

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

**CONVENIENCE TRANSLATION OF
THE CONDENSED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD 1 JANUARY - 30 SEPTEMBER 2012
TOGETHER WITH AUDITOR'S REVIEW REPORT**

(ORIGINALLY ISSUED IN TURKISH)



**CONVENIENCE TRANSLATION OF
THE INDEPENDENT AUDITOR'S REVIEW REPORT
(ORIGINALLY ISSUED IN TURKISH)**

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

Introduction

1. We have reviewed the accompanying condensed balance sheet of Akmerkez Gayrimenkul Yatırım Ortaklığı A.Ş. ("the Company") as of 30 September 2012 and the related condensed statements of comprehensive income, changes in equity and cash flows for the nine-month period then ended. Management is responsible for the preparation and fair presentation of these condensed interim financial statements in accordance with financial reporting standards endorsed by the Capital Markets Board of Turkey. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of review

2. We conducted our review in accordance with the principles and standards on the review of interim financial information as set out in Section 34 of the Communiqué No: X-22 on the auditing standards issued by the Capital Markets Board. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with independent auditing standards issued by the Capital Markets Board and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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



Additional paragraph for convenience translation into English

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

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

A handwritten signature in blue ink, appearing to be "Cansen Başaran Symes", written in a cursive style.

Cansen Başaran Symes, SMMM
Partner

Istanbul, 1 November 2012

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

INTERIM FINANCIAL STATEMENTS AT 30 SEPTEMBER 2012

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AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.**CONVENIENCE TRANSLATION OF THE CONDENSED BALANCE SHEETS
AT 30 SEPTEMBER 2012 AND 31 DECEMBER 2011**

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

	Notes	30 September 2012	31 December 2011
ASSETS			
Current assets		31,089,905	26,509,293
Cash and cash equivalents	3	28,483,214	25,689,014
Trade receivables	4	1,574,967	813,643
Other current assets	7	1,031,724	6,636
Non-current assets		137,454,769	139,998,478
Investment property	5	136,361,347	139,271,229
Property and equipment		176,332	1,452
Intangible assets		7,138	4,620
Other non-current assets	7	909,952	721,177
Total assets		168,544,674	166,507,771
LIABILITIES			
Current liabilities		3,137,397	5,099,886
Trade payables			
-Due to related parties	4, 16	25,772	2,108
-Other trade payables	4	382,554	144,400
Other payables	4	819,850	759,960
Debt provisions	6	739,698	3,012,160
Other current liabilities	7	1,169,523	1,181,258
Non-current liabilities		146,151	239,514
Provision for employment termination benefits		18,509	74,624
Other liabilities	7	127,642	164,890
Equity		165,261,126	161,168,371
Share capital	8	37,264,000	37,264,000
Adjustment to share capital	8	27,745,263	27,745,263
Restricted reserves	8	41,150,403	35,622,015
Retained earnings	8	18,862,625	18,523,535
Net income for the period	8	40,238,835	42,013,558
Total liabilities and equity		168,544,674	166,507,771

These interim financial statements for the period ended 30 September 2012 have been approved by the Board of Directors meeting held on 1 November 2012.

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

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE CONDENSED STATEMENTS OF COMPREHENSIVE INCOME FOR THE INTERIM PERIODS ENDED 30 SEPTEMBER 2012 AND 2011

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

		<i>Reviewed</i> 1 January - 30 September 2012	<i>Not Reviewed</i> 1 April - 30 September 2012	<i>Reviewed</i> 1 January - 30 September 2011	<i>Not Reviewed</i> 1 April - 30 September 2011
	Notes				
CONTINUING OPERATIONS:					
OPERATING INCOME					
Sales - net	9	54,428,692	17,849,952	45,086,625	16,191,201
Cost of sales (-)	9	(17,801,708)	(6,076,355)	(16,173,373)	(5,482,037)
Gross profit		36,626,984	11,773,597	28,913,252	10,709,164
General administrative expenses (-)		(2,306,749)	(743,390)	(2,964,768)	(982,461)
Other operating income	11	3,545,798	967,901	3,743,763	1,002,139
Other operating expense (-)	11	(97,151)	(31,214)	(570,833)	(992)
Operating profit		37,768,882	11,966,894	29,121,414	10,727,850
Financial income	12	2,563,464	603,580	2,892,676	221,055
Financial expenses (-)	13	(93,511)	(7,751)	(2,883,154)	(50,806)
Continuing operations profit before tax		40,238,835	12,562,723	29,130,936	10,898,099
Tax income/expenses from continuing operations		-	-	-	-
Continuing operations net profit for the period		40,238,835	12,562,723	29,130,936	10,898,099
Other comprehensive income		-	-	-	-
Total comprehensive income		40,238,835	12,562,723	29,130,936	10,898,099
Earnings per share	15	1.08	0.34	0.78	0.29

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

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

**CONVENIENCE TRANSLATION OF THE CONDENSED STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE MONTH INTERIM PERIODS ENDED 30 SEPTEMBER 2012 AND 2011**

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

	Notes	Share capital	Adjustment to share capital	Restricted reserves	Retained earnings	Net profit for the period	Total equity
1 January 2011		13,700,000	27,745,263	33,334,115	15,139,347	29,236,088	119,154,813
Capital increase	8	23,564,000	-	2,287,900	3,384,188	(29,236,088)	-
Net profit for the period	8	-	-	-	-	29,130,936	29,130,936
30 September 2011		37,264,000	27,745,263	35,622,015	18,523,535	29,130,936	148,285,749
1 January 2012		37,264,000	27,745,263	35,622,015	18,523,535	42,013,558	161,168,371
Transfers	8	-	-	5,528,388	36,485,170	(42,013,558)	-
Dividends paid	8	-	-	-	(36,146,080)	-	(36,146,080)
Net profit for the period	8	-	-	-	-	40,238,835	40,238,835
30 September 2012		37,264,000	27,745,263	41,150,403	18,862,625	40,238,835	165,261,126

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

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.**CONVENIENCE TRANSLATION OF THE CONDENSED
STATEMENTS OF CASH FLOWS FOR THE NINE MONTH INTERIM
PERIODS ENDED 30 SEPTEMBER 2012 AND 2011**

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

	Notes	1 January - 30 September 2012	1 January - 30 September 2011
Cash flows from operating activities			
Profit before tax		40,238,835	29,130,936
Adjustments to reconcile net cash generated from operating activities to income before tax			
Depreciation	10	2,915,783	2,973,260
Provision for employment termination benefits		11,391	30,968
Debt provisions	6	97,151	175,589
Provision for doubtful receivables	10	-	138,728
Rediscount on notes receivable and cheques		-	(2,390)
Interest income	12	(2,473,071)	(665,882)
Accrued expenses		23,874	48,138
Interest expense	13	41,516	479,214
Reversal of provisions	6	(305,323)	-
Operating profit before changes in net working capital		40,550,156	32,308,561
Decrease in accounts receivable		(778,707)	553,176
(Increase)/decrease in other assets		(1,213,863)	5,977,559
Increase in accounts payable		261,818	197,339
Increase in other payables		22,642	712,259
Doubtful receivables collection		17,383	-
Payments against provisions		(2,079,638)	-
Increase in other liabilities		(35,609)	349,046
Employment termination benefits paid		(67,506)	-
Net cash generated from operating activities		36,676,676	40,097,940
Interest received		2,394,912	625,894
Purchases of tangible and intangible assets		(183,299)	-
Additions to investment property	5	-	(11,053,115)
Net cash used in investing activities		2,211,613	(10,427,221)
Repayments of borrowings		-	(26,103,692)
Dividends paid		(36,146,080)	-
Interests paid		(26,168)	(926,126)
Net cash used in financing activities		(36,172,248)	(27,029,818)
Net increase in cash and cash equivalents		2,716,041	2,640,901
Cash and cash equivalents at the beginning of the period		25,613,500	8,895,501
Cash and cash equivalents at the end of the period	3	28,329,541	11,536,402

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

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2012

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

NOTE 1 - ORGANISATION AND NATURE OF OPERATIONS

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

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

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

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

The Company's shares have been quoted on the Istanbul Stock Exchange ("ISE") since 15 April 2005 and as of 30 September 2012, 50.27% of these shares are publicly quoted shares.

The shareholding structure as of 30 September 2012 and 31 December 2011 is as follows:

	30 September 2012	31 December 2011
Akkök Sanayi Yatırım ve Geliştirme A.Ş.	13.12%	13.12%
Tekfen Holding A.Ş.	10.79%	10.79%
Quoted to İstanbul Stock Exchange	50.27%	50.04%
Other *	25.82%	26.05%
Total	100.00%	100.00%

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

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

	30 September 2012	31 December 2011
Administrative	4	4

**CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED
FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED
30 SEPTEMBER 2012**

(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 CMB regulated the principles and procedures of preparation, presentation and announcement of financial statements prepared by the entities with the Communiqué No. XI-29, “Principles of Financial Reporting in Capital Markets” (“the Communiqué”). According to the Communiqué, entities shall prepare their financial statements in accordance with International Financial Reporting Standards (“IAS/IFRS”) endorsed by the European Union. Until the differences of the IAS/IFRS as endorsed by the European Union from the ones issued by the International Accounting Standards Board (“IASB”) are announced by the Turkish Accounting Standards Board (“TASB”), IAS/IFRS issued by the IASB shall be applied. Accordingly, Turkish Accounting Standards/Turkish Financial Reporting Standards (“TAS/TFRS”) issued by the TASB, which are in line with the aforementioned standards shall be considered.

The Company prepares its financial statements within the framework of Communiqué XI, No:29 and related promulgations to this Communiqué as issued by CMB, in accordance with the CMB Financial Reporting Standards which are based on IAS/IFRS and prepares its condensed interim financial statements also in accordance with IAS 34 “Interim Financial Reporting”. The condensed interim financial statements and the related notes to them are presented in accordance with the formats recommended by the CMB and including the compulsory disclosures.

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

Adjustment of Financial Statements During Hyper-Inflationary Periods:

With the decision taken on 17 March 2005, the CMB announced that, effective from 01 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 01 January 2005.

Functional and presentation currency

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

2.1.2 Compliance with portfolio restrictions

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

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2012

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

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

2.2. Summary of Significant Accounting Policies

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

The Company complies with the principles and articles of applicable commercial laws and regulations and Communiqués announced by CMB in the accounting records and the preparation of the financial statements.

In order to determine the financial status and performance trends, the financial statements of the Company have been prepared in comparison with the financial statements of previous periods. The Company prepared its balance sheet as of 30 September 2012 in comparison with the balance sheet prepared as of 31 December 2011; prepared the statement of income, statement of changes in shareholders' equity and cash flow statement between 01 January – 30 September 2012 in comparison with 01 January - 30 September 2011. Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current period.

2.2.2 Changes in standards and interpretations

The standards listed below and the changes and comments introduced to the prior standards have been enforced as of 1 January 2012:

- IFRS 7 (amendment), "Financial instruments: Disclosures", is effective for annual periods beginning on or after 1 July 2011. This amendment will promote transparency in the reporting of transfer transactions and improve users' understanding of the risk exposures relating to transfers of financial assets and the effect of those risks on an entity's financial position, particularly those involving securitisation of financial assets. Comparative information is not needed in the first year of adoption. Earlier adoption is permitted.
- IFRS 1 (amendment), "First-time adoption of IFRS", is effective for annual periods beginning on or after 1 July 2011. These amendments include two changes to IFRS 1. The amendment provides guidance on how an entity should resume presenting financial statements in accordance with IFRSs after a period when the entity was unable to comply with IFRSs because its functional currency was subject to severe hyperinflation. Earlier adoption is permitted.
- IAS 12 (amendment), "Income taxes" on deferred tax, is effective for annual periods beginning on or after 1 January 2012. This amendment introduces an exception to the existing principle for the measurement of deferred tax assets or liabilities arising on investment property measured at fair value. Early adoption is permitted.

Standards, amendments and interpretations not yet effective as of 30 September 2012 and not early adopted by the Company:

- IAS 19 (amendment), "Employee benefits", is effective for annual periods beginning on or after 1 January 2013. These amendments eliminate the corridor approach and calculate finance costs on a net funding basis. Early adoption is permitted.

**CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED
FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED
30 SEPTEMBER 2012**

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

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

- IAS 1 (amendment), "Presentation of financial statements", regarding other comprehensive income is effective for annual periods beginning on or after 1 July 2012. The main change resulting from these amendments is a requirement for entities to group items presented in 'other comprehensive income' (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The amendments do not address which items are presented in OCI. Early adoption is permitted.
- IFRS 9, "Financial instruments: Classification and Measurement", is effective for annual periods beginning on or after 1 January 2015. The standard addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments.
- IFRS 10, "Consolidated financial statements", is effective for annual periods beginning on or after 1 January 2013. The standard builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess.
- 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. Proportional consolidation of joint ventures is no longer allowed.
- IFRS 12, "Disclosures of interests in other entities", is effective for annual periods beginning on or after 1 January 2013. The standard includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles.
- IFRS 13, "Fair value measurement", is effective for annual periods beginning on or after 1 January 2013. The standard aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs.
- IAS 27 (revised), "Separate financial statements", is effective for annual periods beginning on or after 1 January 2013. The standard includes the provisions on separate financial statements that are left after the control provisions of IAS 27 have been included in the new IFRS 10.
- IFRIC 20, "Stripping costs in the production phase of a surface mine" is effective for annual periods beginning on or of 1 January 2013. This interpretation sets out the accounting for overburden waste removal (stripping) costs in the production phase of a mine.
- IAS 28 (revised), "Associates and joint ventures", is effective for annual periods beginning on or after 1 January 2013. The standard includes the requirements for joint ventures, as well as associates, to be equity accounted following the issue of IFRS 11.
- IFRS 7 (amendment), "'Financial instruments: Disclosures', on offsetting financial assets and financial liabilities", is effective for annual periods beginning on or after 1 January 2013. These new disclosures are intended to facilitate comparison between those entities that prepare IFRS financial statements and those that prepare US GAAP financial statements.

**CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED
FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED
30 SEPTEMBER 2012**

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

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

- IAS 32 (amendment), "Financial instruments: Presentation", on offsetting financial assets and financial liabilities", is effective for annual periods beginning on or after 1 January 2014. This amendment updates the application guidance in IAS 32, 'Financial instruments: Presentation', to clarify some of the requirements for offsetting financial assets and financial liabilities on the balance sheet.
- IFRS 1 (amendment), "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 IFRSs 2011 is effective for annual periods beginning on or after 1 January 2013. Amendments effect five standards: IFRS 1, IAS 1, IAS 16, IAS 32 and IAS 34.

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

2.3 Restatement and the errors in the Accounting estimates

Material changes in accounting policies or material errors are corrected, retrospectively by restating the prior period financial statements. The effect of changes in accounting estimates affecting the current period is recognized in the current period; the effect of changes in accounting estimates affecting current and future periods is recognized in the current and future periods. For the period 1 January – 30 September 2012 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 2011. Accordingly, these condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2011.

2.5 Significant Accounting Estimates and Assumptions

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

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2012

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

NOTE 3 - CASH AND CASH EQUIVALENTS

The details of cash and cash equivalents as of 30 September 2012 and 31 December 2011 are as follows:

	30 September 2012	31 December 2011
Cash	4,939	4,219
Banks		
- TL time deposit	28,347,673	25,075,514
- TL demand deposit	99,038	523,577
- Foreign currency denominated demand deposit	31,564	85,704
	28,483,214	25,689,014

As of 30 September 2012, the interest rate on TL deposit accounts at banks is between 8.3% and 9.2% and the accrued interest is TL153,673 (31 December 2011: the interest rate on TL deposit accounts at banks is 12.25% and the accrued interest is TL75,514). The maturity of time deposits is less than one month (31 December 2011: less than one month).

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

	30 September 2012	31 December 2011	30 September 2011	31 December 2010
Cash and cash equivalents	28,483,214	25,689,014	11,586,567	8,905,678
Less: accrued interest	(153,673)	(75,514)	(50,165)	(10,177)
	28,329,541	25,613,500	11,536,402	8,895,501

NOTE 4 - TRADE AND OTHER RECEIVABLES AND PAYABLES

Short-term trade receivables	30 September 2012	31 December 2011
Trade receivables	4,176,646	3,983,985
Notes and post-dated cheques receivable	551,280	-
	4,727,926	3,983,985
Less: Provision for doubtful receivables	(3,152,959)	(3,170,342)
	1,574,967	813,643

Short-term trade payables	30 September 2012	31 December 2011
Trade payables	382,554	144,400
Due to related parties (Note 16)	25,772	2,108
	408,326	146,508

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2012

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

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

As of 30 September 2012 and 31 December 2011, there are no other receivables.

Short-term other payables	30 September 2012	31 December 2011
Taxes payables and other taxes	813,873	755,176
Social security premiums payable	5,977	4,784
	819,850	759,960

NOTE 5 - INVESTMENT PROPERTY

The movements of the investment property for the nine-month interim periods ended 30 September 2012 and 2011 are as follows:

	1 January 2012	Additions	Transfers	30 September 2012
Cost				
Buildings	174,404,180	-	-	174,404,180
Construction in progress	9,458,757	-	-	9,458,757
	183,862,937	-	-	183,862,937
Accumulated amortisation				
Buildings	44,591,708	2,909,882	-	47,501,590
	44,591,708	2,909,882	-	47,501,590
Net book value	139,271,229			136,361,347
	1 January 2011	Additions	Transfers	30 September 2011
Cost				
Buildings	172,387,423	-	2,016,757	174,404,180
Construction in progress	422,398	11,053,115	(2,016,757)	9,458,756
	172,809,821	11,053,115	-	183,862,936
Accumulated amortisation				
Buildings	40,843,834	2,899,376	-	43,743,210
	40,843,834	2,899,376	-	43,743,210
Net book value	131,965,987			140,119,726

The fair value of the Company's investment property based on the valuation report of EVA Gayrimenkul Değerleme Danışmanlık A.Ş. dated 31 December 2011 amount to TL1,002,060,000 (As of 31 December 2010, the fair value of the Company's investment property based on the valuation report of EVA Gayrimenkul Değerleme Danışmanlık A.Ş. amount to TL809,457,000).

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2012

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

NOTE 6 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Real rights on immovables are as follows:

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

Type of guarantees received	Currency of denomination	Amount	30 September 2012
Guarantee notes received	USD	2,625,631	4,685,964
Letters of guarantees received	USD	2,155,364	3,846,678
Guarantee cheques received	TL	581,000	581,000
			9,113,642

Type of guarantees received	Currency of denomination	Amount	31 December 2011
Guarantee notes received	USD	2,541,003	4,799,700
Letters of guarantees received	USD	1,993,045	3,764,663
Guarantee cheques received	TL	510,000	510,000
			9,074,363

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 as of 30 September 2012 and 31 December 2011:

	30 September 2012	31 December 2011
CPM's given by the company		
(Collaterals, Pledges, Mortgages)		
A, CPM's given for companies own legal personality	251,729	2,209,229
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
	251,729	2,209,229

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

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2012

(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 30 September 2012 is TL739,698 (30 September 2011: TL2,977,652). The movement of provision for lawsuits is as follows:

	2012	2011
1 January	3,012,160	2,802,063
Increase during the period	97,151	-
Foreign exchange differences and interests	15,348	175,589
Paid charges	(2,079,638)	-
Reversals during the period	(305,323)	-
30 September	739,698	2,977,652

NOTE 7 - OTHER ASSETS AND LIABILITIES

The details of other assets and other liabilities as of 30 September 2012 and 31 December 2011 are as follows:

	30 September 2012	31 December 2011
Other current assets:		
Advances given (*)	850,013	-
Prepaid expenses	181,711	6,636
	1,031,724	6,636

(*) Consists of advance given for the management expenses to Üçgen Bakım A.Ş.

	30 September 2012	31 December 2011
Other non-current assets		
Advances given (*)	909,748	720,975
Other	204	202
	909,952	721,177

(*) Consists of advances given for the renovation work on exterior side of the shopping mall.

	30 September 2012	31 December 2011
Other current liabilities		
Deferred income	1,102,791	1,052,465
Advances received	41,777	93,148
Expense accruals	23,874	35,645
Deposits and guarantees received	1,081	-
	1,169,523	1,181,258

	30 September 2012	31 December 2011
Other non-current liabilities		
Deposits and guarantees received	127,642	164,890

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2012

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

NOTE 8 - EQUITY

At 30 September 2012 and 31 December 2011 the issued and fully paid-in share capital held is as follows:

Shareholders	30 September 2012		31 December 2011	
	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	50.27	18,734,104	50.04	18,646,906
Other (*)	25.82	9,619,157	26.05	9,706,355
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.

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

	30 September 2012	31 December 2011
Share capital	37,264,000	37,264,000
Adjustment to share capital	27,745,263	27,745,263
Restricted reserves		
- Legal reserves	41,150,403	35,622,015
Retained earnings	18,862,625	18,523,535
Net income for the period	40,238,835	42,013,558
	165,261,126	161,168,371

Retained earnings consist of the following (TL) :

	30 September 2012	31 December 2011
Prior years' income	1,352,187	1,174,882
Extraordinary reserves	13,527,222	13,365,437
Inflation difference in extraordinary reserves	521,985	521,985
Inflation difference in legal reserves	3,461,231	3,461,231
	18,862,625	18,523,535

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.**CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED
FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED
30 SEPTEMBER 2012**

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

NOTE 9 - OPERATING INCOME

	1 January - 30 September 2012	1 July - 30 September 2012	1 January - 30 September 2011	1 July - 30 September 2011
Sales				
Shops and warehouse rent income	52,539,180	17,264,454	43,306,249	15,543,753
Apart hotel rent income	1,889,512	585,498	1,780,376	647,448
Total rent income	54,428,692	17,849,952	45,086,625	16,191,201
Cost of sales				
Cost of services	(14,888,839)	(5,103,406)	(13,273,997)	(4,493,847)
Depreciation expense	(2,912,869)	(972,949)	(2,899,376)	(988,190)
	(17,801,708)	(6,076,355)	(16,173,373)	(5,482,037)
Gross profit	36,626,984	11,773,597	28,913,252	10,709,164

NOTE 10 - EXPENSES BY NATURE

	1 January - 30 September 2012	1 July - 30 September 2012	1 January - 30 September 2011	1 July - 30 September 2011
Cost of services	14,888,839	5,103,406	13,273,997	4,493,847
Depreciation and amortisation expenses	2,915,783	973,447	2,973,260	1,014,140
Personnel expenses	985,816	351,961	843,223	273,895
Legal expenses	489,720	158,050	906,607	343,038
Insurance, duties, taxes and levies expenses	459,353	153,602	418,496	102,998
Consultancy expenses	160,652	36,921	125,025	40,401
Provision for lawsuits	97,151	31,214	175,589	59,442
Provision for doubtful receivables	-	-	138,728	-
Other	111,143	11,144	283,216	136,737
	20,108,457	6,819,745	19,138,141	6,464,498
Depreciation and amortisation expenses				
Cost of sales	2,912,869	972,949	2,899,376	988,190
General administrative expenses	2,914	498	73,884	25,950
	2,915,783	973,447	2,973,260	1,014,140

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2012

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

NOTE 11 - OTHER INCOME/EXPENSES

	1 January - 30 September 2012	1 July - 30 September 2012	1 January - 30 September 2011	1 July - 30 September 2011
Other operating income				
Rent income of the common areas	3,130,343	933,266	3,052,165	935,877
Reversal of provisions	322,705	-	-	-
Infrastructure service income	-	-	569,597	22,737
Other income	92,750	34,635	122,001	43,525
	3,545,798	967,901	3,743,763	1,002,139
Other operating expense				
Provision expense	(97,151)	(31,214)	-	-
Compensation expense (*)	-	-	(569,841)	-
Other	-	-	(992)	(992)
Other operating income	(97,151)	(31,214)	(570,833)	(992)
Other operating income - net	3,448,647	936,687	3,172,930	1,001,147

(*) Compensation paid to tenants who were discharged prior to their contract expiration date.

NOTE 12 - FINANCIAL INCOME

	1 January - 30 September 2012	1 July - 30 September 2012	1 January - 30 September 2011	1 July - 30 September 2011
Financial income				
Interest income	2,473,071	586,788	665,882	149,218
Foreign exchange income	90,393	16,792	2,224,401	71,837
Rediscount interest income	-	-	2,393	-
Total	2,563,464	603,580	2,892,676	221,055

NOTE 13 - FINANCIAL EXPENSES

	1 January - 30 September 2012	1 July - 30 September 2012	1 January - 30 September 2011	1 July - 30 September 2011
Financial expenses				
Foreign exchange expense	51,995	2,430	2,403,937	(1,455)
Interest expense	41,516	5,321	479,214	52,261
Rediscount interest expenses	-	-	3	-
Total	93,511	7,751	2,883,154	50,806

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2012

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

NOTE 14 - TAX ASSETS AND LIABILITIES

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

NOTE 15 - EARNINGS PER SHARE

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

The companies in Turkey are allowed to increase their paid-in capital by issuing "free shares" which represent the increases from retained earnings and revaluation funds. The issue of such shares is treated as the issuance of ordinary shares in the calculation of earnings per share. The weighted average number of shares includes such shares and their retrospective effects. The 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. Accordingly, at 8 July 2011, the increased capital has been registered to İstanbul Commercial Office and after registration, the Company's share capital consists of 25,060,055 shares in average, of TL1 nominal value each.

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

	1 January - 30 September 2012	1 July - 30 September 2012	1 January - 30 September 2011	1 July - 30 September 2011
Weighted average number of shares as of the reporting date (per share of TL 1 nominal value)	37,264,000	37,264,000	37,264,000	37,264,000
Net profit for the period	40,238,835	12,562,723	29,130,936	10,898,099
Earnings per share	1,08	0,34	0,78	0,29

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2012

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

NOT 16 - RELATED PARTY DISCLOSURES

Related party disclosures

	30 September 2012	31 December 2011
Advances given to related parties	1,759,761	720,975
Due to related parties	25,772	2,108

As of 30 September 2012 and 31 December 2011 the advances given balance consist of advance given to related party Üçgen Bakım ve Yönetim Hizmetleri A.Ş. for the renovation work on exterior side of the building.

	1 January - 30 September 2012	1 July - 30 September 2012	1 January - 30 September 2011	1 July - 30 September 2011
Purchases from related party	15,280,921	5,435,044	24,750,629	4,686,535
Sales to related parties	1,040,223	348,108	6,880,322	2,213,443

Purchases and sales consist of rent income, purchase and sales of services, and similar items. The Company provides services like security, maintenance, repair, cleaning, and management from the related party Üçgen Bakım ve Yönetim Hizmetleri A.Ş. to whom the Company charged TL6,360,719 regarding the revenue collected on behalf of the Company for the first nine months of 2012 (1 January - 30 September 2011: TL5,936,309).

As of 01 January - 30 September 2012, remuneration provided to top executives management such as the General Manager and the members of Board of Directors is TL727,887 (1 January - 30 September 2011: TL 623,516).

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

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

Foreign currency risk

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

	30 September 2012	31 December 2011
Assets	31,564	180,150
Liabilities	(386,881)	(438,119)
Net position	(355,317)	(257,969)

As of 30 September 2012, fluctuation of USD had been 10% higher/lower ceteris paribus, net income for the period would have been TL35,532 (30 September 2011: TL15,183) lower/higher.

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

**CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED
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30 SEPTEMBER 2012**

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

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

As of 30 September 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:

	EUR	USD	TL equivalent
Current assets			
Trade receivables	-	-	-
Monetary financial assets	-	17,686	31,564
Total assets	-	17,686	31,564
Current liabilities			
Other monetary liabilities	-	(144,650)	(258,157)
Other non- monetary financial liabilities	-	(606)	(1,082)
Non-current liabilities			
Other non- monetary financial liabilities	-	(71,520)	(127,642)
Total liabilities	-	(216,776)	(386,881)
Net Foreign Currency Asset / (Liability) Position	-	(199,090)	(355,317)
Monetary Items Net Foreign Currency Asset / (Liability) Position	-	(126,964)	(226,593)

As of 31 December 2011 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:

	Euro	USD	TL Equivalent
Current Assets			
Trade receivables	-	50,000	94,445
Monetary financial assets	-	45,373	85,705
Total assets	-	95,373	180,150
Current Liabilities			
Other monetary financial liabilities	-	(144,650)	(273,229)
Non-current Liabilities			
Other non- monetary financial liabilities	-	(87,294)	(164,890)
Total liabilities	-	(231,944)	(438,119)
Net Foreign Currency Asset / (Liability) Position	-	(136,571)	(257,969)
Monetary Items Net Foreign Currency Asset / (Liability) Position	-	(49,277)	(93,079)

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2012

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

a) Insurance coverage on assets are as follows;

30 September 2012 : USD140,100,000

31 December 2011 : USD127,166,000

b) As per the Board resolutions taken in the years of 2011 and 2012, decisions were taken with respect to evaluation of the effects on the real estate market of the unfavourable developments encountered in the financial markets, to make a discount over the USD-denominated rental fees of the tenants of Akmerkez Ticaret Merkezi. This resolution comprises the period March 2009 - September 2012 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 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 was decided over the USD denominated rental fees of the tenants. For the period between October to December 2012, it has been decided to make a 15% discount over the USD denominated rental fees of the tenants provided that USD1 is not below TL1.5

NOTE 19 - SUBSEQUENT EVENTS

As per the Board resolutions taken on 1 October 2012 decision is made upon to make a 15% discount over the dollar-denominated rental fees of the tenants of Akmerkez Ticaret Merkezi. This resolution comprises respectively the period October to December 2012 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 TL1.50) in that the USD rate defined is not to be regarded as a reduction in rental fees and/or amendment of the rental contract.

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

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

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

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.**CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED
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30 SEPTEMBER 2012**

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

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

In this scope, total assets, total portfolio and information relating to portfolio restrictions are as follows as of 30 September 2012 and 31 December 2011:

Non-consolidated (stand-alone)			
financial statement accounts items		30 September 2012	31 December 2011
A	Cash and capital market instruments	28,483,214	25,689,014
B	Real estate, real estate-based project, Real estate-based rights	136,361,347	139,271,229
C	Affiliates	-	-
	Due from related parties (non-trade)	-	-
	Other Assets	3,700,113	1,547,528
D	Total Assets	168,544,674	166,507,771
E	Borrowings	-	-
F	Other financial liabilities	-	-
G	Leasing obligation	-	-
H	Due to related parties (non-trade)	634	616
I	Equity	165,261,126	161,168,371
	Other Liabilities	3,282,914	5,338,784
D	Total Liabilities	168,544,674	166,507,771

Other non-consolidated (stand-alone)			
financial information		30 September 2012	31 December 2011
A1	Portion of cash and capital market instruments reserved for three-year real estate payments	-	-
A2	TL/foreign currency denominated time/demand deposits	28,478,275	25,684,795
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	251,729	2,209,229
K	Encumbrance amounts of encumbered lands which do not belong to the Group and on which a project will be developed	-	-

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2012

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

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

Portfolio Restriction	30 September 2012	31 December 2011	Minimum / Maximum Rate
1 Encumbrance amounts of encumbered lands which do not belong to the Group and on which a project will be developed (K/D)	-	-	<10%
2 Real estate, real estate-based project, Real estate-based rights (B+A1)/D)	81%	84%	>50%
3 Cash and capital market instruments and Affiliates (A+C-A1)/D)	17%	15%	<50%
4 Foreign real estates, real estate-based projects, real estate-based rights, Affiliates, capital market instruments (A3+B1+C1/D)	-	-	<49%
5 Lands on which no projects developed (B2/D)	-	-	<20%
6 Participation in administrator companies (C2/D)	-	-	<10%
7 Borrowing ceiling (E+F+G+H+J)/İ	-	1%	<500%
8 TL/foreign currency denominated time/demand deposits (A2-A1)/D	17%	15%	<10%

(*) At 30 September 2012, the fair value of the investment property is TL1,002,060,000 In the table above, the investment property amounting to TL136,361,347 represents the net book value which is cost less depreciation. When the fair value of the investment property is considered in the above table, the ratio of the TL/foreign currency denominated time/demand deposit to total assets as at 30 September 2012 is 2.8% (31 December 2011: 2.6%).

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