

Akfen Holding Anonim Şirketi

Consolidated Balance Sheet as at 31 March 2016

(Currency: Thousands of TL)

ASSETS	<u>Notes</u>	<u>Not-Audited</u> <u>31 March 2016</u>	<u>Audited</u> <u>31 December 2015</u>
Current Assets		187.806	196.719
Cash and cash equivalents	4	48.495	22.424
Trade receivables		21.123	17.867
- Due from related parties	7-29	7	--
- Trade receivables from third parties	7	21.116	17.867
Other receivables		28.741	99.734
- Other receivables from related parties	8-29	28.505	99.587
- Other receivables from third parties	8	236	147
Restricted bank balances	5	77.217	47.664
Prepaid expenses	20	10.694	8.119
Current tax assets		772	886
Other current assets	19	764	25
Asset classified as held for sale	10	1.215.913	1.071.328
Non-Current Assets		2.921.821	2.902.219
Trade receivables		2	--
- Trade receivables from related parties	29	2	--
Other receivables		466.625	448.730
- Other receivables from related parties	8-29	448.860	431.387
- Other receivables from third parties	8	17.765	17.343
Investments in equity accounted investees	11	839.812	864.249
Investment property	12	1.449.368	1.428.361
Property, plant and equipment	13	67.819	63.210
Intangible assets	14	34.424	31.754
Goodwill		3.309	3.309
Deferred tax assets	27	4.192	6.364
Prepaid expenses	20	11.406	11.797
Other non-current assets	19	44.864	44.445
TOTAL ASSETS		4.325.540	4.170.266

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LIABILITIES	Notes	<u>Not-Audited</u> <u>31 March 2016</u>	<u>Audited</u> <u>31 December 2015</u>
Current Liabilities		554.372	299.188
Short term loans and borrowings	6	--	42.728
Short term portion of long term loans and borrowings	6	532.093	224.119
Trade payables		9.113	19.316
- <i>Due to related parties</i>	7-29	3.255	3.783
- <i>Trade payables to third parties</i>	7	5.858	15.533
Other payables		9.454	10.022
- <i>Other payables to related parties</i>	8-29	3.474	1.603
- <i>Other payables to third parties</i>	8	5.980	8.419
Employee benefit obligations		235	548
Deferred income		6	402
Short term provisions		2.033	2.053
- <i>Provision for employee benefits</i>	16	2.033	2.053
Other current liabilities		1.438	--
Liabilities classified as held for sale	10	826.092	788.562
Non-Current Liabilities		1.174.343	1.346.703
Long term loans and borrowings	6	1.087.746	1.262.779
Other payables		13.211	12.688
- <i>Other payables to related parties</i>	8-29	9.489	9.066
- <i>Other payables to third parties</i>	8	3.722	3.622
Deferred tax liability	27	71.870	69.795
Long term provisions		1.516	1.441
- <i>Provision for employee benefits</i>	16	1.516	1.441
EQUITY		1.770.733	1.735.813
Total Equity Attributable to Equity Holders of the Parent		1.423.045	1.388.191
Paid in capital	21	247.081	261.900
Adjustments to share capital		(7.257)	(7.257)
Share premium		155.864	157.694
Treasury shares (-)	21	--	(76.029)
Business combination of entities under common control		6.236	6.236
Other comprehensive income/expense not to be reclassified to profit or loss		133.117	133.279
- <i>Revaluation reserve</i>		137.068	137.068
- <i>Actuarial gain/loss arising from defined benefit plans</i>		(3.951)	(3.789)
Other comprehensive income/expense to be reclassified to profit or loss		163.295	177.894
- <i>Foreign currency translation reserve</i>	21	189.879	199.899
- <i>Cash flow hedge reserves</i>	21	(26.584)	(22.005)
Restricted reserves allocated from profit		20.479	96.508
Retained earnings		646.508	600.501
Net (loss)/profit for the period		57.722	37.465
Non-controlling interests	21	347.688	347.622
TOTAL EQUITY AND LIABILITIES		4.325.540	4.170.266

Convenience Translation to English of Consolidated Financial Statements Originally Issued in Turkish

Akfen Holding Anonim Şirketi

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Three Month Period Ended 31 March 2016

(Currency: Thousands of TL)

	<u>Notes</u>	<u>Not-Audited</u> <u>31 March 2016</u>	<u>Not-Audited</u> <u>31 March 2016</u> <u>Restated</u>
CONTINUING OPERATIONS			
PROFIT OR LOSS			
Revenue	22	75.030	50.441
Cost of sales (-)	22	(33.360)	(18.935)
GROSS PROFIT		41.670	31.506
General administrative expenses (-)	23	(31.009)	(10.719)
Other operating income	24	3.160	17.905
Other operating expense (-)		(301)	(668)
Share on profit/(loss) of equity-accounted investees, net of tax	11	52.121	7.617
OPERATING PROFIT		65.641	45.641
Income from investment activities		426	31
OPERATING PROFIT BEFORE FINANCIAL INCOME/(EXPENSE)		66.067	45.672
Financial income	25	48.481	10.125
Financial expense	26	(48.081)	(121.868)
PROFIT/(LOSS) BEFORE TAX		66.467	(66.071)
Tax Income/(Expense)		(8.111)	5.207
Tax expense	27	(970)	(999)
Deferred tax income	27	(7.141)	6.206
PROFIT/(LOSS) OF CONTINUING OPERATIONS FOR		58.356	(60.864)
DISCONTINUING OPERATIONS		--	(20.034)
Profit/(loss) of discontinuing operations for the period	10	--	(20.034)
PROFIT/(LOSS) FOR THE PERIOD		58.356	(80.898)
Profit/(Loss) Attributable To:			
Non-controlling interest		634	(730)
Equity holders of the parent		57.722	(80.168)
Profit/(Loss) for the Period		58.356	(80.898)
Earnings/(losses) per share		0,230	(0,316)
Basic and diluted earnings/(losses) per share for continuing		0,230	(0,237)
Basic and diluted earnings/(losses) per share for discontinuing		--	(0,079)
Basic and diluted earnings/(losses) per share (full TL)	28	0,230	(0,316)

Convenience Translation to English of Consolidated Financial Statements Originally Issued in Turkish
Akfen Holding Anonim Şirketi
Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the Three Month Period Ended 31 March 2016
(Currency: Thousands of TL)

OTHER COMPREHENSIVE INCOME	<u>Notes</u>	<u>Not-Audited</u> <u>31 March 2016</u>	<u>Not-Audited</u> <u>31 March 2016</u> <u>Restated</u>
Items not to be reclassified to profit or loss in subsequent			
Items not to be reclassified to comprehensive income in subsequent periods from equity accounted investees		(162)	24.636
Items to be reclassified to profit or loss in subsequent periods			
Foreign currency translation differences	25	(3.678)	12.550
Items to be reclassified to comprehensive income in subsequent periods from equity accounted investees		(11.490)	57.179
OTHER COMPREHENSIVE INCOME		(15.330)	94.365
TOTAL COMPREHENSIVE INCOME		43.026	13.467
Total comprehensive income attributable to:			
Non-controlling interest		635	(28.778)
Equity holders of the parent		42.391	42.245
Total comprehensive income		43.026	13.467

Convenience Translation to English of Consolidated Financial Statements Originally Issued in Turkish

Akfen Holding Anonim Şirketi

Consolidated Statements of Changes in Equity For the Three Month Period Ended 31 March 2016

(Currency: Thousands of TL)

							Other Comprehensive Income and Expense to Be Reclassified to Profit or Loss		Other Comprehensive Income and Expense Not to Be Reclassified to Profit or Loss			Retained Earnings		Total	Non-controlling interest	Total equity
	Paid in capital	Adjustments to share capital	Share premium	Capital adjustments due to cross ownership	Treasury shares	Entities under common control	Translation differences	Cash flow hedging reserve	Revaluation reserve	Actuarial gain/losses from defined benefit plans	Restricted reserves allocated from profit	Retained earnings	Profit/(loss) for the period			
Balances at 1 January 2015	291.000	(7.257)	211.695	--	(167.264)	6.236	81.675	(18.573)	81.192	(2.495)	187.743	644.752	(11.863)	1.296.841	374.865	1.671.706
Total comprehensive income/(expense) for the period																
Profit/(loss) for the period	--	--	--	--	--	--	--	--	--	--	--	--	(80.168)	(80.168)	(730)	(80.898)
Other comprehensive income																
Foreign currency translation differences	--	--	--	--	--	--	59.796	--	--	--	--	--	--	59.796	6.653	66.449
Revaluation of property, plant and equipment	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Actuarial gain/losses from defined benefit plans	--	--	--	--	--	--	--	--	--	(220)	--	--	--	(220)	--	(220)
Net fair value change in cash flow hedges	--	--	--	--	--	--	--	3.015	--	--	--	--	--	3.015	--	3.015
Total other comprehensive income/(expense)	--	--	--	--	--	--	59.796	3.015	--	(220)	--	--	--	62.591	6.653	69.244
Total comprehensive income/(expense)	--	--	--	--	--	--	59.796	3.015	--	(220)	--	--	(80.168)	(17.577)	5.923	(11.654)
Transfers	--	--	--	--	--	--	--	--	--	--	--	(11.863)	11.863	--	--	--
Capital decrease	(29.100)	--	--	--	29.100	--	--	--	--	--	--	--	--	--	--	--
Capital decrease losses	--	--	--	--	104.641	--	--	--	--	--	--	(104.641)	--	--	--	--
Reserves from acquisition of own shares	--	--	--	--	--	--	--	--	--	(109.193)	--	109.193	--	--	--	--
Acquisition of own shares	--	--	--	--	(24.548)	--	--	--	--	--	--	--	--	(24.548)	--	(24.548)
Total transactions with owners	(29.100)	--	--	--	109.193	--	--	--	--	(109.193)	--	(7.311)	11.863	(24.548)	--	(24.548)
Balances at 31 March 2015	261.900	(7.257)	211.695	--	(58.071)	6.236	141.471	(15.558)	81.192	(2.715)	78.550	637.441	(80.168)	1.254.716	380.788	1.635.504

Convenience Translation to English of Consolidated Financial Statements Originally Issued in Turkish

Akfen Holding Anonim Şirketi

Consolidated Statements of Changes in Equity For the Three Month Period Ended 31 March 2016

(Currency: Thousands of TL)

							Other Comprehensive Income and Expense to Be Reclassified to Profit or Loss		Other Comprehensive Income and Expense Not to Be Reclassified to Profit or Loss			Retained Earnings				Total equity
	Paid in capital	Adjustments to share capital	Share premium	Capital adjustments due to cross ownership	Treasury shares	Entities under common control	Translation differences	Cash flow hedging reserve	Revaluation reserve	Actuarial gain/losses from defined benefit plans	Restricted reserves allocated from profit	Retained earnings	Profit/ (loss) for the period	Total	Non-controlling interest	
Balances at 1 January 2016	261.900	(7.257)	157.694	--	(76.029)	6.236	199.899	(22.005)	137.068	(3.789)	96.508	600.501	37.465	1.388.191	347.622	1.735.813
Total comprehensive income/(expense) for the period																
Profit/(loss) for the period	--	--	--	--	--	--	--	--	--	--	--	--	57.722	57.722	635	58.357
Other comprehensive income																--
Foreign currency translation differences	--	--	--	--	--	--	(10.020)	--	--	--	--	--	--	(10.020)	(569)	(10.589)
Revaluation of property, plant and equipment	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Actuarial gain/losses from defined benefit plans	--	--	--	--	--	--	--	--	(162)	--	--	--	--	(162)	--	(162)
Net fair value change in cash flow hedges	--	--	--	--	--	--	--	(4.579)	--	--	--	--	--	(4.579)	--	(4.579)
Total other comprehensive income/(expense)	--	--	--	--	--	--	(10.020)	(4.579)	--	(162)	--	--	--	(14.761)	(569)	(15.330)
Total comprehensive income/(expense)	--	--	--	--	--	--	(10.020)	(4.579)	--	(162)	--	--	57.722	42.961	66	43.027
Transfers	--	--	--	--	--	--	--	--	--	--	--	37.465	(37.465)	--	--	--
Acquisition of subsidiary shares	--	--	(1.830)	--	--	--	--	--	--	--	--	--	--	(1.830)	--	(1.830)
Capital decrease	(14.819)	--	--	--	14.819	--	--	--	--	--	--	--	--	--	--	--
Changes in non-controlling shares	--	--	--	--	--	--	--	--	--	--	--	(6.277)	--	(6.277)	--	(6.277)
Capital decrease losses	--	--	--	--	61.210	--	--	--	--	--	--	(61.210)	--	--	--	--
Reserves from acquisition of own shares	--	--	--	--	--	--	--	--	--	--	(76.029)	76.029	--	--	--	--
Distribution of dividend	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Total transactions with owners	(14.819)	--	(1.830)	--	76.029	--	--	--	--	--	(76.029)	46.007	(37.465)	(8.107)	--	(8.107)
Balances at 31 March 2016	247.081	(7.257)	155.864	--	--	6.236	189.879	(26.584)	137.068	(3.951)	20.479	646.508	57.722	1.423.045	347.688	1.770.733

Akfen Holding Anonim Şirketi

Consolidated Statement of Cash Flow

For the Three Month Period Ended 31 March 2016

(Currency: Thousands of TL)

	<u>Notes</u>	<u>Not-Audited</u> <u>31 March 2016</u>	<u>Not-Audited</u> <u>31 March 2015</u>
Cash flows from operating activities:			
(Loss)/Profit of continuing operation for the period		58.356	(60.864)
(Loss)/Profit of discontinuing operation for the period		--	(20.034)
Adjustments for:			
Depreciation of property, plant and equipment and amortization of intangibles	13-14	262	7.982
Provision for employee termination benefits		144	(444)
Unearned interest income/(expense), net		--	2.163
Shares on profit of investments in equity accounted investees	11	(52.121)	(4.839)
Provision for vacation pay		(32)	(25)
Unrealized foreign exchange differences		(32.960)	95.139
Interest expense/income, net	25-26	26.018	36.508
Tax expense	27	8.111	979
Cash flow from operating activities before changes in working capital:		7.778	56.565
<i>Changes in:</i>			
Other current trade receivables		(3.249)	(4.134)
Other current non-trade receivables		(89)	(10.594)
Other current assets		(32.753)	(6.358)
Other non-current trade receivables		--	(423)
Other non-current non-trade receivables		(422)	(164)
Inventories		--	(22.485)
Due from related parties		(1.466)	(4.592)
Other non-current assets		(28)	332
Other current trade payables		(9.675)	11.392
Other current non-trade payables		(5.333)	948
Other current liabilities		738	13.801
Other non-current trade payables		(3.622)	(8.120)
Other non-current payables		3.722	89
Due to related parties		1.766	(6.933)
Cash provided/(used) by operating activities		(42.633)	19.324
Taxes paid		(970)	(27)
Retirement benefit paid		(69)	(204)
Dividends received from investments in equity accounted investees	11	57.685	--
Net cash provided/(used) by operating activities		14.013	19.093

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Akfen Holding Anonim Şirketi

Consolidated Statement of Cash Flow

For the Three Month Period Ended 31 March 2016

(Currency: Thousands of TL)

	<u>Notes</u>	<u>Not-Audited</u> <u>31 March 2016</u>	<u>Not-Audited</u> <u>31 March 2015</u>
Cash flows from investing activities			
Interest received		517	890
Acquisition of property, plant and equipment and intangible assets	13-14	(1.458)	(54.616)
Purchases of investment properties	12	(8.104)	(25.546)
Increase/(decrease) in financial investments		--	(449)
Acquisition of subsidiaries and affiliates		--	(4.500)
Change in asset classified as held for sale		(35.876)	--
Net cash provided by operating activities		(44.921)	(84.221)
Cash flows from financing activities			
Proceeds from borrowings		200.802	606.669
Repayment of borrowings		(101.175)	(313.579)
Interest paid		(42.648)	(37.398)
Change in project reserve accounts		--	(25.128)
Acquisition of own shares		--	(24.548)
Net cash (used in)/ provided by financing activities		56.979	206.016
Net increase in cash and cash equivalents		26.071	140.888
Cash and cash equivalents at the beginning	4	22.424	48.139
Cash and cash equivalents at period end	4	48.495	189.027