



AKFEN REAL ESTATE INVESTMENT TRUST

Monthly Investor Report

"MARCH 2016"

AKFEN REIT

March 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 2% in Euro terms and increased by 20% in TL terms for the first 3 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 3 months of 2016 increased by 1% in Euro terms and increased by 17% in TL terms compared to the same period of 2015.

Turkey - Ibis Hotels 2016 March / 2015 March Comparison

- ▶ 9 Operational Ibis Hotels in Turkey reported an overall ARR of €35 for the first 3 months of 2016.
- ▶ Overall Occupancy ratio for 9 Ibis Hotels in Turkey is 68% for the first 3 months of 2016.
- ▶ As a result, total rent revenue from these hotels decreased by 6% in Euro terms, increased by 10% in TL terms.

Turkey - Novotels 2016 March / 2015 March Comparison

- ▶ 5 Operational Novotels in Turkey reported an overall ARR of €44 for the first 3 months of 2016.
- ▶ Overall Occupancy ratio for 5 Novotels in Turkey is 57% for the first 3 months of 2016.
- ▶ As a result, total rent revenue from these hotels decreased by 17% in Euro terms, decreased by 3% in TL terms for the first 3 months of 2016.

Turkey - Overall 2016 March / 2015 March Comparison

- ▶ Overall ARR of these 14 Hotels in Turkey is €37 for the first 3 months of 2016.
- ▶ Overall Occupancy ratio for Turkey Hotels is %65 for the first 3 months of 2016.
- ▶ As a result, total rent revenue from Turkey hotels decreased by 10% in Euro terms, increased by 5% in TL terms for the first 3 months of 2016.

Russia - IBIS Hotels 2016 March / 2015 March Comparison

- ▶ 4 Ibis Hotels in Russia reported an overall ARR of €32 for the first 3 months of 2016.
- ▶ Overall Occupancy ratio for 4 Ibis Hotels in Russia is 50% for the first 3 months of 2016.
- ▶ As a result, total rent revenue from these hotels increased by 27% in Euro terms, increased by 49% in TL terms.

AKFEN REIT

OPERATING PERFORMANCE BY HOTEL FOR 2007-2016

		2007-2014 ANNUALLY									2015	2016	Change %	
		2007	2008	2009	2010	2011	2012	2013	2014	2015	Jan - Mar	Jan - Mar		
1,481 rooms														
TOTAL TURKEY - IBIS	% Occ.Rate	68%	83%	73%	52%	61%	64%	64%	65%	66%	64%	68%	5%	
	ARR excl VAT (Euro)	53	63	63	58	50	52	48	42	39	42	35	-18%	
	ARR excl VAT (TL)	93	119	134	115	117	121	122	121	118	117	112	-4%	
	RevPar (Euro)	36.4	51.9	45.5	30.3	30.7	33.7	30.8	27.1	25.9	26.9	23.6	-12%	
	RevPar (TL)	63.6	98.0	97.3	60.3	71.6	77.6	77.7	78.8	77.8	74.6	76.6	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	17,023,423	4,378,288	3,892,313	-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	12,134,913	12,615,805	4%	
	All Inclusive RevPar (Euro)	45	61	52	36	36	40	37	33	31	33	29	-12%	
	All Inclusive RevPar (TL)	78	115	112	71	85	92	93	95	95	91	94	3%	
	GOP%					49%	46%	42%	41%	39%	38%	40%	2%	
	Effective % of Rent / Revenue	23%	23%	23%	23%	31%	29%	29%	27%	26%	25%	27%	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	1,096,070	1,032,011	-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	3,039,757	3,344,674	10%		

		2007-2014 ANNUALLY									2015	2016	Change %	
		2007	2008	2009	2010	2011	2012	2013	2014	2015	Jan - Mar	Jan - Mar		
796 rooms														
TOTAL TURKEY - NOVOTEL	% Occ.Rate	56%	67%	60%	61%	69%	74%	74%	70%	69%	65%	57%	-8%	
	ARR excl VAT (Euro)	83	84	69	64	66	70	70	68	64	58	44	-24%	
	ARR excl VAT (TL)	147	160	147	126	154	160	177	198	194	161	143	-11%	
	RevPar (Euro)	46.7	56.1	41.0	39.2	45.1	51.3	51.9	47.9	44.4	37.5	25.2	-33%	
	RevPar (TL)	82.4	106.3	87.6	77.0	105.2	117.9	131.0	138.9	133.8	104.0	81.6	-22%	
	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	2,942,580	2,362,163	-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	8,160,279	7,650,571	-6%	
	All Inclusive RevPar (Euro)	70	79	59	59	66	74	75	68	63	55	37	-32%	
	All Inclusive RevPar (TL)	123	149	126	116	153	170	190	198	189	152	121	-20%	
	GOP%					41%	42%	43%	42%	41%	29%	7%	-22%	
	Effective % of Rent / Revenue	22%	22%	27%	24%	25%	24%	26%	26%	25%	22%	23%	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	3,472,105	649,858	540,803	-17%		
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	1,802,160	1,752,619	-3%		

		2007-2014 ANNUALLY									2015	2016	Change %	
		2007	2008	2009	2010	2011	2012	2013	2014	2015	Jan - Mar	Jan - Mar		
2,277 rooms														
TOTAL TURKEY - IBIS&NOVOTEL	% Occ.Rate	63%	64%	66%	52%	64%	68%	67%	67%	67%	64%	65%	1%	
	ARR excl VAT (Euro)	64	67	64	53	57	60	56	50	47	47	37	-20%	
	ARR excl VAT (TL)	113	129	137	105	133	137	141	145	141	130	121	-7%	
	RevPar (Euro)	40.7	43.1	42.0	27.5	36.6	40.6	37.6	33.4	31.2	29.9	24.1	-19%	
	RevPar (TL)	71.6	81.5	89.9	54.2	85.3	93.4	94.8	97.0	93.9	83.0	78.2	-6%	
	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	7,320,868	6,254,476	-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	20,295,191	20,266,377	0%	
	All Inclusive RevPar (Euro)	53	55	56	39	48	53	49	43	40	39	32	-19%	
	All Inclusive RevPar (TL)	94	104	119	78	113	123	124	126	122	109	102	-6%	
	GOP%					45%	44%	43%	41%	40%	35%	27%	-7%	
	Effective % of Rent / Revenue	23%	23%	25%	24%	28%	27%	27%	26%	26%	24%	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	7,926,107	1,745,927	1,572,814	-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	23,736,911	23,980,609	4,841,917	5,097,293	5%		

		2007-2014 ANNUALLY									2015	2016	Change %
865 rooms		2007	2008	2009	2010	2011	2012	2013	2014	2015	Jan - Mar	Jan - Mar	
TOTAL RUSSIA - IBIS	% Occ.Rate					36%	59%	58%	53%	52%	48%	50%	2%
	ARR excl VAT (Euro)					46	51	53	46	36	32	32	0%
	ARR excl VAT (TL)					110	117	136	135	111	88	102	17%
	RevPar (Euro)					16.7	29.7	30.9	24.5	18.9	15.0	15.7	4%
	RevPar (TL)					39.6	68.3	78.4	71.3	58.0	41.7	50.8	22%
	Total Revenue (Euro)					474,235	5,220,354	6,734,014	6,746,038	6,552,993	1,041,056	1,690,150	62%
	Total Revenue (TL)					1,125,027	11,989,021	17,104,003	19,600,608	20,057,044	2,887,353	5,472,139	90%
	All Inclusive RevPar (Euro)					23	41	42	34	26	21	21	2%
	All Inclusive RevPar (TL)					54	94	107	98	79	59	70	19%
	GOP%					2%	41%	43%	39%	36%	30%	33%	3%
	Effective % of Rent / Revenue					0%	25%	30%	44%	59%	83%	65%	-18%
	Akfen Rent Revenue (Euro)					0	1,299,960	1,996,248	2,993,934	3,878,550	866,597	1,104,603	27%
	Akfen Rent Revenue (TL)					0	2,981,781	5,131,169	8,700,836	13,527,608	2,400,198	3,579,812	49%

		2007-2014 ANNUALLY									2015	2016	Change %
3,142 rooms		2007	2008	2009	2010	2011	2012	2013	2014	2015	Jan - Mar	Jan - Mar	
GRAND TOTAL - TURKEY & RUSSIA	% Occ.Rate	63%	64%	66%	52%	63%	66%	65%	64%	63%	61%	60%	0%
	ARR excl VAT (Euro)	64	67	64	53	57	58	56	49	45	44	36	-19%
	ARR excl VAT (TL)	113	129	137	105	133	134	140	144	135	123	116	-5%
	RevPar (Euro)	40.7	43.1	42.0	27.5	36.6	38.6	36.3	31.5	28.1	26.8	21.7	-19%
	RevPar (TL)	71.6	81.5	89.9	54.2	85.3	88.7	91.6	91.4	84.9	74.4	70.4	-5%
	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	8,361,924	7,944,627	-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	110,025,554	112,492,754	23,182,544	25,738,516	11%
	All Inclusive RevPar (Euro)	53	55	56	39	47	51	48	41	37	35	29	-19%
	All Inclusive RevPar (TL)	94	104	119	78	113	117	121	120	111	98	93	-5%
	GOP%					44%	43%	43%	41%	39%	34%	29%	-5%
	Effective % of Rent / Revenue	23%	23%	25%	24%	27%	26%	28%	29%	32%	31%	34%	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	11,804,657	2,612,524	2,677,416	2%
	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	7,242,114	8,677,105	20%

286 rooms		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	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	1,187,500	1,187,500	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	3,368,344	3,813,774	13%

Samara Office Rent Rev. (EURO)								378,782	621,792	541,650	131,778	115,048	-13%
Samara Office Rent Rev. (TL)								970,036	1,803,427	1,600,942	367,920	368,774	0%

	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	3,931,802	3,979,964	1%
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	10,978,379	12,859,653	17%

AKFEN REIT
INVESTMENTS UNDER PROGRESS

As of 31 March 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	87%	83%	2016

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

** Including advances paid to the contractor.