



OPERATIONAL PERFORMANCE REPORT

February 2015

Issue date: 30.03.2015

AKFEN HOLDING - RECENT DEVELOPMENTS & DATA

- As of February 28th, 2015; the price of Akfen Holding’s corporate bond with the ISIN code *TRSAKFH11710* (maturity date January 9th, 2017 and issue amount TL140mn) was TL100.000 (dirty price). Total trading volume in February was TL3,378,891 and the yield as of 28 February 2015 corresponded to 8.73% + 443bps spread.
- As of February 25th, 2015; the price of Akfen Holding’s corporate bond with the ISIN code *TRSAKFH31718* (maturity date March 23th, 2017 and issue amount TL200mn) was TL100.450 (dirty price). Total trading volume in February was TL845,852 and the yield as of 25 February 2014 corresponded to 8.17% + 443bps spread. While the second coupon payment of the bond amounting to TL12,483,599.70 was made on March 26th, 2015, the interest rate effective for the third coupon payment, which will be made on September 24th, 2015*, was announced as 5.8755%.
** Date of the Coupon Payment is 24.09.2015, yet since it is a holiday the transfer to accounts will be on 28.09.2015*
- As of February 28th, 2015; the price of Akfen Holding’s corporate bond with the ISIN code *TRSAKFHA1719* (maturity date December 7th, 2017 and issue amount TL60 million) was TL99.900 (dirty price). Total trading volume in February was TL780,855 and the yield as of 28 February 2015 corresponded to 8.34% + 269bps spread. While the first coupon payment of the bond amounting to TL1,583,999.21 was made on March 12th, 2015, the interest rate effective for the second coupon payment, which will be made on June 11th, 2015, was announced as 2.86%.
- Within the “Share Buyback Program”, our Company repurchased a total of 90,450 Akfen Holding shares lastly, on 27 March 2015. Following this transaction the total of share purchases within the frame of the ‘Share Buyback Program’ so far have reached 4,163,894 shares. Our Company holds 7,989,806 Akfen Holding shares, acquired within the previous share buyback program. Thus, in total share purchases have reached 12,153,700 shares, making up 4.64% of the Company’s paid-in capital.
- The Board of Akfen Holding has recommended to the General Assembly to distribute a gross cash dividend of TL0.0763650 per share (net TL0.0649102 per share) for each TL1 nominal valued A and B type shares. The proposed date of dividend distribution date is 28.04.2015. The total amount of the gross cash dividend to be distributed to shareholders is TL20,000,000 (net TL17,000,000).
- Ordinary General Shareholders Meeting of our Company shall be held on the date of April 16th, 2015 Thursday, at 16:00 at the Headquarters of the Company, located at the address of Koza Sokak, No: 22, Akfen Holding A.Ş. building 3rd floor, Meeting hall, GOP 06700 ANKARA, Turkey. 2014 Annual Report of Executive Board, the Financial Statements, Independent External Auditing Reports, Information Report and Corporate Governance Compliance Report were made ready at the headquarters of the company, at the website of our Company www.akfen.com.tr and at the electronic General Meeting System of Merkezi Kayıt Kuruluşu A.Ş. (“MKK”) 3 (three) weeks before the date of meeting in order to be reviewed by the shareholders.
- It has been unanimously resolved that Akis Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (KPMG) be elected as the independent auditing company and auditor based on the principles specified by the Capital Markets Law legislation in order to audit our Company’s financial statements and that this resolution be submitted to the approval of the General Assembly.

BUSINESS LINES - OPERATIONAL PERFORMANCE & DEVELOPMENTS
1) Airports/Terminals: TAV Airports
Passenger Figures⁽¹⁾ (as of 28 February 2015)

	2015 LTM	2014	YTD Chg.	YoY Chg.	LTM Chg.
Ataturk Airport	57,351,078	56,954,790	5%	1%	10%
International	38,532,338	38,200,788	6%	2%	11%
Domestic	18,818,740	18,754,002	2%	-1%	8%
Esenboga Airport	11,047,450	11,012,119	2%	0%	-1%
International	1,440,605	1,445,044	-2%	-1%	-9%
Domestic	9,606,845	9,567,075	3%	1%	0%
Izmir Airport	11,075,588	10,936,772	9%	6%	6%
International	2,566,045	2,577,908	-6%	-8%	2%
Domestic	8,509,543	8,358,864	12%	9%	8%
Gazipaşa Airport	737,542	726,252	35%	35%	105%
International	410,558	409,253	20%	47%	75%
Domestic	326,984	316,999	39%	33%	160%
Milas-Bodrum Domestic Terminal⁽⁴⁾	2,023,449	2,017,703	4%	2%	14%
TAV Turkey Total	81,315,928	80,593,852	6%	3%	10%
International	42,949,546	42,632,993	6%	2%	11%
Domestic	38,366,382	37,960,859	7%	4%	10%
Medinah	5,664,961	5,703,349	-3%	-12%	12%
Monastir & Enfidha Airports	3,331,885	3,332,391	0%	1%	-3%
Tbilisi & Batumi Airports	1,798,435	1,788,571	5%	2%	8%
Macedonia (Skopje & Ohrid)	1,319,559	1,278,343	32%	23%	23%
Zagreb Airport	2,459,403	2,430,971	11%	10%	7%
TAV TOTAL⁽³⁾	95,890,171	95,127,477	6%	2%	12%
International	54,978,182	54,615,845	5%	1%	13%
Domestic	40,911,989	40,511,632	7%	4%	11%

Air Traffic Movements⁽²⁾ (as of 28 February 2015)

	2015 LTM	2014	YTD Chg.	YoY Chg.	LTM Chg.
Ataturk Airport	424,701	422,174	4%	1%	8%
International	290,194	287,519	6%	4%	10%
Domestic	134,507	134,655	-1%	-4%	5%
Esenboga Airport	81,713	82,239	-4%	-3%	-5%
International	11,633	11,697	-4%	-3%	-10%
Domestic	70,080	70,542	-4%	-3%	-4%
Izmir Airport	74,946	74,048	9%	9%	7%
International	17,802	17,770	2%	4%	6%
Domestic	57,144	56,278	10%	10%	8%
Gazipaşa Airport	5,448	5,349	39%	39%	105%
International	2,827	2,822	8%	36%	61%
Domestic	2,621	2,527	49%	39%	193%
Milas-Bodrum Domestic Terminal⁽⁴⁾	15,732	15,642	9%	13%	21%
TAV Turkey Total	595,502	591,459	5%	3%	9%
International	322,456	319,808	6%	3%	10%
Domestic	273,046	271,651	4%	2%	7%
Medinah	48,275	48,549	-3%	-9%	14%
Monastir+Enfidha Airports	22,343	22,441	-7%	-5%	-5%
Tbilisi + Batumi Airports	23,666	23,804	-4%	-5%	0%
Macedonia (Skopje&Ohrid)	14,244	13,969	17%	13%	15%
Zagreb Airports	38,780	38,348	8%	7%	0%
TAV TOTAL⁽³⁾	742,810	738,570	4%	2%	13%
International	437,052	434,057	5%	2%	15%
Domestic	305,758	304,513	3%	1%	10%

⁽¹⁾ DHMI figures for 2015 are tentative.

(1) Both departing and arriving passengers, including transfer pax.

(2) Commercial flights only.

(3) 2014 TAV totals do not include Milas-Bodrum until August 2014.

(4) TAV commenced its operation at Milas-Bodrum domestic terminal on July 15 2014. International terminal of Milas-Bodrum will be taken over by October 22, 2015.

Abbreviations:

LTM: Last twelve months

YTD: Year-to-date (January-February 2015/January-February 2014)

YoY: Year-over-Year (February 2015/February 2014)

n.m. Not Meaningful

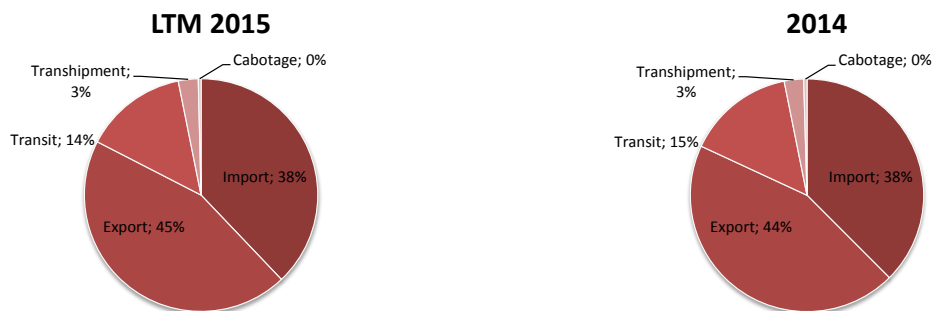
2) Airport Construction: TAV Construction
Ongoing Projects (as of 31 January 2015)

Project Name	Employer	TAV Construction's Share	Contract Value (US\$mn)	Physical Completion as of 31.12.2014	Physical Completion as of 31.01.2015	Change (%)
Dubai-Marina 101	M/S SHEFFIELD HOLDINGS LIMITED	100%	202	82.9%	85.5%	2.6%
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%	3,945	100.0%	100.0%	-
Oman MC1	SULTANATE OF OMAN MINISTRY OF TRANSPORT AND COMM.	50%	1,169	90.6%	90.8%	0.2%
Madinah International Airport	TIBAH JV	50%	963	99.8%	100.0%	0.2%
Saudi Airlines Catering Building - Madinah	TAV-ACC JV	50%	25	16.4%	27.2%	10.7%
Medina Airport Hotel Project - Madinah	TAV-ACC JV	50%	31	1.2%	2.2%	1.0%
King Abdul Aziz International Airport	SAUDIA AEROSPACE ENGINEERING INDUSTRIES	40%	765	15.3%	16.9%	1.6%
Abu Dhabi Int. Airport Midfield Terminal Building Construction Works	ADAC	33%	2,959	31.2%	32.3%	1.1%
Riyad KKIA Terminal 5 Airport	General Authority Of Civil Aviation (Gaca)	50%	336	57.6%	59.9%	2.3%
Damac Towers	Damac Development	100%	312	17.0%	18.7%	1.7%
Emaar Square N1&N2 Structural Works	EMAAR	60%	61	60.1%	66.4%	6.3%
Emaar Phase 3	EMAAR	60%	410	12.0%	14.9%	2.9%
TOTAL			13,508			

3) Port Operations: Mersin International Port (MIP)
Container & Conventional Cargo Statistics (as of 28 February 2015)

	2015 LTM	2014	YTD Chg.	YoY Chg.	LTM Chg.
Container Volumes (TEU)	1,469,331	1,498,850	-12%	-12%	3%
Conventional Throughput (Ton)*	8,937,776	8,835,718	8%	2%	15%

* General Cargo – Dry Bulk – Liquid Bulk

Container Regime Breakdown


As of February 28, 2015; 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 USD106.679. The yield as of 28 February 2015 corresponded to 1.818% + 317bps spread (Source: Bloomberg).

4) Real Estate: Akfen REIT
(as of 28 February 2015)

Hotels	Room Number*	Occupancy Rate			Rev Par (EUR)**			Total Rev Par (EUR)***		
		2015 YTD	2015 LTM	2014	2015 YTD	2015 LTM	2014	2015 YTD	2015 LTM	2014
Turkey Total	2,077	63%	68%	67%	28	34	33	37	44	43
Russia Total	548	46%	53%	53%	14	23	25	20	32	34
Grand Total	2,625	59%	64%	64%	25	32	31	34	41	41

* Mercure Hotel in Northern Cyprus with 286 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 28 February 2015)
Russia Projects

City	Room Number	Type	Status	Completion (%)
Moskova	317	Ibis Hotel Moskova	Under construction	98%

Turkey Projects

City	Room Number	Type	Status	Completion (%)
Istanbul	200	Novotel Karakoy	Under construction	68%
Istanbul	200	Ibis Otel Tuzla	Under Planning	-

- In January-February 2015; average occupancy rate of Ibis & Novotel located in Turkey & Russia reached 59%, up by 1% compared to the same period of the previous year. During the same period, Rev-Par and T-RevPar decreased 7% and 6%, respectively.
- Construction licence for Ibis Hotel Tuzla project, having 200 rooms, which is to be constructed on Akfen REIT's land in İstanbul, Tuzla, Aydıntepe district, was obtained on 2 March 2015.
- Site delivery protocol has been signed between Akfen REIT and Akfen İnşaat Turizm ve Ticaret A.Ş. (Akfen Construction), for the start of the constructions related to Ibis Hottel having 200 rooms located in İstanbul, Tuzla, Aydıntepe district. Related work's commitment value is approximately Euro 7.840.000 + VAT and work period is 14 months.

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

	2015 LTM	2014	YTD Chg.	YoY Chg.	LTM Chg.
Akfen Su Gulluk (as of 31 January 2015)					
Invoiced Water Volume	510,171	506,917	16%	16%	-5%
Akfen Su Dilovasi (as of 28 February 2015)					
Treated Waste Water Volume	2,570,336	2,523,485	12%	32%	5%

As of end of January, Akfen Su Güllük served 6,583 subscribers.

As of end of February, the number of operating factories in Dilovası Organised Industrial Zone was 206.

6) Energy
6.1) Akfen HEPP
Operational HEPPs (as of 28 February 2015)

Company	HEPP	Installed Capacity (MW)	Generation Capacity (GWh/yr)	Commercial Operation Date (COD)	Realized Generation Output (GWh/yr) 2014	Realized Generation Output (GWh/yr) YTD
Beyobası	Otluca	47.7	224.0	April 2011	118.29	31.82
	Sirma	6.0	23.2	June 2009	12.49	6.33
	Sekiyaka II HES 1	2.3	12.3	January 2014	10.91	2.32
Çamlıca	Camlica III	27.6	104.5	April 2011	25.96	10.17
	Saraçbendi	25.5	100.5	May 2011	29.48	14.22
Pak	Demirciler	8.4	34.5	August 2012	22.09	10.08
	Kavakcalı	11.1	44.3	March 2013	34.46	13.57
	Gelinkaya	6.9	25.8	June 2013	6.13	0.24
BT Bordo	Yağmur	9.0	31.5	November 2012	19.35	3.17
Elen	Doğancay	30.2	171.7	August-September 2014	26.36	30.13
Yenidoruk	Doruk	28.3	75.5	September 2014	17.28	2.11
Total		203.0	847.8		322.79	124.16

HEPPs Under Construction

Company	HEPP	Installed Capacity (MW)	Generation Capacity (GWh/yr)	Civil Work Progress Ratio (%)
H.H.K. Enerji	Çalıkobası	17.0	46.4	10.6%
Kurtal	Çiçekli 1-II	6.7	21.9	-
Beyobası	Sekiyaka II HES 2	1.1	4.8	30.8%
Total		24.8	73.1	

HEPPs at Planning Stage

Company	HEPP	Installed Capacity (MW)	Generation Capacity (GWh/yr)
Zeki	Catak ¹	10.0	42.5
Total		10.0	42.5

(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 11 operating hydroelectric power plants, having a total installed capacity of 203.0 MW and a projected annual electricity generation capacity of 847.8 GWh, whereas the construction in 2 plants having a total installed capacity of 24.8 MW and a projected annual electricity generation capacity of 73.1 GWh is ongoing. Tunnel excavation works has continued at Çalıkobası HEPP and concrete plant and crusher final level course work at Çalıkobası HEPP. Meanwhile, at Sekiyaka II HEPP 2 project which is an extension of Sekiyaka II HEPP 1 project operational since January 2014, powerhouse concrete construction work has continued, and penstock excavation has been completed and penstock installation and testing have started.

In 2014, electricity generated at all operating plants was sold in the Day Ahead Market ("DAM") and to Akfen Elektrik Toptan Satış Co.. In accordance with the decision taken by the management, in 2015 electricity generated at Otluca HEPP, Saraçbendi HEPP, Doruk HEPP and Yağmur HEPP is sold to the Renewable Energy Resources Support Mechanism while the remaining hydro power plants continue to sell in the DAM and to Akfen Elektrik Toptan Satış Co.

6.2) Akfen Thermal Energy

Application was made to Energy Market Regulatory Authority (“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 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.

Application made to the Ministry of Environment and Urbanization for the EIA of the Project’s 380 kV Mersin CCGT-Konya Eregli Transformation Station Energy Transmission Line was approved and the EIA process was completed.

7) Construction: Akfen Construction

Ongoing Projects (as of 28 February 2015)

Project Name	Akfen Construction’s Share	Contract Value (US\$)	Physical Completion as of 28.02.2015	Backlog (US\$)
Calikobasi HEPP (Engineering Works)	100%	18,150,000	10.6%	15,680,429
Cicekli HEPP (Construction of Access Road)	100%	1,848,627	95.7%	Unit Price Contract*
Sekiyaka II HEPP 2	100%	1,938,900	30.8%	1,347,747
AKFEN HEPP		21,937,527		17,028,176
Novotel Karaköy	100%	28,994,974	68.0%	12,408,015
Incek Loft	100%	198,596,926	28.9%	155,496,464
Isparta City Hospital	100%	224,000,000	1.1%	213,031,029
Hacettepe Student Dorm	64%	118,464,075	17.4%	99,098,841
TOTAL		591,993,502		497,062,525

* Contract values are revised on a monthly basis according to work completed.

Contract value of the projects can be revised in line with the occasional modifications in the projects, and these revisions are shown in the tables above.

8) Sea Transportation: IDO

Number of Passengers and Vehicles Transported

	2015 LTM	2014	YTD Chg.	YoY Chg.	LTM Chg.
Number of Passengers	46,923,225	47,501,612	-9%	-11%	-6%
Fast Ferry	6,999,919	7,046,365	-5%	-9%	9%
Sea Bus	5,808,494	6,049,210	-30%	-31%	-21%
Conventional Ferry*	34,114,812	34,406,037	-6%	-8%	-6%
Number of Vehicles	8,150,801	8,216,450	-6%	-8%	3%
Fast Ferry**	1,320,368	1,328,725	-5%	-8%	3%
Conventional Ferry	6,830,433	6,887,725	-6%	-7%	3%

* Number of passengers travelling with vehicles using Eskişehir-Topolcar 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/Rickup Truck /Minibus	Mid 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.)	Mid 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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