

**BOARD OF DIRECTORS' ACTIVITY REPORT PREPARED IN
ACCORDANCE WITH THE COMMUNIQUE SERIAL:XI, NO:29**

1. Period of the Report

01.01.2012 - 31.03.2012

2. Title of the Association

EREGLI IRON AND STEEL WORKS, INC.

3. Members of the Board of Directors and Auditors

According to the Turkish Commercial Code and related regulations, the election of the Board of Directors and Auditors are executed by the General Assembly within the framework of the Articles of Association. Should there be an opening in the Board of Directors Membership or in Auditors' Board within the respective period; an election for the available positions is made according to the provisions of Turkish Commercial Code and Company's Articles of Association and the results are submitted to the next regular general assembly to be approved. The company's 2011 Regular General Assembly has been executed on 30.03.2012.

The active members of the Board of Directors as of 31.03.2012:

Board of Directors	Title	Effective from
Fatih Osman TAR	Chairman – Executive Director (1 year)	22.02.2010
Nihat KARADAĞ	Deputy Chairman– Executive Director (1 year)	30.09.2009
Ahmet AKSU	Board Member (1 year)	13.03.2012
Dinç KIZILDEMİR	Board Member – Executive Director (1 year)	27.02.2006
Ertuğrul AYDIN	Board Member (1 year)	31.03.2008
Fatma CANLI	Board Member (1 year)	09.03.2010
Oğuz Nuri ÖZGEN	Board Member (1 year)	17.07.2006

According to the Communique; Serial: IV No: 56 on Principals regarding the determination and implementation of the Corporate Governance Principles, mandatory changes to the Articles of Association and the executive board structuring must be completed by the first general assembly meeting not later than 30 June 2012. However, as the annual general meeting is held within 3 months from the end of the accounting period, and the profit distribution operations of 2011 in the face of obligation to be completed by not later than 31 May 2012, a permission dated 13 February 2012, No: 1578 was obtained from the Capital Market Board for the allowance of the decision to be taken by the extraordinary general meeting about the executive board structuring including the selection of independent members and changes to the Articles of Association not later than 30 June 2012. The extraordinary general meeting related to the changes to the Articles of Association and executive board structuring is planned to be completed by 30 June 2012.

Changes in the Executive Board within the Period

Board member Arcu Hatice ATİK resigned on 13.03.2012. Ahmet AKSU was elected to fill this vacancy on the same date. On the Shareholders General Meeting of 30.03.2012 Ahmet AKSU was elected as a member of the Executive Board once again.

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The active members of the Board of Auditors as of 31.03.2012:

Board of Auditors	Title	Effective from
Ahmet Türker ANAYURT	Board of Auditors Member (1 year)	09.03.2010
Ünal TAYYAN	Board of Auditors Member (1 year)	31.03.2011

Powers and duties of the members of the Board of Directors' and Auditors'

The Chairman and the members of the Board of Directors and Auditors possess duties and authorities set out in the Turkish Trade Act's relevant clauses and in the Articles of Association.

4. Executive Management

Executive Management	Title	Effective from	Education	Experience
Oğuz Nuri ÖZGEN	President and Chief Executive Officer	13.07.2006	Middle East Technical University – Metallurgical Engineering	28 Years
Esat GÜNDAY	Executive Vice President (Operations)	13.07.2006	Middle East Technical University – Metallurgical Engineering	31 Years
Kaan BÖKE	Executive Vice President (Human Resources and Admin. Affairs)	02.04.2012	Gazi University – Labor Economics	22 Years
Bülent BEYDÜZ	ERDEMİR Group Financial Affairs Coordinator	11.04.2011	Hacettepe University - Business Administration	25 Years
Sami Nezh TUNALITOSUNOĞLU	Executive Vice President (Financial Affairs)	11.04.2011	Gazi University - Economy	28 Years
Mustafa Ayhan KALMUKOĞLU (by proxy)	ERDEMİR Group Marketing and Sales Coordinator	12.07.2010	Middle East Technical University – Business Administration	33 Years
Şafak ÇAPAR	ERDEMİR Group Procurement Coordinator	23.03.2011	Middle East Technical University – Metallurgical Engineering	24 Years
Ahmet Samim ŞAYLAN	Executive Vice President (Procurement)	23.03.2011	Middle East Technical University – Business Administration	39 Years
Mehmet Müçteba BEKCAN	Executive Vice President (Technical Services and Investments)	14.07.2010	Middle East Technical University – Industrial Engineering	34 Years
Öner SONGÜL	ERDEMİR Group Information Technologies Coordinator	12.08.2010	Middle East Technical University – Industrial Engineering	32 Years

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Ahmet Samim ŞAYLAN, who has been conducting the Executive Vice Presidency for Procurement by proxy since 23.03.2011, has been appointed as Executive Vice President for Procurement, effective from 02.04.2012 by an Executive Board Decision of 02.03.2012, no. 9113.

Also, by the aforementioned Executive Board Decision, Kaan BÖKE was appointed as the Executive Vice President for Human Resources and Administration Affairs, which had become vacant upon Ahmet Samim ŞAYLAN's assignment to the Executive Vice Presidency for Procurement.

5. Compliance With The Corporate Governance Principles

The "Corporate Governance Principles" published by the Capital Markets Board (CMB) which were declared in our Annual Activity report for the year ending 2011 were met during the period 01.01.2012 – 31.03.2012. In this context, in order to strengthen our capacity of capital markets legislation, qualified personnel has been charged.

6. Amendments in The Articles of Association

No amendments were made on the Articles of Association within the period between 01.01.2012 – 31.03.2012.

7. The Nature and Amount of Issued Capital Market Instruments

In accordance with the decision of the Board of Directors dated 15.02.2012 and numbered 9111, it was decided to raise the paid up capital from TRY 2.150.000.000, to TRY 3.090.000.000, by an increase of TRY 940.000.000, 43,7209% of the consisting paid up capital. Registration and publication of the Capital Market Board document dated 28.02.2011 and numbered 1061 has been completed with the publication of Turkish Trade Registry Gazette dated 17.04.2012 and numbered 8050.

8. Significant Changes Occurring in the Environment the Company Operates in and the Policies Executed by the Company in Return

While no significant changes occurred in the environment the company operates in, the effects of developments in neighboring countries to Erdemir Group are measured and necessary precautions are taken. Information in relevant subject is given in other sections of the Report.

9. Information about the sector

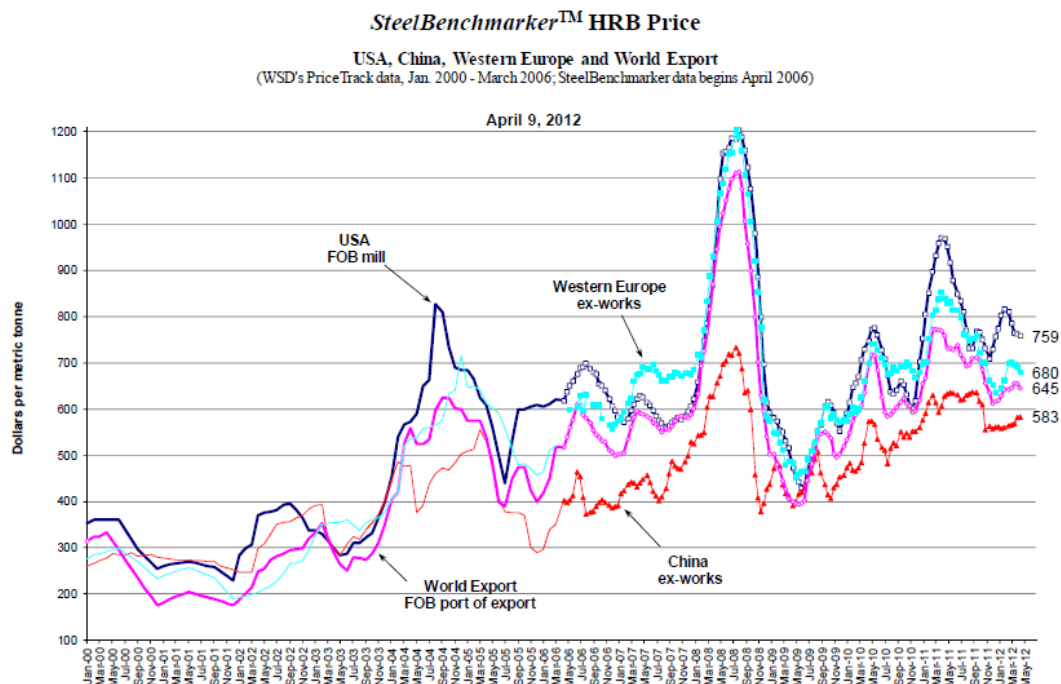
The world crude steel output in 2012, reached to 376.8 m tonnes, an increase of 1.1% over 2011. The fifteen major steelmaking countries in 2011 remained the same at the first quarter of 2012, in terms of the crude steel production.

With its crude steel production performance in the first quarter of 2012 when compared to the same period of the previous year, our country took the first place among the major fifteen countries with an increase of %13.7 in production. While, in terms of production increase, USA became the second and France became the third. In Japan, Germany, Ukraine, Taiwan, Mexica and Spain, the output decreases were observed when compared to the first quarter of the previous year.

The industry's capacity-utilization rate which was 76.8% in 2011 was 70.7% in January 2012, 75.3% in February 2012 and 81.1% in March 2012.

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The global hot rolled product price change is provided in the graph below:



Turkish crude steel production in March turned to be 3.128 million tons, with an increase of %13.2 when compared to the previous month and with an increase of 14.5% when compared to the previous year. In the first quarter of 2012, the crude steel production increased by 13.7% to 9.025 million tons when compared to the same period of 2011. Turkey has produced 9.025 million tons of crude steel in the first quarter of 2012, out of 6.664 million tons have been produced in electrical arc furnaces while 2.361 million tons have been produced in integrated plants.

10. The Position of Erdemir Group within the Sector

Our Group's production in 2011 has been expanded by 5% y-o-y to 7.5 million tons. In the first quarter of 2012, the crude steel production in Ereğli Plant has increased by 6.8% and went up to 850,842 tons while the crude steel production in İskenderun went up to 1,144,388 tons with an increase of 15.2%.

11. Research and Development Activities

In Ereğli Iron and Steel Works Inc, the homologation studies and industrial trial tests continued in accordance with the demands of leading companies of the automobile industry within the period. After getting successful results from homologation and trial tests, special steel qualities were developed for the companies and presented to the market.

12. Investment Activities

Operating within the modern plants and by a modern production technology, Erdemir Group produces competitive products globally and continues its investments aligned to continuous development strategy. In 'Ereğli plant, Ereğli Steel Service Center projects' main contract was signed and the site activities are underway. Tender studies related to 'Coke Oven Battery No.4', 'Blast Furnace Top Pressure Recovery Turbines' and 'TinCal Automation Modernization' projects have currently been in progress. 'Air Separation Plant No.7' and 'New Turbo Blower' project's main contracts were signed; engineering and construction works were initiated. 'Modernization activities aiming the replacement of Combined Rolling Mills at Hot Strip Mill No.1', 'Blast Furnace No.2 Reline and Other

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Modernization Projects in Iron Making Facilities', 'Investments in BOF and Continues Casting Facilities in accordance with reline' and 'Modernization of Slab Furnace No.2' are carried out. 'Advanced Plant Planning and Scheduling Project' has been completely commissioned in Erdemir.

On the other hand, in İskenderun Facilities; 'Modernization of the Coke Oven Battery No.4', 'Harbor Investments', 'Environmental Investments', 'Development of Existing Coil Stock Yard', 'Improvement of Desulfurization' and "Alternative Reladling Pit and Changing Crane Ginders" projects are in progress.

Total investments (except the routine fixed asset expenditure) in Ereğli and İskenderun plants are amount to USD 48.435.699 as of 31 March 2012 (31 March 2011: USD 32.204.278).

13. Government Grants

Government grants and incentives, received by Erdemir Group are as follows:

(TRY)	1 January - 31 March 2012	1 January- 31 March 2011
Social Security Grant	123.485	110.044
Research and Development Grant	-	28.626
Total	123.485	138.670

These grants and incentives can be used by all companies who meet the related legislative requirements.

There is an investment incentive right of the Group amounting to TRY 46.316.010 deductible in the next periods within the concept of the law numbered 5479, article 2 which repealed the 19th article of Income Tax Law (ITL) as of 1 January 2006 (31 December 2010: TRY 42.796.975).

14. Developments Regarding the Plants

According to the report published by World Steel Association (WSA), the net global crude steel production has increased by 6.8% and reached to 1.53 billion tons level. On the other hand, the capacity usage ratio went down to 70.8% by the end of 2011 from the level of 78.7% in September 2011. The capacity usage ratio has shown a recovery starting with January 2012 and has gone up to the level of 79.7% in February 2012. Meanwhile, the global crude steel production has been realized as 241.4 million tons in February 2012 with 2% decrease compared to the same period of the previous year. This under-performance, observed in February 2012, can be regarded as a result of decreases in the capacity usages realized in the last quarter of 2011. According to the updated WSA estimates, the global apparent steel use is calculated as 1.37 billion tons in 2011 and is expected to increase to the level of 1.43 billion tons in 2012.

Turkish Economy has shown 5.2% growth in the last quarter of 2011 and has grown 8.5% annually in the aggregate. As a result of this growth, Turkey has become the 3rd fastest growing country among G-20 countries following China and Argentina. According to WSA statistics, Turkey has shown a record-level of 17% increase in the crude steel production and reached to 34.1 million tons in 2011 while keeping its place in the world ranking of crude steel production. Despite of the decrease in world steel production in 2012, Turkey has risen to the 8th place in the world steel production ranking by the end of February 2012 by passing its two closest rivals, Ukraine and Brazil, due to the increase in steel production fueled by recently installed capacities in Turkey.

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With respect to the statistics published by Turkish Iron and Steel Producers Association, the crude steel production of Turkey in the first quarter of 2012 has risen to the level of 9.02 million tons with 13.7% increase compared to the same period of the previous year. Similarly, the finished steel production has reached to the level of 5.63 million tons in the first 2 months of 2012 with 14.7% increase compared to the first 2 months of 2011. The finished steel production has been composed of 1.48 million tons of flat steel production and 4.15 million tons of long steel production.

On the other hand, the finished steel consumption of Turkey has risen to the level of 4.48 million tons in the first 2 months of 2012 with an increase of 6.4% compared to the same period of the previous year. Also, this consumption level has been aggregated from 2.19 million tons of flat steel consumption and 2.29 million tons of long steel consumption.

The flat steel sales reached to the level of 1.56 million tons in the first quarter of 2012 with an increase of 6.4% compared to the same period of the previous year. While experiencing 56% decrease in exports due to the economic decline in Europe and North Africa regions, the domestic flat steel sales has reached to the level of 1.4 million tons with 27% increase.

On the other hand, the long steel sales increased by 40% in the first quarter of 2012 reaching to the level of 282 Ktons. In addition to the 15% increase in the domestic long product sales, the exports increased by 57% with respect to the same period of the previous year.

15. Products

The main products of Erdemir Group are as follows:

Erdemir	Isdemir	Ermaden
Tinplate	Billet	Pellets
Galvanized	Wire Rod	Iron Ore
Cold Rolled	Slab	
Hot Rolled	Hot Rolled	
Plate		

16. Production Plants and Productivity

The information about the capacities of main product groups by Ereğli Iron and Steel Works Inc. are stated below:

	1 January- 31 March 2012	1 January- 31 March 2011
	C.U.P. (%)	C.U.P. (%)
Tinplate	81	96
Galvanized	94	119
Cold Rolled	74	84
Hot Rolled	69	68
Plate	100	46

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The information about the capacities of main product groups by İskenderun Iron and Steel Works Co. is stated below:

	1 January- 31 March 2012	1 January- 31 March 2011
	C.U.P. (%)	C.U.P. (%)
Billet	22	11
Wire Rod	100	92
Hot Rolled	66	72

17. Production (quantity)

Final Products (000 Tons)	01 January - 31 March 2012	01 January - 31 March 2011
Erdemir	900	854
İsdemir	1.119	968
Ermaden	533	505

18. Developments Regarding Sales

In order to diversify and expand the experience of marketing and sales personnel in various sub-sectors, planned job rotations have been conducted within Marketing and Sales Organization in 2012.

Within the first quarter of 2012, the sales process for long products has been integrated to ERDEMİR ONLINE sales system. The integration of long products sales process onto the same platform with the flat steel sales has simplified the capacity management.

In 2012, an information technologies project has been initiated in order to make customer relations management system more effective. While works for drawing project concept are ongoing, it is planned to reach a more systematic processes with the assistance of IT infrastructure in the following fields: management of customer visits, customer feedbacks, increasing awareness of improvement areas and providing more effective solutions, corporate information sharing etc.

New quality and product development studies are ongoing with regards to the needs of end users. Additionally, the studies are ongoing for creating new product signs in order to monitor customer orders within production lines and phases. In the first quarter of 2012, 5 new qualities and 6 new product signs have been added to the production mix in all product groups. Within the scope of product development works for exposed body parts (C Surface) in automotive industry, end user trials are ongoing in the facilities of automotive producers and suppliers parallel to the dimension and/or quality improvement studies at ERDEMİR.

Feasibility studies are ongoing at full speed with regards to the investments for the improvement of service quality provided by ERDEMİR Group.

In the first quarter of 2012, order delivery performance has been increased over the target level and the Group aims maintaining the same performance until the end of the year.

Despite the negative atmosphere in the global economy driven by European debt crisis and Arab spring, ERDEMİR Group has reached to a sales performance over the target levels in terms of both quantity and revenue in the first quarter of 2012.

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19. Sales (quantity)

Final Products (000 Tons)	1 January - 31 March 2012	1 January - 31 March 2011
Erdemir	1.024	872
Isdemir	1.063	931
Ermaden*	794	783

(*) 766 thousand tons of Ermaden's sales are to Group Companies as of 31 March 2012. (31 March 2011: 719 thousand tons).

20. Indicators and Ratios

Financial statements are prepared in accordance with the CMB's Communiqué Serial:XI, No:29 and have not been audited as of 31 March 2012 and 31 March 2011.

Summary of Balance Sheet

	(Unaudited) Current Period	(Audited) Previous Period
(TRY)	31 March 2012	31 December 2011
Current Assets	5.787.848.490	6.026.987.737
Non-current Assets	7.363.207.509	7.365.849.568
Total Assets	13.151.055.999	13.392.837.305
Current Liabilities	2.627.045.671	2.472.663.550
Non-current Liabilities	3.417.729.405	3.632.625.683
Shareholders' Equity	7.106.280.923	7.287.548.072
Total Liabilities	13.151.055.999	13.392.837.305

Summary of Income Statement

	(Unaudited) Current Period	(Unaudited) Previous Period
(TRY)	1 January- 31 March 2012	1 January- 31 March 2011
Sales Revenue	2.435.338.933	2.027.880.495
Operating Profit	113.768.530	362.258.381
Profit from Continuing Operations Before Taxation	170.242.725	338.466.525
Profit for the Period (*)	136.402.267	271.288.375
EBITDA	203.971.982	440.602.002
Earnings Per Share	5,77%	12,11%

(*) Shareholder's share in the net profit for the period is TRY 123.953.378 in March 2012 (March 2011: TRY 260.422.828).

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Key Ratios

(%)	31 March 2012	31 March 2011
Operating Profit Margin	4,7	17,9
Profit Margin	5,6	13,4
EBITDA Margin	8,4	21,7

21. Collective Labor Agreement Applications and the Benefits

23rd Period Collective Labor Agreement, which will be valid between 01.09.2010 - 31.08.2012, has been signed on May 5, 2011 between the Turkish Employers' Association of Metal Industries (MESS) on behalf of our company and the Turkish Metalworkers Union as the collective bargaining agency.

In the scope of collective agreement applications, the rights and benefits of the white-collar and blue-collar workers are classified under bonuses, social benefits, and vacations. Bonuses and social benefits; bonuses, holiday pay, heating allowance, paid annual leave allowance, marriage allowance, birth allowance, bereavement allowance (worker's death, spouse, children, mother, father or sibling, in the case of a death as a result of a work accident it will pass onto the worker's heir), military service allowance, children allowance, educational allowance (primary school, secondary school, higher education), meal allowance, and transportation allowance. Vacations; paid annual leaves, leaves for medical purposes, excused absences, unpaid leaves, and other paid leaves consisting marital leaves, bereavement leaves, maternity leaves, nursing leaves and leaves in case of a natural catastrophe.

Bereavement allowance (in the case the worker dies), meal allowance, and transportation allowance, derived from the social benefits, are paid both to white-collar and blue-collar workers; the rest is paid only to blue-collar workers. Paid annual leaves, leaves of absence with excuse, unpaid leaves, and nursing leaves can be taken by both white-collar and blue-collar workers; the rest is taken only by blue-collar workers.

The number of the personnel on 31 March 2012 and 31 December 2011 are as follows:

	31 March 2012	31 December 2011
Monthly paid personnel (A)	3.390	3.368
Hourly paid personnel (B)	8.904	8.640
Candidate worker (C)	1.017	1.293
Contractual personnel (D)	20	20
Contractual personnel (Contractor)	74	112
TOTAL	13.405	13.433

22. Shareholding and Capital Structure

Authorized Capital : TRY 5.000.000.000
Paid-in Capital : TRY 2.150.000.000

Shareholders	Shares (TRY)	%
Ataer Holding A.Ş.	1.059.632.159	49,29
Publicly Held	1.024.125.203	47,63
Erdemir's Own Shares	66.242.638	3,08
Total	2.150.000.000	100,00

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Erdemir Groups' Dividend Distribution Policy is as follows:

"Clause 37 of our Articles of Association titled "Determinaton and Distribution of the Dividend", which is drafted in accordance with Capital Market Board's respective regulations, explains the procedure and the merits of our dividend distribution.

Our Company tries to balance the financial burden of the investments with our shareholders' expectations for corporate governance in determining the ratio of the cash or bonus shares to be distributed from the net distributable profit of the period calculated according to the aforementioned clause of our Articles of Association and legislation, without ignoring Capital Markets Board's compulsory minimum distribution ratio, and aims to distribute the maximum dividend that the financial leverage ratios allow.

As stated above, in the determination and distribution of the dividend, Our Company abides by Capital Markets Board's regulations, distributes dividends within the legally specified periods, and informs shareholders at General Meetings about every issue regarding dividend distribution."

24. The Availability of Financial Sources and The Policies The Group Applies in This Framework

Erdemir Group has full access to all national and international financial sources with its market making power based on high trading volume in money markets. New funding alternatives according to changing market conditions are continuously analyzed and offers are evaluated. The debt policy of Erdemir Group is developed based on the capability of cash generation and the strong equity structure. Hedging methods and amounts used against financial risks are developed based on a frame of systematic models. Within the risk tolerances, forward, futures, swap and options reflecting market conditions are implemented, if necessary.

25. Risk Management Policy

Risks are monitored and managed in compliance with the regulation and procedures related with management of the market and customer risks which are directed towards measuring the risks Erdemir Group is exposed to and developing hedging methods to keep these risks within risk tolerances.

Value at Risk method (VaR) is used to measure the market risk and the maximum loss, which might occur from changes in currency rates, is calculated weekly within %99 probability ratio and one day retain interval. The calculation results are compared with the predefined limits and necessary actions are taken if limits are exceeded.

Additionally, stress test and scenario analysis are executed for the current foreign currency position of the Group. The compatibility of VaR model is measured using back-testing method periodically.

Almost all of our receivables are guaranteed with the Direct Debit System and the Credited Direct Collection System. Risk positions of our customers are monitored daily and when exceeding the limits, a margin call is issued.

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Duration is calculated based on the credit portfolio and cash flow projections in order to manage interest rate risks Erdemir Group is exposed to and the amount of gain / loss, which may arise possible interest rate changes, is measured using a sensitivity analysis. Additionally, the ratio of total amount of loans with a floating interest rate to whole credit portfolio of the Group is monitored and actions are taken to keep this ratio within a defined limit. According to firm and market situation, derivative instruments are recommended to executives and also bank offers are analyzed for compliance test.

Similarly, with regards to liquidity risk management, credit usage and paybacks and cash flow projections are monitored and necessary actions are taken.

Financial valuation and technical assessment report of investments is presented to the Consolidation and the Group Risk Management Center. According to the investment amount and duration of investment, production and sales volumes, the expected net cash flows of the project, the net present value, internal rate of return and Payback Period, Consolidation and Group Risk Management Center evaluates the results of the financial affairs and reports to Finance Coordinator. Investment advices not approved by Consolidation and Group Risk Management Center will not be offered to the Board of Directors.

26. The Information About Affiliates Subject to Consolidation

The main scope of business and the participation in their shareholding of the affiliates subject to consolidation are as follows:

Name of the Company	Country of Operation	Operation	2012 Share %	2011 Share %
İskenderun Demir ve Çelik A.Ş.	Turkey	Iron and Steel	92,91	92,91
Erdemir Madencilik San. ve Tic. A.Ş.	Turkey	Iron Ore and Pellet	90,00	90,00
Erdemir Çelik Servis Merkezi San. ve Tic. A.Ş.	Turkey	Iron and Steel	100,00	100,00
Ereco Erdemir Müh. Yön. ve Dan. Hiz. A.Ş.	Turkey	Management and Consultancy	100,00	100,00
Erdemir Romania S.R.L.	Romania	Iron and Steel	100,00	100,00
Erdemir Lojistik A.Ş.	Turkey	Logistics Services	100,00	100,00

Erdemir Gaz San. ve Tic. A.Ş. as disclosed in non-current financial investments is excluded from consolidation, as it has not been dormant operating since its establishment and as it does not significantly affect the consolidated financial statements of the Group. There are no off balance sheet liabilities and contingencies given between the Group companies and Erdemir Gaz in favor of each other. In the Extraordinary General Meeting of Erdemir Gaz San. ve Tic. A.Ş. dated 7 May 2012, liquidation of the Company has been decided.

The consolidated financial statements incorporate the financial statements of the Group and its subsidiaries controlled by the Group. This control is normally evidenced when Group is able to govern the financial and operating policies of an enterprise so as to benefit from its activities.

Subsidiaries

The companies which the Group, directly or indirectly, has above 50% ownership interest or 50% voting rights or has power to exercise control on operations, have been fully

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consolidated. If the Group has the power to govern the financial and operating policies of the subsidiaries for its own benefit, control is deemed to present.

Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

The accounting policies of the subsidiaries consolidated are changed and aligned with the Group's accounting policies when necessary. All significant transactions and balances between the Company and its subsidiaries are eliminated during consolidation.

When the Group purchases a company, the assets and liabilities of the relevant subsidiary are measured at their fair values at the date of acquisition. The amount of the non-controlling interest shares is obtained by the calculation of the fair values of assets and liabilities with respect to the proportion of the non-controlling interest. The operational results of subsidiaries are included or excluded from consolidation according to their effective dates of acquisition and disposal, respectively.

Non-controlling interests in the net assets of the subsidiaries included in consolidation, appears as a separate item in Group's equity. Non-controlling interests consist of non-controlling party's amount that already exists as of the first acquisition date and the amounts take place during the changes in the parent company's equity related to non-controlling interest after the first acquisition date. Losses of the non-controlling interests are distributed to the shares of the non-controlling interests. The equity and net income attributable to non-controlling interests are shown separately in the consolidated balance sheet and income statement, respectively.

27. Organizations Out of the Headquarters

None.

28. Information About Approval Given by the Board to Controlling Shareholders, Board Members, Executive Management and Relatives up to the Second Degree to Make Transactions and Get into Competition with the Company or Its Subsidiaries That May Cause Conflicts of Interest

None.

29. Information About the Report on the Conditions and Market Comparison of Transactions That Amount to 10% or more of the Total Assets or Gross Sales in Annual Financial Statements in Accordance with the Capital Markets Board Legislation

None.

30. Information for Shareholders

None.
