

ANEL TELECOMMUNICATION ELECTRONIC SYSTEMS INDUSTRY AND TRADE INC
CONSOLIDATED (BY THE PROPORTIONATE CONSOLIDATION METHOD) CASH FLOW
STATEMENTS FOR THE FINANCIAL YEAR ENDED ON 31st DECEMBER 2007 AND 2006

(Unless otherwise specified, the amounts are reflected as New Turkish Liras (YTL).)

	Independently Audited	
	<u>01.01.-31.12.2007</u>	<u>01.01.-31.12.2006</u>
A. CASH FLOW DUE TO REAL OPERATING		
Net Income Before Tax (+)	6.631.900	4.302.998
Adjustments :		
Amortization (+)	450.338	1.832.303
Betterment redemption (+)	146.444	-
Deferred tax (income)/expense, net	(65.942)	(124.056)
Rediscount interest expense/income, net	(176.756)	(15.196)
Bad debt provision expenses (+)	-	51.946
Severance pay expense	275.835	308.083
Previous Period (income)/expense accruals, net	-	(121.139)
Other adjustments	-	37.000
Operating profit before working capital changes (+)	<u>7.261.819</u>	<u>6.271.939</u>
Increases (-)/decreases (+) in transactions and other receivables	(8.557.402)	(9.423.054)
Increase (+)/decrease (-) in stocks	351.104	(2.254.480)
Exchange of other Current Circulating assets	(1.810.396)	(1.754.342)
Increase (-)/decrease (+) in trade liabilities, advances collected and other debts	15.594.777	5.554.766
Exchange of other financial liabilities	14.671	-
Exchange of other liabilities	922.439	551.133
Real operating cash (+)	<u>13.777.013</u>	<u>(1.054.038)</u>
Interest payments (-)	(11.854)	(96.873)
Tax payments (-)	(1.017.350)	(1.156.414)
Real operating net cash	<u>12.747.809</u>	<u>(2.307.325)</u>
B. CASH FLOW DUE TO INVESTMENT OPERATING		
Financial asset buying-selling, net	(15.436.725)	(1.986)
Tangible and intangible asset purchasing (-)	(798.914)	(12.317.795)
Cash inflow due to tangible asset sale (+)	18.270.000	403.669
Increase of ongoing projects	-	(329.817)
Investment operating net cash	<u>2.034.361</u>	<u>(12.245.929)</u>
C. CASH FLOW DUE TO FINANCIAL OPERATING		
Cash inflows due to issues of common stock (+)	-	-
Cash inflow on long-term liabilities (+)	-	-
Cash inflow due to securities sale (+)	1.299.932	-
Inflow/(outflow) due to bank credit	390.540	(111.235)
Payments on leasing liabilities (-)	-	(132.570)
Outflows due to other Financial Liabilities (-)	-	(55.527)
Capital dividends (-)	(2.200.000)	(1.980.000)
Net cash due to financial operating	<u>(509.528)</u>	<u>(2.279.332)</u>
Net increase in cash and cash equivalents	14.272.642	(16.832.586)
Availability of cash and cash equivalents at the beginning of the period	17.787.105	34.619.691
Availability of cash and cash equivalents at the end of the period	<u>32.059.747</u>	<u>17.787.105</u>