



Corporate Governance Compliance Rating Report



*Doğuş Otomotiv
Servis ve Ticaret A.Ş.*

27 December 2013

Validity Period : 27.12.2013-27.12.2014

LIMITATIONS

This Corporate Governance Rating Report issued by Kobirate International Credit Rating and Corporate Governance Services Inc (herein after called "KOBIRATE") for Doğuş Otomotiv Servis ve Ticaret A.Ş. (herein after called "Company") is compiled in accordance with the Corporate Governance Principles Compliance Rating Methodology prepared by Kobirate on the basis of the Corporate Governance Principles issued by the CMB in 2005 and modified with a communiqué on Dec.2011, Series:IV,No:56, on Feb.2012, Series IV, No: 57 and Feb.2013 Series: IV, No:63, which are approved by the CMB with its letter of 24.04.2009, no. 5347.

The Rating Report issued by Kobirate is based on 67 copies of documents, data, files transmitted by the concerned firm electronically, including data open to general public and examinations made by our rating experts on site.

Kobirate has formulated its Ethical Rules according to the Banking Act, the CMB and BRSA Directives on the Operations of Rating Companies, generally accepted ethical rules of the IOSCO and OECD including generally accepted ethical customs, which is shared with the public through its Internet website (www.kobirate.com.tr).

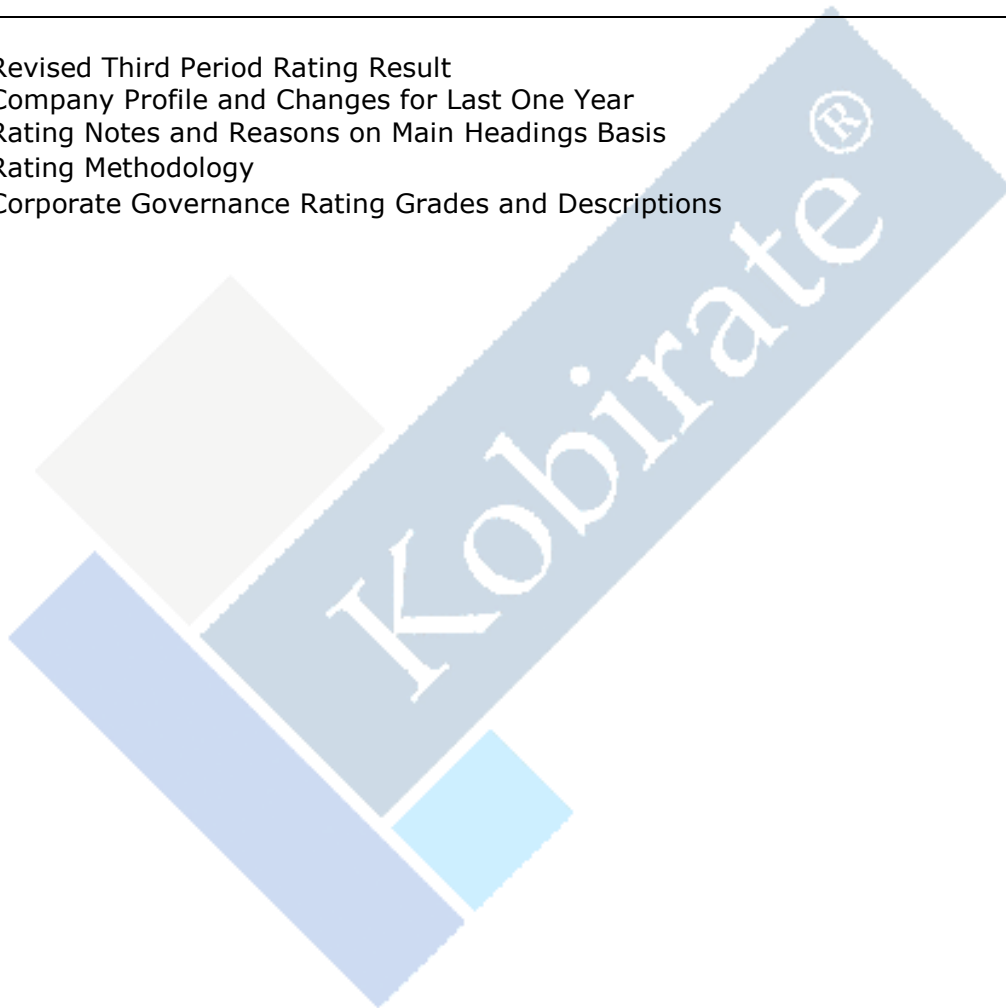
Although rating is an assessment based on numerous data, it is consequently the institutional opinion of Kobirate formed accordingly to the methodology disclosed.

The rating grade does not constitute a recommendation to purchase, to hold or to dispose any kind of borrowing instrument. KOBIRATE may not be held liable for any losses incurred or investments made to the company referring to this report.

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**DOĞUŞ OTOMOTİV
SERVİS VE TİCARET A.Ş.**

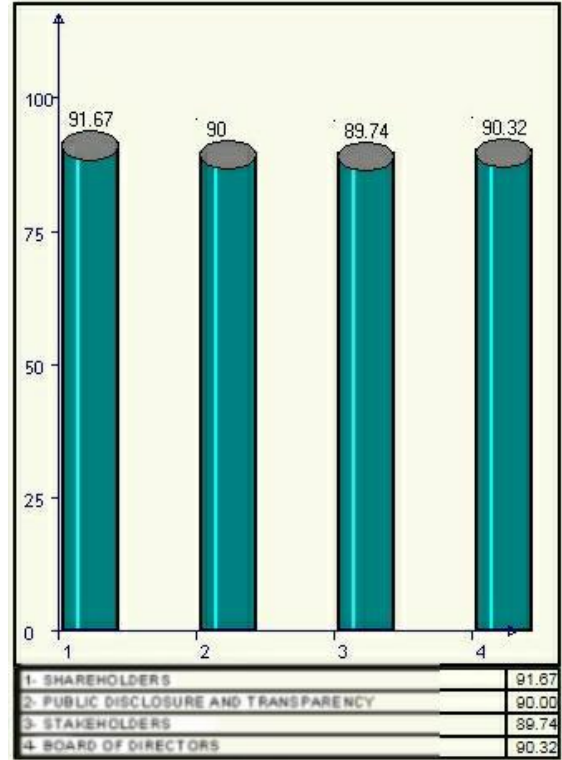
**CMB CORPORATE GOVERNANCE
PRINCIPLES COMPLIANCE GRADE**

9.05

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1. REVISED THIRD PERIOD RATING RESULT

By checking at sight of the documents, interviews held with executives and persons involved, and of other reviews, the rating process on compliance of **DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş.** with the Corporate Governance Principles is concluded in accordance with the Corporate Governance Principles Compliance Rating Methodology developed by Kobirate Uluslararası Kredi Derecelendirme ve Yönetim Hizmetleri A.S. according to the Corporate Governance Principles issued and approved by the R.T.Prime Ministry, Capital Market Board of Turkey

After checking of 295 criteria under the headings of Shareholders, Public Disclosure and Transparency, the Stakeholders and the Board of Directors as specified in the CMB's Corporate Governance Principles and the methodology of Kobirate A.S., the Corporate Governance Compliance Rating Grade of **DOĞUŞ OTOMOTİV**

SERVİS VE TİCARET A.Ş. is determined as **9.05**.

This result signifies that **DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş.** has achieved a considerable compliance with the CMB's Corporate Governance Principles and deserves to keep on the BIST Corporate Governance Index.

Both Board of Directors' and top management's internalization of Corporate Governance Principles in including willingness and steady approach to produce solutions to areas that require compliance and improvement within the last year has been the biggest factor in achieving the revised note.

This result refers to a considerable compliance of **DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş.** with CMB's published Corporate Governance Principles. The risks that may occur

within the company are significantly identified and can be controlled. Rights of shareholders are fairly regarded. Public Disclosure and Transparency activities are at high level. Rights of stakeholders are fairly regarded. The structure and working conditions of Board of Directors are in compliance with the Corporate Governance Principles; but although it doesn't pose great risks within the framework of Corporate Governance Principles, some improvements are needed.



2. COMPANY PROFILE AND CHANGES IN LAST YEAR

A. Company Profile:



Company Name	: Doğuş Otomotiv Servis ve Ticaret Anonim Şirketi
Company Address	: Legal Head Office Maslak Mahallesi, G-45 Ahi Evran Polaris Cad. Ayazağa – Maslak, Şişli/ İSTANBUL Management Center Şekerpınar Mahallesi Anadolu Caddesi No: 22 41490 Şekerpınar - Çayırova / Kocaeli
Company Phone	: (0262) 6769090
Company Facsimile	: (0262) 6769096
Company Website	: www.dogusotomotiv.com.tr
Date of Incorporation	: 19/11/1999
Registered Number	: 429183 / 376765
Paid in Capital	: 220.000.000.-TL
Line of Business	: Automotive and spare parts imports, sales marketing and services
Company's Sector	: Automotive Industry

Company's Representative in Charge of Rating:

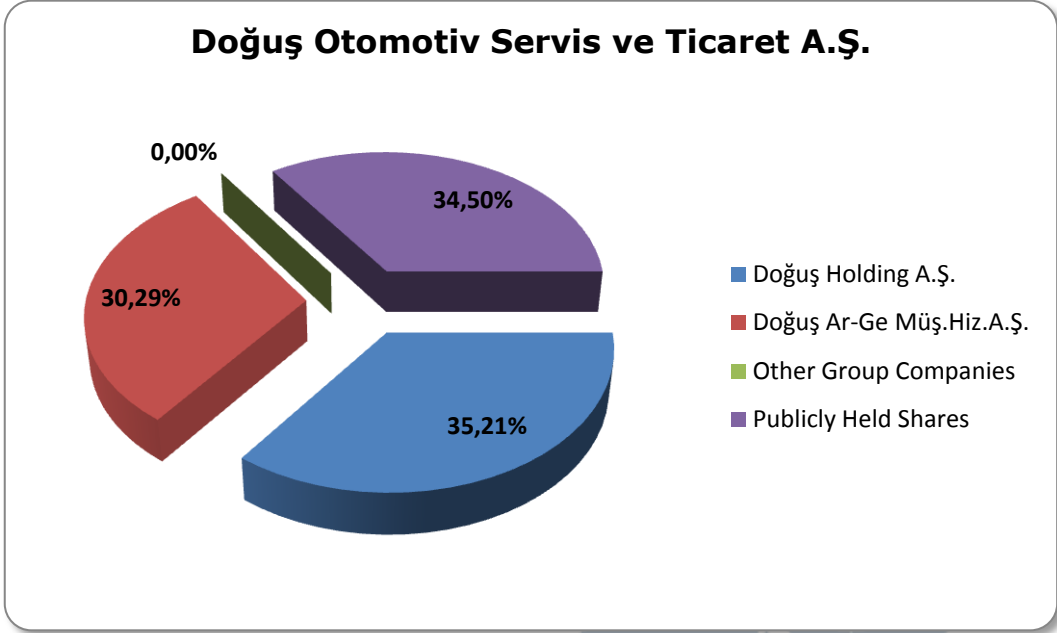
H. Müge YÜCEL

Investor Relations, Supervisor

muyucel@dogusotomotiv.com.tr

0262 6769058

Shareholders' Structure



Source : www.kap.gov.tr

Shareholders's Name	Share (TL)
Doğuş Holding A.Ş.	77.461.218
Doğuş Ar. Ge. ve Müş. Hiz. A.Ş.	66.638.086
Publicly Held	75.900.000
Other Group Companies	696
Total	220.000.000

Ultimate Individual Shareholders (As of Report Date)

Sahreholder	Share
Şahenk Familyi	73,45 %
Other	26,55 %
Total	100,00%

Source : www.kap.gov.tr

Board of Directors

Name/Surname	Title	Executive/ Non Executive
Aclan ACAR	Chairman	Non Executive
Süleyman Kadir Tuğtekin	Deputy Chairman	Non Executive
H.Murat Aka	Member & Head of Audit Committee	Non Executive
Emir Ali Bilaloğlu	Member & CEO	Executive
Özlem Denizmen Kocatepe	Member	Non Executive
E.Nevzat Öztangut	Member	Non Executive
Yılmaz Argüden	Member (Independent)	Non Executive
Ferruh Eker	Member (Independent)	Non Executive
E.Güliden Özgül	Member (Independent)	Non Executive

Top Management

Name/Surname	Title
Emir Ali Bilaloğlu	Board Member & CEO
Dr. İ. Berk Çağdaş	General Manager Responsible of Finance, Budget Planning, Risk Management, Strategy and Business Development, Financial Accounting, Internal Control and Investor Relations & Executive Board Member
Giovanni Gino Bottaro	Audi, Bentley, Lamborghini Brand General Manager & Executive Board Member
İlhami Eksin	Scania Marine and Industrial Engines, Thermo King, Scania-Krone-Meiller Brand General Manager & Executive Board Member
Anil Gürsoy	Seat, Porsche, DOD Brand General Manager & Executive Board Member
Kerem Galip Güven	VW Commercial Vehicle Brand Manager & Executive Board Member
Mustafa Karabayır	Spare Parts & Logistics General Manager & Executive Board Member
Tolga Senyücel	Skoda General Manager & Executive Board Member
Vedat Uygun	VW Passenger Vehicle Brand General Manager & Executive Board Member
Koray Bebekoğlu	Strategic Marketing and Corporate Communications Director
Ela Kulunyar	Human Resources & Process Management Director
Kerem Talih	Finance and Administrations Director
Yeşim Yalçın	Finance Director

Committees Formed Within The Board:

Corporate Governance Committee

Name/Surname	Title	Duty
R. Yılmaz ARGÜDEN	Independent Board Member	Chairman
Aclan ACAR	Chairman of Board	Member
E. Nevzat ÖZTANGUT	Board Member	Member
H. Hüsnü GÜZELÖZ	Chief Legal Counsel	Member

Audit Committee

Name/Surname	Title	Duty
Ferruh EKER	Independent Board Member	Chairman
R. Yılmaz ARGÜDEN	Independent Board Member	Member

Early Detection of Risk Committee

Name/Surname	Title	Duty
R. Yılmaz ARGÜDEN	Independent Board Member	Chairman
Aclan ACAR	Chairman of Board	Member
H. Murat AKA	Board Member	Member
H. Hüsnü GÜZELÖZ	Chief Legal Counsel	Member

Remuneration Committee

Name/Surname	Title	Duty
E. Gülden Özgül	Independent Board Member	Chairman
Aclan Acar	Chairman of Board	Member
Süleyman Kadir Tuğtekin	Board Member	Member

Dealers Committee

Name/Surname	Title
Cem YURTBAY	Chairman Consultant
Emir Ali BİLALOĞLU	Board Member & CEO

Strategic Planning and Business Development Committee

Name/Surname	Title
Özlem Denizmen Kocatepe	Board Member
Emir Ali BİLALOĞLU	Board Member & CEO
Süleyman Kadir TUĞTEKİN	Board Member

Disciplinary Committee

Name/Surname	Title
Emir Ali BİLALOĞLU	Board Member & CEO
H. Hüsnü GÜZELÖZ	Chief Legal Counsel

Compliance Committee

Name/Surname	Title
E. Nevzat Öztangut	Board Member
H.Hüsnü Güzelöz	Chief Legal Counsel
H.Murat Aka	Board Member

Human Resources Committee

Name/Surname	Title
Aclan Acar	Chairman of Board
Emir Ali BİLALOĞLU	Board Member & CEO
H.Hüsnü Güzelöz	Chief Legal Counsel

Balance-Sheet Comparison of Company's Certain Selected Items as of the end of the Last Two Years

	2011/12(000)	2012/12(000)	Change %
Current Assets	1.004.334	1.019.903	1,55
Trade Receivables	349.213	433.089	24,02
Inventory	549.234	483.841	-11,91
Fixed Assets	900.758	1.202.949	33,55
Total Assets	1.905.092	2.222.852	16,68
Short Term Liabilities	899.461	920.118	22,97
Long Term Liabilities	133.158	115.841	-13,00
Paid in Capital	220.000	220.000	-
Equity	872.473	1.186.893	36,04

Source : www.kap.gov.tr

Income Statement Comparison of Company's Certain Selected Items as of the end of the Last Two Years

	2011/12(000)	2012/12(000)	Change %
Sales	4.808.253	5.132.341	6,74
Cost of Sales (-)	(4.211.309)	(4.418.927)	4,93
Operating Profit/Loss	240.302	314.997	31,08
Financial Expenses	(71.703)	(72.367)	0,92
Profit/Loss before Tax	180.011	307.573	70,86
Profit/Loss of the Period	142.231	256.443	80,30

Source : www.kap.gov.tr

The Bottom and Peak Closing Values of Company's Shares traded on the BIST during Last Year

Bottom	Peak
5,84 (02.11.2012)	13,50 (14.05.2013) (15.05.2013)

Source : Dođuş Otomotiv Servis ve Ticaret A.Ş.



B. Changes in Last Year:

a. Changes in Capital and Article of Association:

I. It's decided to increase TL 275.000.000.- registered capital to TL 660.000.000.- to be valid until 31.12.2017 at the Board of Directors meeting held on 28.12.2012,

II. Article of Associations no: 3, 4, 6, 7, 9, 10, 11, 12, 13, 14, 15, 16, 17, 19, 20, 21, 24, 25, 26 and 29 articles have been amended because of increase in registered capital and to ensure compliance with new TTR.

III. Temporary no: 1, 2, 3 and 4 articles have been removed from the article due to being void.

The above mentioned amendments have been discussed and accepted at the general assembly held on 29.03.2013

b. Distribution of Dividend:

At the end of 2012, the company had TL 307.062.000.- profit, after deducting legal reserves TL 246.798.768.- distributable profit has been identified. After reserving TL 20.900.000.- as second legal reserves and TL 3.994.868.- as extraordinary legal reserves, gross TL 220.000.000.- net TL 187.000.000.- was decided to distribute to shareholders in cash as TL 49.359.754.- first dividend and TL 170.640.246.- second dividend. Accordingly TL 1.- nominal value share's dividend rate corresponded to 0,85%. Cash dividend payments are made on 30.04.2013 according to the dividend distribution schedule approved in the general assembly.

c. Policies:

At the general assembly held on 29.03.2013 25th article of the Article of Association (Time and Manner of Dividend Distribution, Dividend Advance) has been amended and distribution of dividend in advance is adjudged in accordance with the Capital Market Legislation. As a result of this change company's Dividend Policy was revised and accepted in the Board of Directors meeting.

During the rating period Donation Policy of the company has been revised and submitted in the general assembly held on 29.03.2013. Accordingly "The grants and donations are limited with TL 5.000.000.- within a fiscal year and to amend Donation Policy accepted on 30.03.2012 with this limitation" has been decided.

d. Management and Organization:

As a result of calculations on 2012 data made by CMB, being among the 2nd group companies **DOĞUŞ OTOMOTİV**'s Board of Directors consists of 9 members. As stated in CMB's Corporate Governance Principles Article 4.3.4 "The number of independent members has to be at least one-third of the total members of the Board of Directors", the number of independent members of the Board has increased to 3 upon the recommendation of Board of Directors at the general assembly held on 29.03.2013. As a result of this decision, non-executive board members Hasan Hüsnü GÜLEZÖZ and Cem YURTBAY have resigned and E. Gül den ÖZGÜL has assigned as an independent board member. Consequently R. Yılmaz ARGÜDEN, Ferruh EKER and E. Gül den ÖZGÜL became independent board members within the board.

After the general assembly held on 29.03.2013, according to the CMB Communiqué Serial: IV, N: 56 on Determination and Implementation of Corporate Governance Principles in the first meeting of Board of Directors;

Independent board members Ferruh EKER (Chairman) and R. Yılmaz ARGÜDEN (Member) were elected to Audit Committee,

Independent board member R. Yılmaz ARGÜDEN (Chairman), Aclan ACAR (Member), E. Nevzat ÖZTANGUT (Member) and Hasan Hüsnü GÜZELÖZ (Member-Chief Legal Counsel) were elected to Corporate Governance Committee,

Independent board member R. Yılmaz ARGÜDEN (Chairman), Aclan ACAR (Member), H. Murat AKA (Member) and Hasan Hüsnü GÜZELÖZ (Member-Chief Legal Counsel) were elected to Early Detection of Risk Committee,

Independent board member E. Gülden ÖZGÜL (Chairman), Aclan ACAR (Member) and Süleyman Kadir TUĞTEKİN (Member) were elected to Remuneration Committee. Remuneration Committee will also on duty of Nomination Committee.

he above mentioned board members are on duty as of report date.

Tolga SENYÜCEL who works as "Scania Brand General Manager" has resigned as of 01.04.2013 because of being appointed to Yüce Auto Motorlu Araçlar Ticaret A.Ş., subsidiary of Doğu Otomotiv, as general manager. Accordingly, vacant Scania-Krone-Meiller brands are configured together with Thermo King and Scania Marine Engines and İlhami EKSİN was appointed as general manager.

Because of İlhami EKSİN's management reshuffle, the vacant DOD brand management was connected to Anıl GÜRSOY, Seat and Porsche brands general manager.

After resignation of Beste TAŞAR serving as Investors Relations Manager, H. Müge YÜCEL was appointed to maintain the same task as Investor Relations Supervisor.

e. Changes in Affiliates and Subsidiaries:

Under the laws of Republic of Iraq, the installation process of "D-Auto Limited Liability Company" (Head office in Erbil, the entire capital -150.000.000.- Iraqi Dinar- owned by Doğu Otomotiv Servis ve Ticaret A.Ş.) has been completed. Public disclosure on the topic has been shared on 06.08.2013 via PDP.

The company has sold its 16,80% share in Tüvtürk İstanbul Taşıt Muayene İstasyonları İşletim A.Ş. which was running 13 inspection station in İstanbul together with its subsidiary Doğu Oto Pazarlama ve Tic. A.Ş. to jointly controlled entities on the basis of valuation reports, Tüvtürk Kuzey Taşıt Muayene İstasyonları Yapım ve İşletim A.Ş. and Tüvtürk Güney Taşıt Muayene İstasyonları Yapım ve İşletim A.Ş. As a result of selling shares the new shareholders of Tüvtürk İstanbul Taşıt Muayene İstasyonları İşletim A.Ş. became Tüvtürk Kuzey Taşıt Muayene İstasyonları Yapım ve İşletim A.Ş. and Tüvtürk Güney Taşıt Muayene İstasyonları Yapım ve İşletim A.Ş. but due to indirect shareholding (33,33%) the company is still a shareholder. Decision relating to the sale has been taken on Board of Directors meeting held on 02.09.2013 and transaction was completed on 06.09.2013.

3. RATING NOTE AND REASONS ON MAIN HEADINGS BASIS

It's seen that **DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş** has reached **91,67** points from **Shareholders** section.

Just like in the previous period, Shareholders Relations Dept. has fulfilled its tasks effectively, preparation and announcements relating to general meeting are timely and accurate and results are shared with public and there is no restriction on proxy voting.

General assembly was held on 29.03.2013 with calls 3 weeks prior. With studies on documents, it is understood that the meeting is held according to legislation. General assembly invitation, meeting minutes, list of attendants, voting method and proxy examples are published on the corporate website of the company. Some changes have been made on articles on last general assembly; the article's pervious and last form has been announced in the annex of the invitation, in disclosure document and on the website of the company to the examination of shareholders.

As 1527th article of Turkish Commercial Code No: 6102 has decreed electronic participation to general assembly, to make suggestions, comment and vote has the same conclusion of law with the physical participation and voting in joint stock companies, and also decreed that electronic participation to general assembly and voting is mandatory for BIST listed companies, General Assembly of the company was also held by electronic means. With the examination of general meeting minutes, it's understood that in electronic means 8.807.085 shares, in physical participation 166.413.303 shares have been attended to the general meeting.

At the end of 2012, the company had TL 307.062.000.- profit, after deducting legal reserves TL 246.798.768.-

distributable profit has been identified. After reserving TL 20.900.000.- as second legal reserves and TL 3.994.868.- as extraordinary legal reserves, gross TL 220.000.000.- net TL 187.000.000.- was decided to distribute to shareholders in cash as TL 49.359.754.- first dividend and TL 170.640.246.- second dividend. Accordingly TL 1.- nominal value share's dividend rate corresponded to 0,85%. Cash dividend payments are made on 30.04.2013 according to the profit distribution schedule approved in the general meeting.

The most important developments to increase the note in this section are;

- The general assembly held on 29.03.2013 has been made both on de facto and electronic means according to the participation practices to discuss 2012 activities.
- Amendment was made on Articles of Association on distribution of advance dividend to shareholders.
- Dividend advance amendment is stated in dividend policy.
- Revised Donation Policy of the company has been submitted to shareholders at the general assembly.
- General assembly was open to public.

The company reached to **90,00** points from **Public Disclosure and Transparency** Section.

DOĞUŞ OTOMOTİV realizes Public Disclosure operations via its Disclosure Policy prepared by the Board of Directors which is approved in the general assembly and disclosed to public. Company website is used as an effective platform on this subject and contains updated information. Annual reports prepared have complete and accurate details on company activities and disclosed to public.

The most important developments to increase the note in this section are;

- The company's corporate website contains committees' working essentials.
- The company's corporate website contains resumes of committee members.
- Content of the annual report has been enriched to cover many articles of the corporate governance principles.

The company reached **89,74** points on **Stakeholders** section.

DOĞUŞ OTOMOTİV not only has institutional traditions with human resources, suppliers and buyers, also revises the regulations and procedures often according to the needs of the day. Boards and committees formed under the leadership of top executives, senior managers and specialists, with the suggestion system developed for employees to participate in management. Ethical principles have been formed and Board of Directors precisely pursues the staff to comply with these principles. The company gains attention especially on corporate social responsibility projects and sensitivity public health studies.

DOĞUŞ OTOMOTİV reached **90,32** points on **Board of Directors** section.

By the strategic decisions taken, the Board manages and represents the company keeping the most appropriate level of the risk, growth and return balance with paying attention to company's long term interest in particular under a reasonable and prudent risk management perception.

Board of Directors have formed Corporate Governance Committee, Audit Committee, Early Detection of Risk Committee and Remuneration Committee (carries the responsibilities of Nomination Committee) to carry out the duties and responsibilities more healthily. There exists a detailed regulation that

systemize Board of Directors working principles. The responsibilities to fulfill their duties, prohibitions on competitive and trading with the company, adequate time allocation on company activities of the Board of Directors have been ruled in written. Board consists of 9 members and all of them are non-executives except one as of the day. The 3 non-executive members are non independent members. During 2013/1-2013/10 period it is determined that the Board of Directors had 10 and planned 2 more meetings. During the same period Corporate Governance Committee had 7 and Audit Committee had 7 meetings. Early Detection of Risk and Remuneration Committees have been separated to a new form from Corporate Governance Committee as of 2013/4 and again in the same period Early Detection of Risk Committee had 2, Remuneration Committee had 1 meeting. Corporate Governance, Early Detection of Risk, Remuneration and Audit Committees have 1 more planned meetings until the end of the year.

The most important developments to increase the note in this section are;

- The committees' effectiveness is increased and all their studies are written.
- Information on studies of the committees and meeting reports containing results are submitted to the board.
- Early Detection of Risk Committee has been restored as a separate structure from Corporate Governance Committee to improve efficiency.
- Remuneration Committee has been restored as a separate structure from Corporate Governance Committee to improve efficiency.
- Both on the basis of the Board of Directors and committees, as a result of studies made with an expert company, Board's performance evaluation is made via methodologies and methods established.

4. RATING METHODOLOGY

The Corporate Governance Compliance Rating is a system which audits whether or not the firm's management structures and management styles, the arrangements for shareholders and stakeholders and the process of informing in transparency and accuracy are performed in accordance with the modern corporate governance principles and which assigns a grade corresponding to the existing situation.

In 1999, the Economic Cooperation and Development Organization (OECD) approved at the Meeting of Ministers and published the Corporate Governance Principles, Since then, these principles have been regarded as international references for the decision - makers, investors, shareholders and companies throughout the world. In 2002, these principles were revised and accommodated to the present situation.

As for Turkey, the Capital Market Board (CMB) has undertaken the duties for the Corporate Governance. The CMB established the Corporate Governance Principles first in 2003, later in 2005, it revised and published the principles. The last revisal is done on Dec. 2011 and Feb. 2012 with Communiqué Serial: IV, No: 56 and Feb.2013 Serial: IV No: 63 respectively by the Board. The principles are grouped under four main headings namely: the Shareholders, Public Disclosure and Transparency, Stakeholders and the Board of Directors.

Besides the CMB, by the Directive on Bank's Corporate Governance Principles, promulgated in Official Gazette of 01.11.2006, No: 26333, the BRSA introduced the rules required to be complied with by Banks.

Kobirate International Credit Rating and Corporate Governance Services Inc (Kobirate Inc) achieves the Corporate Governance Compliance Rating by a system identically based on the Corporate Governance Principles of the Capital Market Board (CGPCMB).Through

this system, the firms are analyzed under four main headings of the Public Disclosure and Transparency, Shareholders, Stakeholders and the Board of Directors in accordance with the CGPCMB).

In this analysis, the full compliance of work flow and analysis technique with Kobirate A.Ş.'s Ethical Rules is considered.

In this analysis, 295 different criteria are considered to measure the compliance of firms whose shares are traded on BIST as second group with the corporate governance principles. Such criteria are translated into the Kobirate A.S.'s unique Corporate Governance Rating Questionnaire and the firms' and banks' responses to which are received electronically. The responses are analyzed and reexamined by the rating experts and analysts, reexamined and turned into a reported with results which is submitted to Kobirate Corporate Governance Rating Committee for final decision.

The grade to be assigned by the Corporate Governance Rating Committee to the firm ranges between 0-10. In this scale of grade, "10" points mean excellent, full compliance with CMB's Corporate Governance Principles while grade "0" means that there is unsatisfactory compliance with CMB's Corporate Governance Principles in the existing structure. On this context, in order to reach the total grade, the following rates as adopted from the Corporate Governance Principles of the Capital Market Board on 01.02.2013 date and 4/105 numbered meeting are applied;

- Shareholders %25
- Public Disclosure and Transparency %25
- Stakeholders %15
- Board of Directors %35

**5. KOBİRATE ULUSLARARASI KREDİ DERECELENDİRME VE
KURUMSAL YÖNETİM HİZMETLERİ A. Ş. CORPORATE GOVERNANCE
RATING GRADES AND DESCRIPTIONS**

GRADE	DEFINITIONS
9-10	The Company achieved a substantial compliance with to the Corporate Governance Principles issued by the Capital Market Board. Internal control systems are established and are operational. Any risks to which the Company might be exposed are recognised and controlled effectively. The rights of the shareholders are impartially taken care of. The level of public disclosure and transparency are high. Interests of the stakeholders are fairly considered. The structure and the working conditions of the Board of Directors are in full compliance with the Corporate Governance Principles. The Company is eligible for inclusion in the BIST corporate governance index.
7-8,9	The Company complied considerably with the Corporate Governance Principles issued by the Capital Market Board. Internal control systems are in place, and operational, although some improvements are required. Potential risks, which the Company may be exposed are identified and can be managed. Benefits of the shareholders are fairly taken care of. Public Disclosure and transparency are at high levels. Interests of the stakeholders are equitably considered. Composition and operational conditions of the Board comply with the Corporate Governance Principles. Some improvements are needed in compliance with the Corporate Governance Principles even though they do not constitute serious risks. The company is obviously eligible for inclusion in the BIST Corporate Governance Index.
6-6,9	The Company has moderately complied with the Corporate Governance Principles issued by the Capital Market Board. Internal Control systems at moderate level have been established, and operate, however, improvement is required. Potential risks that the Company may be exposed are identified and can be managed. The interest of the shareholders are taken care of although improvement is needed. Although public disclosure and transparency are taken care of, there is need for improvement. Benefits of the stakeholders are taken care of but improvement is needed. Some improvement is required in the structure and working conditions of the Board. Under these conditions, the Company is not eligible for inclusion in the BIST Corporate Governance Index.

GRADE	DEFINITIONS
4-5,9	<p>The Company has minimum compliance with the Corporate Governance Principles issued by the Capital Market Board. Internal control systems are in place at a minimum level, but are not true and efficient. Potential risks that the company is exposed to are not properly identified and are not under control. Substantial improvements are required to comply with the Corporate Governance Principles in terms of the benefits of both the shareholders and the stakeholders, public disclosure, transparency, the structure and working conditions of the Board. Under the current conditions, the Company is not eligible to be listed in the BIST Corporate Governance Index.</p>
< 4	<p>The Company has failed to comply with the Corporate Governance Principles issued by the Capital Market Board. It also failed to establish its internal control systems. Potential risks that the company might be exposed are not identified and cannot be managed. The company is not responsive to the Corporate Governance Principles at all levels. There are major weaknesses in the interest of the shareholders and the stakeholders, public disclosure, transparency, Structure and working conditions of the Board appears to be at a level that might cause the investor to incur material losses.</p>