

## MERGER AGREEMENT

This MERGER AGREEMENT, which is comprised of 17 (seventeen) articles, is made and entered into effect on September 22, 2016, by and between; Akiş Gayrimenkul Yatırım Ortaklığı A.Ş., which resides at Miralay Şefik Bey Sokak No:11, 34437 Gümüşsuyu, Beyoğlu, İstanbul, and registered with the trade registry number 570679 at the İstanbul Trade Registry, (“**Akiş REIT**” and/or “**Acquiring Company**”) and SAF Gayrimenkul Yatırım Ortaklığı A.Ş., which resides at Ankara Devlet Yolu Haydarpaşa Yönü 4. Km Çeçen Sokak, Acıbadem, Üsküdar, İstanbul, and registered with the trade registry number 566660 at the İstanbul Trade Registry (“**SAF REIT**” and/or “**Acquired Company**”).

The Acquiring Company and the Acquired Company collectively shall be referred to as “**Merger Parties**” hereinafter.

### Article 1.

#### I. General Introductory Information About the Parties to the Merger

##### A. Acquiring Company

1. **Trade Name:** Akiş Gayrimenkul Yatırım Ortaklığı A.Ş.
2. **Head Office:** Miralay Şefik Bey Sokak No:11, 34437 Gümüşsuyu, Beyoğlu, İstanbul
3. **Date of Registration:** November 22, 2005
4. **Trade Registry Office / Number:** İstanbul Trade Registry Office / 570679
5. **Duration:** Indefinite
6. **Activity Areas:** Provided that they are permitted under the procedures and principals established by the Capital Markets Board’s “Communiqué on Principles of Real Estate Investment Companies”, and subject to the limitations set on activities and scopes described in Capital Markets Law Article 48, activity areas include operating and managing portfolios covering affiliates and other rights and assets to be determined by the Capital Markets Board, including real estate, real estate projects, real estate rights, real estate or incidental infrastructure investments and services undertaken in connection with the real estate projects related to the company’s main areas of activity, capital market instruments, Takasbank (settlement and custody bank) money market and reverse repo transactions, Turkish lira time deposit and participation accounts, foreign currency current accounts and time deposit accounts or private business current accounts and participation accounts, and all other activities permitted under the Capital Markets Board’s “Communiqué on Principles of Real Estate Investment Companies.”
7. **Tax Office and Number:** Beyoğlu Tax Directorate / 0280414690
8. **Internet Website:** <http://www.akisgyo.com/>
9. **NACE Code:** 41.10.01(Rev.2)-Developing building projects, including the organization of building projects, residential or otherwise, by means of bringing together the financial, technical and physical means and sources for the use of ready-to-sale building projects (excluding building societies)

##### B. Acquired Company

1. **Trade Name:** SAF Gayrimenkul Yatırım Ortaklığı A.Ş.
2. **Head Office:** Ankara Devlet Yolu Haydarpaşa Yönü 4.Km Çeçen Sokak Acıbadem, Üsküdar, İstanbul
3. **Date of Registration:** October 4, 2005
4. **Trade Registry Office / Number:** İstanbul Trade Registry Office / 566660
5. **Duration:** Indefinite

6. **Areas of Activity:** Provided that they are permitted under and within the limitations set by the Capital Markets Regulations, activities include buying and selling all types of securities, land, lots, offices, residential housing, business centers, shopping centers, hospitals, hotels, commercial warehouses, commercial parks and similar real estate properties and (subject to title ownership) overseeing real estate as well as renting, leasing, pledging, revoking the established pledges on such assets and others included in the company's portfolio, and establishing pledges and mortgages in favor of third parties; subject to making proper disclosures related to the special circumstances as stipulated by the Capital Markets Board, performing actions in favor of third parties and/or third party owned real estates, establishing rights of access, usufruct, construction, servitude and Superficies, transferring and assigning such rights, and performing transactions on surrendering, partitioning, exchanging, merging (incorporating) parceling registering, transferring and assigning such rights, for roads and/or green areas and/or public use as stipulated by the master plans on areas allotted for Development Readjustment Shares (DRS) or Public Partnership Interest (PPI), and performing and executing all transactions permitted under the laws and regulations as well as establishing such rights and revoking any such established rights. In order to perform the subject activities, and provided that they are not considered to be an investment means but an activity directly related to the company's activity areas, the company may: buy and sell intellectual values, patents, licenses, brands, know-how and other industrial property rights and capital market instruments; execute reverse repo transactions; in order to build and launch hotels, hospitals, or similar facilities, refurbish any real estate with certain minimum equipment requirements prior to leasing them; only for the purposes of hedging, execute swap and forward transactions, write options, undertake futures and forward transactions that are not property based; for the purpose of collecting and making good the company's rights and receivables as well as for acquiring new ones, accept all kinds of real and personal guaranties and sureties and perform all kinds of related registry, surrender, or otherwise different transactions at any land registry and/or tax office or with similar public and private sector organizations; subject to the limitations stipulated by the Capital Markets Regulations, become a shareholder in companies by buying their shares; in accordance with the current regulatory provisions and subject to full compliance with the Capital Markets Law provisions, give real and cash donations to public offices that are part of the general budget and otherwise annexed to budget administrations, special provincial administrations, municipalities, all public agencies, organizations and institutions, public oriented private organizations, foundations that are granted tax-free status by the council of ministers, associations working in public interest, organizations and institutions performing scientific research and development, universities, educational and otherwise beneficial institutions and entities and, except for the needs of the company's portfolio, buy, sell or rent any estate and assets for its own use or as is otherwise required and in the necessary quantities and values.
7. **Tax Office and Number:** Üsküdar Tax Directorate / 7380508064
8. **Internet Website:** <http://www.safgyo.com/>
9. **NACE Code:** 64.99.03(Rev.2)-Real Estate Investment Trust

## II. Information About Current Capital Structure and Shares

### A. Acquiring Company

1. **Issued capital:** 200,000,000 Turkish lira
2. **Authorized capital:** 500,000,000 Turkish lira

### 3. Distribution of shares among shareholders (most recent)

SHAREHOLDER'S FULL NAME/TITLE	SHAREHOLDING STRUCTURE			
	SHARE GROUP	NUMBER OF SHARES	AMOUNT OF CAPITAL SHARE (Turkish lira)	RATIO OF SHARES (%)
Akkök Holding A.Ş.	B	63,065,857.26	63,065,857.26	31.53
Ali Raif Dinçkök	A	11,653,589.19	11,653,589.19	5.83
	B	29,256,754.42	29,256,754.42	14.63
Nilüfer Dinçkök Çiftçi	A	7,769,059.46	7,769,059.46	3.88
	B	17,972,409.25	17,972,409.25	8.99
Raif Ali Dinçkök	B	12,430,496.69	12,430,496.69	6.22
Other	B	57,851,833.73	57,851,833.73	28.92
<b>TOTAL</b>		<b>200,000,000</b>	<b>200,000,000.00</b>	<b>100</b>

Denet Yeminli Mali Müşavirlik A.Ş. has established in its “Sworn Certified Financial Accountant Report On Payment of Capital” dated September 21, 2016, and numbered AKİŞ\_CT\_1278\_2101\_113\_ST\_2016 that the Acquiring Company’s issued capital has been paid in full.

### 4. Real and legal entities with indirect equity ownership

#### Akkök Holding A.Ş.

SHAREHOLDER'S FULL NAME/TITLE	SHAREHOLDING STRUCTURE		
	NUMBER OF SHARES	AMOUNT OF CAPITAL SHARE (Turkish lira)	RATIO OF SHARES (%)
ARD Holding A.Ş.	33,448,333,231	334,483,332.31	33.33
Atlantik Holding A.Ş.	33,448,330,550	334,483,305.50	33.33
NDC Holding A.Ş.	33,448,158,093	334,481,580.93	33.33
Other	178,126	1,781.26	0.01
<b>TOTAL</b>	<b>100,345,000,000</b>	<b>1,003,450,000.00</b>	<b>100</b>

#### ARD Holding A.Ş.

SHAREHOLDER'S FULL NAME/TITLE	SHAREHOLDING STRUCTURE		
	NUMBER OF SHARES	AMOUNT OF CAPITAL SHARE (Turkish lira)	RATIO OF SHARES (%)
Ali Raif Dinçkök	107,120,000	107,120,000.00	52.00
Raif Ali Dinçkök	49,440,000	49,440,000.00	24.00
Alize Dinçkök Eyüboğlu	49,439,998	49,439,998.00	24.00
Other	2	2.00	0.00
<b>TOTAL</b>	<b>206,000,000</b>	<b>206,000,000.00</b>	<b>100</b>

**NDC Holding A.Ş.**

SHAREHOLDER'S FULL NAME/TITLE	SHAREHOLDING STRUCTURE		
	NUMBER OF SHARES	AMOUNT OF CAPITAL SHARE (Turkish lira)	RATIO OF SHARES (%)
Nilüfer Dinçkök Çiftçi	111,284,612	111,284,612.00	60.00
Melis Gürsoy	37,095,193	37,095,193.00	20.00
Mehmet Emin Çiftçi	37,095,193	37,095,193.00	20.00
Other	2	2.00	0.00
<b>TOTAL</b>	<b>185,475,000</b>	<b>185,475,000.00</b>	<b>100.00</b>

**Atlantik Holding A.Ş.**

SHAREHOLDER'S FULL NAME/TITLE	SHAREHOLDING STRUCTURE		
	NUMBER OF SHARES	AMOUNT OF CAPITAL SHARE (Turkish lira)	RATIO OF SHARES (%)
Ömer Dinçkök	113,670,000	113,670,000.00	54.00
Ayça Dinçkök	31,575,000	31,575,000	15.00
Gamze Dinçkök Yücaoğlu	31,575,000	31,575,000	15.00
Mutlu Dinçkök	31,575,000	31,575,000	15.00
Other	2,105,000	2,105,000	1.00
<b>TOTAL</b>	<b>210,500,000</b>	<b>210,500,000.00</b>	<b>100.00</b>

**5. Determining whether current privileges and the privileges granted to the shares that represent the capital shall or shall not continue:**

According to Article 8 of the Articles of Association of the Company entitled "Capital and Shares," the Company has 500,000,000.00 Turkish lira (five hundred million Turkish lira) in authorized capital, which is divided into 500,000,000 (five hundred million) shares, each at 1.00 (one) Turkish lira par value (as stipulated by the provisions of Capital Markets Law).

The Company's issued and fully paid capital is 200,000,000.00 Turkish lira (two hundred million Turkish lira) and of this capital, the 19,422,648.65 Turkish lira part, is comprised of the Group A type shares issued in the name and the 180,577,351.35 Turkish lira part is comprised of the Group B type shares issued to the bearer.

Group A shares are issued in the name and Group B shares are issued to the bearer.

According to Article 13 of the Articles of Association, Group A shares have the privilege of nominating candidates for the Board of Directors. Five of the board members are nominated by Group A shareholders by a majority of votes and elected by the General Assembly.

Existing privileges will continue after the merger.

**6. Disclosure about dividend shares, bonds and similar debt instruments (if any) among the share stock representing the capital:**

There are no dividend shares, bonds or debt instruments held by the Acquiring Company.

**B. Acquired Company**

1. **Issued capital:** 886,601,669 Turkish lira
2. **Authorized capital:** 2,000,000,000 Turkish lira
3. **Distribution of shares among shareholders (most recent)**

SHAREHOLDER'S FULL NAME/TITLE	SHAREHOLDING STRUCTURE			
	SHARE GROUP	NUMBER OF SHARES	AMOUNT OF CAPITAL SHARE (Turkish lira)	RATIO OF SHARES (%)
Ali Raif Dinçkök	A	20,000,000	200,000.00	0.02
	B	19,885,801,797	198,858,017.97	22.43
Akiş Gayrimenkul Yatırım Ortaklığı A.Ş.	A	20,000,000	200,000.00	0.02
	B	17,455,278,290	174,552,782.90	19.69
Sinpaş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi	B	6,143,129,900	61,431,299.00	6.93
Ömer Dinçkök	B	6,057,980,800	60,579,808	6.83
Rifat Hasan	B	4,791,873,100	47,918,731.00	5.40
Other	B	34,286,103,013	342,861,030.13	38.68
<b>TOTAL</b>		<b>88,660,166,900</b>	<b>886,601,669.00</b>	<b>100</b>

Denet Yeminli Mali Müşavirlik A.Ş., has established in its “Sworn Certified Financial Accountant Report On Payment of Capital” dated September 21, 2016 and numbered SAFGA\_CT\_1278\_2102\_114\_ST\_2016 that the Acquired Company’s issued capital has been paid in full.

**4. Real and legal entities with indirect equity ownership****Sinpaş Gayrimenkul Yatırım Ortaklığı A.Ş.**

SHAREHOLDER'S FULL NAME/TITLE	SHAREHOLDING STRUCTURE			
	SHARE GROUP	NUMBER OF SHARES	AMOUNT OF CAPITAL SHARE (Turkish lira)	RATIO OF SHARES (%)
Avni Çelik	A	10,950,943	10,950,943	1.83
	B	61,505,715	61,505,715	10.25
	C	6,595,003	6,595,003	1.10
Sinpaş Yapı Endüstrisi and Ticaret A.Ş.	A	19,711,697	19,711,697	3.29
	B	163,826,102	163,826,102	27.30
	C	47,864,380	47,864,380	7.98
Servet Gayrimenkul Yatırım Ortaklığı A.Ş.	C	21,854,926	21,854,926	3.64
Ahmet Çelik	C	9,934,695	9,934,695	1.66
Ömer Faruk Çelik	B	27,884,639	27,884,639	4.65
	C	9,855,848	9,855,848	1.64
Sinpaş Gayrimenkul Yatırım Ortaklığı A.Ş.	C	3,960,000	3,960,000	0.66
Other	C	216,056,052	216,056,052	36.00
<b>TOTAL</b>		<b>600,000,000</b>	<b>600,000,000.00</b>	<b>100</b>

**Sinpaş Yapı Endüstrisi ve Tic. A.Ş.**

SHAREHOLDER'S FULL NAME/TITLE	SHAREHOLDING STRUCTURE		
	NUMBER OF SHARES	AMOUNT OF CAPITAL SHARE (Turkish lira)	RATIO OF SHARES (%)
Avni Çelik	102,689,000	102,689,000	51.34
Ayşe Sibel Çelik	38,654,000	38,654,000	19.32
Berrin Çelik Ercivelek	18,657,000	18,657,000	9.33
Sinpaş Yapı	14,750,000	14,750,000	7.38
Ahmet Çelik	11,103,000	11,103,000	5.55
Şenay Çelik	8,897,000	8,897,000	4.45
Ari Finansal Kiralama	5,250,000	5,250,000	2.63
<b>TOTAL</b>	<b>200,000,000</b>	<b>200,000,000</b>	<b>100</b>

**Servet Gayrimenkul Yatırım Ortaklığı A.Ş.**

SHAREHOLDER'S FULL NAME/TITLE	SHAREHOLDING STRUCTURE (SERVET REIT)			
	SHARE GROUP	NUMBER OF SHARES	AMOUNT OF CAPITAL SHARE (Turkish lira)	RATIO OF SHARES (%)
Avni Çelik	A+B	28,051,259	28,051,259	53.95
Ayşe Sibel Çelik	B	7,800,000	7,800,000	15.00
Ahmet Çelik	B	4,481,712	4,481,712	8.62
Berrin Çelik Ercivelek	B	3,900,000	3,900,000	7.50
Other	B	7,767,029	7,767,029	14.93
<b>TOTAL</b>		<b>52,000,000</b>	<b>52,000,000.00</b>	<b>100</b>

**5. Determining whether current privileges and the privileges granted to the shares that represent the capital shall or shall not continue:**

According to Article 7 of the Articles of Association of the Company entitled "Capital and Shares," the Company has 2,000,000,000.00 Turkish lira (two billion Turkish lira) authorized capital, which is divided into 200,000,000,000 (two hundred billion) shares, each at 1 (one) Turkish kuruş par value.

The issued capital of the Company is divided into 88,660,166,900 (Eighty eight billion six hundred sixty million one hundred sixty six thousand and nine hundred) shares each at 1 (one) Turkish kuruş par value, where 56,000,000.00 Turkish lira has been paid up in cash and 830,601,669.00 Turkish lira in kind. The share groups, which represent the issued capital, is comprised of 40,000,000 Group A shares in the name at 400,000 Turkish lira par value and 88,620,166,900 Group B shares issued to bearer at 886,201,669 Turkish lira par value.

Group A shares are issued in the name and Group B shares to the bearer.

According to Article 11 of the Company's Articles of Association entitled "Board of Directors Selection and Term," four of the board members shall be elected from among the candidates nominated by Group A shareholders

SAF REIT's privileged shareholders shall not receive any shares or share equivalents in return for the privileged SAF REIT shares they own. Under the merger transaction, the Group A shareholders outside Akiş REIT will receive 0.32323 units of Group B bearer stock of Akiş REIT at 1.00 Turkish lira par value, in exchange for each lot of Group A SAF REIT stock issued to the name and comprising 100 shares with a total of 1.00 (one) Turkish lira par value.

**6. Disclosure about dividend shares, bonds and similar debt instruments (if any) among the share stock representing the capital:**

There are no dividend shares, bonds or debt instruments held by the Acquired Company.

**III. Information About Governing Organs and Members**

**A. Acquiring Company**

<b>Board Members</b>		
<b>Full Name</b>	<b>Position</b>	<b>The General Assembly Where Elected</b>
Ahmet Cemal Dördüncü	Chairman	Ordinary General Assembly held on March 29, 2016
Nilüfer Dinçkök Çiftçi	Vice Chairman	Ordinary General Assembly held on March 29, 2016
Ali Raif Dinçkök	Board Member	Ordinary General Assembly held on March 29, 2016
Mehmet Ali Berkman	Board Member	Ordinary General Assembly held on March 29, 2016
İhsan Gökşin Durusoy	Board Member	Ordinary General Assembly held on March 29, 2016
Alize Dinçkök Eyüboğlu	Board Member	Ordinary General Assembly held on March 29, 2016
Hüseyin Ersin Takla	Independent Board Member	Ordinary General Assembly held on March 29, 2016
Uzay Kozak	Independent Board Member	Ordinary General Assembly held on March 29, 2016

**B. Acquired Company**

<b>Board Members</b>		
<b>Full Name</b>	<b>Position</b>	
Ahmet Cemal Dördüncü	Chairman	Ordinary General Assembly held on September 3, 2015
Raif Ali Dinçkök	Vice Chairman	Ordinary General Assembly held on September 3, 2015
Alize Dinçkök Eyüboğlu	Board Member	Ordinary General Assembly held on September 3, 2015
İhsan Gökşin Durusoy	Board Member	Ordinary General Assembly held on September 3, 2015
Özlem Ataüinal	Board Member	Ordinary General Assembly held on September 3, 2015
Rifat Hasan	Board Member	Ordinary General Assembly held on September 3, 2015
Seba Gacemer	Board Member	Ordinary General Assembly held on September 3, 2015

Tayfun Bayazıt	Board Member	Ordinary General Assembly held on September 3, 2015
Ufuk Güner	Board Member	Ordinary General Assembly held on September 3, 2015
Veysi Küçük	Board Member	Ordinary General Assembly held on September 3, 2015
Güner Öztekin	Independent Board Member	Ordinary General Assembly held on September 3, 2015
Recep Yılmaz Argüden	Independent Board Member	Ordinary General Assembly held on March 28, 2016

## **Article 2. Board of Directors Resolutions Establishing the Merger**

Given the Acquiring Company’s Board of Directors Resolution No. 54 dated September 8, 2016, and the Acquired Company’s Board of Directors Resolution No. 307 dated September 8, 2016, as well as Article 134 and its trailing articles in Turkish Commercial Code No. 6362 and Articles 18, 19 and 20 of Corporate Tax Law No. 5520 and the fact that the Merger Parties are subject to the Capital Markets Law and are open to the public and their shares are quoted and publicly traded on Borsa İstanbul A.Ş., (“**Borsa**”) and Articles 23 and 24 of the Capital Markets Law and its respective relevant provisions and the “Communiqué on Mergers and Spin-Off Transactions” (II-23.2) published in Official Gazette No. 28865 dated December 28, 2013, issued by the Capital Markets Board and the “Communiqué on Common Principles Regarding Significant Transactions and the Right to Exit” (II-23.1) published in Official Gazette No. 28861 dated December 24, 2013, issued by the Capital Markets Board and all other relevant legislation, it has been resolved that, subject to the approval by the General Assemblies of the Merger Parties, the Acquired Company’s entire assets and liabilities are transferred to the Acquiring Company and that the Merger Parties are merged under the legal entity of the Acquiring Company.

The Acquiring Company shall incorporate in its balance sheet the Acquired Company’s balance sheet in its entirety, with the values ascribed (covering all assets and liabilities) as of the date of registration of the general assembly resolutions on the merger approval; the Acquired Company shall then be dissolved without liquidation accordingly.

## **Article 3. Financial Statements For The Merger**

Since Merger Parties are subject to the Capital Markets Law and open to public, their shares are publicly traded on the Borsa, the basis for the merger transaction itself and for the merger related calculations shall be the interim financial statements and their Respective notes, issued by the Merger Parties on June 30, 2016 and covering the January 1, 2016 – June 6, 2016 period, prepared in compliance with the Turkish Accounting Standards and the Turkish Financial Reporting Standards, and audited by independent auditors, and disclosed by the Public Disclosure Platform (PDP) on August 12, 2016 as per the terms of the Capital Markets Board’s “Communiqué on Principles of Financial Reporting” (II-14.1) issued by the Public Oversight Accounting and Auditing Standards Authority and all other relevant legislation.

## **Article 4. Expert Organization Report Forming The Basis of Merger Transaction:**

Since both companies are subject to the Capital Markets Law and their shares are open to public and publicly traded on the Borsa, in accordance with Article 7 entitled “Expert Organization Opinion” of the Capital Markets Board’s “Communiqué on Mergers and Spin-Off Transactions” (II-23.2), the basis taken in the merger transaction and in determining fairly and reasonably the number of shares to be allotted from Akiş REIT shares to be issued subsequent to the capital increase to SAF REIT’s shareholders to be acquired from outside Akiş REIT to Akiş REIT, and due to the merger transaction effected in accordance with these, the amount of capital increase to be effected in Akiş REIT, in the calculations of the merger ratio, the swap ratio shall be the “Expert Organization Report on the Merger of Akiş Gayrimenkul Yatırım Ortaklığı A.Ş. and SAF Gayrimenkul Yatırım Ortaklığı A.Ş.” (“**Expert Organization Report**”) dated September 20, 2016, prepared by BDO Denet Bağımsız Denetim and Danışmanlık A.Ş.



The Expert Organization is appointed with the Acquiring Company’s Board of Directors Resolution No. 307 dated September 8, 2016, and the Acquired Company’s Board of Directors Resolution No. 54 dated September 8, 2016.

**Article 5.** The text of the Declaration about the Merger transaction was approved by Capital Markets Board Letter No. \_\_\_\_\_ .

**Article 6.** No exit cash **has been foreseen in accordance with the** Turkish Commercial Code.

Pursuant to the “Communiqué on Common Principles Regarding Significant Transactions and the Right to Exit” and other relevant Capital Markets Regulations, the right to exercise an exit option shall be governed by Articles 15 and 16 of the Merger Agreement.

**Article 7.** **No offsetting payment has been foreseen** in accordance with the Turkish Commercial Code.

**Article 8. Consequences of the Merger**

**8.1 Acquiring Company’s Capital Increase Amount, Swap Ratio, Merger Ratio and Nature and Nominal Value of the Acquired Company’s Shares to Be Allotted to Shareholders.**

According to the Expert Organization Report:

**Merger Ratio** : 46.50%

**Swap Ratio** : 0.32323

has been determined.

The amount of Acquiring Company’s capital increase under the merger transaction and the total amount of Acquiring Company’s issued share capital resulting from the merger will be 230,091,850 Turkish lira and 430,091,850 Turkish lira, respectively.

Under the merger transaction, Acquired Company’s shareholders outside Akiş REIT will receive 0.32323 units of Group B bearer stock of Akiş REIT at 1.00 Turkish lira par value, in exchange for each lot, comprising 100 shares of SAF REIT stock with a total of 1.00 (one) Turkish lira par value.

As per the principles set above, if none of the shareholders who had cast opposing votes in the General Assembly meetings held regarding the Merger Parties and had their objections annotated in the minutes of the meetings choose to exercise their right to exit described in Articles 15 and 16 of this Merger Agreement, then the new shareholding structure of the Acquiring Company will be as follows following the merger: The new shareholding structure of the Acquiring Company after the merger might vary depending on how many exit rights have been exercised.

SHAREHOLDER’S FULL NAME/TITLE	SHAREHOLDING STRUCTURE			
	Share Group	Number of Shares	Amount of Capital (Turkish lira)	Share Ratio (%)
Akkök Holding A.Ş.	B	63,065,857.26	63,065,857.26	14.66
Ali Raif Dinçkök	A	11,653,589.19	11,653,589.19	2.71
	B	93,598,538.89	93,598,538.89	21.76
Nilüfer Dinçkök Çiftçi	A	7,769,059.46	7,769,059.46	1.81
	B	24,236,848.98	24,236,848.98	5.64
Ömer Dinçkök	B	22,321,661.34	22,321,661.34	5.19
Raif Ali Dinçkök	B	19,196,103.66	19,196,103.66	4.46

Sinpaş Gayrimenkul Yatırım Ortaklığı A.Ş.	B	19,856,519.43	19,856,519.43	4.62
Rıfat Hasan	B	17,819,552.17	17,819,552.17	4.14
Other (Including the publicly held	B	150,574,119.62	150,574,119.62	35.01
<b>TOTAL</b>		<b>430,091,850.00</b>	<b>430,091,850.00</b>	<b>100.00</b>

## AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Subject to the approval of the Capital Markets Board and the authorization of the Republic of Turkey Ministry of Customs and Trade, General Directorate of Domestic Trade, Article 8 of the Acquiring Company's current Articles of Association, entitled "Capital and Shares," Article 13 entitled "Board of Directors and Its Term," and Article 15 entitled "Board of Directors Meetings," shall be amended as approved within the context of the merger transaction, and the Board of Directors Resolution related to the amendment of the Articles of Association, the Draft Amendment Text and the required supplementary documents and issues, shall be disclosed to the public on Akiş REIT's corporate website ([www.akisgyo.com](http://www.akisgyo.com)) and on the Public Disclosure Platform.

After obtaining the required authorizations from the Capital Markets Board and the Republic of Turkey Ministry of Customs and Trade, General Directorate of Domestic Trade, amendment of Article 8 of the Articles of Association of Akiş REIT entitled "Capital and Shares," Article 13 entitled "Board of Directors and Its Term," and Article 15 entitled "Board of Directors Meetings," shall be submitted for approval by the shareholders at the General Assembly, where the merger issue will be discussed as approved by the Capital Markets Board and the Republic of Turkey Ministry of Customers and Trade, General Directorate of Domestic Trade.

### 8.2 Tax Liabilities and Notification

The Acquiring Company shall submit to the Tax Office Directorate of the Acquired Company, within its statutory deadline an undertaking with a commitment to pay all tax liabilities that may accrue until the merger date and/or those that have already been accrued by the Acquired Company, which will be dissolved as a result of the merger, and provide sufficient security if requested.

Merger Parties, within 30 (thirty) days at the latest of the merger announcement published in the Turkish Trade Registry Gazette, shall submit to the Tax Office Directorate of the Acquired Company the Acquired Company's corporate tax return prepared as of the merger date and jointly signed by the Merger Parties along with the acquisition balance sheet and the profit and loss statement of the Acquired Company that shall be dissolved without liquidation.

### 8.3 Acquired Company's Debts

Any third party debts of the Acquired Company that shall be dissolved without liquidation and shall be paid by the Acquiring Company, in full and on their due dates, in accordance with the terms of this agreement as well as the Turkish Commercial Code and the provisions of the Relevant legislation.

Article 541 of the Turkish Commercial Code shall apply to the Acquired Company's debts, which have not been claimed by their creditors and that are not yet due or are disputed.

### 8.4 Date of Acquisition and the Dissolution Date of the Acquired Company

In accordance with Article 152 of the Turkish Commercial Code, the Merger shall be effective upon registration by the Istanbul Trade Registry of the resolutions the general assemblies of the Merger Parties on the approval of the merger. The registration date shall be taken as the acquisition date and the Acquired Company shall be dissolved without liquidation as of this date on the records of the Istanbul Trade Registry.

Even though the balance sheets on which the merger is based are the interim balance sheets produced as of

June 30, 2016, any Acquired Company activity to arise from the time the general assemblies of the Merger Parties approve the respective balance sheets and the relevant required procedures are completed until the time the Istanbul Trade Registry registers the merger shall be reflected on the Acquiring Company's records to be incorporated into the Acquiring Company's operational results.

## **8.5 Dividends**

The delivery of the Acquiring Company shares to be given to the shareholders of the Acquired Company, which shall be dissolved without liquidation, shall be dematerialized and registered by the Central Securities Depository within the deadlines stipulated by Capital Markets Board and the Central Securities Depository regulations.

Starting with the fiscal 2016, during which the Acquired Company will dissolve, the shareholders of the Acquired Company shall be entitled to the dividends distributed on the Acquiring Company shares, which they will receive as a result of the merger. The dividends to be distributed on the shares to be issued due to the capital increase shall be applied to all shares outstanding as of the distribution date, regardless of their issue and/or acquisition dates.

## **Article 9. Transfer of Statutory Rights on the Acquired Company Assets That Are Subject to Registration**

All statutory rights on any registered brands, real estate, vehicles and other assets (if any) owned by the Acquired Company, which are subject to registration, shall be transferred and passed on to the Acquiring Company in totality. Any and all required registration transactions shall be performed pursuant to the Merger Agreement.

## **Article 10. Privileged Shares and Dividend Shares**

As mentioned in Part II of Article 1 of this Merger Agreement, both Akiş REIT and SAF REIT have outstanding privileged shares. According to Article 11 of the SAF REIT's Articles of Association entitled "Board of Directors Selection and Term," four of the board members shall be elected from among the candidates nominated by Group A shareholders. According to Article 13 of Akiş REIT's Articles of Association, Group A shares have the privilege of nominating candidates for the Board of Directors. Five of the board members are nominated by Group A shareholders by a majority of votes and elected by the General Assembly.

SAF REIT's privileged shareholders shall not receive any shares or share equivalents in return for the privileged SAF REIT shares they own.

According to the Articles of Association of Akiş REIT, Group A shares shall continue to have the privilege of nominating candidates for the Board of Directors.

## **Article 11. Rights and Responsibilities of the Parties**

Merger Parties shall show maximum effort and care to perform fully and in a timely manner to meet all their debt and liability obligations arising from this Merger Agreement. The party that fails to comply with this obligation shall indemnify the other party for any losses or damages incurred.

## **Article 12. Maximum Deadline for General Assembly**

This Merger Agreement shall be valid subject to the approvals to be given by the general assemblies of the Merger Parties and the authorization by the Capital Markets Board as well as obtaining other statutory authorizations. The invitations to be made by the boards of directors of the respective Merger Parties to convene their general assemblies for the approval of the merger transaction, shall be made within 90 (ninety) days at the latest following the approval by the Capital Markets Board, of the Announcement Text inviting the general assembly<sup>1</sup> to approve the merger transaction. If the general

assembly could not be convened within 90 (ninety) days at the latest following the approval by the Capital Markets Board, of the Announcement Text regarding the approval of the merger transaction, then this Merger Agreement shall become null and void, expiring automatically and with no consequences borne.

### **Article 13. Approval By Other Government Agencies**

Parties, apart from the issues discussed above, shall fully perform and comply with all requirements stipulated by the Turkish Commercial Code, the Corporate Tax Law and the merger-related regulations of the Competition Board and the Capital Markets Board as well as other tax laws on which they are incumbent. In cases where there is no explicit provision in this Merger Agreement, the Turkish Commercial Code, the Corporate Tax Law and the merger-related regulations of the Competition Board and the Capital Markets Board shall apply.

Within the scope of the “Communiqué on Mergers and Acquisitions Requiring the Approval of the Competition Board” (Communiqué No: 2010/4) issued by the Competition Board and published in Official Gazette No. 27722 dated October 7, 2010, the application for the merger transaction shall be made to the Competition Board by the Acquiring Company.

After obtaining the Capital Markets Board approval regarding the capital increase of the Acquiring Company and the amendment of its Articles of Association, an application should be made for authorization by the Republic of Turkey Ministry of Customs and Trade, General Directorate of Domestic Trade.

### **Article 14. Special Benefits Provided to Experts Who Prepare The Expert Organization Opinion on Governing Bodies and the Merger**

Apart from compensating for the services acquired, the Merger Parties have provided no special benefits to BDO Denet Bağımsız Denetim and Danışmanlık A.Ş., which has prepared the expert organization opinion on the governing bodies, management partners and the merger.

### **Article 15. Right to Exit**

Within the scope of the provisions of Article 24 of the Capital Markets Law, entitled “Right to Exit,” and Article 9 of the Capital Markets Board’s “Communiqué on Common Principles Regarding Significant Transactions” (II-23.1), entitled “Exercising the Right to Exit,” shareholders who attend the general assembly where said merger transaction shall be submitted for approval and cast a nay vote and have their objections annotated in the minutes of the meeting shall be entitled to exit by selling their shares to Akiş REIT.

If, after the general assembly where said merger transaction would be submitted for approval, and within the statutory deadline set for exercising the right to exit, the shareholder who casts a nay vote and has their objections annotated in the minutes of the meeting, applies to the intermediary that has been exclusively commissioned by the Merger Parties to manage the process of exercising the right to exit to exercise their right to exit in accordance with the procedures set and disclosed to the public, as stated within the provisions of Article 24 of the Capital Markets Law entitled “Right to Exit” and Article 10 of the Capital Markets Board’s “Communiqué on Common Principles Regarding Significant Transactions” (II-23.1) entitled “Exercise Price of Right to Exit,”

- The exercise price of the right to exit for 100 SAF REIT shares corresponding to total 1.00 (one) Turkish lira par value is calculated to be 0.8060 Turkish lira based on “the arithmetic average of adjusted weighted average prices” formed at the Borsa during the 30 (thirty) day period (May 3, 2016–June 1, 2016 period) including the date of disclosure, since it was disclosed to the public after the closing of the second session of the Borsa prior to June 1, 2016, which is the date the merger transaction was first disclosed to the public.
- The exercise price of the right to exit for each Akiş REIT share corresponding to a total of 1.00 (one) Turkish lira par value is calculated to be 2.8760 Turkish lira based on “the arithmetic average of adjusted

weighted average prices” formed at the Borsa during the 30 (thirty) day period (May 3, 2016–June 1, 2016 period), including the date of disclosure, since the Board of Directors resolution to initiate the merger discussions was disclosed to the public after the closing of the second session of the Borsa before the merger transaction was first disclosed to the public on June 1, 2016.

The exercise process for the execution of the right to exit shall commence within 6 (six) business days at the latest from the date of the general assembly where the merger transaction will be submitted for approval, and the deadline for exercising the right to exit will be 10 (ten) business days.

It is mandatory that the right to exit is exercised through stock brokers. Shareholders who will exercise their right to exit shall do so by delivering their shares to be surrendered for sale during the exit process to the stock broker responsible for performing the buying transactions on behalf of the merger partnership, all in accordance with the general provisions and guidelines set for the right to exit and within the context of the exercise process disclosed to the public. Share prices shall be paid to those shareholders who have applied to the stock broker to exercise their right to exit on the next business day that follows the sale at the latest.

Shareholders who wish to exercise their right to exit must do so for all the shares they own regardless of their group distinction.

#### **Article 16. Upper Limits to Be Set By The Boards of Directors Of The Merger Parties**

In the merger process: the Boards of Directors of the Merger Parties shall establish separate upper limits on the ratio of the total cost to be incurred by the Merger Parties as a result of exercising their right to exit and/or the total shares (with voting rights) of the shareholders who would cast a nay vote in the general assembly where the merger transaction will be submitted for approval and have their objections annotated in the minutes of the meeting, to the issued capital, and the subject “upper limit” shall be included in the agenda of the general assembly where the merger transaction will be submitted for approval and presented to the shareholders for their information. Said upper limits and/or other terms to be established in advance shall be disclosed to the public on the Public Disclosure Platform and the shareholders shall be informed about the said limitations accordingly before making any announcements for the invitations and agendas related to the general assemblies where the merger transaction shall be submitted for approval immediately after the Board of Directors passing a resolution on these matters, all in compliance with the public disclosure requirements of the Capital Markets regulations.

The fact that said merger transaction would be canceled in the event of breaching the upper limits to be set by the Board of Directors Resolution mentioned above and/or due to the failure to meet other terms, if any, set in advance for the merger transaction, accordingly, shall be included in the agenda of the general assemblies of the Merger Parties, where the merger transaction will be submitted for approval, as a separate agenda item following immediately the agenda item on the said merger approval, and submitted to the approval of the shareholders. At the general assemblies where the merger transaction will be submitted for approval: when the shares owned by the shareholders who cast a nay vote and have their objections annotated in the minutes of the meeting are taken into consideration, if it is determined that the upper limits set by the Boards of Directors of the Merger Parties have been breached, then in the agenda item immediately following the agenda item about the merger transaction’s approval the general assembly shall vote on whether or not to cancel the merger operation. If the general assemblies of the Merger Parties pass resolution to cancel the merger transaction, then there would be no rights to exit arising.

#### **Article 17. Signed**

Comprising 6 (six) counterparts, this Merger Agreement will become effective once it is approved by the general assemblies of the Merger Parties. The Merger Agreement is exempt from stamp duty as per the addendum, which covers Position No. IV-17, made to Table 2 of Stamp Duty Law No. 488 amended by Law No. 4684.

ISTANBUL, September 22, 2016

**Akiş Gayrimenkul Yatırım Ortaklığı A.Ş.**

Ahmet Cemal Dördüncü  
*Chairman*

Nilüfer Dinçkök Çiftçi  
*Vice Chairman*

Ali Raif Dinçkök  
*Board Member*

Mehmet Ali Berkman  
*Board Member*

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İhsan Gökşin Durusoy  
*Board Member*

---

Alize Dinçkök Eyüboğlu  
*Board Member*

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Uzay Kozak  
*Independent Board  
Member*

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Hüseyin Ersin Takla  
*Independent Board  
Member*

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**SAF Gayrimenkul Yatırım Ortaklığı A.Ş.**

Ahmet Cemal Dördüncü  
*Chairman*

Raif Ali Dinçkök  
*Vice Chairman*

Özlem Ataunal  
*Board Member*

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Rıfat Hasan  
*Board Member*

---

Alize Dinçkök Eyüboğlu  
*Board Member*

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İhsan Gökşin Durusoy  
*Board Member*

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Veysi Küçük  
*Board Member*

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Tayfun Bayazıt  
*Board Member*

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Ufuk Güner  
*Board Member*

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Seba Gacemer  
*Board Member*

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Güner Öztekin  
*Independent Board Member*

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Recep Yılmaz Argüden  
*Independent Board Member*

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