



AKFEN REAL ESTATE INVESTMENT TRUST

Monthly Investor Report

"JULY 2015"

AKFEN REIT

July 2015

Hotel Performance Summary

- ▶ 17 Accor operated hotels, 13 of which are in Turkey and 4 in Russia for which we have variable lease agreements with Accor, rental income from these hotels increased by 6% in Euro terms for the first 7 months of 2015 compared to the same period of 2014.
- ▶ Total rent revenue including the fixed rental income from Northern Cyprus Merit Park Hotel and Samara Office for the first 7 months of 2015 increased by 4% in Euro terms compared to the same period of 2014.

Turkey - Ibis Hotels 2015 January - July / 2014 January - July Comparison

- ▶ 9 Operational Ibis Hotels in Turkey reported an overall ARR of €41 for the first 7 months of 2015.
- ▶ Overall Occupancy ratio for 9 Ibis Hotels in Turkey is 66% for the first 7 months of 2015.
- ▶ As a result, total rent revenue from these hotels increased by 7% in Euro terms.

Turkey - Novotels 2015 January - July / 2014 January - July Comparison

- ▶ 4 Operational Novotels in Turkey reported an overall ARR of €65 for the first 7 months of 2015.
- ▶ Overall Occupancy ratio for 4 Novotels in Turkey is 71% for the first 7 months of 2015.
- ▶ As a result, total rent revenue from these hotels decreased by 4% in Euro terms for the first 7 months of 2015.

Turkey - Overall 2015 January - July / 2014 January - July Comparison

- ▶ Overall ARR of these 13 Hotels in Turkey is €48 for the first 7 months of 2015.
- ▶ Overall Occupancy ratio for Turkey Hotels is %67 for the first 7 months of 2015.
- ▶ As a result, total rent revenue from Turkey hotels increased by 2% in Euro terms for the first 7 months of 2015.

Russia - IBIS Hotels 2015 January - July / 2014 January - July Comparison

- ▶ 4 Ibis Hotels in Russia reported an overall ARR of €36 for the first 7 months of 2015.
- ▶ Overall Occupancy ratio for 4 Ibis Hotels in Russia is 53% for the first 7 months of 2015.
- ▶ As a result, total rent revenue from these hotels increased by 17% in Euro terms.

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OPERATING PERFORMANCE BY HOTEL FOR 2007-2015

		2007-2014 ANNUALLY								2014	2015	Change %
1481 rooms		2007	2008	2009	2010	2011	2012	2013	2014	Jan-Jul	Jan-Jul	
TOTAL TURKEY - IBIS	% Occ.Rate	68%	83%	73%	52%	61%	64%	64%	65%	64%	66%	1%
	ARR excl VAT (Euro)	53	63	63	58	50	52	48	42	42	41	-2%
	ARR excl VAT (TL)	93	119	134	115	117	121	122	121	124	117	-5%
	RevPar (Euro)	36.4	51.9	45.5	30.3	30.7	33.7	30.8	27.1	26.9	26.8	0%
	RevPar (TL)	63.6	98.0	97.3	60.3	71.6	77.6	77.7	78.8	79.5	77.1	-3%
	Total Revenue (Euro)	4,223,717	7,519,568	6,402,021	8,709,471	11,582,439	13,613,967	16,854,796	16,316,698	9,101,075	10,292,906	13%
	Total Revenue (TL)	7,389,756	14,200,454	13,695,295	17,326,371	26,973,407	31,366,097	42,558,114	47,383,383	26,875,169	29,550,005	10%
	All Inclusive RevPar (Euro)	45	61	52	36	36	40	37	33	32	33	2%
	All Inclusive RevPar (TL)	78	115	112	71	85	92	93	95	95	94	-1%
	GOP%					49%	46%	42%	41%	43%	39%	-4%
	Effective % of Rent / Revenue	23%	23%	23%	23%	31%	29%	29%	27%	27%	26%	-2%
	Akfen Rent Revenue (Euro)	967,218	1,731,305	1,477,445	2,030,808	3,539,438	3,988,328	4,870,524	4,370,565	2,498,323	2,665,090	7%
Akfen Rent Revenue (TL)	1,701,832	3,272,243	3,164,121	4,040,074	8,244,538	9,193,184	12,285,274	12,705,184	7,380,166	7,659,249	4%	

		2007-2014 ANNUALLY								2014	2015	Change %
596 rooms		2007	2008	2009	2010	2011	2012	2013	2014	Jan-Jul	Jan-Jul	
TOTAL TURKEY - NOVOTEL	% Occ.Rate	56%	67%	60%	61%	69%	74%	74%	70%	69%	71%	2%
	ARR excl VAT (Euro)	83	84	69	64	66	70	70	68	67	65	-4%
	ARR excl VAT (TL)	147	160	147	126	154	160	177	198	198	187	-6%
	RevPar (Euro)	46.7	56.1	41.0	39.2	45.1	51.3	51.9	47.9	46.5	46.0	-1%
	RevPar (TL)	82.4	106.3	87.6	77.0	105.2	117.9	131.0	138.9	137.0	132.5	-3%
	Total Revenue (Euro)	4,261,771	7,380,437	8,756,032	12,390,708	14,302,758	16,094,673	16,383,843	14,834,979	8,368,879	8,263,306	-1%
	Total Revenue (TL)	7,521,380	13,974,089	18,725,858	24,321,384	33,327,388	37,004,335	41,240,011	43,041,563	24,626,364	23,858,673	-3%
	All Inclusive RevPar (Euro)	70	79	59	59	66	74	75	68	66	65	-1%
	All Inclusive RevPar (TL)	123	149	126	116	153	170	190	198	195	188	-4%
	GOP%					41%	42%	43%	42%	42%	40%	-2%
	Effective % of Rent / Revenue	22%	22%	27%	24%	25%	24%	26%	26%	25%	25%	-1%
	Akfen Rent Revenue (Euro)	945,590	1,631,696	2,360,554	2,947,335	3,590,179	3,888,289	4,248,507	3,802,592	2,114,159	2,039,656	-4%
Akfen Rent Revenue (TL)	1,681,448	3,093,370	5,076,372	5,863,428	8,364,699	8,940,786	10,684,138	11,031,727	6,211,740	5,935,555	-4%	

		2007-2014 ANNUALLY								2014	2015	Change %
2077 rooms		2007	2008	2009	2010	2011	2012	2013	2014	Jan-Jul	Jan-Jul	
TOTAL TURKEY - IBIS/NOVOTEL	% Occ.Rate	63%	64%	66%	52%	64%	68%	67%	67%	66%	67%	1%
	ARR excl VAT (Euro)	64	67	64	53	57	60	56	50	50	48	-4%
	ARR excl VAT (TL)	113	129	137	105	133	137	141	145	148	139	-6%
	RevPar (Euro)	40.7	43.1	42.0	27.5	36.6	40.6	37.6	33.4	33.0	32.4	-2%
	RevPar (TL)	71.6	81.5	89.9	54.2	85.3	93.4	94.8	97.0	97.2	93.1	-4%
	Total Revenue (Euro)	8,485,488	14,900,005	15,158,053	21,100,179	25,885,197	29,708,640	33,238,639	31,151,677	17,469,954	18,556,212	6%
	Total Revenue (TL)	14,911,135	28,174,543	32,421,153	41,647,754	60,300,795	68,370,432	83,798,125	90,424,946	51,501,532	53,408,678	4%
	All Inclusive RevPar (Euro)	53	55	56	39	48	53	49	43	43	42	-1%
	All Inclusive RevPar (TL)	94	104	119	78	113	123	124	126	126	121	-4%
	GOP%					45%	44%	43%	41%	42%	39%	-3%
	Effective % of Rent / Revenue	23%	23%	25%	24%	28%	27%	27%	26%	26%	25%	-1%
	Akfen Rent Revenue (Euro)	1,912,807	3,363,001	3,837,999	4,978,143	7,129,617	7,876,617	9,119,031	8,173,157	4,612,482	4,704,747	2%
Akfen Rent Revenue (TL)	3,383,280	6,365,612	8,240,493	9,903,502	16,609,237	18,133,969	22,969,412	23,736,911	13,591,906	13,594,803	0%	

		2007-2014 ANNUALLY								2014	2015	Change %
865 rooms		2007	2008	2009	2010	2011	2012	2013	2014	Jan-Jul	Jan-Jul	
TOTAL RUSSIA - IBIS	% Occ.Rate					36%	59%	58%	53%	52%	53%	1%
	ARR excl VAT (Euro)					46	51	53	46	49	36	-26%
	ARR excl VAT (TL)					110	117	136	135	145	106	-27%
	RevPar (Euro)					16.7	29.7	30.9	24.5	25.6	19.4	-24%
	RevPar (TL)					39.6	68.3	78.4	71.3	75.5	56.2	-26%
	Total Revenue (Euro)					474,235	5,220,354	6,734,014	6,746,038	4,078,354	3,228,635	-21%
	Total Revenue (TL)					1,125,027	11,989,021	17,104,003	19,600,608	12,013,302	9,342,560	-22%
	All Inclusive RevPar (Euro)					23	41	42	34	35	27	-24%
	All Inclusive RevPar (TL)					54	94	107	98	103	77	-25%
	GOP%					2%	41%	43%	39%		37%	-2%
	Effective % of Rent / Revenue					0%	25%	30%	44%	43%	64%	21%
	Akfen Rent Revenue (Euro)					0	1,299,960	1,996,248	2,993,934	1,745,784	2,051,278	17%
	Akfen Rent Revenue (TL)					0	2,981,781	5,131,169	8,700,836	5,154,565	5,646,512	10%

		2007-2014 ANNUALLY								2014	2015	Change %
2942 rooms		2007	2008	2009	2010	2011	2012	2013	2014	Jan-Jul	Jan-Jul	
GRAND TOTAL - TURKEY & RUSSIA	% Occ.Rate	63%	64%	66%	52%	63%	66%	65%	64%	63%	64%	1%
	ARR excl VAT (Euro)	64	67	64	53	57	58	56	49	50	46	-8%
	ARR excl VAT (TL)	113	129	137	105	133	134	140	144	147	133	-10%
	RevPar (Euro)	40.7	43.1	42.0	27.5	36.6	38.6	36.3	31.5	31.3	29.6	-6%
	RevPar (TL)	71.6	81.5	89.9	54.2	85.3	88.7	91.6	91.4	92.4	85.1	-8%
	Total Revenue (Euro)	8,485,488	14,900,005	15,158,053	21,100,179	26,359,431	34,928,994	39,972,653	37,897,715	21,548,308	21,784,847	1%
	Total Revenue (TL)	14,911,135	28,174,543	32,421,153	41,647,754	61,425,822	80,359,453	100,902,128	110,025,554	63,514,834	62,751,239	-1%
	All Inclusive RevPar (Euro)	53	55	56	39	47	51	48	41	41	39	-5%
	All Inclusive RevPar (TL)	94	104	119	78	113	117	121	120	121	112	-8%
	GOP%					44%	43%	43%	41%	42%	39%	-3%
	Effective % of Rent / Revenue	23%	23%	25%	24%	27%	26%	28%	29%	30%	31%	2%
	Akfen Rent Revenue (Euro)	1,912,807	3,363,001	3,837,999	4,978,143	7,129,617	9,176,577	11,115,279	11,167,091	6,358,266	6,756,025	6%
	Akfen Rent Revenue (TL)	3,383,280	6,365,612	8,240,493	9,903,502	16,609,237	21,115,750	28,100,581	32,437,747	18,746,471	19,241,316	3%

299 rooms		2007	2008	2009	2010	2011	2012	2013	2014	2014	2015	Change %
Merit Park Hotel/Casino Rent Rev. (EU)		1,500,000	4,581,244	4,386,159	4,259,840	4,709,840	4,475,180	4,750,000	4,750,000	2,770,833	2,770,833	0%
Merit Park Hotel / Casino Rent Rev. (TL)		2,667,300	8,602,631	9,444,952	8,567,482	11,011,714	10,294,900	11,997,391	13,818,700	8,139,678	7,961,515	-2%

Samara Office Rent Rev. (EURO)							378,782	621,792	347,497	335,099	-4%
Samara Office Rent Rev. (TL)							970,036	1,803,427	1,017,997	930,925	-9%

	843 rooms	1,043 rooms	1,043 rooms	1,768 rooms	1,945 rooms	2,314 rooms	2,777 rooms	2,924 rooms	2,777 rooms	3,228 rooms	
GRAND TOTAL (EURO)	3,412,807	7,944,245	8,224,158	9,237,983	11,839,457	13,651,757	16,244,061	16,538,883	9,476,596	9,861,957	4%
GRAND TOTAL (TL)	6,050,580	14,968,243	17,685,445	18,470,985	27,620,951	31,410,650	41,068,008	48,059,873	27,904,146	28,133,755	1%

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INVESTMENTS UNDER PROGRESS

As of 31 July 2015

TURKEY

Investment	Location	Number of Rooms	Status	Total Investment Cost (Euro, including VAT)	Investment Completion (%) *	Physical Completion (%)	Expected Hotel Opening Date
Novotel Karaköy	İstanbul	200	Under Construction	34,000,000	92%	84%	2015
Ibis Hotel Tuzla	Tuzla	200	Under Construction	15,000,000	61%	34%	2016

* Not including financing cost incurred during the construction stage and general&administrative expenses attributable to the projects.

** Including advances paid to the contractor.

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Key Events

- 1) Ibis Hotel Moscow with 317 rooms constructed in the capital of Russia by Hotel Development Investment BV - %100 subsidiary of Akfen GYO – has been started its operations on 2015, 16 July.