



ALARKO GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.
1 January 2010 – 31 March 2010

Interim Period Report

A- TERM OF THE REPORT

The report consists of the period 01.01.2010 – 31.03.2010.

B- BOARDS OF DIRECTORS AND AUDITORS

The members of the Board of Directors and Auditors, acquitted on the General Assembly Meeting held on 26 March 2010, 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	26.03.2010	26.03.2011
Ahmet Önder Kazazoğlu	Vice Chairman	26.03.2010	26.03.2011
Mehmet Alper Kaptanoğlu	Director	26.03.2010	26.03.2011
Hilmi Önder Şahin	Director	26.03.2010	26.03.2011
Mehmet Ahkemoğlu	Director	26.03.2010	26.03.2011
Sarper Volkan Özten	Director	26.03.2010	26.03.2011
İzzet Cemal Kışmir	Director	26.03.2010	26.03.2011

Board of Auditors

Ümit Nuri Yıldız	Statutory Auditors	26.03.2010	26.03.2011
Aykut Baycan	Statutory Auditors	26.03.2010	26.03.2011
Erol Uçmazbaş	Statutory Auditors	26.03.2010	26.03.2011

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 2010 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 IN THE PERIOD

At the Ordinary General Assembly meeting for the year 2009 of Alarko Gayrimenkul Yatırım Ortaklığı Anonim Şirketi held on 26.3.2010, to distribute TL 8,145,345. - the amount representing the distributable profit remaining after setting aside TL 241,968.- as first order legal reserves pursuant to the Capital Market Code, the Articles of Association and other related regulations out of TL 8,387,313.- representing the net profit for the year 2009 in the financial statements as follows:

- Transferring to extraordinary reserves after TL 873.915 which represents 20 % of the net distributable profit for the period amounting to TL 4.369.573 the amount remaining after TL 3.775.772 representing the unrealized increase in value is deducted from the net distributable profit for the period pursuant to the Capital Market Legislation is calculated as first dividend,

- The balance of TL 7,271,430.- to be transferred to the extraordinary reserve

is voted unanimously.

It was resolved unanimously that Mustafa Filiz, Ahmet Önder Kazazoğlu, Mehmet Alper Kaptanoğlu, Hilmi Önder Şahin, Mehmet Ahkemoğlu, Sarper Volkan Özten and İzzet Cemal Kışmir 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 Erol Uçmazbaş 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 Denet Bağımsız Denetim Yeminli Mali Müşavirlik A.Ş. (Member firm of BDO International) 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.

The names of insiders are as follows by 31.03.2010 date:

Ayhan Yavrucu
 Mustafa Filiz
 Ümit Nuri Yıldız
 Mehmet Ahkemoğlu
 Ahmet Önder Kazazoğlu
 Mehmet Alper Kaptanoğlu
 Hilmi Önder Şahin
 Harun Hanne Moreno
 Sarper Volkan Özten
 İzzet Celal Kışmir
 Aykut Baycan
 Erol Uçmazbaş
 Ömer Çelik
 Ahmet Yüksel Varol
 Aysel Yürür
 Fatma Acar

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 year 2009 has been one in which the global financial crisis affected the real sector hence turning into a global economic crisis. As a result, the construction sector was also affected by the instability and shrinkage in global economy.

The real estate stock in our country reached quite a high level with constructions conducted in 2007 and 2008. In 2009, the real estate sector underwent an inactive year due to a recession of approximately 5,5%. A perceivable recovery in the economy and decrease in real estate and stocks

must be observed before any new real estate projects can be started. Our company follows the leading indicators of the economy closely and will initiate new projects when conjuncture is most favorable.

Residence in the Lake Mansions which constitute the 3rd phase of our Alkent 2000 project started in 2007 has begun. The recognition and quality of the project will become increasingly more apparent with the families that will start residing here once the decoration of their homes is completed. Sales efforts for the few remaining mansions of the project will be maintained in 2010. We are also continuing to search for suitable plots for new projects.

Our company has attained a stable rent income by adding numerous prestigious projects to its portfolio in previous years. Our rent income for the year 2009 from Fethiye Hillside Beach Club Holiday Village, Alkent Etiler Çarşısı, one of the most prestigious residential projects of Istanbul, the Alarko Business Center in Necatibey Caddesi, Karaköy, Alarko-Dim Business Center in Tepebaşı, and Alarko Business Center in Çankaya, Ankara in our portfolio has continued to increase despite the economic crisis.

Total assets of the company reached to 255.492.608 TL at 31 March 2010 from 254.974.865 TL, at 31 December 2009 with % 02 increase. Net profit at 31 March 2010 is 348.950 TL.

I- BASIC RATIOS

Through the outcomes of the company at the first three quarter of 2010, current ratio is 21,72 and liquidity ratio is 16,17.

J- DATA ABOUT HUMAN RESOURCES

The average employee quantity on the 01.01.2010-31.03.2010 term is 7.

According to the 20th Part named as “Employee Benefits” of the CMB’s Communiqué Serial Number XI-29, the Company has used the actuarial assumption in calculating the reserve for employment termination benefits. The liability is 91.373 TL 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.