

BOARD OF DIRECTORS OPERATIONS REPORT
ISSUED AS PER THE COMMUNIQUE SERIAL XI, No. 29

I. INTRODUCTION

Report Period

This report covers the period between 01 January 2011 and 30 June 2011.

Trade Name

Eczacıbaşı Yatırım Holding Ortaklığı A.Ő.

The Boards authorized in the period

Board of Directors

F. Bülent Eczacıbaşı	President
R. Faruk Eczacıbaşı	Vice President
Sezgin Bayraktar	Member
Dr. Öztin Akgüç	Member
Z. Fehmi Özalp	Member
M. Sacit Basmacı	Member
Levent A. Ersalman	Member

Board Members have been elected for an office period of three years in the Ordinary General Assembly dated 06 May 2011, and they will serve until the Ordinary General Assembly to be held in 2013.

The Board of Directors is entitled to make decisions for any and all transactions other than the ones particularly left to the General Assembly through Turkish Commercial Code, Articles of Incorporation

Board of Auditors

Tayfun İçten	Auditor
Bülent Avcı	Auditor

Members of the Board of Auditors have been elected for one year at the Ordinary General Assembly dated 06 May 2011, and they are obliged to carry out the duties referred to in Turkish Commercial Code and the Articles of Incorporation.

Amendments made to the Articles of Association

The amendment to Article 4 of the Company's Articles of Association, titled "Purpose and Scope" as authorized by authorization No. 3102 of 21.03.2011 of the Capital Markets Board, and the authorization No. 1753 of 23.03.2011 of Ministry of Industry and Trade has been submitted to the General Assembly Meeting held on 6 May 2011 and has been ratified unanimously. The new version of Article 4 of the Company's Articles of Association (Purpose and Scope) is as follows:

Article 4. Purpose and Scope

The company may engage in the following transactions and dispositions in order to carry out the purpose outlined above.

- The Company may become a shareholder of any type of company, provided that the partnership does not involve engagement in any brokerage activity or portfolio management.
 - Without engaging in any brokerage activity or portfolio management, and with the purpose of making use of unproductive reserves or complying with legal liabilities, the company may buy;
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securities, profit and loss sharing certificates, mortgage debt bonds and annuity bonds issued by the companies stated in the above clause; securities, bonds and treasury bonds issued by government and other public corporate entities; participation certificates issued by investment funds as well as all other legal securities.

c) In the event of foundation, capital increment or issuing of securities of the companies which the company participates in either directly or indirectly, the company may act as a guarantor for guaranteeing the results and preserving the values of these transactions to the issuers or buyers and/or public corporations. The company may act as a guarantor for its affiliates against third parties for transactions stated in the Capital Markets Law, provided that these transactions do not involve brokerage activity and comply with the provisions of the Capital Markets Board.

d) The company may sell its securities in cash or credit, and/or exchange with other securities, or pledge them whenever necessary, without engaging in brokerage and portfolio management activities.

e) The company may acquire immovable and movable property necessary for executing its activities, in accordance with the provisions of the Civil Code. Provided that the principles set forth by the Capital Markets Board are met, it may execute all obligatory, real and disposal actions in favor of and in opposition to these.

f) The company may borrow from banks or other financial lenders against pledge of its movable and immovable assets, pledge of commercial enterprise or other guarantees regarding its purpose or scope; or without guarantee

g) Provided that the provisions set forth by the Capital Markets Board are met, the company may acquire or give all types of real or private guarantees in order to collect or acquire its rights and receivables. It may require registry, removal and annulment in the title deed. The company may acquire movable and immovable assets collateralized to it, in order to collect its rights or receivables, if it needs to do so. The company may also sell these.

h) The company may establish guarantee, mortgage and pledge on behalf of itself or third parties, provided that the provisions of Capital Markets Law are met.

i) The company may provide consulting services on investment, finance, organization, marketing and managerial matters.

j) The company may provide financial support or donations to foundations, associations, universities and similar organizations established with a social purpose, provided that the provisions of the Capital Markets Board are met.

k) In case of amendments made in the purpose and scope of the company, required approvals should be obtained from the Ministry of Industry and Commerce and Capital Markets Board.

Amendments made to the Share Capital

No change has been made to the share capital of the Company during the period. The registered capital of the Company is TL 200.000.000.-. and issued capital is TL 70,000,000.-.

No of Shareholders

Our Company has approx. 10.500 shareholders.

Shares Prices (as of end of months)

January	5,16 TL
February	4,92 TL
March	5,54 TL
April	7,02 TL
May	5,86 TL
June	5,72 TL

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Out of the profit for the year 2008, dividend with a gross rate of 7,25 and net rate of 6,16 has been distributed.

Out of the profit for the year 2009, dividend with a gross rate of 5 and net rate of 4,25 has been distributed.

Out of the profit for the year 2010, dividend with a gross rate of 7 and net rate of 5,95 shall be distributed on 25 May 2011.

List of shareholders who hold more than 10% of the Share Capital

Name (Title) of Shareholder Ratio (%)	Share Amount TL	Share
Eczacıbaşı Holding A.Ş.	41.479.335,00	59,26

Relevant Market and Position of the Company in the Market

In the second quarter of 2011, the global markets have been dominated by the consideration by S&P to downgrade the rating of the USA and the concerns over Greece in June. With the increasing concerns and slowdown in the leading growth indicators, the foreign capital markets displayed a fluctuation. The first quarter growth rate in Turkey has realized as 11% per annum, by far above the expectations. As a consequence of such growth, the current account deficit remained as the most important risk factor for Turkish economy. The Central Bank of Turkey, focusing on the current account deficit rather than inflation which remains within expectations has continued to take several measures in an effort to reduce loan growth and the current account deficit.

During this period, Istanbul Stock Exchange lost by 1.81 percent and ISE 30 Index devaluated by 1.83 percent. The stock prices of Eczacıbaşı Yatırım Holding have outperformed the reference indexes and increased by 3.25 percent during the same period.

In the first half of the third quarter, the slowdown signals and debt problems in the global economy give unfavorable signals for the near future. In this respect, it can be expected that the fluctuations in the stock markets may continue during the period ahead.

As of 30 June 2011 Eczacıbaşı Yatırım Holding invests 97,2% of its cash assets in term deposit accounts including 69,9% of its total cash assets in TRL, 14,6% in EURO and 15,6% in US Dollars.

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II. ACTIVITIES

Developments in Investments

No change has been made to our portfolio of affiliates during the period.

Investment Portfolio

There are 16 Eczacibasi Holding subsidiaries owned by Eczacibasi Yatirim Holding Ortakligi.

Short information on our Subsidiaries of which we hold more than 10% of their capital

Eczacibasi Menkul Degerler A.S.

Eczacibasi Menkul Degerler, founded in 1982, offers its services in the head office in Istanbul, and its branches located in Ankara, Izmir, Istanbul, Kadikoy, Afyon, Bursa, Antalya and Adana.

The Company operates in all fields authorized by the Capital Market Board, offering share certificate, treasury bond, Eurobond, repurchase, DCR or any other security purchase and sale intermediation, investment consultancy, investment funds purchase and sales services to individual investors, and intermediation, derivative purchase, sales and consulting services to international investors. The Company also offers consulting and intermediation services for the public offerings of companies.

Through the Advanced technology Tele Invest 24, Net Invest 24, Net Analyst and Net Message Systems, either security purchase and sales intermediation services, or capital markets analyses and interpretations are provided more swiftly at a cheaper price.

The paid-in capital of the company is 11.000.000 TL as of 30 June 2011.

E-Kart Elektronik Kart Sistemleri Sanayi ve Ticaret A.Ş.

E-Kart Elektronik Kart Sistemleri was founded in 1999 in an effort to develop and apply intelligent card solutions for high security, authority definition and specification and satisfaction of the near future requirements related to cheap data storage and management in the field of "e-trade" and "e-business". E-Kart Elektronik Kart Sistemleri Co.'s 50% share was transferred to Giesecke & Devrient GmbH, which is the second biggest establishment in the world in its field, in 2001.

Starting its production in 2001 and Turkey's first Visa/Europay approved credit card, intelligent credit card producer and personalization facility, E-Kart's annual production capacity is 40 million. In addition to intelligent card production, E-Kart also houses daily card personalization operation for many banks thanks to its fast, high quality and reliable service understanding.

E-Kart has an infrastructure which can produce cards, software and personalization through Visa/Europay, SAS and other international security certifications. The Company is first among its competitors with the ISO-IEC 27001-2005 Certificate. Continuing its leadership both its banking and GSM cards market, E-Kart, according to its geographical growth target, is the largest seller in Moldavia, Ukraine, Azerbaijan, Georgia and Kazakhstan with the marketing and sales operations. In addition to those countries, E-Kart is preparing to take part in Uzbekistan, Tajikistan, Kyrgyzstan and Nepal markets, where it aims to grow.

The issued capital of the Company as of 31 March 2011 is TL 10.839.500,-

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EİS Eczacıbaşı İlaç, Sınai ve Finansal Yatırımlar San. ve Tic. A.Ş.

Eczacıbaşı İlaç, Sınai ve Finansal Yatırımlar does not have an actual production and has an holding structure with its Subsidiaries, Partnerships Subject to the Joint Management and Affiliates. In this structure, it directly performs property development activities; and engages in healthcare, cosmetics and personal care products sectors through its subsidiaries.

The Board of Directors of Eczacıbaşı İlaç, Sınai ve Finansal Yatırımlar has decided on 31 December 2009 to file an application with Banking Regulation and Supervision Agency in order to establish an Investment Bank and to acquire 40% of such bank if the establishment of the bank is duly authorized. As of 30 June 2011, due diligence as required under the applicable law is underway.

The Board of Directors of Eczacıbaşı İlaç, Sınai ve Finansal Yatırımlar has decided on 28 September 2010 that the project involving the property development (residential and commercial units) be implemented under the name "ORMANADA" with the participation of Eczacıbaşı İlaç, Sınai ve Finansal Yatırımlar by 50% and Eczacıbaşı Holding by 50% in Zekeriyaköy District, Sarıyer, İstanbul, that the property (residential units) to be built at the "Ormanada" project be developed in two phases to be completed by the end of 2013 by the Company's subsidiary Eczacıbaşı Gayrimenkul Geliştirme ve Yatırım A.Ş., which, within the context and control of the signed contract, would choose a contractor or sub-contractors by bidding on the basis of taking offers on unit prices, bargaining or contracting at a lump sum price, and that the required works be completed so that the property (residential units) to be built on the lots for which the legal process has been completed could be launched for sale in October 2010. In the press meeting held on 18 October 2010 with respect to the promotion of Ormanada and in the special public disclosure made on the same date, it has been stated that the project will require an investment of USD 300 million. The residential units will vary from 170 to 700 square meters in size and would be priced in the range of USD 500 thousand to USD 2,2 million per unit. Ormanada has been created with the cooperation of Torti Gallas and Partners, Kreatif Mimarlık ve Rainer Schmidt Landscape Architects, all having a global experience and expertise. The revision studies on the project, which has a green area of 25 acres, to include a total of 259 residential units, 188 of which were villas and 71 were townhouses; suggest the number of residential units could be increased to 270. The project will be completed in two phases and there would be 151 residential units in the first phase, and it is projected that the second phase, which is still at the construction license issue stage, would include 119 residential units as of the date of the attached report. 45 residential units in the first phase have been sold, and sales agreements were made and advance payments collected for 25 residential units in the second phase. Furthermore, the contractor for the infrastructure (construction other than the buildings: roads, electricity, water, sewage, natural gas, telephone lines etc.) works of the Ormanada project was commissioned and started operating, and all construction activities continue as planned.

The registered share capital upper limit and issued share capital of Eczacıbaşı İlaç, Sınai ve Finansal Yatırımlar are 200.000.000 TL and 548.208.000 TL, respectively, as of 30 June 2011.

İntema İnşaat ve Tesisat Malzemeleri Yatırım ve Pazarlama A.Ş.

İntema was founded in 1978 by Eczacıbaşı Holding and Vitra authorized dealers and was first quoted in the İstanbul Stock Exchange in 1990.

Since it was founded, it is providing bath and kitchen utensils and design, including promotion, demonstration, consulting, sales and aftersales services with a "customer focused" understanding.

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In 2007, with the cooperation started by Eczacibasi Holding and world oldest and renowned ceramic brand Villeroy & Boch, Intema has undertaken the sales and distribution of the table products of Villeroy & Boch.

The Company, continuing its "Personalized" approach, continues to provide services within a process integrity, and increased its stores throughout Turkey, including outlets, to 24.

For the purpose of continuing the developments in the retail field, 5 Large Stores, 4 Villeroy Boch Tile Ceramic and Bath Products Stores, 3 Villeroy Boch Table Products, 2 Intema Kitchen Stores, 7 Small Stores and 3 Outlets offer our products, and with our Sofia / Bulgaria store, we have transferred our experiences in services and stores to abroad.

The registered share capital upper limit and issued share capital are 10.000.000 TL and 4.860.000 TL, respectively, as of 30 June 2011.

Kaynak TekniĐi Sanayi ve Ticaret A.Ő.

Kaynak Teknigi, starting its operations on 01 March 1974 undersigned a distribution contract with "The Lincoln Electric Company" of US at the beginning of 1992, in 05 May 1988, they converted such contract into equally shared partnership and a large step was made in the process of increasing exports to European, Turkic Republics, Russia and Middle East.

Annually 36.000 covered electrodes, 25.000 tons of gas metal arc welding wire production capacity, ASKAYNAK, carries out its production in accordance with national and international standards.

Having its head office and plant building in Kocaeli, Cayirova Municipality, Askaynak is founded on an area of 40.000 m2, of which 22.000 m2 is covered.

Having 4 sales offices in Turkey, namely in Istanbul, Ankara, Izmir and Adana, and 17 main distributors, about 600 sub-dealer network, Askaynak employs some 300 personnel.

The paid-in capital of the company is 4.835.000 TL as of 30 June 2011.

Eczacıbaőı Holding A.Ő.

Eczacibasi Holding, founded in the end of 1969, carries out and leads strategic planning, financial management, supervision and new project evaluations for the Eczacibasi Group. In addition to those, the Company renders consulting services the organization and human resources, information technologies and communication system works carried out by the Group Companies as well as corporate communication operations of the Group.

As of 30 June 2011, Eczacıbaőı Holding, with asset size of 1,3 billion TL, shareholders equity of 1,3 billion TL as per its statutory balance sheet, is, in addition to its existing activities, intending to engage in property development activities on its owned lands during the years ahead.

Aiming at carrying out new investments and entering into international partnerships fully open to the global world, which enhances the integration of Eczacıbaőı Group in production and operational areas in 2000s, the paid-in capital of Eczacıbaőı Holding is 213.000.000,- TL as of 30 June 2011.

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Eczacıbaşı Yatırım Ortaklığı A.Ő.

Eczacıbaşı Yatırım Ortaklığı was established in June 1998 and 80% of its shares has been publicly offered in June 1999.

The primary purpose of incorporation of the Company is to deal with capital market instruments and gold and other precious metals traded in domestic and international markets or organized markets provided that the Company may not have a controlling shareholding in the capital or management of the undertakings the shares of which are acquired by the Company in accordance with the Capital Market Law and other applicable legislation.

While as of end of 2010, the net asset value of 32 Type A and B securities investment funds operating in the market was 749,7 million TL and this amount become 730.0 million TL as of 30 June 2011.

The net asset value of Eczacıbaşı Yatırım Ortaklığı being 38.7 million TL as of the end of 2010 has become 38,4 million TL as of 30 June 2011. The total market value being 21,4 million TL as of the end of 2010 has become 18,9 million TL as of 30 June 2011.

The share capital of the company has been increased from 14.000.000 TL to 21.000.000 as of 27 May 2011. The registered share capital upper limit is 25.000.000 TL.

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Management Activities

Senior Management

The managers who are still in office are:

- **Levent A. Ersalman** (*General Manager*)

Boėaziçi University Mechanical Engineering, B.S.
Akron University (USA), MBA

Personnel

As of 30 June 2011, no waged personnel is employed by our company. Management services are outsourced as is the case for previous years.

Collective Bargaining Agreements

There is no collective bargaining agreement.

Seniority Compensation

No seniority compensation obligation since there is no employees as at the end of the term

Rights and Benefits offered to Personnel

As of 30 June 2011, since no waged personnel is employed by our company, no rights or benefits have accrued.

Organizations other than the head office

There is no organization outside the head office.

In relation with the issue of consolidated financial statements, the explanations regarding internal management and risk management of the group

Legal records of the subsidiaries, joint management partnerships and affiliates included in the consolidation are quarterly audited by Certified Public Accountants as per Turkish Commercial Code, Universal Accounting Plan and fiscal issues. The operations of the consolidating organizations are audited by the Audit Board within Eczacibasi Holding AS, with regard to required processes and/or issues. Furthermore, the compliance of the financial statements issued by the companies included in the consolidation with the Turkish Capital Market Board (CMB) legislation and International Financial Reporting Standards is audited by certified public accountants when necessary.

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REPORT ON COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES

1. Declaration of Compliance With Corporate Governance Principles

During the period of 01.01.11 – 30.06.11, we implemented some but not all of the principles of Corporate Governance Policies issued by the Capital Markets Board.

The reason for not completely implementing the above mentioned principles is that; our company is solely a holding and it is not engaged in production of goods or services, does not employ any workers during the period and executes its transactions via purchasing of services.

However, the unimplemented principles are not detrimental to the shareholders or stakeholders and have not led to any conflict of interest for the interest holders to date.

SECTION I: SHAREHOLDERS

2. Relations with Shareholders Unit:

The company has a shareholder relations unit since the year 1990. We employ one authorized personnel working in this unit, directly under the supervision of the general manager.

Contact information for shareholder relations specialist is below:

Name Surname : Elif Durgut
Telephone : 212-371 72 23
Fax : 212-371 72 22
e-posta adresi : elif.durgut@eczacibasi.com.tr

Shareholder relations unit provides written and oral communication with shareholders, Istanbul Stock Exchange, Capital Markets Board, Central Registry Agency and Takasbank.

Main activities executed during the period

- Inquiries received via various means of communication have been responded to.
- All aspects of public disclosure have been pursued and monitored in accordance with the relevant legislation.
- On 06 May 2011, the performance of the general assembly in accordance with the prevailing legislation, articles of incorporation or other in-house arrangements was provided,
- A document which could be benefited by the shareholders at the General Assembly was issued,
- Results of the voting were recorded.
- All issues were taken into account and applied according to law, for the purpose of informing the public.

3. Use of Information Rights by the Sharholders

Shareholders who have applied to request information on the date of the general assembly, the date of distribution of profit, and whether the capital will be increased or not have been informed accordingly.

Any developments which would affect the use of shareholding rights, any statements released through KAP (Public Disclosure Platform) according to legislation are announced on press. Our

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articles of association does not contain any clause regarding appointing a special auditor. And we did not receive any demand for one during this period.

4. General Assemblies

The ordinary meeting of the general assembly has been held. The Assembly was held with a sufficient majority with the attendance of the shareholders holding public shares and founding shareholders. No media members attended the meeting. Invitations to attend the meeting have been announced by bulletins of the Public Disclosure Platform and press announcements.

The company made its annual report, financial statements, articles of association and statement of profit distribution available to be viewed by shareholders, at its head office. Shareholders exercised their right to ask questions at the General Assembly meeting. The questions have been answered by members of the Board of Directors, or by general manager, according to their subjects.

The articles of association does not contain a provision on authorizing the general assembly to make decisions regarding the sales, purchase and leasing of a large amount of assets. However, such important matters may be placed on the agenda of the general assembly, under all circumstances.

With the aim of facilitating attending the general assembly, the meetings are held in the city center, announcements of invitation to attend the meeting are published in newspapers believed to be widely circulated among shareholders. The minutes of the General Assembly is registered in the Public Information Platform and is available in the head office for examination.

5. Right to Cast Vote and Minority Rights

There are no privileges regarding voting. Eczacibasi Holding AS, owning 59.26% of our company casts vote in the General Assemblies. No shareholder has claimed to have minority shares, to date. Cumulative voting procedure is not applied.

6. Dividend Distribution Policy and Time

Our Board of Directors have adopted a profit distribution policy based on the following approach and within the Corporate Governance Policies

- * There is no special arrangement in our Articles of Incorporation which stipulates privileged share, founder share or granting of dividend to our employees as well as advance dividends;
- * In our Articles of Incorporation, it is stipulated that a first dividend equal to the rate and quantity determined by CMB;
- * Dividend distribution offers by our Board of Directors to the approval of the General Assembly considers the current profitability, possible expectations of the shareholders as well as the sensitive balances between the stipulated growth strategies of our Company.
- * Dividend payments (cash and/or free share) will be realized within the legal periods, until the end of the period stipulated in the legislation

7. Transfer of Shares

Our articles of association does not contain any provisions restricting the transfer of shares.

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SECTION II: PUBLIC INFORMATION AND TRANSPARENCY

8. Corporate Information Policy

Upon demand for information from the press, shareholders or potential investors, the company officials provide necessary information in written or oral form.

9. Special Situations

During the period, special event disclosures have been made for fifteen times. Neither Istanbul Stock Exchange nor Capital Markets Board have requested further explanations regarding these disclosures. The disclosures of special events have been made in a timely manner.

10. Company Web Site and its Contents

The information regarding the Corporate Management Principles of our company can be reached at www.eczacibasiyatirim.com.tr

11. Announcing Real Entity Final Governing Shareholder/s

As known, we are governed by the Eczacibasi Group, and we have no such operation.

12. Announcing the Persons who can obtain insidious information, to the public

The list of insider traders has been issued and notified to Central Registry. The list of such persons is available for submitting to the Board and stock exchange upon request.

SECTION III - STAKEHOLDERS

13. Informing the Stakeholders:

Stakeholders are informed in written or oral form, upon their requirement, regarding matters which are of interest to them. Besides shareholders, real persons or representatives of legal persons (brokerage house employees, potential investors, etc.) who wish to do so, may attend the general assembly meetings as listeners.

14. Participation of the Stakeholders to Management

There are no studies made on the contribution of stakeholders in management.

15. Human Resources Policy

The human resources policy of Eczacıbaşı Group is applied. So far we have not received any complaint from the employees with regard to distinction.

16. Information on Relations with Clients and Suppliers

Since we do not produce goods or services, we have no client or supplier, so there is no such operation.

17. Social Responsibility

We have direct operations towards the public within the scope of social responsibility. Under the operations of Eczacıbaşı Group, we support some social, cultural and sports activities. We do not create pollution as we have no production activities.

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The Board of Directors consists of 7 members, one of which is the executive (General Manager)

F. Bülent Eczacıbaşı	Chairman, non-executive,
R. Faruk Eczacıbaşı	Vice Chairman, non-executive
Sezgin Bayraktar	Member, non-executive
Özti Akgüç	Member, non-executive
Z. Fehmi Ozaip	Member, non-executive
Levent A. Ersalman	Member and CEO, executive
M. Sacit Basmacı	Member, non-executive

The Board of Directors does not have any independent members. It is evaluated that there is no demand and/or need for such, since views of shareholders are monitored closely and consulting services are outsourced if a perspective from outside of the company is required.

Members of the Board of Directors may undertake duties in companies affiliated with Eczacıbaşı Group, but, in principle, may not undertake duties outside of the group.

19. Qualifications of the Board Members

The minimum requirements for Board Member elections are the same as those listed in CMB Corporate Management Principles Part IV Articles 3.1.1., 3.1.2., and 3.1.5. Our articles of association contains the clause "Majority of the members of Board of Directors must bear the qualifications stated in the Turkish Commercial Code and the legislation of Capital Markets Board".

20. Mission, Vision and Strategic Targets

The provisions of articles of association regarding purpose and scope of the company are quite comprehensive and the company executes its operations within this context.

21. Risk Management and Internal Control Mechanism

Regarding this issue, the company receives support from the audit committee which comprises of two members of the Board of Directors, Financial Affairs Group Presidency of the holding and sworn financial consultancy company, which a full approval contract is signed with.

22. Authorities and Obligations of Board Members and Managers

Authorization and duties of members of Board of Directors and directors are clearly stated in the articles of association.

23. Board's Principles of Operation

The agenda of the meetings of Board of Directors is determined by the general manager, whom the chairman assigns with such duty. During the period, the Board of Directors has convened twelve times. The decisions have been adopted unanimously. Invitations were made via phone and/or e-mail. Informing of and communicating with the members of Board of Directors are executed by the shareholder relations specialist.

Decisions of the meetings of the Board of Directors held in the period were taken without counter-statements. In the issues listed in Part IV Article 2.17.4 of the CMB Corporate Management Principles, the Board Members personally attended meetings.

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Members of the Board of Directors do not have weighted voting rights or veto rights.

24. Ban to Transact with Company and No Competition

While members of our Board of Directors are authorized by the general assembly to make transactions with the company in accordance with the relevant laws, in line with the general principles of the Eczacıbaşı Group, Board members do not make transactions with the company.

25. Ethic Rules

The ethical rules established by the Eczacıbaşı Group are applied. Employees of the company are notified in writing about these rules, however, these rules are not disclosed to the public.

26. Number, Structure and Independency of the Committees formed by the Board

Our company does not have corporate governance committee or any committee other than the auditing committee. Corporate Governance Committee has not been established because the consulting and services required for the smooth functioning of Board of Directors are outsourced when needed.

27. Financial Rights Granted to Board of Directors

In accordance with the decisions of the General Assembly, Board Members are not paid any wages. No member of Board of Directors have made any transactions regarding the company. There is no performance-based award system. The Company has not extended any guarantee or loan to any member of the Board of Directors or officers during the first six months of 2011.
