

**Semi-annual Report and  
Unaudited Financial Statements**  
for the period from 1 January 2010 to 30 June 2010

---

**AKBANK TURKISH SICAV**

---

AKBANK TURKISH SICAV (the "SICAV") is an investment company which offers investors a choice between several classes of shares (each a "Class") in a number of sub-funds (each a "Sub-Fund"). The Fund is organised as an investment company registered under Part I of the Luxembourg Law of 20 December 2002 relating to undertakings for collective investment.

R.C.S. Luxembourg B 138.732

**AKBANK**

# Akbank Turkish SICAV

---

## Table of Contents

<b>ORGANISATION OF THE SICAV</b>	<b>2</b>
<b>GENERAL INFORMATION</b>	<b>3</b>
<b>Financial Statements</b>	
Statement of Operation and Changes in Net Assets	6
Net Assets Information as of 30 June 2010 (in EUR)	7
<b>Schedule of Investments and Other Net Assets</b>	<b>8</b>
Akbank Turkish SICAV - Equities	8
Akbank Turkish SICAV - Fixed Income	9
<b>Industrial Classification</b>	
Akbank Turkish SICAV – Equities	10
Akbank Turkish SICAV – Fixed Income	11
<b>Notes to financial Statements</b>	<b>12</b>

# ORGANISATION OF THE SICAV

**AKBANK TURKISH SICAV**  
**R.C.S. Luxembourg B 138.732**

## **Registered Office**

31, Z.A. Bourmicht  
L-8070 Bertrange, Grand Duchy of  
Luxembourg

## **Board of Directors**

### Chairman

Mr Cem Yalçınkaya  
Chief Executive Officer  
AK Asset Management  
Istanbul

### Directors

Mr Ertunç Tümen  
Executive Vice President  
AK Asset Management  
Istanbul

Mr Tuncer Mutlucan  
Managing Director  
Akbank NV

## **Management Company**

MDO Management Company  
19, rue de Bitbourg  
L-1273 Luxembourg, Grand Duchy of  
Luxembourg

## **Custodian, Administrator, Registrar and Transfer Agent, Domiciliary Agent and Listing Agent**

Citibank International plc (Luxembourg  
Branch)  
31, Z.A. Bourmicht  
L-8070 Bertrange, Grand Duchy of  
Luxembourg

## **Investment Manager**

AK Asset Management Inc.  
Sabancı Center Akbank T.A.Ş.  
Hazine Binası  
Kat:1 34330 4. Levent  
Beşiktaş İstanbul, Turkey

## **Independent Auditor**

Ernst & Young S.A.  
7, Parc d'activité Syrdall  
L-5365 Munsbach, Grand Duchy of  
Luxembourg

## **Legal Advisers in Luxembourg**

Elvinger, Hoss & Prussen  
2, place Winston Churchill  
L-1340 Luxembourg, Grand Duchy of  
Luxembourg

## **Distributors in Germany**

Citibank Privatkunden AG & Co. KGaA  
Kasernenstrasse 10  
40213 Düsseldorf, Germany

HSBC Trinkaus & Burkhardt AG  
Koenigsallee 21/23  
40212, Düsseldorf, Germany

# GENERAL INFORMATION

## The SICAV

Akbank Turkish SICAV (the "SICAV") was incorporated as an open-ended investment company (société d'investissement à capital variable – SICAV) with multiple compartments on 21 May 2008. The duration of the SICAV is indefinite. The SICAV has designated a management company subject to chapter 13 of the Law of 2002 regarding undertakings for collective investment. The Articles of Incorporation are published in the Mémorial C, Recueil des Sociétés et Associations (the "Mémorial") on 9 June 2008. The Articles of Incorporation are on file with the *Registre de Commerce et des Sociétés* of Luxembourg.

## MANAGEMENT COMPANY

The Directors of the SICAV have appointed MDO Management Company S.A. (the "Management Company") as the Management Company of the SICAV to be responsible on a day-to-day basis, under supervision of the Directors, for providing administration, marketing, investment management and advisory services in respect of all sub-funds. In respect of all sub-funds, the Management Company has delegated its investment management functions to AK Asset Management Inc.

The Management Company has delegated the administration functions to the Administrator and registrar and transfer functions to the Registrar and Transfer Agent.

The Management Company was incorporated as a "société anonyme" under the laws of the Grand Duchy of Luxembourg for an unlimited period of time on 4 May 2007 and is approved as a management company regulated by chapter 13 of the Law of 2002 relating to undertakings for collective investment. Its Articles of Incorporation were deposited with the "Registre du Commerce et des Sociétés" of Luxembourg and published in the "Mémorial" on 25 July 2007. The Management Company is 100% owned by MDO Services S.A.

The objective of the Management Company is the collective portfolio management of undertakings of collective investments in accordance with chapter 13 of the law on undertakings of collective investment dated 20 December 2002.

As of 30 June 2010, its share capital amounted EUR 1,085,470.00.

The Management Company also acts as Management Company for several other investment funds:

- Raiffeisen Capital Management Luxembourg SICAV
- Italfortune International Fund
- SWIP SICAV
- SWIP Islamic SICAV

## **INVESTMENT MANAGER**

The Management Company has appointed AK Asset Management Inc. as investment manager of the SICAV.

The Investment Manager was appointed pursuant to an Investment Management Agreement with the Management Company and the SICAV entered into as of 21 May 2008 (the "Investment Management Agreement") to provide day-to-day management of the SICAV's investments, subject to the overall supervision and responsibility of the Management Company.

According to the Investment Management Agreement, the Investment Manager may, with the prior approval of the Management Company, delegate to a third party all or a part of its management duties. Any new delegation shall be reflected in an updated Prospectus.

## **CUSTODIAN, ADMINISTRATOR, REGISTRAR AND TRANSFER AGENT, DOMICILIARY AGENT AND LISTING AGENT**

Citibank International plc (Luxembourg Branch) has been appointed as Custodian of all of the SICAV's assets, comprising securities, money market instruments, cash and other assets. It may entrust the physical custody of securities and other assets, mainly securities traded abroad, listed on a foreign stock market or accepted by clearing institutions for their transactions, to such institutions or to one or more of its banking correspondents.

The Custodian has further accepted the appointment as Administrator, Registrar and Transfer Agent, Domiciliary Agent and Listing Agent to the Company. In such capacity, Citibank International plc (Luxembourg Branch) is responsible for calculating the Net Asset Values of the SICAV and its relevant sub-funds or classes and maintaining the accounting records of the SICAV, handling and processing all subscription, redemption and switching orders, for keeping the register of Shareholders and for mailing and publicising statements, reports and notices to Shareholders and for listing the SICAV's Shares on the Luxembourg Stock Exchange.

## **REPORTS AND FINANCIAL STATEMENTS**

The financial year of the SICAV ends on 31 December in each year.

The audited financial statements and the unaudited semi-annual financial statements will comprise financial statements of the SICAV expressed in Euro, being the reference currency of the SICAV, and financial information on each sub-fund expressed in the reference currency of each sub-fund.

Copies of the annual and semi-annual reports and financial statements may be obtained free of charge from the registered office of the Fund.

# Akbank Turkish SICAV

## Statement of Net Assets as of 30 June 2010 (in EUR)

	Notes	Akbank Turkish SICAV - Equities	Akbank Turkish SICAV - Fixed Income	Combined
<b>Assets</b>				
Investments in securities at cost		11,235,219	9,721,435	20,956,654
Unrealised appreciation		1,963,413	422,893	2,386,306
Investments in securities at market value	2a	13,198,632	10,144,328	23,342,960
Cash		1,084,081	2,291,417	3,375,498
Interest receivable	2e	—	87,218	87,218
Receivable from securities sold		550,091	—	550,091
Formation expenses	2d	15,020	15,020	30,040
<b>Total assets</b>		<b>14,847,824</b>	<b>12,537,983</b>	<b>27,385,807</b>
<b>Liabilities</b>				
Accrued expenses		61,521	34,102	95,623
Payable for securities purchased		386,475	—	386,475
<b>Total liabilities</b>		<b>447,996</b>	<b>34,102</b>	<b>482,098</b>
<b>Net assets</b>		<b>14,399,828</b>	<b>12,503,881</b>	<b>26,903,709</b>
<b>Number of outstanding shares</b>				
Class A Distribution EUR		5.50	0.50	
Class I Distribution EUR		100,000.00	100,000.00	
<b>Net Asset Value per share</b>				
Class A Distribution EUR		220.28	136.50	
Class I Distribution EUR		143.99	125.04	
<b>Net Asset Value</b>				
Class A Distribution EUR		1,212	68	
Class I Distribution EUR		14,398,616	12,503,813	

5

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

# Akbank Turkish SICAV

## Statement of Operation and Changes in Net Assets from January 01 2010 to June 30 2010 (in EUR)

	Notes	Akbank Turkish SICAV - Equities	Akbank Turkish SICAV - Fixed Income	Combined
<b>Net assets at the beginning of the period</b>		<b>12,516,324</b>	<b>10,889,380</b>	<b>23,405,704</b>
<b>Income</b>				
Dividend income	2e	292,503	—	292,503
Interest income	2e	17,778	796,834	814,612
<b>Total income</b>		<b>310,281</b>	<b>796,834</b>	<b>1,107,115</b>
<b>Expenses</b>				
Investment management fee	3a	122,496	72,974	195,470
Management company fee	3b	3,719	3,719	7,438
Custody fees	3c	17,837	12,451	30,288
Administrator, registrar and transfer agent fees	3d	22,549	22,534	45,083
Domiciliary agent fee	3e	1,229	1,229	2,458
Audit and legal fees		16,246	13,799	30,045
Taxe d'abonnement	4	729	603	1,332
Other fees and expenses		12,962	12,933	25,895
<b>Total expenses</b>		<b>197,767</b>	<b>140,242</b>	<b>338,009</b>
<b>Net income from investments</b>		<b>112,514</b>	<b>656,592</b>	<b>769,106</b>
<b>Net realised gain on:</b>				
sales of investments in securities	2b	2,191,982	844,238	3,036,220
foreign exchange	2c	41,702	179,019	220,721
<b>Net change in unrealised depreciation on:</b>				
investments in securities		(463,848)	(65,348)	(529,196)
<b>Net change in net assets for the period resulting from operations</b>		<b>1,769,836</b>	<b>957,909</b>	<b>2,727,745</b>
Proceeds from subscriptions		1,154	—	1,154
Payments for redemptions		—	—	—
<b>Net payments from subscription and redemption activity</b>		<b>1,154</b>	<b>—</b>	<b>1,154</b>
<b>Net assets at the end of the period</b>		<b>14,399,828</b>	<b>12,503,881</b>	<b>26,903,709</b>

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

# Akbank Turkish SICAV

## Net Assets Information as of 30 June 2010 (in EUR)

		Akbank Turkish SICAV - Equities	Akbank Turkish SICAV - Fixed Income
<b>Net assets as of</b>	<b>30 June 2010</b>	14,399,828	12,503,881
	<b>31 December 2009</b>	12,516,324	10,889,380
	<b>31 December 2008</b>	7,143,490	9,395,208
<b>Net asset value per share as of 30 June 2010</b>			
	Class A Distribution EUR	220.28	136.50
	Class I Distribution EUR	143.99	125.04
<b>Net asset value per share as of 31 December 2009</b>			
	Class A Distribution EUR	190.92	118.78
	Class I Distribution EUR	125.16	108.89
<b>Net asset value per share as of 31 December 2008</b>			
	Class A Distribution EUR	102.00	102.24
	Class I Distribution EUR	71.43	93.95
<b>Number of shares outstanding as of 30 June 2010</b>			
	Class A Distribution EUR	5.500	0.500
	Class I Distribution EUR	100,000.000	100,000.000
<b>Number of shares outstanding as of 31 December 2009</b>			
	Class A Distribution EUR	0.500	0.500
	Class I Distribution EUR	100,000.000	100,000.000
<b>Number of shares outstanding as of 31 December 2008</b>			
	Class A Distribution EUR	0.500	0.500
	Class I Distribution EUR	100,000.000	100,000.000



# Akbank Turkish SICAV - Equities

## Schedule of Investments and Other Net Assets (in EUR) as of 30 June 2010

Quantity/ Nominal Value	Description	Market value	% of NAV
<b>Transferable securities and money market instruments admitted to an official exchange listing</b>			
324,667	Akbank TAS*	1,280,704	8.89
230,378	Akenerji Elektrik Uretim AS	368,258	2.56
150,047	Akfen Holding AS	912,976	6.33
138,127	Albaraka Turk Katilim Bankasi AS	209,400	1.45
652,469	Anadolu Cam SANayii AS	706,527	4.90
981	Anadolu Efes Biracilik Ve Malt Sanayii AS	9,409	0.07
70,129	Anadolu Hayat Emeklilik AS	148,263	1.03
1	Anadolu Sigorta	0	0.00
163,933	Asya Katilim Bankasi AS	309,384	2.15
500	Bagfas Bandirma Gubre Fabrik	26,556	0.18
41,899	Celebi Hava Servisi Clebi Ti	304,630	2.12
41,709	Cimsa Cimento SANayi Ve Tica	188,186	1.31
1	Dogan Sirketler Grubu Holdings	0	0.00
153,327	Enka Insaat ve Sanayi AS	430,887	2.99
1	Eregli Demir ve Celik Fabrikalari TAS	1	0.00
179,556	Haci Omer Sabanci Holding AS	592,555	4.11
1	Kardemir Karabuk Demir Celik SANayi Ve Ticaret AS	0	0.00
78,792	Koza Altin Isletmeleri AS	552,547	3.84
5,000	Otokar Otobus Karoseri SANayi AS	42,025	0.29
30,000	Petkim Petrokimya Holding AS	163,974	1.14
75,000	Tav Havalimanlari Holding AS	218,504	1.52
155,001	Tekfen Holding AS	375,649	2.61
50,000	Tofas Turk Otomobil Fabrikasi AS	139,224	0.97
159,401	Trakya Cam SANayi AS	175,074	1.22
33,000	Tupras Turkiye Petrol Rafine	493,471	3.43
204,001	Turk Sise Ve Cam Fabrikalari AS	183,033	1.27
55,936	Turk Telekomunikasyon AS	145,657	1.01
65,000	Turkcell Iletisim Hizmet AS	276,514	1.92
357,500	Turkiye Garanti Bankasi AS	1,225,879	8.51
40,000	Turkiye Halk Bankasi AS	243,384	1.69
386,919	Turkiye Is Bankasi	987,586	6.86
168,088	Turkiye Sinai Kalkinma Bankasi AS	153,412	1.07
482,000	Turkiye Vakiflar Bankasi Tao	904,687	6.28
85,000	Ulker Biskuvi SANayi AS	185,838	1.29
151,431	Vestel Beyaz ESYA SANayi Ve Ticaret AS	249,870	1.74
304,203	Yapi ve Kredi Bankasi AS	677,636	4.71
	<b>Total Equities</b>	<b>12,881,700</b>	<b>89.46</b>
<b>TRY Funds</b>			
350,000	Is Gayrimenkul Yatirim Ortakligi AS	272,518	1.89
45,333	Sinpas Gayrimenkul Yatirim Ortakligi AS	44,414	0.31
	<b>Total Funds</b>	<b>316,932</b>	<b>2.20</b>
<b>Total Transferable securities and money market instruments admitted to an official exchange listing</b>		<b>13,198,632</b>	<b>91.66</b>
<b>Total Investments in securities</b>		<b>13,198,632</b>	<b>91.66</b>
<b>Other Net Assets</b>		<b>1,201,196</b>	<b>8.34</b>
<b>Total Net Assets</b>		<b>14,399,828</b>	<b>100.00</b>

\* Related party entity

# Akbank Turkish SICAV - Fixed Income

## Schedule of Investments and Other Net Assets (in EUR) as of 30 June 2010

Quantity/ Nominal value	Description	Market Value	% NAV
<b>Transferable securities and money market instruments admitted to an official exchange listing</b>			
<b>TRY Supranationals, Governments and Local Public Authorities, Debt Instruments</b>			
2,500,000	Turkey (Govt of) 0.000% 3/Nov/2010	1,255,644	10.04
2,300,000	Turkey (Govt of) 0.000% 8/Dec/2010	1,146,393	9.17
2,700,000	Turkey (Govt of) 0.000% 2/Feb/2011	1,329,323	10.63
4,000,000	Turkey (Govt of) 0.000% 3/Aug/2011	1,886,658	15.09
6,000,000	Turkey (Govt of) 0.000% 16/Nov/2011	2,756,940	22.05
1,800,000	Turkey (Govt of) 14.000% 19/Jan/2011	957,953	7.66
1,000,000	Turkey (Govt of) 14.000% 26/Sep/2012	567,724	4.54
400,000	Turkey (Govt of) 16.000% 28/Aug/2013	243,693	1.95
<b>Total Supranationals, Governments and Local Public Authorities, Debt Instruments</b>		<b>10,144,328</b>	<b>81.13</b>
<b>Total Transferable securities and money market instruments admitted to an official exchange listing</b>		<b>10,144,328</b>	<b>81.13</b>
<b>Total Investment in securities</b>		<b>10,144,328</b>	<b>81.13</b>
<b>Other Net Assets</b>		<b>2,359,553</b>	<b>18.87</b>
<b>Total Net Assets</b>		<b>12,503,881</b>	<b>100.00</b>

**Akbank Turkish SICAV – Equities  
Industrial Classification  
as of 30 June 2010**

	<b>% of NAV</b>
Banks	40.54
Diversified companies	13.05
Housewares	4.90
Engineering and construction	4.51
Precious metals	3.84
Oil and gas producers	3.43
Telecommunication services	2.93
Electrical utilities	2.56
Real estate investment trust	2.20
Transportation	2.12
Home furnishings	1.74
Chemicals	1.32
Building materials	1.31
Food services	1.29
Household products	1.27
Auto manufacturers	1.26
Miscellaneous machinery	1.22
Financial services	1.07
Insurance	1.03
Other	0.07
<b>Total Investment in Securities</b>	<b>91.66</b>
<b>Other Net Assets</b>	<b>8.34</b>
<b>Total Net Assets</b>	<b>100.00</b>

Akbank Turkish SICAV – Fixed Income  
Industrial Classification  
as of 30 June 2010

	<b>% of NAV</b>
Government Bonds	81.13
<b>Total Investments in securities</b>	<b>81.13</b>
<b>Other Net Assets</b>	<b>18.87</b>
<b>Total Net Assets</b>	<b>100.00</b>

# Notes to financial Statements

## 1 – GENERAL INFORMATION

AKBANK TURKISH SICAV (the "SICAV") is an investment company which offers investors a choice between several classes of shares (each a "Class") in a number of sub-funds (each a "Sub-Fund"). The Fund is organised as an investment company registered under Part I of the Luxembourg Law of 20 December 2002 relating to undertakings for collective investment.

The SICAV is designed to offer investors, within the same investment vehicle, a choice between several sub-funds, which are managed separately and are distinguished principally by their specific investment policy and/or by the currency in which they are denominated.

At the date of the present report, the SICAV issues shares of the following two sub-funds for subscription:

- AKBANK TURKISH SICAV – Fixed Income
- AKBANK TURKISH SICAV – Equities

The following Share classes are issued for both sub-funds:

Class I Shares are available for subscription and are reserved to Institutional Investors. The minimum subscription amount is Euro 5,000.00 for this Class whereas there is no minimum holding amount for this Class, unless the Directors resolve otherwise.

Class A Shares are available to all investors. The minimum subscription and minimum holding amounts are of Euro 50.00 unless the Directors resolve otherwise.

Class TL Shares are available for subscription to all investors. The reference currency for such Class TL Shares will be the TRY. The minimum subscription amount is of TRY 100,000.00 and the minimum holding and minimum subsequent subscription amounts are of TRY 25,000.00, unless the Directors resolve otherwise.

Class I, Class TL and Class A Shares are available as Distribution Shares and Accumulation Shares.

At the date of the present report, Class I – Distribution Shares and Class A – Distribution Shares are active.

## 2 – SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Luxembourg generally accepted accounting principles applicable to investment funds. The following is a summary of significant accounting policies followed by the sub-funds.

### a) Valuation of investments in securities

Securities listed on Regulated Markets, which operate regularly and are recognised and open to the public, are valued at the last available price; in the event that there should be several such markets, on the basis of the last available price of the main market for the relevant security. Should the last available price for a given security not truly reflect its fair market value, then that security is valued on the basis of the probable sales price which the Directors deem it is prudent to assume.

Liquid assets and money market instruments are valued at nominal value plus any accrued interest.

Securities not listed on Regulated Markets, which operate regularly and are recognised and open to the public, are valued in good faith by the Board of Directors in accordance with such prudent valuation rules as the Board of Directors may determine and on the basis of the reasonable foreseeable sales prices, upon the advice of the relevant investment adviser / manager.

In the event that extraordinary circumstances render such a valuation impracticable or inadequate, the Directors may, at their discretion, prudently and in good faith follow other methods of valuation to be used if they consider that such method of valuation better reflects value and is in accordance with good accounting practice in order to achieve a fair valuation of the assets of the Fund.

#### **b) Net realised gains/loss on sales of investment in securities**

Realised gains and losses comprise the profit or loss arising from disposal of securities during the period. The net realised gains or loss on sales of investment in securities is calculated on the basis of the average cost of the securities sold.

#### **c) Conversion of foreign currencies**

The value of assets denominated in a currency other than the reference currency of a sub-fund is determined by taking into account the rate of exchange prevailing at the time of determination of the net asset value.

As of 30 June 2010, the main exchange rate is as follow:

1 EUR = 1.939324 TRY

Transactions occurring during the period in currencies other than the base currency are translated at rates of exchange ruling at the transaction date.

#### **d) Formation expenses**

The formation expenses represent the costs of establishing the SICAV and its sub-funds. The costs of establishing the SICAV amounted to approximately Euro 50,000. Where further sub-funds are created in the future, these sub-funds will bear, in principle, their own formation expenses. The formation costs are amortised on a straight line basis over 5 years from the date on which the SICAV/sub-funds commenced business.

#### **e) Income**

Dividends are credited to income on an "ex-dividend" basis, net of any irrecoverable withholding tax. Interest income includes interest applied to bonds and interest applied to bank accounts. It is accrued on a daily basis.

#### **f) Expenses**

Expenses are accounted for on an accrual basis. Expenses are charged to the Statement of Operations and Changes in Net Assets except for the expenses incurred on the acquisition of an investment which are included within the cost of that investment. Expenses arising on the disposal of investments are deducted from the disposal proceeds.

#### **g) Use of estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in Luxembourg requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported years. Actual results could differ from those estimates.

### **3 – FEES**

#### **a) Investment Management Fee**

As remuneration for its services, AK Asset Management Inc., acting as the Investment Manager, receives quarterly out of the assets of each sub-fund a fee at the annual rate of 1.75% for Akbank Turkish SICAV – Equities and 1.25% for Akbank Turkish SICAV – Fixed Income, based upon the average total net assets of each sub-fund, payable quarterly in arrears.

### **b) Management Company Fee**

The Management Company receives out of the assets of each sub-fund a variable annual fee amounting to 0.04% for assets below EUR 100 million, 0.0375% for assets between EUR 100 million and EUR 250 million and 0.035% for assets above EUR 250 million with a minimum of EUR 7,500 per annum per sub-fund. These fees are based upon the average total net assets of each sub-fund, payable quarterly in arrears.

### **c) Custodian Fee**

The Custodian receives a fee up to 7.25 basis point based upon the average total net assets of each sub-fund or a minimum of EUR 35,000 from the SICAV per annum (EUR 20,000 for the first 12 months from launch), payable quarterly in arrears.

For performing investment compliance services, the Custodian receives an annual fee of EUR 10,000 from the SICAV per annum (EUR 2,500 for the first 12 months from launch) payable quarterly in arrears.

### **d) Administrator, Registrar and Transfer Agent Fee**

The Administrator, for its fund accounting and administration functions, receives out of the assets of each sub-fund a fee up to 0.04% or a minimum of EUR 40,000 per annum (EUR 20,000 for the first 12 months from launch) based upon the average total net assets of each sub-fund, and for its registrar and transfer agency functions a fee of a minimum of EUR 7,500 per annum, payable quarterly in arrears.

### **e) Domiciliary Agent Fee**

The Domiciliary Agent receives out of the assets of each sub-fund a fee up to EUR 5,000 per annum, payable quarterly in arrears.

## **4 – TAXE D'ABONNEMENT**

Under current law and practice the SICAV is not liable to any Luxembourg taxes on income or capital gains, nor are dividends (if any) paid by the SICAV liable to any Luxembourg withholding tax. However, the Class A Shares are liable in Luxembourg to a taxe d'abonnement of 0.05% per annum of its net assets, such tax being payable quarterly and calculated on the Net Asset Value of the Class A Shares at the end of the relevant quarter. The reduced tax d'abonnement rate of 0.01% per annum is applicable to Class I Shares which are exclusively held by Institutional Investors. To the extent that the assets of the SICAV are invested in investment funds which are established in Luxembourg, no such tax is payable.

Interest, dividends and capital gains on securities may be subject to withholding or capital gains taxes in certain countries.

## **5 – CHANGES IN THE INVESTMENT PORTFOLIO**

The details of changes in the investment portfolio composition during the reporting year are available to the Shareholders at the registered offices of the Management Company.

## **6 – TRANSACTIONS WITH RELATED PARTY ENTITIES**

Akbank Turkish SICAV – Equities has invested in a related party entity as of 30 June 2010, and both sub-funds, Akbank Turkish SICAV – Equities and Akbank Turkish SICAV – Fixed Income have entered into deposits with a related party entity as of 30 June 2010. These transactions have been carried out on an arm's length basis at market rates.

## **7 – SUBSEQUENT EVENTS**

Mr Tuncer Mutlucan has resigned from the Board on 05 July 2010, Mr Mehmet Ali Ersari has been elected as director as from 07 July 2010.

**AKBANK**