



BİZİM TOPTAN AT A GLANCE

Bizim Toptan is Turkey's number one Cash & Carry wholesaler in terms of the number of stores and geographical coverage.

Approximately **330.000⁽¹⁾ active customers**

Approximately **3500 stock items** per store

Each store has average floor space of approximately **1675 square meters**

20.7% Compound Annual Growth Rate in 2007-2012 main category⁽³⁾ sales **with 1,934 million TL of total sales in 2012**

One of the fastest growing Cash&Carry wholesalers in Turkey, based on the Compound Annual Growth Rate (CAGR)⁽¹⁾ of whole sale activities between 2007-2012⁽²⁾

EBITDA Compound Annual Growth Rate of 23.6% between 2007-2012 and EBITDA margin of 3.5% in 2012

(1) The data is valid as of 31 Dec 2012

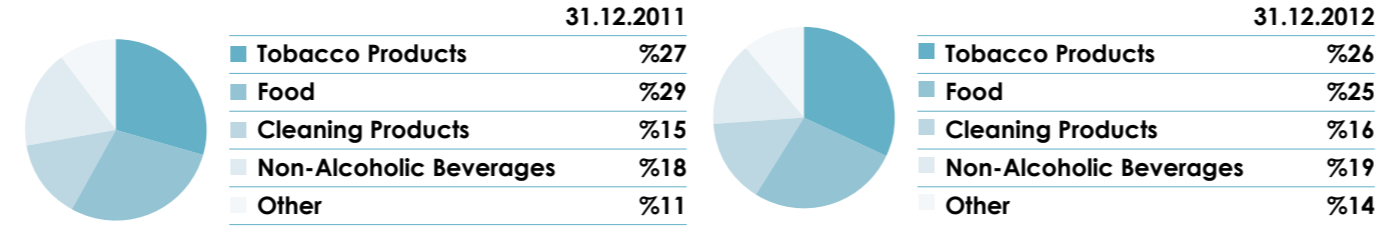
(2) Bizim Toptan is one of three fastest-growing Cash&Carry players in the market

(3) Unless stated otherwise, main category sales means product sales other than tobacco products

OPERATIONAL INDICATORS

Bizim Toptan, increasing its scope and accessibility in Turkey in 2012, keeps its strong position in the sector by its operational data

**SALES BREAKDOWN BY MAIN CATEGORIES



**The table indicates shares of the categories within the total sales

BİZİM TOPTAN STORE



Total Net Sales Area (square meters)



Total Indoor Area (square meters)



Sales per square meters

Main Categories



FINANCIAL INDICATORS

Bizim Toptan performed above market average during 2012 with regards to its financial results, **strengthening its powerful position within the sector.**

Total Assets (TL)

2012	390.091.345
2011	297.544.237

Net Sales (TL)

2012	1.973.854.398
2011	1.732.972.128

Operating Profit (TL)

2012	57.811.937
2011	50.609.927

Net Profit for the Period (TL)

2012	26.097.011
2011	29.860.963

Condensed Balance Sheet (TL)

	31.12.2011	31.12.2012
Current Assets	213.613.374	276.440.425
Non-Current Assets	83.930.863	113.650.920
Total Assets	297.544.237	390.091.345
Current Liabilities	195.477.697	265.011.337
Non-Current Liabilities	2.787.739	4.171.871
Equity	99.278.801	120.908.137
Total Equity and Liabilities	297.544.237	390.091.345

Condensed Income Statement (TL)

	31.12.2011	31.12.2012
Net Sales	1.732.972.128	1.973.854.398
Gross Profit	147.514.669	170.817.759
Operating Profit	50.609.927	57.811.937
Net Profit for the Period	29.860.963	26.097.011

Financial Ratios

	31.12.2011	31.12.2012
Current Ratio	1,19	1,04
Current Liabilities/Total Assets	0,66	0,68
Equity/Total Assets	0,33	0,31
Gross Profit Margin (%)	8,5	8,7
EBITDA Profit Margin	3,6	3,5
Net Profit Margin (%)	1,7	1,3
Net Profit per Share (TL)	0,7465	0,6524

CONTENTS

01 Financial Indicators **02** Bizim Toptan in Brief **03** Shareholders' Structure **04** Vision and Mission **05** Organized Wholesale Sector and Bizim Toptan **07** Milestones **9** Message from the Chairman **10** Board of Directors and Executive Management **11** Management and Organizational Structure **12** Message from the CEO **14** 2012 Activities **16** Investments and the Investment Policy **17** Human Resources **18** Social Responsibility **19** Corporate Governance Principles Compliance Report **37** Independent Audit Report

BİZİM TOPTAN IN BRIEF

Bizim Toptan, with its 137 stores, is the largest firm in the Cash & Carry sector with regard to the number of stores and has the most common network in terms of customer accessibility.

Bizim Toptan wholesales in main product categories such as food, non-alcoholic beverages, tobacco products, household cleaning supplies, personal hygiene products, and paper products well-known brands of national and international companies operating in Turkey.

Incorporated in 2001, Bizim Toptan commenced operations in 2012 with its 137 stores in 63 out of 81 Turkish provinces. It is the largest in its class with regard to the number of stores and has the most common network in terms of customer accessibility.¹

In 2002, the Company started with 14 stores, eight of which were franchised. Bizim Toptan transitioned from this model during 2006 and 2007 and began operating its own stores focusing on profitable growth. It seized the opportunities that existed at that time in the Turkish wholesale sector. By the end of the year 2012, Bizim Toptan operates with 137 stores throughout Turkey.

Bizim Toptan wholesales main product categories such as food, non-alcoholic beverages, tobacco products, household cleaning supplies, personal hygiene, and paper products, that are brands of well-known reputable national and multi-national companies.

The Company's customer base consists of wholesalers, merchants, grocers, markets, supermarkets, specialized retailers, hotels, restaurants and cafes. The company sells only to commercial taxpayers, who hold membership cards.

Bizim Toptan meets the needs of its customers within the Cash & Carry market with approximately 9,000 product types throughout the country with an average of 3,500 stock items per store. The Company's product portfolio can be grouped as branded products and private label products. 95% of the items offered are branded products and 5% are private label products. 50% of the products are procured from local suppliers and the remaining 50% is procured from international companies operating in Turkey.

Bizim Toptan, having developed a strong partnership structure with the contribution of Yıldız Holding A.Ş. and other partners, went public in 2011, and its share certificates started being traded on the Istanbul Stock Exchange (ISE). Moving with a cash-generating growth strategy and ever increasing nationwide penetration, Bizim Toptan has shown impressive growth over the recent years.

Total assets of the company, being 297.5 million TL by the 31 December 2012, has reached to 390 million TL as of end of year 2012, and its equity has reached to 120.9 million TL as of 2012 from 99.3 million TL by 2011. Bizim Toptan persistently continues its fast and strong growth strategy.

SHAREHOLDERS' STRUCTURE

With a strong **shareholding structure** and fast growing model, Bizim Toptan has **gone public in 2011.**

Shares of Bizim Toptan are being traded at ISE since 3 February 2011. As of 31 December 2012, the division of Bizim Toptan shares is given in the table below

Shareholders' Title	Share Amount as of 31 Dec 2011	%	Share Amount as of 31 Dec 2011	%
Free Float(*)	16.000.000	40%	15.215.444	38%
Yıldız Holding A.Ş.(**)	13.337.410	33%	19.977.410	50%
Strategic Investment Fund(**)	8.000.000	20%		0%
Golden Horn Investment B.V.	-	0%		0%
Standart Bank Plc-Londra(***)	2.000.000	5%	-	0%
Other	662.590	2%	4.807.146	12%
Total Capital	40.000.000	100%	40.000.000	100%

(*) According to the Central Registry Agency data of 31 Jan 2012.

(**) On 23 December 2011, 6,640,000 shares of Strategic Investment Fund was acquired by Yıldız Holding A.Ş. Taking over of the shares took place on 5 January 2012. After the take over, the percentage of Yıldız Holding A.Ş.'s shares has reached 49.94% with 19,977,410 shares.

(***) It was announced to the public with the material disclosure issued on Public Disclosure Platform (KAP) on 29 Aug 2011 that Standard Bank Plc-London took over 2,000,000 Bizim Toptan Satış Mağazaları A.Ş. shares on 24 August 2011 as a security for a financial transaction from Golden Horn Investments B.V., that with this transaction, percentage of Standard Bank Plc-London in Bizim Toptan Satış Mağazaları A.Ş. shares has reached 5% and Standard Bank Plc-London will return Bizim Toptan Satış Mağazaları A.Ş. shares, which was taken over with the condition of not selling, to Golden Horn Investments B.V. on 24 Feb 2012, that Golden Horn Investments B.V. reserves the right to reclaim those mentioned shares which was given as a security before 24 Feb 2012 partially or fully and that the voting rights of these shares belong to Golden Horn Investments B.V.

Later, it was announced to the public with the material disclosure issued on Public Disclosure Platform (KAP) on 24 Feb 2012 that according to the mutual agreement between Golden Horn Investments B.V. and Standard Bank Plc-London, the return date of Bizim Toptan Satış Mağazaları A.Ş. shares by Standard Bank Plc-London which was taken over with the condition of not selling was extended to 24 August 2012, voting rights of mentioned shares will remain to belong to Golden Horn Investment B.V., and Golden Horn Investments B.V. reserves the right to reclaim those mentioned shares before 24 Feb 2012 partially or fully.

Golden Horn Investment B.V. has used the mentioned reclaiming right on 27 Apr 2012 for 1,286,160 shares and after this transaction, Standard Bank Plc-London shares in Bizim Toptan Satış Mağazaları A.Ş. shares was decreased to 1.78%. Voting rights of the shares Standard Bank Plc-London withholds belong to Golden Horn Investments B.V.



VISION

To be Turkey's number one wholesaler in the fast-moving consumer goods sector, with its widespread, contemporary, and reliable concept.

MISSION

To be a strategic business partner that decreases costs and risks of its customers and suppliers, providing them with a competitive advantage.



ORGANIZED WHOLESALE SECTOR AND BİZİM TOPTAN

Utilizing a business model that creates rapid growth, Bizim Toptan continues to distinguish itself from its competitors with its price advantage, and ease of access and payment.

Bizim Toptan transformed the concept of wholesaling in accordance with growth dynamics in terms of supply and demand. The Company endeavors to meet its suppliers' demands for a broader network of stores to reach more customers efficiently.

With its strong economic growth, young population and increasing urbanization, Turkey has a structure with a continuous growth potential in the FMCG (Fast Moving Consumer Goods) wholesale sector. Economic instability persisted in 2012 throughout the world. 2012 was a year that domestic and foreign demand has been balanced again and thus economic growth has slowed down. Inflation, on the other hand, has decreased to 6.16% from 10.45% due to the effect of re-balance. According to data from the Turkish Statistics Institute, the Consumer Confidence Index is 73.6 as the end of year 2012, which was 78.8 as the end of year 2011. Bizim Toptan, utilizing the current economic situation correctly, has strengthened its position in the sector further by increasing its sales despite the economic recession. According to AC Nielson research company's data, while total sales in fast-moving consumer goods sector increased by 13.4%, tobacco products sales increased by 17.5%, and non-tobacco products sales increased by 10.8%. Bizim Toptan, on the other hand, proved a performance well-above the sector averages by adding a 15.5% increase in tobacco products sales to its 13.9% increase in total sales. 95% of FMCG wholesale sector in Turkey is dominated by traditional wholesalers and distributors. In our country, there are an estimated number of 7,000 wholesalers and distributors. On the other hand, the number of big scale cash&carry companies is only three, including Bizim Toptan. In recent

years, the organized Cash & Carry sector has recorded growth well above the market ratio of fast moving retail consumer goods. In the analysis of Turkey's Cash & Carry Market conducted by Frost & Sullivan in 2010, it was predicted that annual market growth for the organized Cash & Carry sector associations between 2009-2015 would be 12.9%. Bizim Toptan plans to maintain the growth performance it recently recorded over the growth ratio of the market for the mid- and long-term.

Since 2007, Bizim Toptan has been Turkey's fastest growing Cash & Carry wholesaler in terms of turnover. Taking growth dynamics in terms of supply and demand into consideration, the company meets suppliers' demand for a broader network of stores. It has reached more customers efficiently by accomplishing a transformation in the concept of wholesaling. Furthermore, the company was able to actualize projects towards demands and needs of HORECA (hotels, restaurants, cafes) and other potential customer groups. By continuously increasing its sales network and its customer base, the Company actively implements the process known as CARE (Customer Attraction, Retention and Enhancement).

Continuing its activities using a proven business model that creates rapid growth, Bizim Toptan distinguishes itself from its competitors by utilizing price advantage, accessibility and payment facilities. Bizim Toptan adds value to the sector with innovative applications and smaller stores located "at the closest point to its customers." It meets the needs of its customers with one stop at a single location. The Company takes the principles of flexibility and scalability as the basis for its operations; it has pioneered many innovations and uses the best practices in the sector based on these principles.

(1)The data indicates the estimations of the Company management based on the "Regional/local wholesale" associations.



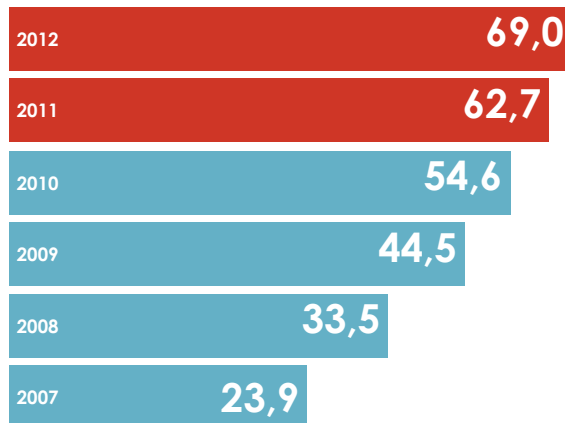
The distribution of sales activities of Bizim Toptan by year between 2007-2012 is shown below.

(TL thousands)	2007	2008	2009	2010	2011	2012
Main Categories	573.224	719.811	833.630	1.027.993	1.271.770	1.469.934
Other Categories	466.865	544.463	403.447	423.850	461.202	503.927
Total	1.040.089	1.264.274	1.237.077	1.451.843	1.732.972	1.973.861

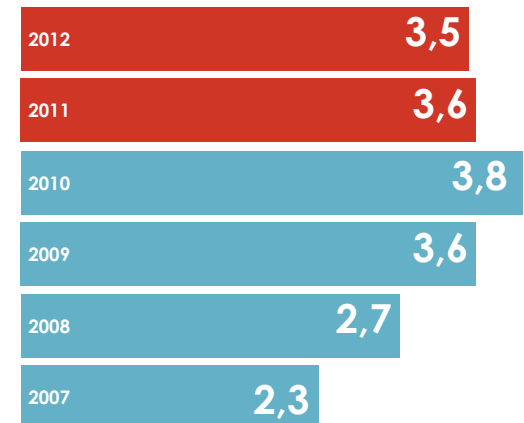
EBITDA performance indicators by year for Bizim Toptan between 2007-2012 are given in the table below.

	2007	2008	2009	2010	2011	2012
EBITDA ⁽¹⁾ (TL millions)	23,9	33,5	44,5	54,6	62,7	69,0
EBITDA Margin	2,3%	2,7%	3,6%	3,8%	3,6%	3,5%

EBITDA (TL million)⁽¹⁾



EBITDA Margin (%)⁽¹⁾



(1) EBITDA is calculated by adding depreciation and redemption expenses to Operating Profit. (Unusual expenses are not included.)

MILESTONES

Since opening its first store in 2001, Bizim Toptan has become the leader organization of the sector in a short period of time by its fast-growing strategy.

2001

Bizim Toptan, the leader in the wholesale sector, took the first step in a journey that would be filled with success. Bizim Toptan Satış Mağazaları A.Ş. (Bizim Toptan) was incorporated in 2001 and registered in Istanbul pursuant to the articles of the Turkish Commercial Code.

2002

After completing its incorporation process, Bizim Toptan started operations with a total of 14 stores, eight of which were under franchise. The Company quickly became the leader in the Turkish wholesale sector with a strong corporate strategy and sturdy organizational structure.

2006

Continuing operations with 59 stores throughout Turkey, Bizim Toptan transitioned from the franchising system in 2006 and began operating its own stores.

2007

Bizim Toptan, heading for operating its own stores as part of its new strategy, opened 20 new stores and gained the fast track in the sector. The Strategic Investment Fund bought 20% of the Company's shares from Yıldız Holding to become partner in Bizim Toptan.

2008

Maintaining its growth in the sector with 11 new stores, Bizim Toptan's total sales figures gained new momentum. Large new A-Type stores were added to the Company's current chain of stores. Golden Horn Investments B.V. bought 20% of the Company's shares from Yıldız Holding and became a partner in Bizim Toptan.

2009

Extending its widely distributed sales network with seven additional stores, Bizim Toptan was listed as the 55th largest Turkish company in

Capital Magazine's top 500 Companies List in terms of turnover. Having strengthened its purchasing power by means of key suppliers and developing its product combination, Bizim Toptan demonstrated a successful performance despite the global economic crisis.

2010

Adding 12 new stores to its network, Bizim Toptan increased its active customers to more than 194,000. The "Cash & Carry Market in Turkey" analysis conducted by Frost & Sullivan in 2010 revealed that Bizim Toptan was the largest Turkish Cash & Carry wholesaler in terms of the number of stores.

2011

Bizim Toptan, increasing its number of stores to 124 with 15 new stores, expanding its active customer base to 228,000. Bizim Toptan has finalized initial public offering process as of January 2011, and shares of the company started to be traded at ISE on 03 February 2011. Public offering of the company was selected to be the most successful of the year in a research. In 2011, company has adopted a new management strategy and in this manner, weighted on HORECA segment. By the latest months of 2011, to give advantage to its customers, Bizim Professional Card project was implemented.

2012

Bizim Toptan, reaching 137 stores with its 15 new stores and expanding its network throughout the country, was able to increase its active customer count from 228k to 333k. thanks to the HORECA project put in action in 2012 and its Bizim Professional Card implementation which offers customers appealing opportunities, The company will continue its efforts with the same pace for offering the best quality for the most affordable price.



MESSAGE FROM THE CHAIRMAN

Continuing to develop with its unique business model, our Company strengthened its leader position by performing above the sector with 14% growth rate in 2012.

Esteemed stakeholders;

2012 was a year that economic uncertainty persisted, problems in developed countries, particularly in Europe, still could not be resolved despite all the precautions. While some European countries went into recession, unemployment rates reached high levels.

Turkish economy on the other hand, experienced a year that financial deficit was decreased with taken precautions and domestic and foreign demands balanced again. Economic growth, slowing controllably compared to previous years, was realized at about 3%. Furthermore, international rating agencies which did not leave Turkey's stable growth unnoticed, increased our country's rate to investment rate. Positive expectations about Turkey is an extremely positive motivation. For this reason, I believe 2013 will be a better year for our country in all aspects.

2012 was a positive year for Bizim Toptan despite the slow down in the economy. We have seen that Bizim Toptan had reached its targets in opening stores and in many performance indicators in 2012. With our new stores, we have continued contributing to both Turkish economy and employment. By opening 15 new stores, we've increased our number of stores 137. With the help of our new stores we are serving our customers in 63 of our 81 provinces. In 2012, we've seen a growth performance above the sector. Bizim Toptan has increased its total sales by about 14%, and sales in main categories by about 16%. Also, our company managed to increase its active customer base by 46% in 2012.

This table of success we had managed to reach

in Bizim Toptan, which became the most widespread organized wholesaler in only ten years from its establishment with its unique store format and low cost, flexible and scalable business model, reflects the correct positioning of our company and efforts of all our employees.

I sincerely thank all our employees that contributed Bizim Toptan to come to that point, our valued shareholders, and our social partners.

I would like to state sincerely that Bizim Toptan will continue its efforts to be a company creating value and pleasing its stakeholders in 2013

Respectfully,

Murat Ülker

Chairman

BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

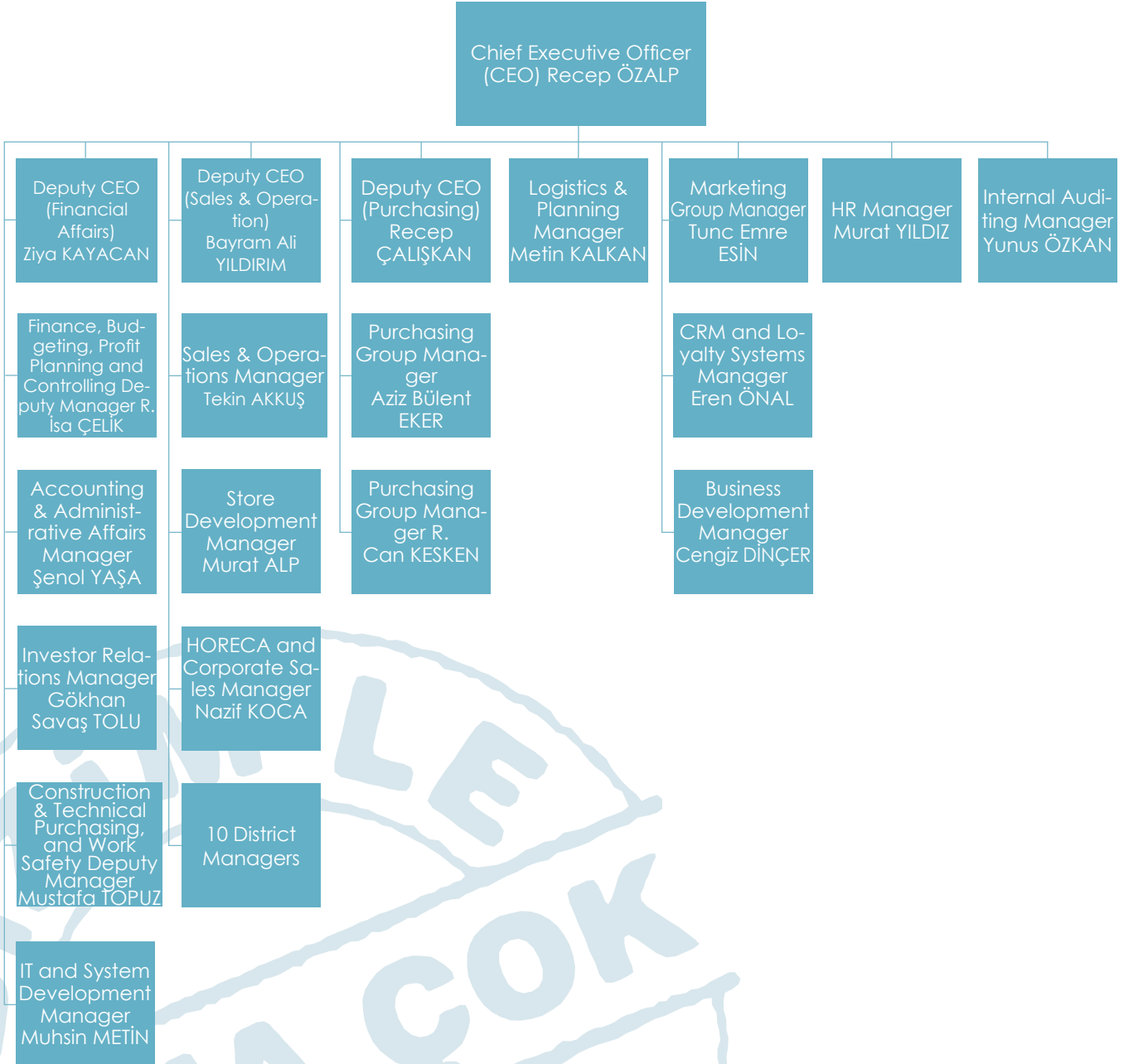
Board of Directors

Name and Surname	Duty	Appointment Date	Duty Term
Murat Ülker	Chairman of Board of Directors	10.05.2011	3 years
Mustafa Yaşar Serdengeçti	Deputy Chairman	10.05.2011	3 years
Ali Ülker	Member	10.05.2011	3 years
Ahmet Özokur	Member	10.05.2011	3 years
Rifat Saban	Member	10.05.2011	3 years
Mehmet Atilla Kurama	Member	10.05.2011	3 years
Hüseyin Avni Metinkale	Member	10.05.2011	3 years
Mahmut Levent Ünlü	Member	10.05.2011	3 years
Tahsin Pamir	Member	10.05.2011	3 years
Güven Obalı	Independent Member	10.05.2011	3 years
Cengiz Solakoğlu	Independent Member	10.05.2011	3 years

Executive Management

Name and Surname	Duty at the Company	Employment Term	Professional Experience
Recep Özalp	CEO	8 years	24 years
Bayram Ali Yıldırım	Deputy CEO (Sales and Operations)	7 years	15 years
Recep Çalışkan	Deputy CEO (Purchasing)	11 years	19 years
Ziya Kayacan	Deputy CEO (Financial and Administrative Affairs)	2 years	23 years

MANAGEMENT AND ORGANIZATIONAL STRUCTURE



MESSAGE FROM THE CEO

With a strategy guided by **cash-generating profitable growth**, Bizim Toptan achieved **successful operational and financial results** in 2012.

Esteemed Stakeholders,

2012 that we left behind was recorded as a year which we saw continued uncertainty in global economic view and slow down in economies of developed countries. Turkish economy also followed this trend, economic growth has slowed down in a year that domestic and foreign demands rebalanced. Inflation, also with effect of positive movement in core inflation, continued its downward trend and decreased to 6% level. Turkey, moving towards new markets and increasing its export countries, managed to reduce its financial deficit in 2012, despite shrinking in the exports to European Union. Fitch, one of the foremost rating agencies, did not leave Turkey's stable growth unnoticed, and has increased our country's rate to investment grade in 2012.

Looking at the sector growth, according to Frost&Sullivan's sector it is estimated that Turkey organized wholesale sector will have a greater growth rate than retail and wholesale sectors, with 12.9% between 2009-2015. According to a report issued by AC Nielsen, while growth rate in fast-moving consumer goods sector is 13.4% by total sales, tobacco products sales increased by 17.5% and non-tobacco sales increased by 10.8%. Bizim Toptan on the other hand, adding 15.6% growth rate in non-tobacco sales to 13.9% growth rate in total sales, showed a performance above sector average, and once more proved being the leader company of its sector.

Bizim Toptan, defining its strategy as "cash generating profitable growth" since its first day of establishment, continued producing projects in this direction in 2012. Continuing its organic growth and strengthening its existence in the country with its 15 newly opened stores, our company made its main progress in order to increase profitability of its customer and product mixture, and realized HORECA (Hotel, Restaurant, Café) project. In the scope of this project, by changing 12 of its stores' format to HORECA-centric format, creating specialized teams for this segment, and presenting the best payment opportunities to its customers by Bizim Professional Card application, our company got its investments' return in a short while. HORECA and corporate company sales which constituted to 16% of total sales by end of 2011, has increased to 22% in 2012 and as a result of that, our gross margin was highly recovered. In 2012, our company started background efforts of "e-trade" project which will start in 2013.

Our company once more showed in 2012 that it is the leader company of its sector with a 14% growth rate in net sales.

Continuing its fast growth in Turkey's highly diversified wholesale market, taking best advantage of opportunities presented by organized wholesale sector, and utilizing being one of the first organized companies in the sector, Bizim Tiptan, with low activity costs and low profit margins, has become price maker especially in food market.

Bizim Tiptan, thanks to its accurate policies, managed operational and financial success again in 2012. While its number of stores reached 137, sales in main categories per square meters rose by 34%. Our company has also managed to increase the rate of private label products in total sales in order to increase profitability. Reaching an active customer base of 333 thousand by a 46% increase, has recorded a fast growth by increasing the share of HORECA and corporate company segments in total sales to 22%. Bizim Tiptan increased its equity from 99 million TL to 121 million TL in 2012.

In 2012, there haven't been any changes in our dividend policy which we defined as "50% of disposable income" before, and our company has disposed 14.2 million TL of its 2011 profit to our shareholders as dividend. 2012 also has been an active year in regards to investor relations. Our company attended four roadshows and eight conferences, and had investor meetings of close to 500. Bizim Tiptan, as a result of respect for its current and potential stakeholders, will continue to put emphasis on investor relations activities with the same speed and intensity in the following periods.

Main strategy of our company is to continue its sustainable and profitable growth in Turkey organized wholesale market by focusing on key local markets and by expanding its store network to new cities. In this direction, we have defined our long-term targets as; to increase the share of high profit products in total sales, to increase our penetration in HORECA and Corporate customer segments, to increase the share of our private label products to 10% level, to decrease the share of tobacco products sales under 20% level, and increase shopping frequency and basket size of our current customer base.

As Bizim Tiptan family, we departed 10 years ago with our small store format unique to Turkey and our low cost, flexible, and scalable business model in the hopes of reaching all of our country. When we turn back after 10 years, we feel great pride and happiness for seeing that we've reached this purpose and became one of the brands closest to the customer. While I present my deepest thanks to all my colleagues who had contributed to this success, I would happily share my belief that we will manage much better results next year.

With my respects,
Recep Özalp
CEO

2012 ACTIVITIES

Throughout 2012, continuing its development by a strategy of growth in main categories, Bizim Toptan reached **333,000 active customers and 137 stores.**

Bizim Toptan achieved successful results in 2012 and started to implement a concurrent growth and development strategy effectively in many areas. The Company succeeded in growing in all product groups of main category in 2012.

Since its inception, Bizim Toptan has evaluated and successfully identified opportunities presented by the growth dynamics of the market. By opening 15 new stores in line with its cash-generating profitable growth strategy, it increased the total number of stores to 137 by the end of 2012. Our company, in order to increase the quality and capacity of service, relocated 7 stores, and closed 2.

Bizim also maintained its sales growth in its existing stores. During 2012, the Company raised total sales by 13.9%, main category sales by 15.6%, and like-for-like sales by 9.9%. The Company increased its total net sales area from 113,185 square meters by the end of 2011 to 131,804 square meters as of 31 December 2012

Bizim Toptan reached more than 333,000 active customers in 2012. In addition to national and local branded products, the Company also offered its own private label products to customers.

Providing services only through "Bizim Kart", offered to registered customers, Bizim Toptan targets growth especially in HORECA and corporate segments by the use of Bizim Professional Card, which was introduced in December 2011. The company has converted 12 stores in this respect to HORECA format, enabling them for vegetable-fruit and meat sales. Maintaining sustainable and profitable growth in the Turkish Cash & Carry market with a business model that has created rapid growth, Bizim Toptan plans to increase its customer base, the size of its shopping basket and increase sales of private label products in the coming period.



BİZİM TOPTAN
DAHA ÇOK
KAZANIR

INVESTMENTS AND THE INVESTMENT POLICY

Strategic positioning, leadership in prices and a low-cost structure are the main factors behind rising productivity of Bizim Toptan's investments.

Bizim Toptan finances new store investments from its own shareholder equity.

Turkey presented more investment opportunities to investors during 2012 than in developed economies due to positive growth figures and stability. Available data and future expectations show that growth will continue for fast moving consumer goods and especially with regard to organized sales activities in the upcoming period. Bizim Toptan continues to maintain its leading position in the sector with new investments.

Having the most extensive wholesale network in Turkey, Bizim Toptan focused its attention on new store investments during 2012 and continues to maintain this leadership position. The company has financed new store investments from its own shareholder equity. The Company uses its net working capital as an efficient mechanism to accelerate growth and to strengthen its net cash position.

Strategic positioning, leadership in prices and low-cost structure are the main factors behind the increasing productivity of Bizim Toptan's investments. The Company, as in the previous years, plans to continue new store openings into 2013 utilizing a disciplined approach to new store selection processes. Additionally, HORECA (Hotels, restaurants and cafes) and other corporate customers top the list of areas in which Bizim Toptan plans to invest.

The Company uses employment incentives provided within the scope of the "Law No. 5084 on Investment and Employment Incentives and Amendment of Certain Laws," publicly announced in the Official Gazette dated February 6, 2004, issue no. 25365. It aims to increase investments and employment in certain provinces contributing to regional development.

HUMAN RESOURCES

Focuses on the organization's present and future human resources needs to meet its strategic targets.

Providing direct employment for 1,607 people and contributing to regional employment with an extensive network of stores, Bizim Toptan places a high priority on professional and personal training. Developing employee loyalty toward the Company and cooperation among themselves, Bizim Toptan is committed to carry its competitive power forward.

Bizim Toptan, with its rapid growth, has been recognized as Turkey's 55th largest company since 2002. Bizim Toptan's goal-oriented and highly qualified professionals have contributed toward this success.

Bizim Toptan's Human Resources policy is based on:

- Understanding environmental opportunities and threats to ensure that the Company is ready for them;
- Analyzing present and future needs to enable the organization to reach its strategic targets and establish systems that will develop the most suitable workforce to meet these needs;
- Ensuring the development of the organization in its respective area to raise customer satisfaction standards, maintain sustainable quality, respect and sector leadership; and
- Developing employee satisfaction and motivation, continuously improving cooperation among employees to carry the Company's competitive power forward.

At the end of 2012, the Company provided direct employment to 1,607 individuals and contributed to regional employment with its broad-based network of stores. Most employees consist of full time employees.

Before a new store is opened, the number of employees needed for that store is determined based on pre-determined criteria.

The Company's employees undergo intensive training prior to the actual start of work. All employees whether based at the Headquarters, in sales or field operations must complete certain professional or personal development training courses. For this purpose, "Bizim Academy" in Bayrampaşa, serving as a central training campus for all employees, has been utilized successfully to achieve these standards. Additionally, a performance measurement and evaluation system is used to measure the contribution and productivity of the employees and to evaluate them in appropriate positions.

All business processes applied throughout the Company have earned the ISO 9001:2008 Quality Management System Certification granted by the Turkish Standards Institute. All relevant documents and papers are shared through the Intranet system "QDMS (Quality System Document Management System)" which all employees can access, based on authorization and areas of responsibility.

SOCIAL RESPONSIBILITY

Bizim Toptan is a pioneer for its corporate social responsibility efforts that **support the environment, sports, education and public health.**

As a pioneer in its field, Bizim Toptan conducts its business operations in accordance with environmental, health and safety laws. The social and environmental impact of each and every operation is carefully considered.

As an industry leader, Bizim Toptan consistently demonstrates the utmost care to adopt policies that support the environment, sports, education and public health, and serves as a pioneer in these areas.

Based on Company policy, business strategies are implemented following ethical and social responsibility principles. For this purpose, the social and environmental impacts of the Company's daily commercial activities are seriously considered prior to implementation.

The Company's management carries out its activities, transactions and store operations in compliance with all applicable environmental, health and safety laws.

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT

Having strengthened its corporate and organizational structure, Bizim Toptan **looks confidently to the future.**

1. Statement of Compliance with Corporate Governance Principles

Our company, since its inception, being aware of the importance of adoption and active application of Corporate Governance Principles determined by the Capital Market Board, has further intensified its efforts in this manner and became a leader to its peers by the corporate identity it has built. Our company, with the intent of complying with Corporate Governance Principles, to this day;

- Has created the "Investor Relations Directorate" for sustainment of relations with stakeholder,
- Has made the necessary regulations about trade of internally obtained information,
- Has organized the Corporate Governance and Audit Committees which will work under the Board of Directors, has also decided the Corporate Governance Committee to replace the duties of Early Risk Detection, Nomination, and Compensation committees due to the structure of Board of Directors,
- Has arranged its website in accordance with the principles, and
- Has made the necessary arrangements in order to make the Main Contract compatible with Corporate Governance Principles.

SECTION 1 - SHAREHOLDERS

2. Investor Relations Department

Unit dealings with shareholders are handled by the Investor Relations Management. Gökhan Savaş Tolu, who carries both Capital Market Activities Advanced Level & Corporate Governance Rating Specialist licences licenses, undertakes management of this unit.

This unit, while answering inquiries in writing, verbally, or by internet from our current or potential shareholders, attended 4 roadshow and 8 conferences organized domestically or internationally in 2012, and performed a total of 495 meetings with current and potential shareholders.

Gökhan Savaş Tolu

Investor Relations Manager

Kuşbakışı Cad. No:19 Altunizade Üsküdar / İstanbul

Tel: +90 216 559 11 06

gokhansavas.tolu@bizimtoptan.com.tr

Announcements by the ISE, CMB, CRA and Takasbank to inform shareholders and communications with these associations are made by this unit. Other than ordinary and extraordinary shareholders' meetings, various meetings with shareholders are held either project

3. Exercise of Shareholders' Right to Obtain Information

All written or oral requests for information were met during the period, with the exception of those data with trade secrets or that is not disclosed to the public.

All information necessary for the healthy exercise of shareholding rights is presented to our shareholders in our quarterly and annual reports, announcements of material disclosure and in response to personal requests. Additionally, the necessary information is accessible to our shareholders at www.bizimtoptan.com.

Our company hasn't defined a private auditor appointment request in the Main Contract, and there hasn't been a request for private auditor assignment.

4. General Assembly Information

Ordinary General Assembly Meeting for 2012, with attendance of around 56% of shareholders representing 40,000,000 TL paid capital, was held at address; Maltepe Cad. No: 8 Bayrampaşa – İSTANBUL. There hasn't been any attendance from stakeholders or press. Invitation to the meeting was issued including the agenda and in the time frame defined by the Law and main contract, on Turkish Commercial Registry Gazette's 05/10/2012 dated and 8065 numbered issue, daily Dünya Gazette's 05/08/2012 issue, the Company's official website www.bizimtoptan.com, and on Public Disclosure Platform. Financial tables and reports, including annual activity reports, dividend proposition, briefing document prepared regarding needed General Assembly agenda topics, other documents basis of agenda topics, and latest version of main contract, was held available to view of our shareholders in our company's center and branches, from the date of announcement to the General Assembly. In the General Assembly, agenda topics were cited objectively and in detail, with a clear and understandable method, the shareholders were

given the right to express their thoughts and ask questions under equal terms, and a healthy discussion platform was created.

In the 2011 General Assembly, no questions were asked, or a subject was proposed other than agenda topics. Logs and agenda topics of General Assembly were issued on website www.bizimtoptan.com.

GENERAL ASSEMBLY INFORMATION

The balance sheet and profit/loss statement for 2011, which represent in accordance with accounting principles and standards defined in Financial Reporting Principles in Capital Markets Statement which was issued by T.C. Prime Ministry Capital Markets Board of Turkey with Series: XI, No: 29, was read and discussed. After the voting, balance sheet and profit/loss statement were accepted anonymously.

-These issues are discussed and anonymously accepted: to change Main Contract's 6th article "Company Capital", for which necessary permissions from Capital Markets Board and T.C. Ministry of Customs and Trade were obtained, to rearrange 9th article titled "Board of Directors and its Duration" as "Establishment of Board of Directors", to change 10th article titled "Board of Directors Meetings", to change 11th article titled "Board of Directors Committees" as "Committees that is Established in Board of Directors", to change 12th article titled "Representation and Binding of the Company, Duty Assignment of Board of Directors Members", to change 16th article titled "Meeting Location", to change 17th article titled "Announcements", to change 19th article titled "Discussions and Quorum",

to change 20th article titled "Attendance of Commissioner to Meetings", to change 25th article titled "Financial Affairs", to change 27th article titled "Changing Main Contract", to add 28th article titled "Compensation of Board of Directors Members and High Level Executives", to add 29th article titled "Compliance with Corporate Governance Principles".

In accordance with Capital Markets Board Regulations, shareholders are informed on dividend policy. After examination of dividend proposal made by Board of Directors, it was decided a dividend would be paid from the "Net Profit for the Period" which shows as 28,292,296 TL -Because of handlings, actions, and works in 2011, auditors were discharged by majority of votes. It was accepted with the majority of votes that, Ms. Nagihan Şengül Karpuz (TC: 16916302480), who declared her candidacy in writing and resident at address Okan Cad. Hicret Sok. Sıla Sitesi A 6 Yukarı Dudullu / Ümraniye / İstanbul, and Mr. Mustafa Tercan (TC: 12853010976), who declared his candidacy in writing and resident at address Fıstıklı Yokuşu Sok. 7/5 Kanlıca – Beykoz / İstanbul to be appointed as company auditors to act until first ordinary general assembly meeting and a wage to be paid to them in the amount of a month's minimum wage for the dates they are actively working. For auditing of year 2012 activity period accounting and auditing works, it was decided by majority of votes that DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. to be appointed which was elected by the Board of Directors and suggested to the General Assembly. Briefing was made on securities detailed in Independent Auditing report which the company prepared for 3rd parties. In this respect, it was announce to the shareholders that there are no securities or liens that the company gave before 3rd parties.

Shareholders were informed about the transactions made with related parties during the activity period and detailed in Independent Auditing Report. Shareholders were informed about "Company Disclosure Policy" that was prepared and approved by the Company Board of Management.

According to the Corporate Governance Principles, shareholders were informed about the "Compensation Policy" determined for Board of Directors Members and High Level Executives. It was decided by majority of votes that a gross payment in the amount of a month's minimum wage for the related dates is to be made to each of Board of Directors Members and Auditors. Shareholders were informed about "Donation and Aid Policy" determined in accordance with Corporate Governance Principles. Donations and Aids to non-profit organizations made by the company for social responsibility in 2011 were presented to General Assembly. It was announced that in 2011 activity period, 7,192 TL (seventhousandonehundredninetytwoTL) was donated to non-profit organizations approved by the Cabinet.

5. Voting Rights and Minority Rights

According to our Main Contract, each share deserves a vote. There are no provisions in our Main Contract that disables persons who do not hold a share to vote as representatives.

6. Dividend Rights

"There are privileges on dividend payments, and our dividend payment policy is on our website." Our company's dividend policy was defined by the decision about dividend payments by Board of Directors' meeting on 03/11/2011. The decision is given below: "Our company may pay out a dividend in the amount determined by the Board of Directors according to T.C. Prime Ministry Capital Markets Board notifications and regulations and presented to the General Assembly for approval, by giving cash or free shares, or by giving a certain percentage of cash and a certain percentage of free shares, in the scope of long-term development strategies, and also taking into consideration investment, financing plans, and profitability situations. As long as related regulations and our investment needs permits us, it has been defined as our company's dividend policy to pay out 50% of payable net profit to shareholders in cash, and it has been anonymously decided that this policy will be presented by Board of Directors to General Assembly for approval. In the following days, in case anything changes in this policy, public will be informed again."

a. In the General Assembly meeting on 30 April 2009, the remaining part after legal reserves and taxes to be paid are abstracted from period profit, is decided not to be disbursed and to be allocated as extraordinary reserves.

b. In the General Assembly meeting on 10 May 2010, the remaining profit after legal reserves and taxes to be paid are abstracted from period profit, is unanimously decided not to be disbursed and to be allocated as extraordinary backup.

c. It is decided that within SPK's regulations on profit disbursement and current profit disbursement policy, regarding 2010 accounting year, a cash profit disbursement will be made to the shareholders in the amount of 13,520,000 TL which constitutes 33.80% of the company's paid capital, from the Net Period Profit of 28,344,687 TL which is seen in the financial tables of 2010 fiscal year, and payments of the profit disbursement will start on 25 May 2011. In the process of dividend disbursement in 33.80% gross and 28.73% net which started on 25/05/2011, transfer of dividend receivables of registered shares traded on the stock market to their individual accounts at Takasbank A.Ş. was completed on 27/05/2011.

d. It was decided that a cash disbursement in a gross amount of total 14,150,000 TL (fourteenmilliononehundredfiftythousandTL) which equals 35.38% of the company's paid capital for the 2011 fiscal year from the "Net Period Profit" that show 28,292,296 TL w(twentyeightmilliontwohundredninetytwohundredninetysixTL) on the financial tables of 2011 fiscal year, will be made to shareholders in the scope of T.C. Prime Ministry Capital Markets Board's regulations about dividend disbursement and current dividend disbursement policy, prepared in scope of regulations defined by Financial Reporting Principles in Capital Markets Statement which was issued by T.C. Prime Ministry Capital Markets Board of Turkey with Series: XI, No: 29 and in compliance with International Financial Reporting Standards, which principles are independently audited, determined according to T.C. Prime Ministry Capital Markets Board's 04/17/2008 dated and 11/467 numbered ruling. For the disbursement which started on 05/30/2012 in the rate of gross 35.38% and net 30.07%, transfer transactions on 06/01/2012 of dividend receivables of recorded shares which are being traded for the members into their free accounts in Takasbank was completed.

7. Transfer of Shares

Transfer of shares issue was included in the main contract's 6th article. According to this, transfer of shares is free with the reservation of Turkish Commerce Law, Capital Markets regulations, and main contract provisions.

SECTION 2 – PUBLIC DISCLOSURE AND TRANSPARENCY

8. Company Disclosure Policy

"Disclosure policy is carried out in the scope of rules determined by legislature, Capital Markets Board regulations and legal notifications. The company has created a written document about public disclosure and this document was announced to the shareholders and the public on the company website after approval of the Board of Directors. Board of Directors is authorized to build up and change the disclosure policy. Disclosure policy and any changes to it is issued on the company website after Board of Directors' approval and presented to the shareholders in the first General Assembly meeting. Shareholder Relations Management is responsible for the Disclosure Policy. Furthermore, it is taken as a principle that, in case of a demand, any information disclosed to the public will be send to the related person in shortest possible time. In the case of a request from shareholders, they are informed in writing or verbally. When important changes occur that a disclosure to the public is relevant, necessary material disclosure is made in a timely manner. Our activity reports are prepared in a detail level so that public can gather any information regarding the company's activities.

Material Disclosures

Our company made 29 material disclosure announcements in compliance with Capital Markets Board regulations in 2012 Jan-Dec period. Mentioned material disclosures can also be reached at KAP (Public Disclosure Platform) and our company websites. There are no material disclosures that are not announced by our company in due time. Capital Markets Board has not requested any additional explanation for any of our company's material disclosures.

9. The Company Website and Its Content

Our company website is at www.bizimtoptan.com.tr both in Turkish and in English. On our company's website, the following pieces of information are present as information to shareholders;

- Information about Bizim Toptan
- Investor relations
- Special offers
- Products
- Customer applications
- Company Vision and Mission
- Advantages we offer to our Suppliers
- Activity areas
- Our contribution to Turkish economy
- Company Main Contract
- Organizational structure
- Financial reports
- Financial calendar

- Material disclosures
- General Assembly meeting logs
- Explanation and public offering notices
- List of internal information holders
- Investor presentations
- Analyst information
- Partnership structure
- Disclosure and Dividend policies
- Information on High Level Executives

In accordance with Capital Markets Board Corporate Governance Principles notification, our company's website address in on the company's letterhead.

10. Annual Report

In our company's activity reports, information is present according to "Notification on Determination and Application of Corporate Governance Principles" dated 12/30/2011 Series: IV No:56.

While all the necessary precautions are taken to prevent use of internal information, information regarding our company's managers and outsourced other persons/ institutions which has access to information that can effect values of our company's capital markets instruments, is send to the related institutions and is published on company website in accordance with the related regulations. Our company's managers and outsourced other persons/institutions which has access to information that can effect values of our company's capital markets instruments, as also included in our company's activity report, are presented below;

Murat Ülker Chairman of Board of Directors	Ayşegül Özfindık Expert Lawyer (Yıldız Holding)
Mustafa Yaşar Serdengeçli Deputy Chairman	Nagihan Şengül Tax Coordinator (Yıldız Holding)
Ahmet Özokur Member of Board of Directors	Ali Anıl Kütük Tax Manager (Yıldız Holding)
Rıfat Saban Member of Board of Directors	Emir Erçel Consolidation Expert (Yıldız Holding)
Mehmet Atilla Kurama Member of Board of Directors	Gökhan Parmaksız Consolidation Expert (Yıldız Holding)
Hüseyin Avni Metinkale Member of Board of Directors	Murat Sorkun Financial Standards Manager (Yıldız Holding)
Ali Ülker Member of Board of Directors	Hasan Rıza Bayar Financial Control Expert (Yıldız Holding)
Mahmut Levent Ünlü Member of Board of Directors	Truc Nguyen Investor Relations Advisor (Grayling)
Tahsin Pamir Member of Board of Directors	İvete Almeida Investor Relations Advisor (Grayling)
Güven Obalı Member of Board of Directors	Ayyüce Baştan CEO Secretary (Yıldız Holding)
Cengiz Solakoğlu Member of Board of Directors	Cem Kütük M&A Business Development Manager (Yıldız Holding)
Halil Cem Karakaş Financial Affairs Group Manager (Yıldız Holding)	Özgür Kalyoncu M&A, Business Development and Investor Relations Manager (Yıldız Holding)
Recep Özalp CEO	İşıl Bük Investor Relations Expert (Yıldız Holding)
Ziya Kayacan Vice General Director	Selda Şenkul Manager Assistant (Yıldız Holding)
Bayram Ali Yıldırım Vice General Director	Abdullah Çakar Project Manager (Yıldız Holding)
Recep Çalışkan Vice General Director	Cihangir Çimenoğlu Official Records Expert (Yıldız Holding)
İsa Çelik Finance, Budgeting, and Planning Group Manager	Caner Özdurak M&A, Business Development Department Manager (Yıldız Holding)
Gökhan Savaş Tolu Investor Relations Manager	Serkan Karadağ Internal Auditing Director (Yıldız Holding)
Tunç Emre Esin Investor Relations Manager	Bora Dal Internal Auditing Director (Yıldız Holding)
Murat Yıldız Human Resources Manager	Mesut Emre Yalçın Internal Auditing Manager (Yıldız Holding)
Yunus Özkan Internal Auditing Manager	Bayram Erol Senior Internal Auditor (Yıldız Holding)
Muhsin Metin IT Manager	Duygu Artunç Senior Internal Auditor (Yıldız Holding)
Şenol Yaşa Accounting Manager	Emrah Ebeperi Senior Internal Auditor (Yıldız Holding)
Cemal Tekban Accounting Chief	Evren Bayraktaroğlu Senior Internal Auditor (Yıldız Holding)
Haris Akarsu CEO Assistant	Mustafa Kocameşe Senior Internal Auditor (Yıldız Holding)
Burç Seven Partner (DRT)	Siyne Arslandok Senior Internal Auditor (Yıldız Holding)
Kemal Kerem Gökten Funds Manager (Golden Horn)	Ufuk Kasar Senior Internal Auditor (Yıldız Holding)
Çenk Ülgen Funds Manager (Golden Horn)	Zeynep Sinem Ülker Yarar Senior Internal Auditor (Yıldız Holding)
Nurlaç Ziyal Investor Relations General Manager (Yıldız Holding)	Babür Kaan Şener Senior Internal Auditor (Yıldız Holding)
Mustafa Tercan Financial Affairs General Manager (Yıldız Holding)	Ergin Can Internal Auditor (Yıldız Holding)
Çenker Uçan Coordinator (Yıldız Holding)	Fatma Buket Uğur Haser Internal Auditor (Yıldız Holding)
Gülay Çuğu Bal Financial Standards Manager (Yıldız Holding)	Semra Ahçıoğlu Internal Auditor (Yıldız Holding)
Yasemin Hoccoğlu Executive Assistant (Yıldız Holding)	Kadir Damar Internal Auditor (Yıldız Holding)
Yusuf Gümüş Lawyer (Yıldız Holding)	Hakan Türel Board of Directors Assistant (Yıldız Holding)
Barış Öner Kidemli Legal Advisor (Yıldız Holding)	
Evin Pehlivanlı Financial Standards Manager (Yıldız Holding)	

SECTION 3 - STAKEHOLDERS

11. Informing Stakeholders:

In cases when rights of the stakeholders are not regulated by the applicable legislation or a contract, rights and benefits of stakeholders are protected pursuant to the principles of goodwill and by observing Company's reputation within the bounds of possibility. Furthermore, employees of the Company are provided access to internal Internet portal and to circulars and announcements; other relevant announcements are sent to all employees immediately via e-mail.

12. Stakeholders' Participation in Management:

According to our main contract, Board of Directors consists at least of five members and these members are elected by the General Assembly by suggestions of various shareholders in accordance with the provisions of main contract. Board of Directors consists of 11 members, two of which being independent members.

13. Human Resources Policy:

The main policy of human resources is to take previous applications as a base and to create a high performance team by efforts to improve human resources. Human resources policy adopted by our company is in general the principles adopted by Yıldız Holding, and these policies are contained on website www.bizimtoptan.com.tr. Relations between our company and employees are carried out by Human Resources Management. Until today, we have not received any complaints of discrimination regarding our human resources policy. The company believes that attention to education and sustaining high quality is important for long-term achievement. For this purpose, continuous improvement of employees is among main principles of the company.

Our company's job definitions and distributions;
-Constructing Bizim Toptan Satış Mağazaları A.Ş. strategies in its activity areas (retail/CASH&CARRY) with customer satisfaction philosophy that will increase the standards and will enable sustainable quality, prestige, and sector leadership; becoming one of the companies most desired to work for,

-By acting with the awareness that in a competitive environment human is the one which creates the difference, to increase satisfaction and motivation level of employees, and by continuously improving their loyalty to the company and collaboration between employees, moving the competitive advantage forward.

14. Ethics and Social Responsibility

Our company has adopted in general the ethic rules of conduct adopted by Yıldız Holding. As Bizim Toptan, since our inception, we are a company that is respectful to its employees, which protects the rights of its partners and shareholders, suppliers and customers, law abiding, which cares about social values, which has social responsibility, which adopted management guidelines that depends on highest level of respect, collaboration, high performance, principles of honesty, consistency, trust and responsibility between managers-employees-suppliers-customers, and which works to improve those principles.

Furthermore, our company pay utmost attention to policies which respects and supports Environment, Sports, Education, and Public Health.

SECTION 4 - BOARD OF DIRECTORS

15. Structure and Establishment of Board of Directors

Our Board of Directors consists of 11 members, two of which are independent members. Some of the members in the Board of Directors have executorial duties, and some have not. Most of Board of Directors members consist of members who do not have executive duties. Among those who do not hold executive duties, there exists independent members who hold all the criteria defined by Capital Markets Board regulations and have the ability to do their work without being under influence, can inspect progress of the company, and can spare the time for the company works that is needed to be able to do their work in due diligence.

Chairman of Board of Directors and CEO are not the same person. Mr. Güven Obalı and Mr. Cengiz Solakoğlu serve in the Board of Directors as independent members.

Information about our Board of Directors is given below.

Name and Surname	Duty	Appointment Date	Duty Term
Murat Ülker	Chairman of Board of Directors	10.05.2011	3 years
Mustafa Yaşar Serdengeçti	Deputy Chairman	10.05.2011	3 years
Ali Ülker	Member	10.05.2011	3 years
Ahmet Özokur	Member	10.05.2011	3 years
Rifat Saban	Member	10.05.2011	3 years
Mehmet Atilla Kurama	Member	10.05.2011	3 years
Hüseyin Avni Metinkale	Member	10.05.2011	3 years
Mahmut Levent Ünlü	Member	10.05.2011	3 years
Tahsin Pamir	Member	10.05.2011	3 years
Güven Obalı	Independent Member	10.05.2011	3 years
Cengiz Solakoğlu	Independent Member	10.05.2011	3 years

Executive Management

Name and Surname	Duty at the Company	Employment Term	Professional Experience
Recep Özalp	CEO	8 years	24 years
Bayram Ali Yıldırım	Deputy CEO (Sales and Operations)	7 years	15 years
Recep Çalışkan	Deputy CEO (Purchasing)	11 years	19 years
Ziya Kayacan	Deputy CEO (Financial and Administrative Affairs)	2 years	23 years

Personal backgrounds of our Board Members are given below:

Murat Ülker - Chairman of Board of Directors

Murat Ülker, who was serving as the Chief Executive Officer of Ülker group, is serving as Chairman of Board of Directors since 2008. Starting his career in 1982, Murat Ülker had attended several professional trainings abroad at the beginning of his career and worked as an intern at Continental Banking in the U.S.A. Afterwards, he had worked for two years in Middle East on exports, and for three years had made on-site examinations of around 60 factories and facilities in food sector in the U.S.A. and in Europe. During this time, he served in various International Executive Service Corps ("IESC") projects. Murat Ülker, beginning his career at Ülker group as Control Coordinator in 1984, he also served as Vice General Manager Responsible for Facilities and CEO in the following years. Later, he served as Member of the Executive Committee and as Member of Board of Directors in various companies of the group. During this time, he had realized many new investments with "Vertical Integration" principle. Murat Ülker is a graduate of Management Department of Boğaziçi University Faculty of Economics and Administrative Sciences

Mustafa Yaşar Serdengeçti – Deputy Chairman

Mustafa Yaşar Serdengeçti had graduated from Istanbul University Economy Department in 1982, and started working at Deva Holding Financial Controlling Department the same year. After military service, he had worked at İstanbul Gıda Dış Ticaret A.Ş. as Vice General Manager between 1992-1998, as General Manager between 1998-2004, and he had helped export company of Ülker group to be established and made exports of 180 million dollars to 106 countries in 12 years. Between 2004 and 2006, he worked in consolidation of transportation and storage operations of Ülker group companies and served as Member of Board of Directors in Netlog Lojistik Hizmetleri A.Ş. Between 2005 and 2010, he worked in reconstruction of Bizim Tiptan Satış Mağazaları A.Ş., he served as Deputy Chairman in realization of the new vision and making the company one of the most important of sector. Between 2008 and 2010, he realized the consolidation of modern channel sales under Ülker group and he established Pasifik Tüketim Ürünleri A.Ş. Mustafa Yaşar Serdengeçti, being appointed as Ülker Retail Group Director in 2010, also serves Representative to the Chairman of Board of Directors of Bizim Tiptan Satış Mağazaları A.Ş.

Ahmet Özokur – Member of Board of Directors

Ahmet Özokur, having completed his undergraduate studies in Indiana University Business Administration Department and graduate studies in Language and European Business School Business Administration and marketing, he had started his career as Member of Executive Board at Hızlı Sistem A.Ş. in 2004. Being appointed as General Manager of Datateknik, Mr. Özokur was also appointed as CEO of Datateknik Bilişim Group. With the mergers and acquisitions in 2006 Datateknik Bilişim Group, becoming a completely integrated group, became a company leader and reformer in its sector performing system integration, computer parts distribution, software development and distribution, interactive software development and production and distribution of Exper brand products. In 2008, after reorganization of Datateknik Bilişim Group under Yıldız Holding, Ahmet Özokur was appointed as Assistant Chairman of Yıldız Holding A.Ş., and the same year he was appointed as Project Leader at Yıldız Holding A.Ş. Gayrimenkul Yatırımları Group and as Executive Director at Beta Marina İşletmeciliği A.Ş. Mr. Özokur, continuing to serve as Member of Board of Directors at Bizim Toptan Satış Mağazaları A.Ş., also serves as Member of Board of Directors in various group companies.

Rifat Saban – Member of Board of Directors

Rifat Saban was born in 1939 in İstanbul. He had completed his first, middle, and high school education at Şişli Terakki and French St. Michael High School. Having completed his studies in İstanbul Law School, he started his career as independent lawyer in 1964, and he has been continuing his career as a lawyer for 45 years. Also, he served as Chief Executive Officer of Bereç Battery Factory between 1968-1980. Rifat Saban still serves in boards of directors of various trade and industry organizations.

Mehmet Atilla Kurama – Member of Board of Directors

Mehmet Atilla Kurama was born in Bolu in 1960. He had completed his undergraduate studies at Bosphorus University Administrative Sciences Department Business Administration and his graduate studies at Cardiff Business School. Having worked for several years abroad in banking sector as senior executive, Atilla Kurama served as Product Development Manager at National Commercial Bank, as Credit Risk Management Director at Swiss Bank Corporation, and Europe, Middle-East, and Africa Credit Risk Officer at UBS Warburg respectively. Returning to Turkey in 2001 to participate in Ülker group, Atilla Kurama served as Chief Executive Officer at Family Finans and Finance Group Manager at Yıldız Holding. Mehmet Atilla Kurama, in addition to his duty at Bizim Toptan Satış Mağazaları A.Ş., serves as Member of Board of Directors and executive in various group companies.

Hüseyin Avni Metinkale – Member of Board of Directors

Hüseyin Avni Metinkale was born in 1963 and graduated from Istanbul Technical University management engineering. Hüseyin Avni Metinkale is active member of Gözde Finance Investment Committee and also General Manager of Yıldız Holding. He had started his career as Project Expert at Albaraka Türk Bank in 1986. He continued this role until becoming Founding Member of Board of Directors at Pripack A.Ş. After Yıldız Holding-Pripack A.Ş. consolidation, he served in many executive positions, then he was appointed as Ambalaj Group Vice President. In 2005, he became Ambalaj Group President and at the same time he was appointed as Member of Board of Directors at Yıldız Holding. Hüseyin Avni Metinkale serves as Member of Board of Directors at many companies under Yıldız Holding.

Mahmut Levent Ünlü – Member of Board of Directors and Member of Auditing Committee

Mahmut Levent Ünlü graduated from Georgia Institute of Technology Mechanical Engineering Department in 1989, and completed his graduate studies in Finance at Rice University in 1991. Starting his career as expert at İktisat Bank in 1991, served as Vice General Manager at Yatırımbank between 1992-1995. In 1996, he founded Dundas, Ünlü & Company. Building a strategic partnership with Standard Bank Groups Limited in 2007, Dundas Ünlü changed its name to "Standard Ünlü". Mahmut Levent Ünlü, serving as Deputy Chairman and CEO of Standard Ünlü, also serves as Chairman of Board of Directors and CEO of Ünlü&Co since April 2012.

Dr. Tahsin Pamir – Member of Board of Directors and Corporate Governance Committee Member

Tahsin Pamir was born in Ordu in 1942. He has completed Chemistry at Robert College and has completed his Ph.D. in physicochemistry at Istanbul University. Serving at different executive positions at Yaşar Holding between 1973-1989, left Yaşar Holding as General Manager of Yasaş. Opening the first Metro Cash & Carry Grossmarket in Turkey in 1989, he served as Chairman of Board of Directors and Country Manager of Metro Türkiye for 6 years. Until he founded Pamir Consultancy Company in 1999, he served as Member of Board of Directors, General Manager, and Coordinator at Fiba Holding and EGS Holding, he helped reorganization project of Paşabahçe stores as concept advisor. He held training programs and seminars at many institutions such as Retailing Institute, Migros, Tansaş, Turkcell, Ülker, Soysal, and KMG on retail management principles and applications, strategic retail management, and marketing concepts. He participated as academic instructor in MBA programs at Koç, Yeditepe, and Galatasaray Universities. Participating as instructor at Turquality program, Mr. Pamir is also Turkcell "Development Partner". Tahsin Pamir offers consultancy and educational services in Pamir Consultancy Company on strategic issues and competitive retail formats. Serving as secretary-general of Malls and Retailers Association for one term, he still serves as member of the same association's advisory body. Tahsin Pamir serves at Bizim Tiptan Satış Mağazaları A.Ş. as Member of Board of Directors and Corporate Governance Committee Member.

Güven Obalı – Independent Member of Board of Directors and Member of Auditing Committee

Güven Obalı was born in 1943. He completed Ankara Yıldırım Beyazıt Middle School in 1957, Ankara Gazi High School in 1960, and Ankara University Social Sciences Department Finance and Economics in 1964. By the Ministry of Finance Accounting Expertise exam the same year, he was appointed as assistant Accounting Expert, and by proficiency exam in 1967, he became Accounting Expert. In 1971, he was sent to Federal Germany for a year to examine Value Added Tax Law and its application, leaving his position at Ministry of Finance in 1975, he started working at Industrial Development Bank of Turkey. Beginning as Financial Analyst, he worked at executive positions in various units. During these positions, he served as member of Board of Directors and Board of Auditors on behalf of the bank at organizations such as Şişe Cam Group, Koruma Tarım İlaçları A.Ş., Çelik Halat A.Ş., and Bakırsan A.Ş. Retiring in 1994, he founded ABC Certified Public Accountant Company, working as Certified Public Accountant position until 2004, he resigned from this position voluntarily. Güven Obalı serves at Bizim Toptan Satış Mağazaları A.Ş. as Independent Member of Board of Directors and Member of Auditing Committee.

Cengiz Solakoğlu - Independent Member of Board of Directors / Member of Corporate Governance Committee and Auditing Committee

Graduating from Istanbul Economics and Trade Sciences Academy in 1964, Cengiz Solakoğlu began his career as salesman in Beko Ticaret A.Ş. He was appointed as Regional Sales Manager in 1969, General Sales Manager in 1975, and General Manager of the Company in 1977. Continuing his career at this position until 1983, he was appointed as General Manager of Atılım Company, which also belonged to Koç Group. During his eight years of work at this position, he led the efforts for "Empowering Arçelik Authorized Dealership System". In 1991, he was appointed as Koç Holding Consumer Group Vice President. After performing also as Member of Group Board of Directors between 1996-1998, he was appointed as Koç Holding Consumer Group President in 2002. After working at Koç Group for 37 straight years, Mr. Solakoğlu retired because of the 60 year practice. Mr. Solakoğlu, who is also among founders of 1907 Fenerbahçe Association and Education Volunteers Foundation, was selected as Civil Society Leader in 2003 by The Economist. Cengiz Solakoğlu serves at Bizim Toptan Satış Mağazaları A.Ş. as Independent Member of Board of Directors and Member of Auditing Committee and Corporate Governance Committee.

Sample declaration of independence of Independent Members of Board of Directors is presented below:

I declare that;

"There have not been any direct or indirect, employment, capital, or important trade relations in the last five years between myself, my spouse, and my relatives of up to three levels and legal entities that are related by capital or by management to the Company, one of the Company's related parties, or shareholders that hold directly or indirectly of at least 5% of or the Company capital.

In the last five years, I have not worked in companies or served as member of board of directors that carries out all or part of the company's activities and organization in scope of agreements, especially the companies which audit, rank, and consult the company.

In the last five years, I was not a partner, employee, or member of board of directors of any of the companies which considerably supply service, or products to the company. Because of my duty in board of directors, if I hold company shares, I have less than 1%, which are not with privileges. I do have the necessary professional education, information and experience that will enable me to fulfill my duties resulting from being independent member of board of directors. I am not working full-time in public agencies and institutes as of my candidacy date, and for the duration of my duty in case I am elected.

I have strong ethic standards, professional reputation, and experience that will enable me to make positive contributions to company activities, to keep my neutrality during conflicts of interest among company partners, and considering rights of beneficiaries, make decisions freely.

And so I can perform my membership of company board of directors as independent member. "Other positions of members of Board of Directors outside the company, without the distinction of inside or outside the group, and their reasons are presented to the shareholders during general assembly meeting in which the election is hold.

Name and Surname	Duty	Duty Outside the Company
Murat Ülker	Chairman of Board of Directors	Chairman of Board of Directors in Group Companies
Mustafa Yaşar Serdengeçti	Deputy Chairman	Member of Board of Directors in Group Companies
Ali Ülker	Member of Board of Directors	Member of Board of Directors in Group Companies
Ahmet Özokur	Member of Board of Directors	Member of Board of Directors in Group Companies
Rifat Saban	Member of Board of Directors	Member of Board of Directors in Group Companies
Mehmet Atilla Kurama	Member of Board of Directors	Member of Board of Directors in Group Companies
Hüseyin Avni Metinkale	Member of Board of Directors	Member of Board of Directors in Group Companies
Mahmut Levent Ünlü	Member of Board of Directors	Chairman of Ünlü&Co. Board of Directors
Tahsin Pamir	Member of Board of Directors	Independent Trainer and Consultant
Güven Obalı	Independent Member of Board of Directors	Certified Independent Accountant
Cengiz Solakoğlu	Independent Member of Board of Directors	Member of Board of Directors in Group Companies

16. Activity Principles of Board of Directors

Our Board of Directors had six meetings during 2012 between Jan-Dec. We try to arrange meeting dates to enable attendance of all our members. Our Board of Directors meets every other month on a regular basis. Also, the Board of Directors can meet with the request of chairman or one third of all members. Any one of the auditors has the right to call the Board of Directors to a meeting and determine the agenda. Board of Directors meetings can take place at company's administrative center or any appropriate location in the city of company's administrative center; also it can take place in another city with the decision of Board of Directors. Members of Board of Directors make a decision among themselves to assign duties or not. A notification is sent at least seven days before the meeting date; the notification includes the agenda and related documents are attached. It is essential that members of Board of Directors attend the meetings in person. Any technology that enables long-distance attendance to the meeting can be used. Opinions of members who do not attend the meeting but send their opinions in writing, is presented to other members. It is mandatory that Board of Directors discussions and decisions are transferred to the meeting log that will be attached to the decision book, and that it is signed by all the attendees. Members who have a negative vote should sign the log by also stating their reasons. Board of Directors meets with at least one more than half of the members, and decisions are made by majority of the attendees. In case of vote equality, the issue being voted is taken to the agenda of the next meeting; if majority of votes can still not be obtained, it is assumed that the proposal is rejected. All members of the Board of Directors, regardless of their position or duty, have a right to a single vote. Authorities and responsibilities of members of Board of Directors and its executives are included in detail on www.bizimtoplan.com.tr address and in Company Main Contract at Public Disclosure Platform. Our Board of Directors uses its authorities with all the necessary information which will enable it to fulfill its duty, prudently, and in goodwill principles. In meetings during 2012 activity period, no different opinions against decisions made by members of Board of Directors had been announced. During the period, there hasn't been any related party processes or important processes that is presented to the approval of independent members of board of directors. Important decisions about issues that are needed to be disclosed to the public, are announced to the public right after the meeting.

17. Number, Structure, and Independence of Committees Established in the Board of Directors

Board of Directors Committees

Our Board of Directors, decided anonymously on the issues below on 08/03/2012 and with decision number 303, and this decision was issued on Public Disclosure Platform as Material Disclosure. By reviewing our committees according to the provisions in Capital Markets Board's ("SPK") Series: IV and Number: 56 Notification ("Notification") About Definition and Implementation of Corporate Governance Principles, it was decided that;

- 1) The Corporate Governance Committee, which consists of Board of Directors members Cengiz Solakoğlu (Independent Member) and Tahsin Pamir, to also undertake duties of Early Risk Detection, Candidate Nomination, and Compensation committees and that their term of office to be determined until 6 Jun 2014,
- 2) By changing the Auditing Committee, Güven Obalı (Independent Member) and Cengiz Solakoğlu (Independent Member) to be appointed to the Auditing Committee for the duration until 6 Jun 2014.

Auditing Committee:

The Auditing Committee is responsible for ensuring that internal and independent audits are executed fully and transparently. It has special responsibility in the areas listed below:

- Performing the necessary research to select an independent audit company and submitting that choice for the approval of the Board of Directors after a preliminary consent.
- Auditing compliance of financial statements and footnotes, to be publicly disclosed with applicable legislation and international accounting standards and approving those statements and footnotes.
- Monitoring the operation and performance of the Company's accounting system, public announcements of financial data, independent auditing and the Company's internal control system.
- Examining and resolving complaints concerning accounting, internal control system and independent auditing of the Company.

The Auditing Committee meets at least once each quarter upon the summons of the Committee Chairman. If deemed necessary, the Committee may invite managers or internal and independent auditors to its meetings to

Auditing Committee Members

Name and Surname	Duty	Qualification
Güven Obaloğlu	Head of Auditing Committee	Member of Board of Directors (Independent)
Cengiz Solakoğlu	Member of Auditing Committee	Member of Board of Directors (Independent)

Corporate Governance Committee:

The Corporate Governance Committee is responsible for ensuring that the Company complies with corporate governance principles. It has a special responsibility to examine the extent to which corporate governance principles are applied. If principles are not followed properly, it determines why that is the case and specifies the negative effects from improper application and proposes remedial measures. In addition, the Committee supports the Board of Directors by working on salary, premium and performance evaluations, career planning, investor relations and public announcement issues.

The Corporate Governance Committee is made up of at least two (2) members. When necessary, appointments may be made from among specialists who are not members of the Board of Directors. At least one Corporate Governance Committee member is elected from among independent members of the Board of Directors, not in charge of execution. Members of the Corporate Governance Committee are selected with the Company's decision number 303 of Board of Directors dated 3 Aug 2012, and Members of the Corporate Governance Committee who are in office as of 31.12.2012 are shown in the below table:

Members of the Corporate Governance Committee

Name and Surname	Duty	Qualification
Çengiz Solakoğlu	Head of Corporate Governance Committee	Member of Board of Directors (Independent)
Tahsin Pamir	Member of Corporate Governance Committee	Member of Board of Directors

With Board of Directors' 3 Aug 2012 dated and 303 numbered decision, it is decided that Corporate Governance Committee will at the same time undertake duties of Risk, Candidate Nomination, and Compensation Committees. Because of structure of Board of Directors and number of independent members, some members of Board of Directors serve in more than one committee.

18. Risk Management and Internal Control Mechanism

Our company's activities regarding risk management are carried out by Corporate Governance Committee on behalf of Risk Committee. Also, an Internal Auditing Management has been created to work inside the company. Our company is also being audited by our main partner Yıldız Holding A.Ş.'s auditing units and the independent auditor on a regular basis. Findings of these audits are reported to committee members and other Board of Directors members. Our company's work flows, procedures, authorities and responsibilities of our employees are taken under control in regards to risk management and are being audited continuously.

19. Strategic Goals of the Company

Our company and all companies under Yıldız Holding are founded with the belief of "Every human being has the right to have a good childhood, in whichever country they live in". Bizim Toptan's vision is "to be Turkey's number one wholesaler with its widespread, contemporary, and reliable concept in fast-moving consumer goods sector."

Our mission is "to be a strategic business partner of its customers and suppliers, reducing their costs and risks and providing them with a competitive advantage." Yıldız Holding's and our company's vision and mission that is made public is included on websites www.yildizholding.com.tr and bizimtoptan.com.tr.

20. Material Rights of Board of Directors

Compensations of members of Board of Directors are determined by General Assembly separately for each member according to the company's financial situation. In 2012, the total paid to members of Board of Directors and high level executives was 2,336,363.23 TL.

In this period, none of the Board of Directors members or managers were given a loan, used credit under personal credit directly or by a third party, or given securities such as liens.

Compensation Policy which determines compensation principles of Board of Directors members and high level executives, which was presented to shareholders in the Ordinary General Assembly Meeting on 29 May 2012 is as below. Mentioned policy was issued on the company's website and on Public Disclosure Platform.

"Compensation principles of Board of Directors members and high level executives targets management of rights that will be given to Board of Directors members and high level executives with regards to company's long-term targets and its performance, according to Capital Markets Board and Turkish Commerce Law.

Compensation of Board of Directors members are determined monthly as gross, by also taking opinions of the related committee, and is presented to the approval of General Assembly. It is essential that compensation of Independent Members of Board of Directors is in a level to enable them to keep their independence. Stock options or payment plans depending on company's performance are not used for compensation of Independent Members of Board of Directors.

Compensation and material benefits of high level executives are determined with regards to indicators of their position in the company, responsibility, experience, and performance; relevant to equivalent work conditions, and in accordance with company's strategies and policies. Compensation paid and all other benefits provided are presented to the public by annual activity report.

It is also possible that in addition to the monthly fixed payments determined according to mentioned principles, high level executives and Board of Directors members can also be given other benefits and performance premiums, that will serve long-term performance of the company.

Policy regarding compensation of Board of Directors members and high level executives, and changes to this policy are approved by Board of Directors and presented to General Assembly, and also presented to public on the company website.

**BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2012 AND
INDEPENDENT AUDITOR'S REPORT**

(TRANSLATED INTO ENGLISH FROM THE ORIGINAL TURKISH REPORT)

CONVENIENCE TRANSLATION OF THE INDEPENDENT AUDITOR'S REPORT AND FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

To the Board of Directors of
Bizim Toptan Satış Mağazaları A.Ş.
İstanbul

We have audited the accompanying financial statements of Bizim Toptan Satış Mağazaları A.Ş. ("the Company") comprising the balance sheets as of 31 December 2012 and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory

Management's Responsibility

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit except the matters stated in the paragraph below in accordance with auditing standards published by Capital Markets Board. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial positions of the Company as of 31 December 2012 of its financial performance and its cash flows for the year then ended in accordance with the financial reporting standards published by the Capital Market Board.

İstanbul, 6 March 2013

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.

Member of **DELOITTE TOUCHE TOHMATSU LIMITED**



Burç Seven

Partner

CONTENTS

BALANCE SHEET	40-41
PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME STATEMENT	42
STATEMENT OF CHANGES IN EQUITY	43
STATEMENT OF CASH FLOWS	44-45
NOTES TO THE FINANCIAL STATEMENTS	46-98
NOT 1 ORGANIZATION AND OPERATIONS OF THE COMPANY	46
NOT 2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS	46-62
NOT 3 CASH AND CASH EQUIVALENTS	63
NOT 4 FINANCIAL INVESTMENTS	63
NOT 5 TRADE RECEIVABLES AND LIABILITIES	63-64
NOT 6 OTHER RECEIVABLES AND LIABILITIES	64
NOT 7 INVENTORIES	64
NOT 8 PROPERTY, PLANT AND EQUIPMENT	65-66
NOT 9 INTANGIBLE ASSETS	67
NOT 10 GOVERNMENT GRANTS AND INCENTIVES	68
NOT 11 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES	68-70
NOT 12 EMPLOYEE BENEFITS	71-72
NOT 13 OTHER ASSETS AND LIABILITIES	72-73
NOT 14 EQUITY	73-75
NOT 15 REVENUE AND COST OF SALES	76
NOT 16 MARKETING, SALES AND DISTRIBUTION ON EXPENSES, GENERAL ADMINISTRATIVE EXPENSES	77
NOT 17 EXPENSES BY NATURE	77
NOT 18 OTHER OPERATING INCOME / EXPENSES	78
NOT 19 FINANCE INCOME	78
NOT 20 FINANCE EXPENSES	78
NOT 21 TAX ASSETS AND LIABILITIES	79-81
NOT 22 EARNINGS PER SHARE	81
NOT 23 BALANCES AND TRANSACTIONS WITH RELATED PARTIES	82-86
NOT 24 NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS	87-97
NOT 25 EVENTS AFTER THE BALANCE SHEET DATE	98

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

AUDITED BALANCE SHEET AS OF 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

	Notes	Current Period 31 December 2012	Prior Period 31 December 2011
ASSETS			
Current Assets		276.440.425	213.613.374
Cash and Cash Equivalents	3	19.254.110	20.114.315
Trade Receivables	5	47.663.106	67.449.370
Trade Receivables from Related Parties	5	6.370.354	705.915
Other Trade Receivables	6	41.292.752	66.743.455
Other Receivables	7	338.072	402.195
Inventories	13	200.761.754	118.089.955
Other Current Assets		8.423.383	7.557.539
Non - Current Assets		113.650.920	83.930.863
Financial Investment	4	34.700.000	24.446.700
Property, Plant and Equipment	8	71.608.663	53.125.121
Intangible Assests	9	204.722	233.081
Other Non - Current Assets	13	7.137.535	6.125.961
TOTAL ASSETS		390.091.345	297.544.237

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

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.**AUDITED BALANCE SHEET AS OF 31 DECEMBER 2012****(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)**

	Dipnot Referansları	Current Period 31 December 2012	Period Prior 31 December 2011
LIABILITIES			
Current Liabilities		265.011.337	195.477.697
Trade Payables		246.961.301	181.094.922
Trade Payables to Related Parties	5	26.616.793	46.687.783
Other Trade Payables	5	220.344.508	134.407.139
Corporate Tax Liability	21	1.007.650	2.113.922
Provisions	11	166.172	139.447
Provision for Employment Benefits	12	4.276.142	3.802.578
Other Current Liabilities	13	12.600.072	8.326.828
Non-Current Liabilities		4.157.294	2.787.739
Provision for Employment Benefits	12	746.767	659.479
Deferred Tax Liabilities	21	3.410.527	2.128.260
EQUITY		120.922.714	99.278.801
Share Capital	14	40.000.000	40.000.000
Restricted Reserves Appropriated from Profits	14	6.566.724	3.775.865
Actuarial Loss Fund of Termination Indemnity	14	(58.309)	-
Valuation Funds	14	12.014.662	2.274.028
Retained Earnings	14	36.288.049	23.367.945
Net Profit for the Year		26.111.588	29.860.963
TOTAL EQUITY AND LIABILITIES		390.091.345	297.544.237

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

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

	Notes	Current Period 1 January- 31 December 2012	Prior Period 1 January- 31 December 2011
Sales Revenue	15	1.973.854.398	1.732.972.128
Cost of Sales (-)	15	(1.803.036.639)	(1.585.457.459)
GROSS PROFIT		170.817.759	147.514.669
Marketing, Sales and Distribution Expenses (-)	16-17	(93.551.631)	(76.483.549)
General Administrative Expenses (-)	16-17	(18.737.843)	(17.623.054)
Other Operating Income	18	304.973	449.745
Other Operating Expenses (-)	18	(1.021.321)	(3.247.884)
OPERATING PROFIT		57.811.937	50.609.927
Finance Income	19	8.565.360	8.069.677
Finance Expenses (-)	20	(33.826.194)	(21.291.139)
PROFIT BEFORE TAX		32.551.103	37.388.465
Tax Charge		(6.454.092)	(7.527.502)
Current Tax Charge	21	(5.655.337)	(7.082.542)
Deferred Tax Expense	21	(798.755)	(444.960)
NET PROFIT FOR THE YEAR		26.097.011	29.860.963
OTHER COMPREHENSIVE INCOME		9.682.325	2.274.028
Change In Valuation Fund	4	10.253.300	2.274.028
Change In Actuarial Loss Fund	12-14	(72.886)	-
Tax Expenses Related to Other Comprehensive Income Items	21	(498.089)	(119.684)
TOTAL NET COMPREHENSIVE INCOME		35.779.336	32.134.991
Earnings per share (TL)	22	0,6524	0,7465

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

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

AUDITED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

	Notes	"Share Capital"	Restricted Reserves Appropriated from Profits	Valuation Funds	"Retained Earnings"	Net Profit	Total
Balance as of 1 January 2011		40.000.000	1.286.963	-	12.526.560	28.344.687	82.158.210
Transfers	14	-	2.448.902	-	25.855.785	(28.344.687)	-
Dividends paid	14	-	-	-	(13.520.000)	-	(13.520.000)
Transactions with companies under common control (net off tax)	21	-	-	-	(1.494.400)	-	(1.494.400)
Total comprehensive income	14	-	-	2.774.08	-	29.860.963	32.134.991
Balance as of 31 December 2011		40.000.000	3.775.865	2.774.08	23.367.945	29.860.963	99.278.801
Balance as 1 January 2012		40.000.000	3.775.865	2.274.028	23.367.945	29.860.963	99.278.801
Transfers	14	-	2.790.859	-	27.070.104	(29.860.963)	-
Dividends paid	14	-	-	-	(14.150.000)	-	(14.150.000)
Total comprehensive income	14	-	-	9.740.634	-	26.097.011	35.779.336
Balance as of 31 December 2012		40.000.000	6.566.724	12.014.662	36.288.049	26.097.011	120.908.137

The accompanying notes form an integral part of these financial

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

AUDITED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

	Notes	Current Period 1 January- 31 December 2012	Prior Period 1 January- 31 December 2011
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year		26.097.011	29.860.963
Adjustments to reconcile net profit to net cash provided by operating activities:			
- Depreciation of property, plant and equipment	8	10.299.164	9.160.046
- Discount of trade Receivables		(115.119)	229.433
- Discount of trade Payables		(575.413)	(717.423)
- Amortization of other intangible assets	9	105.246	80.205
- Provision for employment termination benefits	12	927.517	768.578
- Provision / (reversal) for lawsuits	11	26.725	(89.986)
- Allowance for doubtful receivables	5	233.830	81.356
- Gain on disposal of property, plant and equipment	18	(15.003)	(141.432)
- Change in unused vacation accrual	12	179.334	182.085
- Performance premium and other social rights	12	1.367.161	1.318.671
- Finance expense	20	10.157.021	3.768.148
- Finance income	19	(873.506)	(925.594)
- Income tax expense	21	6.454.092	7.527.502
Operating cash flows provided before changes in working capital		54.268.060	51.102.552
- Decrease / (increase) in trade receivables	5	25.434.862	(3.914.389)
- Increase in due from related parties	5	(5.767.309)	(336.559)
- (Increase) / decrease in inventories	7	(82.671.799)	9.991.493
- Decrease other receivables from related parties	6	-	781.570
- Increase in other receivables and current assets	6-13	(801.721)	(1.807.944)
- Increase in other non-current asset	13	(1.011.574)	(1.749.356)
- Increase / (decrease) in trade payables	5	87.039.426	(7.297.752)
- (Decrease) / Increase in related party trade payables	5	(20.597.634)	3.167.947
- Increase in other payables and current liabilities	12-13	3.200.313	3.326.015
Cash generated from operations		59.092.624	53.263.577
- Income taxes paid	21	(6.791.609)	(6.306.948)
- Retirement benefits paid	12	(913.115)	(631.435)
Cash generated from operating activities		51.417.900	46.325.194

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

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

AUDITED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

	Notes	Current Period 1 January- 31 December 2012	Prior Period 1 January- 31 December 2011
CASH FLOWS FROM INVESTING ACTIVITIES			
-Proceeds on property, plant and equipment disposed		539.877	253.842
-Purchases of property, plant and equipment	8	(29.268.530)	(19.275.056)
-Acquisition of financial asset	4	-	(22.052.987)
-Transactions with companies under common control		-	(1.868.000)
-Purchases of other intangible assets	9	(115.937)	(193.120)
-Interest received	19	873.506	925.594
Net cash used in investing activities		(27.971.084)	(42.209.727)
CASH FLOWS FROM FINANCING ACTIVITIES			
-New borrowings raised		16.785.588	842.783
-Repayment of borrowings		(16.785.588)	(842.783)
-Interest paid	20	(10.157.021)	(3.768.148)
-Dividends paid		(14.150.000)	(13.520.000)
-Repayment of obligations under finance lease		-	(216.400)
Net cash used in financing activities		(24.307.021)	(17.504.548)
NET DECREASE IN CASH AND CASH EQUIVALENTS		(860.205)	(13.389.081)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		20.114.315	33.503.396
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		19.254.110	20.114.315

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

1. ORGANIZATION AND OPERATIONS OF THE COMPANY

Bizim Toptan Satış Mağazaları A.Ş. (the "Company"), was established in 2001 and registered in Istanbul in accordance with Turkish Commercial Code. The headoffice of the Company is located in Kuşbakışı Cad. No.19 Altunizade-Üsküdar / Istanbul.

The main operation of the Company is to wholesale fast moving consumer goods to taxpayers and legal entities such as; small dealers, small markets, canteens, catering companies and corporate customers. The Company sells goods to taxpayers who owns the Company's membership card.

The Company has 137 stores in 63 cities as of 31 December 2012 (31 December 2011: 124 stores in 60 cities). As of 31 December 2012, the number of personel is 1.607 (31 December 2011: 1.401).

The Company's ultimate parent and the party controls the Company is Yıldız Holding A.Ş. The shares of the Company are publicly traded on the İstanbul Stock Exchange Market (ISE) since 3 February 2011.

As of 31 December 2012 the names and percentages of the shareholders of the Company's share capital are as follows:

Name of the Shareholders	31 December 2012	%	31 December 2012	%
Public quotation(*)	15.215.444	%38	16.000.000	40 %
Yıldız Holding A.Ş.	19.977.410	%50	13.337.410	33 %
Strategic Investment Fund	-	-%	8.000.000	20 %
Standard Bank Plc - Londra	-	-%	2.000.000	5 %
Other	4.807.146	%12	662.590	2 %
	40.000.000	100%	40.000.000	100%

(*)According to Central Registration Agency (MKK) as of 31.12.2012

Approval of Financial Statements

The financial statements have been presented for the approval of the Board of Directors and gave authority to publish as of 6 March 2013. The General Assembly has the authority to amend/modify the financial statements.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of the presentation:

Basis of the Preparation of the Financial Statements and Accounting Policies:

The Company maintains books of account and prepare statutory financial statements in accordance with accounting principles in the Turkish Commercial Code and tax legislation.

Capital Market Board (CMB) Decree No XI-29 "Capital Markets Financial Reporting Standards" provides principals and standards regarding the preparation and presentation of financial statements. This Decree became effective for periods beginning after 1 January 2008 and with its issuance Decree No XI-25 "Capital Markets Accounting Standards" was annulled.

Based on this Decree, the companies are required to prepare their financial statements based on International Financial Reporting Standards ("IFRS") as accepted by the European Union. However during the period in which the differences between the standards accepted by European Union and the standards issued by International Accounting Standards Board ("IASB") are announced by Turkish Accounting Standards Board ("TASB"), IAS/ IFRS will be applied. In this scope, Turkish Accounting/ Financial Reporting Standards issued by TASB which do not contradict to the standards accepted will be adopted. The accompanying financial statements have been prepared in accordance with IFRS and comply with

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

Financial statements are prepared on the basis of historical cost principal.

Per decree no 660 published on the Official Gazette dated 2 November 2011 and became effective, additional article no:1 of the 2499 numbered Law on establishment of TASB has been abrogated and establishment of Public Oversight, Accounting and Auditing Standards Association ("Board") has been decided by the Council of Ministers. In accordance with this additional temporary article no 1 of the decree, current regulations will prevail until related standards and regulations will be issued by the Board become effective. Therefore this situation, as of the reporting date, has no effect on the "Principles in Preparation of the Financial Statements" explained in this footnote.

Determination of Functional Currency:

Financial statements of the Company are presented in the currency of the primary economic environment in which the entity operates (its functional currency). The results and financial position of the entity is expressed in TL, which is the functional and presentation currency of the Company.

Preparation of Financial Statements in Hyperinflationary Periods:

CMB, with its resolution dated 17 March 2005 and decree no 11/367 declared that companies operating in Turkey which prepare their financial statements in accordance with CMB Accounting Standards (IAS/IFRS applications, including those who adopt), effective 1 January 2005, will not be subject to the application of inflation accounting. Consequently, in the accompanying financial statements IAS 29 "Financial Reporting in Hyperinflationary Economies" was not applied.

Offsetting:

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

2.2 Changes in the Accounting Policies:

Financial statements of the Company have been prepared comparatively with the prior year in order to give information about financial position and performance. The Company has not made any changes to its accounting policies in the current year.

The Company has adopted early application of the revised IAS 19 for the current period. Revised IAS 19 requires that actuarial gain/loss must be recognized in equity rather than profit/loss for the period and prior year's financial statements must be adjusted. The Company has not revised the financial statements of 2011 because the amount is immaterial

2.3 Changes and Errors in Accounting Estimates:

If the changes in the accounting polices are related to one period they are applied in the current year; if they are related with the future period they are applied both in the current period and future periods. The Company did not have any changes in the accounting estimates in the current year. Significant accounting errors are applied retrospectively and prior period financial statements are rearranged.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

2.4 Adoption of New and Revised International Financial Reporting Standards:

(a) New and revised IFRSs affecting presentation and disclosure only

The following amendments to IFRSs have been applied in the current year and have affected the amounts reported in these consolidated financial statements.

(b) New and revised IFRSs affecting the reported financial performance and/or financial position

IAS 19 Employee Benefits

The amendments to IAS 19 change the accounting for defined benefit plans and termination benefits. The most significant change relates to the accounting for changes in defined benefit obligations and plan assets. The amendments require the recognition of changes in defined benefit obligations and in fair value of plan assets when they occur, and hence eliminate the 'corridor approach' permitted under the previous version of IAS 19 and accelerate the recognition of past service costs. The amendments require all actuarial gains and losses to be recognized immediately through other comprehensive income in order for the net pension asset or liability recognized in the consolidated statement of financial position to reflect the full value of the plan deficit or surplus. Furthermore, the interest cost and expected return on plan assets used in the previous version of IAS 19 are replaced with a 'net-interest' amount, which is calculated by applying the discount rate to the net defined benefit liability or asset. The amendments to IAS 19 require retrospective application. However, the Group management has not yet performed a detailed analysis of the impact of the application of the amendments and hence has not yet quantified the extent of the impact.

(c) 2012 yılından itibaren geçerli olup, Şirket'in finansal tablolarını etkilemeyen standartlar, mevcut standartlara getirilen değişiklikler ve yorumlar

Amendments to IFRS 7 Disclosures - Transfers of Financial Assets

The amendments to IFRS 7 increase the disclosure requirements for transactions involving transfers of financial assets. These amendments are intended to provide greater transparency around risk exposures when a financial asset is transferred but the transferor retains some level of continuing exposure in the asset. The amendments also require disclosures where transfers of financial assets are not evenly distributed throughout the period.

These amendments to IFRS 7 did not have a significant effect on the Group's disclosures. However, if the Group enters into other types of transfers of financial assets in the future, disclosures regarding those transfers may be affected.

Amendments to IAS 12 Deferred Taxes – Recovery of Underlying Assets

The amendment is effective for annual periods beginning on or after 1 January 2012. IAS 12 requires an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale. It can be difficult and subjective to assess whether recovery will be through use or through sale when the asset is measured using the fair value model in IAS 40 Investment Property. The amendment provides a practical solution to the problem by introducing a presumption that recovery of the carrying amount will, normally be, through sale. The Company does not have investment property. The amendment did not have any effect on the financial statements.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

(d) New and revised IFRSs in issue but not yet effective

The Company has not applied the following new and revised IFRSs that have been issued but are not yet effective:

Amendments to IAS 1 Presentation of Items of Other Comprehensive Income¹
 Amendments to IAS 1 Clarification of the Requirements for Comparative Information²
 IFRS 9 Financial Instruments⁵
 IFRS 10 Consolidated Financial Statements³
 IFRS 11 Joint Arrangements³
 IFRS 12 Disclosure of Interests in Other Entities³
 IFRS 13 Fair Value Measurement³
 Amendments to IFRS 7 Disclosures – Offsetting Financial Assets and Financial Liabilities³
 Amendments to IFRS 9

and IFRS 7 Mandatory Effective Date of IFRS 9 and Transition Disclosures⁵

¹ Effective for annual periods beginning on or after 1 July 2012.

² Effective for annual periods beginning on or after 1 January 2013 as part of the Annual Improvements to IFRSs 2009-2011 Cycle issued in May 2012.

³ Effective for annual periods beginning on or after 1 January 2013.

⁴ Effective for annual periods beginning on or after 1 January 2014.

⁵ Effective for annual periods beginning on or after 1 January 2015.

Amendments to IFRS 10, IFRS 11 Consolidated Financial Statements, Joint Arrangements and and IFRS 12 Disclosures of Interests in Other Entities: Transition Guide¹

IAS 27 (as revised in 2011) Separate Financial Statements¹

IAS 28 (as revised in 2011) Investments in Associates and Joint Ventures¹

Amendments to IAS 32 Offsetting Financial Assets and Financial Liabilities²

Amendments to IFRSs Annual Improvements to IFRSs 2009-2011

Cycle except for the amendment to IAS 11

IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine¹

Amendments to IAS 1 Presentation of Items of Other Comprehensive Income

The amendments to IAS 1 Presentation of Items of Other Comprehensive Income is effective for the annual periods beginning on or after 1 July 2012. The amendments introduce new terminology for the statement of comprehensive income and income statement. Under the amendments to IAS 1, the 'statement of comprehensive income' is renamed the 'statement of profit or loss and other comprehensive income' and the 'income statement' is renamed the 'statement of profit or loss'. The amendments to IAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to IAS 1 require items of other comprehensive income to be grouped into two categories in the other comprehensive income section: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis - the amendments do not change the option to present items of other comprehensive income either before tax or net of tax. The amendments can be applied retrospectively. Other than the above mentioned presentation changes, the application of the amendments to IAS 1 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

Amendments to IAS 1 Presentation of Financial Statements (as part of the Annual Improvements to IFRSs 2009-2011 Cycle issued in May 2012)

The amendments to IAS 1 as part of the Annual Improvements to IFRSs 2009-2011 Cycle are effective for the annual periods beginning on or after 1 January 2013.

IAS 1 requires an entity that changes accounting policies retrospectively, or makes a retrospective restatement or reclassification to present a statement of financial position as at the beginning of the preceding period (third statement of financial position). The amendments to IAS 1 clarify that an entity is required to present a third statement of financial position only when the retrospective application, restatement or reclassification has a material effect on the information in the third statement of financial position and that related notes are not required to accompany the third statement of financial position.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

IFRS 9 Financial Instruments

IFRS 9, issued in November 2009, introduces new requirements for the classification and measurement of financial assets. IFRS 9 was amended in October 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition.

¹ Effective for annual periods beginning on or after 1 January 2013.

² Effective for annual periods beginning on or after 1 January 2014.

Key requirements of IFRS 9 is as below:

All recognized financial assets that are within the scope of IAS 39 Financial Instruments: Recognition and Measurement to be subsequently measured at amortized cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortized cost at the end of subsequent accounting periods. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognized in profit or loss.

With regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability, is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Previously, under IAS 39, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss was presented in profit or loss.

The Company management anticipates that the application of IFRS 9 in the future may have significant impact on amounts reported in respect of the Group's financial assets and financial liabilities. However, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

New and revised Standards on consolidation, joint arrangements, associates and disclosures

In May 2011, a package of five Standards on consolidation, joint arrangements, associates and disclosures was issued, including IFRS 10, IFRS 11, IFRS 12, IAS 27 (as revised in 2011) and IAS 28 (as revised in 2011).

Key requirements of these five Standards are described below:

IFRS 10 replaces the parts of IAS 27 Consolidated and Separate Financial Statements that deal with consolidated financial statements. SIC-12 Consolidation - Special Purpose Entities will be withdrawn upon the effective date of IFRS 10. Under IFRS 10, there is only one basis for consolidation, that is control. In addition, IFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's return. Extensive guidance has been added in IFRS 10 to deal with complex scenarios.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

IFRS 11 replaces IAS 31 Interests in Joint Ventures. IFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. SIC-13 Jointly Controlled Entities - Non-monetary Contributions by Venturers will be withdrawn upon the effective date of IFRS 11. Under IFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the rights and obligations of the parties to the arrangements. In contrast, under IAS 31, there are three types of joint arrangements: jointly controlled entities, jointly controlled assets and jointly controlled operations. In addition, joint ventures under IFRS 11 are required to be accounted for using the equity method of accounting, whereas jointly controlled entities under IAS 31 can be accounted for using the equity method of accounting or proportional consolidation.

IFRS 12 is a disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the disclosure requirements in IFRS 12 are more extensive than those in the current standards. In June 2012, the amendments to IFRS 10, IFRS 11 and IFRS 12 were issued to clarify certain transitional guidance on the application of these IFRSs for the first time. These five standards together with the amendments regarding the transition guidance are effective for annual periods beginning on or after 1 January 2013, with earlier application permitted provided all of these standards are applied at the same time..

Hence the Company prepares solo financial statements, these amendments is not effective for the Company.

IFRS 13 Fair Value Measurement

IFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The Standard defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The scope of IFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other IFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. In general, the disclosure requirements in IFRS 13 are more extensive than those required in the current standards. For example, quantitative and qualitative disclosures based on the three-level fair value hierarchy currently required for financial instruments only under IFRS 7 Financial Instruments: Disclosures will be extended by IFRS 13 to cover all assets and liabilities within its scope.

IFRS 13 is effective for annual periods beginning on or after 1 January 2013, with earlier application permitted.

The Company management anticipates that IFRS 13 will be adopted in the Group's financial statements for the annual period beginning 1 January 2013 and that the application of the new Standard may affect the amounts reported in the financial statements and result in more extensive disclosures in the financial statements.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

Amendments to IFRS 7 and IAS 32 Offsetting Financial Assets and Financial Liabilities and the related disclosures

The amendments to IAS 32 clarify existing application issues relating to the offset of financial assets and financial liabilities requirements. Specifically, the amendments clarify the meaning of 'currently has a legally enforceable right of set-off' and 'simultaneous realization and settlement'.

The amendments to IFRS 7 require entities to disclose information about rights of offset and related arrangements (such as collateral posting requirements) for financial instruments under an enforceable master netting agreement or similar arrangement.

The amendments to IFRS 7 are effective for annual periods beginning on or after 1 January 2013 and interim periods within those annual periods. The disclosures should be provided retrospectively for all comparative periods. However, the amendments to IAS 32 are not effective until annual periods beginning on or after 1 January 2014, with retrospective application required

The Group management anticipates that the application of these amendments to IAS 32 and IFRS 7 may result in more disclosures being made with regard to offsetting financial assets and financial liabilities in the future.

Annual Improvements to IFRSs 2009 - 2011 Cycle issued in May 2012

The Annual Improvements to IFRSs 2009 - 2011 Cycle include a number of amendments to various IFRSs. The amendments are effective for annual periods beginning on or after 1 January 2013. Amendments to IFRSs include:

Amendments to IAS 16 Property, Plant and Equipment; and
Amendments to IAS 32 Financial Instruments: Presentation.
Amendments to IAS 16

The amendments to IAS 16 clarify that spare parts, stand-by equipment and servicing equipment should be classified as property, plant and equipment when they meet the definition of property, plant and equipment in IAS 16 and as inventory otherwise. The Group management does not anticipate that the amendments to IAS 16 will have a significant effect on the Group's consolidated financial statements.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

Amendments to IAS 32

The amendments to IAS 32 clarify that income tax relating to distributions to holders of an equity instrument and to transaction costs of an equity transaction should be accounted for in accordance with IAS 12 Income Taxes. The Group management does not anticipate that the amendments to IAS 32 will have a significant effect on the Group's consolidated financial statements.

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

IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine applies to waste removal costs that are incurred in surface mining activity during the production phase of the mine (production stripping costs). Under the Interpretation, the costs from this waste removal activity (stripping) which provide improved access to ore is recognized as a non-current asset (stripping activity asset) when certain criteria are met, whereas the costs of normal on-going operational stripping activities are accounted for in accordance with IAS 2 Inventories. The stripping activity asset is accounted for as an addition to, or as an enhancement of, an existing asset and classified as tangible or intangible according to the nature of the existing asset of which it forms part.

IFRIC 20 is effective for annual periods beginning on or after 1 January 2013. Specific transitional provisions are provided to entities that apply IFRIC 20 for the first time. However, IFRIC 20 must be applied to production stripping costs incurred on or after the beginning of the earliest period presented. The Group management anticipates that IFRIC 20 will have no effect to the Group's financial statements as the Group does not engage in such activities.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

2.5 Summary of Significant Accounting Policies:

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

Revenue:

Revenue from sale of goods is recognised at the fair value of the cash consideration to be received, when the Company has transferred to the buyer the significant risks and rewards of ownership of the goods, when the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the entity. Revenue is reduced for estimated customer returns and discounts. Rebates and supplier discounts are accrued and deducted from the cost of goods sold at the time when the suppliers are rendering the services. Sales are mainly generated by cash, or credit card.

Sale of goods

The Company sells food and beverage, cleaning products, tobacco and sugar as a wholesaler in its stores. The sale of goods is recorded when the goods were delivered to the wholesaler and there is no unfulfilled liability to prevent acceptance of the delivery by the wholesaler. Delivery of the goods is made within the store. Sales are recorded as the sales price less any estimated discounts and returns.

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

Sales discounts are granted at the point of sale based on a percentage and are recorded as a reduction of revenue in the period of the sale. Sale discount percentages vary depending on the product sold.

Sales returns are granted based on agreements with the third party distributors, sales agents, and chain grocery stores and recorded as a reduction of revenue in the period of sale.

Other income

Other income consists of the services that the Company provides to its suppliers and it is recognised as sales (except for the rebates and supplier discounts, income from field usage, advertisement and listing income and income from participation to the store openings) on accrual basis for the periods that the suppliers benefit from the services. Income from suppliers, rebates and supplier discounts, advertisement participation income are recognized and deducted from the cost of goods on accrual basis for the periods that the suppliers benefit from the services.

Dividend and interest revenue

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

Inventories:

Inventories are stated at the lower of cost and net realizable value. Inventories are valued using first in first out method. Net realizable value represents the estimated selling price less all estimated costs of completion and costs necessary to make a sale. When the net realizable value of inventory is less than cost, the inventory is written down to the net realizable value and the expense is included in statement of comprehensive income/(loss) in the period the write-down or loss occurred. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realizable value because of changed economic circumstances, the amount of the write-down is reversed. The reversal amount is limited to the amount of the original write-down.

Property, plant and equipment:

Tangible assets that are acquired before 1 January 2005 are carried at their restated costs adjusted to the effects of inflation as of 31 December 2004, less any accumulated depreciation and any impairment loss and tangible assets that are acquired after 1 January 2005 are carried at cost of acquisition, less any accumulated depreciation and any impairment loss.

Depreciation is charged so as to write off the cost of assets, other than land and construction in progress, over their estimated useful lives, using the straight line method. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets, or, when shorter, the term of the relevant lease.

The gain or loss arising on the disposal or retirement of an item of tangible fixed assets is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

Leasehold improvements

Leasehold improvements of the Company generally consists of permanent improvements made to the stores leased by the Company, that are expected to provide future economic benefits. The Company records any leasehold improvements made at the date of the improvement as tangible assets and carries these at the cost of acquisition, less any accumulated depreciation and any impairment loss.

Leasing Transactions

The Company as lessor:

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

Information on operational leases of the Company was given in Note 11.

The Company as lessee:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are initially recognized as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in profit or loss in accordance with the Company's general policy on borrowing costs. Operating lease payments are recognized as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

Intangible Assets:

Intangible assets that are acquired before 1 January 2005 are carried at their restated costs adjusted to the effects of inflation as of 31 December 2004, less any accumulated amortization and any impairment loss and intangible assets that are acquired after 2005 are carried at cost of acquisition, less any accumulated amortization and any impairment loss. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Impairment of Assets:

At each balance sheet date, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Borrowing Costs:

All borrowing costs are recorded in the comprehensive income statement in the period in which they are incurred. According to IAS 23 (Revised), the Company does not have any borrowing cost that should be included in assets.

Financial Instruments:

Financial assets:

Investments are recognised and derecognised on a trade date where the purchase or sale of an investments under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified into the following specified categories: financial assets as 'at fair value through profit or loss' (FVTPL), 'held-to-maturity investments', 'available-for-sale' (AFS) financial assets and 'loans and receivables'.

Effective interest method

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

Income is recognised on an effective interest basis for debt instruments other than those financial assets designated as at FVTPL.

Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less any

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

Available-for-sale financial assets

Unquoted equity investments held by the Company that are traded in an active market are classified as being available-for-sale financial assets and are stated at fair value. Gains and losses arising from changes in fair value are recognized in other comprehensive income and accumulated in the investments revaluation reserve with the exception of impairment losses, interest calculated using the effective interest method, and foreign exchange gains and losses on monetary assets, which are recognized in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted. For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

With the exception of AFS equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised. In respect of AFS equity securities, any increase in fair value subsequent to an impairment loss is recognised directly in equity.

Cash and cash equivalents

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

Financial liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL where the financial liability is either held for trading or it is designated as at FVTPL. Financial liabilities at FVTPL are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability. kapsar.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

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

Foreign Currency Transactions

The individual financial statement of the Company is presented in the currency of the primary economic environment in which the Company operates (its functional currency). For the purpose of the financial statements, the results and financial position of each group are expressed in TL, which is the functional currency of the Company, and the presentation currency for the financial statements.

In preparing the financial statements of the entity, transactions in currencies other than TL (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognized in profit or loss in the period in which they arise except for:

- Exchange differences which relate to assets under construction for future productive use, which are included in the cost of those assets where they are regarded as an adjustment to interest costs on foreign currency borrowings.
- Exchange differences on transactions entered into in order to hedge certain foreign currency risks

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

Earnings Per Share:

Earnings per share disclosed in the accompanying statement of income is determined by dividing net income by the weighted average number of shares in existence during the year concerned.

Events After Balance Sheet Date:

Events after balance sheet date are those events are any announcement that is related with the profit for the year or other chosen financial information declared to the public , that occur between the balance sheet date and the publication date of the balance sheet. Should any evidence about the events that are prior to the balance sheet date or any related events arise subsequent to the balance sheet date, should be explained in the relevant disclosure.

Provisions, Contingent Liabilities and Contingent Assets:

Provisions

The Company shall recognise a provision only when it has a present obligation as a result of a past event, and it is probable that the entity will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably (Note 11).

Contingent assets and liabilities

A contingent assets and liabilities are defined as a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, and are disclosed where an inflow or outflow of economic benefits is probable (Note 11).

Related Parties:

For the purpose of these financial statements, shareholders, key management personnel and Board members, in each case together with their families and companies controlled by or affiliated with them, associates and joint ventures are considered and referred to as related parties.

Government Grants and Incentives:

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

In the current period, the Company has utilized grants given under the "Law No. 5084 Governing the Changes Made to Certain Laws Regarding Investment and Employment Grants" issued on 6 February 2004 at the Official Gazette Numbered 25365, allowing for various tax and insurance premium grants to increase investment and employment at certain cities.

The Company deducts the government grants with regards to employment premiums from its social securities payments, and records the net amount as payable and expense in the statement of comprehensive income

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

Taxation and deferred income taxes:

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the comprehensive income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred Tax

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

Current and Deferred Tax

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited directly to equity, in which case the tax is also recognised directly in equity, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

Employee Benefits / Retirement Pay Provision:

Benefits such as bonus, allowance for heating, marriage allowance, leave of absence, religious holidays, education incentive, birth and death allowance are provided to the Company employees. Moreover, under the Turkish law and union agreements, lump sum payments are made to employees retiring or involuntarily leaving the Company. Such payments are considered as being part of defined retirement benefit plan as per IAS 19 (revised) "Employee Benefits." The provision has been calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of employees. The principal assumption is that the maximum liability for each year of service will increase parallel with inflation.

Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation.

Future retirement payments are discounted to their present value at the balance sheet date at an interest rate determined as net of an expected inflation rate and an appropriate discount rate.

Cash Flow Statement:

In statement of cash flow, cash flows are classified according to operating, investment and finance activities.

Cash flows from operating activities reflect cash flows generated from the Company's wholesale operations.

Cash flows from investment activities express cash used in investment activities (direct investments and financial investments) and cash flows generated from investment activities of the Company.

Cash flows relating to finance activities express sources of financial activities and payment schedules of the Company.

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

Capital and Dividends:

Ordinary shares are classified as equity. Dividends distributed over the ordinary shares are classified as dividend liability after deducting retained earnings at the period in which the dividend distribution decision is made.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

2.6 Company's Critical Accounting Judgments

In the process of applying the entity's accounting policies, which are described in Note 2.5, management has made the following judgments that have the most significant effect on the amounts recognized in the financial statements:

Useful life of property, plant and equipment:

Company has calculated the depreciation amounts regarding the useful lives specified on Note 8 and Note 9.

Doubtful receivables provision:

Provision is allocated for doubtful receivables when the Company has an objective indication over the collectability. The amount of the provision is the difference between the carrying amount and the recoverable amount. Recoverable amount is the present value of all cash flows, including amounts recoverable from guarantees and collaterals discounted based on using the original effective interest rate of the trade receivables occurred.

As of 31 December 2012, a provision for TL 627.905 of the trade receivables (Note 5) have been provided for doubtful receivable provision (31. December 2011: TL 394.075).

Termination and retirement benefits:

Under Turkish law and union agreements, lump sum payments are made to employees retiring or involuntarily leaving the Company. Such payments are considered as being part of defined retirement benefit plan as per International Accounting Standard (revised) "Employee Benefits" ("IAS 19").

The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation. All the actuary gains and losses are recognized in the income statements.

The estimations relating to the calculation have been described in Note 12.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

3. CASH AND CASH EQUIVALENTS

	31 December 2012	31 December 2011
Cash on hand	3.351.025	4.577.852
Demand deposits	15.903.085	15.536.463
	19.254.110	20.114.315

4. FINANCIAL INVESTMENTS

Available for Sale Financial Assets	31 December 2012	31 December 2011
Şok Marketler Ticaret A.Ş.	34.700.000	24.446.700
	34.700.000	24.446.700

Available for sale financial investments are presented at fair value. Fair value increase amounting to TL 10.253.300 is accounted in the statement of comprehensive income. The fair value of these investment is determined via CoCo analysis, CoTrans analysis and discounted cash flow analysis in the independent valuation report prepared by Akis Bağımsız Denetim ve SMMM A.Ş.(KMPG) (As of 31 December 2011, the fair value of financial investments is determined by using multiplier analysis and discounted cash flow analysis which was prepared by Bizim Menkul Değerler A.Ş.).

5. TRADE RECEIVABLES AND PAYABLES

	31 December 2012	31 December 2011
Credit card receivables	25.921.929	53.387.790
Trade receivables	13.705.064	11.104.585
Notes receivables	2.293.664	2.645.155
Allowance for doubtful receivables (-)	(627.905)	(394.075)
	41.292.752	66.743.455

Trade receivables of related parties

Trade receivables from related parties (Note 23)	6.370.354	705.915
Total current trade receivables	47.663.106	67.449.370

As of 31 December 2012, the average collection period of credit card receivables of the Company is 17 days (31 December 2011: 18 days).

As of 31 December 2012, the average period for the sale of goods is 9 days (31 Aralık 2011: 12 days).

Trade receivables are carried at amortized cost and are calculated over discount rate of 10% (31 December 2011:13%). The allowance for trade receivables is provided based on the estimated irrecoverable amounts from the sale of goods, determined by reference to past default experience.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

The movement of the allowance for doubtful receivables as of 31 December 2012 and 2011 are as follows:

	1 January- 31 December 2012	1 January- 31 December 2011
Movement of allowance for doubtful receivables		
Beginning balance	(394.075)	(312.719)
Period cost	(233.830)	(81.356)
Closing balance	(627.905)	(394.075)

	31 December 2012	31 December 2011
Short term trade payables		
Trade payables	220.344.508	134.407.139
	220.344.508	134.407.139

	31 December 2012	31 December 2011
Trade payables of related parties		
Trade payables to related parties (Note 24)	26.616.793	46.687.783
	26.616.793	46.687.783
Total long term trade payables	246.961.301	181.094.922

Average payment period for trade payables varies depending on the sector and suppliers. As of 31 December 2012, the average payment period, although varies as per the product categories is 39 days (31 December 2011: 38 days). Trade payables are discounted by using effective interest method.. In the determination of the value of trade payables, 10% effective interest rate has been used.(31 December 2012: 13%)

6. OTHER RECEIVABLES AND PAYABLES

	31 December 2012	31 December 2011
Other receivables		
Due from personnel	318.203	401.854
Short term other receivables	19.869	341
Total other receivables	338.072	402.195

7. INVENTORY

The details of inventories is as follows:

	31 December 2012	31 December 2011
Traded goods	200.291.342	118.089.955
Other inventory	470.412	-
	200.761.754	118.089.955

Inventories are presented on cost value and there is no impairment on inventories.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

8. PROPERTY, PLANT AND EQUIPMENT

Movements of property, plant and equipment for the year ended 31 December 2012 are as follows:

	Furniture and Fixture	Other Tangible Fixed Assets	Leasehold Improvements	Total
Cost Value				
Opening balance as of 1 January 2012	48.028.964	3.616.330	43.766.020	95.411.314
Additions	12.010.765	820.635	16.437.130	29.268.530
Disposals	(218.651)	-	(1.838.916)	(2.057.567)
Closing balance as of 31 December 2012	59.821.078	4.436.965	58.364.234	122.622.277
Accumulated Depreciation				
Opening balance as of 1 January 2012	(26.004.080)	(1.750.456)	(14.531.657)	(42.286.193)
Charge for the year	(5.560.526)	(534.986)	(4.203.652)	(10.299.164)
Disposals	205.696	-	1.366.047	1.571.743
Closing balance as of 31 December 2012	(31.358.910)	(2.285.442)	(17.369.262)	(51.013.614)
Net book value as of 31 December 2012	28.462.168	2.151.523	40.994.972	71.608.663

Depreciation expense of TL 9.856.215 has been charged in marketing sales, and distribution expenses and TL 442.949 has been charged in general administrative expenses.

There is no tangible asset acquired by finance leasing between 1 January 2012 and 31 December 2012.

There are no pledges or any other restrictions over property, plant and equipment.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

Movements of property, plant and equipment for the year end 31 December 2011 are as follows:

	Motor Vehicles	Furniture and Fixture	Other Tangible Fixed Assets	Leasehold Improvements	Total
Cost Value					
Opening balance as of 1 January 2011	47.921	38.756.435	3.064.635	34.816.726	76.685.717
Additions	-	9.671.862	551.695	9.051.499	19.275.056
Disposals	(47.921)	(399.333)	-	(102.205)	(549.459)
Closing balance as of 31 December 2011	-	48.028.964	3.616.330	43.766.020	95.411.314
Accumulated Depreciation					
Opening balance as of 1 January 2011	(47.921)	(21.410.198)	(1.302.674)	(10.802.403)	(33.563.196)
Charge for the year	-	(4.933.612)	(447.782)	(3.778.652)	(9.160.046)
Disposals	47.921	339.730	-	49.398	437.049
Closing balance as of 31 December 2011	-	(26.004.080)	(1.750.456)	(14.531.657)	(42.286.193)
Net book value as of 31 December 2011	-	22.024.884	1.865.874	29.234.363	53.125.121

Depreciation expense of TL 8.436.119 has been charged in marketing sales and, distribution expenses and TL 723.927 has been charged in general administrative expenses

There is no tangible asset acquired by finance leasing between 1 January 2011 and 31 December 2011.

There are no pledges or any other restrictions over tangible assets.

	Useful Life
Furniture and fixture	2-50 years
Other tangible fixed assets	2-7 years

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

9. INTANGIBLE ASSETS

Movements of intangible assets between 1 January and 31 December 2012 are as follows:

Cost Value	Rights
Opening balance as of 1 January 2012	482.191
Additions	115.937
Disposals	(53.852)
Closing balance as of 31 December 2012	544.276
Accumulated Amortization	
Opening balance as of 1 January 2012	(249.110)
Charge of the period	(105.246)
Disposals	14.802
Closing balance as of 31 December 2012	(339.554)
Carrying value as of 31 December 2012	204.722

Amortization expense has been charged in general administrative expenses.

Movements of intangible assets between 1 January and 31 December 2011 are as follows:

Cost Value	Rights
Opening balance as of 1 January 2011	289.071
Additions	193.120
Closing balance as of 31 December 2011	482.191
Accumulated Amortization	
Opening balance as of 1 January 2011	(168.905)
Charge of the period	(80.205)
Closing balance as of 31 December 2011	(249.110)
Carrying value as of 31 December 2011	233.081

Amortization expense has been charged in general administrative expenses.

Amortization for intangible assets is charged on a straight-line basis over their estimated useful lives.

	Useful Life
Rights	3-5 years

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

10. GOVERNMENT GRANTS AND INCENTIVES

In line with law 5084 "Incentives for investment and employment" and "Incentive for employment of insured disables", the Company received government incentive in 2012 amounting TL 265.202 (31 December 2011: TL 290.135).

11. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Current provisions	31 December 2012	31 December 2011
Provision for lawsuits	166.172	139.447
	166.172	139.477

The movement of the legal case provision for the years ended 31 December 2012 and 2011 are as follows:

	01 January 2012 31 December 2012	01 Ocak 2011 31 December 2011
Balance at beginning of the period	139.447	229.433
Charge of the period	45.864	21.583
Payments	(19.139)	(36.569)
Reversal of unnecessary provision	-	(75.000)
Closing balance	166.172	139.477

A significant portion of the legal case provision as of 31 December 2012 and 2011 are related to legal filings made by the personnel.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.**NOTES TO THE AUDITED FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 DECEMBER 2012****(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)****a) Given Guarantees**

Guarantees, Pledges and Mortgages given by the Company ("GPL")	31 December 2012			31 December 2011		
	TL Equivalent	TL	USD	TL Equivalent	TL	USD
A. Total Guarantees Pledges and Liens ("GPL") Given in the Legal Name of the Company	80.137.259	79.976.825	90.000	63.494.453	63.324.452	90.000
Guarantee	80.137.259	79.976.825	90.000	63.494.453	63.324.452	90.000
Pledge	-	-	-	-	-	-
Mortgage	-	-	-	-	-	-
B. Total GPL Given in the Name of Fully Consolidated Companies	-	-	-	-	-	-
C. Total GPL Given to Manage Trading Operations of Entity in the name of 3rd parties	-	-	-	-	-	-
D. Other GPL Given	-	-	-	-	-	-
i. Total GPL Given in the Name of the Paren	-	-	-	-	-	-
ii. Total GPL Given in the name of other Group Companies not included in article B and C	-	-	-	-	-	-
iii. Total GPL given in the name of 3rd parties not included in article C	-	-	-	-	-	-
Total commitment & contingencies	80.137.259	79.976.825	90.000	63.494.453	63.324.452	90.000

The ratio of other guarantees, pledges and mortgages given by the Company to the shareholders' equity is 0% as of 31 December 2012 (31 December 2011: 0%).

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

b) b) Lawsuits Filed by and Against to the Company

Lawsuits filed by the Company:

	31 December 2012	31 December 2011
Execution files	531.814	397.410
Tax litigations	186.089	-
Action of debt	156.441	43.150
Penalty proceedings	26.372	2.763
	900.716	443.323

Lawsuits against the Company:

	31 December 2012	31 December 2011
Execution files (*)	31.724	36.329
Compensation litigations (*)	134.448	103.118
	166.172	139.447

(*) A provision of TL 166.172 has been provided for various court cases filed against the Company (31 December 2011: TL 139.447).

c) Operational Lease Agreements

The operating leases of the Company are vary between 5-20 years period. Operating leases, by giving prior notice to lessor can be canceled by the lessee and the lessee has committed to pay the amount of rental will take place only during the period of notice. All operational leasing agreements include a clause allowing the rearrangement of the terms of the lease had the lessee renewed the contract under the current market conditions. The lessee does not have a right to purchase the asset at the end of the term.

The future minimum lease payments under operating leases when the lessee cancel the operational lease agreements and not uses the notification period is as follows:

	31 December 2012	31 December 2011
Within 1 year	7.690.718	6.026.300
Within 1-2 year	754.250	1.664.125
Within 2-3 year	907.125	1.260.250
Within 3-4 year	738.000	375.000
Within 4-5 year	413.000	270.000
	10.503.093	9.595.675

The Company's rental income from its stores rented based on rent agreements is TL 216.579 in 2012 (in 2011: TL 166.077). In the current year operational leasing expenses related to these stores are TL 4.505.554 (31 December 2011: TL 1.854.918).

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.**NOTES TO THE AUDITED FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 DECEMBER 2012****(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)****12. EMPLOYEE BENEFITS**

	31 December 2012	31 December 2011
Short term provisions		
Due to personnel	1.833.876	1.515.219
Performance premium accrual	1.367.161	1.318.671
Unused vacation provision	1.075.105	895.771
Other	-	72.617
	4.276.142	3.802.578
Long term provisions		
Provision for employment termination benefits	746.767	659.479
	746.767	659.479

Under Turkish Labor Law, the Company is required to pay employment termination benefits to each employee who has qualified. Also, employees are required to be paid their retirement pay who retired by gaining right to receive according to current 506 numbered Social Insurance Law's 6 March 1981 dated, 2422 numbered and 25 August 1999 dated, 4447 numbered with 60th article that has been changed. The amount payable consists of one month's salary limited to a maximum of TL 3.033,98 for each period of service at 31 December 2012 (31 December 2011: TL 2.731,85 TL).

The liability is not funded, as there is no funding requirement. The provision has been calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of employees. IAS 19 requires actuarial valuation methods to be developed to estimate the entity's obligation under defined benefit plans. Accordingly, the following actuarial assumptions were used in the calculation of the total liability:

The principal assumption is that the maximum liability for each year of service will increase parallel with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. Consequently, in the accompanying financial statements as at 31 December 2012, the provision has been calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of the employees. The provisions at the respective balance sheet dates have been calculated assuming an annual inflation rate of 5% and a discount rate of 8,75%, resulting in a real discount rate of approximately 3,57% (31 December 2011: 4,65%). As the maximum liability is revised semi annually, the maximum amount of 3.129,25 TL effective from 1 January 2013 has been taken into consideration in calculation of provision from employment termination benefits. As of 31 December 2012, the probability rate of intentional resignation of employees is 12,8% (31 December 2011: 11,5%).

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

Movement of retirement pay provision is as follows:

	1 January- 31 December 2012	1 January- 31 December 2011
Provision at 1 January	659.479	522.336
Service cost	903.974	743.532
Interest cost	23.543	24.289
Employment termination benefits paid	(913.115)	(631.435)
Actuarial loss (*)	72.886	-
Provision at 31 December	746.767	659.479

(*) As of 31 December 2012 amounting of TL 72.886 actuarial loss adjusted in statement of comprehensive profit and loss.

Movement of unused vacation provision is as follows:

	1 January- 31 December 2012	1 January- 31 December 2011
Provision at 1 January	895.771	713.686
Increase in the period	1.058.208	746.608
Used in the period	(878.874)	(564.523)
Provision at 31 December	1.075.105	895.771

13. OTHER ASSETS AND LIABILITIES

	31 December 2011	31 December 2011
Other Current Assets		
Prepaid expenses	2.034.504	2.665.730
Gelecek aylara ait giderler	5.003.717	4.885.941
Income accruals	24.971	-
Business advances given	10.933	5.868
Deferred VAT	1.349.258	-
	8.423.383	7.557.539

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

	31 December 2012	31 December 2011
Other Non-Current Assets		
Prepaid expenses	6.831.066	5.863.125
Deposits given and warranties	306.469	262.836
	7.137.535	6.125.961

	31 December 2012	31 December 2011
Other Current Liabilities		
Social security premiums payable	1.172.416	1.664.205
Taxes and funds payable	1.332.451	830.030
VAT payable	-	5.482.241
Order advances received	667.776	343.293
Deferred revenue(*)	9.418.854	-
Other liabilities	8.575	7.059
	12.600.072	8.326.828

(*) Deferred revenues that collected in advance.

14. EQUITY

The Company is subject to the registered capital system with registered share capital of TL 100.000.000. The Company's paid-in share capital as of 31 December 2012 and 2011 as follows:

Name of the Shareholders	31 December		31 December	
	2012	%	2011	%
Public quotation	15.215.444	%38	16.000.000	%40
Yıldız Holding A.Ş.(*)	19.977.410	%50	13.337.410	%33
Strategic Investment Fund(*)	-	-%	8.000.000	%20
Standard Bank Plc-Londra(**)	-	-%	2.000.000	%5
Other	4.807.146	%12	662.590	%2
	40.000.000	%100	40.000.000	%100

(*) On December 23, 2011 6.640.000 shares of Bizim Toptan Satış Mağazaları A.Ş which had been held by Strategic Investment Fund were purchased by Yıldız Holding A.Ş. Share transfer was completed on 5 January 2012. Thus, holding 19.977.410 common stocks, Yıldız Holding A.Ş increased its share in Bizim Toptan Satış Mağazaları A.Ş to 49,94%.

(**) In the special consideration statement of the Public Disclosure Platform ("KAP") published on 29 August 2011, it is disclosed that Standard Bank Plc-London has transferred 2,000,000 shares of Bizim Toptan Satış Mağazaları A.Ş from Golden Horn Investments BV as a guarantee for a finance transaction on August 24, 2011 which results in the 5% of increase in the share capital of Bizim Toptan Satış Mağazaları A.Ş. pertaining to Standard Bank Plc London and it is also disclosed that the related shares without having the put option are to be returned to Golden Horn Investments B.V on February 24, 2012 and Golden Horn Investments B.V. has partial or full call option of the shares given as guarantee subsequent to 24 February 2012 as it holds the voting rights of the shares.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

In the following period, in the special consideration statement of the Public Disclosure Platform ("KAP") published on 24 February 2012, it is disclosed that due date of the return commitment of Bizim Toptan Satış Mağazaları A.Ş.' shares without having the put option is extended to August 24, 2012 in accordance with the mutual agreement reached between Golden Horn Investments B.V. and Standard Bank and voting rights of the shares will remain to be held by Golden Horn Investments B.V. It is also disclosed in the Statement that Golden Horn Investments B.V. has partial or full call option of the shares subsequent to 24 February 2012.

Golden Horn Investments B.V. has used its recall option for 1.286.160 shares on April 27, 2012 and as a result of this process, Standard Bank Plc-London's capital share in Bizim Toptan Satış Mağazaları A.Ş. has declined to 1.78%. Voting rights of the Standard Bank Plc-London shares belong to Golden Horn Investments BV.

The total number of ordinary shares authorized is 40 million shares (2011: 40 million shares) with a par value of TL 1 per share (2011: TL 1 per share). Total of TL 16.000.000 Company shares at nominal value, consisting the Company's shareholders interests amounting to 14.000.000 at nominal value and additional sales rights, were offered to public and this transaction (no:6/62) has been registered in accordance with Article 4 of the Capital Market Board (the "CMB") on 21 January 2011. The Company's shares has been trading on the İstanbul Stock Exchange since 3 February 2011.

Valuation Funds

	31 December 2012	31 December 2011
Balance at the beginning of the year	2.274.028	-
Net gain arising on revaluation of available-for-sale financial assets	10.253.300	2.393.712
Income tax relating to gain arising on revaluation of available-for-sale financial assets	(512.666)	(119.684)
	12.014.662	2.274.028

The investments revaluation reserve represents the cumulative gains and losses arising on the revaluation of available-for-sale financial assets that have been recognised in other comprehensive income, net of amounts reclassified to profit or loss when those assets have been disposed of or are determined to be impaired. In the case of revaluated financial asset is impaired, part of revaluation fund related to impaired financial assets is recognized in profit and loss.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

Restricted Reserves

	31 December 2012	31 December 2011
Legal reserves	6.566.724	3.775.865
	6.566.724	3.775.865

Restricted reserves comprise legal reserves.

Actuarial Loss Fund of Termination Indemnity

	31 December 2012	31 December 2011
Balance at the beginning of the year	-	-
Actuarial loss	(72.886)	-
Tax income related actuarial loss	14.577	-
Balance at the end of the year (*)	(58.309)	-

(*) The calculation was made for 2011 but it was not adjusted cause of immateriality.

Details of the retained earnings are as follows:

	31 December 2012	31 December 2011
Retained earnings	8.167.342	9.823.557
Extraordinary reserves	28.120.707	13.544.388
	36.288.049	23.367.945

In the accounting period ended as of 31 December 2012, the Company distributed dividends of TL 14.150.000 (par value gross amount 0,354 kr) after deducting first and second legal reserves of net distributable profit for the 2011 year.

Resources that can be Subject to Profit Distribution:

As of balancesheet date, the Company's profit for the period per statutory records is TRY 23.035.032 (31 December 2011: TL 31.517.177) and the total amount of other resources that can be subject to dividend distribution is amount to TL 34.687.431 (31 December 2011: TL 17.320.253).

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

15. REVENUE AND COST OF SALES

a) Revenue

The details of revenue is as follows:

	1 January- 31 December 2012	1 January- 31 December 2011
Domestic sales	1.987.269.330	1.740.373.535
Tobacco	503.923.837	461.201.536
Non-Tobacco	1.483.345.493	1.279.171.999
Export sales	-	14.736
Other income	-	3.801.778
Sales returns (-)	(1.725.533)	(1.919.096)
Sales discounts (-)	(11.689.399)	(9.298.825)
	1.973.854.398	1.732.972.128

b) Cost of Sales

	1 January- 31 December 2012	1 January- 31 December 2011
Cost of merchandises sold	(1.803.036.639)	(1.585.457.459)
Tobacco	(495.009.829)	(449.467.009)
Non-Tobacco	(1.308.026.810)	(1.135.990.450)
	(1.803.036.639)	(1.585.457.459)

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

16. MARKETING, SALES AND DISTRIBUTION EXPENSES, GENERAL ADMINISTRATION EXPENSES

	1 January- 31 December 2012	1 January- 31 December 2011
Marketing, selling and distribution expenses (-)	(93.551.631)	(76.483.549)
General administrative expenses (-)	(18.737.843)	(17.623.054)
	(112.289.474)	(94.106.603)

17. EXPENSES BY NATURE

The details of operating expenses are as follows:

	1 January- 31 December 2012	1 January- 31 December 2011
The details of Marketing, Selling and Distribution Expenses		
Personnel expenses	(36.788.553)	(29.747.422)
Rent expenses	(25.405.613)	(20.960.084)
Depreciation and amortization expenses	(9.856.214)	(8.436.119)
Utility expenses	(6.678.920)	(4.783.883)
Outsourcing expenses	(3.382.519)	(2.811.344)
Advertising expenses	(2.512.442)	(1.572.820)
Maintenance expenses	(1.112.476)	(920.004)
Other marketing and selling expenses	(7.814.894)	(7.251.873)
	(93.551.631)	(76.483.549)

	1 January- 31 December 2012	1 January- 31 December 2011
The details of General Administrative Expenses		
Personnel expenses	(12.128.890)	(10.862.336)
Consultancy and service expenses	(2.382.686)	(2.292.319)
Rent expenses	(1.114.922)	(1.017.919)
Outsourcing expenses	(766.307)	(700.316)
Depreciation and amortization expenses	(548.195)	(804.131)
Other general administrative expenses	(1.796.843)	(1.946.032)
	(18.737.843)	(17.623.054)

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

18. OTHER OPERATING INCOME / (EXPENSES)

a) The detail of other operating income is as follows;

Other Operating Income	1 January- 31 December 2012	1 January- 31 December 2011
Rent income	218.802	166.507
Insurance compensation	4.376	21.986
Gain on sale of plant property equipment	15.003	141.432
Other operating income	66.792	119.750
	304.973	449.745

b) The detail of other operating expenses are as follows;

Other Operating Expenses	1 January- 31 December 2012	1 January- 31 December 2011
Expenses related with public offering process	-	(2.450.604)
Consultancy expense of purchase of financial assets	-	(600.000)
Provision for doubtful receivable expense	(233.830)	(81.356)
Expense of provision for lawsuits	(45.864)	(21.583)
Other expenses	(741.627)	(94.341)
	(1.021.321)	(3.247.884)

19. FINANCE INCOME

	1 January- 31 December 2012	1 January- 31 December 2011
Finance income from sales	7.583.334	6.890.107
Interest revenue	873.506	925.594
Foreign exchange gain	108.520	253.976
	8.565.360	8.069.677

20. FINANCE EXPENSES

	1 January- 31 December 2012	1 January- 31 December 2012
Finance expense from purchases	(23.543.425)	(17.417.213)
Interest on bank overdrafts and loans	(10.157.021)	(3.768.148)
Foreign exchange loss	(125.748)	(105.778)
	(33.826.194)	(21.291.139)

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

21. TAX ASSETS AND LIABILITIES

The Company, accounts deferred tax assets and liabilities for temporary timing differences rooted from differences between legal financial statements and financial statements prepared in accordance with IFRS. Those differences in question are caused generally by the fact that some profit and loss accounts come up in different periods in legal financial statements and financial statements prepared in accordance with IFRS.

The rate applied in the calculation of deferred tax assets and liabilities is 20% (2011: 20%).

Deferred tax bases:

	31 December 2012	31 December 2011
Restatement and depreciation/amortization differences of property, plant and equipment and other intangible assets	(12.824.589)	(9.295.962)
Provision for employment termination benefits	746.767	659.479
Deferred tax liability arising from revaluation of available for sale finance assets	(12.647.013)	(2.393.712)
Unpaid vacation provision	1.075.105	895.771
Discount on trade receivables and payables	(3.241.269)	(2.754.328)
Discount on credit card receivables	114.055	312.718
Provision for lawsuits	166.172	139.447
	(26.610.772)	(12.436.587)

Deferred tax assets / (liabilities):	31 December 2012	31 December 2011
Restatement and depreciation/amortization differences of property, plant and equipment and other intangible assets	(2.564.920)	(1.859.194)
Provision for employment termination benefits	149.353	131.896
Deferred tax liability arising from revaluation of available for sale finance assets	(632.349)	(119.684)
Unpaid vacation provision	215.021	179.154
Discount on trade receivables and payables	(648.254)	(550.866)
Discount on credit card receivables	22.811	62.544
Provision for lawsuits	33.234	27.890
	(3.425.104)	(2.128.260)

Movement of deferred tax (asset)/ liabilities:	1 January- 31 December 2012	1 January- 31 December 2011
Opening balance at 1 January	2.128.260	1.937.216
Charged to income statement	784.178	444.960
Charged to equity	498.089	(253.916)
Closing balance at 31 December	3.425.104	2.128.260

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

The Company is subject to Turkish corporate taxes. Provision is made in the accompanying financial statements for the estimated charge based on the Company's results for the year.

Corporate Tax

The Company is subject to Turkish corporate taxes. Provision is made in the accompanying financial statements for the estimated charge based on the Company's results for the year.

Corporate tax is applied on taxable corporate income, which is calculated from the statutory accounting profit by adding back non-deductible expenses, and by deducting dividends received from resident companies, other exempt income and investment incentives utilized.

In Turkey, advance tax returns are filed on a quarterly basis. The advance corporate income tax rate is 20% in 2012 (31 December 2011: 20%).

Losses are allowed to be carried 5 years maximum to be deducted from the taxable profit of the following years. However, losses occurred cannot be deducted from the profit occurred in the prior years retroactively.

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns between 1-25 April following the close of the accounting year to which they relate. The companies with special accounting periods, file their tax returns between 1st-25th of fourth month after fiscal year end. Tax authorities may, however, examine such returns and the underlying accounting records and may revise assessments within five years.

Income withholding tax

In addition to corporate taxes, companies should also calculate income withholding taxes and funds surcharge on any dividends distributed, except for resident companies in Turkey which include this dividend income in their taxable profit for the related period and Turkish branches of foreign companies. The rate of income withholding tax is 10% starting from 24 April 2003. This rate was changed to 15% with the code numbered 5520 article 15 commencing from 21 June 2006. However until the resolution of council of ministers, it was used as 10%. After the resolution, declared in Official Gazette in 22 July 2006, this rate is changed to 15% effective from 22 July 2006. Undistributed dividends incorporated in share capital are not subject to income withholding taxes.

As the Company did not use any investment incentives, the Company has used 20% corporate tax rate.

Provision for taxation as of 31 December 2012 and 2011 are as follows:

	1 January- 31 December 2012	1 January- 31 December 2011
Current period corporate tax provision	5.655.337	7.082.542
Less: prepaid taxes and funds	(4.647.687)	(4.968.620)
Tax liability in the balance sheet	1.007.650	2.113.922

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

	1 January- 31 December 2012	1 January- 31 December 2011
Current tax charge	5.655.337	7.082.542
Deferred tax expense income	798.755	444.960
Tax charge	6.454.092	7.527.502
	1 January- 31 December 2012	1 January- 31 December 2011
Reconciliation of taxation		
Profit before tax	32.551.103	37.388.465
Effective tax rate	%20	%20
Calculated tax	6.510.221	7.477.693
Tax effects of:		
- Non-deductible (incomes)/expenses	(56.129)	49.809
Vergi gideri	6.454.092	7.527.502

22. EARNINGS PER SHARE

A summary of the Company's weighted average number of shares outstanding for the years ended 31 December 2012 and 2011 and computation of earnings per share set out here as follows:

	1 January- 31 December 2012	1 January- 31 December 2011
Basic earnings per share		
Weighted average number of ordinary shares outstanding during the period (in full)	40.000.000	40.000.000
Net profit	26.111.588	29.860.963
Earnings per share (TL)	0,6528	0,7465

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

23. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

a) The detail of receivables from related parties is as follows:

	31 December 2012	31 December 2011
Trade Receivables	6.370.354	705.915
	6.370.354	705.915

The detail of trade and non-trade receivables is as follows:

	31 December 2012	31 December 2011
Balances with related parties	Trading	Trading
Yıldız Holding A.Ş.	-	742
Other related parties		
Ak Gıda San.ve Tic. A.Ş.	9.017	10.071
Besler Gıda ve Kimya San.ve Tic. A.Ş.	-	7.942
Biskot Bisküvi Gıda San.ve Tic. A.Ş.	2.128.957	-
Continantal Confectionery Company Gıda San.ve Tic.A.Ş.	480.277	9.862
Della Gıda San.ve Tic. A.Ş.	146	3.088
Dore Direkt Paz.ve Tic.A.Ş.	6.537	6.523
Eksper Gıda Paz.San.ve Tic.A.Ş.	-	5.570
Kerevitaş Gıda San.ve Tic.A.Ş.	1.945	2.201
Marsan Gıda San.ve Tic.A.Ş.(1)	-	10.279
Mersa Elektronik ve Teknolojik Ürünler Tic.A.Ş.(2)	-	160
Medyasoft Bilgi Sistemleri San.ve Tic.A.Ş.	-	14.190
Merkez Gıda Paz.San.ve Tic.A.Ş.	-	28.632
Natura Gıda San.ve Tic.A.Ş.	24.484	-
Önem Gıda San.ve Tic.A.Ş.	1.909.012	-
Rekor Gıda Paz.San.ve Tic.A.Ş.	17.514	-
Şok Marketler Ticaret A.Ş.	176.882	116.421
Unmaş Unlu Mamüller San.ve Tic.A.Ş.	34.528	-
Ülker Bisküvi Sanayi A.Ş.	1.476.712	8.861
Ülker Ailesi ve Yönetim Kurulu Üyeleri	95.946	472.065
Diğer	8.397	9.308
	6.370.354	705.915

(1) Marsan Gıda San.ve Tic.A.Ş. marged with under the name of Horizon Hızlı Tüketim Ürün. Paz.Satış ve Dağ.A.Ş. in 2012.

(2) Mersa Elektronik ve Tek.Ürün.Tic.A.Ş. marged with under the name of Penta Bilgisayar Sistemleri Tic.A.Ş.in 2012.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

b)The detail of purchases from and sales to related parties is as follows:

	31 December 2012	31 December 2011
Trade payables	26.616.793	46.687.783
	26.616.793	46.687.783

Payables to related parties are arised from purchases and approximately matured in between 30 and 60 days.

The detail of income and expenses arising from transactions with related parties is as follows :

	31 December 2012	31 December 2011
	Trading	Trading
Balances with related parties		
Principle Shareholder		
Yıldız Holding A.Ş.	1.781.282	101.379
Other Related Parties		
Bahar Su San.ve Tic. A.Ş.	85.194	75.213
Besler Gıda ve Kimya San.ve Tic. A.Ş.	3.728	124.562
Bisko Bisküvi Gıda.San.ve Tic.A.Ş.	386.823	972.119
Esas Pazarlama ve Ticaret A.Ş.(1)	-	1.714.604
Eksper Gıda Paz.San.ve Tic.A.Ş.	233.166	-
Exper Bilgisayar Sistemleri San.ve Tic.A.Ş.	11.718	82.373
Horizon Hızlı Tüketim Ürün.Paz.Satış ve Dağıtım A.Ş.(1)	2.986.677	-
Marsa Yağ San.ve Tic.A.Ş.	23.631	127.125
Medyasoft Bilgi Sistemleri San.ve Tic.A.Ş.	32.499	-
Milford Yıldız Gıda San.ve Tic.A.Ş.	305.231	-
Natura Gıda Sanayi ve Tic. A.Ş.	-	12.280
Pasifik Tüketim Ürünleri Satış ve Tic.A.Ş.	10.985.336	33.485.054
PNS Pendik Nişasta Sanayi A.Ş.	54.200	1.115.983
Polmak Amb.San ve Tic.A.Ş.(2)	-	79.885
Rekor Gıda Pazarlama Sanayi ve Tic.A.Ş.	-	178.671
Sağlam İnşaat Taahhüt Tic.A.Ş.	43.004	-
SCA Yıldız Kağıt ve Kişisel Bakım Ürt.A.Ş.	2.314.843	1.073.382
Seher Gıda Pazarlama San.ve Tic. A.Ş.	1.713.345	3.906.225
Teközel Gıda Temiz Sağlık Marka Hiz.San.ve Tic. A.Ş.	4.689.806	2.281.810
Turyağ Gıda San.ve Tic.A.Ş.	461.360	1.317.270
Unmaş Unlu Mamüller San.ve Tic. A.Ş.	22.836	23.996
Ülker Bisküvi Sanayi A.Ş.	135.745	-
Ülker Çikolata Sanayi A.Ş.	342.437	-
Diğer	3.932	15.852
	26.616.793	46.687.783

(1) Esas Paz ve Tic. A.Ş. has been merged under the name of Horizon Hızlı Tüketim Ürün. Paz. Satış ve Dağ. A.Ş. in 2012.

(2) Polmak Amb.San.ve Tic.A.Ş. has been merged under the name of Rotopaş Amb.San.ve Tic.A.Ş. in 2012.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

c) İlişkili taraflarla yapılan alış ve satış işlemlerinin ayrıntısı aşağıdaki gibidir:

Transactions with related parties	"1 January-31 December 2012"		"1 January-31 December 2011"	
	Purchases	Sales	Purchases	Sales
Principle Shareholder				
Yıldız Holding A.Ş.	-	12.447	-	21.514
Other Related Parties				
Ags Anadolu Gıda A.Ş.	-	-	1.716.883	-
Ak Gıda San.ve Tic. A.Ş.	-	57.900	12	81.389
Bahar Su Sanayi ve Tic. A.Ş.	384.519	17	1.373.708	-
Nissin Yıldız Gıda Sanayi ve Tic.A.Ş.(1)	-	1.868	9.374	8.507
Besler Gıda ve Kim.Tic. A.Ş.	1.050.171	36.464	117.676	45.529
Biskot Bisküvi Gıda San.ve Tic.A.Ş.	2.196.603	2.068.159	1.382.218	71.821
Confiantal Confectionery Company Gıda San.ve Tic.A.Ş.	-	508.623	-	48.629
Della Gıda San.ve Tic. A.Ş.	-	16.700	-	38.931
Dosu Maya Mayacılık A.Ş.	-	15.258	-	7.862
Duran Doğan Basım ve Amb.San.A.Ş.	-	23.707	-	24.583
Eksper Gıda Paz.San.ve Tic.A.Ş.	370.206	3.864	-	-
Esas Pazarlama ve Ticaret A.Ş.(2)	10.946.781	2.419	15.499.182	4.301
Exper Bilgisayar Sistemleri San.ve Tic.A.Ş.	16.380	-	930.163	-
Hüner Pazarlama ve Tic.A.Ş.	-	1.666	-	25.349
Kellogg Med Gıda Tic.Ltd.Şfi.	-	7.671	-	-
Kereviş Gıda San.ve Tic.A.Ş.	-	2.688	-	53.989
Komili Temizlik Ürünleri Paz.A.Ş.	-	-	3.788.662	-
Makine Takım Endüstrisi A.Ş.	-	5.242	-	-
Marsa Yağ San.ve Tic.A.Ş.	303.412	688	3.303.413	1.784
Marsan Gıda San. ve Tic.A.Ş.(2)	-	-	681.792	211
Medyasoff Bilgi Sistemleri San.ve Tic.A.Ş.	-	9.479	-	-
Merkez Gıda Paz.San.ve Tic.A.Ş.	42.354	-	-	-
Mersa Elektronik ve Teknolojik Ürünler Tic.A.Ş.(3)	73.874	3.456	-	-
Milford Yıldız Gıda San.ve Tic.A.Ş.	777.698	185	-	34.181
Natura Gıda San.ve Tic.A.Ş.	418.338	15.207	123.748	6.967
Oyaş Okyanus Gıda Yat.San.A.Ş.	479.282	-	-	-
Önem Gıda Sanayi ve Ticaret A.Ş.	-	3.840.245	-	-
Örgen Gıda San.ve Tic.A.Ş.	-	2.448	-	23.598
Pasifik Tüketim Ürünleri Satış ve Ticaret A.Ş.	170.249.903	3.625	148.092.298	3.893
PNS Pendik Nişasta Sanayi A.Ş.	728.165	3.094	2.481.171	2.664
Polmak Ambalaj San.ve Tic.A.Ş.(4)	39.194	-	-	-
Rekor Gıda Pazarlama San.ve Tic.A.Ş.	-	3.670	1.337.414	4.781
Rotopaj Ambalaj San.A.Ş.(4)	22.647	178	-	-
SCA Yıldız Kağıt ve Kişisel Bakım Ürt.A.Ş.	7.437.574	16	1.945.435	-
Sağlam İnş.Taah.Tic.A.Ş.	-	-	-	14.167
Seher Gıda Paz.San.ve Tic. A.Ş.	13.868.816	9.263	20.235.949	5.413
Şok Marketler Tic.A.Ş.	841	397.674	-	-
Teközel Gıda Temizlik Sağlık Marka Hiz.San.ve Tic.A.Ş.	58.680.959	17	7.852.011	124
Turyağ Gıda San.ve Tic.A.Ş.	9.358.039	25.664	14.090.932	19.195
Unmaş Unlu Mamüller San.ve Tic.A.Ş.	110.514	122.160	78.796	18
Ülker Ailesi ve Yönetim Kurulu Üyeleri	-	1.080.906	-	608.016
Ülker Bisküvi Sanayi A.Ş.	531.520	1.450.917	-	14.084
Ülker Çikolata San.A.Ş.	1.577.573	12.415	-	13.938
Diğer	4.161	14.773	1.575	89.773
	279.669.524	9.760.773	225.042.412	1.275.211

(1) The old trade name is Bellini Gıda San.A.Ş..

(2) Esas Paz ve Tic. A.Ş. has been merged under the name of Horizon Hızlı Tüketim Ürün. Paz. Satış ve Dağ. A.Ş. in 2012.

(2) Marsan Gıda San.ve Tic.A.Ş. has been merged under the name of Horizon Hızlı Tüketim Ürün. Paz. Satış ve Dağ. A.Ş. in 2012.

(3) Mersa Elektronik ve Tek.Ürün.Tic.A.Ş. has been merged under the name of Penta Bilgisayar Sistemleri Tic.A.Ş. in 2012.

(4) Polmak Amb.San.ve Tic.A.Ş. has been merged under the name of Rotopaş Amb.San.ve Tic.A.Ş. in 2012.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

The Company purchases finished goods from the related parties. Sales to related parties include premium revenues, service expenses and sales of various goods.

d) The detail of income and expenses pertaining to interest, rent and services arising from transactions with related parties is as follows :

Balances with related parties	1 January-31 December 2012					
	Interest income	Interest expense	Rent income	Rent expense	Service income	Service expense
Principle Shareholder						
Yıldız Holding A.Ş.	873.506	(188.944)	-	-	-	2.414.496
Other related parties						
Başak Sağlık ve Eğitim Hiz.San. Ve Tic. A.Ş.(1)	-	-	-	(81.225)	-	-
Biskot Bisküvi Gıda San.ve Tic.A.Ş.	-	-	-	-	4.953	-
Eksper Gıda Paz. San. Ve Tic. A.Ş.	-	-	19.446	-	-	-
Etkin Gıda Pazarlama A.Ş.(2)	-	-	-	-	-	(2.000)
Exper Bilgisayar Sistemleri San.ve Tic.A.Ş.	-	-	-	-	-	(53.278)
Horizon Hızlı Tüketim Ürün.Paz.Satış ve Dağıtım A.Ş.	-	-	-	-	-	(67.204)
İstanbul Gıda Dış Tic.A.Ş.	-	-	-	-	4.980	-
Medyasoft Bilgi Sis.San.ve Tic.A.Ş.	-	-	-	-	-	(66.040)
Murat Ülker	-	-	-	(112.500)	-	-
Pasifik Tüketim Ürünleri Sat.ve Tic. A.Ş.(2)	-	-	49.310	-	485.042	(86.535)
PNS Pendik Nişasta San.A.Ş.	-	-	-	-	22.540	-
Saf Gayrimenkul Yatırım Ortaklığı A.Ş.	-	-	-	(1.452.558)	-	-
Sağlam İnşaat Taahhüt Ticaret A.Ş.	-	-	-	-	-	(36.660)
Şok Marketler Tic.A.Ş.	-	-	-	-	6.104	(35.051)
Teközel Gıda Temiz Sağlık Marka Hiz.San. ve Tic. A.Ş.	-	-	-	-	273.265	-
Ufuk Doğal Gıda Ambalaj San.A.Ş.(1)	-	-	-	(27.075)	-	-
Ülker Bisküvi San.A.Ş.	-	-	-	(900)	3.459	-
Diğer					2.423	(1.263)
	873.506	(188.944)	68.756	(1.674.258)	802.766	(2.762.527)

(1) Başak Sağlık ve Eğitim Hiz.San.ve Tic.A.Ş. has been merged under the name of Ufuk Doğal Gıda Ambalaj San.A.Ş. in 2012.

(2) Etkin Gıda Pazarlama A.Ş. has been merged under the name of Pasifik tüketim Ürünleri Sat.ve Tic.A.Ş. in 2012.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

Balances with related parties	1 January-31 December 2012					
	Interest income	Interest expense	Rent income	Rent expense	Service income	Service expense
Principle Shareholder						
Yıldız Holding A.Ş.	551.747	-	-	-	-	-(2.225.929)
Other related parties						
Başak Sağlık ve Eğitim Hiz. San. ve Tic. A.Ş.	-	-	-	(96.780)	-	-
Besler Gıda Kimya San. Tic. A.Ş.(3)	-	-	-	-	-	-(1.879.003)
Eksper Gıda Paz. San. Ve Tic A.Ş.	-	-	17.940	-	-	-
Exper Bilgisayar Sistemleri A.Ş.	-	-	-	-	-	(88.514)
Hüner Pazarlama Tic. A.Ş.	-	-	-	(3.359)	-	(639)
Medyasoft Bilgi Sis. San. ve Tic. A.Ş.	-	-	-	-	-	(40.548)
Öncü İletişim Paz. Yapı ve Tic. A.Ş.(1)	-	-	-	-	-	(230.337)
Pasifik Üretim Ürünleri Sat. ve Tic. A.Ş.	-	-	49.420	-	-	(75.604)
Saf Gayrimenkul Yatırım Ortaklığı A.Ş.(2)	-	-	-	(1.336.814)	-	-
Şok Marketler Tic. A.Ş.	-	-	-	-	249.841	564
	551.747	-	67.360	(1.436.953)	249.841	(4.541.138)

(1) Öncü İletişim Paz. Yapı Tic.A.Ş. has been merged under the name of Yıldız Holding A.Ş. in 2011.

(2) Başak Sağlık ve Eğitim Hiz.San.ve Tic.A.Ş. has been merged under the name of Yıldız Ufuk Doğal Gıda Ambalaj San.A.Ş. in 2012.

(3) The Company acquired the royalty right of Besler Gıda ve Kimya Sanayii ve Ticaret A.Ş., which is controlled by the ultimate parent – Yıldız Holding A.Ş.-, in consideration of TL 1.868.000 (deferred tax effect amounting to TL 373.600) on 1 April 2011. Since it is a related party transaction under common control and the related royalty right has no carrying value in the financial statements of Besler Gıda ve Kimya Sanayii ve Ticaret A.Ş., the related amount is recognized under equity in the accompanying financial statements. Trade receivables from related parties is mainly composed of sales transactions and approximate maturity is 30-60 days. Non-trade receivables are loans given to related parties, and interest is received as quarterly based on effective market interest rate. The interest rate used in 31 December 2012 is 8-12% for TL (31 December 2011: 10-11,5% for TL).

e) Benefits provided to board members and key management personnel:

	1 January-31 December 2012	1 January-31 December 2011
Salaries and other short term benefits	2.336.363	2.331.465
	2.336.363	2.331.465

f) As of 31 December 2012 there are no guarantees, commitments and advances given in favour of related parties (31 December 2011: None).

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

24. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS

(a) Capital risk management

The Company manages its capital to ensure that entities in the Company will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The capital structure of the Company consists of debt, which cash and cash equivalents disclosed in Note 3 and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings as disclosed in Note 14.

The management of the Company considers the cost of capital and the risks associated with each class of capital. The management of the Company aims to balance its overall capital structure through the payment of dividends, new share issues and the issue of new debt or the redemption of existing debt.

The Company controls its capital with the liability / total capital ratio. Net liability is divided by total capital in this ratio. Cash and cash equivalents is subtracted from total liabilities to calculate the net liability. The shareholder's equity is added to net liabilities to calculate the total capital.

The company has no borrowings as of 31 December 2012 and 2011.
As of 31 December 2012 and 2011 there is no net liability to total equity ratio.

(b) Finansal Risk Faktörleri

The risks of the Company, resulted from operations, include market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The Company's risk management program generally seeks to minimize the effects of uncertainty in financial market on financial performance of the Company.

Risk management is implemented by finance department according to the policies approved by Board of Directors. The Company's finance department provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyses exposures by degree and magnitude of risks. The written procedures are formed by Board of Directors to manage the foreign currency risk, interest risk, credit risk, use of derivative and non-derivative financial instruments and the assessment of excess liquidity.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

(b)-1 Credit Risk Management

Credit Risk of Financial Instruments	Receivables				
	Trade Receivables		Other Receivables		Deposits in Bank
	Related Party	Third Party	Related Party	Third Party	
31 December 2012					
Maximum net credit risk as of balance sheet date (*)	6.370.354	41.292.752	-	338.072	15.903.085
- The part of maximum risk under guarantee with collateral etc. (**)	-	7.832.920	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	6.370.354	-	-	-	-
B. Net book value of financial assets that are renegotiated, if not that will be accepted as past due or impaired	-	41.147.299	-	338.072	15.903.085
C. Carrying value of financial assets that are past due but not impaired	-	-	-	-	-
- The part under guarantee with collateral etc.	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-
- Past due (gross carrying amount)	-	145.453	-	-	-
- Impairment (-)	-	-	-	-	-
- The part of net value under guarantee with collateral etc.	-	-	-	-	-
- Not past due (gross carrying amount)	-	-	-	-	-
- Impairment (-)	-	627.905	-	-	-
- The part of net value under guarantee with collateral etc.	-	(627.905)	-	-	-
E. Off-balance sheet items with credit risk	-	-	-	-	-

(*) Items that increase the credit reliability, such as; letter of guarantees received, are not taken into account in the calculation

(**) Guarantees include letter of guarantees, gurantee notes and mortgages

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

(b)-1 Credit Risk Management

Credit Risk of Financial Instruments

	Receivables				
	Trade Receivables		Other Receivables		Deposits in Bank
	Related Party	Third Party	Related Party	Third Party	
31 December 2011					
Maximum net credit risk as of balance sheet date (*)	705.915	66.743.455	-	402.195	15.536.463
The part of maximum risk under guarantee with collateral etc. (**)	-	6.758.000	-	-	-
A. Net book value of financial assets that are neither past due or impaired	705.915	66.572.264	-	402.195	15.536.463
B. Net book value of financial assets that are renegotiated, if not that will be accepted as past due or impaired	-	-	-	-	-
C. Carrying value of financial assets that are past due but not impaired	-	171.191	-	-	-
-The part under guarantee with collateral etc.	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-
-Past due (gross carrying amount)	-	394.075	-	-	-
-Impairment (-)	-	(394.075)	-	-	-
-The part of net value under guarantee with collateral etc.	-	-	-	-	-
-Not past due (gross carrying amount)	-	-	-	-	-
-Impairment (-) (-)	-	-	-	-	-
-The part of net value under guarantee with collateral etc.	-	-	-	-	-
E. Off-balance sheet items with credit risk	-	-	-	-	-

(*) Items that increase the credit reliability, such as; letter of guarantees received, are not taken into account in the calculation.

(**)Guarantees include letter of guarantees, gurantee notes and mortgages.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

31 December 2012	Receivables		Total
	Trade Receivables	Other Receivables	
Past due 1-30 days	31.055	-	31.055
Past due 1-3 months	48.757	-	48.757
Past due 3-12 months	299.471	-	299.471
Past due 1-5 years	394.075	-	394.075
Total past due receivables	773.358	-	773.358
The part under guarantee with collateral	-	-	-

31 December 2011	Receivables		Total
	Trade Receivables	Other Receivables	
Past due 1-30 days	9.592	-	9.592
Past due 1-3 months	161.599	-	161.599
Past due 3-12 months	-	-	-
Past due 1-5 years	394.075	-	-
Vadesini 5 yıldan fazla geçmiş	-	-	-
Total past due receivables	565.266	-	565.266
The part under guarantee with collateral	-	-	-

There are no collaterals held for the trade receivables that are past due but not impaired as of balance sheet date (31 December 2011: None).

When one part of the financial instrument does not fulfill their obligations, that results in a financial loss risk to the Company and that risk is defined as credit risk. Company's credit risk is basically related to their trade receivables. The balance shown in the balance sheet is the net amount that is obtained when doubtful receivables are written off according to Company management's previous experiences and current

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

(b) -2 Liquidity risk management

Prudent liquidity risk management means that keeping an adequate amount of loan transactions, availability of funding and ability to close out market positions. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Liquidity risk tables

The following table presents the maturity of Company's non-derivative financial liabilities. The table includes both interest and principal cash flows.

31 December 2012

Contractual Maturity Analysis	Carrying value	Total cash outflow according to contract (I+II)	Less than 3 months (I)	3-12 months (II)
Non-derivative financial liabilities				
Trade payables	220.344.508	223.505.513	196.203.804	27.301.709
Other due to related parties	26.616.793	27.022.463	27.022.463	-
Total liabilities	246.961.301	250.527.976	223.226.267	27.301.709

31 December 2011

Contractual Maturity Analysis	Carrying value	Total cash outflow according to contract (I+II)	Less than 3 months (I)	3-12 months (II)
Non-derivative financial liabilities				
Trade payables	134.407.139	136.468.170	128.436.081	8.032.089
Other due to related parties	46.687.783	47.619.772	47.619.772	-
Total liabilities	181.094.922	184.087.942	176.055.853	8.032.089

The expected maturities are same as the maturities per contracts.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

(b-3) Market risk management

The Company is subject to financial risks related with the fx rates ((b) -3.1) and interest rates ((b) -3.2).

Market risk management is also followed by sensitivity analysis.

In the current year, the Company's market risk management method or its market risk exposure have not changed when compared to prior year.

(b-3.1) Foreign currency risk management

Transactions in foreign currencies expose the Company to foreign currency risk.

This risk mainly arises from fluctuation of foreign currency used in conversion of foreign assets and liabilities into Turkish Lira. Foreign currency risk arises as a result of trading transactions in the future and the difference between the assets and liabilities recognized. In this regard, the Company manages this risk with a method of netting foreign currency denominated assets and liabilities. The management reviews the foreign currency open position and provide measures if required.

The Company is mainly exposed to foreign currency risk in USD and EUR.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

	31 December 2012		
	"TL Equivalent (Functional currency)"	USD	EUR
1. Trade Receivables	-	-	-
2a. Monetary Financial Assets	1.454.302	248.845	429.779
2b. Non-Monetary Financial Assets	-	-	-
3. Other	55.604	18.000	10.000
4. CURRENT ASSETS	1.509.906	266.845	439.779
5. Trade Receivables	-	-	-
6a. Monetary Financial Assets	-	-	-
6b. Non-Monetary Financial Assets	-	-	-
7. Other	-	-	-
8. NON-CURRENT ASSETS	-	-	-
9. TOTAL ASSETS	1.509.906	266.845	439.779
10. Trade Payables	-	-	-
11. Financial Liabilities	-	-	-
12a. Parasal Olan Diğer Yükümlülükler	-	-	-
12b. Parasal Olmayan Diğer Yükümlülükler	-	-	-
13. CURRENT LIABILITIES	-	-	-
14. Ticari Borçlar	-	-	-
15. Finansal Yükümlülükler	-	-	-
16a. Other Monetary Financial Liabilities	-	-	-
16b. Other Non-Monetary Financial Liabilities	-	-	-
17. NON-CURRENT LIABILITIES	-	-	-
18. TOTAL LIABILITIES	-	-	-
20. Net foreign currency liability position	1.509.906	266.845	439.779
21. Net foreign currency asset/liability position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	1.454.302	248.845	429.779
23. Export	-	-	-
24. Import	-	-	-

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

	31 December 2011		
	"TL Equivalent (Functional currency)"	USD	EUR
1. Trade Receivables	-	-	-
2a. Monetary Financial Assets	683.843	41.229	247.961
2b. Non-Monetary Financial Assets	-	-	-
3. Other	58.398	18.000	10.000
4. CURRENT ASSETS	742.241	59.229	257.961
5. Trade Receivables	-	-	-
6a. Monetary Financial Assets	-	-	-
6b. Non-Monetary Financial Assets	-	-	-
7. Other	-	-	-
8. NON-CURRENT ASSETS	-	-	-
9. TOTAL ASSETS	742.241	59.229	257.961
10. Trade Payables	-	-	-
11. Financial Liabilities	-	-	-
12a. Parasal Olan Diğer Yükümlülükler	-	-	-
12b. Parasal Olmayan Diğer Yükümlülükler	-	-	-
13. CURRENT LIABILITIES	-	-	-
14. Ticari Borçlar	-	-	-
15. Finansal Yükümlülükler	-	-	-
16a. Other Monetary Financial Liabilities	-	-	-
16b. Other Non-Monetary Financial Liabilities	-	-	-
17. NON-CURRENT LIABILITIES	-	-	-
18. TOTAL LIABILITIES	-	-	-
20. Net foreign currency liability position	742.241	59.229	257.961
21. Net foreign currency asset/liability position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	683.843	41.229	247.961
23. Export	-	-	-
24. Import	-	-	-

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

Foreign currency sensitivity

The Company is exposed to foreign exchange risk arising primarily from USD and TL currency exposures. In the table below, the foreign currency sensitivity of the Company arising from 10% change in US dollar and TL rates. 10% is the rate used when reporting to senior management of the Company. This rate is the anticipated rate change of the Company's senior management. Sensitivity analysis includes only the monetary items in foreign currency at year end and shows the effect of 10% increase in US dollar and TL foreign currency rates. Positive value implies the effect of 10% increase in US dollar and TL foreign currency.

	31 December 2012		31 December 2011	
	Profit / Loss		Profit / Loss	
	Appreciation of foreign currency by %10	Devaluation of foreign currency by %10	Appreciation of foreign currency by %10	Devaluation of foreign currency by %10
1-US Dollar net asset / liability	44.359	(44.359)	7.788	(7.788)
2-Part of hedged from US Dollar risk (-)	-	-	-	-
3-US Dollar net effect (1 +2)	44.359	(44.359)	7.788	(7.788)
4-Euro net asset / liability	101.071	(101.071)	60.597	(60.597)
5-Part of hedged from Euro risk (-)	-	-	-	-
6-Euro net effect (4 +5)	101.071	(101.071)	60.597	(60.597)

(b-3.2) Interest risk management

Financial liabilities based on fixed and floating interest rates expose the Company to interest rate risk. The related risk is controlled by interest rate swap agreements and floating interest rate agreements by balancing the fixed and floating interest rate borrowings. Risk strategies are reviewed periodically considering the interest rate expectations and predetermined interest risks; which aims to establish optimum interest risk management regarding the balance sheet position and the interest expenses.

Interest rate sensitivity

Aşağıdaki duyarlılık analizleri raporlama tarihinde maruz kalınan faiz oranı riskine ve mali yılın başlangıcında öngörülen faiz oranı değişikliğine göre belirlenir ve tüm raporlama dönemi boyunca sabit tutulur. Şirketin 31 Aralık 2012 itibarıyla değişken faizli banka borcu bulunmamaktadır (31 Aralık 2011: Bulunmamaktadır).

(b-3.3) Other price risk

The Company is exposed to price risk due to the fluctuations in exchange rate and interest rate. The investigation on market information is examined and followed through appropriate valuation method regarding price risk by the Company. In current year, there has not been any changes compared to prior year in the market risk that the Company is exposed to or the administration or calculation methods of these risks

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

Categories and fair values of financial instruments:

31 December 2012	Loans and receivables (including cash and cash equivalents)	Available for sale financial assets	Financial liabilities at amortized cost	Carrying value	Note
Financial assets					
Cash and cash equivalents	19.254.110	-	-	19.254.110	3
Trade receivables	41.292.752	-	-	41.292.752	5
Due from related parties	6.370.354	-	-	6.370.354	23
Financial assets	-	34.700.000	-	34.700.000	4
Other receivables	338.072	-	-	338.072	6
Financial liabilities					
Trade payables	-	-	220.344.508	220.344.508	5
Due to related parties	-	-	26.616.793	26.616.793	23

31 December 2011	Loans and receivables (including cash and cash equivalents)	Available for sale financial assets	Financial liabilities at amortized cost	Carrying value	Note
Financial assets					
Cash and cash equivalents	20.114.315	-	-	20.114.315	3
Trade receivables	66.743.455	-	-	66.743.455	6
Due from related parties	705.915	-	-	705.915	24
Financial assets	-	24.446.700	-	24.446.700	4
Other receivables	402.195	-	-	402.195	7
Financial liabilities					
Trade payables	-	-	134.407.139	134.407.139	6
Due to related parties	-	-	46.687.783	46.687.783	24

(*) Book value of the financial instruments are reflects the fair value of the financial

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

Fair value of financial instruments

The fair values of financial assets and financial liabilities are determined and grouped as follows:

- Level 1: the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices;
- Level 2: the fair value of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions; and
- Level 3: the fair value of the financial assets and financial liabilities where there is no observable market data. The fair value of derivative instruments, are calculated using quoted prices. Where such prices are not available, estimate is made based on discounted cash flow analysis using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives.

Based on the fair value hierarchy, the Company's financial assets and liabilities are categorized as follow:

	Fair Value Level as of Report Date			
	31 December 2012	Level 1 TL	Level 2 TL	Level 3 TL
Financial Assets				
Available for sale financial assets	34.700.000	-	-	34.700.000
Total	34.700.000	-	-	34.700.000

	Fair Value Level as of Report Date			
	31 December 2011	Level 1 TL	Level 2 TL	Level 3 TL
Financial Assets				
Available for sale financial assets	24.446.700	-	-	24.446.700
Total	24.446.700	-	-	24.446.700

Reconciliation of the financial assets that measured at fair value based on 3 level valuation techniques at the beginning and end of period as below:

	31 January - 31 December 2012	31 January - 31 December 2011
Opening	24.446.700	-
Purchase of financial assets	-	22.052.987
Total gain/loss	-	-
- reflected in shareholders' equity	10.253.300	2.393.712
Closing balance	34.700.000	24.446.700

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

26. BİLANÇO TARİHİNDEN SONRAKİ OLAYLAR

None.