

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

**CONVENIENCE TRANSLATION OF
THE CONDENSED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD 1 JANUARY - 30 SEPTEMBER 2013
TOGETHER WITH AUDITOR'S REVIEW REPORT**

(ORIGINALLY ISSUED IN TURKISH)



**CONVENIENCE TRANSLATION INTO ENGLISH OF
THE INDEPENDENT AUDITOR'S REVIEW REPORT
ORIGINALLY ISSUED IN TURKISH**

To the Board of Directors of
Akmerkez Gayrimenkul Yatırım Ortaklığı A.Ş.

Introduction

1. We have reviewed the accompanying condensed balance sheet of Akmerkez Gayrimenkul Yatırım Ortaklığı A.Ş. ("the Company") as of 30 September 2013 and the related condensed statements of comprehensive income, changes in equity and cash flows for the nine-month period then ended. Management is responsible for the preparation and fair presentation of these condensed interim financial statements in accordance with financial reporting standards endorsed by the Capital Markets Board of Turkey. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of review

2. We conducted our review in accordance with the principles and standards on the review of interim financial statements on the auditing standards issued by the Capital Markets Board. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with independent auditing standards issued by the Capital Markets Board and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

3. Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with financial reporting standards endorsed the by the Capital Markets Board of Turkey (Note 2).



Additional paragraph for convenience translation into English

4. The financial reporting standards described in Note 2 (defined as “CMB Financial Reporting Standards”) to the financial statements differ from International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board with respect to the application of inflation accounting for the period between 1 January - 31 December 2005. Accordingly, the accompanying consolidated financial statements are not intended to present the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with IFRS.

Başaran Nas Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.
a member of
PricewaterhouseCoopers

A handwritten signature in blue ink, appearing to read "Baki Erdal", is written over the printed name.

Baki Erdal, SMMM
Partner

Istanbul, 30 October 2013

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONDENSED INTERIM FINANCIAL STATEMENTS AT 30 SEPTEMBER 2013

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AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

**CONVENIENCE TRANSLATION OF THE CONDENSED BALANCE SHEETS
AT 30 SEPTEMBER 2013 AND 31 DECEMBER 2012**

(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

		<i>Reviewed</i>	<i>Audited</i>
	Notes	30 September 2013	31 December 2012
ASSETS			
Current assets		42,749,046	44,756,503
Cash and cash equivalents	3	41,438,438	44,185,898
Trade receivables			
Receivables from third parties	4	1,090,138	557,985
Prepaid expenses	7	217,470	12,620
Other current assets	7	3,000	-
Non-current assets		140,941,998	137,985,191
Investment property	5	133,830,694	135,512,851
Property and equipment		-	167,366
Intangible assets		5,145	6,640
Prepaid expenses	7	7,105,957	2,298,132
Other non-current assets	7	202	202
Total assets		183,691,044	182,741,694

The accompanying explanations and notes form an integral part of these interim financial statements.

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.**CONVENIENCE TRANSLATION OF THE CONDENSED BALANCE SHEETS
AT 30 SEPTEMBER 2013 AND 31 DECEMBER 2012**

(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

		<i>Reviewed</i>	<i>Audited</i>
	Notes	30 September 2013	31 December 2012
LIABILITIES			
Current liabilities		4,269,786	3,255,171
Financial liabilities		982,505	-
Trade payables			
Due to related parties	4, 16	28,750	8,476
Other trade payables	4	407,611	160,885
Other payables			
Due to third parties	4	1,028,687	917,656
Deferred income	7	1,049,853	1,381,165
Provisions			
Other provisions	6	730,532	646,382
Other current liabilities	7	41,848	140,607
Non-current liabilities		135,219	142,245
Other payables			
Other payables to third parties	4	102,380	116,903
Provision for employment termination benefits		32,839	25,342
Equity		179,286,039	179,344,278
Share capital	8	37,264,000	37,264,000
Adjustment to share capital	8	27,745,263	27,745,263
Restricted reserves	8	48,113,674	41,150,403
Retained earnings	8	20,852,421	18,862,625
Net income for the period	8	45,310,681	54,321,987
Total liabilities and equity		183,691,044	182,741,694

These interim financial statements for the period ended 30 September 2013 have been approved by the Board of Directors meeting held on 30 October 2013.

The accompanying explanations and notes form an integral part of these interim financial statements.

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

**CONVENIENCE TRANSLATION OF THE CONDENSED STATEMENTS OF
COMPREHENSIVE INCOME FOR THE NINE MONTH INTERIM PERIODS
ENDED 30 SEPTEMBER 2013 AND 2012**

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

	Notes	<i>Reviewed</i> 1 January - 30 September 2013	<i>Not Reviewed</i> 1 July - 30 September 2013	<i>Reviewed</i> 1 January - 30 September 2012	<i>Not Reviewed</i> 1 July - 30 September 2012
CONTINUING OPERATIONS:					
OPERATING INCOME					
Revenue	9	60,538,534	20,901,402	54,428,692	17,849,952
Cost of sales (-)	9	(16,611,878)	(5,620,183)	(17,801,708)	(6,076,355)
Gross profit		43,926,656	15,281,219	36,626,984	11,773,597
General administrative expenses (-)		(4,291,342)	(720,735)	(2,306,749)	(743,390)
Other operating income	11	3,720,939	1,255,833	3,545,798	967,901
Other operating expense (-)	11	(66,698)	(66,698)	(97,151)	(31,214)
Operating profit		43,289,555	15,749,619	37,768,882	11,966,894
Financial income	12	2,131,105	802,533	2,563,464	603,580
Financial expenses (-)	13	(109,979)	(44,333)	(93,511)	(7,751)
Continuing operations profit before tax		45,310,681	16,507,819	40,238,835	12,562,723
Tax income/expenses from continuing operations		-	-	-	-
Continuing operations net profit for the period		45,310,681	16,507,819	40,238,835	12,562,723
Other comprehensive income		-	-	-	-
Total comprehensive income		45,310,681	16,507,819	40,238,835	12,562,723
Earnings per share	15				
Earning per share from continuing operations		1.22	0.44	1.08	0.34
Earning per share from discontinuing operations		-	-	-	-
Diluted earnings per share	15				
Diluted earnings per share from continuing operations		1.22	0.44	1.08	0.34
Diluted earnings per share from discontinuing operations		-	-	-	-

The accompanying explanations and notes form an integral part of these interim financial statements.

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

**CONVENIENCE TRANSLATION OF THE CONDENSED STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE MONTH INTERIM PERIODS ENDED 30 SEPTEMBER 2013 AND 2012**

(Amounts expressed in Turkish Lira (“TL”) unless otherwise indicated.)

	Notes	Share capital	Adjustment to share capital	Restricted reserves	Retained earnings		Total equity
					Previous years' profits	Net profit for the period	
1 January 2012		37,264,000	27,745,263	35,622,015	18,523,535	42,013,558	161,168,371
Transfers	8	-	-	5,528,388	36,485,170	(42,013,558)	-
Dividends paid	8	-	-	-	(36,146,080)	-	(36,146,080)
Net profit for the period	8	-	-	-	-	40,238,835	40,238,835
30 September 2012		37,264,000	27,745,263	41,150,403	18,862,625	40,238,835	165,261,126
1 January 2013		37,264,000	27,745,263	41,150,403	18,862,625	54,321,987	179,344,278
Transfers	8	-	-	6,963,271	47,358,716	(54,321,987)	-
Dividends paid	8	-	-	-	(45,368,920)	-	(45,368,920)
Net profit for the period	8	-	-	-	-	45,310,681	45,310,681
30 September 2013		37,264,000	27,745,263	48,113,674	20,852,421	45,310,681	179,286,039

The accompanying explanations and notes form an integral part of these interim financial statements.

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE CONDENSED STATEMENTS OF CASH FLOWS FOR THE NINE MONTH INTERIM PERIODS ENDED 30 SEPTEMBER 2013 AND 2012

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

	Notes	1 January - 30 September 2013	1 January - 30 September 2012
Cash flows from operating activities			
Profit before tax		45,310,681	40,238,835
Adjustments to reconcile net cash generated from operating activities to income before tax			
Depreciation and amortisation	10	2,929,308	2,915,783
Provision for employment termination benefits		7,497	11,391
Debt provisions	6	-	97,151
Provision for doubtful receivables	4, 10	14,913	-
Interest income	12	(2,115,636)	(2,473,071)
Accrued expenses		41,848	23,874
Interest expenses	13	17,820	41,516
Reversal of provisions		-	(305,323)
Loss on sales of property and equipments		66,698	-
Operating profit before changes in net working capital		46,273,129	40,550,156
Increase in accounts receivable		(901,665)	(778,707)
Increase in other assets		(5,015,675)	(1,213,863)
Increase in accounts payable		267,000	261,818
Increase in other payables		(113,282)	22,642
Doubtful receivables collection	4	354,599	17,383
Litigation provisions paid	6	-	(2,079,638)
Employment termination benefits paid		-	(67,506)
Increase in other liabilities		(177,979)	(35,609)
Net cash generated from operating activities		40,686,127	36,676,676
Interest received		2,275,549	2,394,912
Purchase of intangible assets		-	(183,299)
Proceeds from the sales of property and equipments		82,735	-
Additions to investment property	5	(1,227,723)	-
Net cash used in investing activities		1,130,561	2,211,613
Dividends paid		(45,368,920)	(36,146,080)
Borrowings obtained		982,505	-
Interest paid		(17,820)	(26,168)
Net cash used in financing activities		(44,404,235)	(36,172,248)
Net decrease in cash and cash equivalents		(2,587,547)	2,716,041
Cash and cash equivalents at the beginning of the period	3	43,944,149	25,613,500
Cash and cash equivalents at the end of the period	3	41,356,602	28,329,541

The accompanying notes form an integral part of these consolidated interim financial statements.

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2013

(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

NOTE 1 - ORGANISATION AND NATURE OF OPERATIONS

The main activity of Akmerkez Gayrimenkul Yatırım Ortaklığı A.Ş. (the "Company") is to create value through the ownership of investment properties. The address of the Company is as follows:

Nispetiye Cad. Akmerkez Tic. Merkezi E3 Kule K:1 Etiler / İstanbul-Turkey

The trade name "Akmerkez Gayrimenkul Yatırımı A.Ş." has been changed as "Akmerkez Gayrimenkul Yatırım Ortaklığı A.Ş." in the Extraordinary Shareholders Meeting held on 17 February 2005 and this change has been registered on 24 February 2005 by the Ministry of Trade.

With respect to the Board Decision dated 21 June 2005, the trade name of the Company is set as "Akmerkez Alışveriş Merkezi" and this name is certified by the Istanbul Trade Registry as at 1 July 2005.

The Company's shares have been quoted on the Istanbul Stock Exchange ("ISE") since 15 April 2005 and as of 30 September 2013, 50.82% of these shares are publicly quoted shares.

The shareholding structure as of 30 September 2013 and 31 December 2012 is as follows:

	30 September 2013	31 December 2012
Akkök Sanayi Yatırım ve Geliştirme A.Ş.	13.12%	13.12%
Tekfen Holding A.Ş.	10.79%	10.79%
Quoted to İstanbul Stock Exchange	50.82%	50.27%
Other (*)	25.27%	25.82%
Total	100.00%	100.00%

(*) Represents total of shareholders less than 10%.

The average number of personnel during the period by categories is as follows:

	30 September 2013	31 December 2012
Administrative	4	4

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2013

(Amounts expressed in Turkish lira (“TL”) unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of Presentation

2.1.1 Accounting Standards

The condensed interim financial statements of the Company have been prepared in accordance with the communiqué numbered II-14,1 “Communiqué on the Principles of Financial Reporting In Capital Markets” (“the Communiqué”) announced by the Capital Markets Board (“CMB”) (hereinafter will be referred to as “the CMB Accounting Standards”) on 13 June 2013 which is published on Official Gazette numbered 28676. In accordance with article 5th of the CMB Accounting Standards, companies should apply Turkish Accounting Standards/Turkish Financial Reporting Standards (“TAS/TFRS”) and interpretations regarding these standards as adopted by the Public Oversight Accounting and Auditing Standards Authority (“POA”).

The Company prepared its condensed interim financial statements for the period ended 30 September 2013 in accordance with the Communiqué and announcements regarding this Communiqué, in accordance with TAS 34, “Interim Financial Reporting”. In this respect, the Company has preferred to prepare condensed interim financial statements in the interim periods and prepared the mentioned condensed interim financial statements in compliance with CMB Accounting Standards. The condensed interim financial statements and the related notes to them are presented in accordance with the formats required by the CMB.

Interim condensed financial statements of the Company do not include all the information and disclosures required in the annual financial statements, therefore should be read in conjunction with the Company’s annual financial statements as of 31 December 2012.

The Company maintains its books of account and prepare their statutory financial statements in TRY in accordance with the Turkish Commercial Code (the “TCC”), tax legislation, and the Uniform Chart of Accounts issued by the Ministry of Finance. These condensed interim financial statements are based on the statutory records, which are maintained under historical cost conversion, with the required adjustments and reclassifications reflected for the purpose of fair presentation in accordance with the CMB Financial Reporting Standards.

Adjustment of Financial Statements During Hyper-Inflationary Periods:

With the decision taken on 17 March 2005, the CMB announced that, effective from 1 January 2005, for companies operating in Turkey and preparing their financial statements in accordance with CMB Financial Reporting Standards, the application of inflation accounting is no longer required. Accordingly, IAS 29, “Financial Reporting in Hyperinflationary Economies”, issued by the IASB, has not been applied in the financial statements for the accounting periods starting 1 January 2005.

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (“the functional currency”). The Company’s functional and presentation currency is TL.

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2013

(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1.2 Compliance with portfolio restrictions

The information included in Note 20, "Supplementary Note : Control of Compliance with Portfolio Restrictions" represent a condensed information based on the figures extracted from the interim financial statements that are prepared in accordance with the Communiqué Serial XI, No: 29 "Principals of Financial Reporting in Capital Markets" of the CMB. This condensed information has been prepared in accordance with the requirements of Communiqué Serial VI, No: 11 "Principals of The Real Estate Investment Trusts" of the CMB particularly relating to the principles regarding the control of compliance to portfolio restrictions.

2.2. Summary of Significant Accounting Policies

2.2.1 Comparative Figures and the Reclassification to the Financial Statements of the Prior Period

The Company complies with the principles and articles of applicable commercial laws and regulations and Communiqués announced by CMB in the accounting records and the preparation of the financial statements. In order to determine the financial status and performance trends, the financial statements of the Company have been prepared in comparison with the financial statements of previous periods. The Company prepared its balance sheet as of 30 September 2013 in comparison with the balance sheet prepared as of 31 December 2012; prepared the statement of income, statement of changes in shareholders' equity and cash flow statement between 01 January - 30 September 2013 in comparison with 1 January - 30 September 2012. Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current period.

In accordance with the decision taken in the CMB meeting numbered 20/670 held on 7 June 2013 and in accordance with the announcement related to the format of financial statements and its accompanying notes, comparative figures have been reclassified to conform to the changes in presentation in the current period:

- Long-term advance given amounted to TRY2,298,132 included in "other non-current assets" in the balance sheet has been reclassified to "prepaid expenses" as of 31 December 2012.
- Deferred income amounted to TRY1,111,903 included in "other current liabilities" and advanced received amounted to TRY269,262 have been reclassified to "deferred income" as of 31 December 2012.
- Short-term and long-term deposits and guarantees received amounted to TRY11,669 and TRY116,903 included in "other current liabilities" has been reclassified to "short-term and long-term other payables" as of 31 December 2012.

2.2.2 Changes in standards and interpretations

- The standards listed below and the changes and comments introduced to the prior standards have been enforced as of 1 January 2013 and mentioned amendments to the standards have no material effect on the financial statements of the Company.:

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2013

(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

- IAS/TAS 1 (amendment), "Presentation of financial statements", regarding other comprehensive income is effective for annual periods beginning on or after 1 July 2012. The main change resulting from these amendments is a requirement for entities to group items presented in 'other comprehensive income' (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The amendments do not address which items are presented in OCI.
- IAS 19/TAS (amendment), "Employee benefits", is effective for annual periods beginning on or after 1 January 2013. These amendments eliminate the corridor approach and calculate finance costs on a net funding basis. The standard requires past service cost to be recognized immediately in profit or loss. There is a new term "remeasurement" and remeasurement will be recognized in OCI and no longer be recognized in profit or loss. The changes that have immaterial effects which are not corrected, retrospectively; by restating the prior periods' financial statements.
- IFRS/TFRS 10, "Consolidated financial statements", is effective for annual periods beginning on or after 1 January 2013. This standard builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements.
- IFRS/TFRS 11, "Joint arrangements", is effective for annual periods beginning on or after 1 January 2013. This standard provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form.
- IFRS/TFRS 12, "Disclosures of interests in other entities", is effective for annual periods beginning on or after 1 January 2013. This standard includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off-balance-sheet vehicles.
- IFRS/TFRS 10, 11 and 12 on transition guidance (amendment), is effective for annual periods beginning on or after 1 January 2013. The amendment also provide additional transition relief in IFRS/TFRSs 10, 11 and 12, limiting the requirement to provide adjusted comparative information to only the preceding comparative period. For disclosure related to unconsolidated structured entities, the amendments will remove the requirement to present comparative information for the periods before IFRS/TFRS 12 is applied
- IFRS/TFRS 13, "Fair value measurement", is effective for annual periods beginning on or after 1 January 2013. The standard aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRS/TFRSs.
- IAS/TAS 27 (revised), "Separate financial statements", is effective for annual periods beginning on or after 1 January 2013. The standard includes the provisions on separate financial statements that are left after the control provisions of IAS/TAS 27 have been included in the new IFRS/TFRS 10.
- IAS/TAS 28 (revised), "Associates and joint ventures", is effective for annual periods beginning on or after 1 January 2013. The standard includes the requirements for joint ventures, as well as associates, to be equity accounted following the issue of IFRS/TFRS 11.
- IFRS/TFRS 7 (amendment), "Financial instruments: Disclosures", on offsetting financial assets and financial liabilities", is effective for annual periods beginning on or after 1 January 2013. The amendment reflects the joint IASB and FASB requirements to enhance current offsetting disclosures. These new disclosures are intended to facilitate comparison between those entities that prepare IFRS/TFRS financial statements and those that prepare US GAAP financial statements.

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2013

(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

- IFRS/TFRS 1 (amendment), "First time adoption, on government loans", is effective for annual periods beginning on or after 1 January 2013. The amendment addresses how a first-time adopter would account for a government loan with a below-market rate of interest when transitioning to IFRS/TFRS.
- Annual Improvements to IFRS/TFRSs 2011 is effective for annual periods beginning on or after 1 January 2013. Amendments effect five standards: IFRS/TFRS 1, IAS/TAS 1, IAS/TAS 16, IAS/TAS 32 and IAS/TAS 34.
- IFRIC/TFRIC 20, "Stripping costs in the production phase of a surface mine" is effective for annual periods beginning on or of 1 January 2013. This interpretation sets out the accounting for overburden waste removal (stripping) costs in the production phase of a mine.

Standards, amendments and interpretations not yet effective as of 30 September 2013 and not early adopted by the Company:

- IFRS 9, "Financial instruments", is effective for annual periods beginning on/after 1 January 2015.
- IAS 32 (amendment), "Financial instruments: Presentation" is effective for annual periods beginning on or after 1 January 2014.
- IAS 36 (amendments), "Impairment on assets", is effective for annual periods beginning on or after 1 January 2014.
- IAS 39 (amendments), "Financial instruments: Recognition and measurement", is effective for annual periods beginning on or after 1 January 2014.

Above mentioned amendments to the standards have no material effect on the financial statements of the Company.

2.3 Restatement and the errors in the Accounting estimates

Material changes in accounting policies or material errors are corrected, retrospectively by restating the prior period financial statements. The effect of changes in accounting estimates affecting the current period is recognized in the current period; the effect of changes in accounting estimates affecting current and future periods is recognized in the current and future periods. For the period 1 January - 30 September 2013 there is no change in accounting estimates.

2.4 Summary of Significant Accounting Policies

The condensed interim financial statements of the Company have been prepared in accordance with IAS 34 "Interim Financial Reporting". The accounting policies used in the preparation of these condensed interim financial statements are consistent with those used in the preparation of annual financial statements for the year ended 31 December 2012. Accordingly, these condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2012.

2.5 Significant Accounting Estimates and Assumptions

Preparation of financial statements require the usage of estimations and assumptions which may affect the reported amounts of assets and liabilities as of the balance sheet date, disclosure of contingent assets and liabilities and reported amounts of income and expenses during financial period. The accounting assessments, forecasts and assumptions are reviewed continuously considering the past experiences, other factors and the reasonable expectations about the future events under current conditions. Although the estimations and assumptions are based on the best estimates of the management's existing incidents and operations, they may differ from the actual results.

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2013

(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

NOTE 3 - CASH AND CASH EQUIVALENTS

The details of cash and cash equivalents as of 30 September 2013 and 31 December 2012 are as follows:

	30 September 2013	31 December 2012
Cash	8,270	4,153
Banks		
- TL time deposit	41,295,836	44,074,749
- TL demand deposit	81,117	75,496
- Foreign currency denominated demand deposit	53,215	31,500
	41,438,438	44,185,898

As of 30 September 2013, the interest rate on TL deposit accounts at banks is between 9.3% and 9.6% and the accrued interest is TL81,836 (31 December 2012: the interest rate on TL deposit accounts at banks is 7.6% and 7.9% the accrued interest is TL241,749). The maturity of time deposits is less than one month (31 December 2012: less than one month).

The cash and cash equivalents disclosed in the statements of cash flows are as follows:

	30 September 2013	31 December 2012	30 September 2012	31 December 2011
Cash and cash equivalents	41,438,438	44,185,898	28,483,214	25,689,014
Less: accrued interest	(81,836)	(241,749)	(153,673)	(75,514)
	41,356,602	43,944,149	28,329,541	25,613,500

NOTE 4 - TRADE AND OTHER RECEIVABLES AND PAYABLES

Short-term trade receivables	30 September 2013	31 December 2012
Trade receivables	4,083,009	3,923,561
Notes and post-dated cheques receivable	175,000	141,981
	4,258,009	4,065,542
Less: Provision for doubtful receivables	(3,167,871)	(3,507,557)
	1,090,138	557,985
	2013	2012
1 January	3,507,557	3,170,342
Provisions made during the period	14,913	-
Doubtful receivables collections	(354,599)	(17,383)
30 September	3,167,871	3,152,959

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2013

(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

NOTE 4 - TRADE AND OTHER RECEIVABLES AND PAYABLES (Continued)

Short-term trade payables	30 September 2013	31 December 2012
Trade payables	407,611	160,885
Due to related parties (Note 16)	28,750	8,476
	436,361	169,361

As of 30 September 2013 and 31 December 2012, there are no other receivables.

Short-term other payables	30 September 2013	31 December 2012
Taxes payables and other taxes	975,388	901,823
Deposits and guarantees received	44,339	11,669
Other	8,960	4,164
	1,028,687	917,656

Long-term other payables	30 September 2013	31 December 2012
Deposits and guarantees received	102,380	116,903
	102,380	116,903

NOTE 5 - INVESTMENT PROPERTY

The movements of the investment property for the nine-month interim periods ended 30 September 2013 and 2012 are as follows:

	1 January 2013	Additions	Transfers	30 September 2013
Cost				
Buildings	174,404,180	-	-	174,404,180
Construction in progress	9,458,757	1,227,723	-	10,686,480
	183,862,937	1,227,723	-	185,090,660
Accumulated amortisation				
Buildings	48,350,086	2,909,880	-	51,259,966
	48,350,086	2,909,880	-	51,259,966
Net book value	135,512,851			133,830,694

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2013

(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

NOTE 5 - INVESTMENT PROPERTY (Continued)

	1 January 2012	Additions	Transfers	30 September 2012
Cost				
Buildings	174,404,180	-	-	174,404,180
Construction in progress	9,458,757	-	-	9,458,757
	183,862,937	-	-	183,862,937
Accumulated amortisation				
Buildings	44,591,708	2,909,882	-	47,501,590
	44,591,708	2,909,882	-	47,501,590
Net book value	139,271,229			136,361,347

The fair value of the Company's investment property based on the valuation report of EVA Gayrimenkul Değerleme Danışmanlık A.Ş. dated 31 December 2012 amount to TL944,653,000 (As of 31 December 2011, the fair value of the Company's investment property based on the valuation report of EVA Gayrimenkul Değerleme Danışmanlık A.Ş. amount to TL1,002,060,000).

NOTE 6 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Restrictions on immovables are as follows:

- There is a rental restriction in favour of TEK (Turkish Electricity Institution) with registry dated 31 December 1992 No: 5538.
- There is a 5 year rental restriction in favour of Yapı Kredi A.Ş. on Çarşı Block 1 basement coded (4,60) at a land share of 76800/25600000 (independent component, no 89) registered on 17 April 1995, No: 1315.

Type of guarantees received	Currency of denomination	Amount	30 September 2013
Letters of guarantees received	USD	3,004,005	6,110,746
Guarantee notes received	USD	2,116,545	4,305,476
Guarantee cheques received	TL	581,000	581,000
			10,997,222
Type of guarantees received	Currency of denomination	Amount	31 December 2012
Letters of guarantees received	USD	2,228,056	3,971,733
Guarantee notes received	USD	2,202,047	3,925,369
Guarantee cheques received	TL	581,000	581,000
			8,478,102

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2013

(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

NOTE 6 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

The guarantees received consist of letters of guarantees received from the tenants of the shopping mall.

Below are the amounts of guarantees, pledges and mortgages of Company as of balance sheet dates:

	30 September 2013	31 December 2012
CPM's given by the company (Collaterals, Pledges, Mortgages)		
A, CPM's given for companies own legal personality	1,729	11,729
B, CPM's given on behalf of fully consolidated companies	None	None
C, CPM's given for continuation of its economic activities on behalf of third parties	None	None
D, Total amount of other CPM's		
i) Total amount of CPM's given on behalf of the majority shareholder	None	None
ii) Total amount of CPM's given to on behalf of other Group companies which are not companies which are not in scope of B and C	None	None
iii) Total amount of CPM's given on behalf of third parties which are not in scope of C	None	None
	1,729	11,729

The commitments given consist of letters of guarantees given for the cases.

Provision for lawsuits

The provision for the lawsuits against the Company as of 30 September 2013 is TL730,532 (31 December 2012: TL646,382). The movement of provision for lawsuits are as follows:

	2013	2012
1 January	646,382	3,012,160
Foreign exchange differences and interests	84,150	15,348
Increase during the period	-	97,151
Paid charges	-	(2,079,638)
Reversals during the period	-	(305,323)
30 September	730,532	739,698

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2013

(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

NOTE 7 - OTHER ASSETS AND LIABILITIES

The details of other assets and other liabilities as of 30 September 2013 and 31 December 2012 are as follows:

Prepaid expenses - short term	30 September 2013	31 December 2012
Prepaid expenses	217,470	12,620
	217,470	12,620

Prepaid expenses - long term	30 September 2013	31 December 2012
Advances given (*)	7,105,957	2,298,132

(*) Consists of advances given for the renovation work on exterior side of the shopping mall, cinema, corridor and apart.

Other current assets:	30 September 2013	31 December 2012
Due from personnel	3,000	-
	3,000	-

Other non-current assets:	30 September 2013	31 December 2012
Other	202	202
	202	202

Deferred income	30 September 2013	31 December 2012
Deferred income	817,107	1,111,903
Advances received	232,746	269,262
	1,049,853	1,381,165

Other non-current liabilities	30 September 2013	31 December 2012
Expense accruals	41,848	140,607

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2013

(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

NOTE 8 - EQUITY

At 30 September 2013 and 31 December 2012 the issued and fully paid-in share capital held is as follows:

Shareholders	30 September 2013		31 December 2012	
	Share (%)	Amount	Share (%)	Amount
Akkök Sanayi Yatırım ve Geliştirme A.Ş.	13.12	4,890,900	13.12	4,890,900
Tekfen Holding A.Ş.	10.79	4,019,839	10.79	4,019,839
Quoted to İstanbul Stock Exchange	50.82	18,937,130	50.27	18,734,104
Other (*)	25.27	9,416,131	25.82	9,619,157
Total paid-in capital	100.00	37,264,000	100.00	37,264,000

(*) Represents shareholding less than 10%.

According to compability of Articles of Incorporation to Communiqué No: IV-56 Determination and the Enforcement of the Corporate Governance Principles issued by CMB, the appeal of increasing the upper limit of registered capital from TL27,400,000 to TL75,000,000 is approved by CMB. The appeal of increasing the upper limit of registered capital and amendment of Articles of Incorporation are registered on 6 June 2012 and published at the Trade Registry Gazette on 12 June 2012.

Equity statement in accordance with the Communiqué Serial: XI, No: 29 is as follows:

	30 September 2013	31 December 2012
Share capital	37,264,000	37,264,000
Adjustment to share capital	27,745,263	27,745,263
Restricted reserves		
- Legal reserves	48,113,674	41,150,403
Retained earnings	20,852,421	18,862,625
Net income for the period	45,310,681	54,321,987
	179,286,039	179,344,278

Retained earnings consist of the following (TL) :

	30 September 2013	31 December 2012
Prior years' income	3,326,254	1,352,187
Extraordinary reserves	13,542,951	13,527,222
Inflation difference in extraordinary reserves	521,985	521,985
Inflation difference in legal reserves	3,461,231	3,461,231
	20,852,421	18,862,625

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2013

(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

NOTE 9 - OPERATING INCOME

	1 January - 30 September 2013	1 July - 30 September 2013	1 January - 30 September 2012	1 July - 30 September 2012
Revenue				
Shops and warehouse rent income	59,335,278	20,726,405	52,539,180	17,264,454
Apart hotel rent income	1,203,256	174,997	1,889,512	585,498
	60,538,534	20,901,402	54,428,692	17,849,952
Cost of sales				
Cost of services	(13,684,066)	(4,650,223)	(14,888,839)	(5,103,406)
Depreciation expense	(2,927,812)	(969,960)	(2,912,869)	(972,949)
	(16,611,878)	(5,620,183)	(17,801,708)	(6,076,355)
Gross profit	43,926,656	15,281,219	36,626,984	11,773,597

NOTE 10 - EXPENSES BY NATURE

	1 January - 30 September 2013	1 July - 30 September 2013	1 January - 30 September 2012	1 July - 30 September 2012
Cost of services	13,684,066	4,650,223	14,888,839	5,103,406
Depreciation and amortisation expenses	2,929,308	970,459	2,915,783	973,447
Donation expenses	1,016,367	2,867	-	-
Sponsorship expenses	1,000,000	-	-	-
Personnel expenses	867,833	316,513	985,816	351,961
Insurance, duties, taxes and levies expenses	506,061	168,290	459,353	153,602
Legal expenses	499,301	119,707	489,720	158,050
Consultancy expenses	228,215	64,132	160,652	36,921
Provision for lawsuits	-	-	97,151	31,214
Provision for doubtful receivables	14,913	-	-	-
Other	157,156	48,727	111,143	11,144
	20,903,220	6,340,918	20,108,457	6,819,745
Depreciation and amortisation expenses				
Cost of sales	2,927,812	969,960	2,912,869	972,949
General administrative expenses	1,496	499	2,914	498
	2,929,308	970,459	2,915,783	973,447

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2013

(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

NOTE 11 - OTHER INCOME/EXPENSES

	1 January - 30 September 2013	1 July - 30 September 2013	1 January - 30 September 2012	1 July - 30 September 2012
Other operating income				
Rent income of the common areas	3,076,090	982,196	3,130,343	933,266
Reversal of provisions	354,599	54,599	322,705	-
Infrastructure service income	169,492	169,492	-	-
Other income	120,758	49,546	92,750	34,635
	3,720,939	1,255,833	3,545,798	967,901
Other operating expense				
Loss on sales of property and equipments(66,698)		(66,698)	-	-
Provision expense	-	-	(97,151)	(31,214)
Other operating expense	(66,698)	(66,698)	(97,151)	(31,214)
Other operating income - net	3,654,241	1,189,135	3,448,647	936,687

NOTE 12 - FINANCIAL INCOME

	1 January - 30 September 2013	1 July - 30 September 2013	1 January - 30 September 2012	1 July - 30 September 2012
Financial income				
Interest income	2,115,636	799,122	2,473,071	586,788
Foreign exchange income	15,469	3,411	90,393	16,792
	2,131,105	802,533	2,563,464	603,580

NOTE 13 - FINANCIAL EXPENSES

	1 January - 30 September 2013	1 July - 30 September 2013	1 January - 30 September 2012	1 July - 30 September 2012
Financial expenses				
Foreign exchange expense	92,159	37,347	51,995	2,430
Interest expense	17,820	6,986	41,516	5,321
	109,979	44,333	93,511	7,751

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NOTE 14 - TAX ASSETS AND LIABILITIES

The Company is exempt from corporate income tax in accordance with paragraph d-4 of Article 5 of the Corporate Income Tax Law and in accordance with paragraph 6-a of Article 94 of the Income Tax Law, the earnings of the real estate investment trusts are subject to withholding taxes, According to the Council of Ministers Decision No. 93/5148, the withholding tax rate is determined as "0". Therefore, the Company has no corporate tax obligation.

NOTE 15 - EARNINGS PER SHARE

The earnings per share stated in income statement is calculated by dividing net income for the period by the weighted average number of Company's shares for the period.

The companies in Turkey are allowed to increase their paid-in capital by issuing "free shares" which represent the increases from retained earnings and revaluation funds. The issue of such shares is treated as the issuance of ordinary shares in the calculation of earnings per share. The weighted average number of shares includes such shares and their retrospective effects.

The earnings per share amount is calculated by dividing net income for the period by the weighted average number of Company's shares for the period.

	1 January - 30 September 2013	1 July - 30 September 2013	1 January - 30 September 2012	1 July - 30 September 2012
Weighted average number of shares as of the reporting date (per share of TL 1 nominal value)	37,264,000	37,264,000	37,264,000	37,264,000
Net profit for the period	45,310,681	16,507,819	40,238,835	12,562,723
Earnings per share	1.22	0.44	1.08	0.34

NOTE 16 - RELATED PARTY DISCLOSURES

Related party disclosures

	30 September 2013	31 December 2012
Advances given to related parties	7,105,957	2,298,131
Due to related parties	28,750	8,476

As of 30 September 2013 and 31 December 2012 the advances given balance consist of advance given to related party Üçgen Bakım ve Yönetim Hizmetleri A.Ş. for the renovation work on exterior side of the building.

	1 January - 30 September 2013	1 July - 30 September 2013	1 January - 30 September 2012	1 July - 30 September 2012
Purchases from related party	14,197,911	5,044,657	15,280,921	5,435,044
Sales to related parties	1,200,624	443,570	1,040,223	348,108

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NOT 16 - RELATED PARTY DISCLOSURES (Continued)

Purchases and sales consist of rent income, purchase and sales of services, and similar items. The Company provides services like security, maintenance, repair, cleaning, and management from the related party Üçgen Bakım ve Yönetim Hizmetleri A.Ş. to whom the Company charged TL5,981,700 regarding the revenue collected on behalf of the Company for the first nine months of 2013 (1 January - 30 September 2012: TL6,360,719).

As of 1 January - 30 September 2013, remuneration provided to top executives management such as the General Manager and the members of Board of Directors is TL687,221 (1 January-30 September 2012: TL715,292).

NOTE 17 - NATURE AND EXTENT OF RISK ARISING FROM FINANCIAL INSTRUMENTS

There is no significant change in the Company's financial risk policies and credit risk management compared to prior periods.

Foreign currency risk

The foreign currency amounts stated in the assets and liabilities are as follows:

	30 September 2013	31 December 2012
Assets	53,215	31,500
Liabilities	(440,965)	(386,425)
Net position	(387,750)	(354,925)

As of 30 September 2013 and 2012, fluctuation of USD had been 10% higher/lower ceteris paribus, net income for the period would have been TL38,775 (30 September 2012: TL35,532) lower/higher.

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NOTE 17 - NATURE AND EXTENT OF RISK ARISING FROM FINANCIAL INSTRUMENTS (Continued)

As of 30 September 2013 the assets and liabilities denominated in foreign currencies which do not bear guaranteed rates of exchange, and foreign currency amounts stated in the assets are as follows:

	USD	TL equivalent
Current assets		
Monetary financial assets	26,160	53,215
Total assets	26,160	53,215
Current liabilities		
Other Monetary Liabilities	(144,650)	(294,247)
Other-non-Monetary Financial Liabilities	(23,340)	(47,478)
Non-current Liabilities		
Other non- monetary financial liabilities	(48,786)	(99,240)
Total liabilities	(216,776)	(440,965)
Net Foreign Currency Asset / (Liability) Position	(190,616)	(387,750)
Monetary Items Net Foreign Currency Asset / (Liability) Position	(118,490)	(241,032)

As of 31 December 2012 the assets and liabilities denominated in foreign currencies which do not bear guaranteed rates of exchange, and foreign currency amounts stated in the assets are as follows:

	USD	TL equivalent
Current Assets		
Monetary financial assets	17,671	31,500
Total assets	17,671	31,500
Current Liabilities		
Other monetary financial liabilities	(144,650)	(257,853)
Other non-monetary financial liabilities	(6,546)	(11,669)
Non-current Liabilities		
Other non- monetary financial liabilities	(65,580)	(116,903)
Total liabilities	(216,776)	(386,425)
Net Foreign Currency Asset / (Liability) Position	(199,105)	(354,925)
Monetary Items Net Foreign Currency Asset / (Liability) Position	(126,979)	(226,353)

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NOTE 18 - OTHER ISSUES MATERIALLY AFFECTING THE FINANCIAL STATEMENTS AND REQUIRING DISCLOSURE FOR UNDERSTANDING OF THE FINANCIAL STATEMENTS

a) Insurance coverage on assets are as follows;

30 September 2013 : USD140,100,000
31 December 2012 : USD140,100,000

b) As per the Board resolutions taken in the years of 2009 - 2013, decisions were taken with respect to evaluation of the effects on the real estate market of the unfavourable developments encountered in the financial markets, to make a discount over the USD-denominated rental fees of the tenants of Akmerkez Ticaret Merkezi. This resolution comprises the period March 2009 - September 2013 only for the tenants selected by the Company among those who have been paying their rental fees in accordance with the conditions suggested in their rental contracts on regular basis and provided that USD1 is not below TL1.1 for March 2009 to April 2011, USD1 is not below TL1.2 for May to September 2011, USD1 is not below TL1.35 for October 2011 to May 2012, USD1 is not below TL1.4 for June to July 2012, USD1 is not below TL1.45 for August to September 2012, USD1 is not below TL1.50 for October to December 2012, USD1 is not below TL1.55 for January to June 2013, USD1 is not below TL1.65 for July to August 2013, USD1 is not below TL1.75 for September 2013 that the USD exchange rate defined is not to be regarded as a reduction in rental fees and/or amendment of the rental contract in that context, for the period between March 2009 - April 2011 35% discount, for the period between April - December 2011 25% discount, for the period between January to September 2012 20% discount, for the period between October 2012 to September 2013 15% discount was decided over the USD denominated rental fees of the tenants. For the period between October to December 2013, it has been decided to make a 10% discount over the USD denominated rental fees of the tenants provided that USD1 is not below TL1.80.

NOTE 19 - SUBSEQUENT EVENTS

As per the Board resolutions taken on 1 October 2013 decision is made upon to make a 10% discount over the dollar-denominated rental fees of the tenants of Akmerkez Ticaret Merkezi. This resolution comprises the period October to December 2013 only for the tenants selected by the Company among those who have been paying their rental fees in accordance with the conditions suggested in their rental contracts on regular basis and provided that (respectively USD1 is not below TL1.80) in that the USD rate defined is not to be regarded as a reduction in rental fees and/or amendment of the rental contract.

NOTE 20 - SUPPLEMENTARY NOTE: CONTROL OF COMPLIANCE WITH PORTFOLIO RESTRICTIONS

Explanations made in the framework of the Communiqué with Serial No: VI, No: 29 amending the Communiqué for Principles on Real Estate Investment Trusts”:

Consequent to the publication of the CMB’s Communiqué with Serial No: VI, No: 29 amending the Communiqué for Principles on Real Estate Investment Trusts” in the Official Gazette on 28 July 2011, CMB’s “Communiqué for Principles on Real Estate Investment Trusts” with Serial No, VI, No, 11 was subjected to modification, and in this framework real estate investment trusts have to comply with the provisions of CMB’s Communiqué with Serial No: VI, No: 29 for Principles on Real Estate Investment Trusts at the time of financial statement preparation and their disclosure to public, in addition to including in the financial statements the information relating to control of portfolio restrictions specified in CMB’s Communiqué with Serial No: VI, No: 29 amending the Communiqué for Principles on Real Estate Investment Trusts in the manner set out by the CMB by means of using non-consolidated financial statement account items.

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

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NOTE 20 - SUPPLEMENTARY NOTE: CONTROL OF COMPLIANCE WITH PORTFOLIO RESTRICTIONS (Continued)

In this scope, total assets, total portfolio and information relating to portfolio restrictions are as follows as of 30 September 2013 and 31 December 2012:

Non-consolidated (stand-alone)			
financial statement accounts items		30 September 2013	31 December 2012
A	Cash and capital market instruments	41,438,438	44,185,898
B	Real estate, real estate-based project, Real estate-based rights	133,830,694	135,512,851
C	Affiliates	-	-
	Due from related parties (non-trade)	-	-
	Other Assets	8,421,912	3,042,945
D	Total Assets	183,691,044	182,741,694
E	Borrowings	982,505	-
F	Other financial liabilities	-	-
G	Leasing obligation	-	-
H	Due to related parties (non-trade)	391	636
I	Equity	179,286,039	179,344,278
	Other Liabilities	3,422,109	3,396,780
D	Total Liabilities	183,691,044	182,741,694

Other non-consolidated (stand-alone)			
financial information		30 September 2013	31 December 2012
A1	Portion of cash and capital market instruments reserved for three-year real estate payments	-	-
A2	TL/foreign currency denominated time/demand deposits	-	44,181,745
A3	Foreign capital market instruments	41,430,168	-
B1	Foreign real estates, real estate-based projects, real estate-based rights	-	-
B2	Lands on which no projects developed	-	-
C1	Foreign affiliates	-	-
C2	Participation in administrator companies	-	-
J	Non-cash loans	1,729	11,729
K	Encumbrance amounts of encumbered lands which do not belong to the Group and on which a project will be developed	-	-

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2013

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NOTE 20 - SUPPLEMENTARY NOTE: CONTROL OF COMPLIANCE WITH PORTFOLIO RESTRICTIONS (Continued)

Portfolio Restriction	30 September 2013	31 December 2012	Minimum / Maximum Rate
1 Encumbrance amounts of encumbered lands which do not belong to the Group and on which a project will be developed (K/D)	-	-	<10%
2 Real estate, real estate-based project, Real estate-based rights (B+A1)/D)	73%	74%	>50%
3 Cash and capital market instruments and Affiliates (A+C-A1)/D)	23%	24%	<50%
4 Foreign real estates, real estate-based projects, real estate-based rights, Affiliates, capital market instruments (A3+B1+C1/D)	-	-	<49%
5 Lands on which no projects developed (B2/D)	-	-	<20%
6 Participation in administrator companies (C2/D)	-	-	<10%
7 Borrowing ceiling (E+F+G+H+J)/İ	1%	-	<500%
8 TL/foreign currency denominated time/demand deposits (A2-A1)/D (*)	23%	24%	<10%

(*) At 30 September 2013, the fair value of the investment property is TL944,653,000. In the table above, the investment property amounting to TL133,830,694 represents the net book value which is cost less depreciation. When the fair value of the investment property is considered in the above table, the ratio of the TL/foreign currency denominated time/demand deposit to total assets as at 30 September 2013 is 4.2% (31 December 2012: 4.5%).

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