

**DATAGATE BİLGİSAYAR MALZEMELERİ
TİCARET ANONİM ŞİRKETİ**

**CONSOLIDATED FINANCIAL STATEMENTS
DATED JANUARY 1, 2015– DECEMBER 31, 2015
AND INDEPENDENT AUDITOR'S REPORT**

DATAGATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ
CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31 , 2015

CONTENTS	PAGE
INDEPENDENT AUDITORS' REVIEW.....	
CONSOLIDATED STATEMENT OF FINANCIAL POSITION.....	1-2
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE STATEMENT OF PROFIT OR LOSS	3
CONSOLIDATED CASH FLOW STATEMENT	4
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY	5
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS.....	6 – 47

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

To the Board of Directors of Datagate Bilgisayar Malzemeleri Ticaret Anonim Şirketi ;

Introduction

- 1) We have audited the accompanying consolidated statement of financial position of **Datagate Bilgisayar Malzemeleri Ticaret Anonim Şirketi** (the Company) and its Subsidiaries (together will be referred to as the "Group") as at December 31, 2015 and the related consolidated statement of profit or loss and consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended and a summary of significant accounting policies and explanatory notes.

Group Management 's Responsibility for the Financial Statements

- 2) Group's management is responsible for the preparation and fair presentation of financial statements in accordance with the Turkish Accounting Standards published by the Public Oversight Accounting and Auditing Standards Authority ("POA") of Turkey and for such internal controls as management determines is necessary to enable the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to error and/or fraud.

Independent Auditor's Responsibility

- 3) Our responsibility is to express an opinion on these consolidated financial statements based on our audit. Our audit was conducted in accordance with standards on auditing issued by the Capital Markets Board of Turkey and standards on auditing issued by POA. Those standards require that ethical requirements are complied with and that the independent audit is planned and performed to obtain reasonable assurance whether the financial statements are free from material misstatement.
- 4) Independent audit involves performing independent audit procedures to obtain independent audit evidence about the amounts and disclosures in the financial statements. The independent audit procedures selected depend on our professional judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to error and/or fraud. In making those risk assessments, the Company's internal control system is taken into consideration. Our purpose, however, is not to express an opinion on the effectiveness of internal control system but to design independent audit procedures that are appropriate for the circumstances in order to identify the relation between the financial statements prepared by the Group and its internal control system. Our independent audit includes also evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Company's management as well as evaluating the overall presentation of the financial statements.
- 5) We believe that the audit evidence we have obtained during our independent audit is sufficient and appropriate to provide a basis for our audit opinion



Opinion

- 6) In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of **Datagate Bilgisayar Malzemeleri Ticaret Anonim Şirketi** and its Subsidiaries as at December 31, 2015 and their financial performance and cash flows for the year then ended in accordance with the Turkish Accounting Standards.

Reports on other responsibilities arising from regulatory requirements

- 7) Auditors' report on Risk Management System and Committee prepared in accordance with subparagraph 4, Article 398 of Turkish Commercial Code no. 6102 ("TCC") is submitted to the Board of Directors of the Company on February 12, 2016.
- 8) In accordance with subparagraph 4, Article 402 of the TCC, no significant matter has come to our attention that causes us to believe that the Company's bookkeeping activities for the period January 1 – December 31, 2015 and financial statements are not in compliance with the code and provisions of the Company's articles of association in relation to financial reporting.
- 9) In accordance with subparagraph 4, Article 402 of the TCC, the Board of Directors submitted to us the necessary explanations and provided required documents within the context of audit.

MGI BAĞIMSIZ DENETİM A.Ş.



Gamze Türkin AKSU
Principal Auditor in Charge
(İstanbul, February 12, 2016)

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) (TL)

		<i>Audited</i>	<i>Audited</i>
		<i>Current Period</i>	<i>Previous Period</i>
	Notes	December 31,2015	December 31,2014
ASSETS			
Current Assets		361.808.963	179.918.672
Cash and Cash Equivalents	6	39.296.245	29.670.655
Financial Investments	7	-	-
Trade Receivables	10	271.911.298	113.108.034
- <i>Receivables from Related Parties</i>	10-37	1.087.558	2.343.512
- <i>Other</i>	10	270.823.740	110.764.522
Other Receivables	11	24.308	285.518
- <i>Receivables from Related Parties</i>	11-37	-	-
- <i>Other</i>	11	24.308	285.518
Derivative Financial Instruments	12	12.967	-
Inventories	13	45.923.415	29.302.721
Prepaid Expenses	15	1.954.014	3.494.647
Current Tax Assets	25	-	-
Other Current Assets	26	2.686.716	4.057.097
Non-Current Assets		75.418.584	46.367.128
Trade Receivables	10	67.085.142	43.872.812
- <i>Receivables from Related Parties</i>	10-37	-	-
- <i>Other</i>	10	67.085.142	43.872.812
Other Receivables	11	-	-
- <i>Receivables from Related Parties</i>	11-37	-	-
- <i>Other</i>	11	-	-
Investments Evaluated with Equity Method	16	-	-
Investment Property	17	-	-
Property, Plant and Equipment	18	78.550	46.067
Intangible Assets	19	161.449	41.737
- <i>Goodwill</i>	-	-	-
- <i>Other Intangible Assets</i>	19	161.449	41.737
Prepaid Expenses	15	-	-
Deferred Tax Asset	35	8.093.443	2.406.512
TOTAL ASSETS		437.227.547	226.285.800

The accompanying notes form an integral part of the consolidated financial statements



DATA GATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ
 CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE PERIOD ENDED DECEMBER 31, 2015

Page: 2

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) (TL)

		<i>Audited</i>	<i>Audited</i>
		<i>Current Period</i>	<i>Previous Period</i>
	Notes	December 31, 2015	December 31, 2014
LIABILITIES			
Short-Term Liabilities		308.594.825	146.826.699
Short-Term Financial Liabilities	8	4.040	235.119
Short-term Portion of Long-term Financial Liabilities	8	196.577.011	45.879.996
Other Financial Liabilities	9	-	-
Trade Payables	10	91.971.253	87.661.425
-Trade Payables to Related Parties	10-37	353.741	155.174
-Other	10	91.617.512	87.506.251
Employee Benefit Obligations	20	50.744	170.986
Other Payables	11	2.334.720	33.608
- Other Payables to Related Parties	11-37	-	-
- Other Payables	11	2.334.720	33.608
Derivative Financial Instruments	12	-	-
Deferred Income	15	8.280.385	5.473.789
Profit Tax Liabilities	35	2.782.812	3.768.251
Provisions	22	6.593.860	3.603.525
- Other Provision	22	6.593.860	3.603.525
Other Current Liabilities		-	-
Long-Term Liabilities		67.130.812	40.067.300
Long-Term Payables	8	67.085.140	40.047.252
Provisions for Employee Benefits	24	45.672	20.048
Deferred Tax Liabilities	35	-	-
Other Long-Term Liabilities	26	-	-
SHAREHOLDERS' EQUITY	27	61.501.910	39.391.801
Parent Company Shareholders' Equity	27	61.501.910	39.391.801
Paid-in Capital		10.000.000	10.000.000
Inflation Adjustment of Shareholders' Equity		1.241.463	1.241.463
Share Buyback (-)		-	-
Shares Related Discounts / Premiums		3.229.361	3.229.361
Other Comprehensive income/expense not to be reclassified to profit or loss		34.943	45.154
- Revaluation and gain/loss arising from Measurement		34.943	45.154
Other Comprehensive income/expense to be, reclassified to profit or loss		1.973.382	2.001.532
- Foreign Currency Translation Differences		1.973.382	2.001.532
- Hedging Fund		-	-
Restricted Profit Reserves		2.960.093	2.069.083
Retained Earning		19.914.198	12.316.092
Net Profit/Loss		22.148.470	8.489.116
Non-Controlling Interests		-	-
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		437.227.547	226.285.800

The accompanying notes form an integral part of the consolidated financial statements.



CONSOLIDATED PROFIT OR LOSS AND
 OTHER COMPREHENSIVE INCOME
 STATEMENTS (TL)

	Notes	<i>Audited</i>	<i>Audited</i>
		January 1,2015 December 31, 2015	January 1,2014 December 31, 2014
OPERATING INCOME			
Sales	28	1.077.380.498	454.524.444
Cost of Sales (-)	28	(1.040.009.690)	(436.568.406)
GROSS PROFIT		37.370.808	17.956.038
General Administrative Expenses (-)	29	(6.063.269)	(3.063.303)
Marketing, Sales and Distribution (-)	29	(4.615.348)	(3.012.071)
Other Operating Income	31	14.600.961	15.426.357
Other Operating Expenses (-)	31	(15.988.441)	(14.386.230)
OPERATION PROFIT / (LOSS)		25.304.711	12.920.791
Income from Investment Activities	32	-	-
Loss from Investment Activities (-)	32	-	-
OPERATING PROFIT/LOSS BEFORE FINANCIAL INCOME/EXPENSE		25.304.711	12.920.791
Financial Income	33	3.638.967	854.372
Financial Expense (-)	33	(1.219.530)	(3.099.997)
CONTINUED OPERATIONS PROFIT / (LOSS) BEFORE TAX		27.724.148	10.675.166
Continued Operations Tax Profit / (Loss)		(5.575.678)	(2.186.050)
- Current Period Tax Income /(Expense)	35	(11.260.056)	(4.508.876)
- Deferred Tax Income / (Expense)	35	5.684.378	2.322.826
Distribution of Profit / Loss		22.148.470	8.489.116
Non-Controlling Interest		-	-
Parent Company Shares		22.148.470	8.489.116
Net Earnig Per Share	36	2,214847	0,848912
OTHER COMPREHENSIVE INCOME		-	-
Items not to be reclassified to profit or loss in subsequent periods		(10.211)	31.968
Actuarial gain and loss arising from defined benefit plans	27	(12.764)	39.959
Items not to be reclassified to profit or loss in subsequent periods related Tax		2.553	(7.991)
- Deferred Tax Income/(Expense)		2.553	(7.991)
Items to be reclassified to profit or loss in subsequent periods		(28.150)	(163.635)
Foreign Currency Translation Differences	27	(28.150)	(163.635)
Hedging Fund	27	-	-
OTHER COMPREHENSIVE INCOME		(38.361)	(131.667)
TOTAL COMPREHENSIVE INCOME/EXPENSES		22.110.109	8.357.449
Distribution of Total Comprehensive Income/Expenses		22.110.109	8.357.449
Non-Controlling Interest		-	-
Parent Company Shares		22.110.109	8.357.449

The accompanying notes form an integral part of the consolidated financial statements.



CASH FLOW STATEMENT (TL)

Notes	Audited	
	January 1,2015 December 31, 2015	January 1,2014 December 31, 2014
A. CASH FLOW PROVIDED FROM OPERATIONS	(166.930.621)	(71.946.645)
Net Profit / (Loss)	22.148.470	8.489.116
Adjustments:	22.471.239	15.918.240
Depreciation and Amortization	18-19 59.366	49.207
Profits and Losses on Sale of Fixed Assets (+)/(-)	18-19 -	-
Change in Provision for Termination Indemnities (+)	24 20.749	101.217
Termination Indemnities Paid(-)	24 (7.889)	(176.081)
Rediscount on Receivables (+)	10 13.285.998	11.692.565
Gain of Fixed Assets (-) / Loss (+)	18-19 -	-
Increase (+) / Decrease (-) in Provision for Debts	22 2.990.335	960.122
Rediscount on Notes Payable (-)	10 (346.981)	(589.110)
Hedge Accrual	12 (12.967)	-
Provision for Doubtful Receivables (+)	10 75.037	(48.465)
Provision for Decrease in Value of Inventories (+)	13 91.696	250.359
Decrease in Value of Affiliates(-)	-	-
Interest Expenses (+)	31-33 12.142.477	5.076.051
Interest Income (-)	31-33 (11.402.260)	(3.583.675)
Tax Income/Expenses	35 5.575.678	2.186.050
Changes in Working Capital	(204.869.888)	(97.803.207)
Inventories Increase/Decreases	13 (16.712.390)	(12.966.216)
Trade Receivables Increase/Decreases	10-11 (195.115.419)	(131.354.737)
Trade Payables Increase/Decreases	10-11 6.957.921	46.517.746
Cash Inflow Provided/(Used) From Activities:	(160.250.179)	(73.395.851)
Other Current Assets Increase (+)/Decreases (-)	26 1.370.381	3.117.903
Other Liabilities Increase (+)/Decreases (-)	26 -	-
Tax payments (-)	35 (12.245.495)	(909.822)
Other Increase/Decreases (+)/(-)	4.194.672	(758.875)
B. NET CASH USED IN INVESTMENT OPERATIONS	(211.561)	(68.475)
Cash Provided from Sales of Tangible and Intangible Assets	18-19 -	-
Cash Outflow from Acquisitions of Tangible and Intangible Assets	18-19 (211.561)	(68.475)
Dividends Collected (+)	-	-
C. CASH FLOWS FROM FINANCING ACTIVITIES	176.763.607	84.669.991
Change in Short Term Financial Liabilities (+)	8 150.465.936	46.115.115
Change in Long Term Financial Liabilities (+)	8 27.037.888	40.047.252
Payment of Interest	33 (740.217)	(1.492.376)
NET DECREASE/INCREASE IN CASH AND CASH EQUIVALENTS BEFORE CURRENCY TRANSLATION DIFFERENCES	9.621.425	12.654.871
NET CHANGE IN CASH AND CASH EQUIVALENTS	9.621.425	12.654.871
D. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	6 29.667.882	17.013.011
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	6 39.289.307	29.667.882

The accompanying notes form an integral part of the consolidated financial statements.



DATAGATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY FOR THE PERIOD ENDED DECEMBER 31, 2015

Page: 5

Audited	Notes	Paid-in Capital	Share Premiums/ Discounts	Other Comprehensive Income/(Expense) not to be Reclassified to Profit or Loss			Other Comprehensive Income/(Expense) not to be Reclassified to Profit or Loss			Accumulated Profit		Net Current Year Profit/Loss	Shareholder's Equity
				Revaluation and Gain/Loss Arising from Measurement	Revaluation and Gain/Loss Arising from Measurement	Foreign Currency Translation Differences	Hedge Funds	Capital Translation Differences	Restricted Reserves	Retained Earnings/Loss			
JANUARY 1, 2015	Note-27	10,000,000	3,229,361	45,154	-	2,001,532	-	1,241,463	2,069,083	12,316,092	8,489,116	39,391,801	
Transfer to Retained Earnings	-	-	-	-	-	-	-	-	-	8,489,116	(8,489,116)	-	
Transfer to Reserves	-	-	-	-	-	-	-	-	891,010	(891,010)	-	-	
Capital Increase	-	-	-	-	-	-	-	-	-	-	-	-	
Dividend Paid	-	-	-	-	-	-	-	-	-	-	-	-	
Gain on Sales of Associate which is added to Shares	-	-	-	-	-	-	-	-	-	-	-	-	
Total Comprehensive Income	-	-	-	(10,211)	-	(28,150)	-	-	-	-	-	-	
<i>Foreign Currency Translation Differences</i>	-	-	-	-	-	(28,150)	-	-	-	-	-	(28,150)	
<i>Gain/ Loss from Hedge Fund</i>	-	-	-	-	-	-	-	-	-	-	-	-	
<i>Net Current Period Profit</i>	-	-	-	-	-	-	-	-	-	-	-	22,148,470	
<i>Actuarial Gain/Loss from Defined Pension Plans</i>	-	-	-	(10,211)	-	-	-	-	-	-	-	(10,211)	
DECEMBER 31, 2015	Note-27	10,000,000	3,229,361	34,943	-	1,973,382	-	1,241,463	2,960,093	19,914,198	22,148,470	61,501,910	
Audited													
January 1, 2014	Note-27	10,000,000	3,245,938	13,186	-	2,090,884	-	1,299,169	2,009,375	15,587,755	(3,211,955)	31,034,352	
Transfer to Retained Earnings	-	-	-	-	-	-	-	-	-	(3,211,955)	3,211,955	-	
Transfer to Reserves	-	-	-	-	-	-	-	-	59,708	(59,708)	-	-	
Capital Increase	-	-	-	-	-	-	-	-	-	-	-	-	
Dividend Paid	-	-	-	-	-	-	-	-	-	-	-	-	
Gain on Sales of Associate which is added to Shares	-	-	-	-	-	-	-	-	-	-	-	-	
Total Comprehensive Income	-	-	(16,577)	31,968	-	(89,352)	-	(57,706)	-	-	-	-	
<i>Foreign Currency Translation Differences</i>	-	-	(16,577)	-	-	(89,352)	-	(57,706)	-	-	-	(163,635)	
<i>Gain/ Loss from Hedge Fund</i>	-	-	-	-	-	-	-	-	-	-	-	-	
<i>Net Current Period Profit</i>	-	-	-	-	-	-	-	-	-	-	-	8,489,116	
<i>Actuarial Gain/Loss from Defined Pension Plans</i>	-	-	-	31,968	-	-	-	-	-	-	-	31,968	
DECEMBER 31, 2014	Note-27	10,000,000	3,229,361	45,154	-	2,001,532	-	1,241,463	2,069,083	12,316,092	8,489,116	39,391,801	

The accompanying notes form an integral part of the consolidated financial statements.



DATAGATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

1 ORGANIZATION AND BUSINESS SEGMENT

Datagate Bilgisayar Malzemeleri Anonim Şirketi ("Company") was founded in 1992, and the main activities of the Company consist of sectors of information technologies. Company supplies and sells mobile phones, mobile devices, accessories, aeva GSM lines, top up, products branded aeva and computer products to dealers which are authorized by Aeva.

The main shareholders of the company as of December 31, 2015 and December 31, 2014 are İndeks Bilgisayar Sistemleri Sanayi ve Ticaret A.Ş. % 59,24 (Non-Public shares % 51,74 and Public Shares % 7,5) , Tayfun Ateş % 5,00 and Public Shares % 35,75.

As of December 31, 2015 and December 31, 2014, details regarding to Company's subsidiary, which is subject to consolidation, is as follows:

Company Name	Field Of Operations	Capital	% of Direct Ownership	% of Indirect Ownership
Datagate International FZE	Purchasing and Selling of Computer and Equipment	150.000 UAE Dirham	100	100

Hereafter, the Company and the subsidiary will be referred as ("The Group") in the consolidated financial statements and notes to the financial statements.

The average number of employees as of December 31, 2015 is 34. (December 31, 2014:29). All of the employees of the Group are white-collared.

The Company's official address registered in Trade Registry is Merkez Mahallesi Erseven Sokak No:8/2 Kağıthane/İstanbul .Company headquarters is in İstanbul.

NOTE 2 BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.01 Basic Principles for the Presentation

The Group in Turkey maintain their books of account and prapare their statutory financial statements in TL in accordance with the Turkish Commercial Code,Tax Legislation,The uniform Chart of Accounts issued by Ministry of Finance.The accompanying financial statements are prepared in accordance with Capital Market Board's Communiqué "Principles of Financial Reporting in Capital Markets"("Communiqué") which was published in the Official Gazette dated June 13,2013 and numbered 28676 Series: II,No.14.1.According to Article 5 of the Communiqué,The Group is applied in accordance with Turkish Accounting Standards / Turkish Financial Reporting Standards ("TAS / TFRS") and its addendum and interpretations issued by Public Oversight Accounting And Auditing Standards Authority ("POA") The Group's financial position and operation results are indicated in the Group's functional currency, Turkish Lira.Comparative figures are reclassified,where necessary,to conform to changes in the presentation of the financial statements which are prepared in accordance with "Turkish Account Standards" issued by POA.

As of February 12, 2016 the consolidated financial statements were approved and signed by its Board of Directors for the period January 1- December 31, 2015. General Assembly has a right to change financial statements.

Evaluation of Foreign Currency Transactions in Functional Currency

The Group determined its functional currency as USD in accordance with International Accounting Standards ("IAS") 21 "The Effects of Changes in Foreign Exchange Rates", due to the fact that the significant part of sales and purchases are USD based until June 30,2014.The company has decided to determine its functional currency as TL beginning from July 01,2014 due to the fact that TL is used significant part of sales and purchases.Functional currency is USD of Datagate International Free Zone which is subject to consolidation.

The main Shareholders' translation of foreign currency transactions as USD for the period January 1,2014 and June 30,2014 are outlined as follows;

- Transactions in foreign currencies are translated using the prevailing spot f/x rates between the foreign currency and the functional currency in the transaction dates and recorded in functional currency.



DATAGATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

At each statement of financial position date,

- Monetary items in foreign currency are translated into USD using the statement of financial position date rates,
- Non-monetary items which are recorded at historical cost, are translated into USD using the rates at transaction dates,
- Non-monetary items which are measured at fair value, are translated into USD using the rates of the date which the fair value was determined.

Using a Reporting Currency Other Than The Functional Currency

The accompanying financial statements and notes, which are prepared to be presented to CMB are prepared in Turkish Lira. Until June 30, 2014, the main outlines applied during translation of financial statements which were prepared in USD to Turkish Lira for presentation purposes are as follows:

- Assets and liabilities for each statement of financial position presented (including comparatives) are translated at the closing rate at the date of that statement of financial position. Capital and capital reserves are carried at their historical nominal values and the translation differences arising from these are recorded under the equity item translation differences.

June 30, 2014 income statement for the period ending on the date which is a month average foreign exchange translated into TL.

- All resulting exchange differences are recognised in other comprehensive income.

Date	USD Rate
June 30, 2014	2,1898
December 31, 2013	2,1343

The company has decided to determine its functional currency as TL beginning from July 01, 2014 due to the fact that TL is used significant part of sales and purchases. Accordingly, transactions are accounted with functional currency as TL after July 1, 2014.

Non-monetary items in the financial statements which are prepared as at December 31, 2015 are accepted as USD until June 30, 2014. After that date non-monetary items are accounted with functional currency as TL which has changed.

Statement of profit or loss accounts were accounted like non-monetary items with functional currency as USD that translated average rate until June 30, 2014.

2.02 Dealing with the Inflation Effects in Hyper-Inflationary Periods

According to the decision dated March 17, 2005 with No:11/367 made by the CMB, the inflation accounting is no longer effective for the periods after January 1, 2005 for the companies that are operating in Turkey and preparing financial statements in accordance with CMB standards. Therefore, practise of International Accounting Standards 29 "Financial Reporting on Hyper-Inflationist Economies" ended after January 01, 2005.

2.03 Consolidation Principles

Subsidiaries are the companies, whose shares are held by the Group directly or indirectly through shares of other companies. As a result, the Group with or without over 50% of voting right, has the power and authority to direct and control the management and policies of the subsidiary companies whether through the ownership of voting securities, by contract or otherwise.

Statement of financial position and Statement of profit or loss of the subsidiaries are consolidated according to "full consolidation method" and book value and capital of the Group's subsidiary are adjusted accordingly. Transactions and balances between the Company and Subsidiaries are eliminated during consolidation.



DATAGATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

Minority interests show minority shareholders' share in the subsidiaries' assets and result of operations for the related period. These details are to be expressed separately in consolidated Statement of financial position and Statement of profit or loss. If losses related to minority interest are over benefits from shares of a subsidiary and if there is no bounding liability to the minorities, in general, these losses related with the minorities result against to benefits of the minorities.

Companies under common control of the Group are described as Joint Managing Companies. The Group has not significant impact on financial and operating policies of these companies.

The current shares in the subsidiaries as of December 31, 2015 and December 31, 2014 are as follows:

Company Name	Field Of Operations	Capital	% of Direct Ownership	% of Indirect Ownership
Datagate International FZE	Purchasing and Selling of Computer and Equipment	150.000 UAE Dirham	100	100

A new company was established in United Arab Emirates in 2012 with the title Datagate International FZE a capital in the amount of UAE Dirham 150.000 and the Company participated in Datagate International FZE by 100 % during its establishment and accordingly this new company was included in consolidation scope and there was not any goodwill calculated relating to this transaction.

Statements of financial position and statements of profit or loss of the subsidiary are consolidated according to "full consolidation method" and "partial consolidation method", and book value and capital of the Company's subsidiary are adjusted accordingly. Transactions and balances between the Company and subsidiary are eliminated during consolidation.

2.04 Comparative Information and Adjustment of the Previous Consolidated Financial

Consolidated financial statements of the Group have been prepared comparatively with the prior period in order to give information about financial position and performance. In the current year, the Group has made several reclassifications in the prior year consolidated financial statements in order to maintain consistency, with current year consolidated financial statements.

2.05 Offsetting

The financial assets and liabilities in the financial statements are offset and the net amount reported in the statement of financial position, where there is a legally enforceable right to offset the recognized amounts, and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

2.06 Changes in Accounting Policies

The changes to the current accounting policies can be performed if it is necessary or the changes will provide more appropriate and reliable presentation of the transactions and events related to the financial position, performance and the cash flow of the Group that affect the financial statements of the Group. If the changes in accounting policies affects the prior periods, policy is applied to the prior period financial statements as if it is applied before. There are not any changes in the accounting policies of the Group in the current period.

2.07 Changes in Accounting Estimates and Errors

Accounting estimates are made based on reliable information and using appropriate estimation methods. However, if new or additional information becomes available or the circumstances, which the initial estimates based on, change, then the estimates are reviewed and revised, if necessary. If the change in the accounting estimates is only related to a sole period, then only that period's financial statements are adjusted. On the other hand, if the amendments are related to the current as well as the forthcoming periods, then both current and forthcoming periods' financial statements are adjusted.

In instances where the accounting estimates affect both current and forthcoming periods, then description and monetary value of the estimate is disclosed in the notes to the financial statements. However; if the effect of the accounting estimate to the financial statement cannot be determined, then it is not disclosed in the notes to the financial statements. The Group is applying the accounting estimates to determine the doubtful receivables, the value decrease in fixed assets and inventory, the useful lives of the fixed assets, contingent liabilities, actuarial assumptions for the termination indemnities, etc. The explanation regarding the changes in accounting estimates applied in the current are disclosed in the related parts of the notes to the financial statements.



DATAGATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015

(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

IAS 21 Effects of Changes in Foreign Exchange Rates defines the functional currency as the currency of the primary economic environment in which the entity operates. The economic environment is in general the environment in which the company creates and spends cash. The functional currency is determined by the company management considering the currency which effects the good and services sales at most, the currency in which the salaries and similar expenses are paid, the currency of cash provided by financing activities and any changes in these factors in the future. The company management reviews the accounting estimates and policies applied at each statement of financial position date.

Significant Accounting Considerations, Predictions and Assumptions

During the preparation of the financial statements, the Group management has to make assumptions and predictions, which would indicate the possible liabilities, commitments as of the statement of financial position date as well as amounts of income and expense as of the reporting date. The realized results may differ from the estimates. Estimations are reviewed regularly and any corrections made to those estimates is corrected in the current period and reflected on the statement of profit or loss in the period which is occurred.

The Comments, which may have significant affects for the amounts reflected on the financial statements and the assumptions made that are existed as of statement of financial position date or may occur at future are as below:

- Termination Indemnity Liability is determined using the actuarial valuations (discount rates, salary increases for the future periods and estimated probability of retirement rates) (Note 24)
- Tangible assets are depreciated using the straight-line method over their economic lives. The estimated useful life and amortization are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. The Company has no change in estimate of calculation of depreciation and amortization (Note: 18-19)
- The Company makes provision for receivables which have uncertainty (doubt) about collection whether to sue or not. The Company is taken guarantees from companies to intend to prevent the receivables might be doubted.(Note:10)
- Inventories are stated either at the lower of acquisition cost or net realizable value in the financial statements. Technological ageing is used to calculate the Group's inventory impairment (Note:13)

Acquired premiums which are determined proportion in accordance with sales and purchases from companies that are distributed by the company.(Note:26)

2.08 Summary of Significant Accounting Policies

2.08.01 Revenue

The Group recognizes income according to the accrual basis, when the Group reasonably determines the income and economic benefit is probable. Group's income mainly consists of sales of Mobile devices, Top upset card and Information technologies. All the sales are operated via dealers and there are not any direct sales to end customers. Net sales are calculated by deducting sales return and sales discounts from total sales.

Revenue related to the sale of goods, is recorded to the financial statements when all the followings are applied:

- The significant risks and the ownership of the goods are transferred to the customer,
- The Group refrains the managerial control over the goods and the effective control over the goods sold,
- The revenue can be measured reasonably,
- It is probable that the economic benefits related to transaction will flow to the entity,
- The costs incurred or will be incurred in conjunction with the transaction can be measured reliably.

The great majority of purchases of Company are made directly from the producing company. Differences may occur in price are absorbed by producer firms, price competition is provided. On the other hand ,losses relating to products containing manufacturing defects is paid to the company by the producing company. Additionally, exceptional price is getting from manufacturers to dealers for majority of purchasing in Private and Public Sectors and quotations are made for firms which in these sectors in a suitable conditions .In accordance with changes in dynamics of IT sector,group gets support directly from producing company about new product and technologies.



DATAGATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

If the producing company's marketing strategy demands to sell in lower price the products waiting in the inventories, producing company makes payment under the name of hedging inventory. Received these payments are deducted from the inventory cost. On the other hand, taken turnover premiums depend on selling are added to selling price and recorded as revenue.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

When there is significant amount of cost of financing included in the sales, the fair value is determined by discounting all probable future cash flows with the yield rate, which is embedded in the cost of financing. The differences between the fair value and the nominal value are recorded as interest income according to the accrual basis.

2.08.02 Inventories

Inventories are stated either at the lower of acquisition cost or net realizable value. The inventories of the Group consist of mobile devices, top up, Sim card and information technologies. The inventory cost methods used by the Group is "First in First out (FIFO)". Net realizable value is calculated by subtracting sales expenses from the sales price of the related product.

Furthermore, Company makes provisions for impairment of net realizable value by account after balance sheet period for value falling trade goods. (Not:13)

2.08.03 Property, Plant and Equipment

The Property, Plant and Equipment acquired after January 01, 2005 are carried at historical cost, which is calculated by deducting the accumulated depreciation from their cost basis. For assets that were acquired before January 01, 2005, the Property, Plant and Equipment are presented on the financial statement at indexed historical cost for inflation effects as at December 31, 2004. Tangible assets are depreciated using the straight-line method over their useful lives.

The following rates, determined in accordance with the economic lives of the fixed assets, are used in calculation of depreciation:

	<u>Useful Lives (year)</u>
- Machinery, Plant, and Equipment	5
- Furniture and Fixtures	4-5
- Motor Vehicles	2-5
- Leasehold Improvements	5

Property, Plant and Equipment are reviewed in terms of impairment for each statement of financial position period. If the carrying value of a tangible fixed asset is more than its expected net realizable value, then the carrying value is reduced to its net realizable value by making the necessary provisions. There is no provision for decrease in value of tangible fixed assets.

The profit and loss arisen from fixed asset sales are determined by comparing the net book value with the sales price and the difference is recorded as operating profit or loss.

Maintenance and repair costs are recorded as expense as at their realization date. If the maintenance and repair expenses clearly improve the economic value or performance of the related asset, then these costs are capitalized.

2.08.04 Intangible Assets

Intangible Assets contains acquired assets by sales such as computer software programs and computer software licences. There is no intangible assets created within the structure of business.

Intangible assets acquired before January 1, 2005 are carried at historical cost including inflationary effects as at December 31, 2004; however, purchases after January 1, 2005 are carried at their historical cost less accumulated amortization and impairment.

Intangible assets are depreciated on a straight-line basis over their expected useful lives in five and ten years period.



DATAGATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. If the net value of an intangible asset is more than the recoverable value, the net value of the intangible asset is decreased to recoverable value by making provisions. There is no provision for the value decrease in intangible assets.

2.08.05 Impairment of Assets

Assets that have an indefinite useful life, such as goodwill, are not subject to amortization but they are annually tested for impairment.

Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Non-financial assets that suffered impairment are reviewed for possible reversal of impairment at each reporting date.

2.08.06 Research and Development Expenses

None.

2.08.07 Borrowings Costs

The borrowing costs are recognized as expense when they are incurred. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset shall be capitalized as part of the cost of that asset. The capitalization of borrowing costs as part of the cost of a qualifying asset shall commence when expenditures for the asset are being incurred, borrowing costs are being incurred; and activities that are necessary to prepare the asset for its intended use or sale are in progress. Expenditures on a qualifying asset include only those expenditures that have resulted in payments of cash, transfers of other assets or the assumption of interest-bearing liabilities. The Group did not capitalize any borrowing costs as of year end.

2.08.08 Financial Instruments

(i) Financial Assets

Investments are recognized and derecognized on transaction date where the purchase and sales of an investment is under a contract, terms of which require delivery of the investment within the timeframe established by the market concerned and are initially measured at fair value, net of transaction costs except for those financial assets classified as fair value through profit or loss which are initially measured at fair value.

Financial assets are classified as "financial assets, whose fair value differences are reflected to the profit or loss", "financial assets held to the maturity", "financial assets available for-sale" and "loans and receivables."

Prevailing Interest Method;

Prevailing interest method is the assessment of financial asset with their amortized cost and allocation of interest income to the relevant period. Prevailing interest rate is a rate that discounts the estimated cash flow of the financial instruments for the expected life or where appropriates a shorter period.

Income related to financial assets, except the "financial assets, whose fair value differences are reflected to the profit or loss", is calculated by using the prevailing interest rate.

a) Financial Assets Whose Fair Value Differences Are Reflected to the Profit or Loss

"Financial assets whose fair value differences are reflected to the profit or loss", are the financial assets that are held for trading purposes. If a financial asset is acquired for trading purposes, it is classified in this category. Also, derivative instruments, which are not exempt from financial risk, are also classified as "Financial assets whose fair value differences are reflected to the profit or loss". These financial assets are classified as current assets.

b) Financial Assets Which Will Be Held to the Maturity

Debt instruments, which the Group has the intention and capability to hold to maturity, and/or have fixed or determinable payment arrangement, are classified as "Investments Held to the Maturity". Financial asset that will be held to the maturity, are recorded after deducting the impairment from the cost basis, which has been amortized with prevailing interest method. All relevant income is calculated using the prevailing interest method.



DATAGATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

c) Financial Assets Available-For-Sale

Financial assets, which are "Available-for-Sale", are either financial assets, which will not be held to maturity or financial assets, which are not held for trading purposes. Financial assets Available-for-Sale are recorded with their fair value if their fair value can be determined reliably. Marketable securities are shown at their cost basis unless their fair value can be reliably measured or have an active trading market. Profit or loss pertaining to the financial assets Available-for-Sale is not recorded on the statement of profit or loss. The fluctuation in the fair value of these assets is shown in the statement of shareholders' equity. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognized is included in profit or loss for the period. Provisions recorded in the statement of profit or loss pertaining to the impairment of financial asset Available-for-Sale cannot be reversed from the statement of profit or loss in future periods.

Except equity instruments classified as available-for-sale, if impairment loss decreases in next period and if therein decreasing can be related to an event occurred after the accounting of impairment loss, impairment loss accounted before can be cancelled in statement of profit or loss.

d) Loans and Receivables

Trade receivables, other receivables, and loans are initially recognized at their fair value. Subsequently, receivables and loans are measured at amortized cost using the effective interest method. In the case of interest on loans and receivables negligible, registered value of loan and receivables is accepted as fair value.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indication of impairment at each statement of financial position date. Financial assets are impaired, where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted. For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced with the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are reversed against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

With the exception of available for sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

With respect to available-for-sale equity securities, any increase in fair value subsequent to an impairment loss is recognized directly in equity.

Cash and Cash Equivalents

Cash and cash equivalents are cash, demand deposit and other short-term highly liquid investments, which their maturities are three months or less from the date as of acquisition, that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

(ii) Financial Liabilities

Financial liabilities and equity instruments are classified according to the contractual agreements entered into and the definition of financial liability and equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all the liabilities. Accounting policies determined for the financial liabilities and the financial instruments based on equity are explained below.

Financial liabilities are classified as either "financial liabilities whose fair value differences are reflected to the profit /loss" or other financial liabilities.



DATAGATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

a) Financial Liabilities Whose Fair Value Differences Are Reflected to the Profit /Loss

"Financial liabilities whose fair value differences are reflected to the profit /loss" are recorded with their fair value and are re-evaluated at the end of each statement of financial position date. Changes in fair values are recorded on the statement of profit or loss. Net earnings and/or losses recorded on the statement of profit or loss also include interest payments made for this financial liability.

b) Other Financial Liabilities

Other financial liabilities are initially recognised with their fair values free from transaction costs.

Other financial liabilities are recognised over their amortized costs using the effective interest method and with interest costs calculated over effective interest rate in subsequent periods. The effective interest method is the calculation of the amortized costs of the financial liabilities and the distribution of the related interest expenses to related periods.

iii) Derivative Financial Instruments

The Group has agreement in foreign currency futures markets. Derivative financial instruments are recognized with its market value on the date of derivative contracts signed and re-assessed with its market value.

The difference between the fair value as of December 31, 2015 and the cost value of the forward contracts as of recognized under the shareholders' equity within the scope of "IAS 39 Hedging Accounting."

As of December 31, 2014 there is no existing forward contracts.

The gain or loss realized from the increase or decrease in the fair value of the derivative instruments which do not meet the conditions for hedging accounting is recognized in profit or loss.

The fair value is determined by the appropriate one of possible valid market values, otherwise discounted cash flows and option pricing models. The derivatives with positive fair value is recognized as an asset and with negative fair value is recognized as a liability under the statement of financial position. (Note: 12)

2.8.09 Effects of Currency Fluctuations

All transactions, denominated in foreign currencies, are converted into TL by the exchange rate ruling at the transaction date. All foreign currency denominated monetary assets and liabilities stated at the statement of financial position are converted into TL by the exchange rate ruling at the statement of financial position date. Foreign exchange gains and/or losses as a result of the conversions are recorded in the statement of profit or loss. The Group ordinarily sales and buys goods similar exchange types. Therefore have no substantial currency risks.

2.08.10 Earnings per Share

Earnings per share in the statement of profit or loss are calculated by dividing net income by the weighted average number of common shares outstanding for the period.

In Turkey, companies are allowed to increase their share capital by distributing "bonus shares" from retained earnings. These bonus shares are deemed as issued shares while calculating the net earnings per share. Accordingly, the retrospective effect for those share distributions is taken into consideration in determining the weighted-average number of shares outstanding used in this computation.

2.08.11 Subsequent Events

Subsequent events cover all events that occur between the statement of financial position date and the publication date of the financial statements. If there is substantial evidence that the subsequent events existed or arise after the statement of financial position date, these events are disclosed and explained in the notes to the financial statements.



DATAGATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

2.08.12 Provisions, Contingent Liabilities & Assets

A provision is recognized when an entity 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 reliable estimate can be made of the amount of the obligation. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation. The discount rate (or rates) is a pre-tax rate (or rates) that reflect(s) current market assessments of the time value of money and the risks specific to the liability. The increase in provisions arisen from time differences is recorded as interest expense in case of discounting. Future events that may affect the amount required to settle an obligation shall be reflected in the amount of a provision where there is sufficient objective evidence that they will occur. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities and assets are not reflected to consolidated financial statements but disclosed in the notes to the consolidated financial statements. The entity recognizes a provision for the part of the obligation, for which an outflow of resources embodying economic benefits is probable, except in the extremely rare circumstances where no reliable estimate can be made.

2.08.13 Leasing Operations

The Group as Lessee

Financial Leases

Financial leases are described which the lessor retains all the risks and benefits pertaining to the goods. Financial leases are taken into the accounts according to lower current market value or minimum lease payments.

The liability arising from a financial leasing transaction is separated into interest payable and principal debt in order to determine a fixed interest rate on the remaining balance. The costs and expenses incurred at the initial acquisition of the fixed asset subject to financial leasing are added to the cost. The fixed assets obtained through financial leasing are subject to depreciation over their estimated useful lives.

Operating Leases

Lease agreements in which the lessor retains all the risks and benefits relating to the good are described as operational leasing. Lease payments made for an operational leasing are recorded as expense according to normal method throughout the lease term. Lease agreements are related to office, storage and motor vehicles leasing in İstanbul, Ankara, İzmir and Diyarbakır. Annual Rent payment during lease period is recognized on a straight-line basis as expense.

The Group as Lessor

Operating Leases

The Group presents assets subject to operating leases in their statement of financial position according to the nature of the asset. Lease income from operating leases is recognized as income according to the normal method. The initial direct costs incurred during operational leasing are reflected to statement of profit or loss as expense. Group's Lease agreements as a lessor, are related with leasing to small part of the main building where Group's operating, to other non-consolidated companies and to another company which is not include the Group, as a office and store.

2.08.14 Related Party Disclosures

The partners' of the Company, Company's Board of Directors, Company's management personnel, Company's other directors, close family members in the charge of the Company, and other companies directly or indirectly controlled by the Company are considered as related parties. The transactions with related parties are disclosed in the Note: 37.

2.08.15 Government Grants and Assistance

None.

2.08.16 Investment Property

There is no investment property of Group as of December 31, 2015 and December 31, 2014.



DATAGATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015

(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

2.08.17 Taxation and Deferred Tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the statement of financial position liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the statement of financial position date. The measurement of deferred tax liabilities and assets reflects the tax consequences that may arise from which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the period

Current and deferred tax are recognized as an expense or income in the statement of profit or loss, except when they relate to items credited or debited directly to equity, in which case the tax is also recognized directly in the equity, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquirer's identifiable assets, liabilities and contingent liabilities over cost.

Taxes on financial statements contain changes in current period taxes and deferred tax. Group calculates current period tax and deferred tax based on period results.

Offsetting in Taxation

Corporate tax payable is offset with prepaid corporate taxes. Deferred tax assets and liabilities are also offset.

2.08.18 Retirement Pay

According to Turkish Labor Law, employee termination benefit is reflected in the financial statements, when the termination indemnities are deserved. Such payments are considered as being part of defined retirement benefit plan as per IAS No.19 "Employee Benefits".

Termination indemnity liability is reflected to the financial statements with the amount calculated for value at statement of financial position date of lump pension in the next years by discounting by adequate interest rate. Interest cost added to the lump pension expense is shown as interest expense in the results of operations.



DATAGATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

2.08.19 Cash Flow Statement

Cash and cash equivalents are stated at their fair values in the statement of financial position. The cash and cash equivalents comprises cash in hand, bank deposits and highly liquid investments.

On cash flow statement, the Group classifies period's cash flows as investment and financing activities. Cash inflow provided from operating activities denotes cash inflow provided from main activities of the Group.

Cash flow concerned with investment activities shows cash used and provided from investment activities (asset investments and financial investments).

Cash flow concerned with financial activities represents sources used from financial activities and pay-back of these funds.

2.08.20. Income Accruals

The most of the products sold by the Group has foreign origin. The purchases are made from foreign companies, offices of foreign companies in Turkey or domestic companies in Turkey. Depending upon the realization of the targets given by the domestic or foreign companies; a set of payments are received or offsetting the accounts under the name of "rebate", "return", "sell out", or "bonus". The mentioned amounts are recognized as credit note income accruals in the statement of financial position depending upon the realization of the targets and conditions given by the sellers. The documents prepared by sellers under the name of "rebate", "return", "sell out", "bonus", and "credit note" (or Invoices prepared by the Group) is collected or offsetted.

2.08.21 Provisions for Warranty

The Group is a distributor of the information technology products in Turkey. The warranties of the products sold are provided by the companies assigned by the producers. The products submitted to Group from dealers and these products are sent to producers or companies assigned by the producers for repair and maintenance. After the repair and maintenance, if there is a need to change or give a new product to customers within the scope of the warranty, the amount of the products are invoiced to producer companies. The Group has no liability of provisions for warranty.

2.09 New and Revised International Financial Reporting Standards

i) Summary of the new standards, amendments, interpretations and resolutions which are effective as at January 1, 2015;

TAS 19 "Defined Benefit Plans: Employee Contributions" (Amendment) : TAS 19 Defined Benefit Plans: Employee Contributions (Amendment) TAS 19 requires an entity to consider contributions from employees or third parties when accounting for defined benefit plans. The amendments clarify that, if the amount of the contributions is independent of the number of years of service, an entity is permitted to recognise such contributions as a reduction in the service cost in the period in which the service is rendered, instead of allocating the contributions to the periods of service. These amendments are to be retrospectively applied for annual periods beginning on or after July 1, 2014.

Annual Improvements to TAS/IFRS

In September 2014, Public Oversight Authority (POA) has issued the below amendments to the standards in relation to "Annual Improvements - 2010—2012 Cycle" and "Annual Improvements - 2011—2013 Cycle. The changes are effective for annual reporting periods beginning on or after July 1, 2014.

Annual Improvements 2010-2012 Cycle

TFRS 2 "Share Based Payment" (Amendment) : Definitions relating to vesting conditions have changed and performance condition and service condition are defined in order to clarify various issues. The amendment is effective prospectively.

TFRS 3 "Business Combinations" (Amendment): Contingent consideration in a business acquisition that is not classified as equity is subsequently measured at fair value through profit or loss whether or not it falls within the scope of TFRS 9 Financial Instruments. The amendment is effective for business combinations prospectively.



DATAGATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

TFRS 8 "Operating Segments" (Amendment): Operating segments may be combined/aggregated if they are consistent with the core principle of the standard. The reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker. The amendments are effective retrospectively.

TAS 16 "Property, Plant and Equipment" and TAS 38 "Intangible Assets" (Amendment): Clarifies that revaluation can be performed, Adjust the gross carrying amount of the asset to market value or determine the market value of the carrying amount and adjust the gross carrying amount proportionately so that the resulting carrying amount equals the market value. The amendment is effective retrospectively.

TAS 24 "Related Party Disclosures"(Amendment): The amendment clarifies that a management entity, an entity that provides key management personnel services, is a related party subject to the related party disclosures. The amendment is effective retrospectively.

Annual Improvements 2011-2013 Cycle

TFRS 3 "Business Combinations" (Amendment): The amendment clarifies that Joint arrangements are outside the scope of TFRS 3, not just joint ventures. The scope exception applies only to the accounting in the financial statements of the joint arrangement itself. The amendment is effective prospectively.

TFRS 13 "Basis for Conclusions on Fair Value Measurement": The portfolio exception in TFRS 13 can be applied not only to financial assets and financial liabilities but also all other contracts in the scope of TAS 39. The amendment is effective prospectively.

TAS 40 "Investment Property" (Amendment): The amendment clarifies the interrelationship of TFRS 3 and TAS 40 when classifying property as investment property or owner-occupied property. The amendment is effective prospectively.

ii) The new standard, Amendments and interpretations that are not effective or an early adoption is not used by the Company as of September 30, 2015 are as follows:

TFRS 9 "Financial Instruments: Classification and Explanation" :

TFRS 9 introduces new requirements for classifying and measuring financial assets and liabilities. The amendments made to TFRS 9 will mainly affect the classification and measurement of financial assets and measurement of fair value of a fair value option financial liability attributable to credit risk is presented under other comprehensive income. The date of mandatory application of the amendments are deferred at January 1,2018.Early adoption is permitted.(These amendments are not published as yet, by POA)

TAS 16 "Property, Plant and Equipment" and TAS 38 "Intangible Assets" (Amendment) :The amendments , have prohibited the use of revenue-based depreciation for property, plant and equipment and significantly limiting the use of revenue-based amortization for intangible assets. The amendments are effective prospectively for annual periods beginning on or after January 1, 2016. Earlier application is permitted.

TFRS 11 "Accounting for Acquisition of Interests in Joint Operations" (Amendment): The amendments clarify whether TFRS 3 Business Combinations applies when an entity acquires an interest in a joint operation that meets that standard's definition of a business. The amendments require business combination accounting to be applied to acquisitions of interests in a joint operation that constitutes a business. The amendments apply prospectively for annual periods beginning on or after 1 January 2016. Early adoption is permitted.

IFRS 10 " Consolidated Financial Statements and IAS 28 "Investor and its Associate or Joint Venture " (Amendment): The amendments address the conflict between the existing guidance on consolidation and equity accounting. The amendments require the full gain to be recognized when the assets transferred meet the definition of a business. The amendments apply prospectively for annual periods beginning on or after 1 January 2016. Early adoption is permitted.

IFRS 14 "Regulatory Deferral Accounts":The standard permits first time adopters of IFRS to continue using previous GAAP to account for regulatory deferral account balances. The interim standard is effective for financial reporting periods beginning on or after 1 January 2016, although early adoption is permitted.



DATA GATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

IAS 27 "Separate Financial Statements" (Amendment): The amendment address the option to use the equity method to account for investments in subsidiaries and associates in an entity's separate financial statements. Therefore, an entity must account for these investments either; at cost, in accordance with IFRS 9 (or IAS 39) or using the equity method the entity must apply the same accounting for each category of investments. The amendment is effective for annual periods beginning on or after January 1, 2016. The amendments must be applied retrospectively. Early application is permitted.

IAS 1 "Presentation of Financial Statements" (Amendment): Those amendments include narrow-focus improvements in the following five areas: Materiality, disaggregation and subtotals, notes structure, disclosure of accounting policies, presentation of items of other comprehensive income arising from equity accounted investments. The amendments are applicable for annual periods beginning on or after January 1, 2016. Earlier application is permitted.

Annual Improvements 2012-2014 Cycle

The amendments are applicable for annual periods beginning on or after January 1, 2016. Earlier application is permitted.

IFRS 5 "Fixed Assets Held For Sale Purposes And Discontinued Operations" (Amendment)

IFRS 7 "Financial Instruments: Explanation" (Amendment)

IAS 19 "Employee Benefits" (Amendment)

IAS 34 "Interim Financial Reporting" (Amendment)

The Company does not expect that these standards and interpretations will have significant impact on the financial statements of the Company.

iii) Summary of the new standards, amendments and interpretations that are issued by the International Accounting Standards Board (IASB) but not issued by POA:

The following standards, interpretations and amendments to existing IFRS standards are issued by the IASB but not yet effective up to the date of issuance of the consolidated financial statements. However, these standards, interpretations and amendments to existing IFRS standards are not yet adopted/issued by the POA, thus they do not constitute part of TFRS. The Company will make the necessary changes to its consolidated financial statements after the new standards and interpretations are issued and become effective under TFRS.

IFRS 15 "Revenue from Contracts with Customers" : In May 2014, the IASB issued IFRS 15 Revenue from Contracts with Customers. The new five-step model in the standard provides the recognition and measurement requirements of revenue. The standard applies to revenue from contracts with customers and provides a model for the sale of some non-financial assets that are not an output of the entity's ordinary activities (e.g., the sale of property, plant and equipment or intangibles). IFRS 15 is effective for reporting periods beginning on or after January 1, 2017, with early adoption permitted. Entities will transition to the new standard following either a full retrospective approach or a modified retrospective approach. The modified retrospective approach would allow the standard to be applied beginning with the current period, with no restatement of the comparative periods, but additional disclosures are required.

IFRS 9 "Financial Instruments" (Final standard): The final version of IFRS 9 brings together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 is built on a logical, single classification and measurement approach for financial assets that reflects the business model in which they are managed and their cash flow characteristics. Built upon this is a forward-looking expected credit loss model that will result in more timely recognition of loan losses and is a single model that is applicable to all financial instruments subject to impairment accounting. In addition, IFRS 9 addresses the so-called 'own credit' issue, whereby banks and others book gains through profit or loss as a result of the value of their own debt falling due to a decrease in credit worthiness when they have elected to measure that debt at fair value. The Standard also includes an improved hedge accounting model to better link the economics of risk management with its accounting treatment. IFRS 9 is effective for annual periods beginning on or after 1 January 2018.



DATAGATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

IAS 7 'Statement of Cash Flows (Amendments): In January 2016, the IASB issued amendments to IAS 7 'Statement of Cash Flows'. The amendments are intended to clarify IAS 7 to improve information provided to users of financial statements about an entity's financing activities. The improvements to disclosures require companies to provide information about changes in their financing liabilities. These amendments are to be applied for annual periods beginning on or after 1 January 2017 with earlier application permitted. When the Company/Group first applies those amendments, it is not required to provide comparative information for preceding periods. The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

IAS 12 Income Taxes: Recognition of Deferred Tax Assets for Unrealised Losses (Amendments) In January 2016, the IASB issued amendments to IAS 12 Income Taxes. The amendments clarify how to account for deferred tax assets related to debt instruments measured at fair value. The amendments clarify the requirements on recognition of deferred tax assets for unrealised losses, to address diversity in practice. These amendments are to be retrospectively applied for annual periods beginning on or after 1 January 2017 with earlier application permitted. However, on initial application of the amendment, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. If the Company/Group applies this relief, it shall disclose that fact. The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

IFRS 16 Leases: In January 2016, the IASB has published a new standard, IFRS 16 'Leases'. The new standard brings most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and finance leases. Lessor accounting however remains largely unchanged and the distinction between operating and finance leases is retained. IFRS 16 supersedes IAS 17 'Leases' and related interpretations and is effective for periods beginning on or after January 1, 2019, with earlier adoption permitted if IFRS 15 'Revenue from Contracts with Customers' has also been applied. The Group is in the process of assessing the impact of the standard on financial position or performance of the Group.

Improvements at IFRS

Annual Improvements 2010-2012 Cycle

IFRS 13 "Fair Value Measurement" (Amendment):As clarified in the Basis for Conclusions short-term receivables and payables with no stated interest rates can be held at invoice amounts when the effect of discounting is immaterial. The amendment is effective immediately.

Potential impact of the financial statements in future periods of the implementation of the above standards are evaluated.

3 BUSINESS COMBINATIONS

None.

4 BUSINESS PARTNERSHIPS

There are not any business partnerships

5 REPORTING FINANCIAL INFORMATION BY SEGMENTS AND GEOGRAPHIC AREAS

Group made a distributorship agreement with GSM operator Avea İletişim Hizmetleri A.Ş. on July 7, 2014 and the group has begun to operate in the telecom sector.

When the Group operates in the information technology sector until July 16, 2014, after this date it has started to operate in the telecom sector. IFRS 8 "Operating Segments" standard that specified in Article 13 of numerical lower limits to meet the ongoing activities of the information technology sector in the current period have not been reported as an attachment.

Grup reportable segments are classified as telecom and information technology. Group information technology is consist of sales of PC, laptop computers, computer components. Group's operation segments information related to gross profit/loss are as follow basis of end of the period:



DATAGATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

December 31, 2015

	Telecom
Revenue	1.077.380.498
Gross Profit	37.370.808
Rate	3,47%

December 31, 2014

	Telecom	Information Technologies	Total
Revenue	300.169.328	154.355.116	454.524.444
Gross Profit	11.745.719	6.210.319	17.956.038
Rate	3,91%	4,02%	3,95%

6 CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents as of December 31, 2015 and December 31, 2014 are as follows:

Account Name	December 31, 2015	December 31, 2014
Cash	31.721	17.447
Bank	4.008.037	3.862.592
- Demand Deposits	4.008.037	3.862.592
Financial Assets Which Will Be Held to the Maturity (Reverse Repo)	35.155.487	25.693.895
Credit Card Slips	101.000	96.721
Total	39.296.245	29.670.655

Maturity of the reverse repo is 4 days and TL 6.938 in December 31, 2015 interest accrual has been made. TL Reverse repo is made in USD and TL and The interest rates made TL (4,24 to 8.92%), USD (0.72%) are between.

Maturity of the reverse repo is 1-2 days and TL 2.773 in December 31, 2014 interest accrual has been made. TL Reverse repo is made in USD and TL and The interest rates made TL (3.83% to 7.23), USD (0.70%) are between.

Maturity of credit card slips is 1 or 3 days for the current and prior period.

Cash and cash equivalents of the Group are presented in the statement of cash flows excluding interest income accruals.

Cash and Cash Equivalents	December 31, 2015	December 31, 2014
Amount stated in Statement of Financial Position	39.296.245	29.670.655
Interest income accruals	(6.938)	(2.773)
Amount stated in Cash Flow Statement	39.289.307	29.667.882

There are no blocked deposits or any restrictions on cash and cash equivalents as of December 31, 2015. (December 31, 2014: None.)

7 FINANCIAL INVESTMENTS

Group has no short-term and long-term financial investments as of December 31, 2015 and December 31, 2014.

8 SHORT-TERM AND LONG-TERM FINANCIAL LIABILITIES

Short-Term Financial Liabilities as of December 31, 2015 and December 31, 2014 are as follows

Account Name	December 31, 2015	December 31, 2014
Short Term Loans	4.040	235.119
Short-Term Portion of Long Term Loans	196.577.011	45.879.996
Total	196.581.051	46.115.115



DATA GATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

The details of bank loans are as follows:

December 31, 2015

Type	Currency Amount	Amount (TL)	Active Interest rate (%)
Short Term Loans			
Loans (TL)	4.040	4.040	11,32-12,55
Loans (USD)	-	-	-
Total		4.040	

December 31, 2015

Type	Currency Amount	Amount (TL)	Active Interest rate (%)
Short Term Loans			
Short-Term Portion of Long Term Loans	196.577.011	196.577.011	11,48-16,44
Total Short-Term Portion of Long Term Loans		196.577.011	

Short-term loans are amounting to 4.040 TL and Long-Term Portion of Short Term Loans are amounting to TL 196.577.011 are used for financing mobile devices which are sold to subscriber within campaign that consist of maturity of 12 month,24 month and 36 month by the way of dealers of Avea İletişim Hizmetleri A.Ş.,all of the loans are issued guaranteed by Avea İletişim Hizmetleri A.Ş.Device receivables from subscriber to Avea dealers are collected at maturity by Avea İletişim Hizmetleri A.Ş.

Company's transferred receivables from Avea İletişim Hizmetleri A.Ş. are collected and transferred from factoring companies as irrevocably after the October 2015.In accordance with transfer, principal and interest payment of factoring and loans are paid at maturity by Avea İletişim Hizmetleri A.Ş.

Receivables amount consist of selling devices are transferred to the financial institutions by using loans.In accordance with transfer, principal and interest payment of loans are paid at maturity by Avea İletişim Hizmetleri A.Ş.

The details of bank loans are as follows:

December 31, 2014

Type	Currency Amount	Amount (TL)	Active Interest rate (%)
Short Term Loans			
Loans (TL)	235.119	235.119	Non interest-10,6-11,2
Total		235.119	

December 31, 2014

Type	Currency Amount	Amount (TL)	Active Interest rate (%)
Short Term Loans			
Short Term Portion of Long-Term Loans	45.879.996	45.879.996	10,8-11,40
Total Short Term Portion of Long-Term Loans		45.879.996	

Short-term loans and Short Term Portion of Long-Term Loans are amounting to TL 46.018.137 are used for financing mobile devices which are sold to subscriber within campaign that consist of maturity of 12 month,24 month and 36 month by the way of dealers of Avea İletişim Hizmetleri A.Ş.,all of the loans are issued guaranteed by Avea İletişim Hizmetleri A.Ş.Device receivables from subscriber to Avea dealers are collected at maturity by Avea İletişim Hizmetleri A.Ş.Receivables amount consist of selling devices are transferred to the financial institutions by using loans.

Long-Term Financial Liabilities as of December 31, 2015 and December 31, 2014 are as follows:

Account Name	December 31, 2015	December 31, 2014
Loans	67.085.140	40.047.252
Total Long Term Loans	67.085.140	40.047.252



DATA GATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

December 31, 2015

Type	Currency Amount	Amount (TL)	Active Interest rate (%)
Long Term Loans			
Loans (TL)	67.085.140	67.085.140	11,55-16,19
Total loans		67.085.140	

Long-term loans are used for financing mobile devices which are sold to subscriber within campaign that consist of maturity of 12 month,24 month and 36 month by the way of dealers of Avea İletişim Hizmetleri A.Ş.,all of the loans are issued guarenteed by Avea İletişim Hizmetleri A.Ş.

Device receivables from subscriber to Avea dealers are collected at maturity by Avea İletişim Hizmetleri A.Ş.Receivables amount consist of selling devices are transferred to the financial institutions by using loans.In accordance with transfer, principal and interest payment of factoring and loans are paid at maturity by Avea İletişim Hizmetleri A.Ş.

December 31, 2014

Type	Currency Amount	Amount (TL)	Active Interest rate (%)
Long Term Loans			
Loans (TL)	40.047.252	40.047.252	10,8-11,40
Total loans		40.047.252	

Long-term loans are used for financing mobile devices which are sold to subscriber within campaign that consist of maturity of 12 month,24 month and 36 month by the way of dealers of Avea İletişim Hizmetleri A.Ş.,all of the loans are issued guarenteed by Avea İletişim Hizmetleri A.Ş.

Device receivables from subscriber to Avea dealers are collected at maturity by Avea İletişim Hizmetleri A.Ş.Receivables amount consist of selling devices are transferred to the financial institutions by using loans.In accordance with transfer, principal and interest payment of loans are paid at maturity by Avea İletişim Hizmetleri A.Ş.

Maturities of financial liabilities are as follows:

Loans	December 31, 2015	December 31, 2014
0-3 Month	4.040	12.115.734
3-12 Month	196.577.011	33.999.381
12-36 Month	67.085.140	40.047.252
Total	263.666.191	86.162.367

9 OTHER FINANCIAL LIABILITIES

Group has no short-term and long-term other financial liabilities as of December 31, 2015 and December 31, 2014.

10 TRADE RECEIVABLES AND PAYABLES

Short-Term trade receivables as of December 31, 2015 and December 31, 2014 are as follows;

Account name	December 31, 2015	December 31, 2014
Trade Receivables	277.290.801	99.572.066
-Related Parties	1.087.558	2.343.512
-Other	276.203.243	97.228.554
- Other Receivables	60.591.677	44.129.436
-Transferred Receivables	215.611.566	53.099.118
Notes Receivables	7.279.209	16.866.138
Rediscount on Notes Receivables (-)	(12.658.712)	(3.330.170)
Doubtful Receivables	1.740.894	1.665.857
Provision for Doubtful Receivables (-)	(1.740.894)	(1.665.857)
Total	271.911.298	113.108.034



DATA GATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

Short-term transferred receivables as of December 31, 2015 are amounting to TL 215.611.566 (December 31, 2014: TL 53.099.118) used for financing mobile devices which are sold to subscriber within campaign that consist of maturity of 12 month, 24 month and 36 month by the way of dealers of Avea İletişim Hizmetleri A.Ş., all of the loans are issued guaranteed by Avea İletişim Hizmetleri A.Ş. Amount of TL 196.581.051 (December 31, 2014: TL 46.018.137) consist of same campaign are transferred to the banks in return of used loans. Device receivables from subscriber to Avea dealers are collected at maturity by Avea İletişim Hizmetleri A.Ş. Receivables amount consist of selling devices are transferred to the financial institutions by using loans.

Company's transferred receivables from Avea İletişim Hizmetleri A.Ş. are collected and transferred from factoring companies as irrevocably after the October 2015. In accordance with transfer, principal and interest payment of loans are paid at maturity by Avea İletişim Hizmetleri A.Ş. Short-term transferred receivables maturity are as follows;

Transferred Receivables	December 31, 2015	December 31, 2014
0-3 month	54.181.963	13.290.627
3-12 month	161.429.603	39.808.491
Total	215.611.566	53.099.118

Long-Term trade receivables as of December 31, 2015 and December 31, 2014 are as follows:

Account Name	December 31, 2015	December 31, 2014
Trade Receivable	79.655.935	52.486.149
-Related Parties	-	-
-Other	79.655.935	52.486.149
Transferred Receivable Rediscount (-)	(12.570.793)	(8.613.337)
Total	67.085.142	43.872.812

Long-term transferred receivables as of December 31, 2015 are amounting to TL 79.655.935 (December 31, 2014: TL 52.486.149) are used for financing mobile devices which are sold to subscriber within campaign that consist of maturity of 12 month, 24 month and 36 month by the way of dealers of Avea İletişim Hizmetleri A.Ş., all of the loans are issued guaranteed by Avea İletişim Hizmetleri A.Ş. Amount of TL 67.085.140 (December 31, 2014: TL 40.047.252) consist of same campaign are transferred to the banks in return of used loans. Device receivables from subscriber to Avea dealers are collected at maturity by Avea İletişim Hizmetleri A.Ş. Receivables amount consist of selling devices are transferred to the financial institutions by using loans.

Company's transferred receivables from Avea İletişim Hizmetleri A.Ş. are collected and transferred from factoring companies as irrevocably after on October 2015. In accordance with transfer, principal and interest payment of loans are paid at maturity by Avea İletişim Hizmetleri A.Ş. Long-term transferred receivables maturity are as follows;

Transferred Receivables	December 31, 2015	December 31, 2014
12-36 month	79.655.935	52.486.149
Total	79.655.935	52.486.149

The amounts of the guarantees taken for the TL 388.996.440 trade receivables for the year ended December 31, 2015 is TL 26.433.433. The amounts of the guarantees taken for the TL 156.980.846 trade receivables for the year ended December 31, 2014 is TL 38.775.990. Risk types and levels of trade receivables are explained in Note 38.

The company made an insurance policy agreement which contains trade receivables insurance in Turkey with Euler Hermes Sigorta A.Ş.

- Policy has arranged for 1 year, April 01, 2014-March 31, 2016.
- Damages in policy is stated in USD.
- Guarantee proportion is determined % 90 for trade receivables credit limit which are demanded.
- Amount of Euler Hermes guarantee is TL 16.504.268 .
- Short and long-term transferred receivables from Avea İletişim Hizmetleri A.Ş. are amounting to TL 295.267.501 (December 31, 2014: TL 105.585.267) .



DATAGATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

Provision for Doubtful Receivables summarize table is below:

	January 1,2015 December 31, 2015	January 1, 2014 December 31, 2014
Opening Balance (-)	(1.665.857)	(1.714.322)
Collections (+)	4.479	219.239
Period Expense (-) (Note: 30)	(79.516)	(170.774)
Closing Balance	(1.740.894)	(1.665.857)

The maturities of trade receivables which is overdue and there is not decline in value are as follows;

	December 31, 2015	December 31, 2014
0-3 month	133.838	701.070
3-12 month	12.319	69.960
1-5 year	-	-
Total	146.157	771.030

The details of the Short-Term Trade Payables as of December 31, 2015 and December 31, 2014 as follows:

Account Name	December 31, 2015	December 31, 2014
Trade Payables	92.964.144	88.307.335
<i>Other Trade Payables</i>	92.610.403	88.152.161
<i>Related Parties</i>	353.741	155.174
Notes Payables	-	-
Rediscount on Notes Payables(-)	(992.891)	(645.910)
Total	91.971.253	87.661.425

The Group has no Long-Term Trade Payables as of December 31, 2015 and December 31, 2014.

The average maturity of trade receivables and payables is less than 3 months. Prevailing interest rate of domestic government bonds is used as prevailing interest rate for rediscount of trade receivables and payables in TL. Also Libor and Eurobor are used for trade receivables and payables in USD and EURO. Receivables and payables in USD and EURO are discounted using Libor and Euro Libor rates respectively TL % 11 % USD 1,17800 and EURO % 0,05929 as of December 31, 2015. (December 31, 2014 Rates: TL %8,4, USD %0,62880 and EURO %0,29357) .

11 OTHER RECEIVABLES AND PAYABLES

Short-term other receivables as of December 31, 2015 and December 31, 2014 are as follows:

Account Name	December 31, 2015	December 31, 2014
Due from Personnel Receivables	8.651	10.411
Other Receivables	15.657	275.107
Total	24.308	285.518

The Group has no Long-Term Other Receivables as of December 31, 2015 and December 31, 2014.

Risk types and levels of other receivables are explained in Note 38

Account Name	December 31, 2015	December 31, 2014
Taxes, Duties Payable and Other Fiscal Liabilities	2.334.720	33.608
Total	2.334.720	33.608

12 DERIVATIVE INSTRUMENTS

The Group's financial investments consist of derivatives which are recognised at fair value as follows :

Account Name	December 31, 2015	December 31, 2014
Derivative Financial Instruments	12.967	-
Total	12.967	-



DATAGATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

As of December 31, 2015, Group has made foreign exchange purchase contracts for the amounts of USD 2.177.095. The maturity of the USD contracts is 0-3 months. The fair value of the contracts as of December 31, 2015 is TL 6.317.154 and the total amount of valuation difference is TL 12.967 is recognized in the statement of profit or loss.

The Group has no foreign currency exchange contracts as of December 31, 2014.

13 INVENTORIES

The inventories of the Group as of December 31, 2015 and December 31, 2014 are as follows;

Account Name	December 31,2015	December 31, 2014
Commercial Goods	37.028.075	27.529.202
Goods in Transit	9.851.160	2.637.643
Provision for Decrease in value of inventories (-)	(955.820)	(864.124)
Total	45.923.415	29.302.721

Products which are invoiced but not actually transferred to inventories are recognized under the "Goods in Transit".

Provision for Impairment of Inventory:

	January 1, 2015 December 31, 2015	January 1, 2014 December 31, 2014
Opening Balance (-)	(864.124)	(613.765)
Translation Difference	-	17.818
Provision for the Period(-) (Note:28)	(91.696)	(268.177)
Balance at the end of year (-)	(955.820)	(864.124)

The provision for decrease in value of stocks is calculated with increasing percentages for the goods waiting in the inventory more than 3 months depending upon increase in the inventory turnover rate. As of December 31, 2015, TL 2.828.108 of the inventories is presented with their net realizable value and the remaining balance is presented with their cost in the financial statements. (As of December 31, 2014, TL 3.508.066 of the inventories is presented with their net realizable value and the remaining balance is presented with their cost in the financial statements.)

Explanation	December 31, 2015	December 31, 2014
Cost	3.783.928	4.372.190
Provision for Value Decrease in Inventories	(955.820)	(864.124)
Net Realizable Value (a)	2.828.108	3.508.066
Inventory presented with its cost value (b)	43.095.307	25.794.655
Total Inventories (a+b)	45.923.415	29.302.721

There is no inventory given as a guarantee for a liability.

Total Amount of Insurances on Assets is disclosed in Note: 22.

The information related to inventories recognized as expense in the current period is disclosed in Note: 28.

14 BIOLOGICAL ASSETS

None.

15 PREPAID EXPENSES and DEFERRED INCOMES

Short-Term:

Short-term prepaid expenses as of December 31, 2015 and December 31, 2014 are as follows:

Account Name	December 31, 2015	December 31,2014
Prepaid Expenses for Following Months	156.509	71.668
Advances Given For Purchases	1.797.505	3.422.979
Total	1.954.014	3.494.647



DATAGATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

Deferred Incomes as of December 31, 2015 and December 31, 2014 are as follows:

Account Name	December 31, 2015	December 31, 2014
Income for the following Months	6.155	1.231.355
Advances Received	8.274.230	4.242.434
Total	8.280.385	5.473.789

As of December 31, 2015; Part of advance given is amounting to **TL 5.299.314** consist of virtual and physical top up which are taken for selling purposes are invoiced to dealers when the top up are sold to end user.

As of December 31, 2014; Part of advance given is amounting to **TL 2.503.995** consist of virtual and physical top up which are taken for selling purposes are invoiced to dealers when the top up are sold to end user.

Long-Term :

Group has no prepaid expenses as of December 31, 2015 and December 31, 2014.

Group has no deferred incomes as of December 31, 2015 and December 31, 2014.

16 INVESTMENTS EVALUATED BY EQUITY METHOD

None.

17 INVESTMENT PROPERTY

None.

18 TANGIBLE ASSETS

Tangible assets for the periods ended are as follows:

December 31, 2015

Cost

Account Name	January 1, 2015	Acquisitions	Dipsosals (-)	Translation Differences	December 31, 2015
Machinery,					
Plants&Equipments	4.170	-	-	-	4.170
Vehicles	159.905	-	-	-	159.905
Furniture & Fixtures	1.010.447	63.699	-	-	1.074.146
Leasehold Improvements	13.316	-	-	-	13.316
Total	1.187.838	63.699	-	-	1.251.537

Accumulated Depreciation

Account Name	January 1, 2015	Acquisitions	Dipsosals (-)	Translation Differences	December 31, 2015
Machinery,					
Plants&Equipments	(4.170)	-	-	-	(4.170)
Vehicles	(153.750)	(6.154)	-	-	(159.904)
Furniture & Fixtures	(970.533)	(25.062)	-	-	(995.595)
Leasehold Improvements	(13.318)	-	-	-	(13.318)
Total	(1.141.771)	(31.216)	-	-	(1.172.987)
Net Value	46.067				78.550



DATA GATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish Lira ("TL") unless otherwise specified.)

December 31, 2014

Cost

Account Name	January 1, 2014	Acquisitions	Disposals (-)	Translation Differences	December 31, 2014
Machinery,					
Plants&Equipments	4.192	-	-	(21)	4.170
Vehicles	160.726	-	-	(821)	159.905
Furniture & Fixtures	991.506	24.120	-	(5.179)	1.010.447
Leasehold Improvements	13.384	-	-	(68)	13.316
Total	1.169.808	24.120	-	(6.089)	1.187.838

Accumulated Depreciation

Account Name	January 1, 2014	Acquisitions	Disposals (-)	Translation Differences	December 31, 2014
Machinery,					
Plants&Equipments	(4.191)	-	-	21	(4.170)
Vehicles	(133.652)	(20.987)	-	889	(153.750)
Furniture & Fixtures	(953.261)	(22.355)	-	5.083	(970.533)
Leasehold Improvements	(13.386)	-	-	68	(13.318)
Total	(1.104.490)	(43.342)	-	6.061	(1.141.771)
Net Value	65.317				46.067

Other Information:

The depreciation and amortization expenses are recognized under the operational expenses. (Note: 30)

Total Amount of Insurances on Assets is disclosed in Note: 22.

There is no mortgage and guarantee, restrictions, annotations, etc. on assets.

19 INTANGIBLE ASSETS

December 31, 2015

Cost

Account Name	January 1, 2015	Acquisitions	Disposals	Translation Differences	December 31, 2015
Rights	285.357	147.862	-	-	433.219
Total	285.357	147.862	-	-	433.219

Accumulated Depreciation

Account Name	January 1, 2015	Period Amortization	Disposals	Translation Differences	December 31, 2015
Rights	(243.620)	(28.150)	-	-	(271.770)
Total	(243.620)	(28.150)	-	-	(271.770)
Net Value	41.737				161.449

December 31, 2014

Cost

Account Name	January 1, 2014	Acquisitions	Disposals	Translation Differences	December 31, 2014
Rights	242.239	44.355	-	(1.237)	285.357
Total	242.239	44.355	-	(1.237)	285.357



DATAGATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

Accumulated Depreciation

Account Name	January 1, 2014	Period Amortization	Disposals	Translation Differences	December 31, 2014
Rights	(239.010)	(5.867)	-	1.257	(243.620)
Total	(239.010)	(5.867)	-	1.257	(243.620)
Net Value	3.229				41.737

The depreciation and amortization expenses are recognized under the operational expenses. (Note: 30)

20 RELATED TO EMPLOYEE BENEFITS

Payables Related to Employee Benefits as of December 31, 2015 and December 31, 2014 are as follows:

Account Name	December 31, 2015	December 31, 2014
Social Security Institution Payable	50.744	39.356
Due to Personnel	-	131.630
Total	50.744	170.986

21 GOVERNMENT GRANT AND ASSISTANCE

None.

22 PROVISIONS, CONTINGENT LIABILITIES AND ASSETS

i) Provisions

Account Name	December 31, 2015	December 31, 2014
Provision for Price Differences	6.023.096	3.039.143
Provision for Litigations (Note:22-ii)	570.764	564.382
Total	6.593.860	3.603.525

December 31, 2015	Provision for Litigations	Provision for Price Differences	Total
As of January 1	564.382	3.039.143	3.603.525
Additional Provisions	6.382	6.023.096	6.029.478
Payment / Offset	-	(3.039.143)	(3.039.143)
Total	570.764	6.023.096	6.593.860

December 31, 2014	Provision for Litigations	Provision for Price Differences	Total
As of January 1	510.810	700.402	1.211.212
Additional Provisions	53.572	3.039.143	3.092.715
Payment / Offset	-	(700.402)	(700.402)
Total	564.382	3.039.143	3.603.525

Price difference invoices are taken from customers for the products sold in different prices from previous period and provisions are made for them. Also targets have been given to customers in order to increase the sales and turnover premium, credit note, price difference, etc. invoices are taken from customers in the event of targets achieved by the customers and provisions are made for them.



DATAGATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

ii) Contingent Assets and Liabilities:

December 31, 2015

As of December 31, 2015, for the lawsuits initiated against Group, provision amount 570.764 TL is reflected to the financial statements.

December 31, 2014

As of December 31, 2014, for the lawsuits initiated against Group, provision amount 564.382 TL is reflected to the financial statements.

iii) Contingent Assets and Liabilities:

December 31, 2015

	TL	USD	EURO
Guarantee Letters Given	137.925.616	7.350.000	-
Total	137.925.616	7.350.000	-

December 31, 2014

	TL	USD	EURO
Guarantee Letters Given	71.951.616	4.800.000	-
Total	71.951.616	4.800.000	-

iv) Total Guarantees and Mortgages on Assets

None

v) Total Insurance Coverage on Assets:

December 31, 2015

Type of Insured Assets	USD	TL
Goods	20.000.000	-
Vehicles	-	120.248
Other	200.000	-
Total	20.200.000	120.248

December 31, 2014

Type of Insured Assets	USD	TL
Goods	20.354.000	-
Vehicles	-	121.620
Other	200.000	-
Total	20.554.000	121.620



DATAGATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

vi.) The ratio of Mortgages and Guarantees Given to Shareholders' Equity is as follows:

Mortgages & Guarantees Given by the Group	December 31, 2015	December 31, 2015	December 31, 2014	December 31, 2014
	Foreign Currency Amount	TL Amount	Foreign Currency Amount	TL Amount
A. Total amount of M&G Given on behalf of the Group	-	159.296.476	-	83.082.336
Guarantee Letter (USD)	7.350.000	21.370.860	4.800.000	11.130.720
Guarantee Letter (TL)	-	137.925.616	-	71.951.616
Pledges	-	-	-	-
Mortgage	-	-	-	-
B. Total amount of M&G Given on behalf of the Subsidiaries and Affiliated Companies subject to full consolidation	-	-	-	-
C. Total Amount of M&G Given on behalf of the third person liability in order to sustain usual business activities.	-	-	-	-
D. Total Amount of other M&G Given	-	-	-	-
i. Total Amount of M&G Given on behalf of main shareholder	-	-	-	-
ii. Total Amount of M&G Given on behalf of other affiliated companies which can not be classified under section B and C.	-	-	-	-
iii. Total Amount of M&G Given on behalf of the third person that cannot be classified under section C.	-	-	-	-
Total	-	159.296.476	-	83.082.336

The ratio of Mortgages and Guarantees Given to Shareholders' Equity is % 0. (December 31, 2014: % 0)

23 COMMITMENTS

None.

24 EMPLOYEE TERMINATION BENEFITS

Account Name	December 31, 2015	December 31, 2014
Provision for Employment Termination Indemnity	45.672	20.048
Total	45.672	20.048

In context of current Labor Law, liability of payment of legal benefit for termination indemnity arises when terminated employment contract is qualified for termination indemnity. In addition, according to currently operated Social Insurance Law making payment to employee, who has the right of severance with termination indemnity, is a legal liability. Termination indemnity payable is not subjected to any legal funding. As of January 01,2016, termination indemnity upper limit is monthly TL 4.092,53 (December 31, 2014: TL 3.541,37).

Termination indemnity payable, is calculated by forecasting the present value of currently working employee's possible future liabilities IAS 19 ("Employee Termination Benefits"), predicts to build up Group's liabilities with using actuarial valuation techniques in context of defined benefit plans. According to these predictions, actuarial assumptions used in calculation of total liabilities are as follows:

Base assumption is the inflation parallel increase of maximum liability of each year Applied discount rate must represent expected real discount rate after the adjustment of future inflation As of December 31, 2015 , provisions in financial statement are calculated by forecasting the present value of currently working employee's possible future liabilities. The provisions at the statement of financial position dates have been calculated assuming an annual inflation rate of % 6,5 and a discount rate of % 10,50. The real discount rate of % 3,76 (December 31, 2014: % 3,77) was used in the computation. The Group Management revised the expectations of discount assumptions every statement of financial position period.



DATAGATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

Employee termination benefits related to severance for December 31, 2015 probability estimate was calculated as % 91,74. (December 31, 2014: % 90,62)

	January 1, 2015 December 31, 2015	January 1, 2014 December 31, 2014
Provision as of January 1	20.048	134.872
Current Period Service Cost	10.887	2.393
Actuarial Income/(Loss)	12.764	(39.959)
Interest Cost	2.005	13.486
Payments (-)	(7.889)	(176.081)
Loss Composed on Payment	7.857	85.337
Provisions no Longer Required	-	-
Closing Balance	45.672	20.048

Provision expense (income) for termination indemnities are recognized the accounts as follows;

	January 1, 2015 December 31, 2015	January 1, 2014 December 31, 2014
General Administration Expenses	(20.749)	(101.217)
Other from Operations (Incomes)	-	-
The amount accounted in (Profit) / Loss	(20.749)	(101.217)
Actuarial Loss accounted in Other Comprehensive Income	(12.764)	39.959
Total Expense / (Income)	(33.513)	(61.258)

In the current period actuarial loss amount is TL 12.764. Deferred tax effect of this amount was also taken into consideration and stated in other comprehensive statement of profit or loss and as a result of this transaction the amount of other comprehensive is TL 10.211.

	January 1, 2015 December 31, 2015
Actuarial Loss accounted in Other Comprehensive Income	(12.764)
Tax Effect: % 20	2.553
Net Amount	(10.211)

In the previous period actuarial accounted was TL 39.959. Deferred tax effect of this amount was also taken into consideration and stated in other comprehensive statement of profit or loss and as a result of this transaction the net amount of other comprehensive was TL 31.968.

	January 1, 2014 December 31, 2014
Actuarial Loss accounted in Other Comprehensive Income	39.959
Tax Effect: % 20	(7.991)
Net Amount	31.968

25 CURRENT TAX ASSETS AND LIABILITIES

None.

26 OTHER ASSETS AND LIABILITIES

Other Current Assets as of December 31, 2015 and December 31, 2014 are as follows:

Account Name	December 31, 2015	December 31, 2014
Credit Note Income Accrual (*)	2.686.701	1.535.042
Deferred VAT	-	2.514.127
Work Advance	15	7.928
Total	2.686.716	4.057.097



DATAGATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

(*)Credit note income related to following months is disclosed in Note: 2.08.20.

Credit note income related to following months transactions as follows:

	January 1, 2015 December 31, 2015	January 1, 2014 December 31, 2014
Opening Balance	1.535.042	1.774.048
Current period accrual	26.311.346	13.606.322
Collection / Current account transfer	(25.159.687)	(13.845.328)
Balance at the end of year	2.686.701	1.535.042

The Group has not any other non-current assets for the years 31, 2015 and December 31, 2014.

Income recognized from invoiced but not delivered products are recognized under the "Income Related to Following Months" due to the criteria related with IAS 18 (delivery, transfer of risks, etc.) are not met.

27 SHAREHOLDER'S EQUITY

i) Non-Controlling Interests

None.

(ii) Capital / Capital Adjustments Due to Cross-Ownership / Treasury Shares

The paid in capital of the Group is TL 10.000.000 and consist of 10.000.000 shares, each with TL 1 nominal value. The paid in capital of the Company, which is TL 10.000.000, consists of A Group shares issued to the name in the amount of TL 151,51 and B Group shares issued to the bearer in the amount of TL 9.999.848,49. A Group shareholders have privilege in election of Board of Directors members, B Group Shareholders do not have any privileges. A Group of shareholders have the right to assign one more the half of the total available Board of Director positions.

CMB dated 05.02.2014 with the permission of the registered capital ceiling has been increased to TL 40 million from 20 million TL. The decision was accepted by General Assembly of the Company held on May 9, 2014. Capital Markets Board gave the registered capital of the permit is valid for the years 2014-2018.

Capital and shareholder structure of the Company as of December 31, 2015 and December 31, 2014 are as follows:

Shareholders	December 31, 2015		December 31, 2014	
	Share Percentage	Share Amount	Share Percentage	Share Amount
İndeks A.Ş.(*)	%59,24	5.924.228	%59,24	5.924.228
Tayfun Ateş	% 5,00	500.000	% 5,00	500.000
Public Shares	%35,75	3.575.758	%35,75	3.575.758
Other	%0,01	14	%0,01	14
Total	%100	10.000.000	%100	10.000.000

(*) Non Public shares: % 51,74; Public Shares: % 7,5; Total: % 59,24. The ultimate controlling party of the Group is Nevres Erol Bilecik and his family members.

(iii) Share Premiums/Discounts

Capital reserves consist of share issue premiums. There is not movement in the current period.



DATA GATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

(iv) Other Comprehensive Income / Expense not to be Reclassified to Profit or Loss

Other Comprehensive Income / Expense not to be Reclassified to Profit or Loss for the periods ended, are as follows:

Account Name	December 31, 2015	December 31, 2014
Actuarial Gain/(Loss) (Note:24)	43.678	56.441
Tax Effect (-)(Note:24, Note:35)	(8.735)	(11.287)
Actuarial Gain/(Loss) (Net)	34.943	45.154
Revaluation and Gain/Loss Arising from Measurement	34.943	45.154
Other Comprehensive Income/Expense not to be Reclassified to Profit or (Loss)	34.943	45.154
	December 31, 2015	December 31, 2014
Opening Balance, January 1	45.154	13.186
Addition	(12.764)	39.959
Deferred Tax Offset (-)	2.553	(7.991)
Closing Balance	34.943	45.154

(v) Other Comprehensive Income/(Expense) to be Reclassified to Profit or (Loss)

Account Name	December 31, 2015	December 31, 2014
Currency Translation Adjustments	1.973.382	2.001.532
Currency Translation Adjustments (Net)	1.973.382	2.001.532
Other Comprehensive Income/(Expense) to be Reclassified to Profit or (Loss)	1.973.382	2.001.532

Currency Translation Adjustments movement table for the periods ended, is as follows:

	December 31, 2015	December 31, 2014
As of January 1	2.001.532	2.090.884
Addition	(28.150)	(89.352)
Transfer to Profit/Loss Statement	-	-
Closing Balance	1.973.382	2.001.532

vi) Restricted Reserves from Profit

Restricted reserves from profits consist of legal reserves.

The legal reserves consist of first and second legal reserves, appropriated in accordance with the Turkish Commercial Code (TCC). The TCC stipulates that the first legal reserve is appropriated out of historical statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Company's historical paid-in share capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the historical paid-in share capital. Under TCC, the legal reserves are not available for distribution unless they exceed 50% of the historical paid-in share capital but may be used to offset losses in the event that historical general reserve is exhausted.

(vii) Previous Years' Profits

Profits of previous years consist of extraordinary reserves, loss and profits of other previous years.

Publicly traded companies shall perform dividend distribution in accordance with the Communiqué on Dividends II-19.01 of the Capital Market Board effective. Within the scope of this communiqué, no minimum distribution rate has been determined. Companies shall pay dividends as set out in their profit distribution policies or their article of association. Additionally, dividends can be paid via equal or different installments and companies can be distribute dividend advances based on profits at interim financial statements. The amount of distributable profit based on the companies' decision, does not exceed the net distributable profit in the statutory accounts, the whole amount should be distributed, otherwise all distributable amount in the statutory accounts are distributed. However, no profit distribution would be made if any financial statements prepared in accordance with the CMB or any statutory accounts carrying net loss for the period.



DATAGATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

Shareholders' Equity as of December 31, 2015 and December 31, 2014 are as follows:

Account Name	December 31, 2015	December 31, 2014
Capital	10.000.000	10.000.000
Capital Adjustments Differences	1.241.463	1.241.463
Share Premiums/Discounts	3.229.361	3.229.361
Other Comprehensive Income / Expense not to be Reclassified to Profit or Loss	34.943	45.154
- Revaluation and Gain/Loss Arising from Measurement	34.943	45.154
Other Comprehensive Income/(Expense) to be Reclassified to Profit or Loss	1.973.382	2.001.532
- Financial Assets Available for-Sale Revaluation Surplus	-	-
- Hedge Funds (Note:12)	-	-
- Currency Translation Adjustments	1.973.382	2.001.532
Restricted Reserves	2.960.093	2.069.083
- Legal Reserves	1.867.172	976.162
- Profit Reserves Gain on Sale of Subsidiaries	1.092.921	1.092.921
Previous Years' Profit / (Loss)	19.914.198	12.316.092
Net Period Profit / (Loss)	22.148.470	8.489.116
Total	61.501.910	39.391.801

In the financial statements prepared according to the standards of the CMB, the Group's net period profit is TL 22.148.470. The net period profit of the Company in legal records is TL 44.766.231. In the financial statements prepared according to the standards of the CMB, the Group's, except current period profit/loss, retained earnings are TL 19.914.198. The Company's distributable retained earnings in legal records are TL 31.911.319 and the distributable dividend from retained earnings is limited with this amount. Capital inflation adjustment differences are not taken into consideration in the calculation of the total distributable profit.

28 REVENUE AND COST OF SALES

Revenue and cost of sales for the periods ended December 31, 2015 and December 31, 2014 are as follows:

Account Name	January 1, 2015 December 31, 2015	January 1, 2014 December 31, 2014
Domestic Sales	1.086.997.217	462.278.973
Foreign Sales	1.168.015	3.022.480
Other Sales	14.791.960	3.875.662
Sales Returns (-)	(17.206.503)	(5.496.446)
Sales Discounts (-)	(7.853.608)	(8.065.233)
Other Discounts (-)	(516.583)	(1.090.992)
Revenue	1.077.380.498	454.524.444
Cost of Sales (-)	(1.040.009.690)	(436.568.406)
Gross Profit	37.370.808	17.956.038

Depreciation and amortization expenses are shown in operational expenses.

29 RESEARCH AND DEVELOPMENT, MARKETING, SALES & DISTRIBUTION EXPENSES AND GENERAL ADMINISTRATION EXPENSES

The Operational Expenses for the periods ended December 31, 2015 and December 31, 2014 are as follows:

Account Name	January 1, 2015 December 31, 2015	January 1, 2014 December 31, 2014
General Administration Expenses (-)	(6.063.269)	(3.063.303)
Marketing, Sales & Distribution Expenses (-)	(4.615.348)	(3.012.071)
Total Operating Expenses	(10.678.617)	(6.075.374)



DATAGATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

30 EXPENSES RELATED TO THEIR NATURE

Expenses Related to Their Nature of the Group for the periods ended December 31, 2015 and December 31, 2014 are as follows:

Account Name	January 1, 2015 December 31, 2015	January 1, 2014 December 31, 2014
Marketing, Sales & Distribution Expenses (-) and General Administration Expenses (-)		
- Personnel Expenses	(6.341.275)	(2.848.823)
- Transportation Expenses	(2.001.807)	(1.099.514)
- Insurance Expenses	(724.984)	(319.638)
- Rental Expenses	(362.396)	(466.421)
- Advertisement Expenses	(176.673)	(164.577)
- Consultancy and Audit Expenses	(188.067)	(157.071)
- Outsourced benefits and services	(163.202)	(145.924)
- Communication Expense	(58.065)	(23.507)
- Other Expenses	(662.148)	(849.899)
Total Operating Expenses	(10.678.617)	(6.075.374)

31 OTHER OPERATING INCOME / EXPENSE

The Other Operating Income / Expenses for the periods ended December 31, 2015 and December 31, 2014 are as follows:

Account Name	January 1, 2015 December 31, 2015	January 1, 2014 December 31, 2014
Other Income	14.600.961	15.426.357
Terminated Provisions for Litigations	26.337	-
Terminated Provisions for Termination Indemnity		
Expenses	4.479	219.239
Eliminated Interest From Revenue	8.792.984	3.056.612
Previous Period Rediscount Cancellation	1.322.411	896.852
Foreign Exchange Gain (Trade Receivables and Payables)	4.296.146	11.197.524
Other	158.604	56.130
Other Expenses (-)	(15.988.441)	(14.386.230)
Eliminated Interest From Purchases	(10.990.875)	(2.886.505)
Rediscount Expense	(1.173.345)	(386.320)
Foreign Exchange Loss (Trade Receivables and Payables)	(3.642.245)	(11.075.965)
Other (-)	(181.976)	(37.440)
Other Income / Expense (Net)	(1.387.480)	1.040.127

32 INCOME / EXPENSE FROM INVESTMENT ACITIVITIES

Group has no Income / Expense from Investment Activities as of December 31, 2015 and December 31, 2014.

33 FINANCIAL INCOME / EXPENSE

The Financial Income/Expenses for the periods ended December 31, 2015 and December 31, 2014 are as follows:

Financial Income for the periods as follows:

Account Name	January 1, 2015 December 31, 2015	January 1, 2014 December 31, 2014
Interest Income	2.609.276	527.063
Foreign Exchange Gain	1.029.691	327.309
Total	3.638.967	854.372



DATAGATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

Financial Expense for the periods as follows:

Account Name	January 1, 2015 December 31, 2015	January 1, 2014 December 31, 2014
Bank and Interest Expenses	(1.151.602)	(2.189.546)
Foreign Exchange Losses	(67.928)	(910.451)
Total	(1.219.530)	(3.099.997)

There is no capitalized financial expense of Group for current period.

34 FIXED ASSETS HELD FOR SALE PURPOSES AND DISCONTINUED OPERATIONS

None.

35 TAX ASSETS AND LIABILITIES

The Group's tax income / (expense) are composed of current period's corporate tax expense and deferred tax income / (expense).

The tax assets and liabilities of the Group as of December 31, 2015 and December 31, 2014 are as follows:

Account Name	January 1, 2015 December 31, 2015	January 1, 2014 December 31, 2014
Current Corporate Tax Provision (-)	(11.260.056)	(4.508.876)
Deferred Tax Income / (Expense)	5.684.378	2.322.826
Total Tax Income / (Expense)	(5.575.678)	(2.186.050)

Account Name	December 31, 2015	December 31, 2014
Provision for Taxes	11.260.056	4.508.876
Prepaid Taxes (-)	(8.477.244)	(740.625)
Total Net Tax Liabilities	2.782.812	3.768.251

i) Provision for Current Period Tax

Companies calculate their temporary taxes on their quarterly financial profits in Turkey. Corporate income as of the temporary tax periods 2014 and 2015, temporary tax rate of 20 % over the corporate income was calculated and prepaid taxes deducted from taxation on income.

According to Turkish Corporate Tax Law, losses can be carried forward to offset the future taxable income for a maximum period of 5 years. On the other hand, such losses cannot be carried back to offset previous years' profits.

According to Corporate Tax Law's Article: 20, the corporate tax is imposed by the taxpayer's tax returns. There is no procedure for a final and definitive agreement on tax assessments. Annual corporate tax returns are submitted until the 25th of April following the closing of the accounting year. Moreover, the tax authorities have the right to examine the tax returns and the related accounting records within five years.

Income Withholding Tax:

In addition to corporate tax, companies should also calculate income withholding tax on any dividends distributed, The rate of withholding tax has been increased from 10% to 15% upon the Cabinet decision No: 2006/10731, which was published in Official Gazette on July 23, 2006.



DATA GATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

ii) Deferred Tax :

The Group recognizes deferred income tax assets and liabilities based upon temporary differences arising between their financial statements as reported under TAS/IFRS and their statutory tax financial statements. These differences usually result in the recognition of revenue and expenses in different reporting periods for TAS/IFRS and tax purposes and disclosed below.

Account Name	December 31, 2015 Accumulated Temporary Differences	December 31, 2015 Deferred Tax Receivable / (Payable)	December 31, 2014 Accumulated Temporary Differences	December 31, 2014 Deferred Tax Receivable / (Payable)
Fixed Assets	(63.177)	(12.635)	(28.832)	(5.766)
Rediscount Expense	39.895.320	7.979.064	11.744.203	2.348.841
Provision for Termination Indemnities	45.672	9.134	20.047	4.009
Provision for Lawsuit	570.764	114.153	564.383	112.877
Provision for Value Decrease in Inventories	955.820	191.164	864.124	172.825
Rediscount Income	(991.907)	(198.381)	(639.481)	(127.896)
Derivative Instruments	(12.967)	(2.593)	-	-
Share of Inventory Financing	152.838	30.567	94.549	18.910
Other	(85.150)	(17.030)	(586.434)	(117.287)
Deferred Tax Asset		8.093.443		2.406.512

	December 31, 2015	December 31, 2014
Deferred Tax Asset / (Liability) at the beginning of the period	2.406.512	84.115
Deferred Tax Income / (Expense)	5.684.378	2.322.826
Currency Translation Adjustments	-	7.562
Employee Termination Benefits Actuarial Gain/Loss	2.553	(7.991)
Deferred Tax Assets / (Liabilities)	8.093.443	2.406.512

Explanation of Unused Tax Advantages:

There is no financial loss transferred to forthcoming periods as of December 31, 2015

Reconciliation of tax provision for the periods ended December 31, 2015 and December 31, 2014 are as follows:

Reconciliation of Tax Provision:	January 1, 2015 December 31, 2015	January 1, 2014 December 31, 2014
Profit from Continuing Operations	27.724.148	10.675.166
Tax Rate % 20	(5.544.830)	(2.135.033)
Tax Effect :		
Tax effect of Translation Differences of Equity Items	5.630	32.727
- Non-Deductible Expenses	(36.478)	(83.744)
Deferred Tax Expense	(5.575.678)	(2.186.050)

36 EARNINGS PER SHARE

Earnings per share are calculated by dividing net income available to common shareholders by the weighted average number of common shares outstanding for the period. Calculation of earnings per share/loss is as follow:

Account Name	January 1, 2015 December 31, 2015	January 1, 2014 December 31, 2014
Current Period Profit / (Loss)	22.148.470	8.489.116
Average Number of Shares	10.000.000	10.000.000
Earnings / (Loss) per Share	2,214847	0,848912



DATA GATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

37 RELATED PARTIES DISCLOSURES

a) Receivables from and Payables to Related Parties are as follows:

December 31, 2015	Receivables		Payables	
	Trade Receivables	Non-Trade Receivables	Trade Receivables	Non-Trade Receivables
İndeks A.Ş.	869.338	-	-	-
Neotech A.Ş.	-	-	-	-
Neteks A.Ş.	-	-	-	-
Teklos A.Ş.	-	-	262.904	-
İfin A.Ş.	214.538	-	90.628	-
Despec A.Ş.	3.682	-	-	-
Homend A.Ş.	-	-	209	-
Artım A.Ş.	-	-	-	-
Toplam	1.087.558	-	353.741	-

December 31, 2014	Receivables		Payables	
	Trade Receivables	Non-Trade Receivables	Trade Receivables	Non-Trade Receivables
İndeks A.Ş.	1.824.661	-	-	-
Neotech A.Ş.	-	-	-	-
Neteks A.Ş.	-	-	2.055	-
Teklos A.Ş.	-	-	153.100	-
İfin A.Ş.	513.561	-	-	-
Despec A.Ş.	4.801	-	-	-
Homend A.Ş.	-	-	19	-
Artım A.Ş.	489	-	-	-
Toplam	2.343.512	-	155.174	-

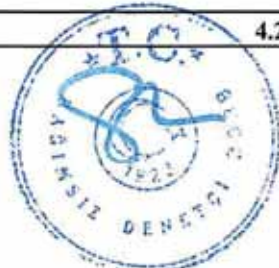
There is no a guarantee or mortgages for the related party receivables or payables. There is no provision made for doubtful receivables for the related party receivables.

The related party balances generally consist from trade transactions. But in some conditions there are cash usages between the related parties. The balances which consist from non-trade transactions are classified as non-trade receivables or payables in the financial statements. Interest is calculated for the balances and is invoiced quarterly. The interest rates for USD, EURO and TL are % (3,5) % (3,5) ve % (14) in December 31,2015 .(The interest rates for USD, EURO and TL are % 2,5-5) % (2,5-5) ve % (10-15) in December 31, 2014).

b) Acquisitions from Related Parties and Sales to Related Parties are as follows:

December 31, 2015

Sales to Related Parties	Goods and Services	General Expense Allocation	Interest and Foreign Exchange Income	Total Income / Sales
İndeks A.Ş.	2.909.919	14.949	1.645.712	4.570.580
Artım A.Ş.	-	-	154	154
Despec A.Ş.	194.920	-	12.044	206.964
İfin A.Ş.	1.120.768	-	249.275	1.370.043
Neotech A.Ş.	-	-	502	502
Neteks A.Ş.	-	-	-	-
Homend A.Ş.	-	-	38	38
Teklos A.Ş.	68.151	209.272	8.749	286.172
Total	4.293.758	224.221	1.916.474	6.434.453



DATA GATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

Acquisitions from Related Parties	Goods and Services	General Expense Allocation	Interest and Foreign Exchange Expense	Total Expenses / Acquisitions
Artım	-	-	-	-
Despec	14.745	-	410	15.155
İnbil	19.210	-	676	19.886
İndeks	70.841	3.333.841	192.432	3.597.114
İnfin	134.514	73.547	292.295	500.356
Neotech	-	-	-	-
Neteks	-	-	497	497
Teklos	2.163.071	-	47.502	2.210.573
Total	2.402.381	3.407.388	533.812	6.343.581

There is no taken or given guarantee in between related parties.

December 31, 2014

Sales to Related Parties	Goods and Services	General Expense Allocation	Interest and Foreign Exchange Income	Total Income / Sales
İndeks A.Ş.	22.377.471	44.344	289.051	22.710.866
Artım A.Ş.	24.789	-	5.309	30.098
Despec A.Ş.	1.046.252	4.084	6.640	1.056.976
İnfin A.Ş.	1.439.264	-	113.077	1.552.341
Neotech A.Ş.	8.175	90.033	46.805	145.013
Neteks A.Ş.	2.200	-	4.053	6.253
Homend A.Ş.	1.595	-	182	1.777
Teklos A.Ş.	2.105	172.590	5.702	180.397
Total	24.901.851	311.051	470.819	25.683.721

Sales to Related Parties	Goods and Services	General Expense Allocation	Interest and Foreign Exchange Income	Total Income / Sales
Artım	179	-	3.291	3.470
Despec	79.402	111.125	14.053	204.580
İnbil	11.814	58	93	11.965
İndeks	3.581.071	1.691.965	423.621	5.696.657
İnfin	-	-	40.761	40.761
Neotech	914.351	121	38.080	952.552
Neteks	95.623	202	3.126	98.951
Teklos	346.525	1.040.985	15.966	1.403.476
Total	5.028.965	2.844.456	538.991	8.412.412

There is no taken or given guarantee in between related parties.

c) Benefits and Services Provided for Senior Management

Account Name	December 31, 2015	December 31, 2014
Short-Term Benefits provided to Employees	1.873.896	820.653
Employment Termination Benefits	-	-
Other long term benefits	-	-
Total	1.873.896	820.653

Benefits and wages provided to Management Staff consist of general manager wages, assistant general manager wages.



DATAGATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

38 NATURES AND LEVEL OF RISKS ARISING OUT OF FINANCIAL INSTRUMENTS

a) Capital risk management

The Group, while trying to maintain the continuity of its activities in capital management on one hand, aims to increase its profitability by using the balance between debts and resources on the other hand.

The capital structure of the Group consists of debts containing the credits explained in note 8, cash and cash equivalents explained in note 6 and resource items containing respectively issued capital, capital reserves, profit reserves and profits of previous years explained in note 27.

Risks, associated with each capital class, and the capital cost are evaluated by the senior management. It is aimed that the capital structure will be stabilized by means of new borrowings or repaying the existing debts as well as dividend payments and new share issuances based on the senior management evaluations.

The Group follows the capital by using debt/total capital rate. This rate is found by dividing the net debt by total capital.

The net debt is calculated by excluding the cash and cash equivalent amounts from the total debt amount (including credits, leasing and commercial debts as indicated in the statement of financial position). Total capital is calculated as resources plus net debt as indicated in the statement of financial position.

General strategy of the Group based on resources is not different from the previous years.

The Group does not have any speculative financial instruments (including derivative financial instruments) and any operating activity of trade of these financial instruments.

b) Important Accounting Policies

The Group's important accounting policies relating to financial instruments are presented in the Note 2.

c) Risks Exposed

Because of its operations, the Group is exposed to financial risks related to exchange rates and interest rates. The Group as it holds the financial instruments also carry the risk of other party not meeting the requirements of the agreement.

Market risks seen at the level of Group are measured according to the sensitivity analysis principle. Market risks faced by the Group in current period or the process of undertaking the faced risks or the process of the measure of faced risks was not changed according to previous year.

c1) Foreign currency risk management

Transactions in foreign currencies expose the Group to foreign currency risk. This risk mainly arises from fluctuation of foreign currency used in conversion of foreign assets and liabilities into Turkish Lira. Foreign currency risk arises as a result of trading transactions in the future and the difference between the assets and liabilities recognized.

The Group is mainly exposed to foreign currency risk due to deposits, receivables, payables and financial liabilities. As stated below the Group management evaluates and monitors the balance of assets and liabilities in Turkish Lira currency as open position. According to this, the details of TL position risk as of December 31, 2015 and December 31, 2014 are as follows:

As of December 31, 2015 if the foreign exchange rates increase 10 percent while all other variables set fixed The Group would have amount of TL 153.842 (December 31,2014: TL 1.064.121) more Continued Operations Profit Before Tax.



DATAGATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

Sensitivity Analysis for changes in Foreign Exchange Currencies Rate

	As of December 31, 2015	
	Profit / (Loss)	
	Increase in Foreign Exchange Rate against TL	Decrease in Foreign Exchange Rate against TL
10% changes USD against TL;		
1- USD Net Asset / (Liability)	199.012	(199.012)
2- Hedged amount against USD (-)	-	-
3- Net effect for USD (1+2)	199.012	(199.012)
10% changes Euro against TL;		
4- Euro Net Asset / (Liability)	(45.170)	45.170
5- Hedged amount against Euro (-)	-	-
6- Net effect for Euro (4+5)	(45.170)	45.170
10% changes other currencies against TL;		
7- Other foreign currencies Net Asset / (Liability)	-	-
8- Hedged amount against other foreign currencies (-)	-	-
9- Net effect for other foreign currencies (7+8)	-	-
Total	153.842	(153.842)

Sensitivity Analysis for changes in Foreign Exchange Currencies Rate

	As of December 31, 2014	
	Profit / (Loss)	
	Increase in Foreign Exchange Rate against TL	Increase in Foreign Exchange Rate against TL
10% changes USD against TL;		
1- USD Net Asset / (Liability)	1.063.815	(1.063.815)
2- Hedged amount against USD (-)	-	-
3- Net effect for USD (1+2)	1.063.815	(1.063.815)
10% changes Euro against TL;		
4- Euro Net Asset / (Liability)	306	(306)
5- Hedged amount against Euro (-)	-	-
6- Net effect for Euro (4+5)	306	(306)
10% changes other currencies against TL;		
7- Other foreign currencies Net Asset / (Liability)	-	-
8- Hedged amount against other foreign currencies (-)	-	-
9- Net effect for other foreign currencies (7+8)	-	-
Total	1.064.121	(1.064.121)



DATA GATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

	December 31, 2015		December 31, 2014			
	Amount in TL	USD	EURO	Amount in TL	USD	EURO
1. Trade Receivables	3.301.899	1.135.513	88	20.947.020	9.032.789	314
2a. Monetary Financial Assets	1.594.449	548.230	131	9.882.111	4.260.268	1.055
2b. Non-Monetary Financial Assets	-	-	-	-	-	-
3. Other	51.577	17.739	-	1.174.256	506.385	-
4. Current Assets Total (1+2+3)	4.947.925	1.701.482	219	32.003.388	13.799.442	1.369
5. Trade Receivables	-	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-	-
6b. Non-Monetary Financial Assets	-	-	-	-	-	-
7. Other	-	-	-	-	-	-
8. Fixed Assets Total (5+6+7)	-	-	-	-	-	-
9. Total Assets (4+8)	4.947.925	1.701.482	219	32.003.388	13.799.442	1.369
10. Trade Payables	(3.022.758)	(893.210)	(133.957)	(18.111.216)	(7.809.915)	(285)
11. Financial Liabilities	-	-	-	-	-	-
12a. Other Monetary Liabilities	(335.174)	(106.081)	(8.413)	(2.076.709)	(895.558)	-
12b. Other Non-Monetary Liabilities	-	-	-	-	-	-
13. Total Short Term Liabilities (10+11+12)	(3.357.932)	(999.290)	(142.370)	(20.187.925)	(8.705.473)	(285)
14. Trade Payables	-	-	-	-	-	-
15. Financial Liabilities	-	-	-	-	-	-
16a. Other Monetary Liabilities	-	-	-	-	-	-
16b. Other Non-Monetary Liabilities	-	-	-	-	-	-
17. Total Long Term Liabilities (14+15+16)	-	-	-	-	-	-
18. Total Liabilities (13+17)	(3.357.932)	(999.290)	(142.370)	(20.187.925)	(8.705.473)	(285)
19. Net Asset/ (Liability) Position of Derivative Instruments off the Statement of financial position (19a-19b)	(6.330.121)	(2.177.095)	-	-	-	-
19a. Total Amount of Hedged Assets	-	-	-	-	-	-
19b. Total Amount of Hedged Liabilities	6.330.121	2.177.095	-	-	-	-
20. Net Foreign Exchange Asset / (Liability) Position (9-18+19)	(4.740.128)	(1.474.903)	(142.151)	11.815.462	5.093.969	1.084
21. Monetary Items Net Foreign Exchange Asset / (liability) position (1+2a+5+6a-10-11-12a-14-15-16a)	1.538.416	684.453	(142.151)	10.641.206	4.587.584	1.084
22. Total Fair Value of Financial Instruments Used for the Foreign Exchange Hedge	-	-	-	-	-	-
23. The Amount of Hedged part of Foreign Exchange Assets	6.317.155	2.172.635	-	-	-	-
23. The Amount of Hedged part of Foreign Exchange Liabilities	1.168.015	-	-	-	-	-
23. Export	32.406.901	-	-	-	-	-
24. Import	-	-	-	-	-	-



DATAGATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

c2.) Counterparty Risk

	December 31, 2015					
	Trade Receivables			Other Receivables		
	Related Parties	Other	Related Parties	Other	Related Parties	Other
Maximum credit risk incurred as of the date of reporting (A+B+C+D)	1.087.558	270.823.740	-	24.308	-	39.163.524
- The part of maximum risk secured by guarantee etc.	-	26.433.433	-	-	-	-
A. Net book value of financial assets which are undue or which did not decline in value	1.087.558	270.677.583	-	24.308	10-11	39.163.524
B. Book value of financial assets which conditions are renegotiated, and which otherwise would be counted as overdue or declined in value	-	-	-	-	-	-
- The part secured by guarantee etc.	-	-	-	-	-	-
C. Net book values of assets declined in value	-	-	-	-	10-11	-
- Overdue (gross book value)	-	-	-	-	-	-
- Decline in value (-)	-	1.740.894	-	-	10-11	-
- The part of net value secured by guarantee etc.	-	(1.740.894)	-	-	10-11	-
- Undue (gross book value)	-	-	-	-	10-11	-
- Decline in value (-)	-	-	-	-	10-11	-
- The part of net value secured by guarantee etc.	-	-	-	-	10-11	-
D. Elements containing credit risk off the statement of financial position	-	-	-	-	-	-

	December 31, 2014					
	Trade Receivables			Other Receivables		
	Related Parties	Other	Related Parties	Other	Related Parties	Other
Maximum credit risk incurred as of the date of reporting (A+B+C+D)	2.343.511	110.764.522	-	285.518	-	29.556.487
- The part of maximum risk secured by guarantee etc.	-	38.775.990	-	-	-	-
A. Net book value of financial assets which are undue or which did not decline in value	2.343.511	109.993.492	-	285.518	10-11	29.556.487
B. Book value of financial assets which conditions are renegotiated, and which otherwise would be counted as overdue or declined in value	-	-	-	-	-	-
- The part secured by guarantee etc.	-	-	-	-	-	-
C. Net book values of assets declined in value	-	-	-	-	10-11	-
- Overdue (gross book value)	-	-	-	-	-	-
- Decline in value (-)	-	1.665.857	-	-	10-11	-
- The part of net value secured by guarantee etc.	-	(1.665.857)	-	-	10-11	-
- Undue (gross book value)	-	-	-	-	10-11	-
- Decline in value (-)	-	-	-	-	10-11	-
- The part of net value secured by guarantee etc.	-	-	-	-	10-11	-
D. Elements containing credit risk off the statement of financial position	-	-	-	-	-	-



DATA GATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

December 31, 2015	Receivables	
	Trade Receivables	Other Receivables
1-30 Days Overdue	133.838	-
1-3 Months Overdue	12.319	-
More than 3 Months Overdue	-	-
The part of net value secured by guarantee etc.	4.794	-

December 31, 2014	Receivables	
	Trade Receivables	Trade Receivables
1-30 Days Overdue	701.070	-
1-3 Months Overdue	69.960	-
More than 3 Months Overdue	-	-
The part of net value secured by guarantee etc.	29.092	-

Credit Risk Management:

The Group's credit risk management exposed from trade receivables. Trade receivables mostly consist from receivables from dealers. The Group has set up an effective control system over its dealers and the risk is monitored by credit risk management team and Group Management. The Group has set limits for every dealer and these limits are revised if it is necessary. The taking adequate guarantee from dealers is another method for the risk management. There is no significant trade receivable risk for the Company, because the Group has receivables from a wide range of customers instead of a small number customers and significant amounts. Trade receivables are evaluated by taking into consideration of Group's past experience and current economic situation and these receivables are presented with their net values in the statement of financial position after the proper provisions for doubtful receivables are made. The low profit margins by force of the sectoral conditions make collection and credit risk management policies important and the Group management show sensivity in these situations. The detailed information about the collection and risk management policies are as follows;

The Group starts executive proceedings and / or litigates for the receivables overdue for a few months. The Group can configure terms for dealers in difficult situations. The low profit margins by force of the sectoral conditions make collection of receivables important. There is a risk management team to minimize the risk of collections and the sales are realized by making credibility evaluations. The sales to new or risky dealers are made in cash collection.

The Group is selling products to a wide range of institutions which are selling or buying computer and its equipments. The capital structure of the dealers classified as "classic dealers" in the distribution channel is low. It is estimated that there are about 5.000 dealers in this group in Turkey and in terms of risk management to minimize the receivable risk of Datagate by taking steps and establishing its own organization and working system. The steps taken by the Group are as follows;

The sales to new customers which have no experience more than 1 year: The sales to new customers which have no experience more than 1 year are made in cash collection.

The information team involved in receivable and risk management department consists of 2 staff and this team is monitoring the dealers continuously.

Credit Committee: The information about the customers which has experience more than 1 year in the sector and the customers which are demanding an increase for the credit limit are prepared by the information team and presented to credit committee every week. Credit committee consists of Senior Vice President of Finance, Finance Manager, Accounting Manager, information team staff and the Sale Manager of related Customer. Credit Committee establish credit limits to related customers by taking into consideration the information gained from the information team, past payments and sale performances. The Credit Committee determines the conditions and if it is needed they demand for guarantees, mortgages, etc.



DATA GATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

Trade receivables are evaluated by taking into consideration the Group policies and procedures and the trade receivables are shown with their net value after the provisions for doubtful receivables are made in the financial statements. (Note: 10)

(c3) Management of interest rate risk

The Group is exposed to interest risk due to its fixed interest financial instruments.

Table of Interest Position

	<u>December 31, 2015</u>	<u>December 31, 2014</u>
Fixed Interest Financial Instruments		
Financial Assets	35.155.487	25.693.895
Financial Liabilities	263.666.191	86.162.367
Floating Rate Financial Instruments		
Financial Assets	-	-
Financial Liabilities	-	-

If there is a %1 increase on TL interest rate and other variables are fixed as of December 31, 2015 , loss before tax will be less with the amount of TL 2.285.107.

If there is a %1 increase on TL interest rate and other variables are fixed as of December 31, 2014 , loss before tax will be more with the amount of TL 604.685.

(c4) Liquidity risk management

The Group tries to manage the liquidity risk by maintaining the continuation of sufficient funds and loan reserves by means of matching the financial instruments and terms of liabilities by following the cash flow regularly.

Liquidity Risk Tables

Prudent liquidity risk management signifies maintaining sufficient cash, the utility of fund sources by sufficient credit transactions and the ability to close out market positions.

Risk of existing or future possible debt requirements being fundable is managed by maintaining the continuation of availability of sufficient numbers and high quality credit providers.

The table below indicates the term divisions of derivative and non-derivative financial liabilities of the Group in TL currency.

December 31, 2015

<u>Expected Terms</u>	<u>Book Value</u>	<u>Cash Outflows Total As Per the Agreement</u>	<u>Less than 3 Months</u>	<u>3-12 Months</u>	<u>1-5 Years</u>	<u>More than 5 Years</u>
Non-derivative Financial Liabilities	357.972.164	383.710.174	148.491.852	155.562.386	79.655.935	-
<i>Bank Loans</i>	<i>263.666.191</i>	<i>288.411.310</i>	<i>53.192.988</i>	<i>155.562.386</i>	<i>79.655.935</i>	<i>-</i>
<i>Trade Payables</i>	<i>91.971.253</i>	<i>92.964.144</i>	<i>92.964.144</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Other Payables</i>	<i>2.334.720</i>	<i>2.334.720</i>	<i>2.334.720</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Other</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>



DATA GATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

Expected Terms	Book Value	Cash Outflows Total As Per the Agreement	Less than 3 Months	3-12 Months	1-5 Years	More than 5 Years
Derivative Financial Liabilities	12.967	(91.874)	(91.874)	-	-	-
<i>Derivative Cash Inflows</i>	<i>6.330.121</i>	<i>6.330.121</i>	<i>6.330.121</i>	-	-	-
<i>Derivative Cash Outflows</i>	<i>(6.317.154)</i>	<i>(6.421.995)</i>	<i>(6.421.995)</i>	-	-	-

December 31, 2014

Expected Terms	Book Value	Cash Outflows Total As Per the Agreement	Less than 3 Months	3-12 Months	1-5 Years	More than 5 Years
Non-derivative Financial Liabilities	173.855.543	185.118.632	100.639.871	36.585.301	47.893.461	-
<i>Bank Loans</i>	<i>86.162.367</i>	<i>96.779.546</i>	<i>12.300.785</i>	<i>36.585.301</i>	<i>47.893.461</i>	-
<i>Trade Payables</i>	<i>87.661.425</i>	<i>88.307.335</i>	<i>88.307.335</i>	-	-	-
<i>Other Payables</i>	<i>31.751</i>	<i>31.751</i>	<i>31.751</i>	-	-	-
<i>Other</i>	-	-	-	-	-	-

Expected Terms	Book Value	Cash Outflows Total As Per the Agreement	Less than 3 Months	3-12 Months	1-5 Years	More than 5 Years
Derivative Financial Liabilities	-	-	-	-	-	-
<i>Derivative Cash Inflows(*)</i>	-	-	-	-	-	-
<i>Derivative Cash Outflows</i>	-	-	-	-	-	-

(*)There is no forward transactions as of 31.12.2014.

(c5) Analyses of other Risks

Risks Related to Financial Instruments, Stocks Etc.

Group has no stocks or similar marketable securities evaluated by fair value in the current period.

39 FINANCIAL INSTRUMENTS (DECLARATIONS WITHIN THE CONTEXT OF FAIR VALUE AND HEDGING)

Aims at financial risk management

The finance department of the Group is responsible for maintaining the access to financial markets regularly and observing and managing the financial risks incurred in relation with the activities of the Group. The said risks include market risk (including foreign exchange risk, fair interest rate risk and price risk), credit risk, liquidity risk and cash receiving risk.

Fair Value of Financial Instruments

Fair value is the amount for which a financial instrument could be exchanged except compulsory sale or liquidation process between willing parties and it is determined with its market value if there is a quoted price.

The Group has determined the estimated values of financial instruments by taking into consideration the present market information and proper valuation methods. But determination of market information and estimation of fair value require interpretation and discernment. Consequently the estimations presented are not always the indicators of the values could be realized from a current market transaction.

The methods and assumptions used for the determination of the fair value of the financial instruments are as follows;



DATA GATE BİLGİSAYAR MALZEMELERİ TİCARET ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period Ended December 31, 2015
(The amounts are stated as Turkish lira ("TL") unless otherwise specified.)

Monetary Assets

Balances denominated in foreign currencies are converted into Turkish Lira by the exchange rate ruling at the statement of financial position date. It is predicted that these balances are considered to approximate to their net book value.

Financial instruments in which cash and cash equivalents are included are carried by their cost value and it is predicted that their net book value are considered to approximate to their fair values due to their short-term maturity.

It is predicted that the net book value of trade receivables with provisions made for doubtful receivables present their fair values.

Monetary Liabilities

Balances denominated in foreign currencies are converted into Turkish Lira by the exchange rate ruling at the statement of financial position date. It is predicted that these balances are considered to approximate to their net book value.

It is predicted that net book value of bank loans and other monetary liabilities are considered to approximate their fair values due to their short-term maturity.

It is predicted that the net book value of trade payables present their fair values due to their short-term maturity.

Fair Value Assessment:

The Group has applied the amendments in IFRS 7 related with the financial instruments evaluated by fair value in the statement of financial position effective from the date of January 1, 2009. The amendment in fair value calculations is disclosed in accordance with the steps of hierarchy for fair value mentioned below;

Level 1: Quoted prices in active markets for identical assets and liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that is not based on observable market data. It is predicted that net book value of foreign currency balances which are converted to TL at the end of the year are considered to approximate to their fair values.

The Group presents its financial investments with their fair values in the financial statements as of December 31, 2015 and December 31, 2014. (Level 2) (Note: 7)

It is accepted that the discounted net book value of financial assets such as cash and cash equivalents present their fair values due to their short-term maturity.

Trade receivables and payables are measured at their discounted cost using the effective interest method and it is accepted that the net book value of these balances are considered to approximate their fair values.

40 EVENTS AFTER STATEMENT OF FINANCIAL POSITION DATE

None.

41 OTHER ISSUES

None.

