TAV Havalimanları Holding A.Ş.
and its Subsidiaries

Interim Condensed Consolidated Financial Statements
As at and for the Six-Month Period Ended 30 June 2017

21 July 2017
This report contains the "Interim Condensed Consolidated Financial Statements and their explanatory notes" comprising 48 pages.

TAV Havalimanları Holding A.Ş.
and its Subsidiaries

Table of Contents

TAV Havalimanları Holding A.Ş. and its Subsidiaries

Interim Condensed Consolidated Statement of Financial Position
As at 30 June 2017

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

	Notes	Reviewed 30 June 2017	31 December 2016
ASSETS			
Property and equipment		210,069	230,318
Intangible assets		13,233	14,112
Airport operation right	7	1,677,468	1,693,930
Equity-accounted investees	20	76,040	94,371
Goodwill		136,105	135,831
Prepaid concession and rent expenses	8	7,743	9,258
Trade receivables	10	84,961	90,231
Non-current due from related parties	19	2,157	1,752
Other non-current assets		3,248	1,500
Deferred tax assets		35,167	36,993
Total non-current assets		**2,246,191**	**2,308,296**
Inventories		10,206	8,793
Prepaid concession and rent expenses	8	150,616	92,300
Trade receivables	10	157,731	130,141
Due from related parties	19	22,229	20,402
Other receivables and current assets	9	64,174	60,706
Cash and cash equivalents	11	192,664	316,832
Restricted bank balances	12	150,145	163,828
Total current assets		**747,765**	**793,002**
TOTAL ASSETS		**2,993,956**	**3,101,298**

The accompanying notes form an integral part of these consolidated financial statements.

TAV Havalimanları Holding A.Ş. and its Subsidiaries

Interim Condensed Consolidated Statement of Financial Position (continued)
As at 30 June 2017

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

	Notes	Reviewed 30 June 2017	31 December 2016
EQUITY			
Share capital		162,384	162,384
Share premium		220,286	220,286
Legal reserves		109,690	110,724
Other reserves		(70,240)	(68,449)
Purchase of shares of entities under common control		40,064	40,064
Cash flow hedge reserve		(53,921)	(59,087)
Translation reserves		(31,141)	(33,318)
Retained earnings		429,044	435,499
Total equity attributable to equity holders of the Company		**806,166**	**808,103**
Non-controlling interests	20	(1,364)	(1,011)
Total Equity		**804,802**	**807,092**
LIABILITIES			
Loans and borrowings	14	541,661	674,244
Reserve for employee severance indemnity		23,398	21,370
Derivative financial instruments	16	39,434	49,188
Deferred income		30,021	36,181
Other payables	15	564,735	598,101
Deferred tax liabilities		18,840	14,976
Total non-current liabilities		**1,218,089**	**1,394,060**
Bank overdraft	11	3,124	1,483
Loans and borrowings	14	627,826	566,301
Trade payables		44,255	56,051
Due to related parties	19	5,684	2,880
Derivative financial instruments	16	4,079	-
Current tax liabilities	6	14,652	23,146
Other payables	15	250,737	229,875
Provisions		7,252	6,790
Deferred income		13,456	13,620
Total current liabilities		**971,065**	**900,146**
Total Liabilities		**2,189,154**	**2,294,206**
TOTAL EQUITY AND LIABILITIES		**2,993,956**	**3,101,298**

The accompanying notes form an integral part of these consolidated financial statements.

TAV Havalimanları Holding A.Ş. and its Subsidiaries

Interim Condensed Consolidated Statement of Comprehensive Income
For the Six-Month Period Ended 30 June 2017

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

	Notes	Reviewed 1 January- 30 June 2017	1 April- 30 June 2017	Reviewed 1 January- 30 June 2016	1 April- 30 June 2016
Construction revenue		13,464	7,584	56	(1,970)
Operating revenue		470,019	266,951	462,724	253,542
Other operating income		32,456	15,249	32,994	16,604
Construction expenditure		(13,464)	(7,584)	(56)	1,970
Cost of catering inventory sold		(19,687)	(9,932)	(28,221)	(15,291)
Cost of services rendered		(33,300)	(20,230)	(27,265)	(16,680)
Personnel expenses		(120,377)	(62,752)	(126,732)	(62,815)
Concession and rent expenses		(79,917)	(40,583)	(72,793)	(36,820)
Depreciation and amortisation expenses		(58,842)	(29,212)	(49,570)	(25,258)
Other operating expenses		(56,513)	(28,412)	(61,604)	(31,934)
Share of profit of equity-accounted investees, net of tax	20	637	2,303	8,525	5,133
Operating profit		**134,476**	**93,382**	**138,058**	**86,481**
Finance income		4,615	2,498	6,537	1,532
Finance costs		(47,394)	(27,693)	(74,963)	(40,706)
Net finance costs		**(42,779)**	**(25,195)**	**(68,426)**	**(39,174)**
Profit before tax		**91,697**	**68,187**	**69,632**	**47,307**
Tax expense	6	(30,167)	(16,489)	(48,144)	(38,012)
Profit for the period		**61,530**	**51,698**	**21,488**	**9,295**
Other comprehensive income					
Items that will not be reclassified to profit or loss:					
Defined benefit obligation actuarial differences		(2,468)	(3,595)	(429)	700
Defined benefit obligation actuarial differences from equity accounted investees		(262)	798	58	(230)
Tax on defined benefit obligation actuarial differences		494	719	86	(140)
Tax on defined benefit obligation actuarial differences from equity accounted investees		51	(164)	(12)	50
Total items that will not be reclassified to profit or loss		**(2,185)**	**(2,242)**	**(297)**	**380**
Items that are or may be reclassified subsequently to profit or loss:					
Effective portion of changes in fair value of cash flow hedges		14,444	9,889	(30,369)	(11,752)
Effective portion of changes in fair value of cash flow hedges from equity accounted investees		(1,202)	(695)	1,174	1,339
Portion of cash flow hedges charged to profit or loss		(6,046)	(6,046)	23,766	14,491
Foreign currency translation differences for foreign operations		7,544	(2,737)	476	2,954
Foreign currency translation differences for foreign operations from equity accounted investees		(6,532)	(12)	(2,945)	(2,865)
Tax on cash flow hedge reserves		(1,017)	(437)	2,990	695
Tax on cash flow hedge reserves from equity accounted investees		79	46	(78)	(89)
Total items that are or may be reclassified subsequently to profit or loss		**7,270**	**8**	**(4,986)**	**4,773**
Other comprehensive income for the period, net of tax		**5,085**	**(2,234)**	**(5,283)**	**5,153**
Total comprehensive income for the period		**66,615**	**49,464**	**16,205**	**14,448**

The accompanying notes form an integral part of these consolidated financial statements.

Interim Condensed Consolidated Statement of Comprehensive Income (continued)
For the Six-Month Period Ended 30 June 2017

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

	Notes	Reviewed 1 January- 30 June 2017	1 April- 30 June 2017	Reviewed 1 January- 30 June 2016	1 April- 30 June 2016
Profit attributable to:					
Owners of the Company		59,996	48,298	31,552	16,910
Non-controlling interest		1,534	3,400	(10,064)	(7,615)
Profit for the period		**61,530**	**51,698**	**21,488**	**9,295**
Total comprehensive income attributable to:					
Owners of the Company		63,483	46,106	24,996	20,918
Non-controlling interest		3,132	3,358	(8,791)	(6,470)
Total comprehensive income for the period		**66,615**	**49,464**	**16,205**	**14,448**
Weighted average number of shares outstanding		**363,281,250**	**363,281,250**	**363,281,250**	**363,281,250**
Basic and diluted earnings per share	13	**0.17**	**0.13**	**0.09**	**0.05**

TAV Havalimanları Holding A.Ş. and its Subsidiaries

Interim Condensed Consolidated Statement of Changes in Equity
For the Six-Month Period Ended 30 June 2017

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

	Attributable to owners of the Company											
	Share Capital	Share Premium	Legal Reserves	Other Reserves	Revaluation Surplus	Purchase of Shares of Entities Under Common Control	Cash Flow Hedge Reserve	Translation Reserves	Retained Earnings	Total	Non-Controlling Interests	Total Equity
Balance at 1 January 2016	**162,384**	**220,286**	**114,735**	**(60,762)**	**273**	**40,064**	**(65,476)**	**(20,949)**	**417,026**	**807,581**	**5,852**	**813,433**
Total comprehensive income for the period												
Profit for the period	-	-	-	-	-	-	-	-	31,552	31,552	(10,064)	21,488
Other comprehensive income												
Revaluation of intangible assets	-	-	-	-	(171)	-	-	(34)	205	-	-	-
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	-	-	-	-	(3,581)	-	-	(3,581)	1,064	(2,517)
Defined benefit obligation actuarial differences, net of tax	-	-	-	-	-	-	-	-	(186)	(186)	(111)	(297)
Foreign currency translation differences for foreign operations	-	-	-	-	-	-	-	(2,789)	-	(2,789)	320	(2,469)
Total other comprehensive income	-	-	-	-	(171)	-	(3,581)	(2,823)	19	(6,556)	1,273	(5,283)
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**(171)**	**-**	**(3,581)**	**(2,823)**	**31,571**	**24,996**	**(8,791)**	**16,205**
Transactions with owners of the Company, recognised directly in equity												
Contributions by and distributions to owners of the Company												
Dividend distributions	-	-	-	-	-	-	-	-	(107,997)	(107,997)	(5,877)	(113,874)
Change in non-controlling interest (Note 14)	-	-	-	(5,752)	-	-	-	-	-	(5,752)	5,653	(99)
Total transactions with owners of the Company	**-**	**-**	**-**	**(5,752)**	**-**	**-**	**-**	**-**	**(107,997)**	**(113,749)**	**(224)**	**(113,973)**
Transfers	-	-	(4,018)	-	-	-	-	-	4,018	-	-	-
Balance at 30 June 2016	**162,384**	**220,286**	**110,717**	**(66,514)**	**102**	**40,064**	**(69,057)**	**(23,772)**	**344,618**	**718,828**	**(3,163)**	**715,665**
Balance at 1 January 2017	**162,384**	**220,286**	**110,724**	**(68,449)**	**-**	**40,064**	**(59,087)**	**(33,318)**	**435,499**	**808,103**	**(1,011)**	**807,092**
Total comprehensive income for the period												
Profit for the period	-	-	-	-	-	-	-	-	59,996	59,996	1,534	61,530
Other comprehensive income												
Revaluation of intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	-	-	-	-	5,166	-	-	5,166	1,092	6,258
Defined benefit obligation actuarial differences, net of tax	-	-	-	-	-	-	-	-	(2,070)	(2,070)	(115)	(2,185)
Foreign currency translation differences for foreign operations	-	-	(1,786)	-	-	-	-	2,177	-	391	621	1,012
Total other comprehensive income	-	-	(1,786)	-	-	-	5,166	2,177	(2,070)	3,487	1,598	5,085
Total comprehensive income for the period	**-**	**-**	**(1,786)**	**-**	**-**	**-**	**5,166**	**2,177**	**57,926**	**63,483**	**3,132**	**66,615**
Transactions with owners of the Company, recognised directly in equity												
Contributions by and distributions to owners of the Company												
Dividend distributions	-	-	-	-	-	-	-	-	(63,629)	(63,629)	(5,128)	(68,757)
Change in non-controlling interest (Note 14)	-	-	-	(1,791)	-	-	-	-	-	(1,791)	1,643	(148)
Total transactions with owners of the Company	**-**	**-**	**-**	**(1,791)**	**-**	**-**	**-**	**-**	**(63,629)**	**(65,420)**	**(3,485)**	**(68,905)**
Transfers	-	-	752	-	-	-	-	-	(752)	-	-	-
Balance at 30 June 2017	**162,384**	**220,286**	**109,690**	**(70,240)**	**-**	**40,064**	**(53,921)**	**(31,141)**	**429,044**	**806,166**	**(1,364)**	**804,802**

The accompanying notes form an integral part of these consolidated financial statements.

Interim Condensed Consolidated Statement of Cash Flows
For the Six-Month Period Ended 30 June 2017

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

	Notes	Reviewed 1 January- 30 June 2017	Reviewed 1 January- 30 June 2016
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the period		**61,530**	**21,488**
Adjustments for:			
Amortisation of airport operation right	7	30,978	29,711
Depreciation of property and equipment		25,665	17,644
Amortisation of intangible assets		2,199	2,217
Concession and rent expenses		79,917	72,793
Provision for employee severance indemnity		2,983	3,044
Provision for doubtful receivables		371	491
Discount on receivables and payables, net		(98)	(131)
Gain / (Loss) on sale of property and equipment		138	(7)
Provision set for unused vacation		909	1,064
Interest income		(4,615)	(3,691)
Interest expense on financial liabilities		30,919	53,713
Tax expense	6	30,167	48,144
Unwinding of discount on concession receivable and payable		11,369	11,737
Share of profit of equity-accounted investees, net of tax	20	(637)	(8,525)
Unrealised foreign exchange differences on statement of financial position items		(2,305)	(17,666)
Cash flows from operating activities		**269,490**	**232,026**
Change in current trade receivables		(27,686)	(32,854)
Change in non-current trade receivables		11,012	10,431
Change in inventories		(1,435)	(147)
Change in due from related parties		(2,232)	6,346
Change in restricted bank balances		8,942	286,917
Change in other receivables and assets		(605)	(15,256)
Change in trade payables		(11,796)	(960)
Change in due to related parties		2,804	(2,835)
Change in other payables and provisions		(38,912)	(20,850)
Cash provided from operations		**209,582**	**462,818**
Income taxes paid	6	(33,555)	(21,910)
Interest paid		(17,355)	(23,316)
Retirement benefits paid		(2,111)	(1,997)
Additions to prepaid concession and rent expenses	8	(134,138)	(130,260)
Dividends from equity-accounted investees		18,677	23,371
Net cash provided from operating activities		**41,100**	**308,706**

The accompanying notes form an integral part of these consolidated financial statements.

Interim Condensed Consolidated Statement of Cash Flows
For the Six-Month Period Ended 30 June 2017

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

	Notes	Reviewed 1 January- 30 June 2017	Reviewed 1 January- 30 June 2016
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		4,740	2,733
Proceeds from sale of property, equipment and intangible assets		468	5,776
Acquisition of property and equipment		(9,307)	(40,714)
Additions to airport operation right	7	(13,316)	(14,758)
Acquisition of intangible assets		(714)	(649)
Net cash used in investing activities		**(18,129)**	**(47,612)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		28,100	260,358
Repayment of borrowings		(100,097)	(382,976)
Dividends paid		(68,757)	(113,874)
Cash inflows and outflows from derivative instruments		(6,046)	(10,307)
Change in finance lease liabilities		(1,980)	(1,507)
Net cash used in financing activities		**(148,780)**	**(248,306)**
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		**(125,809)**	**12,788**
CASH AND CASH EQUIVALENTS AT 1 JANUARY	11	**315,349**	**211,666**
CASH AND CASH EQUIVALENTS AT 30 JUNE	11	**189,540**	**224,454**

The accompanying notes form an integral part of these consolidated financial statements.

Notes to the interim condensed consolidated financial statements

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

1. REPORTING ENTITY

TAV Havalimanları Holding A.Ş. ("TAV", "TAV Holding" or "the Company") was established in 1997 under the name of Tepe Akfen Vie Yatırım Yapım ve İşletme A.Ş. in Turkey for the purpose of reconstructing the İstanbul Atatürk Airport (International Lines Building) and operating it for a limited period of 66 months. On 7 August 2006, the Company's name has been changed to TAV Havalimanları Holding A.Ş.. The address of the Company's registered office is İstanbul Atatürk Havalimanı Dış Hatlar Terminali 34149 Yeşilköy, İstanbul, Turkey.

The Company is listed in Borsa İstanbul since 23 February 2007 and the Company's shares are traded as "TAVHL".

The interim condensed consolidated financial statements of the Company as at and for the six-month period ended 30 June 2017 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities") and the Group's interests in joint ventures. Changes in ownership interest percentages of the Company's subsidiaries since 31 December 2016 are as follows:

			30 June 2017		31 December 2016	
Name of Subsidiary	**Principal Activity**	**Place of operation**	**Ownership interest %**	**Voting power held %**	**Ownership interest %**	**Voting power held %**
UTB Lokum Şeker Gıda San, ve Tic. A Ş. Food and Beverage ("BTU Lokum") Services (*)	Food and Beverage Services	Turkey	56.67	85.00	33.99	51.00
UTB Gıda Satış ve Pas. AŞ, ("BTU Gıda") (**)	Food and Beverage Services	Turkey	46.66	70.00	26.66	40.00

Changes in ownership interest percentages of the Company's joint venture since 31 December 2016 are as follows:

			30 June 2017		31 December 2016	
Name of Joint Venture	**Principal Activity**	**Place of operation**	**Ownership interest %**	**Voting power held %**	**Ownership interest %**	**Voting power held %**
Primeclass Pasifico JSV. ("TAV İşletme Chile")	Lounge Services	Chile	50.00	50.00	-	-
TAV Operation Services Saudi Arabia LLC. ("TAV İşletme Saudi")	Lounge Services	Saudi Arabia	66.66	66.66	-	-

(*) As of 26 May 2017, TAV Holding acquired 22.68% of shares of BTU Lokum in return of EUR 900. After the share transfer, the share of BTU Lokum increased from 33.99% to 56.67%. BTU Lokum is fully consolidated with the non-controlling interest's ownership reflected as a non-controlling interest as of 30 June 2017.

(**) As of 26 May 2017, TAV Holding acquired 20.0% of shares of BTU Gıda in return of EUR 100. After the share transfer, the share of BTU Gıda increased from 26.66% to 46.66%. BTU Gıda is fully consolidated with the non-controlling interest's ownership reflected as a non-controlling interest as of 30 June 2017.

1. REPORTING ENTITY

Description of Operations

The Group and its joint ventures' core businesses are related to the construction of terminal buildings, management and operation of terminals or airports. TAV Esenboğa enters into Build Operate Terminate agreements ("BOT") with Devlet Hava Meydanları İşletmesi Genel Müdürlüğü (General Directorate of State Airports Authority) ("DHMİ"), TAV Tbilisi with JSC Tbilisi International Airport ("JSC"), TAV Batumi with Georgian Ministry of Economic Development ("GMED"), TAV Tunisia with Tunisian Airport Authority (Office De L'Aviation Civil Et Des Aeroports) ("OACA"), Ministry of Transportation ("MOT") and TAV Macedonia with Macedonian Ministry of Transportation and Communication ("MOTC"). Tibah Development enters into Build – Transfer – Operate ("BTO") Agreement with General Authority of Civil Aviation ("GACA"). TAV Ege, TAV Milas Bodrum and TAV Gazipaşa enter into concession agreements with DHMİ, Medunarodna Zracna Luka Zagreb D.D. ("MZLZ") with Republic of Croatia. Under these agreements, the Group agrees to build or renovate or manage an airport or terminal within a specified period of time and in exchange receives the right to operate the airport and terminal for a pre-established period of time. At the end of the contracts, the Group will transfer the ownership of the terminal buildings or airports back to the related public authority, DHMİ, JSC, GMED, OACA, MOT, MOTC, GACA and Republic of Croatia accordingly. Group also signs separate contracts related with the airport operations. On 3 June 2005, TAV İstanbul signed a rent agreement to operate Atatürk International Airport Terminal ("AIAT") and Atatürk Domestic Airport Terminal ("ADAT") for 15.5 years until year 2021. According to the concession agreement dated 16 December 2011, TAV Ege started renting and operating the international terminal of İzmir Adnan Menderes Airport at 10 January 2015.

A tender was held on 3 May 2013 for construction of a new airport in İstanbul. It has been announced that the winning bid for the tender as per the tender specifications of İstanbul's New Airport Project to be undertaken by BOT model within the framework of the procedures and principles defined by DHMI as per the law no. 3996 and cabinet decree no. 2011/1807 was offered by a venture other than the Company. The opening of 3rd airport may lead to closure of Atatürk Airport at a date earlier than the concession contract end date, which may in turn lead to change in expected amortization period of prepaid rent and leasehold assets. However, TAV Holding and TAV İstanbul received a formal letter issued by DHMI dated 22 January 2013, stating that DHMI will fully reimburse the Company for all loss of profit over the remaining period of its existing rent period that may be incurred in case that another airport is opened for operation in İstanbul before the end of the rent period of TAV İstanbul. In addition, it is stated that independent expert companies will be consulted for the computation of the total reimbursement amount. Accordingly the management continues to use the concession contract period end date of 2021 as the amortization date of prepaid rent and leasehold improvements, considering the uncertainty with respect to exact closure date of Atatürk Airport and that the carrying values of assets as of closure date, in case earlier than the end of concession period, are recoverable.

Seasonality of Operations

Due to seasonal nature of operations, higher revenues and operating profits are usually expected in the second half of the year rather than in the first six months. Higher sales during the period June to August are mainly attributed to the increased number of passengers during the peak season.

The Group employs 17,156 (average: 16,516) people as at 30 June 2017 (31 December 2016: 15,624 (average: 15,791) people).

2. BASIS OF PREPARATION

a) <u>Statement of compliance</u>

The interim condensed consolidated financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2016.

The interim condensed consolidated financial statements were authorized for issue by the Board of Directors on 21 July 2017. The power to change the interim condensed consolidated financial statements after the issuing of the interim condensed consolidated financial statements is held by the General Assembly.

b) <u>Basis of measurement</u>

The interim condensed consolidated financial statements have been prepared on the historical cost basis except for derivative financial instruments which are measured at fair value.

The methods used to measure fair values are discussed further in Note 4.

c) <u>Functional and presentation currency</u>

TAV Holding and its subsidiaries operating in Turkey maintain their books of account and prepare their statutory financial statements in Turkish Lira ("TRL") in accordance with the accounting principles as promulgated by the Turkish Commercial Code and tax legislation.

Functional currency of most of the Group companies operating in Turkey and other countries are determined to be Euro, different from their country's currency according to IAS 21. Accordingly functional currency of TAV Holding as a parent company has been determined as Euro. The accompanying consolidated financial statements are presented in EUR, which is the functional currency of TAV Group.

All financial information presented in EUR has been rounded to the nearest thousands, except when otherwise indicated.

The functional currencies of the Group entities and joint ventures are consistent with the Group's interim consolidated financial statements for the period ended 30 June 2017.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

2. BASIS OF PREPARATION (continued)

The foreign currency exchange rates as of the related periods are as follows:

	1 Euro Equivalent	
	30 June 2017	31 December 2016
TRL	4.0030	3.7099
GEL	2.7444	2.7940
TND	2.7740	2.4301
MKD	61.7033	61.4812
USD	1.1414	1.0542
SAR	4.2802	3.9532
HRK	7.3844	7.5116
KES	118.1822	111.6044
OMR	0.4387	0.4306

3. CHANGES IN ACCOUNTING POLICIES

The new standards, amendments and interpretations

The accounting policies adopted in preparation of the interim condensed consolidated financial statements as at 30 June 2017 are consistent with those of the previous financial year, except for the adoption of new and amended IFRS and IFRIC interpretations effective as of 1 January 2017. The effects of these standards and interpretations on the Group's financial position and performance have been disclosed in the related paragraphs.

i) The new standards, amendments and interpretations which are effective as at 1 January 2017 are as follows:

IAS 7 Statement of Cash Flows (Amendments)

The IASB issued amendments to IAS 7 'Statement of Cash Flows'. The amendments are intended to clarify IAS 7 to improve information provided to users of financial statements about an entity's financing activities. The improvements to disclosures require companies to provide information about changes in their financing liabilities. These amendments are to be applied for annual periods beginning on or after 1 January 2017 with earlier application permitted. When the Group first applies those amendments, it is not required to provide comparative information for preceding periods. The Group is not required to provide additional disclosures in its condensed interim consolidated financial statements, but will disclose additional information in its annual consolidated financial statements for the year ended 31 December 2017.

IAS 12 Income Taxes: Recognition of Deferred Tax Assets for Unrealised Losses (Amendments)

The IASB issued amendments to IAS 12 Income Taxes. The amendments clarify how to account for deferred tax assets related to debt instruments measured at fair value The amendments clarify the requirements on recognition of deferred tax assets for unrealised losses, to address diversity in practice. These amendments are to be retrospectively applied for annual periods beginning on or after 1 January 2017 with earlier application permitted. However, on initial application of the amendment, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. If the Group applies this relief, it shall disclose that fact. The Group is in the process of assessing the impact of the standard on financial position or performance of the Group.

3. CHANGES IN ACCOUNTING POLICIES (continued)

The new standards, amendments and interpretations (continued)

i) The new standards, amendments and interpretations which are effective as at 1 January 2016 are as follows: (continued)

Annual Improvements to IFRSs - 2014-2016 Cycle

The IASB issued Annual Improvements to IFRS Standards 2014–2016 Cycle, amending the following standards:

IFRS 12 Disclosure of Interests in Other Entities: This amendment clarifies that an entity is not required to disclose summarised financial information for interests in subsidiaries, associates or joint ventures that is classified, or included in a disposal group that is classified, as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. These amendments are to be applied for annual periods beginning on or after 1 January 2017.

ii) Standards issued but not yet effective and not early adopted

Standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of issuance of the interim condensed financial statements are as follows. The Group will make the necessary changes if not indicated otherwise, which will be affecting the consolidated financial statements and disclosures, when the new standards and interpretations become effective.

IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments)

Amendments issued to IFRS 10 and IAS 28, to address the acknowledged inconsistency between the requirements in IFRS 10 and IAS 28 in dealing with the loss of control of a subsidiary that is contributed to an associate or a joint venture, to clarify that an investor recognises a full gain or loss on the sale or contribution of assets that constitute a business, as defined in IFRS 3, between an investor and its associate or joint venture. The gain or loss resulting from the re-measurement at fair value of an investment retained in a former subsidiary should be recognised only to the extent of unrelated investors' interests in that former subsidiary. In December 2015, the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. Early application of the amendments is still permitted. An entity shall apply those amendments prospectively. The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

IFRS 15 Revenue from Contracts with Customers

The IASB issued IFRS 15 Revenue from Contracts with Customers. The new five-step model in the standard provides the recognition and measurement requirements of revenue. The standard applies to revenue from contracts with customers and provides a model for the sale of some non-financial assets that are not an output of the entity's ordinary activities (e.g., the sale of property, plant and equipment or intangibles). IFRS 15 effective date is 1 January 2018, with early adoption permitted. Entities will transition to the new standard following either a full retrospective approach or a modified retrospective approach. The modified retrospective approach would allow the standard to be applied beginning with the current period, with no restatement of the comparative periods, but additional disclosures are required. The Group is in the process of assessing the impact of the standard on financial position or performance of the Group.

Clarifications to IFRS 15 'Revenue from Contracts with Customers' (Amendment)

IASB has published final clarifications to IFRS 15 in April 2016. The amendments address three of the five topics identified (identifying performance obligations, principal versus agent considerations, and licensing) and provide some transition relief for modified contracts and completed contracts. The amendments are effective for annual reporting periods beginning on or after 1 January 2018. Earlier application is permitted. The Group is in the process of assessing the impact of the standard on financial position or performance of the Group.

3. CHANGES IN ACCOUNTING POLICIES (continued)

The new standards, amendments and interpretations (continued)

ii) Standards issued but not yet effective and not early adopted (continued)

IFRS 9 Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments. The final version of IFRS 9 brings together all three aspects of the accounting for financial instruments project: classification and measurement, impairment and hedge accounting. IFRS 9 is built on a logical, single classification and measurement approach for financial assets that reflects the business model in which they are managed and their cash flow characteristics. Built upon this is a forward-looking expected credit loss model that will result in more timely recognition of loan losses and is a single model that is applicable to all financial instruments subject to impairment accounting. In addition, IFRS 9 addresses the so-called ‘own credit’ issue, whereby banks and others book gains through profit or loss as a result of the value of their own debt falling due to a decrease in credit worthiness when they have elected to measure that debt at fair value. The Standard also includes an improved hedge accounting model to better link the economics of risk management with its accounting treatment. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted by applying all requirements of the standard. Alternatively, entities may elect to early apply only the requirements for the presentation of gains and losses on financial liabilities designated as FVTPL without applying the other requirements in the standard. The Group is in the process of assessing the impact of the standard on financial position or performance of the Group.

IFRS 16 Leases

The IASB has published a new standard, IFRS 16 'Leases'. The new standard brings most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and finance leases. Lessor accounting however remains largely unchanged and the distinction between operating and finance leases is retained. IFRS 16 supersedes IAS 17 'Leases' and related interpretations and is effective for periods beginning on or after January 1, 2019, with earlier adoption permitted if IFRS 15 'Revenue from Contracts with Customers' has also been applied. The Group is in the process of assessing the impact of the standard on financial position or performance of the Group.

IFRS 2 Classification and Measurement of Share-based Payment Transactions (Amendments)

The IASB issued amendments to IFRS 2 Share-based Payment, clarifying how to account for certain types of share-based payment transactions. The amendments, provide requirements on the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments; share-based payment transactions with a net settlement feature for withholding tax obligations; and a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled.

These amendments are to be applied for annual periods beginning on or after 1 January 2018. Earlier application is permitted. The Group is in the process of assessing the impact of the standard on financial position or performance of the Group.

3. CHANGES IN ACCOUNTING POLICIES (continued)

The new standards, amendments and interpretations (continued)

ii) Standards issued but not yet effective and not early adopted (continued)

IFRS 4 Insurance Contracts (Amendments)

In September 2016, the IASB issued amendments to IFRS 4 Insurance Contracts. The amendments introduce two approaches: an overlay approach and a deferral approach. The amended Standard will give all companies that issue insurance contracts the option to recognise in other comprehensive income, rather than profit or loss, the volatility that could arise when IFRS 9 Financial instruments is applied before the new insurance contracts Standard is issued; and give companies whose activities are predominantly connected with insurance an optional temporary exemption from applying IFRS 9 Financial instruments until 2021. The entities that defer the application of IFRS 9 Financial instruments will continue to apply the existing financial instruments Standard—IAS 39.

These amendments are to be applied for annual periods beginning on or after 1 January 2018. Earlier application is permitted. The standard is not applicable to the Group.

IAS 40 Investment Property: Transfers of Investment Property (Amendments)

The IASB issued amendments to IAS 40 'Investment Property '. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. These amendments are to be applied for annual periods beginning on or after 1 January 2018. Earlier application is permitted. The Group is in the process of assessing the impact of the standard on financial position or performance of the Group.

IFRIC 22 Foreign Currency Transactions and Advance Consideration

The interpretation clarifies the accounting for transactions that include the receipt or payment of advance consideration in a foreign currency.

The Interpretation states that the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration. An entity is not required to apply this Interpretation to income taxes; or insurance contracts (including reinsurance contracts) it issues or reinsurance contracts that it holds.

The interpretation is effective for annual reporting periods beginning on or after 1 January 2018. Earlier application is permitted. The Group is in the process of assessing the impact of the standard on financial position or performance of the Group.

Annual Improvements to IFRSs - 2014-2016 Cycle

The IASB issued Annual Improvements to IFRS Standards 2014–2016 Cycle, amending the following standards:

IFRS 1 First-time Adoption of International Financial Reporting Standards: This amendment deletes the short-term exemptions about some IFRS 7 disclosures, IAS 19 transition provisions and IFRS 10 Investment Entities. These amendments are to be applied for annual periods beginning on or after 1 January 2018.

IAS 28 Investments in Associates and Joint Ventures: This amendment clarifies that the election to measure an investment in an associate or a joint venture held by, or indirectly through, a venture capital organisation or other qualifying entity at fair value through profit or loss applying IFRS 9 Financial Instruments is available for each associate or joint venture, at the initial recognition of the associate or joint venture. These amendments are to be applied for annual periods beginning on or after 1 January 2018. Earlier application is permitted. The Group is in the process of assessing the impact of the standard on financial position or performance of the Group.

3. CHANGES IN ACCOUNTING POLICIES (continued)

The new standards, amendments and interpretations (continued)

ii) Standards issued but not yet effective and not early adopted (continued)

IFRIC 23 Uncertainty over Income Tax Treatments

The interpretation clarifies how to apply the recognition and measurement requirements in "IAS 12 Income Taxes" when there is uncertainty over income tax treatments.

When there is uncertainty over income tax treatments, the interpretation addresses: whether an entity considers uncertain tax treatments separately; the assumptions an entity makes about the examination of tax treatments by taxation authorities; how an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates; and how an entity considers changes in facts and circumstances.

An entity shall apply this Interpretation for annual reporting periods beginning on or after 1 January 2019. Earlier application is permitted. If an entity applies this Interpretation for an earlier period, it shall disclose that fact. On initial application, an entity shall apply the interpretation either retrospectively applying IAS 8, or retrospectively with the cumulative effect of initially applying the Interpretation recognised at the date of initial application.

The Group is in the process of assessing the impact of the standard on financial position or performance of the Group.

IFRS 17 - The new Standard for insurance contracts

The IASB issued IFRS 17, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. IFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. IFRS 17 will become effective for annual reporting periods beginning on or after 1 January 2021; early application is permitted.

4. DETERMINATION OF FAIR VALUES

Fair value determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

i) Property and equipment:

The fair value of property and equipment recognised as a result of a business combination is the estimated amount for which a property could be exchanged on the date of acquisition between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably and willingly. The fair value of items of equipment, fixtures and fittings is based on the market approach and cost approaches using quoted market prices for similar items when available and depreciated replacement cost when appropriate. Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence.

ii) Intangible assets:

The fair value of intangible assets is based on the discounted cash flows expected to be derived from the use and eventual sale of the assets.

The fair values of customer relationship and DHMİ licence acquired in a business combination are determined according to the excess earnings method and depreciated replacement cost approach, respectively.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

4. DETERMINATION OF FAIR VALUES (continued)

The airport operation right as an intangible asset is initially recognised at cost, being the fair value of consideration transferred to acquire the asset, which is the fair value of the consideration received or receivable for the construction services delivered less any financial asset recognised. The fair value of the consideration received or receivable for the construction services delivered includes a mark-up on the actual costs incurred to reflect a margin consistent with other similar construction work. Mark-up rates for TAV Esenboğa, TAV Gazipaşa, TAV Macedonia and TAV Ege are 0%, TAV Tbilisi and TAV Tunisia are 15% and %5 respectively.

iii) Trade and other receivables:

The fair value of trade and other receivables is estimated as the present value of future cash flows discounted at the market rate of interest at the reporting date. Short-term receivables with no stated interest rate are measured at the original invoice amount if the effect of discounting is immaterial. This fair value is determined for disclosure purposes or when acquired in a business combination.

iv) Derivatives:

The fair value is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate (based on government bonds) or option pricing models.

The fair value of interest rate swaps is based on broker quotes. Those quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date.

Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group entity and counterparty when appropriate.

v) Other non-derivative financial liabilities:

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

Fair value hierarchy:

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

• Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
• Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
• Level 3: unobservable inputs for the asset or liability.

30 June 2017	**Level 1**	**Level 2**	**Level 3**
Trade receivables	-	242,692	-
Loans and borrowings	-	(1,169,098)	-
Other payables	-	(801,909)	-
Interest rate swap	-	(39,434)	-
Forward	-	(4,079)	-

31 December 2016	**Level 1**	**Level 2**	**Level 3**
Trade receivables	-	220,372	-
Loans and borrowings	-	(1,240,545)	-
Other payables	-	(820,009)	-
Interest rate swap	-	(49,188)	-

5. OPERATING SEGMENTS

Operating Segments:

For management purposes, the Group and its joint ventures are currently organised into four reportable segments regarding to their activities; such as Terminal Operations, Catering Operations, Duty Free Operations, Ground Handling and Bus Operations. These reportable segments are the basis on which the Group reports its primary segment information; the principal activities of each are as follows:

- ***Terminal operations:*** Operating terminal buildings, the car park and the general aviation terminal, the Group companies included in this segment are TAV İstanbul, TAV Esenboğa, TAV Ege, TAV Milas Bodrum, TAV Tunisia, TAV Tbilisi, TAV Batumi, Batumi Airport LLC, TAV Macedonia, TAV Gazipaşa, TAV Uluslararası Yatırım, Tibah Development, Tibah Operation, MZLZ, MZLZ Operation and AMS. TAV Tbilisi, TAV Batumi, TAV Tunisia, TAV Macedonia, TAV Gazipaşa, and MZLZ also include the ground handling operations, and parking-apron-taxi ways as they are not outsourced and are run by the airport.

- ***Catering operations:*** Managing all food and beverage operations of the terminal, both for the passengers and the terminal personnel, which is run by BTA, BTA Georgia, BTA Tunisia, BTA Macedonia, Cakes & Bakes, BTA Tedarik, BTA Danışmanlık, BTA Latvia, BTA Denizyolları, BTU Lokum, BTU Gıda, BTA Medinah, BS Kahve, BTA Uluslararası Yiyecek and BTA Erus, BTA MZLZ.

- ***Duty free operations:*** Sales of duty free goods for the international arriving and departing passengers. The Group operates its duty free services through ATU, ATU Georgia, ATU Tunisia, ATU Macedonia, ATU Latvia, ATU Tunisia Duty Free, Saudi Medinah, ATU Mağazacılık, ATU Uluslararası Mağazacılık and ATU Americas.

- ***Ground handling and bus operations:*** Providing traffic, ramp, flight operation, cargo and all other ground handling services for domestic and international flights under the Civil Aviation Legislation License. The Group operates the ground handling services through HAVAŞ, HAVAŞ Europe, HAVAŞ Europe Helsinki, HAVAŞ Europe Stockholm, HAVAŞ Germany, TAV Gözen, TGS and SAUDI HAVAŞ. HAVAŞ, HYT İzmir, HYT Muğla and HYT Samsun provides bus operations.

- ***Other:*** Providing lounge services, IT, security and education services, airline taxi services, the Group companies included in this segment are TAV Holding, TAV Latvia, TAV İşletme, TAV İşletme Georgia, TAV İşletme Tunisia, TAV İşletme Tunisia Plus, TAV İşletme Macedonia, TAV İşletme Germany, TAV İşletme Latvia, TAV İşletme Kenya, TAV İşletme America, TAV İşletme Washington, TAV İşletme Chile, TAV İşletme Saudi, TAV Havacılık, TAV Bilişim, TAV IT Saudi, TAV Güvenlik, TAV Akademi, TAV Aviation Minds, Aviator Netherlands, ZAIC-A and ATU Holdings.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment operating profit, as included in the internal management reports that are reviewed by the Group's Management. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on arm's length basis.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

5. SEGMENT REPORTING (continued)

Operating Segments (continued)

	Six-month period ended 30 June											
	Terminal Operations		Catering Operations		Duty Free Operations		Ground Handling and Bus Operations		Other Operations		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Total external revenues	304,179	290,964	54,684	66,501	151,927	154,688	119,397	130,165	37,999	27,284	668,186	669,602
Inter-segment revenue	78,193	81,277	10,939	12,032	-	4	-	-	15,249	14,737	104,381	108,050
Construction revenue	13,464	56	-	-	-	-	-	-	-	-	13,464	56
Construction expenditure	(13,464)	(56)	-	-	-	-	-	-	-	-	(13,464)	(56)
Interest income	3,291	1,885	75	156	575	-	239	316	5,405	6,134	9,585	8,491
Interest expense	(38,816)	(57,999)	(738)	(430)	-	(167)	(636)	(1,015)	(1,450)	(5,144)	(41,640)	(64,755)
Depreciation and amortisation	(58,150)	(49,342)	(2,880)	(2,776)	(2,255)	(2,047)	(6,654)	(7,144)	(2,606)	(1,976)	(72,545)	(63,285)
Reportable segment operating profit	112,654	127,456	2,373	3,626	10,140	4,359	12,805	12,536	8,399	(558)	146,371	147,419
Capital expenditure	15,303	55,037	4,848	4,371	2,083	4,221	1,883	1,559	1,829	2,232	25,946	67,420

	As at 30 June 2017 and 31 December 2016											
	Terminal Operations		Catering Operations		Duty Free Operations		Ground Handling and Bus Operations		Other Operations		Total	
	30 June 2017	31 December 2016	30 June 2017	31 December 2016	30 June 2017	31 December 2016	30 June 2017	31 December 2016	30 June 2017	31 December 2016	30 June 2017	31 December 2016
Reportable segment assets	2,780,515	2,911,895	55,349	51,999	74,222	74,039	150,394	167,457	329,884	326,219	3,390,364	3,531,609
Reportable segment liabilities	2,339,242	2,424,489	42,633	40,370	67,883	63,223	73,026	98,583	75,722	109,823	2,598,506	2,736,488

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

5. SEGMENT REPORTING (continued)

Operating Segments (continued)

	Three-month period ended 30 June											
	Terminal Operations		**Catering Operations**		**Duty Free Operations**		**Ground Handling and Bus Operations**		**Other Operations**		**Total**	
	2017	**2016**	**2017**	**2016**	**2017**	**2016**	**2017**	**2016**	**2017**	**2016**	**2017**	**2016**
Total external revenues	167,329	155,589	30,038	35,407	84,624	83,525	67,335	69,639	24,522	19,177	373,848	363,337
Inter-segment revenue	44,275	44,102	5,868	6,443	-	-	-	-	8,051	7,672	58,194	58,217
Construction revenue	7,584	(1,970)	-	-	-	-	-	-	-	-	7,584	(1,970)
Construction expenditure	(7,584)	1,970	-	-	-	-	-	-	-	-	(7,584)	1,970
Interest income	1,619	811	43	97	359	-	131	165	2,532	3,005	4,684	4,078
Interest expense	(21,759)	(30,455)	(414)	(240)	-	(151)	(33)	(496)	(593)	(2,392)	(22,799)	(33,734)
Depreciation and amortization	(28,706)	(24,911)	(1,513)	(1,419)	(1,126)	(1,148)	(3,336)	(3,566)	(1,345)	(991)	(36,026)	(32,035)
Reportable segment operating profit	76,430	75,157	1,606	2,874	5,344	3,527	10,503	9,333	5,361	837	99,244	91,728
Capital expenditure	8,146	27,812	3,891	2,718	426	2,906	952	780	335	1,480	13,750	35,696

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

5. OPERATING SEGMENTS (continued)

Reconciliations of reportable segment revenues, profit before tax, assets and liabilities and other material items

Revenues	**1 January-30 June 2017**	**1 April-30 June 2017**	**1 January-30 June 2016**	**1 April-30 June 2016**
Total revenue for reportable segments	732,783	407,053	735,687	392,734
Other revenue	53,248	32,573	42,021	26,849
Elimination of inter-segment revenue	(104,381)	(58,194)	(108,050)	(58,216)
	681,650	**381,432**	**669,658**	**361,367**
Effect of using the equity method for joint ventures	(198,167)	(106,897)	(206,878)	(109,795)
Consolidated revenue	**483,483**	**274,535**	**462,780**	**251,572**

Operating profit	**1 January-30 June 2017**	**1 April-30 June 2017**	**1 January-30 June 2016**	**1 April-30 June 2016**
Segment operating profit	137,972	93,883	147,977	90,891
Other operating profit / (loss)	8,399	5,361	(558)	837
Elimination of inter-segment operating loss	(1,810)	(1,121)	(880)	(254)
	144,561	**98,123**	**146,539**	**91,474**
Effect of using the equity method for joint ventures	(10,085)	(4,741)	(8,481)	(4,993)
Consolidated operating profit	**134,476**	**93,382**	**138,058**	**86,481**
Finance income	4,615	2,498	6,537	1,532
Finance expense	(47,394)	(27,693)	(74,963)	(40,706)
Consolidated profit before tax	**91,697**	**68,187**	**69,632**	**47,307**

Assets	**30 June 2017**	**31 December 2016**
Total assets for reportable segments	3,060,480	3,205,390
Other assets	329,884	326,219
	3,390,364	**3,531,609**
Effect of using the equity method for joint ventures	(396,408)	(430,311)
Consolidated total assets	**2,993,956**	**3,101,298**

Liabilities	**30 June 2017**	**31 December 2016**
Total liabilities for reportable segments	2,522,784	2,626,665
Other liabilities	75,722	109,823
	2,598,506	**2,736,488**
Effect of using the equity method for joint ventures	(409,352)	(442,282)
Consolidated total liabilities	**2,189,154**	**2,294,206**

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

5. OPERATING SEGMENTS (continued)

Interest income	1 January-30 June 2017	1 April-30 June 2017	1 January-30 June 2016	1 April-30 June 2016
Total interest income for reportable segments	4,180	2,152	2,357	1,064
Other interest income	5,405	2,532	6,134	3,005
Elimination of inter-segment interest income	(4,419)	(1,853)	(4,830)	(2,478)
	5,166	**2,831**	**3,661**	**1,591**
Effect of using the equity method for joint ventures	(551)	(333)	30	(25)
Consolidated interest income	**4,615**	**2,498**	**3,691**	**1,566**

Interest expense	1 January-30 June 2017	1 April-30 June 2017	1 January-30 June 2016	1 April-30 June 2016
Total interest expense for reportable segments	(40,190)	(22,206)	(59,611)	(31,333)
Other interest expense	(1,450)	(593)	(5,144)	(2,392)
Elimination of inter-segment interest expense	4,323	1,811	4,662	2,158
	(37,317)	**(20,988)**	**(60,093)**	**(31,567)**
Effect of using the equity method for joint ventures	6,398	2,849	6,380	3,078
Consolidated interest expense	**(30,919)**	**(18,139)**	**(53,713)**	**(28,489)**

Geographical information

The main geographical segments of the Group and its joint ventures are comprised of Turkey, Tunisia, Georgia, and Macedonia.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of revenue. Segment assets are based on the geographical location of the assets.

Revenue	1 January-30 June 2017	1 April-30 June 2017	1 January-30 June 2016	1 April-30 June 2016
Turkey	415,760	235,612	419,076	227,670
Georgia	46,726	26,416	22,366	10,853
Macedonia	10,997	5,970	10,788	5,949
Tunisia	7,092	5,145	8,080	5,757
Other	2,908	1,392	2,470	1,343
Consolidated revenue	**483,483**	**274,535**	**462,780**	**251,572**

Non-current assets	30 June 2017	31 December 2016
Turkey	1,683,465	1,747,572
Tunisia	420,442	428,256
Georgia	80,952	68,820
Macedonia	60,886	63,186
Other	446	462
Consolidated non-current assets	**2,246,191**	**2,308,296**

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

6. TAX EXPENSE

An analysis of the Group's tax expense for the periods ended 30 June 2017 and 2016 are as follows:

Tax recognised in profit or loss

	2017	2016
Current tax expense		
Current year tax expense	25,061	25,826
Adjustments for prior years	-	66
	25,061	25,892
Deferred tax benefit		
Origination and reversal of temporary differences	5,097	2,164
Change in previously recognised investment incentives	23	(773)
Change in previously recognised tax losses	(14)	20,861
	5,106	22,252
Total tax expense	**30,167**	**48,144**

The reported tax expenses for the periods ended 30 June 2017 and 2016 are different than the amounts computed by applying the statutory tax rate to profit before tax of the Group, as shown in the following reconciliation:

	%	1 January-30 June 2017	%	1 January-30 June 2016
Profit for the year		61,530		21,488
Total tax expense		30,167		48,144
Profit before tax		**91,697**		**69,632**
Tax using the Company's domestic tax rate	20	18,339	20	13,926
Tax effects of:				
- nondeductible expenses	-	191	-	(97)
- translation of non-monetary items according to IAS 21	6	5,697	1	422
- change in previously recognised investment incentives	-	23	(1)	(773)
- tax exempt income	(1)	(521)	(1)	(497)
- translation effect on recognised tax losses	-	-	-	(30)
- current year losses for which no deferred tax asset is recognised	9	8,089	11	7,671
- effect of different tax rates for foreign jurisdictions	(1)	(1,199)	-	(278)
- over provided in prior years	-	-	-	66
- change in unrecognized temporary differences	(1)	(777)	40	27,563
- adjustment for equity accounted investees	1	(127)	(2)	(1,705)
- other consolidation adjustments	-	452	1	1,876
Tax expense	**33**	**30,167**	**69**	**48,144**

Corporate tax:

	30 June 2017	31 December 2016
Corporate tax provision	25,061	59,060
Adjustments for prior years	-	61
Add: taxes payable from previous year	23,146	14,933
Less: corporation taxes paid during the year	(33,555)	(50,908)
Current tax liabilities	**14,652**	**23,146**

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

7. AIRPORT OPERATION RIGHT

	İzmir Adnan Menderes International Airport	Tbilisi International Airport	Enfidha International Airport	Antalya Gazipaşa Airport	Skopje International Airport	Milas-Bodrum Airport	Total
Cost							
Balance at 1 January 2016	**773,654**	**77,741**	**519,192**	**45,700**	**86,736**	**490,463**	**1,993,486**
Effect of movements in exchange rates	-	487	-	-	-	-	487
Additions (*)	-	14,758	-	-	-	-	14,758
Balance at 30 June 2016	**773,654**	**92,986**	**519,192**	**45,700**	**86,736**	**490,463**	**2,008,731**
Balance at 1 January 2017	**773,654**	**102,253**	**519,192**	**45,700**	**86,736**	**490,463**	**2,017,998**
Effect of movements in exchange rates	-	1,847	-	-	-	-	1,847
Additions (*)	-	13,316	-	-	-	-	13,316
Balance at 30 June 2017	**773,654**	**117,416**	**519,192**	**45,700**	**86,736**	**490,463**	**2,033,161**

(*) There is no capitalised borrowing cost on airport operation right during 2017 (30 June 2016: None). The capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is 100%.

As at 30 June 2017 additions to airport operation right is related with the construction works at runway and terminal of Tblisi International Airport (30 June 2016: additions to airport operation right is related with the construction works at Tbilisi International Airport).

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

7. AIRPORT OPERATION RIGHT (continued)

	İzmir Adnan Menderes International Airport	Tbilisi International Airport	Enfidha International Airport	Antalya Gazipaşa Airport	Skopje International Airport	Milas-Bodrum Airport	Total
Accumulated amortisation							
Balance at 1 January 2016	**118,500**	**36,321**	**80,861**	**5,505**	**20,360**	**5,036**	**266,583**
Effect of movements in exchange rates	-	173	-	-	-	-	173
Amortisation for the period	11,981	1,811	6,934	1,092	2,335	5,558	29,711
Balance at 30 June 2016	**130,481**	**38,305**	**87,795**	**6,597**	**22,695**	**10,594**	**296,467**
Balance at 1 January 2017	**142,466**	**37,967**	**94,729**	**7,701**	**25,055**	**16,150**	**324,068**
Effect of movements in exchange rates	-	647	-	-	-	-	647
Amortisation for the period	12,612	2,848	6,934	1,086	2,321	5,177	30,978
Balance at 30 June 2017	**155,078**	**41,462**	**101,663**	**8,787**	**27,376**	**21,327**	**355,693**
Carrying amounts							
At 30 June 2016	**643,173**	**54,681**	**431,397**	**39,103**	**64,041**	**479,869**	**1,712,264**
At 31 December 2016	**631,188**	**64,286**	**424,463**	**37,999**	**61,681**	**474,313**	**1,693,930**
At 30 June 2017	**618,576**	**75,954**	**417,529**	**36,913**	**59,360**	**469,136**	**1,677,468**

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

8. PREPAID CONCESSION AND RENT EXPENSES

An analysis of the Group's prepaid rent expenses as at 30 June 2017, 31 December 2016 and 30 June 2016 are as follows:

30 June 2017	**Concession and rent**	**Prepaid development expenditures**	**Total**
Balance at 31 December 2016	**89,211**	**12,347**	**101,558**
Concession and rent payments	134,138	-	134,138
Current period rent expense – TAV İstanbul	(75,811)	(1,526)	(77,337)
Balance at 30 June 2017	**147,538**	**10,821**	**158,359**
Represented as current prepaid concession and rent expense	**147,538**	**3,078**	**150,616**
Represented as non-current prepaid concession and rent expense	**-**	**7,743**	**7,743**

31 December 2016	**Concession and rent**	**Prepaid development expenditures**	**Total**
Balance at 31 December 2015	**101,148**	**15,434**	**116,582**
Concession and rent payments	130,260	-	130,260
Current year rent expense – TAV İstanbul	(142,197)	(3,087)	(145,284)
Balance at 31 December 2016	**89,211**	**12,347**	**101,558**
Represented as current prepaid concession and rent expense	**89,211**	**3,089**	**92,300**
Represented as non-current prepaid concession and rent expense	**-**	**9,258**	**9,258**

30 June 2016	**Concession and rent**	**Prepaid development expenditures**	**Total**
Balance at 31 December 2015	**101,148**	**15,434**	**116,582**
Concession and rent payments	130,260	-	130,260
Current period rent expense – TAV İstanbul	(68,691)	(1,535)	(70,226)
Balance at 30 June 2016	**162,717**	**13,899**	**176,616**
Represented as current prepaid concession and rent expense	**149,316**	**2,834**	**152,150**
Represented as non-current prepaid concession and rent expense	**13,401**	**11,065**	**24,466**

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

9. OTHER RECEIVABLES, CURRENT AND NON-CURRENT ASSETS

At 30 June 2017 and 31 December 2016, other receivables and current assets comprised the following:

Other receivables and current assets	**30 June 2017**	**31 December 2016**
VAT deductible	16,733	16,060
Advances to suppliers	16,708	14,143
Income accruals	12,765	17,540
Prepaid insurance	4,492	1,902
Prepaid taxes and funds	4,395	3,377
Other prepaid expense	2,923	2,920
Deposits and guarantees received	1,803	1,299
Advances given to personnel	840	714
Other receivables	3,515	2,751
	64,174	**60,706**

10. TRADE RECEIVABLES

At 30 June 2017 and 31 December 2016, trade receivables comprised the following:

Trade receivables:	**30 June 2017**	**31 December 2016**
Trade receivables	123,846	104,438
Guaranteed passenger fee receivable from DHMİ (*)	21,881	19,325
Doubtful receivables	11,879	14,877
Allowance for doubtful receivables (-)	14,629	(14,877)
Notes receivable	(14,629)	6,086
Other	125	292
	157,731	**130,141**
Non-current trade receivables:		
Guaranteed passenger fee receivable from DHMİ (*)	84,961	90,231
	84,961	**90,231**

(*) Guaranteed passenger fee receivable represents the remaining discounted guaranteed passenger fee to be received from DHMİ according to the agreements made for the operations of Ankara Esenboğa Airport and İzmir Adnan Menderes Airport as a result of IFRIC 12 application.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

11. CASH AND CASH EQUIVALENTS

At 30 June 2017 and 31 December 2016, cash and cash equivalents comprised the following:

	30 June 2017	**31 December 2016**
Cash on hand	823	804
Cash at banks		
- Demand deposits	52,779	48,834
- Time deposits	137,528	264,460
Other liquid assets	1,534	2,734
Cash and cash equivalents	**192,664**	**316,832**
Bank overdrafts used for cash management purposes	(3,124)	(1,483)
Cash and cash equivalents in the statement of cash flows	**189,540**	**315,349**

The details of the Group's time deposits, maturities and interest rates as at 30 June 2017 and 31 December 2016 are as follows:

30 June 2017

Original Currency	**Maturity**	**Interest rate %**	**Balance**
EUR	August 2017	0.01 - 2.25	105,899
USD	July 2017	0.60 - 4.30	12,105
TRL	July 2017	3.5 - 14.55	19,524
			137,528

31 December 2016

Original Currency	**Maturity**	**Interest rate %**	**Balance**
EUR	January 2017	0.01 - 1.90	102,312
USD	January 2017	0.25 - 3.35	150,972
TRL	January 2017	3.49 - 10.70	11,176
			264,460

The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in Note 16. There is no blockage or restriction on the use of cash and cash equivalents as at 30 June 2017 and 31 December 2016.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

12. RESTRICTED BANK BALANCES

At 30 June 2017 and 31 December 2016, restricted bank balances comprised the following:

	30 June 2017	31 December 2016
Project reserve and funding accounts (*)	150,145	163,828
	150,145	**163,828**

(*) Certain subsidiaries, namely TAV İstanbul, TAV Esenboğa, TAV Tunisia, TAV Macedonia, TAV Milas Bodrum, TAV Ege, TAV Holding ("the Borrowers") opened Project Accounts designated mainly in order to reserve required amount of debt services, lease payment to DHMİ and other state authorities based on agreements with their lenders. As a result of pledges regarding the project bank loans as explained in Note 13, all cash except for cash on hand are classified in these accounts for, TAV Esenboğa, TAV Tunisia, TAV Ege, TAV Macedonia, TAV Milas Bodrum and TAV Holding. Based on these agreements, the Group can access and use such restricted cash as per the conditions and cascade defined in respective loan agreements. The project accounts should be used for predetermined purposes, such as, operational expenses, loan repayments or rent payments to airport administrations, tax payments, debt service, etc.

30 June 2017

Original Currency	Interest rate %	Balance
EUR	0.25 - 3.50	92,326
USD	0.10 - 3.90	52,062
TRL	13.00 - 14.55	5,732
Other		25
		150,145

31 December 2016

Original Currency	Interest rate %	Balance
EUR	0.25 - 3.50	156,991
USD	0.01 - 2.30	6,225
TRL	9.55 - 10.75	558
Other		54
		163,828

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

13. EARNINGS PER SHARE

The calculation of basic and diluted EPS at 30 June 2017 was based on the profit attributable to ordinary shareholders of EUR 59,996 (30 June 2016: EUR 31,552) and a weighted average number of ordinary shares outstanding of 363,281,250 (30 June 2016: 363,281,250), as follows:

	1 January-30 June 2017	**1 April-30 June 2017**	**1 January-30 June 2016**	**1 April-30 June 2016**
Numerator:				
Profit for the period attributable to owners of the Company	**59,996**	**48,298**	**31,552**	**16,910**
Denominator:				
Weighted average number of shares	363,281,250	363,281,250	363,281,250	363,281,250
Basic and diluted profit per share (full EUR)	**0.17**	**0.13**	**0.09**	**0.05**

	1 January-30 June 2017	**1 April-30 June 2017**	**1 January-30 June 2016**	**1 April-30 June 2016**
Issued ordinary shares at 1 January	363,281,250	363,281,250	363,281,250	363,281,250
Effect of shares issued during the year	-	-	-	-
Weighted average number of ordinary shares	**363,281,250**	**363,281,250**	**363,281,250**	**363,281,250**

14. LOANS AND BORROWINGS

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings, which are measured at amortised cost. For more information about the Group's exposure to foreign currency risk arising from these loans and borrowings, see Note 17.

	30 June 2017	**31 December 2016**
Non-current liabilities		
Secured bank loans (*)	516,414	649,906
Unsecured bank loans	13,413	10,741
Finance lease liabilities	11,834	13,597
	541,661	**674,244**
Current liabilities		
Current portion of long term secured bank loans (*)	366,946	384,745
Short term unsecured bank loans	238,882	145,868
Short term secured bank loans	10,440	25,489
Current portion of long term unsecured bank loans	9,308	7,732
Current portion of finance lease liabilities	2,250	2,467
	627,826	**566,301**

(*) Secured bank loans mainly consist of project finance loans that have been secured by pledges.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

14. LOANS AND BORROWINGS (continued)

The Group's total bank loans and finance lease liabilities as at 30 June 2017 and 31 December 2016 are as follows:

	30 June 2017	31 December 2016
Bank loans	1,155,403	1,224,481
Finance lease liabilities	14,084	16,064
	1,169,487	**1,240,545**

The Group's bank loans as at 30 June 2017 are as follows:

	Presented as		
	Current liabilities	Non-current liabilities	Total
TAV Tunisia (*)	356,858	-	356,858
TAV Ege	14,667	217,706	232,373
TAV İstanbul (**)	175,067	-	175,067
TAV Milas Bodrum	10,988	138,392	149,380
TAV Esenboğa	13,666	51,753	65,419
TAV Macedonia (**)	7,185	49,611	56,796
TAV Gazipaşa	11,111	37,515	48,626
HAVAŞ	16,285	21,438	37,723
TAV Holding	10,423	-	10,423
Others	9,326	13,412	22,738
	625,576	**529,827**	**1,155,403**

(*) TAV Tunisia had started negotiations with the Tunisian Authorities and the Lenders regarding a potential restructuring to restore the economic balance of the concession in line with the Concession Agreement terms. In the meantime, Tunisia has suffered from major terrorist attacks on 18 March 2015 and 26 June 2015, which had a substantial negative impact on tourism and passenger traffic, which in turn negatively affected the revenues of TAV Tunisia. Passenger traffic has dropped by 58% from 3.3 million in 2014 to 1.4 million in 2015 and increased to 1.6 million in 2016. Under these new adverse circumstances, TAV Tunisia continued to be engaged in negotiations with the Tunisian Authorities and its Lenders for the restructuring of its concession and financing arrangements, with the aim to reach an agreement during year 2017. The negotiations are in an advanced stage and a Standstill Agreement covering period until 2019 September where no concession fees and debt is paid is about to be agreed on and signed by the parties. The aim is to arrange a further restructuring at the end of this period once passenger traffic stabilizes and there is more visibility regarding cash flow projections of the Company.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

14. LOANS AND BORROWINGS (continued)

In the meantime, since TAV Tunisia has been in breach of its financing agreements due to its current difficulties, non-current loan liabilities of TAV Tunisia were reclassified to current loan liabilities on 30 June 2015 and the amount outstanding as of 30 June 2017 is EUR 356,858. Consequently minority deficit amounting to EUR 17,725 (31 December 2016: EUR 16,082) has been classified to other accruals and liabilities which is presented at a fair value of EUR 31,400 (31 December 2016: EUR 31,006). TAV Tunisia received an Acceleration Notice from the Lenders accompanied by a Letter of Intent stating that the Lenders' current intention is to protect their security rights while continuing the three-party negotiations towards a restructuring and they do not intend to make the loans due and payable. Tunisian Authorities also granted an extension of their standstill period until 31 August 2017, to be further extended in line with the calendar for the signing of the Standstill Agreement. Furthermore, TAV Tunisia received Early Termination Letters from the Hedging Banks, which resulted in termination amounts of EUR 63,868 becoming due and payable (31 December 2016: EUR 63,548).

The Company has been advised by its legal counsels that under the Finance Documents the Hedging Banks cannot act alone in demanding these payments and hence a coordinated solution among all Lenders in line with the Standstill Agreement is currently being negotiated.

While the management believes that the signing of the Standstill Agreement in the near future is very likely, in the event that it is not signed and a joint solution cannot be reached in due course, TAV Tunisia is exposed to the material legal and financial consequences including but not limited to using its legal rights including filing for arbitration for the rebalancing of the Concession Agreement and, in failure to be able to do so, the termination of the Concession Agreement.

(**) Loans of TAV İstanbul and TAV Macedonia are refinanced in 2016.

The Group's bank loans as at 31 December 2016 are as follows:

	Presented as		
	Current liabilities	**Non-current liabilities**	**Total**
TAV Tunisia	352,418	-	352,418
TAV Ege	17,099	218,398	235,497
TAV İstanbul	77,162	135,413	212,575
TAV Bodrum	11,059	139,881	150,940
TAV Esenboğa	14,200	57,942	72,142
TAV Macedonia	6,588	51,289	57,877
HAVAŞ	19,503	31,159	50,662
TAV Gazipaşa	31,085	15,825	46,910
TAV Holding	25,489	-	25,489
Others	9,231	10,740	19,971
	563,834	**660,647**	**1,224,481**

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

14. LOANS AND BORROWINGS (continued)

Redemption schedules of the Group's bank loans according to original maturities as at 30 June 2017 and 31 December 2016 are as follows:

	30 June 2017	31 December 2016
On demand or within one year	625,576	563,834
In the second year	92,142	220,426
In the third year	74,539	68,181
In the fourth year	54,031	50,762
In the fifth year	39,049	46,040
After five years	270,066	275,238
	1,155,403	**1,224,481**

The majority of the borrowings are arranged at floating rates, thus exposing the Group to cash flow interest rate risk. Spreads for EUR denominated loans as at 30 June 2017 are between 1.54% - 5.50% (31 December 2016: Spreads for EUR denominated loans are between 1.54% - 5.50%).

Interest payments of 100%, 100% and 90% of floating bank loans for TAV Esenboğa, TAV Ege and TAV Milas Bodrum respectively are fixed with interest rate swaps.

The Group has obtained project financing loans to finance construction of its BOT and BTO concession projects, namely TAV Esenboğa, TAV Macedonia, TAV Tunisia and TAV Ege; and to be able to finance advance payments to DHMİ related to rent agreement of TAV Milas Bodrum.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

15. OTHER PAYABLES

At 30 June 2017 and 31 December 2016, other payables comprised the following:

Other short term payables	**30 June 2017**	**31 December 2016**
Concession payable (*)	115,233	95,871
Advances received	13,563	7,967
Expense accruals	10,321	14,534
Due to personnel	6,831	4,182
Social security premiums payable	6,010	6,604
Taxes and duties payable	3,363	4,358
Other accruals and liabilities (**)	95,416	96,359
	250,737	**229,875**

Other long term payables	**30 June 2017**	**31 December 2016**
Concession payable (*)	563,971	597,314
Other accruals and liabilities	764	787
	564,735	**598,101**

The Group's exposure to currency and liquidity risk is related to other payables is disclosed in Note 17.

(*) TAV Tunisia has a concession period of 40 years and annual concession fee is paid based on the annual revenue of Monastir and Enfidha Airports. The concession fee is computed at an increasing rate between 11% and 26% of the annual revenues.

The concession fee of TAV Macedonia is 15% of the gross annual turnover until the number of passengers using the two airports reaches to 1 million, and when the number of passengers exceeds 1 million, this percentage shall change between 4% and 2% depending on the number of passengers.

A concession agreement was executed between TAV Milas Bodrum and DHMİ on 11 July 2014 for the leasing of the operating rights of the Milas Bodrum Airport's existing international terminal, CIP, general aviation terminal, domestic terminal and its auxiliaries. The agreement covers the operation right of the international terminal starting from 22 October 2015 to 31 December 2035 (approximately 20 years and 2 months) and operation right of the domestic terminal starting from July 2015 to December 2035. The concession payable of TAV Milas Bodrum domestic terminal is presented in financials EUR 355,861 as of 30 June 2017 (31 December 2016: EUR 346,840). According to Council of Ministers decision, concession payment of TAV Milas Bodrum related to 2016 amounting to EUR 28,680 is deferred to June 2018.

According to the concession agreement dated 16 December 2011, TAV Ege started renting and operating the international terminal of İzmir Adnan Menderes Airport at 10 January 2015. The concession payable of the international and domestic terminal of İzmir Adnan Menderes Airport is presented in financials EUR 293,089 as of 30 June 2017 (The concession payable of the domestic terminal of İzmir Adnan Menderes Airport is presented in financials EUR 313,975 as of 31 December 2016).

(**) See Note 14.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

16. DERIVATIVE FINANCIAL INSTRUMENTS

At 30 June 2017 and 31 December 2016, derivative financial instruments comprised the following:

	30 June 2017		
	Assets	**Liabilities**	**Net Amount**
Interest rate swap (*)	-	(39,434)	(39,434)
Forward	-	(4,079)	(4,079)
	-	**(43,513)**	**(43,513)**

	31 December 2016		
	Assets	**Liabilities**	**Net Amount**
Interest rate swap (*)	-	(49,188)	(49,188)
	-	**(49,188)**	**(49,188)**

(*) The Group applied hedge accounting for interest rate swaps.

Interest rate swap:

TAV Esenboğa uses interest rate swap to manage its exposure to interest rate fluctuations on its bank borrowings. As at 30 June 2017, 100% of project finance loan is hedged through Interest Rate Swap ("IRS") contract during the life of the loan with an amortising schedule depending on repayment of the loan (31 December 2016: 100%).

TAV Ege uses interest rate swap to manage its exposure to interest rate fluctuations on its bank borrowings. As at 30 June 2017, 100% of project finance loan is hedged through IRS contract during the life of the loan with an amortising schedule depending on repayment of the loan (31 December 2016: 100%).

TAV Milas Bodrum uses interest rate swap to manage its exposure to interest rate fluctuations on its bank borrowings. As at 30 June 2017, 90% of total loan is hedged through IRS contract (31 December 2016: 90%).

TAV Tunisia received Early Termination Letters from the Hedging Banks, which resulted in termination amounts of EUR 64,256 becoming due and payable.

The fair value of derivatives at 30 June 2017 is estimated at loss of EUR 43,513. This amount is based on market values of equivalent instruments at the reporting date. Since the Group applied hedge accounting as at 30 June 2017, changes in the fair value of these interest rate swaps are reflected to other comprehensive income resulting to an income of EUR 13,427 net of tax.

Fair value disclosures:

The Group has determined the estimated fair values of the financial instruments by using current market information and appropriate valuation methods.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

17. FINANCIAL INSTRUMENTS

Currency risk

Exposure to currency risk:

The Group's exposure to foreign currency risk in Euro equivalent of their original currencies was as follows:

30 June 2017

Foreign currency denominated financial assets	**USD**	**EUR (*)**	**TRL**	**Other**	**Total**
Other non-current assets	-	-	8	7	15
Trade receivables	35,130	2,536	27,099	17,039	81,804
Due from related parties	5,345	9,209	7,761	2,070	24,385
Other receivables and current assets	5,434	560	21,936	5,395	33,325
Restricted bank balances	52,062	-	5,684	25	57,771
Cash and cash equivalents	31,751	2,461	14,773	7,682	56,667
	129,722	**14,766**	**77,261**	**32,218**	**253,967**
Foreign currency denominated financial liabilities					
Loans and borrowings	(16,977)	(13,387)	(173)	(36)	(30,573)
Bank overdraft	(114)	-	(1,874)	-	(1,988)
Trade payables	(4,237)	(442)	(5,536)	(14,493)	(24,708)
Due to related parties	(3,466)	(1,964)	(198)	(55)	(5,683)
Other payables	(6,921)	(747)	(15,657)	(1,910)	(25,235)
	(31,715)	**(16,540)**	**(23,438)**	**(16,494)**	**(88,187)**
Net exposure	**98,007**	**(1,774)**	**53,823**	**15,724**	**165,780**

(*) The figures in this column reflect the EUR position of subsidiaries that have functional currencies other than EUR.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

17. FINANCIAL INSTRUMENTS (continued)

Currency risk (continued)

Exposure to currency risk (continued):

31 December 2016

Foreign currency denominated financial assets	**USD**	**EUR (*)**	**TRL**	**Other**	**Total**
Other non-current assets	1	-	9	25	35
Trade receivables	20,261	2,667	15,814	16,405	55,147
Due from related parties	9,049	7,327	5,432	347	22,155
Other receivables and current assets	2,568	610	17,427	14,022	34,627
Restricted bank balances	558	-	6,193	54	6,805
Cash and cash equivalents	163,650	1,589	13,612	13,202	192,053
	196,087	**12,193**	**58,487**	**44,055**	**310,822**
Foreign currency denominated financial liabilities					
Loans and borrowings	(18,943)	(8,647)	-	(106)	(27,696)
Trade payables	(6,596)	(702)	(8,081)	(22,298)	(37,677)
Due to related parties	(475)	(1,451)	(953)	-	(2,879)
Other payables	(206)	(717)	(22,833)	(16,310)	(40,066)
	(26,220)	**(11,517)**	**(31,867)**	**(38,714)**	**(108,318)**
Net exposure	**169,867**	**676**	**26,620**	**5,341**	**202,504**

(*) The figures in this column reflect the EUR position of subsidiaries that have functional currencies other than EUR.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

17. FINANCIAL INSTRUMENTS (continued)

The following significant exchange rates against Euro applied during the period:

	Average Rate		Reporting Date Closing Rate	
	30 June 2017	30 June 2016	30 June 2017	31 December 2016
USD	0.9247	0.8963	0.9090	0.9486
TRL	0.2544	0.3071	0.2498	0.2695
GEL	0.3684	0.3859	0.3644	0.3579
MKD	0.0162	0.0162	0.0162	0.0163
TND	0.3913	0.4366	0.3605	0.4115
SAR	0.2465	0.2390	0.2336	0.2530
HRK	0.1347	0.1322	0.1354	0.1327
OMR	2.4491	2.3277	2.2789	2.4913
KES	0.0090	0.0087	0.0085	0.0090

Sensitivity analysis:

The Group's principal currency risk relates to changes in the value of the Euro relative to TRL and USD. The Group manages its exposure to foreign currency risk by entering into derivative contracts and, where possible, seeks to incur expenses with respect to each contract in the currency in which the contract is denominated and attempt to maintain its cash and cash equivalents in currencies consistent with its obligations.

The basis for the sensitivity analysis to measure foreign exchange risk is an aggregate corporate-level currency exposure. The aggregate foreign exchange exposure is composed of all assets and liabilities denominated in foreign currencies, both short-term and long-term purchase contracts.

A 10 percent strengthening / (weakening) of EUR against the following currencies at 30 June 2017 and 31 December 2016 would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Profit or loss	
	Strengthening of EUR	Weakening of EUR
30 June 2017		
USD	(9,801)	9,801
TRL	(5,382)	5,382
Other	(1,572)	1,572
Total	**(16,755)**	**16,755**
31 December 2016		
USD	(16,987)	16,987
TRL	(2,662)	2,662
Other	(534)	534
Total	**(20,183)**	**20,183**

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

17. FINANCIAL INSTRUMENTS (continued)

Fair values

Fair values versus carrying amounts:

The fair values of financial assets and liabilities, together with the carrying amounts shown in the consolidated statement of financial position, are as follows:

		30 June 2017		31 December 2016	
	Note	**Carrying Amount**	**Fair Value**	**Carrying Amount**	**Fair Value**
Financial assets					
Trade receivables - non current	10	84,961	104,626	90,231	117,627
Trade receivables - current	10	157,731	158,878	130,141	128,669
Due from related parties	19	24,386	24,386	22,154	22,154
Other receivables and current assets (*)		555	555	137	137
Restricted bank balances	12	150,145	150,145	163,828	163,828
Cash and cash equivalents	11	192,664	192,664	316,832	316,832
Financial liabilities					
Bank overdraft	11	(3,124)	(3,124)	(1,483)	(1,483)
Loans and borrowings	12	(1,169,487)	(1,169,701)	(1,240,545)	(1,240,759)
Trade payables (**)		(42,100)	(42,100)	(54,111)	(54,111)
Due to related parties	19	(5,684)	(5,684)	(2,880)	(2,880)
Derivative financial instruments	16	(43,513)	(43,513)	(49,188)	(49,188)
Other payables (**)		(801,909)	(871,432)	(820,009)	(736,005)
		(1,455,375)	**(1,504,300)**	**(1,444,893)**	**(1,335,179)**

(*) Non-financial instruments such as prepaid expenses, prepaid taxes and dues and advances given are excluded from other non-current assets and other receivables and current assets.

(**) Non-financial instruments such as advances received are excluded from trade payables and other payables.

The methods used in determining the fair values of financial instruments are discussed in Note 4.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

18. COMMITMENTS, CONTINGENCIES AND CONTRACTUAL OBLIGATIONS

Commitments and contingencies

	30 June 2017	31 December 2016
Letters of guarantee given to third parties	270,311	266,958
Letters of guarantee given to DHMİ	219,660	230,808
Letters of guarantee given to GACA	23,362	25,295
Letters of guarantee given to Tunisian Government	23,239	23,455
Letters of guarantee given to Macedonian Government	250	250
	536,822	**546,766**

The Group is obliged to give 6% of the total rent amount of USD 152,580 of TAV İstanbul as a letter of guarantee according to the rent agreement made with DHMİ. The total obligation has been provided by the Group.

The Group is obliged to give a letter of guarantee at an amount equivalent of USD 26,665 (EUR 23,362) (31 December 2016: USD 26,665 (EUR 25,295)) to GACA according to the BTO agreement signed with GACA in Saudi Arabia. Furthermore, the Group is obliged to provide a letter of guarantee at an amount equivalent of USD 162,756 (EUR 142,593) (31 December 2016: USD 162,756 (EUR 154,389)) to National Commercial Bank which is included in letters of guarantee given to third parties. The total obligation has been provided by the Group.

The Group is obliged to give a letter of guarantee at an amount equivalent of EUR 15,198 (31 December 2016: EUR 15,412) to the Ministry of State Property and Land Affairs and EUR 8,042 (31 December 2016: EUR 8,042) to OACA according to the BOT agreements and its amendments signed with OACA in Tunisia. The total obligation has been provided by the Group.

TAV Ege is obliged to pay an aggregate amount of EUR 610,000 plus VAT during the rent period according to the concession agreement. 5% of this amount is already paid in two installments. The remaining amount will be paid in equal installments at the first business days of each year. Furthermore, The Group is obliged to give a letter of guarantee at an amount equivalent of EUR 36,600 to DHMİ. The total obligation has been provided by the Group.

TAV Milas Bodrum is obliged to pay an aggregate amount of EUR 717,000 plus VAT during the rent period according to the concession agreement. 20% of this amount is already paid. The remaining amount will be paid in equal installments at the last day of October for each year. Furthermore, The Group is obliged to give a letter of guarantee at an amount equivalent of EUR 43,020 to DHMİ. The total obligation has been provided by the Group.

Majority of letters of guarantee given to third parties includes the guarantees given to customs, lenders and some customers.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

19. RELATED PARTIES

The major immediate parents and ultimate controlling parties of the Group are Group ADP, Tepe and Akfen Groups.

All other transactions not described in this footnote between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation. Details of balances between the Group and other related parties are disclosed below.

Key management personnel compensation:

The remuneration of directors and other members of key management during the year comprised the following:

	1 January-30 June 2017	1 April-30 June 2017	1 January-30 June 2016	1 April-30 June 2016
Short-term benefits (salaries, bonuses etc.)	11,808	2,849	11,370	4,654
	11,808	**2,849**	**11,370**	**4,654**

As at 30 June 2017 and 31 December 2016, none of the Group's directors and executive officers has outstanding personnel loans from the Group.

The details of the transactions between the Group and any other related parties are disclosed below:

Other related party transactions:

	30 June 2017	31 December 2016
Due from related parties	13,023	15,307
Current loan to related parties	9,206	5,095
	22,229	**20,402**

	30 June 2017	31 December 2016
Non-current due from related parties	420	-
Non-current loan to related parties	1,737	1,752
	2,157	**1,752**

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

19. RELATED PARTIES (continued)

Due from related parties	**30 June 2017**	**31 December 2016**
ATU (1) (*)	5,753	6,894
BTA Medinah	1,765	1,824
BTA Denizyolları	1,624	2,277
Unifree Duty Free	1,611	-
Zagreb	694	432
Tibah Operation	296	510
TGS	232	206
TAV Tepe Akfen Yat. İnş ve İşl. A.Ş. ("TAV İnşaat") (2) (**)	-	1,817
Other related parties	1,048	1,347
	13,023	**15,307**

(*) Receivables from ATU comprise of concession fee duty-free receivables.

(**) Receivables from TAV İnşaat are mainly comprised of advances given by TAV Ege for construction work to be rendered by TAV İnşaat.

Loan to related parties	**30 June 2017**	**31 December 2016**
ATÜ (2) (*)	4,490	-
TAV İnşaat (1)	1,993	2,954
Tibah Development (2)	1,797	1,561
Other related parties	926	580
	9,206	**5,095**

(*) Receivables from ATU comprise of dividend receivables.

Non-current due from related parties	**30 June 2017**	**31 December 2016**
TAV İnşaat (1)	420	-
	420	**-**

Non-current loan to related parties	**30 June 2017**	**31 December 2016**
Saudi Havaş (2)	1,737	1,752
	1,737	**1,752**

(1) Subsidiary of shareholders

(2) Joint Venture

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

19. RELATED PARTIES (continued)

	30 June 2017	31 December 2016
Due to related parties	5,260	2,446
Current loan from related parties	424	434
	5,684	**2,880**

Due to related parties	30 June 2017	31 December 2016
Tepe İnşaat (1)	3,095	-
Bilintur Bilkent Turizm İnşaat Yatırım Tic. A.Ş. (“Bilintur”) (1) (*)	849	-
IBS Brokerlik ve Sigorta Hizmetleri A.Ş. (“IBS Sigorta”) (1) (**)	683	2,160
Other related parties	633	286
	5,260	**2,446**

(*) BTA has dividends payable to Bilintur.
(**) IBS Sigorta provides insurance intermediatory services to the Group.

Current loan from related parties	30 June 2017	31 December 2016
Tepe İnşaat (1)	414	414
Other related parties	10	20
	424	**434**

Short term deferred income from related parties	30 June 2017	31 December 2016
ATU (2) (*)	4,204	4,832
Other related parties	10	2
	4,214	**4,834**

(*) Deferred income from related parties is related with the unearned portion of concession rent income from ATÜ.

Long term deferred income from related parties	30 June 2017	31 December 2016
ATU (2) (*)	27,463	29,162
	27,463	**29,162**

(*) Deferred income from related parties is related with the unearned portion of concession rent income from ATÜ.

(1) Subsidiary of shareholders
(2) Joint Venture

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

19. RELATED PARTIES (continued)

Services rendered to related parties	**1 January-30 June 2017**	**1 April-30 June 2017**	**1 January-30 June 2016**	**1 April-30 June 2016**
ATU (1) (*)	116,369	66,713	119,679	64,662
TGS	1,875	983	2,235	1,102
BTA Denizyolları (1)	888	476	1,856	985
Other related parties	4,695	2,576	3,924	2,395
	123,827	**70,748**	**127,694**	**69,144**

(*) Services rendered to ATÜ comprise of concession fee for duty-free operations.

Services rendered by related parties	**1 January-30 June 2017**	**1 April-30 June 2017**	**1 January-30 June 2016**	**1 April-30 June 2016**
IBS Sigorta (2) (*)	3,220	1,783	8,867	6,784
Akfen Elektrik Enerjisi Toptan Satış A.Ş. (2) (**)	3,218	1,636	3,726	2,731
TAV İnşaat (2)	2,929	2,929	4,030	4,027
Tepe Servis ve Yönetim Hizmetleri A.Ş. (2)	232	148	430	372
TGS	133	55	199	281
Other related parties	1,474	1,382	678	444
	11,206	**7,933**	**17,930**	**14,639**

(*) IBS Sigorta provides insurance brokerage services to the Group.
(**) Akfen Elektrik Enerjisi Toptan Satış A.Ş. provides electric services to the Group.

Interest income / (expense) from related parties (net)	**1 January-30 June 2017**	**1 April-30 June 2017**	**1 January-30 June 2016**	**1 April-30 June 2016**
Saudi Havaş (1)	67	67	91	72
Saudi BTA (1)	18	18	42	42
ATU (1)	-	-	-	(155)
Other related parties	5	-	15	6
	90	**85**	**148**	**(35)**

The average interest rate used within the Group is 3.58% per annum (31 December 2016: 3.55%). The Group converts related party TRL loan receivable and payable balances to USD at month end using the Central Bank's announced exchange rates and then charges interest on the USD balances.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

19. RELATED PARTIES (continued)

Construction work rendered by related parties	1 January-30 June 2017	1 April-30 June 2017	1 January-30 June 2016	1 April-30 June 2016
TAV İnşaat (*) (2)	13,464	5,704	19,058	7,080
	13,464	**5,704**	**19,058**	**7,080**

(*) Construction revenue and expenditure for the year ended 30 June 2017 is related to the construction of runway and terminal of Tblisi International Airport. (30 June 2016 is related to the construction works at Tblisi International Airport and İstanbul Atatürk International Airport extension project).

(1) Joint venture
(2) Subsidiary of shareholders

Dividend distribution

In 2017 the Company distributed dividends to the shareholders amounting to EUR 63,629 (TRL 247,951) from the Company's distributable profits computed for 2016 (2016: EUR 107,997 (TRL 347,560)). Dividend per share is full EUR 0.17 (full TRL 0.68) (2016: EUR 0.29 (full TRL 0.96)).

20. INTERESTS IN OTHER ENTITIES

Non-controlling interests in subsidiaries

The following table summarizes the information relating to each of the Group's subsidiaries that has material non-controlling interests ("NCI") before any intra group eliminations.

	30 June 2017				
	TAV Tunisia	TAV Tbilisi	BTA	Other immaterial subsidiaries	Total
NCI Percentage	**33,00%**	**20,00%**	**33,33%**		
Non-current assets	420,442	79,738	24,237		
Current assets	22,541	20,551	33,485		
Non-current liabilities	5,368	-	12,975		
Current liabilities	555,782	10,125	41,789		
Net assets	**(118,167)**	**90,164**	**2,958**		
Carrying amount of NCI	(38,995)	18,033	986	887	(19,089)
Change in non-controlling interest	17,725	-	-	-	17,725
	(21,270)	**18,033**	**986**	**887**	**(1,364)**

	1 January – 30 June 2017				
	TAV Tunisia	TAV Tbilisi	BTA	Other immaterial subsidiaries	Total
Revenue	7,732	46,520	62,008		
(Loss) / profit	(14,266)	22,350	1,162		
Total comprehensive income	**(10,956)**	**23,364**	**275**		
(Loss) / profit allocated to NCI	(4,708)	4,470	387	1,385	1,534

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

20. INTERESTS IN OTHER ENTITIES (continued)

Non-controlling interests in subsidiaries (continued)

	1 April – 30 June 2017				
	TAV Tunisia	**TAV Tbilisi**	**BTA**	**Other immaterial subsidiaries**	**Total**
Revenue	5,650	25,845	34,486		
(Loss) / profit	(2,600)	13,376	870		
Total comprehensive income	**(945)**	**9,082**	**347**		
(Loss) / profit allocated to NCI	(858)	2,675	290	1,293	3,400

	31 December 2016				
	TAV Tunisia	**TAV Tbilisi**	**BTA**	**Other immaterial subsidiaries**	**Total**
NCI Percentage	**33,00%**	**20,00%**	**33,33%**		
Non-current assets	428,256	67,768	23,885		
Current assets	25,939	20,706	31,141		
Non-current liabilities	5,490	-	13,350		
Current liabilities	555,916	5,065	34,802		
Net assets	**(107,211)**	**83,409**	**6,874**		
Carrying amount of NCI	(35,380)	16,682	2,291	(686)	(17,093)
Change in non-controlling interest	16,082	-	-	-	16,082
	(19,298)	**16,682**	**2,291**	**(686)**	**(1,011)**

	1 January – 30 June 2016				
	TAV Tunisia	**TAV Tbilisi**	**BTA**	**Other immaterial subsidiaries**	**Total**
Revenue	8,884	22,242	72,295		
(Loss) / profit	(40,912)	10,417	2,765		
Total comprehensive income	**(37,689)**	**12,235**	**2,008**		
(Loss) / profit allocated to NCI	(13,501)	2,083	922	432	(10,064)

	1 April – 30 June 2016				
	TAV Tunisia	**TAV Tbilisi**	**BTA**	**Other immaterial subsidiaries**	**Total**
Revenue	6,355	10,494	38,473		
(Loss) / profit	(30,538)	5,899	2,417		
Total comprehensive income	**(28,926)**	**9,430**	**1,921**		
(Loss) / profit allocated to NCI	(10,078)	1,179	806	478	(7,615)

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

20. INTERESTS IN OTHER ENTITIES (continued)

	30 June 2017	31 December 2016
Joint ventures	63,734	83,426
Associates	12,306	10,945
	76,040	**94,371**

	1 January-30 June 2017	1 April-30 June 2017	1 January-30 June 2016	1 April-30 June 2016
Joint ventures	1,274	2,464	7,979	4,684
Associates	(637)	(161)	546	449
	637	**2,303**	**8,525**	**5,133**

Joint Ventures

Carrying amounts of the Group's joint ventures in the statement of financial position as at 30 June 2017 and 31 December 2016 are as follows:

	30 June 2017	31 December 2016
TGS	47,383	49,896
ATU	27,818	34,069
Tibah Operation	1,293	962
BTA Denizyolları	205	841
Tibah Development (*)	(10,286)	(839)
Other	(2,679)	(1,503)
	63,734	**83,426**

(*) Losses will be borne by the shareholders each in proportion to their share in capital.

Group's share of (loss) / profit of the Group's joint ventures in the statement of comprehensive income for the period ended 30 June are as follows:

	1 January-30 June 2017	1 April-30 June 2017	1 January-30 June 2016	1 April-30 June 2016
ATU	7,807	4,442	4,884	3,537
TGS	2,557	2,004	4,513	2,923
Tibah Operation	427	195	428	195
BTA Denizyolları	(536)	(136)	246	186
Tibah Development	(8,620)	(3,844)	(938)	(1,462)
Other	(361)	(197)	(1,154)	(695)
	1,274	**2,464**	**7,979**	**4,684**

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

20. INTERESTS IN OTHER ENTITIES (continued)

Associates

Carrying amount of the Group's associate in the statement of financial position as at 30 June 2017 and 31 December 2016 are as follows:

	30 June 2017	31 December 2016
ZAIC-A	10,278	8,721
Other	2,028	2,224
	12,306	**10,945**

Group's share of profit of the Group's associate in the statement of comprehensive income for the period ended 30 June is as follows:

	1 January-30 June 2017	1 April-30 June 2017	1 January-30 June 2016	1 April-30 June 2016
ZAIC-A	(441)	43	87	272
Other	(196)	(204)	459	177
	(637)	**(161)**	**546**	**449**

21. SUBSEQUENT EVENTS

According to the announcement dated 7 July 2017, the share transfer of Akfen Holding's 8.119% stake in TAV Airports to Tank OWA Alpha GmbH, which is wholly owned by Groupe ADP, has been completed. After the said transaction, the shareholder structure of TAV Airports is below:

Shareholders	(%)
Tank ÖWA alpha GmbH	46.12
Tepe İnşaat Sanayi A.Ş. ("Tepe İnşaat")	8.06
Sera Yapı Endüstrisi ve Ticaret A.Ş. ("Sera Yapı")	2.05
Other non-floated	3.27
Other free float	40.50
	100.00