

**AKFEN GAYRİMENKUL YATIRIM
ORTAKLIĞI ANONİM ŞİRKETİ**

**CONVENIENCE TRANSLATION TO ENGLISH OF
STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE PERIOD ENDED 31 MARCH 2015
(ORIGINALLY ISSUED IN TURKISH)**

CONVENIENCE TRANSLATION TO ENGLISH OF STANDALONE FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

STANDALONE FINANCIAL POSITION AS AT 31 MARCH 2015

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

ASSETS	Notes	<i>Not reviewed</i> 31 March 2015	<i>Audited</i> 31 December 2014
CURRENT ASSETS		39,911,188	4,320,117
Cash and cash equivalents	4	33,324,130	232,262
Trade receivables	6	5,803,210	3,934,495
- <i>Trade receivables from third parties</i>	6	5,803,210	3,934,495
Prepaid expenses	16	630,632	62,455
Other current assets	17	153,216	90,905
NON-CURRENT ASSETS		897,616,064	894,577,549
Financial investments	8	156,154,435	156,154,435
- <i>Subsidiaries</i>	8	156,154,435	156,154,435
Other receivables	7	101,737	101,737
- <i>Other receivables from third parties</i>	7	101,737	101,737
Investment property	9	720,067,395	716,292,000
Property and equipment	10	41,901	44,149
Intangible assets	11	3,851	4,267
- <i>Other intangible assets</i>	11	3,851	4,267
Prepaid expenses	16	9,589	10,687
Other non-current assets	17	21,237,156	21,970,274
TOTAL ASSETS		937,527,252	898,897,666

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

CONVENIENCE TRANSLATION TO ENGLISH OF STANDALONE FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

STANDALONE FINANCIAL POSITION AS AT 31 MARCH 2015

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

LIABILITIES	Notes	<i>Not reviewed</i> 31 March 2015	<i>Audited</i> 31 December 2014
CURRENT LIABILITIES		5,596,407	99,630,961
Short term financial liabilities	5	-	31,808,759
Short term portion of long term financial liabilities	5	853,799	65,336,695
Trade payables	6	3,205,456	953,935
- <i>Trade payables to related parties</i>	6	724,003	721,394
- <i>Other trade payables to third parties</i>	6	2,481,453	232,541
Other payables	7	95,719	110,319
- <i>Other payables to third parties</i>	7	95,719	110,319
Short term provisions	15	264,246	230,904
- <i>Short term provisions for employee benefits</i>	15	264,246	230,904
Other current liabilities	17	1,177,187	1,190,349
NON-CURRENT LIABILITIES		331,764,902	189,778,078
Long term financial liabilities	5	328,384,400	186,486,522
Long term provisions	15	67,062	59,832
- <i>Long term provisions for employee benefits</i>	15	67,062	59,832
Other non-current liabilities	17	3,313,440	3,231,724
EQUITY	18	600,165,943	609,488,627
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		366,287,136	381,578,873
Net loss for the period		(9,322,684)	(15,291,737)
TOTAL EQUITY AND LIABILITIES		937,527,252	898,897,666

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

CONVENIENCE TRANSLATION TO ENGLISH OF STANDALONE FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

STANDALONE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2015

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

PROFIT OR LOSS	Notes	<i>Not reviewed</i> 31 March 2015	<i>Not reviewed</i> 31 March 2014
Revenue	19	4,919,693	5,299,763
Cost of sales	19	(703,016)	(674,533)
GROSS PROFIT		4,216,677	4,625,230
General administrative expenses	20	(954,473)	(748,117)
Other operating income	21	82,108	17,280
Other operating expenses	21	(15,272)	(83,773)
OPERATING PROFIT		3,329,040	3,810,620
Financial income	22	19,474	-
Financial expenses	23	(12,671,198)	(10,620,188)
LOSS BEFORE TAX		(9,322,684)	(6,809,568)
Current tax expense		-	-
NET LOSS FOR THE PERIOD		(9,322,684)	(6,809,568)
Earnings per share (Full TRY)	25	(0.05)	(0.04)
LOSS FOR THE PERIOD		(9,322,684)	(6,809,568)
OTHER COMPREHENSIVE INCOME		-	-
Items to be reclassified to profit or loss		-	-
Change in currency translation differences		-	-
TOTAL COMPREHENSIVE EXPENSE		(9,322,684)	(6,809,568)
Attribution of total comprehensive income:			
Non-controlling interest		-	-
Attributable to equity holders of the parent		(9,322,684)	(6,809,568)

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**CONVENIENCE TRANSLATION TO ENGLISH OF STANDALONE FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH
AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ**

STANDALONE STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE PERIOD ENDED 31 MARCH 2015

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

	Paid in Capital	Adjustment to share capital	Share premiums	Restricted reserves allocated from profit	Retained earnings		Equity Total
					Retained earnings	Net loss for the period	
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	-	-	-	-	-	(6,809,568)	(6,809,568)
Balance as at 31 March 2014	184,000,000	317,344	58,880,000	4,147	381,578,873	(6,809,568)	617,970,796
Balance as at 1 January 2015	184,000,000	317,344	58,880,000	4,147	381,578,873	(15,291,737)	609,488,627
Transfers	-	-	-	-	(15,291,737)	15,291,737	-
Total comprehensive loss	-	-	-	-	-	(9,322,684)	(9,322,684)
Balance as at 31 March 2015	184,000,000	317,344	58,880,000	4,147	366,287,136	(9,322,684)	600,165,943

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CONVENIENCE TRANSLATION TO ENGLISH OF STANDALONE FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

**STANDALONE STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2015**

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

PROFIT OR LOSS	Notes	<i>Not reviewed</i> 31 March 2015	<i>Not reviewed</i> 31 March 2014
A. Cash flows from operating activities			
Net loss for the period		(9,322,684)	(6,809,568)
<i>Adjustments to reconcile profit to cash provided by operating activities:</i>			
Adjustments for depreciation and amortization expense	10, 11	4,361	4,806
Adjustments for change in provisions for employee termination benefits and unused vacation	15	40,572	(7,984)
Adjustments for interest income and expense		10,852,241	4,025,191
Adjustments for foreign currency exchange differences		805,927	5,830,169
Adjustments for rent expense accrual		68,554	35,784
		2,448,970	3,078,398
Net working capital changes in:			
Trade receivables		(1,868,715)	(2,633,826)
Other receivables from operating activities		-	(63,519)
Change in other current and non-current assets		103,728	226,575
Trade payables		2,251,519	(966,965)
Other payables from operating activities		(14,600)	-
Cash provided from operating activities		2,920,902	(359,337)
Employee termination benefit and vacation liability paid		-	-
Net cash provided from operating activities		2,920,902	(359,337)
B. Cash flows from investing activities			
Capital and capital in advance increase of subsidiary	8	-	(2,645,188)
Cash outflow from acquisition of property, equipment and intangible assets	10, 11	(1,696)	(20,870)
Acquisition of investment property	9	(3,775,394)	(3,824,067)
Net cash used in investment activities		(3,777,090)	(6,490,125)
C. Cash flows from financing activities			
Proceeds from borrowings		323,045,600	47,374,250
Repayment of financial liabilities		(278,245,303)	(35,991,976)
Interest paid		(10,871,715)	(4,025,191)
Interest received		19,474	-
Net cash provided by financing activities		33,948,056	7,357,083
Net increase in cash and cash equivalents		33,091,868	507,621
Cash and cash equivalents at the beginning of the period	4	232,262	409,421
Cash and cash equivalents at the end of the period	4	33,324,130	917,042

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