



AKFEN REAL ESTATE INVESTMENT TRUST

January 01 –March 31, 2018

QUARTERLY ACTIVITY REPORT

Prepared with reference to the Communiqué no. 14.1 of the Series II of the Capital Market Committee.





- **AKFEN REIT –Overview**
- **Financial Results**
- **Operational Results**
- **Investments Results**
- **Net Asset Value**
- **Real Estate (Property) Investments**
- **Incentives and Policies**
- **Portfolio Limitations**
- **Related Party Explanations**
- **Appendices**
- **Contact Info**

The Akfen Real Estate Investment Trust (Akfen Gayrimenkul Yatırım Ortaklığı A.Ş.) was established in 2006 through a restructuring of Aksel Tourism Investments and Operations (Aksel Turizm Yatırımları ve İşletmecilik A.Ş.), which was founded on June 25, 1997, into a real estate investment trust. Akfen REIT is playing a pioneering role in the sector by reflecting the experience gained in development and construction of middle market hotel projects into elite projects in the field of economy city hotels. The company's business activities are mainly focused onto the investments in real estate-based capital markets instruments, and to create and develop a real estate portfolio.

Continuing a strategic partnership with Accor, Europe's leader organization in the field of international hotel operator chain, Akfen REIT undersigns city hotel projects in Turkey and Russia under Ibis Hotel and Novotel brands through this cooperation. Leasing the hotels constructed completely to the strategic partner, Accor, through long-term contracts, the Company obtains steady and predictable rental income thanks to this business model.

Aiming to comply with world class standards in city hotels management, Akfen REIT has reached a portfolio of 20 hotels in total consisted of three, four and five star hotels for a period of 10 years since its establishment. The portfolio of the Company includes Ibis and Novotel in Zeytinburnu, Novotel in Karaköy, Ibis in Esenyurt; Ibis in Ankara; Ibis in Eskişehir; Ibis in Tuzla, Novotel in Trabzon; Ibis and Novotel in Kayseri; Ibis and Novotel in Gaziantep; Ibis in Bursa; Ibis in Adana; Ibis in İzmir; Ibis in Yaroslavl, Russia; Ibis in Samara, Russia; Ibis in Kaliningrad, Russia, Ibis in Moscow, Russia, the five-star Merit Park Hotel in TRNC.

Bringing into being authentic examples of modern city hotel concept, Akfen REIT also takes into consideration domestic tourism demands in its investment decisions, besides dynamics of the Turkish business community. Akfen REIT was floated on the BIST on May 11, 2011 and is traded under the ticker "AKFGY." Within the scope of "Buyback program" which has been started to apply in 2016, total shares bought back by our Company has reached 4 million 218 thousand shares in total as of March 31, 2018.

Mission

To become the leading hotel investor in Turkey and in the region having the hotel projects that are built and managed according to world-class standards.

Vision

To achieve steady balance sheet growth through the development of projects that yield high profitability in the real estate sector and to reward shareholders with an uninterrupted stream of increased dividends and capital gains.

Strategy

Akfen REIT has the best position for a steady growth in the city hotel management field, and has specialized in city hotel investments meeting the world-class standards.

Strategic partnership with «Accor», Europe's largest and among the world's leading hotel groups

Investments in economical city hotels,

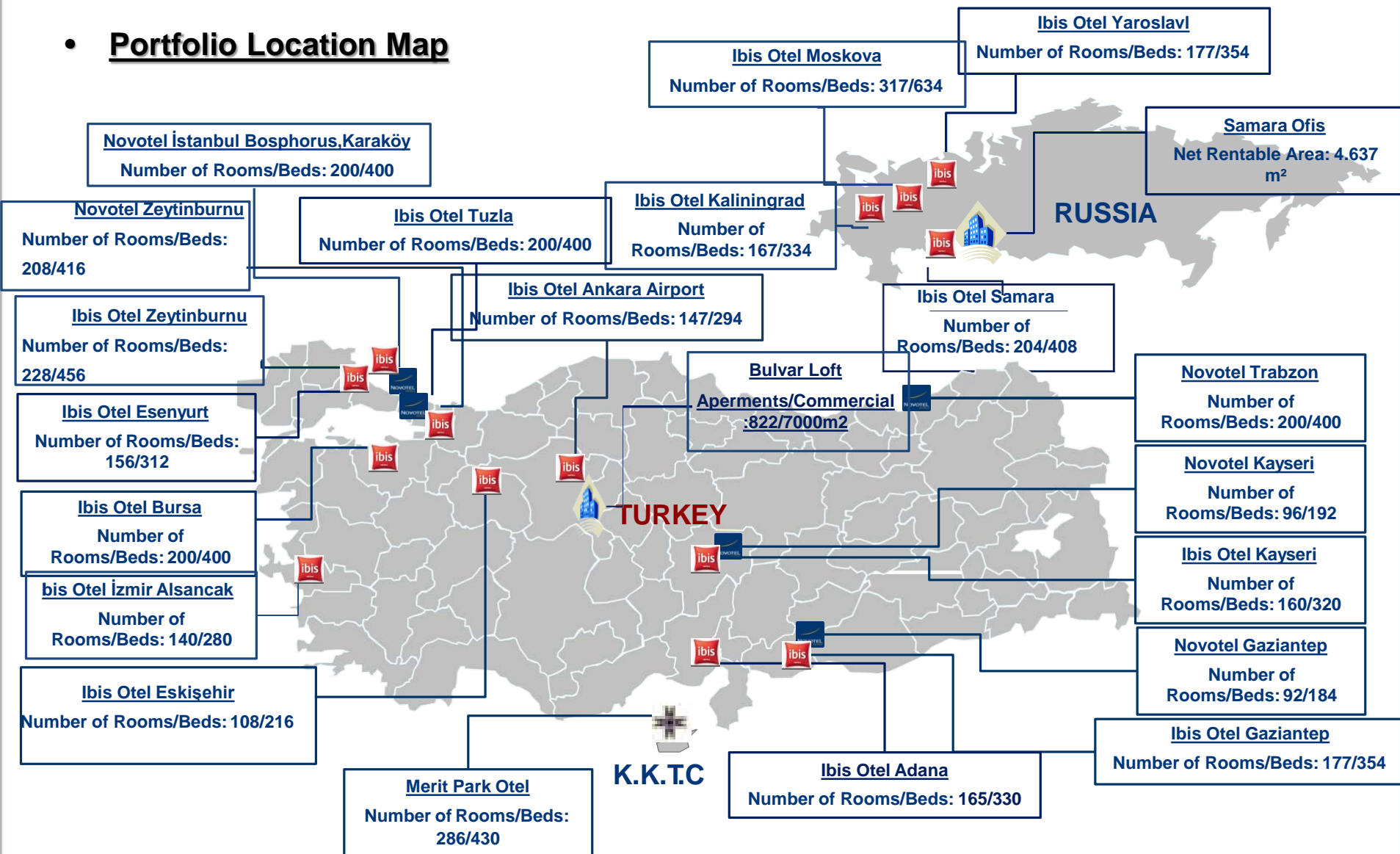
Predictable and sustainable cash flow via long-term lease agreements,

Increasing rental income based on the performance of the hotels,

Know-how acquired through specialization in a single concept,

Ability to work with minimal staff since Accor employs the hotel personnel

Portfolio Location Map



20 OPERATIONAL HOTELS; *15 in Turkey *4 in Russia and *1 in TRNC 1 Project On Ankara Commercial (m2): 7.000 Aparments :822

Shareholders	Number of Shares	Capital Ratio (%)
Akfen Mühendislik A.Ş. ⁽¹⁾	104,656,831	56,88%
Hamdi Akın	30,350,088	16,5%
Other	48,993,081	26,63%
TOTAL	184,000,000	100%

- (1) All Company shares included to the assets of Akfen Holding, the main partner of Company, have been transferred to Akfen Mühendislik A.Ş. (Akfen Engineering) through partial demerger and the said partial demerger transactions were completed on February 16, 2017.

As of March 31, 2017 and December 31, 2016, the public share rate is 48% and the public shares are not included in “Public Shares Line” belong to the other partners. Additionally, within the scope of the “Buy-Back Program” resolved at the Ordinary General Assembly Meeting of the Company convened on May 24, 2016, 2,409,000 Akfen REIT shares equal to 1.31% of the total capital was purchased by Akfen REIT on BIST on March 31, 2018. (December 31, 2016: 2,409,000TL).

The share group of A, C, D has the privilege to select nominees for the board of directors member selection. Members of the Board are elected by the General Assembly among the nominees, where 2 of them selected by Group A, 2 of them by Group C, and 2 of them by Group D shareholders. Regarding the company’s own shares, there is no acquired share.

Shares Representing the Share Capital

Group	Registered/Bearer	Each Share's Nominal Value (TRY)	Total Nominal Value (TRY)	Capital Rate (%)	Type of Privilege	Whether Traded at Stock Exchange or not
A	Registered	1	1,000.00	<0.001	Privilege to elect two members of the board of directors at the General Assembly	Not traded at Stock Exchange.
B	Bearer	1	183,997,000.00	99.99	No privilege is available	44,651,809 shares are listed in the Collective Structured Products Market at BIST.
C	Registered	1	1,000.00	<0.001	Privilege to elect two members of the board of directors at the General Assembly.	Not traded at Stock Exchange.
D	Registered	1	1,000.00	<0.001	Privilege to elect two members of the board of directors at the General Assembly.	Not traded at Stock Exchange.
TOTAL			184,000,000.00	100		

Organizational Chart

Board of Directors

**Chairman of the Board of Directors
İbrahim Süha Güçsav**

**General Manager
Sertaç Fuad Karaağaoğlu**

İbrahim Süha Güçsav

Chairman of the Board of Directors

Mustafa Keten

Vice Chairman of the Board of Directors

Pelin Akın Özalp

Board Member

Selim Akın

Board Member

Sıla Cılız İnanc

Board Member

İrfan Erciyas

Board Member

Adnan Aydoğan*

Board Member

Halil Eroğlu*

Board Member

Ahmet Ertürk*

Board Member

** Independent Members of the Board of Directors*

**Officer for Investor's Affairs
and Finance Assistand
Specialist**
Mehmet Aldırmaz

**Deputy General Manager-
Operations**
M. Okyay Turan

Legal Consultant
Sevin Nar

Accounting
Yusuf Anıl

Russia Coordinator
Cuneyt Baltaoğlu

11 Personnel

Assistant Accounting Manager
Aslı Canan Öcal

Administrative Affairs
Fatih Akar
Oğuzhan Turan
Hülya Keser

Board of Directors	Role
İbrahim Süha Güçsav	Chairman of the Board/ Executive Director
Mustafa Keten	Vice Chairman of the Board
Pelin Akın Özalp	Board Member
Sıla Ciliz İnanc	Board Member
Selim Akın	Board Member
İrfan Erciyas	Board Member
Adnan Aydoğan	Independent Board Member
Halil Eroğlu	Independent Board Member
Ahmet Ertürk	Independent Board Member

Top Management	Role
Sertaç F. Karaağaoğlu	General Manager
Memduh Okyay Turan	Deputy General Manager- Operations

Supervisory Board	Role
Ahmet Ertürk	Chairman of the Supervisory Board/Independent Member
Adnan Aydoğan	Member / Independent Member
Halil Eroğlu	Member / Independent Member

Corporate Governance Committee	Role
Halil Eroğlu	Chairman of the Committee/ Independent Member
Ahmet Ertürk	Member / Independent Member
Adnan Aydoğan	Member / Independent Member
Mehmet Aldırmaz	Member

Early Detection of Risk Committee	Role
Halil Eroğlu	Chairman of the Committee/ Independent Member
Pelin Akın Özalp	Member
Selim Akın	Member

In the first quarter of 2018, the Board of Directors convened for 7 times, and all members of the Board attended to majority of the meetings and decisions were made unanimously.

The total material benefits granted to executives of the Company such as attendance fee, wage, bonus, premium, dividend are given below. Apart from foregoing, no other material benefit, allowance, representation expense, cash or in kind rights, insurance and others were granted. In the interim period of three months ended on March 31, 2017, the short term benefits granted to top executives for Akfen REIT and subsidiaries is 680.493 thousand TL in total (March 31, 2017: 475 thousand TL), the disclosures made pursuant to legislation are being followed, and transactions are carried out in line with the company's wages policy.

Benefits granted to top executives (thousand TL)	March 31, 2018	March 31,2017
Short-Term Benefits	680	475

İBRAHİM SÜHA GÜÇSAV CHAIRMAN

He has graduated from Economics department of Istanbul University in 1992 and had his master degree in Business Administration department of Social Sciences Institute of Gazi University. Mr. Güçsav who started his career in 1992 in Alexander & Alexander Sigorta Brokerliği A.Ş. (Alexander & Alexander Insurance Brokering), worked as Financing group President and Chief executive Officer in Akfen where he started to work in 1994. Mr. Güçsav had worked especially on privatization of Vehicle Inspection Stations, Mersin International Port and IDO and also during the foundation and investment processes of Akfen REIT and Akfen Enerji, for the public offering of Akfen Holding and Akfen REIT and on the subjects of the share sales of the shareholdings and long term financing. Mr. Güçsav who is Chairman of the Singapore Business Council of DEIK and Deputy Coordinating Chairman of Asia Pacific Business Councils, worked as Vice Chairman of Akfen Holding Board of Directors from 2003 till 2010. Mr. Güçsav who was member of the Board of Administrators both in Akfen Holding between the years of 2010 – 2012 and TAV Havalimanları Holding A.Ş. between the years of 2000 – 2012, is the CEO of Akfen Holding since March, 2010. Additionally to this position, he is also the Chairman of Akfen REIT and Akfen Water, and member of Board of Administrators in Akfen Renewable Energy.

Since October 2014, Mr. Güçsav has been appointed as the Honorary Business Representative of the International Commerce and Investment Agency (IE Singapore) that operates under the Ministry of Industry and Trade of Singapore

MUSTAFA KETEN VICE-CHAIRMAN

Mr. Mustafa Keten graduated from the Commercial Business Management of the Academy of Economics and Commercial Sciences of Istanbul in 1968. Mr. Keten, who started his career as an Assistant Specialist at the State Planning Organization in 1970, completed his master degree program at Social Sciences Institute of Holland in 1978. Then, he served the duties as the Chairman of the Regions with Development Priority between the years of 1979-1983, Undersecretary of State for the Agriculture, Forestry and Rural Affairs, Undersecretary of the Prime Ministry, Chairman of the Private Environment Protection Council, and General Director for Foundations of the Prime Ministry and President of the Assembly for Foundations between the years of 1984-1999. He has taken up duty at the Boards of Directors of Petkim and Tamek Gıda during the period when he was at the public sector, and served the duty as the Chairman of the Board of Directors of Güneş Sigorta and Vakıfbank. Mr. Keten, who participated in Akfen Holding as the Vice-Chairman of the Board of Directors in 1999, serves duties as an academician in various educational institutions as well among his responsibilities in his work life. Among with such duties of him, he conducted the membership of the Board of Directors of Turkish-Georgian Business Council, Eurasia Business Council and Turkish-Russian Business Council. Mr. Mustafa Keten currently works as the Vice-Chairman of the Board of Directors of TYD (Tourism Investors' Association) and Vice-President of the Tourism Assembly of TOBB (the Union of Chambers and Commodity Exchanges of Turkey) and Member of the Board of Directors of the Turkish Olympic Committee..

PELİN AKIN ÖZALP BOARD MEMBER

Mrs. Pelin Akin, who graduated from the Department of Management in Spanish, started her career before all else at the Strategy department in the Finance Department of the Deutsche Bank in Madrid, and then, participated in the MT program in order to be trained as a manager for future time within the structure of the company, TAV Airports Holding, following her return in Turkey. At current period, she serves duties as the Member of the Corporate Board of Committee of TAV Airports Holding, Member of the Corporate Board of Committee of Akfen Holding, IBS Sigorta ve Reasürans (Insurance and Reassurance) Brokering and Akfen GYO. For the time being, Mrs. Akin taking part in different work groups at the Foreign Economic Relations Board Spanish Business Council and Foreign Economic Relations Board British Business Council, also keeps on conducting active works as a Member of the Board of Directors and also Member of the Board of Trustees at TİKAV (Human Resources Education and Health Foundation of Turkey), established by Tekfen Holding in 1999. Mrs. Akin, who serves duty as the Vice-President Duke of Edinburgh International Award Turkey Program, conducts her duty as the Head of Advisory Council at the Department of Contemporary Researches on Turkey, established in the London School of Economics (LSE). Mrs. Pelin Akin, who has taken up the duty as an organizer of the Sweet-Talk Forum, established in 2011 in order to develop the relationships between the United Kingdom and Turkey at political, economic and cultural fields, has the memberships of TÜSİAD (Turkish Industrialists' and Businessmen's Association), TİKAD (Turkish Businesswomen Association), TÜRKONFED (Turkish Enterprise and Business Confederation), Young Presidents' Organization (YPO), Substructure and Investments Committee at the B-20 Steering Committee, TOOB Young Entrepreneurs' Advisory Council and World Economic Forum Global Shapers. Mrs. Akin was elected to the Substitute Membership of the Board of Directors of the TÜSİAD (Turkish Industrialists' and Business-men's Association) in 2015 as well as the Memberships of the Board of Directors of TÜRKONFED, PODEM and TAİDER.

SELİM AKIN BOARD MEMBER

Mr. Selim AKIN, who graduated from the Department of Management of the University of Surrey in 2006 in the United Kingdom, served the duty as the Chairman of the Turkish Association during her university years and became a member of the Young Businessmen Association of Turkey upon his return to Turkey, and currently, conducts the duty as the Head of the Trade Commission. At the same time, he is also a member the Committee for Early Determination of Risks of the TÜSİAD and TAV Airports Holding. The main projects where he took part in, are the privatization and finance of the Vehicle Inspection Stations, privatization and finance of the Port of Mersin, public offering of Akfen Holding and issuance of bonds in this respect. Mr. Selim Akin currently serves duty as a member of the Board of Directors at the subsidiaries of Akfen Holding and Vice-Chairman of the Board of Directors of Akfen Holding in addition to his duty as Chairmanship of the Board of Directors Akfen İnşaat ve Turizm A.Ş.

İRFAN ERCİYAS BOARD MEMBER

Mr. İrfan Erciyas graduated from the Department of Finance and Economics of the Gazi University in 1977. He started his career as an bank examiner (inspector) and Branch Manager at the bank, titled as Türkiye Vakıflar Bankası, and served her duty there as the Deputy General Director between 1996-2002 and kept on working at the same place as the General director between 2002-2003, and joined in Akfen Holding with the duty as the Vice-Chairman of the Board of Directors in 2003. He served important duties at the Holding, mainly the privatization of of Mersin International Port and IDO and the matters such as establishment and investment processes of Akfen GYO and Akfen Enerji, public offerings of Akfen Holding and Akfen GYO, share sales from subsidiaries and long-term finance matters. Mr. İrfan Erciyas, who continues to maintain his duty as a Managing Director at Akfen Holding since March 2010, serves his duties as the Chairman, Vice-Chairman and Membership of the Boards of Directors at various affiliates and subsidiaries of the Holding.

SILA CILIZ İNANÇ BOARD MEMBER

Mrs. Sila Ciliz İnanç graduated from the Faculty of Law of the Marmara University in 1995 and upon completion of her law internship in 1996, she joined in Akfen Holding in 1997. She carried out the works such as merges and takeovers of companies, Private Sector-Public Sector Partnerships (PPP) in Turkey, and furthermore, company and holding restructuring along with the fields of construction, energy and competition and took up active duty at the secondary legislation works of the Public Tender Law. She has involved in all processes including tenders and assignments of privatization applications and right/privilege assignments, build-operate-transfer where Akfen and its partnerships are a party thereof, and took part in the loan contracts and establishment of finance structures of the projects, and public offering of Akfen Holding A.Ş. ve Akfen GYO A.Ş. and conformance processes of the same to the SPK (Capital Market Committee Regulation). Mrs Sila Ciliz İnanç, who is the Deputy General Director of Akfen Holding A.Ş., keeps continuing her duties as a member of the board of directors in various partnership of the Holding.

HALİL EROĞLU INDEPENDENT BOARD MEMBER

Mr. Eroglu, who was born in Karşıyaka in 1952, studied tpe primary school in seven different schools as a result of his father's profession as a civil servant. After having studied at the Boarding School of İzmir Education College (BAL-Bornova Anatolian High School), he has graduated from the Ankara University Faculty of Political Sciences in 1974. After a service period of ten years as an inspector at the bank, Türkiye İş Bankası, where he started his banking work, he served various duties at the General Directorate and branches, and worked as a General Director at Dışbank, which has been closed down for the current period and also at İş Leasing for a period of three years. Mr. Eroğlu became the General Director of the Industrial Investment Bank in 2001. After the merger of the bank in 2002 with the Industrial Development Bank of Turkey (TSKB), he served duty as the general director of the Bank for a period of ten years and retired in 2011. He served duty as the chairman or member of the board of directors at various companies either before or after his retirement. Currently, he serves duty as an Independent Member of the Board of Directors of Akfen Gayrimenkul Yatırım Ortaklığı A.Ş.

ADNAN AYDOĞAN INDEPENDENT BOARD MEMBER

Mr. Adnan Aydoğan has graduated from the College of Education of Diyarbakır in 1980, and from the High School of Elazığ in 1983, and from the Public Management Department of the Faculty of Economics and Administrative Sciences of the Gazi University in 1987. He completed his master degree course at the Management Sciences of the Social Sciences Institute of the Gazi University. He served duty at the Turkish Iron-Steel Plants as the Plants Manager, and Researcher at the Sakarya University, and specialist (Project Coordinator) at the Undersecretariat of State at the Defence Industry, and subsequently, as the Project monitoring and Finance Branch and Head of Fund Management Division. Finally, Mr. Aydoğan, who was working as the Head of Financial Affairs and Subsidiaries within the structure of TAİ, quitted his duty in 2013, and currently serves duty as an Independent Member of the Board of Directors at Akfen Gayrimenkul Yatırım Ortaklığı A.Ş.

AHMET ERTÜRK INDEPENDENT BOARD MEMBER

Mr. Ahmet Ertürk, who was born in Malatya in 1953, graduated from the Faculty of Political Sciences of Ankara in 1975. Mr Ertürk, who served duty as a Finance Inspector between the years of 1976-1985, made a study for and on behalf of the Ministry of Finance between 1984-1985 in London on "British Experience on Privatization" After his service of duty as the Assistant Secretary General of TÜSIAD (Turkish Industrialists' and Businessmen's Association) between the years of 1986-1988, he took up the duties as the Deputy General Director and Consultant of General Director at the Turkish Marine Enterprises between the years of 1988-1991. Mr. Ahmet Ertürk, who worked as the Deputy General Director at Albaraka Türk between 1992-2002, took up the duty as the President of tpe Saving Deposit Insurance Fund (TMSF) between 2004-2009 following his duty as the Member of the Capital market Committee (SPK) in 2003. Mr. Ertürk, who served duty as the Senior Advisor of the (Turkish) President on economical matters between 2010-2014, is married with two kids and in good command of English language. Currently, he serves duty as an Independent Member of the Board of Directors of Akfen Gayrimenkul Yatırım Ortaklığı A.Ş.

SERTAÇ F. KARAAĞAOĞLU
GENERAL MANAGER

Mr. Sertaç F. Karaağaoğlu, who started his professional carrier as assistant portfolio manager at Toprakbank in 1996, and worked at Kentbank between the years of 2000-2001, then continued his carrier in Fortis Bank (Dışbank) in March 2001. He served duties at various managerial positions as Portfolio Manager, Branch Manager, SME Banking Director of Anatolian Region, Regional Director for East Mediterranean Region and Director Responsible for Credits up to the year of 2011 in their respective orders. Mr. Karaağaoğlu, who continued his professional career as the Credits Director at TEB BNP Paribas between 2011-2012, worked as the Listing and Private Market Group Director at Borsa Istanbul in the fields of Corporate Finance (public offerings, bond issuances and m&a businesses) between 2012-2016. Mr. Sertaç Karaağaoğlu, who graduated from the Political Sciences and Public Management of the Faculty of Economics and Administrative Sciences of the Middle-East Technical University (ODTÜ), completed his master degree course in 2015 on Business Management in Maltepe University.

MEMDUH OKYAY TURAN
DEPUTY-GENERAL MANAGER

Mr. Memduh Okyay Turan graduated from the Department of Tourism and Hotel Management of Bilkent University in 1993. Mr. Turan started his professional career at Antalya Club Hotel Sera City & Resort and Antalya Dedeman Convention. Mr. Turan, who holds a Travel Agencies Information Certificate of the Ministry of Tourism, subsequently, has served duties as manager at the Mega Residence Hotel Front Office Management, Mega Residence Sales & Marketing departments. Mr. Turan, who served duties as the General Director and General Coordinator at St. Paul Tourism & Travel Agency and Mersin Hotel Chain Group, conducted the General Coordinator duty in the following years at the City Residence, affiliated to the same group, and Kuşadası Mersin Beach Resort.

Mr. Turan, who joined the Akfen Family in 2005, serves duty as the Deputy General Director for Operations at Akfen REIT since 2008.

CÜNEYT BALTAOĞLU
RUSSIA COORDINATOR

Mr. Cüneyt Baltaoğlu, who graduated from the German High School of Istanbul and subsequently, Faculty of Architecture of the Istanbul Technical University, stepped in his working life (career) by taking up a duty at the hotel project of Gama İnşaat Russia-Tyumen in 1994. Then, Mr. Baltaoğlu, who took up the duty at the Koray-Enka Partnership Moscow and Koray Construction Istanbul real estate development/investment projects between the years of 1995 and 1998, completed his MBA degree at the Rotterdam School of Management – Erasmus University of Holland between 1999-2001, and subsequently, undertook the Lycos-Europe's founding general directorate duty within the structure of Bertelsmann AG in Moscow. Mr. Baltaoğlu conducts the duty of Coordinator of Russia Investment Projects of Akfen Gayrimenkul Yatırım Ortaklığı (Akfen Real Estate Investment partnership) since 2007.

• Human Resources Policy

Akfen REIT, by reflecting the dynamism in its management mentality also to its human resources applications, puts into effect the strategies compliant to the Company's corporate structure and goals. To provide to the employees an environment where they can develop their personal and professional skills in a position convenient to their competencies is among the highest priority targets of Akfen REIT in terms of human resources policy.

Akfen REIT has created its human resources policy within the principles given below:

- The principle of granting equal opportunity to people under equal conditions in recruitment, training and development, salary system and career planning has been adopted.
- Recruitment criteria are determined in writing and these criteria are followed in practice.
- In regard to development and promotion, the employees are treated equally; development policies and plans are established which aim to increase knowledge, skills and experience of the employees.
- Job descriptions, performance evaluation and awarding criteria of the Company employees are set by executives and these are shared with the employees.
- Communications with the employees is carried out through Corporate Communications, Human Resources and Administrative Affairs Departments, and no discrimination is made between the employees.

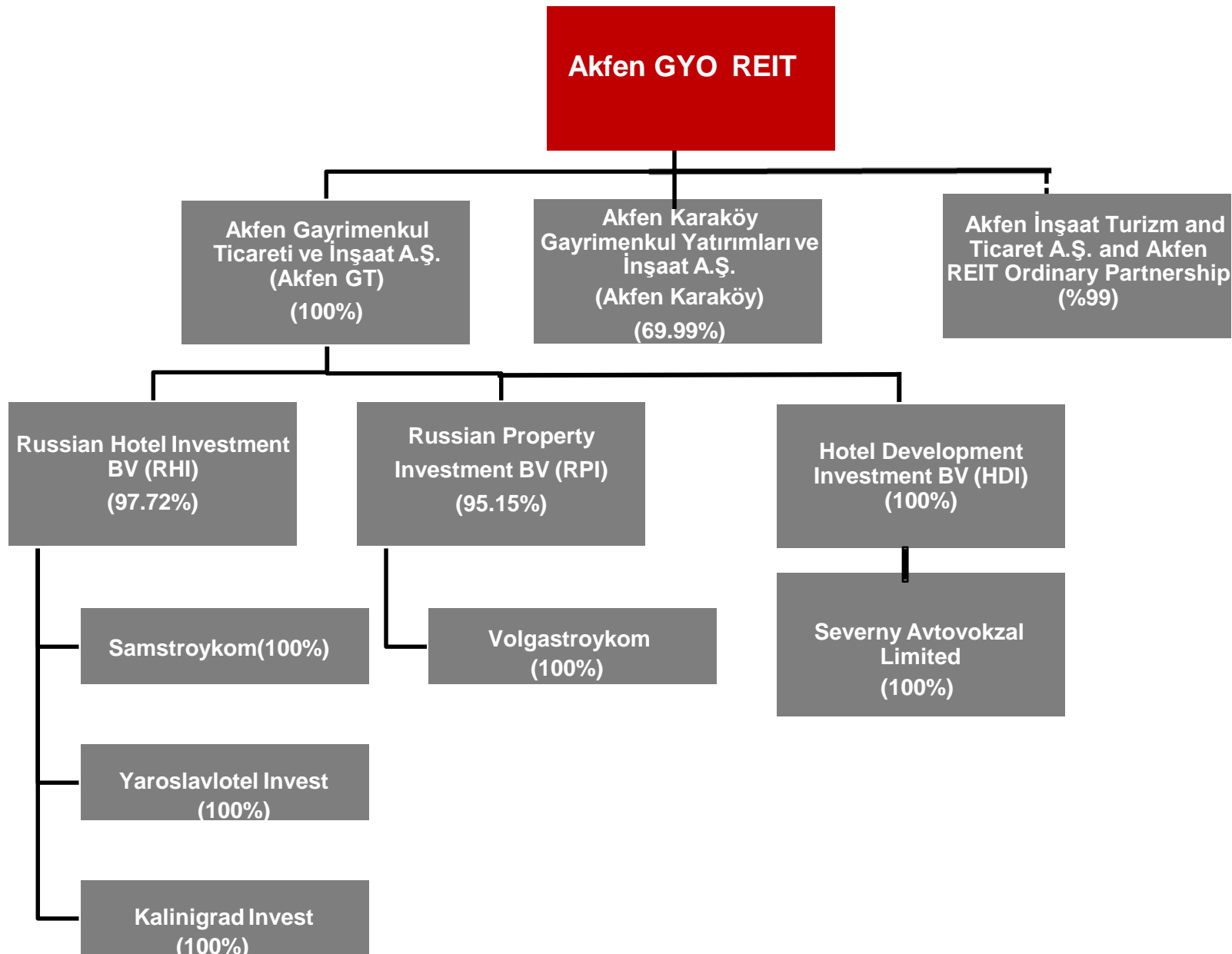
The Company has an employee profile, absorbed the vision and mission of Akfen GYO and volunteered to make the mission, conformed to the team spirit, been customer-orientated, had ethical values and social responsibility within the framework of this understanding. The number of the employees of Akfen GYO is 9 as of March 31, 2018 (December 31, 2017; 11) and number of employees working at the affiliates, however is 11 (December 31, 2017:11).

The Company will sustain the human resources approach of it at the incoming period with the target of carrying these values to upper levels.

Benefits and provisions granted to the employees (TRY)

	March 31, 2018	December 31, 2017
Provision for vacation pay liability-short term	244,280	230,728
Provision for employee termination indemnity-long term	170,305	175,407
	414,585	406,135

Organization Structure



Group Companies

Trade Name	Field of Activity	Capital	Company's Share of Capital	Currency Unit	Company's Share of Capital
Akfen Gayrimenkul Ticareti ve İnşaat A.Ş.	Building real estate portfolio	121,000,000	121,000,000	TL	100
Russian Hotel Investment BV	Developing hotel projects in	33,455,050	32,690,666	Euro	97.72
Russian Property Investment BV	Developing office and housing projects in Russia	7,258,867	6,906,859	Euro	95.15
Hotel Development	Developing hotel projects in Russia	8,510,640	8,510,640	Euro	100
Akfen Karaköy Gayrimenkul Yatırımları ve İnşaat A.Ş.	Making real estate	34,400,000	24,079,312	TL	69.99
Akfen İnşaat Turizm ve Ticaret A.Ş. and Akfen REIT Ordinary Partnership	Land Sales Proportion Revenue Share Housing Construction Work	10,000	9,900	TL	99

- **Risk Management**

The works for Early Determination of Risk was finalized within 2012 through the support of the Company, DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (Deloitte) and the Risk Management Handbook was submitted to the attention of the Board of Directors of the Company. It has been resolved upon the fact that the principles taking place at the Risk Management Handbook would be taken as basis in the internal audits of the Audit Committee. The related risk management handbook takes place in the attachment of the annual operation report and internet site of the Company.

It has been decided by the unanimous votes of attendants in the meeting through the resolution no. 2013/9 of the Board of Directors of the Company, dated as April 25, 2013 to set up a separate committee pursuant to the Communiqué no. 63 and Series IV making amendment in the Communiqué no. 56 and Series IV of the Capital Market Committee to conduct the duties of the Committee for Early Determination of Risk that are currently conducted by the Corporate Management Committee.

It has been decided by the unanimous votes of attendants in the meeting through the resolution no. 2015/5 of the Board of Directors of the Company, dated as February 18, 2015 to appoint (Mr.) Adnan Aydoğan, Independent Member of the Board of Directors, (Mr.) Selim Akin, Member of the Board of Directors and (Mrs.) Pelin Akin, Member of the Board of Directors, to the Committee for Early Determination of Risk for a period of 1 year, and to designate Mr. Adnan Aydoğan as the Chairman of the Committee for Early Determination of Risk.

The financial structure, financial position and performance of the Company as of March 31, 2018 have been assessed and there has not been any circumstance, determined by the Board of Directors, raising any doubt on the loss of capital or state of insolvency

- **Audit Committee**

The consolidated and individual financial standing table, comprehensive income table, cash flow table and table for changes in equity of the Company and operation report of the board of directors covering the mentioned period that

Belonged to the accounting period of January 01, 2018 –March 31, 2018 and not gone through a limited audit were approved by the Audit Committee and Board of Directors on May 7, 2018 together with the footnotes, prepared in conformance to the related Capital Market Committee Communiqué.

Jan 5, 2018, About Future –Prospective Reviews,

The investor presentation, which includes the Paya Convertible Bills and Future Projections, will be issued by the Company on January 5, 2018 under the Article 10 of the Capital Market Board Communiqué No. II-15.1.

Jan 17, 2018,About Convertible Bond,

The request for the issue of the initial issue of 170.000.000 TL regarding the issue of convertible bond (PDT) to the issue of 300.000.000 TL with 3 years maturity was completed on 16.01.2018 regarding the export ceiling published by our Company on 08.01.2018 at KAP. In the announcement dated 25.12.2017, which was published in the KAP on 08.01.2018, which contains the approval of the said PDT to the Company converting share of pdt as selecting the method to be redeemed by prepared for the conversion rates are documents issued proclaimed in the container on 05/01/2018 to the designated 2,75tl'lik conversion rates VII-128.8 No. Borrowing Tools (Communiqué) our company is the 18th article conversion of to determine communication to the 4th paragraph price and over in favor of the company's shareholders and the company and / or be made of the company's shareholders to convert so as not to cause damage process has been reported that a decision on the approval by the. PDT, whose maturity start date is 17.01.2018, has started to be traded in Stock Exchange Istanbul on 18.01.2018

Jan 31, 2018, About Insvestor Relations Manager Appointment,

Hüseyin Yılmaz, who is the manager of the investor relations department, has left the Company as of 31.01.2018 and accordingly, in the meeting of the Board of Directors dated 31.01.2018: Within the scope of Article 11- 11.1 of the Capital Markets Board's Corporate Governance Communiqué; As a member of the Corporate Governance Committee, Mr. Hüseyin Yılmaz has been appointed as a member of the Corporate Governance Committee in order to fulfill the duty of Mehmet Aldırmaz and Mehmet Aldırmaz to appoint him as the "Investor Relations Manager" were chosen unanimously by the participants of the meeting.

Jan 31, 2018, About Valution Company Selection,

According to Article 35 of the Communiqué on Principles Regarding Real Estate Investment Trusts Series III-48.1 of the Capital Market Board dated 31.01.2018, the Board of Directors of Adım Gayrimenkul ve Değerleme A.Ş., Bulvar Smart Corporate Real Estate Appraisal and Consultancy Inc. for Loft Project and also the portfolio will be taken in 2018 and the valuation service will be provided for the assets that will require valuation. Adım Gayrimenkul ve Değerleme A.Ş. and Smart Kurumsal Gayrimenkul Değerleme ve Danışmanlık A.Ş. as unanimous decision.

Feb 28, 2018, About Merger Process of the Main Capital,

The Company's main shareholder, Akfen Mühendislik A.Ş., is subject to the provisions of the Turkish Commercial Code No. 6102 ("TTK"), in accordance with the provisions of Articles 19 and 20 of the Corporate Tax Law ("TTK") No. 1 and in the form of a whole (ash) merger and registration transactions were realized on 28.02.2018 by the participation of Akfen Holding A.Ş.

April 12, 2018, About 2017 Annual Ordinary General Assembly Meeting Call.

Shareholders' Ordinary General Meeting of Shareholders The meeting was held on Thursday, 03.05.2018 at 14:00 at Levent Loft Building, Büyükdere Street, No: 201 C Block Floor: 8 Levent İstanbul. It adds the document of OGK Information, the declaration of OGK Invitation, the template of proxy and the profit distribution table available in

May 3 2018,About Ordinary general meeting.

Shareholders' Ordinary General Assembly Meeting of the Company The Levent Loft Building, which is the company headquarters on Thursday, May 3, 2018 at 14:00, Büyükdere Caddesi, No: 201 C Block Floor: 8 Levent İstanbul. General Assembly minutes, OGK Information document, General Assembly Schedule and OGK Invitation Notice are included in the annexes of the activity report

TURKEY

	Operational Hotels	Number of Rooms	State of Ownership	Plot Lease Expiry Date	Investment Starting Date	Hotel Opening Date
1	Hotel Ibis Zeytinburnu	228	49 years	2051	2005	March 2007
2	Novotel Zeytinburnu	208	49 years	2051	2005	March 2007
3	Hotel Ibis Eskişehir	108	22 years	2029	2005	April 2007
4	Novotel Trabzon	200	49 years	2058	2006	October 2008
5	Hotel İbis Gaziantep	177	30 years	2038	2008	January 2010
6	Novotel Gaziantep	92	30 years	2038	2008	January 2010
7	Hotel İbis Kayseri	160	49 years	2058	2008	March 2010
8	Novotel Kayseri	96	49 years	2058	2008	March 2010
9	Hotel İbis Bursa	200	30 years	2040	2009	November 2010
10	Hotel İbis Adana	165	Ownership		January 2011	September 2012
11	Hotel İbis Esenyurt	156	Ownership		March 2011	January 2013
12	Hotel İbis İzmir Alsancak	140	49 years	2059	June 2011	June 2013
13	Hotel İbis Ankara Airport	147	Ownership		January 2013	September 2014
14	Novotel İstanbul Bosphorus, Karaköy	200	49 years	2058	July 2012	February 2016
15	Hotel Merit Park	286	49 years	2052	February 2004	April 2007
16	Hotel İbis Tuzla	200	Ownership		March 2015	April 2017
TOTAL		2.763				



RUSSIA

	Operational Hotels	Number of Rooms	State of Ownership	Investment Date of Beginnig	Hotel Opening Date
1	Hotel İbis Yaroslavl	177	Ownership	April 2010	September 2011
2	Hotel İbis Samara	204	Ownership	July 2009	March 2012
3	Hotel İbis Kaliningrad	167	49 years	August 2011	August 2013
4	Hotel İbis Moscow	317	49 years	September 2013	July 2015
Sub Total		865			
TOTAL		865			
20	GRAND TOTAL	3.628			



TURKEY

	Housing Projects	Number of Apartments	Construction Zone M2	Commercial Area M2	Investment starting date	Date of Completion
1	Bulvar Loft	822	169,703	7,000	Marrrch2016	2019

-The Group has a Samara Office Project having a leasable area of 4.637 square meters in Russia in addition to its Hotel portfolio. The office as a whole has been leased.

BALANCE SHEET (in million TRY)	31.03.2018	31.12.2017	Income Statement (TRL mn)	31.Mar.17	31.Mar.18
CIRCULATING ASSETS	140,0	31,8			
Cash and Cash Eguivalents	34.6	3.1	Revenue	13.0	17.0
Trade Receivables	15.5	15.6	Cost of Sales	-2.4	-2.8
Other Receivables	0.1	0.0			
Stocks	58.4	0.0	GROSS PROFITS / (LOSSES)	10.7	14.2
Expenses, Paid Up in Cash	18.5	1.1			
Short-Term Financial Investments	3.3	2.7	Administrative Expenses	-1.5	-1.8
Other Circulating Assets	9.6	9.2	Satış ve pazarlama giderleri	0.0	-1.2
Fixed Assets	1,764.3	1,731.4			
Other Receivables	27.1	24.6	EBITDA	9.2	11.2
Long -Term Financial Investments	68.4	64.4			
Investments Properties	1,625.8	1,604.2	Other Operating Income	0.0	0.0
Maddi ve maddi olmayan duran varlıklar	0.2	0.2			
Tangible and Intangible Fixed Assets	8.3	8.5	OPERATIONAL INCOME	9.2	11.2
Other Fixed Assets	30.3	25.5			
Deferred Tax Asset	4.3	3.9	Net Financial Income / (Loss)	-31.8	-72.9
TOTAL ASSETS	1,904.3	1,763.2			
Short Term Liabilities	134.6	164.9	PROFIT BEFORE TAXATION	-22.6	-61.7
Short Term Borrowing	2.3	48.8			
Short-Term Parts of Long-Term Borrowings	103.6	93.9	Taxation on Income	-1.1	3.2
Commercial Debts	2.2	4.3			
Commercial Debts	14.9	13.2	PROFIT AFTER TAX	-23.7	-58.5
Deferred Incomes	7.1	0.0			
Short -Term Provisions	3.0	3.0	Non-controlling Interest	-1.9	-3.3
Other Short Term Liabilities	1.5	1.7			
Long Term Liabilities	1,194.3	990.5	NET PROFIT FOR THE PERIOD	- 21.8	- 55.1
Longt Term Borrowing	1,072.9	867.5			
Commercial Debts	0.2	0.2	Change in Currency Translation Differences	11.3	5.3
Commercial Debts	34.9	34.0			
Longt Term Provisions	16.4	16.4	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-12.4	-53.2
Other Longt Term Provisions	3.8	3.8			
Deferred Incomes	0.0	0.3			
Deffered Tax Liabilities	66.0	68.2			
EQUITIES	575.4	607.8	Gross Margin	82%	83%
TOTAL LABITIES	1,904.3	1,763.2	EBITDA Margin	70%	66%
Total Liabilities/ Total Assets	70%	66%			

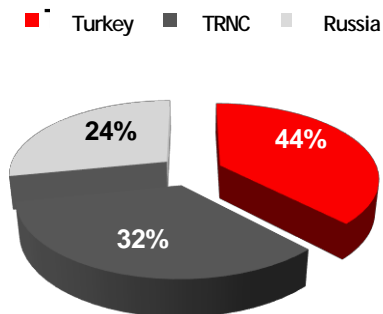
Financial Performance

- Consolidated rental income was 17 million TL, increased by 30% year-on-year.
- The EBITDA margin improved by 66%, and the non-existing Boulevard Loft project costs, the EBITDA margin has increased from 70% to 73%.
- Consolidated EBITDA increased 23% year-on-year to TL 11.2 million TL.(Bulvar Loft increased by 35%, excluding expenses, to 12.4 million TL)
- As of March 31, 2018, Net Asset Value was realized as 613.1 million TL.
- As of March 31, 2018, net loss for the period was TL 55.1 million. The most significant factor in the loss was that all loans of the Company were borrowed in Euro currency unit, and because of the exchange difference expense realized in amount of approximately 53 million TL within the first quarter of 2018 due to increase in Euro/TL exchange rate up 8% year-on-year.

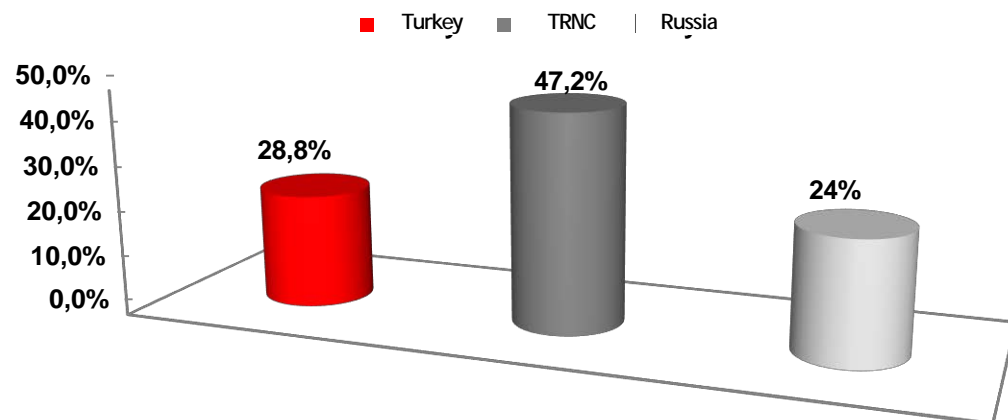
Operational Performance

- As of March 31, 2018, average occupancy rate of hotels operated in Turkey was realized as 65% while this rate was 54% for hotels operated in Russia, and average occupancy rate for all hotels was realized as 62%.
- As of March 31, 2018, the average room price for hotels operated in Turkey was 32 Euro, while this figure was 41 Euro for hotels operated in Russia, and average room price for all hotels was 34 Euro.
- Consolidated cost of sales was realized as 2.8 million TL at the end of 1st quarter of 2017, increased by 20% year-on-year.
- Consolidated general administrative expenses were realized as 1.8 million TL at the end of 1st quarter of 2018, increased by 16% year-on-year.

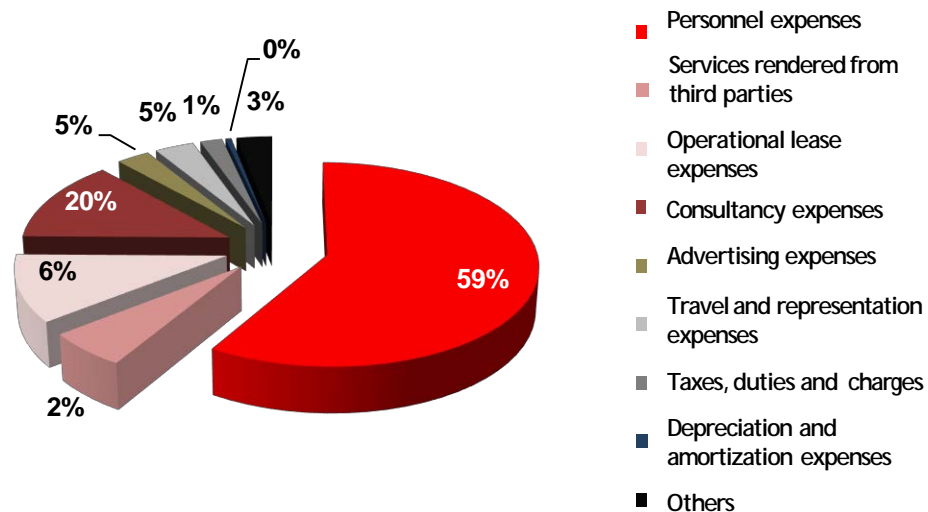
March 31, 2018
Regional Distribution of Rental
Income %



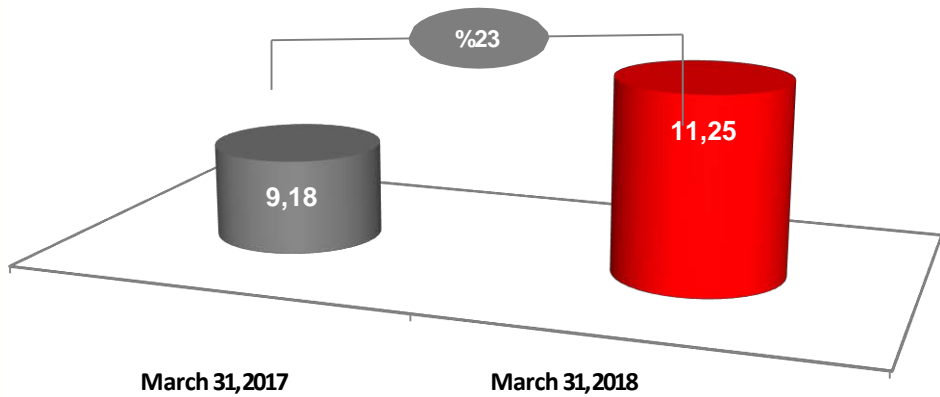
March 31, 2018
Regional Distribution of EBITDA%



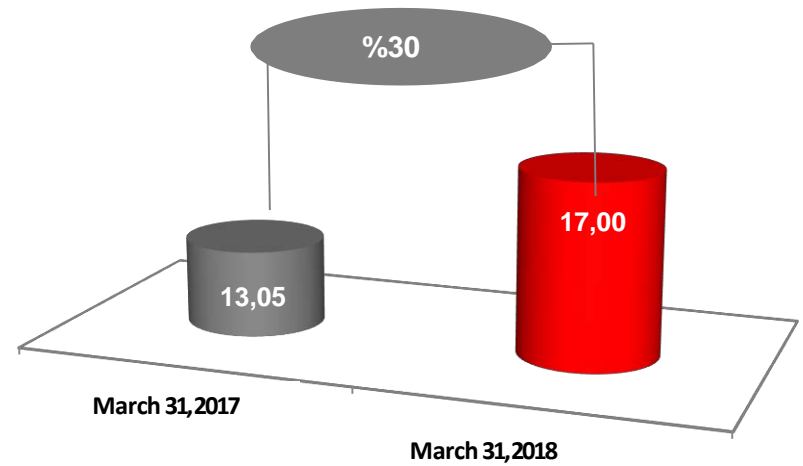
March 31, 2018 Distribution of General
Administrative Expenses



EBITDA Growth

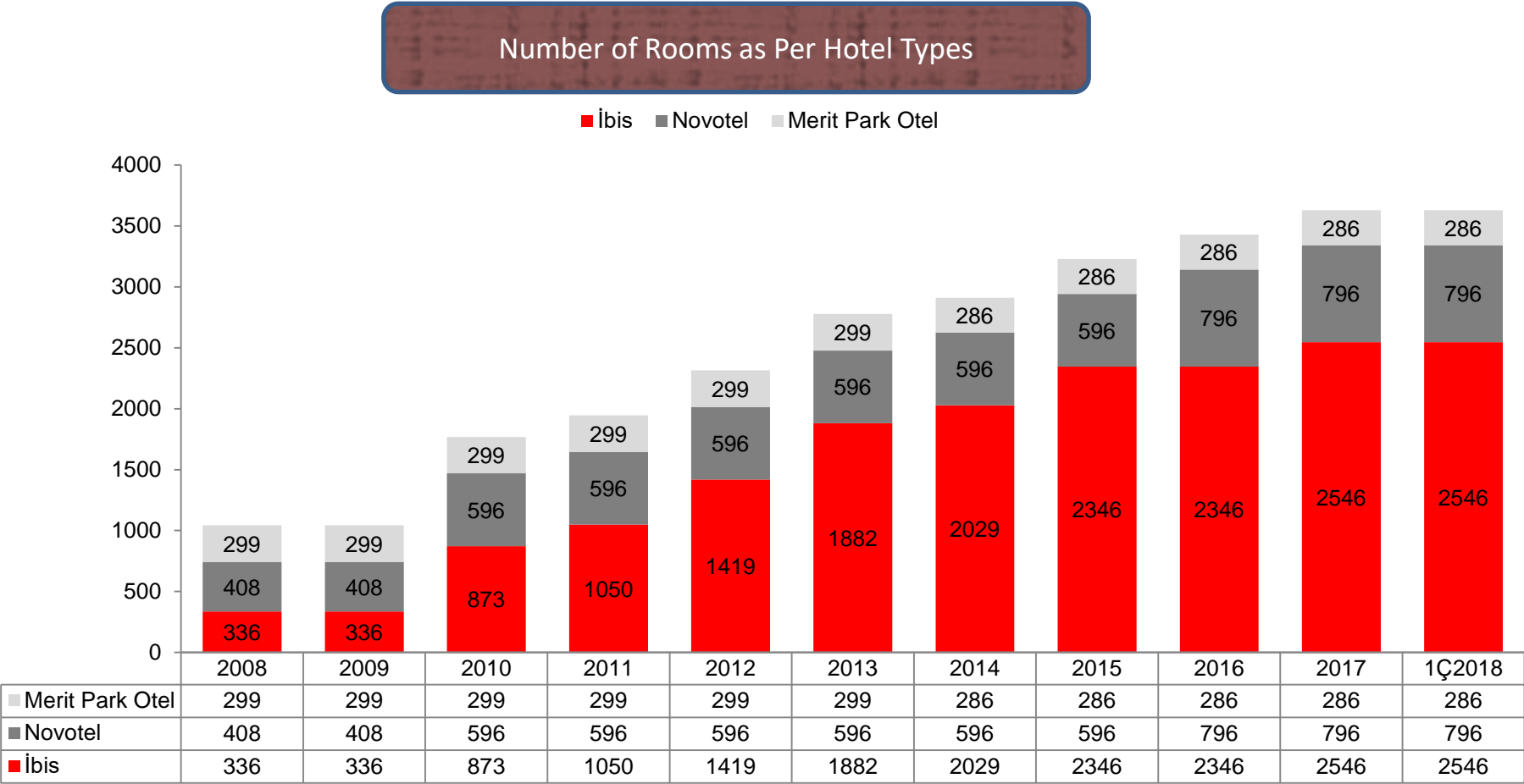


Consolidated Rental Income (TL million)



• Development of Room Capacity Over the Years

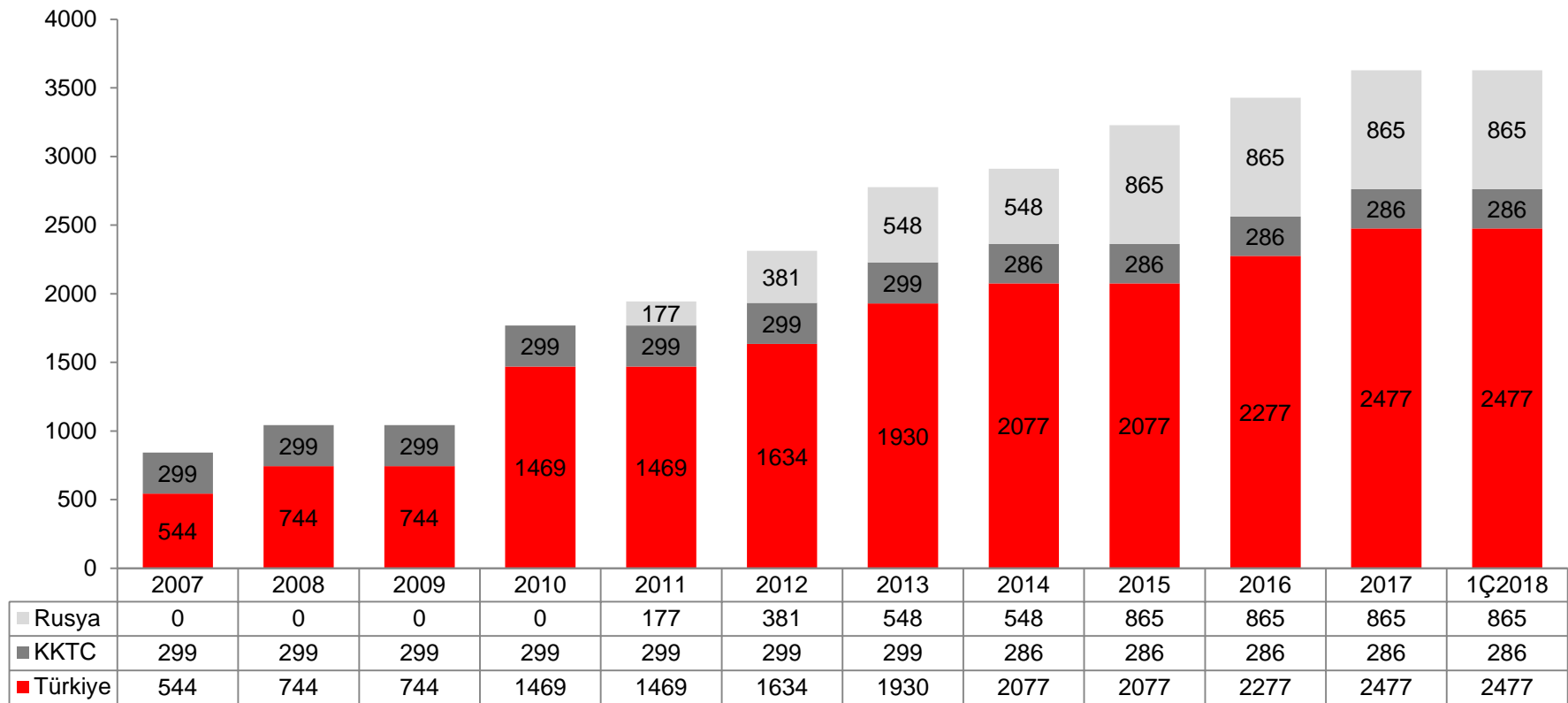
The total room numbers of 20 operational hotels, owned by the Company, refer to 3.628 as of September 30, 2018 .



• Development of Room Capacity Over the Years

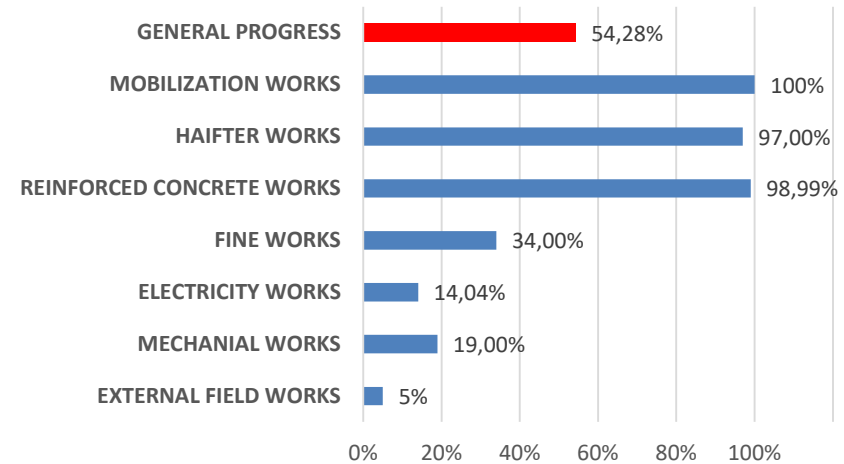
Number of Rooms as Per Counties

■ Türkiye ■ KKTC ■ Rusya





BULVAR LOFT PROGRESS RATIO



Figures are given as «Million TL»

31.Mar.18	Rental Income	EBİTDA	EBİTA Margin	Net Debt
Turkey	7.5	3.2	43%	722.7
TRNC	5.4	5.3	99%	70.1
Russia	4.1	2.7	65%	279.6
Consolidated	17.0	36.5	66%	1.072,5

Number Of Employess	31.Mar.18	31.Dec.17	Difference (%)
Turkey	9	11	-18%
Russia	11	11	0%
Consolidated	20	22	-9%

Rental Income	31.Mar.18	31.Dec.17	Difference (%)
Turkey	7.5	4.9	52%
TRNC	5.4	4.4	21%
Russia	4.1	3.7	13%
Consolidated	17,0	13,0	30%

EBITDA	31.Mar.18	31.Dec.17	Difference (%)
Turkey	3.2	2.3	40%
TRNC	5.3	4.4	21%
Russia	2.7	2.5	9%
Consolidated	11,2	9,2	23

<u>Occupancy Rates %</u>	<u>March31.18</u>	<u>March.31.17</u>	<u>Change</u>
Turkey Total – İbis	66%	61%	4%
Turkey Total – Novotel	64%	49%	14%
Turkey Total - İbis&Novotel	65%	57%	8%
Russia Total – İbis	54%	50%	4%
Turkey & Russia Grand Total	62%	55%	7%

<u>Average Room Rate(Exclusive VAT)EUR</u>	<u>31.03.18</u>	<u>31.03.17</u>	<u>Change</u>
Turkey Total – İbis	28	29	-6%
Turkey Total – Novotel	41	37	10%
Turkey Total - İbis&Novotel	32	32	0%
Russia Total – İbis	41	45	-9%
Turkey & Russia Grand Total	34	35	-3%

31.Mar.18 31.Mar.17 Change

Revenue per Room,All Inclusive -EUR

Turkey Total – İbis	22	22	1%
Turkey Total – Novotel	37	29	31%
Turkey Total - İbis&Novotel	27	24	12%
Russia Total – İbis	22	22	-2%
Turkey & Russia Grand Total	21	19	9%

<u>Rent Income (in thousands TRY)</u>	<u>31.03.18</u>	<u>31.03.17</u>	<u>Change</u>
Turkey Total – İbis	4,219	3,090	37%
Turkey Total – Novotel	3,275	1,842	78%
Turkey Total - İbis&Novotel	7,494	4,932	52%
Russia Total – İbis	3,470	3,051	14%
Turkey & Russia Grand Total	10,965	7,983	37%
Grand Total (TRY) *	17,004	13,048	30%

* Including Hotel Merit Park and Samara Office

• Gross Financial Debt

While the total amount of financial debt was TRY 1,010 millions at the end of 2017, this was realized as TRY 1,179 millions at the end of 1st quarter of 2018, by an increase of 17%. While the total amount of net financial debt amount was 1.072,5 million at the end of 2017, this was realized as TRY 939.9 millions at the end of 1st quarter by an increase of 14%.

Total Debt (in millions TRY)	Mar 31.18	December 31.17	Change (%)
Less than 1 year	106	143	-26%
Between 1 – 2 years	103	96	7%
Between 2 – 3 years	249	89	179%
Between 3 – 4 years	91	82	12%
Between 4 – years	102	92	11%
5 years and longer than 5 years	527	508	4%
TOTAL	1,179	1,010	17%

Average Annual Interest Rate of Loans	6.80%	6.86%	0.13%
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Average Annual Interest Rate of Loans Predominantly in TRY	12.00%	16.89%
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Gross Debt (in millions TRY)	Mar 31.18	Dec31.17	Change (%)
Turkey	757	615	23%
TRNC	142	133	7%
Russia	280	262	7%
CONSOLIDATED	1,179	1,010	17%

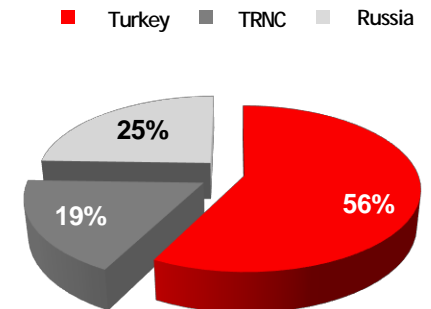
- Investment Property**

The total value of investment property included to Company's portfolio was realized as 1.585 billion TL as of March 31, 2018.

Investment Property (million TRY)	31.Mar.18	31.Ara.17	Difference (%)
Active Investment Property	1.585,3	1,564.7	1%
TOTAL	1,585.3	1,564.7	1%

March 31, 2018
Regional Distribution of Real Estate %

Investment Property (million TRY)	31.Mar.18	31.Ara.17	Difference (%)
Turkey	881.2	881.0	0%
TRNC	302.8	302.8	0%
Russia	401.3	380.9	5%
TOPLAM	1,585.3	1,564.7	1%



- **Real Estate Investments**

For real estate included to the Company's portfolio, 58.4 million TL capital expenditure in total was realized at the end of 1st quarter of 2018.

As of March 31, 2018

TURKEY

Investment	Location	Number of Rooms	Status	Physical Completion (%)	Hotel Opening Date
Bulvar Loft	Ankara	822	Under Construction	54.28%	Mar, 2019

• Net Asset Value

As of March 31, 2018, Net Asset Value was realized as 613.1 million TL.

PORTFOLIO TABLE (milion TRY)	31.Mar.18	31.Dec.17
Operational Hotels		
Hotel Ibis and Novotel Zeytinburnu	176.3	176.3
Hotel Ibis Eskişehir	11.0	11.0
Novotel Trabzon	125.0	125.0
Hotel Ibis and Novotel Kayseri	47.6	47.6
Hotel Ibis and Novotel Gaziantep	48.3	48.3
Hotel Ibis Bursa	38.3	38.3
Hotel Ibis Esenyurt	44.6	44.6
Hotel Ibis Adana	48.9	48.9
Hotel Ibis İzmir Alsancak	45.9	45.9
Hotel Ibis Ankara Airport	47.7	47.7
Hotel Ibis Tuzla (*)	67.1	67.1
Project with ongoing investments		
Bulvar Loft	58.4	0,0
Subsidiaries	415.7	415.7
Money & Capital Market Instruments	34.1	1.1
TOTAL PORTFOLIO VALUE	1,208.9	1,117.4
Other Assets & Receivables	129.4	99.6
Debts	725.1	580.6
NET ASSET VALUE	613.1	636,5



Since the information in the table is not in the console, may not overlap with field information.

Government Grants and Incentives

According to the Investment Incentive Law numbered 47/2000, the Group has a 100% of investment allowance on capital expenditures made until 31 December 2008 in Northern Cyprus.

Dividend Distribution Policy

The Company, in its dividend distribution decisions, takes into consideration Articles of Association of the Company and provisions of the Turkish Commercial Code, Capital Markets Legislation, Capital Markets Board's Regulations and Resolutions, Tax Laws, and other relevant legislation.

By decision of the Board of Directors dated 25.02.2011, Akfen Real Estate Investment Trust has adopted a dividend distribution policy based on the principle of "proposing to the General Assembly minimum 30% of the distributable profit, by taking into account overall profitability of the Company, starting from accounting period of 2012."

Dividend Distribution Policy is presented to shareholders for their information during General Assembly meeting.

The Company's Dividend Distribution Policy is publicly disclosed on website of the Company.

Portfolio Limitations

Non-Consolidated (individual) financial table main account items		Related Regulation	March 31 2018	December 31, 2017
A	Money and capital market instruments	III-48.1. Art. 24 / (b)	34,083,161	1,120,603
B	Real Properties; Projects, Based on Real Properties; Rights, Based on Real Properties	III-48.1. Art. 24 / (a)	782,194,813	722,815,403
C	Subsidiaries	III-48.1. Art. 24 / (b)	415,653,381	415,653,381
	Receivables from related parties (non-commercial)	III-48.1. Art. 23 / (f)	30,868	-
	Other assets		106,301,729	77,464,113
D	Total Assets	III-48.1. Art. 3 / (p)	1,338,263,952	1,217,053,500
E	Financial debts	III-48.1. Art. 31	685,966,130	548,298,049
F	Other financial liabilities	III-48.1. Art. 31	39,158,091	32,263,760
G	Financial leasing debts	III-48.1. Art. 31	----	----
H	Debts to be payable to related parties (non-commercial)	III-48.1. Art. 23 / (f)	----	----
I	Equities (Net asset value)	III-48.1. Art. 31	613,139,731	636,491,691
	Other sources		----	----
D	Total sources	III-48.1. Art. 3 / (p)	1,338,263,731	1,217,053,500
Non-consolidated (individual) other financial information		Related Regulation	March 31, 2018	December 31, 2017
A 1	The proportion of the money and capital market instruments, held for the real property payments for 3 years	III-48.1. Art. 24 / (b)	----	----
A 2	Term and demand deposit/private current participation account in foreign currency and Term deposit/participation account in Turkish currency	III-48.1. Art. 24 / (b)	34,064,685	1,104,842
A 3	Foreign capital market instruments	III-48.1. Art. 24 / (d)	----	----
B 1	Foreign real properties, projects that are based on real property, rights that are based on real properties	III-48.1. Art. 24 / (d)	----	----
B 2	Plots / lands, held idle	III-48.1. Art. 24 / (c)	----	----
C 1	Foreign affiliates	III-48.1. Art. 24 / (d)	----	----
C 2	Participation in the operator company	III-48.1. Art. 28/1 / (a)	----	----
J	Non-cash loans	III-48.1. Art. 31	236,543,539	219,585,899
K	Mortgage values of the plots under mortgage, of which ownership is not owned by the partnership and that a project will be developed thereon.	III-48.1. Art. 22 / (e)	----	----
L	Total value of money and capital market instruments in a single company	III-48.1. Art. 22 / (l)	34,033,782	394,940

Portfolio Limitations		Related Arrangement	Current Period	Previous Period	Minimum/ Maximum Rate
1.	Mortgage values of the plots under mortgage, of which ownership is not owned by the partnership and that a project will be developed thereon	III-48.1. Art. 22 / (e)	0,00 %	0,00 %	< 10 %
2.	Real properties, projects that are based on real property, rights that are based on real properties	III-48.1. Art. 24 / (a)(b)	58,45 %	59,39 %	> 51 %
3.	Money and Capital Market Instruments and Affiliates.	III-48.1. Art. 24 / (b)	33,61 %	334,24%	< 50 %
4.	Foreign Real Properties, Projects that Are Based on Real Properties, Rights that Are Based on Real Properties, Affiliates, Capital Market Instruments.	III-48.1. Art. 24 / (d)	31,06%	34,15 %	< 50 %
5.	Plots / Lands, Held Idle.	III-48.1. Art. 24 / (c)	0,00 %	0,0 %	< 20 %
6.	Participation in the Operator Company.	III-48.1. Art. 28/1 (a)	0,00 %	0,0 %	< 10 %
7.	Borrowing Limitation.	III-48.1. Art. 31	156,84 %	125,71 %	< 500 %
8.	Term and demand deposit/private current participation account in foreign currency and Term deposit/participation account in Turkish currency.	III-48.1. Art. 24 / (b)	2,55 %	0,09 %	< 10 %
9.	Total value of Money and Capital Market Instruments in a Single Company	III-48.1. Art. 22 / (l)	2,54 %	0,03%	< 10 %

As of March 31, 2018, the information, indicated in the footnote, titled as the “Control of Conformance to Portfolio Limitations”, is in the nature of summary information, derived from the financial tables pursuant to Article 16 of the “Communique for the Principles of Pertaining to the Financial Reporting at the Capital Market” having the SPK (Capital Market Board) Series: II, No.: 14.1 and prepared within the framework of provisions, related to the the control of conformance to portfolio limitations of the “Communique on Making Amendment at the Communique for Principles Pertaining to the Real Estate Investment Trusts” having the SPK (Capital Market Board) Series: III, No.: 48.1a, published in the Official Gazette of January 23, 2014 having the issue number: 28891 and the “Communique for Principles Pertaining to the Real Estate Investment Trusts” having the SPK (Capital Market Board) Series: III, No.: 48.1, published in the Official Gazette of May 28, 2013 having the issue number: 28660. Furthermore, since the information at the table is the non-consolidated data, they may not correspond to the information taking place at the consolidated tables.

Trade Receivables from Related Parties (TRY)	March 31, 18	December 31, 17
--	--------------	-----------------

Akfen İnşaat turizm ve Ticaret A.Ş.	732	2,050,647
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Trade Receivables from Related Parties (TRY)	March 31, 18	December 31, 17
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Akfen Çevre ve Su Yat.Yap.İşl. A.Ş.(Akfen Su)	30,688	-
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Other liabilities to Related Parties (TRY)	March 31, 18	December 31, 17
--	--------------	-----------------

Akfen Holding/Akfen Mühendislik	4,365,356	5,978,094
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Short Term Order Advances Given to Related Parties(TRY)	31.Mar.18	31.Ara.17
---	-----------	-----------

Akfen İnşaat Turizm ve Ticaret A.Ş.	16,215,592	-
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Jan 1- march31, 18 Jan 1- march31, 18

Incomplete Housing Progresses(TRY)

Akfen İnşaat Turizm ve Ticaret A.Ş.	35,026,992	-
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Convertible bond issue

Akfen Holding's total convertible bond issue amounting to TL 170,000,000 nominal amount issued on January 17, 2018 and detailed in Note 6, As of March 31, 2018, the interest expense amounting to TL 4,372,838 related to the said bonds is recognized as profit or loss in the consolidated financial statements and have been accounted for in the other comprehensive income table

Rental Expense(TRY)	1 Ocak- 31 Mart 18	1 Ocak- 31 Mart 17
---------------------	-----------------------	-----------------------

Hamdi Akın	50,513	92,250
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1)As of 31 March 2018 and 31 December 2017, the receivables from the related parties from Akfen İnşaat are considered to be of the right to use the hotel in the hotel project in TRNC Bafra is the balance of receivables related to the transfer.

2) Short term order advances given to Akfen İnşaat as of March 31, 2018 consist of advance payment advances regarding the Group's Bulvar Loft

3) It is project. the amount of progress made within the scope of the Bulvar Loft project within the period.

- Statements of Responsibility
- Minutes of General Assembly
- Ordinary General Assembly Information Document
- General Assembly List of Attendants
- Ordinary General Assembly Invitation Letter

You may contact from gyoyatirimci@akfengyo.com.tr or 0212 371 87 00.

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