



NOTES TO THE STATEMENTS OF INCOME

(All currencies are in (YTL), unless otherwise indicated)

1. Depreciation and amortization expenses incurred during the current year is as follows:

	<u>31.12.2004</u>	<u>31.12.2003</u>
a) Depreciation Expenses	447,717	221,771
b) Amortization Expenses	742,791	19,434
	<u>1,190,508</u>	<u>241,205</u>

2 Provision expenses for the year are as follows:

	<u>31.12.2004</u>	<u>31.12.2003</u>
a) Retirement Pay Liability	21,001	21,779
	<u>21,001</u>	<u>21,779</u>

3. Financial expenses during the year:

	<u>31.12.2004</u>	<u>31.12.2003</u>
a) Allocated to the Cost of Production	-	-
b) Allocated to the Cost of Fixed Assets	-	-
c) Directly Charged to Expenses	-	3,412
	<u>-</u>	<u>3,412</u>

4. Financial expenses related with the shareholders, participations and affiliated companies for the current year (The ones which exceed 20 % of the total amount will be shown separately):

The Company does not have financial expenses related with shareholders, participation and affiliated companies as of December 31, 2004 and 2003.

5. Purchases from and sales to the shareholders, participations and affiliated companies (The breakdown of the accounts having total amount exceeding 20 % of the main group of accounts will be shown separately):

The Company has purchased Hillside Beach Club 1. Class Holiday Village amounting to YTL 36,390,697 and 39 stores in Etiler, Alkent amounting to YTL 4,200,000 from one of its shareholders namely Alsim Alarko Sanayi Tesisleri ve Ticaret A.Ş. as of December 31, 2004.

As of December 31, 2003 there is no purchase from and sales to shareholders, participations and affiliated companies.



6. Other transactions with the affiliated companies, participations and shareholders such as rent and interest, expenses (The breakdown of the accounts having total amount exceeding 20 % of the main group of accounts will be shown separately):

The Company has issued invoices related to rent, service and other miscellaneous expenses to its group companies amounting to YTL 4,265,573 and the same stated expenses which were invoiced by the group companies to the Company is amounting to YTL 422,008 as of December 31, 2004.

The Company has issued invoices related to rent, service and other miscellaneous expenses to its group companies amounting to YTL 283,254 and the same stated expenses which were invoiced by the group companies to the Company is amounting to YTL 168,430 as of December 31, 2003.

The breakdown of the rent income received from the group companies as of December 31, 2004 and 2003 is as follows:

	<u>31.12.2004</u>	<u>31.12.2003</u>
Attaş Alarko Turistik Tesisler A.Ş.	3,313,925	-
Alarko Carrier Sanayi ve Ticaret A.Ş.	152,453	178,590
Altek Alarko Elektrik Santralleri Tesis İşletme ve Ticaret A.Ş.	54,757	63,032
	<u>3,521,135</u>	<u>241,622</u>

7. During the current year, the total amount of salary and other benefits provided to the executives such as the Chairman and members of the Board of Directors, general manager, general coordinator and general manager assistants:

The total amount of salary and other benefits provided to the executives such as the Chairman and members of the Board of Directors, general manager, general coordinator and assistant general manager during the year 2004 is amounting to YTL 402,935.

The total amount of salary and other benefits provided to the executives such as the Chairman and members of the Board of Directors, general manager, general coordinator and assistant general manager during the year 2003 is amounting to YTL 405,968.

8. Depreciation calculation methods applied by the Company and increases (+) and decreases (-) in the amount of depreciation expense due to the changes in the methods:

The depreciation amount for tangible and intangible assets is calculated over the restated amounts by using straight-line method on pro-rata basis as of December 31, 2004 and 2003.

9. Costing system (order and process costing etc.) and valuation of inventories (weighted moving average method, first in first out, weighted average method etc.):

Inventories are valued at cost of acquisition as of December 31, 2004 and 2003.



10. The reason of the inventory count incomplete or partially could not be performed:

The inventories consist of buildings and lands which are included in merchandise account and purchased for resale as of December 31, 2004 and 2003. There are no raw materials as at year end.

11. Scrap sales included in domestic and foreign sales and the breakdown of service sales, which exceed 20 % of gross sales in separate totals:

The Company does not have scrap sales and service sales for the years ended December 31, 2004 and 2003.

12. Incentives and subventions related to domestic and export sales:

The Company does not have any incentive or subvention related to domestic and export sales as of December 31, 2004 and 2003.

13. The detail and the sources of prior years' income and profits and prior years' expenses and losses are as follows:

Prior Years' Income and Profits:

The Company does not have any prior years' income and profits as of December 31, 2004 and 2003.

Prior Years' Expenses and Losses:

The Company does not have any prior years' expenses and losses as of December 31, 2004 and 2003.

14. The earnings per share and dividends per share ratio for the ordinary and privileged shares separately are as follows:

Due to net loss realized in the restated financial statements expressed in equivalent purchasing power of New Turkish Lira for the years ended 2004 and 2003 according to the Communique XI-20, the Company will not realize profit distribution.

There is no decision given by the Board of Directors as at the reporting date regarding the profit appropriation.

15. The changes in the production quantity of the services and goods produced in the current year for each main production group separately are as follows:

The Company did not produce services and goods during the years ended December 31, 2004 and 2003.

16. The changes in the sales of services and goods realized in the current year for each main sales group separately are as follows:

<u>Main Sales Group</u>	<u>31.12.2004</u>	<u>31.12.2003</u>
Villa and Land Sales	-	636,818
Rent Income	3,529,864	241,622
Due Date Differences	-	93,853
	<u>3,529,864</u>	<u>972,293</u>