



OPERATIONAL PERFORMANCE REPORT

September 2012

Issue date: 23.10.2012

AKFEN HOLDING - RECENT DEVELOPMENTS & DATA

As of September 28, 2012, the price of Akfen Holding's corporate bond with the ISIN code TRSAKFHA1313 (maturity date 24.12.2013 and issue amount TL80mn) was TL102.75 (dirty price). Total trading volume in September was TL 694,904 and the yield as of September 28, 2012 corresponded to 7.56% + 224bps spread. While the third coupon payment of the bond amounting to TL2,527,999.85 was made on September 25, 2012, the interest rate effective for the fourth coupon payment, which will be made on December 25, 2012, was announced as 2.80%.

As of 28 September 2012, the price of Akfen Holding's corporate bond with the ISIN code TRSAKFHA31411 (maturity date 07.03.2014 and issue amount TL200mn) was TL102.20 (dirty price). Total trading volume in September was TL10,220 and the yield as of 28 September 2012 corresponded to 7.44% + 316bps spread.

BUSINESS LINES - OPERATIONAL PERFORMANCE & DEVELOPMENTS

1) Airports/Terminals: TAV Airports

Passenger Figures* (as of 30 September 2012)

	2012 LTM	2011	YTD Chg.	YoY Chg.	LTM Chg.
Ataturk Airport	43,198,197	37,452,187	21%	18%	21%
International	28,189,607	23,847,835	24%	21%	23%
Domestic	15,008,590	13,604,352	14%	13%	17%
Esenboga Airport	9,163,874	8,520,649	10%	14%	9%
International	1,513,862	1,387,503	12%	18%	7%
Domestic	7,650,012	7,133,146	10%	13%	9%
Izmir Airport	9,210,675	8,542,811	10%	12%	11%
International	2,516,938	2,464,334	3%	6%	6%
Domestic**	6,693,737	6,078,477	13%	16%	12%
TAV Turkey Total	60,110,559	48,437,170	32%	30%	29%
International	32,220,407	27,699,672	22%	19%	21%
Domestic	27,890,152	20,737,498	47%	46%	41%
Medinah****	4,559,455	3,547,238	43%	51%	31%
Monastir+Enfidha Airports	3,254,855	2,289,131	52%	43%	28%
Tbilisi + Batumi Airports	1,354,912	1,190,922	18%	11%	20%
Macedonia (Skopje&Ohrid)	911,331	838,164	11%	6%	12%
TAV TOTAL***	66,744,582	52,755,387	35%	36%	31%
International	38,369,096	31,942,494	27%	27%	23%
Domestic	28,375,486	20,812,893	49%	52%	43%

* Both departing and arriving passengers, including transfer pax.

** TAV started to serve domestic passengers at Izmir Airport on January 2012

*** 2011 totals do not include Medinah and Izmir domestic traffic data while 1H12 totals do not include Medinah data

**** TAV started to serve Medinah passengers in July 2012

Air Traffic Movements* (as of 30 September 2012)

	2012 LTM	2011	YTD Chg.	YoY Chg.	LTM Chg.
Ataturk Airport	340,851	305,808	16%	15%	16%
International	225,047	199,906	17%	16%	17%
Domestic	115,804	105,902	13%	15%	14%
Esenboga Airport	75,131	72,244	5%	8%	6%
International	12,616	11,850	8%	15%	5%
Domestic	62,515	60,394	5%	7%	6%
Izmir Airport	66,769	63,079	8%	11%	8%
International	17,341	17,304	0%	3%	-1%
Domestic**	49,428	45,775	11%	16%	11%
TAV Turkey Total	470,620	395,356	26%	26%	23%
International	255,004	229,060	15%	14%	15%
Domestic	215,616	166,296	40%	43%	35%
Medinah****	36,091	32,935	14%	27%	10%
Monastir+Enfidha Airports	27,088	20,805	38%	33%	21%
Tbilisi + Batumi Airports	24,142	23,114	6%	5%	8%
Macedonia (Skopje&Ohrid)	11,484	11,878	-4%	-15%	-5%
TAV TOTAL***	543,080	451,153	28%	32%	24%
International	318,392	281,123	18%	20%	16%
Domestic	224,688	170,030	44%	53%	37%

* Commercial flights only

** TAV started to serve domestic passengers at Izmir Airport on January 2012

*** 2011 totals do not include Medinah and Izmir domestic traffic data while 1H12 totals do not include Medinah data

**** TAV started to serve Medinah passengers in July 2012

Abbreviations:

LTM: Last twelve months

YTD: Year-to-date (Jan-September 2012/Jan-September 2011)

YoY: Year-over-Year (September 2012/September 2011)

Our participation TAV Havalimanları Holding A.Ş. has signed a “Share Sale & Purchase Agreement” on 29 August 2012 with HSBC Investment Bank Holdings Plc and İş Girişim Sermayesi Yatırım Ortaklığı A.Ş. to purchase the remaining 35% of Havaalanları Yer Hizmetleri A.Ş. (HAVAŞ) shares. On 21 September 2012, the Competition Board has posted on its website that the required approval for this transaction was granted. As per the conditions of the Agreement, the completion of this share purchase is subject to fulfilling some other prerequisites.

2) Airport Construction: TAV Construction

Ongoing Projects (as of 31 August 2012)

Project	Employer	TAV Construction's Share	Contract Value (US\$m)	Physical Completion as of 31.07.2012	Physical Completion as of 31.08.2012	Change
Dubai-Marina 101	M/S SHEFFIELD HOLDINGS LIMITED	100%	198	51.7%	53.6%	1.9%
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 QUATAR	35%	3,903	99.3%	99.4%	0.1%
Oman MC1	SULTANATE OF OMAN MINISTRY OF TRANSPORT AND COMM.	50%	1,178	62.0%	63.9%	1.9%
Izmir International Airport*	TAV EGE TERMINAL YATIRIM VE İŞLETME A.Ş.	100%	362	4.0%	5.2%	1.2%
Medinah	TIBAH JV	50%	954	6.0%	8.8%	2.8%
King Abdul Aziz International Airport	SAUDIA AEROSPACE ENGINEERING INDUSTRIES	40%	765	0.0%	0.0%	-
Abu Dhabi Int. Airport Midfield Terminal Building Construction Works	ADAC	33%	2,944	0.0%	0.0%	-
Tblisi Runway Renovation	Tav Urban Georgia LLC	100%	64	0.0%	0.0%	-
TOTAL			12,699			

* As of the publishing date of this report, the signing of this project has not been completed yet. Head of term was signed.

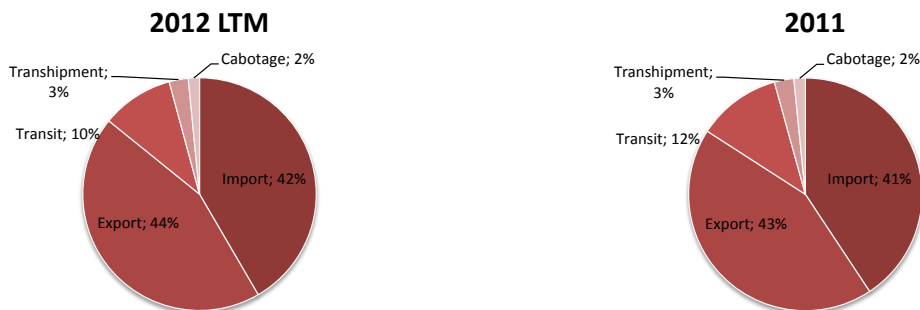
3) Port Operations: Mersin International Port (MIP)

Container & Conventional Cargo Statistics (as of 30 September 2012)

	2012 LTM	2011	YTD Chg.	YoY Chg.	LTM Chg.
Container Volumes (TEU)	1,245,483	1,140,927	12%	23%	14%
Conventional Throughput (Ton)*	6,789,821	6,416,377	8%	40%	5%

* General Cargo – Dry Bulk – Liquid Bulk

Container Regime Breakdown



4) Real Estate: Akfen REIT
Occupancy Rate (as of 30 September 2012)

Hotels	Room Number*	2012 YTD	2012 LTM	2011
Zeytinburnu Ibis	228	86%	85%	86%
Zeytinburnu Novotel	208	86%	83%	83%
Eskisehir Ibis	108	75%	76%	76%
Trabzon Novotel	200	71%	69%	72%
Gaziantep Ibis	177	55%	53%	44%
Gaziantep Novotel	92	73%	68%	50%
Kayseri Ibis	160	51%	52%	45%
Kayseri Novotel	96	56%	56%	48%
Bursa Ibis	200	59%	58%	52%
Yaroslavl Ibis	177	67%	-	36%
Samara Ibis	204	45%	-	-
Adana Ibis	165	29%	-	-

Rev Par (EUR)**

Hotels	Room Number*	2012 YTD	2012 LTM	2011
Zeytinburnu Ibis	228	64	63	61
Zeytinburnu Novotel	208	75	71	70
Eskisehir Ibis	108	35	35	34
Trabzon Novotel	200	49	46	41
Gaziantep Ibis	177	20	19	14
Gaziantep Novotel	92	34	31	22
Kayseri Ibis	160	19	19	15
Kayseri Novotel	96	29	28	23
Bursa Ibis	200	27	26	21
Yaroslavl Ibis	177	32	-	17
Samara Ibis	204	24	-	-
Adana Ibis	165	13	-	-

Total Rev Par (EUR)***

Hotels	Room Number*	2012 YTD	2012 LTM	2011
Zeytinburnu Ibis	228	76	73	71
Zeytinburnu Novotel	208	100	95	93
Eskisehir Ibis	108	41	41	39
Trabzon Novotel	200	73	69	65
Gaziantep Ibis	177	24	23	18
Gaziantep Novotel	92	58	53	37
Kayseri Ibis	160	23	23	19
Kayseri Novotel	96	43	42	35
Bursa Ibis	200	32	31	25
Yaroslavl Ibis	177	43	-	23
Samara Ibis	204	35	-	-
Adana Ibis	165	16	-	-

* 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 30 September 2012)
Russia Projects

City	Type	Status	Completion (%)
Kaliningrad	Ibis Hotel	Under construction	58%
Moscow	Ibis Hotel	Project development stage	n.a

Turkey Projects

City	Type	Status	Completion (%)
Istanbul	Esenyurt Ibis Hotel	Under construction	98%
Izmir	Ibis Hotel	Under construction	59%
Istanbul	Novotel Karakoy	Project development stage	n.a.
Ankara	Ankara Airport Hotel	Project development stage	n.a.

In the first 9 months of 2012, occupancy rate of Ibis, Novotel located in Turkey, Yaroslavl and Samara Ibis located in Russia reached 67%, indicating an increase of 3% compared to the same period of previous year. During the same period, Rev-Par and T-RevPar increased 7% and 6%, respectively.

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

	2012 LTM	2011	YTD Chg.	YoY Chg.	LTM Chg.
Akfen Su Gulluk (as of 31 August 2012)					
Invoiced Water Volume	537,379	548,041	-3%	-2%	2%
Akfen Su Dilovasi (as of 30 September 2012)					
Treated Waste Water Volume	2,295,499	2,333,934	-2%	-7%	-9%

As of end-August, Akfen Su Gullük served 5,447 subscribers.

As of end-September, the number of operating factories in Dilovası Organised Industrial Zone was 209.

6) Energy
6.1) Akfen HEPP
Operational HEPPs (as of September 2012)

Company	HEPP	Installed Capacity (MW)	Generation Capacity (GWh/yr)	Commercial Operation Date (COD)	Realized Generation Output (GWh/yr) 2011	Realized Generation Output (GWh/yr) YTD
Beyobası	Otluca	44.7	207.6	April 2011	109.6	135.9
	Sirma	5.9	26.7	June 2009	8.3	22.8
Ideal	Karasu-1	3.7	23.1	May 2011	3.9	7.1
	Karasu-2	3.1	19.6	June 2011	5.3	9.6
	Karasu-4.2	9.9	56.4	November 2011	2.0	22.2
	Karasu-4.3	3.7	16.9	August 2011	3.3	7.7
	Karasu-5	4.0	23.2	August 2011	9.5	13.6
Çamlıca	Camlica III	25.8	94.5	April 2011	56.9	56.5
	Saracbendi	24.0	86.1	May 2011	26.9	47.3
Pak	Demirciler	8.4	30.5	August 2012	-	1.4
Total		133.4	584.6		225.8	324.0

HEPPs Under Construction

Company	HEPP	Installed Capacity (MW)	Generation Capacity (GWh/yr)	Civil Work Progress Ratio (%)
Beyobası	Sekiyaka	3.5	16.8	42%
Elen	Dogancay	30.6	171.6	41%
Pak	Kavakcali	10.9	48.2	79%
	Gelinkaya	7.1	30.9	94%
BT Bordo	Yagmur	8.5	36.2	100%
Yenidoruk	Doruk	28.8	82.1	80%
Total		89.3	385.8	

HEPPs at Planning Stage

Company	HEPP	Installed Capacity (MW)	Generation Capacity (GWh/yr)
Zeki	Catak ¹	10.0	42.9
Laleli	Laleli	104.8	256.7
Değirmenyanı	Adadağı	4.7	18.2
H.H.K. Enerji	Çalıkobası	17.0	46.4
Kurtal	Çiçekli 1-II	7.0	21.9
Total		143.4	386.1

⁽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.

As of the reporting period, Akfen Holding continued to generate electricity through its ten operating hydroelectric power plants, having a total installed capacity of 133.4 MW and a projected annual electricity generation capacity of 584.6 GWh, whereas the construction in 6 plants having a total installed capacity of 89.3 MW and a projected annual electricity generation capacity of 385.8 GWh is ongoing.

All the HEPPs, excluding Karasu 4.2 HEPP, Sirma HEPP and Demirciler HEPP have started to sell at US\$7.3 cent/kwh purchase guarantee of State within the scope of Renewal Energy Law since January 2012.

Our subsidiary Değirmenyanı Energy Generation and Trade Company, which is owned by our another subsidiary Akfen Energy Sources Generation and Trade Company (“HEPP-3”) obtained the license for a hydroelectric power plant in Giresun with an installed capacity of 4.7 MW and a yearly generation capacity of 18.2mn kWh for a period of 49 years on 27.09.2012 from the Energy Market Regulatory Authority.

6.2) Akfen Energy

Our subsidiary Akfen Energy Generation and Trade Company had applied to EMRA to increase Mersin NGPP’s generation capacity to 570 MW. Akfen Energy’s application for the generation capacity increase was accepted by EMRA with its decision dated 09.08.2012 and the license modification will be realized once the requirements are fulfilled by our Company.

7) Construction: Akfen Construction

As of 30 September 2012, the total contract value of Akfen Construction assignments in ongoing HEPP projects was EUR72.8 million and the total amount of cumulated progress payments of ongoing HEPP projects reached EUR51.2 million. This amount corresponds to 70% of the total contract value.

As of 30 September 2012, the total contract value of Akfen Construction assignments in ongoing REIT projects was EUR11 million and the total amount of cumulated progress payments of ongoing REIT projects reached EUR8.5 million. This amount corresponds to 77% of the total contract value.

As of 30 September 2012, Akfen Construction’s current backlog (HEPP and REIT projects) was EUR24.1 million.

Akfen Construction became a 25.962% stake holder in the ordinary partnership that is the contractor of a 108,326 sqm real estate project agreement in Ankara. On 25.09.2012 Akfen Construction and Akfen Gayrimenkul Yatirimlari ve Ticaret AS (GYT) have reached an agreement to transfer GYT’s stake in the agreement and the related real estate to Akfen Construction. Thus, Akfen Construction took over the remaining shares of the ordinary partnership, which will have a 68% stake in the project (“Incekloft”) comprising of residential real estate and office premises on a 274,977 sqm construction area from GYT, in exchange for its receivables amounting to TL73mn, without making an additional cash payment, and became the sole owner of the agreement and the percentage interest on the real estate in exchange for being the contractor.

According to the agreement the real estate will be taken over by Akfen Construction from GYT once the projects are finalised and the construction permit is obtained. As for the consideration of the transfer, the average sales price of two real estate appraisal companies will be used.

8) Sea Transportation: IDO

Number of Passengers and Vehicles Transported

	January – September 2011	January – September 2012	Change (%)
Number of Passengers	41,681,021	39,016,988	-6%
Fast Ferry	5,261,563	4,586,280	-13%
Sea Bus	5,222,564	5,777,190	11%
Conventional Ferry	31,196,894	28,653,518	-8%
Number of Vehicles	5,849,651	5,952,700	2%
Fast Ferry*	992,022	836,212	-16%
Conventional Ferry**	4,857,629	5,116,488	5%

* 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.)	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

** 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

2011 in vehicle passenger figures of Sirkeci-Harem line is calculated with 3 passengers per vehicle coefficient. 2012 figures on the other hand represent actual counts of in vehicle passengers

IDO has started to offer car rental service, starting from Yenikapi and Mudanya terminals in cooperation with AVIS and Budget with the launch of its "Sea&Drive" service. IDO passengers can rent cars from AVIS and Budget offices located at Yenikapi and Mudanya IDO terminals, prior to their travels, through reservations on IDO web site or AVIS and Budget reservation centers. Car rental service will soon be offered at IDO's Bandirma and Yalova terminals as well.

Akfen Holding Investor Relations

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