

Akbank Turkish Equity Fund

Turkish Equity Fund invests in equities of Turkish companies which are listed on Istanbul Stock Exchange (ISE). The managers identify the fund's investment universe based on liquidity, corporate governance and valuation. We believe the Turkish market is under-researched and so offers numerous opportunities to exploit market inefficiencies. The focus of the fund is based on bottom-up stock selection which also takes account of the macro economy and the viability of current sectors trends in portfolio construction. The active top-down / bottom-up investment process used by the team is designed to capture opportunities across all market capitalisations while respecting rigorous risk controls.

Fund Information

| | | | |
|-------------------------|---|------------------------------------|------------|
| NAV (Class I - Class A) | : | EUR 118.06 | EUR 180.29 |
| Fund Size | : | EUR 34,994,106 | |
| Launch Date | : | 02 July 2008 | |
| Currency | : | EUR | |
| Legal Status | : | Luxembourg SICAV | |
| Reference Index | : | 97% ISE100 + 3% KYD O/N Repo Gross | |

| Performance | | Fund ¹ | Benchmark |
|------------------------------|---------------------|-------------------|-----------|
| Since Inception ² | 25.07.08 - 29.08.13 | 24.92% | 24.69% |
| 2009 | 31.12.08 - 31.12.09 | 78.26% | 78.39% |
| 2010 | 31.12.09 - 31.12.10 | 30.82% | 30.01% |
| 2011 | 31.12.10 - 30.12.11 | -37.66% | -33.88% |
| 2012 | 30.12.11 - 31.12.12 | 61.22% | 63.17% |
| YTD | 31.12.12 - 29.08.13 | -24.36% | -27.73% |
| MTD | 31.07.13 - 29.08.13 | -13.22% | -13.31% |

¹ Fund performance is gross of fees and does not reflect the deduction of investment management fees, custodian fees or other expenses.

² 25.07.2008 is the start date of active portfolio management for Institutional class share.

Investment Allocation (%)

| | |
|--------------|--------|
| Equities | 99.51% |
| Money Market | 0.49% |

Top 10 holdings (%)

| | | |
|---------------------------|----------|-------|
| TURKIYE HALK BANKASI | HALKB TI | 8.00% |
| T GARANTI BANKASI | GARAN TI | 7.72% |
| AKBANK | AKBNK TI | 7.25% |
| HACI OMER SABANCI | SAHOL TI | 6.99% |
| T IS BANKASI | ISCTR TI | 5.88% |
| TURKCELL ILETISIM | TCELL TI | 4.71% |
| BIM BIRLESIK MAGAZALAR AS | BIMAS TI | 4.17% |
| YAPI KREDI BANKASI | YKBNK TI | 4.13% |
| TURK HAVA YOLLARI AO | THYAO TI | 3.89% |
| TUPRAS(T PETR RAF) | TUPRS TI | 3.52% |

| Risk Ratios (Annualized) | YTD | Since Inception |
|--------------------------|-----|-----------------|
| Fund Volatility | 36% | 33% |
| Benchmark Volatility | 35% | 32% |
| Tracking Error | 7% | 5% |

Market Overview

Turkish stock market was one of the major casualties in the much-talked tapering environment. The benchmark BIST100 index lost 9.5 percent in Turkish Lira basis while the decline rate reached at 13.1 percent in Euro basis in August. The higher current account deficit, and huge short-term financing needs frightens the investors. Destroyed risk perception, and related ongoing capital outflows hit Turkish market.

Not only tapering talks, but also the Syrian crisis at the neighborhood of Turkey prevents the purchases though valuations came at much attractive levels. The continuation of civil war in Syria, and deepening of the uncertainties about the future of the country heightens the risk levels for Turkey. This condition was the other reason behind the sharp fall.

Currently, both of the conditions sustain:

1) There is no outlook change for probable post-tapering period. It is widely expected that the FED will declare its road map to taper its LSAP Program in September.

2) After the chemical weapons utilization, the international community tries to form a military coalition for deterring the regime from new exploitations. We could not calculate the impact of any limited reaction on Syria. It is also indeterminate how Turkey would take place in any military alliance.

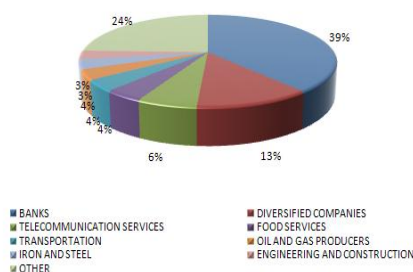
Under these pessimistic factors, the market moves to form a new dip. The BIST100 index is at 24,756 points level in euro basis. That level was the lowest since January 2012. According to Bloomberg estimates, analysts calculate approx.25 percent upside potential for the market. Though there are some concerns for new downgrades, we think that the potential is not frustrating. We try to benefit from recovery buys in order to mitigate the destroy of the declining trend.

We still preserve our balanced strategy of portfolio formation. The portfolio still includes our small-and-medium cap selections. We believe in the longer-term alpha-generation potentials of these selections.

Currently, Turkish stocks traded at 8.9x expected P/E versus 9.3x of MSCI. Additionally, Turkish stocks traded at 20% discount relative to 5 year average of expected P/E.

| | YTD | Since Inception |
|-------------------|-------|-----------------|
| Jensen's Alpha | 0% | 1% |
| Sharpe | -1.16 | -0.05 |
| Information Ratio | 0.15 | 0.19 |
| Beta | 0.98 | 1.01 |

Sector Breakdown



Comparative Returns / 25.07.08 - 29.08.13



The graph represents gross of fees performance.

Administrative Information

| | | |
|---------------------------|-----------|----------------------|
| Fund Name | : | Akbank Turkish SICAV |
| ISIN : | A Class | : LU0366551272 |
| | I Class | : LU0366551439 |
| | TRY Class | : LU0451096316 |
| WKN : | A Class | : A0Q8MF |
| | I Class | : A0Q8MH |
| Minimum Subscription : | A Class | : EUR 50 |
| | I Class | : EUR 5.000 |
| | TRY Class | : TRY 100.000 |
| Subscription/Redemption * | | : Daily |
| Management Fee | A Class | : 1.50% p.a. |
| | I Class | : 1.25% p.a. |
| | TRY Class | : 1.50% p.a. |

| | | |
|---------------------------|---|--|
| Registered Countries | : | Luxembourg Germany The Netherlands |
| Registered Databases | : | Bloomberg (AKTKEQI:LX; AKTKEQA:LX) Lipper Morningstar (Germany, Netherlands) Software-systems |
| Investment Manager | : | Ak Asset Management Inc. |
| Administrator / Custodian | : | Citibank International plc (Luxembourg Branch) |
| Independent Auditors | : | Ernst & Young S.A. |

* Redemption and subscription requests should be sent to the Registrar and the Transfer Agent no later than 1:00PM (Luxembourg time) on the valuation day.

This is neither an offer to sell or a solicitation to invest. This material is for your private information only and we are not soliciting any action based upon it.

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