

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

INDIVIDUAL BALANCE SHEET AS AT 30 JUNE 2014

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

ASSETS		<i>Reviewed</i>	<i>Not audited</i>
		30 June	31 December
	Notes	2014	2013
CURRENT ASSETS		8,974,084	4,134,283
Cash and cash equivalents	4	144,403	409,421
Trade receivables	6	8,462,380	3,605,450
- <i>Trade receivables from third parties</i>	6	8,462,380	3,605,450
Other receivables	7	--	1,805
- <i>Other receivables from third parties</i>	7	--	1,805
Prepaid expenses	16	277,215	32,236
Other current assets	17	90,086	85,371
NON-CURRENT ASSETS		919,994,609	910,590,191
Financial investments	8	153,706,506	147,945,964
- <i>Subsidiaries</i>	8	153,706,506	147,945,964
Other receivables	7	141,585	73,593
- <i>Other receivables from third parties</i>	7	141,585	73,593
Investment property	9	742,507,086	737,445,000
Property and equipment	10	52,745	36,540
Intangible assets	11	5,118	6,541
- <i>Other intangible assets</i>	11	5,118	6,541
Prepaid expenses	16	13,357	853,663
Other non-current assets	17	23,568,212	24,228,890
TOTAL ASSETS		928,968,693	914,724,474

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

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

INDIVIDUAL BALANCE SHEET AS AT 30 JUNE 2014

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

LIABILITIES		<i>Reviewed</i>	<i>Not audited</i>
	Notes	30 June 2014	31 December 2013
CURRENT LIABILITIES		80,474,765	78,695,344
Short term financial liabilities	5	25,254,138	8,504,390
Short term portion of long term financial liabilities	5	53,516,897	65,442,657
Trade payables	6	1,111,600	3,962,599
- Trade payables to related parties	6	739,603	751,010
- Other trade payables to third parties	6	371,997	3,211,589
Other payables	7	28,116	16,161
- Other payables to third parties	7	28,116	16,161
Short term provisions	15	272,348	234,954
- Short term provisions for employee benefits	15	272,348	234,954
Other current liabilities	17	291,665	534,583
NON-CURRENT LIABILITIES		218,043,163	211,248,766
Long term financial liabilities	5	214,235,623	207,700,694
Long term provisions	15	64,257	48,512
- Long term provisions for employee benefits	15	64,257	48,512
Other non-current liabilities	17	3,743,283	3,499,560
EQUITY	18	630,450,765	624,780,364
Paid in capital		184,000,000	184,000,000
Adjustment to share capital		317,344	317,344
Share premiums		58,880,000	58,880,000
Restricted reserves allocated from profit		4,147	4,147
Retained earnings		381,578,873	338,686,361
Net profit for the period		5,670,401	42,892,512
TOTAL EQUITY AND LIABILITIES		928,968,693	914,724,474

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

Convenience Translation to English of Individual Financial Statements Originally Issued in Turkish
AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ
INDIVIDUAL STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2014
(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated)

		Reviewed	Not reviewed	Not reviewed	Not reviewed
		1 January –	1 April –	1 January –	1 April –
	Notes	30 June	30 June	30 June	30 June
		2014	2014	2013	2013
PROFIT OR LOSS					
Revenue	19	12,550,372	7,250,609	11,515,563	6,962,949
Cost of sales	19	(1,371,456)	(696,923)	(1,210,252)	(509,101)
GROSS PROFIT		11,178,916	6,553,686	10,305,311	6,453,848
General administrative expenses	20	(1,682,518)	(934,401)	(1,713,456)	(710,578)
Other operating income	21	113,863	96,583	89,637	63,478
Other operating expenses	21	(118,412)	(34,639)	(62,051)	(43,478)
OPERATING PROFIT		9,491,849	5,681,229	8,619,441	5,763,270
Financial income	22	10,657,459	10,657,459	2,584,854	--
Financial expenses	23	(14,478,907)	(3,858,719)	(20,414,276)	(17,976,888)
PROFIT/(LOSS) BEFORE TAX		5,670,401	12,479,969	(9,209,981)	(12,213,618)
Current tax expense		--	--	--	--
NET PROFIT/(LOSS) FOR THE PERIOD		5,670,401	12,479,969	(9,209,981)	(12,213,618)
Earnings per share (Full TL)	26	0.03	0.07	(0.05)	(0.07)
PROFIT/(LOSS) FOR THE PERIOD		5,670,401	12,479,969	(9,209,981)	(12,213,618)
OTHER COMPREHENSIVE INCOME					
Items to be reclassified to profit or loss		--	--	--	--
Change in currency translation differences		--	--	--	--
TOTAL COMPREHENSIVE INCOME/(LOSS)		5,670,401	12,479,969	(9,209,981)	(12,213,618)
Attribution of total comprehensive (loss)/income:					
Non-controlling interest		--	--	--	--
Attributable to equity holders of the company		5,670,401	12,479,969	(9,209,981)	(12,213,618)

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

Convenience Translation to English of Individual Financial Statements Originally Issued in Turkish
AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ
INDIVIDUAL STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE PERIOD ENDED 30 JUNE 2014
(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

	Paid in Capital	Adjustment to share capital	Share premiums	Other comprehensive income items to be reclassified to profit or loss		Retained earnings		Total Equity
				Restricted reserves allocated from profit	Retained earnings	Retained earnings	Net (loss)/profit for the period	
Balance as at 1 January 2013	184,000,000	317,344	58,880,000	4,147	305,681,655	33,004,706	581,887,852	
Transfers	-	-	-	-	33,004,706	(33,004,706)	-	
Total comprehensive income	-	-	-	-	-	(9,209,981)	(9,209,981)	
Balance as at 30 June 2013	184,000,000	317,344	58,880,000	4,147	338,686,361	(9,209,981)	572,677,871	
Balance as at 1 January 2014	184,000,000	317,344	58,880,000	4,147	338,686,361	42,892,512	624,780,364	
Transfers	-	-	-	-	42,892,512	(42,892,512)	-	
Total comprehensive (loss)	-	-	-	-	-	5,670,401	5,670,401	
Balance as at 30 June 2014	184,000,000	317,344	58,880,000	4,147	381,578,873	5,670,401	630,450,765	

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

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

INDIVIDUAL STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 30 JUNE 2014

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

	<u>Notes</u>	<u>Reviewed</u>	<u>Not reviewed</u>
		30 June 2014	30 June 2013
A. Cash flows from operating activities			
Net profit for the period		5,670,401	(9,209,981)
<i>Adjustments to reconcile profit to cash provided by operating activities:</i>			
Adjustments for depreciation and amortization expense	10,11	10,235	17,149
Adjustments for change in provisions for employee termination benefits and unused vacation	15	53,139	33,878
Adjustments for interest income and expense	23	7,883,910	4,691,880
Adjustments for foreign currency exchange differences		(4,282,966)	12,950,669
Adjustments for rent expense accrual	17	806	37,742
		9,335,524	8,521,337
Net working capital changes in:			
Trade receivables		(4,856,930)	(2,499,970)
Other receivables from operating activities		(66,187)	33,612
Change in other current and noncurrent assets		1,251,290	(865,502)
Trade payables		(2,839,045)	(47,725)
Other payables from operating activities		--	(186,909)
Cash provided from operating activities		2,824,652	4,954,843
Severance indemnity and vacation liability paid		--	(11,086)
Net cash provided from operating activities		2,824,652	4,943,757
B. Cash flows from investing activities			
Capital increase of subsidiary	8	(5,760,542)	(1,006,638)
Cash outflow from acquisition of property, equipment and intangible assets	10,11	(25,017)	(3,410)
Cash inflow from sale of property, equipment and intangible Assets		--	2,102
Acquisition of investment property	9	(5,062,086)	(7,947,845)
Net cash used in investment activities		(10,847,645)	(8,955,791)
C. Cash flows from financing activities			
Proceeds from issuance of financial liabilities		85,007,325	21,593,917
Repayment of financial liabilities		(69,365,440)	(13,371,327)
Interest paid		(7,883,910)	(4,691,880)
Net cash provided by financing activities		7,757,975	3,530,710
Net increase in cash and cash equivalents		(265,018)	(481,324)
Cash and cash equivalents at the beginning of the period		409,421	768,460
Cash and cash equivalents at the end of the period	4	144,403	287,136

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