



AKFEN REAL ESTATE INVESTMENT TRUST

Monthly Investor Report

"DECEMBER 2014"

AKFEN REIT

January-December 2014

Hotel Performance Summary

- ▶ 16 Accor operated hotels, 13 of which are in Turkey and 3 in Russia for which we have variable lease agreements with Accor, rental income from these hotels increased by 15% in TL terms for 2014 compared to 2013.
- ▶ Total rent revenue including the fixed rental income from Northern Cyprus Merit Park Hotel and Samara Office for 2014 increased by 17% in TL terms compared to 2013.

Turkey - Ibis Hotels 2014 January-December / 2013 January-December Comparison

- ▶ 9 Operational Ibis Hotels in Turkey reported an overall ARR of €42 for 2014.
- ▶ Overall Occupancy ratio for 9 Ibis Hotels in Turkey is 65% for 2014.
- ▶ As a result, total rent revenue from these hotels increased by 3% in TL terms.

Turkey - Novotels 2014 January-December / 2013 January-December Comparison

- ▶ 4 Operational Novotels in Turkey reported an overall ARR of € 68 for 2014.
- ▶ Overall Occupancy ratio for 4 Novotels in Turkey is 70% for 2014.
- ▶ As a result, total rent revenue from these hotels increased by 3% in TL terms for 2014.

Turkey - Overall 2014 January-December / 2013 January-December Comparison

- ▶ Overall ARR of these 13 Hotels in Turkey is € 50 for 2014.
- ▶ Overall Occupancy ratio for Turkey Hotels is %67 for 2014.
- ▶ As a result, total rent revenue from Turkey hotels increased by 3% in TL terms.

Russia - IBIS Hotels 2014 January-December / 2013 January-December Comparison

- ▶ 3 Ibis Hotels in Russia reported an overall ARR of € 46 for 2014.
- ▶ Overall Occupancy ratio for 3 Ibis Hotels in Russia is 53% for 2014.
- ▶ As a result, total rent revenue from these hotels increased by 70% in TL terms.

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OPERATING PERFORMANCE BY HOTEL FOR 2007-2014

		2007-2013 ANNUALLY							2013	2014	Change %
1481 rooms		2007	2008	2009	2010	2011	2012	2013	Jan-Dec	Jan-Dec	
TOTAL TURKEY - IBIS	% Occ.Rate	68%	83%	73%	52%	61%	64%	64%	64%	65%	1%
	ARR excl VAT (Euro)	53	63	63	58	50	52	48	48	42	-14%
	ARR excl VAT (TL)	93	119	134	115	117	121	122	122	121	-1%
	RevPar (Euro)	36,4	51,9	45,5	30,3	30,7	33,7	30,8	30,8	27,1	-12%
	RevPar (TL)	63,6	98,0	97,3	60,3	71,6	77,6	77,7	77,7	78,8	1%
	Total Revenue (Euro)	4.223.717	7.519.568	6.402.021	8.709.471	11.582.439	13.613.967	16.854.796	16.854.796	16.316.698	-3%
	Total Revenue (TL)	7.389.756	14.200.454	13.695.295	17.326.371	26.973.407	31.366.097	42.558.114	42.558.114	47.383.383	11%
	All Inclusive RevPar (Euro)	45	61	52	36	36	40	37	37	33	-11%
	All Inclusive RevPar (TL)	78	115	112	71	85	92	93	93	95	2%
	GOP%					49%	46%	42%	42%	41%	-2%
	Effective % of Rent / Revenue	23%	23%	23%	23%	31%	29%	29%	29%	27%	-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	4.870.524	4.370.565	-10%
	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	12.285.274	12.705.184	3%

		2007-2013 ANNUALLY							2013	2014	Change %
596 rooms		2007	2008	2009	2010	2011	2012	2013	Jan-Dec	Jan-Dec	
TOTAL TURKEY - NOVOTEL	% Occ.Rate	56%	67%	60%	61%	69%	74%	74%	74%	70%	-4%
	ARR excl VAT (Euro)	83	84	69	64	66	70	70	70	68	-2%
	ARR excl VAT (TL)	147	160	147	126	154	160	177	177	198	12%
	RevPar (Euro)	46,7	56,1	41,0	39,2	45,1	51,3	51,9	51,9	47,9	-8%
	RevPar (TL)	82,4	106,3	87,6	77,0	105,2	117,9	131,0	131,0	138,9	6%
	Total Revenue (Euro)	4.261.771	7.380.437	8.756.032	12.390.708	14.302.758	16.094.673	16.383.843	16.383.843	14.834.979	-9%
	Total Revenue (TL)	7.521.380	13.974.089	18.725.858	24.321.384	33.327.388	37.004.335	41.240.011	41.240.011	43.041.563	4%
	All Inclusive RevPar (Euro)	70	79	59	59	66	74	75	75	68	-9%
	All Inclusive RevPar (TL)	123	149	126	116	153	170	190	190	198	4%
	GOP%					41%	42%	43%	43%	42%	-1%
	Effective % of Rent / Revenue	22%	22%	27%	24%	25%	24%	26%	26%	26%	0%
	Akfen Rent Revenue (Euro)	945.590	1.631.696	2.360.554	2.947.335	3.590.179	3.888.289	4.248.507	4.248.507	3.802.592	-10%
	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	10.684.138	11.031.727	3%

		2007-2013 ANNUALLY							2013	2014	Change %
2077 rooms		2007	2008	2009	2010	2011	2012	2013	Jan-Dec	Jan-Dec	
TOTAL TURKEY - IBIS&NOVOTEL	% Occ.Rate	63%	64%	66%	52%	64%	68%	67%	67%	67%	0%
	ARR excl VAT (Euro)	64	67	64	53	57	60	56	56	50	-10%
	ARR excl VAT (TL)	113	129	137	105	133	137	141	141	145	3%
	RevPar (Euro)	40,7	43,1	42,0	27,5	36,6	40,6	37,6	37,6	33,4	-11%
	RevPar (TL)	71,6	81,5	89,9	54,2	85,3	93,4	94,8	94,8	97,0	2%
	Total Revenue (Euro)	8.485.488	14.900.005	15.158.053	21.100.179	25.885.197	29.708.640	33.238.639	33.238.639	31.151.677	-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	83.798.125	90.424.946	8%
	All Inclusive RevPar (Euro)	53	55	56	39	48	53	49	49	43	-12%
	All Inclusive RevPar (TL)	94	104	119	78	113	123	124	124	126	2%
	GOP%					45%	44%	43%	43%	41%	-1%
	Effective % of Rent / Revenue	23%	23%	25%	24%	28%	27%	27%	27%	26%	-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	9.119.031	8.173.157	-10%
	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	22.969.412	23.736.911	3%

		2007-2013 ANNUALLY							2013	2014	Change %
548 rooms		2007	2008	2009	2010	2011	2012	2013	Jan-Dec	Jan-Dec	
TOTAL RUSSIA - IBIS	% Occ.Rate					36%	59%	58%	58%	53%	-5%
	ARR excl VAT (Euro)					46	51	53	53	46	-13%
	ARR excl VAT (TL)					110	117	136	136	135	-1%
	RevPar (Euro)					16,7	29,7	30,9	30,9	24,5	-21%
	RevPar (TL)					39,6	68,3	78,4	78,4	71,3	-9%
	Total Revenue (Euro)					474.235	5.220.354	6.734.014	6.734.014	6.746.038	0%
	Total Revenue (TL)					1.125.027	11.989.021	17.104.003	17.104.003	19.600.608	15%
	All Inclusive RevPar (Euro)					23	41	42	42	34	-20%
	All Inclusive RevPar (TL)					54	94	107	107	98	-8%
	GOP%					2%	41%	43%	43%	39%	-4%
	Effective % of Rent / Revenue					0%	25%	30%	30%	44%	15%
Akfen Rent Revenue (Euro)					0	1.299.960	1.996.248	1.996.248	2.993.934	50%	
Akfen Rent Revenue (TL)					0	2.981.781	5.131.169	5.131.169	8.700.836	70%	

		2007-2013 ANNUALLY							2013	2014	Change %
2625 rooms		2007	2008	2009	2010	2011	2012	2013	Jan-Dec	Jan-Dec	
GRAND TOTAL - TURKEY & RUSSIA	% Occ.Rate	63%	64%	66%	52%	63%	66%	65%	65%	64%	-2%
	ARR excl VAT (Euro)	64	67	64	53	57	58	56	56	49	-11%
	ARR excl VAT (TL)	113	129	137	105	133	134	140	140	144	2%
	RevPar (Euro)	40,7	43,1	42,0	27,5	36,6	38,6	36,3	36,3	31,5	-13%
	RevPar (TL)	71,6	81,5	89,9	54,2	85,3	88,7	91,6	91,6	91,4	0%
	Total Revenue (Euro)	8.485.488	14.900.005	15.158.053	21.100.179	26.359.431	34.928.994	39.972.653	39.972.653	37.897.715	-5%
	Total Revenue (TL)	14.911.135	28.174.543	32.421.153	41.647.754	61.425.822	80.359.453	100.902.128	100.902.128	110.025.554	9%
	All Inclusive RevPar (Euro)	53	55	56	39	47	51	48	48	41	-14%
	All Inclusive RevPar (TL)	94	104	119	78	113	117	121	121	120	-1%
	GOP%					44%	43%	43%	43%	41%	-2%
	Effective % of Rent / Revenue	23%	23%	25%	24%	27%	26%	28%	28%	29%	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	11.115.279	11.167.091	0%	
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	28.100.581	32.437.747	15%	

286 rooms		2007	2008	2009	2010	2011	2012	2013	2013	2014	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	4.750.000	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	11.997.391	13.818.700	15%

Samara Office Rent Rev. (EURO)								378.782	378.782	621.792	64%
Samara Office Rent Rev. (TL)								970.036	970.036	1.803.427	86%

	843 rooms	1,043 rooms	1,043 rooms	1,768 rooms	1,945 rooms	2,314 rooms	2,777 rooms	2,777 rooms	2,911 rooms	Change %
GRAND TOTAL (EURO)	3.412.807	7.944.245	8.224.158	9.237.983	11.839.457	13.651.757	16.244.061	16.244.061	16.538.883	2%
GRAND TOTAL (TL)	6.050.580	14.968.243	17.685.445	18.470.985	27.620.951	31.410.650	41.068.008	41.068.008	48.059.873	17%

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INVESTMENTS UNDER PROGRESS

As of 31 December 2014

TURKEY

Investment	Location	Number of Rooms	Status	Total Investment Cost (Euro, including VAT)	Investment Completion (%) *	Physical Completion (%)	Expected Hotel Opening Date
Novotel Karaköy	Istanbul	200	Under Construction	34.000.000	68%	62%	2015
Ibis Hotel Tuzla	Tuzla	200	Under Planning	15.000.000	44%	-	2016

As of 31 December 2014

RUSYA

Investment	Location	Number of Rooms	Status	Total Investment Cost (Euro, including VAT)	Investment Completion (%) *	Physical Completion (%)	Expected Hotel Opening Date
Ibis Hotel Moscow	Moscow	317	Under Construction	33.500.000	88%	90%	2015

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

** Including advances paid to the contractor.