AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF
THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2013
TOGETHER WITH AUDITOR'S REPORT

(ORIGINALLY ISSUED IN TURKISH)

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

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Akmerkez GYO A.Ş.;

Introduction

1. We have audited the accompanying balance sheet of Akmerkez GYO A.Ş. ("the Company") as at 31 December 2013 and the related statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and explanatory notes.

Management's responsibility for the financial statements

2. The Company's management is responsible for the preparation and fair presentation of these financial statements in accordance with the Turkish Accounting Standards published by the Public Oversight Accounting and Auditing Standards Authority ("POA") and for such internal controls as management determines is necessary to enable the preparation of (consolidated) financial statements that are free from material misstatement, whether due to error and/or fraud.

Independent auditor's responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. Our audit was conducted in accordance with standards on auditing issued by the Capital Markets Board of Turkey. Those standards require that ethical requirements are complied with and that the audit is planned and performed to obtain reasonable assurance whether the financial statements are free from material misstatement.

   An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our professional judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to error and/or fraud. In making those risk assessments, the Company's internal control system is taken into consideration. Our purpose, however, is not to express an opinion on the effectiveness of internal control system, but to design procedures that are appropriate for the circumstances in order to identify the relation between the financial statements prepared by the Company and its internal control system. An audit includes also evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Company's management, as well as evaluating the overall presentation of the financial statements.

   We believe that the audit evidence we have obtained during our audit is sufficient and appropriate to provide a basis for our audit opinion.

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

4. In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Akmerkez GYO A.Ş. as at 31 December 2013 and its financial performance and cash flows for the year then ended in accordance with the Turkish Accounting Standards (Note 2).

Reports on independent auditor's responsibilities arising from other regulatory requirements

5. In accordance with Article 402 of the Turkish Commercial Code ("TCC"); the Board of Directors submitted to us the necessary explanations and provided required documents within the context of audit, additionally, no significant matter has come to our attention that causes us to believe that the Company's bookkeeping activities for the period 1 January – 31 December 2013 is not in compliance with the code and provisions of the Company's articles of association in relation to financial reporting.

6. Pursuant to Article 378 of Turkish Commercial Code no. 6102, Board of Directors of publicly traded companies are required to form an expert committee, and to run and to develop the necessary system for the purposes of: early identification of causes that jeopardize the existence, development and continuity of the company; applying the necessary measures and remedies in this regard; and, managing the related risks. According to subparagraph 4, Article 398 of the code, the auditor is required to prepare a separate report explaining whether the Board of Directors has established the system and authorized committee stipulated under Article 378 to identify risks that threaten or may threaten the company and to provide risk management, and, if such a system exists, the report, the principles of which shall be announced by the POA, shall describe the structure of the system and the practices of the committee. This report shall be submitted to the Board of Directors along with the auditor's report. Our audit does not include evaluating the operational efficiency and adequacy of the operations carried out by the management of the Company in order to manage these risks. As of the balance sheet date, POA has not announced the principles of this report yet so no separate report has been drawn up relating to it. On the other hand, the Company has been performing its risk identification and management activities through its Corporate Governance Committee which was formed on 15 June 2012 and it is comprised of 3 members.

   The committee has met 6 times since its formation to the reporting date for the purposes of early identification of risks that jeopardize the existence of the company and its development, applying the necessary measures and remedies in this regard, and managing the risks, and has submitted the relevant reports to the Board of Directors.

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

E.Baki Erdal, SMMM
Partner

İstanbul, 21 February 2014

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

FINANCIAL STATEMENTS AT 31 DECEMBER 2013

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CONVENIENCE TRANSLATION OF THE BALANCE SHEETS AT 31 DECEMBER 2013 AND 2012

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

	Notes	31 December 2013	31 December 2012
ASSETS			
Current assets		**51,199,081**	**44,756,503**
Cash and cash equivalents	3	48,904,930	44,185,898
Trade receivables			
Receivables from related parties	4	38,621	-
Receivables from third parties	4	2,227,415	557,985
Prepaid expenses	7	28,115	12,620
Non-current assets		**146,325,017**	**137,985,191**
Investment property	5	132,491,102	135,512,851
Property and equipment		-	167,366
Intangible assets		4,645	6,640
Prepaid expenses	7	13,829,068	2,298,132
Other non-current assets	7	202	202
Total assets		**197,524,098**	**182,741,694**

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

CONVENIENCE TRANSLATION OF THE BALANCE SHEETS AT 31 DECEMBER 2013 AND 2012

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

	Notes	31 December 2013	31 December 2012
LIABILITIES			
Current liabilities		**3,570,641**	**3,255,171**
Trade payables			
Due to related parties	4	23,422	8,476
Other trade payables	4	202,453	160,885
Other payables			
Due to Third Parties	4	896,368	917,656
Deferred income	7	1,502,910	1,381,165
Provisions			
Other provisions	6	773,593	646,382
Other current liabilities	7	171,895	140,607
Non-current liabilities		**136,134**	**142,245**
Other payables			
Other payables to third parties	4	104,124	116,903
Provision for employment termination benefits	9	32,010	25,342
Equity		**193,817,323**	**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 year	8	59,841,965	54,321,987
Total liabilities and equity		**197,524,098**	**182,741,694**

These financial statements for the year ended 31 December 2013 have been approved by Board of Directors on 21 February 2014 and signed by Murat Kayman, General Manager and Zeynep Yıldırım Gündoğdu, Director of Finance. These financial statements will be approved by the General Assembly.

CONVENIENCE TRANSLATION OF THE STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED 31 DECEMBER 2013 AND 20112

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

	Notes	2013	2012
CONTINUING OPERATIONS:			
OPERATING INCOME			
Revenue	10	81,415,469	73,558,271
Cost of sales (-)	10	(23,578,431)	(23,907,352)
Gross profit		**57,837,038**	**49,650,919**
Marketing, selling and distribution expenses (-)	11	(28,004)	(27,860)
General administrative expenses (-)	11	(5,175,640)	(3,568,424)
Other operating income	13	4,851,942	5,007,579
Other operating expense (-)	13	(710,782)	-
Operating profit		**56,774,554**	**51,062,214**
Financial income	14	3,288,342	3,361,440
Financial expenses (-)	14	(220,931)	(101,667)
Profit before tax from continuing operations		**59,841,965**	**54,321,987**
Tax expense from continuing operations		-	-
Profit for the year from continuing operations		**59,841,965**	**54,321,987**
Other comprehensive income		-	-
Total comprehensive income		**59,841,965**	**54,321,987**
Earnings per share	**15**		
Earning per share from continuing operations		1.61	1.46
Earning per share from discontinuing operations		-	-
Diluted earnings per share	**15**		
Diluted earnings per share from continuing operations		1.61	1.46
Diluted earnings per share from discontinuing operations			

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

CONVENIENCE TRANSLATION OF THE STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED 31 DECEMBER 2013 AND 2012

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

					Retained earnings		
	Notes	**Share capital**	**Adjustment to share capital**	**Restricted reserves**	**Retained earnings**	**Net income for the year**	**Total equity**
1 January 2012		**37,264,000**	**27,745,263**	**35,622,015**	**18,523,535**	**42,013,558**	**161,168,371**
Transfers		-	-	5,528,388	36,485,170	(42,013,558)	-
Dividends paid		-	-	-	(36,146,080)	-	(36,146,080)
Net income for the year		-	-	-	-	54,321,987	54,321,987
31 December 2012	**8**	**37,264,000**	**27,745,263**	**41,150,403**	**18,862,625**	**54,321,987**	**179,344,278**
1 January 2013		**37,264,000**	**27,745,263**	**41,150,403**	**18,862,625**	**54,321,987**	**179,344,278**
Transfers		-	-	6,963,271	47,358,716	(54,321,987)	-
Dividends paid		-	-	-	(45,368,920)	-	(45,368,920)
Net income for the year		-	-	-	-	59,841,965	59,841,965
31 December 2013	**8**	**37,264,000**	**27,745,263**	**48,113,674**	**20,852,421**	**59,841,965**	**193,817,323**

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

CONVENIENCE TRANSLATION OF THE STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED 31 DECEMBER 2013 AND 2012

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

	Notes	2013	2012
Cash flows from operating activities:			
Profit before tax		59,841,965	54,321,987
Adjustments to reconcile net cash generated from operating activities to income before tax:			
Depreciation and amortisation	12	3,778,307	3,773,744
Provision for employment termination benefits	9	6,668	18,224
Debt provision	6	10,000	117,902
Provision for doubtful receivables	4,11	14,912	354,598
Reversal of provisions	6	-	(423,225)
Interest income	14	(3,199,389)	(3,263,111)
Accrued expenses	7	171,894	140,607
Interest expenses	14	23,870	45,899
Loss on sales of property and equipments	13	66,698	-
Renovation expenses of work on exterior side	13	644,084	-
Net cash before changes in net working capital:		**61,359,009**	**55,086,625**
Increase in accounts receivable		(2,038,940)	(116,323)
Increase receviables from related parties		(38,621)	-
Increase in other assets		(11,546,431)	(1,583,141)
Increase in accounts payable		56,514	22,853
Increase in other payables		18,509	98,040
Doubtful receivables collection	4	354,598	17,383
Litigation provisions paid	6	-	(2,079,638)
Increase in other liabilities		45,773	211,576
Employment termination benefits paid	9	-	(67,506)
Net cash provided by operating activities		**48,210,412**	**51,589,869**
Interests received		3,098,750	3,096,876
Purchase of intangible assets		-	(183,300)
Proceeds from the sales of property and equipments		82,735	-
Additions to investment property	5	(1,380,714)	-
Net cash used in investing activities		**1,800,771**	**2,913,576**
Interest paid		(23,870)	(26,716)
Dividends paid		(45,368,920)	(36,146,080)
Net cash used in financing activities		**(45,392,790)**	**(36,172,796)**
Increase in cash and cash equivalents		**4,618,393**	**18,330,649**
Cash and cash equivalents at the beginning of the period		43,944,149	25,613,500
Cash and cash equivalents at the end of the period	**3**	**48,562,542**	**43,944,149**

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

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

NOTE 1 - ORGANISATION AND NATURE OF OPERATIONS

The principal 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 Registrar 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 31 December 2013 50.82% of these shares are publicly quoted.

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

Shareholders	**31 December 2013**	**31 December 2012**
Akkök Sanayi Yatırım ve Geliştirme A.Ş.	13.12%	13.12%
Tekfen Holding A.Ş.	10.79%	10.79%
Public offering	50.82%	50.27%
Other (*)	25.27%	25.82%
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 December 2013	**31 December 2012**
Administrative	5	4

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of Presentation

Preparation of Financial Statements and 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, the application of inflation accounting is no longer required for companies operating in Turkey and preparing their financial statements in accordance with CMB Financial Reporting Standards. Accordingly, IAS 29, "Financial Reporting in Hyperinflationary Economies", issued by the IASB, has not been applied in the financial statements for the accounting year commencing 1 January 2005.

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.

Offsetting

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to set-off the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

Going concern

The Company has prepared the financial statements for the period 1 January - 31 December 2013 in accordance with the going concern principle.

Compliance with portfolio restrictions

The information included in Note 22, "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 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

Significant changes in accounting policies or material errors are corrected, retrospectively; by restating the prior period financial statements.

Comparative figures and the reclassification to the financial statements of the prior period

The Company complies with the principles and articles of valid 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 December 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 1 January - 31 December 2013 in comparison with 1 January - 31 December 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:

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

- Long-term advance given amounted to TL2,298,132 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 TL1,111,903 included in "other current liabilities" and advanced recevied amounted to TL269,262 have been reclassified to "deferred income" as of 31 December 2012.

- Short-term and long-term deposits and guarantees received amounted to TL11,669 and TL116,903 included in "other current liabilities" has been reclassified to "short-term and long-term other payables" as of 31 December 2012.

2.2.1 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.:

- Amendment to IAS 1, 'Financial statement presentation', 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.

- Amendment to IAS 19, '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.

- IFRS 10, 'Consolidated financial statements'; is effective for annual periods beginning on or after 1 January 2013. The objective of IFRS 10 is to establish principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entity (an entity that controls one or more other entities) to present consolidated financial statements. It defines the principle of control, and establishes controls as the basis for consolidation. It sets out how to apply the principle of control to identify whether an investor controls an investee and therefore must consolidate the investee. It also sets out the accounting requirements for the preparation of consolidated financial statements.

- IFRS 11, 'Joint arrangements'; is effective for annual periods beginning on or after 1 January 2013. IFRS 11 is a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement rather than its legal form. There are two types of joint arrangement: joint operations and joint ventures. Joint operations arise where a joint operator has rights to the assets and obligations relating to the arrangement and therefore accounts for its interest in assets, liabilities, revenue and expenses. Joint ventures arise where the joint operator has rights to the net assets of the arrangement and therefore equity accounts for its interest. Proportional consolidation of joint ventures is no longer allowed.

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

- IFRS 12, 'Disclosures of interests in other entities'; is effective for annual periods beginning on or after 1 January 2013. IFRS 12 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.

- Amendment to IFRSs 10, 11 and 12 on transition guidance; is effective for annual periods beginning on or after 1 January 2013. These amendments provide additional transition relief to IFRSs 10, 11 and 12, limiting the requirement to provide adjusted comparative information to only the preceding comparative period. For disclosures related to unconsolidated structured entities, the amendments will remove the requirement to present comparative information for periods before IFRS 12 is first applied.

- IFRS 13, 'Fair value measurement'; is effective for annual periods beginning on or after 1 January 2013. IFRS 13 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 IFRSs. The requirements, which are largely aligned between IFRS and US GAAP, do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs or US GAAP.

- IAS 27 (revised 2011), 'Separate financial statements'; is effective for annual periods beginning on or after 1 January 2013. IAS 27 (revised 2011) includes the provisions on separate financial statements that are left after the control provisions of IAS 27 have been included in the new IFRS 10.

- IAS 28 (revised 2011), 'Associates and joint ventures'; is effective for annual periods beginning on or after 1 January 2013. IAS 28 (revised 2011) includes the requirements for joint ventures, as well as associates, to be equity accounted following the issue of IFRS 11.

- Amendment to IFRS 7, 'Financial instruments: Disclosures', on asset and liability offsetting¸; is effective for annual periods beginning on or after 1 January 2013. This amendment includes new disclosures to facilitate comparison between those entities that prepare IFRS financial statements to those that prepare financial statements in accordance with US GAAP.

- Amendment to IFRS 1, 'First time adoption', on government loans; is effective for annual periods beginning on or after 1 January 2013. This amendment addresses how a first-time adopter would account for a government loan with a below-market rate of interest when transitioning to IFRS. It also adds an exception to the retrospective application of IFRS, which provides the same relief to first-time adopters granted to existing preparers of IFRS financial statements when the requirement was incorporated into IAS 20 in 2008.

- Annual Improvements to IFRS/TFRSs 2011 is effective for annual periods beginning on or after 1 January 2013. Amendments affect five standards: IFRS/TFRS 1, IAS/TAS 1, IAS/TAS 16, IAS/TAS 32 and IAS/TAS 34.

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

New IFRS standards, amendments and IFRICs effective after 1 January 2014 and not early adopted by the Company:

- Amendment to IAS 32, 'Financial instruments: Presentation', on asset and liability offsetting is effective for annual periods beginning on or after 1 January 2014.These amendments are to the application guidance in IAS 32, 'Financial instruments: Presentation', and clarify some of the requirements for offsetting financial assets and financial liabilities on the balance sheet.

- IFRS 9 'Financial instruments' – classification and measurement; is effective for annual periods beginning on or after 1 January 2015. This standard on classification and measurement of financial assets and financial liabilities will replace IAS 39, 'Financial instruments: Recognition and measurement'. IFRS 9 has two measurement categories: amortised cost and fair value. All equity instruments are measured at fair value. A debt instrument is measured at amortised cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. For liabilities, the standard retains most of the IAS 39 requirements. These include amortised-cost accounting for most financial liabilities, with bifurcation of embedded derivatives. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. This change will mainly affect financial institutions.

- Amendment to IAS 36, 'Impairment of assets' on recoverable amount disclosures is effective for annual periods beginning on or after 1 January 2014. This amendment addresses the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal.

- Amendment to IAS 39 'Financial Instruments: Recognition and Measurement' - 'Novation of derivatives is effective for annual periods beginning on or after 1 January 2014. This amendment provides relief from discontinuing hedge accounting when novation of a hedging instrument to a central counterparty meets specified criteria.

- Amendments to IFRS 10, 12 and IAS 27 on consolidation for investment entities are effective for annual periods beginning on or after 1 January 2014. These amendments mean that many funds and similar entities will be exempt from consolidating most of their subsidiaries. Instead, they will measure them at fair value through profit or loss. The amendments give an exception to entities that meet an 'investment entity' definition and which display particular characteristics. Changes have also been made IFRS 12 to introduce disclosures that an investment entity needs to make.

- IFRIC 21, 'Levies' is effective for annual periods beginning on or after 1 January 2014. This is an interpretation of IAS 37, 'Provisions, contingent liabilities and contingent assets'. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (known as an obligating event). The interpretation clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy.

- Amendments to IFRS 9,'Financial instruments', regarding general hedge. These amendments to IFRS 9, 'Financial instruments', bring into effect a substantial overhaul of hedge accounting that will allow entities to better reflect their risk management activities in the financial statements.

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

- Amendment to IAS 19 regarding defined benefit plans; is effective for 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.

- Annual improvements 2012; is effective for annual periods beginning on or after 1 July 2014. These amendments include changes from the 2010-12 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 2013; is effective for annual periods beginning on or after 1 July 2014. The amendments include changes from the 2011-2-13 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'

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

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 recognised in the current period; the effect of changes in accounting estimates affecting current and future periods is recognised in the current and future periods. For the period 1 January - 31 December 2013 there has been no change in the accounting estimates.

2.4 Summary of Significant Accounting Policies

The significant accounting policies followed in the preparation of the financial statements are summarized below:

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank deposits and highly liquid investments, whose maturity at the time of purchase is less than three months and conversion risk on value at the date of sale is immaterial.

Related parties

A party is related to an entity if the party is a legal body or a real person which directly or indirectly controls, is controlled by, or is under common control with the entity, has an interest in the entity that gives it significant influence over the entity, and if the party is a subsidiary, an affiliate or a joint venture in which the entity is a venture. Furthermore, members of the key management personnel of the entity, close members of the family of any individual referred to above, and parties representing post-employment benefit plan for the benefit of employees of the entity are also defined as related parties.

Trade receivables and payables

Trade receivables are financial assets created by the Company through selling services directly to the tenants. Trade receivables of the Company are initially recognised at fair value and subsequently carried at amortised cost using the effective interest rate method. Short term receivables with no stated interest rate are measured at original invoice amount unless the effect of imputing interest is significant.

An impairment provision for trade receivables is established if there is objective evidence that the Company will not be able to collect all amounts due in accordance with the original agreement terms. The amount of the provision is the difference between the carrying amount and the recoverable amount, being the present value of all cash flows, including amounts recoverable from guarantees and collateral, discounted based on the original effective interest rate of the originated receivables at inception.

If the amount of the impairment subsequently decreases due to an event occurring after the write-down, the release of the provision is reversed through other operating income.

Trade payables consist of payables to suppliers for purchases of goods and services. Trade payables and other financial liabilities are accounted for at amortized cost. Short term payables with no stated interest rate are measured at original invoice amount unless the effect of imputing interest is significant.

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

Financial liabilities and borrowing costs

Borrowings are recognised initially at the proceeds received, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective yield method in financial statements. Starting from 1 January 2009 ''Borrowing Costs" IAS 23 (revised) requires an entity to capitalize borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset, removing the option of immediately expensing borrowing costs.

Current and deferred income taxes

The Corporate Tax Law No: 5520 was amended on 21 June 2006 with the Law announced in the Official Journal No 26205. The majority of the clauses of Law No 5520 are effective as of 1 January 2006. The corporation tax rate of the fiscal year 2012 is 20% (2011: 20%). Corporation tax is payable at a rate of 20% on the total income of the Company after adjusting for certain disallowable expenses, corporate income tax exemptions (participation exemption, and investment allowance, etc) and corporate income tax deductions (like research and development expenditures deduction). No further tax is payable unless the profit is distributed.

Dividends paid to non-resident corporations, which have a place of business in Turkey, or resident corporations are not subject to withholding tax. Otherwise, except from these corporations' dividends subject to withholding tax at the rate of 15%. An increase in capital via issuing bonus shares is not considered as a profit distribution and thus does not incur withholding tax.

The Company is exempt from corporate income tax in accordance with paragraph 4-d of Article 8 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.

Deferred income taxes are provided in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements. Currently enacted tax rates are used to determine deferred income tax at the balance sheet date. As the Company is exempt from corporate income taxes based on the current tax legislation, no deferred income tax asset or liability has been calculated on temporary taxable and deductible differences in these financial statements.

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

Employment termination benefits

Under the Turkish Labour Law, the Company is required to pay termination benefits to each employee who has completed at least one year of service and whose employment is terminated without due cause, is called up for military service, dies or who retires after completing 25 years of service (20 years for women) and achieves the retirement age (58 for women and 60 for men). Since the legislation was changed on 23 May 2002, there are certain transitional provisions relating to length of service prior to retirement.

The amount payable consists of one month’s salary limited to a maximum of TL3,254.44 (TL in full) as of 31 December 2013.

Provision which is allocated by using the defined benefit obligation’s current value is calculated by using estimated liability method. All actuarial profits and losses are recognised in the comprehensive statement of income.

The employment termination benefit obligation as explained above is considered as a defined benefit plan under IFRS. IFRS, requires actuarial valuation methods to be developed to estimate the enterprise’s obligation for such benefits. The liability for this unfunded plan recognized in the balance sheet is the full present value of the defined benefit obligation at the end of the reporting period, calculated using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows from the retirement of its employees using the long term TL interest rates.

The principal actuarial assumption is that the maximum liability will increase in line with inflation. Thus the effective discount rate applied represents the expected real interest rate after adjusting for the effects of future inflation. As the maximum liability amount is revised semi-annually by the authorities, the maximum amount of TL 3,438.22 (TL in full) which is effective from 1 January 2014 has been taken into consideration when calculating the liability (1 January 2013: TL3,129.25).

Provisions, contingent assets and liabilities

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are not recognized for future operating losses.

Contingent assets or contingent obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company are not included in financial statements and are treated as contingent assets or liabilities.

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

Property and equipment and related depreciation

Property and equipment are carried at cost less accumulated depreciation and provision for impairment, if any. Any directly attributable costs of setting the asset in working order for its intended use are included in the initial measurement.

Depreciation is calculated over of the cost of property and equipment using the straight-line method based on expected useful lives.

The expected useful lives are stated below:

	Years
Machinery, plant and equipment	5
Furniture and fixtures	5

Subsequent costs incurred for tangible assets are included in the asset's carrying amount or recognized as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statements during the financial period in which they were incurred.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down to its recoverable amount and the provision for impairment is charged to income statement.

Gains and losses on the disposal of property and equipment are determined by deducting the net book value of the property and equipment from its sales and are included in the related income and expense accounts, as appropriate.

Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied or utilised by the Company in the normal course of business, is classified as investment property.

Investment properties are stated at cost less their accumulated depreciation and impairment loss, if any. Investment properties are restated for the effects of inflation using the measuring unit current as at 31 December 2004. Additions made subsequent to 1 January 2005 are stated at their nominal values. The financial expenses related to the loans used for acquisition of investment properties and incurred during the progress of the said investment properties are restated and included in the cost. Investment properties are depreciated over their inflation-adjusted values and the nominal values of additions made subsequent to 1 January 2005. The useful life of investment properties is estimated to be 50 years.

Part of the Company's investment property is used for administrative purposes; however, as the ratio is considered immaterial (i.e., with a gross value less than 1% of total gross value), they are not classified separately, but rather stated within the investment properties account.

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

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

Impairment of assets

The Company reviews all assets including tangible assets at each balance sheet date in order to see if there is a sign of impairment on the stated asset. If there is such a sign, carrying amount of the stated asset is projected. Impairment exists if the carrying value of an asset or a cash generating unit including the asset is greater than its net realizable value. Net recoverable value is the higher of the net sales value or value in use. Value in use is the present value of cash flows generated from the use of the asset and the disposal of the asset after its useful life. Impairment losses are recorded in comprehensive income statement. Impairment loss for an asset is reversed, if an increase in recoverable amount is related to a subsequent event following the booking of impairment by not exceeding the amount reserved for impairment.

Revenue recognition

Revenue is recognised when the amount of revenue can be measured reliably and when it is probable that the economic benefits associated with the transaction will flow to the Company. Revenue is presented net of value added and sales taxes. The following criteria are necessary for the recognition of revenue:

Rent income from investment properties

Rent income from investment properties is recognised on an accrual basis. Revenue is realized when economic benefits arising from the transaction have passed, and when the amount of such income can be reliably measured. Rent discounts and similar promotions granted to existing tenants from time to time are netted of from rent revenues as they are not rent incentives for acquisition of new contracts.

The minimum amount of the total rent payments to be received in the future periods based on the existing contracts are summarised below;

	31 December 2013	31 December 2012
Within 1 year	79,862,559	69,973,027
1 to 5 years	278,317,576	198,554,387
Over 5 years	258,038,664	190,353,745
	616,218,799	**458,881,159**

Interest income and expense

Interest income and expense is accounted for using the effective interest rate method. Interest income comprises mostly interest income from time deposits.

Interest expenses incurred from borrowings are calculated using the effective interest rate method.

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

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

Paid-in capital

Ordinary shares are classified as equity. Proceeds from issuing new equity instruments are recorded net of transaction costs.

Earnings per share

Earnings per share are determined by dividing net comprehensive income by the weighted average number of shares that have been outstanding during the period concerned.

In Turkey, companies can increase their share capital by making a pro-rata distribution of their shares ("Bonus Shares") to existing shareholders funded from retained earnings or other reserves. For the purpose of earnings per share computations, such Bonus Share issuances are regarded as issued shares for all periods presented and accordingly the weighted average number of shares used in earnings per share computations in prior periods is adjusted retroactively for the effects of these shares, issued without receiving cash or another consideration from shareholders.

Reporting of cash flows

Cash flows statement includes cash and cash equivalents, cash with original maturity periods of less than three months and bank deposits.

Subsequent events

Subsequent events cover any events which arise between the reporting date and the balance sheet date, even if they occurred after any declaration of the net profit for the period or specific financial information publicly disclosed. The Company adjusts or provides disclosure in its financial statements if such subsequent events arise that require an adjustment or disclosure to the financial statements.

NOTE 3 - CASH AND CASH EQUIVALENTS

The details of cash and cash equivalents as of 31 December 2013 and 2011 are as follows:

	31 December 2013	**31 December 2012**
Cash	3,405	4,153
Banks		
- TL time deposit	48,795,388	44,074,749
- TL demand deposit	50,336	75,496
- Foreign currency denominated demand deposit	55,801	31,500
	48,904,930	**44,185,898**

As of 31 December 2013, the interest rate on TL deposit accounts at banks is between %8.80 and %9.26 and the accrued interest is TL342,388 (31 December 2012: the interest rate on TL deposit accounts at banks is 7.6% and 7.9% the accrued interest is TL 241,749). The maturity of time deposits is less than one month (31 December 2012: less than one month).

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

NOTE 3 - CASH AND CASH EQUIVALENTS (Continued)

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

	31 December 2013	31 December 2012
Cash and cash equivalents	48,904,930	44,185,898
Less: accrued interest	(342,388)	(241,749)
	48,562,542	**43,944,149**

NOTE 4 - TRADE AND OTHER RECEIVABLES AND PAYABLES

Short-term trade receivables

	31 December 2013	31 December 2012
Trade receivables	4,093,136	3,923,561
Notes and post-dated cheques receivable	1,302,150	141,981
Receivables from related parties	38,621	-
	5,433,907	**4,065,542**
Less: Provision for doubtful receivables	(3,167,871)	(3,507,557)
	2,266,036	**557,985**

	2013	2012
1 January	**3,507,557**	**3,170,342**
Provisions made during the period	14,912	354,598
Doubtful receivables collections	(354,598)	(17,383)
31 December	**3,167,871**	**3,507,557**

Short-term trade payables	31 December 2013	31 December 2012
Trade payables	202,453	160,885
Due to related parties (Note 17)	23,422	8,476
	225,875	**169,361**

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

Short-term other payables	31 December 2013	31 December 2012
Taxes payables and other taxes	837,594	901,823
Deposits and guarantees received	49,815	11,669
Other	8,959	4,164
	896,368	**917,656**

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

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

Long-term other payables	**31 December 2013**	**31 December 2012**
Deposits and guarantees received	104,124	116,903
	104,124	**116,903**

NOTE 5 - INVESTMENT PROPERTIES

Movement schedule of investment properties for the years ending on 31 December 2013 and 2012 are as follows:

	1 January 2013	**Additions**	**Transfers**	**31 December 2013**
Cost				
Buildings	174,404,180	-	-	174,404,180
Construction in progress	9,458,757	1,380,714	(644,084)	10,195,387
	183,862,937	**1,380,714**	**(644,084)**	**184,599,567**
Accumulated depreciation				
Buildings	48,350,086	3,758,379	-	52,108,465
	48,350,086	**3,758,379**	**-**	**52,108,465**
Net Book Value	**135,512,851**			**132,491,102**

	1 January 2012	**Additions**	**Transfers**	**31 December 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 depreciation				
Buildings	44,591,708	3,758,378	-	48,350,086
	44,591,708	**3,758,378**	**-**	**48,350,086**
Net Book Value	**139,271,229**			**135,512,851**

The fair value of the Company's investment property based on the valuation report of EVA Gayrimenkul Değerleme Danışmanlık A.Ş dated 31 December 2013 amount to TL984,257,000 (As of 31 December 2012, the fair value of the Company's investment property based on the valuation report of EVA Gayrimenkul Değerleme Danışmanlık A.Ş. amount to TL944,653,000).

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

NOTE 6 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

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.

Type of guarantees received	Currency of denomination	Amount	31 December 2013
Guarantee notes received	USD	3,136,446	6,694,116
Letters of guarantees received	USD	2,116,545	4,517,342
Guarantee cheques received	TL	581,000	581,000
			11,792,458

Type of guarantees received	Currency of denomination	Amount	31 December 2012
Guarantee notes received	USD	2,202,047	3,925,369
Letters of guarantees received	USD	2,228,056	3,971,733
Guarantee cheques received	TL	581,000	581,000
			8,478,102

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

CPM's given by the company (Collaterals, Pledges, Mortgages)	31 December 2013	31 December 2012
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 guarantee letters given consist of guarantee given to ongoing cases and public institutions.

(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 December 2013 is TL773,593 (31 December 2012: TL646,382). The movement of provision for lawsuits is as follows:

	2013	**2012**
1 January	**646,382**	**3,012,160**
Increase during the period	10,000	117,902
Foreign exchange differences and interests	117,211	19,183
Paid charges	-	(2,079,638)
Reversals during the period	-	(423,225)
31 December	**773,593**	**646,382**

NOTE 7 - OTHER ASSETS AND LIABILITIES

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

Prepaid expenses - short term	**31 December 2013**	**31 December 2012**
Prepaid expenses	28,115	12,620
	28,115	**12,620**

Prepaid expenses - long term	**31 December 2013**	**31 December 2012**
Advances given (*)	13,829,068	2,298,132

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

Other non-current assets:	**31 December 2013**	**31 December 2012**
Other	202	202
	202	**202**

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

NOTE 7 - OTHER ASSETS AND LIABILITIES (Continued)

Deferred income	**31 December 2013**	**31 December 2012**
Deferred income	864,252	1,111,903
Advances received (*)	638,658	269,262
	1,502,910	**1,381,165**

Other non- current liabilities	**31 December 2013**	**31 December 2012**
Expense accruals	**171,895**	**140,607**

NOTE 8 - EQUITY

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

Shareholders	**31 December 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	18,938,898	50.27	18,734,104
Other (*)	25.27	9,414,363	25.82	9,619,157
Total paid-in capital	**100.00**	**37,264,000**	**100.00**	**37,264,000**

(*) Represents individual shareholdings less than 10%.

At the Ordinary General Meeting of the Company dated 3 May 2011, it was decided to allocate bonus shares from the first and second dividend to be distributed to the shareholders from the profit of 2010 in line with the previous allocation of the issued shares and as per CMB Communiqué Serial I, No: 40 on Registration of Shares to Board Records and Disposal of Shares, to apply to the CMB in order to register the new issued bonus shares to the CMB Board records. After the increase in the issued shares, the capital amounted to TL37,264,000.

The Company's issued and fully paid share capital amounting to TL37,264,000 is represented by 3,726,400,000 shares of Krş1 nominal value of which 407,575,000 are Class A shares, 284,138,000 are Class B shares, 239,887,000 are Class C shares and 2,794,800,000 are Class D shares as of 31 December 2013 and 2012.

There are 10 members of the Board of Directors who are assigned by the General Assembly as follows; four members elected with the majority votes of Class A shares; three members elected with the majority votes of Class B shares; two members elected with the majority votes of Class C shares and one member elected with the majority votes of Class D shares which represent the publicly offered shares and subject to participation to the General Assembly.

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

NOTE 8 - EQUITY (Continued)

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: II-14-1 is as follows:

	31 December 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	59,841,965	54,321,987
	193,817,323	**179,344,278**

Retained earnings consist of the following:

	31 December 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**

Profit distribution

"Dividend Guidelines" issued in accordance with Article 13 of the Capital Markets Board's Communiqué on Dividends was promulgated in the Official Gazette on 23 January 2014 and was put into effect as of 01 February 2014. The adjustments and disclosures included in the Communiqué on Dividends and the Dividend Guidelines are summarised below.

Dividends shall be distributed upon decision by the general assembly in line with the Dividend Distribution Policy to be set by the general assembly. Companies shall determine the dividend distribution policy and whether or not to distribute dividends. Accordingly, dividend distribution is voluntary in principle. The Capital Markets Board shall be entitled to define various principles for dividend distribution depending on the qualities of the entities.

Dividend distribution policies of companies regulate the following items:

- whether or not to distribute dividends,
- dividend rates and account items to apply that rate,
- payment methods and dates,
- whether to distribute dividends in cash or in the form of free of charge shares (applicable to companies whose shares are listed in stock markets), and
- whether or not to distribute dividend advances.

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

NOTE 8 - EQUITY (Continued)

The upper limit of the dividends to be distributed equals the distributable portion of the relevant profit distribution resources in legal records. As a rule, dividends are equally distributed to all shares available as of the distribution date. Acquisition and issuance dates of shares are not taken into account. Unless the reserves to be allocated in accordance with the Turkish Commercial Code and shareholders' dividends stipulated in the articles of association and dividend distribution policy are allocated, it shall not be possible to decide to set aside other reserves or carry forward the profit to the following year.

Provided that it is set out in the articles of association, dividends can be provided to privileged shareholders or dividend certificate owners, board members, employees and other non-shareholders. However, it is not possible to allocate dividends to dividend certificate owners, board members, employees and others before the dividends determined for shareholders are paid in cash. The communiqué rules that if the amount of dividend to be paid to the dividend certificate owners, board members, employees and others excluding the privileged shares is not specified in the articles of association, the maximum amount to be distributed to the foregoing is one fourth of the amount distributed to shareholders. In the event of distributing dividends to non-shareholders and of paying in instalments, the instalment sums should be paid in proportion to instalment sums of shareholders and the same principles apply.

The New Capital Markets Board Law and thus the new Communiqué allow the shareholders to make donations. However, it is required that the articles of association should contain a related provision: the amount of donations shall be determined by the general assembly, however, CMB is entitled to introduce an upper limit.

Companies listed on the stock markets should disclose the following to the public:

- the board of directors' proposal on dividend distribution;
- the board of directors' decision on dividend distribution; and
- a dividend or dividend advance distribution chart. It is obligatory that a dividend distribution chart should be disclosed to the public on the date when the ordinary general assembly agenda is announced at the latest.

The distributable profit of Company calculated over profit of year 2013 is TL 59.841.965

NOTE 9 - EMPLOYEE BENEFITS

Liabilities related to employee benefits consist of provisions for employment termination benefits. The movements of the provision for 2013 and 2012 are as follows:

	2013	2012
1 January	**25,342**	**74,624**
Current year charge	6,668	18,224
Current year payment	-	(67,506)
31 December	**32,010**	**25,342**

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

NOTE 10 - OPERATING INCOME

Sales	**31 December 2013**	**31 December 2012**
Shops and warehouse rent income	80,067,818	71,090,791
Apart hotel rent income	1,347,651	2,467,480
	81,415,469	**73,558,271**
Cost of sales		
Cost of services	(19,802,120)	(20,137,019)
Depreciation expense	(3,776,311)	(3,770,333)
	(23,578,431)	**(23,907,352)**
Gross Profit	**57,837,038**	**49,650,919**

NOTE 11 - MARKETING, SELLING AND DISTRIBUTION EXPENSES AND GENERAL ADMINISTRATIVE EXPENSES

	31 December 2013	**31 December 2012**
Marketing, selling and distribution expenses		
Advertisement expenses	28,004	27,860
	28,004	**27,860**

General administrative expenses	**31 December 2013**	**31 December 2012**
Personnel expenses	1,328,556	1,359,615
Donation expenses	1,017,073	-
Sponsorship expenses	1,000,000	-
Duties, taxes and levies expenses	653,779	605,041
Legal expenses	613,462	598,180
Consultancy expenses	362,786	246,860
Insuarence expenses	23,426	14,190
Provision for doubtful receivables	14,912	354,598
Provision for lawsuits	10,000	117,902
Provision for employment termination benefits	6,668	18,224
Depreciation and amortisation expenses	1,996	3,411
Other	142,982	250,403
	5,175,640	**3,568,424**

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

NOTE 12 - EXPENSES BY NATURE

	31 December 2013	31 December 2012
Depreciation and amortisation		
Cost of sales	3,776,311	3,770,333
General and administrative expenses	1,996	3,411
	3,778,307	**3,773,744**

Allocation of depreciation and amortisation charges

	31 December 2013	31 December 2012
Investment properties (Note 5)	3,758,379	3,758,378
Tangible assets	17,933	13,406
Intangible assets	1,995	1,960
	3,778,307	**3,773,744**

NOTE 13 - OTHER INCOME/EXPENSES

	31 December 2013	31 December 2012
Other operating income		
Shopping Mall - shared area rent income	4,125,695	4,439,041
Reversals from provisions	354,599	440,607
Infrastructure service income	169,492	-
Other	202,156	127,931
	4,851,942	**5,007,579**

Other operating expense

Renovation expenses of work on exterior side	(644,084)	-
Loss on sales of property and equipments	(66,698)	-
Other operating expense	**(710,782)**	**-**

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

NOTE 14 - FINANCIAL INCOME /EXPENSES

Financial income	**31 December 2013**	**31 December 2012**
Interest income	3,199,389	3,263,111
Foreign exchange gains	88,953	98,329
	3,288,342	**3,361,440**

Financial expenses	**31 December 2013**	**31 December 2012**
Foreign exchange losses	(197,061)	(55,768)
Interest expense	(23,870)	(45,899)
	(220,931)	**(101,667)**

NOTE 15 - EARNINGS PER SHARE

The earning 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 share capital amounting to TL13,700,000 within the registered capital limit of TL27,400,000 has been increased to TL37,264,000 from the dividend to be distributed to the shareholders over the profit of 2010 amounting to TL23,564,000. Based on the resolution issued by CMB Decision No. 20/626, dated 30 June 2011, the new issued shares have been registered.at 8 July 2011 to İstanbul Commercial Office.

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.

	31 December 2013	**31 December 2012**
Weighted average number of shares as of the reporting date (per share of TL 1 nominal value)	37,264,000	37,264,000
Net profit	59,841,965	54,321,987
Earnings per share	**1.61**	**1.46**

NOTE 16 - TAX ASSETS AND LIABILITIES

The Company is exempt from corporate income tax in accordance with paragraph 4-d 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.

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

NOTE 17 - RELATED PARTY DISCLOSURES

a) As of 31 December 2013 and 2012 receivables from related parties and due to related parties are as follows:

Receivables from related parties	31 December 2013	31 December 2012
Üçgen Bakım ve Yönetim Hizmetleri A.Ş.	38,621	-
	38,621	**-**

Due to related parties	31 December 2013	31 December 2012
Akkök Sanayi Yatırım ve Geliştirme A.Ş.	21,219	7,053
Aktek Bilgi İletişim Teknoloji San. ve Tic. A.Ş.	1,813	787
Due to shareholders	390	636
	23,422	**8,476**

Advances given	31 December 2013	31 December 2012
Üçgen Bakım ve Yönetim Hizmetleri A.Ş. (Note 7)	13,829,068	2,298,132

b) As of 31 December 2013 and 2012, sales and purchases from related parties are as follows:

Sales to related parties:	31 December 2013	31 December 2012
Akmerkez Lokantacılık Gıda San. Tic. A.Ş.	1,275,018	1,117,166
Tekfen Turizm İşletmeleri A.Ş.	336,040	289,147
Akiş Gayrimenkul Yatırım Ortaklığı A.Ş.	32,840	-
	1,643,898	**1,406,313**

Purchases from related parties:	31 December 2013	31 December 2012
Üçgen Bakım ve Yönetim Hizmetleri A.Ş.	20,354,320	20,622,831
Akkök Sanayi Yatırım ve Geliştirme A.Ş.	113,466	30,033
Saf Gayrimenkul Yatırım Ortaklığı A.Ş.	36,974	-
Aktek Bilgi İşletişim ve Teknoloji Sanayi ve Ticaret A.Ş.	13,399	8,966
Akmerkez Lokantacılık Gıda San. Tic. A.Ş.	3,451	1,082
Akenerji Elektrik Üretim A.Ş.	1,120	-
Akkon Yapı Taahhüt İnşaat A.Ş.	514	-
Ak Depo Lojistik ve Dış Ticaret A.Ş.	-	31,473
Akiş Gayrimenkul Yatırım Ortaklığı A.Ş.	-	409
	20,523,244	**20,694,794**

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

NOTE 17 - RELATED PARTY DISCLOSURES (Continued)

Purchases and sales consist of rent income, purchase and sales of services and similar items. The Company receives services like security, maintenance, repair, cleaning, and management from the related party Üçgen Bakım ve Yönetim Hizmetleri A.Ş. to whom the Company charged TL 7,682,781 regarding the revenues collected on behalf of the Company (2012: TL8,771,249).

c) Remuneration of key management:

	31 December 2013	31 December 2012
Salaries	911,418	930,885

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

The Company's activities expose it to a variety of financial risks, including the effects of changes in debt and equity market prices, foreign currency exchange rates and interest rates. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company.

Liquidity Risk

The ability to fund the Company's financial and trade liabilities are managed by taking into account its expected undiscounted cash flows.

Liquidity risk is the inability of the Company to match the net funding requirements with sufficient liquidity. As of 31 December 2013 the Company's current assets exceeded its current liabilities by TL 47,628,440 (31 December 2012: TL 41,501,332). The management does not anticipate any difficulty on the repayment of the short-term liabilities and continuity of the Company considering the cash that will be generated from rental operations and the ability to reach to the high quality borrowers.

The analysis of the Company's financial liabilities with respect to their maturities as of 31 December 2013 is as follows:

Expected Maturities	Booked value	Cash outflows expected	Shorter than 3 months	3-12 months	1 -5 years	Longer than 5 years
Non-derivate financial liabilities						
Trade payables	225,875	225,875	225,486	389	-	-
Other payables and liabilities	1,000,492	1,000,492	846,554	49,814	23,460	80,664
	1,226,367	**1,226,367**	**1,072,040**	**50,203**	**23,460**	**80,664**

The analysis of the Company's financial liabilities with respect to their maturities as of 31 December 2012 is as follows:

Expected Maturities	Booked value	Cash outflows expected	Shorter than 3 months	3-12 months	1 -5 years	Longer than 5 years
Non-derivate financial liabilities						
Trade payables	169,361	169,361	168,725	636	-	-
Other payables and liabilities	1,034,559	1,034,559	905,987	11,669	61,200	55,703
	1,203,920	**1,203,920**	**1,074,712**	**12,305**	**61,200**	**55,703**

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

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

Interest rate risk

The Company is exposed to interest rate risk through the impact of rate changes on interest bearing assets and liabilities. These exposures are managed by offsetting interest rate sensitive assets and liabilities and using derivative instruments when considered necessary.

In this context, matching of not only maturities of receivables and payables but also contractual repricing dates are crucial. In order to keep the exposure of financial liabilities to interest rate changes at a minimum, "fixed interest/floating interest", "short-term/long-term", "TL/foreign currency" balance should be structured consistent within and with assets in the balance sheet.

The interest position as of 31 December 2013 and 2012 is set out in the table below :

	31 December 2013	31 December 2012
Financial instruments with fixed interest		
Time deposits	48,795,388	44,074,749

As of 31 December 2013 and 2012, there are no financial instruments with variable interest.

Credit risk

The Company is subject to credit risk arising from trade receivables related to credit sales and deposits at banks.

The Company management evaluates trade receivables taking into consideration the collaterals received, past experiences and current economic outlook and makes provisions for doubtful receivables when deemed necessary. The Company management does not foresee additional risk related to the Company's trade receivables other than the related provisions made.

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

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

Credit risk disclosures

Credit and receivable risk of financial instruments as of 31 December 2013 is as follows:

	Receivables					
	Trade Receivables		Other Receivables			
31 December 2013	**Related party**	**Third party**	**Related party**	**Third party**	**Bank deposits**	**Other**
Maximum credit risk exposed as of the reporting date (A+B+C+D) (*)	**38,621**	**2,227,415**	**-**	**3,607**	**48,901,525**	**-**
-Secured portion of the maximum credit risk by guarantees	-	157,053	-	-	-	-
A. Net book value of financial assets that are neither overdue nor impaired	38,621	1,827,589	-	3,405	48,901,525	-
B. Book value of financial assets whose conditions are revised and which otherwise would be considered as overdue or impaired	-	-	-	-	-	-
C. Net book value of overdue assets that are not impaired	-	399,826	-	202	-	-
- Secured portion by guarantees, etc. (**)	-	157,053	-	-	-	-
D. Net book values of impaired assets	-	-	-	-	-	-
- Overdue (gross book value)	-	3,167,871	-	-	-	-
- Impairment (-)	-	(3,167,871)	-	-	-	-
- Secured portion by guarantees, etc.	-	-	-	-	-	-

(*) In determining the amount of credit risk exposed, factors that increase credit reliability, i.e. the guarantees received, are not taken into consideration.

(**) The amounting to TL73.424 are notes and TL 83.629 are bank guarantee letters of overdue assets that are not impaired.

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

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

Credit risk disclosures

Credit and receivable risk of financial instruments as of 31 December 2012 is as follows:

	Receivables					
	Trade Receivables		Other Receivables			
31 December 2012	**Related party**	**Third party**	**Related party**	**Third party**	**Bank deposits**	**Other**
Maximum credit risk exposed as of the reporting date (A+B+C+D) (*)	**-**	**557,985**	**-**	**202**	**44,181,745**	**-**
-Secured portion of the maximum credit risk by guarantees	-	169,708	-	-	-	-
A. Net book value of financial assets that are neither overdue nor impaired	-	280,169	-	-	44,181,745	-
B. Book value of financial assets whose conditions are revised and which otherwise would be considered as overdue or impaired	-	-	-	-	-	-
C. Net book value of overdue assets that are not impaired	-	277,816	-	202	-	-
- Secured portion by guarantees, etc. (**)	-	169,708	-	-	-	
D. Net book values of impaired assets	-	-	-	-	-	-
- Overdue (gross book value)	-	3,507,557	-	-	-	-
- Impairment (-)	-	(3,507,557)	-	-	-	-
- Secured portion by guarantees, etc.	-	-	-	-	-	-

(*) In determining the amount of credit risk exposed, factors that increase credit reliability, i.e. the guarantees received, are not taken into consideration.

(**) The amounting to TL141,981 are cheques,TL14,161 are notes and TL13,566 are bank guarantee letters of overdue assets that are not impaired.

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

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

As of 31 December 2013, aging of financial assets that are past due but not impaired is as follows:

	Trade receivables
0-1 months past due	298,565
1-3 months past due	3,497
3-12 months past due	97,764
1-5 years past due	-
More than 5 years past due	-
	399,826

As of 31 December 2012, aging of financial assets that are past due but not impaired is as follows:

	Trade receivables
0-1 months past due	174,160
1-3 months past due	100,088
3-12 months past due	36
1-5 years past due	3,532
More than 5 years past due	-
	277,816

Foreign Currency Risk

The Company's foreign currency balances arising from operating, investment, and financial activities are disclosed below as of the reporting date. The Company may be exposed to foreign currency risk due to foreign exchange differences at the time its foreign currency receivables and payables are converted to Turkish Lira. The foreign currency risk is monitored through continuous analysis of the foreign currency position and measured on the basis of sensitivity analyses.

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

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

As of 31 December 2013 and 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:

31 December 2013	USD	TL Equivalent
Current assets		
Trade receivables	592,536	1,264,650
Monetary financial assets	26,145	55,801
Total assets	**618,681**	**1,320,451**
Current liabilities		
Other monetary financial liabilities	(144,650)	(308,726)
Other non-monetary financial liabilities	(23,340)	(49,815)
Non-current liabilities		
Other non-monetary financial liabilities	(48,786)	(104,124)
Total liabilities	**(216,776)**	**(462,665)**
Net Foreign Currency Liability Position	**401,905**	**857,786**
Monetary Items Net Foreign Currency Liability Position	**474,031**	**1,011,725**

31 December 2012	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 Liability Position	**(199,105)**	**(354,925)**
Monetary Items Net Foreign Currency Liability Position	**(126,979)**	**(226,353)**

The table below shows the Company's sensitivity for 10% fluctuation of USD. These amounts represent the effect on comprehensive income of 10% fluctuation of USD against TL. During this analysis all other variables especially interest rate are assumed to remain constant.

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

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

Foreign currency sensitivity analysis as of 31 December 2013 and 2012 are as follows:

31 December 2013	**Profit/loss**		**Equity**	
	Value increase in foreign currency	**Loss in value of foreign currency**	**Value increase in foreign currency**	**Loss in value of foreign currency**
When USD changes by 10% against TL:				
Net assets/(liabilities) in US	85,779	(85,779)	-	-
Hedged portion	-	-	-	-
USD Net effect	85,779	(85,779)	**-**	**-**

31 December 2012	**Profit/loss**		**Equity**	
	Value increase in foreign currency	**Loss in value of foreign currency**	**Value increase in foreign currency**	**Loss in value of foreign currency**
When USD changes by 10% against TL:				
Net assets/(liabilities) in US	(35,493)	35,493	-	-
Hedged portion	-	-	-	-
USD Net effect	**(35,493)**	**35,493**	**-**	**-**

Capital Risk Management

For proper management of capital risk, the Company aims;

- to maintain continuity of operations so as to provide earnings to partners and benefits to other shareholders, and
- to increase profitability through determining a service pricing policy that is commensurate with the level of risks inherent in the market.

The Company determines the amount of share capital in proportion to the risk level. The equity structure of the Company is arranged in accordance with the economic outlook and the risk attributes of assets.

The Company monitors capital management by using the debt/equity ratio. This ratio is calculated by dividing the debt, net, by the total share capital. The net debt is calculated by deducting the value of cash and cash equivalents from the total debt (the sum of short and long term liabilities stated in the statement of financial position). The total share capital is the sum of all equity items stated in the statement of financial position.

	31 December 2013	**31 December 2012**
Total debt (*)	3,706,775	3,397,416
Less: cash and cash equivalents (Note 3)	48,904,930	(44,185,898)
Net asset	(45,198,155)	(40,788,482)
Total equity (Note 8)	193,817,323	179,344,278
Net debt (asset) / equity ratio	**(23%)**	**(23%)**

(*) The balance covers the sum of short term and long term liabilities.

NOTE 19 - FINANCIAL INSTRUMENTS (DISCLOSURES RELATED TO FAIR VALUE AND HEDGE ACCOUNTING)

Fair value of financial instruments

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and is best evidenced by a quoted market price, if one exists.

The fair values of financial instruments that are not traded in an active market have been determined by the Company using available market information and appropriate valuation methodologies. However, judgement is necessarily required to interpret market data to estimate the fair value. Accordingly, the estimates presented herein may differ from the amounts the Company could realise in a current market exchange.

The following methods and assumptions were used to estimate the fair value of the financial instruments for which it is practicable to estimate fair value:

Financial assets:

The fair values of cash and due from banks are considered to approximate their respective carrying values due to their short-term nature.

Values appraised by the independent valuation expert are disclosed within notes to financial statements regarding the fair values of investment properties.

The carrying value of trade receivables, which are measured at amortised cost, along with the related allowances for uncollectability are assumed to approximate their fair values.

The fair values of balances denominated in foreign currencies, which are translated at year-end official exchange rates announced by the Central Bank of Turkey, are considered to approximate their carrying value.

Financial liabilities:

The Company has no financial assets held for speculative purposes (including derivative instruments) and has no operations related to the trade of such instruments.

The fair value of the short term bank loans with fixed interest rate is assumed to be equivalent to the recorded values computed by adding the accrued interest liabilities calculated over the effective interest rate as of the reporting dates on the cost of the mentioned financial debts.

Employment termination benefits are accounted for at their discounted amounts.

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

NOTE 20 - SUBSEQUENT EVENTS

The ceiling for the employment termination benefit which amounted to TL3,254.44 as of 31 December 2013 has been increased to TL 3,438.22 with effect from 1 January 2014 (31 December 2012: TL3,033.98).

As per the Board resolutions taken on 2 January 2014 and 3 February 2014 decisions are made upon to make a 15% discount over the dollar-denominated rental fees of the tenants of Akmerkez Ticaret Merkezi. This resolution comprises the period January 2014 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 TL1.90) and February 2014 (USD1 is not below TL1.95) 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 21 - OTHER ISSUES MATERIALLY AFFECTING THE FINANCIAL STATEMENTS AND REQUIRING DISCLOSURE FOR UNDERSTANDING OF THE FINANCIAL STATEMENTS

a) Insurance coverage on assets as of 31 December 2013 and 2012 is as follows;

31 December 2013 :	140,100,000	USD
31 December 2012 :	140,100,000	USD

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 - 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 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, USD1 is not below TL1.80 for October 2013 to December 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%, for the period between October-December 2013 discount was decided over the USD denominated rental fees of the tenants. For the period January 2014 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 TL1.90) and February 2014 (USD1 is not below TL1.95) in that the USD rate defined is not to be regarded as a reduction in rental fees and/or amendment of the rental contract.

c) Under Akmerkez Ticaret Merkezi of the renovation of the exterior side regarding the renewal of the Municipality, the construction license was taken on 6 December 2013. The contractor of renovation of the exterior side has been selected as Akkon Yapı Taahhüt İnşaat ve Müşavirlik A.Ş.

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

NOTE 22 - 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 December 2013 and 2012:

	Non-consolidated (stand-alone) financial statement accounts items	**31 December 2013**	**31 December 2012**
A	Cash and capital market instruments	48,904,930	44,185,898
B	Real estate, real estate-based project, Real estate-based rights	132,491,102	135,512,851
C	Affiliates	-	-
	Due from related parties (non-trade)	-	-
	Other Assets	16,128,066	3,042,945
D	**Total Assets**	**197,524,098**	**182,741,694**
E	Borrowings	-	-
F	Other financial liabilities	-	-
G	Leasing obligation	-	-
H	Due to related parties (non-trade)	389	636
I	Equity	193,817,323	179,344,278
	Other Liabilities	3,706,386	3,396,780
D	**Total Liabilities**	**197,524,098**	**182,741,694**

	Other non-consolidated (stand-alone) financial information	**31 December 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	48,901,525	44,181,745
A3	Foreign capital market instruments	-	-
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	-	-

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

NOTE 22 - SUPPLEMENTARY NOTE: CONTROL OF COMPLIANCE WITH PORTFOLIO RESTRICTIONS (Continued)

	Portfolio Restriction	**31 December 2013**	**31 December 2012**	**Minumum / 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)	67%	74%	≥%51
3	Cash and capital market instruments and Affiliates (A+C-A1)/D)	25%	24%	≤%49
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	-	-	≤%500
8	TL/foreign currency denominated time/demand deposits (A2-A1)/D (*)	25%	24%	≤%10

(*) As of 31 December 2013, the fair value of the investment property amounts to TL984.257.000 (Note 5), 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 TL132,491,102 at the same date. When the fair value of the investment property is taken into consideration, the ratio of TL/foreign currency denominated time/demand deposit to total assets is 4.7% at 31 December 2013 (31 December 2012: 4.5%).

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