



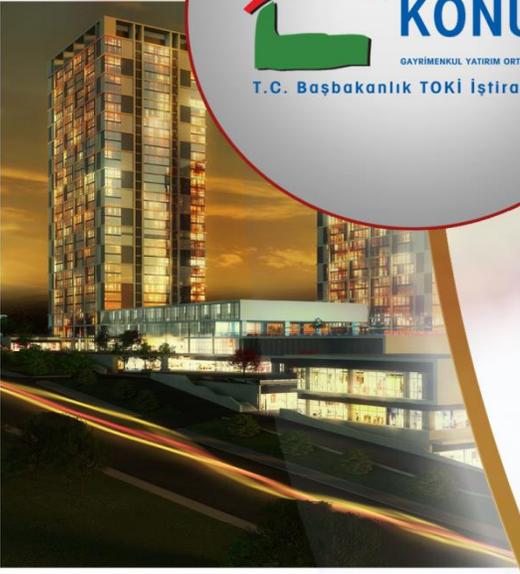
SEPTEMBER

2013



**EMLAK
KONUT**
GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.
T.C. Başbakanlık TOKİ İştirakidir.

ACTIVITY REPORT



**60
yıl**

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĐI A.Ő.
INTERIM ACTIVITY REPORT
BETWEEN THE DATES OF 01.01.2013 -30.09.2013

CONTENTS

Contents

Comments from the General Manager Murat Kurum	2
Activity Area and Purpose of the Company	5
Vision and Mission	7
Strategy of Emlak Konut	8
Capital and Shareholder Structure	9
Business Models	10
Revenue Sharing	10
Public Procurement Law Model	13
Board of Directors	17
Board of Directors	17
Top Management	20
Corporate Governance and Committees	21
a. Corporate Governance Committee	21
b. Audit Committee	22
c. Early Identification of Risk and Risk Management Committee	23
Other Issues Concerning Corporate Governance	24
a. Donations and Grants	24
b. Administrative and Legal Sanctions	24
c. Share Buyback	24
d. R&D Activities	24
e. Relatively Larger Ongoing Lawsuits Regarding Our Company	24
Activities of the Board of Directors	29
Amendments to the Articles of Association within the Period	29
Information on General Assembly	30
Ordinary General Assembly	30
Extraordinary General Assembly	30
Risk Management and Internal Control Mechanism	31
Investment Risk and Capital Management:	32
Market Risk:	33

CONTENTS

Counterparty and Concentration Risk: _____	34
Operational Risk: _____	35
Strategic and External Environmental Risks: _____	35
Dividend Policy and Principles _____	36
Information Policy _____	37
Shareholder Relations Unit _____	38
Material Disclosures _____	39
Internal Information and Access List _____	40
Human Resources and Policy _____	42
Personnel Structure _____	43
Salaries of the Board of Directors and Senior Executives _____	44
Environmental Awareness, Eco-Management and Quality Policy _____	45
Ethical Principles and Social Responsibility _____	46
Evaluation of the Related Activity Period _____	47
Developments in the World Economy _____	47
Developments in Turkish Economy _____	50
Effects of the Developments on the Sector and Emlak Konut GYO A.Ş. _____	58
Turkey's Dynamics Analysis of Real Estate Sector _____	61
Events Subsequent to Period Balance Sheet Date _____	68
Portfolio Structure and Real Estates _____	69
Loaned and Leased Real Estates _____	69
Lands Purchased for Project Development _____	71
Current Projects _____	72
Appraisal Value of the Assets _____	72
Recent Status and Completion Rates of the Projects _____	72
Portfolio Constraints _____	72
Information on Share Performance _____	73
Traded Market - Index - Class _____	73
Share Price and Volume Change Charts _____	73
Summary of Financial Data _____	76
The Companies Serving for Assets and Rights in the Partnership Portfolio _____	78

CONTENTS

Intermediary Services Purchasing Works Pertaining to Public Offering of Shares via Capital Increase	78
Independent Audit Company	78
Appraisal Companies	78
Investor Relations Consulting Firm	78
CPA	78
Press and Public Relations (PR) Company	78
European Side Reserved Areas Urban Transformation Project	79
Annexes	80
1. Independent Audit Report and Summary of Financial Statements	80
2. Summary of Appraisal Reports of Assets	80
3. Construction Progress Levels	80
4. Summary Table of Tendered Lands	80
5. Summary Table of Building Stocks	80
6. Summary Table of Lands with no Project	80
7. Completion Table of Constructions	80
8. List of Companies Providing Valuation Service	80
9. 2012 Dividend Sharing Resolution of General Assembly	80

CONTENTS

Tables and Charts

<i>Capital and Shareholder Structure</i>	9
<i>Distribution of Independent Units by Business Models in the Ongoing Projects</i>	16
<i>Corporate Governance Committee</i>	22
<i>Audit Committee</i>	22
<i>Early Identification of Risk and Risk Management Committee</i>	23
<i>List of Those with Access to Internal Information</i>	41
<i>Annual Growth Rate of Turkey (According to TSI - %)</i>	51
<i>GDP of Turkey and Selected Countries -2012 (%)</i>	53
<i>Medium-Term Plan Indicators (MTP-Ministry of Development)</i>	54
<i>Consumer Price Index</i>	56
<i>Population Potential</i>	61
<i>Household/ Housing Need Forecast According to TSI Data</i>	62
<i>Developments in Consumer Loan Rates</i>	64
<i>Sectoral Confidence Indices</i>	64
<i>Sectoral Confidence Indices, July 2013</i>	65
<i>Sectoral Confidence Indices, Sub-Indices and Change Rates</i>	65
<i>Loaned and Leased Real Estates</i>	69
<i>Detached Unit Sales</i>	70
<i>Annual Stock Performance</i>	73
<i>Share Performance Between the Dates of 01.01.2013 – 30.09.2013</i>	74
<i>Annual Share Volume</i>	74
<i>Comparison of BIST and REIT Indices (Last 1 year)</i>	75
<i>Periodic Financial Data</i>	76
<i>Financial Ratios</i>	77

Comments from the General Manager Murat Kurum



Dear Shareholders,

We have left behind the third quarter of 2013, which has been vibrant for real estate sector. Within this period, especially the volatility observed at the alternative investment tools has increased the attraction of real estate sector and these circumstances enabled construction sector to preserve its features as the shining star of the economy. We especially consider the projects which are announced by our government and Ministry of Environment and Urbanization, and are the projects those will transform and completely renovate Turkey, will create added value for our country as the projects which will make the way of construction sector in the future and mark the development of Turkey and the sector. Considering the fact that 80% of the lands of Turkey is subject to earthquake, necessity of urban transformation projects becomes undeniable.

We see that the balance of the growth composition is restored and the attritional effects of the current account

deficit of the other macroeconomic indicators, especially of the high growth rates, we have experienced on the entire economy are removed by the 4,4% growth rate achieved in Turkish economy in the second quarter of 2013, along with all of these innovative projects which will accelerate the construction sector. The retraction of domestic demand to acceptable levels and hence, improvement of current account via the 4,4% growth of 2nd quarter is outstanding. Within this period, CBRT's sustenance of its implementation of monetary policies boosting the financial stability and pursuance of fiscal policies integrated with the monetary policy has reinforced the macroeconomic outlook of our country. Along with these, Per Capita Income, which is considered as an important data to be paid attention for real estate sector according to the Medium-Term Program Objectives, is expected to be at USD 12.859 level by 2015. Moreover, as an important measure in real estate sector, the population of Turkey is 756 million as of the end of 2012, and almost half of this population is under the age of 30,1. In EU countries population growth rate is 0,3 % on the average, 0,1 % in Germany, whereas it is 1,2 % in Turkey. This indicates the demand for housing will indisputably continue. Thus, Emlak Konut has adopted developing sound and qualified projects conforming the country population projections and social requirements of Turkey providing ecological sustainability.

COMMENTS FROM THE GENERAL MANAGER



In 2013, Emlak Konut continues its activities completing prosperous tenders. Tenders of 18 projects have been completed in the first three quarters of the year, and Public Procurement Model was used for 10 out of these 18 tenders, whereas Revenue Sharing Model was used for 8 tenders. Moreover, the information on other tenders we will complete within this year is shared with the public on “Public Disclosure Platform”. As of August 2013, we completed sales of 9262 detached units and the total revenue generated by these sales have surpassed the 4 billion TL sales revenue target of 2013 as of August rendering a new record in the history of Emlak Konut. 2013 annual sales target of 15000 detached units will be achieved via the sales of the projects to be initiated in the market and ongoing projects. Especially the 2875 bids received for the 765 houses sales of which we have just started from our Bahçeşehir project and yet again the 25.256 bids received for the 1000 houses sales of which have just started from our Başakşehir Emlak Konutları (Real Estate Houses) are the ultimate indicator of the confidence in the projects of Emlak Konut and the high demand to be achieved in case the qualified projects are introduced to the consumers via convenient price policy. Our profit of 886 million TL realized in the 3rd quarter of 2013 is also an evidence of the

accuracy of the land investments we have made in 2010 and 2011, and our tender decisions.

As Emlak Konut, we promise to continue serving our country with our mission and vision that we have been pursuing for 60 years and our experience of almost half a century, and to create habitable, healthy cities in which the ecological values are preserved for upcoming generations with our trademark which is also recognized by house buyers, and to participate in the development of our country in the field of construction sector.

As the General Manager of Emlak Konut, on behalf of myself and our Board of Directors, I sincerely thank you esteemed shareholders, our house buyers who have abiding confidence in our trademark, and our partners with whom we believe that we will put our signature under many more innovative projects in unison.

Best Regards,

Murat Kurum

ACTIVITY AREA AND PURPOSE OF THE COMPANY



Company Introduction

- Founded in 1953, Emlak Konut GYO A.Ş. is one of the 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.
- With the management understanding that have been renewed for 60 years and with the corporate culture, it has become an organization trusted by all beneficiaries.
- The Company has an understanding of management that will always increase the standards in the real estate sector thanks to its brand value created within many years. It fulfills its tasks to be a leader and role model particularly in terms of construction systems, designs, environmental awareness and working methods with a sense of social responsibility.
- Emlak Konut GYO A.Ş., whose main shareholder is TOKI, is the biggest real estate investment company in Turkey in terms of market value, real estate portfolio and land inventory.
- The activities of the Company include purchasing lands in Turkey, developing real estate for the middle and upper-middle class, and marketing, selling real estate developed. Our main aim is to enhance the values (tangible/intangible) of particularly our partners and other beneficiaries by developing innovative and contemporary projects in these respects. In addition, with the awareness created by our leading position in the sector, we closely follow the potential global developments on this matter as a Turkish Company.
- The company's paid capital of 2.500.000.000 TL and the registered capital of 4,000,000,000 TL demonstrate the company's leading role in the sector.
- Emlak Konut GYO A.Ş. has started to be traded in the Corporate Products Market since 2 December 2010, with Group B shares of a nominal value of 625.000 TL corresponding to 25% share of the Company by the resolution of the Board of Directors of the Istanbul Stock Exchange dated 26 November 2010. The Company is included in BIST 30, BIST 100, BIST GYO indices of the Istanbul Stock Exchange.

ACTIVITY AREA AND PURPOSE OF THE COMPANY



Activity Area and Purpose of the Company

- Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş. was established on December 26th,1990 with the title of Emlak Konut A.Ş. as a subsidiary of Türkiye Emlak Bankası A.Ş., under the provisions of Turkish Commercial Code and Main Status of Türkiye Emlak Bankası A.Ş. with the Decree Law numbered 233 about the State Economic Enterprises under the terms and conditions stipulated in the articles of association, and started its activities after being registered and announced on March 6th, 1991. Articles of Association of the Company were amended on May 19th, 2011, and it was subjected to the provisions of the Turkish Commercial Code No. 4603.
- The Company has decided to be transformed into Real Estate Investment Company with the decision of the High Planning Council dated August 4th, 1999 and numbered 99/T-29 in accordance with the Decree Law No. 588 and dated December 29th, 1999. In accordance with the permission of Capital Markets Board ("CMB") dated June 20th, 2002 and numbered 298 regarding the transformation of the Company into Real Estate Investment Company, and the permission of the Ministry of Industry and Trade of the Turkish Republic dated June 25th, 2002 and numbered 5320, amendment draft of the Articles of Association was submitted to the approval of the General Assembly and the Articles of Association was amended by accepting the amendment in the Extraordinary General Assembly of the Company held on July 22nd, 2002.
- Articles of Association of the Company was registered before the Istanbul Trade Registry Office on 29 July 2002, and entered into force after published in the Trade Registry Gazette dated 1 August 2002. **(Trade Registry No of the Company is 273488-221070 MERSİS (Central Registry Record System) no is 5669-3333-4423-6524.)**
- The title of the Company was amended from Emlak Gayrimenkul Yatırım Ortaklığı A.Ş. to Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş. as a result of the Company's General Meeting held on 28 February 2006. The legal entity of the Company has not been restricted for any period.

ACTIVITY AREA AND PURPOSE OF THE COMPANY

- The Corporation acts in accordance with the provisions of the relevant legislation after transformed into the legal entity of Real Estate Investment Company in order to be engaged in the purposes and subjects written in the regulations of the Capital Markets Board for Real Estate Investment Companies.
- As stated in the Article 5 of the Company's Articles of Association, the Company is a joint stock public company founded with registered capital in order to deal with the goals and subjects specified in the arrangements of the Capital Market Board regarding investment companies and to make investments in actual real estate, real estate-oriented capital market tools, real estate projects and real estate-oriented rights.
- The purpose and area of activity of Emlak Konut GYO is engaged in especially housing, commercial units, training units, social facilities, infrastructure, roads and all kinds of landscaping, as well as realization of real estate projects, construction supervision of the developed projects, marketing and sale of the built detached sections. As the Company cannot be contractor of the construction works according to REIT communiqué and regulations of the CMB, all the construction works are carried out by the contractors by way of tender.

Below is the contact information of the company:

CONTACT INFORMATION:

HEADQUARTERS: ATATÜRK MAH. ÇİTLENBİK CD. NO:4 ATAŞEHİR - İSTANBUL

BRANCH: BİLKENT PLAZA A3 BLOK NO:14 ÇANKAYA - ANKARA

Tel : 0216 579 1515
Fax 1 : 0216 579 1699
Fax 2 : 0216 456 4875
E-mail: info@emlakkonut.com.tr
Web Site : www.emlakkonut.com.tr

STRATEGIC PLAN AND MAIN GOVERNANCE OBJECTIVES

The Company has determined the year of 2027 as the target point for 20 years, in its work on the Company's strategic planning and governance in 2007. The master plan of the Company, to be one of the few REITs in the world, and the goal to create a brand for our country by taking into consideration both economic and social benefits still continues in this way.

In addition, it is consistent with our strategic plans to support the effort of our country to be one of the world's largest 10 economies as per its targets for 2023, by doing our best.

Vision

To be a worldwide corporation for the Real Estate Investment Company services at the end of 2027 by continuously improving our successful position abroad as in the country. To represent our country by achieving unique projects integrating the local architectural features from various countries of the world and Turkish architecture, consistent with the needs of the age and environmentally friendly, with our entrepreneur, dynamic and competent staff and customer-oriented approach.

Mission

To maintain its leading position in the industry by following technological changes; to present people quality homes that contribute to the peace and happiness by building planned residential areas with a new architectural approach; to construct natural disaster-resistant and aesthetic projects in order to make low-income people become homeowners; to provide its shareholders material and spiritual development opportunities.

STRATEGY OF EMLAK KONUT

FOCUS ON MIDDLE and UPPER-MIDDLE GROUPS	<ul style="list-style-type: none">• Benefiting from current factors such as economic urbanization in Turkey• Continuing residential developments for Middle and Upper-Middle income groups• Investing in emerging regions
PROVIDING LANDS IN ORDER TO DEVELOP MORE RESIDENCES	<ul style="list-style-type: none">• Maintaining strategic relation with TOKİ<ul style="list-style-type: none">○ Acquiring land without participating in tender and○ Access to the best lands for development by Emlak Konut• Continuing to access to TOKİ's land stock• Acquiring lands from the third parties in case of need
GENERATING CASH FLOW AS CURRENT PROJECTS ARE COMPLETED	<ul style="list-style-type: none">• Using cash flow from ongoing projects to assess new development opportunities• Developing large scale projects in attractive regions by using Revenue Share model and minimizing the financial risks while generating high profits.

Our goal is to maintain the position of Turkey's leading real estate development company and to be global real estate company by taking forward this position. Management approach, which is continuously improved, has become the main rule of the Company in order to achieve the target identified in the Company's mission and vision.

CAPITAL AND SHAREHOLDER STRUCTURE

COMMERCIAL TITLE/NAME SURNAME	GROUP	TYPE	SHARE AMOUNT	SHARE QUANTITY
Housing Development Administration	A	Registered	253.369.919,00	25.336.991.900
Housing Development Administration	B	Bearer	1.621.460.838,35	162.146.083.835
Housing Acquisition Support (HAS) Beneficiaries	B	Bearer	73.602,09	7.360.209
İstanbul İmar İnşaat A.Ş.	B	Bearer	695,63	69.563
İller Bankası A.Ş.	B	Bearer	602,84	60.284
Kutlutaş Holding A.Ş.	B	Bearer	602,84	60.284
Treasury	B	Bearer	8,95	895
Veysel Ekmen	B	Bearer	0,01	1
Muhammet Haluk Sur	B	Bearer	0,01	1
Volkan Kumaş	B	Bearer	0,01	1
HAS Beneficiaries, The Part Open to Public	B	Bearer	93.730,27	9.373.027
The Part Open to Public	B	Bearer	625.000.000,00	62.500.000.000
		Total	2.500.000.000,00	250.000.000.000

BUSINESS MODELS

Emlak Konut GYO implements two different business models effectively in order to achieve the administrative objectives and strategies. The operation and comparison of the business models implemented by our company while carrying out the works within this area of activity are given below.

- One of the most important values of Emlak Konut GYO A.Ş. is the models it 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 GYO A.Ş. develops its projects using two business models. The first one is **Revenue Sharing Model (RSM)**, the second one is **Public Procurement Model (PPM)**.
- Emlak Konut GYO A.Ş. procures lands for project development from TOKI, in-kind capital resources from Emlak Bank 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 GYO A.Ş.
- The company's brand value created with great care for 60 years makes a positive contribution to construction, marketing and sales by showing its impact on the relevant models.

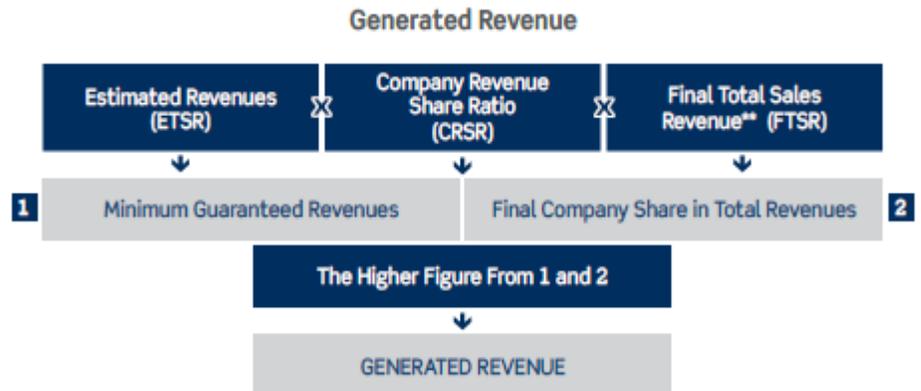
Revenue Sharing

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.

The contractor presents his estimate for Company Revenue Share Ratio and Minimum Sales Total Revenue at the tender performed in accordance with the regulations of Emlak Konut GYO A.Ş.

The one offering the highest Company share total revenue wins the tender. The revenues obtained from the sales of the detached sections are shared between the contractor and Emlak Konut GYO A.Ş. at rates specified in the contract.

Independently from the sales of the houses, the minimum revenue of Emlak Konut GYO A.Ş. is as much as the **Minimum Company Share Total Revenue** stated in the tender.



BUSINESS MODELS

Land Procurement

- Main Source: **purchasing lands from TOKİ without participating in tenders**
- The lands from Emlak Bank within the scope of in-kind capital in 2000

Obligations of the Contractor

- Responsible for the **entire process** from project development to financing, to sales and pricing.
- Emlak Konut maintains the control of the entire project cycle from design and construction to marketing; from sales contracts to approval of project plans and to performing building inspection.

Transfer of Risk

- Contractor undertakes a substantial part of the risks** pertaining to the development process.
- Apart from the risk of not being able to sell the land Emlak Konut provides for the project and produced residences, the undertaken risk regarding project development and financing is low.
- This structure enables **Emlak Konut GYO A.Ş. to focus on large projects.**

Revenues

- The contractor **assures a minimum level of income to Emlak Konut GYO A.Ş.. This revenue is as much as or above the appraisal value, which was performed before tendering, of the land to be developed.**

Revenue Sharing tenders of Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş. carried out in the first 9 months of 2013 are as follows:

The 1st Session of **Revenue Sharing tender for the Sale of 1st Part 6th Section Land in İstanbul Ataşehir Western Region** was carried out on 20.03.2013, the 2nd Session was carried out on 28.03.2013, the highest bid was offered by "**TAHİNCİOĞLU GAYR. İNŞ. VE TUR. A.Ş. ~ KOZKEN İNŞ. TAAH. VE TUR. A.Ş. İŞ ORTAKLIĞI (JOINT VENTURE)**" as; Total Revenue for the Sale of Land (TRFSL): 525.500.000,00 TL+VAT, Total Revenue of the Company Share for the Sale of Land (TRCSFSL): 190.231.000,00 TL+VAT, Revenue Ratio of the Company Share For the Sale of Land (RRCSFAL): 36,20%. Agreement with the contractor company was concluded on 07.06.2013.

The 2nd Session of the tender of **Revenue Sharing for the Sale of 3rd Stage Land in İstanbul Başakşehir Ayazma** was carried out on 05.02.2013 Tuesday, and the highest bid was offered by "**ÖZÜLKE İNŞ. TİC. A.Ş. ~ ÖZ-KAR İNŞ. TİC. VE SAN. A.Ş. İŞ ORTAKLIĞI (JOINT VENTURE)**" as; Total Revenue for the Sale of Land (TRFSL): 723.000.000,00 TL+VAT, Total Revenue of the Company Share for the Sale of Land (TRCSFSL): 202.440.000,00 TL+VAT, Revenue Ratio of the Company Share for the Sale of Land (RRCSFAL): 28,00 %. Project Contract was signed on 02.04.2013 with ÖZÜLKE İNŞ. TİC. A.Ş. ~ ÖZ-KAR İNŞ. TİC. VE SAN. A.Ş. İŞ ORTAKLIĞI.

The 1st Session of **Revenue Sharing Tender for the Sale of 2nd Stage Land in İstanbul Gaziosmanpaşa Küçükköy** was carried out on 02.04.2013, the 2nd Session was carried out on 11.04.2013, and the highest bid was offered by **Artaş İnşaat San. ve Tic. A.Ş.** as; Total Revenue For the Sale of Land (TRFSL): 352.000.000,00 TL+VAT, Total Revenue of the Company Share For the Sale of Land (TRCSFSL): 105.600.000,00 TL+VAT, Revenue Ratio of the

BUSINESS MODELS

Company Share For the Sale of Land (RRCSFAL): 30,00%. Agreement with the contractor company was concluded on 07.06.2013 and the land delivery was made on 07.06.2013.

The 2nd Session of the **Revenue Sharing tender for the Sale of Land in İstanbul Avcılar Kapadık**, whose 1st Session was carried out on 07.05.2013, was carried out on 15.05.2013, the highest bid was offered by "**BE-MA İNŞAAT SAN. VE TİC. LTD. ŞTİ.**" as; Total Revenue For the Sale of Land (TRFSL): 530.000.000,00 TL+VAT, Total Revenue of the Company Share For the Sale of Land (TRCSFSL): 148.400.000,00 TL+VAT, Revenue Ratio of the Company Share For the Sale of Land (RRCSFAL): 28,00%. Project contract was signed on 03.07.2013 with BE-MA İNŞAAT SAN. VE TİC. LTD. ŞTİ, and land delivery was made on 08.07.2013.

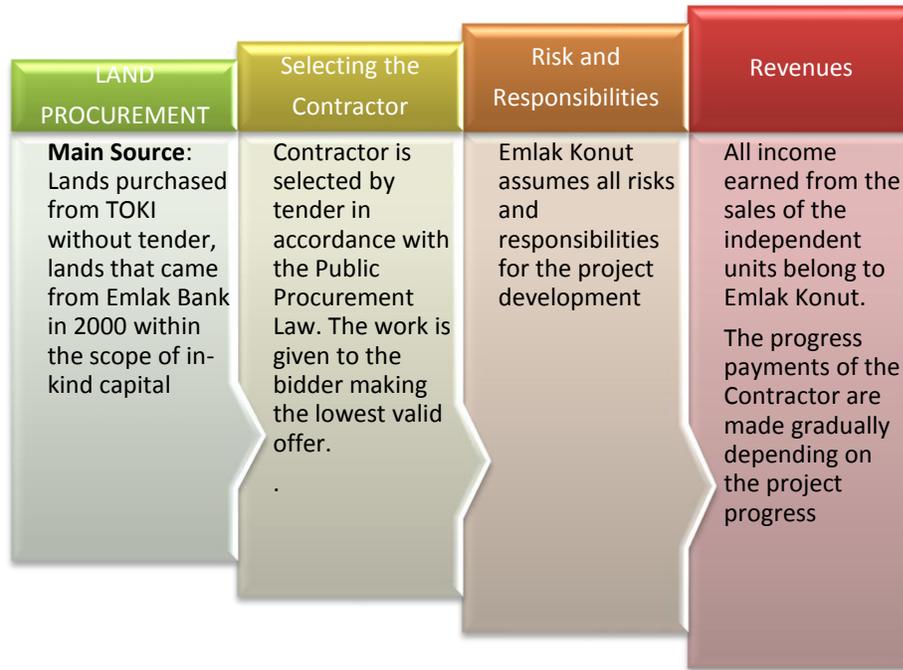
The 2nd Session of the **Revenue Sharing tender for the Sale of Land in İstanbul Fatih Yedikule**, whose 1st Session was carried out on 09.05.2013, was carried out on 17.05.2013, the highest bid was offered by "**EGE YAPI LTD. ŞTİ. ~ MYMETROPOL YAPI İNŞ. TİC. LTD.ŞTİ. ~ SENA GAYRİMENKUL YAT. TİC. A.Ş. ~ BUKTOR YAPI SAN. VE TİC. LTD. ŞTİ. İŞ ORTAKLIĞI (JOINT VENTURE)**" as; Total Revenue For the Sale of Land (TRFSL): 302.680.000,00 TL+VAT, Total Revenue of the Company Share For the Sale of Land (TRCSFSL): 105.968.270,00 TL+VAT, Revenue Ratio of the Company Share For the Sale of Land (RRCSFAL): 35,01%. Project contract was signed with "**EGE YAPI LTD. ŞTİ. ~ MYMETROPOL YAPI İNŞ. TİC. LTD.ŞTİ. ~ SENA GAYRİMENKUL YAT. TİC. A.Ş. ~ BUKTOR YAPI SAN. VE TİC. LTD. ŞTİ. İŞ ORTAKLIĞI (JOINT VENTURE)**" on 02.08.2013 and land delivery was made on 13.08.2013.

The 2nd Session of the **Revenue Sharing tender for the Sale of Land in İstanbul Kayabaşı 2nd Stage**, whose 1st Session was carried out on 25.07.2013, was carried out on 01.08.2013, the highest bid was offered by "**MAKRO İNŞ. TİC. A.Ş. ~ AKYAPI İNŞ. TAAH. SAN. VE TİC. LTD. ŞTİ. İŞ ORTAKLIĞI (JOINT VENTURE)**" as; Total Revenue For the Sale of Land (TRFSL):184.000.000,00 TL+VAT, Total Revenue of the Company Share For the Sale of Land (TRCSFSL): 51.520.000,00 TL+VAT, Revenue Ratio of the Company Share For the Sale of Land (RRCSFAL): %28,00. Project contract was signed with "**MAKRO İNŞ. TİC. A.Ş. ~ AKYAPI İNŞ. TAAH. SAN. VE TİC. LTD. ŞTİ. İŞ ORTAKLIĞI (JOINT VENTURE)**" on 20.09.2013 and land delivery was made on 27.09.2013.

The 2nd Session of the **Revenue Sharing tender for the Sale of Land in İstanbul Hoşdere 2nd Stage İstanbul** was carried out on 23.09.2013, the highest bid was offered by "**İZKA İNŞAAT TAAH. MÜH. LTD. ŞTİ. ~ DAĞ MÜH. MÜT. TİC. VE SAN. LTD. ŞTİ. İŞ ORTAKLIĞI (JOINT VENTURE)**" as; Total Revenue For the Sale of Land (TRFSL): 320.000.000,00 TL+VAT, Total Revenue of the Company Share For the Sale of Land (TRCSFSL):80.832.000,00 TL+VAT, Revenue Ratio of the Company Share For the Sale of Land (RRCSFAL):% 25,26. The bids are at evaluation stage.



Public Procurement Law Model



Although the objective of this model is to create income and to increase tangible and intangible benefits in favor of the company, the targeted socio-economic income groups are mostly middle income groups. In this model, 'social benefit' principles have also been taken into account.

The company continues to develop certain projects under the Public Procurement Law and the relevant legislation. In the Public Procurement Model, the company completes the technical examinations and research before the tender and applies for license. The Public Procurement Model is more traditional compared to the revenue sharing model.

The functioning of the model is explained below in detail:

- Emlak Konut GYO A.Ş. develops projects on lands purchased from TOKI and other resources or coming from Emlak Bank within the scope of in-kind capital.
- In the Public Procurement Law Model, Emlak Konut GYO A.Ş. gives the work to the contractor offering the lowest offer and realizes the house sales itself.
- In the projects developed with the aforementioned model, Emlak Konut GYO A.Ş. is responsible for all processes from project financing to execution of the project, procuring financing and marketing the built houses as well as project financing and architectural and engineering design.
- All the income earned from the sales belongs to Emlak Konut GYO A.Ş.

BUSINESS MODELS

- Such housing projects are usually realized for building reclamation and in order to enable members of the middle groups to buy houses.

The second project development model used by our company includes the public tender law process, which is a traditional method in the construction industry. The Company is responsible for the financing of the projects realized within the scope of the Public Procurement Model and for development of the projects including the architectural and engineering design as well as marketing and sale of the houses.



The company continues to develop certain projects under the Public Procurement Law and the relevant legislation. In the Public Procurement Model, the company completes the technical examinations, and researches them before the tender, and applies for license. The Public Procurement Model is more traditional compared to the revenue sharing model. Within the framework of this model, the Company organizes a construction tender under the Public Procurement Law in order to choose a contractor. The company is also responsible for the sale and marketing of the independent units. In addition, all the revenues provided from selling of houses and commercial parts within the scope of developed projects remains to the Company. The construction costs of the Company consist of the monthly progress payments paid to the contractor. The Company is responsible for progress costs and other project costs (advertisement, promotion, license, marketing and other costs).

Emlak Konut has realized 23 tenders for housing projects under Public Procurement Model since 2004. 12 of these projects have been completed and works of the remaining 11 projects are underway. 8613 saleable independent units have been built in the 12 completed PPM projects. The completed projects are: Gebze Emlak Konutları (Real Estate Houses) 2, Tuzla Emlak Konutları (Real Estate Houses) 2, Körfezkent 2, Gebze Emlak Konutları (Real Estate Houses) 1, Emlak Konut Mavişehir Evleri, Selimpaşa Emlak Konutları (Real Estate Houses), Burgazkent, Lüleburgaz Çarşısı, Yıldızkent 1, Yıldızkent 2 and Yıldızkent 3 projects. 6446 saleable independent units are going to be built in the 11 ongoing PPM projects. The name of the Public Tender Act Housing Projects whose construction is still continuing or whose tender process is completed and is at the agreement signing stage has been approved as Tuzla Emlak Konutları (Real Estate Houses) 1, Sultanbeyli Emlak Konutları (Real Estate Houses), Körfezkent 3, Ataşehir Government Institution Building, Bahçekent Emlak Konutları (Real Estate Houses) 1, Bahçekent Emlak Konutları (Real Estate Houses) 2, Emlak Konutları (Real Estate Houses) 3, Emlak Konut Başakşehir Evleri 1, Emlak Konut Başakşehir Evleri 2, Emlak Konut Başakşehir Evleri 3, Emlak Konut Başakşehir Evleri 4.

Details of our ongoing projects by Public Procurement Model are as per below:

436 residences will be produced within the scope of **“Construction of İstanbul Sultanbeyli Emlak Konutları (Real Estate Houses) Residence and Infrastructure and Landscaping Works”** tendered within the

framework of Emlak Konut Gayrimenkul Yatırım Ortaklığı Public Procurement Model. Project Contract was concluded with the Contractor "İlgın İnşaat İç ve Dış Tic. A.Ş." on 01.03.2013 and land delivery was performed on 08.03.2013 Friday.

776 residences and 98 commercial units will be produced within the scope of **"Construction of Kocaeli Körfezkent Emlak Konutları (Real Estate Houses) 3rd Stage Residence, Social Area and Infrastructure and Landscaping Works Project"** tendered within the framework of Public Procurement Model. Project Contract was concluded with the Contractor "Mustafa Ekşi İnş. San. Tur. Tic. Ltd. Şti. ~ Aydur İnş. Taah. Tic. ve San. Tur. Taş. Hiz. Ltd. Şti. İş Ortaklığı (Joint Venture)" on 20.03.2013 and land delivery was performed on 25.03.2013 Monday.

Of the Company projects, the tender process of **"Construction of İstanbul Ataşehir Government Institution Building and Infrastructure and Landscaping Work"** was completed, contract was concluded with the Contractor "Turyapı İnş. Taah. Tic. San. A.Ş." on 06.05.2013 and land delivery was performed on 10.05.2013.

682 residences will be produced within the scope of **"Bahçekent Emlak Konutları (Real Estate Houses) 1 Project"** of the Company projects. Project contract was concluded with the Contractor " Egemen İnşaat ve Tic. A.Ş." on 18.06.2013 and land delivery was performed on 21.06.2013.

Contract of **"Bahçekent Emlak Konutları (Real Estate Houses) 2 Project"** of the Company projects was concluded with the Contractor "İlgın İnşaat İç ve Dış Tic. A.Ş." on 19.06.2013 and land delivery was performed on 21.06.2013. 824 residences will be produced within the scope of the project at stake.

Contract of **"Bahçekent Emlak Konutları (Real Estate Houses) 3 Project"** of the Company projects was concluded with the Contractor "Zek-San İnşaat Tic. ve San. Ltd. Şti." On 21.06.2013 and land delivery was performed on 21.06.2013. 282 residences will be produced within the scope of the project at stake.

Contract of **"Emlak Konut Başakşehir Evleri 1"** Project was concluded with the Contractor "TÜRKERLER İNŞ. TUR. MADEN. ENR. ÜRETİM TİC. VE SAN A.Ş." on 12.08.2013 and land delivery was performed on 16.08.2013. 1099 detached units will be produced within the scope of the project at stake.

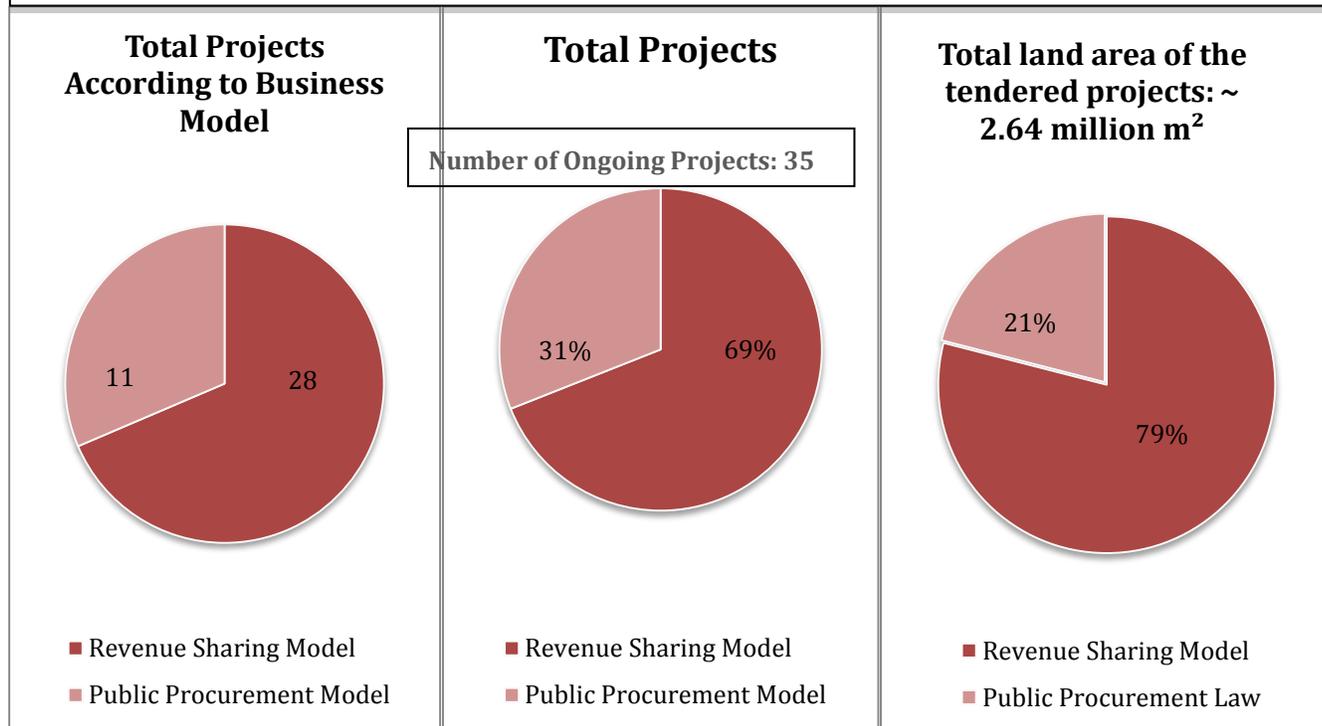
Contract of **"Emlak Konut Başakşehir Evleri 2"** Project was concluded with the Contractor "Öz-Kar İnşaat Tic. Ve San. A.Ş." on 29.07.2013 and land delivery was performed on 29.07.2013. 456 detached units will be produced within the scope of the project at stake.

Contract of **"Emlak Konut Başakşehir Evleri 3"** Project was concluded with the Contractor "ALTINDAĞ İNŞAAT TAAH. TİC. İTH. İHR. LTD. ŞTİ." on 02.09.2013 and land delivery was performed on 04.09.2013. 510 detached units will be produced within the scope of the project at stake.

Contract of **"Emlak Konut Başakşehir Evleri 4"** Project was concluded with the Contractor "MAKSEM YAPI TİCARET A.Ş. ~ CENT YAPI İNŞ. SAN. TİC. LTD. ŞTİ. İŞ ORTAKLIĞI (JOINT VENTURE)" on 02.09.2013 and land delivery was performed on 04.09.2013. 608 detached units will be produced within the scope of the project at stake.

BUSINESS MODELS

Distribution of Independent Units by Business Models in the Ongoing Projects



Source: Company data, as of 30.09.2013



Board of Directors

Board of Directors, being the most important administrative element of our company, takes fundamental decisions in accordance with relevant legal regulations and provisions of articles of association by showing maximum attention to the rights of the beneficiaries. The Board of Directors makes the required resolutions for a sustainable growth within the designated long-term benefits.

Required arrangements of our Articles of Association were made in accordance with the regulations that our organization has to comply with and according to the Corporate Governance Principles Communiqué of the CMB that took effect upon its publication in the Official Gazette No. 28158 on 30.12.2011. General Assembly of Emlak Konut GYO A.Ş for 2012 Fiscal Year was held at the Company headquarters on May 8th, 2013

Board of Directors

BOARD OF DIRECTORS

- The ultimate decision maker of 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 the provisions of the Articles of Association.
- Members of Board of directors are selected by the Resolution of the General Assembly.
- Board of Directors consists of 7 people: Chairman, Vice Chairman and 5 members. 3 of these members are Independent Members.

The Board of Directors executes the duties under the Turkish Trade Code, Capital Markets Code and relevant legislation and the duties assigned by the General Assembly. The Board of Directors can make agreements exceeding its term of office.

The Board of Directors is an active organ within the company and intends to permanently increase the corporate value (both tangible and intangible) by acting in line with relevant regulations in decision-making processes and condition changes.

Members of the Board of Directors are selected by the Resolution of the General Assembly. The Board of Directors consists of seven people: Chairman, Vice Chairman and 5 members. The Board of Directors has 3 independent members.

Each member has one vote in the meetings of the Board of Directors. The right to vote is executed in person. Members not attending the meeting cannot vote in writing or by proxy.

BOARD OF DIRECTORS

Unless a member makes a meeting request, decisions can be made by getting other members to give written consent for a suggestion made by a member.

All important issues decided in the Board of Directors are announced to the public through material disclosure in line with our policy to inform the public.

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, main contract, internal regulations and policies in line with the authority given by the shareholders in the General Assembly. It performs the strategic planning of the company as part of its vision. Every member has one vote in meetings. The right to vote is used in person. Members not attending the meeting cannot vote in writing or by proxy. Unless a member makes a meeting request, decisions can be taken by getting other members to give written consent for a suggestion made by a member. All important issues resolved in the Board of Directors are announced to the public through material disclosure.

Actual participation has been achieved in all matters included in the relevant part of the Corporate Management Principles of the CMB.

The Board of Directors can assign its authorities completely and in part to delegates to be appointed from the members or externally or managers who do not have to be shareholders. Our company does not have any managing members of the Board of Directors.

In consequence of the proceedings and voting of the first meeting of Board of Directors elected At the Ordinary General Assembly of the Company held on May 8th, 2013;

Assignment of duty was performed pursuant to the provisions of 336th Article of Turkish Commercial Code, election of Ertan YETİM as the Chairman of Board of Directors, Independent Member Veysel EKMEK as the Vice Chairman of Board of Directors, Murat KURUM, Mehmet Ali KAHRAMAN, Ali Seydi KARAOĞLU, Muhammet Haluk SUR and Volkan KUMAŞ as Members of Board of Directors,

Continuation of the 1st degree signature authorization vested in Ertan YETİM, Veysel EKMEK, Murat KURUM, Mehmet Ali KAHRAMAN, Ali Seydi KARAOĞLU, Muhammet Haluk SUR and Volkan KUMAŞ, registration and announcement of these issues were resolved and announced at PDP (KAP).

BOARD OF DIRECTORS

Name	Title	Profession	Tasks Assumed within the Company for the Last 5 Years	Capital Share in the Company (%)	Represented Share Group
Ertan YETİM	Chairman	Civil Engineer	Vice Chairman		A - B
Veysel EKMEN	Vice Chairman/ Independent Member	Financial Advisor	Independent Board Member	0,000000000004	B
Murat KURUM	Member/General Manager	Civil Engineer	Board Member		A - B
Ali Seydi KARAÖĞLU	Member	Business Administration Urban and	Board Member		A - B
M. Ali KAHRAMAN	Member	Regional Planner	Board Member		A - B
M. Haluk SUR	Independent Member	Senior Civil Engineer	Independent Board Member	0,000000000004	B
Volkan Kumaş	Independent Member	Lawyer	Independent Board Member	'0,000000000004	B

According to the latest status of the members of the Board of Directors, their respective out-of-company tasks are as per below;

Mr. **Ertan Yetim** has been working at Housing Development Administration (Toplu Konut İdaresi) as specialist as of 23.03.2007.

Mr. **M. Haluk Sur** continues his duties as ULI Turkey Chairman, Chairman of Paladin Realty Partners- Eur Asia Board of Directors, Bimeks- Vice Chairman of Board of Directors, Member of Forum İstanbul Executive Board, Cushman & Wakefield İstanbul Chairman.

Mr. **Volkan Kumaş** is continuing to practice his profession as a freelancer.

Mr. **M. Ali Kahraman** is continuing his duty at R.T. Ministry of Environment and Urbanization as General Manager of Spatial Planning

TOP MANAGEMENT

Top Management

Our top executives carry out their tasks in line with the company vision and mission with the authorities they get from the relevant legislation and internal arrangements. Our top management team consists of experienced personnel and takes administrative decisions that will live up to the expectations of all beneficiaries by working in administrative structure. Our top management staff adopting to continuously improve the decision making processes and administrative structure pays special attention to this matter during executive applications and embraces a sustainable business administration approach.

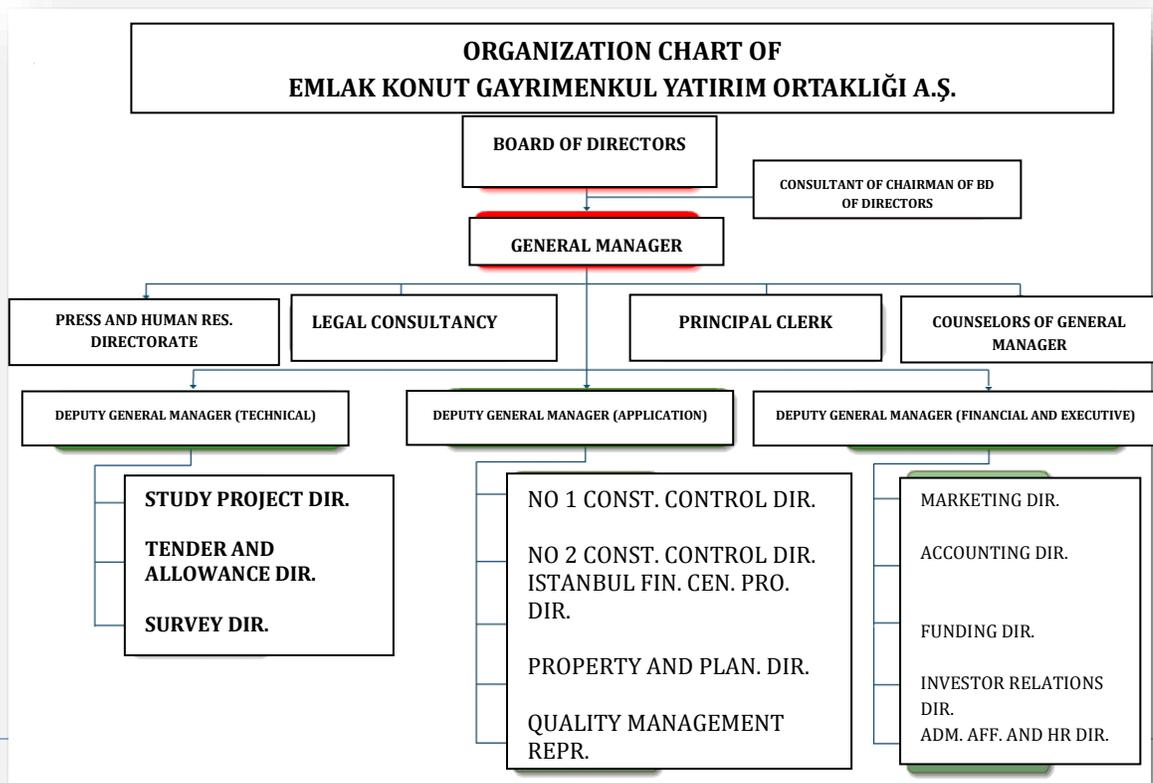
The duties are executed in the Company as follows: Mr. **Murat KURUM** as the General Manager, Mr. **Hakan AKBULUT** as **Deputy General Manager of Finance and Administration**, Mr. **Sinan AYOĞLU** as **Deputy General Director for Technical Affairs**, Mr. **Metin TEKİN** as **Deputy General Manager responsible for the Implementation**.

It is resolved by the Company Memorandum No: 332 dated 17.07.2013

1. To assign the Company 1st Legal Consultant İbrahim Keskin as Lawyer under Legal Consultancy Department,
2. To assign Legal Consultant Hüseyin Turan as 1st Legal Consultant.

It is resolved by the Company Memorandum No:333 dated 27.08.2013

1. To assign Company 1st Legal Consultant Hüseyin Turan as General Manager Consultant (Legal),
2. To assign Nurettin Şam who was serving under Consultant Lawyer Cadre at R.T. Prime Ministry Housing Development Administration as 1st Legal Consultant, provided that all his rights and liabilities would be reserved by the R.T. Prime Ministry Housing Development Administration.



ACTIVITIES OF THE BOARD OF DIRECTORS

Corporate Governance and Committees

Our company takes it as a principle to apply and actualize Corporate Management Principles in both practice and legislation compliance pursuant to general management principles. At this stage, compliance stages, namely organizational, principle and administrative studies, are realized in a process. Our activities regarding main rules of Corporate Governance, which are Equality, Transparency, Accountability, Responsibility, have been applied according to old version before the amendment of the legislation, and new version after the amendment.

In line with the provisions of the articles of association, Corporate Governance Principles published by CBM and the provisions of the relevant legislation; the task, work areas and members of the committees are determined by the Board of Directors in detail and announced to public. The Board of Directors can always re-determine the duties and functions of the committees and can also make the necessary changes regarding the memberships.

The Board of Directors also benefits from the work of the committee during its activities. The works of the committees and the relevant decisions are proposed to the Board of Directors, and the final assessment is performed by the Board of Directors.

The following issues have been decreed in the Meeting of the Board of Directors;

- To elect Veysel EKMEK, Independent Member of the Board of Directors, Ali Seydi KARAOĞLU, Member of the Board of Directors and Mehmet Ali KAHRAMAN, Member of the Board of Directors as the members to serve at the Corporate Management Committee and Veysel EKMEK, Independent Member of the Board of Directors, to serve as Chairman of the Committee,
- To elect Veysel EKMEK, Muhammet Haluk SUR and Volkan KUMAŞ, Independent Members of the Board of Directors, as the members to serve at the Audit Committee and Veysel EKMEK to serve as Chairman of the Committee,
- To elect Veysel EKMEK, Independent Member of the Board of Directors, Ali Seydi KARAOĞLU, Member of the Board of Directors and Mehmet Ali KAHRAMAN, Member of the Board of Directors as the members to serve at the Early Identification of Risk and Risk Management Committee, and Veysel EKMEK, Independent Member of the Board of Directors, to serve as Chairman of the Committee,
- To announce the members of Corporate Management Committee, Audit Committee, and Early Identification of Risk and Risk Management Committee to the public at PDP (KAP) and website of the Company.

The committees established in accordance with the legislation of the Company and their members are listed below.

a. Corporate Governance Committee

The Corporate Governance Committee plays its part in implementing the corporate governance principles in compliance with the legislations and internal regulations, and internalization thereof as corporate culture.

ACTIVITIES OF THE BOARD OF DIRECTORS

Corporate Governance Committee

Name	Duty	Election Date
Veysel EKMEK	B.D Independent Member/Committee President	May 28 th , 2013
M.Ali KAHRAMAN	B.D Member/Committee Member	May 28 th , 2013
Ali Seydi KARAOĞLU	B.D Member/Committee Member	May 28 th , 2013

Following the General Assembly of the company dated May 8th, 2013, the Result of the Meeting of the Board of Directors dated 28.05.2013 regarding the Creation of Corporate Governance Committee, Determination and Implementation of Corporate Governance Principles and the election of the Corporate Management Committee Members were settled.

Corporate Management Committee works as "**Nomination Committee**" and "**Compensation Committee**" as well, along with compliance with the corporate governance.

The committee is created and authorized by the Board of Directors. The committee shall be determined every year at the first Executive Meeting following the ordinary General Assembly.

Thus, the working period of the committee is parallel to that of the Board of Directors and is recreated after the orientation period. Duty and working principles of the Corporate Management Committee shall be announced through PDP and website of the Company.

The meeting and agenda of the Corporate Governance Committee are as per below.

Decrees of Nomination Committee

- 11.02.2013: Regarding designation of independent members of Board of Directors

Decrees of Compensation Committee

- 15.07.2013: Regarding increase in wages of personnel for 2nd Term of 2013 (01.07.2013 – 31.12.2013)
- 18.01.2013: Regarding increase in wages of personnel for 1st Term of 2013 (01.01.2013-30.06.2013)

b. Audit Committee

Audit Committee

Name	Duty	Election Date
Veysel EKMEK	B.D Independent Member/Committee President	28 May 2013
M.Haluk Sur	B.D Independent Member/Committee Member	28 May 2013
Volkan KUMAŞ	B.D Independent Member/Committee Member	28 May 2013

ACTIVITIES OF THE BOARD OF DIRECTORS

The Audit Committee acts in accordance with the regulations by the legislations and below summarized internal regulations and carries out the duties under its responsibility.

Following the General Assembly of the company dated May 8th, 2013, the assignment pursuant to the resolutions of the Meeting of the Board of Directors dated 28.05.2013 regarding the Creation of Audit Committee in compliance with the legislations is as per below.

It was resolved to elect **Veysel EK MEN**, **Muhammet Haluk SUR** and **Volkan KUMAŞ**, the independent members of the Board of Directors, to work in the scope of the Audit Committee, to elect **Veysel EK MEN** as chair of the Committee.

The meeting and agenda of the Audit Committee are as per below.

- 06.08.2013: Statement of Responsibility Regarding Financial Statements
- 24.04.2013: Statement of Responsibility Regarding Financial Statements
- 14.03.2013: Statement of Responsibility Regarding Financial Statements

c. Early Identification of Risk and Risk Management Committee

The Risk Management Committee fulfills its obligations acting within the framework of corporate risk management principles in parallel to the legislations and internal regulations.

Following the General Assembly of the company dated May 8th, 2013, the assignment pursuant to the resolutions of the Meeting of the Board of Directors dated 28.05.2013 regarding the Creation of Risk Management Committee in compliance with the legislations is as per below.

It was resolved to elect **Veysel EK MEN**, independent member of the Board of Directors, **Ali Seydi KARA OĞLU**, member of the Board of Directors, and **Mehmet Ali KAHRAMAN**, member of the Board of Directors, to work in the scope of the Early Identification of Risk and Risk Management Committee, and to elect **Veysel EK MEN**, independent member of the Board of Directors, as chairman of the Committee.

Early Identification of Risk and Risk Management Committee

Name	Duty	Election Date
Veysel EK MEN	B.D Independent Member/Committee	30.April.2012
M.Ali KAHRAMAN	B.D Member/Committee Member	30.April.2012
Ali Seydi KARA OĞLU	B.D Member/Committee Member	30.April.2012

The Early Identification of Risk and Risk Management Committee held meetings regarding 6 distinct issues in 2013. Details of the meetings are as per below:

ACTIVITIES OF THE BOARD OF DIRECTORS

- 30.01.2013: Regarding Sales of the land at 3328/10 Parcel to R.T. Central Bank
- 08.02.2013: Regarding Capital Increase
- 22.04.2013: Regarding Purchasing of the lands located in İstanbul Province, Kartal District Çavuşoğlu Quarter and Zeytinburnu District, Kazlıçeşme Quarter Under the Ownership of TOKİ
- 30.04.2013: Regarding Purchasing of 14 Immovables Under the Ownership of Yıldız Holding A.Ş.
- 30.05.2013: Regarding the Principles Pertaining to Designation of Secondary Public Offering Price Range of Emlak Konut GYO A.Ş. Shares
- 30.05.2013: Regarding Specification of the Price Range
- 07.06.2013: Regarding Postponement of the Secondary Public
- 02.08.2013: Regarding Sales of Bulvar 216 Project

Other Issues Concerning Corporate Governance

a. Donations and Grants

The respective issue was debated and anonymously resolved at the 10th item of the agenda of the General Assembly convened on May 8th, 2013. No donations or grants were made within 2012 by Emlak Konut GYO A.Ş. It is stated that any donations are not planned for 2013.

b. Administrative and Legal Sanctions

No sanctions were imposed on the members of the managing body of the Company due to any applications contradicting the provisions of legislation.

c. Share Buyback

There is no share acquired by Emlak Konut GYO A.Ş. within the respective term.

d. R&D Activities

Emlak Konut GYO A.Ş. does not have research and development activities.

e. Relatively Larger Ongoing Lawsuits Regarding Our Company

I. Mavişehir Pelikan Evleri Project

Docket Number : 2013/50 (Old No: 2009/775)

Court : İstanbul Anadolu 8th Commercial Court of First Instance

Plaintiff : Albayrak Turizm Seyahat İnşaat Ticaret A.Ş. (Albayrak Turizm)

Defendant : Emlak Konut

As the Contractor of Mavişehir Pelikan Evleri project, Albayrak Turizm filed the lawsuit herein following the completion of the project on 07.07.2009 with request of adaptation of the revenue

ACTIVITIES OF THE BOARD OF DIRECTORS

sharing and construction agreement pertaining to the project. The plaintiff basically requests the revenue share rate the contractor is obliged to pay to Emlak Konut to be designated over the real value of the detached units on the motion date, not over the sales revenue value stated at the tender.

II. Misstanbul Project

Docket Number : 2009/1221

Court : Kadıköy 1st Commercial Court of First Instance

Plaintiff : Tek Çelik İç ve Dış Tic. İnş. San. A.Ş.-Mehmet Çelik Joint Venture (Tek Çelik-Mehmet Çelik joint venture)

Defendant : Emlak Konut

Tek Çelik-Mehmet Çelik joint venture filed the lawsuit herein with requests of adaptation of the agreement pertaining to construction of Misstanbul project to the changing conditions and annulation of protocol no. 3.

On 02.11.2011, the court ruled to dismiss the charges stating that the unpredictability condition is not materialized which is required for the adaptation of the agreement as the subject matter of the lawsuit considering that substantial inflation or devaluation has not been experienced since 2005 in which the agreement was finalized, that an extraordinary and unexpected economic outlook in terms of the parties to the agreement has not occurred, that even though the fluctuations in the economy is recognized, it is expected from the plaintiff who is a trader to act prudent and anticipate. Against the cassation request of the plaintiff on 10.02.2012, Emlak Konut requested decision of approval from Supreme Court via the petition dated 13.02.2012. Appellate review is still ongoing.

III. Emlak Konut Mavişehir Evleri Project

Docket Number : 2009/850

Court : İstanbul 10th Commercial Court of First Instance

Plaintiff : Bozoğlu İnşaat Taahhüt Ve Tic Ltd Şti.

Defendant : Emlak Konut

The Contractor filed the lawsuit herein against Emlak Konut before İstanbul 10th Commercial Court of First Instance by claiming unjust termination of the agreement on 24.12.2009. Plaintiff requested imposition of interlocutory injunction regarding cashing of 10.400.000 TL worth Letter of Guarantee provided with Emlak Konut within the scope of the agreement until determination of invalidity of the termination and collection of 8.000 TL provided all rights reserved regarding excess due to unjust termination. Interlocutory injunction request of the plaintiff was overruled by the court.

Moreover, the Plaintiff claimed that the agreement signed with Emlak Konut was construction agreement in return for flat and that the unilateral termination by Emlak Konut was invalid. On the other hand, it claimed that Emlak Konut was responsible for not obtaining the construction permit pertaining to the project as construction Audit Company Aden Yapı Denetim Ltd. Şti. Terminated the

ACTIVITIES OF THE BOARD OF DIRECTORS

agreement and a new audit company was not appointed, and for sealing of the construction for 10 months due to not obtaining the housing permit. Emlak Konut pleaded the agreement finalized with the plaintiff was a revenue sharing agreement for land sale.

IV. Ağaoğlu Maslak 1453

Docket Number : 2010/2191

Court : İstanbul 1st Administrative

Plaintiff : 9 members of Istanbul Metropolitan Municipality Council as of the date of filing the lawsuit

Defendant : TOKİ (Housing Development Administration) - İstanbul Metropolitan Municipality

Intervening Parties along with the Defendant: Emlak Konut and Akdeniz İnşaat ve Eğitim Hizmetleri A.Ş.

This lawsuit herein was filed against TOKİ and Istanbul Metropolitan Municipality by the 9 members of Istanbul Metropolitan Municipality Council with the request for cancellation of the 1/5000 scale Master Plan and 1/1000 Development Plan approved on 16.9.2011 pertaining to Maslak 1453 Project and suspension of execution.

Emlak Konut requested to be an intervening party in the lawsuit on 01.02.2011 from the court and requested dismissal of the charges claiming that plans subject to the lawsuit enabled creation of healthy urban areas and beneficial for public welfare. Court accepted Emlak Konut to become an intervening party by its rule dated 01.04.2011 and ruled towards waiting for exploration and examination expertise for suspension of execution request. Akdeniz İnşaat ve Eğitim Hizmetleri A.Ş. became an intervening party along with the defendant on 02.06.2011.

Expert report stated the opinion that the function brought to the parcel by the plan subject to lawsuit had significant effects in terms of factors such as intensity, transportation, environmental effects, housing, etc. and the plan subject to lawsuit did not comply with urban development principles, fundamentals of planning, public welfare. Following the objections of the parties, on 12.07.2012, the court decided to request for additional report regarding whether the 1/5000 and 1/1000 scale plans complied with urban development plan and principles, integrity of plan and public welfare.

In accordance with the additional report prepared concordantly, the court ruled to annul alterations of the plan subject to lawsuit by its decision on 24.01.2013 on the grounds of nonconformance to law, legislations, urban development principles, planning techniques and public welfare. Verdict of the administrative court has been appealed, the result is expected.

Construction of Ağaoğlu Maslak 1453 project has been implemented within the framework of 1/5000 scale Master Plan and 1/1000 Development Plan approved on 16.09.2011.

İstanbul 6th Administrative Court Docket No: 2010/2480 E

ACTIVITIES OF THE BOARD OF DIRECTORS

At the lawsuit filed by TMMOB Chamber of Urban Planners, it is requested to cancel 1/5000 scale Master Plan and 1/1000 Development Plan approved on 18.8.2010 pertaining to Şişli District Ayazağa Illegal Housing Prevention Zone, and to suspend the execution. Emlak Konut attended the case as intervening party along with the defendant TOKİ. The lawsuit was dismissed, result of appellate review is expected.

İstanbul 8th Administrative Court Docket No: 2010/2300 E.

At the lawsuit filed by Istanbul Büyükşehir Branch of TMMOB Chamber of Architects, it is requested to cancel 1/5000 scale Master Plan and 1/1000 Development Plan approved on 18.8.2010 pertaining to Şişli District Ayazağa Illegal Housing Prevention Zone, and to suspend the execution. Emlak Konut attended the case as intervening party along with the defendant TOKİ. The lawsuit was dismissed, result of appellate review is expected.

Docket No : 2012/1913 E.

Court : İstanbul 1st Administrative Court

Plaintiff : Yusuf Özden

Defendant : Ministry of Environment and Urban Planning, and İstanbul Metropolitan Municipality

Intervening Parties along with the Defendant: Emlak Konut

In the lawsuit filed by Yusuf Özden against Ministry of Environment and Urban Planning, and İstanbul Metropolitan Municipality, it is requested to cancel 1/5000 scale Master Plan and 1/1000 Development Plan approved on 16.09.2011 pertaining to Şişli District Ayazağa Illegal Housing Prevention Zone, and to suspend the execution, and suspension of Maslak 1453 Project construction. Emlak Konut attended the case as intervening party along with the defendants. The request of the plaintiff for suspension of execution was rejected on 07.03.2013. Proceedings continue before the administrative court. Any notification whatsoever about the plaintiff for filing objection to Regional Administrative Court regarding rejection of suspension of execution request has not been made to Emlak Konut.

Docket No : 2013/134

Court : Council of State 6th Chamber

Plaintiff : TMMOB Chamber of Urban Planners

Defendant : TOKİ

Intervening Parties along with the Defendant: Ministry of Environment and Urban Planning, Emlak Konut

The lawsuit was filed by TMMOB Chamber of Urban Planners against TOKİ before İstanbul 5th Administrative Court under docket no 2012/401 E. with the request for cancellation of the 1/5000 scale Master Plan and 1/1000 Development Plan approved on 16.09.2011 pertaining to Şişli District

ACTIVITIES OF THE BOARD OF DIRECTORS

Ayazađa Illegal Housing Prevention Zone in which Ađaođu Maslak 1453 project is also included, and for suspension of execution.

Court made decision of non-jurisdiction and forwarded the file to Council of State 6th Chamber. By its decision on 25.09.2012, Council of State ruled “to position Ministry of Environment and Urban Planning as adversary party by the defendant administration, to examine the request for suspension of execution after taking the initial pleas of the defendants or upon expiration of legal plea submission period”. Proceedings are still ongoing.

Relevant other legal proceedings are attentively followed up by the Company.

Activities of the Board of Directors

It is the ultimate decision maker within Emlak Konut GYO A.Ş. It is responsible for management and representation of Emlak Konut, realization of the company activities, establishing relations between the shareholders and the Company and recruitment. The Board is responsible for the implementation of Emlak Konut activities in accordance with laws and the provisions of the Main Contract.

The principles under the clause 'structure of the Board of Directors - independency conditions' of Article 4.3 under the Communiqué on Corporate Management Principles Serial: IV, No: 56 were complied with.

Members of the Board of Directors are selected by the Resolution of the General Assembly. The Board of Directors consists of 7 people: Chairman, Vice Chairman and 5 members. The Board of Directors has 3 independent members.

40 resolutions were made between **01.07.2013 - 30.09.2013**. **128** resolutions were made between **01.01.2013 - 30.06.2013**. All the resolutions were made unanimously.

The members of the Board of Directors were not 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, main contract, internal regulations and policies in line with the authority given by the shareholders in the General Assembly and represents the Company. Makes the strategic planning for the vision of the Company.

Amendments to the Articles of Association within the Period

No amendments were made to the articles of association between 01.01.2013 and 31.03.2013. Necessary explanations were made in our previous activity report and on PDP regarding the amendments to the articles of association made between 01.04.2013 and 30.06.2013.

No amendments were made to the articles of association between 01.07.2013 and 30.09.2013.

Information on General Assembly

Ordinary General Assembly

2012 shareholders ordinary general assembly meeting of Emlak Konut Gayrimenkul Yatırım Ortaklığı Anonim Şirketi was assembled on May 8th, 2013 Wednesday at 09:00 in Atatürk Mahallesi Turgut Özal Bulvarı Gardenya 11/B Plaza Ataşehir, İSTANBUL under the supervision of **Ministry Representative Ms. Aysun TUNCER** appointed by Istanbul Provincial Directorate of Ministry of Commerce and Customs by the assignment letter No. 90726394-81.13/4652 dated 07.05.2013.

Announcement was made within due time pursuant to Article 414 of Turkish Commercial Code and provisions of articles of association by announcing on the edition no 8300 dated April 15th, 2013 of Turkish Trade Registry Gazette, on the edition no 10269 dated April 13th, 2013 of Yenigün Gazette and website of the Company (www.emlakkonut.com.tr), moreover, via registered letter with return receipt on 12.04.2013 to the shareholders who notified their addresses and by announcing the assembly date and agenda on Public Disclosure Platform and Electronic General Assembly System of the Central Registry Agency Inc.

The relevant briefing was published at PDP platform on 10.4.2013. Meeting Invitation, Sample Power of Attorney, the amendment text of the articles of association regarding the General Assembly has been presented to the attention of the shareholders at the Investor Relations section.

Moreover, at the General Assembly, the Internal Directive submitted to the examination of the shareholders of the Company pursuant to Article 4 of the “Directive Regarding Procedures and Principles Regarding the General Assembly Meetings of Incorporations and the Representatives of Ministry of Commerce and Customs to Be Present in These Meetings” published in Official Gazette No 28481 was proposed to be deemed as read and anonymously accepted. Internal Directive was submitted to the approval of General Assembly and was anonymously accepted.

Extraordinary General Assembly

The Extraordinary General Assembly of Emlak Konut Gayrimenkul Yatırım Ortaklığı Anonim Şirketi was assembled on August 23rd, 2013 Friday at 15:00 in Atatürk Mahallesi Çitlenbik Caddesi No.4 Ataşehir, İSTANBUL under the supervision of Ministry Representative Ms. Aysun TUNCER appointed by Istanbul Provincial Directorate of Ministry of Commerce and Customs by the assignment letter No. 90726394-75.26302 dated 22.08.2013. Announcement was made within due time pursuant to Article 414 of Turkish Commercial Code and provisions of articles of association by announcing on the edition no 8371 dated July 25th, 2013 of Turkish Trade Registry Gazette, on the edition no 10370 dated July 23rd, 2013 of Yenigün Gazette and website of the Company (www.emlakkonut.com.tr), moreover, via registered letter with return receipt on 18.07.2013 to the shareholders who notified their addresses and by announcing the assembly date and agenda on Public Disclosure Platform and Electronic General Assembly System of the Central Registry Agency Inc.

ACTIVITIES OF THE BOARD OF DIRECTORS

Assembly Agenda

1- Opening and formation of the Board,

2- In order to be able to proceed with the Financial Liability/ Recovery lawsuit, which was filed due to payments affected to GFCM Company pursuant to resolution of the Meeting No 18 dated 25.08.1999 of Board of Directors regarding the Expertise Report No 7 dated 28.08.1992 of T. Emlak Bank Inc. and which was filed against the previous directors of the Company and still continuing on the file no 2013/111 E of İstanbul 19th Commercial Court of First Instance, the debate and resolution regarding ratification of the aforementioned lawsuit and authorization of Board of Directors of the Company and auditors of the lawsuit date for litigation,

3- Opinions and closing.

The relevant briefing was published at PDP platform on July 17th, 2013 and company website, the agenda, Sample Power of Attorney and Extraordinary General Assembly Invitation has been presented to the attention of the concerned parties. Invitation, minutes and list of participants regarding the Extraordinary General Assembly of the Country are present at the Company website.

Vote - Minority Rights

Pursuant to the Voting Right Principle of the Shareholders of the Corporate Governance Principles, practices compelling voting rights of our shareholders have been avoided.

Group A shares have the privilege to nominate in selection of Board members. All members of the Board of Directors are selected by the Company's General Meeting among candidates nominated by Group A shareholders with the exception of independent members. No other enfranchising securities can be issued in nomination of Board members other than shares that entitle royalty. In no way can a royalty be created, including nomination privileges for the Board of Directors. Transfer of privileged shares is subject to CMB approval. Every share has one vote at the General Assembly. 5 dependent members of the Board of Directors are elected among the candidates put forth by A Group shareholders by the General Assembly. 3 independent members of the Assembly are elected among the candidates nominated by Turkish Republic Housing Administrative Ministry. No minority rights exist within the capital structure of our company.

Risk Management and Internal Control Mechanism

Our company attaches importance to risk management and continues its efforts to improve it. Our company tries to apply total risk management with the aim of making risk management corporate and achieving a sustainable growth through an efficient risk management. Early Identification of Risk and Risk Management Committee has been established and commenced its activities.

Emlak Konut GYO A.Ş. tries to establish an optimum relationship between risk and return of the either financial or non-financial activities. One of the main purposes is to ensure effective risk management, sustainable business

ACTIVITIES OF THE BOARD OF DIRECTORS

growth. By using other management tools and procedures, we try to provide a permanent growth trend, especially for the 'shareholders' and for all 'beneficiaries'.

The most important of the basic risk management models implemented by the Company so far is listed as: the relevant departments of which duties and powers are defined determine their own risks; they take possible measures before the occurrence of the risk; and they activate 'overall risk management' with a continuous exchange of information with other departments and senior management.

The Board of Directors keeps track of the risks of the Company in the macro context and if necessary by requesting for the reporting and investigation from the departments the Board evaluates the results. Internal control mechanism, and risk monitoring and audit committees closely follow the developments. The Corporate Governance Committee including the Early Risk Identification Committee helps to the Board of Directors on risk management by compiling the required information within the Company.

Due to the activities of the Company, it may be exposed to the risks referred to below. However, As Emlak Konut GYO A.Ş. has adopted the principles of "Corporate Risk Management", it is aimed to minimize the potential risks.

The methods of avoidance of high-risk business and risk transfer, which are among the essential elements of risk management, are tried to be used effectively by the Corporation.

The Company's basic definition of risk; during the execution of the activities of the entity, existence of a new case and creating unexpected effects on the current targets. The identified and monitored risks are as follows;

Investment Risk and Capital Management:

The company evaluates the areas to be invested according to numerous risk factors both financial and non-financial, and chooses the investment alternative with the most advantages.

The Company prefers Istanbul and Ankara, Izmir as well as Izmit and Kırklareli, which are close to İstanbul for investments and projects, and has a wide land stock in Istanbul and Ankara. The areas containing these lands and projects are the fastest growing and demographically the most intense areas of Turkey. A natural interest is formed by the locations of the projects and the lands. Thanks to the diversified projects and lands included in our portfolio investment risks have been reduced to a significant extent. The land stock diversifications obtained from TOKI stand out as another factor for reducing such risks.

Emlak Konut GYO A.Ş tries to manage its capital by minimizing the management risk with portfolio diversification. The aim of our business is to ensure continuity as an income-generating corporation, to consider the benefits of corporate shareholders, and also to provide the continuity of the most efficient capital structure in order to minimize the cost of capital.

The company's objectives while managing capital are to consider the continuity of operations of the Company in order to maintain an optimal capital structure to provide returns for shareholders and benefit for other stakeholders and to reduce the cost of capital.

ACTIVITIES OF THE BOARD OF DIRECTORS

Productivity rates of our investments are reviewed within the scope of different scenarios and investment approval is obtained in optimum conditions. Whatever work model is implemented during the investment period, compliance with the plans is constantly monitored.

Market Risk:

Market risk group, one of the most important systemic risk elements, is also monitored in a very careful way due to our being a capital market board. As market risk factors, we especially monitor these factors: Currency Risk, Interest Rate Risk, Credit Risk and Liquidity Risk. Regarding the main market risks that may arise during the activities of our company;

Currency Risk:

The Corporation carefully monitors and evaluates the developments for the currency risk, which can be summarized as the appreciation or depreciation of the foreign currencies against the Turkish Lira.

Company does not have a significant currency risk. As a precaution against currency risk, we set up infrastructure and personnel that can handle various risk reducing and protective operations.

As the foreign currency is not used for the activities within the main activities of the Company, the foreign exchange rate risk arises from the only minimum deposits.

In addition, due to the both direct and indirect effects, currency changes and movements are even more closely monitored recently and possible developments are analyzed.

Interest Rate Risk:

The effect of interest rate, which is an important macro variant, on assets and liabilities is expressed with interest rate risk. This risk is managed by meeting the assets affected by interest changes with similar liabilities.

Within this context, the similarity between not only the maturities of debts and receivables, but also the reprising periods is considered.

As our liability risk can be considered very low, mostly the item of "assets" can be regarded as the value subject to interest risk. For such assets, our portfolio is managed by means of defense-based precautions.

However, a possible increase in interest rates constitutes a systemic risk for construction and housing sector in terms of increasing the cost of funds and affecting the demand. Against such type of interest rate risk, the contract-based, legal risk reduction works are carried out for minimizing the fluctuations in interest rates and not changing the cash flow.

The fluctuations observed in the domestic interest rates as an extension of Global Systemic Risks especially as of the end of May are being rigorously monitored.

ACTIVITIES OF THE BOARD OF DIRECTORS

Credit Risk:

This group of risks including all kinds of activities related to receiving and giving credit (and as such). The Company does not use foreign resources due to the debt policy. Therefore, the credit risk is very low. As the financing need of the company is obtained from the realized projects, the need for foreign resources is little.

Emlak Konut GYO A.Ş works with the banks located in Turkey and having long-term relations with the Company under the supervision of credit risk sensitive to bank balances. For this reason, a significant amount of bank balances held in state banks.

The Company operates with the principle that the receivables to be secured to the greatest extent possible for the Credit Risk Management.

In this context, the used methods;

- Bank Guarantees
- Real Estate Mortgages
- Preservation of the legal ownership to ensure the collection of the receivables for PPM projects

The risk control for the customers who have not been secured by collateral is evaluated by considering the financial position, past experience and other factors of the customers (ex, morality), and the credit quality of the relevant person is assessed and the credit risk and limit are determined. Until the end of the process of credit, the condition is monitored within the credit limit and the condition.

Liquidity Risk:

Liquidity Risk is the risk of not being able to meet the need of net funding resulting from the obligations of the Company.

The company management prepares projections by examining undiscounted estimated cash flows resulting from financial liabilities and trade payables of the company with the special reporting and analysis when needed.

The Company meets the payments of other commercial and financial payables with the cash and cash equivalents or cash obtained from the sales. In addition, it aims to ensure flexibility in funding by maintaining the credit facilities.

As the liquid resources and cash flow of the company are considerably good, there is no liquidity need. Liquidity surplus is used with low-risk investment tools over public banks in accordance with the relevant legislation. If the conditions are favorable, we can use our liquid resources for potential real estate acquisitions and projects.

Counterparty and Concentration Risk:

We can transfer to a considerable extent the counterparty and concentration risks caused by work models. The special articles put in the agreements made for this, insurance and construction check-payment systems are used in coordination.

ACTIVITIES OF THE BOARD OF DIRECTORS

Operational Risk:

We can describe the operational risk as follows;

It includes the risks such as supply, productivity, pricing, sales, customer satisfaction, product / service development, human resources, information security and business continuity, employee health and safety, environmental health and safety, information processing technology, tax, legal, brand management, reputation, performance management, external reporting and compliance, internal reporting, monitoring and control, authorization and limit risks.

As the operational risks include many intangible factors, it is necessary to perform a corporate work for the management of this type of risk group.

For such risk, the relevant departments monitor the necessary risks within the understanding of corporate overall risk management and take the measures, and present the related information to the senior management.

Strategic and External Environmental Risks:

Strategic Risk

It includes internal and external risks giving rise to adverse effects on the company's strategic goals (Planning, Business Model, Business Portfolio, Investment Analysis, Corporate Management Risks, etc.). Emlak Konut GYO A.Ş performs a continuous monitoring and evaluation based on top decision-makers in order to minimize the possible risks of this type with the planning within the framework of the strategic objectives.

External Environmental Risk

It includes the risks such as economic, political, regulatory, business continuity, customer trends, industry, technological change and shareholder relations. For this type of risks, an overall risk management is tried to be carried out in order to determine the risk, to measure, to transfer and to minimize the possible damage by performing in-house regulations, researches and non-corporate studies.

There is an effective internal control mechanism in Emlak Konut GYO A.Ş. The internal control system and internal audit operates for the issues for not only 'occurred', but also 'developments to be occurred'. Together with the establishment of the Audit Committee, Internal Control Mechanism effectively fulfills the duties given to them by the Board of Directors within the framework of the existing Internal Regulation of the Audit Committee.

Dividend Policy and Principles

Emlak Konut GYO A.Ş. has adopted as a principle to show required sensitivity for shareholders regarding dividend distribution and to comply with relevant arrangements. The Company puts emphasis on efficiency of “dividend” concept in Capital Markets, and makes an effort for the dividend efficiency to be higher than the riskless alternative investment efficiency in the financial asset evaluation. Dividend distribution principles are based on the legislation stated below and articles of association. Detailed information regarding dividend distribution policy principles is provided under the main section of ‘Investor Relations’ at www.emlakkonut.com.tr.

The net profit for the period of the Company included within the financial statements prepared in accordance with the provisions of the Communiqué Serial: XI, No: 29 of the Capital Markets Board is 523.401.956,- TL; the net profit for the period included within the financial statements prepared in accordance with the provisions of the Tax Procedure Law is **488.913.323,53 TL**.

- The Total of Primary Legal Reserve allocated in accordance with the Turkish Commercial Code is 163.672.272,13 TL, and as the aforementioned amount has not reached the 20% of the paid capital, it has been decided to offer the following decisions to the Ordinary General Assembly, to allocate Primary Legal Reserve at the rate of 5% (24.445.666,18 TL) from the net profit for the period of 488.913.323,53 TL included within the financial statements prepared in accordance with the provisions of the Tax Procedure Law,
- To distribute the amount of 200.000.000,- TL as First Dividend which corresponds to 40,0836714716529 % of 498.956.289,82 TL after allocating Primary Legal Reserve of 24.445.666,18 TL to be allocated in accordance with the Turkish Commercial Code, from the net profit for the period of 523.401.956,-TL included in the financial tables prepared within the framework of provisions of the Communiqué Serial: XI, No: 29 of the Capital Markets Board,
- After deducting 5% of the capital paid through dividends of 200.000.000,-TL in total to be distributed to shareholders, the amount of 7.500.000,-TL corresponding to one tenth of the remaining portion to be allocated as Second Legal Reserve in accordance with the provisions of the Turkish Commercial Code,
- To allocate the remaining profit of 256.967.657,35 TL according to our legal records as Excess Reserve without distributing,
- To propose the distribution the First Dividend of 200.000.000,- TL allocated to be distributed to the shareholders from the net profit for the period as gross (=Net) 0.08 TL in cash/by approximation for the dividend coupons of 2012, and payment thereof on 09.05.2013 to Ordinary General Assembly.
- Information regarding the dividend to be distributed as the result of the General Assembly held on 08.05.2013 is provided below: See “ Annexes – Resolution on Distribution of 2012 Profit as the Result of General Assembly”

Information Policy

Emlak Konut GYO A.Ş. includes an Information Policy as determined by the CMB's Corporate Governance Principles. The policy announced to the public via the company website and annual report. It is explained with the Information Policy that; which information will be disclosed by which authorities, which methods, and how frequently. Information to be released to the public is announced timely, accurate, complete, understandable, interpretable and easily accessible.

Purpose and Scope of the Information Policy:

Emlak Konut GYO A.Ş. (EKGYO) shall make sure that the shareholders, investors and beneficiaries are informed in a timely, complete, correct and efficient manner through the "Information Policy" after the offering of the shares to the public regarding past performance as well as future plans and expectations, strategy and vision pursuant to Capital Markets Legislation, Turkish Trade Law, Istanbul Stock Exchange Legislation and regulations brought out with other relevant legislations.

The Information Policy shall include information consisting of any legally disclosable information, document, electronic record and data related to activities that are known by the members of the Board of Directors, senior executives and employees and are not "Internal Information" or Commercial Secrets".

Public Disclosure - Transparency

Public disclosure and transparency principle aims at providing shareholders and beneficiaries with timely, appropriate, correct, understandable, analyzable, cheap and easily available information by also considering rights and benefits of the company and shows maximum attention to maintain it as a company policy.

Methods of Public Disclosure:

EKGYO shall use the following methods and tools within the framework of the time and procedures in relation to the periodical tables and reports specified in Article 42 of the Communiqué No 11, Serial VI Pertaining to the Principles Related to Real Estate Investment Companies.

- Special case statements
- Financial Statements and Footnotes periodically submitted to Istanbul Stock Exchange, Portfolio Value Table, Independent Inspection Report
- Quarterly Activity Reports
- Annual Reports of the Board of Directors
- Corporate web-site (<http://www.emlakkonut.com.tr>)
- Investor and Analyst Meetings
- Press releases
- Press conferences

INFORMATION POLICY

Authority and Responsibility

Information Policy has been established by the Decision of the Board of Directors of Emlak Konut GYO A.Ş. Monitoring, supervise and development of the policy are under the authority and responsibility of the Board of Directors. The changes for Information Policy shall be taken by the Decision of the Board of Directors.

Persons Authorized to Make Disclosure; Evaluating whether all information requests regarding EKGYO are commercial secrets or have the ability to affect investment decisions and capital market tool values pursuant to the "Communiqué Serial: VIII, No: 54 on Principles Regarding Public Disclosure of Material Events" and shall be answered orally and in writing by;

- Chairman of the Board of Directors and members,
- Chairman and the members of the Audit Committee,
- General Manager,
- Investor Relations Department

Other employees beyond them are not authorized to respond to question requests. EKGYO employees direct the questions to the Investor Relations Office. The audit process for the implementation of the policy is carried out by the internal audit.

Shareholder Relations Unit

Investor Relations department is included within Emlak Konut GYO A.Ş. for the shareholders. The unit operates within the coordination of **Hakan Akbulut**, Executive Vice President for Financial Affairs (hakbulut@emlakkonut.com.tr). The department director of the unit is **Hasan Vehbi Arslantürk** (harslanturk@emlakkonut.com.tr). With the employment of qualified personnel in the investor relations department, the company tries to provide a better service for the stakeholders and interested parties.

Other than the above mentioned e-mail address; the relevant persons can be contacted with Telephone number: **(0216) 579 15 15** , Fax: **(0216) 456 48 75**, and electronic mail: **info@emlakkonut.com.tr**.

The Investor Relations Department of Emlak Konut GYO A.Ş. operates within the framework of the relevant legislation and internal regulations.

In accordance with our information policy, meeting and interview demands of local and foreign corporate investors were met as much as possible. The schedule of type of meetings held in the investor relations organization is as follows for the relevant period;

- A total of **66** organizations were realized between the dates of **July 1st, 2013 – September 30th, 2013**, including **61 organizations with local and foreign investors**, and **5 with local and foreign analysts**.
- A total of **239** organizations were realized between the dates of **January 1st, 2013 - September 30th, 2013**, including **217 organizations with local and foreign investors**, and **22 with local and foreign analysts**.

Increasing interest of both domestic and foreign investors in the Company is expected to continue in the upcoming days.



Material Disclosures

Regarding the material disclosures, all the General Manager Assistantships are responsible for the announcement of issues related to their offices.

64 material disclosures are made on **01.07.2013 - 30.09.2013** (3rd quarter). Two disclosures were made by Özak Gayrimenkul Yatırım Ortaklığı A.Ş., two disclosures by Borsa İstanbul A.Ş., other disclosures by Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş..

285 material disclosures are made on **01.01.2013 - 30.09.2013** (first 9 months). Seven disclosures were made by Özak Gayrimenkul Yatırım Ortaklığı A.Ş., three disclosures by Borsa İstanbul A.Ş., one disclosure by Yapı Kredi Yatırım Menkul Değerler A.Ş. S&P/ IFCI Turkey Large Cap Index A Type Exchange Traded Fund (Equity Intensive Fund) and other disclosures by Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş..

After these disclosures, no additional written explanations have been requested by CMB or ISE. Great care is taken in making the disclosures in due time.

The web site address is included on the letterhead paper of Emlak Konut GYO A.Ş.. The effective management of communication resulting from the internal information is made with care in Information Policy. The below-mentioned criteria are taken into consideration by the Company as internal information.

Internal information is the information which may be considered meaningful while receiving share value and investment decision of a rational investor, which may give advantage to the user over other investors that can not privy to this information in case of used in the trading capital market instruments related to the situations not publicly disclosed, which might impact on the value of the capital market instrument or on the investment decisions of the investors.

On the other hand, "a list of those who have access to internal information" has been prepared for taking care of the rules related to use of the internal information, and the employees included in the list have stated that they are aware of their responsibilities for the protection of this information and not using inappropriately, and we pay attention to receive statements from the newly added employees.

Internal Information and Access List

Internal information is the information which may be considered meaningful while receiving share value and investment decision of a rational investor, which may give advantage to the user over other investors that can not privy to this information in case of used in the trading capital market instruments related to the situations not publicly disclosed, which might impact on the value of the capital market instrument or on the investment decisions of the investors.

The other parties that are in touch with EKGYO employees with internal information shall be informed that they are responsible for keeping the information confidential during the formation process of any material situation and during the period that will last from the formation of the material situation until Istanbul Stock Exchange becomes informed of this situation. Those working in the name and on behalf of EKGYO shall not share any information that has not been disclosed to the public yet and that can be regarded as special with third parties in any case. If it is found out that they have disclosed internal information to third parties inadvertently, and when it is concluded that the information cannot be kept confidential, EKGYO shall make a material disclosure in accordance with Capital Market regulations.

EKGYO shall prepare a list of real or legal persons working under the name or on behalf of EKGYO under the "Communiqué on Principles Regarding Public Disclosure of Special Case Events" of CMB and people who work under their supervision with work contracts or other means and have access to internal information. The names of the people having access to internal information shall be conveyed to the Administrative Affairs and Human Resources department of EKGYO for the preparation and update of the list.

The list of the people having access to internal information shall be kept up-to-date by EKGYO in line with the changing scopes of project and subject matters. This list shall be submitted to the relevant legal institutions and organizations upon request. EKGYO shall give written notification to the people included in the list regarding the protection of the internal information.

EKGYO may delay the disclosure of the internal information under the provisions of the Communiqué Serial: VIII, No: 54 on "Principles Regarding Public Disclosure of Special Case Events" of CMB with the aim of protecting its legal rights and interests.

INFORMATION POLICY

List of Those with Access to Internal Information of EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

THE BOARD OF DIRECTORS

Name Surname	Occupancy	Duty
Ertan Yetim	Civil Engineer	Chairman of the Board of Directors
Veysel Ekmen	I.A. Financial Advisor	Deputy Chairman of BD, Independent BD Member
Murat Kurum	Civil Engineer	Member of the Board, General Manager
Ali Seydi Karaoğlu	Business Administration	Member of the Board
Mehmet Ali Kahraman	High-Urban and Regional Planner	Member of the Board
Muhammet Haluk Sur	Senior Civil Engineer	Independent Board Member
Volkan Kumaş	Law	Independent Board Member

MANAGEMENT

Name and Surname	Occupancy	Duty
Sinan Ayoğlu	Civil Engineer	Deputy General Manager
Hakan Akbulut	Public Administration	Deputy General Manager
Metin Tekin	Civil Engineer	Deputy General Manager
Rasim Faruk Kadioğlu	Construction Technician	Advisor to the CEO
Hüseyin Turan	Law	General Manager Consultant (Legal)
Halim Ataş	Business Administration	Executive Assistant
Nurettin Şam	Law	1 st Legal Counsel
Zeynep Basa	Economy	Head of Department and Deputy Marketing Manager
Tülay Odakır	Civil Engineer	Director of Contracts and Progress Payment
Mustafa Aşikkutlu	Senior Civil Engineer	1 st Construction Control Manager
Hasan Saka	Senior Civil Engineer	2 nd Construction Control Manager
Hakan Gedikli	Expertise Engineer	Real Estate and Planning Manager
Hicran Çakmak	Architect	Expertise Project Manager
Ercan Alioğlu	Business Administration	Accounting Manager
İzzet Gani Karakaya	I.A. Financial Advisor	Finance Manager
Halil İbrahim Şahin	Economy Financial Adm.	Administrative Affairs and Human Resource Manager
Özlem Hanoğlu Çelik	Economy	Press and Public Relations Manager
Hasan Vehbi Arslantürk	Civil Engineer; International Trade	Investor Relations Manager
Fatih Kanitoğlu	Civil Engineer	Appraisal Manager

Human Resources and Policy

Emlak Konut GYO A.Ş considers the human resources as one of the most valuable assets of our company. The company has adopted a human resources policy aiming to create value in order to achieve the corporate vision and mission.

The fundamental human resources policy of Emlak Konut GYO A.Ş. is stated below;

- To employ the vacant positions within the company with skilled personnel qualified for the job descriptions,
- To provide all personnel growth and advancement opportunities suitable for qualifications and skills,
- To respect personnel, to oversee all rights and interests,
- To ensure the best human relations with a business environment developing the desire and willingness to work,
- To direct the staff to be successful, to provide equivalent opportunities such as education, information, and according to their ability and to reward successful ones,
- To train and assign personnel primarily in the body of the company for the vacant management position,
- Not to employ too much personnel, to ensure personnel to work with a maximum yield according to the appropriate knowledge and skills,
- To meet social and cultural needs of the personnel within the bounds of budget possibility, to make it attractive to work with the company for all employees by making them benefit from social services and benefits,
- Within the bounds of position, to provide talented and successful employees to rise above and occupational safety,
- To inform the personnel in time for the issues related to personnel, to develop the procedures and possibilities of communication in order to easily submit their views and suggestions to the administration,
- To provide all the personnel to develop themselves with an active educational plan and program (career),
- To keep the highest level of morale and motivation of employees at every level,
- To work for developing and maintaining the material and moral rights of the personnel,
- To establish a business environment developing the personnel's desire to work,
- To ensure employees work by depending on the corporate culture with a sense of team spirit..

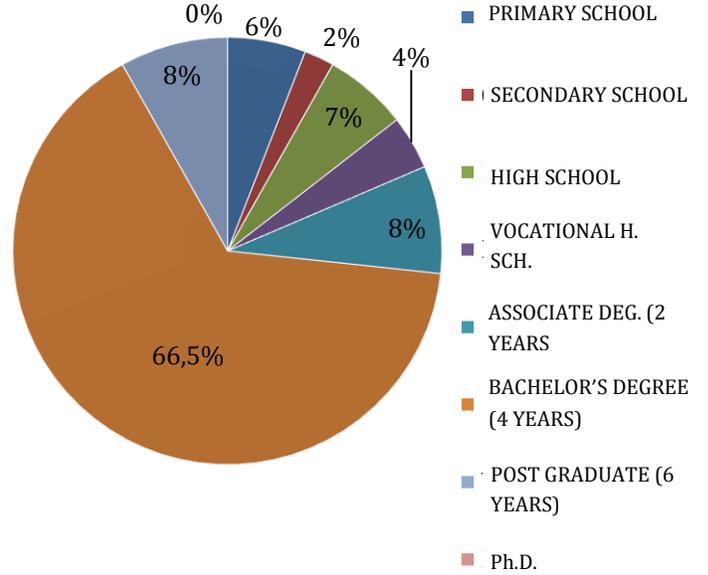
These are among the Company's main target for the personnel to include; commitment to ethical values, openness to innovation and developing himself, thought of as a long-standing, teamwork, caring for corporate culture and brand value. Human Resources and personnel policy is published on our website. The Company has adopted it as principle to behave all the employees fairly, not to make religion, language, race and sex discrimination, and takes necessary measures for the protection of workers against ill-treatment. There is no complaint regarding discrimination of employees in the Company.

The job descriptions and distribution of the company's employees, and performance and reward criteria are announced to the personnel. Attention is paid to the productivity for determining the compensation and other benefits provided with the employees. For the issues not included in the Personnel Regulations and other relevant regulations of the Company, business, process, and application is performed in accordance with the provisions of 4857 Labor Law and other relevant legislations.

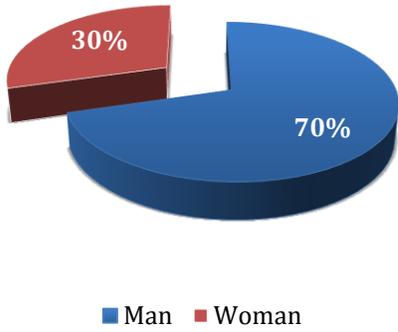
Personnel Structure

Our company believes in the power of human capital and gives special importance to the vocational and expertise trainings of the personnel. We also show the same attention for the human resources management. Our improving and developing efforts in personnel management also continue. 81% of our employees have gained higher education.

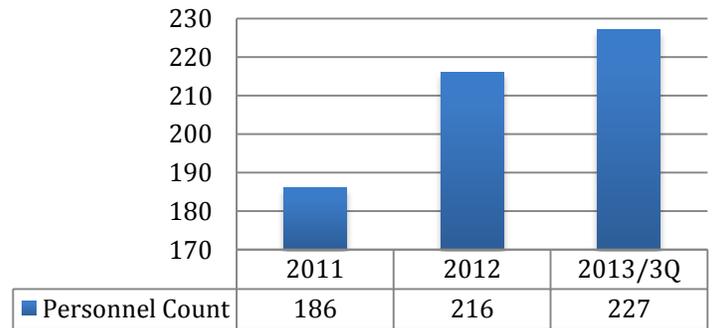
Personel Eğitim Durumu



Personnel



Personnel Count



Salaries of the Board of Directors and Senior Executives

The remuneration policy for the Members of Board of Directors and top management, which is obligated pursuant to the Capital Markets Board's Communiqué on Determination and Implementation of Corporate Governance Principles (Serial: IV, No: 56), is decided to be set forth as per below:

- I. Remuneration of the Members of the Board of Directors of the Company is decided as the amount set pursuant to the resolution of Higher Planning Council. Remunerations of the Members of the Board of Directors are submitted to the examination and approval of the shareholders at the ordinary general assembly of the relevant activity term of the Company.
- II. Stock options or payment plans based on the performance of the company shall not be used for the pricing of the independent board members. Insofar, pricing of the independent board members should be required to be at a level to protect their independency.
- III. Remuneration of the top management of the Company is designated considering the current economic data of the market, remuneration policies valid in the market, long-term targets and policies of the Company, along with the duty, responsibility and experience of the directors at stake, and in compliance with the legal obligations. Remuneration of the top management shall not be performance based.

The shareholders are given an opportunity to comment on the issue by providing information on the specified remuneration policy stated at abovementioned Article (1) at the first general assembly.

Salary policy prepared for this purpose is announced to public at Company's website.

As in the 9th item of the agenda of the General Assembly held on May 8th, 2013;

It was discussed and anonymously accepted to pay the salaries planned for Members of Board of Directors pursuant to resolution of Higher Planning Council within the framework of predetermined Remuneration Policy for Members of Board of Directors and Top Management according to Corporate Governance Principles.

Environmental Awareness, Eco-Management and Quality Policy

Our organization; adopts a sensitive policy against the environment and energy resources and carried out works to use recyclable and environment friendly products in order to decrease carbon dioxide emission. Our company shows the required attention by re-using materials that are possible to be recycled within its own body. Our company develops projects with sub-contractors for the production of environmentalist, safe energy sources-based project models during construction works.

There is a Quality Management Representative to manage employee relations within the company. Quality Management Representative is responsible for the preparation and publication of all documents and data of the quality management system and/or having someone prepare in coordination with other departments, storing the original copy of the all documents in documentation cabinets and / or computer environment, and other departments are responsible for the preparation of procedures and instructions related to their departments.

In addition, to fulfill the duties and responsibilities of each unit is assigned an internal auditor. Quality Management Representative is responsible for ensuring the necessary training for the personnel to carry out the activities of internal audit, organizing the inspection activities, organizing the inter-departmental activities and ensuring the co-ordination.

Quality Management Representative is responsible for ensuring the implementation of corrective and preventive action works, following the corrective and preventive actions, and reserving the related records. All the department managers are responsible for proposing a corrective and preventive action for the detected non-compliance and errors and following the initiated non-conformities. Quality Management Representative uses statistical and analytical techniques for the formation of product and service performance measurements together with the Unit Managers.

Management Representative evaluates the results of the application with statistical methods from the units and presents at the meetings for review of the management.



Ethical Principles and Social Responsibility



The corporate culture tradition of our company to follow ethical principles is applied by renewing in line with the contemporary requirements. Due to being a mostly public company, we look out for public interest in our activities and make our best efforts to in the matters of renewable energy, environmental awareness as well of conformity projects.

The Company's social responsibility works are carried out primarily in the fields of education and culture / arts by adopting the approach of "sustainability" and "social value creation".

Evaluation of the Related Activity Period

Emlak Konut GYO A.Ş. performs economic, financial, socioeconomic analyses moving from general to specific (from macro to micro) at certain periods and uses these evaluations for its administrative decisions.

Having adopted a sustainable and innovative administrative philosophy, Emlak Konut GYO A.Ş analyzes and evaluates potential risks and revenue opportunities within this framework. Our main target is to protect the rights of all of the stakeholders and attain to our strategic goals.

The solid fluctuations and uncertainty in the world economy observed since 2008 have been appearing in the form of different phases. Starting in the developed countries and affecting developing countries, the crisis disguises gradually in a more different structure specific to the trendsetting countries of the world economy (such as EU countries, Japan), notably USA.

Thus, attentive follow-up on the possibilities that both have occurred and will occur has gained even more importance in the last five years. Substantial effort has been exerted in order to anticipate the effects of such changes and to make these affects to be positive on the company and all beneficiaries.

The important changes to the World, Turkish Economy and the sector that we follow as the management are summarized in the following chapter.

Developments in the World Economy

World economy moved far away from its ordinary structure in the past five years, becoming harder to predict via implementation of different monetary and fiscal policies. The companies effective in the world economy are experiencing a process in which they are trying to eliminate their disturbances due to crisis via implementing policies inherent to themselves (but controversial from time to time).

Even though approximately five years passed since the second largest crisis experienced at global level, it is hard to state that the socio-economic scales have reached pre-crisis levels. This situation is at remarkable levels especially in the economies of developed countries. As every country differentiates their own economic program by time, globally controversial economic policies can be implemented, this situation emerges as a factor increasing the global uncertainty.

Between 2008-2012, developed countries (especially USA) headed towards 'expansionary monetary and fiscal policies' adopting a Keynesian policy. As the fundamental starting point of this type of policies that intend to overcome economic stagnation is to increase demand and investments, to accelerate employment and growth, it has been of the first methods to be implemented. Similar applications have been employed by several EU countries and Japan as well. However, southern countries of EU (Spain, Portugal, Greece, Italy, etc.) have been obliged to implement 'contractionary money and fiscal policies' instead of 'expansionary policies' in order to prevent increasing public debt and possible bankruptcy of country.

According to the evaluation of IMF (International Money Fund), quantitative easing policies of US Federal Reserve have increased the global income more than 1%. Expansionary monetary policies prevented deepening of the global crisis, decreased fluctuations in the financial markets and contributed to recovery of the economic activity.

EVALUATION OF THE ACTIVITY PERIOD

Hence, created time and room for maneuver for implementation of structural reforms for the policy makers. However, these policies caused excessive growth of balance sheet of US Federal Reserve and along with the start of the economic recovery in US, abandoning these policies has been brought to agenda.

Central Banks have assumed the role of the most effective weapon of implemented economy policies. Thus, every decision made by the central banks of especially the developed countries has affected all world markets. Concordantly, on May 22nd, 2013, US Federal Reserve (FED) stated that it is 'considering to limit' the 'monetary expansion policy' it has been pursuing for a long time. This statement generated the understanding for the possibility of increase in the alternative costs of investments in the global financial markets and for withdrawing from the riskier investments. The possible situation at stake caused increase in the interest rates all around the world and devaluation of currencies of especially developing countries.

In spite of this, the two important central banks, BOJ (Central Bank of Japan) and ECB (European Central Bank), whose decisions may have affects in terms of world economy sustain their 'monetary expansion' policies in order to provide economic recovery.

Parallel to the alteration experienced at mission of central banks in the recent years, their responsibility regarding price and financial stability, and growth has increased. C.B.R.T. has been successfully implementing sometimes preventive and sometimes possible fluctuations impact detractive policies depending on both developments in world economies and domestic developments.

Following the above mentioned announcement of the US Federal Reserve regarding its decision, outflow of funds from developing countries of the world (especially S. Africa, Brazil, Russia, India, Turkey, Indonesia, etc.) started to be experienced, in parallel to the regression in asset prices, the local currencies started to devalue, market interest rates increased. In response, our Central Bank decided to make arrangements in the interest rate corridor in order to remedy the negativities and prevent damages on the economic activities in the Monetary Policy Meeting it held on July 23rd.

Our Central Bank increased lending interest rate from 6,5% to 7,25%, despite keeping the policy rate constant at 4,5% against this exogenous shock.

Another issue closely monitored in terms of world economy is 'growth' concept. Assuring and sustaining economic growth is among the mostly monitored risk factors.

Economic growth and problems such as deflation and unemployment have become more serious threats for developed countries, whereas the year 2009-2011 was quite satisfactory for developing countries. The high levels of growth and the economic boom especially in Brazil, Russia, India, China, and Turkey (BRICT countries) etc. sets a good example for this. These countries played a significant part in the positive growth of the world economy.

EVALUATION OF THE ACTIVITY PERIOD

Growth Estimates for Some Countries

Growth Estimates of Some Countries-Country Groups								
		Turkey	Euro Zone	USA	Brazil	Russia	India	PRC
IMF	2013	3,4	-0,3	1,9	3,0	3,4	5,7	8,0
	2014	3,7	1,1	3,0	4,0	3,8	6,2	8,2
OECD	2013	3,1	-0,6	1,9	2,9	2,3	5,3	7,8
	2014	4,6	1,1	2,8	3,5	3,6	6,4	8,4
DB	2013	3,6	-0,6	2,0	2,9	2,3	5,7	7,7
	2014	4,5	0,9	2,8	4,0	3,5	6,5	8,0
UN	2013	3,2	-0,3	2,1	3,3	4,4	6,7	8,3
	2014	5,4	0,9	2,3	4,5	4,4	7,2	8,5

Resource: IMF, OECD, World Bank, UN

However, as of 2012, because of the lack of demand from developed countries and the retarding measures taken due to the problems brought about by the rapid growth in the BRIC countries after the crisis, and the latest decision of US Federal Reserve have caused a decline in the global growth.

US economy has grown 2,8% in 2012. The positive developments in consumer confidence, employment, housing markets, tax revenues, other leading indicators as of the first half of 2013 and GDP data pertaining to the first half of 2013 indicate the continuance of recovery tendency in the US economy. However, the substantial requirement for fiscal consolidation continues in the US economy.

Contracting 0,6% in 2012, the weak economic outlook of the Euro Zone prevails. In spite of the unconventional monetary measures and reform efforts implemented by European Central Bank, an environment of trust could not be created and financial stability could not be achieved. The negative feedback among the high public debts, weak banking and low growth in the Euro Zone could not be breached. A vicious circle of financial consolidation, low growth, unachieved fiscal targets and more financial consolidation has been entered. Delays experienced in the decision making processes and uncertainties regarding the future of monetary union negatively affected investments and growth in the Zone.

As of 2012, slowing in the growth rates of developing countries that are the driving power of growth in the aftermath of the global crisis has been experienced. Decreasing export revenues, weak domestic demand, structural problems and several macro provisional injunctions have been effective in this development. Hence, the 7,7% growth recorded in 2012 in China which has substantially contributed to the global growth has been the lowest growth rate since 1999.

After the financial fluctuation experienced in the developing countries following the developments in the world economy and statements of US Federal Reserve, international institutions have downwards revised their growth forecasts. Having forecasted 2013 and 2014 global growth as 3,6% and 4,1% respectively in October 2012, IMF has lowered these forecasts to 2,9% for 2013 and 3,6% for 2014 in October 2013. The economic outlook is expected to improve in 2015 and 2016, and growth is expected to be 4,4% and 4,5%. Growth forecast of increasing markets and developing countries for 2013 is revised from 5,6% to 4,5%, for 2014 from 5,9% to 5,1%.

EVALUATION OF THE ACTIVITY PERIOD

Expectations regarding 2013 exhibit a parallel course with above statement. Whereas the recession in the Euro Zone is expected to continue, it is forecasted that the positive growth of US will continue along with a relatively better economic structure.

The positive performance displayed by Turkish Economy in recent years materially stands out compared to especially the Euro Zone, which is in a debt and growth crisis. Rapid growth and as a result, the decreased unemployment achieved in our country exhibits a positive differentiation when compared to Euro Zone, more troubled part of EU. Even the slowdown in the growth rate of our country stands out as a figure many western countries have difficulty in achieving.

It is observed that the risk premium of Turkey has gradually decreased in terms of global risk perception via both monetary policy and other financial policy measures (especially until the FED statement of May 22nd). As of June 2013, risk perception regarding Turkish Economy has been slightly deteriorated along with the other developing countries. However, it is stated in the medium-term evaluations that Turkish Economy can positively differentiate again via the dynamic and well-managed structure against fluctuations.

Risk perception in both real sector and financial sector of global economy has been displaying a very fluctuating course, the 'risk appetite' observed between 2008-2012 has substantially decreased within the period of last one year. However, countries especially such as our country, China, Brazil and Russia are still relatively in good condition according to international risk criterion.

Due to reasons summarized above, global systemic risks are closely monitored and managed by the Company management. Assessments regarding our administrative decision making processes are also being made according to the changing conditions.

Developments in Turkish Economy

Effects of the changing perceptions with the fluctuations in the global economy on Turkish can be observed. However, decreasing of some chronic problems of Turkish Economy or their positively changing (such as inflation, unemployment, growth) has corroborated the economy against fluctuations. General economic outlook and indicators of Turkey is in good condition compared to many foreign countries.

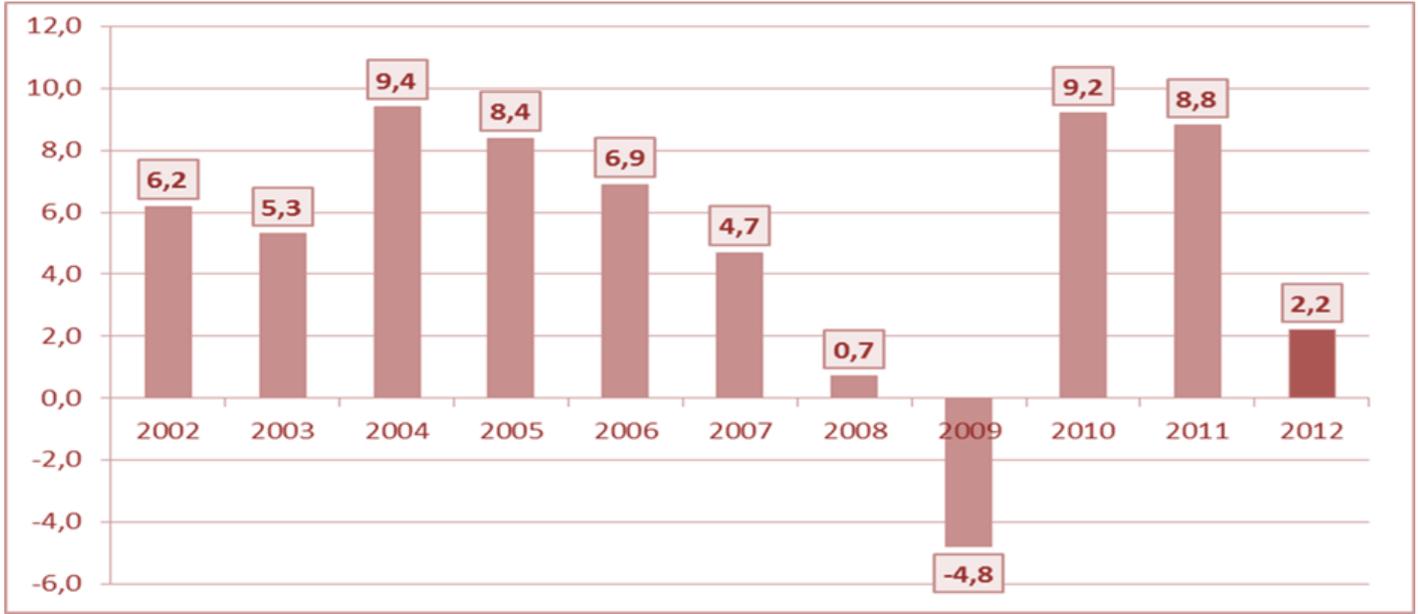
The crisis of 2001 in the Turkey's economy was the turning point for our country. Many structural problems such as high inflation and unemployment, low growth, high interest rates and public debt continuing for decades have finally led the country in a deep crisis. Within very short period in terms of the state history, Turkey has become one of the largest economies in the world by achieving very important gains in the economy and social life.

Integration of world economies made many important variables from fund movements to import-export, from exchange rates to interest rates impressionable from one another. Hence, any possible positive or negative development of global economic actors affects local economies also. The US Federal Reserve decision mentioned in the above section is a typical example of this.

EVALUATION OF THE ACTIVITY PERIOD

Growth of Country is the leading economic problem all around the world. The most important problem following the crisis has become 'achieving a reasonable growth'. Our country has a leading position in this regard.

Annual Growth Rate of Turkey (According to TSI - %)



According to OECD data, while the world economy grew by 3,5 % in the period of 2003-2012 and the OECD countries grew by 1,7 %, the average growth rate of Turkey in the period of 2002-2012 has been 5,2 %. The results of growth and structural change in our country are more evident when compared to other countries. Turkish economy grew by 8,8% in 2011, exceeding 7,5% forecast of IMF. In 2012, Turkish economy displayed 2,2% growth. Turkish economy grew by 2,9 % in the first quarter of 2013, by 4,4% in the second quarter.

The most important factor to be considered in grow the numbers is that the growth continues but it is in a more controlled state. However, it should be kept in mind that some sectors that react more sensitively to growth will present lower numbers than general in the said period.

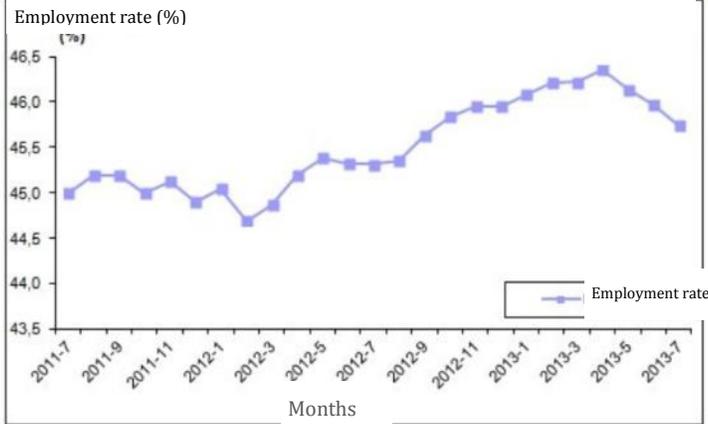
We may see one of the most important results of growth numbers in labor force participation and unemployment numbers. The growth rate has slowed down in 2012 as a result of the measures taken to balance the domestic and foreign demand, after the high growth rates recorded in 2010 and 2011.

As for the employment data as an important macro-variable, the situation can be summarized as following. (According to TSI data); A decrease of 94 thousand people compared to previous period has occurred in July 2013 period in the seasonally adjusted employment number, an increase of 107 thousand people in the number of unemployed. Seasonally adjusted employment participation rate remained at 50,9% without any change, employment rate decreased 0,3 points to 45,7%.

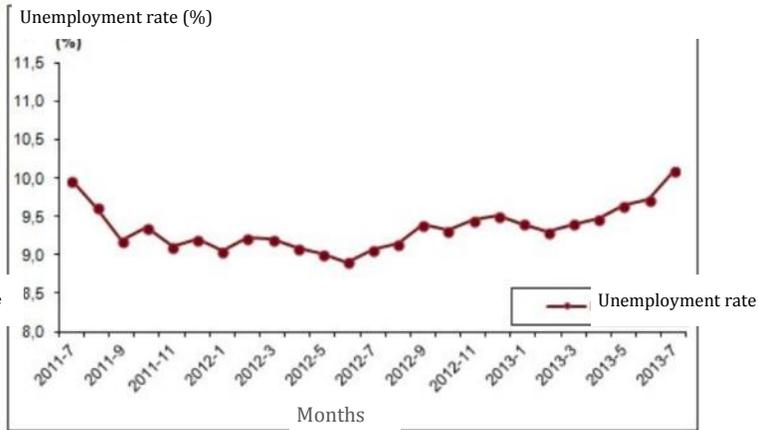
EVALUATION OF THE ACTIVITY PERIOD

Seasonally Adjusted Employment and Unemployment Rates

Seasonally Adjusted Employment Rate, July 2013



Seasonally Adjusted Unemployment Rate, July 2013



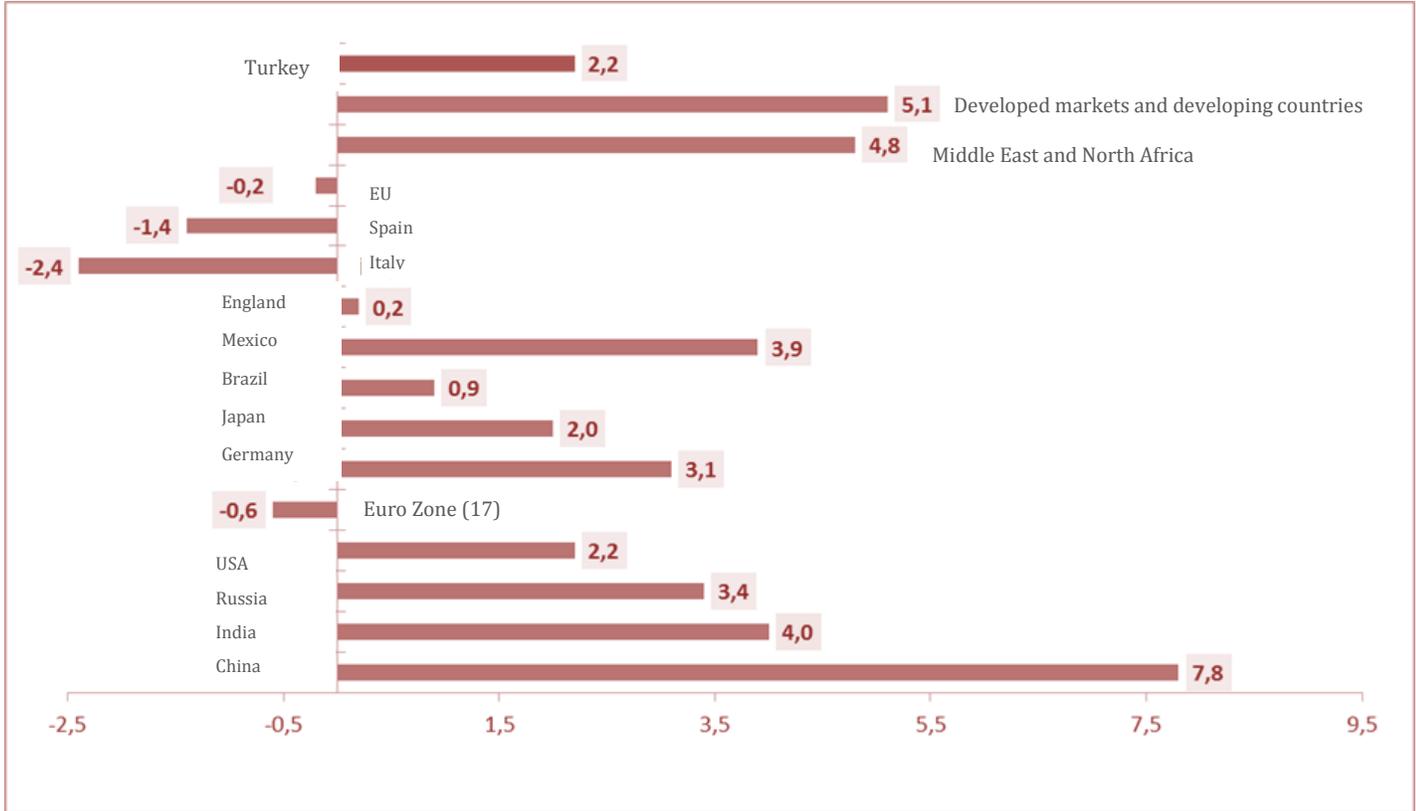
As for the unemployment rate, it increased to 10,1% by 0,4 points. The highest increase in employment in terms of economic activity occurred in service sector by 12 thousand people.

Seasonally adjusted employment rate was 12,1% in Eurozone and 11% in EU countries (28) in July 2013 period. According to current data, Turkey is at a better state than 15 EU countries. Turkey has the 5th largest labor force in Europe after Russia, Germany, England and France. (2011, World Bank).

EVALUATION OF THE ACTIVITY PERIOD

GDP of Turkey and Selected Countries -2012 (%)

Source: TSI and IMF



The dynamism transformed Turkish economy into a center of attraction and especially after 2008 crisis; it increased the interest of the foreign investors as well. According to IMF projections, Turkey will be 17th largest economy in the period of 2012-2016 in terms of GDP (Gross Domestic Product). The country's GDP is expected to reach from \$ 876.6 billion to \$ 1 trillion 159.2 billion during this process. Another outstanding development is the increase in the per capita income.

In the first half of 2013, domestic demand showed tendency to recover; a growth based on private and public consumption and public fixed capital investments. Due to acceleration in imports, contribution of exports to growth is recorded as minus 1,8 points. Following the growth of 3,7 percent in the first six months, continuance of positive contribution of final domestic demand and negative contribution of net exports to growth is anticipated in the second half of the year, just as the first half. Industrial production is expected to maintain its tendency to increase, service sector is expected to continue to highly contribute to growth in the third and fourth quarters of the year. Hence, under the anticipation that effects of fluctuations of the real economy on real economy will be limited, growth in 2013 is forecasted to be 3,6 percent (According to MTP).

According to the Medium Term Plan covering 2014-2016 period announced on October 8th, 2013, the main target can be summarized as achieving a competitive structure under less riskier sustainable growth strategy.

EVALUATION OF THE ACTIVITY PERIOD

According to MTP, in 2013, inflation is expected to be 6,8%, unemployment 9,5% and current account deficit/GDP ratio 7,1%. When the targets planned for 2014-2016 are considered, it can be stated that a more persistent growth will be tried to be achieved by managing country dynamics in a more controlled fashion. Despite interfering with the current account deficit, which damages our resistance against especially fluctuations becoming chronic in the global conjuncture, taking a set of measures can be considered within this framework.

Medium-Term Plan Indicators (MTP-Ministry of Development)

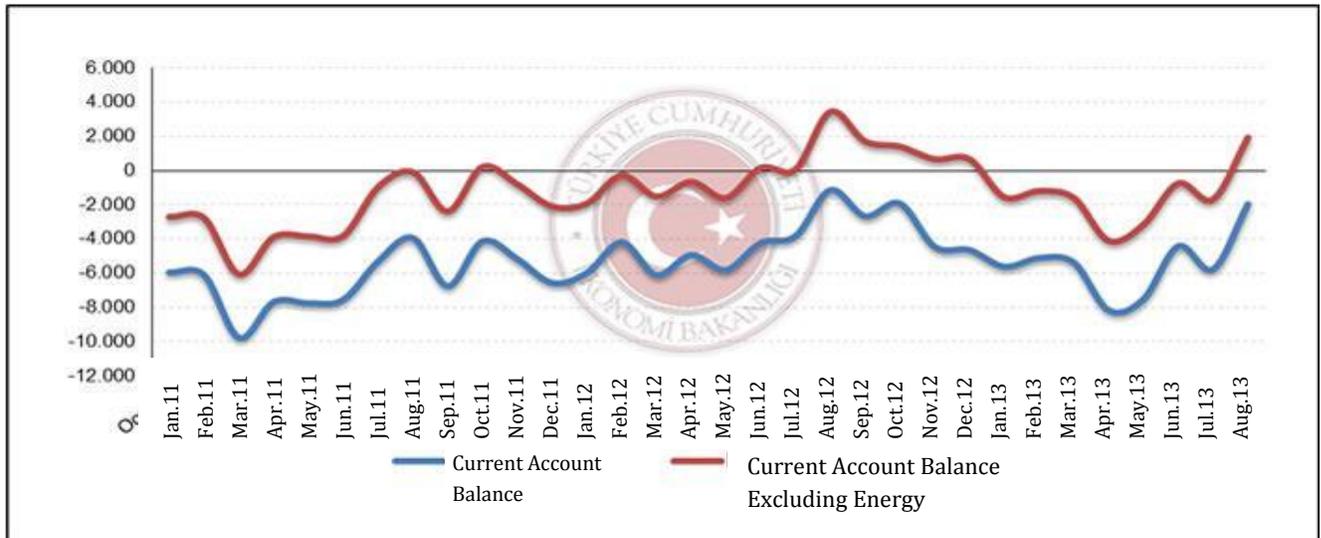
MEDIUM TERM PLAN (MTP)			
	GROWTH	INFLATION	UNEMPLOYMENT
2014	%4	%5.3	%9.4
2015	%5	%5.5	%8.9
2016	%6	%5.5	%8.9
	CURRENT ACCOUNT DEFİCİT/GDP	BUDGET/GDP	DEBT STOCK/GDP
2014	%6.4	%1.9	%33
2015	%5.9	%1.6	%31
2016	%5.5	%1.1	%30

EVALUATION OF THE ACTIVITY PERIOD

However, a worldwide downward trend in growth rates was observed in 2012. Countries that became driving forces of the economy after the 2008 crisis (especially BRIC) decreased their annual growth forecasts. Two certain reasons of this regression stand out. They can be summarized as firstly; the overheating and inflationist pressures in BRIC countries which have been rapidly growing for a long time, and secondly; the worldwide economic recession causing drop in export and investment expenditures of these countries.

The Turkish Central Bank has enabled both healthier operation of floating exchange rate and easing of the currency pressure on the inflation by interfering with the Turkish lira to be excessively volatile due to the changes in global risk appetite through implementation of 'interest rate corridor' with a proactive approach as of the last quarter of 2011. With the changes in the reserve requirement policies, it intended to balance the demand for loans, and to avoid the potential risk of inflation by controlling TL liquidity. In short, this policy called as 'cooling the economy' has reduced the need for foreign exchange by providing a significant improvement for the current account deficit problem.

Current Account Balance (data of TSI, and the Ministry of Economy)



According to the balance of payments data announced by Central Bank; Current Account Balance had a deficit of 2 billion Dollars in August 2013. On the other hand, the current account deficit of 35,4 billion Dollars in January-August 2012 was recorded as 44,3 billion dollars in the same period of 2013.

In addition to decreasing the current account deficit in a short period, the requirement for permanently decreasing it to a sustainable level in the medium and long term continues. Accordingly, a policy framework decreasing foreign trade deficit via decreasing the dependence on imports and increasing exportation of high

EVALUATION OF THE ACTIVITY PERIOD

value added products, and improving the quality of financing, moreover, increasing the domestic savings has been constituted.

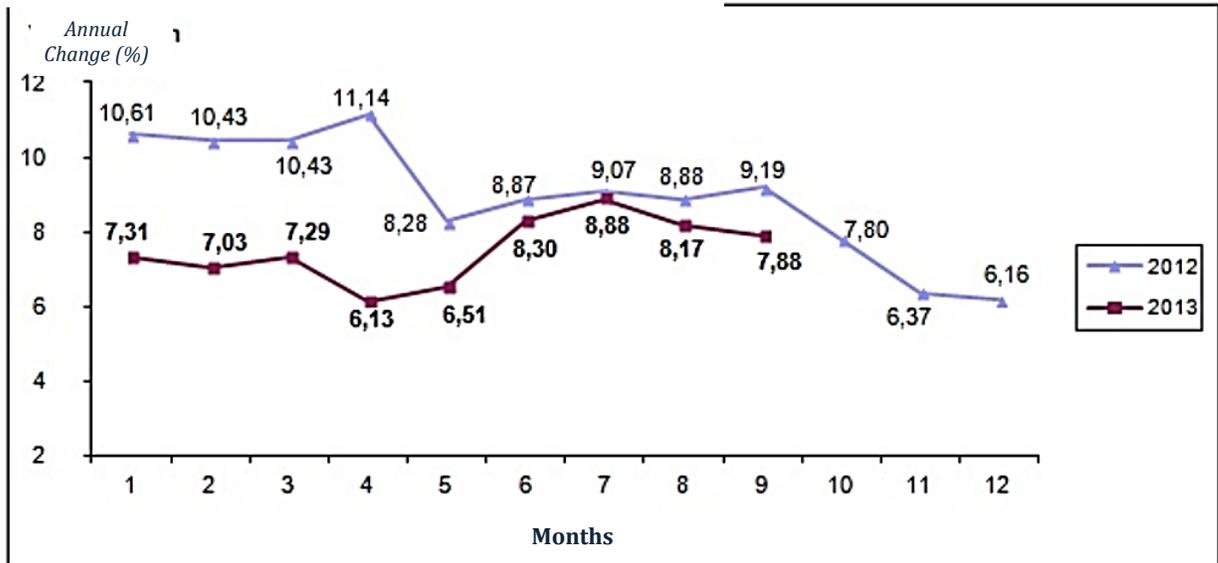
On the other hand, in order to overcome both current account deficit and external source problems in the medium term, a stimulus package towards increasing the domestic saving rates was announced. Accordingly, a structure from which all the participants can utilize has been created via the alteration in the personal pension system, protection and boosting of the company and household savings have been targeted via the new Capital Market Law, and country level awareness-raising campaigns have been organized towards raising awareness for preventing wastage and savings. As of September 27th, 2013 (according to Finance Ministry MTP Data) more than 740 thousand people newly participated in the personal pension system compared to the end of 2012, fund size of the same period exceeded 24,3 billion TL. Personal pension system is expected to assume an important role in increasing the domestic savings in the medium term by continuing its pace of 2013.

Remarkable successes have been achieved in terms of inflation with which Turkey has been dealing, and it is observed that the monetary and fiscal policies are implemented together in order to maintain these successes. Regulations in tax rates and adjustments of interest rates and the reserve requirement are the typical indicator of this.

Consumer Price Index

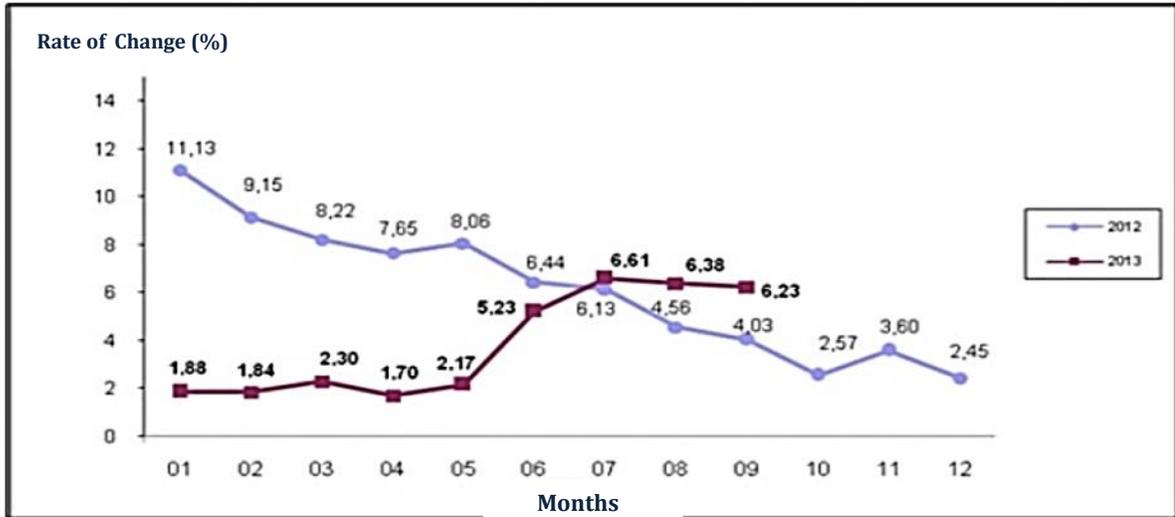
Source: TSI

**Consumer Price Index (2003=100), September 2013
(Annual Change)**



EVALUATION OF THE ACTIVITY PERIOD

Producer Price Index (2003=100), 2012-2013 (Annual Change)



Increase of both Consumer Price Index (CPI) and Producer Price Index (PPI) experienced as of May can be attributed to the volatility and uncertainty of exchange rates depending on the external developments. However, tendency has turned downwards for both inflation types while approaching the last quarter of the year.

The partial increase of inflation experienced in May will recede in the upcoming days with the latest measures taken by the Central Bank. C.B.R.T. has referred to this situation in the last Monetary Policy Committee meeting. Emergence of more than one factors affecting the inflation within the same period negatively affected inflation expectations. Price increases in the unprocessed food, increase in the petroleum price and volatility in the exchange rate may continue to negatively affect inflation. Committee forecasts that the effects of these developments on inflation will be mostly temporary, and stated the requirement for implementation of monetary tightening in order to contain the negative impact on pricing behaviors.

In summary, considering the world economic conjuncture, in terms of the position of the Turkish Economy, it emerges as a stable country with a strong growth potential, which significantly reduced the structural problems. It must not be expected that some possible fluctuations that may occur from time to time to change the main trend. However, risk management at both macro and micro level will gain more importance. Turkey will continue to be a focus of interest for both domestic and foreign investors as a country with high potential.

EVALUATION OF THE ACTIVITY PERIOD

Effects of the Developments on the Sector and Emlak Konut GYO A.Ş.

Construction and sub-sector components remain among the most influenced sectors from general economic conditions. Sector's high sensitivity to economy exists in all countries though it is realized with different amounts.

The recession problem in the world and especially in EU affected negatively the construction sector and its subsector in the foreign countries experiencing these problems and distorted the expectations. Furthermore, the real estate financing problem caused by the increased debt made the situation even more negative.

The situation in Turkey seems very different; both internal dynamics and socio-economic developments have turned the real estate sector and its components into a center of attraction. International real estate assessment and analysis reports confirm this boom.

The construction and real estate sector standing out as the most damaged sector by the economic crisis and the recession in the Western economies has gained much momentum in recent years in some developing countries (Brazil, Turkey, Russia, India, etc.).

However, particularly in the EU and the developed countries the construction and real estate sector still struggling to recover. As of the beginning of 2013, there has been recovery in the U.S. housing sales and demand, but it will be clear according to the trend in the third and last quarter whether it is permanent or not.

It can conveniently be stated that Turkish real estate sector has leaped forward in the past decade in terms of both construction and components and real estate operations along with the financing. Turkish companies that have been active in the international construction sector for a long while now, their vast knowledge that they convey within the country and arrangements made have raised the attention of many investors to Turkish market.

The forecasted growth rates of Turkey for 2013 are 3,6% by MTP, 3,6% by World Bank, and 3,4% by IMF, and these numbers indicate expansion compared to last year. As one of the main growth engines of our country, the trend in construction sector and complementary sectors are directly felt on the economy of the country in the same direction. The controlled slowdown in growth (in 2012) has also affected the construction.

Increase expectation in the growth rate, natural demand due to population, reciprocity and urban transformation works give the signals of a more vivid sector between 2013-2016.

Considering the dynamics special to Turkey (population structure, interest of foreign investors, growing economy), the construction sector of our country is also displaying a more vivid progress compared to developed economies. The boom in the expenses regarding infrastructure investments (ongoing and will be made) as one of the most important elements of construction sector is persisting via large projects (3rd Bosphorus Bridge, Canal Istanbul, Two Metropolitans, İzmir Highway and Gulf Passage) and accelerating effect of them can be observed on the economy.

Istanbul, Ankara and Izmir, three biggest real estate regions in Turkey, account for 42 % of the Turkish real estate market. Emlak Konut GYO A.Ş. operates mostly in these three real estate regions.

EVALUATION OF THE ACTIVITY PERIOD

Aware of its position in the sector, Emlak Konut GYO A.Ş continue developing projects of sustainable structure for both Turkish economy and construction and sub-sector components. The most typical summary of this is provided by the figures shown on below chart.

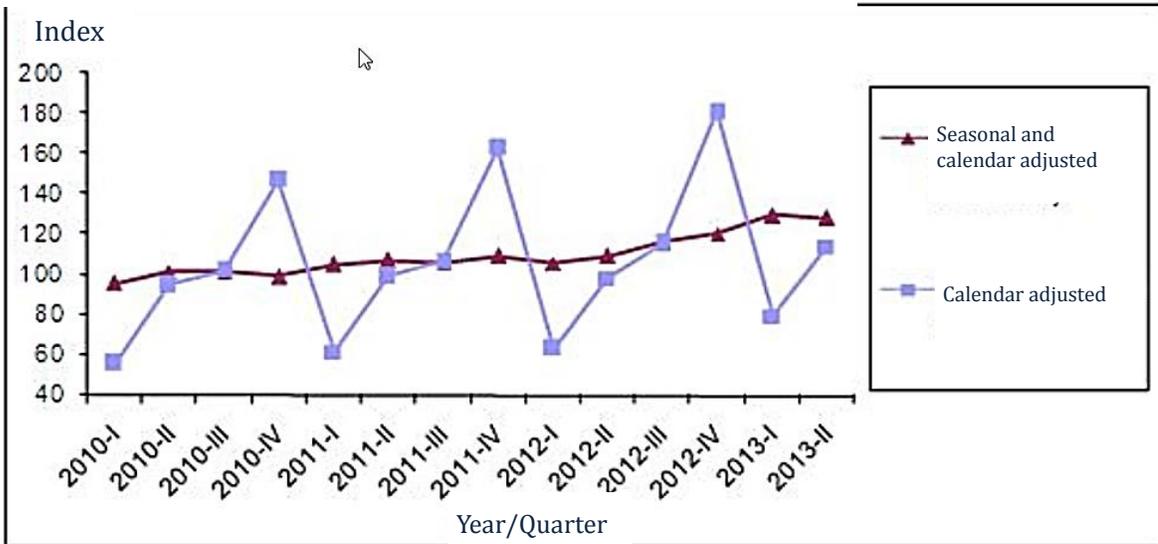
Emlak Konut has developed a total of 84.232 detached units, 17 schools and 4 Mosques (The calculations were made approximately over the project area for the projects whose tenders and agreements are finalized, but whose license have not been obtained. Plus-minus changes may occur upon receipt of the licenses.)

PROJECTS SUMMARY CHART				
	RESIDENCE	COMMERCIAL	SCHOOL	MOSQUE
Completed Projects	41.819	1.099	10	3
Ongoing Projects	36.922	4.392	7	1
TOTAL	78.741	5.491	17	4
GRAND TOTAL (RESIDENCE+COMMERCIAL)	84.232			

Resource: Company Data

Revenue and production increase in the construction sector in 20 13 has not been a surprise due to above mentioned reasons. According to data of TSI; seasonal and calendar adjusted Construction Revenue Index increased by 8,8% in the 1st quarter of 2013 compared to previous quarter. Calendar adjusted Construction Revenue Index increased by 25,7% compared to same quarter of the previous year. Seasonal and calendar adjusted Construction Revenue Index decreased by 1,2% in the 2nd quarter of 2013 compared to previous quarter. Calendar adjusted Construction Revenue Index increased by 15,9% compared to same quarter of the previous year.

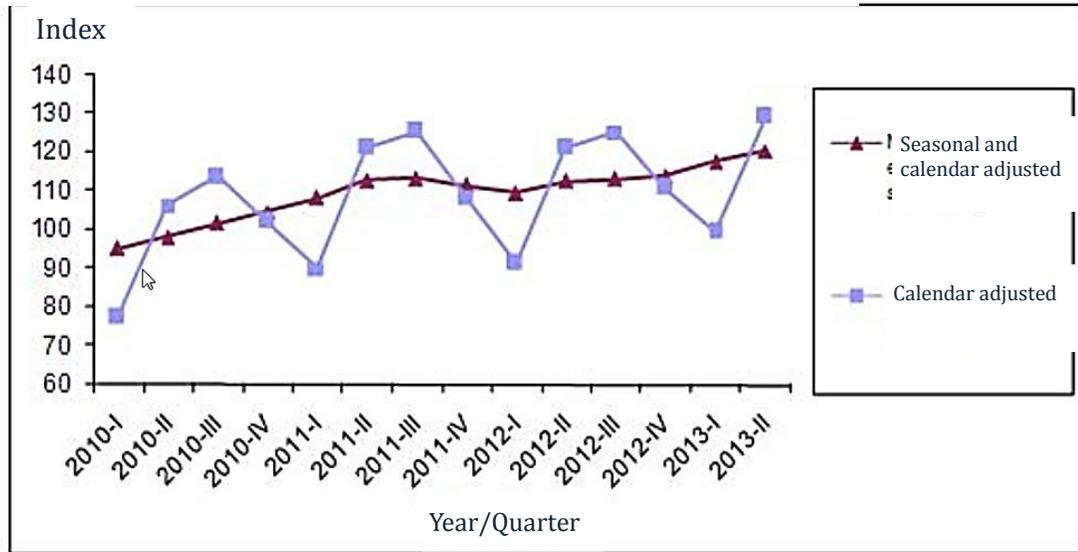
Construction Sector Revenue Index (2010=100), 2nd Quarter 2013



EVALUATION OF THE ACTIVITY PERIOD

Seasonal and calendar adjusted Construction Production Index increased by 2,4% in the 1st quarter of 2013 compared to previous quarter. Calendar adjusted Construction Production Index increased by 7,4% compared to same quarter of the previous year. Seasonal and calendar adjusted Construction Production Index increased by 2,4% in the 2nd quarter of 2013 compared to previous quarter. Calendar adjusted Construction Production Index increased by 6,7% compared to same quarter of the previous year.

Construction Sector Production Index (2010=100), 2nd Quarter 2013



Construction Revenue and Production Indices and Change Ratios (2010=100), 1st

Indicator	Unadjusted		Calendar Adjusted		Annual Change (%)	Seasonal and calendar adjusted		Quarterly Change (%)
	Index 2013/II	Index 2012/II	Index 2013/II	Index 2012/II		Index 2013/II	Index 2013/I	
Revenue	114,1	98,4	114,1	98,4	15,9	128,0	129,5	-1,2
Production	129,7	121,7	129,3	121,2	6,7	120,5	117,6	2,4

Yet another factor in the residential sales and prices can be explained by the increase in the branded projects, which attract attention of foreign investors, gradual implementation of reciprocity law and feeling of the positive effects of them in the market. It should not be forgotten that the immovable sales to foreigners and reciprocity regulations (law no 6302 published and became effective by the Official Gazette No 28296 dated May 18th, 2012) entered into force by mid-2012.

A strong structure is observed in the construction and real estate sector in Turkey. It shall not be forgotten that this has both economic and social reasons. The main variables of the sector within this context will be scrutinized at the section below.

EVALUATION OF THE ACTIVITY PERIOD

Turkey's Dynamics Analysis of Real Estate Sector

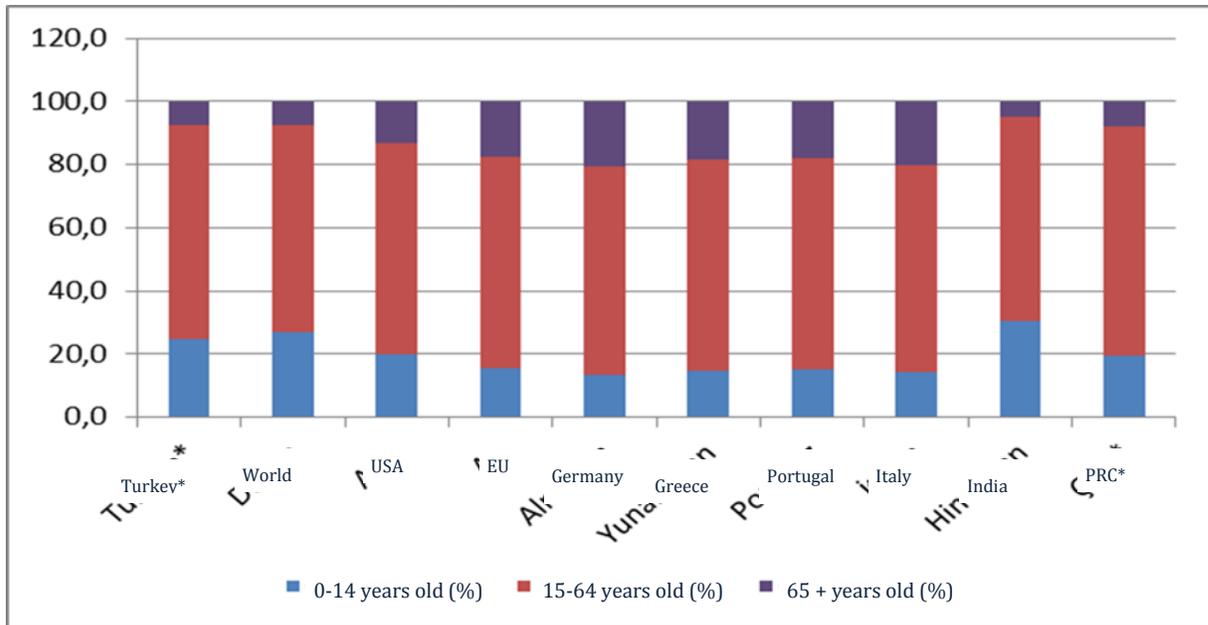
In this part, a short analysis is made regarding the effects of country's demographic, financial and structural features on the sector and our enterprise.

Demographic Features

Structural features of populations of countries directly affect economy. Possession of a young and dynamic demographic structure of our country creates added value to economy.

Demographic features are significant for consumption based sectors, and one of the most important factors enabling increase in the sales of real estate, white goods and brown goods sectors. There is a young and dynamic population structure in our country. According to data of TSI; population of Turkey is 75,6 million people, half of which is under 30,1 years old. Population growth rate is 1,2% in Turkey, average of 0,3% in EU countries and negative 0,1% in Germany. (Data of Turkey is for 2012.)

Population Potential



Source: World Bank and TSI

*Data pertaining to Turkey is for 2012, rest is for 2011.

Yet another one of the most important reasons for an alive housing sector in Turkey is the urbanization needs and the demand for qualified housing. The proportion of people living in rural areas is decreasing and proportion of people living in urban areas is increasing year by year.

EVALUATION OF THE ACTIVITY PERIOD

The housing and office requirement created by the population moving especially to Istanbul, Ankara and Izmir via both financial activities and migration shall also not be forgotten.

Another factor observed in recent years is that Istanbul is now an international metropolitan city. Many foreign investors and companies demand residence or office in Istanbul on business purposes. Demand received this way has started to reach an undeniable level.

Household/ Housing Need Forecast According to TSI Data



On the other hand, the demographic characteristics of the country continue to create a natural demand for housing. Decrease in the cost of financing, increase in the credit facilities have become the triggers for the viability of the housing sector in the last decade. Demographic structures' demand-oriented support especially for construction and real estate sectors should not just be considered in terms of housing scope. Shopping and Business Center built for commercial activities, schools, hospitals, dam, highway projects carried out as public or private sector investment are other real estate sectors.

Financial Features

The macroeconomic financial features which is an element in which the relationship between economic activities the real estate sector can be most clearly observed effect especially the demand for housing, all investments and consumption.

Sector is affected by the change in interest rates in general. Parallel to the economic achievements attained in the last decade, market interest rates reached to the lowest rate of Republic History by dropping to 4,6% (annual) in the first half of past May. However, during the process in the aftermath of Fed's interest rate increase, it started to increase reaching 9% level.

EVALUATION OF THE ACTIVITY PERIOD

Effect of the interest rates on the sector can be summarized as per below;

In case the interest rates are low; as the financing cost of the consumers will be low, demand revives. In terms of producers, it is observed that the financial costs decreases, sales increases.

In case the interest rates increase; propensity of the consumers to buy decreases, producer financing costs increases.

When the Real Estate Sector is evaluated in the medium-term, below stated positive developments were experienced in terms of financing and management of operating enterprises:

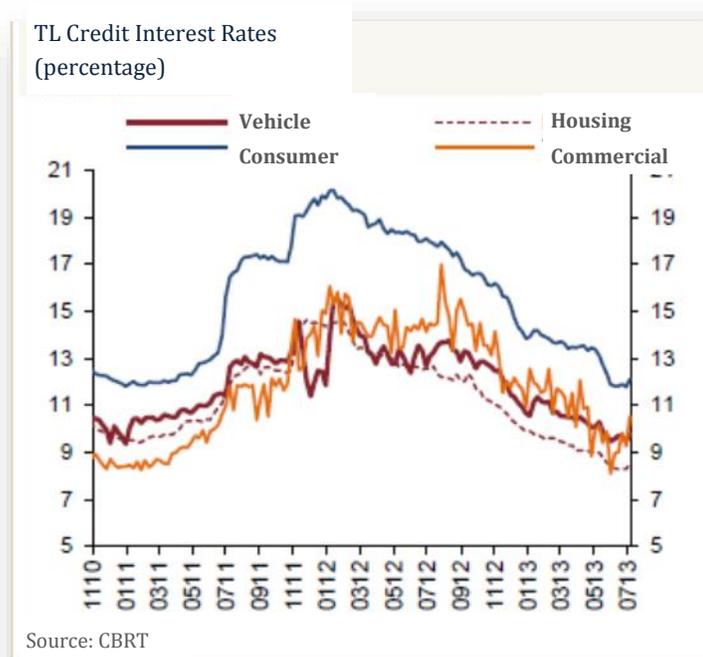
- The revitalizing effect of the successes achieved in the economic structure,
- Increase in the forecasting possibilities of both consumers and producers regarding future,
- The regulations made in banking and housing finance system (these regulations have effect on the growth along with the credit volume reducing and/or increasing measures, as specified in the Turkish Economy section)
- The spread of provided stability and long-term housing finance systems,
- Establishment of corporate structures such as banks, real estate investment trusts, appraisal companies and credit agencies

A significant boom was experienced in construction and real estate sector by the second half of 2000s due to especially the decrease in inflation, its decreasing impact on interest rates and the effect of delayed housing demand after 2011 crisis. Effects of 2008 Global Crisis caused a temporary recession in the construction sector; however, these negative effects were eliminated after 2009.

However, with a set of monetary policy precautions taken as of 2012 (such as compulsory allowances, interest rate corridor and exchange policy), decrease in demand and interest rates showed its effect on house sales and therefore sales displayed a mild decrease when compared to those of previous years. The monetary policy implemented by CBRT brought about a controlled regression in the demand bay causing an increase in the credit costs of banking sector.

EVALUATION OF THE ACTIVITY PERIOD

Developments in Consumer Loan Rates



Even though the interest and exchange rate volatility, which we encountered as a global systemic risk (and effects of which were started to be seen by the end of May), due to monetary policy change of US Federal Reserve affected the sector, as the monetary expansion cannot be forsaken in a short time period, along with the measures taken by C.B.R.T, the sector will be balanced.

Structural Features

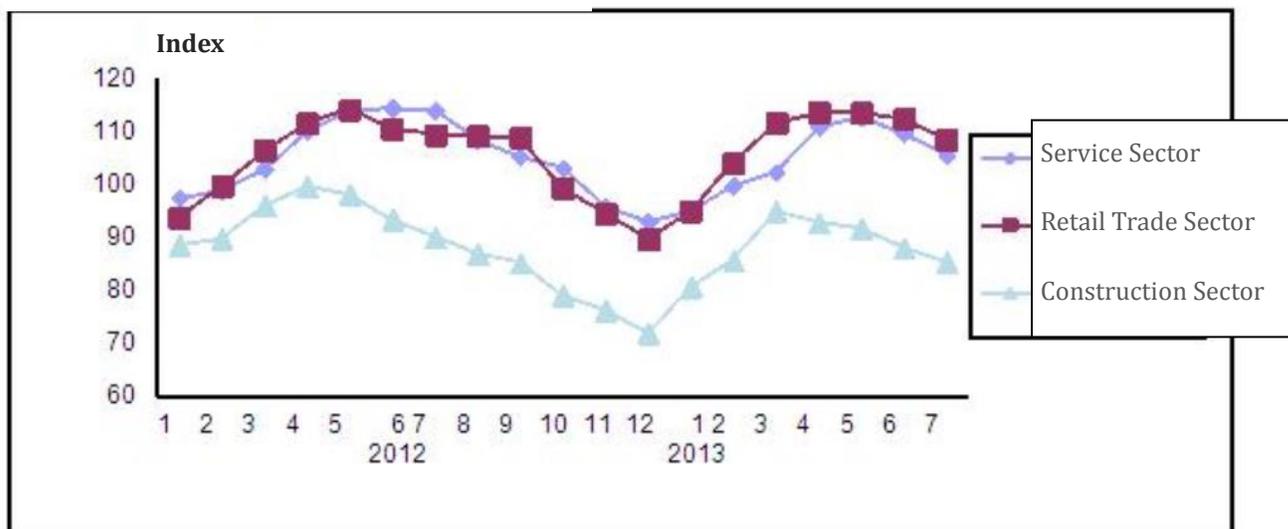
Structural Features are the set of values to be taken care of by especially economic management and administrations of enterprises and which are hard to metrically measure. They emerge as the features that are differentiated according to time and investor/consumer behaviors. Confidence indices are substantial in terms of assessment of these kinds of trends. A short analysis regarding sector and general trend is provided as per below.

According to TSI sectoral confidence index¹ data; the increase in the Construction, Services and Retail Sector confidence indices observed at the beginning of 2013 and the positive atmosphere lost momentum by yielding to a relative regression as of April 2013. Especially the regression in retail sector occurred severer than the other two sectors.

¹ Sectoral Confidence Indices may take values within 0-200 range, a value over 100 indicates optimism of the sector regarding existing and upcoming period, below 100 indicates pessimism.

EVALUATION OF THE ACTIVITY PERIOD

Sectoral Confidence Indices, July 2013



The relative confidence loss observed in the construction sector is due to seasonal features of the sector and the deterioration of the assessments of the total expected number of workers for the next quarter.

10,4% decrease of the sub index for total expected number of workers for the next quarter in September compared to previous month negatively affected the index. 2,8% increase in the sub index of existing level of registered orders stands out as a positive development towards upcoming months.

Sectoral Confidence Indices, Sub-Indices and Change rates, September 2013

	Index			Change over the previous month (%)	
	07/2013	08/2013	09/2013	08/2013	09/2013
Service Sector Confidence Index	105,4	107,2	104,0	1,7	-3,0
Work State (last quarter)	101,1	102,0	101,5	0,9	-0,5
Service Demand (last quarter)	100,5	97,8	99,9	-2,7	2,2
Service demand expectation (next quarter)	114,7	121,8	110,6	6,2	-9,2
Retail Trade Sector Confidence Index	108,4	109,5	109,4	1,1	-0,1
Business volume- sales (last quarter)	108,7	106,0	114,8	-2,5	8,3
Current inventory level (*)	95,8	94,4	102,7	-1,5	8,8
Business volume- sales expectation (next quarter)	120,7	128,2	110,7	6,2	-13,7
Construction Sector Confidence Index	85,3	83,4	79,2	-2,2	-5,1
Current registered order level	70,1	66,9	68,8	-4,6	2,8
Total expected number of workers (next quarter)	100,5	99,9	89,5	-0,6	-10,4

(*) Increase in current inventory level dispersion index indicates inventory decrease; its decrease indicates inventory increase.

EVALUATION OF THE ACTIVITY PERIOD

The 'branding and institutionalization' trends in the construction sector which began to be seen more and more after 2001 crisis have become an important distinguishing factor for Turkish companies not only in domestic projects, but also in the world (especially in infrastructure) projects.

The increased earthquake awareness of the public, making arrangements accordingly, the developments in terms of design with architectural insight has become important additional components of the sector. Correspondingly, an urban transformation project with adjusted legislative framework enlivens all components of the sector both in the administrative and financial sense.

Another feature resulting from the nature of the construction sector is the situation created by the fact that supply follows demand (delayed supply). When the demand increases or decreases fast, similar problems are experienced especially in terms of housing demand. Significant progress has been made regarding this problem lately through both the planning of construction constructors in the sector and Real Estate Investment Companies functioning as qualified investors and fund managers.

Another structural feature to keep in mind is the consumer's behavior of purchase/sale of the 'real estate' for need as well as a savings instrument. These features can sometimes get even ahead of the financial and economic variables.

Another important subject for sector is construction and occupancy permits. Changes in this data are important for the sector (especially in terms of the look of supply side for future).

According to TSI data;

In the first six months of 2013, of constructions issued Construction Permit by municipalities, number of buildings increased by 10,7%, acreage by 4,2%, value by 7,5%, number of flats by 7,7% compared to previous year.

Whereas the acreage of constructions is 77 965 903 m² in the first six months of 2013 according to Construction Permit; 45 767 548 m² (58,7%) of it is residential, 19 595 468 m² (25,1%) of it is non-residential and 12 602 887 m² (16,2%) is communal area.

Construction Permits, Total of January-June 2013

Indicators	Year			Change Rate Compared to First Six Months of Previous Year (%)	
	2013	2012	2011	2013	2012
Number of Buildings	54 219	48 984	43 502	10,7	12,6
Acreage (m ²)	77 965 903	74 795 935	51 914 551	4,2	44,1
Value (TL)	55 320 059 271	51 456 225 868	32 807 869 589	7,5	56,8
Number of Flats	391 699	363 590	273 616	7,7	32,9

EVALUATION OF THE ACTIVITY PERIOD

Acreage of the buildings provided with Occupancy Permit increased by 18,0%.

In the first six months of 2013, of constructions issued Occupancy Permit by municipalities, number of buildings increased by 18,6%, acreage by 18,0%, value by 23,4%, number of flats by 21,7% compared to previous year.

Whereas the acreage of constructions is 56 392 103 m² in the first six months of 2013 according to Occupancy Permit; 35 087 722 m² (62,2%) of it is residential, 13 685 659 m² (24,3%) of it is non-residential and 7 618 722 m² (13,5%) is communal area.

Occupancy Permits, Total of January-June 2013

Indicators	Year			Change Rate Compared to First Six Months of Previous Year (%)	
	2013	2012	2011	2013	2012
Number of Buildings	49 727	41 926	44 419	18,6	-5,6
Acreage (m ²)	56 392 103	47 795 178	48 468 836	18,0	-1,4
Value (TL)	39 159 956 908	31 731 149 765	29 796 252 401	23,4	6,5
Number of Flats	301 249	247 552	251 524	21,7	-1,6

This increase in both Construction and Occupancy Permits appear as an indicator of continuance of the buoyancy in the sector during the first half.

EVALUATION OF THE ACTIVITY PERIOD

Events Subsequent to Period Balance Sheet Date

No development to substantially affect the financial statements occurred after 30.09.2013.

Portfolio Structure and Real Estates

Pursuant to the Communiqué on Amendments to the Principles Regarding Real Estate Investment Companies (Serial VI No: 29) published by the Capital Markets Board, this part of the activity contains the provisions in Article 42 of the arrangement. The table of the current company development, table of real estate assessments (project, land, building), and table of construction completion rate of projects shall be attached to the activity report as they are detailed and long and in order to examine them more clearly.

With reference to the principle of providing the public with more transparent, understandable and easily accessible information, special facts related to our two work development models are given in the work models section in the beginning of the activity report. Furthermore, the tables for the projects completed with the revenue sharing model and for the tendered projects as well as the information about the projects completed with the 'Public Procurement Model' and ongoing projects are in the parts under their eponymous headings.

Loaned and Leased Real Estates

LEASE REPORT							
TENANT	LEASE STARTING DATE	LEASE ENDING DATE	PERIOD	PROVINCE	DISTRICT	BLOCK/PARCEL	LEASE VALUE (VAT EXCLUDED)
ARZU CAMADAN	7/5/2012	6/15/2017	5 years	İSTANBUL	SİLİVRİ	675-1	1,067.64 TL
EMLAK PAZARLAMA-YENİ SARP İNŞ. ADI ORTAKLIĞI	12/23/2010	12/23/2013	3 years	İSTANBUL	ÜMRANİYE	3317-4	3,886.36 TL
CATHAY EPP ADI ORTAKLIĞI	4/1/2012	4/1/2014	1 year	İSTANBUL	AVCILAR	524-2	3,142.87 TL
TAHİNCİOĞLU GRUBU ORTAK GİRİŞİMİ	9/15/2013	9/15/2015	2 years	İSTANBUL	ATEŞEHİR	3334/8	2,200.00 TL
ILGIN İNŞAAT İÇ VE DIŞ TİC. A.Ş. (BAHÇEKENT 1ST STAGE 2ND SECTION)	8/1/2013	8/1/2014	1 year	İSTANBUL	BAŞAKŞEHİR	651/1	1,350.00 TL
IFM & AKDENİZ İN. İŞ ORTAKLIĞI	9/1/2013	9/1/2014	1 year	İSTANBUL	ÜMRANİYE	3317/22	4,110.00 TL
						TOTAL (TL)	15,756.87 TL
EVER İZMİR OTELCİLİK TUR. TİC. A.Ş.	1/1/2015	1/1/2025	10 years	İSTANBUL	BAĞCILAR	1562-11	1,016,000.00 €

PORTFOLIO STRUCTURE AND REAL ESTATES

Detached Unit Sales

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.											
2013 MONTHLY SALES SUMMARY											
ITEM	PROJECT NAME	JANUARI	FEBRUARI	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	As of 30.09.2013
		Quantity	Quantity	Quantity	Quantity	Quantity	Quantity	Quantity	Quantity	Quantity	Quantity
1	İSTANBUL	22	8	10	29	18	14	12	11	29	153
2	AGAAGLU MASLAK İSTANBUL	131	14	22	351	203	53	13	3	15	805
3	AĞAAGLU MY TOWERLAND						12				12
4	AGAAGLU MY TOWN İSPARTAKULE	1			1	1					3
5	AGAAGLU MY WORLD						1				1
6	AGAAGLU MY WORLD EUROPE	1	56	23	134	65	4	12	7	6	308
7	AVRUPA KONUTLARI TEM 2										Sales have not started
8	AVRUPA KONUTLARI ATAKENT 3	35	24	195							254
9	BAHÇEKENT EMLAK KONUTLARI 1-1							8	73	515	596
10	BAHÇEKENT EMLAK KONUTLARI 1-2							534	67	148	749
11	BAHÇEKENT EMLAK KONUTLARI 1-3										Sales have not started
12	BAHÇETEPE İSTANBUL	107	162	7	1	65	156	106	5		609
13	BATİSEHIR	98	4	20	11	84	32	52	15	28	344
14	BİZİM EVLER - 4	36	2	49	92	26	15	37	46	16	319
15	BURGAZ KENT	7	7	14	45	7	13	6	1		100
16	DREAMCITY						1				1
17	DUMANKAYA MIKS	26	5		30	14	5	20	7		107
18	ELITE CITY	17					93	12	3		125
19	EMLAK KONUT BAŞAKŞEHİR EVLERİ 1-1									31	31
20	EMLAK KONUT BAŞAKŞEHİR EVLERİ 1-2									35	35
21	EMLAK KONUT BAŞAKŞEHİR EVLERİ 1-3										Sales have not started
22	EMLAK KONUT BAŞAKŞEHİR EVLERİ 1-4										Sales have not started
23	EMLAK KONUT MAVİSEHIR EVLERİ	10	24	19	23	10	5	8	1	1	101
24	EMLAK KONUT PELİKAN	1	9	2	8	8	6	2			36
25	EVORA İSTANBUL 1.BÖLGE	200	90	108	118	82	37	44	106	116	901
26	EVORA İSTANBUL 2.BÖLGE	100	30	37	66	64	37	54	70	55	513
27	GEBZE EMLAK KONUTLARI 1. ETAP	1	1	4	2	2	2	2	2		16
28	GEBZE EMLAK KONUTLARI 2. ETAP	44	58	188	124	59	51	18	12	19	573
29	KÖRFEZKENT EVLERİ	1	1	2	1				2		7
30	KÖRFEZKENT EMLAK KONUTLARI 2	7	24	2	2	2					37
31	KÖRFEZKENT 3. ETAP				4	157	18	208	68	14	469
32	KUASAR İSTANBUL		344								344
33	MERKEZ KAYASEHIR				8						8
34	METROPOL İSTANBUL	79	24	5	113	19	8	60	14	16	338
35	MİSİSTANBUL		1								1
36	PARK YASAM MAVİSEHIR		25	10	20	22	14	16	3	3	113
37	SARPHAN FINANS PARK	17	3	10	12	7	5	14	4	6	78
38	SELİMPASA EMLAK KONUTLARI	12	7	17	42	22	27	30	15	15	187
39	SOYAK MAVİSEHIR	1	1								2
40	SOYAK PARK APARTS	32	60	13	93	49	26	25	28	7	333
41	SPRADON KONUTLARI	3						2	2		7
42	SPRADON VADI	204	5	605		1					815
43	STÜDYO 24	54	20	14	33	27	5	17	11	11	192
44	SULTANBEYLİ EMLAK KONUTLARI				159	62	166	8	2	15	412
45	ŞEHİRİZAR KONAKLARI	3			8	2		4	3		20
46	TUZLA EMLAK KONUTLARI 1			1		1	1	1			4
47	TUZLA EMLAK KONUTLARI 2	2	1	1		4		1			9
48	UNIKONUT 1 İSPARTAKULE	13	6	12	10	18	10	10	8	18	105
49	VARYAP MERIDIAN KONUTLARI	149	13	3	44	14	6		2	5	236
50	YILDIZKENT 2.ETAP									1	1
Grand Total		1.414	1.029	1.393	1.584	1.115	823	1.336	591	1.125	10.410

Note

The sales values stated at the annual and monthly sales distribution charts consist of detached units whose sales have been finalized by both Marketing Directorate and sales offices. Detached units on options are not included in these charts.

Sales transactions are finalized by payment of the value (advance payment), issuance of the loans and buyer's signing the contracts before notary. Completion of these transactions takes time. Thus, this may cause increase in the sales number announced in the previous month(s). As the sales numbers may increase, they may also decrease due to cancelations. Please obtain relevant information.

Lands Purchased for Project Development

The lands detected and purchased by the company in line with the strategy, risk and profitability targets are explained below. The real estate is located in Istanbul and appropriate project development efforts are underway.

Land Purchase Between the Dates of January 1st, 2013 – March 31st, 2013

- The share of 1.195,43 m² of the real estate with a surface area of 16.640,94 m² in Block 1339 Parcel 7 located in Istanbul province Başakşehir district İkitelli-2 Quarter under the ownership of the Republic of Turkey Prime Ministry Housing Development Administration was purchased for the price of 1.134.463,02 TL; the share of 666,16 m² of the real estate with a surface area of 5.900,62 m² in Block 1339 Parcel 10 for the price of 632.185,84 TL; the share of 564,51 m² of the real estate with a surface area of 5.080,74 m² in Block 1339 Parcel 11 for the price of 535.719,99 TL; the share of 122,14 m² of the real estate with a surface area of 3.140,22 m² in Block 1339 Parcel 13 for the price of 116.001,50 TL; the share of 580,48 m² of the real estate with a surface area of 3.869,99 m² in Block 1340 Parcel 3 for the price of 550.875,52 TL; the share of 2.945,61 m² of the real estate with a surface area of 4.909,35 m² in Block 1340 Parcel 6 for the price of 2.795.383,89 TL; and the share of 1.301,76 m² of the real estate with a surface area of 8.329,50 m² in Block 1340 Parcel 10 for the price of 1.235.370,24 TL.

The purchased immovables were registered on behalf of the Company on 07.02.2013.

- The share of 1.850,48 m² corresponding to 1/6 shares of the land with a surface area of 11.102,88 m² in Block 192 Parcel 5 located in Istanbul Province Bakırköy District Osmaniye Quarter under the Ownership of Omar Dinçkök was purchased for the price of 2.831.234,40 TL (VAT excluded), and share of 2.230,49 m² corresponding to 1/6 shares of the land with a surface area of 13.382,94 m² in Block 192 Parcel 6 for the price of 3.412.649,70 (VAT excluded) by the Company.

The purchased immovables were registered on behalf of the Company on 22.02.2013.

Land Purchase Between the Dates of April 1st, 2013- June 30th, 2013

- Of the lands under the ownership of the Republic of Turkey Prime Ministry Housing Development Administration; 13 lands with a total surface area of 63.249,23 m² in Istanbul Province, Kartal District, Çavuşoğlu Quarter at 112.267.383,25-TL (VAT excluded) and 2 lands a total surface area of 127.920,00 m² in Istanbul Province, Zeytinburnu District, Kazlıçeşme Quarter at 635.000.000-TL (VAT excluded) were purchased, respective protocols were signed among the parties.
- Protocol has been signed among the parties regarding purchase of 14 immovables under the ownership of Yıldız Holding A.Ş. (Title of the owner before merger: Giz Ajans Org. Rek. Tanıtım Paz. San. ve Tic. Ltd. Şti. and Soft Metal San. ve Tic. Ltd. Şti.) with a total surface area of 3.630.821,35 m² in Istanbul Province, Arnavutköy District, Dursunköy at 326.773.921,82-TL (VAT excluded). The purchased immovable were registered on behalf of the company on 05.06.2013.
- The immovable under the ownership of Mensucat ve Ticaret A.Ş. with a surface area of 17.673,00 m² in İstanbul Province Bakırköy District Osmaniye Quarter Parcel No 192/7 was registered on behalf of the company on 09.05.2013 and purchased at 25.148.347,00 TL + VAT.

PORTFOLIO STRUCTURE AND REAL ESTATES

Land Purchase Between the Dates of July 1st, 2013 – September 30th, 2013

- The immovable with a surface area of 368.342,54 m2 located in İzmir Province, Urla District, Bademler Village Parcel No 1282 was purchased by the Company for 19.153.812,08-TL (VAT excluded) on 29.07.2013.

Current Projects

Information on current projects of the Company is included in Annex 3 and Annex 4, Annex 5 and Annex 7.

Appraisal Value of the Assets

The appraisal reports on the projects, lands and buildings of the Company are included in Annex 2.

Recent Status and Completion Rates of the Projects

Information on the recent status and completion rates of the projects managed by the Company is presented in Annex 3. The table on the completion dates is presented in Annex 7.

Portfolio Constraints

The tables for Portfolio Constraints are presented in Annex 1, in Summary of the Financial Statements.

STOCK SHARE PERFORMANCE

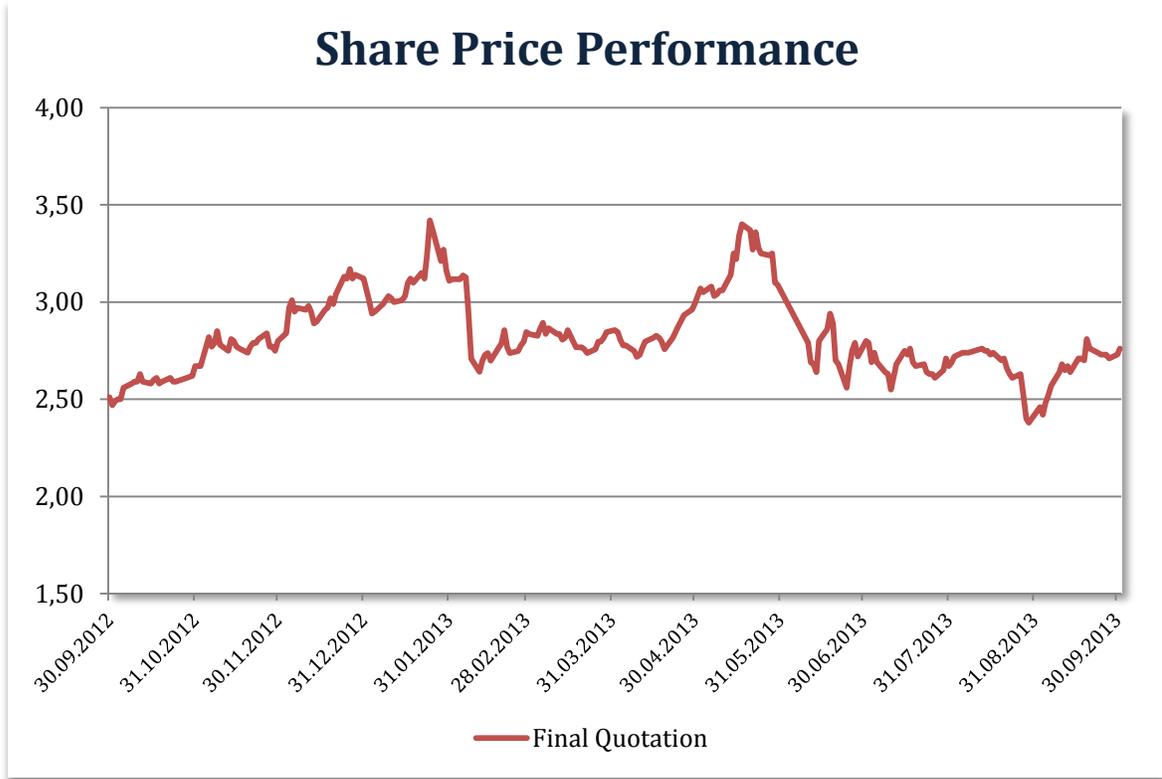
Information on Share Performance

Traded Market - Index - Class

The stock shares of the Company are traded on the national market of Istanbul Stock Exchange. They are included in Group A in the equities market. The stock share of the Company has been included in BIST GAYRİMENKUL YAT. ORT., BIST MALİ, BIST TİM, BIST 100, BIST 30, BIST 50 indices. The abbreviated data codes of the Company within the data providers are as follows; **BIST CODE:** EKGYO, **BLOOMBERG CODE:** EKGYO.TI, **REUTERS CODE:** EKGYO.IS

Share Price and Volume Change Charts

Annual Stock Performance

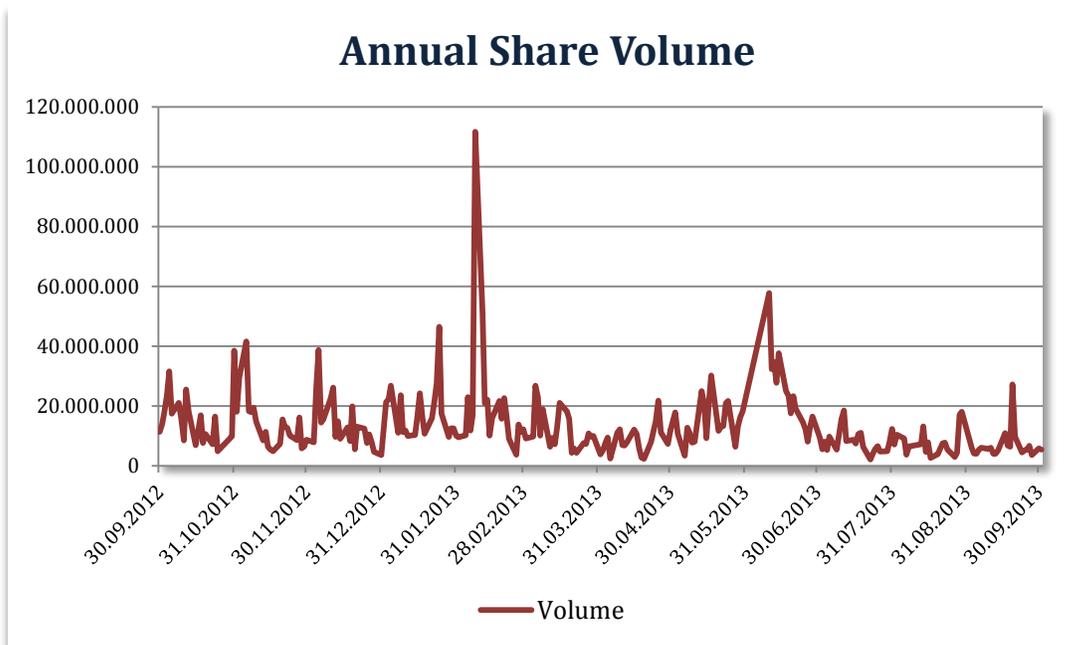


STOCK SHARE PERFORMANCE

Share Performance Between the Dates of 01.01.2013 – 30.09.2013

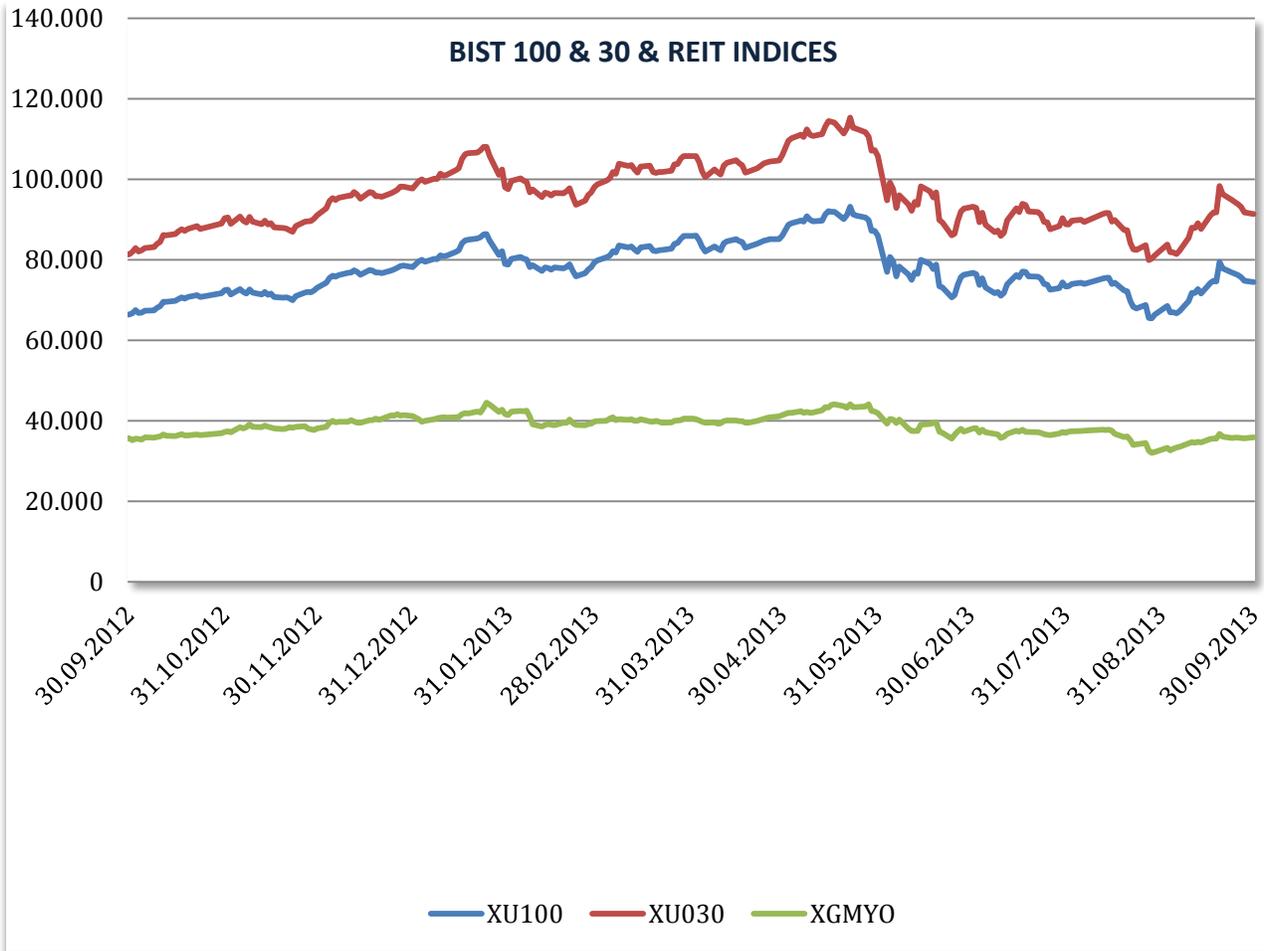


Annual Share Volume



STOCK SHARE PERFORMANCE

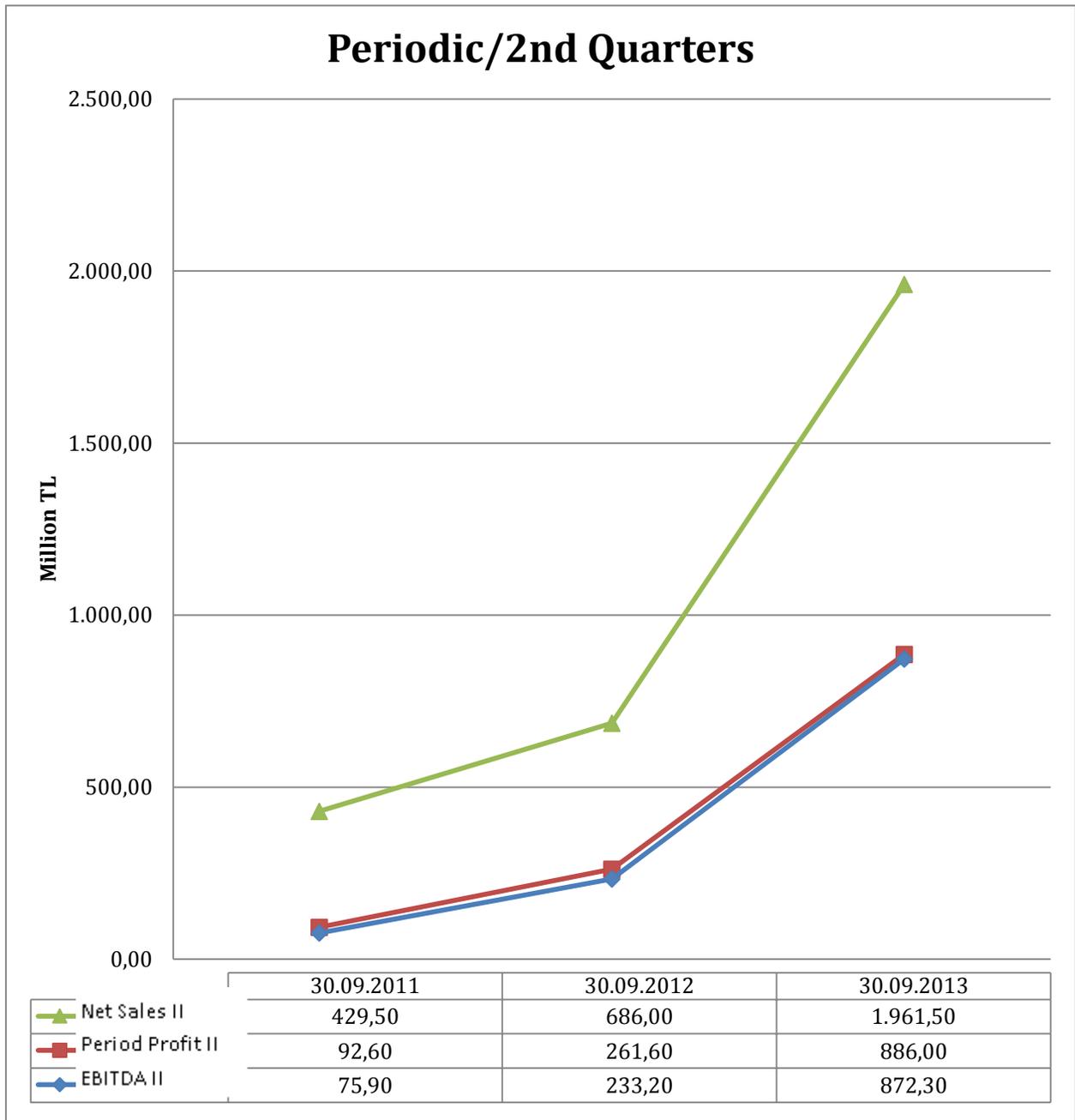
Comparison of BIST and REIT Indices (Last 1 year)



SUMMARY OF FINANCIAL DATA

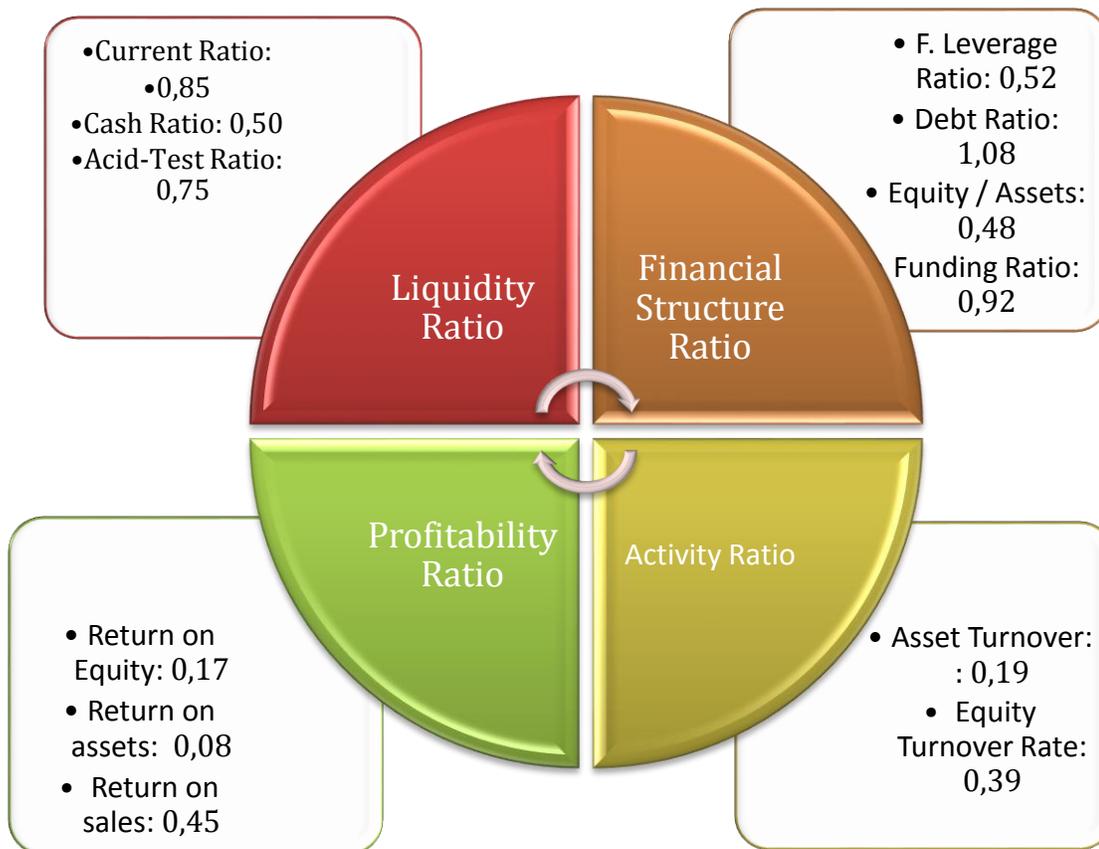
Summary of Financial Data

Periodic Financial Data



SUMMARY OF FINANCIAL DATA

Financial Ratios



The Companies Serving for Assets and Rights in the Partnership Portfolio

Intermediary Services Purchasing Works Pertaining to Public Offering of Shares via Capital Increase

The Company concluded the contract of "Intermediary Services Purchasing Works Pertaining to Public Offering of Shares via Capital Increase" within the scope of secondary public offering studies with the Contractor "**Merrill Lynch International ~ Halk Yatırım Menkul Değerler A.Ş. Consortium**" on 03.04.2013.

Independent Audit Company

By the resolution No 22-051 dated 18.04.2013 of Company Board of Directors, it is resolved to propose the issue of approving **Başaran Nas Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.** (Pricewaterhousecoopers) as the Independent Audit Company and signing Contract with the company.

The Company decided to receive independent audit service from **Başaran Nas Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.** with a contract, which is effective between the dates of 01.01.2013-31.12.2013.

Appraisal Companies

At the meeting of our Board of Directors on 30.01.2013, pursuant to the provisions in Article 39 about "the Selection of Expertise Company" of the Communiqué on Amendments to the Principles Regarding Real Estate Investment Companies Serial VI No: 11 published by the Capital Markets Board;

It was decided to obtain assessment services from expertise companies stated at the annexed table in our portfolio for each asset and take assessment services from "**Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.**" and "**Reel Gayrimenkul Değerleme A.Ş.**" for the assets from which portfolio can be taken and for which assessment will be required during 2013.

Investor Relations Consulting Firm

We agreed with **Dalfin Finansal Kurumsal İletişim ve Danışmanlık Hizmetleri Ltd. Şti** for the activities such as configuration of investor relations and training etc. during the project time.

CPA

The Company decided to receive service from **Sworn Financial Advisor Şükrü AYDIN** with a contract, which is effective between the dates of 01.01.2013-31.12.2013.

Press and Public Relations (PR) Company

The Company decided to receive service from **F5 Görsel Sanatlar Merkezi Tic. Ltd. Şti.** within the scope of creative and press works of Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş. with a contract which is effective between the dates of 17.09.2012-16.09.2013.

European Side Reserved Areas Urban Transformation Project

The tender performed for preparing Master Plan, preparing Urban Design Projects, preparing the model of the area, presentation video and animation of the area to be determined within the scope of Urban Design Project within the framework of the authorization granted to the Company with the Additional Protocol dated 19.12.2012 of the Cooperation Protocol dated 08.08.2012 concluded between the Ministry of Environment and Urban Development and the Company in the Project Area of European Side in order to establish healthy and safe living spaces compatible with the rules of science and art, by liquidating the unlicensed buildings without habitation permit and under the risk of disaster in order to avoid the risk of a possible disaster in the city of Istanbul has been concluded, and the procedures for making a contract started on 19.02.2013 with **Joint Venture of HOK INTERNATIONAL LTD., DOME MİMARLIK and BURO HAPPOLD** which has won the tender.

- 1. Independent Audit Report and Summary of Financial Statements**
- 2. Summary of Appraisal Reports of Assets**
- 3. Construction Progress Levels**
- 4. Summary Table of Tendered Lands**
- 5. Summary Table of Building Stocks**
- 6. Summary Table of Lands with no Project**
- 7. Completion Table of Constructions**
- 8. List of Companies Providing Valuation Service**
- 9. 2012 Dividend Sharing Resolution of General Assembly**

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

**CONVENIENCE TRANSLATION INTO ENGLISH OF
CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD 1 JANUARY - 30 SEPTEMBER 2013
(ORIGINALLY ISSUED IN TURKISH)**



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

To the Board of Directors of
Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.

Introduction

1. We have reviewed the accompanying condensed balance sheet of Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş. ("the Company") as of 30 September 2013, and the related condensed statements of income, of comprehensive income, of changes in equity and of cash flows for the nine-month period then ended. The Company management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with the financial reporting standards accepted by the Capital Markets Board. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review

Scope of review

2. We conducted our review in accordance with the principles and standards on the review of interim financial statements on the auditing standards issued by the Capital Markets Board. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with independent auditing standards issued by the Capital Markets Board and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an independent audit opinion.

Conclusion

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

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

Burak Özpoyraz, SMMM
Partner

İstanbul, 30 October 2013

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONDENSED FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY - 30 SEPTEMBER 2013

CONTENTS	PAGE
CONDENSED BALANCE SHEETS.....	1-2
CONDENSED STATEMENTS OF COMPREHENSIVE INCOME	3
CONDENSED STATEMENTS OF CHANGES IN EQUITY	4
CONDENSED STATEMENTS OF CASH FLOWS	5
NOTES TO THE CONDENSED FINANCIAL STATEMENTS	6-27
NOTE 1 GENERAL INFORMATION	6
NOTE 2 BASIS OF PRESENTATION OF FINANCIAL INFORMATION	7
NOTE 3 ACCOUNTING POLICIES	8-11
NOTE 4 SIGNIFICANT EVENTS AND TRANSACTIONS RELATED WITH THE PERIOD.....	12
NOTE 5 CASH AND CASH EQUIVALENTS.....	12-13
NOTE 6 FINANCIAL ASSETS	13
NOTE 7 FINANCIAL LIABILITIES.....	14
NOTE 8 TRADE RECEIVABLES AND PAYABLES	15
NOTE 9 OTHER RECEIVABLES AND PAYABLES	16-17
NOTE 10 LAND AND RESIDENTIAL UNIT INVENTORIES	18-20
NOTE 11 OTHER SHORT TERM PROVISIONS	20
NOTE 12 OTHER ASSETS AND LIABILITIES	21
NOTE 13 DEFERRED INCOME.....	21
NOTE 14 SHAREHOLDER S' EQUITY	22
NOTE 15 SALES AND COST OF SALES.....	23
NOTE 16 RELATED PARTY TRANSACTIONS.....	24-25
NOTE 17 CONTINGENT ASSETS AND LIABILITIES.....	26-27
NOTE 18 EVENTS AFTER THE REPORTING PERIOD.....	27
APPENDIX DISCLOSURE COMPLIANCE CONTROL OF THE PORTFOLIO RESTRICTIONS.....	28-29

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONDENSED BALANCE SHEETS

AS AT 30 SEPTEMBER 2013, 31 DECEMBER 2012 AND 31 DECEMBER 2011

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

	Notes	Reviewed 30 September 2013	Audited and Restated (*) 31 December 2012	Audited and Restated (*) 31 December 2011
ASSETS				
Current assets		4,131,691	3,510,261	3,149,337
Cash and cash equivalents	5	1,712,805	1,146,520	773,831
Financial assets	6	735,151	159,927	572,370
Trade receivables		534,010	447,818	366,374
- Due from related parties	16	43	67	-
- Other trade receivables	8	533,967	447,751	366,374
Other receivables	9	496,072	476,645	468,476
- Due from related parties		6,857	5,577	12,536
- Other trade receivables		489,215	471,068	455,940
Land and residential unit inventories	10	472,877	1,057,076	808,386
Other current assets	12	180,776	222,275	159,900
Non-current assets		6,441,915	5,068,626	4,549,512
Trade receivables		1,330,724	830,022	782,625
- Other trade receivables	8	1,330,724	830,022	782,625
Other receivables	9	235	225	178
Land and residential unit inventories	10	5,102,419	4,229,199	3,755,224
Investment property		1,178	3,537	5,449
Property, plant and equipment		5,113	4,505	5,965
Intangible assets		2,246	1,138	71
Total assets		10,573,606	8,578,887	7,698,849

(*) See Note 3.1.

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

MLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.**CONDENSED BALANCE SHEETS****AS AT 30 SEPTEMBER 2013, 31 DECEMBER 2012 AND 31 DECEMBER 2011**

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

	Notes	Reviewed 30 September 2013	Audited and Restated (*) 31 December 2012	Audited and Restated (*) 31 December 2011
LIABILITIES				
Current liabilities		4,849,623	3,420,117	2,782,854
Short term borrowings	7	-	351	-
Short term portion of long term borrowings	7	177,463	171,848	185,552
Trade payables		1,103,789	527,444	316,320
- Due to related parties	16	447,267	-	-
- Other trade payables	8	656,522	527,444	316,320
Other payables	9	765,566	712,283	692,866
Deferred income	13	2,715,139	1,920,067	1,534,202
Short term provisions		62,133	62,591	53,914
- Provision for employee benefits		2,514	2,083	2,224
- Other short term provisions	11	59,619	60,508	51,690
Other current liabilities		25,533	25,533	-
Non-current liabilities		645,790	766,445	928,492
Long term borrowings	7	634,000	754,000	914,000
Other payables	9	6,619	8,921	10,714
Deferred income	13	2,798	1,501	1,590
Provision for employee benefits		2,373	2,023	2,188
Shareholder's equity		5,078,193	4,392,325	3,987,503
Share capital	14	2,500,000	2,500,000	2,500,000
Share premium	14	426,989	426,989	426,989
Legal reserves		203,386	171,440	149,199
Remeasurement of employee benefits		(102)	-	-
Retained earnings		1,061,950	770,494	682,993
Profit for the period		885,970	523,402	228,322
Total liabilities and equity		10,573,606	8,578,887	7,698,849

(*) See Note 3.1.

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

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.**CONDENSED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE INTERIM PERIODS ENDED 30 SEPTEMBER 2013 AND 2012**

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

	Notes	1 January- 30 September 2013	1 July - 30 September 2013	Restated (*) 1 January- 30 September 2012	Restated (*) 1 July - 30 September 2012
Net sales	15	1,961,460	896,060	686,020	351,002
Cost of sales	15	(1,042,453)	(555,463)	(437,728)	(173,819)
Gross profit		919,007	340,597	248,292	177,183
General administrative expenses		(61,616)	(20,968)	(33,586)	(15,030)
Marketing, sales and distribution expenses		(32,928)	(5,347)	(7,811)	(2,538)
Other operating income		90,294	26,119	105,899	37,543
Other operating expenses (-)		(42,505)	(16,381)	(31,656)	(17,027)
Operating profit		872,252	324,020	281,138	180,131
Income from investing activities		27,304	20,629	28,839	11,131
Operating profit before financial income and expense		899,556	344,649	309,977	191,262
Financial income		32,957	12,015	34,752	2,050
Financial expenses		(46,543)	(10,136)	(66,752)	(18,070)
Profit before income tax		885,970	346,528	277,977	175,242
Tax expense from continuing operations		-	-	-	-
Profit for the period from continued operations		885,970	346,528	277,977	175,242
Other comprehensive income		(102)	-	-	-
Total comprehensive income for the period		885,868	346,528	277,977	175,242
Earnings per share(in full TL) attributable to the equity holders of the Company during the period		0.0035	0.0014	0.0011	0.0007

(*) See Note 3.1.

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

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONDENSED STATEMENTS OF CHANGES IN EQUITY FOR THE INTERIM PERIODS ENDED 30 SEPTEMBER 2013 AND 2012

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

	Share capital	Share premium	Legal reserves	Other Comprehensive Income and Expense not to be reclassified to Profit or Loss	Retained Earnings		Total equity
				Remeasurement of employee benefits	Retained earnings	Profit for the period	
1 January 2012 (as previously reported)	2,500,000	426,989	149,199	-	498,393	228,322	3,802,903
Restatement impact	-	-	-	-	184,600	-	184,600
1 January 2012 (as restated)	2,500,000	426,989	149,199	-	682,993	228,322	3,987,503
Transfers	-	-	20,611	-	207,711	(228,322)	-
Dividend payment	-	-	-	-	(118,580)	-	(118,580)
Total comprehensive income for the period	-	-	-	-	-	277,977	277,977
30 September 2012 (as restated)	2,500,000	426,989	169,810	-	772,124	277,977	4,146,900
1 January 2013 (as previously reported)	2,500,000	426,989	171,440	-	585,894	523,402	4,207,725
Restatement impact	-	-	-	-	184,600	-	184,600
1 January 2013 (as restated)	2,500,000	426,989	171,440	-	770,494	523,402	4,392,325
Transfers	-	-	31,946	-	491,456	(523,402)	-
Dividend payment	-	-	-	-	(200,000)	-	(200,000)
Total comprehensive income for the period	-	-	-	(102)	-	885,970	885,868
30 September 2013	2,500,000	426,989	203,386	(102)	1,061,950	885,970	5,078,193

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

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONDENSED STATEMENTS OF CASH FLOWS FOR THE INTERIM PERIODS ENDED 30 SEPTEMBER 2013 AND 2012

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

	Notes	30 September 2013	30 September 2012
Cash flows from operating activities			
Profit for the period		885,970	277,977
Adjustments to reconcile net profit/ (loss) to net cash provided by operating activities:			
Depreciation and amortization		982	387
Adjustments for impairments		6,760	2,272
Changes in provisions		(109)	8,507
Adjustments for interest income and expenses		(76,740)	(55,196)
Gains due to the sale of investment properties		-	(1,728)
Unrealized exchange losses on cash and cash equivalents		2	(19)
Net cash before changes in assets and liabilities		816,865	232,200
Changes in net working capital			
Increase in land and residential unit inventories		(295,715)	(363,427)
Increase in trade receivables		(543,244)	(136,204)
Increase/ (decrease) in trade payables		574,043	(92,093)
Decrease/ (increase) in other receivables		35,492	(22,238)
Increase in other payables		896,420	240,522
Change in project deposits		(56,774)	143,591
Cash flows from operating activities			
Interest received		5,859	13,838
Tax payments		(33,006)	(20,765)
Other cash outflow		(10)	(112)
Net cash flow from operating activities		1,399,930	(4,688)
Cash flows from investing activities			
Proceeds from sale of tangible and intangible assets		-	2,127
Proceeds from sale of investment property		-	3,980
Purchases of tangible and intangible assets		(2,698)	(516)
Interest received		16,167	27,623
Purchase of financial assets		(1,121,171)	(699,459)
Return of financial assets		558,398	969,260
Cash flow from investing activities		(549,304)	303,015
Cash flows from financing activities			
Repayments of financial liabilities		(120,351)	(120,000)
Interest received		29,736	37,303
Interest paid		(39,654)	(75,839)
Dividend payment		(200,000)	(118,580)
Decrease in payables to HAS beneficiaries		36,201	10,404
Increase in payables to HAS beneficiaries		(50,065)	(26,960)
Cash flow from financing activities		(344,133)	(293,672)
Net increase/ (decrease) in cash and cash equivalents before currency translation differences			
		506,493	4,655
Effects of unrealized gain/(loss) on cash and cash equivalents		2	(1)
Net increase / (decrease) in cash and cash equivalents		506,495	4,654
Cash and cash equivalents at the beginning of the period	5	664,649	470,291
Cash and cash equivalents at the end of the period	5	1,171,144	474,945

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

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2013

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

NOTE 1 - GROUP’S ORGANIZATION AND NATURE OF OPERATIONS

Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş. (“Emlak Konut GYO” or the “Company”) was established on 26 December 1990. The Company was registered and started its activities on 6 March 1991.

As a result of the general shareholders committee meeting 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 B type shares with a nominal value of TL625,000 has been trading on the stock exchange since 2 December 2010.

The registered address of the Company is as follows:

Atatürk Mahallesi Çitlenbik Caddesi No: 4 Ataşehir / İstanbul.

The main objectives and operating activities of the Company are coordinating and executing real estate property projects, especially housing projects, as well as commercial units, educational units, social facilities and all related aspects, control and building audit services of the ongoing projects in addition to marketing and selling the finished housing. Due to statutory obligations to be in compliance with real estate investment company decrees and related CMB communiqués, the Company cannot take part in construction, but can only organize it by taking bids from contractors.

The operations of the Company are not subject to any seasonality due to the nature of the industry. There have not been any significant events or transactions since 1 January 2013 that would have a material impact on the financial position and performance of the Company (Note 4).

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 the Republic of Turkey Prime Ministry.

The condensed interim financial statements were approved by the Board of Directors on 30 October 2013. The General Assembly of the Company has the power to amend these financial statements.

Since the Company operates in only one geographical segment (Turkey) and only in the development of residential projects on its vacant land and plot inventories, the Company does not prepare a segment report. Chief operating decision maker of the Company is its Board of Directors (“BOD”), and the BOD of the Company uses quarterly financial statements of the Company prepared in accordance with the CMB financial reporting standards.

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2013

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

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

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/TFRS”) 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 2013 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 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 2012.

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.

Accounting for the effects of hyperinflation

With the decision taken on 17 March 2005 with the decision number 11/367, the CMB has announced that, effective from 1 January 2005, for companies operating in Turkey and preparing their financial statements in accordance with CMB Financial Reporting Standards the application of inflation accounting is no longer required. Accordingly, the Company did not apply IAS 29 “Financial Reporting in Hyperinflationary Economies” issued by IASB in its financial statements for the accounting periods starting 1 January 2005.

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

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2013

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

NOTE 3 - ACCOUNTING POLICIES

Interim condensed financial statements as of 30 September 2013 has been prepared in consistent with the accounting policies applied in the financial statements as of 31 December 2012. Therefore should be read in conjunction with the Company's annual financial statements as of 31 December 2012.

3.1 Comparative Figures and the Restatement to the Financial Statements of the Prior Period

The condensed financial statements of the Company include comparative financial information to enable the determination of the trends in financial position and performance. For the purposes of effective comparison, comparative financial statements can be reclassified when deemed necessary by the Company, where descriptions on significant differences are disclosed.

Based on the decision taken on 7 June 2013 by the CMB at its meeting numbered 20/670, a new illustrative financial statement and guidance to it has been issued effective from the interim periods, which is applicable for the companies that are subject to Communiqué on the Principles of Financial Reporting In Capital Markets. Based on these new illustrative financial statements, a number of changes made at the Company's balance sheets. The major reclassifications that have been made by the Company are as follows:

The deferred revenue which was previously classified in other current liabilities under current liabilities as of 31 December 2012 amounting to TL1,920,067 (31 December 2011: TL1,534,202), has been reclassified in deferred revenue under other current liabilities in accordance with the new illustrative financial statements.

The advances received which was previously classified in other non-current liabilities under non-current liabilities as of 31 December 2012 amounting to TL1,501 (31 December 2011: TL1,590), has been reclassified in deferred revenue under other non-current liabilities in accordance with the new illustrative financial statements.

The deposits and guarantees received which was previously classified in trade payables under non-current liabilities as of 31 December 2012 amounting to TL8,921 (31 December 2011: TL10,714), has been reclassified in other payables under other non-current liabilities in accordance with the new illustrative financial statements.

The Company also made some restatements with respect to prior years in the financial statements which were explained as follows:

a) *Restatement in inventories and retained earnings:*

The Company has identified that value of land and residential unit inventories, which were planned by a Land Subject to Revenue Sharing Agreements ("LSRSA") projects, under non-current assets and current assets, is under its cost value by TL184,600 due to an inflation adjustment error related with prior periods. As a result of the regarding restatement, land and residential unit inventories classified under non-current assets increased by TL173,580 in 2012 and 2011 and inventories classified under current assets increased by TL11,020 in 2012 and 2011. As a counterpart account retained earnings of the opening balance sheet of the earliest presented period (1 January 2011) increased by TL184,600. This restatement does not have an income statement effect for the periods presented (Note 10).

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2013

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

NOTE 3 - ACCOUNTING POLICIES (Continued)

The Company made a restatement with respect to prior years in the financial statements prepared as of 30 September 2012 which was explained as follows:

b) *Adjustment to income accruals:*

The company executed adjustment in previous year financial statements during the reflection of accounting the income accrual to customer accounts, arising the CPI changes in receivable due to the sale of lands and residences based to consumer price index in 30 September 2013 account period. In accordance with IAS 8, income accruals reflected to financial statement retrospectively. The effect of this adjustment to the financial statements of 30 September 2013 account period is shown as below:

Effect to income statement:	30 September 2012
Increase in financial income	16,357
Increase in profit for the period	16,357

c) *Adjustments in earnings per share:*

As the result of the effect of adjustment detailed above, as of 30 September 2012 earnings per share previously calculated TL0,0010 was adjusted as TL0,0011 with its adjustment effect.

Apart from the adjustment explained above, The Company executed adjustment which has no effect to previous periods and net profit, in financial statements. The adjustment is explained below.

3.2 New or amended standards

The standards listed below and the changes and comments introduced to the prior standards have been enforced as of 1 January 2013:

- IAS/TAS 1 (amendment), “Presentation of financial statements”, regarding other comprehensive income is effective for annual periods beginning on or after 1 July 2012. The main change resulting from these amendments is a requirement for entities to group items presented in ‘other comprehensive income’ (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The amendment affects disclosures only and have no impact on the financial position or performance of the Group.
- IAS 19/TAS (amendment), “Employee benefits”, is effective for annual periods beginning on or after 1 January 2013. These amendments eliminate the corridor approach and calculate finance costs on a net funding basis. The standard requires past service cost to be recognized immediately in profit or loss. There is a new term “remeasurement” and remeasurement will be recognized in OCI and no longer be recognized in profit or loss.

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2013

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

NOTE 3 - ACCOUNTING POLICIES (Continued)

- IFRS/TFRS 10, “Consolidated financial statements”, is effective for annual periods beginning on or after 1 January 2013. This standard builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements.
- IFRS/TFRS 11, “Joint arrangements”, is effective for annual periods beginning on or after 1 January 2013. This standard provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form.
- IFRS/TFRS 12, “Disclosures of interests in other entities”, is effective for annual periods beginning on or after 1 January 2013. This standard includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off-balance-sheet vehicles.
- IFRS/TFRS 10, 11 and 12 on transition guidance (amendment), is effective for annual periods beginning on or after 1 January 2013. The amendment also provide additional transition relief in IFRS/TFRSs 10, 11 and 12, limiting the requirement to provide adjusted comparative information to only the preceding comparative period. For disclosure related to unconsolidated structured entities, the amendments will remove the requirement to present comparative information for the periods before IFRS/TFRS 12 is applied.
- IFRS/TFRS 13, “Fair value measurement”, is effective for annual periods beginning on or after 1 January 2013. The standard aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRS/TFRSs.
- IAS/TAS 27 (revised), “Separate financial statements”, is effective for annual periods beginning on or after 1 January 2013. The standard includes the provisions on separate financial statements that are left after the control provisions of IAS/TAS 27 have been included in the new IFRS/TFRS 10.
- IAS/TAS 28 (revised), “Associates and joint ventures”, is effective for annual periods beginning on or after 1 January 2013. The standard includes the requirements for joint ventures, as well as associates, to be equity accounted following the issue of IFRS/TFRS 11.
- IFRS/TFRS 7 (amendment), “Financial instruments: Disclosures”, on offsetting financial assets and financial liabilities”, is effective for annual periods beginning on or after 1 January 2013. The amendment reflects the joint IASB and FASB requirements to enhance current offsetting disclosures. These new disclosures are intended to facilitate comparison between those entities that prepare IFRS/TFRS financial statements and those that prepare US GAAP financial statements.
- IFRS/TFRS 1 (amendment), “‘First time adoption’, on government loans”, is effective for annual periods beginning on or after 1 January 2013. The amendment addresses how a first-time adopter would account for a government loan with a below-market rate of interest when transitioning to IFRS/TFRS.

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2013

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

NOTE 3 - ACCOUNTING POLICIES (Continued)

- Annual Improvements to IFRS/TFRSs 2011 is effective for annual periods beginning on or after 1 January 2013. Amendments effect five standards: IFRS/TFRS 1, IAS/TAS 1, IAS/TAS 16, IAS/TAS 32 and IAS/TAS 34.
- IFRIC/TFRIC 20, "Stripping costs in the production phase of a surface mine" is effective for annual periods beginning on or of 1 January 2013. This interpretation sets out the accounting for overburden waste removal (stripping) costs in the production phase of a mine.

Standards, amendments and interpretations not yet effective and not early adopted by the Company:

- IAS/TAS 32 (amendment), "Financial instruments: Presentation", on offsetting financial assets and financial liabilities", is effective for annual periods beginning on or after 1 January 2014. The amendment updates the application guidance in IAS/TAS 32, "Financial instruments: Presentation", to clarify some of the requirements for offsetting financial assets and financial liabilities on the balance sheet.
- IFRS/TFRS 9, "Financial instruments: classification and measurement", is effective for annual periods beginning on or after 1 January 2015. The standard addresses the classification, measurement and recognition of financial assets and financial liabilities. It replaces the parts of IAS/TAS 39 that relate to the classification and measurement of financial instruments.
- IFRIC 21, is an interpretation of IAS 37, 'Provisions, contingent liabilities and contingent assets'. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (known as an obligating event). The interpretation clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. IFRIC 21 is effective for annual periods beginning on or after 1 January 2014.
- IAS 36 (amendments), "Impairment on assets", is effective for annual periods beginning on or after 1 January 2014. These amendments address the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal.

Abovementioned amendments to the standards do not have a material impact on the financial statements of the Company.

3.3 Estimates

The preparation of interim 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. There has not been any significant change in accounting estimates of the Company for the current period.

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2013

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

NOTE 4 - SIGNIFICANT EVENTS AND TRANSACTIONS RELATED WITH THE PERIOD

The events and transactions which have significant impacts on the financial statements at the period ended at 30 September 2013 are as follows:

- The Company sold its land in İstanbul Financial Center to Central Bank of the Republic of Turkey for TL299,260 excluding VAT and collected the amount as cash.
- The Company sold its land in İstanbul Bakırköy to Istanbul Metropolitan Municipality of Turkey for TL196,000 excluding VAT and collected the amount as cash.
- The Company issued land invoices and recognized the revenue amounting to TL785,721 in the nine months period ended 30 September 2013 regarding temporary admissions made on the parts of ongoing constructions of LSRSA projects.
- The Company made collections amounting to TL3,037,280 based on the sales agreements signed with the resident buyers of the ongoing LSRSA projects. TL1,059,685 portion of the total amount belongs to the Company and is accounted for at other current liabilities - deferred revenue from LSRSA projects. The remaining portion amounting to TL1,977,595 was collected to be paid to the subcontractors in accordance with the percentage of completion levels of the projects. The unpaid portion of this balance is accounted for at short-term trade payables - Payables to Contractors According to LSRSA.
- The Company received advances amounting to TL239,882 regarding to the LSRSA projects with terms of the rates defined in the construction agreements.
- The Company has purchased ,with the cash inflows of above detailed collections detailed, thirteen lands located in İstanbul Kartal Çavuşoğlu) and two lands located in İstanbul Zeytinburnu Kazlıçeşme in accordance with the protocol signed with TOKI on 24 April 2013. Land value is totally TL747,267 and TL300,000 of it has been paid in cash. The remaining part, TL447,267, will be paid to TOKI with interest.
- As a result of the valuation reports performed as of 30 September 2013 on the lands and the residential units, a net impairment loss amounting to TL8,816 was recognized (Note 10).
- The Company has made restatements and reclassifications on the prior period financial statements as detailed in Note 3.1.

NOTE 5 - CASH AND CASH EQUIVALENTS

	30 September 2013	31 December 2012
Cash on hand	8	7
Banks		
- Demand deposit	22,851	57,007
- Time deposit (*)	1,689,946	1,089,506
	1,712,805	1,146,520

Average effective interest rates of time deposits are as follows:

	30 September 2013 (%)	31 December 2012 (%)
	5,93	5,84

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2013

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

NOTE 5 - CASH AND CASH EQUIVALENTS (Continued)

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

	30 September 2013	31 December 2012
Cash and cash equivalents	1,712,805	1,146,520
Less: Income accruals	(4,723)	(1,707)
Less: LSRSA project deposits (**)	(536,938)	(480,164)
	1,171,144	664,649

(*) Based upon the protocol signed with TOKI on 24 April 2013, TL447,267 of the payable left from sales of Kartal Çavuşoğlu and Zeytinburnu Kazlıçeşme lands, has been put in the bank by the Company as time deposit in order to gain interest income according to additional protocol with TOKI. The interest income to be gained and the principal amount will be paid to TOKI.

(**) The contractors’ portion of the amounts received from the ongoing LSRSA projects’ sales, as defined in the agreements, is deposited in time deposit bank accounts opened for the related LSRSA projects. The company has the authority to control these accounts.

NOTE 6 - FINANCIAL ASSETS

	30 September 2013	31 December 2012
Treasury bills	716,884	124,829
Bank bills	-	481
	716,884	125,310
Special issue government bonds (*)	18,267	34,617
	735,151	159,927

(*) 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. The Bonds are redeemed partially and early redeemed and the amount is transferred to the Company’s accounts when the HAS lists are specified (Note 7). 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 issues treasury bills amounting to TL716,884 (31 December 2012: TL124,829) 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 as quarterly which are announced by Turkish Treasury. Average effective interest rate of financial assets at 30 September 2013 is 7,74 %. (31 December 2012: 7,26 %). The maturity dates of financial assets are six months for 30 September 2013 (31 December 2012: five months).

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2013

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

NOTE 7 - FINANCIAL LIABILITIES

	30 September 2013	31 December 2012
Short-term financial liabilities		
Short-term bank borrowings	-	351
Short-term portion of long-term borrowings	177,463	171,848
	177,463	172,199

Long-term bank borrowings

Long-term borrowings	634,000	754,000
	634,000	754,000

The Company has borrowed money from Turkish Treasury to finance its HAS payment liability with a maturity date 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 2013 is 7,01% (31 December 2012: 7,21%).

Fair values of borrowings with floating interest rates approximate their carrying value.

The redemption schedules of the long-term bank borrowings at 30 September 2013 and 31 December 2012 are as follows:

	30 September 2013	31 December 2012
2014	40,000	160,000
2015	160,000	160,000
2016 and over	434,000	434,000
	634,000	754,000

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2013

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

NOTE 8 - TRADE RECEIVABLES AND PAYABLES

Short term trade receivables	30 September 2013	31 December 2012
Receivables from LSRSA contractors invoiced	318,599	150,918
Notes receivables	96,041	32,512
Receivables from sale of residential units and commercial units	77,925	175,507
Receivables from land sales	39,305	89,129
Rent receivables	1,932	1,654
Other	384	382
Unearned finance income	(219)	(2,351)
	533,967	447,751
Doubtful receivables	1,732	1,740
Less: Provision for doubtful receivables (-)	(1,732)	(1,740)
	533,967	447,751
Long term trade receivables		
Trade receivables	1,379,894	863,608
Unearned finance income	(49,170)	(33,586)
	1,330,724	830,022
	30 September 2013	31 December 2012
Short term trade payables		
Payables to contractors according to LSRSA	620,905	500,582
Interest payables of contractors' time deposit (*)	30,050	22,021
Other trade payables	5,567	4,841
	656,522	527,444

(*) Comprised of accrued interest payables to contractors regarding the time deposits in bank accounts opened for the related LSRSA projects. The contractors' portion of the amounts received from the ongoing LSRSA projects' sales, as defined in the agreements, is deposited in bank accounts controlled by the Company (Note 5).

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2013

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

NOTE 9 - OTHER RECEIVABLES AND PAYABLES

	30 September 2013	31 December 2012
Short-term other receivables		
HAS related receivables from		
Turkish Treasury	386,768	374,197
Receivables from contractors (*)	100,601	95,982
Due from related parties (Note 16)	6,857	5,577
Receivables from governmental agencies	1,787	866
Other	59	23
	496,072	476,645

(*) Includes the receivable amounting to TL62,498 as of 30 September (31 December 2012: TL59,601) from the prior contractor of the İzmir Mavişehir project (Note 17).

Long-term other receivables

Deposits and guarantees given	235	225
	235	225

	30 September 2013	31 December 2012
Short-term other payables		
Payable to HAS beneficiaries	409,977	411,270
Deferred income (*)	243,132	190,796
Payable to contractors (**)	88,841	93,635
Taxes and funds payable	11,213	10,570
Other	12,403	6,012
	765,566	712,283

Short-term other payables

Deposits and guarantees received	6,619	8,921
	6,619	8,921

(*) The balance includes total collections made from completed and sold units at İzmir Mavişehir project. Depending on the result of the pending lawsuit, either all or a portion of the balance will be recorded as revenue.

(**) The balance includes unissued invoice amount of 88,752 TL regarding units received as a result of revenue allocation at İzmir Mavişehir Phase 3 project (Note 17), where the contractor filed a lawsuit regarding the revenue sharing percentages (31 December 2012: 88.752 TL).

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2013

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

NOTE 9 - OTHER RECEIVABLES AND PAYABLES (Continued)

The movements of the payments either from Company's shareholder's equity to HAS beneficiaries for 30 September 2013 and 30 September 2012 are shown below:

	1 January 2013	Additions within the period	Disposals within the period	30 September 2013
Treasury support share				
Receivable from Treasury	374,197	16,616	(4,045)	386,768
Special purpose government Bond	34,617	-	(16,350)	18,267
Cash generated from government bond redemption	2,456	36,201	(33,715)	4,942
Total consideration received or receivable from Treasury	411,270			409,977
Payable to HAS beneficiaries	(411,270)			(409,977)
	1 January 2012	Additions within the period	Disposals within the period	30 September 2012
Treasury support share				
Receivable from Treasury	369,517	2,834	(350)	372,001
Special purpose government Bond	44,617	-	(10,000)	34,617
Cash generated from government bond redemption	14,775	10,404	(16,960)	8,219
Total consideration received or receivable from Treasury	428,909			414,837
Payable to HAS beneficiaries	(428,909)			(414,837)

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2013

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

NOTE 10 - LAND AND RESIDENTIAL UNIT INVENTORIES

	30 September 2013	Restated (*) 31 December 2012	Restated (*) 31 December 2011
Short-term inventories			
Planned land by LSRSA	317,028	581,599	453,698
Residential and commercial units ready for sale	28,841	65,059	117,322
<i>Cost</i>	31,601	67,049	117,704
<i>Impairment</i>	(2,760)	(1,990)	(382)
Planned land by RPSPTL	127,008	407,553	236,007
Semi-finished construction projects	-	2,865	1,359
	472,877	1,057,076	808,386
Long-term inventories			
Land	2,497,228	2,363,489	1,598,445
<i>Cost</i>	2,544,328	2,405,134	1,664,758
<i>Impairment</i>	(47,100)	(41,645)	(66,313)
Planned land by LSRSA	2,291,857	1,860,310	2,009,715
Planned land by RPSPTL	302,768	-	147,064
Semi-finished construction projects	10,566	5,400	-
	5,102,419	4,229,199	3,755,224

(*) See Note 3.1.

As at 31 March 2013, independent valuation reports of Nova Taşınmaz Değerleme ve Danışmanlık A.Ş., Reel Gayrimenkul Değerleme A.Ş. and are taken into consideration in relation to identify the fair value and impairment loss, if any, on land, units and commercial units ready for sale. The Company also receives valuation reports in the interim period for its new purchased or new planned lands.

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

	2013	2012	2011
Balance at 1 January	43,635	66,695	116,736
Impairment charge for the period	12,450	21,094	32
Reversal of impairment due to sales	(649)	(155)	(4,622)
Reversal of impairment	(5,576)	(18,822)	(1,927)
Balance at 30 September	49,860	68,812	110,219

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2013

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

NOTE 10 - LAND AND RESIDENTIAL UNIT INVENTORIES (Continued)

The detail of lands and residential stocks of the Company are shown below for the periods 30 September 2013, 31 December 2012 and 31 December 2011;

Lands	30 September 2013	31 December 2012	31 December 2011
İstanbul Başakşehir Arsaları	652,811	1,039,718	705,557
İstanbul Zeytinburnu Arsaları	635,000	20,415	-
İstanbul Arnavutköy Arsaları	333,309	-	-
Ankara Yeni Mahalle Arsaları	272,705	272,705	267,305
İstanbul Avcılar Arsaları	251,442	251,442	239,056
İstanbul Kartal Arsaları	131,966	206,625	-
İstanbul Esenyurt Arsaları	118,925	196,188	-
Kocaeli Gebze Arsaları	41,095	38,710	35,844
İzmir Urla Arsaları	19,537	-	-
Tekirdağ Çorlu Arsaları	15,468	15,468	15,000
Kocaeli Tütüncüiftliği Arsaları	12,446	22,872	17,981
Other	12,524	299,345	317,702
	2,497,228	2,363,488	1,598,445

Planned land by LSRSA	30 September 2013	31 December 2012	31 December 2011
Maslak 1453 Project	549,415	549,415	549,415
Batışehir Project	351,680	351,680	351,680
Metropol İstanbul Project	246,166	246,166	246,166
Kuasar İstanbul Project	230,118	230,118	230,118
Köy Project	224,209	226,058	-
İstanbul Kartal Project	186,694	-	-
Bulvar İstanbul Project	107,553	-	-
Bahçetepe Project	88,025	88,025	-
Şehrizar Konakları Project	80,534	80,534	80,534
Avcılar Kapadık Project	79,294	-	-
Fatih Yedikule Project	65,990	-	-
Gaziosmanpaşa Project	62,430	-	-
İstanbul Project	50,608	70,606	70,606
Evora İstanbul - 2 Project	48,622	48,622	48,622
Evora İstanbul - 1 Project	48,404	48,404	48,404
Sayok Park Aparts Project	34,793	64,421	64,421
Parkyaşam Mavişehir Project	-	42,204	45,352
My Europe Project	-	175,950	179,188
Avrupa Konutları AteKent-3 Project	-	17,305	213,603
Meridian Project	16,388	16,388	48,363
Elitecity Project	-	-	44,660
Spradon Vadi Project	-	41,950	41,950
Other	137,962	144,063	200,331
	2,608,885	2,441,909	2,463,413

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2013

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

NOTE 10 - LAND AND RESIDENTIAL UNIT INVENTORIES (Continued)

Planned land by RPSPTL	30 September 2013	31 December 2012	31 December 2011
Kayabaşı 1. Etap 1. Kısım Project	77,594	-	-
Emlak Konut Tuzla - 2 Project	63,962	43,283	17,830
Kayabaşı 1, Etap 4, Kısım Project	45,968	-	-
Hoşdere 1, Kısım 2, Etap Project	41,344	-	-
Kayabaşı 1, Etap 3, Kısım Project	37,134	-	-
Emlak Konut Bozoğlu Mavişehir Project	34,875	34,526	32,614
Kayabaşı 1, Etap 2, Kısım Project	33,272	-	-
Hoşdere 1, Kısım 1, Etap Project	32,076	-	-
Emak Konut Sultanbeyli Project	28,172	35	-
Körfezkent 3 Etap Project	23,545	-	-
Hoşdere 1, Kısım 3, Etap Project	11,834	-	-
Emlak Konut Körfezkent - 2 Project	-	-	50,435
Emlak Konut Alemdağ Project	-	131,725	109,397
Emlak Konut Gebze - 1 Project	-	-	43,562
Emlak Konut Gebze - 2 Project	-	81,502	59,815
Emlak Konut Tuzla - 1 Project	-	116,482	69,418
	429,776	407,553	383,071

Completed units	30 September 2013	31 December 2012	31 December 2011
Tulip Turkuaz Konutları	9,988	10,374	18,894
Spradon Vadi Evleri	9,270	7,424	1,836
Emlak Konut Selimpaşa Evleri	4,465	26,719	56,316
Emlak Konut Novus Evleri	1,657	1,657	7,667
Lüleburgaz Çarşı	1,144	-	1,190
Other	2,317	18,885	31,419
	28,841	65,059	117,322

NOTE 11 - OTHER SHORT TERM PROVISIONS

	30 September 2013	31 December 2012
Provisions		
Provision for lawsuits	59,619	60,508
	59,619	60,508

The movements of provision for lawsuits as of 30 September 2013 and 30 September 2012 are as follows;

	2013	2012
Balance at 1 January	60,508	51,690
Provision charge for the period	12,847	7,827
Provision released	(13,736)	-
Balance at 30 September	59,619	59,517

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2013

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

NOTE 12 - OTHER ASSETS AND LIABILITIES

	30 September 2013	31 December 2012
Other current assets		
Progress payments given to contractors (*)	115,779	91,652
Stamp duty tax receivables		
from contractors (**)	25,533	25,533
Receivables from tax office (***)	21,338	44,134
Accrued Income	12,246	30,224
Advances given	4,872	8,655
Prepaid expenses	873	416
Deferred VAT	-	21,617
Other	135	44
	180,776	222,275

(*) Includes the progress payments made to the İzmir Mavişehir project contractor amounting to TL47,380 (31 December 2012: TL47,380) (Note 17).

(**) As of 30 September 2013, the Company went through a tax inspection in 2012 and consequently, additional stamp duty tax was calculated regarding agreements made with contractors. Since all additional taxes and charges on the agreements are chargeable to the contractors as stated in the agreements, the related amount has been accounted for in both other assets and other liabilities.

(***) Receivables from tax office consist of withholding taxes paid on interest income.

NOTE 13 - DEFERRED INCOME

	30 September 2013	31 December 2012
Deferred revenue from LSRSA projects (*)	1,817,575	1,243,094
Advances taken from LSRSA contractors (**)	617,973	473,329
Advances taken from RPSPTL projects sale	243,157	166,472
Advances taken from LSRSA projects sale (***)	36,434	37,172
	2,715,139	1,920,067

(*) 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.

(***) Comprise of advances received from İzmir Mavişehir project sales (Note 17).

	30 September 2013	31 December 2012
Other advances taken	2,798	1,501
	2,798	1,501

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2013

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

NOTE 14 - SHAREHOLDERS' EQUITY

The Company's authorised capital amount is TL2,500,000 (31 December 2012: TL2,500,000) and consists of 250,000,000,000 authorised number of shares (31 December 2012: 250,000,000,000) with a nominal value of TL 0.01 each.

The Company's shareholders and their shareholding percentages as of 30 September 2013 and 31 December 2012 are as follows:

Shareholders	30 September 2013		31 December 2012	
	Share %	TL	Share %	TL
TOKİ	74,99	1,874,831	74,99	1,874,831
Share of public offering	25,00	625,000	25,00	625,000
HAS beneficiaries	0,01	167	0,01	167
Other	<0,01	2	<0,01	2
Total paid-in capital	100,00	2,500,000	100,00	2,500,000

The Company's Board of Directors decision No. 7/015, dated 8 February 2013 of increasing the issued capital of TL2,500,000,000 to TL3,800,000,000 within the registered capital ceiling of TL4,000,000,000 for public offering postponed to a date when the conjuncture would be more appropriate because of the fluctuations in national markets about the book-building process on 7 June 2013.

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: XI, No: 29 which became effective as of 1 January 2008 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 components are shown with the amount valued in the frame of CMB Reporting Standards.

The listed companies whose shares are publicly traded in the market are subject to the CMB regulations regarding profit distribution.

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2013

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

NOTE 15 - SALES AND COST OF SALES

	1 January- 30 September 2013	1 July- 30 September 2013	1 January- 30 September 2012	1 July- 30 September 2012
Revenue				
Land sales	1,306,559	623,165	445,557	166,080
<i>Income from sale of land and plots through LSRSA</i>	785,721	427,165	433,782	162,097
<i>Income from sale of vacant land and plots</i>	520,838	196,000	11,775	3,983
Residential and commercial units sales	654,343	272,505	240,999	185,558
Rent income	1,846	940	475	111
	1,962,748	896,610	687,031	351,749
Sales returns	(1,051)	(516)	(1,011)	(747)
Sales discounts	(237)	(34)	-	-
Net sales income	1,961,460	896,060	686,020	351,002
Cost of sales				
Cost of land sales	(609,263)	(365,665)	(263,842)	(41,137)
<i>Cost of land and plots sold through LSRSA</i>	<i>(419,532)</i>	<i>(204,007)</i>	<i>(259,104)</i>	<i>(41,085)</i>
<i>Cost of vacant land and plots sold</i>	<i>(189,731)</i>	<i>(161,658)</i>	<i>(4,738)</i>	<i>(52)</i>
Cost of residential and commercial units sales	(433,122)	(189,770)	(173,616)	(132,591)
Cost of other projects	(68)	(28)	(270)	(91)
	(1,042,453)	(555,463)	(437,728)	(173,819)
Gross Profit	919,007	340,597	248,292	177,183

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2013

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

NOTE 16 - RELATED PARTY TRANSACTIONS

The main shareholder of the Company is 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 Pazarlama, 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 Paz.-Fideltus İnş. - Öztaş İnş. Ortak Girişimi

According to the revised IAS 24 - Related Parties standard, exemptions have been brought to the disclosure requirements of balances and transactions between entities controlled by government and the government or other entities controlled by the government. The Company has also transactions with State banks that are T.C. Ziraat Bankası A.Ş., Türkiye Vakıflar Bankası T.A.O., Türkiye Halk Bankası A.Ş. and Turkish Treasury in relation to the HAS payments.

Balances and transactions with respect to Turkish Treasury are detailed in Note 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 TL1,689,946 as of 30 September 2013. (31 December 2012: TL1,089,506). Regarding these bank balances, the Company also generated interest income from the related State banks amounted to TL42,282 in 2013 (2012: TL34,629).

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

	30 September 2013	31 December 2012
Trade receivables from related parties		
Emlak Paz. İnş. A.Ş.-Yeni Sarp İnş. Ltd.	43	67
	43	67

Other receivables from related parties

Emlak Paz.-Fideltus İnş-Öztaş İnş. O.G.	5,541	5,537
Emlak Paz. İnş. A.Ş.-Yeni Sarp İnş. Ltd.	1,204	-
Emlak Pazarlama, İnşaat, Proje Yönetimi ve Ticaret A.Ş.	112	40
	6,857	5,577

	30 September 2013	31 December 2012
Trade payables to related parties		
T.C. Başbakanlık Toplu Konut İdaresi Başkanlığı (*)	447,267	-
	447,267	-

(*) The payable amount is related with the land purchases from TOKİ in Zeytinburnu Kazlıçeşme and Kartal Çavuşoğlu (Note 4).

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2013

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

NOTE 16 - RELATED PARTY DISCLOSURES (Continued)

Advances received from related parties (**)

Emlak Paz. - Fideltus İnş. - Öztaş İnş.O.G	64,732	64,732
Emlak Paz. - Yeni Sarp İnş. Ltd. O.G.	4,178	6,347
	68,910	71,079

(**) 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 - 1 July - 1 January - 1 July -
30 September 2013 30 September 2013 30 September 2012 30 September 2012

Purchases from related parties

T.C. Başbakanlık Toplu Konut İdaresi Başkanlığı	748,127	-	611,715	405,090
	748,127	-	611,715	405,090

Sales to related parties

Emlak Paz.-Cathay Ortak Girişimi	940	265	-	-
Emlak Pazarlama-Yeni Sarp Ortak Girişimi	48	8	150	86
T.C. Başbakanlık Toplu Konut İdaresi Başkanlığı	-	-	933	-
	988	273	1.083	86

Benefits provided to key management

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 - 1 July - 1 January - 1 July -
30 September 2013 30 September 2013 30 September 2012 30 September 2012

Salaries and short-term employee benefits	1,054	409	894	488
	1,054	409	894	488

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2013**

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

NOTE 17 - 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 in process of completion and the next trial will be held on 5 February 2014.

There are certain balances in various accounts in the financial statements of the Company regarding this project: Receivables from the contractor amounting TL62,498 (31 December 2012: TL59,601) in other receivables, payments made to contractor amounting TL47,380 (31 December 2012: TL47,380) in other current assets, advances received due to flat sales amounting TL36,434 (31 December 2012: TL37,172) in other current liabilities have not been netted-off considering the uncertainty on the outcome of the pending lawsuit. Again, the sales, following the cancellation of the agreement, amounting TL242,667 (31 December 2012: TL190,796) have been accounted for as short-term deferred income. Including the units already sold, the Company has inventories amounting to TL55,573 regarding this project in its financial statements. Considering the uncertainty that the pending lawsuit creates on revenue portion and cost of sale portion, the Company did not recognize any revenue or cost of sales regarding the project. The Company does not expect any obligation or liability to be incurred as a result of the lawsuit.

- 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 TL67,515 plus VAT calculated as TL175,000 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.

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.

Following the objection of the Company an additional report was requested from the commission of experts. The next trial is scheduled to be held on 30 December 2013. Since a similar lawsuit was finalized in favor of the Company in the past, the Company does not expect any obligation or liability to be incurred as a result of the lawsuit.

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2013

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

NOTE 17 - CONTINGENT ASSETS AND LIABILITIES (Continued)

3) Mortgage and guarantees received are;

	30 September 2013	31 December 2012
Guarantees received	2,000,286	1,795,856
Mortgages received	52,739	55,171
	2,053,025	1,851,027

Guarantees received consist of the performance guarantees given by contractors for construction projects and tender guarantees received in process of tender.

Mortgages received consist of the mortgages on single space and land that are sold but their payments have not been collected yet.

4) Collaterals, Pledges, Mortgages ("CPM"):

	30 September 2013	31 December 2012
A. CPM given on behalf of the Company's	11,355	7,774
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 the majority shareholder	-	-
ii) Total amount of CPM given on behalf of other group 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.	-	-
	11,355	7,774

NOTE 18 - EVENTS AFTER THE REPORTING PERIOD

None.

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2013

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

ADDITIONAL NOTE - COMPLIANCE CONTROL OF THE PORTFOLIO RESTRICTIONS

	The main accounts of unconsolidated (separate) financial statement	Related Regulation	Current Period (TL)	Prior Period (TL) (*)
A	Capital and money market instruments	Serial: VI, No:11, Art.27/ (b)	1,911,018	826,283
B	Real estates, rights supported by real estates and real estate projects	Serial: VI, No:11, Art.27/ (a)	5,578,958	5,292,345
C	Affiliates	Serial: VI, No:11, Art..27/ (b)	-	-
	Due from related parties (Other Receivables)	Serial: VI, No:11, Art.24/ (g)	-	-
	Other Assets		3,083,630	2,460,259
D	Total Assets	Serial: VI, No:11, Art..4/ (i)	10,573,606	8,578,887
E	Financial borrowings	Serial: VI, No:11, Art..35	811,463	926,199
F	Other financial liabilities	Serial: VI, No:11, Art..35	-	-
G	Financial lease liabilities	Serial: VI, No:11, Art.35	-	-
	Due to related parties (Other Payables)	Serial: VI, No:11, Art.24/ (g)	-	-
I	Shareholders' equity	Serial: VI, No:11, Art..35	5,078,193	4,392,325
	Other Liabilities		4,683,950	3,260,363
D	Total liabilities and equity	Serial: VI, No:11, Art..4/ (i)	10,573,606	8,578,887

	Other unconsolidated (separate) financial information	Related Regulation	Current Period (TL)	Prior Period (TL) (*)
A1	Capital and money market instruments held for 3-year real estate payments	Serial: VI, No:11, Art..27/ (b)	741,240	57,681
A2	Time/ demand deposits/ foreign currency	Serial: VI, No:11, Art..27/ (b)	1,171,136	664,642
A3	Foreign capital market instruments	Serial: VI, No:11, Art.27/ (c)	-	-
B1	Foreign real estates, rights supported by real estates and real estate projects	Serial: VI, No:11, Art.27/ (c)	-	-
B2	Inactive land	Serial: VI, No:11, Art.27/ (d)	636,418	673,273
C1	Foreign affiliates	Serial: VI, No:11, Art..27/ (c)	-	-
C2	Participation to operating company	Serial: VI, No:11, Art.32 / A	-	-
J	Non-cash loans	Serial: VI, No:11, Art.35	11,355	7,774
K	Mortgage amounts of the mortgaged lands on which the project will be developed without ownership	Serial: VI, No:11, Art.25/ (n)	-	-

(*) The prior period amounts have been prepared by taking into consideration the effects of restatements detailed in Note 3.1.

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2013

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

ADDITIONAL NOTE- COMPLIANCE CONTROL OF THE PORTFOLIO RESTRICTIONS (Continued)

	Portfolio Restrictions	Related Regulation	Current Period (%)	Prior Period (%)	Max / Min Ratio
1	Mortgage amounts of the mortgaged lands on which the project will be developed without ownership	Serial: VI, No:11, Art.25/ (n)	0%	0%	<10%
2	Real estates, rights supported by real estates and real estate projects	Serial: VI, No:11, Art.27/ (a), (b)	60%	62%	>50%
3	Capital and money market instruments and affiliates	Serial: VI, No:11, Art.27/ (b)	11%	9%	<50%
4	Foreign real estates, rights supported by real estates and real estate projects, affiliates and capital market instruments	Serial: VI, No:11, Art..27/ (c)	0%	0%	<49%
5	Inactive land	Serial: VI, No:11, Art.27/ (d)	6%	8%	<20%
6	Participation to operating company	Serial: VI, No:11, Art.32 / A	0%	0%	<10%
7	Borrowing limits	Serial: VI, No:11, Art.35	16%	21%	<500%
8	Time/ demand deposits TL/ foreign currency	Serial: VI, No:11, Art.27/ (b)	4%	7%	<10%

After the communiqué Serial VI, No:29 has been effective at 28 July 2011, which has amended communiqué Serial VI, No:11 “Principles Regarding Real Estate Investment Trusts”, beginning from 30 September 2011 financial statements, the preparation of portfolio tables is abolished and with the resolution of Capital Market Board Function No 34/972 dated 14 October 2011 all the information is disclosed as Additional Note, “Compliance Control of the Portfolio Restrictions”.

The information given in Additional Note, “Compliance Control of the Portfolio Restrictions” is prepared in accordance with the control of the portfolio restrictions clause of Communiqué Serial VI, No:11 “Communiqué on Principles Regarding Real Estate Investment Companies”.

.....

ANNEX 2/A
SURVEY REPORTS OF THE PROJECTS SUBJECT TO APPRAISEMENT BETWEEN 01.07 - 30.09.2013

1 SUMMARY OF REAL ESTATE APPRAISEMENT REPORT	
NAME OF THE WORK SUBJECT TO APPRAISEMENT	CONSTRUCTION OF İSTANBUL KAYABAŞI EMLAK KONUTLARI 1ST STAGE 3RD SECTION RESIDENCE, SCHOOL AND INTER BLOCK INFRASTRUCTURE AND LANDSCAPE WORKS
THE INSTITUTION REQUESTING FOR APPRAISEMENT	EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.
THE INSTITUTION PREPARING THE REPORT	REEL GAYRİMENKUL DEĞERLEME A.Ş.
REPORT DATE	13.08.2013
SUMMARY INFORMATION ON THE REAL ESTATES SUBJECT TO APPRAISEMENT	
TITLE DEED INFORMATION	İSTANBUL PROVINCE, BAŞAKŞEHİR DISTRICT, KAYABAŞI QUARTER, BLOCK: 525, PARCEL: 1, AREA: 33.755,50m ² , ATTRIBUTE: LAND, OWNER: EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ
CURRENT USE	THERE IS NO BUILDING ON THE PARCEL
ZONING STATUS	BLOCK 525 PARCEL 1 E=2,00 HMAX=FREE T1 (COMMERCIAL AND RESIDENTIAL AREA) BEARS HOUSING CONDITIONS.
ESTIMATED VALUES IN THE APPRAISEMENT REPORT (VAT EXCLUDED)	
LAND VALUE OF THE PROJECT	40.170.000,00 TL
CURRENT STATE VALUE OF THE PROJECT	41.170.000,00 TL
PRESENT VALUE OF THE COMPLETED PROJECT	129.002.582,81 TL
TOTAL OF CURRENT TURN KEY VALUES OF 504 DETACHED UNITS IN CASE OF COMPLETION	105.758.722,59 TL

2 SUMMARY OF REAL ESTATE APPRAISEMENT REPORT	
NAME OF THE WORK SUBJECT TO APPRAISEMENT	CONSTRUCTION OF İSTANBUL KAYABAŞI EMLAK KONUTLARI 1ST STAGE 1ST SECTION RESIDENCE AND INTER BLOCK INFRASTRUCTURE AND LANDSCAPING WORKS, GENERAL INFRASTRUCTURE, PUBLIC ROADS WORKS
THE INSTITUTION REQUESTING FOR APPRAISEMENT	EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.
THE INSTITUTION PREPARING THE REPORT	REEL GAYRİMENKUL DEĞERLEME A.Ş.
REPORT DATE	13.08.2013
SUMMARY INFORMATION ON THE REAL ESTATES SUBJECT TO APPRAISEMENT	
TITLE DEED INFORMATION	İSTANBUL PROVINCE, BAŞAKŞEHİR DISTRICT, KAYABAŞI QUARTER, BLOCK: 525, PARCEL: 2, AREA: 81.536,59 m ² , ATTRIBUTE: LAND, OWNER: EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ
CURRENT USE	THERE IS NO BUILDING ON THE PARCEL
ZONING STATUS	BLOCK 525 PARCEL 2 E=1.70 HMAX=FREE RESIDENTIAL AREA BEARS HOUSING CONDITIONS.
ESTIMATED VALUES IN THE APPRAISEMENT REPORT (VAT EXCLUDED)	
LAND VALUE OF THE PROJECT	73.383.000,00 TL
CURRENT STATE VALUE OF THE PROJECT	75.383.000,00 TL
PRESENT VALUE OF THE COMPLETED PROJECT	261.234.515,66 TL
TOTAL OF CURRENT TURN KEY VALUES OF 1084 DETACHED UNITS IN CASE OF COMPLETION	220.874.580,47 TL

3 SUMMARY OF REAL ESTATE APPRAISEMENT REPORT	
NAME OF THE WORK SUBJECT TO APPRAISEMENT	CONSTRUCTION OF İSTANBUL KAYABAŞI EMLAK KONUTLARI 1ST STAGE 4TH SECTION RESIDENCE AND INTER BLOCK INFRASTRUCTURE AND LANDSCAPING WORKS
THE INSTITUTION REQUESTING FOR APPRAISEMENT	EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.
THE INSTITUTION PREPARING THE REPORT	REEL GAYRİMENKUL DEĞERLEME A.Ş.
REPORT DATE	13.08.2013
SUMMARY INFORMATION ON THE REAL ESTATES SUBJECT TO APPRAISEMENT	
TITLE DEED INFORMATION	İSTANBUL PROVINCE, BAŞAKŞEHİR DISTRICT, KAYABAŞI QUARTER, BLOCK: 526, PARCEL: 2, AREA: 36.824,32 m ² , ATTRIBUTE: LAND, OWNER: EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ
CURRENT USE	THERE IS NO BUILDING ON THE PARCEL
ZONING STATUS	BLOCK 526 PARCEL 2 E=2,00 HMAX=FREE T1 (COMMERCIAL AND RESIDENTIAL AREA) BEARS HOUSING CONDITIONS.
ESTIMATED VALUES IN THE APPRAISEMENT REPORT (VAT EXCLUDED)	
LAND VALUE OF THE PROJECT	45.963.000,00 TL
CURRENT STATE VALUE OF THE PROJECT	46.963.000,00 TL
PRESENT VALUE OF THE COMPLETED PROJECT	154.824.438,97 TL
TOTAL OF CURRENT TURN KEY VALUES OF 586 DETACHED UNITS IN CASE OF COMPLETION	120.722.893,24 TL

4 SUMMARY OF REAL ESTATE APPRAISEMENT REPORT	
NAME OF THE WORK SUBJECT TO APPRAISEMENT	CONSTRUCTION OF İSTANBUL KAYABAŞI EMLAK KONUTLARI 1ST STAGE 2ND SECTION RESIDENCE AND INTER BLOCK INFRASTRUCTURE AND LANDSCAPING WORKS, GENERAL INFRASTRUCTURE, PUBLIC ROADS WORKS
THE INSTITUTION REQUESTING FOR APPRAISEMENT	EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.
THE INSTITUTION PREPARING THE REPORT	REEL GAYRİMENKUL DEĞERLEME A.Ş.
REPORT DATE	13.08.2013
SUMMARY INFORMATION ON THE REAL ESTATES SUBJECT TO APPRAISEMENT	
TITLE DEED INFORMATION	İSTANBUL PROVINCE, BAŞAKŞEHİR DISTRICT, KAYABAŞI QUARTER, BLOCK: 526, PARCEL: 3, AREA: 31.724,08 m ² , ATTRIBUTE: LAND, OWNER: EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ
CURRENT USE	THERE IS NO BUILDING ON THE PARCEL
ZONING STATUS	BLOCK 526 PARCEL 3 E=1.70 HMAX=FREE RESIDENTIAL AREA BEARS HOUSING CONDITIONS.
ESTIMATED VALUES IN THE APPRAISEMENT REPORT (VAT EXCLUDED)	
LAND VALUE OF THE PROJECT	28.552.000,00 TL
CURRENT STATE VALUE OF THE PROJECT	29.552.000,00 TL
PRESENT VALUE OF THE COMPLETED PROJECT	112.641.976,30 TL
TOTAL OF CURRENT TURN KEY VALUES OF 425 DETACHED UNITS IN CASE OF COMPLETION	82.830.252,58 TL

ANNEX 2/A
SURVEY REPORTS OF THE PROJECTS SUBJECT TO APPRAISEMENT BETWEEN 01.07 - 30.09.2013

5		SUMMARY OF REAL ESTATE APPRAISEMENT REPORT
NAME OF THE WORK SUBJECT TO APPRAISEMENT	REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL ŞİŞLİ AYAZAGA 1ST STAGE	
THE INSTITUTION REQUESTING FOR APPRAISEMENT	EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.	
THE INSTITUTION PREPARING THE REPORT	REEL GAYRİMENKUL DEĞERLEME A.Ş.	
REPORT DATE	26.08.2013	
SUMMARY INFORMATION ON THE REAL ESTATES SUBJECT TO APPRAISEMENT		
TITLE DEED INFORMATION	SEE 2.1(Deed records) and ANNEX-4	
CURRENT USE	THERE IS NO BUILDING ON THE PARCEL, CONSTRUCTION OF THE PROJECT IS CONTINUING	
ZONING STATUS	BLOCK 10622 PARCEL 1 E: 2,20 H:FREE " RESIDENTIAL AREA", SUBJECT TO HOUSING CONDITIONS. BLOCK 10623 PARCEL 1 E=3 AND H=FREE WITHIN PRIMARY SCHOOLING ZONE. BLOCK 10623 PARCEL 2 E=3 AND H=FREE WITHIN PRIVATE HEALTHCARE ZONE. BLOCK 1 PARCEL 155 PARCEL E=3 AND H=FREE WITHIN PRIVATE DAYCARE ZONE. BLOCK 1 PARCEL 156 E=3 AND H=FREE WITHIN RELIGIOUS FACILITY ZONE. BLOCK 1 PARCEL 158 AND 161 WITHIN PARK ZONE.	
ESTIMATED VALUES IN THE APPRAISEMENT REPORT (VAT EXCLUDED)		
LAND VALUE OF THE PROJECT		952.822.462,00 TL
CURRENT STATE VALUE OF THE PROJECT		1.352.478.424,16 TL
PROJENİN EMLAK KONUT GYO A.Ş. PAYINA DÜŞEN MİKTARINA GÖRE MEVCUT DURUM DEĞERİ		952.822.462,00 TL
PRESENT VALUE OF THE COMPLETED PROJECT		4.027.099.094,03 TL
PROJENİN TAMAMLANMASI DURUMUNDA EMLAK KONUT GYO A.Ş HİSSESİNE DÜŞEN DEĞER		1.429.620.178,38 TL
TOTAL OF CURRENT TURN KEY VALUES OF 5322 DETACHED UNITS IN CASE OF COMPLETION		3.826.539.680,33 TL

6		SUMMARY OF REAL ESTATE APPRAISEMENT REPORT
NAME OF THE WORK SUBJECT TO APPRAISEMENT	REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL SULTANGAZI HABİPLE	
THE INSTITUTION REQUESTING FOR APPRAISEMENT	EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.	
THE INSTITUTION PREPARING THE REPORT	REEL GAYRİMENKUL DEĞERLEME A.Ş.	
REPORT DATE	27.09.2013	
SUMMARY INFORMATION ON THE REAL ESTATES SUBJECT TO APPRAISEMENT		
TITLE DEED INFORMATION	İSTANBUL PROVINCE, BAĞCILAR DISTRICT, ESKİ HABİPLER QUARTER, BLOCK: 1562, PARCEL: 11, AREA:165.326,57 m², ATTRIBUTE: LAND OWNER: EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ	
CURRENT USE	CONSTRUCTION ON THE PARCEL IS CONTINUING	
ZONING STATUS	IN THE 1/1000 SCALED PLAN OF THE MASS HOUSING AREA AND BLOCK 1562 PARCEL 11 APPROVED ON 16.05.2010, MASS BLOCK 1562 PARCELS 2-3-9 AND SURROUNDING AREA, E: 2,20, MAX. H: 180 M. DETACHED UNIT REMAINS PARTIALLY IN "SPECIAL CONDITIONAL COMMERCIAL AREA", PARTIALLY IN GREEN AREA AND PARTIALLY IN THE ROAD AREA.	
ESTIMATED VALUES IN THE APPRAISEMENT REPORT (VAT EXCLUDED)		
LAND VALUE OF THE PROJECT		454.648.067,50 TL
CURRENT STATE VALUE OF THE PROJECT		785.605.929,86 TL
PROJENİN TAMAMLANMASI DURUMUNDAKİ BÜGÜNKÜ DEĞERİ		1.441.109.654,28 TL
PROJENİN TAMAMLANMASI DURUMUNDA EMLAK KONUT GYO A.Ş HİSSESİNE DÜŞEN DEĞER		461.166.700,34 TL
TOTAL OF CURRENT TURN KEY VALUES OF 7 DETACHED UNITS IN CASE OF COMPLETION		5.574.907,15 TL

7		SUMMARY OF REAL ESTATE APPRAISEMENT REPORT
NAME OF THE WORK SUBJECT TO APPRAISEMENT	Avrupa Konutları Tem - 2 Project	
THE INSTITUTION REQUESTING FOR APPRAISEMENT	Emlak Konut GYO A.Ş.	
THE INSTITUTION PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.	
REPORT DATE	24.10.2013	
SUMMARY INFORMATION ON THE REAL ESTATES SUBJECT TO APPRAISEMENT		
TITLE DEED INFORMATION	İstanbul Province, Gaziosmanpaşa District, Küçükköy Quarter, Block 3525 Parcel No 5 with 17.162,56 m2 area	
CURRENT USE	At excavation stage	
ZONING STATUS	Commercial+ Service zone E: 2,50 and Hmax: FREE	
ESTIMATED VALUES IN THE APPRAISEMENT REPORT (VAT EXCLUDED)		
BAĞIMSIZ BÖLÜMLERİN TOPLAM PAZAR DEĞERİ		184.933.900,-TL
CURRENT STATE VALUE OF THE PROJECT		45.980.000,-TL
PROJENİN TAMAMLANMASI DURUMUNDAKİ DEĞERİ		246.845.000,-TL
THE VALUE ACCRUING TO THE SHARE OF EMLAK KONUT GYO A.Ş. IN CASE OF COMPLETION OF THE PROJECT		74.055.000,-TL

ANNEX 2/B
SURVEY REPORTS OF THE LANDS SUBJECT TO APPRAISEMENT BETWEEN 01.07 - 30.09.2013

1		SUMMARY OF REAL ESTATE APPRAISEMENT REPORT	
NAME OF THE WORK SUBJECT TO APPRAISEMENT	Ümraniye 1 Parcel		
THE INSTITUTION REQUESTING FOR APPRAISEMENT	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.		
THE INSTITUTION PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.		
REPORT DATE			15.07.2013
SUMMARY INFORMATION ON THE REAL ESTATES SUBJECT TO APPRAISEMENT			
TITLE DEED INFORMATION	Parcel No 2 on the Land in İstanbul Province, Ümraniye District, Küçükbakkalköy Quarter, Block 3327 with (Municipal Serving Zone) attribute 54.872,67 m2 area		
ZONING STATUS	Partially auto station zone, partially park zone, and partially stream shelter belt		
CURRENT USE	Generally empty with some buildings pertaining to an unlicensed animal shelter.		
ESTIMATED VALUES IN THE APPRAISEMENT REPORT (VAT EXCLUDED)			
TOTAL VALUE			54.875.000 TL
2		SUMMARY OF REAL ESTATE APPRAISEMENT REPORT	
NAME OF THE WORK SUBJECT TO APPRAISEMENT	Başakşehir Kayabaşı 5 Parcels		
THE INSTITUTION REQUESTING FOR APPRAISEMENT	Emlak Konut GYO A.Ş.		
THE INSTITUTION PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.		
REPORT DATE			12.08.2013
SUMMARY INFORMATION ON THE REAL ESTATES SUBJECT TO APPRAISEMENT			
TITLE DEED INFORMATION	5 Parcels located in İstanbul Province, Başakşehir District, Kayabaşı Quarter with a total of 173.674,65 m2 area		
ZONING STATUS	T1 Zone, E: 2		
CURRENT USE	Parcels are empty		
ESTIMATED VALUES IN THE APPRAISEMENT REPORT (VAT EXCLUDED)			
TOTAL VALUE OF LANDS			206.680.000 TL
3		SUMMARY OF REAL ESTATE APPRAISEMENT REPORT	
NAME OF THE WORK SUBJECT TO APPRAISEMENT	Market valuation of 1 Parcel in Urla		
THE INSTITUTION REQUESTING FOR APPRAISEMENT	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.		
THE INSTITUTION PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.		
REPORT DATE			23.07.2013
SUMMARY INFORMATION ON THE REAL ESTATES SUBJECT TO APPRAISEMENT			
TITLE DEED INFORMATION	Parcel no 1282 in İzmir Province, Urla District, Plot L17B23A with 368.342,54 m2 area		
ZONING STATUS	According to 1/25000 scale Environmental plan, it lays partially on Preferred Communal Zone, Partially on Urban Infrastructure Zone and Partially on Maquis-Scrub Zone.		
CURRENT USE	Empty		
ESTIMATED VALUES IN THE APPRAISEMENT REPORT (VAT EXCLUDED)			
TOTAL VALUE			20.260.000 TL

ANNEX-3
CONSTRUCTION PROGRESS LEVELS

No	Project Description	Province	District	Level of Progress as of September 30th, 2013
1	YILDIZKENT 1	TEKİRDAĞ	KAPAKLI	Final Acceptance is approved.
2	YILDIZKENT 2	TEKİRDAĞ	KAPAKLI	Final Acceptance is approved.
3	SOYAK MAVİŞEHİR	İZMİR	KARŞIYAKA	Final Acceptance is approved.
4	YILDIZKENT 3	TEKİRDAĞ	KAPAKLI	Final Acceptance is approved.
5	NOVUS RESIDENCE	İSTANBUL	BAKIRKÖY	Final Acceptance is approved.
6	MİSSTANBUL	İSTANBUL	BAŞAKŞEHİR	Final Acceptance is approved.
7	KENTPLUS MİMARŞİNAN	İSTANBUL	B.ÇEKMECE	Final Acceptance is approved.
8	EMLAK KONUT PELİKAN SİTESİ	İZMİR	KARŞIYAKA	Final Acceptance is approved.
9	EMLAK KONUT MAVİŞEHİR EVLERİ	İZMİR	KARŞIYAKA	Final Acceptance is approved.
10	DREAMCITY ÇERKEZKÖY	TEKİRDAĞ	KAPAKLI	Final Acceptance is approved.
11	SPRADON QUARTZ	İSTANBUL	BAŞAKŞEHİR	Final Acceptance is approved.
12	İSPARTAKULE EVLERİ	İSTANBUL	AVCILAR	Partial Final Acceptance is approved.
13	AVRUPA KONUTLARI İSPARTAKULE 1	İSTANBUL	AVCILAR	Final Acceptance is approved.
14	BİZİMEVLER 4	İSTANBUL	AVCILAR	Provisional acceptance is approved
15	MY TOWN İSPARTAKULE	İSTANBUL	AVCILAR	Final Acceptance is approved.
16	BURGAZKENT	KIRKLARELİ	LÜLEBURGAZ	Final Acceptance is approved.
17	İSTANBUL	İSTANBUL	AVCILAR	% 63,77
18	AVRUPA KONUTLARI TEM	İSTANBUL	G.OSMANPAŞA	Final Acceptance is approved.
19	SELİMPAŞA EMLAK KONUTLARI	İSTANBUL	SİLİVRİ	Final Acceptance is approved.
20	ERGENE VADİSİ	TEKİRDAĞ	ÇORLU	Final Acceptance is approved.
21	KUASAR İSTANBUL	İSTANBUL	ŞİŞLİ	% 20,78
22	PARKYAŞAM MAVİŞEHİR	İZMİR	KARŞIYAKA	Provisional acceptance is approved
23	BİZİMEVLER 2	İSTANBUL	AVCILAR	Final Acceptance is approved.
24	UNİKONUT	İSTANBUL	AVCILAR	% 48,24
25	BİZİMEVLER 3	İSTANBUL	AVCILAR	Final Acceptance is approved.
26	MAVİŞEHİR MODERN	İZMİR	ÇİĞLİ	Final Acceptance is approved.
27	MY WORLD EUROPE	İSTANBUL	BAŞAKŞEHİR	Provisional acceptance is approved
28	AVRUPA KONUTLARI İSPARTAKULE 2	İSTANBUL	AVCILAR	Final Acceptance is approved.
29	ELITE CITY	İSTANBUL	K.ÇEKMECE	Provisional acceptance is approved
30	SOYAK PARK APARTS/ SOYAK EVOSTAR	İSTANBUL	K.ÇEKMECE	% 77,18
31	STUDYO 24	İSTANBUL	AVCILAR	% 51,05
32	AVRUPA KONUTLARI İSPARTAKULE 3	İSTANBUL	AVCILAR	Provisional acceptance is approved
33	AVRUPA KONUTLARI ATAKENT 3	İSTANBUL	K.ÇEKMECE	Provisional acceptance is approved
34	MERKEZ KAYAŞEHİR	İSTANBUL	BAŞAKŞEHİR	Final Acceptance is approved.
35	BATIŞEHİR	İSTANBUL	SULTANGAZİ	% 36,47
36	AĞAOĞLU MASLAK 1453 İSTANBUL	İSTANBUL	ŞİŞLİ	% 12,85
37	LÜLEBURGAZ ÇARŞI	KIRKLARELİ	LÜLEBURGAZ	Final Acceptance is approved.
38	SPRADON VADI	İSTANBUL	BAŞAKŞEHİR	Provisional acceptance is approved
39	DUMANKAYA MİKS	İSTANBUL	K.ÇEKMECE	% 10,71
40	BAHÇETEPE İSTANBUL	İSTANBUL	BAŞAKŞEHİR	% 28,00
41	SARIYER/ ZEKERİYAKÖY	İSTANBUL	ZEKERİYAKÖY	% 0,00
42	AYAZMA 3.ETAP	İSTANBUL	İKİTELLİ	% 0,00
43	AVRUPA KONUTLARI TEM 2	İSTANBUL	G.OSMANPAŞA	% 0,00
44	AVCILAR KAPADIK	İSTANBUL	AVCILAR	% 0,00
45	FATİH YEDİKULE	İSTANBUL	FATİH	% 0,00
46	KAYABAŞI 2. ETAP	İSTANBUL	BAŞAKŞEHİR	% 0,00
47	BAHÇEKENT EMLAK KONUTLARI 1 ETAP 1 KISIM	İSTANBUL	BAŞAKŞEHİR	% 3,13
48	BAHÇEKENT EMLAK KONUTLARI 1 ETAP 2 KISIM	İSTANBUL	BAŞAKŞEHİR	% 3,04
49	BAHÇEKENT EMLAK KONUTLARI 1 ETAP 3 KISIM	İSTANBUL	BAŞAKŞEHİR	% 1,17
50	KAYABAŞI EMLAK KONUTLARI 1. ETAP 1. KISIM	İSTANBUL	BAŞAKŞEHİR	% 0,00
51	KAYABAŞI EMLAK KONUTLARI 1. ETAP 2. KISIM	İSTANBUL	BAŞAKŞEHİR	% 2,19
52	KAYABAŞI EMLAK KONUTLARI 1. ETAP 3. KISIM	İSTANBUL	BAŞAKŞEHİR	% 0,00
53	KAYABAŞI EMLAK KONUTLARI 1. ETAP 4. KISIM	İSTANBUL	BAŞAKŞEHİR	% 0,00
54	ATAŞEHİR RESİDENCE	İSTANBUL	ATAŞEHİR	Final Acceptance is approved.
55	İDEALİSTKENT	İSTANBUL	ÜMRANIYE	Final Acceptance is approved.
56	UPHILL COURT	İSTANBUL	ATAŞEHİR	Final Acceptance is approved.
57	MY WORLD	İSTANBUL	ATAŞEHİR	Final Acceptance is approved.
58	KENTPLUS ATAŞEHİR	İSTANBUL	ATAŞEHİR	Final Acceptance is approved.
59	KÖRFEZKENT 1	KOCAELİ	KÖRFEZ	Final Acceptance is approved.
60	ŞEHRİZAR KONAKLARI	İSTANBUL	ÜSKÜDAR	Provisional Acceptance Proceedings are ongoing
61	VARYAP MERIDIAN	İSTANBUL	ATAŞEHİR	% 90,92
62	MY TOWERLAND	İSTANBUL	ATAŞEHİR	% 91,65
63	METROPOL İSTANBUL	İSTANBUL	ATAŞEHİR	% 14,93
64	ALEMDAĞ EMLAK KONUTLARI	İSTANBUL	ÇEKMEKÖY	Partial Provisional acceptance is approved
65	KÖRFEZKENT 2	KOCAELİ	KÖRFEZ	Final Acceptance Proceedings are ongoing.
66	GEBZE EMLAK KONUTLARI 1	KOCAELİ	GEBZE	Final Acceptance Proceedings are ongoing.
67	SARPHAN FİNANS PARK	İSTANBUL	ÜMRANIYE	% 54,71
68	GEBZE EMLAK KONUTLARI 2	KOCAELİ	GEBZE	Provisional acceptance is approved
69	TUZLA EMLAK KONUTLARI 2	İSTANBUL	TUZLA	Provisional acceptance is approved
70	EVORA İSTANBUL MARMARA/ EVORA İSTANBUL DENİZ/ EVORA İSTANBUL PLATINUM	İSTANBUL	TUZLA	% 35,79
71	EVORA İSTANBUL/ EVORA İSTANBUL ADALAR/ EVORA İSTANBUL REZİDANS	İSTANBUL	TUZLA	% 42,62
72	TUZLA EMLAK KONUTLARI 1	İSTANBUL	TUZLA	% 91,58
73	BULVAR 216	İSTANBUL	ATAŞEHİR	-
74	KARTAL	İSTANBUL	KARTAL	% 0,00
75	SULTANBEYLİ	İSTANBUL	SULTANBEYLİ	% 24,97
76	KÖRKEZKENT 3	İZMİR	KÖRFEZ	% 13,13
77	İSTANBUL FİNANS MERKEZİ	İSTANBUL	ATAŞEHİR	% 0,00
78	ATAŞEHİR GENEL MÜDÜRLÜK BİNASI	İSTANBUL	ATAŞEHİR	% 5,33
79	ATAŞEHİR BATI BÖLGESİ 1.KISIM 6.BÖLGE	İSTANBUL	ATAŞEHİR	% 0,00

EK-4
EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.
İHALE EDİLMİŞ ARSALAR ÖZET TABLOSU (30.09.2013)

Revenue Sharing Projects for Sale of Land	M ²	Purchase Date	Registered Cost	Total Revenue of Current Company Share	Explanation
ŞEHİRİZAR KONAKLARI PROJESİ - İSTANBUL ÜSKÜDAR BURHANİYE (GAP İNŞAAT)	52.619,61	04.05.2006	80.533.997,78	217.814.500,00	Construction permit obtained.
TOWERLAND A BLOCK + COMMERCIAL BLOCK PROJECT İSTANBUL ATAŞEHİR EAST 1ST STAGE (AKDENİZ İNŞAAT)	1.750,48	31.05.2000	1.824.979,02	14.494.095,00	Partial provisional acceptance is approved. Land invoice of 12 Commercial Units have not been made out. Appraisal value is a total of 30.838.500,00 TL, Company share (%47) has been registered.
MERIDIAN PROJECT - İSTANBUL ATAŞEHİR WESTERN REGION 1ST SECTION 4TH REGION (VARYAP VARLIBAŞLAR)	44.185,40	31.05.2000	16.387.893,65	107.834.704,51	Construction permit obtained.
SOYAK PARK APARTS PROJECT - İSTANBUL KÜÇÜKÇEKMECE HALKALI 3RD STAGE (SOYAK YAPI İNŞAAT)	39.530,97	02.12.2009	34.793.263,36	53.639.737,78	Construction permit obtained.
BİRİSTANBUL PROJESİ - İSTANBUL BAĞÇEŞEHİR İSPARTAKULE 3. BÖLGE (DOĞU-PREKAST-ÜSTÜNLER ORTAK GİRİŞİMİ)	83.491,16	09.06.2006	50.608.111,01	100.637.238,07	Construction permit obtained.
SARPHAN FİNANSPARK PROJECT - İSTANBUL ÜMRANİYE 1ST STAGE (YENİ SARP - EPP JOINT VENTURE)	20.714,48	31.05.2000	14.029.881,40	163.677.240,00	Construction permit obtained.
DUMANKAYA MİSK PROJECT - İSTANBUL KÜÇÜKÇEKMECE HALKALI 2ND STAGE (DUMANKAYA İNŞAAT)	30.294,51	16.08.2007	27.862.311,74	82.502.500,00	Construction permit obtained.
METROPOL İSTANBUL PROJECT - İSTANBUL ATAŞEHİR EASTERN REGION 2ND STAGE (VARYAP VARLIBAŞLAR - GAP İNŞAAT JOINT VENTURE)	99.108,08	31.05.2000	246.165.569,09	500.971.500,00	Construction permit obtained.
EVORA İSTANBUL 1 PROJECT - İSTANBUL TUZLA 2ND STAGE 1ST REGION (TEKNİK YAPI)	125.318,76	04.10.2010	48.622.204,50	153.600.000,00	Construction permit obtained.
EVORA İSTANBUL 2 PROJECT - İSTANBUL TUZLA 2ND STAGE 2ND REGION (TEKNİK YAPI)	125.066,79	04.10.2010	48.403.843,02	163.903.000,00	Construction permit obtained.
KUASAR İSTANBUL PROJECT - İSTANBUL ŞİŞLİ DİKLİTAŞ (VİATRANS - MEYDANBEY JOINT VENTURE)	22.059,51	11.02.2008	230.118.122,39	419.027.073,20	Construction permit obtained.
BATIŞEHİR PROJECT - İSTANBUL SULTANGAZİ HABİBLER İSTOÇ (EGE YAPI - EPP JOINT VENTURE)	165.326,57	19.09.2008	351.679.655,04	424.199.557,23	Construction permit obtained.
AĞAOĞLU MASLAK 1453 İSTANBUL PROJECT - İSTANBUL ŞİŞLİ AYAZAĞA 1ST STAGE (AKDENİZ İNŞAAT)	222.549,42	30.09.2010	549.414.999,94	1.371.134.407,80	Construction permit obtained.
BAHÇETEPE İSTANBUL PROJECT - İSTANBUL BAŞAKŞEHİR AYAZMA 2ND STAGE (MAKRO - AK YAPI JOINT VENTURE)	209.362,14	01.12.2010 - 31.03.2011	88.025.290,63	165.100.000,00	Construction permit obtained.
ZEKERİYAKÖY PROJECT - İSTANBUL SARIYER ZEKERİYAKÖY (SİYAH KALEM MÜH.)	343.062,46	02.03.2011	224.208.733,63	475.687.500,00	Contract of the Project is concluded on 19.07.2012, Construction Permit has not been obtained.
KARTAL PROJECT - İSTANBUL KARTAL (ELTES İNŞAAT)	53.687,97	22.04.2012	186.694.277,39	534.000.000,00	Contract of the Project is concluded on 04.02.2013, Construction Permit has not been obtained.
AYAZMA 3RD STAGE PROJECT - İSTANBUL BAŞAKŞEHİR AYAZMA 3RD STAGE (ÖZÜLKE - ÖZ KAR JOINT VENTURE)	108.693,37	01.12.2010	107.553.273,25	202.440.000,00	Contract of the Project is concluded on 02.04.2013. Construction Permit date is 31.05.2013, Renovation Permit Date is 28.08.2013
GAZİOSMANPAŞA 2ND STAGE PROJECT - İSTANBUL GAZİOSMANPAŞA KÜÇÜKKÖY 2ND STAGE (ARTAŞ İNŞAAT)	24.716,89	30.07.2012	62.430.238,50	105.600.000,00	Contract of the Project is concluded on 07.07.2013. Construction Permit Date is 16.09.2013
BATI ATAŞEHİR 1ST SECTION 6TH REGION PROJECT - İSTANBUL ATAŞEHİR WESTERN REGION 1ST SECTION 6TH REGION (TAHİNÇİOĞLU - KOZKEN JOINT VENTURE)	19.554,44	31.05.2000	7.131.240,59	190.231.000,00	Contract of the Project is concluded on 07.07.2013. Construction Permit 23.08.2013
KAPADIK PROJECT - İSTANBUL AVCILAR KAPADIK (BE-MA İNŞAAT)	85.255,00	30.07.2012	79.294.350,00	148.400.000,00	Contract of the Project is concluded on 05.07.2013, Construction Permit has not been obtained.
FATİH YEDİKULE PROJECT - İSTANBUL FATİH YEDİKULE (EGE YAPI - MYMETROPOL-SENA-BUKTOR JOINT VENTURE)	41.161,52	30.07.2012	65.990.336,00	105.968.270,00	Contract of the Project is concluded on 02.08.2013, Construction Permit has not been obtained.
KAYABAŞI 2ND STAGE PROJECT - İSTANBUL BAŞAKŞEHİR KAYABAŞI 2ND STAGE (MAKRO - AK YAPI JOINT VENTURE)	23.170,60	30.07.2008	23.295.549,61	51.520.000,00	Contract of the Project is concluded on 23.09.2013, Construction Permit has not been obtained.
Auditing Projects	M²	Purchase Date	Cost of Purchase	Total Revenue of Current Company Share	Explanation
İSTANBUL INTERNATIONAL FINANCE CENTER PRIVATE RECREATIONAL AREA PROJECT (İFM - AKDENİZ İNŞAAT JOINT VENTURE)	115.497,01	31/05/200	0,03	29.200.000,00	
TOTAL OF REVENUE SHARING PROJECTS FOR LAND SALE	2.056.177,14		2.545.068.121,57	5.781.582.323,59	
Revenue Sharing Projects for Sale of Land	M²	Purchase Date	Cost of Purchase	Total Revenue of Current Company Share	Explanation
STÜDYO24 PROJECT - İSTANBUL BAĞÇEŞEHİR İSPARTAKULE 1ST REGION 5TH SECTION PROJECT (CATHAY - EPP ORDINARY PARTNERSHIP)	15.103,39	01.06.2009	9.311.564,51	18.828.245,35	Construction permit obtained.
UNIKONUT PROJECT - İSTANBUL BAĞÇEŞEHİR İSPARTAKULE 1ST REGION 4TH SECTION (YENİ DOĞUŞ İNŞAAT)	24.506,00	02.08.2007	14.188.000,00	21.843.117,75	Construction permit obtained.
TOTAL OF REVENUE SHARING PROJECTS FOR LAND	39.609,39		23.499.564,51	40.671.363,10	
TOTAL OF REVENUE SHARING PROJECTS FOR LAND SALE AND REVENUE SHARING FOR LAND			2.568.567.686,08	5.822.253.686,69	
Projects Implemented within the Framework of the Public Procurement Model	M²	Purchase Date	Cost of Land + Progress Payments	Explanation	
TUZLA REAL ESTATE HOUSES 1ST STAGE 1ST SECTION PROJECT (BALPAŞ, BALPA JOINT VENTURE)	48.764,46	30.09.2010	63.962.203,67	Construction permit obtained.	
SULTANBEYLİ REAL ESTATE HOUSES PROJECT (ILGIN İNŞAAT)	63.595,64	13.03.2007	28.172.086,42	Construction permit obtained.	
KOCAELİ KÖRFEZKENT REAL ESTATE HOUSES 3RD STAGE PROJECT (MUSTAFA EKŞİ & AYDUR İNŞAAT JOINT VENTURE)	61.613,42	25.02.2008	23.545.046,27	Construction permit obtained.	
İSTANBUL ATAŞEHİR GOVERNMENTAL AGENCY BUILDING PROJECT (TUR YAP İNŞAAT)	11.528,07	31.05.2000	3.095.736,51	Construction permit obtained.	
İSTANBUL HOŞDERE 1ST SECTION 1ST STAGE (EGEMEN İNŞAAT)	37.404,01	14.06.2011	32.076.067,72	Construction permit obtained. (18.04.2013)	
İSTANBUL HOŞDERE 1ST SECTION 2ND STAGE (ILGIN İNŞAAT)	76.702,91	14.06.2011	41.343.542,43	Construction permit obtained. (18.04.2013)	
İSTANBUL HOŞDERE 1ST SECTION 2ND STAGE (ZEK-SAN İNŞAAT)	55.986,50	14.06.2011	11.835.356,78	Construction permit obtained. (18.04.2013)	
KAYABAŞI 1ST STAGE 1ST SECTION (TÜRKERLER İNŞAAT)	81.536,59	30.07.2012	77.593.960,48	Construction permit obtained. (31.05.2013) Contract is concluded on 12.08.2013	
KAYABAŞI 1ST STAGE 2ND SECTION (ÖZ-KAR İNŞAAT)	31.724,08	03.12.2012	33.272.014,04	Construction permit obtained. (31.05.2013) Contract is concluded on 29.07.2013	
KAYABAŞI 1ST STAGE 3RD SECTION (ALTINDAG İNŞAAT)	33.755,50	30.07.2012	37.133.500,00	Construction permit obtained. (31.05.2013) Contract is concluded on 02.09.2013	
KAYABAŞI 1ST STAGE 4TH SECTION (MAKSEM YAPI - CENT YAPI IS ORTAKLIĞI)	38.624,32	03.12.2012	45.968.547,97	Construction permit obtained. (31.05.2013) Contract is concluded on 02.09.2013	
TOTAL OF PPM PROJECTS	541.235,50		397.998.062,29	0,00	
TOTAL OF PROJECTS	2.637.022,03		2.966.565.748,37	5.822.253.686,69	

EK-5
EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.
BİNA STOKLARI ÖZET TABLOSU
(30.09.2013)

ANNEX-5
EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.
SUMMARY TABLE OF BUILDING STOCKS
(30.09.2013)

BUILDINGS	Number of Remaining Detached Units	M ²	Purchase Date	Registered Cost	Expertise Date	Expertise Value	Explanation
ATAŞEHİR HEADQUARTERS BUILDING	1	2.513,28	31.05.2000	3.254.393,82	31.03.2013	13.185.000,00	
DETACHED UNITS IN BURGAKZENT PROJECT	0	0,00	18.03.2010 - 30.03.2010	0,00	31.03.2013	0,00	
DETACHED UNITS IN SİLİVRİ SELİMPAŞA EMLAK KONUTLARI (REAL ESTATE HOU	35	5.779,39	15.06.2010	4.465.150,00	31.03.2013	4.990.100,00	
DETACHED UNITS IN MAVİŞEHİR PELİKAN EVLERİ PROJECT	1	112,46	03.06.2009	253.000,00	31.03.2013	271.000,00	
DETACHED UNITS IN NOVUS RESIDENCE PROJECT	2	301,84	26.01.2010	1.657.000,00	31.03.2013	1.705.000,00	
DETACHED UNITS IN EMLAK KONUT İZMİR KARŞIYAKA MAVİŞEHİR EVLERİ PROJ	16	2.253,20	31.12.2010	1.643.096,52	31.03.2013	8.791.550,76	
DETACHED UNITS IN SPRADON QUARTZ PROJECT	45	3.626,73	22.09.2011- 17.07.2012	12.025.004,59	31.03.2013	9.666.900,00	
DETACHED UNITS IN KÖRFEZKENT KONUTLARI 1ST STAGE PROJECT	2	228,68	29.06.2012	206.212,64	31.03.2013	252.000,00	
DETACHED UNITS IN GEBZE GÜZELLER 1ST STAGE PROJECT	1	126,73	21.09.2012	152.156,69	31.03.2013	131.681,58	
DETACHED UNITS IN VARYAP MERİDİAN PROJECT	2	137,60	31.12.2012	805.413,49	31.03.2013	842.142,45	
DETACHED UNITS IN GEBZE 2 GÜZELLER PROJECT	4	508,04	29.05.2013	450.232,81	31.03.2013	527.543,32	
DETACHED UNITS IN TUZLA 2 PROJECT	9	649,86	29.05.2013	481.550,60	31.03.2013	676.765,38	
DETACHED UNITS IN LÜLEBURGAZ DOWNTOWN	1	1.188,23	07.05.2013	1.208.400,00	31.03.2013	1.144.265,49	
DETACHED UNITS IN BİRİSTANBUL PROJECT	86	7.580,93	30.09.2013	9.987.624,00	31.03.2013	13.584.765,79	
TOTAL BUILDINGS	205	25.006,97		36.589.235,16		55.768.714,77	

EK-6
EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.
ÜZERİNDE PROJE GELİŞTİRİLMEMİŞ ARSALAR ÖZET TABLOSU
(30.09.2013)
ANNEX-6
EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.
SUMMARY TABLE OF LANDS NOT HAVING ANY PROJECT ON
(30.09.2013)

LOCATION	M ²	Purchase Date	Registered Cost	Expertise Date	Expertise Value	Explanation
91 PARCELS IN ANKARA, YENİMAHALLE, BALI KUYUMCU	1.919.107,39	26.10.2006	273.036.259,40	31.03.2013	308.335.882,00	
13 PARCELS IN TEKİRDAĞ, ÇORLU	102.794,51	24.03.2006 - 30.09.2010	15.468.289,27	31.03.2013	36.113.000,00	
LAND IN İZMİR, UMURBEY QUARTER	6.810,00	31.05.2000	734.812,18	31.03.2013	8.685.000,00	
17 PARCELS IN TEKİRDAĞ, KAPAKLI, ÇERKEZKÖY	371.235,69	09.12.2005	8.247.941,97	31.03.2013	91.297.000,00	
9 PARCELS IN KOCAELİ, KÖRFEZ	112.687,34	25.02.2008	15.198.924,20	31.03.2013	33.392.889,00	
10 PARCELS IN İSTANBUL, AVCILAR	239.915,45	01.06.2007	275.911.075,55	31.03.2013	253.080.000,00	
33 PARCELS IN İSTANBUL, SULTANBEYLİ	5.850,05	13.03.2007	1.125.343,25	31.03.2013	1.218.390,00	
35 PARCELS IN KOCAELİ GEBZE GÜZELLER	183.231,23	21.03.2007	44.601.813,53	31.03.2013	53.746.028,00	
20 PARCELS IN İSTANBUL, ATAŞEHİR	21.483,58	31.05.2000 - 31.12.2012	12.554,17	09.04.2013	12.880.062,00	
16 PARCELS IN İSTANBUL, BAŞAKŞEHİR, HOŞDERE	277.090,03	06.10.2011 - 07.08.2012	60.366.144,21	31.03.2013	72.782.351,00	
2 PARCELS IN KASTAMONU CİDE	10.262,82	11.04.2011	66.866,81	31.03.2013	62.000,00	
9 PARCELS IN İSTANBUL, KARTAL	10.020,76	22.04.2012	19.965.722,61	31.03.2013	21.065.000,00	
8 PARCELS IN İSTANBUL, ESENYURT, HOŞDERE	149.532,50	14.06.2011 - 30.07.2012	119.762.612,88	31.03.2013	131.725.000,00	
47 PARCELS IN İSTANBUL, BAŞAKŞEHİR	239.267,21	01.12.2010 - 07.03.2012 - 14.09.2012 - 25.09.2012 - 01.10.2012	195.173.899,98	31.03.2013	225.703.000,00	
27 PARCELS IN İSTANBUL, BAŞAKŞEHİR, HOŞDERE LOCATION	360.089,32	14.06.2011 - 30.07.2012	197.920.823,10	31.03.2013	223.731.000,00	
7 LANDS IN İSTANBUL, ÜMRANIYE	17.067,99	01.11.2005	1.840.000,03	31.03.2013	10.545.000,00	
10 PARCELS IN İSTANBUL, BAŞAKŞEHİR	173.674,65	30.07.2008 - 30.07.2012 - 03.12.2012	204.307.347,12	31.03.2013	199.735.000,00	
4 PARCELS IN İSTANBUL TUZLA	1.287,83	31.12.2012	0,04	31.03.2013	125.775,00	
1 PARCELS IN KIRKLARELİ, LÜLEBURGAZ	3.615,00	31.12.2012	0,01	31.03.2013	89.290,00	
4 PARCELS IN İZMİR, KARŞIYAKA	2.787,00	30.12.2005	0,01	31.03.2013	835.000,00	
12 PARCELS IN İSTANBUL SARIYER ZEKERİYAKÖY	1.038,65	02.03.2011	1.849.266,37	08.04.2013	341.653,00	
1 PARCEL IN İSTANBUL BEŞİKTAŞ	1.298,32	22.12.1989	296.673,67	23.05.2013	1.200.000,00	
3 PARCEL IN İSTANBUL ATAŞEHİR	144,33	10.11.1992 - 23.12.1996	105,99	23.05.2013	217.000,00	
1 PARCEL IN İSTANBUL ŞİŞLİ	23,30	18.05.1990	50,49	02.04.2013	60.395,00	
3 PARCEL IN ANKARA ÇANKAYA	525,00	31.08.1987	0,10	02.04.2013	511.074,00	
PARCEL 4009 IN İSTANBUL, BÜYÜKÇEKMECE	78,10	28.04.2006	1,00	05.04.2013	12.000,00	
17 PARCELS IN KOCAELİ GEBZE	4.746,73	29.06.2009 - 17.02.2010	0,17	22.05.2013	479.261,00	
2 LANDS IN İSTANBUL, ZEYTİNBURNU KAZLI ÇEŞME	127.920,00	24.04.2013	635.000.000,00	16.04.2013	637.200.000,00	
14 PARCELS IN İSTANBUL, ARNAVUKKÖY DURSUNLU	3.630.821,35	05.06.2013	333.309.400,26	29.05.2013	367.235.000,00	
13 PARCELS IN İSTANBUL, KARDAL	63.249,23	24.04.2013	112.267.383,25	22.02.2013	112.410.000,00	
1 PARCEL IN İZMİR URLA BADEMLER	368.342,54	24.04.2013	19.536.888,32	22.02.2013	20.260.000,00	
TOTAL OF LAND AND PARCELS	8.405.997,90		2.536.000.199,94		2.825.073.050,00	

**ANNEX 7
COMPLETION TABLE OF CONSTRUCTIONS**

EMLAK KONUT GYO A.Ş. TABLE OF RESIDENTIAL, COMMERCIAL, SCHOOL, AS SUCH CONSTRUCTION WORKS WITH REVENUE SHARING METHOD FOR LAND SALE			
NO	NAME OF THE WORK	PROJECT NAME	COMPLETION DATE OF CONSTRUCTION (ACCORDING TO TIME TABLE)
1	REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL ATAŞEHİR EAASTERN REGION 1ST STAGE	MY TOWERLAND	15.09.2013
2	REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL ÜSKÜDAR BURHANIYE	ŞEHRİZAR KONAKLARI	25.08.2013
3	REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL ATAŞEHİR WESTERN REGION 1ST SECTION 4TH ZONE	VARYAP MERİDİAN	15.12.2012
4	REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL ŞİŞLİ DİKİLİTAŞ	KUASAR İSTANBUL	02.10.2014
5	REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL ATAŞEHİR EASTERN REGION 2ND STAGE	METROPOL İSTANBUL	19.01.2015
6	REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL KÜÇÜKÇEKMECE HALKALI 3RD STAGE	SOYAK PARK APARTS / SOYAK EVOSTAR	17.05.2013
7	REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL ÜMRANIYE 1ST STAGE	SARPHAN FINANS PARK	22.06.2014
8	REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL AVCILAR İSPARTAKULE 3RD REGION	1İSTANBUL	12.10.2013
9	REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL SULTANGAZİ HABİPLER	BATIŞEHİR	07.10.2014
10	REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL ŞİŞLİ AYAZAĞA 1ST STAGE	MASLAK 1453	21.12.2014
11	REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL TUZLA 2ND STAGE 1ST REGION	EVORA İSTANBUL DENİZ	04.08.2014
12	REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL TUZLA 2ND STAGE 2ND REGION	EVORA İSTANBUL ADALAR MARMARA	04.08.2014
13	REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL KÜÇÜKÇEKMECE HALKALI 2ND STAGE	DUMANKAYA MİKS	13.11.2014
14	REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL BAŞAKŞEHİR AYAZMA 2ND STAGE	BAHÇETEPE İSTANBUL	15.05.2015
15	REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL ATAŞEHİR WESTERN REGION 1ST SECTION 5TH REGION	BULVAR 216	12.07.2014
16	REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL SARIYER ZEKERİYAKÖY	KÖY	04.08.2016
17	REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL INTERNATIONAL FINANCE CENTER PRIVATE PROJECT AND RECREATION AREA	İSTANBUL FINANS MERKEZİ	20.07.2014
18	REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL KARTAL	KARTAL	15.08.2016
19	REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL BAŞAKŞEHİR AYAZMA 3RD STAGE	AYAZMA 3.ETAP	08.10.2016
20	REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL ATAŞEHİR WESTERN REGION 1ST SECTION 6TH REGION	ATAŞEHİR BATI BÖLGESİ 1. KISIM 6. BÖLGE	02.03.2016
21	REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL GAZİOSMANPAŞA KÜÇÜKKÖY 2ND STAGE	GAZİOSMANPAŞA 2. ETAP	02.03.2016
22	REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL AVCILAR KAPADIK	AVCILAR KAPADIK	11.07.2016
23	REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL FATİH YEDİKULE	FATİH YEDİKULE	08.05.2016
24	REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL BAŞAKŞEHİR KAYABAŞI 2ND STAGE	KAYABAŞI 2.ETAP	14.03.2016

EMLAK KONUT GYO A.Ş. TABLE OF RESIDENTIAL, COMMERCIAL, SCHOOL, AS SUCH CONSTRUCTION WORKS WITH REVENUE SHARING METHOD FOR LAND		
NO	PROJECT NAME	COMPLETION DATE OF CONSTRUCTION (ACCORDING TO TIME TABLE)
1	UNİKONUT	29.04.2015
2	STUDIO 24	20.12.2013

EMLAK KONUT GYO A.Ş. TABLE OF RESIDENTIAL, COMMERCIAL, SCHOOL, AS SUCH CONSTRUCTION WORKS WITH PPM		
NO	PROJECT NAME	COMPLETION DATE OF CONSTRUCTION (ACCORDING TO TIME TABLE)
1	TUZLA EMLAK KONUTLARI (REAL ESTATE HOUSES) 1	27.12.2013
2	SULTANBEYLİ EMLAK KONUTLARI (REAL ESTATE HOUSES)	20.07.2014
3	KÖRFEZKENT 3	19.12.2015
4	ATAŞEHİR GOVERNMENTAL AGENCY BUILDING	09.05.2014
5	BAHÇEKENT EMLAK KONUTLARI (REAL ESTATE HOUSES) 1	07.12.2015
6	BAHÇEKENT EMLAK KONUTLARI (REAL ESTATE HOUSES) 2	16.03.2016
7	BAHÇEKENT EMLAK KONUTLARI (REAL ESTATE HOUSES) 3	07.12.2015
8	EMLAK KONUT BAŞAKŞEHİR EVLERİ 2	06.10.2015
9	EMLAK KONUT BAŞAKŞEHİR EVLERİ 1	01.02.2016
10	EMLAK KONUT BAŞAKŞEHİR EVLERİ 3	20.02.2016
11	EMLAK KONUT BAŞAKŞEHİR EVLERİ 4	20.02.2016
12	ALEMDAĞ EMLAK KONUTLARI (REAL ESTATE HOUSES)	10.12.2013

ANNEX -8

List of Companies Providing Appraisal Service

SEQ.	ASSETS LIST OF EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.	THE COMPANY PROVIDING APPRAISEMENT SERVICE
1	"İSTANBUL ALEMDAĞ REAL ESTATE HOUSES CONSTRUCTION AND IN-BLOCK INFRASTRUCTURE AND LANDSCAPING WORKS' ALEMDAĞ PROJECT (DEPAR-ORNA JOINT VENTURE)	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
2	REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL ÜSKÜDAR BURHANIYE" ŞEHRİZAR KONAKLARI PROJECT(GAP İNŞAAT)	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
3	"İSTANBUL TUZLA REAL ESTATE HOUSES 1ST STAGE 2ND SECTION RES. CONST. AND IN-BLOCK INFRASTRUCTURE AND LANDSCAPING WORKS" TUZLA REAL ESTATE HOUSES 1ST STAGE 2ND SECTION PROJECT (ÖZÜLKE-MAKSEM JOINT VENTURE)	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
4	İSTANBUL TUZLA REAL ESTATE HOUSES 1ST STAGE 1ST SECTION RESIDENCE, SOCIAL FACILITY CONST. AND ATAŞEHİR DISTRICT LOCAL PARK CONSTRUCTION ANDINFRASTRUCTURE AND LANDSCAPING WORKS" TUZLA REAL ESTATE HOUSES1ST STAGE 1ST SECTION	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
5	"REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL ATAŞEHİR EASTERN REGION 1ST STAGE" SKYTOWERS TOWERLAND PROJECT+ COMMERCIAL BLOCK (AKDENİZ İNŞ.)	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
6	"REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL ATAŞEHİR WESTERN REGION 1ST SECTION 4TH REGION" VARYAP MERIDIAN PROJECT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
7	"REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL AVCILAR İSPARTAKULE 3RD REGION" RESIDENCE PROJECT LOCATED ON 3 LANDS IN İSPARTAKULE (DOĞU-PREKAST-ÜSTÜNLER) (1İSTANBUL PROJECT)	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
8	"KOCAELİ GEBZE 2ND STAGE REAL ESTATE HOUSES CONSTRUCTION AND INFRASTRUCTURE AND LANDSCAPING WORKS" GEBZE REAL ESTATE HOUSES 2ND STAGE PROJECT (YENİ SARP)	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
9	"REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL KÜÇÜKÇEKMECE HALKALI 1ST STAGE " ELITE CITY (ŞUA İNŞAAT)	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
10	"REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL KÜÇÜKÇEKMECE HALKALI 3RD STAGE" SOYAK PARK APARTS-EVOSTAR (SOYAK İNŞ.)	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
11	"REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL KÜÇÜKÇEKMECE HALKALI 4TH STAGE" (AVRUPA KONUTLARI ATAKENT-3)	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
12	"REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL BAŞAKŞEHİR İKİTELLİ AYAZMA 1ST STAGE" MY WORLD EUROPE PROJECT (AKDENİZ İNŞ.)	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
13	"REVENUE SHARING WORKS FOR THE SALE OF LAND IN İZMİR MAVİŞEHİR UPPER NORTH REGION 4TH STAGE" PARK LIFE PROJECT (TÜRKERLER-DURMAZ-İZKA)	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
14	"REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL SULTANGAZI HABİPLER (EGE YAPI-ARCTON -E.P.P) BATIŞEHİR PROJECT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
15	"REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL BAĞÇEŞEHİR İSPARTAKULE 1ST REGION 4TH SECTION"(YENİ DOĞUŞ) UNICONUT PROJECT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
16	"REVENUE SHARING WORKS FOR LAND IN İSTANBUL BAŞAKŞEHİR BAĞÇEŞEHİR 2ND REGION" (KUZU GROUP) SPRADON VALLEY	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
17	"REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL BAĞÇEŞEHİR İSPARTAKULE 1ST REGION 5TH SECTION" PARCEL 525/2 (CATHAY-E.P.P) STUDIO 24	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
18	"REVENUE SHARING WORKS FOR İSTANBUL BAĞÇEŞEHİR İSPARTAKULE 2ND REGION 4TH SECTION" PARCEL 545/2 IN İSPARTAKULE (ARTAS) (AVRUPA KONUTLARI İSPARTAKULE-3)	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
19	"REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL ÜMRANIYE 1ST STAGE" (YENİSARP-E.P.P) SARPHAN FINANSARK PROJECT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
20	"REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL, TUZLA 2ND STAGE 2ND REGION" (TEKNİK YAPI) EVORA PROJECT-2	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
21	"REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL, TUZLA 2ND STAGE 1ST REGION" (TEKNİK YAPI) EVORA PROJECT-1	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
22	"REVENUE SHARING WORKS FOR LAND IN İSTANBUL BAĞÇEŞEHİR İSPARTAKULE 2ND REGION 3RD SECTION" (BİZİMEVLER 4)	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
23	"REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL ATAŞEHİR EASTERN REGION 2ND STAGE" (VARYAP-GAP) METROPOL PROJECT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
24	"REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL ŞİŞLİ AYAZAĞA 1ST STAGE" BLOCK 10622 PARCEL 1 (AKDENİZ İNŞ.) 5322 DETACHED UNITS (MASLAK 1453)	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
25	"REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL KÜÇÜKÇEKMECE HALKALI 2ND STAGE" PARCEL 800/11 (DUMANKAYA İNŞ.) DUMANKAYA MİKS PROJECT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
26	"REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL ŞİŞLİ DİKİLİTAŞ" LAND OF PREVIOUS TEKEL LIQUOR FACTORY PARCEL 1199/230 (VIATRANS -MEYDANBEY)	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
27	"REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL BAŞAKŞEHİR AYAZMA 2ND STAGE" (MAKRO-AKYAPI) BAĞÇETEPE-İSTANBUL	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
28	"REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL ATAŞEHİR western region 1ST SECTION 5TH REGION"(ÖZAK-İTER PARTNERSHIP) PROJECT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
29	İSTANBUL PROVINCE, SULTANBEYLİ DISTRICT, BATTALGAZI QUARTER, 4 PARCELS (PROJECT)	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
30	KOCAELİ PROVINCE KÖRFEZ DISTRICT YARIMCA QUARTER, 2 PARCEL (PROJECT)	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
31	DETACHED UNITS IN KENT PLUS MİMARŞİNAN SITE	Reel Gayrimenkul Değerleme A.Ş.
32	DETACHED UNITS IN ÇERKEZKÖY DREAM CITY 4TH STAGE	Reel Gayrimenkul Değerleme A.Ş.
33	DETACHED UNITS IN KÖRFEZKENT KONUTLARI 1ST STAGE	Reel Gayrimenkul Değerleme A.Ş.
34	DETACHED UNITS IN MİSTANBUL	Reel Gayrimenkul Değerleme A.Ş.
35	1 DETACHED UNIT IN ATAŞEHİR MAIN BUILDING	Reel Gayrimenkul Değerleme A.Ş.
36	2 SOCIAL FACILITIES IN KARŞIYAKA	Reel Gayrimenkul Değerleme A.Ş.
37	DETACHED UNITS IN BURGAZKENT	Reel Gayrimenkul Değerleme A.Ş.
38	SİLİVRİ SELİMPAŞA REAL ESTATE HOUSES	Reel Gayrimenkul Değerleme A.Ş.
39	ALBAYRAK MAVİŞEHİR PELIKAN EVLERİ	Reel Gayrimenkul Değerleme A.Ş.
40	DETACHED UNIT IN SOYAK MAVİŞEHİR PROJECT	Reel Gayrimenkul Değerleme A.Ş.
41	1 DETACHED UNIT IN AYDIN-DİDİM KOCAHARIP LOCATION PARCEL 13710	Reel Gayrimenkul Değerleme A.Ş.
42	NOVUS RESIDENCE PROJECT	Reel Gayrimenkul Değerleme A.Ş.
43	TEKİRDAĞ ÇORLU ERGENE VALLEY PROJECT	Reel Gayrimenkul Değerleme A.Ş.
44	"REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL BAĞÇEŞEHİR" SPRADON QUARTZ PROJECT	Reel Gayrimenkul Değerleme A.Ş.
45	"REVENUE SHARING WORKS FOR LAND IN İSTANBUL BAĞÇEŞEHİR İSPARTAKULE 2ND REGION 2ND SECTION" AĞAOĞLU MY TOWN PROJECT	Reel Gayrimenkul Değerleme A.Ş.
46	İSTANBUL BAĞÇEŞEHİR İSPARTAKULE 2ND REGION 1ST SECTION (BİZİM EVLER 3 PROJECT)	Reel Gayrimenkul Değerleme A.Ş.
47	"KOCAELİ KÖRFEZKENT 2ND STAGE CONSTRUCTION AND INFRASTRUCTURE AND LANDSCAPING WORKS" KÖRFEZKENT REAL ESTATE HOUSES 2ND STAGE PROJECT (KOÇOĞLU CONST.-KUR CONST. JOINT VENTURE)	Reel Gayrimenkul Değerleme A.Ş.
48	KIRKLARELİ LÜLEBURGAZ DOWNTOWN COMMERCIAL CENTER PROJECT (MEHMET ÇİHANGİR YÜCE)	Reel Gayrimenkul Değerleme A.Ş.
49	"İZMİR MAVİŞEHİR UPPER NORTHERN REGION 2ND STAGE CONSTRUCTION AND IN-BLOCK INFRASTRUCTURE AND LANDSCAPING SUPPLY WORKS" EMLAK KONUT MAVİŞEHİR HOUSES PROJECT	Reel Gayrimenkul Değerleme A.Ş.
50	"KOCAELİ GEBZE 1. ETAP REAL ESTATE HOUSES CONSTRUCTION AND INFRASTRUCTURE AND LANDSCAPING WORKS" GEBZE REAL ESTATE HOUSES 1ST STAGE PROJECT (MAKRO İNŞAAT)	Reel Gayrimenkul Değerleme A.Ş.
51	"REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL BAŞAKŞEHİR KAYABAŞI 1ST STAGE" KAYAŞEHİR PROJECT (MAKRO İNŞAAT) (KAYAŞEHİR 1ST STAGE)	Reel Gayrimenkul Değerleme A.Ş.
52	91 PARCELS IN ANKARA PROVINCE YENİ MAHALLE DISTRICT BALIKUYUMCU QUARTER	Reel Gayrimenkul Değerleme A.Ş.
53	1 LAND IN ANKARA PROVINCE KEÇİÖREN DISTRICT PINARBAŞI QUARTER	Reel Gayrimenkul Değerleme A.Ş.
54	3 LANDS IN ANKARA PROVINCE ÇANKAYA DISTRICT ÖNCEBECİ QUARTE	Reel Gayrimenkul Değerleme A.Ş.
55	20 PARCELS IN İSTANBUL PROVINCE ATAŞEHİR DISTRICT K.BAKKALKÖY AND BARBOROS QUARTERS	Reel Gayrimenkul Değerleme A.Ş.
56	10 LANDS IN İSTANBUL PROVINCE AVCILAR DISTRICT FİRÜZKÖY QUARTER	Reel Gayrimenkul Değerleme A.Ş.
57	27 PARCELS IN İSTANBUL PROVINCE BAŞAKŞEHİR DISTRICT ESENYURT HOŞDERE QUARTER	Reel Gayrimenkul Değerleme A.Ş.
58	16 PARCELS IN İSTANBUL PROVINCE BAŞAKŞEHİR DISTRICT ESENYURT HOŞDERE QUARTER	Reel Gayrimenkul Değerleme A.Ş.
59	43 PARCELS IN İSTANBUL PROVINCE BAŞAKŞEHİR DISTRICT İKİTELLİ-2 QUARTER	Reel Gayrimenkul Değerleme A.Ş.
60	10 PARCELS IN İSTANBUL PROVINCE BAŞAKŞEHİR DISTRICT KAYABAŞI QUARTER	Reel Gayrimenkul Değerleme A.Ş.
61	PARCEL 4009 IN İSTANBUL PROVINCE BÜYÜKÇEKMECE DISTRICT MİMARŞİNAN QUARTER	Reel Gayrimenkul Değerleme A.Ş.
62	13 PARCELS IN İSTANBUL PROVINCE KARTAL DISTRICT ÇAVUŞOĞLU QUARTER	Reel Gayrimenkul Değerleme A.Ş.
63	2 PARCELS IN İSTANBUL PROVINCE GAZİOSMANPAŞA KÜÇÜKKÖY QUARTER	Reel Gayrimenkul Değerleme A.Ş.
64	8 PARCELS IN İSTANBUL PROVINCE ESENYURT DISTRICT HOŞDERE QUARTER	Reel Gayrimenkul Değerleme A.Ş.
65	1 PARCEL IN İSTANBUL PROVINCE FATİH DISTRICT İMRAHOR QUARTER	Reel Gayrimenkul Değerleme A.Ş.
66	33 PARCELS IN İSTANBUL PROVINCE SULTANBEYLİ DISTRICT MİMARŞİNAN QUARTER	Reel Gayrimenkul Değerleme A.Ş.
67	1 PARCEL IN İSTANBUL PROVINCE ŞİŞLİ DISTRICT ORTAKÖY QUARTER	Reel Gayrimenkul Değerleme A.Ş.
68	4 PARCELS IN İSTANBUL PROVINCE TUZLA DISTRICT AYDINLI QUARTER	Reel Gayrimenkul Değerleme A.Ş.
69	8 PARCELS IN İSTANBUL PROVINCE ÜMRANIYE DISTRICT K BAKKALKÖY QUARTER	Reel Gayrimenkul Değerleme A.Ş.
70	12 LANDS IN İSTANBUL PROVINCE SARIYER DISTRICT ZEKERİYAKÖY QUARTER	Reel Gayrimenkul Değerleme A.Ş.
71	5 PARCELS IN İZMİR PROVINCE KARŞIYAKA DISTRICT ŞEMİKLER QUARTER	Reel Gayrimenkul Değerleme A.Ş.
72	1 PARCEL IN İZMİR PROVINCE KONAĞ DISTRICT UMURBEY QUARTER BLOCK 3169 PARCEL 236	Reel Gayrimenkul Değerleme A.Ş.
73	1 LAND IN KIRKLARELİ PROVINCE LÜLEBURGAZ DISTRICT KURTULUŞ QUARTER	Reel Gayrimenkul Değerleme A.Ş.
74	2 LANDS IN KASTAMONU PROVINCE, ÇİDE DISTRICT, DOĞANKAYA VILLAGE	Reel Gayrimenkul Değerleme A.Ş.
75	9 PARCELS IN KOCAELİ PROVINCE KÖRFEZ DISTRICT YARIMCA QUARTER	Reel Gayrimenkul Değerleme A.Ş.
76	35 PARCELS IN KOCAELİ PROVINCE GEBZE DISTRICT GÜZELLER QUARTER	Reel Gayrimenkul Değerleme A.Ş.
77	17 PARCELS IN TEKİRDAĞ PROVINCE ÇERKEZKÖY DISTRICT KAPAKLI TOWN	Reel Gayrimenkul Değerleme A.Ş.
78	13 LANDS IN TEKİRDAĞ PROVINCE ÇORLU DISTRICT KAZİMİYE QUARTER	Reel Gayrimenkul Değerleme A.Ş.
79	REVENUE SHARING WORKS FOR THE SALE OF LAND IN İSTANBUL AVCILAR KAPADIK	Reel Gayrimenkul Değerleme A.Ş.
80	WORKS FOR THE SALE OF LAND IN İSTANBUL BAŞAKŞEHİR AYAZMA 3RD STAGE	Reel Gayrimenkul Değerleme A.Ş.

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.
DIVIDEND DISTRIBUTION TABLE FOR 2012

1.	Paid in/ Issued Capital		2.500.000.000,00
2.	Total Legal Reserve (According to Legal Records)		163.672.272,13
If there is any royalty according to Articles of Association, information regarding respective royalty			
		According to CBM	According to Legal Records (LR)
3.	Profit	523.401.956,00	488.913.323,53
4.	Taxes to Be Paid (-)	0,00	0,00
5.	Net Profit (=)	523.401.956,00	488.913.323,53
6.	Previous Year's Losses (-)	0,00	0,00
7.	Primary Legal Reserve (-)	24.445.666,18	24.445.666,18
8.	NETDISTRIBUTABLE P (=)	498.956.289,82	464.467.657,35
9.	Donation within the Yt (+)	0,00	
10.	Net Distributable Profit Including Donations for Calculation of First Dividend	498.956.289,82	
11.	First Dividend for Shareholders(*)	200.000.000,00	
	- Cash	200.000.000,00	
	- No-par		
	- Total	200.000.000,00	
12.	Dividend Distributed to Preferred Shareholders		
13.	Dividend for Members of Board of Directors, Employees, etc.		
14.	Dividend Distributed to Jouissance Shareholders		
15.	Second Dividend for Shareholders		
16.	Second Legal Reserve	7.500.000,00	
17.	Statutory Reserves		
18.	Special Reserves		
19.	EXCESS RESERVE	291.456.289,82	256.967.657,35
20.	Other Resources to Be Distributed		
	- Retained Earnings		
	- Excess Reserves		
	- Other Distributable Reserves Pursuant to Law and Articles of Association		

INFORMATION REGARDING DISTRIBUTED DIVIDEND RATIO

DIVIDEND PER SHARE INFORMATION

	GROUP	TOTAL DIVIDEND VALUE (TL)	DIVIDEND PER 1 TL PAR VALUE SHARE	
			VALUE (TL)	RATIO (%)
GROSS	A	20.269.593,52	0,0800000000000000	8,00000000000000
	B	179.730.406,48	0,0800000000000000	8,00000000000000
	TOTAL	200.000.000,00		
NET	A	20.269.593,52	0,0800000000000000	8,00000000000000
	B	179.730.406,48	0,0800000000000000	8,00000000000000
	TOTAL	200.000.000,00		

RATIO OF THE DISTRIBUTED DIVIDEND TO NET DISTRIBUTABLE PROFIT INCLUDING DONATIONS

VALUE OF DIVIDEND DISTRIBUTED TO	RATIO OF THE DIVIDEND DISTRIBUTED TO SHAREHOLDERS TO NET DISTRIBUTABLE PROFIT INCLUDING DONATIONS (%)
200.000.000,00	0,40