



*AKFEN REAL ESTATE INVESTMENT TRUST*

*Monthly Investor Report*

*"NOVEMBER 2015"*

# **AKFEN REIT**

*November 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 5% in Euro terms for the first 11 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 11 months of 2015 increased by 3% in Euro terms compared to the same period of 2014.

### **Turkey - Ibis Hotels**      2015 January - November / 2014 January - November Comparison

- ▶ 9 Operational Ibis Hotels in Turkey reported an overall ARR of €40 for the first 11 months of 2015.
- ▶ Overall Occupancy ratio for 9 Ibis Hotels in Turkey is 66% for the first 11 months of 2015.
- ▶ As a result, total rent revenue from these hotels increased by 2% in Euro terms.

### **Turkey - Novotels**      2015 January - November / 2014 January - November Comparison

- ▶ 4 Operational Novotels in Turkey reported an overall ARR of €66 for the first 11 months of 2015.
- ▶ Overall Occupancy ratio for 4 Novotels in Turkey is 71% for the first 11 months of 2015.
- ▶ As a result, total rent revenue from these hotels decreased by 9% in Euro terms for the first 11 months of 2015.

### **Turkey - Overall**      2015 January - November / 2014 January - November Comparison

- ▶ Overall ARR of these 13 Hotels in Turkey is €47 for the first 11 months of 2015.
- ▶ Overall Occupancy ratio for Turkey Hotels is %67 for the first 11 months of 2015.
- ▶ As a result, total rent revenue from Turkey hotels decreased by 3% in Euro terms for the first 11 months of 2015.

### **Russia - IBIS Hotels**      2015 January - November / 2014 January - November Comparison

- ▶ 4 Ibis Hotels in Russia reported an overall ARR of €36 for the first 11 months of 2015.
- ▶ Overall Occupancy ratio for 4 Ibis Hotels in Russia is 54% for the first 11 months of 2015.
- ▶ As a result, total rent revenue from these hotels increased by 28% in Euro terms.

AKFEN REIT

OPERATING PERFORMANCE BY HOTEL FOR 2007-2015

		2007-2014 ANNUALLY								2014	2015	Change %
1481 rooms		2007	2008	2009	2010	2011	2012	2013	2014	Jan - Nov	Jan - Nov	
<b>TOTAL TURKEY - IBIS</b>	% Occ.Rate	68%	83%	73%	52%	61%	64%	64%	65%	66%	66%	0%
	ARR excl VAT (Euro)	53	63	63	58	50	52	48	42	42	40	-5%
	ARR excl VAT (TL)	93	119	134	115	117	121	122	121	122	119	-2%
	RevPar (Euro)	36.4	51.9	45.5	30.3	30.7	33.7	30.8	27.1	27.6	26.2	-5%
	RevPar (TL)	63.6	98.0	97.3	60.3	71.6	77.6	77.7	78.8	80.3	78.5	-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	16,316,698	15,041,403	15,792,850	5%
	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	43,784,884	47,296,227	8%
	All Inclusive RevPar (Euro)	45	61	52	36	36	40	37	33	33	32	-4%
	All Inclusive RevPar (TL)	78	115	112	71	85	92	93	95	96	96	-1%
	GOP%					49%	46%	42%	41%	41%	40%	-2%
	Effective % of Rent / Revenue	23%	23%	23%	23%	31%	29%	29%	27%	27%	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	4,076,729	4,167,266	2%
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	11,876,066	12,504,856	5%	

		2007-2014 ANNUALLY								2014	2015	Change %
596 rooms		2007	2008	2009	2010	2011	2012	2013	2014	Jan - Nov	Jan - Nov	
<b>TOTAL TURKEY - NOVOTEL</b>	% Occ.Rate	56%	67%	60%	61%	69%	74%	74%	70%	72%	71%	-2%
	ARR excl VAT (Euro)	83	84	69	64	66	70	70	68	69	66	-5%
	ARR excl VAT (TL)	147	160	147	126	154	160	177	198	201	197	-2%
	RevPar (Euro)	46.7	56.1	41.0	39.2	45.1	51.3	51.9	47.9	49.9	46.2	-7%
	RevPar (TL)	82.4	106.3	87.6	77.0	105.2	117.9	131.0	138.9	145.2	138.8	-4%
	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	14,126,786	12,982,382	-8%
	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	41,043,256	39,113,511	-5%
	All Inclusive RevPar (Euro)	70	79	59	59	66	74	75	68	71	65	-8%
	All Inclusive RevPar (TL)	123	149	126	116	153	170	190	198	206	196	-5%
	GOP%					41%	42%	43%	42%	44%	42%	-2%
	Effective % of Rent / Revenue	22%	22%	27%	24%	25%	24%	26%	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	3,802,592	3,740,157	3,385,095	-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	11,031,727	10,855,555	10,289,780	-5%	

		2007-2014 ANNUALLY								2014	2015	Change %
2077 rooms		2007	2008	2009	2010	2011	2012	2013	2014	Jan - Nov	Jan - Nov	
<b>TOTAL TURKEY - IBIS&amp;NOVOTEL</b>	% Occ.Rate	63%	64%	66%	52%	64%	68%	67%	67%	68%	67%	-1%
	ARR excl VAT (Euro)	64	67	64	53	57	60	56	50	51	47	-6%
	ARR excl VAT (TL)	113	129	137	105	133	137	141	145	147	143	-3%
	RevPar (Euro)	40.7	43.1	42.0	27.5	36.6	40.6	37.6	33.4	34.4	32.0	-7%
	RevPar (TL)	71.6	81.5	89.9	54.2	85.3	93.4	94.8	97.0	100.0	96.0	-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	29,168,189	28,775,232	-1%
	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	84,828,140	86,409,738	2%
	All Inclusive RevPar (Euro)	53	55	56	39	48	53	49	43	45	41	-7%
	All Inclusive RevPar (TL)	94	104	119	78	113	123	124	126	130	125	-4%
	GOP%					45%	44%	43%	41%	43%	40%	-2%
	Effective % of Rent / Revenue	23%	23%	25%	24%	28%	27%	27%	26%	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	8,173,157	7,816,886	7,552,360	-3%
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	22,731,620	22,794,636	0%	

		2007-2014 ANNUALLY								2014	2015	Change %
865 rooms		2007	2008	2009	2010	2011	2012	2013	2014	Jan - Nov	Jan - Nov	
TOTAL RUSSIA - IBIS	% Occ.Rate					36%	59%	58%	53%	54%	54%	0%
	ARR excl VAT (Euro)					46	51	53	46	47	36	-23%
	ARR excl VAT (TL)					110	117	136	135	138	111	-19%
	RevPar (Euro)					16.7	29.7	30.9	24.5	25.6	19.5	-24%
	RevPar (TL)					39.6	68.3	78.4	71.3	74.4	59.4	-20%
	Total Revenue (Euro)					474,235	5,220,354	6,734,014	6,746,038	6,409,211	6,026,733	-6%
	Total Revenue (TL)					1,125,027	11,989,021	17,104,003	19,600,608	18,650,182	18,387,113	-1%
	All Inclusive RevPar (Euro)					23	41	42	34	35	27	-24%
	All Inclusive RevPar (TL)					54	94	107	98	102	81	-20%
	GOP%					2%	41%	43%	39%	40%	38%	-3%
	Effective % of Rent / Revenue					0%	25%	30%	44%	43%	58%	16%
	Akfen Rent Revenue (Euro)					0	1,299,960	1,996,248	2,993,934	2,741,931	3,516,341	28%
	Akfen Rent Revenue (TL)					0	2,981,781	5,131,169	8,700,836	7,988,995	11,595,711	45%

		2007-2014 ANNUALLY								2014	2015	Change %
2942 rooms		2007	2008	2009	2010	2011	2012	2013	2014	Jan - Nov	Jan - Nov	
GRAND TOTAL - TURKEY & RUSSIA	% Occ.Rate	63%	64%	66%	52%	63%	66%	65%	64%	65%	64%	-1%
	ARR excl VAT (Euro)	64	67	64	53	57	58	56	49	50	45	-10%
	ARR excl VAT (TL)	113	129	137	105	133	134	140	144	146	136	-6%
	RevPar (Euro)	40.7	43.1	42.0	27.5	36.6	38.6	36.3	31.5	32.5	28.9	-11%
	RevPar (TL)	71.6	81.5	89.9	54.2	85.3	88.7	91.6	91.4	94.4	87.0	-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	35,577,400	34,801,964	-2%
	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	103,478,322	104,796,851	1%
	All Inclusive RevPar (Euro)	53	55	56	39	47	51	48	41	43	38	-11%
	All Inclusive RevPar (TL)	94	104	119	78	113	117	121	120	124	114	-8%
	GOP%					44%	43%	43%	41%	42%	40%	-2%
	Effective % of Rent / Revenue	23%	23%	25%	24%	27%	26%	28%	29%	30%	32%	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	10,558,816	11,068,701	5%
	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	30,720,616	34,390,347	12%

286 rooms		2007	2008	2009	2010	2011	2012	2013	2014	2014	2015	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	4,354,167	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	13,818,700	12,688,794	13,074,256	3%

Samara Office Rent Rev. (EURO)							378,782	621,792	577,098	503,323	-13%
Samara Office Rent Rev. (TL)							970,036	1,803,427	1,666,406	1,479,130	-11%

	843 rooms	1,043 rooms	1,043 rooms	1,768 rooms	1,945 rooms	2,314 rooms	2,777 rooms	2,911 rooms	2,911 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	15,490,081	15,926,191	3%
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	45,075,815	48,943,734	9%

# AKFEN REIT

## INVESTMENTS UNDER PROGRESS

As of 30 November 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	35,350,000	99%	100%	2016
Ibis Hotel Tuzla	Tuzla	200	Under Construction	17,200,000	75%	60%	2016

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

\*\* Including advances paid to the contractor.

**AKFEN REIT**  
**Key Events**

Akfen Gayrimenkul Ticareti ve İnşaat A.Ş. (Akfen GT), Akfen Karaköy Gayrimenkul Yatırımları ve İnşaat A.Ş. (Akfen Karaköy), Russian Property Investment BV (RPI) and Hotel Development Investment BV (HDI) which are subsidiaries of our Company signed loan agreement in total amount of EUR 60.000.000 having 2 years grace period and 10 years maturity with Credit Europe Bank and Fibabanka for refinancing all current loans of our subsidiaries and utilizing in investment expenditures of ongoing projects. EUR 30.000.000 loan by Akfen GT, EUR 15.000.000 loan by Akfen Karaköy, EUR 6.500.000 loan by RPI and EUR 8.500.000 loan by HDI has been used as of 06.11.2015.

1)

Russian Hotel Investment BV (RHI) and Hotel Development Investment BV (RPI) which are our subsidiaries signed loan agreement in total amount of EUR 44.000.000 having 2 years grace period and 10 years maturity with Credit Europe Bank for refinancing of all current loans. EUR 25.250.000 loan by RHI and EUR 18.750.000 loan by HDI has been used as of 17.11.2015.

After the loan usage, all current loans of our Company has been refinanced.