

**CONVENIENCE TRANSLATION INTO ENGLISH OF CONSOLIDATED
FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH**

TEKNOSA İÇ VE DIŞ TİCARET A.Ş.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2012**

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

NOTE 22 - EARNINGS PER SHARE

Earnings per share disclosed in the consolidated statements of comprehensive income is determined by dividing net profit by the weighted average number of shares that have been outstanding during the period.

	2012	2011
Net profit for the year	50.443	50.225
Weighted average number of ordinary shares in issue	11.000.000.0000	11.000.000.0000
Earnings per 1,000 share (TL) (*)	4,59	4,56

(*) Earnings per share are expressed in full TL.

NOTE 23 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties disclosed below are defined as related party as they are directly or jointly controlled by the Hacı Ömer Sabancı Holding A.Ş. which is the parent of Teknosa; or as Hacı Ömer Sabancı Holding A.Ş. has significant influence on the said companies.

i) Due from and due to related parties as of 31 December 2012 and 2011:

a) Due from related parties:	2012	2011
Akbank T.A.Ş.	6.269	2.884
Other	137	418
	6.406	3.302

Due from Akbank T.A.Ş. consists of credit card receivables amounting to TL4.659 as of 31 December 2012 (31 December 2011: TL2.856).

b) Due to related parties:	2012	2011
Bimsa Uluslararası İş Bilgi ve Yönetim Sistemleri A.Ş.	1.761	1.111
Enerjisa Elektrik Enerjisi Toptan Satış A.Ş.	523	423
Vista Turizm ve Seyahat A.Ş.	155	416
Other	108	193
	2.547	2.143

c) Deposits at related parties:	2012	2011
Akbank T.A.Ş.		
- Demand deposit	603	3.228
- Time deposit	353.197	177.591
	353.800	180.819

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NOTE 23 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

ii) Sales to related parties and significant purchases from related parties for the years ended 31 December 2012 and 2011.

a) Product sales to related parties:

	2012	2011
Akbank T.A.Ş.	4.877	1.463
Aksigorta A.Ş.	554	237
Dia Sabancı Süpermarketleri Ticaret A.Ş.	123	525
Philip Morris Sabancı Pazarlama Satış A.Ş.	54	242
Other	720	363
	6.328	2.830

b) Rent expenses arising from lease agreements with related parties:

	2012	2011
Carrefoursa Carrefour Sabancı Ticaret Merkezi A.Ş.	2.486	2.682
Other	42	38
	2.528	2.720

c) Service and product purchases from related parties:

	2012	2011
Enerjisa Elektrik Enerjisi Toptan Satış A.Ş.	5.423	4.320
Bimsa Uluslararası İş Bilgi ve Yönetim Sistemleri A.Ş.	3.118	2.333
Vista Turizm ve Seyahat A.Ş.	2.734	2.423
Aksigorta A.Ş.	2.419	1.518
Carrefoursa Carrefour Sabancı Ticaret Merkezi A.Ş.	1.375	300
Olmuksa International Paper Sabancı Ambalaj Sanayi ve Ticaret A.Ş.	133	275
AvivaSA Emeklilik ve Hayat A.Ş.	128	112
Other	218	35
	15.548	11.316

d) Interest income from related parties:

	2012	2011
Akbank T.A.Ş.	7.498	5.222
	7.498	5.222

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NOTE 23 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

iii) Remunerations of key management personnel for the years ended 31 December 2012 and 2011:

	2012	2011
Key management personnel	4.537	4.322
	4.537	4.322

The remuneration of key management personnel for the years ended 31 December 2012 and 2011 comprise salaries, bonuses and other payments. All payments comprise short term benefits for the years ended 31 December 2012. TL871 of such payments comprise long-term benefits for the years ended 31 December 2011 . The payments contain post-employment benefits, other long term benefits and share-based payments for the years ended 31 December 2012 and 2011.

The general manager, assistant general managers and the directors are determined as the key management personnel.

NOTE 24 - FINANCIAL RISK MANAGEMENT

24.1 Financial risk management

Credit risk

Ownership of financial assets involves the risk that counterparties may be unable to meet the terms of their agreements. Significant part of trade receivables comprise credit card receivables and the Group has is not exposed to credit risk concerning credit card receivables. The Group collects the instalments of its credit card sales according to the mutually agreed discount rates with the banks and financial institutions on the nest day when the sale made within the scope of the credit card sales contracts made under the various banks and financial institutions. Other trade receivables, cheques and notes are due from dealer sales of air-conditioning, cash register and white goods. The Group has set up an effective control system on the dealers that are followed by credit risk management and each debtors have their own credit limit. The Group consider the past experience and collateral from dealers (Note 5).