

Material Disclosure

Within provisions of the “Communique on Repurchased Shares” (II-22.1) of the Capital Markets Board, “Akfen Gayrimenkul Yatırım Ortaklığı A.Ş. – Company’s shares Buyback Program” was approved in the General Asembly held on 2016, 24 May and the details of the program is given in the attachement of the disclosure.

AKFEN GAYRIMENKUL YATIRIM ORTAKLIĐI A.Ő. COMPANY’S SHARES BUYBACK PROGRAM

Purpose of Buyback

As the share price of our Company’s shares started to trade on Borsa Istanbul A.Ő. (“BIAŐ”) as of May 11, 2011 has declined significantly below its initial public offering price due to instabilities arisen in the geographical region where Turkey is located and also due to the fact that prices on Borsa Istanbul A.Ő. do not reflect the real performance of our Company’s activities and to reduce the price fluctuations it is aimed to allow repurchase of our shares traded on Borsa Istanbul A.Ő. if deemed necessary by taking into consideration existing market conditions, and within this scope, by virtue of the authorization given by the General Assembly for share buyback, to follow the price movements to be arisen on the exchange in the next period and to repurchase the shares of our Company if deemed necessary.

The Period of the Share Buyback Program

Thirty six (36) months

Minimum Number of Shares which can be Repurchased

It is foreseen to buy back shares at the maximum amount that the legislation allows. Provisions of the relevant legislation allow to buy back 10% of the Company’s capital. If there will a change in the legislation or increase in the capital, the operation is carried out in compliance with the increased capital or the amended legislation.

The program will be completed once the maximum amount of shares subject to buyback have been purchased.

Total Amount and Source of the Funds Allocated for Share Buyback

A fund in an amount of TL 41,950,000.00 has been allocated for share buyback coming from the company’s resources and income from its activities.

Nominal value of repurchased shares is not allowed to exceed 10% of the issued capital including previous buybacks. Repurchased shares sold during the program are not included in the calculation of this ratio as a reduction item.

Total amount of repurchased shares cannot exceed total amount of funds which can be used for dividend distribution.

Lower and Upper Price Limits for the Share Buyback

In repurchasing of shares, the lower price limit is TL 0 (zero), while the upper price limit is TL 2.28 (Two Turkish Liras Twenty Eight Kuruő).

Authority Duration and Transaction Procedure Requested from the General Assembly

The Company’s Board of Directors has been authorized for a period of 3 (three) years.

The Board of Directors is authorized for the transactions, in accordance with the legislation, of share buyback and disposal of the purchased shares for 3 (three) years following the authorization. Provided to be within the authorization time, the Board of Directors can carry out one or more buyback programs which have shorter periods.

The Board of Directors can decide to start a new buyback program after the completion of a buyback program within the 3 (three) years authorization time. In this case, the procedure mentioned above is applied.

The Board of Directors is authorized to finalize the sales without selling all purchased shares and to start a new buyback program.

Authorization for Purchases

The Company employee, Mrs. Hülya Deniz Bilecik is authorized for purchases.

The Number of Shares Repurchased and not Sold Yet, Their Share in The Capital and The Results of The Previous Program

The Number of Shares Repurchased and not Sold Yet: 0

Their Share in The Capital: 0

No buyback was performed by our Company previously within the relevant legislation.

Minimum, Maximum and Weighted Average Share Price Information in the last year

As of 13.04.2016, in the last year;

Minimum share price: TL 1.23

Maximum share price: TL 1.70

Weighted average share price: TL 1.48

Minimum, Maximum and Weighted Average Share Price Information in the last 3 months

As of 13.04.2016, in the last three months;

Minimum share price: TL 1.23

Maximum share price: TL 1.68

Weighted average share price: TL 1.46

Benefits that Related Parties will get from the Buyback Transaction

None

Information About Subsidiaries Which Can Buy Back Within The Program, If Any

Akfen Gayrimenkul Ticareti ve İnşaat A.Ş.

Date of General Assembly Meeting where the Share Buyback Program will be Submitted for Approval

The Share Buyback Program will be submitted to the approval of 2015 Ordinary General Assembly to be convened on May 24, 2016, Tuesday at 01:30 PM.

Public Disclosures

The buyback program prepared by the Board, excluding the announcement and meeting date, will be made public by the Company via a special case declaration at least three weeks prior to the date of the general assembly and simultaneously posted on the company web site www.akfengyo.com.tr

If there is a revision made by the general assembly to the buyback program submitted to the approval of the general assembly, the revised program, will be made public by the partnership via a special case declaration on the first working day after the general assembly and simultaneously posted on the company web site.

According to the program two working days before the share buyback transactions start, the Company makes a special case declaration with regard to the start and finish date of the

period during which the buybacks are scheduled, nominal value of the shares subject to buyback and their share in the capital.

The company makes a special case declaration for every transaction carried out within the buyback program, on the working day following the transaction date prior to the session, stating the nominal value of the shares subject to the transaction, transaction price, their share in the capital, nominal value of the shares that were repurchased previously within the program, and privileges related to these shares, if any and the date of the transaction.

In case shares repurchased are sold, including previous purchases, the Company makes a special case declaration on the working day following the transaction date prior to the session, stating the nominal value of the shares subject to the transaction, transaction price, their share in the capital, share of the remaining shares in the capital, the realized profit/loss amount, and privileges related to these shares, if any and the date of the transaction.

The company makes a public announcement, within a period of three working days following the ending of the period foreseen for the buyback, finishing of the program and completion of the buybacks within the program, stating the maximum and average price paid for the repurchased shares, the funds used for the buybacks, the total amount of the shares repurchased and their share in the capital. In the case that the shares repurchased by the Company are sold during the program, additionally, in a similar way the total nominal amount of the sold shares, total profit/loss amount and average sales price, and privileges related to the shares subject to trading, if any and the transaction date. These information, that summarizes the transactions within the buyback program, are submitted to the information of the shareholders at the first general assembly.

Other Information related to the Buyback Program

Legal reserves in the amount of the value of the repurchased shares will be classified under Shareholders's Equity as restricted reserve. These reserves are released once the repurchased shares are sold or redeemed in the amount of their buyback values.

Purchased shares are not taken into consideration at the calculation of the quorum of the general assembly meeting.