



ALARKO GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.
1 January 2008 – 30 June 2008

Quarter Report

A- TERM OF THE REPORT

The report consists of the period 01.01.2008 – 30.06.2008.

B- BOARDS OF DIRECTORS AND AUDITORS

The members of the Board of Directors and Auditors, acquitted on the General Assembly Meeting held on 27 March 2008, are listed above.

<u>Board of Directors</u>	<u>Duty</u>	<u>Commencement Date of Duty</u>	<u>Expiry Date of Duty</u>
Mustafa Filiz	Chairman	27.03.2008	26.03.2009
Ahmet Önder Kazazoğlu	Vice Chairman	27.03.2008	26.03.2009
Mehmet Alper Kaptanoğlu	Director	27.03.2008	26.03.2009
Hilmi Önder Şahin	Director	27.03.2008	26.03.2009
Edip İlkbahar	Director	27.03.2008	26.03.2009
Mehmet Kutman	Director	27.03.2008	26.03.2009
Sarper Volkan Özten	Director	27.03.2008	26.03.2009

Board of Auditors

Ümit Nuri Yıldız	Statutory Auditors	27.03.2008	26.03.2009
Aykut Baycan	Statutory Auditors	27.03.2008	26.03.2009
Hami Özçelik Çataloğlu	Statutory Auditors	27.03.2008	26.03.2009

Powers and Responsibilities of Board Members and Statutory Auditors

The Chairman and Directors are having the power and responsibility in accordance with the Turkish Commercial Legislations and Company's Articles of Association. Powers and responsibilities of Board members are set forth in the company's articles of association on 14th article. Powers and responsibilities of Statutory Auditors are set forth in the company's articles of association 16th and 17th article.

C- POLICY OF PROFIT DISTRIBUTION

No concession is granted in connection with participation in company's profits. Profit distribution is carried out within the periods set forth in applicable laws.

The amount of profit available for distribution is determined taking into account the new investments to be made and liquidity status.

The amount of profit available for distribution will be determined taking into account the new investments to be made and liquidity status if the Capital Markets Board terminates profit distribution obligation in 2008 and the following years.

D- FINANCING AND RISK MANAGEMENT

A risk management and internal Audit mechanism is set by the Board of Directors. Managerial risks are reviewed periodically by the Auditing Committee constituted by the Board members. The Committee has decided to establish, audit and update an internal control mechanism and this duty is assigned to an Auditing Group. The Auditing Group inspects the internal control mechanism regularly through the approved annual audit plans and communicates its opinions and findings to top management.

Furthermore, the established Auditing Committee reviews related matters and advises the Board of Directors accordingly. The Committee and the Board determine the measures to be taken and instruct the company's managers through the General Manager.

E- EVENTS AFTER THE BALANCE SHEET DATE

At the Ordinary General Assembly meeting for the year 2007 of Alarko Gayrimenkul Yatırım Ortaklığı Anonim Şirketi held on 27.3.2008, to distribute TRY 2,987,522. - the amount representing the distributable profit remaining after setting aside TRY 118,654.- as first order legal reserves pursuant to the Capital Market Code, the Articles of Association and other related regulations out of TRY 3,106,176.- representing the net profit for the year 2007 in the financial statements as follows:

- Distributing TRY 768,614.- (net) which is 25.73 % of the distributable profit to shareholders in cash starting on 30 May 2008,
- Setting aside TRY 49,411.- out of the distributable profit as second order legal reserve,
- The balance of TRY 2, 169,497.- to be transferred to the extraordinary reserve

is voted unanimously.

It was resolved unanimously that to appoint Sarper Volkan ÖZTEN in resigned member Murat GOLDŞTAYN in accordance with Clause 315 of the Turkish Commercial Code.

It was resolved unanimously that Mehmet Kutman, Sarper Volkan Özten, Mustafa Filiz, Hilmi Önder Şahin, Ahmet Önder Kazazoğlu, Edip İlkbahar, and Mehmet Alper Kaptanoğlu be elected as members of Board of Directors to serve for 1 year and that no remuneration be paid to members of Board of Directors.

It was resolved unanimously that Ümit Nuri Yıldız, Aykut Baycan and Hami Özçelik be elected as auditors to serve for 1 year and that they be paid no remuneration.

It was resolved unanimously that an auditing agreement with the independent auditing company Denge Bağımsız Serbest Muhasebeci Mali Müşavirlik A.Ş. (member of Mazars) elected by the Board of Directors according to Capital Market Board regulations be signed and the draft agreement be approved without any change.

F- REPORT ON COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES

Through SPK's 10.12.2004 dated and 48/1588 no Meeting Decision; The companies traded at İMKB, are due to publish "Report On Compliance With Corporate Governance Principles" on their web sites and Annual Reports.

Regarding to developments in capital market, applying Report On Compliance With Corporate Governance Principles is an important subject through the company policies. The company is obeying to the Report On Compliance With Corporate Governance Principles published by Capital Market Board.

About the cases concerning the Board of Directory and shareholders, the company targets to execute appropriate operations to Corporate Governance Principles and to implement them with shareholders at the decisions and processes that bear on shareholders and Board of Directors. Through this view, equity of all the shareholders, responsibility to inform and depending on Corporate Governance Principles to apply and implement these principles are among the company's main objectives. The operations, which are proceeding by the company, are considered and processed according to responsibility of these principles.

Through this perspective; till year 2004 "Report On Compliance With Corporate Governance Principles" is in the Company's web site www.alarkoyatirim.com.tr and in the Annual Report.

G- AMENDMENTS ON THE COMPANY'S ARTICLES OF ASSOCIATION AND REASONS

There is no amendment on the Company's articles of association.

H- GENERAL INFORMATION REGARDING OUR ACTIVITIES

The construction of this particular project has been completed to a great extent. Delivery of the 63 manors with wide gardens started and will continue in the year 2008.

The company is receiving rental income from the real estates that are added to Portfolio before like Fethiye Hillside Beach Club Holiday Village and Alkent Etiler Shopping Centre. The capacity using at Alkent Etiler Shopping Centre is % 100. Also the increase in the asset values of those real estates increases the asset structure of the partnership.

Total assets of the company reached to 219.377.515 YTL at 30 June 2008 from 211.237.705 YTL, at 31 December 2007 with % 4 increase. Net profit at 30 June 2008 is 8.791.109 YTL.

I- BASIC RATIOS

Through the outcomes of the company at first half of 2008, current ratio is 4,86 and liquidity ratio is 2,64.

J- DATA ABOUT HUMAN RESOURCES

The average employee quantity on the 01.01.2008-30.06.2008 term is 12.

According to the 20th Part named as “Employee Benefits” of the CMB’s Communiqué Serial Number XI-25, the Company has used the actuarial assumption in calculating the reserve for employment termination benefits. The liability is 104.493 YTL with full provision.

A safe working environment is provided to the personnel and it is improved continuously.

All employees are treated fairly and equally in terms of training and promotion opportunities, training plans and policies aiming at improving the knowledge, skills and experience of the employees are developed. The employees receive training regularly during the year.

K- DATA ABOUT THE DONATIONS IN THE PERIOD

No donation was made to foundations or associations in the report period.