



OPERATIONAL PERFORMANCE REPORT

August 2015

Issue date: 01.10.2015

AKFEN HOLDING - RECENT DEVELOPMENTS & DATA

- As of August 31st, 2015; the price of Akfen Holding's corporate bond with the ISIN code TRSAKFH11710 (maturity date January 9th, 2017 and issue amount TL140mn) was TL101.050 (dirty price). Total trading volume in August was TL796,516 and the yield as of August 31st, 2015 corresponded to 11.09% + 106bps spread.
- As of July 10th, 2015; the price of Akfen Holding's corporate bond with the ISIN code TRSAKFH31718 (maturity date March 23rd, 2017 and issue amount TL200mn) was TL100.400 (dirty price). Total trading volume in July was TL8,844,556 and the yield as of July 10th, 2015 corresponded to 9.58% + 223bps spread. While the third coupon payment of the bond amounting to TL11,750,999.76 was made on September 28th, 2015*, the interest rate effective for the fourth coupon payment, which will be made on March 24th, 2016, was announced as 7.1867%.

* Date of the coupon payment was 24.09.2015, yet since it was a holiday the transfer to accounts was made on 28.09.2015.
- As of August 31st, 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 TL100.299 (dirty price). Total trading volume in August was TL829,492 and the yield as of August 31st, 2015 corresponded to 10.98% + 236bps spread. While the third coupon payment of the bond amounting to TL1,931,998.78 was made on September 10th, 2015, the interest rate effective for the fourth coupon payment, which will be made on December 10th, 2015, was announced as 3.45%.
- Within the Share Buyback Programme approved at the Extraordinary General Assembly on 15 January 2015, our Company had applied to the CMB for an increase of the daily volume limitation. Article 15 clause 1/c of the CMB Communique on Share Buybacks (II-22.1) states that "the daily total number of shares that can be acquired by a company and/or subsidiaries cannot exceed 25% of the last 20 days average trading volume" and we had applied to the CMB for this ratio to be raised to 50%. Our application has been approved by the CMB at the meeting dated 21.08.2015 and numbered 21/1023, where this issue was discussed.

BUSINESS LINES - OPERATIONAL PERFORMANCE & DEVELOPMENTS
1) Airports/Terminals: TAV Airports
Passenger Figures⁽¹⁾ (as of 31 August 2015)

	2015 LTM	2014	YTD Chg.	YoY Chg.	LTM Chg.
Ataturk Airport	60,510,023	56,954,790	9%	14%	11%
International	41,013,698	38,200,788	11%	20%	12%
Domestic	19,496,325	18,754,002	6%	0%	8%
Esenboga Airport	11,713,131	11,012,119	9%	13%	5%
International	1,538,650	1,445,044	10%	21%	5%
Domestic	10,174,481	9,567,075	9%	11%	5%
Izmir Airport	11,666,637	10,936,772	10%	9%	9%
International	2,582,582	2,577,908	0%	6%	0%
Domestic	9,084,055	8,358,864	13%	12%	12%
Gazipaşa Airport	870,190	726,252	29%	3%	44%
International	492,590	409,253	28%	3%	38%
Domestic	377,600	316,999	29%	3%	52%
Milas-Bodrum Domestic Terminal⁽⁴⁾	2,226,600	2,017,703	15%	15%	15%
TAV Turkey Total	87,371,233	80,593,852	13%	18%	13%
International	45,627,520	42,632,993	11%	18%	11%
Domestic	41,743,713	37,960,859	15%	19%	16%
Medinah	5,787,878	5,703,349	2%	64%	6%
Monastir & Enfidha Airports	2,139,796	3,332,391	-50%	-80%	-38%
Tbilisi & Batumi Airports	1,953,538	1,788,571	14%	21%	11%
Macedonia (Skopje & Ohrid)	1,436,338	1,278,343	18%	25%	20%
Zagreb Airport	2,539,435	2,430,971	7%	6%	8%
TAV TOTAL⁽³⁾	100,843,566	95,131,478	9%	9%	11%
International	56,968,261	54,615,845	6%	11%	9%
Domestic	43,875,305	40,515,633	13%	6%	13%

Air Traffic Movements⁽²⁾ (as of 31 August 2015)

	2015 LTM	2014	YTD Chg.	YoY Chg.	LTM Chg.
Ataturk Airport	440,559	422,174	7%	8%	8%
International	304,326	287,519	9%	12%	9%
Domestic	136,233	134,655	2%	-2%	4%
Esenboga Airport	85,395	82,239	6%	12%	1%
International	12,035	11,697	4%	17%	0%
Domestic	73,360	70,542	6%	11%	1%
Izmir Airport	79,427	74,048	11%	9%	11%
International	19,034	17,770	10%	10%	10%
Domestic	60,393	56,278	11%	9%	12%
Gazipaşa Airport	6,455	5,349	31%	-1%	50%
International	3,455	2,822	31%	5%	39%
Domestic	3,000	2,527	31%	-10%	64%
Milas-Bodrum Domestic Terminal⁽⁴⁾	16,922	15,642	12%	8%	18%
TAV Turkey Total	631,173	591,459	10%	14%	11%
International	338,850	319,808	9%	12%	9%
Domestic	292,323	271,651	12%	16%	13%
Medinah	48,738	48,549	1%	44%	4%
Monastir+Enfidha Airports	16,416	22,441	-38%	-70%	-29%
Tbilisi + Batumi Airports	24,296	23,804	3%	14%	1%
Macedonia (Skopje&Ohrid)	14,846	13,969	9%	13%	12%
Zagreb Airports	40,074	38,348	7%	1%	6%
TAV TOTAL⁽³⁾	773,128	738,858	7%	6%	10%
International	451,896	434,057	6%	7%	9%
Domestic	321,232	304,801	8%	3%	10%

* 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-August 2015/January-August 2014)

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

n.m. Not Meaningful

In TAV Airports' material event disclosure dated August 17th, 2015, it was stated that the Philippine Airports Consortium had submitted its pre-qualification documents for the PPP Regional Airports Project. The Regional Airports Project consist of the operations and maintenance of the Bacolod-Silay, Iloilo, Davao, Laguindingan and New Bohol-Panglao (Tagbilaran) airports. The consortium including TAV Airports received preliminary qualification ("PQ") to place bid for the tender.

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

Project Name	Employer	TAV Construction's Share	Contract Value (US\$m)	Physical Completion as of 30.06.2015	Physical Completion as of 31.07.2015	Change (%)
Dubai-Marina 101	M/S Sheffield Holdings Limited	100%	202	88.9%	89.6%	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%	3,945	100.0%	100.0%	-
Oman MC1	Sultanate Of Oman Ministry Of Transport And Comm.	50%	1,169	92.3%	92.4%	0.0%
Saudi Airlines Catering Building - Madinah	TAV-ACC JV	50%	32	78.4%	88.1%	9.7%
Medina Airport Hotel Project - Madinah	TAV-ACC JV	50%	31	45.5%	56.9%	11.4%
King Abdul Aziz International Airport	Saudia Aerospace Engineering Industries	40%	765	25.2%	26.1%	0.9%
Abu Dhabi Int. Airport Midfield Terminal Building Construction Works	ADAC	33%	3,180	51.4%	54.5%	3.2%
Riyad KKIA Terminal 5 Airport	General Authority Of Civil Aviation (Gaca)	50%	431	52.2%	55.0%	2.8%
Damac Towers	Damac Development	100%	312	30.4%	32.3%	1.9%
Emaar Square N1&N2 Structural Works	EMAAR	60%	67	90.5%	93.0%	2.6%
Emaar Phase 3	EMAAR	60%	410	13.2%	16.8%	3.6%
Istanbul Ataturk Airport Extension Project - Phase 3	TAV Istanbul Terminal Operations Co.	100%	43	29.3%	36.5%	7.2%
New ADP Headquarters and Office Buildings	Aeroports De Paris	50%	97	2.0%	3.0%	1.0%
TOTAL			13,014			

Constructed in Medina by TAV Construction, Prince Mohammed Bin Abdulaziz Airport Project was selected as the world's best airport project in the category of airport construction at the Global Construction Summit in New York organized by Engineering News Record (ENR).

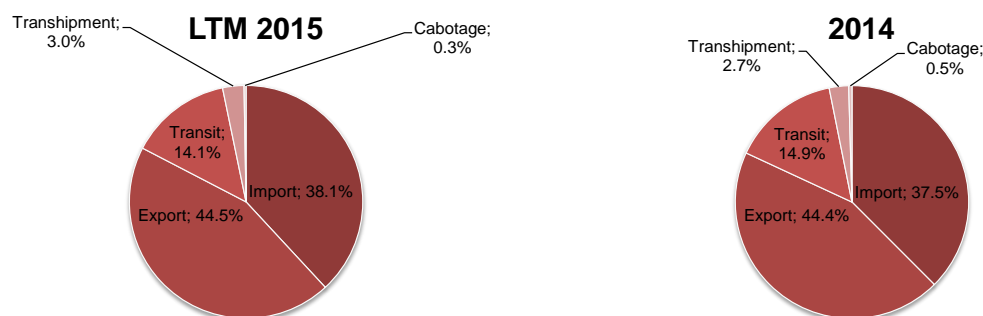
3) Port Operations: Mersin International Port (MIP)

Container & Conventional Cargo Statistics (as of 31 August 2015)

	2015 LTM	2014	YTD Chg.	YoY Chg.	LTM Chg.
Container Volumes (TEU)	1,427,055	1,498,850	-7%	8%	-5%
Conventional Throughput (Ton)*	8,405,634	8,835,718	-8%	-31%	2%

* General Cargo – Dry Bulk – Liquid Bulk

Container Regime Breakdown



As of August 31st, 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 USD104.346. The yield as of August 31st, 2015 corresponded to 1.948% + 311bps spread (Source: Bloomberg).

4) Real Estate: Akfen REIT

(as of 31 August 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	68%	68%	67%	33	34	33	43	44	43
Russia Total	865	52%	55%	53%	19	21	25	26	29	34
Grand Total	2,942	64%	65%	64%	30	31	31	39	40	41

* Merit Park 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.)

Turkey Projects' Physical Completion Status (as of 31 August 2015)

Turkey Projects

City	Room Number	Type	Status	Completion (%)
Istanbul	200	Novotel Karakoy	Under construction	86%
Istanbul	200	Ibis Otel Tuzla	Under construction	45%

During January-August 2015; average occupancy rate of Ibis & Novotel located in Turkey & Russia reached 64%, up by 0.3% compared to the same period of the previous year. During the same period, both Rev-Par and T-RevPar decreased 8%, respectively.

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 July 2015)					
Invoiced Water Volume	515,312	506,917	3%	4%	3%
Akfen Su Dilovasi (as of 31 August 2015)					
Treated Waste Water Volume	2,192,614	2,523,485	-19%	-35%	-13%

As of end of July, Akfen Su Güllük served 6,796 subscribers.

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

6) Energy
6.1) Akfen HEPP
Operational HEPPs (as of 31 August 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	151.32
	Sirma	6.0	23.2	June 2009	12.49	25.58
	Sekiyaka II HES 1	3.4	17.1	January 2014-August 2015	10.91	9.94
Çamlıca	Camlica III	27.6	104.5	April 2011	25.96	70.78
	Saracbendi	25.5	100.5	May 2011	29.48	64.49
Pak	Demirciler	8.4	34.5	August 2012	22.09	29.50
	Kavakcali	11.1	44.3	March 2013	34.46	39.85
	Gelinkaya	6.9	25.8	June 2013	6.13	8.28
BT Bordo	Yagmur	9.0	31.5	November 2012	19.35	20.74
Elen	Doğancay	30.2	171.7	August-September 2014	26.36	116.98
Yenidoruk	Doruk	28.3	75.5	September 2014	17.28	64.98
Total		204.1	852.6		322.79	602.43

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	20.3%
Kurtal	Çiçekli 1-II	6.7	21.9	-
Total		23.7	68.3	

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 204.1 MW and a projected annual electricity generation capacity of 852.6 GWh, whereas the construction in 2 plants having a total installed capacity of 23.7 MW and a projected annual electricity generation capacity of 68.3 GWh is ongoing. Penstock access road, tunnel and power house excavation works have continued at Çalıkobası HEPP, tunnel and basin excavation works continued at Çiçekli HEPP.

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.

Beyobası Enerji Üretimi A.Ş., which is a subsidiary of Akfenhes Yatırımları ve Enerji Üretim A.Ş., a subsidiary of Akfen Holding A.Ş., obtained provisional acceptance for the 1.09 MW (with an annual generation capacity of 4.77 GWh) SEKIYAKA II HEPP 2 Project from the Ministry of Energy. The power plant, located in Muğla, started generating electricity as of 27 August 2015 at midnight.

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, while cleaning and finishing work is still continuing. 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 was completed.

7) Construction: Akfen Construction

Ongoing Projects (as of 31 August 2015)

Project Name	Akfen Construction's Share	Contract Value (US\$)	Physical Completion as of 31.08.2015	Backlog (US\$)
Calikobasi HEPP (Engineering Works)	100%	18,150,000	20.3%	14,475,646
Cicekli HEPP (Construction of Access Road)	100%	2,236,469	95.7%	Unit Price Contract*
Sekiyaka II HEPP 2	100%	2,210,601	100.0%	262,122
AKFEN HEPP		22,597,069		14,737,767
Novotel Karaköy	100%	28,994,974	86.0%	3,275,253
Ibis Tuzla	100%	8,760,430	45.0%	6,370,998
Incek Loft	100%	198,596,926	57.4%	133,207,450
Isparta City Hospital	100%	224,000,000	12.6%	185,502,409
Hacettepe Guest house	64%	118,464,075	21.4%	94,505,629
Ataşehir Office Project	100%	17,202,640	0.0%	17,202,640
TOTAL		618,616,115		454,802,148

* 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	47,173,817	47,501,612	-1%	2%	-1%
Fast Ferry	7,272,055	7,046,365	5%	6%	6%
Sea Bus	5,708,942	6,049,210	-8%	6%	-13%
Conventional Ferry*	34,192,820	34,406,037	-1%	0%	-1%
Number of Vehicles	8,441,130	8,216,450	4%	10%	5%
Fast Ferry**	1,398,508	1,328,725	8%	13%	7%
Conventional Ferry	7,042,622	6,887,725	3%	9%	4%

* Number of passengers travelling with vehicles using Eshikisar-Topcular 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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