

**ODAŞ ELEKTRİK ÜRETİM
SANAYİ TİCARET A.Ş.**

**Consolidated Financial Statements and
Independent Audit Report regarding
1 January 2013 and 30 June 2013 Interim Period**

(Convenience translation of a report and financial statements originally issued in Turkish)

Odaş Elektrik Üretim Sanayi Ticaret A.Ş. and Its Subsidiaries

Consolidated Financial Statements and Independent Audit Report Regarding January 01-June 30 2013 Interim Accounting Period

**To The Board of Directors of
ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET A.Ş.,**

Introduction

We have audited the accompanying interim consolidated financial position of Odaş Elektrik Üretim Sanayi Ticaret Anonim Şirketi (The Company), its subsidiaries (together "the Group") as at June 30, 2013 and the related consolidated financial statement, consolidated statement of comprehensive income, consolidated statement of changes in shareholders' equity and consolidated statement of cash flows for the year then six-month period a summary of significant accounting policies and explanatory notes. Responsibility of the group's management is to prepare correctly these interim consolidated financial statements according to Turkey Accounting / Financial Reporting Standards (IAS / IFRS) issued by Public Oversight of Accounting and Auditing Standards Authority (POAASA). Our responsibility is to express an opinion on these financial statements based on our audit.

The Scope of Audit

We conducted our audit in accordance with financial reporting standards issued by the Capital Market Board (CMB). Examination of the interim consolidated financial statements primarily involves applying the collection of information from persons who responsible for the process of financial report, analytic examination and other examination techniques. Because the scope of a examination is more narrow than the independent audit study applied within the scope of auditing standards are issued by the Capital Markets Board, The examination does not provide assurance for being aware of all significant matters in the independent audit. Thus, an audit opinion has not been explained in the end of our examination.

Conclusion

Based on our review, the accompanying interim consolidated financial statements give a true and fair view of the financial position of Group and its subsidiaries as at June 30, 2013 and its financial performance for the six-month period then ended in accordance with the scope of IAS / IFRS issued by Public Oversight of Accounting and Auditing Standards Authority (POAASA)

As BağımsızDenetimve YMM A.Ş.
(Member of **NEXIA INTERNATIONAL**)

O. Tuğrul ÖZSÜT
Engagement Partner, Chief Auditor

August 26, 2013

ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET A.Ş.

Consolidated financial statements and disclosures of Interim Account Period between 1 January 2013- 30 June 2013

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Odaş Elektrik Üretim Sanayi A.Ş.

Notes of Consolidated Financial Statements as of January 1, 2013 and July 30, 2013 (Currency-TRY, unless otherwise indicated)

ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET A.Ş.

STATEMENT OF FINANCIAL POSITION (TRY)

(XI-29 CONSOLIDATED)

(Currency- TRY, unless otherwise indicated)

Assets		Independent Audited consolidated	Independent Audited unconsolidated
	Notes	June 30, 2013	December 31, 2012
Current assets		153.378.569	100.403.447
Cash and cash equivalents	7	64.650.371	48.207.313
Trade receivables	9	47.444.001	22.094.062
<i>Due from related parties</i>	6	-	-
<i>Other trade receivables</i>		47.444.001	22.094.062
Other receivables (Net)	10	6.497.675	6.415.093
<i>Due from related parties</i>	6	6.131.490	6.311.108
<i>Other receivables</i>		366.185	103.985
Inventories	11	220.388	276.805
Prepaid Expenses	12	16.357.590	5.988.474
Other current assets	17	18.208.543	17.421.700
Non-current assets		185.085.258	170.480.137
Trade receivables	9	-	-
Other receivables	10	22.367	-
Tangible fixed assets	13	155.615.390	137.926.797
Intangible fixed assets	14	503.661	356.036
Goodwill	3	26.405.410	26.309.154
Deffered tax assets	26	927	-
Other non-current assets	12	2.537.502	5.888.150
Total assets		338.463.827	270.883.584

The accompanying accounting policies and other explanatory notes are an integral part of these statements.

Odaş Elektrik Üretim Sanayi A.Ş.

Notes of Consolidated Financial Statements as of January 1, 2013 and July 30, 2013 (Currency-TRY, unless otherwise indicated)

**ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET A.Ş.
STATEMENT OF FINANCIAL POSITION (TRY)
(XI-29 CONSOLIDATED)**

(Currency- TRY, unless otherwise indicated)

Liabilities		Independent Audited consolidated	Independent Audited unconsolidated
	Notes	June 30, 2013	December 31, 2012
Short term liabilities		116.214.627	97.112.072
Financial loans	8	33.452.104	34.947.597
Trade payables	9	41.917.373	35.916.012
<i>Due to related parties</i>	6	-	638
<i>Other trade payables</i>		41.917.373	35.915.374
Other payables	10	5.440.415	7.591.005
<i>Due to related parties</i>	6	1.983.738	5.232.422
<i>Other payables</i>	10	3.456.677	2.358.583
Payables under Employee benefit	16	307.135	92.935
Corporate tax payable	15	381.785	853.605
Short term provision	15	69.974	50.316
<i>Short term Provisions for Employee Benefits</i>			
<i>Other Short-Term Provisions</i>		-	-
Other short term liabilities	17	20.753.326	7.192.146
Deferred Income	12	13.892.515	10.468.455
Long term liabilities		123.846.215	129.403.681
Financial liabilities	8	117.231.899	123.814.654
Government grant	30	-	-
Long term provision	16	159.049	91.679
<i>Employee benefit obligations</i>		159.049	91.679
Deffered tax liability	26	6.455.266	5.497.349
Other long-term liabilities		-	-
Equity		98.402.985	44.367.834
Equity of main company		97.737.858	44.363.784
Paid in share capital	18	42.000.000	30.000.000
Difference of capital adjustment		-	-
Adjustment of intercompany capital (-)		-	-
Share premium	18	48.000.000	-
Valuation fund		-	-
Actuarial Loss / Income Fund	18	(131.160)	(79.923)
Limited reserve from profit		-	-
Retained earnings	18	14.443.706	(1.075.761)
Period profit/(loss)	18	(6.574.688)	15.519.465
Minority interest	18	665.127	4.409
Total equity and liabilities		338.463.827	270.883.584

The accompanying accounting policies and other explanatory notes are an integral part of these statements.

Odaş Elektrik Üretim Sanayi A.Ş.

Notes of Consolidated Financial Statements as of January 1, 2013 and July 30, 2013 (Currency-TRY, unless otherwise indicated)

ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET A.Ş. COMPREHENSIVE INCOME STATEMENT (XI-29 CONSOLIDATED)

(All amounts currency is shown in TRY)

		Independent Audited consolidated	Independent Audited consolidated	Independent Audited unconsolidated	Independent Audited unconsolidated
	Notes	01.01-30.06.2013	01.04-30.06.2013	01.01-30.06.2012	01.04-30.06.2012
ONGOING OPERATIONS					
Revenue	19	252.868.361	148.357.182	27.019.580	12.954.348
Cost of Sales	19	(233.232.887)	(137.208.091)	(20.484.325)	(8.303.554)
GROSS PROFIT/(LOSS)		19.635.474	11.149.090	6.535.256	4.650.795
Distribution and selling expenses (-)	20-21	(635.493)	(434.197)	-	-
General administration expenses (-)	20-21	(1.811.107)	(857.313)	(436.072)	11.672
Research and development expenses (-)	20-21	-	-	-	-
Operating revenue	22	731.876	(1.271.687)	1.126.702	614.393
Operating expenses	22	(6.408.856)	(5.012.912)	(112.972)	54.036
INCOME/(LOSS) FROM ONGOING OPERATIONS		11.511.893	3.572.981	7.112.914	5.330.895
Gains from investing activities	23	8.202	8.202	-	-
Losses from investing activities	23	-	-	-	-
Financial income	24	6.842.824	2.441.305	7.847.715	3.823.837
Financial expenses (-)	25	(23.266.088)	(17.595.059)	(6.048.320)	(4.973.960)
INCOME/(LOSS) FROM ONGOING OPERATIONS		(4.903.170)	(11.572.571)	8.912.309	4.180.773
Tax income/(loss) from ongoing operations		(1.687.607)	(203.959)	(5.566.235)	(6.438.913)
- Current tax income/(loss)	26	(719.900)	(397.670)	-	-
- Deffered tax income/(loss)	26	(967.707)	193.712	(5.566.235)	(6.438.913)
PROFIT/(LOSS) FROM ONGOING OPERATIONS		(6.590.777)	(11.776.530)	3.346.074	(2.258.140)
PROFIT/(LOSS) FOR THE PERIOD		(6.590.777)	(11.776.530)	3.346.074	(2.258.140)
Other comprehensive income		-	-	-	-
Actuarial losses and earnings calculated under Employee Benefits		(64.047)	(31.225)	(17.146)	(12.595)
Tax Effects	26	12.809	6.245	3.429	2.519
Changes in share premium		-	-	-	-
Other comprehensive income(after tax)		(51.237)	(24.980)	(13.717)	(10.076)
COMPREHENSIVE INCOME PROFIT/(LOSS) FOR THE YEAR		(6.642.014)	(11.801.510)	3.332.357	(2.268.216)
Distribution of profit/(loss) for the period		(6.642.014)	(11.776.530)	3.332.357	(2.268.216)
Minority interest	18	(16.087)	(28.748)	-	-
Main company share		(6.574.688)	(11.747.782)	-	-
Distribution of total comprehensive income		(6.642.014)	(11.801.510)	3.332.357	(2.268.216)
Minority interest	18	(16.214)	(28.809)	-	-
Majority interest		(6.625.800)	(11.722.701)	-	-
Earning per share	27	(0,177690)	(0,329167)	-	-
Diluted earnings per share		-	-	-	-
Limited earning per share from ongoing operations		-	-	-	-
	27	(0,177690)	(0,329167)	-	-

The accompanying accounting policies and other explanatory notes are an integral part of these statements.

Odaş Elektrik Üretim Sanayi A.Ş.

Notes of Consolidated Financial Statements as of January 1, 2013 and July 30, 2013 (Currency-TRY, unless otherwise indicated)

ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET A.Ş.
STATEMENT OF CHANGES IN EQUITY
(XI-29 CONSOLIDATED)
(Currency- TRY, unless otherwise indicated)

		Capital	Share Premium	Restricted Reserves From Profit	Actuarial Gain/Losses Fund From Retirement Plans	Minority Interest	Accumulated Profit/(Loss)	Total Equity
Balances at January 1, 2012	Not	100.000	-	(1.075.761)			(1.075.762)	(975.761)
Capital payment		29.900.000	-	-	-	-	-	29.900.000
Changes in accounting policy	2	-	-	-	-	-	-	-
Net income/(loss) for the period		-	-	-	17.146	-	3.315.211	3.332.357
Other comprehensive income (net)		-	-	-	-	-	-	-
Balances at June 30, 2013		30.000.000	-	-	17.146	-	2.239.449	32.256.595

		Capital	Share Premium	Restricted Reserves From Profit	Actuarial Gain/Losses Fund From Retirement Plans	Minority Interest	Accumulated Profit/(Loss)	Total Equity
Balances at January 1, 2013	Not	30.000.000	-	-	(79.923)	4.049	14.443.705	44.367.834
Increase in share capital	27	12.000.000	48.000.000	-	-	-	-	60.000.000
Minority Interest	27	-	-	-	-	661.078	-	661.078
Net income/(loss) for the period		-	-	-	-	-	(6.574.688)	(6.574.689)
Other comprehensive income (net)		-	-	-	(51.237)	-	-	(51.237)
Balances at June 30, 2013		42.000.000	48.000.000	-	(131.160)	665.127	7.869.016	98.402.985

The accompanying accounting policies and other explanatory notes are an integral part of these statements.

Odaş Elektrik Üretim Sanayi A.Ş.

Notes of Consolidated Financial Statements as of January 1, 2013 and July 30, 2013 (Currency-TRY, unless otherwise indicated)

ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET A.Ş. AND SUBSIDIARIES

Cash Flow Statement

Indirect Cash Flow Statement Method

Financial Statement Type	Notes	Current Period Independent Audited Consolidated 01.06.2013 - 30.06.2013 TRY	Prior Period Independent Audited Consolidated 01.06.2012 - 30.06.2012 TRY
Period Reporting Unit			
A. Cash Flows From Business Activities		15.761.080	18.106.539
Net income for the period		(6.574.689)	3.346.074
Adjustments Related to Accruals of Net Income for the period		(13.421.727)	11.980.764
- Adjustments related to amortization and redemption income	13-14	1.776.937	916.627
- Impairment/Reversal adjustments			
Inventory impairment		-	-
- Provisions related to adjustments		11.006.054	45.325
Provision for termination indemnities	16	67.371	15.507
Provision for tax	26	719900	-
Provision for unused vacation	15	19.658	(6.390)
Provision for case expenses		-	-
Provisions for doubtful trade receivables	9	109.207	-
Maturity differences on purchase		-	-
Rediscount	9-10	184.518	36.208
-Adjustments related to interest income and expenses		(17.925.590)	5.456.007
Income Accruals	17	(17.925.590)	(982.067)
Expense Accruals (Interest and other)	17	-	6.438.074
- Adjustments related to unrealized foreign currency translation		-	-
- Adjustments related to tax expenses/income	26	956.992	5.562.806
- Adjustments related to (loss)/gain from disposal of the fixed assets	23	8.202	-
- Adjustments related to other items from investment or financing activities causing cash flows		-	-
- Adjustments related to profit/(loss) accrual		661.078	-
Minority interests	13	661.078	-
Change in Capital		4.286.574	(33.419.663)
- Adjustments related to inventories increase/decrease	11	56.417	77.687
- Adjustments related to trade receivables increase/decrease	9	(25.620.883)	(5.551.558)
- Adjustments related to receivables from financial sector operations increase/decrease		-	-
- Adjustments related to activities with other receivables increase/decrease		16.334.678	(21.550.280)
Change in other receivables	10	(804.069)	(26.833.338)
Change in other assets	17	17.138.746	5.283.059
- Change in trade payables increase/decrease		5.996.532	1.102.171
Change in trade payables	9	5.976.873	1.108.561
Change in provisions	15	19.659	(6.390)
- Adjustments related to payables from financial sector operations increase/decrease		-	-
- Adjustments related to activities with other payables increase/decrease		(8.273.690)	(3.009.567)
Change in prepaid expenses	12	(7.018.468)	2.061.409
Change in employee benefit	16	194.542	(19.109)
Change in other payables	10	(1.449.764)	(5.051.867)
Provisions for employee benefit		-	-
- Adjustments related to other increase/decrease in capital		15.793.521	(4.488.115)
Corporate tax payable	15-26	(1.191.720)	(325.753)

Odaş Elektrik Üretim Sanayi A.Ş.

Notes of Consolidated Financial Statements as of January 1, 2013 and July 30, 2013 (Currency-TRY, unless otherwise indicated)

Changes in deferred income	12	3.424.060	(2.991.526)
Change in other liabilities	17	13.561.180	(1.170.836)
Cash Flows From Activities		(15.709.842)	(18.092.825)
Paid dividend		-	-
Actuarial Loss / Gain	18	(51.237)	(13.717)
Received dividend		-	-
Paid interest		-	-
Received interest		-	-
Tax payments/ refunds		-	-
Other cash inflow/outflow		-	-
B. CASH FLOWS FROM INVESTMENT ACTIVITIES		(19.717.615)	(65.404.255)
Cash inflows from sales related in resulting of subsidiaries control loss		-	-
Cash outflows from purchases for obtaining of the control of subsidiaries		(96.256)	-
Cash inflows from sales of other business or funds for debt instruments		-	-
Cash outflows from purchase of other business or funds for debt instruments		-	-
Cash inflows from sales of tangible and intangible assets		-	-
Cash outflows from purchase tangible and intangible assets		-	-
Tangible asset purchase and sales, Net		(19.446.163)	(65.374.798)
Intangible asset purchase and sales,Net		(175.196)	(29.457)
Cash inflows from long term assets sales		-	-
Cash outflows from long term assets sales		-	-
Given cash advances and liabilities		-	-
Refunds from given cash advances and liabilities		-	-
Paid interest		-	-
Received interest		-	-
Tax payments/ refunds		-	-
Other cash inflow/outflow		-	-
C. CASH FLOWS FROM FINANCING ACTIVITIES		51.921.753	85.598.956
Cash inflows from exported instruments based on share and other equity		60.000.000	29.900.000
Cash outflows related from instruments based on bussines own shares and other equity.		-	-
Cash inflows from borrowing		-	-
Cash outflows from debt payments		(11.592.855)	2.784.634
Cash outflows related in debt payments of financial rent contracts		3.514.608	52.914.323
Cash inflows from government grants		-	-
Received dividend		-	-
Tax payments/ refunds		-	-
Other cash inflow/outflow		-	-
BEFORE THE EFFECT OF FOREIGN CURRENCY TRANSLATION, DIFFERENCES IN CASH AND CASH EQUIVALENTS NET INCREASE / DECREASE		16.443.058	2.088.160
D. EFFECT OF FOREIGN CURRENCY TRANSLATION DIFFERENCES ON CASH AND CASH EQUIVALENTS		-	-
CASH AND CASH EQUIVALENTS NET INCREASE / DECREASE		16.443.058	2.088.160
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD		48.207.313	2.697.171
CASH AND CASH EQUIVALENTS AT THE END OF YEAR		64.650.371	4.785.330

The accompanying accounting policies and other explanatory notes are an integral part of these statements.

Odaş Elektrik Üretim Sanayi A.Ş.

Notes of Consolidated Financial Statements as of January 1, 2013 and July 30, 2013 (Currency-TRY, unless otherwise indicated)

1. ORGANIZATION AND CORE BUSINESS OF THE COMPANY

Odaş Elektrik Üretim Sanayi Ticaret A.Ş. (“Odaş” or “The Company”) operates as producing electricity by natural gas combined cycling. Company has been established in Istanbul in September 28, 2010.

The Company has business via establishing production plant, setting plants into operation, lease, producing electricity energy, selling produced electricity and/or created capacity to clients.

The company has got the producing license from Energy Market Regulatory Authority (EMRA) at July 14, 2011.

According to this license it will produce electricity the power plant that will be established in Şanlıurfa for 49 years. The production plants’ planned installed capacity is 150 Mw. At October 28, 2011 first phase of the plant which has 56 Mw capacities has been settled into operation. On April 30, 2011 the second phase of the plant which is 56 Mw has settled into operation. Also company has started steam turbine investment in year 2012.

As of December January 1, 2013 and December 31, 2012 group’s capital and share percentages are given below;

Shareholder	30.06.2013		31.12.2012	
	Amount	Rate	Amount	Rate
Korkut Özal	12.000.000	28,57%	12.000.000	40%
A. Bahattin Özal	9.000.000	21,43%	9.000.000	30%
Burak Altay	9.000.000	21,43%	9.000.000	30%
Public Shares (*)	12.000.000	28,57%	-	-
Total Capital	42.000.000	100%	30.000.000	100%

(*) Company, increased its capital of 30.000.000TL to 42.000.000TL in the year of 2013 and the absolute amount of increase of 12.000.000TL has been committed in collusion. This increase in capital was enrolled in 22.07.2013 and declared in Trade Registry Gazette dated 25.07.2013 and numbered 8371.

By the Board of Directors’ decision dated 08.03.2013 and numbered 2013/08 and the certificate of recognition of the Capital Markets Board dated 08.05.2013 and numbered 16/519, the absolute amount of issued shares representing the 12.000.000TL increased amount of capital has been offered to the public.

As of December 30, 2013 in company’s structure there are 50 average personnel employed December 31, 2012: 41)

Odaş Elektrik Üretim Sanayi Ticaret A.Ş. is registered in Trade Registry and its address is below:

Kısıklı Caddesi Aköz İş Merkezi No:14/1 A Blok Kat:3 D:8 Altunizade, Üsküdar / İstanbul

Subsidiaries

Voytron Elektrik Toptan Satış Dış Ticaret A.Ş.:

The company bought at the rate of %100 of Voytron Elektrik Toptan Satış Dış Ticaret A.Ş. on September 28, 2012, and Voytron Elektrik is included in consolidation.

Odaş Elektrik Üretim Sanayi A.Ş.

Notes of Consolidated Financial Statements as of January 1, 2013 and July 30, 2013 (Currency-TRY, unless otherwise indicated)

1. ORGANIZATION AND CORE BUSINESS OF THE COMPANY (Continued)

Voytron Elektrik Toptan Satış Dış Ticaret A.Ş. (“Voytron Elektrik” or “Company”) is established at the date of September 17, 2009 in address given below and registered. Voytron Elektrik is selling produced electricity and/or created capacity to directly consumers in accordance with electricity market regulator.

Company centre address is Kısıklı Caddesi Aköz İş Merkezi No:14/1 A Blok Kat:3 D:8 Altunizade, Üsküdar / İstanbul.

Voytron Elektrik, had the 20 year duration license of wholesale from Energy Market Regulatory Authority (EMRA) as at March 11, 2010.

Shareholders structure of Voytron Elektrik Toptan Satış Dış Ticaret A.Ş. is given below:

	June 30, 2013	December 31, 2012
Odaş Elektrik Üretim Sanayi Ticaret A.Ş.	100%	100%

Hidro Enerji Elektrik Üretim Sanayi A.Ş.:

The company bought at the rate of %100 of Hidro Enerji Elektrik Üretim Sanayi A.Ş. on November 27, 2012, and Hidro Enerji is included in consolidation.

Hidro Enerji Elektrik Üretim Sanayi A.Ş. (Hidro Enerji) is established on the date of April 5, 2005. Hidro Enerji engages in establishment of electric power generation plant, operation, leasing, electricity power generation, and sale of generated electricity power and / or the capacity to consumers.

Company centre address is Kısıklı Caddesi Aköz İş Merkezi No:18 A Blok Kat:3 Daire:7-8 Altunizade Üsküdar İstanbul.

Hidro Enerji, had 49 year duration production license from Energy Market Regulatory Authority (EMRA) as at September 20, 2012. The license is given for Volkan HES production plant which will be established in Trabzon. Total power of the plant is 1.913 MWm / 1.857 MWe.

Shareholder structure of Hidro Enerji Elektrik Üretim Sanayi A.Ş. is as below:

	June 30, 2013	December 31, 2012
Odaş Elektrik Üretim Sanayi Ticaret A.Ş.	100%	100%

Ağrı Elektrik Üretim Sanayi A.Ş.:

The company bought at the rate of %70 of Ağrı Elektrik Üretim Sanayi A.Ş on November 27, 2012, and Ağrı Elektrik is included in consolidation.

Ağrı Elektrik Üretim Sanayi A.Ş. (Ağrı Elektrik) is established on the date of April 13, 2011. Ağrı Elektrik engages in establishment of electric power generation plant, operation, leasing, electricity power generation, and sale of generated electricity power and / or the capacity to consumers.

Company centre address is Kısıklı Caddesi Aköz İş Merkezi No:18 A Blok Kat:3 Daire:7-8 Altunizade Üsküdar İstanbul.

Odaş Elektrik Üretim Sanayi A.Ş.

Notes of Consolidated Financial Statements as of January 1, 2013 and July 30, 2013 (Currency-TRY, unless otherwise indicated)

1. ORGANIZATION AND CORE BUSINESS OF THE COMPANY (Continued)

Ağrı Elektrik had the 49 year production license from Energy Market Regulatory Authority (EMRA) as at July 5, 2012. The license is given for the plant which will be established in Karatay-Konya. Total power of the Ağrı I Doğlagaz Kombine Çevrim Santrali is 63 MWm / 61 MWe.

Partnership structure of Ağrı Elektrik Üretim Sanayi A.Ş.is as below:

	June 30, 2013	December 31, 2012
Odaş Elektrik Üretim Sanayi Ticaret A.Ş.	70%	70%
Abdulkadir Bahattin Özal	15%	15%
Burak Altay	15%	15%

Küçük Enerji Üretim ve Ticaret Ltd. Şti.:

The company bought at the rate of %90 of Küçük Enerji Üretim ve Ticaret Ltd. Şti.on December 27, 2012, and Küçük Enerji is included in consolidation.

Küçük Enerji Üretim ve Ticaret Ltd. Şti. (Küçük Enerji) is established on the date of May 1, 2007. Küçük Enerji engages in establishment of electric power generation plant, operation, leasing, electricity power generation, and sale of generated electricity power and / or the capacity to consumers.

Company centre address is Kısıklı Caddesi Aköz İş Merkezi No:14/1 A Blok Kat:3 Daire:8 Altunizade Üsküdar İstanbul.

Küçük Enerji had the 49 year production license from Energy Market Regulatory Authority (EMRA) as at April 12, 2012. The license is given for Köprübaşı Regülatörü ve Hidroelektrik Santrali production plant which will be established in Trabzon. Total power of the plant is (2 x 4,097) MWm / (2 x 3,975) MWe.

Partnership structure of Küçük Enerji Üretim ve Ticaret Ltd. Şti. is as below:

	June 30, 2013	December 31, 2012
Odaş Elektrik Üretim Sanayi Ticaret A.Ş.	90%	90%
Abdulkadir Bahattin Özal	5%	5%
Burak Altay	5%	5%

Ena Elektrik Üretim Ltd. Şti.:

The company bought at the rate of %80 of Ena Elektrik Üretim Ltd. Şti. as of December 27, 2012, and Ena Elektrik is included in consolidation.

Ena Elektrik Üretim Ltd. Şti. (Ena Elektrik) is established as the date of May 17, 2007. Ena Elektrik engages in establishment of electric power generation plant, operation, leasing, electricity power generation, and sale of generated electricity power and / or the capacity to consumers.

Capital has been committed in collusion by shareholders. The amount of the initial capital 100,000.00 TRY paid in cash. The absolute amount of increase 2.905.000,00 TRY has been committed in collusion and ¼ nominal value of shares subscribed in cash has been paid before the registration of the increasing capital. Reaminging ¾ nominal value of shares subscribed in cash will be paid according to decisions made by the board of shareholders within 24 months following the registration of the company.

Odaş Elektrik Üretim Sanayi A.Ş.

Notes of Consolidated Financial Statements as of January 1, 2013 and July 30, 2013 (Currency-TRY, unless otherwise indicated)

1. ORGANIZATION AND CORE BUSINESS OF THE COMPANY (Continued)

This capital increase was registered on 07.05.2013 and has been declared the trade registry gazette, numbered 8318, on 13.05.2013.

Company centre address is Kısıklı Caddesi Aköz İş Merkezi No:14/2 A Blok Kat:3 Daire:7 Altunizade Üsküdar İstanbul

Shareholder structure of Ena Elektrik is as below:

	June 30, 2013	December 31, 2012
Odaş Elektrik Üretim Sanayi Ticaret A.Ş.	80%	80%
Hidayet Büküm	20%	20%

Yel Enerji Elektrik Üretim Sanayi A.Ş.

The company bought at the rate of %75 of Yel Enerji Elektrik Üretim Sanayi A.Ş. as of January 10, 2013, and Yel Elektrik is included in consolidation.

Yel Enerji Elektrik Üretim Sanayi A.Ş (Yel Elektrik) is established as the date of October 22, 2007. Yel Elektrik Üretim Sanayi A.Ş. engages in establishment of electric power generation plant, operation, leasing, electricity power generation, and sale of generated electricity power and / or the capacity to consumers.

Company centre address is Kısıklı Caddesi Aköz İş Merkezi No:14/2 A Blok Kat:3 Daire:7 Altunizade Üsküdar İstanbul

Shareholder structure of Yel Elektrik is as below:

	June 30, 2013	December 31, 2012
Odaş Elektrik Üretim Sanayi Ticaret A.Ş.	75%	0%
Abdulkadir Bahattin Özal	12,5%	50%
Burak Altay	12,5%	50%

Odaş Doğalgaz Toptan Satış Sanayi ve Ticaret A.Ş.

The company is a co-founder at the rate of %80 of Doğalgaz Toptan Satış Sanayi ve Ticaret A.Ş. and Odaş Doğalgaz is included in consolidation as of January 11, 2013. The company transferred at the rate of %15 of Odaş Doğalgaz Toptan Satış Sanayi ve Ticaret A.Ş. to Abdulkadir Bahattin Ozal and at the rate of %15 of Odaş Doğalgaz Toptan Satış Sanayi ve Ticaret A.Ş. to Burak Altay.

According to Law No: 4646, Energy Market Regulatory Authority (EMRA) issued the notification, the decision and commitments specified in the regulations, and with the adoption of the issues, Odaş Doğalgaz Toptan Satış Sanayi ve Ticaret A.S. engages in Natural Gas Liquefied Natural Gas (LNG), Compressed Natural Gas (CNG) purchasing from the production, import, wholesale companies and other sources of law will be allowed and to wholesale to customers which are exporter distribution, LNG, CNG, wholesale companies, eligible consumers and permitted by law to customers.

Company centre address is at Kısıklı Caddesi Aköz İş Merkezi No:14/2 A Blok Kat:3 Daire:7 Altunizade Üsküdar İstanbul.

Odaş Elektrik Üretim Sanayi A.Ş.

Notes of Consolidated Financial Statements as of January 1, 2013 and July 30, 2013 (Currency-TRY, unless otherwise indicated)

BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

Shareholder structure of Odaş Doğalgaz is as below:

	June 30, 2013
Odaş Elektrik Üretim Sanayi Ticaret A.Ş.	50%
A. Bahattin Özal	20,01%
Burak Altay	20,01%
Tahsin Yazan	9,98%

Information concerning EMRA licenses that are owned by the parent company and consolidated subsidiaries is as below:

License owner	License Type	License No	Date	Term	Effective Date
Voytron Elektrik	Whole sale	ETS/2461-2/1599	11.03.2010	20 years	11.03.2010
Odaş	Production	EÜ/3323-2/2005	14.07.2011	49 years	14.07.2011
Hidro Enerji	Production	EÜ/4027-2/2427	20.09.2012	49 years	20.09.2012
Ağrı Elektrik	Production	EÜ/3905-3/2372	05.07.2012	49 years	05.07.2012
Küçük Enerji	Production	EÜ/3769-4/2314	12.04.2012	49 years	12.04.2012

a. Basis of Presentation

The main accounting policies applied in the preparation of the financial statements of the Group are as follows:

Accounting Policies Applied

The accompanying interim financial statements have been prepared in accordance with the provisions of Series II, 141 numbered "Principles of Financial Reporting in Capital Markets" ("the Communiqué") published in Official Gazette of Capital Markets Board ("CMB") which is dated June 13, 2013 and numbered 28676. According to article 5 of the Communiqué, Turkey Accounting Standarts/Turkey Financial Reporting Standards and the related supplement and comments ("IAS / IFRS") ,published by Public Oversight Accounting and Auditing Standards Authority (POAASA), were used as a basis.

The Company prepared interim financial statements, ended on June 30, 2013, in accordance with Turkish Accounting Standarts numbered 34.

Functional and presentation currency

Functional currency of the report is TRY and decimal parts of the amounts were rounded up.

As of June 30, 2013 Dollar currency rate is 1 USD = 11,9248TL TRY (December 31, 2012: 1,7826); 1 EUR = 2,5137TL TRY (December 31, 2012 = 2,3517TRY) which are published by The Central Bank of Republic of Turkey.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Adjusting financial tables in hyperinflation periods

The companies, who are preparing their financial tables according to CMB Accounting Standards, are not using inflation accounting according to a decision given in March 17, 2005 that will be in effect since January 01, 2005.

The preparing and presenting financial tables are not done in accordance with TAS/TAS 29” Financial Reporting in Economies with High Inflation” according to the decision given by CMB.

Base of Consolidation

Consolidation is prepared in structure of Odaş Elektrik Üretim Sanayi Ticaret A.Ş. which is parent company.

Consolidated financial reports are prepared in accordance with TAS 27 - Consolidated and Separated Financial statements of Turkish accounting standard.

Consolidated financial reports contain all subsidiaries of the parent company.

- It eliminates participation amount at each subsidiary and percentage amount of main partnership which are equivalent to amount in equities of each subsidiary.
- It determines amount of minority percentage in consolidated profit and loss of period and amount of minority percentage determines separately from amount of main subsidiary from amount of net actives of consolidated main subsidiary. The amount of minority percentage from net actives contains; calculated minority percentages in merge date in accordance with TFRS 3; minority percentage from all transactions made after merge date.
- All expenses, income, transactions and balances incurred of group are eliminated.
- Subsidiary income, expenses and dividends including all balances and transactions are eliminated. Profits and loss which are added to cost of current and non-current assets due to transactions in subsidiaries are eliminated. Loss in group can show an impairment which should be in account in assets section of consolidated financial reports. The differences which rise during elimination of loss and profits which resulted by transactions in group apply in accordance with TAS 12 “Income Taxes” standard.
- Necessary adjustments are made during preparation of consolidated financial statements when one of subsidiaries needs to use different accounting principles for similar transactions or events.
- The consolidated financial reports of the partnership and subsidiaries are prepared at the same time with financial statements. Accounting policies are accepted for consolidated financial reports, same transactions and transactions in same condition.
- All income and expenses of a subsidiary take in account consolidated financial reports after acquisition date according to TFRS 3 and this situation continues till the date of partnership lose its control power on subsidiary. When subsidiary sold; the difference between the income resulted by this transaction and the book value of subsidiary will be shown as loss or profit in consolidated comprehensive income statement. About this transaction if there is a currency translation loss or
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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

profits which are related directly to equity take into account in accordance with “TAS 21 Currency change effects”.

- Minority interest can be shown at equities section in consolidated statement of financial position separately from equities amount of partnership. The Group’s loss or profit amount for minority interest should be shown also separately.

Comparative Information and Restatement of Prior Period Financial Statements

Group has prepared the statement of consolidated financial position dated December 31, 2012 comparatively to the statement of unconsolidated financial position dated January 1, 2013 and June 30, 2013 comprehensive consolidated income statement, consolidated cash flow statement related to dates between January 1, 2013 and June 30, 2013 comparatively to comprehensive unconsolidated income statement and unconsolidated cash flow statement related to the period between January 1, 2013 and June 30, 2012; Consolidated Shareholders’ Equity related to dates between January 1, 2013 and June 30, 2013; comparatively unconsolidated Shareholders’ Equity related to dates between January 1, 2013 and June 30, 2012;.

b. Changes in Accounting Policies

If adjustments on accounting policies are applied retroactive, the group should adjust the previous opening balance in the report. The group should provide comparative data which is presented in accordance with the new accounting policies in terms of current years.

Changes in accounting policy need to application for previous periods and also for current period or if group cannot determine the change effect of the financial statements as in cumulative, it wouldn’t make any application for previous periods.

Group applied account policies in consistent with previous period.

TAS 19 - The amendments to the scope of benefits provided to employees on retirement actuarial gains / losses are recognized in equity. This application is valid for annual periods of January 1st, 2013 and started after and application is applied retroactively. Actuarial losses of 837.250 TRY which is recognized in “other expenses” and “deferred tax income/expense” account in the income statement of the company dated June, 30th 2012 is classified in other comprehensive income. 331.339TL actuarial gain that is shown in net profit for the period in the statement of financial position of the company dated December

31st of 2012 where its deferred tax effect is sharpened and 55.223 TRY actuarial loss that is shown in retained earnings where again its deferred tax effect is sharpened (actuarial gain valued at 276.116 TRY total) is classified at the same table in actuarial gain/loss reserve in pension plans. Examples of financial statements which come into force periods ending on or after March 31st, 2013 and usage guide for capital market institutions which fall into Principles of Financial Reporting in Capital Markets in accordance with the decision taken at the meeting of CMB dated 7 June 2013 and numbered 20/670.

Accordance to these formats, classifications below are made at company’s statement of financial position and income statement dated June 30th, 2012.

Classifications made at company’s statement of financial position dated December 31st, 2012 are:

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

- I) Personnel debts of 49.259 TRY that are shown in other payables account and social payable security deductions and other deductions valued at 43.675 TRY in debts in the scope of benefits provided to employees,
- II) Leave of absence provisions and cost expense provisions valued at 50.316 TRY shown in accountability provisions in a separate account as short-term provisions related to benefits provided to employees.
- III) The amount of 10.468.455 TRY which is shown under advances received from customers account and future income that are netted in other short-term liabilities account group and does not give balance in a separate account in deferred income,
- IV) Provision for employee termination benefits valued at 91.679 TRY that are shown under provisions for employee benefits account group, in provisions for employee benefits in long-term provisions account group,
- V) Order advances of 5.413.868 TRY that are shown in other current assets account group and prepaid expenses valued at 574.606 TRY, in short-term prepaid expenses,

- VI) Order advances of 5.888.150 TRY that are shown in non-current assets, are classified in long-term prepaid expenses,

Classifications made at company's income statement dated June 30th, 2012 are:

- I) Gain on sale of tangible fixed assets that does not give balance that are shown under other income account group, in income from investment activities,
- II) Foreign exchange gains valued at 1.100.119 TRY concerning trade payables and receivables in financial income account and rediscounting interest income valued at 98.685 TRY, in other income from operating activities,
- III) Foreign exchange loss valued at 51.610 TRY concerning trade payables and receivables in financial expenses account group and rediscounting interest expense valued at 429.089 TRY, in other expenses from operating activities,
- IV) Other incomes that does not give balance and shown in sales revenue account group, in other incomes from operating activities.

c. Changes in Accounting Estimates and Errors

If changes in accounting estimates effect a change in assets, liability and equities, book value of related assets, liability and equities should change at related period.

In case of shifting effects of changes in accounting estimate to next financial reports, it means that it applied to transactions, events and conditions after the date of changes in forecast.

Errors related to previous periods adjust by using readjust method for previous periods except the cases in which it is not possible to calculate the cumulative and current period's effects of error.

At the preparation of the consolidated financial statements, the Group management has to do assumptions and forecasts about the amount which will affect assets and liabilities, amounts which affect liabilities and commitments as of the time of the statement of financial position and amounts of income and expenses for reporting period. Results happened in real would be different than forecasts and assumptions. These forecasts and assumptions are considered in regular time bases, all necessary adjustments are made and the results adjusted to related period.

Significant estimates which are used related to economic life and compensation of the main tangible and intangible assets.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

New and Revised International Financial Reporting Standards

The accounting policies adopted in preparation of the interim condensed consolidated financial statements as at 30 June 2013 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRIC interpretations effective as of 1 January 2013. The effects of these standards and interpretations on the Group's financial position and performance have been disclosed in the related paragraphs.

The new standards, amendments and interpretations which are effective as at 1 **January 2013 are as follows:**

TAS 1 Presentation of Financial Statements (Amended) - Presentation of Items of Other Comprehensive Income

The amendments to TAS 1 change only the grouping of items presented in other comprehensive income. Items that could be reclassified (or „recycled“) to profit or loss at a future point in time would be presented separately from items which will never be reclassified. The amendments will be applied retrospectively. The amendment affects presentation only and did not have an impact on the financial position or performance of the Group.

TAS 19 Employee Benefits (Amended)

Numerous changes or clarifications are made under the amended standard. Among these numerous amendments, the most important changes are removing the corridor mechanism, for determined benefit plans recognizing actuarial gain under other comprehensive income and making the distinction between short-term and other long-term employee benefits based on expected timing of settlement rather than employee entitlement. Since the Group recognizes the actuarial gain and loss in the other comprehensive income statement, the amendment of the standard with regards to the accounting of actuarial gain/loss did not have any impact on the financial position or performance of the Group. However based on the amendment in the presentation of short term employee benefits, vacation pay liability formerly presented in the short term provisions has been retrospectively reclassified to long term provisions and calculated based on actuarial method.

TAS 27 Separate Financial Statements (Amended)

As a consequential amendment to TFRS 10 and TFRS 12, the POA also amended TAS 27, which is now limited to accounting for subsidiaries, jointly controlled entities, and associates in separate financial statements. This amendment did not have an impact on the financial position or performance of the Group.

TAS 28 Investments in Associates and Joint Ventures (Amended)

As a consequential amendment to TFRS 11 and TFRS 12, the POA also amended TAS 28, which has been renamed TAS 28 Investments in Associates and Joint Ventures, to describe the application of the equity method to investments in joint ventures in addition to associates. Transitional requirement of this amendment is similar to TFRS 11. This amendment did not have an impact on the financial position or performance of the Group.

TFRS 10 Consolidated Financial Statements

TFRS 10, TAS 27 Consolidated and Separate Financial Statements addresses the accounting for consolidated financial statements. A new definition of control is introduced, which is used to determine which entities are consolidated. This is a principle based standard and require preparers of financial statements to exercise significant judgment. This amendment will not have an impact on the financial position or performance of the Group.

TFRS 11 Joint Arrangements

The standard describes the accounting for joint ventures and joint operations with joint control. Among other changes introduced, under the new standard, proportionate consolidation is not permitted for joint ventures. This standard did not have an impact on the financial position or performance of the Group.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

TFRS 12 Disclosure of Interests in Other Entities

TFRS 12 includes all of the requirements that are related to disclosures of an entity's interests in subsidiaries, joint arrangements, associates and structured entities. Apart from the disclosures regarding the significant issues and transactions in the interim period, disclosures according to the new standards are not applicable to interim periods so the Group did not provide this disclosure in the interim period.

TFRS 13 Fair Value Measurement

The new Standard provides guidance on how to measure fair value under TFRS but does not change when an entity is required to use fair value. It is a single source of guidance under TFRS for all fair value measurements. The new standard also brings new disclosure requirements for fair value measurements. The new disclosures are only required for periods beginning after TFRS 13 is adopted. Some of the disclosures about the financial instruments mentioned above, have to be provided in the interim condensed consolidated financial statements according to TAS 34.16 A (j). The Group has presented these disclosures in Note 14 and 15. This amendment did not have an impact on the interim consolidated financial statements of the Group.

TFRIC 20 Stripping Costs in the Production Phase of a Surface Mine

Entities will be required to apply its requirements for production phase stripping costs incurred from the start of the earliest comparative period presented. The Interpretation clarifies when production stripping should lead to the recognition of an asset and how that asset should be measured, both initially and in subsequent periods. The interpretation is not applicable for the Group and did not have any impact on the financial position or performance of the Group.

Transition Guidance (Amendments to TFRS 10, TFRS 11 and TFRS 12)

The amendments change the transition guidance to provide further relief from full retrospective application. The date of initial application is defined as „the beginning of the annual reporting period in which TFRS 10 is applied for the first time“. The assessment of whether control exists is made at „the date of initial application“ rather than at the beginning of the comparative period. If the control assessment is different between TFRS 10 and TAS 27/SIC-12, retrospective adjustments should be determined. However, if the control assessment is the same, no retrospective application is required. If more than one comparative period is presented, additional relief is given to require only one period to be restated. For the same reasons POA has also amended TFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests in Other Entities to provide transition relief. These amendments did not have an impact on the interim consolidated financial statements of the Group.

Improvements to TFRSs

Annual Improvements to IFRSs - 2009 - 2011 Cycle, which contains amendments to its standards, is effective for annual periods beginning on or after 1 January 2013. This project did not have an impact on the financial position or performance of the Group.

TAS 1 Financial Statement Presentation:

Clarifies the difference between voluntary additional comparative information and the minimum required comparative information.

TAS 16 Property, Plant and Equipment:

Clarifies that major spare parts and servicing equipment that meet the definition of property, plant and equipment are not inventory.

TAS 32 Financial Instruments: Presentation:

Clarifies that income taxes arising from distributions to equity holders are accounted for in accordance with TAS 12 Income Taxes. The amendment removes existing income tax requirements from TAS 32 and requires entities to apply the requirements in TAS 12 to any income tax arising from distributions to equity holders.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

TAS 34 Interim Financial Reporting:

Clarifies the requirements in TAS 34 relating to segment information for total assets and liabilities for each reportable segment. Total assets and liabilities for a particular reportable segment need to be disclosed only when the amounts are regularly provided to the chief operating decision maker and there has been a material change in the total amount disclosed in the entity's previous annual financial statements for that reportable segment.

Standards issued but not yet effective and not early adopted.

Standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of issuance of the interim condensed consolidated financial statements are as follows. The Group will make the necessary changes if not indicated otherwise, which will be affecting the interim condensed consolidated financial statements and disclosures, after the new standards and interpretations become in effect.

TAS 32 Financial Instruments: Presentation - Offsetting Financial Assets and Financial liabilities (Amended)

The amendments clarify the meaning of "currently has a legally enforceable right to set-off" and also clarify the application of the TAS 32 offsetting criteria to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous. These amendments are to be retrospectively applied for annual periods beginning on or after 1 January 2014. The Group does not expect that these amendments will have significant impact on the financial position or performance of the Group.

TFRS 9 Financial Instruments - Classification and measurement

As amended in December 2011, the new standard is effective for annual periods beginning on or after 1 January 2015. Phase 1 of this new TFRS introduces new requirements for classifying and measuring financial instruments. The amendments made to TFRS 9 will mainly affect the classification and measurement of financial assets and measurement of fair value option (FVO) liabilities and requires that the change in fair value of a FVO financial liability attributable to credit risk is presented under other comprehensive

income. Early adoption is permitted. The Group is in the process of assessing the impact of the amendment on financial position or performance of the Group.

The new standards, amendments and interpretations that are issued by the International Accounting Standards Board (IASB) but not issued by POA.

The following standards, interpretations and amendments to existing IFRS standards are issued by the IASB but not yet effective up to the date of issuance of the interim financial statements. However, these standards, interpretations and amendments to existing IFRS standards are not yet adapted/issued by the POA, thus they do not constitute part of TFRS. The Group will make the necessary changes to its consolidated financial statements after the new standards and interpretations are issued and become effective under TFRS.

IFRS 10 Consolidated Financial Statements (Amendment)

IFRS 10 is amended to provide an exception to the consolidation requirement for entities that meet the definition of an investment entity. The exception to consolidation requires investment entities to account for subsidiaries at fair value through profit or loss in accordance with IFRS 9 Financial Instruments. The Group does not expect that this amendment will have any impact on the financial position or performance of the Group.

IFRIC Interpretation 21 Levies

The interpretation clarifies that an entity recognizes a liability for a levy when the activity that triggers payment, as identified by the relevant legislation, occurs. It also clarifies that a levy liability is accrued

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

progressively only if the activity that triggers payment occurs over a period of time, in accordance with the relevant legislation. For a levy that is triggered upon reaching a minimum threshold, the interpretation clarifies that no liability should be recognized before the specified minimum threshold is reached. The interpretation is effective for annual periods beginning on or after 1 January 2014, with early application permitted. Retrospective application of this interpretation is required. The Group does not expect that this amendment will have any impact on the financial position or performance of the Group.

IAS 36 Impairment of Assets - Recoverable Amount Disclosures for Non-Financial assets (Amendment)

The IASB, as a consequential amendment to IFRS 13 Fair Value Measurement, modified some of the disclosure requirements in IAS 36 Impairment of Assets regarding measurement of the recoverable amount of impaired assets. The amendments required additional disclosures about the measurement of impaired assets (or a group of assets) with a recoverable amount based on fair value less cost of disposal. The amendments are to be applied retrospectively for annual periods beginning on or after 1 January 2014. Earlier application is permitted for periods when the entity has already applied IFRS 13. The Group does not expect that this amendment will have any impact on the financial position or performance of the Group.

IAS 39 Financial Instruments: Recognition and Measurement - Novation of Derivatives and Continuation of Hedge Accounting (Amendment)

In June 2013, the IASB issued amendments to IAS 39 Financial Instruments: Recognition and Measurement that provides a narrow exception to the requirement for the discontinuation of hedge accounting in circumstances when a hedging instrument is required to be novated to a central counterparty as a result of laws or regulations. The amendments are to be applied retrospectively for annual periods beginning on or after 1 January 2014. The Group does not expect that this amendment will have any impact on the financial position or performance of the Group.

d. Summary of Important Accounting Policies

Cash and Cash Equivalents

Cash can be implied as cash in the group and cash equivalent can be implied as short term investments which have unimportant risk to lose value, higher liquidity and can be converted easily to cash. Cash equivalents are assets which are used for investment purpose, kept for short term cash liabilities and they cannot be used for other purposes. (Note:6)

Trade Receivables

Trade Receivables are the receivables sourced from group which are come from a debtor cause of a direct supply of goods or services. They are valued by using effective interest method thought discounted cost. Without a specified term, short-term trade receivables are valued on their amount of invoice when accrued interest has insignificant effects. (Note:10)

In case of receivables become impossible to collect, group will make a provision as a risk provision. This provision amount is the difference between the book value of receivables and possible collection amount of receivables. Possible collection amount is the rediscounted value which is calculated with effective interest method on amount of original trade receivables, collectible guarantees and other cash transactions. (Note:10)

If the amount of low value decreases after written as a loss, the amount of decrease will record in other income in the current period. (Note:31).

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Related Parties

The group will consider as a related party if one the conditions below are met.

- a) If the party directly or indirectly with one or more agent:
 - i) Controls the enterprise, controlled by enterprise or is present under the same control with the enterprise (including parent companies, subsidiaries and subsidiaries at the same line of business);
 - ii) Has share which allows it to have big impact on the group; or
 - iii) Has associated control on the group;
- b) If the party is an affiliate of the group;
- c) If the party is an business partnership where the group is a party;
- d) If the party is a member of the key personnel in the group or Company's main partnership;
- e) If the party is a close family member of any person mentioned in the a or d parts;
- f) If the party is an enterprise which is controlled, partnered or under important effect or any person mentioned in d) or e) parts has right to vote in important decisions of the party;
- g) If the party has profit plans about a possible leaving job of related parties' employees.

Financial Instrument

Financial assets

Financial assets are recorded with their appropriate value and expenses directly related to purchase except financial assets reflected to profit or loss of the appropriate value difference and recorded on their appropriate value. In the case of purchase or selling of financial assets which are bound to a contract that has a condition on deliverance date of financial instruments set by the market are recorded at the date of transaction.

Financial assets are classified as "financial assets reflected to profit or loss of the realizable value difference", "financial assets kept in hand till its maturity", "marketable financial assets" and credits and receivables.

Effective Interest Method

It is the method in which interest income of financial asset distribute to related period and amortized cost of financial asset gain value. Effective interest rate; Estimated future cash value which will be charged in a shorter time period during the expected lifetime of financial instrument or in case in which life time of financial instrument is appropriate, is the reduced rate of net present value of related financial assets.

Financial assets which will keep in hand till maturity, marketable debt instruments, credits and receivables, which are classified as financial assets, and related interest income of these assets calculate by using effective interest method.

- a) Net realizable value difference of financial assets which recorded as profit/(loss)

Financial assets measured at fair value through profit and loss are the assets which are the owned one to sell or buy. If a financial asset is bought to sell in short term, it will classify in this category and in current assets. Financial assets which constitute derivative products that have not an effective protection tool against financial risk are also considered as financial assets reflected to profit or loss of the appropriate value difference. Assets in this category are classified as current assets.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

b) Investments held to maturity

Debt instruments with constant terms which has constant and determinable payment plan, for which group has an intention to keep in hand till its maturity can be classified as financial assets kept in hand till its maturity. Financial assets kept in hand till its maturity can be shown in financial statement by the amortized cost according to effective interest method deducted from amount of decrease in value. (Note:6)

c) Assets available for sale

The group has equity instruments which are not open to capital market but ready to be sold. Since their appropriate value could not be defined in an accredited way, they are shown with their cost values. (Note:7)

d) Loans and receivables

Loans and receivables which are not in the capital market and have steady and computable payments are classified in this category. Credits and receivables are shown by deducting loss in value decrease from the cost which was calculated by using effective interest method. (Note:10)

Financial Liabilities

Financial liabilities and equity instruments issued by the group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. Agreement which represents right of group on assets after deducting all liabilities can be count as financial instrument on equity. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

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

a) Financial liabilities at fair value through profit and loss

Financial liabilities at fair value difference recorded as profit and loss are stated at their fair value, and they revalue at financial statement date and every reporting period. Change in fair value record in comprehensive income statement. The net gain or loss recognized in comprehensive income statement incorporates any interest paid on the financial liability.

b) Other financial liabilities

Other financial liabilities, including borrowings, are initially recorded at fair value after deduction 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.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Inventories

Inventories are valued on the basis of the weighted average cost method by considering the cost or the net realizable value, whichever is the lowest. Net realizable value is the estimated selling price in the ordinary course

of business, less the cost of completion and selling expenses. The cost of inventories cover all purchasing costs, conversion costs and other expenses made to bring the inventories into their current state and condition. When net realizable value of inventories is less than their cost, inventories will be valued according to their realizable value and the difference will be record as an item in comprehensive income statement. In cases where impairment of inventories are no longer valid or net realizable value is increased, impairment of inventories which was recorded as loss in previous comprehensive income statement will be a provision no longer required.

The amount of provision no longer required is limited with the amount of provision which was allocated in previous periods. (Note:13)

Tangible Fixed Assets

Tangible assets are reflected to financial statements according to their acquisition date: if they are acquired before January 1, 2005 they will state on acquisition cost which are rearranged with buying power of TRY in December 31, 2004 and if they are acquired after January 1, 2005, they will state with its acquisition cost after deduction of accumulated depreciation and accumulated impairment loss. Depreciation is calculated according to normal amortization method on amounts which are rearranged according to inflation. There is no applicable amortization method for land in the report because of their nature and useful life is unlimited. Tangible fixed assets are amortized with rates below according to their economic useful live.

	<u>Years</u>
Natural gas cycle plant	40
Plant, machinery and equipment	4-5
Motor vehicles	5
Furniture and fixtures	3-15

If book value of an asset is bigger than the recovered value of this asset, book value of this asset can be discount to its recovered value. Recovered value of an asset is bigger than net sales price or value at use. Net sales price can calculate after deduction of all cost to sell from its fair value. Value at use will determine after addition of discounted amounts at the date of statement of financial position to estimated cash flows in future in condition of continuing to use the related asset.

The loss or profit from sales of tangible asset determine with comparison of arranged amounts and collected amounts and it is reflected to income and expense accounts in related period.

Maintenance or repair cost of tangible asset can be recorded as expense under normal conditions. However, in exceptional cases if maintenance and repair are resulted with improvement in tangible assets, the cost in question can be recorded as asset and it will be counted in amortization of related asset with remaining useful life. (Note: 18)

Intangible Assets

Intangible assets are consists of acquisition rights, information systems, computer software and special costs. These elements record on acquisition cost and after the date of acquisition they will amortize by using normal amortization method according to their expected useful life. Expected useful life of intangible assets is like below;

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Years

Rights	3-49
Computer Programs	3

In case of decrease in value, the book value of intangible assets can be discounted to its recovered value. Recovered value is the value that whichever is higher between useful value and net selling price.(Note:19)

Leasing Transactions

Financial Leasing Transactions

The group reflect fixed assets acquired through financial leasing with their current value from the rental start date in statement of financial position or if it's lower than present value they will reflect from their current value of minimum lease payments on statement of financial position date (they added to related fixed assets section in financial statements). Acquisition expenses of fixed assets which are subjected to financial leasing transaction added to its cost. Liability from financial leasing transaction can be split as payable interest and principal debt. Interest expenses calculate from its constant interest rate and it will be added to its related period's account. (Note:8)

Operational Leasing Transactions

Lease contracts where all the risks and benefits of renting property in the hands of the leaser are known as operational leasing. For an operational lease payments, during the rental period will be recorded as expenses according to the direct method.

Borrowing Costs

Group reflects borrowing costs as financing cost during credit period in its comprehensive income statement. Financing cost which is sourced from credits is recorded to comprehensive income statement when they occur.

Energy producing plants can be evaluated as a specialty asset depending on conditions. Acquiring, constructing, or borrowing costs that can be directly related to producing of a specialty asset can be capitalized as a part of specialty asset's cost by firms. Firms can book the other borrowing costs as an expense in their occurred period.

Acquiring, constructing, or borrowing costs that can be directly related to producing of a specialty asset is added to cost of the asset. This kind of borrowing costs is capitalized as a part of specialty asset's cost for a dependable measure and for a possible situation that it can make an economic contribution to company. Acquiring, constructing, or borrowing costs that can be directly related to producing of a specialty asset are borrowing costs that will not appear in case that there will be no expense done related to specialty asset.

If a company is get into debt in order to acquire a specialty asset, the borrowing cost amount that will be capitalized will be determined by deducting income that is gained via temporary exploiting aforesaid funds from borrowing cost of the aforesaid borrowing in the related period.

In the case of a company uses a part of the funds that it is get in to debt for general purposes in order to finance a qualifying asset; the borrowing cost amount that can be capitalized; is determined via using capitalizing rate that will be applied to expenses that related asset. This capitalizing rate is the weighted average of the all existing borrowing of the related period to borrowing costs, except the borrowings that

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

is done for acquiring the qualifying asset. The borrowing cost amount that is capitalized for a period, cannot exceed consisted the borrowing cost in related period.

When the all necessary proceedings virtually is completed for asset's intended usage and getting ready for sale, the capitalizing of borrowing costs will end. In the situation of a qualifying asset is completed in parts and every part can be used while other parts continue to constructing; When the all necessary proceedings virtually is completed for certain part's intended usage and getting ready for sale, the capitalizing of borrowing costs of the related part will end.

Provisions, Contingent Liabilities and Assets

Provisions

Provisions which are present in group as of the statement of financial position date can be accounted in case where there is a legal liability sourced from past or a structural liability and it is highly possible to realize exit of resources to fulfil this liability, there is a reliable estimated amount of liability. In cases where here is more than one a like liability, the need for the possibility of exit of resources which can provide economic profit evaluate by taking in account of all same liabilities in same quality. Even if there is a little possibility to realize exit of resources for a liability in same quality, group allocates provision. Group does not allocate provision for operational loss in future. In cases when the value effect of money is important, amount of provision determine with present value of expenses which will be needed to fulfil liability.

Contingent Liabilities and Assets

Assets and liabilities which are related to the cases whether it will or will not realize one or more than one cases, which are not entirely in group's control to realize in future, and which are sourced from past, can be accepted as contingent liabilities and assets. Group does not reflect assets and liabilities related to condition to its records.

Contingent liabilities are explained in explanatory notes of financial statements during the possibility of exit for an economic profit is not far and contingent assets are explained in explanatory notes of financial statements if the possibility of enter for economic profit is high.

Employee Benefits

a) Defined Benefit Plan

Provisions for severance benefit reflect upon to actuarial work according to TAS 19 "employee benefit".

Liability of severance benefit means value of estimated total provisions for possible liabilities which will occur in future cause of ending the agreement between group and its personnel for defined reasons according to Turkish Labour Law or retirement of personnel according to related law as of statement of financial position date. Group calculates severance benefit by predicting discounted net value of deserved benefits or based on the information from group's experience about fire a personnel or quit of the personnel and reflects to its financial statements.

b) Defined Contribution Proportions

Group has to pay social insurance premium to Social Insurance Intuition. There will be no other liability if the group continues to pay the premiums. These premiums reflect to personnel expenses in its accrual periods.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Revenue

Revenue is recognized on accrual basis at the fair value of the amount received or to be received. Net sales are calculated after the sales returns and sales discounts.

Sales Income

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

- The group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably,
- It is probable that the economic benefits associated with the transaction will flow to the entity; and
- The costs incurred or to be incurred in respect of transactions can be measured reliably.

Interest Revenue

Interest revenues are recorded as income on accrual basis.

Rent Revenues

Rent revenues are recorded as income on periodical accrual basis.

Effects of Exchange Differences

Transactions in foreign currencies are translated to the respective functional currencies of group entities at exchange rates occurred Turkish Republic Central Bank at the dates of the transactions. Monetary assets and liabilities based on foreign currency were valued with exchange rates at the end of the period. Exchange gains or losses arising from settlement and translation of monetary foreign currency items have been included in the financial income, net in the accompanying comprehensive income statements.

Calculated Taxed on Corporation Revenue

Deferred taxes are calculated by taking into account statement of financial position liability. They are reflected considering the tax effects of temporary differences between legal tax base and reflected values of assets and liabilities in financial statements. Deferred tax liability is calculating for all taxable temporary differences however discounted temporary differences which occurs from deferred tax assets is calculated in condition to be highly possible to have benefit from these differences by obtaining taxable profit in future. Receivable and liability for deferred tax occurs where there are differences (which are reducible in future and taxable temporary differences) between book value and tax value of asset and liability sections. Deferred tax asset and liability is recording without considering time where group can use timing differences.

Corporate tax rate in Turkey is 20%. This rate can be applied to tax base which if found out after adding expenses, which are not accepted to reduce from tax according to tax law, to its commercial income and deducting exceptions in law(exception like affiliate income), discounts (like investment discount). In case of not distributing dividends, it will not be necessary to pay another tax.

There are not taking of withholding tax for corporate who obtain income in Turkey with a base or permanent representative and dividend payment to corporate that has a base in Turkey. Dividend payment

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

except these above is taxable for withholding tax at 15%. Adding profit to capital cannot be count as distribution of dividend and applied for withholding tax.

Financial loss which is showed in declaration form according to Turkish Tax Regulation in condition not to pass for 5 years can be deducted on corporate income for period. However, fiscal loss cannot be deducted from previous year's profits.

Earnings per Share

Earnings per share presented at the bottom of the consolidated Comprehensive Income Statement are calculated by dividing the net profit for the period to the number of shares. In case of increasing capital from sources in group in period, when calculating weighted average of number of shares, the value found after that is accepted also to use as valid at the beginning of period.

Subsequent Events

Subsequent events cover all events between authorization dates for publishing statement of financial position and statement of financial position date even if they are related to an announcement related to profits or if they occur after publishing financial information to public.

In case of occurring events which are necessary to make adjustments after statement of financial position date, group adjusts the amounts in financial statements in an appropriate way to this situation. Subjects which are not necessary to make adjustment occurred after statement of financial position date is explained in explanatory notes of financial statements if they will affect economic decision of financial statements user.

Statement of Cash Flow

In cash flow statement group reports cash flows in period based on classification as operating, investing and financing activities. Cash flows sourced from operating activities shows cash flows sourced from Group's activities. Cash flow related to investing activities shows cash flows that group use at present time or they gain from investing activities such as intangible asset investing and financial investing. Cash flow related to financing activities shows the resources used by group and back payment of these resources for financing activities. Cash and cash equivalents are consist of cash and bank deposit, investment with certain amount at 3 months term or less than 3 months, short term with high liquidity.

Important Accounting Estimates, Assumptions and Evaluation

Preparing of financial statements make need of using estimates and assumptions which will effect income and expense amount which are reported at account period, explanation of contingent assets and liability and amount of assets and liabilities which are reported as of statement of financial position date. These estimates and assumptions give the most reliable information about group managements' present events and transactions. Although realized results can show differences from assumptions.

Borrowing cost of credits which are used for financing of natural gas station is added to cost of natural gas station by group in scope of TAS-23 "Borrowing Cost".

3. BUSINESS COMBINATIONS

Goodwill

As a part of TFRS 3- "Business Combinations", excess value of acquired definable asset, liability and contingent liabilities' fair value' sale price accounted as goodwill. Goodwill occurred during the acquisition would not depreciated. Instead, it is revised once in a year or in conditions which cause a revision more frequently for any impairment.

Odaş Elektrik Üretim Sanayi A.Ş.

Notes of Consolidated Financial Statements as of January 1, 2013 and July 30, 2013 (Currency-TRY, unless otherwise indicated)

3. BUSINESS COMBINATIONS (Countined)

If sale price is below from fair value of the acquired assets, liabilities' and contingent liabilities' price difference is recorded as revenue.

A company which applying TFRS first time, may not choose to retrospectively applying TFRS 3 for the backdated company merges(the merges happened before applying TRFS). However if a company that applying TFRS first time, choose to retrospectively applying TFRS 3 for the backdated company merges, the company merges that is happened after aforesaid merge are adjusted and TAS 27 is applied beginning from that date. (Note:20)

The parent company subjected to consolidation (Odaş) and its subsidiaries (Voytron Elektrik, Hidro Enerji, Ağrı Elektrik, Küçük Enerji ve Ena Elektrik) have joint control before consolidation, and according to accounting policy which is chosen by the Company, while applying consolidation the method given below (purchasing method) is applied according to TFRS-3 Business Combination Standard .

The acquire company recognizes goodwill by measuring which more than the other is of (a) or (b) that are given below as of acquisition date.

(a) Total of the followings

- (i) This is measured in accordance with TFRS, the transferred amount is required to be measured on generally fair value at acquisition date,
- (ii) This is measured in accordance with TFRS, minority interest of acquired company (share does not have control power) and
- (iii) A business combination achieved in stages, the fair value of acquired company's shareholders' equity which is already held by acquired company as of acquisition date.

(b) This is measured in accordance with TFRS, net amounts of acquired definable assets and assumed definable liabilities as of acquisition date.

In the condition of a business combination, transferred amount is measured at fair value; transferred amount is measured by sum of the fair value of the amount transferred by acquire company as of acquisition date, the liabilities assumed by acquire company to former owners of acquired company and equity shares issued by acquire company.

30.06.2013 Goodwill amounts occurred on the acquisition date is as follow

	June 30, 2013	December 31, 2012
Voytron Elektrik Toptan Satış Dış Ticaret A.Ş.	24.072.237	24.072.237
Hidro Enerji Elektrik Üretim Sanayi A.Ş.	99.092	99.092
Ağrı Elektrik Üretim Sanayi A.Ş.	49.384	49.384
Küçük Enerji Üretim ve Ticaret Ltd. Şti.	2.021.108	2.021.108
EnaElektrik Üretim Ltd. Şti.	67.333	67.333
Yel Enerji Elektrik Üretim Sanayi Ticaret A.Ş.	96.256	-
Goodwill	26.405.410	26.309.154

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3. BUSINESS COMBINATIONS (Countined)

	Voytron Elektrik	Hidro Enerji	Ağrı Elektrik	Küçük Enerji	Ena Elektrik	Yel Enerji
Acquisition cost	23.342.950	150.490	70.000	2.065.876	32.270	75.000
Acquired equity share amount	(729.287)	51.398	20.616	44.768	(35.063)	(21.256)
	24.072.237	99.092	49.384	2.021.108	67.333	96.256

4. JOINT VENTURES

There is not any joint venture of group which is related to agreement provides to realize an economic activity which is in need to common control.

5. SEGMENTS REPORTING

Group does not make any reporting according to sector because there were not any geographic or operating sector differences on risks and profits from group's product or service presentation.

6. EXPLANATIONS FROM RELATED PARTIES

Balances of the Company with its' related parties as of June 30, 2013 and December 31, 2012.

Odaş Elektrik Üretim Sanayi A.Ş.**Notes of Consolidated Financial Statements as of January 1, 2013 and July 30, 2013 (Currency-TRY, unless otherwise indicated)****6. EXPLANATIONS FROM RELATED PARTIES (Countined)****a) Due from related parties :**

	30.06.2013	31.12.2012
Hidro Kontrol Elektrik Üretim A.Ş	35.300	2.780
Öztay Enerji Elektrik Üretim Sanayi A.Ş	2.117	402.767
Bahattin Özal	868.401	807.584
Burak Altay	1.097.709	1.014.432
Korkut Özal	4.127.963	4.075.296
Eylül Elektromekanik Enerji San. Ltd.Şti	-	6.700
Abdülkadir Bahattin Özal & Burak Altay Adi Ortaklığı	-	1.560
TOTAL	6.131.490	6.311.119
Deduction: Unrealized finance incomes	-	(11)
TOTAL	6.131.490	6.311.108

b) Due to related parties :

	30.06.2013	31.12.2012
Mekel Enerji İnş. Taah. Dan.Müh.Hiz Ve Tic. A.Ş.	-	638,3
TOTAL	-	638

c) Other due to related parties :

	30.06.2013	31.12.2012
Hidro Kontrol Elektrik Üretim A.Ş	14.834	1.901.376
Öztay Enerji Elektrik Üretim Sanayi A.Ş	-	1.049.280
Aköz Vakfı İktisadi İşletmesi	685	130
Bahattin Özal	455.552	587.347
Burak Altay	485.021	616.958
Korkut Özal	959.626	1.123.586
Hafize Ayşegül Özal	20.000	20.000
Hidayet Büküm	31.304	31.304
Esin Ersan	20.000	20.000
Voytron Elektrik Toptan Satış Dış. Tic.A.Ş	-	-
TOTAL	1.987.021	5.349.981
Deduction: Unrealized finance incomes	(3.283)	(117.559)
TOTAL	1.983.738	5.232.422

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Notes of Consolidated Financial Statements as of January 1, 2013 and July 30, 2013 (Currency-TRY, unless otherwise indicated)

6. EXPLANATIONS FROM RELATED PARTIES (Countined)

a.1) Material sales to related parties:

	January 01- June 30,2013	April 01 - June 30, 2013	January 01- June 30,2012	April 01 - June 30, 2012
Hidro Kontrol Elektrik Üretim A.Ş.	163.299	128.565	164.447	61.658
Öztay Enerji Elektrik Üretim Sanayi A.Ş.	67.265	67.265	204.495	67.166
Voltran Elektrik Toptan Satış Dış Tic. A.Ş.	-	-	2.381.578	2.381.578
TOTAL	230.564	195.830	2.750.520	

a.2) Sales to related parties concluding in consolidation

	January 01- June 30,2013	April 01 - June 30, 2013	January 01- June 30,2012	April 01 - June 30, 2012
Voytron Elektrik Toptan Satış Dış Tic. A.Ş.	9.274.695	9.274.695	-	-
TOTAL	9.274.695	9.274.695	-	-

a.3) Service sales to related parties:

	January 01- June 30,2013	April 01 - June 30, 2013	January 01- June 30,2012	April 01 - June 30, 2012
Hidro Kontrol Elektrik Üretim A.Ş.	44.000	22.00	-	-
Öztay Enerji Elektrik Üretim Sanayi A.Ş.	9.000	-	-	-
TOTAL	53.000	22.000	-	-

b.1) Service purchase from related parties :

	January 01- June 30,2013	April 01 - June 30, 2013	January 01- June 30,2012	April 01 - June 30, 2012
Hidro Kontrol Elektrik Üretim A.Ş.	38.646	38.646	219.150	73.200
Öztay Enerji Elektrik Üretim Sanayi A.Ş.	77.600	77.600	4.500	1.950
Aköz Vakfı İktisadi İşletmesi	935	235	-	-
Voytron Elektrik Toptan Satış Dış Tic. A.Ş.	-	8.820	17.977	12.097
TOTAL	117.181	116.481	241.627	87.247

b.2) Service purchase from related parties subjected to consolidation

	January 01- June 30,2013	April 01 - June 30, 2013	January 01- June 30,2012	April 01 - June 30, 2012
Voytron Elektrik Toptan Satış Dış Tic. A.Ş.	2.025.345	-	-	-
Odaş Doğalgaz Toptan Satış Dış Tic. A.Ş.	3.974	-	-	-
Hidro Kontrol Elektrik Üretim A.Ş.	272	-	-	-

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Notes of Consolidated Financial Statements as of January 1, 2013 and July 30, 2013 (Currency-TRY, unless otherwise indicated)

6. EXPLANATIONS FROM RELATED PARTIES (Countined)

c) Financing cost of transactions from related parties:

	January 01- June 30,2013	April 01 - June 30, 2013	January 01- June 30,2012	April 01 - June 30, 2012
Hidro Kontrol Elektrik Üretim A.Ş.	22.132	22.132	298.591	298.591
Öztay Enerji Elektrik Üretim Sanayi A.Ş.	14.561	6.099	-	-
Voytron Elektrik Toptan Satış Dış Tic. A.Ş.	-	-	15.192	15.192
TOTAL	36.693	28.231	313.784	313.784

d) Financing income of transactions from related parties:

	January 01- June 30,2013	April 01 - June 30, 2013	January 01- June 30,2012	April 01 - June 30, 2012
Bahattin Özal	19.971	9.104	-	-
Burak Altay	30.675	13.888	-	-
Korkut Özal	148.383	64.466	-	-
Hidro Kontrol Elektrik Üretim A.Ş.	235.589	100.577	-	-
Öztay Enerji Elektrik Üretim Sanayi A.Ş.	209.607	66.335	11.670	11.670
TOTAL	642.224	254.369	11.670	11.670

e) Fixed asset purchase from related parties :

	January 01- June 30,2013	April 01 - June 30, 2013	January 01- June 30,2012	April 01 - June 30, 2012
Öztay Enerji Elektrik Üretim Sanayi A.Ş.	-	-	246.126	-
Mekel Enerji İnş. Taah. Dan.Müh.Hiz Ve Tic. A.Ş.	-	-	1.630.164	-
TOTAL	-	-	1.876.294	-

Total amount of salary and alike benefits in 12-month fiscal period provided to top management in 2013 is as follows:

- Short Term Benefits to Employees:** Total amount of salary and alike benefits in 6-month fiscal period provided to top management in 2013 is 611.991 TL (31.12.2012: 666.618)
- Benefits after Leaving:** Severance payment will make to personnel in case of earning it according to applicable law. There is no extra payment other than this.
- Other Long term Benefits:** None.
- Benefits due to Dismissal:** None.
- Payments per Share:** None

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Notes of Consolidated Financial Statements as of January 1, 2013 and July 30, 2013 (Currency-TRY, unless otherwise indicated)

7. CASH and CASH EQUIVALENTS

	30.06.2013	31.12.2012
Cash	81.923	-
Bank	55.113.384	35.207.315
-Demand deposit	612.543	90.847
-Time deposit	54.500.841	33.190.228
-Repo	-	1.926.239
Other Current Assets	9.455.064	12.999.998
-Time gold deposit	9.455.064	12.999.998
TOTAL	64.650.371	48.207.313

As of June30, 2013 the group has not blocked deposit. (December 31, 2012: none)

As of June30, 2013 details of time gold deposit is shown as below:

				30.06.2013
Time Gold Deposit	Gram	Maturity	Interest rate	TRY
XAU	127.797,11	04.12.2013	1,00%	9.455.064
TOTAL				9.455.064

As of December 31, 2012 details of time deposit is shown as below

				31.12.2012
Time Gold Deposit	Gram	Maturity	Interest rate	TRY
XAU	127.263,81	02.01.2013	1,04%	12.999.998
TOTAL				12.999.998

As of June30, 2013 details of time gold deposit is shown as below:

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Time Deposit	Currency	Maturity	Interest rate	30.06.2013 TRY
TRY		01.07.2013	6,25%	790.116
TRY		01.07.2013	5,00%	560.000
TRY		01.07.2013	5,30%	1.007.197
TRY		01.07.2013	6,25%	1.860.272
TRY		01.07.2013	5,50%	3.240.000
TRY		09.07.2013	5,99%	11.750.000
TRY		01.07.2013	6,25%	3.079.000
TRY		01.07.2013	4,35%	1.100.000
TRY		01.07.2013	6,50%	3.583.940
TRY		01.07.2013	4,75%	400.000
TRY		01.07.2013	3,00%	70.000
TRY		01.07.2013	4,30%	500.058
TRY		01.07.2013	5,50%	500.064
TRY		01.07.2013	6,10%	1.003.542
TRY		01.07.2013	5,30%	1.817.491
TOTAL				31.261.684

7.CASH and CASH EQUIVALENTS (Countined)

Time Deposit	Currency	Maturity	Maturity	Interest rate	30.06.2013 TRY
EUR		17.07.2013	2,40%	9.245.000	23.239.157
TOTAL					23.239.157

As of December 31, 2012 details of time gold deposit is shown as below:

Time Deposit	Currency	Maturity	Interest rate	30.06.2013 TRY
TRY		25.01.2013	6,73%	3.200.000
TRY		03.01.2013	5,00%	2.030.000
TRY		02.01.2013	5,00%	2.881.076
TRY		02.01.2013	6,00%	5.680.000
TRY		02.01.2013	4,75%	264.000
TRY		02.01.2013	6,05%	695.000
TRY		02.01.2013	6,00%	2.186.799
TRY		03.01.2013	8,00%	9.000.000
TOTAL				25.936.875

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Notes of Consolidated Financial Statements as of January 1, 2013 and July 30, 2013 (Currency-TRY, unless otherwise indicated)

Time Deposit	Currency	Maturity	Interest rate	31.12.2012 USD	31.12.2012 TRY
USD		03.01.2013	3,16%	1.678.885	2.992.781
USD		03.01.2013	3,16%	200.434	357.294
USD		07.01.2013	3,15%	2.189.654	3.903.278
TOTAL					7.253.353

Repo Deposit	Currency	Maturity	Interest rate	31.12.2012 TRY	
TRY		01.01.2013	13,34%	1.393.795	
TRY		01.01.2013	13,34%	532.444	
TOTAL					1.926.239

8. FINANCIAL LIABILITIES

Short term financial liabilities

	30 Haziran 2013	31 Aralık 2012
Bank loans	74.026	2.699
Financial leasing liabilities (*)	16.190.494	7.871.784
Deffered financial leasing cost (-)(**)	(11.483.757)	(7.412.923)
Current portion long term bank loans	28.671.341	34.486.037
Short term financial liabilities – Net	33.452.104	34.947.597

Long term financial liabilities

	30 Haziran 2013	31 Aralık 2012
Bank loans	63.921.339	69.770.825
Financial leasing liabilities (*)	62.971.236	66.442.069
Deffered financial leasing cost (-)(**)	(9.660.676)	(12.398.241)
Long term financial liabilities – Net	117.231.899	123.814.654

(*) *Financial leasing liabilities: Lessee's liabilities to lessors and whose maturities are not exceeding one year are recorded on this account.*

(**) *Deffered financial leasing cost (-): Deffered financial leasing costs represent the difference between leasing payables arising at the date of financial leasing made and present value of leasing payments relating to leasing assets are recorded which are not paid yet.*

Odaş Elektrik Üretim Sanayi A.Ş.

Notes of Consolidated Financial Statements as of January 1, 2013 and July 30, 2013 (Currency-TRY, unless otherwise indicated)

Financial leasing is made for motors and transformers used in cycle plant

As of June 30, 2013, long-term credit commitments repayment schedule given in table below:

	June 30, 2013
2014	13.050.135
2015	24.461.342
2016	21.215.332
2017	2.914.687
2018	697.612
2019	640.148
2020	586.453
2021	355.630
TOTAL	63.921.339

As of June30, 2013, long-term financial leasing commitments repayment schedule given in table below:

8.FINANCIAL LIABILITIES (Countined)

Repayment Year	Financial leasing payables	Deferred financial leasing costs
2014	7.871.376	2.104.067
2015	15.742.749	3.489.337
2016	15.742.749	2.473.189
2017	15.742.749	1.352.225
2018	7.871.612	241.858
Total	62.971.236	9.660.676

Odaş Elektrik Üretim Sanayi A.Ş.

Notes of Consolidated Financial Statements as of December 31, 2012, December 31, 2011 and December 31, 2010
(Currency-TRY, unless otherwise indicated)

8. FINANCIAL LIABILITIES (Continued)

The details of group's debt terms and interest information are given below:

	<u>Interest rate %</u>		<u>Original Currency</u>		<u>TRY Equivalent</u>	
	30.06.2013	31.12.2012	30.06.2013	31.12.2012	30.06.2013	31.12.2012
TRY Loans	11-15%	11-15%	-	-	74.026	2.699
Short term bank loans			-	-	74.026	2.699
Euro Loans	6%-9%	6%-9%	10.931.725	9.298.701	27.479.077	21.867.755
TRY Loans	11%-15%	11%-15%	-	-	1.192.264	12.618.282
Principal and interest of short term bank loans			10.931.725	9.298.701	28.671.341	34.486.037
Total short term bank loans			10.931.725	9.298.701	28.745.368	34.486.037
Euro Loans	6%-9%	6%-9%	25.397.499	29.632.577	63.841.694	69.686.932
TRY Loans	11%-16%	11%-16%	79.646	-	79.646	83.893
Total long term bank loans			25.477.145	29.632.577	63.921.339	69.770.825

9. TRADE RECEIVABLES AND PAYABLES

Trade receivables

	30.06.2013	31.12.2012
Account receivables	47.561.690	22.119.891
-Receivables from related parties (note:37)	-	-
-Other receivables (*)	47.561.690	22.119.891
Notes receivables	92.880	23.003
-Notes receivables from related parties (note:37)	-	-
-Other notes receivables	92.880	23.003
Doubtful receivables	494.801	385.594
Provision of doubtful receivables(-)	(494.801)	(385.594)
	47.654.570	22.142.895
Deduction: Unearned interest expense	(210.570)	(48.833)
-Receivables from related parties (note:37)	-	-
-Other receivables (*)	(210.570)	(48.833)
Total	47.444.001	22.094.062

As of June 30, 2013 and December 31, 2012, provision for doubtful trade receivables' movement table is given below:

	30.06.2013	31.12.2012
Opening balance	385.594	-
Provisions transferred from acquired companies(*)	-	288.901
Additional provisions (Note:30)	109.207	96.693
Payments (-) (Note: 31)	-	-
Period-end balance	494.801	385.594

9. TRADE RECEIVABLES AND PAYABLES (Countined)

Provision for doubtful trade receivables consists of notes payable matured, but cannot be collected.

(*) The doubtful trade receivable which is transferred from acquired companies consists of Voytron Elektrik's notes receivables and maturity of these notes is past however cannot be collected.

Trade payables

	30.06.2013	31.12.2012
Trade payables	40.916.206	36.099.959
-Payables to related parties (note:6)	-	638
-Other payables	40.916.206	36.099.321
Notes payables	1.160.626	-
	42.076.832	36.099.959
Deduction: Unearned interest expense	(159.459)	(183.947)
-Payables to related parties (note:6)	-	-
-Other payables	(159.459)	(183.947)
Total	41.917.373	35.916.012

(*) High amount balances of third party payables which is named as other payables are as follow;

10. OTHER RECEIVABLES and PAYABLES

Short-term other receivables

	30.06.2013	31.12.2012
Due from related parties (note:6)	6.131.490	6.311.119
Other receivables	274.988	18.480
Due from tax department	-	2.130
Deposits and guarantees given	80.765	79.375
Due from personnel	10.432	4.000
Total	6.497.675	6.415.104
Deduction: Unearned interest expenses	-	(11)
- Due from related parties (note:6)	-	(11)
- Other receivables	-	-
TOTAL	6.497.675	6.415.093

Odaş Elektrik Üretim Sanayi A.Ş.**Notes of Consolidated Financial Statements as of June 30, 2013 (Currency-TRY, unless otherwise indicated)****Long-term other receivables**

	30.06.2013	31.12.2012
Due from personnel	22.367	-
TOTAL	22.367	-

Short-term other payables

	30.06.2013	31.12.2012
-Payables to related parties (note:6)	1.987.021	5.349.981
-Other payables(*)	54.844	31.716
Taxes and Funds Payable	3.401.833	2.326.868
	5.443.698	7.708.565
Deduction: Unearned interest expenses	(3.283)	(117.559)
-Payables to related parties (note:6)	(3.283)	(117.559)
-Other payables(*)	-	-
TOTAL	5.440.415	7.591.005

Details of taxes and funds payable are as follow;

	30.06.2013	31.12.2012
Value Added Tax Payable	691.617	512.849
Energy Fund	685.665	393.536
TRT Share	1.308.559	795.295
Municipality Consumption Tax	655.687	472.478
Income Tax Stoppage from Wages	59.998	45.632
Contract Stamp Tax	-	102.190
Other Tax Liabilities	307	4.887
Total	3.401.833	2.326.868

Notes of Consolidated Financial Statements as of June 30, 2013 (Currency-TRY, unless otherwise indicated)

11. INVENTORIES

	30.06.2013	31.12.2012
Other Inventories (*)	220.388	276.805
Provision for stock losses(-)	-	-
TOTAL	220.388	276.805

(*) Other inventories are consist of consumable material used and will be used in future periods in plant establishment in Şanlıurfa.

12. PREPAID EXPENSES AND DEFERRED TAX

Short Term Prepaid Expenses

	30.06.2013	31.12.2012
Advances Given (*)	15.047.572	5.413.868
Prepaid Expenses for future months	1.310.018	574.606
TOTAL	16.357.590	5.988.474

(*) Advances amounting to 12,333,544 TRY consist of given advances, made by Voytron for daily consumption in the PMUM system, to Turkey Power Generation Inc.

Long Term Prepaid Expenses

	30.06.2013	31.12.2012
Advances Given (**)	2.537.483	5.888.150
Prepaid Expenses for future years	19	-
TOTAL	2.537.502	5.888.150

(**) The amount 1.351.350 TRY, belonged to advances given for purchase orders, is the on behalf expense of Turkey Electricity Transmission Company for the construction of transmission line and the amount of 1.186.133 TRY consist of given advances to China Machinery Engineering Cooperation for the ongoing steam turbines of cycle power.

Odaş Elektrik Üretim Sanayi A.Ş.

Notes of Consolidated Financial Statements as of June 30, 2013 (Currency-TRY, unless otherwise indicated)

13. TANGIBLE FIXED ASSETS

	Dec 31, 2012	Additions	Transferred assets			June 30, 2013
			from acquired companies	Transfers	Disposals	
Land	797.653		-	29.000	-	826.653
Machinery and equipment	130.258.002	-	-	-	-	130.258.002
Motor vehicles	399.047	147.053	-	-	(67.715)	478.385
Furniture and fixtures	300.596	87.082	-	-	-	387.678
Construction in progress	9.269.412	19.315.802	8.321	(49.000)	(44.092)	28.492.774
TOTAL COST	141.024.710	19.549.937	8.321	(20.000)	(111.807)	160.443.493
Machinery and equipment	2.977.082	1.681.713	-	-	-	4.658.795
Vehicles	48.316	35.587	-	-	(19.178)	64.725
Furniture and fixtures	72.515	32.067	-	-	-	104.582
ACCUMULATED DEPRECIATION	3.097.913	1.749.367	-	-	(19.178)	4.828.102
NET BOOK VALUE	137.926.797	17.875.515	8.321	(20.000)	(92.629)	155.615.390

13. TANGIBLE FIXED ASSETS (Continued)

	Dec 31, 2011	Additions	Transferred assets		Transfers	Disposals	Dec 31, 2012
			from companies	acquired			
Land	212.143	535.510		50.000	-	-	797.653
Machinery and equipment	56.522.392	29.759.153		-	43.976.457	-	130.258.002
Motor vehicles	150.973	108.813		139.261	-	-	399.047
Furniture and fixtures	10.765	66.711		223.120	-	-	300.596
Construction in progress	16.743.420	36.197.736		304.714	(43.976.457)	-	9.269.412
TOTAL COST	73.639.693	66.667.923		717.095	-	-	141.024.710
Machinery and equipment	359.727	2.617.355		-	-	-	2.977.082
Vehicles	13.028	7.173		28.115	-	-	48.316
Furniture and fixtures	1.378	11.951		59.185	-	-	72.515
ACCUMULATED DEPRECIATION	374.134	2.636.479		87.300	-	-	3.097.913
NET BOOK VALUE	73.265.559	64.031.444		629.794	-	-	137.926.797

Odaş Elektrik Üretim Sanayi A.Ş.

Notes of Consolidated Financial Statements as of June 30, 2013 (Currency-TRY, unless otherwise indicated)

13. TANGIBLE FIXED ASSETS (Continued)

TRY 129.616.642 amount of machinery and equipment's is the amount of Natural Gas Cycle Plant.

Since Natural Gas Cycle Plant started to produce at October 28, 2011 by completing first stage, in 2011 TRY 56.522.392 amount has been capitalized and by completing second stage at April 30, 2012, TRY 73.735.610 amount has been also capitalized, and totally the amount of "1 Machinery and equipment's has reached to TRY 130.258.002 at the end of 2012. The period of June 30, 2013 there has not been any capitalization.

ODAŞ, relating to ODAŞ I Natural Gas Cycle Plant, has commercial enterprise pledge over whole 7 pieces of Wartsila W18V50SG Motor+Turbine+Generator, 1 piece of Genpower Generator, 3 pieces of Sperre Compressor+ Air Dryer, Ventilation Unit, 1 piece of Internal Need Compressor+Transformer, 3 pieces of Oil Tanks+Oil Pump, 28 pieces of Alfa Laval Radiators, Electric Switching Plant, Energy Transmission Line Equipments, Control Room and Panel Room Equipments and Other Equipments Make Easier Production amounting to TRY 215.000.000 on behalf of Asya Katılım Bankası A.Ş.

The commercial enterprise and components which are subjected to Commercial Enterprise Pledge is safeguarded by insurance policies which give guarantee against to Machine Breakdown, Loss of Profit, and Fire etc.

14. INTANGIBLE FIXED ASSETS

	Dec 31, 2012	Additions	Transferred assets from acquired companies	Transfers	Disposals	June 30, 2013
Rights	350.426	21.589	59.300	20.000	-	451.315
Other intangible assets	81.931	74.307	-	-	-	156.237
TOTAL COST	432.357	95.896	59.300	20.000	-	607.552
Rights	40.381	10.147	-	-	-	50.528
Other intangible assets	35.940	17.423	-	-	-	53.363
ACCUMULATED AMORTIZATION	76.321	27.570	-	-	-	103.891
NET BOOK VALUE	356.036	68.326	59.300	20.000	-	503.661

The transferred assets from acquired company consist of the intangible fixed assets on assets of the companies subjected to consolidation before Odaş's acquisition date. Voytron wholesale license amounting to 272.250 TRY

and Ağrı production license amounting to 30.000 TRY, Odaş Doğalgaz wholesale license amounting to 64.100 TRY, Küçük Enerji wholesale license amounting and license amendment cost to 10.000 TRY, Odaş Elektrik production license amounting 64.965 and Odaş Elektrik wholesale license and license amendment amounting to 10.000 TRY are activated.

The computer software transferred from Voytron is included in other intangible fixed assets.

Odaş Elektrik Üretim Sanayi A.Ş.

Notes of Consolidated Financial Statements as of June 30, 2013 (Currency-TRY, unless otherwise indicated)

	Dec 31, 2011	Additions	Transfers	Disposals	Dec 31, 2012
Rights	22.093	31.333	297.000	-	-
Other intangible assets	-	11.158	70.773	-	-
TOTAL COST	22.093	42.491	367.773	-	-
Rights	138	4.798	35.445	-	-
Other intangible assets	-	7.114	28.826	-	-
ACCUMULATED AMORTIZATION	138	11.912	64.271	-	-
NET BOOK VALUE	21.955	30.579	303.502	-	-

15. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Provisions for corporate tax, Net

	30.06.2013	31.12.2012
Provision for current tax (Note:35)	719.900	899.148
Prepaid taxes and funds (-)	(338.115)	(45.543)
Total	381.785	853.605

Provisions for Short Term Payables

	30.06.2013	31.12.2012
a) Short-term provisions for employee benefits		
Provisions for unused vacation	69.974	50.316
Total	69.974	50.316

Provisions for unused vacation movement table are given below:

	Dec 31, 2012	Dec 31, 2011
Balance at the beginning of the period	50.316	11.888
Provisions from acquired firm	-	11.087
Additional Provisions (Note:30)	19.658	27.341
Cancellation of provision (Note: 31)	-	-
Balance at the End of the Period	69.974	50.316

Odaş Elektrik Üretim Sanayi A.Ş.

Notes of Consolidated Financial Statements as of June 30, 2013 (Currency-TRY, unless otherwise indicated)

15. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Countined)

Pledges

-Pledge of Share Agreements Made with Asya Katılım Bankası A.Ş. :

In accordance with General Loan Contracts signed between Asya Katılım Bankası A.Ş. and ODAŞ Elektrik Üretim Sanayi Ticaret A.Ş., as an assurance of borrowings given, pledge of share agreements are made over all shares of ODAŞ Elektrik Üretim Sanayi Ticaret A.Ş.'s shareholders on behalf of Asya Katılım Bankası A.Ş.

The total value of the amount pledged 30,000,000 shares with a nominal value of TRY 1. Agreements are valid until liabilities are wholly paid in accordance with pledge of share agreements.

-Pledge of Commercial Enterprise Agreements Made with Asya Katılım Bankası A.Ş. :

ODAŞ, relating to ODAŞ I Natural Gas Cycle Plant, has commercial enterprise pledge over whole 7 pieces of Wartsila W18V50SG Motor+Turbine+Generator, 1 piece of Genpower Generator, 3 pieces of Sperre Compressor+ Air Dryer, Ventilation Unit, 1 piece of Internal Need Compressor+Transformer, 3 pieces of Oil Tanks+Oil Pump, 28 pieces of Alfa Laval Radiators, Electric Switching Plant, Energy Transmission Line Equipments, Control Room and Panel Room Equipments and Other Equipments Make Easier Production amounting to TRY 215.000.000 on behalf of Asya Katılım Bankası A.Ş.

The commercial enterprise and components which are subjected to Commercial Enterprise Pledge is safeguarded by insurance policies which give guarantee against to Machine Breakdown, Loss of Profit, and Fire and so on.

Warranty

-Financial Leasing Agreements Made with Asya Katılım Bankası A.Ş.:

Asya Katılım Bankası and ODAŞ sign an agreement about financial leasing of 4 pieces of Wartsila W18V50SG Gas Motor for ODAŞ I Combined Cycle Plant project. According to Financial Leasing Agreement, Korkut Özal, Abdulkadir Bahattin Özal, Burak Altay, Öztay Enerji Elektrik Üretim Sanayi A.Ş., Aköz Enerji Elektrik Üretim Sanayi A.Ş., Hidro Kontrol Elektrik Üretim Sanayi A.Ş. and Aköz Ticaret Müşavirlik ve Mümessillik A.Ş. are joint oblige and joint guarantor to secure liabilities.

ODAŞ has liability totally EUR 31.313.992 from the first installation date 29.07.2013 until to 15.06.2018, as 20 installations Principle+Premium (VAT Excluded).

Transportation fee of motors, customs expenses are included in leasing amounts.

-Financial Leasing Agreements Made with Yapı Kredi Finansal Kiralama A.O:

Related party Öztay Enerji Elektrik Üretim Sanayi A.Ş. and Yapı Kredi Finansal Kiralama A.O. signed financial leasing agreement at T.C. Beyoğlu 24. Notary, 15/09/2008 dated, 35348 document numbered acquired by new financial leasing agreement which is signed at T.C. Beyoğlu 24. Notary, 27/03/2012 dated, 15749 document numbered by ODAŞ. An agreement is made with Yapı Kredi Finansal Kiralama A.O. for financial leasing of 1 power transformer. According to Financial Leasing Agreement, Korkut Özal, Abdulkadir Bahattin Özal, Burak Altay, Öztay Enerji Elektrik Üretim Sanayi A.Ş., Aköz Ticaret Müşavirlik ve Mümessillik A.Ş., Hidro Kontrol Elektrik Üretim Sanayi A.Ş. and Aköz İnşaat Pazarlama Organizasyon Mümessillik Sanayi Ticaret A.Ş. . are joint oblige and joint guarantor to secure liabilities.

15. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Countined)

ODAŞ has liability totally EUR 484.403,01 excluded VAT from the first installation date 29.02.2012 until to 15.10.2014, as 27 installations, the company has begun to pay at the first installation date 29.02.2012.

Conveyances

-Conveyances Made with Asya Katılım Bankası A.Ş.

According to General Loan Agreement made between Asya Katılım Bankası A.Ş. and ODAŞ Elektrik Üretim Sanayi Ticaret A.Ş., as an assurance of given borrowings, conveyances are signed about transferring of income from energy sales to TEİAŞ by ODAŞ Elektrik Üretim Sanayi Ticaret A.Ş. on behalf of Asya Katılım Bankası A.Ş. The conveyances signed totally TRY 965.000.000; until the liabilities assured by the conveyances, the conveyances are valid.

Guarantees

Given and received guarantees by the group are as follow:

	30.06.2013	31.12.2012
<i>Given guarantee letters and bills</i>	559.235.312	499.885.765
<i>* Given to Credit Institutions</i>	280.372.020	241.603.287
Odaş	244.386.020	226.457.787
Voytron	25.137.000	11.758.500
Ena Elektrik	2.450.000	450.000
Hidro Enerji	2.937.000	2.937.000
Yel Enerji	1.462.000	-
Ağrı Elektrik	2.000.000	-
Küçük Enerji	2.000.000	-
Odaş Doğalgaz	-	-
<i>*Given to electricity transmission and distribution entities because of trade operations</i>	63.863.291	43.282.478
Odaş	35.324.082	26.320.148
Voytron	21.095.156	13.055.248
Ena Elektrik	901.440	93.900
Hidro Enerji	1.702.778	202.778
Küçük Enerji	890.404	890.404
Ağrı Elektrik	2.949.431	2.720.000
Yel Enerji	1.000.000	-
Odaş Doğalgaz	-	-
<i>*Pledge of Entity</i>	215.000.000	215.000.000
Odaş	215.000.000	215.000.000
<i>TOTAL</i>	559.235.312	499.885.765
<i>Received Guarantee Letters</i>	2.776.410	7.319.443
Odaş	1.971.310	7.269.443
Voytron	805.100	50.000
<i>Received Guarantee Bills</i>	1.044.480	959.680
Odaş	1.005.480	940.680

Notes of Consolidated Financial Statements as of June 30, 2013 (Currency-TRY, unless otherwise indicated)

Voytron	39.000	19.000
TOTAL	3.820.890	8.279.123

16. EMPLOYEES BENEFIT OBLIGATIONS

Termination Indemnities

The Company and its subsidiaries which work in Turkey has to make a certain severance payment to its personnel who fires from company for several reasons like retirement after working at least one year at company except reassignment and bad behaviour. Compensation which company has to pay is at amount of one month salary for each servicing year and this amount is limited to TRY 3.129,25 as of July 01, 2012. (December 31, 2011: TRY 2.731,85)

Termination Indemnities

	30.06.2013	31.12.2012
Provisions for termination indemnities	159.049	91.679
	159.049	91.679

It needs a calculation which can be doing with some assumptions for calculation of company's liabilities in accordance with TAS/TAS 29 (Benefits Provided to Personnel). Group is calculated severance payment based on completion of personnel service time in past years at company and experience about having rights to have severance pay, by using projection method in accordance with TAS/TAS 29 and group is reflected this amount to its financial statements. Provisions for severance payment allocates after calculating present value of potential liability which group will pay to its personnel in case of retirement. As related to this, assumptions, which are used to calculate the liability amount between of June 30, 2013, December 31, 2012, and December 31, 2011 are depicted below:

	June 30, 2013	December 31, 2012
Discount rate	%8.50	%8.50
Estimated increase rate	%5.00	%5.00

Employee termination benefits movements as June 30, 2013, December 31, 2012 are as follows:

	30.06.2013	31.12.2012
Provision for period	91.679	-
Provision from bought company	-	51.472
Additional provisions (Note:15)	67.370	40.207
	159.049	91.679

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Notes of Consolidated Financial Statements as of June 30, 2013 (Currency-TRY, unless otherwise indicated)

	2013	2012
01 January	91.679	-
Interest expenses	3.863	-
Current service cost	454	1.379
Payment within the period	(994)	(3.108)
Actuarial gain/(loss)	64.047	17.146
Provision from bought company	-	-
June 30	159.049	17.146

Payables under employee benefits

	30.06.2013	31.12.2012
Due from staff	178.617	49.259
Social security deduction payables	128.518	43.675
TOTAL	307.135	92.935

17. OTHER ASSETS AND LIABILITIES

Other current assets

	30.06.2013	31.12.2012
Income accruals *	17.925.590	15.994.612
Deferred VAT	58.031	1.026.237
Prepaid taxes and funds	52.840	377.241
Work advances	145.360	7.049
Advances to personnel	26.723	16.561
Total	18.208.543	17.421.700

***Information about Process of Income-Expense Accruals and Advances Given-Received**

Voytron, wholesale company; purchase datas taken from system will be explained on the system of Market Financial Settlement Center ("PMUM") between following month's 15-20th day. Within the same day, after explanation invoice will be made out. Invoices made out to TEİAŞ and customers are added to sales figure and recorded as Income Accruals as contra account. Invoices made out by TEİAŞ are added to cost figure and recorded as Expense Accruals.

Notes of Consolidated Financial Statements as of June 30, 2013 (Currency-TRY, unless otherwise indicated)

17. OTHER ASSETS AND LIABILITIES (Continued)

Payments to TEİAŞ are made daily according to estimated consumption and recorded to 159 Advances Given. Account will be deducted by making out invoices.

Odaş, production company; purchase datas taken from system will be explained on the system of Market Financial Settlement Center (“PMUM”) between following month’s 15-20th day. Within the same day, after explanation invoice will be made out. Amount of invoices made out to TEİAŞ are added to sales as matching principle at the end of the periods and recorded as Income Accruals as contra account. Invoices made out by TEİAŞ are added to cost figure and recorded as Expense Accruals.

Production figure is conjecturally recorded to PMUM system daily and production cost put into bank account following day. Amount in the bank account is recorded to 340 Advances Taken and 340 will be deducted by making out invoices

Details of income accruals are given below:

	30.06.2013	31.12.2012
Accrued electricity sales income	17.454.084	15.625.220
Accrued interest income of demand deposit	62.188	48.159
Other accrued interest income	409.318	321.233
Other accrued income	-	-
Total	17.925.590	15.994.612

Other short term liabilities

	30.06.2013	31.12.2012
Accrued expenses	20.753.326	7.192.146
Total	20.753.326	7.192.146

Details of expense accruals are given below:

	30.06.2013	31.12.2012
		6.893.259
Accrued electricity purchase cost	18.978.884	298.887
Accrued distribution company cost	478.202	-
Accrued interest	1.296.240	
Total	20.753.326	7.192.146

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18. EQUITY

Paid-in Capital

Paid-in Capital structure of the Company between June 30, 2013 and December 31, 2012 given on the following table:

Nominal capital of the company is 30.000.000 TRY and the upper limit of registered capital is 50.000.000 TRY. The company's application to registration of capital system is accepted by Capital Market Board.

Equity

	June 30,2013			December 31, 2012		
	Amount	Number of Share	Interest	Amount	Number of Share	Interest
Korkut Özal	12.000.000	12.000.000	28,57%	12.000.000	12.000.000	40%
A. Bahattin Özal	9.000.000	9.000.000	21,43%	9.000.000	9.000.000	30%
Burak Altay	9.000.000	9.000.000	21,43%	9.000.000	9.000.000	30%
Public Shares	12.000.000	12.000.000	28,57%	-	-	-
Paid-in Capital	42.000.000	42.000.000	100%	30.000.000	30.000.000	100%

The capital of the company was 30.000.000 TRY. It is increased to 42.000.000 TRY in 2013. 12.000.000 TRY is committed free of collusion. This decision is registered at 22.07.2013 and announced in the Trade Registry Gazette dated 25.07.2013 and numbered 7839.

As a guarantee of loan given according to general loan agreement signed between ODAŞ Elektrik Üretim Sanayi ve Ticaret A.Ş. and Asya Katılım Bankası A.Ş.; Share pledge agreement is signed to hypothecate all shares of shareholders of ODAŞ Elektrik Üretim Sanayi ve Ticaret A.Ş. Total value of pledge amount is 1 TRY nominal valued 30.000.000 shares. Share pledge agreements will be effective until liabilities which are guaranteed by share pledge agreements completely paid.

According to the TTC's article of 6102 and 338 Voytron Elektrik Toptan Satış Dış Ticaret A.Ş. made a decision to operate as a sole shared joint-stock company. This decision is registered at 09.10.2012 and announced at October 15, 2012 dated 8174 numbered Trade Registry Gazette.

According to the TTC's article of 8244 and 338 Hidro Enerji Elektrik Üretim Sanayi A.Ş. made a decision to operate as a sole shared joint-stock company. This decision is registered at 21.01.2013 and announced as at 25.01.2013 8244 numbered trade registry gazette.

Share Premium

According to Series XI, Numbered 20 communique, equity items of "Share Premium" shall be included in the carrying values on the balance sheet as a result of inflation adjustments on financial statements in accordance with with the announcement made by the Board.

Inflation adjustment of share Premium differences is stated in previous years' profit / (loss)

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	30.06.2013	31.12.2012
Share Premium	48.000.000	-
TOTAL	48.000.000	-

18. EQUITY (Continued)

Previous Years' Profit/Loss

Accumulated profit/loss except net profit for the period is shown like below.

Retained earnings	30.06.2013	31.12.2012
Retained earnings	(995.838)	(47.811)
Period profit/(loss)	15.570.704	(948.027)
Actuarial loss / income Fund	(131.160)	(79.923)
Total	14.443.706	(1.075.761)

Minority Interests

Details of minority interests are shown below; (31.12.2011: None; 31.12.2010: None):

Minority Interests	30.06.2013	31.12.2012
Paid in share capital	(769.157)	59.907
Retained earnings	87.943	(54.862)
Period profit/(loss)	16.087	(996)
TOTAL	(665.127)	4.049

As of January, 27 2010 declaration of Capital Market Board; there is no minimum profit distribution for publicly traded stock corporations' distribution of profits obtained from their operations. Within this scope, profit distributions are implemented as of Capital Market Board's IV, 27 serial numbered notice, judgments on articles of partnership and profit distribution policies disclosed by companies.

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19. REVENUE AND COST OF GOODS SOLD

Details of sales are given below;

Revenue

	Jan. 1, 2013 June 30, 2013	Jan. 1, 2013 June 30, 2013	Jan. 1, 2012 June 30, 2012	Jan. 1, 2012 June 30, 2012
Domestic sales	253.329.732	148.496.567	27.019.580	12.954.348
Sales returns	(454.308)	(138.842)	-	-
Sales discounts	(7.063)	(543)	-	-
Other discounts	-	-	-	-
TOTAL	252.868.361	148.357.182	27.019.580	12.954.348

The Details of sales arise from production are given below:

	Jan. 1, 2013 June 30, 2013	Jan. 1, 2013 June 30, 2013	Jan. 1, 2012 June 30, 2012	Jan. 1, 2012 June 30, 2012
Domestic sales	72.546.836	46.485.240	27.019.580	12.954.348
<i>Teiaş electricity sale income</i>	62.426.775	37.161.071	23.526.079	12.226.849
<i>Bilateral agreements electricity sale income</i>	9.612.057	8.816.165	-	(2.766.002)
<i>Eligible consumer electricity sale</i>	508.004	508.004	-	-
<i>Energy Imbalance</i>	-	-	3.493.501	3.493.501
TOTAL	72.546.836	46.485.240	27.019.580	12.954.348

%87 of the sales from production activity is made with Türkiye Elektrik İletim A.Ş.

The details of sales from wholesale activity are shown below;

	Jan. 1, 2013 June 30, 2013
Domestic sales	180.782.896
<i>Eligible consumer electricity sale</i>	174.223.308
<i>Teiaş electricity sale income</i>	3.281.935
<i>Bilateral agreements electricity sale income</i>	3.277.653
Sales Returns	(454.308)
Sales Discounts	(7.063)
TOTAL	180.321.525

List of top ten firms of wholesale activity between January 1, - June 30, 2013 period are as follow;

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Title	Rate
Türk Telekom A.Ş.	49,13%
İkitelli Organize Sanayi Bölgesi Başkanlığı	19,37%
Avea İletişim Hizmetleri A.Ş.	20,48%
Türkiye Elektrik İletim A.Ş.	0,84%
Albaraka Türk Katılım Bankası A.Ş.	0,77%
Koton Mağazacılık Tekstil San. ve Tic. A.Ş.	0,74%
Odaş Elektrik Üretim San.Tic. A.Ş.	1,13%
Bir Enerji Elektrik Toptan Satış İth. İhr. A.Ş.	1,07%
İC İçtaş Elektrik Toptan Satış ve Ticaret A.Ş.	0,52%
Ttnet A.Ş.	0,47%

Cost of goods sold consists of following;

	Jan. 1, 2013	Jan. 1, 2013	Jan. 1, 2012	Jan. 1, 2012
	June 30, 2013	June 30, 2013	June 30, 2012	June 30, 2012
Cost of goods sold (production)*	(67.125.688)	(34.948.400)	(20.484.325)	(8.303.554)
Cost of goods sold (trade)**	(166.107.199)	(102.259.691)	-	-
TOTAL	(233.232.887)	(137.208.091)	(20.484.325)	(8.303.554)

*Odaş – cost of production

**Voytron – cost of wholesale

20. RESEARCH AND DEVELOPMENT EXPENSES, MARKETING, SALES AND DISTRIBUTION EXPENSES, GENERAL ADMINISTRATION EXPENSES

	Jan. 1, 2013	Jan. 1, 2013	Jan. 1, 2012	Jan. 1, 2012
	June 30, 2013	June 30, 2013	June 30, 2012	June 30, 2012
Marketing, sales and distribution expenses	(635.493)	(434.197)	-	-
General administration expenses	(1.811.107)	(857.313)	(436.072)	(11.672)
Research & Development Expenses	-	-	-	-
TOTAL	(2.446.600)	(1.291.510)	(436.072)	(11.672)

21. EXPENSES ACCORDING TO THEIR QUALIFICATIONS

Cost of sales according to their nature between January 1, 2013 - June 30, 2013 and January 1, 2012 – June 30, 2012 periods are as follow;

	January 1 – June 30 2013	April 1 – June 30 2013	January 1 – June 30 2012	April 1 – June 30 2012
Bilateral agreements, energy, cost of trade goods	73.474.580	41.354.831	-	-
Usage of natural gas	43.434.167	19.915.219	10.370.675	3.984.403
Distribution companies system using cost of goods	38.920.152	19.706.771	-	-
GOP purchase price of the system	38.286.500	28.252.136	-	-
Imbalance energy amount of TEİAŞ	13.152.536	10.396.975	4.582.596	1.387.819
Export electricity purchases	6.279.452	4.453.778	-	-
Bilateral agreements energy, cost of usage system	3.654.870	3.654.870	-	-
TEİAŞ accepted load amount	3.238.917	1.536.127	2.472.750	1.149.202
TEİAŞ DGP amaount of loan	2.010.116	644.420	-	-
Yek amaount due	1.789.089	1.242.432	-	-
Depreciation and amortisation expense	1.774.856	887.117	916.627	547.248
TEİAŞ zero balance adjusting item	1.722.064	983.245	733.031	277.511
TEİAŞ adjustments for previous period	906.454	802.813	224.574	-
Other expenses	897.263	790.126	99.746	94.665
Cost of reactive capacitive goods (-)	651.394	651.394	-	-
TEİAŞ system usage cost	630.822	318.232	400.601	248.682
Personnel expense	612.262	374.665	125.951	125.951
Maintenance expense	513.824	302.839	-	-
TEİAŞ noncontrollable price	369.817	369.817	236.231	236.231
TEİAŞ electricity quality service cost	338.276	133.951	68.899	22.646
Costs of interconnection capacity allocation	269.437	269.437	-	-
Insurance expense	203.543	102.404	-	-
TEİAŞ market operation fee	54.305	29.128	34.972	18.046
TEİAŞ system operation fee	25.655	12.828	17.168	10.646
PFK liability transfer service cost	22.536	22.536	191.532	191.532
Termination indemnities	-	-	3.039	3.039
Severance payment expenses	-	-	5.933	5.933
TOTAL	233.232.887	137.208.091	20.484.325	8.303.554

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21.) EXPENSES ACCORDING TO THEIR QUALIFICATIONS (Countined)

The details of cost of sales from production are given below;

	January 1 – June 30 2013	April 1 – June 30 2013	January 1 – June 30 2012	April 1 – June 30 2012
Usage of natural gas	43.213.158	19.694.190	10.370.675	3.984.403
Imbalance energy amount of TEİAŞ	11.128.096	8.372.535	4.582.596	1.387.819
TEİAŞ accepted load amount	3.238.917	1.536.127	2.472.750	1.149.202
TEİAŞ DGP amaount of loan	2.010.116	644.420	-	-
TEİAŞ zero balance adjusting item	1.722.064	983.245	733.031	277.511
Depreciation and amortisation expense	1.714.526	860.579	916.627	547.248
Other expenses	896.759	770.983	16.352	11.271
TEİAŞ adjustments for previous period	812.008	800.535	224.574	-
TEİAŞ system usage cost	630.822	318.232	400.601	248.682
Personnel expense	612.262	374.665	125.951	125.951
Maintenance expense	513.824	302.839	-	-
TEİAŞ electricity quality service cost	338.276	133.951	68.899	22.646
Insurance expense	203.543	102.404	-	-
TEİAŞ market operation fee	43.105	20.563	34.972	18.046
TEİAŞ system operation fee	25.655	12.828	17.168	10.646
PFK liability transfer service cost	22.536	20.304	191.532	191.532
TEİAŞ ödenmeyen alacak payı	-	-	76.505	76.505
TEİAŞ noncontrollable price	-	-	236.231	236.231
Termination indemnities	-	-	5.933	5.933
Severance payment expenses	-	-	3.039	3.039
TOTAL	67.125.668	34.948.400	20.484.325	8.303.554

The details of cost of sales from wholesale are as follow;

	January 1 – June 30 2013	April 1 – June 30 2013	January 1 – June 30 2012	April 1 – June 30 2012
Bilateral agreements, energy, cost of trade goods	73.904.676	41.814.789	-	-
Distribution companies system using cost of goods	38.920.152	19.706.771	-	-
GOP purchase price of the system	38.286.500	28.252.136	-	-
Export electricity purchases	6.279.452	4.453.778	-	-
Bilateral agreements energy, cost of usage system	3.654.870	3.654.870	-	-
TEİAŞ energy imbalance	2.024.440	2.024.440	-	-
Yek amount due	1.789.089	1.242.432	-	-
Cost of reactive capacitive goods (-)	651.394	651.394	-	-
TEİAŞ noncontrollable price	369.817	369.817	-	-
TEİAŞ adjustments for previous period		94.446		

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	94.446		-	-
.Depreciation and amortisation expense	60.330	30.467		
Teiaş difference fund	25.455	25.455	-	-
Distribution companies , cost of maturity difference expense	17.574	17.574	-	-
TEİAŞ market operation fee	11.200	8.566	-	-
TEİAŞ zero balance adjusting item	-	(92.168)	-	-
Other expenses	17.824	4.924	-	-
TOTAL	166.107.219	102.259.691	-	-

21.) EXPENSES ACCORDING TO THEIR QUALIFICATIONS (Countined)

Bilateral Agreements Energy Cost of Trade Goods; Cost of Voytron Elektrik’s electricity purchase from producing companies out of system.

Distribution Companies Cost of System Usage Goods; Voytron Elektrik use distribution companies’ distribution piping systems on their direct sales to consumers and these distribution companies do meter readings. Voytron pays this price to distribution companies and charges it from consumers.

Teiaş Energy Imbalance Amount; Due to Odaş’s being responsible party from balance in day-ahead market

Göp System Purchase Amount; Electricity rates taken from PMUM day-ahead market (TEİAŞ)

Energy Imbalance; Negative incidence of difference with Voytron’s consumption estimates in day-ahead market.

TEİAŞ Retroactive Adjustment Item; Mistakes on PMUM conciliation shown on this item on the following term.

TEİAŞ Accepted Load Cycling Amount; The amount acquired with multiplication of bid price and quantity given by System Operator’s offer valid for conciliation term related with balancing units in the scope of balancing power market and system losses deducted from Embarkation Direction Amount.

Keyalt Amount According to TEİAŞ EPYHY Article 25; The amount acquired with multiplication of Accepted and Implemented Embarkation bid price calculated by Electricity Market Balancing and Settlement Regulation, 2 tag value of balancing power market’s balancing unit’s offer valid for conciliation term.

TEİAŞ Zero Balance Adjustment Item; The amount is reflected to market participants in proportion of zero balance adjustment item. It is based on the basis of market operator’s profit or loss from operations done for wholesale electricity market. In a billing period, will be accrued receivables to market participant and payables should be balanced with conciliation of compensating mechanism and conciliation of imbalance of related parts to balancing and without energy sales and purchases in the scope of day-ahead market, market operating fee, transmission fee and overdue receivables.

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21.) EXPENSES ACCORDING TO THEIR QUALIFICATIONS (Countined)

TEİAŞ System Usage Fee; The amount confirmed by EPDK and calculated by TEİAŞ based on thrust-transmit power reflected income ceilings reflected to system usage fee signed market participant, using TEİAŞ transmission system.

YEK Credit Balance; The amount reflected to participants by considering energy imbalance amount reconciliated from Renewable Energy Sources Backstopping Mechanism and payment liability rate(ÖYO) calculated in the scope of YEKDEM.

PFK Liability Transfer Service Fee; In case of productive facilities in the scope of electricity market ancillary services regulations obligated to participate primer frequency control service (PFK), want to transfer PFK liabilities to another company in related conciliation term, fee is assigned by companies.

TEİAŞ Electricity Quality Service Fee; It is declared in Transmission System System Usage and Calculation of System Operating Tariff's Procedure Declaration's 5th section approved in 3575 numbered assembly resolution Energy Market Regulatory Authority. Electricity Quality Service Fee on transmission system invoices are related to other related system users and producers within the scope of 4628 numbered Electricity Market Law and secondary legislation Electricity Market Network Regulations, Electricity Market Ancillary Services Regulations.

TEİAŞ Market Operating Fee; It is accrued to cover operating cost and amortisation of investment expenses without electricity energy sale and purchase. Market operating income ceiling is shared to market participants by considering organized wholesale electricity market facilities by market operators.

TEİAŞ Non-controllable Fee; It is related to get peripheral service from other system users and producers within the scope of 4628 numbered Electricity Market Law and secondary legislation Electricity Market Network Regulations, Electricity Market Ancillary Services Regulations. Cost of peripheral services concludes to prevent constraint of energy flow on transmission system. Non-controllable costs reflected to all users equally and take part as non-controllable fee item on transmission system usage and system operating invoices.

Interconnection Capacity Allocation Fee; Capacity and time limit of publicly interconnection are considered for electricity import and export. Interconnection lines within scope of the licences are presented to market participants by tendering procedure after line base determined and declared by system operator. Price capacity allocation after tender comprise price capacity allocation fee for that term.

Details of marketing, sales and distribution expenses according to their nature between January 1, 2013 - June 30, 2013 and January 1, 2012 - June 30, 2012 period are like below;

Marketing, Sales and Distribution Expenses

	January 1 – June 30 2013	April 1 – June 30 2013	January 1 – June 30 2012	April 1 – June 30 2012
Electricity sale commission expenses	10.388	10.388	-	-
Consulting expenses	39.230	39.230	-	-

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Tax expenses	279.058	153.572	-	-
Personnel expenses	45.205	26.682	-	-
Cargo expenses	23.008	14.922	-	-
Travel expenses	15.052	8.810	-	-
Fuel expenses	11.051	5.592	-	-
Annual license expenses	16.676	16.676	-	-
System usage cost	143.866	143.866	-	-
Other	51.959	14.459	-	-
TOTAL	635.493	434.197	-	-

Details of general administration expenses according to their January 1, 2013 - June 30, 2013 and January 1, 2012 - June 30, 2012 period are like below;

General Administration Expenses

	January 1 – June 30 2013	April 1 – June 30 2013	January 1 – June 30 2012	April 1 – June 30 2013
Personnel expenses	888.812	472.719	31.101	15.452
Consulting expenses	197.062	116.093	35.500	28.250
Tax expenses	144.072	43.840	8.098	4.115
Rent expenses	81.902	46.927	7.650	3.825
Provision for termination indemnities	1.226	(42.101)	15.507	10.956
Travel expenses	153.074	132.854	1.325	(226.915)
Fee expenses	21.004	8.998	6.212	6.212
Provision for unused vacation	19.658	(9.059)	-	(2.500)
Depreciation expenses	2.081	457	-	-
Shipping charges	52.210	27.734	2.236	950
Other expenses	250.006	58.851	328.443	171.327
TOTAL	1.811.107	857.313	436.072	(11.672)

There are no research and development expenses between January 1, 2013 - June 30, 2013 and January 1, 2012 - June 30, 2012 periods.

22. OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES

Other Income From Operating Activities

	January 1 – June 30 2013	April 1 – June 30 2013	January 1 – June 30 2012	April 1 – June 30 2013
Foreign exchange gains	3.212	(232.689)	1.100.118	1.100.119
Rediscount on interest income	640.665	(754.340)	26.584	(320.407)
Prior period revenues/profit	354	354	-	-
Maturity difference income	87.645	(285.011)	-	(72.253)
Other unusual revenues	-	-	-	(93.066)
TOTAL	731.876	(1.271.687)	1.126.702	614.393

22.) OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES (Countined)

Other Expenses From Operating Activities

	January 1 – June 30 2013	April 1 – June 30 2013	January 1 – June 30 2012	April 1 – June 30 2013
Foreign exchange gains	844.118	842.090	51.619	51.619
Rediscount on interest income	946.106	308.852	54.283	(49.828)
Share offering expenses	2.685.160	2.685.160	-	-
Other unusual expenses/(loss)	257.533	167.925	-	(1.835)
Prior period expenses/(loss)	1.000	-	-	-
Other unusual expenses/(loss)	3.183	3.183	7.070	7.070
Provision for doubtful receivables	109.207	(18.182)	-	-
Maturity difference income	1.562.549	1.023.884	-	(61.063)
TOTAL	6.408.856	5.012.912	112.972	(54.036)

23. INCOME AND EXPENSES FROM INVESTING ACTIVITIES

Income From Investing Activities

	January 1 – June 30, 2013	April 1 – June 30, 2013	January 1 – June 30, 2012	April 1 – June 30, 2013
Profits from tangible fixed asset	8.202	8.202	-	-
TOTAL	8.202	8.202	-	-

24. FINANCIAL INCOMES

	January 1 – June 30, 2013	April 1 – June 30, 2013	January 1 – June 30, 2012	April 1 – June 30, 2013
Foreign exchange gains	2.055.505	206.387	5.231.481	3.808.902
Interest income	4.787.319	2.204.918	2.616.234	14.935
TOTAL	6.842.824	2.411.305	7.847.715	3.823.837

According to TAS-39 Financial Instruments Standard, when foreign currency denominated borrowings is used in TRY for hedging from fair value risk, the difference is recognized as a profit or loss.

Company, used Euro loans for cycle plant construction that started May, 2011. According to TAS-23 Borrowing Cost, power plants are determined as qualifying assets. Interest expenses for loans are

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24. FINANCIAL INCOMES (Countined)

considered as cost of power plant up to capitalization date, after capitalization date it is considered as expense. Foreign exchange differences are considered income-expense of related term.

1st phase of power plant is capitalized on November 2011, 2nd phase is on April, 2012 and 3rd phase is continuing. Capitalized finance cost in 2012 for natural gas power plant is TRY 1.561.026. Capitalized finance cost in construction in progress is TRY 377.119 in 2012.

25. FINANCIAL EXPENSES

	January 1– June 30, 2013	April 1 – June 30 2013	January 1 – June 30 2012	April 1 – June 30 2013
Foreign exchange losses	15.093.560	13.387.745	67.674	60.689
Interest andcommision expenses	8.172.528	4.207.314	5.980.646	4.913.271
TOTAL	23.266.088	17.595.059	6.048.320	4.973.960

26. TAX ASSETS AND LIABILITIES

Tax expense/income in comprehensive income statement for periods ended at January 1, 2013 and June 30, 2012 are as below;

	30.06.2013	31.12.2012
Tax expense for the period	(719.900)	(899.148)
Deferred tax gain/(loss)	(967.707)	(6.021.962)
Deferred tax reflected in equity	12.809	16.229
Deferred Tax Liabilities	(1.674.797)	(6.904.881)

Current Tax

Corporate tax rate is 20% in Turkey. This rate can be applied to the amount after addition of expenses which are not accepted to discount according to Turkish law to company's operating income and deduction of exceptions in tax law like subsidiary income and discounts like investment discount from company's operating income.

As at December 30, 2003, there was a act which predicted to change in Tax Procedure Law, Income Tax Law and Corporate Tax Law ("Act numbered as 5024"), it predicts that income and corporate taxpayer, who determines its profit according to statement of financial position base, keep their financial statements with inflation adjustment starting after January 1, 2004. These taxpayers also have to make inflation adjustment for their financial statements at December 31, 2003. It is an obligation that taxpayers, who have to make inflation adjustment according to the general declaration published by Ministry of Finance, have to make adjustments in their statement of financial position after January 1, 2004 if there is the case which obligates adjustment.

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26.) TAX ASSETS AND LIABILITIES (Countined)

Group will calculate tax amount for the period according to declaration numbered 338 if there are conditions such as increase in price index in last 12 periods at 100% and 10% for current period for need of adjustments.

There are not taking of withholding tax for corporate who obtain income in Turkey with a base or permanent representative and dividend payment to corporate that has a base in Turkey. Dividend payment except these above is taxable for withholding tax at 15% (10% before July 22nd, 2006). Adding profit to capital cannot be count as distribution of dividend and applied for withholding tax.

Companies calculate pre-paid corporate tax at 20% on their profit for each 3 months and they declare that amount at fourteenth day of second month in following period and they pay it till evening of seventeenth day of same month. Pre-paid taxes which are paid in the year belong to same year and it will be deducted from corporate tax amount which is calculated according to corporate tax declaration for the following year. Pre-paid corporate tax remained after deduction can be deducted from any financial payables to government.

75% of profit from sales of property, subsidiary's shares, management shares, shares for which company has first right of purchase which company kept in hand at least 2 years is count as exception in condition that they can be kept under a fund account as equity item for 5 years in liabilities and collection of total sales amount has to be finished not exceeding second year after sales made.

Investment discount is outlaw effective as at January 01, 2006. However, in cases where company's taxable profit is not enough to recover the amount of investment discount which company did not get benefit as at December 31, 2005, this investment discount can be carry forward in order to be deducted from future taxable profit of company. Moreover this deduction can be made only for profit earned for the years 2006, 2007 and 2008. Investment discount which could not deduct from profit earned for the year 2008 cannot be carry forward for future periods.

As at October 15, 2009, there was a law suit in constitutional court related to not to carry forward this investment discount. According to decision of this law suit, time limitation was no longer applicable for carry forward for future periods because of constitutional rights. Aforesaid decision was declared in Official Gazette as at January 08, 2010. In the same declaration, there was a limitation of usage of Investment discount from profit of company, which was 25 % only, according to law numbered as 6009. New regulation in the law as effective as at August 01, 2010, which was consist of that, only applicable for the profit of 2010, it was possible to deduct investment discount from profit of company for third period of temporary corporate tax for January-September in 2011 without any limitation of 25%. As a result of this:

- a- Investments which will start after January 1, 2006 in same scope with already started applications which are made before April 24, 2003,
- b- In scope of cancelled article numbered as 19 in Income Tax Law, exception amount of investment discount cannot be subjected to any withholding tax.

According to the acts which are valid before July 24, 2003, in case of using the right of earned investment discount, company will make withholding tax as rate of 19,8% on used investment discount exception without distributing or not distributing of profit.

According to Turkish Tax Regulations, loss without exceeding 5 years can be discounted from corporate income for the period. However loss cannot be discounted from previous year profits.

There is not any application which consists of agreement between companies and tax authority about payables taxes in Turkey. Declaration of corporate tax has to give to related tax authority of company in twenty fifth day of forth month of closed period. Moreover,, tax authority can check company records for 5 years and if there is a mistake, amount of taxes payables can be changed.

26.) TAX ASSETS AND LIABILITIES (Countined)

Current period tax expense:

A new regulation has been done for applying aforesaid investment discount for 2010 and following years gains by law issued in August 1, 2010 dated 6009 numbered official gazette. Therefore investment discount withholding tax will be calculated at the rate of 19,8 % of the investment discount that is used in the scope of income tax laws.

	01 January– 30 June 2013	01 January– 31 December 2012
Profit/loss before tax	(12.934.924)	(9.197.585)
Non-deductible expenses	3.390.512	146.927
Losses carried forward	(13.331.360)	(230.856)
Corporate tax base	-	-
Provision for corporate tax	719.900(*)	899.148(*)
Tax cost for period	719.900(*)	899.148(*)

(*)719.900 TRY current period tax provision occurred from taxable profit for the period for Voytron Elektrik, subsidiary, between 01.01.2013 – 30.06.2013 despite there is no corporate tax base on consolidated current period tax expense table.

Deferred Tax

Group calculates deferred tax assets and liabilities with recorded values in statement of financial position items by considering difference effects which occurs as a result of evaluation for values in statement of financial position items and Tax Procedure Law.

Differences in question generally sourced from accounting of expenses and incomes for different reporting periods according to CMB declarations and Tax Law. The rate which will apply for deferred tax receivables and liability which is calculated according to liability methods on temporary differences will occur after December 31, 2008 is 20%.

Detail of accumulated temporary differences using tax rates of deferred tax assets and liabilities as of June 1, 2013 and December 31, 2012 is as below:

	Accumulated difference June30, 13	temporary Dec. 31, 12	Tax rate	Deffered assets/(liabilities) June 30, 13	Tax Dec. 31, 12
Deffered Tax assets/(liabilities)					
Accrued loan interest	876.413	2.092.645	20%	175.283	418.529
Fixed Assets	(33.816.145)	(29.854.316)	20%	(6.763.027)	(5.970.863)
Transaction with related parties	-	-	20%	-	-
Provision for unsued vacation	69.974	50.316	20%	13.995	10.063
Provision termination indemnities	159.050	91.679	20%	31.810	18.336
Rediscount	(62.663)	(252.663)	20%	(12.501)	(50.533)

Odaş Elektrik Üretim Sanayi A.Ş.**Notes of Consolidated Financial Statements as of June 30, 2013 (Currency-TRY, unless otherwise indicated)**

Interest income / expense accruals	-	-	20%	-	-
Doubtful trade receivables	494.801	385.594	20%	98.960	77.119
Establishment costs	6.872	-	20%	213	-
	(32.271.698)	(27.486.744)		(6.455.266)	(5.497.348)

Odaş Deferred Tax Assets/liabilities	June 30, 13	Dec. 31, 12
Opening balance	(5.470.908)	476.515
Current year deferred tax gain/(loss)	(886.260)	(5.943.250)
Deferred tax reflected in equity	9.817,15	(4.173)
Deferred Tax Assets/liabilities	(6.347.351)	(5.470.908)

Affiliate Company Deferred Tax Liabilities	June 30, 13	Dec. 31, 12
Deferred tax transferred from the previous period	(26.441)	-
Deferred tax transferred from bought firms	(2.093)	-
Deferred tax gain/(loss) of acquired firms	(82.374)	(26.441)
Deferred tax reflected in equity	2.993	-
Deferred Tax Liabilities	(107.915)	(26.441)

Affiliate Company Deferred Tax Assets	June 30, 13	Dec. 31, 12
Deferred tax gain/(loss) of bought firms (*)	927	-
Affiliate Company Deferred Tax Assets	927	-

Amount of deferred tax assets related to Odaş Doğalgaz Sat. San ve Tic A.Ş which are included consolidation as of 30.06.2013

27. EARNING PER SHARE

	30.06.2013	31.12.2012
Net profit/(loss)	(6.574.689)	15.519.465
Weighted average number of limited shares	37.000.000	30.000.000
Profit/(loss) per share with nominal value of 1 TRY (unlimited)	(0,17769)	0,517337

28. LEVEL and NATURE OF RISKS SOURCED FROM FINANCIAL INSTRUMENTS

a) Market Risk

The probability of loss sourced by risk arises from interest, exchange difference and change in share price because of fluctuations in the financial market in financial statement accounts and other accounts.

Notes of Consolidated Financial Statements as of June 30, 2013 (Currency-TRY, unless otherwise indicated)

TABLE OF FOREIGN EXCHANGE POSITION								
	2013				2012			
	TRY (Functional Currency)	USD	Euro	GBP	TRY (Functional Currency)	USD	Euro	GBP
1. Trade Receivables	-	-	-	-	-	-	-	-
2a. Monetary Financial Assets (Cash, Bank accounts)	23.251.800	504	9.248.630	875	7.258.221	4.071.591	86	-
2b. Non-monetary financial assets	-	-	-	-	4.204.885	2.264.100	71.820	-
3. Other	377.055	-	150.000	-	91	-	39	-
4. Current assets (1 +2 +3)	23.628.855	504	9.398.630	875	11.463.197	6.335.691	71.945	-
5. Trade Receivables	135.677	-	53.975	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-	-	-	-	-
7. other	-	-	-	-	-	-	-	-
8. Fixed Assets (5 +6 +7)	135.677	-	53.975	-	-	-	-	-
9. Total Assets (4 +8)	23.764.532	504	9.452.605	875	11.463.197	6.335.691	71.945	-
10. Trade Payables	674.885	-	268.483	875	705.438	-	299.969	-
11. Financial Liabilities	23.483.828	-	9.342.335	-	7.784.525	-	3.310.170	-
12a. Monetary other liabilities	-	-	-	-	-	-	-	-
12b. Other Non-Monetary Liabilities	-	-	-	-	-	-	-	-
13. Short-term liabilities (10 +11 +12)	24.158.714	-	9.610.818	875	8.489.963	-	3.610.139	-
14. Trade Payables	-	-	-	-	-	-	-	-
15. Financial Liabilities	164.007.439	-	65.245.431	-	74.369.631	-	31.623.775	-
16a. Monetary other liabilities	-	-	-	-	-	-	-	-
16b. Other Non-Monetary Liabilities	-	-	-	-	-	-	-	-
17. Long-Term Liabilities (14 +15 +16)	164.007.439	-	65.245.431	-	74.369.631	-	31.623.775	-
18. Total Liabilities (13 +17)	188.166.153	-	74.856.249	875	82.859.594	-	35.233.914	-
The 19th-balance sheet derivatives Net Asset / (Liability) Position(19a-19b)	-	-	-	-	-	-	-	-
19a. Total Amount of Hedged	-	-	-	-	-	-	-	-
19b. Amount of Hedged Liabilities	-	-	-	-	-	-	-	-
20 Net foreign currency asset /(liability) Position (9-18 +19)	(164.401.620)	504	(65.403.644)	1.750	(71.396.397)	6.335.691	(35.161.969)	-
21 Monetary Items Net foreign currency asset /(Liability) position (= 1 +2 a +5 +6 a-10-11-12a-14-15-16a)	(164.778.675)	504	(65.553.644)	1.750	(75.601.373)	4.071.591	(35.233.828)	-
22 Total fair value of financial instruments used for foreign currency hedging	-	-	-	-	-	-	-	-
23. Export	-	-	-	-	-	-	-	-
24. Import	-	-	-	-	9.408.023	408.170	3.691.125	-

TABLE OF EXCHANGE RATE SENSIVITY ANALYSIS				
AS OF 30.06.2013				
	Gain/Loss		Equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
When %20 appreciation of USD against TRY				
1 - Net asset / liability of USD	605	(605)	-	-
2 - Amount hedged for USD risk (-)	-	-	-	-
3 - Net Effect of USD (1 + 2)	605	(605)	-	-
When %20 appreciation of Euro against TRY				
4 - Net asset / liability of EUR	(78.484.372)	78.484.372	-	-
5 - Amount hedged for EUR risk (-)	-	-	-	-
6 - Net Effect of EUR (4+5)	(78.484.372)	78.484.372	-	-
When %20 appreciation of GBP against TRY				
7- Other foreign currency net asset / liability	2.100	(2.100)	-	-
8- Part of hedged protected from other currency risk (-)	-	-	-	-
9- Net Effect of GBP (7+8)	2.100	(2.100)	-	-
TOTAL (3+6+9)	-78.481.668	78.481.668	-	-
31.12.2012				
	Gain/Loss		Equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
When %20 appreciation of USD against TRY				
1 - Net asset / liability of USD	13.552.804	-13.552.804	-	-
2 - Amount hedged for USD risk (-)	-	-	-	-
3 - Net Effect of USD (1 + 2)	13.552.804	-13.552.804	-	-
When %20 appreciation of Euro against TRY				
4 - Net asset / liability of EUR	(99.228.481)	99.228.481	-	-
5 - Amount hedged for EUR risk (-)	-	-	-	-
6 - Net Effect of EUR (4+5)	(99.228.481)	99.228.481	-	-
When %20 appreciation of GBP against TRY				
7- Other foreign currency net asset / liability	-	-	-	-
8- Part of hedged protected from other currency risk (-)	-	-	-	-
9- Net Effect of GBP (1 + 2)	-	-	-	-
TOTAL (3+6+9)	(85.675.677)	85.675.677	-	-

29. FINANCIAL INSTRUMENTS

Fair Value

Fair value is defined as price between willing parties who are into making a sale or purchase.

Financial assets and liabilities in foreign currency are converted to market prices at statement of financial position date.

Methods and assumptions below are used to predict fair value of each financial instrument in case when it is possible to determine fair value of these instruments.

Financial Assets

The fair value of certain financial assets carried at cost, including cash at banks, marketable securities plus the respective accrued interest are considered to approximate their respective carrying values. The carrying values of the trade receivables net of provisions for uncollectible receivables are considered to approximate their fair values. The carrying value of the financial assets is considered to approximate their fair values.

Financial Liabilities

Values of monetary liabilities and trade payables are considered close to their fair value because of short term nature. Bank loans are stated with their discounted cost and transaction cost will be added to initial cost of loans. Book value of loans is considered close to its fair value because of updates in changed market conditions and interest rates. Book value of trade payables is considered as close to its fair value cause of being short termed.

Derivative Financial Instruments (Forward Transaction Agreement)

Company does not do forward transaction agreement in foreign exchange market.

30. GOVERNMENT GRANTS and INVESTMENTS

Odaş Elektrik Üretim Sanayi ve Ticaret A.Ş. has investment incentive certificate 22.09.2011 dated and 102704 numbered which is drawn up by Economy Ministry of Turkish Republic Incentive Application and Foreign Capital General Directorate. 21.12.2011 dated and 102704-B numbered investment incentive certificate is prepared instead of this certificate. The certificate of investment is about natural gas cycle plant (7x19)+17=150 MW powered, it is prepared referring to Energy Market Regulatory Authority EU/3323-2/2005 numbered and 14.07.2011 dated Production License.

The investment incentive certificate is given for whole new investment in Şanlıurfa, and it involves the 24.05.2011-24.05.2013 period. VAT exemption and customs duty indemnity are benefited by this certificate. The absolute amount of this investment financed by liabilities and it is total investment amount is TRY 127.000.000.

31. SUBSEQUENT EVENTS

Severance payment limit is determined as 3.254,44 TRY as of July 1, 2013. Profit amount (EBITDA) before calculating interest, amortization and tax expenses is 18.965.811,50 TRY as of June 30,2013.