

**AKFEN GAYRİMENKUL YATIRIM
ORTAKLIĞI ANONİM ŞİRKETİ**

**CONVENIENCE TRANSLATION TO ENGLISH OF
INDIVIDUAL INTERIM FINANCIAL STATEMENTS
AS AT AND FOR THE PERIOD ENDED 30 SEPTEMBER 2014
(ORIGINALLY ISSUED IN TURKISH)**

**CONVENIENCE TRANSLATION TO ENGLISH OF INDIVIDUAL FINANCIAL
STATEMENTS ORIGINALLY ISSUED IN TURKISH**

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

INDIVIDUAL BALANCE SHEET AS AT 30 SEPTEMBER 2014

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

	Notes	<i>Not reviewed</i> 30 September 2014	<i>Not audited</i> 31 December 2013
ASSETS			
CURRENT ASSETS		9,187,460	4,134,283
Cash and cash equivalents	4	874,043	409,421
Trade receivables	6	8,081,114	3,605,450
- <i>Trade receivables from third parties</i>	6	8,081,114	3,605,450
Other receivables	7	-	1,805
- <i>Other receivables from third parties</i>	7	-	1,805
Prepaid expenses	16	141,599	32,236
Other current assets	17	90,704	85,371
NON-CURRENT ASSETS		920,240,104	910,590,191
Financial investments	8	154,029,898	147,945,964
- <i>Subsidiaries</i>	8	154,029,898	147,945,964
Other receivables	7	147,375	73,593
- <i>Other receivables from third parties</i>	7	147,375	73,593
Investment property	9	743,345,656	737,445,000
Property and equipment	10	46,944	36,540
Intangible assets	11	4,692	6,541
- <i>Other intangible assets</i>	11	4,692	6,541
Prepaid expenses	16	12,017	853,663
Other non-current assets	17	22,653,522	24,228,890
TOTAL ASSETS		929,427,564	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 BALANCE SHEET AS AT 30 SEPTEMBER 2014

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

	Notes	<i>Not reviewed</i> 30 September 2014	<i>Not audited</i> 31 December 2013
LIABILITIES			
CURRENT LIABILITIES		86,205,860	78,695,344
Short term financial liabilities	5	21,406,255	8,504,390
Short term portion of long term financial liabilities	5	62,916,908	65,442,657
Trade payables	6	1,009,059	3,962,599
- <i>Trade payables to related parties</i>	6	739,476	751,010
- <i>Other trade payables to third parties</i>	6	269,583	3,211,589
Other payables	7	100,215	16,161
- <i>Other payables to third parties</i>	7	100,215	16,161
Short term provisions	15	227,426	234,954
- <i>Short term provisions for employee benefits</i>	15	227,426	234,954
Other current liabilities	17	545,997	534,583
NON-CURRENT LIABILITIES		210,936,084	211,248,766
Long term financial liabilities	5	207,003,145	207,700,694
Long term provisions	15	52,992	48,512
- <i>Long term provisions for employee benefits</i>	15	52,992	48,512
Other non-current liabilities	17	3,879,947	3,499,560
EQUITY	18	632,285,620	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		7,505,256	42,892,512
TOTAL EQUITY AND LIABILITIES		929,427,564	914,724,474

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**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 SEPTEMBER 2014**

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

	<i>Notes</i>	<i>Not reviewed 1 January - 30 September 2014</i>	<i>Not reviewed 1 July - 30 September 2014</i>	<i>Not reviewed 1 January - 30 September 2013</i>	<i>Not reviewed 1 July - 30 September 2013</i>
PROFIT OR LOSS					
Revenue	19	19,263,172	6,712,800	17,625,055	6,109,492
Cost of sales	19	(2,068,024)	(696,568)	(1,851,827)	(641,575)
GROSS PROFIT		17,195,148	6,016,232	15,773,228	5,467,917
General administrative expenses	20	(2,272,588)	(590,070)	(2,297,325)	(583,869)
Other operating income	21	134,380	20,517	105,441	15,804
Other operating expenses	21	(133,410)	(14,998)	(81,874)	(19,823)
OPERATING PROFIT		14,923,530	5,431,681	13,499,470	4,880,029
Financial income	22	10,666,043	8,584	2,615,796	30,942
Financial expenses	23	(18,084,317)	(3,605,410)	(41,676,909)	(21,262,633)
PROFIT/(LOSS) BEFORE TAX		7,505,256	1,834,855	(25,561,643)	(16,351,662)
Current tax expense		-	-	-	-
NET PROFIT/(LOSS) FOR THE PERIOD		7,505,256	1,834,855	(25,561,643)	(16,351,662)
Earnings per share (Full TL)	26	0.04	0.01	(0.14)	(0.09)
PROFIT/(LOSS) FOR THE PERIOD		7,505,256	1,834,855	(25,561,643)	(16,351,662)
OTHER COMPREHENSIVE INCOME		-	-	-	-
Items to be reclassified to profit or loss		-	-	-	-
Change in currency translation differences		-	-	-	-
TOTAL COMPREHENSIVE INCOME/(LOSS)		7,505,256	1,834,855	(25,561,643)	(16,351,662)
Attribution of total comprehensive (loss)/income:					
Non-controlling interest		-	-	-	-
Attributable to equity holders of the parent		7,505,256	1,834,855	(25,561,643)	(16,351,662)

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 SEPTEMBER 2014

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

	Paid-in Capital	Adjustment to Share Capital	Share Premium	Other Comprehensive Income items to be reclassified to Profit or Loss	Retained Earnings		Total Equity
					Retained Earnings	Net (loss)/profit for the period	
Balance as at 1 January 2013	184,000,000	317,344	58,880,000	4,147	305,681,635	33,004,706	581,887,852
Transfers	-	-	-	-	33,004,706	(33,004,706)	-
Total comprehensive loss	-	-	-	-	-	(25,561,643)	(25,561,643)
Balance as at 30 September 2013	184,000,000	317,344	58,880,000	4,147	338,686,361	(25,561,643)	556,326,209
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	-	-	-	-	-	7,505,256	7,505,256
Balance as at 30 September 2014	184,000,000	317,344	58,880,000	4,147	381,578,873	7,505,256	632,285,620

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STATEMENTS ORIGINALLY ISSUED IN TURKISH**

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

**INDIVIDUAL STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2014**

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

	Notes	Not reviewed 30 September 2014	Not reviewed 30 September 2013
A. Cash flows from operating activities			
Net profit for the period		7,505,256	(25,561,643)
<i>Adjustments to reconcile profit to cash provided by operating activities:</i>			
Adjustments for depreciation and amortization expense	10,11	16,462	21,290
Adjustments for change in provisions for employee termination benefits and unused vacation	15	(3,048)	38,243
Adjustments for interest income and expense	23	11,489,320	8,446,413
Adjustments for foreign currency exchange differences		(4,262,217)	31,502,537
Adjustments for rent expense accrual	17	391,802	477,517
		15,137,575	14,924,358
Net working capital changes in:			
Trade receivables		(4,475,664)	(1,492,654)
Other receivables from operating activities		(71,977)	83,558
Change in other current and non-current assets		2,302,318	306,138
Trade payables		(2,950,186)	1,047,451
Other payables from operating activities		80,698	(186,910)
Cash provided from operating activities		10,022,764	14,681,941
Severance indemnity and vacation liability paid		-	(11,086)
Net cash provided from operating activities		10,022,764	14,670,855
B. Cash flows from investing activities			
Capital increase of subsidiary	8	(6,083,934)	(8,229,987)
Cash outflow from acquisition of property, equipment and intangible assets	10,11	(25,017)	(5,049)
Cash inflow from sale of property, equipment and intangible assets		-	2,102
Acquisition of investment property	9	(5,900,656)	(27,092,043)
Net cash used in investment activities		(12,009,607)	(35,324,977)
C. Cash flows from financing activities			
Proceeds from issuance of financial liabilities		112,781,325	64,426,817
Repayment of financial liabilities		(98,840,540)	(34,779,195)
Interest paid		(11,489,320)	(8,446,414)
Net cash provided by financing activities		2,451,465	21,201,208
Net increase in cash and cash equivalents		464,622	547,086
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	874,043	1,315,546

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