as USD 77.8 billion in 2011.

GDP grew by 8.2% in 3rd quarter, 2011 growth rate for 12 month expected to be around 8%.

2012 ECONOMIC EXPECTATIONS

The signals increased pointing out a further delay in the normalization of monetary policies of advanced economies. Despite the continued downward risks to world economy, global markets started the new year with a positive sentiment. US Stock market indices increased with the support of the balance sheet announcements. Dow Jones reached its highest level since May 2008. Asian bourses also performed well during the first weeks of the year supported by monetary policy easing signals in the region's economies. In the Euro area, bond issues were generally successful, increasing the risk taking appetite in the markets.

Central Bank of Republic of Turkey (CB) announced that monetary policy will continue to focus on price stability while preserving financial stability as a supplementary objective. The appreciation in the Turkish lira and rapid credit growth driven by increased capital inflows led to a sizeable deterioration in current account balance in last years.

CB has notably changed its strategies initiating the credit growth as an early indicator for financial stability.

Non currency adjusted loan growth declined to 30.9% in 2011 from 33.5% in 2010, the deceleration was evident in currency adjusted loans falling to 22.78 in 2011 from 33.6% in 2010 as result of changes in policies.

It's likely that annual inflation will stay significantly above the target until the last quarter of the year. CB expects the year end inflation between 5.1% and 7.9% (mid point of 6.5%) at the end of 2012 and between 3.3% and 6.9% (midpoint 5.1%) at the end of 2013 expecting to stabilize the inflation around 5% in the medium term. Annualized credit growth can be around 15% and TL may follow moderate appreciation trend.



SECTOR ANALYSIS

Despite the positive atmosphere in 2010, 2011 came with a low rate of growth in the USA and negative financial developments in Europe; however a certain rate of growth was achieved in the world, led by developing countries.

Following a 9% growth in 2010, Turkey grew by 9.6% during the 9-month period despite the influences of global uncertainties, which placed her among countries with the highest growth rate. In parallel with this, the revenue index data of the building sector, one of the most important growth indicators of our sector, proved that the sector followed a stronger course in 2011.

Depending on this performance achieved by Turkey, as a result of the extension of public investments in 2010 into this year, the building sector's sustained growth and the implementation of projected investments in the industrial sector preserved the positive growth trend in the Turkish cable sector in 2011 as well.

In parallel with all these developments, the value of the Turkish Lira dropped, which negatively affected imports and raised Turkey's competitiveness in export markets. In 2011, Turkey's cable exports achieved a solid increase of about 9.8% compared with the year 2010.

13 out of a total of 21 regions are being operated by the private sector thanks to the privatization efforts commenced by the Turkish Electricity Distribution Co. Inc. (TEDAŞ), the biggest user of the energy cable sector, within the framework of the privatization of "Electricity Distribution Companies". During this period, public procurement and distribution network investments have been given a boost in addition to the privatized energy distribution companies.

Power consumption in Turkey increased by 9% in 2011 compared with the previous year, reaching to 229 billion kWh. Turkey has been one of the countries where power demand has increased highest among the OECD countries during the last decade. Current projections show that the trend will continue. Within this context, acceleration and variation of infrastructure investments have gained importance. To this end, infrastructure efforts have been launched aimed at increasing the share of renewable source of energy within energy supply, with further plans of inclusion of nuclear energy among our sources of supply and satisfying the increasing demand for power in this manner. A contract was signed with Russia regarding Turkey's first nuclear power plant projected in Mersin within this framework and negotiations for building a second plant are underway.

Thanks to the initiatives of Tedaş General Directorate since 2003 aimed at the effective reduction of network losses and illegal use, the rate of network losses and illegal use in electricity has been pulled down to the level of 15%. And the government requires privatized power distribution companies to pull these figures lower, and is planning to take this percentage down to 9% until 2015.

To eliminate the undesirable effects over the confidence in Turkish products in our domestic markets due to potential risks to property and lives caused by poor quality cables, efforts made by the Association of Cable and Insulated Wire Manufacturers together with the Turkish Standards Institute and the Ministry of Industry aimed at raising product quality and producing standardized cables were continued during the current period.



CORPORATE SOCIAL RESPONSIBILITY

Türk Prysmian Kablo ve Sistemleri A.Ş. works on multiple themes in corporate social responsibility, but focuses especially on educational projects.

In 2008, Türk Prysmian supported "Uluabat Lake's Management Plan, Stork Friendly Villages' Project". Within the project, Türk Prysmian aimed to renovate the electricity system of the village with the cooperation of Karacabey Town, Eskikaraağaç Village and to transform the bare copper conductors to the insulated wires and accordingly to prevent the storks to be wounded because of hurting the village's electric lines.

Türk Prysmian, during the same year, yielded the cable infrastructure and granted the cables for Turkish Hearing and Speech Rehabilitation Foundation to build a centre for the deaf kids aged between 0 - 6 which are not provided with decent education.

Additionally to these projects, in 2008, Türk Prysmian published a book named as "From past to present Tirilye" to support the advertising and the cultural heritage of the region where Türk Prysmian's factory is located. Reyhan Tuvi was the writer and the photographer of the book.

Türk Prysmian has renovated Balabancık Village Primary School which is located in Bursa where Türk Prysmian's factory is located too. After the reopening ceremony in October 7, 2009; education at the school started. Through this project, Balabancık Village's students; instead of going to another village, started to receive education in their own village.

Türk Prysmian yielded the cable infrastructure and granted the cables for the Istanbul Technical University's Solar Automobile to join World Solar Challenge in Australia - one of the most important races of its category worldwide. Istanbul Technical University's Solar Automobile Team composed of mechanical, electrical and organizational sub-groups which got together in 2004; came back from the 4000 km. race in Turkey with "Best Newcomer Award".



Furthermore, Türk Prysmian has donated some equipment to Yakacık Hatice Abbas Halim Kindergarten's gym in pursuit of the negotiations with the school, to contribute the renovation.

Türk Prysmian and Mimar Sinan Fine Arts University signed the contracts towards the end of 2009 and realized 2nd "Hayatımda Kablo Art Workshop". Within the workshop which is realized between April 7-14, 2010, with the cooperation and attendance of Mimar Sinan Fine Arts University, Faculty of Fine Arts; the students created unique pieces of art by using different types of cables individually, which are produced for industrial use. The aim of the workshop is to support education and arts. The arts realized by the students are exhibited between April 15th - May 21st at Prysmian's Mudanya factory; between May 27th - June 11th at Mimar Sinan Fine Arts University and between July 13th - 27th at Rahmi M. Koç Museum.

Türk Prysmian, in 2011, yielded the cable infrastructure of "Sahne Hal", the scene of "Tiyatro Hal". Türk Prysmian by granting cables to "Sahne Hal", that is located in Mecidiyeköy, İstanbul; showed once again its interest to the art.

Türk Prysmian's support to similar projects are going to reiterate in the future.

FINANCIAL ANALYSIS



OVERVIEW

With the impacts of the economic crisis diminishing, we have successfully completed the 2011 fiscal year thanks to the particularly positive trend during the second half of the year.

Remarkable Financial Issues are given below:

- **Operating Profit...** TL12,5 million in profits, corresponding to 2% of net sales (TL2,8 million losses in previous year)
- **Operating Expenses...** With the 36% increase in sales, 15% increase in operating expenses due to the increased sales and distribution expenses resulting for inflation,

ASSETS

Available cash is TL9,839. Of this, 1.228 is Turkish Liras, and the remaining amount of TL6,357 is foreign currency cash. Our bank savings amounts to TL81,543,578, and an increase of 60% is observable upon comparison with the previous year. Total amount of checks received is TL5,476,990.

Our short-term trade receivables stand at TL145,278,257. Average collection time of our receivables has become 66 days.

TL1,157,010 receivables rediscount has been applied on the entire amount of the TL51,283,071 seen in the notes receivables account item. TL653,536 of this amount is the provisions made during the year, and its balance is carried forward from previous years. The provision made for the collection risk of our domestic and international receivables is TL16,122,559. The balance of our receivables from related parties is TL8,279,302, and the entire amount is formed of our receivables from related companies.

Our stocks stand at TL83,348,340. The total amount of first matter and material in the stocks is TL23,455,377, with the amount of semi-finished products being TL19,276,767, amount of commercial goods being TL1,455,580, and the amount finished products being TL39,987,957. The total provision made for stocks is TL827,342.

The total of other receivables realized at TL13,897,762, and

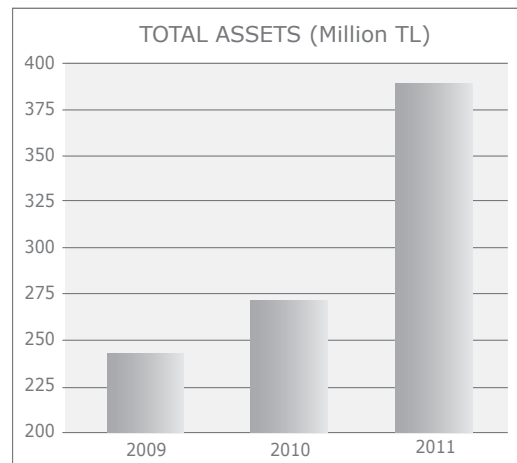
• **R&D...** TL1,3 million in resources to increase product quality and bring innovations,

• **Liquidity...** A cash increase of TL35 million (from TL52 Million to TL87 Million) as a result of the improvements in profitability and operating capital,

These concrete developments were achieved, before everything else, thanks to the consistence and determination of the company in its policies towards strategic goals. Detailed balance sheet and income statement of our 2011 fiscal year is presented in the Independent Audit Report, and some clarification about the balance sheet and the income statement are summarized below.

this amount consists of our VAT receivables of TL5,689,282, receivables resulting from TL7,494,445 term foreign currency contracts, and the remaining portion from other miscellaneous receivables.

The total amount of tangible fixed assets is TL47,367,003 net after additions to the net values of tangible fixed assets at the beginning of the year, and reductions of pay-outs and depreciations. An important part of the non-tangible fixed assets totaling TL10,838 consist of SAP software.



LIABILITIES

In general, the main financial instruments utilized by the company are the operating capital and bank loans. As of 31 December 2011, there are no payables due to bank loans within the financial payables.

Our trade payables stand at TL219,025,133. Within the trade payables, payables to non-related sellers stand at TL215,536,228, and the total amount of payables to foreign-related sellers stand at TL3,389,905.

The total amount of other payables stands at TL5,694,733, and TL5,441,086 out of this amount is the order advances received, TL10,533 is the dividend payments to shareholders and TL243,113 is other payables.

Our other short-term liabilities stand at TL24,639,037.

As of 31 December 2010, progress billing from ongoing construction contracts is TL2,392,403.

The provision for corporate tax for 2011 is TL383,580.

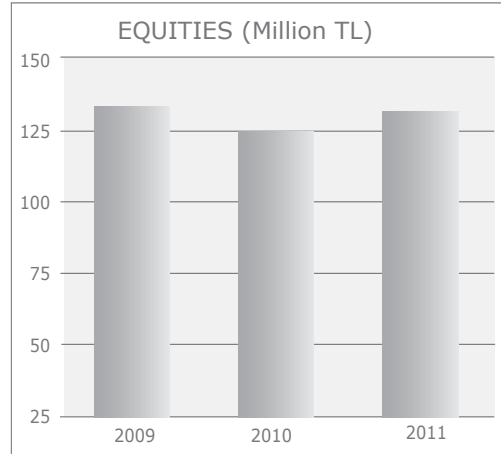
The provision for seniority pay for payment to our personnel where required under the Labor Law is TL6,928.844 as of the end of our account period, and has been calculated over the ceiling amount of TL2,731.85.

Degree I legal reserves equal to 5% of gross profit are being set aside every year until it reaches 20% of the

paid-up capital. To this end, the balance of our existing legal reserve is TL2,677,497 as of the end of accounting period.

The paid-up capital is TL112,233,652 as of 31 December 2011.

In the 2011 fiscal year, our net profit stands at TL3,530,373.



STATEMENT OF INCOME

With the effect of the signs of betterment in the economy following the global crisis and the increase in the prices of strategic metals, our gross sales increased by 35% compared with the previous year, reaching TL822,255,683. Our domestic sales stand at TL581,002,631, and international sales stand at TL239,518,548. And our other sales stand at TL1,734,504. The sales discounts made amount to TL135,565,423.

The cost of goods sold amounting to TL615,364,682 is 89% of our net sales. The cost of goods sold consist of raw materials and auxiliary materials, direct workmanship, general production expenses, shares for amortization, and changes in stocks of semi-finished products and finished products.

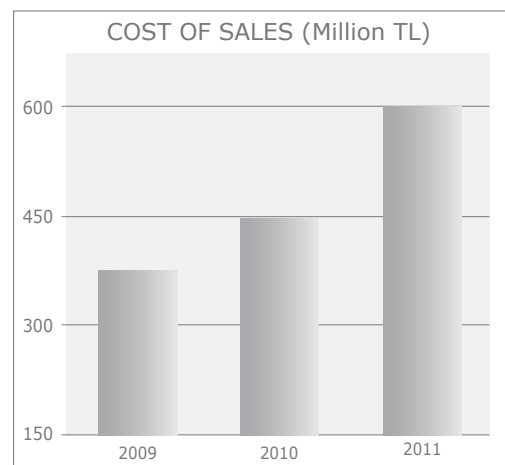
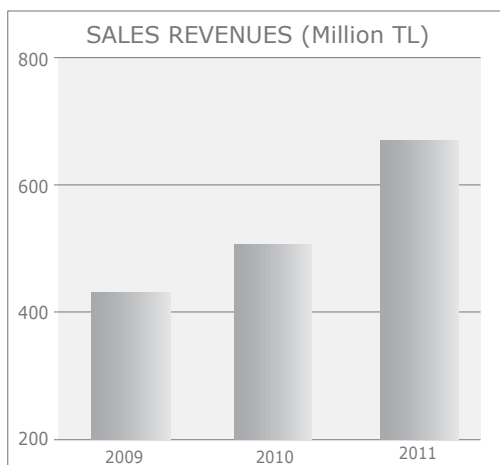
This year's operating expenses stand at 8.7% of our net sales. To this end, in line with the importance our company

puts at research and development, our R&D expenditures realized at 0.2% of our net sales revenues, reaching to TL1,381,471.

Marketing, sales and distribution expenses stand at 4,7% of our net sales at TL33,083,361, and our general management expenses is 3.6% of net sales revenues at TL25,781,659.

Our revenues and profits from other activities realized at TL1,489,248. This amount consists of cost reflection revenues and no-subject provisions. Our expenses and losses from other activities realized at TL89,510.

Net financing expenses realized at TL9,405,248. The major portion of this amount consists of transaction costs of forward contracts made against the effects of currency.



THE STATEMENT OF RESPONSIBILITY / DIVIDEND DISTRIBUTION PROPOSAL

TÜRK PRYSMIAN KABLO VE SİSTEMLERİ A.Ş.

THE STATEMENT OF RESPONSIBILITY
AS PER CAPITAL MARKETS BOARD'S COMMUNIQUE SERIAL:XI NUMBER 29 ARTICLE 9

THE BOARD OF DIRECTORS RESOLUTION RESOLVED ON ACCEPTANCE OF FINANCIAL STATEMENTS AND ANNUAL REPORT:

MEETING MINUTES DATE : 07 March 2012
MEETING MINUTES NUMBER : 3

We hereby declare the following;

- a)** January 1, 2011 to December 31, 2011 financial statements of our company, prepared in comparison with the previous year, footnotes thereof and annual report were reviewed by us;
- b)** To the best of our knowledge in the field and area of our responsibility within the Company, financial statement and annual report include no misinterpretation or false remarks or explanations in any of the important aspects as of the date of remark;
- c)** To the best of our knowledge in the field and area of our responsibility within the Company, financial statements, which were prepared in line with financial reporting standards in place, reflect the truth pertaining to assets, obligations, financial standing, and profit and loss standing of the enterprise, and annual report reflects the truth, along with all important risks and uncertainties that surround the enterprise, pertaining to performance and progress of business and activity results.

CHAIRMAN Mahmut Tayfun Anık	VICE CHAIRMAN Hans Gunnar Staffan Hoegstedt
BOARD MEMBER Fabio Ignazio Romeo	BOARD MEMBER Ercan Karaismailoğlu

TÜRK PRYSMIAN KABLO VE SİSTEMLERİ A.Ş. BOARD OF DIRECTORS RESOLUTION

DIVIDEND DISTRIBUTION PROPOSAL

Resolution No: 2012 / 7
Date: 12 March 2012

As a result of discussions with respect to the "Profit Distribution Proposal" to be submitted to the Ordinary General Assembly related to financial year of 2011

it has been unanimously resolved,

- To distribute dividend at the rate of **2,39%** of the net distributable profit of TL **3.530.373.-** remaining after deduction of the I. Statutory Reverse TL **139.601.-**, from the gross profit of **3.390.772** recorded in the balance sheet of the company issued for the year 2011, totalling TL **2.686.572.-**, to our shareholders in cash, as of 16 April 2012, in line with the relevant clauses of company's articles of association and dividend distribution policy; thus distributing net TL **0,020346716.-** per share with a nominal value of TL 1, following of deduction of 15% tax to be calculated over gross TL **0,023937312.-**,
- To retain the balance of TL **704.200.-** as extra-ordinary reserve,

To introduce this figures as a proposal in the Ordinary general Assembly Meeting for the financial year 2011.

BAŞKAN Mahmut Tayfun Anık	BAŞKAN YARDIMCISI Hans Gunnar Staffan Hoegstedt
ÜYE Fabio Ignazio Romeo	ÜYE Ercan Karaismailoğlu

ORDINARY GENERAL ASSEMBLY AGENDA

1. Opening of the Meeting and formation of the Meeting Council,
2. Authorization of the Meeting Council to sign the Minutes of the General Assembly Meeting,
3. Review and discussion of the Reports issued by the Board of Directors, Auditors' Board and Independent Auditing Company belonging to the year 2011,
4. Discussion and approval of the Activity Report of the Board and Auditing Report covering the Accounting Period between 01.01.2011 – 31.12.2011 as well as the financial tables which are prepared pursuant to the CMB legislation, release of members of the Board of Directors and Auditors' Board,
5. Discussion and voting of the proposal made by the Board of Directors in connection with the distribution of the profit made in the Accounting Period between 01.01.2011 - 31.12.2011,
6. Furnishing information to the General Assembly on the donations given during the year 2010 and obtaining approval in this respect,
7. Election of the new Board members because the term of office current members to be expired, and determination of remuneration of the directors,
8. Discussion of the wage policy of the Company declared on the link http://www.prysmian.com.tr/people/wage_policy.html about the payments to be made to Board Members and to the senior officers,
9. Election of the members of the Auditors' Board and determination of their terms of office and their fees,
10. Furnishing information to the shareholders on the asset, service and obligation transferring transactions with the related parties, which trigger transfer pricing evaluation within the scope of CMB Communiqué Serial: IV, No:41,
11. Discussion of the amendment of articles 3, 10, 11, 14 and 16 of the Articles of Association according to the attached drafts approved by Capital Markets Board and Ministry of Industry and Trade and within the scope of social responsibility principles and of CMB Communiqué Serial: IV, No:56,
12. Furnishing information to the General Assembly pursuant the CMB legislation, on the guarantees, liens and mortgages given to the third parties,
13. Approval of the Independent Auditing Company to audit the activities and accounts of 2011 which is selected by the Board of Directors pursuant the CMB Communiqué,
14. Approval of the activities mentioned under article 14 of the Articles of Association of the company realized until the General Assembly and grant prior authorization for the same activities to be realized after the General Assembly,
15. Authorization of the Chairman and Directors of the Board to perform transactions pursuant to Clauses 334 and 335 of the Turkish Commercial Code; furthermore discussion of the transactions mentioned with the Corporate Governance Principle 1.3.7. under the CMB Communiqué Serial: IV, No:56 and authorization of relevant persons for the such transactions,
16. Recommendation and Adjournment.

AUDITORS' REVIEW REPORT

TO THE GENERAL ASSEMBLY OF TÜRK PRYSMIAN KABLO VE SİSTEMLERİ A.Ş.

Company Title	: Türk Prysmian Kablo ve Sistemleri A.Ş.
Head Office	: Mudanya
Capital	: TL112,233,652.00
Activity	: Manufacturing of energy and telecommunication cables, insulated conductors
Auditors' names and duration of their appointment, their relation to the Company (partners or not)	: Hikmet TÜRKEN and Raşit YAVUZ appointed to the accounting year 2011, both are not the employees.
Number of Board of Directors meetings participated	: No participation took place in Board of Directors meetings.
Extent of audit made on the Company's accounts, books and documents and conclusions reached	: During audits, it has been observed that the records were kept in accordance with the documents and accounting principles.
Counts made at the Company treasury according to Article 353/1-3 of the Turkish Commercial Law and their results	: The records for the Period January 1, 2011 - December 31, 2011 have been inspected, it was observed that the cash balance was in accordance with the actual records.
Dates of audits made at the company treasury according to Article 353/1-4 of the Turkish Commercial law and their results	: The obligatory monthly inspections of the records of securities were conducted and audits showed that the assets were existing and corresponded to the records kept.
Denunciations or irregularities reported to the Board of Directors and measures taken	: No complaints or denunciations of any kind have been made to the Board of Auditors.

We have audited the accounts and the operations of Türk Prysmian Kablo ve Sistemleri A.Ş. for the period January 1, 2011 - December 31, 2011 in accordance with Turkish Commercial Law, the Company's Articles of Association and other legislation, as well as according to the generally accepted accounting principles and standards.

In our opinion, the appended Balance Sheet, established on December 31, 2011 the contents of which we have approved, reflects the Company's real financial situation during the considered period and that the Income Statement for the period January 1, 2011 - December 31, 2011 reflects the real results of the activities for the considered period.

We submit for the ratification the Balance Sheet and the Income Statement as well as the acquittal of the Board of Directors.

THE BOARD OF AUDITORS

Hikmet TÜRKEN

Raşit YAVUZ



INDEPENDENT AUDITOR'S REPORT

CONVENIENCE TRANSLATION TO ENGLISH OF FINANCIAL STATEMENTS INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS FOR THE YEAR 1 JANUARY 2011 – 31 DECEMBER 2011

To the Board of Directors of TÜRK PRYSMIAN KABLO VE SİSTEMLERİ A.Ş. / İstanbul

Introduction

We have audited the accompanying balance sheet of Türk Prysmian Kablo ve Sistemleri A.Ş. as of 31 December 2011 and the related statements of comprehensive income, changes in equity and cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting standards issued by the Capital Markets Board. 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.

Auditor's Responsibility

Our responsibility is to express a conclusion on these financial statements based on our audit. We conducted our audit in accordance with standards on auditing standards announced by the Capital Market Board. 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 of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on 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 auditors consider 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 accompanying financial statements give a true and fair view of the financial position of Türk Prysmian Kablo ve Sistemleri A.Ş. as of 31 December 2011, and of its financial performance and its cash flows for the year then ended in accordance with the financial reporting standards announced by the Capital Markets Board.

İstanbul, 07 March 2012

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

Özlem Gören Güçdemir
Partner

FINANCIAL STATEMENTS

Türk Prysmian Kablo ve Sistemleri A.Ş.
BALANCE SHEETS AT 31 DECEMBER 2011 AND 31 DECEMBER 2010
 (Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Notes	(Audited) 31 December 2011	(Audited) 31 December 2010
ASSETS			
Current Assets			
		341,693,341	219,811,723
Cash and Cash Equivalents	6	87,028,153	51,977,407
Trade Receivables	10, 37	145,278,257	101,807,922
Other Current Receivables	11	13,897,762	7,429,592
Inventories	13	83,348,340	50,920,617
Other Current Assets	26	12,140,829	7,676,185
Non-Current Assets			
		50,279,718	51,347,902
Property, Plant and Equipment	18	47,367,003	49,022,017
Intangible Assets	19	10,838	33,252
Deferred Tax Assets	35	2,687,085	1,791,185
Other Non-Current Assets	26	214,792	501,448
TOTAL ASSETS		391,973,059	271,159,625
LIABILITIES			
Current Liabilities			
		251,751,306	134,820,954
Trade Payables	10, 37	219,025,133	115,545,782
Construction Contracts Acquisition Value	15	2,392,403	383,385
Other Current Payables	11	5,694,733	7,014,474
Other Current Liabilities	26	24,639,037	11,877,313
Non-Current liabilities			
		11,312,286	10,737,479
Provisions	22	2,335,241	3,051,550
Benefits to Personnel	24	8,977,045	7,685,929
SHAREHOLDERS' EQUITY		128,909,467	125,601,192
Shareholders' Equity of Parent Company			
Paid-in Capital	27	112,233,652	112,233,652
Restricted Reserves	27	5,656,089	5,656,089
Retained Earnings	27	7,489,353	13,127,482
Net Income/(Loss) For the Period	27	3,530,373	(5,416,031)
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		391,973,059	271,159,625

These financial statements as at and for the period ended 31 December 2011 were approved by Board of Directors on 7 March 2012.

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

Türk Prysmian Kablo ve Sistemleri A.Ş.
STATEMENTS OF INCOME FOR THE PERIODS ENDED 31 DECEMBER 2011
AND 31 DECEMBER 2010

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Notes	(Audited) 1 January - 31 December 2011	(Audited) 1 January - 31 December 2010
CONTINUING OPERATIONS			
Sales Income (Net)	28	686,690,260	494,348,027
Cost of Sales	28	(615,364,682)	(446,190,539)
Gross Operating Profit / (Loss)		71,325,578	48,157,488
GROSS PROFIT / (LOSS)			
Marketing, Sales and Distribution Expenses (-)	30	(33,083,361)	(23,273,281)
General Administrative Expenses (-)	30	(25,781,659)	(18,518,055)
Research and Development Expenses	30	(1,381,471)	(1,159,233)
Other Operating Income	31	1,489,248	1,928,508
Other Operating Expenses (-)	31	(89,510)	(9,986,825)
OPERATING PROFIT / (LOSS)		12,478,825	(2,851,398)
Financial Income	32	104,605,234	21,939,488
Financial Expenses (-)	33	(114,010,482)	(23,869,184)
INCOME / (LOSS) FROM CONTINUING OPERATIONS BEFORE TAXES		3,073,577	(4,781,094)
Taxes on (income) / Loss		456,796	(634,937)
- Taxes on Income / (Loss) For the Period	35	(383,580)	-
- Deffered Tax Income / (Loss)	35	840,376	(634,937)
NET INCOME / (LOSS) FOR THE PERIOD		3,530,373	(5,416,031)
Other Comprehensive Income		(222,098)	(325,996)
TOTAL COMPREHENSIVE INCOME AFTER TAX		3,308,275	(5,742,027)
Earnings Per Share		0.003	(0.005)
Earnings Per Share From Operations		0.003	(0.005)

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

Türk Prysmian Kablo ve Sistemleri A.Ş.
STATEMENTS OF CASH FLOWS FOR THE PERIODS ENDED 31 DECEMBER 2011 AND 31 DECEMBER 2010
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

Notes	(Audited) 1 January 2011 - 31 December 2011	(Audited) 1 January 2010 - 31 December 2010
A. CASH FLOW FROM OPERATING ACTIVITIES	39,170,635	28,184,182
Net Profit Before Taxation (+)	3,073,577	(4,781,094)
Adjustments:		
Amortisation (+)	18, 19 5,824,689	5,990,378
Employment Termination Benefit	24 983,062	1,005,136
Interest Income (-)	32 (1,952,443)	(964,691)
Interest Expense (+)	33 2,065,664	689,569
Write Down Provisions for Inventories	13 (468,411)	(663,643)
Loss From the Fixed Asset Sales (net)	31 (140,593)	(278,233)
Change in the Provision for Doubtful Receivables	10 3,151,272	(1,488,224)
Change in the Deferred Financial Income	10 653,536	132,258
Change in the Deferred Financial expense	10 (1,034,359)	(93,560)
Change in asset and liabilities:		
Change in Trade Receivables	10, 37 (47,275,143)	1,869,521
Change in Other Receivables	11 (6,468,170)	(3,139,128)
Change in Inventories	13 (31,959,312)	(5,822,033)
Change in Other Current Assets	26 (4,464,644)	(1,414,196)
Change in Other Long Term Receivables	26 286,656	(27,837)
Change in Trade Payables	10, 37 104,513,710	38,260,900
Change in Short Term Provisions	22 2,009,018	(2,126,372)
Change in Other Short Term Liabilities	26, 22 11,875,847	3,260,719
Change in Liabilities for Long Term Financial Leasing	26, 22 (716,309)	1,294,913
Taxes Paid	35 (383,580)	(2,468,024)
Employment Termination Benefits Paid	24 (403,432)	(1,052,177)
Net Cash Generated From the Operating Activities	39,170,635	28,184,182
B. CASH FLOW FROM INVESTMENT ACTIVITIES	(4,006,668)	(2,501,399)
Fixed Asset Additions (-)	18 (4,165,910)	(2,846,270)
Cash Provided From the Fixed Asset Sales (+)	18 159,242	344,871
Cash Generated From Investment Activities	(4,006,668)	(2,501,399)
C. CASH FLOW FROM FINANCIAL ACTIVITIES	(113,221)	275,022
Interest Paid (-)	33 (2,065,664)	(689,569)
Interest Received (+)	32 1,952,443	964,691
Dividends Paid (-)	27 -	(100)
Net Cash Generated From Financial Activities	(113,221)	275,022
Net Increase / (Decrease) in Cash and Cash Equivalents	35,050,746	25,957,805
Cash and Cash Equivalents at the Beginning of Period	51,977,407	26,019,602
Cash and Cash Equivalents at the End of Period	87,028,153	51,977,407

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

Türk Prysmian Kablo ve Sistemleri A.Ş.
STATEMENT OF SHAREHOLDERS' EQUITY FOR THE PERIODS ENDED 31 DECEMBER 2011 AND 31 DECEMBER 2010
 (Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Notes	Reserves and Retained Earnings			Accumulated Losses	Net profit / loss for the period	Total
		Share Capital	Legal Reserves	Other Reserves			
1 January 2010		112,233,652	2,677,497	2,978,592	18,742,540	(5,289,062)	131,343,219
Transfer	27	-	-	-	(5,289,062)	5,289,062	-
Aktüeryal Adjustments	27	-	-	-	(325,996)	-	(325,996)
Net Income For the Period	27	-	-	-	-	(5,416,031)	(5,416,031)
<i>Total Comprehensive Income</i>		-	-	-	(325,996)	(5,416,031)	(5,742,027)
31 December 2010		112,233,652	2,677,497	2,978,592	13,127,482	(5,416,031)	125,601,192
1 January 2011		112,233,652	2,677,497	2,978,592	13,127,482	(5,416,031)	125,601,192
Transfer	27	-	-	-	(5,416,031)	5,416,031	-
Aktüeryal Adjustments	27	-	-	-	(222,098)	-	(222,098)
Net Income For the Period	27	-	-	-	-	3,530,373	3,530,373
<i>Total Comprehensive Income</i>		-	-	-	(222,098)	3,530,373	3,308,275
31 December 2011		112,233,652	2,677,497	2,978,592	7,489,353	3,530,373	128,909,467

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

NOTES

Türk Prysmian Kablo ve Sistemleri A.Ş.
FINANCIAL STATEMENTS AND NOTES FOR THE ACCOUNTING PERIOD
1 JANUARY – 31 DECEMBER 2011

NOTE 1 – THE COMPANY’S ORGANIZATION AND LINE OF BUSINESS

Established and operating in Turkey, Türk Prysmian Kablo and Sistemleri A.Ş. (“the Company”) is engaged in the production, import, export, and trading of all sorts of cables, conductors, machinery, apparatus, tools and equipment and their spare parts and accessories. The Company was established in 1964, and is currently operating as an incorporated company, with the principal shareholder being Prysmian (Dutch) Holdings B.V. (83,75%).

The Company is publicly traded and is operating in a sector (cable production and sales) and in a geographical region. The Company’s product range includes all power cables up to 220 kVolts, copper conductor communication cables up to 3.600 pairs and fiber optic cables. The Company’s factory is located in Mudanya, Bursa, and this factory houses the highest technology in the cabling sector and thermic, mechanical, chemical and electrical scientific research and testing laboratories with TSE certification.

The Company’s registered address is at Ömerbey Mahallesi, Bursa Asfaltı Caddesi, No:51, 16941, Mudanya, Bursa, and its average number of employees by categories is as follows:

31 December 2011

Type of Personnel	Union	Subscribed Union	Non-Union
Blue Collar	297	United Metal Works Union	28
White Collar	-	-	77
TOTAL	297		105

31 December 2010

Type of Personnel	Union	Subscribed Union	Non-Union
Blue Collar	275	United Metal Works Union	26
White Collar	-	-	78
TOTAL	275		104

Approval of financial statements:

Financial statements are approved by the Board of Directors and authorized for publication on 7 March 2012. The General Committee is entitled to amend the financial statements.

NOTE 2 – PRINCIPLES COVERING THE PRESENTATION OF FINANCIAL STATEMENTS**2.1 Basic Principles covering the Presentation:***Principles Governing the Preparation of Financial Statements and Certain Accounting Policies*

The Company keeps its legal books and financial statements according to the Turkish Commercial Code (“TCC”) and in accordance with the accounting principles as set out in the tax regulations.

CMB regulated the principles and procedures of preparation, presentation and announcement of financial statements prepared by the entities with the Communiqué No: XI-29, “Principles of Financial Reporting in Capital Markets” (“the Communiqué”). This Communiqué is effective for the annual periods starting from 1 January 2008 and supersedes the Communiqué No: XI-25 “The Financial Reporting Standards in the Capital Markets”. According to the Communiqué, entities shall prepare their financial statements in accordance with International Financial Reporting Standards (“IAS/IFRS”) endorsed by the European Union. Until the differences of the IAS/IFRS as endorsed by the European Union from the ones issued by the International Accounting Standards Board (“IASB”) are announced by Turkish Accounting Standards Board (“TASB”), IAS/IFRS issued by the IASB shall be applied. Accordingly, Turkish Accounting Standards / Turkish Financial Reporting Standards (“TAS/IFRS”) issued by the TASB which are in line with the aforementioned standards shall be considered.

The below-given financial statements and notes are presented in accordance with the format recommended by the Capital Markets Board with its announcements of 17 April 2008 and 9 January 2009, with the inclusion of compulsory information.

The Decree in the Force of Law no 660 that has entered into force after publication in the Official Gazette on 2 November 2011 and Annex 1 of Law no 2499 have been cancelled and Public Supervision, Accounting and Inspection Standards Agency

("Agency") has been established. As per the Provisional Article 1 of this Decree in the Force of Law, until the standards and arrangements to be published by the Agency will enter into force, existing regulations relating to these issues will continue to be applied. Therefore, the said situation does not result in any change in the 'Principles Governing the Preparation of these Financial Statements' explained in the notes to the financial table as of the date of reporting.

These consolidated financial statements are based on the statutory records, which are maintained under historical cost conversion, with the required adjustments and reclassifications reflected for the purpose of fair presentation in accordance with the CMB Financial Reporting Standards.

Functional Currency

The Company's financial statements are presented in the currency of the primary economic environment in which the Company operates (its functional currency).

Adjustment of financial statements during hyper-inflation periods

With the decision taken on 17 March 2005, the CMB has announced that, effective from 1 January 2005, for companies operating in Turkey and preparing their financial statements in accordance with CMB Financial Reporting Standards the application of inflation accounting is no longer required. Accordingly, the Company did not apply IAS 29 "Financial Reporting in Hyperinflationary Economies" issued by IASB in its financial statements for the accounting periods starting 1 January 2005.

Comparative information and adjustment of past financial statements

The financial statements of the Company include comparative financial information to enable the determination of the financial position and performance. In order to comply with the presentation of financial statements for the period when deemed necessary, comparative information is classified and describes important differences. The current year prior period financial statements to conform with the presentation and made some financial statements. The nature and amount of the classifications are described below:

The 9.569.340 TL expense accruals figure shown in the "Short-Term Debt Provisions" is shown in the "Short-Term Liabilities" account.

The 487.599 TL interest revenues figures shown in the "Other Operating Income" are shown in the "Financial Revenues" account.

The 526.297 TL interest revenues figures shown in the "Other Operating Income" are shown in the "Financial Revenues" account.

2.2 Changes in Accounting Policies:

There are no changed or planned changes in accounting policies, and all accounting policies are applied in conformity with the previous periods.

2.3 Changes in Accounting Estimates and Errors:

Material changes in accounting policies and material errors are corrected retrospectively from previous periods' financial statements. If the accounting policy changes are only related with the current period, they are only reflected to the current period's financial statements; whereas if they are related with both the current and following periods, they are reflected to both periods in consideration of the definition of net income of the period.

2.4. New and Revised International Financial Reporting Standards:

The following new and revised Standards and Interpretations have been adopted in the current period and have affected the amounts reported and disclosures in these financial statements. Details of other standards and interpretations adopted in these financial statements but that have had no material impact on the financial statements are set out in further sections.

a) New and Revised Financial Standards affecting the Company's presentation and disclosure;

None.

b) Standards, amendments and interpretations to existing standards that are effective in 2011 and are relevant to the Company's operations

IAS 1 (Amendments) *Financial Statements Presentation (as a part of the Improvements made in IFRS's in 2010)*

The amendments to IAS 1 clarify that an entity may choose to present the required analysis of items of other comprehensive income either in the statement of changes in equity or in the notes to the financial statements. During the current year, the Company chose to show these analyses for each item in the equity in the notes relating to the financial statements, in the equity change statements, and other consolidated revenues as a single line.

IAS 24 *Explanations on Related Parties (2009)*

IAS 24 (2009) was changed in two ways: (a) IAS24 (2009) amended the definition of related parties and (b) IAS 24 (2009) brought a partial exemption in some notes for state-connected organizations.

The company is not a state-connected organization.

IFRS 3 (Amendments) Business Mergers

As part of the *Improvements Made in IFRS's* published in 2010, IFRS 3 clarifies that valuation method preference to be applied on the date of purchasing date on shares with no controlling power is possible only if there are shares with no controlling power having existing ownership shares and shares with no controlling power giving pro rata shares with the total of the net assets in case of liquidation. Unless otherwise provided in other standards, all the remaining non-controlling interests are measured at fair value at the acquisition date. In addition, IFRS 3 has been amended to provide guidance on share-based payments of company's employees. Amendments, staff turnover, the company changed its share-based payments and share-based payments not replaced should be valued on the acquisition date as required by IFRS 2 *Share-Based Payments* ("market-based measurement"). The Company's financial statements of changes made to this character are not an operation had no effect on. Since the Company has no such operations, the amendments made had no influence on the financial statements.

IAS 32 (Amendments)
Classification of Issues Containing New Rights

The amendments require some rights issued in foreign currency to be classified as financial instruments based on equities or financial obligations. The amendments address the accounting for rights issues (rights, options or warrants) that are denominated in a currency other than the functional currency of the issuer. Previously, before the amendments in IAS 32, such rights issues were accounted for as derivative liabilities. However, the amendment requires that, provided certain conditions are met, such rights issues are classified as equity regardless of the currency in which the exercise price is denominated. It is compulsory to apply the amendments retrospectively. Since the Company has no such instruments, the amendments made had no influence on the financial statements.

IFRIC 14 (Amendments) Prepayment of Minimum Funding Requirement

IFRIC 14 addresses when will the discounts resulting from participations to be made to plan or back payments made from the plan can be utilized, how minimum funding conditions affect the availability of the discounts resulting from the future participations and when minimum funding requirements result in a liability. Amendments allow accounting for the minimum funding requirements, which are at the moment paid in advance, as assets. Implementation of these amendments did not have a significant impact on the Company's financial statements.

IFRIC 19 (Amendments) *Payment of Financial Payables with Equity-Based Financial Instruments*

This interpretation governs how equity-based financial instruments issued for the purpose of payment of an obligation can be accounted for. As per IFRIC 19, financial instruments issued subject to conditions defined above are measured with their real values and the difference between the carrying value of the financial obligation paid and the actual amount that was paid is accounted for in profit or loss.

Because the Company does not have transactions of this nature, Implementation of IFRIC 19 did not have a significant impact on the Company's financial statements.

2010, Annual Improvements

Saving amendments to IFRS 3 and IAD 1 set forth in paragraphs (a) and (b) above, implementation of amendments and interpretations made on/in relation to IFRS published in 2010 did not have any significant impact on the Company's financial statements.

c) Standards, amendments and interpretations to existing standards that are not currently effective and standards that the Company didn't choose to adopt earlier

The Company did not yet implement the following future standards and following amendments and interpretations to other existing standards:

IFRS 7 (Amendments)	<i>Presentation – Transfer of Financial Assets; Clarification of Financial Assets and Financial Liabilities</i>
IFRS 9	<i>Financial Instruments</i>
IFRS 10	<i>Consolidated Financial Statements</i>
IFRS 11	<i>Joint Arrangements</i>
IFRS 12	<i>Disclosure of Interest in Other Entities</i>
IFRS 13	<i>Fair Value Measurement</i>
IAS 1 (Amendments)	<i>Presentation of Other Comprehensive Income Items</i>
IAS 12 (Amendments)	<i>Deferred Tax – Recovery of Underlying Assets</i>
IAS 19 (2011)	<i>Employee Benefits</i>
IAS 27 (2011)	<i>Individual Financial Statements</i>
IAS 28 (2011)	<i>Investments in Associates and Joint Ventures</i>
IFRIC 20	<i>Stripping Costs in the Production Phase of Surface Mines</i>
IAS 32 (Amendments)	<i>Financial Instruments: Presentation – Clarification of Financial Assets and Financial Liabilities</i>

Purpose of the amendments to IFRS 7 is to increase the footnotes relating the transfer of financial assets. Amendments to IFRS 7 bring additional footnote requirements governing transactions for transfer of financial assets. These amendments were provided to address more clearly the risks imposed in the event where transferor continues to have a certain level of control over the transferred financial asset. These amendments also bring additional explanations for cases where asset transfer is not spread equally over the period.

The Company's management believes that these amendments to IFRS 7 shall not have a significant impact on The Company's notes. However, if the Company engages in any transfers of financial assets of other types in the future, notes on such future transfers may be affected.

Amendments made to IFRS 7 require that company makes explanations to notes pertaining to financial instruments subject to articles of association or other similar arrangements. New Note clarifications must be presented on 1 January 2013 or as of the interim period or fiscal periods starting after the aforementioned date.

IFRS 9 that was published on November 2009 brings new requirements regarding classification and measurement of financial assets. IFRS 9 that was amended in October 2010 brings amendments to classification and measurement of financial liabilities and their removal from the records.

Main changes introduced in IFRS 9 are as follows:

- IFRS 9 required that all assets registered as per IAS 39 "Financial Instruments: Recognition and Measurements" standard to be measured on basis of their real value following their initial recognition. Borrowing instruments investments that are kept in hand in the scope of a management model that aims to collect cash flows subject to a certain contract and results in cash flows at certain dates for the purpose of payment of the capital and capital balances are usually measured on basis of their redeemed cost on the following period. All borrowing instruments other than the foregoing and investments made on the equity-based financial instruments are measured on their fair values in the following periods.

- Most important impact of IFRS 9 on how financial liabilities are classified and measured is about the recognition of the portion of the financial obligation (obligations with fair value difference can be reflected in profit or loss) associated with the changes that occur in credit risk. As per IFRS 9, amount of change that occurs in the fair value of the financial obligation and that can be associated with the changes that occur in the credit risk of the aforementioned obligation is presented along with other comprehensive income unless this the method of recognition of the changes that occur in the credit risk of the defined obligation causes false recognition in profit or loss. Amount of changes that occur in fair value of the financial obligation that can be associated with changes that occur in credit risk cannot be classified to profit or loss later. As per IAS 39 on the other hand, all changes that occur on the fair value of the obligations that are classified as reflection of fair value in profit or loss were presented in profit or loss.

- With the amendment to IFRS 9, effective date of IFRS 9 2009 and 2010 versions were postponed to 1 January 2015 and fiscal periods that begin after the aforementioned date. Prior to amendments, effective date IFRS 9 was scheduled as 1 January 2013 or fiscal periods that begin after the aforementioned date. Amendment continues to permit early implementation as an option. Amendment further updated current provisions on comparative transition note presentation of the IAS 8 "Accounting Policies, Changes and Errors in Accounting Estimations" and IFRS 7 "Financial Instruments: Notes". Instead of rearranging comparatively presented financial statements, companies are either can or must make updated note presentation clarifications upon their transition from IAS 39 "Financial Instruments: Recognition and Measurement" standard to IFRS 9 depending on the date of company's implementing IFRS 9 or company's choice of implementing the previous period financial statements again.

With the amendment in IFRS 9, the application dates of IFRS 9 2009 and 2010 versions are postponed to financial periods starting on 1 January 2015 or thereafter. Before the amendment, the application date of IFRS 9 was set as financial periods starting on 1 January 2013 or thereafter. The amendment continues to permit early application. Besides, the amendment updates the provisions relating to the comparative transition Note of IAS 8 "Accounting Policies, Amendments in Accounting Estimates, Errors" and IFRS 7 "Financial Instruments: Explanations". Instead of the rearrangement of the comparatively presented financial statements, businesses may or are obliged to make the updated Note presentation explanations, in transition from IAS 39 "Financial Instruments: Accounting and Measurement" standard to IFRS 9 depending on the business' application date for IFRS 9 and choosing to rearrange the financial statements of previous period.

The Company management estimates that the financial statements of the company of IFRS 9 will be applied in financial periods starting after 1 January 2015 and IFRS 9 application may have significant effect on the Company's financial assets and liabilities (e.g.; borrowing instruments recording currently as available-for-sale financial assets over their fair value in the subsequent reporting periods and the valuation difference be posted in the income statement). However, until detailed examinations are completed, it is not possible to reasonably estimate the said effect.

In May 2011, five standards, namely IFRS 10, IFRS 11, IFRS 12, IAS 27 (2011) and IAS 28 (2011) were published regarding consolidation, mutual agreements, affiliates and their presentation.

Significant changes brought by these five amendments are:

IFRS 10 has implemented the relevant part of the IAS 27 "Consolidated and Individual Financial Statements" standard relating to consolidated financial statements. With the publication of IFRS 10, the IFRIC 12 "Consolidation – Special Purpose Businesses" interpretation has been fully annulled. According to IFRS 10, there is only one principle for consolidation; control. Besides, IFRS 10 redefines control containing three elements: (a) having power over the invested business (b) being exposed to variable revenues because of its relationship with the invested business or having rights in such earnings (c) having the potential to exert its power on the invested business in order to be able to affect the amount of revenues to be made. IFRS 10 contains an implementation guide as a supplement containing different examples.

IFRS 11 is the implementation of IAS 31 "Shareholding in Joint Ventures" standard. IFRS 11 explains how joint agreements controlled by two or more parties should be classified. With the publication of IFRS 11, the IFRIC 13 "Mutually Controlled Businesses – Non-Monetary Participations of Joint Ventures" interpretation has been annulled. Within the scope of IFRS 11, joint agreements are classified in the form of joint activity or joint venture depending on the parties' rights and obligations of the parties on the agreement. However, there are three joint agreements within the scope of IAS 31: jointly controlled businesses, jointly controlled assets, jointly controlled activities.

In addition, while joint ventures need to be recorded using the equity method in IFRS 11, jointly controlled ventures are recorded either by equity method or by proportional consolidation method within the scope of IAS 31.

IFRS 12 is a standard about Note presentation and is valid for subsidiaries, joint venture agreements, affiliates and/or businesses with non-consolidated structural companies. Note disclosures required under IFRS 12 are generally more comprehensive compared with current standards.

These five standards are valid on 1 January 2013 or as of financial periods starting then. Early implementation option is possible only on condition that these five standards are applied at the same time.

The company management considers that the implementation of the above-given five standards will have no effects on the financial statements as no financial statements are prepared.

IFRS 13 will be a single guide-like resource containing on fair value measurement and notes that should be given in relation. The standard makes a fair value definition, draws the general outline about the measurement of fair value, and specifies the explanation requirements to be given relating to fair value calculations. The scope of IFRS 13 is wide; it is valid for financial items and non-financial items IFRS permits or requires measurement of fair value from other standards. Generally speaking, disclosure requirements relating to IFRS 13's fair value calculations are more comprehensive compared to existing standards. For example, currently the qualitative and quantitative disclosures required for IFRS 7 "Financial Instruments: Disclosures" standard and only for financial instruments based on three-level fair value hierarchy will be compulsory for all assets and liabilities under IFRS 13.

IFRS 13, together with early implementation option, will be valid in financial periods starting on or after 1 January 2013.

The management expects that the IFRS 13 will be implemented in the Company's financial statements in the financial period starting on or after 1 January 2013, and the implementation of this new standard might affect financial statements and result in submission of more comprehensive notes relating to financial statements.

Amendments in IAS 1 maintain the option of profit or loss and other comprehensive earnings to be presented in a single statement or in two successive statements. However, the amendments in IAS 1 require additional notes on other comprehensive earnings segment. Accordingly, other comprehensive earning items are divided into two: (a) items that cannot be subsequently classified into loss or profit and (b) items that will be subsequently classified into loss or profit if certain special conditions are met. Taxes on other comprehensive revenue items will be distributed in the same manner.

Amendments in IAS 1 will be effective in the financial period starting on or after 1 July 2012. Accordingly, the presentation of other comprehensive earning items will be amended when implemented in future accounting periods.

Amendments in IAS 12 will be effective in the financial period starting on or after 1 January 2012. The management estimates that the amendments in IAS 12 will require corrections in the amount of deferred tax obligations in former periods relating to investment properties where the Company's book value will be recovered by means of sales. However, the management has not yet evaluated the effects that might occur in its financial statements as a result of the application of such amendments.

Amendments in IAS 19 amend the defined benefit plans and termination pay accounting. The most important amendment is about the defined benefit obligations and posting of plan assets. The amendments requires that changes in defined benefit obligations and fair values of plan assets should be recorded, thus removing the 'corridor method' and accelerating the recording of the costs of past services permitted in former versions of IAS 19. Amendments requires that all actuarial losses and earnings are posted immediately as other comprehensive earnings in order that they can reflect the full value of the net retirement asset or obligation plan gap or excess to be shown in the balance sheets. Since the company currently posts the actuarial losses and earnings as other comprehensive earnings, it is considered that the implementation of this standard will not have a significant effect on the financial statements.

The amendments made in IAS 19 are valid on 1 January 2013 or as of the financial periods starting thereafter, and should be applied retrospectively other than for some exceptions. The Management predicts that the amendments in IAS 19 will be applied towards the financial statements of the Company on 1 January 2013 or as of the financial periods starting thereafter, and that the application of this new standard might affect the benefit plans defined in its financial statements. However, the management has not yet evaluated the effects that might occur in its financial statements as a result of the application of such amendments.

Clarifying the posting of excavation costs at the production stage on 19 October 2011 in IASK surface mining business, IFRIC 20 published its interpretation of Excavation (Decoupling) Costs During Production in Surface Mining Businesses. The interpretation clarifies when and under what conditions the excavations at the production stage will be posted as assets, and how the posted asset will be measured during the initial recording and subsequent periods. The interpretation will enter into force for financial periods starting on 1 January 2013 or thereafter, and early implementation is allowed.

Through amendments in IAS 32, the aim has been to clarify the existing implementation matters regarding netting rules and reduce the differences in existing practices. The amendments are valid as of the financial periods starting on 1 January 2014 or thereafter.

2.5 Summary of Significant Accounting Policies:

2.5.1 Sales Revenues:

Income includes the invoiced value of goods and services sold. Sales are posted on an accrual basis based on product delivery or performance of services, risks and benefits of transfers to be made about the product, the amount of revenue can be measured reliably and over the fair value received or receivable upon probability of the economic benefits flowing to the Company. Multiyear contracting activity level of completion of the projects proceeds on the basis of the balance sheet date is taken as income in the financial statements (Note 2.5.17). If there is an important financial cost in the sales, the fair value will be determined by reducing the future receipts with the hidden interest rate included in the cost of financing. The difference between their nominal and real values is treated as interest income on an accrual basis.

Interest revenues:

Interest revenues from financial assets will be recorded as long as it is possible to measure the Company's economic benefits and revenues in a reliable manner.

Interest income will be accrued in the applicable period financial period pro rata to the effective interest rate reducing the estimated cash incomes to be collected from the financial asset throughout its expected life cycle and the outstanding capital to the recorded value of that asset.

2.5.2 Inventories:

Inventories are stated at the lower of cost and net realizable value. Cost of inventories is the sum of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Average cost method is applied in the calculation of cost of inventories. Net realizable value represents the estimated selling price less all estimated costs of completion and costs necessary to make a sale. (Note 13).

Actual inventory counts are carried out on a monthly basis at the ends of relevant periods. The costs include all expenses made to make the inventories available.

2.5.3 Tangible Fixed Assets:

Tangible assets are measured at net book value calculated by deduction of accumulated depreciation from cost values. (Note 18). Depreciation is charged based on the useful lives of tangible fixed assets, using the straight-line method. Estimated useful lives of the said assets are given below:

	<i>Life</i>	Method
Premises	20-50 years	Direct Amortization
Machinery, facilities and equipment	5-15 years	Direct Amortization
Vehicles and cars	5 years	Direct Amortization
Upholstery and fixed items	2-5 years	Direct Amortization
Special costs	5-10 years	Direct Amortization
Rights	8-20 years	Direct Amortization

No amortizations are reserved for lands and plots as they have infinite life.

If the recorded value of a tangible asset is higher than its estimated recoverable amount, then its recorded value is to be reduced to its recoverable value. Profit and loss arising from the sales of tangible fixed assets is determined by comparing corrected amounts and collected amounts and is reflected in the applicable income and expense accounts.

Repair and maintenance expenses are posted as expense on the date of realization. If repair and maintenance expenses ensure an expansion in the relevant asset or a visible development in it, then they are included in the assets.

2.5.4 Intangible Fixed Assets:

Intangible fixed assets include computer software and development costs. Intangible fixed assets are expressed by cost minus depreciation and depreciation shares. Expiration and depreciation shares are calculated by straight line amortization method in a period not exceeding five years. In the event of impairment, the recorded value of intangible fixed assets is reduced to their recoverable value (Note 19).

2.5.5 Impairment in Assets:

It will be examined whether or not the recorded values of other fixed assets including tangible fixed assets and intangible fixed assets remain under the recovery amount as a result of any event or change. In the event that the higher of the net selling price and value of the recoverable amount determined falls below the book value, the impairment that will carry the recorded value to the recovery amount is included in the financial statements.

In the event that an impairment loss on an asset can be related to an event occurring in a period following the recording of a following increase in the recoverable amount of that asset, then it will be translated in a manner not exceeding the amount for which an impairment has been reserved before.

2.5.6 Trade Receivables:

Trade Receivables from company-based term sales for direct supply of goods or services to a debtor are valued over the discounted costs using the effective interest method. Short Term Trade Receivables with no specified interest rate are considered based on invoice amount in case the interest accrual effect is insignificant.

In the event that there are occurrences showing that the Company will fail to pay the due amounts it has to pay, an impairment provision will be created for the Trade Receivables. The amount of such provision is the difference between the recorded value of the receivables and the collectible amount. Amount collectible is the value discounted based in consideration of the original effective interest rate of the created trade receivables of all cash flows including amounts receivable from guarantees and collaterals.

If the impairment amount is reduced due to a situation that will arise after the posting a loss, the said amount will be reflected over other revenues during the current period.

2.5.7 Costs of Borrowing:

Bank loans, debt principal value and expense records of the dates received are accounted for separately. End of period gross interest on the loan rate be related investments are capitalized on an accrual basis, otherwise if the loan was recorded as financial expense income statement.

2.5.8 Financial Instruments:

a) Financial instruments and financial risk management

Financial assets

Financial investments are recognized and derecognized on a trade date where the purchase or sale 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 at fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified into the following specified categories: financial assets as "at fair value through profit or loss", "held-to-maturity investments", "available-for-sale" financial assets and "loans and receivables". The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Effective interest method

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

Financial assets at fair value through profit or loss are stated at fair value, with any resultant gain or loss recognized in profit or loss incorporates any dividend or interest earned on the financial asset.

Financial assets at fair value through profit or loss

Financial assets are classified as financial assets at fair value through profit or loss where the Company acquires the financial asset principally for the purpose of selling in the near term, the financial asset is a part of an identified portfolio of financial instruments that the Company manages together and has a recent actual pattern of short term profit taking as well as derivatives that are not designated and effective hedging instruments. Assets in this category are classified as current assets.

Financial assets held until due term

The fixed term debt instruments that the Company intends and is capable to hold until the due term and that have a fixed or determinable payment plan are categorized as the investments held until the due term. The investments which will be held until the due term are recorded after the amount decrease in value is deducted from the cost price redeemed in line with effective interest method and then the related income is accounted by using the effective interest method.

Credits and receivables

The commercial and other receivables that are not transacted and that have fixed and determinable payments as well as the credits are classified in this category. The credits and receivables are recorded by deducting the decrease in value from the cost amortized via effective interest method.

Available-for-sale financial assets

Available-for-sale financial assets consist of held to maturity financial assets, loans and receivables or financial assets that are non-financial assets held for trading. Available-for-sale financial assets after the records are valued at fair value if measured reliably. Held by the Company, but are not listed and traded in an active market for debt instruments classified as available for sale financial assets and their fair values are measured at their fair value can be measured reliably. Equity instruments held by the Company but not listed and not being traded are classified as available for sale financial assets and their fair values are measured at their fair value can be measured reliably.

Losses and profits relating to available-for-sale financial assets are included in the period's income statement. Changes in the fair value of such assets are shown in the equities account. In case the relevant asset is disposed of or in case of impairment, the profit / loss in equity accounts are transferred to the income statement. Impairment provisions resulting from investments aimed at equity instruments classified as available-for-sale financial assets and recorded and posted in the income statement cannot be cancelled from the income statement during the subsequent period. Dividends of available-for-sale equity instruments are posted into the income statement in cases where the Company has a dividend collection right.

Impairment in value of financial assets

The financial assets or asset groups, except from the financial assets of which fair value difference reflected to profit or loss, are evaluated on each balance sheet date as to whether there is any indication of being affected by decrease in value. If more than one event happen after the initial recognition and there is an objective indication of that the future cash flows of the financial asset or asset group have been subjected to the decrease in value, the impairment loss takes place. For the financial assets recorded with their amortized value, the amount of the decrease in value is difference between its book value and current value accounted by reducing the expected future cash flows at the rate of effective interest.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception 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 provisions account. Changes in the provisions account are posted into the statement of income.

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 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. In respect of available for sale equity securities, any increase in fair value subsequent to an impairment loss is posted directly in the equity item.

Cash and cash equivalents

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

Financial liabilities

The Company's financial liabilities and equity instruments are classified in accordance with the contractual arrangements and recognition principles of a financial liability and equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. The significant accounting policies for financial liabilities and equity instruments are described below.

Financial liabilities are classified as either financial liabilities at fair value through profit and loss or other financial liabilities.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss are initially measured at fair value, and at each reporting period re-valued at fair value as of balance sheet date. Changes in fair value are recognized in profit and loss. The net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability.

Other financial liabilities

Other financial liabilities, including bank borrowings, 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 effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective 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.

Credit risk

Ownership of financial assets involves the risk that the other party unable to fulfil the contract. An important part of Trade Receivables are from dealers and related companies. The Company has established an effective control system on dealers arising from these transactions are monitored by the management of credit risk is limited and the risks for each debtor. Dealers are another method of managing credit risk taking adequate collateral (Note 10).

Liquidity risk

Risk of funding existing and potential debt obligations is managed through the provision of high quality lenders sufficient funding commitments

The company has no bank loan, issuance of debt securities and financial lease obligations, and explanations on liquidity risk arising from trade payables and other liabilities are given in Note 10.

Interest rate risk

The company is exposed to the interest rate risks due to the effect of changes in interest rates on interest-bringing assets and liabilities. Such interest rate risks are managed by natural measures by balancing interest rate sensitive assets and liabilities.

Foreign currency risk

The Company is exposed to foreign currency risks arising from rate changes in the translation of the Turkish Lira (Note 38). The exchange rate risk is kept under control by daily monitoring of foreign currency position and by analysing them one by one.

b) Fair value of financial instruments

Fair value is the amount in which the sale and purchase of a financial instrument can be made in a transaction under the party's consent other than a forced sale or liquidation. If available, the quoted market price best reflects the fair value.

Methods and assumptions used to estimate the fair value of financial instruments are as follows:

Monetary assets

Balances in foreign currencies are valued at the end of the period at the exchange buying rate of the Central Bank.

Certain financial assets including cash and cash equivalents are valued at the exchange buying rate of the Central Bank.

Recorded values of Trade Receivables are also valued at the exchange buying rate of the Central Bank at the end of the period and are projected to reflect the relevant fair value together with the Provisions for Doubtful Receivables.

Monetary obligations

Because they are short term, bank loans and other monetary liabilities are considered to approximate their fair values.

Recorded values of trade payables and loans are valued at the Central Bank foreign exchange selling rate.

Since long-term foreign currency loans for translated at year-end exchange rates in force, they are considered to approximate their fair values.

c) Other financial liabilities**Derivative financial instruments and hedge accounting**

The Company's activities expose it primarily to the financial risks of changes in foreign exchange rates and interest rates. The company uses derivative financial instruments to hedge financial risks (mainly exchange rate forward contracts) due to the processes associated with estimated the specific binding commitments and the future exchange rate fluctuations.

The Company does not use derivative financial instruments for speculative purposes..

Derivative financial instruments are calculated according to the fair value and again calculated for the next reporting period at fair value base. If the changes in the fair value of derivatives which are determined as the hedge of future cash flows are the inactive parts of shareholders' equity, then they're recorded directly under income statement.

Derivatives with positive fair value as assets, while derivatives with negative fair values are carried as liability in the balance sheet. Maturity date longer than 12 months remaining in the 12 months to unexpected and long-term assets or long-term derivative financial instruments are shown as a liability. Other assets or liabilities, derivative financial instruments are shown as Short Term.

2.5.9 Business Mergers:

None (2010: None).

2.5.10 Effects of Currency Changes:

Transactions in foreign currencies are translated into Turkish Lira over the Turkish Central Bank rates of exchange ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated over the Turkish Central Bank exchange rates ruling at the balance sheet date. Gains and losses arising on settlement and translation of foreign currency items are included in the statements of income.

2.5.11 Earnings per Share:

Earnings per share are calculated by dividing net profit by weighted average number of shares outstanding in the relevant period. In Turkey, companies are allowed to increase their capital by distributing free shares to shareholders from accumulated profits. In calculation of earnings per share, such free shares are considered as issued shares. Therefore, weighted average number of shares in the calculation of earnings per share is found by applying distribution of free shares retrospectively.

2.5.12 Subsequent Events:

There are no issues requiring corrections in the financial statements regarding events after the balance sheet date.

2.5.13 Provisions, Contingent Liabilities and Contingent Assets:

A provision is reserved in financial statements, in case that there is a current liability arising from past events, it is possible to carry out the liability and the amount of liability in question can be estimated in a safe way. Guarantee expenses are reflected in the financial statements based on the estimated amounts accrued in the past on the basis of actual costs (Note 22).

Liabilities and assets arising from past events within the control of one or more uncertain future can only be confirmed by the occurrence are not included in the financial statements are considered as contingent liabilities and assets (Note 41).

2.5.14 Leasing Operations:

None (2010: None).

2.5.15 Related Parties:

For the purpose of the accompanying financial statements, shareholders of the Company and related companies, consolidated and non-consolidated Company companies, their directors and key management personnel and any company to which they are known to be related, are considered and referred to as related companies. (Note 37).

2.5.16 Reporting by Segments:

None (2010: None).

2.5.17 Construction Contracts:

Revenue and costs relating to multiyear contract projects shall be included in the financial statements as income and expense based on their completion level of contractual activities as of the date of the balance sheet.

2.5.18 Discontinued Operations:

None (2010: None).

2.5.19 Government Grant and Incentives:

Government incentives are not reflected in financial statements without a reasonable assurance that the business will fulfill the necessary conditions for obtaining the incentive.

Government grants are reflected in the profit and loss statements in a systematic manner throughout the periods throughout periods where the costs aimed to be met by these incentives are accounted as expense items. The government grants are financing tools, should be associated with financial statement (balance sheet) as unearned income and reflected in profit or loss in order to clarify the profit or loss item of expenditure posted instead of being posted in the profit or loss to clarify the expenditure item they are financing in a systematic way throughout the economic life of the related assets.

Government incentives given to cover previously-realized expenses or losses or to supply emergency financing to the business in the future without any cost will be posted in the profit or loss in the period they become collectible.

Benefit of the loan in a lower than market interest rate from the state, is considered as government incentive. Benefit created by low interest rate is measured by the difference between initial book value of the loan and the obtained earnings.

2.5.20 Investment Properties:

None (2010: None).

2.5.21 Taxes Over Corporate Revenues:

Corporate tax in Turkey is 20% for the year 2011 (2010: 20%). This percentage will be applied on the taxable amount to be found by adding expenses not accepting any discount as per tax laws on top of corporate trade earnings, and reduction of exemptions in the tax law (such as exemption of participation earnings) and discounts (such as R&D discounts). No other taxes are payable where no profits are paid out.

2.5.22 Deferred Taxes:

Deferred tax assets and liabilities are recorded using substantially enacted tax rates for the effect of temporary differences between book and tax bases of assets and liabilities. There are deferred tax assets resulting from tax loss carry-forwards and deductible temporary differences, all of which could reduce taxable income in the future in the Company.

When calculating the deferred tax liabilities for all taxable temporary differences, high possibility of benefiting from such differences by way of making taxable profits in the future resulting from deductible temporary differences are taken into consideration.

Provided that, subject to the same country's tax legislation and in the event of a legally enforceable right exists regarding offsetting current tax assets from current tax liabilities, the deferred tax assets and deferred tax liabilities are mutually offset (Note 35).

2.5.23 Employee Benefits / Seniority Pay:

The provision for seniority pay represents the present value of the estimated total provisions of the company's possible future liabilities arising from the retirement of employees as per the Turkish Labour Law (Note 24). Actuarial valuation method was used for reduction of severance pay obligations; for this, the actuarial assumptions. The most important of these is the discount rate used in reducing. All actuarial gains and losses are reflected into the consolidated statement of incomes.

2.5.24 Cash and Cash Equivalents:

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments which their maturities are three months or less from date of acquisition and that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. (Note 6).

2.5.25 Equity and Dividends:

Ordinary shares are classified as equity capital. Dividends distributed on ordinary shares are recorded by deducting from the accumulated profit in the period that the dividend payment decision is reached. Dividends to be received are recorded in their announcement period (Note 27).

2.5.26 Financial Investments:

All financial investments are initially shown over the cost price, which is their fair value, including acquisition charges associated with the investment. In cases where the company's share capital is below 20% of any fair value, has no listed financial investments used in calculating fair value, or where the fair value cannot be measured other methods due to lack of appropriate and reasonable value of making a reasonable estimate of value, the carrying amount of financial asset is valued by reducing the impairment value, if available, from the acquisition cost (Note 7).

2.5.27 Cash Flow Statement:

Cash and cash equivalents, for the purposes of preparation of the cash flow statement, comprise cash on hand and demand deposits and loans directly utilized to the banks within the frame of reverse-repurchase contracts with maturities less than three months, sales price and maturity previously determined.

2.6 Important Accounting Estimates and Assumptions:

Preparation of the financial statements requires the amounts of assets and liabilities being reported, explanations of contingent liabilities and assets and the uses of accounting estimates and assumptions which would affect revenue and expense accounts reported during the accounting period. The Company makes estimates and assumptions about the future periods. Actual results could differ from those estimations..

Deferred tax

Deferred tax assets and liabilities are recorded using substantially enacted tax rates for the effect of temporary differences between book and tax bases of assets and liabilities. There are deferred tax assets resulting from tax loss carry-forwards and deductible temporary differences, all of which could reduce taxable income in the future in the Company. Based on available evidence, both positive and negative, it is determined whether it is probable that all or a portion of the deferred tax assets will be realized. The main factors which are considered include future earnings potential; cumulative losses in recent years; history of loss carry-forwards and other tax assets expiring; the carry-forward period associated with the deferred tax assets; future reversals of existing taxable temporary differences; tax-planning strategies that would, if necessary, be implemented, and the nature of the income that can be used to realize the deferred tax asset. As a result of the assessment made, the Company has recognized deferred tax assets because it is probable that taxable profit will be available sufficient to recognize deferred tax assets.

Fair value of derivative instruments and other financial instruments

The company calculates the fair values of financial instruments that have no active markets using similar values by utilizing market data, taking as reference the fair value of similar instruments and using reduced cash flow analyses.

Provisions for Doubtful Receivables

Provisions for Doubtful Receivables reflect the amounts that the Company Management believes will cover any future losses regarding any possible collection risks of receivables as of the date of balance sheet under the economic conditions.

NOTE 3 – BUSINESS MERGERS

There are no business mergers as of the balance sheet period (2010: None).

NOTE 4 – JOINT VENTURES

The company has no joint ventures as of the balance sheet period (2010: None).

NOTE 5 – SEGMENT REPORTING

The Company is publicly traded and is operating in a sector (cable production and sales) and in a geographical region (2010: None).

NOTE 6 – CASH AND CASH EQUIVALENTS

	31 December 2011	31 December 2010
Cash – TL	1,228	3,419
Cash – Foreign Currency	6,357	6,420
Banks – Non-Term Deposits	15,614	28,352
Banks – TL – Term Deposits	37,223,374	22,128,398
Banks – Foreign Currency Deposit Accounts	36,531	940,415
Banks – USD - Term Deposits	40,268,386	21,525,620
Banks – EUR – Term Deposits	3,999,673	6,141,387
Checks Received	5,476,990	1,203,396
TOTAL	87,028,153	51,977,407

Terms and interest rates of Term Deposits are given below:

	31 December 2011		31 December 2010	
	Term	Interest Rate (%)	Term	Interest Rate (%)
TL Term Deposits	OVERNIGHT	10,25	OVERNIGHT	8,25
TL Term Deposits	30 DAYS	12,00	38 DAYS	9
Term Deposits USD	OVERNIGHT	4,25	OVERNIGHT	1
Term Deposits USD	30 DAYS	5,35	15 DAYS	2
Term Deposits EUR	OVERNIGHT	3,61	OVERNIGHT	1
Term Deposits EUR	-	-	15 DAYS	2
Term Deposits USD	42 DAYS	4,35	42 DAYS	3,55
Term Deposits USD	50 DAYS	4,3	50 DAYS	3,3
Term Deposits USD	57 DAYS	4,25	57 DAYS	3,3

NOTE 7 – FINANCIAL INVESTMENTS

The Company has no existing financial investments as of 31 December 2011 (2010: None).

NOTE 8 – FINANCIAL BORROWINGS

The Company has no existing loan repayments as of 31 December 2011 (2010: None).

NOTE 9 – OTHER FINANCIAL OBLIGATIONS

None (2010: None).

NOTE 10 – TRADE RECEIVABLES AND PAYABLES**a) Short Term Trade Receivables:**

	31 December 2011	31 December 2010
Customer Current Accounts	86,836,293	57,207,854
Customer Current Accounts (Foreign Related Parties) (Note 37)	8,315,903	8,245,736
Receivables on Checks and Notes	51,283,071	36,857,806
Doubtful Receivables	16,122,559	12,971,287
Provisions for Doubtful Receivables	(16,122,559)	(12,971,287)
Non-accrued Financing Income from Term Sales	(1,157,010)	(503,474)
TOTAL	145,278,257	101,807,922

Accrued currency differences for Foreign Currency Doubtful Receivables are included in the Provisions, and the same amount is reflected into the income and expenses. The movement of provisions set aside for Doubtful Receivables during the period is as follows:

	2011	2010
1 January	12,971,287	14,459,511
Additional Increases During the Period	637,777	(1,759,094)
Changes Due to Currency Differences	2,513,495	270,870
31 December	16,122,559	12,971,287

Terms of Receivables on Checks and Notes:

	31 December 2011	31 December 2010
0-30 Day Term	19,406,261	14,486,371
31-60 Day Term	20,615,314	16,589,172
61-90 Day Term	8,159,014	5,043,545
91 Days and Over	3,102,482	738,718
TOTAL	51,283,071	36,857,806

Guarantees on Trade Receivables:

The company minimizes its commercial risks by effective control and guarantees, due diligence studies are carried out for companies with which commercial activities are made. Based on such due diligence, commercial relationships are established with customers after obtaining necessary guarantees and collaterals from all customers, and their guarantee conditions are kept under control both before the order and before shipment. In this context, The Company, as of 31 December 2011 secured its Trade Receivables with a total of 36.594.000 TL (31 December 2010: 22,900,626 TL) letter of guarantee. All of such guarantees are composed of all the guarantees received from third parties, with no guarantees from affiliates.

Factoring operations on trade receivables:

The Company started making irrevocable factoring operations for domestic and export-reserved factoring operations in 2010. Pursuant to the factoring agreement, such receivables are factoring company's receivables and the receivables and liabilities are clearly shown in the accompanying financial statements. As of 31 December 2011, the total amount of receivables transferred to the factoring company is 11.139.067 TL (31 December 2010: 37.497.272 TL).

Aging Analyses for Trade Receivables:

As of 31 December 2011 and 31 December 2010, the terms of Trade Receivables for which no provisions were made for doubtful receivables are given below:

	31 December 2011	31 December 2010
Overdue Receivables (*)	8,778,266	15,516,797
0-30 Day Term	35,986,365	21,237,497
31-60 Day Term	42,950,472	25,047,339
61-90 Day Term	3,043,609	1,985,722
91-120 Day Term	3,701,495	404,531
121 Days and Over	691,989	1,261,704
TOTAL	95,152,196	65,453,590

(*) Overdue Time	31 December 2011	31 December 2010
0 - 30 days overdue	8,743,996	15,402,175
1 - 3 months overdue	21,750	58,568
Over 3 months overdue	12,520	56,054
TOTAL	8,778,266	15,516,797

b) Short Term Trade Payables:

	31 December 2011	31 December 2010
Sellers' Current Accounts	215,817,867	110,567,799
Sellers (Foreign Related Parties) (Note 37)	4,364,434	5,100,792
Non-accrued Financing Expense from Term Purchases	(1,157,168)	(122,809)
TOTAL	219,025,133	115,545,782

Non-Derivative Financial Liabilities as of 31 December 2011

Due Dates	Book Value	Total Expected Cash Payments	Less Than 3 Months	Between 3-12 months	Between 1-5 years	Over 5 Years
Trade Payables	219,025,133	220,182,281	127,027,731	93,154,550	-	-
Other Payables	5,694,733	5,694,733	5,694,733	-	-	-

Non-Derivative Financial Liabilities as of 31 December 2010

Due Dates	Book Value	Total Expected Cash Payments	Less than 3 Months	Between 3-12 Months	Between 1-5 years	Over 5 Years
Trade Payables	115,545,782	115,668,591	65,337,535	50,331,056	-	-
Other Payables	7,014,474	7,014,474	5,243,675	1,319,366	77,362	374,071

Receivables

31 December 2011	Trade Receivables		Other Receivables		Savings in Banks
	Related Party	Other Party	Related Party	Other Party	
Maximum credit risk as of reporting date (A+B+C+D+E)	8,315,903	136,962,354	-	-	81,543,578
The part of maximum risk under guarantee with collateral etc.	-	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	7,987,588	128,184,088	-	-	81,543,578
B. Net book value of financial assets that are renegotiated, if not that will be accepted as past due or impaired	-	-	-	-	-
C. Net book value of financial assets that are overdue but not impaired	328,315	8,778,266	-	-	-
- The part under guarantee with collateral etc.	-	36,594,000	-	-	-
D. Overdue (gross carrying amount)	-	-	-	-	-
Overdue (gross book value)	-	16,152,559	-	-	-
Impairment (-)	-	(16,152,559)	-	-	-
The part of net value under guarantee with collateral etc.	-	-	-	-	-
Not overdue (gross book value)	-	-	-	-	-
Impairment (-)	-	-	-	-	-
The part of net value under guarantee with collateral etc.	-	-	-	-	-
E. Off-balance sheet items with credit risk	-	-	-	-	-

31 December 2010	Receivables				Savings in Banks
	Trade Receivables		Other Receivables		
	Related Party	Other Party	Related Party	Other Party	
Maximum credit risk as of reporting date (A+B+C+D+E)	8,245,736	93,562,186	112,821	7,316,771	50,764,172
The part of maximum risk under guarantee with collateral etc.	-	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	8,226,122	78,065,003	112,821	7,316,771	50,764,172
B. Net book value of financial assets that are renegotiated, if not that will be accepted as past due or impaired	-	-	-	-	-
C. Net book value of financial assets that are overdue but not impaired	19,614	15,497,183	-	-	-
- The part under guarantee with collateral etc.	-	13,172,605	-	-	-
D. Overdue (gross carrying amount)	-	-	-	-	-
Overdue (gross book value)	-	12,971,287	-	-	-
Impairment (-)	-	(12,971,287)	-	-	-
The part of net value under guarantee with collateral etc.	-	-	-	-	-
Not overdue (gross book value)	-	-	-	-	-
Impairment (-)	-	-	-	-	-
The part of net value under guarantee with collateral etc.	-	-	-	-	-
E. Off-balance sheet items with credit risk	-	-	-	-	-

NOTE 11 – OTHER RECEIVABLES AND PAYABLES**a) Other Receivables:**

	31 December 2011	31 December 2010
VAT Receivables from Direct Exports	5,689,282	3,833,506
Receivables from Term Foreign Currency Contracts	7,494,445	3,211,566
Receivables from Personnel	-	112,821
Other Doubtful Receivables	28,195	28,195
Other Provisions for Doubtful Receivables	(28,195)	(28,195)
Deposits and Guarantees Given	105,696	74,914
Other Miscellaneous Receivables	608,339	196,785
TOTAL	13,897,762	7,429,592

b) Other Payables:

	31 December 2011	31 December 2010
Shareholder Receivables	10,533	10,732
Order Advances Collected	5,441,086	7,003,742
Other Miscellaneous Payables	243,114	-
TOTAL	5,694,733	7,014,474

NOTE 12 – OTHER RECEIVABLES AND PAYABLES FROM FINANCIAL SECTOR ACTIVITIES

None (2010: None).

NOTE 13 – INVENTORIES

	31 December 2011	31 December 2010
First Matter and Material	23,455,377	12,774,850
Semi-Finished Products	19,276,767	18,522,837
Finished Products	39,987,957	20,053,605
Merchandise	1,455,581	690,158
Other Inventories	-	174,920
Depreciated Inventories	(827,342)	(1,295,753)
TOTAL	83,348,340	50,920,617

Movements on Depreciated Inventories:	2011	2010
1 January	1,295,753	1,959,396
Provisions reserved in the period and payments	(468,411)	(663,643)
31 December	827,342	1,295,753

NOTE 14 – LIVING ASSETS

There are no living assets within the Company's core line of business (2010: None).

NOTE 15 – ASSETS ON ONGOING CONSTRUCTION CONTRACTS

The company started construction work in question the transfer of income and expenses in the financial statements are based on the percentage of completion of contract activities. There are no contracts have been signed by the company in 2011 in this regard (2010: 1 piece). The previous year, the company has signed / completed or ongoing contracts include the following jobs:

a) TEİAŞ 154 kV 1.600 mm² BURSA INDUSTRY TM – MERİNOS TM and İSTANBUL ÜMRANIYE GIS TM – VANIKÖY GIS TM Underground Power Cable Connection Construction Works:

The company signed the construction works agreement in question on 17 December 2010. The construction work in question has been calculated and reflected in the financial statements related to the current period income and expenses based on the percentage of completion of 86%.

b) TEİAŞ 380 kV DAVUTPAŞA GIS TM-YENİBOSNA GIS TM Underground XLPE Power Cable Project:

The company has completed the works in question and its final acceptance has been made.

The Company's total revenues and amounts reflected in the year 2011 and 2010 financial statements regarding the construction works in question are as follows:

	31 December 2011	31 December 2010
Costs on ongoing works	28,193,069	15,481,226
Recorded profits less losses (net)	6,915,442	1,804,238
	35,108,511	17,285,464
Realized progress billing	(37,500,914)	(17,668,849)
	(2,392,403)	(383,385)

The total advances received by the company for the projects in question as of 31 December 2011 is 2.265.303 TL (2010: 4.589.806).

NOTE 16 – INVESTMENTS APPRAISED BY EQUITY METHOD

None (2010: None).

NOTE 17 – INVESTMENT PROPERTIES

The Company has no investment properties as of the date of balance sheet (2010: None).

NOTE 18 – TANGIBLE FIXED ASSETS

YEAR 2011 STATEMENT	31.12.2010	Additions	Reductions	31.12.2011
Cost				
Premises	3,164,360	-	-	3,164,360
Machinery, facilities and equipment	44,500,707	97,080	-	44,597,787
Vehicles and cars	195,652,005	3,369,380	-	199,021,385
Upholstery and fixed items	22,593,133	699,450	(115,249)	23,177,334
Special costs	77,543	-	-	77,543
Total	265,987,748	4,165,910	(115,249)	270,038,409
Accumulated Amortizations				
Premises	(23,321,897)	(770,725)	-	(24,092,622)
Machinery, facilities and equipment	(172,750,801)	(4,412,335)	-	(177,163,136)
Vehicles and cars, upholstery and fixed items	(20,815,518)	(619,215)	96,600	(21,338,133)
Special costs	(77,515)	-	-	(77,515)
Total	(216,965,731)	(5,802,275)	96,600	(222,671,406)
Net Recorded Value	49,022,017	(1,636,365)	(18,649)	47,367,003

As of 31 December 2011, the Company's Tangible Fixed Assets is 5.802.275 TL and Intangible Fixed Assets is 22.414 TL, making a total of 5.824.689 TL amortization expenses. 5.300.494 TL of the said current period amortization expense has been reflected on production costs and 524.195 TL on operating expenses.

YEAR 2010 STATEMENT	31.12.2009	Additions	Reductions	31.12.2010
Cost				
Premises	3,164,360	-	-	3,164,360
Machinery, facilities and equipment	44,376,979	123,728	-	44,500,707
Vehicles and cars	193,700,869	2,063,955	(112,819)	195,652,005
Upholstery and fixed items	22,076,473	658,587	(141,927)	22,593,133
Special costs	77,543	-	-	77,543
Total	263,396,224	2,846,270	(254,746)	265,987,748
Accumulated Amortizations				
Premises	(22,550,276)	(771,621)	-	(23,321,897)
Machinery, facilities and equipment	(168,291,344)	(4,532,594)	73,137	(172,750,801)
Vehicles and cars, upholstery and fixed items	(20,285,162)	(645,327)	114,971	(20,815,518)
Special costs	(77,515)	-	-	(77,515)
Total	(211,204,297)	(5,949,542)	188,108	(216,965,731)
Net Recorded Value	52,191,927	(3,103,272)	(66,638)	49,022,017

As of 31 December 2011, the Company's Tangible Fixed Assets is 5.949.542 TL and Intangible Fixed Assets is 40.836 TL making a total of 5.990.378 TL amortization expenses. 5.344.587 TL of the said current period amortization expense has been reflected on production costs and 645.791 TL on operating expenses.

NOTE 19 - INTANGIBLE FIXED ASSETS

2011	31.12.2010	Additions	Reductions	31.12.2011
Cost	969,373	-	-	969,373
Accumulated Depr. Shares	(936,121)	(22,414)	-	(958,535)
Net Recorded Value	33,252	(22,414)	-	10,838
2010	31.12.2009	Additions	Reductions	31.12.2010
Cost	969,373	-	-	969,373
Accumulated Depr. Shares	(895,285)	(40,836)	-	(936,121)
Net Recorded Value	74,088	(40,836)	-	33,252

NOTE 20 – GOODWILL

The company made no acquisitions as of the period ending on 31 December 2011 being a subject of goodwill calculations (2010: None).

NOTE 21 – GOVERNMENT GRANT AND INCENTIVES**a) R&D Tax Discount:**

As per article 10/1-a of KVK, R&D expenditures are 100% discountable from the revenues or from the company earnings as will be entered in the statement in the form of "R&D Discount" for Research and Development expenditures aimed at new Technologies and search for know-how within their businesses.

In order that such expenditures can be discounted for R&D purposes, such expenditure should be R&D expenditures aimed at new technologies and search for know-how within their businesses. In other words, the expenditure needs to be made within the scope of R&D. No R&D discount can be calculated over expenses not directly related with R&D activity and economic values subject to amortization not fully used in R&D activities. The Company has no R&D amount utilized as a result of R&D expenses in the current period (2010: None).

b) R&D Tübitak Support:

The Company has filed periodic applications applied with the Turkish Scientific and Technical Research Agency (TÜBİTAK) in order to receive R&D support within the framework of the Communiqué on Research and Development (R&D) support of 4 November 1998 no and 98 / 10 of the Money-Credit Commission based on the power given by article 4 of Decree on State Incentives aimed at Exports no 94 / 6401 of 27 December 1994 of the Council of Ministers and for its Life Facilitating Cables R&D Project. The Company has no TÜBİTAK support amounts in its financial statements as of 31 December 2011 (2010: None).

NOTE 22 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES**Long Term Obligation Provisions:**

	31 December 2011	31 December 2010
Litigation Risks and Other Expense Provisions (*)	1,661,541	2,603,655
Guarantee Expense Provisions	673,700	447,895
TOTAL	2,335,241	3,051,550

(*) The said amount expresses the provisions for files brought against the company by various parties. The amount of provisions is posted in the income statement as general management expenses. We do not expect to use the balance as of 31 December 2011 within the year 2012. According to the opinion of the management, upon favourable legal opinion, the said files will not cause an important loss as of 31 December 2011 from the provision amount set aside.

NOTE 23 – COMMITMENTS

Table setting out the collateral / pledge / guarantee position of the Company between 31 December 2011 and 31 December 2010 is as follows:

	31 December 2011	31 December 2010
A. Total Amount of Guarantees Given by the Company on Company's Own Behalf:	54,563,187	92,867,610
B. Total Amount of Collaterals, Guarantees and Pledges Given by the Company on Behalf of Partners in the Scope of Full Consolidation:	-	-
C. Total Amount of Collaterals, Guarantees and Pledges Given by the Company as a Guarantee of Other 3 rd Parties for the Purpose of Ordinary Operational Activities:	-	-
D. Total of Other Guarantees, Collaterals and Pledges Given	2,595,524	2,731,985
<i>i.</i> Total Amount of Collaterals, Guarantees and Pledges Given by the Company on Behalf of the Main Shareholder	-	-
<i>ii.</i> Total Amount of Collaterals, Guarantees, and Pledges Given by the Company for Group Companies Other Than Those Subject to B and C Above	1,321,080 TRY 515,995 Eur	1,730,062 TRY 486,607 Eur
<i>iii.</i> Total Amount of Collaterals, Guarantees, and Pledges Given by the Company for 3 rd Parties Other Than Those Subject to C Above	-	-
TOTAL	57,158,712	95,599,595

Other collaterals, guarantees and pledges given by the company as of 31 December 2011 corresponds to 2% of company's equities (31 December 2010: 2%).

Letters of guarantee stated in Paragraph A above consists of performance bonds given by the Company to customs, various contract administrations and buyers as per several sales contracts. Letters of guarantee stated in Paragraph D above consists of letters of guarantees given as required by the consortium partnership established by and between the Company and Prysmian Cavi e Sistemi Energia Srl. Company does not have any open export undertakings as of 31 December 2011 (2010: None).

NOTE 24 – EMPLOYMENT TERMINATION BENEFITS

	31 December 2011	31 December 2010
Provision for Severance Pay	6,928,844	6,071,592
Personnel Premium Expense Accruals	1,550,110	1,279,508
Personnel Leave Expense Accruals	498,091	334,829
TOTAL	8,977,045	7,685,929

Provision for Employment Termination Benefits:

Under the Turkish Labour Law, the Group is required to pay termination benefits to each employee who has completed one year of service and who achieves the retirement age (58 for women and 60 for men) and whose employment is terminated without due cause, is called up for military service, or dies. Since the legislation was changed on 23 May 2002 there are certain transitional provisions relating to length of service prior to retirement.

The amount payable consists of one month's salary limited to a maximum of 2,731.85 TRY as of 31 December 2011 (December 31 2010: 2,517.01 TRY). The liability of provision for employment termination benefits is not funded, as there is no funding requirement legally.

Provision for employment termination benefits is calculated by estimating the present value of the future probable obligation arising from the retirement of the employees of the company. Communique requires actuarial valuation methods to be developed to estimate the enterprise's obligation under defined benefit plans. Accordingly the following actuarial assumptions were used in the calculation of the total provision:

	31 December 2011	31 December 2010
Discount Rate (%)	4,67	4,67
Turnover rate to estimate the probability of retirement (%)	98,00	98,00

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. Movements in the provision for employment termination benefits for the period are as follows:

	2011	2010
January 1	6,071,592	5,792,637
Paid during the year	(403,432)	(1,052,177)
Additional provisions due to actuarial increase	277,622	325,996
Interest Cost	584,296	582,620
Service Cost	398,766	422,516
December 31	6,928,844	6,071,592

Company adopted actuarial valuation method to assess the current value of employment termination benefits and cost of past services, as it is relevant to company's current service costs; and discounted the entire sum of the liability for severance benefits even if a part of the aforementioned liability is to be paid within the twelve-month period following the date of the balance sheet. Company has calculated, and entered in the financial statements in the enclosure, a provision for severance pay in actuarial method as per the provisions of the "International Standard for Accounting for Retirement Benefits in Financial Statements of Employers" (TMS 19).

NOTE 25 – RETIREMENT PLANS

Company does not have any retirement commitment other than severance pay addressed in Note 24 - Employment Termination Benefits (2010: None).

NOTE 26 – OTHER ASSETS AND LIABILITIES**a) Other Current Assets:**

	31 December 2011	31 December 2010
Prepaid Tax (*)	2,420,775	1,325,833
Tax, Duty and Other Deduction Receivables	7,364,926	1,231,220
Advance Purchases for Inventory	1,889,480	4,141,219
Work Advances	-	710,004
Prepaid Expenses for Future Months	360,376	251,159
Due from Personnel	105,257	16,736
Other Current Assets	15	14
TOTAL:	12,140,829	7,676,185

(*) 290,495 TRY portion of Prepaid Tax consists of prepaid corporate income tax.

b) Other Assets:

	31 December 2011	31 December 2010
Advances Given for Tangible Asset Purchases	197,823	398,336
Income Relating to Future Periods	16,969	103,112
TOTAL:	214,792	501,448

c) Other Liabilities:

	31 December 2011	31 December 2010
Tax, Duty and Other Deduction Payables	11,545,527	1,169,489
Expense Accruals for Goods and Services to be Invoiced	7,201,125	7,021,524
Expense Accruals for Order Commissions	603,932	906,152
Expense Accruals for Guarantee Costs	576,702	190,185
Accruals for Foreign Service Agreements	424,958	407,884
Expense Accruals for Forward Foreign Currency Purchase Contracts	1,957,728	497,561
Expense Accruals for Vendor Sales Premiums	750,571	433,677
Due to Personnel	1,535,813	397,753
Progress Payments for Long-Term Construction and Repair Projects	-	112,357
Other Payables	42,681	740,731
TOTAL	24,639,037	11,877,313

NOTE 27 – EQUITY**a) Paid-in Capital:**

Company's shareholders and shareholding structure at 31 December 2011 and 31 December 2010 are as follows:

31 December 2011

Full Name/Company Name	Share Percentage (%)	Share Value (TRY)
Prysmian (Dutch) Holdings B.V.	83,75	93.991.660
Other	16,25	18.241.992
TOTAL	100,00	112.233.652

31 December 2010

Full Name/Company Name	Share Percentage (%)	Share Value (TRY)
Prysmian (Dutch) Holdings B.V.	83,75	93.991.660
Other	16,25	18.241.992
TOTAL	100,00	112.233.652

On April 30, 2009, Board of Management have decided to increase the issued capital of the Company from 39,312,000 TRY to 112,233,652, which exceeds the registered capital limit of the company, and entire sum was paid from the internal sources. Shares of value of 72,921,652 TRY issued as a result of the aforementioned capital expansion was registered by the Capital Markets Board on July 2, 2010 with number 68 / 519 and transaction was also registered with Bursa Corporate Registrar on July 9, 2010. There are 1,122,336,520 share certificates (31 December 2010: 1,122,336,520) with face value of 0.10 TRY (2010: 0.10 TRY).

b) Limited Reserves Set Aside from Profit:

Accumulated profit in registered company books can be distributed saving the following provision governing legal reserves. According to Turkish Commercial Code, legal reserves consist of primary and secondary reserves. Primary reserves are reserved at 5% rate of legal profit in the period until they reach a level of 20% of the company capital. Secondary reserves are reserved at a rate of 10% of all dividend distribution exceeding 5% of company capital. Primary and secondary reserves cannot be distributed until they exceed 50% of the total capital, however, they can be used to cover losses when voluntary reserves are exhausted.

It is essential that the aforementioned amounts are classified under "Limited Reserves Set Aside from Profit" as per the provisions of SPK's Financial Reporting Standards. Total amount of Company's limited reserves set aside from profit is 5,656,089 TRY as of 31 December 2011 (2010: 5,656,089 TRY).

As per the requirements of SPK that was in effect until 1 January 2008, amount that results from first inflation-weighted financial statement balancing and that is recorded under "previous years losses" was considered as a discount item when calculating the profit that can be distributed in accordance with the inflation-weighted financial statements as per the regulations of the SPK governing the distribution of the profit. Nevertheless, it was possible to set off aforementioned amount that is being followed under "previous years losses", period profit and undistributed previous years' profits if any, and outstanding loss amount against capital reserves that result from adjusting in respective order extraordinary reserve funds, legal reserve funds, and equity items as per the inflation accounting principles.

To repeat, as per the regulations in effect on 1 January 2008, "Capital, Emission Premium, Legal Reserves, Statutory Reserves, Special Reserves and Extraordinary Reserves" items, which are equity items that result from the first adjustment of the financial statements as per the inflation were recorded in the balance sheet on basis of their recorded amounts and adjusted amounts of these account items were kept collectively under "equity inflation adjustment gains" item under equity group. "Equity inflation adjustments" pertaining all equity items could only be used in bonus issue or loss deduction while extraordinary reserve amounts recorded could only be used in bonus issue, cash profit distribution or loss deduction. As per the provisions of the Communiqué No: 29 Serial XI effective 1 January 2008, and SPK announcements that further clarify the aforementioned communiqué, "Paid-in Capital", "Limited Reserves Set Aside from Profit" and "Share Issue Premiums" items have to be indicated on basis of the amounts in legal books. Any difference that may occur in the assessments as per the provisions of the aforementioned communiqué (such as differences due to inflation adjustments) had to be associated with:

- "Capital Adjustment Differences" item that will follow "Paid-in Capital" item, if the difference results from "Paid-in Capital" and is not yet added to the capital; or
- "Previous Years Gains/Losses" if the difference results from "Limited Reserves Set Aside from Profit" or "Share Issue Premiums" and is not yet distributed as profit or added to the capital;

All other equity items are shown with their values assessed as per the provisions of SPK's Financial Reporting Standards.

In accordance with the decision of the SPK dated 27 January 2011 numbered 02/51; it has been concluded that there should be no minimum set for publicly held corporations' dividend distribution for operations of the financial year 2010. As for the publicly held corporations that resolve to carry out dividend distribution, such distribution shall be in form of cash distribution or in form of addition of the dividend to capital and latter distribution of the shares to be issued in relation to added dividend to shareholders depending on the resolution of the board of directors; and in the event where the first dividend that will be determined is less than 5% of the current paid-in / issued capital, aforementioned amount can be left to partnership without being subject to distribution; however joint venture companies that had capital expansion without carrying out dividend distribution for the previous year and therefore has two types of shares, namely "new" and "old", are obligated to distribute the first dividend in cash should they have to distribute dividend from the period profit.

Moreover, according to the SPK decision dated February 25, 2005 and numbered 7/242; in cases where the profit distribution amount over net distributable profit calculated in accordance to SPK's minimum profit distribution obligation can be fully funded by distributable profit in legal records, all of this amount will be distributed, and in cases where it cannot be fully funded, all net distributable profit in legal records will be distributed. If there's any period loss in any legal records or financial tables prepared according to SPK regulations, profit will not be distributed. No company shareholder has right to preferred or priority vote and all votes have the same value. Because there isn't priority share type in company's capital structure, there is no priority in relation to contribution to company's profit either. According to the foregoing, Company's equity accounts as of 31 December 2011 and 31 December 2010 as per the SPK Communiqué Serial: XI, No: 29 are as follows:

	31 December 2011	31 December 2010
Paid-in Capital	112,233,652	112,233,652
Previous Years Gains / Losses	7,489,353	13,127,482
<i>Previous Years Losses</i>	<i>(10,705,103)</i>	<i>(5,289,062)</i>
<i>Extraordinary Reserves</i>	<i>18,742,540</i>	<i>18,742,540</i>
<i>Differences Resulting from Actuarial Assessment of Employment Termination Benefits</i>	<i>(548,084)</i>	<i>(325,996)</i>
Limited Reserves from Profit	5,656,089	5,656,089
<i>Legal Reserves</i>	<i>2,661,634</i>	<i>2,661,634</i>
<i>Legal Reserves Inflation Adjustment Differences</i>	<i>15,863</i>	<i>15,863</i>
<i>Real Estate and Affiliation Sales Gain Exemptions (*)</i>	<i>2,978,592</i>	<i>2,978,592</i>
Net Period Profit / Loss	3,530,373	(5,416,031)
EQUITY TOTAL	128,909,467	125,601,192

(*) Real Estate and Affiliation Sales Gain Exemptions were rearranged as per the new Corporate Income Tax Code 5520 and capital addition requirement was revoked, which differs from the old Corporate Income Tax Code 5422. For this purpose, it is essential that 75% of the gain resulting from sales is kept in a special fund account until the end of the fifth year following the date of sales. Fund can be added to the capital during or after this period, or the amount kept in this fund can be freely used after the completion of the aforementioned five year period.

According to the year 2010 financial statements that were prepared in accordance with the provisions of the Ordinary General Assembly Meeting Minutes dated March 25, 2011, Capital Market Board's Communiqué (SPK) Serial: XI, No: 29, and those of the International Financial Reporting Standards, subjected to independent audit as per the provisions of SPK's decision 11/467 dated 17.04.2008, "period tax expenses" and "deferred tax income" together result in 5,416,031 TRY "Net Period Loss" and therefore it is resolved on vote of unanimity that there will not be any profit distribution in relation to 2010 accounting period and that shareholders should be notified to this effect as per the regulations of the SPK governing profit distribution and the current profit distribution policy.

NOTE 28 – SALES AND COST OF SALES

	1 January – 31 December 2011	1 January – 31 December 2010
Domestic Sales	581,002,631	404,656,925
Foreign Sales	239,518,548	184,972,871
Other Sales	1,734,504	10,866,921
Other Principal Activity Revenues	-	184,440
Sales Discounts	(135,565,423)	(106,333,130)
Cost of Sales	(615,364,682)	(446,190,539)
TOTAL	71,325,578	48,157,488

A sales price list is prepared for reference by the sales department once a year or whenever is necessary depending on the course of the raw material prices and changes in foreign exchange rates.

Sales discount policies applicable on sales are determined without prejudice to whether sales are made to domestic market, foreign market, group company, or outside of group, fully on basis of the market terms and full competition conditions.

Cost of sales is as follows for the twelve month periods that ended on 31 December 2011 and 31 December 2010:

	1 January – 31 December 2011	1 January – 31 December 2010
Direct Starting Material Costs	539,103,257	393,892,070
General Production Costs	20,672,172	18,829,044
Cost of Commercial Products Sold	19,849,059	5,720,128
Cost of Other Sales	17,438,095	10,787,870
Direct Labor Costs	13,001,605	11,616,840
Amortization Cost	5,300,494	5,344,587
TOTAL	615,364,682	446,190,539

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

	1 January – 31 December 2011	1 January – 31 December 2010
Sales and Distribution Expenses	33,083,361	23,273,281
General Administrative Expenses	25,781,659	18,518,055
Research and Development Expenses	1,381,471	1,159,233
TOTAL	60,246,491	42,950,569

NOTE 30 – EXPENSES BY NATURE**a) Sales and Distribution Expenses:**

	1 January – 31 December 2011	1 January – 31 December 2010
Logistics Expenses	26,582,424	16,303,154
Sales and LC Commissions	3,326,923	1,658,570
Personnel Expenses	3,076,510	2,871,703
Other Sales and Distribution Expenses	-	2,330,939
Amortization Expenses	97,504	108,915
TOTAL	33,083,361	23,273,281

b) General Administrative Expenses:

	1 January – 31 December 2011	1 January – 31 December 2010
Licensing Expenses	17,163,772	11,407,113
Personnel Expenses	4,920,090	3,927,356
Other Management Expenses	2,490,354	2,164,270
Amortization Expenses	383,668	490,087
Outsourcing Expenses	823,775	529,229
TOTAL	25,781,659	18,518,055

c) Research and Development Expenses:

	1 January – 31 December 2011	1 January – 31 December 2010
Personnel Expenses	605,249	604,798
Amortization Expenses	43,023	46,789
Audit Expenses	285,961	194,377
Outsourcing Expenses	214,069	189,777
Other Expenses	233,169	123,492
TOTAL	1,381,471	1,159,233

NOTE 31 – OTHER OPERATING INCOME AND EXPENSES

	1 January – 31 December 2011	1 January – 31 December 2010
Cost Allocation Expenses	220,525	-
Cancelled Allowances	786,882	1,370,575
Provision Income	214,390	-
Long-Term Asset Sales Profit	140,593	278,233
Other Income	126,858	279,700
Other Operating Income and Profits	1,489,248	1,928,508
Provision Expenses	-	(1,740,125)
Payments Made for Tax Penalties and Legal / Counselling Service Expenses (Note: 41)	-	(8,235,370)
Other Expenses	(89,510)	(11,330)
Other Operating Expenses and Losses	(89,510)	(9,986,825)

NOTE 32 – FINANCIAL INCOME

	1 January – 31 December 2011	1 January – 31 December 2010
Foreign Exchange Gains	86,602,122	20,313,204
Rediscount Interest Income	1,524,450	487,599
Future Foreign Currency Buying / Selling Contracts Financing Income	14,526,219	173,994
Interest Income	1,952,443	964,691
TOTAL	104,605,234	21,939,488

NOTE 33 – FINANCIAL EXPENSES

	1 January – 31 December 2011	1 January – 31 December 2010
Foreign Exchange Expenses	(100,821,156)	(19,753,063)
Future Foreign Currency Buying / Selling Contracts Financing Expenses	(6,864,398)	(1,911,699)
Rediscount Expenses	(1,143,628)	(526,297)
Bank Transaction Commissions and Other Financing Expenses	(2,842,316)	(327,133)
Interest Expenses	(2,065,664)	(689,059)
Letter of Guarantee Expenses	(273,320)	(661,933)
TOTAL	(114,010,482)	(23,869,184)

NOTE 34 – NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

None (2010: None).

NOTE 35 – CURRENT AND DEFERRED INCOME TAXES (Including Deferred Assets and Liabilities)**a) Period Tax Expenses:**

Corporate Tax Law has been altered by Law No: 5520 on 13 June 2006. Although the new Corporate Tax Law No: 5520, has become effective on 21 June 2006, many of its articles have become effective retrospectively starting from 1 January 2006. Accordingly, the corporation tax rate of the fiscal year 2010 is 20% (2010: 20%). Corporation tax is payable at a rate of 20% on the total income of the Company after adjusting for certain disallowable expenses, exempt income (affiliate revenues exemption, investment discount exemption etc.) and allowances (such as R&D allowance). No further tax is payable unless the profit is distributed (except withholding tax at the rate of 19.8% on the investment incentive allowance utilized within the scope of the Income Tax Law transitional article 61).

Dividends paid to non-resident corporations which have a place of business in Turkey or resident corporations are not subject to withholding tax. Otherwise dividends paid are subject to withholding tax at the rate of 15%. An increase in capital via issuing bonus shares is not considered as a profit distribution and thus does not incur withholding tax.

Corporations are required to pay advance corporation tax quarterly at the rate of 20% on their corporate income. Advance tax is to be declared by the 14th day of the second month following each calendar quarter end and is payable by the 17th of the second month following each calendar quarter end. Advance tax paid by corporations is credited against the annual corporation tax liability. The balance of the advance tax paid may be refunded or used to be set off against other liabilities to the government.

In accordance with Tax Law No.5024 "Law Related to Changes in Tax Procedural Law, Income Tax Law and Corporate Tax Law" that was published on the Official Gazette on 30 December 2003 to amend the tax base for non-monetary assets and liabilities effective from 1 January 2004 income and corporate taxpayers will prepare the statutory financial statements by adjusting the non-monetary assets and liabilities for the changes in the general purchasing power of the Turkish lira. In accordance with the aforementioned laws' provisions, in order to apply inflation adjustment the cumulative inflation rate (SIS-WPI) over the last 36 months and 12 months must exceed 100% and 10% respectively. Inflation adjustment has not been applied as these conditions were not fulfilled in years 2010 and 2011.

In Turkey there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns within the 25th of the fourth month following the close of the financial year to which they relate.

Tax returns are open for 5 years from the beginning of the year that follows the date of filing during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their findings.

Under the Turkish taxation system tax losses can be carried forward to offset against future taxable income for up to 5 years. Tax losses cannot be carried back to offset profits from previous periods.

There are numerous exemptions in the Corporate Tax Law concerning the corporations. Those related to the Company are as follows:

Exemption for Subsidiary Profits:

Dividend income made by companies as a result of their participation to capital of another company with full tax-payer status (with the exception of dividends made from share certificates of investment partnerships with investment fund participation certificates) are exempt from corporate income tax.

Exemption for Investment Discount

Investment discount practice that was in effect for many years, calculated by tax-payers as 40% of long-term asset purchases that exceed a given amount, is discontinued as per the provisions of Code 5479 dated March 30, 2006.

	1 January – 31 December 2011	1 January – 31 December 2010
- Corporate Income Tax Liability	383,580	-
- Prepaid Corporate Tax	(383,580)	-
Tax Liability on Period Profit	-	-

	1 January – 31 December 2011	1 January – 31 December 2010
- Current Period Corporate Income Tax	(383,580)	-
- Deferred Tax Income / Loss	895,900	(634,937)
<i>Accounted Under Equity</i>	55,524	-
<i>Accounted in Income Statement</i>	840,376	(634,937)
Total Tax Income / (Loss)	512,320	(634,937)

	1 January – 31 December 2011	1 January – 31 December 2010
Pre-Tax Income / (Loss)	3,073,577	(4,781,094)
Provision of Corporate Tax calculated at 20% effective tax rate	614,715	(956,219)
Non-Deductible Expenses	1,522,623	2,421,196
Tax-Free Income	(1,116,104)	(2,568,208)
Non-Deductible Expenses (Rebates) Basis of Legal and Deferred Tax	(566,438)	1,738,168
Provision of Tax	454,796	634,937

Company does not have accumulated losses as of 31 December 2011.

b) Deferred Tax Assets and Liabilities:

Company calculated the amount of deferred tax assets and liabilities with due consideration to the effects of provisional differences that result from different assessments of assets, liabilities and tax bases of assets and liabilities as determined in SPK's Communique Serial XI, No: 29. Percentage applicable to deferred tax assets and liabilities calculated on basis of the tax-payer method on provisional differences is 20% (2010: 20%).

Breakdown of the accumulated provisional differences and deferred tax assets and liabilities is as follows as of 31 December 2011:

	Accumulated Provisional Differences		Deferred Tax Asset / (Liability)	
	31 December 2011	31 December 2010	31 December 2011	31 December 2010
Deferred Tax Assets				
Net difference between the registered values of inventories and tax bases	4,846,971	2,366,240	969,394	473,248
Provision for Bad Debts	948,975	557,516	189,795	111,503
Unaccrued Financing Expenses	(130)	380,665	(26)	76,133
Provision for Debts	17,628,916	15,995,085	3,525,792	3,199,017
	23,424,732	19,299,506	4,684,955	3,859,901
Deferred Tax Liabilities				
Net difference between the registered values of tangible assets and tax bases	(7,083,425)	(8,944,907)	(1,416,685)	(1,788,981)
Long term construction income accruals	(3,283,830)	(1,214,241)	(656,766)	(242,848)
Other income accruals	377,905	(184,435)	75,581	(36,887)
	(9,989,350)	(10,343,583)	(1,997,870)	(2,068,716)
Net Deferred Tax Assets	13,435,382	8,955,923	2,687,085	1,791,185

	1 January 2011	Profit (Loss) Written in Income Statement and Equity	31 December 2011
Deferred Tax Assets	3,859,901	825,054	4,684,955
Net difference between the registered values of inventories and tax bases	473,248	496,146	969,394
Provision for Bad Debts	111,503	78,292	189,795
Non-accrued Financing Expenses	76,133	(76,159)	(26)
Provision for Debts	3,199,017	326,775	3,525,792
Deferred Tax Liabilities	(2,068,716)	70,846	(1,997,870)
Net difference between the registered values of tangible assets and tax bases	(1,788,981)	372,296	(1,416,685)
Long term construction income accruals	(242,848)	(413,918)	(656,766)
Other income accruals	(36,887)	112,468	75,581
Net Deferred Tax Assets	1,791,185	895,900	2,687,085

NOTE 36 – EARNINGS PER SHARE

	1 January – 31 December 2011	1 January – 31 December 2010
Net Income for the Period (TRY)	3,530,373	(5,416,031)
Number of Shares with Face Value of 10 Kr Each	1,122,336,520	1,122,336,520
Earnings per Share (TRY)	0,003	(0,005)

NOTE 37 – RELATED PARTY DISCLOSURES

Prysmian (Dutch) Holding B.V. owns 83.75% of Türk Prysmian Kablo ve Sistemleri A.Ş. shares while Prysmian Cavi e Sistemi Energia S.r.L. owns 100% of Prysmian (Dutch) Holding B.V. company and Prysmian Cavi e Sistemi Energia S.r.L. is fully owned by main holding company Prysmian S.p.A..

Shareholder structure of Prysmian S.p.A. is given in detail at the section titled "Public Announcements and Transparency" of the activity report.

Balances of receivables from affiliates parties and payables to affiliated parties as of the ends of periods, and summary of the transactions made with affiliated parties within the periods are given in the following table:

	31 December 2011	31 December 2010
Commercial Receivables from Group Companies	8,315,903	8,245,736
Receivables From Personnel	-	112,821
Receivables fro Affiliated Parties	8,315,903	8,358,557
Commercial Payables to Group Companies	4,364,434	5,100,792
Payables to Shareholders	10,533	10,732
Payables to Affiliated Parties	4,374,967	5,111,524

a) Due From Group Companies:

	31 December 2011	31 December 2010
Prysmian Cables & Systems Ltd.	6,041,872	-
Prysmian Cables y Sistemas S.A.	390,128	-
Prysmian OEKW GmbH.	88,875	-
Prysmian Telecomunicações Cabos	137,397	-
Prysmian Wuxi Cable Company Ltd.	-	717,680
Prysmian Cables et Systemes France SAS	-	1,532,173
Prysmian Cavi e Sistemi Italia S.r.l	369,687	2,769,990
Prysmian Kabel und Systeme GmbH	988,824	1,559,827
Prysmian S.p.A.	130,872	-
Prysmian Cabluri si Sisteme s.a.	112,627	1,095,189
Total of Other Receivables from Affiliated Companies	55,621	570,877
TOTAL	8,315,903	8,245,736

b) Due to Group Companies:

	31 December 2011	31 December 2010
Prysmian Cavi e Sistemi S.r.l.	3,643,932	
Prysmian Cavi e Sistemi Energia S.r.l.	-	3,094,025
Prysmian Cavi e Sistemi Telecom S.r.l.	-	514,879
Prysmian S.p.A.	252,600	-
Prysmian Cables y Sistemas S.A.	218,646	-
Prysmian Cables and Systems B.V.	138,495	-
Prysmian Kabel und Systeme GmbH	104,627	-
Prysmian Cavi e Sistemi Energia Italia S.r.l.	-	484,405
Fibre Ottiche Sud - F.O.S. S.r.l.	-	511,286
Total Other Payables to Affiliated Companies	6,134	496,197
TOTAL	4,364,434	5,100,792

c) Due to Partners:

	31 December 2011	31 December 2010
Dividends for Previous Years Payable	10,533	10,732
TOTAL	10,533	10,732

d) Sales to Group Companies:

Company Name	1 January – 31 December 2011	1 January – 31 December 2010
Prysmian Cavi e Sistemi Telecom Italia S.r.l.	4,368,533	1,411,520
Prysmian Kabel und Systeme GmbH	7,028,881	11,191,266
Prysmian Telecom Cables & Systems UK Ltd.	-	488,183
Prysmian Cavi e Sistemi Italia S.r.l.	6,454,171	12,369,451
Prysmian Cables et Systemes France	6,013,197	10,753,128
Prysmian Cables & Systems Ltd.	16,851,682	2,751,444
Prysmian Cavi e Sistemi Telecom S.r.l.	3,116,171	2,579,561
Prysmian Cabluri si Sisteme S.A.	-	1,717,236
Prysmian Telecomunicações Cabos e S	3,189,720	-
Prysmian Wuxi Cable Company Ltd	3,189,228	-
Prysmian Cables et Systèmes	2,674,578	-
Prysmian Cables y Sistemas S.A.	2,158,187	-
Total Sales to Other Group Companies	3,169,326	1,524,202
TOTAL	58,213,674	44,785,991

e) Material, Service and Fixed Asset Procurements from Group Companies:

Company procures connection support, information technologies support, and consultancy support of various types in relation to sales made from group companies. All of the aforementioned transactions are invoiced and form the basis of service procurements.

Domestic Procurements: (1 January - 31 December 2011)

Company Name	Material & Commercial Good	Service	Long-Term Asset	Total
Prysmian Metals Ltd.	22,682,427	-	-	22,682,427
Prysmian Cavi e Sistemi Energia S.r.l.	-	11,847,150	-	11,847,150
Fibre Ottiche Sud - F.O.S. S.r.l.	5,648,673	-	-	5,648,673
Prysmian Cabels y Sistemas SL	4,893,070	-	-	4,893,070
Prysmian Cavi e Sistemi Italia S.r.l.	7,150,589	-	-	7,150,589
Prysmian Kabel und Systeme GmbH	5,667,086	-	-	5,667,086
Prysmian Cavi e Sistemi S.r.l.	-	3,218,973	-	3,218,973
Prysmian Cavi e Sistemi Telecom S.r.l.	-	1,337,480	-	1,337,480
Prysmian S.p.A	-	760,168	-	760,168
Prysmian Power Link Srl	600,446	-	-	600,446
Prysmian Cables&Systems BV	595,645	-	-	595,645
TOTAL	47,237,936	17,163,771	-	64,401,707

Foreign Procurements: (1 January - 31 December 2010)

Company Name	Material & Commercial Goods	Service	Long-Term Asset	Total
Prysmian Metals Ltd.	36,006,998	-	-	36,006,998
Prysmian Cavi e Sistemi Energia S.r.l.	-	11,212,633	-	11,212,633
Fibre Ottiche Sud - F.O.S. S.r.l.	2,388,681	-	-	2,388,681
Prysmian Cavi e Sistemi Energia Italia S.r.l.	3,265,089	-	-	3,265,089
Total of Procurements from Other Group Companies	1,810,569	3,136,701	-	4,947,270
TOTAL	43,471,337	14,349,334	-	57,820,671

f) Total licensing and contracting expenses with group companies:

	1 January – 31 December 2011	1 January – 31 December 2010
Prysmian Cavi e Sistemi S.r.l. (*)	3,218,973	-
Prysmian Cavi e Sistemi Telecom S.r.l.	1,975,690	1,225,533
Prysmian Cavi e Sistemi Energia S.r.l.	11,221,335	10,181,575
Prysmian S.p.A.	747,773	-
TOTAL	17,163,771	11,407,108

(*) Company was incorporated in 2011.

Service fees paid to group companies consist of three types of service fees, namely:

TAF (Technical Assistance Fees) License Contract:

2% license fee, namely 1% for brand and 1% for know-how, is calculated on net production sales and invoiced by the relevant companies. Last arrangement was made in 2006 on grounds of change of company name.

SAG (Service Agreement) Service Contract:

Cost sharing are invoiced on basis of several distribution keys such as law, sales support, R&D, counselling and alike determined by Prysmian Group Holding head quarter.

IT (IT Service Agreement):

All information technologies expenditure made for group companies are calculated at Prysmian Group Holding head quarter. Cost sharing are determined on basis of various distribution keys and billed to group companies in accordance with their shares.

IT service fee for services provided by Prysmian S.p.A. is about the SAP system that was revised in 2011. It reflects the entire sum for technical consultancy, support and expenditure for/in relation to system revision.

Details of license and contract costs for group companies are given in the following table:

2011	TAF	SAG	IT+SAP
Prysmian Cavi e Sistemi S.r.l.	3,218,973	-	-
Prysmian Cavi e Sistemi Telecom S.r.l.	1,337,480	638,210	
Prysmian Cavi e Sistemi Energia S.r.l.	7,302,845	3,001,195	917,295
Prysmian S.p.a.	-	-	747,773
TOTAL	11,859,299	3,639,405	1,655,068

2010	TAF	SAG	IT
Prysmian Cavi e Sistemi Telecom S.r.l.	1,191,161	34,372	-
Prysmian Cavi e Sistemi Energia S.r.l.	7,508,088	1,941,135	732,352
TOTAL	8,699,249	1,975,507	732,352

License fee payments to group companies are calculated and paid as 2% on sales of products subject to license contract. Issue of license fee payments made within the group companies was revised in and remains in effect since 2006.

2009 figures in License fee and contract expenditure for Group Companies given in Paragraph (f) of Note: 37 for year 2010 had a typographic error and accurate figures are given in the following table.

	CORRECT FIGURE		ERRONEOUS FIGURE
	1 January – 31 December 2011		1 January – 31 December 2010
Prysmian Cavi e Sistemi Telecom S.r.l.	2,444,580	Prysmian Cavi e Sistemi Telecom S.r.l.	11,212,633
Prysmian Cavi e Sistemi Energia S.r.l.	11,212,633	Prysmian Cavi e Sistemi Energia S.r.l.	2,444,580
TOTAL	13,657,213	TOTAL	13,657,213

g) Dividend Income:

None (2010: None).

h) Remuneration Paid to Top Management:

	1 January – 31 December 2011	1 January – 31 December 2010
Short Term Remuneration: (Wages, bonuses, company house, company car, social security, health insurance, leave and alike)	1,586,441	1,208,726
Post-Retirement Remuneration: (Payments to be made to key personnel after their retirement etc.)	-	-
Other Long Term Remuneration: (Provisions of severance pays, long-term portion of leave provisions, long-term bonus plans etc.)	8,053	10,783
Severance Remunerations: (Severance pay, seniority pay and other obligatory sums paid to dismissed personnel)	-	-
Share-Based Remuneration:	-	-
TOTAL	1,594,494	1,219,509

NOTE 38 – NATURE AND LEVEL OF FINANCIAL INSTRUMENT RISKS

Following table summarizes Company's foreign currency risk position as of 31 December 2011 and 31 December 2010. Foreign currency monetary assets and liabilities kept by the company are given in their foreign currencies:

	FOREIGN CURRENCY POSITION TABLE									
	31 December 2011			31 December 2010						
	Corresponding TRY	US \$	EURO	GBP	CHF	Corresponding TRY	US \$	AVRO	GBP	CHF
1. Trade Receivables	58,867,931	22,213,630	6,909,977	7,543	-	48,331,127	14,383,854	12,734,220	-	-
2a. Monetary Financial Assets (incl. Cashier, Bank Accounts)	44,310,951	21,338,741	1,638,515	-	-	28,642,287	14,504,281	3,034,829	-	-
2b. Non-Monetary Financial Assets	-	-	-	-	-	-	-	-	-	-
3. Other	490,469	187,486	50,454	4,466	-	2,941,200	281,354	1,221,963	-	1,400
4. Liquid Assets (1+2+3)	103,669,351	43,739,857	8,598,946	12,009	-	79,914,614	29,169,489	16,991,012	-	1,400
5. Trade Receivables	-	-	-	-	-	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-	-	-	-	-	-
6b. Non-Monetary Financial Assets	-	-	-	-	-	-	-	-	-	-
7. Other	-	-	-	-	-	-	-	-	-	-
8. Long-Term Assets (5+6+7)	-	-	-	-	-	-	-	-	-	-
9. Total Assets (4+8)	103,669,351	43,739,857	8,598,946	12,009	-	79,914,614	29,169,489	16,991,012	-	1,400
10. Trade Payables	204,961,131	103,773,984	3,255,489	1,341	-	106,573,427	61,135,400	5,632,575	879	-
11. Financial Liabilities	-	-	-	-	-	-	-	-	-	-
12a. Other Monetary Liabilities	-	-	-	-	-	-	-	-	-	-
12b. Other Non-Monetary Liabilities	-	-	-	-	-	-	-	-	-	-
13. Short-Term Liabilities (10+11+12)	204,961,131	103,773,984	3,255,489	1,341	-	106,573,427	61,135,400	5,632,575	879	-
14. Trade Payables	-	-	-	-	-	-	-	-	-	-
15. Financial Liabilities	-	-	-	-	-	-	-	-	-	-
16 a. Other Monetary Liabilities	17,092,559	6,408,563	2,007,292	-	-	10,962,956	2,265,491	3,613,987	-	1,400
16 b. Other Non-Monetary Liabilities	-	-	-	-	-	-	-	-	-	-
17. Long-Term Liabilities (14+15+16)	17,092,559	6,408,563	2,007,292	-	-	10,962,956	2,265,491	3,613,987	-	1,400
18. Total Liabilities (13+17)	222,053,690	110,182,547	5,262,781	1,341	-	117,536,383	63,400,891	9,246,562	879	1,400
19. Net Asset / (Liability) Position of Non-Balance-Sheet Foreign Currency Derivative Instruments (19a-19b)	103,909,188	62,190,840	(5,550,000)	-	-	37,565,458	33,781,369	(7,100,000)	-	-
19a. Foreign Currency Amount of Non-Balance Sheet Derivative Products of Asset-Nature (Note: 39)	117,472,278	62,190,840	-	-	-	60,815,861	38,277,219	800,000	-	-
19b. Foreign Currency Amount of Non-Balance Sheet Derivative Products of Liability-Nature (Note: 39)	13,563,090	-	5,550,000	-	-	23,250,403	4,495,850	7,900,000	-	-
20. Net Foreign Currency Asset / (Liability) Position (9-18+19)	(14,475,151)	(4,251,850)	(2,213,835)	10,668	-	(56,311)	(450,033)	644,450	(879)	-
21. Monetary Items Net Foreign Currency Asset / (Liability) Position (UFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	(118,874,808)	(66,630,176)	3,285,711	6,202	-	(40,562,969)	(34,512,756)	6,522,487	(879)	(1,400)
22. Total Fair Value of Financial Instruments Used for Foreign Exchange Hedge	103,909,188	62,190,840	(5,550,000)	-	-	37,565,458	33,781,369	(7,100,000)	-	-
23. Total Exports Amount (TRY)						1 January - 31 December 2011				1 January - 31 December 2010
						241,315,930				183,645,912
24. Total Imports Amount (TRY)						281,254,700				186,344,552
25. Total Percentage of Hedged Foreign Currency Liability (%)						52%				52%

Company has foreign currency risks for mainly Euro, US Dollar, and British Pound Sterling foreign currency in the current period.

Foreign Exchange Susceptibility Analysis Table				
31 December 2011	Profit/Loss		Equity	
	Increase in Foreign Currency Value	Decrease in Foreign Currency Value	Increase in Foreign Currency Value	Decrease in Foreign Currency Value
In the event of 10% change in US Dollar exchange rate:				
1- US Dollar Net Asset/Liability	(12,686,040)	12,686,040	-	-
2- Part Protected from US Dollar Risk (-)	11,747,228	(11,747,228)	-	-
3- US Dollar Net Impact (1+2)	(938,812)	938,812	-	-
In the event of 10% change in Euro exchange rate:				
4- Euro Net Asset/Liability	796,752	(796,752)	-	-
5- Part Protected from Euro Risk (-)	(1,356,310)	1,356,310	-	-
6- Euro Net Impact (4+5)	(559,558)	559,558	-	-
In the event of average 10% change in other exchange rates:				
7- Other Currency Net Asset/Liability	1,807	(1,807)	-	-
8- Part Protected from Other Currency Risk (-)	-	-	-	-
9- Other Currency Net Impact (7+8)	1,807	(1,807)	-	-
TOTAL (3+6+9)	(1,496,563)	1,496,563	-	-

Foreign Exchange Susceptibility Analysis Table				
31 December 2010	Profit/Loss		Equity	
	Increase in Foreign Currency Value	Decrease in Foreign Currency Value	Increase in Foreign Currency Value	Decrease in Foreign Currency Value
In the event of 10% change in US Dollar exchange rate:				
1- US Dollar Net Asset/Liability	(5,339,215)	5,339,215	-	-
2- Part Protected from US Dollar Risk (-)	5,219,228	(5,219,228)	-	-
3- US Dollar Net Impact (1+2)	(119,987)	119,987	-	-
In the event of 10% change in Euro exchange rate:				
4- Euro Net Asset/Liability	1,577,761	(1,577,761)	-	-
5- Part Protected from Euro Risk (-)	(1,790,538)	1,790,538	-	-
6- Euro Net Impact (4+5)	(212,777)	212,777	-	-
In the event of average 10% change in other exchange rates:				
7- Other Currency Net Asset/Liability	(213)	213	-	-
8- Part Protected from Other Currency Risk (-)	-	-	-	-
9- Other Currency Net Impact (7+8)	(213)	213	-	-
TOTAL (3+6+9)	(332,977)	332,977	-	-

NOTE 39 – FINANCIAL INSTRUMENTS (Fair Value Explanations and Financial Risk Protection Accounting Explanations)

Classifications and Fair Values of Financial Instruments

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and is best evidenced by a quoted market price if one exists.

The estimated fair values of financial instruments have been determined by the Company using available market information and appropriate valuation methodologies. However, judgement is necessarily required to interpret market data to estimate the fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Company could realize in a current market exchange.

31 December 2011	Note:	Credits and Receivables (including cash and cash equivalents):	Financial Liabilities Indicated in Redeemed Value:	Carrying Value:
Financial Assets				
Cash and Cash Equivalents	6	87,028,153	-	87,028,153
Trade Receivables	10,37	145,278,257	-	145,278,257
Other Financial Assets	11	13,897,762	-	13,897,762
Financial Liabilities				
Trade Payables	6	-	219,025,133	219,025,133
Other Financial Liabilities	11,26	-	1,968,261	1,968,261

31 December 2010	Note:	Credits and Receivables (including cash and cash equivalents):	Financial Liabilities Indicated in Redeemed Value:	Carrying Value:
Financial Assets				
Cash and Cash Equivalents	6	51,977,407	-	51,977,407
Trade Receivables	10,37	101,807,922	-	101,807,922
Other Financial Assets	11	7,429,592	-	7,429,592
Financial Liabilities				
Trade Payables	6	-	115,545,782	115,545,782
Other Financial Liabilities	11,26	-	508,293	508,293

Fair values of financial assets and liabilities are determined as per the following method:

Level One: Financial assets and liabilities whose values are based on unadjusted, quoted prices for identical assets or liabilities in an active market.

Level Two: Financial assets and liabilities whose values are based on quoted prices in inactive markets, or whose values are based on models - but the inputs to those models are observable either directly or indirectly for substantially the full term of the asset or liability.

Level Three: Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. The basis for calculating the fair value of derivative instruments is the quoted market prices of similar instruments. If there isn't any market price, these are assessed on basis of either discounted cash flows for non-optional financial instruments or optional model for optional derivative instruments as appropriate.

Level classifications of financial assets and liabilities indicated in fair value are as follows:

	Fair Value Level As of Reporting Date		
	Level One TRY	Level Two TRY	Level Three TRY
Financial Assets			
Financial assets with fair value difference applied to profit/loss			
Derivative instruments	-	7,494,445	-
Total	-	7,494,445	-
Financial Liabilities			
Financial liabilities with fair value difference applied to profit/loss			
Other financial derivative liabilities	-	1,957,728	-
Total	-	1,957,728	-

Futures Foreign Exchange Buying Transactions:

Net 5,536,717 TRY income resulting from Company's open Futures Foreign Exchange Sales contracts of value 5,550,000 and Futures Foreign Exchanges Buying Contracts of value 62,190,840 US Dollars as of 31 December 2011 is indicated in company's financial tables as "Financing Income".

Net 2,281,629 TRY income resulting from Company's open Futures Foreign Exchange Sales contracts of value 7,900,000 Eur, Futures Foreign Exchange Buying contracts of 800,00 Eur, Futures Foreign Exchange Buying contracts of 38,277,219 US Dollars, and 4,495,850 US Dollars of Futures Foreign Exchange Selling contracts as of 31 December 2010 is indicated as "Financing Income" in company's financial tables.

NOTE 40 – SUBSEQUENT EVENTS

None (2010: None).

NOTE 41 – OTHER ASPECTS THAT SIGNIFICANTLY AFFECT FINANCIAL TABLES OR OTHERWISE REQUIRE FURTHER CLARIFICATION TO ENSURE THAT FINANCIAL STATEMENTS ARE CLEAR, INTERPRETABLE AND UNDERSTANDABLE**a) Tax Penalty Notices for Year 2002:**

Company has received "Tax Inspection Report" along with "Tax/Penalty Notices" from Republic of Turkey Revenue Administration Bursa Tax Office Presidency Mudanya General Directorate of Tax Office. Aforementioned Tax Inspection Report claims irregularities in procurements Company made in 2002 from Ünipek Elektrolitik Mamulleri İmalat Sanayi ve Tic. Ltd. Company, and Company was given total of 10,183,104 TRY tax evasion penalty, tax assessment, and irregularity penalty as per the provisions of Tax Procedures Code No: 213 Article 30/4-6 despite the fact that use of documents resulting in irregularity was not deliberate.

Company decided to object to such tax and penalty assessment and a case was filed with Bursa Tax Court within the legally permissible period on January 29, 2008, for cancellation of the Tax/Penalty Notices and special irregularity penalty. TR Bursa 2nd Tax Court ruled that ex-officio tax assessments that were made were unlawful, that the case was accepted, and that tax, value added tax evasion penalty and special irregularity penalty was cancelled on vote of unanimity subject to appeal at Council of State. Bursa Tax Administration has later appealed the verdict at Council of State. Council of State ruled on January 19, 2010, that the appeal case filed by Bursa Tax Administration to be dismissed, and that the verdict of Bursa 2nd Tax Court to Company's favour to be sustained. Tax Administration made a further claim for reconsideration of the Council of State's verdict, however, Company was notified that Council of State's verdict was approved as is and became final, on July 9, 2010; and risk pertaining to tax penalty notices of year 2002 is completely resolved.

b) Tax Penalty Notices for Year 2004:

In addition to aforementioned report, Company has received another "Tax Inspection Report" along with "Tax/Penalty Notices" from Republic of Turkey Revenue Administration Bursa Tax Office Presidency Mudanya General Directorate of Tax Office on November 24, 2009. Aforementioned Tax Inspection Report claims irregularities in procurements Company made in 2004 from Ünipek Elektrolitik Mamulleri İmalat Sanayi ve Tic. Ltd. Company, and Company was given total of 28,132,664 TRY tax evasion penalty, namely 11,233,066 ex-officio tax assessment and adjustment assessment, 16,849,598 TRY for tax evasion, and 50,000 TRY for special irregularity penalty as per the provisions of Tax Procedures Code No: 213 Article 30/4-6 on December 10, 2009.

Further to examination, Company decided to demand conciliation with the Tax Administration and Company was invited to Revenue Administration on May 13, 2010, to conduct conciliation negotiations. Parties have come to a mutual agreement further to negotiations that were made and a conciliation report was signed by both parties. Accordingly, total amount payable by the Company after the conciliation was 5,616,533 TRY. Payment for the aforementioned sum was made by the Company on its due date on June 11, 2010, and risk pertaining to tax penalty notices of year 2004 is completely resolved.

COMPLIANCE REPORT

Türk Prysmian Kablo ve Sistemleri A.Ş. CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT

1. Observance Declaration Regarding Corporate Governance Principles

With its 47 years of experience in Turkey, Türk Prysmian Kablo ve Sistemleri A.Ş. is one of the prominent and most experienced companies in its sector. As from its establishment, together with its Board of Directors and Executive Management, it has adopted the corporate structure and governance principles in its relations with the Company's shareholders, and different stakeholders.

Activities are being performed to reshape the company's organization structure and the mode of management in accordance with the general rules specified in the Corporate Governance Principles of the Capital Market Board (CMB) issued in the resolution of the Capital Market Board dated July 4, 2003 and numbered 35 / 835.

Moreover, since Türk Prysmian Kablo ve Sistemleri A.Ş. is within the Prysmian Cables and Systems Group which has a worldwide network system and company activities, Türk Prysmian is subject to the corporate governance principles of the Prysmian Cables and Systems Group (PC&S).

The Company, at all times, carries out business in consciousness of its social responsibilities as regards to relations with the public, customers and suppliers and by adhering to ethical values of the business world, aims to enhance its studies and activities in this respect.

Türk Prysmian Cables and Systems, the leading company of the cable sector, which has been making contributions to the Turkish economy, has been the 23rd company in 2009 to be included in the prestigious Corporate Governance Index of IMKB which reflects the company's corporate value. Derived from the research that was executed by SAHA Corporate Governance and Credit Rating Services Inc. (www.saharating.com) under the Corporate Governance Principles of Capital Markets Board (CMB), the company received the high grade requested for entering in such qualified companies' group 7.76 out of 10 (77.58%).

Corporate Governance Rating of IMKB		
MAIN SECTIONS	WEIGHTED	RATING (%)
Shareholders:	25%	87,14%
Public Disclosure & Transparency:	35%	87,27%
Stakeholders:	15%	92,85%
Board of Directors:	25%	60,95%
TOTAL	100%	81,50%

In 2011, Türk Prysmian Cable, based on the Board Ruling number 4/100, related to "Shareholders, Informing the Public and Transparency, Beneficiaries and Board Committee" dated 07.02.2005, has been evaluated able to completely fit the requirements again and, the company received the higher grade with 0.71 increase by remaining in such qualified companies' group 8,15 out of 10 (81,50%).

It is possible to see the whole Corporate Governance Report in our website (www.prysmian.com.tr) under the category of Investor Relations and the title Corporate Governance.

During the activity period ending as of 31 December 2011, the Company complied with the Corporate Governance Principles published by the Capital Market Board and conducted its activities by adopting these principles with the exception of the following;

- Representation of Minority shares in the Board of Directors
- Management of Cumulative Voting Rights
- Corporate Governance Committee
- Minimum Number of Independent Members in the Board

The particulars and grounds of non-compliance with the afore listed are clarified in the relevant sections of the report.

Governance Structure: Based on the main parts of the Corporate Governance Principles set out by the CMB, the works carried out by the company during the relevant period, along with other efforts and practices, are detailed herein below;

PART I - SHAREHOLDERS

2. Unit for the Relations with the Shareholders

To facilitate the follow-up of shareholder rights, the company operates a "General Accounting & Investor Relations Service" at its "Administration & Control Department".

Inquiries in oral or written form addressed to this department, are replied as soon as possible, within the context of public information.

3. Exercise of Rights By The Shareholders To Obtain Information

During the relevant period, we received requests from the shareholders as regards to information about conversion of share certificates, attendance in the General Assembly, distribution of dividends, transfer of shares, change of commercial title and payment terms of court cases. As such requests were generally made on the phone, statistically; it was not possible to quantify the requests and the responses given to such requests. In its relations with the shareholders and in general, with the finance community, the Company, being conscious of reciprocal roles, makes every endeavour at all times to establish active and transparent dialogue with its shareholders and corporate investors.

The investors can find information about our Company on the web site (www.prysmian.com.tr); for further inquiries, they are directed to the following e-mail address, telephone and fax numbers:

E-mail: tpks@prysmian.com; Telephone No: (0224) 270 30 00; Fax No: (0224) 270 30 24

In the Company's Articles of Association, there is no reference permission given for appointment of an individual auditor; in fact, no demand was made during the activity period for appointment of a special auditor.

4. Information about the General Assembly

The General Assembly meets as an Ordinary and as an Extra-ordinary General Assembly. The Ordinary General Assembly may convene either in the Company's Head Office (Mudanya) or in Istanbul within a period of 3 months following the company's accounting period. These meetings can be observed by the stakeholders and press organs.

During the year 2011, the General Assemblies convened one time at the Company's Head Office, in the form of ordinary meeting (28 March 2011). The shareholders representing more than 83.75% of the shares attended to the said meetings.

The shareholders are invited to the General Assembly by indicating the place, the time and the agenda of the meeting, and also by advertisement. The invitation is effected at least 14 days before the meeting. The date of the invitation and the date of the meeting are not included in these 14 days. As a legal requirement, the invitation is made to the holders of registered shares by pre-paid registered mail. Moreover, the agenda of the meeting, copy of the proxy, and amended form of Company's Articles of Association (if any) are published in the Trade Registry Gazette, one of the newspapers with circulation all over Turkey and also, in a local newspaper.

No period is designated for registration in the shareholders' book by the holders of registered shares who will attend the General Assembly meeting. Within the frame of the preparations for the General Assembly, letters from Central Registry Agency (MKK), concerned bank and other intermediary organs showing blocking of share certificates, or certifying ownership status are requested 1 week before the date of the General Assembly meeting.

In the General Assembly meeting, the shareholders exercise the right to ask questions and to submit their recommendations. Such questions are answered by the company management, and the recommendations (if any) are taken into consideration as well.

As indicated in the Company's Articles of Association, the General Assembly is authorized to make the decisions indicated below:

- Acceptance of the Board of Directors' Report and the Auditor's Report,
- Review and approval of the Balance Sheet, Profit and Loss Account and the use of net profit and determination of profit share subject to distribution,
- Determination of number of Directors; and election, dismissal, removal re-election and remuneration of the same.
- Determination of number of auditors; and election and remuneration of the same.

Performance of the activities listed below requires prior or subsequent approval or acceptance of the General Assembly.

- Annual investment and finance plan prepared by the Board of Directors;
- Purchase and sale of real estate and mortgage of Company's real estate;
- Establishment of branches and partnerships (sub-branches), and acquisition or sale of participations;
- Starting to work in new production areas;
- Other businesses and transactions required in the Turkish Commercial Code.

The shareholders may have access to the minutes of the General Assembly meeting from the Company's Head Office, the Company's internet site (www.prysmian.com.tr) via the relevant links under the "**Investor Relations**" section and the internet site of KAP (Public Informing Project) System's web page (www.kap.gov.tr) as well as from the archives of Turkish Trade Registry Gazette retained at Bursa Trade Registry Office.

5. Voting and Minority Rights

None of the shareholders of Türk Prysmian Kablo ve Sistemleri A.Ş. has a preferential or privileged voting right; all the votes have the same weight. Minority rights are arranged according to the relevant provisions of the Turkish Commercial Code.

The shareholders may be represented in the General Assembly by other shareholders or by third parties. However, the regulations of the Capital Market Board as regards to voting by proxy are reserved.

The cumulative voting right in order to ensure representation of minorities in the Board of Directors is not included in the Company's Articles of Association. As a matter of fact, since there is not any general tendency about the use of cumulative voting rights in the practices of the companies, the risks or benefits of the said method could not be observed.

6. Profit Distribution Policy and Profit Distribution Time

There is no privilege as regards to participation in the company's profit and **Profit Distribution Policy** as determined in the meeting of the Board of Directors dated 27 March 2007 is indicated below;

"The Board of Directors passes its resolutions relating to distribution of profit in the direction of Company's financial state, period profit and strategic targets. No real person is entitled to receive privileged share from the Company's distributable profit. Company's profit distribution policy aims distribution of 20% or higher portion of distributable profit as determined in the Ordinary General Assembly meeting. In case the periodical distributable profit remains less than 20% of the Company's paid-up capital, the Board may decide -in compliance with the applicable law- not to distribute any share from the profit.

It is aimed to pay the profit share in cash through the authorized banks and intermediary agencies within 60 days as of the Ordinary General Assembly meeting. Following this date, the Shareholders may apply to the Company's Head Office in order to collect their profit share. Company does not consider distribution of profit share in advance. Company aims to give donations to all kinds of social institutions, primarily to those located in the Company's territory, in such a manner not to exceed 1% of the profit base and in any case, to be subject to the approval of the General Assembly."

7. Transfer of Shares

There is no provision in the Company's Articles of Association restricting transfer of shares; provisions of Articles 416 - 418 of the Turkish Commercial Code are applied in case of any demand by a shareholder for transfer of whole or part of registered shares owned by him.

PART II - PUBLICITY AND TRANSPARENCY

8. Company's Information Policy

Any and all kinds of communication with external sources regarding to Company's documents and information is performed -at all times in consultation with the General Manager- by the Public Relations in respect of communications with the press, and by the Financial Management as regards to corporate investors, competent authorities and shareholders.

The Company undertakes to ensure equal treatment for all categories of shareholders by avoiding any preferential treatment. With the exception of those considered as trade secrets, the Company responds all the questions pursuant to the equity and impartiality principles and ensures establishment of constant communication between the management and the shareholders in accordance with the existing legislation.

Disclosure policy is disclosed for the first time to public in the Company's activity report accompanied by Corporate Governance Report for the year 2004, as well as in the investor relations section of Internet site.

9. Declaration of Special Status

Number of Declarations Issued on Special Status during 2011: **23**

Number of Additional Declaration Requests made by the CMB and ISE: **None**

There is no sanction (written warning) applied by the Capital Market Board or Istanbul Stock Exchange Market's Board against failure to provide declaration on special status in time.

Since the company shares are not quoted abroad, no special status declaration has been made at a stock exchange, other than the Istanbul Stock Exchange.

10. Company's Internet Site and Its Content

The investors may have access to the relevant documents such as the Company's Annual Report and Ethical Code both in Turkish and in English on the web site (www.prysmian.com.tr). Moreover, our Internet site under the following titles is presented to the attention of the investors.

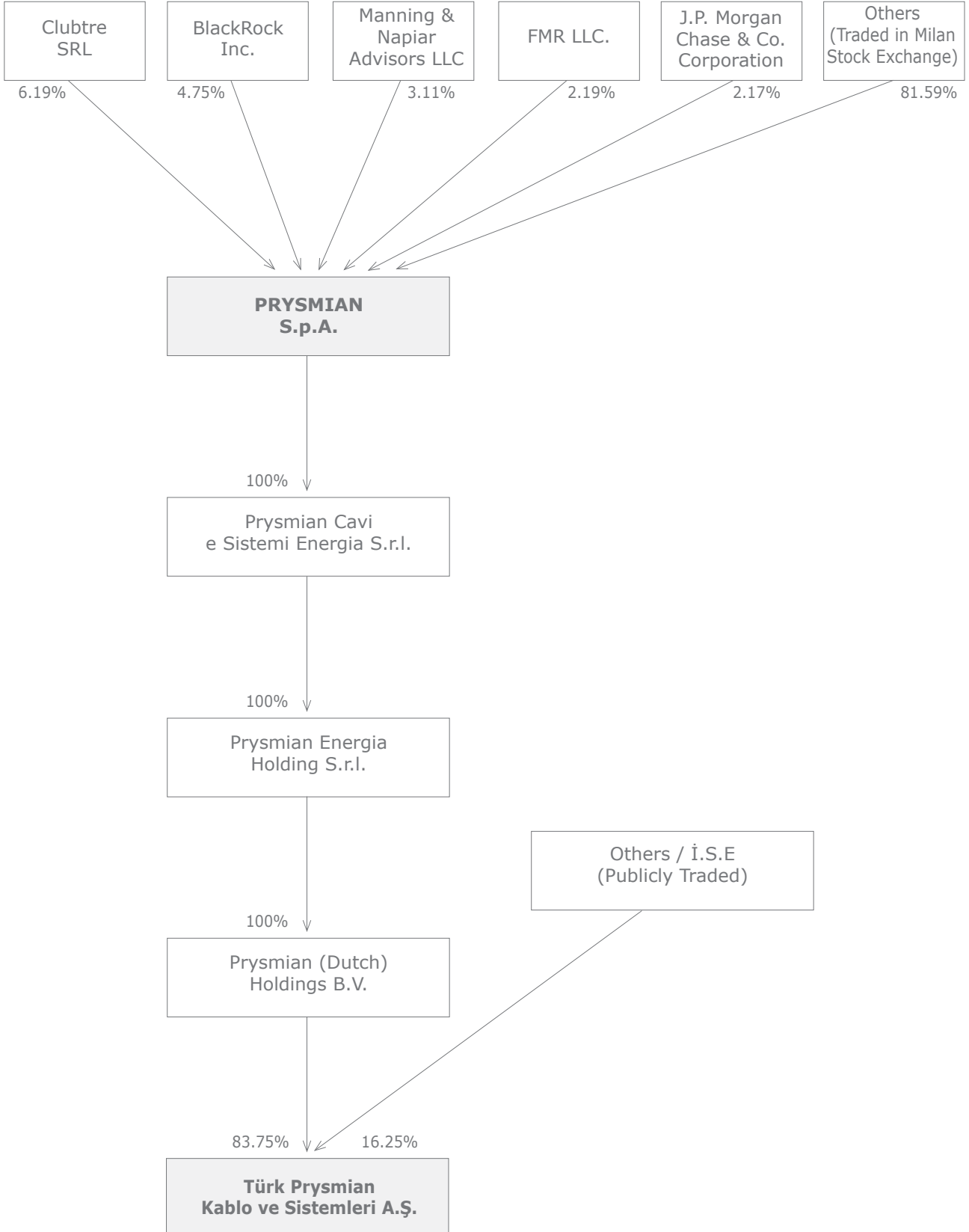
- Trade registry information,
- Latest status of partnership structure,
- Latest status of Board of Directors, Members of Auditors' Board and top level executives,
- Latest status of the Company's Articles of Association (AOA) and date / number of the Trade Registry Gazette where the amended form of the AOA is published,
- Annual Reports for the last seven years,
- Declaration of Special Status,
- Corporate Governance Observance Report,
- Attendance list, agenda and minutes of General Assembly meetings held during the last seven years,
- Proxy format,
- Periodical financial tables and independent audit reports for the last seven years,
- Company Policies,
- Public offering explanations and circulars,
- News and frequently asked questions.

Due to inapplicability of the remaining provisions of clause 1.11.5 Section II of the Corporate Governance Principles of the Capital Market Board, they are not included in the Internet site.

11. Disclosure of the Real Person Final Dominant Shareholder(s)

There is no special status regarding the Company's real persons and owners which may affect the investors if disclosed to public. The real person final dominant shareholder structure of our company is as follows:

TÜRK PRYSMIAN KABLO VE SİSTEMLERİ A.Ş.' STRUCTURE OF REAL PERSON FINAL DOMINANT SHAREHOLDER (S) AS OF 31 DECEMBER 2011



12. Disclosure of the Persons Having Potential for Insider Trading

None of the employees of Türk Prysmian Kablo ve Sistemleri A.Ş. is allowed to deal in purchase and sale of share certificates belonging to Türk Prysmian Kablo ve Sistemleri A.Ş. on the basis of the information obtained by virtue of office.

The names of the BOD Directors, Members of Auditors' Board and Top Level Executives are listed in the Company's Activity Report and Investor Relations Section of the Internet site.

The names of the people having the potential for insider trading as of the date of the report are given herein below;

EXECUTIVE MANAGEMENT	
Mahmut Tayfun Anık	Chairman of the Board of Directors & Member of Audit Committee
Hans G. S. Hoegstedt	Vice Chairman of the Board of Directors & CEO
Fabio Ignazio Romeo	Board Member & Member of Audit Committee
Ercan Karaismailoğlu	Board Member & CFO
Hikmet Türken	The Board of Auditor Member
Raşit Yavuz	The Board of Auditor Member
Halil İbrahim Kongur	Factory Director
Erkan Aydoğdu	Logistics and R&D Manager
İbrahim Etem Bakaç	Domestics Sales Director
Aydan Biltekin	Internal Audit Manager
Ufuk Çolak	Marketing and Business Intelligence Manager
Faik Kürkçü	Utilities & Contractors Sales Director
Sabri Levent Özçengel	Human Resources Manager
İlhan Öztürk	Special Cables Sales Manager
Murat Tezcan	Export Sales and Telecom Solutions Director
Av. Yiğit Türsoy	Legal Affairs Manager
Sevda Yücel	Purchasing Manager
Esat Baykal	Quality Manager
İdris Çolakgil	Information Technology Manager
Ercan Gökdâğ	Planning and Controlling Manager
Nevin Kocabaş	General Accounting and Investor Relations Manager
Murat Okatan	Credit and Risk Manager
Figen Tamuroğlu	Treasury Manager
Okay Yıldız	Technical Services Manager
INDEPENDENT AUDIT COMPANY (DELOITTE - DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.)	
Özlem Gören Güçdemir	Partner
Fulya Kılınc	Manager
Lara Baliyan	Auditor
Hasan Emre Uyumaz	Audit Assistant
Özgür Ergül	Audit Assistant
TAX AUDIT COMPANY (BDO DENET - Denet Yönetim Danışmanlığı Yeminli Mali Müşavirlik A.Ş.)	
Haluk Erdem	Partner / Tax Director
Adem Kefelioğlu	Tax Audit Manager
Müge Erentürk	Senior Tax Auditor
Demet Uzman	Tax Audit Assistant
Berra Yavuz	Tax Audit Assistant
OTHER PEOPLE	
Numan Lokman Ketenci	Partner (RSM - Kapital Karden Bağımsız Denetim ve Yeminli Müşavirlik A.Ş.)
Dr. Erdem Tüzgiray	CPA – Expert (RSM - Kapital Karden Bağımsız Denetim ve Yeminli Müşavirlik A.Ş.)
Hafize Nazan Çekmecı	Publisher (Net Ajans Reklam Tanıtım ve Yayıncılık Hizmetleri)
Süalp Çekmecı	Designer (Net Ajans Reklam Tanıtım ve Yayıncılık Hizmetleri)
Av. Mehmet Küçük	Lawyer (Küçük & Küçük Law Office)
Av. Ece Uygur	Lawyer

PART III – STAKEHOLDERS

13. Notification of Stakeholders Basic Management Principles

The basic management principles which regulate the relations between the Executive Management, shareholders, employees of the Company and third parties (customers, suppliers and any person or organization with which the company has relation) are indicated below.

Honesty: We make every endeavour to ensure strict adherence to the honesty principles in all our business activities and our relations with our clients, employees, shareholders and other companies, institutions and organizations.

Reliability: We furnish understandable, rational and correct information to our customers, shareholders and employees, and provide all the services as required by our undertakings.

Impartiality: We do not have sexual, religious, lingual, racial and ethnical prejudice against our customers, suppliers, employees and shareholders.

Observance: We respect all laws, legislations and standards.

Secrecy: Excluding the authorities designated by the law, we do not share with any person or organization the information relating to the transactions executed with respect of our Shareholders, customers, suppliers, employees and business partners.

Transparency: Excluding the information considered as trade secret and those not yet disclosed to public, we publicize all information whether of financial nature or not in the most accurate, complete, rational, interpretable and accessible manner according to the relevant legislation.

Social Responsibility: In our practices and investments, utmost attention is given to the particulars such as social benefits and improvement of our sector and conservation of reliability, as well as effective Company image and the activities are carried out in full respect to all the arrangements made protection of environment, consumer and public health. The stakeholders are notified through the Internet site and the Istanbul Stock Exchange by issuing special status declaration. Further to this announcement, the agenda of the General Assembly is informed to the attendants in the Trade Registry Gazzete and by registered mail; the decisions passed in the meeting are also published in the Trade Registry Gazzete in the most distinct and understandable manner. Moreover, information is given to the Capital Market Board (SPK) Ministry of Industry and Undersecretariat of Treasury and application is made by the Company and the necessary permissions are obtained from the said authorities. The public announcements relating to the General Assembly meetings are made in one of the local and national newspapers. Additionally, the Company employees are notified through intranet system, general circulations by e-mail and annual presentation meetings.

Please see: Article 8 - Company's Information Policy

Please see: PC&S Group Values and Ethical Code / Article 9 - Information

14. Participation of Stakeholders in the Management

Participation of stakeholders in the management is enabled in the General Assembly meetings according to the principles set out by the Capital Market Board for the shareholders; as to suppliers and customers, necessary arrangement is made in the meetings with the suppliers, customers and dealers, also paying visits to the same. With regards to employees, meetings are held at least two times a year to evaluate the Company's activities and to furnish information about the Company's targets and strategies and to receive feed back as well.

Moreover, by encouraging team work to develop work conduct procedures and processes undertaken by the Company's employees, special project groups are created.

15. Human Resources Policy

Human Resource policy is disclosed in the investor relations section of the Company's Internet site.

Please see: PC&S Group Values and Ethical Code / Article 6 - Human Resources

16. Information Regarding Relations with the Customers and Suppliers

Please see: PC&S Group Values and Ethical Code / Article 4 - Customers

17. Social Responsibility

Türk Prysmian Kablo ve Sistemleri A.Ş. is the holder of ISO 14001 Environment Management System certificate since 1997. The environmental affect of business activities, and the services purchased by our Company are determined within the frame of ISO 14001 Environment Management System and studies are carried out continuously for elimination or minimization of these affects. All of these studies are performed with the philosophy of continuous improvement and in full compliance with the Türk Prysmian Kablo ve Sistemleri A.Ş. Environment Policy defined by the top management.

The legal obligations relating to environment are followed and fulfilled at all times, without failure. Türk Prysmian Kablo ve Sistemleri A.Ş. holds all the legal permissions required in respect of environment. These permissions may be listed as Emission Permission, Opening License for the 1st Class Non - Sanitary Establishments and Provisional Storage Permission for hazardous refuses.

The activities carried out by Türk Prysmian Kablo ve Sistemleri A.Ş. are not within the scope of Environmental Affect Evaluation Regulations (EAER). There exists an official letter obtained from the Bursa Provincial Office / Environment and Forestry Directorate, in charge of environmental affairs, indicating that our Company is not subject to preliminary survey in respect of EAER.

No law suit has been filed against our Company for causing environmental pollution. Our company provides for the recycling (if applicable), or the disposal (if recycling is not applicable) of all of the wastes attributable to the Company in accordance with the related regulations within the scope of environmental legislation.

Our Company performs its duties within the scope of social responsibilities by supporting social, cultural and various sporting activities in compliance with the principles set out by Prysmian Cables and Systems Group and also, by participating in and making contributions, both in cash and in rem, to the public institutions and organizations.

Please see: 13. Notification of Stakeholders / Social responsibilities

Please see: PC&S Group Values and Ethical Code / Article 5 - Community - Article 7 - Environment

PART IV - BOARD OF DIRECTORS

18. Structure of the Board of Directors, its Formation, and Independent Members

In the Company's Articles of Association, it is expressly stated that the tasks and responsibilities of the Board of Directors are subject to the basic provisions defined pursuant to Turkish Commercial Code and the adaptations in the Company's Articles of Association. The formalities relating to appointment, re-election, qualification and replacement of the Board of Directors are performed according to the Company's Articles of Association and the provisions of Turkish Commercial Code.

Structure of the Board of Directors

POSITION	MEMBERS	EXECUTIVE	NON-EXECUTIVE	INDEPENDENT
Chairman	Mahmut Tayfun Anik		X	
Vice Chairman	Hans G. S. Hoegstedt	X		
Board Member	Fabio Ignazio Romeo		X	
Board Member	Ercan Karaismailoğlu	X		

POSITION	MEMBERS	FIRST APPOINTMENT	LATEST APPOINTMENT
Chairman	Mahmut Tayfun Anik	27 July 2006	25 March 2011
Vice Chairman	Hans G. S. Hoegstedt	1 July 2011	1 July 2011
Board Member	Fabio Ignazio Romeo	22 July 2005	25 March 2011
Board Member	Ercan Karaismailoğlu	25 March 2011	25 March 2011

As a result of the activities initiated for filling the vacancies in the Board of Directors upon the sudden resignation of the independent members on 26 July 2006; it was understood that the persuasion of independent members bearing the same qualifications to take office in the Board of Directors in the place of the members that resigned would not yield to any short-term healthy results; therefore, it was stipulated that the Board of Directors should continue to take office without independent members for a temporary period. Since the members are already registered in the cadre as the staff working in the Prysmian Group companies, they cannot work in another company as per the related Labour Law.

19. Characteristics of the Board Members

Age Profile of the Board Members;

AGE GROUP	18 - 30	31 - 40	41 - 50	51 - 60	61 - 65	66 - 70	71 & Over
Number of Persons	-	1	1	2	-	-	-

The Board of Directors is composed of members who have knowledge and ability to understand and analyze the financial tables, and legal know-how to conduct daily operations and the long term activities of the Company, which includes specialization in various fields in such a way to declare opinion relating to Company's management. The Board Members are nominated among the persons with higher education and who have knowledge on the Company's field of activity and adequate experience gained through services in private sector. The credentials required for the Board Members are not set out in the Company's Articles of Association.

20. Mission, Vision and Strategic Targets of the Company

Our Mission: Our mission is to add value to our shareholders and to the sector by providing to our customers, our partners and to the community innovative, technological, high quality and safe products which are adequate to standards.

Our Vision: As being a member of Prysmian Group and as the oldest well-established and leading company in its sector, our vision is;

- To exhibit a creative and superior performance within the workforce with its distinguished and innovative role,
- To have an organizational structure which emphasizes openness and social responsibility,
- To keep customer satisfaction by providing long-term partnerships,
- To create a value for its stakeholders with permanence,
- To dedicate itself to improve the social conditions,
- To be always the leader of the sector in Turkey and international platform.

Please also see: PC&S Group Values and Ethical Code / Targets and Values

21. Risk Management and Internal Audit Mechanism

In order to ensure effective conduct of risk management, Risk Management Division has been put into operation as of 2002. This division developed processes for effective risk management applicable within the Company's body and Prysmian Cables and Systems Group and implemented projects in this context.

The internal audit system of the Company is organized in such a way to provide appropriate clarification on all the Company's activities and to ensure an adequate auditing system.

The responsibility regarding internal auditing system lies with the Board of Directors, and the Board of Directors, besides providing the major guidelines of the system, undertakes verification of sufficiency and effectiveness of the audit system.

The Audit Committee comprises of two Directors. Two Directors holding office in the Audit Committee are the persons who are not directly engaged in Company's activities and management. The Audit Committee meets regularly as indicated in the relevant communiqué of the Capital Market Board and the representative of the External Auditing Company may be invited to these meetings.

The aim of the Audit Committee is to provide assistance to the Board of Directors during fulfilment of long - term obligations as regards to accounting and finance reporting applications, policies and procedures, as well as evaluation of quality and risk management of Company's internal auditing systems.

The internal auditing and periodical audit activities ensure accomplishment of necessary controls to observe whether compliance with the procedures, policies and strategies is achieved or not. Apart from the audit functions of the Internal Audit Division, the Internal Audit Department of Prysmian Cables and Systems Group performs internal auditing of Türk Prysmian Kablo ve Sistemleri A.Ş., in addition to the auditing services rendered regularly by the External Audit Company.

Moreover, there is also a Planning and Control Division which presents detailed monthly reports to the Managing Director and Executive Management and provides useful and comprehensive information for the following specific activities.

Information regarding to relations with PWC, independent audit company: <http://www.deloitte.com.tr>

and Information regarding to BDO, tax audit company: <http://www.denet.com.tr>

22. Authorities and Responsibilities of the Board Members and Executives

The Board of Directors performs the following tasks:

- Review and approval of strategic, corporate, industrial and financial plans,
- Delegation of necessary powers to the Managing Director, withdrawal of authorization and determination of limits of authority as well as form and duration of authorization,
- Regular comparison of the results with the budgets, and by taking into account the information received from the Internal Audit Committee and Managing Director, and giving special attention to conflicts of interest, observation of general performance in this field,
- Passing of resolutions relating to immovable property, in kind,
- Issuance of share certificates and debentures,
- Establishment of partnerships in the newly incorporated or existing corporations and institutions,
- Review and approval of the transactions having economical and financial affect, or special influence on equity capital by showing due consideration to the transactions of the relevant parties,
- As organized by the Managing Director, verification of the organizational status and the adequacy of the administrative structure of the Company,
- Furnishing of information to the shareholders about the General Assembly meetings.

The powers and responsibilities of the Board of Directors are clearly defined in Article 10 of Articles of Association; as the powers and responsibilities conferred upon the Board of Directors may be subject to change at any time bound to dynamic structure of the Company and the business life, it is deemed necessary to detail the powers and responsibilities in the corporate signature circular.

23. Fundamentals Regarding To Activities of Board of Directors

The Board of Directors meets at least in quarterly periods. Unless otherwise is agreed, the Board Members are equipped with necessary documents and information within a reasonable time before the meeting in order to allow them to express their opinion about the issues subject to argument.

There is a Board Secretariat responsible for supply of information to the Board Members and establishment of communication with the directors. Although our Company has no reserve about inscription of the detailed and reasonable justification of negative vote and notification of company auditors and public opinion at times when different opinion is declared in the Board meeting and/or opposition is raised to the resolution passed by the Board; since such a situation was not encountered, no such application was effected.

Company pays careful attention to actual participation to Board Meetings on the matters specified in article 2.17.4 of section IV of the CMB corporate Governance Principles. Questions of the members raised during the meeting are reflected in the resolution. In order to ensure equal positioning among members, no member has been granted the right to veto or weighted vote.

Board of Directors has convened **17 times** during the year 2011.

24. Restriction of Competition and Transactions With the Company

In the Ordinary General Assembly which takes place every year, the Board Members are liberated by our shareholders according to Articles 334 and 335 of the Turkish Commercial Code.

25. Ethical Code

A pyramid structure is adopted in our system in respect of applicable principles and procedures, and this system can be summarized as follows:

Ethical Code: These rules encompass the general principles -transparency, equity and loyalty- which form the business relations of the Company in every level. Our Company, with the belief that business ethics must be pursued alongside business success, carries out its internal and external transactions in accordance with the principles set out in this Code.

Internal Audit System: This system is a population of "instruments" with a view to reaching reasonably the targets regarding operational efficiency and effectiveness, reliability of financial and administrative information, observance to laws and legislation, and even protection of the Company's assets against possible fraud. The internal audit system which is based on common practices and defined within this frame, is applied to all corporate levels.

Lines of Conduct: The Lines of Conduct stipulate special rules concerning relations with the representatives of the Public Administration, and these rules classify good lines of conduct as "performable", and bad lines of conduct as "non-performable", and by this way, provide clear definition of major operational practices stipulated in the Ethical Principles.

Internal Executive Procedures and Policies of the Company: These items cover the main business areas as a natural extension of the internal audit system. Therefore, they determine the internal rules concerning the main activities of the Company.

Türk Prysmian determines organizational principles and infrastructure relating to employees and executives by adopting procedures and policies covering Personnel rights, Recruitments, Purchasing / Sales activities, Investments, Protection of Environment, Information Systems, Inventory, and Intellectual Property Rights. All the procedures and policies are presented to the employees in the updated form on the intranet page of the Company.

Also, please see: PC&S Group Values and Ethical Code

26. Number and Structure of the Committees Formed Within Board of Directors and Liberty of Action

Title of the Committee	Number of Annual Meetings (Min.)	Number of Members	Number of Independent Members
Audit Committee	4	2	-

Members of Audit Committee: Mahmut Tayfun Anık, Fabio Ignazio Romeo.

The Corporate Governance Committee and other committees are not formed as of 31 December 2011. The company is carrying out its activities to form the corporate Governance Committee.

27. Financial Rights of the Board of Directors

The rights of the BOD Members are agreed upon in the General Assembly meeting; no award is considered in determination of financial rights of the BOD Members depending on their individual performance, or reflecting the performance of the Company.

There are no payments effected in favor of BOD Members and other executive bodies during the year 2009. During the period no debt has been granted to any members of the Board and Top Manager of the company, no credit has been utilized by them and none of them has used benefits through third persons as well as no guarantees in favor of them.

Chairman of the Board of Directors

Mahmut Tayfun ANIK

TÜRK PRYSMIAN ETHICAL CODE

Türk Prysmian Kablo ve Sistemleri A.Ş. ETHICAL CODE

Ethical business conduct is critical to our business and a shared responsibility of all members of the Prysmian Group.

Each employee is responsible for protecting our most valuable asset - our reputation. This Code of Ethics (the "Code") applies to anyone conducting business on behalf of Prysmian or any of its subsidiaries, including but not limited to all managers, officers, employees, agents, representatives, lobbyists, interns, contractors, suppliers, and consultants ("Covered Parties"), and seeks to guide our legal and ethical responsibilities, to deter wrongdoing, and to promote:

- Compliance with applicable laws, rules and regulations;
- Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- The integrity of our financial information, which influences the decisions of management and our Board of Directors, as well as the ways in which the outside world perceives and evaluates us;
- Full, fair, accurate, timely and understandable disclosure in reports and documents we file with or submit to government authorities and in other public communications; and
- Accountability for adherence to this Code, including prompt internal reporting of any suspected violations.

To meet these objectives, this Code encourages Covered Parties to express any concerns they may have relating to corporate accountability. No discrimination or retaliation against any person who, in good faith, reports such concerns will be tolerated. Anyone who retaliates against an individual under such circumstances will be subject to disciplinary action, up to and including termination of employment.

All Covered Parties must read, understand, and adhere to this Code and all other applicable company policies. Violations of law, this Code or other Company policies or procedures can lead to disciplinary action, up to and including termination of employment and/or termination of business relations.

ARTICLE 1 - PREMISE

The Prysmian Group structures its own internal and external activities according to the principles set forth in this Code, with the conviction that ethics in the conduct of business activities must be pursued at the same time and with equal emphasis as the economic success of the business. The Prysmian Group is committed to conducting its business in accordance with the highest standards of ethical behaviour, complying with all applicable laws and regulations, avoiding even the appearance of unethical or illegal conduct.

ARTICLE 2 - OBJECTIVES AND VALUES

The primary objective of the Prysmian Group is to create value for the shareholders. Industrial and financial strategies and the resulting operative conduct, based on the efficient use of resources, are oriented to achieving this goal.

In pursuing this objective Prysmian Group Companies and all Covered Parties must unfailingly comply with the following principles:

- As active and responsible members of the communities in which we operate, we are committed to respecting all applicable laws wherever we do business, and to following all commonly accepted principles of business ethics, such as transparency, honesty and loyalty.
- We refuse to engage in any illegitimate, unfair, or in any way questionable behavior (vis-à-vis the community, public authorities, customers, employees, investors and competitors) to achieve economic targets, which we pursue only through excellent performance, quality, competitive products and services, based on experience, customer care and innovation.
- We establish organizational controls designed to prevent Covered Parties from violating these requirements of lawfulness, transparency, honesty and loyalty, and supervise their observance and implementation.
- We impose consequences for any violations of these policies and principles.
- We maintain accurate books and records, and assure the investors and the community in general total transparency about our activities.
- We are committed to fair competition, which benefits us as well as all market operators, customers and stakeholders.
- We pursue excellence and competitiveness in the market place, offering quality services and products.
- We safeguard and enhance the value of all our employees.
- We respect the environment and use natural resources responsibly, with the goal of advancing sustainable development and protecting the rights of future generations.

ARTICLE 3 - SHAREHOLDERS

The Prysmian Group is committed to guarantee equal treatment to all classes of shareholders, and to avoid preferential treatment of any class or company. We pursue the reciprocal benefits that derive from belonging to a group of companies while respecting all applicable laws and regulations and the independent interest of each Company as it seeks to create value.

ARTICLE 4 - CUSTOMERS

The excellence of the products and services offered by the Prysmian Group depends on customer care and the readiness to satisfy customer requirements. We therefore seek to assure an immediate, qualified and competent response to customer needs, through honesty, courtesy and cooperation.

ARTICLE 5 - COMMUNITIES

The Prysmian Group contributes to the economic welfare and growth of the communities in which it operates by delivering efficient and technologically advanced services. We are a citizen of each locality where we are established to do business, and like individual citizens, we have a responsibility to support the community. It is our goal to take part in projects to further the welfare of our local communities and thus be a good and contributing citizen.

Group Companies adhere to all applicable laws and regulations and maintain good relations with local, national and super-national Authorities, based on by full and active cooperation and on transparency.

Consistent with these objectives and with the responsibilities they have assumed toward different stakeholders, Group Companies recognize research and innovation as priority conditions for growth and success.

Group Companies view favorably and, when necessary, support social, cultural and educational initiatives directed at enhancing the individual and improving his/her living conditions.

Group Companies do not disburse contributions, advantages or other conveniences or things of value to government officials (including employees of state-owned or controlled entities or enterprises), political parties or trade union organizations, nor to their representatives or candidates, except as permitted by applicable laws and by the provisions of this Code and other applicable Prysmian Group policies.

ARTICLE 6 - HUMAN RESOURCES

The Prysmian Group recognizes the central role of human resources; the professional contribution of employees, in a framework of mutual loyalty and trust, is the essential ingredient for success in every business concern.

Group Companies safeguard safety and health in working environments and consider the respect of worker rights fundamental to the carrying out of business activities. Employment contracts and Group policy guarantee equal opportunities and favor the professional growth of each individual.

ARTICLE 7 - ENVIRONMENT

The Prysmian Group believes in a global sustainable growth in the common interest of all stakeholders, present and future. Their investment and business choices are consequently fashioned to respect the environment and public health.

Without prejudice to compliance with specified forceable regulations, Group Companies take environmental issues into consideration when defining their choices, also by adopting -if operationally and economically feasible- eco-compatible production technologies and methods, with the objective of reducing the environmental impact of their activities.

ARTICLE 8 - ANTI-BRIBERY POLICY

Bribery of public officials is prohibited.

- No Covered Party may provide, either directly or indirectly, anything of value to any Public Official in order to obtain or retain business or to obtain an improper business advantage.
- The term "Public Official" is defined very broadly, and includes an employee of a government owned or controlled entity or a public international organization, any political party, any candidate for public office. Whenever dealing with entities or persons connected with a government entity, Prysmian employees shall comply with the principles set forth in this Code which govern our conducts and strictly adhere to the Prysmian policies and procedures.

Commercial bribery is prohibited.

- No Covered Party may provide, either directly or indirectly, anything of value to any person in order to obtain or retain business, confidential information, or an improper business advantage.
- No Covered Party may accept anything of value in exchange for awarding business, providing confidential information, or an improper business advantage.

The Anti-Bribery Policy requires adherence to other Group Policies and Procedures promulgated from time to time concerning.

- Offering, paying, or accepting gifts, courtesies, entertainment or travel expenses to, from, or on behalf of a Public Official or any supplier, customer, or competitor; and
- Engaging consultants, agents, lobbyists, joint venture partners or other third parties.

ARTICLE 9 - INFORMATION - BOOKS AND RECORDS

The Prysmian Group are aware of the importance of correct information on their own activities for the investors and the community in general. Consequently, to the extent compatible with the confidentiality requirements inherent in conducting a business, Group Companies strive for transparency in their relations with all stakeholders. In particular, Group Companies communicate with the investors according to principles of honesty, clarity and equal access to information.

Group Companies maintain books, records and accounts in reasonable detail to accurately and fairly reflect all of their transactions, and to retain relevant documentation in accordance with Group policies concerning record retention.

Group Companies and Covered Parties must never, under any circumstance, engage in inaccurate, false or misleading record keeping, even if one might reasonably believe the consequences of the inaccuracy would be harmless. This policy of full, fair, accurate and timely recording of information extends to time reports, expense reports and other personal Company records.

No false or artificial entries shall be made in the books and records of the Prysmian Group. No undisclosed or unrecorded funds may be established. "Off the books" payments are prohibited. No individual shall ever engage in any arrangement that results in a prohibited act.

ARTICLE 10 - EXPORT CONTROLS AND ECONOMIC SANCTIONS

It is the policy of the Prysmian Group to comply with all applicable export control laws. All Prysmian Group employees must comply with these laws. Under no circumstances are Prysmian Group employees permitted to make a transfer, export, re-export, sale, or disposal of any product, technical data or service contrary to applicable export control laws.

The Prysmian Group will comply with all applicable economic sanctions laws against certain entities and countries, including applicable economic sanctions imposed by the UN, the EU, the United States, and other jurisdictions in which the Prysmian Group conducts business.

ARTICLE 11 - OBSERVANCE OF CODE

All Group Companies, Corporate bodies, and Covered Parties must strictly adhere to this Code, to all applicable laws and regulations, and to all policies and procedures that the Group may promulgate from time to time to implement this Code.

The Prysmian Group is committed to implementing and enforcing specific procedures, regulations and instructions to ensure that all Group companies and Covered Parties adhere to the values and requirements set forth in this Code.

Violations of this Code, any of the implementing policies and procedures or other Group policies, or of any applicable law or regulation will be grounds for serious disciplinary action, including possible termination of employment and/or termination of business relations.

As part of its commitment to ethical and legal behavior, the Prysmian Group requires Covered Parties to report any actual or apparent violations of law or this Code or ethical standards so that they can be investigated and dealt with appropriately. This obligation extends to any instance where one suspects, but is uncertain whether, a violation may be occurring. Failure to comply with the duty to come forward is a violation of this Code and can result in serious disciplinary action, including possible termination of employment and/or termination of business relations.

The Prysmian Group will investigate all reports made and will not tolerate any kind of retaliation for reports or complaints made in good faith.

All persons subject to this Code have a duty not only to report violations but also to cooperate fully in the investigation of any alleged violation. An employee may be subject to disciplinary action, which may include possible termination of employment, for failing to cooperate or deliberately providing false or misleading information during an investigation.

Türk Prysmian Kablo ve Sistemleri A.Ş.

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