

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

**CONVENIENCE TRANSLATION OF
THE CONDENSED FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY - 31 MARCH 2015
TOGETHER WITH AUDITOR'S REVIEW REPORT**

(ORIGINALLY ISSUED IN TURKISH)



**CONVENIENCE TRANSLATION INTO ENGLISH OF
THE INDEPENDENT AUDITOR'S REVIEW REPORT ON INTERIM CONDENSED
FINANCIAL INFORMATION
ORIGINALLY ISSUED IN TURKISH**

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

Introduction

1. We have reviewed the accompanying condensed statement of financial position of Akmerkez Gayrimenkul Yatırım Ortaklığı A.Ş. (the "Company") as at 31 March 2015 and the related condensed statements of comprehensive income, changes in equity and cash flows for the three-month period then ended. The management of the Company is responsible for the preparation and fair presentation of this condensed interim financial information in accordance with Turkish Accounting Standard 34 ("TAS 34") "Interim Financial Reporting". Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of review

2. We conducted our review in accordance with the Standard on Review Engagements ("SRE") 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim financial information 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 Standards on Auditing and the objective of which is to express an opinion on the financial statements. Consequently, a review on the interim financial information does not provide assurance that the audit firm will be aware of all significant matters which would have been 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 conclude that the accompanying condensed interim financial information does not give a true and fair view of the financial position of Akmerkez Gayrimenkul Yatırım Ortaklığı A.Ş. at 31 March 2015 and of its financial performance and cash flows for the three-month period then ended in accordance with TAS 34.

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

Engin Çubukçu, SMMM
Partner

Istanbul, 8 May 2015

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

FINANCIAL STATEMENTS AT 31 MARCH 2015

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AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

**CONVENIENCE TRANSLATION OF THE CONDENSED STATEMENTS OF
FINANCIAL POSITION/(BALANCE SHEET)
AT 31 MARCH 2015 AND 31 DECEMBER 2014**

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

	<i>Notes</i>	<i>Reviewed</i> 31 March 2015	<i>Audited</i> 31 December 2014
ASSETS			
Current assets		65,687,510	52,853,704
Cash and cash equivalents	3	61,790,692	49,917,145
Trade receivables			
<i>Receivables from related parties</i>	4,17	87,056	70,504
<i>Receivables from third parties</i>	4	2,537,101	1,260,813
Prepaid expenses	8	1,242,619	25,927
Other current assets	8	30,042	1,579,315
Non-current assets		173,743,905	164,783,897
Investment property	5	172,913,224	164,588,118
Property and equipment		157,611	168,832
Intangible assets		24,024	26,745
Prepaid expenses	8	648,844	-
Other non-current assets	8	202	202
Total assets		239,431,415	217,637,601

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

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.**CONVENIENCE TRANSLATION OF THE CONDENSED STATEMENTS OF
FINANCIAL POSITION/(BALANCE SHEET)****AT 31 MARCH 2015 AND 31 DECEMBER 2014**

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

	Notes	Reviewed 31 March 2015	Audited 31 December 2014
LIABILITIES			
Current liabilities		69,234,042	6,412,510
Trade payable			
<i>Due to related parties</i>	4, 17	3,654,691	1,737,452
<i>Other trade payables</i>	4	1,356,487	224,955
Other payables			
<i>Due to related parties</i>	4, 17	59,622,400	-
<i>Due to third parties</i>	4	591,413	583,398
Deferred income	8	1,837,162	1,285,692
Provisions			
<i>Other provisions</i>	6	2,053,857	1,756,613
Other current liabilities	8	118,032	824,400
Non-current liabilities		979,269	163,075
Other payables			
<i>Other payables to third parties</i>	4	127,232	113,032
Provision for employment termination benefits	7	852,037	50,043
Equity		169,218,104	211,062,016
Share capital	9	37,264,000	37,264,000
Adjustment to share capital	9	27,745,263	27,745,263
Other comprehensive income/expense not to be reclassified to profit or loss			
- <i>Actuarial losses arising from employee benefits</i>	9	(109,594)	-
Restricted reserves	9	58,547,594	52,771,674
Retained earnings	9	27,882,759	27,593,186
Net income for the period	9	17,888,082	65,687,893
Total liabilities and equity		239,431,415	217,637,601

These interim financial statements for the period ended 31 March 2015 have been approved by the Board of Directors held on 8 May 2015.

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

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.**CONVENIENCE TRANSLATION OF THE CONDENSED STATEMENTS OF
PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THREE
MONTH INTERIM PERIODS ENDED 31 MARCH 2015 AND 2014**

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

	Notes	<i>Reviewed</i> 1 January - 31 March 2015	<i>Reviewed</i> 1 January - 31 March 2014
CONTINUING OPERATIONS:			
OPERATING INCOME			
Revenue	10	24,785,144	23,331,304
Cost of sales (-)	10	(7,116,923)	(6,659,232)
Gross profit		17,668,221	16,672,072
General administrative expenses (-)		(1,048,733)	(843,887)
Other operating income	12	-	20,000
Other operating expense (-)	12	-	(650,000)
Operating profit		16,619,488	15,198,185
Financial income	13	1,461,355	1,761,268
Financial expenses (-)	14	(192,761)	(211,160)
Profit before tax from continuing operations		17,888,082	16,748,293
Tax expense from continuing operations		-	-
Profit for the period from continuing operations		17,888,082	16,748,293
Earnings per share	16		
Earning per share from continuing operations		0.48	0.45
Earning per share from discontinuing operations		-	-
Diluted earnings per share	16		
Diluted earnings per share from continuing operations		0.48	0.45
Diluted earnings per share from discontinuing operations		-	-
OTHER COMPREHENSIVE INCOME:			
Items not to be classified to profit or loss			
Actuarial losses arising from employee benefits		(109,594)	-
Total comprehensive income		17,778,488	16,748,293

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

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

**CONVENIENCE TRANSLATION OF THE CONDENSED STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE MONTH INTERIM PERIODS ENDED 31 MARCH 2015 AND 2014**

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

	Notes	Share capital	Adjustment to share capital	Other comprehensive income/expense not to be reclassified to profit or loss	Restricted reserves	Retained earnings		Total equity
				Actuarial losses arising from employee benefits		Retained earnings	Net profit for the period	
1 January 2014		37,264,000	27,745,263	-	48,113,674	20,852,421	59,841,965	193,817,323
Transfers	9	-	-	-	-	59,841,965	(59,841,965)	-
Total comprehensive income	9	-	-	-	-	-	16,748,293	16,748,293
31 March 2014 (Reviewed)		37,264,000	27,745,263	-	48,113,674	80,694,386	16,748,293	210,565,616
1 January 2015		37,264,000	27,745,263	-	52,771,674	27,593,186	65,687,893	211,062,016
Transfers	9	-	-	-	5,775,920	59,911,973	(65,687,893)	-
Dividend payable	9	-	-	-	-	(59,622,400)	-	(59,622,400)
Total comprehensive income	9	-	-	(109,594)	-	-	17,888,082	17,778,488
31 March 2015 (Reviewed)		37,264,000	27,745,263	(109,594)	58,547,594	27,882,759	17,888,082	169,218,104

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

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.**CONVENIENCE TRANSLATION OF THE CONDENSED
STATEMENTS OF CASH FLOWS FOR THE THREE MONTH INTERIM
PERIODS ENDED 31 MARCH 2015 AND 2014**

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

	<i>Reviewed</i> 1 January - 31 March 2015	<i>Reviewed</i> 1 January - 31 March 2014
	Notes	
Cash flows from operating activities		
Profit before tax	17,888,082	16,748,293
Adjustments to reconcile net cash generated from operating activities to income before tax		
Depreciation and amortisation	11 1,189,897	1,054,125
Provision for employment termination benefits	7 770,034	2,814
Debt provision	6,11 199,923	144,504
Interest income	13 (1,379,829)	(1,538,032)
Accrued expenses	8 118,032	802,711
Interest expense	14 15,209	6,030
Reversal of provisions	6 -	(20,000)
Net cash before changes in net working capital:	18,801,348	17,200,445
(Increase)/ decrease in accounts receivable	(1,292,840)	632,076
Decrease in other current/non-current assets	(316,263)	(3,761,649)
Increase in accounts payable	3,048,771	1,016,272
(Decrease)/ increase in other payables	(95,817)	633,524
Decrease in other liabilities	(57,577)	(844,254)
Payments of employee termination benefits	7 (77,634)	-
Net cash provided by operating activities	20,009,988	14,876,414
Interest received	1,042,636	1,442,881
Additions to investment property	5 (9,501,061)	(3,911,555)
Net cash used in investing activities	(8,458,425)	(2,468,674)
Interest paid	(15,209)	(6,030)
Net cash used in financing activities	(15,209)	(6,030)
Increase in cash and cash equivalents	11,536,354	12,401,710
Cash and cash equivalents at the beginning of the period	49,779,073	48,562,542
Cash and cash equivalents at the end of the period	3 61,315,427	60,964,252

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

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE THREE MONTH INTERIM PERIOD ENDED 31 MARCH 2015

(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 real estates investment property. The address of the Company is as follows:

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

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 50.82% of these shares are publicly quoted shares as of 31 March 2015.

The shareholding structure as of 31 March 2015 and 31 December 2014 is as follows:

	31 March 2015	31 December 2014
Akkök Holding A.Ş.	13.12%	13.12%
Tekfen Holding A.Ş.	10.79%	10.79%
Public offering	50.82%	50.82%
Other (*)	25.27%	25.27%
Total	100.00%	100.00%

(*) Other represents shareholders with less than 10% shareholdings.

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

	31 March 2015	31 December 2014
Administrative	5	5

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE THREE MONTH INTERIM PERIOD ENDED 31 MARCH 2015

(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 accompanying financial statements are prepared in accordance with Communiqué Serial II, No:14.1, "Principles of Financial Reporting in Capital Markets" ("the Communiqué") published in the Official Gazette numbered 28676 on 13 June 2013. According to Article 5 of the Communiqué, financial statements are prepared in accordance with the Turkish Accounting Standards issued by Public Oversight Accounting and Auditing Standards Authority ("POAASA"). TAS contains Turkish Accounting Standards, Turkish Financial Reporting Standards ("TFRS") and its addendum and interpretations ("IFRIC").

The financial statements of the Company are prepared as per the CMB announcement of 7 June 2013 relating to financial statements presentations. Comparative figures are reclassified, where necessary, to conform to changes in the presentation of the current year's financial statements.

In accordance with the CMB resolution issued on 17 March 2005, listed companies operating in Turkey are not subject to inflation accounting effective from 1 January 2005. Therefore, the financial statements of the Company have been prepared accordingly.

The Company maintain their books of accounts and prepare their statutory financial statements in accordance with the Turkish Commercial Code ("TCC"), tax legislation, the Uniform Chart of Accounts issued by the Ministry of Finance and principles issued by CMB. These financial statements have been prepared under historical cost conventions. The financial statements are based on the statutory records, which are maintained under historical cost conventions, with the required adjustments and reclassifications reflected for the purpose of fair presentation in accordance with TAS.

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.

**CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED
FINANCIAL STATEMENTS FOR THE THREE MONTH
INTERIM PERIOD ENDED 31 MARCH 2015**

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

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

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.

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 financial statements that are prepared in accordance with No. II-14.1 "Principals of Financial Reporting in Capital Markets" of the CMB. This condensed information has been prepared in accordance with the requirements of No. III-48.1 "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 31 March 2015 in comparison with the balance sheet prepared as of 31 December 2014; prepared the statement of income, statement of changes in shareholders' equity and cash flow statement between 1 January - 31 March 2015 in comparison with 1 January - 31 March 2014. Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current period. In the comparative financial statements, the Company made some reclassifications as summarized follows:

- Rent income of the common areas amounting to TL1,146,989 and other incomes amounting to TL43,420 which was accounted for under other operating income, has been reclassified to revenue.
- Real estate tax expense amounting to TL283,011 which was accounted for under general administrative expenses, has been reclassified to cost of sales.

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 31 March 2015 and mentioned amendments to the standards have no material effect on the financial statements of the Company:

- Amendment to IAS 19 regarding defined benefit plans, effective from annual periods beginning on or after 1 July 2014. These narrow scope amendments apply to contributions from employees or third parties to defined benefit plans. The objective of the amendments is to simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary.

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE THREE MONTH INTERIM PERIOD ENDED 31 MARCH 2015

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

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

- Annual improvements 2010 - 2012; effective from annual periods beginning on or after 1 July 2014. These amendments include changes from the 2010-2012 cycle of the annual improvements project, that affect 7 standards:
 - IFRS 2, 'Share-based payment'
 - IFRS 3, 'Business Combinations'
 - IFRS 8, 'Operating segments'
 - IFRS 13, 'Fair value measurement'
 - IAS 16, 'Property, plant and equipment' and IAS 38, 'Intangible assets'
 - Consequential amendments to IFRS 9, 'Financial instruments', IAS 37, 'Provisions, contingent liabilities and contingent assets', and
 - IAS 39, 'Financial instruments – Recognition and measurement'.
- Annual improvements 2011-2013; effective from annual periods beginning on or after 1 July 2014. These amendments include changes from the 2011-12-13 cycle of the annual improvements project, that affect 4 standards:
 - IFRS 1, 'First time adoption'
 - IFRS 3, 'Business combinations'
 - IFRS 13, 'Fair value measurement' and
 - IAS 40, 'Investment property'.

The new standards, amendments and interpretations introduced to the prior Financial Statements as of 31 March 2015:

- Amendment to IFRS 11, 'Joint arrangements' on acquisition of an interest in a joint operation, effective from annual periods beginning on or after 1 January 2016. This amendment adds new guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business. The amendments specify the appropriate accounting treatment for such acquisitions.
- Amendments to IAS 16 'Property, plant and equipment', and IAS 41, 'Agriculture', regarding bearer plants, effective from annual periods beginning on or after 1 January 2016. These amendments change the financial reporting for bearer plants, such as grape vines, rubber trees and oil palms. It has been decided that bearer plants should be accounted for in the same way as property, plant and equipment because their operation is similar to that of manufacturing. Consequently, the amendments include them within the scope of IAS 16, instead of IAS 41. The produce growing on bearer plants will remain within the scope of IAS 41.
- Amendment to IAS 16, 'Property, plant and equipment' and IAS 38, 'Intangible assets', on depreciation and amortisation, effective from annual periods beginning on or after 1 January 2016. In this amendment, it has clarified that the use of revenue based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. It is also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset.

**CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED
FINANCIAL STATEMENTS FOR THE THREE MONTH
INTERIM PERIOD ENDED 31 MARCH 2015**

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

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

- IFRS 14 "Regulatory deferral accounts", effective from annual periods beginning on or after 1 January 2016. IFRS 14, 'Regulatory deferral accounts' permits first-time adopters to continue to recognise amounts related to rate regulation in accordance with their previous GAAP requirements when they adopt IFRS. However, to enhance comparability with entities that already apply IFRS and do not recognise such amounts, the standard requires that the effect of rate regulation must be presented separately from other items.
- Amendments to IAS 27, "Separate financial statements" on the equity method, effective from annual periods beginning on or after 1 January 2016. These amendments allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements.
- Amendments to IFRS 10, "Consolidated financial statements" and IAS 28, "Investments in associates and joint ventures", effective from annual periods beginning on or after 1 January 2016. These amendments address an inconsistency between the requirements in IFRS 10 and those in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.
- Annual improvements 2014, effective from annual periods beginning on or after 1 January 2016. These set of amendments impacts 4 standards:
 - IFRS 5, 'Non-current assets held for sale and discontinued operations' regarding methods of disposal.
 - IFRS 7, 'Financial instruments: Disclosures', (with consequential amendments to IFRS 1) regarding servicing contracts.
 - IAS 19, 'Employee benefits' regarding discount rates.
 - IAS 34, 'Interim financial reporting' regarding disclosure of information.
- IAS 1 "Presentation of Financial Statements"; effective from annual periods beginning on or after 1 January 2016. These amendments address to improve the presentation and disclosure of financial statements.
- IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures"; effective from annual periods beginning on or after 1 January 2016. These amendments clarify to address issues that have arisen in the context of applying the consolidation exception for investment entities.
- IFRS 15 "Revenue from contracts with customers", effective from annual periods beginning on or after 1 January 2017. IFRS 15, "Revenue from contracts with customers" is a converged standard from the IASB and FASB on revenue recognition. The standard will improve the financial reporting of revenue and improve comparability of the top line in financial statements globally.
- IFRS 9 'Financial instruments', effective from annual periods beginning on or after 1 January 2018. This standard replaces the guidance in IAS 39. It includes requirements on the classification and measurement of financial assets and liabilities; it also includes an expected credit losses model that replaces the current incurred loss impairment model.

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE THREE MONTH INTERIM PERIOD ENDED 31 MARCH 2015

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

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

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 - 31 March 2015 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 2014. Accordingly, these condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2014.

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.

NOTE 3 - CASH AND CASH EQUIVALENTS

The details of cash and cash equivalents as of 31 March 2015 and 31 December 2014 are as follows:

	31 March 2015	31 December 2014
Cash	1,221	7,167
Banks		
- TL time deposits	60,815,218	49,721,607
- Foreign currency denominated time deposits	716,808	-
- TL demand deposits	249,801	25,202
- Foreign currency denominated demand deposits	7,644	163,169
Total	61,790,692	49,917,145

As of 31 March 2015, the interest rate on TL deposit accounts at banks is 10.65%, foreign currency denominated time deposits at banks is 2.40% and the accrued interests are TL475,218 and TL47 (As of 31 March 2014, the interest rate on TL deposit accounts at banks is between 11.60% and 12.80% the accrued interest is TL437,539). The maturity of time deposits is less than one month (31 March 2014: less than one month).

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

	31 March 2015	31 March 2014
Cash and cash equivalents	61,790,692	61,401,791
Less: accrued interest	(475,265)	(437,539)
	61,315,427	60,964,252

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.**CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED
FINANCIAL STATEMENTS FOR THE THREE MONTH
INTERIM PERIOD ENDED 31 MARCH 2015**

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

NOTE 4 - TRADE AND OTHER RECEIVABLES AND PAYABLES

Short-term trade receivables	31 March 2015	31 December 2014
Trade receivables	5,528,103	4,088,684
Notes and post-dated cheques receivable	176,869	340,000
Receivables from related parties	87,056	70,504
	5,792,028	4,499,188
Less: Provision for doubtful receivables	(3,167,871)	(3,167,871)
	2,624,157	1,331,317
Short-term trade payables	31 March 2015	31 December 2014
Trade payables	1,356,487	224,955
Due to related parties (Note 17)	3,654,691	1,737,452
	5,011,178	1,962,407

As of 31 March 2015 and 31 December 2014, there are no other receivables.

Short-term other payables	31 March 2015	31 December 2014
Due to related parties (Note 17)	59,622,400	-
Taxes payables and other taxes	551,926	549,186
Deposits and guarantees received	28,691	25,489
Other	10,796	8,723
	60,213,813	583,398
Long-term other payables	31 March 2015	31 December 2014
Deposits and guarantees received	127,232	113,032
	127,232	113,032

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE THREE MONTH INTERIM PERIOD ENDED 31 MARCH 2015

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

NOTE 5 - INVESTMENT PROPERTY

The movements of the investment property for the three-month interim periods ended 31 March 2015 and 2014 are as follows:

	1 January 2015	Additions	Transfers	31 March 2015
Cost				
Buildings	187,914,200	-	163,752	188,077,952
Construction in progress (*)	33,076,086	9,501,061	(163,752)	42,413,395
	220,990,286	9,501,061	-	230,491,347
Accumulated amortization				
Buildings	(56,402,168)	(1,175,955)	-	(57,578,123)
	(56,402,168)	(1,175,955)	-	(57,578,123)
Net book value	164,588,118			172,913,224

(*) Ongoing investments as of 31 March 2015 consist of renovation of the exterior of shopping mall that is expected to be completed by the end of 2015.

	1 January 2014	Additions	Transfers	31 March 2014
Cost				
Buildings	174,404,180	-	3,346,667	177,750,847
Construction in progress	10,195,387	3,911,555	(3,346,667)	10,760,275
	184,599,567	3,911,555	-	188,511,122
Accumulated amortization				
Buildings	52,108,465	1,053,627	-	53,162,092
	52,108,465	1,053,627	-	53,162,092
Net book value	132,491,102			135,349,030

The fair value of the Company's investment property based on the valuation report of Vektor Gayrimenkul Değerleme A.Ş dated 31 December 2014 amount to TL1,236,260,978 (As of 31 December 2013, the fair value of the Company's investment property based on the valuation report of EVA Gayrimenkul Değerleme Danışmanlık A.Ş. amount to TL984,257,000).

Insurance coverage on assets as of 31 December 2014 and 2013 is as follows;

31 March 2015 : USD 160,608,300

31 December 2014 : USD 160,608,300

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE THREE MONTH INTERIM PERIOD ENDED 31 MARCH 2015

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

NOTE 6 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Provisions, contingent assets and liabilities consist of the following:

Real rights on immovables are as follows:

- a) There is a rental restriction in favour of TEK (Turkish Electricity Institution) with registry dated 31 December 1992 No: 5538.
- b) 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.

Guarantee notes and letters	Currency of denomination	Amount	31 March 2015
Letters of guarantees received	USD	3,208,851	8,375,745
Guarantee notes received	USD	1,574,706	4,110,295
Guarantee cheques received	TL	581,000	581,000
Letters of guarantees received	TL	30,000	30,000
			13,097,040

Guarantee notes and letters	Currency of denomination	Amount	31 December 2014
Letters of guarantees received	USD	3,203,509	7,428,619
Guarantee notes received	USD	1,626,672	3,772,089
Guarantee cheques received	TL	581,000	581,000
Letters of guarantees received	TL	30,000	30,000
			11,811,708

The commitments 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

	31 March 2015	31 December 2014
CPM's given by the company (Collaterals, Pledges, Mortgages)		
A. CPM's given for companies own legal personality	1,729	1,729
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
		1,729

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE THREE MONTH INTERIM PERIOD ENDED 31 MARCH 2015

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

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

Provision for lawsuits

The provision for the lawsuits against the company as of 31 March 2015 is TL2,053,857 (31 December 2014: TL1,756,613). The movements of provision for lawsuits are as follows:

	2015	2014
1 January	1,756,613	773,593
Foreign exchange differences and interests	97,321	21,228
Provisions	199,923	144,504
Reversals	-	(20,000)
31 March	2,053,857	919,325

NOTE 7 - EMPLOYEE BENEFITS

At 31 March 2015, the amount payable consists of one month's salary limited to a maximum of TL3,541.37 for each year of service.

In the financial statements, Company management reflected a liability calculated in accordance with IAS 19 and based upon factors derived using their experience of personnel terminating their services and being eligible to receive retirement pay and discounted by using the current market yield at the balance sheet date on government bonds. All actuary gain and losses are recognized in comprehensive income statement. Accordingly, the following actuarial assumptions were used in the calculation of the total liability:

	1 January - 31 Marh 2015	1 January - 31 December 2014
Discount rate (%)	2.97	2.97
Turnover rate to estimate the probability of retirement (%)	95.38	100.00

Movements in the provision for employment termination benefits are as follows (TL):

	2015	2014
1 January	50,043	32,010
Cost of service	692,074	2,814
Cost of interest (Note 14)	77,960	-
Actuarial losses	109,594	-
Payments made during the period (-)	(77,634)	-
31 March	852,037	34,824

Provision for employment termination benefits amounting to TL54,264 comprise of the Company's personnel termination benefits expenses and TL797,773 comprise of the Company's share in Üçgen Bakım ve Yönetim Hizmetleri A.Ş.'s personnel terminaton benefits expenses.

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE THREE MONTH INTERIM PERIOD ENDED 31 MARCH 2015

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NOTE 8 - OTHER ASSETS AND LIABILITIES

The details of other assets and other liabilities as of 31 March 2015 and 31 December 2014 are as follows:

	31 March 2015	31 December 2014
Prepaid expenses - short term		
Prepaid expenses	851,246	18,898
Advances given	391,373	7,029
Total	1,242,619	25,927
Prepaid expenses - long term	31 March 2015	31 December 2014
Advances given (*)	648,844	-
	648,844	-
(*) Consists of advances given for the renovation work.		
Other current assets:	31 March 2015	31 December 2014
VAT receivables	-	1,573,552
Other	30,042	5,763
	30,042	1,579,315
Other non-current assets:	31 March 2015	31 December 2014
Other	202	202
	202	202
Deferred income	31 March 2015	31 December 2014
Deferred income	1,395,675	948,309
Advances received	441,487	337,383
	1,837,162	1,285,692
Other current liabilities	31 March 2015	31 December 2014
Expense accruals	118,032	824,400
	118,032	824,400

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE THREE MONTH INTERIM PERIOD ENDED 31 MARCH 2015

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

NOTE 9 - EQUITY

At 31 March 2015 and 31 December 2014 the issued and fully paid-in share capital held is as follows:

Shareholders	31 March 2015		31 December 2014	
	Pay (%)	Amount	Pay (%)	Amount
Akkök Holding 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	18,938,898	50.82	18,938,898
Other (*)	25.27	9,414,363	25.27	9,414,363
Total paid-in capital	100.00	37,264,000	100.00	37,264,000

(*) Represents individual shareholdings 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.

At 31 March 2015 and 31 December 2014 equity statement in accordance with the Communiqué II-14.1 is as follows:

	31 March 2015	31 December 2014
Share capital	37,264,000	37,264,000
Adjustment to share capital	27,745,263	27,745,263
Other comprehensive income/expense not to be reclassified to profit or loss		
- Actuarial losses arising from employee benefits	(109,594)	-
Restricted reserves		
- Legal reserves	58,547,594	52,771,674
Retained earnings	27,882,759	27,593,186
Net income for the period	17,888,082	65,687,893
	169,218,104	211,062,016

Retained earnings consist of the following:

	31 March 2015	31 December 2014
Retained earnings	3,326,254	3,326,254
Extraordinary reserves	20,573,289	20,283,716
Inflation difference in extraordinary reserves	521,985	521,985
Inflation difference in legal reserves	3,461,231	3,461,231
	27,882,759	27,593,186

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.**CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED
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(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

NOTE 10 - OPERATING INCOME

	1 January - 31 March 2015	1 January - 31 March 2014
Sales		
Shops and warehouse rent income	23,290,004	21,991,067
Other income	1,029,960	1,190,409
Apart hotel rent income	465,180	149,828
	24,785,144	23,331,304
Cost of sales		
Cost of services	(5,940,968)	(5,605,605)
Depreciation expense	(1,175,955)	(1,053,627)
	(7,116,923)	(6,659,232)
Gross profit	17,668,221	16,672,072

NOTE 11 - EXPENSES BY NATURE

	1 January - 31 March 2015	1 January - 31 March 2014
Cost of service	5,259,592	5,605,605
Depreciation and amortization expenses	1,189,897	1,054,125
Provision for employment termination benefits	692,074	2,814
Personnel expenses	328,667	285,869
Legal expenses	267,332	182,794
Provision for lawsuits	199,923	144,504
Consultancy expenses	136,958	149,059
Insurance, duties, taxes and levies expenses	14,224	3,336
Other	76,989	75,013
	8,165,656	7,503,119
Depreciation and amortization expenses		
Cost of sales	1,175,955	1,053,627
General administrative expenses	13,942	498
	1,189,897	1,054,125

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE THREE MONTH INTERIM PERIOD ENDED 31 MARCH 2015

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

NOTE 12 - OTHER OPERATING INCOME/EXPENSES

	1 January - 31 March 2015	1 January - 31 March 2014
Other operating income		
Income from reversal provisions	-	20,000
	-	20,000
Other operating expenses		
Compensation expenses	-	(650,000)
Other operating expenses, net	-	(630,000)

NOTE 13 - FINANCIAL INCOME

	1 January - 31 March 2015	1 January - 31 March 2014
Financial income		
Interest income	1,379,829	1,538,032
Foreign exchange income	81,526	223,236
	1,461,355	1,761,268

NOTE 14 - FINANCIAL EXPENSES

	1 January - 31 March 2015	1 January - 31 March 2014
Financial expenses		
Foreign exchange expense	(99,592)	(205,130)
Interest expenses related to employee benefits	(77,960)	-
Interest expense	(15,209)	(6,030)
	(192,761)	(211,160)

NOTE 15 - 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.

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CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE THREE MONTH INTERIM PERIOD ENDED 31 MARCH 2015

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NOTE 16 - 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 - 31 March 2015	1 January - 31 March 2014
Weighted average number of shares as of the reporting date (per share of TL1 nominal value)	37,264,000	37,264,000
Net profit for the period	17,888,082	16,748,293
Earnings per share	0.48	0.45

NOT 17 - RELATED PARTY DISCLOSURES

As of 31 March 2015 and 31 December 2014 receivables from related parties and due to related parties are as follows:

	31 March 2015	31 December 2014
Receivables from related parties		
Üçgen Bakım ve Yönetim Hizmetleri A.Ş.	87,056	67,947
Akmerkez Lokantacılık Gıda San. ve Tic. A.Ş.	-	2,557
	87,056	70,504
Due to related parties		
Akgirişim Müteahhitlik Müşavirlik ve Çevre Teknolojileri San.ve Tic.A.Ş. (*)	3,622,735	258,666
Akkök Holding A.Ş.	20,612	20,472
Dinkal Sigorta Acenteliği A.Ş.	9,647	20,757
Aktek Bilgi İletişim Teknoloji San. ve Tic. A.Ş.	1,480	-
Üçgen Bakım ve Yönetim Hizmetleri A.Ş.	-	1,437,340
Due to shareholders	217	217
	3,654,691	1,737,452

(*) The due balance consist given to related party Akgirişim Müteahhitlik Müşavirlik ve Çevre Teknolojileri San.ve Tic. A.Ş. for the renovation work on exterior side of the building.

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NOT 17 - RELATED PARTY DISCLOSURES (Continued)

The details of other non-trade liabilities to shareholders as of 31 March 2015 and 31 December 2014 are as follows:

	31 March 2015	31 December 2014
Dividend payable	59,622,400	-
	59,622,400	-

Advances given

	31 March 2015	31 December 2014
Üçgen Bakım ve Yönetim Hizmetleri A.Ş.	789,498	-

The advances given balance consist of advance given to related party Üçgen Bakım ve Yönetim Hizmetleri A.Ş. for the renovation work and management expenses.

	31 March 2015	31 December 2014
Purchases from related party	15,142,190	25,346,382
Sales to related parties	482,534	477,382

Purchases and sales consist of rent income, purchase and sales of services, and renovation expenses. The related party purchases amounting to TL 5,877,705 comprise of management expenses and other expenses provided by Üçgen Bakım ve Yönetim Hizmetleri A.Ş. ("Üçgen"). The remaining balance amounting to TL9,185,003 comprise of the renovation work on exterior side of the building provided by Akgirişim Müteahhitlik Müşavirlik ve Çevre Teknolojileri San.ve Tic.A.Ş. and TL79,482 comprise of other expenses. The Company provides common areas services like car park, valet and apart hotel rent incomes from the related party Üçgen, in addition to these the Company has cinema and office floor rent incomes from the related party Üçgen to whom the Company charged TL2,477,696 regarding the revenue collected on behalf of the Company for the first three months of 2015 (1 January - 31 March 2014: TL2,227,682).

As of 1 January - 31 March 2015, remuneration provided to top executives management such as the General Manager and the members of Board of Directors is TL268,911 (1 January-31 March 2014: TL273,168).

NOTE 18 - NATURE AND EXTENT OF RISK ARISING FROM FINANCIAL INSTRUMENTS

Foreign Currency Risk

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

	31 March 2015	31 December 2014
Assets	724,405	163,169
Liabilities	(533,488)	(473,950)
Net position	190,917	(310,781)

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

As of 31 March 2015, fluctuation of USD and Euro had been 10% higher/lower ceteris paribus, net income for the period would have been TL19,092 (31 December 2014: TL31,078 lower/higher) higher/lower.

As of 31 March 2015 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		
Cash and cash equivalents	277,528	724,405
Total assets	277,528	724,405
Current liabilities		
Short-term provisions	(144,650)	(377,565)
Other payables	(10,992)	(28,691)
Non-current Liabilities		
Other payables	(48,844)	(127,232)
Total liabilities	(204,386)	(533,488)
Net Foreign Currency Asset Position	73,142	190,917

As of 31 December 2014 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		
Cash and cash equivalents	70,365	163,169
Total assets	70,365	163,169
Current liabilities		
Short-term provisions	(144,650)	(335,429)
Other payables	(10,992)	(25,489)
Non-current Liabilities		
Other payables	(48,744)	(113,032)
Total liabilities	(204,386)	(473,950)
Net Foreign Currency Liability Position	(134,021)	(310,781)

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NOTE 19 - SUBSEQUENT EVENTS

As per the Board resolution taken on 31 March 2015 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 respectively the period April 2015, May 2015 and June 2015 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 TL1.98) 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

Disclosures made within the framework of Communiqué No. III-48.1 on Principles Regarding Real Estate Investment Trusts state that joint ventures are obliged to comply with the provisions of the Board's Communiqué No. II-14.1 on Principles Regarding Financial Reporting in Capital Markets when issuing and making public financial statements. The financial statements should include the information about portfolio limitation controls defined in Communiqué No. III-48.1 on Principles Regarding Real Estate Investment Trusts taken from unconsolidated financial statement account items in the manner defined by the Board.

In this scope, total assets, total portfolio and information relating to portfolio restrictions are as follows as of 31 March 2015 and 31 December 2014:

Non-consolidated (stand-alone)				
financial statement accounts items	Related regulations	31 March 2015	31 December 2014	
A Cash and capital market instruments	Art.24/(b)	61,790,692	49,917,145	
B Real estate, real estate-based project, Real estate-based rights	Art.24/(a)	172,913,224	164,588,118	
C Affiliates	Art.24/(b)	-	-	
Due from related parties (non-trade)	Art.23/(f)	-	-	
Other assets		4,727,499	3,132,338	
D Total assets	Art.3/(p)	239,431,415	217,637,601	
E Borrowings	Art.31	-	-	
F Other financial liabilities	Art.31	-	-	
G Leasing obligation	Art.31	-	-	
H Due to related parties (non-trade)	Art.23/(f)	59,622,616	216	
I Equity	Art.31	169,218,104	211,062,016	
Other liabilities		10,590,695	6,575,369	
D Total liabilities	Art.3/(p)	239,431,415	217,637,601	

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CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE THREE MONTH INTERIM PERIOD ENDED 31 MARCH 2015

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

Other non-consolidated (stand-alone) financial information	Related regulations	31 March 2015	31 December 2014
A1 Portion of cash and capital market instruments reserved for three-year real estate payments	Art.24/(b)	-	-
A2 TL/foreign currency denominated time/demand deposits	Art.24/(b)	61,789,471	49,909,978
A3 Foreign capital market instruments	Art.24/(d)	-	-
B1 Foreign real estates, real estate-based projects, real estate-based rights	Art.24/(d)	-	-
B2 Lands on which no projects developed	Art.24/(c)	-	-
C1 Foreign affiliates	Art.24/(d)	-	-
C2 Participation in administrator companies	Art.28/1(a)	-	-
J Non-cash loans	Art.31	1,729	1,729
K Encumbrance amounts of encumbered lands which do not belong to the Group and on which a project will be developed	Art.22/(e)	-	-
L Total investments of monetary and capital market instruments at one company	Art.22/(i)	-	-

Portfolio Restriction	Related regulations	31 March 2015	31 March 2014	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)	Art.22/(e)	-	-	≤%10
2 Real estate, real estate-based project, Real estate-based rights (B+A1)/D	Art.24/(a),(b)	72%	76%	≥%51
3 Cash and capital market instruments and Affiliates (A+C-A1)/D	Art.24/(b)	26%	23%	≤%49
4 Foreign real estates, real estate-based projects, real estate-based rights, Affiliates, capital market instruments (A3+B1+C1)/D	Art.24/(d)	-	-	≤%49
5 Lands on which no projects developed (B2)/D	Art.24/(c)	-	-	≤%20
6 Participation in administrator companies (C2)/D	Art.28/1(a)	-	-	≤%10
7 Borrowing ceiling (E+F+G+H+J)/I	Art.31	35%	-	≤%500
8 TL/foreign currency denominated time/demand deposits (A2-A1)/D	Art.24/(b)	26%	23%	≤%10
9 Total investments of monetary and capital market instruments at one company (L)/D	Art.22/(i)	-	-	≤%10

(*) As of 31 March 2015, the fair value of the investment property amounts to TL1,236,260,978, however within the table above, the net book value of the investment property on the basis of the historical cost is stated which amounts to TL172,913,224 at the same date. When the fair value of the investment property is taken into consideration, the ratio of the TL/foreign currency denominated time/demand deposit to total assets is 4.7% at 31 March 2015 (31 December 2014: 3.9%).

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