



## Privatization of 100% Shares of IDO



## MONOPOLISTIC MARITIME TRANSPORTATION

- IDO provides passenger and vehicle transportation services on 14 inner-city and inter-city lines in İstanbul and the Southern Marmara Region.
- The company operates a fleet of 52 vessels on a network of 35 terminals.
- One of the most sizeable maritime transportation company of the world in terms of fleet size and number of passengers & vehicles transported, having a monopolistic position in the Marmara Region.

## LARGE AND MODERN FLEET

- A large and modern fleet of 25 sea buses, 17 conventional ferries and 10 fast ferries allows IDO to offer wide range of services with a capacity over 36K passenger and 3K vehicles.
- IDO's well maintained fleet ensures operational efficiency with no further fleet renewal investment requirement in the mid-term.

## SECURED LONG TERM USAGE RIGHTS OF TERMINALS

- All terminals are located on key maritime and road transportation routes in İstanbul and along the shores of Southern Marmara region.
- IDO has the usage rights of the 35 terminals up to 30 years.
- Unique locations of the terminals creates a strict entry barrier for any potential competitor in the region

## TARIFFS AND SCHEDULES

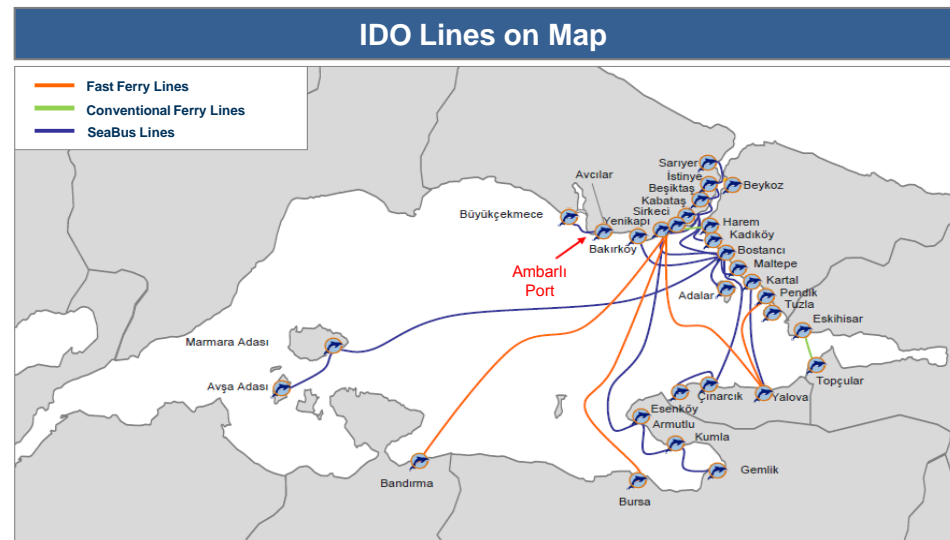
- The tariff and schedule changes for the inner-city Sea Bus and Conventional Ferry operations are subject to the approval of the Transportation Coordination Center (TCC). TCC is responsible for the coordination of İstanbul transportation services including land, maritime and railway transportation.
- The tariffs and schedules for the inter-city Sea Bus, Conventional Ferry and Fast Ferry operations are not regulated. IDO is free to amend the tariffs and schedules of inter-city lines operations according to its strategy.

# IDO - Overview

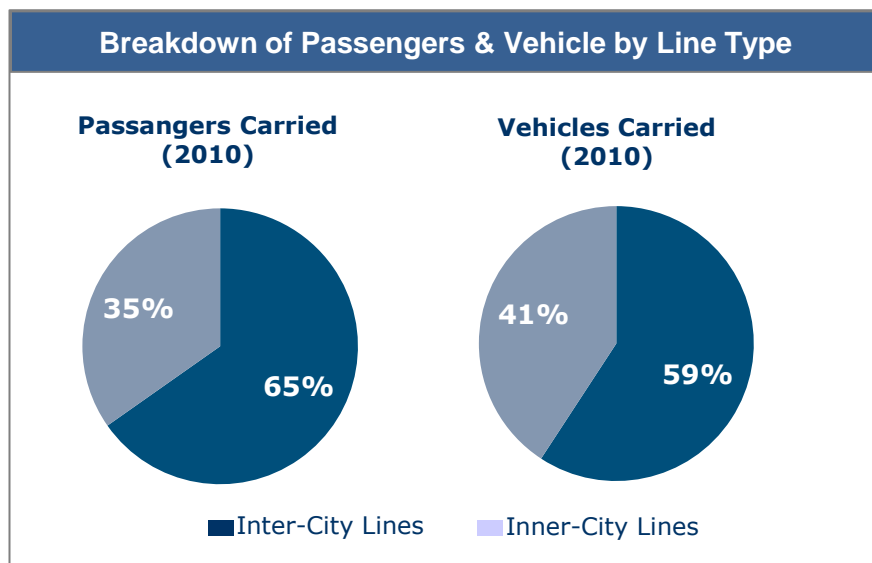
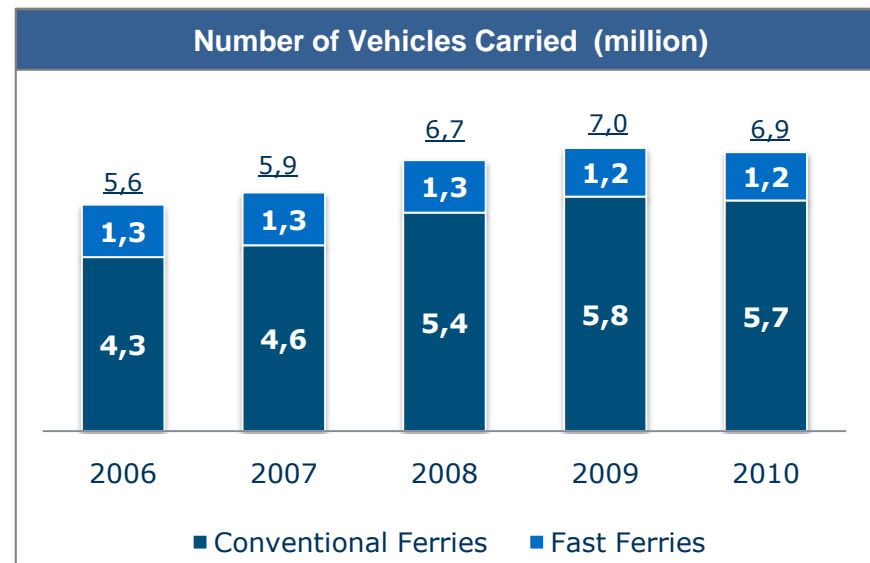
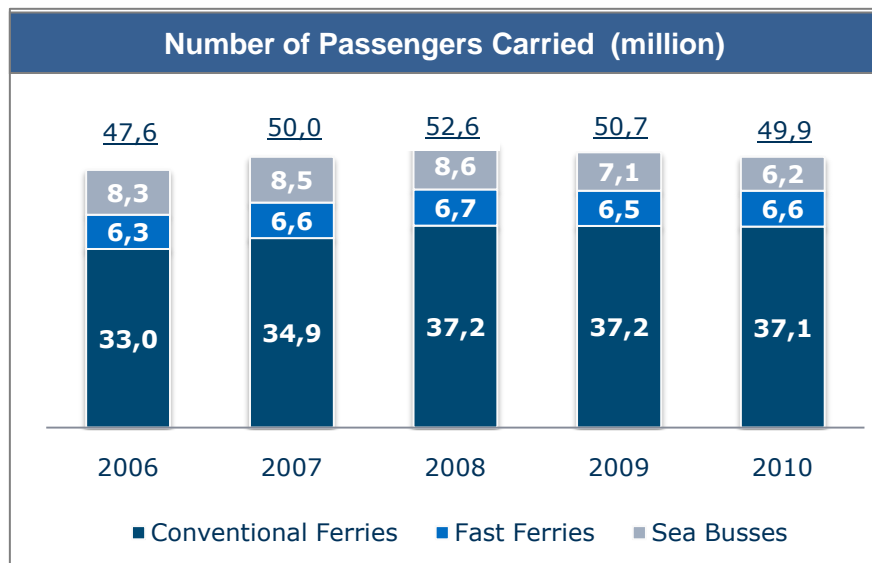


- **Istanbul Deniz Otobüsleri Sanayi ve Ticaret A.S.** (“IDO”), one of the largest company in Turkish sea transportation sector, was founded as a wholly-owned subsidiary of the Istanbul Metropolitan Municipality in 1987.
- With 52 vehicles and 35 piers, IDO provides **passenger and vehicle transportation** in the Marmara Region both inter-city and inner-city lines connecting Istanbul with Southern Marmara
- On 08 April 2011, Akfen Holding together with its joint partners won the privatization tender for the 100% block sale of IDO by bidding US\$861mn.
- Out of 52 vessels, **IDO owns 45 of them and 7 vessels leased from Istanbul Municipality** for 30 years.
- IDO owns usage rights of **35 terminals up to 30-years**.
- Tariff and schedule changes for **inner-city IDO lines** are subject to Transportation Coordination Center’s approval. However IDO is free to set its own pricing for **inter-city lines**.
- IDO owns the 30 year usufruct right of an empty land (**309 thousands sqm** in total; approximately 180 thousands sqm on the land side where the remaining area on the sea side will be leased from the National Real Estate Authority) in **Ambarlı Port Complex**. Ambarlı Port Complex is the most attractive locations in terms of port operations due its close proximity to İstanbul. The Complex handled more than 40% of Turkey’s container volume in 2010. The opportunity of developing new port business represents a significant upside for IDO.
- Alternative transportation projects such as **Izmit Bay Crossing Project, Marmaray Project, Euroasia Tunnel Project** pose competition risks for IDO operations.

Current Operations of IDO	
<b>Operations</b>	Passenger and vehicle transportation
<b>Fleet</b>	25 sea buses, 10 fast ferries, 17 conventional ferries
<b>Capacity</b>	Around 36.000 passengers and 3.000 vehicles
<b>Terminals</b>	Total of 35 terminals
<b>Lines</b>	Total of 14 main lines (5 inner-city and 9 inter-city)
<b>Personnel</b>	1.882 (626 payroll and 1.256 outsourced)



# IDO – Operational Figures



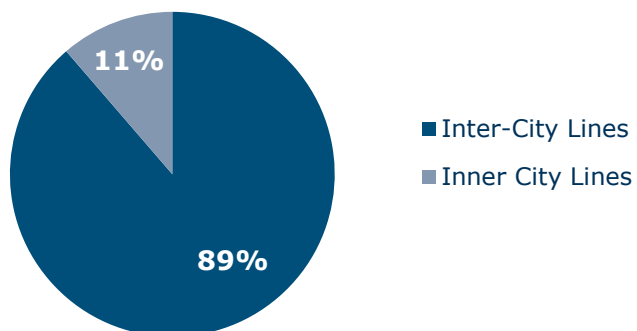
### 1Q 2011 Results (million)

	1Q 2010	1Q 2011	1Q 11/1Q 10
<b>Number of Passengers Carried</b>			
Conventional Ferry	7,5	8,9	18%
Fast Ferry	1,1	1,2	10%
Sea Bus	1,2	1,2	4%
<b>Number of Vehicles Carried</b>			
Conventional Ferry	1,2	1,4	18%
Fast Ferry	0,2	0,2	7%

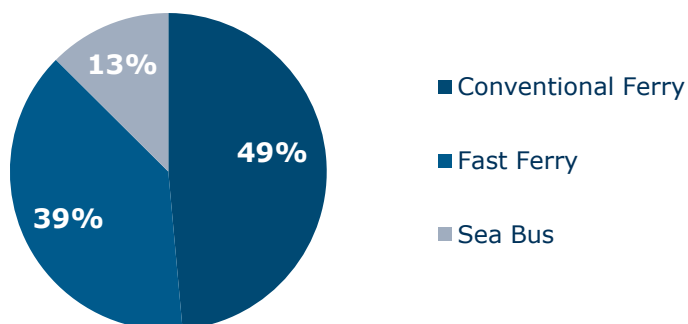
# IDO – Financial Figures



### Breakdown of Revenues by Line Type (2010)



### Breakdown of Revenues by Business Segment (2010)



### Operational Profitability

USD'000	2008	2009	2010
<b>Net Sales</b>	<b>264.314</b>	<b>211.726</b>	<b>234.153</b>
Sea Buses	34.242	27.546	29.369
Fast Ferries	97.557	82.190	91.073
Conventional Ferries	132.515	101.991	113.711
<b>Adjusted EBITDA*</b>	<b>99.769</b>	<b>91.592</b>	<b>98.274</b>
Sea Buses	-6.988	-3.594	-9.517
Fast Ferries	20.413	30.040	30.491
Conventional Ferries	85.410	62.697	73.721
<b>Adjusted EBITDA Margin</b>	<b>38%</b>	<b>43%</b>	<b>42%</b>
Sea Buses	na	na	na
Fast Ferries	21%	37%	33%
Conventional Ferries	64%	61%	65%
TL'000	2008	2009	2010
<b>Net Sales</b>	<b>341.731</b>	<b>327.562</b>	<b>351.042</b>
Sea Buses	44.272	42.616	44.030
Fast Ferries	126.131	127.156	136.537
Conventional Ferries	171.328	157.790	170.475
<b>Adjusted EBITDA*</b>	<b>128.991</b>	<b>141.702</b>	<b>147.333</b>
Sea Buses	-9.035	-5.561	-14.268
Fast Ferries	26.392	46.475	45.712
Conventional Ferries	110.426	96.998	110.522
<b>Adjusted EBITDA Margin</b>	<b>38%</b>	<b>43%</b>	<b>42%</b>
Sea Buses	na	na	na
Fast Ferries	21%	37%	33%
Conventional Ferries	64%	61%	65%

Source: IDO

\* In 2010 major pre-privatization restructuring undertaken which have effected the operational and financial structure of the company. Restructuring process included revisions of terminal and ship lease agreements, revisions of line license agreements, and divesture of loss making City Lines operations from IDO. Adjusted EBITDA represent post-restructuring effects.

<b>Optimization of Operations</b>	<ul style="list-style-type: none"><li>▪ Optimization of current lines and trip scheduling.</li><li>▪ Optimization of fleet and OPEX.</li><li>▪ Development of new tariffs such as dynamic pricing.</li></ul>
<b>Additional Revenues</b>	<ul style="list-style-type: none"><li>▪ Potential on board and off board advertising revenue.</li><li>▪ Potential on board and off board catering revenue.</li><li>▪ Revenues from the new lines.</li></ul>
<b>New Business Development</b>	<ul style="list-style-type: none"><li>▪ Introducing intermodal transportation.</li><li>▪ Ambarlı Port project.</li></ul>
<b>Corporate Tax Exemption</b>	<ul style="list-style-type: none"><li>▪ Revenues generated from vessels registered with the Turkish International Vessel Registry ("TIVR") are exempt from corporate tax. Personnel employed at TIVR-qualified vessels are exempt from income tax.</li></ul>