

# VAKIF GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) AS OF 30 SEPTEMBER 2017

(Amounts are expressed in Turkish Lira ("TRY") unless otherwise stated.)

ASSETS	Notes	Not audited 30 September 2017	Audited 31 December 2016
<b>CURRENT ASSETS</b>		<b>281,828,144</b>	<b>211,083,073</b>
Cash and cash equivalents	4	68,449,003	100,586,329
Financial investments	3, 5	-	87,633,713
Trade receivable	6	32,034,402	10,902,192
- <i>Trade receivables from third parties</i>	6	32,034,402	10,902,192
Other receivables	7	8,374,007	7,678,666
- <i>Other receivables from related parties</i>	3, 7	15,521	4,864
- <i>Other receivables from third parties</i>	7	8,358,486	7,673,802
Inventories	11	160,694,102	-
Prepaid expenses	8	203,693	78,812
Current income tax assets	9	1,233,279	4,203,361
Other current assets	9	10,839,658	-
<b>NON-CURRENT ASSETS</b>		<b>785,497,662</b>	<b>818,220,597</b>
Trade receivables	6	-	29,062,160
- <i>Trade receivables from third parties</i>	6	-	29,062,160
Other receivables	7	8,447	3,464,744
- <i>Other receivables from third parties</i>	7	8,447	3,464,744
Inventories	11	40,341,329	136,193,496
Tangible assets	12	628,210	646,899
Intangible assets	13	26,123	31,259
- <i>Other intangible assets</i>	13	26,123	31,259
Investment property	10	638,217,781	608,971,758
Prepaid expenses	8	71,795,371	9,529,353
Other non-current assets	9	34,480,401	30,320,928
<b>TOTAL ASSETS</b>		<b>1,067,325,806</b>	<b>1,029,303,670</b>

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

# VAKIF GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) AS OF 30 SEPTEMBER 2017

(Amounts are expressed in Turkish Lira ("TRY") unless otherwise stated.)

<b>LIABILITIES</b>	<b>Notes</b>	<b>Not audited 30 September 2017</b>	<b>Audited 31 December 2016</b>
<b>CURRENT LIABILITIES</b>		<b>192,773,494</b>	<b>6,953,069</b>
Trade payables	6	4,686,313	1,104,267
- <i>Trade payables to third parties</i>	6	4,686,313	1,104,267
Liabilities for employee benefits		127,368	-
Other payables	7	2,324,264	2,379,711
- <i>Other payables to related parties</i>	3, 7	15,384	13,179
- <i>Other payables to third parties</i>	7	2,308,880	2,366,532
Deferred income	16	177,133,613	-
Short term provisions	15	162,831	309,949
- <i>Short term provisions for employee benefits</i>	15	162,831	309,949
Other current liabilities	16	8,339,105	3,159,142
<b>NON-CURRENT LIABILITIES</b>		<b>1,019,251</b>	<b>157,367,789</b>
Other payables	7	926,544	7,715
- <i>Other payables to third parties</i>	7	926,544	7,715
Long term provisions	15	92,707	188,558
- <i>Long term provisions for employee benefits</i>	15	92,707	188,558
Deferred income	16	-	157,171,516
<b>EQUITY</b>		<b>873,533,061</b>	<b>864,982,812</b>
Paid in capital	17	217,500,000	213,000,000
Adjustment to share capital	17	21,599,008	21,599,008
Share premiums	17	246,731,349	246,731,349
Other comprehensive income to not be reclassified			
to profit or loss	17	75,418	19,872
- <i>Revaluation and remeasurement</i>	17	75,418	19,872
- <i>Remeasurement of employee benefits</i>	17	75,418	19,872
Restricted reserves		7,543,019	6,389,742
Retained earnings		371,589,564	334,818,016
Net profit for the period		8,494,703	42,424,825
<b>TOTAL LIABILITIES</b>		<b>1,067,325,806</b>	<b>1,029,303,670</b>

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

# VAKIF GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME AS OF 30 SEPTEMBER 2017

(Amounts expressed as Turkish Lira (“TRY”) unless otherwise stated.)

	Notes	Not audited 1 January - 30 September 2017	Not audited 1 July - 30 September 2017	Not audited 1 January - 30 September 2016	Not audited 1 July - 30 September 2016
<b>Profit/loss</b>					
Revenue	18	2,473,482	828,589	2,315,354	773,577
Cost of sales (-)	18	(546,218)	(101,087)	(598,957)	(191,111)
<b>Gross profit</b>		<b>1,927,264</b>	<b>727,502</b>	<b>1,716,397</b>	<b>582,466</b>
Marketing expenses (-)	19	(1,839,556)	(173,645)	(3,844,866)	(643,981)
General and administrative expenses (-)	19	(4,537,117)	(1,792,676)	(9,773,020)	(7,298,428)
Other operating income	20	2,276,928	2,133,582	119,734	14,173
<b>Operating Loss</b>		<b>(2,172,481)</b>	<b>894,763</b>	<b>(11,781,755)</b>	<b>(7,345,770)</b>
Income from investing activities	22	2,247,185	35,514	400,044	378,998
<b>Operating Profit Before Financial Income / (Expenses)</b>		<b>74,704</b>	<b>930,277</b>	<b>(11,381,711)</b>	<b>(6,966,772)</b>
Financial income	23	8,654,770	2,927,488	22,380,528	6,378,301
Financial expenses (-)	23	(234,771)	(72,272)	(230,793)	(74,363)
<b>PROFIT BEFORE TAX FROM CONTINUING OPERATIONS</b>		<b>8,494,703</b>	<b>3,785,493</b>	<b>10,768,024</b>	<b>(662,834)</b>
Current tax income/ (expense)	24	-	-	-	-
<b>Net Profit For the Period</b>		<b>8,494,703</b>	<b>3,785,493</b>	<b>10,768,024</b>	<b>(662,834)</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
<b>Other comprehensive income to not be reclassified to profit or loss</b>					
- Remeasurement of employee benefits		55,546	61,980	(4,232)	(3,008)
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>8,550,249</b>	<b>3,847,473</b>	<b>10,763,792</b>	<b>(665,842)</b>
Earnings per share	25	0.0391	0.0174	0.0495	(0.0030)
Diluted earnings per share	25	0.0391	0.0174	0.0495	(0.0030)

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

## VAKIF GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

### STATEMENTS OF CHANGES IN EQUITY AS OF 30 SEPTEMBER 2017

(Amounts expressed as Turkish Lira ("TRY") unless otherwise stated.)

	Paid-in capital	Adjustment to share capital	Share premium	Remeasurement of employee benefits	Restricted reserves	Retained Earnings		Total equity
						Retained earnings	Net profit for the year	
<b>Balance as of 1 January 2016</b>	<b>205,400,000</b>	<b>21,599,008</b>	<b>246,731,349</b>	<b>18,688</b>	<b>4,709,369</b>	<b>269,954,662</b>	<b>74,143,727</b>	<b>822,556,803</b>
Transfers	-	-	-	-	1,680,373	72,463,354	(74,143,727)	-
Total comprehensive income	-	-	-	(4,232)	-	-	10,768,024	10,763,792
Capital increase	7,600,000	-	-	-	-	(7,600,000)	-	-
<b>Balance as of 30 September 2016</b>	<b>213,000,000</b>	<b>21,599,008</b>	<b>246,731,349</b>	<b>14,456</b>	<b>6,389,742</b>	<b>334,818,016</b>	<b>10,768,024</b>	<b>833,320,595</b>
<b>Balance as of 1 January 2017</b>	<b>213,000,000</b>	<b>21,599,008</b>	<b>246,731,349</b>	<b>19,872</b>	<b>6,389,742</b>	<b>334,818,016</b>	<b>42,424,825</b>	<b>864,982,812</b>
Capital increase	4,500,000	-	-	-	-	(4,500,000)	-	-
Transfers	-	-	-	-	1,153,277	41,271,548	(42,424,825)	-
Total comprehensive income	-	-	-	55,546	-	-	8,494,703	8,550,249
<b>Balance as of 30 September 2017</b>	<b>217,500,000</b>	<b>21,599,008</b>	<b>246,731,349</b>	<b>75,418</b>	<b>7,543,019</b>	<b>371,589,564</b>	<b>8,494,703</b>	<b>873,533,061</b>

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

# VAKIF GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

## STATEMENT OF CASH FLOWS AS OF 30 SEPTEMBER 2017

(Amounts expressed as Turkish Lira ("TRY") unless otherwise stated)

	Notes	Not audited 1 January - 30 September 2017	Not audited 1 January - 30 September 2016
<b>A. Cash flows from operating activities:</b>		<b>(103,316,282)</b>	<b>(2,887,185)</b>
<b>Net profit for the year</b>		<b>8,494,703</b>	<b>10,768,024</b>
<b>Adjustments to reconcile profit to cash provided by operating activities:</b>		<b>(12,749,673)</b>	<b>(22,581,424)</b>
Depreciation and amortisation	12, 13	154,168	130,326
Adjustments related to provisions		17,768	38,570
Adjustments related to interest income and expenses		(8,641,829)	(22,750,320)
Adjustment related to the investing activities		(2,166,287)	-
Fair value gain on investment properties		(2,113,493)	-
<b>Net working capital changes in</b>		<b>(99,003,239)</b>	<b>8,926,215</b>
Adjustments related to decrease/(increase) in other receivables		2,760,956	(7,075,449)
(Increase)/decrease in prepaid expenses		(62,390,899)	2,111,776
Increase in inventories		(64,841,935)	(58,266,367)
Adjustments related to increase in other working capital		13,093,261	102,168,551
Increase in trade payable		3,582,046	1,533,279
Decrease/(increase) in trade receivable		7,929,950	(31,732,161)
Increase in other payables from operating activities		863,382	186,586
<b>Cash (used in)/provided from operations</b>		<b>(103,258,209)</b>	<b>(2,887,185)</b>
Payments related with provisions for employee benefits	15	(58,073)	-
<b>B. Cash Flows from Investing Activities</b>		<b>62,537,127</b>	<b>(22,396,410)</b>
Cash outflow from acquisition of tangible and intangible assets	12, 13	(130,343)	(18,203)
<i>Cash outflow from acquisition of tangible assets</i>	12	<i>(122,843)</i>	<i>(122,843)</i>
<i>Cash outflow from acquisition of intangible assets</i>	13	<i>(7,500)</i>	<i>(5,837)</i>
Cash inflow from sale of financial investments		89,800,000	-
Cash outflow from acquisition of financial investments		-	(19,500,000)
Cash outflow from acquisition of investments properties		(27,132,530)	(2,878,207)
<b>C. Cash flows from financing activities</b>		<b>8,154,801</b>	<b>21,427,720</b>
Repayment of financial liabilities		-	(107,422)
Interest received		8,154,801	21,536,433
Interest paid		-	(1,291)
<b>Change in cash and cash equivalents</b>		<b>(32,624,354)</b>	<b>(3,855,875)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>4</b>	<b>99,922,710</b>	<b>240,545,596</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>4</b>	<b>67,298,356</b>	<b>236,689,721</b>

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