



Akfen Holding A.Ş.

14.10.2014

Please kindly find below Akfen Holding's announcement regarding the revision in the Board's decision on Capital Reduction:

Our Company's Board decided to revise the change in the 6th Article (on "Capital") of our Company's Articles of Association, which was announced on 13.08.2014. The new revision in the above mentioned article incorporates the decrease of our Company's paid-in capital from TL 291 million to TL 261.9 million (a reduction of TL 29.1 million) via cancellation of our shares that our Company has acquired through a share buyback programme.

The related revision in our Articles of Association will be submitted to the Capital Markets Board (CMB) and the Ministry of Customs and Trade and following their permission the issue will be submitted to the first General Assembly for approval.

We hereby state that the above clarifications are in compliance with the principles set forth in the Decree No 54 Series No VIII of the Capital Market Board, that it fully reflects the information we have received in this respect, that the information is compliant with the books, records and our documents, that we have accomplished our best in order to obtain the accurate and correct information, and that we are responsible for this clarification hereby.

Akfen Holding Investor Relations

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Annex: Draft Revision to the Articles of Association

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OLD TEXT	NEW TEXT
<p>ARTICLE 6 – CAPITAL</p> <p>Holding has adopted the registered capital system with the permission of the Capital Markets Board on the 16th of April 2010 with n. B.02.1.SPK.0.13-504 3939.</p> <p>The upper limit of the Holding’s registered capital is TL1,000,000,000.00 (one billion) and divided into 1,000,000,000 shares, each with a par value of 1 (one) Turkish Lira.</p> <p>The permission given by the Capital Markets Board for the upper limit of the registered capital is valid between the years, 2010-2014 (for five years). Even though the allowed upper limit of the registered capital is not reached at the end of 2014, for the board of directors to take a capital increase decision after 2014; approval must be received from the general assembly for a new period which is not more than 5 years, by means of getting permission from the Capital Markets Board for the previously allowed upper limit or for a new upper limit amount. In case the mentioned approval is not received, the Company will be considered as out of the registered capital system.</p> <p>The paid-in capital of the Holding is TL 291,000,000.</p> <p>This capital was divided into 291,000,000 shares as; 57,458,736 Group A shares and 233,541,264 Group B shares, each with a par value of 1.- Turkish Lira.</p> <p>Existing capital was paid in full, as free of collusion. If required, the capital of the Company can be raised or reduced within the scope of the provisions of the Turkish Commercial Code and the Capital Legislation.</p> <p>57,458,736 Group A shares were allocated to Hamdi Akin. Group A shares are registered shares whereas Group B shares are bearer shares.</p>	<p>ARTICLE 6 – CAPITAL</p> <p>Holding has accepted the registered capital system in accordance with the abolished Capital Markets Law numbered 2499 and has adopted the registered capital system with the permission of the Capital Markets Board on the 30th of April 2010 with n. 25/334.</p> <p>The upper limit of the Holding’s registered capital is TL1,000,000,000.00 (one billion) and divided into 1,000,000,000 shares, each with a par value of 1 (one) Turkish Lira.</p> <p>The permission given by the Capital Markets Board for the upper limit of the registered capital is valid between the years, 2014-2019 (for five years). Even though the allowed upper limit of the registered capital is not reached at the end of 2019, for the board of directors to take a capital increase decision after 2019; approval must be received from the first general assembly, by means of getting permission from the Capital Markets Board for the previously allowed upper limit or for a new upper limit amount. This approval by the general assembly can be prolonged for periods of 5 years. In case the mentioned approval is not received, the Company cannot increase its paid-in capital through a board decision.</p> <p>The paid-in capital of the Holding is TL 261,900,000.</p> <p>The paid-in capital, which amounted to TL291,000,000 previously, was reduced to TL261,900,00 through a reduction by TL29,100,000 of the capital, which was wholly paid in cash.</p> <p>This capital was divided into 261,900,000 shares as; 57,458,736 Group A shares and 204,441,264 Group B shares, each with a par value of 1.- Turkish Lira.</p> <p>57,458,736 Group A shares were allocated to Hamdi Akin. Group A shares are registered shares whereas Group B shares are bearer shares.</p>

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<p>In any case, during capital increase, the Board of Directors will issue new Group A and Group B shares based on the proportion of the shares that are in the Group A and Group B shareholders' possession in the Company. The shareholders participate in the capital increases by getting the shares – together with the privileges granted to the mentioned Group – that will be issued in the same Group with the shares in their possession.</p> <p>The shareholders, who will subscribe for the shares that will be issued with premiums due to capital increases, will separately pay the Company the share premiums that will be determined in addition to the par value of the share certificate, on the issuance date of the shares, in accordance with the relevant article of the Turkish Commercial Code.</p> <p>In case deemed necessary, the Board of Directors is entitled to raise the issued capital until reaching the aforementioned upper limit of the registered capital by issuing new shares between the years 2010 and 2014 in compliance with the provisions of the Capital Markets Law and notwithstanding the provisions of the Turkish Commercial Code regarding equity capital increase.</p> <p>The shares representing the capital are dematerialized shares within the framework of the principles of dematerialization.</p> <p>In case deemed necessary, in compliance with the provisions of the Capital Markets Law, the Board of Directors has the power to take decisions on the issues of; raising the issued capital until reaching the upper limit of the registered capital by issuing new shares, issuing shares above the par value (share premiums) or below the par value, restricting partially or fully the rights of the shareholders to purchase new shares. The authorization for restricting the rights of the shareholders to purchase new shares cannot be used in a manner that creates inequality between the shareholders.</p>	<p>Existing capital was paid in full, as free of collusion. If required, the capital of the Company can be raised or reduced within the scope of the provisions of the Turkish Commercial Code and the Capital Legislation.</p> <p>In any case, during capital increase, the Board of Directors will issue new Group A and Group B shares based on the proportion of the shares that are in the Group A and Group B shareholders' possession in the Company. The shareholders participate in the capital increases by getting the shares – together with the privileges granted to the mentioned Group – that will be issued in the same Group with the shares in their possession.</p> <p>In case of a capital increase decision through issuing shares with premiums, the shareholders who will subscribe for the shares that will be issued with premiums due to capital increases, will separately pay the Company the share premiums that will be determined in addition to the par value of the share certificate, on the issuance date of the premium shares, in accordance with the relevant article of the Turkish Commercial Code.</p> <p>In case deemed necessary, the Board of Directors is entitled to raise the issued capital until reaching the aforementioned upper limit of the registered capital by issuing new shares between the years 2014 and 2019 in compliance with the provisions of the Capital Markets Law and notwithstanding the provisions of the Turkish Commercial Code regarding equity capital increase.</p> <p>The shares representing the capital are dematerialized shares within the framework of the principles of dematerialization.</p> <p>In case deemed necessary, in compliance with the provisions of the Capital Markets Law, the Board of Directors has the power to take decisions on the issues of; raising the issued capital until reaching the upper limit of the registered capital by issuing new shares, issuing shares above the par value (share premiums) or below the par value, restricting partially or fully the rights of the shareholders to purchase new shares. The authorization for restricting the rights of the shareholders to purchase new shares cannot be used in a manner that creates inequality between the shareholders.</p>
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