



AKFEN REAL ESTATE INVESTMENT TRUST

Monthly Investor Report

"FEBRUARY 2016"

AKFEN REIT

February 2016

Hotel Performance Summary

- ▶ 18 Accor operated hotels, 14 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 3% in Euro terms, increased by 22% in TL terms for the first 2 months of 2016 compared to the same period of 2015.
- ▶ Total rent revenue including the fixed rental income from Northern Cyprus Merit Park Hotel and Samara Office for the first 2 months of 2016 increased by 2% in Euro terms, increased by 19% in TL terms compared to the same period of 2015.

Turkey - Ibis Hotels 2016 February / 2015 February Comparison

- ▶ 9 Operational Ibis Hotels in Turkey reported an overall ARR of €34 for the first 2 months of 2016.
- ▶ Overall Occupancy ratio for 9 Ibis Hotels in Turkey is 67% for the first 2 months of 2016.
- ▶ As a result, total rent revenue from these hotels decreased by 6% in Euro terms, increased by 11% in TL terms.

Turkey - Novotels 2016 February / 2015 February Comparison

- ▶ 5 Operational Novotels in Turkey reported an overall ARR of €43 for the first 2 months of 2016.
- ▶ Overall Occupancy ratio for 5 Novotels in Turkey is 58% for the first 2 months of 2016.
- ▶ As a result, total rent revenue from these hotels decreased by 13% in Euro terms, increased by 3% in TL terms for the first 2 months of 2016.

Turkey - Overall 2016 February / 2015 February Comparison

- ▶ Overall ARR of these 14 Hotels in Turkey is €36 for the first 2 months of 2016.
- ▶ Overall Occupancy ratio for Turkey Hotels is %65 for the first 2 months of 2016.
- ▶ As a result, total rent revenue from Turkey hotels decreased by 9% in Euro terms, increased by 8% in TL terms for the first 2 months of 2016.

Russia - IBIS Hotels 2016 February / 2015 February Comparison

- ▶ 4 Ibis Hotels in Russia reported an overall ARR of €30 for the first 2 months of 2016.
- ▶ Overall Occupancy ratio for 4 Ibis Hotels in Russia is 45% for the first 2 months of 2016.
- ▶ As a result, total rent revenue from these hotels increased by 25% in Euro terms, increased by 48%

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OPERATING PERFORMANCE BY HOTEL FOR 2007-2016

		2007-2014 ANNUALLY									2015	2016	Change %
		2007	2008	2009	2010	2011	2012	2013	2014	2015	Jan - Feb	Jan - Feb	
1,481 rooms													
TOTAL TURKEY - IBIS	% Occ.Rate	68%	83%	73%	52%	61%	64%	64%	65%	66%	63%	67%	4%
	ARR excl VAT (Euro)	53	63	63	58	50	52	48	42	39	41	34	-17%
	ARR excl VAT (TL)	93	119	134	115	117	121	122	121	118	114	111	-2%
	RevPar (Euro)	36.4	51.9	45.5	30.3	30.7	33.7	30.8	27.1	25.9	26.1	22.9	-12%
	RevPar (TL)	63.6	98.0	97.3	60.3	71.6	77.6	77.7	78.8	77.8	72.0	74.8	4%
	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	17,023,423	2,811,169	2,500,364	-11%
	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	51,201,078	7,739,613	8,153,772	5%
	All Inclusive RevPar (Euro)	45	61	52	36	36	40	37	33	31	32	28	-13%
	All Inclusive RevPar (TL)	78	115	112	71	85	92	93	95	95	89	92	4%
	GOP%					49%	46%	42%	41%	39%	36%	38%	2%
	Effective % of Rent / Revenue	23%	23%	23%	23%	31%	29%	29%	27%	26%	25%	26%	1%
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	4,454,002	702,057	657,881	-6%	
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	13,414,729	1,932,868	2,145,362	11%	

		2007-2014 ANNUALLY									2015	2016	Change %
		2007	2008	2009	2010	2011	2012	2013	2014	2015	Jan - Feb	Jan - Feb	
796 rooms													
TOTAL TURKEY - NOVOTEL	% Occ.Rate	56%	67%	60%	61%	69%	74%	74%	70%	69%	61%	58%	-2%
	ARR excl VAT (Euro)	83	84	69	64	66	70	70	68	64	56	43	-24%
	ARR excl VAT (TL)	147	160	147	126	154	160	177	198	194	155	139	-10%
	RevPar (Euro)	46.7	56.1	41.0	39.2	45.1	51.3	51.9	47.9	44.4	34.1	24.8	-27%
	RevPar (TL)	82.4	106.3	87.6	77.0	105.2	117.9	131.0	138.9	133.8	93.8	80.7	-14%
	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	13,650,830	1,770,139	1,414,769	-20%
	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	41,234,631	4,871,934	4,613,607	-5%
	All Inclusive RevPar (Euro)	70	79	59	59	66	74	75	68	63	50	37	-27%
	All Inclusive RevPar (TL)	123	149	126	116	153	170	190	198	189	139	120	-14%
	GOP%					41%	42%	43%	42%	41%	21%	1%	-20%
	Effective % of Rent / Revenue	22%	22%	27%	24%	25%	24%	26%	26%	25%	22%	24%	2%
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	3,472,105	391,094	341,476	-13%	
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	10,565,880	1,076,406	1,113,656	3%	

		2007-2014 ANNUALLY									2015	2016	Change %
		2007	2008	2009	2010	2011	2012	2013	2014	2015	Jan - Feb	Jan - Feb	
2,277 rooms													
TOTAL TURKEY - IBIS&NOVOTEL	% Occ.Rate	63%	64%	66%	52%	64%	68%	67%	67%	67%	63%	65%	2%
	ARR excl VAT (Euro)	64	67	64	53	57	60	56	50	47	45	36	-20%
	ARR excl VAT (TL)	113	129	137	105	133	137	141	145	141	125	119	-5%
	RevPar (Euro)	40.7	43.1	42.0	27.5	36.6	40.6	37.6	33.4	31.2	28.4	23.5	-17%
	RevPar (TL)	71.6	81.5	89.9	54.2	85.3	93.4	94.8	97.0	93.9	78.2	76.6	-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	31,151,677	30,674,253	4,581,308	3,915,133	-15%
	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	92,435,710	12,611,548	12,767,379	1%
	All Inclusive RevPar (Euro)	53	55	56	39	48	53	49	43	40	37	31	-18%
	All Inclusive RevPar (TL)	94	104	119	78	113	123	124	126	122	103	100	-3%
	GOP%					45%	44%	43%	41%	40%	30%	25%	-6%
	Effective % of Rent / Revenue	23%	23%	25%	24%	28%	27%	27%	26%	26%	24%	26%	2%
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	7,926,107	1,093,151	999,357	-9%	
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	23,980,609	3,009,274	3,259,018	8%	

		2007-2014 ANNUALLY									2015	2016	Change %
865 rooms		2007	2008	2009	2010	2011	2012	2013	2014	2015	Jan - Feb	Jan - Feb	
TOTAL RUSSIA - IBIS	% Occ.Rate					36%	59%	58%	53%	52%	46%	45%	-1%
	ARR excl VAT (Euro)					46	51	53	46	36	30	30	1%
	ARR excl VAT (TL)					110	117	136	135	111	82	99	20%
	RevPar (Euro)					16.7	29.7	30.9	24.5	18.9	13.9	13.8	-1%
	RevPar (TL)					39.6	68.3	78.4	71.3	58.0	38.3	44.9	17%
	Total Revenue (Euro)					474,235	5,220,354	6,734,014	6,746,038	6,552,993	631,270	975,090	54%
	Total Revenue (TL)					1,125,027	11,989,021	17,104,003	19,600,608	20,057,044	1,738,026	3,179,942	83%
	All Inclusive RevPar (Euro)					23	41	42	34	26	20	19	-4%
	All Inclusive RevPar (TL)					54	94	107	98	79	54	61	14%
	GOP%					2%	41%	43%	39%	36%	27%	26%	-1%
	Effective % of Rent / Revenue					0%	25%	30%	44%	59%	90%	73%	-17%
	Akfen Rent Revenue (Euro)					0	1,299,960	1,996,248	2,993,934	3,878,550	568,164	711,584	25%
Akfen Rent Revenue (TL)					0	2,981,781	5,131,169	8,700,836	13,527,608	1,563,154	2,319,949	48%	

		2007-2014 ANNUALLY									2015	2016	Change %
3,142 rooms		2007	2008	2009	2010	2011	2012	2013	2014	2015	Jan - Feb	Jan - Feb	
GRAND TOTAL - TURKEY & RUSSIA	% Occ.Rate	63%	64%	66%	52%	63%	66%	65%	64%	63%	59%	59%	0%
	ARR excl VAT (Euro)	64	67	64	53	57	58	56	49	45	43	35	-18%
	ARR excl VAT (TL)	113	129	137	105	133	134	140	144	135	118	114	-3%
	RevPar (Euro)	40.7	43.1	42.0	27.5	36.6	38.6	36.3	31.5	28.1	25.4	20.7	-19%
	RevPar (TL)	71.6	81.5	89.9	54.2	85.3	88.7	91.6	91.4	84.9	69.9	67.4	-4%
	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	37,227,246	5,212,578	4,890,224	-6%
	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	112,492,754	14,349,574	15,947,321	11%
	All Inclusive RevPar (Euro)	53	55	56	39	47	51	48	41	37	34	27	-19%
	All Inclusive RevPar (TL)	94	104	119	78	113	117	121	120	111	93	89	-4%
	GOP%					44%	43%	43%	41%	39%	30%	25%	-5%
	Effective % of Rent / Revenue	23%	23%	25%	24%	27%	26%	28%	29%	32%	32%	35%	3%
	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	11,804,657	1,661,315	1,710,940	3%
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	37,508,217	4,572,428	5,578,967	22%	

286 rooms		2007	2008	2009	2010	2011	2012	2013	2014	2015	2015	2016	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	4,750,000	4,750,000	791,667	791,667	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	14,392,658	2,245,563	2,542,516	13%

Samara Office Rent Rev. (EURO)								378,782	621,792	541,650	83,576	75,139	-10%
Samara Office Rent Rev. (TL)								970,036	1,803,427	1,600,942	231,360	240,823	4%

	843 rooms	1,043 rooms	1,043 rooms	1,768 rooms	1,945 rooms	2,314 rooms	2,777 rooms	2,911 rooms	3,228 rooms	3,228 rooms	3,428 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	16,538,883	17,096,307	2,536,558	2,577,746	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	48,059,873	53,501,817	7,049,351	8,362,307	19%

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INVESTMENTS UNDER PROGRESS

As of 29 February 2016

TURKEY

Investment	Location	Number of Rooms	Status	Total Investment Cost (Euro, including VAT)	Investment Completion (%) *	Physical Completion (%)	Expected Hotel Opening Date
Ibis Hotel Tuzla	Tuzla	200	Under Construction	17,200,000	84%	79%	2016

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

** Including advances paid to the contractor.