independent auditor's report

DOĞUŞ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

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DOĞUŞ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.
Statement of Financial Position as of 31 December 2013

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

		Audited	Audited
ASSETS	**Notes**	**31 December 2013**	**31 December 2012**
CURRENT ASSETS		40,720,087	38,157,104
Cash and cash equivalents	4	27,097,516	22,640,148
Financial assets	5	13,174,427	15,163,315
Trade receivables	7	275,604	168,194
-Due from related parties	27	*42,226*	*21,435*
-Other trade receivables		*233,378*	*146,759*
Other receivables	8	148,832	97,667
-Due from third parties		*148,832*	*97,667*
Other current assets	15	18,440	84,935
Prepaid expenses		5,268	2,845
NON-CURRENT ASSETS		**679,607,117**	**188,759,238**
Investment Properties	9	678,972,909	187,947,695
Tangible Assets	10	502,715	675,775
Intangible Assets	11	125,580	126,239
Other Non-current Assets	15	5,913	9,529
TOTAL ASSETS		**720,327,204**	**226,916,342**
LIABILITIES			
SHORT TERM LIABILITIES		**20,172,084**	**1,144,989**
Short term portion of long term financial liabilities		17,379,724	-
Trade Payables	7	198,955	150,204
-Due to related parties	27	*21,207*	*28,489*
-Other trade payables		*177,748*	*121,715*
Other Liabilities	8	46,695	9,221
-Due to third parties		*46,695*	*9,221*
Accruals, Provisions and Other Liabilities			
-Provision for employee benefits	13	*2,179,039*	*729,269*
-Expense accruals	*14*	*11,258*	-
Other Short Term Liabilities	15	356,413	256,295
LONG TERM LIABILITIES		**95,644,519**	**76,149**
Employee benefits	13	56,039	76,149
Financial liabilities	6	95,588,480	-
EQUITY		**604,510,601**	**225,695,204**
Share Capital	17	227,208,155	93,780,000
Restricted Reserves		245,372	245,372
Retained Earnings		131,669,832	94,217,346
Net profit for the year		21,915,267	37,452,486
Share premium		223,452,917	-
Reamesurement of Employee Benefits	13	19,058	-
TOTAL LIABILITIES		**720,327,204**	**226,916,342**

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

DOĞUŞ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.
Statement of Comprehensive Income as of 31 December 2013
(Amounts expressed in Turkish Lira (''TRY'') unless otherwise stated.)

	Notes	Audited 1 January- 31 December 2013	Audited 1 January- 31 December 2012
Revenue	18	15,775,892	14,372,623
Cost of Sales (-)	18	(2,298,770)	(1,812,236)
Gross profit		**13,477,122**	**12,560,387**
General Administrative Expenses (-)	19	(7,207,567)	(2,959,491)
Increase in Investment Property		22,095,355	25,116,000
Other Operating Income	20	35,319	90,021
Other Operating Expenses (-)		-	(15,815)
Operating Profit		**28,400,229**	**34,791,102**
Income From Investing Activities	21	1,387,570	537,473
Earning before interest expense		**29,787,799**	**35,328,575**
Financial income (-)	22	2,179,548	2,530,849
Financial expenses (-)	23	(10,052,080)	(406,938)
Earning before tax		**21,915,267**	**37,452,486**
Tax Income / Expenses	25	-	-
Net Operating Income		**21,915,267**	**37,452,486**
Other Comprehensive Income		19,058	-
TOTAL COMPREHENSIVE INCOME		**21,934,325**	**37,452,486**
Earning Per Share	**26**	**0,2292**	**0,3994**

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

DOĞUŞ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.
Statement of Changes in Owner Equity
(Amounts expressed in Turkish Lira (''TRY'') unless otherwise stated.)

	Notes	Share Capital	Restricted Reserves	Share premium	Reameasurement of employee benefits	Retained Earnings	Net Profit For the Year	Total
Balance at 1 January 2012	**17**	**93,780,000**	**245,372**	**-**	**-**	**81,012,056**	**13,205,290**	**188,242,718**
Total comprehensive revenue								
Net profit for the year		-	-	-	-	-	37,452,486	**37,452,486**
Other comprehensive revenue		-	-	-	-	-	-	-
Total comprehensive revenue		**-**	**-**	**-**	**-**	**-**	**37,452,486**	**37,452,486**
Transfers		-	-	-	-	13,205,290	(13,205,290)	-
Balance at 31 December 2012		**93,780,000**	**245,372**	**-**	**-**	**94,217,346**	**37,452,486**	**225,695,204**
Balance at 1 January 2013	**17**	**93,780,000**	**245,372**	**-**	**-**	**94,217,346**	**37,452,486**	**225,695,204**
Increase in Capital	3	133,428,155	-	-	-	-	-	**133,428,155**
Premiums related to shares	3	-	-	223,452,917	-	-	-	**223,452,917**
Total comprehensive revenue								
Net profit for the year		-	-	-	-	-	21,915,267	**21,915,267**
Other comprehensive revenue		-	-	-	19,058	-	-	**19,058**
Total comprehensive revenue		**-**	**-**	**-**	**19,058**	**-**	**21,915,267**	**21,934,325**
Transfers		-	-	-	-	37,452,486	(37,452,486)	-
Balance at 31 December 2013		**227,208,155**	**245,372**	**223,452,917**	**19,058**	**131,669,832**	**21,915,267**	**604,510,601**

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

DOĞUŞ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.
Statement of Cash Flow as of 31 December 2013

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

	Notes	Audited 1 January 31 December 2013	Audited 1 January 31 December 2012
Cash Flows From Operating Activities			
Net profit for the year		**21,915,267**	**37,452,486**
Adjustment to:			
Depreciation expense for tangible assets	10	177,587	153,371
Amortization expense for intangible assets	11	12,274	17,090
Financial income (net)		836,629	(2,432,723)
Adjustments related to provisions	13,14	2,011,258	600,000
Employment termination benefit and unused vacation provision		64,862	121,694
Change in fair value of investment property	9	(22,095,355)	(25,116,000)
Unrealised foreign currency loss		7,304,070	-
Operating profit before the changes in working capital		**10,226,592**	**10,795,918**
Change in trade receivables		(107,410)	149,650
Change in other current assets		16,523	655,834
Change in trade payables		48,751	(64,675)
Change in other liabilities		(462,409)	(519,902)
Net cash provided by operating activities		**9,722,047**	**11,016,825**
Other cash flow		(16,144)	-
Net cash flow from operating activities		**9,705,903**	**11,016,825**
Cash flows from investing activities			
Investment properties under development		(6,571,804)	(740,560)
Financial investments		1,988,888	(15,163,315)
Purchase of tangible assets	10	(4,527)	(34,893)
Purchase of intangible asets	11	(11,615)	(71,253)
Interest Received		1,294,922	2,395,775
Net cash provided by investing activity		**(3,304,136)**	**(13,614,246)**
Cash flow from financial activity			
Interest expenses		(2,272,393)	-
Net cash provided by financial activity		**(2,272,393)**	**-**
Effect of foreign exchange rate on cash and cash equivalents		**4,129,374**	**(2,597,421)**
Effect of foreign exchange rate on cash and cash equivalents		187,151	(585,565)
Net increase in cash and cash equivalents		**4,316,525**	**(3,182,986)**
Cash and cash equivalents at 1 January 2013		22,603,200	25,786,186
Cash and cash equivalents at 31 December 2013	**4**	**26,919,725**	**22,603,200**

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

DOĞUŞ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.
Notes to the Financial Statements as of and for the Year Ended 31 December 2013
(Amounts expressed in Turkish Lira (''TRY'') unless otherwise stated.)

1. REPORTING ENTITY

Doğuş Gayrimenkul Yatırım Ortaklığı AŞ's (the "Company") which is traded on the Istanbul Stock Exchange, main activity is to invest in properties, create, manage, make the necessary changes in the portfolio, minimize the risk of variation in real estate; property related capital market instruments, invest and monitor continuously the real estate based projects and take the necessary measures to protect, also research to increase the value of the portfolio.

The shareholders structure and information on their shares of the Company are as follows;

Shareholder	Class		2013 Share Rate (%)	2012 Share Rate (%)
Doğuş Holding A.Ş. (Non-public)	A	Registered	0.83	2.00
Doğuş Holding A.Ş. (Non-public)	B	Bearer	15.43	49.00
Doğuş Holding A.Ş. (Public-Partial spin off)	B	Bearer	58.72	-
Publicly held	B	Bearer	25.02	49.00
TOTAL			**100**	**100**

As the number of personnel of the Company with respect to education level is as follows;

	31 December 2013	31 December 2012
Graduate	2	2
Undergraduate	7	7
Other	2	2
	11	**11**

The headquarter of the Company is registered in Doğuş Center Maslak Mahallesi Ahi Evran Cad. No:4/23 Maslak-İstanbul.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1. Basis of preparation

2.1.1. Financial Reporting Standards

The financial statements of the Company have been prepared in accordance with the communiqué numbered II-14,1 "Communiqué on the Principles of Financial Reporting In Capital Markets" ("the Communiqué") announced by the Capital Markets Board ("CMB") (hereinafter will be referred to as "the CMB Accounting Standards") on 13 June 2013 which is published on Official Gazette numbered 28676. In accordance with article 5th of the CMB Accounting Standards, companies should apply Turkish Accounting Standards/Turkish Financial Reporting Standards ("TAS/TFRS") and interpretations regarding these standards as adopted by the Public Oversight Accounting and Auditing Standards Authority ("POA").

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Company's financial statements and notes have been presented appropriately to the formats and obligatory that announced by the Capital Market Board. With in this scope necessary adjustments have been made.

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.

The Company maintains its books of account and prepares its statutory financial statements in accordance with the Turkish Commercial Code ("TCC"), tax legislation and the Uniform Chart of Accounts issued by the Ministry of Finance. These condensed financial statements in Turkish Lira ("TRY") based on the historical cost convention except for the financial assets and liabilities which are expressed with their fair values. The condensed financial statements are based on the statutory records, with adjustments and reclassifications for the purpose of fair presentation in accordance with the Accounting Standards of the POA.

2.1.2. Functional and presentation currency

These financial statements are presented in Turkish Lira ("TRY"), which is the Company's functional currency. All financial information is presented in TRY unless otherwise stated.

2.1.3. Comparative information

The accompanying financial statements are presented comparatively in order to identify trends in the Company's financial position, performance and cash flows. Where necessary, in order to meet the consistency with the presentation of the financial statements in the current period, comparative figures are reclassified and material changes are disclosed in the related notes.

2.1.4. Control of compliance with restrictions on the investment portfolio

As at 31 December 2013, the information in "Control of compliance with restrictions on the investment portfolio" note are summary information prepared from financial statements which are presented within the framework Communiqué XI, No: 29, article 17 in accordance with the accounting and reporting principles accepted by the CMB and Communiqué VI, No: 11 related to control of compliance with restrictions on the investment portfolio.

"Control of compliance with restrictions on the investment portfolio" appendix footnote is prepared inconformity with the accompanying financial statements.

2.1.5. Changes in accounting policies

The accounting policies set out below have been applied consistently by the Company to all periods presented in the financial statements. Material changes in accounting policies or material errors (if any) are corrected, retrospectively; restating the prior period financial statements. There is no change in applied accounting policies of the Company in current period.

2.3 Changes in accounting estimates and errors

The preparation of the financial statements in conformity with Communiqué No: XI-29 requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. The significant estimates used by the Company are included in the following notes:

Note 9 - Investment properties- The operating investment properties are presented with their fair value determined by independent appraiser firms. The estimate is related with the fair value determination.

Note 10 - Tangible assets- The estimate is related with useful lives.

2.4. New standards and interpretations implemented and not yet adopted as of 31 December 2013

The Company applied the new and revised standards and interpretationswhich were published by Public Oversight Accounting and Auditing Standards Authority and valid by 1 January 2013 if those are appliable for its own operations.

(a) Standards, Amendments and IFRICs applicable to 31 December 2013 year ends:

- IAS/TAS 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 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 amendment affects disclosures only and have no impact on the financial position or performance of the Group

- IAS 19/TAS (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. The standard requires past service cost to be recognized immediately in profit or loss. There is a new term "remeasurement" and remeasurement will be recognized in OCI and no longer be recognized in profit or loss

- IFRS/TFRS 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/TFRS. 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.

- IFRS/TFRS 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/TFRS financial statements and those that prepare US GAAP financial statements

- IFRS/TFRS 10, 11 and 12 on transition guidance (amendment), is effective for annual periods beginning on or after 1 January 2013. The amendment also provide additional transition relief in IFRS/TFRSs 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/TFRS 12 is applied.

- Annual Improvements to IFRSs 2011 is effective for annual periods beginning on or after
1 January 2013. Amendments effect five standards:

• IFRS 1, "First Time Adoption of IFRS"
• IAS 1, "Presentation of Financial Statement"
• IAS 16, "Tangible Assets"
• IAS 32, "Financial Instrument and Disclosures"
• IAS 34, "Interim Financial Statements"

- IFRS 10, 'Consolidated financial statements'; is effective for annual periods beginning on or after 1 January 2013. The objective of IFRS 10 is to establish principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entity (an entity that controls one or more other entities) to present consolidated financial statements. It defines the principle of control, and establishes controls as the basis for consolidation. It sets out how to apply the principle of control to identify whether an investor controls an investee and therefore must consolidate the investee. It also sets out the accounting requirements for the preparation of consolidated financial statements.

- 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 therefore 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 therefore 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 13, 'Fair value measurement'; is effective for annual periods beginning on or after 1 January 2013. IFRS 13 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 IFRS 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/TAS 27 (revised 2011), "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/TAS 27 have been included in the new IFRS/TFRS 10.

- IAS/TAS 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/TFRS 11.

- IFRIC 20, 'Stripping costs in the production phase of a surface mine' is effective for annual periods beginning on or after 1 January 2013. This interpretation sets out the accounting for overburden waste removal (stripping) costs in the production phase of a mine. The interpretation may require mining entities reporting under IFRS to write off existing stripping assets to opening retained earnings if the assets cannot be attributed to an identifiable component of an ore body.

(b) New IFRS standards, amendments and IFRICs effective after 1 January 2014.

- 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.

- Amendments to IFRS 10, 12 and IAS 27 on consolidation for investment entities is effective for annual periods beginning on or after 1 January 2014. 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

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- Amendment to IAS 36, 'Impairment of assets' on recoverable amount disclosures is effective for annual periods beginning on or after 1 January 2014. This amendment addresses the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal.

- Amendment to IAS 39 'Financial Instruments: Recognition and Measurement' - 'Novation of derivatives is effective for annual periods beginning on or after 1 January 2014. This amendment provides relief from discontinuing hedge accounting when novation of a hedging instrument to a central counterparty meets specified criteria.

- IFRIC 21, 'Levies' is effective for annual periods beginning on or after 1 January 2014. This is an interpretation of IAS 37, 'Provisions, contingent liabilities and contingent assets'. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (known as an obligating event). The interpretation clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy.

- IFRS 9 'Financial instruments' - classification and measurement; is effective for annual periods beginning on or after 1 January 2015. This standard on classification and measurement of financial assets and financial liabilities will replace IAS 39, 'financial instruments: Recognition and measurement'. IFRS 9 has two measurement categories: amortised cost and fair value. All equity instruments are measured at fair value. A debt instrument is measured at amortised cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. For liabilities, the standard retains most of the IAS 39 requirements.

These include amortised-cost accounting for most financial liabilities, with bifurcation of embedded derivatives. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. This change will mainly affect financial institutions.

- Amendments to IFRS 9, 'Financial instruments', regarding general hedge. These amendments to IFRS 9, 'Financial instruments', bring into effect a substantial overhaul of hedge accounting that will allow entities to better reflect their risk management activities in the financial statements.

- Amendment to IAS 19 regarding defined benefit plans; is effective for annual periods beginning on or after 1 July 2014. These narrow scope amendments apply to contributions from employees or third parties to defined benefit plans. The objective of the amendments is to simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary.

- Annual improvements 2012; is effective for annual periods beginning on or after 1 July 2014. These amendments include changes from the 2010-12 cycle of the annual improvements project, that affect 7 standards:

• IFRS 2, "Share Based Payment"
• IFRS 3, "Business Combination"
• IFRS 8, "Operating Segments"
• IAS 16, "Tangible Assets and IAS 38, Intangible Assets"
• IFRS 9, "Financial Instruments:IAS 37, Provisions, Contingent Assets and Liability"
• IAS 39, "Financial Instruments - Recognition and Measurement"

- Annual improvements 2013; is effective for annual periods beginning on or after 1 July 2014. The amendments include changes from the 2011-12-13 cycle of the annual improvements project that affect 4 standards:

• IFRS 1, "First Adoption of IFRS"
• IFRS 3, "Business Combinations"
• IFRS 13,"Fair Value Measurement"
• IAS 40, "Investment Properties"

Related amendments and assesments will not have material effect on financial statements has been foreseen by the company.

2.4.1. Comperative information and reclassifications in the previous year's financial statements

Based on the decision taken on 7 June 2013 by the CMB at its meeting numbered 20/670, a new illustrative financial statement and guidance to it has been issued effective from the interim periods ended after 31 March 2013, which is applicable for the companies that are subject to Communiqué on the Principles of Financial Reporting In Capital Markets. Based on these new illustrative financial statements, a number of changes made at the Company's balance sheets. The major reclassifications that have been made by the Company are as follows:

The prepaid expenses which were previously classified under 'Other Current Assets' as of 31 December 2012 amounting to TRY 2,845 has been reclassified to 'Prepaid Expenses' under 'Current Assets' in financial statements.

The government bonds which were previously classified under 'Financial Income' in Comprehensive Income Statement as of 31 December 2012 amounting TRY 537,473 has been reclassified under 'Income from Investing Activities'. In addition to; income from the securities which are carried at fair value through income statement were previously classified under cash flows from operaring activities in cash flow statement as of 31 December 2012 amounting 537,473 has been reclassified under cash flow from investing activities.

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Notes to the Financial Statements as of and for the Year Ended 31 December 2013
(Amounts expressed in Turkish Lira (''TRY'') unless otherwise stated.)

2.5. Summary of significant acounting policies

Significant accounting policies applied during the preparation of the financial statements are summarised as follows.

2.5.1. Revenue

Sales revenue

Revenue is rental income that have generated from investment property. Rental income is recognised in profit or loss on accrual basis.

Interest income

Interest income is recognised in profit or loss on accrual basis.

2.5.2. Investment property

Investment property

Investment properties comprise of operating investment properties and investment properties under development.

Operating investment properties

Operating investment property is represented to the financial statements at fair values by the determination of competent independent appraisal company. Gain or loss arising from changes in fair value of investment properties is included in the net profit / loss at current period.

Investment property under development

In accordance with the change in IAS 40 that became effective after the periods starting from 1 January 2009; the construction in progresses are measured by their fair values if the fair value model is applied. In case the fair value of the construction in progress can not be reliably measured, the investment properties are measured by their cost until the fair value is reliably measured or the construction is completed.

2.5.3. Tangible assets

All tangible assets which are obtained before 1 January 2005, measured at corrected inflation effect of cost values as of 31 December 2004 less accumulated depreciation and accumulated impairment losses, tangible assets which are obtained after that date measured at cost less accumulated depreciation and accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the item of tangible assets. All other expenditures are recognised in profit or loss as expense as incurred.

Depreciation

Depreciation is recognised on a straight-line basis over the useful lives of the property, plant and equipment from the date of acquisition. The expected useful life of furniture and fixtures is 5 years.

Expenditures incurred to replace a component of tangible assets capitalised only when it increases the future economic benefits embodied in the item of tangible assets and subjected to depreciation for the remaining useful life of related tangible asset. The gain or loss arising on the disposal or retirement of an item of tangible assets is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.5.4. Intangible assets

Intangible assets are consist of softwares and other rights. All intangible assets which are obtained before 1 January 2005, measured at corrected inflation effect of cost values as at 31 December 2004 less accumulated depreciation and accumulated impairment losses,intangible assets which are obtained after that date measured at cost less accumulated depreciation and accumulated impairment losses.

Amortization

Amortization is recognised on a straight-line basis over the useful lives of intangible assets. The expected useful life of licence rights is 10-15 years.

2.5.5. Borrowing costs

Borrowing costs directly attributable to the acquisition of a qualifying asset as part of the cost of that asset are capitalized over the respective assets. Other borrowing costs are recognized in the comprehensive income statement in the period they incur.

2.5.6. Financial instruments

The Company has the following financial assets, cash and cash equivalents and trade receivables; and has the following financial liability, trade payables.

i) Non-derivative financial assets

The Company initially recognises the financial assets on the date they are originated.

Financial instruments are recognised initially at fair value plus any directly attributable transactions costs. Subsequent to initial recognition non-derivative financial instruments are measured as described below:

Cash and cash equivalents

Cash and cash equivalents are comprised of cash, bank deposits with maturity periods of less than three-months and other highly liquid short-term investments which are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value. The carrying values of these assets are close to their fair values.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss is divided into three subgroups: "Financial assets held for trading", "Financial assets at fair value through profit or loss" and "Derivative financial assets held for trading".

Financial assets at fair value through profit or loss are generally acquired for the purpose of selling in the short term in order to acquire revenue from fluctuations in the market.

Financial assets at fair value through profit or loss are reflected to statement of financial position with their cost value and then measured at fair value. Difference between cost and fair values is included in profit/loss accounts.

Available for sale financial assets

Available for sale financial assets are the financial assets other than assets held for trading purposes, financial assets at fair value through profit or loss, held to maturity financial assets and loans and receivables.

Available-for-sale financial assets are subsequently measured at their fair values. Unrecognised gains or losses derived from the difference between their fair value and the discounted values calculated per effective interest rate method are recorded in "Fair value reserve under shareholders'' equity. In case of sales, the realised gain or losses are recognised directly in the statement of operations.

When equity investments are disposed of, any resulting gain or loss is recognised in profit or loss as the difference between the sales price and the carrying amount of the investment.

Investments held to maturity

Investments held to maturity are the investments, for which there is an intention of holding until maturity and the relevant conditions for fulfillment of such intention, including the funding ability, and for which there are fixed or determinable payments with fixed maturity; and which are recognized at fair value at initial recognition. Investments held to maturity with the initial recognition at fair value including transaction costs are subject to valuation with their discounted cost value by using the internal rate of return method less provision for any impairment, if any.

Interest income from investments held to maturity are recognized in the income statement as an interest income.

Impairment of financial instruments

Financial assets at fair value through profit or loss, a financial asset or group of financial assets at the end of each reporting period whether there are indicators of impairment are assessed. After the initial recognition of a financial asset of one or more events to occur and where there is a financial asset or group of assets that can be reliably estimated as a result of the negative impact on the estimated future cash flows of the financial asset is impaired if there is objective evidence of impairment loss is recognized.

For receivables impairment, estimated future cash flows discounted at the financial asset's original effective interest rate is calculated by the difference between the carrying amount and the present value.

Carrying amount is reduced through the use of an allowance account all financial assets with the exception of trade receivables, impairment loss directly deducted from the carrying amount of the financial asset. Trade receivables can not be collected, the amount deducted from the reserve account will be deleted. Changes in the allowance account are recognized in profit or loss for the period.

The exception of available for sale equity equity instruments, in a subsequent period the impairment loss decreases and the decrease related to an event occurring after the impairment loss is recognized, the previously recognized impairment loss for the investment at the date the impairment is reversed if the impairment is recognized in no time to reach does not exceed the amortized cost of in the income statement will be canceled.

Available-for-sale equity securities, any increase in fair value subsequent to an impairment loss recognized directly in equity.

Recognition and derecognition of financial assets and liabilities

The Company's financial assets and liabilities, is a party to the contractual provisions of the financial instrument if the statement of financial position reflects. All or part of the Company's financial assets, are subject only when it loses control over the contractual rights that removes records. The Company's financial liabilities are eliminated, but the obligation specified in the contract, canceled or expires releases the records.

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Trade receivables

Trade receivables are recognized as net invoice value after deduction of provisions for doubtful receivables are carried at. The carrying values of trade receivables net of allowance for doubtful receivables considered to approximate their fair values due to the short-term nature. The collection of the receivable is estimated for the provision for doubtful receivables is made when it is not possible. Provision is made for doubtful receivables have been identified.

Due from related parties

Close relatives of members of the Board of Directors and Senior Executives, and orginasations that Company can able to control directly or indirectly are defined as related parties. Book value of receivables from related parties, close to its fair value.

ii) Non-derivative financial liabilities

Loans and borrowings

Loans and borrowings are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.

Trade and other payable

Trade and other payable are recognised initially at fair value. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.

iii) Capital

Ordinary shares

Ordinary shares are classified as paid in capital. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

2.5.7 Foreign currency transactions

Transactions in foreign currencies are translated into TRY at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to TRY at the exchange rate at that date. Gains or losses on translation of foreign currency denominated transactions to TRY are recognised in profit of loss.

The exchange rates used by the Company are as follows:

	31 December 2013	31 December 2012
USD	2,1343	1,7826
EURO	2,9365	2,3517

2.5.8 Offsetting

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position 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 to realise the asset and settle the liability simultaneously.

2.5.9. Earning per share

Earnings per share are calculated by dividing profit or loss by the weighted average number of ordinary shares outstanding during the period. Weighted average number of shares is number of ordinary shares at the beginning of the period and the number of shares issued during the period or taken back to a time-weight factor multiplied by the number of shares. The time-weight factor is the ratio of the number of days where a certain number of shares issued and total number of days in the period.

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 No: XI-29 and related announcements of CMB, effective from 1 January 2008, "Share capital", "Legal Reserves" and "Share Premiums" shall be carried at their statutory amounts. The valuation differences (such as inflation adjustment differences) shall be disclosed as follows:

- If the difference is arising due to the inflation adjustment 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 due to the inflation adjustment of "Legal Reserves" and "Share Premium" and the amount has not been utilized in dividend distribution or capital increase yet, it shall be classified under "Retained Earnings". Other equity items shall be shown with the amount of valuation in accordance with CMB financial reporting standards.

Companies whose shares are quoted in ISE are subject to profit distribution rules of CMB as follows:

Dividend is distributed according to Communiqué Serial: IV, No: 27 on "Principles Regarding Distribution of Dividends for the quoted entities subjected to Capital Market Board Law", principles determined in the Articles of Association and dividend distribution policy which is declared by the Companies to the market.

2.5.10. Subsequent events

Subsequent events represent the events that occur against or on behalf of the Company between the reporting date and the date when reporting was authorised for the issue. There are two types of subsequent events:

- Those that provide evidence of conditions that existed as at reporting date (adjusting events after the reporting date); and

- Those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

If there is evidence of such events as of reporting date or if such events occur after reporting date and if adjustments are necessary, the Company's financial statements are adjusted according to the new situation. The Company discloses the post-balance sheet events that are not adjusting events but material.

2.5.11. Provisions, contingent liabilities and contingent assets

A provision is recognised when the Company has a present implicit or legal obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. If the specified criteria are not met, the Company discloses the related issues in the notes.

If the inflow of economic benefits is probable, contingent assets are disclosed in the notes to the financial statements. If the inflow of the economic benefit is more than likely to occur, such asset and income statement effect are recognised in the financial statements at the relevant period that income change effect occurs.

2.5.12. Leases

Financial leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risksand rewards of ownership to the lessee. Fixed assets that are acquired through financial leasing are reflected at the statement through deducting the accumulated depreciation and impairment from the lowest version of the beginning of the lease discounted value of minimum lease payments at balance sheet date and the fair value of the goods subject to lease. Liabilities under finance leases, decreased by the payment of principal and interest payments are recorded as expense in the statement of comprehensive income.

Operational leasing

Operational leasing transactions are recorded to comprehensive income statements in the period they have realized.

2.5.13. Related parties

(a) A person or a relative of the subject person is considered as related party of the Company in such situations that are described as follows:

If the subject person,

i) Has a sole control or jointly control over the Company,
ii) Has a significant impact on or the authority to effect the Company,
iii) Has a title in a key management personnel of the main Company or a parent company.

(b) If any of the following conditions apply

i) Entity and the company are the members of the same group,
ii) Entity is the subsidiary or business partner of the other entity.
iii) Both of the entities are the business partners of a third party.
iv) One of the entities is a business partner of a third entity and the other entity is the subsidiary of the subject third party.
v) Entity has utility plans for the personel of the Company or a related party of the Company after quitting the job, these sponsors are also considered as related party.
vi) Entity is being controlled or jointly conrolled by a person that is specified in (a),
vii) Entity is affected majorly by a person that has the characteristics specified in (a)(i).

Transaction between related parties is the transfers between the reserves, service or the obligations without considering if there is a compensation or not.

2.5.14. Segment reporting

The Company operates solely as real estate investments trust and operates in Turkey, therefore segment information is not presented.

2.5.15. Governments grants and incentives

As disclosed in Note 2.5.16, the Company which operates as a real estate investment trust, is exempt from corporate tax.

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2.5.16. Taxation

According to Article 5/1(d) (4) of the New Corporate Tax Law No: 5220, the income of Real Estate Investment Trusts ("REIT") is exempt from Corporate Income Tax in Turkey. This exemption is also applicable to Quarterly Advance Corporate Tax.

According to New Corporate Tax Law Article 15/(3), the income of REITs is subject to 15% withholding tax irrespective of its distribution. The Council of Ministers has the authority to increase the withholding tax rate on REIT income to corporate income tax rate or reduce it to 0% or change it within the limits defined through publication of a Decree based on the Corporate Tax Law Article 15/(34). In accordance with New Corporate Tax Law Article 15/(2), income subject to corporate tax is also exempt from withholding tax.

According to temporary Article (1) of the New Corporate Tax Law, resolutions of the Council of Ministers related with Income Tax Law numbered 193 and Tax Law No: 5422 are valid up to new Decrees published by the Council of Ministers. Determined rates cannot exceed statutory limits defined at New Corporate Tax Law.

Based on the resolution of the Council of Ministers related to the withholding tax rates which were determined as 15% according to the New Corporate Tax Law Article 15/(3) published in the Official Gazette dated 3 February 2009 numbered 27130, the withholding tax rate is determined as 0% and this resolution is effective on the same date. Thereof, in accordance with the Article 5/1(d) (4) of the NewCorporate Tax Law, real estate investment company earnings, regardless of the fact they are distributed or not, will be subject to 0% withholding.

Since the Company is exempt from Corporate Income Tax in Turkey in accordance with Article 5 of the Corporate Tax Law, deferred tax is not recognised.

2.5.17. Employee benefits

Under Turkish law and union agreements, lump sum payments are made to employees retiring or involuntarily leaving the Company.

The provision for employee severance indemnity has been calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of employees.

In accordance with TAS 19 which was issued by the communique, dated 12 March 2013 and numbered by 28585, in the official gazette; it is reqired to record the reameasurement of employment benefits that resulted by the change in the actuarial assumptions under other compherensive income in income statement by the annual periods beginning on or after 1 January 2013. Since the Standard requires retrospective approach, the Company should have recorded the actuarial gains or losses under other compherensive income and the related accumulated gains or losses under gains or losses from reameasurement of employment benefits in shareholders' equity. Even though there is a requirement to apply the change as retrospectively, the Company did not apply retrospective approach and did not restate the previous year's financials statements since the impact of the amount is not material.

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2.5.18. Statements of cash flow

The Company presents statement of cash flows as an integral part of other financial statements to inform the users of financial statements about the changes in its net assets, its financial structure and its ability to manage the amount and timing of its cash flows under new conditions.

3. BUSINESS COMBINATIONS

The Company acquired Gebze Center Shopping Mall which belonged to Doğuş Gayrimenkul Yatırım ve İşletme A.Ş. and registered in the parcel number 20, 5678 block and G22B24B2A plot in Kocaeli province, Gebze district, Sultanorhan ward with the expert report for partially spin off dated 8 October 2013.

The regarding acquisition, was made in accordance with the equity method considering the equity amount TRY228,596,282 which had been disclosed in the financial statements of the Company for the period ended at 31 March 2013 and as a result of the valuation, it has been understood to increase the share capital amounting to TRY133,428,155. The new shareholder structure after the capital increase is as follows:

	31 December 2013
Doğuş Holding	176,852,594
Doğuş Turizm Sağlık Yatırımları ve İşletmeciliği San. Ve Tic. A.Ş.	1,095,653
Ferit Faik Şahenk	2,205,215
Filiz Şahenk	1,102,493
Public	45,952,200
Total	**227,208,155**

New capital structure arising from partial spin-off was modified again by applying to Central Registry Agency on 10 December 2013, making a portion of TRY10,900,200 from Doğuş Holding shares subject to sales in stock market and publicly listing the newly issued shares amounting to TRY133,428,155 (Note 17).

As of partial spin-off date, market value of the properties to be transferred was determined to be TRY462,358,055; debt of Doğuş Gayrimenkul Yatırım ve İşletme A.Ş. amounting to TRY105,476,983 as of reporting date was offsetted from market value of the property and net market value of the property was determined to be TRY356,881,072. The difference between net market value and nominal value of the shares issued amounting to TRY133,428,155 is TRY223,452,917 and this was recognised as share premium in the financial statements.

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4. CASH AND CASH EQUIVALENTS

As at 31 December 2013 and 31 December 2012, cash and cash equivalents are as follows:

	31 December 2013	31 December 2012
Cash	7,786	2,226
Banks-Demand deposits	24,229	66,588
Banks-Time deposits	22,526,668	20,256,715
Investment Funds (B Type Liquid Fund)	4,538,833	2,314,619
Cash and cash equivalents in the financial position	**27,097,516**	**22,640,148**
Interest income accruals on cash equivalents	(177,791)	(36,948)
Cash and cash equivalents in the statement of cash flows	**26,919,725**	**22,603,200**

	31 December 2013	31 December 2012
Cash and cash equivalents	27,097,516	22,640,148
Minus: Interest accruals	(177,791)	(36,948)
	26,919,725	**22,603,200**

As of 31 December 2013 and 31 December 2012, the details of time deposits at banks are as follows:

31 December 2013	Amount (TRY)	Interest rate (%)	Maturity
TRY	1,001,973	9,00%	28 January 2014
TRY	3,217,140	8,50%	13 January 2014
TRY	2,214,508	8,30%	6 January 2014
TRY	535,095	6,50%	3 January 2014
TRY	12,299,932	9,00%	6 January 2014
USD	3,258,020	2,25%	3 February 2014
Total	**22.526.668**		

31 December 2012	Amount (TRY)	Interest rate (%)	Maturity
USD	5,728,877	2,90%	5 February 2013
USD	5,123,658	8,30%	26 February 2013
TRY	3,691,549	8,05%	5 February 2013
TRY	2,661,399	7,85%	17 January2013
TRY	1,970,769	8,25%	22 January 2013
TRY	955,446	7,75%	7 January 2013
TRY	125,017	5,00%	2 January 2013
Total	**20,256,715**		

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5. FINANCIAL INVESTMENTS

As at 31 December 2013 and 31 December 2012, the Company's all of the financial investments comprise of financial assets at fair values through profit and loss and the details of financial investments are as follows:

31 December 2013	Cost	Fair Value	Carrying value
Private sector bonds	13,208,503	13,174,427	13,174,427
Total	**13,208,503**	**13,174,427**	**13,174,427**
31 December 2012	**Cost**	**Fair Value**	**Carrying value**
Government bonds	6,227,217	6,277,850	6,277,850
Private sector bonds	8,722,079	8,885,465	8,885,465
Total	**14.949.296**	**15,163,315**	**15,163,315**

Private sector bonds and government bonds held-for-trading as at 31 December 2013 having interest rates-between 6.51% - 10.28% (31 December 2012: 7,90% - 9,63%).

6. FINANCIAL LIABILITIES

	31 December 2013	31 December 2012
Current liabilities of long term bank debt	17,379,724	-
Current liabilities of long term debt	**17,379,724**	-
Bank credits	95,588,480	-
Long term financial debts	**95,588,480**	-
Total financial debts	**112,968,204**	-

31 December 2013	Weighted Average effective Interest rate (%)	Currency	Original balance	TRY Amount
Current liabilities of the long term bank debts	Euribor + 4.75%	Euro	5,918,516	17,379,724
Long term bank debts	Euribor + 4.75%	Euro	32,551,841	95,588,480
Total				**112,968,204**

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7. TRADE RECEIVABLES AND PAYABLES

As at 31 December 2013 and 31 December 2012, the Company's trade receivables are as follows.

	31 December 2013	31 December 2012
Trade receivables	448,794	362,175
Due from related parties (Note 27)	42,226	21,435
Provision for doubtful receivables	(215,416)	(215,416)
Balance at the end of the period	**275,604**	**168,194**

As at 31 December 2013 and 31 December 2012, provision for doubtful receivables of the Company are as follows:

	2013	2012
Balance at 1 January	215,416	215,416
Collection during the year	-	-
Balance at the end of the year	**215,416**	**215,416**

As at 31 December 2013 and 31 December 2012, trade payables of the Company are as follows:

	31 December 2013	31 December 2012
Other trade payables	177,748	121,715
Due to related parties (Note 27)	21,207	28,489
Total	**198,955**	**150,204**

Other trade payables consist of the payable to suppliers.

Long term trade payables

As at 31 December 2013 , the Company does not have long term trade payables (31 December 2012: None).

8. OTHER RECEIVABLES AND PAYABLES

As at 31 December 2013, other receivables amounting to TRY 70,847 (31 December 2012: TRY 70,847) compromise of received from repealed contract and held for sale equipment, and other receivables amounting to TRY 77,985 (31 December 2012: TRY 26,820).

As at 31 December 2013 other payables comprise of deposits and guarantee received TRY 46,695 (31 December 2012: 9,221).

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9. INVESTMENT PROPERTY

As at 31 December 2013 and 31 December 2012, investment properties of the Company are as follows:

	31 December 2013	31 December 2012
Operating investment property	672,907,000	183,709,000
Investment property under development	6,065,909	4,238,695
Total	**678,972,909**	**187,947,695**

The fair values of investment properties as at 31 December 2013 are as follows:

Description	Valuation method	Date of apraiser report	Fair value
Antalya 2000 Shopping Mall	"Precedent comparison"	27 December 2013	12,959,000
Gebze Center Shopping Mall	"Discounted cashflow"	25 February 2014	460,748,000
Maslak DPC	"Discounted cashflow"	27 December 2013	199,200,000
Total			**672,907,000**

The fair values of investment properties as at 31 December 2012 are as follows:

Description	Valuation method	Date of apraiser report	Fair value
Antalya 2000 Shopping Mall	"Precedent comparison"	25 December 2012	7,431,000
Maslak DPC	"Discounted cashflow"	25 December 2012	176,278,000
Total			**183,709,000**

As at 31 December 2013 and 2012, investment properties under development are as follows:

	2013	2012
Begining of the period	183,709,000	158,593,000
Additions (*)	467,102,645	-
Fair value increase	22,095,355	25,116,000
End of the period	**672,907,000**	**183,709,000**

Part of TRY 462,358,055 of the additions are related to the Gebze Center Shopping Mall which was acquired with the partially spin off from Doğuş Gayrimenkul Yatırım ve İşletme A.Ş.. The shopping mall was initially recorded by its fair value to the financial statements in accordance with the acquisition clauses of the expert report published on 8 October 2013.

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As at 31 December 2013 and 2012, insurance amount on investment under development are as follows:

		31 December 2013	31 December 2012
Gebze Center Shopping Mall	Euro	91,077,144	-
Maslak DPC	Euro	34,337,215	34,337,215
Antalya 2000 Shopping Mall	Euro	2,261,383	1,463,080
Total		**127,675,742**	**35,800,295**

There is not any mortgage or lien on the investment properties.

As at 1 January 2013 and 31 December 2013 the movement of investment properties under developments are as follows :

	1 January 2013	Additions	Disposals	31 December 2013
Investment properties under development	4,238,695	1,827,214	-	6,065,909
Total	**4,238,695**	**1,827,214**	**-**	**6,065,909**

As at 1 January 2012 and 31 December 2012 the movement of investment properties under developments are as follows:

	1 January 2013	Additions	Disposals	31 December 2013
Investment properties under development	3,498,135	740,560	-	4,238,695
Total	**3,498,135**	**740,560**	**-**	**4,238,695**

Due to reason that the comparable market transactions being infrequent and alternative reliable estimates of fair value (for example based on discounted cash flow projections) being not available, the fair value of the investment property under development, namely "Dogus GYO Office Tower Project" is deemed to be not reliably determinable. Therefore, the Company determines that the fair value of its investment property under development is not reliable determinable but expects the fair value of the property to be reliably determinable when construction is complete; it measures that investment property under development at cost until either its fair value becomes reliably determinable or construction is completed (whichever is earlier).

Investment property under development is composed of "Dogus GYO Office Tower Project" which details are described below.

Doğuş GYO Office Tower Project

The Project regarding with construction of an office building on the Maslak DCM land which belongs to the Company started in May 2008. However according to the Board of Directors resolution dated 21 October 2008 and numbered 242, the Company has decided to defer the Office Tower Project to the following periods due to the ongoing economic conditions not meeting the Company's profit expectations. According to the Board of Directors resolution dated 16 November 2012 and numbered 340, the Company has decided to receive service in scope of projection, related application to thegovernmental institutions and obtaining required permission and approvals in order to initiate the process of construction from Doğuş Gayrimenkul Yatırım ve İşletme AŞ through signing engagement letter of "Improvement of Project Construction" and then start to construct the project.

There is no mortgage or lien on investment properties.

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10. TANGIBLE ASSETS

Movement schedule of tangible assets for the period from 1 January 2013 to 31 December 2013 are as follows:

	1 January 2013	Additions	Disposals	31 December 2013
Cost				
Furniture and fixture	1,555,377	4,527	-	1,559,904
	1,555,377	**4,527**	**-**	**1,559,904**
Accumulated depreciation				
Furniture and fixture	(879,602)	(177,587)	-	(1,057,189)
	(879,602)	**(177,587)**	**-**	**(1,057,189)**
Net tangible assets	**675,775**			**502,715**

Movement schedule of tangible assets for the period from 1 January 2012 to 31 December 2012 are as follows:

	1 January 2012	Additions	Disposals	31 December 2012
Cost				
Furniture and fixture	1,553,714	34,893	(33,230)	1,555,377
	1,553,714	**34,893**	**(33,230)**	**1,555,377**
Accumulated depreciation				
Furniture and fixture	(745,092)	(153,371)	18,861	(879,602)
	(745,092)	**(153,371)**	**18,861**	**(879,602)**
Net tangible assets	**808,622**			**675,775**

There is no pledge on tangible assets as of 31 December 2013.

11. INTANGIBLE ASSETS

Movement schedule of intangible assets for the period from 1 January 2013 and 31 December 2013 are as follows :

	1 January 2013	Additions	Disposals	31 December 2013
Cost				
Rights	203,017	11,615	-	214,632
Total	**203,017**	**11,615**	**-**	**214,632**
Accumulated depreciation				
Rights	(76,778)	(12,274)	-	(89,052)
Total	**(76,778)**	**(12,274)**	**-**	**(89,052)**
Net intangible assets	**126,239**			**125,580**

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Movement schedule of intangible assets for the period from 1 January 2012 to 31 December 2012 are as follows:

	1 January 2012	Additions	Disposals	31 December 2012
Cost				
Rights	131,764	71,253	-	203,017
Total	**131,764**	**71,253**	**-**	**203,017**
Accumulated depreciation				
Rights	(59,688)	(17,090)	-	(76,778)
Total	**(59,688)**	**(17,090)**	**-**	**(76,778)**
Net intangible assets	**72,076**			**126,239**

12. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

According to the decision of CMB's 28/780 numbered meeting on 9 September 2009, related to the commitments of publicly owned companies given to the guarantee 3rd party's debts, The commitments given;

For companies other than publicly owned associations and financial institutions;

i) For their own corporate identities,
ii) In favor of fully consolidated associations,
iii) In favor of 3rd parties to continue their operations will not be limited.

After the decision is published at the Platform of Public Enlightenment, publicly owned companies will not give commitments to real people or corporations other than mentioned at the bullets (i) and (ii) above or to third parties other than mentioned at the bullet (iii). If any commitments have already been given it will be reduced to nil until 31 December 2014.

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

As at 31 December 2013 and 31 December 2012 commitments given are as follows:

	31 December 2013	31 December 2012
A. Commitments given in the name of own legal entity	30,472	30,472
B. Commitments given in favor of full consolidated subsidiaries	-	-
C. Commitments given to guarantee the debts of third parties to continue their operations	-	-
D. Other commitments given;	-	-
- in favor of parent company	-	-
- in favor of group companies other than mentioned in bullets B and C	-	-
- in favor of third parties other than mentioned in bullets C	-	-
Total	**30,472**	**30,472**

As at 31 December 2013 and 31 December 2012, the Company has no provisions, contingent assets and liabilities.

13. EMPLOYEE BENEFITS

Provision for unused vacation

Provision for unused vacation is the total undiscounted liability corresponding for days of that not used but deserved by all employees.

Short term liabilities	31 December 2013	31 December 2012
Vacation pay liability	179,039	129,269
Total	**179,039**	**129,269**

The movement schedule of the vacation pay liability during the period is as follows.

	31 December 2013	31 December 2012
Balance at the begining of the period	129,269	82,586
Increase during the period	49,770	46,683
Balance at the period end	**179,039**	**129,269**

Long term liabilities	31 December 2013	31 December 2012
Provision for employee severance indemnity	56,039	76,149
Total	**56,039**	**76,149**

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Provisions for severance payments represents the Companies' liabilities that could be occur through retirements of its employees and the present value of calculated possible liabilities in accordance with Turkish Labour Law. Provisions for severance payments are calculated on an accrual basis as the employees deserve and reflected at financial statements. The computation of the liability is based upon the retirement pay ceiling announced by the Government. The applicable ceiling amount as of 31 December 2013 and 31 December 2012 are respectively TRY 3,254 and TRY 3,033.

In accordance with TAS 19 - Employee Benefits, the Company is required to use actuarial valuation methods in estimating the liability related with current retirement plans. As at 31 December 2013 and 31 December 2012, employee severance indemnity in the accompanying financial statements has been calculated using the following actuarial assumptions:

	31 December 2013	31 December 2012
Discount rate	3.49%	2.87%
Expected salary / Rate of limit increase	6.00%	4.50%
Estimated retirement turnover rate	98%	90%

	2013	2012
1 January	**76.149**	**1.138**
Service cost	9,656	47,495
Interest cost	5,436	6,116
Actuarial gain/loss	(19,058)	21,400
Payment during the period	(16,144)	-
31 December	**56,039**	**76,149**

The Company applied the change in TAS 19 in its financial statements as of 31 December 2013 which is related to the accounting of remeasurement of employment termination benefits under other compherensive income rather than compherensive income statement. Even though, the change is required to be applied as retrospectively, the Company did not apply this change as retrospectively and restate its financial statements since the impact of the change would not be material in the previous year's financial statements.

As at 31 December 2013 and 31 December 2012; bonus provision is as follows:

	31 December 2013	31 December 2012
Provision for bonus payment	2,000,000	600,000
Total	**2,000,000**	**600,000**

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14. EXPENSE ACCRUALS

As at 31 December 2013 and 31 December 2012, the expense accrual is as follows:

	31 December 2013	31 December 2012
Consultancy expense accruals	11,258	-
Total	**11,258**	**-**

15. OTHER CURRENT / NON-CURRENT ASSETS AND SHORT-TERM / LONG-TERM LIABILITIES

Other current assets

As at 31 December 2013 and 31 December 2012, the details of other current assets are presented below:

	31 December 2013	31 December 2012
Job advances given	4,459	55,551
Other	13,981	29,384
Total	**18,440**	**84,935**

Other non-current assets

As at 31 December 2013, the other current assets amounting to TRY 5,913 (31 December 2012: TRY 9,529) consist of deposits and guarantees given.

Other short-term liabilities

As of 31 December 2013 and 31 December 2012, the details of other short-term liabilities are presented below:

	31 December 2013	31 December 2012
Taxes payables and other duties	343,596	240,192
Other	12,817	16,103
Total	**356,413**	**256,295**

16. NON-CONTROLLING INTEREST

None.

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17. SHAREHOLDER'S EQUITY

17.1. Paid in capital

As at 31 December 2013, The Company's paid in capital is TRY 227,208,155 (31 December 2012: TRY 93,780,000).

As at 31 December 2013 and 31 December 2012, The Company's capital comprise of issued and each carries 1 TRY nominal value shares.

As explained more fully at Note 3, the share capital of the Company has been increased amounting to TRY 133.428.155 in accordance with the expert report issued for the acquisition of Gebze Shopping Mall by the partially spin off on 8 October 2013 and the new shareholder structure is as follows:

			31 December 2013		31 December 2012	
Description	Class	Type	New Capital Amount (TRY)	New Capital Rates (%)	Old Capital Amount (TRY)	Old Capital Rates (%)
Doğuş Holding A.Ş. (Non-public)	A	Registered	1,874,850	0.83	1,874,850	2,00
Doğuş Holding A.Ş. (Non-public)	B	Bearer	35,052,950	15.43	45,952,950	49,00
Doğuş Holding A.Ş. (Public-Partial spin -off)	B	Bearer	133,428,155	58.72	-	
Public	B	Bearer	56,852,200	25.02	45,952,200	49,00
Total			**227,208,155**	**100.00**	**93,780,000**	**100,00**

Doğuş Holding, the parent company of the Company, applied to Central Registy Agency on 10 December 2013 with the intention to enable a part of its shares amounting to TRY 10,900,000 be subject for trading in the capital market in accordance with the 15th article of the "Share Communique" numbered as VII. 128.1 of the Capital Market Board which were previously in the status of unlisted but the registered shares in the capital market.

The shares of the Company with nominal amounting to TRY 133,428,155 were issued in the trading status as a result of the Company's request on 14 January 2014.

17.2 Restricted reserves

As at 31 December 2013 and 2012, restricted reserves are consist of legal reserves.

The legal reserves consist of first and second legal reserves in accordance with the Turkish Commercial Code (TCC). The first legal reserve is appropriated out of the statutory profits at the rate of 5%, until the total reserve reaches a maximum of 20% of the Company's restated share capital. The second legal reserve is appropriated at the rate of 10% of all distributions in excess of 5% of the Company's restated share capital. The legal reserves are only available for netting off losses unless they exceed 50% of the historical paid-in share capital otherwise they are not allowed to be used for other purposes.

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17.3 Dividend distribution

According to Communiqué Serial: IV, No: 27, regarding profit distribution obligation, 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 shareholders 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 made possible that initial dividend amount be left to the companies without distribution, if such amount is lower than the 5% of the existing paid-up/issued capital amount.

In this context; according to the decision of CMB, the net distributable profit that is calculated per CMB's minimum profit distribution requirements will be wholly distributed if it is met by the net distributable profit of statutory records, if the amount per CMB is not met by statutory records, the amount to be distributed will be limited to the amount at the statutory records. If losses are incurred in either of CMB or statutory financial statements, no profit will be distributed.

17.4 Retained earnings

As at 31 December 2013, the Company's statutory retained earnings and statutory net profits are TRY 131,669,832 and TRY 21,915,267 respectively.

17.5 Share premium

As described more fully at Note 3; the difference between the nominal amount of the new shares amounting to TRY 133,428,155 issued after the partially spin off, and the net fair value of the acquired investment property amounting to TRY 356,881,072 was recorded as shared premium.

18. SALES AND COST OF SALES

Sales for the years ended 31 December 2013 and 2012 are as follows:

	1 January - 31 December 2013	1 January - 31 December 2012
Rent Income	15,704,586	14,277,243
Other Income	71,306	95,380
Total	**15,775,892**	**14,372,623**

Cost of the sales for the year ended 31 December 2013 and 2012 are as follows:

	1 January - 31 December 2013	1 January - 31 December 2012
Tax and duties	1,714,521	1,441,466
Administrative expenses	567,847	362,770
Other expenses	16,402	8,000
Total	**2,298,770**	**1,812,236**

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19. ADMINISTRATIVE EXPENSES

Administrative expenses for the year ended 31 December 2013 and 2012 are as follows:

	1 January - 31 December 2013	1 January - 31 December 2012
Personnel expenses	4,687,392	2,198,046
Istanbul stock exchange expenses	1,411,098	23,445
Tax and other duties	257,849	99,695
Travel and vehicle expenses	228,342	122,265
Depreciation and amortization	189,861	170,461
Head office expenses	115,531	115,196
Consultancy expenses	101,983	62,331
Computer expenses	43,380	54,908
Communication expenses	27,197	29,969
Membership expenses and fees	24,875	10,471
Other expenses	120,059	72,704
Total	**7,207,567**	**2,959,491**

20. OTHER OPERATING INCOME/EXPENSES

As at 31 December 2013 and 2012, other operating expenses are TRY 35,319 and TRY 90,021 respectively.

21. INCOME FROM INVESTMENT OPERATIONS

Investment property income for the years ended 31 December 2013 and 2012 are as follows:

	1 January - 31 December 2013	1 January - 31 December 2012
Interest income generated from the government and private sector bonds	1,387,570	537,473
Total	**1,387,570**	**537,473**

22. FINANCE INCOME

Finance income for the years ended 31 December 2013 and 2012 are as follows:

	1 January - 31 December 2013	1 January - 31 December 2012
Interest income on time deposits	1,435,764	2,432,723
Foreign exchange gains	743,784	98,126
Total	**2,179,548**	**2,530,849**

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23. FINANCIAL EXPENSES

Finance expenses for the years ended 31 December 2013 and 2012 are as follows :

	1 January - 31 December 2013	1 January - 31 December 2012
Foreign exchange loss	7,616,767	349,432
Interest expense	2,272,393	-
Commision expense	162,920	57,506
Total	**10,052,080**	**406,938**

24. DISCONTINUED OPERATIONS

None.

25. TAX ASSETS AND LIABILITIES

In accordance with the Corporate Tax Law, the income of the Company is exempted from taxation since it's operations are related to real estate investment trust. Since the earnings of the Company are exempt from tax in accordance with the Corporate Income Tax Law, the Company does not have any deferred tax assets and liabilities.

26. EARNINGS PER SHARE

Earnings per share stated in statement of income are calculated by dividing net income for the period by the weighted average number of the Company's shares for the period.

	31 December 2013	31 December 2012
Net profit for the year	21,915,267	37,452,486
Weighted average number of shares	95,607,783	93,780,000
Earning per share	**0.2292**	**0.3994**

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27. RELATED PARTY DISCLOSURE

27.1. Due to / from related parties

As at 31 December 2013 and 31 December 2012, the Company's related party balances are as follows:

	31 December 2013	31 December 2012
Due from related parties:		
Doğuş Oto Pazarlama Tic. A.Ş. (1)	12,095	-
Doğuş Yayın Grubu A.Ş.	10,704	3,485
Türkiye Garanti Bankası A.Ş. (1)	10,510	-
Doğuş İstanbul Sportif Faaliyetler Kulübü Derneği (1)	6,195	-
A Yapım Radyo ve Televizyon Yay. A.Ş. (1)	2,722	2,351
Doğuş Center Maslak Yöneticiliği (1)	-	15,599
Total	**42,226**	**21,435**

As at 31 December 2013 and 31 December 2012, there is no guarantee given to/received from related parties.

	31 December 2013	31 December 2012
Due to related parties :		
Doğuş Center Maslak Yöneticiliği (1)	13,732	-
Doğuş Bilgi işlem ve Teknoloji Hizmetleri A.Ş.	7,475	-
Doğuş Holding A.Ş.	-	28,489
Total	**21,207**	**28,489**

(1) An affiliate of Doğuş Holding A.Ş.

As at 31 December 2013 and 31 December 2012, the Company's related company Türkiye Garanti Bank A.Ş.'s balances are as follows:

	31 December 2013	31 December 2012
Banks – Demand Deposits		
Türkiye Garanti Bankası A.Ş. (1)	19,862	64,066
Banks – Time Deposits		
Türkiye Garanti Bankası A.Ş. - Malta Şubesi (1)	10,226,735	3,741,862
Investment Funds		
Garanti Portföy Yönetimi A.Ş. (1)	4,538,833	2,314,619
Total	**14,785,430**	**6,120,547**

(1) An affiliate of Doğuş Holding A.Ş.

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Related party transactions

For the years ended 31 December 2013 and 2012, the Company's transactions with related parties summary is as follows:

	31 December 2013	31 December 2012
Rent income		
Doğuş Oto Pazarlama Ticaret A.Ş. [(1)]	6,479,012	5,073,160
Doğuş Yayın Grubu A.Ş. [(1)]	4,511,989	4,165,740
Doğuş Spor Kompleksi Yatırım ve İşletme A.Ş. [(1)]	1,538,189	1,423,505
A Yapım Radyo ve Televizyon Yapımcılığı A.Ş. [(1)]	586,209	541,889
Türkiye Garanti Bankası A.Ş. [(1)]	127,385	120,721
Garanti Emeklilik ve Hayat A.Ş.	29,089	27,484
Garanti Finansal Kiralama A.Ş. [(1)]	9,099	8,452
Doğuş İstanbul Sportif Faaliyetler Kulübü Derneği	5,250	-
Total	**13,286,222**	**11,360,951**
Service expenses		
Leaseplan Otomotiv Servis ve Tic. A.Ş.	166,272	91,055
Doğuş Bilgi İşlem ve Teknoloji Hizmetleri A.Ş.	6,335	-
Garanti Bilişim Tekn. ve Tic. A.Ş.	-	62,600
Total	**172,607**	**153,655**
Project service expenses		
Doğuş Gayrimenkul Yatırım ve İşletme A.Ş.	987,763	715,090
Total	**987,763**	**715,090**
Interest income		
Türkiye Garanti Bankası AŞ [(1)]	584,984	1,738,171

(1) An affiliate of Dogus Holding A.Ş.

84% of the Company's revenues were generated from the related parties of the Company (31 December 2012: 79%).

Employee Benefits to key management:

Renumeration and fees paid to the key management personel for the year ended 31 December 2013 is TRY 1,676,291 (31 December 2012: TRY 620,518).

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28. NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk. The Company has exposure to the following risks from its operations:

- credit risk,
- liquidity risk,
- market risk.

28.1. Credit risk

The ownership of the financial assets brings the risk of not meeting the obligations of the agreement of the counter party. These risks are controlled by credit evaluations and restricting the maximum exposure to a counter party.

The Company leased out the majority of its investment property portfolio to the main shareholders, group companies and public institutions. Credit risk of other tenants is limited via letter of guarantee.

As at 31 December 2013, credit risk exposure of financial assets is as follows:

	Receivables					
	Trade Receivables		Other Receivables			
31 December 2013	Related party	Third party	Related party	Third party	Deposits on bank	Financial investment
Exposure to maximum credit risk as of reporting date (A+B+C+D)	**42,226**	**233,378**	**-**	**148,832**	**27,089,730**	**13,174,427**
A) Net book value of neither past due nor impaired financial assets	42,226	233,378	-	148,832	27,089,730	13,174,427
B) Net book value of restructured financial assets	-	-	-	-	-	-
C) Net book value of past due but not impaired financial assets	-	-	-	-	-	-
- Net book value secured with guarantees	-	-	-	-	-	-
D) Net book value of impaired assets	-	-	-	-	-	-
- Past due (Gross amount)	-	215,416	-	-	-	-
- Impairment (-)	-	(215,416)	-	-	-	-
- Net book value secured with guarantees	-	-	-	-	-	-
E) Off balance sheet items with credit risks	-	-	-	-	-	-

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As at 31 December 2012, credit risk exposure of financial assets is as follows:

	Receivables					
	Trade Receivables		Other Receivables			
31 December 2013	**Related party**	**Third party**	**Related party**	**Third party**	**Deposits on bank**	**Financial investment**
Exposure to maximum credit risk as of reporting date (A+B+C+D)	**21,435**	**146,759**	**-**	**97,667**	**22,637,922**	**15,163.315**
A) Net book value of neither past due nor impaired financial assets	21,435	146,759	-	97,667	22,637,922	15,163,315
B) Net book value of restructured financial assets	-	-	-	-	-	-
C) Net book value of past due but not impaired financial assets	-	-	-	-	-	-
- Net book value secured with guarantees	-	-	-	-	-	-
D) Net book value of impaired assets	-	-	-	-	-	-
- Past due (Gross amount)	-	215,416	-	-	-	-
- Impairment (-)	-	(215,416)	-	-	-	-
- Net book value secured with guarantees	-	-	-	-	-	-
E) Off balance sheet items with credit risks	-	-	-	-	-	-

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28.2. Liquidity risk

Liquidity risk is the inability of the Company to match the net funding requirements with sufficient liquidity.

The following table presents the Company's financial liabilities including interest payments according to their remaining contractual maturities:

31 December 2013	Carrying value	Total of contractual cash flows	Up to 3 months	3 months to 1 year	1 year to 5 years	More than 5 years
Non - derivative financial liabilities						
Bank loans	112,968,204	115,652,860	8,730,886	8,908,254	98,013,720	-
Trade payables	198,955	198,955	198,955	-	-	-
Other payables and liabilities	403,108	403,108	403,108	-	-	-
Total	**113,570,267**	**116,254,923**	**9,332,949**	**8,908,254**	**98,013,720**	**-**

31 December 2012	Carrying value	Total of contractual cash flows	Up to 3 months	3 months to 1 year	1 year to 5 years	More than 5 years
Non-derivative financial liabilities						
Trade payables	150,204	150,204	150,204	-	-	-
Other debts and liabilities	265,516	265,516	265,516	-	-	-
Total	**415,720**	**415,720**	**415,720**	**-**	**-**	**-**

As at 31 December 2013 the Company does not have any derivative financial liabilities. (31 December 2012: None)

28.3. Market risk

The Company is exposed to various market risks, including the effects of changes in exchange rates, interest rates, equity prices and credit spreads.

The total risk management program of the Company focuses on the unpredictability of the financial markets and aims at reducing the potential negative effects on the Company's financial performance.

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Foreign currency risk

Exchange risk comprises the effects arising from exchange movements in the event foreign currency assets and liabilities. Due to the fact that the Company signs rent agreements on USD, loans and borrowings has been made generally on USD. As at 31 December 2013 and 31 December 2012, the Company's foreign currency assets and liabilities are as follows;

	31 December 2013 (TRY amount)	31 December 2012 (TRY amount)
Total assets in foreign currency	3,262,355	5,748,594
Total liabilities in foreign currency	(112,968,204)	-
Net position	**(109,705,849)**	**5,748,594**

Foreign currency in details;

	31 December 2013			31 December 2012		
	Currency Type	Currency amount	TRY amount	Currency Type	Currency amount	TRY amount
Assets						
Cash and cash	USD	1,526,505	3,258,019	USD	3,212,262	5,726,179
Equivalents	Euro	1,477	4,336	Euro	9,531	22,415
Total			**3,262,355**			**5,748,594**
Liabilities						
Bank loans	Euro	38,470,357	112,968,204	-	-	-
Total			**112,968,204**	**-**	**-**	**-**
Net position			**(109,705,849)**			**5,748,594**

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Foreign currency sensitivity table

31 December 2013

	Profit/(Loss) Strengthening of foreign currency	Weakening of foreign currency
A 10% change of US Dollar Parity;		
1-US Dollar Net Asset / Liability	325,801	(325,801)
2-Hedged portion against US Dollar risk (-)	-	
3-Net effect of US Dollar (1+ 2)	325,801	(325,801)
A 10% percent change of Euro Parity;		
1-Euro Net Asset /Liability	(11,296,387)	11,296,387
2-Hedged portion against Euro risk (-)	-	
3-Net effect of Euro (1+ 2)	(11,296,387)	11,296,387

31 December 2012

	Profit/(Loss) Strengthening of foreign currency	Weakening of foreign currency
A 10% change of US Dollar Parity;		
1-US Dollar Net Asset / Liability	572,618	(572,618)
2-Hedged portion against US Dollar risk (-)	-	-
3-Net effect of US Dollar (1+ 2)	572,618	(572,618)
A 10% change of Euro Parity;		
1-Euro Net Asset /Liability	2,242	(2,242)
2-Hedged portion against Euro risk (-)	-	
3-Net effect of Euro (1+ 2)	2,242	(2,242)

Interest rate risk

The Company is exposed to interest rate risk due to interest bearing assets and liabilities.

The table below shows the financial instruments sensitive to interest rates as at 31 December 2013 and 31 December 2012:

	31 December 2013	31 December 2012
Financial instruments with fixed interest rates		
Financial assets	40,239,928	37,734,649
Time deposits	*22,526,668*	*20,256,715*
Financial investments	13,174,427	15,163,315
Liquid funds	*4,538,833*	*2,314,619*

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Weighted average interest rates which are applied to financial instruments as of 31 December 2013 and 31 December 2012 are as follows:

	31 December 2013	31 December 2012
Financial instruments		
Time deposits - TRY	6,50%-9,00%	5%-8,30%
Time deposits - USD	2,25%-3,2%	2,90%
Financial liabilities - Euro	Euribor + 4,75%	-
Financial investments - TRY	6,51%-10,28%	7,90%-9,63%

Interest rate sensitivity:

As of 31 December 2013, interest rate sensitivity of the income statement is the effect at changes in interest rates at fair value through profit / loss are financial assets at fair value (excluding tax effects).

This analysis assumes that all other variables remain constant.

Because the company's all financial assets and liabilities are fixed interest rate, change in interest rate cannot effect the profit / loss as of 31 December 2013.

28.4. Capital management

The Company manages capital by using effective portfolio management to reduce the risk of investment. The main objectives of the Company are to continue operations with generating revenue, to secure the benefits of the shareholders, cost of capital and to continue the optimum level of net liabilities / equity and to achieve the efficient capital structure continuity.

29. FINANCIAL INSTRUMENTS

The fair value of an asset is the amount at which that asset could be bought or sold in a current transaction between willing parties.

The determination of fair value of company's liabilities and obligations are required for both accounting policies and presentation of the notes.

Fair values have been determined for measurement and / or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Following assumptions and methods are used to estimate fair value of financial instruments, if fair values are applicable

Trade receivables

The Company assumes that the carrying values of the trade receivables are close to their fair value because of their short-term nature.

Finansal assets

Financial assets comprise of government bonds and private sector bonds. These assets are measured at fair value in the financial statements.

Financial liabilities

Trade and other payables

The Company assumes that the carrying values of the trade payables are close to their fair value because of their short-term nature.

Fair Value of Financial Instruments

Financial value of financial instruments is calculated through reliable informations available in Turkey financial markets.

The Company assumed that the there is no material difference between the fair value of the financial liabilities and its carrying amount which is TRY 112,968,204 since the regarding loan was taken at the very close date to the balance sheet date.

Classification of Fair Value Measurement

TFRS 7 - Financial Instruments requires the classification of fair value measurements into a fair value hierarchy by reference to the observability and significance of the inputs used in measuring fair value of financial instruments measured at fair value to be disclosed. This classification basicly relies on whether the relevant inputs are observable or not. Observable inputs refer to the use of market data obtained from independent sources, whereas unobservable inputs refer to the use of predictions and assumptions about the market made by the Company.

This distinction brings about a fair value measurement classification generally as follows:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Fair value measurements using inputs for the assets or liabilitity that are not based on observable market data (unobservable inputs).

Classification requires using observable market data if possible. In this context, classification of fair value of financial assets and liabilities measured at fair value are as follows:

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31 December 2013	Level 1	Level 2	Level 3	Total
Private sector bonds	13,174,427	-	-	13,174,427
Investment properties (*)		12,959,000	659,948,000	672,907,000
Total	**13,174,427**	**12,959,000**	**659,948,000**	**686,081,427**

31 December 2012	Level 1	Level 2	Level 3	Total
Government bonds	6,277,850	-	-	6,277,850
Private sector bonds	6,783,613	2,101,852	-	8,885,465
Investment properties (*)		7,431,000	176,278,000	183,709,000
Total	**13,061,463**	**9,532,852**	**176.278.000**	**198,872,315**

(*) The Company's investment properties under development amounting to TRY 6.065.098 are carried by its cost value by assuming that the cost value of the investment properties under development is very close its fair value. (31 December 2012: TRY 4,238,695) (Note 9).

30. SUBSEQUENT EVENTS

The Company decided in the board of director meeting dated aat 31 January 2014 fixed the foreign currency rate of USD against TL as 1,00 USD Dollar equivalents to 2,00 TRY for the period between 1 February - 30 June 2014 for the lease contracts which are based on USD as a result of the demands of the tenants.

Supplementary information: CONTROL OF COMPLIANCE WITH RESTRICTIONS ON THE INVESTMENT PORTFOLIO

The information contained herein is summarised information derived from the financial statements due to the Communiqué Serial: XI, No: 29 "According to CMB 17th Communiqué on Principles Regardingto Financial Reporting" and is prepared due to control of compliance with the limits of the portfolio inaccordance with CMB Communiqué Serial: VI, No. 11 "Communiqué on Principles Regarding RealEstate Investment Trusts". Additionally, as explained in Note 1, since the accompanying financialstatements of the Company have been prepared individually due to having no joint venture orsubsidiary, the supplementary information contained herein is unconsolidated information of the Company.

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As at 31 December 2013, the Company complies with clause "a, b and c" of CMB Communiqué VI, No: 11, article 27 and article 24 and 35 related to "Real Estate Investment Trust". The related ratios are disclosed as follow:

	Financial statement primary Accounts items	Related regulations	31 December 2013(TRY)	31 December 2012 (TRY)
A	Monetary and capital Market Instruments	Serial: VI, No: 11, Md.27/(b)	40,271,943	37,803,463
B	Real estates, based on Real Estates, Rights based on Real Estates	Serial: VI, No: 11, Art.27/(a)	678,972,909	187,947,695
C	Subsidiaries	Serial: VI, No: 11, Art.27/(b)	-	-
	Due from related parties (non-trade)	Serial: VI, No: 11, Art.24/(g)	-	-
	Other assets		1,082,352	1,165,184
D	**Total assets**	Serial: VI, No: 11, Art.4/(i)	**720,327,204**	**226,916,342**
E	Financial liabilities	Serial: VI, No: 11, Art.35	112,968,204	-
F	Other financial liabilities	Serial: VI, No: 11, Art.35	-	-
G	Financial leasing obligation	Serial: VI, No: 11, Art.35	-	-
H	Due to related parties (non-trade)	Serial: VI, No: 11, Art.24/(g)	-	-
İ	Equity	Serial: VI, No: 11, Art.35	604,510,601	225,695,204
	Other liabilities		2,848,399	1,221,138
D	**Total liabilities**	Serial: VI, No: 11, Art.4/(i)	**720,327,204**	**226,916,342**

	Financial information	Related regulations	31 December 2013 (TRY)	31 December 2012 (TRY)
A1	Financial markets instruments held for 3 years payment of Real Estate	Serial: VI, No: 11, Art.27/(b)	-	-
A2	Time deposit/demand deposit/ TRY/Foreign currency	Serial: VI, No: 11, Art.27/(b)	27,089,730	22,637,922
A3	Foreign capital market instruments	Serial: VI, No: 11, Art.27/(c)	-	-
B1	Foreign real estates, projects, based on real estates	Serial: VI, No: 11, Art.27/(c)	-	-
B2	Idle land	Serial: VI, No: 11, Art.27/(d)	-	-
C1	Foreign Subsidiaries (operating companies)	Serial: VI, No: 11, Art.27/(c)	-	-
C2	Subsidiaries (operating companies)	Serial: VI, No: 11, Art.32/A	-	-
J	Non-cash loans	Serial: VI, No: 11, Art.35	-	-
K	Mortgage Amounts on Land that Project to be Developed and the Ownership Does Not Belong the Partner	Serial: VI, No: 11, Art.25/(n)	-	-

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	Portfolio Restrictions	Related Regulation	Calculation	Max/Min Rate	31 December 2013 (TRY)	31 December 2012 (TRY)
1	Mortgage amounts on Land that Project to be Developed and the Ownership Does not Belong the Partnership	Serial: VI, No: 11, Art.25/(n)	K/D	Max 10%	-	-
2	Real estates, based on Real Estates, Rights based on Real Estates	Serial: VI, No: 11, Art.27/(a),(b)	(B+A1)/D	Min 50%	94.26%	82.83%
3	Monetary and Capital Market Instruments	Serial: VI, No: 11, Art.27/(b)	(A+C-A1)/D	Max 50%	5.59%	16.66%
4	Foreign Real Estates, Projects, based on Real Estates, Rights based on Real Estates, Subsidiaries	Serial: VI, No: 11, Art.27/(c)	(A3+B1+C1)/D	Max 49%	-	-
5	Idle Land	Serial: VI, No: 11, Art.27/(d)	B2/D	Max 20%	-	-
6	Subsidiaries (operating companies)	Serial: VI, No: 11, Art.32/A	C2/D	Max 10%	-	-
7	Borrowing Limit	Serial: VI, No: 11, Art.35	(E+F+G+H+J)/İ	Max 500%	18.69%	-
8	Time Deposit/Demand Deposit/ TRY/Foreig Currency	Serial: VI, No: 11, Art.27/(b)	(A2-A1)/D	Max 10%	3.76%	9.98%

DOĞUŞ GYO

DOĞUŞ REIT

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