

GOLDAŞ KUYUMCULUK SANAYİ
İTHALAT İHRACAT ANONİM ŞİRKETİ
NOTES TO INFLATION ADJUSTED INCOME STATEMENT
FOR THE PERIOD JANUARY 01—DECEMBER 31, 2004

(USD in full unless otherwise indicated)

1-Depreciation and amortisation expenses of the period: Depreciation expense for the period is USD 1.060.850.- (December 31, 2003:USD 741.980.-)

	<u>December 31,2004</u>	<u>December 31,2003</u>
a) Depreciation expenses	292.664.-	188.038.-
b) Amortization expenses	768.186.-	552.942.-
TOTAL	1.060.850.-	741.980.-

2-Rediscounts and provisions for the period: Provisions for the period amounting to USD 1647.040.- are detailed as follows;(December 31, 2003: USD 3.599.593.-)

	<u>December 31,2004</u>	<u>December 31,2003</u>
a) Provision for retirement pay	80.823.-	78.573.-
b) Provision for the decrease in value of inventories	1.566.217.-	3.521.020.-
TOTAL	1.647.040.-	3.599.593.-

3- All financial expenses for the period: Financial expenses for the current period are USD 3.454.814.- and all charged to expense.

		December 31,2003
a)Charged to the cost of production	81.798.-	6.053.550.-
b)Charged to period expense	5.210.370.-	
c)Charged to the cost of finished goods	70.145.-	
d)Charged to the cost of merchandise	437.288.-	
e)Charged to the operational expenses	253.949.-	

4. Financial expenses for the period related to the shareholders, associated companies and participations:

None (December 31, 2003: None.)

5-Sales and purchases to and from the shareholders, associated companies and participations:

	<u>December 31, 2004</u>		<u>December 31, 2003</u>	
	<u>Purchases</u>	<u>Sales</u>	<u>Purchases</u>	<u>Sales</u>
Goldart Holding A.Ş.	159.733.-	48.552.-	104.690.-	25.755.-

6- Interest, rent and other similar items received or paid to the shareholders, associated companies and participations:

As of December 31, 2004, USD 11.571.- has been paid to the shareholders as office rent. The Company has accrued USD 5.807.- interest expense for the loan amounting to USD 622.188.- received from its associated company, Goldaş Kıymetli Madenler Ticareti Anonim Şirketi.

7-Total amount of salaries and other benefits provided in the current year to the executive managers as chairman of the board, general manager, general coordinator and deputy general manager:

USD 331.836.- (December 31, 2003: USD 397.561.-)

8- Depreciation methods and the increasing (+) or decreasing (-) effects arising from the changes in the methods for the period:

Straight-line depreciation method has been applied and there has been no change between the years.

9- Inventory costing systems (perpetual or periodic inventory costing) and methods (weighted average method, first-in-first-out (FIFO)method, moving average method):

Inventory costing has been done by using actual costing system with FIFO method.

10. Reasons for not making partial or complete physical inventory count, if there is such a situation:

Physical inventory count has been performed. (December 31, 2003: Physical inventory count has been performed.)

11- Separate total amounts of sub-product sales, scrap, idle materials and services which are included in the domestic and export sales account those exceeding 20% of gross sales:

None (December 31, 2003: None.)

12- Information on the incentives and subventions regarding company sales, if there are any:

None (December 31, 2003: None.)

13- Disclosure to the amounts and sources of the income and profits for the previous period together with expenses and losses for the previous period: None

(December 31, 2003: Expense of the previous period amount of NTL 260.- was generated from the correction on depreciation regarding Tübitak MAM Technology Free Zone Branch.)

14- Earnings per share to be stated separately for ordinary and privileged shares: (in full)

None (December 31, 2003: None)

15- Variations in production of goods and services realized by the Company within the period, stated separately for every main manufacturing group: (in grams)

a) December 31, 2004

TYPE	December 31, 2004	December 31, 2003
8K	321.157,07	21.805,19
9K	755.729,61	178.678,65
10K	115.942,80	29.369,07
14K	3.674.746,31	2.474.040,00
18K	3.788.438,91	2.581.498,65
22K	3.149.864,41	1.710.750,72
24K CHIP	82.145,50	-
Silver	1.428.427,14	387.786,00

b) December 31, 2003

TYPE	December 31, 2003	December 31, 2002
8K	21.805,19	46.488,43
9K	178.678,65	237.751,63
10K	29.369,07	120.196,85
14K	2.474.040,00	3.592.812,44
18K	2.581.498,65	3.956.162,04
22K	1.710.750,72	3.083.182,84
SILVER	387.786,00	-

16- Variations in sales of goods and services realized by the Company within the period, stated separately for every main sales group: (in grams)

a) December 31, 2004

TYPE	December 31, 2004	December 31, 2003
8K	314.767,01	18.767,56
9K	739.253,99	174.545,51
10K	121.905,65	28.609,23
14K	3.626.209,62	2.494.697,54
18K	3.818.657,55	2.677.070,82
21K	3.325,00	-

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22K	3.224.167,20		1.730.594,01
24K Chip	79.649,50		-
24 K	23.347.326,60		7.880.180,25
Silver	36.569.903,99		242.180,86

b) December 31, 2003

<u>TYPE</u>	<u>December 31, 2003</u>		<u>December 31, 2002</u>
8K	18.767,56		53.655,3
9K	174.545,51		291.895,89
10K	28.609,23		119.903,34
14K	2.494.697,54		3.675.252,64
18K	2.677.070,82		4.850.751,49
21K	-		39.286,00
22K	1.730.594,01		3.303.139,03
24 K	7.880.180,25		6.073.008,51
Silver	242.180,86		91.573,47