

Yapı Kredi Yatırım Menkul Değerler A.Ş. and its Subsidiary

**Interim condensed consolidated financial statements
together with independent auditor's review report for the
period between January 1 – June 30, 2013**

**(Convenience translation of financial statements and auditor's review
report originally issued in Turkish, see note 2.6)**



Building a better
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(Convenience translation of independent auditor's review report originally issued in Turkish)

Independent auditor's review report on the interim condensed consolidated financial statements for the period between January 1 – June 30, 2013

To the Board of Directors of
Yapı Kredi Yatırım Menkul Değerler A.Ş.;

Introduction

We have reviewed the accompanying financial statements of Yapı Kredi Yatırım Menkul Değerler A.Ş. (the Company) and its consolidated subsidiary (together the "Group"), which comprise the condensed consolidated statement of financial position as of June 30, 2013, the condensed consolidated statement of income and condensed consolidated statement of other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the period then ended June 30, 2013. Management is responsible for the preparation and fair presentation of these interim financial statements in accordance with Turkish Accounting Standards numbered 34 (TAS 34) issued by Public Oversight of Accounting and Auditing Standards Board. Our responsibility is to express a conclusion based on our review of the interim consolidated financial statements.

Scope of the review

We conducted our review in accordance with standards on auditing issued by Capital Market Board on Turkey. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards issued by Capital Market Board and consequently it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim consolidated financial statements are not prepared, in all material respects, in accordance with financial reporting standards issued by TAS 34.

Additional Paragraph for Convenience Translation to English:

In the accompanying financial statements, the accounting principles described in Note 2 (defined as Financial Reporting Standards issued by Public Oversight of Accounting and Auditing Standards Board) differ from International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board with respect to the application of inflation accounting which was ceased to apply one year earlier than IFRS and the presentation of the basic financial statements and the notes to them. Accordingly, the accompanying financial statements are not intended to present the financial position and results of operations in accordance with IFRS.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi
A member firm of Ernst & Young Global Limited


Ayşe Zeynep Deldağ, SMMM
Partner

July 31, 2013
İstanbul, Türkiye

(Convenience translation of the interim condensed consolidated financial statements originally issued in Turkish, see note 2.6)

Yapı Kredi Yatırım Menkul Değerler A.Ş. and its Subsidiary

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(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish, see note 2.6)

Yapı Kredi Yatırım Menkul Değerler A.Ş. and its Subsidiary
Interim condensed consolidated statement of financial position as of June 30, 2013
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

		(Reviewed)	(Audited)
Assets	Notes	June 30, 2013	December 31, 2012
Current assets		2.337.415.916	2.247.104.193
Cash and cash equivalent	3	1.692.390.752	1.712.217.411
Financial investment	4	336.835.936	326.635.933
Trade receivable	7	264.339.947	184.558.956
- due from related parties	25	655.278	36.514
- due from other parties		263.684.669	184.522.442
Receivables from financial sector activities	8	5.225.192	4.775.008
- due from related parties		3.801.623	4.712.024
- due from other parties		1.423.569	62.984
Other receivables	9	25.955.594	9.804.262
- due from related parties	25	-	-
- due from other parties		25.955.594	9.804.262
Derivative financial assets held for trading	13	1.089.050	3.010
Prepaid expenses	16	2.022.191	1.908.817
Current period tax assets		9.427.790	7.200.475
Other current assets	17	129.464	321
Sub total		2.337.415.916	2.247.104.193
Assets classified as held for sale	5	38.056.546	38.415.407
Total current assets		2.375.472.462	2.285.519.600
Non-current assets			
Financial investments	4	28.697.195	12.489.795
Property and equipment	10	5.284.720	5.271.568
Intangible assets	11	1.172.417	1.053.828
- Other intangible assets	11	1.172.417	1.053.828
Deferred tax asset	20	-	385.061
Total non-current assets		35.154.332	19.200.252
Total assets		2.410.626.794	2.304.719.852

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

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish, see note 2.6)

Yapı Kredi Yatırım Menkul Değerler A.Ş. and its Subsidiary
Interim condensed consolidated statement of financial position as of June 30, 2013
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

Liabilities	Notes	(Reviewed) June 30, 2013	(Audited) December 31, 2012
Short term liabilities			
Short term financial liabilities	6	1.765.138.523	1.684.820.190
Trade payables	7	109.722.741	44.063.694
- due to related parties		3.111.068	3.365.971
- due to other parties	25	106.611.673	40.697.723
Payables due to employee benefits	15	1.316.109	956.447
Other payables	9	3.189.448	3.009.031
- due to related parties		1.001.574	236.192
- due to other parties	25	2.187.874	2.772.839
Derivative financial liabilities held for trading	13	7.553.445	330.938
Current income taxes payable	20	1.733.236	1.656.766
Short term provisions	14	11.244.372	12.634.633
- Short term provisions for employee benefits	14	10.155.870	11.546.131
- Other short term provisions	12	1.088.502	1.088.502
Other short term liabilities	17	2.156.677	1.693.493
Total short term liabilities		1.902.054.551	1.749.165.192
Long term liabilities			
Long term provisions		7.391.775	10.180.499
- Provision for employee benefits	14	1.875.584	1.655.359
Deferred tax liability	19	5.516.191	8.525.140
Total long term liabilities		7.391.775	10.180.499
Total liabilities		1.909.446.326	1.759.345.691
Equity			
Paid-in share capital	18	98.918.083	98.918.083
Adjustment to share capital	18	63.078.001	63.078.001
Other comprehensive income and expenses to be reclassified in profit or loss	18	190.589.457	176.686.330
- Revaluation and measurement gains/losses		190.589.457	176.686.330
- Other gains/losses		-	-
Restricted reserves	18	61.754.489	62.436.655
Retained earnings	18	55.116.850	70.422.677
Net profit for the period		27.031.725	65.634.007
Equity attributable to equity holders of the Parent		496.488.605	537.175.753
Non-controlling interest	18	4.691.863	8.198.408
Total equity		501.180.468	545.374.161
Total liabilities and equity		2.410.626.794	2.304.719.852

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

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish, see note 2.6)

Yapı Kredi Yatırım Menkul Değerler A.Ş. and its Subsidiary

Interim condensed consolidated statement of income statement for the period ended June 30, 2013

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

	Notes	(Reviewed)		(Reviewed)	
		January 1 – June 30, 2013	April 1 – June 30, 2013	January 1 – June 30, 2012	April 1 – June 30, 2012
Profit and loss					
Revenue	20	6.496.797.509	2.965.928.699	3.961.497.807	1.832.963.222
Cost of sales(-)	20	(6.464.375.675)	(2.949.466.346)	(3.942.597.288)	(1.823.420.547)
Gross profit from commercial activities		32.421.834	16.462.353	18.900.519	9.542.675
Revenue from financial sector activities	21	22.216.046	12.168.488	18.325.954	9.686.142
Cost of financial sector activities (-)	21	(1.636.993)	(814.598)	(965.915)	(586.590)
Gross profit from financial sector activities		20.579.053	11.353.890	17.340.039	9.099.552
Gross profit		53.000.887	27.816.243	36.240.558	18.642.227
General administrative expenses (-)		(32.363.708)	(16.839.582)	(23.485.007)	(11.629.479)
Selling, marketing and distribution expenses (-)		(2.706.977)	(1.456.167)	(2.218.696)	(1.055.690)
Other operating income	22	80.267.677	27.346.076	121.939.066	40.756.313
Other operating expense (-)	23	(64.653.541)	(21.587.424)	(89.579.967)	(26.148.834)
Operating profit/(loss)		33.544.338	15.279.146	42.895.954	20.564.537
Income from investing activities		-	-	-	-
Share of profit/loss of investments Carried at equity method		-	-	-	(1.193.909)
Operating profit/(loss) before financial expense		33.544.338	15.279.146	42.895.954	19.370.628
Financial expense (-)		-	-	-	-
Profit/(loss) before tax from continuing operations		33.544.338	15.279.146	42.895.954	19.370.628
Tax (income)/expense for continuing operations					
- Current tax expense/income		(8.524.011)	(7.164.042)	(3.134.362)	(1.675.477)
- Deferred tax income/(expense)		3.385.063	5.672.728	(3.631.889)	2.111.365
Profit/(loss) before tax from continuing operations		28.405.390	13.787.832	36.129.703	19.806.516
Net profit for the period		28.405.390	13.787.832	36.129.703	19.806.516
Distribution of profit/loss		28.405.390	13.787.832	36.129.703	19.806.516
Non-controlling interest		1.373.865	747.530	1.278.071	645.691
Attributable equity holders of the parent		27.031.725	13.040.302	34.851.632	19.160.825
Earnings per share					
Earnings per share from continuing operations		0,003	0,001	0,004	0,002
Diluted earnings per share					
Diluted earnings per share from continuing operations		0,003	0,001	0,004	0,002

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

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish, see note 2.6)

Yapı Kredi Yatırım Menkul Değerler A.Ş. and its Subsidiary

Interim condensed consolidated statement of other comprehensive income for the period ended June 30, 2013
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

		(Reviewed)		(Reviewed)
	January 1 – June 30, 2013	April 1,-June 30, 2013	January 1 – June 30, 2012	April 1 -June 30, 2012
Net profit/loss for the period	28.405.390	13.787.832	36.129.703	19.806.516
Other comprehensive income:				
Adjustments to net income/(loss) reconciliation				
Change in foreign currency translation differences	-	-	-	-
Adjustments/revaluation in financial assets available for sale	14.664.302	(10.696.233)	55.139.889	23.494.208
Profit /loss on cash flow hedges (effective part of the fair value changes)	-	-	-	-
Profit/loss on foreign net investment hedges (effective part of the fair value changes)	-	-	-	-
Adjustment of investments carried at equity method reclassified from other comprehensive income in profit/loss	-	-	-	-
Other comprehensive income elements reclassified as other profit or loss	-	-	-	-
Tax income/expense in other comprehensive income adjusted in profit or loss	(761.175)	446.942	(2.757.706)	(1.174.728)
- Current tax expense/income	-	-	-	-
- Deferred tax expense/income	(761.175)	446.942	(2.757.706)	(1.174.728)
Other comprehensive income	13.903.127	(10.249.291)	52.382.183	22.319.480
Total comprehensive income	42.308.517	3.538.541	88.511.886	42.125.996
Distribution of total comprehensive income				
Non-controlling interest	1.373.665	745.530	1.278.071	645.691
Attributable equity holders of the Parent	40.934.852	2.793.011	87.233.815	41.480.305

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

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish, see note 2.6)

Yapı Kredi Yatırım Menkul Değerler A.Ş. and its Subsidiary

Consolidated statements of changes in equity for the interim periods ended June 30, 2013 and 2012
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Paid - In share capital		Adjustment to share capital	Revaluation and measurement gains/losses	Restricted reserves	Accumulated profits			Equity attributable to equity holders of the parent	Non-controlling interest	Total equity
	98.918.083	63.078.001				Other comprehensive income and expenses to be reclassified in profit or loss	Retained earnings	Net profit for the period			
Balance as at January 1, 2012 (Beginning of the period)	98.918.083	63.078.001		96.265.043	56.272.643	70.422.453	72.750.236	457.706.459	9.816.830	487.523.289	
Transfers	-	-	-	-	6.164.010	66.586.226	(72.750.236)	-	-	-	
Dividends	-	-	-	-	(66.586.000)	(66.586.000)	-	(66.586.000)	(4.626.911)	(71.212.911)	
Total comprehensive income	-	-	-	52.382.183	-	-	34.851.632	87.233.815	1.278.071	88.511.886	
Balance as at June 30, 2012 (End of the period)	98.918.083	63.078.001		148.647.226	62.436.653	70.422.679	34.851.632	478.354.274	6.457.990	484.822.264	
Balance as at January 1, 2013 (Beginning of the period)	98.918.083	63.078.001		176.886.330	62.436.655	70.422.677	65.634.007	537.175.753	8.198.408	545.374.161	
Transfers	-	-	-	-	7.667.609	57.966.398	(65.634.007)	-	-	-	
Dividends	-	-	-	-	(8.349.775)	(73.272.225)	-	(61.622.000)	(4.880.210)	(86.502.210)	
Total comprehensive income	-	-	-	13.903.127	-	-	27.031.725	40.934.852	1.373.665	42.308.517	
Balance as at June 30, 2013 (End of the period)	98.918.083	63.078.001		190.589.457	61.754.489	55.116.850	27.031.725	496.488.605	4.691.863	501.180.468	

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

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish, see note 2.6)

Yapı Kredi Yatırım Menkul Değerler A.Ş. and its Subsidiary

**Interim condensed consolidated statement of
cash flows for the period ended June 30, 2013
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)**

	Notes	June 30, 2013	June 30, 2012
Cash flows from operating activities:			
Current period profit from continuing operations		28.405.390	36.129.703
Adjustments to net income/(loss) reconciliation:			
- Adjustments related to depreciation and amortization		688.749	819.119
- Adjustments related to provisions		7.496.629	4.613.774
- Adjustments related with interest income and expense		60.109.037	62.879.494
- Unrealized foreign currency conversion adjustments		(12.276.674)	19.966.096
- Adjustments related to fair value losses/gains		6.772.323	(27.505.286)
- Adjustments related to tax expenses/incomes		5.138.948	6.766.251
- Adjustments in other components related with the investments or financial activities which have impact on cash flow		40.916.084	8.084.606
Changes in working capital			
- Change in trade receivables		(79.780.991)	(117.216.392)
- Change in other receivables related to operations		(17.479.889)	330.590
- Change in trade payables		17.155.527	94.740.611
- Change in other payables related to operations		(7.663.403)	(5.979.501)
Cash flow from operating activities			
Taxes paid		(10.674.856)	(8.738.063)
Cash flow from operating activities			
		38.806.874	74.891.002
Cash flows from investing activities:			
Cash outflow for acquisition of tangible and intangible assets	11,12	(820.490)	(740.062)
Cash flows from investing activities			
		(820.490)	(740.062)
Cash flows from financial activities:			
Cash provided from financial liabilities		76.514.349	306.113.146
Interest paid		(86.502.210)	(71.212.911)
Dividend paid		(53.988.868)	(61.363.866)
Cash flows from financial activities			
		(63.976.729)	173.536.369
The effect of change in foreign exchange rates on cash and cash equivalents		12.276.674	(19.966.096)
Net decrease in cash and cash equivalents		(13.713.671)	227.721.213
Cash and cash equivalents at the beginning of the period	3	1.705.283.561	1.031.572.689
Cash and cash equivalents at the end of the period	3	1.691.569.890	1.259.293.902

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

Yapı Kredi Yatırım Menkul Değerler A.Ş. and its Subsidiary

Notes to interim condensed consolidated financial statements as of June 30, 2013

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

1. Organization and nature of operations

Yapı Kredi Yatırım Menkul Değerler A.Ş. (named as "the Company" or the "Group" with its subsidiary in these consolidated financial statements) was established on September 15, 1989 under the name of Finanscorp Finansman Yatırım Anonim Şirketi, to engage in capital markets transactions and to serve as a brokerage company in accordance with the Law No. 2499 "Capital Market Law" and related legislation. In 1996, 99,6% of the shares of the Company were transferred to Yapı ve Kredi Bankası Anonim Şirketi ("Bank"). The name of the Company was changed to Yapı Kredi Yatırım Anonim Şirketi on September 9, 1996 and Yapı Kredi Yatırım Menkul Değerler Anonim Şirketi on October 5, 1998.

As of September 28, 2005, 57,4% of the shares of Yapı ve Kredi Bankası A.Ş., the main shareholder of the Company, were sold in accordance with the share purchase agreement between Çukurova Holding A.Ş., several Çukurova Group Companies, Mehmet Emin Karamahmet and Koç Finansal Hizmetler A.Ş. ("KFH"), Koçbank N.V. and Koçbank A.Ş. In the framework of the agreement, KFH became the ultimate parent company of Yapı ve Kredi Bankası A.Ş. with 57,4% shares. The main shareholder of the Company is Yapı ve Kredi Bankası A.Ş.(YKB) and ultimate parent of the Company is KFH.

At the Extraordinary General Assembly of the Company at December 29, 2006 the decision to legally merge with Koç Yatırım Menkul Değerler A.Ş. ("Koç Yatırım") in accordance with the related articles of Turkish Commercial Code, Corporate Tax Law, and Capital Market Law and permission of Capital Markets Board No. B.02.1.SP.K.0.16-1955 dated December 15, 2006 and to approve the merger agreement has been taken. Accordingly, all rights, receivables, liabilities and obligations were transferred to the Company due to consequential dissolution without liquidation of Koç Yatırım Menkul Değerler A.Ş.

Commercial Registration Office of Istanbul has registered the Extraordinary General Assembly decision dated December 29, 2006 and the merger agreement as of January 12, 2007 and announced the registration at Trade Registry Gazette No. 6724 and dated January 16, 2007.

Consolidated financial statements prepared as of June 30, 2013 have been approved by the Board of Directors of the Company at July 31, 2013. General Assembly and regulatory bodies have the right to amend the approved financial statements.

The main operations of the Company can be summarized as follows without accepting deposits and lending money, except where legislation allows:

- a) Purchasing and selling of capital market instruments according to Capital Market Legislation on behalf and on account of itself and its customers;
- b) Under fulfilling certain requirements of Capital Market Law and the Capital Markets Board ("CMB" or "the Board");
 - Intermediating the issuance and public offering of capital market instruments listed by the Board,
 - Intermediating purchasing and selling of capital market instruments issued before for brokerage activities,
 - Purchasing and selling of marketable securities under repurchase and reverse repurchase agreements,
 - Investment consultancy,
 - Portfolio management,
 - Short selling of marketable securities, borrowing and lending of marketable securities,
 - Founding and managing Investment Funds,
 - Founding and managing Real Estate Investment and Investment Trusts,
 - Intermediating to derivative transactions,
 - Authority for leveraged buyout and sellout transactions

Yapı Kredi Yatırım Menkul Değerler A.Ş. and its Subsidiary

Notes to interim condensed consolidated financial statements as of June 30, 2013

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

1. Organization and nature of operations (continued)

- c) Performing transactions in exchange markets by being a member of such organizations,
- d) Providing custody services in accordance with Capital Market Legislation,
- e) Providing services of collection, payment of principal, interest, dividends and related income and to use the pre-emptive rights to obtain new shares, free shares and acting as proxy to vote arising from possession of shares for and on behalf of its customers.

The Group acts as the manager of 10 funds (December 31, 2012: 9) founded by the Group. As of June 30, 2013, the Group's number of employees is 215 (December 31, 2012: 208) and it has no branches.

The head office of the Company is located at; Yapı Kredi Plaza A Blok Kat:11 Büyükdere Cad. Levent – İstanbul.

The interim financial statements for the period ended June 30, 2013 have been approved by the Board of Directors on July 31, 2013 and decided to be published. Authorised boards of the Company and other regulatory bodies have the power to amend the financial statements.

As of June 30, 2013 and 2012 the details of subsidiary and associate of the "Group" are listed as below:

Company Name	30 Haziran 2013 Share % in capital	2012 Share % in capital	Principal activity
Yapı Kredi Portföy Yönetimi A.Ş. (Subsidiary)	%87,32	%87,32	Portfolio Management
Yapı Kredi B Tipi Yatırım Ortaklığı A.Ş. (Associate)	%44,97	%44,97	Portfolio Management

Subsidiary

Yapı Kredi Portföy Yönetimi A.Ş. ("Yapı Kredi Portföy" or "subsidiary") is subject to full consolidation as the Company is the main shareholder and has control rights over subsidiary.

The Company's subsidiary Koç Portföy Yönetimi A.Ş. ("Koç Portföy") has legally merged with Yapı Kredi Portföy Yönetimi A.Ş. on December 29, 2006. Accordingly, all rights, receivables, liabilities and obligations of Yapı Kredi Portföy were transferred to Koç Portföy. After merger, the Subsidiary has changed its title as Yapı Kredi Portföy Yönetimi A.Ş. and accordingly the Company has an interest of 87,32% (December 31, 2011: 87,32%) of the voting rights.

Within the context of the Capital Markets Board regulations, the Subsidiary's principal activities are managing mutual and private funds and performing discretionary portfolio management ("DPM") for institutions, endowments and individuals.

Associate

The main activity of the Associate is managing the portfolio of marketable securities and the portfolio of gold and other metals traded in national and international stock markets or other organized markets without acquiring the control over the capital and management of the partnerships according to the principles and regulations of the CMB.

Shares of Yapı Kredi B Tipi Yatırım Ortaklığı A.Ş. were offered initially to the public on the dates of September 11-12, 1995. As of December 31, 2012, 88,90% of the shares, including the 44,97% shareholding of the Company, is traded on the Borsa İstanbul ("BIST").

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish, see note 2.6)

Yapı Kredi Yatırım Menkul Değerler A.Ş. and its Subsidiary

Notes to interim condensed consolidated financial statements as of June 30, 2013

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

2. Basis of preparation of the interim condensed consolidated financial statements

2.1 Basis of presentation

2.1.1 Applicable accounting standards

The accompanying interim financial statements have been prepared in accordance with the Turkish Accounting Standards ("TAS") promulgated by the Public Oversight Accounting and Auditing Standards Authority ("POA") in compliance with the communiqué numbered II-14.1 "Communiqué on the Principles of Financial Reporting In Capital Markets" (the Communiqué) announced by the CMB on June 13, 2013 which is published on Official Gazette numbered 28676. TAS consists of the Turkish Accounting Standards, Turkish Financial Reporting Standards and related supplements and interpretations.

Interim condensed consolidated financial statements for the period ended June 30, 2013, have been prepared in accordance with TAS 34.

Interim condensed consolidated financial statements were based on the legal records of the Company and expressed in Turkish Lira; and they have been subjected to certain adjustments and classifications in order to properly present the position of the Group which have been published by the Public Oversight Accounting and Auditing Standards

The condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as of December 31, 2012.

The Group prepared its consolidated financial statements for the accounting period ended June 30, 2013 in coherence with its accounting policies effective as of December 31, 2012 except the new standards and changes which have been effectuated since January 1, 2013

Based on the decree of the Board of Directors dated May 28, 2012 and numbered 45, the Company decided to sell its shares of 44,97% at Yapı Kredi B Tipi Yatırım Ortaklığı A.Ş. (YKBYO) and signed a share purchase agreement on September 28, 2012. However, in accordance with the public disclosure announced by Yapı ve Kredi Bankası A.Ş. at the Public Disclosure Platform on June 7, 2013, it was announced that "Dissolution and Acquittal Protocol" and other relevant documents were signed for the termination of the share sales contract for Yapı Kredi B Tipi Yatırım Ortaklığı A.Ş., between Göker Mineral ve Madencilik Sanayi Ticaret A.Ş. (buyer) together with the Bank and Yapı Kredi Yatırım Menkul Değerler A.Ş. In addition, the board of directors of Yapı Kredi Bankası A.Ş. and Yapı Kredi Yatırım Menkul Değerler A.Ş., as a shareholder of Yapı Kredi B Tipi Yatırım Ortaklığı, decided to liquidate the company and in this context, decided to through a share call in accordance with CMB decree series IV numbered 44 "Communiqué on the Principles Regarding the Collection of Corporation Shares through Takeover Bid" and in this context, the Board of Directors of Yapı ve Kredi Bankası A.Ş. shall be authorized with regard to the filing of necessary applications and receipt of approvals, performance of all procedures regarding this matter, signing of necessary agreements and execution of all applications and procedures by the CMB and other legal authorities. Regarding the CMB bulletin on July 16, 2013, it was announced that the voluntary takeover bid of Yapı ve Kredi Bankası A.Ş. for the liquidation of the company to the other shareholders of Yapı Kredi B Tipi Yatırım Ortaklığı A.Ş. was approved.

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish, see note 2.6)

Yapı Kredi Yatırım Menkul Değerler A.Ş. and its Subsidiary

Notes to interim condensed consolidated financial statements as of June 30, 2013

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

2. Basis of preparation of the interim condensed consolidated financial statements (continued)

In addition it was decided that Yapı Kredi B Tipi Yatırım Ortaklığı A.Ş. shall be liquidated by Yapı ve Kredi Bankası A.Ş. (YKB) and within this scope, the shares of other shareholders shall be sold to YKB with a call price set as TL 2,68 between July 23, 2013 and August 5, 2013 in accordance with Communiqué of the CMB Series: IV, No: 44 "Communiqué on the Principles Regarding the Collection of Corporation Shares through Takeover Bid" and the shares of the Company at YKBYO, representing 44,97% of the Company with a nominal value of TL 14.133.181,44 shall be sold to YKB for a consideration of TL 37.876.926,25.

The transfer of the shares was completed as of July 23, 2013 and the Company has no shares left in the capital of YKBYO after this share call.

As of June 30, 2013, Yapı Kredi B Tipi Yatırım Ortaklığı A.Ş. shares are classified as assets held for sale as its carrying value in the accompanying interim condensed consolidated financial statements.

2.1.2 Adjustments to financial statements in hyperinflationary periods

With the decision taken on March 17, 2005, the CMB announced that, effective from January 1, 2005, the application of inflation accounting is no longer required for listed companies in Turkey. The Company's financial statements have been prepared in accordance with this decision.

2.1.3 Offsetting

Financial assets and liabilities are offset and the net amount is 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.

2.1.4 Going concern

The Company prepared its financial statements according to the going concern assumption.

2.1.5 Functional currency

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

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish, see note 2.6)

Yapı Kredi Yatırım Menkul Değerler A.Ş. and its Subsidiary

Notes to interim condensed consolidated financial statements as of June 30, 2013

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

2. Basis of preparation of the interim condensed consolidated financial statements (continued)

2.1.6 Classifications made in the financial statements as of December 31, 2012 and June 30, 2012

Based on the decision of CMB dated June 7, 2013 numbered 20/670, a new illustrative financial statement and guidance been issued effective from the interim periods ended after March 31, 2013, which is applicable for the companies that are subject to Communiqué on the Principles of Financial Reporting in Capital Markets. Based on these new illustrative financial statements, a number of changes were made at the Group's interim condensed consolidated financial statements.

The reclassifications in the interim condensed consolidated statement of financial position of the Group as at December 31, 2012 and June 30, 2012 are as follows:

		Restated	Classification
Statement of financial position	December 31, 2012	December 31, 2012	
Financial Investments-short term	60.667.524	326.635.933	(265.968.409)
Cash and cash equivalents	1.775.221.823	1.712.217.411	63.004.412
Financial Investments-long term	215.453.792	12.489.795	202.963.997
Trade receivables	197.141.236	184.558.956	12.582.280
Receivables from financial activities	-	4.775.008	(4.775.008)
Other receivables	-	9.804.262	(9.804.262)
Other receivables	1.996.990		1.996.990
Other current assets	1.909.138	321	1.908.817
Prepaid expenses	-	1.908.817	(1.908.817)
Payables due to employee benefits	-	956.447	(956.447)
Other short term liabilities	2.649.940	1.693.493	956.447
		Restated	Classification
Profit and loss statement	June 30, 2012	June 30, 2012	
Sales	3.979.823.761	3.961.497.807	18.325.954
Revenue from financial activities	-	18.325.954	(18.325.954)
Cost of sales	3.943.583.203	3.942.597.288	985.915
Cost of financial activities (-)	-	985.915	(985.915)
Credit interest income	10.257.073	-	10.257.073
Other operating income	7.676.049	-	7.676.049
Financial income	104.005.944	-	104.005.944
Other operating income		121.939.066	(121.939.066)
Other operating expense	2.028.919	-	2.028.919
Financial expense	87.551.048	-	87.551.048
Other operating expense (-)	-	89.579.967	(89.579.967)

Yapı Kredi Yatırım Menkul Değerler A.Ş. and its Subsidiary

Notes to interim condensed consolidated financial statements as of June 30, 2013

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

2. Basis of preparation of the interim condensed consolidated financial statements (continued)

2.2. Changes in accounting policies and errors

Accounting policy changes taking place as a result of a new TAS/IFRS's first time use are applied in line with the transition rules if there is any, retrospective or prospectively. If transition rules are absent for such changes, intended significant changes regarding the accounting policy or identified accounting mistakes are applied retrospectively and financial statements of prior period are revised accordingly.

2.3 Changes in accounting estimations

If the application of changes in the accounting estimates affects the financial results of a specific period, the accounting estimate change is applied in that specific period, if they affect the financial results of current and following periods; the accounting estimate is applied prospectively in the periods in which such change is made.

2.4 Changes in accounting policies and interpretations

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

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

IFRS 7 Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities (Amendment)

The amendment requires the disclosure of the rights of the entity relating to the offsetting of the financial instruments and some information about the related regulations (eg, collateral agreements). New disclosures would provide users of financial statements with information that is useful in;

- i) evaluating the effect or potential effect of netting arrangements on an entity's financial position and,
- ii) analyzing and comparing financial statements prepared in accordance with IFRSs and other generally accepted accounting standards.

New disclosures have to be provided for all the financial instruments in the balance sheet that have been offset according to TAS 32. Such disclosures are applicable to financial instruments in the balance sheet that have not been offset according to TAS 32 but are available for offsetting according to main applicable offsetting regulations or other financial instruments that are subject to a similar agreement. The amendment affects disclosures only and did not have any impact on the interim condensed consolidated financial statements of the Group.

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

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

Yapı Kredi Yatırım Menkul Değerler A.Ş. and its Subsidiary

Notes to interim condensed consolidated financial statements as of June 30, 2013

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

2. Basis of preparation of the interim condensed consolidated financial statements (continued)

TAS 19 Employee Benefits (Amended)

Numerous changes or clarifications are made under the amended standard. Among these numerous amendments, the most important changes are removing the corridor mechanism, for determined benefit plans recognizing actuarial gain/(loss) under other comprehensive income and making the distinction between short-term and other long-term employee benefits based on expected timing of settlement rather than employee entitlement. The retrospective effects of the amendment to recognise actuarial gain and loss in the comprehensive income statement are not disclosed as other comprehensive income since it is decided that they do not have a major impact on the financial statement of the Group. Additionally, based on the amendment in the presentation of short term employee benefits, since the Group does not have long-term employee benefits, a change in classification is not realized and this provision amount is not subjected to actuary calculation.

TAS 27 Separate Financial Statements (Amended)

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

TAS 28 Investments in Associates and Joint Ventures (Amended)

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

TFRS 10 Consolidated Financial Statements

TFRS10, replaces the parts of previously existing TAS 27 Consolidated and Separate Financial Statements that addresses the accounting for consolidated financial statements. A new definition of control is introduced, which is used to determine which entities are consolidated. This is a principle based standard and require preparers of financial statements to exercise significant judgment. This amendment will not have an impact on the financial position or performance of the Group.

TFRS 11 Joint Arrangements

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

TFRS 12 Disclosure of Interests in Other Entities

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

Yapı Kredi Yatırım Menkul Değerler A.Ş. and its Subsidiary

Notes to interim condensed consolidated financial statements as of June 30, 2013

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

2. Basis of preparation of the interim condensed consolidated financial statements (continued)

IFRS 13 Fair Value Measurement

The new Standard provides guidance on how to measure fair value under IFRS but does not change when an entity is required to use fair value. It is a single source of guidance under IFRS for all fair value measurements. The new standard also brings new disclosure requirements for fair value measurements. The new disclosures are only required for periods beginning after IFRS 13 is adopted. Some of the disclosures about the financial instruments mentioned above, have to be provided in the interim condensed consolidated financial statements according to TAS 34.16 A (j). The Group has presented these disclosures in Note 4. This standard did not have an impact on the financial position or performance of the Group.

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

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

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

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

Improvements to IFRSs

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

TAS 1 Financial Statement Presentation:

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

TAS 16 Property, Plant and Equipment:

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

TAS 32 Financial Instruments: Presentation:

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

Yapı Kredi Yatırım Menkul Değerler A.Ş. and its Subsidiary

Notes to interim condensed consolidated financial statements as of June 30, 2013

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

2. Basis of preparation of the interim condensed consolidated financial statements (continued)

TAS 34 Interim Financial Reporting:

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

Standards issued but not yet effective and not early adopted

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

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

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

TFRS 9 Financial Instruments – Classification and measurement

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

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

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

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Notes to interim condensed consolidated financial statements as of June 30, 2013

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

2. Basis of preparation of the interim condensed consolidated financial statements (continued)

IFRS 10 Consolidated Financial Statements (Amendment)

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

IFRIC Interpretation 21 Levies

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

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

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

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

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

Resolutions promulgated by the Public Oversight Authority

In addition to the informations stated above, POA has published the following principle: "Examples of financial statements and usage guide" which gained validity on the published date. However, the other decisions will gain validity after the reporting period of December 31, 2012.

Yapı Kredi Yatırım Menkul Değerler A.Ş. and its Subsidiary

Notes to interim condensed consolidated financial statements as of June 30, 2013

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

2. Basis of preparation of the interim condensed consolidated financial statements (continued)

2013-1 Illustrative Financial Statement Examples and User Guide

The POA promulgated "financial statement examples and user guide" on May 20, 2012 in order to ensure the uniformity of financial statements and facilitate their audit. The financial statement examples within this framework were published to serve as an example to financial statements to be prepared by companies obliged to apply TAS, excluding financial institutions established to engage in banking, insurance, private pensions or capital market. The Group made the related classifications stated in Note 2.1.6 in order to comply with the requirements of this regulation.

2013-2 Accounting of Combinations under Common Control

In accordance with the resolution it has been decided that i) combination of entities under common control should be recognized using the pooling of interest method, ii) and thus, goodwill should not be included in the financial statements and iii) while using the pooling of interest method, the financial statements should be prepared as if the combination has taken place as of the beginning of the reporting period in which the common control occurs and should be presented comparatively from the beginning of the reporting period in which the common control occurred. These resolutions are not expected to have an impact on the financial statements of the Group.

2013-3 Accounting of Redeemed Share Certificates

Clarification has been provided on the conditions and circumstances where the redeemed share certificates shall be recognized as a financial liability or equity based financial instruments. These resolutions are not expected to have an impact on the financial statements of the Group.

2013-4 Accounting of Cross Shareholding Investments

If a subsidiary of an entity holds shares of the entity then this is defined as cross shareholding investment and accounting of this cross investment is assessed based on the type of the investment and different recognition principles adopted. With the subject resolution, this topic has been assessed under three main headings below and the recognition principles for each one of them has been determined.

- i) subsidiary holding the equity based financial instruments of the parent,
- ii) the associates or joint ventures holding the equity based financial instruments of the parent,
- iii) the parent's equity based financial instruments are held by an entity, which is accounted as an investment within the scope of TAS 38 and TFRS 9 by the parent.

These resolutions are not expected to have an impact on the financial statements of the Group.

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish, see note 2.6)

Yapı Kredi Yatırım Menkul Değerler A.Ş. and its Subsidiary

Notes to interim condensed consolidated financial statements as of June 30, 2013

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

2. Basis of preparation of the interim condensed consolidated financial statements (continued)

2.5 Critical accounting judgements, estimates and assumptions

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities or amounts of contingent assets and liabilities, and income and expense reported in the related period. Even though these assumptions and estimates are based on the best estimates of the Group's management, the actual results might differ from them.

Judgements that have the most significant effect on the amounts recognized in the consolidated financial statements and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year include:

Held-to-maturity financial assets: Management applies judgement in assessing whether financial assets can be categorized as held-to-maturity, in particular its intention and ability to hold the assets to maturity. If the Group fails to keep these investments to maturity other than for certain specific circumstances – for example, selling an insignificant amount close to maturity - it will be required to reclassify the entire class as available-for-sale. The investments would therefore be measured at fair value rather than amortized cost.

Impairment of available for-sale equity investments: The Group determines that available-for-sale equity investments are impaired when there has been a significant or prolonged decline in the fair value below its cost. The determination of what is significant or prolonged requires judgement. Impairment may be appropriate when there is evidence of deterioration in the financial health of the investee, industry and sector performance, changes in technology, and operational or financing cash flows. Had all the declines in fair value below cost been considered significant or prolonged, the Group would not suffer any additional loss, being the transfer of the total debit balance in the revaluation reserve to profit or loss.

Deferred income tax asset recognition: Deferred income tax assets are recorded to the extent that realization of the related tax benefit is probable. The future taxable profits and the amount of tax benefits that are probable in the future are based on medium term business plan prepared by management and extrapolated results thereafter. The business plan is based on management expectations that are believed to be reasonable under the circumstances.

2.6 Convenience translation into English of interim condensed consolidated financial statements originally issued in Turkish

The accounting principles described above (defined as 'CMB Financial Reporting Standards') differ from IFRS issued by the International Accounting Standards Board with respect to the application of inflation accounting for the period between January 1, and December 31, 2005 and presentation of the basic financial statements and the notes to them. Accordingly, these financial statements are not intended to present the financial position and results of operations in accordance with IFRS.

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish, see note 2.6)

Yapı Kredi Yatırım Menkul Değerler A.Ş. and its Subsidiary

Notes to interim condensed consolidated financial statements as of June 30, 2013

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

3. Cash and cash equivalents

	June 30, 2013	December 31, 2012
Banks		
- Demand deposits	16.409.380	11.741.957
- Time deposits	1.675.875.202	1.700.138.331
Receivables from reverse repurchase agreement	-	38.401
Investment funds	106.170	298.722
	1.692.390.752	1.712.217.411

For the purpose of statement of cash flows, details of cash and cash equivalents are as follows:

	June 30, 2013	December 31, 2012
Time deposits with maturity up to three months	1.675.875.202	1.700.138.331
Demand deposits	15.588.518	4.808.107
Receivables from reverse repo transactions	-	38.401
Investment funds	106.170	298.722
	1.691.569.890	1.705.283.561

Cash and cash equivalents belonging to the customers of the Company consist of demand deposit amounts of TL 47.468.493 TL as of June 30, 2012 (December 31, 2012: demand deposit of TL 40.906.809 TL). The deposits belonging to customers and their accrued interests are accounted under trade payables as of June 30, 2013.

As of June 30, 2013, the Company has blocked deposits amounting to TL 820.862 (December 31, 2012: TL 6.933.850) in the cash and cash equivalents.

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish, see note 2.6)

Yapı Kredi Yatırım Menkul Değerler A.Ş. and its Subsidiary

Notes to interim condensed consolidated financial statements as of June 30, 2013

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

4. Financial Investments

Short term financial investments	June 30, 2013	December 31, 2012
<i>Financial assets designated at fair value through profit/loss</i>		
- Share certificates quoted on BIST	49.532.454	31.365.451
<i>Available-for-sale financial assets</i>		
- Private sector bonds and bills	-	-
- Share certificates	219.470.105	202.963.997
- Government bonds and treasury bills	25.963.504	526.739
<i>Held to maturity financial investments</i>		
- Government bonds and treasury bills	31.165.548	28.775.334
Deposits with maturity over than three months	10.704.325	63.004.412
	336.835.936	326.635.933
Long term financial investments		
<i>Held to maturity financial investments</i>		
- Government bonds and treasury bills	-	-
<i>Available-for-sale financial assets</i>		
- Share certificates	28.697.195	12.489.795
- Government bonds and treasury bills	-	-
- Private sector bonds and bills	-	-
	28.697.195	12.489.795
Total financial investments	365.533.131	339.125.728

Held-to-maturity financial investments, with fair value of TL 30.866.677 TL and carrying value of TL 30.095.531 TL are held as collateral in the CBRT, ISE and Takas ve Saklama Bankası A.Ş. ("Takasbank") as of June 30, 2013.

Maturity distribution of held-to-maturity financial assets is as follows:

	June 30, 2013	December 31, 2012
Up to 3 months	31.165.548	28.775.334
3 months – 1 year	-	-
	31.165.548	28.775.334

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish, see note 2.8)

Yapı Kredi Yatırım Menkul Değerler A.Ş. and its Subsidiary

Notes to interim condensed consolidated financial statements as of June 30, 2013

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

4. Financial Investments (continued)

Movements of held-to-maturity financial assets during the periods ended June 30, 2013 and 2012 are as follows:

	June 30, 2013	June 30, 2012
January 1	28.775.334	40.782.675
Purchases during the period	24.680.428	586.937
Valuation increase/decrease (rediscount rate is included)	(290.214)	746.228
Disposals in the period	(22.000.000)	(100.000)
June 30	31.165.548	42.015.840

As of June 30, 2013, available-for-sale financial assets subject to repurchase agreement ("Repo") amount to TL 17.905.549. (December 31, 2012 – none).

Details of share certificates, that are classified as short- term available-for-sale financial assets are as follows:

Type	June 30, 2013		December 31, 2012	
	Amount TL	Shareholding %	Amount TL	Shareholding %
Quoted to stock exchange				
Yapı Kredi Sigorta A.Ş.	219.470.105	11,99	202.963.997	11,99

Details of share certificates, that are classified as long- term available-for-sale financial assets are as follows:

Not quoted on stock exchange

Takasbank	28.567.000	4,86	12.359.600	4,86
Yapı Kredi Azerbaijan Ltd.	92.064	0,10	92.064	0,10
Yapı Kredi Emeklilik A.Ş.	26.432	0,04	26.432	0,04
Koç Kültür Sanat ve Tanıtım Hiz. Tic. A.Ş.	11.699	4,90	11.699	4,90
	28.697.195		12.489.795	

The Group has valued its equity shares of Yapı Kredi Sigorta A.Ş. under securities as available-for-sale having a cost of TL 19.218.824 (December 31, 2012: TL 19.218.824) with the market prices announced on BIST. As a result of this valuation, the Group has accounted for the valuation increase amounting to TL 200.251.281 (December 31, 2012: valuation increase amounting to TL 183.745.173) by netting-off the deferred tax liability amounting to TL 10.012.564 (December 31, 2012: deferred tax liability amounting to TL 9.187.259) as valuation increase under "Revaluation and measurement gains/losses" under equity.

On July 12, 2013, in accordance with the share purchase agreement between Allianz SE and the Sellers dated March 26, 2013, the shares of Yapı Kredi Sigorta A.Ş. which are owned by Yapı ve Kredi Bankası A.Ş., Yapı Kredi Yatırım Menkul Değerler A.Ş. and Yapı Kredi Faktoring A.Ş. (Sellers) with a nominal amount TL 95.815.145,696 are transferred to Allianz SE.

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish, see note 2.6)

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4. Financial Investments (continued)

As of June 30, 2013 and 2012, the Group has 4,86% of the shares of Takasbank. The Group has 20.405.000 shares whose nominal value is TL 20.405.000. The related equity interest has been carried at TL 1,40 per share which is the last price announced by BIST in the statement of financial position. In the current period, there is not a recent market share price announced by BIST.

The above unquoted and unlisted available-for-sale equity investments whose fair value cannot be reliably measured are stated at cost less impairment, if any.

IFRS 7 requires classification of line items at fair value presented in the financial statements according to the defined levels. These levels depend on the observability of data used during fair value calculations. Classification for fair value is generated as followed below:

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

	Level 1	Level 2	Level 3	Total
Financial assets designated at fair value through profit / loss	49.532.454	-	-	49.532.454
Financial assets designated at fair value through profit/loss	-	-	-	-
Share certificates	49.532.454	-	-	49.532.454
Available for sale financial assets	25.963.504	28.697.195	-	54.660.699
Available for sale financial assets	25.963.504	-	-	25.963.504
Other securities	-	28.697.195	-	28.697.195
Derivative receivables/liabilities held for trading	-	6.464.395	-	6.464.395

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5. Assets classified as available for sale

As of June 30, 2013, the publicly traded shares of Yapı Kredi B Tipi Yatırım Ortaklığı AŞ. are classified as assets available for sale amounting to TL 38.056.546 is presented in the financial statements with their carrying amount.

However, in accordance with the public disclosure announced by Yapı ve Kredi Bankası A.Ş. at the Public Disclosure Platform on June 7, 2013, it was announced that "Dissolution and Acquittal Protocol" and other relevant documents were signed for the termination of the share sales contract for Yapı Kredi B Tipi Yatırım Ortaklığı A.Ş., between Göker Mineral ve Madencilik Sanayi Ticaret A.Ş.(buyer) together with the Bank and Yapı Kredi Yatırım Menkul Değerler A.Ş. In addition, the board of directors of Yapı Kredi Bankası A.Ş and Yapı Kredi Yatırım Menkul Değerler A.Ş, as a shareholder of Yapı Kredi B Tipi Yatırım Ortaklığı, decided to liquidate the company and in this context, decided to through a share call in accordance with CMB decree series IV numbered 44 "Communiqué on the Principles Regarding the Collection of Corporation Shares through Takeover Bid" and in this context, the Board of Directors of Yapı ve Kredi Bankası A.Ş. shall be authorized with regard to the filing of necessary applications and receipt of approvals, performance of all procedures regarding this matter, signing of necessary agreements and execution of all applications and procedures by the CMB and other legal authorities. Regarding the CMB bulletin on July 16, 2013, it was announced that the voluntary takeover bid of Yapı ve Kredi Bankası A.Ş. for the liquidation of the company to the other shareholders of Yapı Kredi B Tipi Yatırım Ortaklığı A.Ş was approved.

In addition it was decided that Yapı Kredi B Tipi Yatırım Ortaklığı A.Ş. shall be liquidated by Yapı ve Kredi Bankası A.Ş. (YKB) and within this scope, the shares of other shareholders shall be sold to YKB with a call price set as TL 2,68 between July 23, 2013 and August 5, 2013 in accordance with Communiqué of the CMB Series: IV, No: 44 "Communiqué on the Principles Regarding the Collection of Corporation Shares through Takeover Bid" and the shares of the Company at YKBYO, representing 44,97% of the Company with a nominal value of TL 14.133.181,44 shall be sold to YKB for a consideration of TL 37.876.926,25. The transfer of the shares were completed as of July 23, 2013 and the Company has no shares left in the capital of YKBYO after this share call.

6. Short term trade payables

	June 30, 2013	December 31, 2012
Payables to stock exchange money market	1.621.295.121	1.654.819.548
Funds from repo transactions	17.905.549	-
Bank loans	109.560.863	30.000.642
Due to short selling transactions	16.376.990	-
	1.765.138.523	1.684.820.190

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7. Trade receivables and payables

Trade receivables:

Short term trade receivables

	June 30, 2013	December 31, 2012
Receivables from loan customers	151.068.601	142.476.287
Receivables from Takas Saklama Merkezi	48.602.759	2.769.294
Receivables from customers	60.271.884	35.170.638
Commission receivables	1.145.725	1.801.013
Doubtful receivables	111.295	111.295
Provision for doubtful receivables	(111.295)	(111.295)
Project receivables	1.952.040	750.278
Other short-term receivables	1.298.938	1.591.446
	264.339.947	184.558.956

The Group provides loans to customers for share certificate transactions. The Company has quoted share certificates as collateral against loans given whose total market value amounts to TL 287.961.250 as of June 30, 2013 (December 31, 2012: TL 287.554.611).

Trade payables:

Short term trade payables

	June 30, 2013	December 31, 2012
Payables to customers	107.740.378	40.906.870
Agent commissions payable	1.973.713	3.148.174
Other trade payables	8.650	8.650
	109.722.741	44.063.694

8. Receivables and payables from financial sector activities

Receivables and payables from financial sector activities are consisted of the the transactions of subsidiary.

Receivables from financial sector activities

	June 30, 2013	December 31, 2012
Portfolio management fee receivables	4.828.322	3.844.384
Other short-term receivables	343.740	876.998
Other	53.130	53.626
	5.225.192	4.775.008

Portfolio management fee receivable amounting to TL 3.748.523 managed by the subsidiary, consists of management fee receivables from 38 (December 31, 2012: 40) investment funds and 19 (December 31, 2012: 16) pension funds, which were established according to the Capital Market Law and related legal provisions.

Management fee receivables are recognized on accrual basis and collected every month.

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish, see note 2.6)

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9. Other receivables and payables

Other receivables

	June 30, 2013	December 31, 2012
Collaterals from foreign operations	18.535.739	3.177.116
Collaterals from Takasbank	6.745.305	4.630.156
Deposits and collaterals given	673.793	660.111
Fund advances given	757	1.336.879
	25.955.594	9.804.262

Other payables

	June 30, 2013	December 31, 2012
Payables to parties other than suppliers or customers	2.698.213	2.517.687
Payables to marketable securities disposal fund	491.344	491.344
	3.189.557	3.009.031

10. Property and equipment

In the six-month period ended June 30, 2013, the Group has purchased property plant and equipment with a value of TL 402.475 (June 30, 2012 – TL 301.062). The Group did not sale any property, plant or equipment (June 30, 2012 – none). In the same period the Group amortized TL 389.323 (June 30, 2012 – TL 522.679)

11. Intangible assets

In the six-month period ended June 30, 2013, the Group has purchased intangible assets with a value of TL 418.596 (June 30, 2012 – TL 439.000). In the same period the Group booked redemption amounting to TL 300.008 (June 30, 2012 – TL 296.440)

12. Provisions, contingent assets and liabilities

	June 30, 2013	December 31, 2012
Other short-term provisions		
Legal provisions	1.088.502	1.088.502
	1.088.502	1.088.502

Contingent assets and liabilities

i) Guarantees given

	June 30, 2013	December 31 2012
Letters of guarantee	2.864.847.113	2.212.641.793

Letters of guarantee are given to BIST, CMB and to Takasbank for stock exchange money market transactions. Foreign currency denominated letters of guarantee amount to TL 425.405.937 (December 31, 2012: TL 416.260.617).

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish, see note 2.6)

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12. Provisions, contingent assets and liabilities (continued)

ii) Legal provisions

As of June 30, 2013 several outstanding legal cases against the Group does exist and provision amounting to TL 1.088.502 based on the best estimates, has been reflected in the accompanying interim consolidated financial statements as of June 30, 2013 (December 31, 2012: TL 1.088.502).

13. Derivative transactions

As of June 30, 2013 and December 31, 2012, the details of TL nominal amounts of derivative transaction are as follows:

	June 30, 2013			December 31, 2012	
	ABD Doları	EUR	TL	ABD Doları	EUR
Forward transactions(buy)	-	991.172	-	-	110.229
Forward transactions(sell)	-	976.017	-	-	109.282
Swap transactions(buy)	8.430.232	393.722.120	-	841.640	26.812.250
Swap transactions(sell)	8.439.209	399.049.875	-	837.822	27.044.550
Futures transactions(buy)	-	-	-	-	-
Futures transactions(sell)	-	-	-	-	-
	16.869.441	794.739.184	-	1.679.462	54.076.311

Receivables from derivative transactions

	June 30, 2013	December 31, 2012
Forward transactions	1.086.388	3.010
Swap transactions	2.662	-
Futures transactions	-	-
	1.089.050	3.010

Payables to derivative transactions

	June 30, 2013	December 31, 2012
Forward transactions	7.532.878	329.595
Swap transactions	20.567	1.343
Futures transactions	-	-
	7.553.445	330.938

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Yapı Kredi Yatırım Menkul Değerler A.Ş. and its Subsidiary

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14. Provision for employee benefits

	June 30, 2013	December 31, 2012
Short-term provisions		
Provision for personnel premiums	6.902.000	8.355.000
Provision for unused vacations	3.253.870	3.191.131
	10.155.870	11.546.131
Long-term provisions		
Provision for employment termination benefits	1.875.584	1.655.359
	1.875.584	1.655.359

15. Liabilities for employee benefits

	June 30, 2013	December 31, 2012
Taxes payable and liabilities	680.411	524.053
Social security premiums payables	635.698	432.394
	1.316.109	956.447

16. Prepaid expenses

	June 30, 2013	December 31, 2012
Commissions for letters of guarantees	1.308.960	1.164.840
Prepaid expenses	713.231	743.977
	2.022.191	1.908.817

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish, see note 2.6)

Yapı Kredi Yatırım Menkul Değerler A.Ş. and its Subsidiary

Notes to interim condensed consolidated financial statements as of June 30, 2013

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17. Other assets and liabilities

Other current assets

	June 30, 2013	December 31, 2012
Due from personnel	26.199	200
Other	103.265	121
	129.464	321

Other short-term liabilities

	June 30, 2013	December 31, 2012
Other taxes and funds payables	330.765	697.836
Blocked customer accounts	972.202	759.616
Other expense accruals	853.710	236.041
	2.156.677	1.693.493

18. Equity

Paid-in capital and adjustment differences

The paid-in capital of the Company is TL 98.918.083 (December 31, 2012: TL 98.918.083) and consists of 9.891.808.346 (December 31, 2012: 9.891.808.346) authorized shares with a nominal value of kr 1 each. The Group has no preferred share as of June 30, 2013.

The shareholders and their shares in capital with historic values as of June 30, 2013 and December 31, 2012 are as follows:

Shareholders	June 30, 2013		December 31, 2012	
	TL	Pay %	TL	Pay %
Yapı ve Kredi Bankası A.Ş.	98.895.466	99,98	98.895.466	99,98
Temel Ticaret ve Yatırım A.Ş.	20.951	0,02	20.951	0,02
Other	1.666	0,00	1.666	0,00
	98.918.083		98.918.083	
Adjustment to share capital	63.078.001		63.078.001	
Total paid-in capital	161.996.084		161.996.084	

"Adjustment to share capital" represents the difference between total restatement effect of cash and cash equivalent contributions to share capital due to the inflation adjustments and total amount before the inflation adjustment. There is no use of the adjustment to share capital other than to be added to the capital.

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish, see note 2.6)

Yapı Kredi Yatırım Menkul Değerler A.Ş. and its Subsidiary

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18. Equity (continued)

Under the Turkish Commercial Code, the Company is required to create first and second legal reserves. The first legal reserve is appropriated at the rate of 5%, until the total reserve is equal to 20% of issued and fully paid-in share capital. The second legal reserve is appropriated at the rate of 10% of distributions in excess of 5% of issued and fully paid-in share capital, without limit. Legal reserves may only be used to absorb losses provided that they do not exceed 50% of the share capital.

In accordance with the CMB Financial Reporting Standards the aforementioned amounts shall be presented in "Restricted Reserves". As of June 30, 2013 restricted reserve of the Company is TL 61.754.489 (December 31, 2012: TL 62.436.655).

Restricted reserves and previous years' profits/losses

	June 30, 2013	December 31, 2012
First legal reserves	18.891.100	18.891.100
Second legal reserves	38.236.572	38.918.738
Special reserves	4.626.817	4.626.817
Total restricted reserves	61.754.489	62.436.655

As of December 31, 2012 special funds amounting to TL 4.626.817 accounted under the shareholder's equity is the 75% of the profit realized from the sales of the building in 2010.

Changes in the minority interest during the period are as follows:

	June 30, 2013	December 31, 2012
Beginning of the period	8.198.408	9.816.830
Minority interest decrease due to dividend payment	(4.880.210)	(4.626.911)
Minority interest net income	1.373.665	3.008.489
End of the period	4.691.863	8.198.408

Distribution of minority interest net income is as follows:

Minority interest income from continuing operations	1.373.665	1.278.071
	1.373.665	1.278.071

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish, see note 2.6)

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19. Tax assets and liabilities

Corporate Tax

	June 30, 2013	December 31, 2012
Corporate taxes payable	8.615.516	10.037.970
Less: prepaid taxes	(16.310.070)	(15.581.679)
Taxes payable-net	(7.694.554)	(5.543.709)
Current tax expenses	8.524.011	7.200.475
Deferred tax income/(expense)	(3.385.063)	(1.656.766)
Total tax expense	5.138.948	5.543.709

Deferred tax assets and liabilities

	June 30, 2013	December 31, 2012
Deferred tax assets	-	385.061
Deferred tax liabilities	(5.516.191)	(8.525.140)
Deferred tax (liabilities) / assets - net	(5.516.191)	(8.140.079)

Deferred tax assets and liabilities based upon temporary differences are as follows:

	June 30, 2013		December 31, 2012	
	Cumulative temporary differences	Deferred tax assets / (liabilities)	Cumulative temporary differences	Deferred tax assets / (liabilities)
Valuation differences in financial assets	-	-	43.507	8.701
Impairment provision for property and equipment	2.520.243	504.049	2.520.242	504.049
Provision for unused vacations	3.253.870	650.774	3.191.131	638.226
Provision for employment termination benefits	1.875.584	375.117	1.655.359	331.072
Provision for personnel premium	6.902.000	1.380.400	770.500	154.100
Legal cases provision	1.088.502	217.700	1.088.502	217.700
Derivatives	6.464.396	1.292.879	327.928	65.586
Other	1.364.105	272.821	1.087.459	217.492
Deferred tax assets		4.693.740		2.136.926
Financial assets fair value increase	198.437.163	9.921.858	183.213.655	9.160.683
Net difference between the tax base and carrying amount of property and equipment	844.626	168.925	909.454	181.892
Valuation differences in financial assets	595.737	119.148	4.633.949	926.789
Other	-	-	38.205	7.641
Deferred tax liabilities		10.209.931		10.277.005
Deferred tax (liabilities) / assets, net		(5.516.191)		(8.140.079)

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19. Tax assets and liabilities (continued)

Starting from January 1, 2006 the treatment of tax exemption of capital gains from sales of property and participations as per the new Corporate Tax Law numbered 5520 and old Corporate Tax Law numbered 5422 was amended. According to the amendment, 75% of the gains from sales of property and shares of participation are exempted from corporate tax for property and shares that were held for at least two full years in the company's financial statements. However, for the exemption to be utilized, the exempted amounts should be accounted under a special fund account in liabilities for a period for 5 years. The remaining portion is subject to corporate tax. Based on this, deferred tax liability on net fair value gains arising from equity instruments held as available for sale financial assets has been calculated using an effective tax rate of 5%. Other temporary differences are subject to an effective tax rate of 20% for deferred tax calculation.

	June 30, 2013	June 30, 2012
Beginning deferred tax assets / (liabilities), net	(8.140.079)	(161.164)
Deferred tax income / (expense)	3.385.063	(3.631.889)
Deferred tax (expense) / income netted in revaluation fund	(761.175)	(2.757.706)
Deferred tax (liabilities) / assets at period end, net	(5.516.191)	(6.550.759)

20. Revenue and cost of sales

	January 1 – June 30 2013	April 1 – June 30 2013	January 1 – June 30 2012	April 1 – June 30 2012
Revenue				
Treasury bills and government bonds sales	824.020.225	658.694.357	476.004.197	363.029.247
Share certificates sales	5.645.869.444	2.291.721.822	3.466.539.531	1.460.052.446
Commissions on intermediary activities on share certificates	24.631.591	12.197.328	20.872.175	9.956.639
Fund management fees	1.888.260	950.216	1.631.901	1.631.901
Intermediary commissions on futures market	5.506.701	2.788.053	3.628.045	2.022.977
Outright purchase-sale transactions intermediary commissions	7.590	4.649	293.097	144.212
Repo intermediary commissions	74.341	45.327	288.433	157.324
Custody commissions	259.701	259.207	215.467	214.886
Consultancy services	143.862	8.596	-	-
Other service revenues	6.635.224	4.404.156	893.248	-
Other intermediary commissions	2.904.553	1.303.023	1.296.980	679.598
Total revenue	6.511.941.492	2.972.376.734	3.971.663.074	1.837.889.230
Service income discounts and allowances				
Commissions paid to agencies	14.961.706	6.383.148	10.015.715	4.843.290
Commission returns	182.277	64.887	149.552	82.718
Total discounts and allowances	15.143.983	6.448.035	10.165.267	4.926.008
Revenue	6.496.797.509	2.965.928.699	3.961.497.807	1.832.963.222
Cost of sales				
Costs of treasury bills and government bond sales	823.994.467	658.634.663	476.002.494	363.024.910
Costs of share certificate sales	5.640.381.208	2.290.831.683	3.466.594.794	1.460.395.637
Total cost of sales	6.464.375.675	2.949.466.346	3.942.597.288	1.823.420.547
Gross operating profit from commercial activities	32.421.834	16.462.353	18.900.519	9.542.675

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21. Revenue and cost of financial sector activities

	January 1 - June 30 2013	January 1 - June 30 2012
Revenue from financial sector activities		
Investment funds management fee	14.680.849	10.463.244
Individual pension funds management fee	4.861.282	5.704.003
Fund management fee	19.542.131	16.167.247
Discretionary portfolio management commission	2.086.151	1.507.915
Portfolio achievement premiums	497.764	560.792
Discretionary portfolio management income	2.583.915	2.068.707
Investment consultancy revenues	90.000	90.000
Other revenues from financial sector activities	90.000	90.000
Financial sector activities revenue	22.216.046	18.325.954
Financial sector activities revenue		
Commission expenses	(1.341.502)	(985.915)
Fund management commission expense	(295.491)	-
Financial sector activities revenue	(1.636.993)	(985.915)
Gross profit from financial activities	20.579.053	17.340.039

22. Other income from operating activities

	January 1 - June 30 2013	January 1 - June 30 2012
Interest income on deposit at banks	51.587.054	30.425.627
Dividend income	9.761.792	7.469.321
Foreign Exchange gains	7.533.464	-
Interest income on loans	6.279.426	10.257.073
Income due to derivative operations	2.366.485	68.933.753
Interest income on treasury bills and government bonds	1.439.565	2.336.506
Futures trading income	1.059.761	-
Gain on sales of property and equipment	-	2.168.337
Other interest income	240.130	348.449
	80.267.677	121.939.066

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23. Other expense from operating activities

	January 1- June 30 2013	January 1- June 30 2012
Interest expense	57.792.852	66.891.217
Foreign Exchange loss	2.071	16.031.460
Commissions paid for guarantee letters	5.042.927	3.075.606
Commission expenses	824.058	1.412.198
Other	991.633	2.169.486
	64.653.541	89.579.967

24. Related party explanations

Bank placements in related parties

	June 30, 2013	December 31, 2012
Yapı ve Kredi Bankası A.Ş. - shareholder	727.081.591	378.604.948
Yapı Kredi Nederland N.V. – other related party	424.728	1.447.210
	724.506.319	380.052.158

The customer deposits that are deposited in Yapı ve Kredi Bankası A.Ş are amounting to TL 8.644.861 (December 31, 2012: TL 5.680.314).

Cash and cash equivalents in related parties

	June 30, 2013	December 31, 2012
Yapı ve Kredi Bankası A.Ş. B Tipi Likit Fon- other related party	106.170	298.722
	106.170	298.722

Receivables from related parties

Commission and portfolio management fee receivables

	June 30, 2013	December 31, 2012
Yapı ve Kredi Bankası A.Ş. Investment funds- other related party	2.857.060	2.475.027
Yapı ve Kredi Bankası A.Ş. - shareholder	655.278	36.514
Yapı Kredi Emeklilik A.Ş. Pension funds- other related party	891.463	1.403.753
Yapı Kredi B tipi Yatırım Ortaklığı	53.100	-
Yapı Kredi Yatırım Menkul Değerler A.Ş. Investment funds- other related party	-	-
Other – other related party	-	-
	4.456.901	3.915.294

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24. Related party explanations (continued)

Due to related parties

	June 30, 2013	December 31, 2012
Trade Payables		
Yapı ve Kredi Bankası A.Ş.-shareholder	3.111.068	3.365.971
	3.111.068	3.365.971

Financial and other payables

	June 30, 2013	December 31, 2012
Yapı ve Kredi Bankası A.Ş. - shareholder	9.500.000	-
Yapı Kredi Sigorta AŞ - participation	2.036	217.797
Zer Merkezi Hizmetler ve Ticaret A.Ş. – other related party	4.200	4.119
Yapı Kredi Emeklilik	39.839.	-
Avis - Otokoç Otomotiv Tic. ve San. A.Ş. –other related party	12.000	-
Setur Servis Turistik A.Ş. –other related party	406	-
Opet Petrolcülük A.Ş. –other related party	1.738	1.500
Oto Koç –other related party	-	12.776
Koç Holding A.Ş. – other related party	-	-
YKS Tesis Yönetimi Hizmetleri AŞ–other related party	3.363	-
	9.563.582	236.192

Operating income from related parties

	June 30, 2013	June 30, 2012
Yapı ve Kredi Bankası A.Ş. Yatırım Fonları – other related party	12.756.310	9.039.090
Yapı Kredi Emeklilik A.Ş. Emeklilik Fonları- other related party	4.861.282	5.764.003
Yapı Kredi Yatırım Menkul Değerler A.Ş.Investment funds- Other related party	1.924.540	1.424.154
Yapı Kredi Emeklilik A.Ş. ÖPY Management fee – other related party	60.000	-
Yapı Kredi Sigorta A.Ş. ÖPY success fee – other related party	53.048	14.750
Yapı Kredi B Tipi Yatırım Ortaklığı A.Ş.-associate	416.212	90.000
Koç Holding A.Ş. – other related party	8.815	31.584
Türkiye Petrol Rafinerileri A.Ş. –other related party	8.815	24.084
Türk Traktör A.Ş. –other related party	8.815	19.084
Tofaş Türk Otomobil Fabrikaları A.Ş. –other related party	8.815	16.584
Arçelik A.Ş. – other related party	8.815	16.584
Otokar Otobüs Karoseri A.Ş. – other related party	8.815	14.084
Ford Otosan Otomotiv San. A.Ş. – other related party	8.815	24.084
Aygaz A.Ş. – other related party	8.815	9.084
Yapı ve Kredi Bankası A.Ş.	2.013.281	-
Marmaris Altinyunus Turistik Tesisleri A.Ş. – other related party	8.815	7.818
Tat Konserve ve Sanayi A.Ş. – other related party	8.815	9.084
Other– other related party	297.492	59.681
	22.470.315	16.563.752

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish, see note 2.6)

Yapı Kredi Yatırım Menkul Değerler A.Ş. and its Subsidiary

Notes to interim condensed consolidated financial statements as of June 30, 2013

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

24. Related party explanations (continued)

Other income from related parties

Interest income

	June 30, 2013	June 30, 2012
Yapı ve Kredi Bankası A.Ş.-shareholder	17.037.667	44.892.704
Yapı Kredi Netherland N.V. –other related party	79.018	281.369
	17.116.685	45.174.073

Service sharing income

	June 30, 2013	June 30, 2012
Yapı Kredi B Tipi Yatırım Ortaklığı A.Ş.-associate	16.246	16.207
	16.246	16.207

Rent income

	June 30, 2013	June 30, 2012
Yapı Kredi B Tipi Yatırım Ortaklığı A.Ş.- associate	16.246	16.207
	16.246	16.207

Operation expenses paid to related parties

	June 30, 2013	June 30, 2012
Yapı Kredi Sigorta A.Ş.- associate	566.312	557.407
Zer Merkezi Hizmetler ve Tic. A.Ş. – other related party	432.164	376.509
Koç Sistem Bilgi ve İletişim Hizm. A.Ş. - other related party	94.683	120.053
Setur Servis Turistik A.Ş. – other related party	158.047	78.029
Otokoç Otomotiv Tic. ve San. A.Ş. – other related party	86.512	92.900
Avis AŞ – other related party	73.531	63.057
Opet Petrolcülük A.Ş. – other related party	66.579	68.066
Koç Holding A.Ş. – other related party	62.712	5.782
Koç Net A.Ş. – other related party	-	-
YKS Facility Management	174.867	-
	1.715.407	1.361.803

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Yapı Kredi Yatırım Menkul Değerler A.Ş. and its Subsidiary

Notes to interim condensed consolidated financial statements as of June 30, 2013

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24. Related party explanations (continued)

Commission paid to related parties

	June 30, 2013	June 30, 2012
Yapı ve Kredi Bankası A.Ş.-shareholder	13.465.394	10.925.249
Yapı Kredi Emeklilik	31.512	-
	13.496.906	10.925.249

Financial expenses paid to related parties

	June 30, 2013	June 30, 2012
Yapı ve Kredi Bankası A.Ş.-shareholder	29.548	36.358
Yapı Kredi Finansal Kiralama A.O- –other related party	-	-
	29.548	36.358

Benefits provided to key management

	June 30, 2013	June 30, 2012
Benefits provided to key management	3.483.295	1.794.874
	3.483.295	1.794.874

Dividend income

	June 30, 2013	June 30, 2012
Yapı Kredi Sigorta A.Ş. -associate	-	2.685.249
Takasbank	8.745.000	-
Yapı Kredi Emeklilik A.Ş. - associate	-	7.254
Yapı Kredi B Tipi Yatırım Ortaklığı	664.910	-
	9.409.910	2.692.503

25. Nature and level of risks arising from financial instruments

a. Exchange rate risk

As of June 30, 2013 and December 31, 2012, the Company's assets and liabilities denominated in foreign currencies are as follows:

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish, see note 2.6)

Yapı Kredi Yatırım Menkul Değerler A.Ş. and its Subsidiary

Notes to interim condensed consolidated financial statements as of June 30, 2013
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

25. Nature and level of risks arising from financial instruments (continued)

	June 30, 2013				December 31, 2012			
	TL Equivalent	USD	EUR	Other	TL Equivalent	USD	EUR	Other
Monetary financial assets	410.403.032	5.643.800	158.903.573	1.346.961	36.687.738	5.046.466	11.757.086	17.470
Current assets	410.403.032	5.643.800	158.903.573	1.346.961	36.687.738	5.046.466	11.757.086	17.470
Financial liabilities	(820.862)	(249.235)	(130.631)	(6.483)	(7.264.789)	(7.264.789)	(170.517)	(4.851)
Short-term financial liabilities	(820.862)	(249.235)	(130.631)	(6.483)	(7.264.789)	(7.264.789)	(170.517)	(4.851)
Derivative instruments								
Total Net foreign currency position(*)								1.430.348

(*) Foreign currency position of derivative instruments are solely considered in the net foreign currency position calculation in the above table.

Foreign currency assets consist of deposits and collaterals given to foreign markets.

Foreign currency liabilities consist of liabilities to customers.

Yapı Kredi Yatırım Menkul Değerler A.Ş. and its Subsidiary

Notes to interim condensed consolidated financial statements as of June 30, 2013

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

25. Nature and level of risks arising from financial instruments (continued)

Off-balance sheet liabilities in foreign currencies consist of letter of guarantees and derivative transactions (Note 13).

The table below shows the Group's sensitivity to a change of 10% in exchange rates of USD, EUR and other foreign currencies. The amounts reflect the effect of a change of 10% in exchange rates of USD, EUR and other foreign currencies on net income for the period and equity. In this analysis, all other variables, in particular the interest rates, are assumed to remain constant

June 30, 2013	Exchange Rate Sensitivity Analysis Table			
	Profit/Loss	Equity		
	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency
<i>In case of a 10% change in USD exchange rates:</i>				
USD net asset/liability effect	(1.037.977)	1.037.977	-	-
<i>In case of a 10% change in EUR exchange rates:</i>				
EUR net asset/liability effect	(39.910.754)	39.910.754	-	-
<i>In case of a 10% change in other exchange rates:</i>				
Other foreign currency net effect	(9.485)	9.485	-	-
Total	(40.958.216)	40.958.216		

December 31, 2012	Exchange Rate Sensitivity Analysis Table			
	Profit/Loss	Equity		
	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency
<i>In case of a 10% change in USD exchange rates:</i>				
USD net asset/liability effect	(214.055)	214.055	-	-
<i>In case of a 10% change in EUR exchange rates:</i>				
EUR net asset/liability effect	(2.724.813)	2.724.813	-	-
<i>In case of a 10% change in other exchange rates:</i>				
Other foreign currency net effect	(3.427)	3.427	-	-
Total	(2.942.295)	2.942.295		

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish, see note 2.6)

Yapı Kredi Yatırım Menkul Değerler A.Ş. and its Subsidiary

Notes to interim condensed consolidated financial statements as of June 30, 2013

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

25. Nature and level of risks arising from financial instruments (continued)

b. Common stock price risk

Majority of the equity shares classified in the balance sheet of the Group at fair value through profit or loss and available for sale financial assets are traded on ISE. According to the analyses of the Company where, all other variables are kept as constant, the effects of a 10% increase/decrease in the carrying value of common stocks, revaluation fund, net income for the period and equity are as follows:

June 30, 2013

Balance sheet item	Rate of change	Change direction	Effect on carrying value	Effect on revaluation fund	Effect on net income	Effect on equity
Common stocks						
Financial assets available for sale		Increase	-	-	-	-
Financial assets at a fair value through profit/loss	%10	Decrease	-	-	-	-
Financial assets		Increase	4.953.244	-	4.953.244	-
	%10	Decrease	(4.953.244)	-	(4.953.244)	-

December 31, 2012

Balance sheet item	Rate of change	Change direction	Effect on carrying value	Effect on revaluation fund	Effect on net income	Effect on equity
Common stocks						
Financial assets available for sale		Increase	21.545.379	21.545.379	-	21.545.379
Financial assets at a fair value through profit/loss	%10	Decrease	(21.545.379)	(21.545.379)	-	(21.545.379)
Financial assets		Increase	3.189.219	-	3.189.219	-
	%10	Decrease	(3.189.219)	-	(3.189.219)	-

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish, see note 2.6)

Yapı Kredi Yatırım Menkul Değerler A.Ş. and its Subsidiary

Notes to interim condensed consolidated financial statements as of June 30, 2013

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

26. Other explanations on operations and other matters

a. Explanation on portfolio management operations:

At June 30, 2013, the Company managed 37 mutual funds and 16 pension funds (Funds) (December 31, 2012: 40 mutual and 16 pension funds). In accordance with the Funds' statute, the Group purchases and sells securities and share certificates for the Funds, markets their participation certificates and provides other services and charges daily management fees. At June 30, 2013, the Group earned a management fee of TL 19.246.640 (June 30, 2012: TL16.167.247).

Investment funds which investment period started between the dates December 31, 2012 and June 30, 2013

Fon adı	Investment period start date
Yapı Kredi Bankası B Tipi %100 Anapara Garantili 33. Alt Fon (APG36)	22.02.2013
Yapı Kredi Bankası B Tipi %100 Anapara Garantili 34. Alt Fon (APG37)	22.02.2013
Yapı Kredi Bankası B Tipi %100 Anapara Garantili 35. Alt Fon (APG38)	31.05.2013

Investment funds which investment period ended between the dates December 31, 2012 and June 30, 2013

Fon adı	Investment period end date
Yapı Kredi Bankası B Tipi %100 Anapara Garantili 25. Alt Fon (APG28)	20.02.2013
Yapı Kredi Bankası B Tipi %100 Anapara Garantili 26. Alt Fon (APG29)	20.02.2013
Yapı Kredi Bankası B Tipi %100 Anapara Garantili 28. Alt Fon (APG31)	20.02.2013
Yapı Kredi Bankası B Tipi %100 Anapara Garantili 29. Alt Fon (APG32)	20.02.2013
Yapı Kredi Bankası B Tipi %100 Anapara Garantili 30. Alt Fon (APG33)	15.05.2013
Yapı Kredi Bankası B Tipi %100 Anapara Garantili 31. Alt Fon (APG34)	26.06.2013

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish, see note 2.6)

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Notes to interim condensed consolidated financial statements as of June 30, 2013

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

26. Other explanations on operations and other matters (continued)

The details of daily management fee commission rates and net assets values for each fund are as follows:

Fund Name	Commission rates		Total fund value	
	30 Haz 2013	31 Ara 2012	30 Haz 2013	31 Ara 2012
	%	%	Thousand TL	Thousand TL
Investment Funds				
Yapı ve Kredi Bankası A.Ş. B Tipi Şemsiye Fonu'na Bağlı Değişken Alt Fonu (2. Alt Fon)	0,007	0,007	122.423	128.473
Yapı Kredi Yatırım Menkul Değerler A.Ş. B Tipi Özel Portföy Yönetimi Büyüme Amaçlı Değişken Fonu	0,00555	0,00555	43.457	24.837
Yapı Kredi Yatırım Menkul Değerler A.Ş. B Tipi Şemsiye Fonu'na Bağlı Uzun Vadeli Tahvil ve Bono Alt Fonu (2. Alt Fon)	0,00493	0,006	108.081	87.980
Yapı ve Kredi Bankası A.Ş. A Tipi Şemsiye Fonu'na Bağlı Hisse Senedi Alt Fonu (2. Alt Fon)	0,01	0,01	28.027	22.822
Yapı ve Kredi Bankası A.Ş. B Tipi Dünya Fonları Fon Sepeti Fonu	0,0014	0,0014	5.693	2.857
Yapı ve Kredi Bankası A.Ş. B Tipi Şemsiye Fonu'na Bağlı Büyüme Amaçlı Değişken Alt Fonu (6. Alt Fon)	0,007	0,007	128.272	46.760
Yapı ve Kredi Bankası A.Ş. B Tipi Şemsiye Fonuna Bağlı Orta Vadeli Tahvil ve Bono Alt Fonu(3.Alt Fon)	0,00384	0,006	146.021	165.788
Yapı ve Kredi Bankası A.Ş. A Tipi Allianz Sigorta Özel Fon	-	-	-	-
Yapı ve Kredi Bankası A.Ş. A Tipi İMKB 100 Endeksi Fonu(Hisse Senedi Yoğun)	0,006	0,006	23.255	15.833
Yapı ve Kredi Bankası A.Ş. A Tipi Şemsiye Fonu'na Bağlı Karma Alt Fon (3. Alt Fon)	0,01	0,01	6.217	3.670
Yapı ve Kredi Bankası A.Ş. A Tipi Özel Bankacılık İMKB 30 Endeksi Fonu (Hisse Senedi Yoğun)	0,0028	0,0028	6.644	11.821
Yapı ve Kredi Bankası A.Ş. B Tipi Altın Fonu	0,0055	0,0055	57.516	85.934
Yapı ve Kredi Bankası A.Ş. B Tipi Performans Odaklı Değişken Fon	0,007	0,007	99.053	45.633
Yapı ve Kredi Bankası A.Ş. B Tipi Çok Uzun Vadeli Tahvil Bono Fon	0,007	0,007	44.000	28.895
Yapı ve Kredi Bankası A.Ş. A Tipi Şemsiye Fonuna Bağlı İMKB Temettü Endeksi Alt Fon (1.alt fon)(Hisse Senedi Yoğun)	0,006	0,006	31.732	16.747
Yapı ve Kredi Bankası A.Ş. B Tipi Şemsiye Fon'a bağlı Bayilere Yönelik Değişken Alt Fon (7.Alt Fon) Fonu	0,0055	0,0055	891	239
Yapı ve Kredi Bankası A.Ş. B Tipi Şemsiye Fon'a bağlı Özel Sektör Odaklı Değişken Alt Fon (8.Alt Fon) Fonu	0,005	0,005	240.003	117.925
Yapı ve Kredi Bankası A.Ş. B Tipi Şemsiye Fon'a bağlı Emlak Fonları Fon Sepeti Fonu (1.Alt Fon)	0,007	0,007	626	331
Yapı ve Kredi Bankası A.Ş. B Tipi Şemsiye Fonu'na Bağlı Özel Bankacılık Değişken Alt Fonu (4. Alt Fon)	0,0055	0,0055	19.682	31.652
Yapı ve Kredi Bankası A.Ş. B Tipi Şemsiye Fonu'na Bağlı Özel Bankacılık Büyüme Amaçlı Değişken Alt Fon (5. Alt Fon)	0,0055	0,0055	134.779	34.019
Yapı ve Kredi Bankası A.Ş. B Tipi Tahvil Bono (Eurobond) Fonu	0,008	0,008	9.401	14.050
Yapı ve Kredi Bankası A.Ş. İstanbul Serbest Yatırım Fonu	0,0055	0,0055	44.334	8.001
Yapı ve Kredi Bankası A.Ş. A Tipi Yabancı Menkul Kıymetler Fonu	0,01	0,01	1.471	1.238
Yapı ve Kredi Bankası A.Ş. B Tipi Likit Fon	0,00325	0,003	1.198.724	1.343.969
Yapı Kredi Yatırım Menkul Değerler A.Ş. B Tipi Şemsiye Fonu'na Bağlı Değişken Alt Fon (5. Alt Fon)	0,003	0,003	44.111	38.230
Yapı Kredi Yatırım Menkul Değerler A.Ş. B Tipi Şemsiye Fonu'na Bağlı Özel Portföy Yönetimi Değişken Alt Fonu (3. Alt Fon)	0,005	0,005	202.575	254.175
Yapı Kredi Yatırım Menkul Değerler A.Ş. A Tipi Şemsiye Fonu'na Bağlı Değişken Alt Fon (1. Alt Fon)	0,008	0,01	17.891	13.620
Yapı Kredi Yatırım Menkul Değerler A.Ş. A Tipi Şemsiye Fonu'na Bağlı Koç Şirketleri İştirak Alt Fonu (3. Alt Fon)(Hisse Senedi Yoğun)	0,01	0,01	103.334	65.617
Yapı Kredi Yatırım Menkul Değerler A.Ş. B Tipi Şemsiye Fonuna Bağlı Kısa Vadeli Tahvil ve Bono Alt Fonu (1.Alt Fon)	0,00575	0,006	319.855	361.593
Yapı Kredi Yatırım Menkul Değerler A.Ş. A Tipi Şemsiye Fonu 'na bağlı İMKB Ulusal 30 Endeksi Alt Fonu (4. Alt Fon)(Hisse Senedi Yoğun)	0,006	0,006	20.897	23.316
Yapı ve Kredi Bankası A.Ş. A Tipi Şemsiye Fonu'na bağlı Agresif Hisse Senedi Alt Fonu (4.Alt Fon) (Hisse Senedi Yoğun Fon)	0,01	0,01	564	167
Yapı ve Kredi Bankası A.Ş. A Tipi Şemsiye Fonu'na bağlı İdea Model Portföy Hisse Senedi Alt Fonu (5.Alt Fon) (Hisse Senedi Yoğun Fon)	0,01	0,01	23.161	2.140
Yapı Kredi Yatırım Menkul Değerler A.Ş. B Tipi Şemsiye Fonu'na Bağlı Özel Portföy Yönetimi Performans Odaklı Değişken Alt Fonu (4.Alt Fon)	0,00055	0,00055	201.958	89.172
Yapı ve Kredi Bankası A.Ş. B Tipi Şemsiye Fonu'na bağlı Kısa Vadeli Tahvil ve Bono Alt Fonu (9.Alt Fon)	0,00575	0,006	2.642.000	2.151.541
Yapı ve Kredi Bankası A.Ş. Garantili Şemsiye Fonuna Bağlı B Tipi % 100 Anapara Garantili Yirmibeşinci Alt Fon	-	0,0059	-	32.396
Yapı ve Kredi Bankası A.Ş. Garantili Şemsiye Fonuna Bağlı B Tipi % 100 Anapara Garantili Yirmialtıncı Alt Fon	-	0,0057	-	5.387
Yapı ve Kredi Bankası A.Ş. Garantili Şemsiye Fonuna Bağlı B Tipi % 100 Anapara Garantili Yirmisekizinci Alt Fon	-	0,0028	-	2.415
Yapı ve Kredi Bankası A.Ş. B Tipi %100 Anapara Garantili Yirmidokuzuncu Alt Fon	-	0,0045	-	1.431
Yapı ve Kredi Bankası A.Ş. B Tipi %100 Anapara Garantili Dinamik -Otuzuncu Alt Fon	-	0,0055	-	3.915
Yapı ve Kredi Bankası A.Ş. Garantili Şemsiye Fonu'na bağlı Özel Sektör Borçlanma Araçlarına Yatırım Yapan B Tipi %100 Anapara Garantili Otuzbirinci Alt Fonu	-	0,0049	-	13.272
Yapı ve Kredi Bankası A.Ş. Garantili Şemsiye Fonu'na bağlı Özel Sektör Borçlanma Araçlarına Yatırım Yapan B Tipi %100 Anapara Garantili Otuzikinci Alt Fonu	0,00254	-	11.904	13.542
Yapı ve Kredi Bankası A.Ş. Garantili Şemsiye Fonu'na Bağlı Özel Sektör Borçlanma Araçlarına Yatırım Yapan B Tipi %100 Anapara Garantili Otuzüçüncü Alt Fonu	-	-	-	-
Yapı ve Kredi Bankası A.Ş. Garantili Şemsiye Fonu'na Bağlı Özel Sektör Borçlanma Araçlarına Yatırım Yapan B Tipi %100 Anapara Garantili Otuzdördüncü Alt Fonu	-	-	-	-
Yapı ve Kredi Bankası A.Ş. Garantili Şemsiye Fonu'na Bağlı Özel Sektör Borçlanma Araçlarına Yatırım Yapan B Tipi %100 Anapara Garantili Otuzbeşinci Alt Fon	-	-	-	-
Yapı ve Kredi Bankası A.Ş. Garantili Şemsiye Fonu'na Bağlı Özel Sektör Borçlanma Araçlarına Yatırım Yapan B Tipi %100 Anapara Garantili Otuzüçüncü Alt Fon	0,0028	-	5.650	-
Yapı ve Kredi Bankası A.Ş. Garantili Şemsiye Fonu'na Bağlı Özel Sektör Borçlanma Araçlarına Yatırım Yapan B Tipi %100 Anapara Garantili Otuzdördüncü Alt Fonu'na Garanti Verilmesi	0,002972	-	17.112	-
Yapı ve Kredi Bankası A.Ş. Garantili Şemsiye Fonu'na Bağlı Özel Sektör Borçlanma Araçlarına Yatırım Yapan B Tipi %100 Anapara Garantili Otuzbeşinci Alt Fon	0,00395068	-	4.113	-
Sicav (Société d'investissement à capital variable)	0,0014	-	10.131	-
Total Investment funds			6.125.558	5.311.403

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26. Other explanations on operations and other matters (continued)

Fund Name	Commission rates		Total fund value	
	June 30, 2013	December 31, 2012	June 30 2013	December 31, 2012
	%	%	Thousand TL	Thousand TL
Pension funds				
Yapı Kredi Emeklilik A.Ş. Gelir Amaçlı Kamu Borçlanma Araçları Emeklilik Yatırım Fonu	0,0052	0,0052	1.040.666	1.046.381
Yapı Kredi Emeklilik A.Ş. Esnek Emeklilik Yatırım Fonu	0,0055	0,0055	1.523.920	1.095.562
Yapı Kredi Emeklilik A.Ş. Para Piyasası Likit Kamu Emeklilik Yatırım Fonu	0,0028	0,0028	246.166	256.859
Yapı Kredi Emeklilik A.Ş. Gelir Amaçlı Döviz Cinsinden Kamu Borçlanma Araçları Emeklilik Yatırım Fonu	0,0052	0,0052	194.629	216.338
Yapı Kredi Emeklilik A.Ş. Büyüme Amaçlı Hisse Senedi Emeklilik Yat. Fonu	0,0055	0,0055	264.299	230.633
Yapı Kredi Emeklilik A.Ş. Gelir Amaçlı Kamu Borçlanma Araçları Grup Emeklilik Yatırım Fonu	0,0028	0,0028	173.814	191.814
Yapı Kredi Emeklilik A.Ş. Gelir Amaçlı Kamu Dış Borçlanma Araçları Emeklilik Yatırım Fonu (Euro)	0,0052	0,0052	11.178	10.402
Yapı Kredi Emeklilik A.Ş. Esnek (TL) Grup Emeklilik Fonu	0,0028	0,0028	177.067	136.242
Yapı Kredi Emeklilik A.Ş. Para Piyasası Emanet Likit - Karma Emeklilik Yat. Fonu	0,0028	0,0028	6.151	42.572
Yapı Kredi Emeklilik A.Ş. Uluslar arası Teknoloji Hisse Senedi Emeklilik Yatırım Fonu	0,0055	0,0055	14.035	7.582
Yapı Kredi Emeklilik A.Ş. Esnek Döviz Grup Emeklilik Yatırım Fonu	0,0028	0,0028	4.736	5,4
Yapı Kredi Emeklilik A.Ş. Büyüme Amaçlı Esnek Emeklilik Yatırım Fonu	0,0055	0,0055	228.785	162.658
Yapı Kredi Emeklilik A.Ş. Pera Y Esnek Grup Emeklilik Yatırım Fonu	0,0034	0,0034	26.169	23,15
Yapı Kredi Emeklilik A.Ş. Koç İştirak Endeksi Emeklilik Yatırım Fonu	0,0052	0,0052	11.041	4,569
Yapı Kredi Emeklilik A.Ş. Alternatif Esnek Emeklilik Yatırım Fonu	0,0055	0,0055	18.935	5,31
Yapı Kredi Emeklilik A.Ş. İMKB Temettü Endeksi Emeklilik Yatırım Fonu	0,0052	0,0052	23.130	14,413
Yapı Kredi Emeklilik A.Ş. Altın Emeklilik Yatırım Fonu	0,005151	-	2.932	-
Yapı Kredi Emeklilik A.Ş. Standart Emeklilik Yatırım Fonu	0,00096	-	427	-
Yapı Kredi Emeklilik A.Ş. Katkı Emeklilik Yatırım Fonu	0,005151	-	62.110	-
Total pension funds			4.030.191	3.449.885
Total			10.155.750	8.761.288

b. Capital management and capital adequacy requirements

The Company aims to increase its profit by using liability and equity balance in the most efficient way. The Group's funding structure is mainly composed of equity items.

The Company defines and manages its capital in accordance with CMB's Communiqué Series:V No:34 on capital and capital adequacy of intermediary institutions. According to the related communiqué, the equity of intermediary institutions is composed of the portion of total assets, which are valued according to the valuation principles discussed in Communiqué Series:V No:34 and are present in the balance sheet prepared as of the valuation date. According to the clauses of Communiqué Series: V No: 34, the amount of equity necessary for an intermediary institution's trading operations is TL 845.000 (December 31, 2012: TL832.000) for the period ended June 30, 2013. In addition, intermediary institutions are obliged to increase their equity for each capital markets operation as follows. In this respect, the required equity for the Company is TL 2.120.000 (December 31, 2012: TL 2.087.000).

- For IPO intermediary activities, 50% of equity that is necessary for trading intermediary activities,
- For repo and reverse repo activities, 50% of equity that is necessary for trading intermediary activities,
- For portfolio management activities, 40% of equity that is necessary for trading intermediary activities,
- For investment advisory activities, 10% of equity that is necessary for trading intermediary activities.

Yapı Kredi Yatırım Menkul Değerler A.Ş. and its Subsidiary

Notes to interim condensed consolidated financial statements as of June 30, 2013

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

26. Other explanations on operations and other matters (continued)

According to the Communiqué Series: V No: 34 4th clause, capital adequacy base of intermediary institutions is equal to the equity which is calculated according to Communiqué Series: V No: 34 3rd clause, less net amount of tangible and intangible assets, financial assets not traded in stock exchanges and any other organized markets net of impairment provision and capital commitments, other fixed assets, receivables without collaterals from personnel, shareholders, subsidiaries, associates and persons or entities directly or indirectly related to the company in respect of capital, management and audit, even if they bear client status, and the amount of capital markets instruments issued by these persons and entities not traded in stock exchanges and other organized markets.

According to the Communiqué Series: V No: 34 8th clause, capital adequacy base of intermediary institutions cannot be lower than any of the following: minimum equity amounts corresponding to the certificates of authorization, risk provisions discussed in Communiqué Series: V No: 34 or the operating expenses incurred in the 3 months prior to valuation date.

The Company meets the capital adequacy requirements as of June 30, 2013 and December 31, 2012.

27. Subsequent events

1. In the bulletin of the Capital Markets Board dated July 16, 2013, it was announced that the voluntary takeover bid of Yapı ve Kredi Bankası A.Ş. for the liquidation of the Yapı Kredi B Tipi Yatırım Ortaklığı A.Ş. from the other shareholders of Yapı Kredi B Tipi Yatırım Ortaklığı A.Ş. was approved and performed with a call price set as TL 2,68 which is calculated by dividing the net asset value in the last portfolio value table dated July 15, 2013.
2. On July 12, 2013, in accordance with the share purchase agreement between Allianz SE and the Sellers dated March 26, 2013, the shares of Yapı Kredi Sigorta A.Ş. which are owned by Yapı ve Kredi Bankası A.Ş., Yapı Kredi Yatırım Menkul Değerler A.Ş. and Yapı Kredi Faktoring A.Ş. (Sellers) with a nominal amount TL 95.815.145,696 are transferred to Allianz SE.
3. Within the context of the liquidation process of Yapı Kredi B Tipi Yatırım Ortaklığı A.Ş. which will be performed by Yapı ve Kredi Bankası A.Ş. (YKB), it was decided that the shares of other shareholders shall be sold to YKB with a call price set as TL 2,68 between July 23, 2013 and August 5, 2013 in accordance with Communiqué of the CMB Series: IV, No: 44 "Communiqué on the Principles Regarding the Collection of Corporation Shares through Takeover Bid" and the shares of the Company at YKBYO, representing 44,97% of the Company with a nominal value of TL 14.133.181,44 shall be sold to YKB for a consideration of TL 37.876.926,25. The transfer of the shares was completed as of July 23, 2013 and the Company has no shares left in the capital of YKBYO after the share call.
4. In accordance with the Board of Directors dated July 23, 2013, the Group decided to make an application to the Capital Markets Board for the receipt of authorization certificates of UniCredit Menkul Değerler A.Ş. and Head Office is authorized by the Board of Directors to perform other procedures regarding the transfer.