



OPERATIONAL PERFORMANCE REPORT

January 2014

Issue date: 06.03.2014

AKFEN HOLDING - RECENT DEVELOPMENTS & DATA

As of January 31st, 2014; the price of Akfen Holding's corporate bond with the ISIN code TRSAKFH31411 (maturity date March 7th, 2014 and issue amount TL200mn) was TL100.250 (dirty price). Total trading volume in January was TL 29,502,317 and the yield as of 31st January 2014 corresponded to 8.85% + 242bps spread.

As of January 31st, 2014; the price of Akfen Holding's corporate bond with the ISIN code TRSAKFH11710 (maturity date January 9th, 2017 and issue amount TL140mn) was TL99.986 (dirty price). Total trading volume in January was TL 3,427,319 and the yield as of 31st January 2014 corresponded to 11.01% + 269bps spread.

Pursuant to the resolution of the Board of Directors ("BOD") dated February 10th, 2014, BOD decided to issue corporate bonds through a public offering. The nominal value of the offering will be TL200 million with a maturity of 3 years. The interest rate of the bond will be floating with a spread over the benchmark Turkish Government bond yield and be payable semi-annually. The bond will be listed on Borsa Istanbul. The Company intends to use the proceeds from the offering for repayment of our maturing bond, for repayment of financial debt and interest payments, for new or ongoing investments, for our contribution to our subsidiaries'/participation's financing needs and for general corporate purposes. The bond will be offered by Garanti Securities.

Within the "Share Buyback Programme"; the total amount of the shares repurchased by Akfen Holding so far has reached 15,724,102 (average price TL4.31), which represents around 5.40% of the Company's paid-in capital. Together with the shares acquired by Akfen Construction during 27.11.2012-11.11.2013 the total stake in Akfen Holding amounts to 7.81%.

Our Company's share buybacks within the frame of the "Share Buyback Program", initiated at the Extraordinary General Assembly on 12th September, 2011, have been halted in order to comply with Article 9 of the Capital Markets Board Communique on Share Buybacks dated 3rd January 2014 and numbered II-22.1. As of 19th February 2014, Our Company and our wholly owned subsidiary Akfen İnşaat's total share purchases together with the shares held by Akfen İnşaat prior to our Company's IPO on 14th May 2010 have reached 10.55% of the Company's paid-in capital.

BUSINESS LINES - OPERATIONAL PERFORMANCE & DEVELOPMENTS
1) Airports/Terminals: TAV Airports

Passenger Figures* (as of 31 January 2014)

	2014 LTM	2013	YTD Chg.	YoY Chg.	LTM Chg.
Ataturk Airport	51,859,828	51,320,875	15%	15%	14%
International	34,479,318	34,096,770	16%	16%	14%
Domestic	17,380,510	17,224,105	13%	13%	13%
Esenboga Airport	11,087,377	10,928,403	21%	21%	19%
International	1,584,913	1,573,943	11%	11%	-1%
Domestic	9,502,464	9,354,460	23%	23%	24%
Izmir Airport	10,297,506	10,208,627	14%	14%	9%
International	2,485,954	2,467,436	26%	26%	3%
Domestic	7,811,552	7,741,191	12%	12%	12%
Gazipaşa Airport	373,308	363,024	n.m.	n.m.	n.m.
International	247,079	242,949	n.m.	n.m.	n.m.
Domestic	126,229	120,075	n.m.	n.m.	n.m.
TAV Turkey Total	73,618,019	72,820,929	16%	16%	14%
International	38,797,264	38,381,098	17%	17%	13%
Domestic	34,820,755	34,439,831	15%	15%	16%
Medinah	4,916,758	4,669,181	81%	81%	5%
Monastir+Enfidha Airports	3,442,755	3,437,849	7%	7%	4%
Tbilisi + Batumi Airports	1,655,640	1,642,597	14%	14%	19%
Macedonia (Skopje&Ohrid)	1,066,046	1,067,467	-2%	-2%	17%
Zagreb Airport	2,296,592	0	-3%	-3%	-2%
TAV TOTAL**	84,834,976	83,638,023	22%	22%	17%
International	48,185,022	47,429,862	26%	26%	16%
Domestic	36,649,954	36,208,161	17%	17%	18%

* Both departing and arriving passengers, including transfer pax.

** 2013 TAV Totals do not include Zagreb Airport.

Air Traffic Movements* (as of 31 January 2014)

	2014 LTM	2013	YTD Chg.	YoY Chg.	LTM Chg.
Ataturk Airport	391,612	387,965	13%	13%	12%
International	263,483	260,686	14%	14%	12%
Domestic	128,129	127,279	9%	9%	11%
Esenboga Airport	85,773	85,241	8%	8%	14%
International	13,045	13,133	-9%	-9%	-3%
Domestic	72,728	72,108	11%	11%	18%
Izmir Airport	70,496	70,057	9%	9%	6%
International	17,383	17,215	31%	31%	2%
Domestic	53,113	52,842	6%	6%	7%
Gazipaşa Airport	2,666	2,577	n.m.	n.m.	n.m.
International	1,840	1,805	n.m.	n.m.	n.m.
Domestic	826	772	n.m.	n.m.	n.m.
TAV Turkey Total	550,547	545,840	12%	12%	12%
International	295,751	292,839	14%	14%	12%
Domestic	254,796	253,001	9%	9%	12%
Medinah	41,565	40,000	57%	57%	12%
Monastir+Enfidha Airports	30,071	30,077	-1%	-1%	10%
Tbilisi + Batumi Airports	23,616	23,512	7%	7%	0%
Macedonia (Skopje&Ohrid)	12,321	12,380	-7%	-7%	9%
Zagreb Airports	38,768	0	-4%	-4%	-1%
TAV TOTAL**	660,804	651,809	19%	19%	14%
International	382,887	376,719	24%	24%	14%
Domestic	277,917	275,090	14%	14%	15%

* Commercial Flights Only

** 2013 TAV totals do not include Zagreb Airport.

Abbreviations:

LTM: Last twelve months

YTD: Year-to-date (January 2014/January 2013)

YoY: Year-over-Year (January 2014/January 2013)

n.m. Not meaningful

2) Airport Construction: TAV Construction
Ongoing Projects (as of 31 December 2013)

Project Name	Employer	TAV Construction's Share	Contract Value (US\$m)	Physical Completion as of 30.11.2013	Physical Completion as of 31.12.2013	Change
Dubai-Marina 101	M/S SHEFFIELD HOLDINGS LIMITED	100%	197	64.8%	65.6%	0.8%
Libya-Tripoli	THE LIBYAN CIVIL AVIATION AUTHORITY	25%	2,103	36.9%	36.9%	-
Libya-Sebha	THE LIBYAN CIVIL AVIATION AUTHORITY	50%	229	7.0%	7.0%	-
Doha	GOVERNMENT OF THE STATE OF QATAR	35%	4,039	99.9%	99.9%	-
Doha International Airport Facility Management Works**	Government Of The State Of Qatar	70%	31	0.0%	0.0%	-
Oman MC1	SULTANATE OF OMAN MINISTRY OF TRANSPORT AND COMM.	50%	1,169	85.9%	86.5%	0.6%
Izmir International Airport	TAV EGE TERMINAL YATIRIM VE İŞLETME A.Ş.	82%*	362	86.8%***	90.8%	4.0%
Madinah International Airport	TIBAH JV	50%	959	56.0%	61.1%	5.1%
King Abdul Aziz International Airport	SAUDIA AEROSPACE ENGINEERING INDUSTRIES	40%	765	5.6%	6.5%	0.9%
Abu Dhabi Int. Airport Midfield Terminal Building Construction Works	ADAC	33%	2,942	12.7%	12.7%	-
Riyad KKIA Terminal 5 Havalimanı	General Authority Of Civil Aviation (Gaca)	50%	336	6.1%	7.2%	1.1%
Damac Towers	Damac Development	100%	289	0.0%	3.6%	3.6%
Emaar Square N1&N2 Structural Works	EMAAR	60%	61	0.0%	1.7%	1.7%
TOTAL			13,481			

*The contract of Izmir Int. Airport project is carried out 100% by TAV Construction. However, imports within the scope of the contract are conducted through a TAV Airports group company, TAV Ege Terminal Yatırım Yapım ve İşletme A.Ş.. The table therefore depicts TAV Construction's share after the import items are deducted from the total contract value.

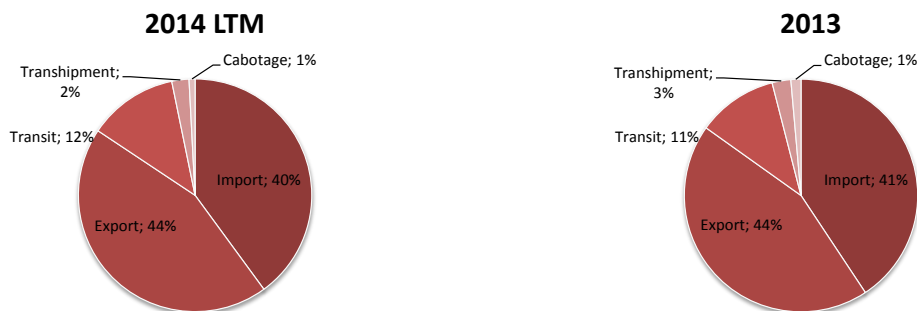
** This Project is not in the scope of the core business of Doha International Airport. It is added as variation order.

*** Izmir International Airport Project's physical completion as of 30th of November, 2013 of %92.9 published in the Operational Performance Report December 2013 has been revised as above.

3) Port Operations: Mersin International Port (MIP)
Container & Conventional Cargo Statistics (as of 31 January 2014)

	2014 LTM	2013	YTD Chg.	YoY Chg.	LTM Chg.
Container Volumes (TEU)	1,406,218	1,378,800	26%	26%	11%
Conventional Throughput (Ton)*	7,585,994	7,561,602	4%	4%	9%

* General Cargo – Dry Bulk – Liquid Bulk

Container Regime Breakdown


As of January 31st, 2014; the price of MIP's corporate bond with the ISIN code XS0957598070 (Bloomberg Code: EJ778815) (maturity date August 12th, 2020 and issue amount USD450 mn) was USD96.604. The yield as of 31 January 2014 corresponded to 2.124% + 442 bps spread. (Source: Bloomberg)

4) Real Estate: Akfen REIT

(as of 31 January 2014)

Hotels	Room Number*	Occupancy Rate			Rev Par (EUR)**			Total Rev Par (EUR)***		
		2014 YTD	2014 LTM	2013	2014 YTD	2014 LTM	2013	2014 YTD	2014 LTM	2013
Zeytinburnu Ibis	228	63%	77%	78%	39	58	60	46	68	70
Zeytinburnu Novotel	208	66%	79%	80%	47	67	68	65	91	92
Eskisehir Ibis	108	61%	78%	79%	23	33	34	28	39	40
Trabzon Novotel	200	44%	72%	73%	24	50	50	37	76	77
Gaziantep Ibis	177	63%	73%	72%	20	26	26	24	32	32
Gaziantep Novotel	92	69%	77%	77%	39	43	43	58	69	68
Kayseri Ibis	160	58%	57%	56%	18	18	18	22	24	24
Kayseri Novotel	96	50%	60%	61%	23	29	29	31	43	44
Bursa Ibis	200	53%	58%	58%	19	25	25	24	29	30
Yaroslavl Ibis	177	58%	69%	69%	30	37	37	40	48	48
Samara Ibis	204	44%	58%	57%	22	31	31	31	45	44
Adana Ibis	165	57%	51%	51%	17	18	18	21	23	23
Esenyurt Ibis	156	48%	52%	52%	20	27	27	24	31	32
İzmir Ibis	140	72%	n.m.	62%	26	n.m.	26	30	n.m.	30
Kaliningrad Ibis	167	25%	n.m.	26%	12	n.m.	13	16	n.m.	16
Turkey Total	1,930	58%	67%	67%	27	38	38	35	49	49
Russia Total	548	43%	63%	58%	21	34	31	29	46	42
Grand Total	2,478	55%	67%	65%	26	37	36	33	49	48

* Mercure Hotel in Northern Cyprus with 299 rooms is not included

** Rev Par = Average Room Rate x Occupancy Rate

*** Total Rev Par = Rev Par + other revenues (food&beverage, seminar-congress, banquet revenues, etc.)

Russia & Turkey Projects' Physical Completion Status (as of 31 January 2014)
Russia Projects

City	Room Number	Type	Status	Completion (%)
Moskova	317	Ibis Hotel Moskova	Under construction	44%

Turkey Projects

City	Room Number	Type	Status	Completion (%)
Istanbul	200	Novotel Karakoy	Under construction	35%
Ankara	147	Ibis Hotel Esenboğa Ankara	Under construction	91%
Istanbul	200	Ibis Otel Tuzla	Under Planning	-

In January 2014; average occupancy rate of Ibis & Novotel located in Turkey & Russia was 55%, down by 1% compared to the same period of previous year. During the same period, Rev-Par and T-RevPar decreased 17% and 16%, respectively.

5) Water & Waste Water Utilities: Akfen Water
Invoiced Water & Treated Waste Water Volumes (m³)

Akfen Water Gulluk (as of 31 December 2013)	2013 LTM	2012	YTD Chg.	YoY Chg.	LTM Chg.
Invoiced Water Volume	539,789	526,318	3%	0%	3%

Akfen Water Dilovasi (as of 31 January 2014)	2014 LTM	2013	YTD Chg.	YoY Chg.	LTM Chg.
Treated Waste Water Volume	2,513,329	2,615,571	-34%	-34%	-1%

As of end of December, Akfen Su Gullük served 6,067 subscribers.

As of end of January, the number of operating factories in Dilovasi Organised Industrial Zone was 210.

6) Energy
6.1) Akfen HEPP
Operational HEPPs (as of January 2014)

Company	HEPP	Installed Capacity (MW)	Generation Capacity (GWh/yr)	Commercial Operation Date (COD)	Realized Generation Output (GWh/yr) 2013	Realized Generation Output (GWh/yr) YTD
Beyobası	Otluca	47.7	224.0	April 2011	160.07	7.84
	Sirma	6.0	23.2	June 2009	20.83	0.00
	Sekiyaka II HES 1	2.3	12.3	January 2014	0.00	0.39
Çamlıca	Camlica III	27.6	104.5	April 2011	61.54	3.16
	Saracbendi	25.5	100.5	May 2011	75.55	2.58
Pak	Demirciler	8.4	34.5	August 2012	34.40	2.61
	Kavakcalı	11.1	44.3	March 2013	21.43	3.05
	Gelinkaya	6.9	25.8	June 2013	2.23	0.04
BT Bordo	Yagmur	9.0	31.5	November 2012	20.20	0.82
Total		144.5	600.6		396.26	20.50

HEPPs Under Construction

Company	HEPP	Installed Capacity (MW)	Generation Capacity (GWh/yr)	Civil Work Progress Ratio (%)
Elen	Doğançay	30.2	171.7	81.3%
Yenidoruk	Doruk	28.3	75.5	99.7%
H.H.K. Enerji *	Çalıkobası	17.0	46.4	-
Kurtal*	Çiçekli 1-II	6.7	21.9	-
Total		82.2	315.5	

*Preliminary works with regards to the construction is ongoing at Çalıkobası and Çiçekli 1-II HEPPs. Construction of the access roads to the site at Çalıkobası HEPP and to the headpond at Çiçekli 1-II HEPP is currently continuing.

HEPPs at Planning Stage

Company	HEPP	Installed Capacity (MW)	Generation Capacity (GWh/yr)
Zeki	Catak ¹	10.0	42.5
Laleli	Laleli	101.6	256.7
Değirmenyanı	Adadağı	4.7	18.2
Beyobası	Sekiyaka II HES 2	1.1	4.8
Total		117.4	322.2

(1) Following the decision that declares the land including the plant area as "protected area", a law suit demanding the cancellation of this decision was filed, which was settled with the decision of Rize Administrative Court (2010/487 Es, 2011/661 Kr) declaring that, the land within the zone of Catak HEPP project is not protected area. The decision was declared to us and the case is in the supreme court stage and Stay of Execution is currently in force. The administrative process regarding the report, which was prepared within the frame of protected area regulation to cancel the decision and to remove the mentioned area from the protected area, is still ongoing.

Annual generation capacities of the power plants have been revised in line with the amendments on the licenses due to the modifications in the projects necessitated from time to time and are shown in the tables above.

As of the reporting period, Akfen Holding continued to generate electricity through its 9 operating hydroelectric power plants, having a total installed capacity of 144.5 MW and a projected annual electricity generation capacity of 600.6 GWh, whereas the construction in 4 plants having a total installed capacity of 82.2 MW and a projected annual electricity generation capacity of 315.5 GWh is ongoing. Out of these 4 plants; construction has progressed and has come closer to commissioning at Doruk HEPP ve Doğançay HEPP, whereas preliminary work has recently commenced at Çalıkobası HEPP ve Çiçekli 1-II HEPP.

In accordance with the decision taken by the management, electricity generated at all operating plants will be sold both to the Day Ahead Market ("DAM") and Akfen Elektrik Toptan Satış Co. in 2014.

6.2) Akfen Energy

Application was made to EMRA for the increase of the current installed capacity of 570 MW on the license to 1,148.4 MW on 18 December 2012, eligibility of Energy Market Regulatory Authority ("EMRA") has been obtained. Environmental Impact Assessment ("EIA") Report prepared in regard to the capacity increase was reviewed, evaluated and accepted as final by the Ministry of Environment and Urbanization within the scope of

EIA Regulation Article 12. After the completion of the EIA report process as of 13 January 2014, EMRA approved the increase of the installed capacity on the license.

The construction of transformer station was completed and provisional acceptance was fulfilled. The disassembly works on the site were completed. EPC contract process is currently ongoing. Upon selection of EPC supplier and the completion of the EPC contract, limited notice to proceed will be issued to start preliminary construction works.

7) Construction: Akfen Construction

As of January 31st, 2014; the total contract value of Akfen Construction's ongoing HEPP projects was EUR45.6 million and the total amount of cumulated progress payments of ongoing HEPP projects reached EUR37.6 million. This amount corresponds to 82% of the total contract value.

As of January 31st, 2014; the total contract value of Akfen Construction assignments in ongoing REIT projects was EUR28.4 million and the total amount of cumulated progress payments of ongoing REIT projects reached EUR11.2 million. This amount corresponds to 39% of the total contract value.

As of January 31st, 2014; the total contract value of Akfen Construction assignments in ongoing Incek Loft project was EUR120.2 million and the total amount of cumulated progress payments of ongoing Incek Loft project reached EUR2.2 million. This amount corresponds to 1.9% of the total contract value.

As of January 31st, 2014; Akfen Construction's current backlog (Incek Loft, REIT and HEPP projects) was EUR143.2 million.

Following the negotiations with the Ministry of Health PPP Department Akfen İnşaat submitted its final bid of TL50mn for the Isparta Hospital PPP on 3 September to the High Council of Planning, which was approved by the Council on 30 December 2013, currently agreement negotiations are continuing.

8) Sea Transportation: IDO

Number of Passengers and Vehicles Transported

	2014 LTM	2013	YTD Chg.	YoY Chg.	LTM Chg.
Number of Passengers	50,383,716	50,527,752	-4%	-4%	-1%
Fast Ferry	6,401,965	6,337,335	17%	17%	13%
Sea Bus	7,463,358	7,520,151	-12%	-12%	-5%
Conventional Ferry*	36,518,393	36,670,266	-6%	-6%	-3%
Number of Vehicles	7,908,548	7,852,086	11%	11%	2%
Fast Ferry**	1,280,799	1,269,961	15%	15%	20%
Conventional Ferry	6,627,749	6,582,125	10%	10%	-1%

* Number of passengers travelling with vehicles using Eskişehir-Topçular conventional ferry line are calculated through applying coefficients for each type of mode of transport as laid out in the following table :

Mode of Transport	Automobile	Minivan	Jeep/Pickup Truck /Minibus	Midi bus (21+)	Truck / 2 Axles Bus	3 Axles Bus,Tractor and Trailer	Over 4 axles vehicles	Motorcycles
In Vehicle Passenger Coefficient	3	3	6	9	26	26	2	1

** Vehicle transport numbers by Fast Ferry are measured in Car Equivalent Units ("CEU"). CEU is calculated through applying coefficients for each type of transport compared to a single car.

Mode of Transport	Motorcycles	Automobile	Disabeld Car	Minivan	Mini bus (12 pass.)	Jeep	Mini bus (19 pass.)	Midi bus	Pickup Truck 0-2000 kg	Pickup Truck 2001-2500 kg	Truck 2501-3500 kg	Bus	Towed Vehicles
Coefficient	0.25	1	1	1	1.25	1.25	1.5	2	1.5	2	2	5	1.5

Akfen Holding Investor Relations

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