

**HRANT DINK VAKFI**

CONVENIENCE TRANSLATION OF STATUTORY  
FINANCIAL STATEMENTS AS OF DECEMBER 31, 2015  
TOGETHER WITH AUDITORS' REPORT

**Convenience Translation of the  
Independent Auditors' Report to the Board of Directors of  
Hrant Dink Vakfı**

**Report for the Financial Statements**

We have audited the accompanying balance sheet of Hrant Dink Vakfı (hereinafter referred to as "the Foundation") as of December 31, 2015 and the statement of income for the year then ended.

*Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting standards specified in note 2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

*Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Opinion*

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the financial position of Hrant Dink Vakfı as of December 31, 2015 and its financial performance for the year then ended in accordance with the accounting standards specified in note 2.

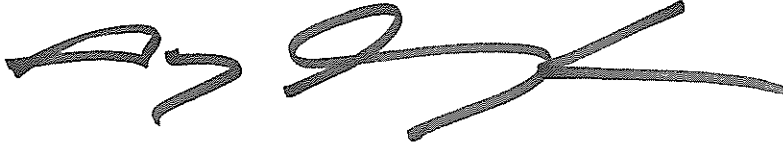
*Other Matters*

In the appendix of Foundations General Chart of Account published by T.R. Prime Ministry General Directorate of Foundations in the Official Gazette dated September 27, 2008 and numbered 27010, there is only balance sheet and statement of income and there is no statement of changes in equity and statement of cash flows. Because of the fact, statement of changes in equity and statement of cash flows have not been presented in the accompanying financial statements.

*Additional Paragraph for Convenience Translation into English*

As discussed in note 2 to the accompanying unconsolidated financial statements, the effect of differences between the accounting principles as set out by the related insurance laws and accounting principles generally accepted in countries in which the accompanying financial statements are to be distributed and International Financial Reporting Standards ('IFRS') have not been quantified in the accompanying financial statements. Accordingly, the accompanying unconsolidated financial statements are not intended to present the financial position and results of operations and changes in financial position and cash flows in accordance with accounting principles generally accepted in such countries and IFRS.

DENGE BAĞIMSIZ DENETİM SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.  
Member of MAZARS



Aylin Beydemir, CPA

Istanbul, March 18, 2016

**HRANT DİNK VAKFI**  
**FINANCIAL STATEMENTS AS OF DECEMBER 31, 2015**  
**(DETAILED BALANCE SHEET - STATEMENTS OF FINANCIAL POSITION)**  
*(All amounts expressed in Turkish Lira ("TRY"), unless otherwise indicated)*

	Note	December 31, 2015	December 31, 2014
<b>ASSETS</b>			
<b>I. CURRENT ASSETS</b>			
CASH AND CASH EQUIVALENTS		945.100	1.847.496
- Cash		768	5.775
- Banks	6	944.332	1.841.721
OTHER RECEIVABLES		165.091	135.887
- Receivables from commercial enterprise	7	165.091	135.887
OTHER CURRENT ASSETS		-	8.163
- Advances given	8	-	4.863
- Job advances	8	-	3.300
SHORT-TERM DEFERRED INCOME AND ACCRUED EXPENSES		3.793	315
- Short-term prepaid expenses		2.959	315
- Income accrued		834	-
<b>Total Current Assets</b>		<b>1.113.984</b>	<b>1.991.861</b>
<b>II. NON-CURRENT ASSETS</b>			
OTHER RECEIVABLES		162	162
- Deposits and guarantees given		162	162
FINANCIAL FIXED ASSETS		5.000	5.000
- Commercial enterprises		5.000	5.000
TANGIBLE ASSETS		1.141.508	624.977
- Furniture and fixture	10	215.553	52.127
- Leasehold improvements	10	1.181.820	618.773
- Accumulated depreciation (-)	10	(255.865)	(45.923)
INTANGIBLE ASSETS		9.020	-
- Rights	11	10.560	1.120
- Accumulated amortization (-)	11	(1.540)	(1.120)
<b>Total Non-Current Assets</b>		<b>1.155.690</b>	<b>630.139</b>
<b>TOTAL ASSETS</b>		<b>2.269.674</b>	<b>2.622.000</b>

**HRANT DINK VAKFI**  
**FINANCIAL STATEMENTS AS OF DECEMBER 31, 2015**  
**(DETAILED BALANCE SHEET - STATEMENTS OF FINANCIAL POSITION)**  
*(All amounts expressed in Turkish Lira ("TRY"), unless otherwise indicated)*

	Note	December 31, 2015	December 31, 2014
<b>LIABILITY</b>			
<b>I. SHORT TERM LIABILITIES</b>			
BORROWINGS		2,324	-
- Bank loans	13	2,324	-
PAYABLES FROM OPERATIONS		235.843	111.262
- Payables	14	235.843	111.262
TAXES AND OTHER LIABILITIES		33.990	21.614
- Taxes and funds payable	15	16.065	11.617
- Social security premiums payables	15	17.925	9.997
SHORT-TERM DEFERRED INCOME AND ACCRUED EXPENSES		575	726
- Short-term deferred income and accrued expenses		575	726
<b>Short Term Liabilities</b>		<b>272.732</b>	<b>133.602</b>
<b>SHAREHOLDERS' EQUITY</b>			
NET CAPITAL		100.000	100.000
- Paid in capital	12	100.000	100.000
RETAINED EARNINGS	12	2.756.640	780.195
RETAINED LOSSES (-)	12	(368.242)	(368.242)
PERIOD NET INCOME OR LOSS (-)		(491.456)	1.976.445
- Period net income	12		1.976.445
- Period net loss (-)		(491.456)	-
<b>Total Shareholders' Equity</b>		<b>1.996.942</b>	<b>2.488.398</b>
<b>TOTAL LIABILITIES</b>		<b>2.269.674</b>	<b>2.622.000</b>

**HRANT DİNK VAKFI**  
**FINANCIAL STATEMENTS AS OF DECEMBER 31, 2015**  
**(DETAILED STATEMENTS OF INCOME)**

*(All amounts expressed in Turkish Lira ("TRY"), unless otherwise indicated)*

	Note	1 January – 31 December 2015	1 January – 31 December 2014
<b>A- GROSS SALES</b>		1.681.083	3.806.387
- Donations and charities	20	1.681.083	3.806.387
<b>B- SALES DISCOUNTS (-)</b>		-	-
- Other discounts (-)		-	-
<b>NET SALES</b>		<b>1.681.083</b>	<b>3.806.387</b>
<b>C- COST OF SALES (-)</b>		(317.448)	(311.376)
- Cost of services rendered (-)	21	(317.448)	(311.376)
<b>PROFIT FROM GROSS SALES</b>		<b>1.363.635</b>	<b>3.495.011</b>
<b>D- OPERATING EXPENSES (-)</b>		(1.908.611)	(1.501.701)
- Goal directed expenses (-)	22	(1.908.611)	(1.501.701)
<b>E- INCOME AND PROFIT FROM OTHER OPERATIONS</b>		139.341	82.735
- Interest income	23	21.968	34.419
- Foreign currency gain	23	116.906	48.289
- Prior period's income and profits	23	365	27
- Other extraordinary income	23	102	-
<b>F- EXPENSES AND LOSSES FROM OTHER OPERATIONS (-)</b>		(85.029)	(97.482)
- Foreign currency losses (-)		(24.239)	(97.482)
- Prior period loss (-)		(60.613)	
- Other extraordinary expenses (-)		(177)	
<b>G- FINANCE EXPENSES (-)</b>		(792)	(2.118)
- Finance expenses (Short Term) (-)		(792)	(2.118)
<b>NET PERIOD INCOME/(LOSS)</b>		<b>(491.456)</b>	<b>1.976.445</b>