



Corporate Governance and Credit Rating Services, Inc.

Corporate Governance Rating Report

YAZICILAR

8 November 2010

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Rating and Executive Summary

YAZICILAR HOLDİNG A.Ş. (YAZIC)

 SAHA
Corporate Governance Rating:

8.04

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MAIN SECTIONS: Avg. 80.44

Shareholders: 79.78



Public Disclosure & Transparency: 87.88



Stakeholders: 91.66



Board of Directors: 63.94



0 10 20 30 40 50 60 70 80 90 100

EXECUTIVE SUMMARY

Yazıcılar Holding Anonim Şirketi (Yazıcılar Holding) is rated with **8.04** as a result of the Corporate Governance study done by SAHA. Details of this study are presented in the following chapters as main sections and sub-sections. Our rating methodology (page 5) is based on the Capital Markets Board's (CMB) "Corporate Governance Principles" (the Principles). Ratings of main sections and sub-sections are disclosed separately.

Yazıcılar Holding A.Ş., one of the major group of companies in Turkey, has acknowledged the compliance with the requirements of Corporate Governance Principles, announced by the Capital Markets Board of Turkey ("CMB") as a principal management approach. Effective work of an investor relations department; conducting general meetings in compliance with the principles; determination of the applied principles in writing, effective use of the internet site; facilitation of the committees show that Yazıcılar Holding has made significant progress in compliance with the corporate governance principles. However, there is still room for improvements in order to fully comply with the CMB's Corporate Governance Principles.

Under the **Shareholders** heading, Yazıcılar Holding scored **7.98**. Presence of an active investor relations department, conducting general shareholders' meetings in

compliance with the regulations and consistent dividend distribution policy are positive aspects. On the other hand, the lack of cumulative voting rights and of individual shareholders' right to appoint an independent auditor and privilege in nominating board members are observed to be areas which need further improvement. The proactive approach of the Investor Relations department is a sign of corporate sensitivity and indicates further improvements to come in the near future.

Yazıcılar Holding attained **8.79** under the **Public Disclosure and Transparency** chapter. There is a well organized, informative, and comprehensive website that broadly includes information listed in the "Corporate Governance Principles" pertinent to public disclosure. Public announcements are made via all communications channels and are in accordance with the CMB and ISE's rules and regulations. However, not providing full compliance with the principles of the table format, showing the holding's capital structure including the name of the ultimate controlling shareholders amount and proportion of their shares and their class; not disclosing the remuneration of the executives and not designating the concept of trade secret are areas that need further improvement under this heading

On the topic of **Stakeholders**, Yazıcılar Holding has broadly complied with the CMB Principles apropos holding policy and procedures regarding stakeholders, protection of holding assets, and scored a well deserved **9.17**. Holding has contributed to gaining permanent work in education, health care and social assistance through Anadolu Eğitim ve Sosyal Yardım Vakfı, which is also supported by Anadolu Group of companies. It should be particularly noted that Holding's stakeholders other than its workers are its affiliates and subsidiaries.

From the perspective of the Principles regarding the **Board of Directors**, Yazıcılar Holding's tally is **6.39**. There is a well communicated holding mission and vision; a board that consists of broadly experienced, competent, suitably educated individuals; none of the board members are executives. However, the lack of independent members in the board and in the committees; the lack of cumulative voting rights and privilege in nominating board members remains to be potential areas for improvement.

DISCLAIMER

This Corporate Governance Rating Report has been prepared by Saha Kurumsal Yönetim ve Kredi Derecelendirme A.Ş. (SAHA Corporate Governance and Credit Rating Services, Inc.) based on information made available by Yazıcılar Holding A.Ş. and according to the Corporate Governance Principles issued by the Turkish Capital Markets Board as amended on 2005.

This report, conducted by SAHA A.Ş. analysts and based on their best intentions, knowledge base and experience, is the product of an in depth study of the available information which is believed to be correct as of this date. It is a final opinion about the degree of sensitivity of a company to its shareholders' and stakeholders' rights, its commitment to public disclosure and transparency, and conduct and credibility of its board of directors.

The contents of this report and the final corporate governance rating should be interpreted neither as an offer, solicitation or advice to buy, sell or hold securities of any companies referred to in this report nor as a judgment about the suitability of that security to the conditions and preferences of investors. SAHA A.Ş. makes no warranty, regarding the accuracy, completeness, or usefulness of this information and assumes no liability with respect to the consequences of relying on this information for investment or other purposes.

SAHA A.Ş. has embraced and published on its web site (www.saharating.com) the IOSCO (International Organization of Securities Commissions) Code of Conduct for Credit Rating Agencies and operates on the basis of independence, objectivity, transparency, and analytic accuracy.

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Rating Methodology

SAHA's methodology for rating the degree of compliance with the Principles of Corporate Governance is based upon the CMB's Corporate Governance Principles released on July 2003, as revised on February 2005.

The CMB based these principles on the leading work of The World Bank, Organization of Economic Cooperation and Development (OECD) and the Global Corporate Governance Forum (GCGF), which has been established in cooperation with the representatives of these two organizations and private sector. Experts and representatives from the CMB, the Istanbul Securities Exchange and the Turkish Corporate Governance Forum have participated in the committee that was established by the CMB for this purpose; additionally many qualified academicians, private sector representatives as well as various professional organizations and NGOs have stated their views and opinions, which were added to the Principles after the required evaluations. Accordingly, these Principles have been established as a product of contributions of all high-level bodies.

Within the Principles, "comply or explain" approach is valid. The implementation of the Principles is optional. However, the explanation concerning the implementation status of the Principles, if not detailed reasoning thereof, conflicts arising from inadequate implementation of these Principles, and explanation on whether there is a plan for change in the holding's governance practices in the future should all be included in the annual report and disclosed to public.

The Principles consist of four main sections: shareholders, public disclosure and transparency, stakeholders and board of directors:

On the foundation of these Principles, SAHA Corporate Governance Rating methodology features over 400 code criteria. During the rating process, each criterion is evaluated on the basis of information provided by the holding officials and disclosed publicly. Some of these criteria can be evaluated by a simple YES/NO answer; others require more detailed analysis and examination.

SAHA assigns ratings between 1 (weakest) and 10 (strongest). In order to obtain a rating of 10, a company should be in full and perfect compliance with the Principles (see Rating Definitions, p.19).

In compliance with the CMB's directive and to reach an overall Corporate Governance Rating, SAHA allocates the following weights to the four main sections of the Principles:

Shareholders: **%25**
Disclosure and Transparency: **%35**
Stakeholders: **%15**
Board of Directors: **%25**

To determine the final overall rating, SAHA utilizes its proprietary methodology which consists of sub-section weightings and weightings for the criteria there under. A separate rating is assigned to each one of the main sections as well.

Company Overview

| Yazıcılar Holding A.Ş. | |
|---|--|
| YAZICILAR | CHAIRMAN S. Metin Ecevit CEO Sezai Tanrıverdi |
| İçerenköy Mahallesi, Umut Sokak, No:12, 34752 Ataşehir, İstanbul | İrem Çalışkan Dursun Corporate Governance and Investor Relations Department Asst. Coordinator Tel: (0 216) 578 85 59 Fax: (216) 573 74 20 irem.caliskan@anadolugroup.com |

Holding's public shares are traded at the Istanbul Stock Exchange (ISE) under the code "YAZIC" and is a constituent of ISE National All Shares (XUTUM), ISE National Financials (XUMAL), ISE Holding and Investment (XHOLD), ISE İstanbul (XSIST) and ISE now Corporate Governance (XKURY) indices

The paid in capital of Yazıcılar Holding as of 31.12.2009 is 160.000.000 TL. Out of this capital TL 87.818.037 are A group and bearer and TL 72.181.963 are B,C, and D group and registered to the name.

In last three years Yazıcılar Holding distributed gross dividend of 52.50 % of 2006 profit, 20.00 % of 2007 profit, 21.25 % of 2008 profit and 22.00 % of 2009 profit in cash.

The capital structure of the holding is:

| Yazıcılar Holding's Capital Structure and Shareholding | | |
|--|-------------------|---------------|
| Shareholder | Amount (TL) | Percentage % |
| Kamil Yazıcı Yönetim ve Danışma A.Ş. | 53,599,952 | 33.50 |
| Yazıcı Family Members | 62,566,630 | 39.10 |
| Open to the public * | 43,833,418 | 27.40 |
| TOTAL | 160,000,00 | 100.00 |

(*)1.816% shares (2,905,728 TL nominal) in free float belongs to Kamil Yazıcı Yönetim ve Danışma A.Ş

| Kamil Yazıcı Yönetim ve Danışma A.Ş. | |
|--------------------------------------|--------------|
| Shareholder | Percentage % |
| S. Kamil Yazıcı | 82.91 |
| Suzan Yazıcı | 14.38 |
| Other | 2.71 |

Kamil Yazıcı Yönetim ve Danışma A.Ş is a management company established by the members of Kamil Yazıcı family in order to manage the shareholdings of Yazıcılar Holding. The management company owns 35.316 % of Yazıcılar Holding and has a privilege of nominating four out of six board members through A and B group shares owned.

The Board of Directors of Yazıcılar Holding is as follows:

| Board of Directos | |
|--------------------------|-------------------|
| Name | Title |
| S.Kamil Yazıcı | Honorary Chairman |
| S.Metin Ecevit | Chairman |
| İbrahim Yazıcı | Vice Chairman |
| M. Nuri Yazıcı | Member |
| Ali Şanal | Member |
| R.Yılmaz Argüden | Member |
| M.Cem Kozlu | Member |

| Direct and Indirect subsidiaries of Yazıcılar Holding as of 31.12.2009 | | | |
|---|-------------------------|---------------------------|------------------|
| Subsidiaries | Direct Share (%) | Indirect Share (%) | Total (%) |
| 1-ANADOLU ENDÜSTRİ HOLDİNG A.Ş. | 68,00 | - | 68,00 |
| 2-ALTERNATİFBANK A.Ş. | - | 61,75 | 61,75 |
| 3-ALTERNATİF YATIRIM A.Ş. | - | 61,64 | 61,64 |
| 4-ALTERNATİF FİNANSAL KİRALAMA A.Ş. | - | 64,94 | 64,94 |
| 5-ALTERNATİF YATIRIM ORTAKLIĞI A.Ş. | - | 31,36 | 31,36 |
| 6-ALTERNATİF PORTFÖY YÖNETİMİ A.Ş. | - | 61,64 | 61,64 |
| 7-ÇELİK MOTOR TİCARET A.Ş. | - | 68,00 | 68,00 |
| 8-ANADOLU MOTOR ÜRETİM VE PAZ. A.Ş. | 7,35 | 60,58 | 67,93 |
| 9-ANADOLU OTOMOTİV DIŞ TİC. ve SAN. A.Ş. | - | 67,38 | 67,38 |
| 10-ANADOLU ELEKT. ALETLER PAZ. VE TİC. A.Ş. | - | 34,65 | 34,65 |
| 11-ADEL KALEMCİLİK TİCARET VE SANAYİ A.Ş. | - | 38,68 | 38,68 |
| 12-ÜLKÜ KIRTASIYE TİCARET VE SANAYİ A.Ş. | - | 49,76 | 49,76 |
| 13-EFES TURİZM İŞLETMELERİ A.Ş. | - | 51,60 | 51,60 |
| 14-ANADOLU BİLİŞİM HİZMETLERİ A.Ş. | - | 65,53 | 65,53 |
| 15-OYEX HANDELS GmbH | - | 67,32 | 67,32 |
| 16-ANADOLU END. HOLDİNG A.Ş. UND CO KG | - | 67,32 | 67,32 |
| 17-ANADOLU RESTORAN İŞLETMELERİ LTD.ŞTİ | - | 68,00 | 68,00 |
| 18-HAMBURGER RESTORAN İŞLETMELERİ A.Ş. | - | 68,00 | 68,00 |
| 19-ANADOLU VARLIK YÖNETİM A.Ş. | - | 67,99 | 67,99 |
| 20-ANADOLU TAŞIT TİCARET A.Ş. | - | 68,00 | 68,00 |
| 21-ANADOLU ARAÇLAR TİCARET A.Ş. | - | 68,00 | 68,00 |
| 22-ANADOLU TERMİK SANTRALLERİ A.Ş. | - | 68,00 | 68,00 |
| 23-AES TOPTAN ELEKTRİK TİCARET A.Ş. | - | 68,00 | 68,00 |
| 24-AEH SİGORTA ACENTELİĞİ A.Ş. | - | 68,00 | 68,00 |
| 25-ANATOLIA ENERGY B.V. | - | 68,00 | 68,00 |
| 26-ANELSAN ANADOLU ELEKT. SAN. ve TİC. A.Ş. | - | 48,94 | 48,94 |
| 27-ANADOLU KAFKASYA ENERJİ YAT. A.Ş. | - | 67,94 | 67,94 |

| Associates | Direct Share (%) | Indirect Share (%) | Total (%) |
|--|-------------------------|---------------------------|------------------|
| 1-ANADOLU EFES BİRACILIK VE MALT SAN. A.Ş. | 30,91 | 5,33 | 36,24 |

| Joint Ventures | Direct Share (%) | Indirect Share (%) | Total (%) |
|--|-------------------------|---------------------------|------------------|
| 1-ANADOLU ISUZU OTOMOTİV SAN.VE TİC.A.Ş. | 35,71 | 1,77 | 37,48 |
| 2-ANA GIDA İHTİYAÇ MADDELERİ SAN.VE TİC.A.Ş. | - | 37,57 | 37,57 |
| 3-ASLANCIK ELEKTRİK ÜRETİM LTD.ŞTİ. | - | 17,00 | 17,00 |
| 4-D TES ELEKTRİK ENERJİSİ TOPTAN SATIŞ A.Ş. | - | 17,00 | 17,00 |

The Consolidated Income figures of Yazıcılar Holding are as follow:

| Million TL | 2008 | 2009 |
|---------------------------|-------------|-------------|
| Total Sales | 1.712,8 | 1.679,9 |
| Gross Income | 578,2 | 625,2 |
| Operational Income | 199,5 | 189,0 |
| Income Before Tax | 231,5 | 321,6 |
| Net Income | 211,7 | 311,0 |

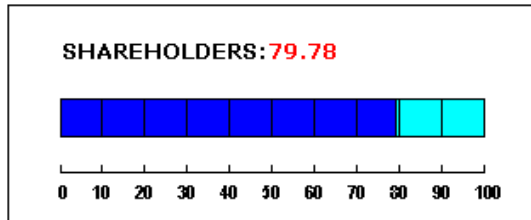
The selected ratios of Yazıcılar Holding are as follow:

| | 2008 | 2009 |
|-----------------------------|-------------|-------------|
| Gross Profit Margin | %33,8 | %37,2 |
| Net Operating Margin | %11,6 | %11,3 |
| Before Tax Margin | %13,5 | %19,1 |
| Net Profit Margin | %9,3 | %13,7 |

The consolidated Balance Sheet figures of Yazıcılar Holding are as follow:

| Million TL | 2008 | 2009 |
|------------------------------|-------------|-------------|
| Current Assets | 3.605,5 | 3.620,9 |
| Fixed Assets | 2.207,2 | 2.153,5 |
| Total Assets | 5.812,0 | 3.468,6 |
| Current Liabilities | 3.812,0 | 3.468,6 |
| Long Term Liabilities | 197,0 | 232,6 |
| Total Liabilities | 4.009,0 | 3.701,2 |
| Shareholders' Equity | 1.803,7 | 2.073,2 |

SECTION 1: SHAREHOLDERS



SYNOPSIS

| | |
|---|--|
| + | Investor relations unit is established |
| + | General shareholders' meetings conducted in compliance with rules and regulations |
| + | Dividend policy defined |
| + | Equal treatment of shareholders |
| + | Preparation and disclosure prior to general shareholders' meetings are satisfactory |
| + | Voting rights are facilitated |
| + | No upper limit in voting rights |
| - | Privilege in nominating board members |
| - | Shareholders do not have the right to request appointment of special auditors from the general shareholders' meeting |
| - | Minority rights are not extended beyond legislative threshold |
| - | Lack of cumulative voting procedures |

Investor Relations Department, under the control of the General Manager, conducts the relations with the shareholders. Activities of the unit are satisfactory.

Although there are no ceilings applied to the number of votes that shareholders may cast in general assembly, there is privilege of

nominating 1 member of A group bearer shares, 3 members of B group registered shares, 1 member of C group registered shares and 1 member of D group registered shares to the board given by the articles of association.

The holding has a clearly defined and consistent dividend policy which is disclosed to public. There are no privileges on participation in Yazıcılar Holding's profit.

The manner in which the general shareholder meetings are conducted complies with the relevant rules and regulations and does not violate the rights of the shareholders. Each agenda item is voted separately and to prevent any distrust on the voting results, the votes are counted and results are announced before the end of the meeting. The announcement of the annual meeting; the venue; information given prior to the general shareholders' meeting as well as the conduct of the actual meeting are in compliance with the relevant legislation and regulations.

In terms of shareholders' rights of getting information and exercising the rights arising from the ownership; that the minority shareholders are not granted with the right to request the appointment of a special auditor and lack of cumulative voting system are areas that need improvement.

1.1. Facilitating the Exercise of Shareholders' Statutory Rights:

The activities of the Department of Investor Relations are performed under the supervision of Corporate

Governance Committee. İrem Çalışkan Dursun is responsible from the activities of the department. In addition to the board members General Manger Mr. Sezai Tanrıverdi and Financial Manager Mr. Yusuf Ovnamak are authorized for disclosures on the KAP (Public Disclosure Platform). The department staff is observed to be proficient in terms of experience and background. The department staff is proactive and open to improvements in order to execute the principles of Corporate Governance.

The records of shareholders are kept appropriately, requests for information are answered promptly, and necessary documents are disclosed to shareholders' scrutiny on holding's web site and at the holding headquarters prior to the general shareholders' meeting. Also information document related with agenda items was prepared and submitted to shareholders.

General shareholders' meetings are held in accordance with the articles of association and related legislation. Voting results are recorded, disclosed and posted on the holding's web site and given to shareholders upon request.

1.2. Shareholders' Right to Obtain and Evaluate Information:

In connection with facilitating shareholder rights, all necessary information is made available for use of the shareholders. Such information can be found both on the comprehensive corporate website (www.yazicilarholding.com.tr) and at the holding headquarters. Requests for information are answered on the telephone or in written form. Shareholders' right to obtain information is set forth within the framework of the disclosure policy in detail.

The articles of association, however, do not grant the right to request the appointment of a special auditor to the shareholders for the general shareholder's meeting.

1.3. Minority Rights:

There are no ceilings applied to the number of votes that shareholders may cast. In order to include the foreign investors into general shareholders meeting, proxy forms are made available on the holding's web site. Provisions for the execution of cumulative voting procedures are not included in the articles of association, and there is privilege of nominating 1 member of A group bearer shares, 3 members of B group registered shares, 1 member of C group registered shares and 1 member of D group registered shares to the board.

On the other hand, minority rights are not extended beyond the regulatory provisions of Turkish Commercial Code and legislation that governs public incorporated companies. Articles of association of the holding do not allow cumulative voting procedures either.

1.4. The Right to Participate in the General Shareholder Meeting:

The general shareholders' meeting announcement was published 3 weeks prior to the meeting in two high circulation and nation wide newspapers and announced on the holding's web site. Applications for participation in the meeting were accepted and processed by the investor relations department in compliance with the relevant legislation.

The general shareholders' meeting was held at the holding headquarters. The venue was easily accessible and suitable for the attendance numbers which were duly determined beforehand.

Annual reports, financial statements and reports, and dividend distribution proposal are presented to the shareholders prior to the general shareholders meeting. Information submitted to the shareholders before the conduct of general shareholders' meeting was easily associated with agenda items, and also an informative document was prepared for the agenda items. Informative documents submitted to the shareholders before the conduct of general shareholders' meeting was easily associated with agenda items. This information consisted of references and citations pertaining to the agenda items to be discussed. During the preparation of the general shareholders' meeting agenda items, each proposal were put under a separate heading and expressed clearly in a manner not to result in any misinterpretations. Expressions like "other" and "various" in the agenda were avoided.

We have noted that two board members and one auditor did not attend to the general assembly.

Proxy forms were duly disclosed for those who were not able to participate in the general shareholders meeting in person. Issues that shareholders wished to include in the agenda have been taken into consideration by the board to ensure a high level of attendance.

The general shareholders meeting, which we attended in person, was conducted on fair grounds and in an efficient manner. Although the chairman of the board attended to the meeting personally, two members were not present. In the last meeting except one, the old board members were re-elected, so the information about the board members were already incorporated in the annual report which was submitted to the shareholders prior to the meeting. Also verbal information about the new

member was provided during the general shareholders' meeting. Minimum requirements for disclosure of information about the candidates are not stated in the articles of association of the holding.

Holding is subject to external audit by the Capital Markets Law. The external audit report was submitted to the general shareholders' meeting and the related parts were read thereto.

The manner in which the general shareholders' meetings are conducted and chaired complies with rules and regulations and imposes no risks upon shareholders' rights. Each agenda item is voted separately, the votes are counted and results of voting are announced before the end of the meeting.

1.5. Voting Rights:

The shareholders have one vote for one share. The right to vote is automatically granted once the share is acquired and each shareholder is provided with the opportunity to exercise his/her voting right in the most appropriate and convenient way.

There is no restriction in exercising the voting rights for either legal representatives or institutional ones. The voting procedure is not incorporated neither in the articles of association of the holding nor in the informative document. However, the shareholders have been verbally informed about the procedure at the beginning of the general shareholders' meeting. Voting was conducted by raising hands during the general shareholders' meeting.

On the other hand, there is privilege of nominating 1 member of A group bearer shares, 3 members of B group registered shares, 1 member of C group registered shares and 1 member of D group registered shares to the six

member board base on the articles of association.

1.6. Dividend Rights:

The dividend policy of holding was clearly defined, and this policy was announced to the shareholders at the general shareholders' meeting and disclosed to public and also was in line with the Turkish Commercial Code.

The dividend distribution policy of the holding is as follows:

Holding has adopted the distribution of at least 50% of the net distributable profit based on its consolidated financial statements as dividends each year. Maintenance of this policy is among the primary objectives of the holding, except for special conditions caused by extraordinary developments in economic conditions as well as investment and other funding requirements necessary for the long-term growth of the holding.

The information such as the annual profit; amount and sources of distributable profit; the criteria according to which the board had prepared the dividend distribution proposal; the dividend payment time and place; dividends per share are given in the articles of association as well as in the annual report. The articles of association of the holding do not allow for the implementation of interim dividend payments.

Also the information related with the total dividend of the individuals including the subsidiaries is not provided.

1.7. Transfer of Shares:

According to the articles of association the following rule applies for the transfer of B, C, and D group registered shares.

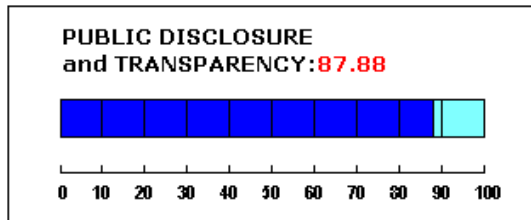
If subscription privileges attached to registered share categories are not used, then such privileges shall be offered to the shareholders of the same category before anyone else, at the respective existing stake of each shareholder. Non-used subscription privileges shall not be offered to other categories, as long as there are shareholders of the same category willing to buy such non-used subscription privileges. If non-used subscription privileges of one category exist, then such privileges shall be offered to the other groups on a pro-rata basis. When registered shares are concerned, the shares remaining after the use of subscription privileges can be bought by the other shareholders using their privilege only at the stock market price of the shares. If there still remain non-used subscription privileges after such offers, then the shares corresponding to such privileges shall automatically become bearer-type shares in Category A, provided that the general assembly passes a separate resolution on the matter. Then these shares shall be offered to public, accompanied by an underwriting agreement with the broker, covering the matter.

There is no restriction in transfer of A group bearer shares.

1.8. Equal Treatment of Shareholders:

As a result of our review of the articles of association of the holding, the conduct of the general shareholders' meetings, and interviews with holding officials, we have observed that the shareholders are treated equally and fairly.

SECTION 2: PUBLIC DISCLOSURE AND TRANSPARENCY



SYNOPSIS

| | |
|---|--|
| + | Information policy established, and presented to the shareholders at the general shareholders' meeting |
| + | Comprehensive corporate governance report disclosed to public |
| + | Dividend policy disclosed in the annual report |
| + | Ethical rules are established and disclosed to public |
| + | Comprehensive web site, actively used for public disclosure |
| + | Audit committee active in the selection of the independent auditors |
| + | Insider list is published |
| + | Disclosure about developments that may affect the value of the holding complies with the legislation |
| - | Board of directors' statement about the status of internal control system not in the annual report. |
| - | Remuneration of executives not in annual report |

Yazıcılar Holding is performing well above the country averages in terms of public disclosure and transparency. The investor relations unit takes its job seriously. A comprehensive corporate information policy is established, presented to the shareholders

attention at the general assembly, and disclosed to public on the holding's web site. Any developments that may affect the value of the holding's capital market instruments are disclosed to the public without any delay and within the time period required by the current legislation.

There is an equally comprehensive corporate governance compliance report that is disclosed to public on the holding's annual report. Within the framework of the information policy of the holding, the dividend policy and ethical rules are disclosed to public in the annual report and the web site of the holding respectively.

The holding's website is actively used as a means of public disclosure.

Transactions between the holding and its shareholders, board members and executives are duly disclosed. The holding's ultimate controlling individual shareholders as identified after being released from indirect or cross shareholding relationships between co-owners are disclosed to the public in the corporate governance compliance report as well as the holding's annual report.

The annual report as well as the periodical financial statements and footnotes are prepared in accordance with the current legislation and IFRS.

The external audit of the holding is done by a well known and reputable firm and complies with the current legislation.

A list of the names of executives and other persons/institutions who provide services to the holding, and who can

potentially possess price-sensitive information is prepared and disclosed to public in accordance with the information policy.

2.1. Principles and Means for Public Disclosure:

The investor relations department is responsible for public disclosure. Two board members and two managers are authorized to disseminate holding information on the Public Disclosure Platform (KAP). The investor relations unit is assigned solely to monitor and supervise all issues pertaining to public disclosure. Additionally, investors, financial analysts, press members and similar groups are guided to the Investor Relations Department.

In compliance with the transparency principle, the holding accurately discloses its accounting policy and operational financial results to the public. The board prepared collective principles to be used in the information policy of the holding, presented them to the shareholders at the general shareholders' meeting and disclosed it to the public on its web site.

This information policy covers category of information to be disclosed to the public in addition to the requirements of the relevant legislation; form and methods of disclosure; the method to be adopted in order to answer the questions submitted to the holding and other relevant issues. However the type of information to be discussed at the general shareholder meeting; any forward looking information; and the information related with the legal and commercial transactions between the holding and companies directly or indirectly owned are not included in the information policy.

Any developments that may affect the value of the holding's capital market instruments are disclosed to the public without any delay and within the time

period required by the current legislation. Should there be a significant change in the financial status and/or operations of the holding, or in case of an expectation of such a significant change in the financial status and/or operations in the future, the information is disclosed to the public, save for the relevant provisions of legislation. Any changes or new developments in the already disclosed information are regularly updated and disclosed to the public.

A comprehensive Corporate Governance Compliance Report is prepared and disclosed to public in the holding's annual report and web site. The unilateral declaration of the board, explaining the reasons for non-application to the Principles are incorporated in the annual report.

Within the framework of the Information Policy of the holding, the dividend policy and ethical rules are disclosed to public in the annual report and the web site of the holding respectively.

The disclosed information, periodical financial statements and reports does not consist of any exaggerated provisions or misleading information that would lead to false interpretations about the holding's financial status and operational results.

The independent audit and disclosure of the consolidated financial reports were made in line with the CMB rules and international standards.

The holding's website is actively used as a means of public disclosure. It is easily accessible, user friendly and comprehensive. It is also made available in English for foreign investors with the same content. The holding ensures that the information disclosed to the public is also available on its website which is configured and designed accordingly and takes all the

necessary precautions in order to prevent any modifications on the information displayed on its website.

The website includes trade register information; detailed information about the shareholder and management structure; the final version of the holding's articles of association; disclosure of special events, annual reports, periodical financial statements; agendas of the general shareholders' meetings and list of participants and minutes of the general shareholders' meeting; form for proxy voting at the general shareholders' meeting and minutes of the important board meetings which may affect the value of capital market instruments of the holding thereof.

The holding's website emphasizes the announcement of the planned general shareholders' meeting, agenda items and informative documents thereof, other information, documents and reports on the agenda items and information on methods of participation in the general shareholders' meeting.

The holding's web address is printed in the holding's letterhead.

2.2. Public Disclosure of Relations between the Holding and Its Shareholders, the Board of Directors and Executives:

Although no such transactions took place in recent history, holding officials declared that in case shareholding or voting right percentage of an individual or group reaches, exceeds or falls below the thresholds designated by the regulating authority, the holding will disclose such information immediately upon being informed thereof, except otherwise required under relevant legislation. The holding's public disclosure policy is

in accordance with the current CMB and ISE rules and regulations.

The holding's ultimate controlling individual shareholders as identified after being released from indirect or cross shareholding relationships between co-owners are disclosed to the public in the corporate governance compliance report as well as the holding's annual report.

Board members, executives and shareholders, who directly or indirectly own 5% of the holding's capital, disclose all transactions performed on the holding's capital market instruments as well as those of other group companies or any other company with whom the holding maintains a material commercial relationship.

Commercial and non-commercial transactions between the holding and companies, where board members, executives and shareholders, who either directly or indirectly own at least 5% of the holding's capital, possess management control or effect managerial decisions, are disclosed to public according to CMB and ISE regulations.

2.3. Periodical Financial Statement and Reports in Public Disclosure:

Periodical financial statements and footnotes are prepared in accordance with the CMB legislation and IFRS and applied accounting policies are also included in the footnotes of the financial statements.

The footnotes of the periodical financial statements include all off-balance sheet transactions including contingent claims, all liabilities and operational results that would affect future financial status, liquidity of the holding, investment expenditures, investment sources, and all relations which can effect the income-expense

items with other natural persons and legal entities which are not within the scope of consolidation.

The annual report is signed by the board chairman. Although there is a statement signed by internal and external auditors indicating that the current periodical financial statements completely reflect the true financial status of the holding and that the holding acts in accordance with the related legislation, this statement is not signed by the chief executive officer and department manager responsible for the preparation of periodical financial statements and reports, as well as board members.

The holding's annual report includes the scope of activities of the holding; information about the sector in which the holding operates and the holding's status within this sector; the board of directors' evaluation and analysis of financial status and operational results; analysis of significant transactions carried out during the preceding year with the group companies and other related persons and institutions; the organization, capital, ownership and management structure of the holding; ownership structure table showing the controlling shareholders, as released from any indirect and cross shareholding relations; fines levied as a result of practices acting against the legislative provisions and the reasons thereof; the dividend policy of the holding; and statistical data and graphics.

However, the board of directors' statement about the status of internal control system as well as the audit firm's opinion about the internal control system is not incorporated in the annual report.

The annual report includes the curriculum vitae of the holding's board members and executives and their duties and responsibilities within the

holding and positions held outside the holding. However, remuneration, bonuses and other benefits offered and performance evaluation criteria; and the proportion of shares and amounts invested in the holding's capital are not provided in the annual report.

The annual report does not include any information about the employees' social rights and professional training and a detailed table that incorporates executives, their positions, their seniority ranking, and remunerations is not provided.

2.4. Functions of External Audit:

The operations and the contents of the contract signed with PricewaterhouseCoopers (PwC), which is the firm selected to audit the financials for the year ending 2010 are in compliance with the CMB legislation. There has been no legal conflict between the holding and PwC.

PwC, its auditors and other related staff working for PwC, or a consultancy firm which PwC has a direct or indirect controlling relationship did not provide consultancy services to the holding to which they provide external auditing services within the same period, either in return for a fee or free of charge. Also, there has been no incidence where the independent firm refused to declare an opinion.

The independent audit firm is shortlisted and recommended to the board of directors for the final decision by the audit committee of the holding.

2.5. The Concept of Trade Secret and Insider Trading:

When identifying information within the scope of trade secret, a balance was maintained between providing transparency and protecting the interests of the holding and the holding acts in accordance with the rules of accuracy, reliability and good

faith in cases where the stakeholders seek to exercise their rights to obtain information. However, the concept of trade secret is not defined in the human resources procedures of the holding.

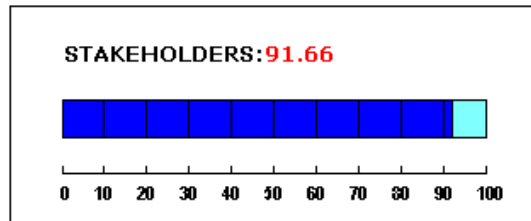
A list of the names of executives and other persons/institutions who provide services to the holding, and who can potentially possess price-sensitive information is prepared and disclosed to public in accordance with the information policy.

2.6. Significant Events and Developments That Must Be Disclosed to the Public:

Yazıcılar Holding fully complies with CMB and ISE legislations when disclosing important events and developments.

All "Significant Developments That Must Be Disclosed to the Public" as per the Corporate Governance Principles of the CMB and their possible implications on the financial status and operational results of the holding are disclosed immediately to the public via the "disclosure of special events".

SECTION 3: STAKEHOLDERS



SYNOPSIS

| | |
|---|---|
| + | All necessary facilities are utilized to preserve stakeholders' rights |
| + | Effective human resources policy |
| + | Ethical rules specified and declared to the public and presented to the shareholders' meeting for approval |
| = | No provision in the articles of association regarding the participation of stakeholders in the management of the holding but the practice is satisfactory |
| - | No provision in the articles of association regarding the representation of employees in the board of the holding |

With regard to holding policies concerning stakeholders, protection of holding assets, human resources policy, relations with customers and suppliers, holding's compatibility with the corporate governance principles in the field of social responsibility, the holding scores well above averages.

We have detected that the holding acts with goodwill and within the capabilities of the holding in cases that are related to the protection of stakeholders' rights when these rights are either regulated or not regulated by the legislation. The holding acts leadingly in preventing and solving the conflicts that may arise between Yazıcılar and stakeholders.

Although the employees have no right to participate in the board, the stakeholders', primarily employees', opinion is taken for the important decisions.

Being an investment company focused in management of the subsidiaries, there are no important commercial transactions with the customers, suppliers and trade unions.

We have detected no evidence of negligence or wrong doing either by the board or the top management that caused the holding assets loose value and led to a deliberate loss for stakeholders.

Yazıcılar has a detailed human resources policy. Training, performance evaluation and remuneration are applied satisfactorily within the framework of this policy.

3.1. Holding Policy Regarding Stakeholders:

Being a holding company, Yazıcılar's stakeholders are its subsidiaries and joint ventures. These companies are operating in different fields including beer, soft drinks, automotive, retail, finance and energy.

There have been no infringements regarding the stakeholders' rights that are protected by legislation and contracts.

Necessary steps are taken to protect the stakeholders' rights within the framework of good will where these rights are not regulated by the legislation. The holding acts leadingly in preventing and solving the conflicts that may arise between the holding and stakeholders.

3.2. Stakeholders' Participation in the Holding Management:

The holding officials also stated that ; while there are no provisions in the articles of association of the holding promoting the participation of stakeholders in management, there is a continuous communication with its stakeholders, and all the feedback received from stakeholders are evaluated and solution proposals are developed.

3.3. Protection of Holding Assets:

There is no evidence of negligence or wrong doing either by the board or the top management that caused the holding assets loose value and led to a deliberate loss for stakeholders.

3.4. Holding Policy on Human Resources:

We have observed that, with respect to country specific standards, the holding has a well established Human Resources policy that ensures both sound career planning and social rights of high standards.

Yazıcılar Holding has adopted the Anadolu Group Human Resources policy built with the contributions of whole Anadolu Group companies under the leadership of Anadolu Endüstri Holding Human Resources and Industrial Relations Coordinator.

We have detected that there is no discrimination between employees regarding race, religion, ethnic origin, nationality or sex; equal opportunity is offered to people with the same working conditions; remuneration and waging is based on performance evaluation, work environment and conditions are designed to maximize safety and efficiency, and improved regularly. No complaints of discrimination have been received from any employee in recent years.

There is no trade union within Yazıcılar Holding.

3.5. Relations with Related Companies

The stakeholders of Yazıcılar, excluding employees are affiliates, subsidiaries and joint ventures (related companies) which operate in areas of beer, soft drinks, automative, retail, finance and energy. We observed that there is a smooth relation between Yazıcılar and its stakeholders.

3.6. Ethical Rules:

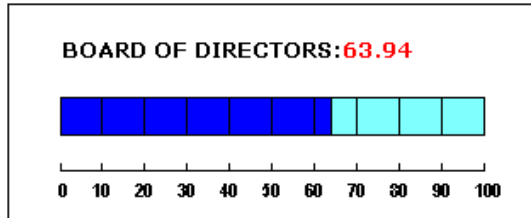
Yazıcılar's ethical rules are prepared in detail and have been announced on the internet site. These ethical rules named as Anadolu Group Working Principles, are approved by the board and presented to the recent shareholders' meeting.

3.7. Social Responsibility:

Yazıcılar Holding has contributed with over 40 pertual pieces in eduaction, health and social fields in Turkey through Anadolu Egitim ve Sosyal Yardım Vakfı, which is a foundation supported solely by Anadolu Group companies. The flagship project of the Foundation, Anadolu Saglik Merkezi (ASM), has been opened in Istanbul in February 2005 as a general healthcare complex. ASM operates in affiliation with John Hopkins Medicine, a leading US healthcare provider, and is specifically focused on heart and canser diseases.

On the other hand, Efes Pilsen Sports Club, which was established in 1976, is one of the pioneers of Turkish bastekball and also renown for its suceses across Europe. Efes Pilsen Sports Club organizes free basketball schools in cooperation with General Directorate of Youth and Sports, opening up bright frontiers for the new generations.

SECTION 4: BOARD OF DIRECTORS



SYNOPSIS

| | |
|---|---|
| + | The Holding's vision, mission and strategic goals are clearly defined |
| + | The board is staffed with effective and highly qualified members |
| + | Holding's Chairman and Executive Board Chairman is not the same person. |
| + | Both Audit and Corporate Governance Committees |
| + | None of the members are executive |
| - | No independent member in board and in committees |
| - | Lack of cumulative voting procedures. |
| - | No signed compliance and liability statement by board members. |
| - | No provisions in the Articles of Association defining procedures for shareholders or stakeholders to invite the board to convene. |
| - | There is privilege of nominating board members |

The board of directors has clearly defined the vision and mission of the holding and is staffed by highly qualified, managerially skillful members who are experienced in holding's areas of business. The board is overseeing that the holding's activities are managed in compliance with the legislation, articles of association, internal procedures and established policies. It has been stated that none of the board

members is indulged in any transaction and/or is engaged in any form of competition with the holding. On the other hand, not having cumulative voting procedures; not having provisions in the articles of association defining procedures for shareholders or stakeholders to invite the board to convene; not having independent members in the board and having privilege in nominating board members are areas of improvement under this heading.

Likewise, before commencing work, members of the board have not declared in writing that they would be jointly liable to compensate the loss accrued to the shareholders and stakeholders in case of incompliance.

4.1. Fundamental Functions of the Board of Directors:

The mission of the holding is defined as to contribute in the most effective way, in the various Anadolu Group companies participated, in making them achieve their strategic targets, thereby creating the maximum value for the shareholders. This mission is announced to public both in annual report and in internet site.

The strategic goals determined by the executives in accordance with the holding's plans are presented to the approval of the Board of Directors prior to authorization.

The Board of Directors continuously monitor the status of the holding against its strategic goals, through monthly meetings which should be held as per the articles of association, and the results of holding's activities

and its performance are evaluated in detailed reports.

The board assesses whether the executives are well qualified to suit the demands of their positions and seeks measures that would encourage qualified employees to work for the holding over a long period of time. As the board deems appropriate, it terminates the employment of executives and appoints new executives to replace the former without delay.

4.2. Principles of Activity and Duties and Responsibilities of the Board of Directors:

Although there are no articles specifying qualifications for the members, the holding ensures that Board members: are preferably university graduates; possess a high level of competence and knowledge; are educated and experienced in holding management; are sufficiently competent to interpret the financial statements and reports; possesses basic knowledge of legal framework regulating the activities and transactions related to holding's field of activity; have never been convicted of violating regulations; and are able to attend board meetings.

The board of directors determines the policies concerning shareholders, stakeholders and public relations, disclosure policy, and ethical rules, and takes necessary measures to ensure the organization's compatibility with the current conditions.

No evidence has been encountered as to any misuse of confidential and undisclosed information about the holding for the benefit of board members or other parties.

The Board has to convene in every month as per the articles of association. All decisions made by the

Board of Directors are recorded in the registry book.

Each member in the board has one vote.

The ethical rules document, named as Anadolu Group Working Principles, has a clause stating that members of the board cannot disclose confidential information and trade secrets to the public.

Before commencing work, a written declaration by members of the board that they will comply with the legislation, articles of association, in-house regulations and established policies, and in case of incompliance, that they would be jointly liable to compensate the loss accrued to the shareholders and stakeholders, is not practiced.

As per the 334th and 335th items of the Turkish Commercial Code, board members obtained the permission from the general shareholders' meeting, except for the items restricted by Turkish Commercial Code.

The members of the Board of Directors are assured to access any type of information to carry out their tasks, and with this respect issues to be discussed at Board meetings are conveyed to members prior to each meeting along with the agenda.

4.3. Formation and Election of the Board of Directors:

None of the Board members have been convicted or sentenced of non-conformity with the capital markets legislation or the Turkish penal code. All members are qualified and experienced persons maintaining high moral standards and fully capable of endorsing the required tasks to direct the holding. However, the required specifications to be a board member

are not listed in the articles of association.

The board of directors consist of six members. The members are selected by the general assembly among the candidates nominated by the shareholders in the following way ; 1 candidate by A Group, 3 by B Group, 1 by C Group and 1 by D Group.

Although there are some members in the board who have the ability to execute their duties without being influenced under any circumstances, they are not accepted as independent by us due not meeting the necessary criteria.

The lack of cumulative voting procedures and having privilege of nominating board members are important shortcomings with respect to full compliance to the "Corporate Governance Principles" of the Capital Markets Board.

4.4. Remuneration of the Board of Directors:

It has been declared by the holding officials that Yazıcılar has not lent any money or extended any credit to board members.

There is no incentive policy for board members and no written performance criteria. In the recent general meeting it has been decided not to give any compensation to the board members.

4.5. Number, Structure and Independence of Committees Established by the Board of Directors:

There is both Audit Committee and Corporate Governance Committee within the board of Yazıcılar Holding. The members of the Audit Committee are Ali Şanal and M. Cem Kozlu. The Audit Committee has taken all necessary measures to make sure that

internal audit mechanisms are carried out adequately and transparently. The Audit Committee is also supervising the activities of the external auditors and full compliance with accounting standards. The audit committee also controls the compliance of periodic financial statements and footnotes as per the CMB and IFRS standards.

The appointment of the external auditors and the services to be provided thereby are subject to a preliminary approval by the Audit Committee. However, prior to appointment of the external audit firm, the Audit Committee does not prepare a report stating whether or not there exist any issues that may jeopardize independence of the audit company.

Also a corporate governance committee is established in order to monitor Yazıcılar holding's compliance with the corporate governance principles and perform improvement studies and offer any possible suggestions to the board. Mr İbrahim Yazıcı and R. Yılmaz Argüden are the members of the committee.

4.6. Executives:

We have observed that the holding executives are operating in accordance with the holding's vision, mission and strategic goals and in compliance with the financial and operational plans approved by the board.

It is also our observation that holding executives are delegated with adequate authority and equipped with the professional qualifications required. None of the executives have been reported to have gained illegitimate or dishonest benefits at the expense of the holding. The holding officials stated that there are no executives that had ever been sentenced for crimes against the capital markets legislation or the Turkish penal code. However,

employment agreements do not contain provisions which clearly indicate that the executive may not be permitted to work for a competitor of the holding and describe the sanctions to be implemented in case of violation of such provision in case the executive renounces from his/her duty, to protect the interests of the holding for a certain period of time.

On the other hand, it has been stated by the holding officials that the executives are issuing periodic reports regarding the conformity of in-house procedures to the Articles of Association and internal procedures to the board of directors. However, the human resources procedures do not include provisions for the executives to compensate the losses incurred by the holding and third persons as a result of not performing their duties duly.

Rating Definitions

| Rating | Definition |
|--------|---|
| 9 - 10 | The holding performs very good in terms of Capital Markets Board's corporate governance principles. It has, to varying degrees, identified and actively managed all significant corporate governance risks through comprehensive internal controls and management systems. The holding's performance is considered to represent best practice, and it had almost no deficiencies in any of the areas rated. |
| 7 - 8 | The holding performs good in terms of Capital Markets Board's corporate governance principles. It has, to varying degrees, identified all its material corporate governance risks and is actively managing the majority of them through internal controls and management systems. During the rating process, minor deficiencies were found in one or two of the areas rated. |
| 6 | The holding performs fair in terms of Capital Markets Board's corporate governance principles. It has, to varying degrees, identified the majority of its material corporate governance risks and is beginning to actively manage them. Management accountability is considered in accordance with national standards but may be lagging behind international best practice. During the ratings process, minor deficiencies were identified in more than two of the areas rated. |
| 4 - 5 | The holding performs weakly as a result of poor corporate governance policies and practices. The holding has, to varying degrees, identified its minimum obligations but does not demonstrate an effective, integrated system of controls for managing related risks. Assurance mechanisms are weak. The rating has identified significant deficiencies in a number (but not the majority) of areas rated. |
| <4 | The holding performs very weakly and its corporate governance policies and practices are overall very poor. The holding shows limited awareness of corporate governance risks, and internal controls are almost non-existent. Significant deficiencies are apparent in the majority of areas rated and have led to significant material loss and investor concern. |