



**EMLAK KONUT REIC
ACTIVITY
REPORT,
SEPTEMBER 2016**

**EMLAK KONUT INTERIM ACTIVITY REPORT
SEPTEMBER 2016**

PREPARED IN ACCORDANCE WITH THE COMMUNIQUÉ ON THE PRINCIPLES OF FINANCIAL REPORTING
IN CAPITAL MARKET (SERIAL: II, NO:14.1) OF THE CAPITAL MARKETS BOARD OF TURKEY (CMB)

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

(EMLAK KONUT REAL ESTATE INVESTMENT COMPANY)

JAN 01- SEP 30, 2016

THE BOARD OF DIRECTORS INTERIM ACTIVITY REPORT

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MANAGEMENT

MESSAGE FROM THE GENERAL MANAGER

OUR COMPANY PRESERVES ITS ENTHUSIASM AND EXCITEMENT AS IT CARRIES ON ITS OPERATIONS IN LINE WITH THE TARGETS.



Dear Shareholders,

Without a doubt, it would be convenient to consider the last three-month period to be perhaps the most important and critical time in our country's history due to the unfolding events and their outcomes.

On the night of July 15, our country overcame a treacherous coup attempt thanks to our nation's prudence and heroism, and we woke up to a much brighter Turkey on the morning of July 16. I think that our democracy got stronger in this process. Our country's people proved their commitment to democracy and how they protect it to

the whole world. Millions of people took to the squares and airports with a single call from their leader to defend their country, government, and democracy.

In the aftermath of the thwarted coup attempt, all sections of the society cooperated eliminating potential market crisis scenarios and expectations – instead, possible moves to stimulate the markets and the overall economy came to the fore. On the morning of July 18, all economic units passed this test successfully by continuing their activities seamlessly.

MANAGEMENT

MESSAGE FROM THE GENERAL MANAGER

**WE BELIEVE IN
OUR COUNTRY'S
FUTURE.**

Based on its leading position in the real estate industry, our Company also made its own assessment on what steps could motivate the industry. Having solicited the views of our contractors, we decided to accelerate our sales and launch a campaign to protect their financial structures. We called this new campaign “We Believe in our Country’s Future.” We reduced the advance payment rates to 20 percent with an aim to relieve the home buyers. We increased the number of installments to 120 months including our revenue sharing projects, and we gave the home buyers the chance to owe to Emlak Konut directly. Our campaign has made a huge impact on the market, and many housing developers began to apply similar campaigns in their own projects. Moreover, banks’ mortgage rates fell from the monthly pre-campaign level of 1.15 percent to 0.95 percent after the roll-out of our campaign. We have seen striking results in our sales, too. In the campaign, we sold 2,547 units worth 2 billion Turkish lira in August together with contractor companies. These figures are close to those achieved in

the first seven months of 2016. Due to the heavy demand, we have extended our sales campaigns until the end of the year within certain limits. We hope that the interest in our campaign and projects will remain the same until the end of the year.

In addition, the contractors started to launch new projects one by one. Büyükyalı, one of our most prestigious projects with its social amenities and life quality has been one of them with its unique place just beside the historical peninsula and along the shore of Marmara Sea, one of İstanbul's most beautiful locations. Similarly, we think that Nidapark Kayaşehir, another project we launched in newly developing Başakşehir district, will achieve successful sales figures. Also, we plan to put turn-key projects up for sales in Gebze, Niğde, and Ankara before the end of the year. Thanks to these efforts, we took important strides towards reaching our Company's sales volume targets.

MANAGEMENT

MESSAGE FROM THE GENERAL MANAGER

**OUR
PROFITABILITY FOR
THE FIRST NINE
MONTHS REACHED
1,5 BILLION
TURKISH LIRA.**

As you are aware, one of our Company's year-end targets is generating profits of approximately 1.5 billion Turkish lira. We have managed to carry our high profitability performance from the first half of the year to this quarter. Our profitability for the first nine months reached 1,5 billion Turkish lira with the deliveries and partial provisional acceptance in our Maslak 1453 project in the recent quarter. Such profitability figures have strengthened our expectations and reinforced our commitment to reaching our year-end profitability target. I believe that our Company will reach a historical profitability figure this year. I would like to state that we

will do our best to keep the profitability at the highest levels in the period ahead, too.

In short, our Company preserves its enthusiasm and excitement in this difficult period as it carries on its operations in line with the targets. And our main goal will be striving to protect our Company's profitability under any circumstances, and do our best to ensure that our shareholders benefit from such profits.

Yours Sincerely,

Murat Kurum

ABOUT EMLAK KONUT

OUR COMPANY AT A GLANCE

**EXPERIENCE OF
MORE THAN HALF
A CENTURY**

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

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 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. Our main goal is to enhance the values (tangible/ intangible) of especially our shareholders and other beneficiaries by developing innovative and contemporary projects in these respects.

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 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.

CONTACT INFORMATION

HEADQUARTERS: Barbaros Mahallesi, Mor Sömbül Sokak No:7/2B Ataşehir İSTANBUL

BRANCH 1: Bilkent Plaza A3 Blok No:14 Çankaya – Ankara

BRANCH 2: Kızılırmak Mahallesi Dumlupınar Bulvarı (Eskişehir Highway) No:3/A Next Level Ofis Kule Kat: 18 Söğütözü Çankaya – Ankara

Tel: +90 216 579 1515

Fax 1: +90 216 456 4875

Fax 2: +90 0216 579 1699

E-mail: info@emlakkonut.com.tr

Web Site: www.emlakkonut.com.tr

ABOUT EMLAK KONUT

SCOPE OF BUSINESS

**THE BIGGEST REAL
ESTATE
INVESTMENT
COMPANY IN
TURKEY**

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. on December 26, 1990 according to the terms and conditions in its Articles of Association. Its establishment was based on the Statutory Decree No. 233 on State Owned Enterprises. The Company would be subject to the provisions of the Turkish Commercial Code as well as Türkiye Emlak Bankası A.Ş.'s Articles of Association. It started its operations after its registration and announcement on March 6, 1991. The Company's Articles of Association became subject to the provisions of the Turkish Commercial Code under the Law No. 4603 after their amendment on May 19, 2014.

Our Company was transformed into a Real Estate Investment Company with the High Planning Board's resolution (dated August 4, 1999, No.99/T-29), as well as the Statutory Decree (dated December 29, 1999, and No.588) The amendment bill for the Articles of Association was submitted to the General Assembly for its approval after the authorization of the Capital Markets Boards (CMB) (dated June 20,

2002, and No. 298) and authorization of the Ministry of Trade and Industry (dated June 25, 2002, and No. 5320). 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.

Our organization was given the legal entity of Real Estate Company in order to deal with the goals and subjects specified in the arrangements of the Capital Markets Board regarding Investment Companies. As a result, the Company acts in accordance with the provisions of the related legislation.

ABOUT EMLAK KONUT

SCOPE OF BUSINESS (Continued)

**MAIN SCOPE OF
BUSINESS;
DEVELOPING
REAL ESTATE
PROJECTS**

As stated in Article 5 of the Articles of Association, our Company is a joint stock public company founded with the registered capital in order to deal with the goals and subjects specified in the arrangements of the Capital Markets Board regarding investment companies and to make investments in actual real estate, real estate-oriented capital markets tools, real estate projects and real estate-oriented right.

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. Our Company commissions contractors to undertake all the construction work as it cannot act as a contractor under the CMB's REIC communiques and regulations.

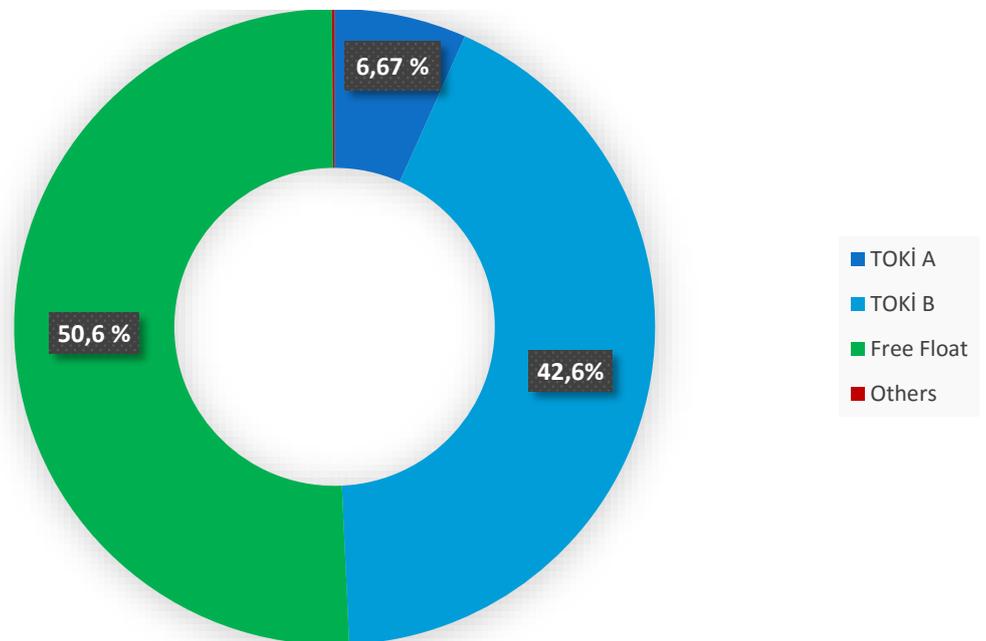


ABOUT EMLAK KONUT

CAPITAL AND PARTNERSHIP STRUCTURE

**SOUND
PARTNERSHIP
STRUCTURE AND
STRONG
RELATIONSHIP
WITH OUR MAIN
SHAREHOLDER
(TOKİ)**

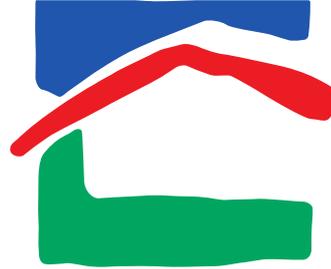
	Group	Type	Share Amount	Number of Shares	%
Housing Development Adm. (TOKİ)	A	Registered (Privileged)	253,369,919.00	25,336,991,900	6.67
Housing Development Adm. (TOKİ)	B	Bearer	1,621,460,838.35	162,146,083,835	42.6
Free Float	B	Bearer	1,925,111,072.26	192,511,107,226	50.6
Others	B	Bearer	58,170.39	5,817,039	<1
		Total	3,800,000,000.00	380,000,000,000	100



ABOUT EMLAK KONUT

OUR MISSION AND VISION

**MODERN URBAN
PLANNING, SAFE
HOUSE WARMTH,
AWARENESS OF
GREEN**



OUR EMBLEM STANDS FOR;

- **Planned and quality modern urban life,**
- **Peaceful and safe warmth of a house,**
- **Awareness of green and environment.**

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.

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.

ABOUT EMLAK KONUT

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 its executes and develops. These models are developed and implemented with the sense of constant improvement. As our methods cover both administrative and construction stages and are aimed at the proper completion of the process, they are effective in risk management.
- In financial terms, the models make great contributions in terms of construction techniques, health and inspection besides including the factors such as profit, cost, risk control etc.
- 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 60- year brand value. It proves effective in the relevant models contributing positively to the construction, marketing and sales stages.



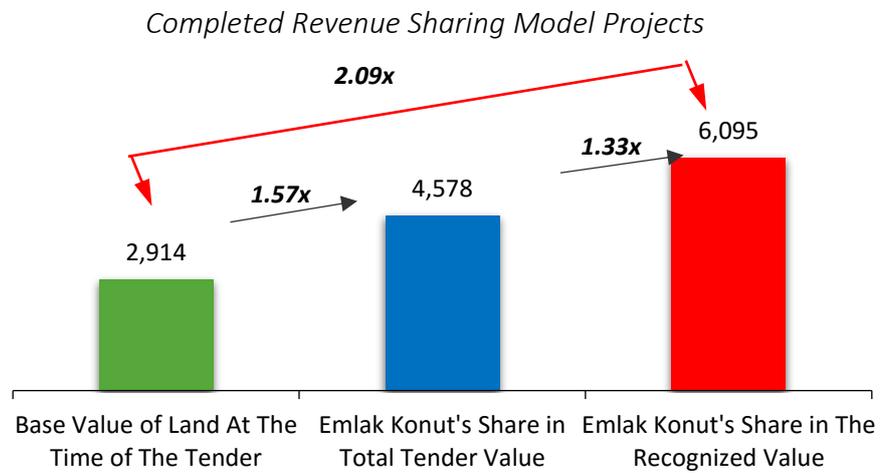
ABOUT EMLAK KONUT

REVENUE SHARING MODEL

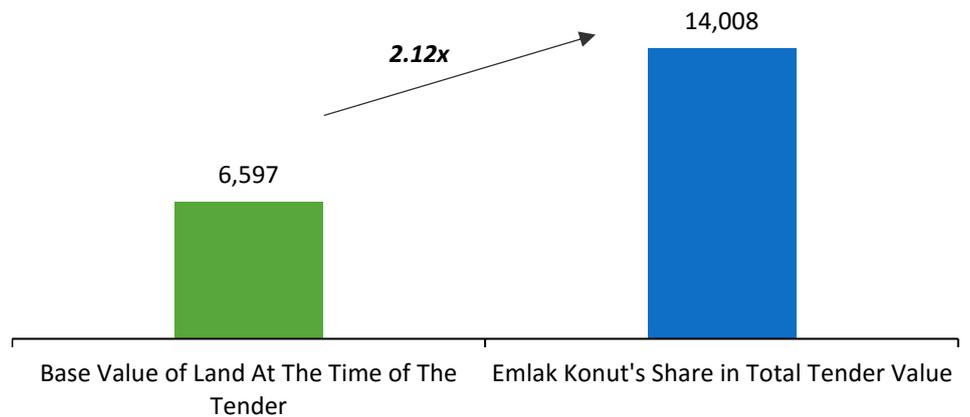
THE ADDED VALUE FROM REVENUE SHARING MODEL PROJECTS

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.

TENDERED REVENUE SHARING MODEL PROJECTS*



Ongoing Revenue Sharing Model Project



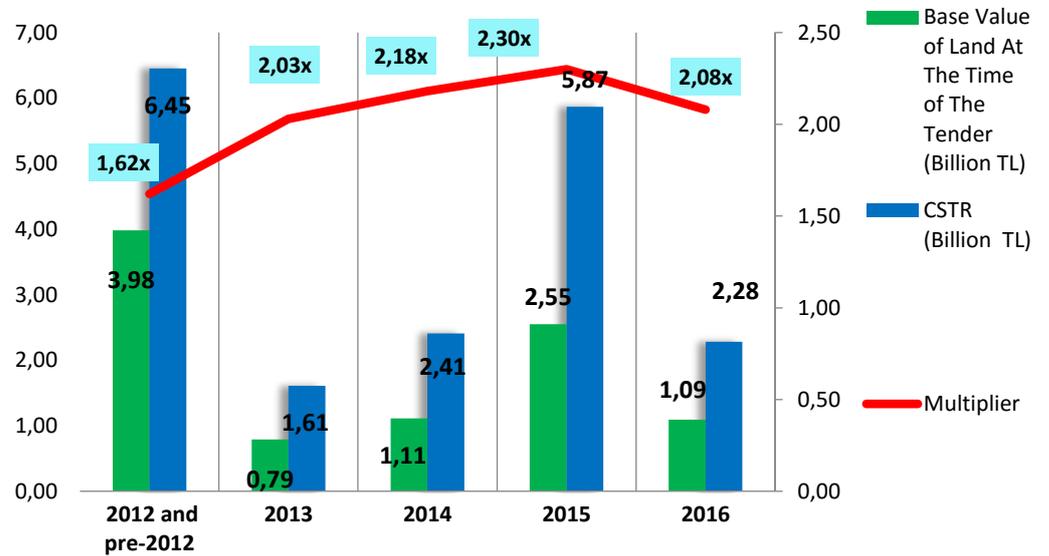
* The figures are in billion TL. Please note that, the past performance is not necessarily an indicator of future performance.

ABOUT EMLAK KONUT

REVENUE SHARING MODEL (Continued)

MULTIPLIER FOR REVENUE SHARING MODEL PROJECTS (2003- YEAR TO DATE)*

**PRIMARY INCOME
CREATION MODEL
PROVIDES HIGH
PROFITABILITY**



* The figures are in billion TL.

ABOUT EMLAK KONUT

ONGOING REVENUE SHARING MODEL PROJECTS

**THE SECTOR
LEADER IN THE
FIELD OF
DEVELOPING
RESIDENTIAL
UNITS**



PROJECT		SARPHAN FİNANS PARK	
CONTRACTOR	YENİ SARP ~ ÖZ AKAR	PROGRESS LEVEL	93.71 %
ETSR	164,000,000 TL	COMPLETION DATE	30.09.2016
CRSR	37.50 %	LAND AREA	20,714.48
CSTR	61,500,000 TL	NUMBER OF UNITS	969



PROJECT		METROPOL İSTANBUL	
CONTRACTOR	VARYAP ~ GAP	PROGRESS LEVEL	61.42 %
ETSR	1,161,000,000 TL	COMPLETION DATE	04.04.2017
CRSR	43.15 %	LAND AREA	99,108.08
CSTR	500,971,500 TL	NUMBER OF UNITS	2,177

ABOUT EMLAK KONUT

ONGOING REVENUE SHARING MODEL PROJECTS (Continued)

**MANY DEVELOPED
PROJECTS WITH
SUCCESS**



PROJECT		MASLAK 1453	
CONTRACTOR	AKDENİZ	PROGRESS LEVEL	68.72 %
ETSR	3,250,000,000 TL	COMPLETION DATE	07.07.2017
CRSR	35.50 %	LAND AREA	190,728.52
CSTR	1,153,750,000 TL	NUMBER OF UNITS	5,258



PROJECT		FATİH YEDİKULE	
CONTRACTOR	EGE ~ METROPOLİST~ SENA~ BUKTOR	PROGRESS LEVEL	% 0.00
ETSR	302,680,000 TL	COMPLETION DATE	11.05.2018
CRSR	35.01 %	LAND AREA	40,945.86
CSTR	105,968,268 TL	NUMBER OF UNITS	N/A

ABOUT EMLAK KONUT

ONGOING REVENUE SHARING MODEL PROJECTS (Continued)

**FOCUS ON UPPER-
MIDDLE AND
UPPER INCOME
GROUPS
THROUGH
REVENUE
SHARING MODEL**



PROJECT		BAHÇEKENT FLORA	
CONTRACTOR	İZKA ~ DAĞ ~ SITAR	PROGRESS LEVEL	67.08 %
ETSR	320,000,000 TL	COMPLETION DATE	01.12.2016
CRSR	25.26 %	LAND AREA	119,756.54
CSTR	80,832,000 TL	NUMBER OF UNITS	1,219



PROJECT		GÖL PANAROMA	
CONTRACTOR	BE-MA	PROGRESS LEVEL	62.18 %
ETSR	530,000,000 TL	COMPLETION DATE	01.05.2017
CRSR	28.00 %	LAND AREA	85,251.43
CSTR	148,400,000 TL	NUMBER OF UNITS	1,471

ABOUT EMLAK KONUT

ONGOING REVENUE SHARING MODEL PROJECTS (Continued)

**STRONG CONSUMER
CONFIDENCE**



PROJECT		İSTMARINA	
CONTRACTOR	DAP ~ ELTES	PROGRESS LEVEL	44.09 %
ETSR	1,335,000,000 TL	COMPLETION DATE	02.10.2017
CRSR	40.00 %	LAND AREA	53,687.97
CSTR	534,000,000 TL	NUMBER OF UNITS	1,625



PROJECT		BULVAR İSTANBUL	
CONTRACTOR	BULVAR İSTANBUL İŞ ORTAKLIĞI	PROGRESS LEVEL	95.33 %
ETSR	723,000,000 TL	COMPLETION DATE	08.10.2016
CRSR	28.00 %	LAND AREA	98,064.96
CSTR	202,440,000 TL	NUMBER OF UNITS	1,746

ABOUT EMLAK KONUT

ONGOING REVENUE SHARING MODEL PROJECTS (Continued)

**NATURE CONSCIOUS
AND CLEAN ENERGY
SOURCES-BASED
PROJECTS**



PROJECT	EVVEL İSTANBUL		
CONTRACTOR	İNTAYA ~ EYG ~ İNTES	PROGRESS LEVEL	49.80 %
ETSR	726,000,000 TL	COMPLETION DATE	02.01.2017
CRSR	26.00 %	LAND AREA	75,197.88
CSTR	188,760,000 TL	NUMBER OF UNITS	1,423



PROJECT	KÖY		
CONTRACTOR	SİYAHKALEM	PROGRESS LEVEL	14.81 %
ETSR	1,475,000,000 TL	COMPLETION DATE	14.07.2019
CRSR	32.25 %	LAND AREA	342,266.74
CSTR	475,687,500 TL	NUMBER OF UNITS	996 *

* The number of units may increase following obtaining construction permits for whole project.

ABOUT EMLAK KONUT

ONGOING REVENUE SHARING MODEL PROJECTS (Continued)

**INNOVATIVE AND
MODERN
PROJECTS**



PROJECT		PARK MAVERA	
CONTRACTOR	MAKRO ~ AKYAPI	PROGRESS LEVEL	53.50 %
ETSR	1,400,000,000 TL	COMPLETION DATE	28.10.2017
CRSR	30.00 %	LAND AREA	98,476.77
CSTR	420,000,000 TL	NUMBER OF UNITS	1,815



PROJECT		AVRUPARK	
CONTRACTOR	ÇİHAN ~ KONUT YAPI	PROGRESS LEVEL	24.74 %
ETSR	602,000,000 TL	COMPLETION DATE	29.04.2018
CRSR	26.00 %	LAND AREA	78,639.77
CSTR	156,520,000 TL	NUMBER OF UNITS	1,480

ABOUT EMLAK KONUT

ONGOING REVENUE SHARING MODEL PROJECTS (Continued)

**HIGH SENSITIVITY TO
ENVIRONMENT**



PROJECT	BÜYÜKYALI İSTANBUL		
CONTRACTOR	ÖZAK ~ YENİGÜN ~ ZİMLAN	PROGRESS LEVEL	4.13 %
ETSR	4,240,000,000 TL	COMPLETION DATE	03.09.2018
CRSR	37.00 %	LAND AREA	104,354.76
CSTR	1,568,800,000 TL	NUMBER OF UNITS	1,404



PROJECT	SOFALOÇA		
CONTRACTOR	BAŞYAPI ~ SOLARYAPI	PROGRESS LEVEL	41.63 %
ETSR	180,000,000 TL	COMPLETION DATE	17.08.2017
CRSR	30.00 %	LAND AREA	18,228.00
CSTR	54,000,000 TL	NUMBER OF UNITS	156

ABOUT EMLAK KONUT

ONGOING REVENUE SHARING MODEL PROJECTS (Continued)

**MIXED TYPE
PROJECTS
INCLUDING
RESIDENTIAL UNITS,
OFFICE AND
OFFICIAL
BUILDINGS**



PROJECT	KOCAELİ DERİNCE		
CONTRACTOR	KUMUŞOĞLU ~ TOKAL	PROGRESS LEVEL	0.00 %
ETSR	385,000,000 TL	COMPLETION DATE	31.12.2019
CRSR	21.61 %	LAND AREA	72,620.00
CSTR	83,198,500 TL	NUMBER OF UNITS	N/A



PROJECT	TUAL ADALAR		
CONTRACTOR	DAĞ MÜHENDİSLİK	PROGRESS LEVEL	7.76 %
ETSR	420,000,000 TL	COMPLETION DATE	05.06.2018
CRSR	29.50 %	LAND AREA	25,462.91
CSTR	123,900,000 TL	NUMBER OF UNITS	471*

* The number of units may increase following obtaining construction permits for whole project.

ABOUT EMLAK KONUT

ONGOING REVENUE SHARING MODEL PROJECTS (Continued)

**HIGH BRAND
VALUE**



PROJECT	KARAT 34		
CONTRACTOR	KELİF İŞ ORTAKLIĞI	PROGRESS LEVEL	9.83 %
ETSR	440,000,000 TL	COMPLETION DATE	17.07.2017
CRSR	39.00 %	LAND AREA	21,438.07
CSTR	171,600,000 TL	NUMBER OF UNITS	621



PROJECT	AVRUPA KONUTLARI BAŞAKŞEHİR		
CONTRACTOR	ARTAŞ	PROGRESS LEVEL	20.80 %
ETSR	876,000,000 TL	COMPLETION DATE	24.02.2018
CRSR	40.00 %	LAND AREA	72,706.72
CSTR	350,400,000 TL	NUMBER OF UNITS	968

ABOUT EMLAK KONUT

ONGOING REVENUE SHARING MODEL PROJECTS (Continued)

LANDSCAPING AND
HIGHWAY WORKS
IN MANY OF THE
PROJECTS



PROJECT	TUAL BAHÇEKENT		
CONTRACTOR	DAĞ MİMARLIK VE MÜH.	PROGRESS LEVEL	5.97 %
ETSR	1,090,000,000 TL	COMPLETION DATE	15.12.2018
CRSR	25.26 %	LAND AREA	152,621.06
CSTR	275,334,000 TL	NUMBER OF UNITS	1,925



PROJECT	SARIYER İSTİNYE		
CONTRACTOR	TAHİNCİOĞLU	PROGRESS LEVEL	0.00 %
ETSR	3,672,000,000 TL	COMPLETION DATE	13.06.2019
CRSR	51.10 %	LAND AREA	130,517.62
CSTR	1,876,392,000 TL	NUMBER OF UNITS	N/A

ABOUT EMLAK KONUT

ONGOING REVENUE SHARING MODEL PROJECTS (Continued)

WE ADD PRESTIGE
TO OUR CITIES.



PROJECT		TEMAŞEHİR KONYA	
CONTRACTOR	TORKAM ~ BUKTOR	PROGRESS LEVEL	5.14 %
ETSR	705,000,000 TL	COMPLETION DATE	22.06.2018
CRSR	30.00 %	LAND AREA	60,675.48
CSTR	211,500,000 TL	NUMBER OF UNITS	886



PROJECT		ANKARA YENİMAHALLE İSTASYON	
CONTRACTOR	PASİFİK ~ ÇİFTAY	PROGRESS LEVEL	0.00 %
ETSR	4,194,550,000 TL	COMPLETION DATE	18.07.2019
CRSR	30 %	LAND AREA	124,475.80
CSTR	1,258,365,000 TL	NUMBER OF UNITS	N/A

ABOUT EMLAK KONUT

ONGOING REVENUE SHARING MODEL PROJECTS (Continued)

**ADOPTING THE
RENEWABLE
ENERGY AND
SUSTAINABILITY
POLICY IN OUR
PROJECTS**



PROJECT		KAĞITHANE SEYRANTEPE	
CONTRACTOR	GÜL İNŞAAT	PROGRESS LEVEL	0.00 %
ETSR	1,300,000,000 TL	COMPLETION DATE	11.01.2018
CRSR	49.00 %	LAND AREA	36,750.00
CSTR	637,000,000 TL	NUMBER OF UNITS	N/A



PROJECT		NİDAKULE KAYAŞEHİR	
CONTRACTOR	TAHİNCİOĞLU ~ NİDA	PROGRESS LEVEL	17.17 %
ETSR	1,072,600,000 TL	COMPLETION DATE	23.04.2018
CRSR	38.00 %	LAND AREA	77,327.02
CSTR	407,588,000 TL	NUMBER OF UNITS	1,233

ABOUT EMLAK KONUT

ONGOING REVENUE SHARING MODEL PROJECTS (Continued)

**INVESTMENT TO
THE CENTRAL
LOCATIONS IN
ANATOLIA**



PROJECT	EVORA DENİZLİ		
CONTRACTOR	TEKNİK YAPI ~ UCD	PROGRESS LEVEL	3.94 %
ETSR	514,727,778 TL	COMPLETION DATE	10.01.2019
CRSR	18 %	LAND AREA	95,294.22
CSTR	92,651,000 TL	NUMBER OF UNITS	1,550



PROJECT	KOORDİNAT ÇAYYOLU		
CONTRACTOR	YP İNŞAAT	PROGRESS LEVEL	3.48 %
ETSR	545,454,545 TL	COMPLETION DATE	14.07.2018
CRSR	33.00 %	LAND AREA	29,916.83
CSTR	180.000.000 TL	NUMBER OF UNITS	432

ABOUT EMLAK KONUT

ONGOING REVENUE SHARING MODEL PROJECTS (Continued)

PRODUCING SAFE
LIVING SPACES



PROJECT		ÜSKÜDAR BARBAROS	
CONTRACTOR	ELTES ~ İSTLIFE	PROGRESS LEVEL	0.00 %
ETSR	810,000,000 TL	COMPLETION DATE	23.04.2018
CRSR	50.15 %	LAND AREA	17,528.55
CSTR	406,215,000 TL	NUMBER OF UNITS	352



PROJECT		İSPARTAKLUE 5TH STAGE	
CONTRACTOR	TORKAM İNŞAAT	PROGRESS LEVEL	0.00 %
ETSR	600,000,000 TL	COMPLETION DATE	06.12.2018
CRSR	22 %	LAND AREA	41,168.49
CSTR	132,000,000 TL	NUMBER OF UNITS	N/A

ABOUT EMLAK KONUT

ONGOING REVENUE SHARING MODEL PROJECTS (Continued)

LARGE SCALE PROJECTS



PROJECT		EYÜP ALİBEYKÖY	
CONTRACTOR	YENİYAPI ~ TACA İNŞAAT	PROGRESS LEVEL	0.00 %
ETSR	442,500,000 TL	COMPLETION DATE	27.10.2018
CRSR	38.00 %	LAND AREA	22,302.56
CSTR	168,150,000 TL	NUMBER OF UNITS	N/A



PROJECT		HOŞDERE 5TH STAGE	
CONTRACTOR	ÇİHAN İNŞ. ~ KONUT YAPI	PROGRESS LEVEL	0.00 %
ETSR	626,000,000 TL	COMPLETION DATE	03.07.2019
CRSR	25.00 %	LAND AREA	42,019.75
CSTR	156,500,000 TL	NUMBER OF UNITS	N/A

ABOUT EMLAK KONUT

ONGOING REVENUE SHARING MODEL PROJECTS (Continued)

CREATING SOCIAL
VALUE



PROJECT	BAKIRKÖY YENİMAHALLE		
CONTRACTOR	BAŞYAPI ~ GÜNEY ~ ELİT VİZYON	PROGRESS LEVEL	0.00 %
ETSR	200,000,000 TL	COMPLETION DATE	13.10.2018
CRSR	31.00 %	LAND AREA	5,164.46
CSTR	62,000,000 TL	NUMBER OF UNITS	N/A



PROJECT	MALTEPE KÜÇÜKYALI		
CONTRACTOR	TAHİNCİOĞLU ~ KOZKEN	PROGRESS LEVEL	0.00 %
ETSR	3,635,715,000 TL	COMPLETION DATE	18.08.2020
CRSR	42.00 %	LAND AREA	118,849.44
CSTR	1,527,000,300 TL	NUMBER OF UNITS	N/A

ABOUT EMLAK KONUT

ONGOING REVENUE SHARING MODEL PROJECTS (Continued)

PLANNED
URBANISATION



PROJECT	AVCILAR ISPARTAKULE 6TH STAGE		
CONTRACTOR	AK YAPI	PROGRESS LEVEL	0.00 %
ETSR	342,400,000 TL	COMPLETION DATE	25.02.2019
CRSR	25.00 %	LAND AREA	38,529.21
CSTR	85,600,000 TL	NUMBER OF UNITS	N/A



PROJECT	HOŞDERE 6TH STAGE		
CONTRACTOR	SUR YAPI ~ HATAY	PROGRESS LEVEL	0.00 %
ETSR	602,000,000 TL	COMPLETION DATE	01.02.2019
CRSR	25.00 %	LAND AREA	53,823.56
CSTR	150,500,000 TL	NUMBER OF UNITS	N/A

ABOUT EMLAK KONUT

ONGOING REVENUE SHARING MODEL PROJECTS (Continued)

THE BRAND NAME
OF THE
PRESTIGIOUS
PROJECTS



PROJECT		İSTANBUL FINANCE CENTER	
CONTRACTOR	AKDENİZ	PROGRESS LEVEL	41.01 %
ETSR	1,460,000,000 TL	COMPLETION DATE	21.09.2019
CRSR	4.15 %	LAND AREA	115,497.01
CSTR	29,200,000 TL	NUMBER OF UNITS	1,442

TERMINOLOGY

ETSR: Estimated Total Sales Revenue

- Total revenue estimated to be generated from the sale of all units

CRSR: Company Revenue Share Ratio

- The percentage of total revenues to be allocated to Emlak Konut

CSTR: Minimum Company Share in Total Revenue

- The minimum amount to be paid by the contractor to Emlak Konut (ETSR x CRSR)

ABOUT EMLAK KONUT

COMPLETED REVENUE SHARING MODEL PROJECTS

**38 COMPLETED
REVENUE SHARING
MODEL PROJECTS
WITH SUCCESS**

Line	PROJECT	BASE VALUE OF LAND AT THE TIME OF THE TENDER (TL)	CSTR (TL)	CRSR(%)	EMLAK KONUT'S REALIZED VALUE (TL)
1	ATAŞEHİR RESIDENCE	3,519,000	10,255,000	32.53	18,181,734
2	KENTPLUS ATAŞEHİR	72,748,200	131,100,000	33.61	179,475,009
3	IDEALISTKENT	36,600,740	38,100,000	31.75	96,143,402
4	AVRUPA TEM KONUTLARI	162,344,327	186,000,000	30.00	216,075,517
5	KÖRFEZKENT 1 ST STAGE	11,380,501	15,253,903	16.00	17,260,313
6	UPHILL COURT ATAŞEHİR	57,076,350	136,400,000	34.10	207,875,855
7	MY WORLD ATAŞEHİR	127,236,476	311,850,000	38.50	531,870,815
8	SOYAK MAVİŞEHİR	43,600,000	51,600,000	24.00	94,915,970
9	NOVUS RESIDENCE	16,408,600	57,750,000	55.00	115,760,305
10	MISSTANBUL	56,779,661	112,050,000	41.50	157,780,977
11	KENTPLUS MİMARŞİNAN	9,732,640	42,120,000	35.10	54,717,096
12	EMLAK KONUT PELİKAN PROJECT	20,849,150	67,515,000	38.58	87,123,867
13	ÇERKEZKÖY DREAMCITY	3,990,647	10,065,000	30.50	13,624,442
14	BİZİMEVLER 2	48,686,587	48,750,000	33.00	54,270,185
15	ERGENE VADİSİ	23,935,426	31,000,000	25.00	42,405,496
16	SPRADON QUARTZ	75,291,059	88,520,000	41.00	131,118,805
17	İZMİR MAVİŞEHİR 5 TH STAGE	25,145,000	27,001,000	31.00	29,434,971
18	MERKEZ KAYAŞEHİR	29,440,000	32,000,000	32.00	40,273,717
19	ELITE CITY	54,896,071	56,000,000	35.00	71,317,909
20	MY WORLD EUROPE	179,089,192	228,018,000	30.50	305,449,312
21	PARKYAŞAM MAVİŞEHİR	51,186,000	60,000,000	25.00	76,168,663
22	AVRUPA KONUTLARI ATAKENT 3	240,000,000	264,000,000	30.00	279,524,564
23	SPRADON VADİ	50,291,820	50,310,000	26.00	61,770,244
24	BULVAR 216*	10,860,000	52,200,000	36.00	56,880,000
25	1STANBUL	102,555,962	105,000,000	30.00	154,434,905
26	ŞEHRİZAR KONAKLARI	105,535,000	137,700,000	50.00	225,371,578
27	VARYAP MERIDIAN	214,793,710	338,189,000	44.15	446,569,757
28	MY TOWERLAND	42,000,000	107,019,000	47.00	234,766,505
29	SOYAK PARK APARTS/ EVOSTAR	72,904,525	102,312,000	26.10	102,312,000
30	EVORA İSTANBUL	47,815,045	163,903,000	32.65	177,362,987
31	EVORA İSTANBUL MARMARA	49,868,323	153,600,000	32.00	166,077,766
32	AVRUPA KONUTLARI TEM 2	42,910,000	73,328,640	30.00	83,925,799
33	DUMANKAYA MİKS	37,590,590	82,502,500	30.50	82,610,259
34	KUASAR İSTANBUL	237,485,823	375,337,542	50.00	467,638,254
35	BATIŞEHİR	351,665,405	424,000,000	32.00	573,782,822
36	BAHÇETEPE İSTANBUL	110,649,748	165,100,000	26.00	189,630,902
37	SEYRANŞEHİR	23,170,000	51,520,000	28.00	58,365,088
38	NİDAKULE ATAŞEHİR	63,551,681	190,231,000	36.20	192,736,638
TOTAL		2,913,583,259	4,577,600,585		6,095,004,427
THE WEIGHTED AVERAGE OF COMPANY REVENUE SHARE RATIO (%)				34.28	

* Project has been completely sold with its current status.

ABOUT EMLAK KONUT

ONGOING REVENUE SHARING MODEL PROJECTS TABLE

34 ONGOING PRESTIGIOUS REVENUE SHARING MODEL PROJECTS

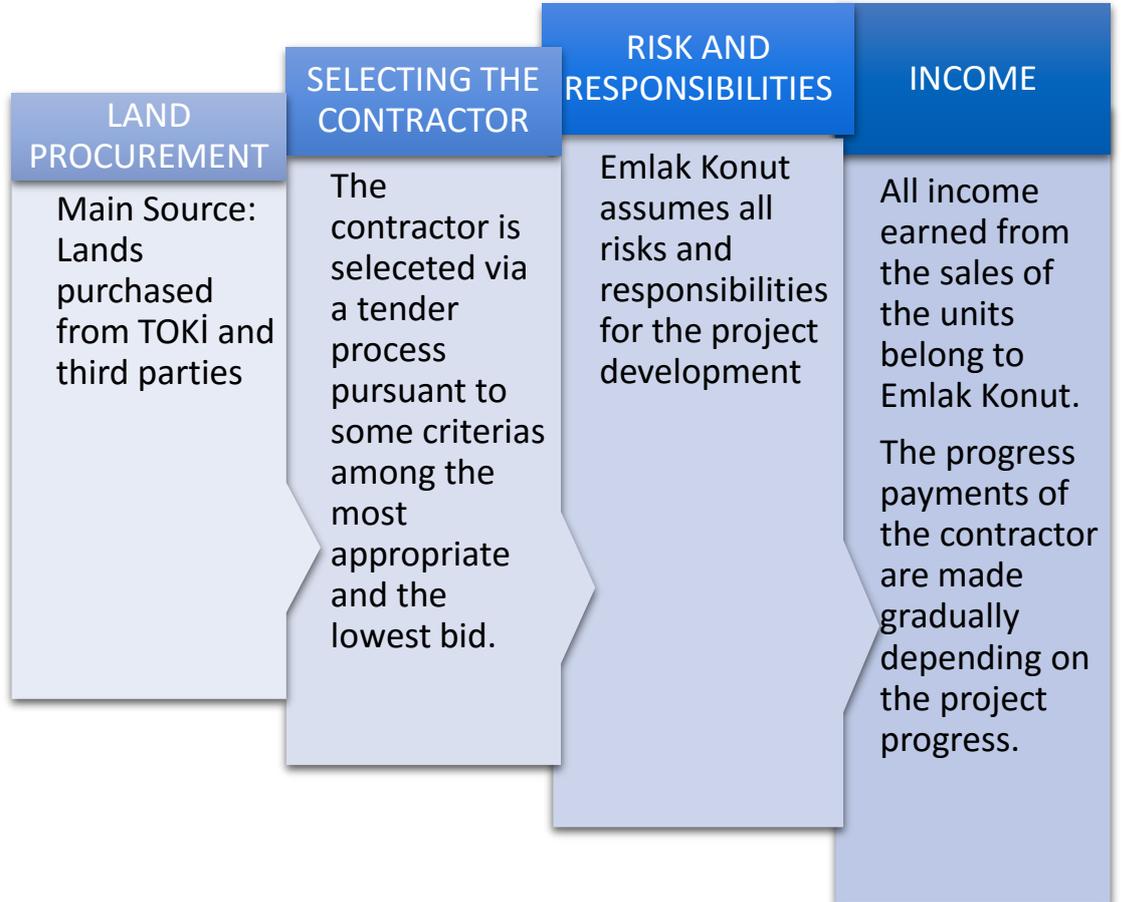
Line	PROJECT	BASE VALUE OF LAND AT THE TIME OF THE TENDER (TL)	CSTR (TL)	CRSR(%)	MULTIPLIER FOR EACH PROJECT
1	SARPHAN FINANS PARK	51,786,200	61,500,000	37.50	1.19
2	METROPOL İSTANBUL	290,998,144	500,971,500	43.15	1.72
3	AĞAOĞLU MASLAK 1453 İSTANBUL	604,940,000	1,153,750,000	35.50	1.91
4	KÖY	252,910,000	475,687,500	32.25	1.88
2012 and pre- 2012		1,200,634,344	2,191,909,000	<i>Average Multiplier</i>	1.83
5	İSTMARİNA	214,045,000	534,000,000	40.00	2.49
6	BULVAR İSTANBUL	128,386,000	202,440,000	28.00	1.58
7	GÖL PANORAMA	80,810,000	148,400,000	28.00	1.84
8	FATİH YEDİKULE	67,915,000	105,968,270	35.01	1.84
9	EVVEL İSTANBUL	97,500,000	188,760,000	26.00	1.94
10	BAHÇEKENT FLORA	55,245,000	80,832,000	25.26	1.46
2013		643,901,000	1,260,400,270	<i>Average Multiplier</i>	1.96
11	BÜYÜKYALI İSTANBUL	725,700,000	1,568,800,000	37.00	2.16
12	PARK MAVERA	124,615,000	420,000,000	30.00	3.37
13	AVRUPARK	63,698,214	156,520,000	26.00	2.46
14	SOFALOCA	36,547,140	54,000,000	30.00	1.48
15	KOCAELİ, DERİNCE	70,000,000	83,198,500	21.61	1.19
16	TUAL ADALAR	85,030,299	123,900,000	29.50	1.46
2014		1,105,590,653	2,406,418,500	<i>Average Multiplier</i>	2.18
17	KARAT 34	63,564,095	171,600,000	39.00	2.70
18	İSTİNYE SARIYER	1,062,270,000	1,876,392,000	51.10	1.77
19	TUAL BAHÇEKENT	115,680,485	275,334,000	25.26	2.38
20	AVRUPA KONUTLARI BAŞAKŞEHİR	115,200,000	350,400,000	40.00	3.04
21	TEMAŞEHİR KONYA	85,000,000	211,500,000	30.00	2.49
22	İSTANBUL KAĞITHANE	115,953,466	637,000,000	49.00	5.49
23	ANKARA YENİMAHALLE	622,000,000	1,258,365,000	30.00	2.02
24	NİDAKULE KAYAŞEHİR	117,420,000	407,588,000	38.00	3.47
25	EVORA DENİZLİ	74,738,419	92,651,000	18.00	1.24
26	KOORDİNAT ÇAYYOLU	95,156,250	180,000,000	33.00	1.89
27	İSTANBUL ÜSKÜDAR	85,003,711	406,215,000	50.15	4.78
2015		2,551,986,426	5,867,045,000	<i>Average Multiplier</i>	2.30
28	BAKIRKÖY YENİMAHALLE	32,025,000	62,000,000	31.00	1.94
29	EYÜP ALİBEYKÖY	46,400,000	168,150,000	38.00	3.62
30	AVCILAR İSPARTAKULE 5 th STAGE	72,111,718	132,000,000	22.00	1.83
31	ESENYURT HOŞDERE 5 th STAGE	83,391,734	156,500,000	25.00	1.88
32	ESENYURT HOŞDERE 6 th STAGE	86,255,477	150,500,000	25.00	1.74
33	MALTEPE KÜÇÜKYALI	713,096,640	1,527,000,300	42.00	2.14
34	AVCILAR İSPARTAKULE 6 th STAGE	61,856,717	85,600,000	25.00	1.38
2016		1,095,137,286	2,281,750,300	<i>Average Multiplier</i>	2.08
TOTAL		6,597,249,709	14,007,523,070	<i>Multiplier</i>	2.12

CSTR: Company Share in Total Revenue
CRSR: Company Revenue Share Ratio

ABOUT EMLAK KONUT

TURN- KEY MODEL PROJECTS

**FOCUS ON MIDDLE
INCOME GROUP
THROUGH TURN- KEY
MODEL**



ABOUT EMLAK KONUT

TURN-KEY MODEL PROJECTS (Continued)

**23 COMPLETED, 8
ONGOING TURN-KEY
MODEL PROJECTS**

Completed Turn-Key Model Projects

- Bahçekent Emlak Konutları 1
- Bahçekent Emlak Konutları 2
- Bahçekent Emlak Konutları 3
- Emlak Konut Başakşehir Evleri 1
- Emlak Konut Başakşehir Evleri 2
- Emlak Konut Başakşehir Evleri 3
- Emlak Konut Başakşehir Evleri 4
- Ataşehir Headquarters Office Building
- Körfezkent 3
- Sultanbeyli Emlak Konutları
- Alemdağ Emlak Konutları
- Tuzla Emlak Konutları 1
- Gebze Emlak Konutları 2
- Tuzla Emlak Konutları 2
- Körfezkent 2
- Gebze Emlak Konutları 1
- Emlak Konut Mavişehir Evleri
- Selimpaşa Emlak Konutları
- Burgazkent
- Lüleburgaz Çarşı
- Yıldızkent 1
- Yıldızkent 2
- Yıldızkent 3

Ongoing Turn-Key Model Projects

- Körfezkent 4
- Ayazma Emlak Konutları 1
- Emlak Konut İspartakule Evleri
1st Stage 1st Part
- Emlak Konut İspartakule Evleri
1st 2nd Part
- İstanbul Kayabaşı Emlak Konutları
2nd Stage
- Esenler Emlak Konutları
- Ayazma Emlak Konutları 2
- Nevşehir Emlak Konutları

ABOUT EMLAK KONUT

ONGOING TURN-KEY MODEL PROJECTS

**ATTRACTIVE
PAYMENT
OPTIONS**



PROJECT		ESENLER EMLAK KONUTLARI	
CONTRACTOR	ÖZYAZICI	COMPLETION DATE	10.12.2016
AGREEMENT VALUE	240,457,787.42 TL	LAND AREA	56,841.92
BOOK VALUE + PROGRESS PAYMENTS	490,056,492.15	NUMBER OF UNITS	989
PROGRESS LEVEL	89.19 %		



PROJECT		AYAZMA EMLAK KONUTLARI 1	
CONTRACTOR	GÜRYAPI	COMPLETION DATE	28.02.2018
AGREEMENT VALUE	363,000,000 TL	LAND AREA	99,874.55
BOOK VALUE + PROGRESS PAYMENTS	203,485,647.95	NUMBER OF UNITS	1,239
PROGRESS LEVEL	25.29 %		

ABOUT EMLAK KONUT

ONGOING TURN- KEY MODEL PROJECTS (Continued)

OUR GOAL IS TO
CREATE LIVING
SPACES BEFITTING
TO MODERN
CITIES



PROJECT		KÖRFEZKENT 4	
CONTRACTOR	ZEK-SAN	COMPLETION DATE	22.11.2017
AGREEMENT VALUE	158,712,000 TL	LAND AREA	79,804.19
BOOK VALUE + PROGRESS PAYMENTS	65,576,510.45	NUMBER OF UNITS	1,124
PROGRESS LEVEL	30.76 %		



PROJECT		ISPARTAKULE 1ST STAGE 1ST PART	
CONTRACTOR	YÖRÜK ~ ERMİT	COMPLETION DATE	19.03.2018
AGREEMENT VALUE	268,650,000 TL	LAND AREA	85,871.43
BOOK VALUE + PROGRESS PAYMENTS	127,219,585.52	NUMBER OF UNITS	978
PROGRESS LEVEL	10.51 %		

ABOUT EMLAK KONUT

ONGOING TURN- KEY MODEL PROJECTS (Continued)

**INFRASTRUCTURE
INVESTMENTS
WITHIN THE SCOPE
OF THE PROJECTS**



PROJECT		ISPARTAKULE 1ST STAGE 2ND PART	
CONTRACTOR	BALPA	COMPLETION DATE	19.03.2018
AGREEMENT VALUE	239,900,000 TL	LAND AREA	74,346.32
BOOK VALUE + PROGRESS PAYMENTS	110,454,875.68	NUMBER OF UNITS	904
PROGRESS LEVEL	11.65 %		



PROJECT		İSTANBUL KAYABAŞI EMLAK KONUTLARI 2ND STAGE	
CONTRACTOR	KALYON	COMPLETION DATE	23.09.2017
AGREEMENT VALUE	78,137,500 TL	LAND AREA	24,272.40
BOOK VALUE + PROGRESS PAYMENTS	53,467,990.50	NUMBER OF UNITS	271
PROGRESS LEVEL	21.98 %		

ABOUT EMLAK KONUT

ONGOING TURN- KEY MODEL PROJECTS (Continued)

**DIVERSIFIED AND
WELL- BALANCED
PORTFOLIO
ALLOCATION**



PROJECT		NEVŞEHİR EMLAK KONUTLARI	
CONTRACTOR	CENT YAPI	COMPLETION DATE	19.11.2018
AGREEMENT VALUE	116,722,000 TL	LAND AREA	29,541.40
BOOK VALUE + PROGRESS PAYMENTS	84,472,620.16	NUMBER OF UNITS	420
PROGRESS LEVEL	4.04 %		

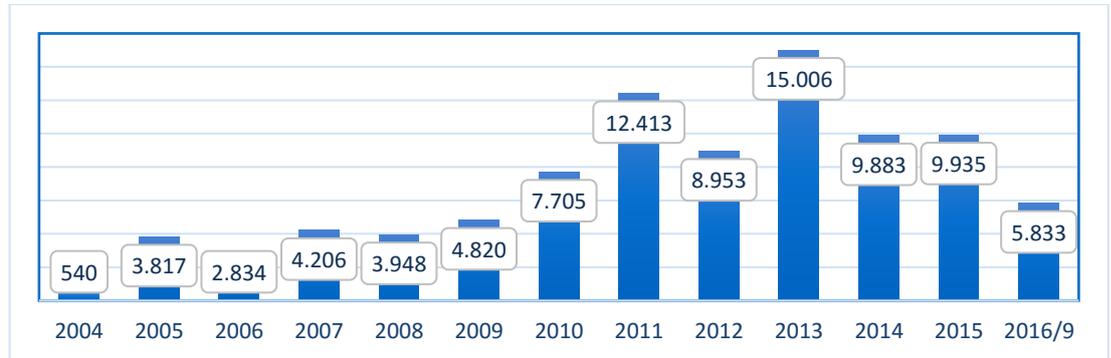


PROJECT		AYAZMA EMLAK KONUTLARI 2	
CONTRACTOR	YILMAZ	COMPLETION DATE	25.04.2018
AGREEMENT VALUE	82,578,000 TL	LAND AREA	21,406.97
BOOK VALUE + PROGRESS PAYMENTS	32,491,978.07	NUMBER OF UNITS	470
PROGRESS LEVEL	10.88 %		

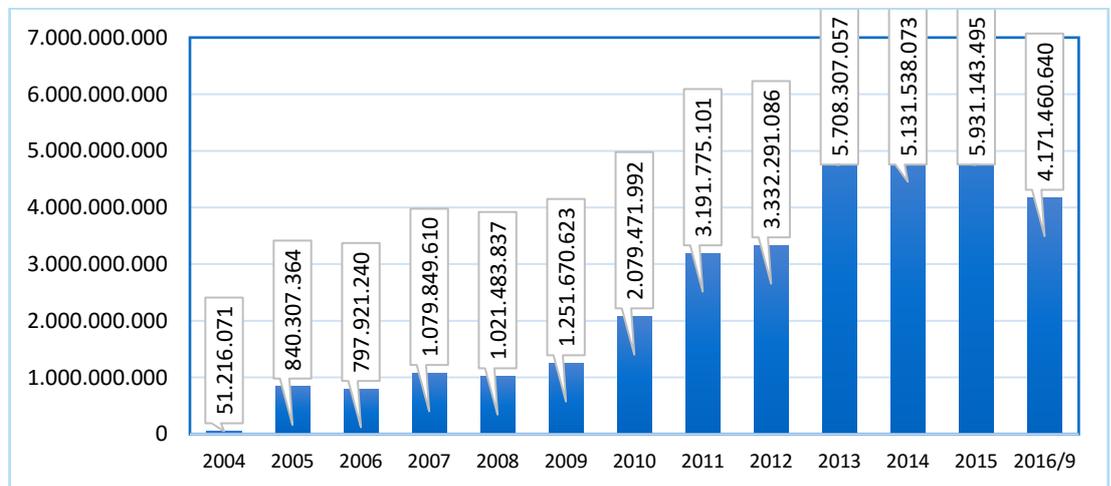
ABOUT EMLAK KONUT

**STRONG SALES
PERFORMANCE**

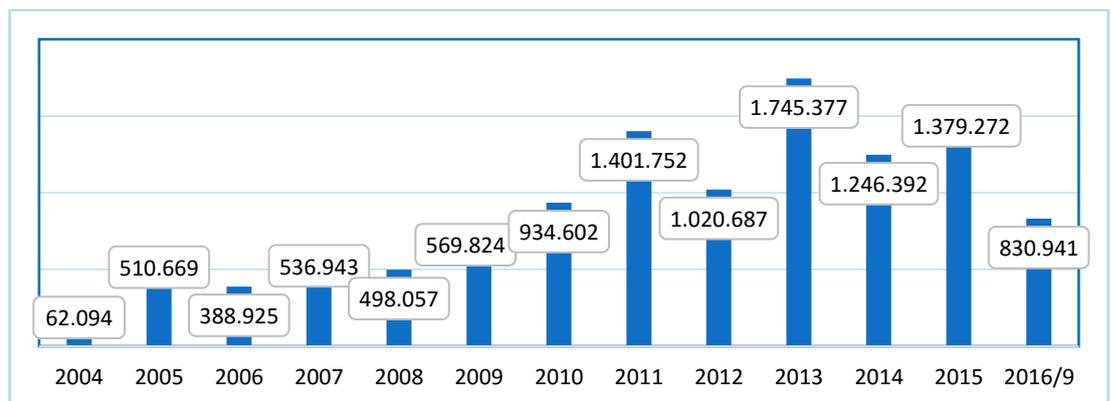
NUMBER OF UNITS SOLD/ ANNUALLY (INCLUDING PRE- SALES)



TOTAL SALES VALUE ⁽¹⁾/ ANNUALLY (INCLUDING PRE-SALES)



TOTAL SQUAREMETERS SOLD ⁽²⁾ / ANNUALLY (INCLUDING PRE-SALES)



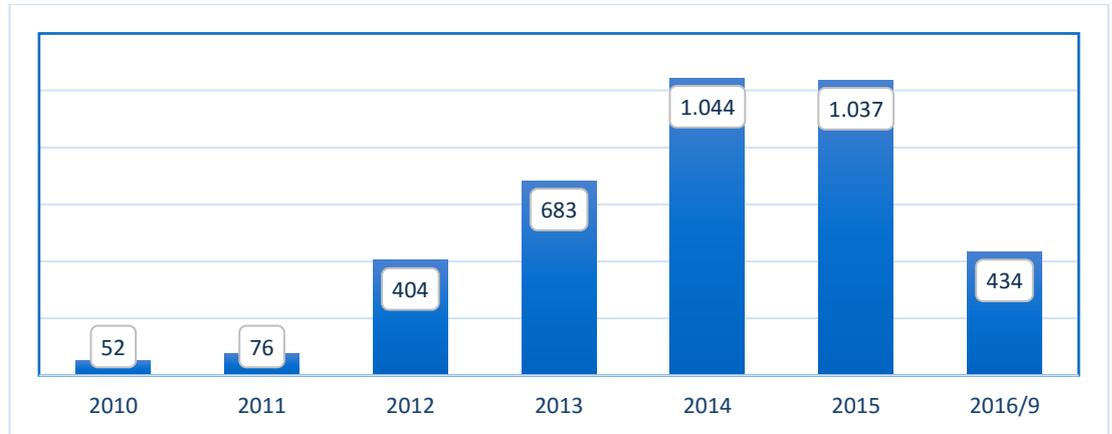
(1) Excluding VAT

(2) Squaremeters sold. Add-ons not included.

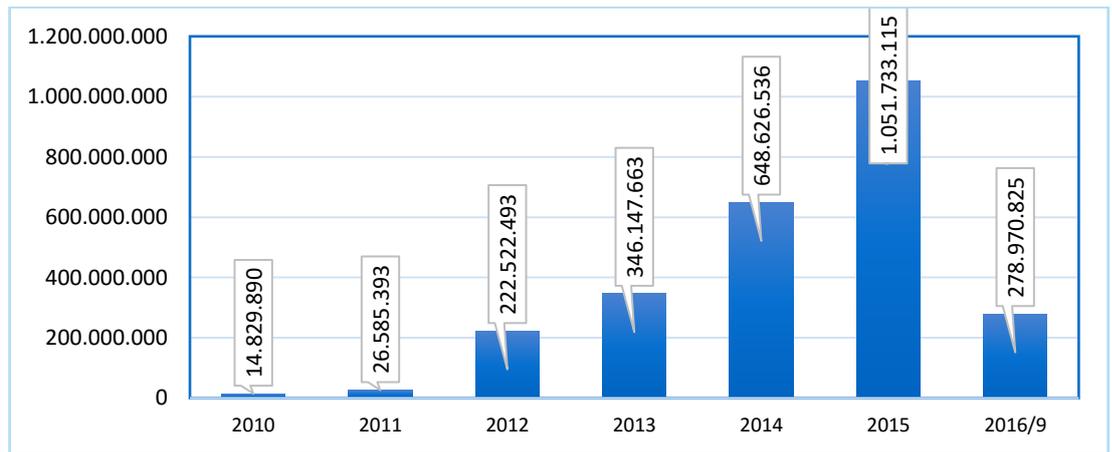
ABOUT EMLEK KONUT

**STRONG SALES
PERFORMANCE**

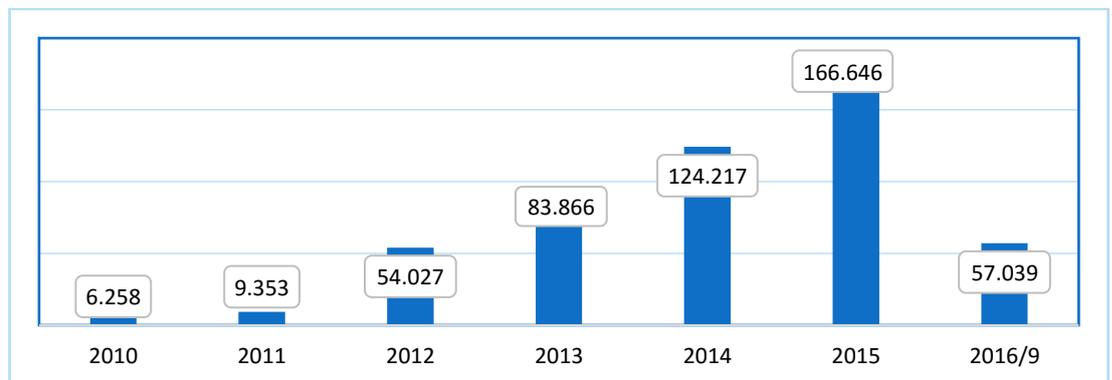
NUMBER OF UNITS SOLD TO FOREIGNERS/ANNUALLY (INCLUDING PRE-SALES)



TOTAL SALES VALUE TO FOREIGNERS ⁽¹⁾ / ANNUALLY (INCLUDING PRE-SALES)



SQUAREMETERS SOLD TO FOREIGNERS ⁽²⁾ / ANNUALLY (INCLUDING PRE-SALES)



(1) Excluding VAT

(2) Squaremeters sold. Add-ons not included.

ABOUT EMLAK KONUT

SUMMARY OF FINANCIAL RESULTS ('million TL)

SOLID FINANCIAL RESULTS

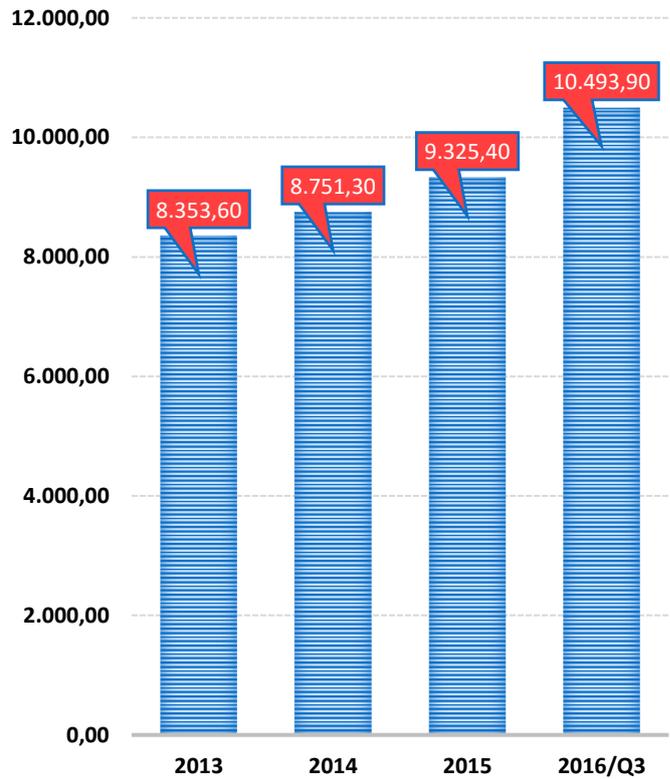
FINANCIAL DATA	2016/Q3	2015	2014	2013	2012
Income Statement					
Net Sales	3,062.0	1,786,8	1,804,5	2,331,1	1,004,6
EBITDA	1,561.0	904,3	749,0	1,004,4	529,8
EBITDA Margin	51.0	50,6%	41,5%	43,1%	52,7%
Profit for the Period	1,525.0	952,6	954,4	1,060,5	523,4
Balance Sheet					
Total Assets	18,641.9	17,227,5	14,953,5	13,471,0	8,578,9
Equity	10,493.9	9,325,4	8,751,3	8,353,6	4,392,3

OUR EQUITY

has turned into a strong funding source thanks to our profitability over years.



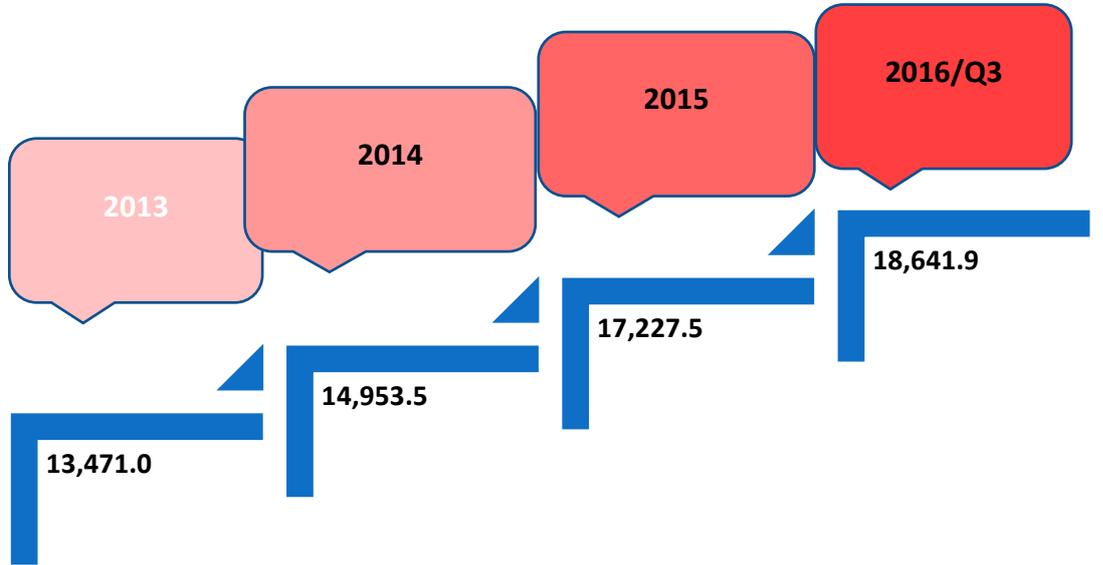
EQUITY



ABOUT EMLAK KONUT

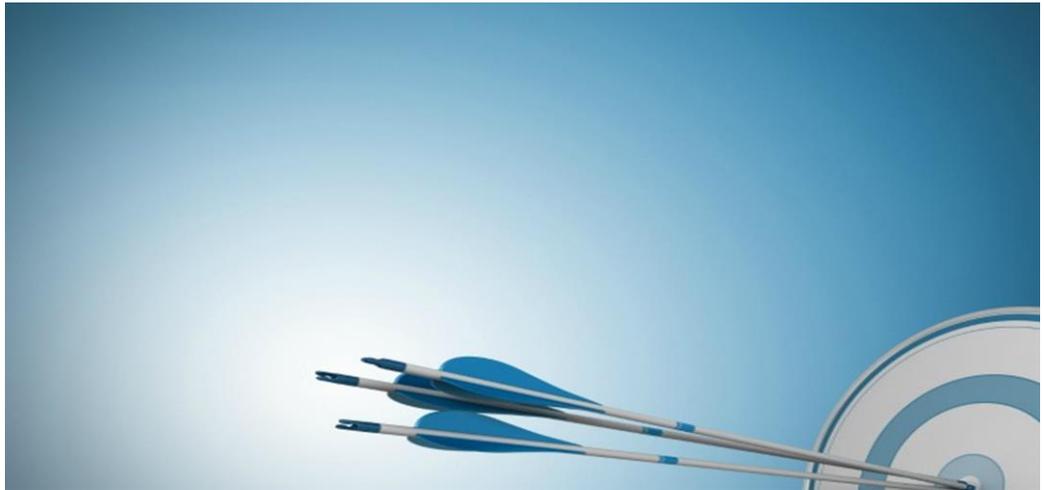
SUMMARY OF FINANCIAL RESULTS (Continued) ('million TL)

**SUSTAINABLE
INCREASE IN
TOTAL ASSETS**



TOTAL ASSETS

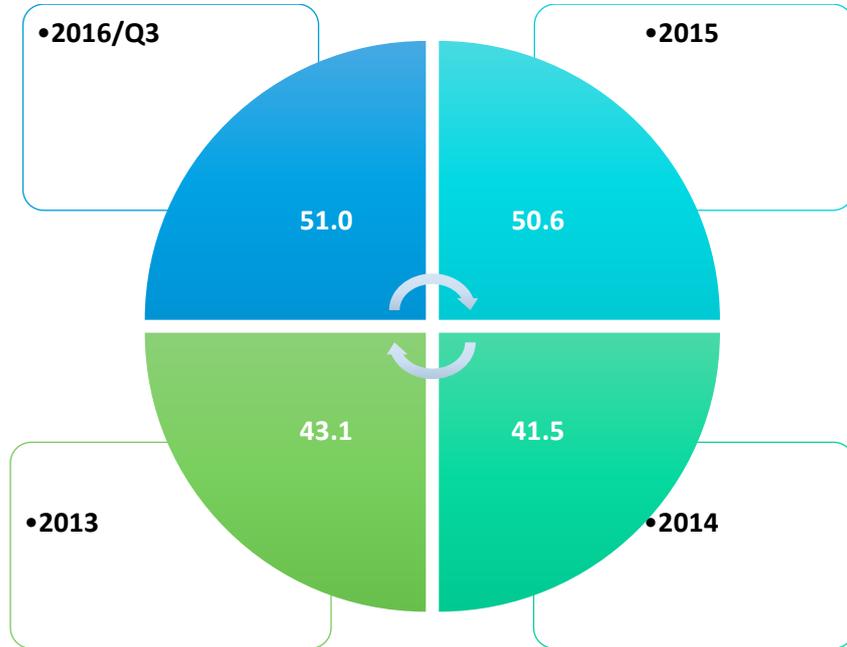
has increased year over year.



ABOUT EMLAK KONUT

SUMMARY OF FINANCIAL RESULTS (Continued)

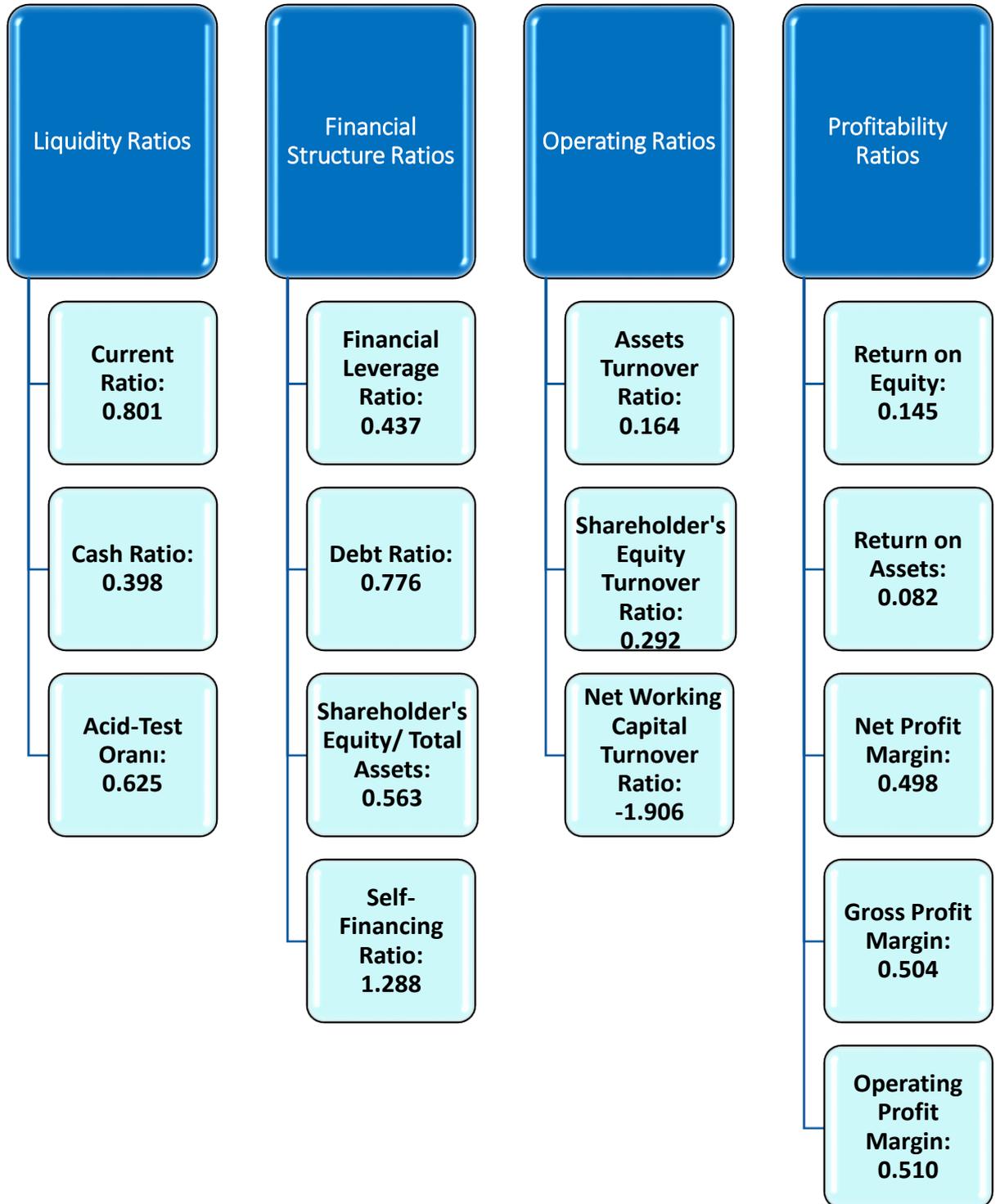
**EBITDA MARGIN;
EARNINGS BEFORE
INTEREST, TAX,
DEPRECIATION
AND
AMORTISATION**



ABOUT EMLAK KONUT

FINANCIAL RATIOS

FINANCIAL RATIOS



ABOUT EMLAK KONUT

SUMMARY TABLE OF SIGNIFICANT FIGURES

**LEADER AMONG
REAL ESTATE
INVESTMENT
COMPANIES IN
TERMS OF ASSETS**

	30.09.2016 (‘000 TL)
Total Assets	18,641,949
Cost of Land and Residential Unit Inventories	-11,906,871
Cost of Investment Property	-16,000
Liabilities	-8,148,022
Appraisal Value of Land Stock	5,462,409
Appraisal Value of Buildings	469,456
Company Share of Total Revenue for RSM	13,769,962
Cost of Purchase + Progress Payments (Turn- Key)	1,167,226
TOTAL	19,440,109



ABOUT EMLAK KONUT

LEASED AND RENTED PROPERTIES

LEASED PROPERTIES AND PROPERTIES LEASED BY EMLAK KONUT

No.	Tenant	Starting Date	Ending Date	Time	Province, Plot/Parcel	Rent Value*
1	TAHİNCİOĞLU GRUBU ORTAK GİRİŞİMİ (1)	15.09.2013	15.09.2015	2 Years	İstanbul - Ataşehir, 3334 / 8	2,577.48
2	İFM&AKDENİZ İN. İŞ ORTAKLIĞI	01.09.2016	01.09.2017	1 Year	İstanbul – Kadıköy, 3317 / 22	12,500.00
3	GÜRYAPI RESTORASYON TAH. VE TİC. A.Ş.	03.08.2015	03.03.2018	2 Years, 7 Months	İstanbul - Başakşehir, 1344 / 2	2,200.00
4	CİHAN İNŞAAT VE KONUT YAPI ADI ORTAKLIĞI	01.10.2016	01.10.2017	1 Year	İstanbulü Başakşehir, 324 / 2	1,700.00
5	NİDA İNŞAAT VE TURİZM A.Ş.	01.11.2015	01.11.2016	1 Year	İstanbul-Ümraniye 3317/21 and 3317/20	6,500.00
6	İŞ GYO A.Ş.	01.12.2015	01.12.2016	1 Year	İstanbul-Ümraniye 3317/21 and 3317/20	5,000.00
7	YILMAZ İNŞAAT TAH. VE TİC. A.Ş.	01.07.2016	01.07.2018	2 Years	İstanbul-Başakşehir 1335/15	6,000.00
8	TOLGA ŞEN	07.10.2016	07.03.2017	5 Months	İstanbul-Arnavutköy 101/1-5, 135/151, 138/5 and 139/5	24,200.00
9	OLCAY GÜVENCİ	18.10.2016	18.03.2017	5 Months	İstanbul-Arnavutköy 296 and 304 parcel, 103/2, 135/148 and 135/151, 138/5, 139 /5, 35,36, 37 and 149 parcel	28,160.00
TOTAL						88,837.48

No.	Tenant	Starting Date	Ending Date	Time	Province, Plot/Parcel	Rent Value*
1	EMLAK KONUT GYO A.Ş.	01.05.2016	01.05.2017	1 Month	ANKARA- ÇANKAYA, 14	6,017.98
TOTAL						6,017.98

*Not included VAT, values are expressed in Turkish Lira and monthly
(1) The rent agreement with Tahincioğlu Grubu Ortak Girişimi will be renewed as of September and invoiced on updated rent value.

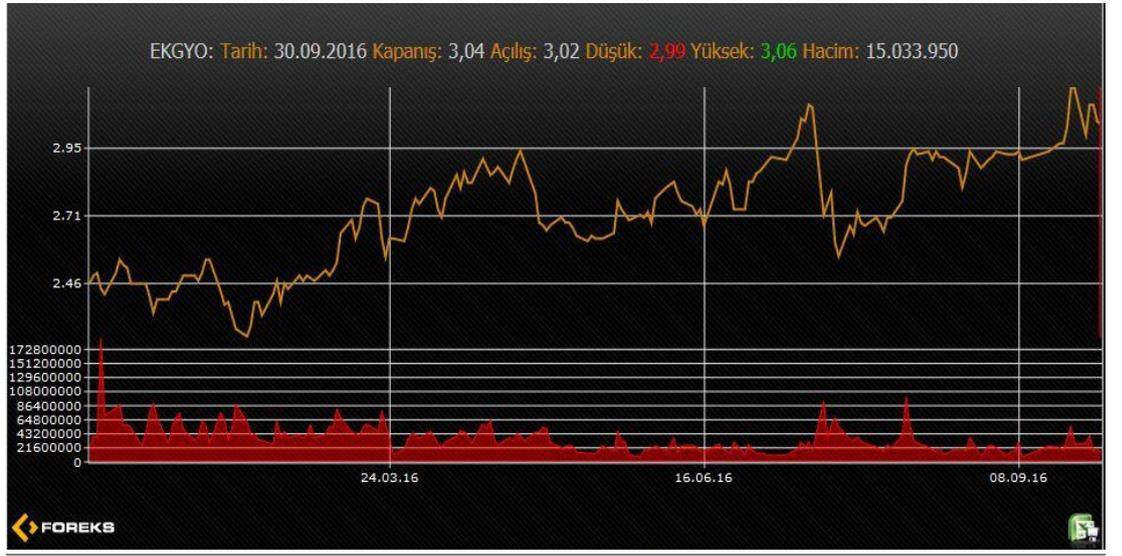
ABOUT EMLAK KONUT

SHARE PERFORMANCE

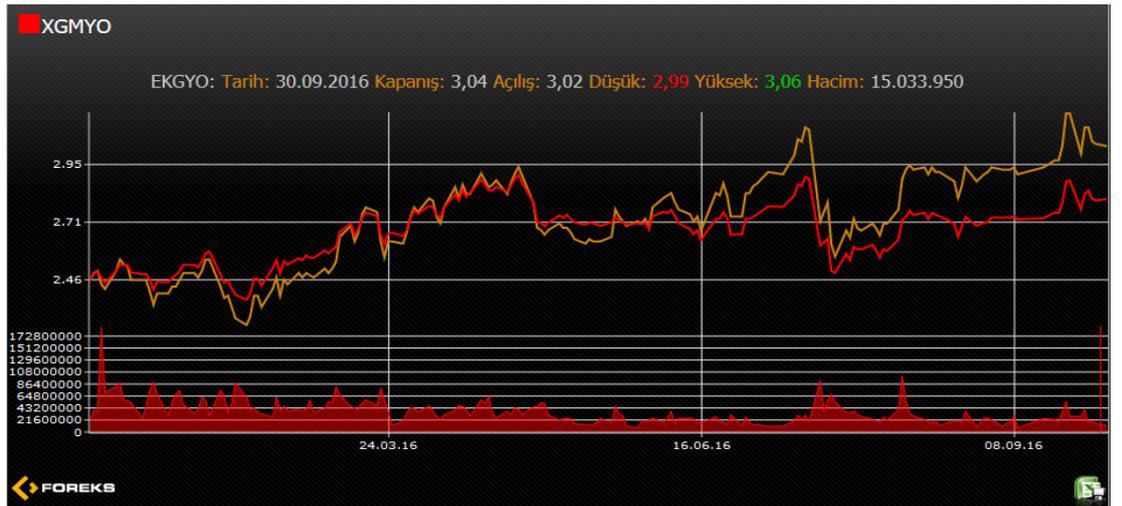
SHARE PERFORMANCE AT İSTANBUL STOCK EXCHANGE

Share certificates of our Company are traded in the National Market at İstanbul Stock Exchange. It is in Group A in the equity market. It is included in XU100, XU30, XU50, XUMAL, XUTUM, XGMYO indexes. The symbol tickers are as follows; **BIST TICKER:** EKGYO, **BLOOMBERG TICKER:** EKGYO.TI, **REUTERS TICKER:** EKGYO.IS

SHARE PERFORMANCE



EKGYO SHARE/ XGMYO INDEX COMPARISON

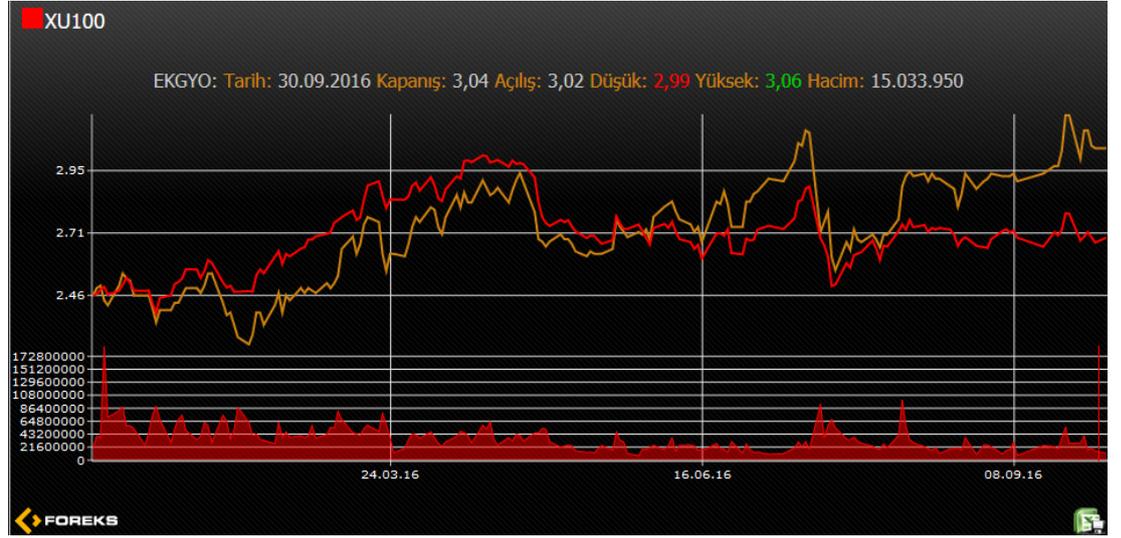


ABOUT EMLAK KONUT

SHARE PERFORMANCE (Continued)

EKGYO SHARE/ XU100 INDEX COMPARISON

EMLAK KONUT AT
İSTANBUL STOCK
EXCHANGE



MANAGEMENT

BOARD OF DIRECTORS

BOARD OF DIRECTORS PERFORMS ADMINISTRATIVE FUNCTIONS REQUIRED FOR SUSTAINABLE GROWTH IN LINE WITH THE COMPANY'S LONG-TERM INTERESTS.

Board of Directors

- The ultimate decision maker within Emlak Konut
- Responsible for management and representation of Emlak Konut, realization of the Company activities, establishing relations between the shareholders and the Company and recruitment.
- Responsible for execution of Emlak Konut activities in accordance with laws and provision of the Articles of Association.
- Board members are elected by the General Assembly.
- The Board consists of seven members including the Chairman, Vice Chairman, and five other members. Three of them are independent members.

Name	Position	Profession	Independent/ or Not	Share Group(s)
ERTAN YETİM	Chairman	Civil Engineer	-	A, B
ERTAN KELEŞ	Vice Chairman	Civil Engineer	Independent	B
MURAT KURUM	Member and CEO	Civil Engineer	-	A, B
SAMİ ER	Member	Mechanical Engineer	-	A, B
MEHMET ÖZÇELİK	Member	Civil Engineer	-	A, B
VEYSEL EKMEN	Member	Public Accountant Financial Advisor	Independent	B
HAVVANUR YURTSEVER	Member	Lawyer	Independent	B

MANAGEMENT

BOARD OF DIRECTORS (Continued)

ACTIVITIES OF THE BOARD OF DIRECTORS

**146 DECISIONS
WERE TAKEN FROM
01.01.2016 TO
30.09.2016 BY OUR
BOARD OF
DIRECTORS.**

Board of Directors operates in accordance with the principles set in the Corporate Governance Communiques of the Capital Markets Board of Turkey regarding the “Board structure-independence” conditions.

Board members are elected by the General Assembly. The Board consists of seven members including the Chairman, Vice-Chairman, and five other members. The Board of Directors has three independent members.

55 decisions were taken from **01.07.2016** to **30.09.2016**. All decisions were taken unanimously and applied.

146 decisions were taken from **01.01.2016** to **30.09.2016**. All decisions were taken unanimously and applied.

The members of the Board of Directors have not been granted the right to weighted vote and/ or negative veto.

The Board of Directors uses its authority and responsibilities within the framework of the legislation, the Articles of Association, internal regulations and policies in line with the authority given by the shareholders in the General Assembly.



MANAGEMENT

THE LIST OF THOSE WHO HAVE ACCESS TO INTERNAL INFORMATION IN EMLAK KONUT REIC (As of September, 30)

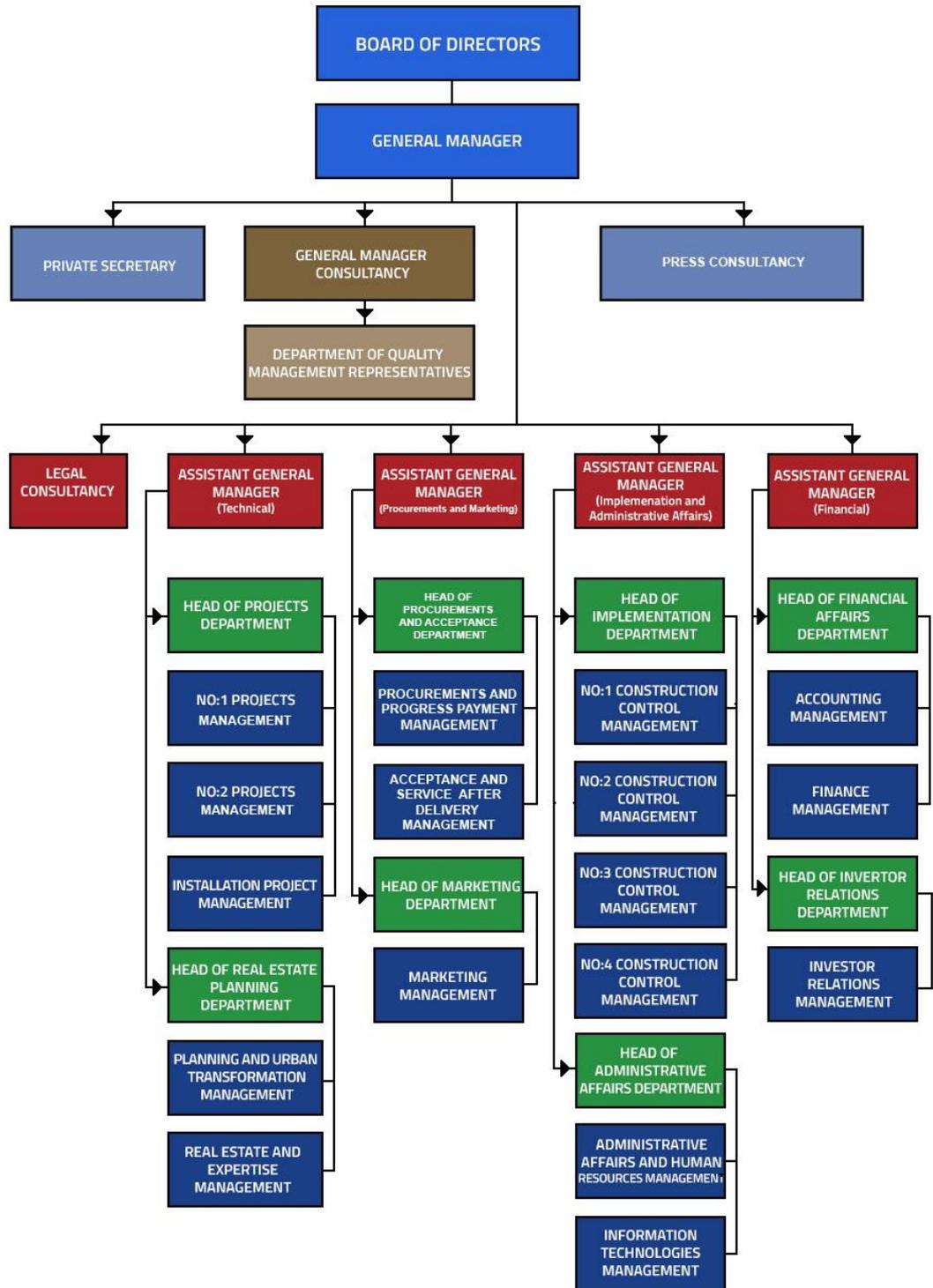
**EXPERIENCED
AND EFFECTIVE
TEAM**

Name	Profession	Position
Murat Kurum	Civil Engineer	General Manager and Board Member
Sinan Ayođlu	Civil Engineer	Deputy General Manager
Hakan Akbulut	Public Administration	Deputy General Manager
Metin Tekin	Civil Engineer	Deputy General Manager
Hakan Gedikli	Topographical Engineer	Deputy General Manager
Nurettin Őam	Lawyer	First Legal Advisor
Zeynep Basa	Economics	Head of Marketing Department
Hasan Vehbi Arslantürk	Civil Engineer; Business Adm.	Head of Investor Relations Department
Tülay Odakır	Civil Engineer	Head of Procurement and Acceptance Dep.
Hicran Çakmak	Architect	Head of Projects Department
Mustafa AŐikkutlu	Senior Civil Engineer	Head of Real Estate and Planning Dep.
Ercan Aliođlu	Business Administration	Head of Financial Affairs Department
Halil İbrahim Őahin	Economics	Head of Administrative Affairs Department
Nurullah Öztürk	Civil Engineer	Acting Head of Implementation Dep.
Halim AtaŐ	Business Administration	Private Secretary
İlyas Fehim Çelik	Architect	Project Manager No.1
YaŐar Altun	Civil Engineer	Project Manager No.2
İbrahim Oflaz	Senior Mechanical Engineer	Installation Project Manager
Hakan Bakırdal	Topographical and Civil Engineer	Real Estate and Appraisal Manager
Fatih Kanitođlu	Civil Engineer	Acceptance and Service After Delivery Mgr.
Selçuk Aydemir	Topographical Engineer	Planning and Urban Transformation Manager
Mehmet Akif Aydođan	Public Administration	Marketing Manager
Mehmet Akagündüz	Public Administration	Finance Manager
Adem Hacıhasanođlu	Forest Engineer	Procurement and Progress Payment Mgr.
Serdar Bala	Physics	Information Technology Manager
Salih Çetin	Business Administration	Accounting Manager
Hasan Saka	Senior Civil Engineer	Construction Control Manager No.1
Mecit Altıner	Senior Civil Engineer	Acting Construction Control Manager No.2
Alim Kaplaner	Senior Civil Engineer	Construction Control Manager No.3
Yasir Yılmaz	Civil Engineer	Acting Construction Control Manager No.4
Ali Haydar Yıldırım	Business Administration	Acting Adm. Affairs and Human Resources Mgr.
Fatih İbiŐ	Public Relations and Press	Press Advisor
İbrahim Keskin	Lawyer	Legal Advisor
İsmet Kubilay	Lawyer	Legal Advisor
Eyyüp Ocak	Lawyer	Legal Advisor
Rasim Faruk Kadiođlu	Civil Technician	Consultant to the General Manager
Sadık Soylu	High School Graduate	Consultant to the General Manager
Mustafa Bayraktar	Civil Engineer	Consultant to the General Manager
Özlem Hanođlu Çelik	Economics	Consultant to the General Manager
Yasemin Ülkü	Civil Engineer	Consultant to the General Manager

MANAGEMENT

ORGANIZATION CHART

A MORE AGILE
ORGANIZATION



OVERALL ECONOMIC OUTLOOK

GROSS DOMESTIC PRODUCT, II. QUARTER, APRIL-JUNE, 2016

GDP INCREASED BY 3.1 % AT CONSTANT PRICES, 9 % AT CURRENT PRICES.

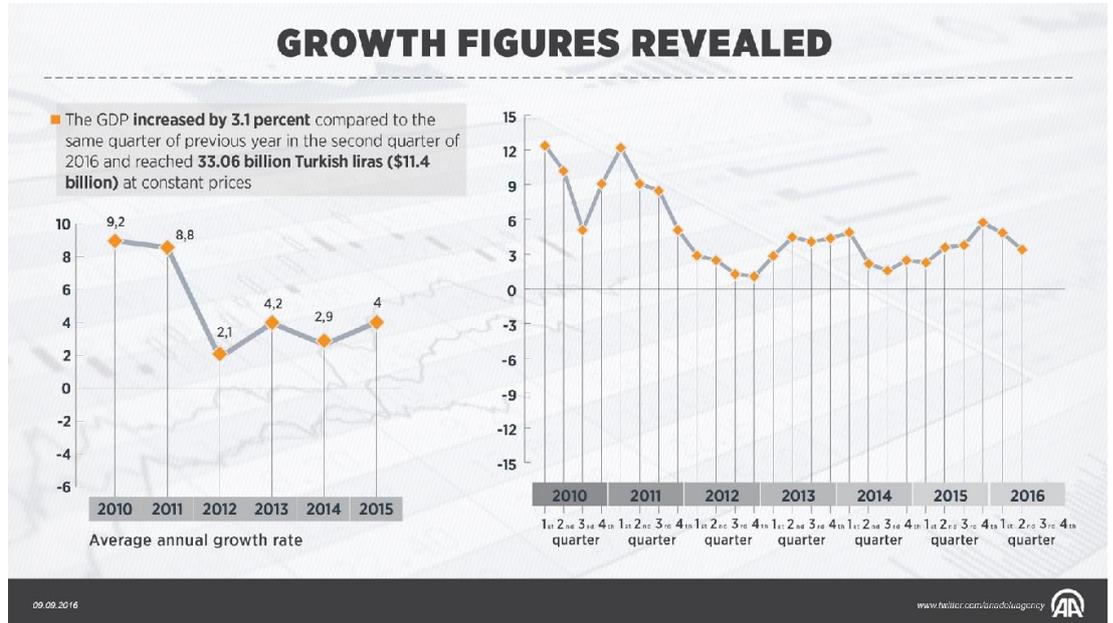
Gross domestic product increased by 3.1% compared to the same quarter of previous year in the second quarter of 2016 and reached 33 billion 61 million Turkish Liras at constant prices.

Gross domestic product increased by 9% compared to the same quarter of previous year in the second quarter of 2016 and reached 525 billion 932 million Turkish Liras at current prices.

Value added of agriculture increased by 1.4% and reached 30 billion 795 million Turkish Liras at current prices, decreased by 1% and reached 2 billion 338 million Turkish Liras at constant prices in the second quarter of 2016.

Value added of industry increased by 8.2% and reached 129 billion 182 million Turkish Liras at current prices, increased by 3.9% and reached 11 billion 530 million Turkish Liras at constant prices in the second quarter of 2016.

Value added of services increased by 11.5% and reached 305 billion 585 million Turkish Liras at current prices, increased by 3.6% and reached 19 billion 428 million Turkish Liras at constant prices in the second quarter of 2016.



Source: Turkstat, Anadolu Agency

OVERALL ECONOMIC OUTLOOK

GROSS DOMESTIC PRODUCT, II. QUARTER, APRIL-JUNE, 2016 (Continued)

**ANNUAL GDP IN
2015 WAS
1,952,638
MILLION TL, AT
CURRENT PRICES.**

Annual gross domestic product in 2015 increased by 11.7% and reached 1 trillion 952 billion 638 million Turkish Liras at current prices and increased by 4% and reached 131 billion 273 million Turkish Liras at constant prices.

The per capita gross domestic product in 2015 was 25,118 Turkish Liras and 9,257 US Dollars at current prices.

SEASONALLY AND CALENDAR ADJUSTED GDP INCREASED BY 0.3 % COMPARED TO THE PREVIOUS QUARTER.

Calendar adjusted gross domestic product in the second quarter of 2016 increased by 3% compared to the same quarter of previous year. Seasonally and calendar adjusted GDP increased by 0.3% compared to the previous quarter.

Gross domestic product results II. Quarter: April – June, 2016

Year	Quarter	GDP		GDP		GDP	
		current prices (Million TL)	Growth rate (%)	current prices (Million \$)	Growth rate (%)	constant prices (Million TL)	Growth rate (%)
2015	Annual ^(r)	1 952 638	11.7	719 620	-10.0	131 273	4.0
	I ^(r)	443 841	7.9	180 772	-2.8	30 232	2.5
	II ^(r)	482 383	12.8	180 711	-10.6	32 069	3.7
	III ^(r)	519 444	12.2	184 477	-13.9	34 901	3.9
	IV ^(r)	506 970	13.6	173 660	-11.8	34 071	5.7
2016	Annual ^(r)	1 023 776	10.5	350 387	-3.1	64 710	3.9
	I ^(r)	497 844	12.2	168 979	-6.5	31 649	4.7
	II	525 932	9.0	181 409	0.4	33 061	3.1

Figures in table may not add up to totals due to rounding.
(r) Related quarters were revised.

HOUSEHOLD FINAL CONSUMPTION EXPENDITURE INCREASED BY 5.2% AT CONSTANT PRICES.

Household final consumption expenditure increased by 9.9% and reached 361 billion 585 million Turkish Liras at current prices, increased by 5.2% and reached 22 billion 104 million Turkish Liras at constant prices in the second quarter of 2016 compared to the same quarter of previous year.

GOVERNMENT FINAL CONSUMPTION EXPENDITURE INCREASED BY 15.9% AT CONSTANT PRICES.

Government final consumption expenditure increased by 26.4% and reached 91 billion 721 million Turkish Liras at current prices, increased by 15.9% and reached 4 billion 82 million Turkish Liras at constant prices in the second quarter of 2016 compared to the same quarter of previous year.

Source: Turkstat

OVERALL ECONOMIC OUTLOOK

GROSS DOMESTIC PRODUCT, II. QUARTER, APRIL-JUNE, 2016 (Continued)

EXPORTS OF GOODS AND SERVICES INCREASED BY 0.2% AT CONSTANT PRICES.

EXPORTS OF GOODS AND SERVICES INCREASED BY 0.2 % AT CONSTANT PRICES.

Exports of goods and services increased by 3.4% and reached 139 billion 372 million Turkish Liras at current prices, increased by 0.2% and reached 8 billion 407 million Turkish Liras at constant prices in the second quarter of 2016 compared to the same quarter of previous year.

IMPORTS OF GOODS AND SERVICES INCREASED BY 7.7 % AT CONSTANT PRICES.

Imports of goods and services increased by 5.4% and reached 163 billion 665 million Turkish Liras at current prices, increased by 7.7% and reached 9 billion 796 million Turkish Liras at constant prices in the second quarter of 2016 compared to the same quarter of previous year.

Year	Quarter	Household final consumption expenditure (%)	Government final consumption expenditure (%)	Gross fixed capital formation (%)	Exports of goods and services (%)	(less) Imports of goods and services (%)
2015	Annual ⁽¹⁾	4.8	6.7	4.0	-0.9	0.2
	I ⁽¹⁾	4.3	2.8	0.7	-1.4	3.6
	II ⁽¹⁾	5.5	7.3	10.1	-2.7	1.4
	III ⁽¹⁾	3.9	8.0	1.3	-1.4	-1.3
	IV ⁽¹⁾	5.4	8.1	3.5	2.0	-2.6
2016	Annual ⁽¹⁾	6.1	13.5	-0.3	1.2	7.5
	I ⁽¹⁾	7.1	10.9	0.0	2.4	7.3
	II	5.2	15.9	-0.6	0.2	7.7

Source: Turkstat

CONSTRUCTION AND HOUSING SECTOR OUTLOOK

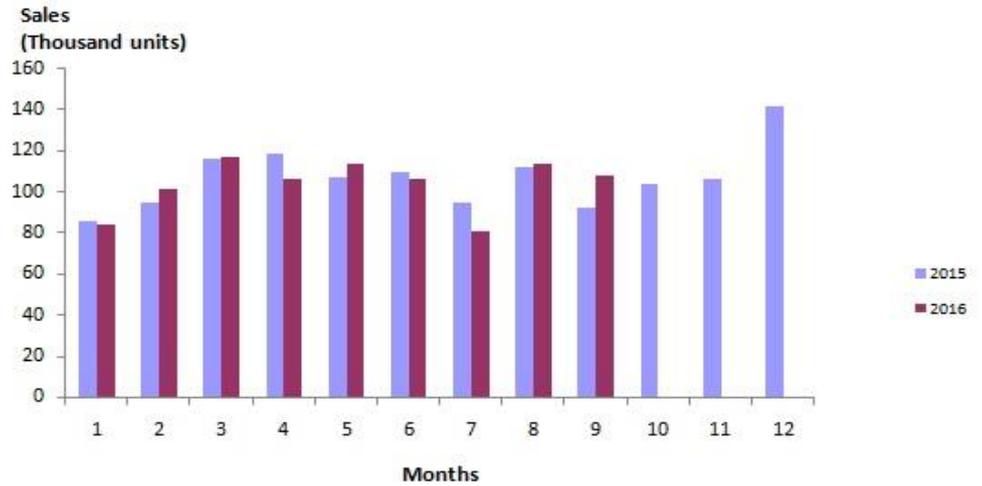
HOUSE SALES STATISTICS

IN TURKEY, HOUSE SALES BECAME 935,811 BETWEEN JANUARY 2016 AND SEPTEMBER 2016.

In Turkey, house sales became 935,811 between January 2016 and September 2016. From those, 383,778 units were first-sale and 443,115 units were second-hand sales.

In Turkey, house sales increased by 17.8% in September 2016 compared to the same month of the previous year and hence, became 108,918. For the house sales of September 2016, İstanbul had the highest share (15.6%) of house sales with 17,040 sold house. The followers of İstanbul were Ankara with 11,564 (10.6%) house sales and İzmir 6,050 (5.6%) house sales. The least house sold provinces were Hakkari with 12 house sales, Ardahan with 13 house sales, Şırnak with 32 house sales.

Number of House Sales, 2015-2016



IN SEPTEMBER 2016, 42,083 OWNERSHIP OF THE HOUSES CHANGED BY MORTGAGE SALES.

The mortgaged house sales throughout Turkey became 42,083 by increasing 46.7% compared to the same month of the previous year. House sales with mortgage had a 38.6% share of all house sales in Turkey. Most of house sales with mortgage was in İstanbul with 7,310 sales. İstanbul was the first province in Turkey ranking that has most house sales with mortgage share with 17.4%. Mortgaged house sales had the highest share in Ardahan with 53.8% of all house sales.

Other house sales in Turkey became 66,835 by increasing 4.8% compared to the same month of the previous year. In the other sales, İstanbul was the first province with 9 730 sales and 14.6% share. Other house sales had 57.1% share of all house sales in İstanbul. Ankara was the second province with 6,374 sales. Ankara was followed by İzmir with 3,384 sales. The least other house sales was realized in Ardahan with 6 house sales.

Source: Turkstat

CONSTRUCTION AND HOUSING SECTOR OUTLOOK

HOUSE SALES STATISTICS (Continued)

**IN HOUSE SALES,
50,972 OF HOUSES
WERE SOLD FOR
THE FIRST TIME.**

House Sales by Type of Sales, September 2016



House Sales by State of Sales, September 2016



IN HOUSE SALES, 50,972 OF HOUSES WERE SOLD FOR THE FIRST TIME.

First house sales in Turkey became 50,972 by increasing 17.6% compared to the same month of the previous year. First house sales had 46.8% share of all house sales in Turkey. The most first house sales was in İstanbul with 7,985 sales. İstanbul was the first province in Turkey ranking that had most first house sales share with 15.7%. The followers of İstanbul were Ankara with 4,619 house sales and İzmir with 2,342 house sales.

Source: Turkstat

CONSTRUCTION AND HOUSING SECTOR OUTLOOK

HOUSE SALES STATISTICS (Continued)

**IN SEPTEMBER
2016, 1,276
HOUSES WERE
SOLD TO
FOREIGNERS.**

OWNERSHIP OF 57,946 HOUSES CHANGED BY SECOND HAND SALES.

Second hand house sales in Turkey became 57,946 by increasing 17.9% compared to the same month of the previous year. In the second hand sales, İstanbul was the first province again with 9,055 sales and 15.6% share. Share of the second hand sales was 53.1% in İstanbul in total house sales. Ankara was the second province with 6,945 sales and Ankara was followed by İzmir with 3,708 sales.

IN SEPTEMBER 2016, 1,276 HOUSES WERE SOLD TO FOREIGNERS.

In house sales to foreigners became 1,276 by decreasing 27.8% compared to the same month of the previous year. Antalya was the first province with 359 sales in September 2016. The followers of Antalya were İstanbul with 323 house sales, Bursa with 82 house sales, Aydın with 69 house sales, Trabzon and Yalova with 67 house sales.

MOST HOUSE SALES WERE MADE TO IRAQI CITIZENS ACCORDING TO COUNTRY NATIONALITIES.

Iraqi citizens bought 230 houses from Turkey in September. The followers of Iraq were Saudi Arabia with 140 house sales, Russia with 99 house sales, Kuwait with 85 house sales and England with 84 house sales.

Source: Turkstat

CONSTRUCTION AND HOUSING SECTOR OUTLOOK

BUILDING PERMITS

FLOOR AREA OF BUILDINGS GIVEN CONSTRUCTION PERMITS INCREASED BY 14%.

**ACCORDING TO
THE DWELLING
UNITS, İSTANBUL
HAD THE
HIGHEST SHARE
WITH 111
THOUSAND 494
DWELLING
UNITS.**

In the first six months of 2016 compared with the previous year, number of buildings, floor area of buildings, value of buildings and number of dwelling units increased by 14.2%, 14.0%, 19.7% and 16.2% respectively according to the Construction permits given by municipalities to the buildings.

Buildings given construction permits in the total of January-June 2016;

Total floor area of buildings realized as 104.1 million sqm and 57.3 million sqm of it realized as residential building, 26.0 million sqm of it realized as non residential building and 20.8 million sqm of it realized as common used area.

According to the use of building, two and more dwelling residential buildings had the highest share with 76.4 million sqm. It was followed by public entertainment, education, hospital or institutional care buildings with 5.4 million sqm.

According to the type of investor, private sector had the highest share with 87.1 million sqm. It was followed by public sector with 14.8 million sqm and construction cooperatives with 2.2 million sqm respectively. According to the number of dwelling units, from total 499 thousand 053 dwellings, 457 thousand 396 of it was taken by private sector, 33 thousand 762 of it was taken by public sector and 7 thousand 895 of it was taken by construction cooperatives.

According to the provinces, İstanbul had the highest share with 20.1 million sqm. It was followed by Ankara with 8.9 million sqm and İzmir with 5.3 million sqm respectively. The provinces which had the lowest floor area were Hakkari, Artvin and Bitlis respectively.

According to the dwelling units, İstanbul had the highest share with 111 thousand 494 dwelling units. It was followed by Ankara with 33 thousand 938 dwelling units and İzmir with 27 thousand 865 dwelling units respectively. The provinces which had the lowest dwelling units were Hakkari, Muş and Şırnak respectively.

Source: Turkstat

CONSTRUCTION AND HOUSING SECTOR OUTLOOK

BUILDING PERMITS (Continued)

Construction permit, January-June 2016

Indicators	Year			Ratio of change by the previous year (%)	
	2016	2015 ^(r)	2014 ^(r)	2016	2015
Number of building	67 720	59 313	80 556	14.2	-26.4
Floor area (m ²)	104 079 720	91 281 259	125 083 576	14.0	-27.0
Value (TL)	92 271 091 678	77 069 709 486	98 146 469 215	19.7	-21.5
Number of dwelling unit	499 053	429 409	586 294	16.2	-26.8

(r): Building permits data of 2014 and 2015 years are revised.

FLOOR AREA OF BUILDINGS GIVEN OCCUPANCY PERMITS INCREASED BY 1.4%.

In the first six months of 2016 compared with the previous year, number of buildings, floor area of buildings and value of buildings increased by 0.5%, 1.4% and 6.9% respectively on the other hand, the number of dwelling units decreased by %1.6, according to the Occupancy permits given by municipalities to the buildings.

Buildings given occupancy permits in the total of January-June 2016;

Total floor area of buildings realized as 69.5 million sqm and 40.1 million sqm of it realized as residential building, 16.9 million sqm of it realized as non residential building and 12.5 million sqm of it realized as common used area.

According to the use of building, two and more dwelling residential buildings had the highest share with 51.0 million sqm. It was followed by wholesale and retail trade buildings with 4.5 million sqm.

According to the type of investor, private sector had the highest share with 60.4 million sqm. It was followed by public sector with 7.2 million sqm and construction cooperatives with 1.8 million sqm respectively. According to the number of dwelling units, from total 349 thousand 573 dwellings, 322 thousand 421 of it was taken by private sector, 19 thousand 269 of it was taken by public sector and 7 thousand 883 of it was taken by construction cooperatives.

Source: Turkstat

CONSTRUCTION AND HOUSING SECTOR OUTLOOK

BUILDING PERMITS (Continued)

ACCORDING TO THE PROVINCES, İSTANBUL HAD THE HIGHEST SHARE WITH 14.1 MILLION SQM IN TERMS OF BUILDING PERMIT OBTAINED.

According to the provinces, İstanbul had the highest share with 14.1 million sqm. It was followed by Ankara with 6.3 million sqm and İzmir with 4.1 million sqm respectively. The provinces which had the lowest floor area were Şırnak, Ardahan and Hakkari respectively.

According to the dwelling units, İstanbul had the highest share with 82 thousand 199 dwelling units. It was followed by Ankara with 28 thousand 145 dwelling units and İzmir with 22 thousand 155 dwelling units respectively. The provinces which had the lowest dwelling units were Şırnak, Ardahan and Hakkari respectively.

Occupancy permit, January-June 2016

Indicators	Year			Ratio of change by the previous year (%)	
	2016	2015 ^(r)	2014 ^(r)	2016	2015
Number of building	52 735	52 483	71 028	0.5	-26.1
Floor area (m ²)	69 479 990	68 549 467	84 162 088	1.4	-18.6
Value (TL)	60 729 468 443	56 823 970 602	65 194 559 957	6.9	-12.8
Number of dwelling unit	349 573	355 190	421 253	-1.6	-15.7

(r): Building permits data of 2014 and 2015 years are revised.

Source: Turkstat

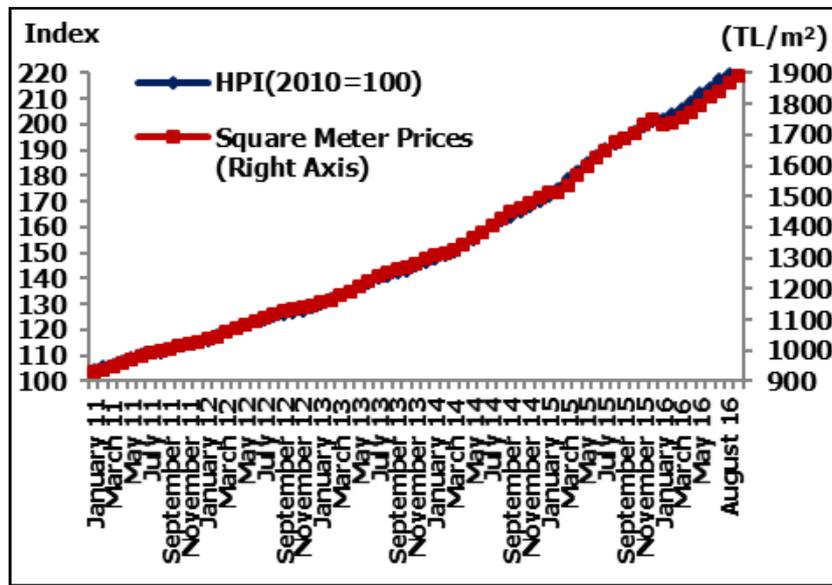
CONSTRUCTION AND HOUSING SECTOR OUTLOOK

HOUSE PRICE INDEX JULY 2016 (JULY, AUGUST, SEPTEMBER 2016)

**IN TURKEY,
HOUSE PRICE
INDEX
INCREASED BY
14.10 % YEAR
OVER YEAR.**

House Price Index(2010=100); which is calculated by stratified median price method to follow the price changes of the Turkey Real Estate Market, has increased by 0.98 percent month over month in August 2016 to 219.55 (Graph.1). HPI has increased by 14.10 percent compared with the previous year and increased in real 5.60 percent in the same period (Graph.2). Unit price defines a house price per meter square has increased by 1,889.44 TL/sqm in August 2016 in comparison with August 2015 with a value of 1,689.39 TL/sqm.

GRAPH 1. HPI and Square Meter Prices



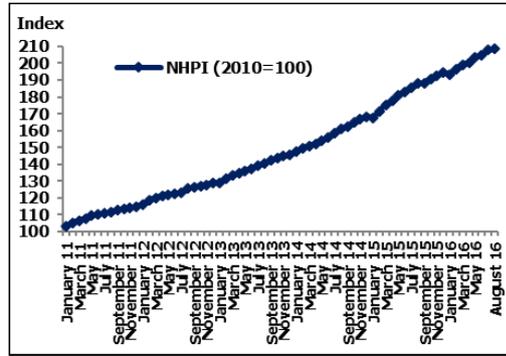
CONSTRUCTION AND HOUSING SECTOR OUTLOOK

NEW HOUSING PRICE INDICES

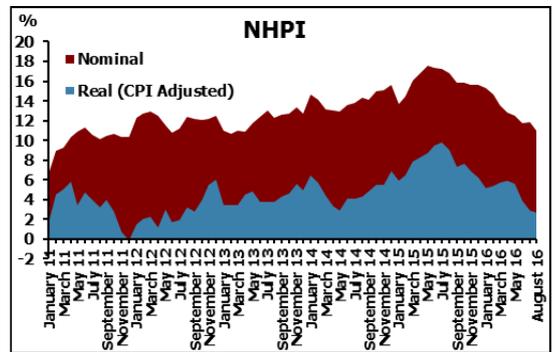
**IN TURKEY NEW
HOUSING PRICE
INDEX
INCREASED BY
10.98 % YEAR
OVER YEAR.**

In Turkey, New Housing Price Index (2010=100) which is calculated by analyzing the appraisal reports of the houses which have been built in preceding two years in 48 cities, has increased by 0.37 percent month over month in August to 208.49 (Graph.3). Index has increased by 10.98 percent compared with the previous year and increased in real 2.71 percent in the same period (Graph.4).

GRAPH 3. NHPI



GRAPH 4. NHPI Annual Perc.(%) Changes

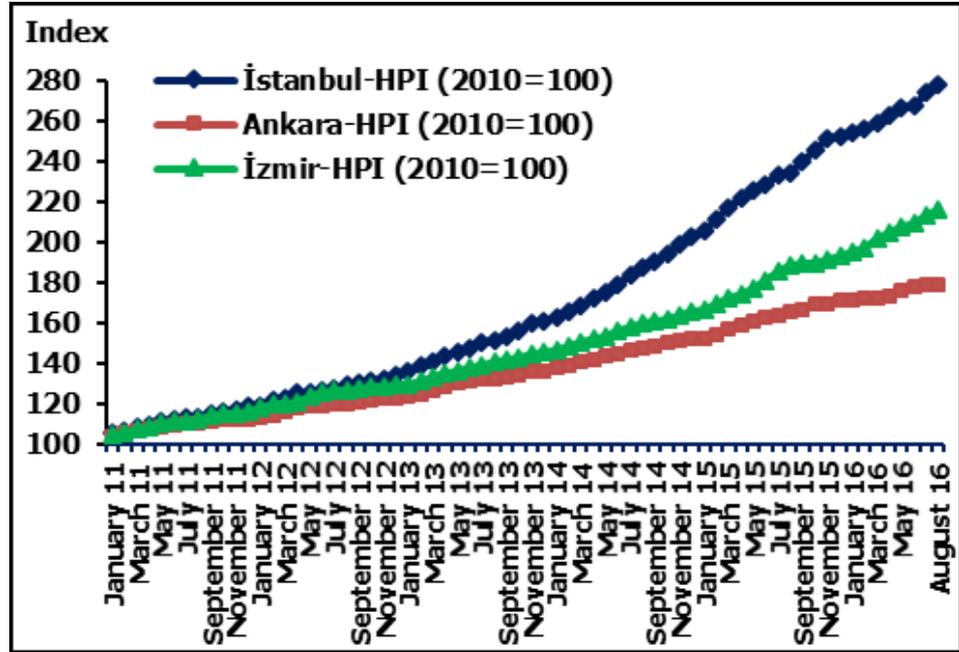


CONSTRUCTION AND HOUSING SECTOR OUTLOOK

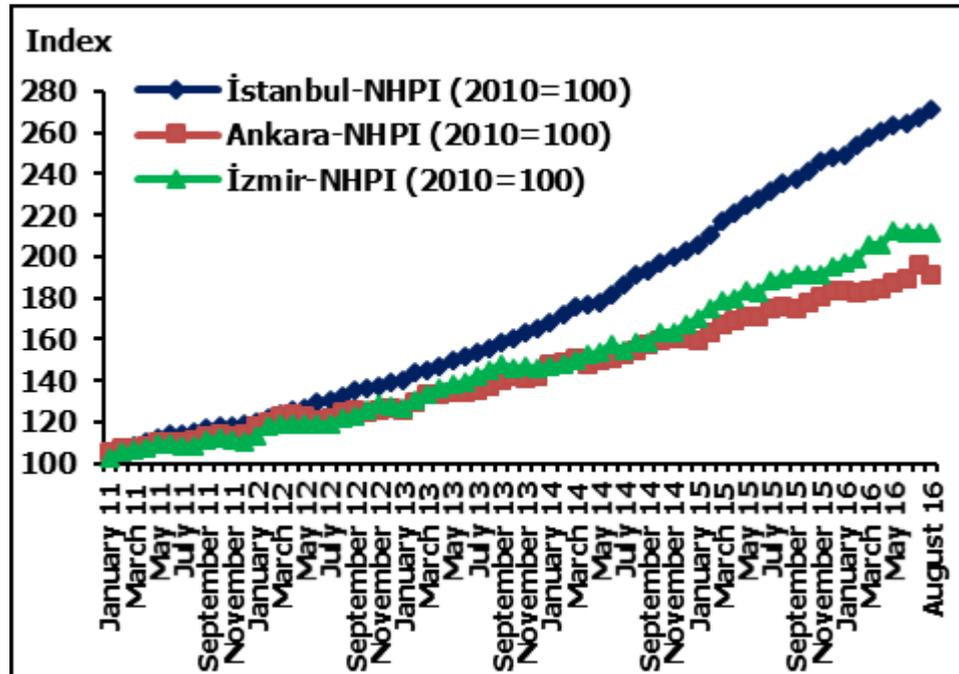
HOUSE PRICE INDICES AND NEW HOUSING PRICE INDICES FOR THREE LARGE CITIES (Continued)

NEW HOUSING PRICE INDICES INCREASED BY 15.37%, 8.57% AND 11.53%, İSTANBUL, ANKARA AND İZMİR RESPECTIVELY.

GRAPH 5. House Price Indices for Three Large Cities



GRAPH 6. New Housing Price Indices for Three Large Cities



Source: CBRT

MISCELLANEOUS DEVELOPMENTS

ABOUT CORPORATE RESOURCES MANAGEMENT SYSTEM

Our Company signed a contract with Detay Danışmanlık Bilgisayar Hizmetleri Sanayi Dış Ticaret A.Ş., SAP's Turkey solution partner, to replace the Company's corporate resource management system software.

ABOUT THE BORROWING AUTHORITY FOR POSSIBLE LAND PURCHASES

The Board of Directors authorized the General Directorate at its meeting on 07.15.2016 to receive finance by borrowing from money and/or capital markets up to 2 billion Turkish lira (in the form of bank loans, bonds, bills, sukuk issuance, etc.) to be used for possible land purchases in the period ahead.

ABOUT THE NEW SALES CAMPAIGN

As it is known, sales in Emlak Konut's revenue sharing projects take place in the form of cash sale (including bank loans) or short-term securities.

However, the Company designed, subsequent to the recent developments, the following campaign to prevent the wait-and-see attitude, increase sales and contribute to the contractors' cash flow positively in this process.

Installment sales will be made in 30 projects with the following methods:

- a) 20 percent down payment, term options up to 120 months, and CPI escalation on the term period.
- b) 20 percent down payment, term options up to 120 months, and 0.7 percent monthly interest.

Emlak Konut will not receive any down payment and its share for the first 12 months, but transfer all the cash proceeds to contractors' project accounts. All the term receivables after the 13th month will be left to Emlak Konut, and deducted from the contractors' commitments to the Company. The maximum limit will be 20 percent of the total revenue guaranteed by contractors to Emlak Konut.

ABOUT THE SALES CAMPAIGN

The total deferred limit for the sales to be made in the "We Believe in our Country's Future" campaign, was revised to 30 percent from 20 percent of Emlak Konut's total share.

MISCELLANEOUS DEVELOPMENTS

ABOUT THE DURATION OF THE ADVANCE PAYMENT DISCOUNT CAMPAIGN

Our Company extended its campaign for the projects developed with the turnkey method and those sold by itself after sharing, until 30.09.2016. The campaign allows for a 20 percent discount on buyers' current debt when they pay up the whole sum.

The projects with revenue-sharing model in return for the land sale and those currently sold by contractors are excluded from this campaign.

ABOUT THE DURATION OF THE SALES CAMPAIGN

The total deferred limit for the sales in the popular "We Believe in our Country's Future" campaign, was revised to 30 percent from 20 percent of Emlak Konut's total share, and the campaign has been extended until 31.12.2016.

ABOUT THE INTERNAL AUDIT SYSTEM

At its meeting on 26.08.2016, the Board of Directors determined the working principles of the audit systems within the Company and entered these principles to the Company's relevant regulations.

SHARE BUYBACK PROGRAM

No share repurchases took place from 01.01.2016 to 30.09.2016.

MISCELLANEOUS DEVELOPMENTS

MATERIAL EVENT DISCLOSURE

All deputy general managers are responsible for the disclosure of matters related to their own directorate as part of the disclosure of special circumstances.

40 material event disclosures were made between **01.07.2016** and **30.09.2016**. All the disclosures were made by Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.

217 material event disclosures were made between **01.07.2016** and **30.09.2016**. One disclosure was made by **Galatasaray Sportif Sınai ve Ticari Yatırımlar A.Ş.** The CMB or BIST did not request additional written statement after these disclosures.

DONATIONS

The Company did not make any donations between **01.01.2016** and **31.03.2016**.

The Company donated 1,062,000 Turkish lira to Ak As Yapı Sistemleri between **01.04.2016** and **30.06.2016** for social responsibility reasons.

As part of the social responsibility projects aiming to support educational, cultural, and art activities, our Company donated 8,000,000 Turkish lira between **01.07.2016** and **30.09.2016** to “İstanbul Mosque Construction, Education, and Cultural Services Association,” which currently builds a mosque, Turkish Islamic Works Museum, art gallery, library, handicraft studio, and conference hall - all under construction in the Çamlıca area.

Also, the Company donated 59,000 Turkish lira and 363,268.83 Turkish lira to Ak As Yapı Sistemleri and Selin Kimya Deri Paz. İth. İhr. respectively, for social responsibility purposes and a further 200,000 Turkish lira to Van Police Services Development and Support Association from **01.07.2016** to **30.09.2016**.

The Company donated a total of 9,683,268.83 Turkish lira between **01.01.2016** and **30.09.2016**.

MISCELLANEOUS DEVELOPMENTS

LAWSUIT BROUGHT AGAINST OUR COMPANY

MASLAK 1453 PROJECT

1) UCTEA, Chamber of City Planners, İstanbul Branch,

The lawsuit was brought at the İstanbul Administrative Court No. 5 with the file No. 2012/401 E. for the suspension and annulment of the Revision Master Zoning Plan (scale: 1:5,000) and the Revision Application Zoning Plan (scale: 1/1,000) for the Slum Prevention Zone in Ayazağa, Şişli, which was published between 29.11.2011 and 29.12.2011 after the Ministry of Environment and Urban Planning approval (dated 16.09.2011, No. 103140). The court decided to include the Ministry of Environment and Urban Planning as an adverse party although the lawsuit was brought against the Housing Development Administration (TOKİ). On 10.05.2012, the court dismissed the lawsuit on the basis of authorization and referred the file to the Council of State. The file was registered to the docket No. 2012/4412 of the Chamber No. 6 of the Council of State, and our Company joined the lawsuit as an intervenor together with the defendant institutions. The court rendered a stay of execution judgment and dismissed the objection to the judgment of the stay of execution. The parties currently wait for the report to be prepared after the examination on 30.05.2016.

2) UCTEA, Chamber of City Planners, İstanbul Branch,

The lawsuit was brought against Sarıyer Municipality Mayorship and Şişli Municipality Mayorship at the İstanbul Administrative Court No. 12 with the file No. 2015/1354 E. for the reversal of the dismissal of the request for suspension and cancellation of the construction and renovation licenses and the said licenses themselves granted for the Section No. 2, Block No. 1, and Plot No. 20, 49, and 50 (previously Block No. 1 and Plot No. 145 and after the zoning application Block No. 10622 and Plot No. 1) in Ayazağa Slum Prevention Zone, Şişli District, İstanbul. The court accepted our request to intervene in the lawsuit together with the defendants, and dismissed the request for the suspension of execution on 29.02.2016. The plaintiff's objection to the dismissal of the request for the suspension of execution was dismissed by İstanbul District Administrative Court on 06.04.2016.

MISCELLANEOUS DEVELOPMENTS

LAWSUIT BROUGHT AGAINST OUR COMPANY

ZEKERİYAKÖY PROJECT

1) UCTEA, Chamber of City Planners, İstanbul Branch,

The lawsuit 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 suspension and annulment of the Protective Master Zoning Plan (scale: 1:1,500) and Application Zoning Plan (scale: 1/1,000) for Zekeriyaköy Housing Area, prepared for the third-degree natural protected area within Zekeriyaköy Neighborhood, Sarıyer District, İstanbul and granted approval (dated: 13.03.2012, No. 1769) On 13.05.2013, the court rendered the judgment to “accept the request for the suspension of execution due to the nature of the lawsuit and situation until another judgment is made on the issue following the issuance of a report after an examination and expert review” and dismissed the objection to the suspension of execution. The court decided to suspend the execution on 07.07.2014 in line with the examination and expert review, which took place on 17.01.2014. And the objections to this judgment was dismissed by the Plenary Session of Administrative Law Chambers. Our Company submitted a request to join the lawsuit as an intervenor together with the defendant institutions, and the court accepted our request on 04.05.2015. The hearing took place on 24.06.2015. The court decided to notify the Ministry of Forestry and Water Affairs of the lawsuit on 08.12.2015.

2) UCTEA, Chamber of City Planners, İstanbul Branch,

The lawsuit was brought against the Ministry of Environment and Urban Planning at the İstanbul Administrative Court No. 7 with the file No. 2013/2478 E. for the suspension and annulment of the Protective Master Zoning Plan (scale: 1:5,000) and the Protective Application Zoning Plan (scale: 1/1,000) approved by the Ministry of Environment and Urban Planning with the office consent (dated: 14.08.2013, No. 8097) for the Zekeriyaköy Housing Area within Zekeriyakoy Neighborhood, Sarıyer, District, İstanbul. The examination was made on 20.05.2015, and the expert report was notified to our Company on 19.02.2016. Our Company made an objection to the expert report’s unfavorable parts.

MISCELLANEOUS DEVELOPMENTS

LAWSUIT BROUGHT AGAINST OUR COMPANY

ZEKERİYAKÖY PROJECT(CONTINUED)

3) UCTEA, Chamber of Forest Engineers, İstanbul Branch,
The lawsuit was brought against the Housing Development Administration (TOKİ), Ministry of National Defense, Ministry of Finance at the İstanbul Administrative Court No. 3 with the file No. 2014/268 E. for the suspension and annulment of Consent granted in the Ministry of National Defense document (dated: 09.02.2010 and No. 3075-10) for the transfer of 34 immovables allocated to the Ministry of National Defense in Zekeriyaköy Neighborhood, Sarıyer District, İstanbul, to Housing Development Administration (TOKİ) as well as the Ministry of Finance's Consent in the document (dated: 04.11.2010, No. 37014) for the transfer of these immovables to TOKİ. On 20.11.2014, our Company submitted a request to join the lawsuit as an intervenor together with the defendant institutions. On 15.07.2015, the requests of our Company, Siyah Kalem Mühendislik, and the Foresters' Association of Turkey to intervene in the lawsuit.

The court dismissed the lawsuit. The plaintiff appealed against the Administrative Court's judgment with a request for the suspension of execution. On 24.02.2016, the Chamber No. 10 of the Council of State decided to suspend the execution. The parties wait for the result of the appellate review.

KUASAR PROJECT

1) Serdar Bayraktar et al.,
The lawsuit was brought at the İstanbul Administrative Court No. 5 with the file No. 2014/260 E. for the suspension and annulment of the Master Zoning Plan amendment (scale: 1:5,000) and the Application Zoning Plan amendment (scale: 1/1,000) accepted with the Consent (dated: 19.06.2013 and No. 6186) regarding the immovable in Section No. 58, Block No. 1199, and Plot No. 230, Dikilitaş Neighborhood, Şişli District. Our Company joined the lawsuit as an intervenor together with the defendant institutions. The court accepted the lawsuit and decided to annul the plan in dispute. The parties wait for the result of the appellate review.

MISCELLANEOUS DEVELOPMENTS

LAWSUIT BROUGHT AGAINST OUR COMPANY

KUASAR PROJECT (CONTINUED)

2) UCTEA, Chamber of City Planners, İstanbul Branch,

The lawsuit was brought at the İstanbul Administrative Court No. 5 with the file No. 2013/2103 E. for the suspension and annulment of the Master Zoning Plan amendment (scale: 1:5,000) and the Application Zoning Plan amendment (scale: 1/1,000) accepted with the Consent (dated: 19.06.2013 and No. 6186) regarding the immovable in Section No. 58, Block No. 1199, and Plot No. 230, Dikilitaş Neighborhood, Şişli District. Our Company joined the lawsuit as an intervenor together with the defendant institutions. The court accepted the lawsuit and decided to annul the plan in dispute. The parties wait for the result of the appellate review.

İSTANBUL KAPADIK AREA

1) Avcılar Municipality Mayorship,

The lawsuit was brought against the Ministry of Environment and Urban Planning at the Chamber No. 6 of the Council of State with the file No. 2013/6332 E. for the suspension and annulment of the Master Zoning Plan Revision (scale: 1:5,000) and the Application Zoning Plan Revision (scale: 1/1,000) approved by the Ministry of Environment and Urban Planning with the office consent (dated: 01.04.2013 and No. 4989) for Kapadık Area, Yeşilkent Neighborhood, Avcılar District, İstanbul. There was also a request to associate the lawsuit with the file No. 2012/4041 E. of the Chamber No. 6 of the Council of State. The court decided to notify TOKİ and our Company of the lawsuit. On 02.04.2014, our Company submitted a request to join the lawsuit as an intervenor together with the defendant institution. Our Company presented its objections to the expert report notified after the examination. The court decided to suspend the execution in line with the expert report on 01.12.2014, and the Plenary Session of Administrative Law Chambers of the Council of State dismissed our appeal against the judgment to suspend the execution. On 02.03.2015, our Company requested a new expert review and trial. On 27.04.2015, the Plenary Session of Administrative Law Chambers of the Council of State dismissed our appeal against the judgment to suspend the execution. The court dismissed the request of the İstanbul Branch of the Chamber of City Planners, UCTEA, to attend the lawsuit

MISCELLANEOUS DEVELOPMENTS

LAWSUIT BROUGHT AGAINST OUR COMPANY

İSTANBUL KAPADIK AREA (CONTINUED)

together with the plaintiff. On 26.11.2015, the Council of State prosecutor gave an opinion against which we presented a counter statement on 18.12.2015.

2) Avcılar Municipality Mayorship,

The lawsuit was brought against the Ministry of Environment and Urban Planning at the Chamber No. 6 of the Council of State with the file No. 2012/4041 E. for the suspension and annulment of the Master Zoning Plan Revision (scale: 1:5,000) and the Application Zoning Plan Revision (scale: 1/1,000) approved by the Ministry of Environment and Urban Planning with the office consent (dated: 09.01.2012 and No. 491) for Kapadık Area, Yeşilkent Neighborhood, Avcılar District, İstanbul. On 23.09.2013, the court accepted the request for the association and examination of the lawsuit together with the lawsuit No. 2013/6332 E. (filed against the 2013 plan). Our Company made a request to join the lawsuit together with the defendant on 09.04.2015 and the court accepted our request to intervene on 29.06.2015. On 10.11.2015, the Council of State prosecutor gave an opinion against which we presented a counter statement on 18.12.2015.

İSTANBUL KAYABAŞI

1) İstanbul Metropolitan Municipality Council Members (Serdar Bayraktar et al.),

The lawsuit was brought against the Ministry of Environment and Urban Planning at the İstanbul Administrative Court No. 9 with the file No. 2013/2096 E. for the suspension and annulment of the Revision Master Zoning Plan amendment (scale: 1:5,000) and the Revision Application Zoning Plan amendment (scale: 1/1,000) approved by the Ministry of Environment and Urban Planning with the office consent (dated: 09.05.2013, No. 7096) for the Kayabaşı Housing Development in Başakşehir District, İstanbul. On 21.04.2014, our Company made a request to join the lawsuit as an intervenor together with the defendant institution and the court accepted this intervention request on 30.06.2014. On 24.06.2016, the court accepted the lawsuit and decided to annul the plan in dispute. The parties wait for the result of our appeal.

MISCELLANEOUS DEVELOPMENTS

LAWSUIT BROUGHT AGAINST OUR COMPANY

İSTANBUL ZEYTİNBURNU

1) UCTEA, Chamber of City Planners, İstanbul Branch,

The lawsuit was brought against the Ministry of Environment and Urban Planning at the İstanbul Administrative Court No.5 with the file No.2014/561 E. for the suspension and annulment of the Master Zoning Plan (scale:1:5,000) and the Application Zoning Plan (scale:1/1,000) approved by the Ministry of Environment and Urban Planning with the office consent (dated: 19.11.2013, No.17978) for Block No.774 and Plot No. 6 and 31 in Kazlıçeşme Neighborhood, Zeytinburnu District, İstanbul. Our Company joined the lawsuit as an intervenor together with the defendant institution. On 22.09.2014, the court decided to dismiss the request for the suspension of execution, and the plaintiff's objection was also by the District Administrative Court. The expert report came in our Company's favor, whereas the plaintiff objected to it. On 31.03.2016, the court decided to hold the file No. 2014/1641 E. until the preparation and submission of an expert report to the court following an examination and expert review. The examination and expert review was conducted on the said file on 15.07.2016.

2) UCTEA, Chamber of Architects, İstanbul Büyükkent Branch,

The lawsuit was brought against the Ministry of Environment and Urban Planning at the İstanbul Administrative Court No. 5 with the file No. 2014/1641 E. for the suspension and annulment of the Master Zoning Plan (scale: 1:5,000) and Application Zoning Plan amendment (scale: 1:1,000) approved by the Ministry of Environment and Urban Planning after amendment with the office consent (dated: 19.11.2013 and No. 17978) for Block No. 774 and Plot No. 6 and 31 within Kazlıçeşme Neighborhood, Zeytinburnu District, İstanbul 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) and published between 09.04.2014 and 08.05.2014 for the same area. On 26.03.2015, our Company submitted a request to join the lawsuit as an intervenor together with the defendant institution. On 27.05.2015, the court accepted our Company's request to intervene. The lawsuit was heard at the İstanbul Administrative

MISCELLANEOUS DEVELOPMENTS

LAWSUIT BROUGHT AGAINST OUR COMPANY

İSTANBUL ZEYTİNBURNU (CONTINUED)

Court No. 5 with the file No. 2014/561 E. The expert report came in our Company's favor, whereas the plaintiff objected to it. On 15.07.2016, an examination and expert review was conducted by a 5-person panel. The parties wait for the report.

İSTANBUL KARTAL

1) S.S.İstanbul Anadolu Yakası Kumcular Üretim ve Paz. Cooperative,

The lawsuit was brought against the Ministry of Environment and Urban Planning at the İstanbul Administrative Court No. 9 with the file No. 2013/2105 E. for the suspension and subsequent annulment 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 Plot No. 1, 4, 5, 6; Block No. 675 and Plot No. 1, 2, 3; Block No. 676 and Plot No. 108; Block No. 720 and Plot No. 2, 4, 8, 19, 34 within Kartal District. Our Company joined the lawsuit as an intervenor together with the defendant institution. On 27.04.2015, the court decided to dismiss the lawsuit, and the parties wait for the result of the plaintiff's appeal.

2) UCTEA, Chamber of City Planners, İstanbul Branch,

The lawsuit was brought against the Ministry of Environment and Urban Planning at the İstanbul Administrative Court No. 1 with the file No. 2013/685 E. for the suspension and subsequent annulment 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 Plot No. 1, 4, 5, 6; Block No. 675 and Plot No. 1, 2, 3; Block No. 676 and Plot No. 108; Block No. 720 and Plot No. 2, 4, 8, 19, 34 within Kartal District. Our Company joined the lawsuit as an intervenor together with the defendant institution. On 16.04.2015, the court decided to dismiss the lawsuit, and the parties wait for the result of the plaintiff's appeal.

MISCELLANEOUS DEVELOPMENTS

LAWSUIT BROUGHT AGAINST OUR COMPANY

FINANCE CENTER PROJECT

1) UCTEA, Chamber of City Planners, İstanbul Branch,

The lawsuit was brought against the Ministry of Environment and Urban Planning at the İstanbul Administrative Court No. 7 with the file No. 2013/621 E. for the suspension and subsequent annulment of the İstanbul Financial Center Master Zoning Plan (scale: 1:5,000) and İstanbul Financial Center Application Zoning Plan (scale: 1:1,000) published between 25.06.2012 and 24.07.2012 for the region known as İstanbul Financial Center within Ümraniye and Ataşehir districts. Our Company joined the lawsuit as an intervenor together with the defendant institution. The expert report prepared after the examination was unfavorable for our Company and we have an objection to it.

2) UCTEA, Chamber of Architects,

The lawsuit was brought against the Ministry of Environment and Urban Planning at the İstanbul Administrative Court No. 8 with the file No. 2012/1672 E. for the suspension and subsequent annulment of the İstanbul Financial Center Master Zoning Plan (scale: 1:5,000) and İstanbul Financial Center Application Zoning Plan (scale: 1:1,000) published between 25.06.2012 and 24.07.2012 for the region known as İstanbul Financial Center within Ümraniye and Ataşehir districts. Our Company submitted a request to join the lawsuit as an intervenor together with the defendant institution. The file docket was closed as it was related to the file No. 2013/621 E. of the İstanbul Administrative Court No. 7 and it was referred to the İstanbul Administrative Court No. 7. The file was registered to the İstanbul Administrative Court No. 7 with the docket No. 2014/1102. As the court came to the understanding that the judgment it will make for the lawsuit with the file No. 2013/621 after the examination and expert review would affect its judgment in this lawsuit, it decided to hold the lawsuit at this stage and make its judgment after ruling on the said lawsuit according to the expert report.

MISCELLANEOUS DEVELOPMENTS

LAWSUIT BROUGHT AGAINST OUR COMPANY

FINANCE CENTER PROJECT (CONTINUED)

3) UCTEA, Chamber of Architects,

The lawsuit was brought against the Housing Development Administration and İstanbul Metropolitan Municipality Mayorship at the İstanbul Administrative Court No. 1 with the file No. 2013/1927 E. for the annulment of the “Ataşehir 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 İstanbul Metropolitan Municipality Council. The same request was made for the Ataşehir 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 lawsuit as an intervenor together with the defendants. The court dismissed the lawsuit, and the parties wait for the outcome of the appellate review.

İSTİNYE PROJECT

1) Sarıyer Municipality Mayorship,

The plaintiff, Sarıyer Municipality Mayorship, brought the lawsuit at the Civil Court of First Instance No. 12 with the file No. 2015/73 for the suspension and annulment of the tender to be carried out on 03.03.2015 with the Land Sale-based Revenue Sharing method for the immovables owned by our Company within Block No. 380 and Plot No. 17, 18 and 38; Block No. 360 and Plot No. 3 and 64; Block No. 1352 and Plot No. 3 within İstinye Neighborhood, Sarıyer, İstanbul. On 02.03.2015, the court made the judgment No. 2015/79 K. to dismiss the lawsuit on the grounds of authorization. Our Company made an appeal against the judgment together with the plaintiff and the parties wait for the result of the appeal.

MISCELLANEOUS DEVELOPMENTS

LAWSUIT BROUGHT AGAINST OUR COMPANY

İSTİNYE PROJECT (CONTINUED)

2) Sarıyer Municipality,

The plaintiff, Sarıyer Municipality, brought the lawsuit against the Prime Ministry Privatization Administration at the Chamber No. 13 of the Council of State with the file No. 2014/2899 E. for the suspension of execution and cancellation of the High Board of Privatization decision (dated: 16.05.2014 and No. 2014/51) regarding the sale of immovables on Block No. 380 and Plot No. 17, 18, and 38; Block No. 360 and Plot No. 3 and 64; Block No. 1352 and Plot No. 3 to Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş. through the tender conducted according to the Law No. 4046. A party to the sales and tender process, our Company was not cited as a party in this lawsuit, but it made a request to intervene in the lawsuit in April 2015 after finding out about the lawsuit separately. And we presented our defense regarding the merits of the lawsuit after the court's decision to accept our intervention. The court decided to dismiss the request for the suspension of execution on 20.10.2015 with an interlocutory judgment and then to dismiss the lawsuit on 07.06.2016.

FATİH YEDİKULE

1) Hikmet Öz et al.,

The plaintiff, Hikmet Öz et al. brought the lawsuit against İstanbul Metropolitan Municipality Mayorship, Ministry of Culture and Tourism, and Fatih Municipality Mayorship at the İstanbul Administrative Court No. 2 with the file No. 2013/347 E. for the suspension and annulment 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 İstanbul Metropolitan Municipality Mayorship on 04.10.2012. On 24.04.2015, the court made a judgment for the partial acceptance and dismissal of the request for the suspension of execution. On 07.08.2015, our Company submitted a request to join the lawsuit as an intervenor together with the defendant institutions. The Chamber No. 1 of the District Administrative Court accepted the defendant institutions' objection to the judgement for the suspension of execution. It decided to remove

MISCELLANEOUS DEVELOPMENTS

LAWSUIT BROUGHT AGAINST OUR COMPANY

FATİH YEDİKULE (CONTINUED)

the judgment to suspend the execution given on 24.04.2015 until making a new judgment regarding the request for the suspension of execution in line with a report to be prepared after an expert review. The court accepted our request to intervene in the lawsuit on 15.01.2016. The Ministry of Transport, Maritime Affairs and Communications submitted a request to join the lawsuit together with the defendants on 03.03.2016. The court accepted the request of the Ministry of Transport, Maritime Affairs and Communications to intervene on 18.05.2016 and the hearing took place on 20.06.2016.

MÜHYE LAND

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

The lawsuit was brought against the Ministry of Environment and Urban Planning and the Housing Development Administration at the Ankara Administrative Court No. 8 with the file No. 2015/1224 E. for the suspension of and annulment of the Başkent Ankara 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 Ministry of Environment and Urban Planning with the office consent (dated: 27.02.2015, No. 3341) for the Plot No. 2 of the Block No. 644, 831, 919, 920, 921, 3189, 3198, 3320, 3321 and 28060 within Mühye Neighborhood, Çankaya District, Ankara. On 10.09.2015, our Company submitted a request to join the lawsuit as an intervenor together with the defendant institutions. As per the unification judgment of the Chamber No. 1 of the Ankara District Administrative Court (dated: 21.10.2015, No. 2015/2933 E., 2015/2724 K.), the file was closed and referred to the Ankara Administrative Court No. 5. The trial continued with the file No. 2015/2968 E. of the Ankara Administrative Court No. 5. On 13.01.2016, the court decided to accept our Company's request to intervene in the lawsuit. The expert report following the examination and expert review conducted on 12.04.2016 was against our Company, and we objected to it on 11.07.2016. Also, the court made a judgment for the suspension of execution on 27.07.2016, and we made an appeal against this judgment on 18.08.2016.

MISCELLANEOUS DEVELOPMENTS

LAWSUIT BROUGHT AGAINST OUR COMPANY

MÜHYE LAND (CONTINUED)

2) UCTEA, Chamber of Architects, Ankara Branch,

The lawsuit was brought against the Ministry of Environment and Urban Planning and the Housing Development Administration at the Ankara Administrative Court No. 4 with the file No. 2015/1482 E. for the suspension of and annulment of the Başkent Ankara 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 Ministry of Environment and Urban Planning with the office consent (dated: 27.02.2015, No. 3341) for the Plot No. 2 of the Block No. 644, 831, 919, 920, 921, 3189, 3198, 3320, 3321 and 28060 within Mühye Neighborhood, Çankaya District, Ankara. On 10.09.2015, our Company submitted a request to join the lawsuit as an intervenor together with the defendant institutions. As per the unification judgment of the Chamber No. 1 of the Ankara District Administrative Court (dated: 21.10.2015, No. 2015/3087 E., 2015/2723 K.), the file was closed and referred to the Ankara Administrative Court No. 5. The trial continued with the file No. 2015/3052 E. of the Ankara Administrative Court No. 5. On 13.01.2016, the court decided to accept our Company's request to intervene in the lawsuit. The expert report following the examination and expert review conducted on 12.04.2016 was against our Company, and we objected to it on 11.07.2016. Also, the court made a judgment to suspend the execution on 27.07.2016. The Chamber No. 8 of the District Administrative Court accepted our objection to the judgment of the suspension of execution and the court decided to reverse this judgment on 24.08.2016.

3) Çankaya Municipality Mayorship,

The lawsuit was brought against the Ministry of Environment and Urban Planning and the Housing Development Administration at the Ankara Administrative Court No. 9 with the file No. 2015/1554 E. for the suspension of and annulment of the Başkent Ankara 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 Ministry of Environment and Urban Planning with the office consent (dated: 27.02.2015, No. 3341) for the Plot No. 2 of the Block No. 644, 831, 919, 920, 921, 3189, 3198, 3320, 3321 and 28060 within Mühye Neighborhood, Çankaya

MISCELLANEOUS DEVELOPMENTS

LAWSUIT BROUGHT AGAINST OUR COMPANY

MÜHYE LAND (CONTINUED)

District, Ankara. On 10.09.2015, our Company submitted a request to join the lawsuit as an intervenor together with the defendant institutions. As per the unification judgment of the Chamber No. 1 of the Ankara District Administrative Court (dated: 21.10.2015, No. 2015/2369 E., 2015/2726 K.), the file was closed and referred to the Ankara Administrative Court No. 5. The trial continued with the file No. 2015/2940 E. of the Ankara Administrative Court No. 5. On 03.12.2015, the court made a judgment to obtain an expert review and rule on the suspension of execution after obtaining the expert review. On 13.01.2016, the court decided to accept our Company's request to intervene. On 09.03.2016, the court accepted Fatma Nazan Özyay's request to intervene. The expert report following the examination and expert review conducted on 12.04.2016 was against our Company, and we objected to it on 11.07.2016. Also, the court made a judgment for the suspension of execution on 27.07.2016, and we made an appeal against this judgment on 18.08.2016.

4) Gazi Sönmez et al., (a total of 44 plaintiffs, owners),

The lawsuit was brought against the Ministry of Environment and Urban Planning and the Housing Development Administration at the Ankara Administrative Court No. 5 with the file No. 2015/1521 E. for the suspension of and annulment of the Başkent Ankara 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 Ministry of Environment and Urban Planning with the office consent (dated: 27.02.2015, No. 3341) for the Plot No. 2 of the Block No. 644, 831, 919, 920, 921, 3189, 3198, 3320, 3321 and 28060 within Mühye Neighborhood, Çankaya District, Ankara. On 10.09.2015, our Company submitted a request to join the lawsuit as an intervenor together with the defendant institutions. On 21.10.2015, the Chamber No. 1 of Ankara District Administrative Court decided to authorize the Ankara Administrative Court No. 5 regarding the associated files. On 03.12.2015, the court made a judgment to obtain an expert review and rule on the suspension of execution after obtaining the expert review. On 13.01.2016, the court decided to accept TOKİ's and our Company's request to intervene. On 09.03.2016, the court accepted Fatma Nazan Özyay's request to intervene. The expert report following the examination and expert review conducted on 12.04.2016 was against our Company,

MISCELLANEOUS DEVELOPMENTS

LAWSUIT BROUGHT AGAINST OUR COMPANY

MÜHYE LAND (CONTINUED)

and we objected to it on 11.07.2016. Also, the court made a judgment for the suspension of execution on 27.07.2016, and we made an appeal against this judgment on 18.08.2016.

ÇAYYOLU LAND

1) UCTEA, Chamber of Architects, Ankara Branch,

The lawsuit was brought against the Ministry of Environment at the Ankara Administrative Court No. 10 with the file No. 2015/1987 E. for the suspension and annulment of the Başkent Ankara 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 Ministry of Environment and Urban Planning ex officio on 21.05.2015 for the Plot No. 953 within Çayyolu Neighborhood, Çankaya District, Ankara. On 02.10.2015, our Company submitted a request to join the lawsuit as an intervenor together with the defendant institutions. On 14.10.2015, the court made a judgment for an expert review and the notification of our intervention petition to the parties. And the court decided to rule on the request for the suspension of execution after the completion of an examination and expert review. The examination was made on 20.01.2016, and the expert report came in our favor. On 25.01.2016, the contractor, YP İnşaat A.Ş., submitted a request to intervene in the lawsuit. The court decided to dismiss the lawsuit on 25.03.2016, and the parties wait for the review of the plaintiff's appeal.

2) UCTEA, Chamber of City Planners, Ankara Branch

The lawsuit was brought against the Ministry of Environment at the Ankara Administrative Court No. 16 with the file No. 2015/2300 E. for the suspension and annulment of the Başkent Ankara 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 Ministry of Environment and Urban Planning ex officio on 21.05.2015 for the Plot No. 953 within Çayyolu Neighborhood, Çankaya District, Ankara. On 16.12.2015, our Company submitted a request to join the lawsuit as an intervenor together with the defendant institutions. The court decided to accept TOKİ's and our Company's request to intervene on 24.12.2015 and

MISCELLANEOUS DEVELOPMENTS

LAWSUIT BROUGHT AGAINST OUR COMPANY

ÇAYYOLU LAND (CONTINUED)

15.02.2016, respectively. The expert report following the examination and expert review conducted on 07.06.2016 was against our Company, and we objected to it on 03.10.2016.

ALİBEYKÖY

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

The lawsuit was brought against the Ministry of Environment at the İstanbul Administrative Court No. 5 with the file No. 2015/2131 E. for the suspension and annulment 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 Plot No. 6 (Block 2, Plot 6 in the new records) within Osmanpaşa Area, Alibeyköy Neighborhood, Eyüp District, İstanbul. On 19.08.2016, our Company submitted a request to join the lawsuit as an intervenor together with the defendant institutions.

MISCELLANEOUS DEVELOPMENTS

DIRECTORATE OF INVESTOR RELATIONS

Emlak Konut REIC has a Directorate of Investor Relations which addresses shareholders. **Hakan Akbulut** (hakbulut@emlakkonut.com.tr), Deputy General Manager - Financial Affairs, is charged with coordinating the directorate's activities. **Hasan Vehbi Arslantürk** (harslanturk@emlakkonut.com.tr) acts as the Head of the Investor Relations and as the Acting Manager of the Investor Relations Department.

The Company went through an organizational structure on 26.11.2015 due to the increasing importance of investor relations and to better serve shareholders; the Department of Investor Relations started to serve as a Directorate.

Apart from the above mentioned email addresses, the concerned personnel can be contacted at **+90 216 579 1515 (Tel)**, **+90 216 456 4875 (fax)** and info@emlakkonut.com.tr.

Emlak Konut GYO A.Ş. Investor Relations Department works under the relevant legislation and internal arrangements. Under our disclosure policy, the department has met both domestic and international corporate investors' meeting and interview requests within the bounds of possibility. Following is the list of such meetings organized by the Investor Relations Department within the relevant period:

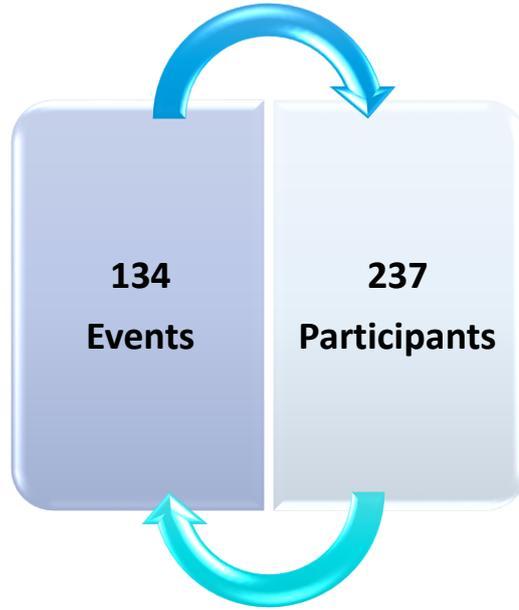
- The department held a total of **48 events** attended by domestic/international institutions, funds, and analysts from **July 1, 2016, to September 30, 2016**. **87 investors/analysts** attended these events which took place in the form of international conferences, teleconferences, meetings at the headquarters and outside the headquarters.
- The department held a total of **134 events** attended by domestic/international institutions, funds, and analysts from **January 1, 2016, to September 30, 2016**. **237 investors/analysts** attended these events which took place in the form of international conferences, teleconferences, headquarter meetings at the headquarters and outside the headquarters.

MISCELLANEOUS DEVELOPMENTS

DIRECTORATE OF INVESTOR RELATIONS (Continued)

**OUR OBJECTIVE IS
TO BUILD UP AND
MAINTAIN
INVESTOR
CONFIDENCE**

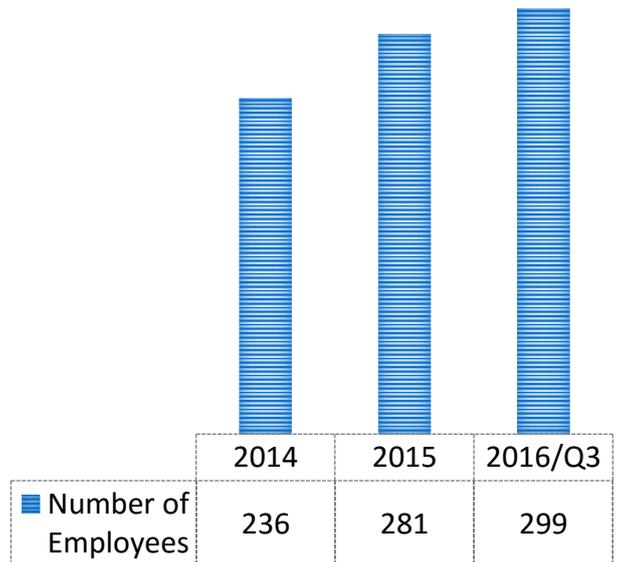
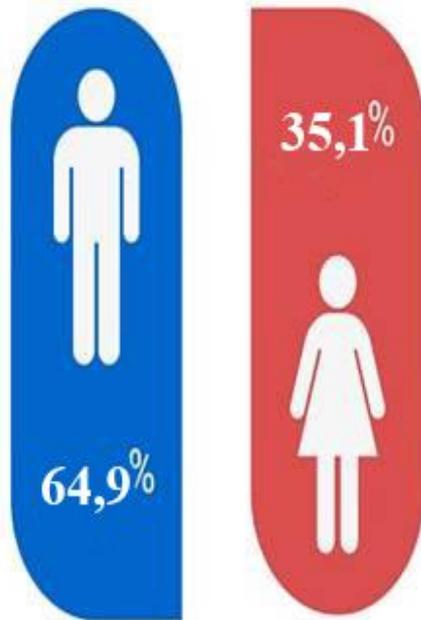
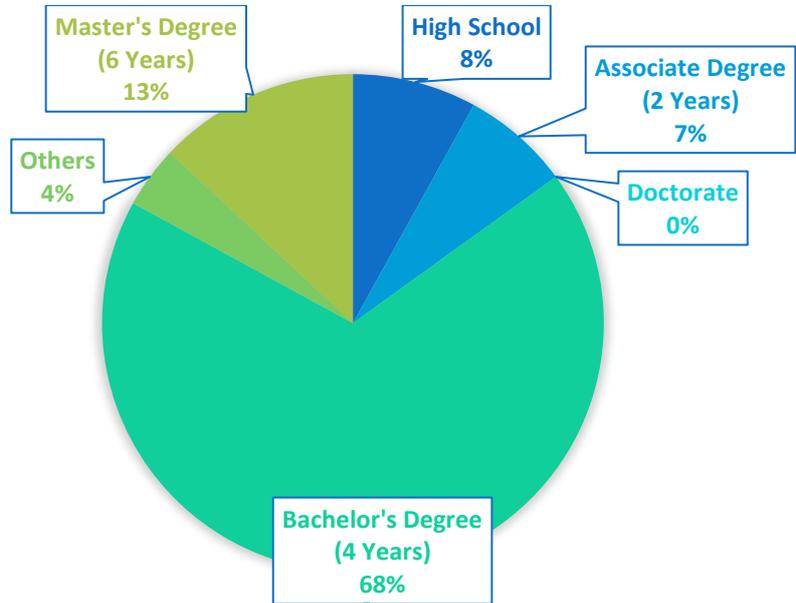
We expect to see continued interest by domestic and international investors and institutions in our Company in the upcoming days.



MISCELLANEOUS DEVELOPMENTS

PERSONNEL STRUCTURE

**DYNAMIC AND
QUALIFIED LABOUR
FORCE**



DEVELOPMENTS AFTER THE INTERIM PERIOD

ABOUT THE LAWSUIT AGAINST MALTEPE KÜÇÜKYALI PROJECT

The İstanbul Branch of the Chamber of City Planners, UCTEA, brought a lawsuit at the İstanbul Administrative Court No. 13 with the file No. 2016/1065 E. for the suspension and annulment the Additional Master Zoning Plan (scale: 1:5,000) and the Application Zoning Plan revision (scale: 1/1,000) for the planning area consisting of Block No. 1396 and Plot No. 2 and 3, and Block No. 2275 and 1586 and various Plots as well as non-registered areas in Küçükalyalı and Başbüyük Neighborhoods, Maltepe District, İstanbul. The same lawsuit was brought by İstanbul Metropolitan Municipality Council Members Hakkı Sağlamand Özgür Aydın at the İstanbul Administrative Court No. 10 with the file No. 2016/1478 and also by the Maltepe Municipality Mayorship with the file No. 2016/1529. Our Company submitted a request to intervene in, and the legal process continues.

ABOUT THE LAWSUIT AGAINST MASLAK 1453 PROJECT

The İstanbul Branch of the Chamber of City Planners, UCTEA and İstanbul Büyükkent Branch of Chamber of Architects of UCTEA brought a lawsuit at the İstanbul Administrative Court No. 4 with the file No. 2016/685 E. for the suspension and annulment of the Environment Arrangement Plan (scale: 1:100,000), Master Zoning Plan (scale: 1:5,000) and the Application Zoning Plan revision (scale: 1/1,000) for the Slum Prevention Zone in Ayazağa, Sarıyer. The same lawsuit brought by İstanbul Metropolitan Municipality Council Members Hakkı Sağlam, İsa Öztürk, Hüseyin Sağ and Özgür Aydın at the İstanbul Administrative Court No. 10 with the file No. 2016/1026. The İstanbul Administrative Court No. 4 referred the file to the Council of State due to non-jurisdiction, whereas the İstanbul Administrative Court No. 10 dismissed the request. The legal process continues. Our Company submitted a request to intervene in these lawsuits together with the defendants.

ABOUT THE AMENDMENTS IN THE SENIOR MANAGEMENT

Tülay Odakır, the Head of the Procurement and Acceptance Department was appointed as the Consultant to the General Manager; Hakan Saka, Construction Control Manager No.1 was appointed as the Acting Head of the Procurement and Acceptance Department; and Enver Turan, Technical Expert at the Construction Control Department of No.1 was appointed as the Acting Construction Control Manager No.1 according to the resolution (dated: 18.10.2016) on the appointment of staff.

ABOUT THE REVISION TO THE COMPANY'S YEAR- END TARGET

The Company's completion ratio has materialized faster than our expectations among the projects getting closer to the final stage. Therefore, the initial profit estimate of 1.5 billion TL was revised as 1.8 billion Turkish lira for end-2016.

CONSULTANCY, AUDIT AND APPRAISAL ENTERPRISES OFFERING SERVICES

INDEPENDENT AUDITING FIRM

DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.

(Member of DELOITTE TOUCHE TOHMATSU LIMITED)

APPRAISAL COMPANIES

"Atak Gayrimenkul Değerleme A.Ş." and "Yetkin Gayrimenkul Değerleme ve Danışmanlık A.Ş"

INVESTOR RELATIONS CONSULTANCY COMPANY

Dalfin Finansal Kurumsal İletişim ve Danışmanlık Hizmetleri Ltd. Şti.

CERTIFIED PUBLIC ACCOUNTANT

Sırdaş Denetim ve MANAGEMENT Danışmanlığı Yeminli Mali Müşavirlik A.Ş.

PRESS AND PR COMPANY

F5 Görsel Sanatlar Merkezi Tic. Ltd. Şti.

CORPORATE RESOURCE MANAGEMENT SYSTEM SOFTWARE CONSULTANCY COMPANY

Detay Danışmanlık Bilgisayar Hizmetleri Sanayi Dış Ticaret A.Ş. (SAP's Turkey solution partner)

- 1. Convenience Translation of The Condensed Financial Statements for the Interim Period**
- 2. Summary of Assets' Appraisal Reports**
- 3. Summary Table of Tendered Land Plots**
- 4. Summary Table of Building Inventory**
- 5. Land Stock Summary Table**

LEGAL NOTICE

This interim report includes information about the Company's operations and accounts for the period from January 1 to September 30, 2016. 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
GAYRİMENUL YATIRIM ORTAKLIĞI A.Ş.
CONVENIENCE TRANSLATION OF THE
CONDENSED FINANCIAL STATEMENTS FOR THE
INTERIM PERIOD,
1 JANUARY- 30 SEPTEMBER 2016
(Originally Issued in Turkish)

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

**THE CONDENSED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD
1 JANUARY – 30 SEPTEMBER 2016**

(ORIGINALLY ISSUED IN TURKISH)

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EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.**CONDENSED STATEMENTS OF FINANCIAL POSITION
AT 30 SEPTEMBER 2016 AND 31 DECEMBER 2015**

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

		<i>Not Reviewed</i>	<i>Audited</i>
		30 September	31 December
	Notes	2016	2015
ASSETS			
Current assets		6,477,576	7,066,056
Cash and cash equivalents	5	3,061,741	3,005,003
Financial investments	6	152,052	143,819
Trade receivables	8	990,504	1,410,160
<i>Trade receivables due from related parties</i>	20	22,155	204,172
<i>Trade receivables due from unrelated parties</i>		968,349	1,205,988
Other receivables	9	645,466	499,781
Inventories	10	1,427,331	1,807,059
Prepaid expenses	14	4,125	33,962
Other current assets	13	196,357	166,272
Non-current assets		12,164,373	10,161,448
Trade receivables	8	1,545,640	1,483,100
Other receivables	9	990	168
Inventories	10	10,479,540	8,523,344
Investment property		16,000	16,000
Property, plant and equipment	11	89,300	78,721
Intangible assets		2,952	1,874
Other non-current assets		29,951	58,241
Total assets		18,641,949	17,227,504

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

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.**CONDENSED STATEMENTS OF FINANCIAL POSITION
AT 30 SEPTEMBER 2016 AND 31 DECEMBER 2015**

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

		<i>Not Reviewed</i>	<i>Audited</i>
		30 September	31 December
	Notes	2016	2015
LIABILITIES AND EQUITY			
Current liabilities		8,083,663	7,631,665
Short term borrowings	7	864	-
Current portion of non-current borrowings	7	225,215	230,657
Trade payables	8	4,068,351	2,553,198
<i>Trade payables due to related parties</i>	20	3,561,738	1,881,778
<i>Trade payables due to unrelated parties</i>		506,613	671,420
Other payables	9	553,237	517,994
Deferred income	14	3,096,068	4,159,158
<i>Deferred income from related parties</i>	20	64,733	64,732
<i>Deferred income from unrelated parties</i>		3,031,335	4,094,426
Current provisions		139,928	170,658
<i>Current provisions for employee benefits</i>		5,590	4,626
<i>Other current provisions</i>	12	134,338	166,032
Non-current liabilities		64,359	270,440
Long term borrowings	7	49,000	214,000
Trade payables	8	-	36,192
Other payables		8,171	13,814
Deferred income	14	2,522	2,448
Long term provisions		4,666	3,986
<i>Long term provisions for employee benefits</i>		4,666	3,986
Shareholders' equity		10,493,927	9,325,399
Paid-in capital	15	3,800,000	3,800,000
Treasury shares (-)		(262,857)	(262,857)
Share premium		2,378,513	2,366,895
Other comprehensive income / expense not to be reclassified to profit or loss		(853)	(487)
- <i>Gain/(loss) on remeasurement of employee benefits</i>		(853)	(487)
Restricted reserves		423,295	357,908
Retained earnings		2,630,864	2,111,335
Net profit for the period		1,524,965	952,605
Total liabilities and equity		18,641,949	17,227,504

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

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONDENSED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME AT 30 SEPTEMBER 2016 AND 2015

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

		<i>Not Reviewed</i> 1 January- 30 September 2016	<i>Not Reviewed</i> 1 July- 30 September 2016	<i>Not Reviewed</i> 1 January- 30 September 2015	<i>Not Reviewed</i> 1 April- 30 September 2015
Profit or loss					
Revenue	16	3,061,999	1,793,617	669,120	224,742
Cost of sales (-)	16	(1,518,930)	(816,560)	(301,122)	(109,963)
Gross profit		1,543,069	977,057	367,998	114,779
General administrative expenses (-)	17	(97,065)	(37,843)	(54,188)	(4,665)
Marketing expenses (-)	17	(40,161)	(16,354)	(23,051)	(5,775)
Other income from operating activities	18	180,574	66,253	111,895	28,586
Other expenses from operating activities (-)	18	(25,382)	(20,514)	(18,008)	(5,115)
Operating profit		1,561,035	968,599	384,646	127,810
Income from investing activities		10,870	3,300	11,778	2,809
Operating profit before financial income / (expense)		1,571,905	971,899	396,424	130,619
Financial income	19	69,779	20,109	58,994	18,172
Financial expenses (-)	19	(116,719)	(97,812)	(38,615)	(13,880)
Profit for the period from continued operations		1,524,965	894,196	416,803	134,911
Other comprehensive income / (loss)					
Aggregated income of other comprehensive income that will be reclassified to profit or loss		(366)	-	(309)	(243)
<i>Actuarial computation related to employee benefit liabilities</i>		(366)	-	(309)	(243)
Total comprehensive income for the period		1,524,599	894,196	416,494	134,668
Earnings per share (in full TL)		0.0041	0.0024	0.0011	0.0003

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

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

**CONDENSED STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE MONTH PERIODS ENDED 30 SEPTEMBER 2016 AND 2015**

(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 equity
					Loss on remeasurement of employee benefits	Retained earnings	for the period Net Income	
1 January 2015	3,800,000	(240,687)	2,366,895	292,674	(203)	1,578,208	954,397	8,751,284
Transfers	-	-	-	65,234	-	889,163	(954,397)	-
Dividend payment (Note:15)	-	-	-	-	-	(356,036)	-	(356,036)
Increases / (decreases) related to the acquisition of treasury shares	-	(22,170)	-	-	-	-	-	(22,170)
Total comprehensive income	-	-	-	-	(309)	-	416,803	416,494
30 September 2015	3,800,000	(262,857)	2,366,895	357,908	(512)	2,111,335	416,803	8,789,572
1 January 2016	3,800,000	(262,857)	2,366,895	357,908	(487)	2,111,335	952,605	9,325,399
Transferler	-	-	-	65,387	-	887,218	(952,605)	-
Dividend payment (Note: 15)	-	-	-	-	-	(367,689)	-	(367,689)
Increases / (decreases) related to the acquisition of treasury shares	-	-	11,618	-	-	-	-	11,618
Total comprehensive income	-	-	-	-	(366)	-	1,524,965	1,524,599
30 September 2016	3,800,000	(262,857)	2,378,513	423,295	(853)	2,630,864	1,524,965	10,493,927

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

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONDENSED STATEMENTS OF CASH FLOWS AT 30 SEPTEMBER 2016 AND 2015

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

	Notes	1 January- 30 September 2016	1 January- 30 September 2015
Cash flows from operating activities			
Profit for the period		1,524,965	416,803
Adjustments to reconcile net profit			
Depreciation and amortization expenses	17	4,589	1,686
Adjustments for impairments	18	16,429	6,726
<i>Adjustments for impairment loss (reversal of impairment loss) of inventories</i>		16,429	6,726
Changes in provisions		(28,691)	(8,475)
<i>Adjustments for (reversal of) provisions related with employee benefits</i>		1,756	1,313
<i>Adjustments for (reversal of) lawsuit and/or penalty provisions</i>		(3,109)	2,246
<i>Adjustments for (reversal of) other provisions</i>		(27,338)	(12,034)
Adjustments for interest (income) expenses		(99,580)	(128,559)
<i>Adjustments for interest income</i>		(216,151)	(166,202)
<i>Adjustments for interest expense</i>		116,571	37,643
Adjustments for unrealised foreign exchange losses (gains)		-	292
Changes in net working capital		1,417,712	288,473
Adjustments for decrease (increase) in trade accounts receivable		271,298	(139,957)
<i>Decrease (increase) in trade accounts receivables from related parties</i>		182,017	-
<i>Decrease (Increase) in trade accounts receivables from unrelated parties</i>		89,281	(139,957)
Adjustments for decrease (increase) in inventories		685,064	(1,672,951)
Adjustments for increase (decrease) in trade accounts payable		(798,999)	1,407,728
<i>Increase (decrease) in trade accounts payables to related parties</i>		(598,000)	1,284,455
<i>Increase (decrease) in trade accounts payables to unrelated parties</i>		(200,999)	123,273
Adjustments for increase (decrease) in other operating receivables		(3,781)	7,781
Adjustments for increase (decrease) in other operating payables		(1,017,372)	887,932
Other adjustments for other increase (decrease) in working capital		189,602	(1,235,948)
Net cash flow from operating activities			
Interest received		87,767	13,431
Payments related with provisions for employee benefits		(111)	(170)
Income taxes paid		(17,215)	(22,666)
Cash flows from operating activities		813,965	(466,347)
Purchases of tangible and intangible assets		(16,246)	(24,496)
Interest received		11,009	13,964
Purchases of financial assets		(108,114)	(521,054)
Returns of financial assets		99,884	615,441
Cash flow from investing activities		(13,467)	83,855
Payments to acquire entity's shares or other equity instruments		-	(22,170)
<i>Payments to acquire entity's shares</i>		-	(22,170)
Proceeds from borrowings, classified as financing activities		864	670
<i>Proceeds from loans</i>		864	670
Repayments of borrowings, classified as financing activities		(165,000)	(120,515)
<i>Loan repayments</i>		(165,000)	(120,515)
Dividends Paid		(356,071)	(356,036)
Interest paid		(30,375)	(37,335)
Interest received		-	59,291
Other inflows (outflows) of cash		(444)	(983)
Cash flow from financing activities		(551,026)	(477,078)
Increase (decrease) in cash and cash equivalents before effect of exchange rate before effect of exchange rate changes		249,472	(859,570)
Effect of exchange rate changes on cash and cash equivalents		-	(10)
Net Increase (decrease) in cash and cash equivalents		249,472	(859,580)
Cash and cash equivalents at the beginning of the period	5	759,493	1,453,400
Cash and cash equivalents at the end of the period	5	1,008,965	593,820

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

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL

STATEMENTS FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2016

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

NOTE 1 – ORGANIZATION AND OPERATION OF THE COMPANY

Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş. (“Emlak Konut GYO” or the “Company”) was established on 26 December 1990 as a subsidiary of Türkiye Emlak Bankası A.Ş. The Company 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 Company has been registered and started its activities on 6 March 1991. The Company’s articles of association were revised on 19 May 2001 and it became an entity subject to the Turkish Commercial Code No. 4603.

The Company was transformed into a Real Estate Investment Company 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 Company into a Real Estate Investment Company 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 Company was submitted for the approval of the Board and the amendment draft was approved at the Ordinary General Shareholders Committee meeting of the Company convened on 22 July 2002, changing the articles of association accordingly.

The articles of association of the Company 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 Company convened on 28 February 2006, the title of the Company 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 Company’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 Company is as follows:

Barbaros Mah. Mor Sümbül Sok. No: 7/2 B (Batı Ataşehir) Ataşehir - İstanbul

The objective and operating activity of the Company 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 Company cannot be a part of construction business, but only can organize it by auctioning between the contractors.

The condensed financial statements at 30 September 2016 have been approved by the Board of Directors on 31 October 2016. The General Assembly of the Company has the power to amend these financial statements.

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

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL

STATEMENTS FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2016

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

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of Preparation

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

The Company prepared its condensed interim financial statements for the period ended 30 September 2016 in accordance with the Communiqué and announcements regarding this Communiqué, in accordance with TAS 34, “Interim Financial Reporting”. In this respect, the Company has preferred to prepare condensed interim financial statements in the interim periods and prepared the mentioned condensed interim financial statements in compliance with CMB Accounting Standards. The condensed interim financial statements and the related notes to them are presented in accordance with the declaration dated 7 June 2013 and with the formats required by the CMB.

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.

Interim condensed financial statements of the Company do not include all the information and disclosures required in the annual financial statements, therefore should be read in conjunction with the Company’s annual financial statements as of 31 December 2015.

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 (“TRY”) based on the historical cost convention except for the financial assets and liabilities which are expressed with their fair values. 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.

Statement of Compliance with TAS

The condensed interim financial statements of the Company have been prepared in accordance with the TAS taxonomy issued by POA.

Accounting for the effects of hyperinflation

With the decision dated on 17 March 2005 and numbered 11/367 by the CMB which is effective from 1 January 2005, for companies operating in Turkey and preparing their financial statements in accordance with Turkish Accounting Standards the application of inflation accounting is no longer required. Accordingly, TAS 29 “Financial Reporting in Hyperinflationary Economies” did not be applied for the accounting periods starting 1 January 2005.

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

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

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

2.1 Basis of Preparation (Continued)

Functional and Presentation Currency

The financial statements of the Company are presented in the currency of the primary economic environment in which the entity operates (“functional currency”). The functional currency of the Company is expressed in Turkish Lira (“TL”), the presentation currency amounts are expressed in thousands of Turkish Lira (“TL”).

Offsetting

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

Going concern

The Company’s 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 2016 are consistent with those prepared as of 31 December 2015. Therefore, condensed interim financial statements have to be considered with year end financial statements.

3.1 New and Revised Turkish Accounting Standards

- a) Amendments to TAS affecting amounts reported and/or disclosures in the financial statements

None.

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

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

NOTE 3 - ACCOUNTING POLICIES (Continued)

3.1 New and Revised Turkish Accounting Standards (Continued)

b) New and revised TAS applied with no material effect on the financial statements

Amendments to TAS 16 and TAS 38	<i>Clarification of Acceptable Methods of Depreciation and Amortisation</i> ¹
Amendments to TAS 16 and TAS 41 and amendments to TAS 1, TAS 17, TAS 23, TAS 36 and TAS 40	<i>Agriculture: Bearer Plants</i> ¹
Amendments to TFRS 11 and TFRS 1 Annual Improvements to 2011-2013 Cycle	<i>Accounting for Acquisition of Interests in Joint operations</i> ¹ <i>TFRS 1</i> ²
Amendments to TAS 1 Annual Improvements to 2012-2014 Cycle	<i>Disclosure Initiative</i> ² <i>TFRS 5, TFRS 7, TAS 34, TAS 19</i> ²
Amendments to TAS 27	<i>Equity Method in Separate Financial Statements</i> ²
Amendments to TFRS 10 and TAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ²
Amendments to TFRS 10, TFRS 12 and TAS 28	<i>Investment Entities: Applying the Consolidation Exception</i> ²
TFRS 14	<i>Regulatory Deferral Accounts</i> ²

¹ Effective for annual periods beginning on or after 31 December 2015.

² Effective for annual periods beginning on or after 1 January 2016.

Amendments to TAS 16 and TAS 38 *Clarification of Acceptable Methods of Depreciation and Amortization*

This amendment clarifies that that a depreciation method that is based on revenue that is generated by an activity that includes the use of an asset is not appropriate for property, plant and equipment, and introduces a rebuttable presumption that an amortisation method that is based on the revenue generated by an activity that includes the use of an intangible asset is inappropriate, which can only be overcome in limited circumstances where the intangible asset is expressed as a measure of revenue, or when it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated. The amendment also adds guidance that expected future reductions in the selling price of an item that was produced using an asset could indicate the expectation of technological or commercial obsolescence of the asset, which, in turn, might reflect a reduction of the future economic benefits embodied in the asset.

Amendments to TAS 16 and TAS 41 and Amendments to TAS 1, TAS 17, TAS 23, TAS 36 and TAS 40 *Agriculture: Bearer Plants*

This amendment include ‘bearer plants’ within the scope of TAS 16 rather than TAS 41, allowing such assets to be accounted for a property, plant and equipment and measured after initial recognition on a cost or revaluation basis in accordance with TAS 16. The amendment also introduces a definition of ‘bearer plants’ as a living plant that is used in the production or supply of agricultural produce, is expected to bear produce for more than one period and has a remote likelihood of being sold as agricultural produce, except for incidental scrap sales, and clarifies that produce growing on bearer plants remains within the scope of TAS 41.

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

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

NOTE 3 - ACCOUNTING POLICIES (Continued)

3.1 New and Revised Turkish Accounting Standards (Continued)

b) New and revised TAS applied with no material effect on the financial statements (cont'd)

Amendments to TFRS 11 and TFRS 1 *Accounting for Acquisition of Interests in Joint operations*

This amendment requires an acquirer of an interest in a joint operation in which the activity constitutes a business to:

- apply all of the business combinations accounting principles in TFRS 3 and other TAS, except for those principles that conflict with the guidance in TFRS 11,
- disclose the information required by TFRS 3 and other TAS for business combinations.

Amendments to TFRS 11 also led to amendments in related provisions of TFRS 1.

Annual Improvements 2011-2013 Cycle

TFRS 1: Clarify which versions of TAS can be used on initial adoption (amends basis for conclusions only).

Amendments to TAS 1 *Disclosure Initiative*

This amendment addresses perceived impediments to preparers exercising their judgment in presenting their financial reports.

Annual Improvements 2012-2014 Cycle

TFRS 5: Adds specific guidance in TFRS 5 for cases in which an entity reclassifies an asset from held for sale to held for distribution or vice versa and cases in which held-for-distribution accounting is discontinued.

TFRS 7: Additional guidance to clarify whether a servicing contract is continuing involvement in a transferred asset, and clarification on offsetting disclosures in condensed interim financial statements.

TAS 34: Clarify the meaning of ‘elsewhere in the interim report’ and require a cross-reference.

Annual Improvements to 2012-2014 Cycle also led to amendments in related provisions of TAS 19.

Amendments to TAS 27 *Equity Method in Separate Financial Statements*

This amendment permits investments in subsidiaries, joint ventures and associates to be optionally accounted for using the equity method in separate financial statements.

Amendments to TFRS 10 and TAS 28 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

This amendment clarifies the treatment of the sale or contribution of assets from an investor to its associate or joint venture.

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

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

NOTE 3 - ACCOUNTING POLICIES (Continued)

3.1 New and Revised Turkish Accounting Standards (Continued)

b) New and revised TAS applied with no material effect on the financial statements (cont’d)

Amendments to TFRS 10, TFRS 12 and TAS 28 Investment Entities: Applying the Consolidation Exception

This amendment addresses issues that have arisen in the context of applying the consolidation exception for investment entities by clarifying the following points:

- The exemption from preparing consolidated financial statements for an intermediate parent entity is available to a parent entity that is a subsidiary of an investment entity, even if the investment entity measures all of its subsidiaries at fair value.
- A subsidiary that provides services related to the parent’s investment activities should not be consolidated if the subsidiary itself is an investment entity.
- When applying the equity method to an associate or a joint venture, a non-investment entity investor in an investment entity may retain the fair value measurement applied by the associate or joint venture to its interests in subsidiaries.
- An investment entity measuring all of its subsidiaries at fair value provides the disclosures relating to investment entities required by TFRS 12.

TFRS 14 Regulatory Deferral Accounts

TFRS 14 *Regulatory Deferral Accounts* permits an entity which is a first-time adopter of Turkish Financial Reporting Standards to continue to account, with some limited changes, for ‘regulatory deferral account balances’ in accordance with its previous GAAP, both on initial adoption of TFRS and in subsequent financial statements.

TFRS 14 also led to amendments in related provisions of TFRS 1.

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

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

NOTE 3 - ACCOUNTING POLICIES (Continued)

3.1 New and Revised Turkish Accounting Standards (Continued)

c) New and revised TAS in issue but not yet effective

The Company has not applied the following new and revised TAS that have been issued but are not yet effective:

TFRS 9	<i>Financial Instruments</i>
Amendments to TFRS 9 and TFRS 7	<i>Mandatory Effective Date of TFRS 9 and Transition Disclosures</i>
TFRS 15	<i>Revenue from Contracts with Customers</i> ¹

¹ Effective for annual periods beginning on or after 1 January 2018.

TFRS 9 *Financial Instruments*

TFRS 9, issued in November 2009, introduces new requirements for the classification and measurement of financial assets. TFRS 9 was amended in October 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition.

Amendments to TFRS 9 and TFRS 7 *Mandatory Effective Date of TFRS 9 and Transition Disclosures*

The mandatory effective date of TFRS 9 will be no earlier than annual periods beginning on or after 1 January 2018.

TFRS 15 *Revenue from Contracts with Customers*

TFRS 15 provides a single, principles based five-step model to be applied to all contracts with customers.

The five steps in the model are as follows:

- Identify the contract with the customer,
- Identify the performance obligations in the contract,
- Determine the transaction price,
- Allocate the transaction price to the performance obligations in the contracts,
- Recognise revenue when the entity satisfies a performance obligation.

The Company evaluates the effects of these standards, amendments and improvements on the financial statements.

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

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

NOTE 3 - ACCOUNTING POLICIES (Continued)

3.2 Comparative information and revision of prior period financial statements

The financial statements of the Company have been prepared with the prior periods on a comparable basis in order to give consistent information about the financial position and performance. If the presentation or classification of the financial statements is changed, in order to maintain consistency, the financial statements of the prior periods are also reclassified in line with the related changes and the significant changes are explained.

The Company has restated the earnings per share by considering the number of treasury shares in determining the weighted average number of the shares outstanding. The effect of the change on the earnings per share amounts for the prior periods are disclosed below. The changes do not have any effect on the statements of financial positions, profit or loss and other comprehensive income and changes in equity.

	Earnings Per Share	
	Previously Reported	Restated
1 January – 30 September 2015	0.0011	0.0011
1 July – 30 September 2015	0.0004	0.0003

3.3 Critical accounting estimates, assumptions and judgments

The preparation of financial statements requires the use of assumptions and estimates that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues expenses which are reported throughout the period. Even though these assumptions and estimates rely on the best estimates of the Company management both the actual results may differ and not material for these financial statements.

NOTE 4- SIGNIFICANT EVENTS AND TRANSACTIONS RELATED WITH THE PERIOD

The Company issued land invoices amounting to TL 1,415,990 in the nine months period ended 30 September 2016 regarding temporary admissions made on the parts of ongoing constructions of LSRSA (Land Subject to Revenue Sharing Agreements) (Note 16).

On 28 July 2016, the Company decided to apply 20% discount to its receivables from buyers in LSRSA projects in which the sales were made directly by the Company after sharing the completed units and the turnkey projects (Validity period: 1 August 2016 - 30 September 2016) if the buyers chose to pay their debt amount immediately. In addition to this campaign, the Company decided to perform sales (Validity period: 1 August 2016 - 31 December 2016) with 20% down payment and 120 months maturity subject to CPI changes (capped by 5% semi-annually) or monthly 0.7% interest.

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

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

NOTE 5 - CASH AND CASH EQUIVALENTS

	30 September 2016	31 December 2015
Cash on hand	36	4
Banks	3,061,705	3,004,999
- Demand deposit	146,489	65,500
- Time deposit	2,915,216	2,939,499
	3,061,741	3,005,003

Maturities of cash and cash equivalents are as follows:

	30 September 2016	31 December 2015
Demand	146,525	65,504
Up to 3 month	2,915,216	2,939,499
Less: Blocked deposits with maturities less than 3 months	(73,867)	(41,432)
	2,987,874	2,963,571

Average effective interest rates of time deposits are as follows:

	30 September 2016	31 December 2015
	(%)	(%)
	8.23%	8.90%

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

	30 September 2016	31 December 2015
Cash and cash equivalents	3,061,741	3,005,003
Less: Interest accruals	(7,655)	(8,525)
Less: LSRSA project deposits (*)	(381,241)	(301,997)
Less: TOKI deposits (**)	(1,639,202)	(1,908,051)
Less: Blocked deposits	(24,678)	(26,937)
	1,008,965	759,493

(*) 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 Company has the authority to control these accounts TL 381,241 (31 December 2015: TL 301,997) part of the total project amount deposits TL 49,189 (31 December 2015: TL 14,495) consists of blocked deposits.

(**) 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. All of this accumulated interest income on time deposits will be paid to TOKİ.

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

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

NOTE 6 - FINANCIAL INVESTMENTS

	30 September 2016	31 December 2015
Financial investments		
Treasury bills	139,285	130,552
Special issue government bonds (*)	12,767	13,267
	152,052	143,819

(*) The Republic of Turkey, Undersecretariat of Treasury ("Turkish Treasury") issues special Domestic Government Debt securities in the name of the Company 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 Company. The Bonds are redeemed partially and early readapted and the amount is transferred to the Company's accounts when the HAS lists are specified (Note 9). 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.

The Company acquired treasury bills amounting to TL 139,285 as of 30 September 2016 (31 December 2015: TL 130,552) from Turkish Treasury. These treasury bills are measured at fair value. The fair value of these treasury bills are calculated by using the effective interest rates quarterly which are announced by Turkish Treasury. Average effective interest rate of financial assets at 30 September 2016 is 8.99 % (31 December 2015: 10.84%). As of 30 September 2016, average term of the treasure bills changes between three and six months (31 December 2015: changes between four and six months).

NOTE 7 - FINANCIAL LIABILITIES

	30 September 2016	31 December 2015
Short-term financial liabilities		
Short-term bank borrowings	864	-
Short-term portion of long-term borrowings	225,215	230,657
	226,079	230,657

	30 September 2016	31 December 2015
Long-term financial liabilities		
Long-term borrowings	49,000	214,000
	49,000	214,000

According to the agreement signed with the Turkish Treasury in 25 July 2008, the Company has TL 269,000 remaining borrowing from the Turkish Treasury for financing it's HAS payment liability. With respect to the agreement signed with the Turkish Treasury, the related borrowing has a floating interest rate and has a maturity of 10 October 2017. The interest rate is defined as the weighted average of the compound rate of discounted Government bonds issued by Turkish Treasury before each payment period.

The interest rate of the borrowing at 30 September 2016 is 9.32% (31 December 2015: 10.14%).

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

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

NOTE 7 - FINANCIAL LIABILITIES (Continued)

The redemption schedules of the borrowings at 30 September 2016 and 31 December 2015 are as follows:

	30 September 2016	31 December 2015
2017	49,000	214,000
	49,000	214,000

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

	30 September 2016	31 December 2015
Less than 3 months	61,079	65,657
Between 3 - 12 months	165,000	165,000
Between 1 - 5 years	49,000	214,000
	275,079	444,657

It is anticipated that the long-term borrowings with the floating rates reflect the fair values of the borrowings.

NOTE 8 - TRADE RECEIVABLES AND PAYABLES

	30 September 2016	31 December 2015
Short-term trade receivables		
Notes receivables	370,059	500,348
Receivables from sale of residential and commercial units	387,485	445,708
Receivables from LSRSA contractors invoiced	177,339	233,822
Receivables from related parties (Note 20)	22,155	204,172
Receivables from land sales	31,311	28,083
Rent receivables	1,468	1,385
Other	888	693
Unearned finance income	(201)	(4,051)
	990,504	1,410,160
Doubtful receivables	1,926	1,965
Less: Provision for doubtful receivables	(1,926)	(1,965)
	990,504	1,410,160

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

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

NOTE 8 - TRADE RECEIVABLES AND PAYABLES (Continued)

	30 September 2016	31 December 2015
Long-term trade receivables		
Receivables from sale of residential and commercial units	1,626,461	1,565,891
Unearned finance income	(80,821)	(82,791)
	1,545,640	1,483,100
	30 September 2016	31 December 2015
Short-term trade payables		
Payables to related parties (Note 20)	3,561,738	1,881,778
Payables to LSRSA contractors invoiced	473,485	629,146
Time deposit interest accruals from LSRSA contractors invoiced (*)	19,918	31,457
Trade payables	13,210	10,817
	4,068,351	2,553,198

(*) 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 Company within the related LSRSA projects (Note 5).

	30 September 2016	31 December 2015
Long-term trade payables		
Payables to land owners	-	36,192
	-	36,192

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

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

NOTE 9 - OTHER RECEIVABLES AND PAYABLES

	30 September 2016	31 December 2015
Short-term other receivables		
Housing Acquisition Support ("HAS") related		
receivables from Turkish Treasury	390,790	390,750
Receivables from contractors	248,873	103,726
Receivables from the authorities	5,674	5,279
Other	129	26
	645,466	499,781
	30 September 2016	31 December 2015
Long-term other receivables		
Deposits and guarantees given	990	168
	990	168
	30 September 2016	31 December 2015
Short term other payables		
Payable to HAS beneficiaries	403,635	404,079
Payable to contractors (*)	88,752	88,752
Taxes and funds payable	7,479	8,470
Deferred income	38,249	4,704
Other	15,122	11,989
	553,237	517,994

(*) The amount includes the unissued invoice amount of TL 88,752 regarding to the units received as a result of revenue allocation at İzmir Mavişehir Phase 3 project, where the contractor filed a lawsuit regarding the revenue sharing percentages (31 December 2015: TL 88,752).

The movements of the payments either from Company'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 2016 and 2015 are shown below:

	1 January 2016	Additions within the period	Disposals	30 September 2016
Treasury support share				
Receivable from Treasury	390,750	54	(14)	390,790
Special purpose government Bond (Note 6)	13,267	-	(500)	12,767
Cash generated from government bond redemption	62	615	(599)	78
Total consideration received or receivable from Treasury	404,079			403,635
Payable to HAS beneficiaries	(404,079)			(403,635)

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.**NOTES TO THE CONDENSED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016**

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

NOTE 9 - OTHER RECEIVABLES AND PAYABLES (Continued)

	1 January 2015	Additions within the period	Disposals	30 September 2015
Treasury support share				
Receivable from Treasury	391,001	145	(382)	390,764
Special purpose government Bond (Note 6)	13,767	-	(500)	13,267
Cash generated from government bond redemption	462	1,240	(1,486)	216
Total consideration received or receivable from Treasury	405,230			404,247
Payable to HAS beneficiaries	(405,230)			(404,247)

NOTE 10 -INVENTORIES

Short-term inventories	30 September 2016	31 December 2015
Planned land by LSRSA	728,040	884,599
Planned land by turnkey project	444,706	910,539
Residential and commercial units ready for sale	254,585	11,921
<i>Cost</i>	256,228	12,179
<i>Impairment</i>	(1,643)	(258)
	1,427,331	1,807,059
Long-term inventories	30 September 2016	31 December 2015
Planned land by LSRSA	4,995,619	4,524,500
Planned land by turnkey project	678,343	736,768
Land	4,805,578	3,262,076
<i>Cost</i>	4,831,738	3,273,192
<i>Impairment</i>	(26,160)	(11,116)
	10,479,540	8,523,344

As of 31 December 2015, independent valuation reports prepared by Atak Gayrimenkul Değerleme A.Ş. ve Peritus 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 valuation methods that the independent valuation companies took into consideration included sales comparison and discounted cash flow methods, where the major assumptions were comprised of total cash flows expected from the projects, discount rates to calculate the present value of the related projects and comparable m² sales amounts. All of the final values used in the valuation reports has been determined over the fair comparison.

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

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

NOTE 10 - INVENTORIES (Continued)

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

	2016	2015
Balance at 1 January	11,374	12,293
Impairment charge for the period	18,868	6,385
Reversal of impairment	(2,439)	(79)
The impairment of stocks that transferred from investment property	-	74
Balance at 30 September	27,803	18,673

The details of land and residential stocks of the company are shown below as of 30 September 2016 and 31 December 2015:

Lands (Long term)	30 September 2016	31 December 2015
İstanbul Küçükçekmece Lands	1,822,839	-
İstanbul Şişli Lands	455,122	-
İstanbul Başakşehir Lands	425,175	433,905
İstanbul Zeytinburnu Lands	400,045	400,006
Ankara Çankaya Lands	330,498	11,849
İstanbul Arnavutköy Lands	317,309	317,309
Ankara Yeni Mahalle Lands	273,036	273,036
İstanbul Tuzla Lands	225,933	225,933
Yalova Lands	178,340	178,340
İstanbul Kartal Lands	132,283	132,283
İstanbul Esenyurt Lands	49,002	141,282
Kocaeli Gebze Lands	47,550	45,174
İstanbul Ataşehir Lands	41,979	41,979
Bursa Osmangazi Lands	27,336	27,336
Niğde Lands	21,874	20,304
İzmir Urla Lands	19,614	19,537
İstanbul Şile Lands	10,210	10,210
Tekirdağ Kapaklı Lands	8,248	8,248
Tekirdağ Çorlu Lands	6,032	16,578
Kocaeli Tütünçiftliği Lands	3,357	3,267
İstanbul Zekeriya Köy Lands	677	677
İstanbul Maltepe Lands	-	665,557
İstanbul Avcılar Lands	-	106,085
İstanbul Bakırköy Lands	-	30,005
Balıkesir Merkez Lands	-	44,000
İstanbul Eyüp Lands	-	30,091
Nevşehir Lands	-	70,042
Other	9,116	9,043
	4,805,578	3,262,076

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

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

NOTE 10 - INVENTORIES (Continued)

Planned lands by LSRSA	30 September 2016	31 December 2015
Sarıyer İstinye Project	1,006,171	1,006,171
Maltepe-Küçükyalı Project	667,387	-
Kazlıçeşme Project	656,808	656,408
Ankara Yenimahalle İstasyon Project	634,550	634,550
Maslak 1453 Project	295,961	549,415
Köy Project	225,245	224,276
İstanbul Kartal Project	186,694	186,778
Metropol İstanbul Project	182,046	246,166
İstanbul Kağıthane Seyrantepe Project	118,273	115,953
Kayabaşı 5. Etap Project	117,552	117,552
Park Maveria Project	116,003	115,859
Kayabaşı 6. Etap Project	114,900	115,227
İstanbul Üsküdar Project	108,107	85,006
Hoşdere 4. Etap Project	104,935	104,935
Kartal Yakacık Project	91,956	91,905
Kayabaşı 3. Etap Project	88,587	88,794
Konya Meram Yenice Project	86,704	86,704
Avcılar Kapadık Project	79,362	79,343
Denizli Merkez Efendi Project	76,256	74,761
Hoşdere 3. Etap Project	71,389	72,016
Kocaeli Derince Project	70,001	70,001
Yenibosna Project	68,063	68,334
Fatih Yedikule Project	65,646	65,646
Isparta Kule 5.Etap Project	58,105	-
Hoşdere 2. Etap Project	55,788	55,878
Ispartakule 6.Etap Projesi	47,979	-
Hoşdere 5.Etap Project	47,628	-
Hoşdere 6.Etap Projesi	44,652	-
Ankara Etimesgut Project	37,299	37,288
Yeni Yapı Project	30,129	-
Bakırköy Yeni Mah. Projesi	30,005	-
Ataşehir Finans Merkezi Project	17,095	14,951
Bulvar İstanbul Project	14,138	14,136
Evora İstanbul - 2 Project	415	-
Ankara Çankaya Mühye Project	-	316,662
Other	107,824	114,384
	5,723,658	5,409,099

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

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

NOTE 10 - INVENTORIES (Continued)

Planned lands by turnkey project	30 September 2016	31 December 2015
İstanbul Esenler Kentsel Dönüşüm Project	444,706	348,366
Ayazma Emlak Konutları Project	203,486	133,791
Ispartakule 1. Etap 1. Kısım Project	127,220	95,535
Ispartakule 1. Etap 2. Kısım Project	110,542	83,358
Nevşehir Emlak Konutları Project	84,473	-
Körfezkent 4. Etap Project	65,577	39,199
Emlak Konut Başakşehir Evleri 2. Kısım Project	53,468	35,432
Başakşehir Ayazma 2. Etap Project	32,492	-
Kocaeli Gebze Kirazpınar Kentsel Dönüşüm Project	662	662
Bursa Kentsel Dönüşüm Project	424	424
Kayabaşı 1. Etap 1. Kısım Project	-	221,819
Hoşdere 1. Kısım 2. Etap Project	-	145,460
Kayabaşı 1. Etap 4. Kısım Project	-	125,384
Kayabaşı 1. Etap 3. Kısım Project	-	129,013
Hoşdere 1. Kısım 1. Etap Project	-	119,608
Kayabaşı 1. Etap 2. Kısım Project	-	107,553
Hoşdere 1. Kısım 3. Etap Project	-	61,703
	1,123,050	1,647,307
Completed units	30 September 2016	31 December 2015
Batışehir Project	141,896	-
Hoşdere Emlak Konutları	53,409	-
Dumankaya Miks Projesi	16,911	-
Başakşehir Emlak Konutları	5,753	-
Park Yaşam Mavişehir Evleri	1,739	1,739
Kayabaşı Emlak Konutları	1,654	-
Spradon Vadi Evleri	1,270	1,086
Kocaeli Körfez Kent Emlak Konutları	1,238	1,238
Evora 2. Etap Project	303	979
My Towerland	-	3,752
Burgazkent Çarşı Project	-	950
Other	30,413	2,177
	254,585	11,921

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

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

NOTE 11 - PROPERTY, PLANT AND EQUIPMENT

30 September 2016	Buildings	Motor vehicles	Furniture, equipment and fix assets	Construction in progress	Total
Net book value as of 1 January 2016	9,584	737	4,650	63,750	78,721
Additions	9,652	887	5,180	-	15,719
Disposal, (net) (-)	-	-	(44)	-	(44)
Transfers from constructions in progress,	63,750	-	-	(63,750)	-
Transfers to stock, (net)	(2,340)	-	-	-	(2,340)
Depreciation expense(-)	(1,222)	(295)	(1,814)	-	(3,331)
Reversal of impairment	575	-	-	-	575
Net book value	79,999	1,329	7,972	-	89,300
Cost	81,485	2,437	14,491	-	98,413
Accumulated depreciation (-)	(1,486)	(1,108)	(6,519)	-	(9,113)
Net book value	79,999	1,329	7,972	-	89,300

30 September 2015	Buildings	Motor vehicles	Furniture, equipment and fix assets	Construction in progress	Total
Net book value as of 1 January 2015	9,302	545	2,152	23,898	35,897
Additions	420	462	1,960	21,067	23,909
Depreciation expense(-)	(169)	(194)	(665)	-	(1,028)
Impairment (-)	(420)	-	-	-	(420)
Net book value	9,133	813	3,447	44,965	58,358
Cost	10,675	1,552	7,336	44,965	64,528
Accumulated depreciation (-)	(1,122)	(739)	(3,889)	-	(5,750)
Impairment (-)	(420)	-	-	-	(420)
Net book value	9,133	813	3,447	44,965	58,358

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

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

NOTE 12 – OTHER SHORT TERM PROVISIONS

	30 September 2016	31 December 2015
Provisions		
Provision for lawsuits	73,732	78,088
Provision for cost accruals	60,606	87,944
	134,338	166,032

The movements of provision for lawsuits as of 30 September 2016 and 2015 are as follows:

	2016	2015
Balance at 1 January	78,088	69,699
Provision charged for the period	2,613	2,246
Provision released within the current period	(5,722)	(3,303)
Provision used in the period	(1,247)	(9,217)
Balance at 30 September	73,732	59,425

NOTE 13 - OTHER ASSETS AND LIABILITIES

	30 September 2016	31 December 2015
Other current assets		
Progress payments given to contractors	99,048	79,286
Accrued income	62,897	43,842
Receivables from tax office (*)	29,276	33,144
Deferred VAT	5,000	10,000
Other	136	-
	196,357	166,272

(*) Receivables from tax office consist of bank stoppages paid on interest income, which have been requested from the tax office to be paid back.

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

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

NOTE 14 - DEFERRED REVENUE AND PREPAID EXPENSES

	30 September 2016	31 December 2015
Short-term deferred revenue		
Deferred revenue from LSRSA projects (*)	1,644,584	2,330,071
Advances taken from Turnkey Project sales	385,592	1,000,469
Advances taken from LSRSA contractors (**)	1,001,159	763,886
Advances taken from related parties (Note 20)	64,733	64,732
	3,096,068	4,159,158

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

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

	30 September 2016	31 December 2015
Long-term deferred revenue		
Other advances taken	2,522	2,448
	2,522	2,448

	30 September 2016	31 December 2015
Prepaid expenses		
Advances given for inventory (*)	2,381	32,414
Prepaid expenses	1,744	1,548
	4,125	33,962

(*) The inventory advances given consists of prepayments of the 53 independent units which the Company purchased from Sarphan Finanspark.

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

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

NOTE 15 - SHAREHOLDERS' EQUITY

The Company's authorized capital amount is TL 3,800,000 (31 December 2015: TL 3,800,000) and consists of 380,000,000,000 (31 December 2015: 380,000,000,000) authorized number of shares with a nominal value of TL 0,01 each.

The Company's shareholders and their shareholding percentages as of 30 September 2016 and 31 December 2015 is as follows:

Shareholders	30 September 2016		31 December 2015	
	Share (%)	TL	Share (%)	TL
Public offering portion	50.66	1,925,111	50.66	1,925,111
T.C. Başbakanlık 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
Total paid in capital	100	3,800,000	100	3,800,000

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 Company'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.

The Company paid dividend to its shareholders amounting to TL 367,888 according to the decision in general assembly meeting on 14 April 2016. The dividend amounting to TL 11,618 which correspond to its treasury shares has been accounted in share premium account in equity.

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

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

NOTE 16 - SALES AND COST OF SALES

	1 January- 30 September 2016	1 July- 30 September 2016	1 January- 30 September 2015	1 July- 30 September 2015
Sales income				
Land sales	1,480,416	1,022,131	585,750	189,980
<i>Income from sale of land and plots by way of LSRSA</i>	<i>1,415,990</i>	<i>1,002,412</i>	<i>585,750</i>	<i>189,980</i>
<i>Land sales income</i>	<i>64,426</i>	<i>19,719</i>	-	-
Residential and commercial units sales	1,583,211	772,854	84,409	35,160
Rent Income	356	78	392	205
	3,063,983	1,795,063	670,551	225,345
Sales returns	(1,443)	(1,407)	(870)	(333)
Sales discounts	(541)	(39)	(561)	(270)
Net sales income	3,061,999	1,793,617	669,120	224,742
Cost of sales				
Cost of land sales	(352,124)	(271,702)	(230,125)	(77,621)
<i>Cost of land and plots sold by way of LSRSA</i>	<i>(340,326)</i>	<i>(267,481)</i>	<i>(230,125)</i>	<i>(77,621)</i>
<i>Cost of land sales</i>	<i>(11,798)</i>	<i>(4,221)</i>	-	-
Cost of residential and commercial units sales	(1,166,806)	(544,858)	(70,997)	(32,342)
	(1,518,930)	(816,560)	(301,122)	(109,963)
Gross profit	1,543,069	977,057	367,998	114,779

NOTE 17 - GENERAL ADMINISTRATIVE EXPENSES, MARKETING, SALES AND DISTRIBUTION EXPENSES

	1 January- 30 September 2016	1 July- 30 September 2016	1 January- 30 September 2015	1 July- 30 September 2015
General administrative expenses				
Personnel expenses	(38,044)	(14,393)	(29,542)	(10,239)
Taxes, duties and fees	(28,698)	(12,462)	(7,022)	9,839
Consultancy expenses	(5,628)	(2,019)	(3,429)	(457)
Subcontracting service expenses	(7,162)	(3,352)	(2,068)	(650)
Depreciation and amortisation	(4,589)	(1,596)	(1,686)	(621)
Lawsuit and notary expenses	(2,844)	(464)	(1,146)	(375)
Due and contribution expenses	(1,567)	(553)	(557)	(54)
Insurance expenses	(136)	(50)	(1,584)	(623)
Office expenses	(1,025)	(1,025)	(2,087)	(216)
Other	(7,372)	(1,929)	(5,067)	(1,269)
	(97,065)	(37,843)	(54,188)	(4,665)
Marketing, sales and distribution expenses				
Advertising expenses	(35,703)	(14,909)	(16,430)	(4,282)
Personnel expenses	(3,340)	(1,390)	(4,080)	(868)
Other	(1,118)	(55)	(2,541)	(625)
	(40,161)	(16,354)	(23,051)	(5,775)

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

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

NOTE 18 - OTHER INCOME / EXPENSES

	1 January- 30 September 2016	1 July- 30 September 2016	1 January- 30 September 2015	1 July- 30 September 2015
Other income				
Finance income from credit sales	84,424	24,140	65,613	14,215
Delay penalty interest from project contractors	45,327	27,549	13,431	2,879
Released lawsuit provisions (Note 12)	5,722	(163)	3,303	25
Recirculate commission income	6,538	1,028	5,350	1,873
Not realized finance income	5,820	2,777	13,915	6,498
Impairment provision reversals	3,014	391	79	13
Delay penalty and compensation income from project contractors	-	-	1,528	736
Other	29,729	10,531	8,676	2,347
	180,574	66,253	111,895	28,586
	1 January- 30 September 2016	1 July- 30 September 2016	1 January- 30 September 2015	1 July- 30 September 2015
Other expenses				
Impairment provision expenses	(18,867)	(17,257)	(6,385)	(1,473)
Reversal of due date differences	(1,570)	-	-	-
Lawsuit provision charge for the period (Note 12)	(2,613)	(2,613)	(2,246)	(952)
Lawsuit expenses	-	-	(7,000)	(1,377)
Other	(2,332)	(644)	(2,377)	(1,313)
	(25,382)	(20,514)	(18,008)	(5,115)

NOTE 19 - FINANCIAL INCOME / EXPENSES

	1 January- 30 September 2016	1 July- 30 September 2016	1 January- 30 September 2015	1 July- 30 September 2015
Financial income				
Interest income from time deposits	69,710	20,045	58,973	18,159
Foreign exchange income	69	64	21	13
	69,779	20,109	58,994	18,172
	1 January- 30 September 2016	1 July- 30 September 2016	1 January- 30 September 2015	1 July- 30 September 2015
Financial expenses				
Interest discount on pay off debt (*)	(91,638)	(91,638)	-	-
Interest expense on Turkish Treasury borrowings (**)	(24,933)	(6,169)	(37,643)	(13,488)
Foreign exchange loss	(146)	(3)	(715)	(310)
Commission expenses	(2)	(2)	(257)	(82)
	(116,719)	(97,812)	(38,615)	(13,880)

(*) This amount is related to the application of 20% deduction over the current loan balance of borrowers who continue their installment payments in the projects held by the Company, in case of clearing their debt amount.

(**) Interest expense of borrowing for HAS beneficiaries payments from Turkish Treasury amounting to TL 269,000 calculated in accordance with Domestic Government Debt Securities issuance compound interest rate announced at the time of payment periods.

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

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

NOTE 20 - RELATED PARTY TRANSACTIONS

The main shareholder of the Company is T.C. Başbakanlık Toplu Konut İdaresi Başkanlığı (“TOKİ”). TOKİ is a state institution under control of Republic of Turkey Prime Ministry. Related parties of the Company are as listed below:

1. T.C. Başbakanlık Toplu Konut İdaresi Başkanlığı (“TOKİ”)
2. Emlak Planlama, İnşaat, Proje Yönetimi ve Ticaret A.Ş. (an affiliate of TOKİ)
3. GEDAŞ (Gayrimenkul Değerleme A.Ş.) (an affiliate of TOKİ)
4. TOBAŞ (Toplu Konut - Büyükşehir Bel. İnş. Emlak ve Proje A.Ş.) (an affiliate of TOKİ)
5. Vakıf Gayrimenkul Yatırım Ortaklığı A.Ş. (an affiliate of TOKİ)
6. Vakıf İnşaat Restorasyon ve Ticaret A.Ş. (an affiliate of TOKİ)
7. Emlak-Toplu Konut İdaresi Spor Kulübü
8. Emlak Planlama İnş. Prj. Yön. A.Ş. – Fideltus İnş. – Öztaş İnş. Ortak Girişimi
9. Ege Yapı - Emlak Planlama, İnşaat, Proje Yönetimi ve Ticaret A.Ş.
10. Emlak Planlama İnşaat. Proje. Yönetimi ve Ticaret. A.Ş. – Cathay Ortak Girişimi

According to the revised TAS 24 – “Related Parties Transactions Standard”, exemptions have been brought to the disclosure requirements of balances. The Company 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 6, 7 and 9.
- The Company mostly deposits its cash in State Banks in compliance with its related statute. The bank balances with state banks amounted to TL 2,600,053 as of 30 September 2016 (31 December 2015: TL 2,725,418) Regarding these bank balances, the Company also generated interest income from the related State banks amounted to TL 174,623 in as of 30 September 2016 (30 September 2015: TL 573,152). Average effective interest rates of time deposits of the Company as of 30 September 2016 are explained in Note 5.

The transactions made between the Company and TOKİ and its affiliates and other related parties are presented below:

	30 September 2016	31 December 2015
Trade receivables from related parties		
Emlak Planl. İnş. Prj. Yön. A.Ş. - Ege Yapı Ltd. Şti.	15,265	197,277
Emlak Planl. İnş. Prj. Yön. A.Ş. - Fideltus İnş-Öztaş İnş O.G.	5,567	5,567
Emlak Planl. İnş. Prj. Yön. A.Ş. - Cathay Ortak Girişimi	1,323	1,328
	22,155	204,172
	30 September 2016	31 December 2015
Trade payables to related parties		
T.C. Başbakanlık Toplu Konut İdaresi Başkanlığı (“TOKİ”) (*)	3,560,348	1,881,778
Emlak Basın Yayın A.Ş.	32	-
Ege Yapı Ltd. Şti.-Emlak Pazarlama O.G.	1,358	-
	3,561,738	1,881,778

(*) The Company has purchased various lands from its ultimate parent company (TOKİ) in 2016 and 2015. The remaining payable from this purchases to TOKİ is amounting to TL 3,285,582 (31 December 2015: TL 1,711,926) and accrued interest is TL 274,765 (31 December 2015: TL 169,852).

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

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

NOTE 20 - RELATED PARTY TRANSACTIONS (Continued)

	30 September 2016	31 December 2015
Advances received from related parties		
Emlak Planl. İnş. Prj. Yön. A.Ş. - Fideltus İnş. - Öztaş İnş. O.G. (*)	64,732	64,732
	64,732	64,732

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

	1 January- 30 September 2016	1 July- 30 September 2016	1 January- 30 September 2015	1 July- 30 September 2015
Purchases from related parties				
T.C. Başbakanlık Toplu Konut İdaresi Başkanlığı (“TOKİ”) Emlak Planl. İnş. Prj. Yön. A.Ş. - Ege Yapı Ltd. Şt	2,294,361 152,191	16,000 -	1,292,655 -	- -
Emlak Planl. İnş. Prj. Yön. A.Ş. - Emlak Basın Yayın A.Ş.	643	174	-	-
	2,447,195	16,174	1,292,655	-

	1 January- 30 September 2016	1 July- 30 September 2016	1 January- 30 September 2015	1 July- 30 September 2015
Sales to related parties				
T.C. Başbakanlık Toplu Konut İdaresi Başkanlığı (“TOKİ”) (*) Emlak Planl. İnş. Prj. Yön. A.Ş. - Cathay Ortak Girişimi Emlak Pazarlam-Yeni Sarp Ortak Girişimi	50,102 53 -	- 4 -	- - 30	- - -
	50,155	4	30	-

In the Company, the president 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:

	1 January- 30 September 2016	1 July- 30 September 2016	1 January- 30 September 2015	1 July- 30 September 2015
Remuneration of key management				
Salaries and other short-term employee	2,743	1,186	1,557	677
	2,743	1,186	1,557	677

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

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

NOTE 21 - CONTINGENT ASSETS AND LIABILITIES

1. The LSRSA Project Agreement dated 21 December 2005 regarding 750 units in İzmir Mavişehir 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 Company and the remaining part of the project has been completed by another construction company which was assigned in accordance with public tender law. The related units have been completed and are sold by the Company as in RPSPTL.

The prior contractor filed a lawsuit against the Company 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 expert report on the project stated that the completion percentage was 83% but that the agreement between the parties was not based on construction right in return for flat. The Company 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. Nevertheless next trial date has not been appointed yet. In addition, the file was conferred to the committee since the Commercial Court converted to Committee Judgeship. The Company does not expect any obligation or liability to be incurred as a result of the lawsuit.

In the expert report dated 19 January 2016, it has been made a decision of whether related cancellation is unfair, and there alternative calculations has been realized over the possibility of whether the cancellation is right and over the effects on forward and backward. The expert report has been contested and it has been requested from the court that the expert report is declared "null and void" and that to receive a report that contains the objections of parties by creating a new committee. The court has given trial day on 4 March 2017.

According to comments received from the Company's lawyer, it is not expected to arise any liability that put the Company under obligation as a result of related case.

2. The LSRSA project agreement regarding İzmir Mavişehir 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 Company 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 Company's revenue portion is TL 67,515 plus VAT calculated as TL 175,000 plus VAT total project revenue times 38.58% Company's revenue portion. The Contractor wants all the properties and related land portion to be valued by an independent valuation company as of the date of the lawsuit and that 38.58% of the total value to be appropriated to the Company and the remaining 61.42% of the total value to be appropriated to the Contractor (Note 9).

An expert report has been issued on the subject, which stated that the relation between the parties was in the form of ordinary partnership. The Company objected the expert report putting forward the existence of counter opinions in the doctrine and submitted the sources of such opinions. The expert report also opined that the mortgage crisis in the global markets required the revision of the agreement in accordance with "the changing conditions".

The court has been decided to examine the file for the evaluation of the request that receiving report from the new expert committee and to adjournment of hearing on 5 March 2015.

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2016

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

NOTE 21 - CONTINGENT ASSETS AND LIABILITIES (Continued)

The court rejected the case on 5 March 2015. The claimant has filed an appeal. The result of appeal is being waited.

According to comments received from the Company’s lawyer, it is not expected to arise any liability that put the Company under obligation as a result of related case.

3. Mortgage and guarantees received are;

	30 September 2016	31 December 2015
Guarantees received (*)	2,858,398	3,256,850
Mortgages received (**)	45,878	126,221
	2,904,276	3,383,071

(*) 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.

4. Collaterals, pledges, mortgages (“CPM”):

	30 September 2016	31 December 2015
A. CPM given on behalf of the Company's legal personality	65,502	58,040
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	-	-
	65,502	58,040

NOTE 22 - EVENTS AFTER THE REPORTING PERIOD

For the respective operations and transactions of the protocol signed between our Company and Galatasaray Sports Club Association issued on 29 June 2016, The President of the Club was authorized by the General Assembly of Galatasaray Sports Club Association dated 22 October 2016 and the works within this scope will continue.

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2016**

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

ADDITIONAL NOTE - CONTROL OF COMPLIANCE WITH THE PORTFOLIO LIMITATIONS

	Non-Consolidated (Individual) Financial Statements Main Account Items	Related Regulation	Current Period 30 September 2016 (TL)	Prior Period 31 December 2015 (TL)
A	Money and Capital Market Instruments	Series:III-No:48, Art,24/(b)	2,832,552	938,774
B	Properties, Projects based on Properties and Rights based on Properties	Series:III-No:48, Art,24/(a)	12,002,870	10,355,987
C	Affiliates	Series:III-No:48, Art,24/(b)	-	-
	Due from related parties (Non Commercial)	Series:III-No:48, Art,23/(f)	-	-
	Other Assets		3,806,527	5,932,743
D	Total Assets	Series:III-No:48, Art,3/(k)	18,641,949	17,227,504
E	Financial Liabilities	Series:III-No:48, Art,31	275,079	444,657
F	Other Financial Liabilities	Series:III-No:48, Art,31	-	-
G	Due from Financial Leases	Series:III-No:48, Art,31	-	-
H	Due to Related Parties (Non Commercial)	Series:III-No:48, Art,23/(f)	-	-
I	Shareholders' equity	Series:III-No:48, Art,31	10,493,927	9,325,399
	Other Resources		7,872,943	7,457,448
D	Total Resources	Series:III-No:48, Art,3/(k)	18,641,949	17,227,504
	Non-Consolidated (Individual) Financial Statements Other Account Items	Related Regulation	Current Period 30 September 2016 (TL)	Prior Period 31 December 2015 (TL)
A1	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)	715,906	938,774
A2	Term/ Demand/ Currency	Series:III-No:48, Art,24/(b)	715,906	759,489
A3	Foreign Capital Market Instruments	Series:III-No:48, Art,24/(d)	-	-
B1	Foreign Properties, Projects based on properties and Rights based on Properties	Series:III-No:48, Art,24/(d)	-	-
B2	Idle Lands	Series:III-No:48, Art,24/(c)	420,448	543,047
C1	Foreign Affiliates	Series:III-No:48, Art,24/(d)	-	-
C2	Affiliates for Operating Company	Series:III-No:48, Art,28	-	-
J	Non-cash Loans	Series:III-No:48, Art,31	65,502	58,103
K	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.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2016

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

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

	Portfolio restrictions	Related regulation	30 September 2016 (%)	31 December 2015 (%)	Minimum/ Maximum Rate
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)	68	67	>50%
3	Money and Capital Market Instruments and Affiliates	Series:III-No:48, Art,24/(b)	11	-	<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)	2	3	<20%
6	Affiliates to the Operating Company	Series:III-No:48, Art,28	-	-	<10%
7	Borrowing Limit	Series:III-No:48, Art,31	3	5	<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 Company" published in official gazette no 28660 on 28 May 2013.

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ANNEX 2 - SUMMARY OF ASSETS' APPRAISAL REPORTS

1

Real Estate Assessment Report Summary			
Name of the Work Subject to Assessment	Istanbul Başakşehir Kayabaşı 3rd Stage of the (Adım Istanbul) Project		
Assessment Requested By	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.		
Report Prepared By	Atak Gayrimenkul Değerleme A.Ş.		
Report Date	08.09.2016		
Summary Information on the Real Estates Subject to Assessment			
Title Deed Information	Owner: Emlak Konut GYO A.Ş. Province: Istanbul District: Başakşehir Neighborhood: Kayabaşı		
	Block/Plot	Surface Area (sqm)	Volume No./Page No.
	884/1	40,121.18	124/12257
	891/1	16,423.5	124/12265
	892/1	18,653.2	124/12266
Current Use	Housing project with commercial units		
Zoning Status	Residential+ Commercial Area, Floor Area Ratio: 2.00 Hmax: Unconstrained		
Values Specified in The Assessment Report (VAT not included)			
The Total Value of 688 Units	359,111,400.00 TL		
Current Status Value of The Project	167,189,171.00 TL		
Project Value Upon Completion	846,748,899.24 TL		
The Share of Emlak Konut GYO A.Ş. Upon Completion	220,154,713.80 TL		

2

Real Estate Assessment Report Summary			
Name of the Work Subject to Assessment	Bahçekent Flora Project		
Assessment Requested By	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.		
Report Prepared By	Atak Gayrimenkul Değerleme A.Ş.		
Report Date	08.09.2016		
Summary Information on the Real Estates Subject to Assessment			
Title Deed Information	Owner: Emlak Konut GYO A.Ş. Province: Istanbul District: Başakşehir Neighborhood: Hoşdere		
	Block/Plot	Surface Area (sqm)	Date/Journal No.
	656/1	20,817.91	47/4622
	656/2	17,589.53	Construction servitude was established.
	656/3	22,449.31	47/4624
	657/1	31,012.65	47/4625
Current Use	Housing Project with commercial units.		
	It remains within Hoşdere Housing Area Application Zoning Plan (scale: 1/1,000) approved on 12.03.2012.		
Zoning Status	Block No.	Plot No.	Zoning Function
	656	1	Commercial Area
	656	2	Residential Area
	656	3	Recreation Area
	657	1	Commercial Area
	657	2	Residential Area
Values Specified in The Assessment Report (VAT not included)			
The Total Value of 10 Units	16,227,500.00 TL		
Current Status Value of The Project	296,312,361.20 TL		
Project Value Upon Completion	434,412,282.66 TL		
The Share of Emlak Konut GYO A.Ş. Upon Completion	109,732,542.60 TL		

3

Real Estate Assessment Report Summary				
Name of the Work Subject to Assessment	Denizli Merkezefendi Evora Denizli Project			
Assessment Requested By	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.			
Report Prepared By	Atak Gayrimenkul Değerleme A.Ş.			
Report Date	10.08.2016			
Summary Information on the Real Estates Subject to Assessment				
Title Deed Information	Owner	Emlak Konut GYO A.Ş.		
	Province	Denizli		
	District	Merkezefendi		
	Neighborhood	Çakmak		
	Block/Plot	Surface Area (sqm)	Volume No./Page No.	
	716/1	6,094.21	62/6087	
	717/1	3,031.06	62/6088	
	718/1	14,227.02	62/6089	
	719/1	17,079.48	62/6090	
	720/1	19,441.35	62/6091	
Current Use	Housing Project with commercial units and educational area			
	Housing(Floor Area Ratio=2.00), Commercial (Floor Area Ratio=1.00), Special Educatio (Floor Area RatioE=1.00), Hmax: Unconstrained			
	Values Specified in The Assessment Report (VAT not included)			
	The Total Value of 171 Units	31,862,200.00 TL		
	Current Status Value of The Project	90,899,132.50 TL		
	Project Value Upon Completion	470,632,067.94 TL		
The Share of Emlak Konut GYO A.Ş. Upon Completion	84,713,772.23 TL			

Real Estate Assessment Report Summary			
Name of the Work Subject to Assessment	Revenue Sharing Model in Return for The Land Sale in Konya Meram Yenice		
Assessment Requested By	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.		
Report Prepared By	Atak Gayrimenkul Değerleme A.Ş.		
Report Date	05.08.2016		
Summary Information on the Real Estates Subject to Assessment			
Title Deed Information	Owner: Emlak Konut GYO A.Ş. Province: Konya District: Meram Neighborhood: Yenice		
	Block/Plot	Surface Area (sqm)	Volume No./Page No.
	37594/5	29,459.11	11/1005
	37595/3	31,216.37	11/1015
Date/Journal No.	30.07.2015/21414		
30.07.2015/21414			
Current Use	The project with housing and commercial units.		
Zoning Status	Block No.	Plot No.	Zoning Function
	37594	5	Housing
	37595	3	Housing
Construction Conditions	Floor Area Ratio: 2.18, Hmax: 15 floors		
	Floor Area Ratio=2.10, H:Unconstrained		
Values Specified in The Assessment Report (VAT not included)			
Current Status Value of The Project	93,065,978.00 TL		
Project Value Upon Completion	411,256,353.31 TL		
The Share of Emlak Konut GYO A.Ş. Upon Completion	211,500,000.00 TL		

Real Estate Assessment Report Summary			
Name of the Work Subject to Assessment	Istanbul Sariyer Ayazağa Maslak 1453 Project		
Assessment Requested By	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.		
Report Prepared By	Atak Gayrimenkul Değerleme A.Ş.		
Report Date	29.08.2016		
Summary Information on the Real Estates Subject to Assessment			
Title Deed Information	Owner: Emlak Konut GYO A.Ş. Province:Istanbul District: Sariyer Neighborhood: Ayazağa		
	Block/Plot	Surface Area (sqm)	Volume No./Page No.
	10622/2	183,484.18	34/3291
	10623/1	7,996.27	30/2876
	10623/2	4,729.30	30/2877
	10640/1	260.39	34/3292
	1/155	2,515.04	30/2873
Date/Journal No.	26.01.2012/1453		
26.01.2012/1453			
26.01.2012/1453			
26.01.2012/1453			
Current Use	Housing project with houses and commercial units.		
Zoning Status	Block No.	Plot No.	Zoning Function
	10622	2	Residential Area
	10623	1	Special Education Area+Parking Area
	10623	2	Special Education Area
	10640	1	Special Education Area
	1	155	Parking Area
Construction Conditions	Lot Coverage: 0.55, Floor Area Ratio: 2.20		
	Floor Area Ratio: 2.00		
	Floor Area Ratio: 2.00		
	Floor Area Ratio: 2.00		
	-		
	-		
Values Specified in The Assessment Report (VAT not included)			
The Total Value of 1367 Units	2,972,352,700.00 TL		
Current Status Value of The Project	3,358,267,777.50 TL		
Project Value Upon Completion	7,133,279,192.98 TL		
The Project's Value for Emlak Konut A.Ş. in its Current Status	1,410,213,777.50 TL		
Total Revenue of Emlak Konut A.Ş.'s Share in Return for the Land Sale Upon the Completion of The Project	2,532,314,113.51 TL		

Real Estate Assessment Report Summary			
Name of the Work Subject to Assessment	Nevşehir Real Estate Housing Project		
Assessment Requested By	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.		
Report Prepared By	Atak Gayrimenkul Değerleme A.Ş.		
Report Date	26.08.2016		
Summary Information on the Real Estates Subject to Assessment			
Title Deed Information	Owner: Emlak Konut GYO A.Ş. Province: Nevşehir District: Merkez Neighborhood: Yeni		
	Block/Plot	Surface Area (sqm)	Volume No./Page No.
	70/771	29,541.4	44/4316
Date/Journal No.	543/13.01.2016		
Current Use	The project with housing and commercial units.		
Zoning Status	Block No.	Plot No.	Zoning Function
	70	771	Housing Area on Commercial Units
Construction Conditions	Floor area ratio: 3.00		
Values Specified in The Assessment Report (VAT not included)			
Current Status Value of The Project	74,213,000.00 TL		
Project Value Upon Completion	167,265,531.43 TL		
Value of 16 Units	5,751,300.00 TL		

Real Estate Assessment Report Summary			
Name of the Work Subject to Assessment	Büyükyalı İstanbul Project		
Assessment Requested By	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.		
Report Prepared By	Atak Gayrimenkul Değerleme A.Ş.		
Report Date	21.09.2016		
Summary Information on the Real Estates Subject to Assessment			
Title Deed Information	Owner: Emlak Konut GYO A.Ş. Province: İstanbul District: Zeytinburnu Neighborhood: Kazlıçeşme		
	Block/Plot	Surface Area (sqm)	Volume No./Page No.
	774/69	70,945.13	8/757
	774/70	2,616.1	8/758
	774/71	4,052.07	8/759
Date/Journal No.	15.10.2015/12539		
15.10.2015/12538			
15.10.2015/11702			
15.10.2015/12539			
Current Use	Housing project with hotel, office, stores and apartments.		
Zoning Status	Block No.	Plot No.	Zoning Function
	774	69	Commercial+Residential
	774	70	Religious Facility Area
	774	71	Educational Facility Area
	774	73	Tourism+Trade
Construction Conditions	Floor Area Ratio: 2.00		
	Floor Area Ratio: 1.50		
	Floor Area Ratio: 2.00		
	Floor Area Ratio: 2.50		
Values Specified in The Assessment Report (VAT not included)			
Current Status Value of The Project	954,636,749.00 TL		
Present Value of the Project if Completed	3,780,997,115.93 TL		
The Share of Emlak Konut GYO A.Ş. Upon Completion	1,568,800,000.00 TL		
Total VAT Excluded Market Value of 108 Units	189,885,200.00 TL		

8

Real Estate Assessment Report Summary				
Name of the Work Subject to Assessment	It is the Assessment report determining, under the Revenue Sharing Process in return for the 4th Stage of Land Sale in Istanbul Başakşehir Kayabaşı, the total value of the Park Mavera project located within Plot No 1 and Block No 833; Plot No 1 and Block No 889 upon completion and Emlak Konut GYO A.Ş.'s share, the project's current value and Emlak Konut GYO A.Ş.'s share in its current state, and the current market value of 252 Units within the stock based on the open list sent to our company.			
Assessment Requested By	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.			
Report Prepared By	Yetkin Gayrimenkul Değerleme ve Danışmanlık A.Ş.			
Report Number	16.08-01-150			
Report Date	15.08.2016			
Summary Information on the Real Estates Subject to Assessment				
Title Deed Information	Block/Plot	Surface Area (sqm)	Volume No./Page No.	Date/Journal No.
	883/1	45,389.81	124/12256	10.01.2014/415
	889/1	53,086.96	124/12263	10.01.2014/415
Current Use	The construction activity continues on the plots.			
Zoning Status	Block No.	Plot No.	Zoning Function	Construction Conditions
	883	1	Commercial+Residential	E=2.00, H=Unconstrained
	889	1	Commercial+Residential	E=2.00, H=Unconstrained
Values Specified in The Assessment Report (VAT not included)				
Current Status Value of The Project	517,230,344.00 TL			
The Project's Value for Emlak Konut A.Ş. in its Current State	275,734,956.00 TL			
Project Value Upon Completion	984,102,302.00 TL			
The Share of Emlak Konut GYO A.Ş. Upon Completion	420,000,000.00 TL			
The Total Value of 252 Units	141,446,882.00 TL			

9

Real Estate Assessment Report Summary				
Name of the Work Subject to Assessment	Dumankaya Miks Project			
Assessment Requested By	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.			
Report Prepared By	Atak Gayrimenkul Değerleme A.Ş.			
Report Date	08.09.2016			
Summary Information on the Real Estates Subject to Assessment				
Title Deed Information	Owner: Emlak Konut GYO A.Ş. Province: Istanbul District: Küçükçekmece Neighborhood: Halkalı			
	Block/Plot	Surface Area (sqm)	Volume No./Page No.	Date/Journal No.
	800/11	27,737.16 m²	Construction servitude was established.	
Current Use	Housing Project with commercial units and offices.			
Zoning Status	Located as a "Commercial Area" within Halkalı Housing Revision Application Zoning Plan (scale: 1/1,000) approved on 07.11.2010-07.03.2011-14.08.2012-13.02.2013 Floor Area Ratio:1,75 /Hmax: It has unconstrained construction conditions.			
Values Specified in The Assessment Report (VAT not included)				
Total Rental Value of 35 Units	24,709,600.00 TL			
Current Status Value of The Project	184,225,132.00 TL			
Project Value Upon Completion	333,598,250.00 TL			
The Share of Emlak Konut GYO A.Ş. Upon Completion	101,747,466.25 TL			

10

Real Estate Assessment Report Summary				
Name of the Work Subject to Assessment	İstanbul Başakşehir Ayazma 2nd Stage Bahçetepe Project			
Assessment Requested By	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.			
Report Prepared By	Atak Gayrimenkul Değerleme A.Ş.			
Report Date	21.09.2016			
Summary Information on the Real Estates Subject to Assessment				
Title Deed Information	Owner: Emlak Konut GYO A.Ş. Province: Istanbul District: Başakşehir Neighborhood: Kayabaşı (900/5) İkitelli-2 (1357/1)			
	Block/Plot	Surface Area (sqm)	Volume No./Page No.	Date/Journal No.
	900/5	127,389.75	127/12507	15.01.2015/637
	1357/1	89,910.14	157/15517	26.11.2012/13680
Current Use	The project with housing, commercial units and offices.			
Zoning Status	Block No.	Plot No.	Zoning Function	Construction Conditions
	900	5	Recreation	Lot Coverage: 0.10, Flor Area Ratio: 0.15 Hmax: 15.50
	1357	1	T1 Commercial+Residential Area	Floor Area Ratio: 2.00, Hmax:Unconstrained
Values Specified in The Assessment Report (VAT not included)				
The Total Value of 3 Units	1,127,900.00 TL			
Current Status Value of The Project	638,631,116.84 TL			
Project Value Upon Completion	1,018,785,482.50 TL			
The Share of Emlak Konut GYO A.Ş. Upon Completion	264,884,225.45 TL			

ANNEX 2 - SUMMARY OF ASSETS' APPRAISAL REPORTS

1

Real Estate Assessment Report Summary				
Name of the Work Subject to Assessment	Istanbul Başakşehir Kayabaşı 3rd Stage of the (Adım Istanbul) Project			
Assessment Requested By	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.			
Report Prepared By	Atak Gayrimenkul Değerleme A.Ş.			
Report Date	08.09.2016			
Summary Information on the Real Estates Subject to Assessment				
Title Deed Information	Owner: Emlak Konut GYO A.Ş. Province: Istanbul District: Başakşehir Neighborhood: Kayabaşı			
	Block/Plot	Surface Area (sqm)	Volume No./Page No.	Date/Journal No.
	884/1	40,121.18	124/12257	10.01.2014/415
	891/1	16,423.5	124/12265	10.01.2014/415
	892/1	18,653.2	124/12266	10.01.2014/415
Current Use	Housing project with commercial units			
Zoning Status	Residential+ Commercial Area, Floor Area Ratio: 2.00 Hmax: Unconstrained			
Values Specified in The Assessment Report (VAT not included)				
The Total Value of 688 Units	359,111,400.00 TL			
Current Status Value of The Project	167,189,171.00 TL			
Project Value Upon Completion	846,748,899.24 TL			
The Share of Emlak Konut GYO A.Ş. Upon Completion	220,154,713.80 TL			

2

Real Estate Assessment Report Summary				
Name of the Work Subject to Assessment	Bahçekent Flora Project			
Assessment Requested By	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.			
Report Prepared By	Atak Gayrimenkul Değerleme A.Ş.			
Report Date	08.09.2016			
Summary Information on the Real Estates Subject to Assessment				
Title Deed Information	Owner: Emlak Konut GYO A.Ş. Province: Istanbul District: Başakşehir Neighborhood: Hoşdere			
	Block/Plot	Surface Area (sqm)	Volume No./Page No.	Date/Journal No.
	656/1	20,817.91	47/4622	14.03.2013/3635
	656/2	17,589.53	Construction servitude was established.	
	656/3	22,449.31	47/4624	14.03.2013/3635
	657/1	31,012.65	47/4625	14.03.2013/3635
	657/2	27,887.14	Construction servitude was established.	
Current Use	Housing Project with commercial units.			
Zoning Status	It remains within Hoşdere Housing Area Application Zoning Plan (scale: 1/1,000) approved on 12.03.2012.			
	Block No.	Plot No.	Zoning Function	Construction Conditions
	656	1	Commercial Area	Floor Area Ratio: 0.50, H: Unconstrained
	656	2	Residential Area	Floor Area Ratio: 2.00, H: Unconstrained
	656	3	Recreation Area	Floor Area Ratio: 0.05, H: 6.5
	657	1	Commercial Area	Floor Area Ratio: 0.50, H: Unconstrained
	657	2	Residential Area	Floor Area Ratio: 2.00, H: Unconstrained
Values Specified in The Assessment Report (VAT not included)				
The Total Value of 10 Units	16,227,500.00 TL			
Current Status Value of The Project	296,312,361.20 TL			
Project Value Upon Completion	434,412,282.66 TL			
The Share of Emlak Konut GYO A.Ş. Upon Completion	109,732,542.60 TL			

3

Real Estate Assessment Report Summary				
Name of the Work Subject to Assessment	Denizli Merkezefendi Evora Denizli Project			
Assessment Requested By	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.			
Report Prepared By	Atak Gayrimenkul Değerleme A.Ş.			
Report Date	10.08.2016			
Summary Information on the Real Estates Subject to Assessment				
Title Deed Information	Owner	Emlak Konut GYO A.Ş.		
	Province	Denizli		
	District	Merkezefendi		
	Neighborhood	Çakmak		
	Block/Plot	Surface Area (sqm)	Volume No./Page No.	Date/Journal No.
	716/1	6,094.21	62/6087	27/01/2016-2045
	717/1	3,031.06	62/6088	27/01/2016-2045
	718/1	14,227.02	62/6089	27/01/2016-2045
	719/1	17,079.48	62/6090	27/01/2016-2045
	720/1	19,441.35	62/6091	27/01/2016-2045
	721/1	7,037.06	62/6092	27/01/2016-2045
	722/1	6,490.63	62/6094	27/01/2016-2045
	723/1	7,764.06	62/6095	27/01/2016-2045
	724/1	14,129.35	62/6096	27/01/2016-2045
Current Use	Housing Project with commercial units and educational area			
Zoning Status	Housing(Floor Area Ratio=2.00), Commercial (Floor Area Ratio=1.00), Special Educatio (Floor Area RatioE=1.00), Hmax: Unconstrained			
Values Specified in The Assessment Report (VAT not included)				
The Total Value of 171 Units	31,862,200.00 TL			
Current Status Value of The Project	90,899,132.50 TL			
Project Value Upon Completion	470,632,067.94 TL			
The Share of Emlak Konut GYO A.Ş. Upon Completion	84,713,772.23 TL			

Real Estate Assessment Report Summary			
Name of the Work Subject to Assessment	Revenue Sharing Model in Return for The Land Sale in Konya Meram Yenice		
Assessment Requested By	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.		
Report Prepared By	Atak Gayrimenkul Değerleme A.Ş.		
Report Date	05.08.2016		
Summary Information on the Real Estates Subject to Assessment			
Title Deed Information	Owner: Emlak Konut GYO A.Ş. Province: Konya District: Meram Neighborhood: Yenice		
	Block/Plot	Surface Area (sqm)	Volume No./Page No.
	37594/5	29,459.11	11/1005
	37595/3	31,216.37	11/1015
Date/Journal No.	30.07.2015/21414		
30.07.2015/21414			
Current Use	The project with housing and commercial units.		
Zoning Status	Block No.	Plot No.	Zoning Function
	37594	5	Housing
	37595	3	Housing
Construction Conditions	Floor Area Ratio: 2.18, Hmax: 15 floors		
Floor Area Ratio=2.10, H:Unconstrained			
Values Specified in The Assessment Report (VAT not included)			
Current Status Value of The Project	93,065,978.00 TL		
Project Value Upon Completion	411,256,353.31 TL		
The Share of Emlak Konut GYO A.Ş. Upon Completion	211,500,000.00 TL		

Real Estate Assessment Report Summary			
Name of the Work Subject to Assessment	Istanbul Sariyer Ayazağa Maslak 1453 Project		
Assessment Requested By	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.		
Report Prepared By	Atak Gayrimenkul Değerleme A.Ş.		
Report Date	29.08.2016		
Summary Information on the Real Estates Subject to Assessment			
Title Deed Information	Owner: Emlak Konut GYO A.Ş. Province: Istanbul District: Sariyer Neighborhood: Ayazağa		
	Block/Plot	Surface Area (sqm)	Volume No./Page No.
	10622/2	183,484.18	34/3291
	10623/1	7,996.27	30/2876
	10623/2	4,729.30	30/2877
	10640/1	260.39	34/3292
	1/155	2,515.04	30/2873
1/156	5,685.49	30/2874	
Date/Journal No.	10.06.2016/6059		
26.01.2012/1453			
26.01.2012/1453			
10.06.2016/6059			
26.01.2012/1453			
26.01.2012/1453			
Current Use	Housing project with houses and commercial units.		
Zoning Status	Block No.	Plot No.	Zoning Function
	10622	2	Residential Area
	10623	1	Special Education Area+Parking Area
	10623	2	Special Education Area
	10640	1	Special Education Area
	1	155	Parking Area
1	156	Religious Facility Area	
Construction Conditions	Lot Coverage: 0.55, Floor Area Ratio: 2.20		
Floor Area Ratio: 2.00			
Floor Area Ratio: 2.00			
Floor Area Ratio: 2.00			
-			
-			
Values Specified in The Assessment Report (VAT not included)			
The Total Value of 1367 Units	2,972,352,700.00 TL		
Current Status Value of The Project	3,358,267,777.50 TL		
Project Value Upon Completion	7,133,279,192.98 TL		
The Project's Value for Emlak Konut A.Ş. in its Current Status	1,410,213,777.50 TL		
Total Revenue of Emlak Konut A.Ş.'s Share in Return for the Land Sale Upon the Completion of The Project	2,532,314,113.51 TL		

Real Estate Assessment Report Summary			
Name of the Work Subject to Assessment	Nevşehir Real Estate Housing Project		
Assessment Requested By	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.		
Report Prepared By	Atak Gayrimenkul Değerleme A.Ş.		
Report Date	26.08.2016		
Summary Information on the Real Estates Subject to Assessment			
Title Deed Information	Owner: Emlak Konut GYO A.Ş. Province: Nevşehir District: Merkez Neighborhood: Yeni		
	Block/Plot	Surface Area (sqm)	Volume No./Page No.
	70/771	29,541.4	44/4316
Date/Journal No.	543/13.01.2016		
Current Use	The project with housing and commercial units.		
Zoning Status	Block No.	Plot No.	Zoning Function
	70	771	Housing Area on Commercial Units
Construction Conditions	Floor area ratio: 3.00		
Values Specified in The Assessment Report (VAT not included)			
Current Status Value of The Project	74,213,000.00 TL		
Project Value Upon Completion	167,265,531.43 TL		
Value of 16 Units	5,751,300.00 TL		

Real Estate Assessment Report Summary			
Name of the Work Subject to Assessment	Büyükyalı İstanbul Project		
Assessment Requested By	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.		
Report Prepared By	Atak Gayrimenkul Değerleme A.Ş.		
Report Date	21.09.2016		
Summary Information on the Real Estates Subject to Assessment			
Title Deed Information	Owner: Emlak Konut GYO A.Ş. Province: Istanbul District: Zeytinburnu Neighborhood: Kazlıçeşme		
	Block/Plot	Surface Area (sqm)	Volume No./Page No.
	774/69	70,945.13	8/757
	774/70	2,616.1	8/758
	774/71	4,052.07	8/759
774/73	33,409.63	8/761	
Date/Journal No.	15.10.2015/12539		
15.10.2015/12538			
15.10.2015/11702			
15.10.2015/12539			
Current Use	Housing project with hotel, office, stores and apartments.		
Zoning Status	Block No.	Plot No.	Zoning Function
	774	69	Commercial+Residential
	774	70	Religious Facility Area
	774	71	Educational Facility Area
	774	73	Tourism+Trade
Construction Conditions	Floor Area Ratio: 2.00		
Floor Area Ratio: 1.50			
Floor Area Ratio: 2.00			
Floor Area Ratio: 2.50			
Values Specified in The Assessment Report (VAT not included)			
Current Status Value of The Project	954,636,749.00 TL		
Present Value of the Project if Completed	3,780,997,115.93 TL		
The Share of Emlak Konut GYO A.Ş. Upon Completion	1,568,800,000.00 TL		
Total VAT Excluded Market Value of 108 Units	189,885,200.00 TL		

8

Real Estate Assessment Report Summary				
Name of the Work Subject to Assessment	It is the Assessment report determining, under the Revenue Sharing Process in return for the 4th Stage of Land Sale in Istanbul Başakşehir Kayabaşı, the total value of the Park Mavera project located within Plot No 1 and Block No 833; Plot No 1 and Block No 889 upon completion and Emlak Konut GYO A.Ş.'s share, the project's current value and Emlak Konut GYO A.Ş.'s share in its current state, and the current market value of 252 Units within the stock based on the open list sent to our company.			
Assessment Requested By	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.			
Report Prepared By	Yetkin Gayrimenkul Değerleme ve Danışmanlık A.Ş.			
Report Number	16.08-01-150			
Report Date	15.08.2016			
Summary Information on the Real Estates Subject to Assessment				
Title Deed Information	Block/Plot	Surface Area (sqm)	Volume No./Page No.	Date/Journal No.
	883/1	45,389.81	124/12256	10.01.2014/415
	889/1	53,086.96	124/12263	10.01.2014/415
Current Use	The construction activity continues on the plots.			
Zoning Status	Block No.	Plot No.	Zoning Function	Construction Conditions
	883	1	Commercial+Residential	E=2.00, H=Unconstrained
	889	1	Commercial+Residential	E=2.00, H=Unconstrained
Values Specified in The Assessment Report (VAT not included)				
Current Status Value of The Project	517,230,344.00 TL			
The Project's Value for Emlak Konut A.Ş. in its Current State	275,734,956.00 TL			
Project Value Upon Completion	984,102,302.00 TL			
The Share of Emlak Konut GYO A.Ş. Upon Completion	420,000,000.00 TL			
The Total Value of 252 Units	141,446,882.00 TL			

9

Real Estate Assessment Report Summary				
Name of the Work Subject to Assessment	Dumankaya Miks Project			
Assessment Requested By	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.			
Report Prepared By	Atak Gayrimenkul Değerleme A.Ş.			
Report Date	08.09.2016			
Summary Information on the Real Estates Subject to Assessment				
Title Deed Information	Owner: Emlak Konut GYO A.Ş. Province: Istanbul District: Küçükçekmece Neighborhood: Halkalı			
	Block/Plot	Surface Area (sqm)	Volume No./Page No.	Date/Journal No.
	800/11	27,737.16 m²	Construction servitude was established.	
Current Use	Housing Project with commercial units and offices.			
Zoning Status	Located as a "Commercial Area" within Halkalı Housing Revision Application Zoning Plan (scale: 1/1,000) approved on 07.11.2010-07.03.2011-14.08.2012-13.02.2013 Floor Area Ratio:1,75 /Hmax: It has unconstrained construction conditions.			
Values Specified in The Assessment Report (VAT not included)				
Total Rental Value of 35 Units	24,709,600.00 TL			
Current Status Value of The Project	184,225,132.00 TL			
Project Value Upon Completion	333,598,250.00 TL			
The Share of Emlak Konut GYO A.Ş. Upon Completion	101,747,466.25 TL			

10

Real Estate Assessment Report Summary				
Name of the Work Subject to Assessment	İstanbul Başakşehir Ayazma 2nd Stage Bahçetepe Project			
Assessment Requested By	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.			
Report Prepared By	Atak Gayrimenkul Değerleme A.Ş.			
Report Date	21.09.2016			
Summary Information on the Real Estates Subject to Assessment				
Title Deed Information	Owner: Emlak Konut GYO A.Ş. Province: Istanbul District: Başakşehir Neighborhood: Kayabaşı (900/5) İkitelli-2 (1357/1)			
	Block/Plot	Surface Area (sqm)	Volume No./Page No.	Date/Journal No.
	900/5	127,389.75	127/12507	15.01.2015/637
	1357/1	89,910.14	157/15517	26.11.2012/13680
Current Use	The project with housing, commercial units and offices.			
Zoning Status	Block No.	Plot No.	Zoning Function	Construction Conditions
	900	5	Recreation	Lot Coverage: 0.10, Flor Area Ratio: 0.15 Hmax: 15.50
	1357	1	T1 Commercial+Residential Area	Floor Area Ratio: 2.00, Hmax:Unconstrained
Values Specified in The Assessment Report (VAT not included)				
The Total Value of 3 Units	1,127,900.00 TL			
Current Status Value of The Project	638,631,116.84 TL			
Project Value Upon Completion	1,018,785,482.50 TL			
The Share of Emlak Konut GYO A.Ş. Upon Completion	264,884,225.45 TL			

ANNEX-3
EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.
LAND STOCK SUMMARY TABLE
(30.09.2016)

LOCATION	Number	SQM	Date of Purchase	Book Value (TL)	Expertise Date	Expertise Value (TL)
ANKARA ETİMESGUT BALIKUYUMCU PARCELS	91	1,919,107.39	26.10.2006	273,036,259.4	31.12.2015	348,330,603.4
TEKİRDAĞ ÇORLU PARCELS	4	35,923.48	24.03.2006 - 30.09.2010	6,152,734.2	31.12.2015	8,460,000.00
İZMİR KONAK PARCEL	1	6,810.00	31.05.2000	734,812.18	31.12.2015	10,623,600.00
TEKİRDAĞ ÇERKEZKÖY PARCELS	17	371,235.69	09.12.2005	8,247,941.97	31.12.2015	106,615,693.05
KOCAELİ KÖRFEZ PARCELS	5	28,577.05	25.02.2008	3,357,381.58	31.12.2015	10,757,969.00
KOCAELİ GEBZE GÜZELLER PARCELS	23	234,213.29	21.03.2007- 29.06.2009 - 17.02.2010	57,031,727.64	31.12.2015	69,607,685.53
İSTANBUL ATAŞEHİR PARCELS	13	27,788.87	10.11.1992 - 23.12.1996 - 31.05.2000 - 31.12.2012- 05.03.2015	40,144,660.15	31.12.2015	79,975,845.00
İSTANBUL BAŞAKŞEHİR HOŞDERE PARCELS	20	286,161.98	06.10.2011 - 07.08.2012 - 14.06.2011 - 30.07.2012	78,905,095.95	31.12.2015	110,687,836.5
İSTANBUL ESENYURT HOŞDERE PARCELS	2	53,689.19	14.06.2011 - 30.07.2012	49,001,960.38	31.12.2015	83,801,083.00
İSTANBUL BAŞAKŞEHİR İKİTELLİ-2 PARCELS	33	203,948.90	01.12.2010 - 07.03.2012 - 14.09.2012 - 25.09.2012 - 01.10.2012 - 05.03.2015 - 01.12.2010	219,265,775.59	31.12.2015	257,242,681.00
İSTANBUL ÜMRANIYE PARCELS	4	17,067.99	01.11.2005	1,843,977.03	31.12.2015	27,202,365.00
İSTANBUL TUZLA PARCELS	5	12,285.83	31.12.2012	20,016,360.04	31.12.2015	25,196,240.5
İSTANBUL ZEKERİYAKÖY PARCEL	1	992.00	02.03.2011	677,397.25	31.12.2015	677,397.25
İSTANBUL BEŞİKTAŞ PARCEL	1	1,298.32	22.12.1989	296,673.67	31.12.2015	4,091,850.00
ANKARA ÇANKAYA CEBECİ PARCELS	2	400.00	31.08.1987	0.08	31.12.2015	273,144.00
İSTANBUL BÜYÜKÇEKMECE PARCEL	1	78.1	28.04.2006	1.00	31.12.2015	15,620.00
İSTANBUL ARNAVUTKÖY PARCELS	14	3,645,527.92	05.06.2013	333,309,400.26	31.12.2015	380,894,195.14
İSTANBUL KARTAL PARCELS	18	73,269.99	24.04.2013 - 22.04.2012	132,283,105.86	31.12.2015	145,408,330.39
İZMİR URLA PARCEL	1	368,342.54	24.04.2013	19,613,918.32	31.12.2015	22,100,552.4
BURSA OSMANGAZİ PARCELS	4	54,745.33	28.05.2014	27,336,415.48	31.12.2015	32,918,080.00
ESKİŞEHİR PARCEL	1	23,941.74	28.05.2014	5367042.79	31.12.2015	5,746,000.00
İSTANBUL BAŞAKŞEHİR KAYABAŞI PARCELS	4	363,979.03	03.04.2014	140,180,897.65	31.12.2015	127,392,660.5
NEVŞEHİR PARCEL	2	42,395.00	05.03.2015	8,088.01	31.12.2015	7,830.00
İSTANBUL BAĞCILAR PARCEL	1	531.7	05.03.2015	903,890.00	31.12.2015	893,700.00
NİĞDE PARCEL	1	25,643.04	05.03.2015	21,874,192.63	31.12.2015	22,215,456.00
İSTANBUL ŞİLE PARCELS	2	34,590.00	05.03.2015	12,034,200.00	31.12.2015	12,562,500.00
YALOVA ÇİFTLİKKÖY PARCELS	4	1,455,000.00	05.03.2015	178,340,000.00	31.12.2015	194,470,000.00
İSTANBUL ZEYTİNBURNU PARCELS	3	36,782.54	05.03.2015	400,045,453.14	31.12.2015	411,175,200.00
İSTANBUL TUZLA PARCEL	1	65,122.35	29.05.2015	205,916,870.7	31.12.2015	208,391,520.00
ANKARA ÇANKAYA MÜHYE PARCELS	17	193,857.82	03.04.2014	327,318,957.11	31.12.2015	475700819.5
ANKARA ÇAYYOLU PARCEL	1	778.68	03.04.2014	1,031,412.07	31.12.2015	1,012,284.00
İSTANBUL KÜÇÜKÇEKMECE HALKALI PLOTS OF LAND	2	959,388.94	03.04.2014	1,822,838,986.00	31.12.2015	1,822,838,986.00
İSTANBUL ŞİŞLİ PLOTS OF LAND	3	24,468.9	03.04.2014	455,121,540.00	31.12.2015	455,121,540.00
TOTAL OF LAND STOCK	302	10,525,574.70		4,842,237,128.13		5,462,409,267.16

ANNEX- 4
EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.
SUMMARY TABLE OF BUILDING INVENTORY
(30.09.2016)

Building Inventory	Number of Units in Inventory	SQM	Date of Purchase	Book Value (TL)	Expertise Date	Expertise Value (TL)
İSTANBUL ATAŞEHİR MERKEZ BİNA	2	49,771.00	31.05.2000	73,402,338.11	31.12.2015	187,418,677.50
İSTANBUL BAĞÇEŞEHİR SPRADON QUARTZ	6	391.63	22.09.2011-17.07.2012	1,269,995.17	31.12.2015	1,412,918.00
İSTANBUL ATAŞEHİR VARYAP MERIDIAN	2	137.6	31.12.2012	805,413.49	31.12.2015	921,920.00
İZMİR PARK YAŞAM MAVİŞEHİR	1	345.07	23.11.2013	1,738,800.00	31.12.2015	1,763,001.00
İZMİR EMLAK KONUT MAVİŞEHİR EVLERİ	2	252.41	31.12.2013	775,690.87	31.12.2015	727,212.22
ANKARA ÇANKAYA NEXTLEVEL	4	989.00	30.04.2014	8,082,523.14	31.12.2015	8,892,000.00
STÜDYO 24 PROJESİ	3	179.08	28.02.2015	467,973.27	31.12.2015	502,700.00
2. ETAP 2. BÖLGE EVORA İSTANBUL PROJESİ	1	63.71	28.02.2015	302,500.00	31.12.2015	381,100.00
KÖRFEZKENT 3. ETAP	8	1,126.11	31.12.2015	1,237,977.36	31.12.2015	2,314,100.00
BATIŞEHİR PROJESİ	198	2,5871.79	30.01.2016	142,305,825.2	31.12.2015	142,631,443.30
BAŞAKŞEHİR EMLAK KONUT EVLERİ 1. ETAP 2 KISIM	14	1,736.56	30.06.2016	5,440,936.59	31.12.2015	16,724,000.00
BAHÇEKENT EMLAK KONUTLARI 1. ETAP 3. KISIM	248	29,719.11	31.03.2016	53,742,911.45	31.12.2015	81,850,100.00
EMLAK KONUT BAŞAKŞEHİR EVLERİ 1-4	5	834.17	31.03.2016	1,654,084.48	31.12.2015	5,014,500.00
EMLAK KONUT BAŞAKŞEHİR EVLERİ 1-1	1	154.26	30.09.2016	311,999.44		1,157,000.00
DUMANKAYA MİKS	21	2,104.34	30.09.2016	17,733,769.95		17,745,600.00
TOTAL OF BUILDING INVENTORY	516	113,675.84		309,272,738.52		469,456,272.02

ANNEK-5
EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. SUMMARY TABLE OF TENDERED LAND PLOTS
(30.09.2016)

Revenue Sharing Model Projects in Return For The Land Sale	SQM	Date of Purchase	Book Value (TL)	Current Emlak Konut's Share In Total Revenue (TL)	Explanation
SARPHAN FINANCE PARK PROJECT - İSTANBUL ÜMRANİYE 1ST STAGE (EMLAK PAZARLAMA - YENİSARP İNŞAAT ADI ORTAKLIĞI)	20,714.48	31.05.2000	11,854,794.15	233,369,916.18	Construction permit obtained.
METROPOL İSTANBUL PROJECT - İSTANBUL ATAŞEHİR EAST REGION 2ND STAGE (VARYAP VARLIBAŞLAR - GAP İNŞAAT JOINT VENTURE)	99,108.08	31.05.2000	182,045,996.07	298,760,609.00	Construction permit obtained.
AĞAOĞLU MASLAK 1453 İSTANBUL PROJECT - İSTANBUL ŞİŞLİ AYAZMA 1ST STAGE (AKDENİZ İNŞAAT)	222,549.42	30.09.2010	295,327,712.69	880,087,405.31	Construction permit obtained.
KÖY PROJECT - İSTANBUL SARIYER ZEKERİYAKÖY (ŞİYAH KALEM MÜH.)	343,062.46	02.03.2011	225,354,876.16	475,687,500.00	The agreement of the project was signed on 15.07.2012, the construction permits for the parcels 1791/2, 1789/4, 1790/3, 1789/2, 1790/4 were obtained on 25.07.2014, 31.12.2014, 24.06.2015, 06.07.2015, 06.07.2015 respectively.
İSTMARİNA PROJECT - İSTANBUL KARTAL (ELTES İNŞAAT)	53,687.97	22.04.2012	186,694,277.39	672,380,800.00	The agreement of the project was signed on 04.02.2013, the construction permits for the parcels 9051/1, 9048/2, 9049/1, 9050/1 were obtained on 14.03.2014, 10.06.2015, 18.05.2015, 27.05.2015 respectively.
BULVAR İSTANBUL PROJECT - İSTANBUL BAŞAKŞEHİR AYAZMA 3RD STAGE (ÖZÜLKE - ÖZ KAR JOINT VENTURE)	50,209.32	01.12.2010	14,135,799.79	37,970,669.39	The agreement of the project was signed on 02.04.2014, the construction permit was obtained on 31.05.2013, occupancy permit was obtained on 31.12.2015
GÖL PANAROMA EVLERİ PROJECT - İSTANBUL AVCILAR KAPADIK (BE-MA İNŞAAT)	85,251.43	30.07.2012	79,298,587.28	148,400,000.00	The agreement of the project was signed on 05.07.2013, the construction permit was obtained on 25.04.2014.
FATİH YEDİKULE PROJECT - İSTANBUL FATİH YEDİKULE (EGE YAPI - MYMETROPOL-SENA-BUKTOR JOINT VENTURE)	40,945.86	30.07.2012	65,645,743.88	105,968,270.00	The agreement of the project was signed on 25.04.2014, the construction permit have not been obtained yet.
BAHÇEKENT FLORA PROJECT - İSTANBUL HOŞDERE 2ND STAGE (İZKA İNŞAAT & DAĞ MÜHENDİSLİK & SİTAR İNŞAAT JOINT VENTURE)	119,756.54	14.06.2011	55,766,808.58	110,491,029.00	The agreement of the project was signed on 22.11.2013, the construction permits for the parcels 656/2, 657/2 were obtained on 23.05.2014. The construction permits for the parcels 656/1, 657/1 were obtained on 31.12.2014.
EVVEL İSTANBUL PROJECT - İSTANBUL BAŞAKŞEHİR KAYABAŞI 3RD STAGE (INTAYA & EYG& İNTES JOINT VENTURE)	75,197.88	03.12.2012	88,794,095.91	188,760,000.00	The agreement of the project was signed on 17.12.2013, the construction permits for the parcels 656/2, 657/2 were obtained on 23.05.2014. The construction permits for the parcels 884/1, 891/1, 892/1 were obtained on 04.11.2014, 31.08.2015, 31.08.2015 respectively.
ZEYTİNBURNU KAZLIÇEŞME PROJECT - İSTANBUL ZEYTİNBURNU KAZLIÇEŞME (ÖZAK-YENİGÜN-ZİYLAN JOINT VENTURE)	111,262.55	24.04.2013	656,808,201.70	1,568,800,000.00	The agreement of the project was signed on 08.04.2014, the construction permit was obtained on 25.01.2016 and 18.03.2016.
PARK MAVERA PROJECT - İSTANBUL BAŞAKŞEHİR KAYABAŞI 4TH STAGE (MAKRO - AK YAPI JOINT VENTURE)	98,476.77	03.12.2012	115,513,251.21	420,000,000.00	The agreement of the project was signed on 25.04.2014, the construction permits for the parcels 889/1, 883/1 were obtained on 08.10.2014, 02.09.2015 respectively.
AVRUPARK PROJECT - İSTANBUL BAŞAKŞEHİR HOŞDERE 3RD STAGE (CİHAN İNŞ. - KONUT YAPI JOINT VENTURE)	78,639.77	14.06.2011	71,972,724.58	156,520,000.00	The agreement of the project was signed on 20.05.2014, the construction permit was obtained on 16.03.2015.
KOCAELİ DİRİNCE PROJECT - (KUMUŞOĞLU İNŞAAT - TOKAL İNŞAAT JOINT VENTURE)	72,313.00	03.04.2014	70,001,245.10	83,198,500.00	The agreement of the project was signed on 21.08.2014, the construction permit have not been obtained yet.
SOFALOCA PROJECT - ANKARA ETİMESGUT PROJECT (BAŞYAPI İNŞAAT - SOLARYAPI JOINT VENTURE)	18,228.00	03.04.2014	37,287,611.69	54,000,000.00	The agreement of the project was signed on 18.08.2014, the construction permit was obtained on 11.12.2014.
KARTAL YAKACIK PROJECT - (DAĞ MÜHENDİSLİK)	25,462.91	28.05.2014	92,124,283.16	123,900,000.00	The agreement of the project was signed on 30.12.2014, the construction permit for the parcel 12626/1 was obtained on 21.01.2016
İSTANBUL BAHÇELİEVLER YENİBOSNA PROJECT - (DOĞA ŞEHİRCİLİK- BAŞYAPI JOINT VENTURE)	36,174.56	28.05.2014	68,334,381.63	171,600,000.00	The agreement of the project was signed on 09.01.2015, the construction permit was obtained on 25.01.2016.
İSTANBUL BAŞAKŞEHİR KAYABAŞI 6TH STAGE PROJECT - (ARTAŞ İNŞAAT SANAYİ VE TİC A.Ş.)	72,706.72	03.04.2014	115,227,284.92	350,400,000.00	The agreement of the project was signed on 25.05.2015, the construction permit was obtained on 19.01.2016.
İSTANBUL BAŞAKŞEHİR HOŞDERE 4TH STAGE PROJECT - (DAĞ MİNARLIK - DAĞ MÜHENDİSLİK JOINT VENTURE)	152,621.06	14.06.2011 - 30.07.2012	104,935,001.43	275,334,000.00	The agreement of the project was signed on 26.05.2015, the construction permit was obtained on 22.01.2016.
İSTANBUL SARIYER İSTİNYE PROJECT - (TAHİNCİOĞLU GAYRİMENKUL - TAHİNCİOĞLU YAPI-NİDA JOINT VENTURE)	158,497.62	28.05.2014	1,006,171,102.62	1,876,392,000.00	The agreement of the project was signed on 03.06.2014, the construction permit have not been obtained yet.
KONYA MERAM YENİCE PROJECT - (TORKAM İNŞAAT - BUKTOR YAPI SAN. JOINT VENTURE)	60,675.48	05.03.2015	86,703,690.24	211,500,000.00	The agreement of the project was signed on 08.06.2015, the construction permits were obtained on 24.05.2016 for the parcels 37594/5 and 37595/5.
ANKARA YENİMAHALLE İSTASYON - (PASİFİK GAYRİMENKUL - ÇİFTAY İNŞAAT JOINT VENTURE)	124,475.80	03.04.2014	634,550,206.25	1,258,365,000.00	The agreement of the project was signed on 09.07.2015, the construction permit have not been obtained yet.
İSTANBUL KAĞITHANE SEYRANTEPE PROJECT - (GÜL İNŞAAT PROJE A.Ş. - GÜL İNŞAAT A.Ş. JOINT VENTURE)	36,749.96	05.03.2015	118,272,971.40	637,000,000.00	The agreement of the project was signed on 14.07.2015, the construction permit have not been obtained yet.
KAYABAŞI 5TH STAGE - (TAHİNCİOĞLU - NİDA İNŞAAT JOINT VENTURE)	77,327.02	03.04.2014	117,552,126.69	407,588,000.00	The agreement of the project was signed on 20.07.2015, the construction permit was obtained on 04.02.2016.
DENİZLİ MERKEZFENDİ - (TEKNİK YAPI KONUT - TEKNİK YAPI TEKNİK YAPILAR - UCD YAPI JOINT VENTURE)	95,294.22	05.03.2015	76,256,346.83	92,651,000.00	The agreement of the project was signed on 14.09.2015, the construction permit was obtained on 29.01.2016.
ANKARA ÇANKAYA GAYYOLU PROJECT - (YP İNŞAAT A.Ş.)	30,669.27	03.04.2014	96,082,202.11	180,000,000.00	The agreement of the project was signed on 08.10.2015, the construction permit was obtained on 15.06.2016 for the parcel 29479/1.
İSTANBUL ÜSKÜDAR BARBAROS PROJECT - (ELTES İNŞAAT - İSTLIFE YAPI JOINT VENTURE)	17,528.55	05.03.2015	108,107,491.38	439,887,380.00	The agreement of the project was signed on 23.10.2015, the construction permit was obtained on 05.02.2016.
AVCILAR İSPARTAKULE 5TH STAGE PROJECT - (TORKAM İNŞAAT)	41,168.49	01.06.2007	58,105,439.44	132,000,000.00	The agreement of the project was signed on 09.06.2016, the construction permit have not been obtained yet.
İSTANBUL EYÜP ALİBEYKÖY - (YENİ YAPI TACA İNŞAAT)	27,368.93	05.03.2015	30,128,964.69	168,150,000.00	The agreement of the project was signed on 15.05.2016, the construction permit have not been obtained yet.
İSTANBUL ESENYURT HOŞDERE 5TH STAGE - (CİHAN İNŞAAT KONUT YAPI)	42,019.75	14.06.2011 - 30.07.2012	47,628,099.82	156,500,000.00	The agreement of the project was signed on 17.06.2016, the construction permit have not been obtained yet.
BAKIRKÖY YENİMAHALLE - (BAŞYAPI İNŞ. - GÜNEY GAYRİMENKUL - ELİT VİZYON JOINT VENTURE)	5,250.00	05.03.2015	30,004,940.73	62,000,000.00	The agreement of the project was signed on 15.04.2016, the construction permit have not been obtained yet.
SURYAPI HATAY AKPINAR JOINT VENTURE ESENYURT HOŞDERE 6TH STAGE	53,823.56	14.06.2011	44,652,420.94	150,500,000.00	The agreement of the project was signed on 04.08.2016, the construction permit have not been obtained yet and project study is proceeding.
MALTEPE KÜÇÜKALYI TAHİNCİOĞLU JOINT VENTURE	114,748.44	28.05.2014	667,387.390	1,527,000,300.00	The agreement of the project was signed on 02.09.2016, the construction permit have not been obtained yet and project study is proceeding.
AKYAPI İNŞAAT AVCILAR İSPARTAKULE 6TH STAGE	38,529.21	03.04.2015	47,979,230.35	85,600,000.00	The agreement of the project was signed on 01.09.2016, the construction permit have not been obtained yet and project study is proceeding.
Supervision Projects	SQM	Date of Purchase	Book Value	Current Emlak Konut's Share In Total Revenue (TL)	Explanation
İSTANBUL INTERNATIONAL FINANCE CENTER SPECIAL RECREATION AREA PROJECT (İFM - AKDENİZ İNŞAAT JOINT VENTURE)	155,077.92	31.05.2000	13,301,402.39	29,200,000.00	The construction permit for the parcel 3328/14 was obtained on 05.02.2016.
TOTAL OF REVENUE SHARING MODEL IN RETURN FOR THE LAND SALE	2,855,573.00		5,720,006,703.20	13,769,962,378.88	
Turn- Key Model Projects	SQM	Date of Purchase	Book Value + Progress Payments (TL)		Explanation
İSTANBUL ESENLER URBAN TRANSFORMATION (ESKON)	56,841.92	10.03.2014	490,056,492.15		The agreements of the project were signed on 16.04.2014, 20.06.2014, 19.06.2014 with Şiyahkalem, Güryapı, Özyacı respectively. The construction permits were obtained on 20.03.2014, 09.05.2014, 09.05.2014 respectively.
KÖRFEZKENT 4TH STAGE (ZEK-SAN İNŞAAT)	79,804.19	25.02.2008	65,576,510.45		The agreement of the project was signed on 07.02.2015, the construction permit was obtained on 21.11.2014.
İSTANBUL AYAZMA 1ST STAGE (GÜR YAPI A.Ş.)	99,874.55	01.12.2010	203,485,647.95		The agreement of the project was signed on 26.05.2015, the construction permit was obtained on 18.12.2014.
EMLAK KONUT İSPARTAKULE 1ST STAGE 1ST PART PROJECT (YÖRÜK YAPI - ERMİT MÜH. JOINT VENTURE)	85,871.43	01.06.2007	127,219,585.52		The agreement of the project was signed on 18.09.2015, the construction permit was obtained on 01.06.2015.
EMLAK KONUT İSPARTAKULE 1ST STAGE 2ND PART PROJECT (BALPA İNŞAAT TEKS. SAN. VE TİC. A.Ş.)	74,346.32	01.06.2007	110,454,875.68		The agreement of the project was signed on 18.09.2015, the construction permit was obtained on 01.06.2015.
KAYABAŞI EMLAK KONUTLARI 2ND STAGE PROJECT (KALYON İNŞAAT)	24,272.40	03.04.2014	53,667,990.50		The agreement of the project was signed on 02.02.2015, the construction permit was obtained on 11.08.2015.
NEVŞEHİR EMLAK KONUTLARI (CENT YAPI TİCARET LTD.ŞTİ.)	29,541.40	03.04.2014	84,472,620.16		The agreement of the project was signed on 24.05.2016, the construction permit was obtained on 07.03.2016.
BAŞAKŞEHİR AYAZMA 2ND STAGE PROJECT (YILMAZ İNŞAAT SAN.TİC.A.Ş.)	21,406.97	03.04.2014	32,491,978.07		The agreement of the project was signed on 25.04.2016, the construction permit was obtained on 31.12.2015.
TOTAL OF TURN-KEY MODEL PROJECTS	471,959.18		1,167,225,532.18		
TOTAL OF PROJECTS	3,327,532.18		6,887,232,403.68	13,769,962,378.88	



Barbaros Mah. Mor Sümbül Sk. No:7/2 B Ataşehir/İSTANBUL
Phone: 0216 579 15 15 Fax: 0216 456 48 75
www.emlakkonut.com.tr