

10 Years in Unity



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The Association of Capital Market Intermediary Institutions of Turkey (TSPAKB) is a self-regulatory organization established in 2001.

The Association has 142 members, including:

- 101 brokerage firms,
- 40 banks,
- 1 derivatives brokerage firm.

TSPAKB oversees the industry and informs its members through publications, training programs, events and conferences.

The Association aims to;

- Cater to the common needs of its members,
- Facilitate professional activities of its members,
- Help improve the profession in line with common interests,
- Uphold professional discipline and ethics.

Mission

To contribute to the development of a community of professionals equipped with high level of expertise who are sincerely committed to ethical values and perceive competition as offering better products and services to investors with the ultimate aim of contributing to the development of the national economy and the capital markets.

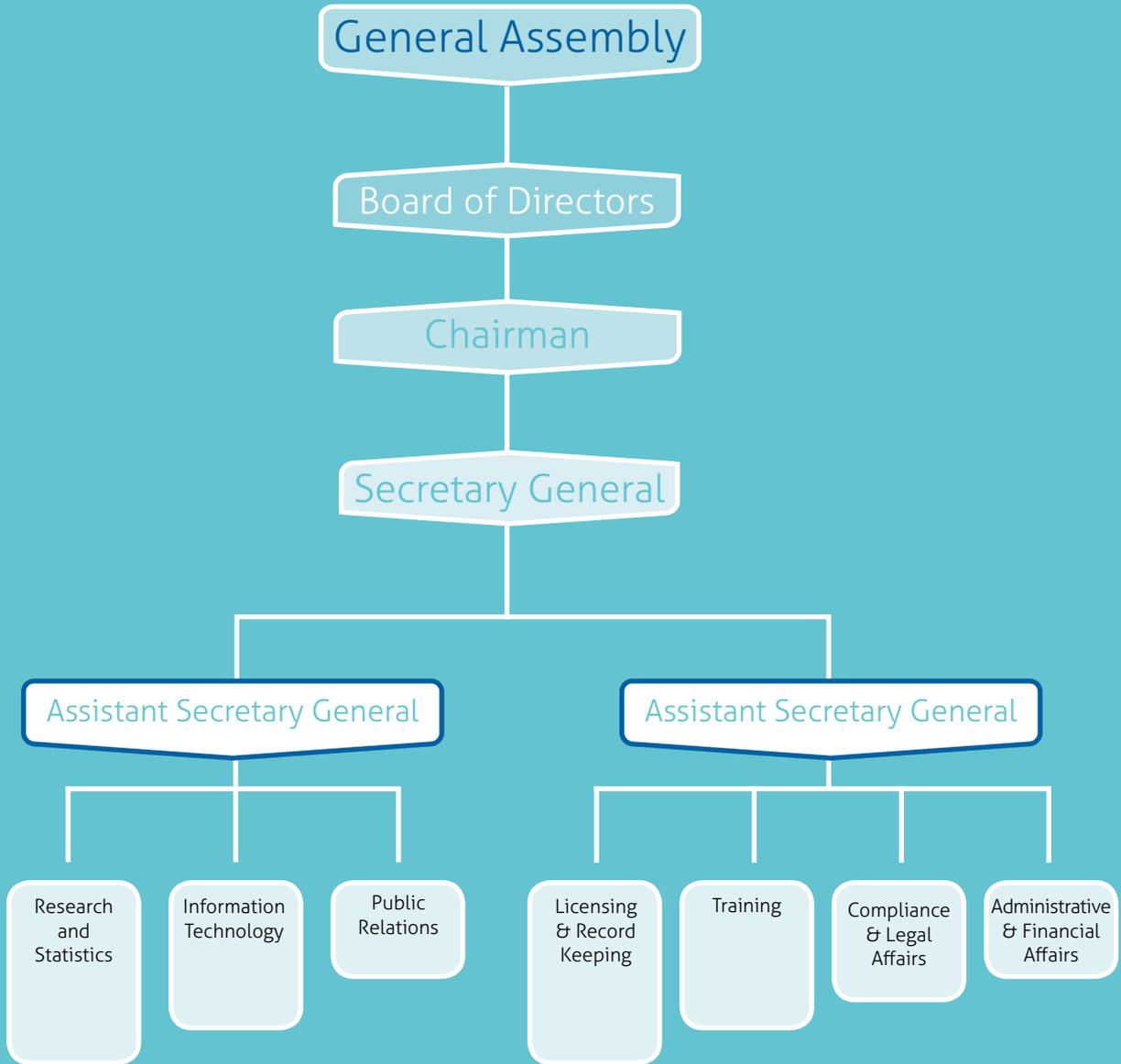


enhancing know-how

Through our training programs, publications, conferences, panel discussions and meetings, we help market professionals keep abreast of the changes in national and international markets.



Organization Structure



The average age of our staff is 35, with our 28 employees having an average of 10 years of work experience. One of our employees holds a Ph.D. degree, five have a master's degree, nineteen are university graduates and one of them holds an associate degree.

2001

- TSPAKB founded.
- The first general meeting held.
- The first membership meeting held.
- Licensing authorization granted.
- Professional Rules published.
- Disciplinary Regulation announced.

2002

- First book published.
- First panel discussion organized.
- TSPAKB website went live.
- First annual report printed.
- First monthly publication issued.
- Licensing exam preparation trainings started.
- First press conference held.

2003

- First license certificate issued.
- Professional development trainings started.
- Arbitration Rules published.
- Joined International Organization of Securities Commission (IOSCO)

2004

- TurkDEX trainings initiated.
- First university visits paid.

2006

- License renewal training programs started.
- Joined International Council of Securities Associations (ICSA).

2008

- New website went live.
- First annual report in English published.
- Personal development trainings begun.

2009

- Compliance Program Development Guide for Brokerage Firms published.
- Joined Asia Securities Forum (ASF), Federation of Euro-Asian Stock Exchanges (FEAS) and the International Forum for Investor Education (IFIE).
- Disaster Recovery Center launched.

2010

- Joined Asia Forum for Investor Education (AFIE) as a founding member.
- Licensing exams organized by TSPAKB.
- Financial Statements Guide for Brokerage Firms released.
- First international conference held.
- First overseas event organized in South Korea.
- 100th issue of the monthly Agenda in Capital Markets published.

2011

- 10th anniversary.
- Tenth edition of the annual Turkish Capital Markets published.
- Capital Market Licensing Registration and Training Agency established.

Board of Directors



Attila Köksal, CFA
Chairman
23 May 2011
Standard Ünlü Menkul Değerler A.Ş.
Deputy CEO



T. Metin Ayışık
Vice Chairman
23 May 2011
Alternatif Yatırım A.Ş.
General Manager



Ahmet C. Yıldırım
Board Member
23 May 2011
Yapı Kredi Yatırım Menkul Değerler A.Ş.
Member of the Board of Directors and
General Manager



Zafer Onat
Board Member
23 May 2011
Finans Yatırım Menkul Değerler A.Ş.
General Manager



Alp Tekince
Board Member
23 May 2011
Ekinciler Yatırım Menkul Değerler A.Ş.
General Manager



Adnan Bahar
Board Member
23 May 2011
Bahar Menkul Değerler Ticaret A.Ş.
Chairman



Tanju Günel
Board Member
23 May 2011
Osmanlı Menkul Değerler A.Ş.
Member of the Board of Directors

Board of Auditors



Dr. Serdar Satoğlu
Audit Board Member
23 May 2011
Türkiye Vakıflar Bankası T.A.O.
Assistant General Manager



Vesile Şarlıoğlu
Audit Board Member
23 May 2011
Meksa Yatırım Menkul Değerler A.Ş.
Member of the Board of Directors and
General Manager



Pamir Sezener
Audit Board Member
23 May 2011
Evgin Menkul Değerler Ticaret A.Ş.
Chairman

Discipline Committee



Ufuk Ümit Onbaşı
Discipline Committee Member
5 May 2010
İş Yatırım Menkul Değerler A.Ş.
Assistant General Manager



Haluk Türkölmez
Discipline Committee Member
6 December 2010
AK Yatırım Menkul Değerler A.Ş.
Assistant General Manager



Tolga Şenefe
Discipline Committee Member
9 June 2011
Alternatif Bank A.Ş.
Assistant General Manager

Employees



İlkey Arıkan
Secretary General



Alparlan Budak
Assistant Secretary General



O. İlker Savuran
Assistant Secretary General

Research and Statistics



Elkin Fıkrıkoca
Director



Gökben Altaş
Research Analyst



Efsun Ayça Değertekin
Research Analyst



Özcan Çikot
Research Analyst

Information Technology



Sezgin Lafçı
Director



Telman Şahbazoğlu
Assistant Director



Nazım Sevim
Assistant Specialist

Public Relations



Cennet Türker
Senior Specialist

Training



Tuğba Oğan
Assistant Director



Aslı Hondu İmamoğlu
Specialist



Çağla Savuran
Assistant Officer

Licensing & Record Keeping



Gökhan Büyüksengür, Ph. D.
Director



Doruk Karşı
Assistant Director



Halil Görgülü
Specialist



Hanife İpek
Assistant Specialist



Tutku Akçay
Assistant Officer

Compliance & Legal Affairs



Aslı Özkan
Director



Esra Esin Savaşan
Director



Süleyman Morbel
Director

Administrative & Financial Affairs



Engin Turan
Director



Kerim Karakaya
Assistant Director



Hülya Yılmaz
Chief



İzzet İrier
Assistant Chief



Gülcan Yalçın
Assistant Officer



Muzaffer Demirci
Driver



Şadiye Selek
Office Services





shaping the future

We are cooperating with capital market institutions and actively taking part in major projects such as the initial public offering campaign, investor education campaign and İstanbul Financial Center project.

An Overview of 2011



Attila Köksal, CFA
Chairman

As the members of the new Board of Directors elected in May, we have taken over office in a period defined by political stability, record-low inflation and real interest rates, increased funding need for our rapidly growing businesses, and a search by domestic investors for alternative investment instruments. At this stage, we are aiming high and we set ourselves the challenging target of restructuring the Turkish capital markets.

Distinguished members,

2011 has been a hard year for the world economy. The economic developments in the European Union certainly ranked at the top of the issues confronted. The distressed economies of Greece, in particular, as well as of Italy, Spain and France dogged the global agenda. In addition to the problems in the European Union, the USA's credit rating was downgraded for the first time in history. On another wing, we have all kept a close eye on the disastrous earthquake that hit Japan, another giant economy, and the political transformation in the Middle East. This adverse climate took its toll also on our markets. The ISE-100 index adopted a downturn following its record high level in 2010, while FX and interest rates climbed up.

Despite these unpleasant events, the Turkish capital markets saw some favorable developments. Numerous regulatory changes took place, as new products were introduced, such as Islamic bonds and leveraged foreign exchange transactions. Besides new product launches, we have also witnessed the high growth and diversification of corporate bonds that had been long stagnant.

In 2011, we have carried out various investor education activities in collaboration with the leading institutions in the market.

Our goal is to restructure the Turkish capital markets

As the members of the new Board of Directors elected in May, we have taken over office in a period defined by political stability, record-low inflation and real interest rates, increased funding need for our rapidly growing businesses, and a search by domestic investors for alternative investment instruments. At this stage, we are aiming high and we set ourselves the challenging target of restructuring the Turkish capital markets.

Top three priorities are...

We have categorized our priorities under three headings in order to achieve this goal: enhance professional know-how in the industry, rebuild the confidence of domestic investors, and constantly strive to ensure new product developments. Along the line, we have started a number of initiatives taken on by the recently established working groups and by the secretariat.

... training the market professionals,

Our utmost priority is equipping the market professionals with the know-how matching our international counterparts. The Association aims to ensure that the market professionals follow-up international markets and developments, and offer high quality service to investors. In this frame, the Association has participated in the Capital Market Licensing, Registration and Training Agency (CMLTA), with a 40% stake. Incorporated in June, this company will be engaged in training and licensing activities in the capital markets. Providing operational support to CMLTA, whose organization and structuring were yet to be completed, in the organization of licensing examinations, our Association also diversified professional development trainings programs, thereby significantly contributing to these activities.

... building investor confidence,

Enhancing professional know-how in the industry will undoubtedly support our second goal: earning the trust of investors. Following the Capital Markets Perception and Awareness Survey organized by the Association in 2010, we have conducted various activities relating to investor education, in collaboration with the leading institutions in the market in 2011. As you already know, we have joined hands with the leading institutions including the CMB (Capital Markets Board), ISE (Istanbul Stock Exchange) and Takasbank (ISE Settlement and Custody Bank) in the

execution of the project "Investor Education Campaign". In this frame, we, as the TSPAKB, published a booklet for investors, and strove to create awareness of financial markets among students through university visits. On the international front, we carried out initiatives to introduce our market to the investors abroad. I would like to take this opportunity to underline that we deem investor trust as a very critical factor, and as the Board of Directors, we place special emphasis on this matter.

... and facilitating new product developments.

Another target defined by the Association is to propose regulatory changes in areas that hamper the market's development, and monitor the global trends to introduce new products and services to our market. We will elaborate on these efforts in the following sections of this Annual Report.

Distinguished members,

I can say that we will have a very busy agenda in 2012, as well. Demutualization of the ISE is a vital agenda item for the improvement of the national market structure. We believe that demutualization will add momentum to the growth of the ISE so that necessary improvements can be made against the backdrop of fierce competition among exchanges.

The work on the new Capital Market Law is another development we are anticipating in the year ahead. We hope that the newly drafted law will respond to the market's needs.

As I present the 2011 Annual Report, I would like to stress once again the vitality of our valuable members' involvement in the Association's activities. Any support you will extend will be a major contribution, bringing us closer to our target of restructuring the Turkish capital markets.

Yours sincerely,



Attila Köksal, CFA
Chairman



encouraging innovation

We are conducting research,
producing reports and developing
ideas to introduce new products
and services to our market.



improving

In line with its primary mission of improving the Turkish capital markets; the Association set up several working groups and continues to collaborate with various institutions.

TSPAKB Advisory Board

An Advisory Board has been set up in the Association to support the efforts towards improving the capital markets. The wealth of knowledge and experience of the Advisory Board members will be leveraged in activities that will be carried out under the priorities of rebuilding investor trust, training market professionals and developing new products.

The members of the Advisory Board are Abdullah Akyüz, Ceyda Aydede, Prof. Mustafa Aysan, Yamaç Berki, Dr. Emin S. Çatana, Müslüm Demirbilek, Bedii Ensari, Sedat Eratalar, Prof. Muhsin Mengütürk, E. Nevzat Öztangut and Erhan Topaç. Having expertise and experience in the fields of capital markets, law and taxation, the Advisory Board members are made up of the leading names of the Turkish capital markets.

Working Groups

The Association set up various working groups with the participation of volunteer market professionals, members of the Association's Board of Directors and Board of Auditors with the below objectives:

- Provide market professionals with world-class training and constantly improve professional working standards,
- Build the trust of domestic investors in the capital markets,
- Collaborate with relevant institutions for resolving issues hampering the improvement of the market, and facilitate new product and market developments.

The working groups listed below held meetings and started producing ideas and projects:

- Planning/Strategy and Relations with Capital Market Institutions
- Training, Licensing and Compliance
- New Products, Technology and Legislation
- Expanding Investor Base

KOSGEB Cooperation Protocol

KOSGEB (Small and Medium Enterprises Development Organization), CMB, ISE and TSPAKB signed a cooperation protocol on 4 February 2011.

The protocol is intended to support the securities issues of companies registered with KOSGEB, and give the SMEs easier access to funding for growth. The cooperation protocol sets forth organization of workshops, distribution of documents and one-on-one meetings with companies.

TİM Cooperation Protocol

On 26 May 2011, a cooperation protocol has been signed by and between the CMB, ISE, Takasbank, CRA (Central Registry Agency), TİM (Turkish Exporters Assembly), and the Association.



The Protocol is intended to organize training programs and workshops to vest exporters in a competitive and well-managed structure that makes wider use of the capital markets and follows corporate governance principles. In this frame, seminars have been organized at Uludağ Exporters' Association on 13 December 2011 and at Mediterranean Exporters' Association on 20 December 2011, which have been participated by the CMB, ISE, TurkDEX and the Association.

Tax Issues in the Capital Markets

The Association presented its opinions and suggestions on reducing financial intermediation costs, taxation of financial instruments and institutions, along with our members' concerns to the Ministry of Finance.

In 2011, the industry's opinions and suggestions on the following topics have been voiced:

- Efforts concerning the New Income Tax Law,
- Banking Insurance and Transaction Tax imposed on derivatives, warrants and leveraged foreign exchange trading,
- Stamp duty imposed on loan agreements.

Leveraged Foreign Exchange Trading

With a modification made to the Capital Market Law, leveraged foreign exchange (forex) trading has been designated as a capital market activity. Consequently, the Association presented its opinions and suggestions through all the stages of the CMB's regulatory work, on matters concerning our industry, including but not limited to the following:

- Institutions permitted to carry out the forex activity,
- Operating principles for these institutions,
- Custody of collaterals,
- Accounting of transactions.

At a meeting held on 2 November 2011 and attended by our members, CMB officials provided information on the regulations concerning leveraged forex trading, and opinions on the implementation were exchanged.

Investment Trusts

Various actions have been taken to secure the revision of the arrangement which stipulates that investment trusts -if managing third parties' portfolios- can obtain asset management service only from portfolio management companies, and they can obtain investment consultancy service from the same, if they are managing their own portfolios.

The CMB has begun working to revise the arrangement in line with the Association's demand and determined that the Association's members will be allowed to provide asset management and investment consultancy services to investment trusts until the publication of the amendment in the Official Gazette.

CRA and Takasbank Custody Commissions

The Association presented its views and suggestions to the CMB regarding the abolishing of custody commissions of Takasbank and CRA for the physical or dematerialized custody of delisted share certificates.

Closing Session Questionnaire

The ISE has been working towards introducing a closing session on the Stock Market. A survey has been conducted among our members to seek their views on the planned closing session, and on the implementation and timing of the phases of trades at closing price and trades at single price. Our member's views on the planned new closing session have been presented to the ISE.

Data on Defaults of Banned Traders and Investors

Occasionally our members require past data on defaults of banned traders and investors for their internal audit and risk management activities. To this end, opinions and suggestions were presented to the CMB regarding the creation of query screens at the CRA and ISE to give access to the past lists of banned traders and the list of customers who failed to fulfill margin or clearing liabilities.

Liquidation of Bank Loans in case of Trading Bans

The banks are now allowed to take the same steps as brokerage firms in the collection of their loan receivables from banned traders.

Administrative Fines

The CMB accepted the Association's application regarding the prevention of replication of administrative fines imposed by the CMB and the Association to brokerage firms for the same breach. The Association's views concerning the relevant revisions that need to be introduced to the Association's regulations have been submitted to the CMB.

Preferred Stocks

Based on the revision made to the Turkish Commercial Code, if the state, municipality and other public corporate entities, unions, associations, foundations, cooperatives and/or their parent entities are among the shareholders of a joint stock company, no privileges may be created in favor of the other shareholders. Considering the critical importance of the matter particularly from the standpoint of listed companies, an application has been filed with the Ministry of Customs and Trade, which contributed to the postponement of the enforcement date.

Opinions on the 40 Recommendations by FATF presented to MASAK

Organized under the OECD, the Financial Action Task Force (FATF) is working to revise the 40+9 Recommendations, which are put together to fight against the laundering of proceeds of crime and financing of terrorism. The Association's opinions and suggestions on the same have been presented to the Financial Crimes Investigation Board (MASAK).

Efforts Relating to the Association's Structure

Various efforts have been spent to expand the membership base and diversify the activities of the Association, and the topic has also been addressed in the membership meeting. A draft law amendment has been drawn up in three versions, each of which has underlined the need to establish a structure wherein brokerage firms will continue to have weight in the administration of the Association.

Marketing Campaigns by Intermediary Institutions

On 20 October 2006, the CMB conferred on our Association the authority to monitor the marketing campaigns to be organized by the intermediary institutions. Accordingly, intermediary institutions are required to inform the Association of the campaign details in written form before launching a campaign.

The members are granted the right to organize a campaign on the condition that the promotions do not impair investor rights or benefits, do not violate the principle of good faith, and do not contain exaggerated, false or deceptive information that would mislead the customers or the general public. In 2011, the Association reviewed 27 campaign applications by the members and informed the related parties on its conclusions.

Principles of Promotion Campaigns

Following the inclusion of leveraged forex trading among capital market activities, the Association's Board of Directors reviewed the principles that form the basis of promotion campaigns by intermediary institutions concerning all capital market activities on 14 December 2011. Certain principles identified during the review have been presented to the CMB for consideration.

Negotiable Commission Practice

The Association has been regularly monitoring developments on negotiable commission practice, which has been effective since 1 January 2006. Information continued to be collected from members on their commission income during the year, in order to observe the overall effects on the revenue structure of intermediary institutions, as well as on the industry as a whole. The data, along with our evaluations, are reported to the CMB on a quarterly basis.

TSPAKB-MASAK Task Force

Aiming to evaluate the implementations of MASAK (Financial Crimes Investigation Board) and to develop collaboration areas between TSPAKB and MASAK, a TSPAKB-MASAK Task Force was set up. Made up of 50 members, the task force formed an executive committee from among its members and started working.

Opinions on Regulations

The Association reviewed and commented on the following draft regulations in 2011:

- Proposals for the New Constitution,
- Draft Communiqué Amending the Communiqué on Principles Regarding Portfolio Management Activities and Institutions which are Authorized to Provide Portfolio Management Services,
- Draft Communiqué Amending the Communiqué on Principles Regarding Intermediary Activities and Intermediary Institutions,
- Draft Communiqué Amending the Communiqué on Principles Regarding Mutual Funds,
- Draft Communiqué on Principles Regarding Leveraged Forex Trading and Authorized Institutions,
- Draft Communiqué Amending the Communiqué on Principles Regarding the Capital and Capital Adequacy of Intermediary Institutions,
- Operating Principles of Takasbank's Securities Borrowing and Lending Platform,
- Draft General Communiqué on Expenditure Taxes Law,
- Draft General Communiqué on Income Tax Law,
- Draft General Communiqué on Corporate Tax Law,
- Draft Communiqué Amending the Communiqué on Repurchase and Reverse Repurchase Agreements



informing

The Association's publications in English and Turkish continued in 2011. In addition to its periodicals, the Association published two books and diversified its information leaflets. TSPAKB reports have been distributed to our members, universities, market institutions, relevant institutions abroad, and foreign missions in Turkey.

The Turkish Capital Markets in 2010

The 2010 issue of our annual report on the "Turkish Capital Markets" was released in May 2011. As well as a wrap up of macroeconomic developments, the report also reviewed the share of capital markets in the financial system, analyzed the size and activities of the industry, and evaluated the organization, human resources and financial statements of brokerage firms, along with the investor profile in the Turkish capital markets.

Monthly Agenda in Capital Markets

Our monthly publication, Agenda in Capital Markets, includes various research articles as well as the activities of the Association and developments in the industry.

During 2011, our research articles focused mainly on developments in foreign capital markets. In addition to our reports that introduced the capital markets and different products of various countries, our studies covered international institutions operating in various fields of the capital markets. Furthermore, quarterly financial and operational data of intermediary institutions gathered by the Association were analyzed in the monthly bulletins.

The Handbook of the Turkish Capital Markets 2011

Focusing on the structure of the Turkish capital markets and existing regulations, "The Handbook of the Turkish Capital Markets 2011" report has been published in English in March.

Brokerage Industry Review

Analyzing the developments in the capital markets and the brokerage industry during 2010, "The Brokerage Industry in 2010–Annual Review" was published in English in May. The report entitled "The Brokerage Industry in 2011–Semi-Annual Review" that focused on the activities of intermediary institutions during the first half of 2011 was published in September.

Turkish Economy and Capital Markets

"Turkish Economy and Capital Markets" report was published in September 2011. The report focused on the details of the developments in the capital markets in the past five years while key economic indicators are provided for the last decade.

Handling Investor Complaints Leaflet

Covering the resolution methods of investor complaints in the capital markets, the leaflet was published in Turkish in November 2011. Outlining the way to conclude disputes that investors may have with intermediary institutions, the leaflet discusses mediation and arbitration methods.

YATIRIM YAPARKEN SORULARLA TÜRKİYE SERMAYE PİYASASI



TSPAKB TÜRKİYE SERMAYE PİYASASI
ARACI KURULUŞLARI BİRLİĞİ

TSPAKB in a Nutshell

In 2011, new additions were made to our informative leaflets in English, which are designed to provide an introduction of the Turkish capital markets on the international platforms. Being one of these leaflets, "TSPAKB in a Nutshell" outlines the Association's duties, authorities and organizational structure, and provides information on TSPAKB.

Initial Public Offerings and Listings in Turkey

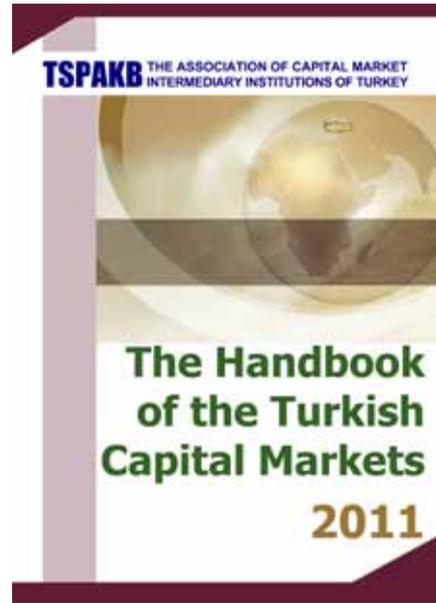
The leaflet "Initial Public Offerings and Listings in Turkey" dwells on the registration, public offering, listing and trading processes for equities, corporate bonds and warrants.

While Investing – Questions and Answers

Addressing investors in a plain language to answer the top-of-mind questions about financial markets, the book entitled "While Investing – Questions and Answers" was published in Turkish in February 2011. Providing basic information on investment instruments and financial services in Turkey, the publication covers 21 questions and their answers.

Exchange Demutualization, Mergers and Acquisitions in the World

Analyzing the demutualization processes of exchanges in different countries, the book entitled "Exchange Demutualization, Mergers and Acquisitions in the World" was published in Turkish in August 2011. The report mainly focuses on the reasons why exchanges demutualize, the process, and the problems confronted, while reviewing the mergers and growth strategies of exchanges worldwide.



Publications in International Periodicals

Articles by the Association were published in various international publications during 2011.

The September 2011 issue of Inter Feas, the publication of the Federation of Euro-Asian Stock Exchanges, featured an article by Ekin Fıkırkoca, Director of Research and Statistics, which analyzed ongoing efforts on public offerings in Turkey.

In its December 2011 issue, Focus, the monthly magazine of the World Federation of Exchanges, published the results from the survey on self-regulatory organizations as written by Alparşlan Budak, Assistant Secretary General.

Another 2011 article on public offerings in Turkey was translated into Japanese and published in two parts in January 2012 in the Fuji Sankei Business newspaper.

Industry Data Bank

In 2011, the Association continued to gather quarterly operational data and financial statements from intermediary institutions. The data collected are posted on our website under the section "Data Bank", which provides a capital market factsheet, aggregate financial statements and activities of brokerage firms, comparative data on brokerage firms, and investor profile, as well as brief information on each brokerage firm.

The Association also kept submitting certain data it collects on intermediary associations to the Central Bank of the Republic of Turkey and the Turkish Statistical Institute. In addition, financial data of intermediary institutions started to be provided to Takasbank in 2011.

sharing

TSPAKB aims to keep all market players informed through the meetings and events it organizes. These occasions also serve to identify the industry's needs and to develop solutions for existing problems.

General Meetings and Membership Meetings

11th Ordinary General Meeting

The 11th General Meeting was held on 23 May 2011. The TSPAKB Chairman Nevzat Öztangut, CMB Chairman Prof. Vedat Akgiray and ISE Chairman Hüseyin Erkan each delivered a speech at the meeting. The speeches were followed by discussions on agenda items and elections for the seats on the Boards of Directors and Auditors that were vacated due to expiration of terms of office.

21st Members' Meeting

The 21st Members' Meeting was held on 22 September 2011. At the meeting, the Chairman Attila Köksal provided information on the activities and targets of the Association. His speech was followed by a presentation by the Secretary General of the Association, İlkkay Arıkan, on the new Capital Market Law, the membership structure of the Association, and regulatory arrangements on leveraged forex trading.

22nd Members' Meeting

The 22nd Members' Meeting took place on 25 November 2011, during which the election of the members of the ISE Board of Directors was discussed.

12th Extraordinary General Meeting

The 12th Extraordinary General Meeting was convened on 12 December 2011. The meeting started with a presentation outlining the Association's activities by Attila Köksal, the Chairman. In addition, the revised 2011 budget of the Association was ratified, and 2012 budget, membership fees and expense contributions were determined during the meeting.





Seminars

Information Security Seminar

An Information Security Seminar was organized on 21 January 2011 for the employees of intermediary institutions. The seminar was presented by Dr. Gökhan Özbilgin from the CMB IT Department.

Exchange Traded Options Seminar

Given by Paul Tivnann, a specialist from Bloomberg, the seminar on "Exchange Traded Options" was held on 28 April 2011.

ISE Assistant Specialist Training

Assistant specialists, who recently joined ISE, paid a visit to the Association on 14 January 2011 within the frame of their training program. The attendants received information on intermediary activities in capital markets, and on the duties and authorities of TSPAKB.



supporting

With a view to improving the capital markets, TSPAKB extends support to events organized by various organizations, institutions and universities.

Domestic Events

TKYD IV. International Corporate Governance Summit

Organized by the Corporate Governance Association of Turkey (TKYD), the IV. International Corporate Governance Summit took place on 13 January 2011. Themed "Where the Equilibrium Will Form?" the summit featured a panel discussion on "Where Do Regulatory and Supervisory Agencies Stand in the Equilibrium?" which was attended by the Chairman of our Association Nevzat Öztangut.

Economy & Finance Congress at Doğuş University

Doğuş University Economy and Finance Club organized the "4th Economy & Finance Congress" on 23-25 March 2011. The TSPAKB Chairman Nevzat Öztangut made a presentation titled "The Evolution of the Turkish Capital Markets and Global Threats" during the congress.

İstanbul University Economy Days Conference

İstanbul University Econometrics Club held the "Economy Days 2011" conference on 22-23 March 2011. During the session titled "A Global Outlook on Capital Markets", the Secretary General İlkay Arıkan made a presentation on the capital markets and the Association's activities.

SMEs and Public Offering Panel

Okan University School of Applied Sciences organized a panel discussion on "SMEs and Public Offering" on 26 April 2011. The panel addressed the public offering of SMEs from various aspects and featured a speech by Nevzat Öztangut, the Chairman of our Association.

Public Offering Meeting in Eskişehir

Within the frame of the cooperation protocol signed by and between the CMB, the Union of Chambers and Commodity Exchanges of Turkey (TOBB), ISE and our Association, a meeting was held in Eskişehir on 17 March 2011 on the "Public Offering Campaign" that was organized in an effort to inform the companies and raise their awareness of the topic.

"New Trend: Customer-Driven Capital Markets" Summit

The 2nd Capital Markets Summit, where the Association was among the main sponsors, was held on 27 April 2011. At the summit themed "New Trend: Customer-Driven Capital Markets" TSPAKB Chairman Nevzat Öztangut took part in the session on "Investor Focus in Capital Markets and Investor Confidence" as a speaker.

CMB Essay Competition

The award ceremony of the essay competition organized by CMB among primary and secondary school students took place at the ISE on 16 May 2011. The awards have been presented to the winners by the CMB Chairman Vedat Akgiray, Ministry of Education Assistant Undersecretary Remzi Kaya, ISE Chairman Hüseyin Erkan and TSPAKB Chairman Nevzat Öztangut.

İstanbul Economy and Finance Conference

At the İstanbul Economy and Finance Conference organized by Fatih University on 20-21 May 2011, the Chairman of the Association Nevzat Öztangut participated in the panel discussion on "İstanbul's Becoming an International Financial Center and Future Expectations".

Turkish Derivatives Conference

Futures Industry Association (FIA) and the Institute for Financial Markets (IFM) co-organized the Turkish Derivatives Conference on 19-20 September 2011. While the Association was a sponsor of the conference, the inaugural speech was delivered by Attila Köksal, the TSPAKB Chairman.

Conference on Regulation, Inspection and Oversight of Market Intermediaries

A conference on "Regulation, Inspection and Oversight of Market Intermediaries" has been co-organized by the CMB and the US Securities and Exchange Commission on 11-13 October 2011. Attila Köksal, the Chairman of our Association, was a speaker in the panel discussion on the future of the intermediation industry, while Alparслан Budak, Assistant Secretary General, made a presentation on the developments in the Turkish capital markets.

A New Investor Model in Turkey: Investment Clubs Conference

On 18 October 2011, Gedik Investment organized a conference titled "A New Investor Model in Turkey: Investment Clubs". The inaugural speech of the conference was delivered by İlkyay Arıkan, the Secretary General of the TSPAKB.

Swiss-Turkish Economic Forum

The annual "Swiss-Turkish Economic Forum" organized by the Swiss Chamber of Commerce in Turkey to promote commercial relations between the two countries took place on 18 November 2011. Titled "Responding to the Dynamics of Financial Environment", the Forum hosted TSPAKB Chairman Attila Köksal as a speaker in the panel on investor education.

KPMG Financial Services Training

Pursuing activities in audit, tax, and advisory fields, KPMG held a conference on 9 December 2011 aiming to enhance its employees' knowledge in financial services. At the conference titled "Financial Services Training", Secretary General İlkyay Arıkan made a presentation on the latest developments in the Turkish capital markets and the intermediaries industry.

Being a Real Estate Investment Company Conference

CMB and the Association of Real Estate Investment Companies (GYODER) organized a conference on "Being a Real Estate Investment Company" on 15 December 2011. At the conference, Chairman Attila Köksal chaired the panel titled "Public Offerings from the Investor's Perspective".

Inform the Investor: ISE-Anadolu University Cooperation Panel

In an effort to create awareness of capital markets and expand the culture of investment, ISE signed a cooperation protocol with Anadolu University on 21 December 2011. The signature ceremony was followed by a panel titled "Inform the Investor: ISE-Anadolu University Cooperation", which featured the "Investor Education" presentation by the Chairman of the Association Attila Köksal.

Target: 20.000 Women on the Way to İstanbul Financial Center

On 16 December 2011, the inaugural meeting and initial seminar on the "Target: 20,000 Women on the Way to İstanbul Financial Center" took place in Cemal Reşit Rey Concert Hall. Jointly coordinated by the Ministry of Family and Social Policies, İstanbul Metropolitan Municipality Training Courses in Crafts and Vocations (İSMEK) and Doğuş Holding, "Target: 20.000 Women" is a two-year initiative. The Association will extend support to the project by attending meetings, setting up stands, and making its publications available.



presenting

TSPAKB presents the Turkish capital markets to national and foreign participants in various international events.

International Events

Introducing the Turkish Capital Markets in Germany

Meetings have been organized in May and November in various cities in Germany to give an introduction to the Turkish capital markets.

The first meetings were held in Cologne and Dusseldorf on 17-18 May 2011. Titled "Investing, Stock Exchange and Capital Markets in Turkey", the meetings brought together the CMB Chairman Prof. Vedat Akgiray, ISE Chairman Hüseyin Erkan, TurkDEX CEO Dr. Çetin Ali Dönmez, Takasbank General Manager Dr. Emin Çatana, CRA CEO Assoc. Prof. Yakup Ergincan and TSPAKB Chairman Nevzat Öztangut with the Turkish investors in Germany.

On 21-23 November, Deutsche Börse and KfW Mittelstandsbank organized the German Equity Forum to bring companies together with market players. Within the scope of the Forum, the Turkey Conference was held, which was hosted by the ISE. During the conference, international investors were briefed on the Turkish capital markets, as the Chairman Attila Köksal made a

presentation on the industry, the current status of Turkish markets, Turkey's position in international markets and the future.

Furthermore, Consulate General of Turkey in Frankfurt organized a meeting for the Turkish citizens living in Germany on 23 November 2011. At the meeting, the CMB, ISE, TurkDEX and TSPAKB made presentations providing an introduction to the Turkish capital markets.

Turkish Capital Market Days in Taiwan

TSPAKB organized a series of events in Taiwan on 27-28 October 2011, with the participation of 11 officials from the CMB, ISE, TurkDEX, CMLTA and the Turkish Institutional Investment Managers' Association (TKYD).

Within the program, Financial Supervision Commission, stock and derivative exchanges, custody and settlement agency and various intermediary institutions were visited. In addition, a roundtable meeting was held with the representatives of the Taiwan capital markets on 28 October 2011, during which Chairman Attila Köksal made a presentation on the investment industry in Turkey.



University Events

Market Institutions Visit Universities

In 2011, the CMB, ISE and the Association held a series of seminars titled "Institutions Talk About the Turkish Capital Markets" at 39 universities. During these seminars, lots were drawn among students who completed the questionnaire prepared by the CMB. 50 students won a five-day training program from 27 June 2011 until 1 July 2011 from the Association.

Uşak University Students' Visit to the Association

A group of 35 students from Uşak University Accounting and Finance Club paid a visit to the Association on 22 April 2011. The students were given a presentation on the activities of the Association and the operation of Turkish capital markets.

George Washington University

A commission of 23 MBA students and academics from George Washington University in the USA paid a visit to the Association on 12 May 2011. A presentation was made to the visitors introducing them to the Association and the Turkish capital markets.

Gaziosmanpaşa University

A group of 45 students from Gaziosmanpaşa University visited the Association on 13 May 2011. A presentation was made to the students on the Association's activities and the operation of the Turkish Capital Markets.

Kocaeli University Kandıra Vocational School

A seminar titled "Career and Job Opportunities in the Financial Services Industry" was held on 29 November 2011 in Kocaeli University Kandıra Vocational School. In the seminar, Süleyman Morbel, Director of Compliance and Legal Affairs, talked about the Turkish capital markets, licensing exams, and career opportunities in the financial services industry.

Eskişehir Osmangazi University

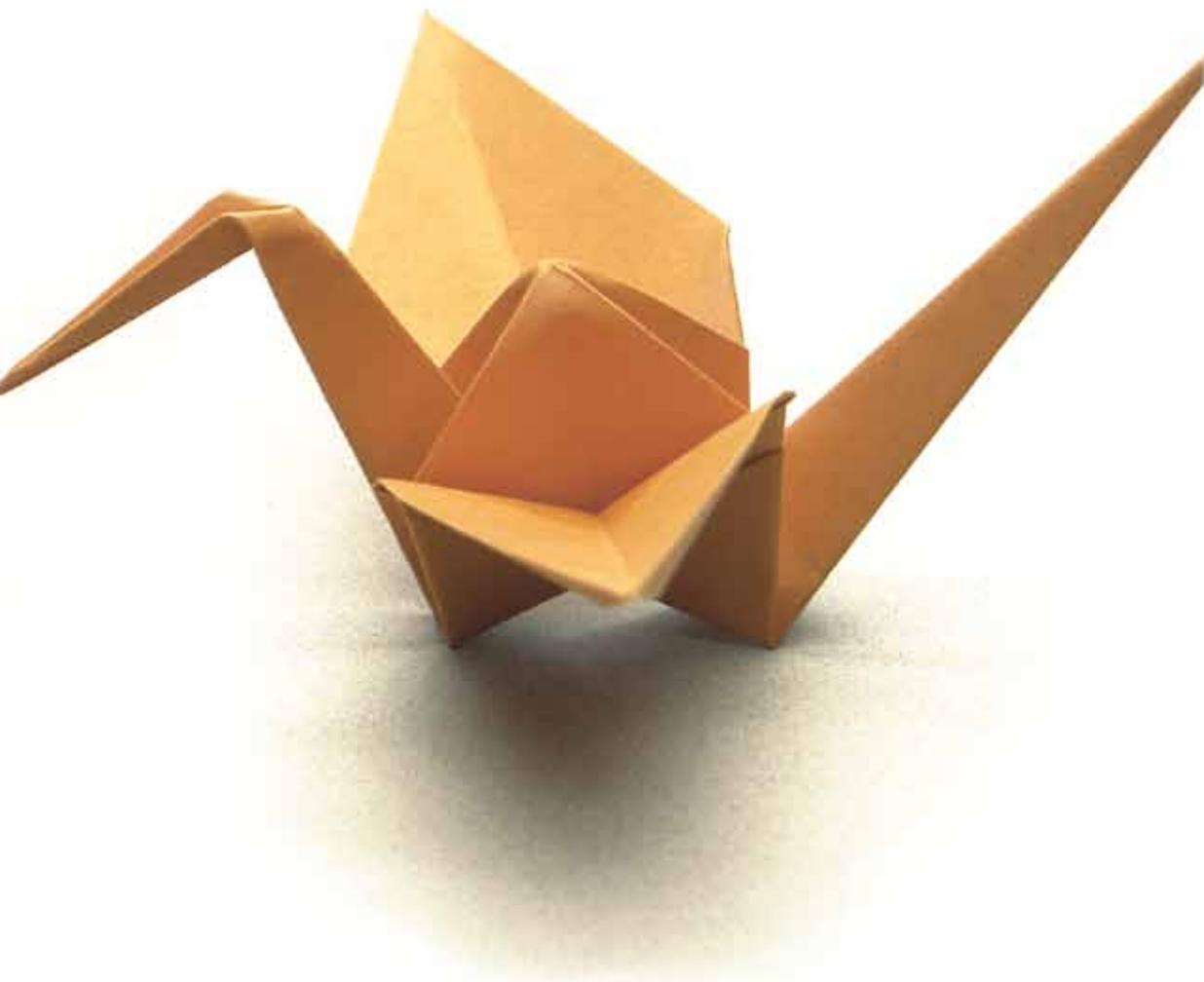
During the "Finance Academy" event organized on 10 December 2011 by Eskişehir Osmangazi University Mathematics and Computer Club, Dr. Gökhan Büyükşengür, Director of Licensing and Record Keeping, informed the students on the "Institutions in the Financial Services Industry and Career Planning".

İzmir Yaşar University

During the panel held on 16 December 2011 by İzmir Yaşar University Faculty of Economics and Administrative Sciences, Dr. Gökhan Büyükşengür, Director of Licensing and Record Keeping, informed the students on the "Institutions in the Financial Services Industry and Career Planning".







generating ideas

We are voicing our members' opinions on relevant platforms and working to develop our market further.

representing

The events TSPAKB organizes and participates in the international arena give the chance to share our experiences on global platforms, and keep our members updated on the developments in the global markets.

Asia Forum for Investor Education (AFIE)

The Asia Forum for Investor Education (AFIE) held its 2nd Annual General Meeting in Seoul on 10-12 November 2011. Hosted by the Korea Financial Investment Association (KOFIA) and Korea Council for Investor Education (KCIE), the General Meeting featured two presentations by Alparslan Budak, Assistant Secretary General, on investor education in Turkey. TSPAKB is a member of the AFIE Advisory Committee.

Asia Securities Forum (ASF)

The 16th Annual General Meeting of the Asia Securities Forum (ASF), of which the Association is a member, convened through 28-30 September 2011 in Osaka. In the annual meeting hosted by the Japan Securities Dealers Association, Chairman Attila Köksal was a speaker in two panels titled "The Future of Investor Education: Ensuring Investors' Confidence" and "Growing Asia: Its Promising Markets". In addition, Alparslan Budak, the Assistant Secretary General, made a presentation on the developments in the Turkish capital markets.

Federation of Euro-Asian Stock Exchanges (FEAS)

The Executive Committee of the Federation of Euro-Asian Stock Exchanges (FEAS) convened in Ohrid, Macedonia on 6 May 2011. The Association was represented in the meeting by Alparslan Budak, the Assistant Secretary General. Serving as the Chair of the FEAS Dealers' Associations Task Force, the Association shared the results of the survey done among dealers' associations.

FEAS Annual General Meeting was held in Almaty, Kazakhstan on 28-29 September 2011, where the Association was represented by Ekin Fikirkoca, Director of Research and Statistics.

FEAS organizes training programs, which are also supported by our Association, for the employees of member institutions and the brokerage firms in related countries. In 2011, FEAS expanded the scope of its training and included a one-week internship in the program. In this frame, TSPAKB supported one trainee's on-the-job training at a member firm. Within the scope of the program, the participants paid a visit to the Association on 15 November 2011, and attended a presentation on the Turkish capital markets and TSPAKB, receiving information about the industry and the markets.

International Council of Securities Associations (ICSA)

The Association took part in the Interim Meeting of the International Council of Securities Associations (ICSA) held on 31 January-1 February 2011 in Washington. During the meeting, TSPAKB Chairman Nevzat Öztangut was elected as the Chairman of the Emerging Market Committee (EMC) and made a presentation titled "Emerging Markets Beyond 2011".

The 24th Annual General Meeting of ICSA convened on 23-24 May 2011 in London. Alparslan Budak, Assistant Secretary General, shared the results of the survey done by the FEAS Dealers' Associations Task Force during the meeting.

Furthermore, the Association attended the ICSA Interim Meeting held on 5 December 2011 in Paris. During the meeting, information was provided on work toward ICSA 2012 Interim Meeting, which will be hosted by TSPAKB in November 2012.



As the Chair of the ICSA Emerging Markets Committee, our Association intends to help increase the efficiency of emerging markets and facilitate exchange of information between dealers' associations in these countries. As the first initiative of the Committee, the "Corporate Bond Markets in Emerging Countries" report was published in June 2011. TSPAKB is also a member of the ICSA Advisory Committee.

International Organization of Securities Commissions (IOSCO)

The annual meeting of the Self-Regulatory Organizations Consultative Committee (SROCC) of the International Organization of Securities Commissions (IOSCO), of which TSPAKB is a member, was organized in April 2011 in Cape Town. During the meeting, it was decided to hold the 2012 Mid-Year Meeting in İstanbul.

The Mid-Year Meeting of the SROCC convened on 31 October - 3 November 2011 in Taiwan. During the training program that followed the meetings, Assistant Secretary General Alparslan Budak made a presentation on short-selling in Turkey.

International Forum for Investor Education (IFIE)

The Association became part of the Strategic Membership and Partner Development Committee that was set up in July 2011 under the International Forum for Investor Education (IFIE), to which TSPAKB belongs.

Other International Activities

During 2011, the Association welcomed numerous foreign representatives from various countries, and offered them information on the industry and the developments in the markets. The commissions that paid visits to TSPAKB are listed below:

- A commission of 6 representatives from the China Securities Regulatory Commission and the Shanghai Stock Exchange – 6 June 2011
- A commission of 29 representatives from the Stock Exchange of Thailand, Securities and Stock Exchange Commission of Thailand, Thailand National Savings Fund and various banks and brokerage firms – 7 June 2011
- A commission of 3 representatives from the Securities Commission of Pakistan – 14 September 2011
- A commission of 11 high-ranking officials from the Thai Bond Market Association, various financial institutions and the Ministry of Finance – 10 October 2011
- Representatives of the State Committee for Securities of Azerbaijan – 25 October 2011 and 23 November 2011

In addition, 22 representatives from the Danish banking industry paid a visit to Foreign Economic Relations Board (DEİK) on 9 June 2011. During the visit, the delegation received information on the financial services industry in Turkey, and had the chance to attend a presentation on the Association's activities, markets and the intermediaries.

On 14 December 2011, information on intermediary institutions in Turkey and the organization of the Association was presented to representatives of capital market institutions of Algeria who were visiting Turkey in connection with the training program organized by CMB.

educating

Recognizing that the development of the Turkish markets will be enabled through equipping the market professionals with world-class knowledge, TSPAKB contributes to enhancing the know-how in the industry through its training programs.

Licensing Exam Preparation Programs

A total of 327 individuals attended the Basic Level, Advanced Level and Derivatives exam preparation programs prior to the licensing examinations held in December 2011.

License Renewal Training Programs Handed Over to CMLTA

Organized since January 2006, license renewal training programs continued to be held by the Association until June 2011. During this time, 3,093 people attended the license renewal training programs.

Based on the authorization granted by the CMB, license renewal programs will be organized by the CMLTA from 15 June 2011.

Turkish Derivatives Exchange Training Programs

TSPAKB organized 5 different training programs on behalf of TurkDEX:

- The TurkDEX client representative courses last 6 days, with 5 days allocated to theory and 1 day to simulation programs, while the TurkDEX Application Course is completed in 1 day. In 2011, a total of 58 people attended the TurkDEX Client Representative courses.
- 142 individuals took part in the "Computerized New Trading System and New Products Implementation" course designed to provide training on the revised TurkDEX trading system.
- There were 21 attendants in the "Electricity Market and Risk Management Through Electricity Futures Contracts" course that was organized for the first time in 2011.

- 38 people attended the "Options Markets–Basic Level" program, while 17 people participated in the "TurkDEX–Standard Portfolio Analysis of Risk: Span" course.

Professional Development Courses

2011 saw the debut of five professional development programs: "Strategies to Invest through Warrants", "Introduction to the Forex Market", "Macroeconomic Indicators and Effects on Financial Markets", "Technical Analysis" and "The New Corporate Bond in the Turkish Capital Markets: Islamic Bonds (Sukuk)". A total of 192 people attended the professional development training programs.

2011 Training Programs

	Number of Programs	Number of Participants
TurkDEX Courses	16	276
Licensing Exam Preparation	13	327
Professional Development	11	192
License Renewal	97	3,093
TOTAL	137	3,888



facilitating

The Association publishes data on the market institutions and professionals, thereby facilitating access to information and improving investor confidence.

Capital Markets Licensing Registration and Training Agency Established

Capital Markets Licensing Registration and Training Agency (CMLTA) has been established by 7 capital market institutions. The Association controls 40% stake in the new company, which will be engaged in examinations, training, licensing and research activities in the capital markets.

In 2011, the CMB conferred its authority to carry out licensing exams on CMLTA. Accordingly, CMLTA organized two licensing exams during 2011. The Association extended operational support to CMLTA, which has not become functional yet.

Licensing Examinations

Licensing examinations were given on 20-21 August 2011 and 17-18 December 2011 in 12 cities.

In the examinations held in August, 35,924 candidates applied to take part in 36,506 examinations. As a result of the examinations, 1,073 were entitled to licenses, which translated into a success rate of 3%.

In December, 34,985 applicants made 35,540 exam applications. After the exams, 1,865 applicants earned their licenses, which meant a success rate of 6%.

License Applications

During 2011, the Association received 4,564 license applications. 99% of the applications have been brought to conclusion, and license documents were delivered to applicants.

Record Keeping

As at 31 December 2011, the Association's Licensing and Record Keeping System contained the records of 358 institutions and 56,766 people. During 2011, the Association received 11,113 record change notifications, which broke down as follows:

- 1,983 new employments,
- 2,438 terminations of employment,
- 4,565 changes of position,
- 797 branch openings,
- 193 branch closures,
- 1,137 changes of address.

strengthening

The Association constantly strengthens its technology infrastructure in an effort to enhance the productivity of its activities and to produce higher quality service for its members and other users. While upgrading efforts are in progress for current needs, new projects are designed taking into account new responsibility areas.

Document Management System

Various improvements were made to the Document Management System during 2011. The documents stored in the system totaled 99,281 as at 31 December 2011. During the year, 16,201 new documents were added to the system.

Training Management System (TMS)

The recently developed Training Management System (TMS) went live in 2011. During the period, 151 training programs were offered via the TMS, receiving applications from a total of 2,800 users.

Licensing and Record Keeping System (LRKS)

Various improvements and developments were made on the Licensing and Record Keeping System. In 2011, 13,285 users entered the LRKS 121,695 times, for a daily average of 333 entries.

Website

The infrastructure of our website has been upgraded. During 2011, the website received a daily average of 3,860 visitors. While the daily number of pages viewed was 13,644, each visitor viewed an average of 3.53 pages.

Member Management System Software

By the end of 2011, software development efforts were initiated for a Member Management System. With its first phase completed, the project is expected to become live by mid-year 2012.

Reporting of Trades in Foreign Markets

Reporting of Trades in Foreign Markets software was developed for online collection of the data on our members' trades in other markets. The system was put into use in December 2011.

Clocking In/Out Tracking Software

The software that was developed to track the clocking in and out data for the employees has been introduced in 2011. The software is also instrumental in e-mailing these data to the employees themselves.

Disaster Recovery Center Data Line Capacity Increase

The bandwidth of the 5 Mbps data communication line between the Association's Data Center and the Disaster Recovery Center was increased to 15 Mbps from November 2011.

spreading

TSPAKB issues press releases for its publications, events and meetings, while using public statements and interviews to convey its opinions on the issues, needs and developments in the markets.

In 2011, the Association issued 16 notes and 22 press releases.

In addition, a press conference was held on 13 April 2011 to announce the results of the "Capital Markets Perception and Awareness Survey" that was conducted in 2010.

At another press conference held on 25 November 2011, the members of the new Board of Directors met with media representatives and shared the Association's vision of the future.

Press releases issued by the Association and major news articles covered by the media are posted on our website, under the section "Press Room".



contributing

Actively taking part and assuming key roles in the national and international organizations it belongs to, TSPAKB contributes to international practices.

DEIK

The Foreign Economic Relations Board (DEIK) was founded in 1988, in order to handle the foreign economic relations of the private sector. Our Association became a member of DEIK in 2008, with "founding member" status to represent our industry more effectively on international platforms.

AFIE

The Asia Forum for Investor Education (AFIE) was established as a regional subcommittee of the International Forum for Investor Education (IFIE) in 2010. Intending to develop investor education in the securities markets and to form a platform for sharing information and experience among its members in the Asia-Pacific region, our Association participated in the Forum as a founding member. TSPAKB is an Advisory Committee Member at AFIE.

ASF

The Asia Securities Forum (ASF) was founded in 1995 with the aims of improving the securities market, contributing to economic development and promoting exchange of information between members in the Asia-Pacific region. Our Association became a member of this forum, whose members are associations, exchanges and various institutions in the region, in September 2009.

FEAS

The Federation of Euro-Asian Stock Exchanges (FEAS), which was founded in 1995 under the leadership of the ISE, is an institution with which exchanges, settlement and custody institutions affiliate. The aim of FEAS is to promote cooperation between members, provide a

more effective and transparent market environment and represent FEAS members in the related organizations. Our Association became an affiliate member of the Federation in September 2009. Since 2010, TSPAKB chairs the Dealers Associations' Task Force.

ICSA

The International Council of Securities Associations (ICSA) is an organization representing industry associations. The aim of the Council, which was founded in 1988, is to contribute to the development of the markets by maintaining cooperation between associations. Our Association has been a member of the Council since 2006. TSPAKB is a member of the Advisory Committee and Chairman of the Emerging Markets Committee.

IFIE

The aim of International Forum for Investor Education (IFIE), which was set up in 2005, is to enhance investor education on a global level and to support investors in taking well-informed decisions. Our Association joined the Forum, where self-regulatory, regulatory and various non-profit organizations are represented, in September 2009. TSPAKB serves on the Membership Development Strategy Committee and the Advisory Committee.

IOSCO

The International Organization of Securities Commissions (IOSCO) was founded in 1983 by regulatory authorities in the capital markets to set global standards. Our Association joined the organization in 2003 as affiliate member.

participating

With its objective of improving the capital markets, the Association acquires equity stakes in capital market institutions and participates in their management.

Turkish Derivatives Exchange

TSPAKB has a 6% share in the Turkish Derivatives Exchange Inc. (TurkDEX). Our Association holds TL 540,000 in the company's total capital of TL 9,000,000. The Association continued to be represented by two members on the TurkDEX Board of Directors in 2011.

Central Registry Agency

TSPAKB has a 5% share in the Central Registry Agency Inc. (CRA). Our Association holds TL 300,000 of the company's total capital of TL 6,000,000. The Association continued to be represented by one member on the CRA Board of Directors in 2011.

Emerging Information Technology

Emerging Enterprises Market Inc. (EEM) was founded in 2005 with the aim of providing, operating, and developing a trading platform for the small and medium sized enterprises to give them access to funding from capital markets.

Based on a decision passed in 2010, the company's name, scope of activities and capital were changed. The company was renamed Emerging Information Technologies Inc. (EIT), and the scope of its activities was also changed to "creating, planning, implementing and monitoring strategies related to the use of information technology". The capital of the company, which was originally TL 10,000,000, was decreased to TL 50,000.

TSPAKB has a 5.05% share in Emerging Information Technologies Inc. The Association holds TL 2,525 in the company's total capital of TL 50,000 and continued to be represented by one member on its Board of Directors in 2011.

However, at the Annual General Meeting of the company held on 8 February 2011, a decision was adopted to wind up the company. The decision was registered by İstanbul Trade Registry on 10 February 2011.

Capital Markets Licensing Registration and Training Agency

Capital Markets Licensing Registration and Training Agency Inc. (CMLTA) was founded on 16 June 2011 to organize training programs, issue licenses and keep records of the market professionals.

The Association holds TL 800,000 in the company's total capital of TL 2,000,000 and was represented by three members on the CMLTA Board of Directors in 2011.

Oversight and Dispute Resolution

Oversight

The Association is authorized to regulate, supervise and enforce the issues delegated to it by legislation or by the CMB. In this context, the Compliance and Legal Affairs Department conducts inspections when necessary, and applies the provisions of the legislation in case of non-compliance.

Dispute Resolution

Investor complaints related to intermediary institutions are handled within the context of the Association's duty and authority of "assisting in the resolution of conflicts between members or between members and their customers arising from non-market transactions". Efforts are spent to resolve conflicts between our members and investors without resorting to legal action. In 2011, the Association received four investor complaints in writing, which were brought to conclusion within the frame of the duties and authorities of the Association as set out in its statute.

Inquiries

Within the frame of the Law on the Right to Obtain Information, the Association received a total of 112 inquiries during 2011. The Association provided access

to information and documents for 104 inquiries. Partial access to information was granted for five applications, while two applications were rejected, and one other was referred to another institution due to its relevance.



TO THE GENERAL ASSEMBLY OF THE ASSOCIATION OF CAPITAL MARKET INTERMEDIARY INSTITUTIONS OF TURKEY AUDITORS' REPORT

15 MARCH 2012

The Association's accounts and transactions have been audited on a monthly basis in accordance with article 20 of the Statute of the Association of Capital Market Intermediary Institutions of Turkey.

The records of the Association of Capital Market Intermediary Institutions of Turkey were observed to have been kept in accordance with the relevant regulations and accounting principles, and accurately reflect the financial position of the Association.

We hereby place the balance sheet, income statement and final account position as well as the Auditors' Report for the year ended 31 December 2011 for your consideration to be approved, and hereby recommend the Board of Directors be released from its liabilities.

BOARD OF AUDITORS



Pamir SEZENER
AUDITOR



Dr. Serdar SATOĞLU
AUDITOR



Vesile ŞARLIOĞLU
AUDITOR

Financial Statements

Balance Sheet (TL)

	31/12/2010	31/12/2011	Change %
Current Assets	3,827,502	2,863,753	-25%
Cash and Cash Equivalents	3,248,371	2,302,003	-29%
Securities	0	0	0%
Trade Receivables	264,657	230,657	-13%
Other Receivables	0	0	0%
Prepaid Expenses and Income Accruals	313,398	320,722	2%
Other Current Assets	1,077	10,371	863%
Non-Current Assets	854,983	1,654,079	93%
Financial Assets	842,525	1,642,525	95%
Tangible Assets	3,446,766	3,557,375	3%
Intangible Assets	205,757	207,615	1%
Accumulated Depreciation (-)	-3,644,786	-3,758,159	3%
Other Non-Current Assets	4,722	4,722	0%
Total Assets	4,682,486	4,517,831	-4%
Current Liabilities	1,097,643	712,129	-35%
Trade Payables	33,871	138,543	309%
Other Payables	103,633	7,509	-93%
Advances Received	199,401	46,370	-77%
Taxes Payable and Other Obligations	290,656	151,800	-48%
Revenue and Expense Accruals	470,082	367,907	-22%
Non-Current Liabilities	405,383	858,035	112%
Provisions for Liabilities and Expenses	405,383	858,035	112%
Shareholders' Equity	3,179,460	2,947,667	-7%
Funds	847,525	1,647,525	94%
Current Year Profit/Loss	2,331,934	1,300,142	-44%
Total Liabilities	4,682,486	4,517,831	-4%

Income Statement (TL)

	31/12/2010	31/12/2011	Change %
Admission Fees	30,000	0	N.M.
Expense Contributions	1,597,846	2,370,089	48%
Annual Fees	513,639	801,735	56%
Overdue Interest	1,876	0	N.M.
Income Surplus Transferred	1,829,080	2,331,934	27%
Donations	0	0	N.M.
Revenues From Publications	0	0	N.M.
Revenues From Training, Courses and Seminars	915,725	601,015	-34%
Miscellaneous Revenues	7,624,322	1,498,269	-80%
Total Revenues	12,512,488	7,603,043	-39%
Personnel	2,995,880	3,497,701	17%
Consultancy	67,561	74,925	11%
Office	270,227	345,147	28%
Public Relations and Meeting	863,616	417,366	-52%
Research and Publications	127,047	143,704	13%
Information Technology	378,482	368,144	-3%
Training, Courses and Seminars	298,230	227,353	-24%
Travel and Accommodation	117,516	162,770	39%
Fixed Asset and Fixtures Purchases	7,226	19,871	175%
Subsidiaries	0	800,000	N.M.
Miscellaneous	4,752,285	230,420	-95%
Total Expenses	9,878,070	6,287,400	-36%
Pre Tax Income	2,634,418	1,315,643	-50%
Taxes and Other Legal Allowances	-302,484	-15,501	N.M.
Net Income	2,331,934	1,300,142	-44%

*N.M.: Not Meaningful

