VAKIF GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)
AS OF 30 SEPTEMBER 2016

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

ASSETS	Notes	Not audited 30 September 2016	Audited 31 December 2015
CURRENT ASSETS		**280,814,972**	**255,759,419**
Cash and cash equivalents	4	238,380,936	241,392,716
Financial investment	5	19,869,792	-
Trade receivable	6	10,590,818	6,359,668
- Trade receivables from third parties	*6*	*10,590,818*	*6,359,668*
Other receivables	7	7,486,869	3,078,475
- Other receivables from related parties	*3, 7*	*14,344*	*9,500*
- Other receivables from third parties	*7*	*7,472,525*	*3,068,975*
Prepaid expenses	8	137,424	63,818
Current income tax assets	9	3,230,624	4,475,775
Other current assets	9	1,118,509	388,967
NON-CURRENT ASSETS		**694,831,240**	**601,148,102**
Trade receivables	6	31,140,420	3,639,409
- Trade receivables from third parties	*6*	*31,140,420*	*3,639,409*
Other receivables	7	2,675,495	8,440
- Other receivables from third parties	*7*	*2,675,495*	*8,440*
Inventories	11	123,648,283	65,381,916
Tangible assets	12	680,719	791,728
Intangible assets	13	12,087	13,201
- Other intangible assets	*13*	*12,087*	*13,201*
Investment property	10	517,123,207	514,245,000
Prepaid expenses	8	4,264,520	6,449,902
Other non-current assets	9	15,286,509	10,618,506
TOTAL ASSETS		**975,646,212**	**856,907,521**

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

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)
AS OF 30 SEPTEMBER 2016

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

LIABILITIES	Notes	Not audited 30 September 2016	Audited 31 December 2015
CURRENT LIABILITIES		**5,536,031**	**1,274,316**
Short term portion of long term financial liabilities	14	-	108,713
- Financial liabilities to related parties	*3,14*	*-*	*108,713*
- Finance lease liability	*3,14*	*-*	*108,713*
Trade payables	6	1,741,804	208,525
- Trade payables to related parties	*3,6*	*7,540*	*724*
- Trade payables to third parties	*6*	*1,734,264*	*207,801*
Deferred income	17	209,157	-
- Deferred income from related parties	*3,17*	*209,157*	*-*
Other payables	7	376,190	189,604
- Other payables to related parties	*3,7*	*23,738*	*-*
- Other payables to third parties	*7*	*352,452*	*189,604*
Short term provisions	16	306,237	253,560
- Short term provisions for employee benefits	*16*	*306,237*	*253,560*
Other current liabilities	17	2,902,643	513,914
NON-CURRENT LIABILITIES		**136,789,586**	**33,076,402**
Long term provisions	16	179,665	136,863
- Long term provisions for employee benefits	*16*	*179,665*	*136,863*
Deferred income	17	136,609,921	32,939,539
EQUITY		**833,320,595**	**822,556,803**
Paid in capital	18	213,000,000	205,400,000
Adjustment to share capital	18	21,599,008	21,599,008
Share premiums	18	246,731,349	246,731,349
Other comprehensive income to not be reclassified to profit or loss	18	14,456	18,688
- Remeasurement of employee benefits	*18*	*14,456*	*18,688*
Restricted reserves		6,389,742	4,709,369
Retained earnings		334,818,016	269,954,662
Net profit for the period		10,768,024	74,143,727
TOTAL LIABILITIES		**975,646,212**	**856,907,521**

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

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME AS OF 30 SEPTEMBER 2016

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

	Note	Not reviewed 1 January - 30 September 2016	Not reviewed 1 July - 30 September 2016	Not reviewed 1 January - 30 September 2015	Not reviewed 1 July - 30 September 2015
Profit and losses					
Revenue	19	2,315,354	773,577	2,209,440	738,681
Cost of sales (-)	19	(598,957)	(191,111)	(842,559)	(175,500)
Gross Profit		**1,716,397**	**582,466**	**1,366,881**	**563,181**
Marketing expenses (-)	20	(3,844,866)	(643,981)	-	-
General administrative expenses (-)	20	(9,773,020)	(7,298,428)	(3,150,899)	(1,026,463)
Other operating income	21	119,734	14,173	303,780	214,029
Operating Loss		**(11,781,755)**	**(7,345,770)**	**(1,480,238)**	**(249,253)**
Income from investing activities	23	400,044	378,998	1,284,460	2,509
Expense from investing activities (-)	23	-	-	(142)	-
Operating Loss Before Financial Income / (Expenses)		**(11,381,711)**	**(6,966,772)**	**(195,920)**	**(246,744)**
Financial income	24	22,380,528	6,378,301	22,792,088	7,702,533
Financial expenses (-)	24	(230,793)	(74,363)	(193,248)	(136,260)
Profit / (Loss) Before Tax		**10,768,024**	**(662,834)**	**22,402,920**	**7,319,529**
Current tax income / (expense)	25	-	-	-	-
Net Profit / (Loss)		**10,768,024**	**(662,834)**	**22,402,920**	**7,319,529**
Other Comprehensive Income					
Other comprehensive income to not be reclassified to profit or loss					
- Remeasurement of employee benefits		(4,232)	(3,008)	21,639	2,215
Total Comprehensive Income		**10,763,792**	**(665,842)**	**22,424,559**	**7,321,744**
Earnings per share	26	0.0506	(0.0031)	0.1091	0.0356
Diluted earnings per share	26	0.0506	(0.0031)	0.1091	0.0356

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 2016

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

						Retained Earnings		
	Paid-in capital	Adjustment to share capital	Share premium	Remeasurement of employee benefits	Restricted reserves	Retained earnings	Net profit for the period	Equity
Balance as at 1 January 2015	**203,319,794**	**21,599,008**	**246,731,349**	**9,630**	**3,638,821**	**215,574,104**	**57,531,312**	**748,404,018**
Transfers	-	-	-	-	1,070,548	56,460,764	(57,531,312)	-
Total comprehensive income	-	-	-	121,639	-	-	22,402,920	22,424,559
Capital increase	2,080,206	-	-	-	-	(2,080,206)	-	-
Balance as at 30 September 2015	**205,400,000**	**21,599,008**	**246,731,349**	**31,269**	**4,709,369**	**269,954,662**	**22,402,920**	**770,828,577**
Balance as at 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	-	-	-	(4,232)	-	-	10,768,024	10,763,792
Capital increase	7,600,000	-	-	-	-	(7,600,000)	-	-
Balance as at 30 September 2016	**213,000,000**	**21,599,008**	**246,731,349**	**14,456**	**6,389,742**	**334,818,016**	**10,768,024**	**833,320,595**

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

STATEMENT OF CASH FLOWS AS OF 30 SEPTEMBER 2016

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

	Notes	Not reviewed 1 January - 30 September 2016	Not reviewed 1 January - 30 September 2015
A. Cash flows from operating activities:		**(2,887,185)**	**(7,995,623)**
Net profit for the period		**10,768,024**	**22,402,920**
Adjustments for profit for the period		**(22,581,424)**	**(22,799,185)**
Depreciation and amortisation	*12,13*	130,326	125,719
Adjustments related to reconcile profit or loss		-	142
Adjustments related to provisions		38,570	24,121
Adjustments related to interest income and expenses		(22,750,320)	(22,749,463)
Fair value gain on investment properties		-	(199,704)
Fair value gain on investment properties		-	*(199,704)*
Net working capital changes in		**8,926,215**	**(7,599,358)**
Adjustments related to increase in other receivables		(7,075,449)	(3,189,879)
Decrease / (Increase) in prepaid expenses		2,111,776	(191,655)
Increase in inventories		(58,266,367)	(3,446,875)
Adjustments related to increase in other working capital		102,168,551	(1,008,494)
Increase in trade payable		1,533,279	108,302
Increase in trade receivable		(31,732,161)	-
Decrease in other payables from operating activities		186,586	129,243
Cash provided from operations		**(2,887,185)**	**(7,995,623)**
B. Cash Flows From Investing Activities		**(22,396,410)**	**(89,207,732)**
Cash outflow from acquisition of tangible and intangible assets	*12,13*	(18,203)	(35,401)
Cash outflow from acquisition of tangible assets	*12*	*(12,366)*	*(26,874)*
Cash outflow from acquisition of intangible assets	*13*	*(5,837)*	*(8,527)*
Proceeds from acquisition of shares or debt instruments of a business organization or funds		-	30,170,288
Cash outflow from acquisition of shares or debt instruments of a business organization or funds		(19,500,000)	-
Interest received		-	1,271,222
Cash outflow from acquisition of investments properties		(2,878,207)	(120,613,841)
C. Cash flows from financing activities		**21,427,720**	**21,086,418**
Repayment of financial liabilities		(107,422)	(454,621)
Interest received		21,536,433	21,586,855
Interest paid		(1,291)	(45,816)
Decrease in cash and cash equivalents		**(3,855,875)**	**(76,116,937)**
Cash and cash equivalents at the beginning of the period	**4**	**240,545,596**	**280,772,288**
Cash and cash equivalents at the end of the period	**4**	**236,689,721**	**204,655,351**

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