



## ***Corporate Governance Compliance Rating Report***



*Vakıf B Tipi Menkul Kıymetler  
Yatırım Ortaklığı A.Ş.*

18 January 2013

Validity Period : 18.01.2013-18.01.2014

## **LIMITATIONS**

This Corporate Governance Rating Report issued by Kobirate International Credit Rating and Corporate Governance Services Inc (herein after called "KOBIRATE") for Vakıf B Tipi Menkul Kıymetler Yatırım Ortaklığı 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 communique on Dec.2011, Series:IV,No:56 and on Feb.2012, Series IV, No: 57, which are revised by the CMB.

The Rating Report issued by Kobirate International Credit Rating and Corporate Governance Services Inc 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 Firms, 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](http://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.

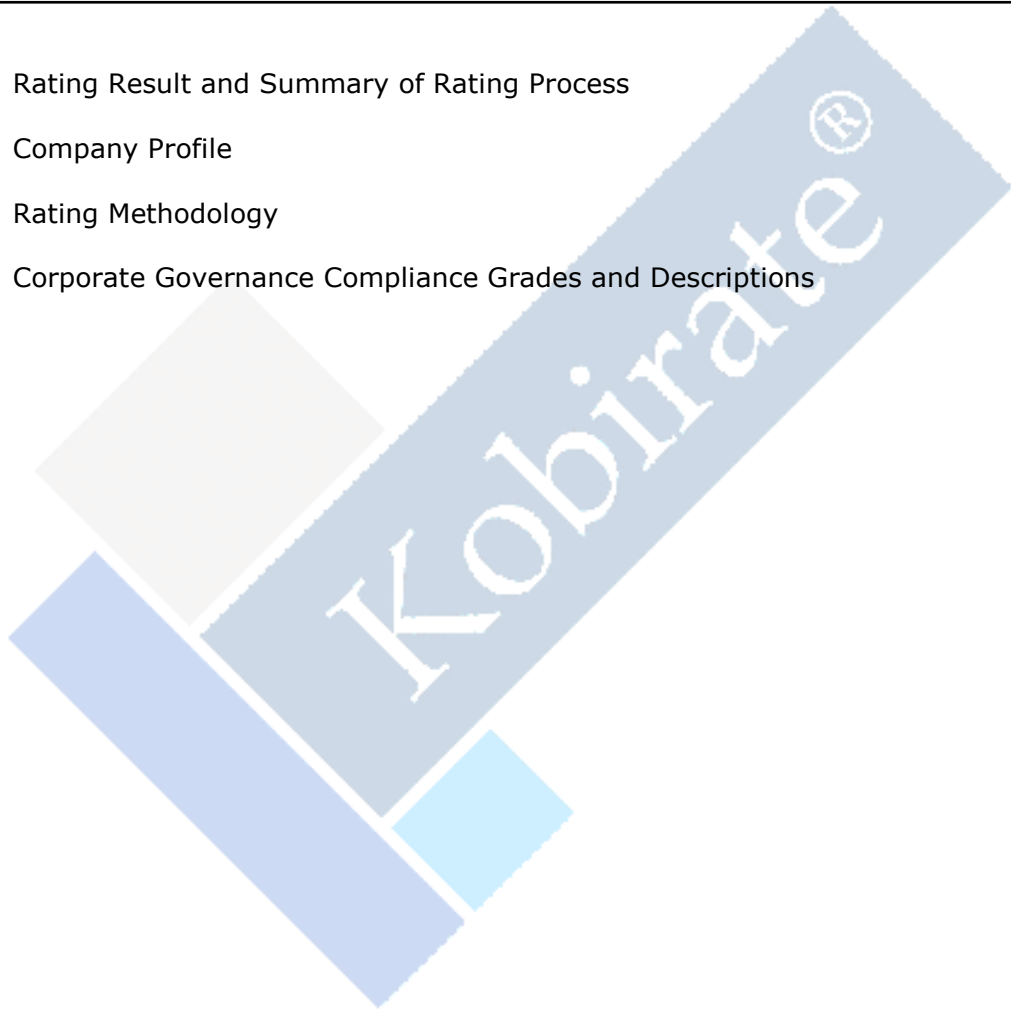
The rating grade does not constitute a recommendation to purchase, to hold or to dispose any kind of borrowing instrument. KOBIRATE may not be held liable for any losses incurred or investments made to the company referring to this report.

© All rights in this report belong to Kobirate International Credit Rating and Corporate Governance Services Inc. This report cannot be printed in writing and electronically, reproduced and distributed without our permission.

## TABLE OF CONTENT

---

1. Rating Result and Summary of Rating Process	3
2. Company Profile	5
3. Rating Methodology	9
4. Corporate Governance Compliance Grades and Descriptions	11



**VAKIF B TİPİ MENKUL KIYMETLER  
YATIRIM ORTAKLIĞI A.Ş.**

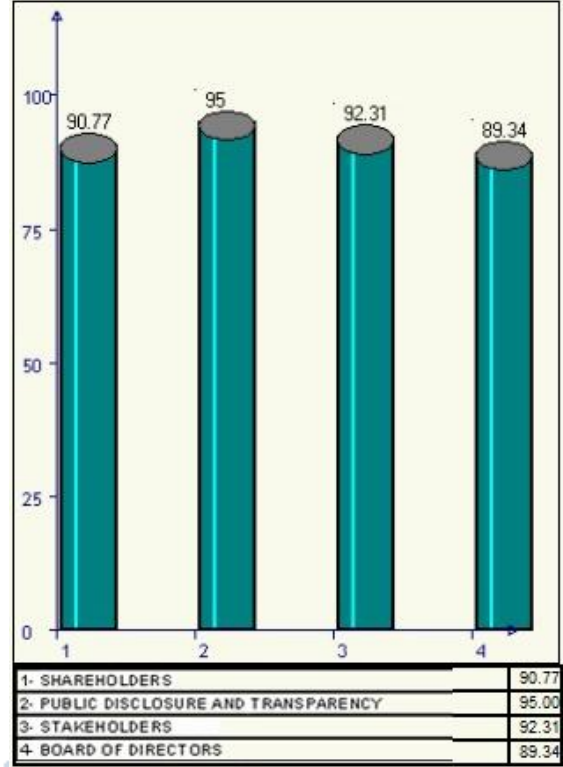
**CORPORATE GOVERNANCE  
PRINCIPLES COMPLIANCE GRADE**

**9.21**

**Kobirate A.Ş. Contact Name :**

Serap Çembertas (0216) 3305620 Pbx  
[serapcembertas@kobirate.com.tr](mailto:serapcembertas@kobirate.com.tr)

[www.kobirate.com.tr](http://www.kobirate.com.tr)



## 1. RATING RESULT AND SUMMARY OF RATING PROCESS

At the end of on site examinations of the documents, interviews held with executives and persons involved, and of other reviews, the process of rating of compliance of **VAKIF B TİPİ MENKUL KIYMETLER YATIRIM ORTAKLIĞI 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. Examinations were based on the modifications made on the Capital Market Board's Corporate Governance Principles by the Communiqué Series IV, No:56 in December 2011 and revised regulations.

At the end of examination of 286 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., developed for "Third Group Companies of the ISE/Investment Partnership" the Corporate Governance Compliance Rating Grade of **VAKIF B TİPİ MENKUL KIYMETLER YATIRIM ORTAKLIĞI A.Ş.** is determined as **9,21**. This result signifies that the company has achieved a high level compliance with the CMB's Corporate Governance Principles which expresses that they had developed internal control systems which are in hand, determined and actively controlled all the risks that may occur. It is observed that shareholders' and stakeholders' rights are fairly regarded, public disclosure and transparency operations are at high level, structure and working conditions of the Board of Directors are considerably complied with corporate governance principles. The company deserves to be included in the

ISE Corporate Governance Index at the highest level.

In view of rating process under main headings in brief;

It is observed that **VAKIF B TİPİ MENKUL KIYMETLER YATIRIM ORTAKLIĞI** has obtained a grade of **90,77** in respect of Shareholders' Section.

In this section, it is confirmed that the company in general has achieved a very good level of compliance with the CMB Corporate Governance Principles. The salient positive achievements are; the existence of Shareholders Relation Department, properly held general assemblies including its invitation, income appropriation policy being submitted to the approval of general assembly, the absence of privilege right and no restriction being in transfer of shares . It has been observed that relevant items required to be complied with the CMB Communiqué Series:IV, No. 56 have been respected and necessary amendments are made to the Articles at the general assembly held on March 28, 2012.

It has been appreciated that the company gained **95,00** for Public Disclosure and Transparency has developed its disclosure policy and submitted to the approval at the general assembly and shared with public, have access to several current data on the Internet website, which are specified in the principles and might be needed by the investors and prepared a quite extensive annual report.

It's observed that the company reached the grade of **92,31** for the Stakeholders' Section.

The Company has achieved considerable compliance with the CMB's Corporate Governance Principles in respect to this section. Human resources policy has been developed, recruitment, job discription, performance appraisal, promotion, awarding, dicipline, leave and social benefits has been set forth by

means of regulations and disclosed to the employees..

Business processes and standarts are established. Ethical Codes that all the employees have to obey have been set forth and necessary information has been given to behave accordingly.

As for the Board of Directors Section, it is found that the Company's grade amounts to **89,34** representing a very good compliance with the CMB's Corporate Governance Principles.

It is confirmed that the Board has set company's strategic targets, audited the management performance of the company management, attention is paid to the company affairs to be in compliance with the legislation, the Articles and internal regulations.

The posts of Chairman of the Board and Chief Executive Officer are held by different individuals. Each of their authoroties are provided in the Articles.

The Board of Directors convenes regularly and meeting processes have been determined both in the articles and internal regulations.

It has been observed that the Audit and Corporate Governance Committees referred to in the Principles have been formed, whose working principles appear in written documents. Also it has been observed that professionals took place in Committees formed within the Board and that committees are operating actively. Board of Directors and Committees working principles are both disclosed in the corporate website.

On the other hand, it appears as important indications of compliance with the Principles such as the Board comprises adequate non-executives members as well as independent members, guidelines for remuneration of Board Members and top executives are set forth and have been presented to the attention of the shareholders at the general meeting as a separate item.

## 2. COMPANY PROFILE



**Name of the Company** : Vakıf B Tipi Menkul Kıymetler Yatırım Ortaklığı A.Ş.  
**Company Address** : Ebulula Mardin Caddesi Park Maya Sitesi F2/A Blok Levent  
İstanbul  
**Company Telephone** : (0212) 3523560 (8 Lines)  
**Company Facsimile** : (0212) 3523559  
**Company Web Site** : [www.vakifyatirimortakligi.com.tr](http://www.vakifyatirimortakligi.com.tr)  
**Company E-Mail Address** : [vyort@tr.net](mailto:vyort@tr.net)

**Time of Incorporation** : 13.06.1991  
**Trade Registry Number** : 275459-2230741  
**Scope of Business** : To manage portfolio of capital market instruments  
**Company's Sector** : Securities Investment Company

### **Company Representative for Rating:**

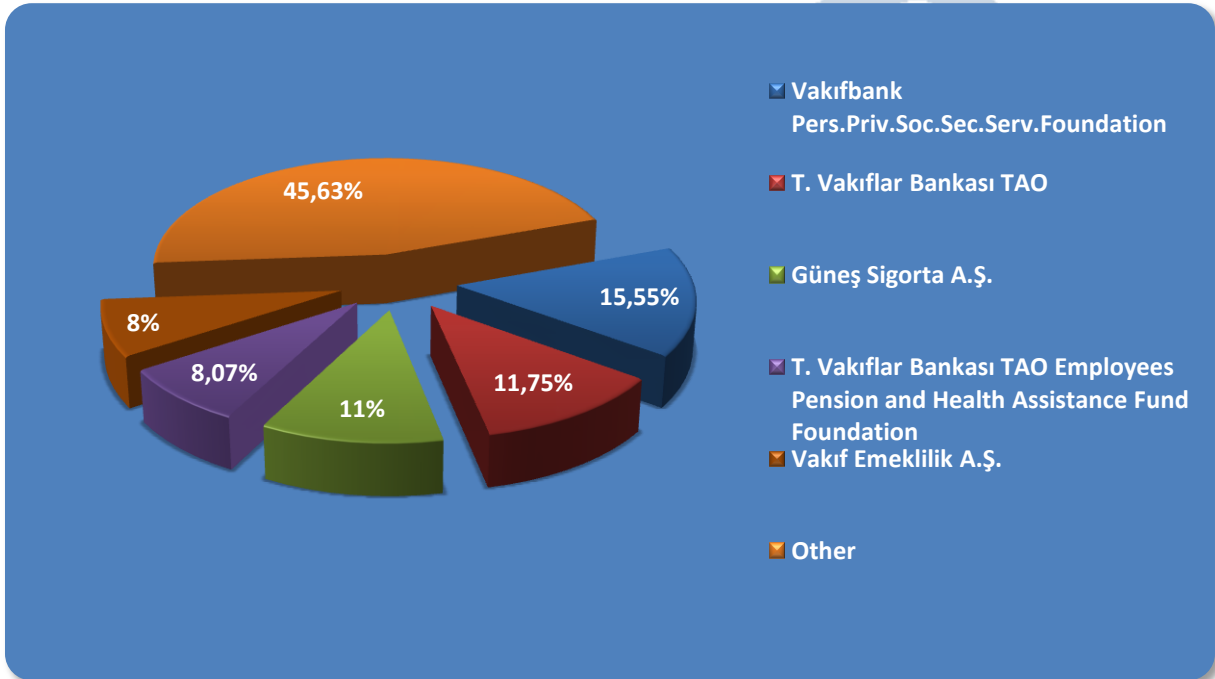
A. Sunay Gürsu  
Head of Shareholders Relations Department

**Shareholders Structure (as of report date)**

Name of Shareholder	Shared Capital TL	Share %
Vakıfbank Pers.Priv.Soc.Sec.Serv.Foundation	2.332.476,40	15,55 %
T. Vakıflar Bankası TAO	1.763.098,40	11,75%
Güneş Sigorta A.Ş.	1.649.999,90	11,00%
T. Vakıflar Bankası TAO Employees Pension and Health Assistance Fund Foundation	1.210.487,74	8,07%
Vakıf Emeklilik A.Ş.	1.199.990,96	8,00%
Other	6.843.946,60	45,63%
TOTAL	15.000.000,00	100,00%

Source : [www.kap.gov.tr](http://www.kap.gov.tr)

**Shareholding Profile of the Company (as of report date)**



**Board of Directors**

Name/Surname	Title
Ramazan Gündüz	Chairman
Ali Fuat Taşkesenlioğlu	Deputy Manager
Serhad Satoğlu	Member / General Manager
Rıfki Durgun	Independent Member
Yahya Bayraktar	Independent Member

Source : [www.kap.gov.tr](http://www.kap.gov.tr)

The firm operates in the field of Securities Investment business. It is traded in the ISE's Corporate Governance Index since 2009.

**Balance Sheet Comparison of Company's Selected Items as of Third Quarters of the Last Two Years**

	2011/09	2012/09	Change( % )
Current Assets	14.424.393	14.426.085	0,0001
Fixed Assets	94.069	71.217	-24,29
Total Assets	14.518.462	14.497.302	-0,001
Short Term Liabilities	171.648	230.849	34,49
Long Term Liabilities	65.640	73.762	12,37
Equity Capital	14.281.174	14.192.691	-0,006

Source : www.kap.gov.tr

**Comparison of Certain Items in Company's Income Statement as of Third Quarters of the Last Two Years**

	2011/09	2012/09	Change( % )
Sales Revenues	49.383.337	39.035.881	-20,95
Cost of Sales (-)	(49.479.914)	(37.968.783)	-23,26
Gross Main Operating P/L	(113.237)	1.592.841	1.506,64
Operations Profit/Loss	(1.220.448)	449.563	136,83
Pre Tax Profit/Loss	(1.221.506)	445.761	136,49
Net Profit/Loss for the Period	(1.225.637)	445.761	136,36

Source: www.kap.gov.tr

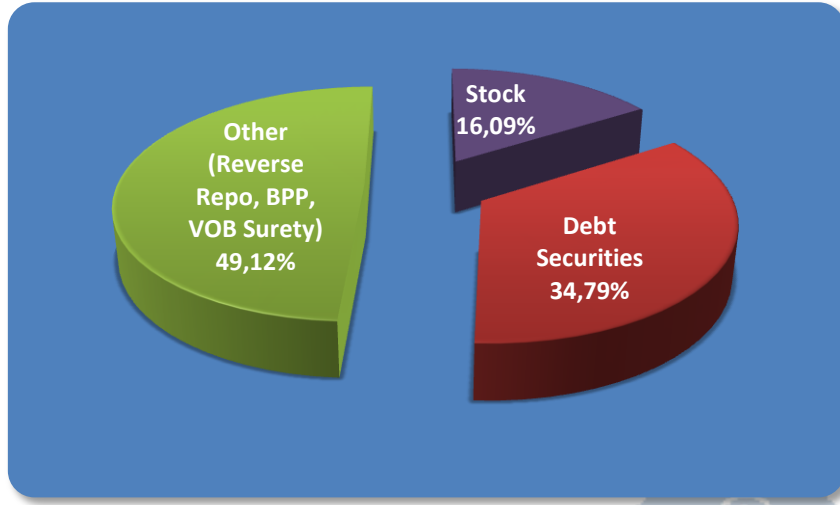
**The Closing Peak and Bottom Values of Company Shares in ISE during Last Year Day Ends**

Bottom	Peak
<b>0,91</b> (10.01.2012)	<b>1,77</b> (22.03.2012)

Source: Vakıf B Tipi Menkul Kıymetler Yatırım Ortaklığı A.Ş.



**Distribution of the Company's Portfolio as of 14.01.2013**



Source: [www.kap.gov.tr](http://www.kap.gov.tr)



### 3. THE 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 revision is done on Dec. 2011 and Feb. 2012 with Communiqué Serial: IV, No: 56 and Serial: IV No: 57 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 (SPKKYI - 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).

Kobirate achieves the Corporate Governance Rating of the Banks by a system based on CGPCMB as well as on the BRSA's Regulations Relating to Corporate Governance Principles for Banks. In this analysis, the full compliance of work flow and analysis technique with Kobirate Inc's Ethical Rules is considered.

In this analysis, 286 different criteria are considered to measure the compliance of firms whose shares are traded on ISE 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 are applied;

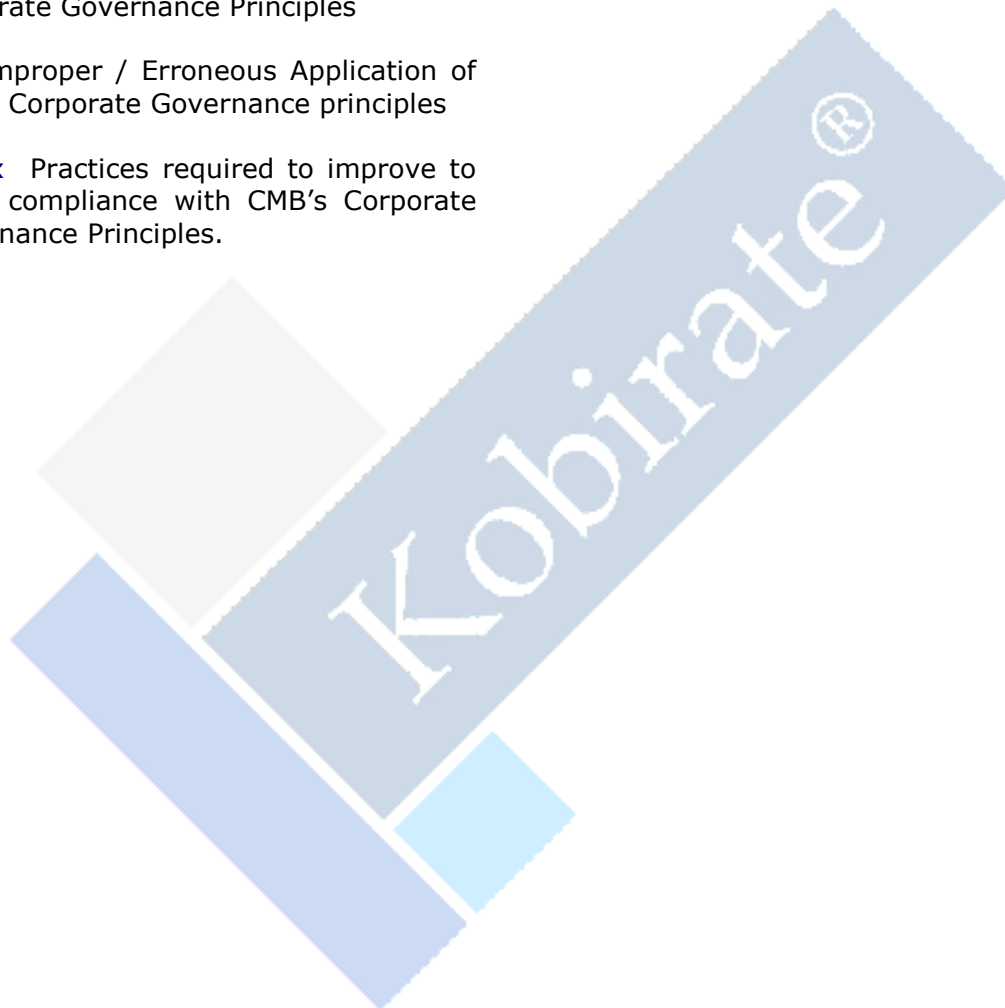
- Shareholders 25%
- Public Disclosure and Transparency 35%
- Stakeholders 15%
- Board of Directors 25%.

In this report the following legends have the following meanings:

✓ Due / Correct Application of CMB's Corporate Governance Principles

✗ Improper / Erroneous Application of CMB's Corporate Governance principles

✓ / ✗ Practices required to improve to be in compliance with CMB's Corporate Governance Principles.



**4. KOBIRATE ULUSLARARASI KREDİ DERCELENDİRME VE KURUMSAL YÖNETİM HİZMETLERİ A.Ş. CORPORATE GOVERNANCE RATING GRADES AND DESCRIPTIONS**

<b>GRADE</b>	<b>DESCRIPTION</b>
<b>9-10</b>	The Company has achieved a substantial compliance with the Corporate Governance Principles issued by the Capital Market Board. Internal control systems are established and operate. Any risks to which the Company might be exposed are recognized and controlled effectively. The rights of the shareholders are equitably considered. Disclosure and transparency are at high level. Interests of the stakeholders are fairly considered. The composition and conduct conditions of the Board of Directors are in full compliance with the Corporate Governance Principles. The Company is eligible for inclusion in the ISE corporate governance index.
<b>7-8,9</b>	The Company has complied considerably with the Corporate Governance Principles issued by the Capital Market Board. Internal control systems are established, and operate despite need for some improvements. Any risks to which the Company might be exposed are rather identified which are under control. Benefits of the shareholders are fairly considered. Disclosure and transparency are at high level. 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 pose serious risks. The company is obviously eligible for inclusion in the ISE corporate governance index.
<b>6-6,9</b>	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. Risks to which the Company might be exposed are recognized and controllable. The interests of the shareholders are considered though need for improvement. Although disclosure and transparency are considered, there is need for improvement. It requires improving the benefits of stakeholders being considered. Some improvement is required in composition and function conditions of the Board. Under these conditions, the Company is eligible for inclusion in the ISE Corporate Governance index.

GRADE	DESCRIPTION
<p style="text-align: center;"><b>4-5,9</b></p>	<p>The Company has ensured a minimum compliance with the Corporate Governance Principles issued by the Capital Market Board. Internal control systems of minimum level are established, however, they are not complete and effective. Any Risks that might arise against the company have not been properly identified and are not under control yet. Concrete improvements are required in compliance with the Corporate Governance Principles in terms of the interests of the shareholders and the stakeholders, disclosure, transparency, the composition and operating conditions of the Board. Under the foregoing conditions, the Company is ineligible for incorporation in the ISE Corporate governance index.</p>
<p style="text-align: center;"><b>&lt; 4</b></p>	<p>The Company has failed to comply with the Corporate Governance Principles issued by the Capital Market Board. It also has failed to establish its internal control systems. Any risks to which the company might be exposed could not have been recognized, which risks can not be managed. The company is indifferent to the Corporate Governance Principles at every level. Major weaknesses are suffered in respect of interest of both the shareholders and the stakeholders, Public Disclosure, Transparency and Composition and operation conditions of the Board and appears at a level that might cause the investor to incur material losses.</p>