

Material Disclosure

Following the explanation made by our Company on the date of 29.05.2014 during Public Disclosure Platform concerning the Project financing and guarantees, Capital Market Board précising that our affiliate Akfen Karaköy Gayrimenkul Yatırımları ve İnşaat A.Ş. is a third party for our side and that no guarantee can be established in their favor, causing a contradiction in regard to the 1st paragraph of the 30th article of Real Estate Investment Trust Communiqué, our Company is granted a time till the date of 31.12.2015 to revoke bailed mortgages.

Our company has filed a motion to cancel this decision announced by the Capital Market Board, presenting valid grounds, based on the fact that administrative fine of 44.814 TL is against the legislation.

As we have disclosed to the public on the dates of 09.11.2015 and 18.11.2015, existing mortgages have been revoked in the scope of new finance structures, by founding new financing and guarantee structures. However, Capital Market Board has requested the revision of valuation reports dated 31.12.2014 of the immovable of Esenyurt, Kayseri, Trabzon, Gaziantep, Bursa, Adana and Zeytinburnu and Ankara Esenboğa which have been bailed under the scope of previous financing structure, although the aforesaid mortgages have been revoked. Revised reports in subject have been disclosed on the date of 08.12.2015.

As mortgages in subject have been revoked following the revised valuation reports disclosed on the date of 31.12.2014 as per the request of Capital Market Board, our Company had an interim report showing the last situation as per the date of 08.12.2015 and it shall be published after this explanation during Public Disclosure Platform.