

**REYSAŐ GAYRİMENKUL YATIRIM
ORTAKLIĐI A. Ő.
CONSOLIDATED FINANCIAL STATEMENTS
AT DECEMBER 31, 2018**

**(ENGLISH CONVENIENCE TRANSLATION
OF CONSOLIDATED FINANCIAL
STATEMENTS ORIGINALLY ISSUED IN
TURKISH)**

REYSAŞ GAYRİMENKUL YATIRIM ORTAKLIĞI A. Ş. AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS AT DECEMBER 31, 2018 AND
DECEMBER 31, 2017
(Amounts expressed in TL unless otherwise stated)

	Notes	Audited Current Period 31.12.2018	Audited Previous Period 31.12.2017
Assets			
CURRENT ASSETS		155.299.270	199.651.187
Cash and cash equivalents	7	94.433.374	137.571.615
Financial Investments	8	150.122	-
Trade Receivables		32.802.793	19.124.465
-Trade Receivables Due From Related Parties	6	9.070.335	5.882.647
-Trade Receivables Due From Unrelated Parties	11	23.732.458	13.241.818
Other Receivables		1.258.654	13.818.722
-Other Receivables Due From Related Parties	6	700.000	13.297.789
-Other Receivables Due From Unrelated Parties	13	558.654	520.933
Prepayments		13.967.451	4.551.627
-Prepayments to Related Parties	6	10.461.701	29.501
-Prepayments to Unrelated Parties	18	3.505.750	4.522.126
Current Tax Assets	21	1.107.189	141.833
Other current assets		11.579.687	24.442.925
-Other Current Assets Due From Related Parties	6	-	-
-Other Current Assets Due From Unrelated Parties	22	11.579.687	24.442.925
NON-CURRENT ASSETS		2.125.116.835	1.696.275.768
Other Receivables		3.250	3.250
-Other Receivables Due From Related Parties	6	-	-
-Other Receivables Due From Unrelated Parties	13	3.250	3.250
Inventories	16	56.866.189	56.866.189
Investments accounted for using equity method	25	26.149.197	25.914.744
Investment property	26	1.934.693.510	1.312.697.803
Investment Properties Work in Progress	26	65.860.061	274.737.000
Property, plant and equipment	27	36.814.116	22.015.917
-Machinery And Equipments	27	34.609.625	19.063.239
-Vehicles	27	-	4.411
-Fixtures and fittings	27	2.204.491	2.948.267
Prepayments		4.577.814	3.792.044
-Prepayments to Related Parties	6	-	-
-Prepayments to Unrelated Parties	18	4.577.814	3.792.044
Deferred Tax Asset	39	152.698	248.821
Total Assets		2.280.416.105	1.895.926.955

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

REYSAŞ GAYRİMENKUL YATIRIM ORTAKLIĞI A. Ş. AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS AT DECEMBER 31, 2018 AND
DECEMBER 31, 2017
(Amounts expressed in TL unless otherwise stated)

		Audited	Audited
		Current Period	Previous Period
	Notes	31.12.2018	31.12.2017
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Current Borrowings	9	379.320.681	267.074.292
-Current Borrowings From Related Parties		379.320.681	267.074.292
--Bank Loans	9	348.695.415	245.041.316
--Leasing Debts	9	30.625.266	22.032.976
Trade Payables		10.211.428	60.236.851
-Trade Payables to Related Parties	6	6.294.756	39.178.772
-Trade Payables to Unrelated Parties	11	3.916.672	21.058.079
Employee Benefit Obligations	14	29.410	162.875
Other Payables		18.395.854	15.383.180
-Other Payables to Related Parties	6	12.128.278	12.516.803
-Other Payables to Unrelated Parties	13	6.267.576	2.866.377
Deferred Income		6.038.251	1.934.505
Current tax liabilities, current	39	-	-
Current provisions		1.015.924	497.271
-Current provisions for employee benefits	23	27.663	23.242
-Other current provisions	23	988.261	474.029
NON-CURRENT LIABILITIES			
Long Term Borrowings	9	711.697.271	608.827.741
-Long Term Borrowings From Unrelated Parties		711.697.271	608.827.741
--Bank Loans	9	658.968.786	553.108.563
--Leasing Debts	9	52.728.485	55.719.178
Other Payables		453.264	971.411
-Other Payables to Related Parties	6		
-Other Payables to Unrelated parties	13	453.264	971.411
Deferred Income	18	1.545.341	1.281.200
Non-current provisions		55.033	115.268
-Non-current provisions for employee benefits	23	55.033	115.268
-Other non-current provisions	23		
Deferred Tax Liabilities	39	1.796.032	1.689.258
EQUITY			
Issued capital	29	246.000.001	246.000.001
Treasury Shares (-)	29	(1.047.230)	(1.047.230)
Other Accumulated Comprehensive Income (Loss) that will not be Reclassified in Profit or Loss		99.041.881	99.046.049
--Gains (Losses) on Revaluation and Remeasurement	29	99.041.881	99.046.049
---Increases (Decreases) on Revaluation of Property, Plant and Equipment	29	99.075.327	99.075.327
---Gains (Losses) on Remeasurements of Defined Benefit Plans	29	(33.446)	(29.278)
Other Accumulated Comprehensive Income (Loss) that will be Reclassified in Profit or Loss	29	-	-
Restricted Reserves Appropriated From Profits		7.563.403	7.563.403
--Legal Reserves	29	6.516.173	6.516.173
--Treasury Share Reserves	29	1.047.230	1.047.230
Effects of Business Combinations Under Common Control		(9.363.451)	(9.363.451)
Prior Years' Profits or Losses	29	595.554.331	489.975.941
Current Period Net Profit Or Loss		212.108.681	105.578.390
Total Liabilities and Equity		2.280.416.105	1.895.926.955

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

REYSAŞ GAYRİMENKUL YATIRIM ORTAKLIĞI A. Ş. AND ITS SUBSIDIARIES
AUDITED

CONSOLIDATED INCOME STATEMENTS FOR THE PERIOD ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017

(Amounts expressed in TL unless otherwise stated)

Profit or loss	Notes	Current Period Consolidated 01.01.-31.12.2018	Previous Period Non-Consolidated 01.01.-31.12.2017
Continuing Operations			
Revenue	30	166.102.058	112.520.593
Cost of sales (-)	30	(23.906.464)	(14.883.973)
GROSS PROFIT (LOSS) FROM COMMERCIAL OPERATIONS		142.195.594	97.636.620
General Administrative Expenses (-)	31	(2.666.132)	(1.913.835)
Marketing Expenses (-)	31	-	-
Research and development expense (-)	31	-	-
Other Income from Operating Activities	33	319.264.232	170.090.040
Other Expenses from Operating Activities (-)	33	(11.296.305)	(36.228.020)
PROFIT (LOSS) FROM OPERATING ACTIVITIES (-)		447.497.389	229.584.805
Investment Activity Income	34	-	-
Investment Activity Expenses (-)	35	-	(9.280.200)
Share of Profit (Loss) from Investments Accounted for Using Equity Method	25	2.199.150	1.931.481
PROFIT (LOSS) BEFORE FINANCING INCOME (EXPENSE)		449.696.539	222.236.086
Finance income	36	205.578.872	22.163.938
Finance costs (-)	37	(442.963.833)	(138.417.024)
PROFIT (LOSS) FROM CONTINUING OPERATIONS, BEFORE TAX		212.311.578	105.983.000
Tax (Expense) Income, Continuing Operations (-)		(202.897)	(404.610)
- Current Period Tax (Expense) Income (-)	39	-	-
- Deferred Tax (Expense) Income (-)	39	(202.897)	(404.610)
PROFIT (LOSS) FROM CONTINUING OPERATIONS		212.108.681	105.578.390
PERIOD PROFIT/LOSS FROM DISCONTINUED OPERATIONS (-)		-	-
PROFIT (LOSS)		212.108.681	105.578.390
Earnings Per Share From Continuing Activities	40	0,8622	0,4292
Earnings Per Share From Discontinued Activities		-	-
PROFIT (LOSS)		212.108.681	105.578.390
OTHER COMPREHENSIVE INCOME			
Other Comprehensive Income that will not be Reclassified to Profit or Loss		(4.168)	(53.338)
Gains (Losses) on Remeasurements of Defined Benefit Plans	29	(4.168)	(53.338)
OTHER COMPREHENSIVE INCOME (LOSS)		(4.168)	(53.338)
TOTAL COMPREHENSIVE INCOME (LOSS)		212.104.513	105.525.052

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REYSAŞ GAYRİMENKUL YATIRIM ORTAKLIĞI A. Ş. AND ITS SUBSIDIARIES
AUDITED

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY FOR THE PERIOD ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017.

(Amounts expressed in TL unless otherwise stated)

Notes	Issued Capital	Treasury Shares	Gains/Losses on Revaluation and Remeasurements		Restricted Reserves Appropriated From Profits	Effects of Combinations of Entities or Businesses Under Common Control	Retained Earnings		Equity attributable to owners of parent	Non-controlling interests]	Equity	
			Increases (or Loss Decreases) on Revaluation of Property, Plant and Equipment	Gains (Losses) on Remeasurements of Defined Benefit Plans			Prior Years' Profits or Losses	Net Profit Increases (or Loss				
1.1.2017	29	246.000.001	(1.047.230)	89.752.887	24.060	7.563.403	--	353.239.632	131.380.940	826.913.693	--	826.913.693
Transfers		-	-	-	-	-		131.380.940	(131.380.940)	-	-	-
Total												
Comprehensive Income (Loss)		-	-	-	(53.338)	-		-	105.578.390	105.525.052	-	105.525.052
Effects of Combinations of Entities or Businesses Under Common Control		-	-	9.322.440	-	-	(9.363.451)	5.355.369	-	5.314.358	-	5.314.358
31.12.2017	29	246.000.001	(1.047.230)	99.075.327	(29.278)	7.563.403	(9.363.451)	489.975.941	105.578.390	937.753.103	--	937.753.103
1.1.2018	29	246.000.001	(1.047.230)	99.075.327	(29.278)	7.563.403	(9.363.451)	489.975.941	105.578.390	937.753.103	--	937.753.103
Transfers		-	-	-	-	-	-	105.578.390	(105.578.390)	-	-	-
Total												
Comprehensive Income (Loss)		-	-	-	(4.168)	-	-	-	212.108.681	212.104.513	-	212.104.513
31.12.2018	29	246.000.001	(1.047.230)	99.075.327	(33.446)	7.563.403	(9.363.451)	595.554.331	212.108.681	1.149.857.616	--	1.149.857.616

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

REYSAŞ GAYRİMENKUL YATIRIM ORTAKLIĞI A. Ş. AND ITS SUBSIDIARIES
 AUDITED
 CONSOLIDATED CASH FLOW STATEMENTS FOR THE PERIOD ENDED DECEMBER 31, 2018 AND DECEMBER 31, 2017
 (Amounts expressed in TL unless otherwise stated)

	Notes	Audited 01.01.-31.12.2018	Audited 01.01.-31.12.2017
A. CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES			
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		174.864.865	69.768.471
Profit (Loss)		212.108.681	105.578.390
Profit (Loss) from Continuing Operations		212.108.681	105.578.390
Adjustments to Reconcile Profit (Loss)		11.794.740	(121.610.026)
Adjustments for depreciation and amortisation expense	27	4.505.447	3.449.509
Adjustments for provisions	23	454.250	511.437
<i>Adjustments for (Reversal of) Provisions Related with Employee Benefits</i>	23	(59.982)	37.408
<i>Adjustments for (Reversal of) Lawsuit and/or Penalty Provisions</i>		514.232	474.029
Adjustments for losses (gains) on disposal of non-current assets	26-27	-	202.354
<i>Adjustments for Losses (Gains) Arised From Sale of Investment Property</i>	26-27	-	202.354
Adjustments for (Income) Expense Caused by Sale or Changes in Share of Associates, Joint Ventures and Financial Investments	29	-	9.280.200
Adjustments for Interest (Income) Expenses	11	8.831.295	(793.478)
<i>Adjustments for interest expense</i>	9	2.674.626	-
<i>Deferred Financial Expense from Credit Purchases</i>	11	5.839.680	(355.901)
<i>Unearned Financial Income from Credit Sales</i>	11	316.989	(437.577)
<i>Adjustments for fair value losses (gains)</i>	26	-	(134.280.412)
<i>Adjustments for Fair Value Losses (Gains) of Investment Property</i>	26	-	(134.280.412)
<i>Adjustments for Undistributed Profits of Investments Accounted for Using Equity Method</i>	25	(2.199.150)	(786.352)
<i>Adjustments for undistributed profits of associates</i>	25	(2.199.150)	(786.352)
Adjustments for Tax (Income) Expenses	39	202.898	(637.206)
Other adjustments to reconcile profit (loss)	29	-	1.443.922
Changes in Working Capital		(48.073.200)	85.663.176
Decrease (Increase) in Financial Investments		(150.122)	-
Adjustments for decrease (increase) in trade accounts receivable		(13.995.317)	5.802.442
<i>Decrease (Increase) in Trade Accounts Receivables from Related Parties</i>	6	(3.023.036)	11.242.553
<i>Decrease (Increase) in Trade Accounts Receivables from Unrelated Parties</i>	11	(10.972.281)	(5.440.111)
Adjustments for Decrease (Increase) in Other Receivables Related with Operations		12.560.068	(7.439.931)
<i>Decrease (Increase) in Other Related Party Receivables Related with Operations</i>	6	12.597.789	(7.454.130)
<i>Decrease (Increase) in Other Unrelated Party Receivables Related with Operations</i>	13	(37.721)	14.199
Adjustments for decrease (increase) in inventories	16	-	5.810
Decrease (Increase) in Prepaid Expenses	18	(10.201.594)	33.809.231
Adjustments for increase (decrease) in trade accounts payable		(55.865.103)	39.209.558
<i>Increase (Decrease) in Trade Accounts Payables to Related Parties</i>	6	(32.965.012)	32.251.928
<i>Increase (Decrease) in Trade Accounts Payables to Unrelated Parties</i>	11	(22.900.091)	6.957.630
Increase (Decrease) in Employee Benefit Liabilities	14	(133.465)	63.060
Adjustments for increase (decrease) in other operating payables		2.494.527	12.785.904
<i>Increase (Decrease) in Other Operating Payables to Related Parties</i>	6	(388.525)	12.516.803
<i>Increase (Decrease) in Other Operating Payables to Unrelated Parties</i>	13	2.883.052	269.101
Increase (Decrease) in Deferred Income	18	4.367.887	3.011.051
Other Adjustments for Other Increase (Decrease) in Working Capital		12.849.919	(1.583.949)
<i>Decrease (Increase) in Other Assets Related with Operations</i>	22	12.849.919	(1.583.667)
<i>Increase (Decrease) in Other Payables Related with Operations</i>	22	-	(282)
Cash Flows from (used in) Operations		175.830.221	69.631.540
Income taxes refund (paid)		(965.356)	136.931
B. CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		(430.444.399)	(160.844.357)
Cash Inflows from Losing Control of Subsidiaries or Other Businesses		-	700.000
Proceeds from sales of property, plant, equipment and intangible assets		-	5.808
<i>Proceeds from sales of property, plant and equipment</i>	27	-	5.808
Purchase of Property, Plant, Equipment and Intangible Assets		(19.290.328)	(7.769.157)
<i>Purchase of property, plant and equipment</i>	27	(19.290.328)	(7.769.157)
Cash Inflows from Sale of Investment Property	26	-	14.400.000
Cash Outflows from Acquisition of Investment Property	26	(413.118.768)	(168.181.008)
Dividends received	29	1.964.697	-
C. CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		212.441.293	176.137.581
Cash Inflows (Outflows) Due to Effects of Combinations Under Common Control	29	-	(21.416.707)
Adjustments for Losses (Gains) Arised From Sale of Investment Property		667.638.646	372.399.233
<i>Proceeds from Loans</i>	9	625.586.232	333.211.336
<i>Proceeds from Other Financial Borrowings</i>		42.052.414	39.187.897
Repayments of borrowings		(455.197.353)	(174.844.945)
<i>Proceeds from Other Financial Borrowings</i>	9	(418.752.149)	(149.578.847)
<i>Cash Outflows from Other Financial Liabilities</i>		(36.445.204)	(25.266.098)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES	1	(43.138.241)	85.061.695
Effect of exchange rate changes on cash and cash equivalents		-	-
Net increase (decrease) in cash and cash equivalents	7	(43.138.241)	85.061.695
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	7	137.571.615	52.509.920
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		94.433.374	137.571.615

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