

Collaboration of forces investing in the future...

Yeşil Real Estate Investment Trust is on the front lines of the real estate sector with its expert staff and unique vision.

Yeşil REIT, which minimizes its investment risk through a diversified portfolio involving different investments such as villas, flats, lands and shopping malls, invests in the future of Turkey with its advanced concept of quality.

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COMPANY PROFILE

Yeşil Gayrimenkul Yatırım Ortaklığı A.Ş. is a portfolio management company established on 23 December 1997 for the purposes of investing in real estate, real estate projects, real estate backed securities, capital market instruments and capital markets, within the framework of principles and procedures set forth through regulations of the Capital Markets Board relating to real estate investment trusts. Share certificates of the company have been quoted in Istanbul Stock Exchange (ISE) since 1999.

The Company changed its former title “İhlas Gayrimenkul Yatırım Ortaklığı A.Ş.” to “Y ve Y Gayrimenkul Yatırım Ortaklığı A.Ş.,” after being purchased by the Yeşil İnşaat Gayrimenkul Yatırım Hizmetleri Ticaret A.Ş. and Rudolph Younes joint venture in 2006. This decision was registered in the trade registry on 29.01.2007.

Through the Extraordinary General Assembly Meeting decision dated 30.12.2010, it was resolved to merge the company with “Yeşil İnşaat Yapı Düzenleme ve Pazarlama Ticaret A.Ş.” The decision in question was registered on 31.12.2010 and promulgated in the Turkish Trade Registry Gazette dated 06.01.2011. The company’s issued capital was raised from TL 24,151,319.01 to TL 235,115,706.01 due to the merger and the merger ratio and conversion ratio were respectively determined as 10.27210% and 483.57548%. Our company title was changed from “Y ve Y Gayrimenkul Yatırım Ortaklığı A.Ş.” to “Yeşil Gayrimenkul Yatırım Ortaklığı A.Ş.” following the merger.

Yeşil GYO, being one of the 23 public real estate investment trusts in Turkey, has taken its place in the real estate sector backed by the different vision the Yeşil İnşaat ve Rudolph Younes joint venture provides. The Company, which has opened a new era in real estate investments with projects that have upgraded standards and raised the quality of life, decreases its investment risks through portfolio diversification. It is planned to launch new projects in major Turkish cities, other than the current projects in İstanbul. Investing in projects in Anatolia soon and directing the REIT sector to this field are among the primary goals of the Company.

Being the first and only company to apply for rating among REITs, Yeşil REIT has received a 8.56 rating over 10 in Corporate Governance in 2011 new rating period. This 8.56 rating is a proof of the importance the Company attaches to Capital Markets Board Corporate Governance Principles and the fact that it has achieved sustainable stability in operating a dynamic process.

Yeşil REIT shows extra care to maintain its awareness on social responsibility as required for an entity that invests in the future, while launching new residential projects with its international experience and unique vision. The Company, which has established social responsibility as a part of its corporate culture, emphasizes social benefits and sustainability, with a view to people and environment while planning its work in this line.

Strategy of Yeşil REIT is to strengthen our portfolio by looking after efficiency and profitability, to help our sector, shareholders and stakeholders benefit from such returns by investing in profitable projects that raise the quality of life. Our short-term target is to increase our market value and become one of the top 3 existing REITs. Yeşil REIT is a member of ULI (Urban Land Institute) abroad and GYODER (The Association of Real Estate Investment Companies) in Turkey.

MISSION - VISION - OBJECTIVES

Mission

The primary mission of Yeşil Gayrimenkul Yatırım Ortaklığı is to establish deals with local and foreign partners, build new residential centers using earthquake-resistant materials and cutting edge technology, increase profitability and to maintain a balanced portfolio structure to reduce the risks of investors, engage in information exchange and communication with developed markets and provide information to international investors on the potential of the Turkish real estate sector.

Vision

Yeşil REIT continues to invest in projects that alter conventional standards in the real estate sector with its organizational structure, transparency and corporate governance understanding, besides the projects its has realized.

Goal

Strategy of Yeşil REIT is to strengthen our portfolio by looking after efficiency and profitability, to help our sector, shareholders and stakeholders to benefit from such returns by investing in profitable projects that raise the quality of life. Our short-term target is to increase our market value and become one of the top 3 REITs.

CAPITAL AND SHAREHOLDER STRUCTURE

In the first public offering held in December 1999, 49% of the Company was offered to public and the issued capital was increased from TL 2,000,000 to TL 3,922,000. Subsequently in 2000 the capital was raised to TL 5,883,000 through 50% bonus issue and again in 2002 to TL 8,824,500 through 50% bonus issue. The issued capital was later raised by TL 4,412,250 (50%) through bonus issue and by TL 8,871,603 (100.5%) through rights issue to TL 22,108,353 in 2003 and by TL 11,054,177 (50%) to TL 33,162,530 in 2005.

On 21.10.2009, the Company Board of Directors resolved to lower the issued capital of the Company to cover the balance sheet deficit indicated on the 31.12.2008 balance sheet by reducing the company capital by that amount, to TL 13,730,702.06 from TL 33,162,529.95. Consequent to the capital decrease realized, the number of share certificates in our shareholders' portfolio was decreased, however, there has been no change in the total investment amount, since the unit value of the share certificates were raised during this process.

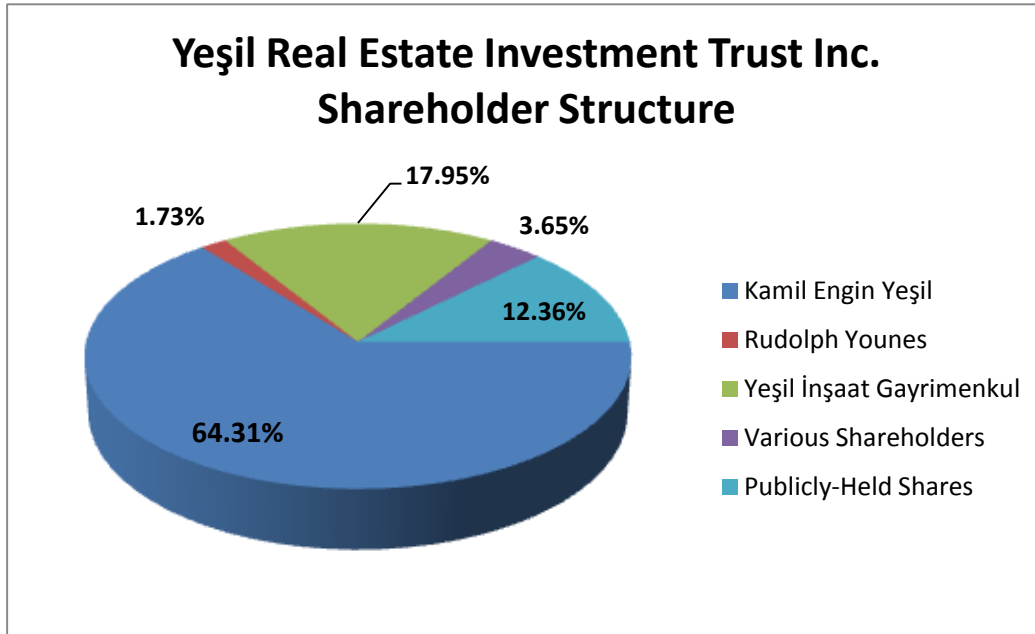
Consequent to the capital increase realized on 19.08.2010 through bonus issue, the capital of the Company was raised from TL 13,730,702.06 to TL 24,151,319.01 by the ratio of 75.89%. As of 31.12.2011, due to the merger with "Yeşil Yapı Düzenleme ve Pazarlama Tic.A.Ş.", the capital of the Company was raised to TL 235,115,706.01 from TL 24,151,319.01. No dividend distribution was realized in the past three years.

Date	Previous Capital (TRY)	Increase/Decrease		New Capital (TRY)
		Details	Amount (TRY)	
December 1999	2,000,000	49% rights issue	1,922,000	3,922,000
April 2000	3,922,000	50% Bonus issue	1,961,000	5,883,000
June 2002	5,883,000	50% Bonus issue	2,941,500	8,824,500
June-August 2003	8,824,500	100,5% rights issue	8,871,603	22,108,353
		50% Bonus issue	4,412,250	
October-November 2005	22,108,353	55% rights issue	11,054,177	33,162,530
April 2010	33,162,530	Capital Decrease %58,60	-19,431,827	13,730,702
August 2010	13,730,702	75,89% Bonus issue	10,420,617	24,151,319
December 2010 (*)	24,151,319	Merger Increase	210,964,387	235,115,706

SHAREHOLDER STRUCTURE

Name Surname/Title	As of 31.12.2011	
	Nominal Value (TL)	Percentage (%)
Kamil Engin Yeşil İnşaat Yapı Düzenleme ve Pazarlama Tic A.Ş.	151,215,430.14	64.31
Rudolph Younes	4,070,671.67	1.73
Yeşil İnşaat Gayrimenkul Yatırım Hizmetleri Ticaret A.Ş.	42,203,808.51	17.95
Various Shareholders	8,576,937.19	3.65
Publicly-Held Shares	29,048,858.50	12.36
Total	235,115,706.01	100.00

As of 31.12.2011, share of Yeşil İnşaat in Yeşil Gayrimenkul Yatırım Ortaklığı is 17.95%, share of Rudolph Younes is 1.73%, share of Kamil Engin Yeşil is 64.31%, share of various shareholders is 3.65% and the publicly portion is 12.36%.



COMPANY IDENTITY

Company Identity	
Trade Registry Number	303536
Establishment Date	23.12.1997
Registered Capital	TRY 400.000.000,00
Issued Capital	TRY 235.115.706,01
Company Headquarters	Istanbul
Date of Quotation in ISE	14.12.1999
Public Portion	% 12.36
Company Head Office Address	Yılanlı Ayazma Yolu, Yeşil Plaza No:15 Kat:12 Topkapı / İSTANBUL
Liason Office Contact Address	Büyükdere Cad. No:185 Kanyon Ofis Bloğu Kat:5 34394 Levent / İSTANBUL
Telephone Number	Liason Office: +90 (212) 709 37 45
Fax Number	Liason Office: +90 (212) 353 09 09
Internet Address	www.yesilgyo.com
E-mail Address	bilgi@yesilgyo.com

BOARD OF DIRECTORS & BOARD OF AUDITORS

BOARD OF DIRECTORS
Kamil Engin YEŞİL Chairman of the Board
Adnan BAŞKIR Deputy Chairman of the Board (Member of the Corporate Governance Committee)
Prof.Dr. Derin ORHON Member of the Board of Directors (Member of the Corporate Governance Committee)
Prof. Dr. H. Fehim ÜÇİŞİK Member of the Board of Directors (Member of the Audit Committee)
Işık GÖKKAYA Member of the Board (General Manager) Authorized to represent and bind the company independently and severally.
Bekir YÜKSEKDAĞ Member of the Board of Directors (Chairman of the Audit Committee)
Günay YAVAŞ Member of the Board of Directors (Chairman of the Corporate Governance Committee)
<i>The members of the Board of Directors are assigned for 1-year term of office starting as of the date of March 17,2011.</i>

BOARD OF AUDITORS
Erkan DEMİR Member of Board of Auditors
Önder YÜKSEL Member of Board of Auditors
<i>The members of the Board of Directors are assigned for 1-year term of office starting as of the date of March 17,2011.</i>

BOARD OF DIRECTORS & BOARD OF AUDITORS

CURRICULUM VITAE OF MEMBERS OF THE BOARD OF DIRECTORS

KAMİL ENGİN YEŞİL

Kamil Engin Yeşil was born in Istanbul in 1962. After graduating from Kültür Prep School, he graduated from Şişli Terakki High School. Later he went to USA for further education and received education on finance in University of Florida. Following graduation, he started to pursue his career in USA and worked in telecommunications and contact lenses.

After his return to Turkey in 2006, he was impressed with the development of the construction sector and set up Yeşil İnşaat. Yeşil, who bought the royalty rights of Trump in Turkey, purchased the Company previously known as İhlas GYO and afterwards as Y&Y Gayrimenkul Yatırım Ortaklığı A.Ş. Gayrimenkul Yatırım Ortaklığı, together with a foreign partner. K. Engin Yeşil, is also a shareholder of Yeşil Kundura, which is one of the long-established footwear companies in Turkey.

ADNAN BAŞKIR

Adnan Başkır was born in 1944 in Kahramanmaraş and is a graduate of İstanbul University, Faculty of Law. Since 1999 he has been the General Counsel of Doğu Holding. Başkır, who retired from his position as a member of the Supreme Court 19th Civil Chamber, had assumed the positions of President of İstanbul Commercial Court, President of İstanbul Justice Commission and İstanbul Civil Court Judge.

Prof.Dr. DERİN ORHON

He graduated from ITU Faculty of Civil Engineering in 1965 as a Certified Engineer, continued his postgraduate education in USA and received his M.Sc in 1969 and PhD in 1971 from University of California, Berkeley on Environmental Engineering.

Prof. Dr. Orhon, who has been a professor in ITU since 1965, was first promoted to the title of assistant professor in 1978 and professor in 1988. He also assumed the positions of President of the Environmental Engineering Department and Head of the Environmental Sciences Department in Faculty of Engineering. He has been the Dean of Faculty of Engineering since 1997.

Prof. Dr. Orhon also was merited TUBITAK Science Award in the field of Engineering in 1998 for his scientific work in Environmental Biotechnology. He was also granted the Samuel H. Jenkins award in 2000 by International Water Association. Same year he became the founding member of Turkish Academy of Sciences and later in 2001 was appointed as a member to TÜBİTAK Science Committee.

Prof. Dr. Orhon has undertaken the role of coordinator for numerous international and national projects in the field of applied research and still carries on with similar projects. As of the beginning of 2010, a scanned research in SCI showed that he had 230 of his scientific articles published and his work has been referred to more than 2,000 times in international publications of the same source.

BOARD OF DIRECTORS & BOARD OF AUDITORS

Prof. Dr. H. FEHİM ÜÇİŞİK

Born in Istanbul in 1943, Fehim Üçişik graduated from Istanbul University, Faculty of Law in 1964. He worked as the Dean of Marmara University, Faculty of Law and Vice Chancellor between 1994 and 1997. He has written more than 150 memoranda and articles in the field of housing and real estate. Prof. Dr. Üçişik, who is also a professor of Environmental Law in Marmara University, has his articles on housing legislation and financing published in daily newspapers and several journals. He has been working in Ministry of Health within the framework of United Nations Development Program since 2003. Finally, since 1998 he has been serving as a Member of the Board of Directors of Yeşil Gayrimenkul Yatırım Ortaklığı A.Ş.

IŞIK GÖKKAYA

Işık Gökkaya was born in 1962 in Ankara. After graduating from Tevfik Fikret High School, he obtained his graduate degree from Hacettepe University, Department of Business Management. He later completed the Strategic Management program given by Boğaziçi University.

Gökkaya, who started working in the Marketing Department of Dokap Yapı Elemanları A.Ş. in 1986, became the Head of Sourcing Department in the same company in 1987. He worked as the Managing Partner in Mint Mühendislik Company in 1989. In 1993 he joined İhlas and became Assistant General Manager in İhlas Bilgi İşlem ve Ticaret A.Ş. In 1998 he became the founding partner of İhlas Gayrimenkul Yatırım Ortaklığı and assumed the position of Assistant General Manager until the end of 2006. In the meantime he became the founding member of the Association for Real Estate Investment Companies, assumed the positions of Deputy Chairman and member in the Boards of Directors of both the Association for Real Estate Investment Companies and "Urban Land Institute – Department of Turkey". In 2006 he became a member to the Board of Directors of Forum Istanbul 2023 and is still a member.

At the end of 2006, İhlas Gayrimenkul Yatırım Ortaklığı A.Ş. changed hands and assumed the title of Y&Y Gayrimenkul Yatırım Ortaklığı A.Ş. Gayrimenkul Yatırım Ortaklığı A.Ş. During reorganization phase Gökkaya, who became the General Manager and a member to the Board of Directors, still continues to serve in this capacity. Işık Gökkaya has assumed the position of Deputy Chairman of the Board of Directors for 2002 and 2009-2010 period of GYODER. He was elected as the Chairman of the Board of Directors of GYODER for two years in the 2011 and 2013 period. He is fluent in French, is married with two children.

BEKİR YÜKSEKDAĞ

Bekir Yüksekdağ was born in Malatya in 1962. He established a family company in Sultan Hamam market in 1982 and represented the company as Chairman of the Board of Directors until 2006. Later he founded a company titled BTC İnşaat Ltd. Şti., which operated in housing and contracting fields. He is currently fulfilling his aforementioned duties.

GÜNAY YAVAŞ

He was born in Istanbul in 1943. He graduated from Istanbul University, Faculty of Law in 1969. Between 1971 and 2006, he worked as a freelancing attorney at law under Istanbul Bar, received and plaque for successful 35 years in the profession and is still a member of Bar of Istanbul.

MILESTONES

1997

- “Yeşil Gayrimenkul Yatırım Ortaklığı A.Ş.” was established on 23 December 1997 with the title “İhlas Gayrimenkul Yatırım Ortaklığı A.Ş.”.

1999

- 49% of the company shares were offered to public in December, share certificates started to be quoted in Istanbul Stock Exchange (ISE) and issued capital was increased from TL 2,000,000 to TL 3,922,000.
- The Company became a founding member of Association of Real Estate Investment Companies (GYODER).

2000

- The capital was increased to TL 5,883,000 by way of bonus issue from internal sources.

2001

- Marmara Evleri 1st and 2nd Phase Projects found in the portfolio of the Company were completed.
- Tarabya Mansions found in the portfolio of the Company were completed within the scope of the restitution project and sold.

2002

- Üsküdar Business Center found in the Company portfolio was sold.
- The issued capital was increased by 50% to TL 8,824,500 by way of bonus issue from internal sources.

MILESTONES

2003

- Construction of Park Mansions Project located in Çekmeköy, İstanbul started in the last quarter of 2003.
- The issued capital was raised by TL 4,412,250 (50%) through bonus issue and by TL 8,871,603 (100.5%) through rights issue to TL 22,108,353.

2004

- The land of 12,000 m² located in Tekirdağ/Barbaros was included in the company portfolio to develop a housing project on it.

2005

- Sale of Armutlu Holiday Village Time-Share Flats in the Company portfolio were completed.
- 27 villas and the shopping mall within the scope of the Güzelşehir Project were included in the company portfolio.
- The issued capital was increased by 50% to TL 33,162,530 by way of rights issue.

2006

- The commercial area of 3,681 m² containing Yenibosna İhlas Plaza that was included in the company portfolio was sold.
- The acquisition of the Company by the Yeşil İnşaat Gayrimenkul Yatırım Hizmetleri Tic. A.Ş. was completed on 4 October 2006.
- Park Mansions Project in İstanbul Çekmeköy was completed and delivered.

MILESTONES

2007

- It was resolved to change the company title to “Y ve Y Gayrimenkul Yatırım Ortaklığı A.Ş.” and this decision was registered in the trade registry on 29.01.2007.
- 26 flats from the 1st phase of Innovia Project located at Esenyurt/Istanbul were included in the portfolio.
- Yeşil GYO, which was the first among REITs to have applied for corporate rating, received a Corporate Governance Rating of “7,88” on 17.04.2007.

2008

- The Corporate Governance Rating of the Company rose to “8,16” on 17.04.2008.

2009

- The Corporate Governance Rating of our Company was updated as “8,16” on 17.04.2009.
- 10 flats from the 1st phase of Innovia Project located at Esenyurt/Istanbul were included in the portfolio.

2010

- To cover the losses in the 31.12.2008 balance sheets, the capital was increased by the amount of loss and the issued capital of the company was decreased to TL 13,730,702.06. Consequent to the capital decrease realized, the number of share certificates in our shareholders’ portfolio was decreased, however, there has been no change in the total investment amount, since the unit value of the share certificates was raised during this process.
- Consequent to the capital increase through bonus issue, company capital was increased by 75.89% to TL 24,151,319.01.
- The Corporate Governance Rating of the Company rose to “8.27” on 16.04.2010.

MILESTONES

- It was approved that the company would be merging with Yeşil İnşaat Yapı Düzenleme ve Pazarlama Tic. A.Ş. by acquiring all its current assets and liabilities as a whole. The decision in question was registered on 31.12.2010.
- Due to the merger, the issued capital of the company was raised to TL 235,115,706.01.
- Upon the merger the entire Innovia Project executed by Yeşil İnşaat Yapı Düzenleme ve Pazarlama Tic. A.Ş. was included in the company portfolio.
- Construction work of Innovia Project 1st Phase and the delivery thereof were completed.

2011

- On 17 March 2011, it was resolved to amend the company title as Yeşil Gayrimenkul Yatırım Ortaklığı A.Ş.
- Sale of 21 villas included in the portfolio from Güzelşehir Project was completed.
- In parallel with the importance attached to the corporate governance principles by our Company, its Corporate Governance Rating was raised to “8,56” on 18.04.2011.
- Two lots coming from Yeşil İnşaat Yapı Düzenleme ve Pazarlama Tic. A.Ş. as a consequence of the merger of total surface area of 26,500 m² in Sarıyer, İstanbul were sold.
- The land of around 120,200 m² located in Bay Yarımcı Region of Kocaeli was included in the company portfolio to be used as residential and commercial area under the Innovia brand.
- 1st Phase construction work of Innovia 2nd Phase Project were completed and 97% thereof were delivered.

MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS



***Dear Shareholders,
Dear Business Partners and stakeholders of our Company,***

Turkish economy exhibited growth in the first half of and throughout past 2011 and the political stability had a positive effect on the general performance in 2011. 2012, for which we have positive expectations will bring about economic developments and new investment opportunities offered by REITs for small-scale investors.

The positive performance of Turkey, which was in the front lines as the country with the best development trend among OECD countries post-crisis, and the positive developments in the Turkish economy has also provided a strong basis of support for the construction and real estate sector. In our country the REIT sector has experienced encouraging developments, REIT sector has acquired a significant leverage and continued to serve as the flagship of the Turkish economy.

Turkish construction sector continued to grow by two-digit ratios in the third quarter of 2011. Construction expenses of the private sector shows that the sector still harbors a high investment and business appetite. When we look at the 3rd quarter reports of 2011, we see that our sector continued to grow by two-digit ratios with 10.6% and growth realized as 12.7% in the first nine months of the year in the construction sector. Again as a pleasing development, employment in the construction sector in 2011 reached a historical high of 1.9 million.

Consequent to all these developments, we are foreseeing sustainable and reasonable growth in the construction and real estate sectors, despite an expected slow-down in general economic growth in 2012.

Turkish people will inevitably continue to need houses in the future as they do today. The prevalence of slums without infrastructure, offering low if no quality of life and the earthquake issue are two important factors that display the requirement to raise the level of housing quality in Turkey. The other extremely powerful factors that determine the need for housing are the rapidly rising population, shrinking families and the desire to achieve a better standard of living. Housing providers expect an upward movement in the housing demand in the following period

when all these requirements are taken into consideration and as a consequence of this expectation, new investments are expected.

Another important development is the fact that the number of REITs transacted in ISE rose to 24. This momentum shall have positive reflections on the companies in the sector, with regard to a higher level of institutionalization and strong financial organization. It is foreseen that the investment volumes of REITs that will get stronger through new public offerings in the coming period will reach a significant level.

Yeşil REIT continued to grow in 2011...

As you know, we continued our operations as Yeşil REIT as of 2011. With the sense of responsibility brought about by being a public company, we strived to engage in activities that would yield maximum benefit to our investors and our clients. We offered the fourth stage of Innovia, which is the biggest project in Turkey in the private sector in Turkey, for sale in 2011 and sold a big part of the project, as was the case with other stages. We also completed the delivery of second phase in 2011 and ensured that life begins in Innovia 2.

Yeşil Gayrimenkul Yatırım Ortaklığı A.Ş. is a company that has an international financial potential and project experience, and has become a force on its own in the real estate sector with its unique vision. Yeşil REIT, which has opened a new era in real estate investments in Turkey with projects that have upgraded standards and raised the quality of life, decreases investment risks through portfolio diversification.

Another great source of pride for us is our Corporate Rating. As the first company to have applied for corporate rating among REITs in Turkey, we raised our Corporate Governance Rating to 8.56 in 2011. I would especially like to emphasize that we plan to rank among the top 3 REITs in the following 3 years.

Along with all the aforementioned, our new project works are ongoing. By the end of 2012, we will have launched new projects in İstanbul and Anatolia. With İzmit Bay Project that will soon be launched we will again help our investors profit and realize another special project. Furthermore, our efforts to realize the Innovia Eko Village Villa projects in other developing and prominent provinces and districts outside İstanbul are speeding towards completion.

More projects that add value to life will be realized...

We are producing luxury housing projects for every one who would not want to postpone living, based on our emphasis on people in the real estate sector. We create a difference with lifestyle projects that combine nature and technology, backed with broad social facilities. As Yeşil Gayrimenkul Yatırım Ortaklığı, we care about today and future and do what is required than what is routine.

As Yeşil REIT, our investment strategy is to develop residential projects that add value to the region's life, on lands purchased in areas with high development potential. Our company provides high-quality living areas and profitable investments with its deep-seated background and experience in land purchase and development, project development, marketing, sales and production fields.

We attach great importance to offering the market projects that are affordable and targeting the middle income segment for the development and growth of our sector. Accordingly, it is important to present projects that are in line with the expectations of consumers. The starting

point in housing supply in our country should be to increase the number of reasonably priced projects that are appealing to the middle income group, and we all witness that such projects succeed in the market and attract a strong demand. We, as Yeşil REIT will also continue to meet a serious level of consumer demand, by adding new ones to our current projects.

We will continue to grow together...

As Yeşil REIT we are getting prepared by strengthening our structure, carefully planning our future investment projects and practices. We will continue to proactively construe and shape the projections and plans of near future, based on significant sector elements.

Yeşil REIT, being a company with high liquidity and strong financial structure, has determined its main strategic goal as making good use of the opportunities that arise, including purchasing opportunities. To emphasize one of the most significant points, I would like to indicate that returning into profitability is one of our primary goals for 2012. In the coming period we will continue to strengthen our portfolio, create value for our sector, shareholders and stakeholders, by protecting the risk-income balance, productivity and profitability.

I would like to thank you, our valuable shareholders and business partners who have always supported us, and our employees, who are the architects of our success on my own behalf and on behalf of our Board of Directors.

Best regards,

Engin Yeşil
Chairman of the Board of Directors

THE BOARD OF DIRECTORS REPORT



In 2011 we performed in a way that would please our investors. It is our fundamental goal to develop projects that are beneficial to our investors and our country, generate profit and help our company to grow and get stronger in 2012 too.

In 2011 while developed countries' and European economies exhibited a loss of acceleration in growth, Turkey set itself apart with its robust financial system, low public debt, high internal demand and fast growth. Despite the policies implemented to control growth, Turkish economy exhibited a growth over expectations with 9.6% in the first 9 months. It is expected that the measures to slow down growth will start to have effect in the 4th quarter and 2011 is expected to end with an annual growth rate of 7.5%.

Rapid growth rate has brought about the problem of current deficit. The current deficit, which is expected to realize as 77 billion dollars in 2011, increased despite economic measures and depreciation of the Turkish Lira. Upon increase in exchange rates, inflation steeply rose as well. It is expected that financing of the current deficit will continue to impose a risk. The only sector that grew without increasing the current deficit, is the real estate sector.

Even though the growth rate lost acceleration in the 3rd quarter in the construction sector, compared to other quarters, construction sector has continued its steady growth and kept at two-digit growth rates for the past 7 quarters. 3. The sector, which exhibited a growth rate of 10.6% in the 3rd quarter, reached a growth rate of 12.7% in the first 9 months. The construction sector reached a historical high with 7.7% share in total employment, with 1,91 million people employed.

The housing sector has remained active, despite the control over expansion of housing loans and rise in housing loan interests in 2011. While supply in new housing projects continued, new housing projects were launched and house sales maintained its appetite. In parallel with the increased interest by foreigners and improvements in expectations, growth in shopping mall and office markets accelerated. It is expected that the construction sector will exhibit a 10% growth in 2011.

As of 31 December 2011, there are 24 public real estate investment trusts that are being traded at ISE. The total market value of 23 REITs that are transacted in ISE is TL 10.8 billion as of 31.12.2011. Our Company has a market value of TL 244.5 million as of the end of the year and is ranking 8th among REITs.

THE BOARD OF DIRECTORS REPORT

In the Board of Directors meeting held on 19.01.2011, it has been resolved that “*Lotus Gayrimenkul Değerleme ve Danışmanlık A.Ş.*” will perform the appraisal of each asset in our portfolio, which should be appraised according to article 39 of the *Communiqué on the Principles Regarding Real Estate Investment Trusts*, and appraisal service for the assets to be added to our portfolio and to require appraisal in that year will be received from “*Lotus Gayrimenkul Değerleme ve Danışmanlık A.Ş.*” and “*EVA Gayrimenkul Değerleme Danışmanlık A.Ş.*” This decision was reiterated in our Board of Directors meeting on 30.01.2012 and remained in force for 2012.

In the Board of Directors meeting of our company dated 25.02.2011 it was resolved to set aside as reserve for the immovable properties, having the nature of a cropland with a total surface area of 9,750 m² and 16,750 m² that are found in our portfolio in Istanbul, Sarıyer, Uskumru Village, Kayış Kıran Sub-district and Kıztaşı Sub-district, whose purchase cost was TL 5,155,005, after they have been reappraised as TL 2,535,000 + VAT in the appraisal report of Lotus Gayrimenkul Değerleme A.Ş. dated 22.10.2010, and this reserve was reflected in the financial statements dated 31.12.2010. It was resolved to sell the croplands in question, whose registered value in financial statements were revised as TL 2,535,000 to Yeşil İnşaat Gayrimenkul Yatırım Hizmetleri Ticaret A.Ş. over a price of TL 5,155,005 + VAT and to start the procedures to complete the title-deed registration and collection of sales price until 21.03.2011 and use the TL 2,620,005 profit in financing of the ongoing construction activities.

The Ordinary General Assembly Meeting for 2010 was held on 17.03.2011 at our Company Headquarters. In the meeting in question, it has been resolved that due to the loss generated as a result of 2010 activities, there will be no profit distribution and the 2010 fiscal year loss, which was TL 3,104,471.16, will be left in the previous year losses account. Işık Gökçaya, Adnan Başkır, Günay Yavaş, Kamil Engin Yeşil representing Yeşil İnşaat , Prof. Dr. Derin Orhon, Prof. Dr. Hasan Fehim Üçışık and Mehmet Uğurlu were elected as Board of Directors members to serve for 1 year. Erkan Demir and Önder Yüksel were elected as members to Board of Auditors. Engin Bağımsız Denetim ve S.M.M.M. A.Ş. chosen to undertake the independent external audit by the Board of Directors for a period of one year, was approved. Title of the company was changed from “*Y ve Y Gayrimenkul Yatırım Ortaklığı A.Ş.*” to “*Yeşil Gayrimenkul Yatırım Ortaklığı A.Ş.*” and the change of title in question was registered in the trade registry on 24.03.2011.

The “*4th Rating Period Revision Report*” prepared by “*SAHA Kurumsal Yönetim ve Kredi Derecelendirme Hizmetleri A.Ş.*” (SAHA) within the scope of the Capital Markets Board (CMB) Communiqué on Principles Regarding Rating Activities and Rating Agencies in the Capital Markets was completed. Our Company’s Corporate Governance Rating which was determined as 8.27 as of 16.04.2010, was updated as 8.56 as of 18.04.2010 (85.58 out of 100). SAHA A.Ş. has revised the current rating, taking into consideration the importance our Company attaches to corporate governance principles as a vital instrument, demonstrating its consistency in executing these principles as a sustainable and dynamic process, and the improvements by our Company during the previous 12-month period since the attainment of the last rating. Within the framework of the principle decision of CMB on this issue, the final rating is determined using different weighting coefficients for the four sub-categories. In this context, the main categories that yield the final rating of our company is exhibited in the table below.

THE BOARD OF DIRECTORS REPORT

Subcategories	Weight	Rating
Shareholders	%25	87.52
Public Disclosure and Transparency	%35	94.82
Stakeholders	%15	79.11
Board of Directors	%25	74.59
Total		85.58

In the Board of Directors meeting dated 07.09.2011, it was resolved to accept the resignation of Mehmet Uğurlu, who was appointed as a Member of the Board of Directors on 17.03.2011 and to appoint Bekir Yüksekdağ in his place, to be presented to the approval of the general assembly in the first general assembly meeting, as per Article 315 of the Turkish Commercial Code.

In the Board of Directors meeting of our Company dated 30.09.2011 it was resolved that our clients who have purchased flats from Innovia will be granted a gift token worth TL 3,000 that they will be able to use in purchases from new stages and only one gift token can be used for purchase of just one flat and gift tokens will not be accepted instead of cash.

In the Board of Directors meeting dated 28.11.2011, the “Contract for Construction and Preliminary Sales in Return for Real Estate Shares” executed on 15.09.2011 regarding construction of villa residences and commercial areas under the Innovia brand on the land located in Kocaeli, Bay Yarımcı Region of 120,238 m² within the scope of the project to be approved, stipulating that it will be shared on the basis of 25% by the Land Owners and 75% by our Company was inspected and approved.

In the Board of Directors meeting of our Company dated 22.12.2011 it was resolved to raise the upper limit of registered capital from TL 400,000,000.00 (four hundred million Turkish Liras) to TL 1,000,000,000.00 (one billion Turkish Liras). The registered capital upper limit permit given by the Capital Markets Board is valid for 5 years, for the years between 2012 and 2016. At the end of 2016, even if the permitted registered capital upper limit is not reached, for the Board of Directors to take a decision to increase capital it is required to obtain an authorization from the General Assembly for the new period, after receiving a new permit from the Capital Markets Board for the previously permitted or new upper limit. If the authorization in question cannot be obtained, the company will be considered to have left the registered capital system.

In the Board of Directors meeting dated 22.02.2012 some articles of the Company Articles of Association, namely Article 6 (Capital and Share Certificates) and to ensure compliance with the Capital Markets Board Communiqué Series No: IV and No: 56 Concerning Determining and Implementation of Corporate Governance Principles, Article 7.1 (Members of the Board of Directors); Article 7.2 (Independence of the Board of Directors Members); 7.3 (Term of Duty); 7.4 (Board of Directors Meetings); 7.5 (Special Decisions); 8.3 (Number, Structure and Independence of Committees Formed under the Board of Directors) and Interim Article 1 were amended. The latest version of the Company Articles of Association is published on the web page of our company at www.yesilgyo.com.

THE BOARD OF DIRECTORS REPORT

In 2001 sale of 21 villas included in the portfolio from Güzelşehir Project was completed. 1st Phase construction work of Innovia 2nd Stage Project were completed and 97% thereof was delivered. Innovia 2nd Stage-2nd Phase and Innovia 3 Project construction works and sales are still going on with full speed, while Innovia 4 Project is offered for sale. Inspections were carried out in new regions with new and profitable investments in mind.

In 2012, we are planning to continue with the renting off/sales work of the shopping mall spaces in the Güzelşehir Project in our portfolio. We also plan to continue to sell the units within the scope of Innovia Project that we have taken over as a result of our merger with Yeşil İnşaat and accelerate the production process. We are also thinking of realizing the commercial and residential real estate projects that our partners Yeşil İnşaat and Rudolph Younes plan to develop one by one through existing financial means and capital increases to be realized at times when market conditions are favorable.

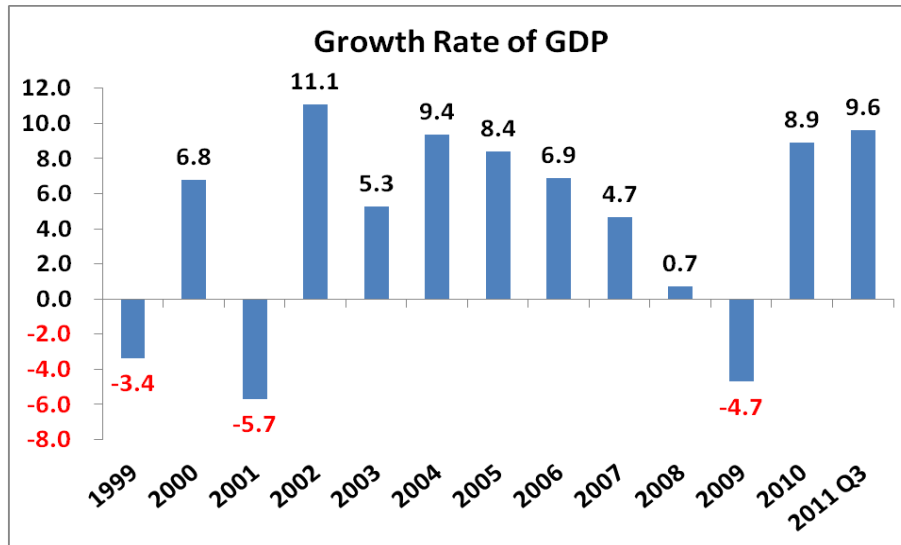
Işık Gökkaya

General Manager, Member of the Board of Directors
Yeşil Gayrimenkul Yatırım Ortaklığı A.Ş.

OVERVIEW OF 2011

DOMESTIC AND INTERNATIONAL GENERAL ECONOMIC DEVELOPMENTS

Despite the developments in Europe and USA that have been battling with the crisis in 2011, it has been a successful year in economic sense for Turkey. 2011 has been a year during which the growth rate of the Turkish economy has accelerated. Turkey, with 11.6%, 8.8% and 8.2% growth in the first, second and third quarters of the year, and earned the title of the second fastest growing country after China with its 8.2% growth in the 3rd quarter. Turkish economy maintained its consistent growth 8 quarters in a row with 9.6% growth rate in the 9-month period, and achieved a 4.6% growth compared to the same quarter of 2010.



Source: Turkish Statistical Institution

Unemployment in Turkey dropped by 2.1 points compared to the same month of the previous year in October and declined to 9.1%. The number of people employed as of October 2011 compared to the same month of the previous year increased by 1 million 514 thousand people and reached 4 million 486 thousand people.

Exports increased in December by 5.6% compared to the same month of the previous year and imports increased by 0.2%. The foreign deficit that shrunk for the first time in November since October 2009, maintained this trend in December and occurred at 8.1 billion \$ level, shrinking by 7.2% compared to the same month of the previous year. Throughout the entire 2011, foreign trade deficit widened by 47.7% compared to 2010.

In November, current accounts deficit was in parallel with expectations with 5.2 billion \$, and widened by 78% reaching 70.2 billion \$ compared to the same period of the previous year. Meanwhile, 12-monthly cumulative current deficit started to decline for the first time since 2009 and reached 77.8 billion \$.

Due to the increase in uncertainties in foreign markets, Turkish National Grand Assembly that has adopted an active policy stance aims to lower the level of fragilities regarding the Turkish economy. Turkish Grand National Assembly aims to minimize risks regarding inflation and balance of payments through tightened liquidity and financial sector policy practices, while preventing the heavy decline in economy, by keeping interests at lower levels. Turkish Grand National Assembly, in its convention dated 23 November 2011, kept the interest rates fixed at 5.75% and did not change overnight interest rates and late liquidity interest rates.

OVERVIEW OF 2011

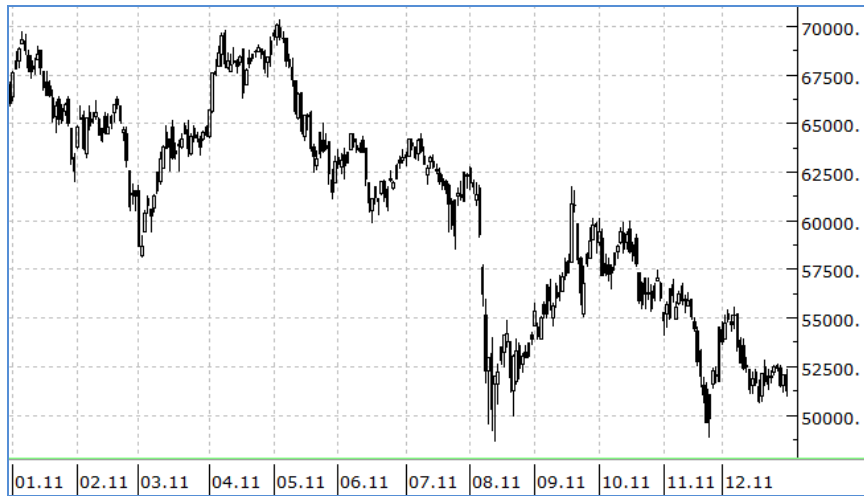
Even though a short-term upward movement was experienced in 2011, ISE experienced a downtrend in general throughout the year. Starting May, the index saw a record high of 70,355 for the year, and especially in the second half of the year, decline accelerated and in August index declined to the lowest level of the year with 48,600. Throughout 2011, ISE has lost value at 23.3%.

Dollar has seen the lowest level with TL 1,50 within 2011. The highest level of TL-Dollar parity has been TL 1,919 in the open market. Dollar, which ended 2011 with TL 1,8910 has appreciated by 22,51% in the past year against TL.

Meanwhile, Euro experienced a dip in the beginning of January in 2010 with TL 2,0251. The highest value Euro has seen against TL was TL 2.5783 on August 23rd. The annual appreciation of Euro against TL has been 18.4%.

OVERVIEW OF 2011

ISE 100 INDEX



DOLLAR IN THE FREE MARKET



EURO IN THE FREE MARKET



OVERVIEW OF 2011

DEVELOPMENTS IN THE REAL ESTATE SECTOR

The real estate sector, which demonstrated a 12.7% growth in average in the first three quarters of 2011, maintained its two-digit and rapid growth owing to the contribution of the ongoing investments by the private sector. Meanwhile in the housing sector, building licenses and new supply has increased, in the commercial real estate sector, recovery continued together with the rapid expansion of economic activities.

Increase in building licenses and certificates of occupancy...

Periods	Construction Licenses Number of Apartments	Building Occupancy Permit Number of Apartments
2011 Q1	91,911	94,167
2011 Q2	161,507	130,171
2011 Q3	174,116	148,436

Source: Turkish Statistical Institution

With the increase in the number of housing constructions, building licenses obtained increased by 89.4% compared to the 1st quarter and reached 174,116 level in the 3rd quarter. Owing to the housing supply that expanded through widening of the housing supply, the number of occupancy certificates increased by 57.6% and reached 148,436.

Expansion in housing loans...

Periods	Housing Loans Billion TRY	Total Loans		Housing Loans Monthly Loan Rates (%)		
		Billion TRY	Housing Loan Share (%)	Minimum	Average	Maximum
2011 Q1	61.3	603.1	10.2	0.72	0.95	1.19
2011 Q2	66.7	678.4	9.8	0.80	1.00	1.29
2011 Q3	68.2	719.1	9.5	1.04	1.14	1.49
2011 Q4	69.3 ⁽¹⁾	735.7 ⁽¹⁾	9.4 ⁽¹⁾	1.19	1.29	1.55

Source: Turkish National Grand Assembly (1) 2 December

As of December 2nd, housing loans has seen a slow down and reached the TL 69.3 billion level, which exhibits a 21% increase compared to the end of 2010. Rising interest rates and decreasing appetite of banks in granting housing loans were the factors that slowed down the loan expansion rate. Consequent to the tightening measures taken by the Turkish Central Bank, the interest rates rose by 0,39 points compared to the end of 2010 and reached an average level of 1,29.

OVERVIEW OF 2011

Decline in house sales...

House Sales in Numbers

Periods	Turkey	Istanbul	Three Major Cities	Other Cities
2011 Q1	91,071	18,768	39,501	51,570
2011 Q2	107,308	22,343	46,432	60,876
2011 Q3	101,754	18,494	40,445	61,309

Source: Turkish Statistical Institution

With 103,251 houses, housing sales, which has increased by 0.81% compared to the third quarter, has exhibited an increase of 6.09% compared to the same quarter of the previous year. Other cities also exhibited an increase in house sales.

Increase in existing house prices...

House Prices Index 2007 = 100

Periods	Turkey	Istanbul	Ankara	Izmir
2011 Q1	95.2	95.0	92.9	97.5
2011 Q2	96.4	96.5	94.2	97.8
2011 Q3	98.4	99.0	96.7	101.7
2011 Q4 ⁽¹⁾	99.2	99.9	97.3	103.2

Source: Garanti Mortgage Reidin Real Estate Index (1) October

Existing house prices that continued to rise throughout the year are still under the 2007 year-end prices. A limited increase was seen in the fourth quarter.

Limited increase in house rents...

House Rent Index 2007 = 100

Periods	Turkey	Istanbul	Ankara	Izmir
2011 Q1	93.2	93.9	93.8	89.0
2011 Q2	93.9	94.4	94.9	90.0
2011 Q3	95.7	96.2	96.8	92.3
2011 Q4 ⁽¹⁾	96.7	97.4	97.0	93.7

Source: Garanti Mortgage Reidin Real Estate Index (1) October

A limited increase can still be observed in house rents. Compared to annual inflation rates, a real increase is experienced in house rents.

Sustainability in shopping mall investments...

Periods	Number of Shopping Centers Opened	Leasable Area of Shopping Centers Opened M ²	Total Number of Shopping Malls	Total Rentable Area M ²
2011 Q1	6	236,900	267	6,522,171
2011 Q2	11	350,725	278	6,872,896
2011 Q3	8	281,880	286	7,154,776
2011 Q4 ⁽¹⁾	6	178,640	292	7,333,416

(1) 12 December

OVERVIEW OF 2011

As of December 12, 31 new Shopping Malls were opened in 2011. With the new Shopping Malls, the total number of Shopping Malls reached 292 and total rentable area reached 7.33 million m².

Annual and period growth in shopping malls' turnovers...

Shopping Centers Retail Index 2005=100

Periods	Total Turnover Index	Leasable Area M ² Index	Turnover per M ² Index
2011 Q1	141	221	92
2011 Q2	151	236	95
2011 Q3	137	242	91
2011 Q4 ⁽¹⁾	152	244	98

Source: AMPD Nielsen Retail Index (1) October

At the end of October 2011, the total turnover index has reached the lowest point of the year with 152. However, an increase is observed in the rentable M² index. Based on these developments, the turnover per M² index has reached its peak of the year as of October of the 4th quarter with 98 points.

Office market is still active...

Istanbul Office Market Vacancy Rates (%)

Periods	Class A Offices			Class B Offices		
	CBA	Off-CBA Europe	Off-CBA Asia	CBA	Off-CBA Europe	Off-CBA Asia
2011 Q1	8.8	19.4	13.3	7.6	31.5	15.3
2011 Q2	9.8	16.9	16.2	7.2	30.4	15.5
2011 Q3	10.7	12.4	17.2	6.6	29.9	17.5

Source: Propin Investment Consultancy, İstanbul Office Market

In 2011, Istanbul office market maintained its vitality. At the end of the first three quarters, Class A office supply in Istanbul expanded by 227 thousand m². In the last quarter, an additional supply of 190 thousand m² is expected. In addition to the existing office regions, financial center Ataşehir, Kartal and Kağıthane that are undergoing urban transformation are rapidly expanding. Office vacancy rates remain low, despite new additional supply.

Office rents are stagnant...

Istanbul Office Market Rent Averages Dollar/m²/Month

Periods	Class A Offices			Class B Offices		
	CBA	Off-CBA Europe	Off-CBA Asia	CBA	Off-CBA Europe	Off-CBA Asia
2011 Q1	27.5	18.1	19.3	14.6	9.8	13.6
2011 Q2	27.6	18.3	19.5	17.0	9.6	13.5
2011 Q3	27.6	17.9	18.8	14.8	10.4	13.3

Source: Propin Investment Consultancy, İstanbul Office Market

OVERVIEW OF 2011

In 2011, class A office rents have followed a stagnant course. While CBA area Class A office rents remained at the same level, outside CBA Class A office rents regressed. CBA area Class B office rents have regressed, however outside CBA area rents remained the same.

Rise in office building licenses, and a steep decline in certificates of occupancy...

Periods	Office Building Construction Licenses Issued m ²	Office Building Occupancy Permits Issued m ²
2011 Q1	733,845	660,379
2011 Q2	1,047,038	1,066,285
2011 Q3	1,524,162	773,425

Source: Turkish Statistical Institution

On the third quarter of 2011, building licenses received for office buildings have rapidly increased with 1.52 million m² and reached the highest point of the year. Certificates of occupancy obtained for office buildings, occurred as 773 thousand m² in the third quarter. New office supplies exhibit a strong trend as well.

New industrial and logistic building investments increase...

Periods	Industrial Buildings & Warehouses Building Licenses Obtained m ²
2011 Q1	774.727
2011 Q2	1.586.185
2011 Q3	1.681.762

Source: Turkish Statistical Institution

The size of building licenses obtained for new industrial buildings and warehouses that continuously increased in number throughout the year has reached the highest level of 2011 in the third quarter with 1.68 m².

REIT market values declined...

Periods	Number of REITs	Net Assets		Market Value	
		Million TL	Million Dollar	Million TL	Million Dollar
2011 Q1	21	13,849	9,015	12,867	8,435
2011 Q2	23	15,788	9,749	13,522	8,349
2011 Q3	23	-	-	11,740	6,345
2011 Q4	23	-	-	11,522 ⁽¹⁾	6,230 ⁽¹⁾

Source: Capital Markets Board (1) 9 December

In 2011, a decline was observed in the market values of 23 REITs. As of December 9, the market values of 23 REITs declined to 11.52 billion TL. This decline was due to global economic disturbance and regression in prices of share certificates. Furthermore, as Turkish Lira depreciated, market values in dollar denomination declined too.

CHANGES TO THE LEGISLATION

CHANGES TO THE LEGISLATION REGARDING REAL ESTATE INVESTMENT TRUSTS

Communiqué Amending the Communiqué on Principles Regarding Signing of Information, Documents and Statements on Electronic Media and Submitting them to the Public Disclosure Platform (Series VIII, No.75) came into effect after being promulgated in the Official Gazette No. 27892 dated 1 April 2011.

Through the amendments introduced on Communiqué Series: VIII, No:61, it is required that every kind of information, document and report of mutual funds are signed on electronic media and disclosed to the public by using the Public Disclosure Platform (KAP).

This regulation aims to lower the costs of mutual funds' announcements and set up a structure that will enable access to periodical reports via a central system for mutual funds, as well as ensuring a more efficient manner of public disclosure. Through the Interim Article 3 added to the Communiqué, it is stated that the procedure of sending mutual fund announcements to KAP shall come into effect after public announcement of the issue by Istanbul Stock Exchange.

Communiqué Amending the Communiqué on Principles Regarding Signing of Information, Documents and Statements on Electronic Media and Submitting them to Public Disclosure Platform has come into effect after being promulgated in the Official Gazette No. 28008 dated 28.07.2011.

As you know, real estate investment trusts quarterly disclose to public their portfolio statements including the control of compliance with portfolio limitations, which are prepared according to valuation principles set forth in detail by our Board.

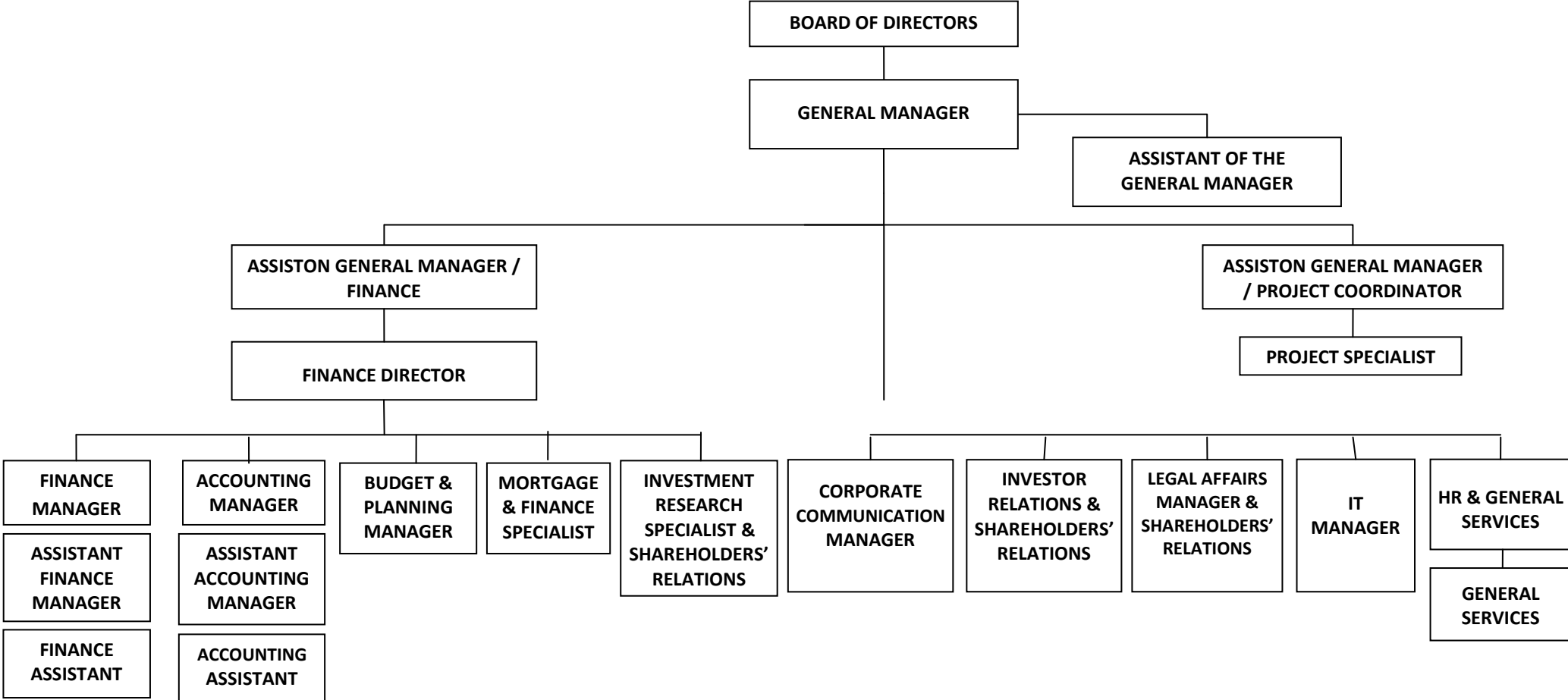
Through amendment of the Communiqué basically the procedure where portfolio statements are disclosed to public is replaced by the procedure where real estate investment trusts share all information related with their portfolios through financial statements currently disclosed to public pursuant to the Communiqué Series: IX, No:29 "on Principles Concerning Financial Reporting in the Capital Market".

Within this scope, portfolio statement procedure will be terminated upon public disclosure of portfolio statements dated 30.06.2011; the procedure where portfolio information will be disclosed through financial statements shall commence with the financial reports dated 30.09.2011.

Within this framework, it is enabled that all significant information on portfolios of real estate investment trusts, including portfolio limitations and expertise results will be provided in a single set in the financial reports and Board of Directors annual reports, thus making it a functional tool of control for investors. Through amendment of the Communiqué, some additional adjustments are introduced to ensure protection and improvement of portfolios of real estate investment trusts and enrichment of disclosures to public.

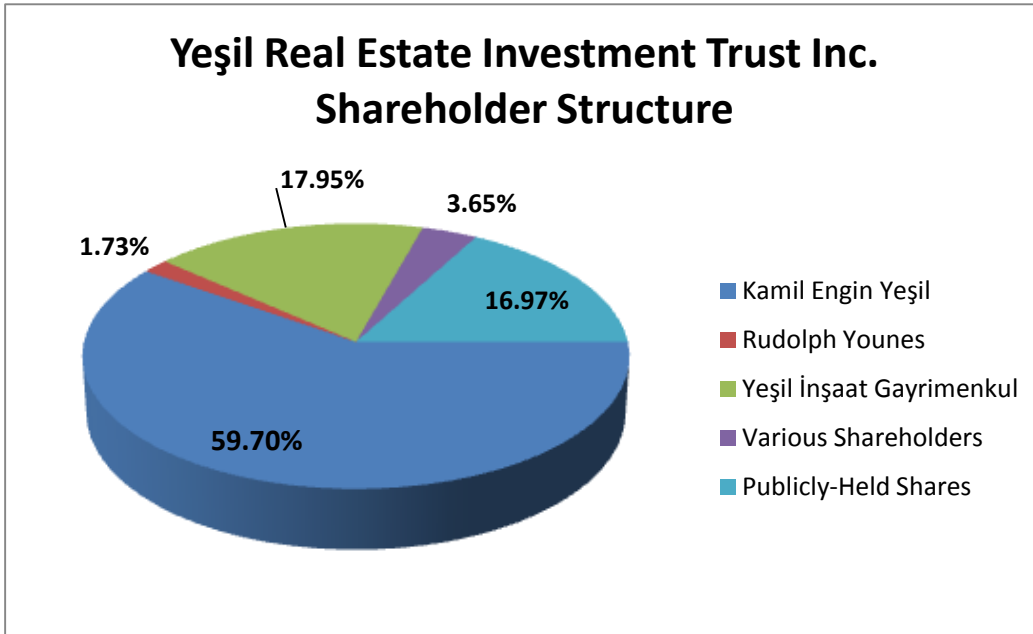
Through these adjustments, investors are given the opportunity to make their decisions after they analyze the financial statement and Board of Directors activity reports that elucidate each item in the portfolio in a more detailed manner, rather than portfolio statements that shed a limited light on the portfolios of real estate investment trusts that currently are very diversified under present circumstances in the real estate market.

ORGANIZATION CHART



SHAREHOLDING STRUCTURE

Shareholder's Trade Name	As of 31.01.2012	
	Capital Amount (TRY)	Capital Share (%)
Kamil Engin Yeşil İnşaat Yapı Düzenleme ve Pazarlama Tic A.Ş.	140,355,237.14	59.70
Rudolph Younes	4,070,671.67	1.73
Yeşil İnşaat Gayrimenkul Yatırım Hizmetleri Tic. A.Ş	42,203,808.51	17.95
Various Shareholders	8,576,937.19	3.65
Publicly-Held Shares	39,909,051.50	16.97
Total	235,115,706.01	100.00



YEŞİL REIT CORPORATE GOVERNANCE RATING

Yeşil REIT is the first company among REITs to apply for a corporate rating. ISE Corporate Governance Index that comprises companies which implement Corporate Governance Principles started to be calculated as of 31 August 2007. Yeşil REIT is one of the 32 companies included in this index.

The Corporate Governance Rating that was determined as 8.16 on 17.04.2009 according to the "4th Rating Period Revision Report" prepared by "SAHA Kurumsal Yönetim ve Kredi Derecelendirme Hizmetleri A.Ş." (SAHA), and later was updated as 8.27 on 16.04.2010 and 8.56 (85.58 over 100) on the report dated 18.04.2011.

The rating methodology is based on the "Corporate Governance Principles" issued by the Capital Markets Board. This 8.56 rating determined for Yeşil REIT is a proof of the importance our Company attaches to Corporate Governance Principles and the fact that it has achieved sustainable stability in operating this as a dynamic process.



MAIN SECTIONS: Avg. 85.58

Shareholders: 87.52



Public Disclosure & Transparency: 94.82



Stakeholders: 79.11



Board of Directors: 74.59



0 10 20 30 40 50 60 70 80 90 100

 **SAHA**
Corporate Governance Rating:

8.56

INVESTMENT PORTFOLIO

“*Communiqué Amending Communiqué on Principles Regarding Real Estate Investment Trusts*” came into effect after being promulgated in the Official Gazette No. 28008 dated 28.07.2011. Through the Communiqué in question, the obligation of REITs to prepare Portfolio Statements is abolished as of the 30.09.2011 period.

Through the new adjustment introduced, the Board of Directors activity reports to be issued on 30.09.2011 and in subsequent periods will include a summary of the appraisal reports prepared in relation with the assets included in the portfolio, a summary of developments experienced in the last 3 quarters, and additional information on current status of projects, completion ratios and lead times, to which extent projections are actualized, and problems, etc., and detailed information on those assets included in the portfolio that are rented off, as well as control of portfolio limitations.

As of 31.12.2011, the Company portfolio includes the following:

- The land in Tekirdağ/Barbaros with a total surface area of 8,166 m²,
- 12 business units in Güzelşehir Project being constructed in İstanbul/Büyükçekmece,
- The following in 1st Stage of Innovia Project
 - 55 flats with undivided by shares and 3 flats with divided shares,
 - a kindergarten building with a construction area of 1,155 m² and
 - 3 commercial units with a total construction area of 771 m²,
- In Innovia Project 2nd Stage, 1st Phase
 - 83 flats undivided by shares and 16 flats divided by shares and
 - 3 commercial units,
- In Innovia 2nd Stage, 2nd Phase
 - 172 flats,
 - 187 commercial units,
- In Innovia Project 3rd Stage
 - 277 flats and
 - 30 commercial units, as well as
- Innovia Project Stages 4 and 5.

INVESTMENT PORTFOLIO

Assets	Location & Specifications	Appraisal Date	Appraised Value (TL)
Land in Tekirdağ, Barbaros	The land located in Barbaros Town, Hürriyet District, Ferhat Turan Sok. Tavanlı Çeşme locality, with a total surface area of 8,166 m ² on 3 lots	01.10.11	950,000
Business Units in Güzelşehir Project Shopping Mall	12 business units located inside Güzelşehir Shopping Mall in Istanbul Büyükçekmece, on E-5 Motorway, at Güzelce locality	03.10.11	6,570,000
Innovia Project 1 st Stage Flats	58 flats in Innovia Project 1 st Stage located at Istanbul, Esenyurt, Mehterçeşme District, Hürriyet Cad.	03.10.11	13,365,000
Innovia Project 1 st Stage Kindergarten Building	%70 share in the kindergarten building that is a part of the Innovia Project 1 st Stage located at Istanbul, Esenyurt, Mehterçeşme District, Hürriyet Cad.	03.10.11	1,835,000
Innovia Project 1 st Stage Commercial Units	6 commercial units in Innovia Project 1 st Stage located at Istanbul, Esenyurt, Mehterçeşme District, Hürriyet Cad.	03.10.11	2,020,000
Innovia Project 2 nd Stage, 1 st Phase Flats	83 flats undivided by shares and 16 flats divided by shares that are the last of the 3,682 flats in Innovia Project 2 nd Stage located at Istanbul/Esenyurt, Mehterçekme District, Hürriyet Cad.	03.10.11	10,750,700
Innovia Project 2 nd Stage, 2 nd Phase Flats	172 flats that remain from 1,081 flats of Innovia 2 nd Stage, 2 nd Phase comprising 3,682 flats in Innovia Project 2 nd Stage located at Istanbul/Esenyurt, Mehterçekme District, Hürriyet Cad.	03.10.11	16,524,750
Innovia Project 2 nd Stage 2 nd Phase Commercial Areas	187 commercial units remaining from 226 commercial units in Innovia Project 2 nd Stage located at Istanbul, Esenyurt, Mehterçeşme District, Hürriyet Cad.	03.10.11	63,829,000
Innovia Project 2 nd Stage, 2 nd Phase Marketplace	3 commercial units left over from Marketplace comprising 41 independent units in Innovia Project 2 nd Stage 2 nd Phase, located at Istanbul, Esenyurt, Mehterçeşme District, Hürriyet Cad.	03.10.11	3,735,000
Innovia Project 3 rd Stage Flats	277 flats remaining from the Innovia Project 3 rd Stage comprising 3,452 flats in total, which is being developed at Istanbul Esenyurt, Mehterçeşme District, Nazım Hikmet boulevard.	03.10.11	19,137,000
Innovia Project 3 rd Stage Commercial Units	30 commercial units with 11,715 m ² surface area remaining from the Innovia Project 3 rd Stage, which is being developed at Istanbul Esenyurt, Mehterçeşme District, Nazım Hikmet boulevard.	03.10.11	40,751,000
Innovia Project 4 th and 5 th Stage	Estate Value for 4 th and 5 th Stage of Innovia Project, which is being developed at Istanbul Esenyurt, Mehterçeşme District, Nazım Hikmet boulevard.	03.10.11	203,155,000

INVESTMENT PORTFOLIO

REAL ESTATES AND REAL ESTATE PROJECTS IN THE PORTFOLIO

3 Lots in Tekirdağ, Barbaros

The land, located at Tekirdağ/Barbaros, was included in the portfolio in 2004 for developing a residential project. Thrace region is getting closer to Istanbul and housing demand in the region by Turks living in Balkans increases by day. It is also expected that the Asiaport that is undergoing construction in Barbaros will accelerate the region's growth.

Due to development works carried out, the 12,000 m² land in Thrace is divided by roads and green areas into 3 lots with total net surface area of 8,166 m².

The lands are 100 m away from Barbaros D-110 connection road, 300 m away from Tekirdağ-Kumbağ motorway, 600 m away from the Sea, 1,200 m away from Barbaros Preliminary School, and 1,500 m away from Barbaros Municipality. Traveling back and forth is easy. The infrastructure of the surrounding area is completed.



The region appeals to middle and upper-middle income class and its population increases in summer. The lands, which have a panoramic view of the sea are located in an area that is being developed in a planned manner. Owing to the organized settlement surrounding them, they are attractive as a housing area. It is planned to develop a villa project on the land, when Asiaport becomes operational.

Appraisal report has determined their total value as TL 950,000, excluding VAT under current economic conditions.

INVESTMENT PORTFOLIO

12 Business Units in Büyükçekmece/Istanbul, Güzelşehir Project Shopping Mall

Güzelşehir Project is located at Güzelce locality, on western Marmara coastline, Büyükçekmece District, between Kumburgaz and Mimarsinan. The project enjoying a panoramic sea view, which is being constructed on a land of 555,000 m² that is approximately 500 m away from the shore, comprises 843 “town-houses” constructed in different architectural styles and sizes, as well as a shopping mall.

Güzelşehir Project is developed as a modern city, adorned with every kind of social facility that would meet all technological requirements. The project includes an indoors sports hall, walking and running tracks, a shopping mall, a health center, a primary school, a kindergarten and a nursery, 4 swimming pools, 24-hour security and play gardens for children, as well as many other recreational facilities.



Yeşil REIT has included of these 27 villas in its portfolio in 2005 and as of the first quarter of 2011, all villas in the portfolio are sold.



The Shopping Mall has superior qualities such as its special architecture and construction characteristics, strong transportation connection and big commercial potential, and high advertisement capability owing to the fact that it faces E-5 motorway. The shopping mall that is outside the compound, but next to the entrance of it, is 2km away from TEM motorway Kumburgaz toll booths link road, 8 km away from Büyükçekmece district center, 30 km away from Atatürk airport, around 50 km away from Istanbul city center (Taksim).

The shopping mall included in Güzelşehir Project has a total construction area of 7,392.95 m². It is constructed in three floors, as the basement, entrance floor and 1st floor. The total surface area of 12 independent units located in Yeşil REIT portfolio within Güzelşehir Shopping Mall is 3,866.50 m² according to licensed project and 4,851.96 m² according to application project. Currently 50% of the construction of the building is completed, physical actualization ratio according to the standard of delivery to lessees is around 65%.

The total value appraised for 12 incomplete independent units within Güzelşehir Shopping Mall, including their land shares is TL 6,570,000, excluding VAT, if they are completed.

INVESTMENT PORTFOLIO

Innovia Project consisting of 4 Stages in Istanbul Esenyurt

Innovia Project provides a lifestyle center beyond standards with extensive social facilities in Esenyurt/Beylikdüzü, which is currently the new rising star of Istanbul. Its distance is 25 km to city center and 15 km to the airport. The project's commercial value is positively affected by being located in an area that is being developed in accordance with modern urban development understanding, where urban rents rapidly increase, as well as being a location of preference as an alternative residential area due its position, location, accessibility, completed infrastructure, social and sports facilities. The approximate distance of the project to certain points is as follows: 500 m to E-5 (D100) Motorway, 6.5 km to Avcılar, 7 km to Büyükçekmece, 17 km to Atatürk Airport.



Istanbul has a rapidly growing population, does not have too many big vacant lands, suffers from illegal housing, which together create a tendency to get away from city center; therefore Beylikdüzü and Esenyurt districts on the European Side have become one of the most important collective housing sites. When the project, which involves 4 stages to be built on different lots, is completed it will contain around 14,000 houses and commercial units. The blocks and load bearing systems have been designed in compliance with the earthquake regulation and have a high-quality architectural design. Furthermore, the quality standards for material and labor applied in interior spaces are above the average.



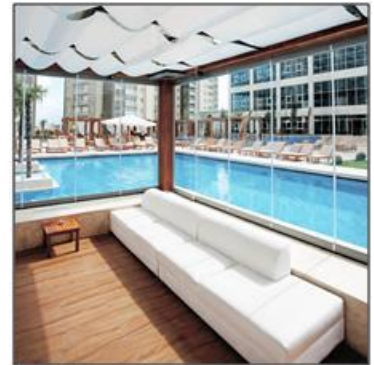
INVESTMENT PORTFOLIO

Currently;

- All construction works of the 1st Stage of 1,073 houses and commercial areas are completed. The flats are delivered to their owners and life started in the compound.
- 2nd Stage, 1st Phase that is offered for sale in 2009, whose construction is substantially completed consists of 2,664 houses and commercial units. The houses started to be delivered in June 2011.
- 2. 2nd Stage, 2nd Phase consists of 1,018 flats and commercial units, rough and fine construction works of which are still going on. They are planned to be delivered in December 2012.
- The 3rd Stage, whose sales started in January 2010, consist of 3,452 houses and commercial units. 3. The construction of this stage is still going on.
- The 4th Stage whose project works are completed and excavation works are still going on, consists of approximately 4,624 houses and commercial units. 4. The ground studies and drilling works of the 4th stage are completed, architectural project thereof is prepared and excavations are currently in progress.

The total number of flats for each stage of Innovia Project, those which are owned by Yeşil REIT and flats in stock are listed in the table below.

	Project Totals	Flats Owned by Yeşil REIT	Flats in Stock
1 st Stage Flats	1,073	896	58
2 nd Stage Flats	3,682	3,004	271
3 rd Stage Flats	3,452	3,025	277
4 th Stage Flats	4,624	4,100	2,674



INVESTMENT PORTFOLIO

58 Flats in 1st Stage of Innovia Project in Istanbul, Esenyurt

1st Stage of Innovia Project has a surface area of 58,240.13 m² and has a total construction area of 227,195.18 m². The project consists of 1,073 apartments of 18 different types, a recreational facility and 6 commercial units in 7 residential blocks. Residents have moved in and started living in Innovia 1, construction of which has started in August 2007 and is entirely completed.



Within the structure of the 1st stage of Innovia Project there are outdoor swimming pools, scenery watching and sunbathing terraces, a grove, walking, running and cycling tracks, a fitness center, outdoor and indoor sports centers, tennis, basketball and volleyball courts, mini soccer fields, a bowling hall, a sauna and a Turkish bath, recreational facilities and commercial units, indoors and outdoors parking lots, 24 hour security and a technical service team.

Yeşil REIT has included 26 flats in 1st Stage into its portfolio in 2007 and added 10 flats from 1st stage in 2009. On 31.12.2010, upon take over of Yeşil İnşaat Yapı Düzenleme ve Paz. Tic. A.Ş. by Yeşil REIT, 35 apartments undivided by shares and 3 flats divided by shares from the 1st Stage of Innovia Project were included in our portfolio and the number of apartments undivided by shares has reached 71, whereas number of apartments with divided shares has reached 3 in the portfolio. As of 31.12.2001, 55 flats undivided by shares and 3 flats divided by shares has remained in our portfolio from 1st Stage.

Under current economic conditions, the total value of 55 flats undivided by shares and 3 flats divided by shares within the structure of the Innovia Project 1st Stage has been appraised as TL 13,365,00, exclusive of VAT.

INVESTMENT PORTFOLIO

70% share of the Kindergarten Building in 1st Stage of Innovia Project in Istanbul, Esenyurt

The kindergarten building included in the Innovia Project Stage 1 is a 3-storey building. The total surface area is 1,115 m², comprising the basement (395 m²), Entrance floor (380 m²) and the 1st floor (380 m²). The kindergarten building is located within the borders of 1st Stage of Innovia Project, on the right at the main entrance to the compound. The building is currently used as a Pre-School Building for Bahçeşehir Private High School. Completed infrastructure, proximity to transportation facilities and existence of indoor and outdoor parking lots contribute to the value of the immovable property.



Upon take over of Yeşil İnşaat Yapı Düzenleme ve Paz. Tic. A.Ş. on 31.12.2010 by Yeşil REIT, 70% shares of the kindergarten building located at the 1st Stage of Innovia Project under the ownership of Yeşil A.Ş., was included in our portfolio.

The total value of 70% of the Kindergarten building is appraised as TL 1,835,000, exclusive of VAT. The monthly rental fee has been appraised as TL 8,300, excluding VAT.

INVESTMENT PORTFOLIO

6 Commercial Units in 1st Stage of Innovia Project in Istanbul, Esenyurt

It is planned to keep 6 workplaces, which are found in various locations of the 1st Stage of Innovia Project with a total surface area of 771 m², within the portfolio to acquire rental income.

Workplace No. 1 is located next to the sales office/Shopping Mall block and has an approximate gross utilization area of 98 m². It has been designed to comprise a kitchen, dance floor and a lobby, and serves as a common area under the name of "Living Room". The immovable property that has a terrace surface of 596 m², is built using 1st class materials and workmanship.

Workplace No.2 is located next to the sales office/Shopping Mall block and the small pool. It has been built to comprise an open terrace and a snack bar. The immovable property that has an approximate utilization area of 98 m² has been designed in the shape of an octagon. It has a terrace construction area of 314 m².



Workplace No. 3 comprises an outdoor terrace, located in front of the door of the sales office/Shopping Mall and next to the small pool. This unit has a gross construction area of approximately 201 m².

Workplace No. 4 is located over the fitness hall. It has been built as an open terrace and a snack bar. The immovable property that has an approximate gross construction area of 98 m² has been designed as an octagon. It has a terrace construction area of 314 m².

Workplace No. 5 has an approximate gross construction area of 50 m². It is situated in the north of the garden at the center of the compound. It is called the art studio of the compound and serves as a common facility. The immovable property designed in a circular form, is surrounded with aluminum joinery and glass.

Workplace No.6 is a two-storey building with a basement and an entrance floor. It is situated at the entrance floor of the building and has a construction area of 226 m². The terrace of the immovable property that has a surface area of 358 m² is used as a basketball court.

The total value of Workplace No. 6 is appraised as TL 2,020,000, exclusive of VAT. The monthly rental fee is appraised as TL 8,885, excluding VAT.



INVESTMENT PORTFOLIO

255 flats undivided by shares and 16 flats divided by shares unsold in Innovia Project 2nd Stage consisting of 3,682 located in Istanbul/Esenyurt

Innovia 2 consists of 75% green zones, ponds, waterfalls, extensive social and sports facilities, outdoors and indoors pools, fitness and sauna facilities, tennis, basketball and volleyball courts, play gardens for children, and parks. Innovia 2, which enjoys 24 hours of private security, is easily accessible from everywhere, and provides privileges to its inhabitants, also has a shopping mall that can meet every need and a private minimobile vehicle that facilitates transportation within the compound. Technological innovations that flats with special status providing residence services and extensive social facilities, open the door to a world of privileges.

Upon take over of Yeşil İnşaat Yapı Düzenleme ve Paz. Tic. A.Ş. on 31.12.2010 by Yeşil REIT, the 2nd Stage of Innovia Project under the ownership of Yeşil A.Ş., was included in our portfolio.



Total construction area of Innovia 2nd Stage Project, which has a total surface area 114,030.45 m², is 522,167.56 m². The project consists of 3,682 flats in total that exhibit 8 different architectural styles in Stage 1 and 11 different architectural styles in 19 blocks of flats, a recreational facility, a Shopping Mall consisting of 218 stores, an office building and 41 workplaces located in various sections of residential blocks. The blocks will rise as an extensive mass on 2-storeys that incorporate a basement and an indoor parking lot.

The 2nd Stage, 1st Phase flats of the project, consisting of 2,664 flats started to be delivered by the end of June 2011. The 2nd Stage, 2nd Phase of the Project, construction of which started in May, consists of 1,018 flats and a Shopping Mall/Office block. 2. The construction of 2nd Phase is still going on.

2. The appraisalment value of 83 flats undivided by shares and 16 flats divided by shares left unsold from 2nd Stage 1st Phase, and appraisalment value of 172 flats left unsold from 2nd Stage 2nd Phase have been determined respectively as TL **10,750,700** and TL **16,524,750**, exclusive of VAT.

INVESTMENT PORTFOLIO

187 units left unsold from 226 commercial units from Innovia Project 2nd Stage, 2nd Phase in İstanbul/Esenyurt

In the 2nd Stage of Innovia Project, the ongoing construction consists of 34 retail unit in the shopping mall, 183 offices/business units in the office block and 1 recreational facility/SPA center, making a total of 218 commercial units, with a construction area of 41,377.30 m². The G-mall consists of 8 business units, having a surface area of 930.40 m² in total.

Upon take over of Yeşil İnşaat Yapı Düzenleme ve Paz. Tic. A.Ş. on 31.12.2010 by Yeşil REIT, 226 commercial units with a total construction area of 423,047.70 m² located at the 2nd Stage of Innovia Project under the ownership of Yeşil A.Ş., were included in our portfolio.



The Shopping Mall block has been designed to have 6-storeys, consisting of one basement, a ground floor and 4 regular floors. According to its architectural design, the basement will contain storages, ground floor will contain the block entrance and retail units and regular floors will contain retail units. The block has 34 retail units with a total construction area of 11,221.98 m². It is being constructed next to the residential blocks on the same lot as the Shopping Mall block.

The Office block has been designed to have 17-storeys, consisting of 2 basements, a ground floor and 14 regular floors. The block has 183 offices/workplaces with a total construction area of 26,182.34 m². The roof has been designed as a restaurant.

The Recreational Facility/SPA center will be located on the 2nd and 1st basement floors of Blocks A1 and A2. The facilities that will have a gross construction area of 3,972.98 m² will have a cafeteria, therapy rooms, a fitness center, study rooms and an indoor swimming pool.

G Mall will be constructed as a single storey building and will comprise 7 business units, the only independent unit on the lot will be located next to the outdoor pool.

2. The appraisal value of unsold 151 offices, 27 stores, 1 recreational facility, and 179 commercial unit comprising a construction area of 35,749 m² is TL 63,829,000 exclusive of VAT.

INVESTMENT PORTFOLIO

3 units left unsold from 41 independent commercial units from Innovia Project 2nd Stage, 2nd Phase in İstanbul/Esenyurt

The blocks in 2nd Stage, 1st Phase of the Innovia Project has been designed to contain 41 commercial units (retail units/depots etc.) in the basement and on the ground floor of the blocks.

Row No	Lot No	Block No	Number of Unsold Independent Units	Total Construction Area (m2)
1	51	C Mall	1	786,80
2	52	D Mall	1	546,63
3	52	F Mall	1	398,75
TOTAL			3	1732,18

C Mall, is a single storey building with 1 independent unit, located at the area between Block C4 and the recreational area. It has a construction area of 786.80 m².

D and F Mall Blocks have been designed as single storey buildings with 1 independent units each. D Mall has a construction are of 546.63 m² and F Mall has a construction area of 398.75 m².

The remaining 3 unsold commercial units have an appraisalment value of TL 3,735,000, exclusive of VAT, when they are completed.

INVESTMENT PORTFOLIO

277 Flats and 30 commercial units remained unsold from 3rd Stage of Innovia Project consisting of 3,293 in Istanbul Esenyurt

3rd Stage of Innovia provides a unique lifestyle with its impressive landscaping and various outdoors facilities. The project constructed on an area of 68,563.18 m², comprises 3,452 flats of 14 different types in 10 residential blocks within the scope of the project. 3. The total construction area of this stage is 373,657.67 m². The blocks will rise as an extensive mass on 3-stores that incorporate a basement and an indoor parking lot.

When completed, the Project will comprise outdoor swimming pools, scenery watching and sunbathing terraces, a grove, walking, running and cycling tracks, a fitness center, outdoor and indoor sports centers, tennis, basketball and volleyball courts, mini soccer fields, a bowling hall, a sauna and a Turkish bath, social facilities and 24 hour private security and a technical service team. On the basement floor of Block B within the Project, there are 30 business units, having a total surface area of 11,715.40 m². These business units were designed as retail units and restaurants.

Upon the appraisalment carried out within the scope of Innovia 3rd Stage project, it has been observed that around 95% of timbering poles were completed and the infrastructure production is going on, and some of the blocks are at foundation stage, while some of them are at rough construction stage.



3. The appraisalment value of 277 unsold flats from this stage has been determined as TL 19,137,000 exclusive of VAT, the appraisalment value of 30 commercial units within the scope of the stage is TL 40,751,000 exclusive of VAT when they are completed.

INVESTMENT PORTFOLIO

4th and 5th Stages of Innovia Project in Istanbul/Esenyurt

The total land surface area of 2945 blocks and 34 lots is 15,196.96 m², 13,457.42 m² of which is under the ownership of Yeşil REIT. The total surface area of 2945 blocks and 36 lots is 117,487.75 m², 99,406.33 m² of which is under the ownership of Yesil REIT. Innovia 4th Stage project is developed on 36 of these lots. 34 lots are not designed yet.

Innovia 4, which has the same characteristics with other stages, but is further improved based on the experience and customer feedback from other stages, has outdoors and indoors sports facilities, walking, running tracks, basketball, volleyball and tennis courts, swimming pools. Furthermore the 4th Stage has outstanding venues that will add to the pleasure of living there with a Party House, cafés and restaurants. The sales of the 4th Stage of the Innovia Project, consisting of 4,624 residences in total of 15 different types on 18 apartment blocks are going on.



Upon the reviews realized as of the appraisal date, it has been determined that excavation works on the project site where Innovia 4th Stage is planned to be constructed have started and only the prefabricated construction yard offices, material storages and concrete mixing station were set up. Currently the excavation works within the scope of the project are still going on.

The land value of the 4th Stage of Innovia Project has been determined as TL 203,155,000.

DETAILED INFORMATION ON ASSETS INCLUDED IN THE PORTFOLIO THAT HAVE BEEN RENTED OFF

35 of the flats within the scope of the 1st Stage of Innovia Project are rented off. The annual total rental income of the units in question is TL 161,549.45+VAT.

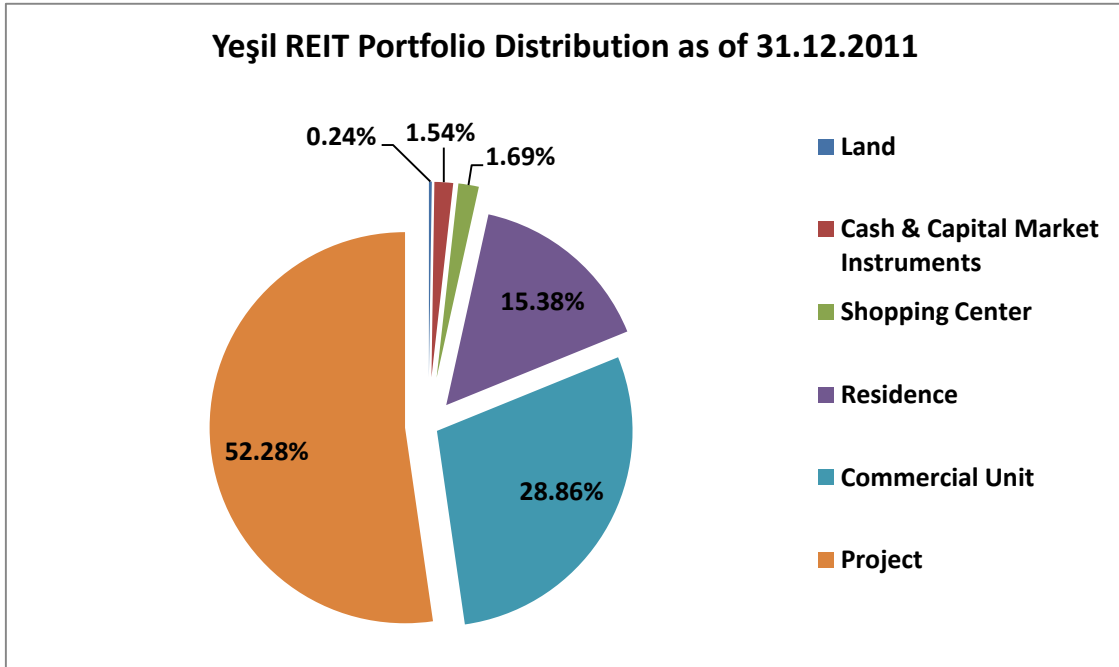
The annual income acquired in 2011 from the kindergarten building located in the 1st Stage of the Innovia Project, is TL 98,560.00+VAT.

The total annual rental income acquired from Innovia, through sub-renting is TL 282,059.67+VAT.

The annual total income acquired from the commercial units within the scope of Innovia 1 that have been rented off is TL 9,947.00+VAT.

The total annual rental income for 2011 realized as TL 552,116.12+VAT.

PORTFOLIO DISTRIBUTION



FINANCIAL ANALYSIS

RATIOS	Formula	Ratio
LIQUIDITY RATIOS		
Current Ratio	Total Current Assets / Total Current Liabilities	1.02
Liquidity Ratio	(Current Assets – Inventory - Other Current Assets) / Current Liabilities	0.27
DEBT RATIOS		
Leverage Ratio	Total Liabilities / Total Assets	0.81
Debt Ratio	Total Liabilities / Equities	4.22
PROFITABILITY RATIOS		
Asset Profitability	Period Profit / Total Assets	%1.40
Equity Profitability	Period Income / Equities	%7.28
Gross Profit Margin	Gross Profit / Sales Revenues	%11.21
Net Profit Margin	Period Income / Sales Revenues	%5.12

According to the financial statements dated 31.12.2011, there is sufficient liquidity to cover current liabilities of our company. The current ratio thereof is 1.02; in other words, current assets cover current liabilities. Financially, the ratio of the liabilities of the company to the assets of the company is 0.81. The share of financial liabilities among total liabilities is only 13.65%; the emphasize is on order advances arising from flats that are sold through a preliminary sales contract. Our company is at an advantageous position with its sufficient liquidity and low debt level. The Gross Profit Margin, which exhibits the profitability of sales realized as 11.21% for 2011. The net profit margin is around 5.12% level.

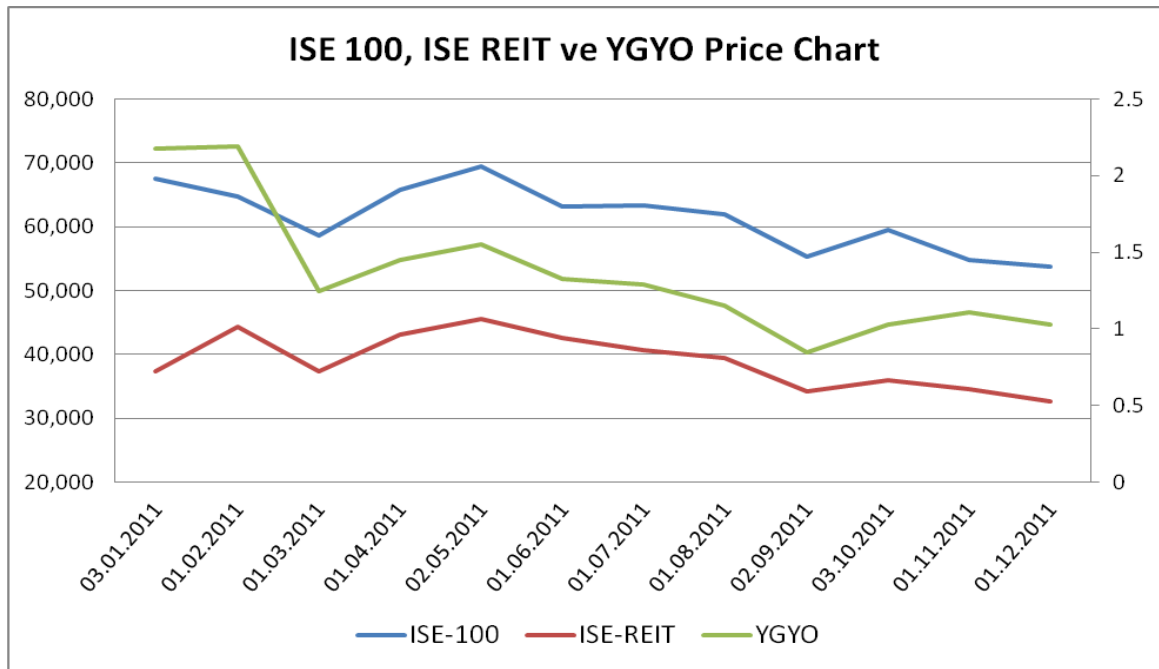
ISE PERFORMANCE

The per share book value of the company as of 31.12.2011 was TL 0.85 and the final quotation weighted average price was TL 1.29. The price cap as of the end of December was 1.45.

YEŞİL REIT Share Certificate Performance



While ISE 100 Index depreciated by 23% in 2011, ISE Real Estate Investment Trust Index depreciated by 20%.



YEŐİL GAYRİMENKUL YATIRIM ORTAKLIĐI A.Ő. ORDINARY GENERAL ASSEMBLY AGENDA

Type of General Assembly	Ordinary
Related Fiscal Period	01.01-31.12.2011
Date	16.03.2012
Hour	11:00 (Group A Privileged Shareholders Meeting) 11:30 (Ordinary General Assembly Meeting)
Address	Büyükdere Cd. No:185 Kanyon Ofis BloĐu Kat:5 Levent / İstanbul

Agenda of Group A Privileged Shareholders Meeting:

1. Opening, forming the council and authorizing the council to undersign meeting minutes,
2. Determining the shareholders who will be nominated as members of the Board of Directors in the Ordinary General Assembly Meeting to be held at 11.30 on 16.03.2012.
3. Requests and closing.

Agenda of the Ordinary General Assembly Meeting:

1. Opening, forming the council and authorizing the council to undersign meeting minutes,
2. Reading and discussing the Board of Directors Activity Report, Auditor's Report and Independent External Auditor Reports,
3. Reading the 2011 balance sheet and P/L statements and discussing the Board of Directors' proposal about 2011 profit.
4. Approving appointment of the new member to the board of directors, to replace the member who has resigned within the year.
5. Discussing acquittal of the members of the Board of Directors and Board of Auditors,
6. Election of Board of Directors members and determining their terms of duty,
7. Election of Board of Auditors members and determining their terms of duty,
8. Discussing the principles regarding the fees to be paid to members of the Board of Directors and senior executives and determining the attendance fees of the members of the Board of Directors and fees payable to the members of the Board of Auditors.

9. Discussing the proposal of the Board of Directors on selection of the independent auditing firm, as per the Regulation Concerning Independent External Auditing in the Capital Market.
10. Amendment of some articles of the Articles of Association, namely Article 6 (Capital and Share Certificates), Article 7.1 (Members of the Board of Directors); Article 7.2 (Independence of the Board of Directors Members); 7.3 (Term of Duty); 7.4 (Board of Directors Meetings); 7.5 (Special Decisions); 8.3 (Number, Structure and Independence of Committees Formed under the Board of Directors) and Interim Article 1 (Amendment text has not been approved by the Capital Markets Board) The amendments texts to be approved by Capital Markets Board shall be announced separately in KAP to investors.)
11. Approving the company's grants and donations policy, submitting information on the donations made by the Company within 2011 to the attention of the General Assembly.
12. Requests and closing.



2011 ANNUAL REPORT

**CORPORATE GOVERNANCE
PRINCIPLES COMPLIANCE
REPORT**

01.10.2011 – 31.12.2011

YEŞİL REAL ESTATE INVESTMENT TRUST INC. CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT

1. Statement of Compliance to the Corporate Governance Principles

Yeşil REIT, which attaches utmost care to compliance with the Communiqué on Determining and Implementation of Corporate Governance Principles dated 30.12.2010 that was amended on 11.02.2011, which was published in the light of the "Capital Markets Board Corporate Governance Principles" published by the Capital Markets Board in July 2003 and revised in February 2005, has meticulously implemented the principles in 2011 as well. In this line, upon the proposal of our Board of Directors, our Company has signed an "Agreement for Rating of Compliance with Corporate Governance Principles" with Saha Kurumsal Yönetim ve Kredi Derecelendirme A.Ş. on 13.02.2012.

SAHA Kurumsal Yönetim ve Kredi Derecelendirme Hizmetleri A.Ş., which has an operation permit to carry out rating activities in compliance with the Capital Markets Board (CMB) Corporate Governance Principles in Turkey, has determined our company's national Corporate Governance Rating as 7.88 over 10 (78.83%) in 2007, later raised it to 8.16 (81.56%) in 2008, and confirmed it as 8.16 (81.55%) in 2009. In 2010, the rating of our company rose to 8.27 in 2010 and later 8.56 in 2011. This 8.56 rating determined for our Company by SAHA is a proof of the importance the Company attaches to Corporate Governance Principles and the fact that it has achieved sustainable stability in operating this as a dynamic process.

Our Company is the first and only company that has announced a corporate governance rating among Real Estate Investment Trusts. It is possible to access our corporate governance rating reports from our website (www.yesilygo.com).

The final rating was determined upon assessment under four main headings that have been weighted in different ways, within the framework of the resolution of Capital Markets Board (Shareholders, Public Disclosure and Transparency, Stakeholders, Board of Directors). The distribution of our corporate governance rating among the main headings is as follows:

Sub Categories	Weight	Score
Shareholders	0.25	%87.52
Public Disclosure and Transparency	0.35	%94.82
Stakeholders	0.15	%79.11
Board of Directors	0.25	%74.59
TOTAL	1.00	%85.58

Işık Gökkaya
Member of the Board of Directors

YEŞİL REAL ESTATE INVESTMENT TRUST INC. CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT

2. Shareholders Relations Unit

A Shareholders Relations Unit was formed, based on the decision of our Board of Directors dated 19.12.2003, to ensure compliance with the legislation on use of shareholding rights, the Articles of Association and company regulations. The Director of Shareholders Relations Unit is Aslı Çağlayan Pekiyi, assisted by Seda Dünder and Ahmet Tepedelen as the Unit staff. They can be reached from telephone no. +90 (212) 709 3745 and fax no. +90 (212) 353 0909, or personally via their respective e-mail addresses asli.caglayan@yesilgyo.com, seda.dundar@yesilgyo.com, and ahmet.tepedelen@yesilgyo.com. The unit worked to comply with the corporate governance principles, working in parallel with the Corporate Governance Committee and accordingly has seen to it that the records relating to shareholders are kept in a healthy, safe and updated manner; meet the written demands of the shareholders regarding the company in compliance with the Capital Markets Board legislation. The duties of the Shareholders Relations Unit, working actively to ensure that shareholders can effectively use their rights, interact and communicate effectively are as follows:

- a) Ensuring that the records relating to shareholders are kept in a healthy, safe and updated manner,
- b) Responding to the queries of the shareholders requesting written information on the Company, excluding information that has the nature of confidential information and trade secrets,
- c) Ensuring the general assembly meeting is held in compliance with the applicable legislation, articles of association and other company by-laws,
- d) Preparing the documents that might be used by shareholders in the General Assembly meeting,
- e) Ensuring that the records of voting results are maintained and the reports relating to results are sent to shareholders,
- f) Supervising and following any issue related with public disclosure, including the legislation and company public disclosure policy,

No discrimination is made between shareholders regarding the right to demand information or use the right of inspection. All information required for shareholders to use their shareholding rights in a healthy manner are provided to the use of shareholders. Information is provided in a timely and meticulous manner, so that they will reflect the truth in a complete and honest manner.

The obligation to disclose information covers all direct and indirect legal and commercial relations between real and legal persons and the company with regard to capital, management or audit. The right to demand information enjoyed by the shareholder, also covers information disclosure obligation by the Board of Directors and auditors. The General Assembly or the Board of Directors may refuse the demand for inspection and information only on the grounds that it involves a company interest or trade secrets worth protection. Our Company, which is also aware that requesting a private auditor is a part of the right to demand information, is working on the applicability of this advisory principle.

YEŞİL REAL ESTATE INVESTMENT TRUST INC. CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT

3. Use of the Right to Demand Information by Shareholders

Information demands of shareholders are met in a clear and net manner, keeping information that are not in public domain, confidential or have the nature of trade secrets shall be kept out of this scope, pursuant to the Capital Market Law and Turkish Commercial Code legislation; meanwhile the developments regarding the Company are submitted to the information of shareholders in electronic media. No discrimination is made between shareholders regarding the right to demand information or use the right of inspection. The Company has designed its website in a manner that the shareholders may easily access the disclosures by the company.

Our Company issues "Quarterly Reports" that include the Activity Report prepared by the Board of Directors summarizing the developments for the last three months; information on assets in the portfolio; the current status of projects, if any, completion ratios and lead times thereof; information on problems; quarterly balance sheets and income statements prepared in comparison with the previous period. A copy of the Quarterly Report submitted to the Board is kept at company headquarters and company website for the inspection of investors. It is also sent to shareholders too, upon request.

Maximum care is exerted to comply with the relevant legislation and the company articles of association in meeting the demands of shareholders, and there are no written/verbal complaints received by our Company or any administrative/legal proceeding filed against our Company relating to utilization of shareholders' right to demand information in 2011. Any dispute between the Company and shareholders shall be immediately settled by the expert personnel, Corporate Governance Committee and the Board of Directors, upon application by the shareholder or when noted by the Company.

In the Company Articles of Association, the right to demand a private auditor has not been regulated as a personal right, and there have been no demands to appoint a private auditor within the period. It is planned to evaluate the issue of regulating the demand to appoint a private auditor in the articles of association as a personal right in the future, depending on developments.

4. General Assembly Information

Our Company held its Ordinary General Assembly Meeting on 17 March 2011 at Company Headquarters, with the attendance of shareholders representing 86.7% of the capital and the invitation to the meeting was published in Turkish newspapers and the Turkish Trade Registry Gazette in compliance with the relevant procedure and timeframes. The media has not attended the meeting. People who are not shareholders and have not obtained an entrance card as a proxy have no voting rights or right to speak.

It was announced in the Turkish newspapers and the Turkish Trade Registry Gazette that shareholders must obtain the entrance cards by the end of work hours by latest two days prior to the day of the meeting (17.03.2011), the balance sheet, P/L statements and activity reports are kept open to be reviewed at the Company head office as of the announcement date, shareholders should attend the meeting in person or by proxy, through a power of attorney,

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sample of which has been presented to the shareholders. The documents related with the announcement of the general assembly and agenda items (Annual Report, financial statements and reports, proposal for profit distribution, informative document prepared on the agenda items of the General Assembly and other documents that constitute the basis for agenda items, as well as the final version of the Articles of Association), have also been published on our company website at the address www.yesilgyo.com, apart from procedures stipulated in the legislation. It is thus aimed to reach maximum number of shareholders in an easy manner.

Our Company does not have registered shares. The information presented to shareholders before the General Assembly meeting, has been arranged in a manner that would facilitate correlating it with the items of the agenda, providing sufficient information on the manner of invitation, content and timing, as well as agenda items of the General Assembly to the shareholders. Samples of power of attorney that the shareholders shall give to their proxies to be represented by proxy are announced and shared with shareholders via the website, prior to the General Assembly meeting.

The total number of votes that can be used in the General Assembly and the privileges owned are classified on shareholder basis and established by the Board of Directors, and submitted to the information of shareholders at the beginning of the General Assembly meeting. In the General Assembly, shareholders are given the chance to discuss the Annual Report and performance indicators of the company. Shareholders are provided with information on news and analyses regarding controversial issues as regards the Company in the media. The president of the meeting manages the company in a fair and efficient manner that would help the shareholders in using their rights. The president of the meeting ensures that each question asked by shareholders in the General Assembly meeting are directly answered in the course of the General Assembly meeting. If the question asked is not related with the agenda and is too comprehensive to be answered immediately, the response to the question is provided in written within maximum one week. Members of the Board of Directors, authorized personnel responsible for drawing up of financial statements and auditors shall be present at the meeting to provide elucidations on special issues of the agenda. The president of the meeting shall take required measures to implement voting methods that would reflect the will of the majority of shareholders attending the meeting. Each item of the agenda is voted separately. To prevent any doubt relating to the results of voting, the votes are counted by the end of the meeting and the result of the voting is announced before the meeting ends.

Apparently, our Company does not have any significant management and activity changes realized in the past fiscal period or will be realized in the following periods. If such a change occurs, it will be disclosed to the public within the scope of the provisions of the related legislation.

There has been no demand in 2011 by shareholders to include an item to the agenda. The ordinary general assembly is held at the shortest time possible after the end of each fiscal period, being no later than three months.

Our General Assembly meetings are realized in the most cost-efficient and least complicated manner possible for our shareholders, not causing inequality between shareholders. General Assembly meetings are held at Company headquarters or in places within the same city that are approved by the Board of Directors. Possible number of attendants is tried to be determined

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beforehand. Therefore, the venue where our General Assembly meetings are held has sufficient space to accommodate all shareholders.

The items of the agenda of General Assembly meetings are communicated in a clear and understandable manner; shareholders are given the opportunity to express their views and ask questions under equal conditions. The meeting minutes, attendants roster, sample power of attorney and agenda items are published on the website in a manner that is accessible at all times.

Members of the Board of Directors cannot ask for the permission of the General Assembly to be exempt from the prohibition to transact with the Company as stipulated in article 334 of the Turkish Commercial Code and non-competition rule stipulated in article 335 of the Turkish Commercial Code.

If the parties listed in (A) below cannot take a decision by unanimous approval on issues listed in (B), the Company informs the Capital Markets Board and ISE of this issue, together with reasons thereof, pursuant to the regulations of the Capital Markets Board; furthermore, this issue is included in the agenda of the next General Assembly meeting to inform the shareholder.

A- Parties

- a) Shareholders that hold equal to or more than 10% of the capital or voting rights,
- b) Shareholders that have the privilege to nominate candidates to the Board of Directors,
- c) Company providing consulting services to the Company,
- d) Other companies where those listed in (a) and (b) clauses have equal to or more than 10% of voting rights,
- e) Affiliates of the Company.

B- Special Decisions

- a) Decisions relating to purchasing, selling, renting or renting off assets from the Company portfolio,
- b) Decisions relating to appointment of the companies to undertake marketing of the assets in Company portfolio,
- c) Decisions relating to establishing a loan relationship,
- d) Decisions regarding determining an intermediary institution that subscribes to the stocks, in public offering of company shares,
- e) Decisions regarding joint investments,
- f) Decisions regarding choosing real or legal persons that would render financial, legal or technical consulting services to the Company,
- g) Decisions regarding choosing real or legal persons that would render project development, control or contractor services to the Company,
- h) Decisions regarding inclusion of marketable securities issued by legal persons listed in paragraph (A) in the Company portfolio,
- i) Decisions that will generate results to the advantage of any of the parties listed in paragraph (A), other than those decisions listed above.

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5. Voting Rights and Minority Rights

Pursuant to the Communiqué on Principles Concerning Real Estate Investment Trusts article 16, real estate investment trusts cannot issue any security or bond for title that grants privileges other than share certificates that grant the privilege to nominate members to the Board of Directors.

Voting rights involve no privileges. Each shareholder holds one vote in General Assembly meetings. In General Assembly meetings, votes are used by way of showing hands, submitting those documents proving that the voting right is used by proxy, within the framework of the regulations of the Capital Markets Board. However, upon request of those shareholders present at the meeting, which own 1/10 of the capital they represent, it will be required to implement secret voting. Any procedure that would complicate using of the voting right is avoided and shareholders are given the opportunity to use their rights in an easy and appropriate manner. Maximum care is given to utilization of minority rights; there have been no criticisms or complaints within this scope in 2011. Owing to the principle of transparency underlying the Company policy, stakeholders and media can attend the meeting; however they are not entitled to address the meeting attendants.

Our Company does not have a reciprocal shareholding relation with any other company.

6. Profit Distribution Policy and Profit Distribution Time

The balance left after deduction of general expenses of the Company, amounts that should be set aside and paid by the Company pursuant to general accounting principles such as various depreciation amounts, taxes payable by the Company and reserves set aside for financial liabilities, and after deduction of previous years' losses from the net profit as seen on the balance sheet is distributed at the following order, subject to following principles.

First Order Legal Reserves

- a) 5% of the balance is set aside as First Order Legal Reserves, until 20% of the paid-in capital is reached, pursuant to article 466 of the Turkish Commercial Code.

First Dividend

- b) An amount that would suffice to distribute a First Dividend to shareholders at the rate determined by the Capital Markets Board is set aside.
- c) 5% of the balance is distributed among officials, employees and workers, including the General Manager and Assistant General Managers, based on Board of Directors decision, after a profit distribution decision to be taken by the General Assembly.

Second Order Legal Reserves

- d) After deduction of the 5% profit from net profit pursuant to article 466/2,b.3, along with the First Order Legal Reserve, 1/10 of the portion to be distributed to those who have been decided to participate in the profit, as well as the shareholders is added to the Legal Reserves.

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The balance is used in the manner and ways to be determined by the General Assembly.

Unless the legal reserves that should be set aside as per the applicable law and the 1st order dividends set forth in the company articles of association are not set aside, it is not possible to set aside other legal reserves, carry profit forward to following year and distribute shares from the profit to the members of the Board of Directors, officials, including General Manager, Assistant General Managers, employees and workers, and unless the first dividend is not paid, these people may not receive dividends from profit.

Dividend Advance

The Company may distribute a dividend advance over its profit stated on its interim financial statements prepared as of the 3rd, 6th and 9th monthly periods, pursuant to the capital market legislation and passed limited independent audit. The dividend advance to be distributed cannot be more than the balance left after deduction of legal reserves, taxes, provisions and similar reserves and previous year losses (if any) that must be set aside from interim period profit pursuant to the applicable laws and the articles of association.

The company may distribute dividend advance only if the Board of Directors is granted an authorization by the General Assembly, limited with the year in question.

The Capital Market Legislation is complied with regarding the principles and procedures of dividend advance distribution.

The date and manner of dividend distribution from annual profit is decided by the General Assembly, upon proposal of the Board of Directors, taking into consideration the relevant regulations of the Capital Markets Board. Dividends distributed as per the provisions of this articles of association cannot be revoked.

Our profit distribution policy is determined on the basis of the Capital Market Legislation and our articles of association. Since the Company made loss in 2009, it cannot distribute profit.

7. Transfer of Shares

Shares of the Company are divided into two groups as Group A and Group B. The Board of Directors is authorized to increase the issued capital by issuing new share certificates until the maximum registered capital level is reached, limit the preemptive rights of shareholders and issue premium shares, in compliance with the provisions of the Capital Market Law.

Capital increases are only carried out by issuing Group B shares. Unless the Board of Directors decides otherwise, all shareholders have a preemptive right on new shares.

Our Company articles of association does not involve any provision that would complicate freely transferring of shares by shareholders.

SECTION II – PUBLIC DISCLOSURE AND TRANSPARENCY

8. Company Public Disclosure Policy

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Shareholders have a managerial right to ensure use of their property ownership rights, as well as their property ownership rights, because, the shareholders is the most important constituent of the company assets, in the economic sense, as the investor; they need regular and reliable information on the management and legal status of the Company. The objective of Yeşil Gayrimenkul Yatırım Ortaklığı A.Ş. Public Disclosure Management on our website, existence of which is also announced to the public is to ensure that shareholders, stakeholders and the relevant parties are kept informed, public disclosure of and easy access to timely and sufficient information on the developments that might affect the value of the capital market instruments of the Company.

Information disclosed by the Company is disclosed in a timely, comprehensive, clear, interpretable and easily accessible manner through cost-effective means, which would benefit all parties involved in an equal manner, helping the real and legal persons to benefit from the disclosure to help decide. As disclosure method, the Company uses its website, e-mails, press releases, media institutions and brochures, in addition to those means legally stipulated, as required by the nature of the occasion in question. Within the scope of the Disclosure Management, elucidations regarding the management and legal status of the Company, information on Company projects, remarks by executives and members of the Board of Directors are also presented, along with those information stipulated in the legislation. As a requirement of our transparent management understanding, we reply to all written information requests by shareholders or relevant parties, unless the information involved is confidential or has the nature of a trade secret.

No discrimination is made between shareholders regarding right to demand information or use the right of inspection. The Shareholders Relations Unit is set up and operational to ensure that shareholders can actively use their rights and can freely interact and communicate with the Company management. Aslı Çağlayan Pekiyi, Seda Dündar and Ahmet Tepedelen operate the Shareholders Relations Unit, ensuring a means of communication between shareholders and the management and make certain that shareholders can use their shareholding rights.

The Corporate Governance Committee supervises and follows any issue related with public disclosure. They direct the queries from investors and other people to the related parties, based on the content of the query, to ensure that the query is replied by experts.

9. Special Occasion Disclosures

As per the regulations of the Capital Markets Board, our Company made 18 (eighteen) special occasion disclosures within 2011. ISE has not requested further elucidation. Work relating to public disclosures are realized under the supervision of the Audit Committee and the Corporate Governance Committee. Developments that may affect the value of capital market instruments are disclosed to public without delay. If a significant change occurs or is expected to occur in the near future on the financial status and/or operations of the Company, this issue is disclosed to public, keeping provisions of relevant regulations reserved. Any further changes or developments relating to the issues disclosed to the Public by the Company are constantly updated and disclosed to public. Since company share certificates are not quoted abroad, there are no additional obligations. Since special occasion disclosures are made in time, meticulously

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and in compliance with the Capital Markets legislation and relevant principles, the company has not been imposed any sanctions by the Capital Markets Board.

10. Company website and Its Content

The company website is located at the address www.yesilgyo.com. In making public disclosures as stipulated by Capital Markets Board Principles, the website is used actively, in parallel with the Capital Markets Board principles both in Turkish and in English for the benefit of foreign investors. The website contains information on trade registry information, shareholding and management structure, information on privileged shares, final version of the Company Articles of Association together with the dates and numbers of relevant Trade Registry Gazettes, special occasion disclosures, annual reports, periodical financial statements and reports, prospectuses, public offering circulars, agenda of General Assembly meetings, attendants roster and meeting minutes, power of attorney form for voting by proxy, compulsory informative forms prepared for takeover or proxy solicitation and similar forms, minutes of Board of Directors meeting decisions that might affect value of the capital market instruments, requests for information received by the company under the frequently asked questions heading, questions and denouncements and responses sent to them, as well as information on current and future projects. Information disclosed to public by the Company can also be accessed via internet. On the letterhead stationary of the Company, the website of the Company is also indicated.

Announcements related with General Assembly meetings to be held; items of the agenda; informative document on agenda items and other information, documents and reports; information on the method of participating in the General Assembly are provided on the website in a manner that will be easily noticed.

11. Statement of Real Person and Ultimate Controlling Shareholder/s

Changes to the capital structure and/or management control of our Company are announced pursuant to the Capital Market Legislation and Capital Markets Board regulations.

As of the end of the last 3 years, the shareholding ratios of the real person ultimate controlling shareholder/s of our Company are presented in the table below, free of their indirect and reciprocal participation relations.

Shareholders	Group of Shareholders	31.12.2010		31.12.2009		31.12.2008	
		Share Ratio	Amount	Share Ratio	Amount	Share Ratio	Amount
Public Portion	Group B	6.22%	14,629,785.50	67.98%	22,483,530	69.30%	22,983,530
Kamil Engin Yeşil	Group B	90.82%	213,534,503.14	-	-	-	-
Yeşil İnşaat	Toplam	0.2%	553,808.51	16.67%	5,529,500	15.35%	5,089,500
Gayrimenkul Yatırım Hizm. Tic. A.Ş.	Group A	0.13%	309,931.60	2.26%	748,550	2.26%	748,550
	Group B	0.07%	243,876.91	14.41%	4,780,950	13.09%	4,340,950

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Rudolph Younes	Total	1.73%	4,070,671.67	15.35%	5,089,500	15.35%	5,089,500
	Group A	0.13%	309,931.66	2.26%	748,550	2.26%	748,550
	Group B	1.6%	3,760,70.01	13.09%	4,340,950	13.09%	4,340,950
TOTAL	Total	100.00%	235,115,706.01	100.00%	33,162,530	100.00%	33,162,530
	Group A	0.26%	619,863.26	4.51%	1,497,100	4.51%	1,497,100
	Group B	99.74%	234,495,842.75	95.48%	31,665,430	95.48%	31,665,430

YEŞİL İNŞAAT GAYRİMENKUL YATIRIM HİZMETLERİ TİCARET A.Ş.

CAPITAL AND SHAREHOLDING STRUCTURE ON 31.12.2011

NAME & TITLE OF SHAREHOLDER	ISSUED CAPITAL	NUMBER OF SHARES	SHARE RATIO	YEŞİL İNŞAAT YEŞİL REIT SHAREHOLDING	YESIL REIT INDIRECT SHARES
EMEL YEŞİL KÜÇÜKÇOLAK	795,000.00	795,000.00	7.95%	42,203,808.51	3,355,202.78
FATMA YÜCEL YEŞİL	80,000.00	80,000.00	0.80%		337,630.47
KAMİL ENGİN YEŞİL	9,100,000.00	9,100,000.00	91.00%		38,405,465.74
CENGİZ DİLLİ	20,000.00	20,000.00	0.20%		84,407.62
ALAITTİN SILAYDIN	5,000.00	5,000.00	0.05%		21,101.90
TOTAL	10,000,000.00	10,000,000.00	100.00%		

Shareholders have not executed a vote contract to establish effect on Company management.

12. Public Disclosure of People who are Considered Insiders

All measures are taken to prevent insider trading.

People who have the nature of an insider are indicated below:

1. Kamil Engin Yeşil – Chairman of the Board of Directors – Company Shareholder
2. Adnan Başkır – Deputy Chairman of the Board, Member of the Corporate Governance Committee
3. Işık Gökçaya - General Manager, Member of the Board of Directors
4. Prof. Dr. Derin Orhon – Member of the Board of Directors, Chairman of the Corporate Governance Committee
5. Bekir Yüksekdağ – Member of the Board of Directors, Chairman of Audit Committee
6. Prof. Dr. H. Fehim Üçışık - Member of the Board of Directors, Member of Audit Committee
7. Günay Yavaş – Member of the Board of Directors

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8. Rudolph Younes – Company shareholder
9. Serap Evcik – Assistant to General Manager

SECTION III - STAKEHOLDERS

13. Disclosure of Information to Stakeholders

Stakeholders are defined as people, entities or interest groups that have an interest in the operations of the company and the company reaching its goals. This is essentially, a definition made for third parties that are in direct relationship with the Company. It is aimed through corporate governance practices to guarantee the rights of stakeholders regulated through the legislation or agreements. Open and honest communication channels are set up with stakeholders and maximum care is attached to informing them on issues that concern them. The company owes it to itself to be honest and fair in the professional relations it establishes with stakeholders. The company prioritizes the reliability of agreements and always fulfills its commitments. The awareness of the company on corporate governance requires that the rights of stakeholders regulated through the legislation and reciprocal agreements are under guarantee.

When conflicts of interest arise among stakeholders or if one stakeholder becomes a member of more than one interest group, a policy that ensures a fast and well-balanced solution to the extent possible is implemented and each right is exercised independent of each other for safeguarding of rights owned. In cases which the rights of stakeholders are not regulated through the legislation, the interests of stakeholders are protected to the extent possible within the means of the company and within the framework of principles of good faith, also protecting the prestige of the company. Stakeholders are sufficiently informed on company policies and procedures regarding protection of their rights.

The Company leads the way in settlement of disputes between the Company and stakeholders. In cases which the rights of stakeholders are not regulated through the legislation, the interests of stakeholders are protected to the extent possible within the means of the company and within the framework of principles of good faith, also protecting the prestige of the company.

14. Participation of Stakeholders in Management

Since Company operations are carried out in an honest, reliable and publicly open manner, within the framework of public disclosure principles, the stakeholders are always properly informed on the status of the Company. Notifications received from the stakeholders are directed to expert units that are specialized on such issues and also communicated to the top management. This way stakeholders' participation in management is ensured, adding extra value to solution suggestions. It is also possible for stakeholders to directly contact management in relation with their concerns on illegal and unethical transactions.

Members of the Board of Directors and the management cannot purposefully act in ways that will end up in decrease of property ownership by stakeholders.

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Corporate governance structure of the Company enables all employees and all stakeholders, including proxies thereof to voice their concerns to the management on illegal and unethical transactions.

The Company has taken every measure to ensure customer satisfaction in both marketing and sales of its goods and services; it is fast in meeting demands of the customer relating to the good and service he has purchased and informs him of any possible delay, before deadline. The Company complies with quality standards for goods and services and ensures that the standard is maintained.

15. Human Resources Policy

Yeşil Gayrimenkul Yatırım Ortaklığı A.Ş. Human Resources Management is people-oriented, while structuring itself within the framework of general governance principles, concepts of leadership, reputability, full briefing, flexibility, generating value and authorizing based on common corporate values. It is the objective of the Human Resources Management to ensure the human resources are used in the most effective and efficient manner, constantly developing quality improving processes and systems, and individual and team performance to ensure that management power is directed towards Company targets, providing employees with a professional work environment and career development opportunities.

In this line:

- All employees are provided with a work environment where they can make use of their skills and competencies.
- Evaluation based on objective criteria is ensured to determine their real wage increases, determination of their training requirements and preparing their career plans.
- Training programs within and outside the Company are provided to employees to help them improve, be more successful and prepare them for the positions that they might be promoted to.
- The grounds for possible new ideas and their proposal is prepared and problems are solved through mutual respect, trust, understanding and effective communication.
- Systems that encourage and award success are developed and implemented.
- The honor and values of individuals are respected in the workplace. For this purpose, an objective work environment encouraging cooperation, highest performance and team work is provided. Personal rights are respected. Timely and open meetings with employees are encouraged, whether the request for meeting comes from them or the management. Superiors are responsible for the performance and improvement of the personnel reporting to them. Social balance inside the Company is protected at all costs.
- Development of personal qualifications is encouraged. This is realized through healthy recruitment, guidance and improvement works. Responsibility of improvement is shared by the officials and the Company.
- Employees are granted equal opportunity to improve themselves and good performance is awarded objectively.

Performance is evaluated objectively on business-related criteria and awarded accordingly. Employees are paid 14 wages and lunch allowance. Employees are given vehicles and mobile

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phones as non-monetary benefits, as required by the position, to be used when they are fulfilling their duties.

Abdullah Atıcı is appointed as a representative to handle relations with employees. To ensure a participatory management environment, regular informative meetings are held with employees on the financial means of the Company, wages, career, health etc, and information is shared with them. The decisions taken in relation with the employees or developments concerning the employees are informed to the employees through these meetings or through a representative. Job descriptions that require to be changed because of changing conditions are revised by the managers and updated upon meetings held with employees. A safe work environment is provided to employees.

16. Information on Customer and Supplier Relations

The Company is fast in meeting demands of the customer relating to the good and service he has purchased and informs him of any possible delay, before deadline. The Company takes every measure to ensure customer satisfaction in marketing and sales.

Our company takes any and all measures to ensure customer satisfaction in marketing and sale of goods and services. The Company is fast in meeting demands of the customer relating to the good and service he has purchased and informs him of any possible delay, before deadline.

Confidentiality of information on customers and suppliers are treated carefully, within the framework trade secrets. The Company takes required measures to establish good relations with customers and suppliers, free from unfair advantages and to ensure compliance with the conditions of the agreement signed between the parties.

17. Social Responsibility

Yeşil REIT follows a young and dynamic policy that aims for constant adaptation to ever-changing market conditions in its sector. Working together with international investors under global market conditions is one of the core values for Yeşil REIT to achieve success. Yeşil REIT became a member of ULI (Urban Land Institute) for this purpose in February 2000. On 2 August 1999 the Company became a founding member of GYODER (Association for Real Estate Investment Companies), which was established by the representatives of existing and founding Real Estate Investment Companies to promote and represent the promising real estate industry that leads the Turkish economy as a locomotive, to encourage the development of the industry, to provide, improve and protect standards for quality, control and education within the sector.

Yeşil REIT shows extra care to maintain its social responsibility awareness as required for an entity that invests in the future, while launching new residential projects with its international experience and unique vision. Yeşil REIT, which has established social responsibility as a part of its corporate culture, emphasizes social benefits and sustainability, with a view to people and environment, while planning its work in this line. We bring our projects related with social responsibility to fruition thanks to the synergy we created through our institutionalized structure

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and employees with a high awareness of social responsibility. Yeşil REIT, which supports various social activities to this end, has determined what can be done in the face of global warming threat together with its employees.

SOCIAL ACTIVITIES SUPPORTED BY THE COMPANY - 2011

1-) "FORUM İSTANBUL" (21 – 22 April 2011)

"Towards 2023 with new global realities"

Forum Istanbul 2011, which was supported by Yeşil REIT as the Main Sponsor, under the slogan "Establishing the Future - Marching Towards 2023" was held in Swiss Otel on 21-22 April 2011.

Many local and foreign experts have attended the conference, 10th of which has been held in 2011, in various fields such as economy, technology, politics, real estate and strategy. The main headings emphasized in the conference, during this process which coincides with a powerful transformation both in the world and in Turkey are "Economy-Political Stability and Search for Peace, International Finance and Monetary System, Financial Architecture in Changing Market Dynamics, Future of Cities 2023, New Dynamics in Foreign Trade and Investment Relations of Turkey, Remains of the Crisis".

While 2011 meetings were used to evaluate issues from different perspectives with the main theme of "New Dynamics in Growth and Development", new realities brought about by the crisis, remains of the crisis and new dynamics in investment relations were analyzed. Primary results that found their reflections in global and Turkish economies post-crisis were emphasized for sustainable steady growth.

Forum İstanbul, which set out as a think tank with "A Brand New Turkey" target for 2023, has taken another step forward with "Establishing the Future 2011".

2-) "İSTANBUL RESTATE" (17 - 18 May 2011)

17 May 2011. **Real Estate Summit 11 and Real Estate Fair**

18 May 2011: **Real Estate Fair and Panels**

"Bridge to the Future"

The eleventh of the Real Estate Summit, GYODER has been traditionally organizing since 2000 was realized in Istanbul, in Lütfi Kırdar Convention and Exhibition Center, together with ISTANBUL Restate Fair on 17-18 May 2011.

In the course of his event held with the contribution of Republic of Turkey Prime Ministry Housing Development Administration of Turkey (TOKİ), the Capital Markets Board (CMB), Urban Land Institute (ULI), National Association of Real Estate Investment Trusts (NAREIT) and European Public Real Estate Association (EPRA), the developments and new trends in the global Market and Turkish real estate market were evaluated. In the fair following the summit,

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the real estate firms took place with their project stands, while panel sessions were held on subjects such as the future of the sector, international implementation and planning practices.

In the session throughout the course of the Summit sponsored by Yeşil REIT, subjects such as "New Trends in the Real Estate Sector and Urbanization, Countries Rising Post-Crisis, Energy Efficiency and Philosophy of Recycling, Reflections of Changes in Global Economy in Turkey and A Social Perspective on the Real Estate Sector" were discussed.

3-) "DEVELOPING CITIES SUMMIT" GAZİANTEP (24-25 October 2011)

The third of Developing Cities Summit sponsored by Yeşil REIT under the patronage of Ministry of Environment and Urbanization was held on 24-25 October 2011 in Gaziantep, with the collaboration of Gaziantep Metropolitan Municipality.

Gaziantep, being one of the leading cities of Turkey, is one of the most important gateways of the Turkish economy opening to the world, with its annual export volume of 5 billion dollars to more than 150 countries, primarily in Middle East, Europe and America. Professionals of the real estate sector came together under the roof of the Developing Cities Summit in Gaziantep, the "Rising Star of Turkey" with its history, socio-cultural heritage and modern works, and discussed economy, energy, finance and the real estate sector.

The most important target of the Summit is to provide Gaziantep, which has a voice in the world for its rich heritage, as much as its industry, is on the road to becoming an exemplary city, with a sustainable high standard of living.

4-) "GLOBAL CHANGE and NEW EXPECTATIONS" CONFERENCE (7 December 2011)

"Conference on Global Change and New Expectations" that Yeşil REIT sponsors was held on 7 December 2011 at Ceylan-Continental Istanbul.

Issues such as "Global Crisis: Where is the World Headed?", "Power of Developing Market Economies at Global Economic Rise" and "Place and Significance of the Real Estate and Construction Sector under the Shadow of Global Crisis" were main issues emphasized throughout the conference under current conditions where the global economic crises and social turmoil affect the agenda of the world.

The conference attended by speakers who are academics or experts in their respective fields of economy, politics, real estate, technology, energy, etc, issues surrounding the theme "latest status of real estate and commercial instruments, urban transformation, reciprocity, opportunities and risks in commercial real estate investments, energy efficiency and green buildings" were discussed.

5-) CONFERENCE ON "BEING A REIT" (15 December 2011)

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The Conference on “Being a REIT” held together by the Capital Markets Board (CMB) and Association of Real Estate Investment Companies (GYODER) was held on 15 December 2011 at Ceylan-Continental Istanbul.

Conference on “Being a Real Estate Investment Trust”, held for the first time in Turkey, created a significant platform on which issues and information that the sector needs relating to establishing a REIT with publicly held REITs. Apart from REITs, all entities that have the potential of becoming a REIT, banks, financial companies, appraisal companies, project developers, investors have come together under the same roof within the scope of the Conference.

The conference sponsored by Yeşil REIT became a platform where all subjects that the sector needs to know such as legislation on establishing a REIT, being a publicly held REIT, foreign investors, appraisal transactions, etc, to emphasize the importance of REITs, which play a significant role in development of the sector.

SECTION IV – BOARD OF DIRECTORS

The Board of Directors represents the company and exercises its authority and responsibilities in line with the authorization it has received from shareholders in the General Assembly, within the framework of the legislation, company articles of association and company by-laws and policies.

Members of the Board of Directors and officers who cause loss for the company and therefore shareholders due to failure to duly fulfill their duties are obliged to pay compensation for the losses they caused for the company and shareholders. Members of the Board of Directors fulfill their duties in good faith as prudent officials. Exercising of their duties in good faith as prudent officials means, attaching at least the minimum care and attention to the work in similar situations, under similar conditions.

Members of the Board of Directors fulfill their duties in a rational manner, in good faith, observing the sensitive balance between the interests of the company and shareholders-stakeholders. Members of the Board of Directors cannot use confidential information that is not in public domain and/or that has the nature of a trade secret for their own benefit, for the benefit of their spouses and third parties, also complying with the relevant legislation on this issue.

The members of the Board of Directors do not yield to pressures that might bear consequences to the detriment of shareholders, cannot accept benefits; they also take measures to ensure that all these rules are complied with by all company employees.

18. Organization and Forming of the Board of Directors and Independent Members

<u>Board of Directors</u>		<u>Profession Outside the Company</u>
Kamil Engin Yeşil	Chairman	Businessman
Adnan Başkır	Deputy Chairman	Legal Counsel
Işık Gökkaya	Member, General Manager	--
Günay Yavaş	Member (independent)	Lawyer

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Prof. Dr. Derin Orhon	Member (independent)	Retired Professor
Bekir Yüksekdağ	Member	Businessman
Prof. Dr. H. Fehim Üçışık	Member	UN Development Program

The Board of Directors is organized in a way that would ensure maximum efficiency and effectiveness. Deputy Chairman of the Board of Directors and General Manager positions are held by the same person. Board of Directors also includes independent members, who have the potential and qualifications which will enable them to exercise their duties without being influenced by anything or anyone. Financial means provided in the form of wages and attendance fees paid to the independent members of the Board of Directors upon proposal of the Board of Directors and approval of the General Assembly is at a level sufficing him to keep their independence.

The qualifications of the independent members are as follows:

Independence of the members of the Board of Directors, means independence in the sense defined in the Corporate Governance Principles published by the Board. People who have served as a member of the Board of Directors for more than six years within the last ten years cannot be appointed as an independent member to the Board of Directors.

The Board of Directors member who meets all the following criteria is defined as an "independent member".

a) no direct or indirect employment, capital or commercial relationship of a significant nature should be established between him, his spouse, his relatives by blood or by marriage up to the third degree and the Company, any related parties of the Company or legal entities where shareholders which have direct or indirect 5% or higher shareholding in the company are related parties with regard to management or capital,

b) he should not have worked or served as a member of the Board of Directors in companies, primarily which undertake auditing, rating or consulting of the Company and companies which undertake the entire or a certain part of the activities or organization of the Company under agreements signed in the past five years,

c) he should not have worked as a partner, employee or member of the Board of Directors in any of the firms that provide a significant level of service or products to the Company, in the past five years,

d) if he is a shareholder, should not have more than 1% shareholding in the capital and these shares should not be privileged shares, due to his duty in the Board of Directors,

e) he should have the professional education, knowledge and experience to fulfill the duties he will undertake as an independent member of the Board of Directors,

f) he should not be working full-time in another job, as of the date he is nominated and throughout the term of his duty in public entities and institutions, excluding professor duty in a university, provided that it is compliant with the applicable legislation,

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g) he should be considered a resident of Turkey, pursuant to the Income Tax Code,

h) he should have strong ethical standards, professional respectability and experience who would make positive contributions to company operations, keep his objectivity on conflicts of interest of company shareholders, decide freely by taking into consideration the rights of stakeholders,

i) he should have sufficient free time to set aside to fully accomplish the requirements of the duties he undertakes and follow up running of company operations.

The independent member to the Board of Directors submits the statement, a sample of which is given below, declaring that he is independent within the framework of the legislation, Company Articles of Association and the criteria set forth above to the Board of Directors at the time he is appointed.

I hereby declare that

- I have not served as a member of the Board of Directors in Yeşil REIT for more than 6 years in the last 10 years,
- no direct or indirect employment, capital or commercial relationship of a significant nature has been established between me, my spouse, my relatives by blood or by marriage up to the third degree and the Company, any related parties of the Company or legal entities where shareholders which have direct or indirect 5% or higher shareholding in the company are related parties with regard to management or capital,
- I have not worked or served as a member of the Board of Directors in companies, primarily which undertake auditing, rating or consulting of the Company and companies which undertake the entire or a certain part of the activities or organization of the Company under agreements signed in the past five years,
- I have not worked as a partner, employee or member of the Board of Directors in any of the firms that provide a significant level of service or products to the Company, in the past five years,
- Even if I'm a shareholder, my shareholding is less than 1% and these shares are not privileged, since I will have a duty at the Board of Directors,
- I have the professional education, knowledge and experience to fulfill the duties I will undertake as an independent member of the Board of Directors.
- As of the date of nomination and throughout my term of duty I will not be working full-time in another job in public entities and institutions.
- I am considered a resident of Turkey, pursuant to the Income Tax Code,

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- I have strong ethical standards, professional respectability and experience to make positive contributions to company operations, keep my objectivity on conflicts of interest of company shareholders, decide freely by taking into consideration the rights of stakeholders,

And therefore, I will fulfill my duties as a member of the company Board of Directors as an independent member."

When the independence of the member is compromised in any way, the change in the circumstances is promptly communicated to the Board of Directors to be disclosed to the public. Under these circumstances, the member of the Board of Directors who has lost his independence will resign to secure the required minimum number of independent members in the Board of Directors. The Board of Directors then reelects an independent member to the vacant positions to serve until the next General Assembly. However, if there seems to be a problem in maintaining meeting and decision quorums, the member who has lost his independence continues his duty. Actions undertaken within this scope are announced to the public as soon as possible by the Board of Directors.

19. Qualifications of the Members of the Board of Directors

Pursuant to article titled "Board of Directors" of the company articles of association, "members of the Board of Directors to assume positions in the Company,

- Should not be bankrupt, and should not be convicted of infamous crimes such as misappropriation, embezzlement, malversation, bribery, breach of trust, counterfeiting, theft, fraudulent act, smuggling and trafficking except production or due to opposition to the Capital Market Law.
- Should not be among persons who are found responsible in corporations where one or more of the activity permits within the framework of the Capital Markets Board regulations regarding the Capital Market activities are abolished permanently or provisionally, or in corporations excluded from stock exchange membership provisionally or permanently,
- They should have graduated from a four-year higher education institution that provides education in the fields of real estate development, civil engineering, architecture, economy, business management, law, finance or similar fields,
- They should have at least 3 years of experience in areas that are within the scope of activity of the trust. Having solely dealt with real estate trading, cannot be considered as an experience acquired in this field.

Majority of the members of the Board of Directors should be citizens of Republic of Turkey and fulfill the conditions stipulated in the Turkish Commercial Code, Capital Market Legislation and other relevant legislation.

Furthermore, there should not be a direct or indirect relationship between at least 1/3 of the members to be appointed to the Board of Directors and

- The leader entrepreneur described in Capital Market Legislation,
- Companies where the leader entrepreneur has more than 10% share and voting rights of the same proportion,,
- Other partners with 10% or more shares in the Partnership

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- Partners with shares containing the privilege to nominate a candidate for board of directors within the Partnership,
 - Company from which consulting services are purchased,
 - Management companies,
- in the last two years with regard to employment, capital or trade and they should not be relatives by blood or marriage up to the third degree, including spouses. If a fractional number is found during calculation of this 1/3, then the figure is rolled up to the next whole number.

20. Mission and Vision of the Company and Strategic Targets

The primary targets and company policy of Yeşil Gayrimenkul Yatırım Ortaklığı is to establish deals with local and foreign partners, build new residential centers using earthquake-resistant materials and cutting edge technology, appealing not only to a certain section of the society but to its whole, increase profitability and to maintain a balanced portfolio structure to reduce the risks of investors, engage in information exchange and communication with developed markets and provide information to international investors on the potential of the Turkish real estate sector.

Investment Objectives/Strategy

It is to invest in real estate, real estate projects, real estate backed rights, capital market instruments and capital markets, within the framework of the principles and procedures determined by CMB. It is planned to concentrate on projects for detached houses with garden. It is planned to invest in projects that include every kind of recreational facility, earthquake resistant, low-rise condominiums not far from main arterial roads.

21. Risk Management and Internal Control Mechanism

The Company, which has villas, flats, time-share real estates, lands, business centers and historical building restitution projects ever since its establishment, reduces its investment risk through portfolio diversification. Primary criteria taken into consideration in creating the portfolio are project profitability, return time and project risk.

Yeşil REIT operating within the framework of the Capital Market Law by investing in real estate, real estate backed projects and real estate backed capital market instruments, is a private portfolio management company. Our Company, which is considered as a Capital Market institution in the Capital Market legislation is a public joint stock company investing in real estate regulated specially through Capital Markets Board Communiqué Series: VI, No:11, although it generally operates like an investment trust. In this aspect, Yeşil REIT is a composite company operating both in the real estate and finance sector, as a real estate investment trust.

While real estate agent business and construction works are determined as operations that we can execute, activities we can undertake have been listed in detail in the relevant Communiqué,

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and they are exempt from corporate tax, within the framework of the Corporate Tax Code, to encourage being open to public, institutionalization and logging in the real estate sector.

Resources gathered from a number of investors by going public are collected in a pool, and used to realize valuable real estate investments. Thus individual investors are given a chance to have a share in big real estate investments that they would not be able to undertake on their own, investment risk may be lowered since investments can be made in different projects with the idea of diversified portfolio. This way, by professionally investing in real estate projects abiding by corporate principles, individual investors are both granted the right to benefit from expertise that they lack and facilitates liquidation, which is not so easy in direct real estate investments, enabling the share certificates to be sold in the Stock Exchange.

Our Company can acquire income from different maturity and risk structures such as income from real estate sales, rental income, interest income from securities. Our Company can invest in completed and rented real estates or development projects or a combination thereof, in compliance with different management strategies. The real estates in its portfolio are appraised by real estate experts licensed by the Capital Markets Board and disclosed to the public. Thus the investors may learn about the value of the assets in the portfolios of companies in an easy and reliable way. Our Company is also subject to independent financial audit, apart from the audits realized by Capital Markets Board and the Stock Exchange.

The collective risk management program of our company focuses on the unpredictability of financial markets and it is aimed to minimize potential negative effects on the financial performance. Our company manages the interest rate risk through natural measures by balancing its interest-sensitive assets and liabilities. Meanwhile the funding risk is managed by obtaining sufficient financial facilities from top-quality financial institutions and shareholders, so that current and future possible debt requirements can be financed. The company supervises its foreign exchange risk generating from conversion of FX payables and receivables to the local currency, by analyzing the foreign exchange position.

For risk management and internal control system, studies have been carried out within the Audit Committee. Although management of financial risks financial affairs, finance, financial reporting are followed carefully under the control of Financial Affairs and Accounting departments, Audit Committee established to ensure that financial and operational activities are supervised in a sound manner, monitors the accounting system of the company, public disclosure of financial information, independent audit, and operation and activities of the Company internal control system. The Corporate Governance Committee also notifies the Board of Directors of problems and possible solutions relating to risk management and internal control mechanism whenever necessary.

22. Authorities and Responsibilities of the Board of Directors Members and Executives

The company is managed and represented by the Board of Directors. For all kinds of contracts to be executed and documents to be given by the Company to be valid, it is necessary that they are signed by one person authorized to bind the Company under the Company title. Işık Gökkaya is the person authorized to represent and bind the company.

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Company executives manage the company in a fair, transparent, accountable and responsible manner. Executives comply with the legislation, Company Articles of Association, Company by-laws and policies while conducting their duties and inform the Board of Directors on compliance of their actions with the aforementioned.

CVs of our Board of Directors members are included in our activity report.

23. Principles of Activity of the Board of Directors

The Board of Directors is the body of a company to take strategic decisions, represent and manage the Company at the highest level. Board of Directors aims to maximize the market value of the Company when taking or executing its decisions. The Board of Directors conducts Company business with this awareness, to ensure long-term and stable income to shareholders of the Company.

The Board of Directors is obliged to fulfill the duties it has been commissioned by the Turkish Commercial Code and the Capital Market Law. All transactions and businesses, which do not require a General Assembly decision pursuant to laws and the company article of association are undertaken by the Board of Directors.

The Board of Directors especially

- Determines the mission and vision of the Company and discloses them to public,
- Ensures that Company operations are compliant with the legislation, Articles of Association and by-laws.
- Determines which of the activities indicated in the objectives article of the Articles of Association should be carried out, as well as timing and conditions thereof,
- Creates a risk management and internal audit system to minimize possible risks that might be encountered by the Company and takes required measures to ensure their healthy operation,
- Determines the manner of approach of the Company to shareholders and public relations.
- Leads the way in settlement of disputes between the Company and shareholders, requests the Audit and Corporate Governance Committees to search and report on the reason and possible solution to the dispute.
- Is responsible for preparation of the balance sheet and income statements, periodic financial statements and the annual report in compliance with the applicable legislation and international standards, including the Capital Markets Board Corporate Governance Principles, in an accurate and appropriate manner and submitting them to required authorities,
- Determines the public disclosure policy of the Company,
- Takes necessary measures to streamline Company organization with the current conditions, organizes on-the-job-training and career planning of its executives and other employees, determines the criteria for efficiency assessment and awarding,
- Determines the ethical rules for the Company and its employees,
- Ensures that General Assembly meetings are held in compliance with the law and the articles of association,
- Oversees that General Assembly decisions are carried out.

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The Board of Directors, while fulfilling its duties and responsibilities that it has been commissioned with by the law and the Articles of Association, may transfer these duties and responsibilities partially to committees within the Company, without eliminating its own responsibility over the same.

To ensure that members of the Board of Directors can completely fulfill their duties, all kinds of information are conveyed to them in a timely manner. Company employees who act in a way that will hinder information flow to the Board of Directors may be warned and if required subjected to sanctions that might lead to termination of their employment contracts. Principles relating to this issue are regulated through by-laws.

Our Board of Directors convenes whenever Company business requires, being no less than once a month.

In 2011, the Board of Directors convened 31 times. The decisions are taken unanimously in the Board of Directors meetings and none of the members of the Board of Directors objected to the decisions taken.

To keep regular documentation on Board of Directors meetings, a management secretariat is formed to serve all Board of Directors members, reporting to the Chairman and Deputy Chairman of the Board of Directors. The Board of Directors secretariat has the following duties and responsibilities:

- To make preparations for meetings of both the Board of Directors and committees and draw up meeting minutes,
- Follow up internal correspondence related with the Board of Directors and committees in question,
- Prepare all required documentation,
- Create an archive, keep it updated,
- Enable communication between the Board of Directors and committee members.

The Board of Directors shall meet at times when deemed necessary as required by the Company operations upon the call of the Chairman or the Deputy Chairman. Each of the members of the Board of Directors may apply in writing to the Chairman or Deputy Chairman in writing and request inviting the board to convene. In the event that the Chairman or Deputy Chairman still refrains from inviting the board to meet, then the members shall have ex officio right to extend an invitation.

Each member has one voting right in the meetings. The voting right is exercised in person. A decision can also be reached by written consent of other members to a proposal by a member unless one of the members requests a meeting.

The agenda of the Board of Directors shall be determined by the Chairman of the Board of Directors. The meeting invitations include information on the agenda; information and

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documents related with the agenda items are also sent to the members. The agenda may be changed upon the decision of the Board of Directors.

The place of meeting is the company headquarters. However, the Board of Directors may gather elsewhere provided a decision is taken.

The Board of Directors shall gather with a majority of one more than half, and shall reach its decisions with the majority of the participants. The subject shall be left to the next meeting in the event of equality in votes. A proposal receiving an equal number of votes in this meeting too shall be deemed rejected.

The votes can be used either as approval or rejection in the Board of Directors. Those voting for rejection shall write their reason of rejection under the decision, and sign. If independent members vote for rejection, the detailed reasons thereof are disclosed to the public.

Travel/meeting expenses, special work requests related with the duties of the Board of Directors and similar expenses are covered from the general budget without a limitation.

24. Prohibition to Transact with the Company and Non-Competition

Members of the Board of Directors cannot ask for the permission of the General Assembly to be exempt from the prohibition to transact with the Company as stipulated in article 334 of the Turkish Commercial Code and non-competition rule stipulated in article 335 of the Turkish Commercial Code.

None of the members of the Board of Directors may enter into business transactions within the scope of activity of the Company in his own name, or on behalf of others, in person or indirectly with the Company, without the prior consent of the General Assembly. It may otherwise be claimed by the Company that the transactions in question are null and void.

25. Ethical Rules

Ethical rules are established by the Board of Directors to apply on the Company and its employees and disclosed to Company employees and to the public on Company website, within the scope of public disclosure policy. Accordingly, the common values of the Company are as follows.

a) Social consideration: Our Company is sensitive to its social responsibilities and complies with regulations and codes of ethic regarding the environment, consumers and public health.

b) Reliability and honesty: In our relations with employees and shareholders, honesty is our primary consideration; reliability and honesty are the key priorities in all relations and business processes.

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c) Business ethics: Information to be announced publicly is not disclosed to certain investors or relevant parties prior to the public announcement. Those who have access to confidential company information due to their activities, such as the independent auditing company, real or legal persons providing consulting services, rating organizations and unions are exceptions to this rule. Under such circumstances, those who access the information keep it confidential in compliance with the principle of confidentiality and codes of ethic.

d) Care and priority to the shareholders Board members do not submit to pressures that might bear consequences to the detriment of shareholders, cannot accept financial benefits; the Corporate Governance Committee established the required regulation to ensure that employees do not submit to pressures that might bear consequences to the detriment of shareholders and not accept financial benefits.

e) Team spirit and solidarity: A common set of values has been formed by establishing a working environment that shuns discrimination and nurtures team spirit and solidarity

f) Dynamism: Making fast and applicable decisions in order to comply with the active and competitive dynamics of the business.

g) Self-esteem: Our goal is to create a synergy in alignment with our company vision with board members and employees who have the necessary skills to reach information, work efficiently, think in an analytical and independent manner as well as have consideration for humanity, respect to ethic values, principles and self esteem.

h) Objectivity: We act objectively in order to reinforce the trust of our customers and shareholders; we determine and take measures in advance for situations that may be detrimental to our objectivity.

i) Independence:

- Independent auditing corporations and independence of the auditing staff employed by them are fundamental. The independence principle means; execution of auditing activities by the independent auditor without the interference of any relations, interest or influence that may affect their professional opinion and objectivity.
- The Board of Directors has been formed in a way that will enable it to be independent its decision-making, carry out its execution and representation tasks independently and without any conflict of interest at the highest level of efficiency. The talent, skill, experience and independence levels of the Board Members affect the performance level and success of the Board as well as the achievements of the company in reaching to its goals.

j) Harmony: Maximum care is attached to establishing harmony among the company, employees, colleagues, customers and suppliers. Necessary measures are taken to maintain harmony.

k) Extroversion: Extrovert communication skills are encouraged for establishing good relations with shareholders, beneficiaries and suppliers. As a requirement of our transparent management understanding, we reply to all written information requests by

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shareholders or relevant parties, unless the information involved is confidential or has the nature of a trade secret.

l) Consistency: Off-the-record activities are forbidden; accuracy and consistency of business records is fundamental. Honesty, trust, consistency, professionalism, independence, long-term relations and mutual interests are considered as respected principles in relations with the customers, suppliers and other individuals and parties making business with the company.

26. Number, Structure and Independence of Committees Formed under the Board of Directors

An Audit Committee and a Corporate Governance Committee were established to help the Board of Directors fulfill its duties and responsibilities in a healthy manner. Committee chairmen are elected from among independent Board of Directors members.

Committees act within their own circle of authority and responsibility and advise the Board of Directors; however, the final decision is taken by the Board of Directors. Committees convene as frequently as their work requires, and upon the invitation of the Committee Chairman. All correspondence and disclosure works of committees are conducted by the Board of Directors secretariat.

Audit Committee is responsible for taking all required measures to ensure any and all kinds of internal and independent audit are carried out in a satisfactory and transparent manner and undertakes the following:

- Reviews compliance of the financial statements and notes thereof to be disclosed to the public to the applicable legislation and international accounting standards,
- Monitors the accounting system of the company, public disclosure of financial information, independent audit, and operation and activities of the Company internal control system,
- Selects the independent audit company, prepares audit contracts and starts the independent audit process,
- Reviews the complaints received by the trust on Company accounting, internal control system and independent audit, settles the dispute and reviews the issues notified by Company employees on such subjects, within the framework of the principle of confidentiality,
- Prevents any possible conflicts of interest between the members of the Board of Directors, executives and other employees and sets rules to prevent abuse of company's trade secrets.

The Audit Committee convenes at least once in three months, upon the invitation of the Chairman. The Committee may invite any executive, internal or independent auditor to its meetings to acquire information.

Corporate Governance Committee is responsible for observing the Company's compliance with the corporate governing principles and undertakes especially the following:

YEŞİL REAL ESTATE INVESTMENT TRUST INC. CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT

- Investigates to what extent the corporate governance principles are implemented in the Company, and if they are not implemented, finds out the reason thereof; determines any negative outcome that might develop because of insufficient implementation, suggests measures to improve the situation,
- Determines methods that will ensure transparency in determining candidates to the membership of the Board of Directors,
- Makes researches on social benefits and professional training of employees,
- Develops suggestions for assessment of performance of members of the Board of Directors and executives and for awarding them, and oversees implementation,
- Supervises the work of the Shareholder Relations Unit.

Name Surname	Title	Independence	Duty Undertaken in Committees
Kamil Engin Yeşil	Chairman of the Board	Not Independent	None
Adnan Başkır	Deputy Chairman of the Board	Not Independent	Member of Corporate Governance Committee
Günay Yavaş	Member of the Board of Directors	Independent	Chairman of Corporate Governance Committee
Işık Gökkaya	Member of the Board of Directors	Not Independent	None
Prof. Dr. Derin Orhon	Member of the Board of Directors	Independent	Chairman of the Audit Committee
Bekir Yüksekdağ	Member of the Board of Directors	Not Independent	None
Prof. Dr. H. Fehim Üçışık	Member of the Board of Directors	Not Independent	Member of the Audit Committee

27. Financial Benefits Provided to the Board of Directors

Pursuant to the Company Articles of Association, fees of the chairman and members of the Board of Directors is determined by the General Assembly. On the General Assembly meeting dated 17.03.2011 it was decided to pay a monthly gross attendance fee of TL 1,350.

Company executives manage the company in a fair, transparent, accountable and responsible manner. Executives ensure that company business is conducted within the framework of the mission, vision, targets, strategies and policies of the Company. Executives are granted the authorities they need to fulfill their duties.

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A General Manager and a sufficient number of Managers shall be appointed by the Board of Directors to conduct Company business. People to become General Manager should have graduated from four-year higher education institutions providing education on fields such as economy, finance, business administration, civil engineering, architecture, or similar fields and should have minimum 5 years of experience in fields of law, construction and finance, which are closely related with real estate investments. Having solely dealt with real estate trading, cannot be considered as an experience acquired in this field.

The General Manager is responsible for management of the company in line with the Decisions of the Board of Directors and in accordance with Turkish Commercial Code, Law on Capital Market, and other relevant legislative provisions. The General Manager must be employed exclusively for this position on full time basis.

Executives comply with the legislation, Company Articles of Association, Company by-laws and policies while conducting their duties and inform the Board of Directors on compliance of their actions with the aforementioned.

Executives cannot use confidential information of the Company or information that is not in public domain about the Company for their own benefits or benefits of others; cannot provide untruthful, wrong, misleading information, spread news or make comments of this nature about the Company.

Executives cannot accept direct or indirect gifts, or enjoy unfair advantage in relation with the Company business.

YEŞİL REAL ESTATE INVESTMENT TRUST INC.
PROFIT DISTRIBUTION TABLE FOR THE PERIOD OF 01.01.-
31.12.2011

(Turkish Lira)			
1. Paid-in / Issued Capital		235.115.706,01	
2. Total Legal Reserves (Regarding Legal Records)		-	
In accordance with the Articles of Association if there is privilege for dividend distribution, information regarding the said privilege		After the decree of General Assembly on dividend distribution, with the separation of the first legal reserves and first dividend, 5% of the remaining is distributed with the decree of Board of Directors between general manager, assistants of general manager, officers, personnel and employees.	
		In Accordance with CMB	In Accordance with Legal Records
3.	Profit of the Period	14.644.527	14.644.527
4.	Taxes Payable (-)	-	-
5.	Net Period Profit (=)	-	-
6.	Previous Years' Losses (-)	(48.617.454)	(48.617.454)
7.	First Legal Reserves (-)	-	-
8.	NET PERIOD PROFIT AVAILABLE FOR DISTRIBUTION (=)	-	-
9.	Donations During the Year (+)	-	-
10.	Net Period Profit Available for Distribution Including the Donations for the Calculation of First Dividend	-	-
11.	First Dividend to Shareholders (*)	-	-
	- Cash	-	-
	- Bonus	-	-
	- Total	-	-
12.	Dividend Distributed to Holders of Preferred Shares	-	-
13.	Dividend to Board of Directors, Employees etc.	-	-
14.	Dividend Distributed to the Holders of Redeemed Shares	-	-
15.	Second Dividend to Shareholders	-	-
16.	Second Legal Reserves	-	-
17.	Statutory Reserves	-	-
18.	Special Reserves	-	-
19.	EXTRAORDINARY RESERVE	-	-
20.	Other Resources Predicted to be Distributed		
	- Previous Year's Losses		
	- Extraordinary Reserves		
	- Other Distributable Reserves in accordance with Law and Articles of Association		



2011 ANNUAL REPORT

**INDEPENDENT AUDITOR'S
REPORT**

01.10.2011 – 31.12.2011

**YEŞİL REAL ESTATE INVESTMENT TRUST INC.
INDEPENDENT AUDITOR'S REPORT 01.01.2011-31.12.2011**

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Yeşil Gayrimenkul Yatırım Ortaklığı A.Ş.

1. We have audited the accompanying financial statements of Yeşil Gayrimenkul Yatırım Ortaklığı A.Ş. ("the Company") which comprise balance sheet as of 31 December 2011, the comprehensive income statement, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting standards issued by the Capital Markets Board ("CMB"). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the auditing standards issued by the CMB. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance on whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**YEŞİL REAL ESTATE INVESTMENT TRUST INC.
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Opinion

4. In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as of 31 December 2011, and of its financial performance and its cash flows for the year then ended in accordance with the financial reporting standards issued by the Capital Markets Board (Note 2).

Engin Bağımsız Denetim ve
Serbest Muhasebecilik Mali Müşavirlik A.Ş.
Member Firm of Grant Thornton International

Ajda Düzgün
Partner

İstanbul, 22.02.2012

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YEŞİL REAL ESTATE INVESTMENT TRUST INC.
AUDITED BALANCE SHEET AS OF DECEMBER 31, 2009
(Amounts expressed in Turkish Lira ("TL").)

BALANCE SHEET (TL) (XI-29 NONCONSOLIDATED)	Notes	Independent Audit	
		Audited	Audited
		31.12.2010	31.12.2009
ASSETS			
Current Assets		679,412,913	13,151,661
Cash and Cash Equivalents	6	18,614,887	2,029,812
Financial Investments	7	273,921	322,177
Trade Receivables	10	118,347,896	169,254
Receivables from Finance Sector Operations	12	0	0
Other Receivables	11	425,368	0
Inventories	13	399,175,895	9,014,163
Live Assets	14	0	0
Other Current Assets	26	142,574,946	1,616,255
(Sub-total)		679,412,913	13,151,661
Assets Held for Sale and Discontinued Operations	34	0	0
Long-term Assets		180,901,985	9,203,527
Trade Receivables	10	167,469,853	0
Receivables from Finance Sector Operations	12	0	0
Other Receivables	11	112,230	300
Financial Investments	7	0	0
Investment Accounted for Using the Equity Method	16	0	0
Live Assets	14	0	0
Investment Properties	17	11,431,789	7,290,000
Property, Plant and Equipment	18	471,269	79,728
Intangible Assets	19	173,795	2,743
Goodwill	20	0	0
Deferred Tax	35	0	0
Other Assets	26	1,243,049	1,830,756
TOTAL ASSETS		860.314.898	22.355.188

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

YEŞİL REAL ESTATE INVESTMENT TRUST INC.
INDEPENDENT AUDITOR'S REPORT 01.01.2011-31.12.2011

BALANCE SHEET (TL) (XI-29 NONCONSOLIDATED)	Notes	Independent Audit	
		Audited	Audited
		31.12.2010	31.12.2009
LIABILITIES			
Short-term Liabilities		670,770,676	339,936
Financial Liabilities	8	38,859,511	0
Other Financial Liabilities	9	0	0
Trade Payables	10	16,096,268	18,319
Other Payables	11	581,478,070	274,000
Payables from Finance Sector Operations	12	0	0
Government Grants	21	0	0
Deferred Tax Payables	35	0	0
Provisions	22	0	0
Other Liabilities	26	34,336,827	47,617
(Sub-total)		670,770,676	339,936
Liabilities Directly Associated with the Assets Classified as Held for Sale	34	0	0
Long-term Liabilities		3,043,394	42,816
Financial Liabilities	8	0	0
Other Financial Liabilities	9	0	0
Trade Payables	10	2,905,675	0
Other Payables	11	0	0
Payables from Finance Sector Operations	12	0	0
Government Grants	21	0	0
Provisions	22	0	0
Provision for Employee Termination Benefits	24	137,719	42,816
Deferred Tax Liabilities	35	0	0
Other Liabilities	26	0	0
EQUITY		186,500,828	21,972,436
Company Shareholder's Equity		186,500,828	21,972,436
Share Capital	27.1	235,115,706	33,162,530
Investment and Share Capital Eliminating Adjustments (-)		0	0
Positive Distinction from Share Capital Adjustment		0	0
Value Increase Fund	27.2	0	10,420,617
Premium in Access of Par	27.3	2,576	2,576
Foreign Currency Translation Differences		0	0
Legal Reserves		0	0
Retained Earnings	27.4	(45,512,983)	(19,431,828)
Net Profit/Loss for the Year		(3,104,471)	(2,181,459)
Minority Interest		0	0
TOTAL LIABILITIES		860,314,898	22,355,188

YEŞİL REAL ESTATE INVESTMENT TRUST INC.
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STATEMENT OF COMPREHENSIVE INCOME ENDING IN DECEMBER 31ST
(Amounts expressed in Turkish Lira ("TL").)

INCOME STATEMENT (TL) (XI-29 NONCONSOLIDATED)	Notes	Independent Audit	
		Audited	Audited
		01.01.2010- 31.12.2010	01.01.2009- 31.12.2009
CONTINUING OPERATIONS	28	2,943,644	4,241,557
Sales	28	(2,693,846)	(3,701,688)
Cost of Sales (-)		249,798	539,869
GROSS PROFIT	29	(80,666)	(153,772)
Marketing, Selling and Distribution Expenses (-)	29	(3,387,643)	(1,956,410)
General Administrative Expenses (-)		0	0
Research and Development Expenses (-)	31	0	230
Income from Other Operations	31	0	(750,000)
Expense from Other Operations (-)		(3,218,511)	(2,320,083)
OPERATING INCOME/(LOSS)		0	0
Share of Profit of Equity Accounted Investee	32	389,953	393,257
Financial Income	33	(275,913)	(254,633)
Financial Expenses (-)		(3,104,471)	(2,181,459)
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	28	2,943,644	4,241,557
Income/Expense from Continuing Operations		0	0
- Tax Income/Expense		0	0
- Deferred Tax		0	0
PROFIT/(LOSS) FROM CONTINUING OPERATIONS		(3,104,471)	(2,181,459)
DISCONTINUED OPERATIONS			
Profit/Loss from Discontinued Operations (Net of Income Tax)			
PROFIT/LOSS FOR THE PERIOD		(3,104,471)	(2,181,459)
Other Comprehensive Income:			
Changes in Fair Value on Available for Sale Securities		0	0
Changes in Fair Value of Land and Buildings		0	0
Changes in Fair Value of Financial Risk Hedging		0	0
Changes in Differences of Foreign Currency Translation		0	0
Actuarial Gains and Losses of the Pension Plans		0	0
Other Comprehensive Income from Investments in Associates		0	0
Tax Income/(Expense) from Other Comprehensive Operations		0	0
OTHER COMPREHENSIVE INCOME FOR THE PERIOD (NET OF TAX)			
TOTAL COMPREHENSIVE INCOME		(3,104,471)	(2,181,459)
Distribution of Profit/(Loss)			
Minority Interests		0	0
Equity Holders of the Company		(3,104,471)	(2,181,459)
Distribution of Comprehensive Income/(Loss)			
Minority Interests		0	0
Equity Holders of the Company		(3,104,471)	(2,181,459)
Earnings Per Share	36	(0.00126)	(0.00090)
Earnings Per Share from Continuing Operations	36	(0.00126)	(0.00090)

The accompanying notes are integral parts of the financial statements.

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**Y&Y REAL ESTATE INVESTMENT TRUST INC.
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009
(XI-29 NONCONSOLIDATED)
(Amounts expressed in Turkish Lira ("TL").)**

	Share Capital	Equity Restatement Differences	Premium in Access of Par	Retained Earnings	Net Loss for the Period	Total Shareholders' Equity
31 December 2008	33,162,530	10,420,617	2,576	(17,281,214)	(2,150,614)	24,153,895
Transfers	0	0	0	(2,150,614)	2,150,614	0
Net Loss for the Year	0	0	0	0	(2,181,459)	(2,181,459)
31 December 2009	33,162,530	10,420,617	2,576	(19,431,828)	(2,181,459)	21,972,436
Transfers	(9,011,211)	(10,420,617)	0	17,250,369	2,181,459	0
Merger effect with Yeşil İnşaat Yapı Düzenleme ve Pazarlama Ticaret A.Ş. (Note 3 and Note 27)	210,964,387	0	0	(43,331,524)	0	167,632,863
Net Loss for the Year	0	0	0	0	(3,104,471)	(3,104,471)
31 December 2010	235,115,706	0	2,576	(45,512,983)	(3,104,471)	186,500,828

The accompanying notes are integral parts of the financial statements.

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Y&Y REAL ESTATE INVESTMENT TRUST INC. STATEMENTS OF CASH FLOW FOR THE YEARS ENDED DECEMBER 31ST, 2010 AND 2009 (XI-29 NONCONSOLIDATED)

(Amounts expressed in Turkish Lira ("TL").)

	Notes	Independent Audit	
		Audited	Audited
		01.01.- 31.12.2010	01.01.- 31.12.2009
Cash Flows due from Operating Activities			
Net Loss for the Period		(3,104,471)	(2,181,459)
Adjustments to reconcile net loss with net cash inflow generated from operations			
Depreciation and Amortization	18,19	37,147	38,359
Provision for employment termination benefits	24	110,142	15,268
Interest Income	32	(62,512)	(129,563)
Profit on sales of tangible and intangible assets	18,19	--	(230)
Provision for impairment of investment properties	17	--	750,000
Net cash used in operating activities before changes in operating assets and liabilities:		(3,019,694)	(1,507,625)
Changes in Trade Receivables	10	32,933	(169,254)
Changes in Inventories	13	2,693,846	1,591,295
Changes in Other Current Assets	26	(24,850)	(516,006)
Changes in Other Receivables	11	300	(300)
Changes in financial Investments	7	48,256	(322,177)
Changes in Trade Payables	10	(5,340)	251
Changes in Other Payables	11	244,417	274,000
Changes in Other Non-current Assets	26	577,536	730,909
Changes in Other Liabilities	26	11,844	6,205
Employee termination benefit paid	24	(33,645)	--
Net cash used in operating activities		525,603	87,298
Investing activities:			
Purchase of Property, Plant and Equipment and Intangible Assets	18,19	(2,186)	(2,037)
Sale of Property, Plant and Equipment and Intangible Assets	18,19	--	230
Interest Received	32	62,512	129,563
Merger effect with Yeşil İnşaat	3	15,999,146	--
Net cash provided from investing activities		16,059,472	127,756
Net cash used in financing activities		--	--
Net decrease in cash and cash equivalents		16,585,075	215,054
Cash and cash equivalents at the beginning of the year		2,029,812	1,814,758
Cash and cash equivalents at the end of the year		18,614,887	2,029,812

The accompanying notes are integral parts of the financial statements.

1. ORGANIZATION AND NATURE OF OPERATIONS

YEŞİL REAL ESTATE INVESTMENT TRUST INC. INDEPENDENT AUDITOR'S REPORT 01.01.2011-31.12.2011

Yeşil Gayrimenkul Yatırım Ortaklığı Anonim Şirketi ("the Company") was founded in 1997.

Based on the procedures determined by CMB for the real estate investments trusts, the Company makes investment in real estates, the real estate projects, the rights leaning against the real assets, the capital market tools and the capital markets. In addition, the Company can establish ordinary partnership to carry out specific projects and perform other activities that are allowed in CMB regulations.

The Company is registered in CMB and its shares have been traded on the Istanbul Stock Exchange ("ISE") since 1999. As of 31 December 2011 15,95% of its shares are quoted on ISE.

By the Company's extraordinary general assembly decision dated 30.10.2010 it has been decided to merger with Yeşil İnşaat Yapı Düzenleme ve Pazarlama Ticaret A.Ş. (Yeşil İnşaat) by taking over all assets and liabilities. The decision has been registered on 31.12.2010 and published on the Trade Registry Gazette numbered 7724 dated 06.01.2011 (Note 27).

The Company's registered address is "Yılanlı Ayazma Yolu No:15 Yeşil Plaza, Kat:12 Cevizlibağ/Zeytinburnu, İstanbul".

The number of employees of the Company is 28 (31 December 2010: 23).

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1. Basis of Preparation

The Communiqué No: XI//29 published by the Capital Markets Board in respect of Financial Reporting in the Capital Markets entered into effect as from the first interim financial statements subsequent to 01.01.2008. In accordance with that Communiqué, the financial statements will be prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union. However, International Financial Reporting Standards (IFRS) will continue to be applied until the differences between the International Financial Reporting Standards (IFRS) and those adopted by the European Union will be declared by the Turkish Accounting Standards Board (TASB). Within this framework, the Turkish Accounting /Financial Reporting Standards (TFRS) which are published by the Turkish Accounting Standards Board and which are in compliance with the adopted standards will be applied.

Capital Markets Board made an announcement on 17.03.2005 to the effect that inflation accounting should be discontinued for companies that operate in Turkey and prepare their financial statements in accordance with Accounting and Reporting Standards issued by the Capital Markets Board in effect from 01.01.2005. Based on this resolution the financial statements of the Company as from 01.01.2005 were not restated for the effects of inflation accounting as required by IAS 29" Financial Reporting in Hyperinflationary Economies".

The attached interim financial statements and related notes are presented according the format and disclosure requirements announced by Turkish Capital Markets Board (CMB) on 14.04.2008. According to this announcement reclassification to previous period financial statements have also been made.

2.2. Going Concern

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The Company prepares their financial statements in accordance with the principles of company's going concern.

2.3. Measurement Currency and Reporting Currency

The Consolidated financial statements are presented by the Company's measurement and reporting currency "TL". The consolidated financial statements have been prepared based on cost method except financial assets and liabilities measured with fair value.

According to the law numbered 5083 related to the currency of Republic of Turkey and the decision of the Council of Ministers dated 04.04.2007 numbered 2007/11963 the expression of "new" has been cancelled on New Turkish Lira and New Krs effective from 01.01.2009. After this conversion 1 New Turkish Lira is held equal to 1 Turkish Lira and 1 New Krs is held equal to 1 Krs. All laws, legislations, administrative and legal transactions, court decisions, commercial papers and all kind of documents referencing New Turkish Lira will be considered in Turkish Lira with the conversion rate mentioned above. Beginning from 01.01.2009, in the presentation of financial statements New Turkish Lira has been replaced by Turkish Lira. In the attached financial statements, this conversion has been made retrospectively for convenience purposes.

2.4. Comparable financial information and reclassification of prior period financial statements

The balance sheets with the accompanying notes as of 31.12.2011 and 31.12.2010 and statement of income, cash flow and changes in equity with the accompanying notes as of 31.12.2011 and 31.12.2010 are presented as comparatively. For the compatibility of the current financial statements these financial statements are reclassified if necessary, and material differences are disclosed.

2.5. Offsetting

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liabilities simultaneously.

2.6. Changes in Accounting Policies, Estimates and Correction of Errors

The effect of a change in accounting policy is applied retrospectively and prior period financial statements are issued again. If the changes in accounting estimation are in accordance with only one period, it is carried out in same changing period but if the changes are in accordance with forward periods, it is carried out in changing period and for forward periods.

The effect of a change in an accounting estimate should be included in the determination of net profit or loss in the period of the change, if the change affects the period only; or the period of the change and future periods, if the change affects both.

The correction of fundamental errors that relate to the current period is normally included in the determination of net profit or loss for the current period. The correction of fundamental errors that relate to prior periods requires the restatement of the comparative information or the presentation of additional pro forma information. The amount of the correction of a fundamental error that relates to prior periods should be reported by adjusting the opening balance of

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retained earnings. Comparative information should be restated, unless it is impracticable to do so.

2.7. Critical Accounting Estimates, Assumptions and Judgments

The preparation of financial statements requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. These estimates are reviewed periodically and as adjustments become necessary they are reported in earnings in the periods in which they become known.

Property, plant and equipment and intangible assets held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The Company estimates the useful life of tangible and intangible assets. Depreciation is charged using the straight line basis over the useful life which depends on the best estimation of the management. The useful life of property, plant and equipment and intangible assets are reviewed at each balance sheet date and changes are made as necessary (Note: 2.8).

Allowance for doubtful debts reflect the amount set aside for the losses in the future related to receivables which exist at the balance sheet date but which, in the opinion of the management, carry the risk of collection due to current economic conditions. When evaluating whether receivables have suffered a loss in value the past performance of the debtors, their credibility in the market and their performance between the balance sheet date and report date together with changed circumstances are taken into consideration. In addition the collaterals existing as at the balance sheet date together with new collaterals obtained between the balance sheet date and report date are also taken into consideration. The allowance for doubtful receivables as of the balance sheet dates are explained under note 10.

When setting aside the provision for legal claims the probability of losing the related case and the results expected to be suffered in the event that the legal counsel of the Company and management of the Company make their best estimates to calculate the provision required.

2.8. Summary of Significant Accounting Policies

Significant accounting policies for financial statements are summarized below:

Revenue Recognition

Revenue is recognized upon the performance of services and to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is shown as "net" after deducting the Value Added Tax and sales taxes. Net sales are stated as net of discounts and returns.

Sales of Real Estate

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Revenues are recognized on an accrual basis at the time the transfer of risks and benefits related to real estate are realized, the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Company.

Interest Revenue

Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Trade Receivables/Payables

Trade receivables are measured at initial recognition at fair value and are subsequently measured at amortized cost using the effective interest rate method to set an allowance for unearned interest. Appropriate allowances for estimated irrecoverable amounts are recognized in profit or loss when there is objective evidence that the asset is impaired. The allowance recognized is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Inventories

Inventories related to Real Estate Construction Projects:

Lands purchased to be evaluated in real estate construction projects are shown under inventories. Lands are valued at the lower of cost or net realizable value.

Real Estate Construction Projects:

Direct costs include indirect costs which are related to the subject of the project and which can be installed on the project, raw materials and project-related borrowing costs. These inventories are valued at the lower of cost or net realizable value.

The Company arranges "Promise of Sale and Deed Construction Contracts" ("Contracts") with the owner of the land. According to these contracts, the Company will undertake construction projects on this land and give a pre-agreed percentage of the completed projects to the land owner and in exchange for it the landowner will assign the agreed part of the land to the Company.

Property, Plant and Equipment

Property, plant and equipment are carried at cost less accumulated depreciation and permanent impairment. Depreciation is provided on a straight-line basis based on the approximate economic useful lives taken into consideration. The useful lives of property, plant and equipment are as follows:

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	Useful Life (Years)
Motor Vehicles	5
Furniture and Fixtures	4-5

At each balance sheet date, property, plant and equipment and intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognized in income for items of tangible and intangibles carried at cost. Recoverable value is the higher of the net sales value and the value of the use.

The gain or loss arising from the disposal or derecognition of an item of property, plant and equipment is the difference between the net sales proceeds, if any, and the restated carrying amount. The gain or loss arising from the disposal of an item of property, plant and equipment is recognized in profit or loss.

Expenditure that arises as a result of any of the real assets being replaced results in capitalization together with maintenance and fixtures. Other expenses that arise at a later date that add to the economic value of the product, are also capitalized. All other expenses are accounted for as they are in the income statement during the assessment.

Intangible Assets

An intangible asset is recognized if it meets the identifiable criteria of intangibles, control exists over the asset and it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the costs can be measured reliably. Intangible assets are carried at cost less accumulated amortization and impairment. Amortization of intangible assets except goodwill for which the accounting is explained above is allocated on a systematic pro-rata basis using the straight-line method.

	Years
Rights	3-5

Investment Properties

Investment property is property (land or a building or part of a building or both) held (by the owner or by the lessee under a finance lease) to earn rentals or for capital appreciation or both.

An investment property is accounted as an asset if the entrance of its future economic benefits to the Company is probable and if the cost of the investment property can be measured reliably.

The impairment composed when the cost value of an investment property is greater than its rent income and/or its capital appreciation will be included in the income statement of the period it occurred.

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The cost model is selected for the valuation of investment properties and the model in question is applied to all investment properties. Investment properties are shown in the financial statements at value formed after deducting the impairment loss calculated by comparing at cost less accumulated depreciation and fair value determined by the expert company.

Accumulated depreciation related to investment properties are amortized according to the estimated useful lives of assets on the basis of entry date to assets using the equally consistent straight-line method. Estimated economic life of buildings of investment properties is 50 years.

Impairment of Assets

The Company assesses for assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Impairment losses are recognized in the income statement.

Financial Investments

The Company classifies its financial assets held for trading.

Financial assets held for trading are either acquired for generating a profit from short term fluctuations in price or dealer's margin, or included in a portfolio in which a pattern of short term profit-making exists.

Financial assets held for trading are initially recognized at cost and are subsequently re-measured at fair value based on quoted bid prices. All related realized and unrealized gains and losses are included in the consolidated income statements.

Effective Interest Method

The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. All other borrowing costs are recognized in net profit or loss in the period in which they are incurred.

Foreign Currency Transactions

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Transactions in foreign currencies during the periods have been translated at the exchange rates prevailing at the dates of these transactions. Balance sheet items denominated in foreign currencies have been translated at the exchange rates prevailing at the balance sheet dates. The foreign exchange gains and losses are recognized in the income statement.

Earnings per Share

Earnings per share disclosed in the income statement are determined by dividing net income by the weighted average number of shares.

Other Provisions, Contingent Liabilities and Contingent Assets

Other provisions are recognized when present obligations will probably lead to an outflow of economic resources from the Company and they can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events, for example, product warranties granted legal disputes or onerous contracts. Restructuring provisions are recognized only if a detailed formal plan for the restructuring has been developed and implemented, or management has at least announced the plan's main features to those affected by it. Provisions are not recognized for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the balance sheet date, including the risks and uncertainties associated with the present obligation. Any reimbursement expected to be received in the course of settlement of the present obligation is recognized, if virtually certain as a separate asset, not exceeding the amount of the related provision. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. In addition, long term provisions are discounted to their present values, where time value of money is material. All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

In those cases where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognized in the balance sheet. Probable inflows of economic benefits to the Company that do not yet meet the recognition criteria of an asset are considered contingent assets.

Leases

Finance leases, which transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income. Capitalized leased assets are depreciated over the estimated useful life of the asset.

Related Parties

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For the purpose of the accompanying financial statements, key personnel in management and board of directors, their family and controlled or dependent companies, participations and subsidiaries of the Company are referred to as related parties.

Post Balance Sheet Events

The Company retrospectively recognizes events after the balance sheet date if adjustment is required. If events after the balance sheet date do not require any adjustment, necessary disclosures are made in the notes of the financial statements.

Government Incentives and Subsidies

These are reflected in the financial statements when the Company has complied with all of the requirements and reasonable assurance is formed that incentive or assistance will be obtained. Liabilities to governmental departments which may be forgone by the authorities are accepted as government incentives when reasonable assurance is formed that such liabilities will not be paid because the Company has complied with all the requirements related to the liability.

Segment Reporting

There is no basis for segment reporting.

Deferred Taxes

Deferred tax is provided in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements. Currently enacted tax rates are used to determine deferred income tax at the balance sheet date. As the Company is exempted from corporate taxes based on the current tax legislation, no deferred tax has been calculated on temporary differences in these financial statements.

Employee Benefits/Retirement Pay Provision

Under the Turkish law and union agreements, severance payments are made to employees retiring or involuntarily leaving the Company. Such payments are considered as being part of defined retirement benefit plan as per International Accounting Standard No: 19 (revised) "Employee Benefits" ("IAS 19"). The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized actuarial gains and losses.

Cash Flow Statement

Cash flows for period are reported by classifying based on main operations, investments and financial operations.

Cash and cash equivalents comprise of cash, bank deposits and investments less than 3 month maturity.

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Capital and Dividends

Ordinary shares are comprised as capital. Dividends paid are recorded by deducting the same from general reserves in the period that they are declared.

Investment portfolio limitations on real estate investment trust

Supplementary information in the Appendix: "Compliance control on portfolio limitations" is derived from the financial statements, according to the article 17 Communiqué XI No 29 of CMB, "Principles Regarding Financial Reporting on Capital Markets", and prepared in accordance with the related articles of the Communiqué VI, No: 11 of CMB related to the portfolio limitation compliance controls. Since the information in the Appendix is unconsolidated, they may differ from the consolidated information in the financial statements.

2.9. Changes in International Financial Reporting Standards (IFRS)

Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Company

At the date of authorization of these financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective, and have not been adopted early by the Group.

a) Standards, amendments and interpretations effective in 2011:

- IFRIC 19 "Extinguishing financial liabilities with equity instruments"
- IFRIC 14 "IAS 19 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction"
- IAS 32 (Amendment) "Classification of right issues"
- IAS 24 (Revised) "Related party disclosure"
- Annual Amendments to IFRS in May 2010

b) Standards, amendments and interpretations effective after 31 December 2011 but not early adopted by the Company:

- IFRS 9 "Financial Instruments- Phase1 Classification and measurement"
- IAS 12 (Amendment) "Income Taxes- Deferred tax: recovery of underlying assets"
- IFRS 7 (Amendment) "Financial Instruments-Disclosures"
- IFRS 10 "Consolidated Financial Statements"
- IFRS 11 "Joint arrangements"
- IFRS 12 "Disclosure of Interest in Other Entities"
- IFRS 13 "Fair Value Measurement"
- IAS 27 (Revised) "Separate Financial Statements"
- IAS 28 (Revised) "Investments in Associates and Joint Ventures"
- IAS 19 (Revised) "Employee Benefits"
- IAS 1 (Revised) "Presentation of Financial Statements"

Management of the Company anticipates that all of the pronouncements detailed in (b) above will be adopted in the Company's accounting policy for the first period beginning after the effective date of the pronouncement. Management of the Company has decided that these new standards and interpretations have been issued but are not expected to have a material impact on the Company's financial statements.

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3. BUSINESS COMBINATIONS

By the Company's extraordinary general assembly decision dated 30.10.2010 it has been decided to merger with Yeşil İnşaat Yapı Düzenleme ve Pazarlama Ticaret A.Ş. by taking over all assets and liabilities. The decision has been registered on 31.12.2010 and published on the Trade Registry Gazette numbered 7724 dated 06.01.2011.

Cash and Cash Equivalents	15.999.146
Trade Receivables	285.723.043
Inventories	184.752.565
Other Assets	138.898.451
Property, Plant and Equipment	424.499
Investment Properties	3.801.616
Intangible Assets	173.056
Financial Liabilities	(38.859.511)
Trade Payables	(18.988.965)
Other Liabilities	(615.255.424)

Net Assets Acquired	(43.331.524)
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(31.12.2011: None).

4. JOINT VENTURES

None (31.12.2010: None).

5. SEGMENT REPORTING

Due to the Company operates in one industry and continues its operation in Turkey; there is no need for segmental reporting.

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6. CASH AND CASH EQUIVALENTS

	31.12.2011	31.12.2010
Cash on Hand	2.239.439	2.025.360
Banks		
- Demand Deposit – TL	1.099.580	1.040.956
- Demand Deposit – USD	--	26.748
- Demand Deposit – EURO	--	20.798
- Demand Deposit – GBP	--	1
- Time Deposit – TL	784.000	--
Blocked Deposits		
- Demand Deposit – TL	--	15.501.024
- Time Deposit – TL	1.862.397	--
Other	4.446	--
Total	5.989.862	18.614.887

Average interest rates on the time deposits at the balance sheet date were as follows:

Turkish Lira time deposits	%5-%8	--
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7. FINANCIAL INVESTMENTS

Short-term:

	31.12.2011	31.12.2010
<u>Financial Assets Held for Trading:</u>		
B Type Liquid Funds	--	273.921
Total	--	273.921

As of 31 December 2010 the Company has 10.000 units of Garanti Bank B Type Liquid Funds.

8. FINANCIAL LIABILITIES

	31.12.2011	31.12.2010
<u>Short-term</u>		
Loans		
- TL Loans	115.786.452	38.859.511
	115.786.452	38.859.511

Breakdown of the maturity of financial liabilities is as follows:

	31.12.2011	31.12.2010
0 - 3 months	12.849.488	4.853.232
3- 12 months	102.936.964	34.006.279
	115.786.452	38.859.511

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31.12.2011	Currency Type	Nominal Interest Rate %	Maturity Date	Nominal Value	Book Value
Loan under Guarantee (1)	TL	13,36	27.06.2012	1.604.404	1.595.702
Loan under Guarantee (1)	TL	13,40	25.06.2012	1.664.658	1.656.521
Loan under Guarantee (1)	TL	13,40	26.06.2012	1.602.145	1.594.337
Loan under Guarantee (1)	TL	12,38	28.06.2012	1.279.293	1.267.823
Loan under Guarantee (1)	TL	12,40	07.06.2012	1.068.367	1.055.969
Loan under Guarantee (1)	TL	14,39	18.07.2012	1.600.661	1.594.608
Loan under Guarantee (1)	TL	15,46	10.08.2012	1.701.917	1.697.390
Loan under Guarantee (1)	TL	14,43	09.08.2012	2.125.930	2.113.135
Loan under Guarantee (1)	TL	13,54	24.07.2012	1.165.807	1.156.095
Loan under Guarantee (1)	TL	13,53	26.07.2012	1.114.751	1.103.153
Loan under Guarantee (1)	TL	14,42	27.07.2012	1.534.448	1.525.783
Loan under Guarantee (1)	TL	12,47	21.06.2012	1.271.507	1.253.695
Loan under Guarantee (1)	TL	14,50	25.07.2012	1.164.709	1.156.079
Loan under Guarantee (1)	TL	11,45	21.05.2012	633.590	623.426
Loan under Guarantee (1)	TL	14,52	08.08.2012	1.576.889	1.566.616
Loan under Guarantee (1)	TL	15,32	24.08.2012	1.051.458	1.046.351
Loan under Guarantee (1)	TL	11,51	28.08.2012	1.678.826	1.655.379
Loan under Guarantee (1)	TL	10,48	27.08.2012	1.048.434	1.031.339
Loan under Guarantee (1)	TL	16,32	27.09.2012	1.258.244	1.255.416
Loan under Guarantee (1)	TL	16,37	26.09.2012	522.444	521.426
Loan under Guarantee (1)	TL	16,38	25.09.2012	522.213	521.218
Loan under Guarantee (1)	TL	16,37	12.10.2012	1.044.011	1.041.987
Loan under Guarantee (1)	TL	17,38	30.10.2012	1.667.047	1.667.417
Loan under Guarantee (1)	TL	9,61	09.03.2012	322.115	316.501
Loan under Guarantee (1)	TL	10,49	25.04.2012	857.744	847.722
Loan under Guarantee (1)	TL	10,49	26.04.2012	514.402	508.496
Loan under Guarantee (1)	TL	7,83	14.02.2012	507.011	506.107
Loan under Guarantee (1)	TL	8,07	22.02.2012	616.972	616.439
Loan under Guarantee (1)	TL	8,76	12.03.2012	748.606	733.969
Loan under Guarantee (1)	TL	9,79	23.03.2012	802.245	790.405
Loan under Guarantee (1)	TL	9,52	26.03.2012	1.252.043	1.231.363
Loan under Guarantee (1)	TL	10,46	25.04.2012	584.977	578.429
Loan under Guarantee (1)	TL	10,54	10.05.2012	852.735	843.772
Loan under Guarantee (1)	TL	11,74	11.05.2012	1.073.543	1.060.140
Loan under Guarantee (1)	TL	12,78	30.05.2012	1.287.831	1.277.538
Loan under Guarantee (1)	TL	16,93	30.10.2012	1.298.843	1.298.045
Loan under Guarantee (1)	TL	17,50	15.11.2012	1.557.607	1.558.094
Loan under Guarantee (1)	TL	18,10	29.11.2012	673.269	674.137
Loan under Guarantee (1)	TL	20,25	13.12.2012	1.442.482	1.443.082
Loan under Guarantee (1)	TL	20,61	25.12.2012	328.284	328.490
Loan under Guarantee (2)	TL	16,10	Revolving	16.300.000	16.704.829
Loan under Guarantee (2)	TL	16,10	Revolving	2.000.000	2.050.511
Loan under Guarantee (2)	TL	16,10	Revolving	2.000.000	2.059.754
Loan under Guarantee (2)	TL	13,85	Revolving	1.200.000	1.206.841

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Loan under Guarantee (2)	TL	13,84	Revolving	785.679	786.027
Loan under Guarantee (2)	TL	15,52	Revolving	1.222.500	1.267.658
Loan under Guarantee (2)	TL	13,29	Revolving	10.000.000	10.120.345
Loan under Guarantee (2)	TL	17,24	Revolving	380.000	382.825
Loan under Guarantee (3)	TL	8,79	Revolving	2.000.000	2.000.458
Loan under Guarantee (3)	TL	13,29	Revolving	320.000	325.627
Loan under Guarantee (3)	TL	13,29	Revolving	1.680.000	1.710.126
Loan under Guarantee (3)	TL	12,73	Revolving	11.000.000	11.255.737
Loan under Guarantee (3)	TL	12,73	Revolving	2.000.000	2.047.842
Loan under Guarantee (3)	TL	10,26	Revolving	3.932.000	3.970.050
Loan under Guarantee (3)	TL	13,29	Revolving	1.600.000	1.632.035
Loan under Guarantee (3)	TL	9,44	Revolving	5.950.000	6.053.840
Loan under Guarantee (3)	TL	13,29	Revolving	3.400.000	3.470.445
Unsecured Loan	TL	5,18	15.03.2012	1.304.125	1.301.528
Unsecured Loan	TL	12,87	22.10.2012	2.112.884	2.112.858
Unsecured Loan	TL	21,66	03.12.2012	1.015.764	1.013.522
Total				114.825.414	115.786.452

Loans under Guarantee (1): The Company has mortgages on the block numbered 2945 and on parcels numbered 33, 34, 35 and 36 in the Esenyurt land in the province of Istanbul amounting to TL 50.000.000 with 1. degree and TL 30.000.000 with 2. degree.

Loans under Guarantee (2): TL 36.800.000 notes receivables, TL 21.950.000 Commercial Areas pledge with 1. degree and TL 1.954.000 Tekirdağ land pledge with 1. Degree.

Loans under Guarantee (3): 56units of house, TL 20.000.000 pledge with 1. degree and TL 30.600.000 notes receivables.

The detail of financial liabilities as of 31 December 2010 is as follows:

31.12.2010	Currency Type	Nominal Interest Rate %	Maturity Date	Nominal Value	Book Value
Loan under Guarantee (1)	TL	12,09	25.03.2011	61.947	61.932
Loan under Guarantee (1)	TL	21,74	05.04.2011	389.658	389.861
Loan under Guarantee (1)	TL	21,76	12.04.2011	209.557	209.732
Loan under Guarantee (1)	TL	21,75	14.04.2011	825.540	826.497
Loan under Guarantee (1)	TL	21,78	18.04.2011	397.301	397.814
Loan under Guarantee (1)	TL	21,75	20.04.2011	531.001	531.848
Loan under Guarantee (1)	TL	21,75	21.04.2011	454.101	454.858
Loan under Guarantee (1)	TL	21,78	22.04.2011	215.603	216.000
Loan under Guarantee (1)	TL	21,76	29.04.2011	12.985	13.015
Loan under Guarantee (1)	TL	22,81	02.05.2011	85.377	85.594
Loan under Guarantee (1)	TL	22,80	04.05.2011	31.485	33.944
Loan under Guarantee (1)	TL	22,82	09.05.2011	46.472	50.098
Loan under Guarantee (1)	TL	23,92	11.05.2011	895.538	968.536
Loan under Guarantee (1)	TL	23,94	23.05.2011	279.245	301.866
Loan under Guarantee (1)	TL	24,01	30.05.2011	292.825	312.954

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Loan under Guarantee (1)	TL	23,94	06.06.2011	43.289	46.237
Loan under Guarantee (1)	TL	23,94	13.06.2011	30.937	33.033
Loan under Guarantee (1)	TL	10,75	18.04.2011	692.316	712.248
Loan under Guarantee (1)	TL	10,82	22.04.2011	271.816	280.056
Loan under Guarantee (1)	TL	10,82	22.04.2011	481.466	495.916
Loan under Guarantee (1)	TL	10,85	25.04.2011	66.550	68.532
Loan under Guarantee (1)	TL	10,85	28.04.2011	917.409	944.958
Loan under Guarantee (1)	TL	10,85	29.04.2011	123.995	127.682
Loan under Guarantee (1)	TL	10,92	03.05.2011	182.383	181.886
Loan under Guarantee (1)	TL	10,95	05.05.2011	69.103	68.899
Loan under Guarantee (1)	TL	10,95	09.05.2011	1.042.917	1.040.105
Loan under Guarantee (1)	TL	10,95	10.05.2011	249.365	248.733
Loan under Guarantee (1)	TL	10,99	11.05.2011	293.761	292.937
Loan under Guarantee (1)	TL	10,95	12.05.2011	310.314	309.418
Loan under Guarantee (1)	TL	11,02	13.05.2011	574.132	572.889
Loan under Guarantee (1)	TL	11,05	18.05.2011	641.188	639.604
Loan under Guarantee (1)	TL	11,02	18.05.2011	688.911	687.431
Loan under Guarantee (1)	TL	11,38	08.06.2011	105.162	105.086
Loan under Guarantee (1)	TL	11,42	13.06.2011	88.637	88.622
Loan under Guarantee (1)	TL	11,42	14.06.2011	235.318	235.287
Loan under Guarantee (1)	TL	11,42	16.06.2011	641.941	642.239
Loan under Guarantee (1)	TL	11,42	17.06.2011	232.090	232.050
Loan under Guarantee (1)	TL	11,42	21.06.2011	323.140	323.077
Loan under Guarantee (1)	TL	11,98	23.06.2011	677.579	679.030
Loan under Guarantee (1)	TL	11,98	24.06.2011	598.807	599.913
Loan under Guarantee (1)	TL	11,95	24.06.2011	839.394	841.295
Loan under Guarantee (1)	TL	11,95	28.06.2011	1.091.466	1.094.516
Loan under Guarantee (1)	TL	11,98	29.06.2011	568.473	569.624
Loan under Guarantee (1)	TL	12,02	01.07.2011	129.766	130.042
Loan under Guarantee (1)	TL	11,98	05.07.2011	1.044.081	1.045.951
Loan under Guarantee (1)	TL	11,98	06.07.2011	586.754	587.864
Loan under Guarantee (1)	TL	11,98	14.07.2011	442.253	442.999
Loan under Guarantee (1)	TL	11,98	14.07.2011	140.569	140.815
Loan under Guarantee (1)	TL	11,95	15.07.2011	142.837	143.064
Loan under Guarantee (1)	TL	11,95	20.07.2011	816.469	817.496
Loan under Guarantee (1)	TL	11,98	21.07.2011	782.801	784.150
Loan under Guarantee (1)	TL	11,98	22.07.2011	174.720	175.018
Loan under Guarantee (1)	TL	11,98	22.07.2011	56.393	56.483
Loan under Guarantee (1)	TL	11,98	22.07.2011	379.518	380.090
Loan under Guarantee (1)	TL	12,05	29.07.2011	1.145.547	1.147.491
Sub-total				22.652.202	22.867.315

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31.12.2010

	Currency Type	Nominal Interest Rate %	Maturity Date	Nominal Value	Book Value
Transfer from Previous Page				22.652.202	22.867.315
Loan under Guarantee (1)	TL	12,09	01.08.2011	701.341	702.744
Loan under Guarantee (1)	TL	11,62	04.07.2011	144.897	144.856
Loan under Guarantee (1)	TL	12,09	01.08.2011	929.635	931.365
Loan under Guarantee (1)	TL	12,09	04.08.2011	394.804	395.570
Loan under Guarantee (1)	TL	12,22	08.08.2011	457.544	458.519
Loan under Guarantee (1)	TL	12,12	08.08.2011	161.576	161.904
Loan under Guarantee (1)	TL	12,12	11.08.2011	51.451	51.552
Loan under Guarantee (1)	TL	12,09	12.08.2011	96.287	96.452
Loan under Guarantee (1)	TL	12,15	15.08.2011	527.051	519.669
Loan under Guarantee (1)	TL	12,05	15.08.2011	794.727	796.003
Loan under Guarantee (1)	TL	12,12	16.08.2011	682.568	683.618
Loan under Guarantee (1)	TL	12,05	18.08.2011	102.640	102.790
Loan under Guarantee (1)	TL	12,05	19.08.2011	108.064	108.227
Loan under Guarantee (1)	TL	13,55	24.08.2011	140.011	140.241
Loan under Guarantee (1)	TL	13,47	25.08.2011	177.777	178.014
Loan under Guarantee (1)	TL	13,51	29.08.2011	439.038	439.714
Loan under Guarantee (1)	TL	13,51	29.08.2011	245.404	245.759
Loan under Guarantee (1)	TL	13,47	29.08.2011	129.381	129.556
Loan under Guarantee (1)	TL	13,51	02.09.2011	158.731	158.971
Loan under Guarantee (1)	TL	13,62	05.09.2011	174.795	175.083
Loan under Guarantee (1)	TL	13,62	06.09.2011	139.633	139.874
Loan under Guarantee (1)	TL	13,62	07.09.2011	52.629	52.716
Loan under Guarantee (1)	TL	13,70	12.09.2011	74.582	74.726
Loan under Guarantee (1)	TL	13,66	14.09.2011	62.340	62.444
Loan under Guarantee (1)	TL	13,73	19.09.2011	265.271	265.778
Loan under Guarantee (1)	TL	13,70	19.09.2011	157.456	157.743
Loan under Guarantee (1)	TL	13,73	20.09.2011	534.814	535.801
Loan under Guarantee (1)	TL	13,73	23.09.2011	88.074	88.230
Loan under Guarantee (1)	TL	13,77	26.09.2011	52.400	52.500
Loan under Guarantee (1)	TL	13,77	26.09.2011	157.158	157.442
Loan under Guarantee (1)	TL	13,73	26.09.2011	90.488	90.644
Loan under Guarantee (1)	TL	13,73	27.09.2011	131.436	131.659
Loan under Guarantee (1)	TL	13,81	03.10.2011	60.899	60.992
Loan under Guarantee (1)	TL	13,85	04.10.2011	94.138	94.320
Loan under Guarantee (1)	TL	13,85	05.10.2011	271.789	272.295
Loan under Guarantee (1)	TL	13,92	07.10.2011	427.178	428.025
Loan under Guarantee (1)	TL	13,88	10.10.2011	721.116	722.436
Loan under Guarantee (1)	TL	13,96	12.10.2011	228.240	228.684
Loan under Guarantee (1)	TL	13,96	18.10.2011	403.473	404.249
Loan under Guarantee (1)	TL	14,04	19.10.2011	209.111	209.538
Loan under Guarantee (1)	TL	14,00	25.10.2011	363.491	315.036
Loan under Guarantee (1)	TL	14,00	26.10.2011	155.729	156.005
Loan under Guarantee (1)	TL	14,11	01.11.2011	398.666	399.454

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Loan under Guarantee (1)	TL	14,11	02.11.2011	157.372	157.690
Loan under Guarantee (1)	TL	14,04	04.11.2011	198.368	198.723
Loan under Guarantee (1)	TL	14,08	04.11.2011	401.601	402.319
Loan under Guarantee (1)	TL	14,15	10.11.2011	404.562	405.373
Loan under Guarantee (1)	TL	14,19	11.11.2011	31.954	32.020
Loan under Guarantee (1)	TL	14,34	14.11.2011	249.277	249.820
Loan under Guarantee (1)	TL	14,34	15.11.2011	258.715	259.271
Loan under Guarantee (1)	TL	12,82	21.11.2011	129.728	129.995
Loan under Guarantee (1)	TL	12,82	23.11.2011	434.906	435.787
Unsecured Loan	TL	8,40	Revolving	2.000.467	2.000.000
Grand Total				38.676.985	38.859.511

Loans under Guarantee (1): The Company has mortgages on the block numbered 2945 and on parcels numbered 17, 18, 19 and 31 in the Esenyurt land in the province of Istanbul amounting to TL 50.000.000 with 1. degree and TL 30.000.000 with 2. degree.

9. OTHER FINANCIAL LIABILITIES

None (31.12.2010: None).

10. TRADE RECEIVABLES AND PAYABLES

Short-term Trade Receivables	31.12.2011	31.12.2010
Accounts Receivables		
-Third Parties	1.698.289	15.434.049
Notes Receivables		
-Third Parties	219.734.503	103.126.963
	221.432.792	118.561.012
Unearned Finance Income (-)	--	(3.679)
Provision for Doubtful Receivables (-)	--	(209.437)
	221.432.792	118.347.896
Long-term Trade Receivables	31.12.2011	31.12.2010
Accounts Receivables		
-Third Parties	--	135.796
Notes Receivables		
-Third Parties	168.046.168	167.334.057
	168.046.168	167.469.853

Breakdown of the maturity of trade receivables is as follows:

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	31.12.2011	31.12.2010
Overdue Received	12.082.616	5.630.236
Between 1-3 months	32.704.097	38.706.301
Between 3-6 months	116.123.316	23.197.151
Between 6-12 months	60.522.763	51.027.324
	221.432.792	118.561.012
Between 1-2 years	104.296.103	109.082.077
Between 2-3 years	36.892.277	42.131.938
Between 3-4 years	22.920.945	10.890.119
Between 4-5 years	3.743.025	5.172.491
Between 5-6 years	193.818	193.228
	168.046.168	167.469.853
Total	389.478.960	286.030.865

Since the Company does not deliver the title deed of the real estate without collecting its receivables, the Company's management has not foresee any collection risk on these loans and no provisions have been set aside.

Provision for other doubtful receivables is listed below:

	31.12.2011	31.12.2010
As of January 1 Balance	209.437	150.000
Yeşil İnşaat Merger Effect	--	59.437
Doubtful debt provision released	(209.437)	--
Closing Balance	--	209.437

Short-term Trade Payables	31.12.2011	31.12.2010
Accounts Payables		
-Third parties	8.895.966	6.585.367
- Related parties (Note 37)	4.124.003	--
Notes Payables		
-Third parties	2.513.552	9.086.801
- Related parties (Note 37)	14.745.427	--
Other Trade Payables	--	601.288
	30.278.948	16.273.456
Unearned Finance Expense (-)	(628.535)	(177.188)
Total	29.650.413	16.096.268

Long-term Trade Payables	31.12.2011	31.12.2010
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Accounts Payables		
- Third Parties	--	3.200.000
Unearned Finance Expense (-)	--	(294.325)
	--	2.905.675

Breakdown of the maturity of trade payables is as follows:

	31.12.2011	31.12.2010
Overdue Payables	--	57.916
Between 1-3 months	15.385.344	13.338.723
Between 3-6 months	14.893.604	2.488.054
Between 6-12 months	--	388.763
	30.278.948	16.273.456
More than 1 year	--	3.200.000
Total	30.278.948	19.473.456

11. OTHER RECEIVABLES AND PAYABLES

Short-term Other Receivables	31.12.2011	31.12.2010
Due from Personnel	--	1.200
Sundry Debtors		
-Third Parties	748.197	424.168
Due from tax office	2.030.377	--
	2.778.574	425.368

Long-term Other Receivables	31.12.2011	31.12.2010
Deposits and Guarantees Given	112.284	112.230
	112.284	112.230

Short-term Payables	31.12.2011	31.12.2010
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Due to Personnel	--	88.602
Advances Received from Ongoing Construction of Housing Projects	636.512.734	578.433.331
Deposits and Guarantees Received	2.109.832	2.494.251
Deferred Income	1.529.600	215.179
Other Sundry Payables -Third Parties	324.654	246.707
	640.476.820	581.478.070

12. RECEIVABLES AND PAYABLES FROM FINANCE SECTOR OPERATIONS

None (31.12.2010: None).

13. INVENTORIES

	31.12.2011	31.12.2010
Güzelşehir Villa Project	--	637.723
Innovia Housing Project 1. Stage Houses	4.079.986	13.261.594
Innovia Housing Project 2. Stage 1. Phase Houses	9.553.170	--
Innovia Housing Project 2. Stage 1. Phase Commercial Areas	2.473.328	--
Innovia Project 1. Stage Commercial Areas	--	1.927.484
Innovia Housing Project 2. Stage 1. Phase Costs Construction	72.287.539	171.305.162
Innovia Housing Project 3. Stage Costs Construction	136.348.557	58.840.275
Innovia Housing Project 4. and 5. Stage Costs Construction	164.111.017	153.203.657
	388.853.597	399.175.895

Innovia Housing Project

Innovia housing project is located in Esenyurt and planned to be constructed in 5 stages in total.

Innovia housing project's 1. stage, composed of 1.073 houses and a commercial area, is completed and is being delivered to the owners of the apartments. 2. Stage 1. phase is composed of approximately 2.664 houses and 41 units of commercial areas and offered for sale in 2009. The sales of the 2. stage was completed largely .

2. Stage 2. Phase composed of 1.018 houses and 226 units of commercial area are planned to be delivered beginning from December 2012. 3. stage is composed of 3.452 houses and 15 units of commercial areas .4. stages of which project works are still ongoing are planned to be composed of approximately 4.624 houses and commercial areas.

Innovia Housing Project 1. Stage Houses

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As of 31.12.2011, Innovia housing project's 1. stage is composed of 1.073 apartments and 6 units of Commercial Areas . 3 of them are shared with the landowners.

According to the expertise report prepared by Lotus Gayrimenkul Değerlendirme Danışmanlık A.Ş. on 3 October 2011 numbered 2011/2929, the value of 58 apartments in the Company's inventory has been specified as TL 13.365.000 excluding VAT.

Innovia Housing Project 2. Stage .1. Phase Houses

According to the expertise report prepared by Lotus Gayrimenkul Değerlendirme Danışmanlık A.Ş. on 3 October 2011 numbered 2011/2932, the value of 99 units of houses has been specified as TL 10.750.700 excluding VAT.

Innovia Housing Project 2. Stage .1. Phase Commercial areas:

According to the expertise report prepared by Lotus Gayrimenkul Değerlendirme Danışmanlık A.Ş. on 3 October 2011 numbered 2011/2934, the value of commercial areas has been specified as TL 3.735.000 excluding VAT.

Innovia Housing Project 2. Stage .2 Phase Building Costs:

Houses:

According to the expertise report prepared by Lotus Gayrimenkul Değerlendirme Danışmanlık A.Ş. on 3 October 2011 numbered 2011/2932, the value of 172 units of houses has been specified as TL 16.524.750 excluding VAT.

Commercial areas:

According to the expertise report prepared by Lotus Gayrimenkul Değerlendirme Danışmanlık A.Ş. on 3 October 2011 numbered 2011/2933, the value of 179 units of commercial areas has been specified as TL 61.347.000 excluding VAT.

According to the expertise report prepared by Lotus Gayrimenkul Değerlendirme Danışmanlık A.Ş. on 3 October 2011 numbered 2011/2934, the value of 8 units of commercial areas has been specified as TL 2.482.000 excluding VAT.

Innovia Housing Project 3 Stage Land and Building Costs:

According to the expertise report prepared by Lotus Gayrimenkul Değerlendirme Danışmanlık A.Ş. on 1 October 2011 numbered 2011/2935, the value of 277 units of house in the Company's inventory has been specified as TL 19.137.000 excluding VAT.

According to the expertise report prepared by Lotus Gayrimenkul Değerlendirme Danışmanlık A.Ş. on 1 October 2011 numbered 2011/2935, the value of 30 commercial areas in the Company's inventory has been specified as TL 41.695.000 excluding VAT.

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According to the expertise report prepared by Lotus Gayrimenkul Değerlendirme Danışmanlık A.Ş. on 1 October 2011 numbered 2011/2935, the value of lands has been specified as TL 105.830.000 excluding VAT.

Innovia Housing Project 4 and 5. Stage Land and Building Costs:

According to the expertise report prepared by Lotus Gayrimenkul Değerlendirme Danışmanlık A.Ş. on 3 October 2011 numbered 2011/2937, the total market value of lands TL 203.155.000 excluding VAT.

14. BIOLOGICAL ASSETS

None (31.12.2010: None).

15. RECEIVABLES FROM ONGOING CONSTRUCTION CONTRACTS

None (31.12.2010: None).

16. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

None (31.12.2010: None).

17. INVESTMENT PROPERTIES

	Güzelsehir- Büyükcemece Shopping Center	Tekirdağ Lands	Uskumruköy- Sarıyer Land	Innovia Project- Nursery Building	Innovia Project 1. Stage 6 Commercial Areas:	Innovia Housing Project 1.35 Units of house	Total
31.12.2009	6.570.000	720.000	--	--	--	--	7.290.000
Additions	--	--	--	--	--	--	--
Disposals	--	--	--	--	--	--	--
Merger effect	--	--	2.535.000	1.606.789	--	--	4.141.789
31.12.2010	6.570.000	720.000	2.535.000	1.606.789	--	--	11.431.789
Additions	--	31.237	--	--	--	--	31.237
Transfer (Notes 13)	--	--	--	--	1.994.774	5.925.147	7.919.921
Disposals	--	--	(2.535.000)	--	--	--	(2.535.000)
Deprecations	--	--	--	(32.136)	(19.239)	(59.675)	(111.050)
Increase in value	--	103.763	--	--	--	--	103.763
31.12.2011	6.570.000	855.000	--	1.574.653	1.975.535	5.865.472	16.840.660

Güzelsehir Shopping Center Project:

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Güzelşehir Shopping Center project is located in Güzelce, Büyükçekmece and has a usage space of 7.393 m².

According to the expertise report prepared by Lotus Gayrimenkul Değerleme ve Danışmanlık A.Ş. on 3 October 2011 numbered 2011/2928, the expertise value of the space purchased is TL 6.570.000 excluding VAT.

Tekirdağ, Barbaros Land:

The purchase of 12.000 m² of land located in Barbaros in Tekirdağ. According to the expertise report prepared by Lotus Gayrimenkul Değerlendirme Danışmanlık A.Ş. on 1 October 2011 numbered 2011/2927, the value of land has been specified as TL 950.000 excluding VAT.

Uskumruköy- Sarıyer Lands:

31.12.2010: The purchase of 9.750 m² of land located in Kayış Kiran in Istanbul and the purchase of 16.750 m² of land located in Kıztaşı in Istanbul were realized to develop residential premises project on 21.01.2010 and 12.03.2010, respectively. According to the expertise report prepared by Lotus Gayrimenkul Değerlendirme Danışmanlık A.Ş. on 22 October 2010 numbered 2010/3769, the value of land has been specified as TL 2.535.000 excluding VAT.

Innovia Project-Nursery Building:

The nursery building is located in Istanbul, Esenyurt, in the district of Cumhuriyet, on Ufuk Street and Nazım Hikmet Boulevard. Within the Innovia 1. Stage it is located on the block numbered 2949 and on the parcel numbered 8 and composed of an area of 1.155 m².

According to the expertise report prepared by Lotus Gayrimenkul Değerlendirme Danışmanlık A.Ş. on 3 October 2011 numbered 2011/2930, the value of lands has been specified as TL 1.835.000 excluding VAT.

Innovia Project 1. Stage Commercial Areas:

According to the expertise report prepared by Lotus Gayrimenkul Değerlendirme Danışmanlık A.Ş. on 3 October 2011 numbered 2011/2931, the value of 6 commercial areas of 1. stage in the Company's portfolio has been specified as TL 2.020.000 excluding VAT.

Innovia Project 1. - 35 units of House:

According to the expertise report prepared by Lotus Gayrimenkul Değerlendirme Danışmanlık A.Ş. on 3 October 2011 numbered 2011/2929, the value of 35 units of house 1. stage in the Company's portfolio has been specified as TL 8.840.000 excluding VAT.

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18. PROPERTY, PLANT AND EQUIPMENT

	31.12.2009	Additions	Merger Effect	31.12.2010	Additions	Disposals	31.12.2011
Cost							
Lands (*)	--	--	--	--	2.047.856	--	2.047.856
Motor Vehicles	115.694	--	126.266	241.960	83.422	(111.215)	214.167
Furniture and Fixtures	243.904	2.186	340.175	586.265	204.322	(5.522)	785.065
Leasehold improvements	186.972	--	--	186.972	393.947	(186.972)	393.947
Total	546.570	2.186	466.441	1.015.197	2.729.547	(303.709)	3.441.035
Accumulated Depreciation							
Motor Vehicles	65.668	23.139	--	88.807	56.541	(27.816)	117.532
Furniture and Fixtures	223.249	7.759	41.942	272.950	110.568	(3.196)	380.322
Leasehold improvements	177.925	4.246	--	182.171	53.467	(183.728)	51.910
Total	466.842	35.144	41.942	543.928	220.576	(214.740)	549.764
NET BOOK VALUE	79.728			471.269			2.891.271

(*) Kocaeli, Körfez 13 Units of Lands:

The Company has planned to build 320 villas in Körfez, Kocaeli. The total construction area about 48.000 m²

According to the expertise report prepared by Lotus Gayrimenkul Değerlendirme Danışmanlık A.Ş. on 15 October 2011 numbered 2011/2998, the value of land has been specified as TL 10.450.000 excluding VAT.

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19. INTANGIBLE ASSETS

	31.12.20 09	Addition s	Merger Effect	31.12.20 10	Addition s	31.12.20 11
Cost						
Rights	59.216	--	225.124	284.340	61.914	346.254
Total	59.216	--	225.124	284.340	61.914	346.254
Accumulated Depreciation						
Rights	56.473	2.003	52.069	110.545	85.727	196.272
Total	56.473	2.003	52.069	110.545	85.727	196.272
NET BOOK VALUE	2.743			173.795		149.982

Rights are composed of computer software.

20. GOODWILL

None (31.12.2010: None).

21. GOVERNMENT GRANTS

None (31.12.2010: None).

22. PROVISIONS, COMMITMENTS AND CONTINGENT LIABILITIES

22.1. Contingent Liabilities

None (31.12.2010: None).

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22.2. Contingent Assets

Below are the amounts of indemnity, mortgage and other guarantees in insurance policies of the Company as of 31 December 2011 and 31 December 2010:

a)

Type of Assets Insured	Insurance Company	Insurance Based Amount (TL)	Net Amount of Assets Recorded (TL)	Insurance Starting Date	Insurance Completion Date
31.12.2011					
Fixtures and Other Tangible Assets	Axa	600.000	746.781	26.04.2011	26.04.2012
Motor Vehicles	Axa	15.001	5.322	09.04.2011	09.04.2012
Motor Vehicles	Axa	62.738	0	25.12.2011	25.12.2012
Motor Vehicles	Axa	18.000	9.281	05.03.2011	05.03.2012
Güzelşehir Shopping Center	Axa + Dask	3.000.000	6.570.000	29.03.2011	29.03.2012
İnnovia 1 Project 33 Units of house	Axa	3.415.610	5.925.148	12.01.2011	12.01.2012
İnnovia 1 Project 33 Units of house	Dask	3.065.640		12.01.2011	12.01.2012
İnnovia 1 Project 25 Units of house	Axa	2.044.000	4.079.986	27.01.2011	27.01.2012
İnnovia 1 Project 25 Units of house	Dask	1.755.840		27.01.2011	27.01.2012
İnnovia 1 Project 6 Units of work places	Axa	543.000	1.975.535	28.01.2011	28.01.2012
İnnovia 1 Project 6 Units of work places	Dask	454.890		28.01.2011	28.01.2012
İnnovia 1 Project 1 Unit of Nursery	Axa	850.000	1.574.653	28.01.2011	28.01.2012
Ongoing Innovia 2 Project	Mapfre	110.326.507	72.287.539	15.12.2011	15.12.2012
Ongoing Innovia 3 Project	Aviva	443.891.500	127.623.833	12.03.2011	12.03.2013
Cash Desk	Axa	500.000	2.239.439	26.04.2011	26.04.2012
Total		570.542.726	223.037.517		

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Type of Assets Insured 31.12.2010	Insurance Company	Insurance Based Amount (TL)	Net Amount of Assets Recorded (TL)	Insurance Starting Date	Insurance Completion Date
Fixtures and Other					
Tangible Assets	Axa	380.000	19.882	21.07.2010	21.07.2011
Motor Vehicles	Axa	17.900	9.579	09.04.2010	09.04.2011
Motor Vehicles	Axa	54.000	17.308	25.12.2010	25.12.2011
Güzelşehir Villas	Axa	363.000		30.03.2010	30.03.2011
Güzelşehir Villas	Dask	280.000	637.722	30.03.2010	30.03.2011
Güzelşehir Shopping Center	Axa + Dask	3.000.000	6.570.000	29.03.2010	29.03.2011
Innovia 1 Project 26 Units of Apartment	Axa	2.355.870		12.01.2010	12.01.2011
Innovia 1 Project 26 Units of Apartment	Dask	2.141.700	3.572.202	12.01.2010	12.01.2011
Innovia 1 Project 10 Units of Apartment	Axa	995.830		12.01.2010	12.01.2011
Innovia 1 Project 10 Units of Apartment	Dask	905.300	2.110.393	12.01.2010	12.01.2011
Innovia 1 Project 38 Units of Apartment	Axa	3.272.000		27.01.2011	27.01.2012
Innovia 1 Project 38 Units of Apartment	Dask	2.844.980	7.579.000	27.01.2011	27.01.2012
Innovia 1 Project 6 Units of Work Places	Axa	543.000		28.01.2011	28.01.2012
Innovia 1 Project 6 Units of Work Places	Dask	454.890	1.927.484	28.01.2011	28.01.2012
Innovia 1 Project 1 Unit of Nursery	Axa	850.000	1.606.789	28.01.2011	28.01.2012
Ongoing Innovia 2 Project	Aviva	257.409.000	171.305.162	21.04.2009	15.01.2011
Cash Desk	Axa	275.000	2.025.360	21.07.2010	21.07.2011
		276.142.470	197.380.881		

b) As of 31 December 2011 provision for receivables letters of guarantee and mortgage bonds which amount to TL 26.828.907 (31.12.2010:23.274.055 TL) have been purchased.

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23. COMMITMENTS

The Group's guarantee, mortgage and accessory contract (GMA) position are shown below:

		31.12.2011	31.12.2010
A	GMA given on behalf the Company's legal entity	122.489.200	93.538.200
B	GMA given on behalf the Company's subsidiaries	--	--
C	GMA given on behalf third parties within trading operations	--	--
D	Other GMA	--	--
	- Given behalf shareholders	--	--
	- Given behalf related parties except B and C	--	--
	- Given behalf third parties except C	--	--
	Other GMA	--	--
		122.489.200	93.538.200

b-) As of 31.12.2011, there were lawsuits amounting to TL 931.709 brought against the Company.

24. RESERVE FOR EMPLOYMENT TERMINATION BENEFITS

	31.12.2011	31.12.2010
Employee Termination Benefits Provision	120.804	137.719

Under Turkish law, the Company is required to pay employment termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, is called up for military service, dies or who retires after completing 25 years of service (20 years for women) and achieves the retirement age (58 for women and 60 for men). In addition, under the existing Social Security Law No.506, clause No. 60, amended by the Labor Laws dated 06.03.1981, No. 2422 and 25.08.1999, No. 4447, the Company is also required to pay termination benefits to each employee who has earned the right to retire by receiving termination indemnities.

As of 31.12.2011, the retirement pay limit is subject to a ceiling of monthly TL 2.805,04 (31.12.2010: TL 2.517,01).

An employment termination benefit is not a funded liability and there is no requirement to fund it.

IAS 19 ("Employee Benefits") requires actuarial valuation methods to be developed to estimate the enterprise's obligation under defined employee plans. Accordingly actuarial assumptions were used in the calculation of the total liability as these actuarial assumptions apply to each individual

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company's defined benefit plan and legal framework in which those companies operate. The actuarial assumptions used in calculation of total liabilities are described below:

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. An expected inflation rate and appropriate discount rate should both be determined, the net of these being real discount rate. This real discount rate should be used to discount future retirement payments to their present value at the balance sheet date. Voluntary employment termination by employee results in the forfeiture of the benefit, this rate should be taken into consideration and estimated since in this case the retirement pay provision will be left to the Company. As of 31.12.2011, the liability for employment termination benefits was calculated based on an annual real discount rate of 4,66% (31.12.2010: 4,66%) using estimated annual inflation rate of 5,1% and discount rate of 10%.

Movement schedule for severance pay obligation is as follows:

	31.12.2011	31.12.2010
Balance at January 1	137.719	42.816
Increase in Employment Termination Benefits during the Period	84.711	110.142
Payments	(101.626)	(33.645)
Yeşil İnşaat Merger Effect	--	18.406
Total	120.804	137.719

25. PENSION PLANS

None (31.12.2010: None).

26. OTHER ASSETS AND LIABILITIES

Other Current Assets	31.12.2011	31.12.2010
Advances Given		
- Third Parties	4.328.406	3.431.795
- Related Parties (Note 37)	180.597.014	92.987.667
Deferred VAT (*)	57.505.172	45.569.311
Advances Given for Business Purposes	--	364.626
Advances Given to Personnel	13.550	8.900
Prepaid Expenses	24.989	209.321
Prepaid Taxes	104.589	3.326
Other	172	--
Total	242.573.892	142.574.946

(*) The Company is constructing apartments under a net value of 150 m² with 18% VAT rate and selling them with 1% VAT rate.

Other Short-term Liabilities	31.12.2011	31.12.2010
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Social Security and Tax Liabilities	1.476.187	291.348
Accrued Expenses		
- Related Parties (Note 37) (**)	60.708.208	34.045.479
- Other	304.843	--
	53.764.514	34.336.827

(**) Accrued expense consists of the construction cost that Yeşil İnşaat Gayrimenkul Yatırım Hizmetleri Ticaret A.Ş. has undertaken for the Innovia Project's construction activity.

Other Non-current Assets	31.12.2011	31.12.2010
Prepaid Expenses	--	60.449
Deferred VAT	--	1.182.600
	--	1.243.049

27. EQUITY

27.1)	31.12.2011		31.12.2010	
<u>Shareholder's Name</u>	<u>%</u>	<u>Share Amount</u>	<u>%</u>	<u>Share Amount</u>
Kamil Engin Yeşil	64,315	151.215.430	90,821	213.534.503
Yeşil İnşaat Gayrimenkul Yatırım Hizmetleri Tic. A.Ş.	17,950	42.203.809	0,236	553.809
Halka Açık Sermaye	12,356	29.048.858	6,222	14.629.785
Emel Yeşil Küçükçolak	2,748	6.460.964	0,090	210.964
Rudolph Younes	1,731	4.070.672	1,731	4.070.672
Other	0,900	2.115.973	0,900	2.115.973
Capital		235.115.706		235.115.706

The Company's registered capital ceiling is TL 400.000.000 (four hundred million Turkish Lira) and each with a nominal value of 1 Krs is divided into 40.000.000.000 (forty billion) shares.

The Company's issued and fully paid capital is TL 235.115.706. TL 619.863 of it is to the bearer shares of the group A and TL 234.495.843 of it is to the bearer shares of the group B. The capital is divided into 23.511.570.601 shares with a nominal value of 1 Krs.

On the shares of the group A, there is a privilege of choosing 5 of 7 Board of Directors' members mostly from the running candidates

30.993.160 units of group A shares are owned by Yeşil İnşaat Gayrimenkul Yatırım Hizmetleri Ticaret A.Ş. and 30.993.166 units of group A shares are owned by Rudolph Younes.

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

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out of statutory profits at the rate of 5% per annum, until the total reserve 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.

The amounts stated above should be re-classified under "Restricted Reserves" in accordance with the CMB Financial Reporting Standards. The Company has no restricted reserves as of 31 December 2011.

In accordance with the Communiqué No:XI-29 and related announcements of CMB, effective from 1 January 2008, "Share capital", "Restricted 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 "Restricted 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 carried at the amounts calculated based on CMB Financial Reporting Standards.

Capital adjustment differences have no other use other than being transferred to share capital.

In accordance with the decision of Capital Markets Board on 9 January 2009 No:1/6 the minimum profit distribution ratio shall be applied as 20% in relation to publicly-listed joint stock partnerships as of 1 January 2009. Accordingly, 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 partners 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 enabled that initial dividend amount be left to the partnership without distribution, if such amount is lower than the 5% of the existing paid-up/issued capital amount. Nevertheless, with regard to the joint stock partnerships, which have increased its capital without performing a dividend distribution as to the previous period and which separates its shares as "new" and "old", it has been made obligatory for those partnerships, which will distribute dividend out of its 2008 profits, to distribute the initial dividend amount in cash.

In addition, based on the CMB Decree 7/242, dated 25 February 2005, if the amount of profit distributions calculated in accordance with the net distributable profit requirements of the CMB does not exceed the statutory net distributable profit, the whole amount of distributable profit should be distributed. If it exceeds the statutory net distributable profit, the whole amount of the statutory net distributable profit should be distributed. It is stated that dividend distributions should not be made if there is a loss in either the financial statements prepared in accordance with CMB regulations or in the statutory financial statements.

27.1.a) Information related to Capital Decrease:

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It has been decided and also announced to the public by the Company's board of directors in their decision dated 21.10.2009 that the outstanding liabilities at the value of 19.431.828 TL of the balance sheet 31.12.2008 which has been audited and agreed upon by the board displaying previous years damages and the cost of the net period shall be covered within the scope of the authorized capital principles where the value of 33.162.530 TL is the issued capital where 13.730.702 TL will be the capital decrease.

On 21.04.2010, the Company's second extraordinary general assembly is gathered and the decision of capital decrease is approved. The capital decrease is registered on 27.04.2010 and published on the Trade Registry Gazette numbered 7555 dated 03.05.2010.

27.1.b) Information related to Capital Increase:

In accordance with the decision of the Board of Directors dated 06.05.2010, within the capital ceiling of TL 400.000.000, it has been decided to increase the issued capital from TL 13.730.702 to TL 24.151.319 and to distribute all of the costless increase amount worth of TL 10.420.617 (approximately 75,89%) as 1.042.061.695 units of bonus shares to shareholders to be covered from distinction from share capital adjustment located under value increase funds and it was announced on the same day to the public.

The capital increase is registered on 15.09.2010 and published on the Trade Registry Gazette numbered 7652 dated 21.09.2010.

27.1.c) Information related to Yeşil İnşaat Merger:

According to the decision of the Company's Board of Directors held on 14.09.2010, within the jurisdictions of the Turkish Commercial Code numbered 451 and of the Capital Market Law and of the Capital Markets Board Series: 1 No: 31, it has been decided to merge with Yeşil İnşaat Yapı Düzenleme ve Pazarlama Tic. A.Ş. by joining in the Company, to merge at 30.06.2010 balance sheets prepared in accordance with relevant regulations of the Capital Market Law and and by assigning all assets and liabilities in the balance sheet of Yeşil İnşaat Yapı Düzenleme ve Pazarlama Tic. A.Ş. dated 30.06.2010, to be predicated on the authority report prescribed on Capital Market Legislation and on the reports prepared by experts appointed by the court in determining the amount of shares provided for shareholders, and to apply to the commercial court of first instance for the appointment of the authority.

In accordance with the Communiqué Series: 1 No: 31 "the Principles for Merger Transaction Procedures" it has been applied to Capital Markets Board with the required pre-merger documents on 29.09.2010. the takeover of all assets and liabilities of Yeşil İnşaat Yapı Düzenleme ve Pazarlama Ticaret A.Ş. was approved on the assembly of the Capital Markets Board dated 11.11.2010 and numbered 34/1036 in accordance with the Turkish Commercial Code numbered 451, with the articles 18 and 20 of the Corporate Tax Law and with the Communiqué Series: 1 No: 31 of Capital Markets Board.

In accordance with the decisions taken in the extraordinary general meeting held on 30.12.2010, it has been approved that the Company merges with Yeşil İnşaat Yapı Düzenleme ve Pazarlama Ticaret A.Ş. by taking over all assets and liabilities of Yeşil İnşaat Yapı Düzenleme ve Pazarlama Ticaret A.Ş. on 30.06.2010. The issued capital is raised from TL 24.151.319 to TL 235.115.706. The rate of merger is determined to be 10,27210% and the rate of exchange is calculated as 84,3857548%. The increased amount of TL 210.964.387 is covered by the merger

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done by taking over all assets and liabilities of Yeşil İnşaat Yapı Düzenleme ve Pazarlama Ticaret A.Ş. on 30.06.2010 in accordance with the 18. and 19. articles of Corporate Tax Law numbered 5520, with the Turkish Commercial Code numbered 451 and with other related jurisdictions, and with the decision of Kadıköy Commercial Court of first instance dated 05.11.2010 numbered 2010/725, with the authority report dated 02.11.2010, with the expert report dated 25.09.2010 and with the association agreement prepared in accordance with the provisions of the legislation of the CMB. 21.096.438.700 units of shares at a nominal value of 1 Krs each are distributed to the shareholders of Yeşil İnşaat Yapı Düzenleme ve Pazarlama Tic. A.Ş based on the rate of merger.

Yeşil Gayrimenkul Yatırım Ortaklığı A.Ş. and Yeşil İnşaat Yapı Düzenleme ve Pazarlama Ticaret A.Ş. applied to Kadıköy Commercial Court of first instance on 21.09.2010. Based on the corporate assessment report made by the expert appointed by Kadıköy Commercial Court of first instance dated 02.11.2010 and according to the method of discounted cash flow statement the capital of Yeşil Gayrimenkul Yatırım Ortaklığı A.Ş., which was TL 24.151.319, has reached to TL 235.115.706 as a result of an increase amounting to TL 210.964.387. Yeşil Gayrimenkul Yatırım Ortaklığı A.Ş. partnership shares worth of TL 210.964.387 are given in accordance with their share proportion to the associates of Yeşil İnşaat Yapı Düzenleme ve Pazarlama Tic. A.Ş. which is taken over. The rate of merger is determined to be 10,27210% and the rate of exchange is calculated as 84,3857548%. The case was decided unanimously with the decision of Kadıköy Commercial Court of first instance dated 05.11.2010 key numbered 2010/725 and decision numbered 2010/813.

The decision of merger with Yeşil İnşaat by taking over all assets and liabilities which is approved by the extraordinary general assembly dated 30.12.2010 is registered in accordance with legislations of the Turkish Commercial Code numbered 6762 and published on the Trade Registry Gazette dated 06.01.2011 numbered 7724.

27.2)	31.12.2011	31.12.2010
Value Increase Funds (Note 27.1)	--	--
	--	--

27.3)	31.12.2011	31.12.2010
Share Premiums	2.576	2.576
	2.576	2.576

As of 31 December 2011, share premiums amounting to TL 2.576 result from selling with premium of the Company's shares during the public offering.

27.4)	31.12.2011	31.12.2010
Previous Year's Losses	(48.617.454)	(2.181.459)
Yeşil İnşaat Merger Effect	--	(43.331.524)

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(48.617.454) (45.512.983)

28. SALES AND COST OF SALES

	01.01- 31.12.2011	01.01- 31.12.2010
House	264.763.649	2.943.644
Commercial area	18.355.670	--
Land	5.155.005	--
Other	2.839.256	--
Rent	552.116	--
Sales income	291.591.431	2.943.644
House	(248.867.016)	(2.693.846)
Commercial area	(5.489.455)	--
Land	(2.535.000)	--
Other	(1.856.387)	--
Rent	(158.370)	--
Cost of sales	(258.906.228)	(2.693.846)
Gross profit	32.685.203	249.798

29. RESEARCH AND DEVELOPMENT EXPENSES, MARKETING, SELLING AND DISTRIBUTION EXPENSES, GENERAL ADMINISTRATIVE EXPENSES

	01.01- 31.12.2011	01.01- 31.12.2010
Marketing, Selling and Distribution Expenses	(6.453.841)	(80.666)
General Administrative Expenses	(10.881.550)	(3.387.643)
Total	(17.335.391)	(3.468.309)

30. FUNCTIONAL BREAKDOWN OF EXPENSES

	01.01-31.12.2011	01.01-31.12.2010
Marketing and Selling Expenses		

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Advertising Expenses	(3.748.177)	--
Sales commissions	(1.436.231)	(25.949)
Bank expenses	(560.749)	--
Rent expenses	(304.844)	--
Office expenses	(159.021)	--
Personnel Expenses	(155.819)	--
Land registry expenses	(11.620)	(43.228)
Market research expenses	(5.700)	--
Communication expenses	(2.880)	--
Marketing expenses of Güzelşehir Project	--	(11.186)
Other	(68.800)	(303)
	(6.453.841)	(80.666)

	01.01-31.12.2011	01.01-31.12.2010
General Administrative Expenses		
Personnel Expenses	(3.504.472)	(1.536.953)
Consultancy and Audit Expenses	(1.334.367)	(258.304)
Advertising Expenses	(242.189)	(105.196)
Honorarium Fees	(115.761)	(101.900)
Rent Expenses	(401.197)	(150.000)
Office Expenses	(308.080)	(60.616)
Communication expenses	(356.459)	(14.176)
Depreciation and Amortization Expenses	(417.353)	(37.145)
Car Expenses	(244.288)	(33.970)
IT Expenses	(52.240)	(14.949)
Representation Expenses	(59.839)	(27.035)
Travelling Expenses	(21.109)	(19.259)
Subscription Fees	(6.005)	(99.080)
Taxes, Duties and Charges	(2.706.431)	(29.531)
CMB Registration Fee	(210.964)	(816.050)
Notary, Legal Follow-up Expenses	(66.156)	(16.461)
Contribution expenses	(330.960)	--
Other	(503.680)	(67.018)
	(10.881.550)	(3.387.643)

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31. OTHER INCOME / EXPENSES

	01.01- 31.12.2011	01.01- 31.12.2010
Other Operating Income:		
Provision released (Note 17)	103.763	--
Protest charges received from customers	125.342	--
Fixed Asset Sales Income	200	--
Other	40.844	--
Total	270.149	--

	01.01- 31.12.2011	01.01- 31.12.2010
Other Operating Expenses:		
Protest charges	(179.560)	--
Penalties	(15.280)	--
Total	(194.840)	--

32. FINANCIAL INCOME

	01.01- 31.12.2011	01.01- 31.12.2010
Foreign Exchange Gains	4.154.123	318.780
Interest Income	818.299	62.512
Term differences	11.330	1.165
Term differences notes receivables	62.344	--
Profit on Sale of Marketable Securities	5.331	7.496
Total	5.051.427	389.953

33. FINANCIAL EXPENSE

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	01.01- 31.12.2011	01.01- 31.12.2010
Foreign Exchange Losses	(5.206.068)	(272.234)
Term differences	--	(3.679)
Bank commission expenses	(436.716)	--
Interest paid	(167.891)	--
Letters of guarantee expenses	(19.894)	--
Other	(1.452)	--
Total	(5.832.021)	(275.913)

34. ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

None (31.12.2010: None).

35. TAXES

Real Estate Investment Trusts are exempted from corporate tax in accordance with the article 5 of "Corporate Tax Law" (New Corporate Tax Law) that was published in the Official Gazette No:5520 dated 21 June 2006 also became effective for the income of year 2006. Nevermore, in accordance with the Article 15 of this Law, 15% corporate withholding liability occurs from income of Real Estate Investment Trusts that are exempted from corporate tax. On the other hand, the authority determining the deduction rate based on the extent frame specified in the Law, is delegated to the Council of Ministers. The fourth clause of the temporary Article 1 of this Law states that "Until new decisions are taken by the Council of Ministers within the authority limits expressed in this law, Income Tax Law numbered 193 and arrangements published in the conclusion of the Council of Ministers regarding the tax rates and other matters in the scope of the Law numbered 5422 are still effective as long as they do not exceed the legal limits in this law". In the accompanying financial statements, current period tax provision and deferred tax provision are not calculated, since the deduction rates are not determined by the Council of Ministers.

36. PROFIT/ (LOSS) PER SHARE

	01.01- 31.12.2011	01.01- 31.12.2010
Net profit/ (loss)	14.644.527	(3.104.471)
Weighted Average Number of Ordinary Shares in Issue	23.511.570.601	2.472.930.363
Profit/ (loss) per share	0,00062	(0,00126)

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37. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

a) Advances Given to Related Parties:	31.12.2011	31.12.2010
Yeşil İnşaat Gayrimenkul Yatırım Hizmetleri Ticaret A.Ş.	174.471.112	92.303.586
Haytek İnşaat Taahhüt A.Ş.	4.185.671	--
Üst Düzey Yönetime Verilen Avanslar	1.940.231	684.081
	180.597.014	92.987.667
b) Other Short-term Liabilities to Related Parties (Note 26):	31.12.2011	31.12.2010
Yeşil İnşaat Gayrimenkul Yatırım Hizmetleri Ticaret A.Ş.	51.983.484	34.045.479
Haytek İnşaat Taahhüt A.Ş.	8.724.724	--
	60.708.208	34.045.479
c) Trade payables to Related Parties:	31.12.2011	31.12.2010
Haytek İnşaat Taahhüt A.Ş.	4.069.905	--
SRM Gayrimenkul Yön. Hizm. A.Ş.	54.098	--
	4.124.003	--
d) Notes payables to Related Parties:	31.12.2011	31.12.2010
Yeşil İnş.Gay.Men.Yat.Hizm. Tic. A.Ş.	5.500.000	--
Haytek İnşaat Taahhüt A.Ş.	9.245.427	--
	14.745.427	--

e) Benefit of the management:

Within the period of 01.01.-31.12.2011 monetary benefits provided to the top management is TL 1.007.623 TL 998.854 of that amount is paid as wage and TL 8.769 of that amount are paid as health insurance to the top business executive. TL 115.761 of that amount consists of honorarium fees paid to the board members.

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38. FINANCIAL INSTRUMENTS RISKS CHARACTERISTICS AND NATURE

Financial Instruments

Financial Risk Management Objectives and Policies

The Company due to its activities focused on managing several financial risks including effects of price changes in debt and capital market, and changes in exchange and interest rates. The Company aimed with the risk management program at minimizing potential adverse effects resulting from market disruption.

Interest Rate Risk

The Company is exposed to interest rate risk due to the impact of interest rate changes on interest-bearing liabilities. The interest rate risk is managed by balancing assets and liabilities which are sensitive to interest rate.

The Company's financial instruments sensitive to the interest rate are listed below:

	31.12.2011	31.12.2010
Fixed Interest Rate Financial Instruments		
Financial Liabilities	115.786.452	38.859.511

As of 31.12.2011, if interest rate were 1% basis points higher/lower with all other variables held constant, pre-tax profit would be TL 255.922 lower/higher.

Credit Risk

Credit risk is defined as the risk of a financial loss to the company due to the fact that one of the financial instruments does not fulfill its contractual obligations. The Company intended to perform its operations only with the parties which have a credit reliability and, if possible, to reduce credit risk by obtaining collateral. The Company's exposure credit risks are monitored continuously.

Exposure credit risks with financial instruments are shown below:

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31.12.2011

	Receivables						
	Trade Receivables		Other Receivables		Bank Deposits	Derivatives	Other
	Related Parties	Third Parties	Related Parties	Third Parties			
Maximum exposure to credit risk as of 31.12.2010	--	--	--	--	--	--	--
- Secured portion of maximum credit risk with collateral	--	--	--	--	--	--	--
A. Carrying amount of financial assets that are not overdue and not impaired	--	209.350.176	--	748.197	3.750.423	--	--
B. Carrying amount of financial assets whose terms were renegotiated, otherwise are overdue and impaired	--	--	--	--	--	--	--
C. Carrying amount of assets that are overdue but not impaired	--	12.082.616	--	--	--	--	--
- Carrying amount secured with collateral	--	12.082.616	--	--	--	--	--
D. Carrying amount of assets that are impaired	--	--	--	--	--	--	--
- Overdue (gross carrying amount)	--	--	--	--	--	--	--
- Impairment (-)	--	--	--	--	--	--	--
- Carrying amount secured with collateral	--	--	--	--	--	--	--
- Not overdue (gross carrying amount)	--	--	--	--	--	--	--
- Impairment (-)	--	--	--	--	--	--	--
- Carrying amount secured with collateral	--	--	--	--	--	--	--
E. Including credit risk except balance sheet	--	--	--	--	--	--	--

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31.12.2010

	Receivables				Bank Deposits	Derivatives	Other
	Trade Receivables		Other Receivables				
	Related Parties	Third Parties	Related Parties	Third Parties			
Maximum exposure to credit risk as of 31.12.2010	--	--	--	--	--	--	--
- Secured portion of maximum credit risk with collateral	--	--	--	--	--	--	--
A. Carrying amount of financial assets that are not overdue and not impaired	--	280.400.629	--	424.168	16.589.527	--	--
B. Carrying amount of financial assets whose terms were renegotiated, otherwise are overdue and impaired	--	--	--	--	--	--	--
C. Carrying amount of assets that are overdue but not impaired	--	5.630.236	--	--	--	--	--
- Carrying amount secured with collateral	--	5.630.236	--	--	--	--	--
D. Carrying amount of assets that are impaired	--	--	--	--	--	--	--
- Overdue (gross carrying amount)	--	209.437	--	--	--	--	--
- Impairment (-)	--	(209.437)	--	--	--	--	--
- Carrying amount secured with collateral	--	--	--	--	--	--	--
- Not overdue (gross carrying amount)	--	--	--	--	--	--	--
- Impairment (-)	--	--	--	--	--	--	--
- Carrying	--	--	--	--	--	--	--

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amount secured
with collateral
E. Including credit
risk except
balance sheet

-- -- -- -- -- -- --

Explanation related to age of assets which are overdue but not impaired is below:

	Receivables			Bank Deposits	Derivatives	Other
	Trade Receivables	Other Receivables				
31.12.2011						
1-30 days past due	6.349.913	--	--	--	--	--
1-3 months past due	3.380.307	--	--	--	--	--
3-12 months past due	1.900.176	--	--	--	--	--
1-5 years past due	452.220	--	--	--	--	--
More than 5 years past due	--	--	--	--	--	--
Assured part with Guarantee etc.	12.082.616	--	--	--	--	--

	Receivables			Bank Deposits	Derivatives	Other
	Trade Receivables	Other Receivables				
31.12.2010						
1-30 days past due	3.440.329	--	--	--	--	--
1-3 months past due	566.202	--	--	--	--	--
3-12 months past due	922.958	--	--	--	--	--
1-5 years past due	700.747	--	--	--	--	--
More than 5 years past due	--	--	--	--	--	--
Assured part with Guarantee etc.	5.630.236	--	--	--	--	--

Liquidity Risk

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The breakdown of liabilities according to their contractual maturity is based on the maturity dates from the date of the balance sheet is given below:

31.12.2011

Contractual Maturities	Book Value	Total			
		Cash Outflow	1-3 months Maturity	3-12 months Maturity	Over 1 year
Borrowings	115.786.452	119.959.967	12.849.488	107.110.479	--

Expected Maturities	Book Value	Total			
		Cash Outflow	1-3 months Maturity	3-12 months Maturity	Over 1 year
Trade Payables	29.505.647	30.278.948	15.385.344	14.893.604	--
Other Payables	640.476.820	640.476.820	324.654	640.152.166	--

31.12.2010

Contractual Maturities	Book Value	Total			
		Cash Outflow	1-3 months Maturity	3-12 months Maturity	Over 1 year
Borrowings	38.859.511	41.248.518	4.919.040	36.329.478	--

Expected Maturities	Book Value	Total			
		Cash Outflow	1-3 months Maturity	3-12 months Maturity	Over 1 year
Trade Payables	19.001.943	19.473.456	13.396.639	2.876.817	3.200.000
Other Payables	581.478.070	581.478.070	550.488	580.927.582	--

Foreign Currency Risks

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The majority of the Company's transactions are carried out in Euros and US Dollars. Exposure to currency exchange rates arise from the Company's overseas sales and purchases, trade receivables, bank loans and trade payables which are primarily denominated in US Dollars and Euros. The net currency position of the Company as of the balance sheet dates are shown below:

	31.12.2011	31.12.2010
Assets	19.043.858	18.905.403
Liabilities	(27.004.860)	(23.747.134)
Net Foreign Currency Exposure	(7.961.002)	(4.841.731)

31.12.2011	TL Equivalent	US Dollar	EUR	GBP
1. Trade receivables	15.276.197	62.281	61.637	5.144.986
2a. Monetary financial assets (including cash and bank accounts)	2.181.680	1.155.000	--	--
2b. Non-monetary financial assets	--	--	--	--
3. Other	1.585.981	574.859	94.029	92.678
4. Current assets (1+2+3)	19.043.858	1.792.140	155.666	5.237.664
5. Trade receivables	--	--	--	--
6a. Monetary financial assets	--	--	--	--
6b. Non-monetary financial assets	--	--	--	--
7. Other	--	--	--	--
8. Non-current assets (5+6+7)	--	--	--	--
9. Total assets (4+8)	19.043.858	1.792.140	155.666	5.237.664
10. Trade payables	1.033.738	241.081	126.604	92.206
11. Financial liabilities	--	--	--	--
12a. Monetary other liabilities	--	--	--	--
12b. Non-monetary other liabilities	25.971.122	685.762	69.000	8.401.496
13. Short term liabilities (10+11+12)	27.004.860	926.843	195.604	8.493.702
14. Trade payables	--	--	--	--
15. Financial liabilities	--	--	--	--
16a. Monetary other liabilities	--	--	--	--
16b. Non-monetary other liabilities	--	--	--	--
17. Long term liabilities (14+15+16)	--	--	--	--
18. Total liabilities (13+17)	27.004.860	926.843	195.604	8.493.702
19. Off balance sheet derivative instruments/net assets (liabilities) position (19a-19b)	--	--	--	--
19a. Total asset amount of hedge	--	--	--	--
19b. Total liabilities amount of hedge	--	--	--	--
20. Net foreign currency position (9-18+19)	(7.961.002)	865.297	(39.938)	(3.256.038)
21. Monetary net foreign currency	--	--	--	--

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position/ (UFRS 7.B23)	--	--	--	--
(=1+2a+5+6a-10-11-12a-14-15-16a)	16.424.138	976.200	(64.967)	5.052.780
22. Total fair value of financial instruments for hedge	--	--	--	--
23. Exports	--	--	--	--
24. Imports	--	--	--	--

31.12.2010	TL Equivalent	US Dollar	EUR	GBP
1. Trade receivables	3.364.295	545.420	160.060	918.152
2a. Monetary financial assets (including cash and bank accounts)	1.833.176	1.172.301	10.150	--
2b. Non-monetary financial assets	--	--	--	--
3. Other	--	--	--	--
4. Current assets (1+2+3)	5.197.471	1.717.721	170.210	918.152
5. Trade receivables	13.707.932	23.221	31.220	5.697.086
6a. Monetary financial assets	--	--	--	--
6b. Non-monetary financial assets	--	--	--	--
7. Other	--	--	--	--
8. Non-current assets (5+6+7)	13.707.932	23.221	31.220	5.697.086
9. Total assets (4+8)	18.905.404	1.740.942	201.430	6.615.238
10. Trade payables	4.288.134	1.028.667	126.975	1.020.527
11. Financial liabilities	--	--	--	--
12a. Monetary other liabilities	--	--	--	--
12b. Non-monetary other liabilities	--	--	--	--
13. Short term liabilities (10+11+12)	4.288.134	1.028.667	126.975	1.020.527
14. Trade payables	19.459.000	685.762	48.000	7.661.582
15. Financial liabilities	--	--	--	--
16a. Monetary other liabilities	--	--	--	--
16b. Non-monetary other liabilities	--	--	--	--
17. Long term liabilities (14+15+16)	19.459.000	685.762	48.000	7.661.582
18. Total liabilities (13+17)	23.747.134	1.714.429	174.975	8.682.109
19. Off balance sheet derivative instruments/net assets (liabilities) position (19a-19b)	--	--	--	--
19a. Total asset amount of hedge	--	--	--	--
19b. Total liabilities amount of hedge	--	--	--	--
20. Net foreign currency position (9-18+19)	(4.841.730)	26.513	26.455	(2.066.871)
21. Monetary net foreign currency position/ (UFRS 7.B23)	--	--	--	--
(=1+2a+5+6a-10-11-12a-14-15-16a)	--	--	--	--
22. Total fair value of financial instruments for hedge	--	--	--	--
23. Exports	--	--	--	--

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24. Imports -- -- -- --

The sensitivity test of foreign currency position is shown below:

Foreign Currency Sensitivity Analyzing Table				
31.12.2011				
	Profit/(Loss)		Equity	
	Foreign Currency Valuation	Foreign Currency Depreciation	Foreign Currency Valuation	Foreign Currency Depreciation
	If USD change 10 % against TL			
1- USD net assets/liabilities	163.446	(163.446)	163.446	(163.446)
2- Hedging part of USD risk (-)	--	--	--	--
3-USD net effect (1+2)	163.446	(163.446)	163.446	(163.446)
	If EUR change 10 % against TL			
4- EUR net assets/liabilities	(9.760)	9.760	(9.760)	9.760
5- Hedging part of EUR risk (-)	--	--	--	--
6- EUR net effect (4+5)	(9.760)	9.760	(9.760)	9.760
	If GBP change 10 % against TL			
7- GBP net assets/liabilities	(949.786)	949.786	(949.786)	949.786
8- Hedging part of GBP risk (-)	--	--	--	--
9- GBP net effect (7+8)	(949.786)	949.786	(949.786)	949.786
Total (3+6+9)	(796.100)	(796.100)	(796.100)	(796.100)

Foreign Currency Sensitivity Analyzing Table				
31.12.2010				
	Profit/(Loss)		Equity	
	Foreign Currency Valuation	Foreign Currency Depreciation	Foreign Currency Valuation	Foreign Currency Depreciation
	If USD change 10 % against TL			
1- USD net assets/liabilities	4.099	(4.099)	4.099	(4.099)
2- Hedging part of USD risk (-)	--	--	--	--
3-USD net effect (1+2)	4.099	(4.099)	4.099	(4.099)
	If EUR change 10 % against TL			
4- EUR net assets/liabilities	5.421	(5.421)	5.421	(5.421)
5- Hedging part of EUR risk (-)	--	--	--	--
6- EUR net effect (4+5)	5.421	(5.421)	5.421	(5.421)
	If GBP change 10 % against TL			
7- GBP net assets/liabilities	(493.693)	493.693	(493.693)	493.693
8- Hedging part of GBP risk (-)	--	--	--	--
9- GBP net effect (7+8)	(493.693)	493.693	(493.693)	493.693
Total (3+6+9)	(484.173)	484.173	(484.173)	484.173
<i>Capital risk management</i>				

The Company's capital management objectives are:

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- ensure the Company's ability to continue as a going concern; and
- to provide an adequate return to shareholders,

by pricing products and services commensurately with the level of risk

The Company monitors capital on the basis of the carrying amount of equity plus its total of current and non current borrowings (net debt) less cash and cash equivalents as presented on the face of the consolidated balance sheet.

The Company sets the amounts of capital in proportion to its overall financing structure i.e. equity and financial liabilities. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure the Company may adjust the amount of dividends paid the shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company's capital to overall or financing ratio developed as follows:

	31.12.2011	31.12.2010
Total Financial Liabilities	115.786.452	38.859.511
Cash and Cash Equivalents	(5.989.862)	(18.614.887)
Net Debt	109.796.590	20.244.624
Total Equity	201.145.355	186.972.340
Overall Financing	310.941.945	207.216.964
Net Debt/Overall Financing	%35	%10

Fair value of financial instruments

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and is best evidenced by a quoted market price, if one exists.

The estimated fair values of financial instruments have been determined by the Company using available market information, management's judgment and appropriate valuation methodologies. The following disclosure of the estimated fair value of financial instruments is made with the requirements of IAS 32. To the extent relevant and reliable information is available from the financial markets in Turkey; the fair value of the financial instruments of the Company is based on such market data. The fair values of the remaining financial instruments of the Company can only be estimated. The estimates presented herein are not necessarily indicative of the amounts the Company could realize in a current market exchange.

The following methods and assumptions were used to estimate the fair value of the Company's financial instruments:

Monetary Assets

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Balances denominated in foreign currencies are translated at year-end exchange rates. The fair value of certain financial assets carried at cost, including cash and due from banks, marketable securities plus the respective accrued interest are considered to approximate their respective carrying values. The carrying value of the trade receivables net of provisions for uncollectible are considered to approximate their fair values.

Monetary Liabilities

The fair values of short-term bank loans and other monetary liabilities are considered to approximate their respective carrying values due to their short-term nature. The fair values of long-term bank borrowings which are denominated in foreign currencies and translated at year-end exchange rates are considered to approximate their carrying values.

39. FINANCIAL INSTRUMENTS: DISCLOSURES (FAIR VALUE DISCLOSURES AND HEDGE ACCOUNTING DISCLOSURES)

The carrying value of the Company's financial instruments approximates their fair value. The Company does not have any speculative financial instruments and does not any activity for speculative purposes with purchase and sale of financial instruments.

Financial Risk Management Objectives

The Company's finance department function provides services to the business, coordinates access to domestic and international markets, monitors and manages the financial risks arising from the Company's operations through internal operations reports which analyses exposures by degree and magnitude of risk. These risks include market risk (including currency risk, fair value interest rate risk and price risk) credit risk, liquidity risk.

40. POST BALANCE SHEET EVENTS

1) The Company's financial statements for the year ended on 31 December 2011 were approved by the Board of Directors on 22.02.2012. The General Assembly has the right to alter the financial statements after the release date,

2) The ceiling for severance pay is raised from 2.623,23 TL/year to 2.805,04 TL/year to be effective as from 01.01.2011.

3) In the general meeting of shareholders dated 22.12.2011, shareholders determined to increase the registered capital ceiling of the Company from TL 400.000.000,00 to TL 1.000.000.000,00.

41. OTHER MATTERS THAT MAY HAVE A MATERIAL EFFECT ON, OR PREVENT THE CLEAR UNDERSTANDING OF THE CONSOLIDATED FINANCIAL STATEMENTS

None (31.12.2010: None).

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APPENDIX: COMPLIANCE CONTROL ON PORTFOLIO LIMITATIONS

The Company's control of compliance of the portfolio limits according to the CMB Communiqué Serial: VI, No. 11 "Communiqué on Principles Regarding Real Estate Investment Trusts" is as follows:

Unconsolidated (separate) financial statement main account items	Related Regulation	31.12.2011 (TL)	31.12.2010 (TL)
A Cash and capital market instruments	Serial:VI, No:11, Md.27/(b)	5.989.862	18.614.887
Investment properties, investment property-based projects,	Serial:VI, No:11, Md.27/(a)	582.002.578	506.343.065
B investment property-based rights	Serial:VI, No:11, Md.27/(b)	--	--
C Participations	Serial:VI, No:11, Md.24/(g)	1.940.231	684.081
Due from related parties (non-trade)		451.011.687	334.672.865
Other assets		1.040.944.358	860.314.898
D Total assets	Serial:VI, No:11, Md.4/(i)	1.040.944.358	860.314.898
E Financial liabilities	Serial:VI, No:11, Md.35	115.786.452	38.859.511
F Other financial liabilities	Serial:VI, No:11, Md.35	--	--
G Finance lease liabilities	Serial:VI, No:11, Md.35	--	--
H Due to related parties (non-trade)	Serial:VI, No:11, Md.24/(g)	--	--
I Shareholders' equity	Serial:VI, No:11, Md.35	201.290.121	186.500.828
Other liabilities		723.867.785	634.954.559
D Total liabilities and equity	Serial:VI, No:11, Md.4/(i)	1.040.944.358	860.314.898
Unconsolidated (separate) other financial information	Related Regulation	31.12.2011 (TL)	31.12.2010 (TL)
A1 Cash and capital market instruments held for payments of investment properties for 3 years	Serial:VI, No:11, Md.27/(b)	--	--
A2 Time / demand TL / foreign currency	Serial:VI, No:11, Md.27/(b)	5.989.862	18.614.887
A3 Foreign capital market instruments	Serial:VI, No:11, Md.27/(c)	--	--
B1 Foreign investment property, investment	Serial:VI, No:11,	--	--

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	property-based projects, investment property-based rights	Md.27/(c)		
B2	Idle lands	Serial:VI, No:11, Md.27/(d)	855.000	3.255.000
C1	Foreign subsidiaries	Serial:VI, No:11, Md.27/(c)	--	--
C2	Participation to the operator company	Serial:VI, No:11, Md.32/A	--	--
J	Non-cash loans	Serial:VI, No:11, Md.35	--	--
K	Pledges on land not owned by the Investment Trust which will be used for project developments	Serial:VI, No:11, Md.25/(n)	--	--

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APPENDIX: COMPLIANCE CONTROL ON PORTFOLIO LIMITATIONS *(continued)*

Portfolio Constraints	Related Regulation	31.12.2011 (TL)	31.12.2010 (TL)	Minimum /Maximum Ratio
1 Pledges on Land not Owned by the Investment Trust which will be Used for Project Developments	Serial:VI, No:11, Md.25/(n)	0%	0%	10
2 Investment Property, Investment Property Based Projects, Investment Property Based Rights	Serial:VI, No:11, Md.27/(a),(b)	56%	59%	50
3 Cash and Capital Market Instruments and Participations	Serial:VI, No:11, Md.27/(b)	1%	2%	50
4 Foreign Investment Property, Investment Property based Projects, Investment Property Based Rights, Participations, Capital Market Instruments	Serial:VI, No:11, Md.27/(c)	0%	0%	49
5 Idle Lands	Serial:VI, No:11, Md.27/(d)	0,1%	0%	20
6 Participation to the Operator Company	Serial:VI, No:11, Md.32/A	0%	0%	10
7 Borrowing Limit	Serial:VI, No:11, Md.35	58%	21%	500
8 Time / Demand TL / Foreign Currency	Serial:VI, No:11, Md.27/(b)	1%	2%	10

AUDITOR'S REPORT FOR THE YEAR 2011 TO THE ASSEMBLY OF YEŞİL REAL ESTATE INVESTMENT TRUST

The Company's:

- Trade-Name : YEŞİL GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.
- Headquarters : İSTANBUL
- Capital : 235.115.706,01 TRY
- Line of Business : REAL ESTATE INVESTMENT TRUST

Auditor's or Auditors' names, terms of office, whether they are shareholder or personnel of the Company:

- Erkan DEMİR - assigned for 1-year term of office
- Önder YÜKSEL - assigned for 1-year term of office

The auditors stated above are not shareholders or personnel of the Company.

The number of Board Meetings attended and the Auditing Committee meetings held: Auditors participated in the meetings of the Board of Directors at different dates in the year 2011. In temporary taxation periods, our Auditing Committee held separate meetings for making audits in the headquarters of the Company.

The scope, dates and conclusions of the examinations made on the company's accounts, books and documents: In the examinations carried out in the interim balance sheet quarters, it was determined that the book records and documents were kept in compliance with the legislation and procedures and any illegal application was not detected. The balance sheet prepared for the fiscal year of 2011 and the independent audit report prepared in relation thereof were separately examined.

The number and results of the counts made in the treasury department of the company as per the subparagraph 3 of the paragraph 1 of the article 353 of the Turkish Commercial Law: In the counting and examinations performed in the treasury department of the Company in each quarter, any illegal application such as cash shortage or cash surplus, etc. was not determined.

The dates and results of the examinations performed as per the subparagraph 4 of the paragraph 1 of the article 353 of the Turkish Commercial Law: As a result of the examinations carried out, the valuable papers delivered for keeping in the treasury department exist in the Company in accord with the records.

Complaints and malpractices reported and the procedures implemented in respect thereof: There is no complaint or malpractice reported to our Auditing Committee.

We have examined and audited the accounts and transactions of YEŞİL GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ arranged for the fiscal period of 01.01.2011 – 31.12.2011 in accordance with the Turkish Commercial Law, the articles of incorporation of the company, the other related legislation and the generally accepted accounting principles and standards.

We are of the opinion that the enclosed balance sheet arranged by the date of 31.12.2011 the contents of which were approved by us reflects truly the financial condition of the company by the date specified and that the income statement pertaining to the period of 01.01.2011 – 31.12.2011 shows the actual operating results of the Company in the stated period.

You are kindly requested to approve the balance sheet and the income statement and allow the approval of the Board of Directors.

Auditor
Erkan Demir

Auditor
Önder Yüksel