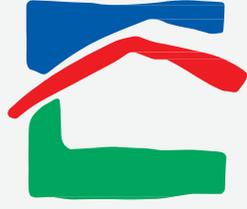


2012 Board of Members
Annual Report



EMLAK KONUT

— GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. —

+.C. BAŞBAKANLIK +OKI İŞ+IRAKIDIR



**BOARD OF MEMBERS
ANNUAL REPORT**

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Message from the General Manager Murat Kurum



Dear Shareholders,

It encourages us in reaching our company vision to see that in the competitive markets of Turkey and the world, Emlak Konut GYO A.Ş. is developing high-value added projects, always one step ahead with a deep-rooted tradition and an innovative business insight. As Emlak Konut GYO A.Ş., we are moving our company towards a stronger future with total assets amounting to as high as 8,4 billion TL and a financial structure worth 7,8 billion TL in market value.

Maintaining its title as the undisputed leader in Turkey's real estate sector with its industry-guiding projects and growth rate, Emlak Konut Gayrimenkul Yatırım Ortaklığı GYO A.Ş. finished the year 2012 with significantly increasing its profits in comparison to previous year.

Emlak Konut Gayrimenkul Yatırım Ortaklığı has made the best of the potential of real estate sector in our developing economy and closely monitored the demand to develop innovative and modern projects. Upon completion of projects launched in previous years, our company has made 1 billion TL worth of net sales and 523 million TL in profits.



In the 2012 operating year, we have continued to take steps towards conducting larger and more comprehensive projects. In this context, under “the Law on Transformation of Areas Under Disaster Risk”, a Cooperation Protocol was undersigned between R.T. Ministry of Environment and Urbanization, Ministry of Transportation, Maritime Affairs and Communications, Housing Development Administration and our Company to liquidate unlicensed, uninhabited buildings under disaster risk located within Istanbul provincial borders to eliminate a possible disaster risk and create modern, healthy, and safe living areas. This signature will significantly increase Emlak Konut’s current potential and enable the company to fulfill important projects in both short and long terms.

Under this Protocol, the “area” where we also have several important ongoing and completed projects has been defined as a “Reserve Construction Area” for the purpose of eliminating unlicensed, uninhabited buildings under disaster risk to create modern, healthy, and safe living areas.

In this regard, in order to liquidate unlicensed and uninhabited buildings under disaster risk, eliminate the risk of disasters and establish a safe living environment in the Project Area declared as “Reserve Construction Area”, a Protocol has been signed between our Company and R.T. Ministry of Environment and Urbanization and gone into effect by which our company will conduct all types and sizes of zoning plans and urban design projects, geological studies, urban transformation and valuation works, zoning applications and expropriation activities, and receive land transfer over appraisal fee for the said areas under the Cooperation Protocol.

Our company will assume one of the most active roles in shaping and transforming the new Istanbul with this protocol and will take itself to a world-wide scale with its growth potential.

We have consolidated this leading role in the transformation area with our collaboration in “Urban Renewal Project for Istanbul, Ataşehir District, Yenişehir Neighborhood Şerifali Çiftliği” developed in cooperation of Environment and Urbanization Ministry, Housing Development Administration of Turkey, and Ataşehir Mayorality at Ataşehir District on Istanbul’s Anatolian Side and we will swiftly launch efforts in the area. Therefore, we will develop an exemplary project with an on-site transformation model by which we will eliminate risky non-earthquake-resistant buildings in the area and provide the current homeowners with houses to be built on site.

Moreover, we will continue to develop projects for the Revenue Sharing and Public Procurement Projects with lands purchased at central locations in Istanbul, which we have successfully implemented so far and will continue to do so.

I am happy to declare to all our partners that our year-long vigorous and intensive efforts will keep on with increasing pace in the next year and our goal this year is to complete the tender of 20 thousand independent units and accomplish the sale of approximately 15 thousand of these independent units.

**Yours
Respectfully,
Murat Kurum**

Company Profile

- Founded in 1953, Emlak Konut GYO A.Ş is one of Turkey's oldest enterprises whose main field of expertise is house 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 sense of management that has been continuously innovative for 60 years and the corporate culture, it has become an organization trusted by all beneficiaries.
- Our company has a sense of management that will always increase the standards in the real estate sector thanks to its brand value created in many years. It fulfills its task to be a leader and role model especially in terms of construction systems, design, 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.
- Our activities include purchasing land in Turkey, developing real estate for the middle and upper-middle class, and marketing and selling real estate. Our main goal is to enhance the values (tangible/intangible) of especially our partners and other beneficiaries by developing innovative and contemporary projects in these respects. Besides, 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.
- Our 2,500,000,000TL paid capital and 4,000,000,000TL registered capital demonstrate the company's leading role in the sector.
- Emlak Konut GYO A.Ş. completed its public offering and started to operate at Istanbul Stock Exchange on 02 December 2010. Our company is also registered at XU100 and XU30 and it has gained 1.05 billion TL from the public offering.



Area of Activity

- The text of amendment to the main contract of Emlak Konut Anonim Şirketi was accepted in the Extraordinary Meeting of the General Assembly held on 22 July 2002 under the provisions of Turkish Trade and Capital Market Law, and the company name was determined as Emlak Konut GYO A.Ş. in line with the area of activity. No time limit was set on the legal entity of the company.
- Our organization was given the legal entity of Real Estate Company in order to deal with the goals and subjects specified in the arrangements of the Capital Market Board regarding Investment Companies.
- As stated in Article 5 of the main agreement, our 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.
- Below is the contact information of our company.

CONTACT INFORMATION:

ATATÜRK MAH. TURGUT ÖZAL BULVARI
GARDENYA PLAZA NO: II/B
ATAŞEHİR İSTANBUL
Tel : 0216 579 1515
Fax 1 : 0216 579 1699
Fax 2 : 0216 456 4875
E-Mail : info@emlakkonut.com.tr
Web Address : www.emlakkonut.com.tr



Management Objectives of Emlak Konut GYO A.Ş.

STRATEGIC PLAN AND MAIN OBJECTIVES OF GOVERNANCE

Our company has set the year 2027 as a 20-year target point in a 2007 study conducted on strategic planning and governance. Our main plan of becoming one of the leading GMYOs in the world and the ideal of creating a brand for our country overseeing both economic and social benefits still continues.

Performing at our best to support our country's 2023 target of becoming one of the 10 biggest economies in the world coincides with our strategic plans.

Our Vision

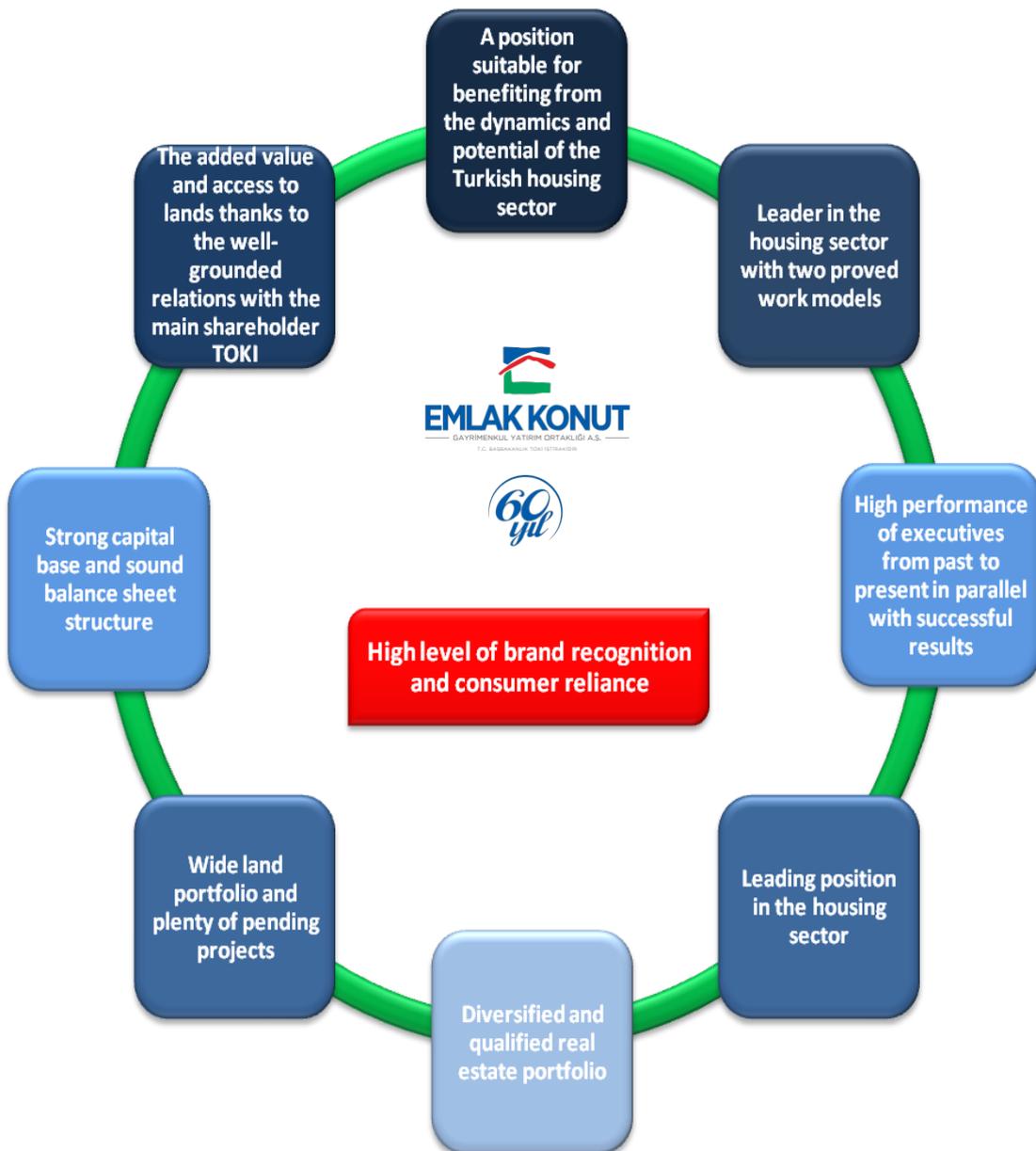
Continuing abroad our successful position we reached domestically, becoming a worldwide establishment in Real Estate Investment Trust services by the end of 2027, representing our country by putting our signature under unique projects in various countries of the world which integrate local architectural features with Turkish architecture, keeps up with the times and are environment-friendly, together with our entrepreneur, dynamic and competent staff and customer focused approach.

Our Mission

Maintaining its current position as leader of the sector by monitoring technological change, building planned residential areas with a new architectural understanding and offering people high quality housings which contribute peace and happiness; with the income generated, producing projects that can make low-income people own aesthetical homes resistant to natural disasters, offering its partners material and moral development opportunities.

Investment Elements

Leading position in the Turkish housing project development market

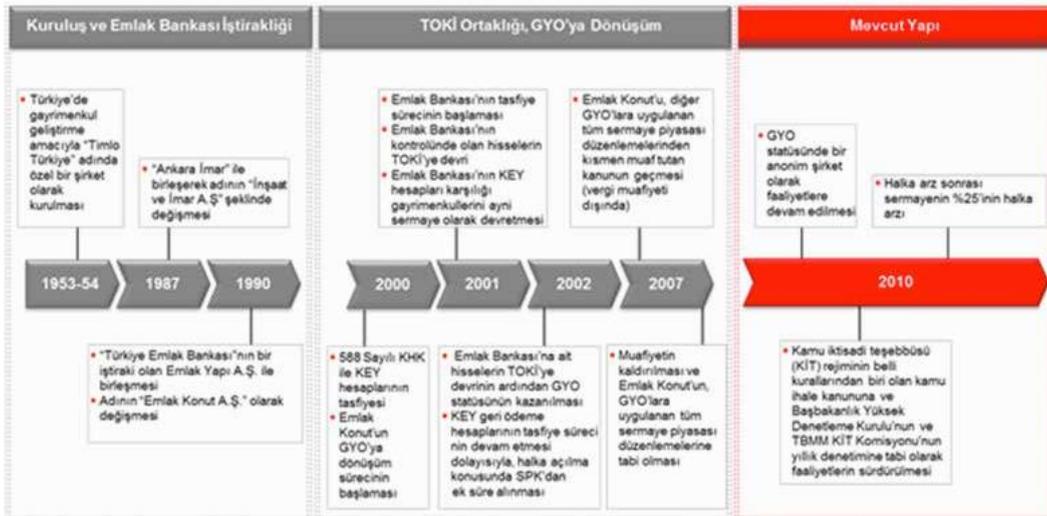




Emlak Konut's Strategy

FOCUSING ON THE MIDDLE AND UPPER-MIDDLE INCOME GROUPS	<ul style="list-style-type: none"> • Benefiting from current demographic inclinations in Turkey such as economic urbanization • Continuing to develop houses for the upper-middle and middle income groups • Investing in newly developing regions
LAND PROCUREMENT FOR MORE HOUSE DEVELOPMENT	<ul style="list-style-type: none"> • Continuing the strategic relationship with TOKİ - Opportunity for purchasing land without tender process - Access by Emlak Konut to lands that are most suitable for improvement • Continuing the access to the land stock of TOKİ • Purchasing land from third parties if necessary
CREATING CASH INFLOW BY COMPLETING CURRENT PROJECTS	<ul style="list-style-type: none"> • Using the cash inflow from ongoing works for new development opportunities • Realizing large-scale projects in attractive regions using the revenue SHARING model and achieving higher profit margins by limiting financial risks

More Than a Half Century of Experience



The goal is to maintain Turkey's leader real estate development company's status and carry it forward.

Capital and Partnership Structure

TRADE NAME / FULL NAME	GROUP	TYPE	SHARE AMOUNT	NUMBER OF SHARES
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	B	Bearer	77.734,76	7.773.476
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 the Public	B	Bearer	89.597,60	8.959.760
The Part Open to the Public	B	Bearer	625.000.000,00	62.500.000.000
		Total	2.500.000.000,00	250.000.000.000



Applicable Legislation and Legal Framework

Our company follows the laws and regulations given in the following tables during both its daily activities and inspection and implementation activities.

<p>MAIN LEGISLATION</p>	<ul style="list-style-type: none"> • Turkish Trade Code No 6102 and the relevant legislation • Capital Market Law No 6362 and the relevant legislation • Notice of Guidelines for Real Estate Investment Companies • Public Tender Act No 4734, Public Procurement Contracts Law No 4735, and the relevant legislation • Mass Housing Law No 2985 and the relevant legislation
<p>LEGAL REGULATIONS FOR DAILY OPERATIONS</p>	<ul style="list-style-type: none"> • Zoning Law No 3194, Property Ownership Law No 634, and relevant legislation & documentation • Zoning plans (covering the immovable assets in portfolio) • Building permits • Occupancy permits • Environmental Effect Evaluation Reports • Law on Real Estate Renting • Consumer Protection Law No 4077 • Court of Accounts
<p>REGULATIVE RULES FOR DAILY ADMINISTRATIVE WORKS AND OPERATIONS</p>	<ul style="list-style-type: none"> • Labor Law No 4857 (regarding Company personnel) • General Notice for Public Treasury (Regarding company accounts) • Tax Procedure Law No 213 (regarding keeping the Company records)
<p>PROVISIONAL LEGAL REGULATIONS</p>	<ul style="list-style-type: none"> • Law No 5664 Pertaining to Making Payments to Those Entitled to House Allowance • Legislation on Making Payments to Those Entitled to House Allowance • Public Finance and Debt Management Law No 4749



PUBLIC TENDER ACT AND THE RELEVANT LEGISLATION	TOKI LAW AND THE RELEVANT LEGISLATION
<ul style="list-style-type: none"> • TOKI, which is an organization within the Prime Ministry, has more than half of the capital of Emlak Konut and Emlak Konut is therefore subject to Public Tender Act No 4734 • Tenders and related agreements in projects that are developed using the Public Procurement Model are arranged under "Public Tender Act No 4734. • However, the tenders of Emlak Konut for sales, leasing and revenue sharing that do not require resource flow are not subject to Public Tender Act no 4734 and State Tender Act no 2886. • "Revenue Sharing" transactions are arranged according to the "Tender Regulation on Real Estate Sales, Renting and Revenue sharing in exchange for Land Sales". 	<ul style="list-style-type: none"> • TOKI, which is subject to the Mass Housing Law, is authorized to carry out, have carried out and amend plans of any type and scale as well as zoning plans on its own lands or in areas determined as mass housing settlement sites by governorates. • It is not compulsory to follow conditions related to form in real estate trade transactions. • Due to the capital of TOKI at Emlak Konut and at the request of Emlak Konut; lands and plots that belong to TOKI but cannot be processed by TOKI can be sold to Emlak Konut following the tender procedure at a value determined by TOKI provided that this value is not below the estimated cost.

BUILDING INSPECTION	LAW NO 5664 PERTAINING TO CONDUCTING PAYMENT TO THOSE ENTITLED TO HOUSE PURCHASE ALLOWANCE AND THE RELEVANT LEGISLATION
<ul style="list-style-type: none"> • Due to TOKI's share in the capital of Emlak Konut, Emlak Konut can obtain building permits under Article 26 of the Zoning Law. In such case, Emlak Konut assumes architectural, static, installation and all kinds of technical responsibilities and the permit is granted according to the preliminary project provided that ownership is documented. 	<ul style="list-style-type: none"> • Pursuant to Law No 5664 Pertaining to Making Payment to Those Entitled to House Allowance, Emlak Konut is responsible for conveying to Ziraat Bank the list of HAS beneficiaries published on the Official Gazette and offered to Emlak Konut by Emlak Bank (in liquidation) and for reassuring that payment is made to the beneficiaries. The amount needed to be paid by Emlak Konut to the Beneficiaries was paid and the paid amount was deducted from the company capital. The Treasury is responsible for next payments.
PROVISIONAL NOTICE FOR PUBLIC TREASURY	COURT OF ACCOUNTS LAW
<ul style="list-style-type: none"> • Pursuant to this notice, the bank accounts of Emlak Konut must be kept at state banks. 	<ul style="list-style-type: none"> • Operations of Emlak Konut are subject to the inspection of the Court of Accounts due to the TOKI share in its capital.

Business Models

The operation and comparison of the work models implemented by our company while carrying out operations within its area of activity are provided 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 also effective in risk management.
- In financial terms, the models make significant 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 (ISM)**”, the second one is **Public Procurement Model (PTA)**.
- Emlak Konut GYO A.Ş. procures lands for project development from TOKI, Emlak Bank, in-kind capital resources 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.



Varyap

Revenue Sharing Model

This is the primary revenue generation 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.

In a tender held in accordance with Emlak Konut GYO A.Ş. regulations, the contractor presents their estimation regarding Company Share Revenue Rate and Minimum Sales Total Revenue.

The company that gives the highest rate of company share total revenue wins the tender.

Revenue gained from the sale of independent units is shared between Emlak Konut GYO A.Ş. and contractor according to rates stated in agreement.

The minimum revenue Emlak Konut GYO A.Ş. gains separately from house sales are the amount stated in the tender as Minimum Company Share Total Revenue.

Land Procurement

Purchasing land from the main resource TOKI without tender
Lands acquired from Emlak Bank in 2000 under in-kind capital

Responsibilities of the Contractor

Contractor is responsible for the entire process from project development to financing, sales, and pricing .
Emlak Konut performs supervision over the entire project cycle from design and construction to marketing, from sales agreements to approval of project plans and to building inspections.

Risk Transfer

The contractor undertakes majority of the risks related to development process.
Apart from the risk of failure to sell the land provided for the project by Emlak Konut and the constructed houses, the risk that Emlak Konut takes with respect to project development and financing is low.
This structure enables Emlak Konut GYO A.Ş. to focus on big projects.

Revenue

The contractor guarantees a minimum level of revenue to Emlak Konut GYO A.Ş. This revenue is equal to or higher than the expertise value determined before contracting out the project land.



Terminoloji	
ASTG – Asgari Satış Toplam Geliri	• Tüm bağımsız bölümlerin satılmasından sonra elde edilmesi beklenen gelir
SSTG – Son Satış Toplam Geliri	• Tüm bağımsız bölümlerin satılması sonucunda elde edilen gelir
ŞPGO – Şirket Payı Gelir Oranı	• Emlak Konut'a ayrılan gelir yüzdesi
AŞPTG – Asgari Şirket Payı Toplam Geliri	• Emlak Konut'a Yüklenici tarafından ödenecek olan asgari tutar
SŞPTG – Son Şirket Payı Toplam Geliri	• Eğer SŞPTG>ASTG; Emlak Konut'a Yüklenicinin ödeyeceği toplam tutar
YPTG – Yüklenici Payı Toplam Geliri	• Yükleniciye kalan gelir



Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş. has realized 5 tenders of revenue sharing transaction in exchange for land sale in 2012 including Plot Sale Revenue Sharing Business for Istanbul International Finance Center Special Project and Recreation Area.

Below is the information on the aforementioned tenders realized in 2012;

The agreement of ISTANBUL BAŞAKŞEHİR AYAZMA Stage 2 Plot Sale Revenue Sharing Business was signed on 04.05.2012 and site delivery has been made on 11.05.2012 to the contractor firm Makro İnşaat Tic A.Ş. and Akyapı İnş. Taah. San. and Tic. Ltd. Şti. Business Partnership. Estimated total sales revenue of the project is 635.000.000 TL. Total Revenue of Company Share committed to our company is 165.100.000 TL. Apartment sales began in September 2012 and is currently going on.

The agreement of ATAŞEHİR BATI BÖLGESİ SECTION 1 ZONE 5 Plot Sale Revenue Sharing Business was signed on 23.05.2012 and site delivery has been made on 30.05.2012 to the contractor firm ÖZAK GYO A.Ş. and İNT-ER YAPI İNŞ. TUR. SAN. and TİC. A.Ş. Business Partnership. Estimated total sales revenue of the project is 145.000.000 TL. Total Revenue of Company Share committed to our company is 52.200.000 TL. Construction permit for the project was obtained on 28.12.2012 but it has not been offered for sale yet.

The agreement of SARIYER ZEKERİYAKÖY Plot Sale Revenue Sharing Business was signed on 18.07.2012 and site delivery has been made on 06.08.2012 to the contractor firm SİYAHKALEM MÜH. İNŞ. SAN. And TİC. LTD. ŞTİ. Estimated total sales revenue of the project is 1.475.000.000 TL.

Total Revenue of Company Share committed to our company in tender is 475.687.500 TL. Efforts are underway for obtaining a construction license for the project.

2nd Session of Kartal Plot Sale Revenue Sharing Business Tender was held on 25.12.2012 and an agreement was concluded on 04.02.2013 with ELTES İNŞ. TESİSAT SAN. VE TİC. A.Ş. ~ DAP YAPI İNŞ. SAN. VE TİC. LTD. ŞTİ. İŞ ORTAKLIĞI. Site delivery was made to contractor firms on 13.02.2013. Estimated total sales revenue of the project is 1.335.000.000 TL. Total Revenue of Company Share committed to our company in tender is 534.000.000 TL. Efforts are underway for obtaining a construction license.

Another tender realized in the year 2012 is the Plot Sale Revenue Sharing Business for Istanbul International Finance Center Special Project and Recreation Area, contract of which was signed on 21.12.2012 and site delivery was made on 28.12.2012 to the contractor firm, AKDENİZ İNŞ. VE EĞİTİM HİZMETLERİ A.Ş. Estimated total sales revenue of the project is 1.460.000.000 TL. Total Revenue of Company Share committed to our company in tender is 60.590.000 TL. In addition, our company will receive an amount of 29.200.000 TL allocated for undertaking supervision and consultancy tasks in the project.



Bidding Period	Revenue Sharing	Project Financing	Design and Construction	Marketing	Sales and Pricing
Tender process is realized in accordance with Emlak Konut regulations	A construction and revenue sharing agreement is made with the bidder giving the highest offer.	Contractor is responsible for project financing.	All responsibility belongs to the contractor. All design and contractor plans are subject to Emlak Konut's approval	All responsibility belongs to the contractor. Marketing documents are subject to Emlak Konut's approval.	Tender process is supervised by Emlak Konut and all responsibility belongs to the contractor. Each sales agreement, pricing, sales and payment terms is subject to Emlak Konut's approval



Avrupa Konutları Ispartakule 3

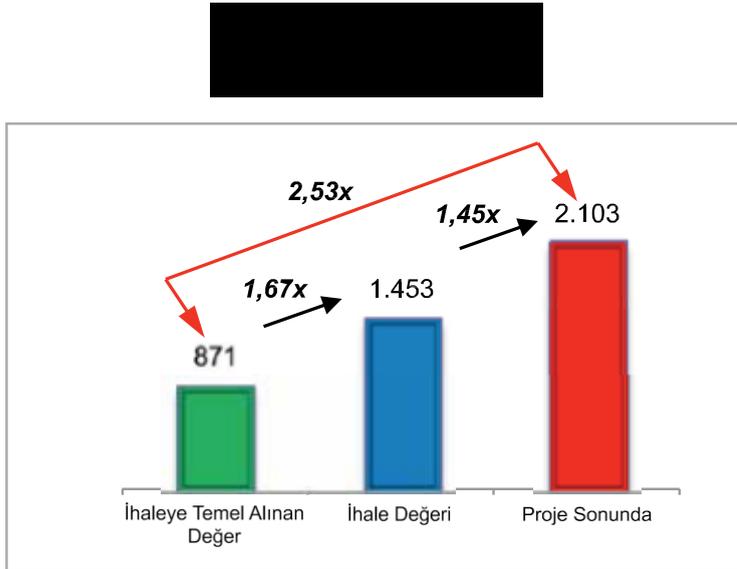
Benefits of Models for Emlak Konut GYO A.Ş.

Both models are substantially complementary methods that increase business efficiency. Main benefits of these essentially integrated models are summarized below.

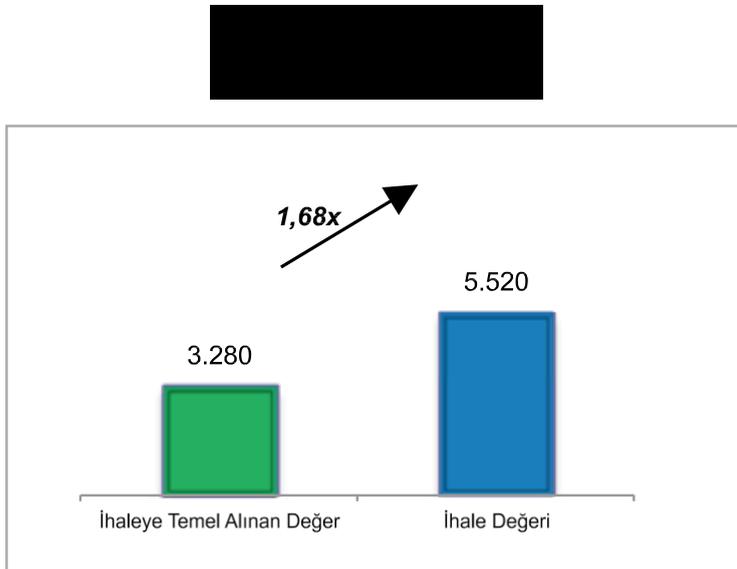
- Opportunity to reach people of different income groups
- Enabling advantage for Emlak Konut GYO A.Ş. in cash, risk, and financial management due to their complementary feature
- Opportunity to reach a broad audience by way of facilitating a portion of sources acquired by revenue sharing model for providing home ownership opportunities for people in the low-income group
- Convenience in obtaining resources for projects made/to be made of social responsibility
- A sustainable growth and ensured profitability
- Contribution to market's construction of healthier buildings under supervision of building standards at each stage in accordance with relevant legislation
- Information exchange with subcontractor on building construction process, financing, risk management, etc. with the new brand value, maintaining the know-how transfer
- Cost advantage facilitated by multiple productions
- Brand trust enabled by completion of multiple big projects
- Designing buildings for different income groups each with different needs boost and diversify sales in a significant way



Project Status Graphics



Baseline Value for Tender – Tender Value – At the end of project



Baseline Value for Tender – Tender Value

* Numbers are in billion TL. It should be noted that past performance is not an indicator to future performances.

Completed Revenue Sharing Projects

Project	Baseline Value for Tender (TL)	ŞPTG (TL)	ŞPGO(%)	PROJECT END
ATAŞEHİR RESIDENCE	3,519,000	10,255,000	32.53	18,749,104
KENTPLUS ATAŞEHİR	72,748,200	131,100,000	33.61	181,443,067
IDEALISTKENT	36,600,740	38,100,000	31.75	96,006,598
AVRUPA TEM KONUTLARI	162,344,327	186,000,000	30.00	219,096,845
KÖRFEZKENT 1	11,380,501	15,254,000	16.00	17,260,313
UPHILL COURT ATAŞEHİR	57,076,350	136,400,000	34.10	214,907,275
MY WORLD ATAŞEHİR	127,236,476	311,850,000	38.50	472,806,724
SOYAK MAVİŞEHİR	43,600,000	51,600,000	24.00	94,945,970
NOVUS RESIDENCE	16,408,600	57,750,000	55.00	115,760,305
MİSSTANBUL	56,779,661	112,050,000	41.50	157,780,977
KENTPLUS MİMARŞİNAN	9,732,640	42,120,000	35.10	54,717,096
EMLAK KONUT PELİKAN PROJESİ	12,000,000	67,515,000	38.58	87,123,867
ÇERKEZKÖY DREAMCITY	3,990,646	10,065,000	30.50	13,624,442
BİZİMEVLER 2	48,686,587	48,750,000	33.00	50,466,805
ERGENE VADİSİ	23,935,425	31,000,000	25.00	41,613,162
SPRADON QUARTZ	75,291,059	88,520,000	41.00	127,463,845
İZMİR MAVİŞEHİR 5.ETAP	25,145,000	27,001,000	31.00	29,434,971
MERKEZ KAYAŞEHİR	29,440,000	32,000,000	32.00	40,018,110
ELITE CITY	54,896,071	56,000,000	35.00	69,629,262
	870,811,283	1,453,330,000		2,102,848,738
Weighted Average of Company Share's Income Ratio (%)			34.44	



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 lower-middle and lower income groups. In this model, 'social benefit' principles have also been taken into account.

Our company continues to develop certain projects under the Public Tender Act 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 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 this 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.
- Such housing projects are usually realized in order to enable members of the lower and lower-middle groups to buy houses and for building reclamation.



Land Procurement

Main Source:

Lands purchased from TOKI without tender.

Lands acquired from Emlak Bank in 2000 under in-kind capital.

Selecting the Contractor

Contractor is selected by tender in accordance with the Public Tender Act.

The business is given to the bidder making the lowest valid offer.

Risks and Responsibilities

Emlak Konut assumes all risks and responsibilities for project development.

Income

All income obtained from sales of independent units belongs to Emlak Konut.

Progress payments to the contractor are done by stages depending on the project's advancement.

Varyap MERIDIAN





Doğu Ataşehir Project



The second project development model used by our company includes the public tender act 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, 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 Tender Act 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. Within the framework of this model, the Company organizes a construction tender under the Public Tender Act in order to choose a contractor. The company is also responsible for the sales and marketing activities for independent units. Furthermore, all the income earned from the sales of houses and the commercial units included in the model belongs 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 expenses (advertisement, promotion, license, marketing and other costs).

Emlak Konut has realized 13 tenders for housing projects under Public Procurement Model since 2004. 9 of these projects have been completed and the construction works of the remaining 4 projects are underway. 4903 saleable independent units have been built in the 9 completed PTA projects. The Completed Public Tender Act Projects are as follows; Körfezkent 2, Gebze Emlak Konutları 1, Emlak Konut Mavişehir Evleri, Selimpaşa Emlak Konutları, Burgazkent, Lüleburgaz Çarşı, Yıldızkent 1, Yıldızkent 2 and Yıldızkent 3.



4384 saleable independent units are going to be built in the 4 ongoing PTA projects. The main components of the ongoing Public Tender Act Housing Projects are Tuzla Emlak Konutları 1, Tuzla Emlak Konutları 2, Gebze Emlak Konutları 2, and Alemdağ Emlak Konutları.

Temporary admission of Gebze Emlak Konutları 1 project has been made and the Temporary Admission Protocol signed on 09.08.2012, temporary admission of Körfezkent 2 project has been made and the Temporary Admission Protocol signed on 09.08.2012.

Emlak Konut Gayrimenkul Yatırım Ortaklığı conducted a tender for “Istanbul Sultanbeyli Emlak Konutları Housing, Infrastructure, and Landscaping Construction Business” on 23.01.2013 under Public Procurement Model. 436 houses will be built within the project.

12 (Twelve) applicants participated in the tender. The tender will be concluded following detailed evaluation of documents in bidding envelopes by the tender committee.

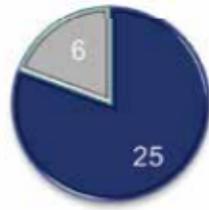
Similarly, our other project to be realized under Public Procurement Law called “Kocaeli Körfezkent Emlak Konutları 3. Etap Housing, Social Facilities, Infrastructure, and Landscaping Construction Business” will be tendered on 26.02.2013. 776 houses and 98 commercial units will be built within the project.

The agreement signed on 21.05.2010 with the contractor Depar, Orna, Uytaş İş Ortaklığı for the project called “Istanbul Alemdağ Emlak Konutları Construction and Inter-Block Infrastructure and Landscaping Supply Works” was terminated by the Board of Directors Resolution No. 54126 on 15.10.2012 and a new contract was concluded on 27.11.2012 with Özkar İnş. Tic. ve San. A.Ş. following a re-tender.



Distribution of Independent Units by Work Models in Ongoing Projects

Devam eden proje sayısı: 31



■ Gelir Paylaşımı Modeli
■ Kamu İhale Kanunu

■ Gelir Paylaşımı Modeli
■ Kamu İhale Kanunu

■ Gelir Paylaşımı Modeli
■ Kamu İhale Kanunu

Kaynak: Şirket Verileri

Ongoing projects: 31 – Revenue Sharing Model – Public Procurement Law – Source: Company Data

Board of Directors and Board of Auditors

Administrative and Inspectorate bodies of our company, which are the most important executive elements, take strategic decisions according to articles of the main agreement while being attentive to the rights of all beneficiaries at the highest level.

Source: Company data, as of 31.12.2012.

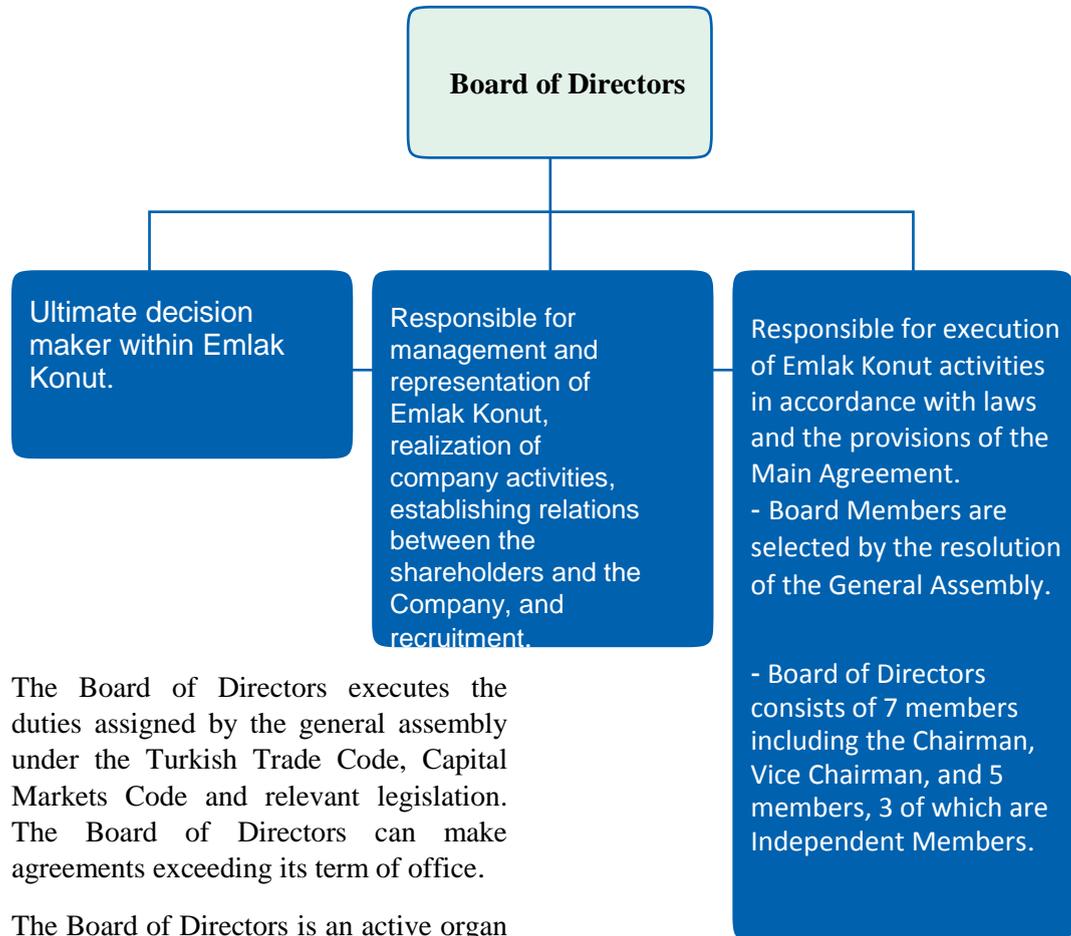
Under the regulations our company has to comply with, board of directors and board of auditors have been redetermined in the 19 April 2012 dated general meeting upon the rearrangement of rearrangement in the main agreement in accordance with Corporate Governance Principles that took effect upon its publication on Official Gazette No 28158 on 30.12.2011.



Metropol



Board of Directors



The Board of Directors executes the duties assigned by the general assembly under the Turkish Trade Code, Capital Markets Code and relevant legislation. 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 currently has 3 independent members.

Each member has one vote in the meetings of the Board of Directors. 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 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 agreement, 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 decided 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 Capital Markets Board.

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.

Below are the names and tasks of the members of the Board of Directors selected for one year in the 2011 Fiscal Year Ordinary General Meeting of Emlak Konut GYO A.Ş. held on 19 April 2011.

Corporate governance principles regarding the formation of our Board of Directors and its activities have been provided in detail in articles 15 and 16 of our compliance report.

NAME	POSITION	PROFESSION	Representing	Beginning Date of Tenure
Ertan YETİM	Chairman	Civil Engineer	TOKİ	2005
Veysel EKMEN	Vice Chairman / Independent Member	Financial Advisor	Independent	2011
Murat KURUM	Member / General Manager	Civil Engineer	TOKİ	2009
Ali Seydi KARAOĞLU	Member	Business Administration	TOKİ	2011
M. Ali KAHRAMAN	Member	Urban and Regional Planner	TOKİ	2011
M. Haluk SUR	Independent Member	Senior Civil Engineer	Independent	2009
Volkan KUMAŞ	Independent Member	Lawyer	Independent	2012



Ertan YETİM
Board Chairman

Graduated from Trabzon Lisesi in 1984 and Karadeniz Technical University Department of Civil Engineering in 1988, Ertan Yetim worked as a civil engineer, site supervisor, and Technical Manager in the private sector in 1988 – 1997. He worked as a control supervisor in 1997 – 2004 at KİPTAŞ, a subsidiary of Istanbul Metropolitan Municipality. He was the General Manager of the TOKİ subsidiary Emlak Pazarlama İnşaat Şirketi in 2004 – 2005. He became a Board Member at Emlak Konut G.Y.O. A.Ş. in 2005 and assumed the position of Vice Chairman in the Board.

He began to work as a specialist at TOKİ in 2007 which he still continues and was assigned at Emlak Konut G.Y.O. A.Ş. by TOKİ. He took on the position of Board Chairman at Emlak Konut G.Y.O. A.Ş. in 2011 and still maintains this position.



Veysel EKMEN
Vice Chairman / Independent Member

Veysel EKMEN graduated from Marmara University's Faculty of Economic and Administrative Sciences Department of Business Administration. He has been working as a S.M. Financial Advisor since 1985. He assumed the roles of Board Member at Öncü Eğitim Kurumları in 1999 – 2004 and Member of the Board of Auditors at Rumeli Hayat Sigorta and İktisat Yatırım Menkul Değerler A.Ş. in 2004. He was selected to Board of Auditors at Emlak Konut G.Y.O. A.Ş. on 28.02.2003 and selected as a Board Member in 2005, a position he kept until April 2009. On 08.03.2011, he was selected as Vice Chairman of the Board as Independent Member following the Board's decision at Emlak Konut G.Y.O. A.Ş. General Meeting.



Murat KURUM
Member / General Manager

Murat Kurum graduated from Selçuk University's School of Engineering and Architecture in 1999. He worked at various private organizations in 1999 – 2005. He served as an Expert at TOKİ Department of Administration in Ankara in 2005 – 2006. He assumed the role of Istanbul – European Side Branch Manager at TOKİ Istanbul Department of Administration. He served as an Expert at TOKİ from 2009 to 21.02.2012. He is responsible for the post of General Manager at Emlak Konut G.Y.O. A.Ş. since 2009. He is a member of the Emlak Konut G.Y.O. A.Ş. Board of Directors.



Ali Seydi KARAOĞLU
Member

Ali Seydi Karaoğlu graduated from the Faculty of Business Administration at Anadolu University. He assumed the position of Eryaman Residential Area Construction Chief at Arsa Ofisi Genel Müdürlüğü on 01.05.1987. He worked as a Technician at Department of Expropriation at Arsa Ofisi Genel Müdürlüğü in 01.05.1985 – 01.09.1989. He served as Real Estate Branch Manager at Arsa Ofisi İstanbul Branch in 01.09.1989 – 15.12.2004, as Real Estate Branch Manager at TOKİ İstanbul Unit in 15.12.2004 – 22.03.2010, as Board Member at Emlak Pazarlama İnşaat A.Ş. in 09.03.2009 – 02.03.2011, as Board Member at GEDAŞ Gayrimenkul Ekspertizlik A.Ş. in 16.03.2007 – 06.03.2009, and as Board Member at Boğaziçi Konut A.Ş. in 01.03.2007 – 12.09.2008. He still works as Head of İstanbul Real Estate Department at TOKİ. He is a Board Member at Emlak Konut GYO A.Ş.



Mehmet Ali KAHRAMAN
Member

Graduated from Urban and Regional Planning Department at ODTÜ in 1997, Mehmet Ali KAHRAMAN began to work as Specialist Assistant at Project and Research Department at the Housing Development Administration in 1997. In 1997 – 2002, he respectively worked at Projects Department, Habitat Administration Unit, and Foreign Relations Office at TOKİ. He completed his Master’s Degree on Regional Planning at the Middle East Technical University in 1997 – 2000. He served in all stages of “planned urbanization and mobilization of house production” works of TOKİ around the country during his tenure at TOKİ as Chairman Advisor in 2002 – 2010. During his military service in 2006 – 2007, he was responsible for the repair and planning works of various buildings at Manisa Infantry Battalion. From October 2009 to March 2011, he served as a Board Member at Emlak Konut GYO A.Ş., EPP (Emlak Pazarlama, İnşaat, Proje Yönetimi A.Ş.), and TOBAŞ (Toplu Konut- Büyükşehir Belediyesi İnşaat Emlak ve Proje A.Ş.) respectively. He has been working at TOKİ’s Department of Strategy Development since September 2011 and is a Board Member at Emlak Konut GYO A.Ş. He continues his thesis on “Housing Policy in Turkey” for his PhD Program at Bilkent University Department of Political Science.



M. Haluk SUR
Independent
Member

He graduated from Boğaziçi University Faculty of Engineering in 1978 which he began studying in 1973 and became a Civil Engineer. He completed his undergraduate study at Boğaziçi University Institute of Environmental Sciences and received the title of Senior Engineer. He continued his studies in the field of Environmental Engineering at the University of Washington in 1981 with NATO scholarship. During his military service in 1982 and 1983, he worked as a Central Supervising Engineer at Rep. of Turkey Ministry of National Defense's Department of NATO Infrastructure. He continued his post at Yapı Teknik İnşaat in 1983 – 1991 where he served as the founder and General Manager. He acted as a Member of the Executive Board at İhlas Holding Group Head of Real Estate Development and Construction in 1991 – 1999. As the founding Board Chairman and General Manager of İhlas GYO in 1999 – 2006, he served as Vice Chairman in 2004 and as Chairman in 2005 – 2007 at Gayrimenkul Yatırım Ortaklığı Derneği GYODER. He continues his roles as Board Chairman at Paladin Realty Partners-EurAsia, Turkey President at Urban Land Institute (ULI), as Board Member at Emlak Konut Gayrimenkul Yatırım Ortaklığı, as Co-Founder and Board Member at Bimeks Bilgi İşlem, and as Member of the Executive Board at Forum İstanbul.



Volkan KUMAŞ
Independent
Member

Graduated from Marmara University Faculty of Law, Volkan Kumaş exercised his profession at Aslan Hukuk Bürosu in 2003 – 2005 and at Kazmaz Hukuk Bürosu in 2006 – 2007. He continues his career in his own law firm since 2007. He was elected to Independent Board Membership at Emlak Konut GYO A.Ş. in 2012.





As a result of the voting and discussion at the first meeting of our Board of Directors selected in the Ordinary General Assembly on 19.04.2012, it has been decided that;

By division of tasks in accordance with the provision of TTK Article No 318; Ertan YETİM to be Chairman, Independent Member Veysel EKMEK to be Vice Chairman, Murat KURUM, Mehmet Ali KAHRAMAN, Ali Seydi KARAOĞLU, Muhammet Haluk SUR and Volkan KUMAŞ to be board members,

Ertan YETİM, Veysel EKMEK, Murat KURUM, Mehmet Ali KAHRAMAN, Ali Seydi KARAOĞLU, Muhammet Haluk SUR Ertan YETİM, Veysel EKMEK, Murat KURUM, Mehmet Ali KAHRAMAN, Ali Seydi KARAOĞLU, Muhammet Haluk SUR to keep their 1st degree signing authority under their responsibility,

Volkan KUMAŞ to be granted 1st degree signing authority, and these issues to be registered and declared.

Board of Auditors

- Supervises company activities.
- Consists of 3 members.

As stated in the main agreement, the members are obliged to meet the requirements of the Turkish Trade Code and the Capital Market Legislation. The General Assembly elects three auditors out of shareholders or externally for a period of 1 year. The Board of Auditors supervises the operational activities in line with the laws, regulations and internal arrangements and makes sure that the activities are carried out in a healthier manner. The activities of the Board of Auditors include all functions and processes of the company.

One more than half of the auditors must be citizens of the Turkish Republic. Auditors who have fulfilled their term of office can be elected again. Auditors cannot be elected as members of the board of directors at the same time, nor can they be company officials. Auditors are responsible for fulfilling the tasks stated in the associated articles of the Turkish Trade Code.

Below are the names and tasks of the members of the Board of Auditors elected for one year in the 2011 Fiscal Year Ordinary General Meeting of the company held on 19 April 2012.

Auditor	Profession / Duty	Date Elected
Mustafa Kemal MÜDERRİSOĞLU	Business Administration / Member	19.04.2012
Uğur DÜLEKALP	Press Counsellor / Member	19.04.2012
Ayşe Arzu ÖZÇELİK	Master Architect / Member	19.04.2012



Our senior executives execute their tasks in line with the company vision and mission with the authorities they get from the relevant legislation and internal arrangements. Our senior management team consists of experienced personnel and takes administrative decisions that will live up to the expectations of all beneficiaries by working in coordination with the personnel and other units within the organization.

Having adopted the principle of constantly improving the systematic and non-systematic decision making processes and the administrative structure, our senior management staff pays special attention to this matter during executive applications and adopts a sustainable business administration approach.

**By the Circular issued on
12.03.2012;**

It has been decided that the position of Assistant General Manager in our company's Organizational Chart shall be increased from 2 to 3. Accordingly it has also been decided that;

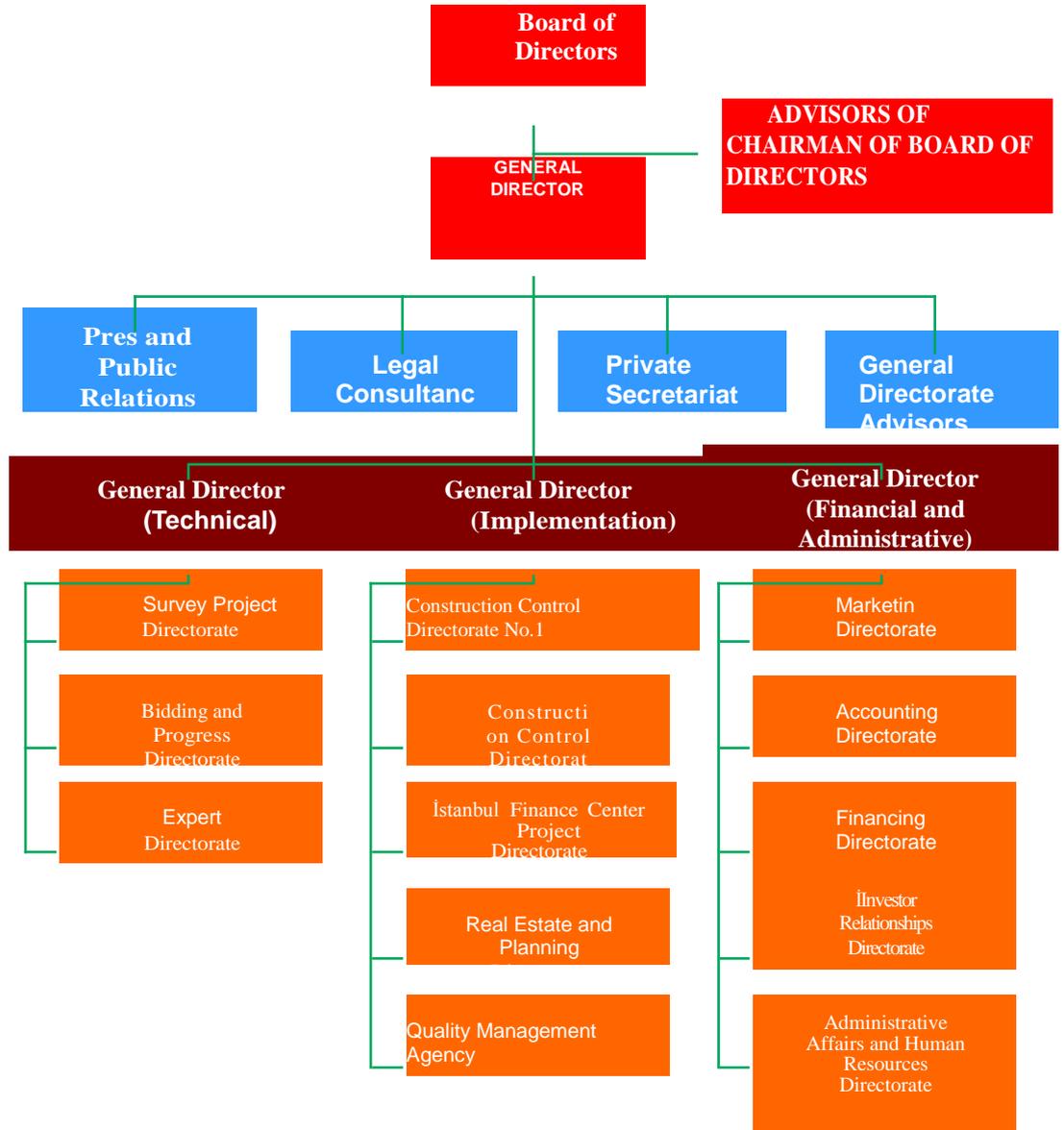
1. Pertaining to Department Heads under 3 Assistant General Managers in company's Organizational Chart;
 - "Marketing Department," "Financial Affairs Department," "Investor Relations Department," and "Administrative Affairs and Human Resources Department" to be affiliated to "Assistant General Manager – Financial/Administrative",
 - "Project Survey Department," "Appraisal Department," and "Tender Progress and Acceptance Department" to be affiliated to "Assistant General Manager - Technical",
 - "Construction Supervision Department," and "Realty and Planning Department" to be affiliated to "Assistant General Manager - Implementation"
2. Assistant General Manager - Financial/Administrative position in company's Organizational Chart to be executed by Hakan AKBULUT,



3. Assistant General Manager - Technical position in company's Organizational Chart to be executed by Sinan AYOĞLU,
4. Metin TEKİN to be assigned at Assistant General Manager – Implementation position in company's Organizational Chart,
5. Job, duties, and responsibilities regarding "Acceptance" contained in the job description of "Tender, Progress and Acceptance Department" to be executed by "Construction Supervision Department as of 12.03.2012"; and the name of "Tender, Progress and Acceptance Department" to be recognized as "Tender and Progress Department",
6. "Customer complaints" in transactions with completed final acceptance process to be monitored and concluded by "Construction Supervision Department" instead of "Tender, Progress and Acceptance Department",
7. Mustafa AŞIKKUTLU, "Head of Appraisal Department", to be appointed by proxy to the position of "Head of Construction Supervision" vacated by the resignation of Hasan HACIHASANOĞLU,
8. Fatih KANITOĞLU to be appointed by proxy to the position of "Head of Appraisal Department" vacated by the proxy appointment of Fatih KANITOĞLU to "Head of Construction Supervision" who initially served as "Head of Appraisal Department",
9. Tülay ODAKIR to be appointed by proxy to the position of "Head of Tender and Progress Department" vacated by the proxy appointment of Metin TEKİN to "Assistant General Manager - Implementation" who initially served as "Head of Tender, Progress and Acceptance Department".



Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş. Organizational Chart



**By the Circular issued on
20.11.2012;**

It has been decided that an amendment is to be made on “Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş. Organizational Chart”. Accordingly, it has been decided that;

1. Department of Construction Supervision under Assistant General Manager - Application to be abolished and 3 separate Departments to be established instead named Construction Supervision Department No 1, Construction Supervision Department No 2, and Istanbul Finance Center Project Department,
2. Construction Supervision Department No 1 to execute tasks, duties and responsibilities regarding implementation supervision of projects to be determined by Assistant General Manager of Implementation,
3. Construction Supervision Department No 2 to execute tasks, duties and responsibilities regarding implementation supervision of projects to be determined by Assistant General Manager of Implementation,
4. Istanbul Finance Center Project Department to execute tasks, duties and responsibilities regarding implementation supervision for Special Project and Recreation Area and Istanbul Finance Center Shared Infrastructure constructions and provide coordination between public and private institutions owning land at the project area of Istanbul Finance Center,

5. Mustafa AŞIKKUTLU to be principally appointed as Construction Supervision Manager No 1,

6. Hasan SAKA to be appointed by proxy as Construction Supervision Manager No 1,

7. Tülay ODAKIR to be principally appointed to the position of Tender and Progress Manager which she serves in proxy,

8. Fatih KANİTOĞLU to be principally appointed to the position of Tender Appraisal Manager which he serves in proxy.

**By the Circular issued on
27.11.2012;**

Amendments have been made on “Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş. Organizational Chart”. Accordingly, it has been decided that;

1. Department of Financial Affairs under Assistant General Manager – Financial and Administrative Affairs to be abolished and 2 separate Departments to be established instead named Accounting Department and Financing Department,

2. İzzet Gani KARAKAYA to be principally appointed as Financing Manager,

3. Ercan ALİOĞLU to be appointed by proxy as Accounting Manager,

4. 3rd degree signing authority to be granted to İzzet Gani KARAKAYA, appointed as Financing Manager, and Ercan ALİOĞLU, appointed by proxy as Accounting Manager.



Profit Distribution Policy and Principles

Profit distribution to our shareholders has been made as of 30 April 2012 after the decision was taken in the general assembly on 19 April 2012.

INFORMATION ON DISTRIBUTED PROFITS				
DIVIDEND PER SHARE INFORMATION				
	GROUP	TOTAL DIVIDENDS (TL)	DIVIDEND CORRESPONDING PER SHARE OF 1 TL NOMINAL VALUE	
			AMOUNT (TL)	RATE (%)
GROSS	A	12.017.142,95	0,047429240985520	4,7429240985520
	B	106.555.959,52	0,047429240985520	4,7429240985520
	TOTAL	118.573.102,46		
NET	A	12.017.142,95	0,047429240985520	4,7429240985520
	B	106.555.959,52	0,047429240985520	4,7429240985520
	TOTAL	118.573.102,46		

DONATIONS-INCLUDED NET DISTRIBUTABLE PERIOD PROFIT RATE OF DISTRIBUTED			
AMOUNT OF DIVIDENDS DISTRIBUTED TO SHAREHOLDERS (TL)	84.449.206,64	RATIO OF DIVIDENDS DISTRIBUTED TO SHAREHOLDERS TO NET DISTRIBUTABLE PERIOD INCOME (%)	0,40

Emlak Konut GYO A.Ş. has adopted it as a principle to show the required sensitivity for profit distribution to its partners and to follow the relevant regulations. It attaches importance to the 'profit share/dividend' productivity concept in Capital Markets and tries to ensure that the dividend productivity is higher than risk-free alternative investment profitability in the company assessment. Profit distribution procedures are realized in accordance with the following legislation and the main agreement of the company.

According to Article 31 of the Main Agreement given below, the Company follows the arrangements included in the Turkish Trade Code and the capital market legislation.

Pursuant to general accountancy principles such as general company costs and miscellaneous depreciation values, the allowances allocated for the amounts that must be paid and allocated by the company and the compulsory taxes and financial liabilities that must be paid by the legal company identity of the company shall be deducted from the determined incomes at the end of the accounting year. The past losses, if any, shall be deducted from the remaining current (net) profit seen on the balance sheet and the rest shall be distributed as follows in the following order.

Furthermore, it has been decided in "The Decision of the Board of Directors on Dividend Distribution" dated 11.10.2010 and numbered 54 (143) that considering Article 31 of the Main Agreement, the dividend distribution of the Company shall be carried out at least at the minimum profit distribution rate by the Capital Markets Board for the relevant accounting period,

in accordance with the provisions of the Communiqué on Principles Regarding Distribution of Dividends and Interim Dividends to be Followed by the Publicly Held Joint Stock Corporations Subject to Capital Market Law and the provision in Article 15 of the Capital Market Law No 2499 Serial IV No 27 which says "The articles of association of publicly held joint stock corporations shall set forth a rate for the first dividend. This rate shall not be below the rate determined by the Board and announced in its communiqués".

According to the profit distribution policy, dividend is distributed equally to all current shares in the relevant accounting period. Our company has no privileges in terms of profit distribution.

Currently we intend to create income for the relevant persons by paying due attention to distribution of "profit shares", which is a very important evaluation element especially for share certificate investors or company partners. Our company takes into account the obligation of public companies to distribute profits within the framework of corporate management principles and takes care to implement the profit distribution policy within the framework of the efforts intended for compliance with these principles.

Detailed principles of our profit distribution policy are available in our website. Relevant information regarding profit distribution in the year 2011 has been provided in both our website and to KAP. Information on Divided Rights has also been provided in Article 6 of our corporate compliance report.



Evaluation of the Relevant Period

Emlak Konut GYO A.Ş. considers it as an administrative necessity to monitor both systematic and non-systematic developments beforehand and afterwards. The economic crisis that emerged in the USA in 2008 still makes its impact felt in world economies.

Having adopted the principle of constant improvement and development, our company analyzes and evaluates potential risks and premium opportunities in this framework.

Efficiency of anti-crisis plans and the new risks they bring to world economy are highly debated and this should be viewed as a process that requires preparation in case of different scenarios. The impact of these types of changes is anticipated and a great effort is made in order to turn it into a positive effect for company and all beneficiaries.

We take great measures to ensure that reflection of possible outcomes in the sector and business are in line with our strategic goals.

Since our company adopts the principle of constant improvement and renewal, we analyze and evaluate all the risk and profit opportunities within this framework.

The following part gives a brief evaluation of the important developments related to the World and Turkish economy and the sector that are followed by our management.

Developments in World Economy

The global economy is still affected by the crisis of 2008 which has made a global impact on all world economies. Despite being less destructive compared to initial years, the crisis induces social and political issues as the recovery period lengthens in western economies. Its impacts can be seen in every economic variable from consumer behavior to production processes.

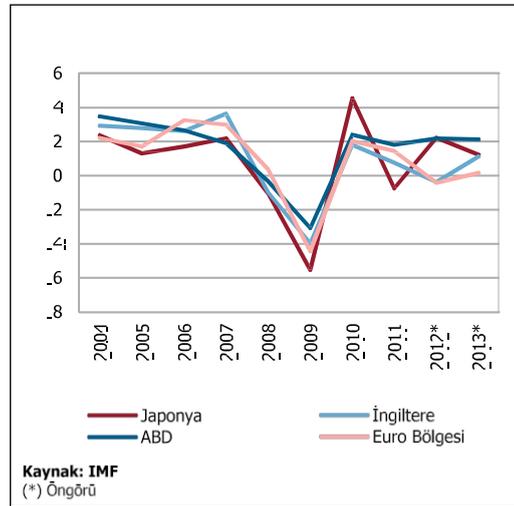
Although destructiveness and the resulting shock of the crisis in the first years were overcome, fragility of economy is still prevailing particularly in developed countries. The crisis took on a political and social aspect exceeding the context of economy especially in the trouble countries of EU

The relative recuperation in US economy is not enough for global finance. The 'Euro-Using Countries (Euro Currency Zone)' among EU countries face serious problems as the chain of struggling countries continues to soar.

Policies in western economies which have aimed at revitalizing the economy, providing growth, reducing unemployment and increasing consumption and investments have not fully succeeded.

It can be said that the global growth will not be sufficient in 2012 as well and the recession will continue in some EU countries particularly due to the concerns of the EU countries that have joined the Euro union on sustaining the public debts and due to the failure to achieve the desired results in the US economy in terms of employment and growth. **(GRF:1)**

Graphic 1.
Annual Growth Rates in Selected Countries (%)



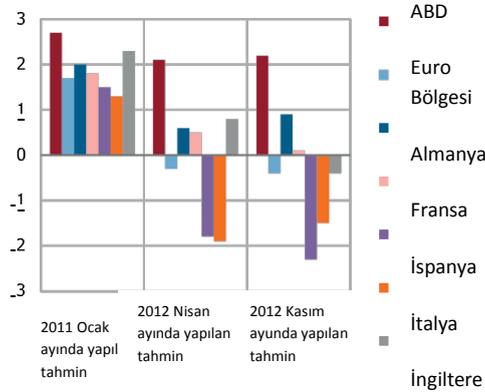
Source: IMF

*Forecast

Japan, USA,
England, Euro
Zone



Graphic 2.
Growth Forecasts for 2012 (%)



Kaynak: CBT

The “austerity measures” taken after the crisis and low growth rates due to decreasing demand (even minus rates in some countries) caused a negative impact on employment and expenditures. Especially the countries in the southern region of the EU (Greece, Spain, Italy, and Portugal; shortly PIIGS) are still having growing economic disturbances. (GRF:2)

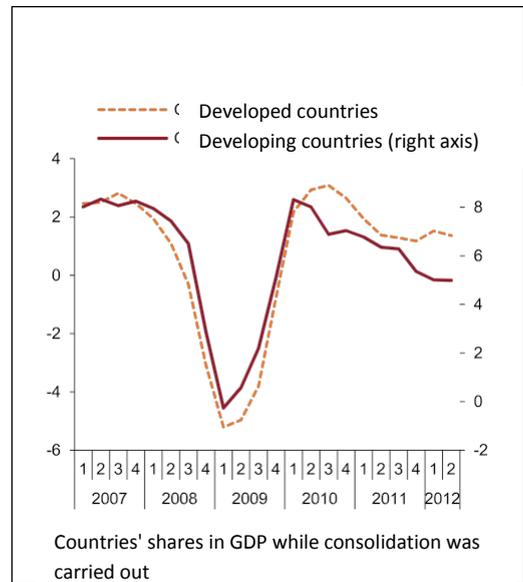
Fluctuations in the world economy and changing expectations have led to increased volatility in especially precious metals and then real estate prices.

Expansionary monetary policies by US Federal Reserve since 2008, then European Central Bank and recently the Bank of Japan in February have given rise to recovery in real estate markets and especially in the financial market. However, it should be noted that expansionary monetary measures in the USA and other developed countries will not last for long even though they may bring securities and real estate markets to their pre-crisis status.

Economic growth and problems such as deflation and unemployment have become more serious threats for developed countries whereas the year 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.

However, by the year 2012, retarding measures taken due to issues brought by low demand from developed countries and rapid growth of BRICT countries have caused a decline in growth.(GRF:3)

Graphic 3.
Global Growth Rates* (Change in Percent, Annual)



Reference: Bloomberg, CBT



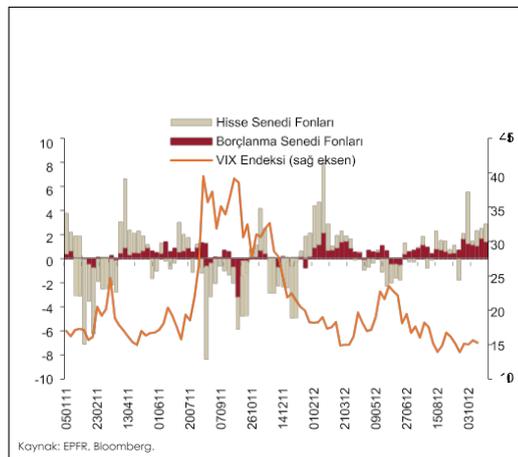
The performance of the Turkish economy in recent years becomes evident especially when compared to the Euro area that is struggling with debt and growth crisis. The fast growth and the resulting decrease in unemployment in the country reveal a positive difference when compared to the more troubled Euro area of the EU.

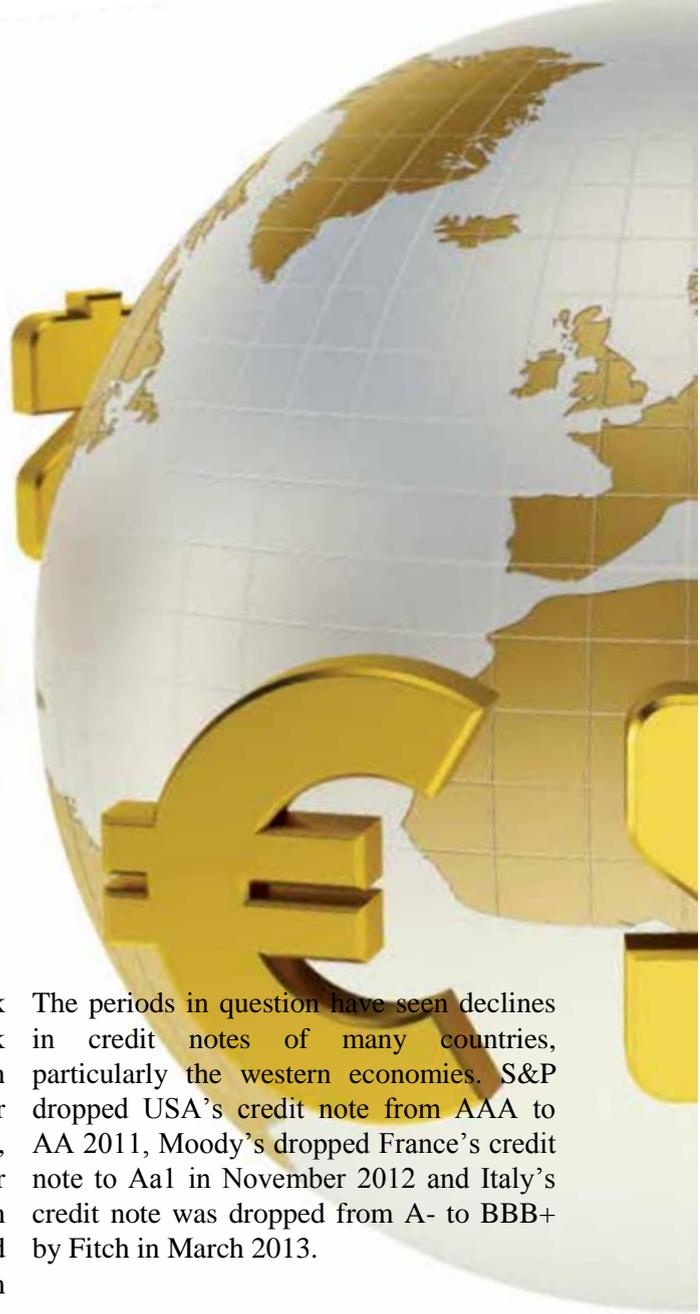
Similarly apparent in economies such as the US, EU, Asia-Pacific and Japan, recession and the spiral of unemployment have made a negative impact on construction, housing sales and automotive sectors which have been the main driving force of the economy. These economies where the effect of income and consumption generation has diminished have caused relevant sector sales to decline significantly.

Perceptions of risk and valuation in world economies have seemed to change after 2008 which has led to discussion on 'credit ratings'.

Ratings of developing countries with dynamic economic structures (Primarily Turkey) have been particularly regarded as far from what they deserve. That said, the decision-makers in financial makers continue to bring funds into money and capital markets of developing countries (especially BRICT) and indicate that they do not see any risky business with their inflow of funds. **(GRF:4)**

Graphic 4.
Fund Flows Directing to Developing Economies
(Billion US Dollars)





It has been observed that Turkey's risk premium has steadily dropped in global risk perception thanks to measures in both money and economic policy. In November 2012, as a concrete indicator of this result, Fitch Credit Rating Company raised our country's note in long-term foreign currency from BB+ to BBB- and raised long-term credit note in local currency from BB+ to BBB.(Table:1)

The periods in question have seen declines in credit notes of many countries, particularly the western economies. S&P dropped USA's credit note from AAA to AA 2011, Moody's dropped France's credit note to Aa1 in November 2012 and Italy's credit note was dropped from A- to BBB+ by Fitch in March 2013.

Table 1 – Credit ratings of Turkey and selected countries

Credit Rating Institution	Turkey	Spain	Portugal	USA	England	Italy
S&P	BBB-	BBB-	BB	AA+	AAA	BBB+
JCR	BB	AA	A	AAA	AAA	AA-
Moody's	Ba1	Baa3	Ba3	Aaa	Aa1	Baa2
Fitch	BBB-	BBB	BB+	AAA	AAA	BBB+



Raising our country's credit rating note to 'investable' level will cause borrowing rates to drop as well as increasing portfolio and direct investments from abroad. Nevertheless, a second credit rating institution must give our country an 'investable' note so as to perceive the effect further. Another note raise may be expected from the credit rating institutions if the positive impact of executed economic policies continues in 2013 and unless an unexpected external shock occurs.

It is hard to say that the problems of the world economy have come to an end but it cannot be claimed that the economy is as bad as in the earlier stages of the 2008 global crisis. However, the unstable progress in expectation surveys of prominent economies which we may consider as future indicators suggest that there is not going to be a balanced economic structure in 2013 either. **(Table:2)**

Table:2 – Expectation Index in Manufacturing (Acc. to Official Statistical Institutes of Respective Countries)

Period	USA	EU	CHI
2011 1. Quarter	59.7	57.5	53.4
2011 2. Quarter	55.3	52.0	50.9
2011 3. Quarter	52.5	48.5	51.2
2011 4. Quarter	53.1	46.9	50.3
2012 1. Quarter	53.4	47.7	53.1
2012 2. Quarter	53.4	45.1	49.8
2012 3. Quarter	51.5	45.4	49.8
2012 4. Quarter (November)	49.5	46.3	50.7



The state of customer confidence index, which we can use for recovery from recession and efficiency of expansionary monetary policies outside the financial sector, is in worse condition than the expectation index in manufacturing. Insecurity in developed economies has reached a significant level mainly in EU countries.

As for China and BRIC countries, a general downward trend in economic activity has been observed in these countries since the beginning of 2012 although they have seemed better in both expectations and economy-wise.

(Table:3)

Table:3 – Customer Confidence Expectation Index
(Acc. to Official Statistical Institutes of Respective Countries)

Periods	USA	EU	CHI
2011 1. Quarter	67.5	-13.0	107.6
2011 2. Quarter	71.5	-11.2	108.1
2011 3. Quarter	59.5	-19.3	103.4
2011 4. Quarter	69.9	-22.1	100.5
2012 1. Quarter	76.2	-19.3	100.0
2012 2. Quarter	73.2	-15.7	102.0
2012 3. Quarter	78.3	-24.0	100.8
2012 4. Quarter (November)	82.7	-24.0	106.2

Due to reasons listed above concerning the world economy, necessary steps are taken in carefully monitoring and executing administrative efforts to evaluate every risk in business administration.

Developments in Turkish Economy

The crisis in 2001 has been a turning point for Turkey's economy. The decades-long structural problems of high inflation and unemployment, low growth, high interest rates and public debt eventually took the country down to a deep crisis. So much so that the Turkish Lira was shown as the "least valuable" currency in the Guinness Book of Records ten years ago. Not only the Turkish Lira went on to become one of the prominent and important currencies in the world in a relatively short time in the economic sense, but also it has become a value indicator for a country with strong economy.

Turkey's economic outlook and indicators are better than many countries in the world. Structural disturbances which affected the economy for a long time have either disappeared or gone down. However, developments in global economy have been affecting the Turkish economy as well.

One of the most important structural problems in our country, the 'diseconomy and unsteady growth' syndrome has been defeated to a great extent. In parallel with managing a growth, resurgence in business life and decrease in unemployment has also been observed. According to the OECD, while the world economy is projected to grow by 3.5 percent and OECD countries by 1.7 percent in the 2003-2012 period, the Turkish economy is expected to grow at an average rate of 5.1 percent, noting that 2012 data is only forecast. Turkey's economy grew by 8.5% last year and became the second fastest growing economy following China.

This situation has turned the Turkish Economy into a center of attraction and raised the interest of foreign investors particularly after the 2008 crisis. According to IMF's projection, Turkey will be the 17th largest economy in the 2012-2016 period by account of GDP (Gross Domestic Product). The country's GDP is expected to reach from 876.6 billion dollars to 1 trillion 159.2 billion dollars in this period.

Turkey's growth numbers for 2012 has been projected as 2.9% annually by OECD. (Table:4) The most important factor to be considered in growth 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.

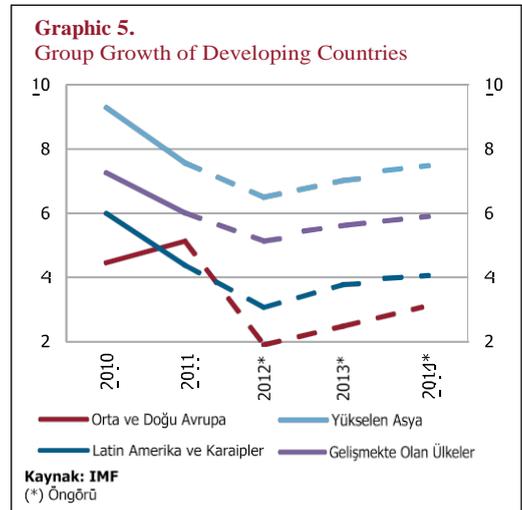


Table:4 – Growth in Turkish Economy (Acc. to TUIK Data)

Period	GDP	MANUFACTURING	COMMERCE
2011 1. Quarter	67.5	-13.0	107.6
2011 2. Quarter	71.5	-11.2	108.1
2011 3. Quarter	59.5	-19.3	103.4
2011 4. Quarter	69.9	-22.1	100.5
2012 1. Quarter	76.2	-19.3	100.0
2012 2. Quarter	73.2	-15.7	102.0
2012 3. Quarter	78.3	-24	100.8

Middle & Eastern Europe, Emerging Asia, Latin America & the Caribbean, Developing Countries,
*Forecast, Source: IMF

However, 2012 has seen a worldwide trend of downward fashion in growth rates. Countries that became driving forces of the economy after the 2008 crisis (especially BRIC) dropped their annual growth forecasts. Two particular reasons of this regress are important. Firstly; the overheating and inflationist constraints 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.(GRF:5)

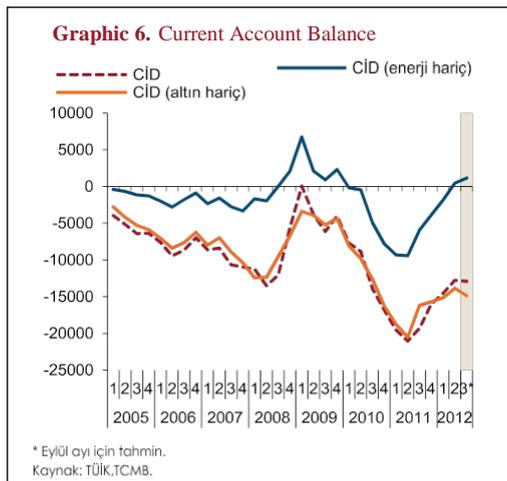




With the stability and disciplined economy management since 2002, the Turkish economy has achieved an admirable outlook. The increase in the last ten years in interest rates, which are an important indication for economy, not only increased the trust in the economy but also made a positive contribution to the investment and employment increase by reducing alternative costs. The Central Bank has carried out a very successful management in terms of monetary policies and inspired many developing (macroeconomic structure) countries.

With a proactive approach, the Central Bank of Turkey intervened again by the last quarter of 2011 on the extremely volatile state of Turkish Lira caused by alterations in the global risk appetite and implemented the 'interest rate corridor' which provided healthier operation of the floating exchange rate and eased the exchange rate pressure on inflation. Changes in the reserve requirement policies aimed at balancing the loan demand and avoiding a possible risk of inflation by preventing TL abundance due to fall of interest rates.

CAB (gold excluded), CAB (energy excluded), September forecast,

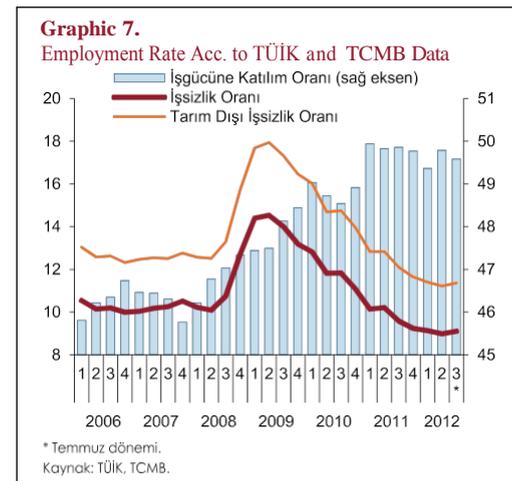


Shortly described as 'cooling down the economy', this policy provided a vital recovery for the current account deficit problem and reduced our need for foreign exchange.(GRF:6)

The stabilized climate in economy has its effect on uncertainty the most, and as a result the alternative costs have been pulled down and a crucial decline in interest rates has been established. A typical fruit of this effort is evident in unemployment numbers which concerns most of the population. Despite the slowdown in growth rate, unemployment dropped to 9.2% in 2012 which was 9.8% in 2011. (TÜİK data)(GRF:7)

Important accomplishments have been made regarding inflation and it has been seen that monetary and fiscal policies are implemented together in order to sustain these accomplishments. Tax rate arrangements and required reserve adjustments are typical indicators.

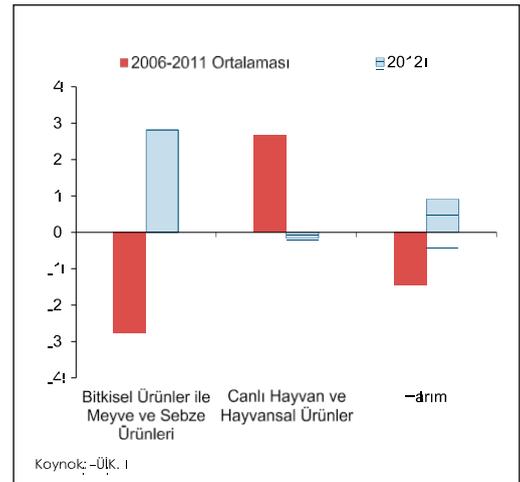
Labor force participation rate (right axis), Employment rate, Non-agricultural unemployment rate, July period, Data: TÜİK, TCMB





Cruising around 11% in the first four-month period of 2012, the inflation rate dropped to 8% as of May, but in the third quarter the TUFİE increased by 0.32 compared to the previous quarter and reached 9.19%. This rigidity in inflation can be explained by unprocessed food increase over seasonal average and oil prices also going over average. The ensuing measures had their effect in the last quarter and the increase in CPI was 6.16% by the end of December 2012. Producer price inflation made its 2012 debut at around 11%, declined to 6.44% in June, and dropped to 2.45% in December. The decline in growth rate has made a positive impact on inflation.(GRF:8)

Graphic 8. CPI – PPI acc. to TÜİK Data

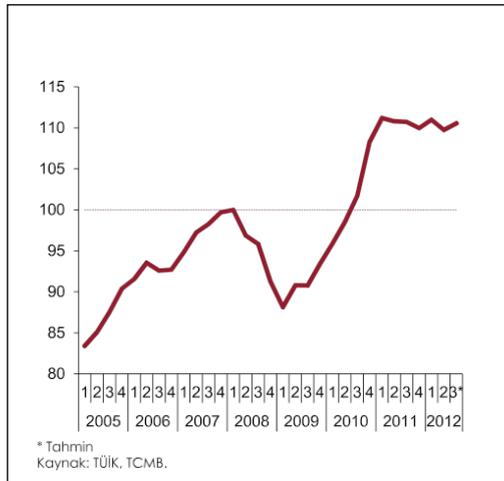




Policies on sustaining the accomplishments against our chronic problem of inflation and maintaining supervised development of demands and investments regarding growth require great sensitivity.

Moreover, ‘confidence indices’, which are the essential indicators of modern economic administrations, must be closely monitored since they are leading indicators and will increase the efficiency of general policies if properly executed by the economic management. Consumer confidence indices must be considered as a leading indicator that shed light on future economic activities of the consumer. A significant improvement has stood out in consumer confidence since September 2012. **(GRF9)**

Graphic 9. Confidence Index Acc. to CNBC-E,TÜİK-TCMB Data





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

Construction and its subsector components are amongst those affected most from general economic conditions. The sector's sensitivity to economy is more or less a factor in all countries.

Recession in the world and in the case of EU economy has negatively affected construction and subsectors in countries with these sorts of problems and overturned the expectations. The increasing debt issue and shortage of real estate financing have only made it worse. However, investment and real estate funds from the EU put their 2013 projections a little more positively.

The situation is quite different in our country. Both internal dynamics and socio-economic developments have made the real estate sector and its components a center of attraction.

International real estate valuation and analysis reports also acknowledge this vitality.

According to the “**Emerging Trends in Real Estate® Europe 2013**” report by PwC and Urban Land Institute (ULI) including the latest developments in real estate, Istanbul has gained 4th place among the first 27 cities in Europe standing out with its current realty investments. Other cities in the top five appeal to investors as “safe ports” while Istanbul continues to be the most popular place in 2013 as well for future development opportunities.



Prominently being the most damaged sector during economic crisis in western economies, construction and real estate sector have gained momentum in some countries over the last few years. The most typical example is the change in house prices. **(GRF:10)**

In that case, one of the most important centers of attraction is Turkey, specifically Istanbul. Considering the specific dynamics of Turkey in the country's construction sector (demographic structure, interest from foreign investors, growing economy, etc.), it is progressing in a more vibrant fashion compared to developed economies.

However, a decline was observed in the sectoral growth rate in 2012 due to both seasonal factors (the sector's inclination to slow down in winters) and the aforementioned measures to cool down the economy.

The trend in construction and its supplementary sectors, which is one of our country's driving growth factors, makes its effect accordingly in the country's economy. The controlled deceleration in growth will make its impact on the construction sector. However, current ongoing constructions, natural demand based on population, reciprocity, and continuation of urban transformation works will diminish this impact.

Graphic 10. Change in House Prices in Selected Countries (%-June 2012)

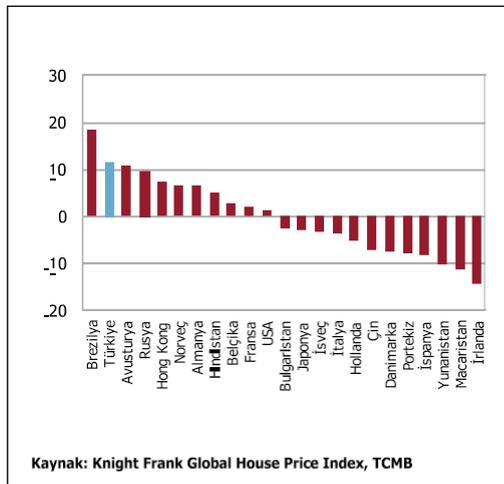


Table 5 – Growth Rates in GDP and the Construction Sector (TÜİK Data)

Period (Quarter)	Construction Sector Growth Rate (%)	GDP Growth Rate (%)	Real Estate Leasing-Business Activities Sector Growth Rate (%)
2011 1.Quarter	15.5	12.1	10.4
2011 2. Quarter	13.0	9.1	7.2
2011 3. Quarter	10.2	8.4	10.2
2011 4. Quarter	7.0	5.0	9.2
2012 1. Quarter	2.7	3.4	7.1
2012 2. Quarter	0.3	3.0	7.3
2012 3. Quarter	0.4	1.6	5.4

The biggest three real estate area (Istanbul, Ankara, and Izmir) constitutes approximately 42% of total real estate market in Turkey. Emlak Konut GYO A.Ş. primarily operates in these 3 real estate areas. Another notable thing for the sector in 2012 is that there has been an increase in house sales and prices despite the growth and slowdown in the construction sector which has been caused by delayed demand, offers, and house purchases before tax arrangements.(Table:6-Grf:11)

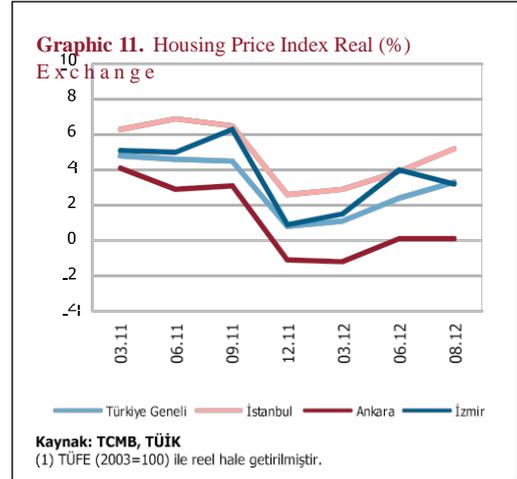


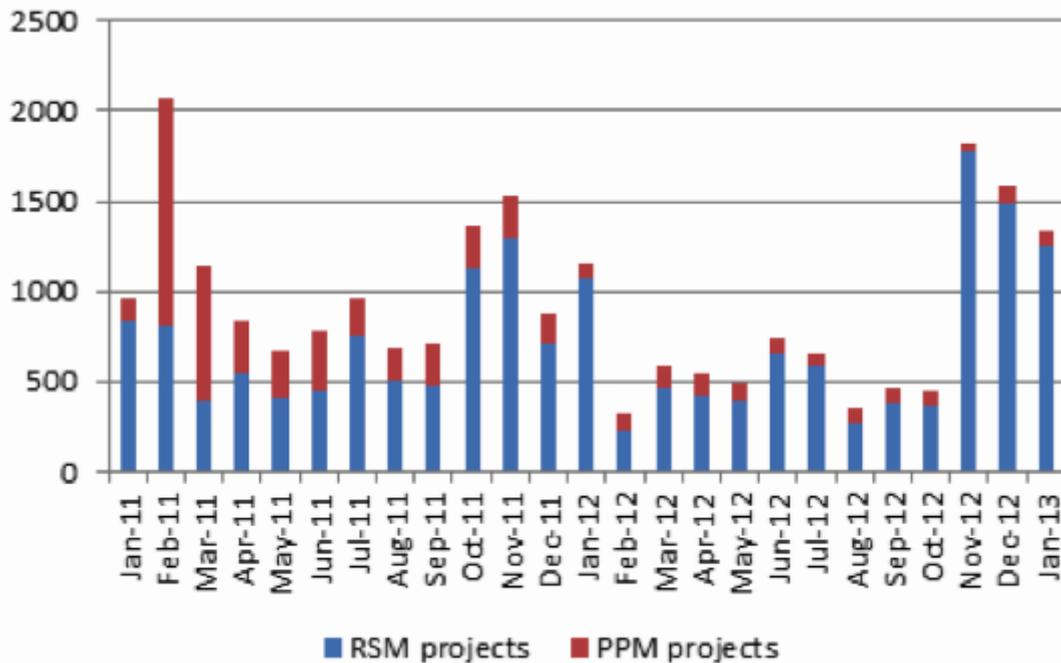
Table:6 Housing Sales in Turkey and the three biggest cities (TÜİK Data - Pieces)

Period (Quarter)	Overall in Turkey	Istanbul	The Big Three (İst.-İzm.-Ank.)
2011 1.Quarter	91.071	18.768	39.501
2011 2. Quarter	107.308	22.343	46.432
2011 3. Quarter	101.754	18.494	40.445
2011 4. Quarter	118.867	24.245	49.547
2012 1. Quarter	96.092	20.778	40.768
2012 2. Quarter	106.035	23.040	45.201
2012 3. Quarter	103.543	19.442	40.043



Another data confirming the special situation mentioned above shows itself in our independent unit sales.(GRF:12)

Graphic 12. Emlak Konut GYO Independent Unit Sales (RSM-Revenue Sharing,PPM-Projects)



Source: Company Data and Oyak Menkul

The rising trend of house sales can also be explained with the increase in numbers of projects that draw attention from branded and particularly foreign investors, and the gradual implementation of reciprocity law and making itself felt in the market. It should be kept in mind that the effect of real estate sales to foreigners and reciprocity arrangements (entered into force and published in the Official Gazette No 28296 dated May 18, 2012 and numbered 6302) went into effect in mid-2012.

General Directorate of Land Registry and Cadastre has corroborative numbers; a total of 1.162.000 m² sized 2578 real estate was sold to foreigners from August to the last week of October. It is quite possible that the number will increase after the pending sales will be granted approval by public institutions towards the year end.

Table:7 Foreign Capital Investments in Real Estate Sector
(Acc. to Data from the TC Ministry of Economy)

PERIOD (QUARTER)	R.E. SALES TO FOREIGNERS (mil. \$)	DIRECT FOREIGN CAPITAL INPUT (mil. \$)
2011 1.Quarter	461	125
2011 2. Quarter	781	215
2011 3. Quarter	264	162
2011 4. Quarter	507	54
2012 1. Quarter	557	139
2012 2. Quarter	702	23
2012 3. Quarter	586	21

26.10.2012 Hürriyet Newspaper

Effectiveness of the reciprocity law may considerably increase particularly after our credit rating is raised (November 2012). It should be noted that various investment funds can make investments in countries with a “minimum investment acceptable” note due to their internal regulations.

The perception of investment in more profitable countries due to a potential caused by the low interest and cash abundance abroad also makes Turkey a center of attraction. The real estate sector will get its share from these types of investments.



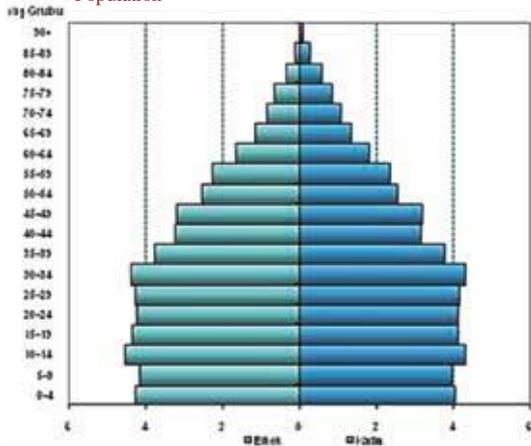
Turkey Dynamics Analysis of the Real Estate Sector

This part will include a brief analysis of our country's demographic, financial and structural features and their impact on the sector and our company.

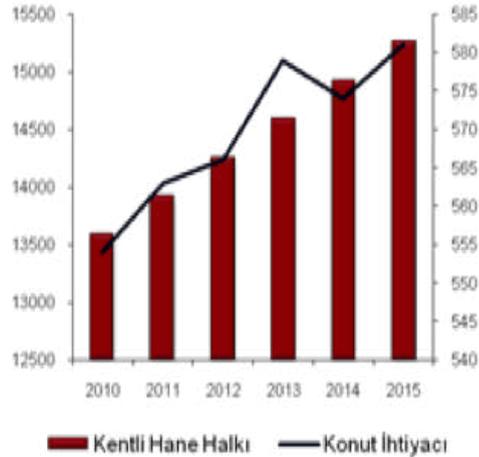
Demographic Characteristics

Most important reasons for the buoyancy of housing sector in Turkey are the need for urbanization and demand for quality housing. Istanbul particularly being in the first place, Ankara and Izmir too receive migration that makes those cities a center of attraction, making the demand in big cities alive. On the other hand, the demographic characteristics of Turkey make up a natural demand for housing. Decrease in financing costs and improvement in credit facilities also have been factors that stimulated buoyancy in housing sector in the last decade.

Graphic 13. Age Pyramid and Distribution of Turkey's Population



Graphic 14. TÜİK Data
Housing Need Estimation /Household



It is estimated that about 3.4 million houses will be needed in Turkey from 2010 to 2015 due to the population increase, rapid urbanization and changes in the family structure. Turkey's population is expected to be 94.5 million by 2050. The amount of people between the ages of 15-64, which is accepted as the most actively involving range, accounts for 67.4% of the population. The fact that half of the population is below the age of 29.2 shows the demographic potential in economic activities. (GRF:13-14)



Demand-side support of the demographic structure for especially the construction and real estate sectors should not only be considered in term of housing. Shopping malls and Business Centers built for commercial activity or schools, hospitals, dams, highway projects built for public or private investment are among other real estate sectors to show development.

Financial Characteristics

One of the most distinctive factors that present the real estate sector's relation with economic activities, macroeconomic characteristics make an impact on all investments and consumption and particularly on the housing demand. To summarize the financial developments and their effects;

- Declining uncertainty elements regarding the country's economy and non-economic risks,
- Regulations in the banking and house financing systems (which also make an impact on growth with increasing/decreasing measures on credit volume as stated in the Turkish Economy section)
- Current stability and popularization of long-term housing finance systems,
- Formation of banks, real estate investment trusts, valuation firms, and credit rating institutions
- A financial order was also brought by a more corporate structure provided by regulations of public authorities like SPK, BDDK, and TCMB.
- Rejuvenating effects of accomplishments in the economic structure,
- Increased possibility of making accurate forecasts by both consumers and manufacturers,



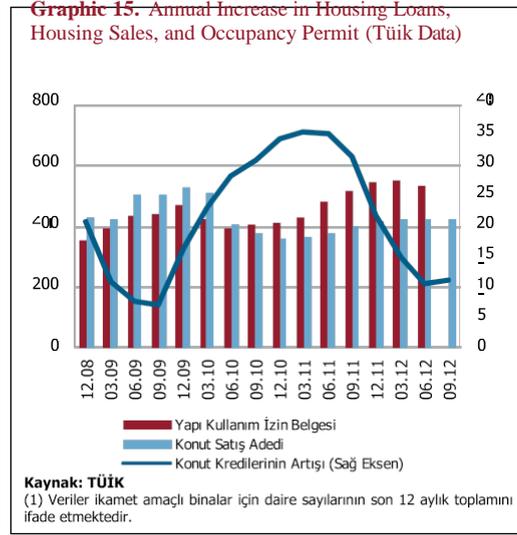
Due to decline in inflation which made a decreasing effect on interest rates, and also the deferring housing demand following the 2001 crisis, the construction and real estate sectors have gone through a significant buoyant period after the second half of 2000s. Impacts of the 2008 Global Crisis have caused a temporary downturn in the construction sector but these negative effects disappeared after 2009.

However, a number of monetary policy measures by 2011 (such as reserve requirements, interest rate corridor, exchange rate policy), and the decline in demand made themselves evident on interest rates and housing sales which led to a slight decrease in sales compared to previous years. The TCMB-supervised monetary policy led to increased credit costs for the banking environment and triggered a controlled decline in demand. **(Table:8)**

Table:8 – Average Housing Loans (Monthly) Acc. to Data from Banks

PERIOD (QUARTERLY)	AVERAGE INTEREST RATES FOR HOUSING LOANS
2011 1.Quarter	0.96
2011 2. Quarter	1.00
2011 3. Quarter	1.16
2011 4. Quarter	1.29
2012 1. Quarter	1.26
2012 2. Quarter	1.21
2012 3. Quarter	1.21
2012 4. Quarter	0.98

Controlled contractionary monetary policies (particularly towards consumption-based loans) made their presence felt in 2012. But housing sales did not decline at the same rate despite the drop in housing loans, there were more sales than the year 2011. (GRF:15)



Structural Characteristics

Defined as factors varying in every country depending on the period and investor/consumer behavior, notable points regarding this subject are stated below.

“Branding and institutionalization” inclinations starting after the 2001 crisis in the construction sector have become a distinctive element of Turkish companies not only in domestic projects but also in other projects (especially infrastructure) abroad.

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 (delay in the supply). When the demand increases or decreases fast, similar problems are experienced especially in terms of house demands. 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 move. These characteristics may sometimes even get in the way of financial and economic variables.



Activities of the Board of Directors

The Board of Directors is the ultimate decision-maker in Emlak Konut GYO A.Ş. It is responsible for administration and representation of Emlak Konut GYO A.Ş., realization of company operations, establishment of relations between shareholders and company, and recruitment. It is also responsible for orderly realization of Emlak Konut GYO A.Ş. activities in accordance with laws and the Main Agreement articles.

The company acts in accordance with principles collected under the heading 'Board of Directors Structure-Independence Requirements' of Section 4.3 of Republic of Turkey Prime Minister's Capital Markets Board Communiqué Serial: IV, No: 56 titled Determination and Implementation of the Communiqué on the Principles of Corporate Governance.

Members of the Board of Directors are chosen by decree of General Meeting. The Board of Director consists of 7 people;

Chairman, Vice Chairman, and 5 members. There are 3 independent members on the Board of Directors.

161 decisions have been made between **01.01.2012 - 30.09.2012**. **40** decisions have been made between **01.10.2012 and 31.12.2012** All decisions have been made unanimously.

The Board members are not granted any weighed vote and/or veto rights.

In line with the authority bestowed upon them by shareholders in general meeting, the Board of Directors utilizes their authority and responsibilities pursuant to regulations, prime contract, intercompany arrangements and abilities and represents the company. The Board makes strategic planning in accordance with the company's vision.



Changes Made in the Main Agreement Within the Period

Our company have made amendments in the main agreement as required by regulation change stated below, implementation of the actualization of internal arrangements subject to these changes have begun after the general meeting.

The company's main agreement was brought into conformity with the arrangements that were made compulsory with the Communiqué Serial IV No: 56 of the T.R. Prime Ministry Capital Markets Board Pertaining to Determination and Implementation of Corporate Governance Principles with the resolution of the Board of Directors dated 22.02.2012 and numbered 15 and after the other articles of the company main agreement were reviewed; it was decided to amend Articles 3, 5, 6, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 23, 25, 26, 27, 28, 29, 30, 31, 32, 34 and 35 of company main agreement and to add Article 23/A. A material disclosure was made to the "public disclosure platform" on 22.02.2012.

In the following period, in the light of the General Meeting held at the company's home office on 19 April 2012; pursuant to decision No: 017-030 taken by the board of directors on 14 March 2012, it was decided to amend Articles 3, 5, 6, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 23, 25, 26, 27, 28, 29, 30, 31, 32, 34 and 35 of company main agreement and to add Article 23/A thus the amendment has been actualized.

A material disclosure regarding the subject was made to the Public Disclosure Platform on 19 April 2012. The amended articles of main agreement can be found both in KAP and our website in detail, which has been publicly announced. Please see ANNEX 9 for the amended old and new articles of the main agreement.



Corporate Governance Principles Compliance Report

1. Statement of Compliance with Corporate Governance Principles

Emlak Konut GYO A.Ş. has adopted compliance with Corporate Governance principles and practices issued by the Capital Markets Authority as the basis of their main management activity. At this stage, the phases of adaptation which may be called as organization, principles, and administrative works are being implemented within a process. Our activities concerning Equality, Transparency, Accountability, and Responsibility, which are the main rules of Corporate Governance principles, shall be implemented in their old state until our legislation is amended and they will be implemented in the newer form following the amendment of legislation.

Emlak Konut GYO A.Ş. has made prior arrangements for compliance efforts in our company under “Communiqué on Determination and Implementation of Corporate Governance Principles” No: 54 Serial: IV published by the Official Gazette No. 28158 on 30 December 2011.

Articles on rules to follow in the Corporate Governance Principles have been implemented and complied. Obligatory aspects that have not yet been implemented are stated in relevant sections of the report. Our statements are provided below regarding compliance efforts with obligatory matters in the Communiqué.

The Corporate Compliance Report has been arranged within the framework of amendments made with the Capital Markets Board policy decision no. 4/88 on 01.02.2013.

In this respect, the 1st Amendment of the Articles of Association under Communiqué Serial: IV, No: 56 has been made as follows;

Corporate Governance Principles have been established for publicly held corporations (Stock Companies) trading in IMKB and it has been stipulated that several of these principles are obligatory.



Pursuant to Article 5 of the Communiqué, Stock Exchange Companies have been divided into three groups taking into account their market values and the market values of their shares in the actual circulation according to the systemic importance of these companies while determining and monitoring the compulsory Corporate Governance Principles.

Our company is among the Group 1 enterprises in terms of implementation classes and responsible for implementing Articles 1.3.1, 1.3.2, 1.3.7, 1.3.10, 4.3.1, 4.3.2, 4.3.3, 4.3.4, 4.3.5, 4.3.6, 4.3.7, 4.3.8, 4.3.9, 4.4.7, 4.5.1, 4.5.2, 4.5.3, 4.5.4, 4.6.2, 4.6.4 of the Corporate Governance Principles.

In this context, it has been decided that all Stock Companies;

a. Make amendments on the articles of association pertaining to principles no. 1.2.10 and 4.4.7 which require provisions to be added on the articles of association regarding principles,

b. With respect to principles no. 1.3.1, 1.3.7, 4.3.1, 4.3.2, 4.3.3, 4.3.4, 4.3.5, 4.3.7, 4.3.8, 4.3.9, 4.5.1, 4.5.2, 4.5.3, 4.5.4, 4.6.2, and 4.6.4 among obligatory principles, compliance of the current state of articles of associations with rudiments stated in the said articles must be reviewed by the partnerships, and necessary amendments in the articles of association must be made in the event of non-compliance with Communiqué provisions or if there are conflicting statements in the articles of association.

From the aforementioned regulation forth, our company has decided to amend articles 3, 5, 6, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 23, 25, 26, 27, 28, 29, 30, 31, 32, 34, 35 and add article 23/A in the articles of association with the resolution of the Board Member dated 22.02.2012 and numbered 15, as a result of reviewing other articles of the company's articles of association and complying it with regulations deemed obligatory by the Communiqué on Determination and Implementation of Corporate Governance Principles Serial: IV No:56 issued by the Capital Markets Board.

The announcement was issued on 22.02.2012 at the Public Disclosure Platform with a material disclosure. Informational documents were arranged and submitted for review of shareholders and beneficiaries before the relevant date on our website.

In the following process, as a result of our General Meeting held at our headquarters on 19 April 2012, articles 3, 5, 6, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 23, 25, 26, 27, 28, 29, 30, 31, 32, 34, 35 were amended and addition of article no 23/A was implemented pursuant to the board resolution dated 14 March 2012 and numbered 017-030.

A material disclosure was issued at the Public Disclosure Platform on 19 April 2012. Amended articles in the articles of association are available both at PDP and our website. Please find the former and new articles of association and our 2012 General Meeting Agenda in the Annex section of our Corporate Governance Report.

2. Independent Board Members and Policies

Independent Board Members Selection was made at our General Meeting on 19 April 2012 as qualitatively and quantitatively required by the regulations. Volkan Kumaş, Veysel Ekmen, and M. Haluk Sur were appointed as Independent Board Members following the General Meeting. Detailed clarification on our Board of Directors is provided in articles 15 and 16 of the report.

Compliance with procedures has been achieved and principles have been implemented in terms of disclosure of Board Member candidates' résumés, announcing independent candidates to public, salary, information, profit distribution, redemption policy, their establishment and disclosure to public, founding related Committees and structuring these Committees.

3. Committee Establishment

In parallel with the regulations deemed obligatory following the Capital Market Board's Communiqué on Determination and Implementation of Corporate Governance Principles Serial: IV No: 56, our company has established the committees specified in the respective communiqué in the Board of Directors meeting.

Corporate Governance Committee established within Emlak Konut GYO A.Ş is responsible for 'Nomination, Salary, and Early Risk Detection' Committees in addition to its primary task. An Audit Committee has also been established and started its post. Detailed information about committees is provided in title 17 of our report.

4. Implementation of Relations with Beneficiaries Through Transparency and Equality

Our company executes its relations with all beneficiaries with active implementation of essential values in Corporate Governance Principles such as the accurate, clear and easy management of information.

Emlak Konut GYO A.Ş strives to establish communication with beneficiaries (stakeholders, investors, analysts etc.) in the best way and in a continuous manner by simultaneously providing them with necessary information on time, safely, consistently, and regularly.

To this end, the company aims to reach investors and other beneficiaries (or possible beneficiaries) seeking information by timely providing them with visual and written media, meetings and obligatory public disclosures.

However, difficulties in implementation of some of the principles and the consequent setbacks to occur in the company's operation may lead to situations against investors. It should also be noted that there have been continuing debates on the international platform and in our country regarding compliance with some of these principles. Internalization of certain principles not mandatory by law and difficulties in implementing these principles should also be kept in mind. Attaching great importance on Corporate Governance, our company will continue its efforts in the next term as well bearing in mind the developments in regulation and implementations with respect to compliance.





PART I - SHAREHOLDERS

2. Shareholder Relations Unit

Emlak Konut GYO A.Ş. incorporates an Investor Relations Unit for shareholders. This unit is coordinated by Hakan Akbulut (hakbulut@emlakkonut.com.tr), the Assistant General Manager of Financial Affairs. Hasan Vehbi Arslantürk (harslanturk@emlak-konut.com.tr) is head of this unit. Specialized personnel are employed at the investor relations unit to provide better service with related persons.

In addition to e-mail addresses above, the authorized personnel can be reached by phone from (0216) 579 15 15, by fax from (0216) 456 48 75, and by e-mail from info@emlakkonut.com.trcom.tr.

Emlak Konut GYO A.Ş Investor relations unit fulfills the tasks summarized below.

- Investor Relations unit is responsible for informing all beneficiaries on legislation and in-house regulations and monitoring internal and information s well as Accurate Public Disclosure to this end
- Fulfilling obligations regarding General Meeting announcements, organizing documents for beneficiaries in General Meetings, keeping record of voting results and status report
- Keeping records of Shareholders secure and up-to-date
- Informing shareholders and potential investors regularly on company's activities, financial situation and strategies with the exception of information qualified as confidential and commercial secrets and by avoiding information inequality; and executing bi-directional communication between shareholders and company executives.

Investor – Analyst meeting and participants in 01.01.2012 - 31.12.2012

In accordance with our information policy, meeting and interview requests from both domestic and international corporate investors are granted within the bounds of possibility. Breakdown of these meetings held in investor relations unit organization for the period is as follows;

1 October 2012- 31 December;

80 organizations were held, 67 of which were with domestic and foreign investors and 13 were with domestic and foreign analysts.

Meeting breakdown for the year 2012 is as follows; In 1 January 2012 – 31 December 2012, a total of 303 organizations were held, 263 of them with foreign and domestic investors and 40 with domestic and foreign analysts.

3. Utilization of Shareholders' Right to Information

All information is shared with our shareholders in accordance with both transparency and accuracy defined by corporate governance principles and our corporate culture (except the concept of commercial secrets), by means of which accurate information is provided on strategies and activities of our company.

In 2012, requests on phone calls, e-mails, and personal interviews have been granted by the Shareholders Unit and information concerning shareholders has been announced on the official website within mandatory notification processes.

Questions from analysts and investors have been promptly replied who have frequently contacted our unit. Requests and questions to Investor Relations mostly arrive via phone and e-mail.

Appointment of a Private Auditor is not included as a right in our company's Articles of Association. There has been no request on this from shareholders in the year 2012.



4. General Meeting Information

Emlak Konut GYO. AŞ held an Ordinary General Meeting on 19 April 2012 and participation of shareholders representing 75.32% of the shares was accomplished. Main agenda items of the said meeting were;

- Board of Directors Annual Report for 2011, Examination of Auditor and Independent Audit Reports
- Announcement of balance sheets and profit & loss accounts on the company's financial performance and negotiations on the subject
- Decision-making on profit distribution
- Selection of Board Members (Including Independent Members),
- Selection of the Board of Auditors
- Informing shareholders on remuneration principles regarding Board Members and senior executives,
- Amendment of articles 3, 5, 6, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 23, 25, 26, 27, 28, 29, 30, 31, 32, 34, 35 in the company's Articles of Association and addition of article no. 23/A pertaining to the Board Member's resolution dated 14.03.2012 and numbered 17-30, negotiations on the subject, and finalization of the amendment. Details on the general meeting agenda are available on our website.

Invitation to General Meetings is implemented by the Board of Directors in accordance with in accordance with provisions of the Turkish Commercial Code, Capital Markets Law and Company's Articles of Association. Decisions on General Meetings are notified on the PDP platform.

General Meeting notification specified in the '1.3. Shareholders' section of Corporate Governance Principles is declared a minimum of three weeks prior to the date of general meeting to ensure reaching as many shareholders as possible via foreseen procedures by the legislation, e-mail, and all types of communication devices. An announcement is also made on the company's website www.emlakkonut.com.tr at least three weeks in advance.

General Meeting agenda is also submitted for review of shareholders beforehand in accordance with time allowed for notice.

In 2013, our Shareholders whose shares are monitored before the Central Registry Agency can either attend the general meeting at the announced venue physically or through their representatives, or they can attend via the Electronic General Meeting System which they can access on the Central Registry Agency website.

Shareholders can attend the General Meeting through representation; they can authorize their representatives using the Electronic General Meeting System or by means of a notarized power of attorney or they can grant power of attorney on their representatives by a notarized signatory circular.

As for the non-electronic General Meeting; the natural person can attend the meeting by presenting their shareholder IDs, the legal person shareholders can attend the meeting by presenting certification of authority and IDs of persons authorized to represent and bind the legal person, and representatives of natural and legal persons can attend the meeting by presenting certificates of identification and power of attorney and by signing on the list of participants.



All media opportunities and legally mandated announcements are utilized in order to ensure maximum attendance at our General Meeting.

The General Meeting on 19 April 2012 was held at our Corporate Headquarters and neither the press nor media representatives attended the meeting.

Shareholders employed their right to direct questions in our 2012 General Meeting. In the wishes and suggestions session, shareholders Mr. Cahit Başaran and Mr. Mehmet İlhan Demirer took the floor and asked about the Company's 2012 goals.

Mr. Mehmet İlhan Demirer took the floor and said that Emlak Konut GYO A.Ş should focus on urban transformation projects, the share percentage of Emlak Konut GYO A.Ş must be increased in plot sale revenue sharing transactions, dormant contracts regarding the Ispartakule 1-2 area should immediately be realized and he also requested information about legal issues in annual reports.

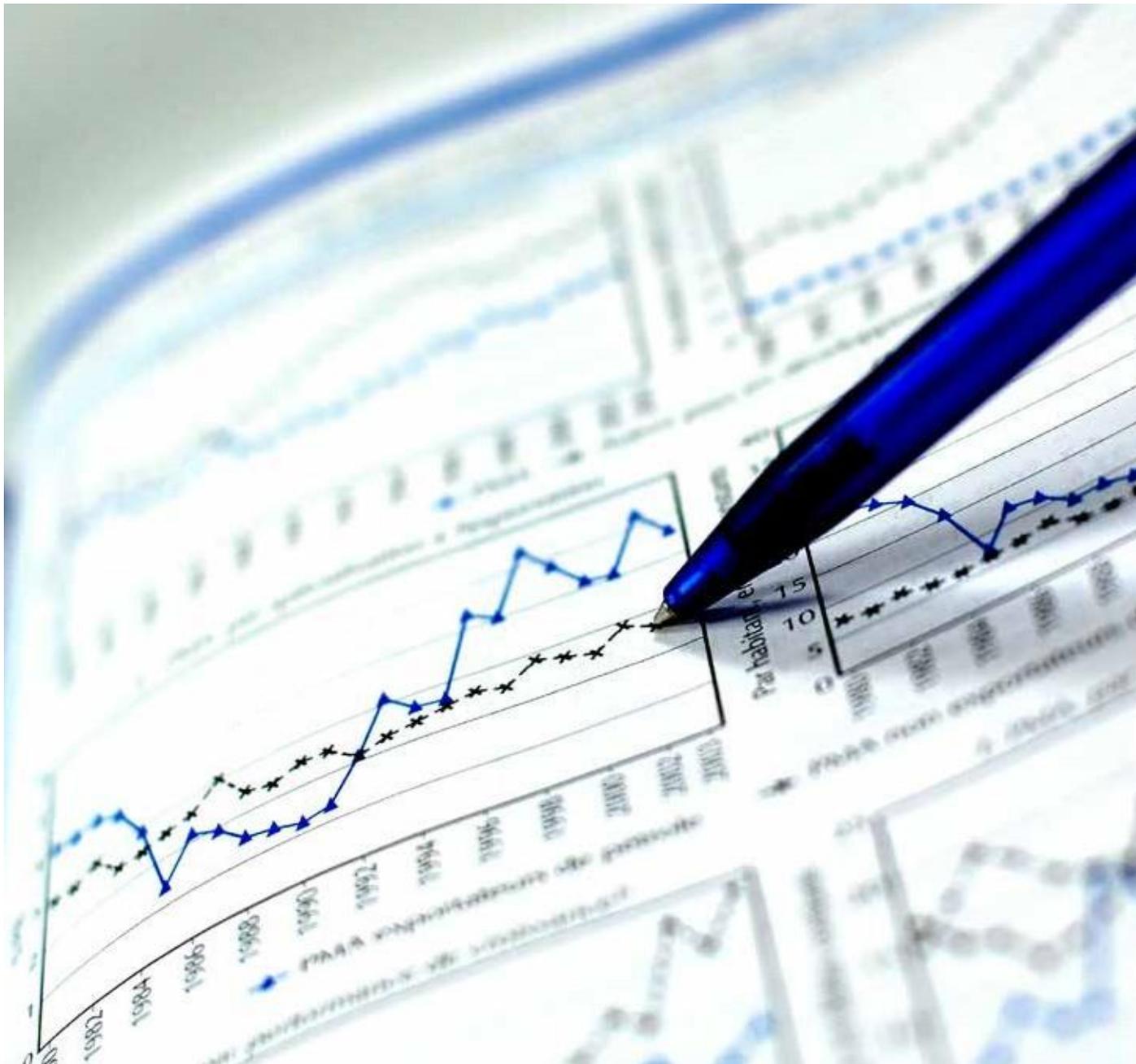
General Manager Mr. Murat Kurum issued a statement regarding comments and questions. There is no question unanswered at the General Meeting that was answered in writing by the ED. Neither party suggested a change in the agenda at the General Meeting.

Donations and aids were not discussed as an agenda item at the 2012 General Meeting.

Despite the absence of any policy regarding donations and aids, matters specified on the relevant subject in the articles of association are as follows:

The company may make donations in a way that does not disrupt their purpose or subject provided that the said transaction does not violate the last paragraph of article 15 of the Capital Markets Law and other CML regulations, necessary public disclosures are announced, donations made during the year are submitted for review of shareholders at the General Meeting, and a Board of Directors decision is made on the subject. No donations or aids were made during the period and therefore no disclosures were made to shareholders at our general meeting.

General Meeting Agenda, Meeting Notice, Minutes of Meeting, List of Participants and Power of Attorney Sample are available on our website at www.emlakkonut.com.tr for shareholders.



5. Voting Rights and Minority Rights

Pursuant to the Voting Right principles no 1.4 on Shareholders Section 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 entitled after public offering, including nomination privileges for the Board of Directors. Assignment of privileged shares is subject to CMB approval.

Shares that represent the minimum free float rate of the privileged shares at the rate of executive dominance must only be acquired by the leader shareholder for two years following the end of the sales period through public offering. Each share has one vote in the General Meeting. There are no minority rights within the capital structure of our

We provide information for our shareholders who use their Voting Rights and implement necessary efforts so that they can make objective decisions. There are no articles regarding minority rights in the articles of association.

Our company places importance on utilization of minority rights in accordance with TCC and CMB regulations and there have been no complaints or criticism regarding this issue. Emlak Konut GYO A.Ş has no subsidiaries. Therefore the company is not represented by any other legal entities.

6. Profit Share Rights

The company's Profit Distribution Policy is as follows:

Emlak Konut GYO A.Ş. has adopted it as a principle to show necessary sensitivity in terms of profit distribution to shareholders and comply with the relevant regulations. The company attaches importance on the concept of 'dividend/profit share' yield in Capital Markets and exercises efforts so that dividend yield is higher than that of the yield of risk-free alternative investment in company valuation. Profit distribution principles are implemented in accordance with the below legislation and with the company's articles of association.

In article 31 of the company's Articles of Association; the company complies with the regulations in the Turkish Commercial Code and capital market legislation in terms of profit distribution.

Articles of Association, Article 31 – Profit Distribution:

The company complies with the regulations in the Turkish Commercial Code and capital market legislation in terms of profit distribution.

Pursuant to general accounting principles such as general company expenses and various depreciations, required payments and allocated sums, mandatory taxes for the Company's legal entity, and provisions for financial obligations are deducted from the ascertained revenue at the end of the fiscal year. Losses from previous years, if any, are also deducted from the remaining amount and the net profit specified on the annual balance sheet, after which the remaining sum is distributed within the order and principles below.

Primary Legal Reserve;

a) 5% of the remaining is allocated as the primary legal reserve until it is 20% of the issued capital pursuant to article 466 of the Turkish Commercial Code.

First Dividend;

b) First dividend is reserved from the remaining sum at the amount and portion determined by Capital Markets Board.

Second Dividend;

c) After deducting the amounts mentioned in clauses a and b from the net profit, the General Meeting is authorized to distribute the remaining amount completely or partially as second dividend, leave it in the balance sheet as year-end profit, add it to voluntary or statutory reserve or keep as extraordinary reserve. Secondary legal reserves;

d) After deducting 5% of the issued capital from the amount determined for distribution to persons participating in the profit with shareholders, one tenth of the remaining amount is reserved as secondary legal reserve pursuant to clause 3 paragraph 2 and article 466 of the Turkish Commercial Code

e) As long as the legally required statutory reserves are not reserved and the first dividend specified in the articles of association for shareholders is not allocated; further reserving of statutory reserves, transferring profit to next year and distributing dividends to board members, clerks, janitors and workers, various foundations and similar



persons and institutions cannot be executed and the profit share cannot be distributed to these persons if the specified first dividend is not distributed.

f) Regulations in article 15 of the Capital Markets Law state that interim dividend may be distributed to partners.

Furthermore, considering article 31 in our Company's Articles of Association on "Board of Directors Resolution on Distribution of Dividends" dated 11.10.2010 numbered 54 (143) regarding the subject; in accordance with the provision titled "Communiqué on Principles Regarding Distribution of Dividends and Interim Dividends by Publicly Held Companies Subject to the Capital Markets Board" issued by the Capital Markets Board on distribution dividends with Serial: IV No:27 that states "...Publicly held companies are obligated to present the primary dividend rate in their articles of association. This rate shall not be lower than the amount established by the Board and announced by communiqués....", our company has decided that distribution of dividends shall be made in the minimum amount of share distribution rate specified by the CMB for the relevant accounting period.

Within the framework of profit distribution policy, the dividend is equally shared to all current shares in the relevant accounting period. Our company does not hold any privileges on profit distribution. We provide information on profit distribution for shareholders at the relevant general meeting.

Information about profit share ratio granted to shareholders and profit distribution principles and policies are included in our annual reports. Our company attaches importance to compliance with profit distribution principles which is among the corporate governance principles. Profit distribution to shareholders was implemented as of 30 April 2012 as decided at the general meeting on 19 April 2012.

A vital factor of evaluation today for stock investors and company partners, we place necessary attention on distribution of 'profit shares' and aim that involved parties will get efficiency on risk-free rate of return.

Detailed principles on our profit distribution policy are available on our website. Disclosures regarding profit distribution in 2011 are available at PDP and our website.

7. Transfer of Shares

The following matters are included on transfer of shares.

Group A registered shares must be offered to all shareholders by primarily specifying the transfer fee. In the event that an affirmative answer is not given in fifteen days to offers made to current partners sent by registered mail to their notified addresses and the shares are not acquired, then these shares may be assigned to third parties not less than the specified amount. In case multiple shareholders seek these shares at the same amount within fifteen days, the said shares are equally transferred to the claiming shareholders. Transfers executed outside this fashion are not recorded on the partnership share ledger. Capital market legislation provisions are reserved with respect to transfer of shares.

T.C. Prime Ministry Housing Development Administration is the leading shareholder. According to the capital market legislation, shares representing the minimum capital ratio of leading shareholder partner or partners and privileged shares that grant management control in the partnership cannot be transferred to others in two years following the end of the sales period of shares sold by public offering that represent minimum free float ratio. Share transfers of the leading shareholder in this period despite the prohibition are not recorded on the partnership share ledger.

Transfer of Shares has been completed for company partners who hold Class B covered stocks for Housing Acquisition Support and they have been carried forward to the accounts of our partners by turning these stocks into tradable public stocks. We received 24 Written Requests for Share Transfer in 2012 and the transactions were completed.

Transfer of privileged shares is subject to CMB approval.





PART II – PUBLIC DISCLOSURE AND TRANSPARENCY

8. Company Disclosure Policy

Disclosure Policy at Emlak Konut GYO A.Ş is executed in the manner specified by CMB Corporate Governance Principles. The relevant policy has been announced to public via the company's website and annual report. Disclosure Policy specifies which information shall be announced by which means, how frequent and by which officials. Information for public disclosure must be announced in an accurate, thorough, clear, commentable and accessible way on time.

Goal and Scope of Our Disclosure Policy;

Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş. (EKGYO), shall make sure that the shareholders, investors and beneficiaries are informed in a timely, thorough, accurate and efficient manner through the "Disclosure Policy" after the offering of the shares to the public regarding past performance as well as future plans and expectations, targets and vision in accordance with the regulations of the Capital Markets Legislation, Turkish Trade Code, Istanbul Stock Exchange Legislation and 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".

EKGYO uses the following methods and tools within the frameworks 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:

- Material disclosures
- Financial Statements and Footnotes periodically submitted to Istanbul Stock Exchange, Portfolio Value Table, and Independent Inspection Report
- Quarterly Reports
- Annual Reports
- Corporate website (<http://www.emlakkonut.com.tr>)
- Investor and Analyst Meetings
- Press Bulletins
- Press conferences

Authority and Responsibility

The Information Policy is formed by EKGYO Board of Directors with Resolution of the Board of Directors; the follow-up, surveillance and improvement of the policy are under the responsibility and authority of the Board of Directors. Amendments in the Information Policy are to be put into effect by the Resolution of the Board of Directors.

Persons Authorized for Public Disclosure

It shall be considered 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 and members of the Board of Directors
- Chairman and members of the Board of Auditors
- General Manager
- Investor Relations Unit



Other employees are not authorized to respond to question requests. EKGYO employees direct the questions to the Investor Relations Office. Audit process regarding implementation of the policy is executed by internal auditing.

All Assistant General Managers are responsible for public disclosure on subjects related to their posts in Material Disclosures.

268 material disclosures were made from 01.01.2012 to 01.01.2013 (annually). Four disclosures were made by Özak Gayrimenkul Yatırım Ortaklığı A.Ş., one by İhlas Holding A.Ş., one by Nurok Gayrimenkul Yatırım Ortaklığı A.Ş., and the remaining disclosures were made by Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş. No further written disclosures were requested by the CMB or ISE following the disclosures.

74 material disclosures were made from 01.10.2012 to 01.01.2013 (last quarter). One disclosure was made by Nurok Gayrimenkul Yatırım Ortaklığı A.Ş. and the remaining disclosures were made by Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş. No further written disclosures were requested by the CMB or ISE following the disclosures. Great attention is paid to making the disclosures within legal time periods.

There is the website address of Emlak Konut GYO A.Ş. on company's letterhead papers.

Communication based on Internal Information is actively executed in our Disclosure Policy. Our company pays attention to following criteria on internal information.

Internal information is the information that can affect share value, be considered useful by an investor while making investment decision, provide advantages for the user against investors unaware of this information when used for sales and purchases of capital market tools related to the situations announced to the public and can affect the value of the relevant capital market tool or decisions of investors if announced to the public.

On the other hand, a "list of those with access to internal information" was prepared towards complying with rules on use of internal information and the employees on the list have given testimonials that they are acquainted with obligations on protection of this information and will not inappropriately use them. New additions on the list are also to give testimonials. Company insiders list created in accordance with the disclosure policy is available in the related section of the annual report.

9. Company Website and Content

Emlak Konut GYO A.Ş has a corporate website. Its address is www.emlakkonut.com.tr. The company's website was created within the principle no. 1.11 in the Public Disclosure Tools and Principles section of CMB Corporate Governance Principles. Our website operates in Turkish and English.

An 'investor relations' section is also available on our website where current and potential investors and all other beneficiaries can access effectively, accurately, and easily. Management of the website and principles on information flow are included in our disclosure policy which is managed by bodies implementing the related policy.

Measures are taken to prevent changes on information published on our website.

Headlines on our website are as follows;

- Company Information (Vision, Mission, History, Quality Policy, Board of Directors, Organizational Structure, Press Room, and News)
- Projects (Ongoing, Completed)
- Sales (Currently On Sale, Open Sales, Uncompleted Sales)
- Tenders (Construction Tenders, Service Tenders, Tenders for Procurement of Goods, Sales, Tendered Jobs, Contractors)



Investor relations section of our website includes;

- Articles of Association, Prospectus, and Public Offering Circular
- Promotion and Ownership of Real Estate
- General Meeting Information (General Meeting Agenda, General Meeting Notice, Minutes of General Meeting, List of Participants, Letter of Representation)
- Financial Tables (Financial Reports, Annual Reports, Portfolio Chart)
- Real Estate Valuation Reports
- Corporate Governance Information (Disclosure Policy, Profit Distribution Policy, Remuneration Policy, Return Policy.)
- Committees Formed in Accordance with Corporate Governance Principles (Corporate Governance Committee, Board of Auditors – Operation and Members)
- Material Disclosures
- Stock Performance
- Information Form
- Contact Information

10. Annual Report

Emlak Konut GYO A.Ş pays attention to the factor that the annual reports are arranged in a way that enables the public and particularly all beneficiaries to access accurate and complete information on time regarding our company activities. Our annual reports provide information on principles specified in the corporate governance principles. Our Annual Report is published in English after the Turkish version and submitted for use of the interested parties.

The annual report is arranged in accordance with the CMB Communiqué Serial XI. No. 29 and within the CMB Corporate Governance Principles. It is submitted for the approval of the Board of Directors and announced to public with financial tables. The report is published on our Website (www.emlakkonut.com.tr). Our financial tables reflecting the financial events during the financial periods are arranged in accordance with ‘International Accounting and Reporting Standards’ and goes through Independent Audit in relevant periods.





PART III - BENEFICIARIES

11. Informing the Beneficiaries

Emlak Konut GYO A.Ş provides information on developments for all beneficiaries with transparent, accurate, easily understandable announcements in line with legislations. Our disclosure policy (explained in detail in Section 8) on principles, methods, and limits of announcements to public **acts in line with, utilizes methods and tools of communication mentioned here ...**

In order for all beneficiaries to acquire accurate, transparent and measurable information on activities of the business; we take steps in line with CMB's "Communiqué on Principles for Financial Reporting in Capital Market" Serial: XI, No. 29, and principles, methods, and procedures on preparation and presentation of financial reports to be arranged by enterprises. According to this communiqué, enterprises must arrange their financial tables in line with the International Financial Reporting Standards ("UMS/UFRS") as endorsed by the European Union. However, UMS/UFRSs shall be implemented until differences are to be announced by Turkish Accounting Standards Board between the UMS/UFRS, which is endorsed by the European Union, and UMSK, issued by the International Accounting Standards Board. In this context, as it is not against the adopted standards, the Turkish Accounting/Financial Reporting Standards ("TMS/TFRS") issued by TMSK is employed as the base.

Emlak Konut GYO A.Ş seeks to provide better service for beneficiaries with its organization which meets ISO Quality Standards on safety, sharing and storage of data important for the business and all beneficiaries.

Following the SURVEILLANCE AUDIT executed within TSE-EN-ISO 9001-2008 standard on 17-18.12.2012, TSE executive committee has decided to maintain the validity of the Report No. KSB-KKM-1178/08 and our Quality Management System Certificate.

Additionally, it has been approved by the Turkish Standards Institute that our company holds K-Q TSE-ISO-EN 9000 Certificate of Quality Management and Quality Management System in compliance with the terms of TSE-EN-ISO 9001-2008.

We aim to make basic processes of Emlak Konut GYO A.Ş observable with Enterprise Resource Management System and ISO 27001 Data Safety and Management System Structuring and Certification Study, and synchronize up-to-date and accurate information between units and other shareholders.

To this end, we are planning an Enterprise Resource Planning implementation that will enable a common terminology between project shareholders, keep all data up-to-date and in single versions for all shareholders, keep data under records in accordance with the corporate process, and quick printing with different visual qualities.

We hold organize meetings and trainings in the expertise fields of our employees, who form our intellectual capital as one of the most important values of our business, and efforts are underway in order for them to gain different skills in different interests.

As Emlak Konut GYO, we pay attention to complying with the rules of 'business ethics and traditional business ethics' about which we have initiated efforts to make an 'Ethical Principles' regulation. We approach all beneficiaries within the framework of 'business ethics and traditional business ethics'. Our internal audit system is authorized to conduct audits for any possible problems to erupt in this context. The Board of Directors may also inspect the issue when necessary.

Details, results and contractors of tenders held by our company are announced as a part of our disclosure policy and submitted for information of related beneficiaries.

Emlak Konut GYO A.Ş. places importance to the concept of beneficiary in its broadest sense and regards not only the beneficiaries in the classical sense, but also persons directly related or not related at all to our company as beneficiaries. The company shows the required sensibility for development of our country and increasing the level of prosperity by participating in social housing and several infrastructure investments.



12. Participation of Beneficiaries in Management

Emlak Konut GYO A.Ş has executed the following efforts for satisfaction of direct or indirect (in accordance with business models described in our annual report) customers.

Customer satisfaction surveys were conducted at sales offices to gather feedbacks on the subject and they were sent to the Senior Management as report following evaluation. Issues on the report were monitored by our company. Various surveys were conducted to evaluate demands and expectations at various areas of Istanbul and consumer expectations and trends were measured, evaluated and projections were developed accordingly.

Requests and suggestions from customers and employees are monitored and the incoming requests are reviewed and evaluated.

We organize meeting and review the status of previously gathered feedback to include our employees in management and receive their opinions. Our employees can also present their requests, suggestions, and complaints to the head of related units.

Feedback gathered from customers, employees, and beneficiaries is evaluated for company management to operate in a more active, effective way that forms a synergy around the beneficiaries. Communication channels are also open for other beneficiaries.

13. Human Resources Policy

As Emlak Konut GYO A.Ş, we regard human resource as one of the most valuable assets of this company. We have adopted a human resources policy that aims to create value to fulfill our corporate vision and mission.

Emlak Konut GYO AŞ's basic human resources policy is described below;

- Recruiting suitable and skilled personnel required by job descriptions for vacant posts within the company,
- Providing all personnel with development and improvement opportunities suitable for competence and capabilities,
- Respecting the staff's personality, overseeing all rights and interests,
- Providing a business environment that develops desire to work, and establishing good human relations,
- Inclining the personnel towards being successful, providing equal opportunities with their education, knowledge and skills, rewarding the ones who succeed,
- Primarily training and appointing in-house staff for vacated management posts,
- Avoiding employing extra personnel, ensuring the personnel works with maximum efficiency at the job suitable for their knowledge and skills,
- Meeting social and cultural needs of personnel within budgetary limits, making working in the company attractive by having all personnel benefit from social services and aids,
- Providing opportunity of promotion and job safety for skilled and successful personnel within budgetary limits,
- Delivering issues about personnel to them on time, improve communication methods and opportunities to ensure that comments and suggestions are easily passed on to management,
- Providing all personnel with self-improvement (making a career) opportunities with an effective training plan and program.
- Keeping morale and motivation of personnel at the maximum point at all levels.
- Initiating efforts to protect and improve material and moral rights of personnel



- Establishing a working environment that improves the personnel's willingness to work
- Ensuring that our employees work with an awareness of team spirit in accordance with our corporate culture.

It is one of our main goals that our personnel have qualities of commitment to ethical values, openness to Innovation and Improvement, capable of thinking long-term, inclination to teamwork, attaching importance to corporate culture and brand value. Our human resources and personnel policy is available on our website.

The company has adopted the principle of treating all employees in a fair way and takes measures against any discrimination against religion, language, race, and gender and ill-treatment. There has been no complaint as to any discrimination against our company employees.

With the main policies on Human Resources, we aim to acquire qualified workforce for the company, invest in employees for them to improve constantly and realize their potentials, give training, providing continuous improvement and strengthening of the company, implementing total wage management and rewarding systems to increase personnel commitment, increase motivation and commitment of employees, and become an exclusive company.

Job descriptions, task distributions, and rewarding criteria are announced to employees. Efficiency is the reference in determination of staff wages and other benefits. Regarding subjects which are not covered in the Company's Personnel Regulations and other relevant regulations, transaction, work and implementation are performed within Labor Law No. 4857 and provisions of other relevant regulations.

Since a compensation policy is not available in writing in the Personnel Regulations, provisions in Labor Law No. 4857 is considered on the matter.

Personnel are subject to Social Security Law No. 506 in terms of social insurance. Company personnel have received first aid training organized with the Local Health Authority on work and employee safety and health, fire, and health at work. An Occupational Health and Safety Committee were established to execute Occupational Health and Safety standards.

There is a Quality Management Representative within our company to execute relations with employees. Quality Management Representative is responsible for arrangement of all documents and data for quality management system and/or having them prepared in coordination with heads of other departments, keeping original copies of all documents at documentation storages and/or in computer media, and other departments' heads are responsible for preparing procedures and instructions related to their departments.

An internal auditor has been appointed for fulfillment of duties and responsibilities at all departments. Quality Management Representative is responsible for ensuring necessary training for personnel to perform Internal Audit activities, organize audit activities, organize activities between departments and establish coordination between departments.

Quality Management Representative for establishing the implementation of Corrective and Preventive Action efforts, monitor preventive activities, and storage of related records. All department heads are responsible for making corrective and preventive suggestions for non-compliances and faults, initiating practices and monitoring enforcements.

Quality Management Representative utilizes statistical and analytic techniques with Department Heads in establishing performance measurements for product and service. Management Representative evaluates statistical results of practices from departments with methods and submits them for review of the management.

Responsibilities of the Quality Management Representative:

- Establishing, enforcing, and developing a quality system in our company in accordance with TS EN



ISO 9001 standards,

- Providing consultancy service to related departments about quality management,
- Fixing the weak points in terms of quality management between suppliers and departments,
- Collecting data on quality management for review meetings of the management,
- Enforcing necessary efforts to improve the quality system,
- Conducting internal quality inspection within the company,
- Launching corrective and preventive action in case of non-compliances,
- Establishing relations between the company and TSE & other institutions for quality system,
- Taking the review and quality system improvement processes as the base, providing periodical reports to upper management on performance of the quality system,
- Following national and international developments on quality, attending meetings
- Representing the company in quality management-related issues.
- Holding meetings on departments' execution of Quality Management System when necessary and making processes more practical.

Quality Management Representative is responsible for seamless operation of the whole Quality Management System.

Additionally, a Personnel and Human Resources Policy was devised in the Company Organizational Handbook in order to determine terms and conditions regarding selection of personnel, distribution of employment within the company, and training of the employed personnel to operate all services in the best way and maintaining efficiency and productivity at a maximum level. Below are the persons responsible for the enforcement of Personnel Policy and regulations;

- On corporate level, Assistant General Manager and Head of Administrative Affairs & Human Resources Department,
- For departments and units, Department/Unit Heads,
- For worksites, Construction Control Supervisors.





14. Code of Ethics and Social Responsibility

Emlak Konut GYO A.Ş. is in the process of devising business ethics and related regulations in written form. The principles will be published on our website upon completion. Although there is not yet a written ‘Code of Ethics and Business Ethics’, we inform our employees orally about it and continuously inform them on the concept of ‘Corporate Culture’.

Drafting process of our Ethics Policy will also incorporate an active infrastructure by means of which beneficiaries will be able to notify the corporate management or board of auditors about the company’s unethical operations or those contrary to legislation.

Emlak Konut A.Ş attaches importance to the concept of beneficiary in the broadest sense and therefore has adopted it as a principle to be sensitive to the environment, people, and nature in all operations. In this context, a ‘Quality Policy’ has been devised and declared on our website. Our Quality Policy emphasizes the understanding of business administration that makes contributions with sustainable and social values.

Our Quality Policy is expressed as follows;

For the purpose of providing permanent services for our country and our people, becoming a leading and original company in the real estate investment trust sector and considering quality as the indispensable element of our corporate culture;

- Ensuring that all resources including labor force, financing, time and supplies will be actively and effectively utilized in every service we accomplish,
- Closely following and implementing technological innovations,
- Adopting an eco-friendly approach with city planning and aesthetic elements at the forefront in establishment of residential areas,
- Realizing operations beyond customer expectations with a reliable, reputable perspective focusing on domestic and foreign customers,
- Ensuring the sustainability of our personnel’s personal and professional development which is the core of the continuous improvement of our service and quality management system.

The company’s social responsibility activities are fulfilled primarily in the fields of education and culture & art with adopting the concepts of “sustainability” and “creating social values”. Sponsorships we did in 2012 are as follows:

- We sponsored “Intercollegiate Earthquake Resistant Building Design Competition” organized by Fatih University.
- We sponsored the “Conference on an Integrated Approach in Urban Transformation” organized by Yıldız Technical University.
- We sponsored “Mersin Mediterranean Urban Transformation Project Workshop” organized by Stratejik Düşünce Enstitüsü.
- We sponsored the 12th Real Estate Summit and Istanbul Restate Real Estate Fair organized by Istanbul Restate Fuar & Organizasyon A.Ş.
- We sponsored an event titled "Panel on Transformation of Areas Under Disaster Risk and Crimes Against the Environment" organized by Marmara University Faculty of Law.
- We sponsored “Erguvan Environment & Urbanization Awards Competition” organized by Istanbul Governorship’s Provincial Department of Environment & Urbanization.
- We sponsored a conference titled “International Green Buildings Summit” organized by Çevre Dostu Yeşil



Binalar Derneği İktisadi İşletmesi.

As the leading institution in its sector, Emlak Konut GYO A.Ş is attentive to realization of projects that develops eco-friendly solutions, do not pollute nature, facilitate social life, and value people. The company has adopted a policy that is sensitive against the environment and clean energy sources and has launched efforts to this end on employing recyclable and nonpolluting products for reduction of carbon emissions. Our company shows necessary caution within the organization to re-evaluate recyclable supplies.

PART IV – BOARD OF DIRECTORS

15. Structure of the Board of Directors

Emlak Konut GYO AŞ's performs the tasks stated below.

- They are the ultimate decision-maker within the Emlak K o n u t organization.
- They are responsible for representing and managing Emlak Konut, enforcing company's activities, establishing relations between shareholders and the Company, and recruitment.
- They are responsible for execution of Emlak Konut's operations in accordance with the laws and articles of the Articles of Association.

The Board of Directors is an actively operating body in our company and aims to further improve the business value (financial & non-financial) on a permanent basis by acting in accordance with relevant regulations in decision-making processes and changes in actual conditions.

Members of the Board of Directors are chosen by decree of General Meeting. The Board of Director consists of 7 people; Chairman, Vice Chairman, and 5 members. There are 3 independent members on the Board of Directors. Qualifications sought for Board Members are determined in accordance with principles stated in the CML and Communiqués.

The Board of Directors may leave all or some of its powers to executives to be chosen among board members or appointed from outside, or to managers who are not required to be shareholders.

Our company does not have any managing board members.

The Board of Directors includes executive and non-executive members. Majority of the members to take part in the Board of Directors are comprised of non-executive members who do not have any other administrative tasks in the company and are not included in the Company's daily work flow and ordinary operations.

Non-executive members include independent members no less than one third of the total number of members as specified in the Corporate Governance Principles published by the CMB. It is required to enforce the independency criteria described in Corporate Governance Principles published by the CMB for the sake of their independency. In the event that a fractional number is obtained by calculation of the one third, the following number is taken as basis.

3 independent members were nominated in the general meeting process before establishment of committees. A written opinion was requested from the CMB on approval of the independent members' compliance with nomination criteria, and in consequence of the absence of a negative opinion from the CMB, there appeared no inconvenience in submitting nominations of the nominated names.



Independent Board Members employ the ‘independency’ criteria included in the relevant legislation. Independent Board Members have their independency statements. They comply with the binding provisions of TCC and CMB Communiqués on Board Members’ taking part in a job outside the company. Necessary procedures are executed pursuant to CMB Communiqués and relevant articles of the TCC in the event that Independent Board Members violate the independent membership criteria. Our company has a sensitive approach towards woman memberships in the Board of Directors. Mrs. Fatma Ruhan took part as a woman member in our Board of Directors in 2007 - 2012. There are no woman members in our Board of Directors in consequence of the general meeting held during the relevant period. The issue will be monitored carefully in the following periods.

Names and tasks of the Board Members are as follows, who are selected to serve for one year in the 2011 Fiscal Year Ordinary General Meeting held by Emlak Konut GYO A.Ş. on 19 April 2012.

Veysel EKMEK – Vice Chairman – Member (Independent – Non-executive)

Murat KURUM - Member (Executive)

Ali Seydi KARAOĞLU - Member (Non-executive)

M.Ali KAHRAMAN - Member (Non-executive)

M.Haluk SUR - Member (Independent - Non-executive)

Volkan KUMAŞ - Member (Independent - Non-executive)

Members of the Board of Auditors and Board of Directors

Name	Duty	Jobs Assumed in Partnership in the Last 5 Years
Ertan YETİM	Board Chairman	Civil Engineer
Murat KURUM	Board Member, General Manager	Civil Engineer
Muhammet Haluk SUR	Independent Board Member	Senior Civil Engineer
Volkan KUMAŞ	Independent Board Member	Law
Mehmet Ali KAHRAMAN	Board Member	Urban and Regional Planner
Veysel EKMEK	Vice Chairman, Independent Board Member	Financial Advisor
Ali Seydi KARAOĞLU	Board Member	Business Administration
Mustafa Kemal MÜDERRİSOĞLU	Member of the Board of Auditors	Member of the Board of Auditors
Uğur DÜLEKALP	Member of the Board of Auditors	Member of the Board of Auditors
Ayşe Arzu ÖZÇELİK	Member of the Board of Auditors	Member of the Board of Auditors

16. Operation Principles of the Board of Directors

The Board of Directors convenes at a regularity that enables to actively execute their duties, performs their operations in a transparent, accountable, fair, and responsible manner, and takes the strategic goals of Emlak Konut GYO A.Ş. in performing all these tasks.

Meeting agenda of the Board of Directors is determined by the Chairman. Changes may be made in the agenda by Board decision.



Each member one voting right in Board meetings. The voting right is used in personal. Members who have not attended the meeting cannot vote in written form or by proxy.

A decision can also be made by way of submitting written consent for a suggestion by a member unless one of the members requests a meeting.

All important issues resolved by the Board of Directors are announced to public by material disclosures in accordance with our public disclosure policy. Principal Clerk serves as the secretariat to the Board of Directors. Decisions are kept and sent to relevant authorities when necessary.

Board members are not granted any weighted voting rights or/and veto rights. The Board of Directors represents the company and uses the powers and responsibilities within legislation, articles of association, in-house regulations and policies in line with the authority bestowed upon by shareholders in the general meeting. The board devises strategic planning pertaining to the company's vision.

Members who have not attended the meeting cannot vote in written form or by proxy. A decision can also be made by way of submitting written consent for a suggestion by a member unless one of the members requests a meeting. All important issues resolved by the Board of Directors are announced to public by material disclosures.

Actual participation has been achieved for all matters included in the relevant section of the CMB Corporate Governance Principles.

The Board of Directors may leave all or some of its powers to executives to be chosen among board members or appointed from outside, or to managers who are not required to be shareholders. Our company does not have any managing board members. There are no proceedings on related parties and important processes that have been submitted for approval of Independent Board Members but have not been approved through these proceedings and submitted for approval of the General Meeting.

161 decisions were made between 01.01.2012 and 31.12.2012. All decisions were made unanimously. No different opinions have been expressed against decisions taken by Board Members in meetings held in 2012.

Required qualifications of the Company's Board Members are aligned with the relevant articles in CMB Corporate Governance Principles.

The company's Board Members did not execute any proceedings with the Company in 2012 and did not take part in any competitive activities on the same fields of activity. The right to conduct proceedings in line with the related articles of Turkish Commercial Code was not granted to Board Members by any Resolution of the General Meeting.

17. Number, Structure, and Independency of Committees Formed by the Board of Directors

In parallel to the regulations deemed mandatory by the Capital Markets Board's Communiqué on Implementation and Determination of Corporate Governance Principles Serial: IV No: 56, our company has formed committees specified in the relevant communiqué in the Board of Directors meeting following the amendment of the articles of association.

The Board of Directors may establish additional committees as needed other than the mandatory ones considering the Company's requirements in order to enforce seamless fulfillment of duties and responsibilities.

Duties, fields of activity and members are determined in detail by the Board of Directors and announced to public considering provisions of the articles of association, Corporate Governance Principles issued by CMB, and provisions of the relevant legislation. Board of Directors can always re-define duties and fields of activity of the committees and can make necessary changes with members.



Our Board of Directors benefits from works of the committees during its operations. Works and relevant decisions by the committees are submitted to the Board of Directors as Suggestions and the final evaluation is made by the Board of Directors.

Below is information on the committees.

Corporate Governance Committee

Following the general meeting held on 19 April 2012, formation of a Corporate Governance Committee in accordance with the regulation, Determining the Tasks and Rules of Procedures and Appointment of Members for Corporate Management Committee was decided in the meeting on 30.04.2012.

In the Company's Board of Directors Meeting, it has been decided that;

1. Pursuant to article 17 of our Articles of Association and the Capital Markets Board's Communiqué on Implementation and Determination of Corporate Governance Principles Serial: IV No: 56, a Corporate Governance Committee shall be established to serve within the Board of Directors,
2. In regard to Corporate Governance Committee established under Article (1), the Duties and Working Principles attached to decision of this Board of Directors shall be passed,
3. Independent Board Member Veysel EKMEK, Board Member Seydi KARAOĞLU, and Board Member Mehmet Ali Kahraman shall be selected as committee members to serve in the Corporate Governance Committee, and Independent Board Member Veysel EKMEK shall serve as chairman of the committee.

Corporate Governance Committee shall also act as '**Nomination Committee**', '**Early Risk Detection Committee**', and '**Compensation Committee**' as stated in the Communiqué on Determination and Implementation of Corporate Management Principles Serial: IV No: 56, and in accordance with corporate governance.

The Committee shall be established and authorized by Company Board of Directors. The Committee shall be re-defined at the first Board of Directors meeting after the annual ordinary General Meeting. Therefore the working time of the Committee will be paralleled to that of Board of Directors, and the Committee will be formed again after the newly determined board of directors completes its adjustment process.

Below is summarized information on working principles devised with the internal regulations of Emlak Konut GYO AŞ. Detailed information on duties and working principles of committees, members, and information about members are available on our website and PDP.

Duties and Working Principles of the Corporate Governance Committee;

I. Goal, Scope

Article 1: Goal

"The purpose of this regulation is to determine the duties and rules of procedure for Corporate Governance Committee ("The Committee") formed within the body of Emlak Konut Gayrimenkul Yatırım Ortaklığı Anonim Şirketi ("The Company")."

The Committee will support and assist the Board of Directors on subjects in accordance with corporate governance principles regulated by the Capital Market Boards' Serial: IV No:56 "Communiqué on Determination and Implementation of Corporate Governance Principles", investigation of causes when the principles are not implemented in the company, taking corrective measures by determining incompatibilities resulting from incomplete implementation, and conducting efforts regarding investor relations and public disclosure.

The Committee will review, evaluate, and make suggestions for systems and processes created or to be created by the Company regarding implementation of performance enhancing activities. In addition, the Committee will fulfill the



tasks of Nomination Committee, Early Risk Detection Committee and Compensation Committee foreseen by the Corporate Governance Principles.

Article 2: Ground

The committee was established within the framework of regulations, provisions, and principles included in article 17 of our Articles of Association and in the Capital Markets Board's Communiqué on Implementation and Determination of Corporate Governance Principles Serial: IV No: 56.

II. Committee Structure

Article 3: Establishment

The Committee shall be established and authorized by Company Board of Directors. The Committee shall be re-defined at the first Board of Directors meeting after the annual ordinary General Meeting.

Therefore the working time of the Committee is paralleled to that of Board of Directors, and the Committee will be formed again after the newly determined board of directors completes its adjustment process.

The committee is authorized to invite Company employees, persons and corporate representatives related to the Company, internal and external auditors, and field experts to their meetings to collect information and receive legal and professional advice when necessary.

The committee may launch private investigations when necessary and appoint specialists as advisors to receive assistance.

The committee acts within its powers and responsibilities and makes recommendations to the Board of Directors; but the ultimate decision responsibility always rests with the Board of Directors.

Article 4: Membership

The committee is comprised of at least two members selected by the Board of Directors in accordance with the Company's articles of association. In the event that the committee is comprised of more than two members, it is formed by both; and if it is comprised of more than two members, the committee is formed by mainly non-executive Board Members.

Within the framework of this limitation, specialist outside the Board of Directors may also be assigned on the Committee when deemed necessary. In any case, Chairman of the Committee is selected from among independent Board Members. The executive chief officer or general manager does not take part in the Committee.

Article 5: Committee Meetings

The Committee meets with the participation of one more than half of the number of members. Except mandatory cases, the Committee meets at the Company headquarters upon notice by the Chairman of the Committee every month in principle and whenever necessary.

Chairman of the Committee may change the day, time, and venue of the meeting by notifying in advance. All works and decisions by the Committee are put into writing, signed by Committee members, and stored in an orderly manner. All said works and decisions are kept in record.

The committee may invite an executive if necessary and may obtain their opinion. The committee can receive independent expert opinion when necessary regarding their operations.

The committee also submits reports which contain information about their works and meeting resolutions to the Board of Directors.



III. Duties and Responsibilities

Article 6: General Responsibilities

The committee is responsible for monitoring the Company's compliance with Corporate Governance Principles, inspecting to what extent the Corporate Governance Principles are implemented in the Company, detecting reasons in the event that these principles are not implemented, determining negative effects and conflicts of interests caused by non-implementation and making remedial recommendations to the Board of Directors.

Furthermore, the committee shall support the Board of Directors by initiating efforts on valuation of salary, reward, and performance, career planning, investor relations, and public disclosure.

Article 7: Compliance with Corporate Governance Principles

The committee makes recommendations to the Board of Directors on seamless operation of infrastructure in the Company for management practices aiming to increase Company performance, its comprehension and adoption by employees, and support by the management.

The committee detects reasons in the event that Corporate Governance Principles are not implemented, determines negative effects and conflicts of interests caused by non-implementation and makes remedial recommendations to the Board of Directors.

Article 8: Early Risk Detection

The committee shall also serve as an Early Risk Detection Committee as foreseen by the Corporate Governance Principles. In this context, the committee launches efforts to implement necessary cautions and manage risk regarding early detection of risks that may jeopardize the Company's existence, development, and continuity. The committee receives opinions from interested parties and management on plans regarding elimination of deficiencies and detection of areas that may cause executive risks and vulnerabilities.

The committee reviews the Company's risk management systems at least once a year. The committee examines important complaints about management sent to the partnership; finalizes them and provides that notification of employees on the subject is communicated to the management within privacy policy.

Article 9: Public Disclosures

The committee reviews the annual report that is to be announced to public and makes sure that information in the report is accurate and consistent with the information held by the Committee.

The committee develops suggestions ensuring that public disclosures are made in accordance with the Company's "Disclosure Policy" and with laws and regulations in particular.

Article 10: Compliance with Internal Regulations

The committee makes sure that in-house regulations are in written form and communicated to all employees, and that these internal regulations and acceptable behaviors are conveyed by Company management to employees in an appropriate method of communication.

The committee supervises compliance with internal regulations which prevent conflicts of interest among Board Members, executives, and other employees, and abuse of information qualified as commercial secret.

Article 11: Nomination

The committee shall also serve as the Nomination Committee as foreseen by the Corporate Governance Principles. In this context, the committee launches efforts to establish a transparent system and develop policies and strategies in this regard to detect, evaluate, and train candidates suitable for the Board of Directors and senior management.



The committee conducts evaluations on structure and efficiency of the Board of Directors and submits recommendations on possible changes to the Board of Directors.

The committee conducts efforts regarding determination of approaches, principles, and practices on performance evaluation and career planning for Board Members and senior executives.

Article 12: Investor Relations

The committee supervises the (“Unit”) operations of “Shareholder Relations Unit” established within itself, and acts in cooperation with the Board of Directors and the Unit in maintenance of active communication between Company and shareholders, and resolving and settling disputes.

The unit has been established within the Committee and under the Chairman of the Committee in order to monitor all relations between partners and investors and making sure that their right to information is seamlessly fulfilled.

The unit consists of sufficiently qualified personnel.

In accordance with Capital Markets Board regulations on material disclosure; name, surname, and contact information of the executive responsible for Shareholder Relations Unit and changes in this information are announced to the stock market by declaration on the stock market’s bulletin.

The unit;

- a) Replies to information requests from shareholders and investors under corporate governance rules and disclosure policy with the exception of undisclosed, confidential and commercially secret information;
- b) Organizes periodic investor information meetings at home and abroad within the context of legislation, articles of association, corporate governance principles, and disclosure policy, and attends these meetings;
- c) Launches necessary efforts to turn the Company’s website into an active communication platform for domestic and foreign investors;
- d) Supervises and monitors the public disclosure process to ensure that it is in accordance with legislation;
- e) Ensures that shareholder information is stored in a healthy, safe, and up-to-date condition;
- f) Ensures that annual reports are devised as foreseen by legislation and Corporate Governance Principles;
- g) Supervises General Meetings to ensure that they are held in accordance with procedures of the legislation, articles of association, and other in-house regulations;
- h) Devises documents to be presented to shareholders in General Meetings, keeps record of voting results, ensures that reports on these results are properly communicated to shareholders;
- i) Launches necessary efforts to ensure that minutes of the meetings are kept in accordance with procedures.

Article 13: Determination of Remuneration Policy

The committee shall also serve as the Remuneration Committee as foreseen by the Corporate Governance Principles. In this context, the Committee determines criteria in connection with Company and members’ performance and suggestions on remuneration principles of Board Members and senior executives considering the Company’s long-term objectives.

Considering the level of fulfillment for the said criteria, the committee presents suggestions to the Board of Directors on remuneration of Board members and senior executives.



The committee and Board of Directors cannot use stock options or remuneration plans based on Company performance in remuneration of independent Board Members and ensure that remuneration for the said independent Board Members is at a level to maintain their independent status. The Remuneration Committee has held 2 meetings and the Early Risk Detection Committee has held 3 meetings since their formation, where they have communicated their opinions on related subjects to the board of directors.

Article 14: Other Responsibilities

The committee submits studies and suggestions within their area of power and responsibility in written form to the Board of Directors.

The committee performs other operations demanded by the Board of Directors which can be evaluated within corporate governance.

The committee follows developments on corporate governance and examines their effect on Company management.

Audit Committee

Following the general meeting held on 19 April 2012, formation of an Audit Committee in accordance with the regulation, Determining the Tasks and Rules of Procedures and Appointment of Members for Audit Committee has been decided in the meeting on 30.04.2012

In the Company's Board of Directors Meeting, it has been decided that;

1. Pursuant to article 17 of our Articles of Association and the Capital Markets Legislation; Duties and Working Principles of the Audit Committee, which was passed by the Board of Directors resolution dated 18.08.2010 and numbered 48, shall be updated pertaining to the Capital Markets Board's Communiqué on Implementation and Determination of Corporate Governance Principles Serial: IV No: 56,
2. The Duties and Working Principles of the Audit Committee which was updated under Article (1) and attached to decision of Board of Directors shall be passed,
3. Independent Board Members Veysel EKMEK, Muhammet Haluk SUR, and Volkan shall be selected as committee members to serve in the Audit Committee, and Independent Board Member Veysel EKMEK shall serve as chairman of the committee.

The Committee shall be established and authorized by Company Board of Directors. The Committee shall be re-defined at the first Board of Directors meeting after the annual ordinary General Meeting. Therefore the working time of the Committee will be paralleled to that of Board of Directors, and the Committee will be formed again after the newly determined board of directors completes its adjustment process.

Below is summarized information on working principles devised with the internal regulations of Emlak Konut GYO AŞ. Detailed information on duties and working principles of committees, members, and information about members are available on our website and PDP.

Duties and Working Principles of the Audit Committee

Goal and Scope

Article I

"The purpose of this arrangement is to determine the duties and rules of procedure for Audit Committee ("The Committee") formed within the body of Emlak Konut Gayrimenkul Yatırım Ortaklığı Anonim Şirketi ("The Company") with the decision no 43(111) dated 18.08.2010.

The Committee is on duty to provide adequate supervision over financial and operational activities to be in



accordance with rules in the capital market legislation and this arrangement.

The purpose of the Committee is to provide supervision over the company's accounting system, public disclosure of financial information, independent audit and functioning and effectiveness of internal control system in accordance with the Article 17 of Company's Article of Associations; and taking all necessary measures to ensure a transparent and sufficient operation for every kind of internal or external audit.

II. Ground

Article 2

The committee was established within the framework of regulations, provisions, and principles, the Capital Markets Board's Communiqué on Implementation and Determination of Corporate Governance Principles Serial: IV No: 56, and article 25 of the 6th section of "the Communiqué on Independent Audit Standards in Capital Markets" Serial: X, No: 22.

III. Committee Structure – Establishment

Article 3

The Committee shall be established and authorized by Company Board of Directors. The Committee shall be re-defined at the first Board of Directors meeting after the annual ordinary General Meeting. Therefore the working time of the Committee will be paralleled to that of Board of Directors, and the Committee will be formed again after the newly determined board of directors completes its adjustment process.

The committee acts within its powers and responsibilities and makes recommendations to the Board of Directors.

Article 4 - Membership

The committee is comprised of at least two members selected from among independent Board Members. The executive chief officer, general manager, or other third parties do not take part in the Committee.

Article 5 – Committee Meetings

The Committee meets with the participation of one more than half of the number of members and decisions are taken by the majority. The Committee meets at the Company headquarters at least once every three months in principle and submits the results of these meetings to the Board of Directors. Timing of committee meetings is as compatible as possible with that of the Board meetings.

All works and decisions by the Committee are put into writing, signed by Committee members, and stored in an orderly manner. All said works and decisions are kept in record.

The committee may invite executive or internal and independent auditors if necessary and may obtain their opinion.

Internal auditor submits reports to the Committee. The independent audit firm participates in evaluation meetings on the Committee's financial tables and provides information about their studies.

The committee may use expert opinions regarding their operations when deemed necessary. Expense of the consultancy service required by the Committee shall be covered by the partnership and the Committee receives all necessary resources and assistance from the Board of Directors in fulfillment of duties.

The committee submits all observations and suggestions reached in their field of duty and responsibility to the Board of Directors with a written report.

IV. Duties and Responsibilities



Article 6 – General Responsibilities

The Committee provides supervision over the company's accounting system, public disclosure of financial information, independent audit and operation and effectiveness of internal control system. It takes all necessary measures to ensure a transparent and sufficient operation for every kind of internal or external audit.

The committee shall provide required sensitivity on reviewing important about accounting and internal audit system sent to the partnership; finalizing them and providing that notification of employees on the subject is communicated to the management within privacy policy.

There has been no conflict of interest in Committees in 2012.

18. Risk Management and Internal Control Mechanism

As an organization of the capital markets board, our company attaches importance to risk management and continues its efforts to improve it. Our company continues its efforts to implement total risk management with the aim of making risk management corporate and achieving a sustainable growth through efficient risk a management. In parallel to these efforts, operations have been finalized in 2013 for Establishment of the Early Risk Detection Committee and Working Principles.

Emlak Konut GYO A.Ş exerts efforts to establish an optimum relation between financial and non-financial activities and risk and return. It is among our main goals to ensure sustainable growth of our business by efficient management of risks. We are working to provide a lasting trend of growth to all 'beneficiaries', particularly our 'shareholders', by using other management methods and tools.

The most important one among basic risk management so far implemented by our company is practiced by related departments with defined duties and responsibilities detecting their own risks, taking potential cautions before the risk, rendering 'overall risk management' effective by maintaining in constant exchange of information with other departments and senior management.

Our Board of Directors requests reporting and review from departments when necessary to monitor our business risks in a macro context and evaluates the results. Our internal audit system and audit committee also closely follow potential risks. Currently accommodating the Early Risk Detection Committee under its responsibility, the Corporate Governance Committee compiles necessary information inside our company and helps our Board of Directors in risk management.

Our company can be exposed to the belowmentioned risks due to its operations. However, Emlak Konut GYO A.Ş has adopted the principles of 'Corporate Risk Management' and aims to minimize the changes on potential risks.

Indispensable elements of our Risk Management, we also aim to actively implement the avoidance of high-risk jobs and risk transfer methods.

Overall risk management approach of Emlak Konut GYO A.Ş also focuses on the unpredictability of financial markets and the company is exerting efforts to minimize the effects of this situation on company's financial performance.

As risk managements is a process that needs constant improvement, the risk constitution and infrastructure works are underway. As risk management is a complementary element of the "Turkish Trade Code" and "Corporate Management" principles, our works related to "Corporate Risk Management" are shaped according to legal arrangements.

'Overall Risk Management Concept' of Emlak Konut GYO AŞ endeavors to define, evaluate, prioritize, monitor, and report risks that may be encountered in company operations; compare cautions and strategies for these risks, and



implement them. Preparation of the 'Risk Policy and Principles' has begun as a result of adaptation of this previously launched method as corporate culture and with feedbacks.

We have an Internal Control system which has been actively operating. Internal quality audits are conducted in our company to control if quality system documentation is properly and actively used, detect deficiencies or potential defects in the system and taking relevant cautions, and to ensure the planned operation and development of the quality system.

Internal quality audits are conducted in the frequency set in the audit plan. Internal quality audits are conducted by personnel who are independent from the department to be audited, have qualified and internal quality audit training, and able to make objective decisions. Internal auditor personnel cannot inspect their own departments. Internal Quality Audits are conducted by personnel who are not responsible for the audited department.

Emlak Konut GYO A.Ş is establishing a system to periodically check the Internal Quality Audit Procedure and Quality Management System in terms of qualification, compatibility, and efficiency and launch corrective operations in necessary cases and corrective activities for emerging non-compliances.

The inspection is conducted in accordance with the Internal Audit Plan. Audit activities are conducted as reviewing documents and processes. Follow-up activities are conducted as evaluating the efficiency of post-Audit operations and value-added activities requested by the responsible Managers.

While the audit is in process, question lists, Process Evaluation Cards and related documents are used and results are kept in record. All findings supported with objective evidence are collected during the audit. All audit control lists and notes are kept in the audit file.

Auditors make advance preparations for the department to be audited which is specified in the audit plan. They examine the related audit control forms and documents.

Quality Management Representative periodically collects Internal Audit results and analyzes them in order to evaluate the efficiency of the Quality Management System. Repetitive findings and inactive Management Operations are important evidences for Quality and Risk Management. Collection of process performance data, verification of compatibility or added-value audits prove that our Quality Management System is working efficiently. All Internal Audit data is analyzed and submitted for review by putting on the agenda of the Management Review meeting in accordance with the Management Review Procedure.

Preventive Operations Procedure is implemented in the quality management system to plan corrective activities in order to eliminate existing non-compliances, follow results and prevent repetitions.

Our company's description of the main risk is the emergence of a new event during the company's operation of its activities to create unexpected impact on current goals. The defined and monitored risks are as follows.

Investment Risk and Capital Management:

Our 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.

We prefer Istanbul and Ankara, Izmir as well as Izmit and Kırklareli which are close to Istanbul in our investment projects and we have a wide land stock in Istanbul and Ankara. The areas containing these lands and projects are the fastest growing and the most demographically the intense areas in Turkey. A natural interest has been caused due to the locations of the projects and the areas. 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 endeavors to manage its capital by minimizing the investment risk with portfolio diversification. Our company's aim is to provide continuity as an income-generating business, regarding the benefits of shareholders and corporate partners, and at the same time ensure the continuity of the most efficient



capital structure to minimize capital expenses.

In managing the capital, we aim to regard continuity of the business activity to maintain the best capital structure in order to reduce capital expenses and avail for benefits for shareholders and returns for partners.

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.

Capital Risk:

One of the most vital systematic risk factors, market risk group is closely monitored by our company since we are an institution of capital market. The factors we monitor as Market Risk are the Currency Risk, Interest Risk, Credit Risk, and Liquidity Risk. In regard to some major markets risk that may emerge during our company's operations;

Currency Risk:

Summarized as any kind of changes regarding appreciation or depreciation of foreign currencies against the Turkish Lira, our company carefully monitors and evaluates developments against Currency Risk.

Our 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.

Currency Risk may only stem from minimum deposits since our company does not use foreign currency in its main operations.

Furthermore, changes and movements in currency are monitored due to their both direct and indirect effect.

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.

In this context, we pay attention to the similarity between not only the maturities of debts and receivables, but also the reprising periods.

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, factors such as the increase of possible interest rates, boost of fund costs have constituted a systematic risk for construction and residential sector in terms of affecting demand. In order to prevent the current interest risk, precautionary legal and risk reduction actions, which can minimize fluctuation of interest rate but not change cash flow, are taken.

Credit Risk:

It is the risk group that includes all operations related to taking and issuing of loans (with other similar transactions). We do 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 banks which are established in Turkey and have long-term relations with our business under the supervision of credit risk sensitive to bank balances. Therefore, an important amount of bank balances are kept in state-owned banks.



We adopted the principle of guaranteeing loans at the highest rate possible in Credit Risk Management.

The methods we employ in this context are;

- Banka Guarantees
- Real Estate Mortgages
- Preservation of legal ownership to guarantee collection of receivables in PPM projects

Risk control for customers who are not secured by collateral is executed by considering the customers' financial position, previous experiences and other factors (such as morality), evaluating credit quality of the interested party and detecting individual credit limit and risk. The status is monitored within credit limit and risk until the credit process is completed.

Liquidity Risk:

Liquidity Risk is the risk of failing to meet the net funding needs arising from the company's liabilities.

When necessary, the business management makes projections with custom reporting and analyses by examining the estimated undiscounted net currents caused by financial liabilities and commercial debts of the business.

Our company covers the payment of other commercial and financial debts by means of the in-hand cash and cash equivalents and cash acquired from sales. The company also aims to provide funding flexibility by continuing its credit opportunities.

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.

Operational Risk:

We can define operational risks as follows;

It includes 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 technologies, tax, legal, brand management, reputation, performance management, external reporting and compliance, internal reporting, monitoring and control, authorization, and limit risks.

It is apparent that a corporate effort is required for management of this risk group since there are many intangible factors in operational risks.

Related departments monitor necessary risks and take cautions with an overall risk management approach against these kinds of risks and inform our senior management on the issue.

Strategic and External Environment Risks:

Strategic Risk exogenous and endogenous risks (Planning, Business model, Investment Analysis, Corporate Management Risks, etc.) that bring negative effects on the strategic goals of our company. Emlak Konut GYO A.Ş performs continuous supervision and valuation on the basis of ultimate decision-makers within strategic goals in order to minimize these risks.

External Environment Risk includes risks such as economic, politic, legal regulation, business continuity, customer



trends, sector, technologic changes, and shareholder relations. We aim to perform an overall risk management by conducting both in-house regulations and researches and external studies to define, measure, transfer and minimize the damage of these kinds of risks.

Emlak Konut GYO A.Ş. has an active Internal Control Mechanism. The internal control system and audit carries out activities not just for “what happened”, but also for “what may happen”. Internal Control Mechanism actively executes the assigned tasks under the current Audit Committee Bylaw together with the establishment of the Audit Committee. Operation and general task scope of our Audit Committee is described in the related section 17.

19. Company’s Strategic Goals

Emlak GYO A.Ş has set the year 2027 as a target for itself in terms of strategic planning and management with a study conducted in 2007. We aim to realize our main plan of becoming one of the leading Real Estate Investment Trusts in the world, considering both economic and social benefits, and put the country’s desire to create a brand into life.

Our board of directors evaluates their short-term, medium-term, and long-term strategic plans as often as it deems necessary and takes all systemic and non-systemic data into account, particularly the financial and non-financial company data.

Company’s Board of Directors has defined visions and missions, and described it in written form in the Annual Report and at www.emlakkonut.com.tr.

20. Financial Rights

Only the following issues are included regarding the subject in the articles of association;

Remuneration principles of Board Members and senior executives are put in writing and submitted for review of shareholders as a separate article in the General Meeting, which enables shareholders to express opinions on the issue. The devised remuneration policy is hereby available on Company’s website.

Stock options or payments plans based on company performance are not used in remuneration of Independent Board Members and the wages of independent Board Members must be at a level to maintain their independency.

The General Meeting sets the amount of payment and remuneration to be made to the Board Chairman and Members. There is no practice of incentive remuneration for Senior Management. Benefits for senior executives are announced to public in footnotes of our financial tables by name and total amount.

In 2012, the Company did not lend to any Board Members, did not let them use credit, did not extend deadlines of issued loans and debts, did not improve their conditions, did not allow use of credit under personal loan via a third person, or did not give collateral such as sureties.

Following the events regarding Corporate Governance after the 21th Reporting Period, by the Board of Directors resolution dated 11 March 2012 and numbered 15-030;

Pursuant to the Capital Markets Board’s “Communiqué Amending the Communiqué (Serial: IV, No: 56) on Determination and Implementation of Corporate Governance Principles (Serial IV, No: 63)” published in the Official Gazette dated 22.02.2013 and numbered 28567 and considering article 378 of Turkish Commercial Code No. 6102, it has been decided in the Company’s Board of Directors Meeting that;

1. Pursuant to the Capital Markets Board’s Communiqué on Implementation and Determination of Corporate Governance Principles Series: IV No: 56, the Early Risk Detection and Risk Management Committee shall be established to serve under the Board of Directors,

2. In regard to the Early Risk Detection and Risk Management Committee established within Article (1), Working

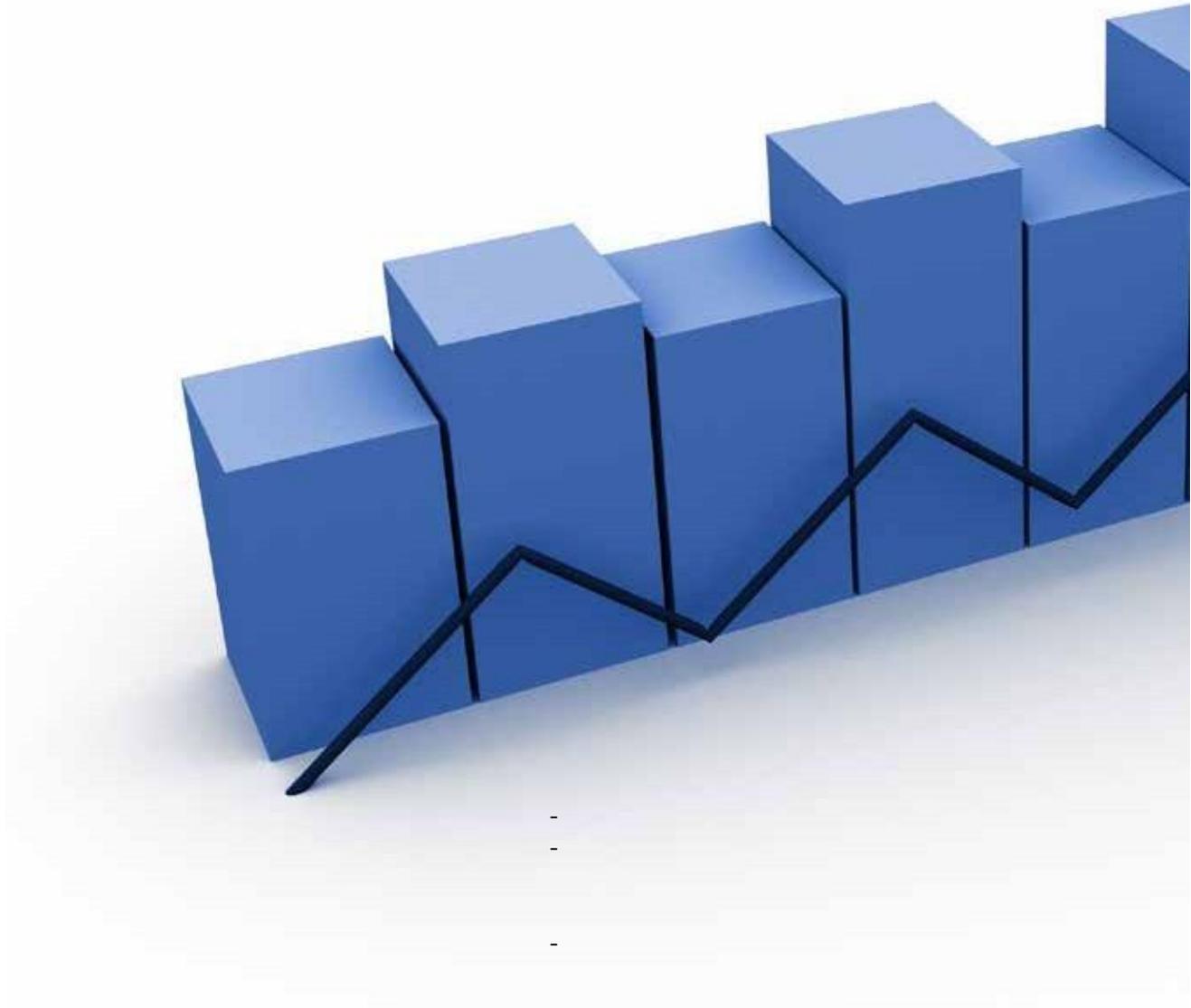


Principles on the Early Risk Detection and Risk Management Committee attached to this Board decision shall be passed,

3. Independent Board Member Veysel EKMEK, Board Member Ali Seydi KARAOĞLU, and Board Member Mehmet Ali KAHRAMAN shall be selected as committee members to serve on the Early Risk Detection and Risk Management Committee and Independent Board Member Veysel EKMEK shall preside the committee.

4. Duties and Working Principles and members of the Early Risk Detection and Risk Management Committee shall be announced to public via PDP and our website.

The relevant status was issued on PDP platform on 11.03.2013.





Information About Shareholders

In Joint Stock Corporations, shareholders do not only have a partnership of economic value but also are entitled to participate in the administrative and management process as a result of their partnership rights. Our company takes utmost care for these rights of shareholders.

General Meeting Information

The process regarding to the General Meeting of the year 2011 was carried out on 19 April 2012 within the principles laid down in the previous section in order to materialize changes made by the Capital Market Board on Corporate Management Principles.

As prescribed by Article 368 of the TCC and the main agreement, as stipulated by the Trade Registry Gazette of Turkey No. 8036 dated 28 March 2012 edition, Yenigun No. 9894 dated 26 March 2012 editions, announced on the company's website (www.emlakkonut.com.tr) and by registered letter sent to shareholders who notified their address on 29 March 2012, the meeting date and agenda were notified within the allocated time.

Voting – Minority Right

Every share has one vote at the General Assembly. 5 members of the Board of Directors who are not independent are elected by the general assembly out of the candidates proposed by Group A shareholders. 3 independent members of the Board of Directors are elected out of the candidates proposed by Housing Development Administration of Turkey. The capital structure of the company does not include minority rights.

Public Disclosure – Transparency

The public disclosure and transparency principle is aimed at providing timely, correct, accurate, understandable, analyzable and easy to access at low cost to share holders and beneficiaries in a way that the rights and benefits of the company are protected and it pays great attention to sustaining this as a company policy.

Disclosure Policy

While making public statements, we use the most simple concepts and terms and avoid obscure expressions that may cause contradiction. If using technical terms is necessary, they are explained so that everyone can easily understand them.

Goal and Scope

Emlak Konut Gayrimenkul Yatırım Ortaklığı 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, targets and vision in accordance with the arrangements resulting from the Capital Markets Legislation, Turkish Trade Code, Istanbul Stock Exchange Legislation and 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”.

Methods and Tools of Public Disclosure

EKGYO uses the following methods and tools within the frameworks 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.

- Material disclosures
- Financial Statements and Footnotes periodically submitted to Istanbul Stock Exchange, Portfolio Value Table, Independent Inspection Report
- Quarterly Reports
- Annual Activity Reports
- Corporate website (<http://www.emlakkonut.com.tr>)
- Investor and Analyst Meetings
- Press Bulletins
- Press conferences

EKGYO website can be accessed at www.emlakkonut.com.tr. The final state of the EKGYO main agreement, periodical financial statements and reports, explanation notes, public offering circular notes and general assembly agenda shall be present at the website.

The website shall be constantly updated in order to reflect the final states of the partnership and management structure. The company shall immediately meet all information requests made via internet.



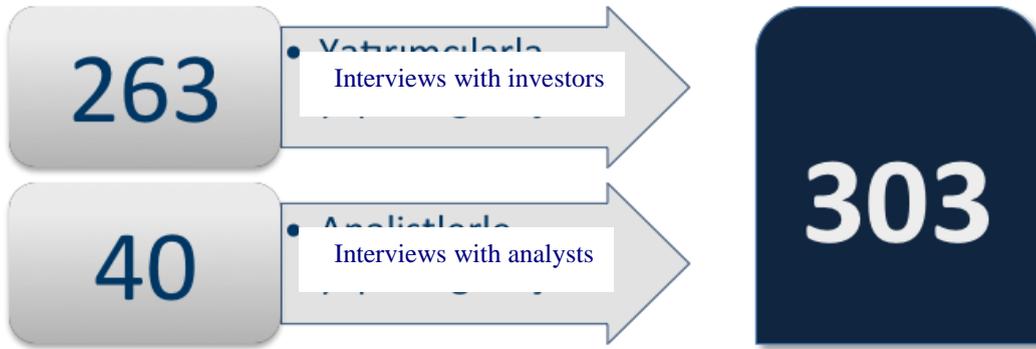
The company website has been provided with arrangements necessary for easy access to information by beneficiaries and it was made easily understandable and capable of giving all the information about the company. We follow the media news about our company and take care to make statements when considered necessary. Information policy details can be found at the company website.

Shareholder Relations and Persons Authorized for Public Disclosure

It shall be considered 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 and members of the Board of Directors,
- Chairman and members of the audit committee,
- General Manager,
- Investor Relations Office

Other employees are not authorized to respond to question requests. EKGYO employees direct the questions to the Investor Relations Office.



Interviews with investors - Interviews with analysts

Further information can be found in the Corporate Governance Principles Compliance Report. It is expected that the attention of both foreign and local investors on our company keeps on in the next days.

Authority and Responsibility

The Information Policy shall be formed by EKGYO Board of Directors with Resolution of the Board of Directors; the follow-up, surveillance and improvement of the policy are under the responsibility and authority of the Board of Directors. Amendments in the Information Policy shall be subject to Resolution of the Board of Directors.

Enforcement and Audit

The Information Policy entered into force when EKGYO was offered to the public. The provisions of this policy shall be executed by the internal audit unit.

Internal Information

Internal information is the information that can affect share value, be considered useful by an investor while making investment decision, provide advantages for the user against investors unaware of this information when used for sales and purchases of capital market tools related to the situations announced to the public and can affect the value of the relevant capital market tool or decisions of investors if announced to the public.

The other parties that are in touch with EKGYO employees with internal information shall be notified that they are responsible for keeping the information confidential during the formation process of any material situation and during the period from the formation of the material situation until Istanbul Stock Exchange is notified 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 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 arrangements.



EKGYO shall prepare a list of real or legal persons working in the name or on behalf EKGYO under the “Communiqué on Principles Regarding Public Disclosure of Material 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 with access to internal information shall be conveyed to the Administrative Works and Human Resources Managements of EKGYO for the preparation and update of the list.

The list of the people with 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 demand. 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 internal information under the provisions of the “Communiqué Serial: VIII, No: 54 on Principles Regarding Public Disclosure of Material Events” of CMB with the aim of protecting its legal rights and interests.



**THE LIST OF PERSONS WHO HAVE ACCESS TO INTERNAL
INFORMATION AT EMLAK KONUT GAYRİMENKUL
YATIRIM ORTAKLIĞI A.Ş.**

Board of Directors		
Name	Profession	Duty
Ertan YETİM	Civil Engineer	Board Chairman
Veysel EKMEK	Financial Advisor	Vice Chairman, Independent Board Member
Murat KURUM	Civil Engineer	Board Member, General Manager
Ali Seydi KARAOĞLU	Business Administration	Board Member
Muhammet Haluk SUR	Senior Civil Engineer	Independent Board Member
Mehmet Ali KAHRAMAN	Urban & Regional Planner	Board Member
Volkan KUMAŞ	Law	Independent Board Member

Board of Auditors		
Name	Profession	Duty
Mustafa Kemal MÜDERRİSOĞLU	Business Administration	Member of the Board of Auditors
Uğur DÜLEKALP	School of Journalism	Member of the Board of Auditors
Ayşe Arzu ÖZÇELİK	Master Architect	Member of the Board of Auditors

Name	Duty	Profession
SİNAN AYOĞLU	ASSISTANT GENERAL MANAGER	CIVIL ENGINEER
HAKAN AKBULUT	ASSISTANT GENERAL MANAGER	PUBLIC ADMINISTRATION
METİN TEKİN	ASSISTANT GENERAL MANAGER	CIVIL ENGINEER
RASİM FARUK KADIOĞLU	ADVISOR TO GENERAL MANAGER	CIVIL TECHNICIAN
HALİM ATAŞ	EXECUTIVE ASSISTANT	BUSINESS ADMINISTRATION
İBRAHİM KESKİN	1.LEGAL ADVISOR	LAWYER
HÜSEYİN TURAN	LEGAL ADVISOR	LAWYER
ZEYNEP BASA	DEPARTMENT HEAD & MARKETING Mİ	ECONOMICS
HAKAN GEDİKLİ	REAL ESTATE AND PLANNING MANAGER	SURVEY ENGINEER
HİCRAN ÇAKMAK	PROJECT SURVEY MANAGER	ARCHITECT
İZZET GANİ KARAKAYA	FINANCING MANAGER	ECONOMICS AND ADMINISTRATIVE
HALİL İBRAHİM ŞAHİN	ADMISTRATIVE AFFAIRS AND HR	FINANCIAL BUSINESS ECONOMY
ÖZLEM HANOĞLU ÇELİK	PRESS AND PR MANAGER	ECONOMICS
HASAN VEHBİ ARSLANTÜRK	INVESTOR RELATIONS MANAGER	CIVIL ENGINEER; FOREIGN TRADE
MUSTAFA AŞIKKUTLU	CONSTRUCTION SUPERVISION MANAGER NO 1	SENIOR CIVIL ENGINEER
TÜLAY ODAKIR	TENDER AND PROGRESS MANAGER	CIVIL ENGINEER
HASAN SAKA	CONSTRUCTION SUPERVISION MANAGER NO 2	SENIOR CIVIL ENGINEER
ERCAN ALİOĞLU	ACCOUNTING MANAGER	BUSINESS ADMINISTRATION
FATİH KANITOĞLU	EXPERTISE MANAGER	CIVIL ENGINEER



Material Disclosures

There are 268 material disclosures from 01.01.2012 to 31.12.2012. Four disclosures were made by Özak Gayrimenkul Yatırım Ortaklığı A.Ş., one disclosure was made by İhlas Holding A.Ş., one disclosure was made by Nurol Gayrimenkul Yatırım Ortaklığı A.Ş., and the remaining was made by Emlak Konut GYO A.Ş. No additional written statement was requested by the CMB or ISE following the disclosures.

There are 74 material disclosures made from 01.10.2012 to 31.12.2012 (last quarter). One disclosure was made by Nurol Gayrimenkul Yatırım Ortaklığı A.Ş., and the remaining was made by Emlak Konut GYO A.Ş.

Authorized Signatories of the Public Disclosure Platform: Sinan Ayoğlu (Vice General Manager), Hakan Akbulut (Vice General Manager), İbrahim Keskin (Chief Legal Advisor).

Benefits Provided for the Board of Auditors

Beneficiaries were informed about "Pricing Policy" determined for Senior Executives and Board Members as required by Corporate Management Principles at the General Meeting held on 19.04.2012. The price determined by the Higher Planning Council for members of the Board of Directors and Audit Committee was accepted.

The subject was handled accordingly with the Republic of Turkey Prime Minister's Capital Markets Board's Communiqué Serial: IV, No:56 titled Communiqué Pertaining to Determination and Implementation of Corporate Management Principles and its 'pricing principles' no. 4.6.2 and 4.6.4. Further information on the subject can be found at the footnotes section in our independent audit report.

Beneficiaries

As stated in the first part of the company report, we adopted it as a principle to be sensitive to all beneficiaries. Works continue for protecting and improving the tangible and intangible benefits of beneficiaries.

R&D Activities

Our company does not have any R&D activities.



Issued Capital Market Tools

No capital market tool has been issued in the relevant activity period.

Portfolio Structure and Real Estate

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 annual 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 business development models are given in the business models section in the beginning of the annual 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.

Leased Real Estate

LEASING REPORT								
TENANT	STARTING DATE OF LEISURE	TERMINATION DATE OF LEISURE	DURATION	PROVINCE	DISTRICT	BLOCK/PARCEL	LEASED REAL ESTATE	LEASING VALUE (VAT EXCLUDED)
MAKRO İNŞAAT TİCARET LTD. ŞTİ.	11.08.2010	11.08.2012	2 YEAR	KOCAELİ	GEBZE	5794/1	LAND (GEBZE)	2.348,49
EMLAK PAZARLAMA YENİ SARP İNŞAAT ADİL ORTAKLIĞI	21.12.2010	21.12.2013	3 YEAR	İSTANBUL	ÜMRANİYE	3817/4	LAND (ATAŞEHİR)	3.725,85
CATHAY EPF ADI ORTAKLIĞI	01.04.2012	01.04.2013	1 YEAR	İSTANBUL	AVCILAR	524/2	LAND (BAHÇEŞEHİR)	3.000,00
ARZU CANDAN	05.07.2012	05.07.2017	5 YEAR	İSTANBUL	SİLİVRİ	675/1	SUPERMARKET (SELİMPAŞA)	1.000,00
ASİST ÖĞRETİM KURUMLARI A.Ş.	01.04.2012	01.04.2022	10 YEAR	İSTANBUL	SULTANGAZİ	1562/11	SCHOOL (BATIŞEHİR)	155.000,00
FANTUR TURİZM VE TİCARET A.Ş.	15.12.2012	15.12.2015	3 YEAR	İSTANBUL	KARTAL	720/2-34	STORE	2.000,00
FANTUR TURİZM VE TİCARET A.Ş.	15.12.2012	15.12.2015	3 YEAR	İSTANBUL	K. ÇEKMECE	851/4	STORE	5.000,00
SEDA ÇELİK	15.11.2012	15.11.2015	3 YEAR	İSTANBUL	K. ÇEKMECE	852/4	DRUGSTORE	4.000,00
ARIKUŞU EĞİTİM KURUMLARI İNŞ. SANAYİ VE DİŞ. TİC. LTD. ŞTİ.	15.11.2012	15.11.2015	3 YEAR	İSTANBUL	K. ÇEKMECE	851/4	NURSERY	15.000,00
OBA KUAFÖR VE GÜZELLİK SALONLARI İŞLT. DEKORASYON TEKSTİL İNŞ. SAN. VE DİŞ.	15.12.2012	15.12.2015	3 YEAR	İSTANBUL	K. ÇEKMECE	851/4	HAIRDRESSER SALON	15.000,00



TİC. LTD. ŞTİ.								
MİGROS TİCARET A.Ş.	14.12.2012	14.12.2022	10 YEAR	İSTANBUL	K. ÇEKMECE	851/4	SUPERMARKET	30.000,00
							Total	226.069,34

* ANAKUŞU EĞİTİM KURUMLARI İNŞ. VE DİŞ TİC. LTD. ŞTİ.. Turnover by 10% of monthly net turnover shall be paid as minimum rent.

**MİGROS TİCARET A.Ş. Monthly rent is 4,5% + VAT of the shops' monthly net sales, net of VAT (or of another indirect tax that can replace Value Added Tax on condition that this tax is removed).

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.

Plots Purchased in 01 January 2012 - 31 March 2012

Located in Başakşehir, Istanbul and owned by Gültekin ULUSOY; all of the no. 1316/1 parcel with an area of 12.881,22m² for 7.512.000TL, 968.43 m² of no. 1320/2 parcel with an area of 5.285,81m² for 14657/80000 of shares amounting to 812.000,00 TL, 2.308,66m² of no. 1330/1 parcel with an area of 38.183,31m² for 4837/80000 of shares amounting to 643.000TL were purchased with a total of price of 8.967.000 TL.

Appraisal values of the purchased land; 1316/1 parcel 8.050.000TL, 1320/2 parcel 870.000TL, 1330/1 parcel 690.000TL with a TOTAL of 9.610.000 TL.

Plots Purchased in 01 April 2012 - 30 June 2012

Located in Çavuşoğlu Neighbourhood, Kartal, Istanbul and owned by T.C. Prime Minister's Housing Development Administration; 13 real estate with a total area of 99.581,58m² were purchased by our company for a price of 206.625.000 TL.

According to real estate evaluation report announced on KAP on 16.04.2012 regarding the plots, the estimated overall value is VAT exclusive 207.000.000TL.

Plots Purchased in 01 July 2012 - 30 September 2012

By means of a protocol signed with our company and TOKI, an area of 395,420.51m² consisting of 14 parcels was purchased for 398.089.550TL located in Başakşehir, Avcılar, Gaziosmanpaşa, Fatih and Esenyurt districts of Istanbul.

Located in Başakşehir, Istanbul and owned by T.C. Prime Minister's Housing Development Administration; all of the no. 525/1 parcel with an area of 33.775,50m² for 37.131.050TL, all of the no. 525/2 parcel with an area of 81.536,59 m² for 73.382.931TL; and located in Başakşehir, Istanbul and owned by Gülerçin Kimya Sanayi and Ticaret Ltd. Şti., all of the no. 1339/1 parcel with an area of 4.831,95m² was purchased for 5.900.000TL.

Owned by Alpdoğan KUZUCAN and located in Istanbul, Başakşehir; 231,50 m of the immovable at Block 1344 Parcel 2 with an area of 13.924,89 m was purchased by our Company for 133/8000 of shares amounting to 86.000,00 TL, 35,71 m of the immovable at Block 1336 Parcel 10 with an area of 2.000,00 m was purchased for 4285/240000 of shares amounting to 39.000,00 TL, 1.799,73 m of the immovable at Block 1337 Parcel 17 with an area of 3.074,73 m was purchased for 140479/240000 of shares amounting to 1.975.000,00 TL.

Independent Unit Sales

ITEM	PROJECT	2010	2011	2012
		PCS	Pcs	Pcs
1	İSTANBUL	30	317	145
2	AĞAOĞLU MASLAK İSTANBUL			1783
3	AĞAOĞLU MY TOWERLAND	148	75	83
4	AĞAOĞLU MY TOWN İSPARTAKULE	127	12	17
5	AĞAOĞLU MY WORLD EUROPE	1846	327	263
6	ALBAYRAK MAVİŞEHİR	88	90	48
7	ALEMDAĞ EMLAK KONUTLARI	1082	114	2
8	ATAŞEHİR RESIDENCE			Sale completed.
9	AVRUPA KONUTLARI	372		Sale completed.
10	AVRUPA KONUTLARI ATAKENT 3		1442	604
11	AVRUPA KONUTLARI İSPARTAKULE	400		Sale completed.
12	AVRUPA KONUTLARI İSPARTAKULE-2		330	Sale completed.
13	AVRUPA KONUTLARI İSPARTAKULE-3			645
14	BAHÇEŞEHİR SPRADON KONUTLARI	401	421	8
15	BAHÇETEPE İSTANBUL			557
16	BATIŞEHİR		1019	343
17	BİZİM EVLER - 2	312	81	Sale completed.
18	BİZİM EVLER - 3	232	254	195
19	BİZİM EVLER - 4		250	190
20	BURGAZ KENT	238	340	78
21	DREAMCITY	26	46	Sale completed.
22	DUMANKAYA MİKS			152
23	ELİTE CITY	112	227	135
24	EMLAK KONUT MAVİŞEHİR EVLERİ	50	281	83
25	ERGENE EVLERİ	528	249	2
26	EVORA İSTANBUL 1.BÖLGE			697
27	EVORA İSTANBUL 2.BÖLGE		647	500
28	GEBZE EMLAK KONUTLARI 1. ETAP	30	369	131
29	GEBZE EMLAK KONUTLARI 2. ETAP	2	113	156
30	İSPARTAKULE	1		Sale completed.
31	İDEALİSTKENT APART VE VILLA	125		Sale completed.
32	KUASAR İSTANBUL			Sale completed.
33	KENTPLUS			Sale completed.
34	KÖRFEZKENT EMLAK KONUTLARI 2.	116	419	224
35	KÖRFEZKENT EVLERİ	1	1	Sale completed.
36	LÜLEBURGAZ ÇARŞI		20	1
37	MAVİŞEHİR MODERN	78	207	31
38	MERKEZ KAYAŞEHİR	9	218	25
39	METROPOL İSTANBUL			426
40	MIMARSINAN KENTPLUS	84	65	Sale completed.
41	MİSİSTANBUL EVLERİ	250	133	7
42	MY WORLD	277	10	Sale completed.
43	NOVUS RESİDENCE	58	61	5
44	PARK YAŞAM MAVİŞEHİR		278	231
45	SARPHAN FİNANS PARK		203	179
46	SELİMPAŞA EMLAK KONUTLARI	72	181	267
47	SOYAK MAVİŞEHİR	8		1
48	SOYAK PARK APARTS	166	932	240
49	SPRADON VADİ		33	189
50	STÜDYO 24			166
51	ŞEHİRİZAR KONAKLARI		95	26
52	TUZLA EMLAK KONUTLARI 1	1	667	2
53	TUZLA EMLAK KONUTLARI 2	6	1638	29
54	UNİKONUT 1 İSPARTAKULE		37	89
55	UPHILL COURT	4		Sales completed.
56	VARYAP MERIDIAN KONUTLARI	460	325	253
57	YILDIZKENT 1.ETAP			Sales completed.
58	YILDIZKENT 2.ETAP			Sales completed.
59	YILDIZKENT 3.ETAP			1

NOTE: Sales numbers stated in the annual and monthly sales distribution tables are comprised of independent unit sales finalized by both our marketing department and sales offices. Independent units with option are not considered in these tables. The sales transaction is finalized upon depositing the down payment, issuing loans, putting the sum into account and the buyer's signing the contracts before a notary public. Completion of these proceedings takes time. Therefore, it may cause an increase in sales numbers of the previous month or months. There may be additions to sales or reductions due to cancellations. You are kindly requested to obtain information.

Plots Purchased in 01 October 2012 - 31 December 2012

Owned by Alpdoğan KUZUCAN and located in Istanbul, Başakşehir; 231,50 m of the immovable at Block 1344 Parcel 2 with an area of 13.924,89 m was purchased by our Company for 133/8000 of shares amounting to 86.000,00 TL, 35,71 m of the immovable at Block 1336 Parcel 10 with an area of 2.000,00 m was purchased for 4285/240000 of shares amounting to 39.000,00 TL, 1.799,73 m of the immovable at Block 1337 Parcel 17 with an area of 3.074,73 m was purchased for 140479/240000 of shares amounting to 1.975.000,00 TL.

A protocol was signed between our company and TOKI on 30.10.2012 for the purchase of 7 plots owned by TOKİ and located in Kayabaşı vicinity of Istanbul, Başakşehir with a total area of 244.023,05 m2 containing commercial and residential zoning for an amount of 272.695.487,50 TL.

192/5, 192/6 parcels with an area of 20.404,85 m2 located in Istanbul, Bakırköy, Osmaniye Neighbourhood and owned by Akkök Yatırım ve Geliştirme A.Ş. and shareholders, and;

192/9, 192/20, 192/21 parcels with an area of 62.290,81 m2 located in Istanbul, Bakırköy, Osmaniye Neighbourhood and owned by Aktif Holding A.Ş. and 1659/57 and 1659/60 parcels located in Zeytinburnu, Çırpıcı Neighbourhood were purchased for a total of 126.524.359,80 TL (VAT Excluded) and deed transfers were made to our Company.

Current Projects

Annexes 3, 4, 5, and 7 contain information about the current projects of our company.

Appraisal Values of the Assets

Expertise reports on the projects, lands and buildings of our company can be found in Annex – 2.

Latest Status and Completion Rates of Our Projects

The information about the final status and completion amounts of the projects carried out by the company can be found in Annex 3. A table regarding their completion date can be found in Annex –7.

Portfolio Limitations

Tables regarding Portfolio Limitations can be found in Annex—1 Summary Financial Statements.

Affiliates

Our company does not have any affiliates.

Money and Capital Market Instruments

No money and capital market tool has been issued by the company after the public offering.

Information on Share Performance

The Trading Market/Index/Class

Share certificates of our company are traded in the National Market at Istanbul Stock Exchange. It is in Group A in the equity market. As it met the requirements for entering the index immediately after the public offering, it was included in XU100 and XU030 indexes.

Abbreviated data codes of our company are:

IMKB CODE: EKGYO, BLOOMBERG CODE: EKGYO.TI REUTERS CODE: EKGYO.IS



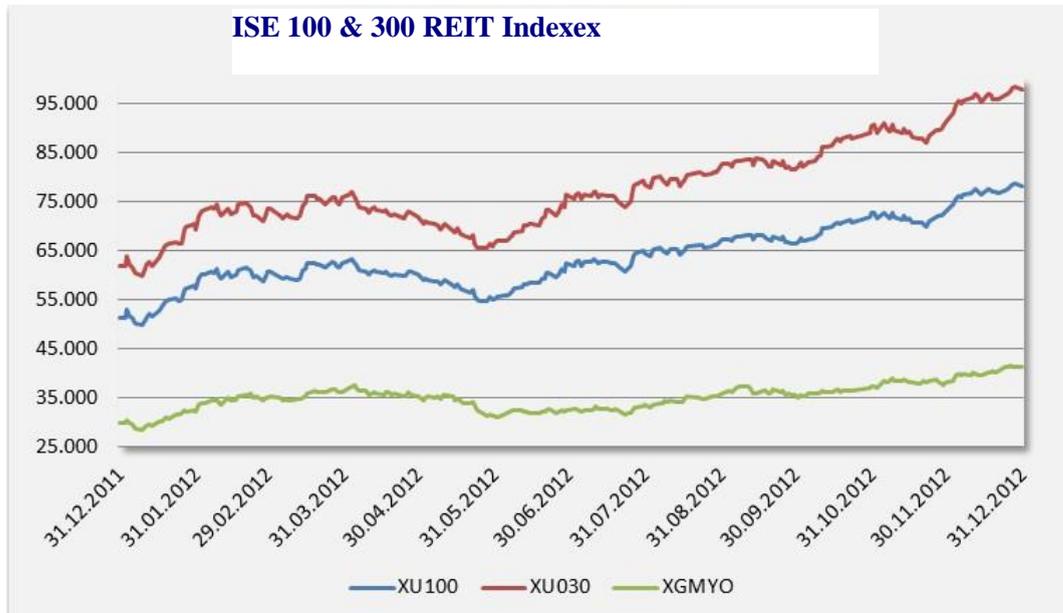


Share Price and Volume Change Patterns

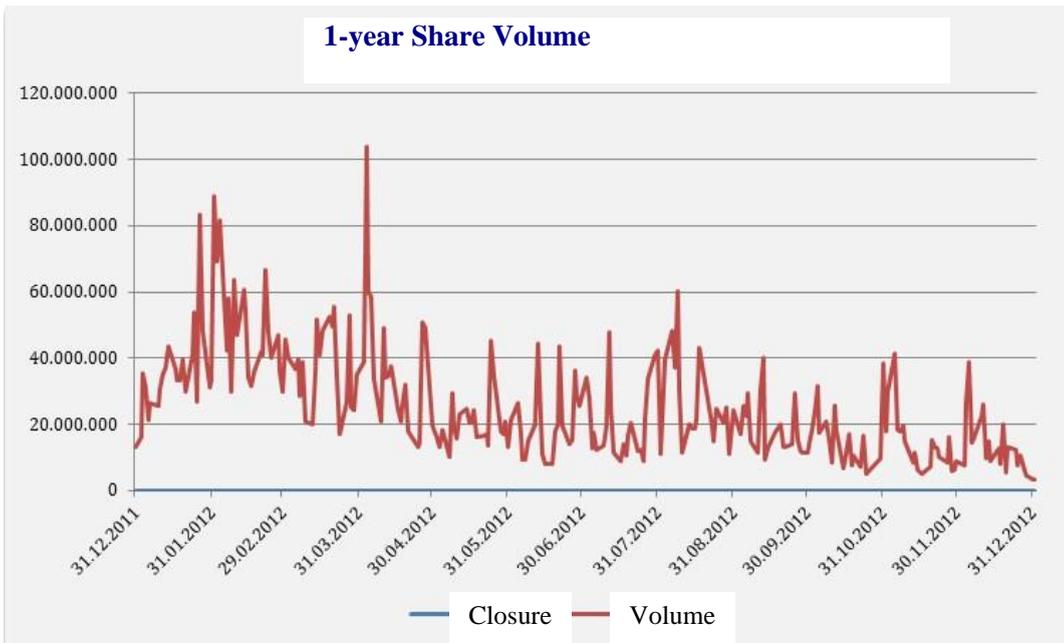
One-Year Stock Performance



Comparison of the ISE and the REIT Index (Last 1 year)



Share Price Performance Between 01.01.2012 – 31.12.2012



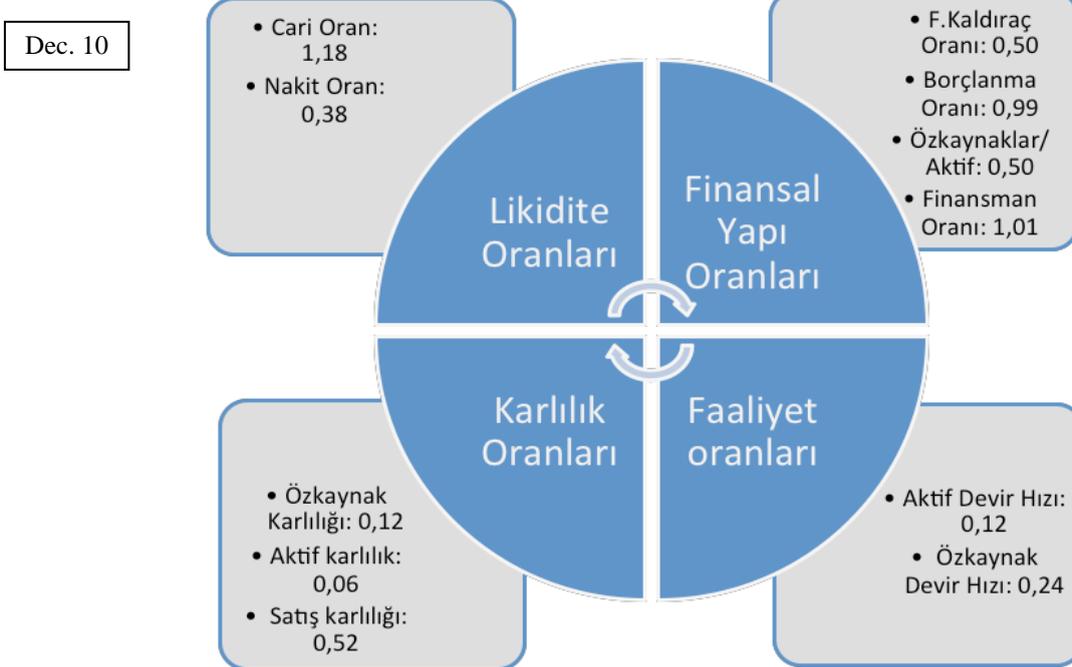
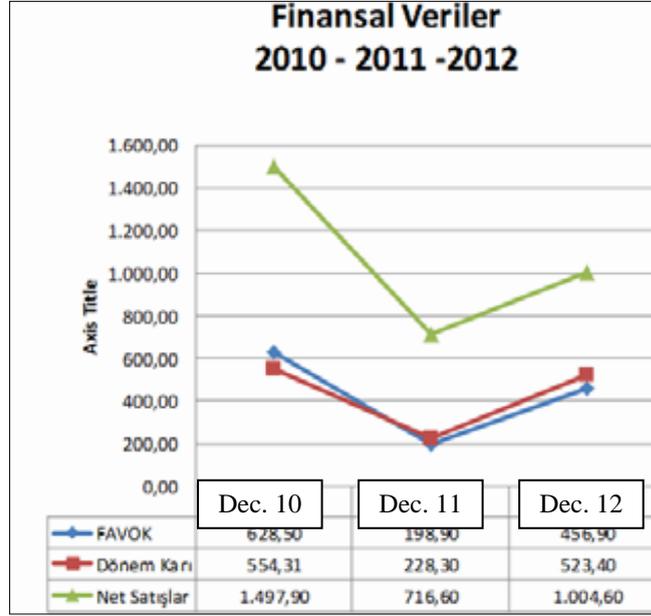
Closing - Volume



Summary Financial Information

Some of the basic rates of the Company's relevant financial data for the period are shown below.

Financial Data



Current Ratio: 1,18 - Cash Ratio: 0,38

Equity Profitability: 0,12 - Active profitability: 0,06 - Sales Profitability: 0,52

Leverage Ratio: 0,50 – Borrowing Ratio: 0,99 – Equity/Active: 0,50 – Financing Ratio: 1,01

Assets turnover: 0,12 – Equity turnover: 0,24

LIQUIDITY RATIOS – FINANCIAL STRUCTURE RATIOS

PROFITABILITY RATIOS – ACTIVITY RATIOS



Current Ratio, Cash Ratio

Return on equity, Return on assets, sales profitability,
leverage ratio, borrowing rate, equity/assets, financing rate
asset turnover ratio, equity turnover ratio

liquidity ratios, financial leverage ratios, profitability ratios, activity rates





Businesses Serving Assets and Rights in Partnership Portfolio

Independent Audit Firm

It has been decided that independent auditing service shall be received from Başaran Nas Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. with a contract valid between 01.01.2012 - 31.12.2012.



Appraisal Companies

At the meeting of Board of Directors held on 24.01.2012; pursuant to article 39 of Capital Markets Board's "Communiqué Pertaining to Principles for Real Estate Investment Trusts" Serial: VI No:11 titled "Selection of Real Estate Appraisal Company", it has been decided that appraisal service shall be received from the annexed (see Annex-8) appraisal companies for every asset in our portfolio, and service shall be received from Nova Taşınmaz Değerleme and Danışmanlık A.Ş. or Reel Gayrimenkul Değerleme A.Ş. for assets that are included in the portfolio in 2012 and need appraisal.

Investor Relations Consultancy Company

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

Certified Public Accountant

It has been decided that service shall be received from Certified Public Accountant Şükrü Aydın with a contract valid between 01.01.2012 - 31.12.2012.

Press and Public Relations Company

It has been decided that service shall be received from Media Manage/ MRG- Medya Yönetim Merkezi Ticaret Ltd. Şti. for creating visual identities and standards for Emlak Konut Gayrimenkul Yatırım Ortaklığı and its projects, with a contract valid between 05.08.2011 – 05.08.2012.

F5 Görsel Sanatlar Merkezi Tic. Ltd. Şti. will be offering their services with a contract between 17.09.2012-16.09.2013 within the scope of creative and press activities of Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.



Miscellaneous

Emlak Konut GYO A.Ş. – HAS Payments

- Housing acquisition support (HAS) deductions were launched in 1987 and terminated on 31.12.1995.
- HAS deductions were made from approximately 6 million people in the period.
- As a result of a regulation, receivables of HAS right holders in Emlak Bank were transferred to Emlak Konut in 2001. The practice of housing acquisition support was terminated on 31.12.1995.
- As real estate is also transferred with HAS accounts, this transfer was reflected on the capital as real capital.
- Right holders were given the option of cash or stocks as payment; 365 right holders opted to collect their receivables as stocks.
- In July 2008, 500.989.886,72 TL was paid from Emlak Konut sources to right holders under HAS repayment, and money was borrowed from the Treasury for the financing of the remaining 1.314.000.000 TL.
- Pursuant to the Law on Repayment to HAS Right Holders No. 5664, Emlak Konut's responsibility is to make payments to right holders by delivering the HAS right holders list to Ziraat Bank which has been presented to the Company by Emlak Bank (liquidated) and published in the Official Gazette. The amount required by Emlak Konut to pay to right holders has been paid and deducted from the Company's capital. The Treasury is responsible for the remaining payments.

Emlak Konut has fulfilled all its responsibilities against right holders within the scope of HAS repayments.

Real Estate-Based Developments

1. On 04.03.2013, sales operation of the land owned by our Company located in Istanbul Ümraniye at block 3328 and parcel 10 with an area of 15.960.61 m² to T.C. MERKEZ BANKASI over VAT Included 353.126.800,00 TL (VAT Excluded 299.260.000,00 TL) by cash sale was finalized and deed transfer of the land has been completed.
2. All independent units in the currently ongoing Kuasar Istanbul project, located in Istanbul Şişli Dikilitaş, under Revenue Sharing in Exchange for Plot Sale were sold at a VAT Excluded amount of 935.276.508,47 TL (VAT Included 1.032.724.890,00 TL), the project's total VAT Included Appraisal Fee is 957.078.131,75 TL.
3. In Istanbul, Ataşehir, Yenişehir Neighborhood, Şerifali Çiftliği Vicinity, Urban Transformation Area; for the purpose of liquidating non-resistant structures against earthquakes and delivering area residents houses to be constructed in the area, the Protocol pertaining to "Istanbul Ataşehir Yenişehir Neighborhood Şerifali Çiftliği Urban Transformation Project" devised in cooperation of T.C. Ministry of Environment and Urban Planning, T.R. Prime Ministry Housing Development Administration (TOKİ), Emlak Konut GYO. Ş. (Emlak Konut) and T.R. Ataşehir Mayoralty (Municipality) was agreed upon by parties.
4. Under "the Law on Transformation of Areas Under Disaster Risk" No. 6306 and on the reserve area declared by the Cabinet dated 13.08.2012 and No. 2012/3573, a "Cooperation Protocol" was concluded on 08.08.2012 between T.R. Ministry of Environment and Urbanization, T.R. Ministry of Transportation, Maritime Affairs and Communications, T.R. Prime Ministry Housing Development Administration and our Company; and the statement by T.R. Ministry of Environment and Urbanization stated in summary that all enforcements on the area defined as "Reserve Construction Area" shall be operated within the framework of the provisions of Law No. 6306 and "Cooperation Protocol", and that all Institutions and Organizations must fulfill their responsibilities. Our company has land in this "Reserve Construction Area" with an area of approximately 2 million m².



Developments Related to Public Offering of Common Stock

In consideration of ongoing projects and the monetary size of our company's required investments pursuant to the "Cooperation Protocol", a notion has emerged that our Company will need additional financial resources. With the idea that it is currently the best way to expend the current capital of our company and supply the increased capital from the IPO and in context of the aforementioned statements, without prejudice to provisions in article 8 titled "Capital and Shares" and in article 9 titled "Preferred Securities" in company's Articles of Association, an opinion was requested from T.R. Prime Ministry Housing Development Administration and T.R. Prime Ministry Privatization Administration in order to increase our current 2.500.000.000 TL company capital by at least 1.300.000.000 TL to raise it to 3.800.000.000 TL and offer the increased 1.300.000.000 TL part to the public by our Company. T.C. Prime Ministry Housing Development Administration and T.R. Prime Ministry Privatization Administration assented the public offering.

In this context; with the Board of Director decision dated 08.02.2013 and numbered 7-015, article 8 titled "Capital and Shares" in our company's Articles of Association states that "In capital increases, new Group A shares shall be issued for Group A shares, and new Group B shares shall be issued for Group B shares. However, all new shares shall be issued as Group B in the event that the Board of Directors restricts the shareholders' right to purchase new shares." Pertaining to this, and without prejudice to the article 9 titled "Preferred Securities" which states "Group A shares are entitled to nominate members in selection of the Board of Directors. All Board Members except for Independent Members are selected by the Company General Meeting from among candidates nominated by holders of Group A shares."; it was decided that our company capital of 2.500.000.000 TL with a limit of 4.000.000.000 TL shall be expanded to 3.800.000.000 TL with an increase of 1.300.000.000 TL, and the expanded sum of 1.300.000.000 TL shall be offered to the public by our Company in National and International markets.

The financial resource to be provided by this public offering shall be directly utilized by our Company in company operations. Our company issued a disclosure at PDP regarding the issue on 08.03.2012.



Board of Directors Decision Date	08.02.2013
Current Capital (TL)	2.500.000.000,000
Target Capital (TL)	3.800.000.000,000

Share Group Information	Current Capital (TL)	Capital Amount to be Increased by IPO Outside Stock Market Without Use of Priority (TL)	Capital Amount to be Increased by IPO Outside Stock Market Without Use of Priority (%)
Group B,EKGYO(Former), TREGYO00017	2.246.630.081,000	1.300.000.000,000	57,86444
Group A, Not traded (Privileged), TREGYO00025	253.369.919,000	0,000	0,00000
COMPANY BASED INFORMATION	2.500.000.000,000	1.300.000.000,000	52,00000



Relatively large-scale ongoing lawsuits regarding our Company

İzmir Mavişehir Kuzey Üst Bölgesi Stage 3 Revenue Sharing Operation in Exchange for Plot Sale

Anadolu 8th Commercial Court of First Instance

2013/50 E. (Kadıköy 2nd Commercial Court of First Instance, File Number 2009/850 E.)

It is a lawsuit demanding that article 4 of the contract stating “from the foreseen 175.000.000. TL + KDV STG in the offer of contract Albayrak Tur. Sey. İnş. Tic. A.Ş., it was concluded on 67.515.000 YTL Minimum ŞPTF for 38,58% ŞPGO offered to Emlak Konut GYO A.Ş. by Albayrak Tur. Sey. İnş. Tic. A.Ş.” to be defined and annulment of other provisions except the part stating the 38,58% ŞPGO payable to the other party, actual market value of all immovable includes land share to be determined as a result of appraisal evaluation as of trial date, 38,58% of the determined actual market value to be given to Emlak Konut and 61,42% to Albayrak Tur. Sey. İnş. Tic. A.Ş. The case is under examination of an expert witness.

İzmir Mavişehir Kuzey Üst Bölgesi Stage 2 Revenue Sharing Operation in Exchange for Plot Sale

Istanbul 10th Commercial Court of First Instance

File No. 2009/850 E.

This is a lawsuit filed by contractor Bozoğlu İnş. Taah. ve Tic. Ltd. Şti. upon termination of the İzmir Mavişehir Kuzey Üst Bölgesi Stage 2 Revenue Sharing Operation in Exchange for Plot Sale Contract by Emlak Konut GYO A.Ş. s of 21.12.2009 on the grounds that the concluded contract is a "Flat for Land" contract and cannot be unilaterally terminated and demanding determination of the invalidity of termination, and collection of 8.000 TL for the loss without prejudice to surplus rights. Emlak Konut counterclaimed with the demand to collect 100.000 TL without prejudice to surplus rights. The case is under investigation and examination survey.



İkitelli Revenue Sharing Operation in Exchange for Plot Sale

Kadıköy 1st Commercial Court of First Instance
File No. 2009/1221 E.

This is a lawsuit demanding that the provision at paragraph b of the Article 3 of the Contract for Ordinary Partnership of Contractor TEK ÇELİK İÇ VE DIŞ TİC. İNŞ. SAN. A.Ş.-MEHMET ÇELİK stating that “Offered Minimum Company Share shall be updated and increased at the rate of CPI of DİE until all sales are finalized, and until campaign beginning with contract date in each campaign period for remaining independent units. Declines will not be considered in updates.” to be annulled, actual market value of all immovable includes land share to be determined as a result of appraisal evaluation as of trial date, 41,50% of the determined actual market value to be given to Emlak Konut and 58,50% to TEK ÇELİK İÇ VE DIŞ TİC. İNŞ. SAN. A.Ş.- MEHMET ÇELİK ORDINARY PARTNERSHIP. The case has been rejected and the result of court review is expected.

Ispartakule 3. Bölge Revenue Sharing Operation in Exchange for Plot Sale

Lawsuit Filed by Tulip Gayrimenkul Geliştirme Yatırım San. Ve Tic. A.Ş.

Bakırköy 5th Commercial Court of First Instance, File No. 2010/788 E.,2011/377 K.;

This is a lawsuit filed by Tulip Gayrimenkul Geliştirme Yatırım San. Ve Tic. A.Ş., one of the partners of the contractor Tulip-FMS-Mertkan-İlci Ordinary Partnership, upon termination of the Ispartakule 3. Bölge Revenue Sharing Operation in Exchange for Plot Sale by Emlak Konut as of 18.05.2010, demanding determination of wrongful termination, requesting surplus rights for material losses and collection of 1.000 TL without prejudice to cause of action. The lawsuit was rejected on grounds of hostility and this rejection was upheld by the High Court. Result for the request for a revision of decision is expected.



Lawsuit Filed on Behalf of Tulip-FMS-Mertkan-İlci Ordinary Partnership

Kadıköy 5th Commercial Court of First Instance, File No. 2010/1654 E.

This is a lawsuit filed on behalf of the contractor Tulip-FMS-Mertkan-İlci Ordinary Partnership in demand of the collection of 100.000 TL without prejudice to cause of action and surplus rights for material losses, and determination of wrongful termination upon termination of the Ispartakule 3. Bölge Revenue Sharing Operation in Exchange for Plot Sale by Emlak Konut as of 18.05.2010.

International Centre for Settlement of Disputes – ICSID

Filed by Tulip Real Estate and Development Netherlands B.V. against Republic of Turkey in demand of compensation for all claimed damages within Tulip Turkuaz project with interest and attorney's fees, and in regard to the said investment a request for the arbitration under International Centre for Settlement of Disputes with demand of a ruling to say that Republic of Turkey have violated Turkish law and international conventions and an international agreement concluded with Holland on 27 March 1986 (Agreement on Reciprocal Encouragement and Protection on Investments between the Kingdom of Netherlands and the Republic of Turkey).

Şişli Ayazağa Stage 1 Revenue Sharing Operation in Exchange for Plot Sale

Istanbul 12th Civil Court of First Instance
File No. 2011/130 E.

In the lawsuit filed by litigants Fatih KAZDAL et al. against Emlak Konut GYO A.Ş., Housing Development Administration and the Treasury; the plaintiff demands shares pro rata termination of land registration for immovable No. parcel 145 and to be registered in their name with the claim that immovable No. 4 section 73 and 1 section 44 inherited to them by their common legator were in ownership of the root owner Treasury and were left in the real estate at 1-2 section, block 1, parcel 145 in Şişli Ayazağa by elimination of joint ownership, this immovable later became the property of Housing Development Administration and then of Emlak Konut GYO A.Ş. The court ruled that an annotation was to be put on the land registration of the subject matter immovable stating “a lawsuit was filed”. This annotation does not intend prevention of conservation. Investigation and expert examination were performed on the subject matter immovable.





Istanbul 6th Administrative Court
File No. 2011/1989 E.

In the lawsuit filed by Fatih KAZDAL against Emlak Konut GYO A.Ş. and Housing Development Administration; the plaintiff claimed that the registered immovable at Istanbul, Şişli Ayazağa, 1-2 section, block 1, parcel 145 was wrongfully displayed as sold outside limits of purpose and transfer and was assigned to Emlak Konut GYO A.Ş. and demanded annulment of the sales protocol between Housing Development Administration and Emlak Konut GYO A.Ş. The lawsuit was rejected on grounds that the plaintiff does not possess capacity to sue and result of appellate review is expected.

Istanbul 5th Administrative Court
File No. 2011/1531 E.

In the lawsuit filed by Fatih KAZDAL against Emlak Konut GYO A.Ş. and Housing Development Administration; the plaintiff demanded the registered immovable at Istanbul, Şişli Ayazağa, 1-2 section, block 1, parcel 145 to be tendered to Akdeniz İnşaat Ve Eğitim A.Ş. at 35,50% rate and 3.250.000.000 TL value on the basis of Revenue Exchange Operation in Exchange for Plot Sale, and demanded annulment of the contract signed based on this tender and requested stay of execution. The lawsuit was rejected in terms of task and result of the appellate review is expected.

Istanbul 6th Administrative Court
File No. 2010/2480 E.

In the lawsuit filed by TMMOB Chamber of City Planners against Housing Development Administration; it is demanded that 1/5000 scale Master Plan and 1/1000 Development Plan for Illegal Housing Prevention Zone in Şişli Ayazağa to be terminated and a request was made for stay of execution. Emlak Konut participated in the case as a civil party for TOKİ. The lawsuit was dismissed.



Istanbul 8th Administrative Court
File No. 2010/2300 E.

In the lawsuit filed by Büyükkent Branch of TMMOB Chamber of City Planners against Housing Development Administration; it is demanded that 1/5000 scale Master Plan and 1/1000 Development Plan approved on 11.08.2010 for Illegal Housing Prevention Zone in Şişli Ayazağa to be terminated and a request was made for stay of execution. Emlak Konut participated in the case as a civil party for TOKİ. The lawsuit was dismissed.

Istanbul 1st Administrative Court
File No. 2010/2191 E.

In the lawsuit filed by Serdar Bayraktar and 8 of his associates (municipal councilors) against Housing Development Administration and Istanbul Metropolitan Municipality; it is demanded that 1/5000 scale Master Plan and 1/1000 Development Plan approved on 18.08.2010 for Illegal Housing Prevention Zone in Şişli Ayazağa to be terminated and a request was made for stay of execution. Emlak Konut participated in the case as a civil party for defendants. The lawsuit was dismissed.

ZONING PLANS APPROVED ON 16.09.2011

Istanbul 1st Administrative Court
File No. 2012/1913 E.

In the lawsuit filed by Yusuf Özden against Ministry of Environment and Urban Planning and Istanbul Metropolitan Municipality; it is demanded that 1/5000 scale Master Plan and 1/1000 Development Plan approved on 16.09.2011 for Illegal Housing Prevention Zone in Şişli Ayazağa to be terminated and a construction of the building to be halted. Emlak Konut participated in the case as a civil party for defendants. The lawsuit was dismissed. The trial is still in motion.

Council of State 6th Division File No. 2012/4412 E.
(Istanbul 5th Administrative Court, File No. 2012/401 E.)

In the lawsuit filed by TMMOB Chamber of City Planners against Housing Development Administration; it is demanded that 1/5000 scale Master Plan and 1/1000 Development Plan approved on 16.09.2011 for Illegal Housing Prevention Zone in Şişli Ayazağa to be terminated and a request was made for stay of execution. Istanbul 5th Administrative Court ruled non-jurisdiction and sent the file to Council of State 6th Division. Council of State ruled on their decision dated 25.09.2012 that “Ministry of Environment and Urbanization to be included as adverse party with the defendant administration, and the request for execution to be reviewed after initial defense of defendant administrations or after expiration of the legal defense duration.”

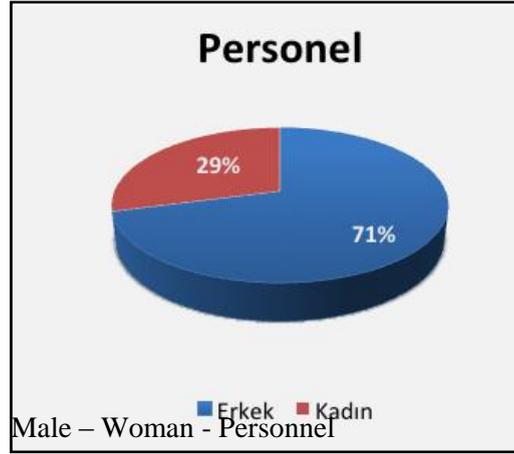
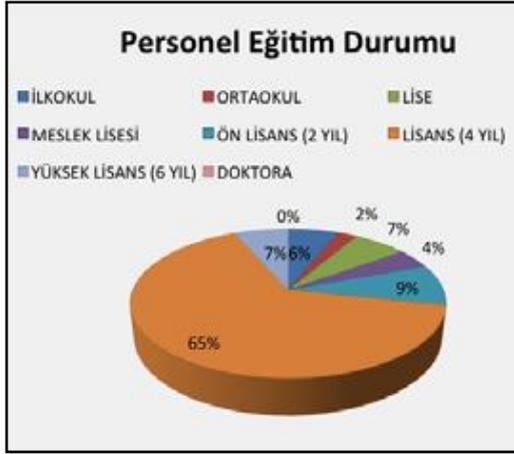
Lawsuit Filed by Metal Yapı-Özüm Petrol-Yeşil İnşaat- Nasa İnşaat-K Yapı-Taşçılar Madencilik Joint Venture
Anadolu 11th Commercial Court of First Instance
File No. 2013/134 E.
(Kadıköy 3rd Commercial Court of First Instance, File No. 2010/851E.)

This is the lawsuit demanding the return of letters of guarantee upon ruling of injunction in terms of preventing conversion of bid bonds into cash from the File No. 2010/992 D.İş. of Istanbul 9th Commercial Court of First Instance against Emlak Konut’s demand of converting the 24.400.000 valued bid bond into cash on grounds that the Joint Venture, who won the Tender for Ayazağa Stage 1 Revenue Sharing Operation in Exchange for Plot Sale, did not sign the contract. Two lawsuits of financial compensation and libel filed by the Joint Venture demanding collection of 2.000.000 TL in total without prejudice to surplus rights were combined in this file. The file is in expert review stage.

Staff Structure & Personnel Benefits

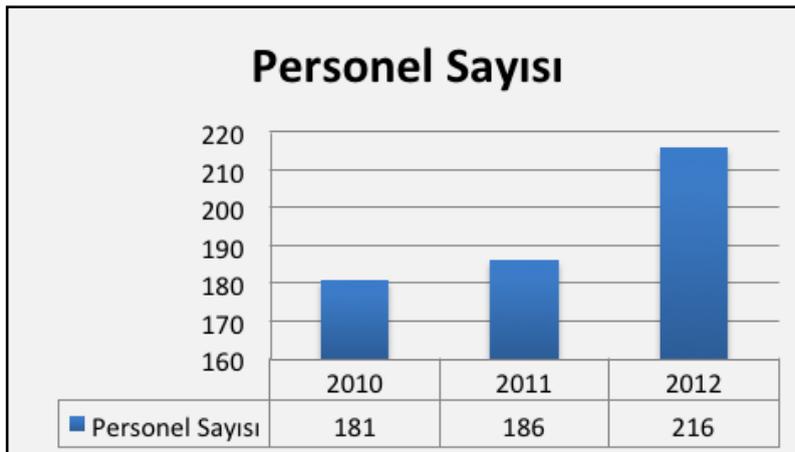
We believe in the power of human capital and attach special importance to professional and expertise trainings of the personnel.

We apply the meticulousness required by our activities also in the human resource management. Our corrective and improving works in personnel management are underway. 80.66 % of our employees have received higher education.



Educational Background of Personnel
Elementary School, Vocational School,
Master's degree (6 years),
Middle School, Associate degree (2
years), PhD, High School, Bachelor (4
years)

Personel Number





Donations

The company has not made any contributions in this period.



Environmental Sensitivity, Ecological Management, and Quality Policy

Our company has adopted a sensitive policy for environment and clean energy resources, and for this reason conducts studies to use recyclable and eco-friendly material. Our company gives necessary attention to reuse consumable materials that are eligible for recycling.

As for construction activities, our company develops projects for subcontractors to create models for eco-friendly projects based on clean energy sources.



Code of Ethics 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.



ANNEXES:

1. Independent Auditor Report
2. Summary Expertise Statement of Assets
3. Construction Progress Levels
4. Real Estates, Real Estate Projects, Summary Table of Rights Based on Real Estate
5. Summary Table of the Building Stock
6. Summary Table of Areas without Any Developed Project
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8. List of the Companies That Received Valuation Service
9. Prime Contract Remodeling Text



EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF

THE FINANCIAL STATEMENTS AT 31 DECEMBER 2012

TOGETHER WITH INDEPENDENT AUDITOR'S REPORT

(ORIGINALLY ISSUED IN TURKISH)



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

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of

Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.

1. We have audited the accompanying financial statements of Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş. (the "Company"), which comprise the balance sheet as at 31 December 2012, and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting standards issued by the Capital Markets Board of Turkey ("CMB"). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the auditing standards issued by the CMB. Those standards require that we comply with ethical requirements and plan and



perform the audit to obtain reasonable assurance on whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

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



Opinion

4. In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş. as of 31 December 2012 and of its financial performance and its cash flows for the year then ended in accordance with financial reporting standards endorsed the by the Capital Markets Board of Turkey (Note 2).

Additional paragraph for convenience translation into English

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

Başaran Nas Bağımsız Denetim ve

Serbest Muhasebeci Mali Müşavirlik A.Ş.

a member of

PricewaterhouseCoopers

Burak Özpoğraz, SMMM

Partner

İstanbul, 14 March 2013

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

FINANCIAL STATEMENTS AT 31 DECEMBER 2012

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EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF BALANCE SHEETS AT 31 DECEMBER 2012 AND 2011

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

		31 December	31 December
	Notes	2012	2011
ASSETS			
Current assets		4,048,656	3,138,317
Cash and cash equivalents	3	1,146,520	773,831
Financial assets	4	159,927	572,370
Trade receivables	6	447,818	366,374
<i>Due from related parties</i>	24	67	1
<i>Other trade receivables</i>	6	447,751	366,373
Other receivables	7	476,645	468,476
Land and residential unit inventories	8	1,595,471	797,366
Other current assets	14	222,275	159,900
Non-current assets		4,345,631	4,375,932
Trade receivables	6	830,022	782,625
Other receivables	7	225	178
Land and residential unit inventories	8	3,506,204	3,581,644
Investment property	9	3,537	5,449
Property, plant and equipment	10	4,505	5,965
Intangible assets	11	1,138	71
Total assets		8,394,287	7,514,249

DRAFT

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

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF BALANCE SHEETS AT 31 DECEMBER 2012 AND 2011

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

		31 December	31 December
	Notes	2012	2011
LIABILITIES AND EQUITY			
Current liabilities		3,420,117	2,782,854
Financial liabilities	5	172,199	185,522
Trade payables	6	527,444	316,320
<i>Due to related parties</i>		-	-
<i>Other trade payables</i>	6	527,444	316,320
Other payables	7	712,283	692,866
Provision for employee benefits	13	2,083	2,224
Provisions	12	60,508	51,690
Other current liabilities	14	1,945,600	1,534,202
Non-current liabilities		766,445	928,492
Financial liabilities	5	754,000	914,000
Trade payables	6	8,921	10,714
Provision for employee benefits	13	2,023	2,188
Other non-current liabilities	14	1,501	1,590
Shareholders' equity		4,207,725	3,802,903

Share capital	15	2,500,000	2,500,000
Share premium	15	426,989	426,989
Legal reserves		171,440	149,199
Retained earnings		585,894	498,393
Net income for the period		523,402	726,715
Total liabilities and equity		8,394,287	7,514,249

Contingent assets and liabilities 27

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

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED 31 DECEMBER 2012 AND 2011

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

	Notes	31 December 2012	31 December 2011
CONTINUING OPERATIONS:			
OPERATING ACTIVITIES			
Net sales	16	1,004,577	716,597
Cost of sales	16	(551,879)	(487,568)
Gross profit		452,698	229,029
General administrative expenses (-)	17	(45,464)	(39,076)
Marketing, sales and distribution expenses (-)	17	(11,346)	(13,772)
Other operating income	19	86,541	64,601
Other operating expenses (-)	19	(25,482)	(41,882)
Operating profit		456,947	198,900
Financial income	20	183,072	178,632
Financial expenses (-)	21	(116,617)	(149,210)
Profit before income tax from continuing operations		523,402	228,322
Tax expense from continuing operations	22	-	-

Profit for the year from continuing operations	523,402	228,322
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Other comprehensive income	-	-
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Total comprehensive income for the year	523,402	228,322
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Earnings per share (in full TL)	23	0.0021	0.0009
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The accompanying notes form an integral part of these financial statements.

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED 31 DECEMBER 2012 AND 2011

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

	Notes	Share Capital	Share Premium	Legal Reserves	Retained Earnings	Net Income	Total Equity
1 January 2011 balances		2,500,000	426,989	113,882	154,891	554,313	3,750,075
Transfers	15	-	-	35,317	518,996	(554,313)	-
Dividend payment	15	-	-	-	(175,494)	-	(175,494)
Total comprehensive income		-	-	-	-	228,322	228,322
31 December 2011 balances		2,500,000	426,989	149,199	498,393	228,322	3,802,903

	Notes	Share Capital	Share Premium	Legal Reserves	Retained Earnings	Net Income	Total Equity
1 January 2012 balances		2,500,000	426,989	149,199	498,393	228,322	3,802,903

Transfers	15	-	-	22,241	206,081	(228,322)	-
Dividend payment	15	-	-	-	(118,580)	-	(118,580)
Total comprehensive income		-	-	-	-	523,402	523,402
31 December 2012 balances		2,500,000	426,989	171,440	585,894	523,402	4,207,725

DRAFT

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

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED 31 DECEMBER 2012 AND 2011

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

		1 January -	1 January -
	Notes	31 December 2012	31 December 2011
Cash flows from operating activities			
Total comprehensive income		523,402	228,322
Adjustments to reconcile net cash generated from operating activities to income before tax			
Interest income	20	(96,636)	(88,264)
Interest expense	21	79,472	107,154
Financial income from sales on account	20	(46,203)	(82,362)
Unearned finance (income)/expense, net	20.21	(4,161)	32,112
Provision for unused vacation, net	13	(141)	(937)
Provision for employment termination benefits, net	13	(63)	(502)
Depreciation expense	10	489	395
Amortization expense	11	127	26
Gain on property, plant and equipment sales		(741)	-
Provision expenses	12	8,818	23,250
Provision for doubtful receivables	6	-	(41)
Impairment provision/(reversals) on investment properties, net	9	67	(193)
Gain on investment property sales		(1,945)	-
Impairment provision on inventories	8	11,472	17,681
Reversal of impairment provision on inventories	8	(34,532)	(67,722)
Net cash before changes in operating assets and liabilities		439,425	168,919
Cash flows from operating activities			
Change in land and residential unit inventories		(699,605)	(321,696)

Change in project deposits		(179,466)	(114,233)
Change in trade receivables		(78,411)	(170,942)
Change in trade payables		209,331	(315,484)
Change in due from related parties		(66)	(1)
Change in other receivables		(8,216)	(82,572)
Change in other payables		19,417	53,532
Change in other assets		(61,240)	(49,575)
Change in other liabilities		428,948	600,797
Employee termination benefits paid		(102)	(11)
Net cash from operating activities		70,015	(231,266)
Purchase of property, plant and equipment	10	(1,169)	(657)
Cash provided from sale of property, plant and equipment		2,881	30
Purchase of intangible assets, net	11	(1,194)	(44)
Additions to investment property	9	(190)	-
Additions to investment property		3,980	-
Purchase of financial assets		(883,386)	(1,300,280)
Return of financial assets		1,295,829	807,527
Interest received		96,636	88,264
Net cash from investing activities		513,387	(405,160)
Interest paid		(93,176)	(102,893)
Increase in financial liabilities		351	-
Decrease in financial liabilities		(160,000)	(160,210)
Increase in payables to HAS beneficiaries	7	15,797	141,386
Payments made to HAS beneficiaries	7	(33,436)	(134,742)
Dividend payment		(118,580)	(175,494)
Net cash (used in) / from financing activities		(389,044)	(431,953)
Net increase in cash and cash equivalents		194,358	(1,068,379)
Cash and cash equivalents at beginning of the year	3	470,291	1,538,670

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED 31 DECEMBER 2012 AND 2011

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

	3	664,649	470,291
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The accompanying notes form an integral part of these financial statements.

NOTE 1 - GENERAL INFORMATION

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

The Company was transformed into a Real Estate Investment Company with Senior Planning Committee Decree No. 99/T-29, dated 4 August 1999, and according to Statutory Decree No. 588, dated 29 December 1999. According to Permission No. 298, dated 20 June 2010, granted by the Capital Markets Board (“CMB”) regarding transformation of the Company into a Real Estate Investment Company and permission No. 5320, dated 25 June 2002, from the Republic of Turkey Ministry of Industry and Trade and amendment draft for the articles of association of the Company was submitted for the approval of the Board and the amendment draft was approved at the Ordinary General Shareholders Committee meeting of the Company convened on 22 June 2002, changing the articles of association accordingly.

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

By the decision of the Board of Directors of Istanbul Stock Exchange Market on 26 November 2010, 25% portion of the Company’s B type shares with a nominal value of TL625,000 has been trading on the stock exchange since 2 December 2010 (Note 15).

The registered address of the Company is as follows:

Atatürk Mahallesi Turgut Özal Bulvarı Gardenya Plaza 11/B Kat: 1-8 Ataşehir / Istanbul / Turkey

The objective and operating activity of the Company is coordinating and executing Real Estate Property Projects mostly housing, besides, commercial units, educational units, social facilities, and all related aspects, controlling and building audit services of the ongoing projects, marketing and selling the finished housing. Due to statutory obligation to be in compliance with the Real Estate Investment

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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

Companies decrees and related CMB communiqués, The Company can not be a part of construction business, but only can organize it by auctioning between the contractors.

The financial statements at 31 December 2012 have been approved by the Board of Directors on 14 March 2013. The General Assembly of the Company has the power to amend these financial statements.

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

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of preparation

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Financial reporting standards

These financial statements of the Company have been prepared in accordance with financial reporting standards issued by CMB (“CMB Financial Reporting Standards”). The Capital Markets Board of Turkey (“CMB”) regulate the principles and procedures of preparation, presentation and announcement of financial statements prepared by the entities with the Communiqué No: XI-29, “Principles of Financial Reporting in Capital Markets” (“the Communiqué”). This Communiqué is effective for the annual periods starting from 1 January 2008 and supersedes the Communiqué No: XI-25, “The Financial Reporting Standards in the Capital Markets”. According to the Communiqué, entities shall prepare their financial statements in accordance with International Financial Reporting Standards (“IAS/IFRS”) endorsed by the European Union. Until the differences of the IAS/IFRS as endorsed by the European Union from the ones issued by the International Accounting Standards Board (“IASB”) are announced by Turkish Accounting Standards Board (“TASB”) (TASB has been terminated in November 2011 and its roles and responsibilities were transferred to Public Oversight Accounting and Auditing Standards Authority (“POAASA”)), IAS/IFRS issued by the IASB shall be applied. Accordingly, Turkish Accounting Standards/Turkish Financial Reporting Standards (“TAS/TFRS”) issued by the TASB which are in line with the aforementioned standards shall be considered.

As the differences of the IAS/IFRS endorsed by the European Union from the ones issued by the IASB have not been announced by TASB as of the date of preparation of these financial statements, the financial statements have been prepared within the framework of Communiqué XI, No: 29 and related promulgations to this Communiqué as issued by the CMB in accordance with the accounting and reporting principles accepted by the CMB (“CMB Financial Reporting Standards”) which are based on IAS/IFRS. The financial statements and the related notes to them are presented in accordance with the formats required by the CMB, with the announcements dated 14 April 2008 and 9 January 2009, including the compulsory disclosures. Accordingly, required reclassifications have been made in the comparative financial statements.

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

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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

Accounting for the effects of hyperinflation

With the decision taken on 17 March 2005, the CMB has announced that, effective from 1 January 2005, for companies operating in Turkey and preparing their financial statements in accordance with CMB Financial Reporting Standards the application of inflation accounting is no longer required. Accordingly, the 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.

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

2.1 Basis of preparation (Continued)

Functional and presentation currency

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

Offsetting

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

Going concern

The Company’s financial statements are prepared under the going concern assumption.

2.2 Changes in accounting policies, accounting estimates and errors

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

2.3 Comparatives and restatement of prior periods’ financial statements

In order to allow for the determination of the financial situation and performance trends, the Company’s financial statements have been presented comparatively with the preceding financial period. The Company presented the balance sheet as of 31 December 2012 comparatively with the balance sheet prepared as of 31 December 2011 and presented the statements of comprehensive income, cash flows and changes in equity for the year ended 31 December 2012 comparatively with such financial statements for the year ended 31 December 2011.

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current period.

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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

The Company made the following reclassifications in comparative year:

- Unearned financial income and expenses have been presented separately on a gross basis in financial statements as of 31 December 2012, whereas they were presented on a net basis in prior years. Accordingly, the comparative financial statements as of 31 December 2011 have been restated and the financial income and financial expenses for the year ended 2011 have increased by 7,994 TL.
- Impairment provision charge and reversals have been presented separately on a gross basis in financial statements as of 31 December 2012, whereas they were presented on a net basis in prior years. Accordingly, the comparative financial statements as of 31 December 2011 have been restated and the other income and other expenses for the year ended 2011 have increased by 17,681 TL as a result of this reclassification.

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

2.4 New or amended standards

The Company has applied all standards and interpretations published by the IASB and International Financial Reporting Interpretation Committee (“IFRIC”) effective for annual accounting periods beginning on or after 1 January 2012, that are relevant to its operations.

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

- IFRS 7 (amendment), “Financial instruments: Disclosures on transfers of assets”, is effective for annual periods beginning on or after 1 July 2011. This amendment will promote transparency in the reporting of transfer transactions and improve users’ understanding of the risk exposures relating to transfers of financial assets and the effect of those risks on an entity’s financial position, particularly those involving securitisation of financial assets. Comparative information is not needed in the first year of adoption. Earlier adoption is permitted.
- IFRS 1 (amendment), “First-time adoption of IFRS”, is effective for annual periods beginning on or after 1 July 2011. These amendments include two changes to IFRS 1. The first replaces references to a fixed date of 1 January 2004 with ‘the date of transition to IFRSs’, thus eliminating the need for entities adopting IFRSs for the first time to restate derecognition transactions that occurred before the date of transition to IFRSs. The second amendment provides guidance on how an entity should resume presenting financial statements in accordance with IFRSs after a period when the entity was unable to comply with IFRSs because its functional currency was subject to severe hyperinflation. Earlier adoption is permitted.
- IAS 12 (amendment), “Income taxes” on deferred tax, is effective for annual periods beginning on or after 1 January 2012. This amendment introduces an exception to the existing principle for the measurement of deferred tax assets or liabilities arising on investment property measured at fair value. As a result of the amendments, SIC 21, “Income taxes - recovery of revalued non-depreciable assets”, will no longer apply to investment properties carried at fair value. The amendments also incorporate into IAS 12 the remaining guidance previously contained in SIC 21, which is withdrawn. Early adoption is permitted.

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

Standards, amendments and interpretations not yet effective as of 1 January 2012 and not early adopted by the Company:

- IAS 19 (amendment), “Employee benefits”, is effective for annual periods beginning on or after 1 January 2013. These amendments eliminate the corridor approach and calculate finance costs on a net funding basis. Early adoption is permitted.
- IAS 1 (amendment), “Presentation of financial statements”, regarding other comprehensive income is effective for annual periods beginning on or after 1 July 2012. The main change

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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

resulting from these amendments is a requirement for entities to group items presented in ‘other comprehensive income’ (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The amendments do not address which items are presented in OCI. Early adoption is permitted.

- IFRS 10, “Consolidated financial statements”, is effective for annual periods beginning on or after 1 January 2013. The standard builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. This new standard might impact the entities that a group consolidates as its subsidiaries.

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

2.4 New or amended standards (Continued)

Standards, amendments and interpretations not yet effective as of 1 January 2012 and not early adopted by the Company:

- IFRS 11, “Joint arrangements”, is effective for annual periods beginning on or after 1 January 2013. IFRS 11 is a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement rather than its legal form. There are two types of joint arrangement: joint operations and joint ventures. Joint operations arise where a joint operator has rights to the assets and obligations relating to the arrangement and hence accounts for its interest in assets, liabilities, revenue and expenses. Joint ventures arise where the joint operator has rights to the net assets of the arrangement and hence equity accounts for its interest. Proportional consolidation of joint ventures is no longer allowed.
- IFRS 12, “Disclosures of interests in other entities”, is effective for annual periods beginning on or after 1 January 2013. The standard includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles.
- IFRS 10, 11 and 12 on transition guidance (amendment), is effective for annual periods beginning on or after 1 January 2012. The amendment also provide additional transition relief in IFRSs 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 12 is applied.
- IFRS 13, “Fair value measurement”, is effective for annual periods beginning on or after 1 January 2013. The standard aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements, which are largely aligned between IFRSs and US GAAP, do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs or US GAAP.
- IAS 27 (revised), “Separate financial statements”, is effective for annual periods beginning on or after 1 January 2013. The standard includes the provisions on separate financial statements that are left after the control provisions of IAS 27 have been included in the new IFRS 10.
- IAS 28 (revised), “Associates and joint ventures”, is effective for annual periods beginning on or after 1 January 2013. The standard includes the requirements for joint ventures, as well as associates, to be equity accounted following the issue of IFRS 11.
- IFRS 7 (amendment), “Financial instruments: Disclosures”, on offsetting financial assets and financial liabilities”, is effective for annual periods beginning on or after 1 January 2013. 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 financial statements and those that prepare US GAAP financial statements.

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- IAS 32 (amendment), “‘Financial instruments: Presentation’, on offsetting financial assets and financial liabilities”, is effective for annual periods beginning on or after 1 January 2014. The amendment updates the application guidance in IAS 32, ‘Financial instruments: Presentation’, to clarify some of the requirements for offsetting financial assets and financial liabilities on the balance sheet.

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

2.4 New or amended standards (Continued)

Standards, amendments and interpretations not yet effective as of 1 January 2012 and not early adopted by the Company:

- IFRS 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. It also adds an exception to the retrospective application of IFRS, which provides the same relief to first-time adopters granted to existing preparers of IFRS financial statements when the requirement was incorporated into IAS 20 in 2008.
- Annual Improvements to IFRSs 2011 is effective for annual periods beginning on or after 1 January 2013. Amendments effect five standards: IFRS 1, IAS 1, IAS 16, IAS 32 and IAS 34.
- IFRS 9, “Financial instruments: Classification and Measurement”, is effective for annual periods beginning on or after 1 January 2015. The standard addresses the classification, measurement and recognition of financial assets and financial liabilities. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments.
- IFRS 10, (amendment) “Consolidated Financial Statements”, IFRS 12 and IAS 27 for investment entities is effective for annual periods beginning on or after 1 January 2013. These amendments mean that many funds and similar entities will be exempt from consolidating most of their subsidiaries. Instead, they will measure them at fair value through profit or loss. The amendments give an exception to entities that meet an “investment entity” definition and which display particular characteristics. Changes have also been made IFRS 12 to introduce disclosures that an investment entity needs to make.
- IFRIC 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.

Although the abovementioned amendments to the standards do not have a material impact on the financial statements of the Company, as IAS 19 “Employee benefits” amendment becomes effective as of 1 January 2013, the actuarial gains/losses will be accounted for in equity and accordingly the prior periods will be restated (Note 13).

2.5 Summary of significant accounting policies

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

Cash and cash equivalents

Cash and cash equivalents are carried at cost in the balance sheet. Cash and cash equivalents comprise

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cash in hand, bank deposits and highly liquid investments, whose maturity at the time of purchase is less than three months and conversion risk on value at the date of sale is immaterial. For Land Subject to Revenue Sharing Agreements (“LSRSA”) projects, advances received from customers by construction entities, are deposited in bank accounts which are under the name of the Company. The Company releases the share of the construction entities in such accounts in accordance with the terms of the LSRSA agreement between the construction entities and the Company. Since such cash balances are restricted, they are not treated as cash or cash equivalents in the cash flow statement (Note 3).

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

2.5 Summary of significant accounting policies (Continued)

Related party transactions

A related party is a person or entity that is related to the entity that is preparing its financial statements. Shareholders, key management personnel, Board of Directors, close family members, and companies which are controlled by those are regarded as related party for the purpose of preparation of these financial statements. The Company applied IAS 24 - Related Party Disclosures, which is effective for the periods beginning on or after 1 January 2011 earlier, retrospectively. According to the revised IAS 24 - Related Parties standard, the scope of the related party definition of State institutions is restricted. The Company has also transactions with State owned banks and the Republic of Turkey Prime Ministry Undersecretariat of Treasury (the "Treasury") however quantitative information regarding Turkish State Banks and Treasury is not disclosed in accordance with this restriction. 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 control of Republic of Turkey Prime Ministry. The transactions made between the Company and TOKİ and its affiliates are presented in Note 24.

Foreign currency transactions

The foreign exchange transactions during the year are translated into TL using the prevailing exchange rates on the related transaction dates. Foreign currency denominated monetary assets and liabilities are translated into TL with the exchange rates prevailing on the balance sheet dates. The foreign currency exchange gain and losses that arise by the exchange rate change based on monetary assets and liabilities are presented in the comprehensive income statement.

Financial assets

Classification

The financial assets of the Company consist of government bonds, treasury bills, trade receivables and long term bank deposits. Management determines the classification of its financial assets at initial recognition. Government bonds and treasury bills are classified as held to maturity financial assets except for the special issue long term government bonds obtained for HAS payments.

The special issue long term government bonds have been issued by the Treasury and given to the Company for payment of HAS payables. These bonds are non-negotiable on the secondary market and

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do not bear any interest. It is puttable on demand by the Company at par back to the Treasury, upon proof of payment to HAS beneficiaries. In order to eliminate an accounting mismatch with the measurement of HAS payables, these bonds are also accounted at par representing its fair value, as the matching liability is also accounted at par.

Receivables are financial assets which have fixed or defined payments. They are not traded in an active market and also they are not derivative instruments. They are classified as current assets if their maturity is less than 12 months, otherwise they are classified as non-current assets.

Trade receivables mainly consist of receivables from residential unit sales on credit terms, receivables from sale of land and rent receivables from the commercial units which are reclassified as investment property.

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

2.5 Summary of significant accounting policies (Continued)

Recognition and measurement

Regular purchases and sales of financial assets are recognized on the trade date, the date on which the Company commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets.

Held-to-maturity financial assets are non-derivative financial assets that are not classified under loans and receivables and are held-for-trading at the time of acquisition and are not included in available-for-sale financial assets, with fixed maturities and fixed or determinable payments where management has the intent and ability to hold the financial assets to maturity. Held-to-maturity financial assets are initially recognized at cost which is considered as their fair value. The fair values of held-to-maturity financial assets on initial recognition are either the transaction prices at acquisition or the market prices of similar financial instruments. Held-to-maturity securities are carried at “amortized cost” using the “effective interest method” after their recognition. Interest income earned from held-to-maturity financial assets is reflected to the statement of income. There are no financial assets of the Company that were previously classified as held-to-maturity but cannot be subject to this classification for two years due to the contradiction of classification principles.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Loans and receivables are subsequently carried at amortized cost using the effective interest method.

Trade receivables and payables

Trade receivables of the Company that are created by way of providing goods are carried at amortized cost using the effective interest rate method. Trade receivables, net of unearned financial income, are measured at amortized cost, using the effective interest rate method, less the unearned financial income. Short term receivables with no stated interest rate are measured at original invoice amount unless the effect of imputing interest is significant (Note 6).

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

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If the amount of the impairment subsequently decreases due to an event occurring after the write-down, the release of the provision is reversed through other operating income (Note 19).

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

HAS payables are payables on demand therefore they are measured at their demand values and classified as short-term.

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

2.5 Summary of significant accounting policies (Continued)

Employment termination benefits

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

The amount payable consists of one month's salary limited to a maximum of 3,033.98 full TL as of 31 December 2012 (31 December 2011: 2,731.85 full TL).

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

The principal actuarial assumption is that the maximum liability will increase in line with inflation. Thus the effective discount rate applied represents the expected real interest rate after adjusting for the effects of future inflation. As the maximum liability amount is revised semi-annually by the authorities, the maximum amount of 3,129.25 full TL which is effective from 1 January 2012 has been taken into consideration when calculating the liability (1 January 2011: 2,623.3 full TL) (Note 13).

Financial liabilities

Borrowings are recognized initially at the proceeds received, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost using the effective yield method in financial statements (Note 5).

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Provisions, contingent assets and liabilities

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

Contingent assets or contingent obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company are not included in financial statements and are treated as contingent assets or liabilities (Note 12).

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

2.5 Summary of significant accounting policies (Continued)

Land and Residential Unit Inventory

The company has four types of inventories in its financial statements (Note 8). These are;

1. *Vacant land and plots;*

Vacant land and plots are carried at lower of cost or net realizable value and represent vacant land and plot of the Company with no ongoing or planned construction project on them. Such land and plots are classified as inventories because the Company uses such land and plots the development of residual and commercial units, as explained below, which are also classified as inventories.

2. *Residential Projects Subject to Public Tender Law (“RPSPTL”)*

RPSPTL are valued at lower of cost or net realizable value. RPSPTL costs consist of construction costs of the semi-finished residential units together with the cost of land on which these projects are developed. Upon completion of residential units costs including the cost of land are classified under completed residential unit inventories. Public Tender Law is the law used by the Company in order to select the subcontractors for construction of the aforementioned residual units.

3. *Land Subject to Revenue Sharing Agreements (“LSRSA”)*

The Company enters into revenue sharing agreements with construction entities to maximize sales proceeds from the sale of its vacant land and plots. Such land and plot sold subject to revenue share agreements to construction entities are accounted at cost until sale is recognized. Sale is recognized when risk and rewards of ownership of land is transferred to the ultimate customers (that is the customers of the construction entities) and when the sales proceeds are reliably determinable.

4. *Completed Residential and Commercial Unit Inventories*

Completed residential and commercial units comprise units build in RPSPTL and units acquired in return for land in some LSRSA projects. Completed residential and commercial units are received from LSRSA projects in cases where the Company’s share have not reached the projected minimum revenue as defined in the agreements, thus unsold units are then transferred at fair value by contractors to the Company.

Completed residential and commercial unit inventories are valued at lower of cost or net realizable value.

The Company classifies the vacant land and plots as long term, completed residential unit inventories as short term in its financial statements. Inventories subject to RPSPTL and LSRSA are classified as current or non-current depending on the estimated completion date of construction for these projects.

The Company assesses the impairment of inventory (land, finished and semi-finished residential and commercial units) separately at least once a year by taking into consideration independent expert valuation reports. Impairment charges are recorded in other operating expenses account balance in the comprehensive income statement in the period during which they are incurred. When the related inventory is subsequently sold the reversal of such impairment charges are recorded in cost of goods sold.

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

2.5 Summary of significant accounting policies (Continued)

Property, plant and equipment

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

Depreciation is calculated over of the cost of property and equipment using the straight-line method based on expected useful lives (Note 10). The expected useful lives are stated below:

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

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

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

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

Intangible assets and related amortization

Intangible assets comprise licenses, access services and computer software. They are initially recognised at acquisition cost and amortized on a straight-line basis over 5 years their estimated useful lives (Note 11).

Whenever there is an indication that the intangible is impaired, the carrying amount of the intangible asset is reduced to its recoverable amount and the impairment loss is recognised as an expense.

Investment properties

Investment properties are defined as land and buildings held to earn rental income or capital appreciation or both, rather than for use in the production of goods or services or for administrative purposes; or sale in the ordinary course of business. The Company uses cost model for all investment properties. Investment properties are presented in the financial statements at cost less accumulated depreciation and less impairment, if any (Note 9).

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

2.5 Summary of significant accounting policies (Continued)

Impairment of assets

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

Segment reporting

In accordance with IFRS 8 operating segments shall be reported in a manner consistent with the internal reporting provided to the chief operating decision-makers. Because 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.

Revenue recognition

Revenue is recognized when it is probable that future economic benefits associated with the sales transaction will flow to the Company and revenue from the sales transaction can be measured reliably. Revenue is recognised when the following criteria are met;

1. Investment Property - Rental Income

Rental income earned from real estate is recognised as revenue on a straight line basis over the term of the rental agreements. Income is recognised when it is probable that economic benefits associated with the transaction will flow to the Company and the amount of revenue can be measured reliably.

2. Sale of vacant land and plots

Revenue is recognised, when all the significant risks and rewards of the vacant land and plots are transferred to the buyer and the amount of revenue can be measured reliably.

3. Sale of residential units produced by RPSPTL

Revenue is recognised when all significant risks and rewards regarding the completed residential units are transferred to the customers and the amount of revenue is measured reliably.

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

Revenue recognition (Continued)

2.5 Summary of significant accounting policies (Continued)

4. *Sale of land and plots by way of LSRSA*

The Company recognizes the revenue for the sale of land by way of LSRSA when the transfer of title deed, which means the legal ownership of land, is transferred to the buyer, the construction company, which in return passes the ownership of such land to the buyers of the residential and commercial units sold. When the title deed is not transferred, the Company follows-up its revenue share in the deferred revenue (Note 14) and the share of the construction entity as a liability to contractors under LSRSA (Note 6). The Company’s share in the Total Sales Revenue (“TSR”) is recorded as revenue from sale of land and the related cost of land is recognised as cost of land sold in the comprehensive income statement (Note 16).

5. *Interest*

To the extent there is no impairment; interest income is recognised on an accrual basis using the effective interest rate method.

Interest income and expense

Interest income and expense are recognised on an accrual basis within ‘finance income’ and ‘finance expense’ using the effective interest rate method. Interest income comprises mostly interest income from time deposits and interest income from credit sales of residences (Note 20).

Interest expenses incurred from borrowings are recognized on an accrual basis using the effective interest rate method (Note 21).

Paid-in capital

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

Earnings per share

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

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

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

2.5 Summary of significant accounting policies (Continued)

Payments for Housing Acquisition Support (“HAS”)

HAS was a compulsory of saving fund, established by the state to be used by fund participants in the future for acquisition of affordable housing. All employees have paid compulsory contributions to this fund by way of deductions from their salaries between the years 1987 and 1995. This system aimed to collect the deducted amounts in a single account, apply interest to the savings and provide the employees with these contributions at the time they wish to acquire a house/residential unit in the future. However, this project was suspended in 1996 and as per decree law No. 588, issued in 1999, the decision was taken to terminate the HAS accounts. With this decree law, real estate corresponding to the monetary value of the HAS deductions which were held by Emlak Bankası was transferred to the Company as paid in Capital.

Within the scope of Law No. 5664, dated 30 May 2007, and the regulation issued on 14 August 2007, the decision was taken to pay back these savings, which were still held as capital in kind in the accounts of the Company, to the HAS beneficiaries. Accordingly, the shares of HAS beneficiaries were removed from the Company’s equity capital and comprehensive income for the current period based on the ratios specified in the law and recognised as debts to HAS beneficiaries under other payables. The amount payable was determined as the share in the net asset value of the Company at 28 February 2008. The payable amount does not bear any interest or does not change with subsequent changes in the net asset value in subsequent periods and is payable on demand any date after 28 February 2008. The Company has borrowed funds from the Republic of Turkey Prime Ministry Undersecretariat of Treasury (the “Treasury”) to make such payments.

Furthermore, there is an additional responsibility of the Treasury to HAS beneficiaries, for lost interest income prior to 1999. In 2008 pursuant to an agreement with the Treasury this additional liability is recorded by the Company in the payables to HAS beneficiaries account as the Company has taken over the role of the Treasury to make such payments to HAS beneficiaries together with its own payables. Nevertheless, Company assets are not employed for this additional amount. For all payments

made on behalf of the Treasury, the Company collects such amounts by redeeming government debt securities made available to the Company for these payments by the Treasury.

Dividends

Dividends payable are recognized as an appropriation of the profit in the period in which they are declared.

Statement of cash flows

Cash flows during the period are classified and reported by operating, investing and financing activities in the cash flow statements.

Cash flows from operating activities represent the cash flows of the Company generated from its main activities.

Cash flows related to investing activities represent the cash flows that are used in or provided from the investing activities of the Company (fixed investments and financial investments).

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

2.5 Summary of significant accounting policies (Continued)

Statement of cash flows (Continued)

Cash flows arising from financing activities represent the cash proceeds from the financing activities of the Company and the repayments of these funds.

Cash and cash equivalents comprise cash on hand and bank deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash with maturities equal or less than three months.

Subsequent events

Subsequent events cover any events that arise between the reporting date and the balance sheet date, even if they occurred after any declaration of the net profit for the period or specific financial information publicly disclosed. The Company adjusts its financial statements if such subsequent events arise which require an adjustment to the financial statements (Note 28).

2.6 Critical accounting estimates, assumptions and judgements

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

2.7 Conformity with the Portfolio Limitations

The information presented in Additional Note of this report, regarding control of conformity with the portfolio limitations, is a summary information extracted from financial statements in accordance with Article 17 of Communiqué No: XI-29, “Principles of Financial Reporting in Capital Markets” and is prepared in accordance with the provisions of the control of portfolio limitations of Communiqué No: VI-11, “Principles Regarding Real Estate Investment Companies”.

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NOTE 3 - CASH AND CASH EQUIVALENTS

	31 December 2012	31 December 2011
Cash on hand	7	1
Banks		
- Demand deposit	57,007	33,062
- Time deposit	1,089,506	740,768
	1,146,520	773,831

Maturities of cash and cash equivalents are as follows:

Demand	57,007	33,062
Up to 1 month	1,089,506	740,768
	1,146,513	773,830

The breakdown of foreign currency denominated cash equivalents in terms of TL is as follows

Euro	-	-
Sterling	-	3
	-	3

Average effective interest rates of time deposits are as follows:

	31 December 2012	31 December 2011
	(%)	(%)
	5.84	6.81

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

	31 December 2012	31 December 2011
Cash and cash equivalents	1,146,520	773,831
Less: Income accruals	(1,707)	(2,842)
Less: LSRSA project deposits (*)	(480,164)	(300,698)
	664,649	470,291

(*) The contractors' portion of the residential unit sales in accordance with the related agreements, realized from the ongoing LSRSA projects is deposited in time deposit bank accounts that are opened for the related LSRSA projects. The company has the authority to control these accounts.

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NOTE 4 - FINANCIAL ASSETS

	31 December 2012	31 December 2011
Treasury bills	124,829	522,753
Investment funds	-	5,000
Bank bills	481	-
	125,310	527,753
Special issue government bonds (*)	34,617	44,617
	159,927	572,370

(*) The Republic of Turkey, Undersecretariat of Treasury (“Turkish Treasury”) issues special Domestic Government Debt securities in the name of the Company to make the HAS payments on behalf of Turkish Treasury. In 2010 and 2008, special Domestic Government Debt securities amounted to TL429,617 and TL 970,445, respectively, have been issued to the Company. 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). The government bonds amount to TL34,617 and TL44,617 at 31 December 2012 and 2011, respectively. 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.

NOTE 5 - FINANCIAL LIABILITIES

31 December 2012 31 December 2011

Short-term financial liabilities

Short-term bank borrowings	351	-
Short-term portion of long-term borrowings	171,848	185,552
	172,199	185,552

Long-term bank borrowings

Long-term borrowings	754,000	914,000
	754,000	914,000

The Company has borrowed TL1,314,000 from the Turkish Treasury for financing its HAS payment liability. According to the agreement signed with the Turkish Treasury, the borrowing without a payback until 10 October 2009 has a maturity of 10 October 2017, with floating interest rate. 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 31 December 2012 is 7.21% (31 December 2011: 7.70%).

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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

NOTE 5 - FINANCIAL LIABILITIES (Continued)

The redemption schedules of the borrowings at 31 December 2012 and 2011 are as follows:

	31 December 2012	31 December 2011
2013	-	160,000
2014	160,000	160,000
2015	160,000	160,000
2016 and over	434,000	434,000
	754,000	914,000

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

	31 December 2012	31 December 2011
Less than 3 months	40,351	40,000
Between 3 - 12 months	120,000	120,000
Between 1 - 5 years	754,000	914,000
	914,351	1,074,000

NOTE 6 - TRADE RECEIVABLES AND PAYABLES

Short-term trade receivables

Receivables from sale of residential units and commercial units	175,507	139,478
Receivables from LSRSA contractors invoiced	150,918	109,207
Receivables from land sales	89,129	105,260
Notes receivables	32,512	13,818
Rent receivables	1,721	1,352
Other	382	382
<hr/>		
Unearned finance income	(2,351)	(3,123)
<hr/>		
	447,818	366,374
<hr/>		
Doubtful receivables	1,740	1,740
Less: Provision for doubtful receivables (-)	(1,740)	(1,740)
<hr/>		
	447,818	366,374
<hr/>		

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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

NOTE 6 - TRADE RECEIVABLES AND PAYABLES (Continued)

	31 December 2012	31 December 2011
Long-term trade receivables		
Trade receivables	863,608	819,600
Unearned finance income	(33,586)	(36,975)
	830,022	782,625

Movements of provision for doubtful receivables at 31 December 2012 and 2011 are as follows:

	2012	2011
Balance at beginning, 1 January	1,740	1,781
Provision charge for the period	-	-
Provision released / used	-	(41)
Balance at period end	1,740	1,740

31 December 2012 31 December 2011

Short-term trade payables

Payables to contractors according to LSRSA	500,582	297,775
Contractors' time deposit interest payables (*)	22,021	13,044

Trade payables	4,841	5,501
	527,444	316,320

(*) The contractors' portion of the amounts received from residential unit sales, as defined in the agreements, related to the ongoing LSRSA projects is deposited in time deposit bank accounts opened for the related LSRSA projects. The company has the authority to control these accounts (Note 3).

Long-term trade payables

Land purchase payables	-	4,445
Other	8,921	6,269
	8,921	10,714

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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

NOTE 7 - OTHER RECEIVABLES AND PAYABLES

	31 December 2012	31 December 2011
Short-term other receivables		
HAS related receivables from		
Turkish Treasury	374,199	369,517
Receivables from contractors (*)	101,559	98,947
Receivables from state institutions	866	6
Other	21	6
	476,645	468,476

(*) Includes the receivable amounting to TL 59,601 (31 December 2011: TL57,453, 31 December 2010: TL57,070) from the prior contractor of the İzmir Mavişehir project (Note 27).

	31 December 2012	31 December 2011
Long-term other receivables		
Deposits and guarantees given	225	178
	225	178

Short term other payables

Payable to HAS beneficiaries	411,270	428,909
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Deferred income	190,796	152,266
Payable to contractors (*)	93,635	105,655
Taxes and funds payable	10,570	1,570
Other	6,012	4,466
	712,283	692,866

(*) Payable to constructors amounting to TL88,752 (31 December 2011: TL88,752) that value of residual units in relation to sharing of İzmir Mavişehir Stage 3 Project, that cannot be invoiced because of constructor's law suit regarding sharing of project (Note 27).

(**) Includes the total revenue from the sales of residual units in İzmir Mavişehir Stage 3 Project, that completed by the Company. Total amount or some portion of this amount will be recorded as sales income according to result of lawsuit on trial (Note 27).

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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

NOTE 7 - OTHER RECEIVABLES AND PAYABLES (Continued)

The movements of the payments either from Company’s shareholder’s equity to HAS beneficiaries for 31 December 2012, and 2011 are shown below:

	1 January	Additions	Disposals	31 December
	2012	within	within	2012
		the period	the period	
Treasury support share				
Receivable from Treasury	369,517	5,225	(545)	374,197
Special purpose government Bond (Note 4)	44,617	-	(10,000)	34,617
Cash generated from government bond redemption	14,775	10,572	(22,891)	2,456
Total consideration received or receivable from Treasury	428,909			411,270
Payable to HAS beneficiaries	(428,909)			(411,270)

	1 January	Additions	Disposals	31 December
	2011	within	within	2011
		the period	the period	

Treasury support share

Receivable from Treasury	289,942	105,900	(26,325)	369,517
Special purpose government Bond (Note 4)	79,617	-	(35,000)	44,617

Cash generated from government bond redemption	52,706	35,486	(73,417)	14,775
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Total consideration received or

receivable from Treasury	422,265			428,909
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Payable to HAS beneficiaries	(422,265)			(428,909)
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EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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

NOTE 8 - LAND AND RESIDENTIAL UNIT INVENTORIES

31 December 2012 31 December 2011

Short-term inventories

Planned land by LSRSA	1,119,994	442,678
Residential and commercial units ready for sale	65,059	117,322
<i>Cost</i>	67,049	117,704
<i>Impairment</i>	(1,990)	(382)
Planned land by RPSPTL	407,553	236,007
Semi-finished construction projects	2,865	1,359
	1,595,471	797,366

Long-term inventories

Land	2,363,489	1,598,445
<i>Cost</i>	2,405,134	1,664,758
<i>Impairment</i>	(41,645)	(66,313)
Planned land by LSRSA	1,137,315	1,836,135
Planned land by RPSPTL	-	147,064
Semi-finished construction projects	5,400	-
	3,506,204	3,581,644

As of 31 December 2012, independent valuation reports prepared by Nova Taşınmaz Değerleme ve Danışmanlık A.Ş. and Reel Gayrimenkul Değerleme A.Ş. are taken into consideration in order to calculate the fair value and impairment loss, if any, on land units and commercial units ready for sale. The valuation methods that the independent valuation companies took into consideration included

sales comparison and discounted cash flow methods, where the major assumptions were comprised of total cash flows expected from the projects, discount rates to calculate the present value of the related projects and comparable m2 sales amounts.

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

	31 December 2012	31 December 2011
Balance at 1 January	66,695	116,736
Impairment charge for the period	11,472	17,681
Reversal of impairment due to sales	(185)	(22,054)
Reversal of impairment	(34,347)	(45,668)
Balance at period end	43,635	66,695

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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

NOTE 9 - INVESTMENT PROPERTIES

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

The movement of investment property at 31 December 2012 and 2011 are as follows:

	1 January 2012	(Impairment charge)/ reversal of impairment	Additions	Disposal	Transfer	31 December 2012
İzmir Karşıyaka Swimming Pool land (*)	2,035	-	-	(2,035)	-	-
Çorlu Kazimiye land (**)	761	-	-	-	(761)	-
Gebze Güzeller land	217	-	12	-	-	229
İstanbul Ümraniye land	2,436	-	-	-	-	2,436

Avcılar land (***)	-	(67)	-	-	847	780
Selimpaşa commercial unit	-	-	-	-	92	92
	5,449	(67)	12	(2,035)	178	3,537

	(Impairment charge)/					31 December 2011
	1 January 2011	reversal of impairment	Additions	Disposal	Transfer	
İzmir Karşıyaka Swimming Pool land	3,750	(1,715)	-	-	-	2,035
Çorlu Kazimiye land	761	-	-	-	-	761
Gebze Güzeller land	200	17	-	-	-	217
İstanbul Ümraniye land	545	1,891	-	-	-	2,436
	5,256	193	-	-	-	5,449

(*) İzmir Karşıyaka swimming pool land has been sold on 30 April 2012 for TL3,980.

(**) Following the termination of the rent agreement on Çorlu Kazimiye land, since there is an intention to develop project on this land, it has been transferred to inventories.

(***) Avcılar land was rented on 30 April 2012 and accordingly, transferred from inventories to investment properties account.

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**CONVENIENCE TRANSLATION OF THE NOTES TO THE
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012**

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

NOTE 9 - INVESTMENT PROPERTIES (Continued)

Regarding the measurement of fair values of investment properties, the valuation reports are taken from independent valuation firms Nova Taşınmaz Değerleme ve Danışmanlık A.Ş. (31 December 2010: Yetkin Gayrimenkul Değerleme ve Danışmanlık A.Ş.). The fair values of the investment property determined by independent valuation experts are as follows:

	31 December 2012	31 December 2011
İstanbul Ümraniye land	6,353	6,353
Çorlu Kazimiye land	3,170	3,093
Avcılar land	780	-
Gebze Güzeller land	230	217
Selimpaşa commercial unit	100	-
Karşıyaka Swimming Pool land	-	2,200
	10,633	11,863

NOTE 10 - PROPERTY, PLANT AND EQUIPMENT

31 December 2012	Buildings	Motor vehicles	Furniture and fixtures	Total
Net book value, 1 January	4,753	413	799	5,965
Additions	-	-	1,169	1,169
Disposals, (net)	(2,140)	-	-	(2,140)
Depreciation expense	(79)	(93)	(317)	(489)
Net book value	2,534	320	1,651	4,505
Cost	3,242	587	3,798	7,627
Accumulated Depreciation	(708)	(267)	(2,147)	(3,122)

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CONVENIENCE TRANSLATION OF THE NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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

Net book value	2,534	320	1,651	4,505
31 December 2011	Buildings	Motor vehicles	Furniture and fixtures	Total
Net book value, 1 January	4,897	174	662	5,733
Additions	-	290	367	657
Disposals, (net)	(28)	-	(2)	(30)
Depreciation expense	(116)	(51)	(228)	(395)
Net book value	4,753	413	799	5,965
Cost	6,052	587	2,629	9,268
Accumulated Depreciation	(1,299)	(174)	(1,830)	(3,303)
Net book value	4,753	413	799	5,965

NOTE 11 - INTANGIBLE ASSETS

31 December 2012	Licenses and services	Computer software	Total
Net book value, 1 January	46	25	71
Additions	696	498	1,194
Depreciation expense	(69)	(58)	(127)
Net book value	673	465	1,138
Cost	939	727	1,666
Accumulated Depreciation	(266)	(262)	(528)
Net book value	673	465	1,138

31 December 2011	Licenses and services	Computer software	Total
Net book value, 1 January	50	3	53
Additions	20	24	44
Depreciation expense	(24)	(2)	(26)
Net book value	46	25	71
Cost	243	229	472
Accumulated Depreciation	(197)	(204)	(401)

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

**CONVENIENCE TRANSLATION OF THE NOTES TO THE
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012**

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

Net book value	46	25	71
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NOTE 12 - PROVISIONS

	31 December 2012	31 December 2011
Provisions		
Provision for lawsuits	60,508	51,690
	60,508	51,690

The movements of provision for lawsuits as of 31 December 2012 and 2011 are as follows;

	31 December 2012	31 December 2011
Balance at 1 January	51,690	28,440
Provision charge for the period	8,818	23,250
Provision released	-	-
Balance at 31 December	60,508	51,690

NOTE 13 - EMPLOYEE BENEFITS

	31 December 2012	31 December 2011
Short-term provisions		
Unused vacation provision	2,083	
	2,083	

Long-term provisions

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

**CONVENIENCE TRANSLATION OF THE NOTES TO THE
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(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

Provision for employment termination benefit	2,023
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2,023

NOTE 13 - EMPLOYEE BENEFITS (Continued)

IFRS foresees that actuarial valuation method should be in use in order to estimate the certain liabilities for defined benefit obligations of the Company. Accordingly, in the calculation of these liabilities, the following actuarial assumptions are used.

	31 December 2012	31 December 2011
Discount rate (%)	2.50	4.50
Turnover rate to estimate probability of retirement (%)	6.33	6.85

The basic assumption is that from 1 January 2006, the determined value for every working year increases proportional to inflation. Using this assumption, the existing discount ratio shows the real ratio, unaffected by inflation.

Movement of the provision for employment termination benefits as of 31 December 2012 and 2011 are as follows:

	2012	2011
Balance at 1 January	2,188	1,697
Service cost	(265)	365
Interest cost	102	76
Payment within the period	(102)	(11)
Actuarial loss	100	61
Balance at 31 December	2,023	2,188

The Company has paid TL 2,332 (2011: TL 1,765) , respectively, as a part of defined contributions to the social security system of the state. Such payments are expensed when paid on a monthly basis.

NOTE 14 - OTHER ASSETS AND LIABILITIES

	31 December 2012	31 December 2011
Other current assets		

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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

Progress payments given to contractors (*)	91,652	66,368
Receivables from tax office (**)	44,134	10,852
Accrued Income	30,224	55,829
Deferred VAT	21,617	15,921
Stamp duty tax receivables from contractors (***)	25,533	-
Advances given	8,655	10,687
Prepaid expenses	416	218
Other	44	25
	222,275	159,900

(*) Includes the progress payments given to the contractor in related to İzmir Mavişehir project amounting to TL47,380 as of 31 December 2011, (31 December 2010: TL47,380) (Note 27).

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

(***) 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 belong to the contractors as stated in the agreements, the related amount has been accounted for in both other assets and other liabilities.

NOTE 14 - OTHER ASSETS AND LIABILITIES (Continued)**31 December 2012 31 December 2011****Other current liabilities**

Deferred revenue from LSRSA projects (*)	1,243,094	813,357
Advances taken from LSRSA contractors (**)	473,329	522,046
Advances taken from RPSPTL projects sale	166,472	161,619
Advances taken from LSRSA Projects sale (***)	37,172	37,180
Stamp duty tax payables	25,533	-
	1,945,600	1,534,202

(*) Deferred revenue is the revenue of subsequent periods in accordance with LSRSA projects residential units sales of the Company which will be accounted as land sales

(**) The company collects the first payment of the Company total revenue as described in the agreement in LSRSA projects before signing the agreement with the contractor.

(***) Consists of advances taken from İzmir Mavişehir project sales (Note 27).

31 December 2012 31 December 2011**Other non-current liabilities**

Other advances taken	1,501	1,590
	1,501	1,590

NOTE 15 - SHAREHOLDERS' EQUITY

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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

The Company’s authorised capital amount is TL2,500,000 (31 December 2011: TL2,500,000) and consists of 250,000,000,000 authorised number of shares (31 December 2011: 250,000,000,000) with a nominal value of TL 0.01 each.

The Company’s shareholders and their shareholding percentages as of 31 December 2012 and 2011 are as follows:

Shareholders	<u>31 December 2012</u>		<u>31 December 2011</u>	
	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	0.00	2	0.00	2
Total paid-in share capital	100.00	2,500,000	100.00	2,500,000

NOTE 15 - SHAREHOLDERS' EQUITY (Continued)

Within the scope of Law No. 5664, dated 30 May 2007, and the regulation issued on 14 August 2007, the decision was taken to pay back HAS savings amounting TL395,730, which were still held as capital in kind in the accounts of the Company, to the HAS beneficiaries. HAS beneficiaries should make their decision about using their rights as shares of the Company or in cash until 8 April 2010. As at the date of these financial statements out of 39,573,016,172 outstanding shares attributable/payable to HAS beneficiaries, 39,570,764,123 have opted for cash payments. Share increase and decrease is seen in capital accounts of the Company until April 2010 due to preferences of HAS beneficiaries between the options of share certificates and cash. As of 31 December 2009, 31 December 2008 and 2007 the figure shown as capital TL253,393 was calculated by correcting based on final capital value as of 8 April 2010. As mentioned in the law, 60.97% portion of the Shareholders' equity amounting to TL1,177,597 were transferred to payable to HAS beneficiaries in other payable account. This amount represents the financial liability of the Company to HAS beneficiaries and is due on demand. Until the payment mechanism for such volume of repayments has been finalized the share of comprehensive income attributable to HAS beneficiaries has been added to the total liability amount. The increase in the HAS liability for 2007 comprehensive income amounts to TL574,704. In 2008 an additional amount of TL32,956 have been accrued until it has been announced on 28 February 2008 that HAS beneficiaries are no longer entitled to share in the income of the Company. According to these transfers and with the addition of the profit distribution from years 2000 and 2001 HAS payment liability resulted as TL1,781,329.

The Company has decided to increase its capital to TL1,875,000. According to the minute of the Board of Directors of the Company dated 26 July 2010 and TL8 of this increase is going to be covered by the Treasury in relation to HAS Beneficiaries payment and it is decided to distribute bonus shares according to the share distribution ratios for the remaining amount which will be covered by the Company's internal sources

By the decision of Board of Directors of the Company on 18 August 2010, it was decided to increase the capital from TL1,875,000 to TL2,500,000 within the authorized capital of TL4,000,000 for the purpose of public offering. 62,500,000,000 of B Type shares represent the capital increase amounting to TL625,000. By the decision of the Board of Directors of Istanbul Stock Exchange Market on 26 November 2010, 25% portion of the Company's shares amounting to nominal TL625,000 of B Type shares has been trading on the stock exchange since 2 December 2010. As a result of the public offering, the Company acquired TL1,051,989 cash from the share certificates with a nominal value of TL625,000, and the difference of TL426,989 was followed in the financial statements as share premium.

**CONVENIENCE TRANSLATION OF THE NOTES TO THE
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NOTE 15 - SHAREHOLDERS’ EQUITY (Continued)

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”.

In accordance with the decision of Capital Markets Board on 8 February 2008 number 4/138 the minimum profit distribution ratio shall be applied as 20% (31 December 2009: None) in relation to publicly-listed joint stock partnerships as of 1 January 2008. Accordingly, it has been made possible that shares, issued in cash or through the addition of dividend to the capital upon the decision of the Company's general assembly, can be distributed to the partners free of charge or that the distribution can be partly made in cash and partly through the free distribution of shares. It has been further enabled that initial dividend amount be left to the partnership without distribution, if such amount is lower than the 5% of the existing paid-up/issued capital amount. Nevertheless, with regard to the joint

stock partnerships, which have increased its capital without performing a dividend distribution as to the previous period and which separates its shares as "new" and "old", it has been made obligatory for those partnerships, which will distribute dividend out of its 2010 profits, to distribute the initial dividend amount in cash.

Additionally, pursuant to CMB decision with no 7/242 and dated 25 February 2005, the whole amount of the profit distribution amount, which is calculated over the net distributable profit, determined according to the CMB regulations, in accordance with the CMB regulations regarding minimum profit distribution liability, shall be distributed, if all of this amount can be covered by the distributable profit included in the legal records; on the other hand, if the whole of this amount cannot be met, the whole of the net distributable profit included in the legal records shall be distributed. In case period losses exist in the financial statements, prepared according to the CMB regulations, and in any one of the legal records, profit distribution shall not be performed

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CONVENIENCE TRANSLATION OF THE NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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NOTE 16 - SALES AND COST OF SALES

31 December 2012 31 December 2011

Revenue

Land sales	739,565	450,000
<i>Income from sale of land and plots through LSRSA</i>	<i>727,790</i>	<i>349,989</i>
<i>Income from sale of vacant land and plots</i>	<i>11,775</i>	<i>100,011</i>
Residential and commercial units sales	267,505	289,719
Rent income	815	528
	1,007,885	740,247
Sales returns	(3,254)	(23,608)
Sales discounts	(54)	(42)
Net sales income	1,004,577	716,597

Cost of sales

Cost of land sales	(359,642)	(228,101)
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<i>Cost of land and plots sold through LSRSA</i>	(355,042)	(167,334)
<i>Cost of vacant land and plots sold</i>	(4,600)	(60,767)
Cost of residential and commercial units sales	(191,573)	(258,306)
Cost of other projects	(664)	(1,161)
	(551,879)	(487,568)
Gross Profit	452,698	229,029

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CONVENIENCE TRANSLATION OF THE NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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

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

	2012	2011
General administrative expenses		
Personnel	17,169	14,819
Taxes, duties and fees	10,205	14,936
Consultancy	11,180	1,195
Membership fees	2,121	3,451
Subcontracting services	1,299	1,043
Legal and notary	853	892
Depreciation and amortisation	616	421
Insurance	561	479
Communication	258	270
Advertisement	98	10
Maintenance	88	292
Other	1,016	1,268
	45,464	39,076

Marketing, sales and distribution expenses

Advertisement	7,436	7,491
Personnel	2,624	1,993

Other	1,286	4,288
	11,346	13,772

NOTE 18 - EXPENSES BY NATURE

	2012	2011
Cost of land sales	359,642	228,101
Cost of residential units and commercial unit sales	191,573	258,306
Personnel	19,793	16,812
Consultancy	11,180	1,195
Taxes, duties and fees	10,208	14,938
Advertisement	7,534	7,501
Membership fees	2,121	3,451
Subcontracting services	1,299	1,043
Legal and notary	853	892
Cost of other projects	664	1,161
Depreciation and amortisation	616	421
Insurance	561	479
Communication	258	270
Other	2,387	5,846
	608,689	540,416

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CONVENIENCE TRANSLATION OF THE NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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

NOTE 19 - OTHER INCOME/EXPENSES

	2012	2011
Other income		
Impairment provision reversals	34,347	45,668
Withholding tax income from tax administration	32,601	-
Income from guarantees	9,381	138
Gain on investment property sales	1,945	-
Delay penalty income from project contractors	1,390	1,445
Commission income on transfers of ownership	1,283	831
Insurance income	770	381
Gain on property, plant and equipment sales	741	-
Income from tender contract sales	363	46
Fee returns from Land Offices	-	11,769
Other	3,720	4,323
	86,541	64,601

Other expenses

Impairment provision expenses	(11,472)	(17,681)
Lawsuit provision charge for the period (Note 12)	(8,818)	(23,250)

Legal expenses	(2,035)	(570)
Reversal of due date differences	(471)	-
Other	(2,686)	(381)
	(25,482)	(41,882)

NOTE 20 - FINANCIAL INCOME

	2012	2011
Interest income from credit sales	46,203	82,362
Interest income from time deposits	41,631	66,877
Reversal of unearned finance expenses	40,105	7,993
Interest income from Treasury bills	22,378	10,501
Default interest income	22,441	5,981
Interest income from reverse-repo	10,184	4,327
Other	130	591
	183,072	178,632

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CONVENIENCE TRANSLATION OF THE NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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

NOTE 21 - FINANCIAL EXPENSE

	31 December 2012	31 December 2011
Interest expense on Turkish Treasury borrowings (*)	(79,472)	(107,154)
Unearned finance expense, net	(35,944)	(40,105)
Commission expenses	(1,163)	(1,647)
Foreign exchange loss	(38)	(304)
	(116,617)	(149,210)

(*) Interest expense of borrowing for HAS beneficiaries payments from Turkish Treasury amounting to TL1,314,000 calculated in accordance with Domestic Government Debt Securities issuance compound interest rate announced at the time of payment periods.

NOTE 22 - TAXATION

“Corporate Tax Law” No. 5520 was taken into effect after being published in the Official Gazette No. 26205, dated 21 June 2006. Many clauses of the “New Tax Law” are effective from 1 January 2006. According to Tax Law, No. 5520, the corporate tax rate in Turkey is payable at the rate of 20% as of 1 January 2006. The corporate tax rate is calculated on the total income of the Company after adjusting for certain disallowable expenses, exempt income and other allowances. No further tax is payable unless the profit is distributed.

Dividends paid to non-resident corporations, which have a place of business in Turkey or to resident corporations, are not subject to withholding tax. Otherwise, dividends paid are subject to withholding tax at the rate of 15%. An increase in capital via issuing bonus shares is not considered as profit distribution and no withholding tax incurs in such a case.

The Company is exempt from corporate income tax in accordance with paragraph 4-d of Article 8 of the Corporate Income Tax Law after the Real Estate Investment Company (“REIC”) conversion on 22 June 2002 and in accordance with paragraph 6-a of Article 94 of the Income Tax Law, the earnings of the REICs are subject to withholding taxes. According to the Council of Ministers Decision, No: 93/5148, the withholding tax rate is determined as "0". Therefore, the Company has no corporate and withholding tax obligation.

Republic of Turkey Ministry of Finance, Tax Inspectors Board has performed an inspection for the Company in 2009 and prepared a report dated 20 November 2009, deciding that TL33,556 , TL48,724 , TL53,814 and TL49,416 payable corporate tax to be calculated for the years 2007, 2006, 2005 and 2004 respectively. Because of the reason the Company has a positive written opinion of Anadolu Corporate Tax Office about the corporate tax payment, it was decided not to calculate a tax penalty for these amounts even though a late payment interest penalty has been stated by the inspectors. It was emphasised in the report that the Company is not registered with the CMB Board in other words the Company is not traded publicly, which is a requirement for the Company to hold Real Estate Investment Company as basis of tax calculations for related periods. In compliance with the Tax composition report of the Ministry of Finance dated 21 September 2010, numbered 2010/37, TL277 , TL475, TL605, TL644 amounting to a total of TL2,000 principal and interest have been charged to the Company for the taxation periods 2007, 2006, 2005 and 2004 respectively. This amount has been paid.

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NOTE 23 - EARNINGS PER SHARE

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

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

	31 December 2012	31 December 2011
Net income attributable to equity holders		
of the parent in full TL	523,401,956	228,321,681
Weighted average number of ordinary shares	250,000,000,000	250,000,000,000
Earnings per share in full TL	0.0021	0.0009

NOTE 24 - 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, the scope of the related party definition of State institutions is restricted. 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. With this restriction, the transactions with Turkish state banks and the Government Debt securities issued on behalf of the Company and the borrowing for HAS payments from Treasury are not included in related party transactions. The Company mostly deposits its cash in State Banks in compliance with its related statute. Average effective interest rates of time deposits of the Company as of 31 December 2012 and 2011 are explained in Note 3.

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CONVENIENCE TRANSLATION OF THE NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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

NOTE 24 - RELATED PARTY TRANSACTIONS (Continued)

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

	31 December 2012	31 December 2011
Trade receivables from related parties		
Emlak Paz, İnş, A,Ş, -Yeni Sarp İnş, Ltd,	67	1
	67	1
	31 December 2012	31 December 2011

Other receivables from related parties

T,C, Başbakanlık Toplu Konut İdaresi Başkanlığı	-	7,000
Emlak Paz,-Fideltus İnş-Öztaş İnş O,G,	5,537	5,446
Emlak Pazarlama. İnşaat. Proje Yönetimi ve Ticaret A,Ş,	40	90
	5,577	12,536

Advances given to related parties

Emlak Paz,- Fideltus İnş, - Öztaş İnş,O,G,	64,732	64,732
Emlak Paz,- Yeni Sarp İnş, Ltd, O,G,	6,347	8,615

71,079

73,347

Comprises the initial collection of the Company share in LSRSA projects before signing the agreement.

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NOTE 24 - RELATED PARTY TRANSACTIONS (Continued)

	2012	2011
Land purchases from related parties		
T,C, Başbakanlık Toplu Konut İdaresi Başkanlığı	884,410	534,243
	884,410	534,243

The Company purchased in 2012 TL884,410 portion of its total land purchase amounted to TL 887,422 and in 2011 all of its land purchase amounted to TL534,243 from TOKİ.

	2012	2011
Land Sales to related parties		
T,C,Başbakanlık Toplu Konut İdaresi Başkanlığı	791	-
Emlak Pazarlama. Yeni Sarp Ortak Girişimi	161	40
	952	40

31 December 2012

31 December 2011

Interest expenses to related parties

TOKİ	-	5,491
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-

5,491

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:

	31 December 2012	31 December 2011
Remuneration of key management		
Salaries and short-term employee benefits	1,219	836
	1,219	836

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CONVENIENCE TRANSLATION OF THE NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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NOTE 25 - FINANCIAL RISK MANAGEMENT

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

Liquidity Risk

Liquidity risk is the inability of the Company to match the net funding requirements with sufficient liquidity.

The Company manages its liquidity risk by using special analyses regarding its ability to meet the Company’s financial and trade liabilities using the expected undiscounted cash out-flows.

Regarding the liquidity risk arising from the financial liability for HAS beneficiaries, which is a demand-liability, the Company uses the funds made available by the Treasury to meet the payment obligations for this liability. For other financial liabilities, the majority of which comprise of trade liabilities, the Company mainly uses its cash balances and proceeds from sales and advances received.

The Company aims to maintain flexibility in funding by maintaining the availability of committed credit lines. The Company has no derivative financial instruments. The amounts disclosed in the table are the contractual undiscounted cash flows, whereas the Company manages the inherent liquidity risk based on expected undiscounted cash inflows.

The maturity distribution of financial liabilities of the Company as of 31 December 2012 is as follows:

	Carrying value	Contractual cash flows	Up to 3 months	3 months to 1 year	1 year to 5 years	-	Over 5 years
Short-term financial liabilities							
(Non-derivative):							
Financial liabilities	172,199	225,947	53,293	172,654	-	-	-
Trade payables	527,444	527,444	527,444	-	-	-	-
Other short-term liabilities	1,945,600	1,945,600	1,945,600	-	-	-	-
	2,645,243	2,698,991	2,526,337	172,654	-	-	-
Long-term financial liabilities							
(Non-derivative):							
Financial liabilities	754,000	898,543	-	-	898,543	-	-
Trade payables	8,921	8,921	-	-	8,921	-	-
Other long-term liabilities	1,501	-1,501	-	-	1,501	-	-
	764,422	908,965	-	-	908,965	-	-
	3,409,665	3,607,956	2,526,337	172,654	908,965	-	-

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CONVENIENCE TRANSLATION OF THE NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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

NOTE 25 - FINANCIAL RISK MANAGEMENT (Continued)

The maturity distribution of financial liabilities of the Company as of 31 December 2011 is as follows:

	Carrying value	Contractual cash flows	Up to 3 months	3 months to 1 year	1 year - to 5 years	Over 5 years
Short-term financial liabilities						
(Non-derivative):						
Financial liabilities	185,552	254,024	68,668	185,356	-	-
Trade payables	316,320	316,320	316,320	-	-	-
Other short-term liabilities	1,534,202	1,534,202	1,534,202	-	-	-
	2,036,074	2,104,546	1,919,190	185,356	-	-
Long-term financial liabilities						
(Non-derivative):						
Financial liabilities	914,000	1,138,757	-	-	1,138,757	-
Trade payables	10,714	10,714	-	-	10,714	-
Other long-term liabilities	1,590	1,590	-	-	1,590	-
	926,304	1,151,061	-	-	1,151,061	-
	2,962,378	3,255,607	1,919,190	185,356	1,151,061	-

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NOTE 25 - FINANCIAL RISK MANAGEMENT (Continued)

Interest rate risk

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

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

Average effective annual interest rates of balance sheet items are as follows

	31 December 2012	31 December 2011
	(%)	(%)
Current assets		
Cash and cash equivalents	5.84	6.81
Trade receivables	6.73	7.75
Current liabilities		
Financial liabilities	8.44	8.76
Non-current liabilities		

Financial liabilities	8.44	8.76
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The Company's financial instruments that are sensitive to interest rates are as follows:

	31 December 2012	31 December 2011
Financial instruments with fixed interest rate		
Time deposits	1,089,506	740,768
Financial instruments with floating interest rate		
Financial liabilities	926,199	1,099,552

The profit before tax of the Company will increase / decrease by TL1,780 (31 December 2011:TL 2,119) and in case of a 1% decrease/increase in TL market interest rates with all other factors remaining constant as of 31 December 2012.

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NOTE 25 - FINANCIAL RISK MANAGEMENT (Continued)

Company’s financial assets and liabilities in carrying amounts classified in terms of periods remaining to contractual repricing dates as of 31 December 2012 and 2011 are as follows:

	31 December 2012				Total
	Up to 3 months	3 months to 1 year	More than 1 year	Non-interest bearing	
Cash and cash equivalents	1,089,506	-	-	57,014	1,146,520
Financial instruments	124,829	-	-	35,098	159,927
Trade receivables	296,900	830,022	-	150,918	1,277,840
Other receivables	-	101,559	-	375,311	476,870
Land and residential -- unit inventories	-	-	-	5,101,675	5,101,675
Other current assets	416	-	-	221,859	222,275
Investment property	-	-	-	3,537	3,537
Property, plant and equipment	-	-	-	4,505	4,505
Intangible assets	-	-	-	1,138	1,138
Total assets	1,511,651	931,581	-	5,951,055	8,394,287
Financial liabilities	172,199	-	754,000	-	926,199
Trade payables	-	4,841	-	531,524	536,365

Other payables	-	-	-	712,283	712,283
Provisions for employment termination benefits	-	-	-	4,106	4,106
Shareholders' equity and other liabilities	60,508	-	-	6,154,826	6,215,334
Total liabilities	232,707	4,841	754,000	7,402,839	8,394,287
Net repricing position	1,281,960	932,209	(754,000)	(1,460,169)	-

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CONVENIENCE TRANSLATION OF THE NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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NOTE 25 - FINANCIAL RISK MANAGEMENT (Continued)

	31 December 2011				Total
	Up to 3 months	3 months to 1 year	More than 1 year	Non-interest bearing	
Cash and cash equivalents	740,768	-	-	33,063	773,831
Financial instruments	527,753	-	-	44,617	572,370
Trade receivables	257,167	782,625	-	109,207	1,148,999
Other receivables	-	98,947	-	369,707	468,654
Land and residential unit inventories	-	-	-	4,379,010	4,379,010
Other current assets	218	-	-	159,682	159,900
Investment property	-	-	-	5,449	5,449
Property, plant and equipment	-	-	-	5,965	5,965
Intangible assets	-	-	-	71	71
Total assets	1,525,906	881,572	-	5,106,771	7,514,249
Financial liabilities	185,552	-	914,000	-	1,099,552
Trade payables	-	5,501	-	321,533	327,034
Other payables	-	-	-	692,866	692,866
Provisions for employment termination benefits	-	-	-	4,412	4,412

Shareholders' equity and					
other liabilities	51,690	-	-	5,338,695	5,390,385
Total liabilities	237,242	5,501	914,000	6,357,506	7,514,249
Net repricing position	1,288,664	876,071	(914,000)	(1,250,735)	-

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NOTE 25 - FINANCIAL RISK MANAGEMENT (Continued)

Credit risk

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

The Company manages credit risk of bank deposits by working mainly with state banks established in Turkey and having long standing relations with the Company. Majority of bank deposits in this regard are with the state owned retail banks.

Credit risk of receivables from third parties is managed by securing receivables with collaterals covering receivables at the highest possible proportion. Methods used are as follows:

- Bank guarantees (letter of guarantee, etc.),
- Mortgage on real estate
- Retain the legal title to the goods solely to protect the collectability of the amount due.

In credit risk control, the credit quality of each customer is assessed; taking into account its financial position, past experience and other factors, individual risk limits are set in accordance and the utilisation of credit limits is regularly monitored.

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

31 December 2012	<u>Trade Receivables</u>		Deposits in
	Related party	Other party	Cash and Banks
Maximum exposed credit risk			
as of reporting date	67	449,787	1,146,520
Secured portion of the maximum			

credit risk by guarantees, etc,	67	449,787	1,146,520
A. Net book value of financial assets			
either not due or not impaired	67	449,787	1,146,520
- Secured portion by guarantees, etc,	67	449,787	1,146,520
B. Financial assets with renegotiated condition	-	-	-
-Secured portion by guarantees, etc,	-	-	-
C. Net book value of the expired			
but not impaired financial assets	-	-	-
- Secured portion by guarantees, etc,	-	-	-
D. Net book value of the impaired assets	-	1,740	-
- Overdue (Gross book value)	-	-	-
- Not overdue	-	(1,740)	-
- Impairment	-	-	-
- Secured portion of the net value			
by guarantees, etc,	-	-	-

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NOTE 25 - FINANCIAL RISK MANAGEMENT (Continued)

Credit risk of financial instruments as of 31 December 2011 is as follows:

31 December 2011	Trade Receivables		Deposits in
	Related party	Other party	Cash and Banks
Maximum exposed credit risk			
as of reporting date	1	1,148,998	773,831
Secured portion of the maximum			
credit risk by guarantees, etc,	1	1,148,998	773,831
A. Net book value of financial assets			
either not due or not impaired	1	1,148,998	773,831
- Secured portion by guarantees, etc,	1	1,148,998	773,831
B. Financial assets with renegotiated condition	-	-	-
-Secured portion by guarantees, etc,	-	-	-
C. Net book value of the expired			
but not impaired financial assets	-	-	-
- Secured portion by guarantees, etc,	-	-	-
D. Net book value of the impaired assets	-	1,740	-
- Overdue (Gross book value)	-	-	-

- Not overdue	-	(1,740)	-
- Impairment	-	-	-
- Secured portion of the net value by guarantees, etc,	-	-	-

Amounts showing the maximum credit risk exposed as of balance sheet date by excluding guarantees in hand and other factors that increase the credit quality.

Foreign exchange risk

The Company is subject to the foreign currency risk due to the foreign currency deposits in the bank deposit account. The Company does not use foreign currency in its main operations; the foreign currency risk is only originated from deposits of the Company.

Foreign currency position

Foreign currency denominated assets, liabilities and off-balance sheet accounts give rise to foreign exchange exposure.

The Company's foreign currency assets and liabilities are as follows:

	31 December 2012	31 December 2011
Foreign currency denominated assets	-	3
Foreign currency denominated liabilities	1,528	1,618
Net foreign currency position	(1,528)	(1,615)

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NOTE 25 - FINANCIAL RISK MANAGEMENT (Continued)

The table below summarizes the Company's foreign currency position of the Company as of 31 December 2012 and 2011;

	EUR	USD	Sterling	TL equivalent
Current assets				
Cash and cash equivalents	-	-	-	-
Total Assets	-	-	-	-
Current liabilities				
Trade payables	-	15	-	27
Other long-term payables	-	842	-	1,501
Total liabilities	-	857	-	1,528
Net foreign currency position	-	(857)	-	(1,528)

	EUR	USD	Sterling	TL equivalent
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Current assets

Cash and cash equivalents	-	-	1	3
Total Assets	-	-	1	3
Current liabilities				
Trade payables	-	15	-	28
Other long-term payables	-	842	-	1,590
Total liabilities	-	857	-	1,618
Net foreign currency position	-	(857)	1	(1,615)

Capital risk management

The Company attempts to manage its capital by minimizing the investment risk with portfolio diversification. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

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NOTE 25 - FINANCIAL RISK MANAGEMENT (Continued)

Gearing ratios as of 31 December 2012 and 2011 are as follows:

	31 December 2012	31 December 2011
Total liabilities	4,186,562	3,711,346
Cash and cash equivalents	1,146,520	773,831
Net debt	3,040,042	2,937,515
Total shareholders' equity	4,207,725	3,802,903
Invested Capital	2,500,000	2,500,000
Gearing ratio	0.72	0.77

NOTE 26 - FINANCIAL INSTRUMENTS

Fair value of financial instruments

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

The fair values of financial instruments that are not traded in an active market have been determined by the Company using available market information and appropriate valuation methodologies. However, judgement is necessarily required to interpret market data to estimate the fair value.

Accordingly, the estimates presented herein may differ from the amounts the Company could realize in a current market exchange.

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

Financial assets:

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

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

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

The special issue long term government bond has been issued by the Treasury and given to the Company for payment of HAS payables, is non-negotiable on the secondary market and does not bear interest. It is puttable on demand by the Company at par back to the Treasury, and is also accounted at par representing its fair value.

**CONVENIENCE TRANSLATION OF THE NOTES TO THE
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012**

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

NOTE 26 - FINANCIAL INSTRUMENTS (Continued)

Financial liabilities:

The Company’s borrowing from the Turkish Treasury for financing its HAS payment liability, has a floating interest rate defined as the weighted average of the compound rate of discounted Government bonds issued by Turkish Treasury before each payment period. Therefore it is considered that fair values of the borrowing’s fair value are approximate carrying value which is amortized cost.

Short term trade payables and other liabilities with no stated interest rate are measured at original invoice amount and are payables on demand therefore they are measured at their demand values and classified as short-term. They are considered to approximate their respective carrying values due to their short-term nature.

NOTE 27 - CONTINGENT ASSETS AND LIABILITIES

1. The LSRSA project agreement 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 6 May 2013.

There are certain balances in various accounts in the financial statements of the Company regarding this project: Receivables from the contractor amounting TL59,601 (31 December 2011: TL57,453) in other receivables (Note 7), payments made to contractor amounting TL47,380 (31 December 2011: TL47,380) in other current assets (Note 14), advances received due to flat sales amounting TL37,172 (31 December 2011: TL37,180) in other current liabilities (Note 14) 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 TL190,796 (31 December 2011: TL152,266) have been accounted for as short-term deferred income. Including the units already sold, the Company has inventories amounted to TL 55,223 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.

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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

NOTE 27 - CONTINGENT ASSETS AND LIABILITIES (Continued)

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 21 May 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.

3. Mortgage and guarantees received are;

	31 December 2012	31 December 2011
Guarantees received	1,795,856	1,059,908
Mortgages received	55,171	78,212
Other	-	1,123
	1,851,027	1,139,243

Other guarantees consist of accurate and temporary guarantees given by contractors for construction projects during the tendering process.

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

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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

NOTE 27 - CONTINGENT ASSETS AND LIABILITIES (Continued)

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

	31 December 2012	31 December 2011
A. CPM given on behalf of the Company’s		
legal personality	7,774	6,793
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.	-	-
	7,774	6,793

NOTE 28 - SUBSEQUENT EVENTS

1. Secondary public offering:

The Company initiated public offering of 25% of its capital after the capital increase and the capital ceiling was determined as TRY4,000,000,000 during this public offering process within the scope of the obligation introduced by "Communiqué on Principles Regarding the Real Estate Investment Companies" of Capital Markets Board in the last quarter of 2010, stating that public offering must be performed for at least 25% of the capital. "Cooperation Protocol" was drawn up on 08 August 2012 between Republic of Turkey Ministry of Environment and Urban Planning; Ministry of Transportation, Maritime Affairs and Communications, Republic of Turkey Prime Ministry Housing Development Administration and the Company on the reserve areas declared with the decision no. 2012/3573 of Council of Ministers dated 13 August 2012 within the scope of "Law on Transformation of Areas under Disaster Risk" No. 6306 and in summary, it is stated in the letter of Republic of Turkey Ministry of Environment and Urban Planning that all implementations taking place in the area determined as "Reserve Construction Area" will be performed within the framework of Law No. 6306 and "Cooperation Protocol" and that all institutions and organisations must fulfil their respective liabilities in this respect; and the Company has a land of 2 million m2 on this "Reserve Construction Area".

When the monetary aspect of the investments to be made by the Company within the scope of the ongoing projects and "Cooperation Protocol" are evaluated together, it is concluded that the Company will need additional financial resources. Based on the idea that the most appropriate method for obtaining this additional financial resources is to increase the Company's current capital and to initiate public offering of the increased capital; within the framework of the explanations above, opinion has been requested from Republic of Turkey Prime Ministry Housing Development Administration and Republic of Turkey Prime Ministry Privatisation Authority with regard to increasing the current capital of the Company amounting to TRY2,500,000,000 by at least TRY1,300,000,000 and reaching TRY3,800,000,000 and initiation of public offering for the amount of TRY1,300,000,000, without prejudice to Article 8 ("Capital and Stocks") and Article 9 ("Preferred Securities") of the Company's Articles of Association. Republic of Turkey Prime Ministry Housing Development Administration of Turkey and Republic of Turkey Prime Ministry Privatisation Authority have given affirmative opinion on the public offering.

Accordingly, through the Company's Board of Directors' decision No. 7-015 dated 08 February 2013, during the Capital Increase Transactions mentioned in Article 8 of the Company's Articles of Association entitled "Capital and Shares", new Group A stocks shall be issued in return for Group A stocks and new Group B stocks shall be issued in return for Group B stocks. However, in line with the provision of "in the event that the Board of Directors applies restriction on the stockholders' right of purchasing new stocks, all new stocks to be issued shall be issued as Group B stocks" and in line with Article 9 entitled "Preferred Securities", Group A stockholders,

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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

as defined in the mentioned article, have the preference to nominate candidates in election of members of the Board of Directors. Provided that the provision "All members of the Board of Directors, excluding the independent members, shall be elected by the Company's General Assembly among the candidates nominated by Group A Stockholders" remains reserved, it has been resolved to increase the Company's capital amounting to TRY2,500,000,000 (according to the most recent data) with capital ceiling of TRY4,000,000,000 by TRY1,300,000,000 to TRY3,800,000,000 and to sell the increased portion of TRY1,300,000,000 by public offering in National and International Stock Markets.

The financial resources to be obtained as a result of the public offering shall directly be used by the Company in its operations.

NOTE 28 - SUBSEQUENT EVENTS (Continued)

2. The Company purchased on 4 March 2013 a land with area of 12.756,77 m² from TOKİ for TL31.891.925,00. The land is in İstanbul Gaziosmanpaşa Küçükköy.
3. On 13 February 2013, the Company sold all the units in Kuasar İstanbul project for TL935.276.508,47 excluding VAT (TL1.032.724.890,00 including VAT) in total. The total fair value calculated by independent valuation company was TL957.078.131,75 including VAT.
4. The Company purchased on 22 February 2013, one land with area of 1.850,48 m² and another with area of 2.230,49 m² for TL2.831.234,40 and TL3.412.649,70, respectively from Ömer Dinçkök. The lands are in İstanbul Bakırköy Osmaniye.
5. The Company applied in written to TOKİ on 19 February 2013 to purchase 13 properites with area of 63.249,23 m² in İstanbul Kartal Çavuşoğlu.
6. The Company signed a urban transformation protocol on 24 January 2013 with TOKİ regarding İstanbul Ataşehir Şerifaliçiftliği district.
7. The Company started the procedures on 20 February 2013 to perform a LSRSA tender on 62,000 m² portion of TOKİ land in Bursa city, Osmangazi district, Demirtaş area. The land was purchased by TOKİ from Saving Deposits Insurance Fund on 21 February 2012.
8. Following projects have been tendered for and their agreements have been signed:

- Sultanbeyli – Public tender law,
- Körfezkent 3. Etap – Public tender law,
- Kartal – LSRSA,
- Ayazma 3. Etap – LSRSA

9. The agreement regarding İstanbul Sultanbeyli Emlak Residential Units and Infrastructure Construction project has been signed with the contractor “İlgin İnşaat İç ve Dış Tic. A.Ş.” on 1 March 2013.
10. Kocaeli Körfezkent Emlak Residential Units Phase 3 tender has been performed in accordance with public tender law on 26 February 2013.
11. The LSRSA project at İstanbul Kartal has been signed on 4 February 2013 with the contractor “Eltes İnşaat Tesisat San. ve Tic. A.Ş. ~ Dap Yapı İnşaat San. ve Tic. Ltd. Şti. Joint Venture”.
12. The LSRSA tender for İstanbul Başakşehir Ayazma 3.Phase has been performed on 5 February 2013. The agreement has not been signed yet.
13. The Company agreed to sell its land in İstanbul Finance Center to Central Bank of Turkey for TL299.260.000 TL excluding VAT in cash (TL353.126.800 including VAT). The Company started the procedures to complete the transaction. The related land’s fair value was calculated as TL299,260,000 excluding VAT.

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.
ADDITIONAL NOTE - CONTROL OF COMPLIANCE WITH THE PORTFOLIO
LIMITATIONS

	Non-Consolidated (Individual) Financial Statements		Current Year	Previous Year (*)
	Main Account Items	Related Regulation	(TL)	(TL)
A	Money and Capital Market Instruments,	Series: VI, No:11, Art.27/ (b)	826,283	1,045,503
B	Properties, Projects based on Properties and Rights based on Properties	Series: VI, No:11, Art.27/ (a)	5,107,745	4,389,212
C	Affiliates	Series: VI, No:11, Art.27/ (b)	-	-
	Due from related parties (Non Commercial)	Series: VI, No:11, Art.24/ (g)	-	-
	Other Assets		2,460,259	2,079,534
D	Total Assets	Series: VI, No:11, Art.4/ (i)	8,394,287	7,514,249
E	Financial Liabilities	Series: VI, No:11, Art.35	926,199	1,099,552
F	Other Financial Liabilities	Series: VI, No:11, Art.35	-	-
G	Due from Financial Leases	Series: VI, No:11, Art.35	-	-
H	Due to Related Parties (Non Commercial)	Series: VI, No:11, Art.24/ (g)	-	-
I	Shareholders' equity	Series: VI, No:11, Art.35	4,207,725	3,802,903
	Other Resources		3,260,363	2,611,794
D	Total Resources	Series: VI, No:11, Art.4/ (i)	8,394,287	7,514,249

	Non-Consolidated (Individual) Other Financial Information	Related Regulations	Current Year	Previous Year (*)
			(TL)	(TL)
A1	The portion of Money and Capital Market Instruments held for Payables of Properties for the following 3 Years	Series: VI, No:11, Art.27/ (b)	57,681	161,262
A2	Term/ Demand/ Currency	Series: VI, No:11, Art.27/ (b)	664,642	470,290

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

A3	Foreign Capital Market Instruments	Series: VI, No:11, Art.27/ (c)	-	-
B1	Foreign Properties, Projects based on properties and Rights based on Properties	Series: VI, No:11, Art.27/ (c)	-	-
B2	Idle Lands	Series: VI, No:11, Art.27/ (d)	673,273	333,840
C1	Foreign Affiliates	Series: VI, No:11, Art.27/ (c)	-	-
C2	Affiliates for Operating Company	Series: VI, No:11, Art.32 / A	-	-
J	Non-cash Loans	Series: VI, No:11, Art.35	7,774	6.793
K	Mortgage amount of Servient Lands Which Will Be Developed And Not Owned	Series: VI, No:11, Art.25/ (n)	-	-

(*) The figures of the previous year are prepared by taking into consideration the restatement effects mentioned in Note 2.3.

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.
ADDITIONAL NOTE - CONTROL OF COMPLIANCE WITH THE PORTFOLIO
LIMITATIONS (Continued)

	Portfolio Limitations	Related Regulations	Current Period (%)	Previous Period (%)	Minimum/Maximum Rate
1	Mortgage amount of Servient Lands Which Will Be Developed And Not Owned	Series: VI, No:11, Art.25/ (n)	0%	0%	<10%
2	Properties, Projects based on Properties and Rights based on Properties	Series: VI, No:11, Art.27/ (a), (b)	62%	61%	>50%
3	Money and Capital Market Instruments and Affiliates	Series: VI, No:11, Art.27/ (b)	9%	12%	<50%
4	Foreign Properties, Projects based on Properties, Rights based on Properties, Affiliates, Capital Market Instruments	Series: VI, No:11, Art.27/ (c)	0%	0%	<49%
5	Idle Lands	Series: VI, No:11, Art.27/ (d)	8%	4%	<20%
6	Affiliates to the Operating Company	Series: VI, No:11, Art.32 / A	0%	0%	<10%
7	Borrowing Limit	Series: VI, No:11, Art.35	22%	29%	<500%
8	TL and Foreign Currency Time and Demand Deposits	Series: VI, No:11, Art.27/ (b)	7%	4%	<10%

Following the enforcement of Serial No: VI No: 29, which amended Serial VI No: 11 on 28 July 2011, real estate investment companies do not have to prepare separate portfolio reports starting from 30 September 2011. In accordance with CMB's decision dated 14 October 2011 No: 34/972, all the information regarding the portfolios of real estate investment companies are required to be disclosed in Additional Note including a table of "control of compliance with the portfolio limitations".

The information in the table of "control of compliance with the portfolio limitations" is prepared in accordance with the provisions on the control of portfolio limitations of Communiqué No: VI-11, "Principles Regarding Real Estate Investment Companies".

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

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EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

REAL ESTATE VALUATION SUMMARY STATEMENT - KARTAL	
NAME OF THE VALUATED TRANSACTION	determination of the market value of 13 parcels located in Kartal, Residential + Service Area in zoning plan, Private Health Facilities Area, determination of the market value of Special Education Facility Area and Commerce site (partial)
COMPANY DEMANDING VALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	9/8/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Province of Istanbul, District of Kartal, Çavuşoğlu Neighborhood, city block no 674, parcel no. 1, 4, 5, 6 and 7, 675 ada, parcel no. 1 and 2, city block no. 676 parcel no. 108, city block no 720 parcel no. 2, 4, 8, 19 ve 34
ZONING STATUS	Currently, new plans were announced on 07/11/2012 in the Ministry of Environment and Urbanization. In the new plan, functions of Residential + Service Area, Trade Area, Private Health Facilities Area and Educational Facilities Area with construction requirements were introduced.
CURRENT USE	Empty
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE	214.045.000,-TL

REAL ESTATE VALUATION SUMMARY STATEMENT - BAŞAKŞEHİR	
NAME OF THE EVALUATED TRANSACTION	7,376.13 m2 of total shares of 7 parcels in Başakşehir
COMPANY DEMANDING EVALUATION	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	10/30/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Province of Istanbul, District of Başakşehir, İkitelli – 2 Neighborhood, city block no 1339, parcel no.7, 10, 11 and 13 with city block no 1340 parcel no. 3,6 and 10
ZONING STATUS	Residential Area, E (P): 1,50, H: Free
CURRENT USE	There is not any structure on 1340 ada parcel no. 3 and 6
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
TOTAL VALUE OF 7,376.13 m2 SHARE IN 7 PARCELS	7.528.000,-TL

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

SUMMARY EXPERTISE STATEMENT OF ASSETS ANNEX-2A / EXPERTISE OF LANDS

REAL ESTATE VALUATION SUMMARY STATEMENT - BAŞAKŞEHİR	
NAME OF THE EVALUATED TRANSACTION	One parcel in Başakşehir
COMPANY DEMANDING EVALUATION	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	11/30/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	88.800 m2 Parcel no.1 in vicinity of Kaldırım, Kapadık Neighborhood, District of Avclar, Province of Istanbul
ZONING STATUS	Commerce and Residential Area, E: 1,50
CURRENT USE	Empty
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE	79,030,000 TL

REAL ESTATE VALUATION SUMMARY STATEMENT - KÖRFEZ	
NAME OF THE EVALUATED TRANSACTION	11 parcels in Körfez
COMPANY DEMANDING EVALUATION	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	12/24/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	11 parcels in Province of Kocaeli, District of Körfez, Yavuz Sultan Selim Neighborhood
ZONING STATUS	
CURRENT USE	Empty
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE	59,270,000 TL

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

REAL ESTATE VALUATION SUMMARY STATEMENT - BAKIRKÖY	
NAME OF THE EVALUATED TRANSACTION	5 parcels in Bakırköy and 2 parcels in Zeytinburnu
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	11/23/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Parcels of land no. 5, 6, 20 and 21, city block no. 192 ,in Osmaniye Neighborhood, district of Bakırköy and Province of Istanbul, registered factory buildings on parcel no. 9, city block no 192, and parcels of land no. 57 and 60, city block no 1659 in Veliefendi Neighborhood, District of Zeytinburnu (remaining shares except of Ömer Dinçkök)
ZONING STATUS	192/5: A large part of area is Regional Park Area, some parts of area are Road Area and Stream Protection Area 192/6: A large part of area is Regional Park Area, some parts of area are Road Area 192/9: A large part of area is Regional Park Area, some parts of area are Road Area, some parts of area are Stream Protection Area, metro (subway) route line 192/20: A large part of area is Regional Park Area, some parts of area are Road Area 192/21: A large part of area is Regional Park Area, some parts of area are Stream Protection Area ve a small part of the area is Road Area 1659/57: Partially a forestation Area, partially a Park, partially a Public Parking Area 1659/60: Partially a forestation Area, partially a Park, partially a Road Area
CURRENT USE	Facility is currently used as storage, parcels are empty.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE	128,175,000 TL



Summary Expertise Statement of Assests
ANNEX-2A / EXPERTISE OF LANDS

SUMMARY EXPERTISE STATEMENT OF ASSESTS
ANNEX-2A / EXPERTISE OF LANDS

REAL ESTATE VALUATION SUMMARY STATEMENT - ESENYURT	
NAME OF THE EVALUATED TRANSACTION	8 parcels in Esenyurt Hoşdere
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	12/7/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	
ZONING STATUS	704/1 T2 Commerce Area 1,00 704/2 T2 Commerce Area 1,00 701/2 T3 Commerce Area 2,50 701/3 T3 Commerce Area 2,50 700/3 Non-Residential Urban Working Area 2,25 702/3 T2 Commerce Area 1,00 703/1 T2 Commerce Area 1,00 707/1 T3 Commerce Area 2,50
CURRENT USE	Empty
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE	131,725,000 TL

REAL ESTATE VALUATION SUMMARY STATEMENT - ÜMRANIYE	
NAME OF THE EVALUATED TRANSACTION	8 parcels in Ümraniye Finance Center
COMPANY DEMANDING EVALUATION	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	12/31/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	city block no. 3317 parcel no. 20, 21 and 22 ve city block no. 3328 parcel no. 1, 10, 13, 14 and 15 located in Province of Istanbul, District of Ümraniye, Küçükbakkalköy Neighborhood
ZONING STATUS	
CURRENT USE	Empty
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE	712,280,000 TL



REAL ESTATE VALUATION SUMMARY STATEMENT - IZMIR	
NAME OF THE EVALUATED TRANSACTION	4 parcels in Izmir, Karşıyaka
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	11/19/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Parcel no.1 in city block no.25489, Parcel no.1 in city block no.25701, Parcel no.1 in city block no.25863 in Şemikler Neighborhood, District of Karşıyaka, Province of Istanbul
ZONING STATUS	City Block No. 25489 one parcel Private Fitness Facility Area, E: 0,50 City Block No. 25695 one parcel Healthcare Facility Area, E: 1,00 City Block No. 25701 one parcel Private Health Facility Area, E: 0,60 City Block No. 25863 one parcel Private Deck
CURRENT USE	Empty.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE	8,550,000 TL

Summary Expertise Statement of Assets

Summary Expertise Statement of Assets
ANNEX-2A / EXPERTISE OF LANDS

REAL ESTATE VALUATION SUMMARY STATEMENT - AVCILAR	
NAME OF THE EVALUATED TRANSACTION	10 parcels in Avcılar
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	11/30/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Province of Istanbul, District of Avcılar, city block no. 493 parcel no. 8 and 9, city block no. 499 parcel no.4, city block no. 500 parcel no. 1 and 2, city block no. 502 parcel no. 1, city block no. 508 parcel no. 4, city block no. 514 parcel no. 1, city block no. 523 parcel no. 1, city block no. 524 parcel no. 2.
ZONING STATUS	city block no. 493 parcel no. 8 and 9, city block no. 499 parcel no.4, city block no. 500 parcel no. 1 and 2 have Residential Area legend and E: 1, 50 - Hmax: Free construction conditions, city block no. 502 parcel no. 1, city block no. 508 parcel no. 4, city block no. 523 parcel no. 1, city block no. 524 parcel no. 2 have commerce Area legend and E: 2,00 - Hmax: Free construction conditions, city block no. 514 parcel no. 1 has non-residential urban working Area legend and E: 1.50 - Hmax: Free construction conditions.
CURRENT USE	Empty
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE	253.080.000 TL



REAL ESTATE VALUATION SUMMARY STATEMENT - SULTANBEYLI	
NAME OF THE EVALUATED TRANSACTION	33 parcels in Sultanbeyli
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	12/12/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Province of Istanbul, District of Sultanbeyli, city block no. 184 parcel no. 4 and 7, city block no. 185 parcel no. 9, city block no. 186 parcel no. 8, 9 10 and 11, city block no. 187 parcel no. 1, city block no. 190 parcel no. 1 and 6, city block no. 191 parcel no. 1 and 2, city block no. 193 parcel no. 6, city block no. 192 parcel no. 10 and 11, city block no. 194 parcel no. 2, city block no. 196 parcel no. 1, city block no. 194 parcel no. 5 and 8, 9, city block no. 196 parcel no. 4, city block no. 197 parcel no. 5 and 7, city block no. 199 parcel no. 1 and 3, 5, city block no. 200 parcel no. 1 and 3, city block no. 201 parcel no. 4, city block no. 260 parcel no. 9, city block no. 394 parcel no. 1, city block no. 366 parcel no. 1,
ZONING STATUS	city block no. 191 parcel no. 2 have sociocultural resort zoning, city block no. 260 parcel no. 9 have health facility zoning, other parcels have Residential zoning.
CURRENT USE	Some of the parcels are empty and some, there are unlicensed structures on some parts.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE	1,203,885 TL



Summary Expertise Statement of Assests

SUMMARY EXPERTISE STATEMENT OF ASSETS ANNEX-2A / EXPERTISE OF LANDS

REAL ESTATE VALUATION SUMMARY STATEMENT - TUZLA	
NAME OF THE EVALUATED TRANSACTION	4 parcels in Tuzla
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	11/21/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Province of Istanbul, District of Tuzla, Aydınli village, city block no. 101 parcel no. 1, 2 and 3 and city block no. 103 parcel no. 3
ZONING STATUS	city block no. 101 parcel no. 1 (E: 1.00) have health facility zoning, city block no. 101 parcel no. 2 and 3 have official institution (ISKI) zoning (E: 1,00) and city block no. 103 parcel no. 2 have cemetery zoning.
CURRENT USE	Empty
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE	117,000 TL

REAL ESTATE VALUATION SUMMARY STATEMENT - ÇORLU	
NAME OF THE EVALUATED TRANSACTION	13 parcels in Çorlu/Tekirdağ
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	10/16/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Province of Tekirdağ, District of Çorlu, Kazimiye Neighborhood, map section no. 47, city block no 2557, parcel no. 1, city block no 2558 parcel no. 1, city block no 2559 parcel no. 1, city block no 2560 parcel no. 2, city block no. 2562 parcel no. 1 and 2, map section no 29 OI, city block no. 2564 parcel no. 2, 3, 4, 5, 6 and 7, map section no. 30N3, city block no 1474, parcel no. 4, Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş. total share of 13 parcels with an area of 102,794.51 m2
ZONING STATUS	city block no 2557, parcel no. 1, city block no 2558 parcel no. 1, city block no 2560 parcel no. 2 have Residential Area legend and E: 0.80 - Hmax: 24,50 construction condition, city block no. 2564 parcel no. 2, 3, 4, 5, 6 and 7 have Residential Area legend and E: 2.00 - Hmax: 36,50 m construction condition, city block no. 2559 parcel no. 1 have health facility Area legend, city block no. 2562 parcel no. 1 have indoor and outdoor sports Area legend, city block no. 2562 parcel no. 2 have culture park Area legend, city block no. 1474 parcel no. 2 have road and green space Area legend.
CURRENT USE	Empty
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE	35,550,000 TL

Summary Expertise Statement of Assests

SUMMARY EXPERTISE STATEMENT OF ASSETS
ANNEX-2A / EXPERTISE OF LANDS

REAL ESTATE VALUATION SUMMARY STATEMENT - ÇERKEZKÖY	
NAME OF THE EVALUATED TRANSACTION	17 parcels in Çerkezköy / TEKİRDAĞ
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	11/15/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Province of Tekirdaü, District of Çerkezköy, Kapaklı Village, city block no. 1544 parcel no.1, city block no. 1546 parcel no.1, city block no. 1547 parcel no.1, city block no. 1548 parcel no.1, city block no. 1549 parcel no.1 and 3, city block no. 1551 parcel no.1, city block no. 1552 parcel no.1 and 2, city block no. 1553 parcel no.1, city block no. 1554 parcel no.1, city block no. 1555 parcel no.1, city block no. 1556 parcel no.1, city block no. 1557 parcel no.1, city block no. 1558 parcel no.1 and, city block no. 1559 parcel no.1,
ZONING STATUS	city block no. 1552 parcel no.2 have treatment facility zoning, city block no. 1558 parcel no. 3 have commerce area zoning (E: 1.20 and h: free), and other parcels (E: 1.15 and h: 30,50 m) have Residential zoning.
CURRENT USE	treatment facility is located on city block no. 1552 parcel no.2, and other parcels are empty.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE	91,235,000 TL

REAL ESTATE VALUATION SUMMARY STATEMENT - MIMARSINAN	
NAME OF THE EVALUATED TRANSACTION	17 parcels in Çerkezköy / TEKİRDAĞ
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	11/30/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Province of Istanbul, District of Büyükçekmece, Mimarsinan village, Bababurn, map section 3-5/1, parcel no. 4009 with an area of 156.20 m2 field (transformer area), parcel no. 4010 an area of 1,754.31 m2 field with (religious facility area)
ZONING STATUS	parcel no. 4009: transformer area --- parcel no. 4010: religious facility area
CURRENT USE	A transformer facility is located on parcel no 4009, parcel no.4010 is currently empty.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE	140,000 TL



REAL ESTATE VALUATION SUMMARY STATEMENT - GEBZE	
NAME OF THE EVALUATED TRANSACTION	35 parcels in Gebze
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	11/26/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Province of Kocaeli, District of Gebze, Güzeller neighborhood, City block no: 5777 parcel no:2, City block no: 5779 parcel no:1, City block no: 5787 parcel no:1, City block no: 5788 parcel no:2, City block no: 5794 parcel no:1, City block no: 5798 parcel no:2, City block no: 5800 parcel no:5, City block no: 5809 parcel no:1 and 4, City block no: 5810 parcel no:1, City block no: 5811 parcel no:1, City block no: 5812 parcel no:1, City block no: 5813 parcel no:1, City block no: 5814 parcel no:1, City block no: 5815 parcel no:1, City block no: 5816 parcel no:1, City block no: 5820 parcel no:1, City block no: 5833 parcel no:1, City block no: 5838 parcel no:2 and 3, City block no: 5842 parcel no:4, 5, 8, 9 and 10, City block no: 5843 parcel no:1, City block no: 5844 parcel no:4, City block no: 5845 parcel no:4, City block no: 5851 parcel no:2, City block no: 5856 parcel no:1, City block no: 5860 parcel no:2, City block no: 5866 parcel no:1, City block no: 5873 parcel no:3, City block no: 5876 parcel no:4, City block no: 5880 parcel no:5.
ZONING STATUS	parcels have zoning of residential area, commercial area, a municipal service area, health facilities, space, sports facilities and regional garage area
CURRENT USE	Empty
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE	54,347,000 TL

Summary Expertise Statement of Assests

SUMMARY EXPERTISE STATEMENT OF ASSETS
ANNEX-2A / EXPERTISE OF LANDS

REAL ESTATE VALUATION SUMMARY STATEMENT - LÜLEBURGAZ	
NAME OF THE EVALUATED TRANSACTION	One Parcel in Lüleburgaz / KIRKLARELI
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	11/22/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Province of Kırklareli, district of Lüleburgaz, Kurtuluş Neighborhood, around Eski Müsellim Yolu, city block no: 1271 parcel no:1 with an area of 3615 m2
ZONING STATUS	Area of public institutions, E: 1.50 and Hmax: Free
CURRENT USE	Empty
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE	83,000 TL

REAL ESTATE VALUATION SUMMARY STATEMENT - CIDE	
NAME OF THE EVALUATED TRANSACTION	2 parcels in Cide / KASTAMONU
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	12/18/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Providence of Kastamonu, District of Cide, Doğankaya Village, around Harman Altı, 106 city block with area of 1152,78 m2, 7 parcels and around Orta Göynük, 118 city block and 8 parcels with area of 1152,78 m2.
ZONING STATUS	Parcels stay as village residential area, housing can be built in accordance with construction requirements, detached, 2 floors, and E: 0.40
CURRENT USE	Empty
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE	62,000 TL



REAL ESTATE VALUATION SUMMARY STATEMENT - ŞİŞLİ	
NAME OF THE EVALUATED TRANSACTION	1 parcel in Şişli
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	11/19/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Providence of Istanbul, District of Şişli, Ortaköy Neighborhood, parcel no:2 with an area of 23,30 m2
ZONING STATUS	It has "floating parcel between city blocks", does not have any construction requirement.
CURRENT USE	Empty
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE	57,710 TL

REAL ESTATE VALUATION SUMMARY STATEMENT - ATAŞEHİR	
NAME OF THE EVALUATED TRANSACTION	20 parcels in Ataşehir
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	12/31/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Province of Istanbul, Maltepe District, Küçükbakkalköy Neighborhood, city block no. 2190 - 8 parcels, city block no. 3331 - parcels no: 4, 5, 6, city block no. 3334 - parcel no. 5 and 8, city block no. 3382 - 2 parcels, city block no. 3384 - 4 parcels, city block no. 3385 - parcel no. 1, 2 and 5, in Barbaros Neighborhood, city block no. 2190 - 8 parcels, city block no. 2191 - 6 parcels, city block no. 2193 - 5 parcels, city block no. 2194 - parcel no. 1 and 7, city block no. 2195 - 3 parcels, city block no. 2684 - 10 parcels, city block no. 2686 - 10 parcels, city block no. 2693 - 5 parcels.
ZONING STATUS	
CURRENT USE	Empty
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE	76,075,000 TL

Summary Expertise Statement of Assests

SUMMARY EXPERTISE STATEMENT OF ASSETS
ANNEX-2A / EXPERTISE OF LANDS

REAL ESTATE VALUATION SUMMARY STATEMENT - ESENYURT																																									
NAME OF THE EVALUATED TRANSACTION	8 parcels in Esenyurt Hoşdere																																								
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.																																								
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.																																								
REPORT DATE	12/7/2012																																								
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS																																									
TITLE INFORMATION	8 parcels located in Province of Istanbul, District of Esenyurt, Hoşdere Village																																								
ZONING STATUS	<table border="1"> <tbody> <tr> <td>704/1</td> <td>T2</td> <td>Commerce</td> <td>Area</td> <td>1,00</td> </tr> <tr> <td>704/2</td> <td>T2</td> <td>Commerce</td> <td>Area</td> <td>1,00</td> </tr> <tr> <td>701/2</td> <td>T3</td> <td>Commerce</td> <td>Area</td> <td>2,50</td> </tr> <tr> <td>701/3</td> <td>T3</td> <td>Commerce</td> <td>Area</td> <td>2,50</td> </tr> <tr> <td>700/3</td> <td>Non-Residential Urban</td> <td>Working Area</td> <td></td> <td>2,25</td> </tr> <tr> <td>702/3</td> <td>T2</td> <td>Commerce</td> <td>Area</td> <td>1,00</td> </tr> <tr> <td>703/1</td> <td>T2</td> <td>Commerce</td> <td>Area</td> <td>1,00</td> </tr> <tr> <td>707/1</td> <td>T3</td> <td>Commerce</td> <td>Area</td> <td>2,50</td> </tr> </tbody> </table>	704/1	T2	Commerce	Area	1,00	704/2	T2	Commerce	Area	1,00	701/2	T3	Commerce	Area	2,50	701/3	T3	Commerce	Area	2,50	700/3	Non-Residential Urban	Working Area		2,25	702/3	T2	Commerce	Area	1,00	703/1	T2	Commerce	Area	1,00	707/1	T3	Commerce	Area	2,50
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707/1	T3	Commerce	Area	2,50																																					
CURRENT USE	Empty																																								
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)																																									
LAND VALUE	131,725,000 TL																																								

REAL ESTATE VALUATION SUMMARY STATEMENT - FATİH	
NAME OF THE EVALUATED TRANSACTION	Fatih Yedikule city block no. 2384 parcel no.4
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	7/24/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Yedikule station and outbuildings registered in province of Istanbul, District of Fatih, Imrahor Ilyas Bey Neighborhood, map section 328, city block no. 2384, parcel no.4
ZONING STATUS	It was approved by the Istanbul Metropolitan Municipality by the date of 30.12.2011, 1/5000 scaled, located within the scope of Master Plan for the Protection of the Historic Peninsula, has "Tourism and Cultural Area" legend, has TAKS: 0.25 and RATIO: 0.75 construction right. 1/1000 scaled application zoning plan is learned to be at approval phase in No. 4 Commission for Culture and Regeneration Committee.
CURRENT USE	Old station maintenance buildings are located on the parcel (structures can not be used).
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE	67,915,000 TL

Summary Expertise Statement of Assets

SUMMARY EXPERTISE STATEMENT OF ASSETS ANNEX-2A / EXPERTISE OF LANDS

REAL ESTATE VALUATION SUMMARY STATEMENT - ANKARA	
NAME OF THE EVALUATED TRANSACTION	91 parcels in Ankara Ballıkuyumcu
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	11/29/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Total of 91 parcels are registered in province of Ankara, District of Yenimahalles, Balı Kuyumcu Neighborhood
ZONING STATUS	61916 3 Low Density Residential and Flood Area 61921 1 Low Density Residential Area 61922 1 Low Density Residential Area 61927 1 Low Density Residential Area 61928 1 Low Density Residential Area 61929 1 Low Density Residential Area 61930 1 Low Density Residential Area 61931 3 Low Density Residential Area 61932 1 Low Density Residential Area 61937 1 Low Density Residential Area 61938 1 Ticaret 61942 1 Low Density Residential Area 61943 1 Low Density Residential Area 61945 1 Low Density Residential Area 61946 1 Low Density Residential Area 61947 1 Low Density Residential Area 61948 1 Low Density Residential Area 61949 1 Low Density Residential Area 61951 1 Low Density Residential Area 61952 1 Low Density Residential Area 61953 2 Private Technical Infrastructure 61953 3 Private Technical Infrastructure 61953 4 Private Technical Infrastructure 61953 5 Private Technical Infrastructure 61954 1 Low Density Residential Area 61955 1 Low Density Residential Area 61956 1 Low Density Residential Area 61957 1 Low Density Residential Area 61958 1 Low Density Residential Area 61959 1 Low Density Residential Area 61960 1 Low Density Residential Area 61961 1 Low Density Residential Area 61962 1 Low Density Residential Area 61963 1 Low Density Residential Area 61964 1 Low Density Residential Area 61968 1 Low Density Residential Area 61969 2 Low Density Residential Area 61972 1 Low Density Residential Area 61974 1 Low Density Residential Area 61975 1 Low Density Residential Area 61980 1 Low Density Residential Area 61981 1 Low Density Residential Area 61982 1 Low Density Residential Area 61983 1 Low Density Residential Area 61984 1 Low Density Residential Area 61985 1 Low Density Residential Area 61987 1 Commerce Area 61989 1 Low Density Residential Area 61992 1 Low Density Residential Area 61992 2 Low Density Residential Area 61992 4 Commerce Recreation 61992 5 Low Density Residential Area 61996 2 Low Density Residential Area 62000 1 Ticaret 62007 1 Low Density Residential Area 62008 1 Low Density Residential Area 62011 1 Technical Infrastructure 62011 2 Technical Infrastructure 62011 3 Technical Infrastructure 62011 4 Technical Infrastructure 62013 1 Low Density Residential Area 62014 1 Low Density Residential Area 62017 3 Low Density Residential Area 62018 1 Low Density Residential Area 62020 1 University Area 62020 4 Low Density Residential Area 62021 1 Low Density Residential Area 62023 2 Low Density Residential Area 62026 1 Low Density Residential Area 62028 1 Low Density Residential Area 62030 1 Low Density Residential Area 62032 1 Low Density Residential Area 62033 1 Low Density Residential Area 62034 1 Low Density Residential Area 62036 1 Low Density Residential Area 62037 1 Low Density Residential Area 62038 1 Low Density Residential Area 62039 1 Low Density Residential Area 62041 1 Low Density Residential Area 62043 1 Low Density Residential Area 62044 1 Low Density Residential Area 62045 1 Low Density Residential Area 62046 5 Low Density Residential Area 62050 4 Low Density Residential Area 62051 1 Low Density Residential Area 62051 2 Low Density Residential Area 62052 1 Low Density Residential Area 62053 1 Low Density Residential Area 62054 1 Low Density Residential Area 62055 1 Low Density Residential Area 62056 1 Commerce Area
CURRENT USE	Empty
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE	308,300,000 TL



REAL ESTATE VALUATION SUMMARY STATEMENT - ATAŞEHİR	
NAME OF THE EVALUATED TRANSACTION	Ataşehir, city block no:3394 1 parcel
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	12/4/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Province of Istanbul, District of Ataşehir , Küçükbakkalköy Neighborhood, city block no: city block no: 3394, 1 parcel
ZONING STATUS	Commerce Area, E: 1,25 ve Hmax: 18,50 m
CURRENT USE	Empty.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE	26,430,000 TL

Summary Expertise Statement of Assets

SUMMARY EXPERTISE STATEMENT OF ASSETS
ANNEX-2A / EXPERTISE OF LANDS

REAL ESTATE VALUATION SUMMARY STATEMENT - BAŞAKŞEHİR																																																																																		
NAME OF THE EVALUATED TRANSACTION	27 parcels in Başakşehir																																																																																	
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.																																																																																	
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.																																																																																	
REPORT DATE	12/13/2012																																																																																	
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS																																																																																		
TITLE INFORMATION	Total of 27 parcels in province of Istanbul, District of Başakşehir, Hoşdere Neighborhood																																																																																	
ZONING STATUS	<table border="0"> <tr><td>644/1</td><td>Health Facility Area</td><td>1,00</td></tr> <tr><td>644/3</td><td>Administrative Facility Area</td><td>1,00</td></tr> <tr><td>650/2</td><td>Residential Area</td><td>0,50</td></tr> <tr><td>652/1</td><td>Residential Area</td><td>0,50</td></tr> <tr><td>653/1</td><td>Residential Area</td><td>1,50</td></tr> <tr><td>648/1</td><td>Residential Area</td><td>2,00</td></tr> <tr><td>648/7</td><td>Residential Area</td><td>2,00</td></tr> <tr><td>649/1</td><td>Residential Area</td><td>2,00</td></tr> <tr><td>650/1</td><td>Residential Area</td><td>2,00</td></tr> <tr><td>651/1</td><td>Residential Area</td><td>2,00</td></tr> <tr><td>654/2</td><td>Residential Area</td><td>2,00</td></tr> <tr><td>656/2</td><td>Residential Area</td><td>2,00</td></tr> <tr><td>656/4</td><td>Residential Area</td><td>2,00</td></tr> <tr><td>657/2</td><td>Residential Area</td><td>2,00</td></tr> <tr><td>654/1</td><td>Commerce Area</td><td>0,50</td></tr> <tr><td>656/1</td><td>Commerce Area</td><td>0,50</td></tr> <tr><td>656/5</td><td>Commerce Area</td><td>0,50</td></tr> <tr><td>657/1</td><td>Commerce Area</td><td>0,50</td></tr> <tr><td>658/6</td><td>Commerce Area</td><td>1,00</td></tr> <tr><td>658/2</td><td>Private bas.edu.pre.edu area</td><td>1,00</td></tr> <tr><td>658/3</td><td>Private Elementary Facility Area</td><td>1,00</td></tr> <tr><td>658/4</td><td>Private Socicultural Facility Area</td><td>1,00</td></tr> <tr><td>658/5</td><td>Private Health Facility Area</td><td>1,00</td></tr> <tr><td>647/2</td><td>Residential Area</td><td>1,50</td></tr> <tr><td>648/6</td><td>Residential Area</td><td>0,50</td></tr> <tr><td>649/3</td><td>Residential Area</td><td>0,50</td></tr> <tr><td>656/3</td><td>Recreation Area</td><td>0,05</td></tr> </table>	644/1	Health Facility Area	1,00	644/3	Administrative Facility Area	1,00	650/2	Residential Area	0,50	652/1	Residential Area	0,50	653/1	Residential Area	1,50	648/1	Residential Area	2,00	648/7	Residential Area	2,00	649/1	Residential Area	2,00	650/1	Residential Area	2,00	651/1	Residential Area	2,00	654/2	Residential Area	2,00	656/2	Residential Area	2,00	656/4	Residential Area	2,00	657/2	Residential Area	2,00	654/1	Commerce Area	0,50	656/1	Commerce Area	0,50	656/5	Commerce Area	0,50	657/1	Commerce Area	0,50	658/6	Commerce Area	1,00	658/2	Private bas.edu.pre.edu area	1,00	658/3	Private Elementary Facility Area	1,00	658/4	Private Socicultural Facility Area	1,00	658/5	Private Health Facility Area	1,00	647/2	Residential Area	1,50	648/6	Residential Area	0,50	649/3	Residential Area	0,50	656/3	Recreation Area	0,05
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644/3	Administrative Facility Area	1,00																																																																																
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656/1	Commerce Area	0,50																																																																																
656/5	Commerce Area	0,50																																																																																
657/1	Commerce Area	0,50																																																																																
658/6	Commerce Area	1,00																																																																																
658/2	Private bas.edu.pre.edu area	1,00																																																																																
658/3	Private Elementary Facility Area	1,00																																																																																
658/4	Private Socicultural Facility Area	1,00																																																																																
658/5	Private Health Facility Area	1,00																																																																																
647/2	Residential Area	1,50																																																																																
648/6	Residential Area	0,50																																																																																
649/3	Residential Area	0,50																																																																																
656/3	Recreation Area	0,05																																																																																
	Empty																																																																																	
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)																																																																																		
LAND VALUE	317,172,000 TL																																																																																	



REAL ESTATE VALUATION SUMMARY STATEMENT - BAŞAKŞEHİR	
NAME OF THE EVALUATED TRANSACTION	44 parcels in Başakşehir
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	12/20/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	44 parcels in province of Istanbul, district of Başakşehir, İkitelli-2 Neighborhood,
ZONING STATUS	Stated in the report.
CURRENT USE	Some of the parcels are empty and unlicensed structures on some parts.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE	355,778,000 TL

Summary Expertise Statement of Assests

SUMMARY EXPERTISE STATEMENT OF ASSETS
ANNEX-2A / EXPERTISE OF LANDS

REAL ESTATE VALUATION SUMMARY STATEMENT - BAŞAKŞEHİR	
NAME OF THE EVALUATED TRANSACTION	10 parcels in Başakşehir Kayabaşı
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	12/12/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	10 parcels with an area of 382,485.74 m2 located in province of Istanbul, District of Başakşehir, Kayabaşı Neighborhood
ZONING STATUS	<p>City block no. 520 1 parcel: Commerce Area E: 2,00 Hmaks: Free</p> <p>City block no. 520 2 parcels: Commerce Area E: 2,00 Hmaks: Free</p> <p>City block no. 521 10 parcels Commerce Area E: 2,00 Hmaks: Free</p> <p>City block no. 525 1 parcels: Commerce Area E: 2,00 Hmaks: Free</p> <p>City block no. 525 2 parcels: Residential Area E: 1,70 Hmaks: Free</p> <p>City block no. 526 2 parcels: Commerce Area E: 2,00 Hmaks: Free</p> <p>City block no. 526 3 parcels: Residential Area E: 1,70 Hmaks: Free</p> <p>City block no. 528 1 parcels: Commerce Area E: 2,00 Hmaks: Free</p> <p>City Block no.528 3 parcels: Commerce Area E: 2,00</p>
CURRENT USE	Empty.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE	408,085,000 TL



REAL ESTATE VALUATION SUMMARY STATEMENT - SARIYER	
NAME OF THE EVALUATED TRANSACTION	12 parcels in Sarıyer
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	12/3/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Province of Istanbul, District of Sarıyer, Zekeriyaköy Neighborhood, city block no. 1789 parcel no: 1, 2, 3, 4 and 5, city block no. 1790 parcel no: 1, 2, 3, 4 and 5, city block no. 1791 parcel no: 2, 3 and 4
ZONING STATUS	city block no. 1789 parcel no.1 has technical infrastructure (E: 1.00) zoning, city block no. 1789 parcel no. 2, 4 and 5 and city block no.1790 parcel no.4 and city block no.1791 parcel no. 2 have residential area zoning (E: 0.30), city block no. 1789 parcel no.3, 1790 parcel no.3, 1791 parcel no.3 have residential and commerce area zoning (E: 0,80), 1791 parcel no.3 has private basic education for pre-primary education area zoning (E: 1.00), city block no.1790 parcel no.1 has health facility area zoning (E:1,00).
CURRENT USE	Empty
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE	300,588,145 TL

REAL ESTATE VALUATION SUMMARY STATEMENT - GAZIOSMANPAŞA	
NAME OF THE EVALUATED TRANSACTION	2 parcels in Gaziosmanpaşa
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	12/14/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	city block no. 3525 parcel no. 5 and city block no. 6784 parcel no.1 in province of Istanbul, district of Gaziosmanpaşa, Küçükköy Neighborhood.
ZONING STATUS	city block no. 3525 parcel city no. 5 has commerce + service area zoning (E: 2.50) and city block no. 6784 parcel no.1 has tourism and cultural area zoning (E: 2.50)
CURRENT USE	Empty
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE	61,800,000 TL

Summary Expertise Statement of Assests

SUMMARY EXPERTISE STATEMENT OF ASSETS
ANNEX-2A / EXPERTISE OF LANDS

REAL ESTATE VALUATION SUMMARY STATEMENT - BAŞAKŞEHİR	
NAME OF THE EVALUATED TRANSACTION	Başakşehir 7 parcels (246.054,47 m2)
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	11/30/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	city block no. 520, parcel no. 1 and 2, city block no. 521 parcel no.10, city block no. 526 parcel no.2, city block no. 528 parcel no. 1 and 3 and city block no. 525 parcel no.1 in province of Istanbul, district of Başakşehir
ZONING STATUS	All parcels: Commerce Area, E: 2,00 ve H: Free
CURRENT USE	Empty
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE	282.975.000,-TL

REAL ESTATE VALUATION SUMMARY STATEMENT - BAŞAKŞEHİR	
NAME OF THE EVALUATED TRANSACTION	2 parcels in Başakşehir Resneli Çiftliği
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	12/6/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Province of Istanbul, District of Başakşehir, around Resneli Çiftliği, parcel no.4 with an area of 9,930.70 m ² registered in city block no. 173 and parcel no.3 with an area of 9656,70 m ² registered in city block no. 172.
ZONING STATUS	Block: 172 parcel:3; Regional park is partly influenced by the energy transmission line en route. Block:173 parcel:4; regional park
CURRENT USE	Empty.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE	2,890,000 TL



REAL ESTATE VALUATION SUMMARY STATEMENT - ÇANKAYA	
NAME OF THE EVALUATED TRANSACTION	3 parcels in Çankaya / ANKARA
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	11/27/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	city block no. 2930 parcel no. 20 with nursery area of 125 m2, city block no.2941 parcel no. 6 with an area of 200 m2, city block no. 2941 parcel no. 11 with an area of 200 m2 in province of Ankara, District of Çankaya, Öncebeci Neighborhood
ZONING STATUS	City block no.2941 parcel no.6 and11 have green area zoning, city block no. 2930 parcel no.10 is commerce area and have 8 floors zoning. city block no. 2930 parcel no.20 and parcel no.3 formed parcel no.21 and have not been registered into the book of real estate registers
CURRENT USE	Empty
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE	495,000 TL

REAL ESTATE VALUATION SUMMARY STATEMENT - KONAK	
NAME OF THE EVALUATED TRANSACTION	1 parcel in Konak / IZMIR
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	11/19/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Providence of Izmir, district of Konak, Umurbey neighborhood, map section: 285, city block no. 3169, parcel no.236 with an area of 6810 m2
ZONING STATUS	Tourism + Commerce + Culture area (TAKS: 0.45 and E: 3.50), and partly the road and green space zoning.
CURRENT USE	Used as a trailer park.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE	8,685,000 TL

Summary Expertise Statement of Assests

SUMMARY EXPERTISE STATEMENT OF ASSETS
ANNEX-2A / EXPERTISE OF LANDS

REAL ESTATE VALUATION SUMMARY STATEMENT - BAKIRKÖY	
NAME OF THE EVALUATED TRANSACTION	2 parcels in Bakırköy
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	2/6/2013
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Province of Istanbul, Şişli district, Osmanabad Neighborhood, city block no. 192 parcel no. 5 and 6
ZONING STATUS	Regional Park
CURRENT USE	Empty
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE	6,330,000 TL

REAL ESTATE VALUATION SUMMARY STATEMENT - BAŞAKŞEHİR	
NAME OF THE EVALUATED TRANSACTION	Istanbul Başakşehir Ayazma 2. Stage, Revenue Sharing Transaction in Exchange for Plot Sale
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/14/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	ISTANBUL, BAŞAKŞEHİR DISTRICT, KAYABAŞI NEIGHBOURHOOD, BLOCK: 540, PARCEL: 4, AREA:127.452 M ² , ASSET: LAND OWNER: EMLAK KONUT GAYRIMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ
ZONING STATUS	BLOCK 540 PARCEL 4 TAKS:0.10, KAKS:0.15 H:2 FLOOR "RECREATION AREA" SUBJECT TO SETTLEMENT CONDITIONS.
CURRENT USE	NO BUILDING AVAILABLE ON PARCEL
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE	23,350,480.92 TL



REAL ESTATE VALUATION SUMMARY STATEMENT - MIMARSINAN	
NAME OF THE EVALUATED TRANSACTION	198 independent units in Mimarsinan Kentplus Sitesi
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	11/12/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Istanbul , Büyükçekmece District, Mimarsinan Village, 3568 parcels, 1 parcel in city block no. 515 ve 1 parcel in city block no. 516, 198 independent units
ZONING STATUS	Residential+Commerce Area E= 2,00 Hmax: 30,50 m
CURRENT USE	sales contracts of 198 independent units have been made but transfer of land not yet occurred.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
TOTAL VALUE OF 198 INDEPENDENT UNITS	50,202,000 TL

REAL ESTATE VALUATION SUMMARY STATEMENT - KÖRFEZKENT EVLERİ	
NAME OF THE EVALUATED TRANSACTION	464 independent units in Körfezkent Evleri 1. Stage
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	12/24/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Kocaeli , Körfez District, Yarımca Neighborhood, 464 independent units registered in city block no.1916 ada, parcel no.1
ZONING STATUS	Legend: Residential Area (E): 1,50 ve Building Height (hmax): 30,50 m
CURRENT USE	sales contracts of 462 independent units have been made but transfer of land not yet occurred. 2 independent units have not been sold yet.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
TOTAL VALUE OF 464 INDEPENDENT UNITS	52,676,000 TL



SUMMARY EXPERTISE STATEMENT OF ASSETS
ANNEX-2B / EXPERTISE OF BUILDINGS

REAL ESTATE VALUATION SUMMARY STATEMENT - MISSTANBUL	
NAME OF THE EVALUATED TRANSACTION	Misstanbul Projesi 282 adet bağımsız bölüm
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	12/5/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Istanbul , Başakşehir District, İkitelli Neighborhood, around Karahmetli, map section:F21C17A1A, 37 independent units registered on city block no.1296 parcel no. 2, map section:F21C17A1A, 100 independent units registered on city block no.1297 parcel no. 6, map section:F21C17A1A, 145 independent units registered on city block no.1300 parcel no. 2
ZONING STATUS	Residential Area E= 1,40
CURRENT USE	3 of 282 independent units have not been sold yet, sale contracts of 279 unit have made but transfer of units have not occurred yet.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
TOTAL VALUE OF 282 INDEPENDENT UNITS	118,507,000 TL



REAL ESTATE VALUATION SUMMARY STATEMENT - ATAŞEHİR	
NAME OF THE EVALUATED TRANSACTION	Atarük Neighborhood, Turgut Özal Road, Emlak Konut GYO A.Ş. Merkez Binası Gardenya Plaza, No: 11/B Ataşehir / ISTANBUL
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	11/20/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	independent unit no. 6 on 1st floor and independent unit no. 3 on ground floor of F Block located within the main property consisting of blocks of D + E + F registered on Istanbul city, Bakırköy District, Kartaltepe Neighborhood block no. 257 parcel no.38
ZONING STATUS	Commerce + Residential area, E: 3,80 ve Hmax: 45,50 m
CURRENT USE	The reported nonmovables are used by Emlak Konut GYO A.Ş.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
TOTAL VALUE OF INDEPENDENT UNITS	13,185,000 TL

REAL ESTATE VALUATION SUMMARY STATEMENT - ATAKENT	
NAME OF THE EVALUATED TRANSACTION	Can Atakent Tesisleri
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	11/13/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Izmir , Karşıyaka District, Şemikler Village, 16 independent units registered on city block no. 9846 parcel no.1 and block no. 9850 parcel no.3
ZONING STATUS	City block no. 9846 parcel no.1: Legend: Social Facility + Sport Area, Constructing Rights: E: 1,00 City block no. 9850 parcel no.3: Legend: Social Facility + Shop + Swimming Pool Area
CURRENT USE	Used as social facility
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
TOTAL VALUE	3,000,000 TL

SUMMARY EXPERTISE STATEMENT OF ASSETS
ANNEX-2B / EXPERTISE OF BUILDINGS

REAL ESTATE VALUATION SUMMARY STATEMENT - BURGAZKENT	
NAME OF THE EVALUATED TRANSACTION	Burgazkent Sitesi 764 adet bağımsız bölüm
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	11/9/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Kırklareli , Lüleburgaz District, Kurtuluş Neighborhood, around Eski Müsellim Yolu, total of 764 independent units registered on 1266/1, 1269/1 1270/1 and 1273/1 numbered parcels
ZONING STATUS	Reported Real Estates; In the Implementation Developman Plan for the parcels, which belong to Kırklareli, Lüleburgaz District Public Housing Area, Confirmation Date 05.07.2005, No:23/105, 1266 Bloc 1 parcel, 1269 block 1 parcel and 1273 vlock 1 parcel, Hmax = Free, E€ = 1,20 have been planned as the housing zone under these construction conditions. 1270 block, 1 parcel, on the otherhand, have been planned as housing zones under Hmax= 6.50 m, E€=60 construction condiyions.
CURRENT USE	108 of 764 independent sections, which constitute the subject of the report, have not been sold yet and; sales agreement of 656 sections have been mae but deed transfer process is not commenced.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
TOTAL VALUE OF 88 INDEPENDENT UNITS	91,669,500 TL



REAL ESTATE VALUATION SUMMARY STATEMENT - SELİMPAŞA	
NAME OF THE EVALUATED TRANSACTION	805 independent units in Selimpaşa Konutları
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	11/19/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Istanbul , Silivri District, Selimpaşa Neighborhood, 27x7-storey, 28 x 4-storey, 2 x 2-storey reinforced concrete buildings on city block no. 675, parcel no.1 and 805 independents units on its land.
ZONING STATUS	Residential Area E=1,00 ve Hmax: 18,50
CURRENT USE	The reported 269 independent units have not been sold yet, sales contracts of 536 units have been made but transfer of lands has not yet occurred.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
TOTAL VALUE OF 805 INDEPENDENT UNITS	103,308,500 TL

REAL ESTATE VALUATION SUMMARY STATEMENT - MAVİŞEHİR	
NAME OF THE EVALUATED TRANSACTION	274 independent units in Mavişehir Pelikan Evleri
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	11/13/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Izmir , Karşıyaka District, Şemikler Neighborhood, Map section:25KIIIIBC, 56 independent units registered in city block no. 26025, parcel no. 1 and map section: 26LIVAD, 218 independent units registered in city block no.26026 parcel no. 1
ZONING STATUS	Residential Area E = 1,40 Hmax: free
CURRENT USE	The reported 56 independent units have not been sold yet, sales contracts of 218 units have been made but transfer of lands has not yet occurred.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
TOTAL VALUE OF 274 INDEPENDENT UNITS	91,980,000 TL

SUMMARY EXPERTISE STATEMENT OF ASSETS
ANNEX-2B / EXPERTISE OF BUILDINGS

REAL ESTATE VALUATION SUMMARY STATEMENT - SOYAK MAVİŞEHİR	
NAME OF THE EVALUATED TRANSACTION	3 independent units in Soyak Mavişehir Project
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	11/8/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Izmir , Karşıyaka District, Şemikler Village, B3, B4, D5, D6, D7, D8, Blocks registered on city block no. 26029 parcel no.1, and independent areas no.43 on C6 Block, no. 73 and no. 93 on D9 block.
ZONING STATUS	Residential Area (E): 1,20 ve Hmax: Free
CURRENT USE	Empty.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
TOTAL VALUE OF INDEPENDENT UNITS	910,000 TL

REAL ESTATE VALUATION SUMMARY STATEMENT - DIDİM	
NAME OF THE EVALUATED TRANSACTION	A villa in Didim / AYDIN
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	12/12/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Aydın , Didim District, Didim Neighborhood, around Kocaharın, duplex residential on "Sixty-Eight Piece Masonry Garden Duplex House" registered in city block no.13710
ZONING STATUS	Zoning plans have been canceled by Aydın 1. Administration Court dated 19.04.2007 Case No: 2003/1041 - Decision No. 2007/542
CURRENT USE	Duplex Residence
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
TOTAL VALUE	230,000 TL



REAL ESTATE VALUATION SUMMARY STATEMENT - ATAKÖY	
NAME OF THE EVALUATED TRANSACTION	Independent unit no. 3 and 6 in Novus Rezidans, Ataköy 5. Kısım, Beyaz Lale Sokak, No: 54, F Blok
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	11/20/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Istanbul , Bakırköy District, Kartaltepe Neighborhood, independent unit no. 6 on 1st floor and independent unit no. 3 on ground floor of F Block located within the main property consisting of blocks of D + E + F registered on city block no. 257 parcel no.38
ZONING STATUS	Residential Area, E: 2,50
CURRENT USE	The reported real estates are used as guesthome by Emlak Konut GYO A.Ş.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
TOTAL VALUE OF INDEPENDENT UNITS	1,705,000 TL

REAL ESTATE VALUATION SUMMARY STATEMENT - ÇORLU	
NAME OF THE EVALUATED TRANSACTION	526 Independent Units in Ergene Vadisi Project
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	11/15/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Tekirdağ , Çorlu District, Kazımiye Neighborhood, around Değirmenköy Yolu, 526 Independent Units registered on city block no. 2563, parcel no.1
ZONING STATUS	Residential Area E = 2,00 Hmax: 36,50 m
CURRENT USE	Sale contracts of reported 526 independent units have been made but transfer of the land has not occurred yet.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
TOTAL VALUE OF 526 INDEPENDENT UNITS	91,980,000 TL

SUMMARY EXPERTISE STATEMENT OF ASSETS
ANNEX-2B / EXPERTISE OF BUILDINGS

REAL ESTATE VALUATION SUMMARY STATEMENT - SPRADON QUARTZ	
NAME OF THE EVALUATED TRANSACTION	561 Apartments in Spradon Quartz Project
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	12/26/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Istanbul , Başakşehir District, Hoşdere Village, 561 independent units registered on city block no. 217 parcel no.1, city block no. 561 parcel no.1, city block no. 563 parcel no.1, city block no. 564 parcel no.
ZONING STATUS	Legend: Residential Area (E): 1,50 and Building Height (hmax): Free
CURRENT USE	Sale of 30 independent units has not occurred yet, sale contracts of 531 independent units have been made but land acquisitions have not occurred yet.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
TOTAL VALUE OF 561 INDEPENDENT UNITS	114,742,300 TL

REAL ESTATE VALUATION SUMMARY STATEMENT - KEÇİÖREN	
NAME OF THE EVALUATED TRANSACTION	Keçiören / ANKARA'da bağ evi
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	11/26/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Ankara , Keçiren District, Pınarbaşı Neighborhood, Vineyard House on the 957 m2 land, which registered on the block 4071 and parcel no 34.
ZONING STATUS	Cultural Asset to be Protected
CURRENT USE	It is used as a vineyard house.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
TOTAL VALUE	650,000 TL



REAL ESTATE VALUATION SUMMARY STATEMENT - DREAMCITY PROJESİ	
NAME OF THE EVALUATED TRANSACTION	88 independent units in Dreamcity Project
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	11/12/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Tekirdağ , Çerkezköy District, Kapaklı Village, 88 independent units registered on city block no.291 parcel no.1 and city block no.292 parcel no.1
ZONING STATUS	Residential Area E = 1,15 Hmax: 30,50 m
CURRENT USE	Sale of one of 88 independent units has not been occurred yet, sale contracts of 87 units have been made but transfer of land have not been occurred yet.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
TOTAL VALUE OF 88 INDEPENDENT UNITS	15,023,000 TL

REAL ESTATE VALUATION REPORT SUMMARY - BAŞAKŞEHİR	
THE NAME OF THE TASK, WHICH CONSTITUTES THE SUBJECT OF EVALUATION	Determining the monthly rental value of 14 Independent sections within Kayaşehir Central Shopping Centre in Başakşehir
INSTITUTION, WHICH DEMANDS EVALUATION	Emlak Konut GYO A.Ş.
INSTITUTION, WHICH PREPARES THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	1/23/2013
SUMMARY INFORMATION ABOUT THE REAL ESTATES AS SUBJECT OF THE VALUATION	
DEED INFOARMATION	See 2.1(Land Registers) and Annex-1
ZONING STATUS	This parcel is in the Commerce Zone within the scope of Kayabaşı Mass Housing Zone East Region Revision Implementation Development Plan Notes Annex and R:U:IP Plan Modification with 1/1000 and approval date 25.02.2010, and it is available for construction development in accordanc with Plan Note and Provisions of the Regulation with E:1.50, Hmax:free.
CURRENT USE	Independent Sections are available for use as work areas and decoration Works in immovales are currently in progress. Exteriors and environmental planning are complete in the whole project
VALUES DETERMINED IN THE EVALUATION REPORT (VAT EXCLUDED)	
TOTAL RENTAL VALUE DETERMINED FOR14 INDEPENDENT SECTIONS	11,000.00 TL

SUMMARY EXPERTISE STATEMENT OF ASSESTS
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REAL ESTATE VALUATION SUMMARY STATEMENT - SULTANBEYLI	
NAME OF THE EVALUATED TRANSACTION	Sultanbeyli house projects
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
REPORT DATE	12/13/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Istanbul , Sultanbeyli District, Mimarsinan Neighborhood, city block no. 192 parcel no.5 and city block no. 205 parcel no 1 and Battalgazi Neighborhood, city block no. 369 parcel no.1 and city block no. 370 parcel no.1
ZONING STATUS	Residential Area, E: 1,01
CURRENT USE	Construction of the project has not begun yet.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
TOTAL VALUE OF LAND	17,365,000 TL
VALUE OF PROJECT IN CURRENT SITUATION	18,375,000 TL
PRESENT VALUE IN THE CASE OF COMPLETION OF PROJECT	69,230,000 TL
VALUE SHARE OF EMLAK KONUT GYO A.Ş IN THE CASE OF COMPLETION OF PROJECT	69,230,000 TL



REAL ESTATE VALUATION SUMMARY STATEMENT - KÜÇÜKÇEKMECE	
NAME OF THE EVALUATED TRANSACTION	Istanbul Küçükçekmece Halkalı 4. Stage Revenue Sharing Transaction in Exchange for Plot Sale
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	10/4/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Istanbul , Küçükçekmece District, Halkalı Neighborhood, City Block: 851, Parcel: 4, Area:178.002,04 M ² , Asset: Arsa, Owner: Emlak Konut Gayrimenkul Yatırım Ortaklığı Anonim Şirketi City Block: 851, Parcel: 5, Area:15.691,72 M ² , Asset: Land, Owner: Emlak Konut Gayrimenkul Yatırım Ortaklığı Anonim Şirketi
ZONING STATUS	City Block No. 851 Parcel No. 4 is located in 1/1000 scaled, Certification dated 18.05.2012-20.01.2008-28.05.2010, Halkalı Amendment of the Housing Implementation Plan Revision belongs to city block no. 851 Parcel no.1, detached, E=1,65 H = Free, in Residential Area. City Block No. 851 Parcel No. 5 is located in 1/1000 scaled, Certification dated 18.05.2012-20.01.2008-28.05.2010, Halkalı Amendment of the Housing Implementation Plan Revision belongs to city block no. 851 Parcel no.1, detached, E=2,00 H = Free, in Residential Area.
CURRENT USE	Occupancy permit was granted for blocks on the city block no. 851, parcel no. 4 Hospital construction on the city block no. 851, parcel no. 4 is still ongoing.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE OF THE PROJECT	254,940,232.00 TL
VALUE OF PROJECT IN CURRENT SITUATION	800,571,831.60 TL
PRESENT VALUE IN THE CASE OF COMPLETION OF PROJECT	880,681,255.88 TL
VALUE SHARE OF EMLAK KONUT GYO A.Ş IN THE CASE OF COMPLETION OF PROJECT	264,205,058.02 TL
CURRENT TURNKEY PRICES OF 9 INDEPENDENT UNITS IN CASE OF COMPLETION	9,699,187.20 TL

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REAL ESTATE VALUATION SUMMARY STATEMENT - KÜÇÜKÇEKMECE	
NAME OF THE EVALUATED TRANSACTION	Istanbul Küçükçekmece Halkalı 4. Stage Revenue Sharing Transaction in Exchange for Plot Sale
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	10/4/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Istanbul , Küçükçekmece District, Halkalı Neighborhood, City Block: 851, Parcel: 4, Area:178.002,04 M ² , Asset: Arsa, Owner: Emlak Konut Gayrimenkul Yatırım Ortaklığı Anonim Şirketi City Block: 851, Parcel: 5, Area:15.691,72 M ² , Asset: Land, Owner: Emlak Konut Gayrimenkul Yatırım Ortaklığı Anonim Şirketi
ZONING STATUS	City Block No. 851 Parcel No. 4 is located in 1/1000 scaled, Certification dated 18.05.2012-20.01.2008-28.05.2010, Halkalı Amendment of the Housing Implementation Plan Revision belongs to city block no. 851 Parcel no.1, detached, E=1,65 H = Free, in Residential Area. City Block No. 851 Parcel No. 5 is located in 1/1000 scaled, Certification dated 18.05.2012-20.01.2008-28.05.2010, Halkalı Amendment of the Housing Implementation Plan Revision belongs to city block no. 851 Parcel no.1, detached, E=2,00 H = Free, in Residential Area.
CURRENT USE	Occupancy permit was granted for blocks on the city block no. 851, parcel no. 4 Hospital construction on the city block no. 851, parcel no. 4 is still ongoing.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE OF THE PROJECT	254,940,232.00 TL
VALUE OF PROJECT IN CURRENT SITUATION	800,571,831.60 TL
PRESENT VALUE IN THE CASE OF COMPLETION OF PROJECT	880,681,255.88 TL
VALUE SHARE OF EMLAK KONUT GYO A.Ş IN THE CASE OF COMPLETION OF PROJECT	264,205,058.02 TL
CURRENT TURNKEY PRICES OF 9 INDEPENDENT UNITS IN CASE OF COMPLETION	89,356,200.00 TL



REAL ESTATE VALUATION SUMMARY STATEMENT - ALEMDAĞ	
NAME OF THE EVALUATED TRANSACTION	Istanbul Alemdağ Emlak Konutları Constructions and Intra-Block Infrastructure and Environmental Regulations
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/27/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	See. Annex-1 and Annex-4
ZONING STATUS	City Block No. 526 parcel no.1 E = 2:00 Hmax = Free, Development Residential Area, City Block No. 526 parcel no.2 E= 0.28, Hmax=6.50 Residential Area in Basin, City Block No. 526 parcel no.3 E= 0.28, Hmax=6.50 Residential Area in Basin, City Block No. 526 parcel no.4 Kask=0.36 Religious Facility Area, Block City. 527 parcel no. 1 E = 1:00 Hmax = 15:50, Part E = 0.36, have requirement of the zoned elementary Facility Area Settlements
CURRENT USE	The construction was completed as of the date of the Project Appraisal. A New Auction dated 27.11.2012 was arranged for completion of the project.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE OF THE PROJECT (FOR 1194 INDEPENDENT UNITS)	57,934,142.62 TL
VALUE OF PROJECT IN CURRENT SITUATION (FOR 1194 INDEPENDENT UNITS)	162,353,729.96 TL
PRESENT VALUE IN THE CASE OF COMPLETION OF PROJECT	201,421,797.79 TL
VALUE SHARE OF EMLAK KONUT GYO A.Ş IN THE CASE OF COMPLETION OF PROJECT	264,205,058.02 TL
CURRENT TURNKEY PRICES OF 1194 INDEPENDENT UNITS IN CASE OF COMPLETION	188,166,174.00 TL

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REAL ESTATE VALUATION SUMMARY STATEMENT - TUZLA	
NAME OF THE EVALUATED TRANSACTION	Istanbul Tuzla Emlak Konutları 1.Etap 1.Kısım Project
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/31/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Istanbul , Tuzla District, Aydınlı Village , Parcel: 4331, Area:2.666,27 M ² , Asset: Land, Owner: Emlak Konut Gayrimenkul Yatırım Ortaklığı Anonim Şirketi Istanbul , Tuzla District, Aydınlı Village , City Block No:8891, Parcel: 1, Area:46.098,19 M ² , Asset: Land, Owner: Emlak Konut Gayrimenkul Yatırım Ortaklığı Anonim Şirketi
ZONING STATUS	City Block No. 4331 and City Block No. 8891, in Certification dated 10.05.2010, 1/100 Scaled, Aydınlı Slum Prevention Reconstruction Implementation Plan, Hmax = Free, E = 1.75, located in residential area.
CURRENT USE	Construction is currently ongoing on the parcel.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE OF THE PROJECT	21,882,965.60 TL
VALUE OF PROJECT IN CURRENT SITUATION	64,007,699.31 TL
PRESENT VALUE IN THE CASE OF COMPLETION OF PROJECT	73,254,592.07 TL
CURRENT TURNKEY PRICES OF 674 INDEPENDENT UNITS IN CASE OF COMPLETION	69,902,760.48 TL



REAL ESTATE VALUATION SUMMARY STATEMENT - ÜSKÜDAR	
NAME OF THE EVALUATED TRANSACTION	Istanbul Üsküdar Burhaniye Revenue Sharing Transaction in Exchange for Plot Sale
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/26/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Istanbul , Üsküdar District, Burhaniye Neighborhood, City Block No: 1326, Parcel: 60, Area:49.598,69 M ² , Asset: Land, Owner: Emlak Konut Gayrimenkul Yatırım Ortaklığı Anonim Şirketi
ZONING STATUS	Dated 08/01/2012, Burhaniye Neighborhood, city block no.1326, map section:218, in Reconstruction Plan for Protect belongs to parcel no.56, 60, 61, Partially Hmax = 9.50 M. (3rd Floor) Height, TAKS: 0.13, Residential Area, Partially Hmax = 9.50 M. (3rd Floor) Height, TAKS: 0.15, located in Director Central Area, Partially Religious Facility Area, Partially Road Area, can not be implemented without 1/1000 scale. Implementation shall be made according to the preliminary project to be confirmed by Istanbul Natural Heritage Conservation District Commission and Municipality of District. 11.07.2005 dated and 1/5000 scaled Small and Large Çamlıca Master Plan for the Protection of Natural and Urban Conservation Areas and Provisions of Istanbul Zoning Regulations shall be enforced for undisclosed issues. According to information received from the municipality, city block no. 1326 parcel no.60, 1/5000 Scaled Plan, TAKS: 0.13 is partially located in Road Area.
CURRENT USE	Construction is currently ongoing on the parcel.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE OF THE PROJECT	151,276,004.50 TL
VALUE OF PROJECT IN CURRENT SITUATION	331,366,037.70 TL
PRESENT VALUE IN THE CASE OF COMPLETION OF PROJECT	451,426,059.84 TL
VALUE SHARE OF EMLAK KONUT GYO A.Ş IN THE CASE OF COMPLETION OF PROJECT	225,713,029.92 TL
CURRENT TURNKEY PRICES OF 208 INDEPENDENT UNITS IN CASE OF COMPLETION	420,366,706.74 TL

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REAL ESTATE VALUATION SUMMARY STATEMENT - TUZLA	
NAME OF THE EVALUATED TRANSACTION	Istanbul Tuzla Emlak Konutları 1.Etap 2.Kısım Project
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/31/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	See. Annex-1 and Annex-5
ZONING STATUS	City Block No. 8890 parcel no.1, Certification dated 10.05.2010, 1/100 Scale, around Aydınli, in Slum Prevention Reconstruction Implementation Plan, Hmax=Free , E=1.75
CURRENT USE	Construction is currently ongoing on the parcel.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE OF THE PROJECT	53,230,881.20 TL
VALUE OF PROJECT IN CURRENT SITUATION	168,618,345.29 TL
PRESENT VALUE IN THE CASE OF COMPLETION OF PROJECT	182,879,717.25 TL
CURRENT TURNKEY PRICES OF 1683 INDEPENDENT UNITS IN CASE OF COMPLETION	175,714,194.30 TL



REAL ESTATE VALUATION SUMMARY STATEMENT - AVCILAR	
NAME OF THE EVALUATED TRANSACTION	Revenue Sharing Transaction in Exchange for Plot Sale
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/14/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	ISTANBUL CITY, AVCILAR DISTRICT, TAHTAKALE NEIGHBOURHOOD, BLOCK: 520, PLOT: 2, AREA: 32992.19 m ² , ASSET: LAND, OWNER: EMLAK KONUT GAYRIMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ BLOCK: 521, PARCEL: 1, AREA:55.021,44 m ² , ASSET: LAND, OWNER: EMLAK KONUT GAYRIMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ BLOCK: 522, PARCEL: 3, AREA:28.469,72 m ² , ATTRIBUTE: LAND, OWNER: EMLAK KONUT GAYRIMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ
ZONING STATUS	According to written zoning status received by Municipality of Avcılar on 17/10/2012; Parcel no.1 on city block no.521 and Parcel no.2 on city block no.520 remain on 1/1000 scaled Tahtakale Public Housing. According to written zoning status received by Municipality of Avcılar on 17/10/2012; Parcel no.3 on city block no.522 remains on 1/1000 scaled Tahtakale Public Housing Implementation Plan, approved on 07.12.2007, with settlements condition of detached, E = 2.00, H = Free. However, in article of Prime Ministry Housing Development Administration with 02.10.2012 Date and No. 8552, Entered into force after publication in the Official Gazette with 08.09.2012 Date and No. 28405, by Cabinet Degree with 13/08/2012 date and No. 2012/3573, New Residential Area covering Ispartakule Housing Estate Area is noted as Reserve Building Area, with this reputation; Modification Plan Works have started in order for arranging as reserve construction area by removing issues related to Ispartakule Housing Estate Are, New Licensing Arrangement can not be done for parcels written above and the area in question in order to prevent the victimization of the third quiches as New Construction Permit is requested.
CURRENT USE	Construction is currently ongoing on the parcel. Construction permit for city block no.522 parcel no.3 was not granted, there is any ongoing on the parcel.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE OF THE PROJECT	120,753,808.00 Tl
VALUE OF PROJECT IN CURRENT SITUATION	217,700,727.47 Tl
PRESENT VALUE IN THE CASE OF COMPLETION OF PROJECT	351,869,647.52 Tl
VALUE SHARE OF EMLAK KONUT GYO A.Ş IN THE CASE OF COMPLETION OF PROJECT	225,713,029.92 Tl
CURRENT TURNKEY PRICES OF 118 INDEPENDENT UNITS IN CASE OF COMPLETION	238,047,696.34 Tl

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REAL ESTATE VALUATION SUMMARY STATEMENT - ATAŞEHİR	
NAME OF THE EVALUATED TRANSACTION	Istanbul Ataşehir Batı Bölgesi 1.Kısım 4.Bölge Revenue Sharing Transaction in Exchange for Plot Sale
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/5/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	See. 2.1(Registry of Title) and Annex-1 - 5
ZONING STATUS	City block no.3328 parcel no.5 E=2,00 H=Free Commerce Area, City block no.3333 parcel no.3, City block no.3346 parcel no.1,City block no.3347 parcel no.1 E=2,07 H=Free Residential Area, City block no.3348 parcel no.1 E=0,80 H=Free Residential Area
CURRENT USE	Construction is currently ongoing.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE OF THE PROJECT	184,519,558.00 TL
VALUE OF PROJECT IN CURRENT SITUATION	538,595,702.14 TL
PRESENT VALUE IN THE CASE OF COMPLETION OF PROJECT	1,011,750,690.83 TL
VALUE SHARE OF EMLAK KONUT GYO A.Ş IN THE CASE OF COMPLETION OF PROJECT	446,687,930.00 TL
CURRENT TURNKEY PRICES OF 5 INDEPENDENT UNITS IN CASE OF COMPLETION	13,530,379.15 TL



REAL ESTATE VALUATION SUMMARY STATEMENT - HALKALI	
NAME OF THE EVALUATED TRANSACTION	ISTANBUL KÜÇÜKÇEKMECE HALKALI 1. STAGE Revenue Sharing Transaction in Exchange for Plot Sale
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/14/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	ISTANBUL, KÜÇÜKÇEKMECE DISTRICT, HALKALI NEIGHBOURHOOD, BLOCK: 648, PARCEL:2, AREA:36.625,58 m ² , ASSET: LAND, OWNER: EMLAK KONUT GAYRIMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ
ZONING STATUS	1/1000 SCALE REAL ESTATE IS IN HALKALI HOUSING REVISION IMPLEMENTATION PLAN, APPROVAL DATE 07.11.2010, DETACHED E=1;75 H=FREE HOUSING.
CURRENT USE	Construction is currently ongoing on the parcel.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE OF THE PROJECT	58,600,928.00 TL
VALUE OF PROJECT IN CURRENT SITUATION	156,105,658.56 TL
PRESENT VALUE IN THE CASE OF COMPLETION OF PROJECT	180,481,841.21 TL
VALUE SHARE OF EMLAK KONUT GYO A.Ş. IN THE CASE OF COMPLETION OF PROJECT	63,189,126.26 TL
CURRENT TURNKEY PRICES OF 599 INDEPENDENT UNITS IN CASE OF COMPLETION	178,952,972.45 TL

SUMMARY EXPERTISE STATEMENT OF ASSETS
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REAL ESTATE VALUATION SUMMARY STATEMENT - BAŞAKŞEHİR	
NAME OF THE EVALUATED TRANSACTION	Istanbul Başakşehir İkitelli Ayazma 1.Etap Revenue Sharing Transaction in Exchange for Plot Sale Park Yaşam Project
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/26/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	See. Annex-4
ZONING STATUS	City block no. 1342 parcel no.1 is planned as "residential area", E = 2.00 H = Free. City block no. 1343 parcel no.1 is planned as "residential area", E = 1.50 H = Free.
CURRENT USE	Construction is currently ongoing on the parcel.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
PROJENİN LAND VALUE (3149 ADET BAĞIMSIZ BÖLÜM İÇİN)	272,484,982.20 TL
VALUE OF PROJECT IN CURRENT SITUATION	858,549,536.96 TL
PRESENT VALUE IN THE CASE OF COMPLETION OF PROJECT	1,023,599,310.93 TL
VALUE SHARE OF EMLAK KONUT GYO A.Ş. IN THE CASE OF COMPLETION OF PROJECT	312,197,789.83 TL
CURRENT TURNKEY PRICES OF 3149 INDEPENDENT UNITS IN CASE OF COMPLETION	956,608,482.70 TL



REAL ESTATE VALUATION SUMMARY STATEMENT - MAVİŞEHİR	
NAME OF THE EVALUATED TRANSACTION	Izmir Mavişehir Kuzey Üst Bölgesi 4. Etap Revenue Sharing Transaction in Exchange for Plot Sale Park Yaşam Projesi
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/31/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	See. 2.1(Registry of Title) and Annex-4
ZONING STATUS	According to written zoning status received from Municipality of Karşıyaka, city block no.9803 parcel no.2, city block no.26032 parcel no.1 are located on commerce area in 06.06.2005 dated, 1/1000 scaled Implementation Plan Sheet. E: 2:00, H: Free. City block no.25259 parcel no.4 are located on residential area in 06.06.2005 dated, 1/1000 scaled Implementation Plan Sheet. E: 2:20, H: Free
CURRENT USE	Construction is currently ongoing on the parcel.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE OF THE PROJECT (328 ADET BAĞIM- SIZ BÖLÜM İÇİN)	48,903,272.00 TL
PROJENİN MEVCUT DURUM DEĞERİ (328 ADET BAĞIMSIZ BÖLÜM İÇİN)	116,820,409.57 TL
PRESENT VALUE IN THE CASE OF COMPLETION OF PROJECT	285,805,604.05 TL
VALUE SHARE OF EMLAK KONUT GYO A.Ş. IN THE CASE OF COMPLETION OF PROJECT	71,695,604.92 TL
CURRENT TURNKEY PRICES OF 328 INDEPENDENT UNITS IN CASE OF COMPLETION	135,357,067.10 TL

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REAL ESTATE VALUATION SUMMARY STATEMENT - SULTANGAZI	
NAME OF THE EVALUATED TRANSACTION	Istanbul Sultangazi Habipler Revenue Sharing Transaction in Exchange for Plot Sale
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/24/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Istanbul , Sultangazi District, Eski Habipler Neighborhood, City Block: 1562, Parcel: 11, Area:165.326,57 M ² , Asset: Land, Malik: Emlak Konut Gayrimenkul Yatırım Ortaklığı Anonim Şirketi
ZONING STATUS	In the 1/100 scaled plan, which belongs to the Mass Housing zone on Blocks and immediate surrounding 1562 Block, 2-3-9, Approval Date 16.05.2010: Partially in the Special Provisional Commercial area and partially in the Green Area and Road Area.
CURRENT USE	Construction is currently ongoing on the parcel.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE OF THE PROJECT	454,648,067.50 TL
VALUE OF PROJECT IN CURRENT SITUATION	597,515,982.64 TL
PRESENT VALUE IN THE CASE OF COMPLETION OF PROJECT	1,434,760,106.72 TL
VALUE SHARE OF EMLAK KONUT GYO A.Ş IN THE CASE OF COMPLETION OF PROJECT	459,134,210.16 TL
CURRENT TURNKEY PRICES OF 2687 INDEPENDENT UNITS IN CASE OF COMPLETION	1,024,038,057.76 TL



REAL ESTATE VALUATION SUMMARY STATEMENT - AVCILAR	
NAME OF THE EVALUATED TRANSACTION	Istanbul Avcılar Ispartakule 1. Bölge 4. Kısım. Revenue Sharing Transaction in Exchange for Plot Sale
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/14/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Istanbul, Avcılar District, Tahtakale Neighborhood, City Block: 527 Parcel: 1, Area:24.506,00 M ² , Asset: Arsa, Owner: Emlak Konut Gayrimenkul Yatırım Ortaklığı
ZONING STATUS	According to written zoning status received by Municipality of Avcılar on 17/10/2012; Parcel no.1 on city block no.521 remains on 1/1000 scaled Tahtakale Public Housing Implementation Plan, approved on 07.12.2007, with settlements condition of detached, E = 2.00, H = Free. However, in article of Prime Ministry Housing Development Administration with 02.10.2012 Date and No. 8552, Entered into force after publication in the Official Gazette with 08.09.2012 Date and No. 28405, by Cabinet Degree with 13/08/2012 date and No. 2012/3573, New Residential Area covering Ispartakule Housing Estate Area is noted as Reserve Building Area, with this reputation; Modification Plan Works have started in order for arranging as reserve construction area by removing issues related to Ispartakule Housing Estate Are, New Licensing Arrangement can not be done for parcels written above and the area in question in order to prevent the victimization of the third quiches as New Construction Permit is requested.
CURRENT USE	Construction is currently ongoing on the parcel.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE OF THE PROJECT (328 ADET BAĞIM- SIZ BÖLÜM İÇİN)	26,956,600.00 TL
VALUE OF PROJECT IN CURRENT SITUATION	41,121,601.13 TL
PRESENT VALUE IN THE CASE OF COMPLETION OF PROJECT	89,186,405.98 TL
VALUE SHARE OF EMLAK KONUT GYO A.Ş. IN THE CASE OF COMPLETION OF PROJECT	29,768,192.66 TL
CURRENT TURNKEY PRICES OF 374 INDEPENDENT UNITS IN CASE OF COMPLETION	83,001,086.93 TL

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REAL ESTATE VALUATION SUMMARY STATEMENT - BAŞAKŞEHİR	
NAME OF THE EVALUATED TRANSACTION	Istanbul Başakşehir Bahçeşehir 2.Bölge Revenue Sharing Transaction in Exchange for Plot Sale
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/21/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	See. Annex-1 and Annex-5
ZONING STATUS	The real estate is located on Commerce+Residential Area within the scope of 1/1000 scaled, 18.06.2003 dated, Additional Implementation Plan of Bahçeşehir Sıvı-Yeşiltepe, subject to settlement conditions of E:0,50 for Commerce+Office + Accommodation Services, E:1,50 for Housing.
CURRENT USE	Construction is currently ongoing on the parcel.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE OF THE PROJECT	56,997,396.00 TL
VALUE OF PROJECT IN CURRENT SITUATION	132,684,641.75 TL
PRESENT VALUE IN THE CASE OF COMPLETION OF PROJECT	193,822,703.73 TL
VALUE SHARE OF EMLAK KONUT GYO A.Ş IN THE CASE OF COMPLETION OF PROJECT	50,393,902.97 TL
CURRENT TURNKEY PRICES OF 1038 INDEPENDENT UNITS IN CASE OF COMPLETION	172,208,668.35 TL



REAL ESTATE VALUATION SUMMARY STATEMENT - AVCILAR	
NAME OF THE EVALUATED TRANSACTION	Istanbul Avcılar Ispartakule 1. Bölge 5. Kısım. Revenue Sharing Transaction in Exchange for Plot Sale
COMPANY DEMANDING EVALUATION	Emlak Konut GYO A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/20/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Istanbul , Avcılar District, Tahtakale Neighborhood, City Block: 525 Parcel: 2, Area: 15.103,39 M ² , Asset: Arsa, Owner: Emlak Konut Gayrimenkul Yatırım Ortaklığı
ZONING STATUS	According to written zoning status received by Municipality of Avcılar on 17/10/2012; Parcel no.2 on city block no.525 remains on 1/1000 scaled Tahtakale Public Housing Implementation Plan, approved on 07.12.2007, with settlements condition of detached, E = 2.00, H = Free. However, in article of Prime Ministry Housing Development Administration with 02.10.2012 Date and No. 8552, Entered into force after publication in the Official Gazette with 08.09.2012 Date and No. 28405, by Cabinet Degree with 13/08/2012 date and No. 2012/3573, New Residential Area covering Ispartakule Housing Estate Area is noted as Reserve Building Area, with this reputation; Modification Plan Works have started in order for arranging as reserve construction area by removing issues related to Ispartakule Housing Estate Are, New Licensing Arrangement can not be done for parcels written above and the area in question in order to prevent the victimization of the third quiches as New Construction Permit is requested.
CURRENT USE	Construction is currently ongoing on the parcel.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE OF THE PROJECT	16,613,729.00 TL
VALUE OF PROJECT IN CURRENT SITUATION	22,834,036.62 TL
PRESENT VALUE IN THE CASE OF COMPLETION OF PROJECT	53,399,748.08 TL
VALUE SHARE OF EMLAK KONUT GYO A.Ş IN THE CASE OF COMPLETION OF PROJECT	18,689,911.83 TL
CURRENT TURNKEY PRICES OF 501 INDEPENDENT UNITS IN CASE OF COMPLETION	53,347,843.51 TL

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REAL ESTATE VALUATION SUMMARY STATEMENT - ŞİŞLİ	
NAME OF THE EVALUATED TRANSACTION	Istanbul , Şişli District Diktaş Revenue Sharing Transaction in Exchange for Plot Sale
COMPANY DEMANDING EVALUATION	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/31/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Istanbul, Şişli District, Diktaş Neighborhood, City Block: 1199, Parcel: 230, Area:22.059,51 M ² , Asset: Outbuilding Liquor Factory, Owner: Emlak Konut Gayrimenkul Yatırım Ortaklığı Anonim Şirketi
ZONING STATUS	city block no.1199 parcel no.230, E: 3.00 H: free, subject to "commerce area" settlement conditions
CURRENT USE	Although there is no building on the parcel, Steel Construction Sales Office was built to be removed later
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE OF THE PROJECT	397,071,180.00 TL
VALUE OF PROJECT IN CURRENT SITUATION	419,470,213.65 TL
PRESENT VALUE IN THE CASE OF COMPLETION OF PROJECT	957,047,021.30 TL
VALUE SHARE OF EMLAK KONUT GYO A.Ş IN THE CASE OF COMPLETION OF PROJECT	478,523,510.65 TL
CURRENT TURNKEY PRICES OF 1038 INDEPENDENT UNITS IN CASE OF COMPLETION	865,748,945.10 TL



REAL ESTATE VALUATION SUMMARY STATEMENT - IZMIR MAVİŞEHİR	
NAME OF THE EVALUATED TRANSACTION	Izmir Mavişehir Kuzey Üst Bölge 2. Stage Konutları Emlak Konut Mavişehir Evleri Project
COMPANY DEMANDING EVALUATION	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/31/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	See. 2.1(Registry of Title) and Annex-4
ZONING STATUS	City block no. 25695 parcel no. 2 and City block no. 25696 parcel no.1 are located in residential are in Mavişehir Public Housing Implementation Plan, approved on 17.09.2012, No. 14618, detached or terraced, E=1.20, H = Free. City block no. 26023 parcel no. 3 is located in residential are in Mavişehir Public Housing Implementation Plan, approved on 17.09.2012, No. 14618, detached or terraced, E=1.50, H = Free
CURRENT USE	Independent units are suitable for residential areas and some of the apartments are already in use, some of the apartments are empty.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE OF THE PROJECT	94,035,483.18 TL
VALUE OF PROJECT IN CURRENT SITUATION	204,829,337.92 TL
PRESENT VALUE IN THE CASE OF COMPLETION OF PROJECT	286,610,355.98 TL
CURRENT TURNKEY PRICES OF 540 INDEPENDENT UNITS IN CASE OF COMPLETION	206,806,101.72 TL

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REAL ESTATE VALUATION SUMMARY STATEMENT - ISTANBUL BAŞAKŞEHİR AYAZMA	
NAME OF THE EVALUATED TRANSACTION	REVENUE SHARING IN EXCHANGE FOR PLOT SALE IN ISTANBUL BAŞAKŞEHİR AYAZMA 2. ETAP
COMPANY DEMANDING EVALUATION	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/14/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	ISTANBUL, BAŞAKŞEHİR DISTRICT, İKİTELLİ NEIGHBOURHOOD BLOCK: 1306, PARCEL: 1, AREA:81.910,14 m ² , ASSET: LAND,
ZONING STATUS	1306 BLOCK 1 PARCEL E: 2, H: SUBJECT TO CONDITIONS OF FREE "TRADE+SERVICE AREA", SETTLEMENT.
CURRENT USE	No available structure on the parcel currently.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE OF THE PROJECT	86,005,647.00 TL
VALUE OF PROJECT IN CURRENT SITUATION	88,305,647.00 TL
PRESENT VALUE IN THE CASE OF COMPLETION OF PROJECT	363,964,114.50 TL
VALUE SHARE OF EMLAK KONUT GYO A.Ş. IN THE CASE OF COMPLETION OF PROJECT	94,630,669.77 TL
OVERALL VALUE OF CURRENT TURNKEY VALUE AFTER COMPLETION OF 1543 INDEPENDENT UNITS	341,021,801.99 TL

REAL ESTATE VALUATION SUMMARY STATEMENT - ISTANBUL KÜÇÜKÇEKMECE HALKALI	
NAME OF THE EVALUATED TRANSACTION	Istanbul Küçükçekmece Halkalı 2. Stage Revenue Sharing Transaction in Exchange for Plot Sale
COMPANY DEMANDING EVALUATION	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/14/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Istanbul , Küçükçekmece District, Halkalı Neighborhood, City Block: 800, Parcel: 11, Area:30.294,51M ² , Asset: Land, Owner: Emlak Konut Gayrimenkul Yatırım Ortaklığı Anonim Şirketi
ZONING STATUS	The real estate is in commerce area, 1/1000 scaled, 07.11.2010-07.03.2011-14.08.2012 certification dated, Revised Implementation Plan of Halkalı Mass Houses, E = 1; 75 H = Free
CURRENT USE	No available structure on the parcel currently.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE OF THE PROJECT	47,865,325.80 Tl
VALUE OF PROJECT IN CURRENT SITUATION	50,865,325.80 Tl
PRESENT VALUE IN THE CASE OF COMPLETION OF PROJECT	270,724,493.58 Tl
VALUE SHARE OF EMLAK KONUT GYO A.Ş IN THE CASE OF COMPLETION OF PROJECT	82,571,195.04 Tl
OVERALL VALUE OF CURRENT TURNKEY VALUE AFTER COMPLETION OF 736 INDEPENDENT UNITS	206,682,905.02 Tl

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REAL ESTATE VALUATION SUMMARY STATEMENT - ISTANBUL ŞİŞLİ AYAZAĞA	
NAME OF THE EVALUATED TRANSACTION	Istanbul Şişli Ayazağa 1. Stage Revenue Sharing Transaction in Exchange for Plot Sale
COMPANY DEMANDING EVALUATION	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/24/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Istanbul , Şişli District, Ayazağa Neighborhood, City Block:10622, Parcel: 1, Area:201.623,32 M ² , Asset: Land, Owner: Emlak Konut Gayrimenkul Yatırım Ortaklığı Anonim Şirketi
ZONING STATUS	City Block. 10622 Parcel no.1, E: 2,20 H:free Subject to “residential area” settlement conditions
CURRENT USE	No available structure on the parcel currently.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE OF THE PROJECT	927,467,272.00 TL
VALUE OF PROJECT IN CURRENT SITUATION	957,467,272.00 TL
PRESENT VALUE IN THE CASE OF COMPLETION OF PROJECT	3,434,401,862.22 TL
VALUE SHARE OF EMLAK KONUT GYO A.Ş IN THE CASE OF COMPLETION OF PROJECT	1,219,231,101.28 TL
OVERALL VALUE OF CURRENT TURNKEY VALUE AFTER COMPLETION OF 5166 INDEPENDENT UNITS	3,297,907,385.60 TL



REAL ESTATE VALUATION SUMMARY STATEMENT - ISTANBUL DOĞU ATAŞEHİR	
NAME OF THE EVALUATED TRANSACTION	Istanbul Doğu Ataşehir Bölgesi 2.Stage Revenue Sharing Transaction in Exchange for Plot Sale
COMPANY DEMANDING EVALUATION	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/19/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Istanbul , Ataşehir District, Küçükbakkalköy Mahallesi, Map Section: 243-249, City Block: 3386, Parcel: 1, Area: 99.108,08 M ² , Asset: Land, Owner: Emlak Konut Gayrimenkul Yatırım Ortaklığı Anonim Şirketi
ZONING STATUS	Ataşehir Mass Housing Area Financial Centre Eastern Region, 1/1000 scaled, approved on 06.12.2011, in Revision Implementation Plan, Kaks = 1.50, Hmax = Free, within commerce area, application will be made according to the preliminary project
CURRENT USE	Planned constructions on the parcel have started.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE OF THE PROJECT	426,164,744.00 TL
VALUE OF PROJECT IN CURRENT SITUATION	494,800,174.68 TL
VALUE SHARE OF EMLAK KONUT GYO A.Ş. IN THE CASE OF COMPLETION OF PROJECT	1,188,780,640.40 TL
OVERALL VALUE OF CURRENT TURNKEY VALUE AFTER COMPLETION OF 1595 INDEPENDENT UNITS	694,005,504.00 TL

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REAL ESTATE VALUATION SUMMARY STATEMENT - ISTANBUL ÜMRANIYE	
NAME OF THE EVALUATED TRANSACTION	Istanbul Ümraniye 1.Stage Revenue Sharing Transaction in Exchange for Plot Sale
COMPANY DEMANDING EVALUATION	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/6/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Istanbul , Ümraniye District, Küçükbakkalköy Neighborhood, City Block: 3317, Parcel: 5, Area:20.714,48 M ² , Asset: Land, Owner: Emlak Konut Gayrimenkul Yatırım Ortaklığı Anonim Şirketi
ZONING STATUS	Remains in commerce area with T1 legend in 06.19.2012 dated, 1/1000 scaled Implementation Plan. Settlement conditions are defined as Kaks = 2.50, Hmax = Free.
CURRENT USE	Construction is currently ongoing on the parcel.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE OF THE PROJECT	94,043,739.20 TL
VALUE OF PROJECT IN CURRENT SITUATION	161,696,375.22 TL
PRESENT VALUE IN THE CASE OF COMPLETION OF PROJECT	364,654,283.27 TL
VALUE SHARE OF EMLAK KONUT GYO A.Ş IN THE CASE OF COMPLETION OF PROJECT	136,765,421.66 TL
OVERALL VALUE OF CURRENT TURNKEY VALUE AFTER COMPLETION OF 518 INDEPENDENT UNITS	339,054,853.66 TL

REAL ESTATE VALUATION SUMMARY STATEMENT - ISTANBUL KÜÇÜKÇEKMECE HALKALI	
NAME OF THE EVALUATED TRANSACTION	Istanbul Halkalı 3.Stage Revenue Sharing Transaction in Exchange for Plot Sale
COMPANY DEMANDING EVALUATION	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/31/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	See. Annex-4
ZONING STATUS	city block no.844 parcel no.2 is planned as residential area under settlement conditions of E = 1.25 H = Free and city block no.478 parcel no.8 and city block no.478 parcel no.92 are planned as commerce area under settlement conditions of E = 1.50 H = Free
CURRENT USE	Independent units are suitable for use of housing and shop, some parts have been completed, and constructions of some parts are ongoing.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE OF THE PROJECT (FOR 1839 INDEPENDENT SECTIONS)	91,764,166.00 TL
VALUE OF PROJECT IN CURRENT SITUATION	175,133,097.72 TL
PRESENT VALUE IN THE CASE OF COMPLETION OF PROJECT	405,841,044.54 TL
VALUE SHARE OF EMLAK KONUT GYO A.Ş. IN THE CASE OF COMPLETION OF PROJECT	105,924,512.63 TL
OVERALL VALUE OF CURRENT TURNKEY VALUE AFTER COMPLETION OF 1839 INDEPENDENT UNITS	330,834,313.63 TL

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REAL ESTATE VALUATION SUMMARY STATEMENT - ISTANBUL ATAŞEHİR BATI	
NAME OF THE EVALUATED TRANSACTION	Istanbul Ataşehir Batı Bölgesi 1.Kısım 4.Bölge Revenue Sharing Transaction in Exchange for Plot Sale
COMPANY DEMANDING EVALUATION	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/14/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	See. 2.1(Registry of Title) and Annex-4
ZONING STATUS	city block no.3328 parcel no.5 is planned as commerce area under settlement conditions of E = 2.00 H = Free and city block no.3333 parcel no.3 and city block no.3346 parcel no.1 are planned as residential area under settlement conditions of E = 2.07 H = Free and city block no.3348 parcel no.1 is planned as residential area under settlement conditions of E =0,80 H=Free.
CURRENT USE	Construction is ongoing.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE OF THE PROJECT	184,519,558.00 TL
VALUE OF PROJECT IN CURRENT SITUATION	538,595,702.14 TL
PRESENT VALUE IN THE CASE OF COMPLETION OF PROJECT	1,011,750,690.83 TL
VALUE SHARE OF EMLAK KONUT GYO A.Ş IN THE CASE OF COMPLETION OF PROJECT	446,687,930.00 TL
OVERALL VALUE OF CURRENT TURNKEY VALUE AFTER COMPLETION OF 1034 INDEPENDENT UNITS	593,599,888.83 TL

REAL ESTATE VALUATION SUMMARY STATEMENT - ISTANBUL KÜÇÜKÇEKMECE HALKALI	
NAME OF THE EVALUATED TRANSACTION	Istanbul Küçükçekmece Halkalı 4. Stage Revenue Sharing Transaction in Exchange for Plot Sale
COMPANY DEMANDING EVALUATION	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	11/21/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	See. Annex-1 Ve Annex-4
ZONING STATUS	city block no.851 parcel no.4 is located in residential area of 18.05.2012-20.01.2008-28.05.2010 certification dated , 1/1000 scaled Halkalı Housing Renovation Implementation Plan belongs to parcel no.1 on city block no. 851 under settlement condition of detached, E = 1.65 H = Free
CURRENT USE	Large parts of independent units are currently used.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
TOTAL VALUE OF 366 INDEPENDENT UNITS	138,511,118.40 TL

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REAL ESTATE VALUATION SUMMARY STATEMENT -ISTANBUL ATAŞEHİR DOĞU	
NAME OF THE EVALUATED TRANSACTION	Istanbul Ataşehir Doğu Bölgesi 1.Stage Revenue Sharing Transaction in Exchange for Plot Sale
COMPANY DEMANDING EVALUATION	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/26/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	See. Annex-4
ZONING STATUS	Currently parcel of real estates is on 18.01.2001dated, 1/1000 scaled, Güney Ataşehir Residential Housing Implementation Plan, city block no.2445 parcel no.2 is within, Max. Taks: 0.25, Kaks: 2.77, H: free-altitude residential area, city block no.2446 parcel no.2 is within, Max. TAKS: 0.60, Kaks: 1.80, H: free-altitude, commerce area.
CURRENT USE	Independent units in parcel no.2 on city block no.2445 are under construction. Currently, sale offices are located on no.2 on city block no.2446, construction has not started yet.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE OF THE PROJECT	86,605,861.00 TL
VALUE OF PROJECT IN CURRENT SITUATION	191,262,528.61 TL
PRESENT VALUE IN THE CASE OF COMPLETION OF PROJECT	303,337,461.32 TL
VALUE SHARE OF EMLAK KONUT GYO A.Ş IN THE CASE OF COMPLETION OF PROJECT	142,568,606.82 TL
OVERALL VALUE OF CURRENT TURNKEY VALUE AFTER COMPLETION OF 338 INDEPENDENT UNITS	282,248,547.97 TL



REAL ESTATE VALUATION SUMMARY STATEMENT - ISTANBUL ATAŞEHİR BATI	
NAME OF THE EVALUATED TRANSACTION	Istanbul Ataşehir Batı Bölgesi 1.Kısım 4.Bölge Revenue Sharing Transaction in Exchange for Plot Sale
COMPANY DEMANDING EVALUATION	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/5/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	See. 2.1(Registry of Title) Ve Annex-1 - 5
ZONING STATUS	City Block No. 3328 parcel no.5 is planned as "commerce area" under settlements conditions of E = 2.00 H = Free, City Block No. 3333 parcel no.3 and 3346 parcel no.1 and 3347 parcel no.1 is planned as "residential area" under settlements conditions of E = 2.07 H=Free, City Block No. 3348 parcel no.1 is planned as "residential area" under settlements conditions of E = 0.80 H=Free
CURRENT USE	Construction is ongoing.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE OF THE PROJECT	184,519,558.00 TL
VALUE OF PROJECT IN CURRENT SITUATION	538,595,702.14 TL
PRESENT VALUE IN THE CASE OF COMPLETION OF PROJECT	1,011,750,690.83 TL
VALUE SHARE OF EMLAK KONUT GYO A.Ş. IN THE CASE OF COMPLETION OF PROJECT	446,687,930.00 TL
OVERALL VALUE OF CURRENT TURNKEY VALUE AFTER COMPLETION OF 1034 INDEPENDENT UNITS	593,599,888.83 TL

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REAL ESTATE VALUATION SUMMARY STATEMENT - ISTANBUL TUZLA	
NAME OF THE EVALUATED TRANSACTION	Istanbul Tuzla 2.Etap 1.Bölge Revenue Sharing Transaction in Exchange for Plot Sale
DEĞERLEMİYİ TALEP EDEN KURUM	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/7/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	1-Istanbul , Tuzla District, Aydınli Village, City Block No.: 103, Parsel: 1, Alanı: 45.052,69 M ² , Asset: Land 2-Istanbul , Tuzla District, Aydınli Village, Map Section: G22b12d4a, City Block No.: 103, Parsel: 4, Alanı: 14.363,04 M ² , Asset: Land, Owner: Emlak Konut Gayrimenkul Yatırım Ortaklığı Anonim Şirketi 3-Istanbul , Tuzla District, Aydınli Village, Map Section: G22b12d4a, City Block No.: 104, Parsel: 1, Alanı: 58.772,51 M ² , Asset: Land, Owner: Emlak Konut Gayrimenkul Yatırım Ortaklığı Anonim Şirketi 4-Istanbul , Tuzla District, Aydınli Village, City Block No.: 104, Parsel: 2, Alanı: 7.130,52 M ² , Asset: Land, Owner: Emlak Konut Gayrimenkul Yatırım Ortaklığı Anonim Şirketi
ZONING STATUS	Real estate of city block no. 104 parcel no.1 and city block no. 103 parcel no.1 are within 31.05.2010 dated "Residential Area" of Implementation Plan for the Prevention of Slums of Aydıntepe Neighborhood. Construction is subject to E=1.75, Hmax = Free. Real estate of city block no. 104 parcel no.2 is within "commerce area" under the same plan. Construction is subject to E=2.00, Hmax = Free. Real estate of city block no. 103 parcel no.4 is within 31.05.2010 dated "Residential Area" of Implementation Plan for the Prevention of Slums of Aydıntepe Neighborhood. Construction is subject to E=1.75, Hmax = Free.
CURRENT USE	Construction Permits for all parcels have been granted and construction activities has begun
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE OF THE PROJECT)	93,983,970.00 TL
VALUE OF PROJECT IN CURRENT SITUATION	156,756,723.67 TL
PRESENT VALUE IN THE CASE OF COMPLETION OF PROJECT	512,468,994.46 TL
VALUE SHARE OF EMLAK KONUT GYO A.Ş IN THE CASE OF COMPLETION OF PROJECT	163,993,325.13 TL
OVERALL VALUE OF CURRENT TURNKEY VALUE AFTER COMPLETION OF 2649 INDEPENDENT UNITS	474,155,762.56 TL



REAL ESTATE VALUATION SUMMARY STATEMENT - ISTANBUL TUZLA	
NAME OF THE EVALUATED TRANSACTION	Istanbul Tuzla 2.Etap 2.Bölge Revenue Sharing Transaction in Exchange for Plot Sale
COMPANY DEMANDING EVALUATION	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/20/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	Istanbul , Tuzla District, Aydınli Village, Map Section: G22b12d1d, City Block No.: 101, Parcel: 4, Area: 72.044,46 M ² , Asset: Land, Owner: Emlak Konut Gayrimenkul Yatırım Ortaklığı Anonim Şirketi Istanbul , Tuzla District, Aydınli Village, Map Section: G22b12d4a, City Block No.: 102, Parcel: 1, Area: 47.964,65 M ² , Asset: Arsa, Owner: Emlak Konut Gayrimenkul Yatırım Ortaklığı Anonim Şirketi Istanbul , Tuzla District, Aydınli Village, Map Section: G22b11c3b, City Block No.: 105, Parcel: 3, Area: 5.057,68 M ² , Asset: Arsa, Malik: Emlak Konut Gayrimenkul Yatırım Ortaklığı Anonim Şirketi
ZONING STATUS	The real estate is located on "Residential Area" within city block no. 101 parcel no.4 and city block no. 102 and parcel no:1 in Aydıntepe Slum Prevention Implementation Plan with 31.05.2010 certification date. Subject to E= 1.75, Hmax = Free. Under the same plan, city block no.105 parcel no.3 is within "Private Elementary and Secondary Education Facility Area" and subject to E = 2.00, Hmax = Free
CURRENT USE	Large part of planned constructions on parcels has started. Construction permit has not been granted yet for parcel no.3 on city block no.105. Regulated Construction Permits are available for parcel no. 1 and 2 on city block no.105.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE OF THE PROJECT	90,523,835.90 TL
VALUE OF PROJECT IN CURRENT SITUATION	160,561,054.95 TL
PRESENT VALUE IN THE CASE OF COMPLETION OF PROJECT	502,507,477.39 TL
VALUE SHARE OF EMLAK KONUT GYO A.Ş IN THE CASE OF COMPLETION OF PROJECT	164,068,742.11 TL
OVERALL VALUE OF CURRENT TURNKEY VALUE AFTER COMPLETION OF 2649 INDEPENDENT UNITS	426,606,122.08 TL

SUMMARY EXPERTISE STATEMENT OF ASSESTS
 ANNEX-2C / EXPERTISE OF PROJECTS
 ANNEX-2C / EXPERTISE OF PROJECTS

REAL ESTATE VALUATION SUMMARY STATEMENT - ISTANBUL BAŞAKŞEHİR	
NAME OF THE EVALUATED TRANSACTION	Istanbul Başakşehir Kayabaşı 1. Etap Revenue Sharing Transaction in Exchange for Plot Sale
COMPANY DEMANDING EVALUATION	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/14/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	SEE 2.1(Registry of title)
ZONING STATUS	THE REAL ESTATE PARCEL IS IN TRADE BLOC WITHIN THE SCOPE OF 1/1000 SCALE"25/02/2010 APPROVED HOUSING AREA OF THE EASTERN REGION KAYABAŞI PLAN IMPLEMENTATION PLAN REVISION NOTES RULP. PLAN WITH ADDITION OF CHANGE" E: 1.50, H MAX: FREE PLAN GRADE AND REGULATORY CONDITIONS INCLUDING, has the right to construction..
CURRENT USE	INDEPENDENT UNITS ARE ELIGIBLE FOR STORE, HOTEL, OFFICE USE AND CONSTRUCTION IS UNDERWAY.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE OF THE PROJECT	621,215.00 Tl
VALUE OF PROJECT IN CURRENT SITUATION	3,005,689.00 Tl
PRESENT VALUE IN THE CASE OF COMPLETION OF PROJECT	121,921,387.00 Tl
VALUE SHARE OF EMLAK KONUT GYO A.Ş IN THE CASE OF COMPLETION OF PROJECT	39,018,561.88 Tl



REAL ESTATE VALUATION SUMMARY STATEMENT - ISTANBUL BAĞÇEŞEHİR İSPARTAKULE	
NAME OF THE EVALUATED TRANSACTION	Istanbul Bağçeşehir İspartakule 2.Bölge 4.Kı-sım Revenue Sharing Transaction in İspartakule Avrupa Konutları İspartakule-3 Project
COMPANY DEMANDING EVALUATION	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/20/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	See. 2.1(Registry of Title) Ve Annex-4
ZONING STATUS	According to written zoning status received by Municipality of Avcılar on 17/10/2012; Parcel no.2 on city block no.545 remains on 1/1000 scaled Tahtakale Public Housing Implementation Plan, approved on 07.12.2007, with settlements condition of detached, E = 1.50, H = Free. However, in article of Prime Ministry Housing Development Administration with 02.10.2012 Date and No. 8552, Entered into force after publication in the Official Gazette with 08.09.2012 Date and No. 28405, by Cabinet Degree with 13/08/2012 date and No. 2012/3573, New Residential Area covering İspartakule Housing Estate Area is noted as Reserve Building Area, with this reputation; Modification Plan Works have started in order for arranging as reserve construction area by removing issues related to İspartakule Housing Estate Are, New Licensing Arrangement can not be done for parcels written above and the area in question in order to prevent the victimization of the third quiches as New Construction Permit is requested.
CURRENT USE	Construction of Independent unit is ongoing.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE OF THE PROJECT	9,235,579.05 TL
VALUE OF PROJECT IN CURRENT SITUATION	11,753,471.25 TL
PRESENT VALUE IN THE CASE OF COMPLETION OF PROJECT	153,689,099.90 TL
VALUE SHARE OF EMLAK KONUT GYO A.Ş IN THE CASE OF COMPLETION OF PROJECT	53,791,184.97 TL
OVERALL VALUE OF CURRENT TURNKEY VALUE AFTER COMPLETION OF 1 INDEPENDENT UNIT	15,671,295.00 TL

SUMMARY EXPERTISE STATEMENT OF ASSESTS
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 ANNEX-2C / EXPERTISE OF PROJECTS

REAL ESTATE VALUATION SUMMARY STATEMENT - ISTANBUL AVCILAR ISPARTAKULE	
NAME OF THE EVALUATED TRANSACTION	Istanbul Avcılar Ispartakule 2. Bölge 3. Kısım Revenue Sharing Transaction in Exchange for Plot Sale
COMPANY DEMANDING EVALUATION	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/21/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	See. Annex-1 and Annex-5
ZONING STATUS	According to written zoning status received by Municipality of Avcılar on 17/10/2012; Parcel no.1 on city block no.543 remains on 1/1000 scaled Tahtakale Public Housing Implementation Plan, approved on 07.12.2007, with settlements condition of detached, E = 1.50, H = Free. However, in article of Prime Ministry Housing Development Administration with 02.10.2012 Date and No. 8552, Entered into force after publication in the Official Gazette with 08.09.2012 Date and No. 28405, by Cabinet Degree with 13/08/2012 date and No. 2012/3573, New Residential Area covering Ispartakule Housing Estate Area is noted as Reserve Building Area, with this reputation; Modification Plan Works have started in order for arranging as reserve construction area by removing issues related to Ispartakule Housing Estate Are, New Licensing Arrangement can not be done for parcels written above and the area in question in order to prevent the victimization of the third quiches as New Construction Permit is requested.
CURRENT USE	Construction ongoing on the parcel currently.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
LAND VALUE OF THE PROJECT	77,447,337.53 TL
VALUE OF PROJECT IN CURRENT SITUATION	219,895,944.60 TL
PRESENT VALUE IN THE CASE OF COMPLETION OF PROJECT	274,274,874.42 TL
VALUE SHARE OF EMLAK KONUT GYO A.Ş IN THE CASE OF COMPLETION OF PROJECT	91,546,096.21 TL
OVERALL VALUE OF CURRENT TURNKEY VALUE AFTER COMPLETION OF 803 INDEPENDENT UNITS	228,107,560.00 TL

REAL ESTATE VALUATION SUMMARY STATEMENT - ISTANBUL BAHÇEŞEHİR ISPARTAKULE	
NAME OF THE EVALUATED TRANSACTION	Istanbul Bahçeşehir İspartakule 2.Bölge 2. Kısım Revenue Sharing Transaction in Exchange for Plot Sale
COMPANY DEMANDING EVALUATION	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/14/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	See. 2.1(Title Registry) and Annex-3
ZONING STATUS	According to written zoning status received by Municipality of Avcılar on 17/10/2012; Parcel no.3 on city block no.546 remains on 1/1000 scaled Tahtakale Public Housing Implementation Plan, approved on 07.12.2007, with settlements condition of detached, E = 1.50, H = Free. However, in article of Prime Ministry Housing Development Administration with 02.10.2012 Date and No. 8552, Entered into force after publication in the Official Gazette with 08.09.2012 Date and No. 28405, by Cabinet Degree with 13/08/2012 date and No. 2012/3573, New Residential Area covering İspartakule Housing Estate Area is noted as Reserve Building Area, with this reputation; Modification Plan Works have started in order for arranging as reserve construction area by removing issues related to İspartakule Housing Estate Are, New Licensing Arrangement can not be done for parcels written above and the area in question in order to prevent the victimization of the third quiches as New Construction Permit is requested.
CURRENT USE	Independent units are suitable for residential area, currently are empty.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
TOTAL VALUE OF 5 INDEPENDENT UNITS	1,445,000.00 TL

SUMMARY EXPERTISE STATEMENT OF ASSETS
ANNEX-2C / EXPERTISE OF PROJECTS
ANNEX-2C / EXPERTISE OF PROJECTS

REAL ESTATE VALUATION SUMMARY STATEMENT - ISTANBUL BAHÇEŞEHİR ISPARTAKULE	
NAME OF THE EVALUATED TRANSACTION	Istanbul Bahçeşehir İspartakule 2.Bölge 2. Kısmı Revenue Sharing Transaction in Exchange for Plot Sale
COMPANY DEMANDING EVALUATION	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/13/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	See. Annex-1 and Annex -4
ZONING STATUS	According to written zoning status received by Municipality of Avcılar on 17/10/2012; Parcel no.1 on city block no.548 remains on 1/1000 scaled Tahtakale Public Housing Implementation Plan, approved on 07.12.2007, with settlements condition of detached, E = 1.50, H = Free. However, in article of Prime Ministry Housing Development Administration with 02.10.2012 Date and No. 8552, Entered into force after publication in the Official Gazette with 08.09.2012 Date and No. 28405, by Cabinet Degree with 13/08/2012 date and No. 2012/3573, New Residential Area covering İspartakule Housing Estate Area is noted as Reserve Building Area, with this reputation; Modification Plan Works have started in order for arranging as reserve construction area by removing issues related to İspartakule Housing Estate Area, New Licensing Arrangement can not be veri for parcels written above and the area in question in order to prevent the victimization of the third quiches as New Construction Permit is requested.
CURRENT USE	Independent units are suitable for residential area, currently are empty.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
TOTAL VALUE OF 89 INDEPENDENT UNITS	21,115,000.00 TL



REAL ESTATE VALUATION SUMMARY STATEMENT - ISTANBUL ATAŞEHİR DOĞU	
NAME OF THE EVALUATED TRANSACTION	Istanbul Ataşehir Doğu Bölgesi 1.Stage Revenue Sharing Transaction in Exchange for Plot Sale
COMPANY DEMANDING EVALUATION	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/26/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	See. Annex-4
ZONING STATUS	Currently parcel of real estates is currently on parcel no.2425, 1/1000 scaled Implementation Plan of Güney Ataşehir Toplu Konut, map section: Küçükbakkalköy 2-4, remains in city block no.3382 parcel no.1, Taks: 0.25, Kaks: 24.02, H: free
CURRENT USE	Large part of independent units on city block no.3382 parcel no.1 are currently used.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
TOTAL VALUE OF 34 INDEPENDENT UNITS	15,152,586.00 TL

REAL ESTATE VALUATION SUMMARY STATEMENT - KOCAELİ KÖRFEZKENT	
NAME OF THE EVALUATED TRANSACTION	Kocaeli Körfezkent Emlak Konutları 2. Stage Project
COMPANY DEMANDING EVALUATION	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/23/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	See. Annex-4
ZONING STATUS	According to written zoning status received from Körfez Municipality on 15/11/2012: parcel no.2 in city block number 1920 remains in 1/1000 scaled Implementation Plan, E = 1.50, Hmax = 30.50 M
CURRENT USE	Independent units are suitable for residential area, currently some independent units are used, some are empty.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
TOTAL VALUE OF 791 INDEPENDENT UNITS	89,234,547.23 TL

SUMMARY EXPERTISE STATEMENT OF ASSESTS
ANNEX-2C / EXPERTISE OF PROJECTS

REAL ESTATE VALUATION SUMMARY STATEMENT - KIRKLARELI LÜLEBURGAZ	
NAME OF THE EVALUATED TRANSACTION	Kocaeli Körfezkent Emlak Konutları 2. Stage Project
COMPANY DEMANDING EVALUATION	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/20/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	See. 2.1(Title Registry) and Annex-3
ZONING STATUS	Main immovable on city block no.1267 parcel no.1 has been planned as "commerce area" E = 1.50 and H = 9.50 construction conditions in Implementation Plan that belongs to parcel no.49 and 50 of Mass Housing zon in Kırklareli Lüleburgaz approved on 07.05.2005.
CURRENT USE	Independent units are suitable for use as commerce area, some parts are used properly in accordance with this function, some parts are empty.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
TOTAL VALUE OF 791 INDEPENDENT UNITS	3,733,451.64 TL

REAL ESTATE VALUATION SUMMARY STATEMENT - KOCAELI GEBZE	
NAME OF THE EVALUATED TRANSACTION	Kocaeli Gebze 2. Stage Emlak Konutları İnşaatları and Infrastructure and Environment Regulatory Affairs
COMPANY DEMANDING EVALUATION	Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.
COMPANY PREPARING THE REPORT	Reel Gayrimenkul Değerleme A.Ş.
REPORT DATE	12/31/2012
SUMMARY INFORMATION ABOUT REAL ESTATES OF VALUATION SUBJECTS	
TITLE INFORMATION	See. Annex-1 and Annex-4
ZONING STATUS	Planned as residential area on E = 1:00 Settlements Conditions according to Revision Implementation Plan of Kocaeli-Gebze Kirazpınar, prepared by Toki, approved by Resolution No. 205 on 13.01.2009.
CURRENT USE	Independent units are suitable for residential area, currently some independent units are used, some are empty.
APPRAISED VALUES IN VALUATION REPORTS (VAT EXCLUDED)	
TOTAL VALUE OF 535 INDEPENDENT UNITS	66,357,459.61 TL

ITEM NO	PROJECT DESCRIPTION	PROVINCE	DISTRICT	PROGRESS STATUS AS OF 31 ARALIK 2012
1	ATAŞEHİR RESIDENCE	ISTANBUL	ATAŞEHİR	Final Acceptance Admitted..
2	IDEALISTKENT	ISTANBUL	ÜMRANIYE	Final Acceptance Admitted..
3	YILDIZKENT 1	TEKİRDAĞ	KAPAKLI	Final Acceptance Admitted..
4	UPHILL COURT	ISTANBUL	ATAŞEHİR	Final Acceptance Admitted..
5	MY WORLD	ISTANBUL	ATAŞEHİR	Final Acceptance Admitted..
6	KENTPLUS ATAŞEHİR	ISTANBUL	ATAŞEHİR	Final Acceptance Admitted..
7	YILDIZKENT 2	TEKİRDAĞ	KAPAKLI	Final Acceptance Admitted..
8	SOYAK MAVİŞEHİR	İZMİR	KARŞIYAKA	Final Acceptance Admitted..
9	YILDIZKENT 3	TEKİRDAĞ	KAPAKLI	Final Acceptance Admitted..
10	NOVUS RESIDENCE	ISTANBUL	BAKIRKÖY	Final Acceptance Admitted..
11	MİSSTANBUL	ISTANBUL	BAŞAKŞEHİR	Final Acceptance Admitted..
12	KENTPLUS MİMARŞINAN	ISTANBUL	B.ÇEKMECE	Final Acceptance Admitted..
13	EMLAK KONUT PELİKAN SİTESİ	İZMİR	KARŞIYAKA	Final Acceptance Admitted.
14	EMLAK KONUT MAVİŞEHİR EVLERİ	İZMİR	KARŞIYAKA	Final Acceptance Admitted..
15	DREAMCITY ÇERKEZKÖY	TEKİRDAĞ	KAPAKLI	Final Acceptance Admitted..
16	SPRADON QUARTZ	ISTANBUL	BAŞAKŞEHİR	Final Acceptance Admitted..
17	İSPARTAKULE EVLERİ	ISTANBUL	AVCILAR	Partial Final Acceptance Admitted.
18	AVRUPA KONUTLARI İSPARTAKULE 1	ISTANBUL	AVCILAR	Final Acceptance Admitted..
19	BİZİMEVLER 4	ISTANBUL	AVCILAR	95.23%
20	MY TOWN İSPARTAKULE	ISTANBUL	AVCILAR	Final Acceptance Admitted..
21	BURGAZKENT	KIRKLARELİ	LÜLEBURGAZ	Final Acceptance Admitted..
22	İSTANBUL	ISTANBUL	AVCILAR	26.50%
23	AVRUPA KONUTLARI TEM	ISTANBUL	G.OSMANPAŞA	Final Acceptance Admitted..
24	KÖRFEZKENT 1	KOCAELİ	KÖRFEZ	Final Acceptance Admitted..
25	SELİMPAŞA EMLAK KONUTLARI	ISTANBUL	SİLİVRİ	Final Acceptance Admitted..
26	ŞEHRİZAR KONAKLARI	ISTANBUL	ÜSKÜDAR	63.98%
27	ERGENE VADİSİ	TEKİRDAĞ	ÇORLU	Final Acceptance Admitted..
28	VARYAP MERIDIAN	ISTANBUL	ATAŞEHİR	88.00%
29	MY TOWERLAND	ISTANBUL	ATAŞEHİR	75.50%
30	KUASAR İSTANBUL	ISTANBUL	ŞİŞLİ	0.00%
31	PARKYAŞAM MAVİŞEHİR	İZMİR	KARŞIYAKA	75.00%
32	BİZİMEVLER 2	ISTANBUL	AVCILAR	Final Acceptance Admitted..
33	UNIKONUT	ISTANBUL	AVCILAR	28.07%

ITEM NO	PROJECT DESCRIPTION	PROVINCE	DISTRICT	PROGRESS STATUS AS OF 31 ARALIK 2012
34	BİZİMEVLER 3	ISTANBUL	AVCILAR	Final Acceptance Admitted...
35	MAVİŞEHİR MODERN	İZMİR	ÇİĞLİ	Final Acceptance Admitted...
36	MY WOLRD EUROPE	ISTANBUL	BAŞAKŞEHİR	79.00%
37	METROPOL İSTANBUL	ISTANBUL	ATAŞEHİR	10.00%
38	AVRUPA KONUTLARI İSPARTAKULE 2	ISTANBUL	AVCILAR	Final Acceptance Admitted..
39	ELITE CITY	ISTANBUL	K.ÇEKMECE	98.00%
40	SOYAK PARK APARTS/ SOYAK EVOSTAR	ISTANBUL	K.ÇEKMECE	49.00%
41	ALEMDAĞ EMLAK KONUTLARI	ISTANBUL	ÇEKMEKÖY	74.69%
42	KÖRFEZKENT 2	KOCAELİ	KÖRFEZ	97.50%
43	STUDYO 24	ISTANBUL	AVCILAR	21.50%
44	AVRUPA KONUTLARI İSPARTAKULE 3	ISTANBUL	AVCILAR	97.00%
45	AVRUPA KONUTLARI ATAKENT 3	ISTANBUL	K.ÇEKMECE	88.00%
46	GEBZE EMLAK KONUTLARI 1	KOCAELİ	GEBZE	97.00%
47	MERKEZ KAYAŞEHİR	ISTANBUL	BAŞAKŞEHİR	98.18%
48	SARPHAN FINANSPARK	ISTANBUL	ÜMRANIYE	33.00%
49	GEBZE EMLAK KONUTLARI 2	KOCAELİ	GEBZE	96.00%
50	BATIŞEHİR	ISTANBUL	SULTANGAZI	17.00%
51	TUZLA EMLAK KONUTLARI 2	ISTANBUL	TUZLA	90.50%
52	AĞAOĞLU MASLAK 1453 İSTANBUL	ISTANBUL	ŞİŞLİ	8.55%
53	LÜLEBURGAZ ÇARŞI	KIRKLARELİ	LÜLEBURGAZ	Final Acceptance Admitted..
54	SPRADON VADI	ISTANBUL	BAŞAKŞEHİR	58.50%
55	EVORA İSTANBUL MARMARA/ EVORA İSTANBUL DENİZ/ EVORA İSTANBUL PLATINUM	ISTANBUL	TUZLA	17.00%
56	EVORA İSTANBUL / EVORA İSTANBUL ADALAR/ EVORA İSTANBUL REZİDANS	ISTANBUL	TUZLA	20.00%
57	DUMANKAYA MIKS	ISTANBUL	K.ÇEKMECE	5.00%
58	TUZLA EMLAK KONUTLARI 1	ISTANBUL	TUZLA	57.00%
59	BULVAR 216	ISTANBUL	ATAŞEHİR	0.00%
60	BAHÇETEPE İSTANBUL	ISTANBUL	BAŞAKŞEHİR	9.00%
61	SARIYER/ ZEKERİYAKÖY	ISTANBUL	ZEKERİYAKÖY	0.00%



ANNEX-4 / REAL ESTATES, REAL ESTATE PROJECTS
SUMMARY TABLE

Land Sales Revenue Sharing Projects	M2*	Date of Purchase	"Purchase Cost"	Current Company Share Total	Description
ŞEHİRCİLİK VİLLAS (ÜSKÜDAR BURHANIYE PROJECT GAP CONSTRUCTION)	52.619,61	27.08.2010	80.533.997,78	188.035.230,99	Construction permit granted
TOWERLAND A BLOCK PROJECT+ COMMERCE BLOCK	19.405,69	22.01.2010	20.231.580,64	81.940.949,84	Construction permit granted
VARYAP MERIDIAN PROJECT	44.185,40	23.12.2009 - 18.02.2010	16.387.893,65	107.834.704,51	Construction permit granted
SOYAK PARK APARTS PROJECT (İSTANBUL KÜÇÜKÇEKMECE HALKALI 3 RD PHASE (SOYAK)	91.695,03	12.10.2010-19.10.2010	64.420.854,70	102.312.000,00	Construction permit granted
AVRUPA RESIDENCES ATAKENT 3 PROJECT (İSTANBUL KÜÇÜKÇEKMECE HALKALI 4 TH PHASE) (ARTAS)	15.691,72	16.12.2010	17.304.658,73	38.078.379,16	Construction permit granted
MY WORLD EUROPE (BAŞAKŞEHİR İKİTELLİ AYAZMA 1 ST PHASE PROJECT) (AKDENİZ İNŞAAT)	198.476,22	26.08.2010-03.09.2010	175.949.594,88	292.104.886,55	Construction permit granted *STG, was increased to 957.720.939,50 and SPTG became 292.104.886,55 TL
PARK YAŞAM MAVİŞEHİR (İZMİR MAVİŞEHİR NORTH UPPER AREA 4 TH PHASE PROJECT) (TÜRKERLER-DURMAZ-İZKA)	45.322,56	15.10.2010-20.05.2010	42.204.172,99	72.378.021,47	Construction permit granted
BİRİSTANBUL PROJECT (RESIDENCE PROJECT AT THREE LANDS IN İSPARTAKULE)	116.483,35	22.08.2007, 03.09.2008	70.606.305,00	159.412.238,54	Construction permit granted
SARPHAN FINANSARK PROJECT (İSTANBUL ÜMRANIYE 1 ST PHASE PROJECT (NEW SARP - EPP)	20.714,48	24.08.2011	14.029.881,40	142.426.699,70	Construction permit granted *STG was increased to 392.187.000,00 TL/ye in 15.02.2013 an SPTG became 147.092.943,7 TL
1 LAND IN KÜÇÜKÇEKMECEDE (Halkalı 2 ND Phase) (Dumankaya İnşaat)	30.294,51	16.08.2007	27.862.311,74	82.502.500,00	Construction permit granted
1 LAND IN ATAŞEHİR (Ataşehir East 2 ND Phase) (VARYAP - GAP İNŞ.)	99.108,08	31.05.2000	72.585.569,09	500.971.500,00	Construction permit granted. In 05.01.2012 Modification Permit of B Block in 06.01.2012 Modification Permit of D-E-F Blocks, In 15.02.2012 Modification Permit of B Block in 21.03.2012, of C1-C2 Blocks, in 12.12.2012, of A Block, and in 17.12.2012 D12 Block's Modification Permit were received
TUZLA AYDINLI 2 ND Phase Project(Teknik Yapı)	125.318,76	04.10.2010	48.622.204,50	153.600.000,00	Construction permit granted
EVORA İSTANBUL PROJESİ (TUZLA AYDINLI 2 ND PHASE SECOND REGION) (TEKNİK YAPI)	125.066,79	04.10.2010	48.403.843,02	163.903.000,00	Construction permit granted
DİKİLİTAŞ PROJECT (LAND OF THE FORMER LIQUOR FACTORY) (AŞÇIOĞLU - OFTON - MEYDANBEY)	22.059,51	11.02.2008	230.118.122,39	408.525.113,17	Construction permit granted. 20.11.2012 Tadilat Ruhsat Tarihi
BATİŞEHİR PROJECT (Sultangazi Habipler İstec Profit Sharing Work) (EGE YAPI - ARTCON - EPP)	165.326,57	19.09.2008	351.679.655,04	424.000.000,00	Construction permit granted
SPRADON VALLEY HOUSES (İSTANBUL BAŞAKŞEHİR BAĞÇEŞEHİR 2 ND REGION PROJECT) (KUZU GRUP)	41.909,85	21.09.2011	41.950.000,00	58.399.302,76	Construction permit granted
ŞİŞLİ AYAZAĞA 1 ST PHASE PROJECT (AKDENİZ İNŞAAT)	208.867,66	30.09.2010	549.414.999,92	1.153.750.000,00	Construction permit granted
İSTANBUL BAŞAKŞEHİR AYAZMA 2 ND PHASE (MAKRO-AK YAPI)	209.362,14	23.08.2012	88.025.290,63	165.100.000,00	Construction permit of 1306 Block 1 Parcel was received in 23.08.2012
ATAŞEHİR WESTERN REGION 1 ST SECTION 5 TH REGION (ÖZAK GYO / İTERYAPJOINT VENTURE)	5.873,50	23.05.2012	0,01	52.200.000,00	Construction Permit was received in 28.12.2012.
İSTANBUL SARIYER ZEKERİYA VILLAGE PROJECT	466.945,92	19.07.2012	226.058.000,00	475.687.500,00	The contract was signed in 19.07.2012 Tarihinde Sözleşmesi İmzalanmış olup, Construction Permit hasn't been received yet
İSTANBUL KARTAL PROJECT	89.703,91		186.694.277,39	534.000.000,00	Project contract was signed in 4.02.2013.
Supervision Projects	M2*	Date of Purchase	"Buy		
Cost*	Current Company Share Total	Description			
INTERNATIONAL FINANCE CENTER CONSTRUCTION PROJECT	115.497,01	21.12.2012	0,03	29.200.000,00	
LAND SALE PROFIT SHARING PROJECT TOTALS	2.309.928,27		2.373.083.213,53	5.386.362.026,69	
Land Sales Revenue Sharing Projects	M2*	Date of Purchase	"Purchase Cost"	Current Company Share Total Income	Description
BİZİM EVLER 4 PROJECT (İSTANBUL BAĞÇEŞEHİR İSPARTAKULE 2 ND REGION 3 RD SECTION PROJECT) (İHLAS HOLDING - İHLAS YAPI)	60.085,38	13.07.2010	4.091.281,79	8.348.380,30	Partial Provisional Approval was granted. Land invoice of 61 Commercial Unit was not issued. Total for expertise cost is 25.012.000,00 TL olup, total value for Company's share (%29,50) and that of landowners (%3,8775) were written.
İSTANBUL BAĞÇEŞEHİR İSPARTAKULE 1 ST REGION 5 TH SECTION PROJECT (EPP)	15.103,39	29.04.2011	9.311.564,51	17.785.048,24	Construction permit granted
UNIKONUT PROJECT (İSTANBUL BAĞÇEŞEHİR İSPARTAKULE 1 ST REGION 4 TH SECTION PROJECT) YENİDOĞUŞ	24.506,00	12.04.2011	14.188.000,00	21.763.670,67	Construction permit granted
İSPARTAKULE 2 ND REGION 4 TH SECTION (ARTAS- EPP - RED)	3.301,38	01.06.2009	2.023.510,83	7.000.000,00	Partial Provisional Approval was granted. Land invoice of 12 Commercial Unit were not issued. Total sale price is 20.000.000,00 TL and company's share (%29,50) and Land Owners' share payi (%5,5) was written.
PROFIT SHARING IN EXCHANGE FOR THE LAND, TOTAL OF PROJECTS	102.996,15		29.614.357,13	54.897.099,21	
TOTAL FOR PROJECTS WITH LAND SALES PROFIT SHARING AND PROFIT SHARING IN EXCHANGE FOR LAND SALES			2.402.697.570,66	5.441.259.125,90	
Projects Implemented within the Framework of the Public Procurement Law	M2*	Date of Purchase	Cost of Land + Allowance		Description
ALEM DAĞ EMLAK HOUSING PROJECT (DEPAR, OR-NA ORT.GİR.)	86.047,00	04.09.2009	131.724.849,88	-	Construction permit granted
TUZLA EMLAK KONUTLARI 1 ST PHASE 2 ND SECTION PROJECT (ÖZÜLKE - MAKSEM ORT.GİR.)	85.856,26	30.09.2010	116.481.299,20	-	Construction permit granted
TUZLA EMLAK KONUTLARI 1 ST PHASE 2 ND SECTION PROJECT (BALPAŞ, BALPA ORT.GİR.)	48.764,46	30.09.2010	43.283.401,87	-	Construction permit granted
KOCAELİ GEBZE EMLAK KONUTLARI 2 ND PHASE HOUSING PROJECT (YENİSARP İNŞAAT)	93.180,30	04.06.2010	81.502.338,61	-	Construction permit granted
SULTANBEYLİ PROJECT	63.595,64	29.11.2012	17.219.287,96	-	Construction permit granted
KOCAELİ KÖRFEZKENT 3 RD PHASE PROJECT	61.613,42	18.10.2012 - 28.12.2012	10.425.695,69	-	Construction permit granted
TOTAL FOR KIK PROJECTS	439.057,08		400.636.873,21	-	-
TOTAL FOR PROJECTS	2.851.981,50		2.803.334.443,87	5.441.259.125,90	

ANNEX-5 / Summary Table of the Building Stock

EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. BUILDING STOCKS SUMMARY TABLE						
BUILDING	Number of Remaining Independent Units	M2	Date of Purchase	"Purchase Cost"	"Expertise Date"	"Expertise Value"
INDEPENDENT UNITS IN MISSTANBUL	1	196,25	15.08.2012	449.152,54	31.12.2012	425.000,00
ATAŞEHİR GENERAL MANAGEMENT BUILDING	1	2.513,28	31.05.2000	3.254.393,82	31.12.2012	13.185.000,00
INDEPENDENT UNITS IN BURGAZKENT	96	14.476,96	18.03.2010, 30.03.2010	10.463.986,30	31.12.2012	11.482.500,00
INDEPENDENT UNITS IN SILIVRI SELİMPAŞA REAL ESTATE HOUSING	216	34.583,25	15.06.2010	26.718.978,77	31.12.2012	29.381.900,00
INDEPENDENT UNITS IN MAVİŞEHİR PELİKAN HOUSES	37	5.682,60	03.06.2009	12.578.000,00	31.12.2012	13.462.000,00
INDEPENDENT UNITS IN SOYAK MAVİŞEHİR PROJECT	2	238,80	30.12.2010	667.646,59	31.12.2012	605.000,00
INDEPENDENT UNITS IN NOVUS RESIDENCE PROJECT	2	301,84	26.01.2010	1.657.000,00	31.12.2012	1.705.000,00
EMLAK KONUT İZMİR KARŞIYAKA MAVİŞEHİR HOUSES PROJECT	115	14.351,77	31.12.2010	8.367.423,12	31.12.2012	52.725.645,82
UNITS IN SPRADON QUARTZ PROJECT	34	2.916,77	22.09.2011-17.07.2012	9.292.347,29	31.12.2012	7.874.000,00
INDEPENDENT UNITS IN KÖRFEZKENT HOUSES 1. STAGE	3	343,02	29.06.2012	338.613,86	31.12.2012	364.000,00
INDEPENDENT UNITS IN ÇERKEZKÖY DREAM CITY 4. STAGE	1	209,30	13.04.2012	226.425,31	31.12.2012	191.000,00
INDEPENDENT UNITS GEBZE GÜZELLER 1 STAGE PROJECT	4	616,01	21.09.2012	517.954,52	31.12.2012	571.481,68
INDEPENDENT UNITS IN KÖRFEZKENT 2 STAGE PROJECT	34	3.548,20	24.09.2012	2.859.316,62	31.12.2012	3.556.384,06
INDEPENDENT UNITS IN İSPARTA KULE MY TOWN PROJECT	2	275,04	31.08.2012	565.000,00	31.12.2012	575.000,00
INDEPENDENT UNITS IN VARYAP MERIDIAN PROJECT	2	137,60	31.12.2012	805.413,49	31.12.2012	842.142,44
BUILDINGS TOTAL	550	80.390,69		78.761.652,23		136.946.054,01



ANNEX-6 / SUMMARY TABLE OF LANDS WITH DEVELOPED PROJECTS

EXPERTISE REPORT NAME	NUMBER	M2	Date of Purchase	"Purchase Cost"	"EXPERTISE DATE"	"EXPERTISE VALUE"
91 PARCELS IN BALI KUYUMCU	91	1.919.107,39	26.10.2006	273.036.259,40	31.12.2012	308.330.932,00
13 LANDS IN ÇORLU	13	102.794,51	24.03.2006 - 30.09.2010	15.468.289,27	31.12.2012	35.550.000,00
LAND IN UMURBEY NEIGHBOURHOOD	1	6.810,00	31.05.2000	734.812,18	31.12.2012	8.685.999,00
17 PARCELS IN ÇERKEZKÖY	17	371.235,69	09.12.2005	8.247.941,97	31.12.2012	91.235.000,00
11 PARCELS IN KORFEZ	8	112.687,34	25.02.2008	15.198.924,20	31.12.2012	33.069.065,00
ISTANBUL, AVCILAR'DA 10 ADET PARSEL	10	239.915,45	01.06.2007	275.911.075,55	31.12.2012	253.080.000,00
33 PARCELS IN ISTANBUL SULTANBEYLİ'DE	33	5.850,05	13.03.2007	1.125.343,25	31.12.2012	1.203.885,00
35 PARCELS IN KOCAELI GEBZE GÜZELLER	32	183.231,23	21.03.2007	44.576.613,53	31.12.2012	53.720.282,00
20 PARCELS IN ISTANBUL ATAŞEHİR	11	50.728,61	31.05.2000 - 31.12.2012	7.131.240,68	31.12.2012	75.497.366,00
16 PARCELS IN ISTANBUL, BAŞAKŞEHİR, HOŞDERE	16	277.090,03	06.10.2011 - 07.08.2012	60.366.144,21	31.12.2012	72.782.350,35
2 PARCELS IN CIDE	2	10.262,82	11.04.2011	66.866,81	31.12.2012	62.000,00
13 PARCELS KARTAL'DA	4	9.877,67	22.04.2012	19.930.722,61	31.12.2012	20.494.125,26
8 PARCELS IN ESENYURT	8	149.532,50	14.06.2011 - 30.07.2012	117.205.916,94	31.12.2012	131.725.000,00
2 PARCELS IN GAZIOSMANPASA	2	24.716,89	30.07.2012	61.792.225,00	31.12.2012	61.800.000,00
A PARCEL IN FATİH YEDİKULE	1	41.161,52	30.07.2012	65.990.336,00	31.12.2012	67.915.000,00
A PARCEL IN AVCILAR	1	88.800,00	30.07.2012	78.982.050,00	31.12.2012	79.030.000,00
5 PARCELS IN BAKIRKOY AND 2 PARCELS IN ZEYTİNBURNU	7	82.695,66	13.12.2012	129.405.870,11	31.12.2012	128.175.000,00
44 PARCELS IN BASAKSEHIR	42	333.250,67	01.12.2010 - 07.03.2012 - 14.09.2012 - 25.09.2012 - 01.10.2012	302.727.173,21	31.12.2012	348.870.000,00
27 PARCELS IN HOŞDERE BASAKSEHIR	27	530.182,73	14.06.2011 - 30.07.2012	270.245.453,71	31.12.2012	317.172.000,00
8 LANDS IN UMRANIYE	5	33.028,60	01.11.2005	29.912.754,26	31.12.2012	309.045.000,00
10 PARCELS IN BASAHSEHIR	10	382.485,74	"30.07.2008, 30.07.2012, 03.12.2012"	406.495.814,11	31.12.2012	408.085.000,00
4 PARCELS IN TUZLA	4	1.287,83	31.12.2012	0,04	31.12.2012	116.675,00
A PARCEL IN LULEBURGAZ	1	3.615,00	31.12.2012	0,01	31.12.2012	83.000,00
4 PARCELS IN KARSIYAKA	4	35.237,00	30.12.2005	0,04	31.12.2012	8.550.000,00
LANDS AND PARCELS TOTAL		4.995.584,93		2.184.551.827,09		2.814.277.679,61

ANNEX-7 / Construction Completion Time Tables

Item No	NAME OF THE PROJECT	AREA DELIVERY / START DATE OF THE PROJECT	MANUFACTURE OF WORK COMPLETION DATE (ACCORDING
1	MY TOWERLAND	3/28/2006	4/4/2013
2	ŞEHRİZAR KONA KLARI	9/7/2007	4/15/2013
3	VARYAP MERIDIAN	6/10/2008	12/15/2012
4	KUASAR İSTANBUL	10/7/2008	10/2/2014
5	PARKYAŞAM MAVİŞEHİR	12/16/2008	5/26/2013
6	MY WORLD EUROPE	3/1/2010	2/18/2014
7	METROPOL İSTANBUL	4/22/2010	8/13/2014
8	ELITE CITY	5/12/2010	5/16/2013
9	SOYAK PARK APARTS / SOYAK EVOSTAR	5/13/2010	5/17/2013
10	AVRUPA KONUTLARI ATAKENT 3	7/30/2010	7/29/2014
11	SARPHAN FINANS PARK	8/19/2010	8/22/2013
12	MERKEZ KAYAŞEHİR	8/18/2010	8/22/2013
13	İSTANBUL	10/8/2010	10/12/2013
14	BATIŞEHİR	10/8/2010	10/7/2014
15	MASLAK 1453	12/22/2010	12/21/2014
16	SPRADON VADI	1/21/2011	1/25/2014
17	EVORA İSTANBUL DENİZ	2/11/2011	8/4/2014
18	EVORA İSTANBUL ADALAR MARMARA	2/11/2011	8/4/2014
19	DUMANKAYA MIKS	2/21/2011	2/25/2014
20	BAHÇETEPE İSTANBUL	5/11/2012	5/15/2015
21	BULVAR 216	5/30/2012	11/30/2013
22	SARIYER/ ZEKERİYAKÖY	8/6/2012	8/4/2016



ANNEX-8 / List of the Companies That Received Valuation Service

Item No	LIST OF COMPANIES RECEIVING APPRAISAL SERVICE EMLAK KONUT GAYRIMENKUL YATIRIM ORTAKLIĞI A.Ş. ASSETS LIST	THE COMPANY TO PROVIDE VALUATION SERVICE
1	ALEMDAĞ EMLAK KONUT PROJECT (Depar-Orna Joint Venture)	Reel Gayrimenkul Değerleme A.Ş.
2	ÜSKÜDAR BURHANIYE PROJECT (Şehrizar Konakları)	Reel Gayrimenkul Değerleme A.Ş.
3	TUZLA EMLAK HOUSES 1. STAGE 2. SECTION PROJECT (Özülke-Maksem Joint Venture)	Reel Gayrimenkul Değerleme A.Ş.
4	TUZLA EMLAK HOUSES 1. STAGE 1. SECTION PROJECT (Balpaş-Balpa Joint Venture)	Reel Gayrimenkul Değerleme A.Ş.
5	TOWERLAND A BLOC PROJECT+ TRADE BLOC	Reel Gayrimenkul Değerleme A.Ş.
6	VARYAP MERIDIAN PROJECT	Reel Gayrimenkul Değerleme A.Ş.
7	HOUSING PROJECT AT 3 PARCELS IN ISPARTAKULE'DE (DOĞU-PREKAST-ÜSTÜNLER) (BIRİSTANBUL PROJECT)	Reel Gayrimenkul Değerleme A.Ş.
8	AĞAOĞLU MY TOWN PROJECT	Reel Gayrimenkul Değerleme A.Ş.
9	İSTANBUL BAĞÇEŞEHİR İSPARTAKULE 2. ZONE 1. SECTION (BİZİM EVLER 3 PROJECT)	Reel Gayrimenkul Değerleme A.Ş.
10	KÖRFEZKENT EMLAK HOUSES 2. STAGE PROJECT (Koçoğlu İnş-Kur İnş. Joint Venture)	Reel Gayrimenkul Değerleme A.Ş.
11	KIRKLAERELİ LÜLEBURGAZ ÇARŞI TRADE CENTER PROJECT (Mehmet Cihangir YÜCE)	Reel Gayrimenkul Değerleme A.Ş.
12	EMLAK KONUT İZMİR KARŞIYAKA MAVİŞEHİR HOUSES PROJECT	Reel Gayrimenkul Değerleme A.Ş.
13	KOCAELİ GEBZE EMLAK HOUSES 1. STAGE KONUT PROJECT (Makro İnşaat)	Reel Gayrimenkul Değerleme A.Ş.
14	KOCAELİ GEBZE EMLAK HOUSES 2. STAGE KONUT PROJECT (Yeni Sarp)	Reel Gayrimenkul Değerleme A.Ş.
15	İSTANBUL KÜÇÜKÇEKMECE HALKALI 1. STAGE (Şua İnşaat) ELITE CITY	Reel Gayrimenkul Değerleme A.Ş.
16	REVENUE SHARING IN EXCHANGE FOR LAND SALE IN İSTANBUL KÜÇÜKÇEKMECE HALKALI 3. STAGE (Soyak İnş.) SOYAK PARK APARTS-EVOSTAR	Reel Gayrimenkul Değerleme A.Ş.
17	İSTANBUL KÜÇÜKÇEKMECE HALKALI 4. STAGE (Avrupa HOUSES Atakent-3)	Reel Gayrimenkul Değerleme A.Ş.
18	BAŞAKŞEHİR İKİTELLİ AYAZMA 1. STAGE PROJECT (Akdeniz İnş.) (My World Europe)	Reel Gayrimenkul Değerleme A.Ş.

ANNEX-8 / LIST OF THE COMPANIES THAT RECEIVED VALUATION SERVICE

Item No	LIST OF THE COMPANIES THAT RECEIVED VALUATION SERVICE EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. ASSETLIST	THE COMPANY TO PROVIDE VALUATION SERVICE
19	İZMİR MAVİŞEHİR UPPER NORTH ZONE 4. STAGE PROJECT (TÜRKERLER-DURMAZ-İZKA) (Mavişehir 4. STAGE) (Park Yaşam)	Reel Gayrimenkul Değerleme A.Ş.
20	İZMİR MAVİŞEHİR UPPER NORTH ZONE 5. STAGE PROJECT (GERGÜL) (Modern Mavişehir)	Reel Gayrimenkul Değerleme A.Ş.
21	BAŞAKŞEHİR KAYABAŞI 1. STAGE PROJECT (Makro İnşaat) (Kayaşehir 1. STAGE)	Reel Gayrimenkul Değerleme A.Ş.
22	"REVENUE SHARING IN EXCHANGE FOR LAND SALE IN İSTANBUL SULTANGAZI HABİPLER" (EGE YAPI-ARCTON-E.P.P) (BATIŞEHİR PROJECT)	Reel Gayrimenkul Değerleme A.Ş.
23	"REVENUE SHARING IN EXCHANGE FOR LAND IN İSTANBUL BAĞÇEŞEHİR İSPARTAKULE 1. BÖLGE 4.SECTION"(YENİ DOĞUŞ) UNIKONUT	Reel Gayrimenkul Değerleme A.Ş.
24	"REVENUE SHARING IN EXCHANGE FOR LAND SALE IN İSTANBUL BAŞAKŞEHİR BAĞÇEŞEHİR 2. ZONE"(Kuzu Grup) Spradon Vadi	Reel Gayrimenkul Değerleme A.Ş.
25	"REVENUE SHARING IN EXCHANGE FOR LAND IN İSTANBUL BAĞÇEŞEHİR İSPARTAKULE 1. ZONE 5.SECTION"525/2 PARCEL (Cathay-E.P.P) STÜDYO 24	Reel Gayrimenkul Değerleme A.Ş.
26	İSTANBUL FIRÜZKÖY İSPARTAKULE 545/2 PARCEL (ARTAŞ) AVRUPA HOUSES İSPARTAKULE-3	Reel Gayrimenkul Değerleme A.Ş.
27	REVENUE SHARING IN EXCHANGE FOR LAND SALE IN İSTANBUL ÜMRANIYE 1. STAGE (YENİSARP-E.P.P) SARPAN FINANSPARK	Reel Gayrimenkul Değerleme A.Ş.
28	REVENUE SHARING IN EXCHANGE FOR LAND SALE IN İSTANBUL, TUZLA 2. STAGE 2. ZONE (TEKNİK YAPI) EVORA PROJECT	Reel Gayrimenkul Değerleme A.Ş.
29	REVENUE SHARING IN EXCHANGE FOR LAND SALE IN İSTANBUL, TUZLA 2. STAGE 1. ZONE (TEKNİK YAPI) EVORA PROJECT	Reel Gayrimenkul Değerleme A.Ş.
30	REVENUE SHARING IN EXCHANGE FOR LAND IN İSTANBUL BAĞÇEŞEHİR İSPARTAKULE 2. ZONE 3. SECTION (BİZİMEVLER 4)	Reel Gayrimenkul Değerleme A.Ş.



EK-8 / List of the Companies That Received Valuation Service

Item No	LIST OF THE COMPANIES THAT RECEIVED VALUATION SERVICE EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. ASSETLIST	THE COMPANY TO PROVIDE VALUATION SERVICE
31	REVENUE SHARING IN EXCHANGE FOR LAND SALE IN ISTANBUL ATAŞEHİR EAST ZONE 2. STAGE (VARYAP-GAP)	Reel Gayrimenkul Değerleme A.Ş.
32	ISTANBUL ŞİŞLİ AYAZAĞA NEIGHBOURHOOD, 1/145 PARCEL (AKDENİZ İNŞ.)	Reel Gayrimenkul Değerleme A.Ş.
33	ISTANBUL KÜÇÜKÇEKMECE HALKALI, 800/11 PARCEL (DUMANKAYA İNŞ.) HALKALI 2. STAGE	Reel Gayrimenkul Değerleme A.Ş.
34	ISTANBUL ŞİŞLİ MECİDİYEKÖY, LAND OF THE OLD TEKEL LIQUOR FACTORY 1199/230 PARCEL (AŞÇIOĞLU-OFTON-MEYDANBEY)	Reel Gayrimenkul Değerleme A.Ş.
35	INDEPENDENT UNITS IN KENT PLUS MIMARSINAN SITE	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
36	INDEPENDENT UNITS IN ÇERKEZKÖY DREAM CITY 4. STAGE	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
37	INDEPENDENT UNITS IN KÖRFEZKENT HOUSES 1. STAGE	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
38	INDEPENDENT UNITS IN MISSTANBUL	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
39	1 INDEPENDENT UNIT IN ATAŞEHİR	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
40	2 RECREATIONAL FACILITIES IN	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
41	INDEPENDENT UNITS IN BURGAZKENT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
42	SİLİVRİ SELİMPAŞA EMLAK HOUSES	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
43	MAVIŞEHİR PELİKAN HOUSES	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
44	1 INDEPENDENT UNIT IN SOYAK MAVIŞEHİR PROJECT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
45	AYDIN-DİDİM KOCAHARIP LOCATION 13710 PARCEL	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
46	NOVUS RESIDENCE PROJECT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
47	TEKİRDAĞ ÇORLU ERGENE VALLEY PROJECT	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
48	91 PARCELS IN ANKARA YENİ MAHALLE DISTRICT BALIKUYUMCU NEIGHBOURHOOD	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
49	13 PARCELS IN TEKİRDAĞ ÇORLU DISTRICT KAZIMIYE NEIGHBOURHOOD	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
50	İZMİR KONAK DISTRICT UMURBEY NEIGHBOURHOOD 3169 ADA 236	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
51	17 PARCEL IN TEKİRDAĞ ÇERKEZKÖY DISTRICT KAPAKLI TOWN	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.

ANNEX-8 / LIST OF THE COMPANIES THAT RECEIVED VALUATION SERVICE

Item No	LIST OF THE COMPANIES THAT RECEIVED VALUATION SERVICE EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. ASSETLIST	THE COMPANY TO PROVIDE VALUATION SERVICE
52	11 PARCELS IN KOCAELI KÖRFEZ DISTRICT YARIMCA NEIGHBOURHOOD	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
53	10 PARCELS IN ISTANBUL AVCILAR DISTRICT FIRUZKÖY NEIGHBOURHOOD	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
54	9 PARCELS IN ISTANBUL SULTANBEYLİ DISTRICT GAZI NEIGHBOURHOOD	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
55	34 PARCELS IN KOCAELI GEBZE DISTRICT GÜZELLER NEIGHBOURHOOD	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
56	1 PARCEL IN ANKARA KEÇİÖREN DISTRICT PINARBAŞI NEIGHBOURHOOD	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
57	3 PARCELS IN ANKARA ÇANKAYA DISTRICT ÖNCEBECİ	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
58	23 PARCELS IN ISTANBUL ATAŞEHİR DISTRICT K.BAKKALKÖY AND BARBOROS NEIGHBOURHOODS	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
59	ISTANBUL BAŞAKŞEHİR DISTRICT KAYABAŞI NEIGHBOURHOOD 536 BLOC 3, 540 BLOC 4 PARCELS	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
60	31 PARCELS IN ISTANBUL BAŞAKŞEHİR DISTRICT HOŞDERE AND HOŞDERE-FİLTEPE NEIGHBOURHOOD	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
61	39 PARCELS IN ISTANBUL BAŞAKŞEHİR DISTRICT İKİTELLİ NEIGHBOURHOOD	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
62	PARCELS NO. 4009 AND 4010 IN ISTANBUL, BÜYÜKÇEKMECE DISTRICT, MİMARŞİNAN NEIGHBOURHOOD	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
63	34 PARCELS IN ISTANBUL SARIYER DISTRICT ZEKERİYAKÖY NEIGHBOURHOOD	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
64	1 PARCEL IN ISTANBUL ŞİŞLİ DISTRICT LAYAZAĞA NEIGHBOURHOOD	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
65	1 PARCEL IN ISTANBUL ŞİŞLİ DISTRICT ORTAKÖY NEIGHBOURHOOD	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
66	4 PARCELS IN ISTANBUL TUZLA DISTRICT AYDINLI NEIGHBOURHOOD	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
67	2 PARCELS IN ISTANBUL ÜMRANIYE DISTRICT K.BAKKALKÖY NEIGHBOURHOOD	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
68	15 PARCELS IN İZMİR KARŞIYAKA DISTRICT ŞEMİKLER NEIGHBOURHOOD	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
69	1 PARCEL IN KIRKLARELİ LÜLEBURGAZ DISTRICT KURTULUŞ NEIGHBOURHOOD	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
70	2 LANDS IN KASTAMONU, CIDE DISTRICT, DOĞANKAYA VILLAGE	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.

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OLD WORDING	NEW WORDING
EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ PRIME CONTRACT	EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ ESAS SÖZLEŞMESİ
COMPANY HEADQUARTERS AND BRANCHES ARTICLE 3:	COMPANY HEADQUARTERS AND BRANCHES ARTICLE 3:
<p>Headquarter of the company is in province of İstanbul, district of Ataşehir. The address is Atatürk Mahallesi, Turgut Özal Bulvarı Gardenya Plaza 11/B Kat 1-2-3-4-5-6-7-8 Ataşehir/İstanbul. In the event of a change of address, the new address shall be registered in the trade register, declared on Turkish Trade Registry Gazette and further be reported to the Capital Markets Board. Any notification sent to the registered and declared address shall have been made to the Company. It shall be considered as a reason for termination should the Company not register its new address in due of time despite having left the formerly registered and declared address.</p> <p>The Company may open branches and establish agencies and distributorship at home and abroad on the condition of informing the Capital Markets Board and the Ministry of Industry of Commerce.</p>	<p>Headquarter of the company is in province of İstanbul, district of Ataşehir. The address is Atatürk Mahallesi, Turgut Özal Bulvarı Gardenya Plaza 11/B Ataşehir/İstanbul. In the event of a change of address, the new address shall be registered in the trade register, declared on Turkish Trade Registry Gazette and further be reported to the Capital Markets Board. Any notification sent to the registered and declared address shall have been made to the Company. It shall be considered as a reason for termination should the Company not register its new address in due of time despite having left the formerly registered and declared address.</p> <p>The Company may open branches and establish agencies and distributorship at home and abroad on the condition of informing the Capital Markets Board and the Ministry of Industry of Commerce.</p>
PURPOSE OF COMPANY AND SUBJECT OF ACTIVITY ARTICLE 5:	PURPOSE OF COMPANY AND SUBJECT OF ACTIVITY ARTICLE 5:
The Company is public joint stock partnership established as a registered capital to engage in objectives and issues written in regulations in relation to real estate investment trusts of Capital Markets Board, to invest in property-based rights, property-based capital market instruments and real estate projects.	The Company is public joint stock partnership established as a registered capital to engage in objectives and issues written in regulations in relation to real estate investment trusts of Capital Markets Board, to invest in property-based rights, property-based capital market instruments and real estate projects.
SCOPE OF ACTIVITY, ACTIVITY PROHIBITIONS, INVESTMENT LIMITS ARTICLE 6:	SCOPE OF ACTIVITY, ACTIVITY PROHIBITIONS, INVESTMENT LIMITS ARTICLE 6:
Operating principles, portfolio investment policies and management restrictions of the company comply with the regulations of the Capital Markets Board and the relevant legislation.	Operating principles, portfolio investment policies and management restrictions of the company comply with the regulations of the Capital Markets Board and the relevant legislation.



<p>Scope of activity, activity restrictions, investment activities, investment restrictions, the management portfolio limitations and portfolio diversification with establishing absolute rights and issues of land transactions of the company comply with the regulations of Capital Markets Board and relevant legislation.</p> <p>The Company, can take any type of real and personal assurance and perform registration, cancellation and any other transactions at land office tax authorities and other public and private institutions for collecting and ensuring rights and debts.</p> <p>The Company, in accordance with capital market regulations, can sell, lease, lease out, pledge, remove pledges that have been established, get mortgage, remove mortgages that have been established of permitted securities, land, house and other similar real estates, on the assets in the portfolio, within the limits of capital market legislation, can mortgage and pledge in favor of third parties, within the limits specified by capital market legislation and under special circumstances, provided that the necessary explanations of required by Capital Markets Board, can make saving in favor of third parties, can establish easement, usufruct, construction servitude, construction right, can perform and execute all transactions permitted by law, can establish these rights and can remove the rights that have been established.</p> <p>Except activities that require payment such as remuneration, wages, dividend, the Company cannot provide any benefit from assets for partners, management and supervisory board members, personnel, or to third parties.</p> <p>On the condition that not constitute investment vehicle and linked to the aim of activity, the company can sell or buy intellectual property, patents, licenses, trademarks, know-how and other industrial property rights.</p> <p>Within the limits of capital market legislation, the company can be partner by participating companies.</p>	<p>Scope of activity, activity restrictions, investment activities, investment restrictions, the management portfolio limitations and portfolio diversification with establishing absolute rights and issues of land transactions of the company comply with the regulations of Capital Markets Board and relevant legislation.</p> <p>The Company, can take any type of real and personal assurance and perform registration, cancellation and any other transactions at land office tax authorities and other public and private institutions for collecting and ensuring rights and debts.</p> <p>The Company, in accordance with capital market regulations, can sell, lease, lease out, pledge, remove pledges that have been established, get mortgage, remove mortgages that have been established of permitted securities, land, house and other similar real estates, on the assets in the portfolio, within the limits of capital market legislation, can mortgage and pledge in favor of third parties, within the limits specified by capital market legislation and under special circumstances, provided that the necessary explanations of required by Capital Markets Board, can make saving in favor of third parties, can establish easement, usufruct, construction servitude, construction right, can perform and execute all transactions permitted by law, can establish these rights and can remove the rights that have been established.</p> <p>Except activities that require payment such as remuneration, wages, dividend, the Company cannot provide any benefit from assets for partners, management and supervisory board members, personnel, or to third parties.</p> <p>On the condition that not constitute investment vehicle and linked to the aim of activity, the company can sell or buy intellectual property, patents, licenses, trademarks, know-how and other industrial property rights.</p> <p>Within the limits of capital market legislation, the company can be partner by participating companies.</p> <p>The Company, within the limits of CMB regulations, apart from portfolio, can purchase and sell movable and immovable property in quantity and value of their need.</p>
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<p>The Company, within the limits of CMB regulations, apart from portfolio, can purchase and sell movable and immovable property in quantity and value of their need.</p> <p>Apart from these, within the limits specified by the capital market legislation and provided that it is associated with purpose of activity, pre-emption, loyalty and purchase rights on the property in Favor of the Company arising from the contract and in accordance with the provisions of the Turkish Civil Code, can establish other property rights, may take all actions necessary investments including renunciation for road, green and park, partition, swap, merge (unity), parceling, may register, transfer and assign those rights, may perform and execute all operations allowed by law, may establish these rights, and may remove the rights that have been established.</p> <p>In case of any difference between CMB regulations in the future and the matters covered in this article, current arrangements regulated by the CMB are complied with.</p>	<p>Apart from these, within the limits specified by the capital market legislation and provided that it is associated with purpose of activity, pre-emption, loyalty and purchase rights on the property in Favor of the Company arising from the contract and in accordance with the provisions of the Turkish Civil Code, can establish other property rights, may take all actions necessary investments including renunciation for road, green and park, partition, swap, merge (unity), parceling, may register, transfer and assign those rights, may perform and execute all operations allowed by law, may establish these rights, and may remove the rights that have been established.</p> <p>The Company may make donation in a manner that does not disrupt their purpose and subject on the condition that the transaction is not contrary to the last paragraph of Article 15 of the Capital Markets Law and other regulations of CMB, necessary explanations, submitting donations made during the year to General Meeting of the shareholders and the receipt of the decision of the Board of Directors in this regard.</p> <p>In case of any difference between CMB regulations in the future and the matters covered in this article, current arrangements regulated by the CMB are complied with.</p> <p>Other than those shown above, if other useful and necessary activities for the Company are desired, upon the proposal of the Board of Directors, the matter shall be submitted to the approval of the General Assembly and after this decision has been taken on the road, the decision on registration and shall be announced and the company will be able to work at any other. In cases that change is desired on purposes and objective of the company, required approvals are obtained first from Ministry of Industry and Trade and the CMB.</p>
<p>CAPITAL AND SHARES ARTICLE 8:</p>	<p>CAPITAL AND SHARES ARTICLE 8:</p>

By way of amendment of the Articles of Association, company's registered capital converted into real estate investment trust is 4.000.000.000.-TL (four billion Turkish Liras), each is divided into shares in value of 400,000,000,000 (four hundred billion) kurus.

The equity ceiling permitted by the Capital Markets Board is valid for 2010-2014 (5 years). Even when the permitted registered capital equity ceiling is not reached by the end of 2014, it is mandatory to acquire authorization from the board of directors for a new period by obtaining permission from the Capital Markets Board for the previously permitted equity ceiling or a new ceiling amount. The Company shall be considered as out of the registered capital system in the event of failure to receive the aforesaid authorization.

The issued capital of the Company is divided into 64,910,043,216 shares, each is in 1 cent (kurus) "nominal" value, while (six hundred and forty-nine million four hundred thirty-two hundred thousand Turkish Lira sixteen cents), by capital reduction pursuant to Article 6.1 of The Law on Housing Benefit Payment Right Holders, No. 5664 and with the same court, dated 24.03.2009, disposed by Expert Delegation, preliminary proceedings report of dated 06.03.2009, Decision No. 2009/652, Kadıköy 2nd Commercial Court of First Instance, 253.385.082.71.-TL (two hundred and fifty-three million three hundred and eighty-five thousand seventy-one and eighty-two cents in Turkish Lira.) was ascertained and paid fully.

Furthermore, The Company's capital was increased from 253,385,082.71 TL to 1,875,000,000 TL, 7.708,22 TL of increased 1,621,614,917.29 TL, within the scope of the Law on Housing Benefit Payment Right Holders, on 11/17/2009, after the registration of the capital reduction, according to the provisions of Law No. 5953 and dated 25.02.2010, until 09.04.2010, on behalf of KEY Rights Holders requesting their receivables as stock, to be paid by the Treasury in cash; 1,621,607,209.07 TL for 162,160,720,907 shares, met from internal sources, was distributed to shareholders in free of charge with regard to Chartered Accountant report, dated 21.07.2010, no. 1342/804.

By way of amendment of the Articles of Association, company's registered capital converted into real estate investment trust is 4.000.000.000.-TL (four billion Turkish Liras), each is divided into shares in value of 400,000,000,000 (four hundred billion) kurus.

The equity ceiling permitted by the Capital Markets Board is valid for 2010-2014 (4 years). Even when the permitted registered capital equity ceiling is not reached by the end of 2014, it is mandatory to acquire authorization from the board of directors for a new period by obtaining permission from the Capital Markets Board for the previously permitted equity ceiling or a new ceiling amount. The Company shall be considered as out of the registered capital system in the event of failure to receive the aforesaid authorization.

Company's share capital, within the framework of the registered capital system, was increased from 1.875.000.000 TL to 2.500.000.000 TL and fully paid issued capital in value of 2.500.000.000 TL, shares representing the capital of 625 million TL was determined to be sold by public offering, Document of Completion of the Capital Increase dated 20.12.2010 and No. 1274 has been registered on 07.01.2011 in Istanbul Trade Registry and has been announced on Turkey Trade Registry Gazette No. 7725.

The Company's issued share capital was fully paid as 2,246,766,432.78 TL of cash capital and 253.233.567,22-TL as in-kind capital. In transfer of shares issued for capital in kind, 404th Article of TCC shall not be enforced. The company's shares were divided as A and B groups, consists of 25.336.991.900 shares for 253.369.919.-TL was registered as the group A, 224.663.008.100 shares for 2.246.630.081.-TL Group B shares as bearer. This is the distribution of capital among the shareholders.

Title/Name	Group	Type	Number of Shares	Value of shares
T.C.Başbakanlık Toplu Konut İdaresi (TOKİ)	A	Registered	25.336.991.900	253.369.919,00
T.C.Başbakanlık Toplu Konut İdaresi (TOKİ)	B	Bearer	162.146.083.835	1.621.460.838,35



In transfer of shares issued for capital in kind, 404th Article of TCC shall not be enforced.

The company's shares were divided as A and B groups, consists of 25.336.991.900 shares for 253.369.919.-TL was registered as the group A, 162.163.008.100 shares for 1.621.630.081.-TL Group B shares as bearer. This is the distribution of capital among the shareholders.

Ticaret Unvan/İsmi	Grup u	Türü	Pay Adedi	Pay Tutarı
T.C.Başbakanlık Toplu Konut İdaresi (TOKİ)	A	Nama	25.336.991.900	253.369.919,00
T.C.Başbakanlık Toplu Konut İdaresi (TOKİ)	B	Bearer	162.146.083.835	1.621.460.838,35
KEY Hak Sahipleri	B	Bearer	16.733.239	167.332,39
İstanbul İmar İnşaat A.Ş.	B	Bearer	69.563	695,63
İller Bankası	B	Bearer	60.284	602,84
Kutlutaş Holding A.Ş.	B	Bearer	60.284	602,84
Maliye Hazinesi	B	Bearer	895	8,95
Toplam			187.500.000.000	1.875.000.000.-TL

In capital increases; A group for A group shares, B group for B groups shares, new shares shall be issued. However, if Board of Directors restricts the right of shareholder to buy new shares, all of the new shares to be issued shall be Group B. Before public offering, transfer of partnership shares is subject to the Board's approval regardless of any rate. For transfer of shares under this article, conditions are required for the founders for new partners who will acquire shares in the company. With the exception of offering shares to the public, transfer prices of the registered shares must be offered to all existing shareholders.

KEY Right Holders	B	Bearer	16.733.239	167.332,39
İstanbul İmar İnşaat A.Ş.	B	Bearer	69.563	695,63
İller Bankası A.Ş.	B	Bearer	60.284	602,84
Kutlutaş Holding A.Ş.	B	Bearer	60.284	602,84
Treasury	B	Bearer	895	8,95
Offered to public	B	Bearer	62.500.000.000	625.000.000
Ttoal			250.000.000.000	2.500.000.000.-TL

In capital increases; A group for A group shares, B group for B groups shares, new shares shall be issued. However, if Board of Directors restricts the right of shareholder to buy new shares, all of the new shares to be issued shall be Group B.

In case of failure in transfer of shares to existing shareholders, these shares may be transferred to third parties provided that not less than the amount. In the event that more than one shareholder aspire to these price with the same price within period of fifteen days, shares are evenly transferred to shareholders who request. Transfers made without complying with the procedural, shall not be saved to Shareholders Registry. The provisions of the capital market legislation for the transfer of the shares are reserved.

REPUBLIC OF TURKEY Prime Ministry Housing Development Administration is leading share holder. According to the capital market regulations, leading financier or the shares representing the minimum capital ratio of shareholders and preference shares that the controlling percentage of the partnership, shares representing the minimum free float rate, can not be transferred by means of public offering, during the two years following the end of the sales period. Transfer of shares held in this period despite the ban, shall not saved into partnership share register.

In accordance with the provisions of the Capital Market Law, Board of Directors are authorized to take decisions on increasing capital up to the limit of registered capital and restriction of the right of shareholders to purchase new shares and issuance of shares at a premium.

In case of failure in transfer of shares to existing shareholders, these shares can may be transferred to third parties provided that not less than the amount. In the event that more than one shareholder aspire to these price with the same price within period of fifteen days, shares are evenly transferred to shareholders who request. Transfers made without complying with the procedural, shall not be saved to Shareholders Registry. The provisions of the capital market legislation for the transfer of the shares are reserved.

REPUBLIC OF TURKEY Prime Ministry Housing Development Administration is leading share holder. According to the capital market regulations, leading financier or the shares representing the minimum capital ratio of shareholders and preference shares that the controlling percentage of the partnership, shares representing the minimum free float rate, can not be transferred by means of public offering, during the two years following the end of the sales period. Transfer of shares held in this period despite the ban shall not saved into partnership share registry.

In accordance with the provisions of the Capital Market Law, Board of Directors are authorized to take decisions on increasing capital up to the limit of registered capital and restriction of the right of shareholders to purchase new shares and issuance of shares at a premium.

Remaining shares after using the pre-emptive rights and all new shares issued that are restricted the use of preferential rights are offered to the public in market price on the condition that not less than nominal value. The amount of the issued share capital is required be shown on documents used in the title of the company. Shares representing the capital are monitored within the framework of the principles of registration.

Remaining shares after using the pre-emptive rights and all new shares issued that are restricted the use of preferential rights are offered to the public in market price on the condition that not less than nominal value. The amount of the issued share capital is required be shown on documents used in the title of the company. Shares representing the capital are monitored within the framework of the principles of registration.

<p>In accordance with 4th paragraph of 6th Article of No. 5664 "The Law on Housing Benefit Payment Right Holders" which was published in the Official Gazette dated 30.05.2007 and No. 26537, the financial and administrative rights of rights holders arising from the shareholder shall continue to be represented By the Housing Development Administration until completion of procedures of the stock and housing assistance payments to beneficiaries.</p>	
<p>PREFERRED SECURITIES Article 9:</p>	<p>PREFERRED SECURITIES Article 9:</p>
<p>A Group shares have the privilege to nominate a candidate in election of members of the Board of Directors. Five of Members of the Board of Directors, other than independents, are elected by the General Assembly among the candidates nominated by Class A shareholders. After the public offering, a privilege including the privilege to nominate in The Board of Directors can not be created. Transfer of preferred shares is subject to the Board's approval. In partnership, shares representing the minimum free float rate of preferred shares that the controlling percentage, during the two years following the end of the sales period, are required only to be acquired by the leading shareholder.</p>	<p>A Group shares have the privilege to nominate a candidate in election of members of the Board of Directors. Five of Members of the Board of Directors, other than independents, are elected by the General Assembly among the candidates nominated by Class A shareholders. After the public offering, a privilege including the privilege to nominate in The Board of Directors cannot be created. Transfer of preferred shares is subject to the Board's approval. In partnership, shares representing the minimum free float rate of preferred shares that the controlling percentage, during the two years following the end of the sales period, are required only to be acquired by the leading shareholder.</p>
<p>MANAGEMENT OF PORTFOLIO, PORTFOLIO LIMITATIONS, PRESERVATION AND INSURANCE OF PORTFOLIO ASSETS ARTICLE 10:</p>	<p>MANAGEMENT OF PORTFOLIO, PORTFOLIO LIMITATIONS, PRESERVATION AND INSURANCE OF PORTFOLIO ASSETS ARTICLE 10:</p>
<p>Capital Markets Board regulations are complied with management, creation and administration of partners' portfolio. It is essential to diversify and manage the long-term of portfolio of general-purposed real estate investment trusts. Capital market instruments taken to The Company's portfolio or documents representing them, are maintained by ISE Settlement and Custody Bank Inc. with storage agreement in the framework of the capital market legislation. Exception of land, land, rights and projects not yet started and capital market instruments, insurance by taking into account the fair value is mandatory for all assets against any damage that may occur.</p>	<p>Capital Markets Board regulations are complied with management, creation and administration of partners' portfolio. It is essential to diversify and manage the long-term of portfolio of general-purposed real estate investment trusts. Capital market instruments taken to The Company's portfolio or documents representing them, are maintained by ISE Settlement and Custody Bank Inc. with storage agreement in the framework of the capital market legislation. Exception of land, land, rights and projects not yet started and capital market instruments, insurance by taking into account the fair value is mandatory for all assets against any damage that may occur.</p>

<p>VALUATION OF ASSETS IN PORTFOLIO</p> <p>ARTICLE 11:</p>	<p>VALUATION OF ASSETS IN PORTFOLIO</p> <p>ARTICLE 11:</p>
<p>The Company shall be obligated to make the fair values and rental costs of processing of the assets and rights determined by a real estate appraisal company that operates in accordance with regulations of the Capital Markets Board and complies with regulations in relation to real estate investment trusts of Capital Markets Board, in the time periods specified in the legislation of the capital market in the cases listed in the capital market legislation. The Company complies with the principles determined by the Board in the valuation of the portfolio of investments in the money and capital market instruments.</p>	<p>The Company shall be obligated to make the fair values and rental costs of processing of the assets and rights determined by a real estate appraisal company that operates in accordance with regulations of the Capital Markets Board and complies with regulations in relation to real estate investment trusts of Capital Markets Board, in the time periods specified in the legislation of the capital market in the cases listed in the capital market legislation. The Company complies with the principles determined by the Board in the valuation of the portfolio of investments in the money and capital market instruments.</p>
<p>THE BOARD OF DIRECTORS AND TERM OF OFFICE</p> <p>ARTICLE 12:</p>	<p>THE BOARD OF DIRECTORS AND TERM OF OFFICE</p> <p>ARTICLE 12:</p>
<p>The company's management, against third parties, representing and binding, is belonged to the Board of Directors consisting of seven members. meeting the requirements specified in the legislation of the Turkish Commercial Code, elected by the General Assembly under the provisions of the Turkish Commercial Code</p> <p>In the first meeting of the Board of Directors, a chairman from among its members and when the president is absent elects to substitute for a president.</p> <p>Members of the Board of Directors will serve for at least 1/3 of the,</p> <ul style="list-style-type: none"> -Partnership 10% or more shareholders or voting rights other partners, -Partnership with the privilege of nominating shareholders, the board of directors by shareholders -Counseling service company -operating companies 	<p>The company's management, against third parties, representing and binding, is belonged to the Board of Directors consisting of seven members. meeting the requirements specified in the legislation of the Turkish Commercial Code, elected by the General Assembly under the provisions of the Turkish Commercial Code. In the first meeting of the Board of Directors, a chairman from among its members and when the president is absent elects to substitute for a president. There are non-executive and non-members in the Board of Directors. The majority of the Board members to be appointed consists of non-executive members not involved in the daily work flow and ordinary activities and with no other administrative task than being a member of the Board of Directors.</p> <p>Among non-executive members, independent member not less than 1/3 of total number of members as defined in Corporate Governance Principles issued by the CMB.</p>

<p>Members of the Board of Directors will serve for at least 1/3 of the,</p> <ul style="list-style-type: none"> -Partnership 10% or more shareholders or voting rights other partners, -Partnership with the privilege of nominating shareholders, the board of directors by shareholders -Counseling service company,-operating companies, -Partnership 10% or more shareholder or shareholders who are entitled to vote in the shareholders that have the privilege of nominating the board of directors <p>More than 10% of shares or voting rights owned companies,</p> <ul style="list-style-type: none"> -Company's subsidiary, <p>Serial: VI, No: 11 of the Communiqué of Article 4 (g) must be independent as defined in sub-paragraph. 1/3 of the unlikely event of calculating the number of decimals to the nearest whole number shall be taken. Notification of Article 4 (g) members of the Board of Directors pursuant to the Corporate Governance Principles published by the Capital Markets Board is required to be independent as defined by the partnership, the board of directors for a period of 7 years independence of the independent board members of a person who is considered disappeared.</p> <p>The term of office of the Board of Directors is 1 year for all members. At the end of tenure, members of the task ends can be nominated for re-election. In case of any vacancy in the membership, a person with the qualifications specified in the capital market legislation and Board of Directors of the Turkish Commercial Code, it elects to temporarily for this position and submits to the approval of the General Assembly. The elected member completes the term of the former member.</p> <p>Members of the Board of Directors may be dismissed at any time by the General Assembly.</p>	<p>In terms of the independence of the members of, ensuring the independence criteria defined in the Corporate Governance Principles issued by the CMB are required. 1/3 of the unlikely event of calculating the number of fractional, following integer is taken into consideration. Furthermore, in the Company's Board of Directors, in the last decade, a person more than six years was a member of the Board of Directors can not be appointed as an independent member. Selection of independent members is carried out as described in the Corporate Governance Statement.</p> <p>The term of office of the Board of Directors is 1 year for all members. At the end of tenure, members of the task ends can be nominated for re-election. In case of any vacancy in the membership, a person with the qualifications specified in the capital market legislation and Board of Directors of the Turkish Commercial Code, it elects to temporarily for this position and submit to the approval of the General Assembly. The elected member completes the term of the former member.</p> <p>Members of the Board of Directors may be dismissed at any time by the General Assembly.</p> <p>In cases that situation came about eliminating the independence, resign of independent member or becoming unable to perform, this situation is forwarded to the Board of Directors to be announced to the public and the member resigns in principle. Assignment made for replacing the member who resigned is performed as indicated by the Corporate Governance Principles published by the Capital Markets Board.</p>
<p>ELIGIBILITY OF THE BOARD OF DIRECTORS ARTICLE 13:</p>	<p>ELIGIBILITY OF THE BOARD OF DIRECTORS ARTICLE 13:</p>
<p>Members of the Board of Directors must meet the requirements specified in the Turkish Commercial Code, Capital Markets Law and other relevant legislation.</p>	<p>Members of the Board of Directors must meet the requirements specified in the Turkish Commercial Code, Capital Markets Law and other relevant legislation.</p> <p>Prejudice to the provisions of the independent members of the Board of Directors.</p>

MEETINGS OF THE BOARD OF DIRECTORS MADDE 14:	MEETINGS OF THE BOARD OF DIRECTORS MADDE 14:
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<p>Board of Directors shall be convened by the chairman or vice chairman when necessary for the operations of the Company. Each member of the Board of Directors may request the board meeting to be held with a written application to president or vice president. If still president or vice president does not convene the meeting of the Board, members also shall have ex officio authority to call.</p> <p>In meetings, each member has one vote. Right of vote is used in person. As long as a member does not request a meeting of the members, decision can be taken on proposal of a member by consent of other members in writing.</p> <p>The meeting agenda of the Board of Directors shall be determined by the chairman of the board of directors. Change can be made with the decision of the Board of Directors. The meeting place is the center of the company. However, Board of Directors may meet in elsewhere with resolution.</p> <p>Board of Directors meet up with five member and decision are taken with the majority of the participants. In case of equality of votes, the matter is postponed to the next meeting. The proposal with equal number of votes shall be deemed rejected.</p>	<p>Board of Directors shall be convened by the chairman or vice chairman when necessary for the operations of the Company. Each member of the Board of Directors may request the board meeting to be held with a written application to president or vice president. If still president or vice president does not convene the meeting of the Board, members also shall have ex officio authority to call.</p> <p>In meetings, each member has one vote. Right of vote is used in person. As long as a member does not request a meeting of the members, decision can be taken on proposal of a member by consent of other members in writing.</p> <p>The meeting agenda of the Board of Directors shall be determined by the chairman of the board of directors. Change can be made with the decision of the Board of Directors. The meeting place is the center of the company. However, Board of Directors may meet in elsewhere with resolution.</p> <p>Board of Directors meet up with five member and decision are taken with the majority of the participants. In case of equality of votes, the matter is postponed to the next meeting. The proposal with equal number of votes shall be deemed rejected.</p> <p>Approval of a majority of independent members is required for all related party transactions of the company and guarantees, pledges and mortgages in favor of third parties. In the absence of confirmation in question, the situation is announced to the public to include sufficient information for processing within the framework of disclosure and transaction is submitted for the approval of the General Assembly. According to these principles, Board decisions that are not taken is not valid.</p> <p>Board of Directors votes are used as the acceptance or rejection. Member with reject vote signs by reason for rejection under the decision.</p> <p>Members not attending the meeting, without legitimate excuse, can not vote in writing or howsoever.</p>
<p>SPECIAL RESOLUTIONS</p>	<p>SPECIAL RESOLUTIONS</p>

<p>ARTICLE 15:</p> <p>In the event of Decisions of the Board of Directors not taken by consensus in (B) the matters listed (A) of the parties mentioned with the partnership, together with the reasons for the decision, disclosure accordance with the CMB regulations regarding public disclosure of special events, must be included in the agenda of the first meeting of the General Assembly, and shareholders must be informed.</p> <p>A)The Parties</p> <p>a) Partners that have a share or voting rights over 10% of the capital or shareholders, b) Shareholders that have the privilege of nominating the board of directors, c) The company that provides consulting services, d) Other companies that have a share or voting rights over 10% of the capital or shareholders listed in a and b clauses e) Subsidiaries</p> <p>B)Special resolutions</p> <p>a) Decisions on the acquisition, sale, letting or renting from Company's portfolio b) Decisions on the determination of the companies to market the Company's portfolio of assets c) Decisions on the establishment of a credit relationship, ç) Decisions on the public offering of shares of the company, the determination of the intermediary institution that commits to purchase d) Decisions on joint ventures, e) Decisions on the determination of the natural or legal persons to serve in financial, legal or technical consultancy for the partnership, f) Decisions on the determination of the natural or legal persons to serve in project development, control or contracting for the partnership, g) Decisions on including the securities in the portfolio issued by legal entities referred to in (A) clause, h) In addition to these, decisions in favor of any the parties listed in (A) clause.</p>	<p>ARTICLE 15:</p> <p>In the event of Decisions of the Board of Directors not taken by consensus in (B) the matters listed (A) of the parties mentioned with the partnership, together with the reasons for the decision, disclosure accordance with the CMB regulations regarding public disclosure of special events, must be included in the agenda of the first meeting of the General Assembly, and shareholders must be informed.</p> <p>A)The Parties</p> <p>a) Partners that have a share or voting rights over 10% of the capital or shareholders, b) Shareholders that have the privilege of nominating the board of directors, c) The company that provides consulting services, d) Other companies that have a share or voting rights over 10% of the capital or shareholders listed in a and b clauses e) Subsidiaries</p> <p>B)Special resolutions</p> <p>a) Decisions on the acquisition, sale, letting or renting from Company's portfolio, b) Decisions on the determination of the companies to market the Company's portfolio of assets, c) Decisions on the establishment of a credit relationship, ç) Decisions on the public offering of shares of the company, the determination of the intermediary institution that commits to purchase, d) Decisions on joint ventures, e) Decisions on the determination of the natural or legal persons to serve in financial, legal or technical consultancy for the partnership, f) Decisions on the determination of the natural or legal persons to serve in project development, control or contracting for the partnership, g) Decisions on including the securities in the portfolio issued by legal entities referred to in (A) clause, h) Decisions on the determination of the natural or legal persons to serve in administration for the partnership, i) In addition to these, decisions in favor of any the parties listed in (A) clause.</p>
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<p>FEEES OF MEMBERS OF THE BOARD OF DIRECTORS</p> <p>ARTICLE 16:</p>	<p>FEEES OF MEMBERS OF THE BOARD OF DIRECTORS AND TOP EXECUTIVES</p> <p>ARTICLE16:</p>
<p>Chairman and members of the Board of Directors fees shall be determined by the General Assembly.</p>	<p>Charging principles of Members of the Board of Directors and senior executives are written and presented to the shareholders as a separate item in the General Assembly, shareholders are given an opportunity to comment on this issue. Wage policy prepared for this purpose is published on the company's web site.</p> <p>Stock options or the company's performance-based payment plans are not used in charging of the independent members of the Board of Directors and fees for the independent members of the Board of Directors must be in a level to protect their independence.</p>
<p>COMPANY MANAGEMENT AND BINDING ARTICLE 17:</p>	<p>COMPANY MANAGEMENT AND BINDING ARTICLE 17:</p>
<p>Board of Directors shall perform tasks given by Turkish Commercial Code, Capital Markets Law and other related legislation and the General Assembly.</p> <p>Board of Directors may negotiate contracts that exceed the term of office.</p> <p>For validity of Aal documents issued by the Company and all kinds of contracts, bills, checks and similar documents binding the company, signatures of at least two people Authorized to bind the Company is required.</p>	<p>Board of Directors shall perform tasks given by Turkish Commercial Code, Capital Markets Law and other related legislation and the General Assembly.</p> <p>Board of Directors may negotiate contracts that exceed the term of office.</p> <p>For validity of Aal documents issued by the Company and all kinds of contracts, bills, checks and similar documents binding the company, signatures of at least two people Authorized to bind the Company is required.</p>

<p>Board of Directors may leave all powers or partly to among its members or delegates or directors are not required to be a shareholder to be appointed from outside.</p>	<p>Board of Directors may leave all powers or partly to among its members or delegates or directors are not required to be a shareholder to be appointed from outside.</p> <p>Board of Directors, to ensure the fulfillment of the duties and responsibilities in a healthy way, taking into account the requirements of the Company may pose Corporate Governance Principles published by the Capital Markets and committees provided and other committees in sufficient number of required.</p> <p>Decisions of creating committees, task and work areas, forming members are determined by the Board of Directors in accordance with the provisions of the present articles of association, the provisions of the present articles of association issued by the CMB and disclosed to the public. Board of Directors may always re-determine the duties and functions of the committees as well as may make necessary changes in membership.</p> <p>The committees conduct their work independently and provide advice to the Board of Directors. Committees have no decision-making powers of the executive in relation to the affairs of the Company; decision-making authority on issues suggested by the committees are belonged to the Board of Directors.</p>
<p>GENERAL MANAGER AND MANAGERS MADDE 18:</p>	<p>GENERAL MANAGER AND MANAGERS MADDE 18:</p>
<p>The Board of Directors shall appoint a general manager and sufficient manager to manage the Company's business. Person to serve as general manager shall fulfill the conditions laid in capital market legislation and employed as exclusively as a full-time for this task. The General Manager is responsible for managing the company in accordance with Turkish Commercial Code, Capital Markets Law, Communiqués of the Capital Markets Board of Turkey the decisions of the Board of Directors and provisions of other relevant legislation.</p>	<p>The Board of Directors shall appoint a general manager and sufficient manager to manage the Company's business. Person to serve as general manager shall fulfill the conditions laid in capital market legislation and employed as exclusively as a full-time for this task. The General Manager is responsible for managing the company in accordance with Turkish Commercial Code, Capital Markets Law, Communiqués of the Capital Markets Board of Turkey the decisions of the Board of Directors and provisions of other relevant legislation.</p>
<p>BANS ON MANAGERS</p>	<p>BANS ON MANAGERS</p>

<p>ARTICLE 19:</p> <p>On the condition that, in decisions at the Board of Directors with members of the Board of Directors, between parties, any direct or indirect relationship to be established in terms of employment, capital or commercially in last two years or presence of blood kinship or affinity to the third degree including peer, the member of the board of directors is obliged to inform the Board of Directors and meeting minutes together with the reasons. Members of the Board of Directors can not participate in the negotiations for interests of relatives by blood or affinity to the third degree. A member who acts contrary to this provision is obliged to compensate company's losses arising from the process.</p>	<p>ARTICLE 19:</p> <p>On the condition that, in decisions at the Board of Directors with members of the Board of Directors, between parties, any direct or indirect relationship to be established in terms of employment, capital or commercially in last two years or presence of blood kinship or affinity to the third degree including peer, the member of the board of directors is obliged to inform the Board of Directors and meeting minutes together with the reasons. Members of the Board of Directors can not participate in the negotiations for interests of relatives by blood or affinity to the third degree. A member who acts contrary to this provision is obliged to compensate company's losses arising from the process.</p>
<p>AUDITORS AND TERM OF OFFICE</p> <p>ARTICLE 20:</p> <p>Auditors to take part in company shall meet the requirements specified by the legislation and Turkish Commercial Code. The General Assembly shall elect three auditors to serve for a period of one year among the shareholders or from outside. More than half of Auditors shall be a citizen of the Republic of Turkey. The auditors may be re-elected. auditors, at the same time, can not be elected as members of the Board of Directors, or they cannot serve in the company as officer. Auditors are responsible to perform tasks forth in 353-357 Articles of Turkish Commercial Code.</p>	<p>AUDITORS AND TERM OF OFFICE</p> <p>ARTICLE 20:</p> <p>Auditors to take part in company shall meet the requirements specified by the legislation and Turkish Commercial Code. The General Assembly shall elect three auditors to serve for a period of one year among the shareholders or from outside. More than half of Auditors shall be a citizen of the Republic of Turkey. The auditors may be re-elected. auditors, at the same time, can not be elected as members of the Board of Directors, or they cannot serve in the company as officer. Auditors are responsible to perform tasks forth in 353-357 Articles of Turkish Commercial Code.</p>
<p>GENERAL MEETINGS</p> <p>ARTICLE 23:</p> <p>The General Assembly meets up as ordinary and extraordinary. The ordinary general assembly, within 3 months from the end of the accounting period of the Company, meets up at least once a year and taking into consideration the provisions of Article of 369 of the Turkish Commercial Code, makes the decisions about issues on the agenda prepared by the Board of Directors.</p>	<p>GENERAL MEETINGS</p> <p>ARTICLE 23:</p> <p>The General Assembly meets up as ordinary and extraordinary. The ordinary general assembly, within 3 months from the end of the accounting period of the Company, meets up at least once a year and taking into consideration the provisions of Article of 369 of the Turkish Commercial Code, makes the decisions about issues on the agenda prepared by the Board of Directors.</p>

<p>The extraordinary general meeting, when required by the Company's business, meets up in accordance with the provisions of law and the articles of association and takes the necessary decisions. Place and date of the extraordinary general assembly meeting shall be duly announced.</p> <p>For the General Assembly meeting and decision quorums, quorums prescribed in the Turkish Commercial Code in force on the date of the meeting shall be applied.</p> <p>Each shareholder is entitled to one vote in General Assembly meetings.</p>	<p>The extraordinary general meeting, when required by the Company's business, meets up in accordance with the provisions of law and the articles of association and takes the necessary decisions. Place and date of the extraordinary general assembly meeting shall be duly announced.</p> <p>For the General Assembly meeting and decision quorums, quorums prescribed in the Turkish Commercial Code in force on the date of the meeting shall be applied.</p> <p>Decisions on related party transactions, guarantees, pledges and mortgages in favor of third parties not approved by a majority of the independent members of the Board of Directors are taken by a voting where persons associated and parties to the transaction can not vote, other shareholders in the General Assembly are provided to participate in such decisions. In the general Assembly meetings specified for these situations, a quorum is not required, decision is taken by a simple majority of those voting. According to these principles, General Assembly resolutions are not taken are not valid.</p> <p>In accordance with 23 / A Article of the agreement, in the event of the parties to a related party in transactions requiring the approval of the General Assembly, related parties can not vote in such transactions in the General Assembly meetings. In the general Assembly meetings specified for these situations, a quorum is not required, decision is taken by a simple majority of those voting.</p> <p>Each shareholder is entitled to one vote in General Assembly meetings.</p>
	<p>TRANSACTIONS REQUIRING CONSENT OR AWARD OF THE GENERAL ASSEMBLY</p> <p>ARTICLE 23/A:</p>
	<p>For competing and entering into transactions of the controlling shareholders, Members of the Board of Directors and their spouses and blood relatives or relatives to the second degree, which may lead to a</p>

	<p>conflict of interest With the Company or the Company's subsidiaries, Prior approval by the General Assembly is required and The General Assembly should be informed about these transactions.</p> <p>For the implementation of the Corporate Governance Principles published by the Capital Markets Board, in relation to important transactions, accordance with relevant legislation, approval of a majority of independent members is sought for execution of the decisions of the Board of Directors related to transactions in question. But, on the condition that aforementioned operations be performed despite the opposition of a majority of independent members and absence of the approval of a majority of independent members, the transaction is submitted to the General Assembly for action. In this case, justification for opposition of independent members of the Board of Directors is promptly disclosed to the public, shall be notified to the CMB and shall be read in meeting of the General Assembly.</p> <p>In this context, significant transactions:</p> <ul style="list-style-type: none"> (a) Transfer of all or a significant portion of the company's assets or establishing real right on these or leasing them, b) taking over or leasing a significant presence (c) predicting privilege or changing the scope of existing privileges (ç) Removal of the company from the exchange list
<p>PRESENCE OF COMMISSIONER IN MEETINGS ARTICLE 25:</p>	<p>PRESENCE OF COMMISSIONER IN MEETINGS ARTICLE 25:</p>
<p>In ordinary and extraordinary general meetings, Commissioner of the Ministry of Industry and Trade must be present. The decisions taken in the absence of the Commissioner General Assembly shall be invalid.</p>	<p>In ordinary and extraordinary general meetings, Commissioner of the Ministry of Industry and Trade must be present. The decisions taken in the absence of the Commissioner General Assembly shall be invalid.</p>
<p>APPOINTMENT OF REPRESENTATIVE ARTICLE 26:</p>	<p>APPOINTMENT OF REPRESENTATIVE ARTICLE 26:</p>
<p>In General Assembly meetings, shareholders may be represented by appointed representatives among themselves or aliunde.</p>	<p>In General Assembly meetings, shareholders may be represented by appointed representatives among themselves or aliunde.</p>

<p>Representatives of the shareholders in the company are authorized to use the votes of the shareholders they represent other than their own votes. Form of authorization certificate is determined by Board of Directors accordance with regulations of the Capital Markets Board of Turkey. Certificate of authorization must be in writing. Proxy voting are complied with the regulations of the Capital Markets Board.</p>	<p>Representatives of the shareholders in the company are authorized to use the votes of the shareholders they represent other than their own votes. Form of authorization certificate is determined by Board of Directors accordance with regulations of the Capital Markets Board of Turkey. Certificate of authorization must be in writing. Proxy voting are complied with the regulations of the Capital Markets Board.</p>
<p>METHOD OF VOTING ARTICLE 27:</p>	<p>METHOD OF VOTING ARTICLE 27:</p>
<p>Votes in General Meetings are given by way of raising hands. However, a secret ballot is necessitated upon request by those owning one-tenth of the capital represented by the present shareholders.</p>	<p>Votes in General Meetings are given by way of raising hands. However, a secret ballot is necessitated upon request by those owning one-tenth of the capital represented by the present shareholders.</p>
<p>ANNOUNCEMENTS</p> <p>ARTICLE 28:</p>	<p>ANNOUNCEMENTS</p> <p>ARTICLE 28:</p>
<p>Announcements of the Company are made compliance with the terms specified in the capital market legislation, Turkish Commercial Code, a newspaper published at the Company's headquarters located, Turkey Trade Registry Gazette. Announcements regarding the calling of the General Assembly, in accordance with article of 368 of the Turkish Commercial Code, must be announced at least two weeks in advance with the exception of announcement and invitation days. Other liabilities of announcement stemming from capital market regulations and The Turkish Commercial Code are reserved.</p>	<p>Announcements of the Company are made compliance with the terms specified in the capital market legislation, Turkish Commercial Code, a newspaper published at the Company's headquarters located, Turkey Trade Registry Gazette. For announcements regarding the calling of the General Assembly, including the Corporate Governance Principles and Turkish Commercial Code, the relevant provisions of the Capital Market legislation shall be enforced. as well as notices and disclosures required by the legislation, With the declaration of the General Assembly, Matters specified in the Corporate Governance Principles Issued by the CMB shall be announced to the shareholders on the company's web site.</p>
<p>RELEASING INFORMATION</p>	<p>RELEASING INFORMATION</p>

MADDE 29:	MADDE 29:
The Company shall fulfill obligations of providing information to Capital Markets Board according to the rules of procedure and regulations of the Capital Markets Board and sending and declaring to public of financial statements and reports required by the legislation and independent audit reports in case of being subject to independent audit to the Capital Market Board.	The Company shall fulfill obligations of providing information to Capital Markets Board according to the rules of procedure and regulations of the Capital Markets Board and sending and declaring to public of financial statements and reports required by the legislation and independent audit reports in case of being subject to independent audit to the Capital Market Board.
FISCAL YEAR MADDE 30:	FISCAL YEAR MADDE 30:
The Company's fiscal year, begins on the first day of January and ends on the last day of December. The first fiscal year begins on the date the Company was registered on the Trade Registry and ends on the last day of December of that year.	The Company's fiscal year, begins on the first day of January and ends on the last day of December.
DISTRIBUTION OF PROFITS ARTICLE 31:	DISTRIBUTION OF PROFITS ARTICLE 31:
The company complies with the regulations in the Turkish Commercial Code and capital market legislation in terms of profit distribution. Pursuant to general accounting principles such as general company expenses and various depreciation, required payments and allocated sums, mandatory taxes for the Company's legal entity, and provisions for financial obligations are deducted from the ascertained revenue at the end of the fiscal year. Losses from previous years, if any, are also deducted from the remaining amount and the net profit specified on the annual balance sheet, after which the remaining sum is distributed within the order and principles below. Primary Legal Reserve; a) 5% of the remaining is allocated as the primary legal reserve until it is 20% of the issued capital pursuant to article 466 of the Turkish Commercial Code.	The company complies with the regulations in the Turkish Commercial Code and capital market legislation in terms of profit distribution. Pursuant to general accounting principles such as general company expenses and various depreciation, required payments and allocated sums, mandatory taxes for the Company's legal entity, and provisions for financial obligations are deducted from the ascertained revenue at the end of the fiscal year. Losses from previous years, if any, are also deducted from the remaining amount and the net profit specified on the annual balance sheet, after which the remaining sum is distributed within the order and principles below. Primary Legal Reserve; a) 5% of the remaining is allocated as the primary legal reserve until it is 20% of the issued capital pursuant to article 466 of the Turkish Commercial Code.

<p>First Dividend;</p> <p>b) First dividend is reserved from the remaining sum at the amount and portion determined by Capital Markets Board.</p> <p>Second Dividend;</p> <p>c) After deducting the amounts mentioned in clauses a and b from the net profit, the General Meeting is authorized to distribute the remaining amount completely or partially as second dividend, leave it in the balance sheet as year-end profit, add it to voluntary or statutory reserve or keep as extraordinary reserve. Secondary legal reserves;</p> <p>d) After deducting 5% of the issued capital from the amount determined for distribution to persons participating in the profit with shareholders, one tenth of the remaining amount is reserved as secondary legal reserve pursuant to clause 3 paragraph 2 and article 466 of the Turkish Commercial Code</p> <p>e) As long as the legally required statutory reserves are not reserved and the first dividend specified in the articles of association for shareholders is not allocated; further reserving of statutory reserves, transferring profit to next year and distributing dividends to board members, clerks, janitors and workers, various foundations and similar persons and institutions cannot be executed and the profit share cannot be distributed to these persons if the specified first dividend is not distributed.</p>	<p>First Dividend;</p> <p>B First dividend is reserved from the remaining sum at the amount and portion determined by Capital Markets Board.</p> <p>Second Dividend;</p> <p>c) After deducting the amounts mentioned in clauses a and b from the net profit, the General Meeting is authorized to distribute the remaining amount completely or partially as second dividend, leave it in the balance sheet as year-end profit, add it to voluntary or statutory reserve or keep as extraordinary reserve. Secondary legal reserves;</p> <p>d) After deducting 5% of the issued capital from the amount determined for distribution to persons participating in the profit with shareholders, one tenth of the remaining amount is reserved as secondary legal reserve pursuant to clause 3 paragraph 2 and article 466 of the Turkish Commercial Code</p> <p>e) As long as the legally required statutory reserves are not reserved and the first dividend specified in the articles of association for shareholders is not allocated; further reserving of statutory reserves, transferring profit to next year and distributing dividends to board members, clerks, janitors and workers, various foundations and similar persons and institutions cannot be executed and the profit share</p>
<p>TIME OF DISTRIBUTION OF PROFITS</p> <p>ARTICLE 32:</p>	<p>TIME OF DISTRIBUTION OF PROFITS</p> <p>ARTICLR 32:</p>
<p>The way and date of distribution of annual profit to shareholders shall be determined taking into account the relevant regulations of the Capital Markets Board by the General Assembly upon the proposal of the Board of Directors. Accordance with the provisions of the Articles of Association, distributed profits are rolled back.</p>	<p>The way and date of distribution of annual profit to shareholders shall be determined taking into account the relevant regulations of the Capital Markets Board by the General Assembly upon the proposal of the Board of Directors. Accordance with the provisions of the Articles of Association, distributed profits are rolled back.</p>
<p>AUTOMATIC TERMINATION ARTICLE 34:</p>	<p>AUTOMATIC TERMINATION ARTICLE 34:</p>
<p>Automatic termination and lapse of the Company are carried out according to the provisions of the Turkish Commercial Code and Capital Markets Board legislation in force.</p>	<p>Automatic termination and lapse of the Company are carried out according to the provisions of the Turkish Commercial Code and Capital Markets Board legislation in force.</p>

LEGAL PROVISIONS ARTICLE 35:	LEGAL PROVISIONS ARTICLE 35:
<p>Executory laws, rules, regulations and communiqués that are contrary to the provisions of the articles of this agreement shall not be enforced.</p> <p>The matters which are not covered in this article of association are subject to Turkish Commercial Code, Capital Market Law and related legislative provisions.</p>	<p>Executory laws, rules, regulations and communiqués that are contrary to the provisions of the articles of this agreement shall not be enforced.</p> <p>The matters which are not covered in this articles of association are subject to Turkish Commercial Code, Capital Market Law and related legislative provisions.</p> <p>Corporate Governance Principles as required by the CMB shall be applied. Transactions and decisions of the Board of Directors without complying with the mandatory principles shall be considered to be invalid and contrary to the articles of incorporation.</p> <p>In transactions which are deemed important For the implementation of the Corporate Governance Principles and all related party transactions of the Company and transactions related to giving guarantees, pledges and mortgages in favor of third parties, CMB's corporate governance regulations shall be applied.</p> <p>Number and qualifications of the independent members of the Board of Directors shall be determined in accordance with the CMB's corporate governance regulations.</p>

