



# Akfen Holding A.Ş.

## 1Q15 Results

11 May 2015



## **I. FINANCIAL REVIEW**

## **II. BUSINESS SEGMENTS**

## **III. APPENDIX**

## **IV. CONSOLIDATED FINANCIAL STATEMENTS**

### Effects of IFRS 11\*\*

- ✓ According to the IFRS 11 standard, joint ventures cannot be consolidated “proportionately” starting with 2013 first set of financials. These types of entities have to be consolidated using the “equity-pick-up” method.
- ✓ In the case of Akfen Holding, this standard implies that previously “proportionately” consolidated entities such as **TAV Airports**, **TAV Construction**, **MIP**, **IDO** and **Akfen Water** have to be consolidated using the “equity-pick-up” method.
- ✓ In the IFRS report, these entities have been consolidated in accordance with the IFRS 11 standard, recording the “net income/(loss)” contributions of these entities as a source of bottom line.

*Shown as ‘\*\* IFRS’ in this presentation.*

### Financials Adjusted for IFRS 11\*

- ✓ However, within this presentation, to enable the capital markets participants a smooth transition process into the new standard, Akfen Holding will continue to provide a summary of consolidated B/S and P&L items adjusted to reverse the effects of IFRS 11 for FY15.

*Shown as ‘\* IFRS 11 and IFRIC 12 adjusted’ in this presentation.*

TL 000	1Q15	1Q14	Δ %
Revenues*	335,733	281,644	19%
Adj. EBITDA <sup>*(a)</sup>	113,065	89,676	26%
EBITDA Margin* (%)	33.1%	31.9%	1.2 p.p.
Net Profit**	-80,898	-31,405	n.m.
Non-Controlling Interest	-730	-6,597	n.m.
Owners of the Company	-80,168	-24,808	n.m.

TL 000	1Q15	FY14	Δ %
Sh. Equity**	1,635,504	1,671,706	-2%
Non-Controlling Interest	380,788	374,865	2%
Owners of the Company	1,254,716	1,296,841	-3%
Cons. Net Debt <sup>*(b)</sup>	3,047,642	2,738,909	11%
Total Assets**	4,283,016	3,907,426	10%

\* IFRS 11 and IFRIC 12 adjusted

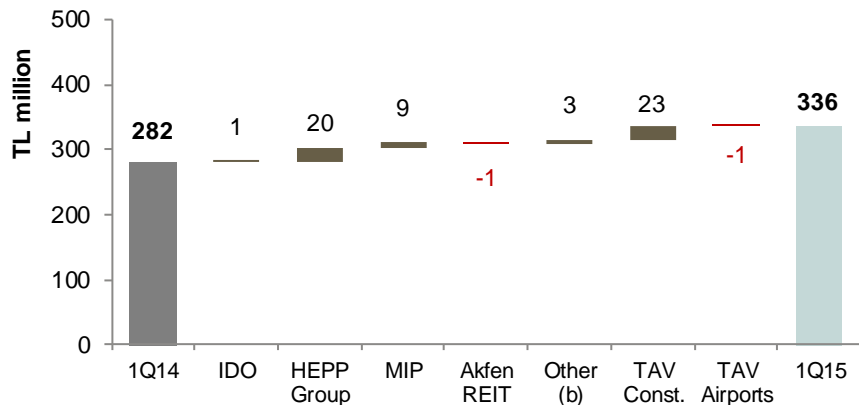
\*\* IFRS

<sup>(a)</sup> EBITDA adjusted for guarantee revenues at TAV Airports, Akfen Water and also for construction revenues/costs within IFRIC12 at TAV Airports and Akfen Water.

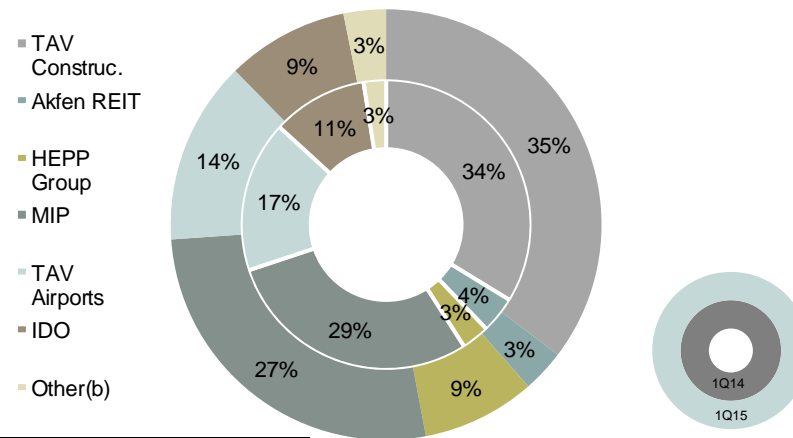
<sup>(b)</sup> Consolidated net debt includes deposits over 3 mths recorded under 'financial investments'.

- ✓ 1Q15 revenues and adjusted EBITDA continued to increase notably on a YoY basis...
- ✓ Consolidated EBITDA margin also up on a YoY basis:
  - Notable improvement in HEPP Group as well as IDO's margins in 1Q15,
- ✓ Yet 1Q15 **bottomline** depressed by fx-losses caused by the weak TL
- ✓ Sh. Equity decline due to the cancellation of the 10% bought back shares in January 2015.

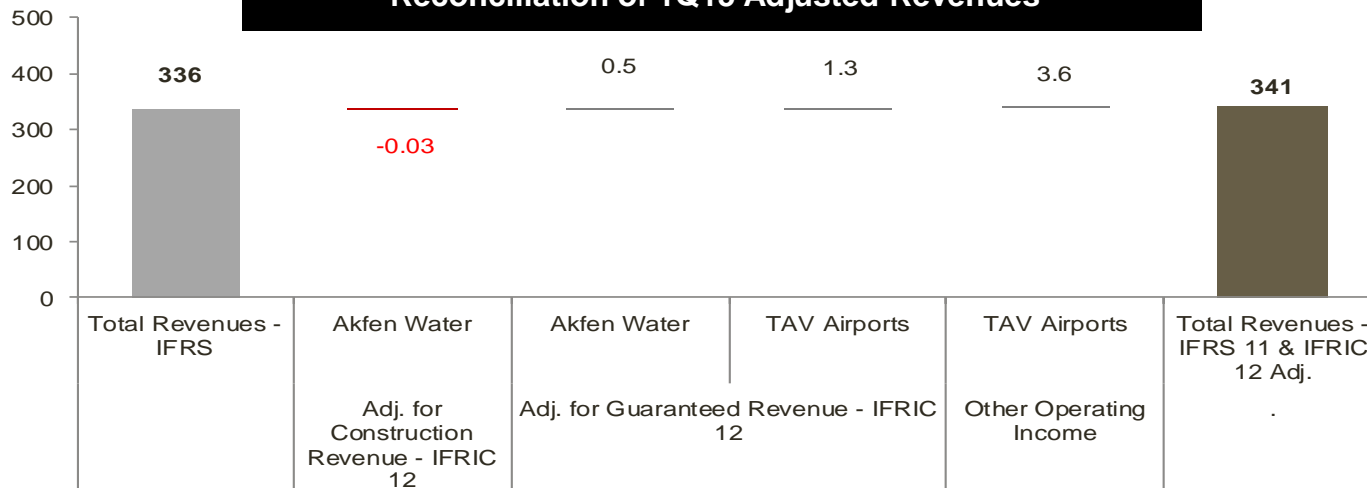
### Revenue Bridge (Like for Like) <sup>(a)</sup>



### Revenue Breakdown



### Reconciliation of 1Q15 Adjusted Revenues\*

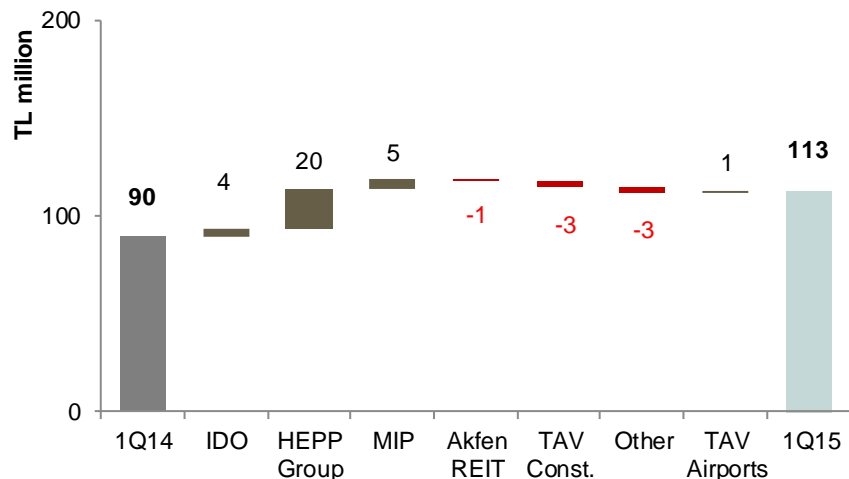


\* IFRS 11 and IFRIC 12 adjusted

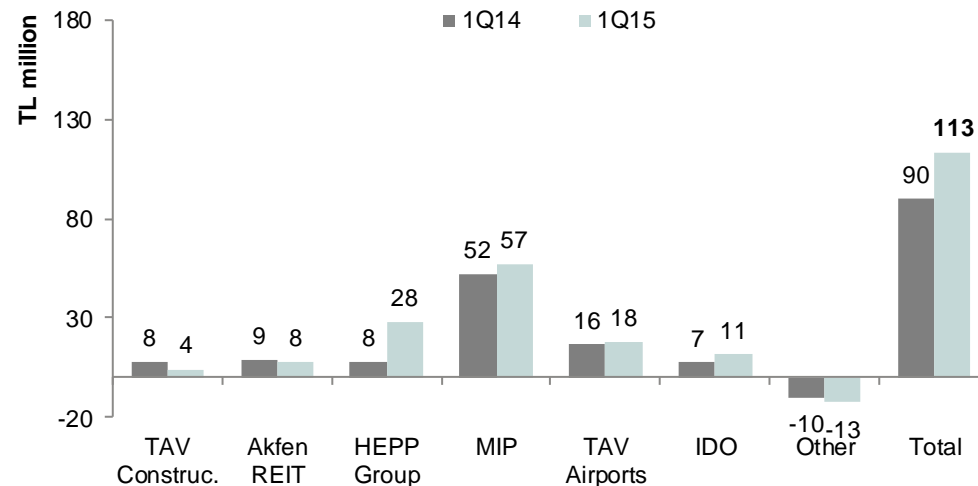
<sup>(a)</sup> All revenue figures in the presentation (except for Slide 24&25) are based on external revenues data, which exclude transactions between group companies.

<sup>(b)</sup> Other consists of Akfen Construction, Akfen Water and companies defined as other companies within our segmental breakdown.

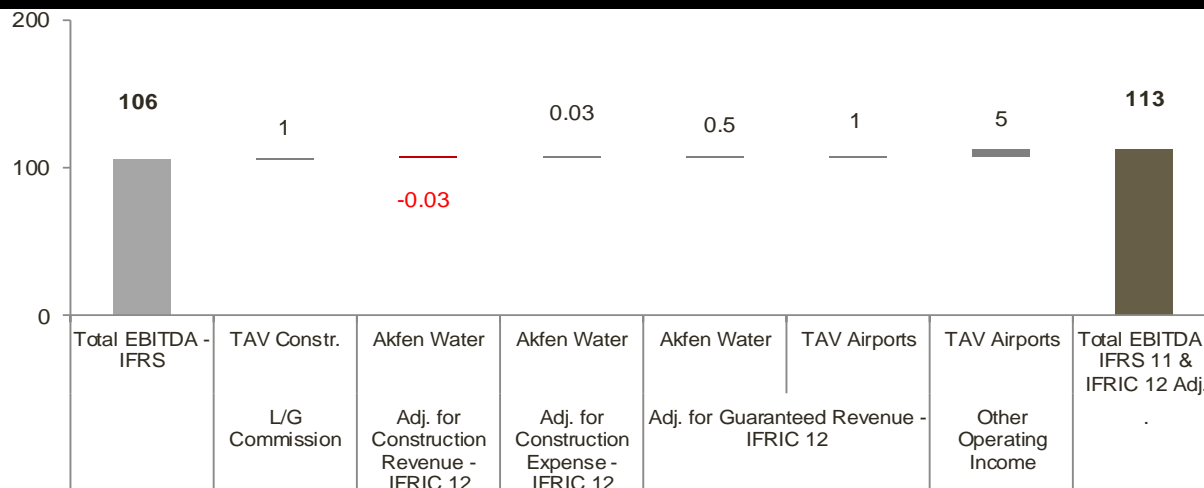
## Adjusted EBITDA Bridge (Like for Like)



## Adjusted EBITDA Breakdown

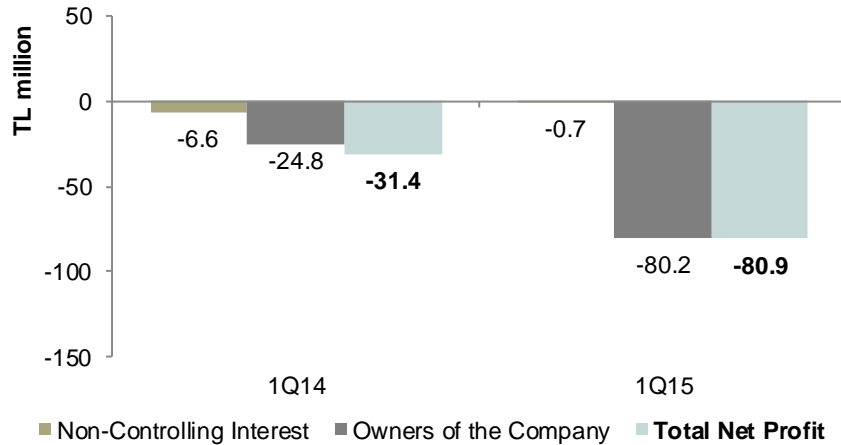


## Reconciliation of 1Q15 Adjusted EBITDA\*



\* IFRS 11 and IFRIC 12 adjusted, also incl. guaranteed revenues for TAV Airports and Akfen Water

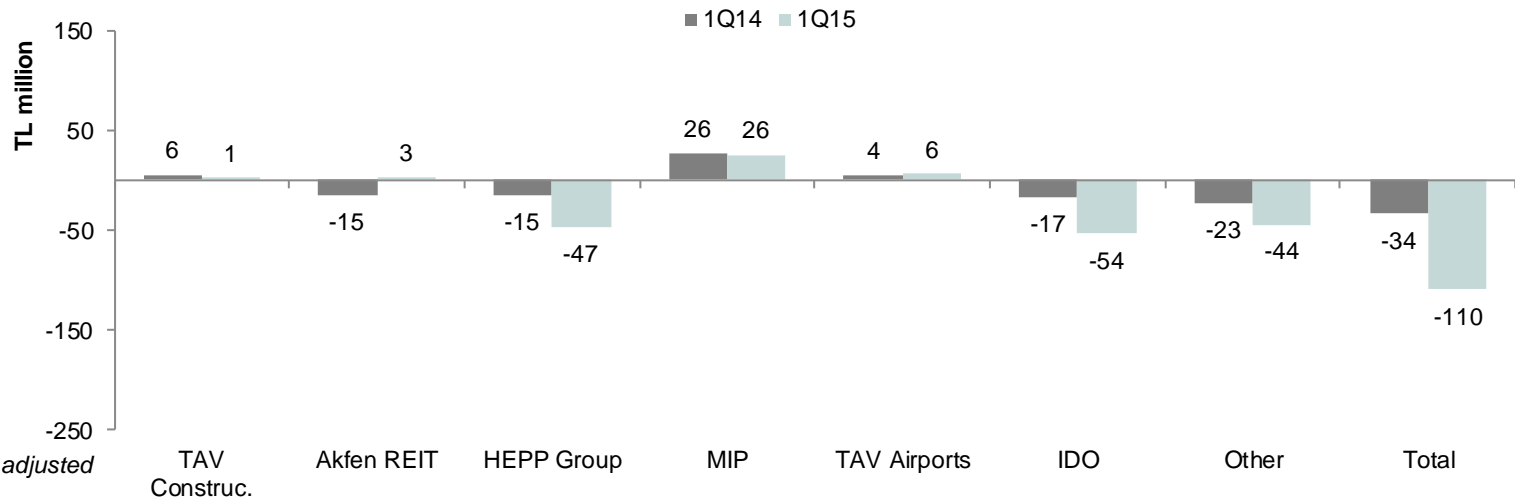
### Net Profit\*\*



### Bottomline depressed due to weak TL in 1Q15...

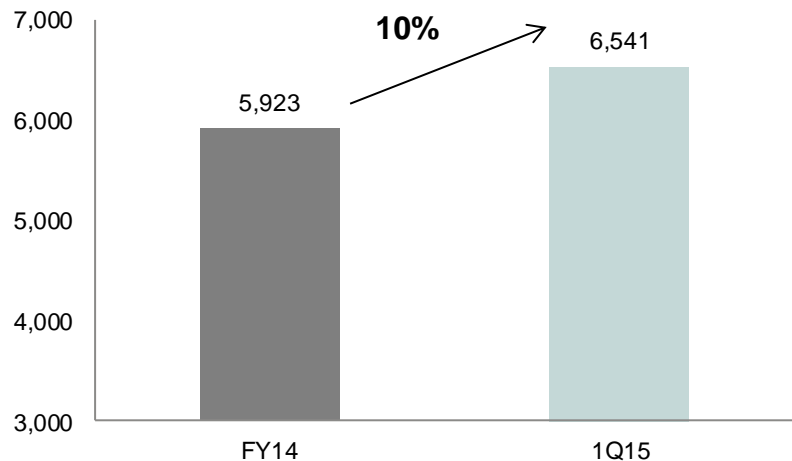
- ✓ Despite notable increase in 1Q15 revenues and EBITDA; the depreciation in TL led to fx-losses, which depressed the bottomline:
  - short position of US\$529mn as of end-1Q15 led to TL78mn net fx-losses in 1Q15 vs. net fx-losses amounting to TL35mn in 1Q14.

### Net Profit Breakdown by Subsidiaries and Jointly-controlled Entities\*

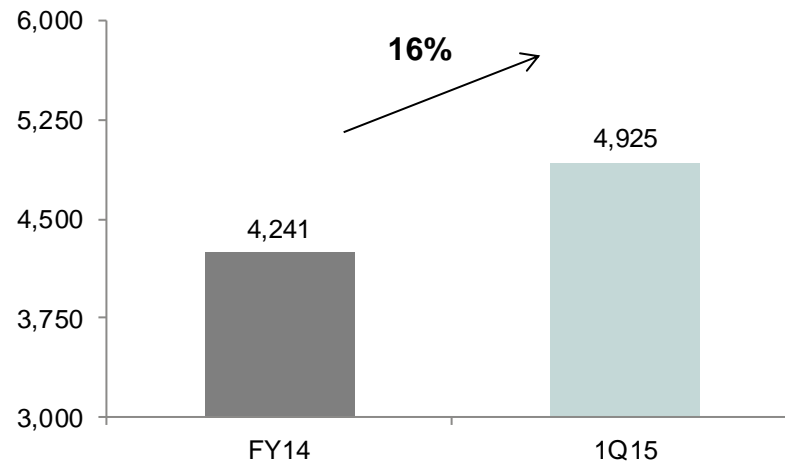


\* IFRS 11 and IFRIC 12 adjusted

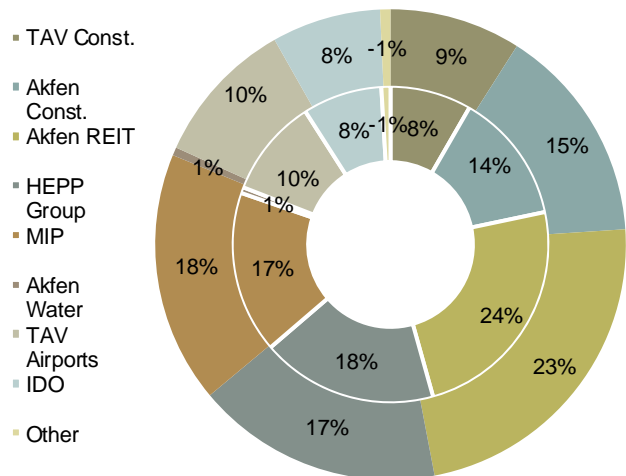
**Total Assets**



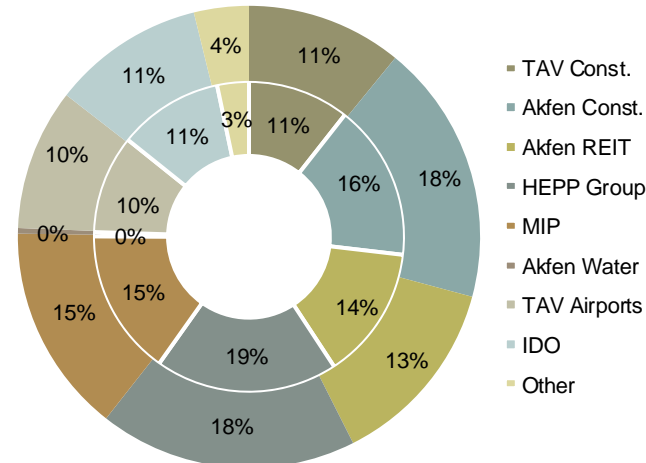
**Total Liabilities**



**Asset Breakdown by Subsidiaries and Jointly-controlled Entities**



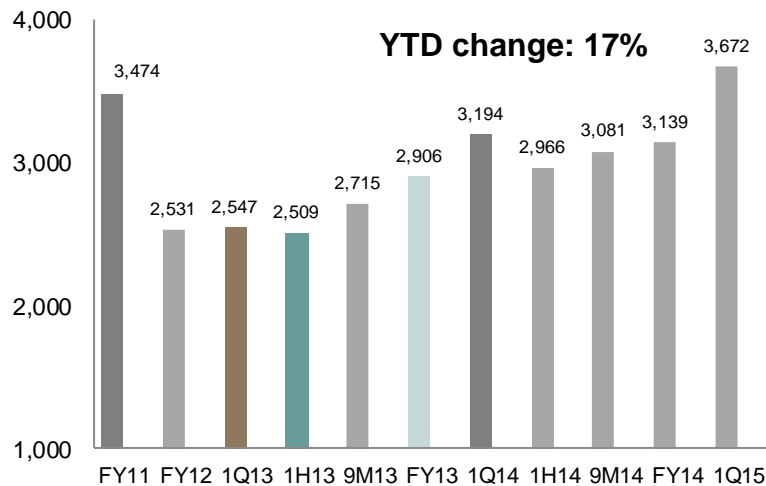
**Liabilities Breakdown by Subsidiaries and Jointly-controlled Entities**



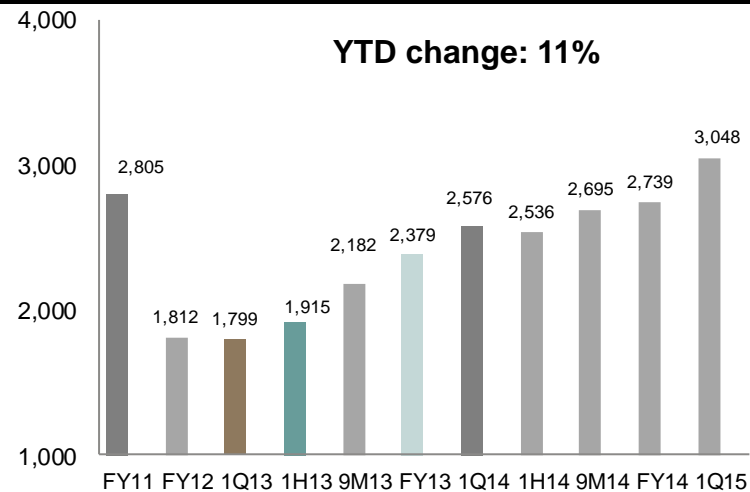
\* IFRS 11 and IFRIC 12 adjusted



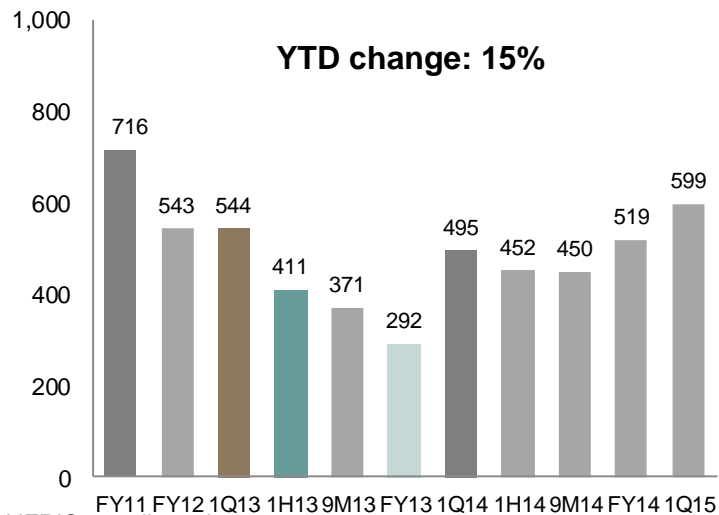
### Consolidated Gross Debt



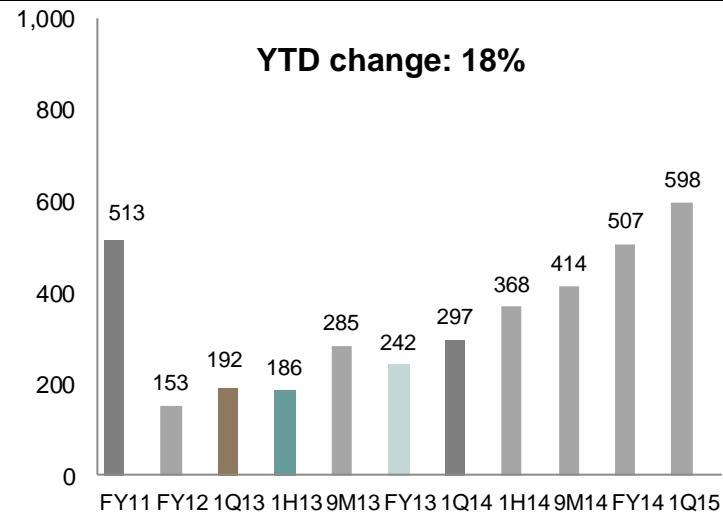
### Consolidated Net Debt



### Holding-only Gross Debt



### Holding-only Net Debt



### Gross Debt Breakdown of Subsidiaries and Jointly-controlled Entities\*

TL 000	1Q15	FY14	YoY Chg.
<b>Akfen Holding</b>	<b>599,085</b>	<b>519,482</b>	<b>15%</b>
Akfen Construction	261,425	91,865	185%
Akfen REIT	573,265	517,849	11%
Akfen HEPP	740,543	648,870	14%
Akfen Thermal Energy&WPP&A.E.Wholesale	0	0	-
Akfen Water	14,744	14,441	2%
MIP	614,671	552,989	11%
TAV Investments Holding	91,311	73,150	25%
TAV Airports <sup>(a)</sup>	313,016	316,714	-1%
IDO <sup>(a)</sup>	464,036	403,998	15%
Other	0	0	-
<b>Total</b>	<b>3,672,096</b>	<b>3,139,358</b>	<b>17%</b>

\* IFRS 11 and IFRIC 12 adjusted

### Net Debt Breakdown of Subsidiaries and Jointly-controlled Entities\*

TL 000	1Q15	FY14	YoY Chg.
<b>Akfen Holding</b>	<b>597,626</b>	<b>506,988</b>	<b>18%</b>
Akfen Construction	132,451	89,741	48%
Akfen REIT	522,673	493,752	6%
Akfen HEPP	694,852	627,032	11%
Akfen Thermal Energy&WPP&A.E.Wholesale	-3,036	-3,183	n.m.
Akfen Water	9,167	8,168	12%
MIP	410,085	392,196	5%
TAV Investments Holding	9,242	11,986	-23%
TAV Airports <sup>(a)</sup>	229,553	213,781	7%
IDO <sup>(a)</sup>	450,886	398,458	13%
Other	-5,857	-10	n.m.
<b>Total</b>	<b>3,047,642</b>	<b>2,738,909</b>	<b>11%</b>

<sup>(a)</sup> The above net debt data does not include the equity pick-up participations of both of these companies.

### Gross Debt Breakdown of Wholly-owned Subsidiaries\*\*

TL 000	Akfen Holding	Akfen Constr.	Akfen REIT	Akfen HEPP	A. Electricity Wholesale	Other	Elimin.	Total
Short Term Debt	48,731	48,630	22,221	182,453	0	0		302,035
Medium Term Debt	550,354	91,507	114,362	361,687	0	0		1,117,910
Long Term Debt	0	121,288	436,682	196,403	0	0		754,373
<b>Total Gross Debt</b>	<b>599,085</b>	<b>261,425</b>	<b>573,265</b>	<b>740,543</b>		<b>0</b>		<b>2,174,318</b>
Cash and Cash Equivalents	1,459	128,974	50,592	45,691	1,676	1,360		229,752
<b>Net Debt</b>	<b>597,626</b>	<b>132,451</b>	<b>522,673</b>	<b>694,852</b>	<b>-1,676</b>	<b>-1,360</b>	<b>0</b>	<b>1,944,566</b>
<b>Adj. EBITDA</b>	<b>-26,721</b>	<b>-7,600</b>	<b>38,622</b>	<b>48,594</b>	<b>n.a</b>	<b>-1,333</b>	<b>-4,226</b>	<b>47,335</b>
Net Debt/ EBITDA	n.a	n.a	13.53	14.30	n.a	n.a	n.a	41.08
EBITDA/Int. Expense	n.a	n.a	1.47	1.77	n.a	n.a	n.a	0.41

\*\* IFRS, adjusted EBITDA and interest expenses are LTM amounts.

### Consolidated Debt Maturity Breakdown<sup>(a)</sup>

TL 000	1Q15	Share	FY14	Share
Within one year	301,950	14%	363,344	20%
In the 2nd year	680,445	31%	310,344	17%
In the 3rd year	280,003	13%	596,669	34%
In the 4th year	156,043	7%	154,154	9%
After 5 years	754,235	35%	351,833	20%
<b>TOTAL</b>	<b>2,172,676</b>	<b>100%</b>	<b>1,776,344</b>	<b>100%</b>

<sup>(a)</sup> excl. Akfen Insaat's leasing expenses amounting to TL1.6mn in 1Q15 (FY14: TL1.7mn)

### Holding-only Debt Maturity Breakdown

TL 000	1Q15	Share	FY14	Share
Within one year	48,733	8%	43,659	8%
In the 2nd year	436,779	73%	61,910	12%
In the 3rd year	113,574	19%	413,913	80%
In the 4th year	-	-	-	-
After 5 years	-	-	-	-
<b>TOTAL</b>	<b>599,086</b>	<b>100%</b>	<b>519,482</b>	<b>100%</b>

### Consolidated Debt Currency Breakdown\*

('000)	US\$	€	TL	Other in TL
Short Term	115,683	39,241	50,359	118
Mid Term	225,327	117,972	466,010	96
Long Term	460,776	218,177	0	0
<b>Total</b>	<b>801,786</b>	<b>375,390</b>	<b>516,369</b>	<b>214</b>

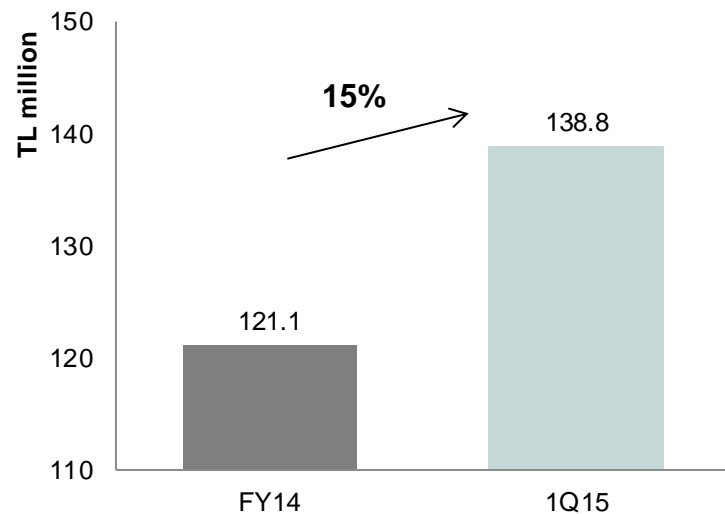
### Holding-only Debt Currency Breakdown

'000	US\$	€	TL	Other in TL
Short Term	7,691	8,717	3,979	0
Mid Term	29,924	16,844	424,562	0
Long Term	0	0	0	0
<b>Total</b>	<b>37,616</b>	<b>25,561</b>	<b>428,541</b>	<b>0</b>

<b>TL 000</b>	<b>1Q15</b>	<b>1Q14</b>
<b>Profit/loss for the period</b>	<b>-80,898</b>	<b>-31,405</b>
<b>Adjustments to the profit/loss</b>	<b>137,463</b>	<b>49,258</b>
Change in working capital and cash usages	-37,472	-22,147
<b>Net Cash provided from/(used in) operating activities</b>	<b>19,093</b>	<b>-4,294</b>
<i>Capex activities <sup>(a)</sup></i>	-80,162	-42,834
<i>Change in financial assets</i>	-449	910
<i>Cash from participation sales</i>	0	272
<i>Acquisition of participations</i>	-4,500	0
<i>Other</i>	890	4,143
<b>Net Cash provided from/(used in) investing activities</b>	<b>-84,221</b>	<b>-37,509</b>
Proceeds from borrowings	606,669	649,936
<i>Repayment of borrowings and interest</i>	-350,977	-455,743
<i>Change in project reserves accounts</i>	-25,128	10,480
Change in non controlling interest	0	-577
Dividend paid	0	0
Share buyback	-24,548	-21,513
<b>Net Cash provided from financing activities</b>	<b>206,016</b>	<b>182,583</b>
<b>Net (Decrease)/Increase in Cash and Cash Equivalents</b>	<b>140,888</b>	<b>140,780</b>
<b>Cash and Cash Equivalents at 1 January</b>	<b>48,139</b>	<b>94,480</b>
<b>Cash and Cash Equivalents at 31 March</b>	<b>189,027</b>	<b>235,260</b>

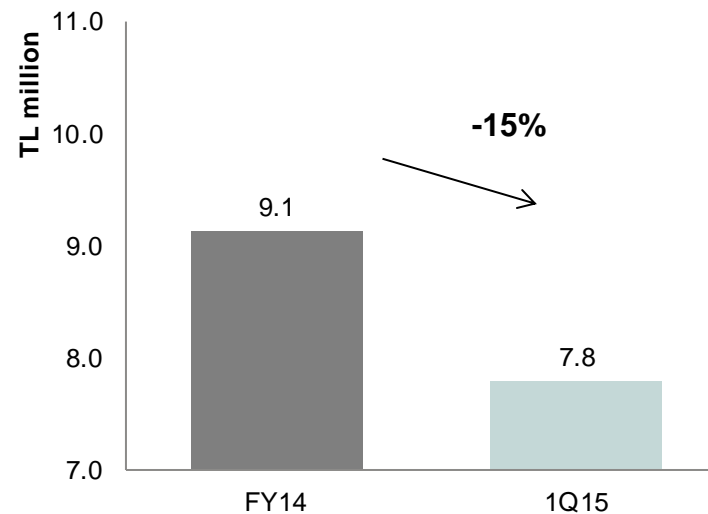
(a) excl. TL275mn capex for Incek Loft in 1Q15, which is recorded under inventories (1Q14: TL180mn)

## Currency Risk



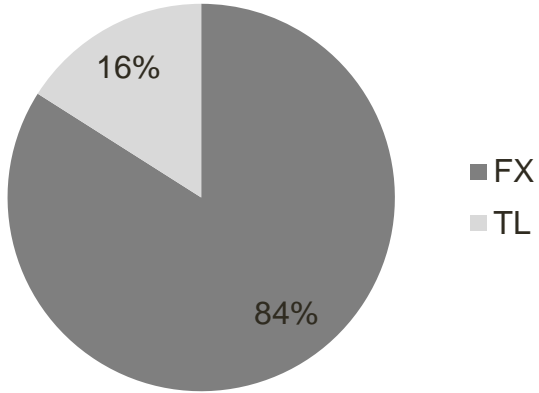
A **ten percent depreciation** of TL against other currencies as of 31.12.2014 and 31.03.2015 would have led to a decline of profits by amounts shown above due to the change in the consolidated short position.

## Interest Risk

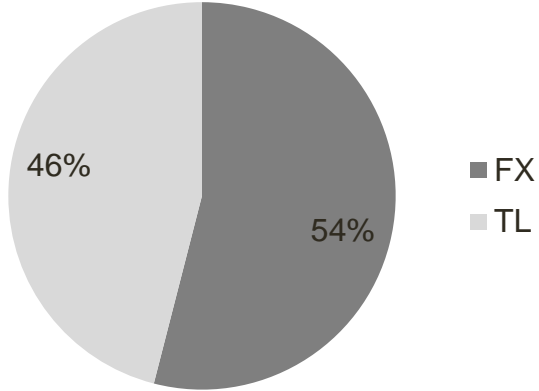


Based on the change in the borrowing profile, a **hundred basis point increase** in interest rates would have increased borrowing costs in FY14 and 1Q15 by the amounts shown above.

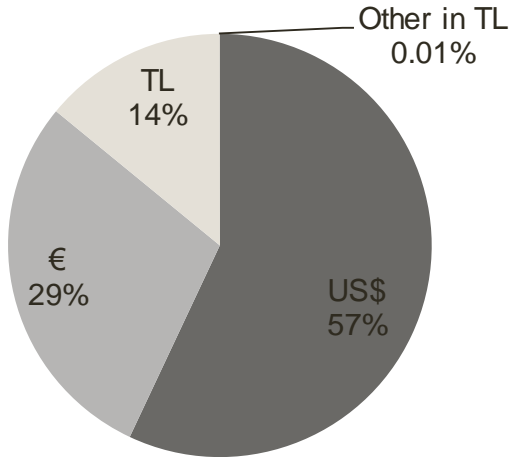
**Revenues**



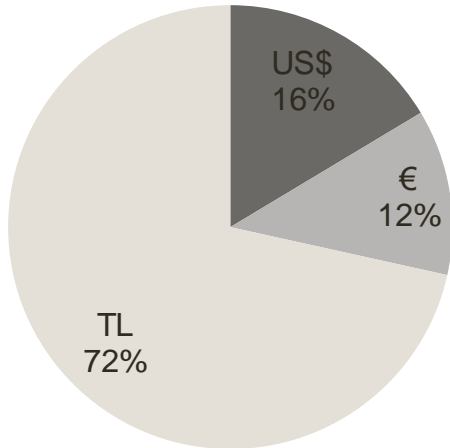
**COGS&Opex**



**Consolidated Gross Debt**



**Holding-only Gross Debt**



\* IFRS 11 and IFRIC 12 adjusted

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### Summary Financials\*

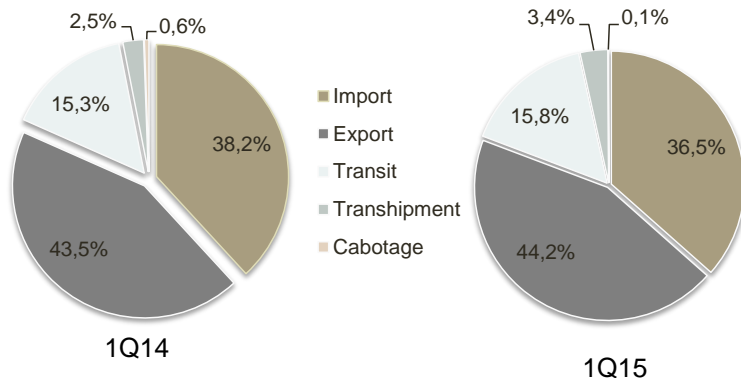
TL 000	1Q15	YoY %
Revenues (external)	90,186	11%
Adj. EBITDA	56,907	10%
Adj. EBITDA Margin (%)	63.10%	-0.4 p.p.
Net Debt	410,085	5%
Ownership Percentage	50%	-

KPI	1Q15	YoY %
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### Throughput:

Container Volume (TEU)	353,815	-9%
Conventional Volume (Ton)	2,140,935	18%
Ro-Ro (vehicle unit)	16,367	-38%

### Breakdown of Container Regime



### Highlights from 1Q15:

- ✓ Following the exceptional 21% rise in 1Q14, container handling contracted by 8.7% YoY to 354K in 1Q15 mainly due to the decline in demand from China, Russia, Egypt and Libya as well as declining cotton imports (However, when compared to a more normalised 1Q, i.e. 1Q13, 1Q15 container volume is up by 10%)
  - during this period, in line with the decline in foreign trade, container handling in Turkey was down 2% at 2mn TEU,
  - as of end 1Q15 MIP's market share was 17.5%
- ✓ Meanwhile, the reasons behind the notable rise in conventional volume were; rising sunflower/palm oil imports, wheat/barley imports, rising clinker exports, etc.
- ✓ Major commodities on the import side: plastics, cotton, paper, synthetic fiber, etc. On the export side: salt/sulphur/cement, cereals, iron/steel articles, etc.
- ✓ Construction, for the '**East Mediterranean Hub**' project, which has commenced by end Sept 2014, is continuing (physical progress has reached 35%).
  - orders for 4 QC and 8 E-RTG have been placed.
- ✓ MIP distributed dividends amounting to TL62.6mn as of 2 April 2015 (Akfen share: TL31.3mn).



### Summary Financials\*

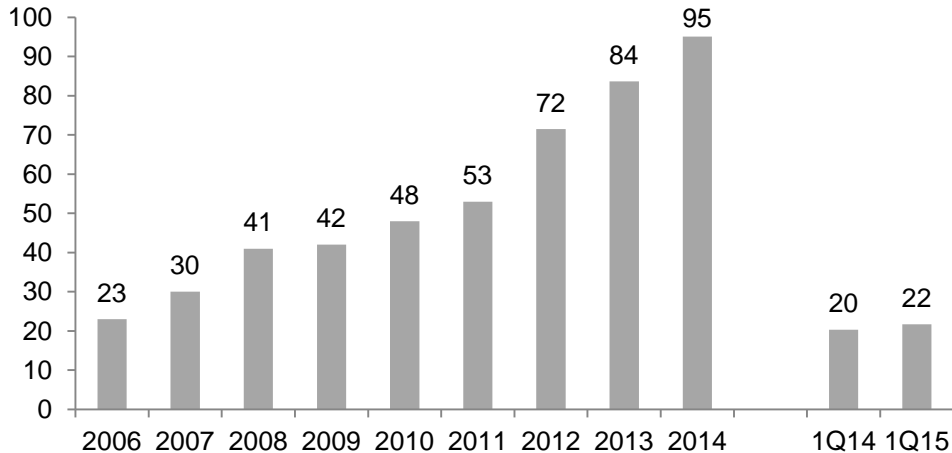
TL 000	1Q15	YoY %
Revenues (external)	46,193	-3%
Adj. EBITDA	17,657	7%
Adj. EBITDA Margin (%)	34.6%	-0.6 p.p.
Net Debt	229,553	7%
Ownership Percentage	8.12%	-

### KPI

#### Passenger Figures:

	1Q15	YoY %
TAV Turkey Total	18,724,533	8%
TAV International	2,954,207	2%
TAV Total	21,678,740	7%

### Passenger Volume (mn)



\* IFRS 11 and IFRIC 12 adjusted

### Highlights from 1Q15:

- ✓ In 1Q15, total number of passengers served increased 7%, like-for-like passenger growth was 6% (+1% from Milas Bodrum domestic terminal).
  - Atatürk Int up by 8% (Istanbul transfer share 35% from 41%)
- ✓ 1Q15 revenue growth was 20% (in € terms) – significant increase in aviation income (strong USD vs EUR), BTA growth (strong TL and the newly established logistics company), ground handling and high IT sales
  - Share of aero revenues was 44% in 1Q15 (56% non-aero)
  - Spend per Pax from EUR13.9 to EUR15.2 due to low base year, better Turkish spending, weak EUR also boosts non-Turkish spending
- ✓ 18% EBITDA growth (in € terms) mostly due to strong TL vs EUR putting upward pressure on opex, lower contribution from equity accounted investees
  - 1Q15 capex of €20mn
- ✓ Net profit up by 51% (in € terms) YoY; also affected by fx gain and deferred tax turning positive
- ✓ 1Q15 consolidated net debt declined 4% YoY (in € terms), thanks to strong cash generation despite new Milas-Bodrum borrowing

### Summary Financials\*

TL 000	1Q15	YoY %
Revenues (external)	118,594	25%
EBITDA	4,298	-43%
EBITDA Margin (%)	3.5%	-3.3 p.p.
Net Debt	9,242	-23%
Ownership Percentage	21.68%	-

Project	TAV Construction's Share	Contract Value (US\$mn)	Physical Completion	Backlog (US\$mn)
Dubai - Marina 101	100%	202	87.0%	28
Libya - Tripoli	25%	2,103	36.9%	332
Libya - Sebha	50%	229	7.0%	109
Doha	35%	3,945	100.0%	0
Oman MC1	50%	1,169	91.4%	57
Madinah Airport	50%	963	100.0%	9
Saudi Airlines Catering Building - Madinah	50%	26	42.9%	9
Medina Airport Hotel Project - Madinah	50%	31	9.4%	14
King Abdul Aziz Airport (Hangar Projects)	40%	765	20.2%	224
Abu Dhabi - Midfield Terminal	33%	2,959	35.1%	587
Riyad KKIA Terminal 5 Havalimanı	50%	336	37.6%	101
Damac Towers	100%	312	22.7%	212
Emaar Square N1&N2 Structural Works	60%	68	75.8%	9
Emaar Phase 3	60%	410	21.4%	233
Istanbul Ataturk Airport Extension Project - Phase 3	100%	43	7.2%	42
<b>Total</b>		<b>13,558</b>		<b>1,966</b>

\* IFRS 11 and IFRIC 12 adjusted

### Highlights from 1Q15:

- ✓ Healthy YoY growth in 1Q15 revenues
- ✓ Around **97% of backlog** is **3rd party** projects, 86% in the MENA region
- ✓ Added the Istanbul Ataturk Airport Extension project to the backlog in 1Q15
- ✓ **New projects on the radar** screen of above US\$20bn to sustain the sizable backlog:
  - e.g. Bahrain Airport terminal expansion project, Guggenheim Abu Dhabi Museum, airport related projects in Saudi Arabia, new terminal and projects at Kuwait Int'l Airport, projects at Dubai Int'l Airport, etc.
- ✓ TAVC announced as the 1<sup>st</sup> largest Airport Construction Company on Engineering News Record's (ENR) list in 2013.

### Summary Financials\*

TL 000	1Q15	YoY %
Revenues (total)	35,166	163%
EBITDA	27,567	257%
EBITDA Margin (%)	78.4%	20.7 p.p.
Net Debt	694,852	10.8%
Ownership Percentage	100%	-

### KPI

#### Realized Gen. Output (GWh):

KPI	1Q15	YoY %
Akfen HEPP	217	152%

### HEPP Portfolio - 31.03.2015

Number of plants			TOTAL
OP	UC	UD	
11	2	2	15
Installed Capacity (MW)			TOTAL
OP	UC	UD	
203.0	24.8	10.0	237.8
Generation Capacity (GWh/yr)			TOTAL
OP	UC	UD	
847.8	73.1	42.5	963.4

OP: Operational, UC: Under Construction, UD: Under Development

\* IFRS 11 and IFRIC 12 adjusted

### Highlights from 1Q15:

#### HEPP Group:

- ✓ 11 HEPPs with an installed capacity of 203 MW were operational in 1Q15;
- ✓ Thanks to the improvement in weather conditions i.e. ample rainfall in 1Q15 generation of HEPPs in Turkey increased 29% YoY to 14,166 GWh,
  - meanwhile, HEPP Group's **electricity generation** was **up by 151% YoY** leading to the excellent **rise in 1Q15 revenues and EBITDA** (LfL generation increase was 89%)
- ✓ In 2015, generation of 4 HEPPs (51% of the total generation capacity) is sold to the Renewable Energy Resources Support Mechanism while the remaining HEPPs' continue to sell in the Day Ahead Market and to Akfen Electricity Wholesale company.

#### Akfen Thermal Energy:

- ✓ Wholesale operations continue with 315 gauges (end of March 2015), volume reached 40mn kWh in 1Q15, up by 65% YoY

#### Pipeline:

- ✓ Mersin NGPP's EIA (Environmental Impact Assessment) report reviewed and accepted by the Ministry; EMRA license approval for a capacity of 1,148.4 MW obtained on 13 January 2014.
- ✓ 600 MWe Sedef II TEPP in Adana and Akfenres wind energy projects (both at pre-licencing stage)

### Summary Financials\*

TL 000	1Q15	YoY %
Revenues (external)	30,745	2%
EBITDA	11,452	55%
EBITDA Margin (%)	37.2%	12.7 p.p.
Net Debt	450,886	13%
Ownership Percentage	30%	-

KPI	1Q15	YoY %
<b>Passenger Figures:</b>		
Fast Ferry	1,311,428	-1%
Sea Bus	947,906	-25%
Conventional Ferry	7,005,988	0%
Total	9,265,322	-4%
<b>Vehicle Figures:</b>		
Fast Ferry	250,699	1%
Conventional Ferry	1,434,150	0%
Total	1,684,849	0%

\* IFRS 11 and IFRIC 12 adjusted

### Highlights from 1Q15:

- ✓ KPIs in 1Q15 reveal;
  - decline in passenger figures at sea bus stems from trip cancellations due to adverse weather conditions in 1Q15, as well as cancellations within trip optimisation aiming to improve profitability,
- ✓ Action was taken in 2014 regarding the most important cost item, fuel expenses, which resulted in a 4% YoY decrease in fuel consumption. Also, the decline in crude oil prices had a positive effect. Hence, in 1Q15 fuel expenses declined 41% YoY.
- ✓ As a result, the notable increase in EBITDA and EBITDA margin continued in 1Q15,
- ✓ BTA served 2mn passengers at 74 selling points as of end-1Q15; while there was a 18.3% YoY increase in revenues per passenger
- ✓ Rescheduling of debt, enhancing maturity by 2 years (and ave. maturity by 3,2 yrs), completed in Dec 14.

**Summary Financials\***

TL 000	1Q15	YoY %
Revenues (external)	10,765	-6%
EBITDA	7,774	-10%
EBITDA Margin (%)	72.2%	-2.8 p.p.
Net Debt	522,673	6%
Ownership percentage	56.88%	-

KPI	1Q15	YoY %
Average Occupancy Rate (%)**	61%	1%
RevPar (EUR)**	27	-6%
T-RevPar (EUR)**	35	-5%

\* IFRS 11 and IFRIC 12 adjusted

\*\* Ave. occupancy rate is up 1 pp YoY, RevPar rises to EUR27.3 and T-RevPar rises to EUR35.9, down by 4.1% and 3.6% YoY, respectively; when Ankara Esenboga Ibis hotel (not operational in 1Q14) is excluded.

**Highlights from 1Q15:**

- ✓ The portfolio at the end of 1Q15 consisted of 17 hotels and 2,911 rooms
- ✓ **Revenue** and **EBITDA** decline (in TL) resulted from the strong TL vs EUR in 1Q15
  - 45% of rent income and 33% of EBITDA was generated in Turkey in 1Q15
- ✓ As of 31.03.2015 net asset value amounted to TL911mn
- ✓ **Pipeline:** 2 hotel projects in Turkey, 1 in Russia under construction:
  - 200-room Karakoy Novotel is due to be completed in 4Q15 (with planned capex of €34mn).
  - 317-room Moscow Ibis hotel project launched in September 2013 (planned to be completed in 2Q15 with capex of around €33.5mn)
  - Land acquired in Tuzla/Istanbul in July 2013 to develop a 200-room Ibis hotel (planned to be completed in 2Q16 with capex of around €15mn)
- ✓ Consequently, the portfolio is set reach 20 hotels with a total of 3,628 rooms.

**Summary Financials\***

<b>TL 000</b>	<b>1Q15</b>	<b>YoY %</b>
Revenues (external) <sup>(a)</sup>	1,336	-7%
Adj. EBITDA	890	-8%
Adj. EBITDA Margin (%)	49.7%	-3.2 p.p.
Net Debt	9,167	12%
Ownership percentage	50.00%	-

<sup>(a)</sup> Revenues include TL0.03mn construction revenues (IFRIC 12)

**KPI****Akfen Su Gulluk:**

Invoiced Water Volume (m <sup>3</sup> )	67,074	4%
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**Akfen Su Dilovasi:**

Treated Waste Water Volume (m <sup>3</sup> )	592,906	1%
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\* IFRS 11 and IFRIC 12 adjusted

**Highlights from 1Q15:**

- ✓ Rise in volumes at both Gulluk and Dilavasi in 1Q15 thanks to rise in consumption in Gulluk and improved weather conditions (i.e. ample rainfall) in Dilovasi
- ✓ Decline in revenues and EBITDA in TL was caused by the strong TL vs EUR in 1Q15
- ✓ **Gulluk:** On the back of the ongoing network expansion the number of subscribers was up by 8% YoY reaching 6,615
- ✓ **Dilovasi:** Number of facilities in Dilovasi Organized Industrial Zone was 206.
  - guaranteed volume at Dilovasi was 0.8mn m<sup>3</sup> in 1Q15
- ✓ Solid waste management services at IDO continue.

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1Q15 (TL 000)	TAV Construc.	Akfen Construc.	Akfen REIT	HEPP Group	MIP	Akfen Water	TAV Airports	IDO	Akfen E. Wholesale	Other <sup>(a)</sup>	Elimin. <sup>(b)</sup>	Total
Ownership %	22%	100%	57%	100%	50%	50%	8%	30%				
Revenue <sup>(c)</sup>	123,765	12,599	10,765	35,166	90,186	1,336	46,193	30,745	11,158	-	-26,181	335,733
Adj. EBITDA	4,298	-5,889	7,774	27,567	56,907	890	17,657	11,452	866	-7,808	-649	113,065
Adj. EBITDA Margin	3.5%	n.m.	72.2%	78.4%	63.1%	49.7%	34.6%	37.2%	7.8%	n.m.	n.m.	33.1%
Net Profit (owners of the company)	1,301	-27,042	2,639	-46,890	25,704	-68	6,894	-53,915	820	-17,337	-479	-108,375
Capex	786	67,426	25,549	7,493	15,763	30	73,120	488	6	2,173	0	192,835
Total Assets	598,860	991,201	1,528,142	1,123,338	1,146,035	37,043	666,244	496,920	7,222	1,895,142	-1,949,415	6,540,732

1Q14 (TL 000)	TAV Construc.	Akfen Construc.	Akfen REIT	HEPP Group	MIP	Akfen Water	TAV Airports	IDO	Other	Elimin.	Total
Ownership %	22%	100%	57%	100%	50%	50%	8%	30.0%			
Revenue	111,325	16,759	11,513	13,370	81,521	1,432	47,616	30,117	6,455	-38,464	281,644
Adj. EBITDA	7,561	-671	8,639	7,719	51,744	964	16,432	7,382	-7,180	-2,914	89,676
Adj. EBITDA Margin	6.8%	n.m.	75.0%	57.7%	63.5%	52.9%	35.2%	24.5%	n.m.	n.m.	31.9%
Net Profit (owners of the company)	5,868	-6,604	-14,800	-14,753	26,410	141	5,007	-16,770	-13,445	2,677	-26,269
Capex	3,450	12,159	12,390	23,865	1,711	115	7,091	461	4,203	0	65,445
Total Assets	502,507	807,093	1,445,950	1,089,733	1,000,956	36,202	606,139	490,526	1,866,978	-1,923,009	5,923,075

<sup>(a)</sup> Other refers to subsidiaries and JVs namely Akfen Holding, Akfen Thermal Enerji and others.

<sup>(b)</sup> Eliminations refer to the deduction of inter-group transactions during consolidation of the balance sheet and the income statement.

<sup>(c)</sup> Revenues shown on the above table show Akfen Holding's stake at the total sales of the participations. Revenues include construction revenues (IFRIC12)

\* IFRS 11 and IFRIC 12 adjusted

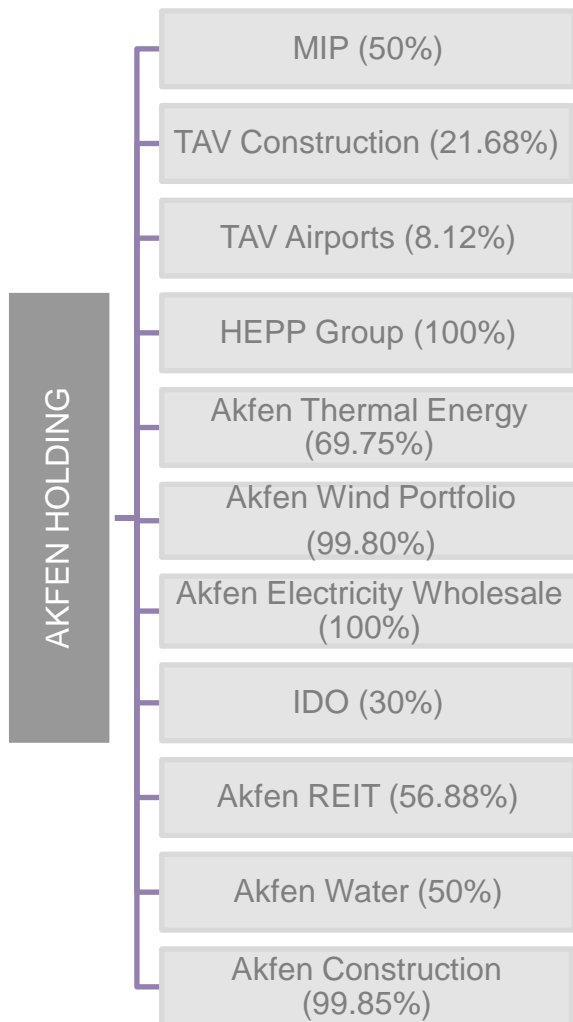


## Quarterly Revenue &amp; EBITDA by Business Lines\*

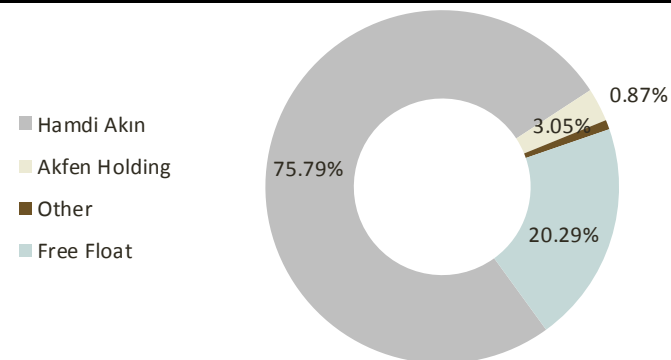
TL mn		1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14	1Q15
TAV Airports	Revenues	58	73	85	77	48	56	61	51	46
	Adjusted Revenues	48	61	74	64	47	58	67	60	51
	Adjusted EBITDA	11	22	30	19	16	28	34	24	18
	EBITDA Margin (%)	22%	35%	41%	30%	35%	48%	51%	40%	35%
MIP	Revenues	55	63	68	80	82	79	75	91	90
	Adjusted Revenues	55	63	68	76	82	79	75	85	90
	Adjusted EBITDA	33	39	43	40	52	48	44	52	57
	EBITDA Margin (%)	61%	62%	63%	52%	63%	61%	59%	61%	63%
IDO	Revenues	29	40	54	35	30	42	58	37	31
	Adjusted EBITDA	7	15	21	6	7	17	28	13	11
	EBITDA Margin (%)	23%	37%	40%	17%	25%	40%	49%	36%	37%
Akfen REIT	Revenues	9	11	11	10	12	13	13	13	11
	Adjusted EBITDA	5	8	8	8	9	10	10	11	8
	EBITDA Margin (%)	61%	73%	70%	75%	75%	75%	79%	80%	72%
HEPP Group	Revenues	23	26	6	7	13	13	6	20	35
	Adjusted EBITDA	17	20	2	4	8	9	1	12	28
	EBITDA Margin (%)	72%	77%	26%	58%	58%	64%	14%	59%	78%
Akfen Water	Revenues	1	2	2	1	1	2	2	2	1
	Adjusted Revenues	1	2	2	2	2	2	2	2	2
	Adjusted EBITDA	1	1	1	1	1	1	1	1	1
	EBITDA Margin (%)	47%	46%	43%	38%	53%	49%	51%	46%	50%
TAVC	Revenues	55	90	90	116	111	125	111	122	124
	Adjusted EBITDA	3	7	5	12	8	10	4	7	4
	EBITDA Margin (%)	5%	7%	5%	10%	7%	8%	4%	6%	3%
<b>Akfen Holding</b>	<b>Revenues</b>	<b>223</b>	<b>293</b>	<b>301</b>	<b>309</b>	<b>282</b>	<b>316</b>	<b>324</b>	<b>317</b>	<b>336</b>
<b>Cons.</b>	<b>Adjusted Revenues</b>	<b>213</b>	<b>281</b>	<b>291</b>	<b>294</b>	<b>281</b>	<b>318</b>	<b>330</b>	<b>322</b>	<b>341</b>
	<b>Adjusted EBITDA</b>	<b>63</b>	<b>99</b>	<b>98</b>	<b>78</b>	<b>90</b>	<b>102</b>	<b>125</b>	<b>108</b>	<b>113</b>
	<b>EBITDA Margin (%)</b>	<b>29%</b>	<b>35%</b>	<b>34%</b>	<b>26%</b>	<b>32%</b>	<b>32%</b>	<b>38%</b>	<b>33%</b>	<b>33%</b>

\* IFRS 11 and IFRIC 12 adjusted. Above table shows Akfen Holding's stake at the asset's total revenues and EBITDA. Starting from 1Q14 data on the above table does not include equity pick up participations of our participations.

## Corporate Structure &amp; Stakes



## Ownership Structure 11.05.2015



As of 11.05.2015, 5,613,126 shares in free float were repurchased within the share buyback programme. Akfen Holding's total share purchases have reached 13,602,932 shares (5.19% of paid-in capital).

## Number Of Employees

Holding and Subsidiaries	1Q15	2014
Holding	66	65
REIT	27	27
Construction	81	78
Energy	178	176
<b>Total</b>	<b>352</b>	<b>346</b>
<b>Equity accounted investees</b>		
TAV Airports	26,220	26,701
TAV Construction	6,918	6,191
MIP	1,414	1,410
Hacettepe	13	11
IDO	1,831	1,805
Akfen Water	45	48
<b>Total</b>	<b>36,441</b>	<b>36,166</b>
<b>Grand Total</b>	<b>36,793</b>	<b>36,512</b>

**02.01.2015 Share acquisition from indirect subsidiary:** It was decided that 3,990 shares of Akfen Elektrik Toptan Satış with a nominal value of TL997,500, corresponding to a stake of 99.75%, would be transferred for a consideration of TL6 million to Akfen Holding and the related transaction was completed as of 31.12.2014. The final transaction price will be determined following the completion of the valuation report and the arising difference will be paid as additional share price.

**15.01.2015 Results of the Extraordinary General Shareholders' Meeting:** Extraordinary General Shareholders' Meeting of our Company was held on January 15th, 2015 Thursday at the Headquarters of the Company in Ankara. During the General Meeting; revision in the Article 6 of the Company's Articles of Association, (so that our paid-in capital, which amounts to TL291,000,000, will be reduced by TL29,100,00 to TL261,900,000; and the validity period of our Registered Capital Ceiling of TL1bn will be prolonged from 2014 for a period of 5 years, until 31.12.2018), the Board Report on Capital Reduction and the Share Buyback Program in order to buy back the Company's shares were approved.

**21.01.2015 Date of the Capital Reduction:** At our Company's Extraordinary General Shareholders Meeting, which took place on January 15, 2015, the revision in the Article 6 of the Articles of Association was approved. The related share cancellation within this capital reduction will only be applied to the shares acquired within our Company's "share buyback program" making up a total of 10% of the Company's paid-in capital with a nominal value of TL29.1mn. There will be no share cancellation related to our Company's other shareholders' Akfen Holding A.Ş. shares. The required applications, for the cancellation of the shares with a nominal value of TL29.1mn, and for the adjustment in the share price, have been submitted to the Merkezi Kayıt Kuruluşu A.Ş. (Central Registry Agency) and Borsa İstanbul A.Ş. The share cancellation procedure, within the reduction of our Company's paid in capital from the current TL291mn to TL261.9mn will be carried out on 22.01.2015.

**23.01.2015 Signing of the loan agreement:** Our Company's wholly owned subsidiary Akfen İnşaat Turizm ve Ticaret A.Ş.'s subsidiary Isparta Şehir Hastanesi Yatırım ve İşletme A.Ş. has signed an agreement for a US\$230mn loan with T.İş Bankası A.Ş. on 22 January 2015. The loan, with a maturity of 15 years and a grace period of 3 years, will be used for the Republic of Turkey Ministry of Health's project concerning the "construction works and the provision of products and services for Isparta City Hospital through Public Private Partnership Model".

**26.01.2015 share acquisition from indirect subsidiary:** As announced on 02.01.2015, it was decided that 3,990 shares of Akfen Elektrik Toptan Satış with a nominal value of TL997,500, corresponding to a stake of 99.75%, would be transferred for a consideration of TL6 million and the related transaction was completed as of 31.12.2014. The final transaction price would be determined following the completion of the valuation report and the arising difference would be paid as additional share price. The above mentioned valuation report has been completed and its summary was posted on the public disclosure platform (KAP) today. Accordingly, our Company made an additional share price payment of TL347,093.

**30.01.2015 Initiation of the Share Buyback Program:** The Share Buyback Program in order to buy back our Company's shares was approved at the Extraordinary General Shareholders' Meeting of our Company, held on January 15th, 2015. Accordingly;

The Period of the Share Buyback Program: The Company's Board of Directors has been authorized for a period of 36 months. Board of Directors is authorized for the transactions, in accordance with the legislation, of share buyback and disposal of the purchased shares for 36 months following the authorization by the Extraordinary General Shareholder's Meeting. Hence, the start date of the program is 15.01.2015 and the end date is 15.01.2018. The Maximum Number of Shares that can be bought back: The law allows to buy back up to 10% of the Company's paid-in capital. Our Company's current paid-in capital amounts to TL261,900,000, hence including previous purchases, share purchases up to the nominal amount of TL26,190,000 can be made. Meanwhile, Our Company holds 7,989,806 Akfen Holding A.Ş. shares, which were acquired during the previous share buyback program.

**09.03.2015 Ordinary General Shareholders' Meeting for the year 2014:** Ordinary General Shareholders Meeting of our Company shall be held on the date of April 16th, 2015 Thursday, at 16:00 at the Headquarters of the Company, located at the address of Koza Sokak, No: 22, Akfen Holding A.Ş. building 3rd floor, Meeting hall, GOP 06700 ANKARA, Turkey.

**09.03.2015 Board Decision on Dividend Distribution:** The Board of Akfen Holding has recommended to the General Assembly to distribute a gross cash dividend of TL0.0763650 per share (net TL0.0649102 per share) for each TL1 nominal valued A and B type shares. The proposed date of dividend distribution is 28.04.2015. The total amount of the gross cash dividend to be distributed to shareholders is TL20,000,000 (net TL17,000,000).

**09.03.2015 Appointment of Independent Auditor:** It has been unanimously resolved that Akis Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (KPMG) be elected as the independent auditing company and auditor based on the principles specified by the Capital Markets Law legislation in order to audit our Company's financial statements and that this resolution be submitted to the approval of the General Assembly.

**31.03.2015 Share purchases within the "Share Buyback Program":** Within the "Share Buyback Program" approved at the Extraordinary General Assembly on 15 January 2015, our Company repurchased a total of 88,008 Akfen Holding shares on 31 March 2015. Following this transaction the total of share purchases within the frame of the 'Share Buyback Program' so far have reached 4,340,975 shares. Our Company holds 7,989,806 Akfen Holding shares, acquired within the previous share buyback program. Thus, in total share purchases have reached 12,330,781 shares, making up 4.71% of the Company's paid-in capital.

*Please visit our web site for important developments in 2015:*

<http://www.akfen.com.tr/en/yatirimci-iliskileri/ozel-durum-aciklamalari/2015-yili-ozel-durum-aciklamalari/>

### Consolidation

The interim financial statements in this report have been prepared in accordance with International Financial Reporting Standards (IFRS).

Akfen Holding and its affiliates are consolidated as follows:

Subsidiary	Stake	Functional Currency	Consolidation
Akfen Constr.	99.85%	TL	Full Cons. with Minority
Akfen REIT	56.88%	TL	Full Cons. with Minority
Akfen Thermal Energy	69.75%	TL	Full Cons. with Minority
HEPP Group	100%	TL	Full Consolidation
Akfen Electricity Wholesale	100%	TL	Full Consolidation
Akfen Wind Group	99.80%	TL	Full Cons. with Minority
TAV Airports	8.12%	EUR	Equity pick-up
TAV Constr.	21.68%	USD	Equity pick-up
MIP	50%	USD	Equity pick-up
Akfen Water	50%	TL	Equity pick-up
IDO	30%	TL	Equity pick-up
Other	-	Various	Various

### Hedging\*

As of 31 March 2015 Akfen Holding's affiliates use below listed derivative financial instruments.

Subsidiary	Interest Rate Hedging	Fuel Hedging	Currency Hedging
IDO*	x	x	
Havas	x		
TAV Esenboga	x		
TAV Tunisia	x		
TAV Istanbul	x		x
TAV Macedonia	x		
TAV Ege	x		

\* Fuel hedging contract signed in May 2015

### FX Rates

Term-end	31 Mar 2015	31 Dec 2014
EUR/TL	2.8309	2.8207
USD/TL	2.6102	2.3189

Average	1Q15	1Q14
EUR/TL	2.7709	2.3041
USD/TL	2.4571	1.7922

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ASSETS	31 Mar 2015	31 Dec 2014
<b>Current Assets</b>	<b>779,479</b>	<b>564,851</b>
Cash and Cash Equivalents	229,752	63,736
Trade Receivables		
- Due from related parties	5,738	822
- Other Trade Receivables	118,355	114,221
Other receivables		
-Due from related parties	780	652
-Other Receivables	12,132	1,538
Financial investments	0	0
Inventories	274,872	252,387
Prepaid expenses	12,227	7,805
Assets relating to the current period tax	952	7,732
Other Current Assets	124,671	115,958
<b>Non-Current Assets</b>	<b>3,503,537</b>	<b>3,342,575</b>
Trade Receivables		
- Other trade receivables	136,047	135,624
Other Trade Receivables		
-Due from related parties	51,238	51,690
-Other receivables	15,200	15,036
Investment valued by equity method	692,368	631,082
Property Investments	1,400,600	1,351,891
Tangible Assets	922,116	875,349
Intangible Assets	83,426	83,560
Goodwill	3,309	3,309
Deferred tax assets	81,537	77,457
Prepaid expenses	14,564	14,333
Other non-current assets	103,132	103,244
<b>TOTAL ASSETS</b>	<b>4,283,016</b>	<b>3,907,426</b>

LIABILITIES	31 Mar 2015	31 Dec 2014
<b>CURRENT LIABILITIES</b>	<b>676,517</b>	<b>720,603</b>
Short term Loans and Borrowings	0	31,809
Short term portion of Long term Loans and Borrowings	302,035	331,706
Trade Payables		
-Due to related parties	2,848	1,530
-Other Trade Payables	40,677	29,285
Other Payables		
-Due to related parties non trade	17,390	25,911
-Other non trade payables	15,334	15,909
Employee benefit payables	574	574
Current tax payables	82	0
Deferred income	290,645	278,772
Short term provision		
- Short term provisions for employee benefit payables	2,840	2,865
- Other short term provisions	790	790
Other short term payables	3,302	1,452
<b>NON-CURRENT LIABILITIES</b>	<b>1,970,995</b>	<b>1,515,117</b>
Long term Loans and Borrowings	1,872,283	1,414,551
Trade Payables		
-Due to related parties	39	39
-Other Trade Payables	252	8,372
Other Payables		
-Due to related parties	8,007	7,737
-Other non-trade payables	4,760	4,671
Deferred tax liabilities	83,383	76,828
Long term provisions		
- Long term provisions for employee benefits	2,149	2,797
- Other long term provisions	122	122
<b>SHAREHOLDERS' EQUITY</b>	<b>1,635,504</b>	<b>1,671,706</b>
<b>Total equity att. to equity holders of the Comp.</b>	<b>1,254,716</b>	<b>1,296,841</b>
Paid-in Capital	261,900	291,000
Adjustments to share capital	-7,257	-7,257
Share Premiums	107,054	211,695
Capital adj. due to cross ownership	0	0
Repurchased Shares	-58,071	-167,264
Busin. Comb. of entities u. common control	6,236	6,236
Other accumulated comprehensive income or expenses not to be reclassified at profit or loss		
- Revaluation reserves	81,192	81,192
- Benefit plans remeasuring losses	-2,715	-2,495
Other accumulated comprehensive income or expenses to be reclassified at profit or loss		
- Foreign Currency Conversion Adjustments	141,471	81,675
- Financial risk preventing reserves	-15,558	-18,573
Reserves on retained earnings	78,550	187,743
Accumulated Profit	742,082	644,752
Net Profit/Loss for the period	-80,168	-11,863
<b>Non-Controlling Interest</b>	<b>380,788</b>	<b>374,865</b>
<b>TOTAL LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>	<b>4,283,016</b>	<b>3,907,426</b>

	1Q15	1Q14
<b>Revenues</b>	<b>50,441</b>	<b>26,490</b>
Cost of Sales (-)	-19,366	-10,751
<b>GROSS PROFIT</b>	<b>31,075</b>	<b>15,739</b>
General Administration Expenses (-)	-17,807	-13,366
Other Operational Income	23,561	2,859
Other Operating Expenses (-)	-2,814	-2,542
Share of profit of equity-accounted investees	4,839	20,658
<b>OPERATING PROFIT</b>	<b>38,854</b>	<b>23,348</b>
Income from Investment activities	68	760
Expense from Investment activities	0	-457
<b>PROFIT/(LOSS) BEFORE FINANCIAL INCOME/EXPENSES</b>	<b>38,922</b>	<b>23,651</b>
Financial Income	11,398	4,955
Financial Expenses	-130,239	-64,612
<b>PROFIT/LOSS BEFORE TAX</b>	<b>-79,919</b>	<b>-36,006</b>
<b>Tax Income / Expense</b>	<b>-979</b>	<b>4,601</b>
Tax Expense for the Period	-999	-1,182
Deferred Tax Income / Expense	20	5,783
<b>PROFIT/LOSS for the period</b>	<b>-80,898</b>	<b>-31,405</b>
<b>Distribution of the Profit / Loss</b>		
Non-Controlling Interest	-730	-6,597
Owners of the Company	-80,168	-24,808
<b>Net Profit / Loss</b>	<b>-80,898</b>	<b>-31,405</b>
<b>Items not to be reclassified to profit or loss</b>		
Revaluation losses of defined benefit plans	0	0
loss	24,636	-339
Tax effect of other comprehensive income/loss not to be reclassified to profit or loss	0	0
<b>Items to be reclassified to profit or loss</b>		
Currency Translation Differences	12,550	-6,133
Cash Flow Hedging gains/losses	0	0
Share of other comprehensive income of equity accounted investees to be reclassified to profit or loss	57,179	2,357
Tax expense/income related to the other comprehensive income that will be reclassified at profit or loss	0	0
<b>OTHER COMPREHENSIVE INCOME / EXPENSE</b>	<b>94,365</b>	<b>-4,115</b>
<b>TOTAL COMPREHENSIVE INCOME / EXPENSE</b>	<b>13,467</b>	<b>-35,520</b>
<b>Distribution of Total Comprehensive Income / Expense</b>		
Minority Interests	-28,778	-11,515
Owners of the Company	42,245	-24,005
<b>Total Comprehensive Income</b>	<b>13,467</b>	<b>-35,520</b>



## IR Contact



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# Thank You...

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