

Annual
report '14



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www.tspb.org.tr



TCMA

We are a self-regulatory organization established in 2001 by the Capital Market Law.

Our members are banks, brokerage firms and asset management companies, investment trusts that are authorized for capital market operations.

WHAT WE DO

- We set safety measures aimed at preventing unfair competition.
- We assist in the resolution of disputes arising from off-exchange transactions among our members or between our members and investors.
- We cooperate with related foreign institutions.
- We conduct research for the development of the capital markets.
- We monitor professional developments, changes in rules and regulations and inform our members.
- We offer training programs for the market professionals.
- We design and run investor education programs.

ORGANIZATION STRUCTURE

General Assembly

Board of Directors

Chairman

Secretary General

Assistant Secretary General

Research and Statistics
Corporate Communications

Assistant Secretary General

Training
Legal Affairs
Compliance and Surveillance
Human Resources,
Administrative and
Financial Affairs

Assistant Secretary General

Information Technology
Membership Affairs

13

Years

Average work experience

35

Average age

Total
number of
employees

29

Our employees

1 of our employees holds a Ph.D. degree,

7 have a master's degree,

17 are university graduates.

BOARD OF DIRECTORS



İlhami Koç
Chairman
İşbank
Assistant General Manager



Mine Berra Doğaner, Ph.D.
Deputy Chairman
Turkish Investment
General Manager and Board Member



Gülsevin Yılmaz
Board Member
Yapı Kredi Invest
General Manager



Mehmet Gönen
Board Member
Ziraat Securities
General Manager and Board Member



Ersin Akyüz
Board Member
Deutsche Bank
General Manager and Board Member



Şahin Alp Keler, Ph.D.
Board Member
Ak Asset Management
General Manager



Didem Gordon
Board Member
Ashmore Asset Management
General Manager



İsmail Kazanç
Board Member
Torunlar Real Estate Investment Company
Assistant General Manager



Prof. Mehmet Şükrü Tekbaş
Independent Board Member



Assoc. Prof. Abdülmecit Karataş
Independent Board Member



Atty. Şebnem Ergün
Board Member
Association of Appraisal Experts of Turkey
Attorney

BOARD OF AUDITORS



Celalettin Özgür Güneri
Audit Board Member
Finans Invest
General Manager



Mustafa İleri
Audit Board Member
Tacirler Securities
Assistant General Manager and Board Member



Mustafa Aşkın Dolaştır
Audit Board Member
Turkish Economy Bank
Assistant General Manager



İbrahim Namık Aksel
Audit Board Member
HSBC Asset Management
General Manager



Oktay Aydın
Audit Board Member
Yeni Gimat Real Estate Investment Company
Assistant General Manager

DISCIPLINE COMMITTEE



Burçin Mavituna
Discipline Committee Member
Finans Invest
Assistant General Manager



Gül Ayşe Çolak
Discipline Committee Member
Tera Securities
Board Member



Cengiz Doğru, Ph.D.
Discipline Committee Member
Anadolubank
Board Member



Tolga Ataman
Discipline Committee Member
TEB Asset Management
Assistant General Manager



Hasan Hüsnü Güzelöz
Discipline Committee Member
Doğuş Real Estate Investment Company
Board Member

EXECUTIVES



İlkyay Arıkan
Secretary General



Alparslan Budak
Assistant Secretary General

Research and Statistics
Corporate Communications



O. İlker Savuran
Assistant Secretary General

Training
Legal Affairs
Compliance and Surveillance
Human Resources, Administrative
and Financial Affairs



Adalet Polat
Assistant Secretary General

Information Technology
Member Relations

DIRECTORS



Ekin Fıkırkoca Asena
Research and Statistics Director



Engin Turan
Human Resources, Administrative
and Financial Affairs Director



Gökhan Büyüksengür, Ph.D.
Training Director



Esra Esin Savaşan
Compliance and Surveillance Director



Tuğba Oğan
Corporate Communications Director



Süleyman Morbel
Legal Affairs Director



Telman Şahbazoğlu
Information Technology Director

EMPLOYEES



Gökben Altaş
Research and Statistics
Senior Specialist



Mustafa Özer
Research and Statistics
Specialist



Deniz Bayram
Research and Statistics
Assistant Specialist



Cihan Coşgun
Information Technology
Software Support



Aslı Hondu İmamoğlu
Member Relations
Senior Specialist



Çağla Savuran Eralp
Training
Assistant Specialist



Nazım Sevim
Training
Specialist



Ünal Özkan
Legal Affairs
Assistant Specialist



Atty. Nil Ayav
Legal Affairs
Assistant Specialist



Serhat Tahsin İşler
Compliance and Surveillance
Senior Specialist



Sevda Uslu
Compliance and Surveillance
Assistant Specialist



Eda Cabbar
Corporate Communications
Specialist



Nilüfer Gevenoğlu
Corporate Communications
Specialist



Kerim Karakaya
Human Resources, Administrative and
Financial Affairs
Assistant Director



Hülya Kandemir Yılmaz
Human Resources, Administrative and
Financial Affairs
Chief



Gülcan Yalçiner
Human Resources, Administrative and
Financial Affairs
Officer



Muzaffer Demirci
Human Resources, Administrative and
Financial Affairs
Administrative Support



Şadiye Selek
Human Resources, Administrative and
Financial Affairs
Office Services

Overview of 2014

With respect to our capital markets, 2014 was a year in which transformations were brought to completion and we moved closer to a stronger structure. The enactment of the new Capital Market Law and associated communiqués brought along highly pleasing developments for our industry. Our Association underwent a transformation in 2014 and became the biggest professional organization of the financial services industry with its new structure.

Distinguished Members,

As the new Board of Directors elected in July 2014, we have taken over office at a time of significant transformation with respect to our capital markets and our Association. I would like to thank all the members of the Board of Directors, Board of Auditors and Discipline Committee, who have served our Association for three years, for their invaluable efforts and the major accomplishments they have brought into being. In this annual report, I would like to present our Association's activities and my assessment of 2015.

While developed countries continued to live through the effects of the global crisis, the 2014 global agenda had some unexpected developments in store. At the point we now stand, world economies attempt at new reform initiatives in an effort to recapture their pre-crisis performances. To the backdrop of such a global economic outlook, we witnessed important developments in the national economy aimed at strengthening the consistent structure. Specifically, G20 Presidency Turkey has undertaken from the last quarter of 2014 presents a huge opportunity for our country.



With respect to our capital markets, 2014 was a year in which transformations were brought to completion and we moved closer to a stronger structure. The enactment of the new Capital Market Law and associated communiqués brought along highly pleasing developments for our industry. Our Association underwent a transformation in 2014 and became the biggest professional organization of the financial services industry with its new structure.

As the new Board of Directors, we first of all paid a visit to Mr. Ali Babacan, Deputy Prime Minister for Economic and Financial Affairs, and Mr. Vahdettin Ertuş, Chairman of the Capital Markets Board of Turkey. We have incorporated their opinions, feedbacks and instructions within our work program. One priority step taken within the frame of this program was to set up committees under the Association so as to plan for the future. We strive to make sure that the Brokerage Firms Committee, Banks Committee, Asset Management Companies Committee and Investment Trusts Committee that are mentioned in our Statute are representative of

their respective sectors. Having started functioning under the Association, these committees are pursuing their activities to help with the achievement of our goals. Besides Committees, we have also targeted to create certain subcommittees and task forces. To this end, we set up the Leveraged Trading Task Force. Financial Education aXiyon Team, which is made up of volunteer industry professionals operating under the Association since 2012, continues with its projects and activities in financial literacy under the name Financial Education Working Committee.

For the purpose of planning the future activities of our capital markets and identifying our priorities, we hosted the "Exploring the Future of Capital Markets Conference" in September. The two-day conference drew the participation of 150 people including representatives of public institutions, our members, financial press and academic circle, who shared their views. The conference has been instrumental in the designation of the targets for the industry for the next five years, and in outlining our roadmap. In line with the conclusions reached, we determined the Association's targets as follows: improving financial literacy, increasing domestic savings, escalating the share of capital markets in savings, growing the number of investments by individual and institutional investors, attracting public funds to capital markets, increasing the number of the listed companies, diversification of products, and conducting industry-related communication activities.

Following our conference, we drew up a report on tax policies, which have been long considered as an important issue by our members. We expressed our suggestions regarding the taxation of our capital market in the 'Tax Issues of the Turkish Capital Markets and Suggested Solutions Report'. The report gives due consideration to the comments and feedbacks from our members. As we follow-up the relevant progress, we believe that the report, once put into life, will contribute significantly to the development of our markets.

On another front, insufficient savings in emerging countries remain one of the key problems facing economic development. Financial Access, Financial Education and Financial Consumer Protection Strategy and Action Plans published in 2014 covers broad and comprehensive requirements for enhancing financial literacy of individuals so as to help them make informed financial decisions. During the reporting period, we carried on with our efforts to help improve financial literacy in our country by educating the investors, which signifies a core activity

of the Association. Within the scope of these efforts, we launched the e-learning project that we had been working on for a long time. We believe that the "The Secret to Wealth" e-learning program, which has been developed by experts working on the Association's Financial Education Working Committee, will be enlightening for the public. In addition, we organized exciting events in the area of investor education. We have initiated a short-film contest, called "Camera in Your Hand, Future in Your Pocket", which was themed on financial planning. In total, 107 films joined the contest from all over Turkey.

We organized "My Money and I Children's Festival" for third and fourth graders to celebrate the National Sovereignty and Children's Day held on April 23rd each year. As part of the festival, a theatre play "The Secret to Wealth", which dwelled on the importance of saving and investing, has been performed. We were joyed by the award our play received in the "Best Corporate Plays" category at the 14th Direkterarası Audience Choice Awards in November.

In addition to these activities, we are continuing with our initiatives on social media channels to promote investor education programs to broader audiences. We are getting positive feedbacks from a large number of users from different professions and age groups on all social media channels, and especially from our Param ve Ben (My Money and I) Facebook page, which now has approximately 60,000 followers. During 2014, we were able to convey our contents to millions of people through the most effective tools for reaching masses including Twitter, LinkedIn, GooglePlus and Youtube. Interview with individuals who can serve as role models for the society in saving and investing, and short films about different topics were particularly admired. In this respect, we will keep working together, spending our best efforts and putting our resources to use as we always have.

Besides our investor education initiatives, we persisted with our publications in 2014, which will shed light on our members and our stakeholders in the industry. During the reporting period, we launched "Gösterge", a series of quarterly covering comprehensive articles about financial markets. Furthermore, we developed new publications about our financial education activities. We proudly observe that all our publications serve as a rich source of reference for our industry.

Globalization moves have made it an obligation for a robust capital market to be attuned to the developments in the financial sector. We must

particularly build integration with international markets upon a solid ground in order to realize the target of making İstanbul a financial center. To this end, the Association holds training programs on various topics to allow industry professionals to closely monitor these developments. At the same time, we are making use of online and mobile applications for our training programs under the heading 'TCMA Training Department'. During 2014, nearly 4,000 people attended the trainings conducted at the Association.

Through the member meetings, conferences and panels held in 2014, our Association provided a platform where national and international problems are discussed. We took part in major conferences and panels held abroad in order to assert a strong presence on the international arena, to keep a close eye on the developments and to implement them in the best manner in our country. As a result of these efforts, we were elected as a member of the Board of Directors of the Federation of Euro-Asian Stock Exchanges (FEAS). Moreover, we captured the chance to host the 2016 meeting of the International Forum for Investor Education (IFIE), and the 2017 meeting of the Asia Securities Forum. We believe that we have important experiences to gain from the global

know-how in this process, which we can put to use for improving our markets.

Distinguished Members,

The period ahead will see the inauguration of changes that will clear the way for our capital markets. Our agenda will be determined particularly by the introduction of new capital requirements, authorization of asset management companies to set up mutual funds, inception of the trading of mutual funds via Turkey Electronic Fund Distribution Platform (TEFAS), and the launch of venture capital and real estate funds.

Apart from these, our focal points include the reorganization of the Association, giving businesses and especially SMEs greater access to capital markets, decreasing the costs incurred in financial transactions, tax implementations, gathering and publishing data and statistical information covering the entire industry, and commissions and expenses.

Although they are longer-term projects, our initiatives will also continue in relation to perception management in capital markets, promoting financial literacy, development of financial products and

services, broadening the investor base, more efficient and effective formulation of requirements governing asset management and investment trusts, making up for the deficiencies with respect to the İstanbul Financial Center project, and building on relations with foreign financial institutions.

As I present our 2014 annual report, I would like to underline that we will have a year packed with novelties under our new logo that represents the transformation our Association underwent and our advance towards the future as the entire industry. In 2015, we will keep working toward a stronger economy, a larger capital market and happier investors. I would like to extend my thanks to all our stakeholders striving for the achievement of our goals, and particularly to institutions operating in the Turkish capital market. I would also like to thank the members of the former Boards of Directors and Auditors who have brought our Association to a successful stance in the 14 years since its establishment, and last but not least, the valuable employees of our Association.

Yours sincerely,

İlhami Koç
Chairman

INITIATIVES

New Members

The Statute of the Turkish Capital Markets Association (the Association or TCMA) published on 2 April 2014 stipulates that, in addition to brokerage firms and banks, the following must become members of our Association:

- a) Asset management companies,
- b) Listed investment trusts (securities investment trusts, venture capital investment trusts and real estate investment trusts).

In the Association's Board of Directors' meeting of 16 May 2014, 89 enterprises have been registered as members of the Association, which break down as follows:

- 42 asset management companies,
- 11 securities investment trusts,
- 6 venture capital investment trusts,
- 30 real estate investment trusts.

Ethical Principles and Code of Conduct for Capital Market Professionals

Our Association revised its Ethical Principles and Code of Conduct for Capital Market Professionals, which should serve as a guide for the activities of our members' employees. These principles and the code were approved at the Association's Board of Directors meeting held on 15 October 2014 and communicated to the members on 21 October 2014.

Turkish Capital Markets Association Disciplinary Regulation

Setting out the principles and methods in relation to disciplinary action to be implemented for those violating the professional dignity, professional principles and guidelines, the Turkish Capital Markets Association Disciplinary Regulation has been approved by our members during the Association's Extraordinary General Meeting convened on 11 December 2014.

Professional Rules for Members

Professional Rules Which Members Shall Comply with While Performing Their Capital Market Activities have been approved by the members during the Association's Extraordinary General Meeting convened on 11 December 2014.

Member Management System (MMS)

Our members were provided with access to the Member Management System (MMS) for online notifications given to the Association pursuant to the regulations of the Capital Markets Board of Turkey (CMB), using electronic signature. Principles and procedures in relation to the notifications to be made to the Association have been communicated to our members.

Suitability Test and Compatibility Test

Assigned with determining the minimum contents of standard forms to be used for suitability testing and compatibility testing, our Association set up a task force with the participation of brokerage firms and banks. The task force determined the minimum contents of;

- the suitability test to be given to general customers,
- the compatibility test to be given before asset management and investment consultancy services, and they have been approved by the CMB.

Furthermore, in line with the Association's recommendations and feedbacks, use of electronic means is allowed in addition to written form, for suitability and compatibility testing of existing and new customers, and for giving related warnings and notices.

Tax Issues of Capital Markets and Suggested Solutions

Tax Issues of the Turkish Capital Markets and Suggested Solutions Report has been presented to the General Director of Revenue Policies and the Commissioner of the Revenue Administration in October 2014.

Principles for Rating and Ranking of Collective Investment Instruments

The Association issued the principles and procedures for the rating and ranking of collective investment instruments and began accepting the applications for engagement in the said activities.

Process for Renewal of Operating Licenses

The Association made attempts before the CMB in relation to the hesitations, comments and suggestions conveyed by the members to the Association regarding compliance with new regulations and applications for operating license renewals.

With the Association's efforts, our members' hesitations have been quelled with the CMB decision dated 16 December 2014, and significant progress has been secured in favor of the industry with respect to repo and reverse repo licenses, revocation of unused licenses, and the minimum capital requirements.

Promotion Campaigns

Promotion campaigns by intermediary institutions and banks are notified to the Association prior to implementation, and planned campaigns can be held only after applications are reviewed and approved.

During 2014, the Association reviewed 189 campaign applications by members and informed the related parties on its conclusions.

Our Feedback on Draft Communiqués

In line with the New Capital Market Law (No. 6362), the Association carefully evaluated the feedback from our members and presented to the CMB.



TASK FORCES

Task Force for Chart of Accounts and Accounting Practices

A Task Force for Intermediary Institution Chart of Accounts and Accounting Practices was set up at the Association with participation from ten intermediary institutions. The Task Force keeps working on a draft chart of accounts that will cover all transactions, operations and accounting practices.

Forex Trading Task Force

A Forex Trading Task Force was set up with the participation of our members' representatives to identify the issues experienced in forex transactions, enhancing the quality of service delivery to clients, and set out the principles and procedures for our members.

COMMITTEES

As stipulated in the Statute of the Association;

1. Brokerage Firms' Committee,
2. Banks' Committee,
3. Asset Management Companies' Committee,
4. Investment Trusts' Committee

were formed at the Association within the frame of the 'Establishment and Operating Principles and Procedures for Turkish Capital Markets Association Committees' espoused by the Association's Board of Directors on 23 July 2014. Moreover, a Financial Education Committee was set up in addition to these four committees.

INVESTOR EDUCATION

Recognizing that financial education is one of the key elements of national development, our Association continued its financial education initiatives that reached out to a wider community.

My Money and I Facebook Page

ParamveBen (My Money and I) Facebook page reached more than 50,000 fans as of 31 December 2014 after its launch in December 2012. The page was established as part of the activities of the Financial Education Committee, formed of volunteer market professionals at the Association. Our Facebook page is followed by users from 45 different countries.

My Money and I Twitter Account

Opened in June 2013 and designed in parallel content with the Facebook page, ParamveBen (My Money and I) Twitter account had 1,500 followers as of 31 December 2014.

My Money and I Youtube Channel

ParamveBen (My Money and I) Youtube channel features videos about saving and investment that address users from diverse backgrounds. "Real-Life Investor Stories", cover interviews with people who made successful investments in real life. The series "Interviews with Celebrities" covers interviews about saving and investment habits of celebrities. A total of 33 videos featured on the ParamveBen Youtube page that went live in February 2013 reached more than 30,000 views.

ParamveBen.org Website

Intending to raise awareness on saving and investment, www.paramveben.org website went live in June 2013. The website covers real life examples and success stories. The e-learning program entitled "The Secret to Wealth" was made available free of charge on the website in November 2014. The website contains approximately 30 stories and articles. The website received 59,000 visitors in 2014, including people from different countries such as UK, Azerbaijan, Cyprus and Bulgaria.

ParamveBen.tv Website

www.paramveben.tv website, which was introduced concurrently with Paramveben.org website, features short films that aim to encourage individuals to save and invest. The short films are produced in a content that is aligned with those on www.paramveben.org website to reach wider audiences. The website also covers interviews with celebrities, real life investor stories, and the films selected by the jury in the "Kamera Elinde, Geleceğin Cebinde" (Camera In Your Hand, Future In Your Pocket) Short Film Contest. The website was visited more than 10,000 times during 2014.

My Money and I Google+ Channel

ParamveBen (My Money and I) Google+ channel went live in July 2014. The channel offers informative and educational content about saving and investment. The page was already viewed approximately 10,000 times in 2014, although it is relatively newer as compared with our other channels.

Facebook Contests

To engage with users, crossword puzzle competitions were organized via ParamveBen Facebook page in 2014. Held in November 2014, the first contest was named "Investment Instruments Crossword Contest" and asked the participants to find the names of three investment instruments hidden on the page. The 1st, 100th, 250th and 300th persons to give the correct answers received coin-counting money boxes as a prize.

The second contest entitled the "Financial Terms Crossword Competition" took place on 9 December 2014. The participants were asked to find names of four financial terms hidden on the page. The 1st, 100th, and 250th persons to give the correct answers received a Monopoly board game as a prize. The contest has been instrumental in interacting with 13,000 people via the Facebook page.

“Camera in Your Hand, Future In Your Pocket” Short Film Contest

A short film contest entitled “Camera in Your Hand, Future in Your Pocket” was organized from 25 November 2013 to 28 February 2014. The contest was organized with the slogan “Are you ready to film your future secured with your investments?”. In total, 107 films joined the contest from all over Turkey. The entrants have been assessed by a jury constituted by Uğur Vardan, member of SİYAD (Turkish Film Critics Association) and sports editor for the daily Radikal, Selin Gürel, film critic and news editor, Cüneyt Cebenoyan, columnist and film critic for the daily Birgün, Alp Birol, lecturer in the Faculty of Communications at Galatasaray University, and Attila Köksal, the Association’s Chairman at the time. Top three films picked by the jury were rewarded.

The award ceremony for the contest took place at Borsa İstanbul, with the participation of Attila Köksal, the Association’s Chairman at the time, and Dr. M. İbrahim Turhan, former Chairman and CEO of Borsa İstanbul. Top three places were awarded TL 15,000, TL 10,000 and TL 7,500 prize. Additionally, participants who ranked in the top 20 received one-day training from TCMA.

My Money and I Children's Festival

On 25 April 2014, "My Money and I Children Festival" was organized in collaboration with Borsa İstanbul and the Financial Literacy and Inclusion Association (FODER) for third and fourth graders on the occasion of April 23rd National Sovereignty and Children's Day. During the festival, a theater play entitled "The Secret to Wealth" was staged, which also starred Attila Köksal, the Association's Chairman at the time.

300 students from the primary schools in the vicinity, attended the event. The play was written by Doğan Murat Ergin, TCMA Investor Education Consultant and Board Member of FODER, and directed by Dr. Bülent Öner. The play, based on the richest man in Babylon, emphasized the importance of saving.

The play was awarded the "Best Corporate Play" at the 14th Direkterarası Audience Choice Awards. The award ceremony was held on 16 November 2014 at the Bakırköy Yunus Emre Cultural Center. The video of the play was posted in episodes on ParamveBen Facebook, Twitter, Youtube, Googleplus and LinkedIn channels.

"The Secret to Wealth" E-learning Program

Developed by the experts on the TCMA Financial Education Working Committee, The Secret to Wealth e-learning program was made available free-of-charge on www.paramveben.org website and Enocta platform in November 2014. As one of the first complimentary online education programs on "saving and investing" in Turkey, the "The Secret to Wealth" program is designed to provide individuals with the knowledge necessary for a secure financial future. The two-phase program, which covers saving and investing, is based on the story of a woman named Zeynep through her childhood to retirement. "The Secret to Wealth" incorporates money management and money saving attitudes, as well as information on financial products.

Interviews with Celebrities

Intending to enhance brand awareness, to address diverse users, and increase the interaction of users through video sharing, interview videos were shot with celebrities. The interviews dwelled on the interviewees' saving habits since childhood, their perspective of investing and their notion of money. The videos were broadcast on My Money and I and TCMA social media channels.

Short Films

During 2014, various films were produced and shared with the users, which supported the contents posted on the Facebook page and website. Short films and animated films published on social media channels to date were: "If I Were a Rich Man", "Dreams", "The Goalkeeper", "The Engagement", "Lydians".

Questionnaires

Covering simple and fun questions, questionnaires are developed to create an awareness of individuals' financial characters, saving and investment habits. The questionnaires shared on the webpage during 2014 were titled "What would you be if you were a currency?", "What is your financial horoscope?", "How successful are you in saving money?" and "What will your financial future be like in 2015?". A total of 11,000 people solved the tests.

Saving, Investment and Turkish Goods Week

Within the frame of the Saving, Investment and Turkish Goods Week celebrated on 12 to 18 December 2014, videos of messages prepared by children were broadcast on ParamveBen Facebook page. In the videos sent from different regions of Turkey, the children told about saving and investment in their own words.

Investor Education Platform

The Investor Education Platform was established to bring together the nongovernmental organizations and other related institutions engaged in financial literacy to encourage collaboration and information sharing. Within this context, regular meetings were held with the NGOs and our members.

7 Universities in 7 Regions

Coordinated by the CMB and organized by the Association, 3-day certification seminars continued under the title "7 Universities in 7 Regions" targeting undergraduate students in seven universities across the seven geographical regions of Turkey. The target audience was set as students attending the Faculty of Economics and Administrative Sciences. The certification program was organized at 3 universities in the spring semester of 2014 academic year and at 6 others in the fall semester. The participating students were given an introduction to the capital markets and institutions, as well as information on career opportunities.

In 2014, a total of 450 students attended the certification programs organized in 9 universities and received their certificates. In addition, as a result of the lots drawn, 3 students from each university earned the right to attend any one of the training programs of our Association. 2 students selected from among the participants were offered the opportunity to pursue training/internship at CMB and Borsa İstanbul.

2013-2014 Academic Year

17-19 March 2014	Gaziantep University
26-28 March 2014	Kahramanmaraş Sütçü İmam University
21-23 May 2014	Kafkas University

2014-2015 Academic Year

23-25 September 2014	Kilis 7 Aralık University
21-23 October 2014	Firat University
27-30-31 October 2014	Hitit University
26-28 November 2014	Muğla Sıtkı Koçman University
3-5 December 2014	Mustafa Kemal University
23-25 December 2014	Selçuk University

Seminars

Upon invitations received from various universities, the Association participated in career days to help the students with their career choice. Students were given an introduction to the capital markets and institutions as well as detailed information on licensing exams and career opportunities. The Association participated in the seminars held in 12 different universities during 2014.

2013-2014 Academic Year

13 March 2014	Çağ University
14 March 2014	Uşak University
17 March 2014	İstanbul University
18 March 2014	Kilis 7 Aralık University
19 March 2014	Celal Bayar University
20 March 2014	Yaşar University
9 April 2014	Selçuk University
28 April 2014	Yeditepe University
7 May 2014	Mustafa Kemal University
7 May 2014	Ondokuz Mayıs University
15 May 2014	Yakın Doğu University
16 May 2014	Doğu Akdeniz University

Marmara University Institute of Banking and Insurance

On 9 December 2014, Dr. Gökhan Büyükşengür, Director of the Training Department, was a guest lecturer in the Current Financial Developments course taught by Prof. Suat Oktar at Marmara University, Institute of Banking and Insurance. Büyükşengür offered information about investment services and activities, intermediary institutions, investors and financial education project, as well as career opportunities in the capital markets.

Finance Talks

İzmir University of Economics, Department of International Trade and Finance organized a conference titled "Finance Talks-1" on 26 December 2014. Speakers at the conference were Dr. Gökhan Büyükşengür, Director of the Training Department, Dr. Yener Coşkun, Senior Specialist in CMB Financial Intermediaries Department, Burak Somer, Head of Financial Markets Sales at ING Bank Turkey, and Tolga Yolbaş, İzmir Demir Çelik A.Ş. Finance Manager.

In his speech, Büyükşengür focused on the latest developments in capital markets, career opportunities in the financial services industry within the frame of İstanbul International Financial Center, and instances from his career and work experience.

With the lots drawn after the conference, 3 students earned right to attend one of the training programs of the Association.

4th CMB Essay Competition

The Capital Markets Board of Turkey (CMB), Banking Regulation and Supervision Agency (BRSA), the Association, Borsa İstanbul and the Ministry of National Education co-organized the 4th Essay Competition among secondary and high school students to raise awareness on financial markets and market institutions. Our Association was part

of the jury that included representatives from the CMB, BRSA, Ministry of National Education and Borsa İstanbul. The Association handled the organization of the competition, which covered the guests' accommodation, transportation, social excursions and awards. A three-day cultural excursion program from 17 to 19 June 2014 was prepared for students who were placed in the competition.

The award ceremony of the competition was held at the Association, and attended by Prof. Nurullah Genç, CMB Deputy Chairman, Hüseyin Zafer, Borsa İstanbul Executive Vice President, and Attila Köksal, TCMA Chairman at the time. This internationally awarded project was supported with the financial contributions of all capital market institutions that joined the Investor Education Campaign Cooperation Protocol.

Financial Literacy Seminar by Prof. Annamaria Lusardi

Financial Literacy and Inclusion Association (FODER) organized a meeting titled "Conversations on Financial Literacy and Access" on 28 October 2014 at the Association. Participated by Prof. Annamaria Lusardi, academic at George Washington University, the seminar has been instrumental in sharing the developments in financial literacy across the world with the participants, while the attendants exchanged information on the developments in Turkey.

RESEARCH AND PUBLICATIONS

Our publications in English and Turkish continued during 2014. In addition to our periodic publications, new publications were prepared within the scope of our financial education activities.

The Turkish Capital Markets in 2013

The 2013 issue of our annual report "Turkish Capital Markets" was released in May 2014. As well as a wrap-up of macroeconomic developments in 2013, the report reviewed the position of the Turkish capital market in the financial system, analyzed its size and international standing, and evaluated the activities, organization, human resources and financial statements of brokerage firms, along with the investor profile.

Quarterly Indicator

Our research articles began to be published in the quarterly Indicator journal starting from 2014, instead of our monthly Agenda in Capital Markets magazine. Aspiring to become a rich reference about the developments in the financial markets, the journal will hopefully turn out to be a comprehensive archive for anyone wishing to keep track of the market developments.

The summer, fall and winter issues of the Indicator magazine published in 2014 analyzed the brokerage industry and also featured articles on the topics below:

- A New Era in Modern Finance: Crowdfunding
- FEAS Best Practices for Handling Investor Complaints
- Financial Planning
- Financial Market Regulators
- Financial Planning: Universal Outlook and Country-specific Differences
- Global Legal Entity Identifier System
- Interest Rate Derivatives
- Structural Reform in the European Union Banking System
- The Financial Transaction Tax in the European Union
- US Foreign Account Tax Compliance Act (FATCA)

Agenda in Capital Markets

Our monthly publication, Agenda in Capital Markets was updated and began to be published in February 2014. The publication covered developments in the industry and the activities of the Association. Additionally, the magazine included financial statements of the brokerage industry.

Brokerage Industry Review

Analyzing the developments in the capital markets and the brokerage industry during 2013, "Brokerage Industry Review 2013" was published in English in May 2014. The report entitled "Brokerage Industry 2014 Semi-Annual Review" that focused on the activities of investment institutions during the first half of the year was published in October 2014.

The Handbook of the Turkish Capital Markets

Explaining the structure of the Turkish capital market, the 2014 edition of "The Handbook of the Turkish Capital Markets" in English was published in June 2014. Updated within the frame of the New Capital Market Law and reviewing the existing requirements, the publication provides a comprehensive source on the Turkish capital market regulations and operations

Brochures in English

The Association updated its brochures in English in the light of the new regulations in the Turkish capital market. The brochures listed below were published in August 2014:

- Forex Trading in Turkey
- Handling Investor Complaints in Turkey
- Initial Public Offerings and Listings in Turkey
- Licensing of Market Professionals in Turkey
- Licensing of Brokerage Firms in Turkey
- Short Selling of Securities

Golden Rules of Investment

Prepared by the Association, the "Golden Rules of Investment", which compiles important considerations for investments, was published in July 2014. Using a plain and intelligible language for describing the steps before and after an investment, the publication encourages investors to make investments.

The "Golden Rules of Investment" also highlights the points that need to be paid attention to when working with intermediary institutions.

Industry Data Bank

The Association continued to gather quarterly operational and financial data from intermediary institutions. The required data are being collected through the Member Management System, a software which has been developed in-house, since September 2012.

The data received are posted on our website under the section "Data Bank", which provides the capital market factsheet, aggregate financial statements and operational data of brokerage firms, and comparative data on brokerage firms.

Furthermore, certain data are submitted to the Central Bank of the Republic of Turkey (CBRT), İstanbul Settlement and Custody Bank and the Turkish Statistical Institute. Our data are used as benchmark by other agencies including the Banking Regulation and Supervision Agency (BRSA), as well as the organizations named above.

MEETINGS AND EVENTS

Through the meetings and events organized during the year, we aimed to bring together all stakeholders, and cater to the industry's needs and demands.

Derivatives and the Role of Central Counterparties Meeting

Derivatives and the Role of Central Counterparties Meeting was held on 22 January 2014 at the Association with the participation of nearly 100 representatives from the financial sector. The opening speeches were delivered by İlkay Arıkan, Secretary General of the Association, and Andre Kuusvek, EBRD Director of Local Currency and Capital Markets Development. The meeting facilitated exchange of information about the central counterparty practices in Turkey and in the international arena.

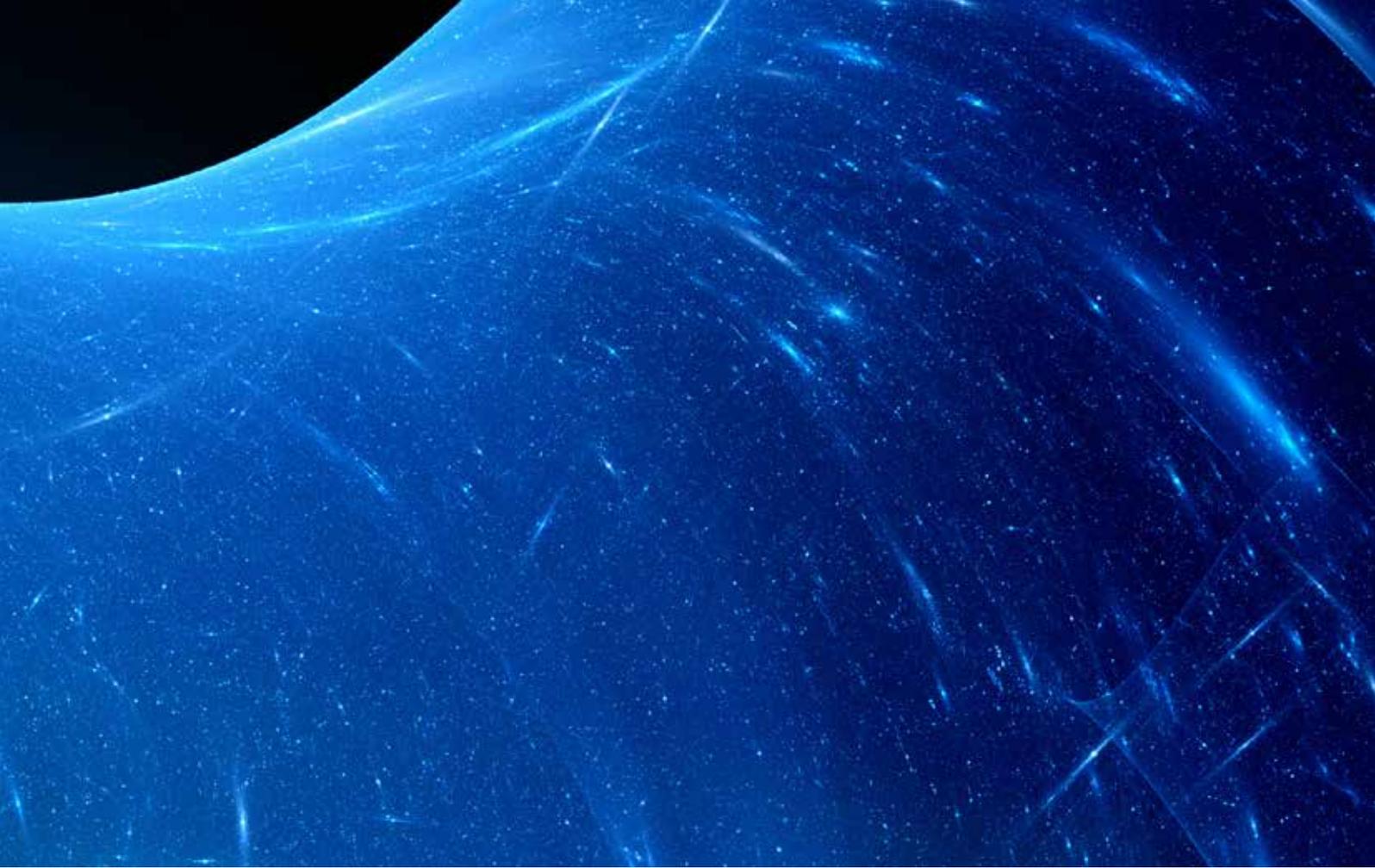
Borsa İstanbul Futures and Options Market Meeting

On 23 January 2014, an assessment meeting was organized for the members, which focused on the activities and planned projects of Borsa İstanbul Futures and Options Market (VIOP). At the meeting, attended by over 70 member representatives,

information was given on technical improvements, new products to be introduced for trading, the market-making system and the new organization structure of VIOP.

Member Management System Meeting

In order to increase the efficiency of statistical data submission by the members to the Association and to secure time saving in data input, a software named "Member Management System" was developed internally. Intended to facilitate quicker publication of collected data and their presentation in a structure that simplifies querying by our members, and the public, the system went live in November 2012. The system has been instrumental in easier and faster conveyance of the "Data Bank Sheets" by the members, which they used to send in Excel files.



A meeting was held on 29 January 2014, to evaluate the operation of the system with its users. Gökben Altaş, Senior Specialist in the Research and Statistics Department, offered information on the system. Attended by representatives from more than 50 intermediary institutions, the meeting's Q&A session gave the members the chance to communicate their improvement suggestions.

Training Program for FEAS Members

Between 20-31 January 2014, Borsa İstanbul organized a special training program for the exchanges and capital market institutions of the countries under the Federation of European and Asian Stock Exchanges (FEAS), of which the Association is a member.

Within the scope of the program, representatives of some FEAS members paid a visit to the Association on 21 January 2014. During the visit, Ekin Fıkırkoca Asena, Director of Research and Statistics Department, made a presentation on Turkish capital markets.

Visit by CMB Assistant Specialists

On 30 January 2014, the Association hosted the assistant specialists that started to work at the Capital Markets Board of Turkey (CMB). CMB assistant specialists received training on capital markets from the Association. The event was inaugurated by İlkey

Arıkan, Secretary General of the Association. CMB employees were given a presentation on the "Turkish Capital Market and Brokerage Activities" by Gökben Altaş, Senior Specialist in the Research and Statistics Department.

Panel on the Effects of the New Capital Market Legislation on Financial Journalism

"Panel on the Effects of the New Capital Market Legislation on Financial Journalism" was co-organized by the Association and Economy Journalists Association (EGD) on 17 February 2014 at The Marmara Hotel. Discussions in the panel focused on the liabilities the regulatory requirements imposed on financial journalism. It has been underlined that the new regulations will diminish the interest of the media in the capital market.

At the panel that opened with the speeches of Attila Köksal, the Association's Chairman at the time, and Celal Toprak, Chairman of EGD, O. İlker Savuran, Assistant Secretary General of the Association made a presentation on market abuses and penalties within the scope of the new Capital Market Law. Following the presentation, journalists touched upon the restrictions the regulations imposed on financial journalism, and shared their predictions about the future of financial reporting with the participants.

İstanbul Forex Festival Event

Supported by the Association, the İstanbul Forex Festival was organized on 15-16 March 2014 at İstanbul Building Industry Center (Yapı-Endüstri Merkezi-YEM). The event, which brought together all forex and financial institutions in Turkey, and their clients, was inaugurated with the speech delivered by Attila Köksal, the Association's Chairman at the time. In his speech, Köksal noted that major structural reforms took place in the Turkish capital market in the past several years.

Seminar on Financial Advisory and Research Reports

A co-organization of the Association and the CFA Society of İstanbul, "Seminar on Financial Advisory and Research Report Production Based on CMB Legislation" was held on 24 March 2014 at the Association. Attended by nearly 120 people, the event provided the setting for discussing the current problems in relation to writing research reports incorporating financial advice in alignment with the CMB legislation.

Turkey Forex (FX) Conference

Turkey Forex (FX) Conference took place at Çırağan Palace on 4-5 April 2014 with the support of the Association and press sponsorship of Anadolu Agency. Having given the opening speech of the event, Attila Köksal, the Association's Chairman at the time, told about the major structural reforms introduced in the capital market in the past several years.

Introductory Seminar to Financial Planning Profession

Our Association, in collaboration with the Financial Planning Standards Board (FPSB), organized a complimentary "Introductory Seminar to Financial Planning Profession as Defined in the New Capital Market Law" in English on 4 April 2014.

Authorized to grant the CFP (Certified Financial Planner) certification held by more than 150,000 professionals from 25 territories, the FPSB provided information on the required steps for those wishing to obtain this certificate for the first time in Turkey. Having attracted great interest from our members, the seminar also provided the opportunity for information sharing on financial planning processes.

14th Ordinary General Meeting

The 14th Ordinary General Meeting was held on 15 May 2014 at the Association. with the participation of 78 members. Besides our members, senior representatives from Borsa İstanbul, Association

of Managers of Stock Brokerage Firms, Turkish Institutional Investment Managers' Association (TKYD), and Capital Markets Licensing, Registration and Training Agency Inc. (CMLTA) attended the event. The meeting was inaugurated by Dr. M. İbrahim Turhan, former Chairman and CEO of Borsa İstanbul, and Attila Köksal, the Association's Chairman at the time. The Board of Auditors' report, balance sheet, income/loss statement and final chart of accounts were approved unanimously, and the members of the Board of Directors and Board of Auditors were individually acquitted.

Putting Investors First Conference

The Association, CFA Society of İstanbul and Turkish Institutional Investment Managers' Association (TKYD) organized "Putting Investors First Conference" in an effort to assemble initiatives in relation to protection of investor rights.

The conference was held at Yapı Kredi Bank Conference Hall on 16 May 2014. The event's participants included CMB Chairman Dr. Vahdettin Ertaş, Borsa İstanbul former Chairman and CEO Dr. M. İbrahim Turhan, President of CFA Society of İstanbul Ertunç Tümen, the Association's Chairman İlhami Koç and the Association's Chairman at the time Attila Köksal, in addition to important names from abroad. The conference focused on nationwide initiatives aimed at strengthening the financial markets and enhancing awareness of investors.

Seminar on Investment Habits in Turkey

On 29 May 2014, Turkish Institutional Investment Managers' Association (TKYD) organized a seminar on "Behavioral Finance Practices in Stock Investments and Investor Habits in Turkey" at the Association.

Moderated by Gedik Asset Management CEO and TKYD Vice Chairman Halim Çun, the seminar's panelists were Assoc. Prof. Yusuf Can Masatlıoğlu, Faculty Member at Sabancı University, and Assoc. Prof. Belma Öztürkçal, Faculty Member at Kadir Has University.

15th Extraordinary General Meeting

The 15th Extraordinary General Meeting was convened on 8 July 2014 at the Marmara Hotel with the participation of Ali Babacan, Deputy Prime Minister. Following the inaugural speech by Deputy Prime Minister Ali Babacan, opening speeches were also delivered by Dr. Vahdettin Ertaş, CMB Chairman, Dr. M. İbrahim Turhan, former Chairman and CEO of Borsa İstanbul and Attila Köksal, the Association's Chairman at the time. Following the opening

speeches, the meeting agenda was discussed, and elections were held for the seats on the boards of directors and auditors, the terms of office of which were expired, pursuant to the Association's Statute. At the Board of Directors meeting, İlhami Koç and Dr. Mine Berra Doğaner have been elected as the Chairperson and Vice Chairperson of the Association, respectively.

Visit to Deputy Prime Minister Mr. Ali Babacan

A committee of 11 people formed of the Association's Board of Directors and Board of Auditors members paid a visit to Mr. Ali Babacan, Deputy Prime Minister, in Ankara on 5 August 2014.

During the meeting, the Association's roadmap was briefly touched upon, and gratitude was expressed to Deputy Prime Minister Ali Babacan for his unyielding support to the capital markets.

Exploring the Future of Capital Markets Conference

At the "Exploring the Future of Capital Markets Conference" held on 20-21 September 2014, the industry's vision and goals for the coming period were set. The conference brought together representatives from the private sector, public institutions, academics, and members of the press, as well as the CMB Chairman Dr. Vahdettin Ertaş and the Association's Chairman İlhami Koç, and





dwelled on the problems of the capital markets and suggested solutions. Attended by 150 people, the first day of the two-day conference was devoted to group work sessions, whereby problems and targets were identified. On the second day of the conference, solutions and long-term projects were discussed.

FX World İstanbul Forex and Derivatives Conference

With the Association as its golden sponsor, FX World İstanbul Forex and Derivatives Conference was held at İstanbul Congress Center from 25 to 28 September 2014. In his opening speech, the Association's Chairman İlhami Koç laid out the developments in the financial sector. Koç also noted that the Association supports product diversification so as to respond to investors' different needs, while stressing the need for the market professionals to provide details about the risks involved in leveraged products.

27th Members' Meeting

The 27th Members' Meeting took place on 27 October 2014 with the participation of nearly 200 representatives. At the meeting, members' comments and suggestions were received in relation to the "Guide for Investment Services and Activities and Investment Institutions" published by the CMB. Also addressed in the meeting were the application forms and processes to renew the operating licenses of intermediaries and banks pursuant to the new requirements.

MASAK Workshop

Ministry of Finance Financial Crimes Investigation Board (MASAK) held a MASAK Workshop with the support of the Association on 6 November 2014. The workshop was intended to enhance the representatives' awareness of the topic and to devise solutions to the existing issues. Compliance officers and senior executives of our members attended the workshop.

3rd Central and Eastern Europe Investment Conference

The 3rd Central and Eastern Europe Investment Conference was organized by the CFA Society of İstanbul, with our Association among its supporters, on 7 November 2014 at İş Sanat Cultural Center. The opening speeches of the conference entitled "Talking About a Brighter Future: The Road to Prosperity" were delivered by CMB Chairman Vahdettin Ertuş, Borsa İstanbul former Chairman and CEO Dr. M. İbrahim Turhan and the Association Chairman İlhami Koç. The main discussion topic

of the conference was the economic potential of Eastern Europe in consideration of the possible adverse effects of the recent slowdown of the European economies and the geopolitical risks that the region is exposed to. The panel discussions held during the conference served as the first occasion bringing together 21 speakers with expertise on the region.

Integrated Reporting Panel

Corporate Governance Association of Turkey (TKYD) organized an "Integrated Reporting Panel" on 2 December 2014 with the support of the Association, Borsa İstanbul, Boğaziçi University Center for Research in Corporate Governance and Financial Regulation (CCG) and Business Council for Sustainable Development Turkey (SKD). Held at the Association, the panel's opening speeches were given by CMB Chairman Dr. Vahdettin Ertuş, Borsa İstanbul former Chairman and CEO Dr. M. İbrahim Turhan and the Association's Chairman İlhami Koç. The opening speeches were followed by a panel discussion moderated by Paul Druckman, CEO of the International Integrated Reporting Council (IIRC). During the panel, keynote speaker IIRC Chairman Prof. Mervyn E. King talked about the importance of integrated reporting for enterprises, and worldwide practices.

Joint Workshop with the Vocational Qualifications Authority

A workshop was organized at the Association on 5 December 2014 aimed at giving an introduction to the National Qualification System and at vocational mapping of the financial sector. Vocations in the financial sector and their respective qualifications were determined.

16th Extraordinary General Meeting

The 16th Extraordinary General Meeting was held on 11 December 2014 at the Association. Besides our members, the meeting attendants included CMB Chairman Dr. Vahdettin Ertuş, Borsa İstanbul former Chairman and CEO Dr. M. İbrahim Turhan, İstanbul Settlement and Custody Bank CEO Murat Ulus, and the Association of Managers of Stock Brokerage Firms Chairman Sudi Aydemir. The Association's 2015 budget was approved at the meeting. Additional topics of discussion were "Professional Rules Which Members Shall Comply With While Performing Their Capital Market Activities" and "Turkish Capital Markets Association Disciplinary Regulation".



INTERNATIONAL EVENTS

International events that TCMA participates in or organizes are being instrumental in presenting the practices in Turkey on global platforms, and allow market professionals and investors to keep a close eye on the developments in the global markets.

Asia Securities Forum (ASF)

The 19th Annual General Meeting of the Asia Securities Forum (ASF) took place in Bangkok, Thailand, on 5-6 November 2014. Our Association was represented in the meeting by İlkay Arıkan, Secretary General, and Alparslan Budak, Assistant Secretary General. During the meeting, Budak moderated the panel discussion entitled "Rules and Regulations Development Trend in the Capital Market", and also shared the Turkey country report with the participants.

During the meeting, the members approved that the annual general meeting to be held in 2017 be hosted by the Association in İstanbul.

Asia Forum for Investor Education (AFIE)

The Association attended the General Assembly of the Asia Forum for Investor Education (AFIE), which was established in 2010 as a subcommittee of the International Forum for Investor Education (IFIE), held in Washington on 21 May 2014.

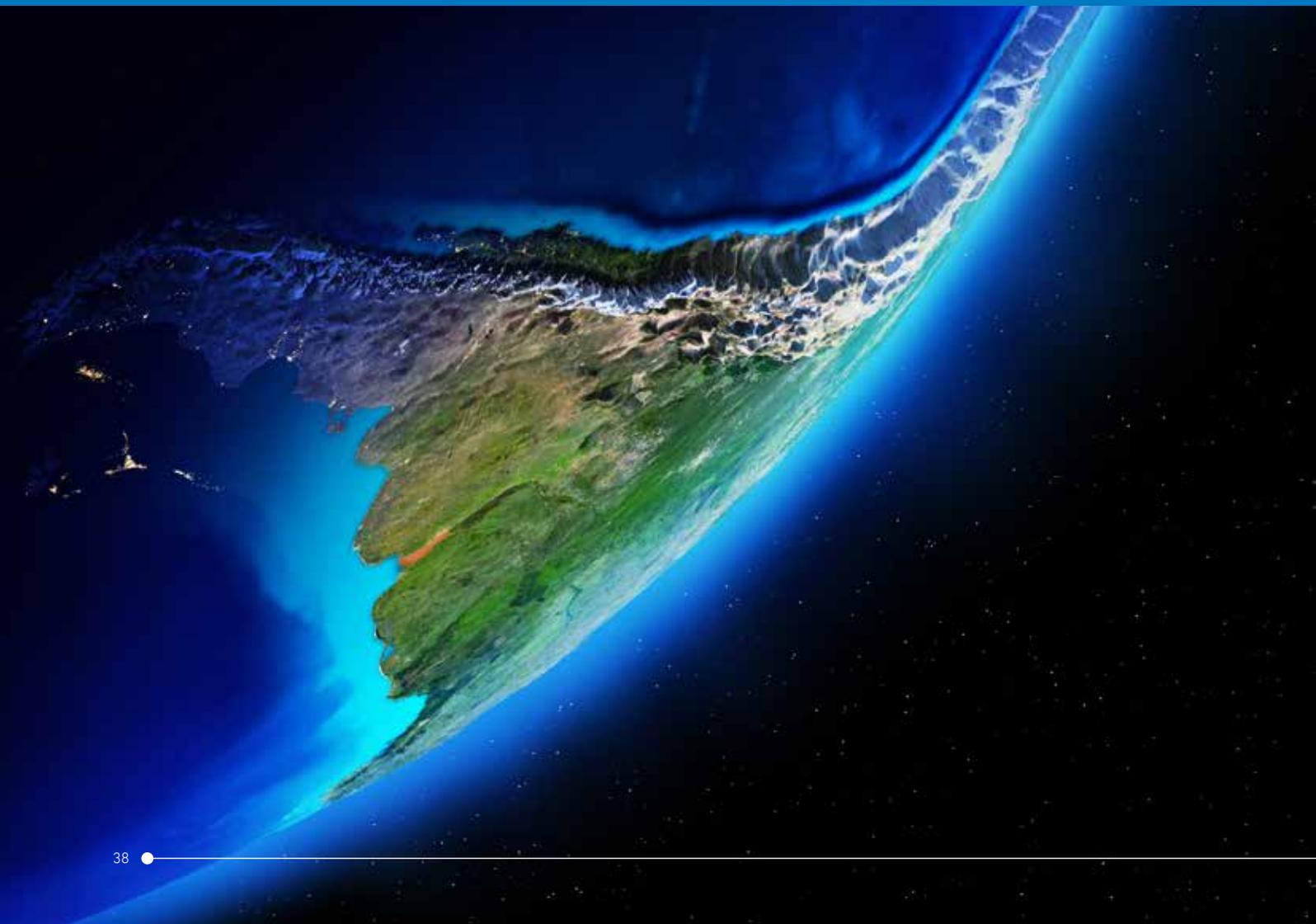
Our Association had been the Chair of AFIE for the past year. At the meeting organized with AFIE members, Attila Köksal, the Association's Chairman

at the time, shared the activities carried out in the past year with the members. This was followed by a discussion on the future projects and roadmap of the AFIE. During this meeting, Attila Köksal, the Association's Chairman at the time, handed over the office of Chairman of AFIE to Kazutoshi Inano, Chairman of the Japan Securities Dealers Association.

International Organization of Securities Commissions (IOSCO)

The 2014 Mid-Year Meeting of the International Organization of Securities Commissions, Affiliate Members Consultative Committee-IOSCO AMCC, was held on 7 April 2014 in Tokyo. At the meeting attended by more than 100 representatives from various countries, the Association was represented by İlkay Arıkan, Secretary General, and Alparslan Budak, Assistant Secretary General. While task forces under IOSCO AMCC presented their activity reports in the meeting, the members also discussed the working topics to be addressed in the coming year.

Following the Mid-Year Meeting attended exclusively by AMCC members, the 7th AMCC



Training Seminar participated by IOSCO members took place. At the seminar held on 8-10 April 2014, Alparslan Budak made a presentation on financial literacy initiatives in Turkey.

The 39th Annual Conference of International Organization of Securities Commissions (IOSCO) was held in Rio de Janeiro between 28 September and 2 October 2014. The Association was represented in the conference by Alparslan Budak, Assistant Secretary General.

International Forum for Investor Education (IFIE)

The Association attended the General Meeting of the International Forum for Investor Education (IFIE) that was held in Washington from 21 May to 23 May 2014. The Association was represented by Attila Köksal, the Association's Chairman at the time, and Alparslan Budak, Assistant Secretary General.

Within this scope, Attila Köksal made a presentation titled "From Theory Into Practice: Challenges in Financial Education in Turkey" during the panel "Case Studies in Addressing Critical Needs". Assistant Secretary General Alparslan Budak also made a presentation entitled "National Financial Education Strategy in Turkey" within the scope of the panel "National Strategies, Organization, Implementation and Beyond".

Federation of Euro-Asian Stock Exchanges (FEAS)

The Working Committee meeting of the Federation of Euro-Asian Stock Exchanges (FEAS), of which the Association is a member, took place on 7 May 2014 in Tbilisi. The Association was represented by Ekin Fıkrkoca Asena, Director of the Research and Statistics Department.

The second Working Committee meeting and the 20th General Assembly Meeting, on the other hand, took place on 19 and 20 November 2014 in Zagreb. Ekin Fıkrkoca Asena, Director of the Research and Statistics Department, and Eda Cabbar, Corporate Communications Specialist attended the meeting on behalf of the Association.

As a result of the voting held in the General Assembly Meeting, the Association was elected as a member of the FEAS Board of Directors. Egyptian Exchange and Bulgaria Stock Exchange will serve as the chair and vice chair of the Federation.

Federation of Euro-Asian Stock Exchanges (FEAS) published "Best Practices for Handling Investor Complaints" booklet in December 2014. The booklet has been prepared by the FEAS Task Force for Investor Relations. TCMA has been a member of the FEAS Task Force for Investor Relations since 2012. A team led by the Turkish Capital Markets Association (TCMA) conducted a comprehensive survey and researched a great number of cases. The report designed a process open to feedback, which resolves the received complaints in a transparent manner and strengthens the entity's capability to enhance service quality. The booklet is available both on www.feas.org and www.tspb.org.tr.

International Council of Securities Associations (ICSA)

Our Association attended the 27th Annual General Meeting of the International Council of Securities Associations (ICSA) held in Paris from 13 April to 15 April 2014. Within this scope, Attila Köksal, the Chairman's Association at the time, moderated a panel discussion on emerging country experiences in growth models based on capital markets.

In addition, Alparslan Budak, Assistant Secretary General, presented a report coordinated by the Association and entitled "New Financial Products in Emerging Markets" in the Emerging Markets Committee (EMC), which was being chaired by the Association for the past four years. In this meeting, TCMA handed over the post of the Chair of the Emerging Markets Committee to the Korea Financial Investment Association.

On behalf of the Association, Assistant Secretary General Alparslan Budak took part in the 2014 mid-year meeting of the Council, which was held in Rio de Janeiro, Brazil on 3 October 2014.

Visit by the Korea Financial Investment Association

On 2 May 2014, a meeting was held with Jinwoong Nam, Vice Chairman of Korea Financial Investment Association (KOFIA) and Byung Chan Kwak, Head of International Affairs Department, who were visiting Turkey for a series of meetings. Attended by Attila Köksal, the Association's Chairman at the time, İlker Arıkan, Secretary General, O. İlker Savuran, Assistant Secretary General, and Ekin Fıkrkoca Asena, Director of Research and Statistics Department, the meeting addressed the current developments and problems in the capital markets of both countries.



TRAINING

Recognizing that the development of the Turkish capital market relies on equipping the market professionals with world-class knowledge, TCMA contributes to the know-how in the industry with its training programs.

Licensing Exam Preparation Programs

The Capital Markets Licensing Registration and Training Agency (CMLTA) held two licensing exams on 31 May-1 June and 20-21 December 2014. The Association organized public, company-specific and individual training programs in preparation for these exams.

Under the company-specific programs held upon members' request, classroom training sessions were held in İstanbul, Ankara and İzmir for the personnel of three banks and two intermediary institutions in 2014. In addition to classroom sessions, "questions and solutions sessions" and

"video training" were broadcast live. Furthermore, personalized one-on-one programs were provided to five senior executives from the manufacturing industry and the financial sector.

A total of 3,337 individuals attended the 150 public and company-specific programs offered during 2014.

Professional Development Courses

In 2014, professional development courses were offered in a variety of topics including banking, tax, real estate and legislation, as well as personal development. Real estate, banking and legislation

programs drew particularly great interest. The training programs were attended by the manufacturing industry employees, as well as bank and intermediary institution staff. Some of the courses were organization-specific.

In 2014, 47 organization-specific and public courses in professional development were held, which were attended by a total of 1,037 participants.

TCMA Training Mobile Application

"Birlikte Eğitim" (TCMA Training) mobile application went live in 2014. Providing a question bank for candidates preparing for the Licensing Exams, the mobile application has been developed by experienced trainers. Compatible with mobile devices with Android operating systems, the application has been instrumental in better preparation of the candidates who have solved the question sets.

TCMA Training Web Portal Went Live

Launched in 2014, "Birlikte Eğitim" (TCMA Training) web portal gives access to detailed information about all current training programs, and allows to apply for them. Individuals can also apply to become trainers. Accessible at the address www.birlikteegitim.org, the portal also features participants' videos and comments about the training programs.

Free Training for University Students

In 2014, the Association continued to offer free training opportunities to students attending the relevant departments of universities, an initiative commenced in 2012. Quotas for 5 students were reserved in each of the licensing exam preparation programs, professional development and personal development courses.

During 2014, 87 students attended the Association's training programs within the scope of the free quotas assigned.

Capital Markets Scholarship

Based on the Board of the Directors decision, the Association instituted a "Capital Markets Scholarship" program for undergraduate students effective from 2014/2015 academic year. Within this frame, a total of 12 university students are provided with scholarships through the Turkish Education Foundation (TEV) until the end of their undergraduate studies.

LinkedIn

Set up on 11 January 2012 in order to announce our training activities and to discuss current educational matters, "TCMA Training Department" LinkedIn group's

followers reached 1,557 people by the end of 2014. In addition, Facebook and Twitter accounts are established under the name "Birlikte Eğitim" (TCMA Training).

2014 Training Programs

	Number of Programs	Number of Participants
Licensing	150	3,337
Professional Development	47	1,037
TOTAL	197	4,374

İstanbul International Financial Center Initiatives

"Developing the Qualified Human Resource" initiative under the İstanbul International Financial Center (IFC-İstanbul) Program is being coordinated by the Ministry of Education.

During the preparation of the action plan, two meetings were held with stakeholders, one on 21 January 2014 coordinated by the Ministry of Education and the other on 20-21 February 2014 coordinated by the Ministry of Development. In these meetings, the Association was represented by Dr. Gökhan Büyüksengür, Director of the Training Department. The Association's comments and suggestions were reflected in the draft action plan.

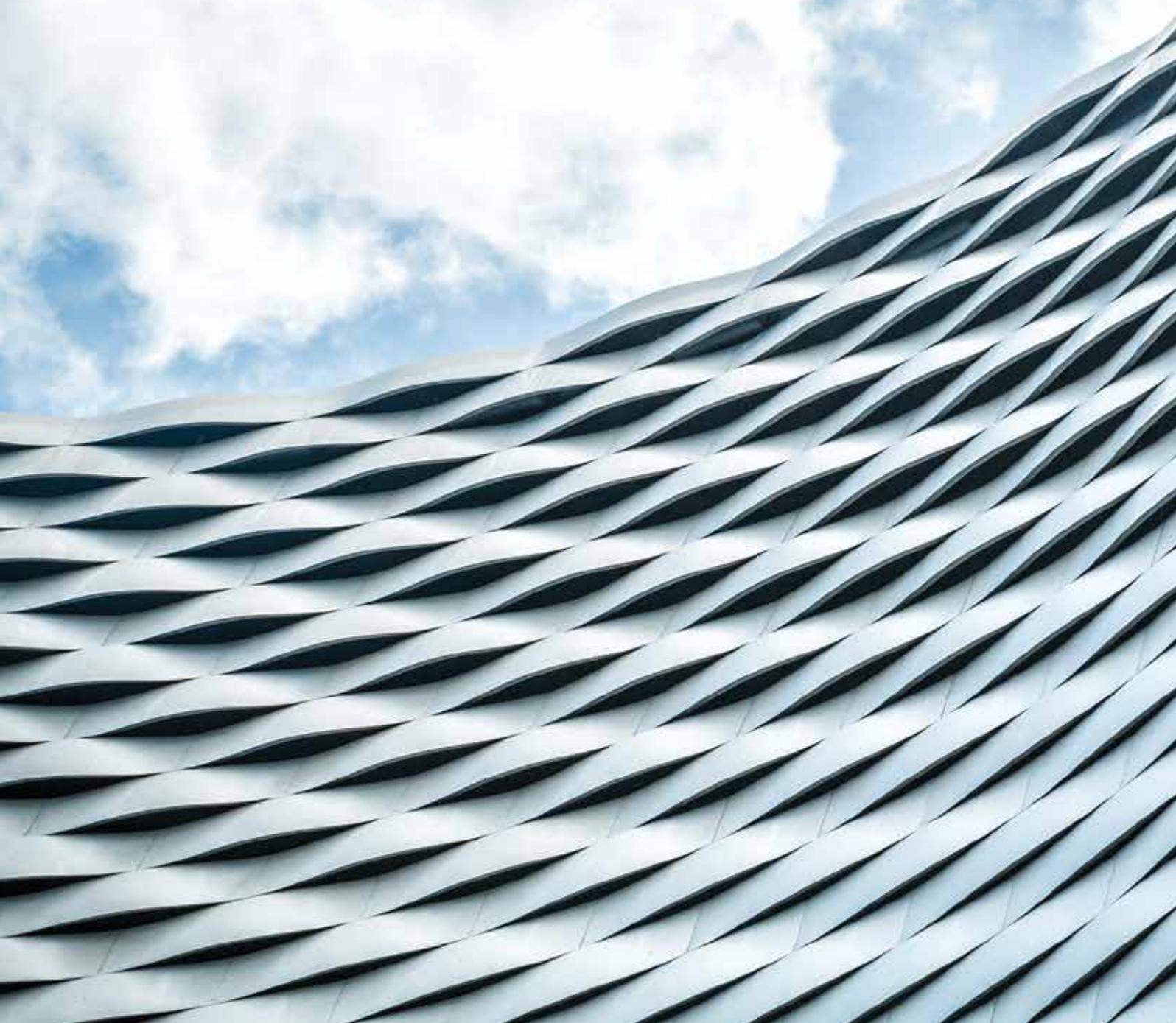
Joint Workshop with the Vocational Qualifications Authority

Under the İstanbul International Financial Center Program, the Vocational Qualifications Authority has been designated as the responsible entity with respect to the action for "enforcement of national vocational standards and national qualifications in the financial sector required for the business and training circles".

Accordingly, a workshop was coordinated by the Association at the Bedii Ensari Conference Hall on 5 December 2014 aimed at giving an introduction to the National Qualification System and at vocational mapping of the financial sector. The workshop participants included representatives from the Banking and Insurance Employees' Union (BASİSEN), Union of Bank and Insurance Workers (BASS), Borsa İstanbul A.Ş. (BİAŞ), Association of Financial Institutions (FKB), İstanbul Settlement and Custody Bank Inc. (Takasbank), Öz Finans İş Finance and Insurance Employees' Union, Capital Market Licensing Registration and Training Agency (CMLTA), Insurance Training Center (SEGEM), T.R Prime Ministry Undersecretariat of Treasury, T.R. Prime Ministry Capital Markets Board (CMB), T.R. Ministry of Education, the Banks Association of Turkey (TBB), Participation Banks Association of Turkey (TKBB) and T.R. Vocational Qualifications Authority (MYK).

INFORMATION TECHNOLOGY

We are constantly strengthening our technology infrastructure in a bid to increase the efficiency of the Association's activities and to deliver better quality service for our stakeholders.



Document Management System

Improvements were achieved in the performance and reports through hardware and software upgrades made to the Document Management System that is used for the Association's information, document and process management needs. A total of 4,123 new documents were added to the Document Management System during 2014, which brought the total number of documents kept on the system to 65,629 as at 31 December 2014.

Corporate Website

With its content regularly updated, our website was visited 384,652 times by users from nine different countries (Turkey, England, United States of America, Germany, Austria, Denmark, France, the Netherland, Russia) in 2014. The most visited pages were License and Registration Announcements.

Member Management System

Active since November 2012, the Member Management System collected various data about intermediary institutions. Periodic and annual reports were produced. Automated generation was enabled for comparative, performance and web summary reports. E-signature Notification System was created for official notifications to be given by members to our Association. All data collection modules were combined under a single system, which provided ease of data input for the members.

Software Project Management and User Helpdesk System

Used for the management of software projects, an open source system was expanded with the

addition of new warning and calendar modules and began serving also as a helpdesk. This approach resulted in convenience for users and capacity saving for the data center. In 2014, the system has been instrumental in following a total of 575 processes, 400 of which have been finalized.

IT Audit

The software and hardware vulnerabilities of the data center were identified in line with the report that resulted from the penetration/attack tests co-conducted with the data security consultancy firm. Necessary steps were taken in line with the suggested solutions devised. Later, the annual security vulnerability tests were transformed into monthly security maintenance, thus creating a more up-to-date and more secure environment against attack methods that keep abreast of advancing technology.

Infrastructure Updates and Security

Within the frame of infrastructure updates, servers, virtualization, replication and security software were upgraded while firewall and other hardware equipment were updated. Furthermore, new hardware investments were made in line with the needs that arose. Transition was made to Maven and Git technologies for sustainability of our software projects. Accordingly, the source codes of the existing Training Management System and Member Management System projects were rendered compatible with Maven and migrated to the 'Git' environment.

MEMBERSHIPS

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 in “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. Our Association participated in the Forum as a founding member, which is intending to develop investor education in the securities markets and to serve as a platform for sharing information and experience among its members in the Asia-Pacific region. The Association served as the Chairman of the Forum in 2013 and handed over the office to the Japan Securities Dealers Association in 2014.

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 Istanbul Stock Exchange, is an institution with which exchanges, settlement and custody institutions affiliate. The aim of FEAS is to promote cooperation between members so as to build a more fair, effective and transparent market environment. Our Association became an affiliate member of the Federation in September 2009. The Association holds a seat on the Board of Directors of FEAS since November 2014.

ICSA

The International Council of Securities Associations (ICSA) is a global organization representing industry associations. The aim of the Council, which was founded in 1988, is to contribute to the development of the capital market by ensuring cooperation between member associations. The Association has been a member of ICSA since 2006.

IFIE

The aim of the International Forum for Investor Education (IFIE), which was set up in 2005 as an independent organization, is to enhance investor education on a global level and to support investors in taking well-informed decisions. Our Association joined the Forum in September 2009, where self-regulatory, regulatory and various non-profit organizations are represented. The Association is a member of the Board of Directors of IFIE since 2011.

IOSCO

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

INVESTMENTS

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

Borsa İstanbul Inc.

Article 138-6(a) of the Capital Market Law no. 6362 stipulated that upon the registration and announcement of the articles of association of Borsa İstanbul Inc., the portion corresponding to one percent of the capital would be transferred to the Turkish Capital Markets Association. In 2014, 423,234,000 shares with a nominal value of TL 4,232,340 corresponding to 1% of the capital in Borsa İstanbul have been registered in the name of the Association in the Central Registry System.

Following the transfer, the Association had 1.03% share in Borsa İstanbul A.Ş. In the company's capital of TL 423,234,000, the Association has an interest of TL 5,502,042. The Association was represented with one member on the Board of Directors of Borsa İstanbul Inc. in 2014.

Central Registry Agency Inc.

TCMA 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 2014.

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 980,000 in the company's total capital of TL 2,000,000 and was represented by two members on the CMLTA Board of Directors in 2014.

MEDIA RELATIONS

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

In 2014, our Association issued 21 press releases, three of them in English.

During 2014, 474 news articles related to the Association appeared in the press. 56 news appeared on TV while 1.159 articles were published on the internet. Press releases, issued by the Association and major news articles covered by the media are posted under the "Press Room" menu on our website.

Yeni yatırımcı için rehber
Türkiye Sermaye Piyasası Kurulu (TSPK) "Yeni Yatırımcı İçin Rehber" adlı yayınlamıştır. TSPK'nin yayınladığı bu rehber, yatırımcıların bilmesi gereken konuları bir araya getiren "Yeni Yatırımcı İçin Rehber" adlı yayınlamıştır. Yatırımcıların bilmesi gereken konuları bir araya getiren "Yeni Yatırımcı İçin Rehber" adlı yayınlamıştır.

**KARAR SIKIĞI
TSPAKB'nin
adı TSPB oldu**

Türkiye Sermaye Piyasası Anon Kuruluşları Birliği (TSPAKB), yeni Sermaye Piyasası Kanununda Türkiye Sermaye Piyasası Kurulu (TSPK) olarak adlandırılması üzerine karar almıştır. TSPAKB'nin adı TSPB olarak değiştirilmiştir.

"Kamera Elinde Geleceğin Cebinde"
Kısa Film Yarışması Sonuçlandı

KAMERA ELİNDE GELECEĞİN CEBİNDE

Yarışmada birinci olan film "Geleceğin Cebinde"dir. Yarışmanın amacı, gençlerin teknolojiyi kullanarak geleceği tasarlama ve hayal etmeleridir.

Bloomberg

Üniversitelerin Tercih Yansı

Üniversitelerin tercih yansımları, öğrencilerin tercihleri yansıtmaktadır. Bu yansımlar, üniversitelerin popülerliğini ve öğrencilerin tercihlerini göstermektedir.

Kamerasını eline alımlar geleceğini cebine koydu

TÜRKİYE Sermaye Piyasası Kurulu (TSPK) "Yeni Yatırımcı İçin Rehber" adlı yayınlamıştır. TSPK'nin yayınladığı bu rehber, yatırımcıların bilmesi gereken konuları bir araya getiren "Yeni Yatırımcı İçin Rehber" adlı yayınlamıştır.

TSPAKB'dan TSPB'ye

Türkiye Sermaye Piyasası Anon Kuruluşları Birliği (TSPAKB), yeni Sermaye Piyasası Kanununda Türkiye Sermaye Piyasası Kurulu (TSPK) olarak adlandırılması üzerine karar almıştır. TSPAKB'nin adı TSPB olarak değiştirilmiştir.

SERMAYE'DEN YATIRIM İÇİN ALTIN KURALLAR

Yatırımcıların sermaye piyasalarında başarılı olmaları için dikkat etmeleri gereken altın kuralları bu yazıda açıklanmıştır.

Sapancada piyasaların geleceğini aradılar

Sapancada piyasaların geleceğini aradılar. Yatırımcıların gelecekteki piyasaları nasıl göreceğini ve bu piyasalarda nasıl hareket etmeleri gerektiğini araştırdılar.

Yıl harcamamızı 2 yılda gerçekleştireceğiz

Yıl harcamamızı 2 yılda gerçekleştireceğiz. Bu ifade, şirketin maliyetleri düşürme ve verimliliği artırma hedefini göstermektedir.

Sermaye piyasalarının önünü açacak değişiklikler geliyor

Sermaye piyasalarının önünü açacak değişiklikler geliyor. TSPK'nin düzenlediği değişiklikler, yatırımcıların piyasaya daha rahat girmelerini sağlayacaktır.

En hızlı ve en likit işlemlerin yapıldığı 4 TRİLYONLUK DEV PİYASA

En hızlı ve en likit işlemlerin yapıldığı 4 TRİLYONLUK DEV PİYASA. Türkiye'nin en büyük ve en aktif sermaye piyasası olarak öne çıkmıştır.

Borçluya çok özkaynağı fazla şirkete az vergi

Borçluya çok özkaynağı fazla şirkete az vergi. Şirketlerin borçlulara karşı özkaynakları artırmaları, vergi yüklerini azaltmalarına yardımcı olacaktır.

Borsalarda risk yok düzeltmeler normal

Borsalarda risk yok düzeltmeler normal. Piyasaların dalgalanması ve düşüşleri, yatırımcıların dikkatli olmasını gerektirmektedir.

TSPB de Soma'ya el uzatıyor

TSPB de Soma'ya el uzatıyor. TSPB'nin Soma'daki faaliyetleri, yatırımcıların dikkatini çekmektedir.

OVERSIGHT AND DISPUTE RESOLUTION

Oversight

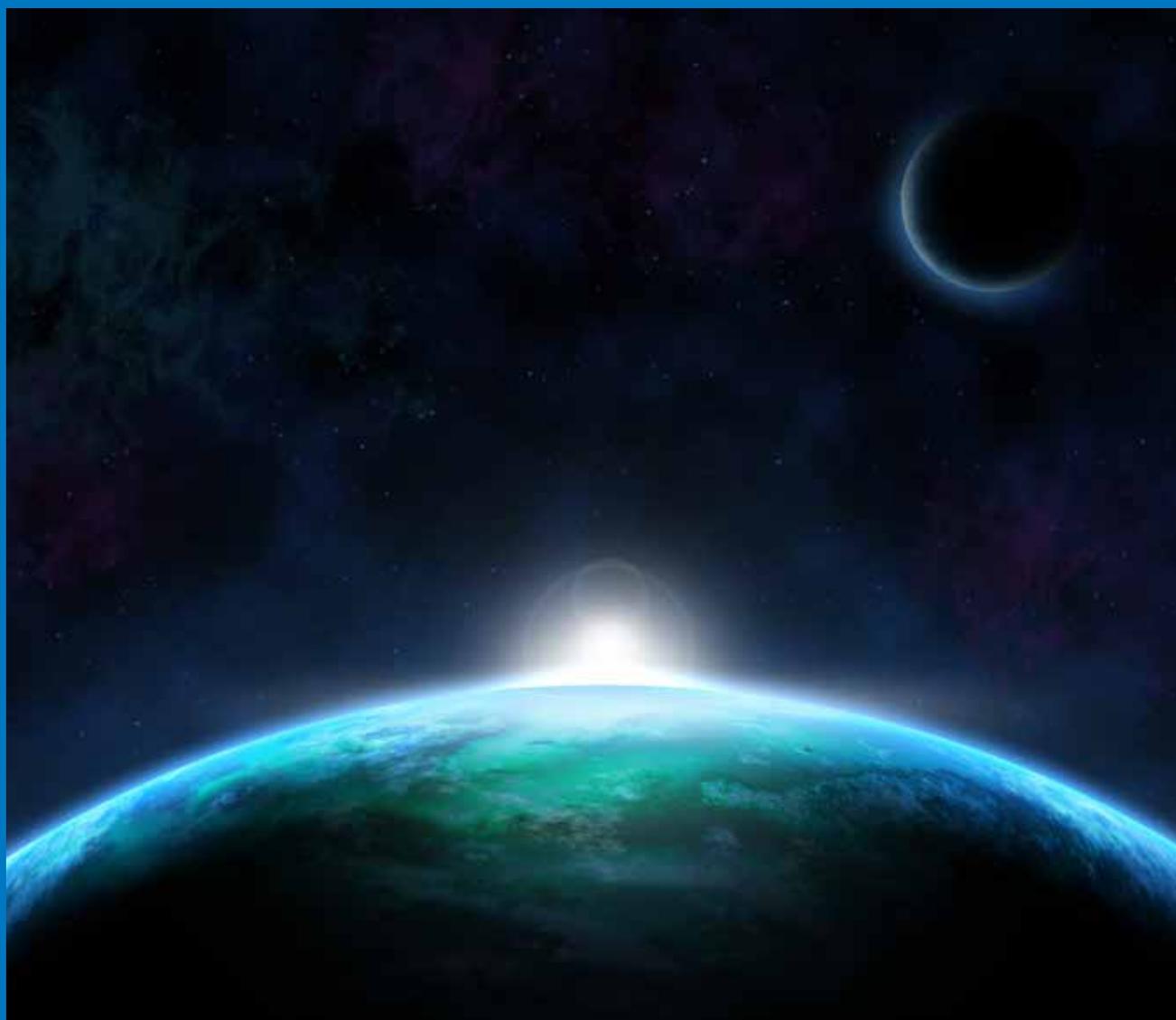
The Association is authorized to regulate, supervise and enforce issues delegated to it by legislation or by the CMB. In this context, various audits are conducted when necessary, and the provisions of the legislation are applied in case of non-compliance.

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.

INQUIRIES

Within the frame of the Law on the Right to Information, the Association received a total of thirty-nine inquiries during 2014. Out of these thirty-nine inquiries, four have been provided access to information and documents. Thirty-five applications have been referred to other institutions and organizations due to their relevance.



AUDITORS REPORT

TO THE GENERAL ASSEMBLY OF TURKISH CAPITAL
MARKETS ASSOCIATION

AUDITORS' REPORT

25 March 2015

The Association's accounts and transactions have been audited on a monthly basis in accordance with Article 20 of the Statute of the Turkish Capital Markets Association.

It has been established that the records of the Turkish Capital Markets Association have been kept in accordance with the relevant regulations and accounting principles, and that they present a true and fair view of the financial position of the Association.

We hereby present the balance sheet, income statement and final chart of accounts as well as the Auditors' Report for the year ended 31.12.2014 for your approval, and hereby recommend that the Board of Directors be acquitted from its liabilities.

BOARD OF AUDITORS



C. Özgür GÜNERİ
AUDITOR



Mustafa İLERİ
AUDITOR



M. Aşkın DOLAŞTIR
AUDITOR



İ. Namık AKSEL
AUDITOR



Oktay AYDIN
AUDITOR



FINANCIAL STATEMENTS

BALANCE SHEET (TL)

	31/12/2014	31/12/2013	CHANGE %
ASSETS			
Current Assets	3,612,418	4,747,323	-24%
Cash and Cash Equivalents	2,944,905	4,255,616	-31%
Securities	0	0	0%
Trade Receivables	232,071	167,293	39%
Other Receivables	0	1,228	N.M.*
Prepaid Expenses and Income Accruals	413,765	323,186	28%
Other Current Assets	21,677	0	N.M.
Non-Current Assets	7,347,470	3,244,537	126%
Financial Assets	6,782,042	2,419,702	180%
Tangible Assets	3,688,567	3,654,666	1%
Intangible Assets	209,832	209,832	0%
Accumulated Depreciation (-)	3,850,687	3,813,951	1%
Prepaid Expenses and Income Accruals	513,144	769,716	-33%
Other Non-Current Assets	4,572	4,572	0%
Total Assets	10,959,887	7,991,860	37%
LIABILITIES			
Current Liabilities	1,133,802	1,427,695	-21%
Trade Payables	664,967	1,073,091	-38%
Other Payables	21,109	38,315	-45%
Advanced Received	25,864	23,435	10%
Taxes Payable and Other Obligations	204,290	156,761	30%
Revenue and Expense Accruals	217,571	136,093	60%
Non-Current Liabilities	1,449,724	1,073,888	35%
Provisions for Liabilities and Expenses	1,449,724	1,073,888	35%
Shareholders' Equity	8,376,362	5,490,278	53%
Funds	6,787,042	2,424,702	180%
Current Year Profit /Loss	1,589,320	3,065,576	-48%
Total Liabilities	10,959,887	7,991,860	37%

*N.M.:Not Meaningful

INCOME STATEMENT (TL)

REVENUES	31/12/2014	31/12/2013	CHANGE %
Admission Fees	460,000	0	N.M.
Expense Contributions	2,827,020	2,182,737	30%
Annual Fees	778,702	741,737	5%
Overdue Interest	3,093	19,779	-84%
Income Surplus Transferred	3,065,576	1,496,139	105%
Donations	0	0	N.M.
Revenues From Publications	0	0	N.M.
Revenues From Training, Courses and Seminars	874,323	1,265,156	-31%
Miscellaneous Revenues	1,307,940	3,548,268	-63%
Total Revenues	9,316,653	9,253,816	1%
EXPENSES			
Personnel	4,228,094	3,463,258	22%
Consultancy	124,348	93,183	33%
Office	367,315	321,503	14%
Public Relations and Meetings	763,228	563,202	36%
Research and Publications	115,852	74,373	56%
Information Technology	513,102	374,933	37%
Training, Courses and Seminars	377,875	536,347	-30%
Travel and Accommodation	170,335	143,393	19%
Fixed Asset and Fixtures Purchases	91,883	226,407	-59%
Subsidiaries	130,000	50,000	160%
Miscellaneous	845,300	306,259	176%
Total Expenses	7,727,334	6,152,858	26%
Pre Tax Income	1,589,320	3,100,958	-49%
Taxes and Other Legal Allowances	0	-35,383	N.M.
Net Income	1,589,320	3,065,576	-48%

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