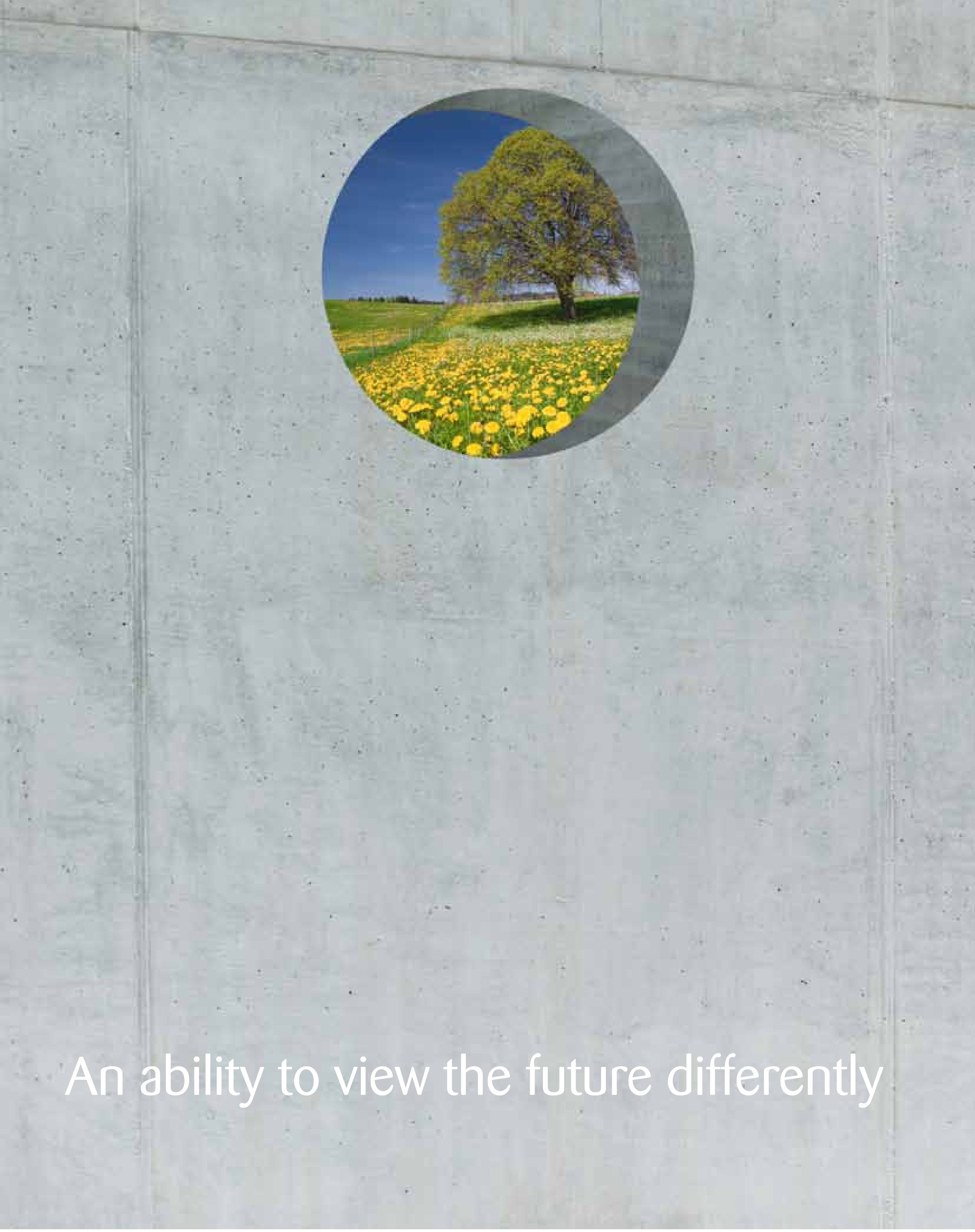


An ability to view the future differently

Akçansa 2009 Annual Report

AKÇANSA

Contents

Agenda

AKÇANSA ÇİMENTO SANAYİ VE TİCARET A.Ş.
March 29, 2010 AGENDA OF ANNUAL GENERAL MEETING

1- Opening and election of the Annual General Meeting Committee,

2- Authorization of the Assembly Committee to sign the minutes of the meeting,

3- Presentation of the Board of Directors' Annual Report and the Independent Auditors and Audit Committee's reports,

4- Presentation of the Company's donations and contributions in 2009,

5- Presentation, discussion, and approval of the Balance Sheet and Income Statement, and resolution on the Board of Directors' Profit Distribution proposal,

6- Discharging the Board of Directors and Audit Committee members from their financial responsibilities,

7- Resolution on remuneration of the members of the Board of Directors and Audit Committee,

8- Approval of the temporary appointments for the Board of Directors positions that opened up during the year,

9- Election of Auditors to replace those whose terms in office have expired, and the drawing up of a resolution on their term in office,

10- Approval of the Independent Auditor selected by the Board of Directors, as per the Capital Markets Law,

11- Authorization of the Chairman and Members of the Board of Directors in compliance with Articles 334 and 335 of the Turkish Commercial Code.

Date of Meeting: March 29, 2010 Time: 14:00 Location: Sabancı Center, Hacı Ömer Sabancı Conference Hall, Kule 2 4. Levent/ISTANBUL

Company Profile

As the leader of Turkey's cement sector, Akçansa provides for 10% of the country's cement needs, and 12.5% of total cement and clinker demand. The Company accomplishes this through a combination of product compliance with global standards, environmentally friendly production processes, commitment to service excellence, and production facilities equipped with cutting-edge technology.

An ability to view the future differently

A joint venture of **Sabancı Holding** and **HeidelbergCement**, Akçansa is Turkey's largest cement producer and the leader of the Turkish cement sector.

Akçansa was formed as a result of the 1996 merger between Akçimento (founded in 1967) and Çanakkale Cement (founded in 1974).

Akçansa, with operations in the Marmara, Aegean, and Black Sea regions, carries out clinker and cement production in three of its plants, in Istanbul-Büyükçekmece, Çanakkale, and Samsun-Ladik. Akçansa also has five additional cement terminals in Istanbul-Ambarlı, Izmir-Aliağa, Yalova, Yarımca, and Hopa.

As a result of the merger between Akçansa and its subsidiary Betonsa in 1998, Akçansa also produces under the **"Betonsa"** brand and carries out ready-mixed concrete operations in more than 35 facilities spread throughout the Marmara and Aegean regions.

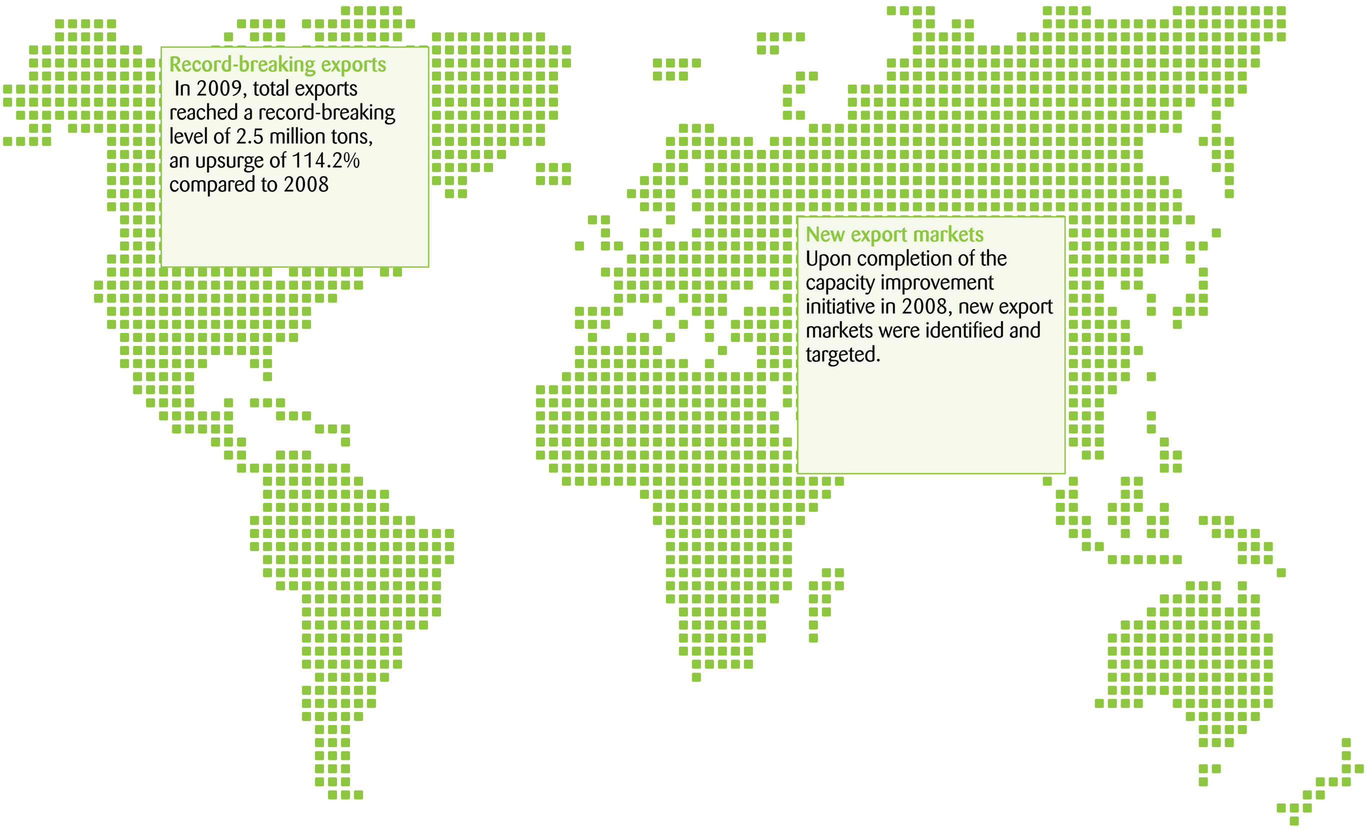
Upon merging with another one of its subsidiaries, Agregasa Agrega, in 2002, the Company has continued production of the **"Agregasa"** brand in four facilities.

Akçansa aims to achieve "premium quality in production and service," fulfill the demand of both domestic and foreign customers and compete beyond price.

As the leader of Turkey's cement sector, Akçansa provides for 10% of the country's cement needs, and 12.5% of total cement and clinker demand. The Company accomplishes this through a combination of product compliance with global standards, environmentally friendly production processes, which have received the acclaim of the Istanbul Chamber of Industry, commitment to service excellence, and production facilities equipped with cutting-edge technology.

Financial and Operational Indicators

Akçansa continued to make investments in a market environment beset by a slowdown due to the economic crisis and still managed to create added value for all its stakeholders in 2009.



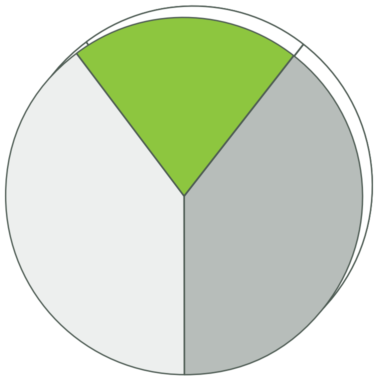
Net Sales (TL million)

710

EBITDA (TL million)

167

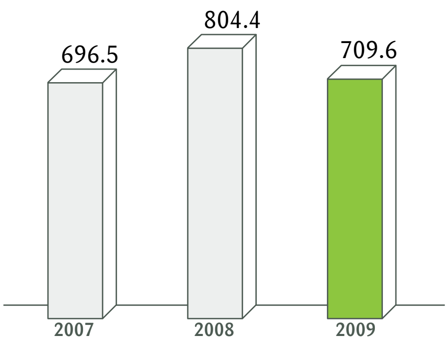
Shareholding
Structure



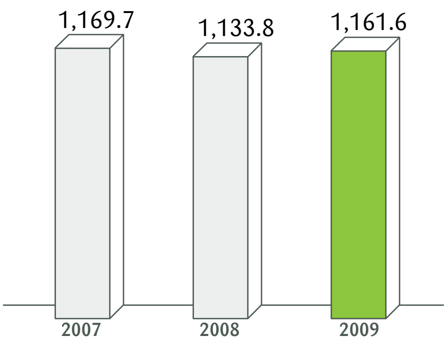
- HeidelbergCement Mediterranean Basin Holdings, S.L (39.72%)
- Hacı Ömer Sabancı Holding A.Ş. (39.72%)
- Other-Publicly held (20.57%)

Sales (million tons)	**2007**	**2008**	**2009**
Cement-Total	5.2	5.4	5.3
Domestic	4.9	4.8	3.8
International	0.3	0.6	1.5
Clinker-Total	0.1	1.1	1.2
Domestic	0.1	0.5	0.2
International	0	0.6	1.0
Ready-Mixed Concrete (million m^3)	3.2	3.7	4.1
(TL million)			
Net Sales	696.5	804.4	709.6
EBITDA	238.9	231.31	166.5
%	34.31	28.75	23.46
EBIT	197.4	177.28	111.55
%	28.34	22.04	15.72
PROFITABILITY			
NET PROFIT	185.8	104.3	75.0
Earnings per Share	0.97	0.54	0.39
Dividends per Share %	65.28	36.56	34.18
NET FINANCIAL BORROWING	170.3	219.8	148.2
SHAREHOLDERS' EQUITY	841.7	753.1	808.5
TOTAL ASSETS	1,169.7	1,133.8	1,161.6

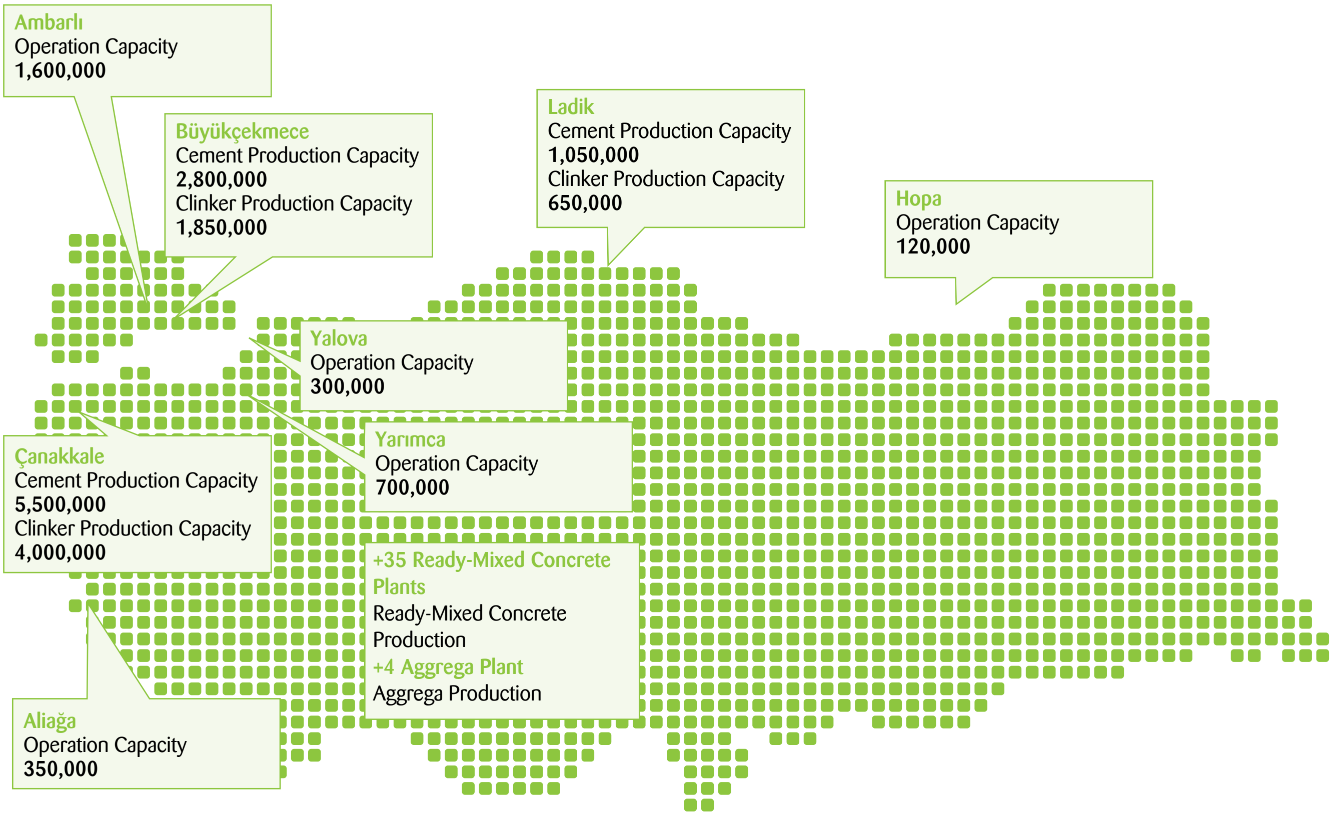
Net Sales
(TL million)



Total Assets (TL million)



Plant Capacities (tons/year)



Annual Production Capacity

9 million tons cement

6.5 million tons klinker

Vision-Mission

Vision

"Sustainable growth beyond all boundaries"

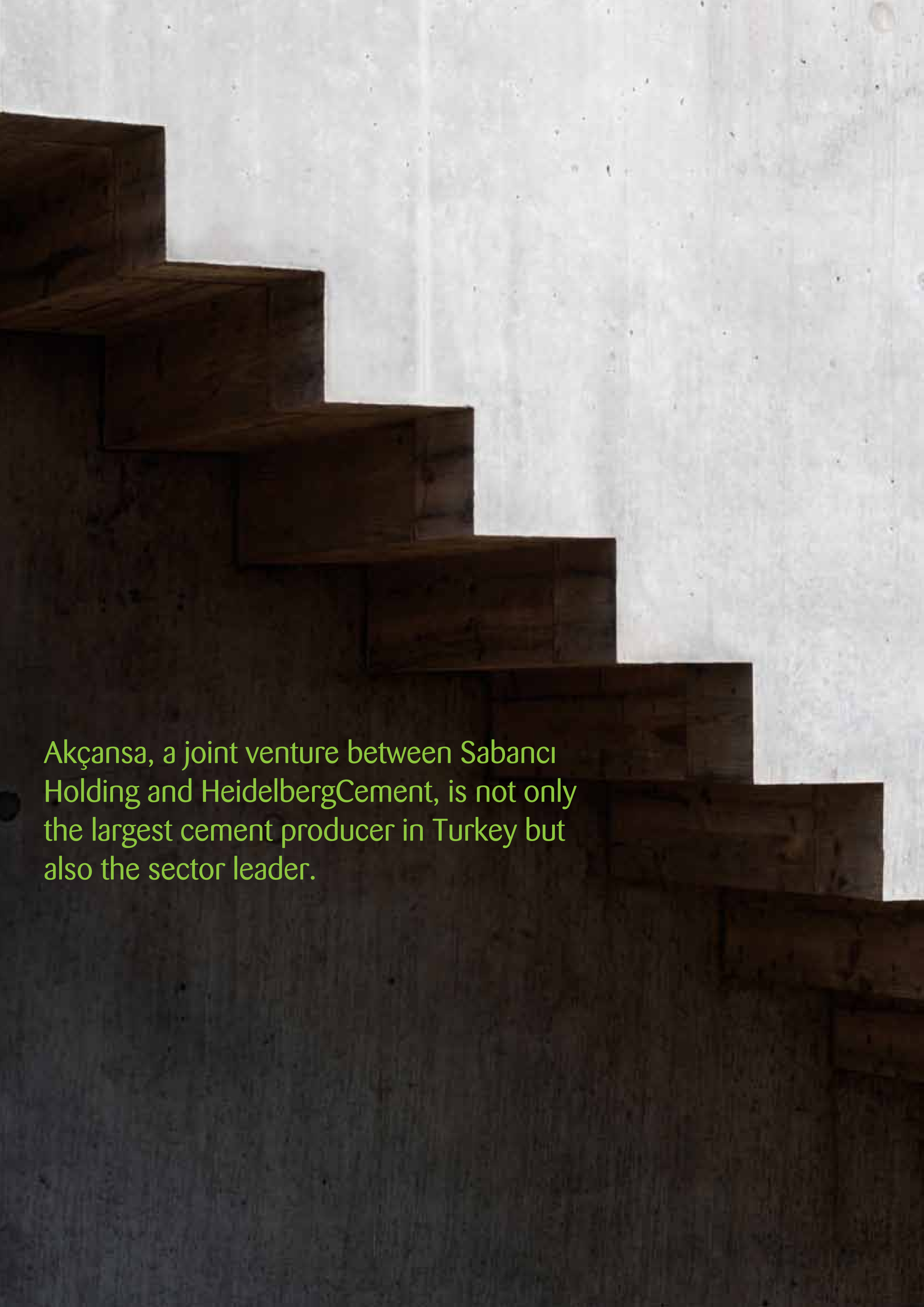
To grow beyond all boundaries in the building materials industry with a business model that is trusted and most preferred by all of our stakeholders.

Mission

To be the leading building materials company

that enriches society's quality of life with a corporate culture committed to our social, environmental, legal, and ethical values and that creates value for:

- **Our customers** with innovative products, services, and solutions,
- **Our shareholders** through superior financial performance,
- **Our employees** who are at the focal point of our business model through continuous professional development opportunities.



Akçansa, a joint venture between Sabancı Holding and HeidelbergCement, is not only the largest cement producer in Turkey but also the sector leader.

We are able to view the future differently

thanks to our confidence resulting from our effective leadership and strong capital structure

Message from the Chairman

The point we have now reached as Akçansa, as well as our brands, effective production and distribution networks, and capable and experienced workforce, provides the tools and energy necessary for long-term, sustainable, and profitable growth.

We have put yet another year, in which the negative impact of the difficult economic environment strained both Turkey and the entire world, behind us. In the first nine months of 2009, the Turkish economy contracted by 8.4% while the construction sector, which is one of the locomotive sectors of the Turkish economy and whose growth drives the cement consumption rate, declined by 19.5%.

Despite the contraction in the construction sector, cement consumption in Turkey reached 42.8 million tons due to large-scale projects in developing regions of the country. However, foreign cement and clinker demand grew by 54% to 20.5 million tons.

Since the contraction rate for cement consumption in the Marmara and Aegean regions, where the majority of our operations located, was far above that of Turkey as a whole, our domestic sales were down by 23.7% for the year. However, during a period when the domestic market contracted, Akçansa increased foreign sales by 114% by shifting focus to new export markets and expanding the product portfolio. In fact, we even set a new record with clinker and cement exports of 2.5 million tons. As a result, our share in Turkish cement exports rose from 9% to nearly 12.5%.

In addition to focusing on the best way to manage our capital in difficult times like these, we continued to create customized, innovative, and sustainable solutions in an increasingly competitive environment. We achieved successful results especially in our ready-mixed concrete operations through our customer-specific solutions and record high sales volumes.

We reviewed our production processes, took necessary improvement actions, and conducted many significant projects to increase our productivity. These efforts helped us attain our goals in keeping with Akçansa corporate culture of focusing on customer satisfaction, developing new products, showing prudence in cash management, demonstrating our export ability, and achieving efficiency in our operations.

Our primary mission, for all of our business operations, is achievement of sustainable development while preserving the environment and using alternative fuels as our social responsibility dictates. Investing in renewable energy sources and fuels derived from waste in an effort to create a competitive edge for sustainable growth and strengthen our leading position comprise our primary vision. We are fully aware of the domestic as well as global importance of sustainability and are determined to continue our leadership position in alternative fuel use and raw materials conservation in the upcoming years.

We show our determination to create social good by acting as a responsible corporate citizen through supporting the geographic regions in which we have operations and implementing effective social responsibility projects.

Dear shareholders,

The point we have now reached as Akçansa, as well as our brands, effective production and distribution networks, and capable and experienced workforce, provides the tools and energy necessary for long-term, sustainable, and profitable growth. Every step taken on the road to sustainable success as a business gives us the ability to "view the future differently," and reinforces our determination and belief in our efforts for a better future.

Both our executive management and our employees' desire for success, in combination with our valuable shareholders' trust and continuous support, will play a significant role in attaining our mission to be the leading building materials company that enriches society's quality of life.

On behalf of our Board of Directors, I would like to thank all our shareholders who attended the assembly, as well as our customers who choose us over the competition, and our employees who make Akçansa a success. Akçansa is focused on, and is determined to continue, producing the best so long as it has your support.

We hereby present to you our 2009 Annual Report, financial statements, and dividend proposal prepared in accordance with the Capital Markets Law.

Mehmet Göçmen
Chairman

Board of Directors

L-R: **Ali Emir Adıgüzel** Member - **Ernest Gerard Jelito** Member - **Mehmet Göçmen** Chairman - **Ahmet Cemal Dördüncü** Member - **Daniel Gauthier** Vice Chairman

Mehmet Göçmen
Chairman
Term: March 31, 2009 - March 31, 2012
(1957) Upon graduating from the Industrial Engineering Department at Middle East Technical University, Mr. Mehmet Göçmen completed his Master's degree in Industrial Engineering and Operations Research at Syracuse University. He began his professional career at Çelik Halat ve Tel San. A.Ş. in 1983. Mr. Göçmen later was appointed as General Manager at Lafarge Ekmel Beton A.Ş. and Business Development and Public Affairs Vice Chairman position at Lafarge Turkey between 1996 and 2002. As the Akçansa General Manager between June 2003 and August 2008, he was appointed to the Human Resources Strategic Business Unit President position at Sabancı Holding in 2008. Since 2009, Mr. Göçmen has held the Cement Strategic Business Unit Presidency position in addition to his existing duties as Chairman.

Daniel Gauthier
Vice Chairman
Term: March 31, 2009 - March 31, 2012
(1957) Upon completing his degree in the Mining Engineering Department at Mons Polytechnic University, Mr. Daniel Gauthier began work at CBR, a subsidiary of HeidelbergCement in 1982. Mr. Gauthier has been a Board Member of HeidelbergCement since 2000. He is responsible for the Africa, Mediterranean, Northern Europe, and Western Europe regions, and Sustainable Environment and Group Services.

Ahmet Cemal Dördüncü
Member
Term: March 31, 2009 - March 31, 2012
(1953) Mr. Ahmet Cemal Dördüncü graduated from Çukurova University School of Business Administration and completed his Master's degree at Mannheim University. He joined Sabancı Group in 1987 and worked in several management positions there. Between 1999 and 2004, Mr. Dördüncü served as Chairman and General Manager of various Sabancı Holding Group companies abroad. In 2004, he became the President of the Sabancı Strategy and Business Development Unit, and since May 12, 2005 has served as the CEO and a Board Member of Sabancı Holding.

Ali Emir Adıgüzel
Member
Term: March 31, 2009 - March 31, 2012
(1960) Mr. Ali Emir Adıgüzel graduated from Harvard Business School and Bosphorus University. His professional career began with a three-year posting in Saudi Arabia. Mr. Adıgüzel was appointed General Manager of HeidelbergCement Trading in 1996, and has worked as the Head of the Mediterranean (including Turkey), Middle East, and International Trade since 2004.

Ernest Gerard Jelito
Member
Term: March 31, 2009 - March 31, 2012
(1958) Mr. Ernest Gerard Jelito graduated from the department of Chemistry and Cement Production Technologies at the Mining and Metallurgy University in Krakow. After working as Technical Director and Board Member for Cement Plant Strzelce Opolskie S.A. between 1991 and 1999, he became Technical Director at Górazdze Cement S.A. in 1999. After serving in several positions at Górazdze Cement S.A. between 2001 and 2005, Mr. Jelito has worked with the Heidelberg Technology Center as Production and Engineering Director covering Northern Europe and Western Europe, Africa, and the Mediterranean countries since 2005.

Mahmut Volkan Kara
Member
Term: December 17, 2009 - March 31, 2012
Mr. Mahmut Volkan Kara received his undergraduate degree from the Mechanical Engineering Department at Istanbul Technical University. He also graduated from the University of North Carolina at Chapel Hill with a Master's degree in Business Administration. Mr. Kara has worked at Dell Computers in Austin, Texas, A.T. Kearney in Chicago, Illinois, and Miller Brewing Co. at Milwaukee, Wisconsin. Currently, he is the Corporate Strategy and Planning Director at Sabancı Holding.
(Has not participated in photograph shooting.)

Executive Management

Hayrullah Hakan Gürdal
General Manager
(1968) Upon graduating from the Mechanical Engineering Department at Yıldız Technical University, Mr. Hayrullah Hakan Gürdal completed his Master's degree in International Business Administration at Istanbul University. He joined Çanakkale Cement in 1992 and was appointed as Akçansa's Strategy and Business Development Manager in 1996 and Assistant General Manager in charge of Trade in 1997. Since August 1, 2008, Mr. Gürdal has served as General Manager.

Şeyda Pirinççioğlu
Assistant General Manager - Finance
(1971), Ms. Şeyda Pirinççioğlu graduated from the Economics and Finance Department at Pennsylvania Clarion University and completed her executive education at London Business School. Before joining HeidelbergCement Trading in 1999, Ms. Pirinççioğlu worked at investment banks in the USA, Turkey, and the United Kingdom. Between 2004 and 2008, she served as Finance Director at HeidelbergCement Trading. Since March 1, 2008, Ms. Pirinççioğlu has worked as the Assistant General Manager of Finance at Akçansa.

Cem May
Assistant General Manager - Cement Sales and Marketing
(1963) Mr. Cem May graduated from the Mechanical Engineering Department at Yıldız Technical University. He joined the cement sector in 1991 at Çanakkale Cement, and became the Akçansa Sales Manager of the Aegean Region and Northern Marmara Region in 1996 and in 2003, respectively. He has served as Assistant General Manager of Cement Sales and Marketing since July 2005.

Cenk Eren
Assistant General Manager - Ready-Mixed Concrete and Aggregate
(1969) Mr. Cenk Eren graduated from the Mechanical Engineering Department at Bosphorus University. He began his professional career at Akçimento in 1993. Mr. Eren was appointed Strategy Development Specialist at Akçansa in 1996 and Manager of Cement Sales and Planning in 1998. He served as Manager of the Ready-Mixed Concrete Unit for the Western Marmara Region between 2002 and 2007. Mr. Eren became Assistant General Manager of Purchasing and Logistics in September 2007. Since August 1, 2008, he has worked as Assistant General Manager of Ready-Mixed Concrete and Aggregate.

İlkfer Akman
Assistant General Manager - Operations
(1951) Mr. İlkfer Akman is a graduate of the Electrical Engineering Department at Middle East Technical University. His first professional post was at Çitosan in 1975, and he held various positions at Petkim's Aliağa and the Saudi Arabian Quassim Cement Plants. Prior to the Akçansa merger, he worked as Assistant Technical General Manager at Çanakkale Cement. Following the establishment of Akçansa, he became Plant Manager for the Çanakkale and Büyükçekmece Plants. Mr. Akman then worked as a Regional Coordinator at HeidelbergCement-HTC for one year. In February 2006, he was appointed Plant Manager at Akçansa's Büyükçekmece Plant for the second time. Since June 1, 2008, Mr. Akman has worked as Assistant General Manager of Operations.

Ali Rıza Karakaş
Çanakkale Plant Manager
(1956) Upon graduating from the Faculty of Chemistry at Istanbul Technical University, Mr. Ali Rıza Karakaş completed his Master's degree in Chemical Engineering. He began his professional career as an engineer at Titiz Textile. In 1984, Mr. Karakaş joined Çanakkale Cement. He worked in various positions prior to his appointment as Clinker Production Manager in 1993. In 2005, Mr. Karakaş undertook the Çanakkale Plant Assistant Manager role in addition to his existing position as Production Manager. Mr. Karakaş has worked as Çanakkale Plant Manager since June 1, 2008.

Mehmet Öztürk
Büyükçekmece Plant Manager
(1960) Mr. Mehmet Öztürk graduated from the Electrical and Electronics Engineering Department at Middle East Technical University. His first professional post was at Elimko in 1984, followed by various positions in the electrical equipment and system production sectors at firms including Seneka and Burç Elektrik. Prior to the Akçansa merger, Mr. Öztürk worked as the Energy Manager at Çanakkale Cement. Following the merger, he served as Energy Manager in the Çanakkale and Büyükçekmece Plants, Büyükçekmece Maintenance Manager, Project and Automation Manager, and Ladik Plant Manager. Mr. Öztürk was appointed Büyükçekmece Plant Manager on September 15, 2009.

Ali Kipri
Ladik Plant Manager
(1967) Upon graduating from the Mechanical Engineering Department at Middle East Technical University, Mr. Ali Kipri completed his Master's degree in International Business Administration at the Business Administration and Economy Institute at Istanbul University. Mr. Kipri began his professional career in 1993 at Akçimento. In 2006, he was appointed Akçansa Büyükçekmece Plant Maintenance Manager. Subsequently, he served as Büyükçekmece Production Manager and Büyükçekmece Plant Assistant Manager. Mr. Kipri was appointed Ladik Plant Manager on September 15, 2009.

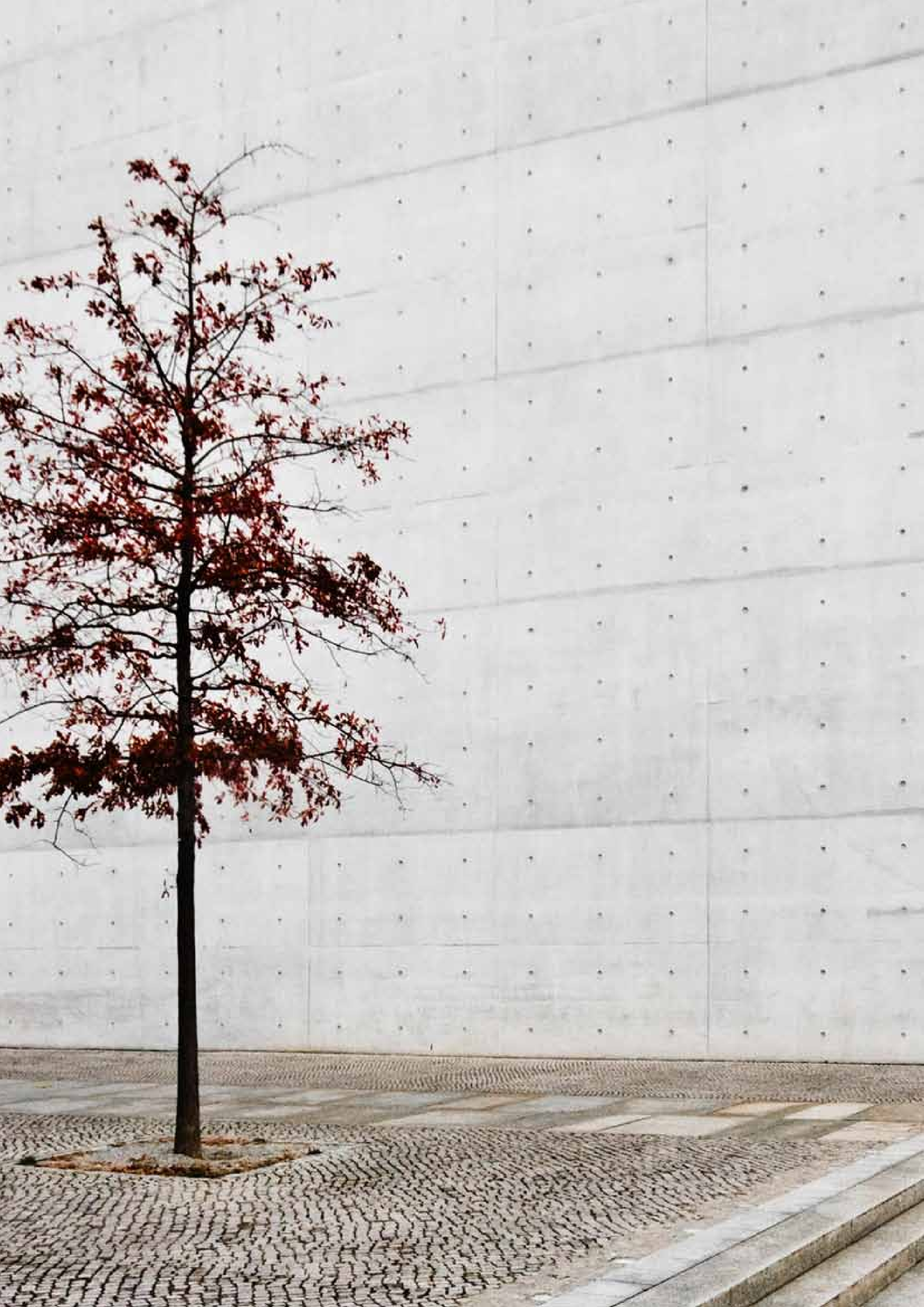
Mehmet Noyan Buzcu
Purchasing and Logistics Director
(1965) Mr. Mehmet Noyan Buzcu graduated in 1988 from the Industrial Engineering Department at Istanbul Technical University, and completed a Master's degree in Operational Management at New Hampshire College in the USA in 1990. Mr. Buzcu assumed his first career post as Planning Engineer at Akçimento in 1990. He worked as Strategy and Planning Specialist at Akçansa between 1996 and 1997, Strategy and Development Manager between 1997 and 1999, and Human Resources Manager as of June 1999. Mr. Buzcu was appointed Purchasing and Logistics Director in January 2009.

Ayferi Bağcı
Human Resources Manager
(1968) Ms. Ayferi Bağcı graduated from the English Education Department at Uludağ University. She attended the Personnel Management Master's program at the Istanbul University Business Administration and Economy Institute between 1991 and 1992. Between 1988 and 1996, Ms. Bağcı worked as Training Specialist and Human Resources Specialist at Kordsa. Ms. Bağcı began work as Organizational Development and Hiring Manager at Akçansa in October 1996 and became Human Resources Manager in 2009.

Umut Zenar
Strategy and Business Development Manager
(1980) Mr. Umut Zenar graduated from the International Relations Department at Bosphorus University School of Economics and Administrative Sciences and is currently pursuing his Master's degree in Business Administration at Bosphorus University. He commenced his professional career as Business Development Specialist at Zorlu Energy Group in 2003 and joined Akçansa in 2004. Mr. Zenar worked as Sales Specialist and Marketing and Planning Specialist within the Cement Sales and Marketing Unit between 2004 and 2008. In 2008, he was appointed Marketing and Planning Executive. Mr. Zenar has served as the Strategy and Business Development Manager since June 1, 2009.

Umut Kısa
Internal Auditing Manager
(1977) Upon graduating from the Economics Department at Ankara University Faculty of Political Sciences, Mr. Umut Kısa completed his Master's degree in Business Administration at Kadir Has University. After three years with the Ministry of Agriculture, he worked as an auditor in the banking sector for five years. Mr. Kısa joined Akçansa in 2004 and served as Internal Auditing Specialist for two years. He then became Auditing Manager at Deloitte Risk Services and Financial Audit Manager at Alstom Transport SA with the Marmaray Project. In addition to being a Certified Internal Auditor, Information Systems Auditor, and Independent Accountant and Financial Advisor, Mr. Kısa has an advanced level Capital Markets Board license. Mr. Kısa was appointed Internal Auditing Manager on January 6, 2010 upon Mr. Yavuz Ünal's departure.

Management Team



We are able to view the future differently

thanks to our vision and our innovative approach

Akçansa takes its competitive edge to an unrivaled level through a range of products specially developed to meet customer needs and structural specifications.

Operations

The 50% increase in Turkish cement exports in 2009, to 20.5 million tons, was a record high. In addition, clinker exports grew 54%, reaching 3.8 million tons.

In Turkey...

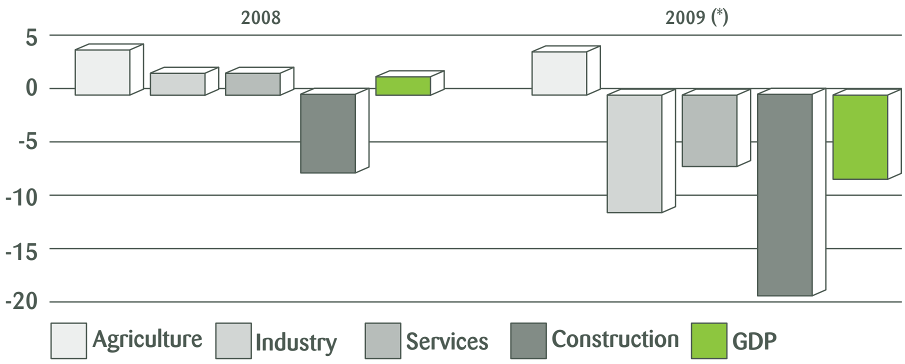
The economic crisis has most acutely affected the construction sector in Turkey.

With a decline of 8.4% in the first nine months of 2009, the Turkish economy ranked 17th among the world's economies that contracted the most during the crisis according to IMF data. The year 2009 saw construction and investments slow considerably, real estate demand decrease, financial assets drop in value, and real estate values fall.

The Turkish economy has contracted for the previous four quarters due to the impact of the global economic crisis. The decline in the construction sector was also sharp in three quarters of 2009; the sector shrunk by 18.9% in the first quarter, 21.4% in the second quarter, and 18.1% in the third quarter, despite the slowing rate of contraction for the overall economy.

The share of the construction sector in Turkey's Gross Domestic Product (GDP) in 2009 was 5.7% in the first quarter, 5.2% in the second quarter, and 4.6% in the third quarter.

GDP Growth Rates by Sector
(%)



(*) January-September

Cement Operations

In the sector…

Based on Turkish Cement Producers' Association (TÇMB) figures, total cement production in the country was 54 million tons in 2009, a decline of 5% compared to the prior year.

Among TÇMB members, domestic cement consumption totaled 40 million tons in 2009, decreasing 5% from the previous year. Cement consumption overall, including TÇMB non-members, reached 42.8 million tons, increasing 0.3% over 2008.

When dividing the domestic market into geographic regions, the most pronounced contraction in 2009 was observed in the Marmara (-12.0%) and Aegean (-15.7%) regions, in parallel with the decline in housing demand. The East Anatolian region saw the highest increase with a 25% upsurge. In parallel with consumption rates, the share of the Marmara region in total domestic consumption fell from 31% to 28% from 2008 to 2009.

The 50% increase in Turkish cement exports in 2009, to 20.5 million tons, was a record high. In addition, clinker exports grew 54%, reaching 3.8 million tons. Sales to countries such as Iraq, Syria, Libya, Italy, and Egypt as well as West African nations have contributed to these high export volumes.

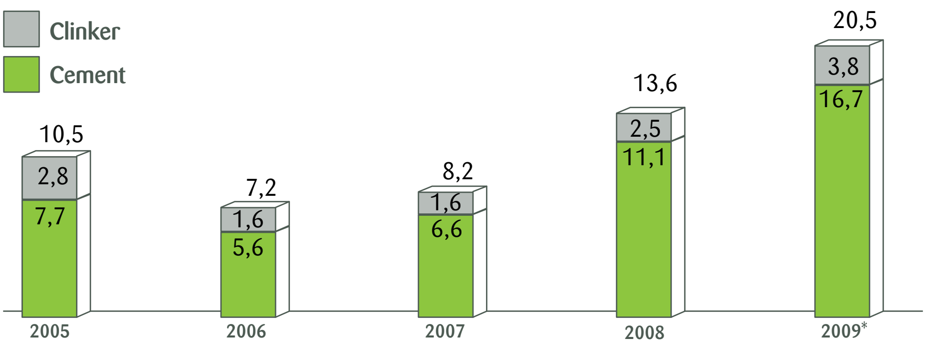
Gross National Product (GNP) is forecasted to increase by a rate between 3.5% and 4% in 2010. The construction sector's share in Gross Domestic Product (GDP) is expected to remain about the same. As a result, the cement sector is anticipated to grow between 2% and 4% in the coming year.

Cement Production and Consumption in Turkey
(million tons)*

	Production	Domestic Consumption
2005	42,8	35,1
2006	47,4	41,6
2007	49,3	42,5
2008	51,4	40,6
2009	54	40

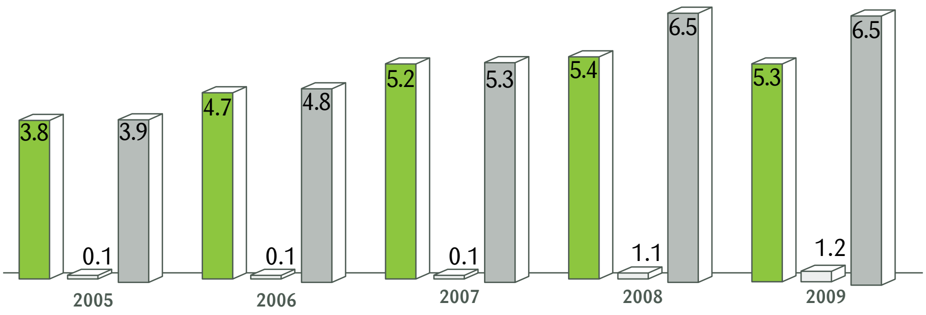
* TÇMB-member producers
Source: Turkish Cement Producers' Association

Cement-Clinker Exports of Turkey
(million tons)*

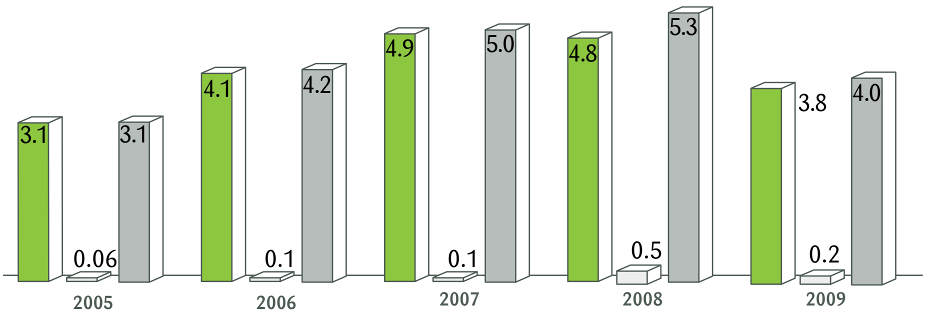


* According to 2008-2009 data from the Central Anatolian Exporter Unions (OAIB). Previous years' values include data from TÇMB members.

Total Sales
(million tons)



Domestic Sales
(million tons)



Exports
(million tons)

At Akçansa...

Sales

Akçansa's total domestic cement and clinker sales decreased 23.7% in 2009, to 4 million tons. Upon completion of the capacity improvement initiative in the Çanakkale Plant in 2008, new export markets were identified and targeted. In 2009, total exports reached a record-breaking level of 2.5 million tons, an upsurge of 114.2% compared to 2008.

Production and Products

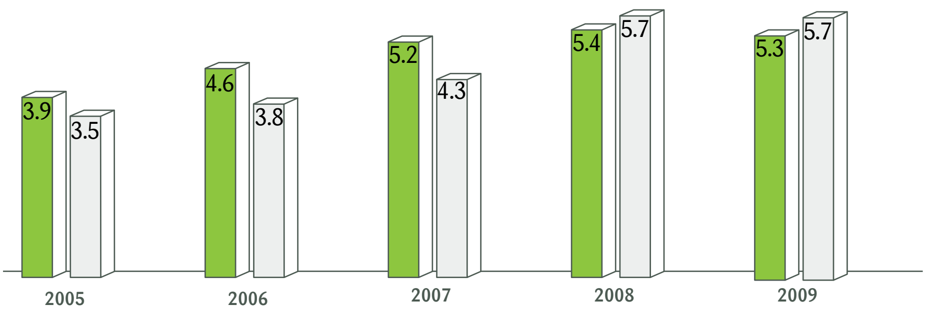
In 2009, Akçansa produced a total of 5.7 million tons of clinker and 5.3 million tons of cement at its Büyükçekmece, Çatalca, and Ladik plants. These volumes comprise 12.3% and 9.8% of total clinker and cement production in Turkey, respectively.

All Akçansa plants use the guidance of Occupational Health, Safety and Security System OHSAS 18001, Quality Management System BS EN ISO 9001:2000, and Environment Management System BS EN ISO 14001 in their production activities. All plants also successfully met the recertification requirements during periodic inspections conducted by the British Standards Institute (BSI).

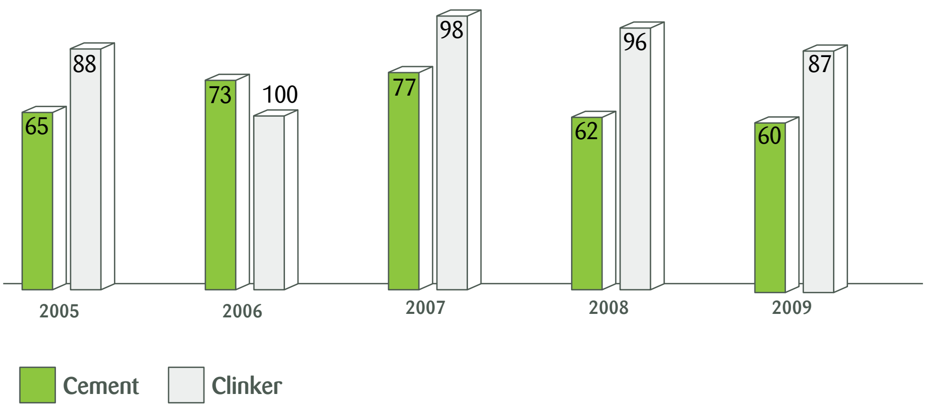
Akçansa has acquired CEM II/B-L 32,5R CE certification from the Council for Quality and Environment and sulfate resisting cement TS 10157 SDÇ 42,5 R TSE certification from the Turkish Standards Institute. The product range was expanded through the development of high early strength CEM I 52,5 R cement, and certification process has been initiated for this new product.

Akçansa operates laboratories in compliance with American Society for Testing and Materials (ASTM) standards. Tests conducted in all Akçansa laboratories are verified through the Company's participation in the Proficiency Sample program of the American Cement & Concrete Reference Laboratory.

Production
(million tons)



Capacity Utilization Rates
(%)



In addition, Akçansa laboratories participate in a comparison analysis program implemented by HeidelbergCement and the Turkish Cement Producers Association.

Occupational Health, Safety, and Security
In 2009, initiatives for the continuous improvement of the Environment, Occupational Health and Safety Management Systems were implemented and awareness seminars were held for employees. Improvement of working conditions in the field and development of methods to prevent accidents were effected through a wide range of initiatives. Employee health check-ups also continued through the year.

Investments
Akçansa continued modernization, environment and cost optimization investments in 2009. Capital investment totaled TL 6.2 million for the year.

During the Board of Directors meeting on March 11, 2008, the strategic decision was made to generate energy through Wind Power and Waste Heat Recovery as part of the Renewable Energy Investments Project. With a total investment of USD 40 million, the project is due for completion within the next three years.

On November 6, 2008, the Energy Market Regulatory Authority (EPDK) granted Akçansa the license necessary for an Electric Power Plant that will use waste gas from the Çanakkale Plant. Our application to the General Directorate of Foreign Investment has also been approved and an Incentive Certificate was received on December 22, 2008. An agreement for the design, engineering, and equipment supply for the Waste Heat Recovery Power Plant Project has been signed and the engineering phase is underway.

The project to convert electro filters in the third and fourth cement mills at the Akçansa Büyükçekmece Plant to baghouse filters was tendered to the commercially and technically most appropriate company. Implementation and completion of the project is expected to take place in early 2010.

An Environment and Quality Laboratory (AFR Laboratory) was established and the ISO 17025 Laboratory Management System was implemented. The accreditation process for this laboratory by the Ministry of Environment and the Turkish Accreditation Agency (TURKAK) is nearly complete.

Feasibility and design studies necessary for a low-fine cement storage and shipment system, processed clinker silo, and cement cooler investments have been completed for the Akçansa Ladik Plant so that it can supply enough cement with specifications in compliance with the Boyabat HES project. Contractor and supplier tenders for the project is still ongoing but it is expected to be completed by the end of March 2010.

The design, engineering, and consultancy activities regarding the extension of the existing dock at the port of the Çanakkale Plant to provide services to 60,000 DWT ships have commenced. Construction is expected to begin by the end of 2010.

Big-Bag and Sling-Bag dispenser and packaged and bulk sales terminal planned at Artvin Hopa were completed and put into use.

Akçansa provides a wide range of products in compliance with global quality standards as well as service excellence to its customers.

Product Types

DOMESTIC MARKET

TYPE	PRODUCT	STANDARD
CEM I 52.5 N	Portland Cement	TS EN 197-1
CEM I 42.5 R	Portland Cement	TS EN 197-1
CEM II/A-M (P-L)42.5 R	Portland Composite Cement	TS EN 197-1
CEM II/B-LL 32.5 N	Portland Calcareous Cement	TS EN 197-1
CEM II/B-M (P-L) 32,5 R	Portland Composite Cement	TS EN 197-1
CEM II/B-L 32.5 N	Portland Calcareous Cement	TS EN 197-1
CEM II/B-P 32.5 R	Portland Puzolanic Cement	TS EN 197-1
CEM II/A-M (S-P) 42.5 R	Portland Composite Cement	TS EN 197-1
CEM V/A (S-P) 32,5 N	Composite Cement	TS EN 197-1
SDC 32,5 R	Sulphate Resistant Cement	TS 10157
SDC 42,5 R	Sulphate Resistant Cement	TS 10157

INTERNATIONAL MARKET

CEM I 52.5N CE PM "NF"	Portland Cement	French Standards NF EN 197 – 1
CEM I 42.5R	Portland Cement	EU Standards EN 197-1
CEM II/A-M (P-L) 42.5R	Portland Composite Cement	EU Standards EN 197-1
CEM II/B-LL 32.5N	Portland Calcareous Cement	EU Standards EN 197-1
CEM II B-M (P-L) 32,5 R	Portland Composite Cement	EU Standards EN 197-1
TYPE V	Sulphate Resistant Cement	US Standards ASTM C 150
TYPE I-II/L.A	Portland Cement/Low Alkali	US Standards ASTM C 150
TYPE II/L.A	Portland Cement/Low Alkali	US Standards AASHTO M 85
SRC 42,5 R	Sulphate Resistant Cement	UK Standards BS 4027:1996
Clinker	Clinker	EU Standards EN 197-1

Product Certification

Product Certificate	CEM I 52.5N CE PM "NF" Product Certificate from AFNOR France
Product Certificate	CEM I 52.5N Product Certificate from Turkish Standards Institute
Product Certificate	CEM I 42.5R Product Certificate from Turkish Standards Institute
Product Certificate	CEM II-A/M (P-L) 42.5R Product Certificate from Turkish Standards Institute
Product Certificate	TS 10157 SDÇ 32,5 Product Certificate from Turkish Standards Institute
Product Certificate	CEM V/A (S-P) 32,5 N Product Certificate from Turkish Standards Institute
Product Certificate	TS 10157 SDÇ 42,5 R Product Certificate from Turkish Standards Institute
Product Certificate	CEM II/B-P 32.5 R Product Certificate from Turkish Standards Institute
CE Product Certificate	CE Compliance Certificate for CEM I 52.5 N from the Council for Quality and Environment
CE Product Certificate	CE Compliance Certificate for CEM I 42.5 R from the Council for Quality and Environment
CE Product Certificate	CE Compliance Certificate for CEM II/B-LL 32.5 N from the Council for Quality and Environment
CE Product Certificate	CE Compliance Certificate for CEM II/A-M (P-L) 42,5 R from the Council for Quality and Environment
CE Product Certificate	CE Compliance Certificate for CEM II B-M (P-L) 32,5 R from the Council for Quality and Environment
CE Product Certificate	CE Compliance Certificate for CEM V/A (S-P) 32,5 N from the Council for Quality and Environment
CE Product Certificate	CE Compliance Certificate for CEM II/B-L 32.5 N from the Council for Quality and Environment
CE Product Certificate	CE Compliance Certificate for CEM II/B-P 32.5 R için from the Council for Quality and Environment
CE Product Certificate	CE Compliance Certificate for CEM II/A-M (S-P) 42.5 R from the Council for Quality and Environment

Ready-Mixed Concrete and Aggregate Operations

In the sector…

During the first nine months of 2009, Turkey's GDP contracted 8.4% while the construction sector declined 19.5%. The fall in the construction industry resulted in a decrease in the ready-mixed concrete sector as well. The effects of this industry-wide contraction manifested itself with the closing or downsizing of businesses due to difficulties in customer receivables collections. However, there is growing expectation for the crisis mentality to abate and return to normal by the last quarter of 2009. The overall economy is expected to recover and growth should start to accelerate in 2010.

The ready-mixed concrete sector has grown dramatically in recent years, and Turkey is the second largest ready-mixed concrete producer in Europe. While the usage rate for high-resistance products is 50% in Europe, this rate stands at only around 30% in Turkey. Due to the economic crisis, illegal competition and the lack of inspections have sprouted in the sector.

The sector in aggregate in Turkey is widely dispersed with many production sites. The sector is concentrated in areas where raw materials can be procured with ease, and 300 million tons aggregate are produced in 600 active crushing, straining, and washing facilities.

At Akçansa…

Sales
Betonsa conducts Akçansa Ready-Mixed Concrete operations in the Aegean, Marmara, and Black Sea regions. The Division achieved sales of 4 million m3 from 35 sites as of year-end 2009. Having reached this impressive volume of sales, which reflects 8% growth from the previous year, and in a contracting sector no less, Betonsa is a true success story.

Produced in four different sites under the Agregasa brand, total aggregate sales reached 1.5 million tons in 2009.

Akçansa is gradually increasing its focus on customer-oriented projects. Akçansa aims for maximum customer satisfaction by utilizing its experience to provide solutions through identifying and meeting customer needs. Throughout 2009, Akçansa has been the preferred brand in many prestigious building projects carried out by numerous construction companies.

Specific-use products have been in the forefront in 2009. A wide range of specific use products developed to meet customer needs and building specifications has been offered to the market and has resulted in maximum customer satisfaction.

Viskotemel, Viskokat, and Viskoperde are three new sub products of Viskobeton, Betonsa's self-compacting concrete, that have been developed in line with market needs and rolled out to create added value for customers. Sales have increased by more than 100% as a result of three alternatives offered within one product range.

Making up 6% of total sales, specific use products sales have increased 66% compared to last year, 43% above the target.

Production and Products
Regular and high strength concretes compliant with the TS EN 206-1 Standard are produced in various densities and aggregate unit sizes, from C8 to C100, at the Betonsa Ready-Mixed Concrete Facilities. In addition to these products, special customer demands are met with products in a variety of densities and aggregate unit size classes. These products include:

- Filler Concretes,
- High Performance Concrete,
- High Early Strength Concrete,
- Tunnel Framework Concrete,
- High-Rise Building Concrete,
- Concrete Types Conforming to Environmental Impact Classes.

In 2009, large-scale and high-profile projects have been the focal point and recipient of investments.

Betonsa	**2005**	**2006**	**2007**	**2008**	**2009**
Number of Plants	23	24	26	31	35
Sales (million m^3)	2.4	2.9	3.2	3.74	4.05

Agregasa	**2005**	**2006**	**2007**	**2008**	**2009**
Number of Plants	3	3	3	3	4
Sales (million tons)	1.1	1.2	1.6	1.9	1.5

All experiments and tests specified in standards related to raw materials and products can be performed in Turkish Standards Institute (TSE) Standards compliant laboratories at the TSE Certified Ready-Mixed Concrete Facilities. Certified with the Quality Assurance System (KGS) issued by the Turkish Ready-Mixed Concrete Association (THBB), the facilities undergo regular inspections by THBB and TSE.

In addition to these certifications, Betonsa employs the Integrated Management System which consists of the Quality Management System (ISO 9001), Environmental Management System (ISO 14001), and Occupational Health, Safety, and Security Management System (OHSAS 18001). Betonsa's Integrated Management System has been recertified by TÜV Rheinland as a result of an audit performed on December 7-11, 2009.

Facilities inaugurated during 2009 have been adapted to the system quickly to ensure the continuity of the Integrated Management System certification. During the year, Betonsa has successfully passed all announced and unannounced inspections conducted by KGS and TSE authorities.

Occupational Health, Safety, and Security

In line with Betonsa's understanding of Environmental and Occupational Health, Safety, and Security management, internal audits were conducted in all facilities and business lines in 2009 as planned as per the requirements of OHSAS 18001 and ISO 14001.

Mobile Equipments training was administered to nearly 400 Akçansa employees during 2009, in addition to Occupational Health, Safety, and Security trainings. The Mobile Equipments training increased the equipment operators' awareness about working techniques, potential occupational hazards, and the outcome of these occupational hazards.

Preventative and corrective actions were initiated for all nonconformance detected during inspections in accordance with the continuous improvement value that forms the foundation of all company activities. Details of occupational accidents were shared with the entire organization under the "Safety Warning" title as a proactive approach to prevent the recurrence of the same mistakes in other facilities.

Ready-Mixed Concrete Product Portfolio

- C8-C100 Regular and High Strength Concrete
- Light Concrete (IZOBETON)
- Steel Fiber Concrete (DRABETON)
- Polypropylene Fiber Concrete (FIBERBETON)
- Self-Compacting Concrete (VISKOBETON)
- Light Ready Screed (IZOSAP)
- Imprinted Concrete (DEKOBETON)
- Exposed Aggregate Decorative Concrete (PAKBETON)
- Ready Wet Plaster and Mortar
- Colored Concretes
- Filler Concretes
- High Performance Concretes
- Concrete Types Conforming to Environmental Impact Classes

Investments

In 2009, large-scale and high-profile projects have been the focal point and recipient of investments. Akçansa's investment projects aimed for maximum customer satisfaction through either the establishment of new facilities or increasing the capacity of existing facilities. Project site setups and mechanical and hydraulic dispensers that ease spreading for high-rise buildings received a majority of the investments made in 2009. The total amount of investments made for the year was TL 8.5 million.

Five new facilities, in Ataşehir, Acıbadem, Halkalı, Gümüldür, and Beylikdüzü, came into operation in 2009 in order to meet increasing market demand and to perform project based high-profile activities. In addition, three new projects have been implemented and construction aggregate production began in the Tekirdağ-Saray region, where an investment in mobile crushers and mobile strainers was made previously.

Using Occupational Health, Safety and Environment best practices in all of its activities, Akçansa continued to make investments in this area in 2009.

Recycling Systems

Existing treatment units in our Mahmutbey, Yeni Bosna, Esenyurt, and Kemerburgaz facilities have been improved. Furthermore, new treatment units were established in our Halkalı, Acıbadem, Karabük, Ataşehir II, Gümüldür, and Aliağa facilities, which came into operation in 2009. These treatment units have generated savings by processing wastewater to become reusable and thus eliminating the need for waste disposal.

De-Dusting Activities

The dust emission rate of the Samandıra facility was reduced by preventing dust formation via a pulverizing sprinkler system. The same system can also be used as an aggregate cooling system in high temperatures.

Innovative Projects

Three more projects were rolled out at Betonsa in 2009 through the Suggestion System. These innovative projects were Fuel Conservation System, Boom Safety System, and Heat and Tank Level System.

Fuel Conservation System

AWhile using natural resources as raw materials in production, Akçansa implements measures in the environment, occupational health, and quality areas to ensure the sustainability of these resources. Accordingly, Akçansa rolls out projects that aim to reduce natural resource and fossil fuel use and minimize internal and external environmental impact.

The Fuel Conservation System under the Betonsa Technical Department is one of these projects. This system prevents concrete pumps from constantly operating at high cycles during concrete spreading, and hence reduces fossil fuel consumption. The project is expected to generate a significant amount of fuel savings within a year.

Akçansa adapts a market-oriented approach to create solutions for its customers and differentiates itself in the sector through its unique marketing strategies and diversified product range.

Boom Safety System
Mobile pump misuse is the chief cause of accidents in the cement sector, which serves the construction industry as a solution partner. The most important factor of pump installation is the feet of the pump, which provide the balance. Not using the feet correctly may result in accidental death of the user. The Boom Safety System shows a proactive occupational safety approach and prohibits unbalanced pump installation.

Heat and Tank Level System
The Heat and Tank Level System prolongs the life of hydraulic pumps by preventing cavitations in the pumps due to low levels of oil in the hydraulic tank. Moreover, the heat sensor protects equipment in the hydraulic system by preventing overheating. The system aims to increase customer satisfaction and productivity by lowering equipment costs, which constitute a high proportion of expenditures, and minimizing new equipment shipment costs as well. The system monitors tank levels and changes in temperature constantly. When the oil level drops to a critical level or when the heat rises above a certain temperature, the system warns the operator with a siren and Arvento users visually through the vehicle tracking system.

Marketing Activities
Akçansa adapts a market-oriented approach to create solutions for its customers and differentiates itself in the sector through its unique marketing strategies and diversified product range. Akçansa visits customers at their locations in order to provide maximum customer satisfaction. The Company also provides all kinds of technical assistance to their customers as a value add. Elimination of customer complaints and returning feedback in the shortest period of time make up the foundation of Akçansa's customer relationship policy.

Attracting a great deal of attention from participants, the Turkeybuild Istanbul Fair is well known as the largest trade show for the construction industry in the country. As part of its marketing activities, Akçansa participated in the Turkeybuild Istanbul 2009 Fair on May 6 - 10, 2009. Akçansa's stand in Hall 6 drew widespread attention at the exhibition, which was attended by a total of 771 companies, with 67 of these coming directly from abroad.

Creating a difference in the cement sector via innovative solutions, Akçansa introduced its horizontal cement packaging solution at the Turkeybuild Istanbul 2009 Fair, where the innovation attracted the interest of visitors. A first in Turkey, horizontal cement packaging brings traditional cement packaging to a new level through its modern and innovative design.

Akçansa also rolled out the easy to transfer and store 25 kg packages, which prevents wastefulness by providing smaller amounts of cement needed for small-scale projects.

Research and Development Activities
As part of the new product development and existing product improvement initiatives, the C 39/37 and C 35/45 strength classes of Viskobeton in the Self-Compacting Concrete (SCC) product group was divided into sub products: Viskotemel, Viskokat, and Viskoperde. A wide ranging research study was initiated in collaboration with the Building Materials Laboratory of the İstanbul Technical University Faculty of Construction regarding these products, whose production and sales have been a true success.

This research aims to compare the mechanical and physical properties, including fundamental properties such as permeability, capillary absorption, shrinkage, compressive strength, flexural strength, and modulus of elasticity, of Self-Compacting Concrete (SCC) and Normal Concrete (NC). Customer satisfaction was attained through development of consistency protection and high early strength products for tunnel frameworks and high-rise buildings.

Special Products

Viskobeton: Viskobeton is Betonsa's self-compacting concrete product. Viskobeton can be used in reinforcing projects, compactly reinforced members, urban construction sites, aesthetic mold designs, problematic and intricate molds, and places where it is not possible to use vibrators.

Viskotemel: Viskotemel is Betonsa's self-compacting concrete product that is specifically designed for use in foundations. Produced in C 30/37 or C 35/45 resistance classes, Viskotemel has a 50 cm minimum spreading property and offers a cost advantage and ease of implementation in projects that require impermeability through its low water/binding .

Viskokat: Viskokat is Betonsa's self-compacting concrete product that is specifically designed for use in horizontal building members. Produced in C 30/37 or C 35/45 resistance classes, Viskokat has a 55 cm minimum spreading property and offers a cost advantage and casting ease without requiring tedious surface correction labor.

Viskoperde: Viskoperde is Betonsa's self-compacting concrete product that is specifically designed for use in vertical building members. Produced in C 30/37 or C 35 /45 resistance classes, Viskoperde has a 65 cm minimum spreading property and an increased rate of fine aggregate, thus offering an easy application without the use of a vibrator by quickly passing through compact reinforcements.

Drabeton: Drabeton is a Betonsa concrete product with steel wire reinforcement. Places of use can include concrete floors, screed and protection concretes, concrete open areas, factory floors, parking lots, concrete highways, gas stations, stock areas, seamless concrete floors, cold storage floors, floor screeds, concrete toppings, coverings at ports, and shipyards.

Izoşap: Izoşap is Betonsa's light ready screed product. With its porous structure, Izoşap is lightweight and contributes to insulation. It is extremely viscous and can be conveyed by screed or concrete pumps. Its density is low; thus, it reduces unnecessary loads on the building.

Dekobeton: Dekobeton is a decorative floor covering material system designed for exterior spaces. Some places of use for Dekobeton include garden arrangements, parks, poolsides, urban recreation areas, environmental landscaping, lanes, marinas and piers, shopping centers, parking lots and gas stations.

Pakbeton: Pakbeton is Betonsa's visible surface aggregated concrete product. It provides a natural and aesthetic appearance and can be used in all types of exterior floors. It makes walking on and holding onto the surface easy thanks to its pebble-like natural surface.

Ready Mixed Wet Plaster: Similar to ready mixed concrete, Ready Mixed Wet Plaster is produced in concrete plants, transported to the construction site by truck-mixers and can be kept up to 48 hours at the construction site under proper storage conditions, without losing its consistency. It is expected that the Ready Mixed Wet Plaster will go through a process similar to the one previously experienced in the market by ready mixed concrete during its competition against hand mixed concrete.

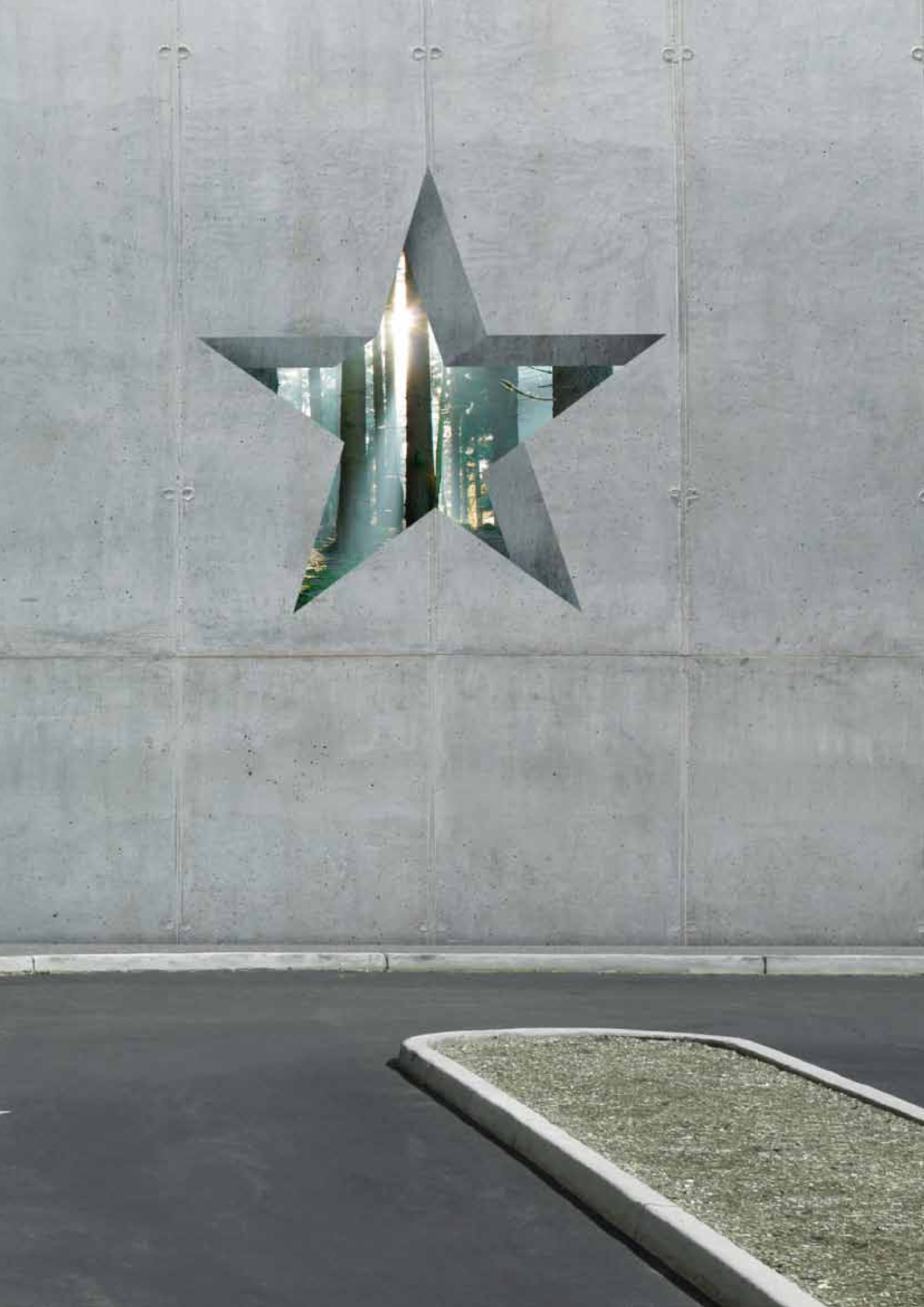
Fiberbeton: Fiberbeton is produced by adding polypropylene fibers to concrete in order to help prevent micro cracks and plastic shrinkage cracks likely to occur in high strength concretes and field concretes. In addition to preventing cracks in wet concrete, Fiberbeton helps increase fire resistance in hardened concrete.

Izobeton: Izobeton is Betonsa's lightweight concrete product used for insulation purposes. Its main places of use include as filler screed and concretes so as to avoid laying unnecessary loads on the construction; inner walls and floors of prefabricated buildings requiring heat and sound insulation; leveling or protection concrete applications below or above the water insulation level; aged grounds not requiring high resistance that need repair.

We are able to view the future differently

thanks to the importance we attach to sustainability

Akçansa sees the creation of social benefit as a cornerstone for sustainability and proves its commitment to this value by founding and supporting social responsibility projects in the geographic areas in which it has operations.



Sustainable Success

Every day, Akçansa converts 125,000 kg of waste into "value" and production from recycled materials in line with its sustainable growth strategy.

Akçansa aims to manage all environmental and social responsibility activities relating to its economic sustainability under the "Sustainability" heading in light of its corporate identity and strategy.

The Company plans all its sustainability-oriented activities while keeping in mind its and all its stakeholders' global future. Akçansa strives to render all of its facilities sustainable by not only fulfilling its legal and regulatory obligations but also providing solutions for the society and the environment.

The Company's Sustainability Committee groups its activities under the following areas.

•
- Occupational health, safety, and security: Zero accidents, damage, and injury goal
- Climate change and preservation: Preserving the climate and minimizing the effects of climate change
- Using waste as energy sources: Waste management for sustainability
- Re-use of building materials: Ensure using sustainable building materials
- Reclaim mining sites and enhancing biodiversity
- Minimizing other negative environmental impact

All Akçansa employees take responsibility for and adopt the respective strategy in activities implemented by the Sustainability Committee.

Akçansa aims for optimal use of our natural resources while not only looking out for today, but also thinking about the future. Akçansa aims to be a sustainable success with each step taken toward the future to provide upcoming generations with the means to meet their needs and further develop themselves.

Contribution to the Environment

Sustainable growth is Akçansa's priority in all its production processes carried out in its facilities. From alternative fuel and raw material use to environmental protection sensitivity, from occupational safety to work ethics, Akçansa maintains high standards of business conduct throughout its operations.

Akçansa makes environmentally sound investments in its production facilities and takes necessary protective measures to lessen the environmental impact of its operations. All filters as well as dust and gas emissions in main chimneys are monitored to ensure compliance with all legal requirements and are inspected annually by accredited institutions. Additionally, quarterly measurements for waste incineration in furnaces are reported to the Ministry of Environment and Forestry.

Every day, Akçansa converts 125,000 kg of waste into "value" and production from recycled materials in line with its sustainable growth strategy. Akçansa turns a variety waste output into value for the good of both the environment and the economy. Akçansa's Büyükçekmece and Çanakkale Cement Plants are the first to have received the R134-001 and R117-001 alternative fuel utilization licenses from the Republic of Turkey Ministry of Environment and Forestry. The waste disposal issue is solved by incinerating waste in the cement plants, while preserving natural resources and significantly reducing carbon dioxide emissions into the atmosphere.

The regional availability of alternative fuel resources has been researched for the Ladik Plant and a trial waste burning plan has been created in the alternative fuel license application process; the required permits have also been received from the Ministry. Akçansa plans to obtain an alternative fuel burning license after completion of the waste burning trial in 2010.

Akçansa's Ready-Mixed Cement Facilities lead other institutions in the sector in compliance with changing environmental regulations. In 2009, eight facilities had their emissions re-analyzed in accordance with the new regulations and have applied to the Provincial Directorate of Environment and Forestry for "Emissions Permits." Recycling units have been used more efficiently compared to previous years and left-over concrete from construction sites was recycled. Non-process wastes were sorted and disposed in accordance with relevant regulations.

Mining for construction aggregate requires removal of the top layer of soil in a geographic area and the storage of the soil in another location; the exposed bedrock is then processed into materials needed in the building sector. After the production process is completed, the mined area must be rehabilitated (bringing nature back to the state it was in prior) in order to return the area to an appropriate natural landscape.

Procuring its raw materials from nature, Akçansa, Turkey's leading cement, ready-mixed concrete, and aggregate producer, adopts a sustainable environment approach. That is, the Company conducts its production operations in compliance with all applicable laws and regulations and in a manner that does not damage human health and the environment. One of the most important indicators of Akçansa's sustainable environment approach is the rehabilitation project of the Kemerburgaz aggregate facility.

In an effort to make the area in which the top layer of soil was stored suitable to the topography of the natural surface, 380,000 m^3 of materials were shifted to match the ground level of this area to the surrounding area. In order to return the production area to the natural habitat state prior to the production activities, nearly 10,000 m3 of brush was planted on the rehabilitated area, which was then prepared for forestation by the Ministry of Environment and Forestry. This area is planned to be reforested upon the return of the land to the Ministry of Environment and Forestry.

Contributions to Society

For Akçansa, the largest player in the Turkish cement sector, leadership brings with it the sense of duty to further advance the sector, and the sector's reputation.

Seeing the creation of benefit for society as a whole as a part of the equation, Akçansa pursues the implementation of its social responsibility projects with utmost determination. Accordingly, Akçansa is a responsible corporate citizen that contributes to the development of the geographic regions in which it conducts business operations by undertaking projects in fields such as sports, education, and culture all for the good of the society.

Continuously fortifying its leadership position in the sector, Akçansa combines its competitive strength, financial performance, technological innovation capability, which spans from development of special products to alternative fuel and raw material use, with utmost respect for the environment, effective social responsibility activities, and progressive practices in human resources.

Akçansa is not only a consumer of Turkey's natural resources but also a contributor to the economy through employment, production, and export opportunities. The Company also uses a portion of its financial resources generated from its industrial and commercial operations to create value in culture, the arts, education, sports, and the environment as part of its social responsibility.

In order to safeguard historical, cultural, and natural values, Akçansa has undertaken many joint projects with non-government organizations, local authorities, and private institutions.

Akçansa was the main sponsor of the 13th Ladik Akdağ Upland Festival and the 10th Büyükçekmece Culture and Arts Festival, which were held on July 3-5, 2009 and July 3-11, 2009, respectively.

"Concrete Ideas" Project Competition

Akçansa organized a "Concrete Ideas" project competition to help university students take the first steps in their careers, discover their creativity, and add value to their academic studies.. Students were invited to come up with new and alternative applications for the use of concrete and to develop projects accordingly. In addition to money prizes, the members of the team whose project placed first were provided with traineeship opportunities at Akçansa as well. By also pledging to plant a tree for every student who took part in the competition, our company also encouraged the participation of young people in the projects that it undertakes itself for the sake of a greener world.

Contributions to Education

The construction of the Büyükçekmece Fatih Sultan Mehmet Elementary School, which became unusable after the earthquake disaster in 1999, was initiated in June 2005 in collaboration with the Büyükçekmece Municipality and was completed in June 2006.

The Akçansa - Fatih Sultan Mehmet Elementary School has 34 modern classrooms, 3 computer rooms, 3 laboratories, 1 library, 1 private classroom, 1 gym, and a 200-seat capacity conference hall. In 2009, projects commenced to turn the school into a social and cultural center.

The Ezine Gökçebayır Elementary School in Çanakkale was repaired, allowing the school to be used again. An Akçansa classroom was established at the Atatürk Elementary School in Ladik with all the necessary modern amenities for young students to receive a good education. In 2009, Akçansa sponsored the annual "Ladik's Yesterday, Today, Tomorrow" symposium.

Betonsa organizes periodic training sessions toward raising awareness among society in general and people active in the sector. Among the participants of these seminars are:

- Customers,
- Engineers and technical employees from local and regional government authorities, and
- University students.

Concrete technology, concrete durability, and the importance of curing and maintenance as well as concrete spreading techniques in cold and hot weather are discussed at these training sessions. The "Concrete Symposiums" in 2009 took place in Izmir, Tokat, Manisa, and Istanbul. A large number of participants attended the symposiums. In 2009, programs including technical trips to cement plants and ready-mixed concrete facilities. In addition, seminars about cement and ready-mixed concrete production and technology were organized for university students. A total of 1,100 concrete tests were conducted at the Betonsa Technology Center Laboratory in 2009 as part of the R&D, special product, and formula optimization work.

A total of 119 training seminars were conducted, 20 of which were external, during 2009 as part of the Technical-Vocational Education project. A total of 8,015 person-hours of training was administered, of which 1,917 person-hours were external and 6,098 person-hours were internal. Turkish Ready Mixed Cement Association (THBB) education seminars make up the majority of these seminars. A total of 125 operators, including 9 plant operators and 116 pump-mixer operators, have attended the THBB seminars and received certification.

Human Resources

Akçansa's human resources approach and priorities are formed in line with Company strategies and goals while keeping in mind regional, national, global, sectoral, and economic developments.

The economic and sectoral stagnation in 2009 resulted in the need to take some preventative measures regarding Human Resource planning. The situation caused by the contraction in the sector was turned into opportunity by having employees use their deferred vacation days. With effective labor planning, overtime costs were reduced to 29% below target levels.

The turnover rate for employees was 4% internally and 7% externally in 2009. After an organizational review, a total of 65 employee actions were taken, of which 22 were reassignments, 14 organizational connection changes, and 29 promotions.

In 2009, Akçansa focused its trainings on the areas of Quality, Environmental, Occupational Health, Safety, and Security, management skills, and personal and professional development. A total of 17,250 hours of training was administered to both internal and external employees in 2009. While internal staff received 15.5 hours of training per employee, external staff received 17.5 hours, equaling 16.5 hours per employee across the board.

Efforts to create and instill a culture of safety awareness continued throughout the Company in line with the "Safe Work, Healthy Life" principle.

As the first step of the implementation of Lean Six Sigma practices, training of executive managers has been completed and consultations on the dissemination of the practices is ongoing. The Lean Six Sigma strategy is based on:

- Making financial gain visible by minimizing errors and improving processes,
- Continuous monitoring of financial gain.

The "Management Meeting" took place in November with the participation of Akçansa's management team. The 2009 annual evaluations and business outcomes as well as 2010 expectations were discussed at the meeting and participants were briefed about improvement and development initiatives. "Communication Meetings," attended by all employees, were held at the Ladik, Çanakkale, and Büyükçekmece plants in December.

As part of the Rewarding System, which aims to reward and honor teamwork and performance, teams that showed noteworthy achievement in 2009 were presented awards at the Communication Meetings.

Employee suggestions, made as part of the Suggestion System which aims to increase Akçansa's competitive strength and to propel the Company forward with innovative ideas from its workforce, increased in number by 40% to 1,767. Of the total suggestions to increase motivation, productivity and quality, and to continually improve/develop work processes, 1,280 were found worthy of implementation.

Initiatives toward realizing the full potential of human resources are ongoing. A research study will be conducted to measure employee motivation and actions will be taken regarding improvement areas identified as a result of this research.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Corporate Governance Principles Compliance Report

1. STATEMENT OF COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES
Akçansa Çimento Sanayi ve Ticaret A.Ş. (hereinafter referred to as the Company) complied with, and implemented, the Corporate Governance Principles published by the Capital Markets Board of Turkey (CMB) in the period 01 January 2009 - 31 December 2009.

PART I - SHAREHOLDERS

2. Shareholder Relations Unit
The Company set up a unit to maintain communication and contact with shareholders and to serve them. Headed by Şeyda Pirinççioğlu, Assistant General Manager – Finance (0216-571 30 20, seyda.pirinccioglu@akcansa.com.tr), the Unit's other members include Hüsnü Dabak, Financial Affairs Manager (0216-5713025, husnu.dabak @akcansa.com.tr); Ayşen Özgürel, Accountant Specialist – Shareholder Relations (0216-5713030, aysen.ozgurel@akcansa.com.tr); Banu Üçer, Communications Specialist (0216-5713013, banu.ucer@akcansa.com.tr) and Onur Kerem Günel, Legal Advisor (0216-5713024, onur.gunel@akcansa.com.tr). The individuals serving on the Unit can also be reached at the fax number 0216 571 30 31. Shareholder Relations Unit handled capital increases, dividend payments to shareholders, updates on share certificate conversions, and disclosure of material events within the scope of the public disclosure project. Shareholders' queries in relation to the date of capital increase, dividend payment percentages and commencement date of dividend distribution, and participation in the General Meetings, save for confidential information and trade secrets, are responded to in writing, verbally or by email, in an accurate, complete, intelligible, and interpretable manner. The Company pays attention to take all necessary actions to assure investor satisfaction. In the fiscal year that ended on 31 December 2009, conversion formalities have been handled for 11 people as well as capital increase right of 116 others, and dividend payments were made to 434 people. The Company publicly discloses its operating results on a quarterly basis. The corporate website at www.akcansa.com.tr has been revamped so as to offer shareholders more detailed information on the Company's operations more regularly and to give them access to all Company-related data. Regular meetings were organized with all shareholders during the reporting period, upon request. One-on-one meetings were held with a total of 50 investors, in addition to four analyst meetings. Apart from those, the Company took part in three investor conferences. The aim of these efforts is to fulfill its responsibilities arising from being a publicly traded company, public disclosure and transparency. The Company's Shareholder Relations Unit is staffed with experts who enlighten the investors on the Company's financial information. The Company abides by the Turkish Commercial Code and Capital Markets legislation, and spends best efforts to facilitate the shareholders' attendance to the General Meetings.

3. Shareholders' Exercise of their Right to Obtain Information
Shareholders requesting information are responded to in writing or verbally, in line with their preference. As per the Capital Markets legislation, announcements in relation to shareholders' exercise of their rights are announced via the İstanbul Stock Exchange (ISE), promulgated in the Turkish Trade Registry Gazette, as well as in a national newspaper and the highest-circulating newspaper published in the city where the Company's head office is located. Such announcements are also posted at www.akcansa.com.tr. Pursuant to the CMB communiqués, the Company is subject to auditing by an Independent Audit Firm. A request to have a special auditor appointed is not an individual right provided for under the Company's articles of association. No requests have been made of the Company for the appointment of a special auditor until 31 December 2009. The Audit Committee presents independent auditor's reports to the Board of Directors for approval. Reports accepted by the Board of Directors are publicly disclosed via the ISE. In addition, reports subjected to annual audit are laid down before the General Assembly of Shareholders for approval, upon which they are announced in the Trade Registry Gazette and posted at www.akcansa.com.tr. Pursuant to the capital market legislation, the Audit Committee nominated by the members of the Company's Board of Directors functions in accordance with the procedures. Utmost care is paid to ensure exercise of the rights mentioned below and set out by the Corporate Governance Principles, in addition to fundamental shareholding rights set forth under the Turkish Commercial Code and the Capital Market Law.

The shareholders' queries during the reporting period were about the Company's capital increases in previous periods, dividend distributions, and operating results for the related period. Requested information has been provided verbally or in writing to the shareholders in line with their demands. Shareholders can also follow-up current information about the Company from the website at www.akcansa.com.tr, as well as material event disclosures published by the ISE and newspaper ads.

Within the frame of nearly 100 phone calls and emails received from shareholders, as well as one-on-one contacts until 31 December 2009, 100 written requests have been responded. To this end, information that might be of concern to shareholders was posted on www.akcansa.com.tr observing the timeframes for disclosure.

4. Information on General Meetings
The Company conforms to the provisions of the Turkish Commercial Code, CMB legislation and the articles of association in announcements for convening the General Meeting. These announcements are promulgated in the Turkish Trade Registry Gazette and a national newspaper two weeks in advance of the meeting, excluding the dates of the General Meeting and of promulgation. They are also posted on the corporate website. The Company's share certificates are registered. When the agenda items are being voted, the quorum as set out in the Turkish Commercial

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Corporate Governance Principles Compliance Report

Code is required. The approval of the General Assembly of Shareholders is sought in matters of an important nature such as amendments to the articles of association, merger, divestiture, election of Board of Directors members and/or statutory auditors, profit distribution, release of the Board of Directors members and statutory auditors from their fiduciary responsibilities, and approval of the annual report. Information such as minutes of General Meetings and attendance rosters are made available on the corporate website. Annual activity report, financial statements, dividend proposal, General Meeting agenda, specimen proxy statements, and documents in relation to the agenda items are made available at the Company's head office, in the highest-circulation newspaper and on the company website at least two weeks prior to the General Meeting. The Company is required to be informed of requests to attend the General Meetings at least one week before the date of the meeting, in accordance with the Ministry of Trade and Industry Regulation concerning General Meetings of Capital Stock Companies and the Attendance of the Ministry's Representative at Such Meetings. During 2009, a General Meeting was convened on 31 March 2009 at the address Sabancı Center Hacı Ömer Sabancı Salonu 4. Levent / İSTANBUL with a quorum of 81.47% and with the participation of shareholders representing nominal shares corresponding to TL 155,977,353.086. The invitation to the meeting was published in Milliyet daily of 13 March 2009 and in the Turkish Trade Registry Gazette issue 7268 dated 12 March 2009. At the General Meeting convened in 2009, all shareholders wishing to address the General Assembly have been given the chance to voice their opinions and direct their questions, all of which have been answered without any time restrictions by the Chair of the General Meeting Presiding Board. Minutes of General Meetings, attendance rosters, and the wording of the amendments to the articles of association are available for the review of shareholders at all times at www.akcansa.com.tr.

Decisions of a highly important nature as set out in the Turkish Commercial Code are laid down at the General Meeting for the approval of shareholders. Upon achieving legislative compliance of Corporate Governance Principles, all decisions of highly important nature that will be set forth under amended laws will be presented for the approval of shareholders at the General Meeting.

5. Voting Rights and Minority Rights
The articles of association grant no privileged or cumulative voting rights.

The articles of association contain no provisions governing cumulative voting rights based on the thought that such a right within the existing shareholding percentages and structure would be destructive on the Company's harmonious management structure. The matter will be addressed by the General Assembly of Shareholders as and when the same is regulated by applicable laws and minority shareholders are prevented from abusing cumulative voting right.

6. Dividend Distribution Policy and Timing
The Company has in place a publicly disclosed Dividend Distribution Policy, which covers the following principles:

The Dividend Distribution Policy espoused by the Company is based on the principle of distributing at least 50% of the attributable profit in cash to all shareholders having a stake in the Company's paid-in capital, in accordance with the CMB legislation. However, in general, the attributable profit is distributed in its entirety. No shares are privileged in terms of getting share from the profit. The General Assembly of Shareholders decides whether the dividends that must be distributed will be given in cash and/or bonus shares. The General Assembly of Shareholders may authorize the Board of Directors to distribute advances on dividends, limited to the relevant fiscal year only.

The Dividend Distribution Policy will be enforced provided that there are no negativities in national and global economic conditions and that the Company's capital adequacy ratio is at the targeted level. Akçansa Board of Directors is entitled to review the Dividend Distribution Policy annually in view of the future projects and available funds.

This information has been provided in the 2005 Annual Report as a separate section and presented to the shareholders prior to and during the General Meeting. The said annual report is accessible at www.akcansa.com.tr and is also posted within the shareholder information under the Investor Center section on the website.

As per the provisions of the Company's articles of association, article 33 thereof sets out the manner of profit distribution.

The Company's dividends are paid within the legally prescribed periods of time.

No shareholders enjoy any privileges in terms of getting share from the profit.

7. Transfer of Shares
The Company's articles of association contain no clauses that restrict transfer of shares.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Corporate Governance Principles Compliance Report

PART II – PUBLIC DISCLOSURE AND TRANSPARENCY

8. Company Information Policy
There is a Company information policy formulated in line with the CMB's Corporate Governance Principles. The information policy has been publicly disclosed by way of a Material Event Disclosure dated 29 April 2009 and since then, has been posted on www.akcansa.com.tr. Pursuant to the said policy, independently audited semi-annual and annual financial statements of the relevant year are disclosed to the public, as well as unaudited quarterly financial statements. Consolidated reports drawn up in line with International Financial Reporting Standards (IFRS-IAS) have been disclosed within the periods of time set by the CMB. Dates of press conferences to be held during the year will be announced to the public on our corporate website in advance. Information related to the Company are made available to the public via press bulletins, electronic mailing, text messaging, interviews given to the media and news agencies, announcements posted on the website, advertising and brochures. The Information Policy has been formulated and approved by the Board of Directors within the frame of CMB Corporate Governance Principles. It is the responsibility and authority of the Company's Board of Directors to monitor, supervise and improve the public disclosure and information policy of Akçansa Çimento Sanayi ve Ticaret A.Ş. The Company gives access to public disclosures made under the Information Policy via the corporate website as recommended by the CMB in its Corporate Governance Principles. Key headings made available on the website include the following:

- Detailed information on corporate identity
- Vision and key strategies
- Information on the members of the Board of Directors and executive team
- The Company's organization and shareholding structure
- The Company's articles of association
- Trade registry information
- Financial data
- Press releases
- CMB Material Event Disclosures
- Date and agenda of the General Meeting, explanations about agenda items
- Minutes of the General Meeting and attendance roster
- Specimen proxy statement
- Corporate Governance practices and compliance report
- Dividend distribution policy, history, and capital increases
- Information policy
- FAQ

9. Disclosure of Material Events
In the 2009 fiscal year, the Company made 10 material event disclosures for information sharing purposes pursuant to the communiqués of the CMB and ISE. The Company made available the material disclosures to shareholders via the ISE, within the frame of the public disclosure project.

These disclosures have been made in a timely manner and no sanctions have been imposed against the Company by the ISE.

The Company shares are not listed on any overseas stock exchange.

10. Company Internet Site and Its Content
Under the Corporate Governance Principles, the Company maintains a website accessible at www.akcansa.com.tr by shareholders and investors. The corporate website covers information such as corporate presentation, products and services, management systems, financial indicators, annual reports, investor center, financial statements, information policy, environmental activities, social responsibility activities, and human resources policies.

The Company's website offers the information as stated in Section II, Article 1.11.5 of the CMB's Corporate Governance Principles.

11. Disclosure of Ultimate Non-corporate Controlling Shareholders
There are no ultimate non-corporate controlling shareholders in our Company.

12. Public Disclosure of insiders
Individuals who are in a position to access insider information are the members of the Board of Directors, statutory auditors, General Manager, Assistant General Manager (Finance), Financial Affairs Manager, Internal Control Manager, Planning and Control Manager, Legal Advisor, and the Independent Audit Firm. These individuals are listed under the heading "Executive Management" in the Annual Report, whereby they are publicly disclosed.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Corporate Governance Principles Compliance Report

PART III - STAKEHOLDERS

13. Keeping Stakeholders Informed

STAKEHOLDERS

SHAREHOLDERS
Stakeholders learn about the Company-related developments by way of the public disclosures made pursuant to applicable legislation. As per the İstanbul Stock Exchange communiqués and the provisions of the Turkish Commercial Code, the Company announces topics such as annual and extraordinary General Meetings, capital increases and dividend distribution in the Trade Registry Gazette, material event disclosures, and a high-circulation newspaper within legally prescribed periods of time as per the applicable legislation. Other vehicles used for disclosure purposes include press conferences, press releases and interviews given to the media. Information, save for confidential information and trade secrets, is provided in an accurate, complete, intelligible, interpretable manner, and is made equally available to all.

CUSTOMERS
Within the frame of the importance attached to products, services and quality, the Company constantly works towards assuring customer satisfaction, which is measured by way of regular surveys. The Company plans training sessions and seminars targeting customers, which are carried out at regular intervals. In addition, the Company takes on research and development activities.

EMPLOYEES
All practices relating to the employees are carried out within the frame of the laws governing work life. Hiring, promotion, training and performance improvement policies and various practices are put into writing. Employee performance is evaluated in face-to-face meetings against targets defined at the beginning of each year and taking into consideration the related performance criteria. Positions are systematically evaluated employing an international “job evaluation system” based on the descriptions of the jobs available at the Company. The results of this system make up the basis of various HR practices and decisions.

Training and development needs of employees are regularly reviewed each year and annual training plans are formulated, in accordance with which identified needs are fulfilled.

There is a portal for employees, which gives access to all kinds of information and documents (company objectives, policies, job descriptions, practices, etc.) that might be of concern to them.

The Company maintains open communication on occupational health and safety matters with counterparties, shareholders and employees. OHSAS 18001 Occupational Health and Safety system is in place and successfully implemented at our plants.

The work is in progress at Akçansa to merge Quality, Environment and Occupational Health and Safety management systems under the Integrated Management Systems. At present, data entry is ongoing for all management systems into the QDMS software purchased for this purpose.

Stakeholders learn about the Company-related developments by way of the public disclosures made pursuant to applicable legislation.

Company employees are kept informed about their areas of expertise and topics of general interest through meetings, workshops, training courses and online notices.

14. Stakeholder Participation in Management
Employee participation in management is provided via internal periodic meetings (communication meetings, management meetings, functional meetings, talk sessions with the General Manager, etc.), annual goal-setting, performance appraisal, development planning meetings and the suggestion system. Also regular questionnaires are administered to measure employee satisfaction and receive feedback. Furthermore, the satisfaction of dealers and customers are measured at certain intervals. Under the Rewarding System that has been introduced in 2008, successful teams are rewarded every year.

15. Human Resources Policy
When determining Human Resources strategies and priority objectives at Akçansa, the Company takes into consideration the national and global economic conjuncture and the individual conditions specific to the cement, ready-mixed concrete and aggregate sectors in which we are active, as well as the Company’s business goals. Within the frame of the importance it attaches to the human resource that is the key to its success, Akçansa gives every opportunity to its employees to achieve personal development, high performance and success on the back of training, performance appraisal, career development, organizational and HR achievement plans, compensation system and fringe benefits provided under Human Resources processes.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Corporate Governance Principles Compliance Report

In order to guarantee the Company's long-term success, the Company collaborates with its shareholders Sabancı Holding and HeidelbergCement to maintain the modern HR practices; create an environment that is conducive to employee satisfaction and productive work; enhance the qualifications of our people and keep working towards preserving the positive image built, and continue to be a preferred employer; be a model company with best practices in human resources; attract and retain the most qualified human resource in the industry through the working conditions provided; create personal and professional training and development opportunities to its employees; base its compensation system upon fairness and rewarding high performance, under which salaries commensurate with the overall levels across the country are paid; unite its employees under an "Akçansa person" identity who possess analytical thinking ability, are customer-focused, team workers and cooperative, open to effective communication, highly willing to succeed and share achievements, while building their relationships upon mutual trust and respect. Other priorities of the Company include contributing to the "culture" aspect with a view to achieving the Company's vision; identifying the employees' expectations, and the areas in the organization that need further improvement and formulating action plans in relation thereto; enabling continual development and thus, supporting Company objectives and performance.

No representative has been appointed to conduct Company-employee relations. No complaints about discrimination were received from the employees either during 2009 or before.

16. Relations with Customers and Suppliers
Within the scope of its quality policy, the Company espouses mutual satisfaction principle for customers and suppliers. The Company fulfills customers' requirements and relevant external demands. The Quality Control Management System is constantly and regularly reviewed and supervised, while quality upgrade of products is encouraged. The Company makes sure that contractors and suppliers, whose activities might have an impact on the quality, fulfill their commitments in relation to quality. The Company also organizes informative meetings to enhance awareness of quality among contractors and suppliers, form joint task forces to deal with the meeting participants' problems, and spends best endeavors to create an environment of efficient communication among the parties. Within the frame of importance attached to products, services and quality, the Company constantly works towards assuring customer satisfaction, which is measured by way of regular surveys. The Company plans training sessions and seminars targeting customers, which are carried out at regular intervals. In addition, the Company takes on research and development activities. Measures are taken to keep the information about customers and suppliers in confidence within the frame of internal trade secrets.

17. Social Responsibility
The Company spends every effort to achieve compliance with international standards for a cleaner environment.

As spelled out in our ISO 14001 environmental policy, the Company's goals in this aspect are as follows:
Waste management and reduction through classifying and sorting wastes, recycling them if possible, and disposal of waste in licensed disposal facilities; incinerating own waste which can be used in our plants (where licenses and permits have been granted), evaluation of damage caused by waste to the environment, taking necessary preventive measures to minimize such damage; fulfilling legal obligations, providing required infrastructure and resources; imposing sanctions on our contractors where necessary and providing training. It is among the principal objectives of Akçansa to achieve sustainable development while protecting the environment and raising environmental awareness. Akçansa addresses the environment factor at all of its facilities not from a corporate perspective only, but also in practice. Converting various wastes into value for the economy and the environment, Akçansa's cement plants in Büyükçekmece and Çanakkale boast being the first plants granted with the Ministry of Environment and Forestry R134-001 and R117-001 licenses, which authorize the use of alternative fuel. Incineration of wastes at cement plants serve to conserve natural resources and significantly reduces carbon dioxide emissions, while producing a solution for the highly challenging issue of waste disposal.

Acting on the mission of upholding Turkey's cultural heritage, Akçansa sponsored digging activities in the ancient city of Troy in Çanakkale and supported the preservation of historic and cultural legacy.

Our plants work with a view to enhancing the quality of community service offered by nearby municipalities, schools and public institutions, and provide financial support. Detailed information on the Company's social activities is provided in the annual report.
Further, the Company transcends its immediate environs in charitable donations and contributes to the country's social and cultural development through donations made via Sabancı Foundation (VAKSA) within the frame of its commitment to social responsibility.

There are lawsuits that have been lodged against the Company in relation to environmental issues.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Corporate Governance Principles Compliance Report

PART IV – BOARD OF DIRECTORS

18. Structure and Formation of the Board of Directors, Independent Members

Not all of the members of the Board of Directors are executive members. The positions held by the Board members are presented below. Introductory information on the members of the Board of Directors is provided in the annual report.

Chairman of the Board
Mehmet GÖÇMEN appointed as Chairman on 20 July 2009

Vice Chairman of the Board
Ziya Engin TUNÇAY resigned on 20 July 2009

Vice Chairman of the Board
Daniel H.J. GAUTHIER

Board Member
Ali Emir ADIGÜZEL

Board Member
Ernest Gerard JELITO

Board Member
Ahmet Cemal DÖRDÜNCÜ

Board Member
Mahmut Volkan KARA appointed on 17 December 2009

Members of the Board of Directors may assume other post(s) outside of the Company. This matter is not governed by specific rules, nor is there any restriction thereupon.

Based on the relevant decision of the General Assembly of Shareholders, Board members are entitled to carry out the transactions as set out in Articles 334 and 335 of the Turkish Commercial Code.

19. Qualifications of the Members of the Board of Directors

The qualifications the Company seeks in the members of the Board of Directors are aligned with those set out in the CMB's Corporate Governance Principles. The articles of association do not contain any provisions setting forth the minimum qualifications required of Board members.

Development programs have been designed and implemented for the members of the Board of Directors in cooperation with universities and other scientific institutions on a need basis, with a view to better tracking contemporary and modern advances in the management science.

20. Mission, Vision and Strategic Goals of the Company

VISION

"Sustainable growth beyond all boundaries". To grow beyond all boundaries in the building materials industry with a business model that is trusted and most preferred by all of our stakeholders.

MISSION

TO BE THE LEADING BUILDING MATERIALS COMPANY THAT ENRICHES SOCIETY'S QUALITY OF LIFE with a corporate culture committed to our social, environmental, legal, and ethical values and that creates value for

- Our customers with innovative products, services, and solutions,
- Our shareholders through superior financial performance,
- Our employees who are at the focal point of our business model through continuous professional development opportunities.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Corporate Governance Principles Compliance Report

Three-year strategic goals of the Company are set by the Board of Directors upon conferring with the shareholders. Additionally, the Board of Directors approves annual budgets drawn up in line with these strategic goals.

The Board of Directors has precise information on the implementation of the decisions made on the basis of comparative presentations given by Company executives during Board meetings. In addition to comparison of forecasted and actual budget items for the current year, comparisons on year-on-year bases are also provided to the Board of Directors in these presentations. The Board of Directors repeats this process at least four times a year.

21. Risk Management and Internal Control Mechanism
An Internal Audit Manager and Internal Audit Specialist are appointed at the Company. Objectives and principles behind their activities are described hereinbelow. With the creation of the Audit Committee, these individuals effectively fulfill the tasks assigned thereto by the Board of Directors within the frame of the Audit Committee Bylaws.

Risk management is based on describing and monitoring all potential risks that our Company might be exposed to. The Company and our executives classified all potential risks, upon which necessary precautions have been adopted therefor. These include all types of financial risks such as asset-liability, credibility, capital/indebtedness, exchange rate risks and risk factors that may directly influence the financial position of the Company and natural risks, in relation to which all facilities are insured to minimize the risk posed by natural disasters such as fire, earthquake, etc., which may affect the performance of the Company. The SAP system is employed to prevent any loss of data and ensure systems are unaffected in the event of a disaster. This system allows instant tracking of operating results, as well as measurement and processing, aiding the decision support processes. Representing a key technological utility, the SAP enhanced the efficiency of the internal control mechanism by eliminating human errors. Investments have also been made in the Company's back-up system.

In parallel with the risk management and control system in place at our shareholders Hacı Ömer Sabancı Holding A.Ş. and HeidelbergCement Group, effective risk management processes have been devised and launched.

22. Responsibilities and Authorities of the Members of the Board of Directors and Executives
The administrative right and representative powers vested in the Company's Board of Directors are set out in the articles of association. The authorities and responsibilities of executives, however, are not regulated by the Company's articles of association, but are specified by the Board of Directors.

23. Operating Principles of the Board of Directors
During 2009 fiscal year, the Company's Board of Directors held 48 meetings, of which four were face-to-face and 44 were carried out through obtaining written approval in line with the provisions of the Turkish Commercial Code and the articles of association. The agendas for the Board meetings are decided by the Chairman of the Board upon conferring with the current Board members and the General Manager. The agenda so determined and the contents of agenda items are compiled in a file by the preliminary informative committee and circulated to Board members one week before the relevant meeting to allow them time for necessary review and study.

There have been no dissenting opinions voiced against the decisions adopted by the members of the Board of Directors at the meetings held from 01 January 2009 through 31 December 2009.

When deciding on the subjects stated under Part IV, Article 2.17.4 of the CMB's Corporate Governance Principles, Board members, save for those with a justifiable excuse, were required to personally attend such Board meetings. No questions have been recorded in the minutes because no questions were posed by Board members. No weighted voting and/or vetoing rights are granted to the Board members in relation to these decisions.

24. Prohibition on Doing Business or Competing with the Company:
No member of the Board of Directors carried out any transaction with the Company or engaged in any activity that will constitute competition under the Company's scope during 2009 fiscal year.

25. Code of Ethics
The code of ethics espoused by our shareholder Sabancı Holding is also adopted and implemented by our Company. The employees are informed on the code through the booklets on ethical rules distributed to all employees, as well as informative training sessions. Current feedbacks of employees in relation to ethics are sought via the web-based "Sa-Ethics Year End Application".

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Corporate Governance Principles Compliance Report

26. Number, Structures and Independence of the Committees under the Board of Directors:
Two committees have been set up at the Company, which report to the Board of Directors: the Audit Committee and the Preliminary Informative Committee. Due to the fact that the Company's Board of Directors itself deals with the corporate governance principles and compliance therewith, it was not deemed necessary to set up a dedicated committee.

Owing to the existing constitution of the Audit Committee, there have been no conflicts of interest during 2009.

Preliminary Informative Committee carries out the necessary in-depth research and prepares detailed presentations in matters that will be laid down before the Board of Directors prior to Board meetings.

The Company's Internal Audit Manager submits his/her reports on Corporate Governance Principles issues to the members of the Audit Committee.

27. Remuneration of the Board of Directors
Unless otherwise decided by the General Assembly of Shareholders, no financial gains are provided to the members of the Board of Directors.

During 2009 fiscal year, the Company did not lend money or extend loans to any Board member, did not grant extension or improvement on any money lent or loans provided, nor has it extended credit to them under the name of personal loan or provided any guarantees such as surety through any third party.

We are sure-footedly moving ahead drawing on our competitive strength, financial performance and technological innovation capability.

Other Matters:
The Company's financing needs are fulfilled through short- and medium-long term export and foreign currency loans in parallel with the Company's export potential. Risk management is based on defining and monitoring all potential risks that the Company may be exposed to. The Company and our executives classified all potential risks, upon which necessary precautions have been adopted therefor. These include all types of financial risks such as asset-liability, credibility, capital/indebtedness, exchange rate risks and risk factors that may directly influence the financial position of the Company and natural risks, in relation to which all facilities are insured to minimize the risk posed by natural disasters such as fire, earthquake, etc., which may affect the performance of the Company. The SAP system is employed to prevent any loss of data and ensure systems are unaffected in the event of a disaster. This system allows instant tracking of operating results, as well as measurement and processing, aiding the decision support processes. Representing a key technological utility, the SAP enhanced the efficiency of the internal control mechanism by eliminating human errors. The Company also gave weight to investments such as the company back-up system. The Company monitors receivable risk, exchange rate risk, concentration, competition and sales outlets' productivity risks on a monthly basis. Activities are also commenced focusing on sustainability risk and pandemic risk.

In parallel with the risk management and practices procedure in place at our shareholders Hacı Ömer Sabancı Holding A.Ş. and HeidelbergCement Group, Akçansa Corporate Risk Management Regulation has been developed, based on which effective risk management processes have been devised and launched.

No amendments were made to the Company's articles of association during 2009.

There are no issued capital market instruments.

Final visas have been obtained as of September 2009 for two Incentive Certificates earned under the project for the second production line at Çanakkale site, which was started in 2006 and brought to completion in March 2008.

The Company also holds an investment incentive certificate dated December 2008 for production of energy from waste gas. As of December 2009, USD 3,900,000 has been paid in investment advance.

Under these incentive certificates, the Company benefited from exemption from customs duty and from VAT in imported machinery and equipment.

During the twelve months to end 2009, the Company made charitable donations and grants worth TL 2,389,386 to educational institutions, in particular, as well as to some other public institutions and organizations.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Consolidated Financial Statements as of December 31, 2009 Together with Report of Independent Auditors

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Independent Auditor's Report

To the Shareholders of
Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi;

We have audited the accompanying consolidated financial statements of Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi and its subsidiary (hereafter together referred to as "the Company") which comprise the consolidated balance sheet as at December 31, 2009, consolidated income statement, consolidated comprehensive income statement, consolidated statement of changes in equity, consolidated statement of cash flow for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with Financial Reporting Standards published by Capital Market Board. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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 generally accepted auditing standards issued by Capital Market Board. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 consolidated financial statements present fairly, in all material respects, the financial position of Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi and its subsidiary as of December 31, 2009, and its financial performance and cash flows for the year then ended in accordance with financial reporting standards published by Capital Market Board.

Additional paragraph for convenience translation to English:
As of December 31, 2009, the accounting principles described in Notes 2 (defined as CMB Accounting Standards) to the accompanying consolidated financial statements differ from International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board with respect to the application of inflation accounting and the presentation of the basic financial statements and the notes to them. Accordingly, the accompanying consolidated financial statements are not intended to present the financial position and results of operations in accordance with IFRS.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi
A member firm of Ernst & Young Global Limited

Ertan Ayhan, SMMM
Partner

February 19, 2010
Istanbul, Turkey

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Consolidated Balance Sheet As at December 31, 2009

(Currency - Turkish Lira (TL))

Assets	Notes	Current period audited December 31, 2009	Prior period audited December 31, 2008
Current assets		**267.291.487**	**256.000.434**
Cash and cash equivalents	6	40.091.509	29.312.899
Financial investments	7	-	7.167.862
Trade receivables	10	156.834.403	118.882.746
- Trade receivables from related parties	37	21.691.517	1.393.250
- Other trade receivables		135.142.886	117.489.496
Receivables from financial sector operations	12	-	-
Other receivables	11, 37	4.859.105	8.598.820
Inventories	13	63.465.558	89.107.876
Biological assets	14	-	-
Other current assets	26	2.040.912	2.930.231
		267.291.487	**256.000.434**
Assets held for sale	34	-	-
Non-current assets		**894.348.831**	**877.787.220**
Trade receivables	10	-	-
Receivables from financial sector operations	12	-	-
Other receivables	11	20.690	20.690
Financial investments	7	118.246.896	63.680.758
Investments accounted under equity method	27	-	-
Biological assets	14	-	-
Investment properties	17	-	-
Property, plant and equipment	18	601.307.288	646.992.558
Intangibles	19	35.920.835	34.262.557
Goodwill	20	129.457.887	129.457.887
Deferred tax asset	35	1.962.142	1.603.602
Other non-current assets	26	7.433.093	1.769.168
Total assets		**1.161.640.318**	**1.133.787.654**

The accompanying policies and explanatory notes on pages 49 through 98 form an integral part of the financial statements.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Consolidated Balance Sheet As at December 31, 2009

(Currency - Turkish Lira (TL))

Liabilities	Notes	Current period audited December 31, 2009	Prior period audited December 31, 2008
Current liabilities		**195.119.386**	**193.066.135**
Financial liabilities	8, 37	96.678.800	125.063.791
- Payables from financial borrowings		93.855.870	119.460.523
- Payables from financial leases		2.822.930	5.603.268
Other financial liabilities	9	2.632.803	-
Trade payables	10	82.260.281	53.955.431
-Trade payables to related parties	37	1.555.262	1.455.545
-Other trade payables		80.705.019	52.499.886
Other payables	11, 37	6.988.245	9.591.832
Liabilities due to financial sector operations	12	-	-
Government incentives and grants	21	-	-
Income tax payable	35	2.439.991	-
Provisions	22	4.086.386	4.376.931
Other current liabilities	26	32.880	78.150
		195.119.386	**193.066.135**
Liabilities to assets held for sale	34	-	-
Non-current liabilities		**147.294.358**	**176.145.349**
Financial liabilities	8, 37	91.647.962	124.047.072
- Payables from financial borrowings		90.678.074	120.276.981
- Payables from financial leases		969.888	3.770.091
Other financial liabilities	9	-	-
Trade payables	10	-	-
Other payables	11	-	-
Liabilities due to financial sector operations	12	-	-
Government incentives and grants	21	-	-
Provisions	22	2.462.961	1.992.062
Reserve for employee benefits	24	13.645.992	13.476.183
Deferred tax liability	35	39.537.443	36.630.032
Other non - current liabilities	26	-	-
Shareholders' equity		**819.226.574**	**764.576.170**
Equity attributable equity holders of the parent	**27**	**808.493.888**	**753.119.308**
Paid - in share capital		191.447.068	191.447.068
Inflation adjustment to paid-in share capital		233.177.582	233.177.582
Adjustments to share capital and equity instruments (-)		-	-
Share premium		-	-
Value increase fund		74.921.074	24.298.151
Actuarial gain/loss		(254.656)	-
Currency translation difference		-	-
Restricted reserves allocated from net profit		78.033.880	67.943.530
Retained earnings		156.160.570	131.983.269
Net profit for the year		75.008.370	104.269.708
Minority interest	**27**	**10.732.686**	**11.456.862**
Total liabilities and shareholders' equity		**1.161.640.318**	**1.133.787.654**

The accompanying policies and explanatory notes on pages 49 through 98 form an integral part of the financial statements.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Consolidated Income Statement
For the Year Ended December 31, 2009

(Currency - Turkish Lira (TL))

	Notes	Current period audited January 1-December 31, 2009	Prior period audited January 1-December 31, 2008
Continuing operations			
Net sales	28	709.593.804	804.425.303
Cost of sales (-)	28	(570.647.670)	(598.135.203)
Gross profit from business activities		**138.946.134**	**206.290.100**
Interest, fee, premium, commission and other income		-	-
Interest, fee, premium, commission and other expense (-)		-	-
Gross profit from finance sector operations		**-**	**-**
Gross profit		**138.946.134**	**206.290.100**
Selling, marketing and distribution expense (-)	29, 30	(6.878.998)	(6.823.532)
General and administrative expense (-)	29, 30	(20.512.525)	(22.185.868)
Research and development expense (-)	29, 30	-	-
Other operating income	31	5.277.311	8.795.036
Other operating expense (-)	31	(16.474.606)	(10.908.830)
Operating profit		**100.357.316**	**175.166.906**
Profit/loss from investments accounted under equity method		-	-
Financial income	32	30.840.005	84.441.418
Financial expense (-)	33	(41.797.376)	(129.223.158)
Net income before taxes from continuing operations		**89.399.945**	**130.385.166**
- Tax income/(expense) for the period	35	(16.191.630)	(16.338.911)
- Deferred tax income/(expense)	35	1.330.679	(9.530.263)
Tax income/expense for continuing operations		**(14.860.951)**	**(25.869.174)**
Continuing operations net profit		**74.538.994**	**104.515.992**
Discontinuing operations			
Net profit/loss after taxes from discontinuing operations		**-**	**-**
Net profit		**74.538.994**	**104.515.992**
Attributable to:			
Minority interest	27	469.376	(246.284)
Equity holders of the parent	27	75.008.370	104.269.708
Earnings per share (Kr)	**27**	**0,39**	**0,54**
Earnings per share from continuing operations (Kr)		**0,39**	**0,54**
Weighted average number of shares		**19.144.706.825**	**19.144.706.825**

The accompanying policies and explanatory notes on pages 49 through 98 form an integral part of the financial statements.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Consolidated Comprehensive Income Statement For the Year Ended December 31, 2009

(Currency - Turkish Lira (TL))

	Notes	Current period audited January 1-December 31, 2009	Prior period audited January 1-December 31, 2008
Net profit		**74.538.994**	**104.515.992**
Other Comprehensive Income:			
Change in value increase fund of financial asset	27	54.566.137	(67.880.268)
Actuarial Loss		(318.320)	-
Tax gain/loss regarding other comprehensive income accounts	27	(3.879.550)	-
Other Comprehensive Income (after tax)		**50.368.267**	**(67.880.268)**
Total Comprehensive Income		**124.907.261**	**36.635.724**
Distribution of total comprehensive income:			
Minority Interest		469.376	(246.284)
Equity holders of the parent		125.376.637	36.389.440

The accompanying policies and explanatory notes on pages 49 through 98 form an integral part of the financial statements.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Consolidated Statement of Changes in Equity
For the Year Ended December 31, 2009

(Currency - Turkish Lira (TL))

	Paid-in share capital	Inflation adjustment to paid-in share capital	Restricted reserves	Value increase fund
Balance at January 1, 2008	**191.447.068**	**233.177.582**	**50.022.483**	**92.178.419**
Transfers	-	-	17.921.047	-
Dividends paid (Note 35)	-	-	-	-
Current year profit	-	-	-	-
Other comprehensive income - Net unrealized loss on financial assets (Note 7)	-	-	-	(67.880.268)
Total other comprehensive income	**-**	**-**	**-**	**(67.880.268)**
Total comprehensive income	**-**	**-**	**-**	**(67.880.268)**
Balance at December 31, 2008	**191.447.068**	**233.177.582**	**67.943.530**	**24.298.151**
Balance at January 1, 2009	**191.447.068**	**233.177.582**	**67.943.530**	**24.298.151**
Transfers	-	-	10.090.350	-
Dividends paid (Note 36)	-	-	-	-
Current year profit	-	-	-	-
Other comprehensive income - Net unrealized loss on financial assets (Note 7)	-	-	-	54.566.137
Other comprehensive income-Actuarial loss	-	-	-	-
Tax income/change related with other comprehensive income (Note 35)	-	-	-	(3.943.214)
Total other comprehensive income	**-**	**-**	**-**	**50.622.923**
Total comprehensive income	**-**	**-**	**-**	**50.622.923**
Balance at December 31, 2009	**191.447.068**	**233.177.582**	**78.033.880**	**74.921.074**

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Consolidated Statement of Changes in Equity For the Year Ended December 31, 2009

(Currency - Turkish Lira (TL))

Actuarial gain/loss	Net profit for the year	Retained earnings	Parent company's equity	Minority interest (Note 27)	Total shareholders' equity
-	185.798.034	89.082.927	841.706.513	12.205.278	853.911.791
-	(185.798.034)	167.876.987	-	-	-
-	-	(124.976.645)	(124.976.645)	(994.700)	(125.971.345)
-	104.269.708	-	104.269.708	246.284	104.515.992
-	-	-	(67.880.268)	-	(67.880.268)
-	-	-	(67.880.268)	-	(67.880.268)
-	104.269.708	-	36.389.440	246.284	36.635.724
-	104.269.708	131.983.269	753.119.308	11.456.862	764.576.170
-	104.269.708	131.983.269	753.119.308	11.456.862	764.576.170
-	(104.269.708)	94.179.358	-	-	-
-	-	(70.002.057)	(70.002.057)	(254.800)	(70.256.857)
-	75.008.370	-	75.008.370	(469.376)	74.538.994
-	-	-	54.566.137	-	54.566.137
(318.320)	-	-	(318.320)	-	(318.320)
63.664	-	-	(3.879.550)	-	(3.879.550)
(254.656)	-	-	50.368.267	-	50.368.267
(254.656)	75.008.370	-	125.376.637	(469.376)	124.907.261
(254.656)	75.008.370	156.160.570	808.493.888	10.732.686	819.226.574

The accompanying policies and explanatory notes on pages 49 through 98 form an integral part of the financial statements.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Consolidated Cash Flow Statement For the Year Ended December 31, 2009

(Currency – Turkish Lira (TL))

	Notes	Current period Audited December 31, 2009	Prior period Audited December 31, 2008
Cash flows from operating activities			
Profit before tax and minority interest		89.399.945	130.385.166
Reconciliation between net profit before taxation and cash generated from operating activities:			
Unrealized foreign exchange expense/income		13.240.622	42.187.879
Depreciation and amortization	18, 19, 30	57.702.162	55.850.815
Provision for employee termination benefits	24	1.765.798	2.520.573
Seniority incentive premium		(166.418)	256.481
Recultivation provision, net	22	470.899	(3.215.897)
Gain/loss on sale of property, plant and equipment	31	(159.551)	(654.797)
Interest expense	33	14.206.627	19.765.237
Provision for doubtful receivables	10	2.360.568	1.221.949
Dividend income	32	(6.683.009)	(14.419.043)
Provision for litigations, net	22	252.847	374.112
Provision for inventory valuation		1.180.171	811.000
Competition board penalties, net	22	-	(1.302.954)
Premium accruals to be paid to executive management	22	560.000	550.000
Operating profit before changes in operating assets and liabilities		**174.130.661**	**234.330.521**
Net changes in operating assets and liabilities			
Trade receivables		(39.714.390)	(11.969.062)
Other receivables		(3.267.541)	21.777.124
Inventories		24.462.147	(26.322.675)
Other current assets		889.319	1.109.723
Other non current assets		(5.663.925)	4.405.977
Trade payables		28.304.850	311.422
Other payables		(2.603.587)	(2.478.306)
Other liabilities		45.270	(1.599.298)
Provisions		321.358	345.754
Taxes paid		(13.751.639)	(25.117.242)
Employee termination benefits paid	24	(3.010.402)	(2.386.919)
Fines paid	22	(874.750)	(627.000)
Collections from doubtful receivables	10	(597.835)	(978.729)
Net cash provided by operating activities		**158.669.536**	**190.801.290**
Cash flows from investing activities			
Purchase of property, plant and equipment, net	18	(11.774.645)	(57.629.818)
Purchase of intangible assets	19	(2.852.703)	(1.135.212)
Proceeds from sale of property, plant and equipment		1.111.729	927.526
Dividends received	32	6.683.009	14.419.043
Net cash used in investing activities		**(6.832.610)**	**(43.418.461)**
Cash flows from financing activities			
Proceeds from short-term borrowings		176.454.768	206.436.392
Proceeds from forward transactions		7.007.256	-
Repayment of short term borrowings		(231.889.512)	(197.090.816)
Repayment of finance lease obligations		(5.984.286)	(4.138.749)
Dividend paid to minority interest		(254.800)	(994.700)
Dividend paid		(70.002.057)	(124.793.953)
Interest paid		(16.389.685)	(19.742.154)
Net cash used in financing activities		**(141.058.316)**	**(140.323.980)**
Net increase in cash and cash equivalents		**10.778.610**	**7.058.849**
Cash and cash equivalents at the beginning of the year	**6**	**29.312.899**	**22.254.050**
Cash and cash equivalents at the end of the year	6	40.091.509	29.312.899
Supplemental disclosure of cash flows information			
Cash received by the Company for interest income		1.463.328	2.162.055

The accompanying policies and explanatory notes on pages 49 through 98 form an integral part of the financial statements.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

1. Corporate information

General

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi (Akçansa) was formed on December 31, 1996 through the merger of Akçimento Ticaret Anonim Şirketi (Akçimento) which was established in 1967, with Çanakkale Çimento Sanayi Anonim Şirketi (Çanakkale) which was established in 1974. At January 12, 1996, Mortelmaattschappij Eindhoven B.V. (Mortel), which is a wholly owned subsidiary of Cimenteries CBR S.A. (CBR), acquired 97.7% of Çanakkale. Subsequently on July 24, 1996, the CBR group exchanged its shares in Çanakkale for 30% of the shares of Akçimento which was mainly owned by the affiliates of Hacı Ömer Sabancı Holding Anonim Şirketi.

Effective from October 1, 1996, Akçimento ceased its existence and merged with Çanakkale. The name of Çanakkale was changed as Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi. Akçansa shares have been traded on the Istanbul Stock Exchange since 1986. On November 27, 2006, 39,72% shares of Akçansa Çimento Sanayi ve Ticaret A.Ş. owned by CBR International Holdings B.V. which is 100% owned subsidiary of Heidelberg Cement A.G. has been transferred to Heidelberg Cement Mediterranean Basin Holdings S.L. which is also 100% owned subsidiary of Heidelberg Cement A.G.

The address of the headquarter and registered office of Akçansa is Kozyatağı Mahallesi, Kaya Sultan Sokak, Hüseyin Bağdatlıoğlu İş Merkezi, No: 97, Kat: 5 - 8, Kozyatağı, Istanbul.

The consolidated financial statements are authorized for issue by the management on February 19, 2010. The General Assembly and certain regulatory bodies have the power to amend the statutory financial statements after the issue. The major shareholders of the Company are Hacı Ömer Sabancı Holding AŞ and Heidelberg Cement Mediterranean Basin Holdings S.L., as disclosed further in Note 25.

For the purpose of the consolidated financial statements, Akçansa and Karçimsa Çimento Sanayi ve Ticaret AŞ (Karçimsa - 50.99% owned subsidiary of Akçansa) - together are referred to as "Akçansa and its subsidiary" or "the Company". For the twelve months period then ended December 31, 2009 and for the year then ended December 31, 2008, the number of personnel (all employed in Turkey) is 1.058 and 1.132, respectively.

Nature of activities

The Company is primarily engaged in manufacturing of cement, clinker, ready mixed concrete and aggregate.

2. Basis of preparation of financial statements

2.1 Basis of preparation

Akçansa and its subsidiary, which is incorporated in Turkey, maintain their books of account and prepare their statutory financial statements in accordance with regulations on accounting and reporting framework and accounting standards promulgated by Turkish Capital Market Board (only for Akçansa) and the Uniform Chart of Accounts issued by the Ministry of Finance.

In accordance with the CMB's "Communiqué on Financial Reporting in Capital Market" Serial XI, No:29, published in the Official Gazette dated 9 July 2008, effective from January 1, 2008, listed companies are required to prepare their financial statements in conformity with International Accounting/Financial Reporting Standards (IAS/IFRS) Adopted by European Union (thereafter referred as CMB Communiqué). The consolidated financial statements have been prepared from statutory financial statements of Akçansa and its subsidiary and presented in Turkish Lira (TL) with adjustments and reclassifications for the purpose of fair presentation in accordance with CMB. The main adjustments are related with the consolidation, business combinations, deferred tax calculation, discounting on receivables, payables and other liabilities; calculation of retirement pay liability and other provisions.

The financial statements were prepared in historical cost principle except financial investments carried at fair value.

The financial statements and explanatory notes are presented using the compulsory standard formats as published by the Communiqué Serial XI, No: 29 declared by the CMB on April 9, 2008.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

Functional and presentation currency

Accordingly the Company's figures at financial statements as of December 31, 2008 and comparative figures for prior year have also been presented in TL, using the conversion rate of YTL 1 = TL 1.

Functional and presentation currency of the Company is Turkish Lira (TL).

Based on the decision of CMB dated March 17, 2005 and numbered 11/367, since the objective conditions for the restatement in hyperinflationary economies was no longer available at that time, Turkey came off hyperinflationary status and the financial statements were only restated until December 31, 2004 in accordance with IAS 29 ("Financial Reporting in Hyperinflationary Economies"). Therefore, the non-monetary assets and liabilities and components of shareholders' equity including share capital reported in the balance sheet as of December 31, 2008 are derived by indexing the additions occurred until December 31, 2004 to December 31, 2004 and carrying the additions after this date with their nominal amounts.

Reclassifications made to 2008 financial statements

The Company has reclassified fair value of forwards transaction amounting to TL 7.167.121 that was booked in other current assets to financial investments in order to conform to the consolidated financial statements as of December 31, 2009.

2.2 Changes in the accounting policy

In accordance with IAS19 "Employee Benefits" standards, the Company had made change in its accounting policy prospectively and as a result, the Company has disclosed actuarial loss of TL 318.320 in other comprehensive expense in shareholder's equity.

New Standards and Interpretations

The accounting policies used in the preparation of the financial statements for the year ended December 31, 2009 are consistent with those used in the preparation of the financial statements as of and for the year ended December 31, 2008, except for the adoption of new standards and interpretations noted below. The effects of these new standards and interpretations to the performance and financial situation of the Company are explained in the related paragraphs.

The new standards which are effective as of December 31, 2009 and changes and interpretations of current standards are as follows:

Amendments to IFRS 2 'Share Based Payment' – Vesting Conditions and Cancellations

The purpose of this amendment is to give greater clarity in respect of vesting conditions and cancellations. The amendment defines a "vesting condition" as a condition that includes an explicit and implicit requirement to provide services. Therefore, any condition that does not have such a requirement is a non-vesting condition. A failure to satisfy a non-vesting condition that is within the control of either the entity or the counterparty is accounted for as a cancellation. The standard is not relevant to the Company's financial statements.

Amendments to IFRS 7 "Financial Instruments: Disclosures"

IFRS 7 has been amended to enhance disclosures about fair value measurement and liquidity risk. IFRS 7 now requires instruments measured at fair value to be disclosed by the source of the inputs in determining fair value, using three level hierarchy. Disclosures also require a full reconciliation of Level 3 instruments and transfers between Level 1 and Level 2. The minimum liquidity risk disclosures of IFRS 7 have also been amended. The Company has disclosed the amendments in ''Financial Risk Management Objectives and Policies' disclosure.

IFRS 8 "Operating Segments"

IFRS 8 replaces IAS 14 'Segment Reporting' and adopts a management-based approach to segment reporting. The information reported would be that which management uses internally for evaluating the performance of operating segments and allocating resources to those segments. This information may be different from that reported in the balance sheet and income statement and entities will need to provide explanations and reconciliations of the differences. Since information used in the Company management reporting is consistent with consolidated balance sheet and consolidated income statement, the Company does not need to perform reconciliation between the consolidated income statement, consolidated balance sheet and the segment reporting disclosure. Necessary explanations related with IFRS 8 are presented in Note 5 and 28.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

Amendments to IAS 1 "Presentation of Financial Statements"
IAS 1 has been revised to enhance the usefulness of information presented in the financial statements. According to the revised IAS 1: the statement of changes in equity includes only transactions with owners, defined as 'holders of instruments classified as equity'. All non-owner changes are presented in equity as a single line, with details included in a separate statement. A new statement of comprehensive income that combines all items of income and expense recognized in profit or loss together with 'other comprehensive income' is introduced. Entities may choose to present all items in one statement, or to present two linked statements, a separate income statement and a statement of comprehensive income. The Company has presented comprehensive income statement and income statement as two separate statements.

Amendments to IAS 23 "Borrowing Costs"
The revised standard eliminates the option of expensing all borrowing costs and requires borrowing costs to be capitalized if they are directly attributable to the acquisition, construction or production of qualifying asset. The amendment does not have any effect on Company's financial performance.

Amendments to IAS 32 "Financial Instruments: Presentation" and IAS 1 "Presentation of Financial Statements- Puttable Financial Instruments and Obligations Arising on Liquidation"

This amendment will permit a range of entities to recognize their capital as equity rather than as financial liabilities, as currently required by IAS 32. IAS 1 has been amended to require the additional disclosures if an entity has a puttable instrument that is presented as equity. The amendment does not have any effect on Company's financial performance.

Amendments to IFRIC 9 "Reassessment of Embedded Derivatives" and IAS 39 "Financial Instruments: Recognition and Measurement - Embedded Derivatives"

According to amendments in IFRIC 9, an entity must assess whether an embedded derivative must be separated from a host contract when the entity reclassifies a hybrid financial asset out of the fair value through profit or loss category. The assessment must be made on the basis of the circumstances that existed on the later of:

(a) The date when the entity first became a party to the contract, and
(b) The date of a change in the terms of the contract that significantly modifies the cash flows that otherwise would have been required under the contract.

The amendment does not have any effect on Company's financial performance.

IFRIC 13 "Customer Loyalty Programmes"
The interpretation requires loyalty award credits granted to customers in connection with a sales transaction to be accounted for as a separate component of the sales transaction. The amount allocated to the loyalty award credits is determined by reference to their fair value and is deferred until the awards are redeemed or the liability is otherwise extinguished. The amendment does not have any effect on Company's financial performance.

IFRIC 15 "Agreements for the Construction of Real Estate"
IFRIC 15 provides guidance on how to determine whether an agreement for the construction of real estate is within the scope of IAS 11 Construction Contracts or IAS 18 Revenue and, accordingly, when revenue from the construction should be recognized. The interpretation does not have any effect on Company's financial performance.

IFRIC 16 "Hedges of a Net Investment in a Foreign Operation"
IFRIC 16 concludes that the presentation currency does not create an exposure to which an entity may apply hedge accounting. Consequently, a parent entity may designate as a hedged risk only the foreign exchange differences arising from a difference between its own functional currency and that of its foreign operation. The hedging instrument(s) may be held by any entity or entities within the Company. The amendment does not have any effect on Company's financial performance.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

IFRIC 18 "Transfers of Assets from Customers"
This interpretation provides guidance on how to account for items of property, plant and equipment received from customers or cash that is received and used to acquire or construct specific assets. The amendment does not have any effect on Company's financial performance.

In May 2008, the Board issued its first omnibus of amendments to its standards which are mostly effective from January 1, 2009, primarily with a view to removing inconsistencies and clarifying wording. There are separate transitional provisions for each standard.

Improvements to IFRSs (issued in 2009)
In April 2009, the International Accounting Standards Board (IASB) issued its second set of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording.
From these amendments, IAS 18: The determination of the treatment of the Company performs as Principal or Agent is issued in 2009, the amendment does not have any effect on Company's financial performance.

The new standards which are issued as of the authorization date of the financial statements and effective as of January 1, 2010 and thereafter and not early adopted by the Company and changes and interpretations of current standards are as follows:

a) New and amended standards and interpretations applicable to 31 December 2010 financial statements:
Improvements to International Financial Reporting Standards (issued in 2009)

In April 2009, International Accounting Standards Board (IASB) has issued amendments in order to eliminate the inconsistencies and clarify the explanations related to standards. Transitional provisions and application periods vary for each amendment which is 1 July 2009 for the earliest. The amendment does not have any effect on Company's financial performance except IAS 36. IAS 36 will be evaluated whether it has any effects on Company's financial performance or not.

Standards amended by IASB are as follows:

- IFRS 2: Scope of IFRS 2 and IFRS 3
- IFRS 5: Disclosure of assets held for sale and discontinued operations
- IFRS 8: Disclosure of segmental assets
- IAS 1: Classification of convertible instruments as current or non current
- IAS 7: Classification of expenses related to non accounted assets
- IAS 17: Classification of rentals of lands and buildings
- IAS 18: Determination of the treatment of the Company Principal or Agent
- IAS 36: Accounting unit in testing impairment of goodwill
- IAS 38: Additional changes in revised IFRS 3
- IAS 38: Fair value determination of intangible assets acquired business combinations
- IAS 39: Assumption of prepaid penalties related to bank loans as embedded derivative instruments
- IAS 39: Exception in scope of business combination agreements
- IAS 39: Cash flow hedge accounting
- IFRIC 9: Scope of IFRIC 9 and IFRS 3
- IFRIC 16: Revision related restrictions to company with hedge accounting instrument

Amendments to IFRS 2 'Group cash settled share based Payment Transactions'
For group reporting and consolidated financial statements, the amendment clarifies that if an entity receives goods or services that are cash settled by shareholders not within the group, they are outside the scope of IFRS 2. Management will need to consider any such past transactions. The amendment may have a significant effect on the cost recognized in separate financial statements of an entity that has material share-based payment awards that have not previously been accounted for in accordance with IFRS 2. This may have a potential tax accounting impact on all parties involved. This amendment is applied retrospectively, in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors in respect of changes in accounting policy. Earlier application is permitted and must be disclosed. The amendment does not have any effect on Company's financial performance.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

Amendments to IFRS 3 "Business Combinations" and IAS 27 "Amendments to Separate Financial Statements"
The revised IFRS 3 introduces a number of changes in the accounting for business combinations which will impact the amount of goodwill recognized, the reported results in the period that an acquisition occurs, and future reported results. Such changes include the expensing of acquisition related costs and recognizing subsequent changes in fair value of contingent consideration in the profit or loss (rather than by adjusting goodwill). The amended IAS 27 requires that a change in ownership interest of a subsidiary is accounted for as an equity transaction. Therefore such a change will have no impact on goodwill, nor will it give raise to a gain or loss. Furthermore the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. The amendment does not have any effect on Company's financial performance.

Amendments to IAS 39 "Financial Instruments: Recognition and Measurement" – "Eligible Hedged Items"
The amendment addresses the designation of a one-sided risk in a hedged item, and the designation of inflation as a hedged risk or portion in particular situations. The amendment does not have any effect on Company's financial performance.

IFRIC 17 "Distributions of Non-cash Assets to Owners"
The Interpretation applies to all non-reciprocal distributions of non-cash assets, including those giving the shareholders a choice of receiving non-cash assets or cash. This interpretation is to be applied prospectively. The interpretation does not have any effect on Company's financial performance.

b) New and amended standards and interpretations issued that are effective subsequent to 31 December 2010 (these amendments have not been adopted by European Union yet):
The Company is assessing the effects of these interpretation and amendment revisions on its consolidated financial statements.

IFRS 9 Financial Instruments (Effective for periods beginning on or after 1 January 2013)

IFRS 9 introduces new requirements for classifying and measuring financial assets The Standard classifies financial assets according to the business model to administrate the financial assets and characteristic of the cash flow. Moreover it states that financial assets should measure either with amortized cost at the first record buying value or fair value. Different classification categories in IAS 39 are eliminated. The standard has no effect on the Company's financial statements except the financial assets which was carried at cost.

Amendment to IAS 24 "Related Party Disclosure's (Effective for periods beginning on or after 1 January 2011)

The main changes to IAS 24 are a partial exemption from the disclosure requirements for transactions between a government-controlled reporting entity and that government or other entities controlled by that government and amendments to the definition of a related party The amendment does not have any effect on Company's financial performance.

Amendment to IAS 32 Classification of Rights Issues (Effective for periods beginning on or after 1 February 2010)

The amendment to IAS 32 addresses the accounting for rights issues that are denominated in a currency other than the functional currency of the issuer. The amendment does not have any effect on Company's financial performance.

Amendment to IFRIC 14 "Prepayments of a Minimum Funding Requirement" (Effective for periods beginning on or after 1 January 2011, with earlier application permitted)

Without the amendments, in some circumstances entities are not permitted to recognize as an asset some voluntary prepayments for minimum funding contributions. The amendment does not have any effect on Company's financial performance.

IFRIC 19 "Extinguishing Financial Liabilities with Equity Instruments" (Effective for periods beginning on or after 1 July 2010, with earlier application permitted)

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

IFRIC 19 addresses only the accounting by the entity that issues equity instruments in order to settle, in full or in part, a financial liability. The interpretation does not have any effect on Company's financial performance.

2.3 Changes in accounting estimates

The Company has changed the useful life of fixed assets based on the experience of technical team and as a result, current year depreciation has increased amounting to TL 3.345.000. Since is not possible to calculate the impact of this change to future periods, the amount of impact cannot be disclosed.

2.4 Significant accounting judgments and estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of balance sheet date. Actual results may vary from the current estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the periods in which they become known.

Significant estimates used in the preparation of these financial statements and the significant judgments with the most significant effect on amounts recognized in the financial statements are as follows:

a) Reserve for retirement pay liability is determined by using actuarial assumptions such as discount rates, future salary increase and employee's turnover rates. The estimations include significant uncertainties due to their long term nature. The details about reserve for employee benefits are provided in Note 24.

b) Provision for doubtful receivables is an estimated amount that management believes to reflect possible future losses on existing receivables that have collection risk due to current economic conditions. During the impairment test for the receivables, the debtors, other than the key accounts and related parties, are assessed with their prior year performances, their credit risk in the current market, their performance after the balance sheet date up to the issuing date of the financial statements; and also the renegotiation conditions with these debtors are considered. The provision for doubtful receivables is mentioned in the Note 10.

c) The Company has made certain important assumptions based on experiences of technical personnel in determining useful economic life of mainly related to buildings and machineries (Note 18 and 19).

d) In determining of provision for litigations, the Company considers the probability of legal cases to be resulted against the Company and in case it is resulted against the Company considers its consequences based on the assessments of legal advisor. The Company management makes its best estimates using the available data are provided in Note 22.

e) During the assessment of the reserve for obsolete inventories, inventories are physically and historically analyzed, usefulness of the inventories are determined based on the view of the technical personnel and if it is necessary, allowance is booked. Sales prices listed, average discount rates given for sale and expected cost incurred to sell are used to determine the net realizable value of the inventories. As a result of this, the inventories with the net realizable values below the costs are written down as disclosed in the Note 13.

f) The Company makes its impairment analysis on assets by using discounted cash flows. In these analyses, there are certain an assumption about discount rates used and Company's future operations. As a result of these analyses, the Company's management has concluded that there is no impairment in the non-financial assets (Note 20).

g) The Company has made assumptions based on views of the technical personnel in the calculation of provision for recultivation of exploitation lands. As a result of these analyses, assessments of the provision for recultivation of exploitation lands are provided in Note 22.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

2.5 Summary of Significant accounting policies

Basis of consolidation

The consolidated financial statements comprise the financial statements of Akçansa and Karçimsa in which Akçansa has a shareholding interest of 50.99%. Subsidiary is consolidated from the date on which control is transferred to Akçansa until the date on which the control is transferred out of Akçansa.

As stated above, the consolidated financial statements consist of the financial statements of Akçansa and its subsidiary which it controls. This control is normally evidenced when Akçansa owns, either directly or indirectly, more than 50% of the voting rights of a company's share capital and is able to govern the financial and operating policies of an enterprise so as to benefit from its activities.

Subsidiary is consolidated by using full consolidation method, accordingly the registered subsidiary values are netted off with the related equity items. The equity and net income attributable to minority shareholders' are shown as minority interest in consolidated balance sheet and income statement

Balances and transactions between Akçansa and its subsidiary, including intercompany profits and unrealized profits and losses are eliminated. Consolidated financial statements are prepared using uniform accounting policies for transactions and other events in similar circumstances.

Offsetting

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liabilities simultaneously.

Cash and cash equivalents

For the purposes of the presentation of consolidated cash flow statement, cash and cash equivalents comprise cash on hand, cash in banks, checks readily convertible to known amounts of cash and short-term deposits with an original maturity of three months or less.

Cash and cash equivalents are carried at cost plus its interest income accrual.

Inventories

Inventories are valued at the lower of cost or net realizable value. Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

Raw materials - purchase cost on a monthly average basis

Finished goods and work-in-process - cost includes direct material and labor cost, the applicable allocation of fixed and variable overhead costs (considering normal operating capacity) on the basis of monthly average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Property, plant and equipment

The initial cost of property, plant and equipment comprises its purchase price and non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment in value. Land is not subject to depreciation except for the exploitation land. Exploitation land is depreciated based on the ratio of depletion of mining reserves to total reserves.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

Depreciation is calculated on all property, plant and equipment on a straight-line basis over the estimated useful life of the asset as below. Effects of change in useful lives has been applied prospectively and reflected in the income statement.

	Previous useful lives	Current useful lives
Land improvements and buildings	20-50 years	20-25 years
Machinery and equipment	5-20 years	10-20 years
Furniture and fixtures	5-10 years	5-15 years
Motor vehicles	5 years	5-10 years
Leasehold Improvements	5-47 years	5-47 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount. The recoverable amount of property, plant and equipment is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Impairment losses are recognized in the income statement.

Intangible assets

Intangible assets which mainly comprise of software and mining rights are measured at cost. Intangible assets are amortized on a straight line basis over the best estimate of their useful lives, excluding mining rights. Mining rights are amortized based on the ratio of depletion of mining reserves to total reserves.

The carrying values of intangible assets are reviewed for impairment when there is any event or changes in circumstances indicate that the carrying value may not be recoverable.

Goodwill

Goodwill represents the excess of the cost of the acquisition over the fair value of identifiable net assets of the acquired business or assets, at the date of acquisition.

In accordance with IFRS 3 "Business Combinations", the Company does not amortize goodwill, but the goodwill arising from acquisitions is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

Impairment on assets

At each balance sheet date, the Company assesses whether there is any indication that book value of tangible and intangible assets, calculated by acquisition cost less accumulative amortization, is impaired. When an indication of impairment exists, the Company estimates the recoverable amount of such assets. When individual recoverable value of assets cannot be measured, recoverable value of cash generating unit of that asset is measured.

Recoverable amount is the higher of value in use or fair value less costs to sell. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit by using discount rates before taxes that reflects risks related with that asset. The main estimates that are used during these analyses comprise expected inflation rates, expected increase in sales and cost of sales, expected changes in export-domestic market composition and expected growth rate of the country.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the consolidated statement of income.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (cash-generating unit) in prior years. Impairment loss cannot be reversed in the consolidated statement of income in future periods.

Foreign currency transactions

Transactions in foreign currencies are translated to TL by the exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies as of December 31, 2009 are translated at the Central Bank buying rate of exchange ruling at the balance sheet date. The foreign currency income or expenses incurred from the translation of foreign currency denominated transaction is reflected within the statement of income in the related period.

Foreign currency translation rates used by the Company as of respective year-ends are as follows:

Date	TL/USD	TL/EUR
Buying rates		
December 31, 2009	1,5057	2,1603
December 31, 2008	1,5123	2,1408

Provisions, contingent assets and liabilities

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense.

Contingent assets and liabilities

Contingent liabilities are not recognized in the financial statements, but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognized in the financial statements, but disclosed when an inflow of economic benefits is probable.

Income tax

Tax expense (income) is the aggregate amount included in the determination of net profit or loss for the period in respect of current and deferred tax.

Deferred income tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilized. The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

Employee benefits/retirement pay liability

a) Defined benefit plan:
In accordance with existing social legislation in Turkey, the Company is required to make lump-sum termination indemnities to each employee who has completed over one year of service with the Company and whose employment is terminated due to retirement or for reasons other than resignation or misconduct.

As indicated in note 24 in detail, in the accompanying financial statements, the Company has reflected a liability using the "Projected Unit Credit Method" based on the actuarial valuation performed by independent actuaries. The employee termination benefits are discounted to the present value of the estimated future cash outflows using the interest rate estimate of qualified actuaries.

In the consolidated balance sheets, employee termination benefits are reflected under non-current liabilities as separate account.

(b) Defined contribution plans:
The Company pays contributions to the Social Security Institution of Turkey on a mandatory basis. The Company has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due. There are contributions amounting to TL 5.995.839 as of December 31, 2009 (December 31, 2008 – TL 5.334.745).

Leases

Leasing – as lessee

Finance lease
Finance leases, which transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income. Capitalized leased assets are depreciated over the estimated useful life of the asset.

Leasing - as lessor

Operational lease transactions
Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

Related parties

Parties are considered related to the entity if;
a) Directly, or indirectly through one or more intermediaries, the party:
(i) controls, is controlled by, or is under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries;
(ii) has an interest in the entity that gives it significant influence over the entity; or
(ii) has joint control over the entity;
(b) the party is an associate of the entity;
(c) the party is a joint venture in which the entity is a venturer;
(d) the party is a member of the key management personnel of the entity or its parent;
(e) the party is a close member of the family of any individual referred to in (a) or (d);
(f) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or
(g) the party is a post-employment benefit plan for the benefit of employees of the entity, or of any entity that is a related party of the entity.

A related party transaction is a transfer of resources, services, or obligations between related parties, regardless of whether a price is charged.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

Revenue recognition
Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenues are stated net of discounts, value added and sales taxes. The following specific recognition criteria must also be met before revenue is recognized:

Sales of goods
Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer at the invoiced values and the amount of revenue can be measured reliably. Net sales represent the invoiced value of goods shipped net of sales discounts and commission.

Rendering of services
Revenue from rendering services is recognized by reference to the stage of completion when it can be measured reliably. Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent of the expenses recognized that are recoverable. Revenue from rendering services is mainly related with Ambarlı port service income.

Rent revenue
Revenue is recognized monthly when the rent revenue has been earned.

Interest
Revenue is recognized as the interest accrues unless collectibility is in doubt.

Dividends
Revenue is recognized when the shareholders' right to receive the payment is established.

Borrowing costs
Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Amortized cost is calculated by taking into account any issue costs and any discount or premium on settlement.

Earnings per share
Basic earnings per share (EPS) is calculated by dividing the net profit for the period by the weighted average number of ordinary shares outstanding during the period.

In Turkey, companies can increase their share capital by making distribution of free shares to existing shareholders from various internal resources. For the purpose of the EPS calculation such share issues are regarded as issued stock. Accordingly the weighted average number of shares used in EPS calculation is derived by giving retroactive effect to the issue of such shares.

Subsequent events
Post period-end events that provide additional information about the Company's position at the balance sheet date (adjusting events), are reflected in the financial statements. Post-period-end events that are not adjusting events are disclosed in the notes when material.

Trade and settlement date accounting
All "regular way" purchases and sales of financial assets are recognized on the trade date, in other words, the date the Company commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Financial Instruments
A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

A financial asset is any asset that is:

- cash,
- a contractual right to receive cash or another financial asset from another enterprise,
- a contractual right to exchange financial instruments from another enterprise under conditions that are potentially favorable, or,
- an equity instrument of another enterprise

A financial liability that is a contractual obligation:

- to deliver cash or another financial asset to another enterprise, or
- to exchange financial instruments with another enterprise under conditions that are potentially unfavorable.

When a financial asset or financial liability is recognized initially, it is measured at its cost, which is the fair value of the consideration given (in the case of an asset) or received (in case of a liability) for it. Transaction costs are included in the initial measurement of all financial assets and liabilities.

Fair value of financial instruments

The fair value of financial instruments that are actively traded in organized financial markets is determined by reference to quoted market bid prices at the close of business on the balance sheet date. For financial instruments where there is no active market, fair value is determined using valuation techniques.

The methods and assumptions in fair value estimation of the financial instruments of the Company are explained in Note 28.

Trade and other receivables

Trade receivables are recognized and carried at original invoice amount less an allowance for any uncollectible amounts and an allowance for unearned interest income calculated using the effective interest rate method.

Notes and post-dated checks which are classified within trade receivables are held to maturity and are measured at amortized cost using the effective interest rate method.

The allowance for doubtful receivables is established through a provision charged to expenses. The allowance is an estimated amount that management believes to be adequate to absorb possible future losses on existing receivables that may become uncollectible due to current economic conditions and inherent risks in the receivables.

Financial investments

All investments are initially recognized at cost, being the fair value of the consideration given and including acquisition charges associated with the investment and as of December 31, 2009 and 2008, all financial assets are "available for sale assets".

After initial recognition, investments which are classified as available-for-sale are measured at fair value. Interest earned on available for sale investments is disclosed as interest income. Gains or losses on available-for-sale investments are recognized as a separate component of equity, "Financial assets value increase fund", until the investment is sold, collected or otherwise disposed, or until the investment is determined to be impaired, at which time the cumulative gain or loss previously disclosed in equity is associated to income and expense accounts.

For investments that are actively traded on Istanbul Stock Exchange, fair value is determined based on the Stock Exchange quoted market bid prices at closing on the balance sheet date. When there is no quoted market price and reasonable estimate of the fair value could not be determined since other methods are inappropriate and impractical, the investments are stated at their costs.

Impairments in financial assets

Financial asset are assessed at each balance sheet date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that had occurred after the initial recognition of the asset and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. For loans and receivables impairment loss has been

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

incurred the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows. The Company follows its receivables separately. The Group also includes a financial asset to the financial assets with the same risk properties and assesses for impairment as a whole in case there is not a specific and separate event determined that cause impairment. Except for trade receivables, which is reduced through the use of an allowance account, impairment on all other financial assets are directly written off in the related account. In case trade receivables cannot be collected, the related amount is written off from allowance account. The change in allowance account is accounted in the income statement.

When the fair value of an available-for-sale financial asset that carried at its fair value is below its cost value of the financial asset due to the fluctuations in the market, the Group assesses the impairment by considering if the fair value decline is material, permanent and not recoverable in the long-term and moreover the Group considers the performance of the similar financial assets in the market. In accordance with the Group's accounting estimations and policies, in order to assess the fair value decline in the available-for-sale financial asset to be permanent and not recoverable in the long-term, at least one year should pass from the date that the fair value is below its cost of the financial asset. In case there is any impairment, such impairment is transferred from equity to statement of income.

Financial liabilities
Financial liabilities are recognized initially at fair value and at directly attributable transaction costs and after initial recognition; financial liabilities are subsequently measured at amortized cost by using the effective interest rate method.

Effective interest rate method is the amortized cost method and allocation of the related interest expenses to the related periods. Effective interest rate is the rate reducing the future expected cash payments to present value of the financial liability.

Bank borrowings
All borrowings are initially recognized at cost, being the fair value of the consideration received net of issue costs associated with the borrowing.

After initial recognition, borrowings are subsequently measured at amortized cost using the effective interest rate method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement.

Gains and losses are recognized in net profit or loss when the liabilities are derecognized, as well as through the amortization process.

Derivative financial instruments
Derivative financial instruments are initially recognized in the balance sheet at cost and subsequently are re-measured at their fair value.
The derivative instruments of the Company mainly consist of foreign exchange forward contracts and related transactions. These derivative transactions providing effective economic hedges under the Company risk management position, do not generally qualify for hedge accounting under the specific rules in IAS 39 and presented in financial investments (if income) or in other financial liabilities(if expense).

Trade payables and other payables
Trade and other payables are carried at amortized cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Company.

Recognition and de-recognition of financial instruments
The Company recognizes a financial asset or financial liability in its balance sheet when and only when it becomes a party to the contractual provisions of the instrument. The Company derecognizes a financial asset or a portion of financial asset when and only when it loses control of the contractual rights that comprise the financial asset or a portion of financial asset. The Company derecognizes a financial liability when liability is extinguished that is when the obligation specified in the contract is discharged, cancelled and expired.

3. Business combinations
None.

4. Joint ventures
The Company does not have any joint ventures as of December 31, 2009 and 2008.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

5. Segment reporting

Since major portion of foreign sales of the Company are made on a one-off basis to different locations, the distribution of sales to specific locations are not consistent between years. Therefore, details of revenues are disclosed as foreign and domestic sales in Note 28.

The Company manages and organizes its operations depending on the content of provided services and goods. The Group prepares its segment reporting in accordance with IFRS 8. As of December 31, 2009 and 2008; information about the Group's segments consists of revenues and profits related with cement (including clinker and aggrega) and ready mix concrete.

January 1 - December 31,2009	Cement	Ready mix concrete	Undistributed	Elimination	Total
Net sales	500.198.277	292.615.934	-	(83.220.407)	709.593.804
Cost of sales (-)	(388.709.886)	(265.158.191)	-	83.220.407	(570.647.670)
Gross profit	**111.488.391**	**27.457.743**	**-**	**-**	**138.946.134**
Operating expense (-)	(21.073.285)	(6.318.238)	-	-	(27.391.523)
Other operating income/expense (-), net	(8.037.083)	(3.160.212)	-	-	(11.197.295)
Operating profit	**82.378.023**	**17.979.293**		**-**	**100.357.316**
Financial income/expense (-), net	(190.489)	588.993	(11.355.875)	-	(10.957.371)
Net income before taxes from continuing operations	**82.187.534**	**18.568.286**	**(11.355.875)**	**-**	**89.399.945**
Tax income/expense for continuing operations, net	**-**	**-**	**(14.860.951)**	**-**	**(14.860.951)**
Tax expense for the period (-)	-	-	(16.191.630)	-	(16.191.630)
Deferred tax income/(expense)	-	-	1.330.679	-	1.330.679
Continuing operations net profit	**82.187.534**	**18.568.286**	**(26.216.826)**	**-**	**74.538.994**

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

December31, 2009	Cement	Ready mix concrete	Undistributed	Elimination	Total
Assets and Liabilities (*)					
Segment assets	706.847.119	65.976.029	-	-	772.823.148
Financial investments	-	-	118.246.896	-	118.246.896
Undistributed assets	-	-	270.570.274	-	270.570.274
Total Assets	**706.847.119**	**65.976.029**	**388.817.170**	**-**	**1.161.640.318**
Segment liabilities	-	-	-	-	-
Undistributed liabilities	-	-	1.161.640.318	-	1.161.640.318
Total liabilities	**-**	**-**	**1.161.640.318**	**-**	**1.161.640.318**
January 1, – December 31, 2009					
Other segment information					
Capital expenditures (expenses)					
Tangible and intangible fixed assets	6.201.797	8.425.552	-	-	14.627.349
Total capital expenditures	**6.201.797**	**8.425.552**	**-**	**-**	**14.627.349**
Amortization expenses	52.081.529	4.426.208	-	-	56.507.737
Accumulated amortization	1.061.660	132.765	-	-	1.194.425

January 1 - December 31,2008	Cement	Ready mix concrete	Undistributed	Elimination	Total
Net sales	613.521.363	289.724.366	-	(98.820.426)	804.425.303
Cost of sales (-)	(413.617.035)	(283.338.594)	-	98.820.426	(598.135.203)
Gross profit	**199.904.328**	**6.385.772**	**-**	**-**	**206.290.100**
Operating expense (-)	(23.327.988)	(5.681.412)	-	-	(29.009.400)
Other operating income/expense (-), net	(830.337)	(1.283.457)	-	-	(2.113.794)
Operating profit	**175.746.003**	**(579.097)**	**-**	**-**	**175.166.906**
Financial income/expense (-), net	1.616.081	343.755	(46.741.575)	-	(44.781.740)
Net income before taxes from continuing operations	**177.362.084**	**(235.342)**	**(46.741.575)**	**-**	**130.385.166**
Tax income/expense for continuing operations, net	**-**	**-**	**(25.869.174)**	**-**	**(25.869.174)**
Tax expense for the period (-)	-	-	(16.338.911)	-	(16.338.911)
Deferred tax income/(expense)	-	-	(9.530.263)	-	(9.530.263)
Continuing operations net profit	**177.362.084**	**(235.342)**	**(72.610.749)**	**-**	**104.515.992**

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

December31, 2008	Cement	Ready mix concrete	Undistributed	Elimination	Total
Assets and Liabilities (*)					
Segment assets	747.358.722	62.982.396	-	-	810.341.118
Financial investments	-	-	63.680.758	-	63.680.758
Undistributed assets	-	-	259.765.778	-	259.765.778
Total Assets	**747.358.722**	**62.982.396**	**323.446.536**	**-**	**1.133.787.654**
Segment liabilities	-	-	-	-	-
Undistributed liabilities	-	-	1.133.787.654	-	1.133.787.654
Total liabilities	**-**	**-**	**1.133.787.654**	**-**	**1.133.787.654**
January 1, – December 31, 2008					
Other segment information					
Capital expenditures (expenses)					
Tangible and intangible fixed assets	52.296.349	8.422.292	-	-	60.718.641
Total capital expenditures	**52.296.349**	**8.422.292**	**-**	**-**	**60.718.641**
Amortization expenses	45.623.917	8.980.741	-	-	54.604.658
Accumulated amortization	1.003.362	242.795	-	-	1.246.157

6. Cash and cash equivalents

	Dec 31, 2009	Dec 31, 2008
Cash at banks (including short-term time deposits)	38.473.314	27.521.294
Checks in collection with maturities before year end	1.617.553	1.790.581
Cash in hand	642	1.024
Total	**40.091.509**	**29.312.899**

Depending on the immediate cash requirements of the company, time deposits are formed as 1-3 days for TL (December 31, 2008 – 1-3 days), 1-30 days for USD (December 31, 2008 – 1-10 days), and 1-3 days for EUR. Interest rates for TL time deposits are 6,50% - 13,35% (December 31, 2008 – 15%), for USD 0,50% - 3,70% (December 31, 2008 - 4,40%), and for EUR 1,00% - 2,75%.

The Company does not have blocked deposits as of December 31, 2009 and December 31, 2008.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

7. Financial investments

- Short term

As of December 31, 2008, the short term financial investment amounting TL 7.167.862 is the fair value of the forward transactions.

- Long term

	December 31, 2009		December 31, 2008	
	Share (%)	Amount	Share(%)	Amount
Available for sale financial assets- fair value				
Çimsa Çimento Sanayi ve Ticaret Anonim Şirketi (Çimsa)	8,98	91.585.728	8,98	37.119.513
Lafarge Aslan Çimento A.Ş. (Lafarge)	0,05	268.644	0,05	168.721
Total				
Available for sale financial assets- value at cost				
Liman İşletmeleri ve Nakliyecilik A.Ş. (Liman İşletmeleri)	15,00	22.662.688	15,00	22.662.688
Eterpark Endüstri Ürünleri İmalat Ticaret İthalat İhracat Pazarlama A.Ş. (Eterpark)	8,73	2.686.527	8,73	2.686.527
Arpaş Ambarlı Römerkaj Pilataj Ticaret A.Ş. (Arpaş)	16,00	841.399	16,00	841.399
Altaş Ambarlı Liman Tesisleri A.Ş. (Altaş)	12,25	201.910	12,25	201.910
Total		**118.246.896**		**63.680.758**

Fair values of Çimsa and Lafarge whose shares are traded on the Istanbul Stock Exchange (ISE) are determined by reference to ISE quoted market bid price at the close of business at December 31, 2009 and 2008. The current year fair value difference (income) amounting to TL 54.566.137 (December 31, 2008 – TL 67.880.268 expense), is included in the comprehensive income statement.

Since it is not possible to calculate fair value of Eterpark, Liman İşletmeleri, Arpaş and Altaş, these financial non-current assets are carried at restated cost (according to inflation accounting until the end of 2004) in the balance sheet.

8. Financial liabilities

Short term financial liabilities

December 31, 2009	Currency	Balance	Maturity	TL Balance
Unsecured loans	TL (**)	258.361	April 5, 2010	258.361
	TL (**)	258.458	April 2, 2010	258.458
	TL (**)	517.236	March 31, 2010	517.236
	TL (**)	10.114.000	November 12, 2010	10.114.000
	TL (**)	20.213.750	November 15, 2010	20.213.750
	TL (**)	15.034.583	December 20, 2010	15.034.583
	TL (**)	16.283.750	February 2, 2010	16.283.750
	TL (*) (**)	802.376	-	802.374
Current portion of long term borrowings	USD (***)	20.172.251	May 2, 2010	30.373.358
				93.855.870

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

December 31, 2008	Currency	Balance	Maturity	TL Balance
Unsecured loans	USD (**)	25.669.302	April 6, 2009	38.819.686
	USD (**)	25.681.992	May 11, 2009	38.838.877
	TL (*) (**)	7.333.667	-	7.333.667
Current portion of long term borrowings	USD (***)	22.791.968	May 2, 2009	34.468.293
				119.460.523

(*) Temporary short term interest-free loans
(**) Fixed interest rate loans
(***) Floating interest rate loans

Long term financial liabilities

December 31, 2009	Currency	Balance	Maturity	TL Balance
Unsecured loans	USD	40.199.815 (**)	May 2, 2011- May 2, 2013	60.528.862
	USD	40.195.637 (**)	May 2, 2011- May 2, 2013	60.522.570
Current portion of long term borrowings *	USD	(20.172.251)	May 2, 2010	(30.373.358)
				90.678.074

December 31, 2008	Currency	Balance	Maturity	TL Balance
Unsecured loans	USD	51.176.572 (**)	May 2, 2011-May 2, 2013	77.394.330
	USD	51.147.883 (**)	May 2, 2011-May 2, 2013	77.350.944
Current portion of long term borrowings *	USD	(22.791.968)	May 2, 2009	(34.468.293)
				120.276.981

(*) Current portion of long term borrowings and interest payables are classified in short-term financial liabilities.
(**) Floating interest rates

As of December 31, 2009 the Company has borrowed USD 80.000.000 loans. The interest payments of long term loans are made annually and its principal payments will be made in four equal installments with no principal payment in first two years.

Repayment schedule of long-term borrowing is as follows:

	December 31, 2009	December 31, 2008
Less than a year	30.373.358	34.468.293
1-5 years	90.678.074	120.276.981
Total long term financial liabilities	121.051.432	154.745.274

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

Leasing commitments

a) Short term leasing liabilities (net)
As of December 31, 2009 the Company has signed twenty financial lease contract related with machinery, equipment and vehicle purchases. Payments of the financial leases will be made on a monthly basis starting from February 2007 until December 2011. As of December 31, 2009, the Company has short term financial lease obligations TL 2.642.246 (EUR 1.223.092) (December 31, 2008 – TL 5.421.792 (EUR 2.408.140 and USD 176.186)).

Besides, there is another financial lease contract with the amount of USD 900.000, it is repayable in monthly equal installments of USD 10,000, commencing in July 2007 until September 2014. As of December 31, 2009, the Company has short term USD financial lease obligations with the amount of TL 180.684 (2008 – TL 181.476).

b) Long term leasing (net)
As of December 31, 2009, the long term portion of financial lease transactions is TL 292.323 (EUR 135.316) (December 31, 2008 – TL 2.908.080 (EUR 1.358.408)).

As of December 31, 2009, the long term portion of finance lease transactions with the amount of USD 900.000 as mentioned above is TL 677.565 (2007 – TL 862.011).

Financial lease commitments	December 31, 2009	December 31, 2008
In a year	2.942.097	6.007.738
1-5 years	979.731	3.897.956
Total financial lease obligations	**3.921.828**	**9.905.694**
Interest	(129.010)	(532.335)
Net present value of total financial lease obligations	**3.792.818**	**9.373.359**

9. Other financial liabilities
As of December 31, 2009, the other financial liability of TL 2.632.803 is composed of the fair value of forward transactions (negative difference).

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

10. Trade receivables and payables

Trade receivables

Short-term trade receivables

	December 31, 2009	December 31, 2008
Trade receivables (net)	79.694.990	66.090.332
Notes receivables and post-dated checks	55.447.896	51.399.164
Due from associates (Note 37)	590.239	13
Due from other related parties (Note 37)	21.101.278	1.393.237
Doubtful receivables	4.243.869	2.481.136
Provision for doubtful receivables (-)	(4.243.869)	(2.481.136)
	156.834.403	**118.882.746**

The effective interest rates used to calculate net book value of the receivables are 13.00% for TL, 0,9856% for USD and 1,2200% for EUR (December 31, 2008 – 24% for TL, 2,003% for USD and 3,058% for EUR).

The movement of the provision for doubtful receivables for the year ended December 31, 2009 and 2008 are as follows:

	December 31, 2009	December 31, 2008
January 1	2.481.136	2.237.916
Additions (Note 31)	2.360.568	1.221.949
Collections (Note 31)	(597.835)	(978.729)
	4.243.869	**2.481.136**

Collection term of trade receivables vary depending upon the type of product and the agreement and the average maturity of trade receivables is 61 days for cement and 84 days for ready-mixed concrete.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

As of December 31, 2009, the maturity analysis of trade receivables is as follows:

		Past due but not impaired					
	Neither past due nor impaired	Less than one month	1-2 months	2-3 months	3-4 months	More than 4 months	Total
Dec 31, 2009	147.251.103	5.503.958	2.739.605	554.062	467.011	318.664	156.834.403
Dec 31, 2008	113.346.842	4.553.895	667.311	71.618	59.716	183.364	118.882.746

Trade payables

Short term trade payables

	December 31, 2009	December 31, 2008
Trade payables (net)	80.705.019	52.499.886
Due to other related parties (Note 37)	1.380.742	1.132.087
Due to shareholders (Note 37)	-	57.950
Due to associates (Note 37)	174.520	265.508
	82.260.281	53.955.431

The average payment period of trade payables is between 30 to 45 days.

The effective interest rates used to calculate net book value of the payables cost are 13,00% (December 31, 2008 – 24%) for TL, 0,9856% (December 31, 2008 - 2,003%) for USD and 1,2200% (December 31, 2008 - 3,058%) for EUR.

11. Other receivables and payables

Other current receivables

	December 31, 2009	December 31, 2008
Advances given to suppliers	2.699.798	662.363
VAT to be claimed from tax office	803.253	1.538.506
Due from personnel (Note 37)	694.446	674.578
VAT transferred	252.413	1.580.551
Deposits and guarantees given	9.550	9.550
Prepaid taxes	7.322	3.877.329
Other	392.323	255.943
	4.859.105	8.598.820

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

Other current payables

	December 31, 2009	December 31, 2008
Tax and funds payable	1.632.982	1.827.015
Deposits and guarantees taken	1.401.497	1.601.393
Social security premiums payable	1.182.680	1.169.075
Advances taken	714.764	2.665.968
Due to personnel (Note 37)	614.322	626.635
Dividend payables to shareholders (Note 37)	821.733	843.233
Other liabilities payable	602.519	662.213
Deferred VAT payable	-	180.419
Other various payables	17.748	15.881
	6.988.245	**9.591.832**

Other long term receivables

	December 31, 2009	December 31, 2008
Deposits and guarantees given	20.690	20.690
	20.690	**20.690**

12. Receivables and payables from financial sector operations

The Company does not have any receivables and payables from financial sector operations as of December 31, 2009 and 2008.

13. Inventories

	December 31, 2009	December 31, 2008
Raw materials, net	50.402.537	63.475.376
Work-in-process	6.737.478	13.112.982
Finished goods	4.293.823	10.664.904
Goods-in transit	2.031.720	1.854.614
	63.465.558	**89.107.876**

The Company has booked impairment for inventories with the amount of TL 1.180.171 in 2009. (December 31, 2008 – TL 811.000).

14. Biological assets

The Company does not have any biological assets as of December 31, 2009 and 2008.

15. Assets related with construction projects in progress

The Company does not have any construction projects as of December 31, 2009 and 2008.

16. Investments accounted under equity method

The Company does not have any investments accounted under equity method as of December 31, 2009 and 2008.

17. Investment properties

The Company does not have any investment properties as of December 31, 2009 and 2008.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

18. Property, plant and equipment

	January 1, 2009	Additions	Transfers (*)	Disposals	December 31, 2009
Cost					
Land, and land improvements	131.569.383	113.000	150.264	(24.581)	131.808.066
Buildings	250.189.319	-	165.220	(39.740)	250.314.799
Machinery and equipment	1.070.074.398	23.527	7.244.621	(952.675)	1.076.389.871
Furniture, fixtures and motor vehicles	64.904.310	88.473	935.816	(2.691.371)	63.237.228
Leasehold improvements	43.925.472	764	1.319.520	(514.243)	44.731.513
Construction-in-progress	6.485.241	14.375.732	(12.642.292)	-	8.218.681
Total	**1.567.148.123**	**14.601.496**	**(2.826.851)**	**(4.222.610)**	**1.574.700.158**
Accumulated depreciation:					
Land, and land improvements	61.085.880	2.953.477	-	(1.229)	64.038.128
Buildings	77.700.469	16.920.947	-	(10.743)	94.610.673
Machinery and equipment	709.620.807	32.216.373	-	(701.260)	741.135.920
Furniture, fixtures and motor vehicles	45.258.763	2.936.019	-	(2.494.346)	45.700.436
Leasehold improvements	26.489.646	1.480.921	-	(62.854)	27.907.713
Total	**920.155.565**	**56.507.737**	**-**	**(3.270.432)**	**973.392.870**
Property, plant and equipment, net	**646.992.558**				**601.307.288**

(*) Transfers amounting to TL 2.826.851 (2007 – TL 1.135.212) from construction-in-progress were made to intangible assets.

	January 1, 2008	Additions	Transfers (*)	Disposals	December 31, 2008
Cost					
Land and land improvements	128.721.761	-	2.847.622	-	131.569.383
Buildings	234.416.545	-	15.772.774	-	250.189.319
Machinery and equipment	911.698.248	6.406.516	152.541.918	(572.284)	1.070.074.398
Furniture, fixtures and motor vehicles	65.898.735	125.755	3.737.408	(4.857.588)	64.904.310
Leasehold improvements	42.979.675	-	1.158.031	(212.234)	43.925.472
Construction-in-progress	129.491.836	54.186.370	(177.192.965)	-	6.485.241
Total	**1.513.206.800**	**60.718.641**	**(1.135.212)**	**(5.642.106)**	**1.567.148.123**
Accumulated depreciation:					
Land and land improvements	57.405.992	3.679.888	-	-	61.085.880
Buildings	72.388.722	5.311.747	-	-	77.700.469
Machinery and equipment	673.363.224	36.804.445	-	(546.862)	709.620.807
Furniture, fixtures and motor vehicles	43.029.877	6.839.167	-	(4.610.281)	45.258.763
Leasehold improvements	24.732.469	1.969.411	-	(212.234)	26.489.646
Total	**870.920.284**	**54.604.658**	**-**	**(5.369.377)**	**920.155.565**
Property, plant and equipment, net	**642.286.516**				**646.992.558**

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

As of December 31, 2009, the total cost of tangible assets purchased through financial leases is TL 21.849.223 (December 31, 2008 – TL 21.849.223) and the total accumulated amortization is TL 6.960.054 (December 31, 2008 – TL 5.925.808).

There is no tangible and intangible asset purchased through financial leases in 2009. (December 31, 2008 – TL 1.953.611).

As of December 31, 2009, total gross value of property, plant and equipment and intangible assets which are fully depreciated/amortized but are still in use is TL 554.522.166 (2007 – TL 520.220.885).

Pledge and mortgages on assets

There are no pledges or mortgages on Company's property, plant and equipments as of December 31, 2009 and 2008.

19. Intangible assets

	January 1, 2009	Additions/charge	Transfers from construction-in-progress	December 31, 2009
Cost				
Rights and other intangibles	47.272.626	25.852	2.826.851	50.125.329(*)
Less: Accumulated amortization				
Rights and other intangibles	(13.010.069)	(1.194.425)	-	(14.204.494)(**)
Intangible assets, net	**34.262.557**	**(1.168.573)**	**2.826.851**	**35.920.835**

	January 1, 2008	Additions/charge	Transfers from construction-in-progress	December 31, 2008
Cost				
Rights and other intangibles	46.137.414	-	1.135.212	47.272.626
Accumulated redemption				
Rights and other intangibles	(11.763.912)	(1.246.157)	-	(13.010.069)
Intangible assets, net	**34.373.502**	**(1.246.157)**	**1.135.212**	**34.262.557**

Rights and other intangibles mainly consist of the rights, computer software and mining rights.

(*) As of December 31, 2009, intangible assets amounting to TL 41.195.255 consists of mining rights.

(**) As of December 31, 2009, intangible assets amounting to TL 7.124.912 consists of mining rights and related accumulated amortization.

20. Goodwill

Fair value determination of the Ladik cement plant's assets and liabilities which were acquired on May 1, 2007 was finalized and as a result of this determination, goodwill amounting to TL 129.457.887 is recognized in the accounts.

As of December 31, 2009, the Company performed an impairment analysis on cash generating unit related with goodwill and as a result, the Company does not require any impairment allowance. The main assumptions used at the discounted cash flow in TL which was prepared based on the approved budgeted figures prepared until 2019 is to consider weighted average of capital cost as 13% and perform sensitivity at 3%.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

21. Government incentives and grants

The Company obtained various investment incentive certificates which are still in effect and which entitle it to:

- An exemption from customs duty on imported machinery and equipment.

- Incentive premium for local purchases at the rate of VAT.

The commitments of the Company in relation with these investment incentive certificates are as follows:

For Akçansa;

Certificate 1:

Certificate no	: 5273
Certificate date	: December 22, 2008
Investment beginning date	: December 5, 2008
Investment ending date	: May 6, 2011

100% of total fixed asset investments are to be financed by equity.

22. Provisions, contingent assets and liabilities

Short term provisions

	December 31, 2009	December 31, 2008
Litigations	1.212.678	1.434.831
Vacation pay liability	2.313.708	2.392.100
Premium accruals to be paid to executive management	560.000	550.000
	4.086.386	**4.376.931**

	Litigations (Note 31)	Vacation pay liability	Premium accruals to be paid to executive management
January 1, 2009	1.434.831	2.392.100	550.000
Charge for the year	-	-	560.000
Payments and correction of calculation method	(874.750)	-	(550.000)
Change in estimations	652.597	-	-
Vacations used	-	(78.392)	-
December 31, 2009	**1.212.678**	**2.313.708**	**560.000**

	Competition board penalty	Litigations (Note 31)	Vacation pay liability	Premium accruals to be paid to executive management
January 1, 2008	1.929.954	1.060.719	2.046.346	-
Charge for the year	-	-	-	550.000
Payments and correction of calculation method	(1.929.954)	-	-	-
Change in estimations/new litigations	-	374.112	-	-
Increase in vacation pay liability, net	-	-	345.754	-
December 31, 2008	**-**	**1.434.831**	**2.392.100**	**550.000**

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

Long term provisions

	Recultivation provision
January 1, 2009	1.992.062
Charge for the year	470.899
December 31,2009	2.462.961

Guarantees received and given

As of December 31, 2009 and 2008 guarantees received and given can be presented as follows:

		December 31, 2009		December 31, 2008	
	Currency	Original amount	TL equivalent	Original amount	TL equivalent
Letter of guarantees received	EUR	4.733.830	10.226.493	5.540.697	11.861.525
Letter of guarantees received	USD	4.111.228	6.190.276	503.978	762.166
Letter of guarantees received	GPB	51.350	122.685	308.100	675.478
Letter of guarantees received	TL	-	71.067.176	-	87.964.308
Mortgages received	TL	-	14.481.430	-	22.929.510
Cheques and notes received	TL	-	12.838.837	-	14.626.431
Cheques and notes received	EURO	136.400	294.665	136.400	292.005
Cheques and notes received	USD	135.225	203.608	165.225	249.870
Cheques and notes received	DEM	-	-	200.000	218.915
Total guarantees received			115.425.170		139.580.208
Letter of guarantees given	TL	-	14.266.914	-	8.346.248
Letter of guarantees given	USD	166.969	251.406	120.390	182.066
Letter of guarantees given	Eur	327.500	707.498	327.500	701.112
Total guarantees given			15.225.818		9.229.426

Insurance coverage on assets

Insurance coverage on assets including cash, inventories and property, plant and equipment of the Company is TL 1.156.691.441 (December 31, 2008 – TL 923.884.090).

Litigations

a) The Turkish Competition Board (the Board) has performed investigations for the operations of certain cement companies including the Company in Aegean and Marmara region. As a result of this investigation, the Board decided that the companies violated the laws on protection of competition and accordingly charged a penalty of TL 7.112.681 (in historical terms) to the Company. As of December 31, 2008, the Company paid a part of this penalty; the remaining portion of the penalty has decreased to TL 836.589 after recalculation by the Board. The Company has made the payment amounting to TL 627.000 in 2008 after discount applied due to early payment of the penalty. The remaining portion amounting to TL 1.302.954 after netting off payments amounting to TL 627.000 with the penalty amounting to TL 1.929.954 as of December 31, 2007 has been reflected in provision no longer required in consolidated financial statements as of December 31, 2008.

b) A compensation lawsuit was filed against Karçimsa amounting to DEM 550.000 by a subcontracting technician in 2000 and Karçimsa has accounted for a provision of TL 475.000, based on the lawyer's opinion. The case has resulted against the Company. The Company paid TL 874.750 and TL 399.750 has been reflected to the income statement.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

c) As of December 31, 2009, there were a number of legal proceedings outstanding against the Company in which total claims amounted to TL 3.767.964 (2008 – TL 4.139.977), GBP 155.000 and DEM 171.000. These litigation principally involve matters relating to employee claims against the Company or claims by the families of employees due to accidents which occurred at work and cases opened by third parties due to accidents because of the alleged negligence of the Company's personnel. As of December 31, 2009, the Company has provided a provision at an amount of TL 1.212.678 (2008 – TL 1.434.831- including provision for the case stated above in section "b") for the litigations, which may result against the Company in the future and which are not covered by employer's insurance.

d) There are uncertainties about additional tax liabilities arising from ongoing tax investigations and even if they arise, there are still uncertainties as to the amount of the liability and how the possible legal appeal process will result as of December 31, 2009. Consequently, the Company did not record any provision related with these investigations. The investigations are mainly related with taxation of Ambarlı port services income and VAT related with purchases made by allegedly fraudulent and misleading documents. The letter of guarantee amounting to TL 6.337.000 was given to the tax authorities related with the VAT resulted from purchases of allegedly fraudulent and misleading documents.

Possible contingencies relating to environment law and land protection and utilization law
According to the Environment Law, the operations of the Company such as mining, cement production are subject to legislation in Turkey. All liabilities such as taxes, duties and emission fees resulting from this legislation have been fulfilled by the Company. However, this legislation did not specifically address the costs that could arise from recovering the damage, pollution in the land while vacating the mines. The Company calculated the estimated cost of the actions that the Company deems that would meet the requirements of legislation related with the mining area it operates on. As a result, related with the surface area which is already excavated as of December 31, 2009, the Company has accounted a recultivation provision at an amount of TL 2.462.961 (2008 – TL 1.992.062) in "Long term provisions".

Forward and option contracts
As of December 31, 2009, the Company has eight forward contracts with an amount of USD 16.500.000. Since the foreign exchange rates as of December 31, 2009 is lower than the rate stated on the forward contract, the Company booked a loss of TL 2.632.803 as negative fair value change (Note 26) in the income statement (December 31,2008-TL 7.167.121 positive fair value change).

23. Commitments

Operational and financial lease commitments

Future minimum rentals payable under non-cancelable operating and finance leases are as follows:

Operating lease commitments	December 31, 2009	December 31, 2008
Within one year	78.000	78.000
After one year but not more than five years	312.000	312.000
More than five years	2.418.000	2.535.000
	2.808.000	**2.925.000**

As of December 31, 2009, TL 8.714.316 (December 31, 2008 – TL 6.931.089) of the Company's loss related with operating lease transactions is reflected in consolidated income statement.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

24. Employee benefits

	December 31, 2009	December 31, 2008
Reserve for retirement pay	11.866.887	11.530.660
Seniority incentive premium	1.779.105	1.945.523
	13.645.992	**13.476.183**

In accordance with existing social legislation in Turkey, the Company is required to make lump-sum termination indemnities to each employee who has completed over one year of service with the Company and whose employment is terminated due to the retirement after 25 years of service (20 years for women) or for reasons such as military obligation or death. Such payments are calculated on the basis of 30 days' pay and limited to a maximum historical TL 2.365 as of December 31, 2009 (2008 - TL 2.173) per year of employment.

Effective from January 1, 2010 ceiling for retirement pay has been increased to TL 2.427.

In accordance with IAS 19 - Employee Benefits, actuarial calculations are necessary for determining the Company's liabilities. The Company account for the employee termination benefits by using "Projection Method" in accordance with IAS 19 based on employees' service period and assumptions by professional actuaries and reflects these figures on financial statements. All actuarial gain and loss are recognized as other comprehensive expense in the statement of equity.

The principal actuarial assumptions used at the balance sheet dates are as follows:

	December 31, 2009	December 31, 2008
Discount rate	11%	12%
Estimated salary increase rate	5%	5%

Movement of the reserve for the employee termination benefits as of December 31, 2009 and 2008 is as follows:

Reserve for employee termination benefit	December 31, 2009	December 31, 2008
January 1	**11.530.660**	**11.397.006**
Retirement pay liability paid	(2.460.402)	(2.386.919)
Actuarial gain/loss	318.320	498.722
Interest expense	712.511	644.000
Increase for the year	1.765.798	1.377.851
	11.866.887	**11.530.660**

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

Cement Industry Employers' Union, of which the Company is a member, and Cimse-İş Labor Union reached an agreement in collective labor negotiations and a collective labor agreement is signed on March 20, 2008 covering the period January 1, 2008 - December 31, 2010.

Seniority incentive premium	December 31, 2009	December 31, 2008
Opening	1.945.523	1.689.042
Paid seniority incentive premium	(910.960)	(614.811)
Charge for the year	744.543	871.292
	1.779.106	**1.945.523**

25. Employee pension plans

The Company does not have any employee pension plan as of December 31, 2009 and 2008.

26. Other assets and liabilities

Other current assets

	December 31, 2009	December 31, 2008
Prepaid expenses	1.970.066	2.385.634
Advances given to suppliers	69.985	544.597
Other	861	-
	2.040.912	**2.930.231**

Other non-current assets

	December 31, 2009	December 31, 2008
Prepaid rent expenses	1.295.955	1.356.424
Investment advances given	6.137.138	412.743
	7.433.093	**1.769.167**

Other short term liabilities

	December 31, 2009	December 31, 2008
Expense accruals	21.057	74.920
Other	11.823	3.230
	32.880	**78.150**

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

27. Shareholders' equity

Issued capital and adjustments to share capital and equity investments

	December 31, 2009	December 31, 2008
Number of common shares (authorized and outstanding) 0,01 TL par value	19.144.706.825	19.144.706.825

As of December 31, 2009, the Company's paid-in capital is TL 191.447.068 (December 31, 2008 - TL 191.447.068) (based on historical costs).

As of December 31, 2009 and December 31, 2008, the composition of paid-in capital (presented in number of shares and historical cost) can be summarized as follows:

	December 31, 2009		December 31, 2008	
	Number of shares	TL	Number of Shares	TL
	19.144.706.825	191.447.068	19.144.706.825	191.447.068

As of December 31, 2009 and December 31, 2008, the composition of shareholders and their respective percentage of ownership can be summarized as follows:

	December 31, 2009		December 31, 2008	
	Amount	%	Amount	%
Hacı Ömer Sabancı Holding A.Ş.	76.035.136	39,72	76.035.136	39,72
HeidelbergCement Mediterranean Basin Holdings S.L.	76.035.135	39,72	76.035.135	39,72
Publicly traded shares	39.376.797	20,56	39.376.797	20,56
Nominal share capital total	191.447.068	100,00	191.447.068	100,00
Restatement effect	233.177.582		233.177.582	
Total	**424.624.650**		**424.624.650**	

There is no additional right, privilege and restriction related with these shares.

Legal and other reserves

The legal reserves consist of first and second legal reserves in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of the statutory net income at the rate of 5%, until the total reserve reaches a maximum of 20% of the Company's issued capital. The second legal reserve is appropriated at the rate of 10% of all distributions in excess of 5% of the Company's issued capital. The legal reserves are not available for distribution unless they exceed 50% of the issued capital, other than that legal reserves cannot be used.
Quoted companies are subject to dividend requirements regulated by the Turkish Capital Market Board as follows:

In accordance with the CMB decision number 1/6 dated January 9, 2009, it was announced that without considering the fact that a profit distribution has been declared in the general assemblies of the subsidiaries, joint ventures and associates, which are consolidated into the parent company's financial statements, the net income from these companies that are consolidated into the financial statements of the parent company can be considered when calculating the distributable amount, as long as the statutory reserves of these entities are sufficient for a such profit distribution. After completing these requirements, the parent company may distribute profit by considering the net income included in the consolidated financial statements prepared in accordance with Communiqué No. XI-29 of CMB.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

Based on the decision of CMB dated January 27, 2010, it is decided not to determine any minimum dividend payment distribution requirement for publicly held companies.

Inflation adjustments to issued capital and historical amount of extraordinary reserves can be used for in kind capital increase, dividend distribution in cash or the net loss deduction. However, the inflation adjustment to issued capital is subject to corporate tax if used in dividend distribution in cash.

As of December 31, 2009 and December 31, 2008, the composition of consolidated legal reserves, statutory reserves, extraordinary reserves, accumulated profit (loss) and other reserves can be summarized as follows:

	December 31, 2009	December 31, 2008
Legal reserves	78.033.845	67.943.495
Statutory reserves	35	35
Extraordinary reserves	2.658.449	2.645.427
Accumulated profit due to inflation difference	7.758.970	7.758.970
Other reserves	855.370	855.370
Renewal reserves	1.944.508	669.579

Minority Interests

All minority shares are eliminated from equity accounts, including paid-in capital, of consolidated subsidiaries and presented as "Minority interest" in "Shareholders' equity" in the consolidated balance sheet.

28. Sales and cost of sales

Sales revenue

	December 31, 2009	December 31, 2008
Domestic sales	538.788.591	713.737.117
Foreign sales	182.032.458	108.071.158
Sales discount (-)	(3.153.863)	(6.645.563)
Other discounts (-)	(14.172.011)	(17.669.658)
	703.495.175	797.493.054
Domestic service sales	6.098.629	6.932.249
Total	709.593.804	804.425.303

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

Cost of sales

	December 31, 2009	December 31, 2008
Direct material and supplies expenses	420.683.050	465.225.938
Direct labor expenses	37.418.500	39.573.896
Depreciation and amortization expenses	53.757.654	53.013.850
Other production expenses	44.499.562	48.992.858
Total production cost	**556.358.766**	**606.806.542**
Change in work-in-process	**6.375.504**	**(4.974.539)**
Beginning WIP	13.112.982	8.138.443
Ending WIP	6.737.478	13.112.982
Change in finished goods	**6.371.081**	**(4.380.392)**
Beginning finished goods	10.664.904	6.284.512
Ending finished goods	4.293.823	10.664.904
Cost of merchandise sold	**741.936**	**124.207**
Cost of domestic service sold	**800.383**	**559.385**
Total	**570.647.670**	**598.135.203**

29. Research and development expenses, selling, marketing and distribution expenses, general and administrative expenses

	December 31,2009	December 31, 2008
Selling, marketing and distribution expenses		
Personnel expenses	4.522.491	4.326.947
Sales guarantee expenses	594.779	783.086
Rent expenses	459.020	414.445
Travelling expenses	358.288	395.104
Outsourced services	290.095	330.145
Employee termination benefits	136.939	126.331
Depreciation and amortization expenses	98.151	76.972
Taxes, duties and fees	83.124	7.877
Other expenses	336.111	362.625
	6.878.998	**6.823.532**

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

	December 31, 2009	December 31, 2008
General administrative expenses		
Personnel expenses	12.473.984	12.432.771
Consultancy expenses	2.265.922	3.253.363
Depreciation and amortization expenses	1.095.667	938.476
Rent expenses	830.679	538.384
Outsourced expenses	734.858	529.697
Travelling expenses	508.174	593.004
Taxes, duties and fees	463.657	622.296
Employee termination benefits	259.454	365.228
Insurance expenses	93.353	225.104
Various expenses	1.786.777	2.687.545
	20.512.525	**22.185.868**

30. Nature of expenses

Depreciation and amortization expenses

	December 31, 2009	December 31, 2008
Property, plant and equipment		
Production costs	52.859.441	52.447.616
General and administrative expenses	799.456	738.054
Selling and distribution expenses	98.151	76.243
Other operating expenses	2.750.689	1.342.745
Total depreciation expenses	**56.507.737**	**54.604.658**
Intangible assets		
Production costs	898.214	566.234
General administrative expenses	296.211	200.422
Selling and distribution expenses	-	729
Other operating expenses	-	478.772
Total amortization expenses	**1.194.425**	**1.246.157**

Personnel expenses

	December 31, 2009	December 31, 2008
Personnel expenses		
Wages and salaries	40.509.075	41.503.200
Other social security expenses	11.376.473	12.309.841
Provision for employee termination benefit, net (Note 24)	2.796.629	2.520.573
	54.682.177	**56.333.614**

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

31. Other operating income/expenses

As of December 31, 2009 and 2008, breakdown of other operating income and gains is as follows:

	December 31, 2009	December 31, 2008
Compensation expenses	2.583.230	-
Collections from doubtful receivables (Note 10)	597.835	978.729
Rent income	363.842	463.833
Gain on sale of auxiliary materials	270.638	758.183
Gain on sale of property, plant and equipment, net	159.551	654.797
Provision for no-longer required (*)	-	4.518.852
Other	1.302.215	1.420.642
	5.277.311	**8.795.036**

(*) The portion amounting to TL 3.215.897 is related with the decrease in recultivation provision due to change in assumptions of types and quantities of the materials to be used and the remaining portion amounting to TL 1.302.954 is related with the reversal of the provision related with Competition Board penalty (Note 22).

Other operating expenses and losses

	December 31, 2009	December 31, 2008
Indemnity and punishments	3.614.399	1.296.110
Idle capacity expense (comprise mainly of depreciation expense)	3.333.097	2.652.719
Donations	2.389.386	2.450.584
Provision for doubtful receivables (Note 10)	2.360.568	1.221.949
Property and estate taxes	1.566.757	1.626.590
Depreciation expense of rented terminals	638.097	274.344
Recultivation provisions (Note 22)	470.899	-
Provision for litigations (Note 22)	252.847	374.112
Other	1.848.556	1.012.422
	16.474.606	**10.908.830**

32. Financial Income

As of December 31, 2009 and 2008 breakdown of financial income is as follows:

	December 31, 2009	December 31, 2008
Foreign exchange gain	20.327.918	57.308.837
Dividend income	6.683.009	14.419.043
Interest income	1.460.746	1.990.565
Maturity difference income	1.866.344	2.001.289
Forward income	-	8.717.667
Rediscount income	501.988	4.017
	30.840.005	**84.441.418**

(*) As of December 31, 2009 and 2008 breakdown of dividend income is as follows:

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

	December 31, 2009	December 31, 2008
Çimsa	5.208.862	13.464.922
Arpaş	1.473.005	937.614
Other participations	1.142	16.507
	6.683.009	**14.419.043**

33. Financial Expenses

As of December 31, 2009 and 2008 breakdown of financial expenses is as follows:

	December 31, 2009	December 31, 2008
Foreign exchange loss	24.798.081	107.661.738
Interest expenses	13.494.116	19.765.237
Forward transaction expenses	2.792.668	1.224.095
Rediscount expenses	712.511	572.088
	41.797.376	**129.223.158**

34. Assets held for sale and discontinuing operations

The Company does not have any assets held for sale and discontinuing operations as of December 31, 2009 and 2008.

35. Tax assets and liabilities (including deferred tax assets and liabilities)

As of December 31, 2009 and 2008 breakdown of deferred tax asset and liabilities are as follows:

	Deferred tax assets		Deferred tax liabilities		Deferred tax income (expense)	
	December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
Temporary differences on property, plant and equipment	-	-	(27.182.302)	(28.468.582)	1.286.280	(398.051)
Goodwill	-	-	(15.514.044)	(11.884.492)	(3.629.552)	(7.215.463)
Tax expense related with other comprehensive income	-	-	(3.879.550)	-	(3.879.550)	-
Inventories	3.759.521	2.649.190	-	-	1.110.331	307.962
Allowance for employee termination benefits	2.373.378	2.306.132	-	-	67.246	26.731
Allowance for unearned/unaccrued interest included in receivables and payables, net	729.161	304.037	-	-	425.124	115.592
Recultivation provision	492.592	398.412	-	-	94.180	(643.180)
Other timing differences, net	1.095.328	(331.127)	-	-	1.426.455	(1.723.854)
Tax loss	550.615	-	-	-	550.615	-
	(*) 9.000.595	**5.326.644**	**(*) (46.575.896)**	**(40.353.074)**	**(2.548.871)**	**(9.530.263)**

(*) The net total of these two balance is presented in the balance sheet as deferred tax asset with the amount of TL 1.962.142 (December 31, 2008 – TL 1.603.602) and deferred tax liability with the amount of TL 39.537.443(December 31, 2008 – TL 36.630.032).

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

Movement of net deferred tax liability can be presented as follows:

	December 31, 2009	December 31, 2008
Balance as at January 1,	35.026.430	25.496.167
Deferred income tax recognized in income statement	(1.330.679)	9.530.263
Tax expense related with other comprehensive income	3.879.550	-
Net balance at December 31, 2009 and 2008	**37.575.301**	**35.026.430**

In Turkey, the corporation tax rate is 20%. Corporate tax returns are required to be filed until the fifteenth of the fourth month following the balance sheet date and paid in one installment until the end of the fourth month. The tax legislation provides for a temporary tax of 20% to be calculated and paid based on earnings generated for each quarter. The amounts paid are offset against the final corporate tax liability for the year.

In Turkey, the tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, provision for taxes, as reflected in the consolidated financial statements, has been calculated on a separate-entity basis.

Corporate tax losses can be carried forward for a maximum period of five years following the year in which the losses were incurred. The tax authorities can inspect tax returns and the related accounting records for a retrospective maximum period of five years. As of December 31, 2009, the Company has carried TL 2.753.075 tax loss.

Income tax payables as of December 31, 2009 and 2008 are summarized as follows:

	December 31, 2009	December 31, 2008
Current period corporate tax	16.191.630	16.338.911
Prepaid tax in current period	(13.751.639)	(20.216.240)
Tax return to be claimed from tax office	-	3.877.329
Income tax payable	**2.439.991**	**-**

A reconciliation of income tax expense applicable to profit before income tax at the statutory income tax rate to income tax expense reported in the income statements for the years ended December 31, 2009 and 2008 is as follows:

	December 31, 2009	December 31, 2008
Profit before tax and minority interest	89.399.945	130.385.166
At the effective statutory income tax rate of 20%	(17.879.989)	(26.077.033)
Income not subject to tax	3.887.782	3.450.170
Permanent non-taxable items	(1.015.596)	(315.778)
Other	146.852	(2.926.533)
	(14.860.951)	**(25.869.174)**

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

36. Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year. As of December 31, 2009 weighted average number of shares is 19.144.706.825.

There have been no other transactions involving ordinary shares or potential ordinary shares since the reporting date and before the completion of these financial statements.

2009 dividends declared and approved is as follows:

For common shares	
Nominal value per share, gross	Kr 0,37

The Company is planning to determine the dividends to be distributed over the profit of year 2009 in the meeting of the Board of Directors to be held at March 31, 2010.

37. Related party disclosures

Parties are considered related to the entity, if the Company has the power to control over that company or have significant effect on related company's financial and administrative decisions. The Company is controlled by Hacı Ömer Sabancı Holding A.Ş. (39,72%) (December 31, 2008 – 39,72%) and HeidelbergCement Group (39,72%) (December 31, 2008 – 39,72%). For the purpose of the consolidated financial statements, shareholder companies, financial investments and its associates and subsidiaries and other Sabancı and HeidelbergCement Group companies are presented separately and those companies and their senior executives are referred as related parties.

Related party balances as of December 31, 2009 and December 31, 2008 and related party transactions for the periods ended December 31, 2009 and 2008 comprise mainly following:

	Sales to related parties					
	December 31, 2009			December 31,2008		
Related party	Product	Service	Other(*)	Product	Service	Other (*)
Financial Assets						
Çimsa Çimento Sanayi ve Ticaret A.Ş. (Çimsa)	3.295.605	-	56.898	-	-	48.439
Arpaş Ambarlı Römorkaj Pilataj Ticaret A.Ş. (Arpaş)	-	106.781	-	-	126.367	-
Lafarge Aslan Çimento A.Ş. (Lafarge)	1.076.719	-	-	7.981.270	-	178.679
Altaş Ambarlı Lim. Tes. Tic. A.Ş.	-	-	-	629	-	-
Liman İşletmeleri A.Ş. (Liman İşletmeleri)	3.453	-	-	10.523	-	-
Other						
Enerjisa Enerji Üretim A.Ş. (Enerjisa)	-	-	20.596	-	-	19.206
HC Trading B.V. – Turkey Branch	75.953.784	-	-	64.316.340	-	379.641
HeidelbergerCement A.G.	-	-	123.870	-	-	105.681
HC Trading Malta Ltd.	102.621.482	-	-	41.414.646	-	1.677.252
Exsa Saı.Mam.Satış ve Araş.A.Ş.	-	-	-	-	-	1.495
Kardemir Demir Çelik Saı. ve Tic. A.Ş.	1.360	-	-	-	-	-
Akçansa Taşımacılık ve Ticaret A.Ş.	-	-	314	-	-	-
HC Fuels Limited	-	-	-	-	-	100.241
Indocement	-	-	-	-	16.125	24.170

(*) Mainly comprise purchases/sales of property, plant and equipment, purchase of electricity, term difference income and expenses and foreign currency gain and losses.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

	Purchases from related parties					
	December 31, 2009			December 31, 2008		
Related party	Product	Service	Other (*)	Product	Service	Other (*)
Shareholders						
Hacı Ömer Sabancı Holding A.Ş.	-	74.518	-	-	142.358	-
Financial assets						
Çimsa	1.748.402	-	-	2.480.537	-	-
Liman İşletmeleri	256.665	550.874	3.410	247.323	404.782	100.683
Lafarge Aslan Çimento	-	-	3.938	-	-	113.574
Eterpark Ends. Ürün. İmal. Tic. İth. İhr. Paz. A.Ş. (Eterpark)	-	613.659	124.478	-	685.420	109.311
Altaş Ambalrıl Liman Tesisleri Tic. A.Ş. (Altaş)	-	239.813	-	-	390.838	-
Other						
Aksigorta Sigortacılık A.Ş.	-	3.222.962	-	-	3.682.039	-
HeidelbergerCement A.G.	-	32.243	-	-	-	-
Scancem Int.Ans.	-	-	-	-	-	10.617
Brisa Bridgestone Lastik Sanayi ve Ticaret A.Ş.	195.725	-	-	125.959	-	-
Bimsa Uluslararası İş Bilgi ve Yönetim Sistemleri A.Ş.	141.174	148.699	-	276.922	132.470	17.227
Temsa Termo Mekanik Sanayi ve Ticaret A.Ş.	447.044	-	-	-	-	9.521
Beksa Çelik Kord. San. Ve Tic. A.Ş.	-	-	-	1.891.760	-	-
HeidelbergerCement Group Technology Center GmbH	-	1.332	-	-	-	-
Kardemir Demir Çelik San. Ve Tic. A.Ş.	1.578.239	-	895.910	3.920.904	-	2.168
Avivasa Sigorta A.Ş.	-	673.145	-	-	908.072	-
Teknosa İç ve Dış Tic. A.Ş.	21.541	-	5.294	115.468	-	1.040
Ak Finansal Kiralama A.Ş.	-	4.949.628	207.053	-	4.886.046	412.049
HC Fuels Limited	6.889.964	-	-	4.662.864	-	-
Pilsa A.Ş.	-	-	-	17.319	-	-
Maxit Yapı Malzemeleri San. Ve Tic. A.Ş.	-	-	-	-	-	1.530
S.A.Cimenteries Cbr.	-	407.491	-	-	657.043	-
Carrefoursa Türkiye	-	-	1.650	-	-	300
HC Trading B.V. – Turkey Branch	-	96.560	577.632	-	46.617	203.582
Çukurova Dış Ticaret A.Ş.	49.185	-	216.338	36.856	-	245.798
HC Trading Malta Ltd.	21.864.690	-	-	6.796.545	-	-
Enerjisa	-	-	-	-	-	72
Advansa				-	-	2.000
Olmuksa Ambalaj Sanayi ve Ticaret A.Ş.	-	-	2.119	-	-	1.932

(*) Mainly comprise purchases/sales of property, plant and equipment, purchase of electricity, term difference income and expenses and foreign currency gain and losses.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

	Due from Related Parties		Due to Related Parties	
	December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
Shareholders				
Hacı Ömer Sabancı Holding A.Ş.	-	-	-	57.950
Total (*)	**-**	**-**	**-**	**57.950**
Financial assets				
Arpaş	11.852	-	-	-
Çimsa	578.374	-	-	7.004
Liman İşletmeleri	-	-	69.172	81.970
Eterpark	-	-	48.623	119.295
Altaş	-	-	56.725	57.239
Lafarge Aslan Çimento	13	13	-	-
Total (*)	**590.239**	**13**	**174.520**	**265.508**
Other				
Aksigorta Sigortacılık A.Ş.	-	35.937	359.976	-
HC Trading B.V. – Turkey Branch	3.679.610	1.206.084	-	-
HeidelbergerCement A.G.	32.657	41.288	-	-
HC Trading Malta Lmd.	17.389.011	-	-	380.677
HC Fuels Limited	-	100.502	-	-
Indocement	-	5.253	-	-
Brisa Bridgestone Lastik Sanayi ve Ticaret A.Ş.	-	-	145.325	625
Teknosa A.Ş.	-	-	9.693	3.902
Bimsa Uluslararası İş Bilgi ve Yönetim Sistemleri A.Ş.	-	-	9.826	112.176
Ak Finansal Kiralama A.Ş.	-	-	16.059	77.603
Temsa Termo Mekanik Sanayi ve Ticaret A.Ş.	-	-	527.511	3.976
Kardemir Demir Çelik San. Ve Tic. A.Ş.	-	-	262.795	489.543
Avivasa Sigorta A.Ş.	-	4.173	27	-
Çukurova Dış Ticaret A.Ş.	-	-	47.029	61.305
Olmuksa İntern. Paper-Sabancı	-	-	2.501	2.280
Enerjisa	-	-	-	-
Total (*)	**21.101.278**	**1.393.237**	**1.380.742**	**1.132.087**
Dividends to Shareholders	-	-	821.733	843.233
Personnel	694.446	674.578	614.322	626.635
Total (**)	**694.446**	**674.578**	**1.436.055**	**1.469.868**

(*) Presented in "Current trade receivables/payables" accounts (Note 10).
(**) Presented in "Other receivables/payables" accounts.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

As of December 31, 2009 "Financial lease payables" amounting to TL 1.908.949 (2008 – TL 4.596.477), that is presented in "Current liabilities" and "Financial lease payables" amounting to TL 292.323 (2008 – TL 2.481.402) that is presented in "Non-current liabilities" are payables to "Ak Finansal Kiralama A.Ş.".

Receivables from "Direct debit system" in trade receivables amounting to TL 2.961.070 (2008 – TL 1.965.985) are receivables from Akbank T.A.Ş.

	December 31, 2009	December 31, 2008
Banks		
Akbank T.A.Ş.	12.512.080	3.360.984
Financial liabilities		-
Akbank T.A.Ş.	60.797.529	123.507.439
Financial expenses to related parties		
Akbank T.A.Ş.	4.296.192	9.148.715
Ak Finansal Kiralama A.Ş.	322.668	536.870
	4.618.860	**9.685.585**
Interest income from related parties		
Akbank T.A.Ş.	118.240	315.159
Commission income		
Arpaş	121.442	27.112
Donations		
Sabancı Üniversitesi	56.580	48.400
Vaksa Hacı Ömer Sabancı Vakfı	1.300.000	1.200.000
	1.356.880	**1.248.400**

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

Executive members' remuneration

	December 31, 2009	December 31, 2008
Short term benefits provided to executive management	3.155.043	3.314.046
Other long term benefits	81.700	112.037
Total benefits	**3.236.743**	**3.426.083**
Employer's social security premium portion	**77.378**	**86.650**

38. Nature and level of risks arising from financial instruments

Financial risk management objectives and policies

The Company's principal financial instruments are bank borrowings, leasing, cash and cash equivalents. The main purpose of use of these financial instruments is to raise finance for the Company's operations. The Company has various other financial instruments such as trade receivables and trade payables, which arise directly from its operations.

The main risks arising from the Company's financial instruments are foreign currency risk, interest rate risks, credit risk and liquidity risk. The Company management reviews and agrees policies for managing each of the risks as summarized below. The Company also follows market risk that arises from using financial instruments.

Foreign currency risk

Foreign currency risk occurs due to the Company's some liabilities which are denominated in mostly USD and in EUR.

The Company is also exposed to foreign currency risk due to the transactions made in foreign currency. This risk occurs due to purchases, sales and bank borrowings of the Company which are denominated in currencies other than the functional currency.

The Company's net foreign currency position as of December 31, 2009 and 2008 are TL 82.399.752 TL short (liability) and TL 220.856.466 short (liability) respectively.

The Company is exposed to foreign currency risk due to the loans used in USD. In order to mitigate this risk, the Company monitors its financial position, cash inflows and outflows by using detailed cash flow charts and also uses derivative instruments to mitigate currency risk when needed.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

Foreign currency position of the Company is as follows:

Table of foreign currency position Current period	TL equivalent (functional currency)	USD	EUR	GBP	CHF	SEK
1. Trade receivables	19.866.588	12.561.974	440.690	-	-	-
2a. Monetary financial assets (including cash and bank accounts)	23.356.609	13.598.987	1.332.247	1.072	-	4
2b. Non-monetary financial assets	-	-	-	-	-	-
3. Other	-	-	-	-	-	-
4. Current assets (1+2+3)	**43.223.197**	**26.160.961**	**1.772.937**	**1.072**	**-**	**4**
5. Trade receivables	-	-	-	-	-	-
6a. Monetary financial assets	-	-	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-	-	-
7. Other	-	-	-	-	-	-
8. Non-current assets (5+6+7)	**-**	**-**	**-**	**-**	**-**	**-**
9. Total assets (4+8)	**43.223.197**	**26.160.961**	**1.772.937**	**1.072**	**-**	**4**
10. Trade payables	778.700	516.712	318	-	-	-
11. Financial liabilities	33.196.288	20.292.251	1.223.092	-	-	-
12a. Monetary other liabilities	-	-	-	-	-	-
12b. Non-monetary other liabilities	-	-	-	-	-	-
13. Current liabilities (10+11+12)	**33.974.988**	**20.808.963**	**1.223.410**	**-**	**-**	**-**
14. Trade payables	-	-	-	-	-	-
15. Financial liabilities	91.647.962	60.673.201	135.316	-	-	-
16 a. Monetary other liabilities	-	-	-	-	-	-
16 b. Non-monetary other liabilities	-	-	-	-	-	-
17. Non-current liabilities (14+15+16)	**91.647.962**	**60.673.201**	**135.316**	**-**	**-**	**-**
18. Total liabilities (13+17)	**125.622.950**	**81.482.164**	**1.358.726**	**-**	**-**	**-**
19. Net asset/(liability) position of off-balance sheet derivative instruments (19a-19b)	**-**	**-**	**-**	**-**	**-**	**-**
19a. Total hedged asset amount (*)	**-**	**-**	**-**	**-**	**-**	**-**
19b. Total hedged liability amount			**-**	**-**	**-**	**-**
20. Net foreign currency asset/(liability) position (9-18+19)	**(82.399.753)**	**(55.321.203)**	**414.211**	**1.072**	**-**	**4**
21. Net foreign currency asset/(liability) position of monetary items (IFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)*	**(82.399.753)**	**(55.321.203)**	**414.211**	**1.072**	**-**	**4**
22. Total fair value of financial instruments used to manage foreign currency position	**(2.653.860)**	**-**	**-**	**-**	**-**	**-**
23. Export	**182.032.458**	**104.989.220**	**9.508.341**	**-**	**-**	**-**
24. Import	**60.788.973**	**34.159.287**	**3.543.533**	**225**	**18.615**	**-**

(*) As of December 31, 2009, the Company has currency forward contracts amounting to USD 16.500.000 (2008 – USD 26.500.000) in order to avoid from exposed foreign currency risk (Note 22).

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

Table of foreign currency position
Prior period

	TL equivalent (functional currency	USD	EUR	GBP	CHF	SEK
1. Trade receivables	8.175.271	4.667.221	521.783	-	-	-
2a. Monetary financial assets (including cash and bank accounts)	21.971.555	13.880.940	455.725	1.730	-	4
2b. Non-monetary financial assets	-	-	-	-	-	-
3. Other	-	-	-	-	-	-
4. Current assets (1+2+3)	**30.146.826**	**18.548.161**	**977.508**	**1.730**	**-**	**4**
5. Trade receivables	-	-	-	-	-	-
6a. Monetary financial assets	-	-	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-	-	-
7. Other	-	-	-	-	-	-
8. Non-current assets (5+6+7)	**-**	**-**	**-**	**-**	**-**	**-**
9. Total assets (4+8)	**30.146.826**	**18.548.161**	**977.508**	**1.730**	**-**	**4**
10. Trade payables	8.519.078	4.550.833	764.599	-	-	-
11. Financial liabilities	87.484.125	54.439.449	2.408.140	-	-	-
12a. Monetary other liabilities	-	-	-	-	-	-
12b. Non-monetary other liabilities	-	-	-	-	-	-
13. Current liabilities (10+11+12)	**96.003.203**	**58.990.282**	**3.172.739**	**-**	**-**	**-**
14. Trade payables	-	-	-	-	-	-
15. Financial liabilities	155.000.091	100.570.000	1.358.408	-	-	-
16 a. Monetary other liabilities	-	-	-	-	-	-
16 b. Non-monetary other liabilities	-	-	-	-	-	-
17. Non-current liabilities (14+15+16)	**155.000.091**	**100.570.000**	**1.358.408**	**-**	**-**	**-**
18. Total liabilities (13+17)	**251.003.294**	**159.560.282**	**4.531.147**	**-**	**-**	**-**
19. Net asset/(liability) position of off-balance sheet derivative instruments (19a-19b)	**-**	**-**	**-**	**-**	**-**	**-**
19a. Total hedged asset amount (*)	**-**	**-**	**-**	**-**	**-**	**-**
19b. Total hedged liability amount			**-**	**-**	**-**	**-**
20. Net foreign currency asset/(liability) position (9-18+19)	**(220.856.467)**	**(141.012.121)**	**(3.553.639)**	**1.730**	**-**	**4**
21. Net foreign currency asset/(liability) position of monetary items (IFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)*	**(220.856.467)**	**(141.012.121)**	**(3.553.639)**	**1.730**	**-**	**4**
22. Total fair value of financial instruments used to manage foreign currency position	**7.167.121**	**-**	**-**	**-**	**-**	**-**
23. Export	**105.730.987**	**59.771.931**	**20.676.094**	**-**	**-**	**-**
24. Import	**98.099.844**	**67.710.975**	**7.817.508**	**22.108**	**39.037**	**111.807**

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

The following table demonstrates the sensitivity to a possible change of 10% in the USD, EUR and other exchange rates, with all other variables held constant, on the Company's income before tax as of December 31, 2009 and 2008:

		Foreign currency sensitivity analysis statement Current period
	Profit/loss Appreciation of foreign currency	Profit/loss Depreciation of foreign currency
In case of 10% appreciation of USD against TL:		
1- USD denominated net asset/liability	(8.329.714)	8.329.714
2- USD denominated hedging instruments (-)	2.526.181	(2.526.181)
3- Net effect in USD (1+2)	**(5.803.533)**	**5.803.533**
In case of 10% appreciation of EUR against TL:		
4- EUR denominated net asset/liability	89.482	(89.482)
5- EUR denominated hedging instruments (-)	-	-
6- Net effect in EUR (4+5)	**89.482**	**(89.482)**
In case of average 10% appreciation of other exchange rates against TL:		
7- Other foreign currency denominated net assets, liabilities	256	(256)
8- Other foreign currency hedging instruments (-)	-	-
9- Net effect in other foreign currency (7+8)	**256**	**(256)**
Total (3+6+9)	**(5.713.795)**	**5.713.795**

		Foreign currency sensitivity analysis statement Prior period
	Profit/loss Appreciation of foreign currency	Profit/loss Appreciation of foreign currency
In case of 10% appreciation of USD against TL:		
1- USD denominated net asset/liability	(21.325.263)	21.325.263
2- USD denominated hedging instruments (-)	3.954.374	(3.954.374)
3- Net effect in USD (1+2)	**(17.370.889)**	**17.370.889**
In case of 10% appreciation of EUR against TL:		
4- EUR denominated net asset/liability	(760.763)	760.763
5- EUR denominated hedging instruments (-)	-	-
6- Net effect in EUR (4+5)	**(760.763)**	**760.763**
In case of average 10% appreciation of other exchange rates against TL:		
7- Other foreign currency denominated net asset, liability	379	(379)
8- Other foreign currency hedging instruments (-)	-	-
9- Net effect in other foreign currency (7+8)	**379**	**(379)**
Total (3+6+9)	**(18.131.273)**	**18.131.273**

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

There is not any effect of a possible change in foreign exchange rates to equity accounts of the Company.

Price risk

Price risk is a combination of foreign currency risk, interest rate risk and market risk. The Group naturally manages its price risk by comparing the same foreign currency denominated receivable and payables and assets and liabilities bearing interest. The Company closely monitors its market risk by analyzing the market conditions and using appropriate valuation methods.

Interest position table		Current Period	Prior Period
	Financial instruments with fixed interest rate		
Financial assets	Financial assets at fair value through profits/loss	-	-
	Available for sale financial assets	-	-
Financial liabilities		67.275.330	94.365.587
	Financial instruments with variable interest rate		
Financial assets		-	-
Financial liabilities		121.051.432	154.745.275

The effect of increase by 0,5% in interest rates of borrowings with variable interest rate on profit before tax is as follows:

	Effect on income before tax	
Interest increase	December 31, 2009	December 31, 2008
0,5%	TL (602.280) TL	TL (756.150)

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company manages its credit risk by limiting exposure to any one institution and revaluing the credibility of the related institutions continuously. The total credit risk of the Company is presented in balance sheet.

Concentrations of credit risk arise when a number of counterparties are engaged in similar business activities or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry or geographic location.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

The Company manages its credit risk by extending its operations to a large area and avoiding unwanted concentration on people/groups in a specific area/sector. The Company requires collateral from its customers when needed.

	Receivables				Deposits in banks	Derivative instruments	Other
	Trade receivables		Other receivables				
Current period	Related party	Other party	Related party	Other party			
Maximum credit risk exposures as of report date (A+B+C+D+E) (1)	**21.691.517**	**135.142.888**	**694.446**	**4.164.659**	**40.090.867**	**-**	**-**
- Guaranteed portion of credit risk by guarantees, etc.	-	61.648.919	694.446	1.062.988	-	-	-
A. Net book value of financial assets which are not overdue or not impaired	21.691.517	125.265.284	694.446	4.164.659	40.090.867	-	
B. Net book value of financial assets that conditions are reassessed and become not overdue or impaired	-	294.301	-	-	-	-	-
C. Net book value of assets which are overdue but not impaired assets	-	9.583.300	-	-	-	-	-
- Under guarantee	-	3.263.984	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-	-	-
- Overdue (gross book value)	-	4.243.869	-	-	-	-	-
- Impairment (-)	-	(4.243.869)	-	-	-	-	-
- Guaranteed portion of net value by in guarantees, etc *	-	-	-	-	-	-	-
- Not overdue (gross book value)	-	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-	-
- Guaranteed portion of net value by in guarantees, etc *	-	-	-	-	-	-	-
E. Factors including off balance sheet credit risk	-	-	-	-	-	-	-

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

	Receivables				Deposits in banks	Derivative instruments	Other
	Trade receivables		Other receivables				
Prior period	**Related party**	**Other party**	**Related party**	**Other party**			
Maximum credit risk exposures as of report date (A+B+C+D+E) (1)	**1.393.250**	**117.489. 536**	**674.578**	**7.924.242**	**29.311.875**	**7.167.862**	**-**
- Guaranteed portion of credit risk by guarantees, etc.	-	58.994.078	674.578	6.996.386	-	-	-
	-	-	-	-	-	-	-
A. Net book value of financial assets which are not overdue or not impaired	1.393.250	107.372.810	674.578	7.924.242	29.311.875	7.167.862	-
B. Net book value of financial assets that conditions are reassessed and become not overdue or impaired	-	4.580.783	-	-	-	-	-
C. Net book value of assets which are overdue but not impaired assets	-	5.535.943	-	-	-	-	-
- Under guarantee	-	3.277.658	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-	-	-
- Overdue (gross book value)	-	2.481.136	-	-	-	-	-
- Impairment (-)	-	(2.481.136)	-	-	-	-	-
- Guaranteed portion of net value by in guarantees, etc *	-	-	-	-	-	-	-
- Not overdue (gross book value)	-	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-	-
- Guaranteed portion of net value by in guarantees, etc *	-	-	-	-	-	-	-
E. Factors including off balance sheet credit risk	-	-	-	-	-	-	-

(1) When determining the amount, guaranties received and factors increasing the reliability of the loan are not considered.
(2) Guaranties consist of letters of guarantees, guarantee cheques and mortgages taken from customers.
(3) These customers regarding the collection problem never happened in the past.

Liquidity risk

Liquidity risk is the risk that an entity will be unable to meet its net funding requirements. The risk is mitigated by matching the cash in and out flow volume supported by committed lending limits from qualified credit institutions.

At liquidation table, the breakdown of non-derivative financial liabilities in accordance with the maturities is presented considering the period from balance sheet date to maturities per written and oral agreements and considering undiscounted cash flows per agreement. Maturities per agreement considered at liquidation management is used for derivative financial liabilities.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

December 31, 2009

Maturities per agreement	Carrying value	Contractual undiscounted payment (=I+II+III+IV)	Less than 3 months (I)	Between 3-12 months (II)	Between 1-5 years (III)	Over 5 years (IV)
Non-derivative financial liabilities	**269.031.781**	**276.222.768**	**99.260.658**	**82.241.621**	**94.720.489**	**-**
Bank loans	184.533.944	191.040.681	17.264.874	80.035.047	93.740.760	-
Financial lease obligations	3.792.818	3.921.828	735.525	2.206.574	979.729	-
Trade payables	80.705.019	81.260.259	81.260.259	-	-	-

December 31, 2008

Maturities per agreement	Carrying value	Contractual undiscounted payment (=I+II+III+IV)	Less than 3 months (I)	Between 3-12 months (II)	Between 1-5 years (III)	Over 5 years (IV)
Non-derivative financial liabilities	**312.658.126**	**327.156.645**	**73.074.274**	**119.677.215**	**134.405.156**	**-**
Bank loans	239.737.504	253.012.280	7.333.667	115.171.412	130.507.201	
Financial lease obligations	9.373.359	9.905.692	1.501.934	4.505.803	3.897.955	-
Trade payables	53.955.431	54.646.841	54.646.841	-	-	-

Capital management

The primary objective of the Company's capital management is to maximize shareholder value, provide benefits to other stockowners and to keep the most appropriate capital structure to decrease the capital cost.

The Company follows up the debt to equity ratio in the capital management in parallel with other companies in the sector. This rate is calculated by dividing net debt to total equity.

	December 31, 2009	December 31, 2008
Total debt	342.413.744	369.211.484
Less: Cash and cash equivalents (Note 6)	40.091.509	29.312.899
Net debt	302.322.235	339.898.585
Total shareholder's equity	819.226.574	764.576.170
Total paid-in share capital	191.447.068	191.447.068
Debt to equity ratio	**1,58**	**1,78**

39. Financial instruments (fair value explanations and disclosures within the framework of hedge accounting)

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.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

The fair values of financial assets and liabilities which are carried with its cost value are considered to approximate their respective carrying values due to the following reasons.

Fair values of cost or amortized cost in the balance sheet values and fair values of financial assets:
The fair values of certain financial assets carried at cost, including cash and cash equivalents plus the respective accrued interest and other financial assets are considered to approximate their respective carrying values due to their short-term nature and negligible credit losses. The carrying values of trade receivables net of allowances for doubtful receivables are considered to approximate their fair values.

Fair values of cost or amortized cost in the balance sheet values and fair values of financial liabilities:
The fair values trade payables and other monetary liabilities are estimated to approximate carrying value due to their short-term nature. Bank borrowings are carried at amortized cost and the transaction costs are added to the initial cost of the borrowing. The fair values of long-term bank borrowings with variable interest are considered to approximate their respective carrying values, since the initial rates applied to bank borrowings are updated periodically by the lender to reflect active market price quotations. It is note that when fixed interest rate applicable as of balance sheet is applied, the fair values of long-term bank borrowings with fixed interest are approximate their respective carrying values. The carrying values of short-term bank borrowings are considered to be their fair values due to their short term nature.

Derivative financial instruments (Forward contracts)
The Company enters into transactions with derivative instruments. These derivative transactions are considered as effective economic hedges under the Company's risk management policies; however since they do not qualify for hedge accounting under the specific provisions of IAS 39, they are treated as derivatives held for trading.

Fair values are obtained from quoted market prices, to the extent publicly available and discounted cash flows as appropriate. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

For derivatives that do not qualify for special hedge accounting, any gains or losses arising from changes in fair value are taken directly to net profit or loss for the period.

Derivatives with unrealized gains are included in income accruals and derivatives with unrealized losses are included in accrued expense in the consolidated balance sheet.

As of December 31, 2009, the Company has forward currency purchase contracts amounting to USD 16.500.000 in order to hedge foreign currency exposure (Note 22).

Fair value hierarchy table
The Company classifies the fair value measurement of each class of financial instruments according to the source, using the three-level hierarchy, as follows;

Level 1: Market price valuation techniques for the determined financial instruments traded in markets (unadjusted)

Level 2: Other valuation techniques includes direct or indirect observable inputs

Level 3: Valuation techniques does not contains observable market inputs

As of December 31, 2009, the Company's assets at fair value and its levels are as follows:

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2009

(Currency – Turkish Lira (TL) unless otherwise indicated)

	Level 1	Level 2 (*)	Level 3
a) Assets as fair value			
Financial assets			
Çimsa	91.585.728	-	-
Lafarge	268.644	-	-
Total assets	**91.854.372**		
b) Liabilities as fair value			
Current value of forwards	-	2.632.803	-
Total liabilities		**2.632.803**	

(*) Valued by the market price in the stock market of the balance sheet date.
(**) Fair value was calculated with the reference to market interest rates valid for the rest of the contract of the foreign currency with original maturity for the related foreign currency.

40. Subsequent events
None.

41. Other matters which are significant to the financial statements or which should be disclosed for the purpose of true and fair interpretation of the financial statements
None.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Profit Distribution Table - 2009 (TL)

1. Paid-in/Issued Capital			191,447,068.25
2. Total Legal Reserves (According to Legal Records)			77,266,295.64
First Legal Reserves	30,575,440.56		
Second Legal Reserves	46,690,855.08		
Information on privilege in profit distribution, if granted by the articles of association			None

		According to CMB	According to Legal Records (LR)
3.	Profit for the Period	89,869,320.46	95,317,733.55
4.	Taxes Payable (-)	14,860,950.91	16,191,536.20
5.	Net Profit for the Period (=)	75,008,369.55	79,126,197.35
6.	Losses in Prior Years (-)		
7.	First Legal Reserves (-)	3,956,309.87	3,956,309.87
8.	NET DISTRIBUTABLE PROFIT FOR THE PERIOD (=)	71,052,059.68	75,169,887.48
9.	Donations during the Fiscal Year (+)	2,357,144.23	
10.	Net Distributable Profit for the Period including Donations, based on which First Dividend is Computed	73,409,203.91	
11.	First Dividend to Shareholders		
	- Cash	14,681,840.78	
	- Bonus Shares		
	- Total	14,681,840.78	
12.	Dividends Distributed to Preferred Stock Holders		
13.	Dividends Distributed to Board of Directors Members, Employees, etc.		
14.	Dividends Distributed to Dividend Share Holders		
15.	Second Dividend to Shareholders	50,754,767.15	
16.	Second Legal Reserves	5,586,425.45	
17.	Statutory Reserves		
18.	Special Reserves		
19.	EXTRAORDINARY RESERVES	29,026.30	4,146,854.10
20.	Other Distributable Items		
	- Previous Year Profit		
	- Extraordinary Reserves	0.00	0.00
	- Other Distributable Reserves as per the Law and the Articles of Association		

We hereby propose for your perusal and approval that the 2009 Annual Report be presented within the frame of the principles and guidelines to be stipulated at the Ordinary General Meeting, which will be convened on 29 March 2010; that First Legal Reserves, Taxes and legal obligations be deducted from the consolidated profit that descends on the balance sheet in the amount of TL 89,869,320.46 as per article 33 of the Articles of Association and the CMB communiqués; and the following sums be set aside out of the Net Distributable Profit in the amount of TL 71,052,059.68, which is calculated as above:

First Dividend	TL 14,681,840.78,
Second Dividend	TL 50,754,767.15,
Second Legal Reserves	TL 5,586,425.45,
Extraordinary Reserves	TL 29,026.30,

and TL 65,436,607.93 be distributed as profit share;

Accordingly, we hereby submit the Board of Directors decision passed on 03 March 2010 for the approval of the General Assembly for the cash distribution of dividends in the total amount of TL 65,436,607.93 out of the 2009 profit, which corresponds to a ratio of 34.180000% (gross) and 29.053000% (net), to shareholders representing TL 191,447,068.25 in the capital until 31 May 2010.

Sincerely,
Board of Directors

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Board of Auditors' Report

BOARD OF AUDITORS' REPORT (FOR THE FISCAL YEAR THAT ENDED ON 31 DECEMBER 2009)

TO: THE GENERAL ASSEMBLY OF SHAREHOLDERS OF
AKÇANSA ÇİMENTO SANAYİ VE TİCARET A.Ş.

- The Company's	
Name	Akçansa Çimento Sanayi ve Ticaret A.Ş.
Head Office	İSTANBUL
Authorized Capital	TL 500,000,000.-
Issued Capital	TL 191,447,068.25-
Field of Activity	Cement Production and Sales, Ready-Mixed Concrete Production and Sales, and other activities as set out in the Articles of Association.
- Name(s) and position(s) of statutory auditor(s)	Mevlüt AYDEMİR, Fuat ÖKSÜZ who are neither employees nor shareholders in the Company serving for a term of office of one year.
- Number of Board of Directors meetings attended and of Board of Auditors meetings held	The auditors attended two Board of Directors meetings and held one meeting of statutory auditors.
- Scope, dates and outcome of the examination of Company accounts, books and records	Examinations of the Company accounts, books and records were conducted on the below mentioned dates, and it has been established that the records are in compliance with the law and General Accounting Principles.
- Number and results of cash counts held in the Company's pay desk pursuant to Article 353, Section 1.3 of the Turkish Commercial Code	Four cash counts were made during the year and no irregularities were established.
- Dates and results of the examinations as required by Article 353, Section 1.4 of the Turkish Commercial Code	Four examinations were carried out during 2009 (February 20th, June 30th, August 28th and December 31st) and no irregularities were established.
- Complaints or irregularities brought to the auditors' attention and actions taken	None were received.

We have audited the accounts and transactions of Akçansa Çimento Sanayi ve Ticaret A.Ş. for the period between 01 January 2009 and 31 December 2009 with respect to their compliance with the Turkish Commercial Code, the Company's Articles of Association, other applicable legislation and with generally accepted accounting principles and standards.

In our opinion, the attached balance sheet drawn up on 31 December 2009, the contents of which we acknowledge, fairly and accurately presents the Company's financial status on the date, and the income statement for the period 01 January 2009 – 31 December 2009 fairly and accurately presents the operating results for the period. The profit distribution proposal was also found to conform to the laws and the Company's Articles of Association.

We propose that the balance sheet and the income statement be approved and that the members of the Board of Directors be acquitted of their fiduciary responsibilities for the accounts of 2009.

03 March 2010

Mevlüt AYDEMİR

Fuat ÖKSÜZ

İletişim

HEAD OFFICE
Hüseyin Bağdatlıoğlu İş Merkezi, Kaya Sultan Sokak
No: 97 Kat: 5-8
Kozyatağı/İSTANBUL
Phone : (0216) 571 30 00
Fax : (0216) 571 31 11

BÜYÜKÇEKMECE FACTORY
Mimarsinan Beldesi 34900
Büyükçekmece/İSTANBUL
Phone : (0212) 866 10 00
Fax : (0212) 866 12 00

ÇANAKKALE FACTORY
Mahmudiye Beldesi 17640
Ezine/ÇANAKKALE
Phone : (0286) 295 20 00
Fax : (0286) 295 21 99

SAMSUN LADİK FACTORY
İskaniye Mah. Akpınar Mevkii
Ladik/SAMSUN
Phone : (0362) 771 38 16
Fax : (0362) 771 38 18

ACIBADEM READY-MIXED CONCRETE PLANT
Ankara Devlet Yolu (E-5) Haydarpaşa Yönü 4. km
Gayretli Sok.
Eski Ford Otosan Fabrikası
34660 Acıbadem Kadıköy/İSTANBUL

ALİAĞA READY-MIXED CONCRETE PLANT
Horozgediği Köyü Hayıtlıdere Mevkii
Aliağa/İZMİR

ARNAVUTKÖY READY-MIXED CONCRETE PLANT
Eski Edirne Asfaltı Habibler Çıkışı Derbent Mevkii
Arnavutköy/İSTANBUL

ATAŞEHİR 2 READY-MIXED CONCRETE PLANT
Barbaros Mah. Dereboyu Cad. Ardıç Sok. Kentplas
Arkası
Batıataşehir/İSTANBUL

AYAZAĞA READY-MIXED CONCRETE PLANT
Cendere Yolu Çakırlar Mah.
Ayazağa-Şişli/İSTANBUL

BEYLİKDÜZÜ READY-MIXED CONCRETE PLANT
2945 Ada 20 Parsel Mehter Çeşme Mah. Nazım
Hikmet Bulvarı İnovia 2. Etap Karşısı Esenyurt/
İSTANBUL

BORNOVA READY-MIXED CONCRETE PLANT
Ankara Yolu Üzeri No: 194
Bornova/İZMİR

BURSA READY-MIXED CONCRETE PLANT
Başköy Köyü Taşocakları Mevkii
Nilüfer/BURSA

BÜYÜKÇEKMECE READY-MIXED CONCRETE PLANT
Sultan Murat Cad. No: 8 Mimarsinan 34900
Büyükçekmece/İSTANBUL

BÜYÜKKARIŞTIRAN READY-MIXED CONCRETE PLANT
Kınalı Köprü Mevkii
Büyükkarıştıran/LÜLEBURGAZ

ÇORLU READY-MIXED CONCRETE PLANT
Şehsinan Mah. Kadıderesi Mevkii
Çorlu/TEKİRDAĞ

ÇORUM READY-MIXED CONCRETE PLANT
Ankara Yolu Üzeri 4. Km
Yaydiğin Mahallesi
ÇORUM

EDREMİT READY-MIXED CONCRETE PLANT
Akçay Asfaltı Üzeri Kuruçay Mevkii
Edremit/BALIKESİR

ESENYURT READY-MIXED CONCRETE PLANT
Hoşdere Köyü Harmanlık Mevkii
Bahçeşehir/İSTANBUL

GEBZE READY-MIXED CONCRETE PLANT
Sultan Orhan Mah. Taşocakları Mevkii
Gebze/KOCAELİ

GÜMÜLDÜR READY-MIXED CONCRETE PLANT
Yukarı Ovacık Mevkii PK 10
Gümüldür Menderes/İZMİR

GÜZELBAHÇE READY-MIXED CONCRETE PLANT
Çamlı Köyü Kırlar Mevkii
Güzelbahçe/İZMİR

HALKALI- KÜÇÜKÇEKMECE READY-MIXED CONCRETE
PLANT
Sinpaş Bosphorus Evleri Şantiyesi
Halkalı-Küçükçekmece/İSTANBUL

KEMERBURGAZ READY-MIXED CONCRETE PLANT
Cendere Yolu Alkanat Rest. Karşısı
Kemerburgaz-Eyüp/İSTANBUL

KEŞAN READY-MIXED CONCRETE PLANT
Yeni Muhacır Beldesi E - 27 Asfaltı Üzeri
Keşan/EDİRNE

MAHMUTBEY READY-MIXED CONCRETE PLANT
İkitelli Organize Sanayi Bölgesi Girişi Kanlı Çeşme
Mevkii
Küçükçekmece/İSTANBUL

MANİSA READY-MIXED CONCRETE PLANT
İnönü Mah. Meriç Sokak No: 16
Muradiye/MANİSA

MENEMEN READY-MIXED CONCRETE PLANT
Kazımpaşa Mah. Ormanbeşli Mevkii
Menemen/İZMİR

MERZİFON READY-MIXED CONCRETE PLANT
İstanbul Yolu 1. km Alıcık Yolu Üzeri
Merzifon/AMASYA

ÖMERLİ READY-MIXED CONCRETE PLANT
Uran Cad. No: 20
Ömerli-Ümraniye/İSTANBUL

SAMANDIRA READY-MIXED CONCRETE PLANT
Deveyatağı Mevkii Samandıra 2. Bölge
Samandıra/İSTANBUL

SAMANDIRA 2 READY-MIXED CONCRETE PLANT
Abdurrahman Gazi Mah. Sevenler Cad. Ekmekçioğlu
Mevkii
Samandıra-Kartal/İSTANBUL

SAMSUN READY-MIXED CONCRETE PLANT
Dereler Köyü Sündüsler Mevkii No: 189
SAMSUN

SAMSUN 2 READY-MIXED CONCRETE PLANT
Mobil Santral Yolu Selyeri Mevkii
SAMSUN

SEYRANTEPE READY-MIXED CONCRETE PLANT
Şişli Ayazağa İlçesi 4 Pafta 3 Ada 29 Parsel
Seyrantepe-Şişli/İSTANBUL

SİLİVRİ (KENTAŞ) READY-MIXED CONCRETE PLANT
Mimar Sinan Mah. Eski Çanta Köyü Üzeri Maksi Market
Arkası
Silivri/İSTANBUL

TEKİRDAĞ READY-MIXED CONCRETE PLANT
Muratlı Yolu Üzeri 4. km
TEKİRDAĞ

TOKAT READY-MIXED CONCRETE PLANT
Tombulkaya Mevkii Tokat Sivas Karayolu 10. km
TOKAT

VELİKÖY READY-MIXED CONCRETE PLANT
Beylikçayır Mevkii
Veliköy-Çerkezköy/TEKİRDAĞ

YENİBOSNA READY-MIXED CONCRETE PLANT
Tem - Havaalanı Yanyolu Dereboyu Mevkii
Sefaköy/İSTANBUL

ALİAĞA TERMINAL
Horozgediği Köyü, Nemrut Körfezi Çukurova Çelik
Limanı
Aliağa/İZMİR

AMBARLI TERMINAL
Yakuplu Köyü Reşitpaşa Çiftliği Mevkii
Ambarlı/İSTANBUL

HOPA TERMINAL
Orta Hopa Mahallesi Liman Caddesi 08600
Hopa/ARTVİN

KARAMÜRSEL/YALOVA TERMINAL
Balcı Mevkii SCA Fabrikası İçi
Kaytazdere-Altınova/YALOVA

BURSA AGGREGA PLANT
Eski Kemalpaşa Yolu Üzeri Kayapa Beldesi
Nilüfer/BURSA

SARAY AGGREGA PLANT
Kavacık Köyü Mevkii
Saray/TEKİRDAĞ

AYAZAĞA CRUSHED STONE PLANT
Cendere Yolu Önerler Petrol Karşısı
Kemerburgaz-Eyüp/İSTANBUL

İZMİR SALES OFFICE
Ali Çetinkaya Bulvarı No: 34/1 K: 4 D: 402
Alsancak/İZMİR

YARIMCA SALES OFFICE
Rota Limanı Körfez/KOCAELİ

Produced by Tayburn Kurumsal
Tel: (90 212) 227 04 36 Fax: (90 212) 227 88 57
www.tayburnkurumsal.com

www.akcansa.com.tr

HEIDELBERGCEMENT