



*AKFEN REAL ESTATE INVESTMENT TRUST*

*Monthly Investor Report*

*"NOVEMBER 2014"*

# **AKFEN REIT**

*January-November 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 **16%** in TL terms for the first 11 months of 2014 compared to same period for 2013.
- ▶ Total rent revenue including the fixed rental income from Northern Cyprus Merit Park Hotel and Samara Office for the first 11 months of 2014 increased by **18%** in TL terms compared to same period for 2013.

### **Turkey - Ibis Hotels**      2014 January-November / 2013 January-November Comparison

- ▶ 9 Operational Ibis Hotels in Turkey reported an overall ARR of €42 for the first 11 months of 2014.
- ▶ Overall Occupancy ratio for 9 Ibis Hotels in Turkey is 66% for the first 11 months of 2014.
- ▶ As a result, total rent revenue from these hotels increased by 5% in TL terms.

### **Turkey - Novotels**      2014 January-November / 2013 January-November Comparison

- ▶ 4 Operational Novotels in Turkey reported an overall ARR of €69 for the first 11 months of 2014.
- ▶ Overall Occupancy ratio for 4 Novotels in Turkey is 72% for the first 11 months of 2014.
- ▶ As a result, total rent revenue from these hotels increased by 5% in TL terms for the first 11 months of 2014.

### **Turkey - Overall**      2014 January-November / 2013 January-November Comparison

- ▶ Overall ARR of these 13 Hotels in Turkey is €51 for the first 11 months of 2014.
- ▶ Overall Occupancy ratio for Turkey Hotels is %68 for the first 11 months of 2014.
- ▶ As a result, total rent revenue from Turkey hotels increased by 5% in TL terms.

### **Russia - IBIS Hotels**      2014 January-November / 2013 January-November Comparison

- ▶ 3 Ibis Hotels in Russia reported an overall ARR of €47 for the first 11 months of 2014.
- ▶ Overall Occupancy ratio for 3 Ibis Hotels in Russia is 54% for the first 11 months of 2014.
- ▶ As a result, total rent revenue from these hotels increased by 65% in TL terms.

AKFEN REIT

OPERATING PERFORMANCE BY HOTEL FOR 2007-2014

		2007-2013 ANNUALLY							2013	2014	Change %
		2007	2008	2009	2010	2011	2012	2013	Jan-Nov	Jan-Nov	
1481 rooms											
TOTAL TURKEY - IBIS	% Occ.Rate	68%	83%	73%	52%	61%	64%	64%	65%	66%	2%
	ARR excl VAT (Euro)	53	63	63	58	50	52	48	49	42	-14%
	ARR excl VAT (TL)	93	119	134	115	117	121	122	122	122	0%
	RevPar (Euro)	36.4	51.9	45.5	30.3	30.7	33.7	30.8	31.4	27.6	-12%
	RevPar (TL)	63.6	98.0	97.3	60.3	71.6	77.6	77.7	78.6	80.3	2%
	Total Revenue (Euro)	4,223,717	7,519,568	6,402,021	8,709,471	11,582,439	13,613,967	16,854,796	15,654,090	15,041,403	-4%
	Total Revenue (TL)	7,389,756	14,200,454	13,695,295	17,326,371	26,973,407	31,366,097	42,558,114	39,174,524	43,784,884	12%
	All Inclusive RevPar (Euro)	45	61	52	36	36	40	37	37	33	-12%
	All Inclusive RevPar (TL)	78	115	112	71	85	92	93	94	96	3%
	GOP%					49%	46%	42%	42%	41%	-1%
	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	4,531,247	4,076,729	-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	11,325,734	11,876,066	5%	

		2007-2013 ANNUALLY							2013	2014	Change %
		2007	2008	2009	2010	2011	2012	2013	Jan-Nov	Jan-Nov	
596 rooms											
TOTAL TURKEY - NOVOTEL	% Occ.Rate	56%	67%	60%	61%	69%	74%	74%	76%	72%	-4%
	ARR excl VAT (Euro)	83	84	69	64	66	70	70	71	69	-2%
	ARR excl VAT (TL)	147	160	147	126	154	160	177	177	201	14%
	RevPar (Euro)	46.7	56.1	41.0	39.2	45.1	51.3	51.9	53.8	49.9	-7%
	RevPar (TL)	82.4	106.3	87.6	77.0	105.2	117.9	131.0	134.7	145.2	8%
	Total Revenue (Euro)	4,261,771	7,380,437	8,756,032	12,390,708	14,302,758	16,094,673	16,383,843	15,500,004	14,126,786	-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	38,749,354	41,043,256	6%
	All Inclusive RevPar (Euro)	70	79	59	59	66	74	75	78	71	-9%
	All Inclusive RevPar (TL)	123	149	126	116	153	170	190	195	206	6%
	GOP%					41%	42%	43%	44%	44%	0%
	Effective % of Rent / Revenue	22%	22%	27%	24%	25%	24%	26%	27%	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	4,112,270	3,740,157	-9%
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	10,300,222	10,855,555	5%	

		2007-2013 ANNUALLY							2013	2014	Change %
		2007	2008	2009	2010	2011	2012	2013	Jan-Nov	Jan-Nov	
2077 rooms											
TOTAL TURKEY - IBIS/NOVOTEL	% Occ.Rate	63%	64%	66%	52%	64%	68%	67%	68%	68%	0%
	ARR excl VAT (Euro)	64	67	64	53	57	60	56	57	51	-11%
	ARR excl VAT (TL)	113	129	137	105	133	137	141	142	147	4%
	RevPar (Euro)	40.7	43.1	42.0	27.5	36.6	40.6	37.6	38.6	34.4	-11%
	RevPar (TL)	71.6	81.5	89.9	54.2	85.3	93.4	94.8	96.7	100.0	3%
	Total Revenue (Euro)	8,485,488	14,900,005	15,158,053	21,100,179	25,885,197	29,708,640	33,238,639	31,154,094	29,168,189	-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	77,923,879	84,828,140	9%
	All Inclusive RevPar (Euro)	53	55	56	39	48	53	49	51	45	-12%
	All Inclusive RevPar (TL)	94	104	119	78	113	123	124	126	130	3%
	GOP%					45%	44%	43%	43%	43%	-1%
	Effective % of Rent / Revenue	23%	23%	25%	24%	28%	27%	27%	28%	27%	-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	8,643,516	7,816,886	-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	21,625,956	22,731,620	5%	

		2007-2013 ANNUALLY						2013	2014	Change %	
548 rooms		2007	2008	2009	2010	2011	2012	2013	Jan-Nov		Jan-Nov
<b>TOTAL RUSSIA - IBIS</b>	% Occ.Rate					36%	59%	58%	59%	54%	-5%
	ARR excl VAT (Euro)					46	51	53	54	47	-12%
	ARR excl VAT (TL)					110	117	136	135	138	2%
	RevPar (Euro)					16.7	29.7	30.9	31.9	25.6	-20%
	RevPar (TL)					39.6	68.3	78.4	80.2	74.4	-7%
	Total Revenue (Euro)					474,235	5,220,354	6,734,014	6,207,018	6,409,211	3%
	Total Revenue (TL)					1,125,027	11,989,021	17,104,003	15,618,927	18,650,182	19%
	All Inclusive RevPar (Euro)					23	41	42	43	35	-19%
	All Inclusive RevPar (TL)					54	94	107	109	102	-7%
	GOP%					2%	41%	43%	44%	40%	-4%
	Effective % of Rent / Revenue					0%	25%	30%	30%	43%	12%
	Akfen Rent Revenue (Euro)					0	1,299,960	1,996,248	1,891,275	2,741,931	45%
Akfen Rent Revenue (TL)					0	2,981,781	5,131,169	4,835,354	7,988,995	65%	

		2007-2013 ANNUALLY						2013	2014	Change %	
2625 rooms		2007	2008	2009	2010	2011	2012	2013	Jan-Nov		Jan-Nov
<b>GRAND TOTAL - TURKEY &amp; RUSSIA</b>	% Occ.Rate	63%	64%	66%	52%	63%	66%	65%	67%	65%	-2%
	ARR excl VAT (Euro)	64	67	64	53	57	58	56	56	50	-11%
	ARR excl VAT (TL)	113	129	137	105	133	134	140	141	146	4%
	RevPar (Euro)	40.7	43.1	42.0	27.5	36.6	38.6	36.3	37.4	32.5	-13%
	RevPar (TL)	71.6	81.5	89.9	54.2	85.3	88.7	91.6	93.6	94.4	1%
	Total Revenue (Euro)	8,485,488	14,900,005	15,158,053	21,100,179	26,359,431	34,928,994	39,972,653	37,361,112	35,577,400	-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	93,542,805	103,478,322	11%
	All Inclusive RevPar (Euro)	53	55	56	39	47	51	48	49	43	-14%
	All Inclusive RevPar (TL)	94	104	119	78	113	117	121	123	124	0%
	GOP%					44%	43%	43%	43%	42%	-1%
	Effective % of Rent / Revenue	23%	23%	25%	24%	27%	26%	28%	28%	30%	1%
	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	10,534,792	10,558,816	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	26,461,309	30,720,616	16%	

299 rooms		2007	2008	2009	2010	2011	2012	2013	2013	2014	Change %
Merit Park Hotel/Casino Rent Rev. (E)		1,500,000	4,581,244	4,386,159	4,259,840	4,709,840	4,475,180	4,750,000	4,354,167	4,354,167	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	10,909,483	12,688,794	16%

Samara Office Rent Rev. (EURO)								378,782	338,941	577,098	70%
Samara Office Rent Rev. (TL)								970,036	857,764	1,666,406	94%

	843 rooms	1,043 rooms	1,043 rooms	1,768 rooms	1,945 rooms	2,314 rooms	2,777 rooms	2,777 rooms	2,924 rooms	Change %
<b>GRAND TOTAL (EURO)</b>	3,412,807	7,944,245	8,224,158	9,237,983	11,839,457	13,651,757	16,244,061	15,227,899	15,490,081	2%
<b>GRAND TOTAL (TL)</b>	6,050,580	14,968,243	17,685,445	18,470,985	27,620,951	31,410,650	41,068,008	38,228,556	45,075,815	18%

## AKFEN REIT

### INVESTMENTS UNDER PROGRESS

As of 30 November 2014

#### 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	65%	60%	2015
Ibis Hotel Tuzla	Tuzla	200	Under Planning	15,000,000	44%	-	2016

As of 30 November 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	84%	86%	2015

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

\*\* Including advances paid to the contractor.