



OPERATIONAL PERFORMANCE REPORT

May 2014

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AKFEN HOLDING - RECENT DEVELOPMENTS & DATA

As of May 30, 2014; the price of Akfen Holding's corporate bond with the ISIN code TRSAKFH11710 (maturity date January 9th, 2017 and issue amount TL140mn) was TL100.39 (dirty price). Total trading volume in May was TL2,167,185 and the yield as of 30 May 2014 corresponded to 8.63% + 451bps spread.

As of May 6, 2014; the price of Akfen Holding's corporate bond with the ISIN code TRSAKFH31718 (maturity date March 23th, 2017 and issue amount TL200mn) was TL101.00 (dirty price). Total trading volume in May was TL102,596 and the yield as of 6 May 2014 corresponded to 9.24% + 534bps spread.

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

Passenger Figures* (as of 31 May 2014)

	2014 LTM	2013	YTD Chg.	YoY Chg.	LTM Chg.
Ataturk Airport	53,443,761	51,320,875	11%	8%	10%
International	35,518,578	34,096,770	11%	9%	11%
Domestic	17,925,183	17,224,105	10%	5%	10%
Esenboga Airport	11,240,900	10,928,403	7%	-4%	14%
International	1,514,075	1,573,943	-10%	-17%	-9%
Domestic	9,726,825	9,354,460	10%	-2%	18%
Izmir Airport	10,487,021	10,208,627	7%	2%	8%
International	2,526,678	2,467,436	9%	3%	6%
Domestic	7,960,343	7,741,191	7%	2%	9%
Gazipaşa Airport	457,773	363,024	143%	108%	226%
International	280,440	242,949	117%	75%	173%
Domestic	177,333	120,075	168%	185%	371%
TAV Turkey Total	75,629,455	72,820,929	10%	6%	11%
International	39,839,771	38,381,098	10%	8%	10%
Domestic	35,789,684	34,439,831	10%	3%	12%
Medinah	5,307,176	4,669,181	32%	16%	13%
Monastir+Enfidha Airports	3,443,597	3,437,849	1%	-2%	3%
Tbilisi + Batumi Airports	1,682,410	1,642,597	8%	6%	15%
Macedonia (Skopje&Ohrid)	1,135,458	1,067,467	19%	23%	18%
Zagreb Airport	2,306,221	2,300,231	1%	6%	-2%
TAV TOTAL**	88,037,818	83,638,023	14%	9%	13%
International	50,162,692	47,429,862	16%	13%	12%
Domestic	37,875,126	36,208,161	12%	5%	13%

* Both departing and arriving passengers, including transfer pax.

** 2013 TAV Totals do not include Zagreb Airport.

Air Traffic Movements* (as of 31 May 2014)

	2014 LTM	2013	YTD Chg.	YoY Chg.	LTM Chg.
Ataturk Airport	404,883	387,965	11%	10%	11%
International	273,408	260,686	13%	11%	12%
Domestic	131,475	127,279	9%	8%	9%
Esenboga Airport	86,232	85,241	3%	-6%	10%
International	12,436	13,133	-13%	-19%	-10%
Domestic	73,796	72,108	6%	-3%	14%
Izmir Airport	72,053	70,057	8%	7%	6%
International	17,619	17,215	9%	2%	5%
Domestic	54,434	52,842	7%	9%	6%
Gazipaşa Airport	3,328	2,577	155%	113%	231%
International	2,070	1,805	110%	71%	187%
Domestic	1,258	772	202%	211%	343%
TAV Turkey Total	566,496	545,840	10%	8%	11%
International	305,533	292,839	11%	10%	11%
Domestic	260,963	253,001	8%	6%	10%
Medinah	45,084	40,000	32%	24%	16%
Monastir+Enfidha Airports	29,383	30,077	-9%	-11%	5%
Tbilisi + Batumi Airports	23,708	23,512	2%	-1%	0%
Macedonia (Skopje&Ohrid)	12,806	12,380	9%	15%	11%
Zagreb Airports	38,186	38,894	-5%	3%	-3%
TAV TOTAL**	692,311	651,809	16%	14%	13%
International	404,271	376,719	20%	17%	14%
Domestic	288,040	275,090	12%	10%	12%

* Commercial Flights Only

** 2013 TAV Totals do not include Zagreb Airport.

Abbreviations:

LTM: Last twelve months
 YTD: Year-to-date (January – May 2014/January- May 2013)
 YoY: Year-over-Year (May 2014/ May 2013)
 n.m. Not Meaningful

2) Airport Construction: TAV Construction
Ongoing Projects (as of 30 April 2014)

Project Name	Employer	TAV Construction's Share	Contract Value (US\$mn)	Physical Completion as of 31.03.2014	Physical Completion as of 30.04.2014	Change
Dubai-Marina 101	M/S SHEFFIELD HOLDINGS LIMITED	100%	207	67.1%	67.8%	0.7%
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%	4,040	100.0%	100.0%	-
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	88.0%	88.4%	0.4%
Izmir International Airport	TAV EGE TERMINAL YATIRIM VE İŞLETME A.Ş.	82%*	362	100.0%	100.0%	-
Madinah International Airport	TİBAH JV	50%	959	74.6%	78.1%	3.5%
King Abdul Aziz International Airport	SAUDIA AEROSPACE ENGINEERING INDUSTRIES	40%	765	7.7%	9.5%	1.8%
Abu Dhabi Int. Airport Midfield Terminal Building Construction Works	ADAC	33%	2,942	16.7%	18.2%	1.5%
Riyad KKIA Terminal 5 Havalimanı	General Authority Of Civil Aviation (Gaca)	50%	336	12.1%	27.6%	15.5%
Damac Towers	Damac Development	100%	289	6.1%	7.1%	1.0%
Emaar Square N1&N2 Structural Works	EMAAR	60%	61	12.5%	17.6%	5.1%
TOTAL			13,492			

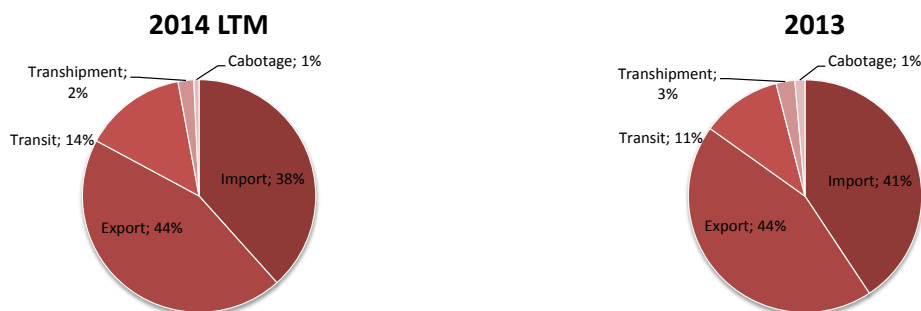
*The contract of Izmir Int. Airport project is carried out 100% by TAV Construction. However, imports within the scope of the contract are conducted through a TAV Airports group company, TAV Ege Terminal Yatırım Yapım ve İşletme A.Ş.. The table therefore depicts TAV Construction's share after the import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

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

	2014 LTM	2013	YTD Chg.	YoY Chg.	LTM Chg.
Container Volumes (TEU)	1,477,677	1,378,800	18%	13%	15%
Conventional Throughput (Ton)*	7,700,942	7,561,602	5%	3%	5%

* General Cargo – Dry Bulk – Liquid Bulk

Container Regime Breakdown


As of May 30, 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 USD106.447. The yield as of 30 May 2014 corresponded to 2.059% + 295 bps spread. (Source: Bloomberg)

4) Real Estate: Akfen REIT

(as of 31 May 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	76%	75%	78%	51	53	60	59	62	70
Zeytinburnu Novotel	208	73%	76%	80%	56	61	68	75	82	92
Eskisehir Ibis	108	77%	77%	79%	30	31	34	35	36	40
Trabzon Novotel	200	68%	73%	73%	44	51	50	66	77	77
Gaziantep Ibis	177	81%	76%	72%	27	26	26	33	32	32
Gaziantep Novotel	92	72%	74%	77%	40	41	43	63	66	68
Kayseri Ibis	160	60%	59%	56%	18	18	18	23	24	24
Kayseri Novotel	96	58%	57%	61%	25	26	29	38	39	44
Bursa Ibis	200	54%	56%	58%	20	23	25	24	26	30
Yaroslavl Ibis	177	55%	65%	69%	27	34	37	36	44	48
Samara Ibis	204	57%	61%	57%	29	31	31	42	45	44
Adana Ibis	165	61%	54%	51%	18	17	18	24	22	23
Esenyurt Ibis	156	57%	52%	52%	26	25	27	31	29	32
İzmir Ibis	140	76%	68%	62%	30	28	26	35	32	30
Kaliningrad Ibis	167	36%	a.d.	26%	16	a.d.	13	21	a.d.	16
Turkey Total	1,930	68%	67%	67%	33	35	38	43	45	49
Russia Total	548	50%	63%	58%	24	32	31	34	44	42
Grand Total	2,478	64%	66%	65%	31	34	36	41	45	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 May 2014)

Russia Projects

City	Room Number	Type	Status	Completion (%)
Moskova	317	Ibis Hotel Moskova	Under construction	67%

Turkey Projects

City	Room Number	Type	Status	Completion (%)
Istanbul	200	Novotel Karakoy	Under construction	42%
Ankara	147	Ibis Hotel Esenboğa Ankara	Completed	100%
Istanbul	200	Ibis Otel Tuzla	Under Planning	-

In the period January- May 2014; average occupancy rate of Ibis & Novotel located in Turkey & Russia was 64%, down by 3% compared to the same period of the previous year. During the same period, Rev-Par and T-RevPar decreased 19%.

5) Water & Waste Water Utilities: Akfen Water

Invoiced Water & Treated Waste Water Volumes (m³)

	2014 LTM	2013	YTD Chg.	YoY Chg.	LTM Chg.
Akfen Su Gulluk (as of 30 April 2014)					
Invoiced Water Volume	537,992	539,789	-2%	-5%	2%
Akfen Su Dilovasi (as of 31 May 2014)					
Treated Waste Water Volume	2,371,877	2,615,571	-20%	8%	-8%

As of end of April, Akfen Su Gullük served 6,171 subscribers.

As of end of May, the number of operating factories in Dilovası Organised Industrial Zone was 208.

6) Energy
6.1) Akfen HEPP
Operational HEPPs (as of May 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	67.60
	Sirma	6.0	23.2	June 2009	20.83	2.08
	Sekiyaka II HES 1	2.3	12.3	January 2014	0.00	4.38
Çamlıca	Camlica III	27.6	104.5	April 2011	61.54	16.20
	Saracbendi	25.5	100.5	May 2011	75.55	15.96
Pak	Demirciler	8.4	34.5	August 2012	34.40	12.66
	Kavakcalı	11.1	44.3	March 2013	21.43	20.63
	Gelinkaya	6.9	25.8	June 2013	2.23	3.50
BT Bordo	Yagmur	9.0	31.5	November 2012	20.20	8.74
Total		144.5	600.6		396.26	151.75

HEPPs Under Construction

Company	HEPP	Installed Capacity (MW)	Generation Capacity (GWh/yr)	Civil Work Progress Ratio (%)
Elen	Doğançay	30.2	171.7	93.3%
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
Beyobası	Sekiyaka II HES 2	1.1	4.8
Total		112.7	304.0

(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 and Doğançay HEPP, whereas preliminary works have recently commenced at Çalıkobası HEPP and Çiçekli 1-II HEPP.

6.2) Akfen 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 Ereğli Transformation Station Energy Transmission Line was approved and the EIA process is currently ongoing.

7) Construction: Akfen Construction

As of May 31, 2014; the total contract value of Akfen Construction's ongoing HEPP projects was EUR41.7 million and the total amount of cumulated progress payments of ongoing HEPP projects reached EUR34.0 million. This amount corresponds to 82% of the total contract value.

As of May 31, 2014; the total contract value of Akfen Construction assignments in ongoing REIT projects was EUR22.2 million and the total amount of cumulated progress payments of ongoing REIT projects reached EUR6.8 million. This amount corresponds to 30% of the total contract value.

As of May 31, 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 EUR7.5 million. This amount corresponds to 6.2% of the total contract value.

As of May 31, 2014; Akfen Construction's current backlog (Incek Loft, REIT and HEPP projects) was EUR135.9 million.

Akfen Construction has signed a share purchase agreement for Renkyol Müteahhitlik San. Ve Ticaret A.Ş.'s ("Renkyol") 45% stake in Hacettepe Teknokent Eğitim ve Klinik Araştırma Merkezi Sağlık Ar-Ge Danışmanlık Proje Sanayi ve Ticaret A.Ş. (Company) for a consideration of TL29mn. On 15 May 2014, the share transfer was completed. Following the share transfer; the shareholding structure of the Company is as follows: 30% Hacettepe Üniversitesi Teknoloji Geliştirme Bölgesi Yönetici A.Ş., 45% Akfen Construction, 25% Renkyol. The Company will be investing in a project ("Project") within the T.C. Hacettepe Üniversitesi ("University") for a student housing with a capacity of 5,000 people (which can go up to 15,000), commercial areas and social facilities, will have its operating rights and for this purpose the University has extended the Company the usufruct rights. At the first phase, Akfen Construction will carry out the contractor's work of 64.29% of the total investment with a cost of TL1,300/m².

8) Sea Transportation: IDO

Number of Passengers and Vehicles Transported

	2014 LTM	2013	YTD Chg.	YoY Chg.	LTM Chg.
Number of Passengers	48,725,675	50,527,752	-9%	-6%	-6%
Fast Ferry	6,603,384	6,337,335	12%	17%	11%
Sea Bus	7,028,809	7,520,151	-18%	-19%	-12%
Conventional Ferry*	35,093,482	36,670,266	-11%	-7%	-7%
Number of Vehicles	7,971,339	7,852,086	4%	8%	1%
Fast Ferry**	1,293,335	1,269,961	5%	9%	13%
Conventional Ferry	6,678,004	6,582,125	4%	8%	-1%

* Number of passengers travelling with vehicles using Eskişehir-Topkapı 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	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	Disabled 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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