

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S.’

CONSOLIDATED FINANCIAL STATEMENTS

AND FOOTNOTES

AS OF 31 DECEMBER 2016

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REYSAS TASIMACILIK VE LOJİSTİK TİCARET A.Ş.
To the attention of Board of Directors

INDEPENDENT AUDIT REPORT ON REYSAS TASIMACILIK VE LOJİSTİK TİCARET A.Ş.' CONDOLIDATED FINANCIAL STATEMENTS FOR THE ACCOUNTING PERIOD 1 JANUARY-31 DECEMBER 2016

We have audited **Reysas Tasımacılık ve Lojistik Ticaret A.Ş.**' ("Company") and subsidiaries' (shall hereinafter be referred to as "Group") consolidated financial statement prepared and enclosed as of 31 December 2016 and 31 December 2015, consolidated profit or loss income for the year ended on the same date and other comprehensive income statement, consolidated statement of changes in shareholder's equity, consolidated cash flow statement, footnotes summarizing key accounting policies and attached financial statements composed of other explanatory notes.

Management's Responsibility for Financial Statements

Group management is responsible for preparation and fair presentation of consolidated financial statements according to Turkey Accounting Standards ("TAS") published by the Public Oversight Accounting and Auditing Standards Authority ("KGK"). This responsibility includes preparation of financial statements without significant errors or falsifications due to mistakes and/or cheating and irregularity; designing, implementation and maintenance of necessary internal control system so as to ensure honest communication of the facts; realization of accounting estimates required by relevant conditions, and selection of proper accounting policies.

Responsibility of Independent Auditing Firm

We are responsible for expressing opinion about these consolidated financial statements on the basis of our independent audit. Our independent audit has been carried out in accordance with independent audit standards published by the Capital Markets Board and independent audit standards which is a part of Turkey Audit Standards published by KGK. These standards necessitate obedience to ethic principles, as well as planning and conduct of independent audit, financial statements in such manner to provide reasonable assurance regarding whether financial statements reflect the truth in an accurate and fair manner.

Our independent audit includes usage of independent audit techniques so as to collect independent audit proofs with regard to sums and footnotes in financial statements. Selection of independent audit techniques is carried out pursuant to our professional conviction and knowledge in the manner to comprise risk assessment about whether financial statements include any significant fallacy due to mistakes and/or cheating and irregularity. The risk assessment takes internal control system of the business into account. However, our objective is not to give an opinion about the effectiveness of the internal control system but to put forth the relationship between financial statements prepared by business management and internal control system in order to design independent audit techniques in line with relevant conditions. Our independent audit also includes conformity assessment regarding the presentation of accounting estimates and financial statements as a whole, together with accounting policies adopted by the business management.

We believe that the independent auditing evidences, which we have acquired during independent audit, constitute a sufficient and appropriate base so as to establish our opinion.

Opinion

In our opinion, attached consolidated financial statements reflect financial status of Reysas Tasımacılık ve Lojistik Ticaret A.Ş. and its subsidiaries as of 31 December 2016 and 31 December 2015 and financial performance and cash flows for the period ended at the same date and all important aspects accurately and honestly within the framework of Turkey Accounting Standards.

Report on Obligations Arising from Other Related Legislation

The Auditor's Report on Early Detection of Risk System and Committee held pursuant to fourth paragraph of 398.Article of Turkish Trade Code ("TTC") No. 6102 has been submitted to the Company's Board of Directors on March 13, 2017.

No significant issue related that book-keeping order, financial statements do not comply with the provisions related to law and financial reporting of Articles of association in the accounting period of 1 January-31 December 2016 pursuant to the fourth paragraph of 402.Article of TTC has been found.

Pursuant to the fourth paragraph of Article 402 of the Turkish Commercial Code, the Board of Directors made required explanations and provided required documents within the scope of the audit.

Istanbul, 13 March 2017

KAVRAM BAĞIMSIZ DENETİM VE YEMİNLİ MALİ MÜSAVİRLİK A.Ş.
Member Crowe Horwath International

Ö.Faik YILMAZ
Responsible Partner Chief Auditor

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S. (AND ITS SUBSIDIARIES)
(CONSOLIDATED) STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) OF 31 DECEMBER 2016 PASSED THE INDEPENDENT AUDIT
(ALL SUMS ARE SHOWN IN TL.)

	Footnote Reference	Consolidated Current Period 31 December 2016	Consolidated Previous Period 31 December 2015
ASSETS			
Current Assets			
Cash and Cash Equivalents	7	71.661.581	118.807.143
Financial Investments	8	20.638	16.975
- Restricted Bank Balances		-	-
-Term Deposits		-	-
Available-for-sale financial assets		-	-
-Financial investments to be held until maturity		-	-
Financial assets whose fair value difference is reflected on profit or loss		20.638	16.975
--Financial assets held for trading		-	-
--Other measured by reflecting fair value to the Profit/Loss		-	-
Financial Assets		20.638	16.975
Trade Receivables	6-11	99.051.971	84.869.936
Trade Receivables from Affiliates	6	63.303.090	58.440.522
Trade Receivables from non-Affiliates	11	35.748.881	26.429.414
Other Receivables	6-13	13.465.040	8.725.253
-Other Receivables from Affiliates	6	12.014.984	7.120.666
-Other Receivables from non-Affiliates	13	1.450.056	1.604.587
Stocks	16	2.439.874	2.514.914
Prepaid Expenses	6-18	7.010.854	4.014.759
-Expenses Prepaid to the affiliates	6	61.084	61.343
-Expenses Prepaid to the non-affiliates	18	6.949.770	3.953.416
Assets on Current Year Tax	21	278.764	394.614
Other Current Assets	6-22	23.227.565	22.527.286
-Other Current Assets from Affiliates	6	-	-
-Other Current Assets from Non-Affiliates	22	23.227.565	22.527.286
SUBTOTAL		217.156.287	241.870.880
Fixed Assets Classified for Sale Purpose		-	-
Total Current Assets*		217.156.287	241.870.880
Fixed Assets			
Trade Receivables	6-11	82.813	84.181
-Trade Receivables from Affiliates	6	-	-
Trade Receivables from non-Affiliates	11	82.813	84.181
Other Receivables	6-13	792.297	1.012.270
-Other Receivables from Affiliates	6	-	-
-Other Receivables from non-Affiliates	13	792.297	1.012.270
Stocks	16	29.742.179	-
Investments valued by Equity Method	25	25.128.394	25.438.497
Investment Properties	26	402.136.307	149.023.030
Tangible Fixed Assets	27	406.271.503	579.286.666
-Lands and parcels		202.748.341	221.903.909
-Land Improvements		8.357.684	8.559.860
- Buildings		23.373.666	152.339.627
- Plant, Machinery and Equipment		16.298.718	13.847.650
-Vehicles		43.609.317	41.170.879
-Furniture and Fixtures		1.003.480	782.680
-Special Costs		62.755	93.757
- Investments in Progress		110.817.542	140.588.304
-Other Tangible Fixed Assets		-	-
Intangible Fixed Assets	28	13.713	20.218
-Licenses		13.498	19.979
-Computer Software		215	239
Other Intangible Fixed Assets		-	-
Prepaid Expenses	6-18	26.640.010	30.869.186
-Expenses Prepaid to the affiliates	6	-	-
-Expenses Prepaid to the non-affiliates	18	26.640.010	30.869.186
Deferred Tax Asset	40	2.350.748	3.024.354
TOTAL FIXED ASSETS*		893.157.964	788.758.402
Total Assets		1.110.314.251	1.030.629.282

The Attached Notes Are An Integral Part Of These Financial Statements.

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S. (AND ITS SUBSIDIARIES)
(CONSOLIDATED) STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) OF 31 DECEMBER 2016 PASSED THE INDEPENDENT AUDIT
(ALL SUMS ARE GIVEN IN TL.)

	Footnote Reference	Consolidated Current Period 31 December 2016	Consolidated Previous Period 31 December 2015
RESOURCES			
Short-Term Liabilities			
Short-Term Borrowings			
-Short Term Borrowings from Affiliates	9	156.529.471	177.797.966
-Short Term Borrowings from Non-Affiliates			
- Bank Loans		156.529.471	177.797.966
- Debts from Financial Leasing Transactions		144.499.097	122.059.972
- Issued Debt Instruments		12.030.374	5.509.816
- Other Short-Term Borrowings		-	50.228.178
Commercial Debts	6-11	81.711.185	88.674.014
- Trade Payables to Affiliates	6	51.033.845	55.599.044
- Trade Payables to Non-Affiliates	11	30.677.340	33.074.970
Payables within the scope of Employee Benefits	14	1.161.937	992.851
Other Liabilities	6-13	11.183.958	12.121.253
- Other Payables to Affiliates	6	4.510.573	6.393.444
- Other Payables to Non-Affiliates	13	6.673.385	5.727.809
Deferred Incomes	6-18	8.022.983	925.260
- Deferred Incomes from Affiliates	6	-	-
- Deferred Incomes from Non-Affiliates	18	8.022.983	925.260
Period Profit Tax Liability	20	2.016.355	484.735
Short-Term Provisions	23	239.161	338.263
-Short-term Provisions on Employee Benefits	23	239.161	338.263
- Other Short-term Provisions	23	-	-
Other Short-Term Liabilities	6-22	319.994	1.006.722
-Other Short-Term Liabilities to the affiliates	6	-	-
-Other Short-Term Liabilities to the non-affiliates	22	319.994	1.006.722
SUBTOTAL		261.185.044	282.341.064
Liabilities for Asset Groups Classified for Sale			
Total Short-Term Liabilities		261.185.044	282.341.064
Long-Term Liabilities			
Long-Term Borrowings			
-Long Term Borrowings from Affiliates	9	621.803.756	494.252.410
-Short Term Borrowings from Non-Affiliates			
- Bank Loans		621.803.756	494.252.410
- Debts from Financial Leasing Transactions		560.063.998	471.803.534
Commercial Debts	6-11	-	149.338
- Trade Payables to Affiliates	6	-	-
- Trade Payables to Non-Affiliates	11	-	149.338
Other Liabilities	6-13	707.016	310.980
- Other Payables to Affiliates	6	-	-
- Other Payables to Non-Affiliates	13	707.016	310.980
Deferred Incomes	6-18	22.722.597	2.653.755
- Deferred Incomes from Affiliates	6	-	-
- Deferred Incomes from Non-Affiliates	18	22.722.597	2.653.755
Long-term Provisions	23	11.763.639	10.425.219
- Long-term Provisions regarding Employee Benefits	23	3.090.533	2.368.026
- Other Long-term Provisions	23	8.673.106	8.057.193
Deferred Tax Liabilities			
Other Long-Term Liabilities	22	-	-
TOTAL LONG-TERM LIABILITIES*		656.997.008	507.791.702
TOTAL LIABILITIES		918.182.052	790.132.766
SHAREHOLDERS EQUITY			
Stockholders' Equity Attributable to Parent			
- Paid -In Capital	29	125.329.727	151.643.559
- Capital Adjustment Differences		119.350.000	119.350.000
- Reacquired Shares (-)		40.859	40.859
- Reacquired Shares (-)		(2.177.230)	(2.177.230)
Other Accumulated Comprehensive Incomes or Expenses not to be reclassified upon Profit or Loss (Expenses)		10.676.803	3.697.136
--Revaluation and Measurement Earnings (Losses)		10.676.803	3.697.136
---Revaluation Increase (Decrease) in Tangible Fixed Assets		8.898.510	2.270.576
--- Re-measurement Profits (Losses) of Defined Benefit Plans		1.778.293	1.426.560
-Reserves on Retained Earnings		42.574.754	25.703.380
--Gains. From Fixed Asset Sales		30.359.133	11.582.112
--Legal Reserves		10.038.391	9.924.902
--Reserves on Repurchased Shares		2.177.230	2.177.230
--Other Restricted Reserves		-	2.019.136
- Previous Years Profits and Losses		(11.666.050)	36.904.992
- Net Period Profit or Loss	41	(33.469.409)	(31.875.578)
Non-Controlling Interests	29	66.802.472	88.852.957
Total Shareholders' Equity		192.132.199	240.496.516
Total Resources		1.110.314.251	1.030.629.282

The Attached Notes Are An Integral Part Of These Financial Statements.

REYSAS TASIMACILIK VE LOJİSTİK TİCARET A.Ş.' (AND ITS SUBSIDIARIES')

PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME STATEMENT PASSED INDEPENDENT AUDIT FOR THE PERIOD JANUARY 01, 2016 - DECEMBER 31, 2016 (CONSOLIDATED).

(All sums are shown in TL.)

	Footnote Ref.	Consolidated Current Period 01 January 2016-31 December 2016	Consolidated Previous Period 01 January 2015-31 December 2015
Revenue	30	379.744.743	339.665.751
Cost of Sales (-)	30	(296.031.667)	(277.740.529)
GROSS PROFIT (LOSS) FROM BUSINESS OPERATIONS		83.713.076	61.925.222
GROSS PROFIT (LOSS)		83.713.076	61.925.222
General Administration Expenses (-)	31	(10.895.814)	(8.241.858)
Marketing, Selling and Distribution Expenses (-)	31	(1.440.598)	(952.155)
Other Real Operating Incomes	33	13.741.581	16.393.134
Other Real Operating Expenses (-)	33	(24.274.541)	(18.810.152)
REAL OPERATING PROFIT (LOSS)		60.843.704	50.314.191
Income from Investment Activities	34	8.249.459	2.332.467
Expenses from Investing Activities (-)	35	-	(943.021)
Investments Valued By Equity Method Shares from Profits (Losses)		(310.104)	4.397.943
OPERATING PROFIT (LOSS) PRIOR TO FINANCING INCOME (EXPENSE)		68.783.059	56.101.580
Financial Income	36	21.609.838	39.121.156
Financial Expenses (-)	37	(144.845.710)	(142.120.953)
CONTINUING OPERATIONS PROFIT (LOSS) BEFORE TAX		(54.452.813)	(46.898.217)
CONTINUING OPERATIONS Tax (Expense) Income		(3.379.174)	(1.736.875)
- Period Tax (Expense) Income	20	(4.277.782)	(2.141.647)
- Deferred Tax (Expense) Income	40	898.608	404.772
CONTINUING OPERATIONS PERIOD PROFIT (LOSS)		(57.831.987)	(48.635.092)
DISCONTINUING OPERATIONS PERIOD PROFIT (LOSS)		-	-
PERIOD PROFIT (LOSS)	41	(57.831.987)	(48.635.092)
Distribution of Period Profit (Loss)		(57.831.987)	(48.635.092)
- Non-Controlling Interests		(24.362.578)	(16.759.514)
- Main Partnership Interests		(33.469.409)	(31.875.578)
Earning per Share		(0.280)	(0.267)
- Earning per Share			
- Earning (Loss) per Share		(0.280)	(0.267)
--Earnings (Loss) per Share via Continuing Operations		(0.280)	(0.267)
--Earnings (Loss) per Share via Discontinuing Operations			
-Diluted Earnings (Loss) Per Share			
--Diluted Earnings (Loss) per Share via Continuing Operations			
--Diluted Earnings (Loss) per Share via Discontinuing Operations			
Other Comprehensive Income:			
Those Not to be Reclassified as Profit or Loss	38	8.678.736	3.321.556
- Tangible Fixed Assets Revaluation increases (decreases), after tax		8.332.597	2.036.793
-Defined benefit pension plans Re-Measurement Gain (Loss), After Tax		346.139	1.284.763
Those to be Reclassified as Profit or Loss		-	-
OTHER COMPREHENSIVE INCOME (EXPENSE)		8.678.736	3.321.556
TOTAL COMPREHENSIVE INCOME (EXPENSE)		(49.153.251)	(45.313.536)
Total Comprehensive Income Distribution		(49.153.251)	(45.313.536)
- Non-Controlling Interests		(22.663.509)	(16.291.438)
- Main Partnership Interests		(26.489.742)	(29.022.098)

The Attached Notes Are An Integral Part Of These Financial Statements.

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S. (AND ITS SUBSIDIARIES)

(CONSOLIDATED) STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY OF 31 DECEMBER 2016 PASSED THE INDEPENDENT AUDIT

(All sums are given in TL.)

	Paid -In Capital	Distinction from capital adjustment	Reacquired Shares (-)	Revaluation and Measurement Earnings / Losses		Reserves on Retained Earnings	Accumulated Profits		Shareholders' Equity Attributable to Parent	Non-Controlling Interests	Equities
				Revaluation Increase/Decrease in Tangible Fixed Assets	Re-measurement Profits/Losses of Defined Benefit Plans		Previous Years Profits/Losses	Net Period Profit/Loss			
PREVIOUS PERIOD											
Balances as of 01.01.2016 (Beginning of Period)	110.000.000	40.859	(2.177.230)	233.783	141.797	13.887.838	44.372.938	20.441.891	186.941.876	100.212.762	287.154.638
Corrections related to changes in accounting policies						10.440.070	(10.440.070)				
- Corrections related to compulsory changes in accounting policies											
- Corrections related to voluntary changes in accounting policies						10.440.070	(10.440.070)				
Amount after corrections	110.000.000	40.859	(2.177.230)	233.783	141.797	24.327.908	33.932.868	20.441.891	186.941.876	100.212.762	287.154.638
Transfers						1.375.472	19.066.419	(20.441.891)			
TOTAL COMPREHENSIVE INCOME (EXPENSE)				2.036.793	1.284.763			(31.875.578)	(28.554.022)	(16.759.514)	(45.313.536)
- Period Profit (Loss)								(31.875.578)	(31.875.578)	(16.759.514)	(48.635.092)
- Other Comprehensive Income (Expense)				2.036.793	1.284.763				3.321.556		3.321.556
Capital Increase	9.350.000						(9.350.000)				
Transactions with non-controlling shareholders.							(6.744.295)		(6.744.295)	5.399.709	(1.344.586)
Balance as of 31 December 2015 (Period-end)	119.350.000	40.859	(2.177.230)	2.270.576	1.426.560	25.703.380	36.904.992	(31.875.578)	151.643.559	88.852.957	240.496.516
CURRENT PERIOD											
Balances as of 01.01.2016 (Beginning of Period)	119.350.000	40.859	(2.177.230)	2.270.576	1.426.560	16.119.085	46.489.287	(31.875.578)	151.643.559	88.852.957	240.496.516
Corrections related to changes in accounting policies						9.584.295	(9.584.295)				
- Corrections related to compulsory changes in accounting policies											
- Corrections related to voluntary changes in accounting policies						9.584.295	(9.584.295)				
Amount after corrections	119.350.000	40.859	(2.177.230)	2.270.576	1.426.560	25.703.380	36.904.992	(31.875.578)	151.643.559	88.852.957	240.496.516
Transfers						16.871.374	(48.746.952)	31.875.578			
Total Comprehensive Income				8.332.597	346.139			(33.469.409)	(24.790.673)	(24.362.578)	(49.153.251)
- Period Profit (Loss)								(33.469.409)	(33.469.409)	(24.362.578)	(57.831.987)
- Other Comprehensive Income (Expense)				8.332.597	346.139				8.678.736		8.678.736
Capital Increase											
Transactions with non-controlling shareholders.				(1.704.663)	5.594		175.910		(1.523.159)	2.312.093	788.934
Balance as of 31 December 2016 (Period-end)	119.350.000	40.859	(2.177.230)	8.898.510	1.778.293	42.574.754	(11.666.050)	(33.469.409)	125.329.727	66.802.472	192.132.199

The Attached Notes Are An Integral Part Of These Financial Statements.

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S.' (AND ITS SUBSIDIARIES)
CASH FLOW STATEMENT PASSED INDEPENDENT AUDIT FOR THE PERIOD JANUARY 01, 2016 - DECEMBER 31, 2016 (CONSOLIDATED).
(ALL SUMS ARE GIVEN IN TL.)

	Footnote Ref.	Current Period 01 January 2016 31 December 2016	Previous Period 01 January 2015-31 December 2015
A) Cash Flow From Operating Activities		67.660.276	95.773.744
Period Profit (Loss)		(57.831.987)	(48.635.092)
Continuing Operations Period Profit (Loss)		(57.831.987)	(48.635.092)
Discontinuing Operations Period Profit (Loss)		-	-
Adjustments on Reconciliation of Period Profit (Loss)		158.613.026	126.888.238
Adjustments regarding Depreciation and Amortization Costs	27.28	33.245.586	26.538.719
Adjustments Related To Impairment (Cancellation)	11.26	(14.513.225)	284.887
- Adjustments Related To Impairment (Cancellation) in Receivables		(13.813.012)	284.887
- Adjustments Related To Impairment (Cancellation) in Tangible Fixed Asset		(700.213)	-
Provisions-related Adjustments	23	1.239.318	1.146.416
- Adjustments related to Provisions for Employee Benefits (Cancellation)		623.405	1.146.416
- Adjustments Regarding Lawsuit and / or Penalty Provisions		615.913	-
Adjustments for Interest (Income) and Expenses	36.37	123.235.872	102.999.797
- Adjustments related to Interest Incomes		(21.609.838)	(39.121.156)
- Adjustments related to Interest Expenses		144.845.710	142.120.953
Adjustments for Fair Value Losses (Gains.)	26	-	(31.067)
- Adjustments for Financial Asset Fair Value Losses (Gains.)		-	(31.067)
Adjustments for Distribution Profits of Shareholders' Equity Method Valued Investments	25	(310.104)	(4.397.943)
- Adjustments for Undistributed Profits of Associates		(310.104)	(4.397.943)
Tax (Income) Expense related Adjustments	40	3.379.174	1.736.875
Losses (Gains.) from the Disposal of Fixed Assets	27.28	12.336.405	(1.389.446)
- Losses (Gains.) Related Adjustments from the Disposal of Tangible Fixed Assets		12.336.405	(1.389.446)
Changes realized in operation capital		(28.842.981)	19.662.245
Decrease (Increase) in Financial Investments	8	(3.663)	-
Adjustments regarding Decrease (Increase) in Trade Receivables	11	(14.180.667)	19.039.628
- Decrease (Increase) in Trade Receivables from Affiliates		(4.862.568)	19.137.614
- Decrease (Increase) in Trade Receivables from Non-Affiliates		(9.318.099)	(97.986)
Adjustments for Decrease (Increase) in Other Receivables Related to Operations	13	(4.519.814)	106.834
- Operations related Decrease (Increase) in Other Receivables from Affiliates		(4.894.318)	1.181.328
- Operations related Decrease (Increase) in Other Receivables from Non-Affiliates		374.504	(1.074.494)
Adjustments for Decreases (Increases) in Stocks	16	(29.667.139)	(1.008.575)
Decrease (Increase) in Prepaid Expenses	18	1.233.081	-
Adjustments regarding Increase (Decrease) in Trade Payables	11	(7.112.164)	7.419.283
- Increase (Decrease) in Trade Payables to Affiliates		(4.565.199)	2.603.505
- Increase (Decrease) in Trade Payables to Non-Affiliates		(2.546.965)	4.815.778
Increase (Decrease) in Payables Within the Scope of Employee Benefits	14	169.086	(242.274)
Adjustments for Increase (Decrease) in Other Payables Related to Operations	13	(541.259)	2.076.879
- Operations related Decrease (Increase) in Other Payables to Affiliates		(1.882.871)	1.260.045
- Operations related Decrease (Increase) in Other Payables to Non-Affiliates		1.341.612	816.834
Increase (Decrease) in Deferred Incomes	18	27.166.565	3.239.424
Adjustments for Other Increase (Decrease) realized in Operating Capital	22	(1.387.007)	(10.968.954)
- Decrease (Increase) related to Operations in Other Assets		(700.279)	(11.589.427)
- Increase (Decrease) in Other Liabilities related to activities		(686.728)	620.473
Cash Flows Obtained From Activities		71.938.058	97.915.391
Tax returns (payments)	40	(4.277.782)	(2.141.647)
B) Cash Flow From Investing Activities		(121.951.555)	(208.513.961)
Cash Flows Made for Acquisition of Shares or Debt Instruments of Other Entities or Funds		306.440	(4.373.362)
Cash Inflows from Sale of Tangible and Intangible Fixed Assets	27.28	38.607.489	21.313.009
- Cash Inflows Arising From Sales of Tangible Fixed Assets		38.607.489	21.313.009
Cash Outflows from Purchase of Tangible and Intangible Fixed Assets	27.28	(158.891.019)	(146.095.659)
- Cash Outflows Arising From Purchase of Tangible Fixed Assets		(158.891.019)	(146.095.659)
- Cash Outflows Arising From Purchase of Intangible Fixed Assets		-	-
- Cash Outflows Arising From Purchase of investment property	26	(1.974.465)	(79.357.949)
Dividends Earned		-	-
C) Cash Flows from Financing Activities		7.145.717	169.479.671
Cash Inflows from issue of Shares and Other Equity Instruments	29	-	9.350.000
- Cash Inflows from Share Issue		-	9.350.000
Cash Inflows due to Borrowing	9	106.282.850	270.583.356
- Cash Inflows from Loans		106.282.850	270.583.356
Interest Paid	37	(124.895.124)	(142.010.791)
Interest Earned	36	21.609.838	39.121.038
Other Cash Inflows (Outflows)		4.148.153	(7.563.932)
Net Increase/Decrease In Cash And Cash Equivalents Prior To Foreign Exchange Effect (A+B+C)		(47.145.562)	56.739.454
D) EFFECT OF FOREIGN CURRENCY EXCHANGE ON CASH AND CASH EQUIVALENTS			
Net Increase/Decrease In Cash And Cash Equivalents (A+B+C+D)		(47.145.562)	56.739.454
CASH AND CASH EQUIVALENTS IN THE BEGINNING OF PERIOD	7	118.807.143	62.067.689
CASH AND CASH EQUIVALENTS AT END OF PERIOD(A+B+C+D+E)	7	71.661.581	118.807.143

The Attached Notes Are An Integral Part Of These Financial Statements.

REYSAS TASIMACILIK VE LOJİSTİK TİCARET A.S.

FOOTNOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS OF 31 DECEMBER 2016 PASSED INDEPENDENT AUDIT
(All sums are given in TL.)

I - COMPANY ORGANIZATION AND SUBJECT OF ACTIVITY

REYSAS TASIMACILIK VE LOJİSTİK TİCARET ANONİM SİRKETİ's (Company) subject of activity is to transport cargo by land, sea and air through all kinds of vehicles. The Company also engages in storage service activities through the warehouses it owns.

Subject of activity of the company's subsidiary, **REYMAR TÛTÛN MAMÛLLERİ DAĞITIM VE PAZARLAMA LTD. STİ (Reymar)**, is distribution and marketing of tobacco products.

Subject of activity of the Company's subsidiary, **REYSAS TASIT MUAYENE İSTASYONLARI İŞLETİM ANONİM SİRKETİ** (Reyasas Vehicle Inspection), is to operate vehicle Ins.pection stations whose subject of activity is privatized.

The company's subsidiary, **REYSAS GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM SİRKETİ (Reyasas GYO)**'s subject of activity is to engage in written objectives and subjects in the regulations on Real Estate Investment Trusts of the Capital Markets Board regarding and to make investments to rights based on real estates, capital market Ins.truments based on real estates, real estate projects and real estates. As of 31 December 2016, the company's free float rate is 38,53% (31 December 2015: 38,53%), relevant share certificates are quoted on Borsa Istanbul A.S. (BIST) and is traded on the National Market. The Company is subject to the registered capital system.

The subsidiary of Reyasas Gayrimenkul Yatırım Ortaklığı A.S, **ARI LOJİSTİK İNSAAT SAN. VE TİC. ANONİM SİRKETİ's** (Arı Lojistik) subject of activity, is to acquire all kinds of vehicles and to transport by vehicles; to do brokerage, representation, agency, dealership and distributorship in relation to subject of activity and to provide storage of goods by transport.

Reyasas GYO has purchased the capital of Arı Lojistik İnsaat Sanayi ve Ticaret A.S., a subsidiary of Reyasas Tasımacılık ve Lojistik Ticaret A.S. with a nominal value of TL 3.050.000 corresponding to 33,33% from the Reyasas Tasımacılık ve Lojistik Ticaret A.S. over the value of TL 16.836.000 determined by the independent company valuation study done as of 28 March 2013 by the decision of the board of directors After this purchase, Reyasas Tas. ve Loj. Tic. A.S has no share in Arı Lojistik Ins.. San.ve Tic. A.S. The partnership interest of Reyasas Gayrimenkul Yatırım Ortaklığı A.S. has reached 50%.

The Company's subsidiary, **REYSAS YATIRIM HOLDING ANONİM SİRKETİ** (Reyasas Yatırım Holding), has no significant activity in current period. The Group management plans to purchase real estate properties through this company in the future.

REYSAS DEMİRYOLU TASIMACILIĞI A.S., one of the Company's subsidiaries, has actively engaged in an activity on domestic freight transportation with its wagons it has. **REYSAS DEMİRYOLU YATIRIMLARI A.S** has engaged in activity in order to realize the Group's long-term railway investments.

REYSAS DEMİRYOLU YATIRIMLARI A.S has engaged in activity in order to realize the Group's long-term railway investments. In 2015, hotel construction has been completed and it has started operations.

Reyasas Turizm Yatırımları ve Ticaret Ltd. Stî. has decided to increase its nominal capital from TL 13.000.000 to TL 38.000.000 by taking decision of board of directors on 27.11.2015 and new capital of the company has been registered in the Trade Registry Gazette dated December 2015 and numbered 8966 and increased capital of TL 25.000.000 has been met by being set off from current account of partner Reyasas Tasımacılık ve Lojistik A.S.

Reyasas GYO has decided to purchase 34,21% of shares in the Reyasas Turizm Yatırımları ve Tic. Ltd. Stî., where it has 100% of the capital of main partner Reyasas Tasımacılık ve Lojistik Ticaret A.S, at the Board of Directors meeting dated December 18, 2015. In 15.12.2015 dated YMM.ÖA.466.1618.437/027 valuation report issued by Türkmen Bağımsız Denetim ve YMM A.S. Reyasas Turizm Yatırımları ve Tic. Ltd. Stî's value has been determined as TL 40.295.922. The company has purchased valuation report for TL 13.785.447, which is a part corresponding to 34,21% of shares of Reyasas Turizm Yatırımları ve Tic.Ltd. Stî as of 21.12.2015 by taking as basis the valuation report in question. The Company has subjected its subsidiary Reyasas Turizm Yatırımları ve Tic.Ltd. Stî's financial statements to consolidation by equity. The capital of the aforementioned subsidiary is TL 38.000.000 and the cost value of the Company is TL 13.785.447.

Capital Markets Board has resolved at the 10.03.2016 dated and 9/287 numbered meeting that acquisition of Reyasas Turizm Yatırımları ve Tic. Ltd. Stî is no appropriate according to the provisions of 28.Article of Principles Communique on real estates investment trusts and it shall be made an appropriate subsidiary in accordance with the provisions of Article 28 of the Communique mentioned within the 3 months in such a way that this matter will not damage the company.

Reyasas GYO has been made an appropriate subsidiary according to the scope of 28.Article of Communique mentioned in the April/2016 of Reyasas Turizm Yatırımları ve Tic. Ltd.Stî. as a result of studies made by it and the supporting information and documents related to this matter have been submitted to the Capital Markets Board.

REYSAS KURU TEMİZLEME VE SERVİS HİZMETLERİ TİCARET LIMITED SİRKETİ, in which the company has indirectly share and which is the subsidiary, has no significant activity in the current period.

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S.**FOOTNOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS OF 31 DECEMBER 2016 PASSED INDEPENDENT AUDIT
(All sums are given in TL.)**

The capital structures of the Company, its subsidiaries and associates accounted for using the equity method are as follows:

Reysas Tasımıcılık Ve Lojistik Ticaret A.S.	31.12.2016		31.12.2015	
	Share Amount	Share Rate (%)	Share Amount	Share Rate (%)
Open To The Public	76.456.399	64,06%	76.678.594	64,25%
Durmus Döven	21.388.404	17,92%	21.388.404	17,92%
Rıfat Vardar	14.551.518	12,19%	14.551.518	12,19%
Other	6.953.679	5,83%	6.731.484	5,64%
Total	119.350.000	100,00%	119.350.000	100,00%

Reysas Gayrimenkul Yatırım Ortaklığı A.S.	31.12.2016		31.12.2015	
	Share Amount	Share Rate (%)	Share Amount	Share Rate (%)
Open To The Public	94.782.381	38,53%	94.782.381	38,53%
Reysas Tasımıcılık ve Lojistik Ticaret A.S.	151.217.609	61,47%	151.217.609	61,47%
Other	11	0,00%	11	0,00%
Total	246.000.001	100%	246.000.001	100%

Reymar Tütün Sanayi ve Ticaret Ltd. Şti.	31.12.2016		31.12.2015	
	Share Amount	Share Rate (%)	Share Amount	Share Rate (%)
Reysas Tasımıcılık ve Lojistik Ticaret A.S.	25.492.500	99%	25.492.500	99%
Durmus Döven	257.500	1%	257.500	1%
Total	25.750.000	100%	25.750.000	100%

Reysas Tasıt Muayene İstasyonları İşletim A.S.	31.12.2016		31.12.2015	
	Share Amount	Share Rate (%)	Share Amount	Share Rate (%)
Reysas Tasımıcılık ve Lojistik Ticaret A.S.	11.418.800	95,16%	11.418.800	95,16%
Egemen Döven	576.200	4,80%	576.200	4,80%
Other	5.000	0,04%	5.000	0,04%
Total	12.000.000	100%	12.000.000	100%

Reysas Demiryolu Tasımıcılığı. A.S.	31.12.2016		31.12.2015	
	Share Amount	Share Rate (%)	Share Amount	Share Rate (%)
Reysas Tasımıcılık ve Lojistik Ticaret A.S.	150.000	100,00%	150.000	100,00%
Total	150.000	100%	150.000	100%

Reysas Demiryolu Yatırımları A.S.	31.12.2016		31.12.2015	
	Share Amount	Share Rate (%)	Share Amount	Share Rate (%)
Reysas Tasımıcılık ve Lojistik Ticaret A.S.	1.000.000	100,00%	1.000.000	100,00%
Total	1.000.000	100%	1.000.000	100%

Reysas Yatırım Holding A.S.	31.12.2016		31.12.2015	
	Share amount	Share Rate (%)	Share Amount	Share Rate (%)
Reysas Tasımıcılık ve Lojistik Ticaret A.S.	13.493,625	89,96%	13.493,625	89,96%
Durmus Döven	1,506,375	10,04%	1,506,375	10,04%
Total	15.000.000	100%	15.000.000	100%

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S.**FOOTNOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS OF 31 DECEMBER 2016 PASSED INDEPENDENT AUDIT**

(All sums are given in TL.)

Reysas Turizm Yatırımları Ve Ticaret Ltd. Sti.	31.12.2016		31.12.2015	
	Share Amount	Share Rate (%)	Share Amount	Share Rate (%)
Reysas Tasımıcılık ve Lojistik Ticaret A.S.	25,000,000	65,79%	25.000.000	65,79%
Reysas Gayrimenkul Yatırım Ortaklığı A.S.	13.000.000	34,21 %	13.000.000	34,21 %
Total	38.000.000	100%	38.000.000	100%

Reysas Kuru Temizleme ve Servis Hizmetleri Tic. Ltd.Sti.	31.12.2016		31.12.2015	
	Share Amount	Share Rate (%)	Share Amount	Share Rate (%)
Reysas Turizm Yatırımları Ve Ticaret Ltd. Sti.	9,980,200	99,80%	9,980,200	99,80%
Other	19,800	0,20%	19,800	0,20%
Total	10.000.000	100%	10.000.000	100%

While the Group engages in activity in “Abdurrahmangazi Mah. Bahriye Sok. No:8 Sancaktepe İstanbul” address, it has moved to Küçük Camlıca Mahallesi Erkan Ocaklı Sokak No:13 Üsküdar/İstanbul address as of 21.11.2016. Joint managing company Arı Lojistik İnfaat San. ve Tic. A.S. continues its activities at the address Acıbadem Cad. Yaprak Sokak No: 5/7 Kadıköy İstanbul. The Group has totally 5 branches in Ankara, Adapazarı, Bursa, Adana and Mersin provinces including İstanbul central district within the borders of the Republic of Turkey. Additionally, the Group's Subsidiary, Reysas Tasıt Muayene A.S., has been carried on the vehicle Ins.pection stations operation in Karabük, Bartın, Kastamonu, Tosya, Karadeniz Ereğli, Zonguldak Eskisehir, Sivrihisar regions.As of December 31, 2016, the average number of personnel of the Group is 203. (31 December 2015: 308).The Group also employs personnel through subcontractors. As of 31 December 2016, average number of subcontracted personnel employed is 524.(31 December 2015: 565). (31 December 2015: 565).

As of 31 December 2016, the free float rate of Reysas Tasımıcılık ve Lojistik Ticaret Anonim Sirketi is 64.06%. (31 December 2015: % 64,25).

NOTE 2 PRINCIPLES REGARDING PRESENTATION OF FINANCIAL STATEMENTS**2.1 Applicable Accounting Standards**

The Group keeps and prepares the legal books and statutory financial statements in accordance with Turkish Commercial Code (TCC) and Turkish Tax Laws and Uniform Chart of Accounts and Principles published by T.R. Ministry of Finance.

The attached financial statements have been prepared in accordance with TMS Taxonomy for the year 2016 and Serial II, provisions of “Principles Communique (Communique) No.14.1 on Financial Reporting in Capital Markets” published in the 13.06.2013 dated and 28676 numbered Official Gazette of Capital Markets Board (“CMB”). Referring to Article 5 of the Communiqué Turkey Accounting Standards / Turkey Financial Reporting Standards entered into force by the Public Oversight Accounting and Auditing Standards Authority (“POA”) and annex and interpretations related to those mentioned (“TMS/IFRS”) have been taken as basis.

The consolidated financial statements are based on statutory records and are expressed in TL, and are prepared in accordance with the TAS / TFRS by subjecting to some revisions and classification changes in order for the Group to be able to provide its condition.

The consolidated financial statements are prepared according to historical cost basis. Financial assets and liabilities are measured at fair value; changes in fair value are associated with the statement of comprehensive income / equity.

Group's financial statements prepared in accordance with TAS / TFRS accepted by POA have been approved by the Board of Directors on 13 March 2017. The General Assembly has the power to amend consolidated financial statements after publication of consolidated financial statements.

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S.

FOOTNOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS OF 31 DECEMBER 2016 PASSED INDEPENDENT AUDIT (All sums are given in TL.)

Adjustment of Financial Statements in High Inflation Periods

CMB, with the decision taken by it on 18.03.2005 with the number B.02.1.SPK.017/152-7642, has announced with effect from 1 January 2005 for the companies preparing financial statement in accordance with accounting and reporting principles ("CMB Financial Reporting Standards") operating in Turkey and accepted by CMB that Inflation accounting application is not required. Therefore, in the financial statements, "Financial Reporting in Hyperinflationary Economies" standard ("UMS 29") issued by UMSK starting from 1 January 2005 has not been applied.

2.3 Consolidation Principles

Consolidated financial statements include financial statements of the Company and its subsidiaries and joint managing companies. Principles of preparation of consolidated financial statements are as follows;

The subsidiaries represent the companies, in which the parent company has more than 50% shares, voting rights or right of choice of majority of management or majority of management within the framework of capital and management relations, directly or through other subsidiaries or affiliates. Control power is defined by the parent company as the power to manage the financial and operating policies of its subsidiaries and the power to benefit from the activities.

- The subsidiaries have been included in the scope of consolidation as of the date of transfer of control on the activities to the Group and shall be left out of consolidation on the date when the control is removed. Accounting policies applied by subsidiaries have been made suitable with the accounting policies applied by the Group in order to ensure consistency.

- The financial statements of the subsidiaries have been consolidated by using the full consolidation method. In this context, registry value and equities of the subsidiaries have been clarified; registered value of the shares held by the Company and the dividends arising from those mentioned has been clarified from relevant equities and income statement accounts.

- Sales of goods and service made to each other with receivables and payables of the subsidiaries within the scope of consolidation, income and expense items occurred due to their transactions have been collected mutually.

- Amounts corresponding to parent company and subsidiaries are deducted from all equity account group items including the subsidiaries' paid/issued capital within the scope of consolidation and are shown with the "Minority Shares" account group name in the equity account group of the consolidated balance sheet.

Equity Management

The financial statements include the Company and the investments accounted according to the method of Sharing from shareholders' Equity Method. According to the equity method, subsidiary investment is initially recorded at cost of acquisition. After the acquisition date, share in the profit or loss of the investor's enterprise, to which investment is made, book value of the investment is increased or decreased to be reflected in the financial statements. The share the investor will receive from profit or loss of the enterprise is accounted as profit or loss of investor. Distributions received from a subsidiary, to which investment is made (profit share etc.), reduce the book value of the investment. Changes occurred from amounts not yet reflected to the profit or loss of the subsidiary to which investment is made in the other comprehensive income by the subsidiary to which investment is made may require adjustment at book value of investment in the rate of the investor's share in the subsidiary. Such changes include amendments arising from revaluation of tangible fixed assets or foreign currency conversion adjustments. The share of the investor in these changes is accounted for in the investor's own other comprehensive income.

Arı Lojistik Insaat San. Ve Tic. A.S. has been subjected to proportional consolidation before 31.12.2012 and before. Reysas Tasımıcılık ve Lojistik Ticaret A.S. has sold the capital of Arı Lojistik Insaat Sanayi ve Ticaret A.S., a subsidiary of Reysas Gayrimenkul Yatırım Ortaklığı A.S with a nominal value of TL 3.050.000 corresponding to 33,33% to the Reysas Gayrimenkul Yatırım Ortaklığı A.S over the value of TL 16.836.000 determined by the independent company valuation study done as of 28 March 2013 by the decision of the board of directors After this sales, Reysas Tas. ve Loj. Tic. A.S has no share in Arı Lojistik Ins.. San.ve Tic. A.S. The partnership interest of Reysas Gayrimenkul Yatırım Ortaklığı A.S. has reached 50%. After sales transaction, scope of consolidation has changed due to the fact that Reysas Tasımıcılık ve Lojistik Ticaret A.S. has no share in Arı Lojistik Ins.. San.ve Tic. A.S. Due to this change, Arı Lojistik Ins.. San.ve Tic. A.S has been included in the financial statements of Reysas Gayrimenkul Yatırım Ortaklığı A.S., the subsidiary, by being accounted by using the equity method to the scope of consolidation.

(Note: 25)

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S.**FOOTNOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS OF 31 DECEMBER 2016 PASSED INDEPENDENT AUDIT**

(All sums are given in TL.)

The company's consolidation rates are as follows;

Title of the Partnership	Company's Share in the Capital	Company's Share in the Capital
	(%)	(%)
	31.12.2016	31.12.2015
Reysas Tasıt Muayene İstasyonları İşletim A.S.	95,16	95,16
Reymar Tütün Mamülleri Dağıtım ve Pazarlama Ltd. Sti.	99,00	99,00
Reysas Demiryolu Yatırımları A.S.	100,00	100,00
Reysas Demiryolu Tasımacılığı A.S.	100,00	100,00
Reysas Yatırım Holding A.S.(Ortur Gen.Tasım.ve Tic.A.S.)*	89,96	89,96
Reysas Gayrimenkul Yatırım Ortaklığı A.S.	61,47	61,47
Reysas Turizm Yatırımları Ve Ticaret Ltd. Sti. (Effective Ratio)	86,82	86,82
Reysas Kuru Temizleme ve Serv.Hizm.Tic.Ltd.Sti. (Reysas Denizcilik Tic.Ltd.Sti.) (Effective Ratio) (†)	86,65	86,65

*Ortur Genel Tasımacılık Ve Ticaret Anonim Şirketi's trade name has been changed as Reysas Yatırım Holding Anonim Şirketi by 06.08.2014 dated and 05 numbered resolution of board of directors; the aforementioned change of title has been published in the trade registry gazette dated 27.08.2014 and numbered 8640.

** Trade name of the company has been changed as Reysas Kuru Temizleme ve Servis Hizmetleri Ticaret Limited Şirketi by 07.07.2014 dated Resolution of shareholders' assembly of Reysas Denizcilik Ticaret ve Ltd. Sti., the company's subsidiary, which has share indirectly. The said change of trade name has been published in the Trade Registry Gazette dated 17.07.2014 and numbered 8614.

Amendments in the International Financial Reporting Standards

Group has applied those concerned with its own subject of activity from new and revised standards and interpretations that is published by Turkey Accounting Standards ("TAS") or Turkey Financial Reporting Standards ("TFRS") apply from 1 January 2016 in preparation of financial statements of accounting period expiring as of 31.12.2016.

Standards that are effective from 2016; do not affect the financial statements of the Company, amendments made in existing standards and interpretations

TAS 16 and TAS 38 (Amendments)	Explanation of Methods Applicable to Depreciation and Redemption (*)
TAS 16 and TAS 41 (Changes) and TAS 1, TAS 17, TAS 23, TAS 36 and TAS 40 (Changes)	Agricultural Activities: Surrogate Plants (*)
TFRS 11 and TFRS 1 (Amendments)	Accounting of Shares Acquired in Joint Activities (*)
Annual Improvements Related to the Period 2011-2013	TFRS 1 (**)
TAS 1 (Amendments)	Description Provisions (**)
Annual Improvements Related to the Period 2012-2014	TFRS 5, TFRS 7, TAS 34, TAS 19 (**)
TAS 27 (Amendments)	Equity Method in Individual Financial Statements (**)
TFRS 10 and TAS 28 (Amendments)	Asset Sales or Contributions in kind between Investor and Associate or Joint Venture (**)
TFRS 10, TFRS 12 and TAS 28 (Amendments)	Investment Establishments: Application of Consolidation Exceptions (**)
TFRS 14	Regulatory Procrastination Accounts (**)

* This is valid from the accounting periods starting after 31 December 2015.

† This is valid from the accounting periods starting after 01 January 2016.

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S.

FOOTNOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS OF 31 DECEMBER 2016 PASSED INDEPENDENT AUDIT
(All sums are given in TL.)

TAS 16 and TAS 38 (Amendments) Explanation of Methods Applicable to Depreciation and Redemption

This change clarifies that use of method of depreciation based on income acquired from activities occurred as a result of use of an asset for tangible fixed assets is not suitable and until proven otherwise, in rare cases where a legally valid prediction and only an intangible asset is expressed as a measure of income or with the income acquired from intangible fixed asset, in cases where it is proven that economic benefits are closely related to each other; it also argued that it is not appropriate to use method of depreciation based on income acquired from the activities occurred as a result of use of an asset for intangible fixed assets. This change include explanations touching on the subject that anticipated decreases of an item produced as a result of the use of an asset in sales prices in the future may indicate the expectation of technological or commercial obsolescence of an asset and thereafter that it is also an indication of a decrease in the future economic benefits related to the asset.

TAS 16 and TAS 41 (Amendments) and TAS 1, TAS 17, TAS 23, TAS 36 and TAS 40 (Amendments) Agricultural Activities: Surrogate Plants

This standard specifies that "surrogate plants" are addressed within the scope of TAS 16 standard in such a way that they are measured according to cost and revaluation principle after initial recognition record under tangible assets classification instead of the TAS 41 standard. In this standard, "surrogate plant" is also defined as a living plant that is expected to reproduce more than one period and is unlikely to be sold as an agricultural product except for insignificant residue sales and is used for the production or supply of agricultural products. In this standard, it is also specified that products grown from surrogate plants are within the scope of TAS 41 standard.

These amendments made to TAS 16 and TAS 41 have also resulted in changes in the relevant parts of TAS 1, TAS 17, TAS 23, TAS 36 and TAS 40, respectively.

TFRS 11 and TFRS 1 (Amendments) Accounting of Shares Acquired in Joint Activities

This standard stipulates that the establishment acquiring share in a joint activity forming operation:

- apply all accounting transactions for business combinations in TFRS 3 and other TASs except for those that violate the requirements of TFRS 11.
- discloses the information required to be disclosed regarding business combinations pursuant to TFRS 3 and other TASs.

This amendment made in TFRS 11 has also resulted in changes in the relevant parts of the standard.

Annual Improvements Related to the Period 2011-2013

TFRS 1: This amendment clarifies which version of the TASs will be used if the establishment applies the TAS for the first time.

TAS 1 (Amendments) Explanation Provisions

These changes include narrow-oriented improvements in the areas of necessity that the financial statement preparers are aware of presenting their financial reports.

Annual Improvements Related to the Period 2012-2014

TFRS 5: Additional explanations for the cases where an asset held for sale is classified as an asset held for distribution to shareholders or vice versa and where an asset is classified as held for distribution to partners where it is terminated.

TFRS 7: It provides additional information to clarify whether a service contract is a continuation of a transferred asset and to clarify the offsetting process in the interim financial statements disclosures.

TFRS 34: It clarifies the disclosure of information in another section of the interim financial report.

Annual Improvements of the period 2012-2014 also led to amendments in related parts of TAS 19 standard.

TAS 27 (Amendments) Equity Method in Individual Financial Statements

This change allows the option to use the equity method in accounting of investments in subsidiaries and affiliates in the individual financial statements of the enterprises.

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TFRS 10 and TAS 28 (Amendments) Asset Sales or Contributions in kind between Investor and Associate or Joint Venture

With this amendment, it has become clear that all gains. or losses arising from the sale of assets or capital contributions in kind between an investor and an associate or joint venture must be accounted by the investor.

TFRS 10, TFRS 12 and TAS 28 (Amendments) Investment Establishments: Application of Consolidation Exceptions

This amendment clarifies the problems which arise during applications of consolidation exception of investment establishments, as follows:

- Exceptional situation regarding preparation of consolidated financial statements for the intermediate company applies to the parent company, which is the subsidiary of the investment establishment even where an investment establishment values all of its subsidiaries at fair value.

- If a subsidiary that provides services related to the parent company's investment activities is an investment establishment, this subsidiary should not be included in the consolidation.

- In cases that a subsidiary or joint venture is accounted according to equity method; an investor, who is non-investment enterprise in the investment enterprise, may continue to use the fair value measurement applied to the shares of the subsidiary or joint venture.

- An investment enterprise that measures all of its subsidiaries at fair value provides the explanations stated in TFRS 12 regarding investment enterprises.

TFRS 14 Regulatory Procrastination Accounts

Pursuant to the Standard for Regulatory Procrastination Accounts, an enterprise, who will apply Turkey Financial Reporting Standards for the first time, is allowed to continue to account in accordance with generally accepted accounting standards which it has applied "regulatory procrastination accounts" within certain changes in the previous period both in the initial financial statements to be prepared in accordance with TFRSs and in the financial statements of the following periods.

TFRS 14 has also resulted in changes in the relevant parts of the TFRS 1 standard.

ii) Standards that have not yet entered into force and amendments and comments to existing previous standards

Group has not yet applied standards that have not yet entered into force and the following amendments and comments to existing previous standards:

TFRS 9	Financial Instruments (*)
TFRS 15	Revenue from Customer Agreements (*)

(*) This is valid from the accounting periods starting after 01 January 2018.

TFRS 9 Financial Instruments

TFRS 9, issued by the Public Oversight Authority ("POA") imposes new obligations related to classification and measurement of financial assets. TFRS 9, which was amended in 2011, includes the amendments related to the classification and measurement and derecognition of financial liabilities.

Revised version of TFRS 9, issued by POA in January 2017 includes limited changes to classification and measurement requirements published with a) impairment requirements of financial assets; and b) "financial liabilities whose fair value difference is reflected to other comprehensive income statement.

TFRS 9 is applied in annual reporting periods starting on 1 January 2018 or later. Early application is permitted provided that the first application date is before 1 February 2015.

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IFRS 15 Revenue from Customer Agreements

The new five-stage model in IFRS 15 describes the requirements for accounting and measurement of revenue.

The five stages in the model are as follows:

- Determination of customer contracts
- Determination of performance obligations in sales contracts
- Determination of strike price
- Distribution of strike price in contracts to performance obligations
- Registering as revenue when the company fulfils its performance obligations

Possible effects of such standard, amendment and improvements on financial position and performance of the Group are evaluated.

2.5 Comparative Information and Adjustment of Prior Period Financial Statements

The Group's current financial statements are prepared comparatively with the prior period to enable the determination of financial situation and performance trends. Comparative figures are reclassified, where necessary, in order to conform to the presentation of the current period financial statements.

Comparative information is reclassified when necessary and significant differences are explained. The Group has finally presented its financial statements by taking into consideration 2016 TAS Taxonomy issued by POA.

Business Continuity Assumption

The financial statements have been prepared on the basis of the business continuity under the assumption that the company will benefit from its assets and fulfil its obligations in the next year and within the natural flow of its activities.

2.6 Netting/ Offsetting

Financial assets and liabilities have been indicated in net values in balance sheet on the condition that legal netting right is applicable; they are paid as net or are collectable or simultaneous fulfilment of obligations regarding asset acquisition.

2.7. Changes in Accounting Policies

Significant changes in accounting policies are applied retrospectively and financial statements of prior period are re-adjusted. The Company has applied its accounting policies consistent with the previous financial year.

2.8. Changes and Errors in Accounting Estimates:

If the impact of any change in an accounting estimate is related with only a single period, such change is reflected in financial statements so as to be considered in determination of net profit or loss for the year when the change took place; if the impact is related with upcoming periods as well, the same shall apply on a going-forward basis to both the change period and upcoming period.

The correction sum regarding an error is taken into account in retrospective manner. In case an error occurs prior to rearrangement of comparative sums of previous periods when it appeared or if it takes place prior to next reporting period, it is corrected by means of rearrangement of retained earnings account in the mentioned period. If the readjustment of information leads to excessive cost, comparative information regarding previous periods will not be rearranged, and the retained earnings account of upcoming period shall be reorganized under cumulative effect of such error prior to beginning of the period.

There have been no changes or errors in accounting estimates in the current period.

2.9 Currency Measurement Unit and Reporting Unit

Law No. 5083 on Official Currency of the Republic of Turkey published in the 31.01.2004 dated and 25363 numbered Official Gazette has been amended by the 4 April 2007 dated and 2007/11963 numbered Decision of Council of Ministers published in the 5.5.2007 dated and 26513 numbered Official Gazette. It has been stated that new expressions in the Turkish Lira and New Piastres are removed in the 1st Article of relevant decision and shall enter into force on 1 January 2009 in the 3rd Article. As new Turkish Lira, the previous currency, are converted to TL and piastres, 1 New Turkish Lira equals to 1 TL and 1 New Piastres to 1 piastre with the change. Accordingly, the attached financial statements and footnotes have been presented in TL.

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2.10 Summary of Significant Accounting Policies

The significant accounting policies applied during preparation of the attached consolidated financial statements are as follows:

Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash at banks and short term deposits with maturities less than three months. Cash and cash equivalents are short-term highly liquidity assets that are easily convertible to cash with maturities of less than three months and with no risk of impairment. Cash and cash equivalents are stated with their acquisition costs and total accrued interests. Bank balances in foreign currencies have been evaluated at period-end exchange rates.

Trade Receivables

Trade receivables that are originated by the Group by way of providing goods or services directly to a debtor have been evaluated at amortized cost by using effective interest method. Short-term trade receivables with no stated interest rate have been evaluated at invoice amount when the effect of accrual of interest is insignificant. A credit risk provision for trade receivables is established if there is situation indicating that the Group will not be able to collect all amounts due. Provision is the amount which is considered that it covers the possible losses which may arise from economic conditions or the risk the account has due to the nature by taking into consideration the collaterals received from the customer. The provision made is reflected in the statement of comprehensive income as impairment. If the amount of the impairment decreases due to a situation that will occur after the loss is recorded, the amount will be reflected to the statement of profit or loss and other comprehensive income in the current period.

Trade Payables

Trade and other trade payables are included in the records at reduced cost price representing billed or unbilled amount which will occur in relation to goods and service purchase.

Stocks

Stocks are increased in value with the lower one of cost or net realizable value. The Group's stocks consist of fuel stocks, spare parts stocks and other stocks. Stocks are increased in value with the lower one of cost or net realizable value. In calculation of cost of inventories First in First out (FIFO) method is applied. Cost of inventories; includes all purchase costs, conversion costs and other costs incurred in bringing the inventories to their present location and condition. It includes conversion costs of inventories; directly related to production costs such as direct labor expenses. These costs also include amounts that are systematically distributed from fixed and variable general production expenses suffered in the conversion of raw materials and material into finished products. Net realizable value is obtained by reducing the total of the estimated costs to be incurred for estimated completion cost and realizing the sales from estimated selling price occurred in the ordinary business operation.

Inventories have been reflected by being cleared of financial costs they include due to forward purchases.

Tangible Fixed Assets

Tangible fixed assets are shown at purchase cost value in such a way that their accumulated amortization and depreciation are shown as deducted. The cost value of the tangible asset consists of costs incurred to make taxes, whose purchase price and refund is impossible, and tangible fixed asset available.

Apart from land, plot and ongoing investments, cost amounts of tangible fixed assets are subjected to prorata depreciation by using straight-line depreciation method according to their expected useful life. Expected useful life, residual value and depreciation method are reviewed annually for possible effects of changes in the estimates and are accounted prospectively if there is a change in the estimates.

The estimated useful lives of these assets are as follows:

	<u>Years</u>
Buildings	10-50
Machine and devices	5-10
Motor vehicles	4-10
Futures and Fixtures	5-10
Other tangible fixed assets	5-10
Private Cost	10-20

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Expenses arising from changing any part of tangible fixed assets can be capitalized along with maintenance and repair costs if they have characteristic of increasing future economic benefits of the asset. All other expenses are accounted in profit or loss and other comprehensive income statement within expense items as they are incurred.

If there are conditions that indicate formation of impairment of tangible fixed assets, an examination is made to determine a possible impairment. As a result of examination, if registered value of tangible asset is more than its recoverable value registered value is reduced to its recoverable amount by making provision. Recoverable value is accepted as the highest one of future net cash flows and net selling price from the current use of the relevant tangible fixed asset.

Profit and losses occurred due to sales of tangible fixed assets are included in accounts of income and expense from investment activities.

Intangible fixed assets

Intangible fixed assets are included in the financial statements according to the criteria of existence of an economic benefit expected to be identifiable, have control over the relevant source and to be obtained in the future. Intangible fixed assets are stated by deducting accumulated depreciation and any permanent impairment losses from cost of acquisition. Depreciation is calculated on a pro-rata basis using the straight-line method for all intangible fixed assets. Acquired rights include information systems and computer software.

Impairment of assets

The Group assesses at each balance sheet date whether there is an impairment related to an asset and whether there is any indication of impairment. If any such indication exists, the recoverable amount of that asset is estimated. If registered value of the asset or any cash-generating unit of that asset and if registered value of the asset or any cash-generating unit of that asset is higher than the amount recoverable through use or sale, impairment has occurred. The recoverable amount is found by choosing the highest one of an asset's net selling price and its usage value. Usage value is estimated present value of cash flows expected to be derived from continued use of an asset and its disposal at the end of its useful life. Impairment losses are accounted in profit or loss and other comprehensive income statement.

An impairment loss on a receivable is refused if subsequent increase in the recoverable amount of the asset, impairment is able to be associated with an event occurring in the periods following their recording. An impairment loss on other assets is reversed if there is a change in estimates used to determine recoverable amount. Due to cancellation of impairment loss, increase occurred in the registered value of asset must not exceed the registered value (net amount remained after being subjected to depreciation) which will be determined if no impairment is included in the financial statements in previous years.

Borrowing costs

Borrowing costs directly attributable to acquisition, construction or production of specific asset is capitalized as part of the cost of related qualifying asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

Financial Instruments

Financial Assets

Financial investments are recognized over the amount obtained after deducting the expenses directly attributable to purchase operation from fair market value, regarding those except for financial assets whose fair value difference is reflected on profit or loss and that is registered over fair value. Investments are included in or excluded from registers on the date of operation with respect to investment Instruments subject to a contract which bears the condition of delivery pursuant to deadline prescribed by relevant market. Financial assets are classified as "financial assets held for trading", "investments to be held until maturity", "available for sale financial assets" and "credit and receivables".

Effective interest method

Effective interest method is the method for valuation of financial asset with amortized cost and distribution of relevant interest income to related period. Effective interest rate is the rate that reduces the estimated cash total to be collected earlier – if possible – than or at the end of expected lifetime of financial Instrument to the exact current value of relevant financial asset. Revenues regarding financial assets that are classified separately from financial assets held for trading are calculated by means of effective interest method.

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Marketable securities in the trade book

Financial assets, whose fair value difference is reflected in profit or loss, are those held for trading. A financial asset is classified in this category in case it is acquired so as to be disposed of in short-term. Financial assets, which are subject to category that constitutes derivative products not determined as effective protective means against financial risks, are also classified as financial assets whose fair value difference is reflected on profit or loss. Assets in this category are classified as liquid assets.

Financial assets held until due date

Fixed-term debt instruments, which the Group can and intends to keep hold off until due date and which have a fixed or determinable payment plan, are classified as investments to be held until due date. Such investments are registered by deducting impairment amount from amortized cost value pursuant to effective interest method; relevant incomes are calculated by means of effective interest method.

Available-for-sale financial assets

Available-for-sale financial assets comprise financial assets that (a) are not to be held until due date or (b) do not bear the intention of trading. Available-for-sale financial assets increase in value with fair values on the condition of reliable measurability after registration. Securities without reliably measurable fair value or active market are shown with cost value. Profit or loss and other comprehensive income statement of relevant period includes profits or losses with regard to available-for-sale financial assets. Changes in reasonable value of such assets are indicated within equity calculations. In case of disposal or impairment of such asset, the amount in equity accounts is transferred to profit or loss and other comprehensive income statement as profit/loss. Impairment provisions, which arise from investments towards equity instruments that are classified as available-for-sale financial asset and that are recognized in income statement, cannot be deleted from income statement in upcoming periods. Except for equity instruments which are classified available-for-sale, the previously recognized impairment loss can be cancelled on profit or loss and other comprehensive income statement in case it decreases in upcoming period or in case such fall can be associated with an incident following recognition of impairment loss.

Financial Liabilities

The financial liabilities and equity instruments of the Group are classified on the basis of contract related regulations and definition of a financial liability and an equity-based instrument. The contract, which represents the right in remaining assets after deducting all debts of the group, is financial instrument grounding on equity. Accounting policies implemented for certain financial liabilities and financial instruments based on equity are indicated below.

Financial liabilities are classified as financial liabilities whose fair value difference is reflected on profit or loss or other financial liabilities.

Financial liabilities whose fair value difference is reflected on profit or loss

Financial liabilities, whose fair value is reflected to profit or loss, are recorded at fair value and revalued at fair value in the balance sheet at each reporting date. Change at fair values is recognized in profit or loss and other comprehensive income table. Net gain or loss recognized in profit or loss and other comprehensive income also include interest amount paid for financial liability.

Other financial liabilities

Other financial liabilities are recognized via fair values refined from operating costs in the beginning.

In later periods, other financial liabilities are recognized through amortized cost amount via effective interest method, together with interest expense calculated over effective interest rate. Effective interest method is the method to calculate amortized costs of financial liability and to distribute relevant interest expense to its related period. Effective interest rate is the rate that reduces the estimated cash payments to be made earlier – if possible – than or at the end of expected lifetime of financial instrument to the exact current value of relevant financial liability.

Recognition and derecognition of financial assets and liabilities

The Group reflects its financial asset or liabilities in its balance sheet when it becomes a party to the related financial instrument contracts. The group de-recognizes the whole or a portion of financial asset only when it loses control of the contractual rights to which such assets subject.

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The Group derecognizes a financial liability only when its obligation under the contract is discharged, cancelled or expires.

Financial assets impairment

Financial assets or financial asset groups except for financial assets for trading are subject to assessment on every balance sheet date about whether there are indicators of their exposure to impairment. The impairment loss takes place in case, following the initial recognition of financial asset, one or more incidents occur and such incident negatively affects future cash-flows regarding relevant financial asset or group which was previously foreseeable in a reliable manner, causing an impartial indicator regarding impairment of such financial asset. Impairment of all financial assets (except for receivables and loans defined in other subheadings) is deducted directly from registered value of relevant financial asset. Apart from available-for-sale equity Instruments, if impairment loss decreases in upcoming period and if such decrease can be associated with an incident that occurs following recognition of impairment loss, previously recognized impairment loss is cancelled in the profit or loss and other comprehensive income statement so as not to exceed the amortized cost amount which it would attain in case the impairment of investment was never recognized on the date of cancellation.

Rise in fair value of available-for-sale equity Instruments following the impairment are directly recognized within equities.

Finance Lease Transactions

If all the benefits and risks of a lease are undertaken by the lessee, these leasing transactions are classified by the Group under the name of financial lease. Other leasing transactions are classified as operational leasing.

Financial Lease

Group as Lessee:

Financial leases are capitalized at the lowest one of the market value of the leased asset or the present value of the minimum financial lease payments on the date they were realized. Lease payments are treated as if they include principal and interest. Principal lease payments are shown as liabilities in the balance sheet and are reduced as they are paid. (**Note: 9**) Interest payments are expensed in the income statement during the financial leasing period. Tangible fixed assets obtained with the financial leasing agreements are subjected to the depreciation during useful life of asset. Net book value of the assets subjecting to financial leasing is included in the Note:27.

Group as Lessor:

Not available.

Operational Leasing

Group as Lessee:

The lease agreements in which the lessor holds all the risks and benefits of the goods are called operational lease. Leasing payments made for operational lease are recorded as expense according to the normal method during the rental period. The most important operational leases of the Group relate to the vehicles rented for transportation services.

Group as Lessor:

The Group shows the fixed assets subject to operational lease according to the content of the fixed asset in the balance sheet. Leasing incomes arising from operational lease transactions are recorded as income according to the normal method during the rental period. The group generates rental and storage service income from warehouses serving various customers and leased vehicles and containers. These revenues are accounted in the sales revenue.

Bank Loans

Loans are recorded with the values after deducting transaction costs from the loan amount received on the date of receipt. Loans are subsequently stated at amortized cost using the effective interest method. After deducting transaction costs, difference between the remaining amount and the discounted cost value is reflected in the profit or loss and other comprehensive income statement as finance cost during the credit period. Financing cost arising from loans is recorded in profit or loss and other comprehensive income.

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Revenue

Income is considered to have occurred where the risk and benefit of the goods sold are transferred to the buyer and where it is probable that the economic benefit of the sale will flow to the entity and the amount of revenue can be calculated reliably. In case that the customer is not satisfied with retail sales and if the customer is given a guarantee that the goods will be recovered unconditionally, significant risks and rewards of ownership are deemed transferred to the buyer. Revenues and expenses related to the same transaction are taken into the simultaneous financial statements. In cases that cash or cash equivalents are received against sales, revenue is the amount of such cash or cash equivalents. However, where cash inflow is postponed, the fair value of sale price can be less than nominal value of the cash to be received. Fair value of the sale price is found by reducing receivables' present value in case that the transaction realizes in the form of a financing transaction as when the Group makes an interest-free sale or applies an interest rate below the market interest rate. The interest rate that is applicable to similar financial instruments of an establishment with a similar credit rating; that reduces interest rate or nominal value of the financial instrument to cash sale price of the related goods or services is used.

In the event that collection of receivables related to the revenue previously recorded becomes suspicious, related amount is taken into financial statements by being written as expense, not by adjusting revenue. Net sales consist of sales price invoiced after deducting discounts and returns.

In the group domestic sales, the conditions ensuring consideration of the goods sold as revenue take place when the goods go out of the factory area. In the case of overseas sales, the revenue is realized at the end of customs procedures of the goods.

Post-balance sheet events

Events after balance sheet date include all incidents between balance sheet date and date of authorization for transmission of balance sheet, even if they appear after public disclosure of a declaration about period profit or any other chosen financial information.

In case incidents that require adjustment occur after balance sheet date, the Group adjusts the amounts taken into consolidated financial statements in line with such new situation.

Provisions, contingent assets and obligations

In order for any provision amount to be included in the consolidated financial statements, the group should have an existing legal or implied obligation arising from past events, it should be probable that resources containing economic benefits will be released from the entity to fulfill this obligation and the amount of the obligation must be estimated reliably. If these criteria are not met, the Group discloses the related issues in the related notes. Contingent assets are not recognized unless they are realized and they are explained in notes only.

Contingent assets are assessed continually to ensure that relevant developments are appropriately reflected in the financial statements. In case that economic benefit is almost certain to put into operation the related asset and the related income are reflected to the financial statements of the period in which the change occurs. If an inflow of economic benefits is probable, an establishment presents the contingent asset in the footnotes of the financial statements.

Capital and dividends

Ordinary shares are classified as capital. Dividends, which are distributed over ordinary shares, are registered after being deducted from accumulated profit in the period they are declared.

Related parties

Within the scope of hereby report, the affiliates include Group shareholders or subsidiaries with which Group as direct or indirect capital and management relationship, such subsidiaries and non-subsidiaries, executive staff such as Group or Group board member or general manager who are directly or indirectly authorized and responsible with respect to planning, conduct and supervision of corporate activities, family members of such persons and companies under direct or indirect control of such persons. Operations with affiliates are indicated in footnotes of consolidated financial statements.

Taxes calculated on the basis of company earnings

Income tax expense consists of the sum of the corporate tax and deferred tax.

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Corporate Tax

Corporate tax is calculated over the taxable portion of the period profit. Taxable profit differs from profit included in the profit or loss and other comprehensive income statement due to excluding items that are not taxable or deductible from the tax with taxable or deductible items in other years. The Group's liability for corporate tax is calculated by using tax rates that have been enacted as of the balance sheet date.

Deferred tax

Deferred tax liability or asset is determined through calculation of tax effects by taking into account legalized tax rates in the light of temporary differences between the indicated amounts of assets and liabilities in consolidated financial statements and the amounts taken into account in legal tax base calculations according to balance sheet method. Deferred tax assets consisting of deductible temporary differences are calculated provided that it is highly probable to benefit from these differences by making taxable profits in the future while deferred tax liabilities are calculated for all taxable temporary differences. The said assets and liabilities cannot be accounted if temporary difference related to the transaction that does not affect commercial or financial profit / loss result from inclusion of goodwill or other asset and liabilities in the financial statements for the first time (excluding business combinations).

Deferred tax liabilities are calculated for all taxable temporary differences associated with investments in subsidiaries and associates and interests in joint ventures except for the situations where the Group is able to control the elimination of temporary differences and this difference is unlikely to disappear in the near future. Deferred tax assets arising from taxable temporary differences related to such investments and shares are calculated by making sufficient taxable profits in the near future provided that it is highly probable to benefit from these differences and differences in the future are likely to be eliminated.

Registered value of deferred tax asset is reviewed at each balance sheet date. Registered value of deferred tax asset is reduced to the extent that it is unlikely to make a financial profit and in such a way that it will allow to receive benefit some or all of which will provide.

Deferred tax assets and liabilities are calculated over tax rates that are expected to be valid in the period when assets will be realized or liabilities will be fulfilled and that have been enacted or substantively enacted by the balance sheet date (tax regulations). During the calculation of deferred tax assets and liabilities, tax consequences of the methods it estimates are taken into consideration for the purpose of restoring the book value of the group's assets or fulfilling its liabilities as of the balance sheet date.

Deferred tax assets and liabilities are set off in case that there is a legal right to set off current tax assets and current tax liabilities or these assets and liabilities are associated with income tax collected by the same tax authority or the Group intends to pay by clarifying Group's current tax assets and liabilities.

Deferred tax assets and liabilities are accounted as income or expense in deferred tax, profit or loss and other comprehensive income table of the period with the corporate tax associated with items accounted as receivable or debt directly in equity (this means that deferred tax related to the relevant items is accounted directly in equity in this case) or except for those arising from the initial recognition of business combinations. In business combinations, the tax effect is taken into consideration in calculating goodwill or determining the portion of the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary purchased.

Employee Benefits/ Seniority Indemnities

According to applicable law, the Group is obliged to make a certain lump sum payment to employees whose employment is terminated due to retirement or for reasons other than the resignation and acts specified in the labour law. Such payment amounts are calculated based on the severance pay ceiling valid as of the balance sheet date. Provision for severance pay has been reflected in the financial statements attached by calculating according to the amount of future liabilities arising from the retirement of all employees according to their net present value.

Severance pay liability accounted in the balance sheet are calculated according to the net present value of future liabilities due to retirements of all employees and reflected in the financial statements. All actuarial gains and losses are accounted in other comprehensive income statement.

Cash flow Statement

In cash-flow statement, the cash-flows in the period are classified and reported grounding on principal, investment and financing activities. Cash and cash equivalents in the statement of cash flows include cash and bank deposits.

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Government promotion and aids

Government promotions cannot be accounted unless there is no reasonable reason related that the Group has met the requirements for these promotions and this promotion is received. These promotions are accounted as income in the related period to match the costs which are expected to meet. Income from government promotions is accounted as a deduction from an eligible expense item.

Investment Properties

The Group's investment properties consist of land investments valued at cost. Investment properties are properties that are not used in the production of goods and service of the Group and are held for the purpose of making lease or value increase profit. These real estate properties are not used for administrative purposes.

Investment properties are de-recognized from balance sheet in case that they are out of use or sold. Profit or loss arising from the sale of these real estate properties are shown in profit or loss and other comprehensive income table.

2.11 Notable Accounting Estimates and Assumptions

The accounting estimates which have a significant effect on the registered values of asset and liabilities are as follows:

Deferred financial income/expense:

In calculating amortized cost of trade receivables and payables by using effective interest method, expected collection and payment terms are taken into consideration according to the existing data on receivables and payables. As a result of forward purchases and sales, the amount of financing income and expenses included in purchase costs and sales income during the period is calculated on an estimated basis and classified to income and expenses from the main activities according to the effective interest method by using the transfer rates of the trade receivables and payables of the related period.

Unrealized financing income and expenses included in purchase costs and sales income arising from forward purchases and sales and occurred within the period are determined approximately by using average trade receivables and debt turnover rates.

Useful Life:

Tangible and intangible assets are subject to amortization and depreciation over their estimated useful lives.

Severance Pay:

Provision for severance pay has been reduced to the value at the balance sheet date by calculating transfer rate in accordance with employee turnover rate, previous year's experiences and expectations.

Lawsuit Provisions:

When allocating lawsuit provisions, the likelihood that the relevant lawsuits will be lost and the consequences to be incurred if they are lost are evaluated in accordance with the opinions of legal advisors and provision is reserved by using the data held by Group Management.

The estimates used are shown in the related accounting policies or footnotes.

NOTE 3 -BUSINESS COMBINATIONS

Not available. (31 December 2015- None.)

NOTE 4 -BUSINESS PARTNERS

Company has no joint venture in the current period.

(31 December 2015- There is no Joint Venture)

NOTE 5-REPORTING PER DEPARTMENTS

The group has intensively engaged in three main subjects. The main activity of the Group is; Real Estate, Transportation, Storage and Logistics Service activities. Other subjects of activity of the Group are Vehicle Inspection Services and Distribution and Marketing of Tobacco Products.

01 January 2016 31 December 2016	Real Estate Leasing, Transportation Warehouse Logistics Service Activities	Vehicle, Inspection Service Activities	Tobacco Products. Distribution and Marketing Activities	Other	Total	Elimination	31.12.2016 dated Income Table
Revenue	243.324.758	65.277.079	81.172.227	285.772	390.059.836	(10.315.093)	379.744.743
Cost of Sales (-)	(169.481.915)	(57.791.230)	(78.710.615)	(260.412)	(306.244.172)	10.212.505	(296.031.667)
GROSS PROFIT/LOSS	73.842.843	7.485.849	2.461.612	25.360	83.815.664	(102.588)	83.713.076
General Administration Expenses (-)	(9.654.268)	(951.777)	(63.870)	(251.826)	(10.921.741)	25.927	(10.895.814)
Marketing, Sales and Distribution . (-)	--	--	(1.512.598)	--	(1.512.598)	72.000	(1.440.598)
Research and Development Expenses (-)	--	--	--	--	--	--	--
Other Real Operating Income	12.710.430	2.926.548	159.092	360.080	16.156.150	(2.414.569)	13.741.581
Other Real Operating Expenses (-)	(25.025.490)	(420.070)	(133.336)	(1.071.400)	(26.650.296)	2.375.755	(24.274.541)
Real Operating Profit/Loss	51.873.515	9.040.550	910.900	(937.786)	60.887.179	(43.476)	60.843.704
Incomes from investing Activities	10.178.585	--	60.000	0	10.238.585	(1.989.126)	8.249.459
Expenses (-) from investing Activities	--	--	--	--	--	--	--
Profit / Loss Shares of Investments Valued by Equity Method	752.518	--	--	--	752.518	(1.062.622)	(310.104)
Operating Profit / (Loss) Before Financing Expenses	62.804.618	9.040.550	970.900	(937.786)	71.878.282	(3.095.224)	68.783.059
Financial Income	21.044.361	565.477	--	--	21.609.838	--	21.609.838
Financial Expenses (-)	(138.817.621)	(5.901.994)	(124.882)	(1.213)	(144.845.710)	--	(144.845.710)
Pre-Tax Profit/Loss From Continuing Operations	(54.968.642)	3.704.033	846.018	(938.999)	(51.357.590)	(3.095.224)	(54.452.813)
Tax Income/Expense	(2.435.570)	(771.384)	(261.873)	89.653	(3.379.174)	--	(3.379.174)
Period Profit/Loss From Continuing Operations	(57.404.212)	2.932.649	584.145	(849.346)	(54.736.764)	(3.095.224)	(57.831.987)
Period Profit/Loss	(57.404.212)	2.932.649	584.145	(849.346)	(54.736.764)	(3.095.224)	(57.831.987)

01 January 2016 31 December 2016	Real Estate Leasing, Transportation Warehouse Logistics Service Activities	Vehicle Inspection Service Activities	Tobacco Products. Distribution and Marketing Activities	Other	Total	Elimination	31.12.2016 Balance Sheet
Total Asset	1.427.236.492	79.438.959	27.128.962	19.686.736	1.553.491.149	(443.176.898)	1.110.314.251
Total Liability	(913.856.551)	(54.656.628)	(2.342.501)	(5.907.732)	(976.763.412)	58.581.360	(918.182.052)
NET	513.379.941	24.782.331	24.786.461	13.779.004	576.727.737	(384.595.538)	192.132.199

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S.

FOOTNOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS OF 31 DECEMBER 2016 PASSED INDEPENDENT AUDIT

(All sums are given in TL.)

01 January 2015 31 December 2015	Real Estate Leasing, Transportation Warehouse Logistics Service Activities	Vehicle, Inspection Service Activities	Tobacco Products, Distribution and Marketing Activities	Other	Total	Elimination	31.12.2015 dated Income Table
Revenue	228.750.969	60.912.082	71.324.267	753.749	361.741.067	(22.075.316)	339.665.751
Cost of Sales (-)	(173.413.367)	(52.676.551)	(69.996.702)	(337.229)	(296.423.849)	18.683.320	(277.740.529)
GROSS PROFIT/LOSS	55.337.602	8.235.531	1.327.565	416.520	65.317.218	(3.391.997)	61.925.222
General Administration Expenses (-)	(9.578.002)	(1.207.530)	(114.843)	(85.906)	(10.986.281)	2.744.423	(8.241.858)
Marketing, Sales and Distribution . (-)	--	--	(964.155)	--	(964.155)	12.000	(952.155)
Research and Development Expenses (-)	--	--	--	--	--	--	--
Other Real Operating Income	19.007.820	2.361.974	90.389	313.883	21.774.066	(5.380.932)	16.393.134
Other Real Operating Expenses (-)	(20.056.070)	(58.411)	(69.103)	(372.559)	(20.556.143)	1.745.991	(18.810.152)
Real Operating Profit/Loss	44.711.350	9.331.564	269.853	271.938	54.584.705	(4.270.515)	50.314.190
Expenses (-) Activities	24.624.537	--	110.000	--	24.734.537	(22.402.070)	2.332.467
Expenses (-) from investing Activities	(943.021)	--	--	--	(943.021)	--	(943.021)
Profit / Loss Shares of Investments Valued by Equity Method	2.911.398	--	--	--	2.911.398	1.486.545	4.397.943
Operating Profit / (Loss) Before Financing Expenses	71.304.264	9.331.564	379.853	271.938	81.287.619	(25.186.040)	56.101.579
Financial Income	38.081.271	1.039.387	499	--	39.121.157	--	39.121.156
Financial Expenses (-)	(134.159.466)	(7.788.022)	(45.043)	(878)	(141.993.409)	(127.545)	(142.120.953)
Profit/Loss Before Tax From Continuing Operations	(24.773.931)	2.582.929	335.309	271.060	(21.584.633)	(25.313.584)	(46.898.217)
Tax Income/Expense	(1.132.362)	(527.071)	(70.516)	(6.926)	(1.736.875)	--	(1.736.875)
Period Profit/Loss From Continuing Operations	(25.906.293)	2.055.858	264.793	264.134	(23.321.508)	(25.313.584)	(48.635.092)
Period Profit/Loss	(25.906.293)	2.055.858	264.793	264.134	(23.321.508)	(25.313.584)	(48.635.092)

01 January 2015 31 December 2015	Real Estate Leasing, Transportation Warehouse Logistics Service Activities	Vehicle Inspection Service Activities	Tobacco Products, Distribution and Marketing Activities	Other	Total	Elimination	31.12.2015 Balance Sheet
Total Asset	1.329.909.193	47.769.981	29.275.218	19.883.292	1.426.837.684	(396.208.402)	1.030.629.282
Total Liability	(767.976.096)	(25.898.513)	(5.068.484)	(5.255.874)	(804.198.967)	14.066.201	(790.132.766)
NET	561.933.097	21.871.468	24.206.734	14.627.418	622.638.717	(382.142.201)	240.496.516

NOTE 6 -RELATED PARTIES DISCLOSURES

Explanations on related parties show consolidated balances and transactions of the Company's subsidiaries (shall hereinafter be referred to as the "Group") due to the necessity of preparing consolidated financial statements for Reysas Tasımacılık ve Lojistik Ticaret A.S. ("Company").

A) Debt and Receivable Balances with the Related Parties

31.12.2016	Receivables			Debts		
	Trade Receivables	Non-commercial Receivables	Prepaid Expenses	Commercial Debts	Non-commercial Debts	Deferred Incomes
Egemen Oto Kiralama Tur. Tas. Ltd. Sti.	685.846		--	1.384.802	--	--
Cavusođlu Yapı End. Taah. Tic. Ltd. Sti.	6.705.488	5.522.003		--		
Egelog Doğalgaz Akark.Tasım.Dep.Turizm Ltd. Sti.	447.129			--		
Elmas Hizmet Tedarik Ve Tic. Ltd. Sti.	37.009.073			36.016.035		
Kolay Depo Depolama A.S.	--			1.051.524		
Reypa Gıda San.Tic. Ltd.Sti.	13.566			3.890.177		
Remkar Tasımacılık Ve Danışmanlık Ltd. Sti.	4.312.808			-		
Rey Hava Tasımacılığı	4.685.621			1.425.000		
Tanem Kahvecilik	1.832.510			-		
Reyline Uluslararası Tasımacılık Ltd. Sti.(*)	202.801			1.201.136		
Rey Gıda Ürün.Tic. Ltd. Sti.	801.062			-		
Arı Lojistik	97.772	289.316		-		
Emir İstif Makinaları San.ve Tic.Ltd. Sti.	457.675	--		-		
Persco Personel Tedarik Yönetimi		--	--	4.870.673	--	--
	2.996.666	--	--	123.169	--	--
	4.223.983	--	--	2.076.155	--	--
Other	--	--	--	166.331	--	--
Deferred Financial Expenses (-)	(1.168.910)	--	--	(1.171.157)	--	--
Shareholders (**)		6.203 . 6 65	--	-	4.510.573	--
Advances to Personnel			61.084			
Total	63.303.090	12.014.984	61.084	51.033.845	4.510.573	--

(*) Rey Uluslararası Tas. Doğalgaz Akar.Dep. Dağıt. Ltd. Sti. has changed its title as Reyline Uluslararası Tasımacılık Ltd.Sti. and new title of the company has been registered on 15.08.2016.

(**) The detail of the debt and receivables to the partners are as follows;

31.12.2016	Receivables			Debts		
	Trade Receivables	Non-commercial Receivables	Other Receivables	Commercial Debts	Non-commercial Payables	Other Debts
Durmus Döven		2.739.412			4.502.421	--
Egemen Döven		2.710.845			8.152	--
Rıfat Vardar		--			--	--
Arife Vardar		721.068			--	--
		32.340			--	--
Total		6.203.665			4.510.573	--

In the interest account of related parties, interest rate of 13,95% has been used for TL current accounts; interest rate of 6,36% for USD Dollar current accounts; interest rate of 5,38% has been used for Euro current accounts.

As of 31.12.2016, total amount of benefits and fees provided to senior managers is TL 337.300 and consists completely of wage and daily allowance payments (31 December 2015: TL 293.634).

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S.**FOOTNOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS OF 31 DECEMBER 2016 PASSED INDEPENDENT AUDIT**

(All sums are given in TL.)

31/12/2015	Receivables			Debts		
	Trade Receivables	Non-commercial Receivables	Prepaid Expenses	Commercial Debts	Non-commercial Payables	Deferred Incomes
Egemen Oto Kiralama Tur. Tas. Ltd. Sti.	795.450	-	-	27.006	-	-
Cavusoğlu Yapı End. Taah. Tic. Ltd. Sti.	5.725.587	5.650.745	-	-	-	-
Ecelog Tasımacılık Amb. Dep. Tic. Ltd. Sti.	4.061.671	-	-	-	-	-
Egelog Doğalgaz Akark.Tasım.Dep.Turizm Ltd. Sti.	33.630	-	-	669.529	-	-
Elmas Hizmet Tedarik Ve Tic. Ltd. Sti.	37.020.907	-	-	44.849.673	-	-
Kolay Depo Depolama A.S.	1.062	-	-	1.128.128	-	-
Reypa Gıda San.Tic. Ltd.Sti.	176	-	-	3.930.375	-	-
Remkar Tasımacılık Ve Danışmanlık Ltd. Sti.	2.124.589	-	-	-	-	-
Rey Hava Tasımacılığı	2.529.755	-	-	-	-	-
Reysas Kahvecilik Gıda Ür. Yiy. İc. ve San.Hizm.Tic.Ltd. Sti.	3.148.004	-	-	286	-	-
Rey Uluslararası Tas. Doğalgaz Akar.Dep. Dağıt. Ltd. Sti.	-	-	-	3.313.042	-	-
Rey Gıda Ürün.Tic. Ltd. Sti.	719.097	-	-	-	-	-
Arı Lojistik	33.652	512.050	-	-	1.764.028	-
Emir İstif Makinaları San.ve Tic.Ltd. Sti.	743.776	-	-	-	-	-
Persco Personel Tedarik Yönetimi	--	-	-	1.914.223	-	-
Other	1.602.464	-	-	146.038	-	-
Deferred Financial Expenses (-)	(99.298)	(5.765)	-	(379.256)	-	-
Partners (*)		963.636	-		4.629.416	-
Advances to Personnel			61.343			
Total	58.440.522	7.120.666	61.343	55.599.044	6.393.444	-

(*) The details of the debts and receivables from the partners are as follows;

31 December 2015	Receivables			Debts		
	Trade Receivables	Non-commercial Receivables	Other Receivables	Commercial Debts	Non-commercial Payables	Other Debts
Durmus Döven					4.629.416	
Egemen Döven		482.568			--	
Rıfat Vardar		--			--	
Arife Vardar		481.068			--	
Total		963.636			4.629.416	

In the interest account of related parties, interest rate of 13,50% has been used for TL current accounts; interest rate of 6,50% for USD Dollar current accounts; interest rate of 4,80% has been used for Euro current accounts.

As of 31.12.2015, total amount of benefits and fees provided to senior managers is TL 337.300 and consists completely of wage and daily allowance payments.

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S.
FOOTNOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS OF 31 DECEMBER 2016 PASSED INDEPENDENT AUDIT
(All sums are given in TL.)

b) Purchases from Affiliates and Sales to Affiliates

Purchases from affiliates for the period of January 1, 2016 - December 31, 2016

Title of Affiliate	Service	Transport	Goods	Fixed Asset	Lease	Other (Delay Interest, Exchange Difference, Other)	Total
Cavusoğlu Yapı End. Taah. Tic. Ltd. Sti.	--	--	--	--	--	749.543	749.543
Egelog Doğalgaz Akary. Tasım. Dep. Turizm Ltd. Sti.	--	--	--	127.119	--	36.362	163.481
Egemen Oto Kir. Ve Turz. Ltd.Sti	--	--	--	527.698	342.594	100.868	971.160
Elmas Hizmet Tedarik Ve Tic. Ltd. Sti.	6.529.947	23.402	--	54.838.263	--	7.523.830	68.915.442
Emir İstif Makinaları San. Ve Tic.Ltd.Sti.	--	--	--	--	33.058	--	33.058
Persco Personel Tedarik Yön.	21.989.153	--	--	--	--	170.922	22.160.075
Rey Hava Tas.Kargo Hiz.Ltd.Sti.	200.000	--	--	--	--	--	200.000
(*Reyline Uluslararası Tasımacılık Ltd.Sti.	3.780	11.803.405	--	--	595.130	199.984	12.602.299
Tanem Kahvecilik Ltd.Sti.	205.562	--	--	--	--	--	205.562
Kolay Depo Depolama A.S.	--	--	--	--	--	75.677	75.677
Rey Otel Turizm İşletmeciliğive Tic. Ltd.Sti.	75.000	--	--	--	--	121.456	196.456
Other	--	--	--	--	383.509	20.037	403.546
	29.003.442	11.826.807	--	55.493.080	1.354.291	8.998.679	106.676.299

(* Rey Uluslararası Tas. Doğalgaz Akar.Dep. Dağıt. Ltd. Sti. has changed its title as Reyline Uluslararası Tasımacılık Ltd.Sti. and new title of the company has been registered on 15.08.2016.

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S.
FOOTNOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS OF 31 DECEMBER 2016 PASSED INDEPENDENT AUDIT
(All sums are given in TL.)

Purchases from affiliates for the period of January 1, 2015- December 31, 2015

Title of Affiliate	Service	Transport	Goods	Fixed Assets	Lease	Other (Delay Interest, Exchange Difference, Other)	Total
Cavusođlu Yapı End. Taah. Tic. Ltd. Sti.	--	--	--	13.682.892	--	3.106.511	16.789.403
Egelog Doğalgaz Akary. Tasım. Dep. Turizm Ltd. Sti.	--	--	--	406.780	--	38.798	445.578
Egemen Oto Kir. Ve Turz. Ltd.Sti	--	--	--	--	442.468	--	442.468
Elmas Hizmet Tedarik Ve Tic. Ltd. Sti.	9.329.367	20.301	--	50.267.340	8.194	6.508.754	66.133.956
Emir İstif Makinaları San. Ve Tic.Ltd.Sti.	--	--	--	--	21.843	4.866	26.709
Persco Personel Tedarik Yön.	20.023.839	--	--	--	--	66.328	20.090.167
Rey Gıda Ürn.Yiy.İc Ve Ser.Hiz.Ltd.Sti.	1.400	--	--	--	--	--	1.400
Rey Hava Tas.Kargo Hiz.Ltd.Sti	195.100	--	--	--	--	48.375	243.475
Rey Uluslararası Tas. Doğalgaz Akar.Dep. Dađıt. Ltd. Sti.	--	11.191.919	--	--	667.589	936.249	12.795.757
Reysas Kahvecılık Gıda Ürün Yıy Icec Ve Servis Hiz	1.333.890	--	--	--	--	--	1.333.890
Kolay Depo Depolama A.S.	--	--	--	--	--	163.341	163.341
Remkar Tasımacılık ve Dan.Ltd.Sti.	514.750	--	--	--	--	--	514.750
Other	1.700.765	--	--	--	390.613	17.246	2.108.624
	33.099.111	11.212.220	--	64.357.012	1.530.707	10.890.468	121.089.518

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S.
FOOTNOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS OF 31 DECEMBER 2016 PASSED INDEPENDENT AUDIT
(All sums are given in TL.)

Purchases to affiliates for the period of January 1, 2016 - December 31, 2016

Title of Affiliate	Service	Transport	Goods	Fixed Assets	Lease	Other (Delay Interest, Exchange Difference, Other)	Total
Cavusoğlu Yapı End. Taah. Tic. Ltd. Sti.	--	--	--	--	--	1.526.179	1.526.179
(*Ecelog Tasımacılık Amb. Dep. Tic. Ltd. Sti.(in liquidation)	--	--	--	--	--	315.530	315.530
Egelog Doğalgaz Akary.LTD. STI.	1.893.361	--	--	--	1.253	300.487	2.195.101
Egemen Oto Kiralama Tur. Tas. Ltd. Sti.	--	--	--	--	19.849	162.946	182.795
Elmas Hizmet Tedarik Ve Tic. Ltd. Sti.	53.838	--	--	957.416	89.833	6.047.387	7.148.474
Emir İstif Makinaları San. Ve Tic.Ltd.Sti.	--	--	--	--	904.162	71.775	975.937
Kolay Depo Depolama A.S.	--	--	--	--	111.855	3.817	115.672
Rey Otel Turizm İletmeciligive Tic. Ltd.Sti.	--	--	--	--	1.753.596	456.386	2.209.982
Persco Personel Tedarik Yönetim ve Danışmanlık Ltd.Sti.	75.000	--	--	--	--	--	75.000
Remkar Tasımacılık Ve Danışmanlık Ltd. Sti.	--	--	--	--	--	225.003	225.003
Rey Hava Tasımacılığı Ltd.Sti.	--	--	--	--	--	381.617	381.617
(**)Reyline Uluslararası Tasımacılık Ltd.Sti.	24.441	133.749	--	--	955.009	36.606	1.149.805
Reypa Gıda Ltd.Sti	--	--	--	--	--	--	--
Rey Gıda Ürn.Yiy.İc Ve Ser.Hiz.Ltd.Sti.	--	--	--	--	--	75.827	75.827
Rey-ta Reysas Tarım ve Hayvancılık	--	--	--	--	69.000	1.109	70.109
Arı Lojistik Insaat San.ve Tic.A.S.	--	--	--	--	--	64.058	64.058
Tanem Kahvecilik Ltd.Sti.	--	--	--	--	--	483.717	483.717
Metro Sigorta Aracılık Hiz. Tic. Ltd. Sti.	--	--	--	--	--	195.105	195.105
Rey Gıda Ürn.Yiy.İc Ve Ser.Hiz.Ltd.Sti.	--	--	--	--	--	--	--
Other	--	--	--	--	--	152.320	152.320
Total	2.046.640	133.749	--	957.416 :	3.904.557	10.499.869	17.542.231

(*Ecelog Tasımacılık Amb. Dep. Tic. Ltd. Sti has been decided to enter into liquidation since there is no benefit for the company to continue its operations with 10.05.2016 dated and 6 numbered decision of Board of Directors and related decision was published in the trade registry gazette dated 26.05.2016 and numbered 9083.

(**) Rey Uluslararası Tas. Doğalgaz Akar.Dep. Dağıt. Ltd. Sti.'s title has been changes as Reyline Uluslararası Tasımacılık Ltd. Sti. and the new title of the company has been registered on 15.08.2016.

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S.
FOOTNOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS OF 31 DECEMBER 2016 PASSED INDEPENDENT AUDIT
(All sums are given in TL.)

Sales to Affiliates for the Period 01 January 2015-31 December 2015

Title of Affiliate	Service	Transport	Goods	Fixed Assets	Lease	Other (Delay Interest, Exchange Difference, Other)	Total
Cavusođlu Yapı End. Taah. Tic. Ltd. Sti.	--	--	--	--	--	7.473.007	7.473.007
Ecelog Tasımacılık Amb. Dep. Tic. Ltd. Sti.	--	--	--	--	--	513.183	513.183
Egelog Dođalgaz Akary.LTD. STI.	530.258	--	--	211.864	1.832.129	--	2.574.251
Egemen Oto Kiralama Tur. Tas. Ltd. Sti.	--	--	--	--	927.350	418.671	1.346.021
Elmas Hizmet Tedarik Ve Tic. Ltd. Sti.	778.551	--	--	3.955.744	--	6.301.233	11.035.528
Emir İstif Makinaları San. Ve Tic.Ltd.Sti.	25.000	--	--	--	637.862	26.860	689.722
Kolay Depo Depolama A.S.	--	--	--	--	375.576	31.204	406.780
Persco Personel Tedarik Yönetim Ve Danışmanlık Limited Sirketi	196.581	--	--	--	--	--	196.581
Remkar Tasımacılık Ve Danışmanlık Ltd. Sti.	--	--	--	--	--	212.550	212.550
Rey Hava Tasımacılığı Ltd.Sti.	--	--	--	--	--	79.177	79.177
Rey Uluslararası Tas. Dođalgaz Akar.Dep. Dađıt. Ltd. Sti.	1.100	285.292	--	--	715.455	79.239	1.081.086
Reypa Gıda Ltd.Sti	--	--	--	--	--	1.720	1.720
Reysas Kahvecilik Gıda Ür. Yiye. Ve San.Hizm.Tic.Ltd.Sti.	--	--	--	--	--	388.912	388.912
Rey-ta Reysas Tarım ve Hayvancılık	--	--	--	--	110.000	12.964	122.964
Rey Gıda Ürn.Yiy.İc Ve Ser.Hiz.Ltd.Sti.	--	--	--	--	--	12.659	12.659
Other	--	--	--	--	--	574.447	574.447
Total	1.531.490	285.292	--	4.167.608	4.598.372	16.125.826	26.708.588

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S.**FOOTNOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS OF 31 DECEMBER 2016 PASSED INDEPENDENT AUDIT
(All sums are given in TL.)****NOTE 7 - CASH AND CASH EQUIVALENTS**

The Group's cash and cash equivalents as of 31 December 2016 and 31 December 2015 are as follows:

	31/12/2016	31/12/2015
Cash	402.502	187.859
Cheques Received	1.028.957	277.500
Banks	70.013.306	116.826.079
- <i>Time Deposit</i> (*)	63.219.402	116.134.450
- <i>Demand Deposits</i>	6.793.904	691.629
Cheques Given	(1.924)	(334.005)
Other Liquid Assets	218.738	1.849.710
Total	71.661.581	118.807.143

Amount of blocked deposits as of 31 December 2016 is TL 13.300 (31 December 2015: Not available)

As of 31 December 2016, TL 25.000.000 of TL 63.219.402 in the Group's time deposit account consists of swap transactions. The swap's starting date is 23.12.2016 and the swap expiry date is 24.01.2017. The Group's receivable at the end of the term is TL 25.240.330. TL 60.083 of interest income calculated as of 31 December 2016 is reflected to the profit and loss statement.

*The breakdown of time deposits with a maturity of less than 3 months is as follows;

31.12.2016

Currency Type	Interest Rate	Foreign Exchange Rate	For TL
USD \$	4.50%	6.016.558	21.173.470
EURO	2.05%	504.938	1.873.269
TL	7,44%-12,90%	40.172.663	40.172.663
Total			63.219.402

31.12.2015

Currency Type	Interest Rate	Foreign Exchange Rate	For TL
USD \$	1,71-2,53%	14.216.887	41.337.021
EURO	2,01%	7.195.007	22.862.857
TL	7,7-14,35%	51.934.572	51.934.572
Total			116.134.450

NOTE 8- FINANCIAL INVESTMENTS

As of 31 December 2016 and 31 December 2015, the Group's short-term financial investments classified as other financial assets measured by reflecting fair value difference to profit / loss.

Other Financial Assets Measured by Reflecting Fair Value Difference to the Profit/Loss

	31.12.2016	31.12.2015
BRL Liquid Fund	7.476	6.975
Gold Account	13.162	10.000
Total	20.638	16.975

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(All sums are given in TL.)****NOTE 9- FINANCIAL DEBTS****A) Short Term Borrowing from Affiliates**

	31.12.2016			31.12.2015		
	Interest Rate	Foreign Exchange Rate	TL Amount	Interest Rate	Foreign Exchange Rate	TL Amount
Bank Loans						
-TL	11,22%-17,58%	54.350.889	54.350.889	9,90%-17,58%	64.201.667	64.201.667
-USDS\$	4,72%-8,27%	17.989.710	63.309.386	3,62%-7,62%	15.473.038	44.989.406
-EURO	3,91%-5,87%	7.234.379	26.838.822	3,91%-4,59%	4.049.880	12.868.899
Debts from Financial Leasing Transactions						
-TL	10,67%-14,72%	19.152.454	19.152.454	10,55%-18,96%	7.692.150	7.692.150
-USDS\$						
-EURO	4,03% - 4,59%	727.239	2.697.982	4,03%	286.523	910.458
Interest payables of deferred leasing costs (-)						
-TL		(9.412.111)	(9.412.111)		(2.912.846)	(2.912.846)
-USDS\$						
-EURO		(109.963)	(407.951)		(56.630)	(179.946)
Total			156.529.471			127.569.788

-Issued Debt Instruments

As of 31 December 2016 and 31 December 2015, the group's debt Instruments issued are as follows.

Short Term Debt Instruments Issued (*)	31.12.2016	31.12.2015
- Issued Loans (TL)	--	50.228.178
Total	--	50.228.178

(*) It consists of the amount calculated and accrued by discounting and using the effective interest method as of 31 December 2015 in relation to the Loan issued by the Group.

The Group has issued floating rate bonds with a nominal value of TL 50.000.000 with a total maturity of 1.092 days to the qualified investors without being offered to public in accordance with the principles included in the Communiqué Serial: VIII, No: 54 of the Capital Markets Board. In this context, issuance of bonds with a nominal value of TL 50.000.000 whose demand collection days are determined as 25-26-27 June 2013 has been completed as of 27 June 2013 and allocated to 32 qualified investors by Garanti Yatırım Menkul Kıymetler A.S. The principal payment amount of the issuance will be made at the end of 3 years and variable coupon must be paid quarterly. In the variable coupon payment bond, interest rate of 400 basis points will be added on the annual compound interest of benchmark government bonds issued by the T.R. Treasury actively traded in each coupon payment period for 3 month coupon payments.

Amortisation transaction of the bond with nominal value of TL 50.000.000 with 1092 days term TRSRGYO61615 ISIN issued by collecting demand on 25-27 June 2013 and approved regarding 18/06/2013 dated and 631 numbered resolution of the Capital Markets Board has been realized on 24.06.2016. TL 1.676.299 has been paid as 12.coupon and TL 50.000.000 has been paid as capital.

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-Long Term Borrowings from Non-Affiliates

	31.12.2016			31.12.2015		
	Interest Rate	Foreign Exchange Rate	TL Amount	Interest Rate	Foreign Exchange Rate	TL Amount
Bank Loans						
-TL	11,22%-17,58%	270.252.598	270.252.598	11,22%-17,58%	173.261.436	173.261.436
-USD\$	5,59%-8,27%	45.430.313	159.878.358	3,66%-7,62%	57.344.248	166.734.134
-EURO	4,22%-5,87%	35.023.327	129.933.042	3,91%-5,84%	41.480.351	131.807.964
Debts from Financial Leasing Transactions						
-TL	10,67%-14,72%	70.111.294	70.111.294	10,55%-14,65%	24.795.842	24.795.842
-USD\$						
-EURO	4,03% - 4,59%	2.019.618	7.492.582	4,03%	1.135.339	3.607.654
Interest payables of deferred leasing costs (-)						
-TL		(15.348.680)	(15.348.680)		(5.673.777)	(5.673.777)
-USD\$						
-EURO		(138.936)	(515.438)		(88.382)	(280.843)
Total			621.803.756			494.252.410
Grand Total			778.333.227			621.822.198

As of 31 December 2016 and 31 December 2015, the maturities of bank loans and financial lease transactions are as follows:

Loans	31.12.2016	31.12.2015
0-3 Months	51.654.376	50.388.847
4-12 Months	92.844.721	71.671.125
1-5 Year	492.385.706	372.552.366
Longer than 5 years (IV)	67.678.292	99.251.168
Total	704.563.095	593.863.503
Debts from Financial Leasing Transactions		
0-3 Months	2.490.034	1.162.804
4-12 Months	9.540.340	4,347,012
1-5 Year	61.739.758	21.655.401
Longer than 5 years	--	793.475
Total	73.770.132	27.958.695
Grand Total	778.333.227	621.822.198

NOTE 10- OTHER FINANCIAL LIABILITIES

The Group has no other financial liabilities as of 31.12.2016. (31 December 2015: None.)

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S.**FOOTNOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS OF 31 DECEMBER 2016 PASSED INDEPENDENT AUDIT**

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NOTE 11- TRADE RECEIVABLE AND DEBTS

The Group's trade receivables as of 31 December 2016 and 31 December 2015 are as follows:

Trade Receivables	31.12.2016	31.12.2015
Trade Receivables	47.275.654	83.231.910
<i>Trade Receivables Other Than Affiliates</i>	30.336.643	24.692.090
<i>Trade Receivables from Affiliates (Note:6)</i>	16.939.011	58.539.820
Received Collaterals	53.221.751	1.917.404
<i>Collaterals Received Other Than Affiliates</i>	5.688.762	1.917.404
<i>Collaterals Received from Affiliates</i>	47.532.989	
Doubtful Trade Receivables	29.867.101	22.718.987
<i>Doubtful Trade Receivables Other than Affiliate</i>	22.908.705	22.718.987
<i>Doubtful Trade Receivables From Affiliate (Note: 6)</i>	6.958.396	--
Total Trade Receivables	130.364.506	107.868.301
Provision for Doubtful Trade Receivables (-)	(29.867.101)	(22.718.987)
<i>Provision for Doubtful Trade Receivables Other than Affiliate</i>	(22.908.705)	(22.718.987)
<i>Provision for Doubtful Trade Receivables from Related Parties (Note:6)</i>	(6.958.396)	--
Deferred Financial Expenses other than affiliates (-)	(276.524)	(180.080)
Deferred Financial Expenses from Affiliates (-)	(1.168.910)	(99.298)
Total	99.051.971	84.869.936

The Group's transactions related to overdue and doubtful receivables are as follows:

	31.12.2016	31.12.2015
Opening Balance	22.718.987	22.434.100
<i>Collected Receivables</i>	--	--
<i>Provision Reserved in the current period</i>	7.148.114	284.887
Total	29.867.101	22.718.987

The Group's Long Term Trade Receivables are explained below as of 31 December 2016 and 31 December 2015.

	31.12.2016	31.12.2015
Trade Receivables	--	--
<i>Trade Receivables Other Than Affiliates</i>	--	--
<i>Trade Receivables from Affiliates (Note:6)</i>	--	--
Received Collaterals	95,900	100,787
<i>Collaterals Received Other Than Affiliates</i>	95,900	100,787
<i>Collaterals Received from Affiliates (Note:6)</i>	--	--
Total Trade Receivables	95.900	100.787
Deferred Financial Expenses other than affiliates (-)	(13.087)	(16.606)
Deferred Financial Expenses from Affiliates (-)	--	--
Total	82.813	84.181

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As of 31 December 2016, the Group's long term trade receivable is TL 95.900 and consists of overdue notes.

(December 31, 2015; long-term trade receivable is TL 100.787 and consists of overdue notes.)

The average maturity of trade receivables of the Group is 30-40 days. Maturity information of bonded receivable is given below.

Maturity	31.12.2016	31.12.2015
0-3 months	5.142.737	1.770.565
4-12 months	48.079.014	146.839
1-5 years	95.900	100.787
Total	53.317.651	2.018.191

Details of notes receivable received from affiliates are as follows:

Affiliate Company	Maturity	Amount
Emir İstif	April 2017	457.675
Egelog	April 2017	447.129
Rey Gıda	April 2017	801.062
Metro Sigorta	April 2017	2.147.829
Rey Hava Tasımacılıđı	December 2017	1.030.000
Elmas Hizmet Tedarik Ve Ticaret Ltd.Sti	April 2017	34.621.011
Elmas Hizmet Tedarik Ve Ticaret Ltd.Sti	April 2017	1.384.447
Cavusođlu Yapı End. Taah. Tic.Ltd. Sti.	April 2017	6.643.836
		47.532.989

The Group's trade payables are as of 31 December 2016 and 31 December 2015 as follows:

	31.12.2016	31.12.2015
Sellers	39.025.485	81.956.724
- Trade Payables Other Than Affiliates	26.716.118	25.978.424
- Trade Receivables to Affiliates (Note:6)	12.309.367	55.978.300
Notes Payables	44.105.217	7.381.122
Notes Payables Given other Than Affiliate	4.209.582	
Notes Payables Given To Affiliates (Note: 6)	39.895.635	
Deferred Financial Income other than affiliates (-)	(248.360)	(284.576)
Deferred Financial Income from affiliates (-)	(1.171.157)	(379.256)
Other Financial Liabilities	--	--
Total	81.711.185	88.674.014

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S.**FOOTNOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS OF 31 DECEMBER 2016 PASSED INDEPENDENT AUDIT**

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The Group's Long Term Trade Payables as of 31 December 2016 and 31 December 2015 are explained below.

	31.12.2016	31.12.2015
Notes Payables	--	150.276
Rediscount of payable (-)	--	(938)
Total	--	149.338

The average maturity of the Group's trade payables is 30-60 days. Maturity information of trade payables is given in Note: 42.

Details of note payables given to the affiliates are as follows:

Affiliate Company	Maturity	Amount
Elmas Hizmet Tedarik	April 2017	36.005.458
Reypa Gıda	December 2017	296.200
Reypa Gıda	December 2017	1.169.689
Reypa Gıda	December 2017	1.825.508
Reypa Gıda	December 2017	598.780
		39.895.635

NOTE 12 -RECEIVABLES AND PAYABLES FROM FINANCIAL SECTOR ACTIVITIES

The Group has no receivables and payables from finance sector activities. (31 December 2015- None.)

NOTE 13 -OTHER RECEIVABLES AND PAYABLES

The Group's other receivables and payables as of 31 December 2016 and 31 December 2015 are as follows:

Other Short-term Receivables	31.12.2016	31.12.2015
Deposits and Guarantees Given	232.664	386.663
Other Receivables	1.217.392	1.217.924
Receivables from Affiliates (Note: 6)	12.014.984	7.120.666
- Receivables from Shareholders	6.171.325	963.636
- Receivables from subsidiaries	59.468	--
- Receivables from Affiliates	5.784.191	6.157.030
Other Doubtful Receivables	2.016.159	68.580
Provision of Other Doubtful Receivables	(2.016.159)	(68.580)
Total	13.465.040	8.725.253

Other Long-Term Receivables	31.12.2016	31.12.2015
Deposits and Guarantees Given	792.297	1.012.270
Total	792.297	1.012.270

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Other Short-term Payables	31.12.2016	31.12.2015
Deposits and Guarantees Received	1.198.769	2.457.079
Taxes Payable (VAT, Advance Tax..)	4.419.834	2.333.879
Overdue, Deferred or Installed Payables to the state (*)	747.442	367.444
<i>Payables to Affiliates (Note:6)</i>	<i>4.510.573</i>	<i>6.393.444</i>
- <i>Debts to Shareholders</i>	<i>4.510.573</i>	<i>4.629.416</i>
- <i>Debts to the Affiliate Companies</i>	--	<i>1.764.028</i>
<i>Other</i>	<i>307.340</i>	<i>569.407</i>
Total	11.183.958	12.121.253

The Group Management has benefited from the ease of payment provisions in the Laws numbered 6552 and 6736.

Other Long Term Payables	31.12.2016	31.12.2015
Overdue, Deferred or Installed Payables to the state (*)	707.016	310.980
Total	707.016	310.980

(*) The Group Management has benefited from the ease of payment provisions in the Laws numbered 6552 and 6736.

NOTE 14-PAYABLES WITHIN THE SCOPE OF EMPLOYEE BENEFITS

As of 31 December 2016, the details of payables related to employee benefits are as follows.

	31.12.2016	31.12.2015
Taxes, Fees and Deductions Payable	270.965	136.343
Payable SSI Premium	201.448	196.116
Due to Personnel	689.524	660.392
Total	1.161.937	992.851

NOTE 15 - DERIVATIVE INSTRUMENTS

The Group does not have any derivative Instruments. (31 December 2015- None.)

NOTE 16 -INVENTORIES**a) Short Term Inventories**

The Group's short term inventories are as of 31 December 2016 and 31 December 2015 as follows:

	31.12.2016	31.12.2015
Merchandise	1.580.074	2.120.977
Other Inventories (*)	859.800	393.937
Provision for inventories (-)	--	--
Total	2.439.874	2.514.914

(*) Other stocks of the Group consist of fuel, spare parts and consumables.

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(All sums are given in TL.)****b) Long Term Inventories**

In accordance with Reysas Gayrimenkul Yatırım Ortaklığı A.S.'s 04/05/2016 dated and 298 numbered resolution of Board of Directors; preliminary contract for real estate sale has been signed with Sur Yapı Endüstri San. Ve Tic. Anonim Şirketi from construction project companies for construction of house on improved lands with houses of 10.783,80 m2 located on Istanbul Province Sancaktepe District 9-10 Sheet, 1674 Parcel and 18.316,57 m2 on Istanbul Province Sancaktepe District 6650 Plot, 17 Parcel. Construction will start in 2016 and be completed in 30 months on the basis of "Revenue Sharing". The project is still in the beginning phase with the end of December 31, 2016.

While it is registered as "field" with the surface area of 10.783,80 m2 on the 9-10 Sheet, 1674 Parcel in Istanbul Province, Sancaktepe District and in the land registry, it has been divided into two parcels as 1974 parcel (3,301,30 m2) and 1975 parcel (6,965,62 m2) as a result of separation (allotment) made on 04.08.2016 and in the meantime, has been transferred as zoning road (516,88 m2) within the framework of Articles 15 and 16 of the Zoning Law. The 1974 parcel (3,301,30 m2), which was formed by separation (allotment) has been transferred to Sancaktepe Municipality on 25.10.2016. The property of the 1975 parcel (6.965,62 m2) which is under the ownership of Reysas Gayrimenkul Yatırım Ortaklığı A.S., has been changed as "field".

The sections (total 2.199,19 m2) remained on the area located at 6650 Plot, 17 Parcel park (2.123,19 m2) and road (76 m2) in Istanbul Province, Sancaktepe District have been transferred on 04.08.2016 and surface area of them after transfers have been 16.117,38 m2.

The total land area where the project will be realized (6.965.62 + 16.117.38 =) is 23.083 m2.

These immovables have been taken into stocks in 2016. Inventories are classified as short- and long-term by taking into consideration possible completion date of housing constructions.

Cost values total of the residential improved lands in question is TL 29.742.179 as of 31 December 2016.
(31 December 2015: None.)

NOTE 17- BIOLOGICAL ASSETS

The Group's main subject of activity does not include any live assets. (31 December 2015- None.)

NOTE 18 -PREPAID EXPENSES AND DEFERRED INCOMES

The Group's prepaid expenses and deferred income as of 31 December 2016 and 31 December 2015 are as follows:

Short term prepaid expenses;

	31.12.2016	31.12.2015
Expenses for Future Months	1.687.464	1.589.453
License Fee	2.128.333	2.128.333
Business Advances	1.620.172	6.346
Expenses Prepaid to the affiliates (Note:6)	61.084	61.343
- Salary Advances	61.084	61.343
Advances Given	1.513.801	229.284
Other Doubtful Assets	226.286	226.286
Provision for Other Doubtful Assets (-) (**)	(226.286)	(226.286)
TOTAL	7.010.854	4.014.759

(**) Activity table of provision for other doubtful assets is as follows;

	31.12.2016	31.12.2015
As of 1 January	226.286	121.828
Collection (-)	--	--
Additional Provision Reserved Within the Period	--	104.458
As of period end	226.286	226.286

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	31.12.2016	31.12.2015
Advances Given	4.367.350	6.517.691
Prepaid Expenses for Future Years	222.434	172.923
License Fee (*)	22.050.226	24.178.572
TOTAL	26.640.010	30.869.186

(*) License Fee

It is the amount paid to Tüvtürk Kuzey Tasıt Muayene İstasyonları Yapım ve İletim A.S. in advance as license fee of Karabük, Bartın, Kastamonu, Tosya, Karadeniz Ereğli, Zonguldak, Eskisehir, Sivrihisar vehicle Ins.pection stations by the Group. According to the terms of the license agreement the portion to be recognized as expense of this amount recognized as expense with monthly equal Ins.talments is classified among current assets; the remaining balance is classified among fixed assets in 12 months period after the balance sheet date. The license period expires in 2027. There is no addition to the license fee in the current period and in the previous period.

Short term deferred incomes;

	31.12.2016	31.12.2015
Incomes Relating to Future Months	6.054.748	755.226
Advances Received	1.968.235	170.034
Total	8.022.983	925.260

Long Term Deferred Incomes;

	31.12.2016	31.12.2015
Income Relating to Future Periods	22.722.597	2.653.755
Total	22.722.597	2.653.755

The Group has earned profit of TL 3.894.663 from 1 real estate property at Istanbul Province, Usküdar District, Bulgurlu Mah. 60 Plot, 24 Parcel which it has sold and leased back regarding financial leasing agreement No.150648473 made with Ak Finansal Kiralama A.S. on 03.12.2015. Earned income shall be deferred under TAS 17 Leasing Transactions Standard and reflected to the comprehensive income statement to be amortized during the lease period (60 months).

The Group has earned profit of TL 7.271.908 from 1 real estate property at Samsun Province, Carsamba District, 198 Plot, 1 Parcel which it has sold and leased back regarding financial leasing agreement No.16011745 made with Is Finansal Kiralama A.S. on 19.12.2016. Earned income shall be deferred under TAS 17 Leasing Transactions Standard and reflected to the comprehensive income statement to be amortized during the lease period (60 months).

The Group has earned profit of TL 18.291.481 from 1 real estate property at Izmir Province, Torbalı District, Torbalı Quarter 6 Plot, 194 Parcel which it has sold and leased back regarding financial leasing agreement No.16012390 made with Is Finansal Kiralama A.S. on 19.12.2016. Earned income shall be deferred under TAS 17 Leasing Transactions Standard and reflected to the comprehensive income statement to be amortized during the lease period (60 months).

The summary table regarding the transactions performed is as follows:

Agreement No	Agreement Date	Sales Profit (TL)	2015 Those Reflected to Profit- Loss Table	2016 Those Reflected to Profit- Loss Table	Income Relating to Future Months	Income Relating to Future Years
150648473	03.12.2015	3.894.663	64.911	778.933	778.933	2.271.886
16011745	19 December 2016	7.271.908			1.454.382	5.817.526
16.012.390	19 December 2016	18.291.481			3.658.296	14.633.185
Total		29.458.052	64.911	778.933	5.891.611	22.722.597

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The company has issued invoice of TL 53.137 + VAT as rental fee to Adana Pazarlama Dağıtım Tic. Ltd. Sti. The amount of this invoice for the period of 2017 is TL 53.137 and this amount is shown under "Short-Term Deferred Income" account.

The company has issued invoice of TL 165.000+VAT as rental fee to the Pro Gıda Tarım Ürünleri San. Ve Tic. A.S. The amount of this invoice for the period of 2017 is TL 110.000 and this amount is shown in "Short-Term Deferred Income account.

(31 December 2015: TL 56.463, which is earned profit's portion related to the period ended on 31.12.2015, has been transferred as incomes to income statement from investment activities (Note.34), TL 677.554, which is the portion to be transferred to the income statement in the next 12 months, has been shown in the short term deferred incomes and TL 2.653.755, which is the portion to be transferred to the income statement over 12 months, has been shown in the long-term deferred incomes account.

NOTE 19- GOVERNMENT INCENTIVES AND SUPPORTS

The Group has one Investment Incentive Certificate in 2016 and the details of incentive certificate are as follows:

Date of document:	Document No	Subject	Starting Date of Investment	Ending Date of Investment	Total Investment Amount
06.06.2014	F/109795	Demiryolu Tasımacılığı	13.03.2013	14.03.2014	8.830.915

With the Investment Incentive Certificate dated 12 April 2013 and numbered B / 109795, Reysas Demiryolu Tasımacılığı A.S. has decided to invest in the purchase of wagons for railway transportation. With this investment incentive certificate, the Company will benefit from interest support, discounted corporate tax and other exceptions. Within the scope of this investment incentive certificate, it has ordered 60 platform wagons to TÜDEMSAS, which is the only industrial investment in Eastern Anatolia Region of Turkish State Railways. The leasing financing method is planned to be used for wagon purchases and total investment value will be Euro 3.510.000. Reysas Demiryolu Tasımacılığı A.S. has received 60 Wagons amounting to TL 9,066,916 on 10.09.2013.

Regarding 20.12.2013 dated and 1116785 numbered application of the company, revision of fixed investment amount registered as TL 7.500.000 in such a way that it will be TL 8.830.915 has been considered as appropriate within the framework of provision of 17.Article of Communiqué No: 20128/1 and Resolution No. 2012/3305 and the implementation of that Decision.

As a result of the examination of 14.01.2014 dated and 4524 numbered application of the company, it has been understood that investment has been started by making investment expenditure at least in the rate of 10% of amount of fixed investment registered in the Investment Incentive Certificate until 31.12.2013 (including this date).

Regarding 11.04.2014 dated and 33073 numbered application of the company and 12.03.2014 dated and YMM.232/1706-05 numbered Certified Public Accountant Investment Incentive Certificate Closing Report completion visa of the investment has been made.

In sum, the subject of the incentive certificate is wagon investment and the company benefits from incentives in the subjects of interest support, reduced corporate tax and other exceptions. Interest support incentive, incentive subjects benefited, has been completed in 2016. The total amount of contribution to the investment calculated within the scope of said incentive certificate of the company and deserved for actual investment expenditure is TL 3.532.366. As of 31.12.2016, the total amount of the contribution transferred is TL 3,415,761. (31.12.2015: 3.415.761 TL)

NOTE 20-PERIOD PROFIT TAX LIABILITY**Corporate Tax**

Provisions required in the attached financial statements have been reserved for estimated tax liabilities related to the Group's activity results of current period.

Corporate tax rate to be accrued on taxable corporate income has been calculated over the base remained after addition of expenses not deducted from tax base recognized as expense in determination of commercial earning and after deduction of tax-exempt earnings, tax-free incomes and other discounts (past year losses, if any, and investment discounts used if preferred). The applicable corporate tax rate for the period ended 31 December 2016 is 20% (2015: 20%).

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Temporary tax in Turkey is calculated and accrued as of quarterly periods. Advance tax rate required to be calculated over corporate incomes is 20% (2015:20%) in the phase of taxation of corporate incomes for the period 31.12.2016 as of temporary tax periods. Losses may be carried over for 5 years so as to be deducted from taxable profit that will occur during upcoming years. However, losses occurred cannot be retrospectively deducted from previously occurred years.

Tax rate used in corporate tax calculation has been taken into account as 4% for Reysas Demiryolu Tasımacıllığı and 20% for others.

There is no application such as coming to a mutual agreement with tax authority on tax payable in Turkey. Corporate tax returns are filed with the related tax office until the evening of the 25th day of the fourth month following the close of the accounting period. However, the tax authorities may review the accounting records within five years and the amount of tax payable may change if a wrong transaction is detected.

In addition to corporate tax, income tax withholding must also be calculated over profit shares except for those distributed to the full liability corporations and foreign companies' branches in Turkey acquiring profit share and declaring these profit shares by including them in the corporate earnings in case of distribution. Income tax withholding is applied as 15%.

Tax income/(expenses) reflected in the Group's income statement and balance sheet are as of the dates 31 December 2016 and 31 December 2015 as follows;

	31.12.2016	31.12.2015
Provision for Current Period Legal Tax	4.277.782	2.141.647
Prepaid Taxes (-)	(2.261.427)	(1.656.912)
Total Net Tax Payable	2.016.355	484.735
	31.12.2016	31.12.2015
Provision for current period legal tax (-)	(4.277.782)	(2.141.647)
Deferred Tax Income / (Expense)	898.608	404.772
Total Tax Income / (Expense), Net	(3.379.174)	(1.736.875)

NOTE 21- ASSETS RELATED TO CURRENT PERIOD TAX

As of the dates 31 December 2016 and 31 December 2015, the Group's tax amount to be refunded is as follows:

	31.12.2016	31.12.2015
Prepaid Taxes	278.764	394.614
Total	278.764	394.614

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S.**FOOTNOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS OF 31 DECEMBER 2016 PASSED INDEPENDENT AUDIT
(All sums are given in TL.)****NOTE 22- OTHER CURRENT ASSETS / OTHER FIXED ASSETS AND OTHER SHORT / LONG TERM LIABILITIES**

As of 31 December 2016 and 31 December 2015, other current/fixed assets and other short / long term liabilities of the Group are as follows:

Other Current Assets	31.12.2016	31.12.2015
Income Accruals	53.953	576.998
Deferred VAT	23.173.612	21.950.288
Total	23.227.565	22.527.286
The Group has no other fixed assets as of 31 December 2016. (31 December 2015- None.)		
Other Short-Term Liabilities	31.12.2016	31.12.2015
Expense Accruals	319.994	1.006.722
Total	319.994	1.006.722

The Group has no other long term liability as of 31 December 2016.
(31 December 2015- None.)

NOTE 23 -PROVISIONS, CONDITIONAL ASSET AND LIABILITIES**23.1 Short Term Provisions**

As of 31 December 2016 and 31 December 2015, the Group's short term provisions are as follows:

	31.12.2016	31.12.2015
Short Term Provisions for Employee Benefits (*)	239.161	338.263
Expense Provisions	--	--
Total	239.161	338.263

(*) Short Term Provisions for Employee Benefits

	31.12.2016	31.12.2015
Employee Leave Provisions	239.161	338.263
Total	239.161	338.263

Activities of leave pay provision are as follows:

	31.12.2016	31.12.2015
01 January 2016	338.263	317.928
Paid/Decrease in the Year (-)	(99.102)	--
Increase in the Year (+)		20.335
31.12.2016	239.161	338.263

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S.**FOOTNOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS OF 31 DECEMBER 2016 PASSED INDEPENDENT AUDIT
(All sums are given in TL.)****23.2 Long Term Provisions**

As of 31 December 2016 and 31 December 2015, the Group's long term provisions are as follows:

	31.12.2016	31.12.2015
Long-term Provisions regarding Employee Benefits (**)	3.090.533	2.368.026
Lawsuit Provisions (**)	8.673.106	8.057.193
*31 December 2015	11.763.639	10.425.219

(**) Long Term Provisions for Employee Benefits

Pursuant to the provisions of the Labour Law in force, there is an obligation to pay legal severance pay entitled by the employees, whose employment agreement terminates, in such a way that they are entitled to severance pay. In addition, there is also an obligation to pay legal severance pay to the employees who are entitled to leave the job by receiving severance pay as per the provision of 60.Article amended by the Laws No.4447 dated 25.08.1999 and No. 2422 dated 06.03.1981 of Social Insurances Law No.506 in force.

Severance payments are calculated on a monthly salary for each year of service. TL 4.297, severance pay to be paid as of relevant balance sheet date, is subject to the ceiling (31 December 2015- TL 3.828)

The severance pay obligation is calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of the employees. Revised UMS 19 "Employee Benefits" stipulates calculation of business liabilities within the scope of benefit plans by using actuarial valuation methods. Accordingly, actuarial assumptions used in the calculation of the total liabilities are specified below.

The principal assumption is that maximum liability for each year of service will increase in line with inflation. Therefore, discount rate applied represents expected real interest rate after adjusting the effects of future inflation.

As of the dates 31 December 2016 and 31 December 2015, liabilities in the attached financial statements are calculated by estimating the present value of employees' future probable obligation arising from their retirement.

Provisions at the balance sheet date are calculated by using real discount rate (31 December 2015-2,60%) acquired approximately as 2,16% according to annual inflation rate of 7,79% (31 December 2015- 7,5%) and discount rate of 10,12% (31 December 2015 - 10,30%) assumptions.

Total costs other than actuarial gain/(loss) occurred in relation to severance pay are included in the income statement prepared as of 31 December 2016. As of 31 December 2016 actuarial gain / (loss) amounting to TL 432.674 is reflected in other comprehensive income statement. (31 December 2015- TL 1.605.954)

As of the dates 31 December 2016 and 31 December 2015, activities for severance pay provision are as follows:

	31.12.2016	31.12.2015
Provision for Severance Pay	3.090.533	2.368.026
Total	3.090.533	2.368.026
	31.12.2016	31.12.2015
Opening Balance	2.368.026	3.054.092
Service Cost	883.899	675.981
Actuarial Loss / (Gain)	(432.674)	(1.605.954)
Interest Cost	312.762	243.907
Payment (-)	(41.480)	--
Semester-end	3.090.533	2.368.026

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S.**FOOTNOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS OF 31 DECEMBER 2016 PASSED INDEPENDENT AUDIT**

(All sums are given in TL.)

(***) Activity table of lawsuit provisions are as follows;

	31.12.2016	31.12.2015
<i>Activities in Long Term Debt Provisions</i>		
As of 1 January	8.057.193	6.244.846
Payment / Provision Cancellations made in the Period (-)	(1.065.571)	(41.000)
Lawsuit Provision allocated in the Period	1.681.484	1.853.347
Total	8.673.106	8.057.193

23.3 Lawsuit and Disputes

As of the date of the report, the explanations about the lawsuits and disputes are as follows:

The Group's unascertained lawsuit liability against the lawsuits at the stage of litigation is TL 8.673.106. (31 December 2015- TL8.057.193)

23.4. Given/Received Guarantees/Mortgages/Pledges**a-Collateral-Pledges-Mortgages Received by the Group**

The Group's collaterals / pledges / mortgages received as of 31 December 2016 and 31 December 2015 are as follows;

WPMs received by the Company	31.12.2016		31.12.2015	
	Foreign Exchange Amount	For TL	Foreign Exchange Amount	For TL
Received collaterals cheques (TL)		3.715.179		4.115.179
Received collaterals cheques (USD)				
Received collaterals cheques (EUR)	140.000	519.386	140.000	444.864
Received letters of guarantee (TL)		4.049.955		4.231.955
Received letters of guarantee (USD)	665.832	2.343.196	465.000	1.352.034
Received letters of guarantee (EUR)				
Received guaranteed bills (TL)		8.194.042		8.464.042
Received guaranteed bills (USD)	570.300	2.007.000	571.429	1.661.487
Received guaranteed bills (EUR)	458.516	1.701.049	958.516	3.045.780
		22.529.807		23.315.341

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S.

FOOTNOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS OF 31 DECEMBER 2016 PASSED INDEPENDENT AUDIT

(All sums are given in TL.)

b-Guarantee-Pledge-Mortgages Given by the Group

The group's guarantee/pledge/mortgage is as of the dates 31 December 2016 and 31 December 2015 as follows;

WPMs given by the Company	31.12.2016		31.12.2015	
	Foreign Exchange Amount	For TL	Foreign Exchange Amount	For TL
A. Total amount of WPMs provided in the name of own legal entity		1.257.917.126		934.591.142
<i>Letter of Guarantee (TL)</i>		13.849.509		17.936.103
<i>Letter of Guarantee (USD)</i>	638.966	2.248.648	435.356	1.265.841
<i>Letter of Guarantee (EUR)</i>	939.000	3.483.596		
<i>Collateral Cheques (TL)</i>				
<i>Collateral Cheques (USD)</i>				
<i>Guaranteed Bill (TL)</i>				175.000
<i>Guaranteed Bill (USD)</i>			30.000	87.228
<i>Guaranteed Bill (EUR)</i>				
<i>Mortgage (TL)</i>		722.495.000		476.145.000
<i>Mortgage (USD)</i>	132.516.000	466.350.307	124.716.000	362.624.242
<i>Mortgage (EUR)</i>	13.340.000	49.490.066	24.030.000	76.357.728
<i>Attachment (TL)</i>				
<i>Right of Easement (TL)</i>				
B. Total amount of WPMs provided in the name of partnerships that is included within the scope of full consolidation				
	Foreign Exchange Amount	For TL	Foreign Exchange Amount	For TL
		1.022.730.775		683.385.178
<i>Bail (USD)</i>	125.440.000	441.448.448	124.571.709	362.204.700
<i>Bail (TL)</i>	430.534.391	430.534.391	192.062.000	192.062.000
<i>Bail (EURO)</i>	40.633.962	150.747.936	40.633.962	129.118.478
C. Total amount of WPMs given to assure debt of other third parties for the purpose of carrying out ordinary business activities				
D. Other total amount of WPMs given				
i. Total amount of WPMs given in favour of main partner		--	--	--
ii. Total amount of WPMs given in favour of other group companies not covered by B and C Articles		--	--	--
<i>Pecuniary Guarantee (TL)</i>				
iii. Total amount of WPMs given in favour of 3rd parties out of the scope of C Article		--	--	--
Total		2.280.647.901		1.617.976.320

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S.**FOOTNOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS OF 31 DECEMBER 2016 PASSED INDEPENDENT AUDIT**

(All sums are given in TL.)

Type	Type of Currency	31.12.2016	31.12.2015
Letters of Guarantee Given	TL	13.849.509	17.936.103
Given Letters of Guarantee	USD	638.966	435.356
Given Letters of Guarantee	EUR	--	--
Given Guaranteed Bills	TL	--	175.000
Given Guaranteed Bills	USD	--	30.000
Given Guaranteed Bills	EUR	--	--
Received Letters of Guarantee	TL	4.049.955	4.231.955
Received Letters of Guarantee	USD	665.832	465.000
Received Letters of Guarantee	EUR	--	--
Received Collateral Cheques	TL	3.715.179	4.115.179
Received Collateral Cheques	USD	--	--
Received Collateral Cheques	EUR	140.000	140.000
Received Guaranteed Bills	TL	8.194.042	8.464.042
Received Guaranteed Bills	USD	570.300	571.429
Received Guaranteed Bills	EUR	458.516	958.516

Total amount of Ins.urance on assets;

As of 31 December 2016, total amount of Ins.urance coverage on assets is TL 286.915.145 (31.12.2015:264.421.745). 264.421.745).

NOTE 24- COMMITMENTS

Not available. (31 December 2015: None.)

NOTE 25- INVESTMENTS VALUED BY EQUITY METHOD

Reysas Gayrimenkul Yatırım Ortaklığı A.S. purchased share with a nominal value of TL 1.525.305 in the rate of 16.67% of the subsidiary with the title of Reysas Tasımacılık ve Lojistik Ticaret A.S.'deki Arı Lojistik Insaat Sanayi ve Ticaret A.S., which is in the position of main partner with board of directors' decision taken on 22 February 2011, at value of TL 4.127.642; its share with nominal value of TL 3.050.000 in the rate of 33.33% at a value of TL 16.836.000 with board of directors' decision taken on 28 March 2013.

After this purchase, Reysas Tasımacılık ve Lojistik Tic. A.S.'s Arı Lojistik Ins.. San.ve Tic.A.S. has no shares; partnership interest of Reysas Gayrimenkul Yatırım Ortaklığı A.S. has reached 50%.

After this sales transaction, Reysas Gayrimenkul Yatırım Ortaklığı A.S. has subjected Arı Lojistik Insaat Sanayi ve Ticaret A.S. not traded at the exchange to consolidation with the equity. The part of participation cost exceeding net fair value of the assets acquired is associated with income statement.

Balance sheet value of Arı Lojistik Ins.. San.ve Tic. A.S., whose cost price as a result of valuation with the equity method made in the Reysas Gayrimenkul Yatırım Ortaklığı A.S. is TL 20.963.642, is TL 25.128.394 TL.

As of 31 December 2015, balance sheet value of Arı Lojistik Ins.. San.ve Tic. A.S., whose cost price as a result of valuation with the equity method made in the Reysas Gayrimenkul Yatırım Ortaklığı A.S. is TL 20.963.642, is TL 25.438.497.

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S.**FOOTNOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS OF 31 DECEMBER 2016 PASSED INDEPENDENT AUDIT
(All sums are given in TL.)**

	31.12.2016	31.12.2015
Total Assets of Arı Lojistik A.S.	58.261.399	60.131.736
Total Liabilities of Arı Lojistik A.S.	(8.004.613)	(9.254.742)
Net Assets of Arı Lojistik A.S.	50.256.786	50.876.994
The Value of the Subsidiary in the Real Estate Investment Trust According to the Equity Method (50%)	25.128.394	25.438.497
	31.12.2016	31.12.2015
Balance on the 1st day of January	25.438.497	21.040.554
Period Profit / (Loss) Share of Subsidiary	(310.103)	4.397.943
Addition		
Total	25.128.394	25.438.497

NOTE 26- INVESTMENT PROPERTIES

Activities realized in relation to the real estate properties for investment purpose in the periods expiring on the dates 31 December 2016 and 31 December 2015 are as follows:

Cost	01.01.2016	Purchases	Outflows (-)	Revaluation	Classification /Additions	31.12.2016
Land and Plots	120.472.559	1.931.000		664.170	48.441.822	171.509.551
Buildings	22.183.192	--		6.761.564	255.584.713	284.529.469
Plant, Machinery and Equipment	2.371.660	--		--	--	2.371.660
Vehicles	49.194	--		--	--	49.194
Fixtures	4.994.965	43.465		--	--	5.038.430
Total	150.071.570	1.974.465		7.425.734	304.026.535	463.498.304

Accumulated Depreciations	01.01.2016	Period Expense	Outflows (-)	Revaluation	Classification/Additions	31.12.2016
Buildings	322.733	642.943	--	--	58.355.298	59.320.974
Plant, Machinery and Equipment	122.136	209.639	--	--	--	331.775
Vehicles	11.990	16.396	--	--	--	28.386
Furniture and Fixtures	591.717	1.089.145	--	--	--	1.680.862
Total	1.048.576	1.958.123	--	--	58.355.298	61.361.997

Net Book Value	149.022.994					402.136.307
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REYSAS TASIMACILIK VE LOJISTIK TICARET A.S.**FOOTNOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS OF 31 DECEMBER 2016 PASSED INDEPENDENT AUDIT**

(All sums are given in TL.)

Cost	01.01.2015	Purchases	Outflows (-)	Revaluation Classification/Additions	31.12.2015
Land and Plots	77.123.944	79.357.949		1.424.000 (37.433.298)	120.472.595
Buildings	--	--		1.508.532 20.674.660	22.183.192
Plant, Machinery and Equipment	--	--		-- 2.371.660	2.371.660
Vehicles	--	--		-- 49.194	49.194
Furniture and Fixtures	--	--		-- 4.994.965	4.994.965
Total	77.123.944	79.357.949		2.932.532 (9.342.819)	150.071.606

Accumulated Depreciations	01.01.2015	Period Expense	Outflows (-) (-)	Revaluation Classification/Additions	31.12.2015
Buildings				322.733	322.733
Plant, Machinery and Equipment				122.136	122.136
Vehicles				11.990	11.990
Furniture and Fixtures				591.717	591.717
Total				1.048.576	1.048.576

Net Book Value	77.123.944	149.023.030
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Net Book Value	31.12.2015	31.12.2016
Land	120.472.595	171.509.551
Buildings	21.860.459	225.208.495
Plant, Machinery and Equipment	2.249.524	2.039.885
Vehicles	37.204	20.808
Furniture and Fixtures	4.403.248	3.357.568
Total	149.023.030	402.136.307

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S.
FOOTNOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS OF 31 DECEMBER 2016 PASSED INDEPENDENT AUDIT
(All sums are given in TL.)

NOTE 27 - TANGIBLE FIXED ASSETS

Activities realized in the tangible fixed assets and relevant accumulated depreciations within the periods expiring on the dates 31 December 2016 and 31 December 2015 are as follows:

Cost	01.01.2016	Purchases	Outflows (-)	Tangible Fixed Asset Impairment Provision (-) Cancellation (+)	Transfer/ Adj.	Elimination	31.12.2016
Land and Plots	221.903.909	28.899.098	(10.867.475)	1.969.423	(37.248.014)	(1.908.600)	202.748.341
Land Improvements	10.111.947	--	--	--	--	--	10.111.947
Buildings (*)	201.506.975	40.013.160	(17.437.070)	(1.269.210)	(194.381.454)	(46.593)	28.385.808
Plant, Machinery and Equipment	21.543.842	6.440.720	(1.805.627)		--	--	26.178.935
Vehicles	83.950.382	8.355.525	(7.373.198)		--	--	84.932.709
Furniture and Fixtures	4.283.304	450.587	--		--	(14.140)	4.719.751
Special Costs	756.753	--	--		--	--	756.753
Investments in Progress	140.588.304	76.001.049	(1.124.119)		(104.647.692)	--	110.817.542
Total	684.645.416	160.160.139	(38.607.489)	700.213	(336.277.160)	(1.969.333)	468.651.786
Accumulated Depreciations	01.01.2016	Period Expense	Outflows (-)	Tangible Fixed Asset Impairment Provision (-) Cancellation (+)	Transfer/ Adj.	Elimination	31.12.2016
Land Improvements	1.552.087	202.176	--		--	--	1.754.263
Buildings	49.167.348	19.564.133	(6.495.652)		(57.223.687)	--	5.012.142
Plant, Machinery and Equipment	7.696.192	2.648.299	(464.274)		--	--	9.880.217
Vehicles	42.779.503	8.619.701	(6.567.369)		(3.508.443)	--	41.323.392
Furniture and Fixtures	3.500.624	215.647	--		--	--	3.716.271
Special Costs	662.996	31.002	--		--	--	693.998
Total	105.358.750	31.280.958	(13.527.295)		(60.732.130)		62.380.283
Net Book Value	579.286.666						406.271.503

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S.

FOOTNOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS OF 31 DECEMBER 2016 PASSED INDEPENDENT AUDIT

(All sums are given in TL.)

Cost	01.01.2015	Purchases	Outflows (-)	Tangible Fixed Asset Impairment Provision (-) Cancellation (+)	Transfer/ Adj.	Elimination	31.12.2015
Land	241.071.231	13.120.614	(10.116.476)	(6.001.876)	6.232.487	(22.402.071)	221.903.909
Land Improvements	10.111.947	--	--	--	--	--	10.111.947
Buildings (*)	90.818.013	31.679.066	(7.328.342)	(3.571.490)	91.288.132	(1.378.404)	201.506.975
Plant, Machinery and Equipment	10.693.900	13.471.532	(528.252)		(2.093.338)	--	21.543.842
Vehicles	88.877.726	13.210.597	(18.088.747)		(49.194)	--	83.950.382
Furniture and Fixtures	4.161.657	4.043.239	(195.262)		(3.726.330)	--	4.283.304
Special Costs	756.753	--	--		--	--	756.753
Investments in Progress	120.391.350	105.388.048	(1.418.561)		(82.308.937)	(1.463.596)	140.588.304
Total	566.882.577	180.913.096	(37.675.640)	(9.573.366)	9.342.820	(25.244.071)	684.645.416
	01.01.2015	Period Expense	Outflows (-)	Tangible Fixed Asset Impairment Provision (-) Cancellation (+)	Transfer/ Adj.	Elimination	31.12.2015
Accumulated Depreciations							
Land Improvements	1.349.913	202.174	--		--		1.552.087
Buildings	34.515.859	15.369.783	(403.103)		(315.191)		49.167.348
Plant, Machinery and Equipment	7.096.751	1.246.390	(524.813)		(122.136)		7.696.192
Vehicles	50.093.028	8.899.869	(16.201.404)		(11.990)		42.779.503
Furniture and Fixtures	3.504.576	783.026	(195.261)		(591.717)		3.500.624
Special Costs	632.017	30.979	--		--		662.996
Total	97.192.144	26.532.221	(17.324.581)	--	(1.041.034)		105.358.750
Net Book Value	469.690.433						579.286.666

Net Book Value	31.12.2015	31.12.2016
Land and Plots	221.903.909	202.748.341
Land Improvements	8.559.860	8.357.684
Buildings	152.339.627	23.373.666
Plant, Machinery and Equipment	13.847.650	16.298.718
Vehicles	41.170.879	43.609.317
Furniture and Fixtures	782.680	1.003.480
Investments in Progress	140.588.304	110.817.542
Special Costs	93.757	62.755
Total	579.286.666	406.271.503

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S.

**FOOTNOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS OF 31 DECEMBER 2016 PASSED INDEPENDENT AUDIT
(All sums are given in TL.)**

(*) The Group has purchased real estate property formed of building of 700 m2 on the land of 687 m2 at Istanbul Province, Usküdar District, Bulgurlu Mah. 60 Plot, 24 parcel with the price of TL 6.151.694 including VAT by cash on 11.12.2014 from Elf Yapı A.S. The Company has sold this real estate property at a price of TL 9.000.000 and leased back regarding financial leasing agreement No. 150648473 made with AK Finansal Kiralama A.S. on 03.12.2015. The value of real estate property has been determined as TL 9.000.000 in the valuation report issued on 27.11.2015 by Emek Tasınmaz Değerleme ve Danışmanlık A.S. Fixed asset being subject to sales, leasing back is shown in the line of buildings.

Mortgage etc. information established on active values are included in the Note:23.

Insurance information of the active values are not included in the Note:23.

As of 31 December 2016, total impairment loss in the consolidated financial statements is related to the immovable properties included in the asset of Reysas Gayrimenkul Yatırım Ortaklığı A.S. and as follows:

The company has recorded 18 warehouses which has been set as in-kind capital by the Reysas Tasımacılık ve Lojistik Ticaret A.S., main partner, in May 2010 through partial division and 3 warehouses under construction on that date at fair value of TL 206.939.059 in total. Trabzon- Arsin, Bursa-Nilüfer ve Sakarya-Karassu warehouses, which are among 21 warehouses mentioned above, have been sold as of 31 December 2014. The warehouse in Ordu-Altınordu has been sold on 29.01.2016. Value increase amount of TL 1.342.264 transferred to the fund in the previous periods due to the sale of this warehouse has been cancelled in the current period. The fair value of the remaining 17 warehouses after these sales has become TL 167.649.448. Provision for losses of TL 2.392.010 allocated in the previous period for such real estate properties have been cancelled in the current period regarding valuation reports issued at the end of the year by Emek Tasınmaz Değerleme ve Danışmanlık A.S.

The company has purchased real estate property (land) in size of 56.019,50 m2 at Sakarya Province, Arifiye District, Yukarıkirezce Village, 2587 Plot, 47 Parcel from Egelog Doğalgaz Akaryakıt Tasımacılık Depolama Turizm Ltd. Sti (related party) at a price of TL9.565.000 on 30.06.2011. The value of real estate property has been determined as TL 9.585.000 in the valuation report issued on 30.06.2011 by Standart Gayrimenkul Değerleme Uygulamaları A.S. The value of real estate property has been determined as TL 6.722.000 in the valuation report issued on 27.12.2016 by Emek Tasınmaz Değerleme ve Danışmanlık A.S. TL 230.000 of provision for losses of TL 3.073.000 allocated in the previous period regarding valuation report has been cancelled. The current period impairment for the property is TL 2.843.000.

The company has purchased real estate property of 34.200 m2 located at Sakarya Province, Akyazı District, Yukarıkirezce Village, G24C08A3ACD sheet, 2587 plot, 46 parcel from Egelog Doğalgaz Akaryakıt Tasımacılık Ltd. Sti (related party) at a price of TL 10.260.000 on 26.09.2013. The value of real estate property has been determined as TL 10.260.000 in the valuation report issued on 29.08.2013 by A Pozitif Gayrimenkul Değerleme A.S. The value of real estate property has been determined as TL 9.115.000 in the valuation report issued on 27.12.2016 by Emek Tasınmaz Değerleme ve Danışmanlık A.S. TL 627.395 of provision for losses of TL 1.213.507 allocated in the previous period regarding valuation report has been cancelled. The current period impairment for the property is TL 586.112.

The company has purchased real estate property in size of 3.033 m2 at Kocaeli Province, Cayırova District, 2079 Plot, 4 Parcel at a price of TL 1.342.102 on 14.02.2013. Two buildings consisting of basement and ground floor have been built on the land. The amount of total expenditure made for construction is TL 10.886.063. The value of real estate property has been determined as TL 7.789.000 in the valuation report issued on 26.12.2016 by Emek Tasınmaz Değerleme ve Danışmanlık A.S. In accordance with the valuation report, TL 1.386.822 of provision for losses of TL 4.665.101 allocated in the previous period has been cancelled. The current period impairment for the real estate property is TL 3.278.279.

The company has purchased the land of 10.132,75 m2 at Antalya Province, Kumluca District, Sarıkavak Village, 294 Plot, 24 numbered parcel from Ayhan 1 Nak.Oto.San.Gıda Tar.Üre.İth.İhr. ve Tic.Ltd at a price of TL 1.398.305 on 11.05.2015. There is a single storage, storage building built in discrete order as reinforced concrete on the parcel. The total expenditure made for the storage building is 15.391.397 TL. The value of real estate property has been determined as TL 13.892.000 in the valuation report issued on 26.12.2016 by Emek Tasınmaz Değerleme ve Danışmanlık A.S. Regarding valuation report, provision for losses of TL 2.593.749 has been allocated in the current period.

Amount of provision of losses allocated additionally in the current period is TL 2.593.749; revoked increase in value is TL 1.342.265; amount of the cancellation of impairment is TL 4,636,227 and amount reflected in the financial statements in the current period is TL 700.213.

As of 31 December 2015, all impairment in the consolidated financial statements has occurred as a result of immovables in the asset of Reysas Gayrimenkul Yatırım Ortaklığı A.S. being subjected to revaluation; detailed description is as follows;

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The company has recorded 18 warehouses which has been set as in-kind capital by the Reysas Tasımacılık ve Lojistik Ticaret A.S., main partner, in May 2010 through partial division and 3 warehouses under construction on that date at fair value of TL 206.939.059 in total. Warehouses in Trabzon-Arsin, Bursa-Nilüfer and Sakarya-Karasu, which are included in 21 warehouses specified above, have been sold as of 31 December 2014. After these sales, the fair value of the remaining 18 warehouses was TL 172.124.448. Provision for losses of TL 2.392.010 for such real estate properties have been allocated regarding valuation reports issued at the end of the year by Emek Tasınmaz Değerleme ve Danışmanlık A.S.

The company has purchased real estate property (land) in size of 56.019,50 m2 at Sakarya Province, Arifiye District, Yukankirezce Village, 2587 Plot, 47 Parcel from Egelog Doğalgaz Akaryakıt Tasımacılık Depolama Turizm Ltd. Sti (related party) at a price of TL9.565.000 on 30.06.2011. The value of real estate property has been determined as TL 9.585.000 in the valuation report issued on 30.06.2011 by Standart Gayrimenkul Değerleme Uygulamaları A.S. The value of real estate property has been determined as TL 6.492.000 in the valuation report issued on 29.12.2016 by Emek Tasınmaz Değerleme ve Danışmanlık A.S. Regarding valuation report, provision for losses of TL 3.073.000 has been allocated.

The company has purchased real estate property of 22.488 m2 at Samsun Province, Carsamba District, 217 Plot, 2 Parcel from Fahriye Ergin, Rufiyet Erkan, Dilber Altın and Fatma Yetgin at a price of TL 3.508.264 on 17.12.2012. The value of real estate property (land) has been determined as TL 4.051.000 in the valuation report issued on 29.12.2016 by Emek Tasınmaz Değerleme ve Danışmanlık A.S. Regarding value specified in the appraisal report, TL 1.386.822 of provision for losses of TL 133.264 allocated in the previous period has been cancelled in the current period.

The company has purchased real estate property of 34.200 m2 located at Sakarya Province, Akyazı District, Yukankirezce Village, G24C08A3ACD sheet, 2587 plot, 46 parcel from Egelog Doğalgaz Akaryakıt Tasımacılık Ltd. Sti (related party) at a price of TL 10.260.000 on 26.09.2013. The value of real estate property has been determined as TL 10.260.000 in the valuation report issued on 29.08.2013 by A Pozitif Gayrimenkul Değerleme A.S. The value of real estate property has been determined as TL 6.492.000 in the valuation report issued on 28.12.2016 by Emek Tasınmaz Değerleme ve Danışmanlık A.S. Regarding valuation report; provision for losses of TL 1.213.507 has been allocated.

The company has purchased real estate property in size of 3.033 m2 at Kocaeli Province, Cayırova District, 2079 Plot, 4 Parcel at a price of TL 1.342.102 on 14.02.2013. The land has been built of two constructions consisting of basement and ground floor on the land. The amount of total expenditure made for construction is TL 10.877.452. The value of real estate property has been determined as TL 6.785.000 in the valuation report issued on 29.12.2013 by A Pozitif Gayrimenkul Değerleme A.S. Regarding valuation report, provision for losses of TL 1.636.989 has been allocated. The value of real estate property has been determined as TL 6.955.000 in the valuation report issued on 29.12.2016 by Emek Tasınmaz Değerleme ve Danışmanlık A.S. In accordance with the appraisal report, TL 3.028.112 provision has been provided in the current period and total provision amount has been TL 4.665.102 as of the previous period.

Amount of provision of losses allocated additionally in the current period is TL 9.706.630; amount of provision of losses revoked in the current period is TL 133.264; amount reflected in the financial statements as provision of current period is TL 9.573.366.

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S.**FOOTNOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS OF 31 DECEMBER 2016 PASSED INDEPENDENT AUDIT**
(All sums are given in TL.)**NOTE 28- INTANGIBLE FIXED ASSETS**

Intangible assets during the years ended 31 December 2016 and 31 December 2015 and activities realized in the relevant redemptions are as follows:

Cost	01.01.2016	Purchases/Transfer	Outflows (-)	31.12.2016
Licenses	157.750	--	--	157.750
Computer Programs	698.839	--	--	698.839
Total	856.589	--	--	856.589
Redemptions	01.01.2016	Period Expense	Outflows (-)	31.12.2016
Licenses	137.771	6.481	--	144.252
Computer Programs	698.600	24	--	698.624
Total	836.371	6.505	--	842.876
Net Book Value	20.218			13.713

Cost	01.01.2015	Purchases/Transfer	Outflows (-)	31.12.2015
Licenses	157.752	--	(2)	157.750
Computer Programs	698.839	--	--	698.839
Total	856.591	--	(2)	856.589
Redemptions	01.01.2015	Period Expense	Outflows (-)	31.12.2015
Licenses	131.293	6.478	--	137.771
Computer Programs	698.579	21	--	698.600
Total	829.872	6.499	--	836.371
Net Book Value	26.719			20.218

Net Book Value	31.12.2015	31.12.2016
Licenses	19.979	13.498
Computer Programs	239	215
Total	20.218	13.713

NOTE 29 -SHAREHOLDERS EQUITY**- Paid -In Capital**

Shareholders and share rates of Reysas Tasımacılık ve Lojistik Ticaret Anonim Sirketi are as follows as of 31 December 2016 and 31 December 2015:

	31.12.2016		31.12.2015	
	Share Amount	Share Rate (%)	Share Amount	Share Rate (%)
Open To The Public	76.456.399	64.06%	76.678.594	64.25%
Durmus Döven	21.388.404	17.92%	21.388.404	17.92%
Rıfat Vardar	14.551.518	12.19%	14.551.518	12.19%
Other	6.953.679	5.83%	6.731.484	5.64%
Total	119.350.000	100.00%	119.350.000	100.00%

The Company's capital consists of 119.350.000 shares, each with a nominal value of TL 1. The Company's capital shares are divided into 3 groups. These are A group with 6,683,600 registered share certificates, B Group with 1,670,900 registered share certificates and C group with 110,995,500 bearer share certificates. Group A and B shareholders have the privilege to elect the board of directors.

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The distribution of the privileged Group A and B shares of the company is as follows.

Partners	A Group		B Group	
	Share Amount	Share Rate (%)	Share Amount	Share Rate (%)
Döven Family	3.341.800	50%	1.148.744	69%
Rıfat Vardar	3.341.800	50%	522.156	31%
Capital with historical value	6.683.600	100%	1.670.900	100%

3 Members of Board of Directors consisting of 7 members shall be elected among candidates who will be shown as representative on behalf of the majority of Group A shareholders, 2 members shall be elected among candidates who will be shown as representative on behalf of the majority of Group B shareholders and 2 members as Independent. There is no royalty provided by the C group shares. The Group's management is carried out through the representatives of privileged shareholders.

There is no capital / reciprocal share capital adjustment as of the end of the period since the Company does not have any subsidiaries that will be subject to mutual capital adjustment.

-Positive distinction from capital adjustment

	31.12.2016	31.12.2015
Distinction from capital adjustment	40.859	40.859
		-
	31.12.2016	31.12.2015
Repurchased Shares	(2.177.230)	(2.177.230)

With 10.08.2011 dated and 26/767 numbered decision of the Capital Markets Board dated, procedure and principles that companies, whose shares are traded on the ISE, will comply with during the acquisition of their shares have been determined. Accordingly, the total nominal value of the shares to be repurchased may not exceed 10% of the paid / issued capital of the company. Maximum retention period for repurchased shares and free shares acquired under such shares can be freely determined by the company for a period not to exceed 3 years and shares not sold out in the meantime shall be cancelled by capital reduction. Repurchased shares are tracked as a discount item under equity in the balance sheet within the framework of Turkey Accounting Standards No. 32 and necessary descriptions are made in the financial statement footnotes. GaIns. and losses arising from the disposal of such shares cannot be associated with the income statement.

- Other Comprehensive Income or Expenses that will not be reclassified as Profit or Loss**--Revaluation and Measurement GaIns. / Losses****a.Revaluation increases (decreases) of tangible fixed assets**

Value increase amount arising from real estate valuation of the Group has been reflected on relevant active values in financial statements and the amount of TL 8.898.510 has been shown in the account of "Revaluation Measurement GaIns./Losses" in liabilities.

	31.12.2016	31.12.2015
Transfer	2.270.576	233.783
Revaluation Surplus Of Real Estate Property	7.917.322	2.545.992
Deferred Tax Asset	(1.289.388)	(509.199)
Revaluation increases (decreases) of tangible fixed assets	8.898.510	2.270.576

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S.**FOOTNOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS OF 31 DECEMBER 2016 PASSED INDEPENDENT AUDIT
(All sums are given in TL.)****b. Defined Benefit Plans Remeasurement Gains. (Losses)**

Amendments made to TMS 19 change defined benefit plans and accounting for redundancy pay. Pursuant to changes made, changes in defined benefit obligations and fair value of assets should be recorded. Thus, the 'corridor method that was allowed in the previous version of TAS 19 is eliminated and recording of past service costs is accelerated. The amendments require all actuarial gains. and losses to be accounted as other comprehensive income in an Ins.tant in order for net retirement asset or liability to be shown in the financial statements to reflect full value of plan deficit or surplus. In addition, "a net interest amount" calculated as a result of discount rate applied to the net interest liability or asset defined Ins.tead of interest expense related to plan assets with estimated returns, which may be acquired from plan assets described in the previous edition of TMS 19, has been used.

In this context, the Company has calculated actuarial profit / loss in defined benefit plans related to its personnel and showed them in the financial statements.

	31.12.2016	31.12.2015
Transfer	1.426.560	141.797
Actuarial Gain/Loss	439.666	1.605.954
Deferred Tax Asset	(87.933)	(321.191)
Net Actuarial Gains./Loss	1.778.293	1.426.560

- Reserves on Retained Earnings

Reserves on Retained Earnings consist of real estate property returns on sales exempted from legal reserves and corporate tax.

The legal reserves are divided into primary and secondary legal reserves according to Turkish Trade Code. The primary legal reserves are allocated as 5% of legal net profit until it reaches 20% of the paid-in capital of the company according to Turkish Commercial Code. Secondary legal reserves are 10% of distributed profit exceeding 5% of paid-in capital. According to the Turkish Commercial Code, legal reserves can only be used to clarify damages as long as they do not exceed 50% of the paid-in capital, otherwise it is not possible to use it in any way.

	31.12.2016	31.12.2015
Real Estate Property or Subsidiary Return on Sales To Be Added To the Capital	30.359.133	11.582.112
Legal Reserves	10.038.391	9.924.902
Reserves on Repurchased Shares	2.177.230	2.177.230
Other Restricted Reserves (Replacement Fund)		2.019.136
Total	42.574.754	25.703.380

-Profits/Losses From Previous Year

Accumulated earnings consist of retained earnings, extraordinary reserves and previous year losses, if any.

Companies, whose shares are traded on BIST, are subject to dividend requirement brought by CMB as follows:

Publicly-held companies distribute their profits within the framework of the profit distribution policies to be determined by the general assemblies and in accordance with the provisions of the relevant legislation according to 19.Article of Capital Market Law No. 6362 which entered into force on 30.12.2012 and CMB's Communiqué on Profit Share No.II-19.1 entered into force from the date of 01.02.2014. The Board may determine different principles regarding the profit distribution policies of publicly-held companies on the basis of similar partnerships.

Unless the legal reserves required to be set aside according to the TCC and the dividend determined for the shareholders in the articles of association or the profit distribution policy are reserved; unless the dividend determined for the shareholders is paid in cash, no dividend can be distributed to these persons as it cannot be decided that other legal reserve is allocated, profit is transferred to the following year and share is distributed from the profit to dividend shareholders, members of board of directors, partnership employees and persons other than shareholders.

In publicly-held companies, dividends are distributed equally to all existing shares as of the date of distribution, regardless of their issuance and acquisition dates.

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S.**FOOTNOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS OF 31 DECEMBER 2016 PASSED INDEPENDENT AUDIT
(All sums are given in TL.)**

Partnerships distribute their profits within the framework of profit distribution policies to be determined by the general assemblies and with the resolution of general assembly in accordance with relevant legislation provisions according to the regulations in force. In these adjustments, a minimum distribution rate has not been determined. Companies pay dividends as specified in their articles of association or profit distribution policies. In addition, dividends may be paid in Instalments of equal or different amounts and advance dividend will be able to be distributed in cash over the profit in the interim financial statements.

	31.12.2016	31.12.2015
Retained Profits/Losses	(11.666.050)	36.904.992

- Non-Controlling Interests

As of 31 December 2016, consolidated equity of participation is TL 66.802.472. (31 December 2015: TL 88.852.957).

	31.12.2016	31.12.2015
Opening Balance	88.852.957	100.212.762
Changes in equity	2.312.093	5.399.708
Actuarial gains and losses from pension plans	-	-
Subsidiary Sales	-	-
Profit Distribution	-	-
Net Period Profit	(24.362.578)	(16.759.514)
Closing Balance	66.802.472	88.852.957

NOTE 30- SALES AND COST OF SALES

As of 31 December 2016 and 31 December 2015, breakdown of the Group's sales income and costs are as follows:

	01/01/2016	01.01.2015
	31.12.2016	31.12.2015
Domestic Sales	352.516.402	308.712.413
Export Sales	19.872.307	15.468.361
Other Incomes	12.516.780	17.239.768
Sales Returns (-)	(5.159.664)	(1.754.791)
Sales Discounts (-)	(1.082)	--
Net Sales	379.744.743	339.665.751
Costs of Sold Commercial Goods (-)	(78.705.243)	(70.098.685)
Cost of Services Sold (-)	(217.326.424)	(207.641.844)
Cost of Sales (-)	(296.031.667)	(277.740.529)
Gross Profit/ (Loss)	83.713.076	61.925.222

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S.**FOOTNOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS OF 31 DECEMBER 2016 PASSED INDEPENDENT AUDIT
(All sums are given in TL.)****NOTE 31 -RESEARCH AND DEVELOPMENT EXPENSES, MARKETING SALES AND DISTRIBUTION EXPENSES, GENERAL
MANAGEMENT EXPENSES****A) Research and Development Expenses (-)**

The Group has no research and development expenses. (31 December 2015-None.)

b) Marketing, Sales and Distribution Expenses (-)

As of 31 December 2016 and 31 December 2015, the breakdown of marketing, sales and distribution expenses is as follows:

	01.01.2016	01.01.2015
	31.12.2016	31.12.2015
Personnel Expenses	575.443	540.814
Tax, Duty and Fees	17.032	9.820
Vehicle Expenses	113.445	2.230
Consultancy Expenses	5.850	3.778
Amortisation Expenses	69.421	61.669
Rent Expenses	356.390	203.390
Insurance Expenses	59.936	48.150
Other	243.081	82.304
Total	1.440.598	952.155

c) General Management Expenses (-)

The breakdown of general administrative expenses as of 31 December 2016 and 31 December 2015 is as follows:

	01.01.2016	1.01.2015
	31.12.2016	31.12.2015
Personnel Expenses	1.850.643	1.919.756
Passenger Car and Transportation Expenses	169.270	99.008
Telephone Expense	284.636	280.446
Representation Hospitality Expenses	136.681	291.420
Travel Expenses	133.274	115.123
Electricity, Water, Heating Expenses	220.361	973.263
Insurance Expenses	6.268	291.653
Maintenance-Repair Expenses	43.594	277.427
Taxes And Other Legal Dues	215.138	788.831
Consultancy, Audit and Expertise Expenses	372.563	559.727
All depreciation and depletion expenses	--	431.615
Food and Beverage Expenses	1.678	49.978
Rent Expenses	201.223	930.935
Transfer To the State	6.307.870	--
Donation and Aid Expenses	64.271	5.000
Other	888.344	1.227.676
Total	10.895.814	8.241.858

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S.**FOOTNOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS OF 31 DECEMBER 2016 PASSED INDEPENDENT AUDIT**

(All sums are shown in TL.)

NOTE 32-EXPENSES ACCORDING TO THE QUALITIES

Depreciation and redemption expenses;

	01.01.2016	01.01.2015
	31.12.2016	31.12.2015
Cost of Sales	31.082.618	20.679.736
General Administration Expenses (-)	--	431.615
Marketing, Sales and Distribution Expenses	69.421	61.669
Renewal Fund	2,093,	5.365.699
Total	33.245.586	26.538.719

NOTE 33-OTHER REAL OPERATING INCOME/EXPENSES

As of 31 December 2016 and 31 December 2015, the Group's operating income / expenses are as follows:

	01.01.2016	01.01.2015
	31.12.2016	31.12.2015
Other Real Operating Incomes	13.741.581	16.393.134
Delay Interest Income	1.755.644	1.306.246
Insurance Compensation Income	239.031	179.564
Real Estate Property Sales Profit	790.300	--
Provisions no Longer Required	1.219.825	116.913
Exchange difference income	7.026.264	12.820.532
Deferred Financial Income	1.503.803	627.845
Other	1.206.714	1.342.034
Other Real Operating Expenses (-)	(24.274.541)	(18.810.152)
Delay Interest Expense	(3.790.887)	(6.497.823)
Doubtful Receivables and Provision for Litigation	(10.864.009)	(2.214.147)
Exchange difference expense	(3.513.430)	(3.936.508)
Deferred Financial Expense	(2.081.972)	(670.300)
Tax and Delay Fines, Litigation, Execution and Other Compensation	(1.533.987)	(387.526)
Fixed Asset Amortisation Adjustments	(1.735.818)	--
Other	(754.438)	(5.103.848)

NOTE 34 -INCOMES FROM INVESTING ACTIVITIES

The Group's income from investment activities for account periods ended on the dates 31 December 2016 and 31 December 2015 is as follows:

	01.01.2016	01.01.2015
	31.12.2016	31.12.2015
Dividend income from participations	4.072.170	194.940
Profit On Sale Of Marketable Securities	3.538	2.555
Marketable securities' increase in value	100.457	--
Investment Property Rental Income	420.000	230.000
Fixed Asset Sales Profits	3.653.294	1.904.972
Total	8.249.459	2.332.467

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S.**FOOTNOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS OF 31 DECEMBER 2016 PASSED INDEPENDENT AUDIT
(All sums are given in TL.)****NOTE 35 -EXPENSES FROM INVESTING ACTIVITIES**

As of 31 December 2016 and 31 December 2015, the Group's expense from investing activities for the account periods ended on the dates 31 December 2016 and 31 December 2015 is as follows:

	01.01.2016	1.01.2015
	31.12.2016	31.12.2015
Fixed Asset Sales, Losses	--	(943.021)
Total	--	(943.021)

NOTE 36 -FINANCIAL INCOMES

Financial incomes for the periods ended at 31 December 2016 and 31 December 2015 are as follows:

	01.01.2016	01.01.2015
	31.12.2016	31.12.2015
Interest Incomes	1.658.288	3.147.527
Exchange Difference Incomes from Loan and Other Financial Activities	19.951.550	35.973.629
Total	21.609.838	39.121.156

NOTE 37 FINANCIAL EXPENSES (-)

Financial expenses for the periods ended at 31 December 2016 and 31 December 2015 are as follows:

	01.01.2016	01.01.2015
	31.12.2016	31.12.2015
Commission Expenses	--	(643)
Interest Expenses	(68.881.670)	(51.959.006)
Foreign Exchange Differences on Loan and Other Financial Activities	(75.964.040)	(90.161.304)
Total	(144.845.710)	(142.120.953)

NOTE 38- OTHER COMPREHENSIVE INCOME ITEMS ANALYSIS

Other comprehensive income of the Group which will not be reclassified as profit or loss is as follows:

A. Tangible Fixed Assets Revaluation increases (decreases)

	01.01.2016	01.01.2015
	31.12.2016	31.12.2015
Balance at the beginning of the period	2.270.576	233.783
Addition of current period	9.817.744	2.545.992
Deferred Tax Liabilities	(1.485.147)	(509.199)
Revaluation Fund Minority Interest	(1.900.422)	--
Revaluation Fund Minority Share Deferred Tax Liability	195.759	--
Period end balance	8.898.510	2.270.576

Value increase amount arising from real estate valuation of the Group in the current period has been reflected on relevant active values in financial statements and the amount of TL 8.898.510 has been shown with the net amount in the account of "Revaluation Measurement GaIns./Losses" in liabilities.

(31 December 2015-Value increase amount arising from real estate valuation of the Group in the current period has been reflected on relevant active values in financial statements and the amount of TL 8.898.510 has been shown with the net amount in the account of "Revaluation Measurement GaIns./Losses" in liabilities.)

REYSAS TASIMACILIK VE LOJISTIK TICARET A.S.**FOOTNOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS OF 31 DECEMBER 2016 PASSED INDEPENDENT AUDIT**

(All sums are given in TL.)

B. Defined Benefit Plans Remeasurement GaIns. (Losses)

	01.01.2016	01.01.2015
	31.12.2016	31.12.2015
Transfer	1.426.560	141.797
Actuarial Gain/Loss	432.674	1.605.954
Deferred Tax Asset	(86.535)	(321.191)
Actuarial Profit / Loss Minority Share	6.993	--
Actuarial Profit / Loss Minority Share Deferred Tax Liability	(1.399)	--
Net Actuarial GaIns./Loss	1.778.293	1.426.560

NOTE 39- DISCONTINUED OPERATIONS

The Company has no discontinued operations as of 31 December 2016.
(31 December 2015- None.)

NOTE 40- DEFERRED TAX ASSET/LIABILITY**Deferred Taxes**

The Group has accounted deferred tax asset and liability for temporary timing differences arising from differences among financial statements prepared according to TMS/TFRS with the legal financial statements subject to tax. These differences usually arise from inclusion of financial statements prepared according to TMS/TFRS with tax-based statements of some income and expense items and such differences are specified below.

Tax rate used in calculation of deferred tax has been taken into account 4% for Reysas Demiryolu Tasımıcılıđı and 20% for the others. (2015 :%20).

	31.12.2016		31.12.2015	
	Temporary Differences	Deferred Tax Asset and Liabilities	Temporary Differences	Deferred Tax Asset and Liabilities
DEFERRED TAX				
Provisions for severance pay	3.054.745	599.825	2.312.135	455.687
Leave Provisions	227.207	44.145	299.890	57.798
Deferred Financial Income	449.349	86.330	309.440	59.084
Interest Income/ (Expense), Net	1.718.015	292.491	980.825	141.665
Provision for doubtful accounts	26.358.759	5.271.752	21.451.991	4.290.398
Expense Accruals	602.207	120.441	46.280	9.256
Lawsuit provision	8.673.106	1.734.621	8.057.195	1.611.439
Losses of previous periods	260.505	52.101	1.272.260	215.032
Other	815.257	163.051	249.660	49.932
Deferred Tax Assets	42.159.150	8.364.757	34.979.676	6.890.291
Tangible and Intangible Fixed Assets	17.943.889	3.553.974	14.019.880	2.772.340
Interest Income/ (Expense), Net	187.089	37.418	195	39
Deferred Financial Income	1.338.406	250.949	542.215	90.351
Renewal/Revaluation Fund	10.358.265	2.071.653	4.951.670	990.334
Other	46.149	9.229	64.365	12.873
Stocks	453.935	90.786	--	--
Deferred Tax Liabilities	30.327.733	6.014.009	19.578.325	3.865.937
Net Deferred Tax Assets	11.831.417	2.350.748	15.401.351	3.024.354

That the Reysas Gayrimenkul Yatırım Ortaklıđı A.S. is exempted from corporate tax, deferred tax has not been calculated for the temporary differences of this company and is not included in the table above.

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Net deferred tax activity table reflected into the income statement is as follows:

	31.12.2016	31.12.2015
Deferred Tax Assets	8.364.757	6.890.291
Deferred Tax Liabilities (-)	(6.014.009)	(3.865.937)
Net Deferred Tax Asset	2.350.748	3.024.354
Previous Period Balance	3.024.354	3.421.508
Deferred Income/Expense of the Period	898.608	404.772
Revaluation Fund Deferred Tax Liability	--	(490.133)
Adjust for consolidation procedures	(532)	518.596
Those Reflected to the Comprehensive Income	(1.571.682)	(830.389)
Current Period Balance	2.350.748	3.024.354

NOTE 41- EARNINGS PER SHARE

Profit/loss amount per share is calculated by dividing net profit / loss by weighted average number of shares of the company during the year. Profit/(Loss) per share calculation of the company is as follows:

	01.01.2016	01.01.2015
	31.12.2016	31.12.2015
Net Period Profit (Loss) of the Participations	(33.469.409)	(31.875.578)
Weighted Average Number of Issued Ordinary Shares	119.350.000	119.350.000
Profit / (Loss) per share	(0,280)	(0,267)

NOTE 42 -QUALITY AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS**(a) Capital Risk Management**

The group's capital cost and risks associated with each class of capital are evaluated by the top management. Based on senior management evaluations, dividend payments are aimed to be kept in balance by issuing new shares as much as new debt is paid or existing debt is repaid in order to maintain and rearrange capital structure. Additionally, when trying to ensure the continuity of its activities in the capital management, it aims to increase its profitability by using the debt and equity balance in the most efficient way. The Group monitors capital by using debt/total capital rate. This ratio is found by dividing net debt by total capital. Net debt is calculated by deducting cash and cash equivalents from total debt amount.

	31.12.2016	31 December 2015
Total Liabilities	918.182.052	790.132.766
Cash and Cash Equivalents	71.661.581	118.807.143
Net Debt	846.520.471	671.325.623
Equities	192.132.199	240.496.516
Net Debt/Equity Rate	4,41	2,79

(b) Important Accounting Policies

Group's Important Accounting Policies related to financial Ins.truments are declared in the 2 numbered footnote.

(c) Risks exposed by the Group

Due to its operations, the Group is exposed to changes in foreign exchange rates, interest rates and other risks. The Group also has the risk that the counterparty will be unable to meet the requirements of the agreement due to the possession of financial Ins.truments. Market risks encountered at the Group level are measured on the basis of sensitivity analysis. In the current year, there has been no change in the market risk exposed by the Group or in the method of dealing with the risks encountered or in the method how it measures this risk when compared to the previous year.

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(c.1) Exchange risk and management

Transactions in foreign currency has caused occurrence of exchange risk. The Group is exposed to foreign exchange risk due to change of the exchange rates used in the conversion of assets and liabilities in foreign currency into Turkish Lira. Commercial transactions, whose foreign exchange risk will occur in the future, arise from the difference between recorded assets and liabilities. The Group is exposed to foreign exchange rate risk depending on foreign exchange rate change due to the financial liabilities, trade payables and receivables in foreign currencies. The Group is mainly exposed to foreign exchange risk due to its assets and liabilities in USD. Another important currency in terms of exchange rate risk is the Euro.

As of 31 December 2016, period profit/(loss) before tax and minority interest would be TL 33.775.407 lower/higher in case that foreign exchange rate is 10% higher/lower provided that other conditions remain constant (31 December 2015: the period profit / (loss) before the tax and minority interest for the period would have been 28.739.670 lower / higher.)

Exchange Rate Sensitivity Analysis Statement**Current Period (31 December 2016)**

	Profit/Loss	
	Appreciation of Foreign Currency	Foreign Currency Depreciation
If the USD changes by 10% against TL:		
1- USD net asset/liability	(20.307.650)	20.307.650
2- Portion protected from USD risk (-)	--	--
3- USD Net Effect (1+2)	(20.307.650)	20.307.650
If the Euro changes by 10% against TL:		
4- EUR net asset/liability	(13.497.075)	13.497.075
5- Portion protected from EUR risk (-)	--	--
6- EUR Net Effect (4+5)	(13.497.075)	13.497.075
If the GBP changes by 10% against TL:		
7- GBP net asset/liability	29.318	(29.318)
2- Portion protected from GBP risk (-)	--	--
9- GBP Net Effect (7+8)	29.318	(29.318)
TOTAL (3+6+9)	(33.775.407)	33,775,407

Exchange Rate Sensitivity Analysis Statement**Previous Period (31 December 2015)**

	Profit/Loss	
	Appreciation of Foreign Currency	Foreign Currency Depreciation
If the USD changes by 10% against TL:		
1- USD net asset/liability	(16.064.443)	16.064.443
2- Portion protected from USD risk (-)	--	--
3- USD Net Effect (1+2)	(16.064.443)	16.064.443
If the Euro changes by 10% against TL:		
4- EUR net asset/liability	(12.675.227)	12.675.227
5- Portion protected from EUR risk (-)	--	--
6- EUR Net Effect (4+5)	(12.675.227)	12.675.227
If the GBP changes by 10% against TL:		
7- GBP net asset/liability	--	--
8- Portion protected from GBP risk (-)	--	--
9- GBP Net Effect (7+8)	--	--
TOTAL (3+6+9)	(28,739,670)	28.739.670

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FOREIGN CURRENCY TABLE	Current Period (31 December 2016)			
	For TRL	USD	EUR	GBP
1. Trade Receivables	10.039.529	1.209.347	1.479.936	67.883
2a. Monetary Financial Assets	50.886.551	6.021.891	8.004.074	--
2b. Non-Monetary Financial Assets	--	--	--	--
3. Other	258.162	1.190	68.459	--
4. Current Assets (1+2+3)	61.184.242	7.232.428	9.552.468	67.883
5. Trade Receivables	--	--	--	--
6a. Monetary Financial Assets	--	--	--	--
6b. Non-Monetary Financial Assets	2.755.778	536.683	233.722	--
7. Other	--	--	--	--
8. Fixed Assets (5+6+7)	2.755.778	536.683	233.722	--
9. Total Assets (4+8)	63.940.020	7.769.111	9.786.190	67.883
10. Trade Payables	8.470.638	1.499.775	860.571	--
11. Financial Liabilities	92.846.190	17.989.710	7.961.617	--
12a. Other Monetary Liabilities	59.341	16.744	112	--
12b. Other Non-Monetary Liabilities	--	--	--	--
13. Short-Term Liabilities (10+11+12)	101.376.169	19.506.228	8.822.300	--
14. Trade Payables	--	--	--	--
15. Financial Liabilities	297.303.982	45.430.313	37.042.946	--
16 a. Other Monetary Liabilities	--	--	--	--
16 b. Other Non-Monetary Liabilities	--	--	--	--
17. Long-Term Liabilities (14+15+16)	297.303.982	45.430.313	37.042.946	--
18. Total Liabilities (13+17)	398.680.151	64.936.542	45.865.245	--
19. Net Asset / (Liability) Position of Foreign Currency Derivative Instruments out of Financial Position Statement (19a-19b)	--	--	--	--
19a. Amount of Foreign Currency Derivatives out of active characteristic financial position statement	--	--	--	--
19b. Amount of Foreign Currency Derivatives out of passive characteristic financial position statement	--	--	--	--
20. Net Foreign Currency Asset/ (Liability) Position (9-18+19)	(334.740.131)	(57.167.430)	(36.079.055)	67.883
TL 21 Monetary Items Net Foreign Currency Asset / (Liability) Position (IFRS 7.B23)	(337.754.071)	(57.705.304)	(36.381.236)	67.883
22. Total Fair Value of Financial Instruments Used for Foreign Currency Hedges	--	--	--	--
23. Amount of Hedged Part of Foreign Currency Assets	--	--	--	--
24. Amount of Hedged Part of Foreign Currency Liabilities	--	--	--	--
*25.Export	--	--	--	--
*26.Import	--	--	--	--

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FOREIGN CURRENCY TABLE	Previous Period (31 December 2015)			
	For TRL	USD	EUR	GBP
1. Trade Receivables	14.129.209	3.970.355	813.509	
2a. Monetary Financial Assets	64.226.727	14.224.556	7.196.441	
2b. Non-Monetary Financial Assets	--	--	--	
3. Other	498.964	5.639	151.866	
4. Current Assets (1+2+3)	78.854.900	18.200.550	8.161.816	
5. Trade Receivables				
6a. Monetary Financial Assets				
6b . Non-Monetary Financial Assets				
7. Other				
8. Fixed Assets (5+6+7)				
9. Total Assets (4+8)	78.854.900	18.200.550	8.161.816	
10. Trade Payables	5.004.783	626.156	1.002.068	
11. Financial Liabilities	58.589.304	15.473.039	4.279.927	
12a. Other Monetary Liabilities	140.787	1.304	43.113	
12b . Other Non-Monetary Liabilities	--	--	--	
13. Short-Term Liabilities (10+11+12)	63.734.874	16.100.499	5.325.108	
14. Trade Payables	149.338	--	46.997	
15. Financial Liabilities	301.868.420	57.344.249	42.527.154	
16 a. Other Monetary Liabilities	--	--	--	
16/B Other Non-Monetary Liabilities	--	--	--	
17. Long-Term Liabilities (14+15+16)	302.017.758	57.344.249	42.574.151	
18. Total Liabilities (13+17)	365.752.632	73.444.747	47.899.259	
19. Net Asset / (Liability) Position of Foreign Currency Derivative Instruments out of Financial Position Statement (19a-19b)	--	--	--	--
19a. Amount of Foreign Currency Derivatives out of active characteristic financial position statement	--	--	--	--
19b . Amount of Foreign Currency Derivatives out of passive characteristic financial position statement	--	--	--	--
20. Net Foreign Currency Asset/ (Liability) Position (9-18+19)	(286.897.732)	(55.244.198)	(39.737.444)	--
21. Monetary Items Net Foreign Currency Asset / (Liability) Position (IFRS 7.B23) (= 1 + 2a + 5 + 6a-10-11-12a-14-15-16a)	(287.396.696)	(55.249.837)	(39.889.309)	--
22. Total Fair Value of Financial Instruments Used for Foreign Currency Hedges	--	--	--	--
23. Amount of Hedged Part of Foreign Currency Assets	--	--	--	--
24. Amount of Hedged Part of Foreign Currency Liabilities	--	--	--	--
*25.Export	--	--	--	--
*26.Import	--	--	--	--

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(c.2) Interest rate risk and management

The group's liabilities related to financial loans on fixed and variable interest are included in Note:9, fixed interest assets (such as deposit) are included in the Note: 7.

	Fixed Interest Financial Instruments	31.12.2016	31.12.2015
Financial Assets	Deposit Accounts (shorter than 3 months)	63.219.402	116.134.450
Financial Liabilities		474.263.207	283.552.491
	Variable Interest Financial Instruments		
Financial Assets			
Financial Liabilities		329.754.197	397.545.293

Interest analysis is made by taking into consideration net amount of all variable interest assets and liabilities. Another assumption of the analysis is that all variables except interest rates remain constant. In addition, the balance of net interest assets and liabilities has been considered constant throughout the period.

On December 31, 2016, if the interest in TL currency was 1 point low/ high and if all other variables remained constant, profit / (loss) before tax and minority interest would be 383.437 TL lower / higher (31 December 2015: profit / (loss) before tax and minority interest would be TL 480.062 lower / higher).

(c.3) Credit risk management

Ownership of financial Instruments also involves the risk that the counterparty will be unable to meet requirements of the agreement. The Group's collection risk arises from its trade receivables and other receivables. A significant portion of the Group's trade and other receivables result from related parties and detailed information regarding these receivables is given in Note: 6. Trade receivables and other receivables are evaluated by taking into account Group policies and procedures and accordingly after reserving doubtful receivable provision, they are indicated in net in the balance sheet. (Note 11-13-22) The Group Management considers that provisions for receivables are sufficient.

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CURRENT PERIOD	Receivables				Footnote	Bank Deposit	
	Trade Receivables		Other Receivables			Footnote	Footnote
	Related	Other	Related	Other			
Maximum loan risk incurred as of reporting date (A+B+C+D+E)	63.303.090	35.831.694	12.014.984	2.242.353	6-11-13	70.013.306	7
- Secured part of maximum risk via guarantee etc.	--	--	--	--	--	--	--
A. Net book value of financial assets that are undue or not subject to impairment	63.303.090	35.831.694	12.014.984	2.242.353	6-11-13	70.013.306	7
B. Book value of financial assets whose terms have been renegotiated, otherwise which will be considered to be overdue or impaired	--	--	--	--	--	--	--
C. Net book value of financial assets that are overdue but not subject to impairment	--	--	--	--	--	--	--
- Part secured via guarantee etc.	--	--	--	--	--	--	--
D. C. Net book values of impaired assets	--	--	--	--	--	--	--
- Overdue (gross book value)	6.958.396	22.908.705		2.016.159	6-11-13		
- Impairment (-)	(6.958.396)	(22.908.705)		(2.016.159)	6-11-13		
- Secured part of net value via guarantee etc.				--			
- Undue (Gross book value)				--			
- Impairment (-)				--			
- Secured part of net value via guarantee etc.				--			
E. Off-balance sheet credit risk factors							

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Previous Period	Receivables				Footnote	Bank Deposit	Footnote
	Trade Receivables		Other Receivables				
	Related	Other	Related	Other			
Maximum loan risk incurred as of reporting date (A+B+C+D+E)	58.440.522	26.513.595	7.120.666	2.616.857	6-11-13	116.826.079	7
- Secured part of maximum risk via guarantee etc.	--	--	--	--	--	--	--
A. Net book value of financial assets that are undue or not subject to impairment	58.440.522	26.513.595	7.120.666	2.616.857	6-11-13	116.826.079	7
B. Book value of financial assets whose terms have been renegotiated, otherwise which will be considered to be overdue or impaired	--	--	--	--	--	--	--
C. Net book value of financial assets that are overdue but not subject to impairment	--	--	--	--	--	--	--
- Part secured via guarantee etc.	--	--	--	--	--	--	--
D. C. Net book values of impaired assets	--	--	--	--	--	--	--
-Overdue (gross book value)	--	22.718.987	--	68.580	6-11-13	--	--
- Impairment (-)	--	(22.718.987)	--	(68.580)	6-11-13	--	--
- Secured part of net value via guarantee etc.	--	--	--	--	--	--	--
- Overdue (gross book value)	--	--	--	--	--	--	--
- Impairment (-)	--	--	--	--	--	--	--
- Secured part of net value via guarantee etc.	--	--	--	--	--	--	--
E. Off-balance sheet credit risk factors	--	--	--	--	--	--	--

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The Group monitors cash flows on a regular basis and maintains sufficient funds and borrowing reserves by matching the maturities of financial assets and liabilities and tries to manage liquidity risk.

Liquidity risk tables

Prudent liquidity risk management means keeping sufficient cash, availability of funding through sufficient credit transactions and the ability to close out market positions.

The risk of ability to fund existing and prospective reasonable debt requirements is managed by perpetuating the accessibility of adequate and high quality creditors.

The following table specifies maturity distribution of the Company's non-derivative financial liabilities on the basis of TL.

Current Period	Book Value	Total of Cash	Shorter than 3	3 to 12 months	1 to 5 years	Longer than 5
Contract Terms		Outs pursuant to	months			years
		Contract				
Non-derivative Financial liabilities	897.619.566	892.923.499	105.520.115	151.610.858	568.114.234	67.678.292
Bank Loans	704.563.095	698.841.065	48.873.110	92.421.125	489.868.538	67.678.292
Finance Lease Obligations	99.454.312	99.060.753	4.657.303	16.799.558	77.603.892	--
Other Financial Liabilities	--	--	--	--	--	--
Commercial Debts	81.711.185	83.130.702	41.416.001	41.714.701	--	--
Other Liabilities	11.890.974	11.890.974	10.573.698	675.474	641.802	--
Previous Period		Total of Cash	Shorter than 3	3 to 12 months	1 to 5 years	Longer than 5
Contract Terms	Book Value	Outs pursuant to	months			years
		Contract				
Non-derivative Financial liabilities	782.353.373	776.810.438	143.241.045	135.129.583	398.356.094	100.083.716
Bank Loans	593.863.506	588.379.112	47.837.890	70.966.163	370.323.891	99.251.168
Finance Lease Obligations	37.006.104	36.510.969	1.356.048	6.751.426	27.570.947	832.548
Other Financial Liabilities	50.228.178	50.000.000	--	50.000.000	--	--
Commercial Debts	88.823.352	89.488.124	82.227.248	7.110.600	150.276	--
Other Liabilities	12.432.233	12.432.233	11.819.859	301.394	310.980	--

NOTE 43- FINANCIAL INSTRUMENTS (FAIR VALUE EXPLANATIONS AND REMARKS WITHIN THE SCOPE OF HEDGING ACCOUNTING)**Targets in the financial risk management**

Group's financing department is responsible for ensuring regular access to financial markets and monitoring and managing the financial risks exposed in relation to the Group's activities. These risks are; market risk (including exchange rate risk, fair interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The Group does not use derivative financial instruments to mitigate the effects of these risks and to hedge against these financial risks. The Group does not have any speculative financial instruments (including derivative financial instruments) and does not have any activity related to the purchase and sale of such instruments.

Fair Value of Financial Instruments

Fair value is the amount by which a financial instrument can be exchanged in a current transaction between voluntary parties other than a mandatory sale or liquidation. If any, it is best determined by a quoted market price. The Group has determined estimated fair values of financial instruments by using available market information and appropriate valuation methods. However, market data should be evaluated and estimating real values requires interpretation and judgement. Consequently, the estimates presented herein are not necessarily indicative of the amounts the Group could always acquire in a current market operation.

The method and assumptions used for estimation of financial instruments' fair value are as follows:

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Monetary Assets

Balances in foreign currency are translated into Turkish Lira by buying rate of exchange in force at the end of the period. It is stipulated that these balances are close to the registered value.

Certain financial assets, including cash and cash equivalents, are carried at cost value. It is stipulated that their registered values are equal to their fair values due to their short-term nature.

It is stipulated that registered values of trade receivables reflect fair value together with the provisions for doubtful receivables.

Monetary liabilities

It is assumed that bank loans and other monetary debts approach their fair value of registered values since they are short-term.

Fair value estimation:

The Group has applied the amendment in TFRS 7 for financial Instruments measured at fair value in the balance sheet being effective from January 1, 2009. This amendment has been explained on the basis of the stages specified in the following hierarchy of fair value calculations.

Level 1: They are quoted prices in active markets for certain assets and liabilities.

Level 2: They are directly or indirectly observable inputs for assets and liabilities other than quoted prices included in level 1.

Level 3: They are inputs for assets and liabilities that cannot be determined based on observable market data.

The fair values of balances denominated in foreign currencies, which are translated at year-end exchange rates, are considered to approach their carrying values.

The Group has shown short term financial investments at fair value in the financial statements as of 31 December 2016 and 31 December 2015. (Level 1)

Registered values of some financial assets shown as cost such as cash and cash equivalents are considered to be their fair values due to their short-term nature.

Trade receivables and payables are evaluated over discounted costs by using effective interest method and in this way it is considered that registered values approach their fair values.

NOTE 44 -POST-BALANCE SHEET EVENTS

- Storage area of 150 m2 of the storage of 3.962 m2 at a land of 7.352 at Istanbul Province, Arnavutköy District, Omerli Quarter, 111 Plot, 6 Parcel included in the portfolio of Reysas Gayrimenkul Yatırım Ortaklığı A.S. has been leased for 3 years to "Fast Milletlerarası Tasımacılık ve Turizm A.S.". The rented storage will generate an income of approximately USD 30,000 including VAT in 3 years.

- Construction Building License has been obtained for construction of logistics storage of 41.865,06 m2 to be built at Istanbul Province, Esenyurt, 2642 Plot, 1 Parcel announced to the public with a special circumstances disclosure on 31.08.2015 by Reysas Gayrimenkul Yatırım Ortaklığı A.S. For storage facility, the Company has signed a lease agreement for 7 years between CarrefourSA Carrefour Sabancı Ticaret Merkezi A.S. and the company on August 31, 2015. 27.500.000 USD revenue including VAT will be obtained from the rented storage in 7 years. Storage construction will be completed and delivered on May 2017.

- Reysas Gayrimenkul Yatırım Ortaklığı A.S has obtained Building Construction License for logistics storage of 31.383 m2 to be built at Kocaeli Province, Cayirova District, 2085 Plot, 4 Parcel. Storage to be offered to the existing and new customers of Reysas GYO will be the 12th Block Building within the Cayirova campus.

- The storage area of 90.040 m2 of the warehouse of approximately 90.040 m2 on the completion of the construction on a land of 36.912,51 m2 at Istanbul Province, Tuzla District, Tepeören Quarter, 1586 Parcel included in the portfolio of Reysas Gayrimenkul Yatırım Ortaklığı A.S. has been rented to "Borusan Lojistik Dağıtım Depolama Tasımacılık ve Ticaret A.S" for 10 years. According to rental agreement made, the storage's A Block is planned to be delivered in the first quarter of 2018 and the storage's B Block is planned to be delivered in the first half of 2018. Income of USD 75.000.000 including USD increases in 10 years and VAT will be generated from the rented warehouse.

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-The Group's total letters of guarantee received in the period January-February 2017 after December 31, 2016 is TL 659.496.

-The Group has no letters of guarantee given after the period January-February 2017 after December 31, 2016.

- Detailed information on the principal and interest that the Group is required to pay until 31 December 2016 is as follows:

Bank Loans			
Type	Principal Payment	Interest Payment	Total
TL	26.828.795	9.546.404	36.375.199
USD	4.806.829	387.193	5.194.022
EUR	1.682.362	176.178	1.858.539

Debts from Financial Leasing Transactions			
Type	Principal Payment	Interest Payment	Total
TL	1.481.843	2.248.101	3.729.944
USD	--	--	--
EUR	79.598	15.355	94.953

NOTE 45 -OTHER ISSUES

In resolution of the Board of Directors, it has been decided to merge with Reysas Railway Transportation Inc. and as of the date of this report, no merger has taken place yet .

It has been decided to make capital increase in 10.05.2016 dated and 36 numbered resolution of Board of Directors of Reysas Demiryolu Yatırımları A.S., one of the Group Companies of Reysas Tasımıcılık and as of the date of this report, no capital has been increased yet.

In 10.05.2016 dated and 8 numbered resolution of the Board of Directors of Reysas Kuru Temizleme ve Tic.Ltd. Sti, one of the Group Companies of Reysas Tasımıcılık, it has been decided to merge with MD Gemicilik ve Ticaret Ltd. Sti and as of the date of this report, no merger has taken place yet.

The financial statements have been approved by the Company's Board of Directors on 13 March 2017 for being issued on the on the Public Disclosure Platform (PDP). However there is no such intention, the Company Management and certain regulatory bodies have the authority to amend financial statements prepared in accordance with the legislation.