

FUND OBJECTIVE

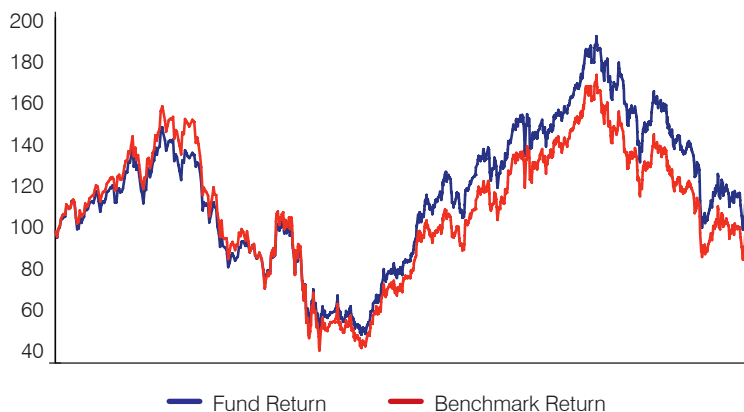
The investment objective of the Fund is to seek return by investing in shares of the Turkish companies that provide capital appreciation and dividend income and have the potential to benefit from the economic growth and development of Turkey. The Fund targets to outperform the benchmark which represents Turkish equity market. The team taps two main sources of value added: sector selection –key to mastering the Turkish market risk—and stock picking, to benefit from the companies offering the best upside potential. It is managed by an experienced team who seek to deliver performance through a sophisticated value and growth driven approach coupled with disciplined risk management.

FUND INFORMATION (30/12/2011)

Base Currency	Euro
Total Assets	28,812,588
Inception	19 Nov 1997
NAV (I class)	33.02
Total Expense Ratio	Annual 1.96%
Benchmark	100% x ISE 30
Investment Manager	Is Asset Management
Portfolio Managers	Elif Cengiz, Kemal Özmen

COMPARATIVE CUMULATIVE RETURNS

Comparative Cumulative Returns (%)
05/01/2007 - 30/12/2011



INVESTMENT ALLOCATION

Equities	Cash & Other Liquid Assets
94.86%	5.14%

RANKINGS

Fund Name	Period	Institution	Category	Morningstar Rating
T. Equities	As of 30/12/2011	Morningstar	Turkey Equity	4 Star

PERFORMANCE AND RISK MEASURES

	2011	2010	2009
Sharpe Ratio	-1.30	0.98	1.99
Information Ratio	0.09	0.20	1.13
Alpha (%)	-2.95	3.28	12.15
Beta	0.92	0.88	0.86
Daily Tracking Error (Ex-post) (%)	0.38	0.39	0.52
Annualized Tracking Error (Ex-post) (%)	6.17	6.30	8.00

MARKET OVERVIEW

In 2011, Turkish equities suffered from intense volatility which arised from both internal and external factors. The concerns over global growth, Euro-zone debt crisis, rating downgrades from credit rating agencies, decreasing liquidity and regional political unrests deteriorated the global risk appetite and led the sell-off in risk assets. In the domestic front, the unorthodox policies of The Central Bank of Turkey (CBRT), worries towards C/A deficit, pressure on TL, higher rate and inflation environment created ambiguity in the Turkish financial markets.

ISE 30 index underperformed both MSCI EM and developed market indices in 2011 due to the aforementioned factors. In the fourth quarter of 2011, led by banking sector stocks, ISE 30 index fell 16% and 14% in TL and Euro terms respectively, bringing the whole year losses to 24% and 36%. In parallel with Turkish equities, Turkisfund Equities had a 35.2% Euro based net loss (c.a. 33.2% gross) in 2011, which was lower than the benchmark's 35.8% Euro based gross loss in the same period.

The latest favorable macroeconomic data in US and the European policy makers' efforts to fight the debt crisis are the basis of optimism for 2012. However, we expect the continuation of the volatility in 2012 as well since we believe that it is difficult to build concrete and permanent solutions to the problems in the short term. Turkey's problems in C/A financing and high dependency on Europe in terms of foreign funding and exports makes it vulnerable to external shocks and fluctuations. Additionally, CBRT's tightening policies which are not in favor of Turkish banks, expected slowdown in Turkish economy, higher inflation expectations, C/A deficit financing and TL depreciation make 2012 a challenging year for Turkey. The potential concrete steps from EU countries against debt crisis, start of a new QE cycle which may restore international liquidity, the possible improvement in Turkey's growth, C/A and inflation figures might be catalysts to reassure risk appetite for Turkish equities. At the moment, we maintain our underweight holding in Turkish banks and diversified portfolio which consists of stocks that are relatively more immune to a downturn in the domestic economy.

The easiest way of investing in
Turkey's capital markets



Türk is fund

www.turkisfund.com

TOP 10 HOLDINGS (%)

EQUITIES

TÜRKİYE GARANTİ BANKASI A.Ş.	9.74
TÜRKİYE HALK BANKASI A.Ş.	8.16
AKBANK T.A.Ş.	7.91
TÜPRAŞ TÜRKİYE PETROL RAFİNERİLERİ A.Ş.	7.60
YAPI VE KREDİ BANKASI A.Ş.	5.46
TÜRK TELEKOMÜNİKASYON A.Ş.	4.79
HACI ÖMER SABANCI HOLDİNG A.Ş.	4.73
TÜRKİYE VAKIFLAR BANKASI TAO	3.43
KOÇ HOLDİNG A.Ş.	3.05
TAV HAVALİMANLARI HOLDİNG A.Ş.	2.93

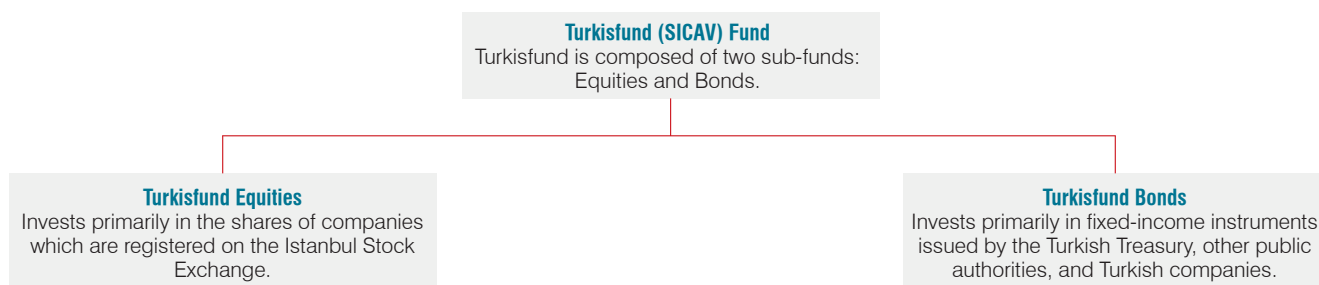
PAST PERFORMANCES (%)

	Fund	Benchmark	DJN	FTSE	DAX	ISE30
2011	-35.2	-35.8	9.0	-2.8	-14.7	-35.8
2010	27.4	26.2	19.7	12.7	16.1	26.2
2009	99.5	90.2	15.6	32.1	23.8	90.2
2008	-52.0	-59.9	-30.5	-47.7	-40.4	-59.9
2007	32.5	47.6	-4.7	-5.1	22.3	57.5
2006	-10.3	-11.0	4.5	13.2	22.0	-17.5
3 Years	64.7	54.2				
5 Years	4.8	-8.8				

Returns are based on Euro.

TURKISFUND - INVESTMENT STRATEGIES

TURKISFUND (SICAV) is an umbrella fund:



LEGAL STRUCTURE

Established in	Luxembourg
Registered in	UK, Luxembourg, Holland, Germany, France and Sweden
Supervisory Authority	Commission de Surveillance de Secteur Financier (CSSF)
Legal Form	SICAV
Base Currency	Euro

Turkisfund (SICAV) is a UCITS III fund and is subject to the part I of the Luxembourg Law of December 20, 2002.

FUND PROMOTER AND PAYING AGENTS

Promoter	Isbank GmbH Frankfurt
Custodian & Fund Administrator	CACEIS Bank Luxembourg
Paying Agents	Distributors
CACEIS Bank Luxembourg	Isbank GmbH Frankfurt
Isbank GmbH Frankfurt	Isbank London
Isbank London	Isbank GmbH Amsterdam
Isbank GmbH Amsterdam	Maxis Securities Ltd.
Isbank GmbH Paris	
Skandinaviska Enskilda Banken AB	

ADMINISTRATIVE INFORMATION

Investment Manager	Is Asset Management	Sales Fee	For Class A* : Up to 5%
Valuation Day	Equities - each business day		For Class I** : Up to 3%
Time Limit	12:00 p.m. Luxembourg Time	Minimum Initial Investment	For Class A : Eur 1,000
Settlement Period	T + 2		For Class I : Eur 10,000
		Investment Management Fee	1.5% p.a.

* Retail investors
** Institutional investors

INVESTMENT MANAGER

- Investment Management Services of Turkisfund is rendered by Is Asset Management
- Is Asset Management is the leader of the asset management industry in Turkey by maintaining 22.3% of market share
- Is Asset Management's shareholders are well-known Isbank Group companies that are each pioneer in their own fields
- Is Asset Management is one of the 57 corporate members of European Fund and Asset Management Association (EFAMA). Is Asset Management is the first Turkish Asset Management Company to have become a corporate member of EFAMA

CONTACT

Is Asset Management Seda Somali Phone: +90 212 386 29 60 Fax: +90 212 325 16 45 Email: ssomali@isasset.com	Isbank GmbH Frankfurt, Germany Selami Düz, Assistant General Manager Phone: +49 69 29 90 11 50 Fax: +49 69 29 90 12 22 Email: selami.duz@isbankgmbh.de	Isbank London, UK Hasan Candan, Branch Manager Phone: +44 207 606 05 96 Fax: +44 207 726 25 66 Email: hasan.candan@isbank.co.uk	Isbank GmbH Amsterdam, Holland M. Sanem Teoman, Branch Manager Phone: +31 20 530 63 30 Fax: +31 20 530 63 40 Email: sanem.teoman@isbankgmbh.de
---	---	--	---