



OPERATIONAL PERFORMANCE REPORT

July 2015

Issue date: 28.08.2015

AKFEN HOLDING - RECENT DEVELOPMENTS & DATA

- As of July 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 TL101.100 (dirty price). Total trading volume in July was TL3,171,245 and the yield as of July 31st, 2015 corresponded to 10.10% + 206bps 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.
- As of July 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 TL100.550 (dirty price). Total trading volume in July was TL3,114,302 and the yield as of July 31st, 2015 corresponded to 10.07% + 314bps spread.

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

	2015 LTM	2014	YTD Chg.	YoY Chg.	LTM Chg.
Ataturk Airport	59,751,286	56,954,790	9%	18%	10%
International	40,262,906	38,200,788	10%	21%	11%
Domestic	19,488,380	18,754,002	7%	13%	9%
Esenboga Airport	11,583,046	11,012,119	9%	26%	4%
International	1,504,394	1,445,044	7%	30%	2%
Domestic	10,078,652	9,567,075	9%	25%	4%
Izmir Airport	11,552,830	10,936,772	10%	13%	9%
International	2,558,947	2,577,908	-1%	5%	0%
Domestic	8,993,883	8,358,864	13%	17%	11%
Gazipaşa Airport	865,866	726,252	38%	27%	64%
International	489,992	409,253	38%	22%	54%
Domestic	375,874	316,999	38%	43%	80%
Milas-Bodrum Domestic Terminal⁽⁴⁾	2,166,846	2,017,703	14%	19%	14%
TAV Turkey Total	85,915,873	80,593,852	12%	24%	13%
International	44,816,239	42,632,993	9%	19%	11%
Domestic	41,099,634	37,960,859	15%	30%	15%
Medinah	5,567,992	5,703,349	-4%	8%	3%
Monastir & Enfidha Airports	2,626,216	3,332,391	-40%	-79%	-24%
Tbilisi & Batumi Airports	1,901,069	1,788,571	12%	21%	10%
Macedonia (Skopje & Ohrid)	1,397,272	1,278,343	17%	28%	19%
Zagreb Airport	2,524,516	2,430,971	7%	7%	8%
TAV TOTAL⁽³⁾	99,936,939	95,131,478	9%	16%	12%
International	56,303,481	54,615,845	6%	8%	9%
Domestic	43,633,458	40,515,633	14%	29%	14%

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

	2015 LTM	2014	YTD Chg.	YoY Chg.	LTM Chg.
Ataturk Airport	437,650	422,174	6%	11%	8%
International	301,169	287,519	8%	14%	9%
Domestic	136,481	134,655	2%	5%	5%
Esenboga Airport	84,517	82,239	5%	17%	-1%
International	11,829	11,697	2%	16%	-3%
Domestic	72,688	70,542	5%	17%	0%
Izmir Airport	78,731	74,048	11%	15%	11%
International	18,776	17,770	11%	16%	10%
Domestic	59,955	56,278	12%	15%	11%
Gazipaşa Airport	6,465	5,349	42%	23%	69%
International	3,429	2,822	41%	23%	52%
Domestic	3,036	2,527	43%	25%	95%
Milas-Bodrum Domestic Terminal⁽⁴⁾	16,696	15,642	14%	14%	20%
TAV Turkey Total	623,771	591,459	10%	18%	10%
International	335,203	319,808	9%	14%	9%
Domestic	288,568	271,651	11%	23%	12%
Medinah	47,317	48,549	-4%	3%	2%
Monastir+Enfidha Airports	19,010	22,441	-28%	-62%	-18%
Tbilisi + Batumi Airports	23,926	23,804	1%	14%	0%
Macedonia (Skopje&Ohrid)	14,646	13,969	9%	18%	12%
Zagreb Airports	40,044	38,348	8%	4%	5%
TAV TOTAL⁽³⁾	769,002	738,858	7%	12%	11%
International	448,771	434,057	6%	7%	10%
Domestic	320,231	304,801	9%	20%	11%

* 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-July 2015/January-July 2014)

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

n.m. Not Meaningful

According to TAV Airports' announcement dated 17.08.2015, the Philippine Airports Consortium submitted today 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, which served around 9 million passengers in 2014. The Philippine Airports Consortium consists of Metro Pacific Investments Corporation ("MPIC") with a 60% share and Philippines Airports Management Company ("PAMC"), a joint venture between Aéroports de Paris Management SA ("ADPM"), a subsidiary of Aéroports de Paris, and TAV Airports, with a 40% share. MPIC, ADPM and TAV Airports have entered into an exclusive Philippine airport consortium agreement to govern their relationship with one another in participating in the bidding for the PPP Regional Airports Project.

2) Airport Construction: TAV Construction
Ongoing Projects (as of 30 June 2015)

Project Name	Employer	TAV Construction's Share	Contract Value (US\$mn)	Physical Completion as of 31.05.2015	Physical Completion as of 30.06.2015	Change (%)
Dubai-Marina 101	M/S Sheffield Holdings Limited	100%	202	88.5%	88.9%	0.4%
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	92.1%	92.3%	0.2%
Saudi Airlines Catering Building - Madinah	TAV-ACC JV	50%	30	67.8%	78.4%	10.6%
Medina Airport Hotel Project - Madinah	TAV-ACC JV	50%	31	36.5%	45.5%	8.9%
King Abdul Aziz International Airport	Saudia Aerospace Engineering Industries	40%	765	23.8%	25.2%	1.4%
Abu Dhabi Int. Airport Midfield Terminal Building Construction Works	ADAC	33%	3,180	48.5%	51.4%	2.8%
Riyad KKIA Terminal 5 Airport	General Authority Of Civil Aviation (Gaca)	50%	336	49.5%	52.2%	2.7%
Damac Towers	Damac Development	100%	312	27.9%	30.4%	2.5%
Emaar Square N1&N2 Structural Works	EMAAR	60%	67	86.8%	90.5%	3.7%
Emaar Phase 3*	EMAAR	60%	410	9.7%	13.2%	3.5%
Istanbul Ataturk Airport Extension Project - Phase 3	TAV Istanbul Terminal Operations Co.	100%	43	22.7%	29.3%	6.7%
New ADP Headquarters and Office Buildings	Aeroports De Paris	50%	97	1.0%	2.0%	1.0%
TOTAL			12,917			

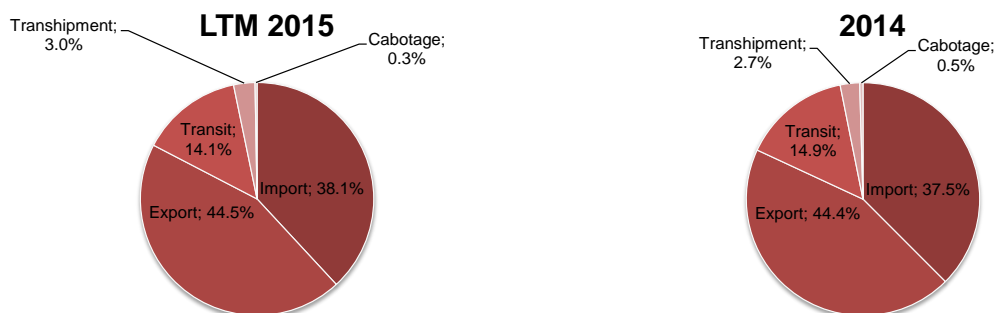
* Calculation method of the physical progress of Emaar Phase 3 project has been changed and synchronized with the revised work program. Due to the revised work program, physical progress of the project has been revised as in the above table.

According to the announcement from August 2015, TAV Construction ranked 82nd on Engineering News Record's (ENR) list of the "Top 250 International Contractors" from the year 2014.

3) Port Operations: Mersin International Port (MIP)
Container & Conventional Cargo Statistics (as of 31 July 2015)

	2015 LTM	2014	YTD Chg.	YoY Chg.	LTM Chg.
Container Volumes (TEU)	1,418,479	1,498,850	-9%	-11%	-5%
Conventional Throughput (Ton)*	8,641,996	8,835,718	-4%	-26%	8%

* General Cargo – Dry Bulk – Liquid Bulk

Container Regime Breakdown


As of July 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 USD105.772 The yield as of July 31st, 2015 corresponded to 1.915% + 330bps spread (Source: Bloomberg).

4) Real Estate: Akfen REIT

(as of 31 July 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	67%	69%	67%	32	34	33	42	44	43
Russia Total	865	53%	55%	53%	19	21	25	27	29	34
Grand Total	2,942	64%	66%	64%	30	31	31	39	41	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 July 2015)
Turkey Projects

City	Room Number	Type	Status	Completion (%)
Istanbul	200	Novotel Karakoy	Under construction	84%
Istanbul	200	Ibis Otel Tuzla	Under construction	34%

During January-July 2015; average occupancy rate of Ibis & Novotel located in Turkey & Russia reached 64%, up by 1% compared to the same period of the previous year. During the same period, Rev-Par and T-RevPar decreased 6% and 5%, 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 30 June 2015)					
Invoiced Water Volume	512,441	506,917	3%	4%	2%
Akfen Su Dilovasi (as of 31 July 2015)					
Treated Waste Water Volume	2,282,606	2,523,485	-16%	-40%	-7%

As of end of June, Akfen Su Gulluk served 6,734 subscribers.

As of end of July, the number of operating factories in Dilovasi Organised Industrial Zone was 206.

6) Energy
6.1) Akfen HEPP
Operational HEPPs (as of 31 July 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
Beyobasi	Otluca	47.7	224.0	April 2011	118.29	147.18
	Sirma	6.0	23.2	June 2009	12.49	21.87
	Sekiyaka II HES 1	2.3	12.3	January 2014	10.91	8.67
Çamlıca	Çamlıca III	27.6	104.5	April 2011	25.96	67.74
	Saracbendi	25.5	100.5	May 2011	29.48	63.88
Pak	Demirciler	8.4	34.5	August 2012	22.09	29.10
	Kavakcali	11.1	44.3	March 2013	34.46	39.14
	Gelinkaya	6.9	25.8	June 2013	6.13	8.05
BT Bordo	Yagmur	9.0	31.5	November 2012	19.35	19.53
Elen	Doğancay	30.2	171.7	August-September 2014	26.36	105.38
Yenidoruk	Doruk	28.3	75.5	September 2014	17.28	63.71
Total		203.0	847.8		322.79	574.25

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	18.5%
Kurtal	Çiçekli 1-II	6.7	21.9	-
Beyobası	Sekiyaka II HES 2	1.1	4.8	87.1%
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. Penstock access road, tunnel and power house excavation works have continued at Çalıkobası HEPP, while installation of transmission lines and tunnel and basin excavation works continued at Çiçekli HEPP. Meanwhile, at Sekiyaka II HEPP 2 project, which is an extension of Sekiyaka II HEPP 1, an operational project as of January 2014, the landscaping work has continued.

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, 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 July 2015)

Project Name	Akfen Construction's Share	Contract Value (US\$)	Physical Completion as of 31.07.2015	Backlog (US\$)
Calikobasi HEPP (Engineering Works)	100%	18,150,000	18.5%	14,799,873
Cicekli HEPP (Construction of Access Road)	100%	2,193,345	95.7%	Unit Price Contract*
Sekiyaka II HEPP 2	100%	2,210,601	87.1%	503,095
AKFEN HEPP		22,553,946		15,302,968
Novotel Karaköy	100%	28,994,974	84.0%	3,275,253
Ibis Tuzla	100%	8,760,430	34.0%	6,771,964
Incek Loft	100%	198,596,926	51.2%	141,864,500
Isparta City Hospital	100%	224,000,000	10.1%	192,315,918
Hacettepe Guest house	64%	118,464,075	21.2%	94,505,629
TOTAL		601,370,352		454,036,233

* 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.

In our announcement dated 29.12.2014 we had stated that the best “all inclusive yearly price” at the reverse auction for the tender concerning the “Construction works and the provision of products and services for 1,081-bed Eskişehir City Hospital for a period of 25 years through Public Private Partnership Model” of Republic of Turkey Ministry of Health, Department of Public Private Partnership was submitted by our wholly owned subsidiary Akfen Construction. As of 20.08.2015 the agreement related to this tender has been signed by Eskişehir Şehir Hastanesi Yatırım İşletme Anonim Şirketi, which is an SPV founded by Akfen Construction.

8) Sea Transportation: IDO
Number of Passengers and Vehicles Transported

	2015 LTM	2014	YTD Chg.	YoY Chg.	LTM Chg.
Number of Passengers	47,080,168	47,501,612	-2%	11%	-1%
Fast Ferry	7,213,304	7,046,365	4%	20%	7%
Sea Bus	5,660,047	6,049,210	-11%	12%	-16%
Conventional Ferry*	34,206,817	34,406,037	-1%	8%	0%
Number of Vehicles	8,351,367	8,216,450	3%	15%	4%
Fast Ferry**	1,376,207	1,328,725	6%	21%	5%
Conventional Ferry	6,975,160	6,887,725	2%	13%	4%

* Number of passengers travelling with vehicles using Eskişehir-Toppular 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	Disabekd 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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