

EMLAK KONUT  
**01 JAN-30 SEPTEMBER 2019**  
ACTIVITY REPORT

(% +0.3) 187.32



**EMLAK KONUT**

REAL ESTATE INVESTMENT COMPANY

A PARTICIPATION OF REPUBLIC OF TURKEY MINISTRY OF ENVIRONMENT, URBANIZATION AND CLIMATE AFFAIRS  
(HOUSING DEVELOPMENT ADMINISTRATION OF TURKEY)



**EMLAK KONUT**

— GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. —  
T.C. ÇEVRE VE ŞEHİRCİLİK BAKANLIĞI TOKİ İŞTİRAKİDİR

We set out on this journey 66 years ago to meet our citizens' housing needs. Today, we undertake Turkey's most prestigious projects. We are pleased to share that we pride ourselves on becoming the leading actor of the national economy.

# CONTENTS

## 2019 AT A GLANCE

- 4 Our Vision - Mission
- 5 The Position of Emlak Konut REIC
- 6 2018 First Half Activity Results
- 7 Summary Table of Significant Figures
- 8 Company Sales Data
- 9 Financial Track Record
- 10 Key Financial Highlights
- 11 Financial Ratios
- 12 Message from the CEO

## EMLAK KONUT REIC

- 16 Emlak Konut REIC Milestones
- 18 Emlak Konut with Numbers
- 19 2018 Tender Schedule and Pre-Sales Targets
- 20 Organization Chart
- 21 Access to Insider Information
- 22 Human Resources
- 23 Other Developments
- 25 Emlak Konut REIC Scope of Business

## BUSINESS MODELS

- 27 Multiplier for Revenue Sharing Model
- 28 Progress of Guaranteed Profit in RSM Projects
- 31 Ongoing Revenue Sharing Model Projects
- 46 Table of Ongoing Revenue Sharing Projects
- 47 Ongoing Turn-Key Model Projects
- 49 Table of Ongoing Turn-Key Model Projects
- 50 Leased and Rented Properties
- 52 Emlak Planlama ve Proje Yönetimi ve Ticaret A.Ş.

## ANNEXES

- 58 Convenience Translation of the Review Report and Condensed Financial Statements for the Interim Period 1 April-30 June 2019
- 101 Annexes(Projects-Lands-Buildings-Appraisals)
- 114 Cases involving our company
- 127 Legal Notice



# EMLAK KONUT

— REAL ESTATE INVESTMENT COMPANY —

THE PARTICIPATION OF T.C. ENVIRONMENTAL AND URBANIZATION MINISTRY TOKİ  
(HOUSING DEVELOPMENT ADMINISTRATION)

**Planned and quality  
modern urban life**

**Peaceful and safe  
warmth of a house**

**Awareness of green  
and environment**

## Vision (Target)

Maintaining and enhancing its position in the domestic real estate industry by improving management approach and quality standards,

Becoming one of the world's top real estate investment trusts by improving its planned, quality, and environment-friendly city approach according to international criteria,

Increasing the number of residential and commercial units to 250,000 by the end of 2023.

## Mission (Goal)

Following real estate developments and innovations closely as one of the leading organizations shaping the domestic industry,

Caring about the social value and customer satisfaction and producing planned, quality and environment-friendly establishment centers that offer peaceful and safe living places,

Caring about employees' and shareholders' material and spiritual satisfaction.

# THE POSITION OF EMLAK KONUT REIC

▶ 116th  
REIC in  
the  
World

## Global

Real Estate Investment Company	TOTAL ASSETS* (billion USD)
109 ARTIS REAL ESTATE INVESTMENT	4,23
110 WASHINGTON PRIME GROUP INC	4,23
111 PHYSICIANS REALTY TRUST	4,17
112 AMERICOLD REALTY TRUST	4,16
113 EMPIRE STATE REALTY OP LP-ES	4,16
114 SITE CENTERS CORP	4,14
115 EQUITY LIFESTYLE PROPERTIES	4,14
▶ 116 EMLAK KONUT GAYRIMENKUL YATI	4,06
117 ASCOTT RESIDENCE TRUST	4,06
118 LIFE STORAGE INC	4,03
119 BRANDYWINE REALTY TRUST	4,02
120 CUBESMART	3,95
121 NORTHWEST HEALTHCARE PROPERT	3,95
122 COLUMBIA PROPERTY TRUST INC	3,93
123 SUNSTONE HOTEL INVESTORS INC	3,93

▶ 8th in  
EMEA  
Region

## EMEA Region

Real Estate Investment Company	TOTAL ASSETS* (billion USD)
1 MERLIN PROPERTIES SOCIMI SA	14,51
2 INMOBILIARIA COLONIAL SOCIMI	13,82
3 BRITISH LAND CO PLC	13,05
4 COFINIMMO	5,05
5 ALSTRIA OFFICE REIT-AG	4,91
6 EUROCOMMERCIAL PROPRTIE-CV	4,79
7 WAREHOUSES DE PAUW SCA	4,32
▶ 8 EMLAK KONUT GAYRIMENKUL YATI	4,06
9 ASCOTT RESIDENCE TRUST	3,50
10 LIFE STORAGE INC	3,19
11 BRANDYWINE REALTY TRUST	3,10
12 CUBESMART	2,83
13 NORTHWEST HEALTHCARE PROPERT	2,64
14 COLUMBIA PROPERTY TRUST INC	2,15
15 SUNSTONE HOTEL INVESTORS INC	1,88

▶ The largest  
REIC in  
Turkey

## Turkey

Real Estate Investment Company	TOTAL ASSETS* (billion USD)
▶ 1 EMLAK KONUT GAYRIMENKUL YATI	4,06
2 TORUNLAR GAYRIMENKUL YATIRIM	2,15
3 AKIS GAYRIMENKUL YATIRIMI AS	1,02
4 SINPAS GAYRIMENKUL YATIRIM O	0,90
5 IS GAYRIMENKUL YATIRIM ORTAK	0,89
6 OZAK GAYRIMENKUL YATIRIM ORT	0,69
7 HALK GAYRIMENKUL YATRM ORTAK	0,46
8 AKFEN GAYRIMENKUL YATIRIM OR	0,43
9 REYSAS GAYRIMENKUL YATIRIM O	0,40
10 YESIL YAGRIMENKUL YATIRIM OR	0,40
11 YENI GIMAT GAYRIMENKUL ORTAK	0,36
12 KILER GAYRIMENKUL YATIRIM OR	0,35
13 DOGUS GAYRIMENKUL YATIRIM OR	0,32
14 VAKIF GAYRIMENKUL YATIRIM	0,28
15 ALARKO GAYRIMENKUL YATIRIM	0,22
16 SERVET GAYRIMENKUL YATIRIM O	0,18
17 PANORA GAYRIMENKUL YATIRIM O	0,16
18 MARTI GAYRIMENKUL YATIRIM OR	0,11
19 OZDERICI GAYRIMENKUL YATIRIM	0,10
20 TSKB GAYRIMENKUL YATIRIM ORT	0,09

\* As of 2019 3rd Quarter  
Source: Bloomberg/ GICS/ All REITs

# 2019 3Q ACTIVITY RESULTS

► Solid net profit results and balance land portfolio..

## 2019 3Q Figures

**212 Million TRY**

Net Profit

**4,8 Billion TRY**

Land Portfolio Value

## 2019 3Q Pre-Sales Figures

**2 Billion TRY**

Pre-sales Revenue

**1.310**

Number of Units Sold

**223 k sqm**

Sold Area

**483 MIO TRY**

Sold to Foreigners

## 2018 Completed Tender Results (ytd)

**3 Tenders**

Completed

**1.74**

Average Multiplier

**1.89 Billion TRY**

Total Min  
Emlak Konut Share

**5,1 Billion TRY**

Total Sales Revenue  
from Tenders

## SUMMARY TABLE OF SIGNIFICANT FIGURES

### TOTAL ASSETS

**TRY 23.583.478.000**

**TRY 4.867.630.830**

Appraisal Value of Land  
Stock

**TRY 3.614.302.274**

Appraisal Value of Buildings

**TRY 10.998.022.913**

Company Share of Total  
Revenue for RSM Projects

**TRY 3.029.558.432**

Cost of Purchase + Progress  
Payments (Turn Key)

**TRY 15.591.103.889**

Cost of Land and Residential  
Unit Inventories

**TRY 431.862.000**

Cost of Investment Property

**TRY 10.406.562.000**

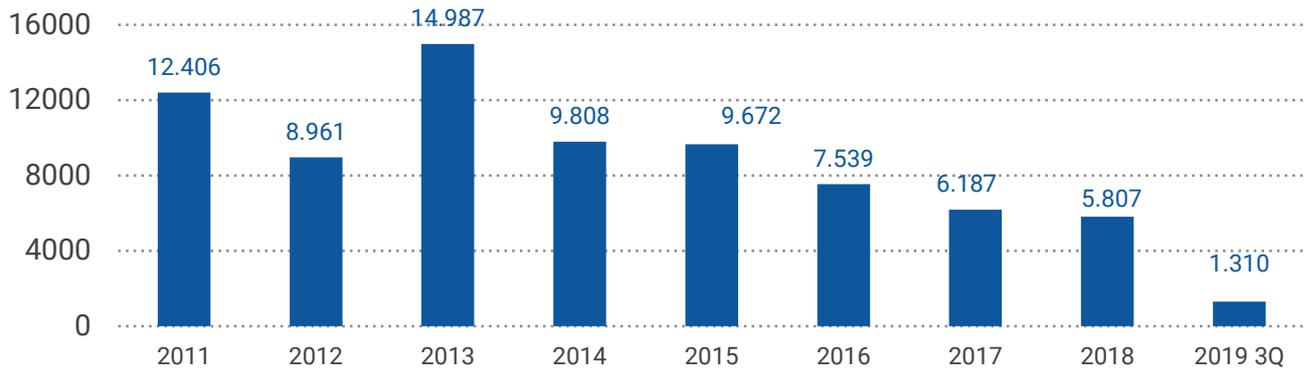
Liabilities

**TOTAL**

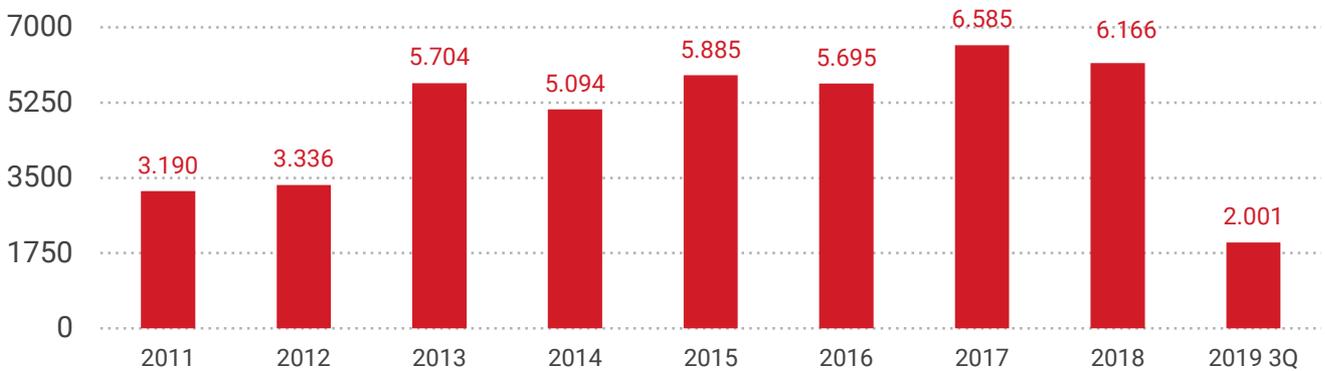
**TRY 19.663.464.561**

# COMPANY SALES DATA

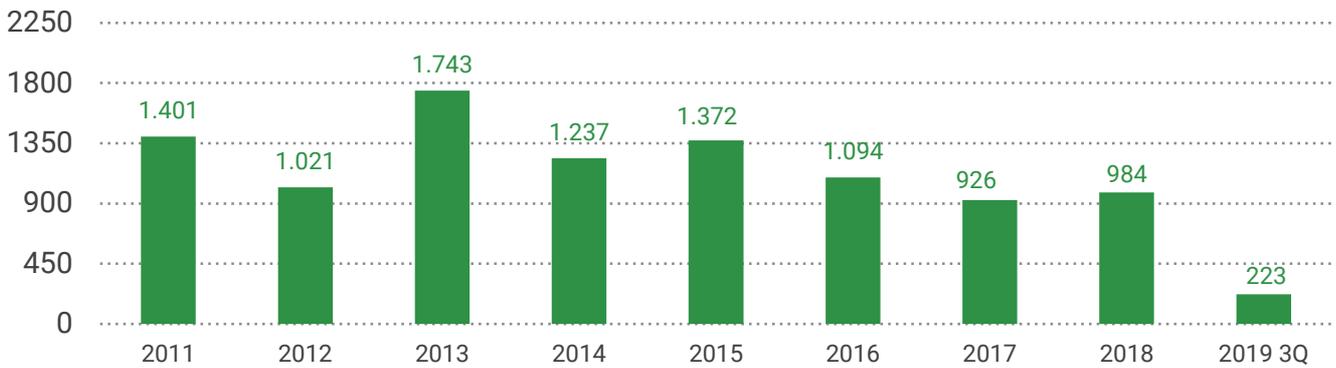
## Unit Sales (Number)



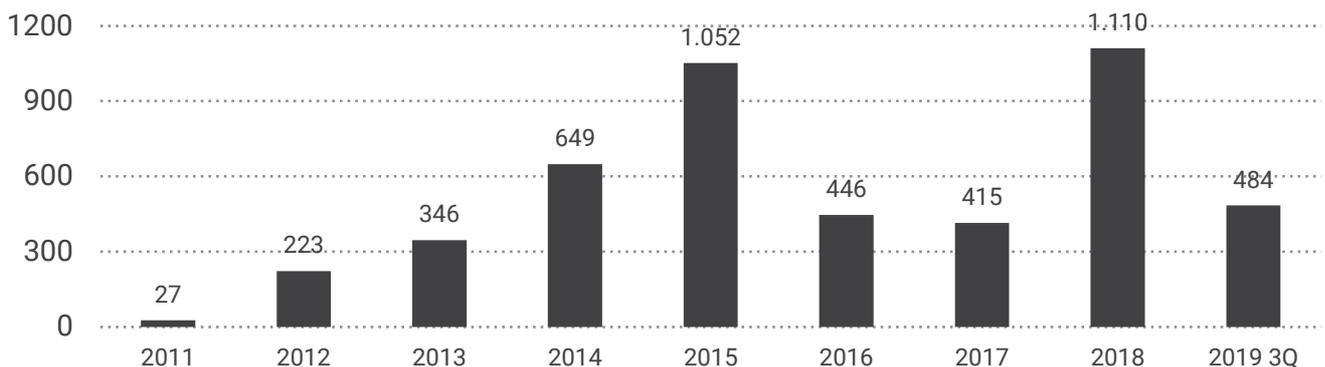
## Total Value of Sales TRY mn



## Total Unit Size Sold '000

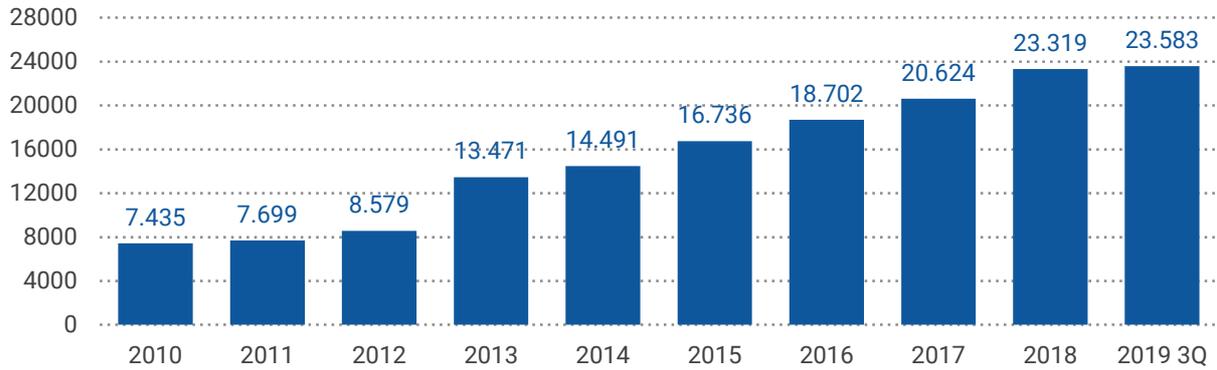


## Sales to Foreigners TRY mn



# FINANCIAL TRACK RECORD

## Total Assets (TRY mn)



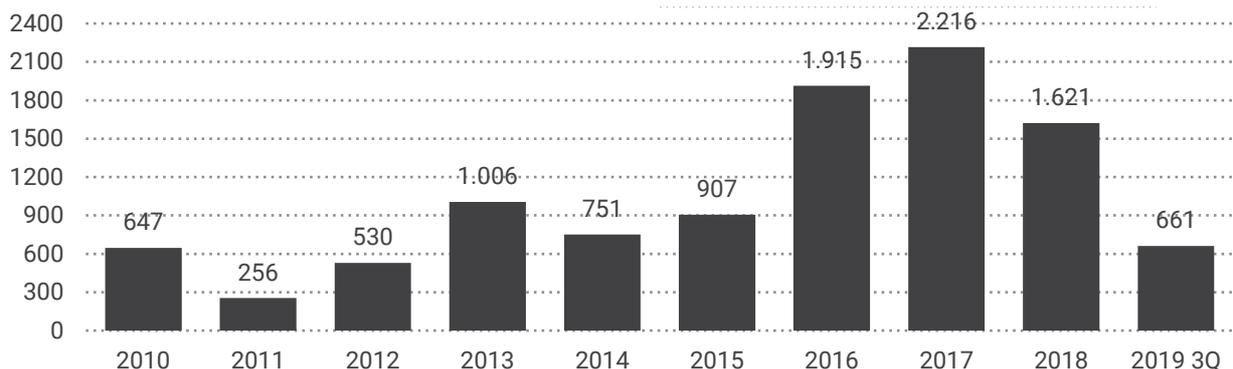
## Equity (TRY mn)



## Profit for Period (TRY mn)

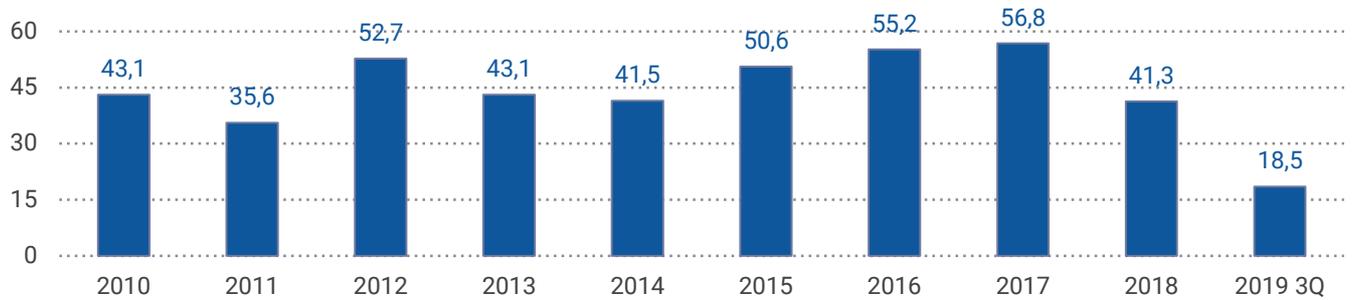


## EBITDA for Period (TRY mn)



# KEY FINANCIAL RESULTS

## EBITDA Margin (%)



## KEY Financial (TRY mn)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 3Q
Net Sales	1.497,9	716,6	1.004,6	2.331,1	1.804,5	1.786,8	3.455,9	3.900,6	3.927,6	3.576,8
EBITDA <sup>(1)</sup>	646,5	255,6	530,4	1.005,8	750,8	907,4	1.914,6	2.215,9	1.621,3	661,4
EBITDA Margin (%) <sup>(2)</sup>	43,2	35,7	52,8	43,1	41,6	50,8	55,4	56,8	41,3	18,5
Profit for Period	554,3	228,3	523,4	1.060,5	954,4	952,6	1.761,3	1.756,1	1.268	212,2
Total Assets	7.434,7	7.698,8	8.578,9	13.471,0	14.490,6	16.736,0	18.702,4	20.623,7	23.319	23.583,4
Shareholder's Equity	3.934,7	3.987,5	4.392,3	8.353,6	8.751,3	9.325,4	10.730,2	12.465,5	13.083,1	13.176,9
Dividend Per Share (TRY)	0,0702	0,0474	0,0800	0,1231	0,0965	0,0968	0,0000	0,1755	0,03235	0,0006
Return on Equity (%)	0,14	0,06	0,12	0,13	0,11	0,10	0,16	0,14	0,096	0,016
Cash Flow	1.538,6	470	1.171,1	4.298	1.453,4	759	956	385	494	434
Dividend Payout	175,50	118,50	200,00	467,78	366,70	367,84	0,00	666,90	123	-

1: EBITDA: Profit Before Income Tax -Financial Expenses +Financial Income -Income From Investing Activities -Amortizations.

2: EBITDA Margin: Margin calculated as EBITDA /Net sales.

## Receivables ('000 TL)\*

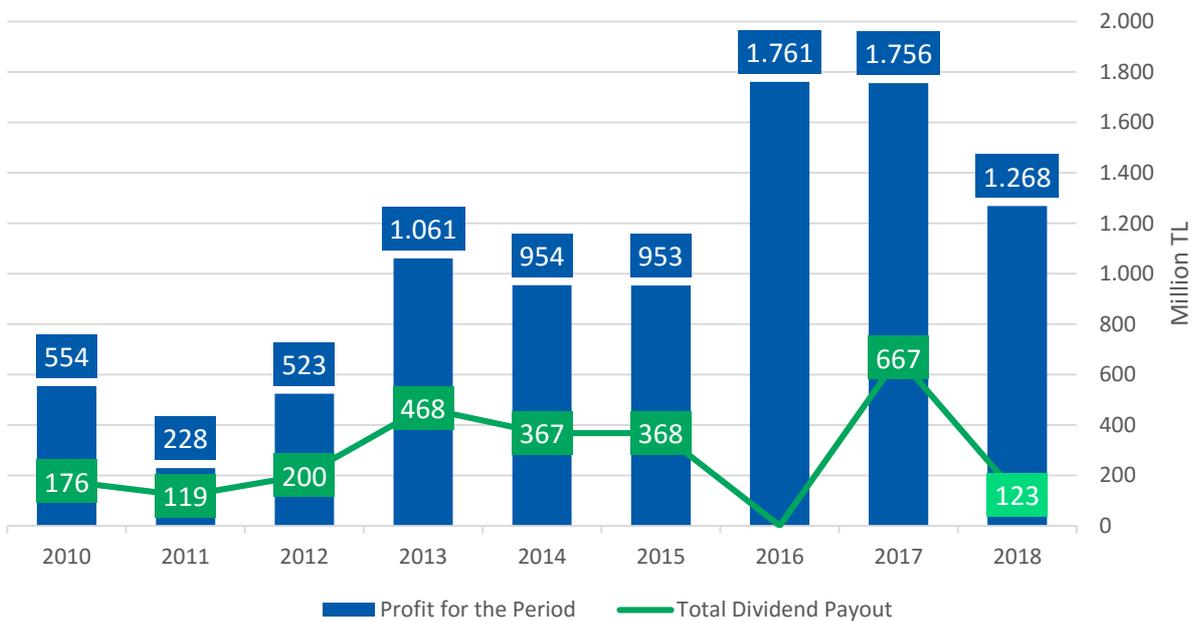
	Trade Receivables	Off-balance sheet deferred revenue	TOTAL
1 Year	829.441	868.216	1.697.657
2 Year	550.102	530.401	1.080.503
3 Year	459.958	332.068	792.026
4 Year	351.850	231.264	583.114
5 Year and Above	1.661.603	569.847	2.231.450
<b>TOTAL</b>	<b>3.852.954</b>	<b>2.531.796</b>	<b>6.384.750</b>

\* Please see Independent Audit's Report for details Note.12, pp. 28

# FINANCIAL RATIOS

Liquidity Ratios	Financial Structure Ratios	Operating Ratios	Profitability Ratios
Current Ratio 2,42	Financial Leverage Ratio 0,441	Assets Turnover Ratio 0,151	Return on Equity 0,016
Cash Ratio 0,064	Financial Leverage Ratio 0,789	Shareholder's Equity Turnover Ratio 0,271	Return on Assets 0,008
Acid-Test Ratio 0,709	Shareholder's Equity/Total Assets 0,558	Net Working Capital 11.854.200	Net Profit Margin 0,059
	Self-Financing Ratio 1,266		Gross Profit Margin 0,163
			Operating Profit Margin 0,183

## Profit-Dividend Progress





From our 40 projects, which are currently under construction, we have obtained a sales revenue of 1 billion 567 million TL

Our Esteemed Investors, Shareholders,

Distinguished Business Partners and Colleagues,

We have left behind the first nine months of 2019 in the shadow of intense geopolitical developments in our region and fluctuations in global markets. In terms of our country's economy and especially the real estate sector, which has direct ties to **more than 250 sub-sectors, consumer trends gained momentum in the third quarter.**

According to the data from the Turkish Statistical Institute, housing sales that saw a decline during the first half of the year, **increased by the end of the third quarter. In September, house sales increased by 15% compared to the same period of the previous year and reached 147 thousand units.** Especially owing to the decreasing mortgage interest rates, mortgaged house sales increased significantly by 410%. **The share of the mortgaged sales, which declined by 16% in the first half of the year, rose to 40% of the total house sales in the month of September.** In August, Housing Price Index, as calculated by the Central Bank of the Republic of Turkey, increased by 0,6% compared to the previous period, while the Annual housing price index showed an increase of 4%.

As Emlak Konut, we can observe that the markets are moving based on the **increasing number of visitors for our 35 sales offices.** This has strengthened our belief that consumer activity, which was limited in the recent periods, has increased. It is clearly seen that housing purchases, which were postponed by consumers in an environment of extreme exchange rate fluctuations and high interest rates, have reaccelerated with successive interest rate cuts by the Central Bank of the Republic of Turkey.

As Emlak Konut, with our **35 projects** under construction, we have achieved a sales revenue of TRY**2billion** , in return for **1310** residential/commercial units of **223 thousand m2** as of the end of the 3rd Quarter. On the other hand, we have sold **TRY 484 million** worth of residential/commercial units to our foreign customers by of the end of the quarter.

When we look at the 3rd Quarter of 2019 in terms of financial outcomes, with the construction of many of our important projects completed, our net profit for the 3rd Quarter of 2019 was **TRY 212 million.** Our total

assets have reached TRY **23 billion and 583 million**, while our equity has reached TRY **13 billion and 176 million.**

Our company portfolio includes **3 million and 238 thousand square meters** of land to be tendered, with an appraised value of approximately **TRY 4 billion and 820 million.** As we have announced in the previous periods, in order to improve our company's cash flow, as the Board of Directors, we are currently not planning to purchase new land unless we encounter a unique opportunity.

On the other hand, in addition to the revenue sharing model and turnkey projects that our Company has successfully maintained since 2002, **we have developed a new revenue sharing business model pursuant with a protocol we signed with TOKI.** Pursuant to this protocol, our Company aims to develop projects on land owned by TOKI, without purchasing the property and by utilizing the method "Revenue Sharing Model Project In Return For Land Sale". The income to be generated from the projects to be developed within the framework of the terms and conditions of the aforementioned protocol will be allocated as 85% to TOKI and 15% to Emlak Konut. **We believe that this agreement is important to ensure the sustainability of the cash flow and the profitability of our Company.**

The steady growth of Emlak Konut is secured with our existing land portfolio, the lands to be included in our agreement with TOKI and our business models. **I wish that the last quarter of the year and the forthcoming periods bring positive developments for our country and our sector.**

Sincerely,

Hakan GEDİKLİ

# KUZEY YAKASI





# EMLAK KONUT REIC MILESTONES

A company called Ankara İmar and Türkiye İnşaat Malzemeleri (TIMLO) gets established for real estate development in the country

1953-54

1987

Later on, Company merges with Ankara İmar and changing its name into «İnşaat ve İmar A.Ş.»

Türkiye Emlak Bankası merges with Emlak Yapı A.Ş., its subsidiary The institution changes its name into Emlak Konut A.Ş.

1990

Emlak Bank's liquidation process begins Emlak Bank transfers its shares to Housing Development Administration (TOKİ) Emlak Bank transfers its real estates against KEY (Housing Acquisition Support) accounts as equal capital

2001

2002

The company acquires a REIC status after the transfer of Emlak Bank shares to TOKİ It requests additional time from the CMB due to the ongoing liquidation of the KEY repayment accounts



**133**  
PROJECT



**19.66 BILLION TL**  
NET ASSET VALUE



**127 Bin**  
Unit



**44**  
SCHOOL

A law gets adopted to provide partial exemption to Emlak Konut REIC (except tax exemption) from all capitalmarket regulations applied to other REICs

Turkey's largest REIC  
**TRY 23.58 billion:**  
Total assets,  
133 Projects-127k  
Units  
**TRY 2 Billion Sales**

2007

2010

After IPO,  
Public Offering of  
25% of the capital  
**TRY 2 Billion  
500 Million**

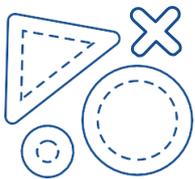
2013

50,4% Free  
Float Rate,  
**TRY 3 Billion  
800 Million**

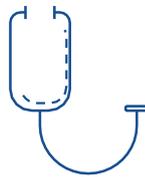
2019

2023

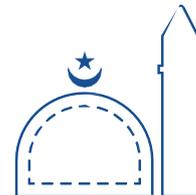
250.000  
targeted  
number of  
units



**5**  
PRE-SCHOOL



**6**  
HEALTH FACILITY



**274**  
MOSQUE

## EMLAK KONUT WITH NUMBERS

▶ The leading developer company in Turkey..

Total Sales Revenue in Revenue Sharing Model

**73 Billion TRY**

▶ Strategic partnership with TOKİ..

Turnkey Model Agreement Value

**7.2 Billion TRY**

▶ The pre-sales ratio of the Project to be completed in 2019 is 62%..

Successfully driving or delivered since 2003

**87 Revenue Sharing Projects**

▶ The progress ratio of the Project to be completed in 2019 is 70%..

Successfully driving or delivered since 2003

**46 Turn Key Model Projects**

Total Profit Target in 5 Years

**5.65 Billion TRY**

Strong launch to sales ratio

**62% in 2019**

**30% in 2020**

Completed and Tendered Units

**127 k Units**

# 2019 TENDER SCHEDULE AND PRE-SALES TARGETS

## 2019 Tender Schedule

Revenue Sharing Model	
Project	Appraisal Value
1 İstanbul Küçükçekmece Bizim Mahalle 1. Etap	460.976.760
2 Ankara Çankaya Saraçoğlu	486.611.823
<b>Total</b>	<b>947.588.583</b>

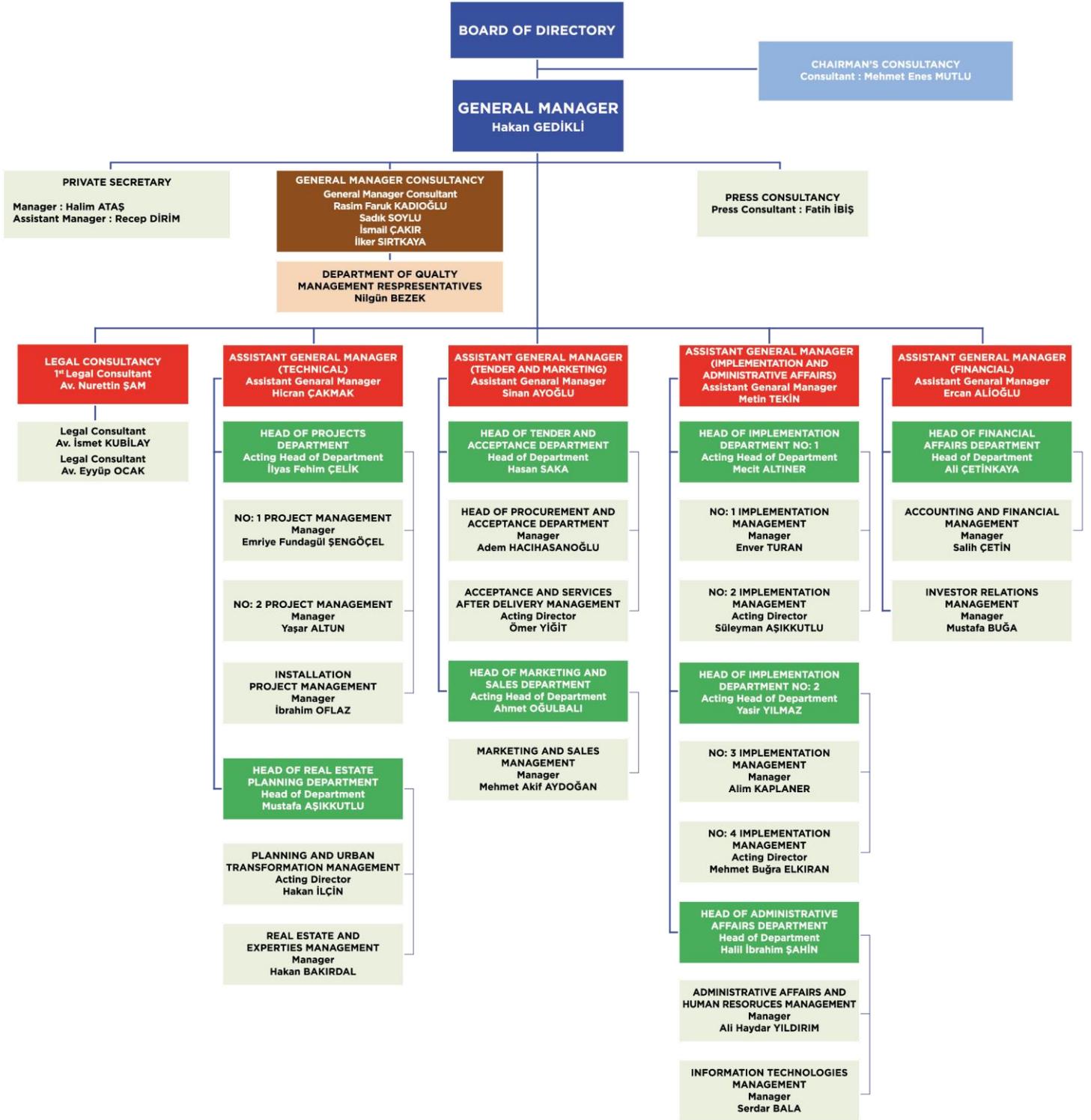
Turn Key Model	
Project	Appraisal Value
1 İstanbul Arnavutköy Dursunköy 1st Stage 1st Part	48.550.590
2 İstanbul Arnavutköy Dursunköy 1st Stage 2nd Part	53.333.610
3 İstanbul Arnavutköy Dursunköy 1st Stage 3rd Part	36.003.330
4 İstanbul Arnavutköy Dursunköy 1st Stage 4th Part	56.542.530
5 İstanbul Bakırköy Şevketiye	350.673.105
6 İstanbul Başakşehir Metrokent	188.196.405
7 Samsun Canik	94.264.874
<b>Total</b>	<b>827.564.444</b>

## 2019 Sales Target

FIRST QUARTER	Sales Value <b>1.06 Billion TRY</b>	Gross Saleable Area <b>137 k</b>
SECOND QUARTER	Sales Value <b>1.38 Billion TRY</b>	Gross Saleable Area <b>183 k</b>
THIRD QUARTER	Sales Value <b>1.76 Billion TRY</b>	Gross Saleable Area <b>215 k</b>
FOURTH QUARTER	Sales Value <b>3.08 Billion TRY</b>	Gross Saleable Area <b>321 k</b>
<b>TOTAL PRE-SALES TARGET</b>	<b>Sales Value 7.3 Billion TRY</b>	<b>Gross Saleable Area 858 k sqm</b>

**2019 Profit Target** Net Profit Target **1.2 Billion TRY**

# ORGANIZATION CHART



# ACCESS TO INSIDER INFORMATION

## BOARD OF DIRECTORS

NAME	PROFESSION	POSITION
Ertan KELEŞ	Civil Engineer	Chairman of the Board
Mustafa Levent SUNGUR	Civil Engineer	Acting Chairman of the Board
Hakan GEDİKLİ	Engineer	Member of the Board and General Manager
Hakan AKBULUT	Public Administration	Member of the Board
Muhterem İNCE	Political Sciences	Member of the Board (Independent)
Havvanur YUTSEVER	Lawyer	Member of the Board (Independent)
Sinan AKSU	History	Member of the Board (Independent)

## SENIOR MANAGEMENT

NAME	PROFESSION	POSITION
HAKAN GEDİKLİ	Engineer	GENERAL MANAGER
Hicran ÇAKMAK	Architect	DEPUTY GENERAL MANAGER
Sinan AYOĞLU	Civil Engineer	DEPUTY GENERAL MANAGER
Metin TEKİN	Civil Engineer	DEPUTY GENERAL MANAGER
Ercan ALİOĞLU	Business and Administration Professionals	ACTING DEPUTY GENERAL MANAGER
Mehmet Enes MUTLU	Civil Engineer	ADVISOR TO CHAIRMAN
Rasim Faruk KADIOĞLU	Civil Technician	ADVISOR TO GENERAL MANAGER
Sadık SOYLU		ADVISOR TO GENERAL MANAGER
İsmail ÇAKIR	Economist	ADVISOR TO GENERAL MANAGER
İlker SIRTAKAYA	Industrial Engineer	ADVISOR TO GENERAL MANAGER
Nurettin ŞAM	Lawyer	1.LEGAL COUNSELOR
İsmet KUBİLAY	Lawyer	LEGAL COUNSELOR
Eyyüp OCAK	Lawyer	LEGAL COUNSELOR
Mustafa AŞIKKUTLU	Civil Engineer	DIRECTOR OF REAL ESTATE PLANNING
İlyas Fehim ÇELİK	Architect	ACTING DIRECTOR OF PROJECTS
Hasan SAKA	Civil Engineer	DIRECTOR OF PROCUREMENT AND ACCEPTANCE
Ahmet OĞULBALI	Architect	ACTING HEAD OF MARKETING AND SALES DEPARTMENT
Mecit ALTINER	Civil Engineer	ACTING DIRECTOR OF IMPLEMENTATION NO 1
Yasir YILMAZ	Civil Engineer	ACTING DIRECTOR OF IMPLEMENTATION NO:2
Halil İbrahim ŞAHİN	Economist	DIRECTOR OF ADMINISTRATIVE AFFAIRS
Ali ÇETİNKAYA	Economist	ACTING DIRECTOR OF FINANCE
Halim ATAŞ	Business and Administration Professionals	PRIVATE SECRETARY
Fatih İBİŞ	Public Relations	PRESS COUNSELOR
Hakan BAKIRDAL	Civil Engineer	MANAGER OF REAL ESTATE AND APPRAISAL ACTING MANAGER OF PLANNING AND URBAN TRANSFORMATION
Hakan İLÇİN	Environment and Town Planner	
Emriye Fundagül ŞENGÖÇGEL	Civil Engineer	ACTING MANAGER OF PROJECTS NO 1
Yaşar ALTUN	Civil Engineer	MANAGER OF PROJECT NO.2
İbrahim OFLAZ	Mechanical Engineer	MANAGER OF MECHANICAL PROJECTS
Adem HACIHASANOĞLU	Engineer	MANAGER OF TENDER AND PROGRESS PAYMENT ACTING MANAGER OF ACCEPTANCE AND AFTER DELIVERY SERVICES
Ömer YİĞİT	Civil Engineer	
Mehmet Akif AYDOĞAN	Public Administration	MANAGER OF MARKETING AND SALES
Enver TURAN	Civil Engineer	MANAGER OF CONSTRUCTION CONTROL NO:1
Süleyman AŞIKKUTLU	Civil Engineer	ACTING MANAGER OF IMPLEMENTATION NO 2
Alim KAPLANER	Civil Engineer	MANAGER OF CONSTRUCTION CONTROL NO:3
Mehmet Buğra ELKIRAN	Civil Engineer	ACTING MANAGER OF IMPLEMENTATION NO:4 MANAGER OF ADMINISTRATIVE AFFAIRS AND HUMAN RESOURCES
Ali Haydar YILDIRIM	Business and Administration Professionals	
Serdar BALA	Physicist	MANAGER OF IT
Salih ÇETİN	Certified Public Accountant	MANAGER OF ACCOUNTING AND FINANCE
Mustafa BUĞA	Financial / Investment Adviser	INVESTOR RELATIONS MANAGER
Recep DİRİM	Architect	ACTING DEPUTY MANAGER OF PRIVATE SECRETARY

# HUMAN RESOURCES

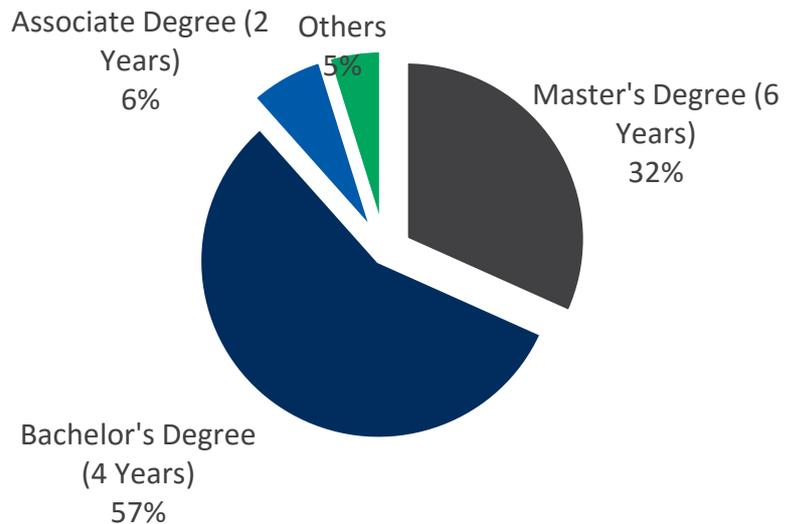
► An effective and efficient human resources policy with young human resources...

## Number of Employees



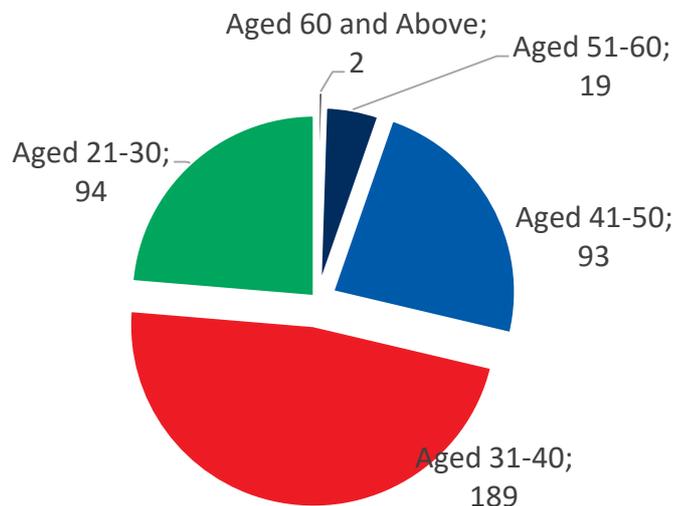
## Personnel Education Status (30/06/2019)

- Master's Degree (6 Years)
- Bachelor's Degree (4 Years)
- Associate Degree (2 Years)
- High School
- Others



## Personnel Age Range (30/06/2019)

- Aged 60 and Above
- Aged 51-60
- Aged 41-50
- Aged 31-40
- Aged 21-30



# OTHER DEVELOPMENTS

## Significant Developments in Period Ahead

1. A protocol has been signed between our company and TOKI on 11.10.2019 about the purchase of lands owned by TOKI that are located in Istanbul province, Besiktas district, Ortaköy and located in Başakşehir district, Kayabaşı quarter with a total of 46,118.59 sqm area over the amount of TRY 290,305,000.00 (free of VAT) in total and also about the sale of the lands owned by our company to TOKI that are located in İstanbul province, Tuzla district, Orhanlı and located in Tekirdağ province, Kapaklı district, Kapaklı quarter with a total of 99,013.67 sqm area over the amount of TRY 273,362,813.42 (VAT inc.) The issuance of lease certificates (sukuk) of TRY 100,000,000 has been issued on 05.08.2019 with a average maturity of 175 days within the scope of the of TRY 2,000,000,000 issuance of the lease certificates (sukuk).
2. The issuance of total lease certificates (sukuk) of TRY 200,000,000 with a maturity of 118 days has been completed, return payment and redemption were realized on 03.07.2019, 30.07.2019, 06.08.2019 respectively.
3. Regarding with the protocol signed between the Republic of Turkey Ministry of Environment and Urbanization Housing Development Administration of Turkey (TOKI) and our Company, it is hereby decided to develop projects by our Company through "Revenue Sharing Model Project in Return for Land Sale" on the lands owned by TOKI which are considered to be evaluated within the scope of the protocol. In the framework of the protocol, the revenues to be received within the scope of projects will be distributed as 85 % will belong to TOKI and the 15 % will be owned by our Company.
4. TRY 1,817,242,257.03 loan with a 2 year maturity have been used on January 22, on March 18, on April 26, on May 22, on July 3, on September 6 and on September 30 2019 from various bank.
5. Deputy General Manager of our Company Mr. Hakan AKBULUT has resigned with the petition dated 29.04.2019 hence Mr. Ercan ALIOGLU has assigned as Proxy Deputy General Manager.
6. Mr. Ertan KELEŞ have assigned as Chairman of the Company, Mustafa Levent SUNGUR as Vice Chairman, Hakan AKBULUT and Hakan GEDİKLİ as Member of Board of Directors, Havvanur YURTSEVER, Sinan AKSU and Muhterem İNCE as Independent Board Members.
7. 16 land plots total area of 29,760.50 sqm size which are located in İstanbul, Beşiktaş, Mecidiye district were sold on 25.01.2019 with a total value of TRY 461,911,705.08 (exc.VAT) on 36 month installment.
8. As a result of auction tender dated 28.05.2019,4 units received bids over TRY 141,586,949.15 excluding VAT.
9. The issuance of total lease certificates (sukuk) of TRY 1,642,000,000 with an average maturity of 120 days was completed, return payment and redemption were realized on 26.02.2019, 19.03.2019, 09. 04.2019, 07.05.2019, 25.06.2019, 03.07.2019, 30.07.2019, 06.08.2019, 03.09.2019,24.09.2019 respectively within the scope of TRY 2,000,000,000 issuance of the lease certificates (sukuk).
10. The issuance of total lease certificates (sukuk) a total of TRY 1,678,000,000 issuance of day-term lease certificates has been completed on 09.01.2019, 25.02.2019, 18.03.2019, 08.04.2019, 29.04.2019, 06.05.2019, 25.06.2019, 30.07.2019, 05.08.2019, 02.09.2019 respectively within the scope of the of TRY 2,000,000,000 issuance of the lease certificates (sukuk).
11. Halk Yatırım Menkul Değerler A.Ş has been authorized on 18.03.2019 by Our Company's Board of Directors to establish all necessary transactions within the scope of the issuance of contracts as financial advisor and leading brokerage house in the issuance of the Borrowing Instrument at a nominal value of up to TRY 2,000,000,000 and has been approved by Capital Markets Board on 11.04.2019.
12. Within the scope of the issuance limit of TL 2.000.000.000, a total of TL 203.000.000 of debt instruments were issued on the date of 01.07.2019 and 24.09.2019 with the maturity date of 24.09.2019 and 18.12.2019.

## Significant Developments in the Period

1. Partial liquidation have been made within the scope of Semt Bahçekent on 27.03.2019, TEM 34 Tahtakale on 25.04.2019 and Tual Bahçekent Revenue Sharing Model Project in Return for Land Sale project on 28.06.2019 , Ankara Çankaya Oran 03.01.2019, Kocaeli Derince on 21.03.2019 and Zeytinburnu Beştelsiz Revenue Sharing Model Project in Return for Land Sale on 31.05.2019, Tual Bizim Mahalle on 02.09.2019, İstanbul International Finance Center Project and Recreation Area on 25.09.2019 and İstanbul Bakırköy Florya Revenue Sharing Model Project in Return for Land Sale Project on 27.09.2019 have been liquidated.

11. A protocol has been signed between our company and Republic of Turkey Ministry of Environment and Urbanisation, Housing Development Administration (TOKİ) on 25.03.2019 regarding the purchase back of land plots in İstanbul Kayabaşı, Kocaeli Derince, Antalya Muratpaşa and Şile Balıbey with a total amount of TRY 549,508,204.
12. The result of the auctions tender of 53 commercial units totally which are being developed in Niğde Emlak Konutları, Ağaoğlu Maslak 1453 İstanbul, Başkent Emlak Konutları and Kuzey Yakası Project was held on May 14 June 20, July 3, September 23 and July 20, 2019 which have received bids at the tender with TRY 94,340,740.74 (exc. VAT).
13. As a result of auction tender dated 11.07.2019,41 unit received bids over TRY 77,000,000 excluding VAT
14. As a part of social responsibility projects to support educational, cultural and art activities; our company donated TRY 15,000,000 to "Zonguldak Merkez Cami ve Eğitim Kültür Hizmet Birimleri Yaptırma ve Yaşatma Derneği« and «İstanbul Cami ve Eğitim Kültür Hizmetleri Birimleri» on 09.08.2019 and on 13.09.2019.
15. Our Company's share in total revenue in Denizli Merkezefendi Revenue Sharing Model in Return for Land Sale Project (Evora Denizli) has been increased from 92.651.000 TL to 134.090.518,14 TL according to Additional Protocol No.8. executed with the contractor.
16. The protocols signed between Galatasaray Sports Club Association and our Company in 2016, in order to develop real estate projects in Beykoz district Riva quarter and Bakırköy district in Senlik ( Florya ) quarter which are owned by Galatasaray Sports Club Association, has been terminated.



## EMLAK KONUT REIC SCOPE OF BUSINESS

Founded in 1953, Emlak Konut REIC one of Turkey's oldest enterprises whose main field of expertise is residential production.

Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş. was established under the title Emlak Konut A.Ş. as a subsidiary of Türkiye Emlak Bankası A.Ş. and started its operations after its registration and announcement on March 6, 1991. The company's Articles of Association was amended in 2001. Our Company was transformed into a Real Estate Investment Company with the the amendment bill for the Articles of Association and it was submitted to the General Assembly for its approval. The amendment bill was adopted by the Extraordinary General Assembly on July, 22, 2002.

The Articles of Association was registered at İstanbul Trade Registry Office on July 29, 2002, and entered into force after their publication in the Trade Registry Gazette on August 1, 2002. (Our Company's Trade Registration No. is 273488-221070, Central Registration System (MERSİS) No. is 5669-3333-4423-6524). The Company's name was changed from Emlak Gayrimenkul Yatırım Ortaklığı A.Ş. to Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş. following the General Assembly on February 28, 2006. No time limit was set on the legal entity of the Company. This value, which has been obtained in years and through many projects, was transformed to Real Estate Company in 2002 and has been continuing its operations since then.

Our activities include purchasing land in Turkey, developing real estate for the middle and upper-middle class, and marketing and selling real estate. Our Company considers producing value for our country as one of the most important aspects. Emlak Konut REIC conducted its initial public offering in

2010 and secondary public offering in 2013 to sustain its rapid growth. These public offerings achieved a significant success by attracting record individual investor demand and turning out to be 5th biggest public offering in the history of Republic. Taking place in November 2013, the secondary public offering oversubscribed 2.3 times. It attracted over 100 international investors from 20 countries becoming the biggest public offering in the form of raising capital in Central and Eastern Europe, the Middle East and Africa.

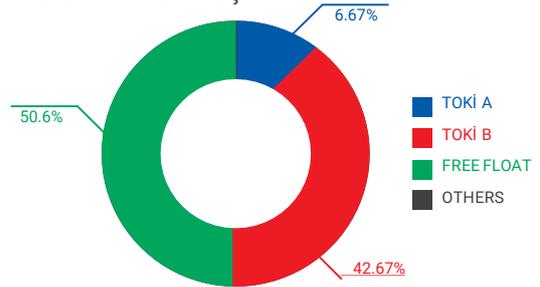
Emlak Konut REIC., whose main shareholder is TOKİ, is the biggest real estate investment company in Turkey in terms of market value, real estate portfolio and land inventory. Our 3,800,000,000 TL paid capital and 4,000,000,000 TL registered capital demonstrate the Company's leading role in the sector.

Emlak Konut REIC's goal and area of activity:

- (a) developing real estate projects majority of them consisting of residential, as well as commercial units, education units, social facilities, infrastructure, highways, and all kinds of landscapes;
- (b) supervision of construction in developed projects;
- (c) marketing and sales of completed units.

### Affiliates

Company owns all the shares of "Emlak Planlama İnşaat Proje Yönetimi ve Ticaret A.Ş."



## Capital and Partnership Structure

	Group	Type	Share Amount	Number of Shares	%
Housing Development Adm. (TOKİ)	A	Registered (Privileged)	253,369,919.00	25,336,991,900	6.67
Housing Development Adm. (TOKİ)	B	Bearer	1,621,460,838,35	162,146,083,835	42.67
Free Float	B	Bearer	1,925,118,421.21	192,511,842,121	50.6
Others	B	Bearer	50,821.44	5,082,144	<1
		Total	3,800,000,000.00	380,000,000,000	100

# BUSINESS MODELS

Emlak Konut REIC applies two different business models effectively to achieve its administrative goals and strategies. The first business model is "Revenue Sharing Model (RSM)", and second is Turn-Key Model.

- One of the most important values of Emlak Konut REIC is the models it executes and develops.
- Emlak Konut REIC procures lands for project development majorly from TOKİ, and partially from third parties.
- By virtue of the construction and real estate sector accounting, sales and costs are added to the income statement only when it is confirmed that the project has been completed by Emlak Konut REIC.
- Our Company has a conscientiously developed 65- year brand value. It proves effective in the relevant models contributing positively to the construction, marketing and sales stages.

## Revenue Sharing Model

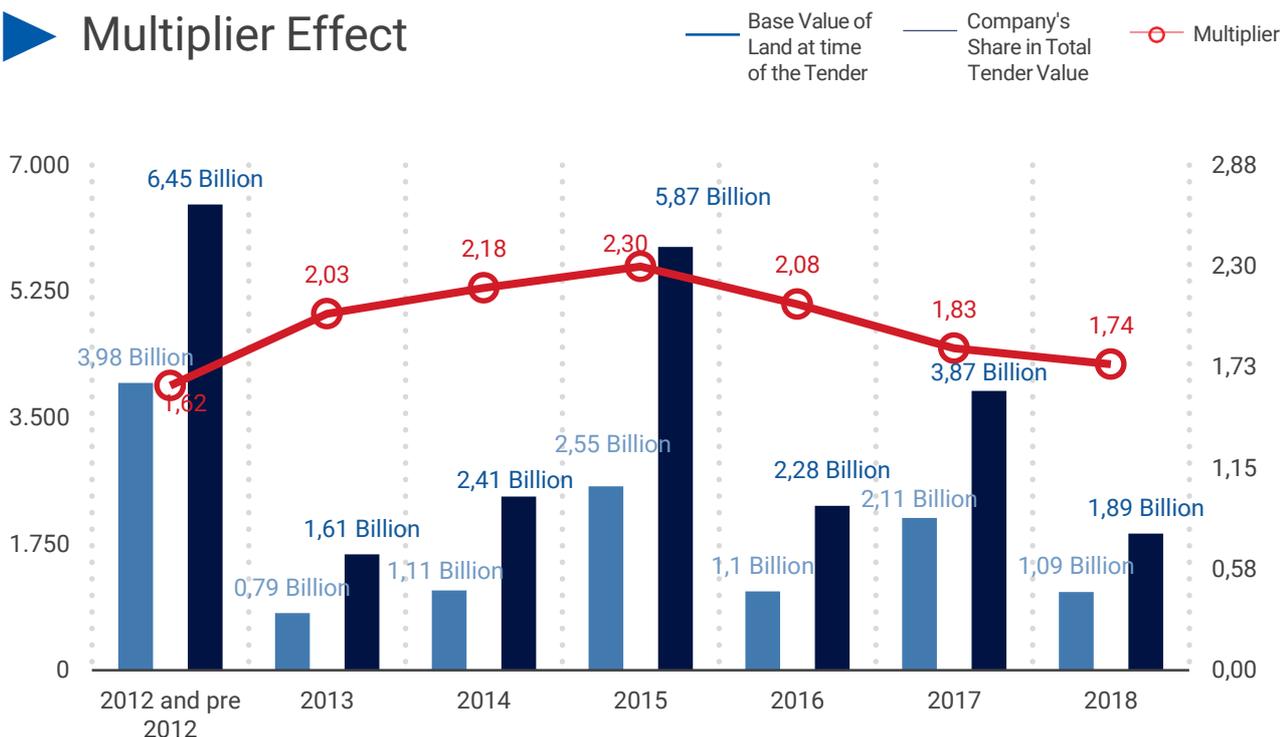
This is the primary income creation model of the Company. This is an original model used especially for projects intended for the upper- middle and upper income groups and provides profitability and fund flow for the Company. When it is deemed necessary, our Company purchase units in revenue sharing model- based projects throughout or after the completion of a project or may share such units with the contractor at the end of a project. Company Share in Total Revenue" given in the charts is the amount that contractors committed to pay to our company in tenders or after with protocols; Emlak Konut's share of the bank commisions that have been paid to decrease the interest rate for mortgage loans in unit sales will be added to related project cost along with the completion.

## Turn- Key Model Projects

The contractor is selected via a tender process pursuant to some criterias among the most appropriate and the lowest bid. Emlak Konut assumes all risks and responsibilities for the project development. All income earned from the sales of the units belong to Emlak Konut.

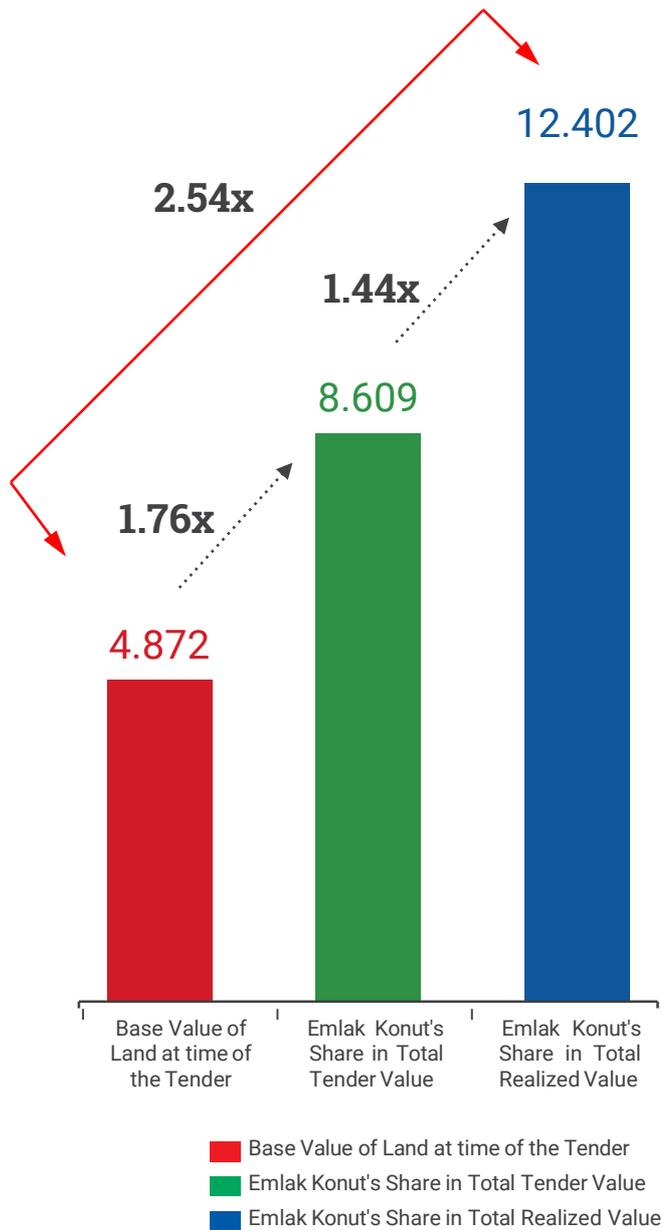
## The Progress of Multiplier for Revenue Sharing Model Projects (2003 - 2018)

### Multiplier Effect



# MULTIPLIER FOR REVENUE SHARING MODEL

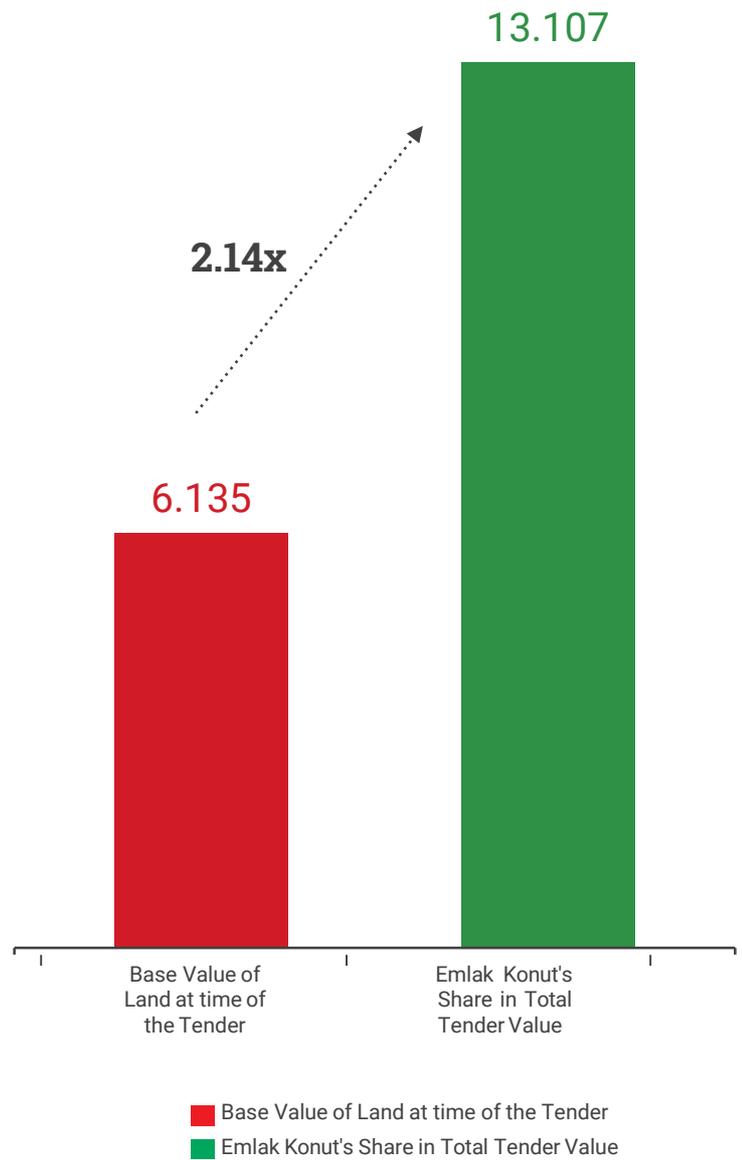
▶ Multiplier for Completed Projects is 2.54x...



## Completed Projects

- The figures are in billion TRY. Please note that, the past performance is not necessarily an indicator of future performance.

▶ Emlak Konut REIC expects to maintain high multiplier on ongoing projects...



## Ongoing Projects

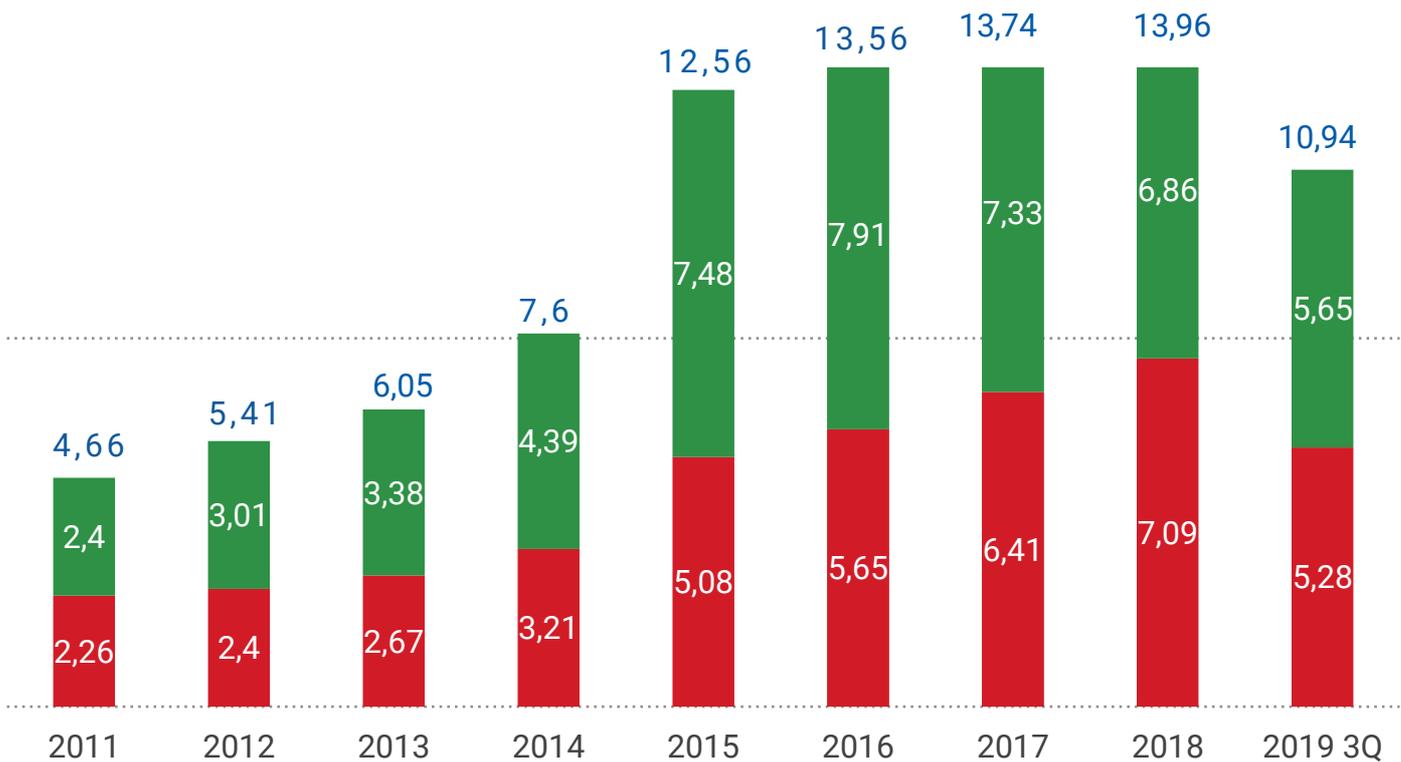
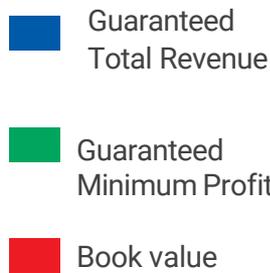
- The figures are in billion TRY. Please note that, the past performance is not necessarily an indicator of future performance.

## PROGRESS OF GUARANTEED PROFIT IN RSM PROJECTS (BILLION TRY)

### ► Strong earnings visibility ahead from RSM projects...

Emlak REIC expects to recognize 5.65 Billion TRY of profit over the next 5 years.

Emlak REIC Min. Guaranteed Revenue recognition depends on completion of construction. Abovementioned values will be recognized when we complete our projects.



# KÖY

The Project also enclaves an outdoor bazaar situated within a appx. 15 thousand square meter rentable site. Carsi (Bazaar) promoting the outdoor concept offers in KÖY globally trendy brands side by side with authentic restaurants presenting local cuisine, cafes, a supermarket, veterinary clinic, organic food market and state-of-the-art movie halls.





# ONGOING REVENUE SHARING MODEL PROJECTS



**TEMASEHİR**  
KONYA

> CONTRACTOR	: TORKAM	> Est. Total Sales Revenue	: 705.000.000 TL
> EXP.COMPLETION DATE	: 14.12.2019	> Company Revenue Share in Total Revenue:	%30,00
> LAND AREA	: 72.727 m <sup>2</sup>	> Min.Company Share in Total Revenue	: 211.500.000 TL
> NUMBER OF UNITS	: 905	> Progress Level	: %75,02



**TUAL**  
ADALAR

> CONTRACTOR	: DAĞ	> Est. Total Sales Revenue	: 420.000.000 TL
> EXP.COMPLETION DATE	: 04.09.2019	> Company Revenue Share in Total Revenue:	%29,50
> LAND AREA	: 47.565 m <sup>2</sup>	> Min.Company Share in Total Revenue	: 123.900.000 TL
> NUMBER OF UNITS	: 542	> Progress Level	: %57,76

# ONGOING REVENUE SHARING MODEL PROJECTS



> **CONTRACTOR** : **KELİF İŞ ORTAKLIĞI**  
> **EXP.COMPLETION DATE** : **16.10.2019**  
> **LAND AREA** : **36.175 m<sup>2</sup>**  
> **NUMBER OF UNITS** : **592**

> Est. Total Sales Revenue : **440.000.000 TL**  
> Company Revenue Share in Total Revenue: **%39,00**  
> Min.Company Share in Total Revenue : **171.600.000 TL**  
> Progress Level : **%80,53**



> **CONTRACTOR** : **DAĞ**  
> **EXP.COMPLETION DATE** : **10.11.2019**  
> **LAND AREA** : **137.588 m<sup>2</sup>**  
> **NUMBER OF UNITS** : **1.914**

> Est. Total Sales Revenue : **1.090.000.000 TL**  
> Company Revenue Share in Total Revenue: **%25,26**  
> Min.Company Share in Total Revenue : **275.334.000 TL**  
> Progress Level : **%77,70**

# ONGOING REVENUE SHARING MODEL PROJECTS



**OFİS KARAT**  
BAKIRKÖY

> **CONTRACTOR** : BAŞYAPI & GÜNEY & ELİT VİZYON

> **EXP.COMPLETION DATE**: 07.12.2019

> **LAND AREA** : 5.250 m<sup>2</sup>

> **NUMBER OF UNITS** : 90

> Est. Total Sales Revenue : 200.000.000 TL

> Company Revenue Share in Total Revenue: %31,00

> Min.Company Share in Total Revenue : 62.000.000 TL

> Progress Level : %40,43



**VALİDEBAĞ**  
KONAKLARI

> **CONTRACTOR** : ELTES & İSTLIFE

> **EXP.COMPLETION DATE** : 01.03.2020

> **LAND AREA** : 17.237 m<sup>2</sup>

> **NUMBER OF UNITS** : 366

> Est. Total Sales Revenue : 810.000.000 TL

> Company Revenue Share in Total Revenue: %50,15

> Min.Company Share in Total Revenue : 406.215.000 TL

> Progress Level : %51,65

# ONGOING REVENUE SHARING MODEL PROJECTS



**AVRUPARK**  
HAYAT

> **CONTRACTOR** : CİHAN İNŞ. & KONUTYAPI

> **EXP.COMPLETION DATE** : 05.01.2021

> **LAND AREA** : 42.020m<sup>2</sup>

> **NUMBER OF UNITS** : 1.184

> Est. Total Sales Revenue : 626.000.000 TL

> Company Revenue Share in Total Revenue: %25,00

> Min.Company Share in Total Revenue : 156.500.000 TL

> Progress Level : %23,49



**tem 34**  
TAHTAKALE

> **CONTRACTOR** : AKYAPI & EŞBAH

> **EXP.COMPLETION DATE** : 23.01.2020

> **LAND AREA** : 24.511 m<sup>2</sup>

> **NUMBER OF UNITS** : 197

> Est. Total Sales Revenue : 342.400.000 TL

> Company Revenue Share in Total Revenue: %25,00

> Min.Company Share in Total Revenue : 85.600.000 TL

> Progress Level : %26,99

# ONGOING REVENUE SHARING MODEL PROJECTS



> **CONTRACTOR** : YENİYAPI & TACA  
> **EXP.COMPLETION DATE** : 15.05.2020  
> **LAND AREA** : 35.856 m<sup>2</sup>  
> **NUMBER OF UNITS** : 385

> **Est. Total Sales Revenue** : 442.500.000 TL  
> **Company Revenue Share in Total Revenue**: %38,00  
> **Min.Company Share in Total Revenue** : 168.150.000 TL  
> **Progress Level** : %22,32



> **CONTRACTOR** : GÜL İNŞAAT  
> **EXP.COMPLETION DATE** : 31.05.2020  
> **LAND AREA** : 36.750 m<sup>2</sup>  
> **NUMBER OF UNITS** : 959

> **Est. Total Sales Revenue** : 1.300.000.000 TL  
> **Company Revenue Share in Total Revenue**: %49,00  
> **Min.Company Share in Total Revenue** : 637.000.000 TL  
> **Progress Level** : %43,06

# ONGOING REVENUE SHARING MODEL PROJECTS



**IDEALIST  
C A D D E**

> **CONTRACTOR** : IDEALIST İNŞAAT & IDEALIST GYO

> **EXP.COMPLETION DATE** : 03.12.2020

> **LAND AREA** : 17.933 m<sup>2</sup>

> **NUMBER OF UNITS** : 58\*

> Est. Total Sales Revenue : 68.500.000 TL

> Company Revenue Share in Total Revenue: %22,00

> Min.Company Share in Total Revenue : 15.070.000 TL

> Progress Level : %5,50



**CER  
İSTANBUL**

> **CONTRACTOR** : EGE & YEDİ KULE

> **EXP.COMPLETION DATE** : 26.02.2021

> **LAND AREA** : 41.162 m<sup>2</sup>

> **NUMBER OF UNITS** : 148

> Est. Total Sales Revenue : 302.680.000 TL

> Company Revenue Share in Total Revenue: %35,01

> Min.Company Share in Total Revenue : 105.968.270 TL

> Progress Level : %23,24

\* Proje bütününde inşaat ruhsatı alınmasını takiben ünite sayılarında artış olabilir.

# ONGOING REVENUE SHARING MODEL PROJECTS



**KÖY**

> **CONTRACTOR** : SİYAHKALEM

> **EXP.COMPLETION DATE** : 05.10.2022

> **LAND AREA** : 348.807 m<sup>2</sup>

> **NUMBER OF UNITS** : 1.156\*

> Est. Total Sales Revenue : 1.475.000.000 TL

> Company Revenue Share in Total Revenue: %32,25

> Min.Company Share in Total Revenue : 475.687.500 TL

> Progress Level : %51,49



**ebruli**  
İSPARTAKÜLE

> **CONTRACTOR** : EBRULİ İNŞAAT

> **EXP.COMPLETION DATE** : 30.06.2020

> **LAND AREA** : 47.168 m<sup>2</sup>

> **NUMBER OF UNITS** : 776

> Est. Total Sales Revenue : 600.000.000 TL

> Company Revenue Share in Total Revenue: %22,00

> Min.Company Share in Total Revenue : 132.000.000 TL

> Progress Level : %21,15

\* Proje bütününde inşaat ruhsatı alınmasını takiben ünite sayılarında artış olabilir.

# ONGOING REVENUE SHARING MODEL PROJECTS



**NIDAPARK**  
KÜÇÜKYALI

> **CONTRACTOR** :TAHİNCİOĞLU KÜÇÜKYALI ORT. GRŞ.  
> **EXP.COMPLETION DATE** :16.09.2021  
> **LAND AREA** :110.023 m<sup>2</sup>  
> **NUMBER OF UNITS** :1.956

> Est. Total Sales Revenue :3.635.715.000 TL  
> Company Revenue Share in Total Revenue: %42,00  
> Min.Company Share in Total Revenue :1.527.000.300 TL  
> Progress Level :%33,64



**MERKEZ**  
**ANKARA**

> **CONTRACTOR** : PASİFİK & ÇİFTAY  
> **EXP.COMPLETION DATE** :24.03.2020  
> **LAND AREA** :137.249 m<sup>2</sup>  
> **NUMBER OF UNITS** :3.060

> Est. Total Sales Revenue :4.194.550.000 TL  
> Company Revenue Share in Total Revenue: %30,00  
> Min.Company Share in Total Revenue :1.258.365.000 TL  
> Progress Level :%22,99

# ONGOING REVENUE SHARING MODEL PROJECTS



SEMİT  
BAHÇEKENT

> CONTRACTOR : SUR YAPI & HATAY AKPINAR

> EXP.COMPLETION DATE : 18.01.2020

> LAND AREA : 23.264 m<sup>2</sup>

> NUMBER OF UNITS : 695

> Est. Total Sales Revenue : 602.000.000 TL

> Company Revenue Share in Total Revenue: %25,00

> Min.Company Share in Total Revenue : 150.500.000TL

> Progress Level : %14,16



NİDAPARK  
KAYASEHİR

> CONTRACTOR : TAHİNCİOĞLU KAYABAŞI

> EXP.COMPLETION DATE : 23.10.2020

> LAND AREA : 103.277 m<sup>2</sup>

> NUMBER OF UNITS : 1.142

> Est. Total Sales Revenue : 1.072.600.000TL

> Company Revenue Share in Total Revenue: %38,00

> Min.Company Share in Total Revenue : 407.588.000TL

> Progress Level : %85,94

# ONGOING REVENUE SHARING MODEL PROJECTS



BÜYÜKYALI  
İSTANBUL



> CONTRACTOR : ÖZAK & YENİGÜN & ZİRLAN

> EXP.COMPLETION DATE : 02.11.2022

> LAND AREA : 108.619 m<sup>2</sup>

> NUMBER OF UNITS : 1.670

> Est. Total Sales Revenue : 4.240.000.000 TL

> Company Revenue Share in Total Revenue: %37,00

> Min.Company Share in Total Revenue : 1568.800.000 TL

> Progress Level : %80,67



NİDAPARK  
İSTİNYE



> CONTRACTOR : TAHİNCİOĞLU İSTİNYE ORTAK GİRİŞİMİ

> EXP.COMPLETION DATE : 07.11.2021

> LAND AREA : 158.498 m<sup>2</sup>

> NUMBER OF UNITS : 555

> Est. Total Sales Revenue : 3.672.000.000 TL

> Company Revenue Share in Total Revenue: %51,10

> Min.Company Share in Total Revenue : 1.876.392.000 TL

> Progress Level : %21,03

# ONGOING REVENUE SHARING MODEL PROJECTS



**ELORA**  
DENİZİ

<p>&gt; <b>CONTRACTOR</b> : TEKNİK YAPI &amp; UCD</p> <p>&gt; <b>EXP.COMPLETION DATE</b> : 28.08.2020</p> <p>&gt; <b>LAND AREA</b> : 115.291 m<sup>2</sup></p> <p>&gt; <b>NUMBER OF UNITS</b> : 1.558</p>	<p>&gt; Est. Total Sales Revenue : 514.727.778 TL</p> <p>&gt; Company Revenue Share in Total Revenue: %18,00</p> <p>&gt; Min.Company Share in Total Revenue : 92.651.000 TL</p> <p>&gt; Progress Level : %50,47</p>
---	---



**TUZLA ARTI**

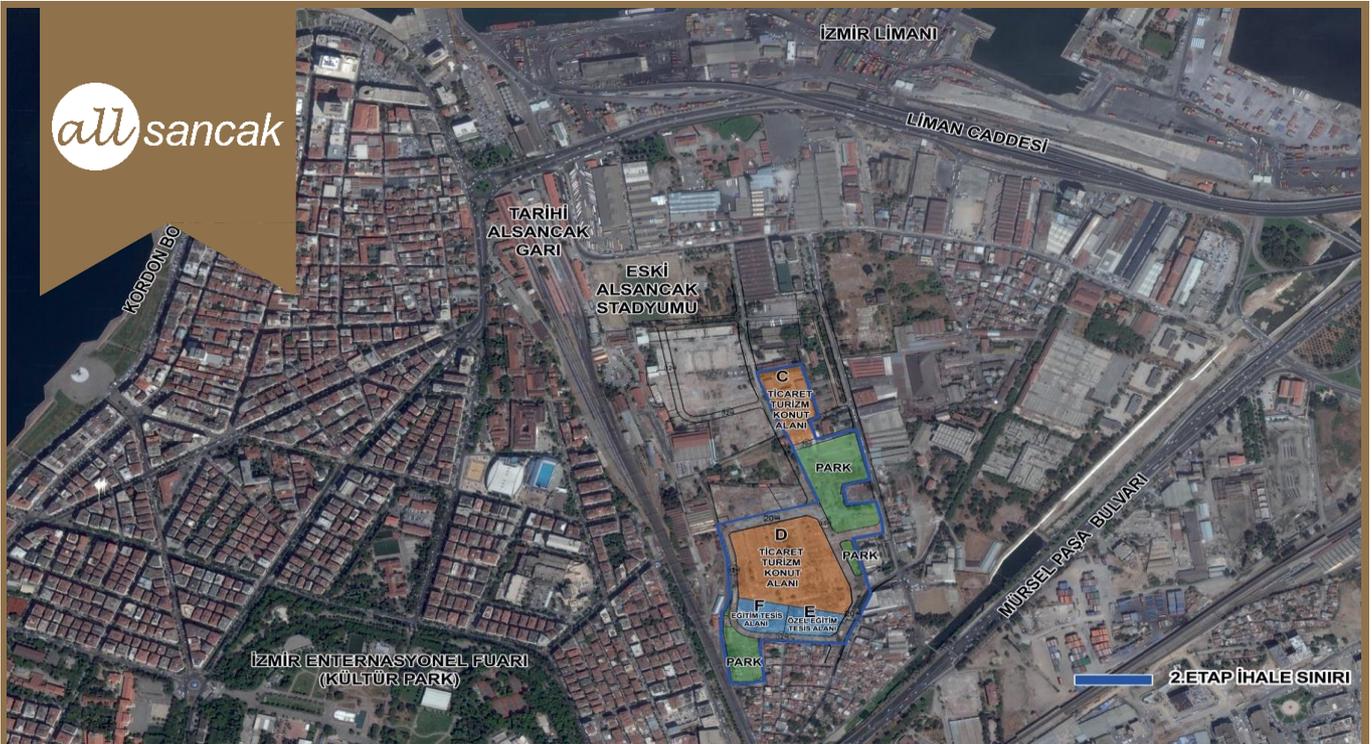
<p>&gt; <b>CONTRACTOR</b> : DAĞ</p> <p>&gt; <b>EXP.COMPLETION DATE</b>: 01.09.2021</p> <p>&gt; <b>LAND AREA</b> : 9.600 m<sup>2</sup></p> <p>&gt; <b>NUMBER OF UNITS</b> :-</p>	<p>&gt; Est. Total Sales Revenue : 185.000.000 TL</p> <p>&gt; Company Revenue Share in Total Revenue: %29,15</p> <p>&gt; Min.Company Share in Total Revenue: 53.927.500 TL</p> <p>&gt; Progress Level : %0,00</p>
---	---

# ONGOING REVENUE SHARING MODEL PROJECTS



> CONTRACTOR : YILMAZ İNŞAAT  
 > EXP.COMPLETION DATE : 22.09.2021  
 > LAND AREA : 1.157.004 m<sup>2</sup>  
 > NUMBER OF UNITS : 509\*

> Est. Total Sales Revenue : 3.808.000.000 TL  
 > Company Revenue Share in Total Revenue: %25,00  
 > Min.Company Share in Total Revenue : 952.000.000 TL\*\*  
 > Progress Level : %1,35



> CONTRACTOR : PEKİNTAŞ & BURAKCAN  
 > EXP.COMPLETION DATE : 21.08.2021  
 > LAND AREA : 78.558 m<sup>2</sup>  
 > NUMBER OF UNITS : 1.104\*

> Est. Total Sales Revenue : 2.200.000.000 TL  
 > Company Revenue Share in Total Revenue: %33,00  
 > Min.Company Share in Total Revenue : 726.000.000 TL\*\*  
 > Progress Level : %0,00

\* Proje bütününde inşaat ruhsatı alınmasını takiben ünite sayılarında artış olabilir.  
 \*\* Min.Company Share in Total Revenue'nin %20'si (117.040.000 TL) Emlak Konut'a ait olacaktır.

# ONGOING REVENUE SHARING MODEL PROJECTS



**EVOVA**  
İZMİR

> CONTRACTOR	: TEKNİK YAPI & HALK GYO	> Est. Total Sales Revenue	: 1.672.000.000 TL
> EXP.COMPLETION DATE	: 16.09.2021	> Company Revenue Share in Total Revenue:	%35,00
> LAND AREA	: 47.070 m <sup>2</sup>	> Min.Company Share in Total Revenue	: 585.200.000 TL **
> NUMBER OF UNITS	: 772*	> Progress Level	: %1,59



## İSTANBUL - ŞİŞLİ - TEŞVİKİYE

ŞİŞLİ  
TEŞVİKİYE

EL TANE  
HAKKI YETEN  
TİCARET+KONUT ALANI (A)  
PARK  
YOL  
PARK  
TİCARET+KONUT ALANI (B)  
PARK  
TİCARET ALANI (C)  
HAKKI YETEN CADESİ  
İHLAMURDE CADESİ  
BEŞİKTAŞ EVLENDİRME DAİRESİ

PARSEL SINIRI  
İHALE SINIRI

> CONTRACTOR	: ELTES & ISTLIFE	> Est. Total Sales Revenue	: 1.763.750.000 TL
> EXP.COMPLETION DATE	: 06.05.2022	> Company Revenue Share in Total Revenue:	%40,00
> LAND AREA	: 20.677 m <sup>2</sup>	> Min.Company Share in Total Revenue	: 705.500.000 TL
> NUMBER OF UNITS	: -	> Progress Level	: %0,00

\* Proje bütününde inşaat ruhsatı alınmasını takiben ünite sayılarında artış olabilir.

\*\* Min.Company Share in Total Revenue'inin %20'si (117.040.000 TL) Emlak Konut'a ait olacaktır.

# ONGOING REVENUE SHARING MODEL PROJECTS



# ONGOING REVENUE SHARING MODEL PROJECTS TABLE 30.06.2019

Line	Project Name	Emlak Konut Min. Guaranteed Revenue (TRY)	Min. Profit	Total Number of Units	Units Sold	(%) Sold
1	KARAT 34	171.600.000	103.325.121	592	391	66
2	TEMAŞEHİR KONYA	198.759.060	110.394.338	905	661	73
3	TUAL ADALAR	21.252.794	7.182.273	542	296	55
4	TUAL BAĞÇEKENT	130.529.584	91.534.315	1.914	1.519	79
5	KÖY*	300.525.555	147.547.116	1.156	543	47
6	EVORA DENİZLİ*	92.651.000	15.480.652	1.558	820	53
7	NİDAPARK KAYAŞEHİR*	107.950.125	72.444.675	1.142	1.085	95
8	BÜYÜKYALI İSTANBUL*	1.492.309.567	867.297.927	1.670	555	33
<b>2019 TOTAL</b>		<b>2.515.577.685</b>	<b>1.415.206.417</b>	<b>9.479</b>	<b>5.870</b>	<b>62</b>
9	VALİDEBAĞ KONAKLARI	439.887.380	285.977.578	366	268	73
10	OFİS KARAT BAKIRKÖY	62.000.000	31.044.506	90	12	13
11	AVANGART İSTANBUL	637.000.000	515.888.169	959	164	17
12	MERKEZ ANKARA	1.258.365.000	620.745.988	3.060	287	9
13	YENİKÖY KONAKLARI	168.150.000	122.783.949	385	118	31
<b>2020 TOTAL</b>		<b>2.565.402.380</b>	<b>1.576.440.190</b>	<b>4.860</b>	<b>849</b>	<b>17</b>
14	SEMT BAĞÇEKENT**	88.031.267	52.603.954	695	313	45
15	CER İSTANBUL	105.968.270	38.487.969	148	29	20
16	EBRULİ İSPARTAKULE	132.000.000	73.799.757	776	170	22
17	AVRUPARK HAYAT	156.500.000	102.443.299	1.184	445	38
18	BAĞÇETEPE İSPARTAKULE / TEM 34 TAHTAKALE**	40.086.059	10.711.558	197	94	48
19	İDEALİSTKORU/İDEALİST CADDE	15.070.000	5.256.866	58	21	36
20	NİDAPARK KÜÇÜKYALI	1.527.000.300	848.147.970	1.956	993	51
21	NİDAPARK İSTİNYE	1.876.392.000	882.612.315	555	115	21
22	TUAL ARTI	53.927.500	33.911.140	-	-	-
<b>2021 TOTAL</b>		<b>3.994.975.396</b>	<b>2.047.974.828</b>	<b>5.569</b>	<b>2.180</b>	<b>39</b>
23	ANKARA SARAÇOĞLU	0	-3.713.777	-	-	-
24	ŞİŞLİ TEŞVİKİYE	705.500.000	143.545.599	-	-	-
25	ÇEKMEKÖY TAŞDELEN	355.552.000	52.613.087	-	-	-
<b>2022 TOTAL</b>		<b>1.061.052.000</b>	<b>192.444.909</b>	<b>0</b>	<b>-</b>	<b>-</b>
26	ALLSANCAK	145.200.000	145.143.260	1.104	-	-
27	EVORA İZMİR	117.040.000	115.873.587	772	55	7
28	DÜŞLER VADİSİ	542.892.221	163.927.452	509	69	14
<b>2023 TOTAL</b>		<b>805.132.221</b>	<b>424.944.299</b>	<b>2.385</b>	<b>124</b>	<b>5</b>
<b>TOTAL</b>		<b>10.942.139.682</b>	<b>5.657.010.643</b>	<b>22.293</b>	<b>9.023</b>	<b>40</b>

\*Partial provisional acceptance of the Project will be realized in 2019 and the remaining parts of the project will be finalized in following terms

\*\*Project has been partially liquidated



# ONGOING TURN-KEY MODEL PROJECTS



**KUZEYAKASI**  
İSTANBUL'UN YENİ YAKASI

> **CONTRACTOR** : **YAPI & YAPI İNŞAAT**

> **EXP.COMPLETION DATE** : **09.08.2020**

> **LAND AREA** : **372.995 m<sup>2</sup>**

> **NUMBER OF UNITS** : **370**

> Current Agreement Value : 574.657.433 TL

> Book Value + Progress Payment : 477.281.628 TL >

> Progress Level : %76,24



**BAŞKENT**  
— EMLAK KONUTLARI —  
1

> **CONTRACTOR** : **KALYON**

> **EXP.COMPLETION DATE** : **29.11.2019**

> **LAND AREA** : **89.502 m<sup>2</sup>**

> **NUMBER OF UNITS** : **1.345**

> Current Agreement Value : 562.179.503 TL

> Book Value + Progress Payment : 817.971.575 TL

> Progress Level : %67,27

# ONGOING TURN-KEY MODEL PROJECTS



**KÖRFEZKENT**  
ÇARŞI

> CONTRACTOR : AHES İNŞAAT

> EXP.COMPLETION DATE : 26.07.2019

> LAND AREA : 11.967m<sup>2</sup>

> NUMBER OF UNITS : 106

> Current Agreement Value :51.018.657 TL

> Book Value + Progress Payment :63.478.733 TL

> Progress Level :%96,25



**GEBZE**  
EMLAK KONUTLARI 3  
1

> CONTRACTOR : MUSTAFA EKŞİ

> EXP.COMPLETION DATE : 16. 10. 2019

> LAND AREA : 91.565 m<sup>2</sup>

> NUMBER OF UNITS : 1.040

> Current Agreement Value :337.435.854TL

> Book Value + Progress Payment :519.427.388 TL

> Progress Level :%93,81

# ONGOING TURN-KEY MODEL PROJECTS



**BAŞKENT**  
— EMLAK KONUTLARI —  
2

> **CONTRACTOR** : ASL İNŞAAT  
> **EXP.COMPLETION DATE** : 29.05.2019  
> **LAND AREA** : 30.521 m<sup>2</sup>  
> **NUMBER OF UNITS** : 507

> **Current Agreement Value** : 206.658.170 TL  
> **Book Value + Progress Payment** : 339.905.578 TL  
> **Progress Level** : %95,75



**GEBZE**  
EMLAK KONUTLARI 3  
3

> **CONTRACTOR** : SİYAHKALEM  
> **EXP.COMPLETION DATE** : 13.09.2019  
> **LAND AREA** : 90.774 m<sup>2</sup>  
> **NUMBER OF UNITS** : 950

> **Current Agreement Value** : 347.435.908 TL  
> **Book Value + Progress Payment** : 9.294.852 TL  
> **Progress Level** : %97,45

# ONGOING TURN-KEY MODEL PROJECTS

Line	City/Region	Project Name	Book Value + Progress Payment (TRY)	Total # of Units	Sold (SEP 19)
1	Ankara/ Mühye	BAŞKENT EMLAK KONUTLARI 1	817.971.575	1.345	262
2	Ankara/ Mühye	BAŞKENT EMLAK KONUTLARI 2	339.905.578	507	-
3	Ankara/ Mühye	BAŞKENT EMLAK KONUTLARI 3	18.822.932	-	-
4	Kocaeli/ Gebze	GEBZE EMLAK KONUTLARI 3-1	519.427.388	1.040	539
5	Kocaeli/ Gebze	GEBZE EMLAK KONUTLARI 3-3	9.294.852	62	-
6	Kocaeli/ Körfez	KÖRFEZKENT ÇARŞI	63.478.733	106	71
7	İstanbul/ Kayabaşı	KUZEY YAKASI	477.281.628	370	214
8		VARIOUS INFRASTRUCTURE PROJECTS	187.295.411	-	
<b>Total</b>			<b>2.433.478.097</b>	<b>4.380</b>	<b>1.446</b>

# RENTED AND LEASED PROPERTIES

## Rented Properties (TL)

Line	Tenant	Ending Date	Duration	Property Information	Lease Value*
1	EMLAK KONUT GYO A.Ş.	1.05.2019	1 Year	Ankara/ Çankaya No:14	8.150,50 TL
2	EMLAK KONUT GYO A.Ş.	1.04.2020	3 Year	Niğde 3337 / 1	1.908,00 TL
<b>Total</b>					<b>10.058,50</b>

## Leased Properties (TL)

Line	Duration	Property Information	Rent Value	Turnover Ratio
1	8 Year	4 Shop/ Avcılar	62.289	
2	5 Year	Bina/ Türkiye Halk Bankası A.Ş.	512.444	
3	8,5 Year	7 Shop/ Başakşehir	27.598	
4	7,5 Year	4 Shop/ Esenler	12.575	
5	5 Year	1 Shop/ Küçükçekmece	42.500	
6	5 Year	5 Shop/ Kocaeli	8.255	
7	2 Year	1 Shop/ Başakşehir	1.737	
8	10 Year	24 Shop/ Sarıyer		4.75%
9	5 Year	5 Shop/ Sarıyer	36.696	
10	5 Year	2 Shop/ Sarıyer		Avg. 12,5%
11	5+5	36 Offices/ Ümraniye	118.000	
13	2 Year	5 Landplot / İstanbul	32.091	
<b>Total</b>			<b>91 Shops and 1 Building</b>	<b>854.183 TL</b>

## İSTMARINA Leased Properties

Line	Duration	Property Information	Rent Value	Turnover Ratio
1	4 Year	27 Shop / Kartal	104.887	
2	6 Year	46 Shop / Kartal	430.720	Avg. 9%
3	7 Year	72 Shop / Kartal		Avg. 10%
<b>Toplam</b>			<b>145 Shops</b>	<b>535.607 TL</b>

\*Not included VAT, values are expressed as monthly.

\*\* Turnover share is not included the rent value. The rent values will be shared with the contractor over the share ratios specified in the contract.



# EMLAK PLANLAMA İNŞAAT PROJE YÖNETİMİ VE TİCARET A.Ş.

Emlak Planlama İnşaat Proje Yönetimi Ve Ticaret AS (Known as Emlak Planlama, EPP) was established in 1980 to operate principally in the fields of real estate project management, sales & marketing, lettings,

consultancy services and developing projects via Revenue Sharing Model. Emlak Konut REIC has acquired all of 65,000,000 shares of Emlak Planlama İnşaat Proje Yönetimi Ve Ticaret AS with an amount of TRY 288,000,000.

## 2019 Consultancy Services

**94.36%**  
Completion  
Ratio

- **Project Scope:**  
5,438 Building  
600-bed Hospital  
Infrastructure and  
Landscaping Projects
- **Project Location:**  
İstanbul, Tekirdağ,  
Edirne, Sakarya,  
Kocaeli

**92.17%**  
Completion  
Ratio

- **Project Scope:**  
3,202 Building  
Hospital &  
Infrastructure and  
Landscaping Projects
- **Project Location:**  
İstanbul,  
Edirne, Sakarya,  
Kocaeli, Yalova

**99.26%**  
Completion  
Ratio

- **Project Scope:**  
Giresun Sport  
Complex
- **Project Location:**  
Giresun

**92.51%**  
Completion  
Ratio

- **Project Scope:**  
Akyazı Sport &  
Culture Complex
- **Project Location:**  
Trabzon

## NET ASSET VALUE TRY 245,559,428

**TRY 828 Million**  
Presales Value

**955 K**  
Presales  
Independent Units  
sold in 2018

**8,2 Million sqm**  
Construction area  
of completed  
and ongoing  
Consultancy  
Services

**415 K sqm**  
Land area for  
development  
purpose



# 2019 PROJECTS

## Emlak Termal Kent/Yalova



TENDER STATUS  
*Tendered*

Started in 2016 in Revenue Sharing Model but liquidated at 26,34 % progress level. Retendered as Turn-Key Model Project and the progress level is 65,78%

> COMPLETION DATE: 30.06.2020  
> INDEPENDENT UNITS: 403

## Sapanca/Arifiye Lands



TENDER STATUS  
*TENDER WILL BE REPEATED*

Working on zoning plans.

> LAND AREA: 118.000 sqm

## Istanbul Bio City



BUSINESS MODEL

New concept project is developed in Revenue Sharing Model. Total investment value has reached to USD 150 million.

> LAND AREA: 477.166 sqm

## Basaksehir Food Wholesale Area



TENDER STATUS  
*TENDER FOR TRADE AREA WILL BE DONE*

UNITS

> PROGRESS LEVEL: 58,44%  
> INDEPENDENT UNIT: 947  
> AREA FOR TRADING: 123  
> AREA FOR TRADING: 47\*

(\* Permit will taken & tender will be done in 2019)

# DÜŞLER VADİSİ





**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**CONVENIENCE TRANSLATION OF  
THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2019**

**(ORIGINALLY ISSUED IN TURKISH)**

## EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. AND ITS SUBSIDIARIES

<b>CONTENTS</b>		<b>PAGES</b>
<b>INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION .....</b>		<b>1-2</b>
<b>INTERIM CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME.....</b>		<b>3</b>
<b>INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY.....</b>		<b>4</b>
<b>INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS.....</b>		<b>5</b>
<b>EXPLANATORY NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.....</b>		<b>6-40</b>
NOTE 1	ORGANIZATION AND OPERATION OF THE GROUP.....	6-8
NOTE 2	BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS.....	8-9
NOTE 3	ACCOUNTING POLICIES.....	9-11
NOTE 4	CASH AND CASH EQUIVALENTS.....	12
NOTE 5	FINANCIAL INVESTMENTS.....	13
NOTE 6	FINANCIAL LIABILITIES.....	13-14
NOTE 7	TRADE RECEIVABLES AND PAYABLES .....	15
NOTE 8	OTHER RECEIVABLES AND PAYABLES.....	16-17
NOTE 9	INVENTORIES.....	18-21
NOTE 10	INVESTMENT PROPERTIES .....	22-23
NOTE 11	PROPERTY, PLANT AND EQUIPMENT .....	23
NOTE 12	PROVISIONS, CONTINGENT ASSETS AND LIABILITIES.....	24-26
NOTE 13	OTHER ASSETS AND LIABILITIES.....	27
NOTE 14	DEFERRED INCOME AND PREPAID EXPENSES.....	27
NOTE 15	SHAREHOLDERS' EQUITY.....	28
NOTE 16	REVENUE AND COST OF SALES.....	29
NOTE 17	GENERAL ADMINISTRATIVE EXPENSES, MARKETING EXPENSES.....	29-30
NOTE 18	OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES .....	30-31
NOTE 19	FINANCIAL INCOME / EXPENSES.....	31
NOTE 20	TAXATION ON INCOME (DEFERRED TAX AND LIABILITIES INCLUDED).....	32-33
NOTE 21	RELATED PARTY DISCLOSURES.....	34-36
NOTE 22	COMMITMENTS.....	36-37
NOTE 23	EARNINGS PER SHARE.....	37
NOTE 24	EVENTS AFTER THE REPORTING PERIOD.....	37
ADDITIONAL NOTE	CONTROL OF COMPLIANCE WITH THE PORTFOLIO LIMITATIONS.....	38-40

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL  
POSITION AT 30 SEPTEMBER 2019 AND 31 DECEMBER 2018**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

	Notes	<i>Not Audited</i> 30 September 2019	<i>Audited</i> 31 December 2018
<b>ASSETS</b>			
<b>Current assets</b>		<b>20,175,113</b>	<b>20,695,419</b>
Cash and cash equivalents	4	508,123	674,871
Financial investments	5	31,028	54,442
Trade receivables	7	2,400,057	1,622,995
<i>Trade receivables due from related parties</i>	21	480,328	12,621
<i>Trade receivables due from third parties</i>		1,919,729	1,610,374
Other receivables	8	1,094,302	1,163,367
<i>Other receivables due from related parties</i>	21	4,725	5,754
<i>Other receivables due from third parties</i>		1,089,577	1,157,613
Inventories	9	14,268,855	15,407,484
Prepaid expenses	14	1,735,110	1,467,489
Other current assets	13	137,638	301,719
Current tax assets	20	-	3,052
<b>Non-current assets</b>		<b>3,408,365</b>	<b>2,623,851</b>
Trade receivables	7	2,688,114	1,895,829
<i>Trade receivables due from third parties</i>		2,688,114	1,895,829
Other receivables	8	31,754	28,829
<i>Other receivables due from third parties</i>		9,306	9,027
<i>Other receivables due from related parties</i>	21	22,448	19,802
Financial investments		836	836
Investments accounted for using equity method		3,620	7,866
Investment property	10	431,862	390,340
Property, plant and equipment	11	102,017	66,342
Intangible assets		4,596	1,984
Other non-current assets	13	137,055	231,437
Deferred tax assets	20	8,511	388
<b>Total assets</b>		<b>23,583,478</b>	<b>23,319,270</b>

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

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL  
POSITION AT 30 SEPTEMBER 2019 AND 31 DECEMBER 2018**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

	Notes	<i>Not Audited</i> 30 September 2019	<i>Audited</i> 31 December 2018
<b>LIABILITIES AND EQUITY</b>			
<b>Current liabilities</b>		<b>8,320,913</b>	<b>8,329,651</b>
Short term borrowings	6	1,449,486	698,663
Current portion of non-current borrowings	6	1,260,231	976,999
Trade payables	7	455,161	978,347
<i>Trade payables due to related parties</i>	21	60,371	69,985
<i>Trade payables due to third parties</i>		394,790	908,362
Other payables	8	574,471	633,686
<i>Other payables to related parties</i>		395	398
<i>Other payables to third parties</i>		574,076	633,288
Deferred income	14	4,442,002	4,904,297
<i>Deferred income from related parties</i>	21	64,732	64,732
<i>Deferred income from third parties</i>		4,377,270	4,839,565
Current provisions		139,562	137,659
<i>Current provisions for employee benefits</i>		9,674	6,125
<i>Other current provisions</i>	12	129,888	131,534
<b>Non-current liabilities</b>		<b>2,085,649</b>	<b>1,906,101</b>
Long term borrowings	6	1,858,744	1,685,943
Trade payables		72,232	77,349
Other payables		75,396	68,792
Deferred income		4,738	3,175
Long term provisions		12,382	8,685
<i>Long term provisions for employee benefits</i>		12,382	8,685
Deferred tax liability		62,157	62,157
<b>Shareholders' equity</b>		<b>13,176,916</b>	<b>13,083,518</b>
<b>Total equity attributable to equity holders of the Company</b>		<b>13,178,433</b>	<b>13,084,984</b>
Paid-in capital	15	3,800,000	3,800,000
Treasury shares (-)		(284,480)	(284,480)
Share premium		2,366,895	2,366,895
Other comprehensive income / expense not to be reclassified to profit or loss		(42)	(42)
- <i>Gain/(loss) on remeasurement of employee benefits</i>		(42)	(42)
Restricted reserves		721,385	662,853
Retained earnings		6,362,400	5,271,709
Net profit for the year		212,275	1,268,049
<b>Non-controlling interests</b>		<b>(1,517)</b>	<b>(1,466)</b>
<b>Total liabilities and equity</b>		<b>23,583,478</b>	<b>23,319,270</b>

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

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS  
AND OTHER COMPREHENSIVE INCOME FOR THE NINE MONTHS PERIODS  
ENDED 30 SEPTEMBER 2019 AND 2018**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

	Notes	<i>Not Audited</i> 1 January- 30 September 2019	<i>Not Audited</i> 1 July- 30 September 2019	<i>Not Audited</i> 1 January- 30 September 2018	<i>Not Audited</i> 1 July- 30 September 2018
Revenue	16	3,576,812	402,681	2,657,515	353,433
Cost of sales (-)	16	(2,990,927)	(309,824)	(1,320,636)	(288,250)
<b>Gross profit</b>		<b>585,885</b>	<b>92,857</b>	<b>1,336,879</b>	<b>65,183</b>
General administrative expenses (-)	17	(204,292)	(82,949)	(158,576)	(53,244)
Marketing expenses (-)	17	(42,745)	(14,687)	(41,706)	(13,828)
Other income from operating activities	18	466,238	85,589	465,948	166,199
Other expenses from operating activities (-) share of profit (loss) from investments accounted for using equity	18	(145,029)	(82,805)	(198,761)	(119,875)
		(4,246)	(29)	-	-
<b>Operating profit</b>		<b>655,811</b>	<b>(2,024)</b>	<b>1,403,784</b>	<b>44,435</b>
Income from investing activities		170	4	202	7
<b>Operating profit before financial income / (expense)</b>		<b>655,981</b>	<b>(2,020)</b>	<b>1,403,986</b>	<b>44,442</b>
Financial income	19	127,803	33,100	65,841	8,516
Financial expenses (-)	19	(579,683)	(186,856)	(370,658)	(84,594)
<b>Profit from continuing operations, before tax</b>		<b>204,101</b>	<b>(155,776)</b>	<b>1,099,169</b>	<b>(31,636)</b>
Tax income from continuing operations		8,123	2,189	-	-
Deferred tax income	20	8,123	2,189	-	-
<b>Profit for the income</b>		<b>212,224</b>	<b>(153,587)</b>	<b>1,099,169</b>	<b>(31,636)</b>
<b>Profit (loss), attributable to</b>					
Non-controlling Interests		(51)	(3)	-	-
<b>Owners of Parent</b>		<b>212,275</b>	<b>(153,584)</b>	<b>1,099,169</b>	<b>(31,636)</b>
Statement of other comprehensive income		-	-	-	-
<b>Total comprehensive income for the period</b>		<b>212,224</b>	<b>(153,587)</b>	<b>1,099,169</b>	<b>(31,636)</b>
<b>Total comprehensive income/(loss) attributable to:</b>					
Non-controlling Interests		(51)	(3)	-	-
<b>Owners of Parent</b>		<b>212,275</b>	<b>(153,584)</b>	<b>1,099,169</b>	<b>(31,636)</b>
<b>Earnings per share (in full TL)</b>	23	<b>0.0006</b>	<b>(0.0004)</b>	<b>0.0030</b>	<b>(0.0001)</b>

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

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2019 AND 2018**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

	Share capital	Treasury shares (-)	Share premium	Restricted reserves	Other Comprehensive Income and Expense not to be Reclassified to Profit or Loss	Retained Earnings		Total	Non-controlling interests	Total equity
						Gain/Loss on remeasurement of employee benefits	Net income for the period			
<b>1 January 2018 (Previously Reported)</b>	<b>3,800,000</b>	<b>(284,480)</b>	<b>2,378,513</b>	<b>511,347</b>	<b>(42)</b>	<b>4,304,087</b>	<b>1,756,094</b>	<b>12,465,519</b>	-	<b>12,465,519</b>
Accounting policy change effect (Note 3)	-	-	-	-	-	(4,142)	-	(4,142)	-	(4,142)
<b>1 January 2018 (Restated)</b>	<b>3,800,000</b>	<b>(284,480)</b>	<b>2,378,513</b>	<b>511,347</b>	<b>(42)</b>	<b>4,299,945</b>	<b>1,756,094</b>	<b>12,461,377</b>	-	<b>12,461,377</b>
Transfers	-	-	(11,618)	151,506	-	1,616,206	(1,756,094)	-	-	-
Dividend payment	-	-	-	-	-	(644,442)	-	(644,442)	-	(644,442)
Total comprehensive income	-	-	-	-	-	-	1,099,169	<b>1,099,169</b>	-	1,099,169
<b>30 September 2018</b>	<b>3,800,000</b>	<b>(284,480)</b>	<b>2,366,895</b>	<b>662,853</b>	<b>(42)</b>	<b>5,271,709</b>	<b>1,099,169</b>	<b>12,916,104</b>	-	<b>12,916,104</b>
<b>1 January 2019</b>	<b>3,800,000</b>	<b>(284,480)</b>	<b>2,366,895</b>	<b>662,853</b>	<b>(42)</b>	<b>5,271,709</b>	<b>1,268,049</b>	<b>13,084,984</b>	<b>(1,466)</b>	<b>13,083,518</b>
Transfers	-	-	-	58,532	-	1,209,517	(1,268,049)	-	-	-
Dividend payment (Note 15) (*)	-	-	-	-	-	(118,826)	-	(118,826)	-	(118,826)
Total comprehensive income	-	-	-	-	-	-	212,275	<b>212,275</b>	(51)	212,224
<b>30 September 2019</b>	<b>3,800,000</b>	<b>(284,480)</b>	<b>2,366,895</b>	<b>721,385</b>	<b>(42)</b>	<b>6,362,400</b>	<b>212,275</b>	<b>13,178,433</b>	<b>(1,517)</b>	<b>13,176,916</b>

(\*) At the Ordinary General Assembly Meeting held on 30 April 2019, the decision on distributing cash dividend of 122,980 TL from the 2018 fiscal year profit (28 March 2018: 666,976 TL) is approved. As of 30 April 2019, the Company has own 3.38% shares with a nominal value of 1 TL, is shown by netting off dividend to be distributed. Dividend payment was made on 31 May 2019.

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

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE NINE MONTH PERIODS ENDED 30 SEPTEMBER 2019 AND 2018**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

	Notes	1 January- 30 September 2019	1 January- 30 September 2018
<b>Cash flows from operating activities</b>			
Profit for the year		212,224	1,099,169
<b>Adjustments to reconcile net profit</b>			
Depreciation and amortization expenses	17	5,613	4,304
Adjustments for (reversal of) provisions of tax	20	(8,123)	-
Adjustments for impairments		102,416	42,380
<i>Adjustments for impairment loss (reversal of impairment loss) of inventories</i>	9	102,416	17,143
<i>Adjustments for impairment loss (reversal of impairment loss) of investment properties</i>	18	-	25,237
Changes in provisions		7,650	81,033
<i>Adjustments for (reversal of) provisions related with employee benefits</i>		7,246	1,937
<i>Adjustments for (reversal of) lawsuit and/or penalty provisions</i>	12	(1,646)	76,017
<i>Adjustments for (reversal of) possible risks of cash and cash equivalents</i>	18	2,050	3,079
Adjustments for interest (income) expenses		63,646	(82,221)
<i>Adjustments for interest income</i>		(507,309)	(452,592)
<i>Adjustments for interest expense</i>	19	570,955	370,371
<b>Changes in net working capital</b>		<b>383,426</b>	<b>1,144,665</b>
Adjustments for decrease (increase) in trade accounts receivable		(1,283,379)	(461,171)
<i>Decrease (increase) in trade accounts receivables from related parties</i>		(467,707)	(699)
<i>Decrease (Increase) in trade accounts receivables from third parties</i>		(815,672)	(460,472)
Adjustments for decrease (increase) in inventories		982,579	(1,567,757)
Adjustments for increase (decrease) in trade accounts payable		(486,805)	796,647
<i>Increase (decrease) in trade payables to related parties</i>		31,884	70,347
<i>Increase (decrease) in trade payables to third parties</i>		(518,689)	726,300
Adjustments for (decrease) in other operating receivables		(70,460)	(73,962)
Adjustments for increase (decrease) in other operating payables		(348,841)	202,143
Other adjustments for other increase (decrease) in working capital		106,784	(378,653)
<b>Net cash flow from operating activities</b>			
Interest received		86,886	143,430
Income taxes paid		(99,055)	(147,264)
<b>Cash flows from operating activities</b>			
		<b>-728,865</b>	<b>-341,922</b>
<b>Cash flows from investing activities</b>			
Cash flows used in obtaining control of subsidiaries or other businesses		(47,477)	-
Purchases of investment properties, tangible and intangible assets		(30,903)	(346)
Interest received		170	202
Purchases of financial assets		(10,000)	(7,000)
Returns of financial assets		50	13,116
Other inflows (outflows) of cash		37,608	100,382
<b>Cash flow from investing activities</b>			
		<b>-50,552</b>	<b>106,354</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		3,745,786	1,052,537
<i>Proceeds from loans</i>		1,967,786	780,000
<i>Proceeds from issue of debt instruments</i>		1,778,000	272,537
Repayments of borrowings, classified as financing activities		(2,566,557)	(212,950)
<i>Loan repayments</i>		(909,557)	(212,950)
<i>Payments of issued debt instruments</i>		(1,657,000)	-
Interest paid		(415,872)	(169,555)
Dividends paid		(118,826)	(644,442)
Interest received		85,405	65,829
Other inflows (outflows) of cash		(9,845)	(159)
<b>Cash flow from financing activities</b>			
		<b>720,091</b>	<b>91,260</b>
<b>Net Increase (decrease) in cash and cash equivalents</b>			
Cash and cash equivalents at the beginning of the year	4	494,226	385,081
<b>Cash and cash equivalents at the end of the year</b>			
	<b>4</b>	<b>434,900</b>	<b>240,773</b>

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

## **EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. AND ITS SUBSIDIARIES**

### **NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2019**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

#### **NOTE 1 – ORGANIZATION AND OPERATION OF THE GROUP**

Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş. (“Emlak Konut GYO” or “Company”) was established on 26 December 1990 as a subsidiary of Türkiye Emlak Bankası A.Ş. The Group is governed by its articles of association, and is also subject to the terms of the decree law about Public Finances Enterprises No. 233, in accordance with the statute of Türkiye Emlak Bankası A.Ş. The Group has been registered and started its activities on 6 March 1991. The Group’s articles of association were revised on 19 May 2001 and it became an entity subject to the Turkish Commercial Code No. 4603.

The Group was transformed into a Real Estate Investment Group with Senior Planning Committee Decree No. 99/T-29, dated 4 August 1999, and according to Statutory Decree No. 588, dated 29 December 1999. According to Permission No. 298, dated 20 June 2002, granted by the Capital Markets Board (“CMB”) regarding transformation of the Group into a Real Estate Investment Group and permission No. 5320, dated 25 June 2002, from the Republic of Turkey Ministry of Industry and Trade and amendment draft for the articles of association of the Group was submitted for the approval of the Board and the amendment draft was approved at the Ordinary General Shareholders Committee meeting of the Group convened on 22 July 2002, changing the articles of association accordingly.

The articles of association of the Group were certified by Istanbul Trade Registry Office on 29 July 2002 and entered into force after being published in Trade Registry Gazette dated 1 August 2002. As the result of the General Shareholders committee meeting of the Group convened on 28 February 2006, the title of the Group Emlak Gayrimenkul Yatırım Ortaklığı A.Ş. was changed to Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.

By the decision of the Board of Directors of Istanbul Stock Exchange Market on 26 November 2010, 25% portion of the Group’s class B shares with a nominal value of TL 625,000 has been trading on the stock exchange since 2 December 2010.

The registered address of the Group is as follows:

Barbaros Mah. Mor Sümbül Sok. No: 7/2 B (Batı Ataşehir) Ataşehir – İstanbul. As of 30 September 2019, the Group employs 563 workers. (31 December 2018 – 533).

The objective and operating activity of the Group is coordinating and executing Real Estate Property Projects mostly housing, besides, commercial units, educational units, social facilities, and all related aspects, controlling and building audit services of the ongoing projects, marketing and selling the finished housing. Due to statutory obligation to be in compliance with the Real Estate Investment Companies decrees and related CMB communiqués, The Group cannot be a part of construction business, but only can organize it by auctioning between the contractors.

The condensed consolidated financial statements at 30 September 2019 have been approved by the Board of Directors on 7 November 2019.

The ultimate parent and ultimate controlling party of the group is T.C. Toplu Konut İdaresi Başkanlığı (the Housing Development Administration of Turkey, “TOKİ”). TOKİ is a state institution under the control of T.C. Ministry of Environment and Urbanisation.

Emlak Konut GYO, together with its subsidiaries and joint ventures, is referred to as “the Group”.

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

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2019**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

**NOTE 1 – ORGANIZATION AND OPERATION OF THE GROUP (Continued)**

**Subsidiaries**

Emlak Konut GYO subsidiaries has been operating in Turkey and the core business lines are listed below:

<u>Subsidiaries</u>	<u>Nature of business</u>
Emlak Planlama, İnşaat, Proje Yönetimi ve Tic. A.Ş. (“EPP”)	Real Estate Investments
EPP – Emay Adi Ortaklığı (“EPP-EMAY”)	Construction Activities

	<u>30 September 2019</u>		<u>31 December 2018</u>	
	Direct and indirect ownership rate (%)	Effective ownership rate (%)	Direct and indirect ownership rate (%)	Effective ownership rate (%)
EPP (*)	100	100	100	100
EPP-EMAY	60	60	60	60

(\*)In parallel with the Company's growing strategy, Emlak Planlama İnşaat Proje Yönetimi ve Ticaret A.Ş. All of the Company's shares were purchased from third party contractors and TOKI with the decision of the Board of Directors dated 9 November 2018 and numbered 62/163.

**Investments valued by equity method (Affiliates )**

Emlak Konut GYO affiliates has been operating in Turkey and the core business lines are listed below:

<u>Investments valued by equity method (Affiliates )</u>	<u>Nature of business</u>
Bio İstanbul Proje Geliştirme ve Yatırım A.Ş. (“Bio”)	Consultancy ve Construction Services
EPP-Cathay Adi Ortaklığı (“EPP-Cathay”)	Construction Activities

	<u>30 September 2019</u>		<u>31 December 2018</u>	
	Direct and indirect ownership rate (%)	Effective ownership rate (%)	Direct and indirect ownership rate (%)	Effective ownership rate (%)
Bio	20	20	20	20
EPP-Cathay	7	7	7	7



**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2019**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

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

**2.1 Basis of Preparation ( Continued )**

The Companies are free to prepare their interim financial statements as full or condensed in accordance with TAS 34. In this context, the Company choice to prepare its interim financial statements as condensed. The Company maintains its books of account and prepares its statutory financial statements in accordance with the Turkish Commercial Code (“TCC”), tax legislation and the Uniform Chart of Accounts issued by the Ministry of Finance. These condensed interim financial statements in Turkish Lira (“TL”) based on the historical cost convention except for the financial assets and liabilities which are expressed with their fair value. The condensed interim financial statements are based on the statutory records, with adjustments and reclassifications for the purpose of fair presentation in accordance with the Accounting Standards of the POA.

**Accounting for the effects of hyperinflation**

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

**Functional and presentation currency**

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

**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 Group’s consolidated financial statements are prepared under the going concern assumption.

**2.2 Conformity with the Portfolio Limitations**

The information presented in Additional Note of this report, regarding control of conformity with the portfolio limitations, is a summary information extracted from financial statements in accordance with Article 16 of Communiqué No: II-14.1, “Principles of Financial Reporting in Capital Markets” and is prepared in accordance with the provisions of the control of portfolio limitations of Communiqué No: III-48.1, “Principles Regarding Real Estate Investment Companies”

**NOTE 3 – ACCOUNTING POLICIES**

The accounting policies adopted as of 30 September 2019 are consistent with those prepared as of 31 December 2018. Therefore, condensed consolidated interim financial statements have to be considered with year end financial statements.

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2019**  
(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

---

**NOTE 3 – ACCOUNTING POLICIES (Continued)**

**3.1 New and amended IFRS Standards that are effective for the current year**

**a) New and amended IFRS Standards with effect from 2019**

IFRS 16	<i>Leases</i>
Amendments to IAS 28	<i>Long-term Interests in Associates and Joint Ventures</i>
IFRIC 23	<i>Uncertainty over Income Tax Treatments</i>
Amendments to IAS 19	<i>Plan Amendment, Curtailment or Settlement</i>
Annual Improvements to IFRS Standards 2015–2017 Cycle	<i>Amendments to IFRS 3 Business Combinations, IFRS 11 Joint Arrangements, IAS 12 Income Taxes and IAS 23 Borrowing Costs</i>

**IFRS 16 Leases**

General impact of application of IFRS 16 Leases

IFRS 16 provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements for both lessors and lessees. IFRS 16 supersedes the current lease guidance including IAS 17 Leases and the related Interpretations for accounting periods beginning on or after 1 January 2019. The date of initial application of IFRS 16 for the Group is 1 January 2019 retrospectively taking into account the cumulative effect in the financial statements.

In contrast to lessee accounting, IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17.

Under IFRS 16, right-of-use assets are tested for impairment in accordance with IAS 36 Impairment of Assets. This will replace the previous requirement to recognise a provision for onerous lease contracts.

***Finance leases***

The main differences between IFRS 16 and IAS 17 with respect to assets formerly held under a finance lease is the measurement of the residual value guarantees provided by the lessee to the lessor. IFRS 16 requires that the Group recognises as part of its lease liability only the amount expected to be payable under a residual value guarantee, rather than the maximum amount guaranteed as required by IAS 17.

The amendments to IFRS 16 do not have a significant impact on the financial statement of the Group.

**Amendments to IAS 28 Long-term Interests in Associates and Joint Ventures**

This amendment clarifies that an entity applies IFRS 9 Financial Instruments to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied.

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2019**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

---

**NOTE 3 – ACCOUNTING POLICIES (Continued)**

**3.1 New and amended IFRS Standards that are effective for the current year (Continued)**

**a) New and amended IFRS Standards with effect from 2019 (Continued)**

***IFRS Interpretation 23 Uncertainty over Income Tax Treatments***

This interpretation addresses the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12.

***Amendments to IAS 19 Employee Benefits Plan Amendment, Curtailment or Settlement***

The amendments clarify that the past service cost (or of the gain or loss on settlement) is calculated by measuring the defined benefit liability (asset) using updated assumptions and comparing benefits offered and plan assets before and after the plan amendment (or curtailment or settlement) but ignoring the effect of the asset ceiling (that may arise when the defined benefit plan is in a surplus position).

***Annual Improvements to IFRS Standards 2015–2017 Cycle***

Annual Improvements to IFRS Standards 2015–2017 Cycle include amendments to IFRS 3 Business Combinations and IFRS 11 Joint Arrangements in when a party that participates in, but does not have joint control of, IAS 12 Income Taxes; income tax consequences of dividends in profit or loss, and IAS 23 Borrowing Costs in capitalized borrowing costs.

Other than IFRS 16, these standards, amendments and improvements have no impact on the consolidated financial position and performance of the Group.

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2019**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

---

**NOTE 3 – ACCOUNTING POLICIES (Continued)**

**3.1 New and amended International Financial Reporting Standards (Continued)**

**b ) New and revised IFRSs in issue but not yet effective**

The Group has not yet adopted the following standards and amendments and interpretations to the existing standards:

IFRS 17	<i>Insurance Contracts</i>
Amendments to IFRS 3	<i>Business Combinations</i>
Amendments to IAS 1	<i>Presentation of Financial Statements</i>
Amendments to IAS 8	<i>Accounting Policies, Changes in Accounting Estimates and Errors</i>

**IFRS 17 Insurance Contracts**

IFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. IFRS 17 supersedes IFRS 4 Insurance Contracts as of 1 January 2021.

**Amendments to IFRS 3 Business Combinations**

The definition of “business” is important because the accounting for the acquisition of an activity and asset group varies depending on whether the group is a business or only an asset group. The definition of “business” in IFRS 3 Business Combinations standart has been amended. With this change:

- By confirming that a business should include inputs and a process; clarified that the process should be essential and that the process and inputs should contribute significantly to the creation of outputs.
- The definition of a business has been simplified by focusing on the definition of goods and services offered to customers and other income from ordinary activities.
- An optional test has been added to facilitate the process of deciding whether a company acquired a business or a group of assets.

**Amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies,  
Changes in Accounting Estimates and Errors - Definition of Material**

The amendments in Definition of Material (Amendments to IAS 1 and IAS 8) clarify the definition of ‘material’ and align the definition used in the Conceptual Framework and the standards.

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2019**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

**NOTE 4 – CASH AND CASH EQUIVALENTS**

	<b>30 September 2019</b>	<b>31 December 2018</b>
Cash on hand	53	26
Banks	478,084	674,845
- <i>Demand deposit</i>	118,676	132,738
- <i>Time deposits up to 3 months maturity</i>	359,408	542,107
Other cash and cash equivalents	29,986	-
	<b>508,123</b>	<b>674,871</b>

Maturities of cash and cash equivalents are as follows:

	<b>30 September 2019</b>	<b>31 December 2018</b>
Demand	118,676	132,738
Up to 3 month	359,408	542,107
Less: Blocked deposits with maturities less than 3 months	(10,022)	(29,990)
	<b>468,062</b>	<b>644,855</b>

Average effective interest rates of in TL time deposits are as follows:

	<b>30 September 2019</b>	<b>31 December 2018</b>
	(%)	(%)
	14.78%	18.47%

The calculation of cash and cash equivalents of the Group for the use in statements of cash flows is as follows:

	<b>30 September 2019</b>	<b>31 December 2018</b>
Cash and cash equivalents	508,123	674,871
Less: Interest accruals	(712)	(1,132)
Less: LSRSA project deposits (*)	(73,036)	(169,609)
Less: Blocked deposits	(3,331)	(11,710)
Add: TFRS 9 impact	3,856	1,806
	<b>434,900</b>	<b>494,226</b>

(\*) The contractors’ portion of the residential unit sales in accordance with the related agreements, realized from the ongoing LSRSA projects is deposited in time deposit bank accounts that are opened for the related LSRSA projects. The Group has the authority to control these accounts TL 73,036 (31 December 2018: TL 169,609) part of the total project amount deposits TL 6,691 (31 December 2018: TL 18,280 ) comprises of blocked deposits.

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2019**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

**NOTE 5 - FINANCIAL INVESTMENTS**

<b>Short-term financial investments</b>	<b>30 September 2019</b>	<b>31 December 2018</b>
Blocked deposits more than 3 months maturity (**)	9,011	42,375
Special issue government bonds (*)	22,017	12,067
	<b>31,028</b>	<b>54,442</b>

(\*) The Republic of Turkey, Undersecretaries of Treasury (“Turkish Treasury”) issues special Domestic Government Debt securities in the name of the Group to make the HAS payments on behalf of Turkish Treasury. In 2010, special Domestic Government Debt securities amounted to TL 429,617 has been issued to the Group. The Bonds are redeemed partially and early readapted and the amount is transferred to the Group’s accounts when the HAS lists are specified (Note 8). These government bonds are non-interest bearing and are not subject to sale on secondary market therefore the fair values are also their nominal values.

(\*\*) In order to provide low interest rate financing to customers who want to buy home from the projects developed by the group, the aim is to keep the loan amounts used by the customers as blocked deposits in the bank. The relevant amounts are ready for the use of the group in the specified period. The contractor portion of blocked deposits in the bank accounts which opened in the name of the related project and more than 3 months maturity, is TL 6,092 (31 December 2018: TL 17,591) while the group portion of the blocked shares is TL 2,919 (31 December 2018: TL 24,784).

As of 30 September 2019, the long-term investments of the Group are as follows: Kazakhstan Ziraat International Bank and Tobaş Toplu Konut Büyükşehir Belediyesi İnşaat Emlak Mümarlık ve Proje A.Ş. The company's investments consist of less than 1% of the capital of the companies.

**NOTE 6 - FINANCIAL LIABILITIES**

<b>Short-term financial liabilities</b>	<b>30 September 2019</b>	<b>31 December 2018</b>
Issued debt instruments (*)	810,097	587,526
Short-term bank borrowings	639,389	111,137
Short-term portion of long-term borrowings	1,260,231	976,999
	<b>2,709,717</b>	<b>1,675,662</b>

(\*) On 25 June 2019, the Company had issued a rent certificates amounting TL 188,000 that have maturity date of date of 22 October 2019 with an interest rate of 23.90% ,amounting TL 200,000 that have maturity date of date of 19 November 2019 with an interest rate of 19.50% on 30 July 2019 , amounting TL 150,000 that have maturity date of date of 24 December 2019 with an interest rate of 16.75% on 3 September 2019, amounting TL 150,000 that have maturity date of date of 28 January 2020 with an interest rate of 18.50% on 6 August 2019. On 3 July 2019, the Company issued a bond amounting TL 100,000 with a maturity date of 24 September 2019 in a limit of TL 2,000,000 bond issuance ceiling.

<b>Long-term financial liabilities</b>	<b>30 September 2019</b>	<b>31 December 2018</b>
Long-term borrowings	1,858,744	1,685,943
	<b>1,858,744</b>	<b>1,685,943</b>

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2019**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**NOTE 6 - FINANCIAL LIABILITIES (Continued)**

The all borrowings are received as TL currency and the interest rate of the borrowing as at 30 September 2019 is 16.58% (31 December 2018: 17.62 %).

The redemption schedules of the borrowings at 30 September 2019 and 31 December 2018 are as follows:

	<b>30 September 2019</b>	<b>31 December 2018</b>
2020	308,308	999,507
2021	1,502,745	638,745
2022	47,691	47,691
	<b>1,858,744</b>	<b>1,685,943</b>

The allocation of interest rate sensitivity of financial liabilities according to their repricing dates is as follows:

	<b>30 September 2019</b>	<b>31 December 2018</b>
Less than 3 months	249,203	202,373
Between 3 - 12 months	1,650,417	885,763
Between 1 - 5 years	1,858,744	1,685,943
	<b>3,758,364</b>	<b>2,774,079</b>

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2019**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**NOTE 7 - TRADE RECEIVABLES AND PAYABLES**

<b>Short-term trade receivables</b>	<b>30 September 2019</b>	<b>31 December 2018</b>
Receivables from LSRSA contractors invoiced	1,054,452	851,820
Receivables from sale of residential and commercial units	455,547	651,294
Assigned receivables from sale of residential and commercial units (*)	44,958	44,958
Notes of receivables	164	43,668
Receivables from land sales	373,894	24,754
Receivables from related parties (Note 21)	480,328	12,621
Rent receivables	9,296	9,082
Other	7,724	2,369
Unearned finance income	(26,306)	(17,571)
	<b>2,400,057</b>	<b>1,622,995</b>
Doubtful receivables	1,837	1,837
Less: Provision for doubtful receivables	(1,837)	(1,837)
	<b>2,400,057</b>	<b>1,622,995</b>

(\*)The Group has assigned a certain portion of its receivables arising from instalment sales that it has realized as "irrevocable recourse". This amount comprises of the receivables from the receivables financing group.

<b>Long-term trade receivables</b>	<b>30 September 2019</b>	<b>31 December 2018</b>
Receivables from sale of residential and commercial units	2,789,496	2,178,500
Receivables from land sales	234,017	-
Unearned finance income	(335,399)	(282,671)
	<b>2,688,114</b>	<b>1,895,829</b>

<b>Short term payables</b>	<b>30 September 2019</b>	<b>31 December 2018</b>
Payables to related parties (Note 21)	60,371	69,985
Payables to LSRSA contractors invoiced	132,150	361,559
Trade payables	247,279	527,061
Time deposit interest accruals from LSRSA contractors invoiced (*)	15,361	19,742
	<b>455,161</b>	<b>978,347</b>

(\*) The contractors' portion of the residential unit sales as defined in the agreement which gained from ongoing LSRSA projects is deposited in the time deposit bank accounts under control of the Group within the related LSRSA projects. The Group tracks the contractor's share of the interest earned from the advances accumulated in these short term debts accounts.

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2019**  
(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

**NOTE 8 - OTHER RECEIVABLES AND PAYABLES**

	<b>30 September 2019</b>	<b>31 December 2018</b>
<b>Short-term other receivables</b>		
Receivables from contractors	685,797	758,851
HAS related receivables from Turkish Treasury	390,768	390,768
Other receivables from related parties (Note 21)	4,725	5,754
Receivables from the authorities	12,171	6,909
Other	841	1,085
	<b>1,094,302</b>	<b>1,163,367</b>

	<b>30 September 2019</b>	<b>31 December 2018</b>
<b>Long-term other receivables</b>		
Other receivables from related parties (Note 21)	22,448	19,802
Other receivables	8,013	8,012
Deposits and guarantees given	1,293	1,015
	<b>31,754</b>	<b>28,829</b>

	<b>30 September 2019</b>	<b>31 December 2018</b>
<b>Short term other payables</b>		
Payable to HAS beneficiaries	402,963	402,810
Payable to contractors (*)	88,752	88,752
Note payable	-	47,477
Taxes and funds payable	12,764	23,908
Other	69,992	70,739
	<b>574,471</b>	<b>633,686</b>

(\*) The amount includes the unissued invoice by the contractor amount of TL 88,752 regarding to the units received as a result of revenue allocation at İzmir Mavisehir Phase 3 project, where the contractor filed a lawsuit regarding the revenue sharing percentages (31 December 2018: TL 88,752).

As of 30 September 2019, other long-term payables comprises of deposits and guarantees received.

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2019**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

**NOTE 8 - OTHER RECEIVABLES AND PAYABLES (Continued)**

The movements of the payments either from Group’s shareholder’s equity to HAS beneficiaries and the detail of HAS payments and HAS receivables and payables related to Treasury Support as of for 30 September 2019 and 2018 are shown below:

	1 January 2019	Additions within the period	Disposals	30 September 2019
<b>Treasury support share</b>				
Receivable from Treasury	390,768	-	-	390,768
Special purpose government bond	12,067	10,000	(50)	22,017
Cash generated from government bond redemption	(25)	12	(9,809)	(9,822)
<b>Total consideration received or receivable from Treasury</b>	<b>402,810</b>			<b>402,963</b>
<b>Payable to HAS beneficiaries</b>	<b>(402,810)</b>			<b>(402,963)</b>

	1 January 2018	Additions within the period	Disposals	30 September 2018
<b>Treasury support share</b>				
Receivable from Treasury	390,771	-	(3)	390,768
Special purpose government bond	12,267	-	(263)	12,004
Cash generated from government bond redemption	(25)	252	(144)	83
<b>Total consideration received or receivable from Treasury</b>	<b>403,013</b>			<b>402,855</b>
<b>Payable to HAS beneficiaries</b>	<b>(403,013)</b>			<b>(402,855)</b>

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2019**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**NOTE 9 -INVENTORIES**

	<b>30 September 2019</b>	<b>31 December 2018</b>
Lands	4,072,588	3,307,234
<i>Cost</i>	4,199,305	3,455,715
<i>Impairment</i>	(126,717)	(148,481)
Planned land by LSRSA	5,440,156	7,158,373
Planned land by turnkey project	3,116,466	3,689,638
Residential and commercial units ready for sale	1,639,645	1,252,239
<i>Cost</i>	1,797,698	1,286,112
<i>Impairment</i>	(158,053)	(33,873)
	<b>14,268,855</b>	<b>15,407,484</b>

As of 31 December 2018, independent valuation reports prepared by Terra Gayrimenkul Değerleme ve Danışmanlık A.Ş. and Reel Gayrimenkul Değerleme A.Ş. are taken into consideration in order to calculate the fair value and impairment loss, if any, on land units and commercial units ready for sale.

The movement of the impairment on land and residential unit inventories is as follows:

	<b>2019</b>	<b>2018</b>
<b>Balance at 1 January</b>	<b>182,354</b>	<b>21,829</b>
Impairment charge for the period (Note 18)	133,172	62,588
Reversal of impairment (Note 18)	(30,756)	(45,445)
<b>Balance at 30 September</b>	<b>284,770</b>	<b>38,972</b>

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2019**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

**NOTE 9 - INVENTORIES (Continued)**

The details of land and residential stocks of the group are shown below as of 30 September 2019 and 31 December 2018:

<b>Lands</b>	<b>30 September 2019</b>	<b>31 December 2018</b>
İstanbul Küçükçekmece Lands	1,927,396	1,420,469
İstanbul Başakşehir Lands	591,530	438,912
İstanbul Florya Lands	377,633	-
İstanbul Bakırköy Lands	350,673	350,673
İstanbul Tuzla Lands	205,917	205,917
İstanbul Arnavutköy Lands	170,189	166,655
Samsun Canik Lands	111,916	94,265
İstanbul Kartal Lands	109,183	109,183
İstanbul Esenyurt Lands	58,546	39,178
Ankara Çankaya Lands	45,644	17,695
İstanbul Ataşehir Lands	40,642	40,536
İstanbul Resneli Lands	20,333	20,333
İstanbul Avcılar Lands	19,364	-
İzmir Konak Umurbey Lands	12,258	12,258
İstanbul İstinye Lands	7,734	7,734
Sakarya-Sapanca Lands	7,027	6,302
Tekirdağ Çorlu Lands	6,153	6,153
Maltepe Küçükyalı Lands	3,010	3,010
Tekirdağ Kapaklı Lands	1,862	1,862
İstanbul Umraniye Lands	1,844	1,844
Kocaeli Gebze Lands	729	729
İstanbul Zekeriyaköy Lands	677	677
Kocaeli Tütüncüiftliği Lands	618	618
Tuzla Orhanlı Project	540	540
İstanbul Beşiktaş Lands	-	360,002
İstanbul Kagıthane Lands	-	703
Other	1,170	986
	<b>4,072,588</b>	<b>3,307,234</b>

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2019**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**NOTE 9 - INVENTORIES (Continued)**

<b>Planned lands by LSRSA</b>	<b>30 September 2019</b>	<b>31 December 2018</b>
Nidapark İstinye Project	993,780	993,433
Nidapark Kucukyali Project	678,852	677,715
Büyükyali Project	625,012	656,805
Merkez Ankara Project	637,619	630,115
Nişantaşı Project	561,954	498,095
Beykoz Riva Project	378,965	366,646
İstanbul Çekmeköy Taşdelen Project	302,939	271,109
Validebağ Konakları Project	153,910	153,764
Köy Project	152,978	153,352
Yalova Armutlu Project	152,689	58,276
Avangart İstanbul Project	121,112	120,077
Temaşehir Konya Project	88,365	96,074
Evora Denizli Project	77,170	76,256
Karat 34 Project	68,275	67,480
Cer İstanbul Project	67,480	67,520
Ebruli İspartakule Project	58,200	58,105
Avrupark Hayat Project	54,057	54,289
Yeniköy Konakları İstanbul Project	45,366	45,368
Tual Bahçekent Project	38,995	118,929
Nidapark Kayasehir Project	35,505	199,373
Semt Bahçekent Project	35,427	50,154
Ofis Karat Bakırköy Project	30,955	30,605
İspartakule 6. Etap Project	29,375	48,682
Tuzla İçmeler Project	20,016	20,016
Tual Adalar Project	14,071	90,842
Şile Çavuş Project	9,813	9,813
Ankara Saraçoğlu Project	3,714	2,442
Koordinat Çayyolu Project	-	97,164
Evvel İstanbul Project	-	128
Florya Şenlik Mahallesi Project	-	370,512
Bizim Mahalle 2. Etap Project	-	476,638
Zeytinburnu Bestelsiz Project	-	408,029
İstanbul Finans Merkezi Project	-	22,444
İstmarina Project	-	29,170
Kocaeli Derince Project	-	70,360
Maslak 1453 Project	-	35,422
Çankaya Oran Project	-	33,079
Other	3,562	92
	<b>5,440,156</b>	<b>7,158,373</b>

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2019**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

**NOTE 9 - INVENTORIES (Continued)**

<b>Planned lands by turnkey project</b>	<b>30 September 2019</b>	<b>31 December 2018</b>
Başkent Emlak Konutları Project	817,972	557,844
Gebze Emlak Konutları	528,722	618,036
IGTOD Rami Gıda Toptancıları Project	682,987	571,009
Kuzey Yakası Project	608,804	349,753
Ankara Başkent Project	358,729	255,532
Kocaeli Körfezkent Commercial Units	63,481	40,918
Halkalı Emlak Konutları Project	34,138	-
Hoşdere Hayat Parkı Project	20,512	-
Ankara Mühye Emlak Konutları Project	-	-
Ayazma Emlak Konutları Project	-	1,916
Ispartakule 1. Etap 1. Kısım Project	-	458,732
Ispartakule 1. Etap 2. Kısım Project	-	408,117
Nevşehir Emlak Konutları Project	-	225,771
Niğde Emlak Konutları	-	162,387
Başakşehir Ayazma 2. Etap Project	1,121	39,623
	<b>3,116,466</b>	<b>3,689,638</b>

<b>Completed units</b>	<b>30 September 2019</b>	<b>31 December 2018</b>
Maslak 1453 Project	625,345	654,276
Gebze Emlak Konutları	300,282	-
Sarphan Finanspark Project	179,145	225,534
Niğde Emlak Konutları	81,338	-
Büyükyalı Project	78,130	-
Başakşehir Ayazma Emlak Konutları	64,219	115,630
İstmarina Project	64,119	51,728
Ispartakule Emlak Konutları	26,407	-
Göl Panorama Project	35,123	-
Koordinat Çayyolu Project	35,410	-
Nidakule Ataşehir Project	24,052	24,052
Nevşehir Emlak Konutları	16,462	-
Dumankaya Miks Project	19,330	19,330
Kocaeli Körfezkent Emlak Konutları	14,777	57,058
Batışehir Project	11,730	11,730
Başakşehir Emlak Konutları	11,596	29,228
Esenler Emlak Konutları	8,575	6,895
Unikonut Project	9,842	9,411
Bahçekent Emlak Konutları	8,292	8,445
Avrupa Konutları Başakşehir Project	7,097	8,553
Metropol İstanbul Project	6,152	7,889
Bulvar İstanbul Project	3,208	3,208
Bahçekent Flora Evleri	1,082	1,082
Park Yaşam Mavişehir Evleri	-	1,739
Other	7,932	16,451
	<b>1,639,645</b>	<b>1,252,239</b>

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER  
2019**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

**NOTE 10 – INVESTMENT PROPERTIES**

Investment properties are for rent and sales comparison approach and income methods by discounted cash flows are used as fair value in these valuations and impairment calculations.

The movement of investment property at 30 September 2019 and 2018 are as follows:

	<b>Lands and completed units</b>	<b>Atasehir General Management Office A Block</b>	<b>Total</b>
<b>Cost Value</b>			
Opening balance as of 1 January 2019	352,140	40,922	393,062
Transfers from completed units and land inventories	13,934	-	13,934
Purchases	27,905	-	27,905
Ending balance as of 30 September 2019	393,979	40,922	434,901
<b>Accumulated Depreciation</b>			
Opening balance as of 1 January 2019	-	2,722	2,722
Charge for the year	-	317	317
Ending balance as of 30 September 2019	-	3,039	3,039
Carrying value as of 30 September 2019	393,979	37,883	431,862
<b>Cost Value</b>			
Opening balance as of 1 January 2018	17,608	40,922	58,530
Purchases (*)	272,367	-	272,367
Impairment provision (-)	(25,237)	-	(25,237)
Ending balance as of 30 September 2018	264,738	40,922	305,660
<b>Accumulated Depreciation</b>			
Opening balance as of 1 January 2018	-	1,247	1,247
Charge for the year	-	491	491
Ending balance as of 30 September 2018	-	1,738	1,738
Carrying value as of 30 September 2018	264,738	39,184	303,922

(\*)The Group is made up of independent commercial units purchased in 2018 to earn rental income from the Istmarina shopping center, which was completed within the scope of in “Istanbul Kartal Revenue Sharing Business for Land Sale”.

As of 30 September 2019, the rent income from investment properties is TL 8,846 (1 January – 30 September 2018: TL 5,826).

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER  
2019**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

**NOTE 10 - INVESTMENT PROPERTIES (Continued)**

Regarding the measurement of fair values of investment properties at 31 December 2018, the valuation reports are taken from independent valuation CMB authorised firms Terra Gayrimenkul Değerleme ve Danışmanlık A.Ş. and Reel Gayrimenkul Değerleme A.Ş. The fair values of the investment property determined by independent valuation experts are as follows:

	<b>30 September 2019</b>	<b>31 December 2018</b>
Lands and completed units	171,679	132,223
Atasehir General Management Office A Block	83,524	83,524
Independent commercial units of Istmarina AVM	272,179	272,179
	<b>527,382</b>	<b>487,926</b>

Fair values of investment properties as of 30 September 2019 includes appraisal report values dated 31 December 2018 and expenditures made for investment properties until 30 September 2019.

**NOTE 11 - PROPERTY, PLANT AND EQUIPMENT**

<b>30 September 2019</b>	<b>Buildings</b>	<b>Motor vehicles</b>	<b>Furniture, equipment and fix assets</b>	<b>Construction in progress</b>	<b>Total</b>
Net book value as of 1 January 2019	58,803	550	6,892	97	66,342
Additions	335	-	51	-	386
Transfers from trading units	40,017	-	-	-	40,017
Depreciation expense(-)	(1,716)	(280)	(2,732)	-	(4,728)
<b>Net book value 30 September 2019</b>	<b>97,439</b>	<b>270</b>	<b>4,211</b>	<b>97</b>	<b>102,017</b>
Cost	103,778	2,160	20,276	97	126,311
Accumulated depreciation (-)	(6,339)	(1,890)	(16,065)	-	(24,294)
<b>Net book value 30 September 2019</b>	<b>97,439</b>	<b>270</b>	<b>4,211</b>	<b>97</b>	<b>102,017</b>

<b>30 September 2018</b>	<b>Buildings</b>	<b>Motor vehicles</b>	<b>Furniture, equipment and fix assets</b>	<b>Construction in progress</b>	<b>Total</b>
Net book value as of 1 January 2018	58,504	833	7,427	94	66,858
Additions	-	-	291	3	294
Depreciation expense(-)	(567)	(148)	(1,434)	-	(2,149)
<b>Net book value 30 September 2018</b>	<b>57,937</b>	<b>685</b>	<b>6,284</b>	<b>97</b>	<b>65,003</b>
Cost	62,129	2,160	18,152	97	82,538
Accumulated depreciation (-)	(4,192)	(1,475)	(11,868)	-	(17,535)
<b>Net book value 30 September 2018</b>	<b>57,937</b>	<b>685</b>	<b>6,284</b>	<b>97</b>	<b>65,003</b>

All of the depreciation expenses are included in the general administrative expenses account.

The expected useful lives are stated below:

	Years
Buildings	50
Motor vehicles	5
Furniture and fixtures	4-5

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER  
2019**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

**NOTE 12 –PROVISIONS, CONTINGENT ASSETS AND LIABILITIES**

**30 September 2019 31 December 2018**

<b>Provisions</b>		
Provision for lawsuits	129,888	131,534
	<b>129,888</b>	<b>131,534</b>

According to the opinions of the Company's lawyers, provision amount to TL 129,888 has been made as of 30 September 2019 (31 December 2018: TL 131,503). As of 30 September 2019, there are 123 cases of defect, 35 cases of loss of rent, 22 cases of cancellation of title deeds and registration, 23 cases of business and 75 other cases. The amount of the risk arising from cash outflow is 129,888 and the lawsuits are ongoing.

The movements of provision for lawsuits as of 30 September 2019 and 2018 are as follows:

	<b>2019</b>	<b>2018</b>
<b>Balance at 1 January</b>	<b>131,534</b>	<b>46,916</b>
Provision released within the current period (Note 18)	(1,646)	-
Provision charged for the period (Note 18)	-	76,017
<b>Balance at 30 September</b>	<b>129,888</b>	<b>122,933</b>

**12.1 Continuing Cases and Provisions**

**12.1.1** The LSRSA Project Agreement dated 21 December 2005 regarding 750 units in İzmir Mavisehir Upper North Area 2. Phase has been abolished on 21 December 2009 since the contractor did not meet the requirements of the provisions in the agreement. Following the cancellation of the agreement, the project has been transferred to the Group and the remaining part of the project has been completed by another construction group which was assigned in accordance with public tender law. The related units have been completed and are sold by the Group as in Turnkey projects.

The prior contractor filed a lawsuit against the Group claiming that the completion percentage of the project was significantly high and that the agreement between the parties was based on construction right in return for flat. The Group and the contractor filed counter lawsuits in the following period and an additional report was decided to be issued. The additional report is about the final receivables and payables of the parties considering all the claims. The additional report is completed. The court decided to apply secondary expert report as a result of additional report examination on 11 June 2014. The Group filed a lawsuit as well for collecting amount of TL 34,100 without prejudice to further claims as of 7 July 2011.

According to the plaintiff's assertion, the contract of the related project has been terminated unjustly by the Emlak Konut. The contractor firm is subject to compensation case. The claimant increased the value of the case according to the various expert reports and the related case amount increased to TL 65,596. The Group made provision amounting to TL 75,840 from the related case as of 30 September 2019.

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER  
2019**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**NOTE 12 –PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)**

**12.1 Continuing Cases and Provisions (Continued)**

**12.1.2** Contractor firm filed a lawsuit against the Group claiming compensation because of damage caused by our group in the agreement of The LSRSA Project regarding İstanbul Bakırköy, 51/4 section 257 zone 33 & 38 parcels. the requested case has been concluding against the Group by the local court and the judgment of the Court of Cassation is dismissed in favor of the Group and the decision of the local court is expected. The Group made provision amounting to TL 20,521 from the related case as of 30 September 2019.

**12.1.3** Plaintiff contractor firm filed a lawsuit against the Group claiming compensation because of receivables, cancellation of title deed, registration. The decision of the contractor to unjustly terminate the contract has been finalized. Lawsuits filed by the group, amounting to TL 6,681, have been partially accepted and the trial has been appealed The Group made provision amounting to TL 6,860 from the related case as of 30 September 2019.

**12.2 Contingent Liabilities of Group**

In accordance with the protocol signed between the Company and Galatasaray Sports Club Association on 29 June 2016, 3 properties with an appraised value of TL 508,729 (present value: TL 495,180) have been transferred to the ownership of the Company. These properties are recognized under inventories in the financial statements. As a result of the protocol, Galatasaray Sports Club Association assigned its receivable expected from the projects tendered and as of 30 September 2019, the Company made a total payment of TL 254,365. As of 30 September 2019, the nominal value of Company's liability is TL 254,364 and the carrying value of the liability is TL 240,815 in accordance with the protocol. The Company terminated the protocol on 27 September 2019 due to Galatasaray Sports Club Association's non-compliance with the protocol requirements and the necessary notification was made to the Galatasaray Sports Club Association. As of the date of this financial statements, there has been no feedback regarding the notification made to Galatasaray Sports Club Association.

In the financial statements prepared as of 30 September 2019, the ongoing litigation liabilities were evaluated in the following matters. According to the opinion of the Group Management and its lawyers, no provision has been made in the financial statements prepared as of 30 September 2019 on the grounds that it is not probable that the outflow of resources with economic benefits will be realized in cases filed against the Group in order to fulfill its obligation.

**12.2.1** The LSRSA project agreement regarding İzmir Mavisehir Upper North Area 3. Phase has been signed on 19 December 2005 and following almost all the contractual obligations have been performed by the parties, the Contractor filed a lawsuit against the Group claiming that the agreement conditions should be revised considering the changing conditions. The Contractor wants all the agreement provisions to be cancelled except for the provisions where the Group's revenue portion is TL 67,515 plus VAT calculated as TL 175,000 plus VAT total project revenue times 38.58% Group's revenue portion. The Contractor wants all the properties and related land portion to be valued by an independent valuation group as of the date of the lawsuit and that 38.58% of the total value to be appropriated to the Group and the remaining 61.42% of the total value to be appropriated to the Contractor.

The court rejected the case on 5 March 2015. The claimant has filed an appeal. The result of appeal is being waited. As a result of the appeal the court's verdict was approved from the supreme court.

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER  
2019**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

**NOTE 12 –PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)**

**12.2 Contingent Liabilities of Group (Continued)**

**12.2.2** Contractor of İzmir Mavisehir Upper North Area 2. Phase LSRSA Project, the contractor was filed a lawsuit for assignment that the claimant has given. The case is proceeding and According to comments received from the Group’s lawyer, it is not expected to arise any liability that put the Group under obligation as a result of related case.

**12.2.3** In terms of the assignment given by the Istanbul Ümraniye Phase 1 LSRSA contractor, ordinary partnership received amount of TL 46,000 from Şekerbank T.A.Ş. according to the contract with Emlak Konut GYO. Şekerbank T.A.Ş. claiming that the amount of TL 34,134 has not been paid unjustly to the transferring entity. The plaintiff requested that the mortgage be put on a part of the immovable subject matter in order to constitute the guarantee of taking the case. The trial is ongoing.

**12.3 Contingent Assets of Group**

**12.3.1** As of 30 September 2019 and 31 December 2018, the breakdown of nominal trade receivables resulted from the residential and commercial unit sales and the expected timing of the nominal installments not due or not collected that are not included in the balance sheet as TFRS 15 criteria has not been met since the construction is still ongoing or the construction has been completed but the units have not been delivered in accordance with pre-sales contract:

<b>30 September 2019</b>	<b>Trade Receivables</b>	<b>Off-balance sheet deferred revenue</b>	<b>Total</b>
1 year	829,441	868,216	1,697,657
2 year	550,102	530,401	1,080,503
3 year	459,958	332,068	792,026
4 year	351,850	231,264	583,114
5 year and above	1,661,603	569,847	2,231,450
	<b>3,852,954</b>	<b>2,531,796</b>	<b>6,384,750</b>

<b>31 December 2018</b>	<b>Trade Receivables</b>	<b>Off-balance sheet deferred revenue</b>	<b>Total</b>
1 year	651,294	1,078,613	1,729,907
2 year	397,839	913,186	1,311,025
3 year	354,604	494,918	849,522
4 year	318,761	381,373	700,134
5 year and above	1,107,296	1,576,903	2,684,199
	<b>2,829,794</b>	<b>4,444,993</b>	<b>7,274,787</b>

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER  
2019**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**NOTE 13 - OTHER ASSETS AND LIABILITIES**

**30 September 2019 31 December 2018**

**Other current assets**

Progress payments given to contractors	76,697	160,128
Accrued income	6,276	114,049
Receivables from tax office	14,670	17,703
Deferred VAT	32,801	9,219
Deposits and guarantees	-	130
Other	7,194	490
	<b>137,638</b>	<b>301,719</b>

**30 September 2019 31 December 2018**

**Other non-current assets**

Deferred VAT	137,055	231,222
Deposits and guarantees	-	215
	<b>137,055</b>	<b>231,437</b>

**NOTE 14 - DEFERRED INCOME AND PREPAID EXPENSES**

**Short-term deferred income**

**30 September 2019 31 December 2018**

Deferred income from LSRSA projects (*)	1,772,638	2,142,368
Advances taken from LSRSA contractors (**)	738,832	688,925
Advances taken from turnkey project sales	1,015,915	1,074,907
Alienable deferred incomes (***)	239,333	336,000
Deferred income from sales of completed units	610,552	597,365
Advances taken from related parties (Note 21)	64,732	64,732
	<b>4,442,002</b>	<b>4,904,297</b>

(\*) The balance is comprised of deferred income of future land sales regarding the related LSRSA projects residential unit's sales.

(\*\*) In certain LSRSA projects, the Group collects a certain portion of the total Group revenue from the project before signing the agreement with the contractor

(\*\*\*)The Group is obliged to collect cash by assigning a certain portion of its receivables arising from term sales that it has realized as "irrevocable recourse".

**30 September 2019 31 December 2018**

**Prepaid expenses**

Advances given for inventory (*)	1,733,409	1,466,470
Prepaid expenses	1,701	1,019
	<b>1,735,110</b>	<b>1,467,489</b>

(\*) A protocol has been signed between the Group and the Tariş Cooperative Associations to develop revenue sharing project on a total of 143,366-m2 land, which is belonging to the Tariş Cooperative Unions, located within the boundaries of Kurukay / Umurbey, Konak district of İzmir. The Group has provided an advance of stock amounting to TL 467,825. The Group has also provided a stock advance of 1,056,371 TL to the contractors for the houses and commercial units they have received from Ankara Yenimahalle Station, Nidapark Küçükyaalı and Büyükyalı projects.

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2019**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

**NOTE 15 - SHAREHOLDERS’ EQUITY**

The Group’s authorized capital amount is TL 3,800,000 (31 December 2018: TL 3,800,000) and consists of 380,000,000,000 (31 December 2018: 380,000,000,000) authorized number of shares with a nominal value of TL 0.01 each.

The Group’s shareholders and their shareholding percentages as of 30 September 2019 and 31 December 2018 is as follows:

Shareholders	30 September 2019		31 December 2018	
	Share (%)	TL	Share (%)	TL
Public offering portion	50.66	1,925,111	50.66	1,925,111
T.C. Toplu Konut İdaresi Başkanlığı "TOKİ"	49.34	1,874,831	49.34	1,874,831
HAS beneficiaries	0.00	56	0.00	56
Other	0.00	2	0.00	2
<b>Total paid in capital</b>	<b>100</b>	<b>3,800,000</b>	<b>100</b>	<b>3,800,000</b>

The legal reserves consist of first and second reserves, appropriated in accordance with the Turkish Commercial Code (“TCC”). The TCC stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve balance reaches 20% of the Group’s paid-in share capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the paid-in share capital. Under the TCC, the legal reserves can only be used to offset losses and are not available for any other usage unless they exceed 50% of paid-in share capital.

In accordance with the Communiqué Serial: II, No: 14,1 which became effective as of 13 June 2013 and according to the CMB's announcements clarifying the said Communiqué, “Share Capital”, “Restricted Reserves Allocated from Profit” and “Share Premiums” need to be recognized over the amounts contained in the legal records. The valuation differences (such as inflation adjustment differences) shall be disclosed as follows:

- if the difference is arising from the valuation of “Paid-in Capital” and not yet been transferred to capital should be classified under the “Inflation Adjustment to Share Capital”;
- if the difference is arising from valuation of “Restricted Reserves” and “Share Premium” and the amount has not been subject to dividend distribution or capital increase, it shall be classified under “Retained Earnings”. Other equity line should be revaluated in accordance with the CMB standards.

There is no any use of the adjustment to share capital except adding it to the share capital.

On 30 April 2019, the General Assembly decided to distribute dividends amounting to TL 122,980. This dividend amounting to TL 4,154 is related to repurchased shares and offsetted under equity.

Between 1 November 2017 and 17 November 2017, The Group has repurchased 8,309,000 numbers of shares with nominal value between full TL 2.55 and full TL 2.70 and total amounting to full TL 21,623,770). Shares average purchase price is TL 2.60 and as a result of the purchases, between 23 December 2013 and 17 November 2017 the ratio of the shares that have been bought back to the total shares lot is 3.38%.

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2019**  
(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

**NOTE 16 - REVENUE AND COST OF SALES**

	1 January- 30 September 2019	1 July- 30 September 2019	1 January- 30 September 2018	1 July- 30 September 2018
<b>Sales income</b>				
Land sales	2,095,289	216,843	1,950,066	14,605
<i>Income from sale of land and plots by way of LSRSA</i>	<i>884,794</i>	<i>74,821</i>	<i>1,483,878</i>	<i>6,675</i>
<i>Land sales income</i>	<i>1,210,495</i>	<i>142,022</i>	<i>466,188</i>	<i>7,930</i>
Residential and commercial units sales	1,461,865	176,371	706,536	337,611
Other Income	26,111	11,360	4,492	1,464
	<b>3,583,265</b>	<b>404,574</b>	<b>2,661,094</b>	<b>353,680</b>
Sales returns	(6,453)	(1,893)	(2,043)	(202)
Sales discounts	-	-	(1,536)	(45)
<b>Net sales income</b>	<b>3,576,812</b>	<b>402,681</b>	<b>2,657,515</b>	<b>353,433</b>
<b>Cost of sales</b>				
Cost of land sales	(1,513,340)	(108,402)	(754,796)	(15,123)
<i>Cost of land and plots sold by way of LSRSA</i>	<i>(493,737)</i>	<i>(37,002)</i>	<i>(544,174)</i>	<i>(3,823)</i>
<i>Cost of land sales</i>	<i>(1,019,603)</i>	<i>(71,400)</i>	<i>(210,622)</i>	<i>(11,300)</i>
Cost of residential and commercial units sales	(1,477,587)	(201,422)	(565,840)	(273,127)
	<b>(2,990,927)</b>	<b>(309,824)</b>	<b>(1,320,636)</b>	<b>(288,250)</b>
<b>Gross profit</b>	<b>585,885</b>	<b>92,857</b>	<b>1,336,879</b>	<b>65,183</b>

**NOTE 17 - GENERAL ADMINISTRATIVE EXPENSES, MARKETING EXPENSES**

	1 January- 30 September 2019	1 July- 30 September 2019	1 January- 30 September 2018	1 July- 30 September 2018
<b>General administrative expenses</b>				
Personnel expenses	(77,779)	(27,200)	(53,664)	(24,642)
Consultancy expenses	(27,927)	(12,482)	(15,909)	(6,232)
Taxes, duties and fees	(26,835)	(9,349)	(29,063)	(7,990)
Donations	(16,339)	(15,300)	(18,753)	(35)
Due and contribution expenses	(9,751)	(2,632)	(3,247)	(1,323)
Information technology expenses	(6,690)	(1,475)	(5,200)	(869)
Travel expenses	(6,231)	(2,636)	(4,476)	(1,605)
Depreciation and amortisation	(5,613)	(1,895)	(4,304)	(1,132)
Lawsuit and notary expenses	(1,871)	(1,030)	(2,956)	(361)
Maintenance	(1,753)	(560)	(2,705)	(711)
Insurance expenses	(1,263)	(635)	(557)	(40)
Communication expenses	(731)	(219)	(412)	(119)
Other	(21,509)	(7,536)	(17,330)	(8,185)
	<b>(204,292)</b>	<b>(82,949)</b>	<b>(158,576)</b>	<b>(53,244)</b>

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2019**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

**NOTE 17 - GENERAL ADMINISTRATIVE EXPENSES, MARKETING EXPENSES  
(Continued)**

	1 January- 30 September 2019	1 July- 30 September 2019	1 January- 30 September 2018	1 July- 30 September 2018
<b>Marketing, sales and distribution expenses</b>				
Advertising expenses	(35,528)	(13,916)	(32,641)	(9,471)
Personnel expenses	(5,880)	(1,945)	(6,180)	(3,156)
Office expenses	(11)	(2)	(407)	(219)
Notary expenses	(41)	(15)	(140)	(90)
Other	(1,285)	1,191	(2,338)	(892)
	<b>(42,745)</b>	<b>(14,687)</b>	<b>(41,706)</b>	<b>(13,828)</b>

**NOTE 18 - OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES**

	1 January- 30 September 2019	1 July- 30 September 2019	1 January- 30 September 2018	1 July- 30 September 2018
<b>Other income from operating activities</b>				
Finance income from credit sales	294,201	44,478	303,513	118,862
Released lawsuit provisions (Note 12)	1,646	(20,792)	-	-
Delay penalty interest from project contractors	87,056	42,536	83,048	18,669
Recirculate commission income	19,756	4,420	18,512	5,950
Gas and due expenses	10,342	3,345	2,434	1,150
Impairment provision reversals (Note 9)	30,756	7,304	45,445	18,130
Income from tender contract sales	984	984	151	-
Other	21,497	3,314	12,845	3,438
	<b>466,238</b>	<b>85,589</b>	<b>465,948</b>	<b>166,199</b>

	1 January- 30 September 2019	1 July- 30 September 2019	1 January- 30 September 2018	1 July- 30 September 2018
<b>Other expenses from operating activities</b>				
Reversal of due date differences, net	-	-	(27,652)	(27,652)
Home and land inventories impairment provision expenses (Note 9)	(133,172)	(76,375)	(62,588)	(19,731)
Cash and cash equivalents impairment provision expenses	(2,050)	(1,637)	(3,079)	2,429
Lawsuit provision charge for the period (Note 12)	-	-	(76,017)	(74,623)
Investment properties impairment provision expenses	-	-	(25,237)	-
Other	(9,807)	(4,793)	(4,188)	(298)
	<b>(145,029)</b>	<b>(82,805)</b>	<b>(198,761)</b>	<b>(119,875)</b>

**NOTE 19 - FINANCIAL INCOME / EXPENSES**

	1 January- 30 September 2019	1 July- 30 September 2019	1 January- 30 September 2018	1 July- 30 September 2018
<b>Financial expenses</b>				
Loan and sukuk interest expense	(443,499)	(170,275)	(212,292)	(50,550)
Interest discount on pay off debt	(127,456)	(13,836)	(31,383)	(2,198)
Assigned receivables and commission expense	(7,874)	(2,272)	(59,182)	(31,806)
Interest expense on payable to TOKI	-	-	(67,514)	-
Foreign exchange loss	(854)	(473)	(287)	(40)
	<b>(579,683)</b>	<b>(186,856)</b>	<b>(370,658)</b>	<b>(84,594)</b>

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2019**  
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**NOTE 19 - FINANCIAL INCOME / EXPENSES (Continued)**

	1 January- 30 September 2019	1 July- 30 September 2019	1 January- 30 September 2018	1 July- 30 September 2018
<b>Financial income</b>				
Interest income from time deposits	84,384	33,060	65,829	8,516
Interest income from TOKI	41,498	-	-	-
Foreign exchange income	1,921	40	12	-
	<b>127,803</b>	<b>33,100</b>	<b>65,841</b>	<b>8,516</b>

**NOTE 20 – TAXATION ON INCOME (DEFERRED TAX AND LIABILITIES INCLUDED)**

	30 September 2019	31 December 2018
<b>Current tax assets</b>		
Prepaid taxes and funds	-	3,052
	<b>-</b>	<b>3,052</b>

**Corporate Tax**

The Company is exempt from corporate income tax in accordance with paragraph 4-d of Article 8 of the Corporate Income Tax Law after the Real Estate Investment Group ("REIC") conversion on 22 June 2002 and in accordance with paragraph 6-a of Article 94 of the Income Tax Law, the earnings of the REICs are subject to withholding taxes. According to the Council of Ministers Decision, No: 93/5148, the withholding tax rate is determined as "0". The Company's subsidiaries, associates and joint operations are is subject to Turkish corporate taxes. Provision is made in the accompanying financial statements for the estimated charge based on the Group's results for the years and periods. Turkish tax legislation does not permit a parent company and its subsidiary to file a consolidated tax return. Therefore, provisions for taxes, as reflected in the accompanying consolidated financial statements, have been calculated on a separate-entity basis.

Corporate tax is applied on taxable corporate income, which is calculated from the statutory accounting profit by adding back non-deductible expenses, and by deducting dividends received from resident companies, other exempt income and investment incentives utilized.

The effective tax rate in 2019 is 22% (2018: 22%) for the Group.

The Law numbered 7061 on Amendment of Certain Taxes and Laws and Other Acts was published on the Official Gazette dated 5 December, 2017 and numbered 30261. Article 5 entitled "Exceptions" of the Corporate Tax Law has been amended in Article 89 of the Law. In accordance with (a) clause in the first paragraph of the Article, the exemption of 75% applied to gains from the sales of lands and buildings held by the entities for two full years has been reduced to rate of 50%. This regulation has been effective from 5 December 2017.

**Deferred Tax**

The Group recognizes deferred tax assets and liabilities based upon temporary differences arising between its financial statements as reported for TFRS purposes and its statutory tax financial statements. These differences usually result in the recognition of revenue and expenses in different reporting periods for TFRS and tax purposes and they are given below

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2019**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

**NOTE 20 – TAXATION ON INCOME (DEFERRED TAX AND LIABILITIES INCLUDED)  
(Continued)**

Tax rate used in the calculation of deferred tax assets and liabilities was %22 over temporary timing differences expected to be reversed in 2019 and 2020, and %20 over temporary timing differences expected to be reversed in 2021 and the following years.

In Turkey, the companies cannot declare a consolidated tax return, therefore subsidiaries that have deferred tax assets position were not netted off against subsidiaries that have deferred tax liabilities position and disclosed separately.

<u>Deferred tax (assets)/liabilities:</u>	<u>30 September 2019</u>	<u>31 December 2018</u>
Fair value adjustment to inventories due to purchase	62,157	62,157
Carry forward tax loss effect	(7,325)	-
Restatement and depreciation / amortization differences of property, plant and equipment and other intangible assets	(361)	(160)
Provision for employment termination benefits	(825)	(222)
Provision for lawsuits	-	(6)
	<u>53,646</u>	<u>61,769</u>

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2019**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

**NOTE 20 – TAXATION ON INCOME (DEFERRED TAX AND LIABILITIES INCLUDED)  
(Continued)**

Movement of deferred tax (assets)/liabilities for years ended 30 September 2019 and 2018 are as follows:

	1 January- 30 September 2019	1 January- 30 September 2018
<u>Movement of deferred tax (assets)/liabilities:</u>		
Opening balance as of 1 January	(61,769)	-
Charged to income	8,123	-
Closing balance at 30 September	<u>(53,646)</u>	<u>-</u>

*Total charge for the year can be reconciled to the accounting profit as follows:*

	1 January- 30 September 2019	1 January- 30 September 2018
<u>Reconciliation of tax provision</u>		
Profit from continuing operations	204,101	-
Profit from operations before tax	<u>204,101</u>	<u>-</u>
Tax at the domestic income tax rate 2019: 22% (2018: 22%)	44,902	-
Tax effects of:		
- revenue that is exempt from taxation	(44,649)	-
- previously unrecognised and unused tax losses and tax offsets now recognised deferred tax assets	7,325	-
- other	545	-
Income tax expense recognised in profit or loss	<u>8,123</u>	<u>-</u>

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2019**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

**NOTE 21 - RELATED PARTY DISCLOSURES**

The main shareholder of the Group is T.C. Toplu Konut İdaresi Başkanlığı (“TOKİ”). TOKİ is a state institution under control of T.C. Ministry of Environment and Urbanisation. Related parties of the Group are as listed below:

1. T.C. Toplu Konut İdaresi Başkanlığı (“TOKİ”)
2. GEDAŞ (Gayrimenkul Değerleme A.Ş.) (an affiliate of TOKİ)
3. TOBAŞ (Toplu Konut - Büyükşehir Bel. İnş. Emlak ve Proje A.Ş.) (an affiliate of TOKİ)
4. Vakıf Gayrimenkul Yatırım Ortaklığı A.Ş. (an affiliate of TOKİ)
5. Vakıf İnşaat Restorasyon ve Ticaret A.Ş. (an affiliate of TOKİ)
6. Emlak-Toplu Konut İdaresi Spor Kulübü
7. Emlak Planlama İnşaat Proje Yönetimi ve Tic. A.Ş. - Emlak Basın Yayın A.Ş. Ortak Girişimi
8. Emlak Planlama, İnşaat, Proje Yönetimi ve Tic. A.Ş. – Fideltus İnş-Öztaş Ortak Girişimi
9. Ege Yapı – Emlak Planlama, İnşaat, Proje Yönetimi ve Tic. A.Ş. Ortak Girişimi
10. Emlak Planlama, İnşaat, Proje Yönetimi ve Tic. A.Ş. – Cathay Ortak Girişimi
11. Emlak Konut Spor Kulübü Derneği
12. Bio İstanbul Proje Geliştirme ve Yatırım A.Ş.
13. Emlak Pazarlama Fideltus Öztaş Adi Ortaklığı
14. Türkiye Emlak Katılım Bankası A.Ş.
15. T.C. Çevre ve Şehircilik Bakanlığı Kentsel Dönüşüm Hizmetleri Genel Müdürlüğü
16. İller Bankası A.Ş.

According to the revised TAS 24 – “Related Parties Transactions Standard”, exemptions have been brought to the disclosure requirements of balances. The Group has transactions with state banks (T.C.Ziraat Bankası A.Ş., Türkiye Vakıflar Bankası T.A.O., Türkiye Halk Bankası A.Ş.) and Turkish Treasury.

- Balances and transactions with respect to Turkish Treasury are detailed in Note 4, 5 and 8.
- The Group mostly deposits its cash in State Banks in compliance with its related statute. The bank balances with state banks amounted to TL 310,231 as of 30 September 2019 (31 December 2018: TL 219,689) Average effective interest rates of time deposits of the Group as of 30 September 2019 are explained in Note 4.

	30 September 2019	31 December 2018
<b>Trade receivables from related parties</b>		
T.C. Çevre ve Şehircilik Bakanlığı Kentsel Dönüşüm Hizmetleri Genel Müdürlüğü (*)	469,097	-
Ege Yapı – Emlak Planlama, İnşaat, Proje Yönetimi ve Tic. A.Ş. O.G.	2,547	3,797
Emlak Planlama, İnşaat, Proje Yönetimi ve Tic. A.Ş. – Fideltus İnş-Öztaş O.G.	5,577	5,577
Emlak Planlama, İnşaat, Proje Yönetimi ve Tic. A.Ş. – Cathay O.G.	1,338	1,337
Bio İstanbul Prj. Geliştirme ve Yatırım A.Ş.	1,769	1,002
T.C. Toplu Konut İdaresi Başkanlığı (“TOKİ”)	-	805
Gedaş Gayrimenkul Değerleme A.Ş.	-	103
	<b>480,328</b>	<b>12,621</b>

(\*) According to the protocol signed with T.C. Çevre ve Şehircilik Bakanlığı Kentsel Dönüşüm Hizmetleri Genel Müdürlüğü on 28 June 2019, the amount of receivables arising from the transfer of 3 lands.

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2019**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

**NOTE 21 - RELATED PARTY DISCLOSURES (Continued)**

	30 September 2019	31 December 2018
<b>Short-term other receivables from related parties</b>		
Emlak Pazarlama Fidelus Öztaş Adi Ortaklığı	4,132	5,161
Emlak Planlama, İnşaat, Proje Yönetimi ve Tic. A.Ş. – Cathay O.G.	145	145
Gedaş Gayrimenkul Değerleme A.Ş.	448	448
	<b>4,725</b>	<b>5,754</b>
<b>Long-term other receivables from related parties</b>		
Bio İstanbul Prj. Geliştirme ve Yatırım A.Ş.	22,448	19,802
	<b>22,448</b>	<b>19,802</b>
<b>Trade payables to related parties</b>		
T.C. Toplu Konut İdaresi Başkanlığı (“TOKİ”)	59,071	68,661
Ege Yapı – Emlak Planlama, İnşaat, Proje Yönetimi ve Tic. A.Ş. O.G.	1,300	1,324
	<b>60,371</b>	<b>69,985</b>
<b>Advances received from related parties</b>		
Emlak Planlama, İnşaat, Proje Yönetimi ve Tic. A.Ş. – Fidelus İnş-Öztaş O.G. (*)	64,732	64,732
	<b>64,732</b>	<b>64,732</b>

(\*) Represents the initial collections made from LSRSA projects, where the Group collects a predetermined portion of the total sales amount in line with the agreements.

	1 January- 30 September 2019	1 July- 30 September 2019	1 January- 30 September 2018	1 July- 30 September 2018
<b>Purchases from related parties</b>				
T.C. Toplu Konut İdaresi Başkanlığı (“TOKİ”)	280,902	-	407,032	394,974
Emlak Planlama İnş. Prj. Yön. A.Ş. - Emlak Basın Yayın A.Ş.	-	-	887	310
	<b>280,902</b>	<b>-</b>	<b>407,919</b>	<b>395,284</b>
<b>Finance expense from related parties</b>				
T.C. Toplu Konut İdaresi Başkanlığı (“TOKİ”)	-	-	67,514	45,758
Türkiye Emlak Katılım Bankası A.Ş.	8,905	-	-	-
	<b>8,905</b>	<b>-</b>	<b>67,514</b>	<b>45,758</b>
<b>Finance income from related parties</b>				
T.C. Toplu Konut İdaresi Başkanlığı (“TOKİ”)	41,498	-	-	-
	<b>41,498</b>	<b>-</b>	<b>-</b>	<b>-</b>

According to the protocols signed with TOKİ regarding to land purchases, the cost of lands purchased from TOKİ is kept in time deposit accounts of Emlak Konut in the name of TOKİ, until the payment date determined by TOKİ. Interest income from time deposit of Emlak Konut in the name of TOKİ are net off from Interest income from time deposits in the financial statements. All of this accumulated interest income on time deposits will be paid to TOKİ.

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2019**  
(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

**NOTE 21 - RELATED PARTY DISCLOSURES (Continued)**

Sales to related parties	1 January- 30 September 2019	1 July- 30 September 2019	1 January- 30 September 2018	1 July- 30 September 2018
T.C. Toplu Konut İdaresi Başkanlığı (“TOKİ”)	71,448	-	7,929	-
İller Bankası A.Ş.	115,640	-	-	-
T.C. Çevre ve Şehircilik Bakanlığı Kentsel Dönüşüm Hizmetleri Genel Müdürlüğü	470,867	-	-	-
Emlak Planlama, İnşaat, Proje Yönetimi ve Tic. A.Ş.- Fideltus İnş. - Öztaş İnş. O.G.	3	-	-	-
Gedaş Gayrimenkul Değerleme A.Ş.	27	-	-	-
Bio İstanbul Prj. Geliştirme ve Yatırım A.Ş.	333	-	-	-
	<b>658,318</b>	<b>-</b>	<b>7,929</b>	<b>-</b>

In the Group, the chair of the Board of Directors, members of Board of Directors, Audit Committee members, General Manager, Assistant General Managers and General Manager consultant and other decision makers who are in charge to manage the operations are assumed as key management. Short-term benefits given to Key management are stated below:

Remuneration of key management	1 January- 30 September 2019	1 July- 30 September 2019	1 January- 30 September 2018	1 July- 30 September 2018
Salaries and other short-term employee benefits	6,389	1,738	4,316	1,334
	<b>6,389</b>	<b>1,738</b>	<b>4,316</b>	<b>1,334</b>

**NOTE 22 - COMMITMENTS**

The mortgage and guarantees received of the Group as of 30 September 2019 and 31 December 2018 are explained below;

	30 September 2019	31 December 2018
Guarantees received (*)	2,250,943	3,086,456
Mortgages received (**)	58,564	78,342
	<b>2,309,507</b>	<b>3,164,798</b>

(\*) Guarantees received consist of accurate and temporary guarantees given by contractors for construction projects during the tendering process.

(\*\*) Mortgages taken consist of mortgaged independent sections and land which sold but not yet collected.

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2019**  
(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

**NOTE 22 - COMMITMENTS (Continued)**

The collaterals, pledges and mortgages (“CPM”) of the Group as of 30 September 2019 and 31 December 2018 are explained below;

	<b>30 September 2019</b>	<b>31 December 2018</b>
A. CPM given on behalf of the Company's legal personality	90,889	61,802
B. CPM given on behalf of fully consolidated subsidiaries	-	-
C. CPM given for continuation of its economic activities on behalf of third parties	-	-
D. Total amount of other CPM	-	-
i) Total amount of CPM given on behalf of majority shareholder	-	-
ii) Total amount of CPM given on behalf of other companies which are not in scope of B and C	-	-
iii) Total amount of CPM given on behalf of third parties which are not in scope of C	-	-
	<b>90,889</b>	<b>61,802</b>

**NOTE 23 – EARNINGS PER SHARE**

In Turkey, companies can increase their share capital by making a pro rata distribution of shares (“Bonus Shares”) to existing shareholders from retained earnings and revaluation surplus. The issue of such shares is treated as the issuance of ordinary shares in the calculation of earnings per share. Accordingly, previous effects of related share distributions taking into consideration on weighted average number of shares used in calculation. Earnings per share is calculated by considering the total number of new shares when there is an increase in issued shares because of distribution of bonus shares after the balance sheet date but before the preparation of financial statements.

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

The Company can withdraw the issued shares. The weighted average number of stocks taken back changes the calculation of earnings per share in line with the number of shares.

	<b>1 January- 30 September 2019</b>	<b>1 July- 30 September 2019</b>	<b>1 January- 30 September 2018</b>	<b>1 July- 30 September 2018</b>
Net income attributable to equity holders of the parent in full TL	212,224	(153,587)	1,099,169	(31,636)
Weighted average number of ordinary shares	3,663,584,506	3,663,584,506	3,663,584,506	3,663,584,506
<b>Earnings per share in full TL</b>	<b>0.0006</b>	<b>(0.0004)</b>	<b>0.0030</b>	<b>(0.0001)</b>

**NOTE 24 - EVENTS AFTER THE REPORTING PERIOD**

None.

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2019**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

**ADDITIONAL NOTE - CONTROL OF COMPLIANCE WITH THE PORTFOLIO  
LIMITATIONS**

	<b>Non-Consolidated (Individual) Financial Statements Main Account Items</b>	<b>Related Regulation</b>	<b>Current Period 30 September 2019 (TL)</b>	<b>Prior Period 31 December 2018 (TL)</b>
<b>A</b>	Money and Capital Market Instruments	Series:III-No:48, Art,24/(b)	429,176	437,372
<b>B</b>	Properties, Projects based on Properties and Rights based on Properties	Series:III-No:48, Art,24/(a)	13,903,968	15,166,621
<b>C</b>	Affiliates	Series:III-No:48, Art,24/(b)	288,037.00	-
	Due from related parties (Non Commercial)	Series:III-No:48, Art,23/(f)	-	-
	Other Assets		8,183,327	6,767,401
<b>D</b>	<b>Total Assets</b>	<b>Series:III-No:48, Art,3/(k)</b>	<b>22,804,508</b>	<b>22,659,394</b>
<b>E</b>	Financial Liabilities	Series:III-No:48, Art,31	4,568,461	3,463,446
<b>F</b>	Other Financial Liabilities	Series:III-No:48, Art,31	-	-
<b>G</b>	Due from Financial Leases	Series:III-No:48, Art,31	-	-
<b>H</b>	Due to Related Parties (Non Commercial)	Series:III-No:48, Art,23/(f)	-	-
<b>I</b>	Shareholders' equity	Series:III-No:48, Art,31	13,170,868	13,086,742
	Other Resources		5,065,179	6,109,206
<b>D</b>	<b>Total Resources</b>	<b>Series:III-No:48, Art,3/(k)</b>	<b>22,804,508</b>	<b>22,659,394</b>
	<b>Non-Consolidated (Individual) Financial Statements Other Account Items</b>	<b>Related Regulation</b>	<b>Current Period 30 September 2019 (TL)</b>	<b>Prior Period 31 December 2018 (TL)</b>
<b>A1</b>	The portion of Money and Capital Market Instruments held for Payables of Properties for the following 3 Years	Series:III-No:48, Art,24/(b)	429,176	437,372
<b>A2</b>	Term/ Demand/ Currency	Series:III-No:48, Art,24/(b)	431,172	371,894
<b>A3</b>	Foreign Capital Market Instruments	Series:III-No:48, Art,24/(d)	-	-
<b>B1</b>	Foreign Properties, Projects based on properties and Rights based on Properties	Series:III-No:48, Art,24/(d)	-	-
<b>B2</b>	Idle Lands	Series:III-No:48, Art,24/(c)	708,373	650,651
<b>C1</b>	Foreign Affiliates	Series:III-No:48, Art,24/(d)	-	-
<b>C2</b>	Affiliates for Operating Company	Series:III-No:48, Art,28	288,000	-
<b>J</b>	Non-cash Loans	Series:III-No:48, Art,31	53,011	56,397
<b>K</b>	Mortgage amount of Servient Lands Which Will Be Developed And Not Owned	Series:III-No:48, Art,22/(e)	-	-

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2019**  
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**ADDITIONAL NOTE - CONTROL OF COMPLIANCE WITH THE PORTFOLIO  
LIMITATIONS (Continued)**

	<b>Portfolio restrictions</b>	<b>Related regulation</b>	<b>30 September 2019 (%)</b>	<b>31 December 2018 (%)</b>	<b>Minimum/ Maximum Rate</b>
1	Mortgage amount of Servient Lands Which Will Be Developed And Not Owned	Series:III-No:48, Art,22/(e)	-	-	<10%
2	Properties, Projects based on Properties and Rights based on Properties	Series:III-No:48, Art,24/(a)(b)	63	69	>50%
3	Money and Capital Market Instruments and Affiliates	Series:III-No:48, Art,24/(b)	1.26	1.27	<50%
4	Foreign Properties, Projects based on Properties, Rights based on Properties, Affiliates, Capital Market Instruments	Series:III-No:48, Art,24/(d)	-	-	<49%
5	Idle Lands	Series:III-No:48, Art,24/(c)	3	3	<20%
6	Affiliates to the Operating Company	Series:III-No:48, Art,28	0.01	0.01	<10%
7	Borrowing Limit	Series:III-No:48, Art,31	35	27	<500%
8	TL and Foreign Currency Time and Demand Deposits	Series:III-No:48, Art,22/(e)	-	-	<10%

The information in the table of control of compliance with the portfolio limitations', in accordance with Capital Markets Board's Communiqué Serial: II, No: 14.1 "Financial Reporting in Capital Markets" Amendment No: 16 comprised condensed information and prepared in accordance with Capital Markets Board's Communiqué Serial: III, No: 48.1 "Real Estate Investment Group" published in official gazette no 28660 on 28 May 2013.

.....

## TABLE OF TENDERED LAND PLOTS (30.09.2019)

Revenue Sharing Model in Return for Land Sale	SQM	Date of Purchase	Book Value (TRY)	Current Company Share in Total Revenue (TRY)
AVANGART İSTANBUL	36.750	05.03.2015	121.111.831	637.000.000
AVRUPARK HAYAT	42.020	14.06.2011-30.07.2012	54.056.701	156.500.000
BÜYÜKYALI	97.590	24.04.2013	625.011.640	1.492.309.567
EBRULİ İSPARTAKULE	41.168	01.06.2007	58.200.243	132.000.000
EVORA DENİZLİ	95.294	05.03.2015	77.170.348	92.651.000
TEM 34 TAHTAKALE / TEM 34 BAHÇETEPE	18.215	03.04.2015	29.374.501	40.086.059
İSTANBUL BEYKOZ RİVA ARSA	1.075.860	-	378.964.769	542.892.221
İSTANBUL FATİH YEDİKULE ARSA	40.946	30.07.2012	67.480.301	105.968.270
EVORA İZMİR	0	-	1.166.413	117.040.000
ALL SANCAK	0	-	56.740	145.200.000
KARAT 34	21.438	28.05.2014	68.274.879	171.600.000
KÖY	332.909	02.03.2011	152.978.439	300.525.555
MERKEZ ANKARA	124.476	03.04.2014	637.619.012	1.258.365.000
NİDAPARK İSTİNYE	129.487	28.05.2014	993.779.685	1.876.392.000

Revenue Sharing Model in Return for Land Sale	SQM	Date of Purchase	Book Value (TRY)	Current Company Share in Total Revenue (TRY)
NİDAPARK KAYAŞEHİR	12.028	03.04.2014	35.505.450	107.950.125
NİDAPARK KÜÇÜKYALI	67.317	14.06.2011	678.852.330	1.527.000.300
OFİS KARAT BAKIRKÖY	5.164	05.03.2015	30.955.494	62.000.000
SEMT BAHÇEKENT	23.264	14.06.2011	35.427.313	88.031.267
ŞİLE ÇAVUŞ ARSA SATIŞI KAR.	18.502	05.03.2015	9.813.134	15.070.000
TEMAŞEHİR	60.675	05.03.2015	88.364.722	198.759.060
TUAL ADALAR	3.763	28.05.2014	14.070.521	21.252.794
TUAL BAHÇEKENT	44.254	14.06.2011-30.07.2012	38.995.269	130.529.584
TUZLA İÇMELER ARSA SATIŞI KAR.	10.053	05.03.2015	20.016.360	53.927.500
VALİDEBAĞ KONAKLARI	17.529	05.03.2015	153.909.802	439.887.380
YENİKÖY KONAKLARI İSTANBUL	27.369	05.03.2015	45.366.051	168.150.000
ÇEKMEKÖY TAŞDELEN	83.739	05.03.2015	302.938.913	355.552.000
İSTANBUL ŞİŞLİ TEŞVİKİYE ARSA	13.726	05.03.2015	561.954.401	705.500.000
<b>TOTAL</b>	-	-	<b>5.285.129.039</b>	<b>10.942.139.683</b>

Turn Key Model Projects	SQM	Date of Purchase	Book Value + Progress Payments (TRY)
ANKARA BAŞKENT E.K. 2.ET	30.521	-	339.905.578
BAŞKENT EMLAK KONUTLARI	89.502	-	817.971.575
GEBZE 3. ETAP 1. KISIM	82.873	-	520.577.388
GEBZE EMLAK K. 3.ETAP 3.KISIM	6.338	-	9.294.852
KÖRFEZKENT ÇARŞI	11.922	03.08.5048	63.478.733
KUZEY YAKASI	363.979	-	477.281.628
İSTANBUL KÜÇÜKÇEKMECE HALKALI	40.187	-	131.495.435
GÜNEY AYAZMA,KAYABAŞI,KAPADIK	0	-	20.512.131
HALKALI GENEL ALTYAPI,SANAT YA	0	-	34.137.845
ANKARA BAŞKENT E.K. 3.ET	0	-	18.822.932
<b>TOTAL</b>	<b>625.322</b>		<b>2.433.478.097</b>

## TABLE OF LAND STOCKS (30.09.2019)

Appraisal Report Name	# of Parcels	SQM	Date of Purchase	Book Value (TRY)	Appraisal Value (TRY)
ANKARA ÇANKAYA MÜHYE PARSELLERİ	12	38.434	03.04.2014	45.643.790	65.411.513
İSTANBUL ARNAVUTKÖY PARSELLERİ	64	1.457.499	05.06.2013	170.189.440	326.960.901
İSTANBUL, ATAŞEHİR PARSELLERİ	12	25.192	24.04.2013 - 22.04.2012	40.226.623	80.021.822
İSTANBUL BAKIRKÖY YEŞİLKÖY ŞEVKETİYE PARSELLERİ	2	52.939	30.05.2017	350.729.355	350.673.105
İSTANBUL BAŞAKŞEHİR HOŞDERE PARSELLERİ	21	312.784	14.06.2011 - 06.10.2011 - 30.07.2012 - 07.08.2012	112.033.445	145.213.772
İSTANBUL BAŞAKŞEHİR İKİTELLİ PARSELLERİ	34	225.637	01.12.2010 - 07.03.2012 - 25.09.2012 - 01.10.2012 - 05.03.2015	297.399.070	342.302.075
İSTANBUL BAŞAKŞEHİR KAYABAŞI PARSELLERİ	2	59.186	30.05.2017-25.03.2019	182.097.895	178.934.616
İSTANBUL TAŞDELEN - ÇEKMEKÖY PARSELLERİ	2	6.346	30.05.2017	2	2.221.062
İSTANBUL ESENYURT HOŞDERE PARSELLERİ	4	69.249	14.06.2011 - 30.07.2012	58.546.260	109.831.813
İSTANBUL KARTAL PARSELLERİ	17	60.232	24.04.2013 - 22.04.2012	109.182.521	122.671.551
İSTANBUL KÜÇÜKÇEKMECE HALKALI PARSELLERİ	24	484.090	03.04.2014	1.927.396.500	2.182.963.662
İSTANBUL MALTEPE PARSELLERİ	1	306	28.05.2014	3.010.214	3.012.524
İSTANBUL SARIYER İSTİNYE PARSELLERİ	4	1.373	28.05.2014	7.733.585	7.782.155
İSTANBUL ZEKERİYAKÖY PARSELİ	1	992	02.03.2011	677.397	1.091.200
İSTANBUL TUZLA PARSELLERİ	4	65.713	30.12.2005 - 05.03.2015 - 01.06.2007	205.916.871	209.691.086
İSTANBUL ÜMRANİYE PARSELLERİ	2	10.680	31.12.2012	1.843.977	28.270.396

Appraisal Report Name	# of Parcels	SQM	Date of Purchase	Book Value (TRY)	Appraisal Value (TRY)
İZMİR KONAK PARSELİ	4	6.994	31.05.2000	12.258.000	12.258.000
KASTAMONU CİDE PARSELLERİ	1	9.110	06.10.2011 - 07.08.2012 - 14.06.2011 - 30.07.2012	52.663	60.000
KOCAELİ GEBZE GÜZELLER PARSELLERİ	14	7.482	NA	728.901	2.596.872
İSTANBUL AVCILAR PARSELLERİ	1	20.315	NA	19.307.276	39.615.000
KOCAELİ KÖRFEZ PARSELLERİ	4	16.610	25.02.2008	1.528.023	8.273.575
NEVŞEHİR PARSELLERİ	2	26	03.04.2014	8.088	8.232
TEKİRDAĞ KAPAKLI PARSELLERİ	6	109.019	NA	1.861.935	37.683.399
TEKİRDAĞ ÇORLU PARSELLERİ	4	35.923	24.03.2006 - 30.09.2010	6.152.734	8.965.011
SAMSUN CANIK PARSELLERİ	3	51.698	30.05.2017	111.915.633	122.006.543
<b>TOTAL</b>	<b>247</b>	<b>3.191.179</b>	<b>-</b>	<b>4.044.073.197</b>	<b>4.776.234.457</b>

Investment Properties	# of Parcels	SQM	Date of Purchase	Book Value (TRY)	Appraisal Value (TRY)
İSTANBUL BAŞAKŞEHİR HOŞDERE PARSELLERİ	1	25.306	-	8.140.964	10.755.152
İSTANBUL BAŞAKŞEHİR İKİTELLİ PARSELLERİ	1	8.731	-	4.466.027	4.802.094
İSTANBUL KARTAL PARSELLERİ	1	13.595	-	24.457.405	27.869.750
<b>TOTAL</b>	<b>3</b>	<b>47.632</b>		<b>37.064.397</b>	<b>43.426.996</b>

## TABLE OF BUILDING INVENTORY (30.09.2019)

Building Inventory	# of Units in Inventory	SQM	Date of Purchase	Book Value	Appraisal Value
AYAZMA EMLAK KONUTLARI 2. ETAP	164	18.391	NA	7.307.279	76.222.460
BAHÇEKENT EMLAK KONUTLARI 1-3	30	3.843	NA	8.562.280	10.995.257
BURGAZKENT	1	150	30.12.2016	126.238	226.000
EMLAK KONUT BAŞAKŞEHİR EVLERİ 1-2	8	1.179	NA	2.519.855	7.880.000
EMLAK KONUT BAŞAKŞEHİR EVLERİ 1-4	2	269	NA	534.037	1.758.000
EMLAK KONUT BAŞAKŞEHİR EVLERİ 2.ETAP	24	3.575	NA	11.595.716	11.686.633
EMLAK KONUT ISPARTAKULE EVLERİ	25	4.925	-	14.405.190	20.598.000
EMLAK KONUT ISPARTAKULE EVLERİ -2	31	4.962	-	12.001.682	14.658.000
EMLAK KONUT MAVİŞEHİR EVLERİ	1	144	31.12.2013	403.960	504.000
ESENLER EMLAK KONUTLARI	15	2.266	30.12.2016	5.623.773	8.999.017
GEBZE EMLAK KONUTLARI 2	2	237	-	308.911	615.799
GEBZE EMLAK KONUTLARI 3. ETAP 2. KISIM	710	112.392	-	300.281.600	300.281.600
AYAZMA EMLAK KONUTLARI	105	16.235	NA	56.563.335	57.377.543
KÖRFEZKENT 3. ETAP	4	738	31.12.2015	811.552	1.551.000
KÖRFEZKENT 4.ETAP	66	9.850	NA	13.964.982	21.088.000
NEVŞEHİR EMLAK KONUTLARI	40	6.628	-	16.462.466	17.035.800

Building Inventory	# of Units in Inventory	SQM	Date of Purchase	Book Value	Appraisal Value
NİĞDE EMLAK KONUTLARI	227	40.790	-	81.337.882	87.794.800
1STANBUL	1	78	-	166.337	257.000
AĞAOĞLU MASLAK 1453 İSTANBUL	166	43.990	29.12.2017	625.345.155	626.389.700
AVRUPA KONUTLARI BAŞAKŞEHİR	8	1.697	NA	7.097.200	7.097.200
BAHÇEKENT FLORA	1	378	NA	1.082.200	1.091.000
BATIŞEHİR	9	1.239	31.12.2015	11.729.689	12.247.488
BULVAR İSTANBUL	4	734	30.12.2016	3.208.000	3.208.000
DUMANKAYA MIKS	24	2.368	22.09.2016	19.330.037	20.032.700
EVORA İSTANBUL 2.BÖLGE	1	81	28.07.2015	422.305	480.000
GÖL PANORAMA EVLERİ	56	9.382	-	35.123.453	37.806.400
İSTMARİNA	71	5.718	29.12.2017	36.838.663	84.658.685
KOORDİNAT ÇAYYOLU	30	7.071	-	35.409.836	35.434.127
METROPOL İSTANBUL	4	882	30.12.2016	6.152.470	6.158.690
NİDAKULE ATAŞEHİR	4	1.573	30.12.2016	24.051.600	24.229.000
SARPHAN FİNANS PARK	140	7.229	30.12.2016	179.492.843	182.539.000
SOFALOCA	2	386	NA	1.568.879	1.584.000

Building Inventory	# of Units in Inventory	SQM	Date of Purchase	Book Value	Appraisal Value
SPRADON QUARTZ	2	202	NA	598.960	699.000
STÜDYO 24	3	200	30.04.2014	477.874	530.000
BÜYÜKYALI İSTANBUL	31	5.967	NA	78.130.092	82.250.259
UNİKONUT	8	1.736	28.02.2015	9.842.253	10.064.692
VARYAP MERİDİAN	2	138		805.413	1.090.000
<b>Toplam</b>	<b>2.022</b>	<b>317.621</b>		<b>1.639.645.011</b>	<b>1.777.118.848</b>

Building Inventory (Stocks from Projects)	# of Units in Inventory	SQM	Date of Purchase	Book Value	Appraisal Value
EVORA DENİZLİ	34	6.576	NA	18.221.631	19.554.560
MERKEZ ANKARA	139	139.748	30.12.2016	701.397.540	768.891.519
NİDAPARK İSTİNYE	24	7.202	-	159.927.300	175.920.030
NİDAPARK KAYAŞEHİR	97	9.324	-	44.167.697	44.167.697
NİDAPARK KÜÇÜKYALI	154	30.217	-	326.338.308	341.213.380
TEMAŞEHİR	64	14.665	NA	37.384.500	37.384.500
TUAL BAHÇEKENT	75	11.360	NA	34.811.913	34.843.472
<b>Total</b>	<b>587</b>	<b>219.092</b>	<b>30.12.2016</b>	<b>1.322.248.889</b>	<b>1.421.975.158</b>

Buildings in Non-Current Assets	# of Units in Inventory	SQM	Date of Purchase	Book Value	Appraisal Value
ANKARA ÇANKAYA NEXT LEVEL	4	989	-	6.810.900	9.182.000
RESMİ KURUM BİNASI	2	24.886	-	45.755.719	114.346.000
<b>Total</b>	<b>6</b>	<b>25.875</b>		<b>52.566.619</b>	<b>123.528.000</b>

Investment Property	# of Units in Inventory	SQM	Date of Purchase	Book Value	Appraisal Value
UNİKONUT	4	2.406	-	12.543.564	12.545.000
AĞAOĞLU MASLAK 1453 İSTANBUL	3	593	-	10.507.700	10.507.700
İSTMARİNA	238	60.879	-	300.084.417	272.179.309
SARPHAN FİNANS PARK	37	2.172	-	41.428.000	41.620.000
ESENLER EMLAK KONUTLARI	4	253	-	1.112.137	1.864.582
DUMANKAYA MIKS	1	563	-	3.744.000	3.790.000
AYAZMA EMLAK KONUTLARI 2. ETAP	5	862	-	347.920	5.171.628
KÖRFEZKENT 3. ETAP	2	253	-	277.946	502.000
KÖRFEZKENT 4.ETAP	2	210	-	300.620	666.000
BAHÇEKENT EMLAK KONUTLARI 1-3	1	95	-	201.548	408.000
Ataşehir Genel Müdürlük A Blok	1	24.886	-	37.689.000	83.524.000
<b>Total</b>	<b>298</b>	<b>93.171</b>		<b>408.236.853</b>	<b>432.778.219</b>

## EPP PORTFOLIO TABLE (30.09.2019)

Subsidiaries Revenue Sharing Projects (EPP)	SQM	Date of Purchase	Book Value	Company Share
---	-----	------------------	------------	---------------

YALOVA ARMUTLU PROJESİ	211.330,95	01.11.2016	59.296.728	30.968.000
------------------------	------------	------------	------------	------------

Subsidiaries TurnKey Projects(EPP)	SQM	Date of Purchase	Book Value + progress Payment
------------------------------------	-----	------------------	-------------------------------

RAMİ GIDA TOPTANCILARI PROJESİ	321.827		596.080.335
--------------------------------	---------	--	-------------

Subsidiaries TurnKey Projects(EPP)	SQM	Date of Purchase	Book Value	Appraisal Value
------------------------------------	-----	------------------	------------	-----------------

TUZLA ORHANLI PARSELLERİ	1.453	02.05.2013	540.086	537.606
--------------------------	-------	------------	---------	---------

İSTANBUL RESNELİ PARSELLERİ	79.413	15.11.2017	20.333.314	78.845.480,50
-----------------------------	--------	------------	------------	---------------

SAKARYA SAPANCA PARSELLERİ	118.100	12.06.2013	6.302.333	10.751.840
----------------------------	---------	------------	-----------	------------

GEBZE AKVİRAN PARSELLERİ	1.120	29.04.2014	11.216	507.456
--------------------------	-------	------------	--------	---------

İSTANBUL ATAŞEHİR PARSELLERİ	251	28.03.2016	404.029	753.990
------------------------------	-----	------------	---------	---------

<b>Grand Total</b>	<b>200.337</b>		<b>27.590.978</b>	<b>91.396.373</b>
--------------------	----------------	--	-------------------	-------------------

Buildings Total (Investment)	# of Units in Inventory	SQM	Appraisal Value	Book Value
------------------------------	-------------------------	-----	-----------------	------------

PAPİRUS PLAZA	7	1.695	9.048.466	11.756.500
---------------	---	-------	-----------	------------

BATIŞEHİR	21	1.451	8.107.647	7.820.000
-----------	----	-------	-----------	-----------

SARPHAN FİNANSPARK	2	131		3.530.684
--------------------	---	-----	--	-----------

DOĞA PARKI EVLERİ	34	2.403	5.802.071	11.320.000
-------------------	----	-------	-----------	------------

<b>Grand Total</b>	<b>64</b>	<b>6.924</b>	<b>22.958.184</b>	<b>65.954.049</b>
--------------------	-----------	--------------	-------------------	-------------------

# SUMMARIES OF APPRAISAL REPORTS

## REAL ESTATE VALUATION REPORT SUMMARY ANNEX 5 – SUMMARIES OF APPRAISAL REPORTS (PROJECTS)

REAL ESTATE VALUATION REPORT SUMMARY	
NAME OF THE WORK SUBJECT EVALUATION	<b>KOCAELİ GEBZE EMLAK KONUTLARI 3. ETAP 1.KISIM KONUT VE TİCARET İNŞAATLARI İLE ALTYAPI VE ÇEVRE DÜZENLEME İŞİ</b>
INSTITUTION REQUESTING VALUATION	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.
INSTITUTION PREPARING VALUATION	REEL GAYRİMENKUL DEĞERLEME A.Ş.
REPORT DATE	03.09.2019
REPORT TYPE	DEĞERLEME RAPORU
CURRENT USE	PARSEL ÜZERİNDE İNŞAATI DEVAM DEN GEBZE EMLAK KONUTLARI 3. ETAP 1. KISIM PROJESİ BULUNMAKTADIR
TITLE DEED INFORMATION	KOCAELİ İLİ, GEBZE İLÇESİ, GÜZELLER MAHALLESİ, ADA: 6434 PARSEL:1-2, ADA:6435 PARSEL:1, ADA: 6436 PARSEL:1 4 PARSELİN ALANI: 101.780,21 m <sup>2</sup> , VASFI: ARSA, MALİK: EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ
PROJECT'S CURRENT VALUE	<b>399.050.000,00</b>
PROJECT'S VALUE AFTER COMPLETION	<b>446.563.118,51</b>

REAL ESTATE VALUATION REPORT SUMMARY	
NAME OF THE WORK SUBJECT EVALUATION	<b>KOCAELİ GEBZE EMLAK KONUTLARI 3. ETAP 1.KISIM KONUT VE TİCARET İNŞAATLARI İLE ALTYAPI VE ÇEVRE DÜZENLEME İŞİ</b>
INSTITUTION REQUESTING VALUATION	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.
INSTITUTION PREPARING VALUATION	REEL GAYRİMENKUL DEĞERLEME A.Ş.
REPORT DATE	12.07.2019
REPORT TYPE	PAZAR DEĞER TESPİTİ
CURRENT USE	PARSEL ÜZERİNDE İNŞAATI DEVAM DEN GEBZE EMLAK KONUTLARI 3. ETAP 1. KISIM PROJESİ BULUNMAMAKTADIR
TITLE DEED INFORMATION	KOCAELİ İLİ, GEBZE İLÇESİ, GÜZELLER MAHALLESİ, ADA: 6434 PARSEL:1-2, ADA:6435 PARSEL:1, ADA: 6436 PARSEL:1 4 PARSELİN ALANI: 101.780,21 m <sup>2</sup> , VASFI: ARSA, MALİK: EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ
PROJECT'S CURRENT VALUE	<b>394.240.000,00</b>
PROJECT'S VALUE AFTER COMPLETION	<b>446.563.118,51</b>

REAL ESTATE VALUATION REPORT SUMMARY	
NAME OF THE WORK SUBJECT EVALUATION	<b>KOCAELİ GEBZE EMLAK KONUTLARI 3. ETAP 2.KISIM KONUT İNŞAATLARI İLE ALTYAPI VE ÇEVRE DÜZENLEME İŞİ</b>
INSTITUTION REQUESTING VALUATION	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.
INSTITUTION PREPARING VALUATION	REEL GAYRİMENKUL DEĞERLEME A.Ş.
REPORT DATE	12.07.2019
REPORT TYPE	DEĞERLEME RAPORU
CURRENT USE	PARSEL ÜZERİNDE İNŞAATI DEVAM EDEN GEBZE EMLAK KONUTLARI 3. ETAP 2. KISIM PROJESİ BULUNMAKTADIR
TITLE DEED INFORMATION	KOCAELİ İLİ, GEBZE İLÇESİ, GÜZELLER MAHALLESİ, ADA: 6741 PARSEL:1-2-3-4 4 PARSELİN ALANI: 90.773,82 m <sup>2</sup> , ADA: 6438 PARSEL: 3 ALANI: 5.003,30 m <sup>2</sup> VASFI: ARSA, MALİK: EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ
PROJECT'S CURRENT VALUE	<b>381.720.000,00</b>
PROJECT'S VALUE AFTER COMPLETION	<b>421.409.507,92</b>

REAL ESTATE VALUATION REPORT SUMMARY	
NAME OF THE WORK SUBJECT EVALUATION	<b>BAŞKENT EMLAK KONUTLARI 1. ETAP PROJESİ</b>
INSTITUTION REQUESTING VALUATION	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.
INSTITUTION PREPARING VALUATION	Terra Gayrimenkul Değerleme ve Danışmanlık A.Ş.
REPORT DATE	12.07.2019
REPORT TYPE	Proje
CURRENT USE	İnşaat işleri devam etmektedir.
TITLE DEED INFORMATION	Ankara ili, Çankaya ilçesi, Mühye Mahallesi, 29396 ada, 11 no'lu parsel
PROJECT'S CURRENT VALUE	<b>722.338.000,00</b>
PROJECT'S VALUE FOR EMLAK KONUT REIC IN ITS CURRENT STATE VALUE SHARE	<b>722.338.000,00</b>
PROJECT'S VALUE AFTER COMPLETION	<b>906.295.000,00</b>
PROJECT'S VALUE FOR EMLAK KONUT REIC IN ITS CURRENT STATE VALUE SHARE COMPLETION OF THE PROJECT	<b>906.295.000,00</b>

REAL ESTATE VALUATION REPORT SUMMARY	
NAME OF THE WORK SUBJECT EVALUATION	<b>EVORA DENİZLİ PROJESİ</b>
INSTITUTION REQUESTING VALUATION	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.
INSTITUTION PREPARING VALUATION	Terra Gayrimenkul Değerleme ve Danışmanlık A.Ş.
REPORT DATE	19.08.2019
REPORT TYPE	Proje
CURRENT USE	Projenin inşaat işleri devam etmektedir.
TITLE DEED INFORMATION	Denizli İli, Merkezefendi İlçesi, Çakmak Mahallesi, 716 ada, 1 no'lu parsel, 717 ada 1 no'lu parsel, 718 ada 1 no'lu parsel, 719 ada 1 no'lu parsel, 720 ada 1 no'lu parsel, 721 ada 1 ve 2 no'lu parsel, 722 ada 1 no'lu parsel, 723 ada 1 no'lu parsel ve 724 ada 1 no'lu parsel
PROJECT'S CURRENT VALUE	<b>252.474.000,00</b>
PROJECT'S VALUE FOR EMLAK KONUT REIC IN ITS CURRENT STATE VALUE SHARE	<b>88.061.000,00</b>
PROJECT'S VALUE AFTER COMPLETION	<b>634.395.000,00</b>
PROJECT'S VALUE FOR EMLAK KONUT REIC IN ITS CURRENT STATE VALUE SHARE COMPLETION OF THE PROJECT	<b>129.137.897,70</b>

REAL ESTATE VALUATION REPORT SUMMARY	
NAME OF THE WORK SUBJECT EVALUATION	<b>İSTANBUL ULUSLARARASI FİNANS MERKEZİ ÖZEL PROJE VE REKREASYON ALANI ARSA SATIŞI KARŞILIĞI GELİR PAYLAŞIMI İŞİ</b>
INSTITUTION REQUESTING VALUATION	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.
INSTITUTION PREPARING VALUATION	REEL GAYRİMENKUL DEĞERLEME A.Ş.
REPORT DATE	23.09.2019
REPORT TYPE	PROJE DEĞERLEME
CURRENT USE	İnşaat seviyesinin ilgili kurumdan alınan bilgiye göre %44,28 olarak gerçekleştiği, hali hazırda inşaat çalışmalarının devam etmediği gözlemlenmiştir.
TITLE DEED INFORMATION	İSTANBUL İLİ, ÜMRANIYE İLÇESİ, FİNANSKENT MAHALLESİ, ADA: 3328 PARSEL:1 -13 - 14, 3 PARSELİN ALANI: 115.497,01 m², VASFI: ARSA, MALİK: EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ
PROJECT'S CURRENT VALUE	<b>1.434.000.000,00</b>
PROJECT'S VALUE AFTER COMPLETION	<b>3.194.498.560,71</b>
PROJECT'S VALUE FOR EMLAK KONUT REIC IN ITS CURRENT STATE VALUE SHARE (%2)	<b>63.889.971,21</b>

REAL ESTATE VALUATION REPORT SUMMARY	
NAME OF THE WORK SUBJECT EVALUATION	<b>BAŞKENT EMLAK KONUTLARI 2. ETAP PROJESİ</b>
INSTITUTION REQUESTING VALUATION	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.
INSTITUTION PREPARING VALUATION	Terra Gayrimenkul Değerleme ve Danışmanlık A.Ş.
REPORT DATE	24.09.2019
REPORT TYPE	Proje
CURRENT USE	İnşaat işleri devam etmektedir.
TITLE DEED INFORMATION	Ankara ili, Çankaya ilçesi, Mühye Mahallesi, 29397 ada, 10 ve 11 no'lu parseller ile 29401 ada 10 no'lu parsel
PROJECT'S CURRENT VALUE	<b>340.194.000,00</b>
PROJECT'S VALUE FOR EMLAK KONUT REIC IN ITS CURRENT STATE VALUE SHARE	<b>340.194.000,00</b>
PROJECT'S VALUE AFTER COMPLETION	<b>341.352.000,00</b>
PROJECT'S VALUE FOR EMLAK KONUT REIC IN ITS CURRENT STATE VALUE SHARE COMPLETION OF THE PROJECT	<b>341.352.000,00</b>

## REAL ESTATE VALUATION REPORT SUMMARY ANNEX 5 – SUMMARIES OF APPRAISAL REPORTS (LANDS)

REAL ESTATE VALUATION REPORT SUMMARY	
NAME OF THE WORK SUBJECT EVALUATION	<b>SAMSUN İLİ CANIK İLÇESİ 3 ADET PARSEL</b>
INSTITUTION REQUESTING VALUATION	Emlak Konut GYO A.Ş.
INSTITUTION PREPARING VALUATION	REEL GAYRİMENKUL DEĞERLEME A.Ş.
REPORT DATE	17.07.2019
REPORT TYPE	DEĞERLEME RAPORU
CURRENT USE	Vacant Land
TOTAL MARKET VALUE	<b>122.006.542,50 TL</b>

**REAL ESTATE VALUATION REPORT SUMMARY  
ANNEX 5 – SUMMARIES OF APPRAISAL REPORTS (BUILDINGS)**

**GAYRİMENKUL DEĞERLEME RAPOR ÖZETİ**

NAME OF THE WORK SUBJECT EVALUATION	<b>YALI ATAKÖY PROJESİ</b>
INSTITUTION REQUESTING VALUATION	Emlak Konut GYO A.Ş.
INSTITUTION PREPARING VALUATION	Terra Gayrimenkul Değerleme ve Danışmanlık A.Ş.
REPORT DATE	11.09.2019
REPORT TYPE	Daire
CURRENT USE	214 m2
TITLE DEED INFORMATION	İstanbul ili, Bakırköy ilçesi, Zeytinlik Mahallesi, 564 ada, 186 parsel B2 Blok, 4. Normal Kat, 22 No'lu Bağımsız Bölüm
MARKET VALUE OF 1 UNIT	<b>4.740.000,00 TL</b>

**GAYRİMENKUL DEĞERLEME RAPOR ÖZETİ**

NAME OF THE WORK SUBJECT EVALUATION	<b>Emlak Konut Başakşehir Evleri 2. Etap 1 adet bağımsız bölümün rayiç değeri</b>
INSTITUTION REQUESTING VALUATION	Emlak Konut GYO A.Ş.
INSTITUTION PREPARING VALUATION	Terra Gayrimenkul Değerleme ve Danışmanlık A.Ş.
REPORT DATE	12.07.2019
REPORT TYPE	Bina
CURRENT USE	Daire
TITLE DEED INFORMATION	Bkz. Rapor 4.1. Mülkiyet Durumu
MARKET VALUE OF 1 UNIT	<b>472.000,00 TL</b>

**GAYRİMENKUL DEĞERLEME RAPOR ÖZETİ**

NAME OF THE WORK SUBJECT EVALUATION	<b>Ataşehir Resmî Kurum Binası 2 adet bağımsız bölümün rayiç değeri</b>
INSTITUTION REQUESTING VALUATION	Emlak Konut GYO A.Ş.
INSTITUTION PREPARING VALUATION	Terra Gayrimenkul Değerleme ve Danışmanlık A.Ş.
REPORT DATE	17.07.2019
REPORT TYPE	Bina
CURRENT USE	Ofis
TITLE DEED INFORMATION	Bkz. Rapor 4.1. Mülkiyet Durumu
MARKET VALUE OF 2 UNITS	<b>233.000.000,00 TL</b>

**GAYRİMENKUL DEĞERLEME RAPOR ÖZETİ**

NAME OF THE WORK SUBJECT EVALUATION	<b>İSTANBUL KARTAL ARSA SATIŞI KARŞILIĞI GELİR PAYLAŞIMI İŞİ KAPSAMINDA İSTANBUL İLİ KARTAL İLÇESİ'NDE YER ALAN 9051 ADA 1 PARSEL ÜZERİNDE İSTMARİNA PROJESİ BÜNYESİNDEKİ 1 ADET BAĞIMSIZ BÖLÜMÜN PAZAR DEĞER TESPİTİ</b>
INSTITUTION REQUESTING VALUATION	Emlak Konut GYO A.Ş.
INSTITUTION PREPARING VALUATION	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	17.09.2019
REPORT TYPE	1 adet bağımsız bölüm
CURRENT USE	Boş Daire
TITLE DEED INFORMATION	İLİ: İSTANBUL İLÇESİ: KARTAL MAHALLESİ: ÇAVUŞOĞLU ADA/PARSEL: 9051/1 BLOK NO: D BAĞIMSIZ BÖLÜM NO: 93, BAĞ. BÖL. NİTELİĞİ: MESKEN
MARKET VALUE OF 1 UNIT	<b>621.000,00 TL</b>

# LAWSUITS INVOLVING OUR COMPANY

## MASLAK 1453 PROJECT

### 1-) İsa Öztürk & Özgür Aydın

In the legal case that was initiated against the Ministry of Environment and Urban Planning before the Istanbul Administrative Court No. 13 under the file no. 2019/435; it is requested for stay of execution and revoke the Istanbul Environmental Plan Change with a scale of 1/100,000, the Master Development Plan with a scale of 1/5000 and the Application Development Plan with a scale of 1/1000 concerning the Illegal Housing Prevention Zone in Ayazağa, Sarıyer, Istanbul as approved by the Ministry of Environment and Urban Planning on 03.12.2018. It was requested for intervention in addition to the defendant on 11.04.2019. On 30.05.2019, the court decided to accept our request for intervention. UCTEA, Chamber of City Planners (İstanbul Branch) submitted a request to intervene together with the plaintiff in the case.

## ZEKERİYAKÖY PROJECT

### 1-) UCTEA, Chamber of City Planners, Istanbul Branch

The case was brought against the Ministry of Environment and Urban Planning and Housing Development Administration at the Chamber No. 6 of the Council of State with the file No. 2012/3789 for the stay of execution and cancellation of the Protective Master Zoning Plan (scale: 1:1,500) and Application Zoning Plan (scale: 1:1,000) for Zekeriyaköy Mas Housing Development Area, prepared for the third-degree natural protected area within Zekeriyaköy Neighborhood, Sarıyer District, Istanbul and granted approval (dated: 13.03.2012, No. 1769) On 30.06.2016, the court decided to annul the transaction in dispute. An appeal was made against the decision and the parties wait for the result of the appellate review. The plaintiff requested for appeal. We have responded to the appeal on 05.04.2019 and the result is being waited.

### 2-) UCTEA, Chamber of Forest Engineers, Istanbul Branch

The case was brought against the Housing Development Administration (TOKİ), Ministry of National Defense, Ministry of Finance at the Istanbul Administrative Court No. 3 with the file No. 2014/268 E. for the stay of execution and cancellation of the transaction for the transfer of 34 immovables allocated to the Ministry of National Defense in Zekeriyaköy Neighborhood, Sarıyer District, Istanbul, to Housing Development Administration (TOKİ) as well as the Ministry of Finance's transaction for the transfer of these immovables to TOKİ. Our company joined the case as an intervenor together with the defendant institutions. The court dismissed the case. The plaintiff appealed against the Administrative Court's judgment with a request for the stay of execution. On 24.02.2016, the Chamber No. 10 of the Council of State decided to suspend the execution. On 24.02.2016, the Chamber No.10 of the Council of State decided to suspend the execution. The objection of the Ministry of Finance to the decision of the YD was rejected without being examined by the 10th Chamber of the Council of State and the appeal review is ongoing.

## KUASAR PROJECT

### 1-) Serdar Bayraktar et al.,

The case was brought at the Istanbul Administrative Court No. 5 with the file No. 2014/260 E. for the stay of execution and cancellation of the Master Zoning Plan amendment (scale: 1:5,000) and the Application Zoning Plan amendment (scale: 1:1,000) (both dated: 19.06.2013 and No. 6186) regarding the immovable in Section No. 58, Block No. 1199, and Parcel No. 230, Dikilitaş Neighborhood, Şişli District. Our company joined the case as an intervenor together with the defendant institutions. The court accepted the case and decided to cancel the plan in dispute. The Chamber No 6th of the Council of State decided that the ruling of the first instance court should be dismissed. The plaintiffs requested a revision to the decision and the parties wait for the result.

## **2-) UCTEA, Chamber of City Planners, Istanbul Branch**

The case was brought at the Istanbul Administrative Court No. 5 with the file No. 2014/260 E. for the stay of execution and cancellation of the Master Zoning Plan amendment (scale: 1:5,000) and the Application Zoning Plan amendment (scale: 1:1,000) (both dated: 19.06.2013 and No. 6186) regarding the immovable in Section No. 58, Block No. 1199, and Parcel No. 230, Dikilitaş Neighborhood, Şişli District. Our company joined the case as an intervenor together with the defendant institutions. The court accepted the case and decided to cancel the plan in dispute. The Chamber No 6th of the Council of State decided that the ruling of the first instance court should be dismissed. The plaintiffs requested a revision to the decision and the parties wait for the result. After the reversal of the decision, the Istanbul Administrative Court insisted on its first decision and decided to revoke the said plan under the File No. 2017/2125 and Decision No. 2018/173. 1. It is waited for the result of the procedures for the revision of decision.

## **İSTANBUL KAYABAŞI**

### **1-) Serdar Bayraktar & Hakkı Sağlam**

The case was brought against the Housing Development Administration at the Istanbul Administrative Court No. 4 with the file No. 2017/245 E. for the stay of execution and cancellation of the Revision Master Zoning Plan amendment (scale: 1:5,000) and the Revision Application Zoning Plan amendment (scale: 1:1,000) approved on 15.08.2016 for the Kayabaşı Mass Housing Development Area in Başakşehir District, Istanbul. On 10.10.2017, our company submitted a request to intervene together with the defendants. On 20.10.2017, the court decided to reject the request for the stay of execution. Our objections about the expert examination were submitted to the court file. Our request for intervention was accepted by the court on 14.09.2018. The hearing was held on 18.07.2019.

On 18.07.2019, the Court decided to cancel the provisions of the plan notes of the Revision Application Development Plan with a scale of 1/1000, the matter in dispute, concerning the B.7.3 Recreation Areas (R1, R2, R3, R4, R5) and, dismiss the legal case concerning the entire Revision Master Development Plan with a scale of 1/5000 and, the other parts of the Revision Application Development Plan with a scale of 1/1000. A request of appeal has been submitted concerning the said decision.

## **İSTANBUL ZEYTİNBURNU**

### **1-) UCTEA, Chamber of Architects, Istanbul Büyükkent Branch**

The case was brought against the Ministry of Environment and Urban Planning at the Istanbul Administrative Court No. 5 with the file No.3.2014/1641 E. for the stay of execution and cancellation of the Master Zoning Plan (scale: 1:5,000) and Application Zoning Plan amendment (scale: 1:1,000) (dated:19.11.2013 and No.17978) for Block No. 774 and Parcel No. 6 and 31 within Kazlıçeşme Neighborhood, Zeytinburnu District, Istanbul as well as the Master Zoning Plan (scale: 1:5,000) and the Application Zoning Plan amendment (scale: 1:1,000) approved by the Ministry of Environment and Urban Planning with the office consent (dated: 20.03.2014, No. 4446). Our company joined the case as an intervenor together with the defendant institution. The court decided to annul the disputed process. Our company made a request for appeal. The Chamber No. 4 of the Istanbul Regional Administrative Court decided to deny our appeal request. The decision was appealed against by the both parties, and the parties wait for the result of the appeal. The court decided to accept our request for intervention on 06.02.2019 and, examine the request for stay of execution after the viewing and expert examining have been completed. In addition, it was requested on 28.02.2019 to combine the legal case with the file no. 2018/1924 of the Administrative Court No. 3 and, send the file to the Administrative Court No. 3. On 08.04.2019, a viewing and an expert examining have been completed, and the expert's report expressed negative results. Our objection that's about the expert's report was submitted to the file. 3. It is waited for an Additional Expert's Report.

## 2-) İsa Öztürk & Özgür Aydın & TMMMOB Chamber of City Planners (Intervening party in addition to the Plaintiff)

This is a legal case initiated against the Ministry of Environment and Urban Planning before the Istanbul Administrative Court No. 3 under the file no E.95989 on 30.05.2018 with a request of stay of execution and revoke the Master Development Plan with a scale of 1/5000 and the Application Development Plan with a scale of 1/1000 concerning the area located in Kazlıçeşme, Zeytinburnu, Istanbul, Block No. 774, Parcel No. 69-70-71-72-73-74-75 (Former: Block No. 774, Parcel No. 6 and 61) (New: Block No. 774, Parcel No. 73 and 83). The Court decided to accept our request to participate in the case as an intervenor. 25.05.2018, the court also decided to refuse the request for Stay of Execution. The viewing date is being waited. On 08.04.2019, it was decided by the Court to accept the requests for intervention by the defendant of Özak-Yenigün-Ziylan and the plaintiff of UCTEA Chamber of City Planners.

## KARTAL PROJECT

### 1-) S.S. İstanbul Anadolu Yakası Kumcular Üretim ve Paz. Kooperatifi

The case was brought against the Ministry of Environment and Urban Planning at the Istanbul Administrative Court No. 9 with the file No. 2013/2105 E. for the stay of execution and subsequent cancellation of the approval (dated: 05.11.2012 and No. 16997) of the master zoning plan (scale: 1:5,000) and application zoning plan (scale: 1:1,000) conducted for the plan notes and immediate environs of Block No. 674 and Parcel No. 1, 4, 5, 6; Block No. 675 and Parcel No. 1, 2, 3; Block No. 676 and Parcel No. 108; Block No. 720 and Parcel No. 2, 4, 8, 19, 34 within Kartal District. Our company joined the case as an intervenor together with the defendant institution. On 27.04.2015, the court decided to dismiss the case. The relevant party appealed against the decision. The High Court decided to approve the decision upon appellate review. The plaintiff requested the revision of the decision.

## 2-) UCTEA, Chamber of City Planners, Istanbul Branch

The case was brought against the Ministry of Environment and Urban Planning at the Istanbul Administrative Court No. 1 with the file No. 2013/685 E. for the stay of execution and subsequent cancellation of the approval (dated: 05.11.2012 and No. 16997) of the master zoning plan (scale: 1:5,000) and application zoning plan (scale: 1:1,000) conducted for the plan notes and immediate environs of Block No. 674 and Parcel No. 1, 4, 5, 6; Block No. 675 and Parcel No. 1, 2, 3; Block No. 676 and Parcel No. 108; Block No. 720 and Parcel No. 2, 4, 8, 19, 34 within Kartal District. Our company joined the case as an intervenor together with the defendant institution. On 16.04.2015, the court decided to dismiss the case. The plaintiff's request for appellate review was dismissed upon examination and the decision was upheld. The plaintiff requested the revision of the decision.

## FINANCE CENTER PROJECT

### 1-) Uctea, Chamber of City Planners, İstanbul branch

The case was brought against the Ministry of Environment and Urban Planning at the Istanbul Administrative Court No. 7 with the file No. 2013/621 E. for the stay of execution and subsequent cancellation of the Istanbul Financial Center Master Zoning Plan (scale: 1:5,000) and Istanbul Financial Center Application Zoning Plan (scale: 1:1,000) for the region known as Istanbul Financial Center within Ümraniye and Ataşehir districts. Our company joined the case as an intervenor together with the defendant institution. The court ordered for re-discovery to overcome the contradictions in the two expert reports in the file, and the report after the viewing was positive. The court decided to reject the case on the grounds that the plan was in conformity with the law. The plaintiff applied to the appeal court against the decision.

## 2-) UCTEA, Chamber of Architects

The case was brought against the Ministry of Environment and Urban Planning at the Istanbul Administrative Court No. 8 with the file No. 2012/1672 E. for the stay of execution and subsequent cancellation of the Istanbul Financial Center Master Zoning Plan (scale:1:5,000) and Istanbul Financial Center Application Zoning Plan (scale: 1:1,000) for the region known as Istanbul Financial Center within Ümraniye and Ataşehir districts. Our company joined the case as an intervenor together with the defendant institution. The court decided to refer the file ruling that it was related to the file no. 2013/621 E. of the Administrative Court No. 7 and the file docket was closed. The above-cited docket was renamed 2014/1102 at Istanbul Administrative Court No. 7 and the court decided to reject the case on the grounds that the plan was in conformity with the law. The plaintiff applied to the appeal court against the decision.

## 3-) UCTEA, Chamber of Architects

The case was brought against the Housing Development Administration and Istanbul Metropolitan Municipality Mayorship at the Istanbul Administrative Court No. 1 with the file No. 2013/1927 E. for the cancellation of the "Ataşehir Mass Housing Development Area Revision Master Zoning Plan Amendment" (scale: 1:5,000) prepared by the Housing Development Administration and published on 14.03.2008 after its approval on 15.02.2008 by the Istanbul Metropolitan Municipality Council. The same request was made for the Ataşehir Mass Housing Development Area Revision Application Zoning Plan Amendment (scale: 1:1,000), which was published on 12.03.2008 after its approval on 15.02.2008. Our company joined the case as an intervenor together with the defendants. The court dismissed the case, and the request for appellate review was rejected. In response, the plaintiff made a request of revision of decision.

## FATİH YEDİKULE

### 1-) Hikmet Öz et al.

The plaintiff, Hikmet Öz et al. brought the case against Istanbul Metropolitan Municipality Mayorship, Ministry of Culture and Tourism, and Fatih Municipality Mayorship at the Istanbul Administrative Court No. 2 with the file No. 2013/347 E. for the stay of execution and cancellation of the protective Application Plan and plan provisions (scale: 1:1,000) for Historic Peninsula's Urban History, Urban Archaeological, 1st Degree Archaeological Area (Turkish State Railways, TCDD Workshops and Yedikule Gashouse), accepted with the Fatih Municipality Council's decision (dated: 09.05.2012 and No. 2012/44) and approved by the Istanbul Metropolitan Municipality Mayorship on 04.10.2012. On 10.10.2016, the court ruled that a decision cannot be given with the disputed zoning plan related to Topkapı İETT Terminal area and Sirkeci Train Station area and decided to reject the case with respect to the other aspects of the plan. The plaintiff made a request for appeal. On 15.05.2017, the Chamber No. 4 of the Istanbul Regional Administrative Court made a judgment for the partial acceptance and dismissal of the appeal request. The plaintiff and the defendant authorities appealed against this ruling waiting for the outcome of the appellate review. The Council of State Chamber No. 6 issued a definite decision on 26.12.2018 to reverse the portion of the Municipal Service Areas concerning the marina area, approve the remaining portions thereof and, send the file to the Istanbul Regional Administrative Court No. 4. On 14.06.2019, the Chamber No.4 of the Istanbul Regional Administrative Court decided to reject the request of appeal. 4.A request of appeal has been submitted by the Ministry of Culture and Tourism for the litigation costs.

## MÜHYE LAND

### 1-) UCTEA, Chamber of Architects, Ankara Branch

The case was brought against the Housing Development Administration at the Ankara Administrative Court No. 15 with the file No. 2017/2692 E. for the stay of execution and cancellation of the Master Zoning Plan Amendment (scale: 1:25,000), Master Zoning Plan Amendment (scale: 1:5,000) and the Application Zoning Plan (scale: 1:1,000) approved by the Housing Development Administration with the office consent (dated: 01.06.2017, No. 2017/2532) for the Slum Prevention Zone in Mühye Neighborhood, Çankaya District, Ankara. On 08.09.2017, the court considered the Ankara Metropolitan Municipality Mayor and Çankaya Municipality Mayor as adverse parties deciding to review the request for the stay of execution after taking the defendant's first defense and fulfillment of the interim judgment. On 17.11.2017, our company submitted a request to intervene. The court decided to refer the file to the Ankara Administrative Court No. 17 due to the connection. The court decided to refer the file to the Ankara Administrative Court No. 5 due to the connection. The proceedings continue with the court's file No. 2018/1125 E. On 29.05.2018, the court decided to take Ankara Metropolitan Municipality and Çankaya Metropolitan Municipality as adverse party while accepting our request for intervention. On 06.12.2018, the court also decided to reject the request for the stay of execution. In line with the decision of the Regional Administrative Court, the Court decided on 31.01.2019 to serve the expert's report in the file no. 2018/136 E. (2018/0071 KD) to the parties and, on 28.02.2019, to refuse the request of stay of execution. The objection by the plaintiff to the said decision was refused by the Ankara Regional Administrative Court No. 5. The court decided to reject the case on 09.05.2019 and the plaintiff appealed against the adjudication. On 08.07.2019, we have responded to the appeal and the result is being waited.

### 2-) UCTEA, Chamber of City Planners, Ankara Branch

The case was brought against the Housing Development Administration at the Ankara Administrative Court No. 17 with the file No. 2017/2706 E. for the stay of execution and cancellation of the Master Zoning Plans (scale: 1:25,000 and scale: 1:5,000) approved by the Housing Development Administration with the office consent (dated: 01.06.2017, No. 2017/2532) for the Slum Prevention Zone in Mühye Neighborhood, Çankaya District, Ankara. The court decided to refer the file to the Ankara Administrative Court No. 5 due to the connection. The trial continues with the file No. 2018/136 E. of the Ankara Administrative Court No. 5. The court accepted our intervention request. The expert report presented to the file is in favor of our company and the court decided to reject the request for the stay of execution. The plaintiff made a request of appeal. We have responded to the appeal on 20.06.2019, and the result is being waited.

## ÇAYYOLU LAND

### 1-) UCTEA, Chamber of City Planners, Ankara Branch

The case was brought against the Ministry of Environment and Urban Planning at Istanbul Administrative Court No. 1 with the file No. 2017/2665 E. for stay of execution and cancellation of Başkent Ankara Master Zoning Plan Amendment (Scale: 1:25000), Master Zoning Plan Amendment (scale: 1:5,000), and Application Zoning Plan Amendment (scale: 1:1,000) prepared for Parcel No. 1, 2, 3, 4 in Block No. 29479 and Parcel No. 1 in Block No. 29622 of Çayyolu neighborhood, Çankaya district and approved ex officio by the Ministry of Environment and Urban Planning on 10.06.2017. On 20.09.2017, the court decided to review the request for the stay of execution after taking the defendant administration's first defense and fulfillment of the interim judgment. On 17.11.2017, our company submitted a request to intervene. On 17.10.2018 the Court accepted our intervention request. The expert's report submitted for the file expressed a negative opinion in respect of the plans with a scales of 1/5000 and 1/1000. On 05.04.2019, we objected to the expert's report.

On 10.05.2019, the court decided to obtain an additional report and to examine the request for stay of execution after the additional report is received and the additional report expressed positive results. On 30.05.2019, due to the negative opinion about the facility areas in the 2015 plans, a brief statement was made by us to the file. The court decided to dismiss the case on 03.07.2019. A request of appeal has been submitted by the plaintiff.

## ALİBEYKÖY

### 1-) Istanbul Metropolitan Municipality Council Members (Özgür Aydın, İsa Öztürk),

The case was brought against the Ministry of Environment at the Istanbul Administrative Court No. 5 with the file No. 2015/2131 E. for the stay of execution and cancellation of the Master Zoning Plan Amendment (scale: 1:5,000) and the Application Zoning Plan Amendment (scale: 1:1,000) approved by the Ministry of Environment and Urban Planning on 08.09.2015 ex officio for the Block No. 859 and Parcel No. 6 (Block No. 2, Parcel No. 6 in the new records) within Osmanpaşa Area, Alibeyköy Neighborhood, Eyüp District, Istanbul. Our company intervened in the case. On 31.05.2017, the court decided to cancel the procedure in dispute. Our company made a request for appeal regarding the above-cited ruling. On 21.05.2018, the Administrative Chamber No. 4 of Istanbul Regional Administrative Court decided to dismiss our request for appeal based on the examination of the file No. 2017/1623 E. The said decision was appealed with a request for Stay of Execution, waiting for the outcome of the appeal. On 15.08.2018, the Chamber No.6 of the Council of State decided to examine the request for Stay of Execution after receiving the defense of the other party.

## MALTEPE KÜÇÜKYALI PROJECT

### 1-) TMMOB Istanbul Branch

With this legal case initiated by the plaintiff TMMOB Istanbul Branch against the Ministry of Environment and Urban Planning and the Housing Development Administration of Turkey before the Istanbul Administrative Court No. 12 under the file no. 2018/586, it was requested for stay of execution and revoke the Master Development Plan with a scale of 1/5000 and the Application Development Plan with a scale of 1/1000 on 03.01.2018 concerning the planning area consisting of a land, block no. 1396, parcels no. 2 and 3, blocks no. 2775 and 1586 and various parcels as well non-registration areas in Küçükyalı and Başibüyük, Maltepe, Istanbul, as owned by our Company. Our company participated in the legal case as an intervener in addition to the defendants. The court rejected the plaintiff's request to stop the execution in accordance with the expert report dated 08.05.2019 submitted to the file.

### 2) AHMET TOPÇU

With this legal case initiated by the plaintiff Ahmet TOPÇU against the Ministry of Environment and Urban Planning and the Housing Development Administration of Turkey before the Istanbul Administrative Court No. 12 under the file no. 2018/365, it was requested for stay of execution and revoke the Master Development Plan with a scale of 1/5000 and the Application Development Plan with a scale of 1/1000 on 03.01.2018 concerning the planning area consisting of a land, block no. 1396, parcels no. 2 and 3, blocks no. 2775 and 1586 and various parcels as well non-registration areas in Küçükyalı and Başibüyük, Maltepe, Istanbul, as owned by our Company. Our company participated in the legal case as an intervener in addition to the defendants. According to the expert report submitted to the file of the same court numbered E. 2018/586, the plaintiff's request that's about Stay of Execution was rejected.

## BAKIRKÖY YENİ MAHALLE

### 1-) İsa Öztürk & Özgür Aydın

A legal action was initiated before the Istanbul Regional Administrative Court, the Chamber No. 12 under the file no. 2018/2186 E. against the Ministry of Environment and Urban Planning (announcement dates: 22.10.2018 and 21.11.2018) in order to stay of execution and cancel the Master Zoning Plan Amendment with a scale of 1/5000 and the Application Zoning Plan Amendment with a scale of 1/1000 approved by the Ministry of Environment and Urban Planning in connection with the land block no. 901, parcel no. 18 in Yenimahalle, Bakırköy, Istanbul. On 07.03.2019, a decision was made for Stay of Execution based on the decision of the Istanbul Administrative Court No. 4 under the file no. 2015/1853 for the reversal of decision and, the decision of Istanbul Regional Administrative Court No. 4 for the refusal of appeal. It was requested for intervention on 11.04.2019. The Istanbul Regional Administrative Court No. 4 decided on 11.04.2019 to refuse the objection of the Ministry for Stay of Execution.

### 2-) Bakırköy Municipality

A legal action was initiated before the Istanbul Regional Administrative Court, the Chamber No. 11 under the file no. 2019/383 E. against the Ministry of Environment and Urban Planning in order to stay of execution and cancel the Master Zoning Plan Amendment with a scale of 1/5000 and the Application Zoning Plan Amendment with a scale of 1/1000 approved by the Ministry of Environment and Urban Planning in connection with the land block no. 901, parcel no. 18 in Yenimahalle, Bakırköy, Istanbul. (The legal case was initiated against the Istanbul Metropolitan Municipality, but the court issued a decision on 21.02.2019 for the correction of the defendant and, removed the İstanbul Metropolitan Municipality from the position of defendant and, included the Ministry of Environment and Urban Planning to the position of defendant.) It was requested for intervention on 11.04.2019. On 21.05.2019 The court decided to accept our request for intervention and to reject the request to stop the execution.

The plaintiff rejected the decision to suspend the execution and the Administrative Chamber No.4 of Istanbul Regional Administrative Court decided to accept the appeal request and decided to suspend the execution on 09.07.2019.

## BAKIRKÖY ŞEVKETİYE

### 1-) Hakkı Sağlam & Özgür Aydın,

A legal action was initiated before the Istanbul Regional Administrative Court, the Chamber No. 4 under the file no. 2017/2268 E. against the Ministry of Environment and Urban Planning in order to stay of execution and cancel the Master Zoning Plan amendment (scale: 1/5000) and the Application Zoning Plan amendment (scale: 1/1000) approved by the Ministry of Environment and Urban Planning in connection with the land block no. 1221, parcel no. 2012 in Şevketiye, Bakırköy, Istanbul. The court decided to refuse the request for Stay of Execution. A request was submitted on 19.07.2018 to participate in the case as an intervenor together with the defendant administration. On 26.09.2018, the court decided to accept our company's request to intervene, notify TOKİ of the case and expert examination. The expert's report expressed negative results and, necessary objections have been submitted. The date of the hearing was given to 25.04.2019 and the hearing was not held because the plaintiffs and the defendant ministry did not come, but our statements were still asked. We repeated the declarations in the dossier and repeated our request for an additional report, which we mentioned in the objection to the report. On 25.04.2019, The court decided to annul the transaction in dispute. On 24.05.2019, we requested an appeal with a request to stop the execution and the result is being waited. On 27.06.2019, the Chamber No.4 of the Istanbul Regional Administrative Court decided to reject our request for stay of execution. repeated the declarations in the dossier and repeated our request for an additional report, which we mentioned in the objection to the report. On 25.04.2019, The court decided to annul the transaction in dispute. On 24.05.2019, we requested an appeal with a request to stop the execution and the result is being waited. On 27.06.2019, the Chamber No.4 of the Istanbul Regional Administrative Court decided to reject our request for stay of execution.

## **2-) Bakırk y Municipality Mayorship**

A legal action was initiated before the Istanbul Regional Administrative Court, the Chamber No. 7 under the file no. 2018/37 E. against the Ministry of Environment and Urban Planning in order to stay of execution and cancel the Master Zoning Plan amendment (scale: 1/5000) and the Application Zoning Plan amendment (scale: 1/1000) approved by the Ministry of Environment and Urban Planning in connection with the land block no. 1221, parcel no. 212 in Őevketiye, Bakırk y, Istanbul. The file was sent to the Istanbul Regional Administrative Court, the Chamber No. 4 due to the connection. The hearing continues on the file no. 2018/1020 of the Istanbul Regional Administrative Court, the Chamber No. 4. On 25.05.2018, the court decided to refuse the request for Stay of Execution. Our request to participate in the case as an intervenor has also been accepted. On 02.05.2019, the court decided to annul the transaction in dispute. It is waited for the outcome of our request of appeal.

## **BAKIRK Y ŐENLİK FLORYA**

### **1-) UCTEA, Chamber of City Planners- UCTEA, Chamber of Architects**

A legal action was initiated before the Istanbul Regional Administrative Court, the Chamber No. 7 under the file no. 2018/1251 E. against the Ministry of Environment and Urban Planning and TOKİ in order to stay of execution and cancel the the land block no. 292, parcel no. 220&232, block no. 1032, parcel no. 6, block no. 292 and a part of parcel no. 231 in Őenlik, Bakırk y, Istanbul. On 24.09.2018, the court decided to reject the request for the stay of execution. Our company submitted a request to intervene. Our request for intervention was accepted by the court on 22.01.2019. The Court has decided that there is no reason for making a decision for the respective legal case because a decision of there is no reason for making a decision has been made for the legal file no. 2018/1506 E with the same court concerning the development plan of 17.01.2019.

## **2-) Bakırk y Municipality Mayorship**

A legal action was initiated before the Istanbul Regional Administrative Court, the Chamber No. 13 under the file no. 2018/1106 E. against the Ministry of Environment and Urban Planning in order to stay of execution and cancel the Master Zoning Plan amendment (scale: 1/5000) and the Application Zoning Plan amendment (scale: 1/1000) approved by the Ministry of Environment and Urban Planning in connection with the land block no. 292, parcel no. 220&232, block no. 1032, parcel no. 6 and block no. 292, part of parcel no. 231 in Őenlik, Bakırk y, Istanbul. Our company submitted a request to intervene. The expert report issued on the viewing dated 06.12.2018 expressed negative results and the report has not been notified to us. On 12.07.2019, the court decided to accept our request for intervention and to suspend the execution of the transaction in dispute. Our objections against this decision have been refused.

### **3-) UCTEA, Chamber of City Planners- UCTEA, Chamber of Architects**

In the legal case initiated against the Ministry of Environment and Urbanization before the Istanbul Administrative Court No. 4 with the legal file no. 2019/876 E, it has been requested and a legal case has been initiated for the suspension of execution and cancellation of the Master Development Plan with a scale of 1/5000 for 4 map sections and of the Application Development Plan with a scale of 1/1000 for 4 map sections as well as the plan reports thereof concerning a certain portion of the Section 292, Parcels 220 and 232, the Section 1032, Parcel 6 and, Section 292, Parcel 231 on Őenlik, Bakırk y, Istanbul as approved by the Ministry of Environment and Urbanization on 17.01.2019. It has been decided to close the basis of the file due to a connection and, send it to the Istanbul Administrative Court No. 7. The legal procedures are currently carried out under the legal file no. 2019/1182 E before the Istanbul Administrative Court No. 7. The Court has decided to accept our request for intervention.

## İZMİR KONAK

### 1-) İzmir Branch of the UCTEA Chamber of City Planners, General Presidency of the UCTEA Chamber of Architects

The case was brought against the Ministry of Environment at the İzmir Administrative Court No. 1 with the file No. 2017/1124 E. for the stay of execution and cancellation of the Master Zoning Plan Amendment (scale: 1:5,000) and the Application Zoning Plan (scale: 1:1,000) approved by the Ministry of Environment and Urban Planning on 10.05.2017 for the various panels within Kuruçay and Umurbey Neighborhoods, Konak District, İzmir. On 26.07.2017, the court decided to examine the request for the stay of execution after taking the defendant's statement. Our company submitted a request to join the case with the defendant institution. On 08.11.2017, the court decided to dismiss the request for the stay of execution and accepted our company's request to intervene. The court waits for the expert report. The expert's report was submitted to the file and, necessary objections have been filed in respect of negative portions of the expert's report submitted to the file. No amendment were made the opinion of the experts in the additional report issued after these objections. On 26.06.2019, the Court decided to cancel the changes to the plan, the matter in dispute and, it is waited for the results of the appeal.

## KÜÇÜKÇEKMECE HALKALI BİZİM MAHALLE

### 1-) Bekir Güler, Erhan Aslaner, Enis Koçak, Nurettin Aydın

The case was brought against the Ministry of Environment and Urban Planning at İstanbul Administrative Court No. 5 with the file No. 2017/2034 E. for stay of execution and cancellation of Environmental Plan Amendment

(Scale: 1:100,000), Master Zoning Plan Amendment (scale: 1:5,000), and Application Zoning Plan Amendment (scale: 1:1,000) prepared for Parcel No. 1, 2 in Block No. 808 and Parcel No. 6, 7, 8 and immediate vicinity in Block No. 853 in Halkalı Neighborhood, Küçükçekmece district, İstanbul approved by the Ministry of Environment and Urban Planning on 15.08.2017. Our company submitted a request to intervene. The court decided to refer the file to the İstanbul Administrative Court No. 12 due to the connection. The proceedings continue with the file No.2018/523 E. On 12.09.2018, the court accepted our request to participate in the case as an intervenor but refused the request for Stay of Execution.2018/523 E. The Court decided on 12.12.2018 for the refusal of the legal case, and it was appealed by the Plaintiff. On 06.09.2019, the İstanbul District Administrative Court Chamber No. 4 decided to partially accept the request of appeal, remove the parts of the decision concerning the Master Development Plan and the Application Development Plan, cancel these plans and, refuse the request of appeal for the part thereof concerning the Environmental Plan Amendment.

### 2-) UCTEA, Chamber of City Planners (İstanbul branch), UCTEA, Chamber of Architects (İstanbul Büyükşehir Branch)

The case was brought against the Ministry of Environment and Urban Planning at İstanbul Administrative Court No. 2 with the file No. 2017/2087 E. for stay of execution and cancellation of Environmental Plan Amendment (Scale: 1:100,000), Master Zoning Plan Amendment (scale: 1:5,000), and Application Zoning Plan Amendment (scale: 1:1,000) prepared for Parcel No. 1, 2 in Block No. 808 and Parcel No. 6, 7, 8 and immediate vicinity in Block No. 853 in Halkalı Neighborhood, Küçükçekmece district, İstanbul approved by the Ministry of Environment and Urban Planning on 15.08.2017.

Our company submitted a request to intervene. The court decided to refer the file to the Istanbul Administrative Court No. 12 due to the connection. The proceedings continue with the file No. 2018/381 E. On 06.04.2018, the court decided to accept TOKI's and our company's request to intervene. On 12.09.2018, the court decided to refuse the request for Stay of Execution. The Court decided on 12.12.2018 for the refusal of the legal case. The plaintiff has applied to the appeal on 11.03.2019 and we have responded to the appeal on 16.05.2019 and the result is being waited.

### **3-) Hakkı SAĞLAM – Özgür AYDIN**

The case was brought against the Ministry of Environment and Urban Planning at Istanbul Administrative Court No. 12 with the file No. 2017/2087 E. for stay of execution and cancellation of Environmental Plan Amendment (Scale: 1:100,000), Master Zoning Plan Amendment (scale: 1:5,000), and Application Zoning Plan Amendment (scale: 1:1,000) prepared for Parcel No. 1, 2 in Block No. 808 and Parcel No. 6, 7, 8 and immediate vicinity in Block No. 853 in Halkalı Neighborhood, Küçükçekmece district, Istanbul approved by the Ministry of Environment and Urban Planning on 15.08.2017. Our company submitted a request to intervene. On 25.04.2018, a viewing and expert examination were conducted in the vicinity. On 25.04.2015, a viewing and an expert examination were carried out and, the expert report came out in our favor. On 12.09.2018, the court accepted our request and the request of TOKI to participate in the case as an intervenor but refused the request for Stay of Execution. The Court decided on 12.12.2018 for the refusal of the legal case.

## **ŞİŞLİ TEŞVİKİYE**

### **1-) TMMOB Chamber of City Planners (Istanbul Branch) & TMMOB Chamber of Architects (Büyükkent Branch)**

In this legal case initiated against the Ministry of Environment and Urban Planning before the Istanbul Administrative Court No. 13 under the file no. 218/903, it is requested for stay of execution and revoke the Protection Purpose Master Development Plan with a scale of 1/500 and the Protection Purpose Application Development Plan with a scale of 1/1000 concerning the Historical Protected Area in Teşvikiye, Şişli, Istanbul and the Master Development Plan Amendment with a scale of 1/5000 and the Application Development Plan with a scale of 1/1000 concerning the neighboring area in Block No. 405, Parcel No. 9 and 102 and, a part of the Parcel No. 14 as approved by Ministry of Environment and Urban Planning on 16.02.2018. It was requested for intervention on 04.01.2019. The expert's report partially expressed negative results and, necessary objections have been submitted. The court decided on 15.03.2019 to accept our request for intervention and, refuse the request for stay of execution. The plaintiff objected to the rejection decision to stay of execution and the Administrative Chamber No.4 of Istanbul Regional Administrative Court decided to reject the request of appeal on 17.04.2019. The court decided on 16.05.2019 to accept TOKI's request for intervention.

### **2-) Şişli Municipality**

In this legal case initiated against the Ministry of Environment and Urban Planning before the Istanbul Administrative Court No. 7 under the file no. 2018/1187, it was requested for stay of execution and revoke the Master Development Plan Amendment with a scale of 1/5000 and the Application Development Plan with a scale of 1/1000 concerning the Block No. 405 and, the parcel no. 14, 9 and 102 in Teşvikiye, Şişli, Istanbul as approved by the Ministry of Environment and Urban Planning on 16.02.2018. The expert's report expressed negative results and, necessary objections have been submitted. On 17.01.2019, it was requested for the amalgamation of the file with the file no. 2018/908 E. (K.D.2019/2) of the Istanbul Administrative Court No. 13. Further, the Court decided to accept our request to participate

in the case as an intervenor. It is waited for the Expert's Report.

### **3-) İbrahim Yılmaz Poda & Mehmet Edib Poda & Aliye Nükhet Göfer**

In this legal case initiated against the Ministry of Environment and Urban Planning before the Istanbul Administrative Court No. 3 under the file no. 2018/974, it was requested for stay of execution and revoke the Protection Purpose Application Development Plan with a scale of 1/1000 concerning the Block No. 405 and, the parcel no. 9, 102 in Teşvikiye, Şişli, Istanbul as approved by the Ministry of Environment and Urban Planning on 16.02.2018. The Court decided on 22.10.2018 for the refusal of the legal case since it is pending. Legal proceedings are in progress over the file no. 2018/908 E. of the İstanbul Administrative Court No. 13 On 24.10.2018, the court decided to refuse the request for Stay of Execution. A request was submitted for intervention with the file. The Court decided to dismiss the legal case on 31.12.2018 and, it is waited for the result of the appeal procedures.

## **ÇEKMEKÖYTAŞDELEN**

### **1-) Hakkı Sağlam & Özgür Aydın**

In this legal case initiated against the Ministry of Environment and Urban Planning before the Istanbul Administrative Court No. 3 under the file no. 2018/536, it was requested for stay of execution and revoke the Environmental Plan Amendment with a scale of 1/100,000, the Master Development Plan Amendment with a scale of 1/5000 and the Application Development Plan Amendment with a scale of 1/1000 concerning the parcel no. in Taşdelen, Çekmeköy, Istanbul as approved by the Ministry of Environment and Urban Planning on 26.12.2017. On 11.01.2019, a request for intervention was submitted, which was accepted by the Court. Since the postal fee was not covered by the plaintiff, on 16.09.2019, the Court decided the legal case be considered not have been initiated.

### **2-) TMMOB Chamber of City Planners (Istanbul Branch) & TMMOB Chamber of Architects (Istanbul, Büyükşehir Branch)**

In this legal case initiated against the Ministry of Environment and Urban Planning before the

Istanbul Administrative Court No. 6 under the file no. 2018/648, it was requested for stay of execution and revoke the Environmental Plan Amendment with a scale of 1/100,000, the Master Development Plan Amendment with a scale of 1/5000 and the Application Development Plan Amendment with a scale of 1/1000 concerning the parcel no. in Taşdelen, Çekmeköy, Istanbul as approved by the Ministry of Environment and Urban Planning on 26.12.2017. On 17.09.2019, the Court decided to cancel the plans, the matter in dispute.

### **3-)TMMOB Chamber of Architects Büyükşehir Branch**

In the legal case initiated against the Municipality of Çekmeköy before the Istanbul Administrative Court No. 9 under the legal file no. 2019/9 E, it has been requested and a legal case has been initiated for the suspension of execution and cancellation of the Çekmeköy Revision Additional Application Development Plan with a scale of 1/000 as approved by the Municipality of Çekmeköy on 12.02.2010. The Court decided to cancel the procedures, the matter in dispute and, this decision was reversed by the Council of State Chamber No. 6 on 21.09.2017. A request has been submitted for intervention in the file.

### **4-)TMMOB Chamber of Architects Büyükşehir Branch**

In the legal case initiated against the Istanbul Metropolitan Municipality before the Istanbul Administrative Court No. 9 under the legal file no. 2018/2097 E, it has been requested and a legal case has been initiated for the suspension of execution and cancellation of the Çekmeköy Master Development Plan with a scale of 1/5000 as approved by the Istanbul Metropolitan Municipality on 23.10.2009. The Court decided to dismiss the legal case on 19.02.2016 and, this decision was reversed by the Council of State Chamber No. 6 on 21.09.2017. Thereupon, the Court decided on 28.02.2019 that the legal file to be suspended

until a further decision is made concerning the new Master Development Plan. A request has been submitted for intervention in the file.

## **BEŞİKTAŞMECİDİYE**

### **1-) TMMOB Chamber of City Planners (Istanbul Branch)**

In this legal case initiated against the Ministry of Environment and Urban Planning before the Istanbul Administrative Court No. 6 under the file no. 2019/336, it was requested for stay of execution and revoke the Master Development Plan Amendment with a scale of 1/5000 and the Application Development Plan Amendment with a scale of 1/1000 concerning the non-registraton area under the Block No. 637 and, the parcel no. 3, 5, 55-68 in Mecidiye, Beşiktaş, Istanbul as approved by the Ministry of Environment and Urban Planning on 03.09.2018. It was requested for intervention on 25.02.2019. On 07.05.2019, the

court decided that the request for stay of execution would be examined after the exploration and expert examination was made at the scene. The expert's report is being waited.

### **2-) İsa Öztürk & Özgür Aydın**

In this legal case initiated against the Ministry of Environment and Urban Planning before the Istanbul Administrative Court No. 10 under the file no. 2018/1936, it was requested for stay of execution and revoke the Master Development Plan Amendment with a scale of 1/5000 and the Application Development Plan Amendment with a scale of 1/1000 concerning the cadastral road under the Block No. 637 and, the parcel no. 3, 5, 55-68 in Mecidiye, Beşiktaş, Istanbul as approved by the Ministry of Environment and Urban Planning on 03.09.2018. On 27.02.2019, the court decided to refuse the request for Stay of Execution. It was requested for intervention on 12.04.2019. On 26.09.2019, the Court decided to dismiss the legal case.

## **ARNAVUTKÖY DURSUNKÖY**

### **1-) İsa Öztürk & Özgür Aydın**

In this legal case initiated against the Ministry of Environment and Urban Planning before the Istanbul Administrative Court No. 6 under the file no. 2019/498, it was requested for stay of execution and revoke the Environmental Plan Amendment with a scale of , 1/100,000, the Master Development Plan Amendment with a scale of 1/5000 and the Application Development Plan Amendment with a scale of 1/1000 concerning the various parcels in Dursunköy, Arnavutköy, Istanbul as approved by the Ministry of Environment and Urban Planning on 19.11.2018. It was requested for intervention on 11.04.2019. On 23.05.2019, the court decided that a viewing and TOKİ intervene. The documents have been returned by TOKİ and correction and viewing days are being waited. On 11.07.2019, the court decided to accept our request for intervention.

### **2-) TEMA The Turkish Foundation for Combating Erosion Reforestation and the Protection of Natural Habitats**

In this legal case initiated against the Ministry of Environment and Urban Planning before the Istanbul Administrative Court No. 11 under the file no. 2019/613, it was requested for stay of execution and revoke the Environmental Plan Amendment with a scale of 1/100,000 announced on 14.12.2018 to 14.01.2019 as approved by the Ministry of Environment and Urban Planning. It was requested for intervention on 25.04.2019. The court decided to accept our request for intervention on 26.06.2019 and to reject the request for the stay of execution on 10.07.2019. The plaintiff has submitted an objection to the decision of dismissal concerning the suspension of execution. The Istanbul District Administrative Court Chamber No. 4 decision to refuse the objection on 10.09.2019.

## ANKARA YENİMAHALLE

### TMMOB Chamber of City Planners Ankara Branch

In this legal case initiated against Ankara Metropolitan Municipality and Yenimahalle Municipality before the Ankara Administrative Court No. 1 under the file no. 2018/1279, it is requested for stay of execution and revoke the “Master Plan Amendment with a scale of 1/5000 and 1/1000 in the Former ASOT Urban Transformation Project Area in Yenimahalle“ approved by the Ankara Metropolitan Council under the decision no. 817 of 14.05.2012 and, the “Master Plan Amendment with a scale of 1/5000 and 1/1000” approved by the Ankara Metropolitan Council under the decision no. 1985 of 16.11.2013 as regulatory procedures and, the construction permits no. 4-1, 4-2, 4-3, ...4-23 (23 permits in total) of 06.02.2017 granted thereto as application administrative procedures. The expert report submitted to file expressed a negative opinion. A request was submitted for intervention with the file. On 01.03.2019, the court decided to remove the Yenimahalle Municipality from its adverse party position and to accept the intervention request of UCTEA Chamber of Architects (Ankara Branch) along with the plaintiff, and to decide upon the request for the stay of execution. The additional report expressed negative results and on 04.07.2019, our objections to the additional report have been filed by us. The additional report indicated negative opinion and, our objections against the additional report were submitted in the file on 04.07.2019. On 13.09.2019 the Court decided to accept our request for intervention, that the plaintiff be asked if the respective building licenses are currently valid, and that it be examined after the request for suspension of execution has been fulfilled as per the interim decision.

## BAŞAKŞEHİR

### Selman Ata

In the legal case initiated against the Housing Development Administration of Turkey before the Istanbul Administrative Court No. 7 under the legal file no. 2019/1541 E, it has been requested and a legal case has been initiated for the suspension of execution and cancellation of the Plan Amendment with a scale of 1/1000 concerning the Section 1537 and the Section 1358 located in Başakşehir, Istanbul as approved by Housing Development Administration of Turkey on 21.05.2019. On 17.07.2019, it was decided to examine the request for suspension of execution after the interim decision response has been received or the time granted has expired. On 06.08.2019, we have requested for intervention. On 18.09.2019, the Court decided to accept our request for intervention, that a survey be made on the location and, that the request for suspension for execution be examined once the survey has been completed.

## LEGAL NOTICE

This interim report includes information about the Company's operations and accounts for the period from January 1 to September 30, 2019.

It was prepared in accordance with legal regulations and based on the Board of Directors Report, and Financial Statements. The report was prepared to inform shareholders and does not constitute the basis for any investment decision.

The views and estimated figures in the report reflect the Company management's opinions about the future; however, they may take place differently depending on the variables and estimates that constitute such prospective and estimated figures. Accordingly, Emlak Konut GYO A.Ş. (Emlak Konut REIC) or members of the Board of Directors, its advisors or employees shall not be responsible for any direct or indirect losses or damages suffered by any person due to any information or communication conducted through this report or any when such results are based on any information covered in this report or deemed to have resulted from the lack of thereof.

All the information provided in this report is considered to be correct as of its publication date; Emlak Konut GYO A.Ş. shall not assume any responsibility for any errors that may occur in writing and printing stages.



**EMLAK KONUT**

— GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. —

T.C. ÇEVRE VE ŞEHİRCİLİK BAKANLIĞI TOKİ İSTİRAKİDİR

