

VAKIF GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) AS OF 30 JUNE 2017

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

	Notes	Reviewed 30 June 2017	Audited 31 December 2016
ASSETS			
CURRENT ASSETS		283.913.968	211.083.073
Cash and cash equivalents	4	98.628.342	100.586.329
Financial investments	3,5	-	87.633.713
Trade receivable	6	33.086.517	10.902.192
- <i>Trade receivables from third parties</i>	6	33.086.517	10.902.192
Other receivables	7	8.418.708	7.678.666
- <i>Other receivables from related parties</i>	3,7	-	4.864
- <i>Other receivables from third parties</i>	7	8.418.708	7.673.802
Inventory	11	139.192.230	-
Prepaid expenses	8	51.384	78.812
Current income tax assets	9	893.714	4.203.361
Other current assets	9	3.643.073	-
NON-CURRENT ASSETS		769.331.940	818.220.597
Trade receivables	6	-	29.062.160
- <i>Trade receivables from third parties</i>	6	-	29.062.160
Other receivables	7	8.440	3.464.744
- <i>Other receivables from third parties</i>	7	8.440	3.464.744
Inventory	11	38.918.805	136.193.496
Tangible assets	12	675.160	646.899
Intangible assets	13	30.531	31.259
- <i>Other intangible assets</i>	13	30.531	31.259
Investment property	10	615.101.660	608.971.758
Prepaid expenses	8	80.467.751	9.529.353
Other non-current assets	9	34.129.593	30.320.928
TOTAL ASSETS		1.053.245.908	1.029.303.670

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

VAKIF GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) AS OF 30 JUNE 2017

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

	Notes	Reviewed 30 June 2017	Audited 31 December 2016
LIABILITIES			
CURRENT LIABILITIES		8.354.527	6.953.069
Trade payables	6	107.101	1.104.267
<i>Trade payables to third parties</i>	6	107.101	1.104.267
Other payables	7	1.208.403	2.379.711
<i>Other payables to related parties</i>	3,7	15.414	13.179
<i>Other payables to third parties</i>	7	1.192.989	2.366.532
Deferred income	16	639.819	-
Short term provisions	15	365.999	309.949
<i>Short term provisions for employee benefits</i>	15	365.999	309.949
Other current liabilities	16	6.033.205	3.159.142
NON-CURRENT LIABILITIES		175.205.793	157.367.789
Other payables	7	15.656	7.715
<i>Other payables to third parties</i>	7	15.656	7.715
Long term provisions	15	226.268	188.558
<i>Long term provisions for employee benefits</i>	15	226.268	188.558
Deferred income	16	174.963.869	157.171.516
EQUITY		869.685.588	864.982.812
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	13.438	19.872
<i>Revaluation and remeasurement</i>	17	13.438	19.872
<i>Remeasurement of employee benefits</i>	17	13.438	19.872
Restricted reserves		7.543.018	6.389.742
Retained earnings		371.589.565	334.818.016
Net profit for the period		4.709.210	42.424.825
TOTAL LIABILITIES		1.053.245.908	1.029.303.670

The accompanying notes from 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 JUNE 2017**

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

	Notes	Reviewed 1 January - 30 June 2017	Not reviewed 1 April - 30 June 2017	Reviewed 1 January - 30 June 2016	Not reviewed 1 April - 30 June 2016
Profit/loss					
Revenue	18	1.644.893	829.004	1.541.777	774.338
Cost of sales (-)	18	(445.131)	(210.901)	(407.846)	(213.179)
Gross Profit		1.199.762	618.103	1.133.931	561.159
Marketing expenses (-)	19	(1.665.911)	(448.851)	(3.200.885)	(1.933.077)
General administrative expenses (-)	19	(2.744.441)	(1.306.294)	(2.474.592)	(1.349.978)
Other operating income	20	143.346	27.613	105.561	94.374
Operating Loss		(3.067.244)	(1.109.429)	(4.435.985)	(2.627.522)
Income from investing activities	22	2.211.671	143.118	21.046	13.599
Operating Profit Before Financial Loss		(855.573)	(966.311)	(4.414.939)	(2.613.923)
Financial income	23	5.727.282	3.366.152	16.002.227	7.814.411
Financial expenses (-)	23	(162.499)	(88.504)	(156.430)	(90.359)
Profit Before Tax		4.709.210	2.311.337	11.430.858	5.110.129
Current tax income/ (expense)	24	-	-	-	-
Net Profit For the Period		4.709.210	2.311.337	11.430.858	5.110.129
OTHER COMPREHENSIVE INCOME					
Other comprehensive income to not be reclassified to profit or loss					
- Remeasurement of employee benefits		(6.434)	(7.992)	(1.224)	(2.744)
TOTAL COMPREHENSIVE INCOME		4.702.776	2.303.345	11.429.634	5.107.385
Earnings per share	25	0,0217	0,0106	0,0526	0,0235
Diluted earnings per share	25	0,0217	0,0106	0,0526	0,0235

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

VAKIF GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

STATEMENTS OF CHANGES IN EQUITY AS OF 30 JUNE 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	
Balance as of 1 January 2016	205.400.000	21.599.008	246.731.349	18.688	4.709.369	269.954.662	74.143.727	822.556.803
Transfers	-	-	-	-	1.680.373	72.463.354	(74.143.727)	-
Total comprehensive income	-	-	-	(1.224)	-	-	11.430.858	11.429.634
Capital increase	7.600.000	-	-	-	-	(7.600.000)	-	-
Balance as of 30 June 2016	213.000.000	21.599.008	246.731.349	17.464	6.389.742	334.818.016	11.430.858	833.986.437
Balance as of 1 January 2017	213.000.000	21.599.008	246.731.349	19.872	6.389.742	334.818.016	42.424.825	864.982.812
Capital increase	4.500.000	-	-	-	-	(4.500.000)	-	-
Transfers	-	-	-	-	1.153.276	41.271.549	(42.424.825)	-
Total comprehensive income	-	-	-	(6.434)	-	-	4.709.210	4.702.776
Balance as of 30 June 2017	217.500.000	21.599.008	246.731.349	13.438	7.543.018	371.589.565	4.709.210	869.685.588

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

VAKIF GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

STATEMENT OF CASH FLOWS AS OF 30 JUNE 2017

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

	Notes	Reviewed 1 January - 30 June 2017	Reviewed 1 January - 30 June 2016
A. Cash flows from operating activities:		(91.212.207)	(2.166.508)
Net profit for the period		4.709.210	11.430.858
Adjustments to reconcile profit to cash provided by operating activities:		(7.746.666)	(15.886.963)
Depreciation and amortisation	12,13	102.686	86.746
Adjustments related to provisions		31.276	19.781
Adjustments related to interest income and expenses		(5.714.341)	(15.993.490)
Adjustment related to the investing activities	22	(2.166.287)	-
Net working capital changes in		(88.174.751)	2.289.597
Adjustments related to decrease/(increase) in other receivables		2.716.262	(6.715.193)
(Increase)/decrease in prepaid expenses		(70.910.970)	1.281.000
(Increase)/decrease in inventories		(41.917.539)	(47.777.563)
Adjustments related to increase in other working capital		17.220.194	78.830.309
(Decrease)/increase in trade payable		(997.166)	1.189.942
Decrease/(increase) in trade receivable		6.877.835	(25.504.104)
(Decrease)/increase in other payables from operating activities		(1.163.367)	985.206
Cash provided from operations		(91.212.207)	(2.166.508)
B. Cash Flows from Investing Activities		83.539.879	(2.294.983)
Cash outflow from acquisition of tangible and intangible assets	12,13	(130.219)	(13.670)
<i>Cash outflow from acquisition of tangible assets</i>	12	(122.719)	(8.171)
<i>Cash outflow from acquisition of intangible assets</i>	13	(7.500)	(5.499)
Cash inflow from sale of financial investments		89.800.000	-
Cash outflow from acquisition of investments properties		(6.129.902)	(2.281.313)
C. Cash flows from financing activities		5.920.082	14.718.946
Repayment of financial liabilities		-	(107.422)
Interest received		5.920.082	14.827.659
Interest paid		-	(1.291)
Change in cash and cash equivalents		(1.752.246)	10.257.455
Cash and cash equivalents at the beginning of the period	4	99.922.710	240.545.596
Cash and cash equivalents at the end of the period	4	98.170.464	250.803.051

The accompanying notes from an integral part of these financial statements