

Turnover increase 99,63%
10% Increase of the Shareholders' Equity & 150% Gross Margin
475% Increase of Net Operational Profit
The rate of financing of the assets by the shareholders' equity 73%
47.417 DMT sale
Revenue TRY 80.040.685

Now it is time for the figures to speak...



PARK ELEKTRİK

2007 ANNUAL REPORT

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2007 ANNUAL REPORT

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MESSAGE FROM THE CHAIRWOMAN

Distinguished Shareholders,

Looking back at 2007, it is considered to be a year in which it is highly debated - in many economy related publications - whether or not the growth trend which has been steady for the last five years would continue on; it has also been a year, in which the economic model of lower inflation and higher growth has been maintained through the implementation of a financial discipline while domestic political events such as general elections and election of the President as well as discussions on constitutional amendments have affected the scene.



In 2007, our Company kept its promises, made to you in the previous years, and progressed with a successful performance.

As we emphasized in our annual report for the year 2006, the mining sector is a field which requires long term investments, however would have high potential of income yielding and profit bearing after completion of its investments.

Pursuant to this scope, concentrate copper production - launched by our Company in the second half of the year 2006 - and capacity utilization rate - increased in 2007 -increased our turnover to TRY 80 million by 100% compared to the last year. Our gross profit margin was 59% and net profitability for the period was 25% in 2007.

Our Company, being a leader in the sector thanks to its specialization and vision, filed an application with the Energy Market Regulatory Board for license with regard to construction of hydroelectric power plant of 50.5 MW installed capacity in the Basin of Diyarbakır, Province of Siirt, District of Şirvan/Tarihler and for generation of electricity in this facility in order to act also in the energy field beside its concentrate copper production in the mining field in 2007.

Analyst meetings, which we organized with intermediary institutions within the framework of the Corporate Governance practices, continued also in 2007; furthermore, our web-site, which is of great importance for us and considered to be an information-sharing medium for our shareholders, was actually used.

Not to be indifferent to ambiguities arisen in the world economy and with our belief that the economy management would make necessary steps, if required; I look forward to 2008 with hope and courage by considering the significance of the mining and energy sectors where our Company is active, for the Turkish economy; and I believe in our country; and I am of the opinion that honest and efficient efforts as well as exact investment decisions would steer our country towards more profitable levels; our increasing productivity would meet expectations of our investors in 2008; and our contribution to the country's economy would increase; and I greet you all with due honor.



Nalan ERKARAKAŞ
Chairwoman of the
Board of Directors

BOARD RESOLUTION ON THE APPROVAL OF THE ANNUAL REPORT

Date: 2008/9

Number: March 12, 2008

Subject: Annual Report

Attendants: Nalan ERKARAKAŞ, Ali Coşkun DUYAK, İnanç ŞENEL, Süleyman UYAN, Orhan YÜKSEL, Biltekin ÖZDEMİR, Ferzan ÇİTİCİ, Fercan AYKUTLU, Mustafa UÇURUM

The Board of Directors of Park Elektrik Madencilik Sanayi ve Ticaret A.Ş., registered with İstanbul Trade Registry under the registration number 312858-260440 has convened on March 12, 2008 Wednesday at 12.00 a.m. and resolved unanimously on the following items upon recommendations of the audit committee and corporate governance committee.

1- Acceptance of the annual report for the year 2007, submitted for ratification by our Board of Directors and submittal of the same for information of the shareholders.



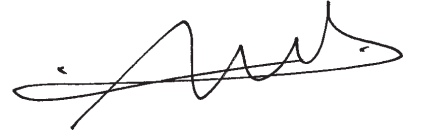
NALAN ERKARAKAŞ

Chairman of the Board of Directors



ALI COŞKUN DUYAK

Vice Chairman of the Board of Directors



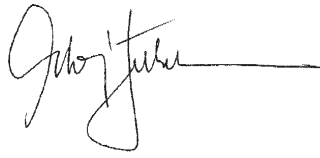
İNANÇ ŞENEL

Member of the Board of Directors



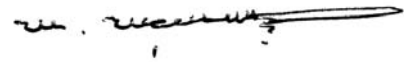
SÜLEYMAN UYAN

Executive Board Member



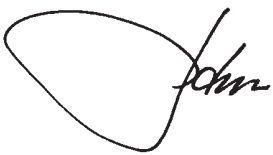
ORHAN YÜKSEL

Board Member



MUSTAFA UÇURUM

Board Member



BİLTEKİN ÖZDEMİR

Board Member



FERZAN ÇİTİCİ

Board Member



FERCAN AYKUTLU

Board Member



The rate of financing of the assets by the shareholders' equity

73%

BRIEF HISTORY

Park Elektrik Madencilik Sanayi ve Ticaret A.Ş. was incorporated on March 18, 1994 in order to conduct activities in the textile sector. The Company offered to public its shares representing 29.16% of the capital in 1997.

Due to the crisis in the textile sector, the subject of activity of the Company was expanded on June 2, 2000 so as to enable the Company to operate in the new fields of activity, particularly in the fields of energy and mining. The Company started to extract and wash coal in the coal zone of Ankara Çayırhan Thermal Power Plant as subcontractor as of July 2000. Afterwards, the Company completely left the textile sector and changed its commercial title into Park Elektrik Madencilik Sanayi ve Ticaret A.Ş. as of August 22, 2000. The Company ended its activities of extracting and washing coal, as a subcontractor in 2006. In the same year, the Company started production in the

copper mine in Siirt Madenköy. On the other hand, while the Company was carrying out its feasibility studies relating to its licenses for aluminum research in Gaziantep Islahiye, it applied to the Ministry of Energy and Natural Resources to obtain operation license for the relevant lands at the end of 2007.

The Company made an investment of TRY 49 million for copper concentration, which it started to produce in 2006.

Increase of the
Shareholders' Equity

10%

Increase of
Net Operational Profit

475%



PRODUCTS

Copper

A copper enterprise located in Siirt-Madenköy launched production in the second half of the year 2006. Pit-run ore production is made by caving system. After the copper ore undergoes the breaking and grinding processes, it is transformed into copper-contented concentration of 20-24% by the process of flotation and is sold in this form then. Approximately four hundred persons are employed by this enterprise.

Gross margin

59%





Revenue
TRY **80.040.685**

MISSION, VISION AND VALUES

Our Company aims to create value for the Turkish Mining and Energy Sector by exploring, improving and converting the natural resources. In that respect, the mission, vision and values of our Company are summarized below.

Mission

- To pursue developments in world mining sector and to apply them to Company's operations,
- To make each effort to reach ever better working conditions,
- To increase productivity by motivating employees,
- To construct secure working sites at low cost,
- To make use of scarce resources in an effective and efficient manner, to prevent possible losses.

Vision

Uprising the Company as leader among the other companies operating in the same sector both in the country and abroad, providing the growth with a track record of high quality, reflecting the effective and balanced growth to every activity of the Company, investing in appropriate areas, enabling maximum profit for the investors by trying to get the highest efficiency through minimum cost.

Values

- Honesty - The Company abides on its promises.
- Security and Environment - The security of our employees and the protection of the environment during our activities are ensured in maximum.
- Appreciation - We appreciate our employees and treat them frankly and honestly. We give importance to teamwork and safe working environment.
- Dividend - We seek the maximum profit for our shareholders from our Company's activities.
- Technology - We enable the practice of high technology in our activities by following the high technology and improvements throughout the world.
- Motivation - We provide a motivating working environment by being aware that this will increase the productivity.





47.417
DMT sale



BOARD OF DIRECTORS

Chairwoman	Nalan ERKARAKAŞ
Vice Chairman	Ali Coşkun DUYAK
Executive Member	Süleyman UYAN
Member	Fercan AYKUTLU
Member	Mustafa UÇURUM
Member	Biltekin ÖZDEMİR
Member	Ferzan ÇİTİCİ
Member	İnanç ŞENEL
Member	Orhan YÜKSEL

Authorities

Chairwoman, Vice Chairman as well as Members of the Board of Directors are all empowered with the authorities set forth in the relevant articles of the Turkish Commercial Code and Article 8 of the Articles of Association.

Term for Office

3 Years

Nalan ERKARAKAŞ

Mrs. Erkarakaş, firstly started to work as specialist in the Capital Market Board in 1983, served as senior officer and member of the board of directors in various banks and intermediary institutions in 1991-2001 and has been serving as the President of the Capital Markets Group in Park Holding A.Ş. since 2002 up to date. Mrs. Erkarakaş was found eligible by Young Businessmen Association of Turkey for the award of "Manager of the Year" in 1997. Erkarakaş additionally captured the award of "Successful Businesswoman of the Year" granted by Dünya Newspaper in 2000. Erkarakaş, the articles of whom were published in various newspapers and periodicals in the fields of capital markets and finance, is also member of the organizations such as TÜGLAD (Young Businessmen Association of Turkey), TKYD (Corporate Governance Association of Turkey), KOTEDER (Association of Stock Exchange Quotation Partnership Managers) and Graduates of Faculty of Political Sciences of Ankara University.

Ali Coşkun DUYAK

Mr. Duyak firstly started to work in the Engineering Department of PARSAN A.Ş. in 1988 and then served as Project Coordinator in YAZEKS A.Ş. in 1993-1997. Duyak, served as Assistant General Manager in Park Elektrik in 1997-2002, at the same time served as the vice chairman and member of the Board of Directors in Ciner Group Companies since then. Ali Coşkun Duyak is still the General Manager of Ceytaş Madencilik.

Süleyman UYAN

Mr. Uyan firstly started to work in the field of investment banking and served as Investment Banking Coordinator in Kentbank, Assistant General Manager in Kent Yatırım, Member of the Board of Directors in Kent Portföy Yönetimi, General Manager and Executive Member of the Board of Directors of Riva Menkul Değerler since 1996. Süleyman UYAN is active in the executive management of Ciner Group Companies since 2002. Süleyman UYAN is a member of Corporate Governance Association of Turkey.

İnanç ŞENEL

Mr. Şenel firstly started to work in Koç Group and worked in Koçbank and Koç Yatırım in 1994-1998, Koç Holding in 1998-2002. He has been serving as Finance Director and has been a member of the Board of Directors in Ciner Group Companies since 2002.

Biltekin ÖZDEMİR

Mr. Özdemir firstly started to work as Finance Inspector in 1962 and served as senior staff in various public institutions and organizations. Özdemir, being Samsun deputy between 1995 and 1999, was appointed to be Chairman of the Plan Budget Commission of the Turkish Grand National Assembly in the same years. Then, he was appointed to be the Vice Chairman of the Banking Regulatory and Supervisory Agency. He has been independent member of the Boards of Directors of Ciner Group Companies since 2004.

Ferzan ÇİTİCİ

Ferzan Çitici worked in various judicial levels for long years. Then, he was appointed to be Istanbul-Sarıyer Chief Prosecutor in 1989-1994, then Istanbul Şişli Chief Prosecutor in 1994-1996 and lastly Istanbul Chief Public Prosecutor in 1996-2003 and afterwards he retired. Mr. Çitici still serves as independent member of the boards of directors of Ciner Group Companies.

Orhan YÜKSEL

Mr. Yüksel, being a graduate of the Department of Business Administration of Faculty of Administrative Sciences of Marmara University, has worked in several companies in the private sector since 1978. Mr. Yüksel has served as Chief Financial Officer in Ciner Group since 1994 and at the same time he is the Member of the Board of Directors in Ciner Group Companies.

Fercan AYKUTLU

Fercan Aykutlu was born in Izmir in 1963. He graduated from Izmir Karşıyaka High School in 1981 and Faculty of Political Science of Ankara University in 1987. Mr. Aykutlu, within the same year, passed the entrance examination and was appointed to be Account Specialist Assistant and later passed the proficiency test and was appointed to be Account Specialist in 1991. Mr. Aykutlu carries out studies and examinations on vocational matters in England in 1996-1997. He became Head Account Specialist in 1998. Mr. Aykutlu, having completed studies and published books on "Foreign Trade and Capital Companies", has numerous published articles on vocational subjects. In 2001, he left the Board of Account Specialists and joined Park Holding and he has been involved in management of the Central Group of Companies since July 2002.

Mustafa UÇURUM

Born in Ankara in 1952. Mr. Uçurum, graduated from the mining engineering of Hacettepe University in 1976, served as engineer, chief engineer, chairman of the Technology Chamber and manager of Ore Enrichment Laboratory in MTA in 1976-1997. Mr. Uçurum, joined Park Group in 1998, acts as Prospecting Operations Group Coordinatorship.

BOARD OF AUDITORS

Authorities

As per Article 10 of the Articles of Association, duties, authorities and responsibilities of the Auditors are within the frame of the principles set forth in the relevant articles of the Turkish Commercial Code.

Hakkı GÜLTEKİN

Hakkı Gültekin, a graduate of Department of Economics and Finance of the Faculty of Political Sciences, served as Chief Account Specialist in the Board of Account Specialists of the Ministry of Finance of the Republic of Turkey in 1982-1997. Gültekin, being Certified Public Accountant since 1997, is still serving as auditor in Ciner Group.

Term for Office

1 Year



ORDINARY GENERAL ASSEMBLY MEETING FOR THE YEAR 2007 OF PARK ELEKTRİK MADENCİLİK SANAYİ VE TİCARET A.Ş.

AGENDA:

- 1- Opening and Organization of the Presidential Board,
- 2- Authorization of the Presidential Board for execution of the General Assembly Meeting Minutes,
- 3- Presentation to the Shareholders at General Assembly for ratification of appointment of Orhan Yüksel to the vacant Board of Directors membership of Ömer Yenel within the year according to Article 315 of the Turkish Commercial Code,
- 4- Reading, discussing and ratifying the Activity Reports of the Board of Directors and reports of the Board of Auditors with respect to the activities for the year 2007,5- Reading, analyzing and ratifying the Balance Sheet and Profit/Loss Statements for the year 2007,
- 6- Discharge by the General Assembly of the members of the Board of Directors and Board of Auditors from the activities of the year 2007,
- 7- Notification to the General Assembly of donations and aids made in 2007,
- 8- Presentation to the General Assembly for ratification of the matters of;
 - Addition of TRY 3,840,000 to the share capital and distribution of the same as the initial dividend by issuing bonus shares;
 - Setting aside TRY144,000 as the second legal reserve,
 - Transfer of the balance TRY 14,881,520.12 to the extraordinary legal reserve;out of the distributable profit of TRY 18,865,520.12 remained after initial legal reserve of TRY 920.851.88 had been set aside out of TRY 19,786,372, being the net profit for the period, set forth in the financial tables issued for the year 2007 as per the Capital Market Law
- 9- Election of the new members of the Board of Directors and determination of their terms of office,
- 10- Election of the new members of the Board of Auditors and determination of their terms of office,
- 11- Determination of remuneration of the members of the Board of Directors and Board of Auditors,
- 12- Submission of the Company's Dividend Distribution Policies adopted by the Board of Directors for the information of the General Assembly within the frame of the Corporate Governance Principles and Letter dated 27.01.2006 of the Capital Market Board.
- 13- Resolution by the General Assembly on enabling the Members of the Board of Directors to enter transactions and compete with the Company as set forth in Articles 334 and 335 of the Turkish Commercial Code.
- 14- Wishes and Closing.

1. Documents relating to General Assembly including Activity Report of the Company, financial statements, articles of association, General Assembly informatory document, Agenda of Ordinary General Assembly and Form of Proxy for Ordinary General Assembly were made available for review of the Shareholders as of the date of announcement. Relevant documents may be accessed at the Headquarters and on the website (www.parkelektrik.com.tr) of the Company.
2. Total number of shares is 4,800,000,000.- Number of Class A Shares is 600,000,000.-; number of Class B Shares is 4,200,000,000.
3. Operation of the General Assembly:
 - a. Entire of the shareholders would have one vote for each share. The shares are composed of two categories: Class A and Class B
 - b. A new member was appointed to the vacant Board of Directors membership in the year as per Article 315 of the Turkish Commercial Code and this appointment shall be submitted to the shareholders at the General Assembly for ratification.
4. Rights of the Shareholders at the General Assembly:
 - a. Shareholders are entitled to vote in proxy. There is no limitation relating to the number of votes, which the shareholders might cast at the General Assembly meeting. The form of proxy relating to voting in proxy may be accessed at the Headquarters or on the website (<http://www.parkelektrik.com.tr/en/voyform.htm>) of the Company.
 - b. Recommendations made by the shareholders holding shares representing at least one twentieth (1/20) of the Company Capital are taken into consideration by the Board of Directors in case they apply before issuance of the agenda of the General Assembly (Article 11 of the Articles of Association).
 - c. Call for the meetings is subject to the provisions of Article 355, 365, 366 and (368) of the Turkish Commercial Code, relevant provisions of the capital market laws and regulations as well as Communiqué regarding Corporate Governance Principles issued by the Capital Market Board. According to Article 11 amended by Law No. 4487 of the Capital Market Law, minority rights shall be exercised by the shareholders representing at least one twentieth (1/20) of the paid-up capital (Article 11 of the Articles of Association).
 - d. Each shareholder may individually request from the General Assembly to appoint independent auditor for specific examination and clarification of a material event. In case of rejection of such request, shareholders holding at least one twentieth (1/20) of the Capital may apply to the Court for appointment of an independent auditor for examination and clarification of the relevant event (Article 12 of the Articles of Association).

ANNUL REPORT FOR THE YEAR 2007 OF PARK ELEKTRİK MADENCİLİK SANAYİ VE TİCARET A.Ş.

I. INTRODUCTION

1. Period of the Report

01.01.2007 - 31.12.2007

2. Commercial Title of the Company

Park Elektrik Madencilik Sanayi ve Ticaret Anonim Şirketi

3. Amendments to the Articles of Association within the Relevant Period

- No amendment was made to Articles of Association of the Company within the relevant period.
- No penalty was given to the Company for implementations contrary to the provisions of the laws and regulations within the relevant period.

4. Capital, Dividend Rates, Shareholding Structure

- Registered Capital: TRY 60,000,000
- Issued Capital: TRY 48,000,000

- Changes in the Capital Structure - No change in the capital structure within the relevant period.
- Changes in the Shareholding Structure - Shareholding structure were changed within the relevant period as follows:

Shareholding Structure	31/12/2006 Share Rate	31/12/2007 Share Rate
Park Holding A.Ş.	43.94%	43.94%
Park Enerji Ekip. Mad. San. ve Tic. A.Ş.	24.50%	24.50%
Others	31.56%	31.56%
Total	100.00%	100.00%

5. Istanbul Stock Exchange (ISE) and Park Elektrik in 2007

The ISE-100 Index, which started the year 2007 at 39,114, followed a rising trend and reached its highest level of 58,231 within the year; however, it followed a falling trend due to adverse effect of the subprime mortgage crisis in the United States of America on the world markets. Then, it closed the year at the level of 55,538

Lowest price of Park Elektrik A.Ş. shares within the year was TRY 4,45, while its highest price was TRY 6.45.

Total trade volume realized in ISE in 2007 was TRY 1,138,887,323. Transaction volume in terms of number of shares realized was TRY 199,857,918

6. Dividend Rates of the Last Three Years

No dividend was distributed in the years 2005 and 2006. In 2007, dividend of TRY 6,240,000 was distributed; the gross rate is 13% and net is 11.05%.

7. Issued Securities

None.

8. Rating of a Rating Agency

There is no rating issued for our Company by any rating agency.

9. There has been no material action filed against our Company. Our Company has not been exposed to any warning, notice or administrative fine by the public authorities.

10. There has been no conflict of interest between the Company and institutions and organizations, which offered services on the matters such as investment consultation, investment analysis and rating.

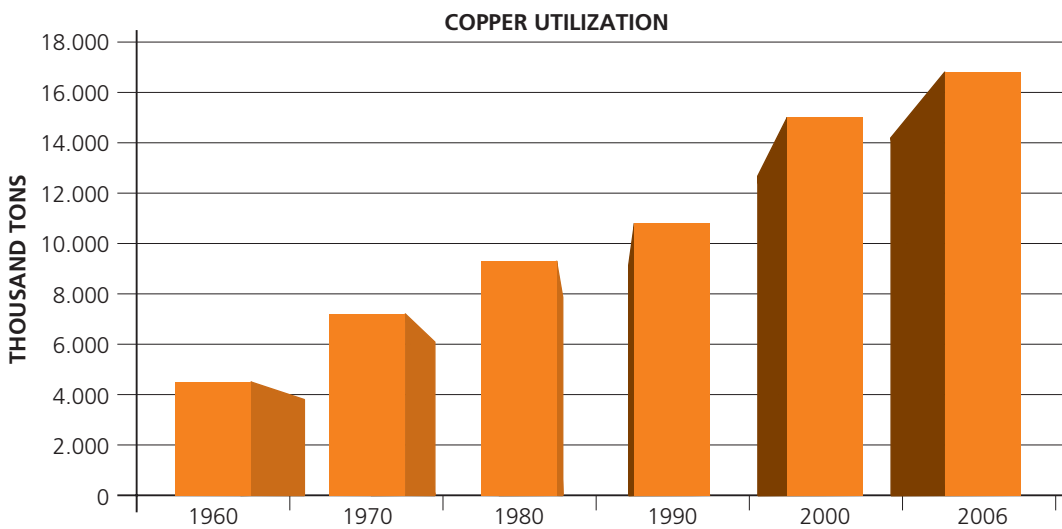
II. SECTORS IN WHICH THE COMPANY IS ACTIVE AND SHARE OF THE COMPANY IN THE RELEVANT SECTOR

Global Copper Sector and Share of Park Elektrik in this Sector:

COPPER

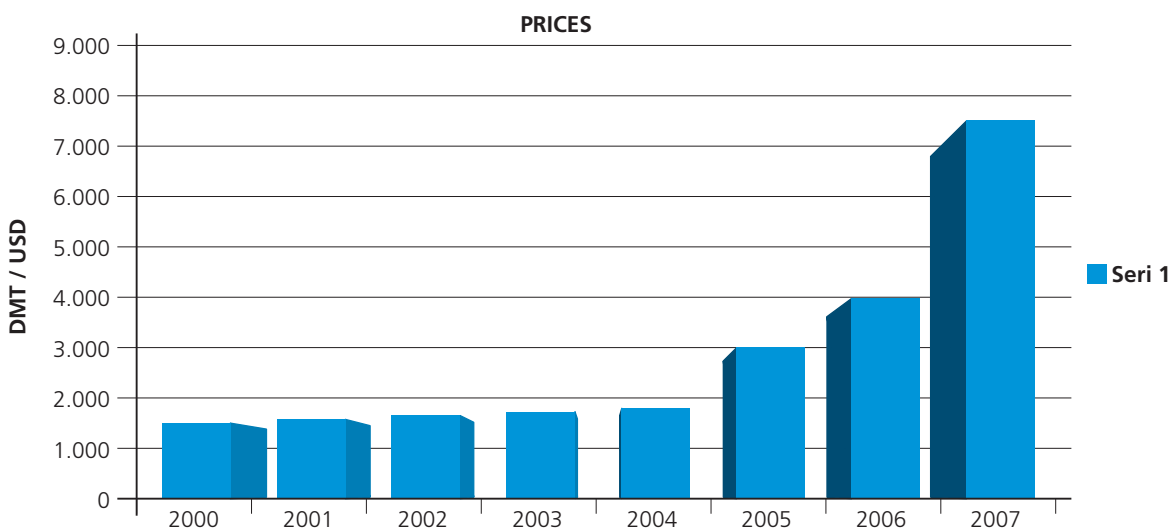
Copper, being a conductive raw material, has important rate of utilization in many sectors from construction to electronics and automotive to energy. In this sense, global copper production, with higher consumption demands, increased by 400% in 1960-2006.


Utilization rate of copper up to date from 1960s is given in the following graphics:



COPPER PRICES

Positive effect of the general upward trend in commodity prices after 2002 on the copper price also continued in 2007. The price of copper, being USD3000/ton at the end of 2005, approximately reached USD6800 /ton at the end of 2007. Prices of the commodities as well as the demand caused by the growing economies of China and India were effective on this increase.





Park Elektrik, in the second half of 2006, started to derive revenues from its copper mine, investments, which were initiated in Siirt Madenköy in 2004.

2. ACTIVITIES

A- Investments

Our Company continued in 2007 its investments relating to revision and capacity increase of copper ore extraction and processing facilities, the investment of which started in 2004 in Siirt Madenköy, and the production of which was commenced in 2006. Incentive certificate dated 14.09.2004, obtained for such purpose, was revised for an additional investment for capacity increase on different dates. Furthermore, as of December 31, 2007, investment of TRY 3,152,104 was made with regard to the list of machineries and equipment of TRY 20,383,802 to be supplied from the country and investment of USD 12,324,462 with regard to the list of machineries and equipment of USD 38,600,759 to be supplied abroad. The amount of investment made in Siirt/Madenköy reached TRY 55,379,223, including the pre-production and development cost of TRY 6,921,525; additionally, an advance amount of TRY 118,895 was paid for capacity-increasing investments

Investments made in 2007 (TRY)

Total amount of TRY 4,700,856, including the following items, was capitalized.

Underground and Aboveground Arrangements	3,325
Buildings	283,075
Machinery-Facilities-Fixtures	4,231,562
Transfer Vehicles	6,234
Rights	2,390
Special Costs	17,418
Pre-Production and Development	156,852

Our Company applied to the Energy Market Regulatory Authority to obtain generation license for Hydroelectric Power Plant in the District of Şirvan-Tarihler/the Province of Siirt in Diyarbakır Basin, apart from the copper production in 2007

B- Activities regarding Production of Goods and Services

1. Production of our Company in 2007:

	January 1, 2007 December 31, 2007	January 1, 2006 December 31, 2006
Coal Extraction Tons		1,057,536
Coal Washing Tons		423,047
Concentrate Copper Dmt (dry metric tons)	52,554	13,771

2. Sales of our Company in 2007:

	January 1 December 31 2007	January 1 December 31, 2006
Coal Extraction Tons		1,057,536
Coal Washing Tons		423,047
Concentrate Copper - Dmt (dry metric tons)	47,417	9,271

Distribution, on the basis of product categories, of the sales made in the relevant year (TRY):

	Jan. 1, 2007 Dec. 31 2007	Jan. 1, 2006 Dec. 31, 2006	Change (%)
Sale Proceeds			
Domestic Sales		23,370,657	
Coal Extraction Process		19,124,391	
Coal Washing Process		1,476,662	
Others	371,603	2,769,604	-87
Exports	79,669,042	16,723,115	376.4 -
Concentrate Copper	79,669,042	16,723,115	376.4
Total	80,040,645	40,093,772	99.6

C. INFORMATION ON FINANCIAL STRUCTURE

While an increase of 99.6% in the revenues from the activities of the Company occurs compared to the previous year, suspension of coal extraction and washing activities and commencement of concentrate copper production by the Company positively affect the gross profitability and caused increase of this rate to 59% from 47%. In the meantime, whereas Net Profit for the Period increased by 474.9% compared to the previous year, lack of profit in 2007 like the one generated in 2006 from the sale of an affiliate caused a decrease by 69% in net profit for the period.

While the shareholders' equity increased by approximately 10% compared to the previous year, short term liabilities decreased by 15% and long term liabilities decreased by 48%.

The rate of finance of the assets by the shareholders' equity increased to 73% from 66%.

D - YÖNETİM KURULU

MEMBERS	DUTIES	MEMBERSHIP CATEGORIZATION	PROFESSIONAL EXPERIENCE IN VARIOUS INSTITUTIONS AND ORGANIZATIONS	CURRENT DUTIES	RATE AND AMOUNT OF SHAREHOLDING IN THE COMPANY'S CAPITAL
Nalan ERKARAKAŞ	CHAIR WOMAN	NON-EXECUTIVE	<ul style="list-style-type: none"> CMB (Capital Market Board), Specialist Kentbank A.Ş. Assistant General Manager Kent Yatırım A.Ş. General Manager Riva Menkul Değerler A.Ş. Member of the Board of Directors 	Chairwoman of the Capital Markets Group in Park Holding A.Ş. and Chairwoman of the Board of Directors in Ciner Group Companies	NONE
Ali Coşkun DUYAK	VICE CHAIRMAN	NON-EXECUTIVE	<ul style="list-style-type: none"> Parsan A.Ş. Engineering Department Park Tekstil A.Ş. Assistant General Manager 	Vice Chairman and Member of the Board of Directors in Ciner Group Companies and General Manager of Ceytaş	NONE
Fercan Aykutlu	MEMBER	NON-EXECUTIVE	<ul style="list-style-type: none"> Assistant Account Specialist, Account Specialist and Chief Account Specialist 	Member of the Boards of Directors of Ciner Group Companies	NONE
Süleyman UYAN	MEMBER	EXECUTIVE	<ul style="list-style-type: none"> Kentbank A.Ş. Investment Banking Coordinator Kent Yatırım A.Ş. Assistant General Manager Riva Menkul Değerler A.Ş. General Manager and Member of the Board of Directors 	Member of the Boards of Directors of Ciner Group Companies	NONE
Orhan YÜKSEL	MEMBER	NON-EXECUTIVE	<ul style="list-style-type: none"> Park Holding Assistant General Manager 	Member of the Boards of Directors of Ciner Group Companies	NONE
Biltekin ÖZDEMİR	MEMBER	NON-EXECUTIVE	<ul style="list-style-type: none"> Under secretariat of Finance and Customs Samsun Deputy Vice President of the Banking Regulatory and Supervisory Agency 	Independent member of the Board of Directors of Ciner Group Companies	NONE
Ferzan ÇİTİCİ	MEMBER	NON-EXECUTIVE	<ul style="list-style-type: none"> Istanbul Sarıyer Chief Prosecutor Istanbul Şişli Chief Prosecutor Istanbul Chief Public Prosecutor 	Independent member of the Board of Directors of Ciner Group Companies	NONE
İnanç ŞENEL	MEMBER	NON-EXECUTIVE	<ul style="list-style-type: none"> Worked in various positions and cadres in Koçbank A.Ş. Koç Yatırım A.Ş. Koç Holding A.Ş. 	Finance Director of Ciner Group	NONE
Mustafa UÇURUM	MEMBER	NON-EXECUTIVE	<ul style="list-style-type: none"> MTA Department of Drilling MTA Department of Technology 	Coordinator of Ciner Group Ore Enrichment	NONE

a. There is no commercial or non-commercial business or transaction entered by the Members of the Board of Directors, managers and shareholders directly or indirectly holding at least 5% of the Company capital with the Company and the other companies controlled by the Company.

b. Duties and responsibilities of the Members of the Board of Directors are set forth in the Articles of Association.

c. There is no contradiction with the rules established by the Company relating to the duties assumed by the Members of the Board of Directors outside the Company.

d. Biltekin Özdemir and Ferzan Çitici are independent members of the Board of Directors of the Company as per the Corporate Governance Principles of the Capital Market Board. Declaration regarding independence of the relevant members is included in the Report of Compatibility with the Corporate Governance.

e. No remuneration was paid to the Members of the Board of Directors of the Company, who are not independent. As for the independent members, monthly net remuneration of TRY 2,000 was paid.

f. Members of the Board of Directors do not hold capital market instruments issued by the Company.

g. There is no action filed against the Members of the Board of Directors and Managers relating to the activities of the Company.

h. There is no payment made or interest offered to the Members of the Board of Directors in cash such as salary, bonus, other regular and irregular payments and in kind such as share certificates, derivative instruments based on the share certificates, call options given within the scope of plans for offering share certificates to the employees, house or car the ownership of which is given and/or which is allocated for use.

E. ADMINISTRATIVE ACTIVITIES

Execute Management of the Company

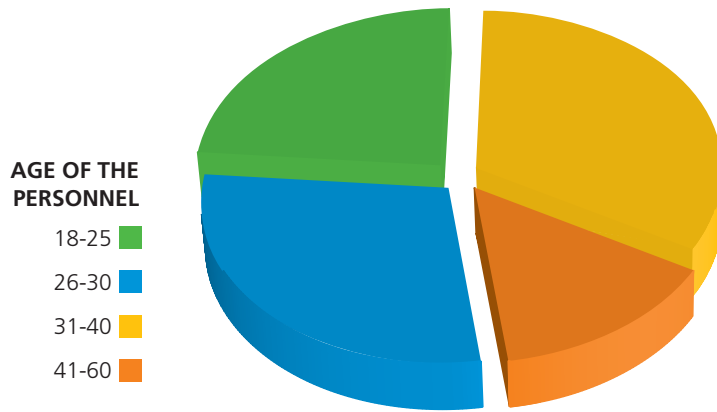
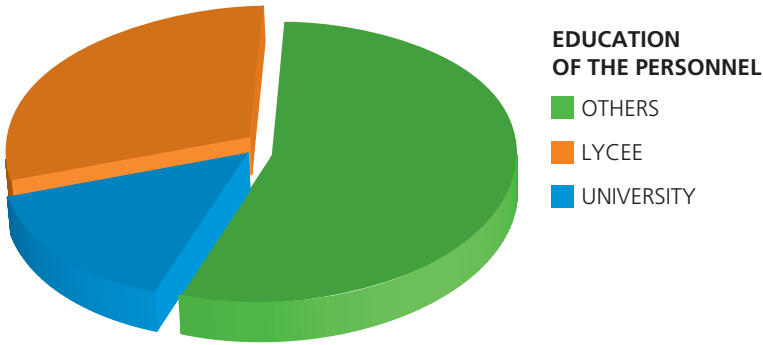
Title	Executive Staff of the Company	Date of Appointment
Executive Member	Süleyman UYAN	06.10.2004
Vice General Manager	Tacigül ERDEM	07.10.2002
Investor Relations Director	Selim ERDOĞAN	04.10.2007
Operations Manager	Selim ŞENKAL	14.05.2007

Personnel and Worker Movements:

373 employees out of 393 employees employed by the Company on December 31, 2007 work in Siirt/Madenköy

Number of the Employees	
31.12.2007	393
31.12.2006	354

Human Resource Profile



Collective Bargaining:

The Company entered into a collective bargaining agreement for the term between 01.01.2006 and 31.12.2007 with the Turkish Pitmen Trade Union relating to the workers in Çayırhan Facilities, which were later on transferred to the group companies in 2006. There is no collective bargaining application in the other work places of the Company. Rights and Benefits Provided to the Personnel and Workers: The personnel are provided with social benefits such as meal (at the work place), transportation (service) vehicle, payment during leave, fuel, marriage, birth, death and work place uniform benefits besides salary.

F- COMPLIANCE WITH THE CORPORATE GOVERNANCE PRINCIPLES

Corporate Governance Compliance Report was published in the Annual Report of our Company.

G- CONCLUSION

Net profit of our Company for 2007 was TRY 19,786,372 according to the financial statements issued based on international accounting standards.



**INDEPENDENT AUDIT REPORT
ABOUT FINANCIAL STATEMENTS FOR
JANUARY 1, 2007 - DECEMBER 31, 2007
ACCOUNTING PERIOD OF
PARK ELEKTRİK MADENCİLİK SANAYİ VE TİCARET A.Ş.**

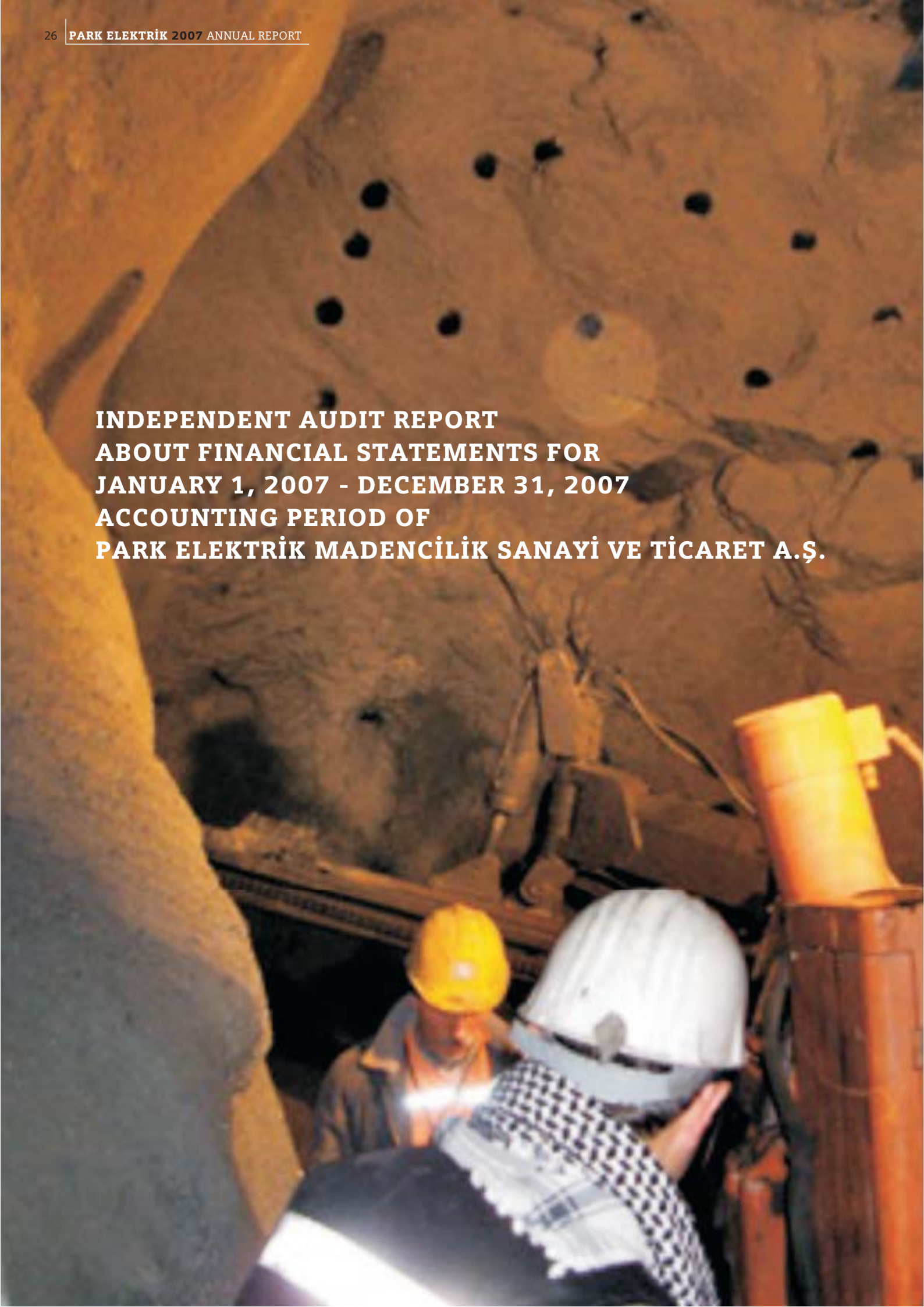


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BALANCE SHEET (SERIAL: XI, NO: 25 - UNCONSOLIDATED)

ASSETS	NOTE REFERENCES	CURRENT PERIOD 31.12.2007	PREVIOUS PERIOD 31.12.2006
Current Assets		145.793.322	141.266.882
Liquid Assets	4	32.317.479	19.514.709
Marketable Securities (Net)	5	-	-
Trade Receivables (Net)	7	1.613.742	2.220.902
Leasing Receivables (Net)	8	-	-
Receivables Due From Related Parties (Net)	9	94.366.485	100.312.160
Other Receivables (Net)	10	81.843	714
Livestock (Net)	11	-	-
Inventories (Net)	12	8.759.978	6.822.534
Receivables from Construction Contracts (Net)	13	-	-
Deferred Tax Assets	14	166.557	545.451
Other Current Assets	15	8.487.238	11.850.412
Long-Term Assets		50.726.760	54.590.009
Trade Receivables (Net)	7	425	425
Leasing Receivables (Net)	8	-	-
Receivables Due From Related Parties (Net)	9	239.795	977.227
Other Receivables (Net)	10	-	-
Financial Assets (Net)	16	18	15
Positive / Negative Goodwill (Net)	17	-	-
Investment Property (Net)	18	-	-
Tangible Assets (Net)	19	38.376.238	40.153.377
Intangible Assets (Net)	20	11.321.790	12.799.218
Deferred Tax Assets	14	714.300	592.815
Other Long-Term Assets	15	74.194	66.932
Total Assets		196.520.082	195.856.891

The accompanying notes are an integral part of these financial statements.

BALANCE SHEET (SERIAL: XI, NO: 25 - UNCONSOLIDATED)

LIABILITIES	NOTE REFERENCES	CURRENT PERIOD 31.12.2007	PREVIOUS PERIOD 31.12.2006
Short-Term Liabilities		48.392.654	56.882.091
Financial Liabilities (Net)	6	30.518.819	36.994.100
Short-Term Portions of Long-Term Financial Liabilities (Net)	6	735.854	735.854
Leasing Payables (Net)	8	-	-
Trade Payables (Net)	7	9.076.389	6.671.541
Payables Due to Related Parties (Net)	9	504.307	479.726
Provision for Liabilities	23	6.682.306	10.685.200
Deferred Tax Liabilities	14	-	-
Other Liabilities (Net)	10	874.979	1.315.670
Long-Term Liabilities		4.672.370	9.065.815
Financial Liabilities (Net)	6	1.404.495	977.227
Leasing Payables (Net)	8	-	-
Trade Liabilities (Net)	7	-	5.149.576
Payables Due to Related Parties (Net)	9	-	-
Provision for Liabilities	23	3.267.875	2.939.012
Deferred Tax Liabilities	14	-	-
MINORITY INTEREST	24		
SHAREHOLDERS' EQUITY		143.455.058	129.908.985
Capital	25	48.000.000	48.000.000
Capital Adjustment for Mutual Investments	25	-	-
Capital Reserves	26	41.882.551	41.882.550
Equity Translation Differences	26	41.882.545	41.882.545
Participation Issue Premium	26	6	5
Profit Reserves	27	33.786.135	8.319.499
Legal Reserves	27	2.419.940	451.154
Extraordinary Reserves	27	31.365.520	7.867.370
Special Reserves	27	675	975
Net Period Profit / Loss	42	19.786.372	31.706.936
Prior Year's Profit / Loss	28	-	-
Total Liabilities and Shareholders' Equity		196.520.082	195.856.891

The accompanying notes are an integral part of these financial statements.

INCOME STATEMENT
(SERIAL: XI, NO: 25 - UNCONSOLIDATED)

	NOTE REFERENCES	CURRENT PERIOD 01.01-31.12.2007	PREVIOUS PERIOD 01.01-31.12.2006
OPERATING REVENUES	36	80.040.645	40.093.772
Sales Revenues (net)	36	80.040.645	40.093.772
Cost of Sales (-)	36	(33.069.089)	(21.389.177)
Other Operating Revenues	36	8.268	109.897
GROSS OPERATING PROFIT / LOSS		46.979.824	18.814.492
Operating Expenses	37	(11.918.246)	(12.715.716)
NET OPERATING PROFIT / LOSS		35.061.578	6.098.776
Revenues and Profit from Other Operations	38	1.581.394	42.344.514
Expenses and Losses from Other Operations (-)	38	(1.491.863)	(6.083.084)
Financial Expenses (-) / Revenues (+)	39	(10.382.617)	(2.058.012)
OPERATING PROFIT/LOSS		24.768.492	40.302.194
Net Monetary Gain / Loss	40	-	-
MINORITY PROFIT / LOSS	24	-	-
PROFIT BEFORE TAX		24.768.492	40.302.194
Taxes	41	(4.982.120)	(8.595.258)
NET PERIOD PROFIT / LOSS	42	19.786.372	31.706.936
EARNINGS / LOSS PER SHARE	42	0,00412	0,00661

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY DATED DECEMBER 31, 2007
(SERIAL: XI, NO: 25 - UNCONSOLIDATED)

	Capital	Equity Translation Differences	Issue Premium of Participation	Revaluation Fund	Legal Reserves	Extraordinary Reserves	Net Period Profit (or Loss)	Prior Years' Profit	Total
Balance as of December 31, 2006	48.000.000	41.882.545	5	975	451.154	7.867.370	31.706.936	-	129.908.985
Adjustments	-	-	-	-	-	-	(31.706.936)	31.706.936	-
Reserves	-	-	-	-	1.968.786	23.498.150	-	(25.466.936)	-
Issue Premium of Participation	-	-	1	-	-	-	-	-	1
Net Period Profit (or Loss)	-	-	-	-	-	-	19.786.372	-	19.786.372
Dividends Distributed	-	-	-	-	-	-	-	(6.240.000)	(6.240.000)
Amortization of Reval. Fund	-	-	-	(300)	-	-	-	-	(300)
Balance as of December 31, 2007	48.000.000	41.882.545	6	675	2.419.940	31.365.520	19.786.372	-	143.455.058

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY DATED DECEMBER 31, 2006
(SERIAL: XI, NO: 25 - UNCONSOLIDATED)

	Capital	Equity Translation Differences	Issue Premium of Participation	Revaluation Fund	Legal Reserves	Extraordinary Reserves	Net Period Profit (or Loss)	Prior Years' Profit	Total
Balance as of December 31, 2005	48.000.000	41.882.545	-	1.275	-	-	-	10.101.492	99.985.312
Adjustments	-	-	-	-	-	-	-	(10.101.492)	(10.101.492)
Reserves	-	-	-	-	451.154	7.867.370	-	-	8.318.524
Net Period Profit (or Loss)	-	-	-	-	-	-	31.706.936	-	31.706.936
Issue Premium of Participation	-	-	5	-	-	-	-	-	5
Dividends Distributed	-	-	-	-	-	-	-	-	-
Revaluation Fund	-	-	-	-	-	-	-	-	-
Amortization of Reval. Fund	-	-	-	(300)	-	-	-	-	(300)
Balance as of December 31, 2006	48.000.000	41.882.545	5	975	451.154	7.867.370	31.706.936	-	129.908.985

CASH FLOW STATEMENT
(SERIAL: XI, NO: 25 - UNCONSOLIDATED)

	Current Period December 31, 2007	Previous Period December 31, 2006
A- CASH FLOWS FROM OPERATING ACTIVITIES	35.143.112	(29.517.204)
1- Period Profit	24.768.492	31.706.936
2- Depreciation Expenses	7.435.512	7.628.255
Depreciation of Tangible Assets	5.781.424	4.461.353
Depreciation of Intangible Assets	1.654.088	3.166.902
3- Provision for Severance Pay + Unused Vacation	444.773	1.452.291
4- Provision for Doubtful Trade Receivables	-	-
5- Provision for Tax Netted by Monetary Gain (-)	-	-
6- Change in Trade Transactions and Other Receivables	7.395.146	(110.667.989)
7- Change in Inventories	(1.937.444)	(5.237.353)
8- Change in Trade Payables	(2.679.723)	6.802.639
9- Income from Long-Term Investment	-	40.437.708
10- Taxes and Similar Liabilities Paid	(2.759.122)	(1.979.503)
11- Gain / Loss on Sale of Tangible Assets	(2.987)	339.812
12- Adjustment Differences of Goodwill and Participation	-	-
13- Change in Marketable Securities	-	-
14- Effect of Foreign Exchange Differences and Interest Accruals	4.617.448	-
15- Changes in Other Assets	(2.138.983)	-
B- CASH FLOW FROM INVESTMENT ACTIVITIES	(5.507.951)	(19.997.503)
1- Purchase of Tangible Assets (-)	(5.805.252)	(19.639.378)
2- Purchase of Intangible Assets	(159.242)	(2.164.388)
3- Changes in Other Investment Activities	-	-
4- Cash Flows from Sales of Tangible Assets	456.543	1.806.263
5- Net Book Value of Tangible Assets Sold	-	-
6- Net Book Value of Intangible Assets Sold	-	-
C- CASH FLOWS FROM FINANCING ACTIVITIES	(12.286.241)	36.256.668
1- Net Changes in Financial Liabilities	(6.048.014)	36.994.100
2- Interest Received	-	-
3- Interest Paid	-	-
4- Dividends Paid	(6.238.227)	-
5- Cash Repayment for Bank Loans Received	-	737.432
NET INCREASE / DECREASE OF CASH AND CASH EQUIVALENTS	17.348.920	(13.258.039)
BEGINNING BALANCE OF CASH AND CASH EQUIVALENTS	19.514.709	34.136.716
Effect of Foreign Exchange Differences and Interest Accruals on Cash and Banks	(4.546.150)	(1.363.968)
ENDING BALANCE OF CASH AND CASH EQUIVALENTS	32.317.479	19.514.709

NOTE 1- THE ORGANIZATION AND THE OPERATIONS OF THE COMPANY

Park Elektrik Madencilik Sanayi ve Ticaret A.Ş. (the Company) was founded in 1994 and its field of activity is to explore and extract as well as to process all kinds of mines, ores and their derivatives; to process, purify and refine all kinds of metals and materials produced from metals; to set up and operate cogeneration power stations in order to meet the need for electricity, energy and steam, to sell the energy surplus, to produce all kinds of fibers from glass metal and metal derivatives and to manufacture all kinds of products from these fibers, to set up, operate, cause to be operated or sell power stations for the generation and distribution of electricity.

The Company offered to the public its shares corresponding to 29.17 % of its capital in 1997.

The legal headquarters of the Company is at Paşalimanı Caddesi No:73 Üsküdar/İSTANBUL. It has a branch established at the address of Madenköy-Şirvan/SİİRT under the name "Park Elektrik Madencilik Sanayi ve Ticaret A.Ş. Madenköy Branch" to produce concentrated copper and an idle textile plant located on Kapıkule road in EDİRNE. The number of employees as of December 31, 2007 is 393. (Number of employees as of December 31, 2006; 354).

Shareholders holding 10 % and more of the capital of the Company are:

- Park Holding A.Ş.
- Park Enerji Ekipmanları Madencilik San. ve Tic. A.Ş.

The controlling shareholder of the undertaking is Park Holding A.Ş. with a capital share of 43,94%.

NOTE 2- THE FUNDAMENTALS OF THE DISCLOSURE OF FINANCIAL STATEMENTS**The Accounting Principles Implemented**

The legitimate records of the Company are kept in conformity with the accounting principles determined by Turkish Commercial Code and tax legislation. The Communiqué Serial: XI and Number: 25 on "The Accounting Principles in Capital Markets," issued by the Capital Market Board (CMB) in November 15, 2003, took effect on the date it was published to be valid from the first intermediate financial statements that expired after January 1, 2005.

The attached financial statements and footnotes are prepared in accordance with the Communiqué Serial: X and Number: 25 and the formats put into force to be implemented by the announcement of CMB dated December 20, 2004. The financial statements and the notes include, for the purposes of disclosure, some adjustments and classifications including the changes in the purchasing power of New Turkish Lira. With the decree dated March 17, 2005, the CMB declared that the implementation of inflation accounting was no longer necessary for the companies operating in Turkey and preparing financial statements in conformity with the Accounting Standards of CMB starting from the date of January 1, 2005. Accordingly, the attached financial statements have not been subjected to inflation accounting.

There are no seasonal or periodical changes that could have a significant effect on the activities of the Company.

The balance sheets as of December 31, 2007 and December 31, 2006; the income statements for the periods January 1 - December 31, 2007 and January 1 - December 31, 2006; and the statements of changes in shareholders' equity and statements of cash for the periods January 1 - December 31, 2007 and January 1 - December 31, 2006 have been prepared in a comparative fashion.

Offsetting

The assets and liabilities in the financial statements are not set off against each other save for the situations permitted and obliged in the Communiqué Serial: XI and Number: 25. The revenue and expense items are set off against each other only for the situations stated in accounting principles; in other cases, offsetting is not applicable.

Classifications

Some classifications are made in the previous periods' financial statements in order to ensure consistency with the current period.

NOTE 3- ACCOUNTING PRINCIPLES / VALUATION METHODS IMPLEMENTED

The significant accounting principles implemented in the preparation of the attached financial statements are as follows:

Revenue

Revenue is recognized on an accrual basis and at the fair value of the consideration received or receivable when the delivery is performed, when the amount of revenue can be measured reliably, and when it is probable that the economic benefits associated with the transaction will flow to the entity. Net sales item is calculated as the deduction of sales returns and sales discounts from the sales item. In export sales the significant risks and rewards are transferred upon delivery. However, in domestic sales, the significant risks and rewards are transferred upon delivery or when the legal title passes to the buyer. Interest revenue is recognized on the basis of the effective interest method and the dividend revenue is recognized when the shareholder's right to receive dividend is established. (Note:36)

There are no probable losses among the company revenues such as clearing revenues and cost of warranty.

Inventories

Inventories are measured at the lower of the cost assigned by using weighted average method or the net realizable value (net realizable value is the estimated selling price less the estimated costs of completion and the estimated costs necessary to make the sale) Cost involves the cost of direct materials, labor and manufacturing overhead, whereas it does not involve borrowing costs. (Note:12)

Tangible Assets

The tangible assets are disclosed with their inflation adjusted values (to December 31,2004) according to acquisition date. Tangible assets excluding Land are carried with cost method according to the 7th Section of the Communiqué Serial: XI Number: 25. Tangible assets are carried at cost less accumulated depreciation and any accumulated impairment loss. Depreciation is calculated over the adjusted values of tangibles, excluding land having an infinite useful life, on straight-line basis.

Considering their economic lives, tangible assets are depreciated over the following useful lives: (Note:19)

	Useful Life
Buildings	10-50 years
Underground and Aboveground Structures	8-20 years
Machinery and equipment	4-15 years
Vehicles	4-12 years
Furniture and Fixtures	4-16 years
Other Tangible Assets	4 years

The gain or losses arising from sale of tangible assets are included in the related revenue and expense accounts. The charges of maintenance and repair can be recognized as expenses while the expenditures that increase the performance of tangibles are capitalized.

Intangible Assets

The intangible fixed assets are disclosed with their inflation adjusted values according to acquisition date from the date of purchase until December 31, 2004. Intangible assets are carried with cost method pursuant to Section 7 of the Communiqué Serial: XI Number: 25. Intangible assets are carried at cost less accumulated depreciation and any accumulated impairment loss. Depreciation is calculated over the adjusted values of intangibles on the straight-line basis. Intangible assets consist of the following items and are depreciated over the following useful lives: (Note: 20)

	Useful Life
Rights (Trademarks, licenses, copyrights, patent, software etc.)	2-16 years
Special Costs	3 -25 years

Impairment

Impairment loss is calculated when the estimated replacement value of an asset or a cash-generating unit exceeds the recorded value of tangible and intangible assets. The estimated replacement value of an asset or a cash-generating unit is the higher of its sales value and its value in use. Value in use is the present value of the sum of future cash flows expected to be derived from an asset or a cash-generating unit and sales value at the end of useful life.

Borrowing Costs

In case of assets, which require substantial time for rendering ready for use and sale, the interest expenses directly related with the purchase, construction and production of the qualifying assets should be involved in the cost of that asset until the asset is ready for use or sale.

All the other financial expenses are disclosed in the income statement at the date of occurrence.

Financial Instruments

The financial instruments are to be measured at fair value in conformity with Section 11 of the Communiqué Serial: XI Number: 25. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The market value of a financial instrument, in the availability of an active market, is equal to the amount to be received in sale or to the loan received to finance the purchase.

The fair value of financial instruments is determined by the Company by using market information and applicable valuation methods. However, interpretation of financial data used in the determination of the fair value is required. Therefore, the estimates presented in this report may not correspond to such values the Company may obtain under current market conditions should it dispose of its assets.

Bank deposits, receivables, contingent commitments such as letters of guarantee and letters of credit, and other financial instruments such as forward transactions are significant financial instruments that can affect the financial position of the Company negatively in case the other party does not fulfill the contractual provisions.

The book value of some financial assets that equal their acquisition value is assumed to reflect the fair value because they are short-term assets.

Below are the methods and assumptions taken into consideration in determining the fair value of financial instruments:

Cash and Banks

Cash and banks account comprise of cash, demand and time deposits in banks. In case the cash and banks account is denominated in foreign exchange, it is expressed in TRY translated with the foreign exchange rate at the end of the period. The current value of cash and deposit in banks reflect the fair value of the stated assets.

Financial Assets

For the financial instruments traded in the stock exchange, the fair value is determined by using the value in the stock exchange market or market value. Within this framework, pursuant to the CMB letter dated May 18, 2005 and numbered 288-12335, the securities and other financial instruments are to be measured with the prices published by the Istanbul Stock Exchange (ISE). For the instruments the market value of is not known, the fair value becomes the book value. The financial assets are recorded with their book values on the basis of their transaction date.

During the reporting periods following the first date of entry, those financial assets which the Company has the intention and power to hold until maturity are valued at their discounted acquisition values to account for any impairment.

The financial assets not classified as held-to-maturity assets are investments for ordinary purchase-sale and available-for-sale financial assets and they are measured with the carrying value in the balance sheet date. The unrealized gains and losses on investments for ordinary purchase-sale are disclosed in period profit or loss, whereas, the unrealized gains and losses of available-for-sale financial assets are disclosed under equity section until it is decided whether to sell or bear continuous impairment. In case of sale or impairment, the cumulative profit or loss previously realized is transferred to period profit or loss.

Trade receivables and trade payables

The trade receivables, in the scope of section 11 of the Communiqué Serial: XI Number: 25 are disclosed as the net realizable value measured with effective interest method less provision for doubtful receivables. The provisions of doubtful receivables are calculated by taking into consideration the uncollected receivables, guarantees received, the previous experiences and current economic circumstances. The receivables, the collection of which has become doubtful, should be realized as loss during the year such doubtful state has emerged.

Receivables Due From/Payables Due To Related Parties

The carrying values of such receivables and payables are assumed as the realistic values.

Loans

Bank loans are recorded as the amount of loans less transaction expenses as of the date they are obtained. Bank loans are recorded at discounted acquisition value with effective interest method later on. After the transaction expenses are deducted, the difference between the residual amount and the discounted acquisition value is disclosed in the income statement as financial cost during the period of the loan. The financial cost arising from loans are disclosed in the income statement. (Note: 6)

The Company uses financial instruments that carry off-balance sheet risk like letter of credit, etc. during its ordinary operations. The possible losses, which the Company may sustain from these instruments, are equal to the contract value of these financial instruments.

Foreign Currency Denominated Transactions / The Effects of Changes in Foreign Exchange Markets: The foreign currency denominated transactions is translated to TRY with the foreign exchange rate prevailing at the date of transactions. The monetary assets and liabilities are translated by using foreign currency buying rates fixed by the Republic of Turkey Central Bank at the date of the balance sheet. The revenues and expenses are included in the financial revenue and expense items. (Notes: 4, 6, 7, 9, 29, 39)

Risk of Collection

The risk of collection mainly arises from trade receivables. Trade receivables, are calculated by taking into consideration the prior experiences of the Company with the customers and the current economic circumstances, which will provide the disclosure of net value of trade receivables with the provision for doubtful receivables recognized.

Price Risk

The Company is exposed to foreign exchange rate fluctuations. The export and import transactions of the Company are performed with foreign currencies. The interest rates of the bank loans received change in parallel with the market interest rates. This exposes the Company to interest rate fluctuations in domestic and foreign markets.

Liquidity Risk

The Company provides funds by converting its short-term financial instruments into cash (e.g. collection from customers, disposal of marketable securities). The proceeds are recorded with their realistic values.

Offsetting

Financial assets and liabilities are disclosed after reciprocal elimination if one of the following circumstances exists: In case the Company has the right to offset legitimately, or it can be provided with net amount, or the collection is possible, or the acquisition of asset and fulfillment of the liability are performed simultaneously.

Mergers

None. (December 31, 2006; None.)

Earnings Per Share

Earnings per share is calculated by dividing profit or loss attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding. (Note: 42)

Events After The Balance Sheet Date

Events after the balance sheet date are those events, favorable and unfavorable, that occur between the balance sheet date and the date when the financial statements are authorized for issue. In case of existence of new evidences related to occurrence of the relevant events or in case of occurrence of the relevant events after the balance sheet date, the Company discloses these matters in the relevant footnotes.

Provisions, Contingent Liabilities and Contingent Assets

Provisions are calculated in the circumstances when there is a present obligation arising from past events, the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits. The possible assets and liabilities that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity are not disclosed in financial statements. (Note: 31)

Accounting Policies, Changes in Accounting Estimates and Errors

The Company may make changes in its accounting policies in the event the effects of the transactions and events on the financial situation, performance or cash flows are of a nature that shall result in a more convenient and reliable presentation of financial statements. When the implementation of such change affects the future terms, such policy change shall be applied to financial statements during the term the change is made.

When the change in the accounting policy affects the current term or the previous terms, such policy change shall be applied to the financial statements retrospectively.

Certain financial statement items also include estimated amounts due to prevailing uncertainties in the activities of the undertaking. Estimates are revised in case a change occurs in the conditions under which such estimation is made or new information is acquired or any further developments emerge. In the event the effect of such change in the accounting estimate relates only to a single term, it is reflected on the financial statements during the current term such change is made and in the event it relates to future terms, it is reflected both during the term such change is made as well as in future terms prospectively in a manner to be taken into account for determining the net term profit or loss.

Errors, mathematical errors may result from the misapplication of accounting policies, misinterpretation of or inattention to information relating to the financial statements of the Company. In case the Company becomes aware of a potential error, the corrected amount of the relevant error is adjusted on the financial statements retrospectively.

Leases

The Company recognizes financial leases as assets and liabilities in the balance sheet at the lower of the fair value of the leased property, or, if lower, the present value of the minimum lease payments. When calculating the current value of the minimum lease payments, the implicit interest rate applicable to the leasing is primarily taken as the basis and in the event no such implicit interest rate can be determined, the marginal borrowing interest rate of the lessee is taken as the basis. As of December 31, 2007, the Company does not have any leased properties.

Related Party Disclosures

In the financial statements, the shareholders of the Company, the companies in which they have ownership, the directors, and the other groups known to be in relation are defined as "related parties". (Note: 9)

Segment Reporting

The Company is predominantly operating in the manufacture of textiles (yarns) and extraction, marketing and sale of mines. All the assets and production facilities of the Company are in Turkey.

Government Grants and Government Assistance

The Company includes all governmental incentives including those non-monetary governmental incentives that are followed up over their fair value as and when there is reasonable assurance that such incentives can be obtained. Even when they are obtained in cash or in such manner so as to decrease any liability towards the government, governmental incentives are shown on the financial statements in the same manner.

Corporate Income Tax

The Company is subject to corporate income tax according to the tax legislation in Turkey. In the financial statements presented, tax provision is calculated over the Income Tax liability estimated from the results of the period. The Income Tax liability is to be calculated over the tax base after the addition of expenses that are not permitted to be deducted from tax base by tax legislation and the deduction of exceptions and allowances that the tax legislation permits. Losses can be carried forward for at most 5 years to be deducted from the taxable profit to emerge in the forthcoming years. However, losses may not be deducted retrospectively from profits of previous years.

In Turkey, there is not a definite reconciliation procedure relating to tax evaluation. The companies prepare tax returns to present to the Tax Authority between the first day and the twenty-fifth evening of the fourth month following the closure of the accounting period. The returns and the related book records can be changed by the Tax Authority, as a consequence of a tax investigation in five years. These statements and the accounting records are amendable by the Tax Authority in 5 years.

Provisional tax is calculated and accrued quarterly in Turkey. The rate of withholding tax was determined as 20% to be valid for the second provisional tax term of 2006 and subsequent terms. The corporate tax is calculated to be TRY 4.724.711 and the provision is recorded in the financial statements dated December 31, 2007 and prepared according to tax legislation. (Note: 23)

Withholding of Tax: Through the Board of Ministers' Decree numbered 2006/10731 published on the Official Gazette dated 23 / 07 / 2006 with issue number 26237, Income Tax withholding which was applied at a rate of 10% in the profit distribution of Joint Stock and Limited Liability Companies, became 15% as of 23/07/2006 after which date an Income Tax Withholding in the rate of 15% shall be applied over the profit to be distributed in the case of any such profit distribution to take place by the companies and declared with a withholding tax return and paid in full. (The addition of the profit to the capital shall not be considered as profit distribution). However, there still has to be imposed a tax deduction of 19,8% over the amount of investment discount used as per the investment incentive certificates that are obtained prior to April 24, 2003.

Inflation Adjusted Tax Computation

With the exception of those cases where tangible and intangible fixed assets and accordingly their depreciations were subjected to annual revaluation during the year 2003 and previous terms; taxable term profit was not computed over its inflation adjusted amount. Law number 5024 published on the Official Gazette dated December 30, 2003 issue number 25332 requires that inflation accounting be implemented in Turkey in a manner so as to be effective in 2004 and the forthcoming terms in the event the inflation rate reaches such limit that is stipulated under laws. Since the required conditions did not emerge, the Company did not subject its financial statements dated December 31, 2006 and December 31, 2005 to adjustment within the relevant provisions of Tax Procedures Law relating to inflation accounting and it calculated the tax base for the current term over these financial statements.

Deferred Tax Assets and Liabilities

Accounting for the deferred tax asset and liability is performed for temporary differences arising from the differences between financial statements prepared in conformity with tax legislation and with CMB Communiqué Serial: XI Number:25. (Note:14) The mentioned differences, explained below, arise from the timing differences between legitimate records of some revenue and expense items and their amounts according to CMB Communiqué Serial: XI Number:25.

The timing differences arise from the differences between accounting purpose and tax purpose revenue and expenses. The timing differences are calculated over tangible and intangible assets, inventories, adjusted deferred income, rediscount on receivables, provision for severance pay, rediscount on payables and prior years' losses. Deferred tax assets and liabilities are recorded in the income statement as either revenues or expenses. The tax rate used in the calculation of deferred tax assets and liabilities is 20 %. (December 31, 2006 - 20 %)

Calculation of the Provision for Severance Pay

The provision for severance pay expresses the present value of expected future liabilities that will occur with the retirement of employees as embodied in Turkish Labor Law. (Note: 23)

According to the Turkish Labor Law, the Company is under the obligation to pay severance pay to its personnel who have completed one year in the service of the Company and whose relation with the Company is discontinued or who retire, who complete 25 service years (20 service years for women and those working underground) and become entitled to retirement (58 years of age for women and 60 years of age for men), who are mustered into military service or who die. Following the amendment in legislation on May 23, 2002, certain transitional term clauses relating to the service term prior to retirement were revoked.

Severance pay to be paid corresponds to about one-month salary for each service year and such limit has been limited to TRY 2.030 (December 31, 2006 - TRY 1.857) as of December 31, 2007.

Since there is no legal obligation to create any funds for the severance pay obligation, no special funds are allocated on the financial statements.

The following actuarial assumptions were used during the calculation of the total severance pay obligation in light of explanations under Communiqué Serial No. XI/25:

	December 31, 2007	December 31, 2006
Discount Rate (%)	5,71	5,71
Rate of Potential Retirements (%)	99,80	99,80

The basic assumption is that the ceiling provision determined for each annual service increases in proportion to the inflation rate. Therefore, the discount rate shows the actual rate free of the anticipated effects of inflation. Within this framework, the total severance pay obligation was computed by using the annual 5,71% real discount rate which was determined by estimating an annual 5% inflation and 11% discount rate.

Provision for Unused Vacation

TRY 215.639 (December 31, 2006; TRY 146.400) has been earmarked as provision for unused vacation as of December 31, 2007 and this amount is disclosed in the financial statements. (Note: 23)

Agricultural Activities

None. (December 31, 2006; None.)

Cash Flow Statement

The cash flows of the period are reported as operating, investment and financing activities

NOTE 4 - LIQUID ASSETS

	Dec. 31, 2007	Dec. 31, 2006
Cash	3.344	5.355
Demand Deposits in TRY	44.944	14.105
Time Deposits in TRY	-	2.181.105
Demand Deposits in Foreign Exchange	633.559	407.443
Time Deposits in Foreign Exchange	31.635.632	16.896.701
Other Liquid Assets	-	10.000
Total	32.317.479	19.514.709

NOTE 5 - MARKETABLE SECURITIES

As of December 31, 2007 the Company does not have marketable securities with the intention of buying-selling. (December 31, 2006; None.)

NOTE 6 - FINANCIAL LIABILITIES

	Dec. 31, 2007	Dec. 31, 2006
Short-Term Bank Loans	30.518.819	36.994.100
Principal Installations and Interests of Long-Term Loans	735.854	735.854
Long-Term Bank Loans	1.404.495	977.227
Total	32.659.168	38.707.181

Of the short-term bank loans, totaling of TRY 30.518.819, TRY 30.268.379 is transferred to the use of Park Holding A.Ş., TRY 975.649 of the long-term bank loan and principal and interest payments of the long-term loan, totaling TRY 2.140.349, is transferred to the Group Company, Park Teknik Elektrik Madencilik Turizm Sanayi ve Ticaret A.Ş. The principal and interest payments are reflected to the abovementioned companies. Therefore, no related revenue and expense items are recognized in the attached financial statements.

The short-term bank loans are as follows:

Foreign Currency	Interest Rate %	Amount of Foreign Currency	December 31, 2007	Interest Rate %	Amount of Foreign Currency	December 31, 2006	
USD	7,00	25.988.133	30.268.379	8,00	26.104.081	36.691.896	
USD	7,36	215.000	250.410	8,37	215.000	302.204	
TRY	47,40		30			-	
			30.518.819				36.994.100

The principal installations of long-term bank loans are as follows:

Foreign Currency	Amount of Foreign Currency	December 31, 2007	Amount of Foreign Currency	December 31, 2006
USD	461.472	735.854	461.472	735.854
		735.854	735.854	

Long-Term bank loans are as follows:

Foreign Currency	Interest Rate %	Amount of Foreign Currency	December 31, 2007	Interest Rate %	Amount of Foreign Currency	December 31, 2006	
USD	7,50	153.812	239.795	7,50	615.284	977.227	
USD	7,41	1.000.000	1.164.700		-	-	
			1.404.495				977.227

NOTE 7- TRADE RECEIVABLES AND PAYABLES (NET)

Short-Term Trade Receivables

	Dec. 31, 2007	Dec. 31, 2006
Trade Receivables	1.590.939	2.152.781
Notes Receivable	-	70.380
Rediscount on Receivables	(4.731)	(30.811)
Deposits and Guarantees Given	27.505	28.191
Other Trade Receivables	29	361
Doubtful Trade Receivables	172.513	125.696
Provision for Doubtful Trade Receivables	(172.513)	(125.696)
Total	1.613.742	2.220.902

Provision is calculated for the collections which are not expected to be fulfilled.

The movements of provision for doubtful receivables are as follows:

	Dec. 31, 2007	Dec. 31, 2006
Beginning Balance	125.696	118.778
Period Expense	52.979	-
Collections in the Period	-	-
Receivables Abandoned	-	-
Foreign Exchange Difference	(6.162)	6.918
Ending Balance	172.513	125.696

The term receivables are rediscounted based on LIBOR rates.

Information relating to the rediscount calculation is as follows:

	Rediscount Base	Rediscount Rate	Rediscount Amount Foreign Curr.	TRY
Term Receivables	USD	1.359.298	Libor	4.062
				4.731

Long-Term Trade Receivables

	Dec. 31, 2007	Dec. 31, 2006
Deposits and Guarantees Given	425	425
	425	425

Short-Term Trade Payables

	Dec. 31, 2007	Dec. 31, 2006
Trade Payables	9.127.051	6.750.912
Rediscount on Payables	(59.253)	(87.962)
Other Trade Payables	8.591	8.591
Total	9.076.389	6.671.541

The term payables are rediscounted based on the rates specified in the contract / the effective interest rate of the government securities as of the balance sheet date in case they are denominated in TRY and based on the LIBOR RATE in case they are denominated in foreign exchange.

	Rediscount Base	Rediscount Rate	Rediscount Foreign Curr.	Rediscount Amount TRY
Term Payables TRY	2.116.332	Eff. Int. Ra. of Gov. Sec.		17.239
USD	5.740	Libor	16	19
EUR	2.903.720	Libor+contract interest rate	24.556	41.995
				59.253

Long-Term Trade Payables

	Dec. 31, 2007	Dec. 31, 2006
Trade Payables	-	5.376.238
Rediscount on Payables	-	(226.662)
Total	-	5.149.576

NOTE 8- LEASING RECEIVABLES AND PAYABLES

There are no leasing receivables and payables as of December 31, 2007. (December 31, 2006; None.)

NOTE 9- RECEIVABLES DUE FROM/PAYABLES DUE TO RELATED PARTIES**a. Balance Receivables Due From / Balance Payable Due to Related Parties**

The Company's receivables due from and payables due to related parties that are among its current and fixed assets are as follows:

aa) Current Assets:

Receivables Due from Related Companies / Parties			
Name-Surname/Title	Nature of Relation	Dec. 31, 2007	Dec. 31, 2006
Park Holding A.Ş.	Shareholder	94.064.588	91.521.068
Park Enerji Ekip. Maden. San. Tic. A.Ş.	Shareholder	-	37.850
Park Termik Elektrik San ve Tic. A.Ş.	Long Term Sec.	-	405.075
Park Demir Maden San. ve Tic. A.Ş.	Group Company	302.282	364.596
Park Teknik Elekt. Maden. Turizm San. Tic. A.Ş.	Group Company	739.146	8.814.743
		95.106.016	101.143.332
Rediscount		(739.531)	(831.172)
Total		94.366.485	100.312.160

The term receivables are rediscounted based on LIBOR.

The explanations about the calculation of rediscount on related party balances in the current assets are as follows:

Rediscount Base	Rediscount Base	Foreign Curr.	Rediscount Amount	
				TRY
54.451.924 USD	Libor	634.954		739.531
				739.531

ab) Long-Term Assets:

Receivables Due from Related Companies / Parties Name-Surname / Title	Nature of Relation	Dec. 31, 2007		Dec. 31, 2006	
Park Teknik Elekt.Maden.Turizm San.Tic.A.Ş.	Group Company	239.795		977.227	
Total		239.795		977.227	

ac) Current Liabilities:

Payables Due to Related Companies / Parties Name/Surname/Title	Nature of Relationship	Dec. 31, 2007		Dec. 31, 2006	
Ceytaş Madencilik Tekstil San.ve Tic.A.Ş.	Group Company	-		137.747	
Havaş Turizm Sey. ve Kargo Taşımacılığı A.Ş.	Group Company	-		40.570	
Park Sig. Ara. Hiz. Ltd. Şti.	Group Company	513.728		312.763	
		513.728		491.080	
Rediscount		(9.421)		(11.354)	
Total		504.307		479.726	

The term payables are rediscounted based on LIBOR.

Information relating to the rediscount calculation on related party balances in the current liabilities is as follows:

Rediscount Base	Rediscount Rate	Foreign Curr.	Rediscount Amount	
				TRY
316.623TRY	Eff. Int. Ra. of Gov. Sec.	-		9.421
				9.421

b. Amount of Guarantees and Mortgages Received or Given in Favor of Related Parties

There is no amount of guarantees and mortgages received or given in favor of related parties.
(December 31, 2006; None.)

c. Amount of Guarantees, Warranties and Subscriptions Received or Given In Favor of Related Parties

The Company receives guarantees from the group companies in return for the loans obtained and at the same time grants guarantees in favor of those companies. The undue principal balances of obtained loans are disclosed under "Risk Amount" in the statements below:

December 31, 2007

Related Party	Nature of Relationship	Received/ Given	Guarantee/ Warranty/ Subscription	Amount	Risk Amount
- Park Holding A.Ş. - Park Enerji Ekip. - Turgay Ciner	Shareholder	Received	Guarantee - TRY	300.000	93.135
- Park Holding A.Ş. - Park Termik A.Ş.- Turgay Ciner	Shareholder / Group Company	Received	Guarantee - USD	23.000.000	-
-Park Holding A.Ş. - Park Teknik A.Ş.	Shareholder /	Received	Guarantee - USD	10.447.500	615.284
- Turgay Ciner - Ceytaş A.Ş.	Group Company	Received	Guarantee - TRY	1.230.501	12.609
- Park Holding A.Ş. - Park Termik A.Ş. Park Teknik A.Ş. - Turgay Ciner - Ceytaş A.Ş.	Shareholder / Group Company	Received	Guarantee - TRY	600.000	-
- Park Holding A.Ş. - Park Termik A.Ş.	Shareholder /	Received	Guarantee - TRY	772.000	308.800
- Park Teknik A.Ş. - Turgay Ciner	Group Company	Received	Guarantee - USD	1.579.500	1.215.000
- Park Yatırım Holding		Received	Guarantee - EUR	8.917.876	2.903.720
- Park Enerji Ekipmanları Mad. A.Ş.		Received	Guarantee - CHF	1.623.000	-
- Park Termik A.Ş. - Park Teknik A.Ş. - Turgay Ciner	Shareholder / Group Company	Received	Guarantee - TRY	50.000	-
		Received	Guarantee - USD	56.191.770	25.988.133
- Turgay Ciner	Shareholder	Received	Guarantee - TRY	7.150.000	5.000
Total		Received	Guarantee - TRY	10.102.501	419.544
Total		Received	Guarantee - USD	91.218.770	27.818.417
Total		Received	Guarantee - EUR	8.917.876	2.903.720
Total		Received	Guarantee - CHF	1.623.000	-
- Park Holding A.Ş.	Shareholder	Given	Guarantee - USD	20.918.252	-
		Given	Guarantee - EUR	16.310.211	-
- Park Enerji E. Mad. San. ve Tic. A.Ş.	Shareholder	Given	Guarantee - TRY	250.000	-
- Turgay Ciner	Shareholder	Given	Guarantee - USD	16.684.889	-
- Park Teknik Elekt. Mad. Turizm San.ve Tic. A.Ş.	Group Company	Given	Guarantee - TRY	4.800.000	2.400.000
		Given	Guarantee - USD	15.175.000	-
		Given	Guarantee - EUR	6.287.367	-
- MTV Merkez Televizyon A.Ş.	Group Company	Given	Guarantee - EUR	2.830.000	-
- Park Denizcilik Hopa Liman İşl. A.Ş.	Group Company	Given	Guarantee - TRY	18.000	18.000
- Park Termik Elektrik San. ve Tic. A.Ş.	Group Company	Given	Guarantee - USD	140.375.000	13.351.080
- Park Yatırım Holding A.Ş.	Group Company	Given	Guarantee - USD	4.000.000	1.000.000
		Given	Guarantee - TRY	600.000	-
- Eti Soda Üretim A.Ş.	Group Company	Given	Guarantee - USD	6.240.000	-
Total		Given	Guarantee - USD	203.393.141	14.351.080
Total		Given	Guarantee - EUR	25.427.578	-
Total		Given	Guarantee - TRY	5.668.000	2.418.000

December 31, 2006

Related Party	Nature of Relationship	Received/ Given	Guarantee/ Warranty/ Subscription	Amount	Risk Amount
- Park Holding A.Ş. - Park Enerji Ekip. - Turgay Ciner	Shareholder	Received	Guarantee - TRY	300.000	93.135
- Park Holding A.Ş.-Park Termik A.Ş. - Turgay Ciner	Shareholder / Group Company	Received	Guarantee - USD	23.000.000	-
- Park Holding A.Ş. - Park Teknik A.Ş.	Shareholder /	Received	Guarantee - USD	10.447.500	1.076.756
- Turgay Ciner - Ceytaş A.Ş.	Group Company	Received	Guarantee- TRY	1.230.501	12.609
- Park Holding A.Ş. - Park Termik A.Ş.	Shareholder /				
- Park Teknik A.Ş. - Turgay Ciner - Ceytaş A.Ş.	Group Company	Received	Guarantee - TRY	600.000	-
-Park Holding A.Ş. - Park Termik A.Ş.	Shareholder /	Received	Guarantee - TRY	22.000	8.800
- Park Teknik A.Ş. - Turgay Ciner	Group Company	Received	Guarantee - USD	279.500	215.000
- Park Yatırım Holding		Received	Guarantee - EUR	8.917.876	4.301.395
- Park Enerji Ekipmanları Mad. A.Ş.		Received	Guarantee - CHF	1.623.000	466.527
-Park Termik A.Ş. - Park Teknik A.Ş. - Turgay Ciner	Shareholder /	Received	Guarantee - TRY	50.000	-
	Group Company	Received	Guarantee - USD	36.886.770	26.104.081
-Turgay Ciner	Shareholder	Received	Guarantee - TRY	7.150.000	5.000
Total		Received	Guarantee - TRY	9.352.501	119.544
Total		Received	Guarantee - USD	70.613.770	27.395.837
Total		Received	Guarantee - EUR	8.917.876	4.301.395
Total		Received	Guarantee - CHF	1.623.000	466.527

- Park Holding A.Ş.	Shareholder	Given	Guarantee - USD	20.918.252	-
		Given	Guarantee - EUR	16.310.211	-
- Park Enerji E.Mad. San. ve Tic. A.Ş.	Shareholder	Given	Guarantee - TRY	250.000	-
- Turgay Ciner	Shareholder	Given	Guarantee - USD	16.684.889	9.434.869
- Park Teknik Elekt. Mad. Turizm San.ve Tic. A.Ş.	Group Company	Given	Guarantee - TRY	4.800.000	2.400.000
		Given	Guarantee - USD	15.175.000	2.500.000
		Given	Guarantee - EUR	6.287.367	794.744
- Merkez Yayın Holding A.Ş.	Group Company	Given	Guarantee - USD	4.981.725	-
		Given	Guarantee - EUR	1.143.360	-
		Given	Guarantee - CHF	22.120	-
		Given	Guarantee - TRY	75.370	-
- MTV Merkez Televizyon A.Ş.	Group Company	Given	Guarantee - EUR	2.830.000	-
- Park Denizcilik Hopa Liman İşl. A.Ş.	Group Company	Given	Guarantee - TRY	18.000	18.000
- Park Termik Elektrik San.ve Tic. A.Ş.	Group Company	Given	Guarantee - USD	140.375.000	23.364.394
- Park Yatırım Holding A.Ş.	Group Company	Given	Guarantee - USD	4.000.000	1.750.000
		Given	Guarantee - TRY	600.000	-
- Eti Soda Üretim A.Ş.	Group Company	Given	Guarantee - USD	6.240.000	2.400.000
Total		Given	Guarantee - USD	208.374.866	39.449.263
Total		Given	Guarantee - EUR	26.570.938	794.744
Total		Given	Guarantee - CH	22.120	-
Total		Given	Guarantee - TRY	5.743.370	2.418.000

d. Amounts of Provision for Doubtful Receivables from Related Parties

There are no amounts of provision for doubtful receivables from related parties. (December 31, 2006; None.)

e. Sales to Related Parties**December 31, 2007**

Related Party	Nature of Relationship	Goods	Service	Tangible Asset	Interest + Foreign Exch. Diff.	Rent	Other	Total
-Turgay Ciner	Shareholder	260	-	-	-	-	-	260
-Park Holding A.Ş.	Shareholder	-	229.360	-	4.369.742	-	-	4.599.102
-Park Enerji Ekip. Mad. San.ve Tic. A.Ş.	Shareholder	50.226	14.329	75.059	5.942	3.120	7.527	156.203
-Ceytaş Mad.Tekstil San.ve Tic. A.Ş.	Group Company	24.030	2.940	196.157	11.999	-	1.184	236.310
-Eti Soda Üretim Paz. Nak.San.Tic.A.Ş.	Group Company	1.638	-	-	-	-	-	1.638
-Havaş Turizm Sey.ve Kargo Taş. A.Ş.	Group Company	-	-	-	19.103	-	-	19.103
-Park Demir Maden San. ve Tic. A.Ş.	Group Company	2.980	-	-	13.521	-	-	16.501
-Park Hav. Taşıma San.ve Tic. A.Ş.	Group Company	-	-	-	5.537	-	-	5.537
-Park Maden Enerji San.ve Tic. Ltd.	Group Company	-	-	-	-	-	1.072	1.072
-Park Teknik Mad.Turiz. San. ve Tic. A.Ş.	Group Company	135.221	17.663	7.159	287.656	-	3.019	450.718
-Park Termik Elektrik San. ve Tic.A.Ş.	Long Term Sec.	100	-	-	21.189	-	-	21.289
-Park Makine Yedek Parça San. A.Ş.	Group Company	-	-	-	5.031	-	-	5.031
-Silopi Elektrik Üretim A.Ş.	Group Company	1.065	649	-	1.181	-	956	3.851
TOTAL		215.520	264.941	278.375	4.740.901	3.120	13.758	5.516.615

December 31, 2006

Related Party	Nature of Relationship	Goods	Service	Tangible Asset	Interest + Foreign Exch. Diff.	Rent	Other	Total
-Park Holding A.Ş.	Shareholder	-	-	-	3.639.159	-	397	3.639.556
-Park Enerji Ekip.M. San. ve Tic. A.Ş.	Shareholder	3.252	57.820	-	1.096	-	6.842	69.010
-Tufanbeyli Elektrik Üretim A.Ş.(*)	Participation	-	10.563	-	745	-	-	11.308
-Ceytaş Mad.Tekstil San. ve Tic. A.Ş.	Group Company	-	-	-	29.335	-	692	30.027
-Havaş Turizm Sey. ve Kargo Taş. A.Ş.	Group Company	-	-	-	2.856	-	2.549	5.405
-Park Demir Maden San. ve Tic. A.Ş.	Group Company	27.349	791	136.000	123.159	105.320	7.521	400.140
-Park Hav. Taşıma. San. ve Tic. A.Ş.	Group Company	-	-	-	1.751	-	-	1.751
-Park Tek. Mad. Turiz. San. ve Tic. A.Ş.	Group Company	92.965	19.376.618	600.000	903.015	-	7.795	20.980.393
-Park Termik Elektrik San.ve Tic.A.Ş.	Long Term Sec.	3.223	3.298.219	-	97.911	-	6.980	3.406.333
-Park Makine Yedek Parça San. A.Ş.	Group Company	-	9.806	-	16.331	-	-	26.137
-Silopi Elektrik Üretim A.Ş.	Group Company	-	673	-	-	-	-	673
TOTAL		126.789	22.754.490	736.000	4.815.358	105.320	32.776	28.570.733

(*) Tufanbeyli Elektrik Üretim A.Ş.

The related Company Park Elektrik Madencilik San. ve Tic. A.Ş. has signed a share transfer agreement with Enerjisa Enerji Üretim A.Ş. of Sabancı Group regarding the sale of its 45% equity stake in Tufanbeyli Elektrik Üretim A.Ş. Thus, Park Elektrik has no shareholder relationship with the mentioned Company any more. The sale of goods and services by Ceytaş Madencilik Tekstil San. ve Tic. A.Ş. to Tufanbeyli Elektrik Üretim A.Ş. as shown in the table above comprises transactions during the period January - May 2006.

f. Goods and Services Purchased from Related Parties

December 31, 2007

Related Party	Nature of Relationship			Tangible Asset	Interest + Foreign			Total
		Goods	Service		Exch. Diff.	Rent	Other	
-Park Holding A.Ş.	Shareholder	-	3.170.191	-	10.140.760	311.598	-	13.622.549
-Park Enerji Ekip.M. San.ve Tic. A.Ş.	Shareholder	3.796	4.977	36.750	23.410	-	-	68.933
-Akpet Akaryakıt Dağıtım A.Ş. (*)	Group Company	57.343	-	-	-	-	-	57.343
-Ceytaş Mad.Tekstil San. ve Tic. A.Ş.	Group Company	-	-	-	3.685	-	-	3.685
-Eti Soda ÜretimPaz.Nak. San.Tic. A.Ş.	Group Company	240	1.167	-	136	-	-	1.543
-Havaş Turizm Sey. ve Kargo Taş. A.Ş.	Group Company	-	56.622	-	6.317	184.243	2.772	249.954
-Park DemirMaden San. ve Tic. A.Ş.	Group Company	426.730	18.901	2.356.051	144.060	67.224	-	3.012.966
-Park Hav. Taşımacılık ve Tic. A.Ş.	Group Company	-	-	-	-	197.507	-	197.507
-Park Teknik Mad.Tur. San. ve Tic. A.Ş.	Group Company	230.180	122.723	10.652	594.326	78.889	-	1.036.708
-Park Termik Elektrik San. ve Tic. A.Ş.	Long Term Sec.	-	47.470	-	51.323	-	-	98.793
-Park Makine Yedek Parça San. A.Ş.	Group Company	93.464	8.605	518	1.912	-	-	104.499
-Park Sigorta Aracılık Hiz. Ltd. Şti.	Group Company	-	442.290	-	-	-	-	442.290
-Silopi Elektrik Üretim A.Ş.	Group Company	-	-	54.614	341	639	-	55.594
TOTAL		811.691	3.872.946	2.458.585	10.966.270	840.100	2.772	18.952.364

(*) Akpet Akaryakıt Dağıtım A.Ş.

The Company has no longer the quality of related party due to its sale in 22.10.2007. The abovementioned purchase of goods and services from Akpet Akaryakıt Dağıtım A.Ş. comprises transactions during the period January - October 2007.

December 31, 2006

Related Party	Nature of Relationship			Tangible Asset	Interest + Foreign			Total
		Goods	Service		Exch. Diff.	Rent	Other	
-Park Holding A.Ş.	Shareholder	-	3.739.565	-	6.683.497	250.872	-	10.673.934
-Park Enerji Ekip. M. San. ve Tic. A.Ş.	Shareholder	-	5.113	44.091	2.878	-	-	52.082
-Ceytaş Mad.Tekstil San. ve Tic. A.Ş.	Group Company	-	6.374	-	46.417	3.964	-	56.755
-Eti Soda Üretim Paz. Nak.San. Tic. A.Ş.	Group Company	-	702	-	-	4.226	-	4.928
-Havaş Turz. Sey. ve Kargo Taş. A.Ş.	Group Company	7.599	39.097	-	4.780	106.688	12.806	170.970
-Merkez Rek. Paz. Danış. San. Tic. A.Ş.	Group Company	-	495	-	-	-	-	495
-Merkez Matbaa. Yay. San. Tic. A.Ş.	Group Company	-	1.688	-	-	-	-	1.688
-Park Demir Maden San. ve Tic. A.Ş.	Group Company	155.131	61.226	35.746	66.385	18.376	-	336.864
-Park Yatırım Holding A.Ş.	Group Company	-	7.316.472	-	-	-	-	7.316.472
-Park Havacılık Taşımacılık ve Tic. A.Ş.	Group Company	-	-	-	7.723	258.113	-	265.836
-Park Tek. Mad.Tur. San. ve Tic. A.Ş.	Group Company	5.027.291	74.493	50.289	1.158.678	7.981	692	6.319.424
-Park Ter. Elektrik San. ve Tic. A.Ş.	Long Term Sec.	69.944	127.875	2.338	380.651	600	22.497	603.905
-Park Tıp Sağlık Hiz.ve Tic. Ltd. Şti.	Group Company	-	14.368	-	-	-	-	14.368
-Park Makine Yedek Parça San. A.Ş.	Group Company	135.966	22.072	5.078	22.888	-	-	186.004
-Park Sigorta Aracılık Hiz. Ltd. Şti.	Group Company	-	514.893	-	-	-	6.821	521.714
-Lares Turz. İnş. Taah. San. ve Tic. A.Ş.	Group Company	-	2.000	-	-	-	-	2.000
-Ciner Turz. Tic. İnş. Servis Hizm. A.Ş.	Group Company	-	-	24.576	-	-	-	24.576
-Silopi Elektrik Üretim A.Ş.	Group Company	-	-	-	30	-	-	30
TOTAL		5.395.931	11.926.433	162.118	8.373.927	650.820	42.816	26.552.045

NOTE 10- OTHER RECEIVABLES AND PAYABLES**Other Receivables**

	Dec. 31, 2007	Dec. 31, 2006
Other Miscellaneous Receivables	81.843	714
Other Doubtful Miscellaneous Receivables	29.041	29.041
Provision For Other Doubtful Miscellaneous Receivables	(29.041)	(29.041)
Total	81.843	714

Other Payables

	Dec. 31, 2007	Dec. 31, 2006
Taxes And Similar Liabilities Payable	108.186	137.842
Social Security Premium Payable	223.703	502.600
Payables To Personnel	539.987	620.074
Expense Accruals	750	42.559
Dividends Payable To Shareholders	1.773	-
Other Miscellaneous Payables	580	12.595
Total	874.979	1.315.670

NOTE 11- LIVESTOCK

None. (December 31, 2006; None.)

NOTE 12- INVENTORIES

	Dec. 31, 2007	Dec. 31, 2006
Raw Materials	4.950.940	2.270.483
Finished Goods	3.567.164	4.507.001
Other Inventories	42.071	135.184
Allowance for Impairment of Inventory	(106.114)	(90.134)
Advances Given	305.917	-
Total	8.759.978	6.822.534

NOTE 13- RECEIVABLES FROM CONSTRUCTION CONTRACTS AND PROGRESS PAYMENTS RECEIVED

There are no receivables from construction contracts and progress payments received.
(December 31, 2006; None.)

NOTE 14- DEFERRED TAX ASSETS AND LIABILITIES

The tax rate used in the calculation of deferred tax assets and liabilities (excluding the land and buildings) is 20 % (December 31, 2006 - 20 %). The items that comprise the deferred tax are as follows:

	Temporary Differences		Deferred Tax Asset (Liability)	
	Dec. 31, 2007	Dec. 31, 2006	Dec. 31, 2007	Dec. 31, 2006
Deferred Tax Assets				
a- Provision for Sever Pay and Unused Vac.	3.267.875	2.939.012	653.575	587.802
b- Provision for Doubtful Receivables	129.910	76.931	25.982	15.386
c- Rediscount on Receivables	744.262	861.983	148.852	172.397
d- Raw Materials - Finished Goods	-	1.320.875	-	264.175
e- Provision for Impairment of Inventories	106.114	90.134	21.223	18.027
f- Tangible Assets	736.793	848.858	147.359	169.772
g- Provision for Liabilities and Expenses	54.615	668.317	10.923	133.663
Total	5.039.569	6.806.110	1.007.914	1.361.222
Deferred Tax Liabilities				
a- Prepaid Exp. (Short-Term / Long - Term)	37.351	229.021	7.470	45.804
b- Rediscount on Payables	68.674	325.978	13.735	65.195
c- Raw Materials - Finished Goods	96.094	1.320.875	19.219	264.175
d- Intangible Assets	433.165	559.780	86.633	111.957
Total	635.284	2.435.654	127.057	487.131
Net Deferred Tax Assets	4.404.285	4.370.456	880.857	874.091

	Dec. 31, 2007	Dec. 31, 2006
To be used within a term less than one year	166.557	545.451
To be used within a term more than one year	714.300	592.815
Total Net Deferred Tax Assets	880.857	1.138.266

The movement of deferred taxes is as follows:

Balance as of December 31, 2006	1.138.266
Deferred Tax Expense of the Period	(257.409)
Balance as of December 31, 2007	880.857

NOTE 15- OTHER CURRENT / NON-CURRENT ASSETS AND SHORT / LONG TERM LIABILITIES**Other Current Assets**

	Dec. 31, 2007	Dec. 31, 2006
Prepaid Expenses	446.430	477.401
Income Accruals	597.753	325.925
VAT Transferred	4.165.420	2.494.642
VAT Receivable	715.897	332.251
Prepaid Temporary Tax	2.493.511	8.090.716
Prepaid Withholding	46.049	90.925
Job Advances	532	28.069
Advances Given to Personnel	21.646	10.483
Total	8.487.238	11.850.412

Other Long-Term Assets

	Dec. 31, 2007	Dec. 31, 2006
Prepaid Expenses	74.194	66.932

NOTE 16- FINANCIAL ASSETS**Long-Term Marketable Securities**

Company	Nature of Relationship	Dec. 31, 2007		Dec. 31, 2006	
		Share %	Amount	Share %	Amount
-Park Termik Elektrik					
San.ve Tic. A.Ş.	Long-Term Marketable Sec.	-	18	-	15

The Company acquired the par value share of TRY 1 of its participation, Park Termik Elektrik Sanayi ve Ticaret A.Ş. from Park Teknik Elektrik Madencilik Turizm San.ve Tic. A.Ş. and increased the capital of the participation from TRY 62.000.000 to TRY 72.100.000 on December 25, 2007. TRY 10.045.172 of the increase of TRY 10.100.000 was covered from internal resources whereas the portion of TRY 54.828 was covered by cash. The acquired amount of TRY 1 has been recorded under "Issue Premium from Participations" in the balance sheet.

NOTE 17- POSITIVE / NEGATIVE GOODWILL

The Company does not have any goodwill account. (December 31, 2006; None.)

NOTE 18- INVESTMENT PROPERTY

The Company does not have any investment property. (December 31, 2006; None.)

NOTE 19- TANGIBLE ASSETS

Of the depreciation expense of tangible and intangible assets as of December 31, 2007, TRY 7.435.512; the transfers to specific accounts are as follows: TRY 16.771 to General Administrative Expenses, TRY 618.622 to Expenses and Losses of Idle Capacity, TRY 6.799.819 to Cost of Manufacturing and TRY 300 is deducted from revaluation fund item.

As of December 31, 2007 and December 31, 2006, a mortgage with the amount of TRY 27.000.000 in favor of İş Bankası on the plant located in Edirne is outstanding. The mortgage has been released in January 2008.

TANGIBLE ASSETS:

	Land	Underground and Aboveground Structure	Buildings	Property, Plant and Equipment	Vehicles	Furniture and Fixtures	Other Tangible Assets	Construction in Progress	Advances Given	Total
Book Value										
January 1, 2007										
Beginning Balance	100.000	2.369.000	20.571.135	35.791.609	510.543	2.541.660	2.968	1.319.237	285.763	63.491.915
Purchases	-	-	133.720	3.420.048	6.234	524.782	-	557.343	1.163.125	5.805.252
Disposals	-	-	-	(598.712)	(193.015)	(97.568)	-	-	-	(889.295)
Transfers	-	3.325	149.355	283.909	-	2.823	-	(456.830)	(1.329.993)	(1.347.411)
December 31, 2007										
Ending Balance	100.000	2.372.325	20.854.210	38.896.854	323.762	2.971.697	2.968	1.419.750	118.895	67.060.461
Accumulated Depreciation										
January 1, 2007										
Beginning Balance	-	302.988	5.738.889	15.277.591	277.273	1.741.179	618	-	-	23.338.538
Period Expense	-	427.025	930.342	4.064.120	77.628	281.567	742	-	-	5.781.424
Disposals	-	-	-	(225.386)	(185.187)	(25.166)	-	-	-	(435.739)
December 31, 2007										
Ending Balance	-	730.013	6.669.231	19.116.325	169.714	1.997.580	1.360	-	-	28.684.223
Net Book Values as of December 31, 2007	100.000	1.642.312	14.184.979	19.780.529	154.048	974.117	1.608	1.419.750	118.895	38.376.238
Net Book Value as of December 31, 2006	100.000	2.066.012	14.832.246	20.514.018	233.270	800.481	2.350	1.319.237	285.763	40.153.377

NOTE 20- INTANGIBLE ASSETS

	Rights	Special Costs	Exploration Costs	Preparation and Development Costs	Total
Book Value					
January 1, 2007 Beginning Balance	10.235.810	1.614.862	487.148	6.764.673	19.102.493
Purchases	2.390	-	-	156.852	159.242
Transfer from Constr. in Progress	-	17.418	-	-	17.418
December 31, 2007 Ending Balance	10.238.200	1.632.280	487.148	6.921.525	19.279.153
Accumulated Depreciation					
January 1, 2007 Beginning Balance	4.065.080	170.160	-	2.068.035	6.303.275
Period Expense	889.514	339.804	-	424.770	1.654.088
December 31, 2007 Closing Balance	4.954.594	509.964	-	2.492.805	7.957.363
Net Book Value as of December 31, 2007	5.283.606	1.122.316	487.148	4.428.720	11.321.790
Net Book Value as of December 31, 2006	6.170.730	1.444.702	487.148	4.696.638	12.799.218

The item of "rights" comprises operating license of Siirt Madenköy Copper Field and mine exploration license of Gaziantep-İslahiye and computer programs. In the table above, the preparation and development costs, TRY 6.921.525 expresses the expenditures related with copper extraction in Madenköy- Şirvan/Siirt and extraction costs, TRY 487.148 expresses the expenditures in Gaziantep-İslahiye field. The special costs item represents the social facilities constructed in Siirt field which is depreciated over 25 years in accordance with lease term of the land where the facilities are located.

NOTE 21- ADVANCES RECEIVED

There are no advances received as of December 31, 2007. (December 31, 2006; None.)

NOTE 22- RETIREMENT PLANS

The Company does not have any retirement plans and related assets as of December 31, 2007. (December 31, 2006; None.)

NOTE 23- PROVISION FOR LIABILITIES

Short Term Liabilities	Dec. 31, 2007	Dec. 31, 2006
Corporate Income Tax Provision	4.724.711	8.401.203
Provision for Sale Allowances	937.943	1.168.515
Other Provisions	1.019.652	1.115.482
Total	6.682.306	10.685.200

Long Term Liabilities	Dec. 31, 2007	Dec. 31, 2006
Provision for Severance Pay	3.052.236	2.792.612
Provision for Unused Vacation	215.639	146.400
Total	3.267.875	2.939.012

The Movements of The Provision For Severance Pay Account Are as Follows:

January 1, 2007	2.792.612
Paid Within the Year	(115.910)
Increased Within the Year	375.534
December 31, 2007	3.052.236

NOTE 24- MINORITY INTERESTS / MINORITY PROFIT / LOSS

None. (December 31, 2006; None.)

NOTE 25- CAPITAL / MUTUAL CAPITAL ADJUSTMENTS FOR PARTICIPATIONS

The capital structure of the Company as of December 31, 2007 and December 31, 2006 is as follows:

Shareholders	(%)	Dec. 31, 2007	(%)	Dec. 31, 2006
-Park Holding A.Ş.	43,94	21.093.383	43,94	21.093.383
-Park Enerj. Ekip. Mad. San. ve Tic. A.Ş.	24,50	11.760.000	24,50	11.760.000
-Turgay Ciner	0,83	400.000	0,83	400.000
-Other	30,73	14.746.617	30,73	14.746.617
Historical Value of Capital	100,00	48.000.000	100,00	48.000.000

The Company has subjected its capital as of December 31, 2003 and December 31, 2004 to inflation accounting. The resulting adjustment, TRY 41.517.913, is recorded as "Equity Translation Difference".

NOTE 26- CAPITAL RESERVES**EQUITY TRANSLATION DIFFERENCE**

The Company has made a deduction of its prior years' losses amount in the year 2004. After the deduction transaction of capital reserves from prior years' losses the equity translation differences is TRY 41.882.545 in December 31, 2007. (December 31, 2006 - TRY 41.882.545.)

ISSUE PREMIUM FROM PARTICIPANTS

In 2006 and 2007 the Company took part in the capital increase of its participation Park Termik Elektrik Sanayi ve Ticaret A.Ş. which is shown as an affiliated security pro rate share and reported the amount of TRY 6 obtained, which corresponds to the amount of bonus share certificates, under the Equity account group on the balance sheet as "Participation Issue Premium". (31 December, 2006 - TRY 5.)

NOTE 27- PROFIT RESERVES**LEGAL RESERVES / EXTRAORDINARY RESERVES**

Legal reserves comprise first and second tier legal reserves that are allocated according to the Turkish Commercial Code. First tier legal reserves are allocated as 5% per annum from the commercial profit of the previous term until 20% of the historical capital paid up is reached by also taking into consideration the total of reserves set aside during the previous terms. Second tier legal reserves are set aside in the annual rate of 10% over all dividend distributions in cash after first tier legal reserves and dividends.

Since the Company realized the setting off transaction of the loss for the previous years, resulting from inflation adjustment, there are no legal reserves or extraordinary reserves as of 31 December, 2004 and 31 December, 2005. In the General Assembly relating to the activity of the Company during 2005, a resolution was adopted for not distributing the profit generated on the financial statements for the year 2005 since it was less than 5% of the issued capital. Pursuant to the resolution adopted, distributable profit in the amount of TRY 7.867.370 which was generated after the allocation of legal reserves in the amount of TRY 451.154 was transferred to extraordinary reserves. In the General Assembly relating to the activity of the Company during 2006, a resolution was adopted for distributing the dividend of TRY 6.240.000 out of distributable profit generated in the financial statements of 2006 and transferring the portion left after the allocation of legal reserves to extraordinary reserves. Pursuant to the resolution adopted, after TRY 1.584.786 and TRY 384.000 was set aside as first tier and second tier reserves, respectively, TRY 23.498.150 was allocated to extraordinary reserves. After all these distributions, legal reserves amounted to TRY 2.419.940 whereas extraordinary reserves amounted to TRY 31.365.520.

SPECIAL RESERVES

Profit in the amount of TRY 1.500 which was generated through the sale of a portion of the fixed assets during 2005 was not recorded as profit pursuant to tax legislation and was transferred to special reserves under the title of renewal fund. The depreciation for the fixed asset which was obtained in place of such fixed asset sold during the year was deducted from such account in the amount of TRY 225 in 2005, TRY 300 in 2006 and TRY 300 in 2007. As of December 31, 2007, the account amounts to TRY 675. (December 31, 2006 - TRY 975.)

NOTE 28- PRIOR YEARS' PROFIT / LOSS

Prior Years' Profit / Loss As of December 31, 2007 Are as Follows;

	Dec. 31, 2007	Dec. 31, 2006
Prior Years' Profit at the Beginning of Period	31.706.936	10.101.492
Payment of Dividend	(6.240.000)	-
Legal Reserves Set Aside	(1.968.786)	(451.154)
Extraordinary Reserves	(23.498.150)	(7.867.370)
Cancellation of the Profit of Participation Sold	-	(1.782.968)
Prior Years' Profit at the End of Period	-	-

December 31, 2006:

As of December 31, 2006, there is no profit/loss of the previous year. The profit of the previous year appearing on the financial statements of the firm which were consolidated according to the equity method as of December 31, 2005 amounts to TRY 10.101.492. Pursuant to the resolution adopted in the General Assembly for the year 2005 held in 2006, TRY 451.154 of the profit of the previous years was transferred to legal reserves and TRY 7.867.370 to extraordinary reserves whereas the remaining portion of TRY 1.782.968 is the portion of such profit deducted in 2006 as corresponding to the participation of the Company, Tufanbeyli Elektrik Üretim A.Ş., based on the financial statements which were consolidated in 2005 according to the equity method due to the sale of the said participation in May 2006.

NOTE 29- POSITION OF FOREIGN EXCHANGE BALANCES

December 31, 2007	USD		EURO		Total
	Original Amount	TRY Original Amount	TRY	TRY	
Assets:					
Liquid Assets	27.705.991	32.269.168	14	23	32.269.191
Trade Receivables	1.359.298	1.583.175	-	-	1.583.175
Receivables Due from Related Parties	81.640.580	95.345.811	-	-	95.345.811
Order Advances Given	-	-	126.393	221.623	221.623
	110.705.869	129.198.154	126.407	221.646	129.419.800
Liabilities:					
Financial Liabilities	26.203.133	30.518.789	-	-	30.518.789
Prin. Ins. and Int. of Long Term Loans	461.472	735.854	-	-	735.854
Trade Receivables	5.740	6.686	2.904.280	4.966.900	4.973.586
Provision for Liabilities	1.356.983	1.580.479	-	-	1.580.479
Long Term Bank Loans	1.153.812	1.404.495	-	-	1.404.495
	29.181.140	34.246.303	2.904.280	4.966.900	39.213.203
Net Foreign Exchange Position	81.524.729	94.951.851	(2.777.873)	(4.745.254)	90.206.597

December 31, 2006

Assets:					
Liquid Assets	12.310.841	17.304.119	14	25	17.304.144
Trade Receivables	1.517.351	2.132.788	619	1.147	2.133.935
Receivables Due from Related Parties	72.510.647	102.120.559	-	-	102.120.559
Order Advances Given	11.013	16.575	63.545	120.815	137.390
	86.349.852	121.574.041	64.178	121.987	121.696.028
Liabilities:					
Financial Liabilities	26.319.081	36.994.100	-	-	36.994.100
Prin. Ins. and Int. of Long Term Loans	461.472	735.854	-	-	735.854
Trade Payables	181.959	256.190	4.308.765	7.977.679	8.233.869
Payables Due to Related Parties	126.862	178.317	-	-	178.317
Provision for Liabilities	1.005.874	1.413.857	-	-	1.413.857
Other Liabilities	26.071	36.645	-	-	36.645
Long Term Bank Loans	615.284	977.227	-	-	977.227
	28.736.603	40.592.190	4.308.765	7.977.679	48.569.869
Net Foreign Exchange Position	57.613.249	80.981.851	(4.244.587)	(7.855.692)	73.126.159

NOTE 30- GOVERNMENT INCENTIVES AND GOVERNMENT ASSISTANCE

The Company has an incentive certificate for an investment amount of TRY 21.000.000 valid until February 28, 2009. Within the scope of the incentive certificate, Value Added Tax Exemption is provided for the purchase of domestic and foreign investment goods and customs duty exemption for imported investment goods.

Pursuant to Law on Encouragement of Investments and Employment dated January 29, 2004 and numbered 5048, the Company benefits from tax and insurance premium incentives for its personnel employed at Siirt/ Madenköy Copper enterprise. Pursuant to the same law, the Company made a request for Power Support and realized an income accrual of TRY 841.862 during the term of January-December 2007 and deducted such amount from the account of general production expenses.

NOTE 31- PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

	December 31, 2007		December 31, 2006	
	FOREIGN EXCHANGE	TRY	FOREIGN EXCHANGE	TRY
Guarantees Given				
Letters of Guarantee Given TRY		1.026.883		208.687
Letters of Guarantee Given EUR	168.739	288.578	-	-
Mortgages Given TRY		27.000.000		27.000.000
Total		28.315.461		27.208.687
Guarantees Received				
Letters of Guarantee Received EUR	27.170	46.466	837.500	1.550.631
Cheques in Guarantee EUR	-	-	800.000	1.481.200
Notes in Guarantee TRY		984.365		1.152.090
USD	-	-	301.780	424.182
Total		1.030.831		4.608.103

As of December 31, 2007, the total risk of lawsuits filed and continuing against the Company amounts to TRY 50.000 and a provision in the amount of TRY 50.000 was recorded. In the previous years, a payment of TRY 640.267 was made pursuant to the lawsuits filed against the Company and for which provision was recorded and in 2007 a payment of TRY 715.700 was paid with the resulting interest and other expenses. The case file for which a provision of TRY 15.050 was recorded was closed after it was concluded in favor of the Company. (December 31, 2006 - TRY 655.317.)

As of December 31, 2007 and December 31, 2006, a mortgage with the amount of TRY 27.000.000 in favor of İŞ Bankası on the plant located in Edirne has been released in January 2008.

NOTE 32- MERGERS

There are no mergers as of the balance sheet date.(December 31, 2006; None.)

NOTE 33- SEGMENT REPORTING

The Company operates in a single geographical region and a single branch of business.

Basic Reporting Method - Geographical Regions

The Company produces its goods (concentrated copper) domestically and sells them to foreign firms. Accordingly, the Company does not further carry out any reporting on the basis of geographical regions.

Secondary Reporting Method - Industrial Regions

The Company which was active solely in the mining sector in 2007 did not carry out any reporting on the basis of industrial regions as its field of activity does not cover different risks and revenues.

NOTE 34- EVENTS AFTER THE BALANCE SHEET DATE**December 31, 2007**

- As of January 1, 2008, the severance pay ceiling became TRY 2.088.
- A mortgage with the amount of TRY 27.000.000 in favor of İş Bankası on the plant located in Edirne has been released.
- Pursuant to the letter dated January 25, 2008 and numbered 4683 served on the Company by Republic of Turkey on February 1, 2008, General Directorate of Labor of the Ministry of Labor and Social Security; it was determined that a qualified majority required by the Law was obtained to conclude a collective bargaining agreement in the enterprise located in Maden Village of Şirvan / Siirt with the number of 272 members of T. Maden-Labor Union.

December 31, 2006

- Effective from January 1, 2007, the ceiling of severance pay is increased to TRY 1.961.

NOTE 35- DISCONTINUED OPERATIONS

The Company does not have any discontinued operations as of December 31, 2007. The Company discontinued its coal cleaning activity which it carried out in Çayırhan/Ankara from August 1, 2006 and coal mining activity from December 1, 2006.

NOTE 36- OPERATING REVENUES

SALES REVENUES	Jan. 1, 2007	Jan. 1, 2006
	Dec. 31, 2007	Dec. 31, 2006
Domestic Sales	371.603	23.370.657
- Coal Extraction	-	19.124.391
- Coal Washing	-	1.476.662
- Other	371.603	2.769.604
Foreign Sales	85.194.617	18.472.410
- Concentrated Copper	85.194.617	18.472.410
Total	85.566.220	41.843.067

SALES ALLOWANCES	Jan. 1, 2007	Jan. 1, 2006
	Dec. 31, 2007	Dec. 31, 2006
Sales Discounts	377.887	70.328
Other Allowances	5.147.688	1.678.967
Total	5.525.575	1.749.295
NET SALES REVENUES	80.040.645	40.093.772

SALES AMOUNTS	Jan. 1, 2007	Jan. 1, 2006
	Dec. 31, 2007	Dec. 31, 2006
Coal Extraction	-	1.057.536 Ton
Coal Washing	-	423.047 Ton
Concentrated Copper	47.417 Dmt	9.271 Dmt

COST OF SALES	Jan. 1, 2007	Jan. 1, 2006
	Dec. 31, 2007	Dec. 31, 2006
Cost of Finished Goods Sold (-)	32.809.572	8.422.871
Cost of Services Rendered (-)	36.967	11.532.301
Cost of Commercial Goods Sold (-)	117.902	213.309
Cost of Other Sales (-)	104.648	1.220.696
Total	33.069.089	21.389.177

OTHER REVENUES FROM OPERATIONS	Jan. 1, 2007	Jan. 1, 2006
	Dec. 31, 2007	Dec. 31, 2006
Rent Revenues	8.268	109.897

NOTE 37- OPERATING EXPENSES (-)

	Jan. 1, 2007 Dec. 31, 2007	Jan. 1, 2006 Dec. 31, 2006
Marketing, Sales and Distribution Expenses	6.094.386	1.010.038
General Administrative Expenses	5.823.860	11.705.678
Total	11.918.246	12.715.716

A- Details of Marketing, Sales and Distribution Expenses:

	Jan. 1, 2007 Dec. 31, 2007	Jan. 1, 2006 Dec. 31, 2006
Material Expenses	263.899	39.871
Transportation Expenses	2.689.076	479.293
Export Expenses	2.833.35	406.233
Other	308.057	84.641
Total	6.094.386	1.010.038

B- Details of General Administrative Expenses:

	Jan. 1, 2007 Dec. 31, 2007	Jan. 1, 2006 Dec. 31, 2006
Material Expenses	-	13.238
Personnel Expenses	1.167.135	2.006.358
Depreciation Expenses	16.771	1.002.016
Consultancy Expenses	2.673.713	3.463.715
Rent Expenses	552.259	697.845
Prov. for Severance Pay and Unused Vacation	444.773	1.530.787
Provision for Lawsuits	107.928	669.308
Other	861.281	2.322.411
Total	5.823.860	11.705.678

NOTE 38- REVENUES / PROFIT AND EXPENSES / LOSSES FROM OTHER OPERATIONS**REVENUES AND PROFIT FROM OTHER OPERATIONS**

	Jan. 1, 2007 Dec. 31, 2007	Jan. 1, 2006 Dec. 31, 2006
Commission Revenues	229.360	308.600
Provisions No Longer Required	916.052	844.467
Gain on Sale of Marketable Securities	-	1.406
Other Revenues and Profit	9.859	96.427
Prior Periods' Income and Profit	372.776	11.988
Revenues from Sale of Participations	-	40.437.708
Other Extraordinary Revenues and Profit	53.347	643.918
Total	1.581.394	42.344.514

EXPENSES AND LOSSES FROM OTHER OPERATIONS

	Jan. 1, 2007 Dec. 31, 2007	Jan. 1, 2006 Dec. 31, 2006
Expenses of Idle Capacity	624.815	5.755.806
Prior Periods' Expenses and Losses	14.802	6.285
Other Extraordinary Expenses and Losses	852.246	320.993
Total	1.491.863	6.083.084

NOTE 39- FINANCIAL EXPENSES / REVENUES

Financial Expenses	Jan. 1, 2007	Jan. 1, 2006
	Dec. 31, 2007	Dec. 31, 2006
Expense for Interest Elimination in Forward Purchases	396.650	304.660
Due Date Differences Expense	48.884	120.331
Interest Expense on Loans	84.584	6.566
Foreign Exchange Differences Expense	1.036.742	-
Foreign Exchange Loss	15.946.891	15.724.284
Rediscount Expenses	1.070.241	1.044.145
Other	257.398	163.694
Total	18.841.390	17.363.680

Financial Revenues	Jan. 1, 2007	Jan. 1, 2006
	Dec. 31, 2007	Dec. 31, 2006
Due Date Differences Revenue	4.701.365	1.895.747
Financial Income Resulting from Banks	1.067.001	2.561.902
Foreign Exchange Gain	1.759.751	10.451.940
Rediscount Income	930.656	396.079
Total	8.458.773	15.305.668
Net Financial Expense	10.382.617	2.058.012

NOTE 40- NET MONETARY GAIN/LOSS

The CMB announced on March 17, 2005 that the practice of inflation adjustment of financial statements was terminated for the year 2005. Since no inflation adjustment was made from January 1, 2005, no monetary profit / loss emerged as of December 31, 2007.

NOTE 41- TAXES

The corporation tax rate for 2007 is 20% (2006: 20 %). Such rate is applied to the tax base which is reached by adding to the commercial earnings such expenses which may not be deducted pursuant to tax legislation and by deducting such exemptions (such as exemption of participation earnings) and discounts specified in tax laws.

The tax provision amount disclosed in financial statements for the periods January 1-December 31, 2007 and January 1-December 31, 2006 is as follows:

Taxes	Jan. 1, 2007	Jan. 1, 2006
	Dec. 31, 2007	Dec. 31, 2006
Corporate Income Tax of Current Year (-)	(4.724.711)	(8.401.203)
Deferred Tax Expense (-) / Revenue (+)	(257.409)	(194.055)
	(4.982.120)	(8.595.258)

NOTE 42- EARNINGS PER SHARE

For the periods December 31, 2007 and December 31, 2006, the weighted average of Company shares and unit earnings per share is as follows:

(it is assumed that increases in cash do not include any bonus shares):

	Jan. 1, 2007	Jan. 1, 2006
	Dec. 31, 2007	Dec. 31, 2006
-Net Period Profit	19.786.372	31.706.936
-Weighted Average of Shares	4.800.000.000	4.800.000.000
-Distributable Profit Per Share in TRY	0,00412	0,00661

NOTE 43- CASH FLOW STATEMENT

Cash flow statement is disclosed with financial statements.

NOTE 44- OTHER IMPORTANT MATTERS THAT CARRY SIGNIFICANCE AND AFFECT THE CLEARANCE, INTERPRETABILITY AND COMPREHENSIBILITY OF FINANCIAL STATEMENTS**December 31, 2007**

- The Company applied to Energy Market Regulatory Authority on October 25, 2007 in order to obtain a generation license with regard to the hydroelectric power plant in Şirvan-Tarihler region of the province of Siirt located in Diyarbakır basin.

December 31, 2006

- In the Board of Directors Meeting dated May 9, 2006 of the Company, it was resolved, due to the abandonment of the Company's operation in the textile sector in 2002, to sell from among the idle machinery available in the facility set up in Edirne, the group of machines comprising the drum folder, fabric spread and cut bench, drying machine, summing machine, beam dyeing apparatus, confection and sewing assembly for a value of TRY 224.000 and to sell all the remaining machinery, fixtures and inventories as scrap for TRY 1.016.000 to be paid in advance. After such sale, the profit in the amount of TRY 607.570 obtained from the sale of machinery was recorded in the financial statements under the account of other extraordinary revenues and profits within the account group of Revenues and Profit from Other Operations. The loss in the amount of TRY 839.092 resulting from the sale of inventories is posted within gross operating profit / loss whereas the provision for impairment in the amount of TRY 752.270 is recorded as provisions having no specific subject under the account of Revenues and Profit from Other Operations.

- In the Board of Directors meeting dated May 18, 2006 of the Company; Park Yatırım Holding A.Ş. was mandated to evaluate of domestic and foreign bids related to the sale of the Company's 45% equity stake in Tufanbeyli Elektrik Üretim A.Ş. with a view to financing the Company's activities in the mining sector. With respect to the sale of the Company's 45% stake in Tufanbeyli Elektrik Üretim A.Ş. on May 22, 2006, a share transfer agreement was signed with Enerjisa Enerji Üretim A.Ş., a Sabancı Group Company. Pursuant to the contract, an adjusted additional purchase value of TRY 18.384.152 was determined in addition to the share value in the amount USD 35.100.000 USD and the share value was collected in cash and in full. The profit in the amount of TRY 40.437.708 obtained after the sale is recorded in the financial statements under the account of other extraordinary revenues and profit within the account group of Revenues and Profit from Other Operations.

- The test production of the Copper Concentrate Facility located in the Company's branch in Siirt Madenköy where the copper ore extracted from the mining field shall be processed was concluded and in 2006, foreign sales in the quantity of 9.271 DMT was realized.

- In the Board of Directors Meeting dated July 27, 2006 of the Company; it was decided to cancel with effect from August 1, 2006, the contract which was concluded on July 1, 2000 with Park Termik Elektrik Sanayi ve Ticaret Anonim Şirketi related to coal washing and homogenization activities upon a resolution adopted by the said Company to continue the mentioned activities within its own facilities due to the reduction in geological problems concerning the coal structure and a quantitative decrease in washing as the result of a more homogenized coal quality.

- In the board of directors meeting dated December 01, 2006 of the Company; it was resolved to terminate with effect from December 01, 2006 the contract which was concluded on July 1, 2000 with Park Teknik Elektrik Madencilik Turizm Sanayi ve Ticaret Anonim Şirketi related to coal mining activities in line with the resolution of the said Company to execute the coal mining activity within its own facilities as the result of the activity and efficiency assessment on coal mining fields and to transfer 166 employees who were hired in connection with this activity to the said Company.

- On November 2, 2006, the Company made an engagement for the export of 30.000 DMT of copper concentrate for the period of December 2006 - September 2007. The approximate value of the export engagement over the prices applicable on the date is USD 36.000.000.



KAVRAM

DENETİM ve YEMİNLİ MALİ MÜŞAVİRLİK A.Ş.

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**TO THE BOARD OF DIRECTORS OF
PARK ELEKTRİK MADENCİLİK SAN. VE TİC. A.Ş.**

**INDEPENDENT AUDIT REPORT ABOUT
FINANCIAL STATEMENTS FOR JANUARY 1 - DECEMBER 31, 2007
ACCOUNTING PERIOD**

We have audited the balance sheet (attached) of Park Elektrik Madencilik San. ve Tic A.Ş. as of December 31, 2007, the income statement, the statement of changes in shareholders' equity, and the cash flow statement for the year that ended on the same date and the summary of financial policies and footnotes.

Responsibilities of the Enterprise Management in Relation to the Financial Statements

The management of the enterprise is responsible for the preparation and fair presentation of financial statements according to the financial reporting standards issued by Capital Market Board. This responsibility includes the preparation of financial statements without any inaccuracies due to any error and/or fraud and irregularity; the design, implementation and maintenance of internal control plan with the purpose of reflecting the reality fairly; making accounting estimates in line with the conditions available and the selection of the most appropriate accounting policies.

Responsibilities of the Independent Audit Firm

Our responsibility is to declare an opinion about the financial statements based on our independent audit. Our independent audit has been carried out in accordance with the independent audit standards issued by the Capital Market Board. These standards require compliance with the ethical principles and the planning and execution of the independent audit in a manner so as to ensure a reasonable guarantee with regard to whether the financial statements reflect the truth fairly and accurately.

Our independent audit involves the employment of independent audit techniques to collect independent audit evidences with respect to the amounts and footnotes in the financial statements. The independent audit techniques have been selected in line with our professional convictions in a manner so as to comprise risk assessments regarding whether the financial statements involve any significant inaccuracies as well as whether those inaccuracies originate from any error and/or fraud and irregularity. In this risk assessment, the internal control system of the Company has been taken into consideration. However, our aim is not to give an opinion about the effectiveness of the internal control system, but rather to reveal the relationship between the financial statements prepared by the enterprise management and the internal control system in order to plan the independent audit techniques in accordance with the conditions available. Furthermore, our independent audit involves assessing the compatibility of the overall presentation of accounting estimates and financial statements with the accounting principles adopted by the enterprise management.

We believe that the independent audit evidences that we have obtained during our independent audit constitute an appropriate and adequate basis to form our opinion.

Opinion

In our opinion, the financial statements attached accurately and fairly reflect, in all material respects, the financial position of Park Elektrik Madencilik San. Ve Tic. A.Ş. as of December 31, 2007 and its financial performance and cash flows in relation the year ending on the same date within the framework of financial reporting standards issued by the Capital Market Board.

Istanbul, February 27, 2008

KAVRAM
BAĞIMSIZ DENETİM VE YEMİNLİ MALİ MÜŞAVİRLİK A.Ş.
Ö. FAİK YILMAZ
Partner - Head Auditor

AUDITORS REPORT

TO GENERAL ASSEMBLY OF PARK ELEKTRİK MADENCİLİK
SANAYİ VE TİCARET A.Ş.

TITLE	: Park Elektrik Madencilik Sanayi ve Ticaret Anonim Şirketi
HEAD OFFICE	: Istanbul
REGISTERED CAPITAL	: TRY 60.000.000.00.-
PAID-IN CAPITAL	: TRY 48,000.000.00.-
FIELD OF ACTIVITY	: The field of activity of the Company covers searching and extracting, processing every kind of mine, mineral and mine derivations, refining, fining down and processing every kind of element both produced or obtained, constructing, operating cogeneration power plants to meet the need of electricity, energy and steam, selling the excess energy, producing every kind of fiber from glass, mine and mine derivations and producing every kind of product from fiber, constructing, operating or selling power plants regarding electricity production and distribution.
Name of Auditor and Auditors	: Hakkı GÜLTEKİN
Terms of duty, Partnership status	: 1 Year/Not a partner to the Company.
Number of Participated Board of Directors and Supervisory Board Meetings	: Company's Supervisory Board has attended to 6 Board of Directors meetings
Scope of the examinations made in the partnership's calculations, books and documents, date of examination and outcome	: It is determined that the legal records based on valid documents and the Balance Sheet and Profit-Loss charts have been duly issued in accordance with the records; and accounting procedures and principles have been complied, as a result of the examination we performed on 30.03.2007, 02.07.2007, 01.10.2007 and 31.12.2007 in order to obtain information concerning partnership activities and to ensure that legal book records be duly kept.
Extent of investigation on the Accounts and Books as well as Documents of the Partnership and their outcome as per Subpara 3, Paragraph 1, Article 353 of Turkish Commercial Code	: Monies, tax and duty stamps and stocks were counted, and no incompleteness and lack of order has been encountered in reconciliation of such values with legal books as a result of the counts and examinations we performed on 30.03.2007, 02.07.2007, 01.10.2007 and 31.12.2007.
Outcome of the Investigation Done as per Subpara. 1 Paragraph 4 of Article 353 of Turkish Commercial Code	: It is determined, through monthly examination on the registers and cash register of the Company that the assets such as checks, bonds, title deeds, investment incentive licenses were duly kept and there is no deposition and escrow at the cash register of the Company.
Complaints, Malpractices Informed and Actions Taken Against Them	: No complaint or information as to corrupted practices has been communicated to our Board of Auditors and no malpractice has been encountered in examinations performed by our Board.

I have examined the account transactions of PARK ELEKTRİK Madencilik San. Tic. A.Ş. for the term of 31.12.2007 in accordance with the Turkish Commercial Code, Articles of Association and other legislation and related generally accepted accounting principles and standards. In my opinion, balance sheet as of 31.12.2007, contents of which we found appropriate, reflects the financial situation of the partnership; and the income statement for the term of 01.01.2007 - 31.12.2007 reflects the results of the activities of the related term, all in correct and accurate manner. I hereby submit to your voting the approval of the Balance Sheet and income table, and the clearance of the Board of Directors.



Hakkı GÜLTEKİN

**OUR DECLARATION PURSUANT TO THE COMMUNIQUÉ
SERIES:X/16-28/B ISSUED BY CAPITAL MARKET BOARD**

Board of Directors Resolution on Approval of the Financial Statements

Date: February 27, 2008

Number: 5

**OUR DECLARATION AS PER SECTION TWO ARTICLE 26 OF THE COMMUNIQUÉ SERIES: X
NUMBERED 22 ISSUED BY THE CAPITAL MARKET BOARD**

We hereby declare that;

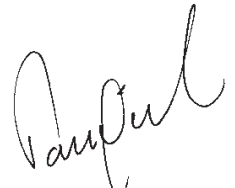
A) We have examined our Company's financial statements and footnotes for the period 31.12.2007,

B) Under the information possessed by our Company within the sphere of duty and liability, the report does not contain any false explanation on important issues or any incompleteness that may be misleading as of the date when such explanation was made,

C) Under the information possessed by our Company within the sphere of duty and liability, financial statements and information related to other financial issues accurately reflect the truth with regard to our Company's financial condition and activity results beginning from the period referred to in the report.



Süleyman UYAN
Member of the Board of Directors



Tacirül ERDEM
Assistant General Manager

CORPORATE GOVERNANCE COMPLIANCE REPORT

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1- CORPORATE GOVERNANCE DECLARATION

This Corporate Governance Declaration has been prepared for disclosing to public the commitments by Park Elektrik Madencilik Sanayi ve Ticaret A.Ş. concerning its compliance with Corporate Governance Principles, its level of compliance with such principles and its reasoning where not complied with. Park Elektrik Madencilik Sanayi ve Ticaret A.Ş. completed at the end of 2004 the study, which it started with "good company" Danışmanlık A.Ş. with a view to forming, in the body of the Company, the concept of Corporate Governance and its mechanisms, which spread in the world fast and are deemed to be sine qua non for a good management. This study entails Corporate Governance Principles published by the Capital Market Board as of July 2003 as well as international principles and sector implementations. After having being discussed, the study has been ratified at the Company's Board of Directors Meeting dated April 26th, 2005. Park Elektrik Sanayi ve Ticaret Madencilik A.Ş. commits to have faith in principles of transparency, equality, responsibility and accountability for increasing the Company's value, and to act in compliance with such principles in the management of the Company. Contrary to many companies traded in the stock market, Park Elektrik is one of the rare companies that have handed over the management of the Company entirely to professionals. Board of Directors entirely consists of professionals and this situation fully complies with the corporate governance principles. In line with this study, the Company's executive management and all of its employees have promptly adopted the "Corporate Governance" system formed in the Company and its mechanisms. The Company has amended its articles of association in parallel with the Corporate Governance Principles at the Ordinary General Assembly on June 14, 2005. In summary, the amended articles of association include arrangements concerning rights granted to minority shareholders, freedom of share transfer, independence of the Board of Directors, order of the Board of Directors meetings, formation of secretariat, formation of committees and their independency, election criteria concerning members of the Board of Directors and arrangements concerning the general assembly. Permanency of the Corporate Governance Principles will be ensured by such amendments made to the articles of association. The Company has made arrangements in the Board of Directors with a view to increasing its efficiency.

Number of Board of Directors members has been increased from 5 to 9, two independent members have been assigned, and the structure of the Board of Directors has complied with the corporate governance principles. Election of independent members as committee members, and consequently, presence of independent members in committees has been ensured. A secretariat has been formed under the Board of Directors in order to keep and archive the minutes of Board of Directors meetings and enable the Members of the Board of Directors to easily access to the Company information. As per Article 3 of the Communiqué Series X, No. 19 issued by the Capital Market Board, certain arrangements have been realized in line with the Corporation Governance Principles, by increasing the effectiveness of the Audit Committee, which was established before. As a secondary committee under the Board of Directors, a Corporate Governance and Appointment Committee has been formed, its working principles have been determined and its members have been appointed. All beneficiaries have been granted the right to access information in an equal, complete, coordinated and rapid manner by building a website for the Company under the principles of transparency and disclosure to public. It is aimed by such disclosure that a management creating responsibility and value is ensured. The Corporate Governance Principles are aimed at strengthening and increasing the confidence of our existing and potential investors, our employees, regulatory authorities and international and national public opinion.

CHAPTER I- SHAREHOLDERS

2- INVESTOR RELATIONS UNIT

The Company established an Investor Relations Unit on April 26, 2005 in order to ensure that the rights of the shareholders are used and to provide communication between the Company management and the shareholders. Director of the Investor Relations Unit is Mr. Selim Erdoğan and he reports to the Chairman of the Corporate Governance and Appointment Committee. Mr. Erdoğan has experience in the field of investment banking during her career. Mr. Erdoğan has served as auditor, head of the research department, member of the board of directors in the Capital Market Board, Yurt Menkul Değerler A.Ş., Universal Menkul Değerler A.Ş., Alan Yatırım A.Ş.. Contact with the Investor Relations Unit can be established through the Company's website or e-mail address investor.relations@cinergroup.com.tr or at +90 216 531 24 00.

An analyst meeting was held in May 2007 at the Company Headquarters by the Investor Relations Unit with participation of 26 analysts from 25 different intermediary institutions.

3- EXERCISING THE SHAREHOLDER'S RIGHT TO RECEIVE INFORMATION

Website, built in April 2005, has effectively been prepared to provide investors with the most information within shortest time in a coordinated, accurate, rapid, complete and understandable manner. The Website is under the responsibility of the Investor Relations Unit and is being updated constantly. The Company has established its disclosure policy and this policy has been approved by the shareholders at the ordinary general assembly. Questions raised by the shareholders are effectively and rapidly responded by means of the investor relations unit established in the Company. Request for appointment of a private auditor was accepted as a right in Article 12 of the Company's renewed articles of association. However, this right has not been exercised yet.

4- INFORMATION CONCERNING GENERAL ASSEMBLY

Park Elektrik realized its Ordinary General Assembly for the year 2006 on April 25, 2007. General Assembly convened with an attendance rate of 69.03% and number of total votes cast at the meeting was as many as 3,327,314,800. Invitation to General Assembly meeting was made prior to 29 days before the meeting date in accordance with the Corporate Governance Principles of the Capital Market Board. General Assembly was announced in Istanbul Newspaper dated 27.03.2007 and numbered 11443 only published in Istanbul and Dünya Newspaper dated 27.03.2007 and numbered 10573-8171 published in all over Turkey and in Turkish Trade Registry Gazette dated 28.03.2007 and numbered 6775. The same call was made to the relevant shareholders by PTT through registered mail on March 22, 2007 in order to ensure attendance to the General Assembly by the registered shareholders.

Annual report and financial statements have been made available for the shareholders at the Company's headquarters and in the website of the Company. The Company's articles of association have been presented to the requesting investors.

Shareholders were entitled to ask questions at the General Assembly. The call for the General Assembly was made to the shareholders 29 days prior to the meeting to increase the attendance to the General Assembly by the shareholders and to enable them to make be ready enough for the meeting.

Minutes of the General Assembly are made available for the review of the shareholders at the Company's headquarters and in the Company's website. At the General Assembly, information was given on aids and donations amounting to TRY 26,638 made to various public institutions by the Company in 2006. Other items of the agenda were discussed at the general assembly and related resolutions were passed.

5- VOTING RIGHTS AND MINORITY RIGHTS

Number of the Members of the Board of Directors has been increased to 9 upon the amendment to the articles of association at the Ordinary General Assembly Meeting convened in June 2005. In this regard, A and B Groups nominate the Members of the Board of Directors as the following:

GROUP A stocks elect 6 members out of 9.

GROUP B stocks elect 3 members out of 9.

Minority shares are not represented in management. However, the Company has appointed two independent members to ensure that minority shareholders are equally represented in the Board of Directors. As required by the structure of the Company and sector, the Board of Directors should pass fast and effective resolutions. Under cumulative voting method, the stage of passing resolutions will slow-down if future members have problems in conforming to the Company and sector, and such situation may lead to loss of profit by preventing the Company from making a timely decision. Therefore, no cumulative voting method is made available in the Company upon consideration of such possibilities.

6 - PROFIT DISTRIBUTION POLICY AND PROFIT DISTRIBUTION DATE

In line with the corporate governance principles and the Communiqué of the Capital Market Board dated 19/01/2007, our Company has decided to determine its profit distribution policy to be presented for Shareholders' approval at its ordinary General Assembly as follows:

- Profit distribution will be realized at an amount not to be lower than the minimum dividend ratios and amounts decided by the Capital Market Board and in line with the procedures set forth by the Turkish Commercial Code, Capital Market Board Communiqués and our Articles of Association within the predetermined time period as foreseen by law.
- Profit distribution to shareholders, also taking the growth and financing needs of the Company in the sector into consideration, will be realized by distributing cash dividends, stock dividends or a combination of both cash and stock dividends.
- Profit distribution policy will be continued unless there is an extraordinary unfavorable occurrence in the economy.

7- TRANSFER OF SHARES

There is no restriction in the articles of association concerning the transfer of shares.

CHAPTER II- PUBLIC DISCLOSURE AND TRANSPARENCY

8- COMPANY DISCLOSURE POLICY

In order to enable each and every shareholder and beneficiaries to follow the developments about the Company in an equal and impartial manner, a disclosure policy based on transparency and honesty is constituted. While disclosing information to public, the Company complies with the Capital Markets Law, and arrangements of the Capital Market Board (SPK) and Istanbul Stock Exchange (IMKB). Besides, the Company pays attention for realization of the Capital Market Board Corporate Governance Principles in the Company. The Board of Directors shall prepare the disclosure policy and announce it to public. The Board of Directors shall be liable to follow, review and improve the Disclosure Policy. The Corporate Governance Committee will provide the Board of Directors, Audit Committee and Financial Affairs Unit with the information as to the subjects concerning "Disclosure Policy". Mr. Selim Erdoğan, Director of the Investor Relations Unit, is responsible for observing and following up the disclosure policy. Persons Responsible for the Disclosure Policy and their Duties:

Nalan Erkarakaş	Chairwoman of the Board of Directors
Ali Coşkun Duyak	Vice Chairman of the Board of Directors and General Manager
Süleyman Uyan	Executive Member
Fercan Aykutlu	Member
Orhan Yüksel	Member
Mustafa Uçurum	Member
İnanç Şenel	Member
Ferzan Çitici	Member
Biltekin Özdemir	Member
Selim Erdoğan	Investor Relations Director

9- SIGNIFICANT EVENT OF DISCLOSURE

The Company has made a total of 10 significant events of disclosure in the year 2007 and submitted such disclosures to the Capital Market Board and Istanbul Stock Exchange. Since the Company is not quoted in the foreign stock exchanges, no significant event of disclosure has been made abroad. Assistant General Manager Tacigül Erdem and Investor Relations Unit Director Selim Erdoğan, appointed on October 4, 2007, are responsible for significant events of disclosure and all of such disclosures have been made within their statutory periods of time. There is no sanction of the Capital Markets Board for any significant event of disclosure that was not timely made.

10- THE COMPANY'S INTERNET WEBSITE AND ITS CONTENT

The Company's detailed, effective and periodically updated website was built in April 2005. This website can be reached at www.parkedlektrik.com.tr. All information set forth in Article 1.11.5, Chapter II. of the Capital Market Board Corporate Governance Principles has been given in the website in details.

11- DISCLOSURE OF REAL PERSON SHAREHOLDER(S) HOLDING FINAL DOMINANT SHARE

There is no real person shareholder holding shares of the Company. However, Mr. Turgay Ciner has an 85% stake in Park Holding A.Ş. and a 67% stake in Park Enerji Ekip. Mad.San. A.Ş. These stakes, belonging to Mr. Turgay Ciner, have individually been indicated in the annual reports but not cumulatively present in order to explain the dominance status.

12- DISCLOSURE OF INSIDERS TO THE PUBLIC

The Company has disclosed insiders of the Company to the public through its website. The insiders are listed below:

Nalan Erkarakaş	Chairwoman of the Board of Directors
Ali Coşkun Duyak	Vice Chairman of the Board of Directors and General Manager
Süleyman Uyan	Executive Member
İnanç Şenel	Member
Orhan Yüksel	Member
Mustafa Uçurum	Member
Fercan Aykutlu	Member
Ferzan Çitici	Member
Biltekin Özdemir	Member
Hakkı Gültekin	Auditor
Tacigül Erdem	Assistant General Manager - Manager of Financial Affairs
Selim Erdoğan	Investor Relations Director
Selim Şenkal	Manager of the Mining Facility
Murat Çolak	Head of the Accounting Department
Tuğçe Karadağ	Secretary of the Board of Directors
Faik Yılmaz	Kavram Independent External Auditor
Kurtbay Öncü	Kavram Independent External Auditor
Bünyamin Kalyoncu	Kavram Independent External Auditor
Ayşe Kutbay	Kavram Independent External Auditor
Yasemin Yılmaz	Kavram Independent External Auditor
Yasin Aydın	Kavram Independent External Auditor
Mustafa Tatlıdil	Kavram Independent External Auditor
Mustafa Köse	Kavram Independent External Auditor

CHAPTER III- BENEFICIARIES**13- PROVIDING INFORMATION TO BENEFICIARIES**

Formation of the Corporate Governance Principles and its mechanisms in the Company were completed in 2005 and a disclosure policy also covering the beneficiaries has been built in this line. Under the disclosure policy, meetings for the beneficiaries (analyst meetings, quarterly assessment meetings for employees and periodic meetings for employees) have been decided to be made. Announcement for such meetings and then meeting reports will be announced also in the Company's website. The Company held an analyst meeting on September 29, 2006 and published the presentation text in its web-site on the same day. Additionally the Company held another analyst meeting in May, 2007.

14- PARTICIPATION BY BENEFICIARIES IN MANAGEMENT

The beneficiaries do not participate in management in person. However, the Company's employees are invited to the Board of Directors to make explanations and forward opinions on the subjects related to their units.

15- HUMAN RESOURCES POLICY

The Company has built the Human Resources Policy in writing in line with the principles concerning employment, promotion, dismissal and performance measures of employees and announced it to the public in its web-site. In addition, the processes relating to each nit and each duty in the Company were formed in writing. Syndicate representatives were authorized to govern the relations with the employees. The employees have filed no complaint concerning discrimination.

16- INFORMATION CONCERNING RELATIONS WITH CUSTOMERS AND SUPPLIERS

Since the Company made its domestic sales to its group of companies, it has no other customer other than the group companies in 2006. Therefore, no study with regard to the customer pleasure was required to be carried out yet. The copper concentrate, a product of the Company, is exported and its price is determined by London Metal Exchange. As the copper is a commodity, which has no characteristics of transformation, no study for customer pleasure was required to be held. The Company fulfilled its export liabilities timely and perfectly; no complaint and argument of the buyer relating to the company has been in question.

17- SOCIAL RESPONSIBILITY

The Company continues to perform its activities within the framework of environmental policy and in accordance with the protection of nature and environment, and inspection reports prepared for mining and production fields are present. As for social responsibility, the Group, as a whole, contributes to projects realized under the title "Ciner Group". Such contributed projects are given below:

Aids and donations made to education institutions	TRY 4611
Aids and donations made to security forces	TRY 17,934
Association of Mutual Aid and Solidarity of Martyr Families	TRY 2,600
Turkey's Combatant Veterans	TRY 1,500

CHAPTER IV- BOARD OF DIRECTORS

18- STRUCTURE, FORMATION OF THE BOARD OF DIRECTORS AND INDEPENDENT MEMBERS

The Company's Board of Directors consists of 9 members. 8 out of these members are non-executive while the remaining 1 members is executive. Chairman of the Board of Directors is Nalan Erkarakaş and she is not an executive. Executive Chairman of the Company is Tacigül Erdem by proxy. Chairman of the Board of Directors and Executive Chairman are different persons. Majority of the Board of Directors Members are not executives. Titles and qualifications of the Board of Directors Members are given below:

Nalan Erkarakaş	Chairwoman of the Board of Directors, Non-Executive
Ali Coşkun Duyak	Vice Chairman of the Board of Directors and General Manager
Süleyman Uyan	Executive Member
İnanç Şenel	Member
Orhan Yüksel	Member
Fercan Aykutlu	Member
Mustafa Uçurum	Member
Ferzan Çitici Member	Independent Member
Biltekin Özdemir Member	Independent Member

Two independent members have been appointed to the Board of Directors. Independence criteria are fulfilled by independent members as set forth in the Capital Market Board Corporate Governance Principles. In relation to the Board of Directors' Members, who work outside the Company, the independent members are not restricted while the others are.

Board Members of the Company, not being executive, work intensely, since they have assumed other duties in the Holding. Such restriction is applied for the reason that extra-group duties would limit the time they should spend for the duties in the Company and Holding and decrease their productivity.

19- QUALIFICATIONS OF THE BOARD OF DIRECTORS MEMBERS

Minimum qualifications for the Company's Board of Directors members are within the scope of amendment to the articles of association and will be set forth in Article 11. In the new arrangement, qualifications of the Board of Directors members are in compliance with those set out in Articles 3.1.1, 3.1.2 and 3.1.5 of Chapter IV of the Capital Market Board Corporate Management Principles. The Company is ready to form training programs for members who lack certain qualifications and no such education has been needed until now. However, compliance programs were formed by the Corporate Governance Committee for the new Board of Directors Members.

20- COMPANY'S MISSION, VISION AND STRATEGIC GOALS

The Company's website and annual activity report explains the Company's mission, vision, goals and values.

Mission of the Company:

- Following the technology and recent developments and implement these to every stage of business
- Making effort to maintain ever better working conditions
- Increasing the efficiency by motivating the personnel
- Construction of secure working sites at low cost
- Avoiding loss by making use of resources effectively and efficiently

Vision of the Company:

- Leadership - Uprising the Company as leader among the national and international companies in the same sector.
- Quality - growth of the Company without any concession from quality.
- Growth - reflecting the effective and balanced growth to every activity of the Company and investing in appropriate areas.
- High performance - enable the investors to reap maximum profits by maintaining the highest efficiency at lowest cost.

The Board of Directors approves the strategic goals constituted by the executives.

The cited strategic goals are prepared and approved through the proposals and opinions of the related units, by the Board of Directors. The studies for the implementation are started immediately after the approval of the goals. The attainment level is measured by tracing the results in the financial statement periods and at the end of the year. To overview the attainment level, activities and past performance of the Company the Board of Directors is made subject to evaluation once a year. It is planned to make the investigation in accordance with the performance, attainment level, effectiveness of the activities and compliance with the Corporate Governance principles of the Board of Directors during the annual evaluation.

21- RISK MANAGEMENT AND INTERNAL AUDIT MECHANISM

The Board of Directors has formed a risk management mechanism in relation to the existing and potential risks to the Company. Risk management system defines maximum risks - each unit of the Company may undertake - percent realization of risk occurrences, precautions and control mechanisms against them. Internal audit mechanisms are exercised for following risk management. Efficiency of the risk management is periodically reviewed and deficiencies and faults determined are corrected within the shortest period.

22- DUTIES AND LIABILITIES OF THE BOARD OF DIRECTORS MEMBERS AND EXECUTIVES

Duties and liabilities of the Board of Directors Members are set forth in the Company's articles of association and website.

23- OPERATION PRINCIPLES OF THE BOARD OF DIRECTORS MEMBERS

Agenda of the Board of Directors meetings are determined in line with the demands of the chairman and members. Demands by the managers are effective on the determination of the agenda. Board of Directors meetings convene at least 12 times a year as mentioned in Article 8 of the articles of association. The provision concerning absence stating, "A Member of Board of Directors, who fails to attend to three consecutive meetings, shall be deemed to have resigned." is set forth in the articles of association. A secretary unit under the Board of Directors has been formed in order to keep and archive the minutes of Board of Directors meetings and provide the Members of the Board of Directors with coordinated information and Hanen Hayfavi has been appointed to be the Secretary of the Board of Directors. The agenda and the information and reports concerning the agenda are provided with the Members of the Board of Directors by means of secretary at least 1 week prior to meetings. Reasonable and detailed cross-vote justifications in relation to issues discussed at the meeting are registered in the minutes of meeting and conveyed to the Company auditors in writing. Cross-vote justifications concerning the issues, for which the independent members to be appointed explained different opinions, will be disclosed to public. Questions raised by the members and their answers are recorded in the minutes of meeting. Members' actual participation is ensured for the articles to be voted by the Board of Directors members who will actually attend to the Board of Directors meetings as set forth in Article 2.17.4, Chapter IV of the Capital Market Board Corporate Governance Principles. Including the Chairwoman, no member of the Board of Directors is given the right of weighted voting and/or negative veto.

24- BUSINESS WITH THE COMPANY AND COMPETITION RESTRICTIONS

The Company's Board of Directors members have not entered into any business relation with the Company or competed with it in the relevant period.

25- ETHICAL RULES

The Board of Directors has formed ethical rules for the Company and the employees and disclosed to public through its website.

26- NUMBER, STRUCTURE AND INDEPENDENCY OF COMMITTEES IN THE BOARD OF DIRECTORS

An audit committee has been formed in order for the Board of Directors to fulfill its duties and responsibilities in a duly manner. Chairman of the Audit Committee is Biltekin Özdemir and the other member is Süleyman Uyan. Biltekin Özdemir is an independent member of the board. Park Elektrik has increased the efficiency of the Audit Committee that has been formed in accordance with Article 3 of the Communiqué Series X, No:19 by the Capital Market Board and has realized the operations relating to arrangement of the same in accordance with Corporate Governance Principles. Besides, a Corporate Governance and Appointment Committee, as a secondary committee under the Board of Directors, has been formed. Chairman of the Corporate Governance and Appointment Committee is Nalan Erkarakaş and the other member is Ferzan Çitici. Nalan Erkarakaş is at the same time Chairman of the Board of Directors. Ferzan Çitici is an independent member of the board. As to be applied by the Board of Directors beginning from the year 2005, the Audit Committee will convene quarterly at least 4 times a year, while the Corporate Governance and Appointment Committee will convene at least 3 times a year. Procedures to be followed by the committees during their activities have been formed in writing and disclosed to public. Provisions ruling that the Board of Directors Members will not perform duty in more than one committee are set forth in the articles of association. Qualifications of the committee members are set forth in Article 10 of the articles of association and such members have the same qualifications as the Members of the Board of Directors.

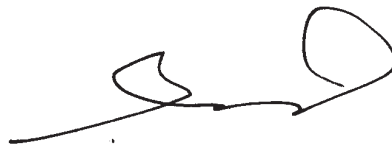
27- FINANCIAL BENEFITS GRANTED TO THE BOARD OF DIRECTORS

Rights, benefits and salary provided to the Board of Directors members will be given in line with performance criteria applied to the Board of Directors. The Company has not lent money or provided credit to any Board of Directors member or any of its managers.



Nalan ERKARAKAŞ

Chairwoman of the Board of Directors



Süleyman UYAN

Member of the Board of Directors



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