Annual Report
2014

EGE PROFİL
TİCARET VE SANAYİ A.Ş.

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Ergün Çiçekci
General Manager

Dear Investors,

We had both politically and economically distressful days last year as of the situation of Turkey. Although the devaluation, particularly starting from the first quarter of the year prominently took effect in the second and the third quarters, affected our company as well, we have succeeded to manage all those problems with the connective power of being "a big family" which I always overemphasise.

The measures taken by our brands according to market demands and the innovations offered to the sector through their innovative structure enhance our brand perceptions and provide added value to our company in positive manner. We have made a decision to enter into aluminium sector, which we already entered with Winsa brand in 2013, also with Deceuninck brand this year. The feedbacks from the sector demonstrate that the market recognition of our brands shall bring success to us also in aluminium sector.

We, Ege Profil Tic. ve San. A.Ş., strengthen our presence in world market day by day. We have an active company and a 4000 sqm warehouse in India. India, with its recently growing market share and developing economy, is a highly crowded country consists of 28 states. Becoming a company providing service to more than 30 customers within such a short time reveals how correct decision is the investment we made there. We enhance our brand power day by day through the fairs we attend and the advertisement activities we carry out there.

Another country we potently make investment is South and Central America. We have a storage area of approximately 4.500 sqm in Chile. This warehouse is an important building block for our investments to be made in South America. We acquired a distributor in Brazil and have commenced service with an approximately 2.500 sqm storage area. Furthermore, we emphatically keep on reinforcing our existence also in other countries such as Peru, Colombia, Venezuela and Honduras.

Consequently I would like to state that I am proud of saying that; we indeed had a tough year, however, I esteem that the result accomplished by putting together the knowledge and the experience, which have been already created within the structure of our company, shall enable us to look to future with more confidence. In this regard I express my sincere thanks to all our employees and partners who always supported us in such a circumstance.

Best Regards,

Tamer Özen
Marketing and Sales Manager (Egepen Deceuninck)

Despite of all negativeness encountered in 2014, we, as Egepen Deceuninck, achieved to increase our sales by 5%. A decrease have been observed in retail business, particularly because of the urban transformations commenced in metropolitans. On the contrary, there have been a perceivable increase in project-based works. As these projects were prestigious works, they brought different colour and wide range requirements into the forefront. Therefore, with the two new colours involved into our colour scale, Winchester and Knotty Winchester, our laminated product sales showed an 11% increase when compared with 2013. Meanwhile, we have already commenced our studies on prestigious series which we plan to include in our product range in 2015.

In 2014, we added into our product group 4 compartment Max Icon system with A class wall thickness and 60 mm height and continue to offer alternative products to our consumers.

By making POS agreements with 5 banks, we both provided financial support to our company and created an advantage in payment terms, as well as made a contribution to sales of our dealers by enabling them to offer +instalment campaigns to the consumers.

We took the first step for Direct Debiting System, a pay plan by which the banks are engaged in goods and service purchases of the companies. We have informed our dealers about the contract we signed with 7 banks. We will enhance and effectively apply this system in 2015, which we have already initiated with one of our dealer in 2014.

We changed the dealer premium system in 2014 and established a new premium practice by which the profile and laminated product sales, accessory turnovers and technical inspection scores are considered.

CE works is being carried out by Our Technical Support Department since February 2014. Our dealers who just started CE marking application have been trained and given a technical file on this subject against a contract. This implementation, which is under firm control of the relevant Ministry, has been provided as a technical support service with the contribution of our authorised personnel assigned for each region.

We will continue our works also in 2015, with the power of Egepen Deceuninck brand, without sacrificing from our basic values and by giving particular importance to the customer satisfaction.

Best Regards,

Vehbi Cem Korkmaz
Marketing and Sales Manager (Winsa)

In spite of the political uncertainty, electoral process and other domestic-foreign political developments appeared within the last days of 2013, Winsa has strengthen its pioneer and innovative identity in the sector. We feel joyful about closing 2014 with a sale increment over construction sector's growth figures, by rigorously following up the economical developments in our country and in the world.

Beside the urban transformation, pulling down and renovating the worn-out buildings which can be named as building transformation -started in metropolitans such as Istanbul and Ankara and spread country wide- has dynamised our sector in 2014. In 2014, 6% growth has been achieved by maximising Winsa brand's efficiency not only in retail market but also in branded housing projects, with the contribution of the new series we introduced into our distribution system. The continuous growth performance we maintain under all circumstances is achieved through Winsa employees' prescient and rigorous works and our innovative series proper for consumer trends and construction sector's requirements.

We, as Winsa, actualised substantial investments in 2014. We introduced Revotech series PVC profile system, which is a first in Turkey with its 84 mm thickness, into our distribution system. Our Revotech series provide a unique heat and sound insulation with its 7 compartment and sealed structure and it shall become a major element of the buildings to be constructed in compliance with the high energy efficiency standards.

Our Vela Gold sliding series, which come to the forefront with its special designed frame profile preventing water accumulation on the system and its ease of use, have been put on the market. With the 120 mm frame profile and a robust and esthetical design, Dorada Gold Ultra Frame has been introduced into our distribution system and it provides solutions with outstanding performance for wide and high spaces on buildings.

By bringing a new approach to our Dorado Gold Shield series -which was designed to provide an aluminium appearance to outdoor PVC joineries- a new cover detail enabling 90-degree joint has been designed by an Italian industrial design company, Linea Rossa SPA.

Weksper project, aiming exchange of expired old PVC windows manufactured with outdated technologies and far from nowadays' consumer's expectations, has been actualised. We have collaborated with Trakya Cam (Glass) and Testo companies in Weksper project and worked together with Istanbul Technical University (İTÜ) and a scientific substructure has been established. Within the scope of the project; appropriate Winsa series and special glasses shall be offered to the end users with the reports to be prepared in accordance with the reference values from İTÜ and the measurements to be performed with the thermal cameras in order to determine the heat loss arising from PVC windows. Our dealers, who employ competent personnel qualified to inform the consumer and to establish a benefit-profit relation, have been categorised separately as Weksper Dealers. As of the end of 2014, 65 dealers from different parts of Turkey have joined to Weksper project.

We have organised trainings for employees of our dealers at the 'Showroom and Sales Academy' we established to properly manage the sales process and also performed installation trainings in order to maximise customer satisfaction.

Winsa has already looked ahead for 2015 by considering the forthcoming election and the predicted economic environment and the political instability risk. In order to take our continuous growth performance we gained in the past years to an advance level, we will carry on our works without compromising our pioneering and innovative approach which always gives particular importance to customer satisfaction.

Best Regards,

Name	: Ege Profil Ticaret ve Sanayi A.Ş.
Reporting Period	: January 1 - December 31, 2013
Upper Limit of Registered Capital	: 120.000.000,00 TL
Issued Capital	: 59.566.900,00 TL
Date of Registration	: January 13, 1981, Turkey
Head Office	: Atatürk Organize Sanayi Bölgesi 10003 Sok. No: 5 Çiğli - İzmir
Tax Office & Tax ID Number	: Hasan Tahsin & 325 005 4933
Trade Registration Number	: Karşıyaka 10289 / K-2159
Trade Registration Office	: İzmir
Corporate Website	: www.egeprofil.com.tr

Manufacturing Plant	: **İzmir Factory** Atatürk Organize Sanayi Bölgesi 10003 Sok. No: 5 Çiğli - İzmir T. +90 232 398 98 98 F. +90 232 376 98 99
Manufacturing Plant	: **İzmit (Kocaeli) Factory** Kızılcıklık Mah. İnönü Cad. Suadiye Yolu Üzeri No:1 Kartepe - İzmit (Kocaeli) T. +90 262 371 57 27 F. +90 262 371 57 28
India Branch	: 523 B Block, Mannur Village Sriperumpudur Talu 602 105 INDIA Tel & Fax No: +919717707732
Chile (Subsidiary)	: Centro Industrial Lo Boza 3G-3H Volcan Lascar 801 Pudahel Santiago / CHILI Tel & Fax No: +56951498754
Brazil (Subsidiary)	: Althera PVC Ltda. - EPP Rua Doutor Rodrigo de Barros 216 CEP 01106 020 Sao Paulo – SP BRAZI CNP J 14.893.727/0001-50

Subject of Activity and About Ege Profil

Ege Profil Ticaret ve Sanayi A.Ş. (the Company) is a company registered in Izmir. Principle business activity of the Company is to manufacture and sell all kinds of plastic pipes and spare parts thereof and all kinds of profiles and plastic items.

Ege Profil, who was founded in 1981, is the pioneering establishment of PVC Profile Sector of Turkey and, continues its investments with the strength it gets from its brand background of over quarter-century. The dynamics of the sector have changed in 2000 with acquisition of our Company's majority shares by Deceuninck Group who is unequivocally the biggest PVC Profile manufacturer in the world.

The confidence and the market knowledge that Egepen Deceuninck and Winsa brands possess have integrated with Deceuninck Group's customer-oriented approach, high technology and sense of quality.

Deceuninck NV is a worldwide integrated group specialised in compound, design, development, extrusion, finishing and recycling. The group summarizes its goals and sense of quality and service as 'passion to accomplish perfection'.

Ege Profil has shown an outstanding performance as of 2001 and achieved a continuous growth. The market experience possessed and the employee motivation provided play a significant role in this success. In the company, where horizontal organisation structure prevails, employees of all levels are encouraged by the management in taking initiative, as well as sharing authority and responsibility.

The young and dynamic employees of Ege Profil continue creating trends which determine the market in Turkey in accordance with the global leadership mission of Deceuninck.

The training opportunities provided to the employees, importance attached to R&D activities, quality policy implemented and the large knowledge sharing generated by the group make the success indispensable.

Our Company operates in PVC profile sector under two brands; Egepen Deceuninck and Winsa. Each brand has their own products, production facilities and sales-marketing channels. Egepen Deceuninck branded products are produced in Izmir factory having 15.000 sqm indoor area and a machinery park of 59.841 tons capacity, without sacrificing world class production quality and by utilizing environment friendly processes, whereas, Winsa branded products are produced in Kocaeli (Izmit) factory having 16.000 sqm indoor area and a machinery park of 24.606 tons capacity. Also both brands have Regional Directorates in Izmir, Istanbul, Ankara and Adana.

Egepen Deceuninck and Winsa brands are offered through a wide dealer network within the country, thus the end users easily reach to the products. Customer expectations are met at the utmost level through new products and technological developments, dealer training seminars, applied operational trainings and the technical publications.

Our company, currently having the widest product range in the sector, continues its production activities using more than three hundred in-house-developed molds. Our sales volume, which increases with the faith our dealers have in our brands and through their endeavours on ideally meeting customer expectations, makes our superiority felt by our competitors.

Our Exports and Imports are mainly to/from European countries, American countries, Asian countries, African countries and continent of Australia.

Mission, Vision, Strategic Objectives

For a Sustainable Future,

Why? our Main Objective;

Innovative and Pioneering
Our objective is to convey our knowledge and experiences to your residences and to increase the comfort of your lives with the support of our expert staff and by producing high quality and innovative products. We work hard to protect your residences and your loved ones from the negative external conditions and to offer you our new products by following the technology closely. As the production, installation and the maintenance of our systems are highly easy, all our products are produced in a way meeting all your requirements and in order to ensure maximum customer satisfaction.

Ecology
Our objective is to support all our customers to enable an efficient energy use in the construction of the buildings. For this reason all our products are top insulating, long-lasting and low maintenance products. In order to maintain the form of the nature, our products are produced in a way to minimise the effect to the ecology, by using minimum energy and with a recyclable structure.

Design
Our objective is to improve the appearance of your residences and assist you in reflecting your own style to your architecture with our various designs. Our products have a time independent design which will meet your expectations with its wide range of colours including colours of the nature, and with its natural textured and unique surface finishes.

Our Employees and Customers
We generate a transparent, fair and warm work environment for our employees and all our customers. By this way we establish long lasting relationships and keep employees' and customers' satisfaction at maximum levels. We attach importance to quality, safety, environment and human and work with team spirit.

How? our Main Value

Candor
We always tell whole truth like it is, and be open and frank throughout the communication process. Our feedbacks in our relations with our partners always be direct and affirmative. We act with the team spirit with our employees and partners. We honestly indicate 'the wrong' , and defend 'the right' with all its reality when we take corrective and preventive measures. What we say is what we think. This is our distinctness.

High Performance
Our performance is regularly measured by our employees, customers, the society and our shareholders. With our passion to accomplish perfection we endeavour in all our business processes for a continuous growth, and we proceed on our way with success without deviating from our main objectives, values and vision. We do what we say, we share what we do; this is our sense of responsibility and discipline. While aiming the high performance our priorities always be : Human, Environment, Quality, Service and Profit. (İÇKHK). Profit is essential for a company to ensure its continuity. At all stages, every day, in all processes from production till post-sales, we work to improve our performance.

Entrepreneurship
We are open to the world and to all ideas. We recognise the opportunities and utilise them. We create a trust environment in name of exercising power, anticipate the risks, manage all processes successfully by taking initiative. We embrace the business as our own business. We respect all our employees' decisions, encourage them to take responsibility and appreciate their efforts and successes.

What? our Passion

Our Culture
As a result of the corporate culture we created, all our employees and partners are proud of being work together. They carry on their work with candor, high performance and entrepreneurship principles.

Long-lasting, Environment Friendly Products
We work to produce high insulated, long-lasting, high quality, durable and recyclable products.

Leadership in the Sector
Our company is a leading company in its sector. Takes place at top three with its broad market share. High performance in quality and service and customer relations based on mutual trust lie behind this success.

A Powerful Financial Structure
Our company has a sustainable powerful financial structure. We convert all our activities to fiscal targets and achieve all our targets.

Capital and Shareholding Structure

Ege Profil Ticaret ve Sanayi A.Ş. (The Parent Company) is a company registered in Izmir. Principle business activity of the Parent Company is to manufacture and sell all kinds of plastic pipes and spare parts thereof, as well as all kinds of profiles and plastic items.

Address of the Parent Company is as follows: Atatürk Organize Sanayi Bölgesi, 10003 Sokak, No: 5, Çiğli - İzmir

The shareholding structure of the Parent Company as of December 31, 2014 and December 31, 2013 is as follows:

	December 31, 2014	December 31, 2013
Name	Shareholding	Shareholding
Deceuninck N.V.	%97,54	%97,54
Public Offerings	%2,46	%2,46
Total	%100,00	%100,00

As of 31 December 2014, 2,46% of the Parent Company shares are traded at Exchange Istanbul.

Paid up Capital: The capital and the shareholding structure of the Company as of December 31, 2014 and December 31, 2013 is as follows:

	December 31, 2014		December 31, 2013	
	TL	Share (%)	TL	Share (%)
Deceuninck N.V.	58.100.520	% 97,54	58.100.520	% 97,54
Public Offerings	1.466.380	% 2,46	1.466.380	% 2,46
Registered Paid Up Capital	59.566.900	100,00	59.566.900	100,00
Capital Reserves Due to Inflation Accounting	7.840.703		7.840.703	
	67.407.603		67.407.603	

Within the scope of spreading its financial liabilities to 4-5 years and of increasing its capital, and pursuant to the Share Pledge Agreement signed on September 11, 2009, Deceuninck NV has pledged its own shares in favour of Fortis Bank NV/SA (who acts as the collateral agent): on September 15, 2009, total 16.980.361,712 shares with nominal value of TL 0,01 per share representing approximately 28,5063% of the Company capital; on September 16, 2009, total 41.120.158,313 shares with nominal value of TL 0,01 per share representing approximately 69,0318% of the Company capital. Consequently, total 97,5382% of the Company shares have been pledged in favour of Fortis Bank NV/SA.

Pursuant to the Share Pledge Agreement signed on August 16, 2012 and within the scope of the amendment -which has been made on the Share Pledge Agreement signed on September 11, 2009 pursuant to the supplemental agreement dated July 16, 2012 (to provide EUR 140.000.000 refinancing to Deceuninck NV)-, Deceuninck NV, as the borrower, has pledged its own shares in favour of Fortis Bank NV/SA (who acts as the collateral agent): total 58.100.520 shares with nominal value of TL 0,01 per share representing approximately 97,5382% of the Company capital.

The number of the employees as of December 31, 2014 and December 31, 2013 is as follows:

	December 31, 2014	December 31, 2013
Administrative	168	167
Production	499	505
	667	672

Our Members Assigned in the Board of Directors and the Board of Supervisory Within the Year of Activity

The members of the board of directors and supervisory have been assigned at the Ordinary General Meeting held on May 14, 2014 and they have been elected till the next ordinary general meeting to be held for the activities of 2014.

Executive Board

Clement Edmont De Meersman	Chairman of the Executive Board
Tom A. Debusschere	Executive Board Member
Ergün Çiçekci	Executive Board Member
Marcel Klepfisch	Executive Board Member (Independent Member)
Yasemin Ünlü Romano	Executive Board Member (Independent Member)

Audit Committee

Marcel Klepfisch	Executive Board Member (Independent Member)
Yasemin Ünlü Romano	Executive Board Member (Independent Member)

Early Detection of Risk Committee

Clement Edmont De Meersman	CEO
Marcel Klepfisch	Executive Board Member (Independent Member)
Koen Kurt Vergote	Financial Analysis and Budget Manager
Nurcan Güngör	Finance and Accounting Manager

Corporate Governance Committee

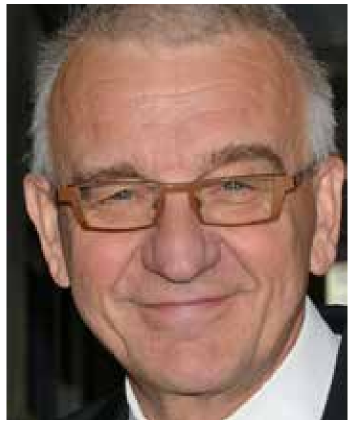
Marcel Klepfisch	Executive Board Member (Independent Member)
Tom A. Debusschere	Executive Board Member

Independent Audit Company and Partner in Charge

BDO Denet Bağımsız Denetim YMM A.Ş.

Bülent Üstünel	Partner in Charge

The Curricula Vitae of the Members of the Board of Directors



Clement Edmond De Meersman

Prof. Dr. Ir. Clement E. De Meersman

He received Bachelor's degree on Civil Engineering (Specialisation: Electromechanics) and doctoral degree from Applied Sciences Department of Belgium Leuven Catholic University (KU Leuven). After he worked as a research assistant in the university for one year, he took the first step of his vocational career at an international French tyre and technical product manufacturer, Michelin. Then he went to Holland and worked for an Holland origin international chemistry company, DSM, for 8 years. He took charge in various positions (Director of R&D, the CEO of materials and final products for automotive and transportation sectors, etc.)

In 1994 he became the CEO of Deceuninck NV.

He took part in the board of directors of Deceuninck NV from 2009 to 2011, as the member responsible from the special projects. He is the Chairman of the Board of Directors of Deceuninck Turkey, U.S.A and Ireland since 2011.

Also he represents the companies such as Elia, ANL, Verhelst, Rf-T, PlasticVision, Lano, Darvan and Smartroof.

Professor Clement De Meersman lectures at KU Leuven University on strategy, innovation and leadership.

Tom Debusschere

Permanent Representative of Tom Debusschere Comm. V, CEO

Tom Debusschere is an Electromechanic Civil Engineer with an "Industrial Engineering" master degree. He began his career in Deceuninck, in 1992, as the Logistics Manager.

He took in charge at the American division, Dayton Technologies, for 9 years starting from 1995 and advanced in his carrier and became the Operation Vice President. He moved to the Belgian Unilin Group in 2004 as the manager of Unilin Decor, who the furniture component supplier of Mohawk Group. He has been appointed as the VP of Marketing and Sales department Deceuninck, on 1 December 2008. On 9 February 2009, the Board of Directors appointed him as Deceuninck CEO. Debusschere, who is still a member of Belgium Corporate Governance Commission, continues his active duties in the Boards of foundations such as EPPA (European PVC Window Profile and Related Building Products Association), EuPC (European Plastics Converters) and Essenscia (Belgian Federation for Chemistry and Life Sciences).

Ergün Çiçekci

He was born in Ödemiş.

He graduated from Istanbul Technical University Mechanical Engineering Department in 1975.

He has got his master degree at Aston University in Birmingham, in 1979.

After he completed his military service in 1981, he started his career in plastics industry and continued his career in Mazhar Zorlu Group at various positions with various duties and responsibilities.

He works in Ege Profil A.Ş. since 1994 as the General Manager and he is the member of the Board of Directors since 2001.

Marcel Klepfisch Sarl

(Independent Member)

Permanent Representative of Marcel Klepfisch Sarl

He graduated from Antwerp University Commercial Engineering Department.

Klepfisch, who has extensive experience in crisis management, worked as Chief Restructuring Officer at Deceuninck NV.

He was the Chief Executive Officer at Ilford Imaging, a Member of the Executive Committee at Vickers Plc, the Chief Financial Officer of BTR Power Drives and the Chairman of the Board of Directors of Pack2Pack.

Klepfisch is currently a member of the Management Advisory Board of Tower Brook in London and the Chairman of the Board of Directors of Volution in the UK and is the Chairman of GSE Group in France.

Declaration of Independence - Marcel Klepfisch SARL

(Independent Member)

I stand as a candidate to serve as an “independent member” in the Board of Directors of Ege Profil Ticaret ve Sanayi A.Ş. (the Company), within the scope of the legislation, the articles of incorporation and the criteria determined in the Corporate Governance Principles announced by the Capital Market Board, and in this context I declare that;

a) no employment, capital or significant trade relation have been established directly or indirectly between the Company or any of its affiliates or legal entities (with which the shareholders having directly or indirectly 5% shares in the Company capital have relation in terms of administration or capital) and me or my wife or my relatives (by marriage or blood up to third degree) within the last five years,

b) I have not worked in a company conducting all or certain part of the Company’s activities and organisations within the scope of any contracts, particularly the companies who audits grades and consults the Company, and I have not take charge as a member of the board of directors thereof, for the last five years,

c) I am not a partner, an employee or a member of the board of directors of any company supplying considerable service and products to the Company, for the last five years,

d)The percentage of the shares I have in the Company capital is less than 1% and that they are not privileged shares / I have no shares in Company capital,

e) As it might be seen in my personal background, I have adequate vocational training, knowledge and experience to properly fulfil the duties that I will undertake as an independent member of the board of directors,

f) Currently I am not a fulltime employee in any state institutions or organisations,

g) I am able to make positive contributions to Company’s activities, I will maintain my neutrality in conflicts of interest between the shareholders, I have strong ethic standards, professional reputation and experience make me able to freely decide by considering stakeholders’ rights,

h) I will allocate adequate time to follow up the operation of the Company’s activities and to exactly fulfil the requirements of the tasks which I have undertaken.

Yasemin Ünlü Romano

(Independent Member)

Yasemin Romano was born in Istanbul in 1970. After she graduated from the Sociology Department of Boğaziçi (Bosphorus) University with BA degree in 1994, she completed Master Degree in Business Administration (MBA) at University of San Diego in U.S.A, in 1996.

She took charge in Nestlé SA as the Product Manager between 1996 and 2000, in Unilever as the Brand Manager between 2000 and 2006,and as a member of Algida Europe Team under title of Brand Development Manager responsible from Strategic Marketing Communication and Innovation.

She worked as the Marketing Director responsible from the Dairy Products Category in Ülker Group which she participated in 2006. She assigned in Sütaş Group in 2012 as the Marketing Vice President responsible from Marketing Activities in the Balkans and Turkiye (Category).

Yasemin Ünlü Romano is married and has 2 children.

Declaration of Independence - Yasemin Ünlü Romano

(Independent Member)

I stand as a candidate to serve as an “independent member” in the Board of Directors of Ege Profil Ticaret ve Sanayi A.Ş. (the Company), within the scope of the legislation, the articles of incorporation and the criteria determined in the Corporate Governance Principles announced by the Capital Market Board, and in this context I declare that;

a) no employment, capital or significant trade relation have been established directly or indirectly between the Company or any of its affiliates or legal entities (with which the shareholders having directly or indirectly 5% shares in the Company capital have relation in terms of administration or capital) and me or my husband or my relatives (by marriage or blood up to third degree) within the last five years,

b) I have not worked in a company conducting all or certain part of the Company’s activities and organisations within the scope of any contracts, particularly the companies who audits grades and consults the Company, and I have not take charge as a member of the board of directors thereof, for the last five years,

c) I am not a partner, an employee or a member of the board of directors of any company supplying considerable service and products to the Company, for the last five years,

d)The percentage of the shares I have in the Company capital is less than 1% and that they are not privileged shares / I have no shares in Company capital,

e) As it might be seen in my personal background, I have adequate vocational training, knowledge and experience to properly fulfil the duties that I will undertake as an independent member of the board of directors,

f) Currently I am not a fulltime employee in any state institutions or organisations,

g) I am able to make positive contributions to Company’s activities, I will maintain my neutrality in conflicts of interest between the shareholders, I have strong ethic standards, professional reputation and experience make me able to freely decide by considering stakeholders’ rights,

h) I will allocate adequate time to follow up the operation of the Company’s activities and to exactly fulfil the requirements of the tasks which I have undertaken.

Prohibition of Competition and Trading of the Members of the Board of Directors with the Company.

There is no regulation in the articles of incorporation of our Company regarding prohibition of competition and trade of the chairman and the members of the Board of Directors with the Company, and they are not allowed to transact business directly or indirectly in the name or on behalf of themselves or others’ without the permission of the general assembly. The related provisions of Turkish Commercial Code apply in case any transaction is determined.

In consequence of the resolutions given in the General Assembly of our Company, the authorisations listed in the articles 395 and 396 of the Turkish Commercial Code have been granted to the members of the Board of Directors.

Within the activity year of 2014, the board members did not transact any business related to the Company and did not embark on an enterprise in competition with the subjects of the activities.

Chapter 2

Benefits Granted to the Managing Body and the Senior Executives

Qualifications of the Members of the Board of Directors, Authorities and Responsibilities of the Directors

Although there exist no regulation in the articles of incorporation of our Company with regard to the criteria of selection of board members, our existing board consists of members having qualifications signified in the Corporate Governance Principles. There exist provisions on duties and authorities of the Board of Directors. Although no provision takes place in the articles of incorporation related to the authorities and responsibilities of the other directors, the job definitions demonstrating the authorities and responsibilities of the companywide employees, including the senior executives, have been already determined.

The personnel cadre of the senior management and the distribution of duties are as follows:

Ergün ÇİÇEKCİ	Member of the Board of Directors and the General Manager
Nurcan GÜNGÖR	Director of Finance
Hüseyin KARAAHMET	Logistics and Purchasing Manager
Koen Kurt VERGOTE	Financial Analysis and Budget Director
Tamer ÖZEN	Marketing and Sales Manager (Egepen Deceuninck)
Vehbi Cem KORKMAZ	Marketing and Sales Manager (Winsa)
Ethem GÖKMEN	Business Manager and KYS Representative (Egepen Deceuninck)
Nuri ASLAN	Managing Director (Winsa)
Ernis ALCA	General Manager Advisor (Egepen Deceuninck)
Ziynet GİTMEZ	Human Resources Manager
Hakan NURHAN	Aluminium Joinery Systems Marketing and Sales Department Manager

Benefits Granted to the Members of the Board of Directors and the Senior Directors

As of December 31, 2014, the total amount of the wages and similar benefits granted to the chairman and members of the Board of Directors and to the senior directors such as general manager, general coordinator, deputy general managers within the current period is TL 4.370.860.82 (December 31, 2013 - TL 4.005.906).

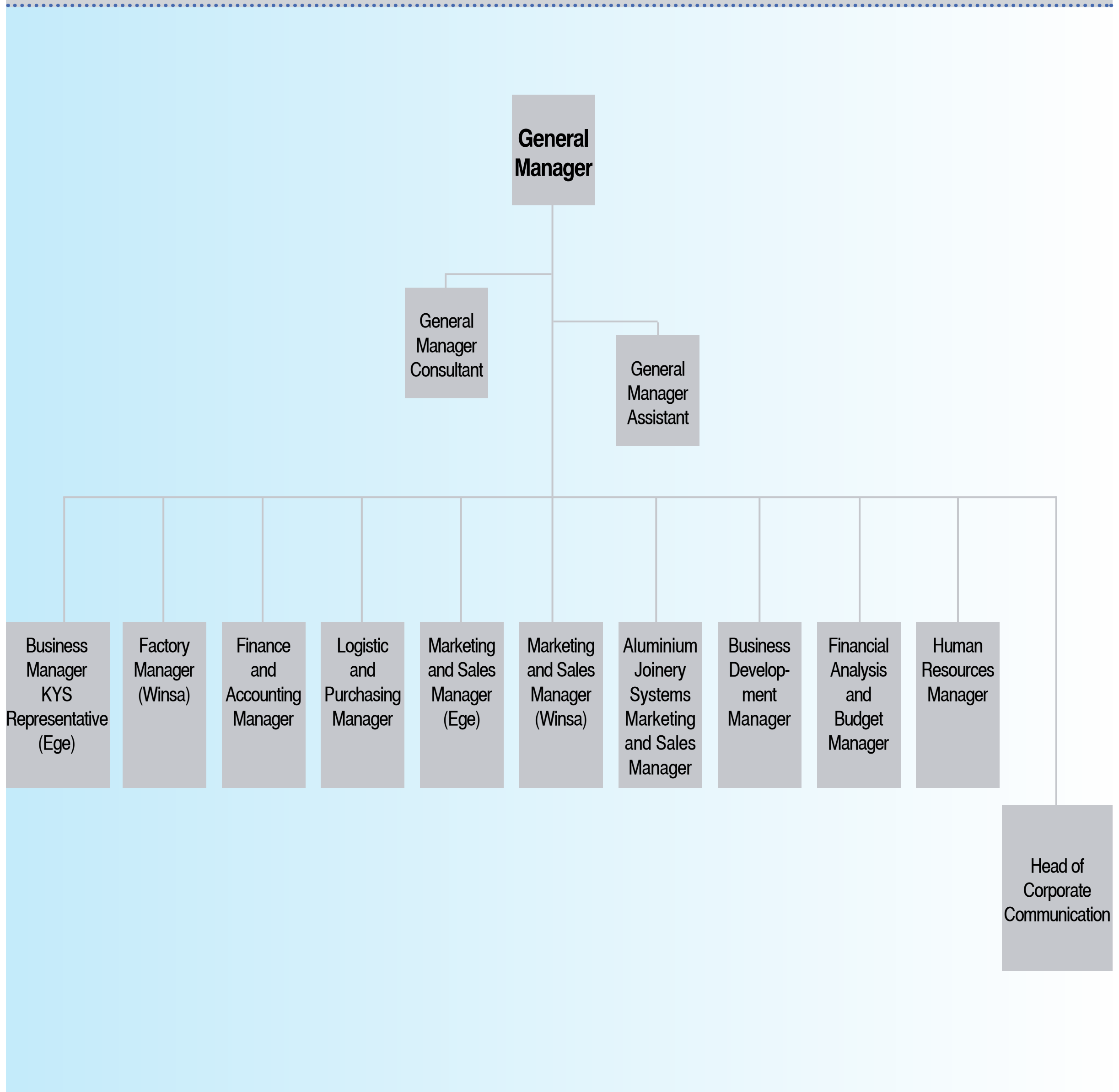
Chapter 3

Research and Development Works

Our company takes into consideration the energy policies being implemented in the World and Turkey. Both because of our environmental consciousness and as a part of our efficiency studies, we have R&D projects aiming development of low-energy consuming products.

Our total R&D expenditure in 2014 is TL 537.899 (2013 - TL 330.968).

Organization Structure



Investing Activities

The company has purchased fixed assets in the amount of total TL 25.418.213 (€ 9.011.314) within 2014.

1000 EURO&TL	31.12.2014	31.12.2013	CHANGE %
EURO	8.895	8.721	2
TL	25.418	21.070	21

The Internal Audit Unit

The internal audit unit of our partner Deceuninck Group performs audits every year within the determined annual audit plan and reports the findings obtained from those audits. The relevant audits are conducted on matters related to conformity of the operations and the activities to both the legal legislations and the company policies.

The internal audit unit has conveyed the findings related to the audit they conducted on 14 June 2014 and has determined the development fields. The action related to these development fields has been immediately constituted. The matters related to follow up of the findings have been added into the next year's audit plan.

Furthermore, with the periodic internal audits performed within our company, it is being inspected whether the requirements of TS EN ISO 9001 Quality Management System, TS EN ISO 14001 Environmental Management System, TS 18001 Occupational Health and Safety Management System are fulfilled or not and the improvement activities are started if appropriate.

Besides, our company, who aims continuous improvement by using simple production techniques, measures the in-plant order and organisation on team basis through monthly performed 5S audits.

Our company aims offering a healthier and safer working environment to the employees working for or on behalf of the Company, to its dealers, visitors and suppliers and aims at protecting the environment while it carries out its activities. Accordingly it works with the continuous improvement philosophy complying with the legal necessities related to occupational health and safety and environment. In addition to the consultancy service we provide from an Occupational Safety Consulting company, we also employ an Occupational Safety Specialist within our company.

Information about the Direct and Indirect Participations and the Share Rates

Chile (Subsidiary) : Centro Industrial Lo Boza 3G-3H Volcan
Lascar 801 Pudahel Santiago / CHILI
Tel & Fax No: +56951498754

Our Company is the partner of Deceuninck Imporata with a rate of 99,9%.

Brazil (Subsidiary) : Althera PVC Ltda. - EPP
Rua Doutor Rodrigo de Barros 216
CEP 01106 020 Sao Paulo - SP BRAZI
CNP J 14.893.727/0001-50

Our Company is the partner of Althera PVC Ltda with a rate of 100,00%.

Information about the shares Acquired by the Company

Not available.

Public Scrutiny and Special Audits Performed within the Year of Activity

There is no scrutiny performed within the year of activity.

Information about the Lawsuits Against the Company and the Implications thereof

The circumstances, for which our company been or to be held responsible, have been negotiated with our legal advisors. There exist neither a significant lawsuit against the Company nor a liability or an obligation related to our Company.

Information about any Significant Administrative Sanction Imposed on Company and the Members of the Board of Directors Because of any Implementation Contrary to the Provisions of the Legislation

The Company has filed a suit at 4th Tax Court of Izmir on April 30, 2012 against the tax assessment and tax penalties in the amount of total TL 3.605.914 which have been notified to the Company on April 2, 2012 as per the reports prepaid as a result of the tax audit performed by the Revenue Administration of the Ministry of Finance in 2011 related to the transactions performed in 2007.

TL 2.358.150 of the mentioned amount has been revoked as per the resolution made in consequence of the hearing conducted on December 6, 2012. The trial date for the balance amount has not been notified yet. The case result is predicted to be in favour of the Company when the evidences are considered and as there is no implementation contrary to the current legal status and to the provisions of the legislation.

By prudence, the Company allocated a provision in the amount of TL 536.260 in its financial statements as of December 31, 2013 and 2012. Supreme court decision is expected.

Legal and Environmental Risks

Our Group is subjected to different legislations in various countries in which continues its operations. We, as the Group, continue improving our environmental policies and procedures in order to comply with the environmental and local laws.

We, as the management, make regular examinations in order to identify those environmental risks and keep on setting up diverse systems in order to have these risks under control.

Our compatibility to legal and environmental regulations, which is one of the policies we consider important, avoids any administrative and judicial sanctions on our managing body or company due to contrary implementations. We did not encounter any administrative and judicial sanctions on members of our managing body or company due to contrary implementations, within the year of the activity 2014.

The Targets Set in the Previous Periods, Information and Evaluations on General Assembly Resolutions

2014 yılı içerisinde genel kurul kararlarımızın tamamını yerine getirerek, sürdürülebilir büyüme ve katma We fulfilled all resolutions of our general assembly in 2014 and achieved our objectives by canalising towards sustainable growth and investments with high added value.

Extraordinary General Meetings Held within the Year of Activity

Not available.

Donations and Aids Made within the Year of Activity and the Expenditures made within the Scope of Social Responsibility Projects

Our Company may grant donation and aid to foundations, associations, educational institutions, state institutions and organisations operating on social, cultural, education and similar purposes, with the consent of the Management and within the basis indicated in the Capital Market Board and the Turkish Commercial Code.

The applicable regulations of the Ministry of Finance are considered when granting a donation and aid, as well as, been attentive for choosing tax exempt organisations.

Conformity with the social responsibility criteria is regarded in selection of the form and amount of the donation, as well as selection of the grantee institution, organisation or Civil Society Organisation. Apart from these, donation and aid can be also granted to the foundations, associations and similar institutions founded to be active in areas within the scope of Company activities.

Detailed information about all donations and aids granted within the period are given to the shareholders at the Ordinary General Meeting of the relevant year.

The donations and aids granted by the Company in 2014 within the scope of the donation and aid policy are: Kocaeli Municipality road construction aid campaign, and the replacement of the windows of Kartepe District Health Directorate.

DONATIONS	31.12.2014	31.12.2013
TL	96.938	185.513

Relations with the Holding Company and an Underlying Company

In all relations with Holding Company or Underlying Companies, a reasonable recompense has always been received for the endeavour or benefit of Ege Profil Ticaret ve Sanayi A.Ş. Any legal transaction performed with those companies has been considered as a transaction between any other foreign third party.

There are no measures taken or avoided to take in favour of Deceuninck NV or any of its subsidiaries.

Chapter 4
Company Operations and Significant Developments

Plastics Industry in Turkey

Sector Profile	Plastics
Number of the Company	1.500
Employment (Whole Plastics Industry)	275.000
Production (Construction Materials)	1.830 Bin Ton
Consumption	1.192 Bin Ton
Export	1.4 Milyar USD
Import	373 Milyon USD

According to sources of PAGDER (Plastics Industrialist Association), there are 1.500 companies in Turkey manufacturing plastic construction products, and 56% of these companies are active in Istanbul. The percentage of the companies active in 10 cities is 83% (in proportion to total). The companies active in plastic construction sector in Turkey manufacture a product range of more than 60 which are mainly: profiles, water pipes, drain pipes, pipe fittings, window systems, kitchen sinks, wash basins and hoses. Plastic construction product manufacturing in 2008 was 1,15 million tons, whereas in 2014 it was 1,83 million tons, and its share within the total plastic product manufacturing on quantitative and value basis has been maintained at around 22%. The amount of plastic construction product manufacturing in Turkey in 2013 was 1,78 million tons and it increased by 2,8 percent in 2014. The plastic construction product consumption in Turkey, which was 755 gross ton in 2008, has reached 1.192 gross ton in 2014. In 2014, the domestic consumption has increased by 4,3 percent on quantitative basis when compared with 2013.

PLASTIC CONSTRUCTION MATERIAL INDICATORS (Gross ton)

	2008	2009	2010	2011	2012	2013	2014
Production	1.151	1.250	1.359	1.476	1.575	1.780	1.830
Import	70	73	63	76	68	76	70
Export	466	457	502	565	665	713	708
Domestic Consumption	755	866	920	987	979	1.143	1.192
Foreign Trade Surplus	396	384	439	489	597	637	639

Source: PLASFED

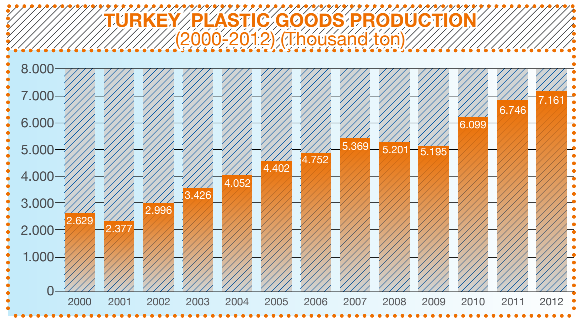
The value of the plastic construction materials manufactured by year 2013 has reached to 7,15 billion USD, and the consumption value to 5,82 billion USD. Among all application areas of plastics, the building&construction area is the second most important area (with a volume of 20-25%) subsequent to packing applications. Although the average operating life of all plastic products in construction sector is 35 years, this period may vary depending on the characteristics of the application.

PLASTIC CONSTRUCTION MATERIAL INDICATORS (Million USD)

	2012	2013
Production	6.365	7.152
Import	383	448
Export	1.631	1.778
DomesticConsumption	5.117	5.882
Foreign Trade Surplus	1.247	1.330

Source: PLASFED

The plastic construction product export in 2009 was 30,46 billion USD in the world and it keeps its gradual and steady increase in the subsequent years. This amount has risen to 43,7 billion USD in 2013.



Source: Turkish Plastic Industrialist Research, Development and Training Foundation

PLASTIC CONSTRUCTION PRODUCT MANUFACTURE (Gross ton)

Years	Production
2006	1.046
2007	1.181
2008	1.144
2009	1.143
2010	1.345
2011	1.453
2012	1.570

Source: PLASFED

Total product manufacture in plastics industry in 2012 has risen to 7,16 million tons, which means a 6,4% growth when compared with 2011. The capacity utilisation rate in plastic product manufacture was 1 point above the general manufacture capacity utilisation rate in 2011, whereas it was 2 point below in 2012 (72,1%). In respect of sub-sectors, 1.570.000 tons plastic construction product have been manufactured.

TEN COUNTRIES WITH THE HIGHEST PLASTIC CONSTRUCTION MATERIAL FOREIGN TRADE (Million USD) (2013)

Item	Countries	Export	Item	Countries	Export
1	China	7.299	1	USA	4.649
2	Germany	6.637	2	Germany	3.073
3	USA	3.583	3	France	1.494
4	Italy	1.924	4	Canada	1.483
5	Poland	1.882	5	Mexico	1.477
6	Belgium	1.476	6	U.K.	1.425
7	France	1.416	7	Russia -Belarus	1.381
8	Turkey	1.372	8	Belgium	1.187
9	U.K.	1.273	9	China	1.089
10	Czechoslovakia	1.217	10	Holland	1.064
11	Holland	1.202	23	Turkey	387

Source: UN ....
* Products under customs tariff statistics position no: 3917-3918-3922-3925

Plastic construction material export of Turkey maintains its upward trend by years. Its export exceeded billion USD levels in 2011 whereas it was 990 million USD in 2008. Export in 2013 was 1,37 billion USD. And has risen to 1,42 billion USD in 2014 (3,3%) . Import of plastic construction materials increases on a limited scale. There was a recession in plastic construction material import in 2014 where it decreased to 373 million USD.

EXPORTING MARKETS of TURKEY for the PLASTIC CONSTRUCTION MATERIALS-THE TOP 5 COUNTRIES (Thousand USD)

Item	Countries	2013	2014	Rate of Change%
1	Iraq	347.985	266.191	-23,5
2	Russia	139.546	131.364	-5,9
3	Turkmenistan	58.236	95.287	63,6
4	Azerbaijan	71.094	63.261	-11,0
5	Georgia	52.451	59.322	13,1

Source: International Trade Center
* Products under customs tariff statistics position no : 3917-3918-3922-3925

WORLD PLASTIC CONSTRUCTION MATERIAL IMPORT AND EXPORT (Thousand USD) (2008-2013)

Years	Export	Rate of Change (%)	Import	Rate of Change (%)
2008	36.726.533	10,5	35.444.065	10,9
2009	30.457.937	17,1	39.179.881	17,7
2010	34.076.657	11,9	32.668.819	12,0
2011	40.347.240	18,4	37.992.187	16,3
2012	40.956.852	1,5	38.855.517	2,3
2013	43.696.560	6,7	41.988.807	8,0

Source: International Trade Center
* Products under customs tariff statistics position no: 3917-3918-3922-3925

With an export amount of 7,3 billion USD, China takes place on the top in plastic construction material export in the world and Germany and USA are the next ones. Turkey has been ranked as the eight in 2013 with its export in the amount of 1.37 billion USD. On the other hand USA takes place on the top in plastic construction material import in the world. Germany, France, Canada and U.K. are the leading countries in import.

PLASTIC CONSTRUCTION MATERIAL IMPORT AND EXPORT OF TURKEY (Thousand USD) (2008-2014)

Years	Export	Rate of Change (%)	Import	Rate of Change (%)
2008	990.925	37,63	311.975	14,35
2009	923.955	-6,76	243.648	-21,90
2010	971.475	5,14	268.978	10,40
2011	1.153.901	18,78	373.469	38,85
2012	1.275.850	10,48	347.791	-6,88
2013	1.371.963	7,62	386.673	11,18
2014	1.417.723	3,34	373.019	-3,53

Source: International Trade Center
* Products under customs tariff statistics position no : 3917-3918-3922-3925

Peripheral countries' markets constitutes the largest markets in plastic construction materials export of Turkey. Exports to Iraq and Russia has receded because of the experienced troubles.

Chapter 5
Financial Position

Independent Audit Report of Our Company has been submitted in the following section.

Major Financial and Operational Indicators

The comparison charts of some information in the consolidated financial statements of our Company dated 31.12.2014 and the previous periods' are given below:

Net Sales

1000 TL	31.12.2014	31.12.2013	Rate of Change %
Domestic	323.740	277.997	16%
Foreign	54.253	38.783	40%

Import & Export

1000 Euro	31.12.2014	31.12.2013	Rate of Change %
Export	18.134	18.814	(4%)
Import	37.503	52.211	(28%)

Financial Ratios

Liquidity Ratios	31.12.2014	31.12.2013
Current Ratio	1.53	2,06
Acid-Test Ratio	1.26	1,78

Profitability Ratios	31.12.2014	31.12.2013
Gross Profit Margin	0,26	0,28
Return on Equity	0,12	0,09

Leverage Ratios	31.12.2014	31.12.2013
Total Debt To Equity Ratio	1,17	1,16
Total Debt To Total Assets	0,54	0,54
Equity Ratio	0,46	0,46
Short-term Debts / Total Assets	0,47	0,35
Long-term Debts / Total Assets	0,07	0,19

Efficiency Ratios	31.12.2014	31.12.2013
Accounts Receivables Turnover Rate	1.99	1,79
Inventory Turnover	6.67	8,36
Asset Turnover	0.92	0,88

Capital Management

The Company's objectives in capital management are: To return profit for its partners, gain favour for the other shareholders and to provide continuance of the Company's activities to maintain the most appropriate capital structure for reducing the capital cost.

To monitor the debt capital ratio in Company's capital management in parallel with the other companies in the sector. This ratio is calculated by dividing net debt by total capital. Net debt is calculated by subtraction of value of cash and cash equivalents from the total debt amount (sum of the short term and long term liabilities indicated in the statement of financial position). Total capital is the sum of the equity indicated in the statement of financial position.

	31.12.2014	31.12.2013
Total debts	220.479.209	192.354.499
Cash and cash equivalents (-)	(18.759.098)	(382.571.041)
Net debt	201.720.111	154.097.395
Total Equity	188.899.795	166.299.240
Debt/capital Ratio	106%	93%

Profit Distribution/Retention Proposal

Profit distribution policy of our Company has been explained in the corporate governance compliance report (Section 1, Article 6) attached to our activity report.

In consequence of 2014 activities of our Company; as soon as the profit distribution/retention proposal is determined in accordance with the financial statements approved with independent audit report issued on the basis of the Turkish Accounting Standards (TMS -Türkiye Muhasebe Standartları) / Turkish Financial Reporting Standards (TFRS -Türkiye Finansal Raporlama Standartları) and the appendixes and interpretations thereof (TMS/TFRS) -which have been prepared pursuant to the provisions of the notice "The Principles Regarding Financial Reporting in the Capital Market" (Notice) serial no II, 14.1 published in the Capital Markets Board's (SPK- Sermaye Piyasası Kurulu) official gazette no 28676 dated June 13, 2013 and promulgated by the Public Oversight Accounting And Auditing Standards Authority (KGK- Kamu Gözetimi Muhasebe ve Denetim Standartları Kurumu) with reference to the article 5 of the notice- it shall be executed under Material Disclosure in Public Disclosure Platform (KAP- Kamuyu Aydınlatma Platformu).

Financial Risk Management

Financial risk management of our Company has been explained in Article 32 of the independent audit report attached to our activity report .

Chapter 6
Other Issues

Insurance

The total amount of insurance on assets as per periods is as follows (TL);

	December 31, 2014 (TL Amount)	December 31, 2013 (TL Amount)
The total amount of insurance on assets	336.195.965	352.380.362

Chapter 7
Activity Report of the Parent Company within the Conglomerate

The activity reports of the holding company Deceuninck NV are published on www.deceuninck.com website.

The Accountability Report of the Board of Directors Drawn up Referring to Article 199 of the Turkish Commercial Code (TTK-Türk Ticaret Kanunu)

The conclusion section of the report, clarifying our relations with the Holding Company and the Subsidiaries, is as follows:

There is no legal transaction with the holding company, any of its underlying companies, with the holding company's direction or in favour of the holding company or any of its underlying companies, within the previous activity year.

Yet no measures have been taken or avoided to take in favour of the holding company or any of its underlying companies, and no loss offset has been arranged within the same activity period.

As there is no legal transaction between our Company and the holding company and the companies having indirect relationship with the holding company; no measures have been taken or avoided to take, consequently, no need has arisen for providing an appropriate adverse benefit for any legal transaction, and no loss has occurred.

We declare that we have fulfilled our obligation on preparing subsidiary report in compliance with fair and square accounting principles within the frame of the following principles;

a) reporting any transaction in favour of the holding company, against the subsidiary,
b) in case of any loss occurs, offsetting the loss,
c) Eliminating the adverse outcomes of the risk of resignation of the subsidiary's interest in favour of the subsidiary, for the Group's self-interest,
d) Thus, protecting minority shareholders, suppliers, creditors, employees,

and declare that our Company did not incur such a loss due to any transaction occurred in accordance with the noted circumstances and conditions related to 2014 activity year.

Ege Profil Ticaret ve Sanayi Anonim Şirketi and its Subsidiary

Consolidated Financial Statements and Independent Auditor's Report of the year ending on December 31, 2014

Independent Auditor's Report on Consolidated Financial Statements

To the Board of Directors of Ege Profil Ticaret ve Sanayi Anonim Şirketi

We have audited the attached consolidated statement of financial position prepared as of December 31, 2014 and the attached consolidated financial statements -consist of the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows of the year ending by the same date and the annotations and explanatory notes which sIAS up the significant accounting policies- of Ege Profil Ticaret ve Sanayi A.Ş. (the Company) and its subsidiaries (hereinafter referred to as "Group").

The financial statements of the subsidiaries, Deceuninck Importadora Limitada and Althera PVC LTDA EPP -whose total assets in the consolidated statement of financial position dated December 31, 2014 included in the consolidation are 5,0% and 0,6% respectively and whose net sales in the consolidated statement of profit or loss and other comprehensive income statement of the year ending by the same date are 3,2% and %0,05 respectively-, have not been audited.

Responsibility of the Management with Regard to Consolidated Financial Statements

The Management of the Group is responsible for the consolidated financial statements be prepared in accordance with the Turkish Accounting Standards ("TMS") promulgated by the Public Oversight Accounting And Auditing Standards Authority ("KGK"), for its fair presentation, and for the internal controls considered necessary to ensure preparation of consolidated financial statements which contain no mistake or a material misstatement (fraud).

Responsibility of the Independent Audit Company

Our responsibility is to issue opinion on these consolidated financial statements pursuant to the independent audit we conduct. The independent audit we conducted has been carried out in accordance with the independent audit standards promulgated by the Capital Markets Board and the Independent Audit Standards promulgated by the Public Oversight Accounting And Auditing Standards Authority. These standards require compliance with ethical principles and an independent audit planned and conducted to attain a reasonable assurance whether the consolidated financial statements contain any material misstatement or not.

The independent audit involves implementation of the audit procedures for obtaining audit evidences on the amounts and explanations in the consolidated financial statements. Selection of these procedures, including evaluation of mistakes or risks of material misstatement (fraud) in the consolidated financial statements, is based upon vocational discernment of the independent auditor. While making the risk assessment, the independent auditor evaluates the internal control with regard to preparation of the consolidated financial statements and their fair presentation, in order to plan the strategic audit procedures. However, this evaluation does not aim to issue an opinion on effectiveness of the internal control. In addition to the assessment of the presentation of the consolidated financial statements as a whole, the independent audit also covers the assessment of the acceptability of the accounting policies implemented by the management and whether the accounting estimates made are reasonable or not.

We believe in that the independent audit evidences we obtained in the course of the independent audit are adequate and appropriate references for building our opinion.

Opinion

In our opinion, the attached consolidated financial statements represent the financial positions of Ege Profil Ticaret ve Sanayi A.Ş. and its subsidiaries as of December 31, 2014 their financial performances and cash flows for the accounting period ending at the same date, in compliance with the Turkish Accounting Standards and realistically in all their significant aspects.

BDO Denet Bağımsız Denetim Yeminli Mali Müşavirlik A.Ş.
Member, BDO International Network

BDO DENET
Bağımsız Denetim
Yeminli Mali Müşavirlik A.Ş.
Bülent Üstünel
Responsible Lead Auditor Partner

Auditor's Report

Reports in Regard to the Other Obligations Required by the Legislation

1) The Auditor's Report on Early Detection of the Risk System and the Committee issued pursuant to Turkish Commercial Code ("TTK") no 6102, article 398, clause four, has been submitted to the Board of Directors of the Company on February 24, 2015.

2) No significant matter has been encountered -demonstrating that the setting of accounts within the accounting period (January 1 - December 31, 2014) does not comply with the law and with the provisions of the articles of incorporation with respect to financial reporting- pursuant to the Turkish Commercial Code, article 402, clause four.

3) Pursuant to Turkish Commercial Code, article 402, clause four, the Board of Directors has made the required explanations and submitted the requested documents to us.

Istanbul,
February 24, 2015

BDO Denet Bağımsız Denetim Yeminli Mali Müşavirlik A.Ş.
Member, BDO International Network

BDO DENET
Bağımsız Denetim
Yeminli Mali Müşavirlik A.Ş.
Bülent Üstünel
Responsible Lead Auditor Partner

Chapter 8
Ege Profil Ticaret ve Sanayi Anonim Şirketi its Subsidiary

Consolidated Statements of Financial Position as of December 31, 2014 and 2013
(Unless indicated otherwise all the amounts are in Turkish Liras)

ASSETS	Footnote Reference	Current Period December 31, 2014	Previous Period December 31, 2013
Current Assets		**292.705.710**	258.984.301
- Cash and Cash Equivalents	2,4	**18.759.098**	38.257.104
- Financial Investments		**-**	-
- Trade Receivables	2,7	**207.246.853**	172.542.402
- Trade Receivables from Affiliates	2,7,28	**10.711.451**	8.881.177
- Trade Receivables from Nonaffiliateds	2,7	**196.535.402**	163.661.225
- Other Receivables		**11.191.053**	158.757
- Other Receivables from Affiliates	2,28	**10.500.000**	-
- Other Receivables from Nonaffiliateds	8	**691.053**	158.757
- Inventories	2,9	**50.669.213**	33.168.154
- Prepaid Expenses	10	**640.408**	7.735.026
- Current Period Tax Related Assets	2,11	**1.011**	1.779.435
- Other Current Assets	18	**3.001.723**	3.736.140
SUBTOTAL		**291.509.359**	257.377.018
- Fixed Assets Classified as 'Held For Sale	2,25	**1.196.351**	1.607.283
TOTAL CURRENT ACCOUNTS		**292.705.710**	258.984.301
Fixed Assets		**116.673.294**	99.670.138
- Trade Receivables		**-**	-
- Trade Receivables from Affiliates		**-**	-
- Trade Receivables from Nonaffiliateds		**-**	-
- Other Receivables		**400.732**	247.102
- Other Receivables from Affiliates		**-**	-
- Other Receivables from Nonaffiliateds	8	**400.732**	247.102
- Financial Investments		**-**	-
- Investments Valued by Equity Method		**-**	-
- Investment Properties		**-**	-
- Tangible Fixed Assets	2,12	**108.854.204**	92.597.210
- Intangible Fixed Assets	2,13	**5.997.060**	6.123.884
- Goodwill	2,14	**773.352**	655.882
- Other Intangible Fixed Assets		**-**	-
- Prepaid Expenses	10	**647.946**	46.060
- Deferred Tax Assets	2,26	**-**	-
- Other Fixed Assets		**-**	-
TOTAL FIXED ASSETS		**116.673.294**	99.670.138
TOTAL ASSETS		**409.379.004**	358.654.439

The attached footnotes are the integral part of these financial statements.

Ege Profil Ticaret ve Sanayi Anonim Şirketi its Subsidiary

Consolidated Statements of Financial Position as of December 31, 2014 and 2013
(Unless indicated otherwise all the amounts are in Turkish Liras)

RESOURCES	Dipnot Referansı	Cari Dönem 31 Aralık 2014	Geçmiş Dönem 31 Aralık 2013
Short-term Liabilities		**190.778.441**	125.805.114
- Short-term Borrowings	2,5	**22.040.641**	10.887.421
- Current Instalments of Long-Term Borrowings	2,5	**59.830.099**	17.619.857
- Other Financial Liabilities	2,6	**254.693**	14.500
- Trade Payables		**69.752.215**	56.470.267
- Trade Payables to the Affiliates	2,7,28	**1.188.172**	1.047.233
- Trade Payable to the Nonaffiliateds	7	**68.564.043**	55.423.034
- Payables within the Scope of Employee Benefits	17	**1.792.538**	1.703.081
- Other Payables		**963**	-
- Other Payables to the Affiliates		**-**	-
- Other Payables to the Nonaffiliateds		**963**	-
- Deferred Incomes	10	**33.205.016**	34.576.258
- Period Income Tax Liability	2,26	**7.248**	52.462
- Short-term Provisions		**2.981.981**	2.024.666
- Employee Benefits Related Short-term Provisions	17	**958.031**	636.816
- Other Short-term Provisions	15	**2.023.950**	1.387.850
- Other Short-term Liabilities	18	**913.047**	2.456.602
SUBTOTAL		**190.778.441**	125.805.114
- Liabilities Related to the Asset Groups Classified as 'Held for Sale		**-**	-
TOTAL SHORT-TERM LIABILITIES		**190.778.441**	125.805.114
Long-term Liabilities		**29.700.768**	66.549.385
- Long-term Borrowings	2,5	**20.000.000**	57.428.500
- Other Financial Liabilities	2,6	**-**	-
- Trades payable		**-**	-
- Trade Payables to the Affiliates		**-**	-
- Trade Payables to the Nonaffiliateds		**-**	-
- Other Payables		**52.807**	-
- Other Payables to the Affiliates		**3.173**	-
- Other Payables to the Nonaffiliateds		**49.634**	-
- Deferred Incomes		**-**	-
- Long-term Provisions		**3.313.205**	3.255.165
- Employee Benefits Related Long-term Provisions	2,17	**3.313.205**	3.255.165
- Other Long-term Provisions		**-**	-
- Current Period Tax Related Payables		**-**	-
- Deferred Tax Liability	2,26	**6.334.756**	5.865.720
- Other Long-term Liabilities		**-**	-
TOTAL LONG-TERM LIABILITIES		**29.700.768**	66.549.385

The attached footnotes are the integral part of these financial statements.

Ege Profil Ticaret ve Sanayi Anonim Şirketi its Subsidiary

Consolidated Statements of Financial Position as of December 31, 2014 and 2013
(Unless indicated otherwise all the amounts are in Turkish Liras)

RESOURCES	Footnote Reference	Current Period December 31, 2014	Previous Period December 31, 2013
EQUITY		**188.899.795**	166.299.940
Equity of the Parent Company		**188.899.795**	166.299.940
- Paid Capital	19	**59.566.900**	59.566.900
- Inflation Adjustments on Equity	19	**7.840.703**	7.840.703
- Redeemed Shares (-)		**-**	-
- Capital Adjustments Due to Cross-Ownership (-)		**-**	-
- Shares Related PremiIAS		**-**	-
- Accumulated Other Comprehensive Incomes or (Expenses) which shall not be Reclassified in Profit or Loss		**18.375.775**	18.278.945
- Revaluation and Measurement Gains/(Losses)		**18.530.998**	18.829.396
- Other Gains/(Losses)		**(155.223)**	(550.451)
- Accumulated Other Comprehensive Income or Expenses which shall be Reclassified in Profit or Loss		**(19.296)**	10.193
- Foreign Currency Conversion Adjustments		**(19.296)**	10.193
- Hedging Gains/(Losses)		**-**	-
- Revaluation and Classification Gains/(Losses)		**-**	-
- Other Gains/(Losses)		**-**	-
- Reserves on Retained Earnings		**13.825.129**	13.825.129
- Accumulated Profits/(Losses)	19	**67.076.468**	51.084.059
- Net Period Profit/(Loss)		**22.234.115**	15.694.011
Non-controlling Interests	2	**-**	-
TOTAL EQUITY		**188.899.795**	166.299.940
TOTAL RESOURCES		**409.379.004**	358.654.439

The attached footnotes are the integral part of these financial statements.

	Footnote Reference	Current Period December 31, 2014	Previous Period December 31, 2013
Revenue	2,20	**377.993.876**	316.779.618
Cost of Sales (-)	20	**(279.504.123)**	(229.037.062)
Gross Profit / Loss		**98.489.753**	87.742.556
General Administrative Expenses (-)	21	**(16.933.410)**	(16.068.286)
Marketing Expenses (-)	21	**(44.599.877)**	(38.731.320)
Research and Development Expenses (-)	21	**(537.899)**	(330.968)
Other Real Operating Incomes	22	**11.847.564**	13.810.832
Other Real Operating Expenses (-)	22	**(10.853.791)**	(15.152.271)
Real Operating Profit/Loss		**37.412.340**	31.270.543
Incomes from Investing Activities		**-**	-
Expenses from Investing Activities (-)		**-**	-
Shares from Profits/Losses of Investments Valued by Equity Method		**-**	-
Pre-Financial Expense Operating Profit/Loss		**37.412.340**	31.270.543
Financial Incomes	24	**1.893.058**	1.368.469
Financial Expenses (-)	24	**(11.469.690)**	(12.527.064)
Continuing Operations Profit/Loss Before Tax		**27.835.708**	20.111.948
Continuing Operations Tax Expense/Income		**(5.601.593)**	(4.417.937)
Current Tax Expense/Income	2,26	**(5.231.363)**	(3.895.092)
Deferred Tax Expense/Income	2,26	**(370.230)**	(522.845)
Continuing Operations Profit/Loss of the Financial Period		**22.234.115**	15.694.011
Profit/Loss of the Financial Period		**22.234.115**	15.694.011
Other Comprehensive Income/(Expense)			
Not Reclassified in Profit or Loss		**96.830**	(340.838)
Change in Increment Value Fund of Fixed Assets		**(372.998)**	(372.998)
Actuarial Gains and Losses in Pension Plans	17	**494.035**	(53.049)
Deferred Tax Income / Loss		**(24.207)**	85.209
To be Reclassified as Profit or Loss		**(29.488)**	10.193
Change In Foreign Currency Conversion Adjustments		**(29.488)**	10.193
Other Comprehensive Income (After-tax)		**67.342**	(330.645)
Total Comprehensive Income		**22.301.457**	15.363.366
Earnings per Share from the Continuing Operations	2,27	**0,3733**	0,2635

The attached footnotes are the integral part of these financial statements.

Statement of Changes in Equity of the Years ended December 31, 2014 and December 31, 2013

(Unless indicated otherwise all the amounts are in Turkish Liras)

	Footnote	Paid Capital	Adjustments on Equity	Reserves on Retained Earnings	Actuarial (Loss) / Gain	Foreign Currency Conversion Adjustment	Revaluation Surplus of Fixed Assets	Accumulated Earnings	Net Period Profit/(Loss)	Total Equity of the Parent Company	Consolidated Equity of the Participations	Total Equity
Balance as of January 1, 2013		**59.566.900**	**7.840.703**	**13.531.183**	**-**	-	**19.127.794**	**36.801.127**	**19.716.258**	**156.583.965**	**-**	**156.583.965**
TMS 19 Adjustment (After Deferred Tax Effect Netting)		-	-	-	(508.012)	-	-	178.055	329.957	-	-	
Adjusted Balance as per January 1, 2013		**59.566.900**	**7.840.703**	**13.531.183**	**(508.012)**	-	**19.127.794**	**36.979.182**	**20.046.215**	**156.583.965**	**-**	**156.583.965**
Net Period Profit									15.694.011	15.694.011	-	15.694.011
Other Comprehensive Income/(Expense)	19	-	-	-	(42.439)	10.193	(298.398)	-	-	(330.644)	-	(330.644)
Total Comprehensive Income/(Expense)			-	-	(42.439)	10.193	(298.398)	-	15.694.011	15.363.367	-	15.363.367
Classification of Retained Earnings	19	-			-	-	-	20.046.215	(20.046.215)	-	-	
Transfer to the reserves on retained earnings		-	-	293.946	-	-	-	(293.946)	-	-	-	
Dividend Payment		-	-	-	-	-	-	(5.917.804)	-	(5.917.804)	-	(5.917.804)
Increment value fund transfer	19	-			-	-	-	298.398	-	298.398	-	298.398
Branch's effect on Retained Profit/Loss		-	-	-	-	-	-	(27.986)	-	(27.986)	-	(27.986)
Adjusted Balance as of December 31, 2013		**59.566.900**	**7.840.703**	**13.825.129**	**(550.451)**	**10.193**	**18.829.396**	**51.084.059**	**15.694.011**	**166.299.940**	**-**	**166.299.940**
Balance as of January 1, 2014		**59.566.900**	**7.840.703**	**13.825.129**	**(550.451)**	**10.193**	**18.829.396**	**51.084.059**	**15.694.011**	**166.299.940**	**-**	**166.299.940**
Net Profit of the Period	19	-	-	-	-	-	-	-	22.234.115	22.234.115	-	22.234.115
Other Comprehensive Income / (Expense)	10				395.229	(29.489)	(298.398)	-	-	67.342	-	67.342
Total Comprehensive Income/(Expense)		-	-	-	395.229	(29.489)	(298.398)	-	22.234.115	22.301.457	-	22.301.457
Classification of Retained Profit		-	-	-	-	-	-	15.694.011	(15.694.011)	-	-	-
Transfer to reserves on retained earnings		-	-	-	-	-	-	-	-	-	-	-
Dividend Payment		-	-	-	-	-	-	-	-	-	-	-
Revaluation surplus transfer	17	-	-	-	-	-	-	298.398	-	298.398	-	298.398
Branch's effect on Retained Profit/Loss		-	-	-	-	-	-	-	-	-	-	-
Balance as of December 31, 2014		**59.566.900**	**7.840.703**	**13.825.129**	**(155.222)**	**(19.296)**	**18.530.998**	**67.076.468**	**22.234.115**	**188.899.795**	**-**	**188.899.795**

The attached footnotes are the integral part of these financial statements.

Chapter 8
Ege Profil Ticaret ve Sanayi Anonim Şirketi its Subsidiary

Cash Flow Statements of the Years ended December 31, 2014 and December 31, 2013
(Unless indicated otherwise all the amounts are in Turkish Liras)

Cash inflow provided by operations	**Footnote reference**	**January 1 - December 31, 2014**	January 1 - December 31, 2013
(Loss) / Profit before tax provision and monetary profit		**27.835.709**	20.111.947
ettlement between profit (loss) before tax and the cash provided by operations			
(Profit) / loss on sale of tangible fixed assets	12,13	**82.447**	(74.095)
Depreciation Allowance and Redemption	9	**9.048.047**	7.750.721
Allowance for Decrease in Value of Inventories	7	**740.233**	50.697
Provisions for Doubtful Receivables	17	**3.566.921**	10.188.782
Provision for Benefit Obligation	17	**187.624**	579.091
Provision for leave		**321.214**	(59.344)
Forward Exchange Accrual (income)/expense, net		**254.693**	(107.950)
Unrealised Exchange Difference (income)/ expenses, net	22,23	**3.496.576**	2.787.649
Interest Income	22,23	**(2.996.640)**	(2.893.329)
Interest Expense	15	**8.422.333**	6.904.655
Litigation Liability Provision	15	**517.885**	(107.424)
Warranty Expense Provision		**118.215**	57.831
Revenue Accrual		**-**	-
Operating (loss)/profit before the changes in working capital		**51.595.257**	45.189.231
Changes in working capital	9		
Inventories	2,7	**(18.241.292)**	(11.585.022)
Trade receivables (including receivables from affiliates)	2,7	**(50.896.928)**	3.289.929
Trade payables (including debts to affiliates)	17,18	**13.304.684**	7.550.772
Other short-term liabilities	10	**(1.454.097)**	(547.313)
Other payables	8	**(1.371.242)**	(3.198.904)
Other short-term receivables	8	**(532.296)**	250.986
Other long-term receivables		**(153.630)**	(88.023)
Other current assets		**(601.886)**	(9.236.357)
Other fixed assets	25	**9.607.458**	152.080
Fixed assets held for sale	7	**410.932**	(841.054)
Bad debt recovered	26	**2.904.418**	965.256
Taxes paid	17	**(5.276.577)**	(4.252.860)
Paid severance allowance		**(129.583)**	(155.514)
Net cash inflow/ (outflow) due to operating activities		**(834.782)**	27.493.207
NET CASH FLOW DUE TO INVESTING ACTIVITIES	12		
Purchased tangible fixed assets	13	**(25.418.137)**	(17.087.011)
Purchased intangible fixed assets	13	**(76)**	(1.118)
Goodwill		**(117.472)**	-
Sale revenue of tangible fixed asset		**157.550**	106.878
Interest received		**2.996.639**	2.893.329
Net cash outflow from/(for) investing activities		**(22.381.496)**	(14.087.922)
CASH FLOW DUE TO FINANCING ACTIVITIES			
Cash inflow/(outflow) related to financial liabilities, net		**6.635.161**	2.072.005
Interests paid		**(3.381.435)**	(4.571.102)
Dividend payment		**-**	(5.917.804)
Other financial liabilities		**-**	(27.986)
Conversion difference	17	**(29.489)**	10.193
Actuarial loss gain		**494.035**	(53.049)
Net cash outflow from/(for) financial activities		**3.718.272**	(8.487.743)
Net decrease in cash and cash equivalent assets	4	**(19.498.006)**	4.917.542
Beginning of period		**38.257.104**	33.339.561
End of Period	**4**	**18.759.098**	38.257.103

The attached footnotes are the integral part of these financial statements.

Ege Profil Ticaret ve Sanayi Anonim Şirketi its Subsidiary

Explanatory Footnotes Related to the Consolidated Financial Statements of the Years ended December 31, 2014 and December 31, 2013
(Unless indicated otherwise all the amounts are in Turkish Liras)

1. Organisation and Subject of the Activity of the Parent Company

Ege Profil Ticaret ve Sanayi A.Ş. (the Parent Company) is a company registered in Izmir. Primary activity of the Parent Company is to manufacture and sell all kinds of plastic pipes and its spare parts and all kinds of profiles and plastic items. Hereinafter Parent Company and its subsidiaries referred to as "the Parent Company or the Company".

Address of the Parent Company is as follows:
Atatürk Organize Sanayi Bölgesi, 10003 Sokak, No:5, Çiğli - İzmir

Shareholding structure of the Parent Company as of December 31, 2014 and December 31, 2013 is as follows:

	December 31, 2014	December 31, 2013
Name	**Share Rate**	Share Rate
Deceuninck N.V.	**% 97,54**	% 97,54
Public Offerings	**% 2,46**	% 2,46
Total	**% 100,00**	% 100,00

As of December 31, 2014, 2,46% of the Parent Company shares are traded at the Exchange Istanbul.

Number of the employees working as of December 31, 2014 and December 31, 2013 are categorised as follows:

	December 31, 2014	December 31, 2013
Administrative	**168**	167
Production	**499**	505
	667	672

- Beside its activities within Turkey, the Parent Company also make sales through its subsidiaries in Chile and Brazil and its branch office in India.

- Main Partner Deceuninck NV, in its capacity as the borrower, has pledged 58.100.520 shares (which represents 97,5382% of the Company's capital), as per the Share Pledge Agreement signed on August 16, 2012 with the Loan Agreement dated September 11, 2009 and (amended on July 16, 2012), in favour of Fortis Bank NV/SA who acts as the collateral agent, on the purpose of refinancing.

- The consolidated financial statements have been approved by the Board of Directors on February 24, 2015. The General Assembly and the relevant legal bodies has the right to amend these financial statements issued in accordance with the legal legislation.

2. Principles on Presentation of the Financial Statements

(i) Basic principles on presentation:

Principles of preparing financial statements

The accounting records and the statutory books of the Parent Company are kept in Turkish liras (TL), with respect to the current commercial and fiscal legislations. The accounting records and the statutory books of the branch office and the subsidiaries are kept in currency of the relevant country and with respect to the current commercial and fiscal legislations of the same country. The attached consolidated financial statements have been prepared in compliance with the provisions of the notice "The Principles Regarding Financial Reporting in the Capital Market" (Notice) serial no II, 14.1 published in the Capital Markets Board's (SPK) official gazette no 28676 dated June 13, 2013, and they have based on the Turkish Accounting Standards/ Turkish Financial Reporting Standards and the appendixes and interpretations thereof (TMS/TFRS) which promulgated by the Public Oversight Accounting And Auditing Standards Authority (KGK) as per the article 5 of the notice.

The attached consolidated financial statements have been presented in accordance with the "consolidated financial statement and footnote demonstration principles" whose implementation has been made obligatory with the announcement in SPK's Weekly Bulletin no 2013/19 dated June 7, 2013.

The consolidated financial statements have been based on the legal records of the Parent Company and the Subsidiaries and has been figured in Turkish Liras . Meanwhile they have been prepared in accordance with TMS/TFRS, and these statements have been subjected to some revisions and classification changes in order to be able to properly reflect the situation of the Company.

With the exception of the lands, underground and overland plants and buildings and the forward exchange agreements, these financial statements are prepared on the basis of cost-by-date.

Functional and reporting currency

The functional and reporting currency of the Parent Company is Turkish Lira ("TL"). The functional currency of the Parent Company's branch office and the subsisdiaries in India, Chile and Brazil are Indian Rupees, Chilean Peso and Brazilian Real respectively. While the reporting period-end exchange rate is used for the items in the statement of financial position, for the incomes and expenses the average period exchange rate are being used for TL conversion. The profit or loss due to the currency conversion are shown in "foreign currency conversion adjustments" account within the consolidated statement of profit or loss and other comprehensive income. The attached financial statements, including the financial statements dated December 31, 2014 and the financial data of previous period to be used for comparison purpose, have been prepared on TL basis.

2. Principles on Presentation of the Financial Statements (continued)

(ii) The Companies Involved in the Consolidation and their Consolidation Percentages:

Parent Company:

- Ege Profil Ticaret ve Sanayi Anonim Şirketi	%100

Subsidiaries:

- Deceuninck Importadora Limitada*	%99,9
- Salthera PVC LTDA- EPP (Deceuninck Brazil)**	% 100

* Has been involved in the attached consolidated financial statements by full consolidation method. As consolidated equity of the participations constitutes only 0,7% of the shares and does not register a significant effect on consolidated financial statements, it is ignored. Therefore the non-controlling interest have not been calculated.

** The Company has acquired 100% of the shares (against 177.372,13 EUR) of Althera PVC LTDA- EPP company in Brazil. The subsidiary has been involved in the attached consolidated financial statements by full consolidation method.

(iii) Consolidation Principles:

Full Consolidation Method:

- Paid capital and the balance sheet items (except the equity at the date of acquisition) of the Parent Company and the Subsidiary are summed. In this summation, the receivables and the payables of the partners subjected to consolidation management are reciprocally deducted.

- The shares of the Parent Company in the Subsidiary are reciprocally eliminated from the Financial Investment of the Parent Company and the Capital account of the Subsidiary.

- As of the date of the partnership within the consolidation became a subsidiary and also in the subsequent acquisitions , for once only, the acquisition cost of the Parent Company's shares in the Subsidiary's capital are set off from the value of those shares represented within the equity in the statement of financial position which was valued in accordance with the fair value of the Subsidiary.

- The amounts corresponding to the consolidated equity of the participations are deducted from all items of the equity account group, including the Subsidiary's paid/issued capital within the consolidation, and they are demonstrated within the shareholder's equity account group in the consolidated statement of financial position under account group name of "Non-controlling Interests".

- The purchasing and sale transactions between the Parent Company and the Subsidiary and the profit and loss arising from those transactions are cancelled from the consolidated statement of profit and loss and other comprehensive income. The securities, stocks, tangible and intangible fixed assets, financial fixed assets and the other actives which are subject of trade between the partners subject to the consolidation are included in the mentioned profit and loss.

2. Principles on Presentation of the Financial Statements (continued)

(iv) (iv)Adjustment of the Financial Statements within High Inflation Periods

According to TMS (Turkish Accounting Standards) 29; the companies preparing their financial statements by using the currency of a country where hyperinflationary economy is dominant, have to demonstrate the items in those financial statements with the unit values indexed by the reporting date and have to reflect the same implementation also to the previous periods. The implementation of adjustment of the financial statements according to the inflation has been ended in 2005 as per the decision no 11/367 of the Capital Market Board (SPK) dated March 17, 2005. For this reason the financial statements have been figured in parity of Turkish Liras' purchasing power at December 31, 2004. The entries to the non-monetary items after January 1, 2005 has been demonstrated with their nominal values.

(v) Adjustments :

The consolidated financial statements have been prepared in accordance with TMS/TFRS and involve the following amendments which does not exist in legal records.

- Depreciation and redemption adjustments relevant to the economic life of the tangible and intangible assets
- Adjusting entry/reverse entry for bringing cost value of the lands, underground and overland plants and the buildings to market value
- Making provision for doubtful receivables
- Making provision for sales warranty
- Making provision for litigation expenses
- Adjustment of provision for severance pay and leave
- Adjustment on purchase turnover premium income
- Making provision for sales turnover premium payments
- Making provision for the decline in the value of inventories
- Rediscount at the current rate of interest for post dated cheques, notes receivables and payables, vendors and purchasers
- Deferred tax adjustment
- Elimination of within-group balances and transactions in accordance with the consolidation procedures

(vi) Adjustment of the Financial Statements of the Previous Period and the Comparative Information:

In order to enable determination of the financial position and performance evaluation, the financial statements of the Parent Company are prepared comparatively with the previous period. The statement of financial position of the Parent Company dated December 31, 2014 has been issued comparatively with the statement of financial position dated December 31, 2013; Statement of profit or loss and other comprehensive income, statement of cash flow and statement of equity change for the period January 1-December 31, 2014 have been issued comparatively with the period January 1-December 31, 2013.

2. Fundamentals Concerning Presentation of Financial Statements (continued)

(vii) Netting:

Financial asset and debt nettings are possible only in cases where it is legally possible and the entity has a mind in this direction or where gaining the assets and discharging the obligations are concurrent.

(viii) Accounting Policies, Alterations and Mistakes in Accounting Estimates:

The company has implemented its accounting policies consistently with the previous year's. Major adjustments in accounting policies and significant accounting mistakes determined are implemented retrospectively and the financial statements of the previous period are reissued. If the adjustments in the accounting estimates are related with only one period then they are implemented within the current period of the amendment; if they are related to the next periods, then they are implemented anticipatorily within both the period of the amendment and the next period.

According to TMS 19 "Employee Benefits" standard, with effect from January 1, 2013, the actuarial loss/gain relevant to provisions for severance pay have to be demonstrated under other comprehensive income. The respective alteration in the accounting policy because of the rearrangement of the related standard, has been implemented by January 1, 2011as determined by the standard and accordingly the actuarial loss/gain amounts have been classified under profit or loss and other comprehensive income and the financial statements and the footnotes have been rearranged.

In the preparation of the financial statements the Company management has to make assumptions and predictions determining liabilities and undertakings likely to occur as of the reporting date and the income and expense amounts as of the reporting period which may affect the amount of the reported asset and liability amounts. The realised profit or loss might be different from the estimations. The estimations are regularly reviewed, the necessary adjustments are done and are reflected in the statement of profit or loss and other comprehensive income within the period of occurrence.

The substantial assumptions and evaluations, which have been carried out by considering the main reasons of the comments which may substantially be effective on the amounts reflected to the financial statements and the estimates which exist at the reporting date or may become fact, are as follows:

a) The benefit obligation is determined with actuarial calculations based on several assumptions including discount rates, future salary increases and employee turnover rates. As these are long term plans, the respective assumptions contain substantial uncertainties. The details on the provisions for employee benefits take part in Note 17.

2. Fundamentals Concerning Presentation of Financial Statements (continued)

(viii) Accounting Policies, Alterations and Mistakes in Accounting Estimates (continued):

b) The provision for doubtful receivables reflects the amounts which the Company management believes that will meet the future losses of the assets existing at the date of reporting but having risk to become uncollectible within the frame of the current economic conditions . While it is evaluated if the receivables undergo an impairment or not; the track records of the debtors other than the relevant enterprise, their credibility in the market, their performance from the date of reporting till the date of approval of the financial statements and also the renegotiated conditions are being taken into account. Provisions for doubtful receivables as of the date of reporting has been represented in Note 7.

c) The Company management have made significant assumptions on determining, particularly the economic life of the machinery and equipments , as per the experiences of the technical team.

d) The stocks/inventories are physically examined with regard to the decrease in value of the inventories, and examined how past do they come from; their employability is determined in accordance with the opinions of the technical staff; and provisions are made for the items estimated that shall not be employed. The data relevant to sales list prices and the discount rates provided within the year are also used in the determination of the net realisable values of the stocks/inventories and predictions are made on the selling expenses to be incurred. As a result of these studies, provision is made for the stocks/inventories whose net realisable value is below cost value (Note 9).

e) The Company makes impairment analysis on its assets by using cash flows and using independent valuation studies for lands and buildings. These analysis contain various assumptions on Company's future activities and the discount rates used. As a result of these evaluations Company management concluded that there exist no impairment on non-financial assets.

f) The deferred tax assets are recorded, in case it is more likely to benefit from temporary differences and accumulated losses, provided to get taxable profit in future. While determining the amount of the recorded deferred tax assets, it is required to make substantial estimations and evaluations on taxable profits which may occur in the future (Note 26).

g) While the litigation provisions are made, probability to lose the lawsuits and the consequences to be incurred in case of loss of suit are evaluated in accordance with the opinions of the legal advisors, and the Company Management makes the best estimations on provision to be made by using the current data. Provision been made and the necessary explanations take place in Note 15.

h) As per the tax audit performed in 2007, the Company made its best estimations for the probable liabilities in accordance with the opinions of the Company's tax consultants. The explanations relevant to the provision which is found necessary takes place in Note 15.

2. Fundamentals Concerning Presentation of Financial Statements (continued)

(ix) New and amended standards and interpretations:

The accounting policies, which the consolidated financial statements of the period ending by December 31, 2014 are based on, have been implemented coherently with TMS / TFRS and TMS/ TFRS interpretations. The new standard, amendments and the interpretations (with effect from January 1, 2014 as per TFRS) had no effect on Company's consolidated financial statements.

Turkish Financial Reporting Standards (TFRS) published but has not taken effect and early application is not allowed

The new standards, interpretations and amendments, which have been published as of the date of approval of the consolidated financial statements but have not yet taken effect for the current reporting period and have not been started to implement by the Company, are as follows. Unless indicated otherwise, the Company shall make necessary amendments which will affect its consolidated financial statements and footnotes after the new standards and interpretations take effect.

TFRS 9 Financial Instruments - Classification and Explanation

With the amendment made in December 2012, the new standard shall be valid for the annual accounting period starts with January 1, 2015 and after.

The first stage of TFRS 9 Financial Instruments standard brings new provisions relevant to measurement and classification of the financial assets and liabilities. The amendments made in TFRS 9 shall mainly affect the classification and measurement of the financial assets and the measurement of the financial liabilities classified as a value measured by reflecting fair value difference on profit or loss and shall require presentation of credit risk-related portion of the fair value amendments of such financial liabilities in other comprehensive income statement. The company evaluates the effects of the standard on its financial position and performance.

TMS 19- Defined Benefit Pension Plans: Contribution of the Employees (Amendment)

According to TMS 19, the employee or the third party contribution have to be considered while accounting the benefit pension plans defined. The amendment has clarified that if the amount of contribution is independent from the number of the years served, the entities will be able to make accounting by deducting the mentioned contributions from the service cost at the year of the service instead of allocating them over period of service. The amendment shall be applied retrospectively for the annual accounting periods starting on July 1, 2014 and after. The amendment shall have no effect on Company's financial position or performance.

Ege Profil Ticaret ve Sanayi Anonim Şirketi its Subsidiary

Explanatory Footnotes Related to the Consolidated Financial Statements
of the Years ended December 31, 2014 and December 31, 2013
(Unless indicated otherwise all the amounts are in Turkish Liras)

2. Fundamentals Concerning Presentation of Financial Statements (continued)

(ix) New and amended standards and interpretations:

TMS 16 and TMS 38 - Clarifying Allowable Depreciation and Redemption Methods (Amendments in TMS 16 and TMS 38)

The amendments in TMS 16 and TMS 38 have prohibited use of depreciation calculation based on revenue for the tangible fixed assets and considerably limited use of depreciation calculation based on revenue for the intangible fixed assets. The amendments shall be anticipatorily applied for the annual accounting periods starting with 1 January 2016 and after. Earlier application is permitted. The amendment shall have no effect on Group's financial position or performance.

Annual Improvements in MS (Accounting Standards) / TFRS

KGK (Public Oversight Accounting and Auditing Standards Authority) has published the below standard amendments in September 2014, about "Annual Improvements Relevant to 2010-2012 Period" and " Annual Improvements Relevant to 2010-2012 Period" . The amendments are valid for annual accounting periods starting as from July 1, 2014.

Annual Improvements - 2010-2012 Period

TFRS 2 Share-based Payments
The definitions on progress payment conditions have changed and performance and service specifications have been described in order to eliminate the problems. The amendment shall be applied anticipatorily.

TFRS 3 Business Combinations
Whether it is within the scope of TFRS 9 Financial Instruments or not, the recognition of the conditional value, which is not classified as an equity in a business combination, is done in profit or loss in the following periods by measuring at its fair value. The amendment shall be anticipatorily implemented for the business combinations.

TFRS 8 Operating Segments
The amendments are as follows: i) The operating segments can be combined/consolidated coherently with the main principles of the standard.
ii) Balancing the activity assets with total assets must be indicated if this balancing is being reported to the manager of the entity who is authorised to make decisions on activities. The amendments shall be implemented retrospectively.

TMS 16 Tangible Fixed Assets and TMS 38 Intangible Fixed Assets
TMS 16.35 (a) and the amendment in TMS 38.80 (a) have clarified that the revaluation may be done as follows: i) The gross book value of the asset is amended in a way brings it to the market value or ii) the market value of the net book value of the asset is determined, and the gross book value is proportionally amended in a way brings net book value to the market value. The amendments shall be implemented retrospectively.

2. Fundamentals Concerning Presentation of Financial Statements (continued)

(ix) New and amended standards and interpretations (continued):

TMS 24 Related Party Disclosures
The amendment has clarified that the master entity providing key management personnel service is a related party subject to the related party disclosures. The amendment shall be implemented retrospectively.

Annual Improvements 2011-2013 Period

TFRS 3 Business Combinations
With the amendment it has been clarified that: i) Neither joint ventures nor joint agreements are within the scope of TFRS 3 and that ii) this scope exemption can only be implemented to the accounting in the financial statement of the joint agreement. The amendment shall be implemented anticipatorily.

TFRS 13 Fair Value Measurement Decision Justifications
It has been explained that the portfolio exemption in TFRS 13 shall not only be applied to the financial assets and the financial liabilities but may also be applied to other agreements within the scope of TMS 39. The amendment shall be implemented anticipatorily.

TMS 40 Investment Properties
It has clarified TFRS 3 and TMS 40 interrelation in the classification of the property as investment property and the property being used by its owner. The amendment shall be implemented anticipatorily.

It is not expected that such amendment to have a significant effect on financial position and performance of the Company.

New and amended standards and interpretations published by International Accounting Standards Board ("IASB") but not published by KGK

The below listed new standards, interpretations and the amendments in the current IFRS (International Financial Reporting Standards) have been published by IASB but yet not taken effect for the current reporting period. But these new standards, interpretations and amendments have not been adapted to TFRS/published and therefore do not constitute a part of TFRS. The Company shall make necessary amendments in the consolidated financial statements and footnotes after these standards and interpretations take effect in TFRS.

IFRS 15 - Contractual (with the customers) Revenues

In May 2014 , IASB has published IFRS 15 Contractual Revenue joint standard. The new five-stage model in the standard explains recognition and measurement-related requirements of the revenue. The standard shall be implemented to the revenues arise from the agreements made with the customers and constitutes a model for recognition and measurement of the sale of some non-financial assets not related with the ordinary activities of an entity. IFRS 15 shall be implemented for the annual accounting

2. Fundamentals Concerning Presentation of Financial Statements (continued)

(ix) New and amended standards and interpretations (continued):

periods start with January 1, 2017 and after. Early implementation is permitted. Two alternative applications have been offered for passing to IFRS 15; full retrospective application or modified retrospective application. In case the modified retrospective application is preferred, the previous periods shall not be rearranged but comparative numerical information shall be given in the financial statement footnotes. The Company evaluates the effect of the standard on the financial position and performance.

IFRS 9 Financial Instruments - Final Standard (2014)

In July 2014, IASB has finally published its IFRS 9 Financial Instruments project which consists of classification and measurement, impairment and hedge accounting stages and which shall replace "IAS 39 Financial Instruments: Recognition and Measurement standard". IFRS 9 is based on a rational, single classification and measurement approach which represents the business model in which the financial assets are managed and the cash flow characteristics. Thereon, an anticipatory expected-credit-loss model (which shall provide recognition of credit losses timely) and a solitary model (which can be implemented on all financial instruments subject impairment accounting) have been established. Furthermore, IFRS 9 deals with the problem named "own credit risk" which leads the banks and other entities (when they choose to measure their financial liabilities by fair values of these liabilities) to register as a revenue in profit or loss statement because of the decrease in fair value of the financial liability depending on the decrease in their own creditworthiness. In addition, the standard also involves a hedging model developed for associating the risk management with accounting practices much better. IFRS 9 is valid for annual accounting periods start on January 1, 2018 and after; however early application is permitted. Besides, solitary early application of the amendments related to "own credit risk" of the financial instruments (without amending their accountings) is also permitted. The Company evaluates the effects of the standard on its financial position and the performance.

IAS 27 - Equity Method in Individual Financial Statements (Amendment)

In August 2014, IASB made an amendment in IAS 27, in order to offer an option of using equity model in recognition of the investments (in subsidiaries and participations) in the individual financial statements of the entities. Accordingly, the entities have to do this recognition

- With Cost value
- In accordance with IFRS 9 (or IAS 39)
- And by using Equity method

The entities have to implement the same recognition to all investment categories.Hence, an amendment has been made also in IFRS 1 the First Implementation of International Financial Reporting Standards. The amendment made in IFRS 1 allows the entities, who make the implementation for the first time, for recognition of investments in their individual financial statements by using equity method while they implement IFRS 1 exemption when they purchase the investment for the business combinations took

2. Fundamentals Concerning Presentation of Financial Statements (continued)

(ix) New and amended standards and interpretations (continued):

place in the past. This amendment is valid for the annual reporting periods start from 1 January 2016 and after and must be implemented retrospectively. Early implementation is permitted provided that it is explained. The effects of the mentioned standard on Company's financial position and performance are evaluated.

Annual Improvements - 2010-2012 Period

IFRS 13 Fair Value Measurement
As it has been explained in the justifications of the decision, the short-term trade receivables and payables on which no interest rate is indicated may be demonstrated over their invoice amounts, in case the effect of the discount is negligible. The amendments shall be immediately applied.

Annual Improvements - 2012-2014 Period

In September 2014, IASB has published the annual improvements in IFRS under the title of " IFRS Annual Improvements, 2012-2014 Period". This document brings five amendments to four of the standards, except the standards modified as a result of the amendments and the relevant justifications. The affected standards and the subjects of the amendments are as follows:

- IFRS 5 Fixed Assets Held for Sale and Discontinued Operations - amendment in disposal methods.
- IFRS 7 Financial Instruments: Explanations - service contracts; applicability of the amendments on IFRS 7 condensed interim financial statements
- IAS 19 Employee Benefits - regional market problem related to discount rate.
- IAS 34 Interim Period Financial Reporting - disclosure of the information 'in a separate section in the interim financial report'

This amendment is valid for the annual reporting period starts on 1 January 2016 and after, and early implementation is permitted. The effect of the mentioned amendments on the financial position and performance of the company is evaluated.

IFRS 10 and IAS 28: Investor Company's Contribution or Asset Stripping (Asset Sales of the Investor Company to the Participation or Joint Venture) (Amendment)

In September 2014, IASB has made amendments in IFRS 10 and IAS 28 in order to eliminate any discrepancy between the requirements in considering loss of control of a subsidiary given to a participation or a joint venture in the IFRS 10 and IAS 28. With this amendment it has been clarified that recognition of all gains and losses arise from sales or contribution of the assets constitute an entity between an investor and a participation or a joint venture, as defined in IFRS 3, has to be done by the investor. The recognition of the gains and losses (arise from re-measurement of the investment held in the previous subsidiary) over the fair value has to be done only to an extend of the shares of the non-associated investors in that previous subsidiary . The entities have to anticipatorily implement this

2. Fundamentals Concerning Presentation of Financial Statements (continued)

(ix) New and amended standards and interpretations (continued):

amendment for the annual reporting periods start on January 1, 2016 and after. Early implementation is permitted. The amendments are not applicable for the Company and they shall have no effect on the financial position and performance of the Company.

IFRS 10, IFRS 12 and IAS 28: Investment Enterprises: Implementation of Consolidation Exemption (Amendment in IFRS 10 and IAS 28)

In December 2014, IASB has made amendments in IFRS 10, IFRS 12 and IAS 28 in order to consider the following matters which came out through implementation of investment enterprises exemption in IFRS 10 Consolidated Financial Statements standard: i) Consolidated financial statement presentation exemption is valid for a Parent Company which is an subsidiary of an investment enterprise, in circumstances where the investment company measures all its subsidiaries with their fair values ii) Only a subsidiary which is not an investment enterprise but provide support services to an investment enterprise is consolidated. All other subsidiaries of the investment enterprise are measured with their fair values. iii) The amendments in IAS 28 Investments in Participations and Joint Ventures standard enables investors to maintain the fair value measurement implemented to the subsidiaries by the participations or by the joint ventures which are investment enterprises. The amendments are valid for the annual reporting period starts on January 1, 2016 and after. Early implementation is permitted. The amendments are implemented retrospectively. However, when the amendments in IFRS 10 are first implemented, the numeric data required by IAS 8 must be presented only for the annual reporting period prior to the date of the first implementation. It is not expected the respective amendment to have an effect on Company's financial position and performance.

IAS 1: Disclosure Initiative (amendment in IAS 1)

In December 2014, IASK made an amendment in IAS 1. These amendments involve limited focused improvements in areas of presentation of materiality, decomposition and subtotals, footnote structure, accounting policy disclosures, other comprehensive income items which result from investments recognised in equity. These amendment are valid for annual reporting periods start on 1January 2016 and after. Early implementation is permitted. It is not expected these amendments to have a significant effect on Company's consolidated financial statement footnotes.

2. Fundamentals Concerning Presentation of Financial Statements (continued)

(x) Summary of major accounting policies and evaluation methods:

Financial instruments:

Financial instruments consist of financial assets and liabilities:

i. Cash and cash equivalents
Cash and cash equivalents consist of prompt cash assets, due cheques by relevant year-end, cash in banks and short-term deposits (original due less than 3 months). Cash and cash equivalents are demonstrated with sum of the acquisition cost and accrued interests. Prompt cash consists of Turkish Lira and foreign currency balances. Turkish Lira balances are demonstrated in the records with their book values whereas the foreign currency balances are demonstrated with their converted values in Turkish Liras over T.R Central Bank exchange rate at the end of reporting period.

Bank deposits consist of deposits and current accounts and the interests thereof. Turkish Lira deposits are demonstrated with their cost values whereas foreign exchange deposit accounts are demonstrated with their converted values in Turkish Liras over T.R Central Bank exchange rate at the date of reporting.

Cheques received, whose due date exceed reporting period, have been demonstrated within trade receivables and have been subjected to rediscount.

Fair Value
As the cash and cash equivalents in foreign exchanges are converted into Turkish Liras over the exchange rates at the reporting date, fair values of those assets are assumed to be equivalent of the book value.
Bank deposits, book value of the cash and the cheques received are assumed to be same with their fair values, as these assets are disposed of in short-terms and have no impairment risk.

ii. Trade receivables
The deeds and cheques which have been classified under trade receivables are reflected with their carrying value after the provisions for doubtful trade receivables are deducted from the invoiced amount and are transferred with their net values reduced by using effective interest rates. If there exist a concrete indicator on that the collection of the matured receivable may not be possible, provision for the doubtful trade receivable is made. In case it is determined that the collection of the receivable is impossible, it is completely deleted from the records. Provision is the amount which is estimated by the Company and assumed to meet the losses which may result from the economic conditions or from the risk the account has because of its nature.

2. Fundamentals Concerning Presentation of Financial Statements (continued)

(x) Summary of major accounting policies and evaluation methods (continued):

Financial instruments (continued):

Fair value

It is assumed that the values of the trade receivables (discounted and the provision for doubtful receivable is made) are equal to the fair value of the assets.

iii. Related parties

(a) A person or a close member of family of this person are assumed associated with the reporting entity.

In case the mentioned person,

(i) has a control power or joint control power on the reporting entity,
(ii) has a significant effect on the reporting entity,
(iii) is a key management personnel of the reporting entity or a parent company of the reporting entity.

(b) It is assumed that it has a relation with the reporting entity in case of existence of the following conditions:

(i) In case the entity and the reporting entity are the member of the same group.
(ii) In case the entity is an participation or joint venture of the other entity (or a member of the group to which the other entity is also a member).
(iii) In case both entities are the joint ventures of the same third party.
(iv) In case one of the entity is a joint venture of a third party, and the other entity is the participation of the mentioned third party.
(v) In case the entity has post-employment benefit plans related to the employees of the reporting entity or an entity in association with the reporting entity. In case the reporting entity has such a plan, than sponsor employers are also associated with the reporting entity.
(vi) In case the entity is controlled or jointly controlled by a person defined in article (a).
(vii) In case a person defined in article (a) clause (i) has a significant effect on the entity or is the member of key management personnel of the mentioned entity (or of the parent company of this entity).

2. Fundamentals Concerning Presentation of Financial Statements (continued)

(x) Summary of major accounting policies and evaluation methods (continued):

Financial instruments (continued):

iii. Related parties (continued)

Related Party Transactions are the transactions where the resources, services and liabilities are transferred between the related parties regardless of being against a remuneration. The shareholders of the Company, the companies that they own, their directors and the other groups having relation have been described in the financial statements as related parties.

Fair value

It is assumed that the book values of the receivables/payables from/to related parties are equivalent to the fair value of the assets and liabilities.

iv. Short and long-term bank loans and trade payables

The short and long-term bank loans are demonstrated in the records with their discounted cost values (calculated by effective interest method) obtained by summation of the capital and the interest expenses accrued by the end of the reporting period.

The trade payables and the postdate issued cheques reflected within trade payables take place in the records with their discounted cost values representing the fair value of the billed or unbilled amounts which may later occur in relation with purchase of goods and services.

Fair value

It is assumed that the fair values of the short and long-term bank loans are equivalent to the book value obtained by adding interest liabilities (calculated over effective rate of interest and accrued by the end of the reporting period) to the cost of the mentioned financial liabilities. Accordingly, the discounted cost values of the trade payables are assumed as their fair value.

(Unless indicated otherwise all the amounts are in Turkish Liras)

2. Fundamentals Concerning Presentation of Financial Statements (continued)

(x) Summary of major accounting policies and evaluation methods (continued):

iv. Short and long-term bank loans and trade payables (continued)

Financial instruments (continued):

Inventories:

The inventories have been evaluated with the cost value or net realisable value (whichever is lower). The recognition of the expenditures made to bring the inventories to the current status have been done as follows:

Initial materials and substances are determined according to the weighted average cost method. Direct material and workmanship expenses and variable and fixed production overheads have been included in certain ratios into the product and semi-product costs and have been calculated as per weighted average cost method. Net realisable value is the amount estimated by deducting incremental cost (occurs up to selling stage) from the estimated sale price.

Tangible fixed assets:

Tangible fixed assets have been demonstrated by deducting depreciations and impairment (if exist) from cost values.

Dates of first entrance to the assets have been taken into account to index the tangible fixed assets as of December 31, 2004 and to bring to purchasing power of Turkish Liras at the reporting period. Purchases after January 1, 2005 have been demonstrated with their nominal values. Amortisation for the tangible fixed assets has been done by using ordinary depreciation method based on their amounts adjusted as per inflation accounting and the economic life of the assets estimated over nominal values of the purchases performed after January 1, 2005.

Tangible fixed assets have been demonstrated with their net values, after accumulated depreciation is deducted from the cost value and the provision for impairment is made (if exist), except the lands, underground and overland plants and the buildings which are represented with their current values. The lands, underground and overland plants and the buildings, which are represented with their current values, are demonstrated by deducting accumulated depreciation from their current values. The difference between cost value and the current value are followed up under equity "Revaluation Surplus of Fixed Assets" account together with the deferred tax effect. Current value study has been done on June 14, 2012 by Denge Gayrimenkul Değerleme ve Danışmanlık A.Ş., who is certified by Capital Markets Board. Current values of the lands, underground and overland plants and the buildings have been determined as per their market prices.

Furthermore, the difference between the depreciation based on carrying revalued amount of the asset and the depreciation based on the initial value of the asset, together with the deferred tax effect, are annually transferred from revaluation surplus of fixed assets to the retained earnings account as long as the tangible assets are employed.

The assets subject to depreciation are subjected to depreciation as per straight-line method with the ratios based on their economic values estimated over their cost values.

2. Fundamentals Concerning Presentation of Financial Statements (continued)

(x) Summary of major accounting policies and evaluation methods (continued):

iv. Short and long-term bank loans and trade payables (continued)

Tangible fixed assets (continued):

The redemption periods used in the previous periods and as of the date of balance sheet are as follows:

	December 31, 2014	December 31, 2013
	Period (Year)	Period (Year)
Underground and overland plants	**2-40**	2-40
Buildings	**10-40**	10-40
Inventories	**1-10**	3-10
Machinery and equipment	**5-25**	5-25
Vehicles	**5-8**	4-8

Cost value of the tangible fixed asset consists of purchase price, import taxes and non-refundable taxes, expenses made to get the tangible asset ready. Maintenance and repair expenses, which occur after the tangible asset is started to use, are charged within the period they occur. In case the expenses made provide an accretion to the related tangible fixed asset for its future use, these expenses are added to the cost of the asset and are subjected to depreciation throughout its residual economic life.

Intangible fixed assets:

Intangible fixed assets are demonstrated by deducting accumulated amortisation and the impairment (if exist) from their cost values.

Initial entrance date is taken into account to index the intangible fixed asset by 31 December 2004 and to bring it to purchase power of Turkish Lira at the reporting period. Purchases after January 1, 2005 have been demonstrated with their nominal values. The intangible fixed assets have been amortised as per their economic lives, over their amounts adjusted pursuant to inflation accounting and the nominal values of the purchases after January 1, 2005.

The intangible fixed assets mainly consist of purchased licences, trade mark, industrial software, vendor list, software licence rights and other rights and are capitalised over current value determined as per IFRS 3 "Business Combination" in the course of purchase. The goodwill, trade mark and the purchased licence amounts, which come out as a result of the relevant business combination, are not subjected to amortisation as they do not have certain economic lives. However they are annually reviewed to find out whether an impairment occurs in their carrying values or not.

Other intangible fixed assets (software licence rights and other rights) are amortised as per ordinary depreciation method, over 3-20 years, which is the estimated economic life of the related asset. In case there becomes a change in the conditions, the carrying values of the mentioned intangible fixed assets are reviewed in order to determine whether there exist any impairment or not.

(Unless indicated otherwise all the amounts are in Turkish Liras)

2. Fundamentals Concerning Presentation of Financial Statements (continued)

(x) Summary of major accounting policies and evaluation methods (continued):

iv. Short and long-term bank loans and trade payables (continued)

Fixed assets held for sale:

The fixed assets held for sale represents the real estate received from the debtors (who have difficulty in repayment) against their liabilities to the Company. These assets are demonstrated with their current value or their carrying value in the Company records (whichever is lower) by taking into account the values determined in their title deeds. When the usufruct of the asset is obtained with injunction or with the consent of the customer, the amount of the related doubtful receivable is clarified over the value determined in the expert's report and classified under 'held fixed assets for sale account', and the difference between the current value of the asset and the amount of the trade receivable is reflected to the income statement. The Company does not amortise these assets, unless use them for its operations. When these assets are sold, the difference between the sales revenue and the carrying value of the asset is reflected to the statement of profit or loss and other comprehensive income.

Assets and liabilities in foreign currencies:

Foreign currency-dependant assets and liabilities in the statement of financial position are converted into Turkish Liras over exchange rate of T.R Central Bank. Foreign currency-dependent transactions performed within the period are converted into Turkish Liras over de facto exchange rate at the date of the transaction. The income and expense of the exchange differences arise from these transactions are included in the statement of profit or loss and other comprehensive income.

The exchange rates used at the end of the periods are as follows:

Date	TL / USD	TL / EURO	TL / AUD
Buying Rate	**2,3189**		
December 31, 2014	2,1343	**2,8207**	**1,8894**
December 31, 2013		2,9365	1,8886

Impairment of the assets:

In case the book value of the asset is more than its recoverable value, the book value of the asset is decreased to its recoverable value, provided that the provision for impairment is made, and this provision is reflected to the statement of profit or loss and other comprehensive income.

On the other hand, the recoverable amounts of the cash generating assets are their net sales prices or use values, whichever is high.

Use values of the said assets indicate net present values of the net cash inflows -to be obtained from permanently use and sales of those assets- discounted with an appropriate ratio.

2. Fundamentals Concerning Presentation of Financial Statements (continued)

(x) Summary of major accounting policies and evaluation methods (continued):

iv. Short and long-term bank loans and trade payables (continued)

Impairment of the assets (continued):

If the provision made for the impairment in the past years is not valid anymore or if a lesser amount of provision is needed to be made, the relevant amount is withdrawn and reflected to the income statement.

However, the increase in carrying value of the asset arising from the reversal of the provision for the impairment is recorded, provided that does not exceed the amount to be determined in case no provision was made for impairment in the previous years. The impairment in carrying value of the assets arising from revaluation of the fixed assets is first netted from the revaluation fund in the equity and then debited, and later if there exist any residual value from the total impairment it is charged to the statement of profit or loss and other comprehensive income.

Loan costs:

Loan costs are recorded as expense. Particularly asset-related loan costs are included directly to the cost of the relevant qualifying asset. In case the activities necessary for making a qualified asset ready for use as planned or for sale are completely finished up, capitalisation of the loan costs is finished too.

Deferred taxes:

Deferred taxes are calculated over the temporary differences occur between the deductible tax assessment of the assets and liabilities and their registered values in the financial statements, by using liability method. Main temporary differences result from recognition of the incomes and the expenses in several financial statement periods as per TMS/TFRS and tax acts. The deferred tax receivables arising from deductible temporary differences are calculated with the assumption that within the next periods the Company will have taxable gains, whereas the deferred tax liability is calculated for all taxable temporary differences.

In case there exist a legally applicable legal right on offsetting current tax assets from the current tax liabilities, the deferred tax assets and the deferred tax liabilities are set off from each other reciprocally, provided to be subject to the tax legislation of the same country.

Taxes:

According to the Turkish Tax legislation, the establishments having their registered or principle offices in Turkey are subject to the corporation tax.

2. Fundamentals Concerning Presentation of Financial Statements (continued)

(x) Summary of major accounting policies and evaluation methods (continued):

Taxes (continued):

The company earnings are subjected to corporation tax at a rate of 20%. In case there exist Corporation Tax-exempt gains, the withholding cannot be calculated unless these profits are distributed. Income tax with holding at a rate of 15% is calculated over dividend distributed to all taxpayer real persons and limited taxpayer real person and enterprises in cash, whether tax-exempt or not. The income tax withholding is not calculated in profit distribution made by adding current or retained earnings to the capital. On the other hand, there is no withholding deduction in profit distributions to legally obligated establishments.

Furthermore, 20% advance tax is paid (to be set off to corporation tax) over the tax assessments declared within the year at interim periods.

According to Turkish tax system, the financial losses can be set off with the financial profits (assessment) within the following five years, but it is not possible to set off from the previous years' assessments.

The branch offices or subsidiaries founded out of Turkey are subjected to tax legislation implementations in force in the countries they carry out their activities. As of December 31, 2014 and 2013, the provision for tax has been made within the frame of the tax legislation in force.

Employee benefits:

According to the Labour Law, the Company is obliged to pay seniority indemnity for its employees who have worked for the Company at least one year and dismissed without any justification specified in article 25/II of the Law, called up to military service, get married and quitted in one year (for women only), retired or deceased. The indemnity to be paid is the monthly salary for each year worked and as of December 31, 2014 this amount has been limited with TL 3.541,37 for each year worked (December 31, 2013 - 3.254,44 TL).

Company also reflected provision for severance payment of some of its subcontracted employees according to the agreement made.

The benefit obligation in the financial statements has been calculated in accordance with the principles (on valuation and covering in financial statements) indicated in TMS 19 "Employee Benefits". As the benefit obligations, with regard to their specifications, are coincide with the 'Certain Benefit Plans Related to Post-Employment Period' defined in the mentioned standard; the said obligations have been calculated by using the following 'Anticipated Unit Credit Method' and some assumptions and have been included in the financial statements.

- By taking account the periods of service of the employees in the past years, the dates that they will qualify for pension are determined as per the available social security regulations.

2. Fundamentals Concerning Presentation of Financial Statements (continued)

(x) Summary of major accounting policies and evaluation methods (continued):

Employee benefits (continued):

- When calculating the capitalised value of the liability to be paid in case the employees retire or dismissed: if the amount is more than employees' current salary or the seniority indemnity ceiling determined by the government, the seniority indemnity ceiling is taken as basis and it is assumed that its value at December 31, 2014 will remain constant in order to be able to eliminate the inflation effect; and this amount is reduced by real rate of discount 3,49% (December 31, 2013 - 3,49%) which is calculated by taking Government Debt Securities' anticipated average interest rate 9,7% (December 31, 2013-9,7%) and anticipated inflation rate 6% (December 31, 2013 - 6%) as basis; and so, net present value of the benefit obligation at the date of reporting is calculated.

Incomes and expenses:

Accrual basis is applied in the determination of income and expense items. According to this, recognition of the revenues, incomes and profits are made in a way that they are compared with the costs, expenses and losses of the same period.

Interest incomes are calculated over effective rate of interest and accrued. In case the unpaid interest is accrued before the acquisition of a security including an interest; subsequently collected interest is divided into periods as pre-acquisition and post-acquisition and only the post-acquisition amount is reflected to the financial statements as income.

Dividend income is taken into the financial statements when it becomes collectible.

Revenue:

Sales revenue is measured with the fair value of the amount received or to be received.

The revenue relevant to sale of goods is recorded as income in case: the risk and return arise from the ownership of the goods are considerably transferred to the receiver; there exist no managerial or de facto control on the goods because of the ownership; the revenue amount can be reliably measured; it is likely that the entity shall acquire economic benefit from the revenue; the cost charged or to be charged with regard to the revenue can be reliably measured.

Derivative financial instruments:

The Company makes forward exchange trade agreements in foreign currency market. As the subject forward contracts, which have been made according to the risk management policies of the Company for hedging purpose, do not fulfil the required conditions for hedging accounting as per TM 39 (Financial Instruments: Recognition and Measurement); they are identified as trade-purpose /marketable and are represented in "other short-term financial liabilities and assets" in the financial statements, with their current values.

2. Fundamentals Concerning Presentation of Financial Statements (continued)

(x) Summary of major accounting policies and evaluation methods (continued):

Earnings / (loss) per share:

The earnings / (loss) per share is calculated by dividing the net period profit or loss by the weighted average of the number of the common shares owned by the common shareholders within the current period.

The companies in Turkey may increase their capital by making non-paid up share distribution to their current shareholders from the retained earnings and he inflation adjustments on equity. When the earnings/(loss) per share is calculated, these non-paid up shares are considered as issued shares. Accordingly, weighted equity average used in earnings/(loss) per share calculation is obtained by retrospectively implementation with regard to non-paid up shares.

Post-Reporting Events:

In case events requiring adjustment occur after date of reporting, the amounts taken into the financial statements are adjusted in compliance with these new circumstance, whereas, they are explained in the relevant period (if it is significant) in case events not requiring adjustment occur after date of reporting.

Provisions, contingent assets and liabilities:

Provisions
Provisions are recorded if and only if the Company has a continuing liability dating back; if it is likely to dispose some resources, which provide economic benefit to the entity, because of this liability; and if the amount of the liability can be reliably determined.

When the erosion of the money becomes important within time, the provisions are reflected with the reduced value (at the reporting date) of the expenses likely to occur in the future. The provision are reviewed at every reporting date and the necessary arrangements are made in a way to represent the best estimations of the management.

Provision for warranty
Company enables replace, maintenance and repair services for sold products in circumstances matching the criteria. Based on its past experiences, the Company makes provision -in the amount of 0,2% of its annual sales- for the mentioned undertaking.

Contingent assets and liabilities
The contingent liabilities are explained in the footnotes and not reflected to the financial statements, if a circumstance requiring funds transfer is not likely, whereas, the contingent assets are explained in the footnotes and not reflected in the financial statements, if creation of an economic return is likely.

2. Fundamentals Concerning Presentation of Financial Statements (continued)

(x) Summary of major accounting policies and evaluation methods (continued):

Leasing:

Financial leasing
Financial leasing, which proposes transfer of all risks and benefits related to the ownership of the asset leased to the Company, are reflected at the commencement date of the financial leasing, with the current value of the subject asset or the current value of the lease payments, whichever is small. Financial lease payments are classified as capital and financing expense in a way to generate a constant periodic rate of interest for the debt arrears for each period in the course of leasing. Financing expenses are directly reflected to the statement of profit or loss and other comprehensive income as of periods. The capitalised leased assets are subjected to depreciation over the estimated life of the asset.

Operational leasing
Leasing where the lessor holds all risks and benefits of the leased asset are classified as operational leasing. Operational leasing payments are linearly charged to income statement in the course of leasing.

Reporting the financial information according to the departments:

The Company has determined the operating segments with regard to the internal reports regularly reviewed by the competent authority who are authorised to take decisions on its operations/ activities. The competent authorities of the company authorised to take decisions are the general manager and the board of directors.

The competent authority of the company, who is authorised to take decision, reviews the results and the operations/activities on the basis of customer groups bearing several risks and benefits, in order to take decisions on resources to be allocated to the departments and to evaluate the performances of the departments. Division of the Company on the basis of customer groups is as follows: Domestic market, foreign market and others. Some assets and liabilities and incomes and expenses have not been included to the departments as they are centrally managed at the group level.

Business combinations:

The Company has acquired the activities being performed under “Winsa” brand, from Pilsa A.Ş. (Pilsa) on October 21, 2004. The Company has recorded the identifiable assets and liabilities it possessed within the said acquisition pursuant to TFRS 3 “Business Combinations” with their current values at the effective date of the agreement, December 1, 2004; and reflected the value (between the purchase cost and the current value of the identifiable assets and liabilities) to its records as goodwill, after deferred tax effect was deducted.

On October 23, 2014, the Company has acquired 100% of the shares of Alther PVC LTDA EPP in Brasil against EUR 177.372,13. The Company has recorded the identifiable assets and liabilities it possessed within the said acquisition pursuant to TFRS 3 “Business Combinations” with their current values at the effective date of the agreement, October 23, 2004; and reflected the value (between the purchase cost and the current value of the identifiable assets and liabilities) to its records as goodwill.

(Unless indicated otherwise all the amounts are in Turkish Liras)

3. Reporting as per Departments

The reporting according to the departments for the accounting period which ends on December 31, 2014 is as follows (TL):

	Domestic Market*	Foreign Market**	Common***	Total
Revenue	**323.740.221**	**54.253.655**	**-**	**377.993.876**
Products	286.004.449	45.015.293	-	331.019.742
Merchandise	36.072.910	8.459.130	-	44.532.040
Others	1.662.862	779.232	-	2.442.094
Cost of Sales (-)	**(240.871.762)**	**(38.632.361)**	**-**	**(279.504.123)**
Products	(207.548.387)	(31.513.415)	-	(239.061.802)
Merchandise	(30.209.079)	(6.337.199)	-	(36.546.278)
Others	(3.114.296)	(781.747)	-	(3.896.043)
GROSS PROFIT/LOSS	**82.868.459**	**15.621.294**		**98.489.753**
General Administrative Expenses (-)	-	-	(16.933.410)	(16.933.410)
Marketing Expenses (-)	(22.106.770)	(9.997.687)	(12.495.420)	(44.599.877)
Research and Development Expenses (-)	-	-	(537.899)	(537.899)
Other Real Operating Incomes	-	-	11.847.564	11.847.564
Other Real Operating Expenses (-)	-	-	(10.853.791)	(10.853.791)
REAL OPERATING PROFIT/LOSS	**60.761.689**	**5.623.607**	**(28.972.956)**	**37.412.340**
Earnings from Investing Activities	-	-	-	-
Expenses from Investing Activities (-)	-	-	-	-
Profit/Loss Share of the Investments Valued by Equity Method	-	-	-	-
PRE- FINANCING EXPENSE OPERATING PROFIT/LOSS	**60.761.689**	**5.623.607**	**(28.972.956)**	**37.412.340**
Financing Incomes	-	-	1.893.058	1.893.058
Financing Expenses (-)	-	-	(11.469.690)	(11.469.690)
PRE-TAX PROFIT/LOSS of the CONTINUING OPERATIONS	**60.761.689**	**5.623.607**	**(38.549.588)**	**27.835.708**
Continuing Operations Tax Expense/Income	**-**	**-**	**(5.601.593)**	**(5.601.593)**
Period Tax Expense (-) / Income	-	-	(5.231.363)	(5.231.363)
Deferred Tax Expense (-) / Income	**-**	**-**	**(370.230)**	**(370.230)**
PERIOD PROFIT/LOSS OF THE CONTINUING ACTIVITIES	**60.761.689**	**5.623.607**	**(44.151.181)**	**22.234.115**
PERIOD PROFIT/LOSS	**60.761.689**	**5.623.607**	**(44.151.181)**	**22.234.115**

(*) Turkey
(**) European Countries, Middle East Countries, Turkic Republics, African Countries, other Asian Countries and other Countries
(***) Retained Income/ Expense

3. Reporting as per Departments (continued)

The reporting according to the departments for the accounting period which ends on December 31, 2013 is as follows (TL):

	Domestic Market*	Foreign Market**	Common***	Total
Revenue	**277.996.792**	**38.782.826**	**-**	**316.779.618**
Products	245.197.943	32.201.001	-	277.398.944
Merchandise	30.127.652	6.065.772	-	36.193.424
Others	2.671.197	516.053	-	3.187.250
Cost of Sales (-)	**(202.512.192)**	**(26.524.870)**	**-**	**(229.037.062)**
Products	(173.483.941)	(21.298.168)	-	(194.782.109)
Merchandise	(25.644.625)	(4.555.632)	-	(30.200.257)
Others	(3.383.626)	(671.070)	-	(4.054.696)
GROSS PROFIT/LOSS	**75.484.600**	**12.257.956**		**87.742.556**
General Administrative Expenses (-)	-	-	(16.068.286)	(16.068.286)
Marketing Expenses (-)	(22.781.874)	(9.232.904)	(6.716.542)	(38.731.320)
Research and Development Expenses (-)	-	-	(330.968)	(330.968)
Other Real Operating Incomes	-	-	13.810.832	13.810.832
Other Real Operating Expenses (-)	-	(19.373)	(15.132.898)	(15.152.271)
REAL OPERATING PROFIT/LOSS	**52.702.726**	**3.005.679**	**(24.437.862)**	**31.270.543**
Earnings from Investing Activities	-	-	-	-
Expenses from Investing Activities (-)	-	-	-	-
Profit/Loss Share of the Investments Valued by Equity Method	-	-	-	-
PRE- FINANCING EXPENSE OPERATING PROFIT/LOSS	**52.702.726**	**3.005.679**	**(24.437.862)**	**31.270.543**
Financing Incomes	-	-	1.368.469	1.368.469
Financing Expenses (-)	-	-	(12.527.064)	(12.527.064)
PRE-TAX PROFIT/LOSS of the CONTINUING OPERATIONS	**52.702.726**	**3.005.679**	**(35.596.457)**	**20.111.948**
Continuing Operations Tax Expense/Income	**-**	**-**	**(4.417.937)**	**(4.417.937)**
Period Tax Expense (-) / Income	-	-	(3.895.092)	(3.895.092)
Deferred Tax Expense (-) / Income	-	-	(522.845)	(522.845)
PERIOD PROFIT/LOSS OF THE CONTINUING ACTIVITIES	**52.702.726**	**3.005.679**	**(40.014.394)**	**15.694.011**
PERIOD PROFIT/LOSS	**52.702.726**	**3.005.679**	**(40.014.394)**	**15.694.011**

(*) Turkey
(**) European Countries, Middle East Countries, Turkic Republics, African Countries, other Asian Countries and other Countries
(***) Retained Income/ Expense

(Unless indicated otherwise all the amounts are in Turkish Liras)

4. Cash and Cash Equivalents

Cash and Cash Equivalents are as follows (TL):

	December 31, 2014	December 31, 2013
Cash	5.938	4.781
Bank		
- TL Current Account	2.799.866	260.160
- Foreign currency Current Account	28.207	598.556
- TL Deposit Account(*)	8.608.360	26.966.000
- Foreign currency Deposit Account (**)	3.320.597	7.293.501
Cheques in Collection (Float)	3.996.130	3.134.106
	18.759.098	38.257.104

(*) The rate of interest of TL deposit accounts at banks as of December 31, 2014 is 10,05% (December 31, 2013 - 8,60%) and the due date is January 2, 2015.

(**) The rates of interest of foreign currency deposit accounts at banks as of December 31, 2014 are 0,1%, 0,8% and 2,5% (December 31, 2013 - 0,1% and 1,5%) and the due date is January 2, 2015.

Company has no blocked liquid assets as of December 31, 2014 and December 31, 2013.

5. Financial Liabilities

The short-term financial liabilities are as follows (TL):

	December 31, 2014			December 31, 2013		
	Foreign Exchange	TL Equivalent	Rate of Interest (%)	Foreign Exchange	TL Equivalent	Rate of Interest (%)
Short-term borrowings		22.040.641			10.887.421	
TL loans (interest-free)		443.542			507.059	
TL loans		20.000.000			10.000.000	(*) 10,35
Short-term loans interest accrual		1.597.099	(*) 11,10		380.362	
Current portion of the Long-term loans		59.830.099			17.619.857	
TL Loans		23.000.000			7.666.667	(*) 11,00-6,25
TL Loans		8.000.000	(**) 10,50-8		8.000.000	(***) 10,50
EUR Loans	9.000.000	25.386.300	(***)3-6,25		-	-
Current portion of the Long-term loans		3.443.799	(*)3,65		1.953.190	
		81.870.740			28.507.278	

(*) Period-end interest payment ; fixed interest rate.
(**) Quarterly interest payment; fixed interest rate.
(***) Semi-annual interest payment; fixed interest rate.

5. Financial Liabilities (continued)

The long-term financial liabilities are as follows (TL):

	December 31, 2014			December 31, 2013		
	Foreign Exchange	TL Equivalent	Rate of Interest (%)	Foreign Exchange	TL Equivalent	Rate of Interest (%)
EUR loans	-	-	-	9.000.000	26.428.500	(*) 3,65
TL Loans		20.000.000	(*) 13-6,25		8.000.000	(***) 10,50
TL Loans					15.000.000	(*) 8,00
TL Loans					9.000.000	(**) 6,25
Current Period Instalments (-)		20.000.000			57.428.500	

(*) Period-end interest payment ; fixed interest rate.
(**) Quarterly interest payment; fixed interest rate.
(***) Semi-annual interest payment; fixed interest rate.

No security is given by the Parent Company for the loans as of December 31, 2014 and December 31, 2013.

Repayment schedule of the long-term borrowings of the Parent Company as of December 31, 2014 and December 31, 2013 is as follows:

	December 31, 2014	December 31, 2013
Less than 1 year	59.830.099	17.619.857
1-3 years (*)	20.000.000	57.428.500
Short-term portions of the long-term financial liabilities (-)	(59.830.099)	(17.619.857)
Total long-term financial liabilities	20.000.000	57.428.500

(*) The term of the loan in the amount of TL 20.000.000, which takes place within long-term loans as of December 31, 2014, is 1-3 years (December 31, 2013- the term of the loan in the amount of TL 57.428.500 is 1-3 years).

6. Other Financial Liabilities

Other short-term financial liabilities are as follows (TL):

	December 31, 2014	December 31, 2013
Current value of the forward exchange trade agreements (*)	254.693	14.500
	254.693	14.500

(*) The Company has made forward exchange trade agreements within the year in order to avoid risks which may occur as a result of the foreign exchange fluctuations.

(Unless indicated otherwise all the amounts are in Turkish Liras)

6. Other Financial Liabilities (continued)

Total nominal value of the unexpired forward exchange trade and option agreements as of December 31, 2014 is USD 3.500.000 (December 31, 2013 - USD 6.500.000) and AUD 1.000.000 (December 31, 2013 - AUD 1.000.000). The Parent Company has reflected current value liabilities in the amount of TL 254.693 (December 31, 2013 - TL 14.500) to the “other financial liabilities account” in the consolidated financial statements, for those forward exchange trade agreements which are open.

Base currency	Nominal value	Maturity	Derivative Exchange Rate
USD	1.500.000	02.01.2015	2,3344
USD	2.000.000	09.01.2015	2,3380
Total	**3.500.000**		
AUD	1.000.000	23.01.2015	1,8918
Total	**1.000.000**		

7. Trade Receivables and Payables

The short-term trade receivables are as follows (TL):

	December 31, 2014	December 31, 2013
Trade receivables from the related parties	**10.711.451**	8.881.177
	10.711.451	8.881.177
Trade Receivables	**23.627.589**	18.591.940
Postdated cheques and notes receivables	**176.073.426**	147.725.591
Rediscount of Trade Receivables (-)	**(72.203)**	(64.657)
Rediscount of Notes Receivables (-)	**(1.516.625)**	(1.265.281)
Rediscount of Postdated Cheques (-)	**(2.560.770)**	(2.010.913)
Doubtful receivables	**27.512.692**	26.550.749
Provision for the doubtful receivables (-)	**(26.528.707)**	(25.866.204)
	196.535.402	163.661.225
	207.246.853	172.542.402

The effective rates of interest used in the reduced cost value calculations of the trade receivables are 10,02% for TL (December 31, 2013 - 11,43%), and relevant Libor and Euribor rates for USD and EUR.

The average maturity of the trade receivables is 96 days (December 31, 2013 - 97 days).

7. Trade Receivables and Payables (continued)

The provisions for doubtful trade receivables as of December 31, 2014 and December 31, 2013 are as follows (TL):

	December 31, 2014	December 31, 2014
Opening Balance	**25.866.204**	16.642.679
Provisions no longer required	**(2.904.418)**	(965.257)
Provision expense of the current period	**3.566.921**	10.188.782
	26.528.707	25.866.204

The details of the overdue trade receivables (for which no provisions made) as of December 31, 2014 and December 31, 2013 (receivables from associated entities are included) are as follows. As the amount of the securities taken from the respective companies (as of December 31, 2014 and December 31, 2013) meets the outstanding receivable amount , no additional provision has been reflected to the attached financial statements for those amounts.

	Overdue Trade Receivables for Which No Provisions Made						
	Total	Unexpired receivables	30 days overdue	30-60 days overdue	60-90 days overdue	90-180 days overdue	>180 days overdue
December 31, 2014	**207.246.853**	**193.957.553**	**1.469.759**	**1.590.961**	**1.448.161**	**1.902.732**	**6.877.687**
December 31, 2013	172.542.402	160.704.653	535.865	1.147.447	1.062.971	1.601.037	7.490.429

As the date of December 31, 2014, there exists warranty letters in the amount of TL 42.109.635 , surety bonds in the amount of TL 6.467.879, hypothecs in the amount of TL 132.622.532 which have been received against Companies receivables (December 31, 2013 - warranty letters in the amount of TL 36.895.163, surety bonds in the amount of TL 5.513.203, hypothecs in the amount of TL 119.498.959) (Footnote 15).

The trade payables are as follows (TL):

	December 31, 2014	December 31, 2013
Trade payables to the related parties	**1.188.172**	1.047.233
	1.188.172	1.047.233
Trade payables	**25.472.689**	38.415.217
Notes payable	**44.839.750**	17.285.440
Rediscount of trade payables (-)	**(123.891)**	(93.410)
Rediscount of notes payable (-)	**(1.624.505)**	(184.213)
	68.564.043	55.423.034
	69.752.215	56.470.267

The effective rate of interest used in the reduced cost value calculation of the trade payables is 10,02% for TL (December 31, 2013 - 11,43%), and relevant Libor and Euribor rates for USD and EUR.

Average maturity of the trade payables is 113 days (December 31, 2013 - 87 days).

(Unless indicated otherwise all the amounts are in Turkish Liras)

8. Other Receivables and Payables

Other short-term receivables are as follows (TL):

	December 31, 2014	December 31, 2013
Other miscellaneous receivables	243.803	-
Deposits and guarantees given	444.070	154.054
Receivables from employees	3.180	4.703
(Footnote 29 (iv))	691.053	158.757

Other long-term receivables are as follows (TL):

	December 31, 2014	December 31, 2013
Deposits and guarantees given	400.732	247.102
(Footnote 29 (iv))	400.732	247.102

9. Inventories

Inventories are as follows (TL):

	December 31, 2014	December 31, 2013
Raw material inventories	8.341.888	6.329.656
Semi product inventories	4.637.494	3.316.311
Product inventories	20.859.890	15.139.185
Merchandise inventories	18.299.614	9.112.442
Allowance for decrease in value of inventories (-)	(1.469.673)	(729.440)
	50.669.213	33.168.154

The activities of "Allowance for decrease in value of inventories" account on December 31, 2014 and December 31, 2013 are as follows (TL):

	December 31, 2014	December 31, 2013
Opening balance	729.440	678.743
Increase / (decrease) within the period	740.233	50.697
Closing Balance	1.469.673	729.440

10. Prepaid Expenses and Deferred Incomes

The prepaid expenses and the deferred incomes are as follows (TL):

	December 31, 2014	December 31, 2013
Short-term prepaid expenses:		
- Advance payments	270.473	7.407.363
- Prepaid expenses for the following months	369.935	327.663
	640.408	7.735.026

	December 31, 2014	December 31, 2013
Long-term prepaid expenses:		
- Advance payments	633.747	41.473
- Prepaid expenses for the following years	14.199	4.587
	647.946	46.060

	December 31, 2014	December 31, 2013
Deferred Incomes:		
- Received order advances	33.031.547	34.576.258
- Others	173.469	-
	33.205.016	34.576.258

11. Current Period Tax-related Assets

Current period tax-related assets as of December 31, 2014 and 2013 are as follows (TL):

	December 31, 2014	December 31, 2013
Prepaid taxes and funds	1.011	1.779.435
	1.011	1.779.435

(Unless indicated otherwise all the amounts are in Turkish Liras)

12. Tangible Fixed Assets

The tangible fixed assets as of December 31, 2014 are as follows (TL):

Cost	Opening January 1, 2014	Additions	Transfers	Sales	Closing December 31, 2014
Lands and Parcels	18.740.342	-	-	-	18.740.342
Underground and overland plants	1.257.752		1.861.446	-	3.119.198
Buildings	30.938.125		92.282	-	31.030.407
Machinery and equipments	110.014.143		18.206.145	(289.680)	127.930.608
Vehicles	312.070		107.838	(12.000)	407.908
Other fixtures and fittings	8.546.650	-	328.893	(48.200)	8.827.343
Fixed assets under construction	8.208.238	25.418.138	(20.596.604)	-	13.029.772
Sub total	**178.017.320**	**25.418.138**	**-**	**(349.880)**	**203.085.578**
Accumulated depreciations (-)					
Lands and parcels	-	-	-	-	-
Underground and overland plants	(468.091)	(75.957)	-	-	(544.048)
Buildings	(7.183.264)	(993.529)	-	-	(8.176.793)
Machinery and equipments	(69.954.837)	(7.456.948)	-	66.553	(77.345.232)
Vehicles	(243.292)	(33.075)	-	12.000	(264.367)
Other fixtures and fittings	(7.570.626)	(361.638)	-	31.330	(7.900.934)
Sub total	**(85.420.110)**	**(8.921.147)**	**-**	**109.883**	**(94.231.374)**
Net value	**92.597.210**	**16.496.991**	**-**	**(239.997)**	**108.854.204**

The tangible fixed assets as of December 31, 2013 are as follows (TL):

Cost	Opening January 1, 2014	Additions	Transfers	Sales	Revaluation Increase	Closing December 31, 2014
Lands and Parcels	18.740.342	-	-	-	-	18.740.342
Underground and overland plants	1.219.327	-	38.425	-	-	1.257.752
Buildings	28.330.757	-	2.607.368	-	-	30.938.125
Machinery and equipments	99.812.083	-	10.273.158	(71.098)	-	110.014.143
Vehicles	292.751	-	79.271	(59.952)	-	312.070
Other fixtures and fittings	8.137.804	-	408.844	-	-	8.546.650
Fixed assets under construction	4.528.293	17.087.011	(13.407.066)	-	-	8.208.238
Sub total	**161.061.357**	**17.087.011**	**-**	**(131.050)**	**-**	**178.017.320**
Accumulated depreciations (-)						
Lands and parcels	-	-	-	-	-	-
Underground and overland plants	(379.700)	(88.391)	-	-	-	(468.091)
Buildings	(6.279.280)	(903.984)	-	38.315	-	(7.183.264)
Machinery and equipments	(63.740.767)	(6.252.385)	-	59.952	-	(69.954.837)
Vehicles	(288.258)	(14.986)	-	-	-	(243.292)
Other fixtures and fittings	(7.208.539)	(362.087)	-	-	-	(7.570.626)
Sub total	**(77.896.544)**	**(7.621.833)**	**-**	**98.267**	**-**	**(85.420.110)**
Net value	**83.164.813**	**9.465.178**	**-**	**(32.783)**	**-**	**92.597.210**

12. Tangible Fixed Assets (continued)

The Parent Company has represented its lands and parcels, underground and overland plants and buildings with their current values. Parent Company's lands and buildings have been subjected to revaluation first in 2002 by Lotus Gayrimenkul Ekspertiz Değerleme Anonim Şirketi and the differences between the obtained current values and the carrying values have been reflected to the financial statements. Later on, in the report dated December 28, 2008 prepared as per the revaluation study performed in 2008 by Lotus Gayrimenkul Ekspertiz Değerleme Anonim Şirketi, the difference between the new obtained current amount and the carrying value has not been reflected to the records by the Parent Company as it was not a significant difference.

In 2012 the lands and parcels, underground and overland plants and the buildings owned by the Parent Company have been subjected to revaluation again in order to determine any change in the current values thereof. The revaluation study has been performed by Denge Gayrimenkul Değerleme ve Danışmanlık A.Ş., who is certified by the Capital Markets Board, and as a result of this revaluation the Parent Company has reflected the difference between the new current value and the carrying value of the assets to its financial statements as per the report prepared on June 14, 2012. The current values of the lands, underground and overland plants and the buildings have been determined as per their market values. The revaluation of the mentioned tangible assets have been done over their current market values.

In case the revalued assets are sold, the revaluation funds of those assets are transferred to the retained earnings account. Furthermore, the difference between the depreciation based on the carrying revalued amount of the asset and the depreciation based on the initial value of the asset, is annually transferred from the revaluation fund to the undistributed profit account as long as the tangible asset is employed.

(Unless indicated otherwise all the amounts are in Turkish Liras)

13. Intangible Fixed Assets

The intangible fixed assets as of December 31, 2014 are as follows (TL):

Cost	Opening January 1, 2014	Additions	Outgoings	Closing December 31, 2014
Licence	859.735	-	-	859.735
Trademark	3.987.406	-	-	3.987.406
Industrial design	71.645	-	-	71.645
Dealer list	2.274.223	-	-	2.274.223
Rights and others	704.760	76	-	704.836
Sub total	**7.897.769**	**76**	**-**	**7.897.845**
Accumulated Amortisations (-)				
Industrial design	(71.645)	-	-	(71.645)
Dealer list	(909.689)	(113.712)	-	(1.023.401)
Rights and Others	(792.551)	(13.188)	-	(805.739)
Sub total	**(1.773.885)**	**(126.900)**	**-**	**(1.900.785)**
Net value	**6.123.884**	**(126.824)**	**-**	**5.997.060**

The intangible fixed assets as of December 31, 2013 are as follows (TL):

Cost	Opening January 1, 2014	Additions	Outgoings	Closing December 31, 2014
Licence	859.735	-	-	859.735
Trademark	3.987.406	-	-	3.987.406
Industrial design	71.645	-	-	71.645
Dealer list	2.274.223	-	-	2.274.223
Rights and others	703.642	1.118	-	704.760
Sub total	**7.896.651**	**1.118**	**-**	**7.897.769**
Accumulated Amortisations (-)				
Industrial design	(71.645)	-	-	(71.645)
Dealer list	(824.406)	(82.283)	-	(909.689)
Rights and Others	(748.946)	(43.605)	-	(792.551)
Sub total	**(1.644.997)**	**(128.888)**	**-**	**(1.773.885)**
Net value	**6.251.654**	**(127.770)**	**-**	**6.123.884**

14. Goodwill

The goodwill amounts as of 31 December 2014 are as follows (TL):

Transaction Date	December 31, 2014	December 31, 2013
October 21, 2004	**655.882**	655.882
October 23, 2014	**117.470**	-
	773.352	655.882

The Parent Company has acquired the activities being performed under “Winsa” brand from Pilsa A.Ş. (Pilsa) on October 21, 2004. The Parent Company has recorded the identifiable assets and liabilities, which have been possessed within the said acquisition, with their current values at effective date of the agreement, December 1, 2004, as per IFRS 3 “Business Combinations”; and reflected the value between the purchase cost and the current value of the identifiable assets and liabilities to its records as goodwill, after deferred tax effect was deducted.

On October 23, 2014, the Company has acquired 100% of the shares of Alther PVC LTDA EPP in Brasil , against EUR 177.372,13. The Parent Company has recorded the identifiable assets and liabilities,which have been possessed within the said acquisition, with their current values at effective date of the agreement, October 23, 2004, in accordance with IFRS 3 “Business Combinations”; and reflected the value between the purchase cost and the current value of the identifiable assets and liabilities to its records as goodwill, after deferred tax effect was deducted.

The goodwill as of December 31, 2014 is TL 773.852 (December 31, 2013 - TL 655.882)

15. Provisions, Contingent Assets and Liabilities

Other short-term provisions as of December 31, 2014 are as follows (TL):

	December 31, 2014	December 31, 2013
Provision for warranty	**766.559**	648.344
Provision for lawsuit	**721.131**	203.246
Provision for tax penalty (*)	**536.260**	536.260
	2.023.950	1.387.850

(*) The Parent Company has filed a suit at the 4th Tax Court of Izmir on April 30, 2012 against the tax assessment and tax penalties in the amount of total TL 3.605.914 which have been notified to the Parent Company on April 2, 2012 pursuant to the reports compiled following the tax audit performed by the Revenue Administration of the Ministry of Finance in 2011, related to the transactions performed in 2007. TL 2.358.150 of the mentioned amount has been revoked as per the resolution made in consequence of the hearing conducted on December 6, 2012. The trial day for the balance amount has not been notified yet. The case result is predicted to be in favour of the Parent Company when the evidences considered and as there is no implementation contrary to the current legal status and the provisions of the legislation. By prudence, the Parent Company allocated a provision in the amount of TL 536.260 in its financial statements as of December 31, 2013 and December 31, 2013.

(Unless indicated otherwise all the amounts are in Turkish Liras)

15. Provisions, Contingent Assets and Liabilities (continued)

The details of the securities, pledges and hypothecs of the Partner Company and its Subsidiary as of December 31, 2014 and December 31, 2013 are as follows (TL):

	December 31, 2014		December 31, 2013	
	TL equivalent	**Foreign currency**	TL equivalent	Foreign currency
Received warranty letters		**5.035.025**		5.020.025
EUR	**14.202.295**	**1.235.000**	14.741.302	1.235.000
USD	**2.863.841**		2.635.861	
TL	**25.043.500**		19.518.000	
	42.109.636		36.895.163	
Received surety bonds		**190.000**		30.000
EUR	**535.933**	**695.578**	88.095	695.578
USD	**1.612.975**		1.484.573	
TL	**4.318.969**		3.940.535	
	6.467.877		5.513.203	
Received Hypothecs		**54.643**		54.643
EUR	**154.131**	**132.368.500**	160.459	119.238.500
TL	**132.468.500**		119.338.500	
	132.622.631		119.498.959	
Total hypothecs and Securities received	**181.200.144**		161.907.325	
Securities given		**5.244.135**		190.000
EUR	**14.792.131**	**1.810.870**	32.261	60.000
USD	**4.199.227**	**17.082**	22.712.213	7.193.282
AUD	**32.275**		2.371.382	
TL	**34.905.962**		5.237.725	
	53.929.595		30.353.581	
Total securities given (*)	**53.929.595**		30.353.581	

The statements demonstrating the warranty, pledge and hypothec (TRI) positions of the Parent Company and its Subsidiary as of December 31, 2014 and December 31, 2013 are as follows:

TRIs given by the Company	**December 31, 2014**	December 31, 2013
a. Total TRI amount given on behalf of its own legal entity	**53.929.595**	30.353.581
b. Total TRI amount given in favour of the associations included within the scope of the full consolidation	**-**	-
c. Total TRI amount given in order to assure liabilities of the third parties in order to carry out its ordinary commercial operations	**-**	-
d. Total amount of the other TRIs given	**-**	-
Total	**53.929.595**	30.353.581

There is no warranty, pledge or hypothec given or received by the Parent Company and its Subsidiary to/from the relevant entities as of December 31, 2014 and December 31, 2013.

The other warranties, pledges and the hypothecs (TRI) given by the Parent Company and its Subsidiary to equities ratio as of December 31, 2014 is 0% (December 31, 2013 - 0%).

16. Commitments

a) Export commitments of the Parent Company and the Subsidiaries are as follows :

The export commitment amount relevant to the export incentives received as of December 31, 2014 is USD 10.046.661 (December 31, 2013 - EUR 3.600.000) .

b) The operational leasing transactions of the Parent Company and its Subsidiary are as follows:

Total operational leasing amounts of the Parent Company and the Subsidiaries are EUR 2.983.142, USD 3.067.253 and TL 3.13.520 (December 31, 2013 - EUR 790.253, USD 3.287.683 and TL 3.089.770) and they consist of car, forklift and warehouse rentals and the maturities vary between 1 and 6 years. The maturities of the portion of the operational leasing in the amount of EUR 1.940.890, USD 279.450 and TL 1.239.373 vary between 1 and 2 years.

17. Liabilities and Provisions for Employee Benefits

The liabilities relevant to the employee benefits as of December 31, 2014 are as follows (TL):

	December 31, 2014	December 31, 2013
Taxes and funds payable	**427.326**	397.143
Social security premiums payable	**372.271**	323.232
Fee accruals	**992.941**	982.706
	1.792.538	1.703.081

The provisions relevant to the employee benefits as of December 31, 2014 are as follows (TL):

Provision for annual leave	**December 31, 2014**	December 31, 2013
Opening balance	**636.816**	696.160
Provision for current year	**321.215**	(59.344)
Closing balance	**958.031**	636.816

Provision for severance pay	**December 31, 2014**	December 31, 2013
Opening amount	**3.255.165**	2.831.587
Provisions paid within the year	**(129.583)**	(155.513)
Interest cost	**315.751**	274.664
Service cost	**365.907**	251.378
Actuarial loss / (gain)	**(494.035)**	53.049
Closing balance	**3.313.205**	3.255.165
	4.271.236	3.891.981

(Unless indicated otherwise all the amounts are in Turkish Liras)

18. Other Assets and Liabilities

Other assets and liabilities as of December 31, 2014 are as follows (TL):

Other Current Assets	December 31, 2014	December 31, 2013
- Turnover premium cost accrual	1.541.176	1.676.760
- VAT carried forward	1.167.329	1.661.350
- Other advances	293.218	275.580
- Current value of the forward exchange trade agreements	-	122.450
	3.001.723	3.736.140

Other short-term Liabilities	December 31, 2014	December 31, 2013
Taxes and funds payable	581.928	2.034.347
Provisions for expenses	331.119	422.255
	913.047	2.456.602

19. Equities

(a) Paid capital

The capital and the partnership structure of the Parent Company as of December 31, 2014 are as follows:

	December 31, 2014		December 31, 2013	
	TL	Share (%)	TL	Share (%)
Deceuninck	58.100.520	97,54	58.100.520	97,54
Public Offerings	1.466.380	2,46	1.466.380	2,46
Paid capital in legal records	59.566.900	100,00	59.566.900	100,00
Capital reserves due to inflation accounting	7.840.703		7.840.703	
	67.407.603		67.407.603	

The upper limit of the registered capital of the Parent Company as of December 31, 2014 and December 31, 2013 is TL 120.000.000. The paid capital of the Parent Company as of December 31, 2013 and December 31, 2013 is TL 59.566.900 and this amount consists of 5.956.690.000 shares each having a value of Kr 1 (one Turkish Kuruş).

19. Equities (continued)

The table demonstrating the number of the shares issued as of December 31, 2014 and December 31, 2013 against the capital of the Company is as follows:

	December 31, 2014		December 31, 2013	
	Number of the shares	TL	Number of the shares	TL
January 1	5.956.690.000	59.566.900	5.956.690.000	59.566.900
Non-paid up shares transferred from the accumulated earnings	-	-	-	-
End of period	5.956.690.000	59.566.900	5.956.690.000	59.566.900

Within the scope of spreading its financial liabilities to 4-5 years and increasing its capital, and pursuant to the Share Pledge Agreement signed on September 11, 2009, Deceuninck NV has pledged its own shares in favour of Fortis Bank NV/SA (who acts as the collateral agent): on September 15, 2009, total 16.980.361,712 shares with nominal value of TL 0,01 per share representing approximately 28,5063% of the Company capital; on September 16, 2009, total 41.120.158,313 shares with nominal value of TL 0,01 per share representing approximately 69,0318% of the Company capital. Consequently, total 97,5382% of the Company shares has been pledged in favour of Fortis Bank NV/SA.

Within the scope of the amendment, which has been made on the Share Pledge Agreement signed on September 11, 2009, pursuant to the supplemental agreement dated July 16, 2012, (to provide EUR 140.000.000 refinancing to Deceuninck NV) and pursuant to the Share Pledge Agreement signed on August 16, 2012, Deceuninck NV, as the borrower, has pledged its own shares (in the Company) in favour of Fortis Bank NV/SA (who acts as the collateral agent): total 58.100.520 shares with nominal value of TL 0,01 per share representing approximately 97,5382% of the Company capital.

(b) Reserves on Retained Earnings:

The reserves on retained earnings consist of general legal reserves and according to Turkish Commercial Code (TTK) the legal reserves are considered as Primary Reserves and Secondary Reserves as follows:

i. Primary Reserves: Net profit is set up as Primary Reserve until 5% of it comes up to 20% of the paid capital.

ii. Secondary Reserves: After the Primary Reserve is set up from the net profit and the dividend in the amount of 5% of the capital is set up for the shareholders, 10% of the profit -decided to be distributed- is set up as Secondary Reserve.

The general legal reserves can only be used in recovery of losses, or for continuation of the entity in case of corporate deterioration, or to take measures in order to avoid unemployment or to alleviate its consequences, provided that the general legal reserves do not exceed half of the capital.

(Unless indicated otherwise all the amounts are in Turkish Liras)

19. Equities (continued)

(c) Prior years' profits and (losses):

The activities of the prior years' profits and losses within the period are as follows (TL):

	December 31, 2014	December 31, 2013
Retained earnings	**51.084.059**	36.801.127
TMS 19 adjustment	**-**	178.055
Transfer to the legal reserves	**-**	(293.946)
Fixed asset increment value adjustment (*)	**298.398**	298.398
Dividend payment	**-**	(5.917.804)
Prior year profit/(loss)	**15.694.011**	20.046.215
Retained profit/(loss) of the Branch office (**)	**-**	(27.986)
	67.076.468	51.084.059

(*) The lands and buildings owned by the Company have been subjected to revaluation first in 2002 and then in 2008 and in 2012. The revaluation of the mentioned tangible assets has been done over their current market prices (invest in) and the difference between their carrying and revaluation values has been reflected to fixed asset increment value fund under the capital reserves. In case the revalued assets are sold, the revaluation funds of those fixed assets are transferred to the retained profits account. Furthermore, the difference between the depreciation based on the carrying revalued amount of the asset and the depreciation based on the initial value of the asset, are annually transferred from the revaluation surplus of fixed assets to the retained earnings account as long as the tangible assets are employed.

(**) The branch office of the Company in India has been opened in August 2012 and its effect has been reflected to the financial statements dated December 31, 2014.

20. Sales and Cost of Sales

The sales revenues are as follows (TL):

	December 31, 2014	December 31, 2013
Domestic sales	**323.740.219**	277.996.737
Export sales	**54.253.657**	38.782.881
	377.993.876	316.779.618

The selling costs are as follows (TL):

	December 31, 2014	December 31, 2013
Direct raw material, semi product and product costs	**208.933.279**	163.327.198
Direct labour costs	**2.822.426**	2.351.609
Amortisation and depreciation expenses	**7.781.579**	7.312.690
Other production costs	**33.260.836**	28.369.253
Total cost of goods produced	**252.798.120**	201.360.750
Change in Semi-products	**(1.321.175)**	(1.149.473)
Semi-products at the beginning of the period	**3.316.312**	2.166.838
Period-end semi-products	**(4.637.487)**	(3.316.311)
Change in Products	**(5.720.705)**	(3.849.469)
Products at the beginning of the period	**15.139.185**	11.289.716
Period-end Products	**(20.859.890)**	(15.139.185)
Change in Merchandise	**33.747.883**	32.675.254
Merchandise at the beginning of the period	**9.112.442**	3.186.758
Purchases	**42.935.056**	38.600.938
Period-end merchandise	**(18.299.615)**	(9.112.442)
	279.504.123	229.037.062

(Unless indicated otherwise all the amounts are in Turkish Liras)

21. Research and Development Expenses; Marketing, Sales and Distribution Expenses; General Administrative Expenses

The research and development expenses, marketing sales and distribution expenses and the general administrative expenses are as follows (TL):

Research and Development Expenses	December 31, 2014	December 31, 2013
Personnel Expenses	468.798	304.018
Others	69.101	26.950
	537.899	330.968

Marketing, Sales and Distribution Expenses	December 31, 2014	December 31, 2013
Personnel expenses	15.846.344	12.350.598
Customs and transportation costs	12.102.086	10.908.706
Advertising expenses	1.653.018	3.444.127
Fair, exhibition and showroom expenses	1.552.905	752.375
Rent expense	4.827.451	3.321.838
Dealer incentive and meeting expenses	2.995.543	3.328.502
Sales, premium and commissions	683.880	466.311
Amortisation and depreciation expenses	922.801	139.927
Others	4.015.849	4.018.936
	44.599.877	38.731.320

General administrative expenses	December 31, 2014	December 31, 2013
Personnel expenses	6.401.604	5.997.415
Counselling services	6.396.703	5.089.316
Provisions for doubtful receivables, net	(179.843)	2.033.085
Tax and similar expenses	491.812	659.914
Amortisation and depreciation expenses	343.668	298.105
Communication expenses	137.814	131.489
Insurance expenses	468.671	397.443
Severance pay and annual leave expenses	557.538	36.521
Others	2.315.443	1.424.998
	16.933.410	16.068.286

22. Other Real Operating Incomes/ Expenses

Other real operating incomes and expenses are as follows (TL):

Other real operating incomes	December 31, 2014	December 31, 2013
Exchange difference income	4.731.826	8.478.100
Interest income	2.996.640	2.893.329
Forward profits	2.387.527	1.387.892
Fixed asset sales profit	264.085	116.470
Insurance income (damage)	131.262	170.530
Others	1.336.224	764.511
	11.847.564	13.810.832

Other real operating expenses	December 31, 2014	December 31, 2013
Exchange difference expense	5.290.098	5.692.861
Waived receivables (*)	928.558	7.692.117
Interest expense	34.629	1.411
Fixed asset sales expense	158.589	42.375
Severance pay interest cost	315.751	274.664
Forward losses	3.189.551	851.258
Special transaction tax	31.162	37.144
Other expenses	905.453	560.441
	10.853.791	15.152.271

(*) Consist of bad debts, which occur as a result of the lawsuits entered by the Company against the customers having difficulty in repayment, and which are followed up under real operating expenses item as waived receivables.

(Unless indicated otherwise all the amounts are in Turkish Liras)

23. Expenses Classified on the Basis of Type

Depreciation and amortisation expenses	December 31, 2014	December 31, 2013
Production cost	7.781.579	7.312.689
General administrative expenses	343.668	298.105
Other marketing, sales and distribution expenses	922.800	139.927
	9.048.047	7.750.721

	December 31, 2014	December 31, 2013
Depreciation of tangible fixed assets	8.921.147	7.621.833
Intangible fixed asset depreciation expense	126.900	128.888
	9.048.047	7.750.721

Employee benefits	December 31, 2014	December 31, 2013
Wages and salaries	18.721.219	25.097.949
Social security contribution expenses- employer's share	2.295.997	2.055.521
Other social expenses	20.099.442	6.353.045
Severance pay and provision for unused leave, net	557.538	311.185
	41.674.196	33.817.700

24. Financing Incomes / Expenses

The financial incomes and expenses are as follows (TL):

Financing incomes	December 31, 2014	December 31, 2013
Exchange difference income	1.512.758	923.669
Forward profits	380.300	444.800
	1.893.058	1.368.469

Financing expenses	December 31, 2014	December 31, 2013
Exchange difference expense	616.160	5.564.858
Interest expense	8.398.125	6.904.655
Forward Losses	2.406.500	-
Others	48.905	57.551
	11.469.690	12.527.064

25. Fixed Assets Classified as 'Held for Sale'

The fixed assets classified as 'held for sale' as of December 31, 2014 and December 31, 2013 are as follows (TL):

	December 31, 2014	December 31, 2013
Opening balance	1.607.283	766.229
Inflows within the period	449.554	1.303.011
Outflows within the period (-)	(860.486)	(461.957)
	1.196.351	1.607.283

The fixed assets held for sale as of December 31, 2014 and December 31, 2013 are the lands, stores and the buildings received from the customers against the receivables which became bad debts. The aim of the Company is the disposal of the mentioned real estates as soon as possible.

26. Taxes

a) Corporation tax;

The corporation tax rate in Turkey is 20% for years 2013 and 2012. This rate is applied to the tax assessment to be found by adding non-deductible expenses to entities' commercial earnings and deducting exceptions and discounts take place in the tax laws. The corporation tax rate in India is 43%, in Chile 20% and in Brazil it is 34%.

The result of the netting between the tax amounts to be paid and the prepaid taxes as of December 31, 2014 and December 31, 2013 is demonstrated as follows (TL):

	December 31, 2014	December 31, 2014
Corporation tax of the current period	5.231.363	3.895.092
Tax prepaid within the period (-)	(5.224.115)	(3.842.630)
Corporation tax to be paid	7.248	52.462

The balancing between the tax expense (calculated by applying legal tax rate on pre-tax profit) and the provision for total tax in the comprehensive income statement as of December 31, 2014 and December 31, 2013 is as follows (TL):

	December 31, 2014	December 31, 2014
Profit before tax provision	27.835.708	20.111.948
Tax expense / (income) over 20%	5.567.142	4.022.390
Effect of the non-deductible expenses	272.982	1.197.332
Effect of the exceptional incomes from the corporation tax	(209.760)	(322.258)
Effect of the other adjustment items	(28.771)	(479.527)
Tax (income) / expense of the current period	5.601.593	4.417.937

(Unless indicated otherwise all the amounts are in Turkish Liras)

26. Taxes (continued)

b) Deferred tax assets and liabilities;

The deferred tax assets, liabilities, incomes and expenses and the temporary differences which be the basis to the deferred tax calculations are as follows (TL):

	Deferred Tax assets / (liabilities)		Deferred tax income / (expense)	
	December 31, 2014	December 31, 2013	**December 31, 2014**	December 31, 2013
Provision for doubtful receivables	**1.263.231**	1.337.744	**(74.513)**	277.523
Provision for severance pay	**1.156.676**	597.984	**558.692**	158.670
Severance pay actuarial loss	**(494.035)**	53.049	**(547.084)**	(73.954)
Provision for unused leave	**191.606**	127.363	**64.243**	(11.869)
Provision for lawsuit	**144.226**	40.649	**103.577**	(21.485)
Rediscount of receivables	**(25.728)**	(81.518)	**55.790**	(566.952)
Rediscount of payables	**(11.764)**	(13.739)	**1.975**	112.535
Expense accruals	**387.197**	285.767	**101.430**	(183.199)
Elimination effect of the consolidation	**573.890**	452.786	**121.104**	452.786
Effect of valuation of the intangible assets and the redemption period differences as per TFRS 3	**(7.715.995)**	(6.787.146)	**(928.850)**	(736.809)
Effect of fixes asset revaluation	**(1.804.060)**	(1.878.659)	**74.599**	80.519
Deferred Tax Asset / (Liability), Net	**(6.334.756)**	(5.865.720)	**(469.037)**	(512.235)

The activities of the deferred tax liability of the years ended December 31, 2014 and December 31, 2013 are as follows:

	Deferred Tax Liabilities	
	December 31, 2014	December 31, 2013
January 1, balance	**5.865.720**	5.353.485
Deferred tax (advantages) / expenses reflected to the income statement	**370.230**	522.845
The amount recognised in 'other comprehensive expense account'	**98.806**	(10.610)
December 31, balance	**6.334.756**	5.865.720

27. Earnings per Share

Earnings/(loss) per share has been calculated as follows:

	December 31, 2014	December 31, 2013
Period profit/(loss)	**22.234.115**	15.694.011
Opening weighted average number of ordinary shares*	**5.956.690.000**	5.956.690.000
Period-end weighted average number of ordinary shares*	**5.956.690.000**	5.956.690.000
Earnings/(loss) per share (TL)	**0,3733**	0,2635

(*) corresponding to a share having KR 1 nominal value.

The earnings/(loss) per share is calculated by dividing current year net profit/(loss) by weighted average of the number of shares circulating within the year.

The activity of the number of the shares within the accounting periods ended December 31, 2014 and December 31, 2013 is as follows:

Number of the shares	**December 31, 2014**	December 31, 2013
Period/Beginning of the year	**5.956.690.000**	5.956.690.000
Non-paid up shares issued from the internal resources within the period	**-**	-
Period/Year-end	**5.956.690.000**	5.956.690.000

Until the financial statements are prepared, there had been no transaction regarding ordinary shares or the ordinary shares to be issued, other than above.

The companies in Turkey may increase their capitals by the transfers from various internal resources and because of this increase in the capital they may allocate non-paid up shares to their shareholders in proportion to their shares. While the earnings per share is calculated the non-paid up shares have been assumed as shares distributed as dividend. For this reason, while the average number of the share is calculated, it is assumed that this type of shares are in circulation all the year round.

(Unless indicated otherwise all the amounts are in Turkish Liras)

28. Related Party Disclosures

i. The trade receivables from the affiliates are as follows (TL):

	December 31, 2014	December 31, 2013
Deceuninck (main partner)	2.060.177	3.344.013
Other Deceuninck participations	8.651.274	5.537.164
Total (Footnote 7)	10.711.451	8.881.177

ii. The trade payables to the affiliates are as follows (TL):

	December 31, 2014	December 31, 2013
EgePen Plastik San. ve Tic. A.Ş (Ege Pen) (*)	1.187.595	1.046.656
Others	577	577
Total (Footnote 7)	1.188.172	1.047.233

(*) The debt results from the acquisition of the land share (20.000 sqm) of Ege Pen Plastik Sanayi ve Ticaret A.Ş. in Menemen Organised Industrial Zone.

iii. Other receivables from the affiliates are as follows (TL):

	December 31, 2014	December 31, 2013
Deceuninck (main partner)	10.500.000	-
Total	10.500.000	-

Has been given to Deceuninck on December 22, 2015 for the acquisition of Pimaş shares and has been collected on January 22, 2015 together with its interest as TL 10.568.919.

iv. The goods and service purchases from the affiliates within the periods ended December 31, 2014 and December 31, 2013 are as follows /TL):

	December 31, 2014	December 31, 2013
Deceuninck (main partner)	507.735	1.540.785
Other Deceuninck participations	714.304	2.670.211
Total	1.222.039	4.210.996

28. Related Party Disclosures (continued)

v. The fixed asset purchases from the affiliates within the periods ended December 31, 2014 and December 31, 2013 are as follows (TL):

	December 31, 2014	December 31, 2013
Deceuninck (main partner)	2.717.521	3.095.685
Other Deceuninck participations	8.055.560	22.638.822
Total	10.773.081	25.734.507

vi. Other purchases from the affiliates within the periods ended December 31, 2014 and December 31, 2013 are as follows (TL):

	December 31, 2014	December 31, 2013
Deceuninck (main partner)	268.535	1.699.795
Total	268.535	1.699.795

vii. Other purchases from the affiliates within the periods ended December 31, 2014 and December 31, 2013 are as follows (TL):

	December 31, 2014	December 31, 2013
Deceuninck N.V *	15.531.875	4.458.334
Other Deceuninck participations	418.428	268.759
Egepen	317.486	246.707
Total	16.267.789	4.973.800

(*) As of December 31, 2014, TL 4.929.487 of this amount consists of management service fee (December 31, 2013 - TL 3.909.560). No overseas promotion expense has been incurred in 2014. (December 31, 2013- TL 376.195).

The transactions with the other Deceuninck participations consist of other miscellaneous expenses, and the amount related to Ege Pen consists of trademark use expense.

viii. Total wages/salaries and similar benefits provided to the Chairman and the Members of the Board of directors and the general manager, general coordinator, vice general managers and similar senior management within the years ended December 31, 2014 and December 31, 2013 are TL 4.370.860.82 and TL 4.005.906 respectively.

(Unless indicated otherwise all the amounts are in Turkish Liras)

28. Related Party Disclosures (continued)

ix. The legal financial data of the subsidiaries as of December 31, 2014, which have not been subjected to the independent audit before the intercompany elimination, are as follows (TL):

	Deceuninck Importadora Limitada December 31, 2014
Size of asset	20.646.648
Gross sales	13.366.603
Period Net Profit / (Loss)	(37.896)
Equity	336.956
Current assets	19.657.528
Fixed assets	989.120
Short-Term Liabilities	20.309.692
Long-term Liabilities	-
Total Comprehensive Income	(37.896)

	Althera PVC LTDA-EPP December 31, 2014
Size of asset	2.318.998
Gross sales	185.762
Period Net Profit / (Loss)	(155.392)
Equity	133.934
Current assets	2.318.998
Fixed assets	-
Short-Term Liabilities	1.427.082
Long-term Liabilities	757.983
Total Comprehensive Income	(155.392)

29. Nature and the Degree of the Risks due to Financial Instruments

The Parent Company faces various financial risks because of its activities, including the impacts of volatility on prices, exchange rates and interest rates in credit and capital market. Those risks are: price risk, exchange rate risk, interest rate risk, credit risk and liquidity risk. The Parent Company's general risk management program focuses on unpredictability and volatility of the financial markets, and aims to minimise the potential negative effects on the financial performance of the Parent Company.

Some of the major financial instruments of the Parent Company are bank loans, cash, short and long-term bank deposits. Main purpose in using these instruments is to obtain finance for the operations of the Parent Company. The Parent Company also possesses financial instruments such as trade receivables and trade payables which directly result from the activities.

The Parent Company Management manages those risks as indicated below. The Partner Company also follows up market risks which may result from use of the financial instruments.

29. Nature and the Degree of the Risks due to Financial Instruments (continued)

i. Price Risk

The price risk is a combination of foreign exchange risk, interest risk and market risk, and is spontaneously managed by the Parent Company by offsetting the payables and receivables of same currency and the interest bearing assets and liabilities of same currency. The market risk is closely monitored by the Parent Company through evaluation of market data and appropriate valuation methods.

ii. Interest Rate Risk

The Partner Company does not have any interest sensitive assets. The incomes of the Parent Company and the cash flows from its activities are mostly independent from fluctuations in market interest rate. The interest rate risk of the Parent Company is due to short and long-term loans. The credits to be received in the following periods for the sustainability of the operations of the Parent Company are influenced by the future interest rates.

Table of interest position and the relevant sensitivity analysis

The table of interest position of the Parent Company as of December 31, 2014 and December 31, 2013 is as follows (TL):

Table of interest position		**Current period**	Previous period
		December 31, 2014	December 31, 2013
	Fixed-interest financial instruments		
	Assets whose fair value difference is reflected to profit/loss	**-**	-
	Financial assets available for sale	**-**	-
Financial Assets	Deposit accounts	**16.237.035**	37.259.501
Financial liabilities (Footnote 5)		**101.292.940**	85.428.719
	Floating-rate financial instruments		
Financial assets		**-**	-
Financial liabilities (Footnote 5)		**-**	-

iii. Liquidity Risk

The prudent liquidity risk method means; reserving sufficient cash and security, availability of sufficient amount of credit transaction and source of funds, and power of tolerating market fluctuations.

The funding risk of the present and likely borrowing requirements are managed by sustaining accessibility of the superior creditors.

The exceeding liquid assets of the Parent Company (current assets minus (stocks + fixed assets held for sale) as of December 31, 2014 is TL 50.061.705, and TL 98.403.750 as of December 31, 2013.

29. Nature and the Degree of the Risks due to Financial Instruments (continued)

The maturity distributions of the trade payables and the financial liabilities of the Parent Company as of December 31, 2014 and December 31, 2013 (grouped by maturity) are as follows:

Current period

Held-to-maturity or maturities as per agreement	**Book value**	**Total cash outflows as per agreement (=I+II+III+IV)**	**Less than 3 months (I)**	**3-12 months (II)**	**1-5 Years (III)**	**More than 5 years (IV)**
Non-derivative financial liabilities						
Bank loans	**101.870.741**	**107.482.435**	**63.257.416**	**21.571.727**	**22.653.292**	**-**
Other financial liabilities	**-**	**-**	**-**	**-**	**-**	**-**
Notes payable	**43.215.244**	**44.839.749**	**17.049.652**	**27.790.097**	**-**	**-**
Trade payables	**26.536.971**	**26.653.309**	**22.679.715**	**3.973.594**	**-**	**-**
Other payables (Deferred incomes)	**33.205.016**	**33.205.016**	**12.604.209**	**20.600.807**	**-**	**-**
Held-to-maturity or maturities as per agreement						
Derivative financial liabilities (net)	**254.693**	**254.693**	**254.693**	**-**	**-**	**-**

Previous period

Held-to-maturity or maturities as per agreement	Book value	Total cash outflows as per agreement (=I+II+III+IV)	Less than 3 months (I)	3-12 ay (II)	1-5 Years (III)	More than 5 years (IV)
Non-derivative financial liabilities						
Bank loans	85.935.778	91.550.084	8.958.902	20.822.588	61.768.594	-
Other financial liabilities	-	-	-	-	-	-
Notes payable	17.101.227	17.285.440	14.930.065	2.355.375	-	-
Trade payables	39.369.040	39.462.450	23.186.441	16.276.009	-	-
Other payables (Deferred incomes)	34.576.258	34.576.258	15.973.996	18.602.262	-	-
Held-to-maturity or maturities as per agreement						
Derivative financial liabilities (net)	14.500	14.500	14.500	-	-	-

iv. Credit risk

Holding financial instruments also have risk of non-compliance of provisions of the agreement by the counter party. For hedging, the Parent Company limits average risks for the counter party (except the affiliates) in each agreement and takes security if necessary. The collection risk of the Parent Company is mainly due to trade receivables. The Parent Company hedges these risks (from its dealers or other customers) by restricting credit limits with the securities received and by getting advance. The credit limits are regularly reviewed by the Company and the financial position/credibility of the customer/dealer is evaluated by considering past experiences and other factors.

Trade receivables are evaluated by the Parent Company management by taking into account past experiences and the current economic condition and after sufficient provisions are made for doubtful trade receivables, net amounts are shown in the statement of financial position.

The Parent Company tries to manage credit risk by spreading its sales-related activities over a wide area, thus avoiding undesirable concentration on persons or groups in certain sectors or regions. Furthermore, the Parent Company receives securities if deemed necessary.

Ege Profil Ticaret ve Sanayi Anonim Şirketi its Subsidiary

Explanatory Footnotes Related to the Consolidated Financial Statements of the Years ended December 31, 2014 and December 31, 2013
(Unless indicated otherwise all the amounts are in Turkish Liras)

29. Nature and the Degree of the Risks due to Financial Instruments (continued)

iv. Credit risk (continued)

Overdue and the structure of the securities related to the receivables and the cash and cash equivalents are detailed below (TL):

					Receivables
December 31, 2014	**Trade receivables (Footnote 7)**	**Trade receivables from the affiliates (Footnote 7)**	**Other receivables (Footnote 8)**	**Cheques receivable in collection (Footnote 4)**	**Cash and bank (Footnote 4)**
Maximum credit risk incurred as of the date of reporting (A+B+C+D+E) (1)	**196.535.402**	**10.711.451**	**1.091.785**	**3.996.130**	**14.762.968**
- Collateralised portion of the maximum risk (2)	(181.200.144)	-	-	-	-
A. Net book values of the financial assets not incurred impairment or unexpired	182.262.118	10.711.451	1.091.785	3.996.130	14.762.968
B. Book values of the financial assets re-negotiated, which will otherwise regarded as impaired or overdue	-	-	-	-	-
C. Net book values of the overdue assets which did not incur impairment	13.289.299	-	-	-	-
D. Net book values of the assets incurred impairment	-	-	-	-	-
- Overdue gross book value	27.512.692	-	-	-	-
- Impairment (-) (Footnote 7)	(26.528.707)	-	-	-	-
- Collateralised portion of the net value	-	-	-	-	-
- Unexpired gross book value	-	-	-	-	-
- Impairment (-)	-	-	-	-	-
- Collateralised portion of the net value	-	-	-	-	-
E. Items including off-balance-sheet financing	-	-	-	-	-

1) The securities received and the factors which increase credit reliability have not been taken into account in the determination of the amount.
2) The securities consist of collateral bills/cheques received from the customers, and the hypothecs.

					Receivables
December 31, 2013	**Trade receivables (Footnote 7)**	**Trade receivables from the affiliates (Footnote 7)**	**Other receivables (Footnote 8)**	**Cheques receivable in collection (Footnote 4)**	**Cash and bank (Footnote 4)**
Maximum credit risk incurred as of the date of reporting (A+B+C+D+E) (1)	**163.661.225**	**8.881.177**	**405.859**	**3.134.106**	**35.122.998**
- Collateralised portion of the maximum risk (2)	(161.907.325)	-	-	-	-
A. Net book values of the financial assets not incurred impairment or unexpired	151.138.932	8.881.177	405.859	3.134.106	35.122.998
B. Book values of the financial assets re-negotiated, which will otherwise regarded as impaired or overdue	-	-	-	-	-
C. Net book values of the overdue assets which did not incur impairment	11.837.748	-	-	-	-
D. Net book values of the assets incurred impairment	-	-	-	-	-
- Overdue gross book value	26.550.749	-	-	-	-
- Impairment (-) (Footnote 7)	(25.866.204)	-	-	-	-
- Collateralised portion of the net value	-	-	-	-	-
- Unexpired gross book value	-	-	-	-	-
- Impairment (-) (Footnote 7)	-	-	-	-	-
- Collateralised portion of the net value	-	-	-	-	-
E. Items including off-balance-sheet financing	-	-	-	-	-

1) The securities received and the factors which increase credit reliability have not been taken into account in the determination of the amount.
2) The securities consist of collateral bills/cheques received from the customers, and the hypothecs.

(Unless indicated otherwise all the amounts are in Turkish Liras)

29. Nature and the Degree of the Risks due to Financial Instruments (continued)

v. Foreign exchange risk

The foreign exchange risk is particularly due to USD and EUR liabilities of the Company.

The Parent Company and its Subsidiary have foreign exchange risk also due to their mutual transactions. Those risks result from the purchase of goods and services and the use of credits in currencies other than Company's valuation currency.

The Company controls and restricts those risks by stabilising its assets and liabilities in foreign currencies and by adjusting pricing policy as per changes in the exchange rate, and in addition to those, by analysing the positions of the foreign currencies.Net foreign currency positions of the Parent Company and its Subsidiary as of December 31, 2014 and December 31, 2013 have been detailed below:

In total;

	December 31, 2014 (Amount in TL)	December 31, 2013 (Amount in TL)
A. Assets in foreign currencies	**45.431.738**	42.981.666
B. Liabilities in foreign currencies	**(59.752.368)**	(54.570.571)
Net foreign currency position (A+B)	**(14.320.630)**	(11.588.905)

29. Nature and the Degree of the Risks due to Financial Instruments (continued)

The foreign currency positions of the Parent Company and its Subsidiary as of December 31, 2014 have been given below:

	Statement of foreign currency position				
	Current period				
	TL equivalent (functional currency)	**USD**	**EUR**	**AUD**	**GBP**
1. Trade receivables	41.853.434	414.952	12.976.980	2.268.991	-
2a. Monetary financial assets (including cash, bank accounts)	3.348.804	1.118.539	256.231	17.082	-
2b. Non-monetary financial assets	-	-	-	-	-
3. Others	229.500	40.200	48.314	-	-
4. Current assets (1+2+3)	**45.431.738**	**1.573.691**	**13.281.525**	**2.386.073**	**-**
5. Trade receivables	-	-	-	-	-
6a. Monetary financial assets	-	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-	-
7. Others	-	-	-	-	-
8. Fixed assets (5+6+7)	**-**	**-**	**-**	**-**	**-**
9. Total assets (4+8)	**45.431.738**	**1.573.691**	**13.281.525**	**2.386.073**	**-**
10. Trade payables	(32.924.690)	(2.916.998)	(9.274.458)	-	-
11. Financial liabilities	(26.827.678)	-	(9.511.000)	-	-
12a. Other monetary liabilities	-	-	-)	-	-
12b. Other non-monetary liabilities	-	-	-	-	-
13. Short-term liabilities (10+11+12)	**(59.752.368)**	**(2.916.998)**	**(18.785.458)**	**-**	**-**
14. Trade payables	-	-	-	-	-
15. Financial liabilities	-	-	-	-	-
16a. Other monetary liabilities	-	-	-	-	-
16b. Other non-monetary liabilities	-	-	-	-	-
17. Long term liabilities (14+15+16)	**-**	**-**	**-**	**-**	**-**
18. Total liabilities (13+17)	**(59.752.368)**	**(2.916.998)**	**(18.785.458)**	**-**	**-**
19. Off-balance sheet derivative financial instruments' net asset/(liability) position (19a-19b)	6.226.750	3.500.000	-	(1.000.00)	-
19a. Total hedged asset amount	(1.889.400)	-	-	(1.000.00)	-
19b. Total hedged liability amount	8.116.150	3.500.000	-	-	-
20. Net foreign currency asset/ (liability) position (9+18+19)	**(4.315.080)**	**2.156.693**	**(5.503.933)**	**1.286.933**	**-**
21. Monetary items' net foreign currency asset/(liability) position (=1+2a+5+6a-10-11-12a-14-15-16a)	**(14.550.130)**	**(1.383.506)**	**(5.552.247)**	**2.286.073**	**-**
22. Total fair value of the financial instruments used for currency hedge	10.005.550	3.500.000	-	(1.000.000)	-
23. Export (*)	52.624.232	1.126.142	16.585.415	1.012.425	-
24. Import (*)	119.574.699	29.710.440	18.779.197	-	-

(*) Average rate of exchange has been used.

(Unless indicated otherwise all the amounts are in Turkish Liras)

29. Nature and the Degree of the Risks due to Financial Instruments (continued)

The foreign currency positions of the Parent Company and its Subsidiary as of December 31, 2014 have been given below:

	Statement of foreign currency position				
	Current period				
	TL equivalent functional currency	USD	EUR	AUD	GBP
1. Trade receivables	35.205.311	302.051	10.500.939	1.972.168	-
2a. Monetary financial assets (including cash, bank accounts)	7.293.501	37.926	2.445.188	17.082	-
2b. Non-monetary financial assets	-	-	-	-	-
3. Others	482.853	219.300	5.040	-	-
4. Current assets (1+2+3)	**42.981.665**	**559.277**	**12.951.167**	**1.989.250**	**-**
5. Trade receivables	-	-	-	-	-
6a. Monetary financial assets	-	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-	-
7. Others	-	-	-	-	-
8. Fixed assets (5+6+7)	**-**	**-**	-	-	**-**
9. Total assets (4+8)	**42.981.665**	**559.277**	**12.951.167**	**1.989.250**	**-**
10. Trade payables	(27.250.196)	(5.628.142)	(5.179.891)	-	(7.775)
11. Financial liabilities	(769.033)	-	(261.888)	-	-
12a. Other monetary liabilities	(122.842)	-	(41.833)	-	-
12b. Other non-monetary liabilities	-	-	-	-	-
13. Short-term liabilities (10+11+12)	**(28.142.071)**	**(5.628.142)**	**(5.483.612)**	**-**	**(7.775)**
14. Trade payables	-	-	-	-	-
15. Financial liabilities	(26.428.500)	-	(9.000.000)	-	-
16a. Other monetary liabilities	-	-	-	-	-
16b. Other non-monetary liabilities	-	-	-	-	-
17. Long term liabilities (14+15+16)	**(26.428.500)**	**-**	**(9.000.000)**	**-**	**-**
18. Total liabilities (13+17)	**(54.570.571)**	**(5.628.142)**	**(14.483.612)**	**-**	**(7.775)**
19. Off-balance sheet derivative financial instruments'	11.984.350	6.500.000	-	(1.000.00)	-
net asset/(liability) position (19a-19b)	(1.888.600)	-	-	(1.000.00)	-
19a. Total hedged asset amount	13.872.950	6.500.000	-	-	-
19b. Total hedged liability amount					
	395.444	**1.431.135**	**(1.532.445)**	**2.989.250**	**(7.775)**
20. Net foreign currency asset/ (liability) position (9+18+19)	**(12.071.759)**	**(5.288.165)**	**(1.537.485)**	**1.989.250**	**(7.775)**
21. Monetary items' net foreign currency asset/(liability) position (=1+2a+5+6a-10-11-12a-14-15-16a)					
	15.761.550	6.500.000	-	(1.000.00)	-
22. Total fair value of the financial instruments used for currency hedge					
23. Export (*)	47.513.394	1.196.625	17.511.467	533.684	-
24. Import (*)	131.853.306	41.082.990	21.238.393	21.515	22.667

(*) Average rate of exchange has been used.

29. Nature and the Degree of the Risks due to Financial Instruments (continued)

The Parent Company and its Subsidiaries incur exchange rate risk due to change in exchange rates in conversion of debt or credit amounts in foreign currencies (occur as a result of the trade with foreign companies) into Turkish Liras. The mentioned exchange rate risk is monitored by analysing the foreign currency position and it is restricted. The Parent Company and its Subsidiaries adopt a foreign currency diversifying oriented policy in order to manage the exchange rate risk due to commercial transactions which will occur in the future and the actives and passives recorded.

The sensitivity analysis of the Parent Company's and its Subsidiaries' pre-tax profits (other variables considered constant) as of December 31, 2014 and December 31, 2013 against 10% change in USD, EUR and AUD rates is as follows:

	December 31, 2014			
	Profit / loss		Equity	
	Appreciation of foreign currency	Foreign currency depreciation	Appreciation of foreign currency	Foreign currency depreciation
In case of 10% change in USD against TL:				
1- USD net asset/liability	(311.499)	311.499	-	-
2- USD hedged portion (-)	811.615	(811.615)	-	-
3- USD Net Effect (1+2)	**500.116**	**(500.116)**	**-**	**-**
In case of 10% change in EUR against TL:				
4- EUR net asset/liability	(1.552.494)	1.552.494	-	-
5- EUR hedged portion (-)	-	-	-	-
6- EUR Net Effect (4+5)	**(1.552.494)**	**1.552.494**	**-**	**-**
In case of 10% change in AUD against TL:				
7- AUD net asset/liability	431.931	(491.931)	-	-
8- AUD hedged portion (-)	(188.940)	188.940	-	-
9- AUD Net Effect (7+8)	**242.991**	**(242.991)**	**-**	**-**
In case of 10% change in GBP against TL:				
10- GBP net asset/liability	-	-	-	-
11- GBP hedged portion (-)	-	-	-	-
12- GBP Net Effect (10+11)	**-**	**-**	**-**	**-**
Total (3+6+9+12)	**(809.387)**	**809.387**	**-**	**-**

(Unless indicated otherwise all the amounts are in Turkish Liras)

29. Nature and the Degree of the Risks due to Financial Instruments (continued)

				December 31, 2013
	Profit / loss		Equity	
	Appreciation of foreign currency	Foreign currency depreciation	Appreciation of foreign currency	Foreign currency depreciation
In case of 10% change in USD against TL:				
1- USD net asset/liability	(1.081.848)	1.081.848	-	-
2- USD hedged portion (-)	1.387.295	(1.387.295)	-	-
3- USD Net Effect (1+2)	**305.447**	**(305.447)**	**-**	**-**
In case of 10% change in EUR against TL:				
4- EUR net asset/liability	(450.002)	450.002	-	-
5- EUR hedged portion (-)	-	-	-	-
6- EUR Net Effect (4+5)	**(450.002)**	**450.002**	**-**	**-**
In case of 10% change in AUD against TL:				
7- AUD net asset/liability	375.690	(375.690)	-	-
8- AUD hedged portion (-)	188.860	(188.860)	-	-
9- AUD Net Effect (7+8)	**564.550**	**(564.550)**	**-**	**-**
In case of 10% change in GBP against TL:				
10- GBP net asset/liability	-2.730	2.730	-	-
11- GBP hedged portion (-)	-	-	-	-
12- GBP Net Effect (10+11)	**2.730**	**2.730**	**-**	**-**
Total (3+6+9+12)	**417.265**	**(417.265)**	**-**	**-**

i. Capital management

The Parent Company's objectives in the management of the capital are to provide return to its partners, benefit to other shareholders and the continuity of the Partner Company's activities in order to maintain an optimum capital structure for decreasing the cost of capital.

Within the capital management, the Partner Company monitors debt equity ratio correspondingly to the other companies in the sector. This ratio is calculated by dividing net liability by total capital. Net liability is calculated by subtraction of cash and cash equivalents from total liability (sum of the short and long-term liabilities indicated in the statement of financial position). Total capital is the sum of the equities indicated in the statement of financial position.

	December 31, 2014	December 31, 2013
Total liabilities	**220.561.986**	192.354.499
Cash and cash equivalents (-) (Footnote 4)	**(18.759.098)**	(38.257.104)
Net liability	**201.802.888**	154.097.395
Total equity	**188.899.795**	166.299.940
Debt capital ratio	**106%**	93%

30. Financial Instruments

Current value is the amount which may change hands in a current transaction between the voluntary parties, except the compulsory sale or liquidation of a financial instrument, and is best determined with the market price occurs (if exist).

The estimated current values of the financial instruments are determined by using market knowledge of the Company and appropriate valuation methods. Forecasts are used in the estimation of a current value and the interpretation of the market facts. Accordingly, the estimations set out herein may not represent the amounts to be obtained from a current market operation of the Company.

The Company supposes that the recorded values of the financial instruments represent their fair values

Financial assets
These assets take place in the financial statements with their cost values, and they include cash and cash equivalents, accrued interest on thereof and other short-term financial assets. And as they are short-term assets, their current values are considered to be close to their carrying values. It is supposed that the carrying value of the trade receivables, after provisions are made for rediscount and doubtful receivables, is close to their current values.

Financial liabilities
Monetary payables whose current values are close to their carrying values:

It is supposed that the current values of the trade payables and the other monetary liabilities are close to their carrying values as they are short-term liabilities. Bank loans are stated with discounted cost and transaction costs are added to initial record values of the loans. As the interest rates on them are updated by considering the floating market conditions, it is assumed that the current values of the loans represent the carrying value of them. The current value of the loans (fixed interest rate) is TL 107.482.435, whereas the carrying value is TL 101.870.741. It is proposed that the current values of the trade payables are close to their carrying values, after a provision for rediscount is made.

Table of fair value measurement hierarchy

The Company classifies the financial instruments, which are represented in the financial statements with their fair values, as per the source of valuation inputs of each financial instrument class by using the following three-level hierarchical classification :

Level 1: Valuation techniques where quoted (not adjusted) active market prices are used for the determined financial instruments.

Level 2: Other valuation techniques involving direct or indirect observable input.

Level 3: Valuation techniques which do not involve observable market inputs.

(Unless indicated otherwise all the amounts are in Turkish Liras)

30. Financial Instruments (continued)

The below table shows the hierarchy of the financial assets and liabilities, as of December 31, 2014, which are monitored by the Company with their fair values:

	Level 1	Level 2 (*)	Level 3
Financial assets carried to the balance sheet with their current values	-	1.889.400	-
Financial liabilities carried to the balance sheet with their current values	-	8.116.150	-
Futures current value	-	**6.226.750**	-

(*) The fair value was calculated, by taking market interest rate of the original forward rate (which was valid for the rest of the contract for the relevant currency) as a reference.

31. Events After the Date of Reporting

Not Available.

32. Other Issues Which Considerably Affect the Financial Statements or Have to be Explained in Order for Financial Statements to be Clear, Interpretable and Understandable

	December 31, 2014 (TL Amount)	December 31, 2013 (TL Amount)
Total amount of insurance on assets	**336.195.965**	352.380.362

Corporate Governance Compliance Report

Our Company obeys the Corporate Governance Principles published by Capital Markets Board and implement thereof within the activity year 2014.

As our Company is within the scope of Capital Markets Board regulations, it precisely performs its legal obligations on public disclosure and transparency, and discloses its financial statements, footnotes and Independent Audit Reports to the public periodically. Also makes material disclosures to Borsa İstanbul A.Ş., in case of extraordinary circumstances.

Our Company, who has an important place in plastic doors and windows industry, gives particular importance to customer satisfaction.

Customer Relations Department has been formed for customer intimacy. The demands and requirements are evaluated through periodic surveys and the interviews with our dealers, and concordantly decisions are made.

Part 1 - Shareholders

1.1. Shareholder Relations Unit

Our Company has not formed a private unit for the relationships with the shareholders. As per article 11 of Corporate Governance Communique; Capital Market Advanced Level Licensee Gülşah Kara, who is associated with Directorate of Financial Affairs, has appointed to the Investor Relations Unit, as the Manager of the Investor Relations Unit and as the member of the Corporate Governance Committee; also Banu Özberber and Aşye Kara continue their jobs in the Investor Relations Unit.

Some of the major duties of the unit are as follows:

- to reply the information requests of the shareholders,
- to ensure the general meeting be held properly,
- to prepare documents for the shareholders for the general meeting,
- to provide the records of voting results kept and forward the related reports on the results to the shareholders,
- to pursue, monitor and achieve all kinds of issues related to public disclosure.

Banu ÖZBERBER Accounting and Reporting Director	Gülşah KARAN Finance Manager	Ayşe KARA Accounting and Reporting Specialist
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1.2. Enjoyment of Right to Information

Information requests of the shareholders are replied by our employees assigned by the Directorate of Financial Affairs, and they are informed on subjects such as general assemblies, shares, profit share proposals, etc.

Two written information requests have been received from our shareholders within the period, and both of them have been replied.

All the information requests and questions of our shareholders by phone have been completely replied.

Almost all of the questions asked by the shareholders are related to progress of our shares in the stock-exchange market, sales turnover, periodic income, dividend distribution. The questions on undisclosed issues are not replied as per Capital Markets Board Regulation, whereas for disclosed information the shareholders are enabled to reach easily and properly. General disclosures and the Material Disclosures are announced through Borsa Istanbul A.Ş. and KAP (Public Disclosure Platform)

There is no arrangement in our articles of incorporation on an individual right 'demand for assignment of a private auditor', however, the articles of Turkish Commercial Code are considered for the situations for which there exist no provisions in the articles of incorporation.

1.3. Information about the General Assembly

Ordinary Meeting of the General Assembly of 2014 for the 2013 activities of our Company was held at our Registered Office address, Atatürk Organize Sanayi Bölgesi 10003 Sok. No: 5 Çiğli - İZMİR, on May 14, 2014.

The meeting was held with a majority of 97,54% with the attendance of total 5.956.690.000 shares (TL 59.566.900,00 capital equivalent) consisting of 7.000 principle and 5.810.052.200 shares by proxy,

It is indicated in the articles of incorporation that; for the meetings of our General Assembly, attendance of shareholders representing at least 75% of the company capital is required. It is indicated in the invitations for the meetings that the articles of incorporation requires attendance of shareholders representing at least 75% of the company capital for the meetings of our General Assembly. The invitations for the meetings have been done through announcing in the 784th page of the Trade Registry Gazette no 8549 dated 14.04.2014. the following information are included in these invitation announcements: place, date, time of the meeting of the general assembly; requirement of a copy of the power of attorney for the representatives who will attend the meeting; deadline of removal of the restrictions for the shareholders applying constraints; and information about the date and place when/where 2013 financial statements, the board of the directors, independent auditor and audit reports shall be available for the review of the shareholders.

The shareholders had exercised their right of questioning and did not make any suggestion.

Taking resolution on the following issues is only possible with the Resolution of the General Assembly:

- i) Amendments in articles of incorporation,
- ii) Assignment discharge and dismission of the members of the Board of Directors (except the assignment of a temporary member by the board as per article 10 of the articles of incorporation).
- iii) Approval of annual balance sheet, profit and loss account of the Company and profit distribution,
- iv) Issuance of bonds or other securities by the Company, without prejudice to the provisions of the Annex 32,
- vi) Unless a more severe quorum is proposed as per the regulation, the aggravated quorums in the 20th article of the articles of incorporation are implemented in taking decisions: on company's liquidation or merging; on transactions of key quality (determined as per the Capital Market Law article 23 clause 1); on restriction of right to get shares; on authorisation of the board of directors for restriction of right to get new share within the registered capital system; on capital decrease.

The minutes of the meeting of the General Assembly are submitted at the registered office for the shareholders' opinion.

Attendance to the Meeting of the General Assembly through Electronic General Meeting System

The beneficiaries who have the right to attend the meetings of the general assembly of the Company may attend those meetings electronically as per article 1527 of the Turkish Commercial Code. The Company may either set up the electronic general meeting system, which will enable the beneficiaries to electronically attend the general meetings, make suggestions and to vote as per provisions of the Regulation on Electronically held General Meetings in Incorporated Companies, or may buy service from systems built for this purpose.

However, as the electronic general meeting is not imperative for the companies traded at IMKB (Istanbul Stock Exchange Market) Second National Market and they can held electronic general meeting voluntarily, electronic general meeting has not been set forth in articles of incorporation and the general meeting was held by actual presence of the members.

Donation and Aid Policies

Our Company may grant donation and aid to foundations, associations, educational institutions, state institutions and organisations operating on social, cultural, education and similar purposes, with the consent of the Management and within the basis indicated in the Capital Market Board and the Turkish Commercial Code. The applicable regulations of the Ministry of Finance are considered when granting a donation and aid, as well as, been attentive for choosing tax exempt organisations. Conformity with the social responsibility criteria is regarded in selection of the form and amount of the donation, as well as selection of the grantee institution, organisation or Civil Society Organisation. Apart from these, donation and aid can be also granted to the foundations, associations and similar institutions founded to be active in areas within the scope of Company activities. Detailed information about all donations and aids granted within the period are given to the shareholders, at the Ordinary General Meeting of the relevant year. Hence, the shareholders have been informed about the donations and aids granted within the period, with a separate agenda item at the general meeting of our Company. There is no change in donation and aid policies of our Company.

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1.4&5. Voting Rights and Dissentive Rights

Each share has one voting right at the Ordinary and Extraordinary General Assembly Meetings as per the articles of incorporation, and no multiple vote securities exist. Voting at the meetings of the General Assembly are open votes by show of hands. However, in case of request of the shareholders or the representatives representing 5% of the capital, secret voting is a must. Cumulative voting system is not applied at general meetings. Quorum at general assembly is content of 75% of the present votes regardless of which meeting (in order) it is.

1.6. Profit Distribution Policy and Time

According to articles of incorporation of our Company; after the amounts which have to be paid and reserved by the Company such as overhead expenses and sundry depreciations and the compulsory taxes/levies which have to be paid by the legal entity are deducted from the incomes determined at the end of the accounting year, rest of the amount which is demonstrated in the annual balance sheet as the net profit is distributed respectively as follows (after accumulated losses are deducted- if exist):

Primary Reserve

a) Five percent (5%) legal reserves appropriated

First Dividend

b) The first dividend in the proportion and amount determined by the Capital Markets Border is reserved from the rest.
c) Ten percent (10%) of the rest is distributed to the founding dividend shareholders.

Second Dividend

d) The general assembly is authorised to distribute (partly or wholly) rest of the amount, after the amounts mentioned in clauses a,b and c are deducted, as the second dividend or to reserve as excess reserve.

Secondary Legal Reserve

e) As per the Turkish Commercial Code article 519 clause 3 paragraph 3; after dividend in the amount of 5% of the paid capital is deducted from the amount resolved to distribute to the shareholders and the other participants (profit sharing persons), 10% of the rest of the amount is reserved as secondary legal reserve.

f) No decisions can be given: on further reserve unless the legal reserves (which have to be reserved as per the statutory provision) and the primary reserve (which has been determined for the allocation, in the articles of incorporation) are allocated; on transfer of any profit to the next year; on giving the members of the board officers employees and workers share out of profit unless the primary reserve is allocated.

The profit of our Company to be distributed for the related year is determined by considering the provisions of the legislation and by a distribution policy which takes into account the dividend proposals submitted to the General Assembly's approval by our board of directors, profitability of our Company, expectations of the shareholders and the growth strategies of our Company.

The meetings of General Assembly are held every year, within the 3 months following end of the accounting period, and the profit distribution is conducted within the time pursuant to the distribution date decided at the meeting of the general assembly. The profit distribution proposal of the board of the directors also takes place in "earnings per share activity report".

There is no concession in participation to the Company profit. The profit distribution policy has been declared to the public, submitted for shareholders' information and included in the activity report.

Concerning 2014 account period of our Company, It has been decided at the meeting of the general assembly that the distributable net profit of the period shall be retained at the accumulated profit/loss account in order for use in investment project.

1.7. Assignment of Shares

There is no restrictive provisions in the articles of incorporation on assignment of the shares.

Part 2 - Public Disclosure and Transparency

2.1. Information Policy of the Company

Our Company's information policy aims, completely fairly accurately timely and intelligibly submitting our Company's track record future expectations (to the extent that our sector privacy allows) vision (except the confidential business information) and generally accepted accounting principles, for the shareholders' capital market participants' and the public's information, within the scope of Provisions of the Capital Market.

In the matter of public disclosure, our Company complies with the Turkish Commercial Code (TTK), Capital Market Legislation, Capital Market Board (SPK) and the Regulations of Borsa Istanbul A.Ş. (IMKB); shows ultimate attention to actualise the principles take place in Corporate Governance Principles of the Capital Market Board, to the extent our sector privacy allows. This policy arranges verbal and written communication of the Company with its shareholders, stakeholders and the capital market participators.

The Board of Directors is responsible from establishment, monitoring, review and improvement of the Company's Policy.

Public Disclosure Methods and Instruments

Without prejudice to the provisions of the Capital Market Legislation and Turkish Commercial Code, the public disclosure policies methods and instruments of the Company are as follows:

a) Material disclosures conveyed to IMKB through KAP (Public Disclosure Platform),
b) Central Registry Agency (MKK- Merkezi Kayıt Kuruluşu) "e-YÖNET : Corporate Governance and Investor Relation Portal ("e-YÖNET : Kurumsal Yönetim ve Yatırımcı İlişkileri Portalı)
c) Financial statements, footnotes, independent audit report and declarations which are periodically conveyed to IMKB through KAP,
d) Annual activity reports
e) Corporate website {www.egeprofil.com.tr}
f) Notices and announcements made through Turkish Trade Registry Gazette and daily newspapers.
g) Press releases through printed and visual media
h) Teleconference or face-to face contact and negotiation meetings with Capital Market Participators,
ı) Communication methods and instruments such as telephone, electronic mail, telefax, etc.

Persons Authorised for Public Disclosure
The persons authorised to make a disclosure related to the requested information other than the above written declarations and their authority limits are determined according to the significance level of the requested information. All kinds of questions and explanations directed to the Company can be answered by the persons assigned by the Chairman and the Member of the Board of Directors, Members of the Board of Supervisions, General Manager, Directorate of Financial Affairs, verbally or in written and within the limits of their authorisations. The employees other than those are not authorised to answer written and/or verbal information requests from the capital market participators.

Material Public Disclosure
Material disclosures are prepared by the Directorate of Financial Affairs and informed to IMKB via KAP, with the electronic signatures of the two authorised persons and declared to the public through the COMPANY website. Material disclosures are prepared timely, accurately, comprehensibly and free from deceptive statements. If it is determined that a person involuntarily declares a significant and confidential information, which has not been disclosed before, to the public, this circumstance is informed to the persons assigned by the Directorate of Financial Affairs. In such a case, a material disclosure is prepared in accordance with the provisions of the Capital Market Legislation and conveyed to IMKB via KAP.

Our company had 11 material disclosure in 2014. All our material disclosures pursuant to the Disclosure Principles have been made in time and in compliance with the legal legislation. No amendment and annotation have been made by Borsa Istanbul A.Ş. and the Capital Markets Board in 2014 related to those material disclosures.

Declaration of the Financial Statements to the Public
The interim and annual financial statements of the company are prepared pursuant to provisions determined by the Capital Markets Board and in compliance with the International Financial Reporting Standards. They are audited for the periods set forth by the legislation and declared to the public pursuant to the Capital Market legislation, with the assent of the Audit Committee and approval of the Board of Directors, together with the state of responsibility (statement of accuracy by the authorised persons),and by conveying to IMKB via KAP. The interim and annual financial statements of the previous periods can be reached from our website.

Corporate Website
Our Company's website is www.egeprofil.com.tr. Auto-switch to www.egepen.com.tr and www.winsa.com.tr websites is provided when entered to our website. Information about our brands, Egepen Deceuninck and Winsa, our dealers and services take place on our website. Also with the www.deceuninck. com link on our website, it is possible to get information about Deceuninck Group which we are affiliated. The information determined by Turkish Commercial Code and the Corporate Governance Principles of Capital Markets Board take place and updated on Company's website. The announcements, documents on agenda items, other information documentation and reports related to agenda items of the meetings of the General Assembly, and the information about the General Meeting attendance methods are also conspicuously take place on the website. The disclosures made on Company's website does not substitute the declarations and material disclosures which have to be made as per the provisions of the Capital Market Legislation. All kinds of measures are taken for the security of the Company's website and the studies are continued for the improvement. Easy access to the former and the current information has been provided on Company's website. The disclosures to the public are published both in Turkish and in English.

Meeting of General Assembly
From the date of the invitation to the General Assembly; the financial statements and reports including the Activity Report, profit distribution proposal, independent audit company selection, policies required to be established as per Capital Markets Board, other documents constituting a base to the agenda items of the General Assembly and the current Articles of Incorporation and the text of amendment to the main contract (if exist) are kept open for inspection at the registered office and on Company's website where can be easily reached by the shareholders. The agenda titles of the General Assembly are stated clearly and without causing any dispute.

Activity Report
The content of the activity report is prepared in compliance with Turkish Commercial Code, Capital Market legislation and the Corporate Governance Principle of Capital Markets Board. Following the approval of the Board of Directors, the activity report is submitted to the shareholders at the meeting of the General Assembly and then published in Company's website.

Declarations and Announcements through Turkish Trade Registry Gazette and Daily Newspapers
The announcements related to the General Assembly, amendments in Articles of Incorporation, capital increase and profit distribution are made both through Turkish Trade Registry Gazette and daily newspapers, pursuant to Capital Market Law, Turkish Commercial Code and the Articles of Incorporation.

Disclosures to the Media
And disclosure by holding a Press Conference and/or through a Press Release on any subjects are made with the instruction of the General Manager. In critical situations Board approval is received. The Press Conference to be held and/or the Press Release are announced by the Corporate Communication Department to the media institutions

Determining the Persons having Administrative Responsibility and Compiling Internal Information Access List
The person who have administrative responsibility involves members of the Company's managing and audit bodies and the persons (although are not the members of those bodies) have directly or indirectly access to the internal information of the Company and the persons who have close relationship with them
Internal Information Access List is e-mailed to the related institution, to whom we gave power of attorney for the fulfilment of our transactions at Central Registry Agency ,and the printed lists are kept in the Company.

Postponement of Disclosure of Internal Information
The information defined as internal information are the information which have not been declared to the public yet and which can affect the value of the issued public securities and the decisions of the investors, who holds or acquire those securities, related to these instruments. Postponement of the disclosure of the internal information to hold the legal rights and the benefits harmless is under the authority of the Board of Directors and/or the General Manager. Ensuring the confidentiality of the information within the postponement period is under the responsibility of the personnel having access to those information, and the necessary measures are taken by the General Management, and the disclosure is made immediately after the removal of the reason of the postponement.

Measures Taken for Providing Confidentiality of the Internal Information Until Public Disclosure
A great importance is attached to the company employees' attention for the observance of the rules related to the use of the internal information. Company employees secure the information they inquired within their work periods, which are considered as the confidential business information of the Company, both during and after their employment and do not directly or indirectly use those information.

Communication with the Capital Market Participators
Our Company has not formed a private unit for its relations with the shareholders and the persons assigned by the Directorate of Financial Affairs manage/maintain the relations with the shareholders.

The Procedures Against the News in the Media Organs and Follow-up Mechanism
The Internet, written and visual media are daily followed up by Media Monitoring Agency. Also, the news related to the company on other subscribed data broadcasting channels are followed up. The content of the news related to the Company are evaluated by the General Management and Material Disclosure is made if considered necessary.

The Baseless News in the Market
As a principle, the Company does not deliver any opinion on market rumours and speculations related to the Company. However, in case a verification request is made by SPK and/or IMKB within the provisions of Capital Market Legislation or the Company management considers that an opinion delivery is necessary and appropriate, an explanation is made related to the rumours in the market.

Prudential Explanations
In case it is considered necessary within the Company Information Policy, the anticipatory expectations can be disclosed with the approval of the Board of Directors and/or the General Manager, only by the persons authorised for public disclosure.

Enforcement
This information policy comes into force with its presentation to General Assembly's information. In case a change is required in the information policy, it is first approved by the Board of Directors and then submitted to General Assembly's information and declared to the public.

2.2. Corporate Website and its Contents

Our Company's website is www.egeprofil.com.tr. Auto-switch to www.egepen.com.tr and www.winsa.com.tr websites is provided when entered to our website. Information about our brands, Egepen Deceuninck and Winsa, our dealers and services take place in our website. Also with the www.deceuninck. com link on our website, it is possible to get information about Deceuninck Group which we are affiliated.

The information determined by Turkish Commercial Code and the Corporate Governance Principles of Capital Markets Board take place and updated in Company's website.

The announcements, documents on agenda items , other information documentation and reports related to agenda items of the meetings of the General Assembly, and the information about the General Meeting attendance methods are also conspicuously take place in the website.

The disclosures made on Company's website does not substitute the declarations and material disclosures which have to be made as per the provisions of the Capital Market Legislation.

All kinds of measures are taken for the security of the Company's website and the studies are continued for the improvement. Easy access to the former and the current information has been provided in the website of the Company. The disclosures to the public are published both in Turkish and in English.

Announcement of Real Person Ultimate Controlling Shareholder(s)

No real person ultimate controlling shareholder exist in our Company. The current partnership structure of our company is as follows:

	31, December 2014	
	Amount (TL)	Share %
Deceuninck NV	58.100.520	97,54
Public Offerings	1.466.380	2,46
Total	**59.566.900**	**100,00**

Easy access to the former and the current information declared to the public have been provided on the website of the Company. The disclosures to the public are published both in Turkish and in English.

2.3 Activity Report

The content of the activity report is prepared in compliance with Turkish Commercial Code, Capital Market legislation and the Corporate Governance Principle of Capital Markets Board. Following the Board of Directors' approval, the activity report is submitted to the shareholders at the meeting of the General Assembly and then published on Company's website.

Announcement of the Persons to the Public (whose announcement is appropriate)

Furthermore, in the activity report of our company, the list of the department managers, General Manager, Members of the Board of Directors and the Supervisory Board take place.

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Part 3 - The Stakeholders

3.1. Informing the Stakeholders

The stakeholders are informed about the activities of our Company through general assemblies and the material disclosures made within the frame of the principles of public disclosure. These notifications are made through activity reports and Istanbul Stock Exchange Market and KAP (Public Disclosure Platform) .

3.2 Codetermination of the Stakeholders

in order for codetermination of our employees at various levels, regular meetings are held in every 3 months, with the attendance of the department managers and directors and the senior management (represented on the department basis), and the annual targets set are reviewed, and the attendants compare notes about the relevant matters. The decisions made are implemented by the departments and necessary improvements are performed.

3.3. Human Resources Policy

The Human Resources Department grounds on success and conducts modern and strategic human resources applications, in harmony with Company's mission vision and basic values, with the consciousness of that the most effective source for the fulfilment of the objectives is human, concertedly with the other departments.

Objective of our Human Resources Policy;
is to carry our Company into future with our highly motivated employees who feel the Company's spirit inside and have high work satisfaction and performance, and to ensure achievement of the long term goals.

In this context, our principles are as follows;

- to provide a suitable working condition for our employees for their improvement in both personal and vocational manner, to organise training programs for enhancing their knowledge, skills and self-improvement,
- to evaluate their performance by measuring with objective criteria,
- to award the high performance, to support improvement of the performance lower than the expected,
- to create a secure, healthy and peaceful working environment in terms of occupational health and safety,
- to organise various social activities/events to increase morale and motivations of the employees. To provide belongingness, unity and solidarity with these social activities,
- to take necessary measures which increase the efficiency and productivity and improve the working conditions.

Recruitment Policy

The most important factor behind our success is our employees. For this reason, our primary objective in the recruitment process is to employ persons having qualifications and competency appropriate to our Company policies. Our Human Resources department gives fair opportunity to everybody, without and religious language racial or sex discrimination. Our recruitment process is carried out within the frame of the rules defined in 'Personnel Recruitment Procedure'. The compatibility of the person to the position is evaluated in direct proportion to the compatibility to the current job definition. The human resources and the relevant director conduct two separate interviews with the persons considered adequate. The applicants who be successful in the interviews are subjected to personality inventory analysis, foreign language test and other tests as per the requirements of the position.

Training Policy

Our Company who acknowledges that the most important capital of the company is the human, makes continuous investments on human as a principle. In this context, all our employees have various trainings for their professional and personal development. The training programs are prepared in accordance with the performance evaluations conducted all the year round and the requirements of the position, and they are arranged within the year. Our Company who attach a particular importance to health and security of the employees, organises several Occupational Health and Safety and First-aid Trainings all the year round.

Indemnity Policy

Our company has taken Labour Law no 4857 as reference while determining the indemnity policy for its employees.

In this regard;
Severance pay for an employee who has a certain period of seniority and whose labour contract is terminated because of any circumstance set forth in Law no 4857 is paid to that personnel (or in case of death, to the heirs of the deceased) pursuant to the articles 14,24 and 25 of the Law, on the basis of term of employment and wage of the said personnel. Notice pay is paid to the employee in cash pursuant to the article 17 of Law no 4857 or it can be compensated by allotting time to the employee to seek work provided that the termination of the labour contract is noticed him/her before an adequate time (depending on the seniority of the employee) before the termination.

3.4. Information about the Relationships with the Customers and Suppliers

Our company endeavours to meet the requirements and expectations with multidirectional communication, in order to increase both customer and supplier satisfaction. For this purpose, demands and expectations are inquired from the first hand by the visits performed to the customers and the suppliers and the client surveys made, and solutions are searched. We formed a department where the end user complaints on the products our company produces are received. This unit can be easily reached with all kinds of communication instruments. The complaints are evaluated and searched and any quality deficiency is immediately recovered.

3.5. Codes of Conduct and Social Responsibility

Codes of Conduct
Our partner Deceuninck NV has announced the Corporate Codes of Conduct, which have been established in all partner companies, to its employees in our company in 2004, and in all recruitments these codes are signed. The aim of the Corporate Codes of Conduct is to reveal our faith in high ethical values and to consolidate urgent and consistent actions for protection of those standards. All employees commits to comply with the high ethical and social standards in terms of the content and essence of the documents.

Responsibility to Each Other
You and your ideas create value and success for the Company. We have to appreciate and respect to any unique character and contribution of each employee.

Diversity
We encourage diversity among our employees. Diversity of the individuals and the thoughts are commercial advantages for our Company.

Equality of Opportunity
Any discrimination, to any of our employee or anybody we cooperate with, because age race religious sex physical disability nationality sexual orientation veteran or legally protected any other circumstance is not permitted.

Mobbing and Violence
Mobbing or violence in the workplace is definitely forbidden and they are no tolerated. Undesirable intimacy or sexual demands, indecorums, rags, intimidation, tyranny or physical contact or similar undesirable behaviours or any other behaviour causing an irritant or unfriendly work environment is considered as mobbing.

Security and Health
We commit to create a safe and healthy workplace, and to be attentive to each other, to the Company, and to the environment. Each of us is obliged to obey the health and safety rules effective in our workplace. All of us are responsible to take the necessary measures to protect ourselves and our colleagues from any accident, injury and insecure situation. Also, we have to immediately report health and security threatening situations and have take necessary steps to eliminate them.

Alcohol/Drug Abuse
We commit to create a workplace far from drug abuse. Working under influence of alcohol or drugs endanger ourselves end the others. It is forbidden to use, carry and distribute unpermitted drugs and alcohol within the working hours of the Company or within the facilities of the Company. In special occasions, alcohol use can be exceptionally allowed by the management. The employees are encouraged to have alcohol and drug abuse treatment.

Wage/Salary
Ege Profil A.Ş. does not pay to its employees any wage/salary under legal minimum wage or the minimum wage in the sector.

Human Rights

Ege Profil A.Ş. commits to protect human rights all over the world. For that purpose our Company supports the following standards:

- Provides equal opportunities to all its employees at all levels regardless of their age, race, religious, sex, physical disability, nationality, sexual orientation, veteran or any other legally protected situation,
- Provides a secure and healthy workplace where human and environment health is protected,
- Does not pay wage under the legal minimum wage or the minimum wage in the sector. Creates opportunities to improve their skills and abilities,
- Our Company does not employ children and does not support their employment. The child labour is defined as the persons under minimum age permitted by the law enacted by the related authorities. Ege Profil A.Ş. in no sense employs persons under ages of 16 on purpose.
- Our Company makes contracts with its employees totally on voluntary basis. Company never force anybody directly or indirectly to work for the Company and does not support mandatory labour.

Information Technology Sources

We, as Ege Profil A.Ş., have to use information technology sources with ethical methods and with responsibility, in accordance with the rules. Getting unethical information (over porno, violence or racist, etc websites) is forbidden.

Liability Towards the Company

Conflicts of Interest

The commercial decisions taken and the activities being involved on behalf of the Company should never get affected from personal opinions and relations. We shouldn't use Company's properties, information and our position for our personal or familial interests. Conflict of interest may arise when we establish a business relation with our family members or close friends, within or out of the Company, or ourselves or any of our family members directly or indirectly get any personal or financial benefit from any such business. This circumstance may also occur in case external interests affect our capacity of doing our business in the way we desire. We should never attempt to involve in a business which may compete with the company, or to acquire a property or similar assets, which may be expected the Company to reasonably profit form, before offering the said opportunity first to the Company.

Liability Towards the Public

Environment
Protecting the environment is the right choice and is a part of our Corporate strategy. We commit to be attentive to each other, to the company, and to the environment. We endeavour to reduce wastes, emissions and dumped substances in all our activities. We use, process, transport and discharge all raw materials, products and wastes safely. Also, we help the others to acknowledge the environmental liability they bear while using our products. We endeavour to permanently take our environmental implementations further together with the government agencies, contractors and communities. The commitment we give for the environment is a responsible to be shared by everybody. Nobody can claim that this is another's duty.

Liability Towards our Business Partners

External Business
We have to be honest to our suppliers and contractors. We believe in working together with persons who adopt and exhibit high standards in their business. We do not lean towards lawbreaker suppliers (including environmental, occupational and health laws).

Liability Towards Laws
Legal act standards are the minimum acceptable behaviour level for us. Obviously, we have to obey the laws; however we aim at high standards. The spirit of our corporate codes of conduct helps us against special conditions. Accordingly, we must comprehend the aim and spirit of our Corporate codes of conduct and we have to consult with the related persons in case we are undecided about the preferences related to our acts.

Social Liability
Izmir manufacturing plant and Kocaeli-Sarımeşe manufacturing plant are certificated according to TS EN ISO 9001 Quality Management, TS EN ISO 14001 Environmental Management System and TS 18001 Occupational Health and Safety Management System Standards, respectively since 2007 and 2008.

Our company did not incur any accusation or sanction for environment protection till now. In 2007 our Company lead the sector in another subject by using eco-friendly Calcium-Zinc stabiliser instead of Lead stabiliser. We recycle 90% of the waste produced at the production stage, by reusing in its production. We converted our heating system to natural gas in the plants of our Company, which is not subjected to emission permission, and thus have taken an important step in preventing air pollution. Our recyclable wastes are collected separately and delivered to the certified establishments for recycling. The hazardous wastes are also delivered to certified establishments and disposed securely. In our Company, which is not subject to noise permission, noise level is being measured day and night and noise level is being kept within the legal limits allowed. There is no lawsuit against our Company for any harm posed to the environment.

Part 4- Board of Directors

4.1 Function of the Board of Directors

The Board of Directors manages and represents the Company with a rational and prudent risk management approach by keeping the risk, growth and profit balance of the Company at the most appropriate level with the strategic decisions it takes, primarily by looking after Company's long-term benefits.

The Board identifies the strategic targets of the Company and determines the human and financial sources to be required by the Company.

Observes the conformity of the Company's activities/operations with the legislation, articles of the incorporation, internal regulations and the policies established.

The scope of the duties, rules of procedures and the constituent members of the committees to be formed within the Board of Directors are specified by the Board of Directors in accordance with the provisions of the Capital Market legislation.

The Company policies and rules, which have to prepared pursuant to the Capital Market legislation are prepared by the Board of Directors, if necessary it is submitted to General Assembly's information and approval and then announced.

4.2. Principles of the Board of Directors' Activities

According to the articles of incorporation, although the meeting of the Board of Directors can be held whenever required, the meetings have to be held maximum within 3 months following the previous board meeting and at least four times a year.

The members are invited to the meetings by the General Management secretarial, in written. The agenda is determined with the interviews of the Chairman of the Board of Directors with the members. There exist regulations in the articles of incorporation for the validity of the decisions of the Board of Directors, and pursuant thereto the Board of Directors meeting is held with the majority of the total member number and the decisions are made with the majority of the number of the members attended to the meeting. The members of the Board of Directors have the rights for disapproval and to lodge a statement of opposition.

The veto rights of the members of the Board of Directors are enacted as per the articles of incorporation.

Prohibition of Competition and Trading of the Members of the Board of Directors with the Company.

There is no regulation in the articles of incorporation of our Company regarding prohibition of competition and trade of the chairman and the members of the Board of Directors with the Company, and they are not allowed to transact business directly or indirectly in the name or on behalf of themselves or others' without the permission of the general assembly. The related provisions of Turkish Commercial Code apply in case any transaction is determined.

In consequence of the resolutions given in the General Assembly of our Company, the authorisations listed in the 395th and 396th articles of the Turkish Commercial Code have been granted to the members of the Board of Directors.

Within the activity year of 2014, the members of the Board of Directors did not transact any business related to the Company and did not embark on an enterprise in competition with the subjects of the activities. Total 16 meetings of Board of Directors have been held within 2014.

4.3. Structure of the Board of Directors

The Board of Directors is selected by the general assembly pursuant to Turkish Commercial Code, among the shareholders or extrinsically, and it consists of minimum 5 (five) members.

The Board of Directors is formed in a way that it enables the members to do efficient and constructive works, to take fast and rational decisions, and to organise the formation and effective operation of the committees. The number, qualification and assignment methods of the supervisory non-management directors in the Board of Directors are specified as per the relevant provisions of the related legislation and the regulations related to Corporate governance of the Capital Markets Board. The members of the Board of Directors are selected in accordance with the Capital Market Legislation, Turkish Commercial Code and the Provisions of Articles of Incorporation. Re-election of the independent members, whose term office is expired, is possible provided to comply with the regulations of the capital market legislation.

The company is managed and represented by the Board of Directors.

The members of the Board of Directors are selected maximum for three years. The members whose term office expire can be re-elected. In case of an open position, the Board of Directors selects a person having legal requirements non-permanent membership of the board of directors.

Such non-permanent member assigned pursue his/her task until the next meeting of the general assembly and he/she continues to fulfil his/her duty until the date that the term office of the previous member expires, if the general assembly approves.

In case a legal entity is elected to the board membership, “one” real person (who is designated by the legal entity) is also registered and announced together with this legal entity, on behalf of the legal entity, and this registration and announcement is immediately disclosed on company’s website. Only this person can attend to the meetings can vote on behalf of this legal entity. The members of the board of directors and the real persons to be registered on behalf of the legal entities have to be fully competent.

Following the membership election, the members make a job sharing amongst . The Board of the Directors is authorised to partly or wholly assign the management to one or several board member(s) or to a third person, with an internal directive to be drawn up by the board.

4.4. Meetings of Board of Directors

The meeting of the Board of Directors can be held either by demand of any member of the Board of Directors or ex officio by the chairman of the board of directors, at any time. But the meeting has to be held maximum within three months following the previous meeting and at least four times a year. The meeting of the Board of Directors is held with the majority of the total member numbers and the decision can be taken with the majority of the members attend to the meeting.

The date of the board meeting is notified to the members at least 10 (ten) days prior to the date of meeting. The aforesaid notification involves a reasonable summary of the agenda and the relevant reports and documents (if exist). The meetings of Board of Directors is held at a place within the country or abroad (to be determined by the board) and in English. However the resolutions and the minutes of the meeting of the Board of Directors are taken/issued in Turkish. The English translations of the decisions made are attached to the resolution.

The persons who have right to attend the meeting of the board of directors of the Company can electronically participate those meetings as per article 1527 of the Turkish Commercial Code. The Company may either set up the Electronic Meeting System, which will enable the beneficiaries to electronically attend the those meetings and to vote as per provisions of the Regulation on Electronically held Assemblies in Trading Companies Other than the General Assemblies of the Incorporated Companies or may buy service from systems built for this purpose.

4.5. Number, Structure and Independency of the Committees Formed within the Board of Directors

The Board of Directors of the Company and the committees which has to be formed pursuant to Corporate Governance Principles consist of following names:

Board of the Directors	
Clement Edmont De Meersman	Chairman of the Board of Directors
Tom A.Debusschere	Member of the Board of Directors
Ergün Çiçekci	Member of the Board of Directors
Marcel Klepfisch	Member of the Board of Directors (Independent Member)
Yasemin Ünlü Romano	Member of the Board of Directors (Independent Member)
Audit Committee	
Marcel Klepfisch	Member of the Board of Directors (Independent Member)
Yasemin Ünlü Romano	Member of the Board of Directors (Independent Member)

Audit Committee consists of 2 members and holds meeting in every 3 months. The Audit Committee carries on its activities according to the generally accepted principles, and there exist no other regulation in which the relevant procedures are written. The members of the Audit Committee are selected from non-executive crackerjack members.

Early Detection of Risk Committee

Clement Edmont De Meersman	Chairman of the Board of Directors
Marcel Klepfisch	Member of the Board of Directors (Independent Member)
Koen Kurt Vergote	Financial Analysis and Budget Director
Nurcan Güngör	Director of Finance

Corporate Governance Committee

Marcel Klepfisch	Member of the Board of Directors (Independent Member)
Tom A.Debusschere	Member of the Board of Directors

The Early Detection of Risk Committee and the Corporate Governance Committee carry on their activities according to the generally accepted principles, and there exist no other regulation in which the relevant procedures are written.

Risk Management and Internal Control Mechanism

The internal control unit of our partner Deceuninck Group conducts audits, within the frame of the annual audit plans determined every year, and reports the findings obtained from the audits. The relevant audits on compliance of the activities and the operations carried out with either legal legislation or Company policies are conducted.

The internal control unit has conveyed the findings of its audit conducted on 14 June 2014 and determined the development fields. The action related to those development fields has been immediately constituted. The matters related to the follow up of the findings have been added into the next year's audit plan.

Furthermore, with the periodic internal audits performed within our company , it is being inspected whether the requirements of TS EN ISO 9001 Quality Management System, TS EN ISO 14001 Environmental Management System, TS 18001 Occupational Health and Safety Management System are fulfilled or not and the improvement activities are started if appropriate.

Besides, our company aiming continuous improvement by using simple production techniques, measures the in-plant order and organisation on team basis through monthly performed 5S audits.

Our company aims at offering a healthier and safer working environment to the employees working for or on behalf of the Company, dealers, visitors and suppliers and aims at protecting the environment while it carries out its activities. Accordingly it works with the continuous improvement philosophy complying with the legal necessities related to occupational health and safety and environment. In addition to the consultancy service we provide from an Occupational Safety Consulting company we employ an Occupational Safety Specialist within our company.

4.6. Financial Right Granted to the Board of Directors

The total wages and honorarium to be granted to the chairman and the members of the Board of Directors are determined by the general assembly. For the salaries (wages) of the independent members of the Board of Directors share certificate options and Company performance-dependent pay plans are not used. The total wages and similar benefits granted to the chairman and members of the Board of Directors and the senior directors such as general manager, general coordinator, deputy general managers, as of December 31, 2014 is TL 4.370.860.82 (December 31, 2013 - TL 4.005.906).

Our company takes into consideration the energy policies being implemented in the World and Turkey. Both because of our environmental consciousness and as a part of our efficiency studies, we have R&D projects aiming development of low-energy consuming products.

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