

İŞ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.
Ordinary General Assembly Meeting Information Document for 2013

The Ordinary General Assembly Meeting for the accounting period of 2013 will be held at the address of İş Kuleleri Kule-1 Kat:41 Levent-Beşiktaş/Istanbul at 14:00 on 21 March 2014 for discussing and deciding the following agenda items.

Shareholders may attend the General Assembly Meeting in person or by proxy physically or in electronic environment.

Pursuant to the provisions of the Turkish Commercial Law and Capital Markets Law, our shareholders to attend the General Assembly Meeting are required to fulfill the procedures announced to the public by the Central Registry Agency (CRA).

Our shareholders who wish to attend the General Assembly Meeting in person or by proxy in electronic environment through the Electronic General Assembly System (EGAS) as provided by CRA are required to have a secure electronic signature for themselves and for their proxies, as applicable. Those wishing to attend the General Assembly Meeting in electronic environment through EGAS in person or by proxy are required to notify such preference over EGAS at the latest until 21:00 on the day preceding the date of the General Assembly Meeting. These notifications to be submitted over EGAS on behalf of the legal entities should be signed by the authorized signature holders in the name of the subject entity by using the secure electronic signature produced for their own person.

Our shareholders that will assign a representative for participating in the General Assembly Meeting via EGAS are required to register the identity of such representative to the EGAS at the latest until 21:00 on the day preceding the date of the meeting. The representatives who have been assigned over the EGAS do not need to submit any proxy form; a representative that has been assigned over the EGAS may attend the General Assembly Meeting both physically and through EGAS. However, the representatives have to present their identity cards during their physical participation to the meeting without any regard to their assignment method.

The shareholders to attend the meeting in person physically may do so by only showing their identity cards.

Our shareholders to attend the meetings by proxy in physical environment are required to notarize the proxy form attached hereto on behalf of the 3rd persons, or attach the signature declaration certified by a notary public to a signed copy of the proxy form, and send it to our Company Headquarters by the date of the meeting.

Our shareholders who wish to be represented by safe custody institutions where their shares are deposited are required to issue “Depositor’s Representative Form” and “Instruction Form” in accordance with the provisions of the “Regulation on the Principles and Procedures of the General Assembly Meetings of the Joint Stock Companies and the Representation of the Ministry of Customs and Trade”, which also provides samples for these forms.

Board of Directors’ Annual Report, Auditor’s Report, Financial Statements and Board of Directors’ Proposal for Profit Distribution, and Ordinary General Assembly Meeting Information Document for 2013 are available for our shareholders’ review at our Company’s headquarter and at our company’s website at www.isgyo.com.tr.

Pursuant to the Article 29 of the Capital Markets Law No 6362, no separate notification will be made via registered mail to the holders of the registered shares which are listed in the stock market.

Our shareholders are kindly invited to the Ordinary General Assembly Meeting on the above-given date and time.

Headquarters: İş Kuleleri Kule: 2 Kat:10-11 34330 Levent-Beşiktaş / Istanbul

EXPLANATIONS ON THE AGENDA OF THE ORDINARY GENERAL ASSEMBLY MEETING

1. Opening, election of the Chairing Council

After the opening speech to be delivered by the Chairman of the Board of Directors, the Chairman and the Chairing Council who will chair the general assembly will be elected pursuant to the Turkish Commercial Law and “Regulation on the Method and Principles of General Assembly Meetings of Joint-Stock Companies and on the Representatives of the Ministry of Customs and Trade Who Will be Present in These Meetings” (Regulation) of the Ministry of Customs and Trade.

2. Authorization of the Chairing Council for signing the minutes of the meeting

The Chairing Council will be authorized to sign the minutes of the General Assembly according to the Turkish Commercial Law and the provisions of the Regulation.

3. Reading and discussion of Board of Directors’ Annual Report and Auditor’s Report on the activities in 2013.

Pursuant to the Turkish Commercial Law and the provisions of the Regulation, and to the Corporate Governance Principles (CGP) of the Capital Markets Board of Turkey (CMB), the Board of Directors’ Annual Report and Auditor’s report prepared by firm Akis Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (a member of KPMG) which were submitted to the examination of our shareholders at the Company’s website www.isgyo.com.tr and at the Company Headquarters will be read at the general assembly meeting and submitted to our shareholders’ consideration.

4. Reading, discussion and approval of the financial statements of the year 2013.

Pursuant to the Turkish Commercial Law and the provisions of the Regulation, financial statements regarding 2013 will be read and will be submitted to our shareholders' consideration and approval.

5. Submitting the amendments to the Company’s Profit Distribution Policy to the approval of the shareholders, and discussing and deciding about the Board of Directors’ proposal for the distribution of 2013 operating profit

Company’s Profit Distribution Policy has been reviewed within the frame of the Profit Distribution Communiqué (II-19.1) published during the year. No amendments were made in the main components of the Profit Distribution Policy and that will affect the essence of the policy. The following clause has been added to the policy regarding the advance dividend payments:

“The subject of advance dividend payment has been included in the Articles of Association, and advance dividend payments may be made to the shareholders within the framework of the capital market regulations regarding the subject.”

The profit distribution policy to be submitted to the approval at the General Assembly Meeting is as follows.

Profit Distribution Policy of İş Gayrimenkul Yatırım Ortaklığı A.Ş.:

The profit distribution proposal of the Board of Directors is discussed in the General Assembly and the General Assembly meeting concludes whether or not profit will be distributed and, if yes, how and when.

The Company's Articles of Association provides that first dividend will be distributed to the shareholders from the distributable profit at a rate and amount to be determined by the Capital Markets Board.

The Board of Directors has adopted a profit distribution policy based on the principle of proposing to the General Assembly to distribute at least 30% of the distributable profit as bonus share or in cash by considering the following factors in its profit distribution proposals:

- To ensure that the delicate balance between the expectations of our shareholders and the Company's need to grow is not upset,*
- The profitability of the Company.*

No privileges apply to the profit distribution, and the profit distribution procedures are completed within legal terms provided by the laws and regulations.

Should the Board of Directors propose not to distribute the profit in a given year, information is given to the shareholders in the General Assembly meeting of its reasons and how the retained profits will be used, and such information is also included to the activity report and disclosed to the public.

The subject of advance dividend payment has been included in the Company's Articles of Association, and advance dividend payment can be made to the shareholders within the framework of the capital market regulations on the subject.

Our company's net profit in the period is TL 116.156.720 in financial statements dated 31 December 2013 prepared in accordance with the Capital Markets Board's Communiqué No II-14.1 on the "Principles Regarding the Financial Reports in Capital Markets", and TL 99.314.260,59 in legal records kept according to the Tax Procedure Law.

Profit distribution proposal prepared by our Board of Directors in accordance with the Capital Markets Laws and Regulations, our Company's Profit Distribution Policy and Article 28 of our Company's Articles of Association will be submitted to the approval of our shareholders in the general assembly meeting. The Board of Directors' profit distribution proposal which will be submitted to the approval of the General Assembly provides that, from our net profit, TL 31.500.000 be distributed in cash and TL 50.400.000 be distributed as bonus share. (ENCLOSURE 1)

6. Discharge of the Board Members for their activities in 2013.

The discharge of our Board Members for their activities in 2013 will be submitted to the approval of the General Assembly in accordance with the provisions of the Turkish Commercial Law and Regulation.

7. Election of the Board Members and Determining the Term of Their Service.

Election will be held for our Board Members in accordance with the provisions of the Turkish Commercial Law and the Regulation, and the relevant clauses of our Company's Articles of Association. One of the Board Members is elected from among the candidates proposed by the Group B shareholders, and the remaining Board Members are elected from among the candidates proposed by Group A shareholders who have the privilege to nominate candidates for the Board Members. Nomination and election of the independent board members is based on the regulations of the Capital Markets Board regarding the independent board members.

Nomination Committee assesses and reports its assessment on whether the independent board member candidates bear the independence criteria under the Principle No. 4.3.7 of the Corporate Governance Principles and submits this report to the approval of the Board of Directors. Upon nomination, the independent board member candidate submits to the Nomination Committee a written statement as to his/her independence within the framework of the criterias in the Corporate Governance Principles.

Since our Company already has a Corporate Governance Committee, a separate Nomination Committee was not established. Our Corporate Governance Committee performs the functions of the Nomination Committee within the framework of the principle No. 4.5.1.

The list of Candidates for our Company's Board Members has not yet been finalized; the list will be disclosed to the public following the finalization of the membership information.

8. Determining the remuneration of the Board Members.

Monthly remuneration of the Board of Directors will be decided in the General Assembly meeting in accordance with the provisions of the Turkish Commercial Law and the Regulation, and the pertinent principles of our Company's Articles of Association.

Accordingly, the proposal of the Corporate Governance Committee regarding the remuneration of our Board Members will be submitted to the opinion and approval of the shareholders in the General Assembly meeting.

9. Election of the Auditor:

It has been resolved in the meeting of our Board of Directors dated 04.03.2013 that the independent audit service be provided by the KPMG member Akis Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş., which was proposed by the Audit Committee, for a term of 3 years including 2013, 2014 and 2015.

As per the Article 399 of the Turkish Commercial Code and the Regulation, the provision of the independent audit service from Akis Bağımsız Denetim ve Serbest Muhasebeci Müşavirlik A.Ş. for year 2014 will be submitted to the approval of the General Assembly.

10. Authorization of the Board Members for carrying out the transactions provided under the Articles 395 and 396 of the Turkish Commercial Law.

Article 395 of the Turkish Commercial Law is about the "ban on making business with and borrowing from the company". The referred article stipulates that the Board Member cannot have any transaction with the Company on his/her own behalf or on behalf of another person without the due approval of the General Assembly; that the Board Members who are not shareholders and their relatives who are not shareholders as listed under Article 393 cannot borrow cash from the Company; and that the Company cannot issue guarantee, warranty and collateral for such persons.

Article 396 of the Turkish Commercial Law is about the "non-competition". The said article stipulates that no board member can conduct any transaction of a commercial nature falling under the scope of activity of the company in his/her account or any other person's account without obtaining permission from the General Assembly, and he/she cannot participate in a company involved in the same kind of commercial business as a partner with unlimited liability.

Accordingly, Board Members are required to get the approval of the General Assembly in order to conduct the transactions referred in Articles 395 and 396 of the Turkish Commercial Law.

For the activity year 2013, the General Assembly has granted authorization for the Board Members to conduct the transactions listed under the Articles 395 and 396. During the activity year 2013, Board of Directors as well as the shareholders that control the management, managers with administrative responsibility, and the spouses and the relatives by blood and marriage up to second degree thereof have had no significant transactions with the company and its affiliated companies that could lead to conflict of interest and have carried out no transactions in the business falling under the scope of activity of the company and its subsidiaries on their own account or on the account of others, or have not participated in a company involved in the same kind of business as a partner with unlimited liability.

11. Informing the shareholders on the Company's donations made in 2013, and setting the limit for the donations to be made in 2014.

Under the Principle No.1.3.10 of the Corporate Governance Principles and Article 6 of the Capital Markets Board's Communiqué No. II-19.1, the donations made during the year should be informed to the General Assembly. Our Company has made no donations in 2013.

However, along with its efforts to contribute to the industry's development as well as social solidarity, artistic and sports activities; our Company has acted as the sponsor of the Women's Handball Team of Konak Municipality and spent TL 250.000 for covering the needs of this team in 2013-2014 league season.

The limit of the donations to be made by companies is required to be determined in the General Assembly according to Article 19 of the Capital Markets Board. The budget allocated for the planned donations of our Company in 2014 will be submitted to the approval of our General Assembly.

12. Wishes and suggestions.

Additional Explanations as per the Capital Markets Board's regulations

Please find below information on subjects which are not related with our agenda items but are required to be submitted under the Capital Markets Board's "Corporate Governance Communiqué" No. II-17.1.

1. Capital Structure and Voting Rights:

Our Company's issued capital is TL 630.000.000 which is fully paid.

Issued capital is consisted of 630.000.000.000 shares each with a nominal value of TL, and all of these shares are registered shares.

The portion with a value of TL 900.000 is Group A shares, and the remaining with a value of TL 629.100.000 is Group B shares. Group A shares have the privilege of nominating candidates during the election of the Board Members. One of the Board Members is elected from among the candidates nominated by Group B shareholders, and the rest from among the candidates nominated by Group A shareholders.

The Articles of Association of our Company provides no privilege regarding the voting.

Trade Name of the Shareholders	Share Group	Value of share, TL	Ratio, %
Türkiye İş Bankası A.Ş.	A	900.000	0,14%
Türkiye İş Bankası A.Ş.	B	265.180.192	42,09%
Anadolu Hayat Emeklilik A.Ş.	B	44.782.874	7,11%
Anadolu Anonim Türk Sigorta Şirketi A.Ş.	B	30.068.312	4,77%
İş Net Elektronik Bilgi Ürt. Dağ. Tic.ve İletişim Hizm. A.Ş.	B	8.351.594	1,33%
Others	B	16.358.784	2,60%
Publicly Held Shares	B	264.358.244	41,96%
Total		630.000.000	100.0%

2. Information on the changes in the administration and operations of the Company and its affiliates that could have major impact on the activities of the Company:

Our Company and its subsidiaries have had no changes in its administration and operation in the previous accounting period that could influence the Company's activities seriously, nor has it any such scheduled change for 2014 accounting period.

3. Information on the requests of the shareholders to add an agenda item:

Our Board of Directors pays particular attention to consider the written requests communicated by the shareholders to the Company's Investor Relations Department to include certain subject to the agenda.

No such request has been received by the Investor Relations Department of our Company during the preparation of our agenda items for 2013 Ordinary General Assembly Meeting.

4. Announcement regarding the transactions and competition with our Company, of our shareholders that control the management of our Company, our Board Members and managers with administrative responsibility:

During the year, the shareholders that control the management, board members, managers with administrative responsibility, and the spouses and the relatives by blood and marriage up to second degree thereof have had no significant transactions with the company and its affiliated companies that

could lead to conflict of interest and have carried out no transactions in the business falling under the scope of activity of the company and its subsidiaries on their own account or on the account of others, or have not participated in a company involved in the same kind of business as a partner with unlimited liability.

5. Announcement on the transactions carried out by persons with the privilege to access to Company information:

No request has been delivered to our Board of Directors for adding an additional item to the agenda of the General Assembly Meeting for informing the General Assembly about the transactions falling under the scope of the activity of the Company as carried out by the shareholders that control the management, board members, managers with administrative responsibility, and the spouses and the relatives by blood and marriage up to second degree thereof, as well as by other persons having the privilege to reach the company's information on their own account.

6. Announcement on the external positions assumed by the Board Members:

There are no certain rules regarding the appointment of the Board Members to positions in companies other than the Company; such appointment of the Board Members as executive, board member or consultant in other companies should not lead to a conflict of interest. However, it is also essential that independent board members of our Company should act with an awareness to protect the independence criteria as provided in the corporate governance principles on this subject. External positions held by the board members and their term of service in the Company and the distribution of their duties have been provided in their résumés included in the Company's website and the Annual Report.

7. Announcement on significant related party transactions conducted during the year:

Significant related party transactions carried out during the year upon approval of the independent board members are: the use of the project financing loan with a sum of USD 110 million from T. İş Bankası, the purchase decision of the Land in Zeytinburnu owned by T. Şişe ve Cam Fabrikaları A.Ş. and Anadolu Cam San. A.Ş. and the use of a loan for this land with a sum of TL 180 million from T. İş Bankası. The Board resolutions regarding these transactions have been taken unanimously with the positive vote of the independent board members.

8. Announcement on the fringe benefits of the Board Members and senior management of the Company:

Remuneration principles for the Board Members and the top executives of the Company have been put into writing and the Remuneration policy of the Company has been submitted to the approval of the General Assembly and disclosed to the public in accordance with the Corporate Governance Principles.

Wages of the Board Members are determined by the General Assembly. The fringe benefits provided to the Board of Directors are disclosed to the public via the Financial Reports issued quarterly. The gross total of the financial benefits offered to the Board Members is TL 453.000.

Other than the wage decided by the General Assembly, the Board Members are not given the fringe benefits such as honorarium, premium, and bonus. No stock options or the payment plan based on the company's performance apply to the remuneration of the independent board members.

Fringe benefits offered to the top executives are consisted of wages and bonuses.

The Company has had no transactions during the year such as lending or extending loans to the Board Members, extending personal loans to the Board Members via third persons, or providing surety or guarantees to them.

9. Announcement regarding the conflict of interests between the service companies and the Company:

The Company observes the relevant clauses of the capital markets regulation during its selection of the companies to provide services, and pays due diligence to prevent the possible conflicts of interest.

There are presently no conflicts of interest between the Company and the companies or organizations providing service to the Company during or after the term of their service.

ENCLOSURE 1: The Board’s proposal regarding the distribution of the profit obtained through the 2013 operations

Our company’s net profit in the period is TL 116.156.720 in the financial statements dated 31 December 2013 prepared in accordance with the Capital Markets Board’s Communiqué No II-14.1 on the “Principles Regarding the Financial Reports in Capital Markets”, and TL 99.314.260,59 in legal records kept according to the Tax Procedure Law.

Profit distribution proposal, prepared by our Board of Directors in accordance with the Capital Markets Laws and Regulations, our Company’s Profit Distribution Policy and Article 28 headed “Distribution of the Profit and Legal Reserves” of our Company’s Articles of Association, submits to the approval of the General Assembly that, from our net profit, TL 31.500.000 be distributed in cash and TL 50.400.000 be distributed as bonus share.

İŞ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. Profit Distribution Table For the Year 2013 (TL)			
1. Paid in/Issued Capital		630.000.000	
2. General Legal Reserve (Based on Legal Records)		24.507.988,51	
Information regarding privileges in profit distribution according to the Articles of Association, if any, information on such privileges:		There are no privileges in profit distribution.	
		Based on CMB	Based on Legal Records
3.	Profit for the Period	116.156.720,00	99.314.260,59
4.	Taxes (-)	0,00	0,00
5.	Net Profit for the Period (=)	116.156.720,00	99.314.260,59
6.	Former Year Losses (-)	0,00	0,00
7.	General Legal Reserve (-)	4.965.713,03	4.965.713,03
8.	NET DISTRIBUTABLE PROFIT FOR THE PERIOD (=)	111.191.006,97	94.348.547,56
9.	Donations Given within the Year (+)	0,00	
10.	Net Distributable Current-Year Profit Incorporating Donations	111.191.006,97	94.348.547,56
11.	First Shareholders Dividend	81.900.000,00	
	- Cash	31.500.000,00	
	- Bonus	50.400.000,00	
	- Total	81.900.000,00	
12.	Dividends For Preferred Shareholders	0,00	
13.	Dividends For Others	0,00	
	- Board Members	0,00	
	- Employees	0,00	
	- Others than Shareholder	0,00	
14.	Dividends For Usufruct Shares	0,00	
15.	Second Dividend For Shareholders	0,00	
16.	General Legal Reserve	0,00	
17.	Statuary Reserves	0,00	
18.	Special Reserves	0,00	
19.	EXTRAORDINARY RESERVES	29.291.006,97	12.448.547,56
20.	Other Sources Planned For Distribution	0,00	0,00

DIVIDEND RATIO TABLE						
	GROUP	TOTAL DIVIDENDS		TOTAL DISTRIBUTED PROFIT/NET DISTRIBUTABLE PROFIT FOR THE PERIOD	OF 1 TL NOMINAL VALUE DISTRIBUTED PROFIT	
		CASH (TL)	BONUS (TL)		RATIO (%)	AMOUNT (TL)
NET	A	45.000,00	72.000,00	0,10522%	0,13	13%
	B	31.455.000,00	50.328.000,00	73,55181%	0,13	13%
	TOTAL	31.500.000,00	50.400.000,00	73,65704%	0,13	13%