



OPERATIONAL PERFORMANCE REPORT

October 2014

Issue date: 25.11.2014

AKFEN HOLDING - RECENT DEVELOPMENTS & DATA

As of October 31, 2014; the price of Akfen Holding's corporate bond with the ISIN code *TRSAKFH11710* (maturity date January 9th, 2017 and issue amount TL140mn) was TL100.825 (dirty price). Total trading volume in October was TL2,508,473 and the yield as of 31 October 2014 corresponded to 8.75% +393bps spread.

As of October 21, 2014; the price of Akfen Holding's corporate bond with the ISIN code *TRSAKFH31718* (maturity date March 23th, 2017 and issue amount TL200mn) was TL100.500 (dirty price). Total trading volume in October was TL10,139 and the yield as of 21 October 2014 corresponded to 8.62% + 399bps spread.

On 24 November 2014, Our Company has applied to the Capital Markets Board ("CMB") to issue bonds through public offering amounting to TL60 million, from the remaining limit of the TL200 million bond issue, which was approved by the CMB on the meeting dated 31 December 2013 and numbered 43/1385.

BUSINESS LINES - OPERATIONAL PERFORMANCE & DEVELOPMENTS

1) Airports/Terminals: TAV Airports

Passenger Figures* (as of 31 October 2014)

	2014 LTM	2013	YTD Chg.	YoY Chg.	LTM Chg.
Ataturk Airport	55,933,887	51,320,875	11%	13%	11%
International	37,492,179	34,096,770	12%	14%	12%
Domestic	18,441,708	17,224,105	8%	11%	8%
Esenboga Airport	11,001,539	10,928,403	1%	-5%	3%
International	1,448,999	1,573,943	-9%	-10%	-9%
Domestic	9,552,540	9,354,460	3%	-4%	6%
Izmir Airport	10,719,316	10,208,627	6%	4%	6%
International	2,573,867	2,467,436	5%	-1%	5%
Domestic	8,145,449	7,741,191	6%	6%	7%
Gazipaşa Airport	731,884	363,024	119%	152%	134%
International	422,822	242,949	84%	124%	97%
Domestic	309,062	120,075	201%	193%	217%
Milas-Bodrum Domestic Terminal***	1,993,998	1,738,206	16%	16%	16%
TAV Turkey Total	79,198,778	72,820,929	10%	12%	11%
International	41,937,867	38,381,098	11%	12%	11%
Domestic	37,260,911	34,439,831	10%	12%	10%
Medinah	5,675,431	4,669,181	25%	15%	20%
Monastir & Enfidha Airports	3,341,850	3,437,849	-3%	-16%	-3%
Tbilisi & Batumi Airports	1,769,748	1,642,597	9%	3%	9%
Macedonia (Skopje & Ohrid)	1,235,483	1,067,467	18%	20%	16%
Zagreb Airport	2,392,963	2,300,231	5%	8%	4%
TAV TOTAL**	93,312,741	83,638,023	14%	14%	13%
International	53,584,182	47,429,862	15%	14%	14%
Domestic	39,728,559	36,208,161	12%	13%	12%

* Both departing and arriving passengers, including transfer pax.

**2013 TAV totals do not include Milas-Bodrum and Zagreb Airport.

***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.

Air Traffic Movements* (as of 31 October 2014)

	2014 LTM	2013	YTD Chg.	YoY Chg.	LTM Chg.
Ataturk Airport	418,138	387,965	9%	8%	10%
International	284,076	260,686	11%	9%	11%
Domestic	134,062	127,279	6%	6%	7%
Esenboga Airport	83,372	85,241	-3%	-10%	0%
International	11,924	13,133	-11%	-12%	-11%
Domestic	71,448	72,108	-1%	-10%	2%
Izmir Airport	73,918	70,057	7%	8%	8%
International	18,372	17,215	8%	9%	12%
Domestic	55,546	52,842	6%	7%	7%
Gazipaşa Airport	5,240	2,577	119%	170%	131%
International	2,910	1,805	69%	115%	83%
Domestic	2,330	772	239%	254%	243%
Milas-Bodrum Domestic Terminal***	15,392	12,731	23%	28%	19%
TAV Turkey Total	587,073	545,840	9%	9%	10%
International	317,282	292,839	10%	9%	11%
Domestic	269,791	253,001	8%	9%	9%
Medinah	48,216	40,000	24%	8%	20%
Monastir+Enfidha Airports	26,465	30,077	-13%	-25%	-11%
Tbilisi + Batumi Airports	23,928	23,512	2%	-5%	2%
Macedonia (Skopje&Ohrid)	13,580	12,380	11%	21%	10%
Zagreb Airports	37,808	38,894	-3%	-3%	-4%
TAV TOTAL**	731,766	651,809	15%	13%	14%
International	430,276	376,719	17%	14%	16%
Domestic	301,490	275,090	11%	12%	12%

* Commercial flights only

** 2013 TAV totals do not include Milas-Bodrum and Zagreb Airport.

***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 – October 2014/January – October 2013)

YoY: Year-over-Year (October 2014/October 2013)

n.m. Not Meaningful

TAV İstanbul, TAV Airport's wholly owned subsidiary has signed a supplementary contract on 17.11.2014 with DHMI for amendment and expansion of the Istanbul Ataturk Airport International Terminal within the scope of Ataturk Airport Extension Project. As per the contract; 32 additional check-in islands will be constructed and the capacity of the baggage handling system will be improved. In addition, to expand the international terminal, the existing cargo terminal will be demolished and replaced with a 27.000 m² passenger terminal and four additional passenger bridges will be added. These bridges will have the optionality of providing eight parking spaces for single aisle aircraft and four parking spaces for twin aisle aircraft. Also, 17.000 m² of additional open carpark space will be built. There will not be any changes in the duration and the lease amount of the original Lease Agreement of Istanbul Ataturk Airport Domestic and International Terminal, Closed Carpark and General Aviation Terminal that expires on January 2, 2021. All revenues earned from the commercial and advertising areas of the new facility will belong to TAV İstanbul for the duration of operation. The revenues from the new carpark will be shared with DHMI. If due to opening of the New Istanbul Airport under construction at the present, before January 2, 2021, the Lease Agreement has to be terminated, the investment amount and revenues arising from this investment that are subject to the supplementary contract will be added to the "loss of profit" calculation and will be paid as originally declared by DHMI. The estimated amount of new investment is around EUR75 million and the planned duration of construction is 16 months, following handover of the area. TAV İstanbul will use its own funds for the project and will not need additional financing.

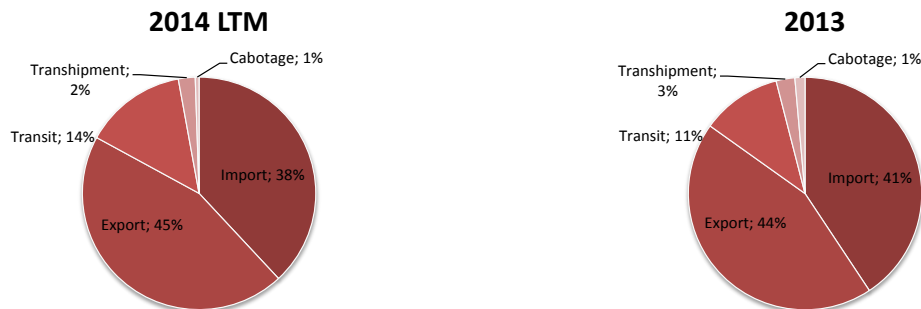
2) Airport Construction: TAV Construction
Ongoing Projects (as of 30 September 2014)

Project Name	Employer	TAV Construction's Share	Contract Value (US\$m)	Physical Completion as of 31.08.2014	Physical Completion as of 30.09.2014	Change (%)
Dubai-Marina 101	M/S SHEFFIELD HOLDINGS LIMITED	100%	207	72.6%	73.5%	0.9%
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 QATAR	35%	4,040	100.0%	100.0%	-
Oman MC1	SULTANATE OF OMAN MINISTRY OF TRANSPORT AND COMM.	50%	1,169	89.4%	89.8%	0.4%
Madinah International Airport	TIBAH JV	50%	963	91.7%	94.5%	2.8%
King Abdul Aziz International Airport	SAUDIA AEROSPACE ENGINEERING INDUSTRIES	40%	765	12.5%	13.1%	0.6%
Abu Dhabi Int. Airport Midfield Terminal Building Construction Works	ADAC	33%	2,952	24.9%	26.6%	1.7%
Riyad KKIA Terminal 5 Airport	General Authority Of Civil Aviation (Gaca)	50%	336	47.7%	49.6%	1.9%
Damac Towers	Damac Development	100%	289	12.2%	13.4%	1.2%
Emaar Square N1&N2 Structural Works	EMAAR	60%	61	35.0%	40.8%	5.8%
Emaar Phase 3	EMAAR		410	0.0%	0.0%	0.0%
TOTAL			13,537			

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

	2014 LTM	2013	YTD Chg.	YoY Chg.	LTM Chg.
Container Volumes (TEU)	1,489,703	1,378,800	10%	1%	12%
Conventional Throughput (Ton)*	8,595,501	7,561,602	17%	34%	16%

* General Cargo – Dry Bulk – Liquid Bulk

Container Regime Breakdown


As of October 31, 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 USD106.729. The yield as of 31 October 2014 corresponded to 1.997% + 273 bps spread. (Source: Bloomberg)

4) Real Estate: Akfen REIT

(as of 31 October 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	79%	77%	78%	51	50	60	60	59	70
Zeytinburnu Novotel	208	77%	75%	80%	58	57	68	79	77	92
Eskisehir Ibis	108	76%	76%	79%	30	30	34	35	35	40
Trabzon Novotel	200	79%	74%	73%	63	57	50	89	83	77
Gaziantep Ibis	177	74%	74%	72%	25	25	26	30	30	32
Gaziantep Novotel	92	72%	71%	77%	39	38	43	60	60	68
Kayseri Ibis	160	58%	59%	56%	18	18	18	22	23	24
Kayseri Novotel	96	55%	55%	61%	23	23	29	36	36	44
Bursa Ibis	200	59%	59%	58%	22	22	25	26	26	30
Yaroslavl Ibis	177	56%	57%	69%	27	29	37	36	38	48
Samara Ibis	204	56%	57%	57%	28	29	31	41	42	44
Adana Ibis	165	59%	59%	51%	18	18	18	23	23	23
Esenyurt Ibis	156	57%	56%	52%	25	25	27	30	30	32
İzmir Ibis	140	73%	72%	62%	30	29	26	35	34	30
Kaliningrad Ibis	167	49%	45%	26%	21	20	13	28	26	16
Esenboğa Ibis	147	23%	-	-	8	-	-	11	-	-
Turkey Total	2,077	69%	68%	67%	35	34	38	45	45	49
Russia Total	548	54%	57%	58%	26	26	31	35	36	42
Grand Total	2,625	65%	65%	65%	33	33	36	43	43	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 October 2014)

Russia Projects

City	Room Number	Type	Status	Completion (%)
Moskova	317	Ibis Hotel Moskova	Under construction	84%

Turkey Projects

City	Room Number	Type	Status	Completion (%)
Istanbul	200	Novotel Karakoy	Under construction	56%
Istanbul	200	Ibis Otel Tuzla	Under Planning	-

In the period January- October 2014; average occupancy rate of Ibis & Novotel located in Turkey & Russia reached 65%, down by 1% compared to the same period of the previous year. During the same period, Rev-Par and T-RevPar decreased 12% and 13%, respectively.

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 September 2014)					
Invoiced Water Volume	513,438	539,789	-6%	-2%	-2%
Akfen Su Dilovasi (as of 31 October 2014)					
Treated Waste Water Volume	2,470,845	2,615,571	-6%	-24%	-10%

As of end of September, Akfen Su Gulluk served 6,529 subscribers.

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

6) Energy
6.1) Akfen HEPP
Operational HEPPs (as of 31 October 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	90.11
	Sırma	6.0	23.2	June 2009	20.83	12.49
	Sekiyaka II HES 1	2.3	12.3	January 2014	0.00	9.08
Çamlıca	Camlica III	27.6	104.5	April 2011	61.54	19.26
	Saracbendi	25.5	100.5	May 2011	75.55	20.31
Pak	Demirciler	8.4	34.5	August 2012	34.40	16.16
	Kavakcalı	11.1	44.3	March 2013	21.43	27.40
	Gelinkaya	6.9	25.8	June 2013	2.23	5.57
BT Bordo	Yagmur	9.0	31.5	November 2012	20.20	15.40
Elen	Doğancay	30.2	171.7	August-September 2014	-	12.21
Yenidoruk	Doruk	28.3	75.5	September 2014	-	7.49
Total		203.0	847.8		396.26	235.49

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	8.7%
Kurtal*	Çiçekli 1-II	6.7	21.9	-
Total		23.7	68.3	

* Preliminary works with regards to the construction is ongoing at Çiçekli 1-II HEPP.

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 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 23.7 MW and a projected annual electricity generation capacity of 68.3 GWh is ongoing. At these 2 plants; preliminary construction works such as mobilization and excavation works have continued 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 was completed.

7) Construction: Akfen Construction

Ongoing Projects (as of 31 October 2014)

Project Name	Akfen Construction's Share	Contract Value (Euro)	Physical Completion as of 31.10.2014	Backlog (Euro)
Calikobasi HEPP (Engineering Works)	100%	12,144,855	8.7%	11,122,167
Cicekli HEPP (Construction of Access Road)	100%	787,497	95.0%	Unit Price Contract*
AKFEN HEPP		12,932,352		11,122,167
Novotel Karaköy	100%	22,232,000	56.0%	12,624,816
Incek Loft	100%	136,310,327	18.3%	112,902,966
Isparta City Hospital	100%	162,365,903	0.0%	162,365,903
Hacettepe Student Dorm	64%	55,523,293	6.8%	51,003,195
TOTAL		389,363,875		350,019,048

* 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

	2014 LTM	2013	YTD Chg.	YoY Chg.	LTM Chg.
Number of Passengers	47,422,777	50,527,752	-7%	-3%	-7%
Fast Ferry	6,940,184	6,337,335	11%	7%	11%
Sea Bus	6,264,873	7,520,151	-19%	-22%	-17%
Conventional Ferry*	34,217,720	36,670,266	-8%	-2%	-8%
Number of Vehicles	8,105,856	7,852,086	4%	3%	4%
Fast Ferry**	1,309,067	1,269,961	4%	-1%	5%
Conventional Ferry	6,796,789	6,582,125	4%	4%	3%

* 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	Mnivan	Jeep/Pickup Truck /Mnibus	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	Mnivan	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

For further information please e-mail to investorrelations@akfen.com.tr

AKFEN HOLDING A.Ş.

Levent Loft – Buyukdere Cad. No:201 K.11 34394 Levent, Istanbul - TURKEY

Tel :+90.212.319.8700 Fax: +90.212.319.8710

www.akfen.com.tr
