

**TERA MENKUL DEĞERLER A.Ş.
FINANCIAL STATEMENTS
AND NOTES OF
01.01.2007-31.12.2007 PERIOD**

TERA MENKUL DEĞERLER ANONİM ŞİRKETİ
NOTES TO FINANCIAL STATEMENTS AS OF
01 JANUARY 2007 – 31 DECEMBER 2007 PERIOD

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TERA MENKUL DEĞERLER A.Ş.
NOTES TO FINANCIAL STATEMENTS AS OF
THE PERIOD ENDED 31.12.2007
(Amounts are expressed in New Turkish Liras)

1) NATURE OF OPERATIONS AND ORGANIZATION

TERA Menkul Değerler A.Ş. (“Company” or “TERA Menkul”) is registered in 15.11.1990 and established according to Turkish Commercial Code. Its main office has been at Maslak Ayazağa Yolu İz Plaza Giz No: 4 Kat 8 D: 27-28 Şişli /İstanbul. The Company has no branch office. Company’s corporate name “Stok Menkul Değerler A.Ş.” has been changed into “TERA Menkul Değerler A.Ş.” according to the 14.07.2005 dated and B.02.1.SPK.0.16/1285 numbered approval certificate of Capital Market Board.

The Company takes a role in the intervention activities for purchasing and selling marketable securities in the second-hand market in accordance with 2499 numbered Capital Market Law and related legislation judgment. The company has

- Purchase/Sell Intervention Certificate of Authority
- Portfolio Managing Certificate of Authority
- Initial Public Offering Intervention Certificate of Authority
- Derivatives Purchase/Sell Intervention Certificate of Authority

2) BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

The financial statements of TERA Menkul Değerler A.Ş. (The Company) were prepared in accordance with The Accounting and Reporting Policies (CMB Accounting Standards) issued by Capital Market Board. A wide set of accounting principles is issued at Serial: XI No: 25 “Accounting Standards in the Capital Market” Notification. Furthermore, at related notification it is expressed that it will be accepted as CMB standards are applied whether the standards, issued by International Accounting Standards Board (IASB) and International Accounting Standards Committee (IASC), are applied.

The financial statements were prepared in New Turkish Liras considering historical cost except financial assets and liabilities reflected in reasonable value. The added financial statements are prepared in accordance with the judgements of “The Notification about Accounting Standards in the Capital Market” (CMB Serial: XI No: 25 Notification) – which is published in 15 November 2003 dated and 25290 repeated numbered Official Gazette of CMB – and classification and correction including re-expression of changes in the New Turkish Liras purchasing power as of the 31 December 2004 by considering the historical cost basis of the legal records with the principle of reflecting the real.

Currency Unit

According to the law numbered 5083 about the currency unit of the Turkish Republic issued in the official gazette as of 30 January 2004, from the date of 1 January 2005 New Turkish Liras and New Turkish penny are the new currency unit of Turkish Republic. The sub-unit of the New Turkish Liras is New Turkish penny. (1 NTL = 100 NTP). While values in previous currency unit are being turned into New Turkish Liras, 1 million Turkish Liras equals to 1 New Turkish Liras. Therefore, The currency unit of Turkish Republic was simplified with omitting six number of zero from Turkish Liras.

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2) BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont.)

In whole law, legislations, administrative and juristic transactions, court decisions, securities and every documents which are juridical and also payment and wechsel instruments, all references to the Turkish Liras will be accepted to be done as New Turkish Liras with the wechsel rate mentioned above. In conclusion, while preparing and presenting the financial statement and records, New Turkish Liras displaced with Turkish Liras from the date of 1 January 2005.

Supported by the declaration of CMB dated 30 November 2004, the financial statements as of the period ended 31 December 2007 and also the financial data as of previous period which will be used for comparing are expressed in New Turkish Liras.

The company maintains its books of account and prepares statutory financial statements in accordance with Turkish Commercial Code, tax legislation and The Uniform Chart of Account issued by the Ministry of Finance. The financial statements were prepared with reflecting the necessary corrections and classifications in order to suit to legal records and Serial: XI No: 25 Notification.

Inflation Accounting

By considering the current objective criterion, with the 11/367 numbered and 17 March 2005 dated decision of CMB, within ending the period of the high inflation and also disappearing the other signs related to the high inflation period, it is decided to end the application of correction of financial statements as to inflation in 2005. As a result of this decision, no correction is applied for the financial statements as of 31 December 2006 and 31 December 2005.

The effects of ending the correction as to inflation of the financial statements are mentioned below:

-Due to the end of the high inflation period, current period financial statements are not subjected to adjust, on the other hand the amounts belonging to previous reporting periods are corrected considering the purchasing power on the last balance sheet date which was reported with the inflation adjustment of money.

-During the high inflation periods non-monetary assets and payables and the equity capital items, which are not expressed with the current purchasing power in the balance sheet date, are adjusted with the relevant monthly coefficients. With the end of the high inflation period, the values, which are reported according to the inflation adjustment application and expressed with the purchasing power in the last balance sheet date, are accepted as the opening values on 1 January 2005 of mentioned assets and payables and the equity capital items.

-The financial statements belonging to previous reporting periods are corrected considering the purchasing power on the last balance sheet date which was reported with the inflation adjustment of money .

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3) ACCOUNTING AND VALUATION POLICIES APPLIED

The Definition and Types of Intervention Activities

Intervention Activities in the capital market are purchasing and selling the capital market items by the authorized corporations for their name and account, for others' name and account, and for their name and others' account with a commercial purpose.

Intervention companies can give intervention services in each activities which are mentioned below **with the certificate of authority from the CMB;**

- a) Capital market instruments issue or sales with public offer,
- b) Purchase and sell the capital market instruments which are issued before,
- c) Purchase and sell separately or as a whole derivative tools including forward transaction and option agreements depending on economic and financial signs, capital market instruments, goods, precious metals and foreign exchange.

Intervention companies can also take a role in these activities below;

- a) Purchase and Sell the capital market instruments with the subscription of re-purchasing or re-selling (Repo and Reverse Repo),
- b) Investment Counselling,
- c) Portfolio Managing

On the other hand the intervention companies must get the certificate of authority from the CMB for each activity according to the general circumstances in the mentioned notification and the basis determined in the relevant notification.

Purchase/Sell Intervention Certificate of Authority: This certificate allows to purchase/sell the capital market instruments issued before (share, equity securities and bond) by direction for customers' name or for their name in the Istanbul Stock Exchange. In the stock market, share market transactions are done by only intervention companies, but banks can give agency service to the intervention companies. Real people can not affiliate with and access the stock market directly without a support of one intervention companies.

Portfolio Managing Certificate of Authority: The certificate of authority is a certificate to be portfolio manager. Portfolio Managing means managing the portfolio consisted of financial assets for customers' name by proxy to get material benefit according to the portfolio managing agreement with the customers. The authorized company must stick to the principles about Portfolio Managing of CMB.

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3) ACCOUNTING AND VALUATION POLICIES APPLIED (Cont.)

Derivatives Purchase/Sell Intervention Certificate of Authority: The companies with the certificate of authority from the CMB can make transactions in Istanbul Stock Exchange, Derivatives Exchange and other organized markets depend on forward transaction agreement and option agreement.

Initial Public Offering Intervention Certificate of Authority: Initial Public Offering means to sell big amounts of shares to the unknown investors with call and announcement. Companies collect money by initial public offering and providing their shares to take place in an organized market. The companies with the certificate of authority from the CMB can confirm the adequacy of the company, that want to make initial public offering according to CMB principles, and can act as intermediary in initial public offering of this company.

Income

The important accounting principles used for preparing the financial statements are summarized below:

Purchase/Sell Intervention Service

The price of purchase/sell intervention service in the capital market is reflected to the income statement in the date of purchase/sell transaction. The incomes caused by these transactions are associated daily according to the accrual basis until they become uncertain to receive according to estimation and comment of the management.

Derivatives Intervention Services:

These are reflected to income statement one day before from the date at that agreement for derivatives and option buy/sell intervention transactions is prepared in Derivatives Exchange and transaction is occurred. Sometimes commission incomes that occurs according to market conditions are discounted and are reflected to the income statement as commission returns.

Portfolio Managing

The profits and losses of the Portfolio Managing are reflected to the income statement in the date of related purchase or sell order. The difference, between the acquisition cost and reasonable value of marketable securities which are hold on hand until the maturity, reflected to the income statement as incomes and profits from other activities. There is no profit and loss from portfolio managing reflected to financial statements.

Related Parties

According to the purpose of the financial statement, the shareholders, subsidiaries, affiliates, the companies which have capital and management relations directly or indirectly with the shareholders, people who are responsible for planning, organizing and auditing the company activities directly or indirectly, board member, director of the company and their family and people who have relation with these mentioned people accepted as related parties.

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3) ACCOUNTING AND VALUATION POLICIES APPLIED (Cont.)

Tangible Fixed Assets and Related Depreciation

Tangible assets are shown by the net value which is calculated by deducting the accumulated depreciation and value decrease from the registered value. Depreciation is calculated by using linear depreciation method over the corrected value of tangible assets with the useful life. These useful life of these mentioned assets are;

	<u>Year</u>
Furnishings and Fixtures	4-15
Other Tangible Fixed Assets	5

If the registered value of the asset is higher than the recoverable value, the registered value is decreased to the recoverable value at once. The recoverable value is the higher one of the assets net sales price or use price. Net sales price is determined by deducting the costs which are endured to sell the asset over the reasonable value. The use value is determined by adding the rest value to the discounted amount of estimated future cash flow as of the balance sheet date on condition that using the related assets.

The profits or losses received in the result of selling off tangible assets, are determined by comparing the corrected amount and received amount and reflected to the relevant accounts of the income and expense in the current period.

The expenses caused by changing any part of the tangible assets are capitalized with the cost of maintenance service. If the other expenses increase future economic use of the mentioned asset, they are capitalized. All other expense items are reflected to the income statement according to the accrual basis.

The costs of new activity, including advertisement costs, costs of the presentation of new product or service, the personnel education costs, the costs of new activity with new customer and at new place, general management costs, are not associated with the asset and therefore can not be added to the acquisition cost. Because these costs are not included in the purchase price of the tangible asset and they are not endured to get the asset to necessary position according to the purpose of the management.

Assets Hold to Sell

The financial assets for the purpose of sell is evaluated by the lower one of registered value or reasonable value. The registered value can be regained with selling, not using the related tangible asset.

Value Decrease of the Assets

The company appraises whether there is an indication related to assets value decrease or not in every balance sheet dates. If there is an indication about it, the recoverable amount of this asset is estimated. If the registered value of the asset or the unit which provides cash to this mentioned asset is lower than the recoverable amount by using or selling, it means that there is a value decrease in this asset.

Recoverable amount can be found by choosing the high one of the assets net sales price or use value. Use value is the estimated present value of cash flows which are estimated to receive by using one asset usually and selling off at the end of the useful life. The losses of the value deduction are accounted in the income statement.

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3) ACCOUNTING AND VALUATION POLICIES APPLIED (Cont.)

Intangible Assets

Intangible assets are reflected to the financial statements according to being defined, having a control on the related resource and existing economic use estimated to get in the future. In this context, the expenses related beginning activities - except the expenses for the education activities, advertisement and promotion activities, partly or completely re-organization and the expenses which can be added to the tangible assets' value - are reflected to the financial statements as an expense when they occur,.

Intangible fixed assets are expressed by deducting accumulated depreciation and permanent value deprivation from the initial values which are corrected according to the inflation effects as of 31 December 2004 and the cost value of current year entry. The depreciation is calculated for all intangible fixed assets by using linear depreciation method. Intangible fixed assets are amortized in 3 and 5 year. In the depreciation calculating according to the tax law, same useful life and linear depreciation method are used but shoo isn't applied.

Financial Risk Management Purposes and Policies

Because of the company's activity, the company focused on managing various financial risks including the effects of the changes in foreign exchange and interest rate in the debt and capital market prices. The company intended to decrease the negative effects of fluctuation in the market with the risk management program.

Interest Rate Risk

There is no interest rate risk. It is managed by the natural precaution which is occurred to balance the assets and liabilities which have sensitivity towards interest rate.

Liquidity Risk

The risk of funding the necessity of current and future possible debt is tried to be lightened by turning the equity capital and short term financial instruments into cash.

Foreign Exchange Risk

The company have foreign exchange risk because of the managing the debtor and creditor amounts which are from USD\$ and Euro and aren't very high into New Turkish Liras.

Credit Risk

The company doesn't use bank credit and there is no credit risk.

Financial Instruments

Financial instruments answer the requirements and classified the assets for investments like that: financial assets for the purpose of purchase and sell, financial assets which will be hold on the hand until the maturity and financial assets ready to be sold. If financial assets are received to get profits from the short-term price fluctuations , they are called as financial assets for the purpose of purchase and sell and added to the current assets. If the management of the company has purpose and ability to hold the financial assets until the maturity and the financial assets have specific and stable payments and stable maturity, these are financial assets which will be hold on the hand until the maturity.

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3) ACCOUNTING AND VALUATION POLICIES APPLIED (Cont.)

If there are financial instruments which can be sold in order to get the liquidity requirements or because of the the interest rate changes and which are hold without considering the term, they are called as financial assets ready to be sold. If the management has no purpose to hold the financial instrument for the time shorter than 12 months after the balance sheet date or these instruments will not be sold in order to increase the capital – in this situation, they are added to the current assets-, these assets were added to the fixed assets. The management of the company makes the classification of these financial instruments in the date of purchase adequately and considers this classification regularly.

All financial assets are shown over firstly the cost amount including also purchase expenses related to the investment. After reflecting to the financial statements, financial assets ready to be sold are evaluated over reasonable value if the reasonable value can be calculated reliably.

The Effects of The Change in Rates

Exchange rate quotations in the year is managed by the exchange rate of the transation dates. Monetary assets and liabilities based on foreign exchange is managed by the foreign exchange buying rate which is valid at the end of the year. Profits or losses on exchange are reflected to the income statement.

Profit per Share

Profit per share is calculated by dividing the net profit to weighted average number of current shares in the related year. The companies increase the capital by delivering the shares (“property dividend”) to the current shareholders from the accumulated profits and allowed reserves with the rate of their shares. While calculating profit per share, this free stock issue are considered as bonds. Therefore weighted average share number used in calculating profit per share can be found by applying the free stock issue retrospectively.

Provisions, Conditional Liabilities and Conditional Assets

When the company have legal and valid liabilities and when there is a necessity to transfer the resources out to fulfill the liabilities, in the result of the old transactions and when there is a situation to estimate reliable amount, the provisions are reserved.

There are some liabilities and assets which are sourced by the past events and which are not under the company’s control fully and which can be affirmed by one or more uncertain events in the future. These liabilities and assets are not written in the financial statements and are accepted as conditional liabilities and assets.

When there is a possibility to sell off the resources which include economic use in future for the items, this conditional liabilities are written to the financial statements as provision.

Renting

If the company chanches all risks and yields of the ownership while renting tangible fixed assets, this is called leasing. Tangible fixed assets received by leasing are recorded over the lower one whether asset’s current value in the beginning of leasing period or reduced value of minimum renting payments in this date. Each renting payments take place between debts and financial expenses to get stable rate over the leasing debts. The financial expenses are reflected to the income statement as a expense during the renting period. The tangible fixed assets purchased by leasing are depreciated according to the estimated useful life of asset.

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3) ACCOUNTING AND VALUATION POLICIES APPLIED (Cont.)

The renting transaction in which the important parts of the risk and yield relating to ownership belong to the renter, is classified as an activity renting. Payments under the name of activity renting (after deduction the encouragements received from renter) are recorded to the income statement with the linear method during the renting period.

Reporting the Financial Information as a part

The company is acting as intermediary to purchase and sale in the second hand stock market. The company sales are assemble into groups according to the operation types.

Immovables for the Investment

The immovables used for production, good and service supply or administrative, the immovables subjected to sell are not accepted as a immovables for the investment. The lands and buildings, which are hold to get rent income and /or capital earnings or both, are classified as immovables for investment and are shown with the cost deduction accumulated depreciation value (except land) according to the cost method. If the company constructs the immovables for investment, the costs of these immovables are determined over the cost in the date of ending construction and amendment activities. In this mentioned date, the asset becomes immovables for investment and therefore it is transferred to the account of immovables for investment.

Borrowing Cost

The borrowing costs, which accrued during the construction and production and which can be associated directly with the assets purchase or investments that require long time to construct or prepare to sell, must be added to the related assets cost. When the activities, which are necessary to prepare the assets to use how we aimed and to sell, are finished, capitalization of the borrowing costs are stopped. Other borrowing costs are written off in the period when they are accrued.

The Provision of Termination Indemnities

According to the current law, the company have to give collective payments to the personnel which are retired or which don't work because of resignation and the reasons except the behaviours mentioned in the Labour Law. These payments are calculated by considering the valid termination indemnities ceiling in the balance sheet date.

Liquid Assets

Liquid Assets include cash and bank deposit and investments which have specific amount, which are cashable, short-term and cod- rich and which have the low change risk of the value and which have 3 month or shorter maturity.

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3) ACCOUNTING AND VALUATION POLICIES APPLIED (Cont.)

Trade Receivables / Payables

Company-source trade receivables/trade payables, which are consisted of supply of goods and services to directly a debtor/buyer, are evaluated by using effective interest method over the discounted cost . Short term trade receivables/trade payables, which haven't specific interest rate, are evaluated over billed cost when interest accrual effect is unimportant.

When the company can't get the amounts which must be paid, the receivable risk provision for trade receivables is reserved. The mentioned provision amount is the difference between the registered receivable value and the amount which can be received. The amount which can be received, is the value of discounting all cash flows - including the amounts which can be received from indemnities – with the original effective interest rate of occurred trade receivables.

If the amount of value deduction decreases because of the situation occurred after writing loss, mentioned amount will be reflected to the other incomes in the current period.

Financial Payables

Credits are recorded with the value calculated after deducting the operation expenses from the credit amount in the date of purchase. Credits are defined out of cost value which is discounted with the effective interest method. The difference, between the remaining amount after deducting operation expenses and discounted cost value, is reflected to the income statement as a financial cost during the credit period. Financial cost of credits is reflected to the income statement when it occurs.

Taxes Calculated from the Company Profit

In the prepared financial statements, provisions are reserved for the Corporation Tax liability which is estimated based on period results as of balance sheet date. Corporation Tax liability is calculated from the amount which is obtained after correcting the period result by considering nonallowable charges and deductions.

Deferred tax assets or liabilities are determined by calculating the tax effects of temporary differences between the amount considered to calculate the legal tax amount and the value of the assets and liabilities in the financial statements according to balance sheet method. Primary temporary differences are caused by accounting the income and expenses in the various reporting period according to the CMB Notification and tax law.

Deferred tax is calculated from estimated tax rate in the period in which assets are occurred and liabilities are fulfilled and is written to the income statement as income or expense.

Deferred tax assets or liabilities are reflected to the added financial statements with the rate of increase and decrease in estimated tax amounts will be paid in the next period in which the mentioned temporary differences will disappear. Deferred tax assets are reserved when there is a possibility to get a tax advantage in the next periods. When we understand that we can not use this receivable, it is deleted from the related asset.

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3) ACCOUNTING AND VALUATION POLICIES APPLIED (Cont.)

Capital and Dividends

Ordinary shares are classified as a capital. The dividends delivered from the ordinary shares, are recorded by deducting from accumulated profit in the declared period.

Clarifying

Financial assets and liabilities are clarified when they are necessary legal, there is a purpose to evaluate these mentioned assets and liabilities or there is a situation of being consecutively to get the assets and answer the requirements.

Changes and Mistakes in Accounting Principle and Estimation

The Company prepared the first financial statements as of 31 December 2005 and also initial balance sheet as of 31 December 2004 according to the Serial: XI No:25 Notification. In this context, there is no changes and mistakes about accounting principle and estimation.

When the accounting principle changes, total correction amount related to the previous period is taken to the accumulated profits. Other information related with previous period is also rearranged. When the accounting principle changes have an influence on the current period, previous period or activity results of the consecutive periods; the reason of the changes, correction amount of the current and previous period, correction amounts of the periods before the presented period and rearrangement of the comparative information or not applying this method because of the high cost are declared to the public.

If the effect of the accounting estimation change is related with only one period, in the current year; if related with also next period, both in the current year and in the next year, this effect is reflected to the financial statements by considering determination of net profit and loss.

The amount of mistake correction is considered retrospectively. One mistake is corrected by rearranging the comparative amounts related to the relevant previous year or -when it is occurred before the next reporting period- rearranging the account of the accumulated profits related to the mentioned period. If the rearrangement of the information causes high cost, the comparative information of the previous periods is rearranged, accumulated profits of the next period are rearranged with the cumulative effect of the mistake before the mentioned period starts.

Stopped Activities

When the company makes a sales agreement about nearly all of the company's assets related to the stopped activities or management board or managing body affirm the detailed and formal plan of stopping or declare this mentioned plan, public is enlightened. About writing the stopped activities to financial statement and valuation principles, the company applies the judgements about value deduction of assets, provisions, conditional assets and liabilities, tangible assets and opportunities for the personnel.

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3) ACCOUNTING AND VALUATION POLICIES APPLIED (Cont.)

Government Encouragements and Incentives

Including nonmonetary government encouragements which are followed with reasonable value, all of the government encouragements are written in the financial statements when it is sure that the company will fill necessary requirements and the company can get these encouragements. The payables taken from the government are accepted as a government encouragement when it is sure that every requirements will be filled by the company. There are no encouragements and incentives of the company as of 31 December 2007 ve 31 December 2006.

Retirement Plans

There is no activity of the company to be mentioned in retirement plans.

Cash-Flow Statement

In the Cash-Flow Statement, cash flows of the period are reported by classification based on basis, investment and financial activities.

Cash and Cash Equivalents in the Cash-Flow Statement contain cash, bank deposit and marketable securities which have three month or shorter maturity.

4) CURRENT ASSETS

	31.12.2007	31.12.2006
Cash	3.439	8.935
- New Turkish Lira	3.439	8.935
Banks	7.899.555	3.682.700
-Time Deposit	7.887.286	3.612.500
-Demand Deposit	12.269	70.200
Other Current Assets		
TOTAL	7.902.994	3.691.635

The detail of time deposit as of 31.12.2007 is shown below.

Type	Starting Date	Maturity	Interest Rate	Amount(NTL)
NTL	31.12.2007	02.01.2008	16,70%	1.502.334
NTL	31.12.2007	02.01.2008	16,00%	6.377.015
NTL	14.12.2007	14.12.2008	15,50%	7.937
Total				7.887.286

The detail of time deposit as of 31.12.2006 is shown below.

Type	Starting Date	Maturity	Interest Rate	Amount(NTL)
NTL	29.12.2006	04.01.2007	17,75%	303.500
NTL	29.12.2006	04.01.2007	18,00%	3.309.000
Total				3.612.500

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5) MARKETABLE SECURITIES

	31.12.2007	31.12.2006
Shares	1	1
Private Sector Notes and Bonds		
Public Sector Notes and Bonds	217.851	510.192
Other Marketable Securities		
Provisions for the Value Deduction of Marketable Securities(-)	0	
TOTAL	217.852	510.193

6) FINANCIAL LIABILITIES

	31.12.2007	31.12.2006
Short Term Financial Liabilities		
Bank Loans		
Other Financial Liabilities		
TOTAL		

	31.12.2007	31.12.2006
Long Term Financial Liabilities		
Bank Loans		
Other Financial Liabilities		
TOTAL		

7) TRADE RECEIVABLES AND PAYABLES

Receivables:

	31.12.2007	31.12.2006
Short Term Trade Receivables		
Customers		
Notes Receivables		
Receivables from Customers	1.953.249	1.556.095
Receivables from Customers on account	10.277	126.518
Deposits and Guarantees Given	53.587	11.313
The Receivables from Trade Bank	4.500.463	5.438.968
The Receivables from Trade Bank related with Future and Option Transactions	1.131.085	
Other Trade Receivables	90	
Doubtful Receivables		
Provisions for Doubtful Receivables (-)		
TOTAL	7.648.751	7.132.894

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7) TRADE RECEIVABLES AND PAYABLES (Cont.)

	31.12.2007	31.12.2006
Long Term Trade Receivables		
Customers		
Notes Receivables		
Receivables from Customers		
Receivables from Customers on account		
Deposits and Guarantees Given	12.296	14.657
The Receivables from Trade Bank		
The Receivables from Trade Bank related with Future and Option Transactions		
Other Trade Receivables		
Doubtful Receivables		
Provisions for Doubtful Receivables (-)		
TOTAL	12.296	14.657

Payables:

	31.12.2007	31.12.2006
Short Term Financial Payables		
Suppliers	63.843	24.030
Notes Payables		
Payables to the Customers	6.116.627	6.867.116
Payables to the Customers on account	72.667	
Deposits and Guarantees Received		
The Payables to Trade Bank		
The Payables to Trade Bank related with Future and Option Transactions	1.131.085	
Other Trade Payables		
TOTAL	7.384.222	6.891.146

8) LEASING PAYABLES

	31.12.2007	31.12.2006
Payables from the Short Term Leasing Transactions		
Payables from the Leasing Transactions		
Deferred Leasing Borrowing Cost (-)		
TOTAL	0	0

	31.12.2007	31.12.2006
Payables from the Long Term Leasing Transactions		
Payables from the Leasing Transactions	1.712	1.771
Deferred Leasing Borrowing Cost (-)	-1.712	-1.771
TOTAL	0	0

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9) RECEIVABLES FROM RELATED PARTS AND PAYABLES TO RELATED PARTIES

The companies, which have opportunities to effect the financial and operating decisions or to keep other company under control, are accepted as related parts. In this context, the shareholders, the director and/or manager of the company and people from their families are in the scope of related parties.

	31.12.2007	31.12.2006
Short Term Receivables		
Due from Shareholders		
Due from Affiliates		
Due from Personnel		
Due from the Other Related Parties		
TOTAL	0	0

	31.12.2007	31.12.2006
Short Term Payables		
Due to Shareholders		
Due to Affiliates		
Due to Personnel	0	4.655
Due to the Other Related Parties		
TOTAL	0	4.655

10) OTHER RECEIVABLES AND PAYABLES, FINANCIAL LIABILITIES

	31.12.2007	31.12.2006
Short Term Receivables		
Creditors at Stock Exchange and Money Market		
Other Various Receivables	12.376	24.512
Other Doubtful Receivables		
Provision for Other Doubtful Receivables (-)		
TOTAL	12.376	24.512

	31.12.2007	31.12.2006
Short Term Payables		
Payables to Stock Exchange and Money Market	6.251.880	3.005.939
Other Various Payables	72.767	
Taxes, duties, charges and premium payable	167.705	93.117
TOTAL	6.492.352	3.099.056

11) ALIVE ASSETS

Not Applicable. (31.12.2006: Not Applicable)

12) INVENTORIES

Not Applicable. (31.12.2006: Not Applicable)

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13) RECEIVABLES FROM CONSTRUCTION CONTRACTS GOING ON AND MERIT

Not Applicable. (31.12.2006: Not Applicable)

14) DEFERRED TAX ASSETS AND LIABILITIES

For the temporary Timing Differences, which are derived from the differences between legal financial statements based on tax and financial statement according to the IFRS, the company records the deferred tax assets and liabilities. The amount for tax of some of the incomes and expenses and taking place in the different periods in the financial statements based on IFRS caused the mentioned differences. It is explained below.

Timing differences are derived from the differences of the incomes and expenses in the years which are recorded for accounting and tax. Timing differences are counted out of tangible fixed assets (except land), intangible fixed assets, revaluation of the inventories and deferred expenses, rediscounts on notes receivable, the provision of the Termination Indemnities, the losses of the previous year and the amount of the capital allowances.

Deferred Tax Assets(Liabilities) Amounts	31.12.2007	31.12.2006
Correction of Termination Indemnities	29.691	38.156
Losses from previous years		
Correction of Depreciation and Redemption	(14.446)	(52.759)
Expense of Rediscount on Notes Receivable (-)		
Provision for Doubtful Receivables		
Difference of Marketable Securities Valuation	81	(1.708)
Deferred Tax Assets(Liabilities) Amounts, net	15.326	(16.311)

Deferred Tax Assets(Liabilities)

Tangible Assets, (net)		
Correction of Termination Indemnities	5.938	7.631
Losses from previous years		
Correction of Depreciation and Redemption	(2.889)	(10.552)
Expense of Rediscount on Notes Receivable		
Provision for Doubtful Receivables		
Difference of Marketable Securities Valuation	16	(342)
Deferred Tax Assets(Liabilities) Amounts, (net)	(3.065)	(3.262)

Deferred Tax Assets as of 31 December 2006	(7.492)
Deferred Tax Assets as of 31 December 2007	(4.427)

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15) OTHER CURRENT/FIXED ASSETS AND SHORT/LONG TERM LIABILITIES

	31.12.2007	31.12.2006
Short Term (Current) Other Assets		
Expenses Related to Future Months	45.996	39.656
Income Accruals	742	917
Prepaid Taxes	166.583	48.004
Paid Taxes by Stoppage	26.095	11.764
Work Advances		
Inventory Shortages		
Provision for Inventory Shortages (-)		
TOTAL	239.416	100.341
	31.12.2007	31.12.2006
Long Term (Fixed) Other Assets		
Expenses Related to Future Years		
Income Accruals		
TOTAL		0

16) FINANCIAL ASSETS

	31.12.2007	31.12.2006
Long-Term Securities	1.344.995	1.134.583
Provision for Value Deduction of Long-Term Securities (-)		
Affiliates	5.070	5.070
Subsidiaries		
Other Financial Assets		
TOTAL	1.350.065	1.139.653

17) POSITIVE/NEGATIVE GOODWILL: Not Applicable. (31.12.2006: Not Applicable)

18) IMMOVABLES FOR INVESTMENT: Not Applicable. (31.12.2006: Not Applicable)

19) TANGIBLE FIXED ASSETS:

	31.12.2007	31.12.2006
Land and Site		
Buildings		
Machinery and Plant	533.277	467.461
Vehicles	79.300	
Furniture and Fixtures	114.605	122.293
Other Tangible Fixed Assets	37.372	37.372
Depreciation of Land and Site (-)		
Depreciation of Buildings (-)		
Depreciation of Machinery and Plant (-)	-415.499	-398.241
Depreciation of Vehicles (-)	-14.538	
Depreciation of Furniture and Fixtures (-)	-89.747	-83.448
Depreciation of Other Tangible Fixed Assets (-)	-36.303	-35.769
TOTAL	208.467	109.668

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19) TANGIBLE FIXED ASSETS: (Cont.)

TANGIBLE FIXED ASSETS

Cost	Machinery and Plant	Vehicles	Furniture and Fixtures	Other Tangible Fixed Assets	Total
31.12.2006	467.461		122.293	37.372	627.126
Entry	65.816	79.300	4.297	0	149.413
Exit			(11.985)	0	(11.985)
31.12.2007	533.277	79.300	114.605	37.372	764.554

Accumulated Depreciation	Machinery and Plant	Vehicles	Furniture and Fixtures	Other Tangible Fixed Assets	Total
31.12.2006	-398.241		-83.448	-35.769	-517.458
Entry	-29.243	-14.538	-6.299	-534	-50.614
Exit	11.985				11.985
31.12.2007	-415.499	-14.538	-89.747	-36.303	-556.087

20) INTANGIBLE FIXED ASSETS

	31.12.2007	31.12.2006
Establishment and Formation Expenses	24	24
Rights	38.946	31.147
Special Costs		
Other Intangible Fixed Assets	292.311	298.448
Establishment and Formation Expenses Redemption(-)	-24	-24
Rights Redemption(-)	-30.490	-23.041
Special Costs Redemption(-)		
Other Intangible Fixed Assets Redemption(-)	-124.431	-93.137
TOTAL	176.336	213.417

INTANGIBLE ASSETS

Cost	Establishment and Formation Expenses		Rights	Other Intangible Fixed Assets	Total
31.12.2006		24	31.147	298.448	329.619
Entry			7.799	11.272	19.071
Exit				(17.409)	(17.408)
31.12.2007		24	38.946	292.311	331.281
Accumulated Depreciation					
31.12.2006		(24)	(23.041)	(93.137)	(116.202)
Entry			(7.449)	(48.703)	(56.152)
Exit				17.409	17.409
31.12.2007		(24)	(30.490)	(124.431)	(154.945)

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21) ADVANCES RECEIVED : Not Applicable. (31.12.2006: Not Applicable)

22) RETIREMENT PLANS : Not Applicable. (31.12.2006: Not Applicable)

23) PROVISION FOR DEBTS :

	31.12.2007	31.12.2006
Short-term Provisions for Debts		
Provisions for tax	202.283	57.846
Provisions for Termination Indemnities		
Provisions for Other Debt and Expense	6.970	8.442
TOTAL	209.253	66.288
<hr/>		
	31.12.2007	31.12.2006
Long-term Provisions for Debts		
Provisions for Termination Indemnities	67.847	38.156
Provisions for Other Debt and Expense		
TOTAL	67.847	38.156

Provisions for Termination Indemnities

In Turkey according to the current Laws, the company must pay the Termination Indemnities to the personnel, who have been in the company more than one year, are dismissed without a valid reason, are called up for military service, are died, have fulfilled the service period - 25 years for men, 20 years for women- or are at the age of retirement (58 for women, 60 for men)

For each of the service period, the payment of the Termination Indemnities is counted out of 30 dated gross salary. As to related balance sheet date, the Termination Indemnities for the period of 01.01.2007-30.06.2007 are 1.960,69.-New Turkish Lira and from the date of 01.07.2007 are 2.030,19.-New Turkish Lira (31 December 2006 : 1.857,44 New Turkish Lira).

In the Financial Statement, the special fund wasn't reserved. Because there is no obligation to reserving the fund for the provision of the Termination Indemnities in Turkey.

New arranged IAS 19 "The Rights for the Personnel" was used firstly in 2003. It didn't change the basic application principles. Besides, it makes understandable recording the liabilities with considering the liabilities to belong to the future period:

The estimated inflation exception, which gives real discount rate, and a suitable discount rate must be determined. This counted real discount rate must be used in order to count the present values of the future payments of the Termination Indemnities as to the balance sheet date.

The estimated rate of the amount of the Termination Indemnities, which are remained as a result of willingly resignation, must be considered.

The movements of the Termination Indemnities movements can be seen as;

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23) PROVISION FOR DEBTS : (Cont.)

	31.12.2007
1 January 2006 Balance	38.156
Provision within the period	26.691
The Amount of the Provision Paid in the Year of 2007 (-)	0
Total Termination Indemnities as of 31.12.2007	67.847

24) MINORITY INTEREST/PROFIT AND LOSS OUT OF PARENT

Not Applicable. (31.12.2006: Not Applicable)

25) CAPITAL/ AFFILIATE CAPITAL CORRECTION IN PARTES

	31.12.2007	31.12.2006
Capital	2.280.000	2.280.000
Capital Commitments (-)		
TOTAL	2.280.000	2.280.000

	31.12.2007		31.12.2006	
	Partnership		Partnership	
	Amount	%	Amount	%
Oğuz TEZMEN	994.536	43,62	994.536	43,62
Emre TEZMEN	662.568	29,06	662.568	29,06
Mehmet MURSALOĞLU	253.308	11,11	253.308	11,11
Gül Ayşe ÇOLAK	202.464	8,88	202.464	8,88
KBW Ventures Inc.	121.524	5,33	121.524	5,33
Süleyman Yıldırım	45.600	2,00	45.600	2,00
Historical Capital	2.280.000	100,00	2.280.000	100,00
Unpaid Capital	0		0	
PAID-IN CAPITAL	2.280.000		2.280.000	

26) CAPITAL RESERVES

	31.12.2007	31.12.2006
Issue premium		
Value Increase (Decrease) of Financial Asset		
Difference of Equity Capital Inflation Correction	83.856	83.856
TOTAL	83.856	83.856

According to Serial: XI No:25 Notification, as a the result of the preparing the first financial statement adjusted as to the inflation, Capital, Issue Premium, Legal Reserves, Statutory Reserves, Special Funds, Extraordinary Reserves from the items of Equity Capital are written in the balance sheet with their registered values. The correction differences of these account items take place in the account of "the differences of Equity Capital Inflation Correction" in the group of the Equity Capital.

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26) CAPITAL RESERVES (Cont.)

The differences of equity capital's inflation correction can be used only for the capitalization issue and loss deduction; registered values of the extraordinary reserves can be used for the capitalization issue, the cash distribution of earnings or loss deduction.

27) PROFIT RESERVES

	31.12.2007	31.12.2006
Legal Reserves	77.709	64.837
Statutory Reserves		
Extraordinary Reserves	345.052	100.489
Special Reserves		
TOTAL	422.761	165.326

Legal reserves are separated into two as First Type and Second Type Legal Reserves as to Turkish Commercial Code. I. Type legal reserve is counted as 5% of legal profit until 20% of paid-in capital as to Turkish Commercial Code. II. Type legal reserve is 10% of dividend exceeds 5% of paid-in capital. As to Turkish Commercial Code, legal reserves can be used only for clarifying losses unless it does not exceed 50% of paid-in capital it is not possible to use for something else.

28) PROFITS/LOSSES FOR THE PRIOR PERIOD

	31.12.2007	31.12.2006
Profits for The Prior Periods	45.266	0
Losses for The Prior Periods (-)	0	193.907
TOTAL	45.266	193.907

According to Serial: XI No:25 Notification 15th division and 399th article, the amount, which appeared in the equalization transaction of the adjusted to the inflation first financial statement and followed in the account of "loss of the previous years", must be considered as a discount item while finding the distributable profit amount as to the adjusted to the inflation financial statements. Besides, related amount could be deducted from profit for the period and retained previous year's profits if available and remaining loss amount can be deducted from respectively extraordinary reserves, legal reserves and capital reserves which are appeared with the arrangement of the equity capital entries as to inflation.

Public held companies divide their profit as Capital Markets Board decrees as follows:

From the date of 1 January 2004, according to Serial: XI No:25 Notification, by considering the counted profits of the activities of the year 2004, based on financial statements suited to IFRS, the company must distribute 30% of the distributable profit. This distribution can be performed with cash or with non-paid-up shares that are not lower than 30% of distributable profit, or with cash in specified rate and non-paid-up shares in specified shares by depending on the decision of general meetings of the companies.

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29) FOREIGN MONEY POSITION

Debits and Credits, which are expressed in foreign money in the balance sheet of the date of 31.12.2006 and 31.12.2007, are shown below;

	31.12.2007		31.12.2006	
	Foreign Exchange Balance	NTL Amount	Foreign Exchange Balance	NTL Amount
Cash				
USD				
GBP				
Banks				
USD			7.493	10.532
EUR				
Income Accruals				
USD				
Total Assets			7.493	10.532
Payables from the Leasing Transactions	1.470	1.712	1.830	2.572
USD	1.470	1.712	1.830	2.572
EUR				
Deferred Leasing Borrowing Cost (-)	(1.470)	(1.712)	(1.830)	(2.572)
USD	(1.470)	(1.712)	(1.830)	(2.572)
EUR				
Total Liabilities	0	0	0	0

30) GOVERNMENT ENCOURAGEMENTS AND INCENTIVES : Not Applicable. (31.12.2006: Not Applicable)

31) PROVISIONS, CONDITIONAL ASSETS AND LIABILITIES:

Letters of Commitment Given		31.12.2007	31.12.2006
Istanbul Stock Exchange	Garanti Bank	82.500	82.500
Istanbul Stock Exchange	Garanti Bank	0	30.000
Istanbul Stock Exchange	Garanti Bank	0	30.000
Istanbul Stock Exchange	Garanti Bank	0	30.000
Istanbul Stock Exchange	Garanti Bank	0	63.500
Istanbul Stock Exchange	Garanti Bank	317.500	317.500
Turkish Telecom	Garanti Bankası	7.200	7.200
Istanbul Stock Exchange	Abank	300.000	300.000
Istanbul Stock Exchange	Garanti Bank	182.500	182.500

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31) PROVISIONS, CONDITIONAL ASSETS AND LIABILITIES: (Cont.)

Capital Market Board	Joint Fund Bank	400	400
Capital Market Board	Joint Fund Bank	380	380
Capital Market Board	Tekfenbank	100	100
TOTAL		890.580	1.044.080

32) BUSINESS COMBINATIONS (COMPANY MARRIAGE) Not Applicable. (31.12.2006: Not Applicable)

33) REPORTING AS TO PARTS : Not Applicable. (31.12.2006: Not Applicable)

34) EVENTS AFTER BALANCE SHEET DATE

Kıdem Tazminatı tavanı 01.01.2008 tarihinden itibaren 2.087,92 YTL olarak değiştirilmiştir.

Mehmet Mursaloğlu, one of the company partner, transferred their shares to Emre Tezmen, Gül Ayşe Çolak, Süleyman Yıldırım and Hüseyin Murat Kayacan.

35) ACTIVITIES STOPPED: Not Applicable. (31.12.2006: Not Applicable)

36) MAIN OPERATING INCOMES

	31.12.2007	31.12.2006
Stock Sales	10.447.963	57.561.473
Intervention Commission Fee	4.173.866	2.613.519
Government Bond Sales	0	0
Treasury Bills Sales	0	0
Other Marketable Securities Sales	0	0
Other Main Operating Incomes	565.707	93.947
Intervention Commission Fee Return (-)	(655.332)	(94.283)
Cost of Sales (-)	(10.447.453)	(57.578.190)
TOTAL	4.084.751	2.595.866

37) OPERATING EXPENSES

	31.12.2007	31.12.2006
Research and Development Expenditures		
Sales and Marketing Expenses	(294.555)	(144.177)
General Administrative Expenses	(2.817.957)	(1.950.397)
TOTAL	(3.112.512)	(2.094.574)

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37) OPERATING EXPENSES (Cont.)

Sales and Marketing Expenses are shown below;

NAME	31.12.2007
Provisions for Taxes of Banking and Insurance Transactions	(0)
Stock Exchange Insurance	(0)
Stock Exchange Participation	(74.949)
Stock Exchange Annual Subscription	(66.330)
Stock Exchange Earnings on Services and Commission	(12.027)
Stock Exchange Office Rent Expenses	(10.128)
Far Access Network Rent Expenses	(53.940)
Financial Intermediary Association Expenses	(0)
Investor's Protection Fund	(18.698)
Turkish Derivatives Exchange Expenses	(52.505)
Other Stock Exchange Expenses	(5.978)
TOTAL	(294.555)

General Administrative Expenses are shown below;

NAME	31.12.2007
Personnel Expenses	(1.804.845)
Duties, Taxes and Levies	(101.176)
Maintenance and Repair Expenses	(8.142)
Vehicle Expenses	(16.635)
Insurance Expenses	(4.332)
Heating and Lighting Expenses	(42.061)
Communication Expenses	(189.611)
Stationery Expenses	(8.538)
Unaccepted Expenses According to Law	(2.354)
Depreciation Expenses	(106.767)
Other Administrative Expenses	(419.655)
Rent Expenses	(113.841)
TOTAL	(2.817.957)

38) INCOME/EXPENSE AND PROFIT/LOSS FROM ACTIVITIES

	31.12.2007	31.12.2006
Dividend Income from Affiliates	333	400
Dividend Income from Subsidiaries		
Securities Value Increase		
Interest Income and Other Dividend Income	10.107	11.411
Exchange Profits		
Reversal of Unnecessary Provision		952
Other Incomes and Profits related to the Activities	30.108	51.165
Extraordinary Revenue and Profits	13.003	73.315
Other Extraordinary Revenue and Profits		18.890
Exchange Losses (-)		
Expenses and Losses from Other Activities (-)	(8.233)	(17.301)
Expenses and Loss of Previous Period (-)	(1.553)	(29.159)
Extraordinary Expenses and Losses (-)	(19.239)	(32.162)
TOTAL	24.526	77.511

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39) FINANCIAL EXPENSES

	31.12.2007	31.12.2006
Short-Term Borrowing Expenses	(18.979)	(18.564)
Long-Term Borrowing Expenses		
TOTAL	(18.979)	(18.564)

40) NET MONETARY POSITION PROFIT/LOSS : Not Applicable. (31.12.2006: Not Applicable)

41) TAXATION

	31.12.2007	31.12.2006
Current Period Tax Provision	(202.283)	(57.846)
Deferred Tax Provision	3.065	(7.492)
TOTAL	(199.218)	(65.338)

42) PROFIT PER SHARE

	31.12.2007	31.12.2006
Number of the Shares	2.280.000	2.280.000
Net profit of the period (NTL)	778.569	494.901
Profit per Share (NTL)	0,43	0,22

43) CASH FLOW STATEMENT

Information about the Cash and Cash Equivalence Assets at the end and at the beginning of the period can be seen;

The comparison of the amount of cash and cash equivalence assets in the balance sheet and in the cash- flow statement;

a) Cash and Cash Equivalence Assets at the beginning of the period;

	31.12.2006
Cash	8.935
Cash Equivalence Assets	3.682.700
TOTAL	3.691.635

b) Cash and Cash Equivalence Assets at the end of the period;

	31.12.2007
Cash	3.439
Cash Equivalence Assets	7.899.555
TOTAL	7.902.994

Cash Amounts and Cash Equivalence Assets are the other items in the Liquid Assets.

Cash-Flow Statement was shown with the financial statements.

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44) OTHER SUBJECTS WHICH SIGNIFICANTLY EFFECT THE FINANCIAL STATEMENTS OR NECESSARY TO BE EXPLAINED FOR THE FINANCIAL STATEMENTS TO BE INTERPRETABLE, NET AND UNDERSTANDABLE

The company set up external auditing systems which are suitable with the company's scope and structure and also having an ability and efficiency in order to answer to the changeable conditions. According to the Notification about Basis of External Auditing System which will be applied in the Intermediary Institutions (Serial: V No: 68), the activities in the scope of the external auditing system are done by the board of management, the company's personnel from the studies of external auditing is done by inspector who has a trade proficiency. These studies of external auditing are included in the report, saved in the head office and presented to the board of management.