

**İHLAS EV ALETLERİ İMALAT SAN.VE TİC. A.Ş.****CONSOLIDATED BALANCE SHEETS AS OF DECEMBER 31, 2008, and DECEMBER 31, 2007**

Unless otherwise stated, the amounts are in Turkish lira (TRY)

	<b>Footnote References</b>	<b>Independent ly Audited 31.12.2009</b>	<b>Reclassified Independently Audited 31.12.2008</b>
<b>ASSETS</b>			
<b>Current Assets</b>		<b>174,909,288</b>	<b>131,417,794</b>
Cash and Cash Equivalents	6	34,384,378	44,631,982
Financing Investments	7	47,874,797	22,434,000
Trade Receivables	10	41,169,506	29,648,443
- Trade Receivables from Related Parties	10	29,035,981	10,357,523
- Other Trade Receivables	10	12,133,525	19,290,920
Receivables from Financing Activities		0	0
Other Receivables	11	3,829,731	321,022
Inventories	13	28,122,386	22,474,299
Biological Assets		0	0
Other Current Assets	26	19,528,490	11,908,048
(Subtotal)		174,909,288	131,417,794
Held-for-Sale Fixed Assets		0	0
<b>Fixed Assets</b>		<b>114,176,008</b>	<b>47,547,571</b>
Trade Receivables	10	0	0
Receivables from Financial Activities		0	0
Other Receivables	11	274,942	195,089
Financing Investments	7	1,751,322	1,776,695
Investments Appraised using the Equity Method of Accounting		0	0
Biological Assets		0	0
Investment Property	17	37,719,625	20,330,958
Tangible Assets	18	5,625,110	13,437,201
Intangible Assets	19	299,416	1,982,209
Goodwill	20	43,751,115	4,106,080
Deferred Tax Assets	35	3,267,181	5,612,365
Other Fixed Assets	26	21,487,297	106,974
<b>TOTAL ASSETS</b>		<b>289,085,296</b>	<b>178,965,365</b>

The attached footnotes augment the consolidated financial statements.

**İHLAS EV ALETLERİ İMALAT SAN.VE TİC. A.Ş.****CONSOLIDATED BALANCE SHEETS AS OF DECEMBER 31, 2008, and DECEMBER 31, 2007**

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	<b>Footnote References</b>	<b>Independent ly Audited 31.12.2009</b>	<b>Reclassified Independently Audited 31.12.2008</b>
<b>RESOURCES</b>			
<b>Short-Term Liabilities</b>			
		<b>56,600,326</b>	<b>67,37,359</b>
Financial Liabilities	8	7,200,812	15,721,316
Other Financial Liabilities	9	1,350,000	5,747,714
Trade Payables	10	23,208,039	22,291,787
- Related Party Payables	10	259,360	684,567
- Other Trade Payables	10	22,948,679	21,607,220
Other Payables	11	0	0
Financial Activity Payables		0	0
Government Incentives and Aid		0	0
Year-end Profit Tax Liabilities	35	392,971	0
Payables Provisions	22-23	0	0
Other Short-Term Liabilities	26	24,448,504	23,276,542
(Subtotal)		56,600,326	67,037,359
Held-for-Sale Fixed Asset Liabilities		0	0
<b>Long-Term Liabilities</b>			
		<b>8,312,213</b>	<b>5,015,362</b>
Financial Liabilities	8	4,198,847	169,441
Other Financial Liabilities		0	0
Trade Payables		0	0
Other Payables	11	0	0
Financing Activity Payables		0	0
Government Incentives and Aid		0	0
Payables Provisions	22-23	1,615,842	1,438,186
Employee Benefit Provisions	24	1,044,564	880,569
Deferred Tax Liabilities	35	1,278,923	1,897,817
Other Long-Term Liabilities	26	174,037	629,349
<b>EQUITIES</b>			
		<b>224,172,757</b>	<b>106,912,644</b>
<b>Equities for the Parent Company</b>			
		<b>193,711,164</b>	<b>93,323,015</b>
Issued Capital	27	191,370,001	95,685,001
Cross-Ownership Capital Adjustments (-)	27	0	0
Share Premiums	27	6,534,581	3,953,382
Growth Funds	27	0	0
Currency Exchange Differences	27	0	0
Restricted Reserves from Profits	27	1,453,715	1,267,617
Profit/(Loss) from Previous Years	27	(7,727,831)	6,411,364
Net Current Profit/(Loss)	36	2,080,698	(13,994,349)
<b>Minority Shares</b>			
	27	<b>30,461,593</b>	<b>13,589,629</b>
<b>TOTAL RESOURCES</b>			
		<b>289,085,296</b>	<b>178,965,365</b>

The attached footnotes augment the consolidated financial statements.

**CONSOLIDATED COMPREHENSIVE INCOME STATEMENTS FOR THE FISCAL YEARS  
JANUARY 1, 2009 - DECEMBER 31, 2009 and JANUARY 1, 2008 - DECEMBER 31, 2008**

Unless otherwise stated, the amounts are in Turkish lira (TRY)

		<b>Based on Independent Audit</b>	
		<b>Audited</b>	<b>Audited</b>
	<b>Footnote</b>	<b>01.01.2009-</b>	<b>01.01.2008-</b>
	<b>References</b>	<b>31.12.2009</b>	<b>31.12.2008</b>
<b>CONTINUING OPERATIONS</b>			
Sales Revenues	28	90,738,106	77,273,399
Cost of Sales (-)	28	(79,419,532)	(67,537,248)
<b>Trade Activities Gross Profit/(Loss)</b>		<b>11,318,574</b>	<b>9,736,151</b>
Interests, Fees, Premiums, Commissions, and Other Income		0	0
Interests, Fees, Premiums, Commissions, and Other Expenses (-)		0	0
<b>Gross Profit/(Loss) from Financing Activities</b>		<b>0</b>	<b>0</b>
<b>GROSS PROFIT/(LOSS)</b>		<b>11,318,574</b>	<b>9,736,151</b>
Marketing, Sales, and Distribution Expenses (-)	29	(2,574,158)	(3,466,041)
Administrative Expenses (-)	29	(10,004,256)	(16,920,330)
Research and Development Expenses (-)	29	(815,906)	(480,787)
Other Operating Income	31	19,552,022	12,724,420
Other Operating Expenses (-)	31	(14,555,326)	(22,984,196)
<b>OPERATING PROFIT/(LOSS)</b>		<b>2,920,950</b>	<b>(21,390,783)</b>
Amount of Investment Appraisal through Equity Management in Profit/Loss		0	0
Finance Income	32	9,861,667	11,503,799
Finance Expenses (-)	33	(10,811,313)	(16,055,695)
<b>CONTINUING OPERATIONS PROFIT/(LOSS) BEFORE TAXES</b>		<b>1,971,304</b>	<b>(25,942,679)</b>
<b>Continuing Operations Tax Income/ (Expense)</b>		<b>(2,673,277)</b>	<b>1,946,574</b>
- Current Tax Income/(Expense)	35	(946,986)	(1,096,917)
- Deferred Tax Income/(Expense)	35	(1,726,291)	3,043,491
<b>CONTINUING OPERATIONS PROFIT/(LOSS) FOR THE REPORTING PERIODS</b>		<b>(701,973)</b>	<b>(23,996,105)</b>
<b>DISCONTINUED OPERATIONS</b>		<b>0</b>	<b>0</b>
<b>Discontinued Operations Profit/(Loss) After Taxes</b>		<b>0</b>	<b>0</b>
<b>PROFIT/(LOSS)</b>		<b>(701,973)</b>	<b>(23,996,105)</b>
<b>Distribution of Profit/(Loss)</b>		<b>(701,973)</b>	<b>(23,996,105)</b>
Minority Shares	36	(2,782,671)	(10,001,756)
Parent Shares	36	2,080,698	(13,994,349)
<b>Earnings per Share (in Kr)</b>	<b>36</b>	<b>0.011</b>	<b>(0.146)</b>
<b>Diluted Earnings per Share (in Kr)</b>	<b>36</b>	<b>0.011</b>	<b>(0.146)</b>
<b>Earnings per Share from Continuing Operations (in Kr)</b>	<b>36</b>	<b>0.011</b>	<b>(0.146)</b>
<b>Diluted Earnings per Share from Continuing Operations (in Kr)</b>	<b>36</b>	<b>0.011</b>	<b>(0.146)</b>

The attached footnotes augment the consolidated financial statements.

**İHLAS EV ALETLERİ İMALAT SAN.VE TİC. A.Ş.****CONSOLIDATED COMPREHENSIVE INCOME STATEMENTS FOR THE FISCAL YEARS  
JANUARY 1, 2009 - DECEMBER 31, 2009 and JANUARY 1, 2008 - DECEMBER 31, 2008**

Unless otherwise stated, the amounts are in Turkish lira (TRY)

**OTHER COMPREHENSIVE INCOME  
STATEMENT**

	Footnote References	Based on Independent Audit	
		Audited 01.01.2009- 31.12.2009	Audited 01.01.2008- 31.12.2008
<b>PROFIT/LOSS</b>	36	<b>(701,973)</b>	<b>(23,996,105)</b>
<b>OTHER COMPREHENSIVE INCOME</b>		0	0
Change in Financial Assets Growth Funds		0	0
Change in Fixed Assets Growth Funds		0	0
Change in Hedge Funds		0	0
Change in Currency Exchange Differences		0	0
Actuarial Profit and Loss from Retirement Benefit Plans		0	0
Shares in Other Comprehensive Incomes from Partnerships Appraised using the Equity Method of Accounting		0	0
Tax Income/(Expense) for Other Comprehensive Income Items		0	0
<b>OTHER COMPREHENSIVE INCOME (AFTER TAXES)</b>	36	<b>(701,973)</b>	<b>(23,996,105)</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	36	<b>(701,973)</b>	<b>(23,996,105)</b>
<b>Distribution of Total Comprehensive Income</b>			
Minority Shares	36	(2,782,671)	(10,001,756)
Parent Shares	36	2,080,698	(13,994,349)

The attached footnotes augment the consolidated financial statements.

**İHLAS EV ALETLERİ İMALAT SAN.VE TİC. A.Ş.**

**CONSOLIDATED STATEMENT OF CHANGE IN EQUITY FOR THE FISCAL YEARS OF JANUARY 1, 2009 - DECEMBER, 31 2009 and  
JANUARY 1, 2008 - DECEMBER 31, 2008**

Unless otherwise stated, the amounts are in Turkish lira (TRY).

	Footnote References	Issued Capital	Share Premiums	Statutory Reserves from Profit	Reporting Period Net Profit/(Loss)	Profit/(Loss) from the Previous Year	Minority Shares	Total
<b>January 1, 2009</b>	27	<b>95,685,001</b>	<b>3,953,382</b>	<b>1,267,617</b>	<b>(13,994,349)</b>	<b>6,411,364</b>	<b>13,589,629</b>	<b>106,912,644</b>
Capital Increase	27	95,685,000	0	0	0	0	22,605,867	118,290,867
Change in Share Premiums	27	0	2,581,199	0	0	0	0	2,581,199
Change in Restrictive Reserves form Profit	27	0	0	41,252	0	0	0	41,252
Transfers	27	0	0	144,846	13,994,349	(14,139,195)	0	0
New Acquisitions and Effective Share Adjustments	27	0	0	0	0	0	(2,951,232)	(2,951,232)
Year-End Net Profit/(Loss)	36	0	0	0	2,080,698	0	(2,782,671)	(701,973)
<b>December 31, 2009</b>	27	<b>191,370,001</b>	<b>6,534,581</b>	<b>1,453,715</b>	<b>2,080,698</b>	<b>(7,727,831)</b>	<b>30,461,593</b>	<b>224,172,757</b>

	Footnote References	Issued Capital	Share Premiums	Statutory Reserves from Profit	Reporting Period Net Profit/(Loss)	Profit/(Loss) from the Previous Year	Minority Shares	Total
<b>January 1, 2008</b>		<b>72,900,000</b>	<b>153,197</b>	<b>978,448</b>	<b>5,702,279</b>	<b>1,000,097</b>	<b>3,269,995</b>	<b>84,004,016</b>
Capital Increase	27	22,785,001	0	0	0	0	2,230,000	25,015,001
Change in Share Premiums	27	0	3,800,185	0	0	0	0	3,800,185
Transfers	27	0	0	289,169	(5,702,279)	5,413,110	0	0
New Acquisitions and Effective Share Adjustments	27	0	0	0	0	(1,843)	18,091,390	18,089,547
Year-End Net Profit/(Loss)	36	0	0	0	(13,994,349)	0	(10,001,756)	(23,996,105)
<b>December 31, 2008</b>	27	<b>95,685,001</b>	<b>3,953,382</b>	<b>1,267,617</b>	<b>(13,994,349)</b>	<b>6,411,364</b>	<b>13,589,629</b>	<b>106,912,644</b>

The attached footnotes augment the consolidated financial statements.

**İHLAS EV ALETLERİ İMALAT SAN.VE TİC. A.Ş.**

**CONSOLIDATED CASH FLOW STATEMENTS FOR THE FISCAL YEARS OF  
JANUARY 1, 2009 - DECEMBER 31, 2009 and JANUARY 1, 2008 - DECEMBER 31, 2008**

Unless stated otherwise, the amounts are in Turkish Liras (TL).

	Based on Independent Auditing		
	Audited	Audited	
	Footnote References	Year-End December 31, 2009	Year-End December 31, 2008
<b>Cash flow from Business Activities</b>			
Net Year-End Profit/(Loss)	36	2,080,698	(13,994,349)
Reconciliation of Cash from Business Activities and Net Profit			
Depreciation	17, 18	2,882,124	2,291,484
Amortization and Depletion Shares	19	1,737,027	5,665,327
Termination Benefit Provisions	24	163,995	174,164
Net Warranty Provisions	22-23	247,677	(95,383)
Taxes	35	2,673,277	(1,946,574)
Non-Parent Profit/(Loss)	36	(2,782,671)	(10,001,756)
Finance Income	32	(5,803,308)	(7,536,590)
Finance Expense	33	6,694,873	9,804,810
Net Long-term Securities Sales Profit/(Loss)	31	(334,013)	(29,114)
Terminated Action Provisions	22-23, 31	(1,130,227)	43,771
Other Terminated Provisions	31	(2,198,885)	(1,884,752)
Sales Options Commitment	31	-	(6,224,000)
Purchase Options Commitment	31	-	4,933,334
Other Net Expense /(Income) Requiring No Cash Outflow/(Inflow)		62,787	(280,018)
<b>Net Operating Profit Before Receivable and Payable Adjustments</b>		<b>4,293,354</b>	<b>(19,079,646)</b>
<b>Receivables and Payables Adjustments</b>			
Financing Investments Adjustments	7	(25,415,424)	(570,544)
Trade Receivables Adjustments	10	7,157,395	4,219,528
Related Party Receivables Adjustments	10	(18,678,458)	(1,433,860)
Other Receivables Adjustments	11	(3,588,562)	(275,376)
Inventory Adjustments	13	(5,648,087)	(5,212,390)
Other Current Asset Adjustments	26	(7,532,596)	(3,770,781)
Other Fixed Asset Adjustments	26	(21,380,323)	(91,974)
Goodwill Adjustments	20	-	(1,372,713)
Trade Payables Adjustments	10	1,341,459	5,541,337
Related Party Payables Adjustments	10	(425,207)	649,269
Other Short- and Long-Term Payables Adjustments	26	716,650	23,223,758
Taxes Paid	26	(87,846)	(1,341,449)
Termination Benefits Paid	24	(50,391)	(23,517)
<b>Net Cash from Business Activities (A)</b>		<b>(69,298,036)</b>	<b>461,642</b>
<b>Investment Activities</b>			
Tangible Asset Purchases	17, 18	(11,767,380)	(1,998,207)
Intangible Asset Purchases	19	(431,293)	(3,878,307)
Cash from Sold Tangible Assets		571,162	49,422
Outgoing Cash Flow from Subsidiary Acquisitions	20	(40,413,746)	(6,530,000)
Increase of Cash Capital of Subsidiaries (non-parent company share)	27	22,605,867	2,230,000
Parent Cash Capital Increase	27	95,685,000	22,785,001
Increase in Share Premiums	27	2,581,199	3,800,185
<b>Net Cash from Investments (B)</b>		<b>68,830,809</b>	<b>16,458,094</b>
<b>Financing Activities:</b>			
Received and Paid Net Interest	32, 33	(891,565)	(2,268,220)
Financial Liabilities Adjustments	8	(4,491,098)	6,202,485
Other Financial Liability Adjustments	9	(4,397,714)	5,747,714
<b>Net Cash for Financial Activities (C)</b>		<b>(9,780,377)</b>	<b>9,681,979</b>
<b>Net Increase in Cash and Cash Equivalent Assets (D = A+B+C)</b>		<b>(10,247,604)</b>	<b>26,601,715</b>
<b>Opening Balance for Cash and Cash Equivalent Assets (E)</b>	<b>6</b>	<b>44,631,982</b>	<b>18,030,267</b>
<b>Closing Balance for Cash and Cash Equivalent Assets (F = D+E)</b>	<b>6</b>	<b>34,384,378</b>	<b>44,631,982</b>