

**AKFEN GAYRİMENKUL YATIRIM  
ORTAKLIĞI ANONİM ŞİRKETİ**

**CONVENIENCE TRANSLATION TO ENGLISH OF  
STANDALONE FINANCIAL STATEMENTS  
AS AT AND FOR THE PERIOD ENDED 30 JUNE 2015  
(ORIGINALLY ISSUED IN TURKISH)**

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

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

STANDALONE FINANCIAL POSITION AS AT 30 JUNE 2015

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

ASSETS	Notes	<i>Reviewed</i> 30 June 2015	<i>Audited</i> 31 December 2014
<b>CURRENT ASSETS</b>		<b>37,061,354</b>	<b>4,320,117</b>
Cash and cash equivalents	4	27,882,151	232,262
Trade receivables	6	8,039,248	3,934,495
- <i>Due from third parties</i>	6	8,039,248	3,934,495
Prepaid expenses	16	776,475	62,455
Other current assets	17	363,480	90,905
<b>NON-CURRENT ASSETS</b>		<b>908,095,772</b>	<b>894,577,549</b>
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>Due from third parties</i>	7	101,737	101,737
Investment property	9	724,392,152	716,292,000
Property and equipment	10	40,031	44,149
Intangible assets	11	3,431	4,267
- <i>Other intangible assets</i>	11	3,431	4,267
Prepaid expenses	16	6,387,109	10,687
Other non-current assets	17	21,016,877	21,970,274
<b>TOTAL ASSETS</b>		<b>945,157,126</b>	<b>898,897,666</b>

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 30 JUNE 2015**

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

<b>LIABILITIES</b>	<b>Notes</b>	<i>Reviewed</i> <b>30 June 2015</b>	<i>Audited</i> <b>31 December 2014</b>
<b>CURRENT LIABILITIES</b>		<b>27,559,228</b>	<b>99,630,961</b>
Short term financial liabilities	5	-	31,808,759
Short term portion of long term financial liabilities	5	24,155,038	65,336,695
Trade payables	6	1,866,854	953,935
- <i>Due to related parties</i>	6	762,698	721,394
- <i>Due payables to third parties</i>	6	1,104,156	232,541
Other payables	7	171,064	110,319
- <i>Due to third parties</i>	7	171,064	110,319
Short term provisions	15	293,354	230,904
- <i>Short term provisions for employee benefits</i>	15	293,354	230,904
Other current liabilities	17	1,072,918	1,190,349
<b>NON-CURRENT LIABILITIES</b>		<b>329,533,918</b>	<b>189,778,078</b>
Long term financial liabilities	5	326,018,068	186,486,522
Long term provisions	15	68,276	59,832
- <i>Long term provisions for employee benefits</i>	15	68,276	59,832
Other non-current liabilities	17	3,447,574	3,231,724
<b>EQUITY</b>	<b>18</b>	<b>588,063,980</b>	<b>609,488,627</b>
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		(21,424,647)	(15,291,737)
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>945,157,126</b>	<b>898,897,666</b>

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 30 JUNE 2015

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

	<i>Notes</i>	<i>Reviewed 1 January - 30 June 2015</i>	<i>Not reviewed 1 April - 30 June 2015</i>	<i>Reviewed 1 January - 30 June 2014</i>	<i>Not reviewed 1 April - 30 June 2014</i>
<b>PROFIT OR LOSS</b>					
Revenue	19	11,706,974	6,787,281	12,550,372	7,250,609
Cost of sales	19	(1,542,093)	(839,077)	(1,371,456)	(696,923)
<b>GROSS PROFIT</b>		<b>10,164,881</b>	<b>5,948,204</b>	<b>11,178,916</b>	<b>6,553,686</b>
General administrative expenses	20	(1,786,019)	(831,546)	(1,682,518)	(934,401)
Other operating income	21	106,322	24,214	113,863	96,583
Other operating expenses	21	(41,272)	(26,000)	(118,412)	(34,639)
<b>OPERATING PROFIT</b>		<b>8,443,912</b>	<b>5,114,872</b>	<b>9,491,849</b>	<b>5,681,229</b>
Financial income	22	21,919	2,445	10,657,459	10,657,459
Financial expenses	23	(29,890,478)	(17,219,280)	(14,478,907)	(3,858,719)
<b>(LOSS)/PROFIT BEFORE TAX</b>		<b>(21,424,647)</b>	<b>(12,101,963)</b>	<b>5,670,401</b>	<b>12,479,969</b>
Current tax expense		-	-	-	-
<b>NET (LOSS)/PROFIT FOR THE PERIOD</b>		<b>(21,424,647)</b>	<b>(12,101,963)</b>	<b>5,670,401</b>	<b>12,479,969</b>
Earnings per share (Full TL)	25	(0.12)	(0.07)	0.03	0.07
<b>(LOSS)/PROFIT FOR THE PERIOD</b>		<b>(21,424,647)</b>	<b>(12,101,963)</b>	<b>5,670,401</b>	<b>12,479,969</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Items to be reclassified to profit or loss		-	-	-	-
Change in currency translation differences		-	-	-	-
<b>TOTAL COMPREHENSIVE (LOSS)/INCOME</b>		<b>(21,424,647)</b>	<b>(12,101,963)</b>	<b>5,670,401</b>	<b>12,479,969</b>
<b>Attribution of total comprehensive (loss)/income:</b>					
Non-controlling interest		-	-	-	-
Attributable to equity holders of the parent		(21,424,647)	(12,101,963)	5,670,401	12,479,969

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 CHANGES IN SHAREHOLDERS' EQUITY FOR THE PERIOD ENDED 30 JUNE 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 profit/(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 income	-	-	-	-	-	5,670,401	5,670,401
<b>Balance as at 30 June 2014</b>	<b>184,000,000</b>	<b>317,344</b>	<b>58,880,000</b>	<b>4,147</b>	<b>381,578,873</b>	<b>5,670,401</b>	<b>630,450,765</b>
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	-	-	-	-	-	(21,424,647)	(21,424,647)
<b>Balance as at 30 June 2015</b>	<b>184,000,000</b>	<b>317,344</b>	<b>58,880,000</b>	<b>4,147</b>	<b>366,287,136</b>	<b>(21,424,647)</b>	<b>588,063,980</b>

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**AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ**

**STANDALONE STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED 30 JUNE 2015**

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

<b>PROFIT OR LOSS</b>	<b>Notes</b>	<b>Reviewed 30 June 2015</b>	<b>Reviewed 30 June 2014</b>
<b>A. Cash flows from operating activities</b>			
<b>Net (loss)/profit for the period</b>		<b>(21,424,647)</b>	<b>5,670,401</b>
<i>Adjustments to reconcile (loss)/profit to cash provided by operating activities:</i>			
Adjustments for depreciation and amortization expense	10, 11	8,601	10,235
Adjustments for change in provisions for employee termination benefits and unused vacation	15	99,694	53,139
Adjustments for interest income and expense		12,065,458	7,883,910
Adjustments for foreign currency exchange differences		21,740,833	(4,282,966)
Adjustments for rent expense accrual		98,419	805
		<b>12,588,358</b>	<b>9,335,524</b>
<b>Net working capital changes in:</b>			
Trade receivables		(4,104,753)	(4,856,930)
Other receivables from operating activities		-	(66,187)
Change in other current and non-current assets		(2,585,025)	1,251,290
Trade payables		912,919	(2,839,045)
Other payables from operating activities		60,745	-
<b>Cash provided from operating activities</b>		<b>6,872,244</b>	<b>2,824,652</b>
Severance indemnity paid		(28,800)	-
<b>Net cash provided from operating activities</b>		<b>6,843,444</b>	<b>2,824,652</b>
<b>B. Cash flows from investing activities</b>			
Capital and capital in advance increase of subsidiary	8	-	(5,760,542)
Cash outflow from acquisition of property, equipment and intangible assets	10, 11	(3,647)	(25,017)
Acquisition of investment property	9	(8,100,152)	(5,062,086)
<b>Net cash used in investment activities</b>		<b>(8,103,799)</b>	<b>(10,847,645)</b>
<b>C. Cash flows from financing activities</b>			
Proceeds from borrowings		323,045,600	85,007,325
Repayment of financial liabilities		(278,245,303)	(69,365,440)
Interest paid		(8,670,069)	(7,883,910)
Commissions and bank charges paid for loan usage		(7,241,903)	-
Interest received		21,919	-
<b>Net cash provided by financing activities</b>		<b>28,910,244</b>	<b>7,757,975</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>27,649,889</b>	<b>(265,018)</b>
Cash and cash equivalents at the beginning of the period	4	232,262	409,421
<b>Cash and cash equivalents at the end of the period</b>	<b>4</b>	<b>27,882,151</b>	<b>144,403</b>

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