



Management Presentation

November 4, 2016



Investment Highlights

Attractive market with strong growth prospects

Turkey is the fastest growing aviation market in Europe

- › Passenger growth of 14% p.a. during 2002-2015
- › Projected passenger growth of 9% p.a. between 2015-2023⁽¹⁾
- › Aggressive capacity expansion plans of major airlines in Turkey⁽²⁾ (fleet to almost double in 10 years)

Access to fast growing MENA region

Leading airport operator with diversified portfolio & integrated structure

Diversified, balanced portfolio with leading market positions

- › #1 airport terminal operator in Turkey
- › 14 airports operated in Turkey, Georgia, Tunisia, Macedonia, Saudi Arabia, Croatia and Latvia
- › 65 airports around the world have a TAV Airports subsidiary functioning in them
- › Strong vertically integrated value chain

Strong financial performance and cash flow generation

Strong momentum with EBITDA posting 37% CAGR between 2006 and 2015

- › High earnings visibility given clear / agreed regulatory framework
- › Proven track record of growth and profitability with attractive organic growth prospects
- › High financial returns and cash flow generation given fixed cost base (operational leverage) and minimal ongoing capex
- › Hard currency based cash flow & visible earnings
- › TAV will receive compensation for all loss of profit in case of new Istanbul airport opening before 2021

"Platform play"

Well-positioned to benefit from further organic and inorganic growth

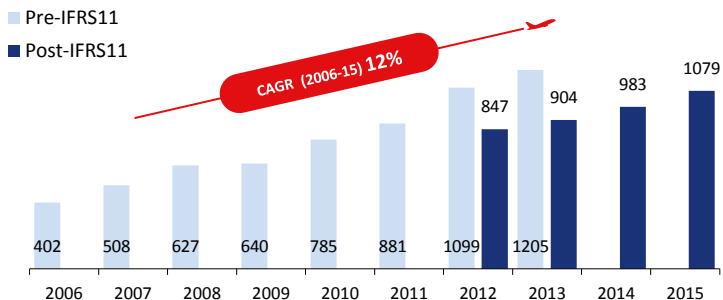
- › Central and Eastern Europe, Africa, Middle East, South East Asia and Cuba
- › Inorganic growth of service companies

(1) Source: Turkey's Ministry of Transport

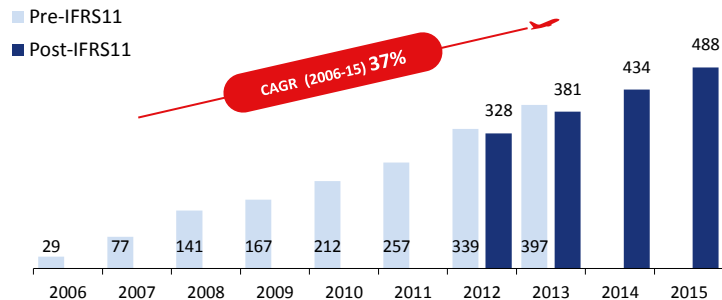
(2) THY and Pegasus web site

Exceptional Growth Sustained

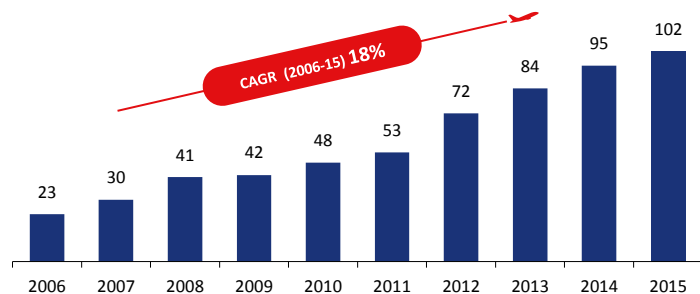
Revenue (€m)



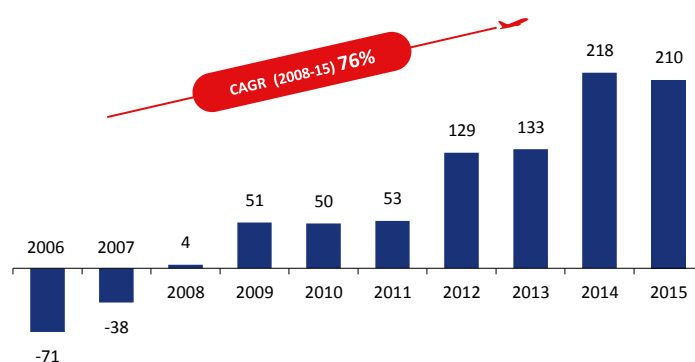
EBITDA (€m)



Passenger (m)



Net Profit (€m)



TAV Airports Holding Co.

Airport Companies

Ataturk (100%)

Esenboga (100%)

Adnan Menderes (100%)

Gazipasa Alanya (100%)

Milas Bodrum (100%)

Medinah (33%)

Tbilisi (80%) & Batumi (76%)

Monastir & Enfidha (67%)

Skopje & Ohrid (100%)

Latvia (100%)

Zagreb (15%)

Service Companies

ATU (50%)

BTA (67%)

OS (100%)

IT (100%)

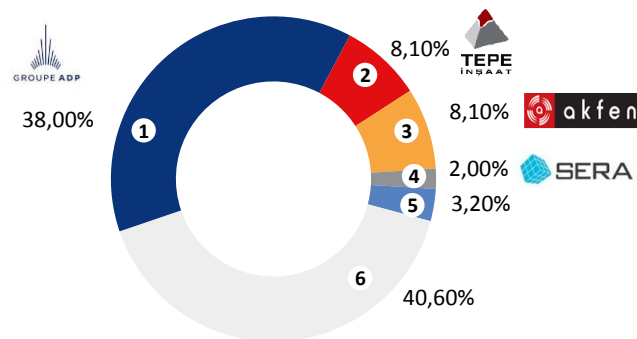
Security (100%)

Havas (100%)

TGS (50%)

Havas Europe (100%)

Shareholder Structure (as of September 2016)



Shareholders

- Groupe ADP***
Internationally acclaimed airport operating company with global operations
- Tepe Insaat Sanayi A.S.**
Turkish integrated conglomerate focused on infrastructure and construction
- Akfen Holding A.S.**
Holding company operating in the infrastructure, construction, seaport, REIT and energy sector
- Sera Yapi Endustrisi A.S.**
Focused on construction in Turkey & MENA region
- Other Non-floating**
- Other Free Float**

*Through Tank oWA Alpha GMBH

TAV Airports Business Areas



Airports



Duty free



Food and beverage



Ground handling



Others

Turkey

- › Istanbul Ataturk Airport (100%)
- › Ankara Esenboga Airport (100%)
- › Izmir Adnan Menderes Airport (100%)
- › Gazipasa Alanya Airport (100%)
- › Milas Bodrum Airport (100%)

Georgia

- › Tbilisi (80%) and Batumi Airports (76%)

Tunisia

- › Monastir and Enfidha Airports (67%)

Macedonia

- › Skopje and Ohrid Airports (100%)

Saudi-Arabia

- › Medinah (33%)

Croatia

- › Zagreb Airport (15%)

ATU (50%)

- › Largest duty free operator in Turkey
- › Partner with Unifree—owned by Heinemann, leading German travel retailer (Travel Value)
- › Operating in Turkey, Georgia, Tunisia, Macedonia, Latvia, Oman and Medinah
- › Operating in Houston, USA since September 2015.



BTA (67%)

- › Operating in Turkey, Georgia, Macedonia, Tunisia, Latvia, Medinah and Oman
- › Operates Istanbul Airport Hotel (131 rooms)
- › Operates Izmir Airport Hotel (81 rooms)
- › Total seating capacity of c. 21 thousand at c. 300 points including BTA IDO and UNIQ
- › Baker and pastry factory serving in Turkey
- › BTA Denizyollari (50%) is the F&B operator of Istanbul Deniz Otobusleri (IDO)
- › Uniq shopping mall food-court
- › Will be operating in New Muscat Int'l Airport by 2017
- › Operating in Zagreb Airport, Croatia since August, 2016.



HAVAS (100%)

- › Major ground handler in Turkey with a c.65% share
- › Operates in 31 airports in Turkey including Istanbul, Ankara, Izmir and Antalya
- › TGS (50%) operates in Istanbul (AHL&SGA), Ankara, Izmir, Antalya, Adana, Bodrum and Dalaman
- › 100% owner of Havas Europe, operating in Riga and 4 airports in Germany



TAV OS (100%)

- › Commercial area allocations and lounges, travel agency services

TAV IT (100%)

- › Airport IT services

TAV Security (100%)

- › Security service provider in Istanbul, Ankara, Izmir and Gazipasa

TAV Latvia (100%)

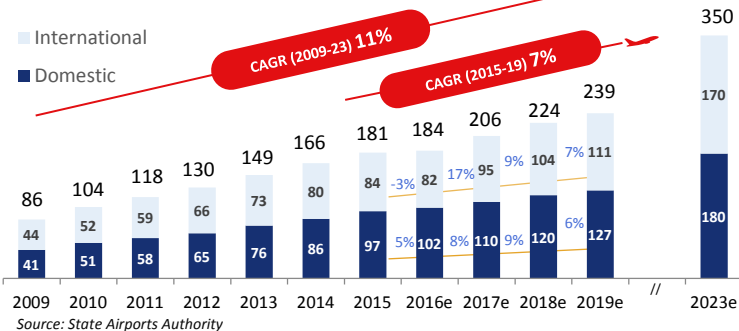
- › Commercial area management in Riga Airport

Growth of the Turkish Aviation Market and TAV Airports

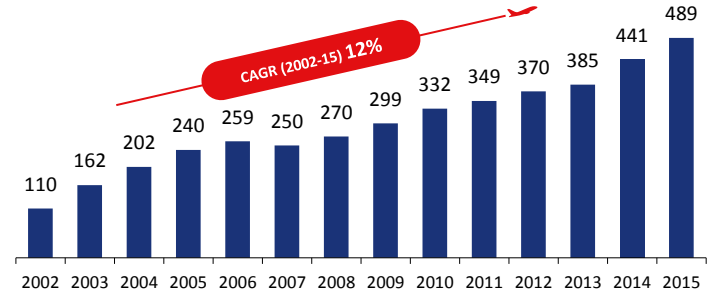
State Airports Authority Turkish Aviation Market Forecast

Mn, pax

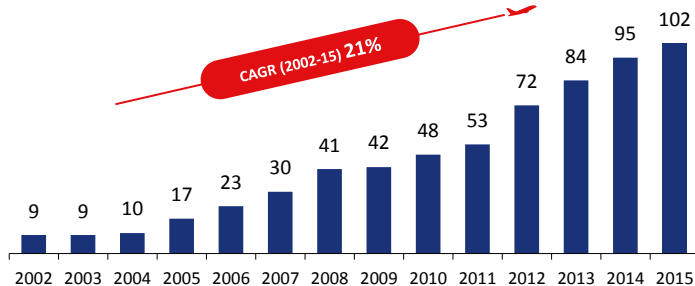
International
Domestic



Number of Aircraft in Turkey



TAV Airports Passenger Traffic (mPax)



- › Deregulation of the domestic market in **2003**
- › 2nd largest country in Europe in terms of population: **75m** ⁽¹⁾
- › In 2015, foreign visitors reached **37m** ⁽²⁾
- › Limited alternative transport infrastructure
- › Aircraft number in Turkey expected to reach **750** in 2023 ⁽³⁾

Source: DHMI, (1) Turkstat, (2) Ministry Culture and Tourism, (3) Ministry of Transport

1

World Air Traffic will double in the next 15 years

Boeing
projects **4.8% CAGR** for world air traffic (2015-2035)

Airbus
projects **5.3% CAGR** for world air traffic (2015-2035)

Source: Airbus Global Market Forecast 2015, Boeing Current Market Outlook 2015

2

Turkish air traffic will double in the next 10 years

Eurocontrol,
projects **7% CAGR** for Turkey until 2020

DHMI
expects **9% CAGR** in Turkey until 2023

Source: Eurocontrol, DHMI

3

Aggressive fleet expansion plans of major airlines in Turkey

THY
to expand fleet size to **369** by 2020 (from 299 in 2015)
Pegasus
to increase fleet to **106** by 2020 (from 67 in 2015)

Source: THY Official announcement (October 2016) Pegasus Presentation (August 2016)

4

11% seat capacity growth in 2016

11% seat capacity increase expected at Ataturk Airport international scheduled traffic in 2016

Source: ADI

5

Extension at Ataturk Airport

Terminal capacity increased by extension of International Terminal.

Number of aircraft parking positions increased from 102 to **145** (funded by DHMI).

Source: DHMI, Ministry of Transport

Traffic Performance

Istanbul ➤ O&D down by 16%, due to security concerns, while transfer pax growth intact (+22%)

Ankara ➤ Security concerns weighs on international, strong growth in domestic

İzmir ➤ Security concerns in international, strong growth in domestic

Gazipasa ➤ Security concerns

Milas-Bodrum ➤ Security concerns

Medinah ➤ Strong growth despite quota for Hajj and Umrah pax

Tunisia ➤ Impact of Bardo (March 2015) and Sousse (June 2015) attacks

Georgia ➤ Increase in Russia, CIS and Israel traffic

Macedonia ➤ Driven by **WizzAir**

Zagreb ➤ Driven by **Croatian Airlines**

Pax ➤ **+2%** mainly driven by organic growth, 5% ATM growth (lower load factors).

Source: Turkish State Airports Authority (DHMI), Georgian Authority, TAV Tunisie, TAV Macedonia, TIBA and MZL
Note: DHMI figures for 2016 are tentative.

(1) Both departing and arriving passengers, including transfer pax, pax numbers NOT stake adjusted

(2) Commercial flights only

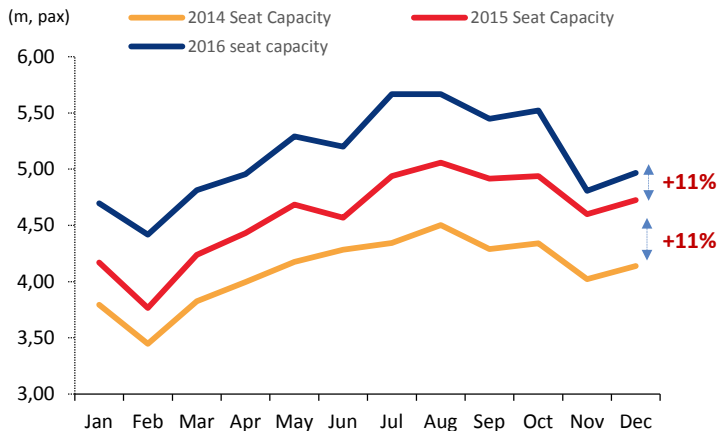
(3) 2014 TAV totals do not include Milas-Bodrum until August.

Passengers ⁽¹⁾	January-September			FY	FY	Chg %
	2015	2016	Chg %	2014	2015	Chg %
Ataturk Airport	46.591.709	45.989.601	-1%	56.695.166	61.322.729	8%
International	31.817.898	31.395.497	-1%	38.152.871	41.947.327	10%
Domestic	14.773.811	14.594.104	-1%	18.542.295	19.375.402	4%
Esenboga Airport	9.150.487	9.667.921	6%	11.035.606	12.326.869	12%
International	1.233.550	1.130.186	-8%	1.444.256	1.559.171	8%
Domestic	7.916.937	8.537.735	8%	9.591.350	10.767.698	12%
Izmir Airport	9.319.419	9.069.845	-3%	10.970.663	12.139.788	11%
International	2.170.920	1.682.381	-23%	2.580.238	2.619.691	2%
Domestic	7.148.499	7.387.464	3%	8.390.425	9.520.097	13%
Milas-Bodrum	3.406.402	2.799.203	-18%	3.846.547	3.877.603	1%
International	1.429.249	830.965	-42%	1.835.103	1.548.708	-16%
Domestic	1.977.153	1.968.238	0%	2.011.444	2.328.895	16%
Gazipasa Airport	757.474	603.031	-20%	724.842	915.046	26%
Medinah	4.473.238	5.111.492	14%	5.703.349	5.831.163	2%
Tunisia (Monastir&Enfidha)	1.266.232	1.369.999	8%	3.332.391	1.407.293	-58%
Georgia (Tbilisi&Batumi)	1.614.343	1.992.331	23%	1.788.571	2.066.268	16%
Macedonia (Skopje&Ohrid)	1.183.730	1.382.714	17%	1.278.343	1.560.381	22%
Zagreb Airport	1.993.994	2.127.658	7%	2.430.971	2.587.798	6%
TAV TOTAL ⁽³⁾	78.327.779	80.113.795	2%	94.921.563	102.488.496	8%
International	44.274.050	45.293.450	2%	54.565.481	57.572.163	6%
Domestic	34.053.729	34.820.345	2%	40.356.082	44.916.333	11%

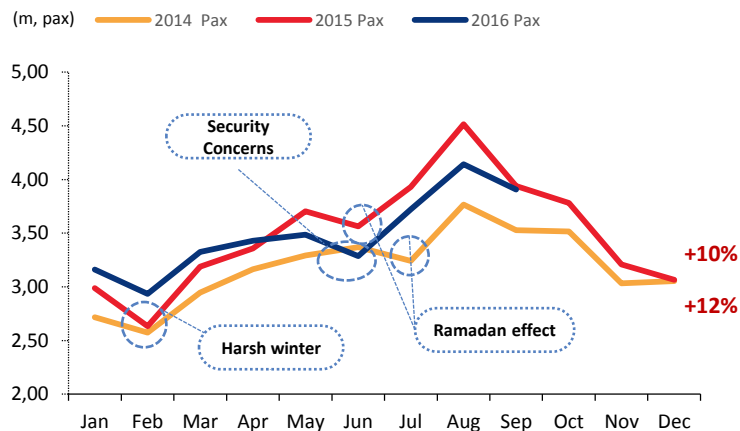
Air Traffic Movements ⁽²⁾	January-September			FY	FY	Chg %
	2015	2016	Chg %	2014	2015	Chg %
Ataturk Airport	335.871	344.398	3%	419.897	447.159	6%
International	234.169	244.640	4%	286.932	313.730	9%
Domestic	101.702	99.758	-2%	132.965	133.429	0%
Esenboga Airport	66.109	70.154	6%	82.108	87.948	7%
International	9.460	9.444	0%	11.640	12.031	3%
Domestic	56.649	60.710	7%	70.468	75.917	8%
Izmir Airport	60.657	60.664	0%	72.697	79.880	10%
International	15.566	13.085	-16%	17.372	19.191	10%
Domestic	45.091	47.579	6%	55.325	60.689	10%
Milas-Bodrum	22.828	20.090	-12%	26.308	26.394	0%
International	8.942	5.824	-35%	11.205	9.714	-13%
Domestic	13.886	14.266	3%	15.103	16.680	10%
Gazipasa Airport	5.260	4.591	-13%	5.274	6.510	23%
Medinah	36.925	42.542	15%	48.549	49.031	1%
Tunisia (Monastir&Enfidha)	10.561	10.252	-3%	22.441	12.229	-46%
Georgia (Tbilisi&Batumi)	19.242	21.084	10%	23.804	25.148	6%
Macedonia (Skopje&Ohrid)	11.695	13.009	11%	13.969	15.510	11%
Zagreb Airport	30.662	31.312	2%	38.348	39.854	4%
TAV TOTAL ⁽³⁾	590.868	618.096	5%	734.485	779.973	6%
International	347.684	368.829	6%	432.981	459.492	6%
Domestic	243.184	249.267	3%	301.504	320.481	6%

International Scheduled Traffic Developments & Outlook

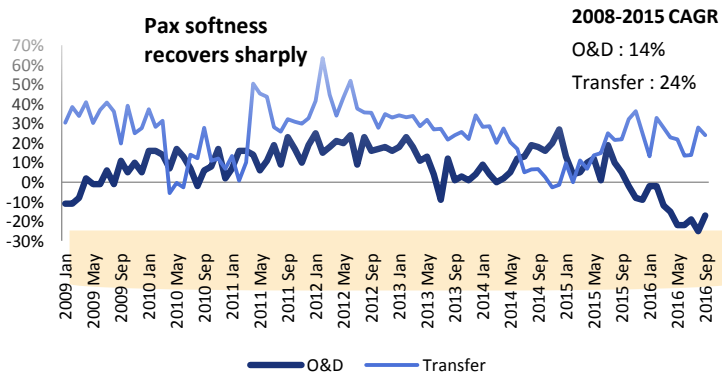
Istanbul International Seat Capacity



Istanbul International Pax



Istanbul Int2int Transfer and O&D Pax, Yoy % Change



Istanbul Transfer Pax / International Pax

2011	30%
2012	33%
2013	38%
2014	38%
2015	40%
2016 9M	48%

Ataturk Airport Capacity Expansion

1

- Additional 17 new parking positions at the opposite of international terminal

2

- Additional 26 new parking positions and taxiway in former military area (Nov 2014)
- **Parking capacity increased from 102 to 145 (+42%)**
- Construction is **funded by DHMI**.

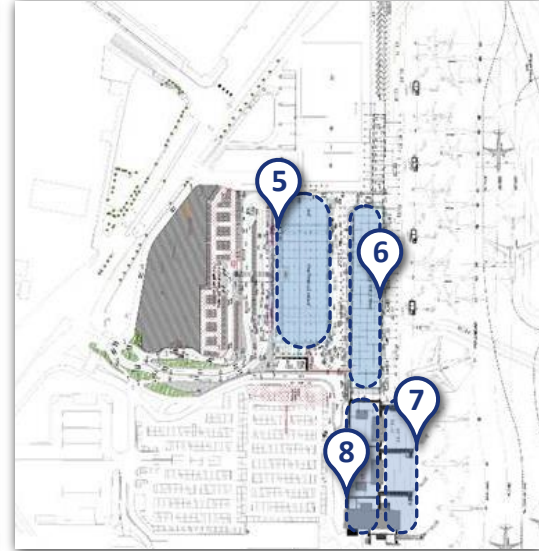
3

- International Terminal



4

- THY's cargo terminal was being replaced with a 27.000 m² passenger terminal - the total number of **bridges** at the International Terminal increased from 26 to 34.



5

- New Departures Terminal (11K m²) construction is ongoing

6

- 8 Additional Gates (4 Wide Body)

7

- International Terminal

8

- TAV Airports Headquarters

- **Baggage handling system** capacity increase
- Mezzanine floor on the land side has been moved to the air side **increasing the passenger area and commercial spaces** in the air side.
- 32 additional **check-in islands** - in addition to the existing 224 (May 2015)

Istanbul Runway Capacity Variables

ATM/hr ⁽¹⁾ :	58 ATM/hr	▲	upside to 70s
Active Usage Hours:	21 hrs		limited upside*
Daily ATM:	1.218	▲	upside to 1400s >>>>>
Passenger per Aircraft:	137⁽²⁾	▲	upside with more wide bodies
Daily Passenger:	166,866	▲	upside on many variables
Days / year:	365		
Yearly Passenger:	61 million	▲	upside on many variables

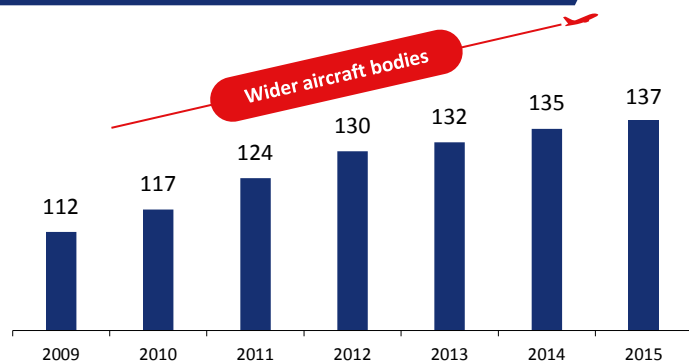
1.500
ATMs handled on
Sept. 18, 2016!

(1) Source: DHMI

(2) Source: DHMI, 2015 average pax per ATM

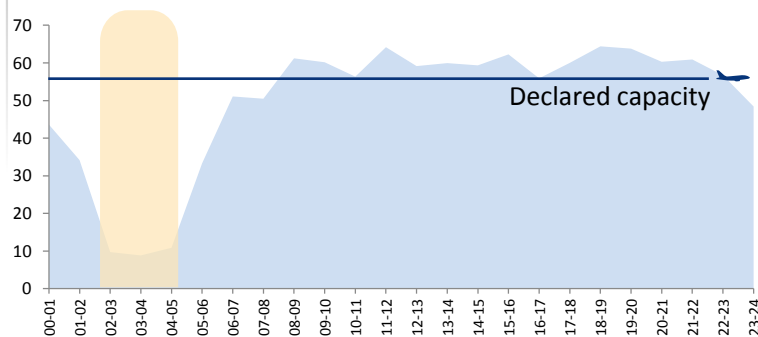
*Airport is open 24 hrs while 98% of traffic is handled in 21 hrs.

Pax per ATM



Source: DHMI

Runway Usage (ATM/hr, 2015)



Source: TAV Istanbul

9M16 Summary Financials

(in m€, unless stated otherwise)	IFRIC 12 Adjusted Financials					
	9M15	9M16	Chg %	FY14	FY15	Chg%
Revenue	821.9	813.7	-1%	982.9	1,079.3	10%
EBITDA	394.7	349.2	-12%	433.5	488.4	13%
EBITDA margin (%)	48.0%	42.9%	-5.1 ppt	44.1%	45.3%	1.2 ppt
EBITDAR	492.7	460.6	-7%	569.3	621.1	9%
EBITDAR margin (%)	59.9%	56.6%	-3.3 ppt	57.9%	57.5%	-0.4 ppt
FX Gain	(8.3)	1.4	nm	16.0	5.7	-65%
Deferred Tax Income (Expense)	(15.0)	(28.6)	90%	8.7	(7.6)	nm
Net Profit ⁽¹⁾	168.3	109.8	-35%	218.4	209.7	-4%
Capex ⁽²⁾	58	83	44%	96	88	-9%
Net Debt	891	866	-3%	934	839	-10%
Average number of personnel	14,972	15,327	2%	14,478	15,111	4%
Number of passengers (m)	78.3	80.1	2%	94.9	102.5	8%
- International	44.3	45.3	2%	54.6	57.6	6%
- Domestic	34.1	34.8	2%	40.4	44.9	11%
Duty free spend per pax (€) ⁽³⁾	14.0	13.9	-1%	13.2	14.3	8%

⁽¹⁾ Attributable to equity holders of the company

⁽²⁾ Adjusted to exclude effects of IFRIC 12 accounting change (see pg. 13, 14)

⁽³⁾ Transfer numbers are tentative and subject to change

Pax +2%

- › Istanbul international pax is down 1% in 9M16 with around 22% growth in transfer pax vs 16% drop in O&D
- › Share of transfer is 48% in Istanbul (9M15: 39%)

Revenue

-1%

- › Revenue almost flat due to weakness in ground handling, duty free commissions and change in passenger mix
- › 46% aero, 54% non-aero

EBITDAR

-7%

- › EBITDAR decreased, due to high volume of low margin businesses and projects

EBITDA

-12%

- › EBITDA decreased more, due to higher Istanbul rent

FX Gain

nm

- › Due to TRY depreciation against EUR and relatively flat EUR/USD parity in 9M16 vs sharp appreciation of USD against EUR in 9M15

Net Profit

-35%

- › Impacted by higher D&A, lower equity pick-up, higher finance expenses and also impacted by one offs:
 - › Tunisia deferred tax asset reversal of €-14 m in Q2
 - › Istanbul refinancing effect of €-11m in Q2 and €+6.9m in Q3, neutral effect expected for the full year
 - › Macedonia refinancing of €-7m in Q1

Net Debt

-3%

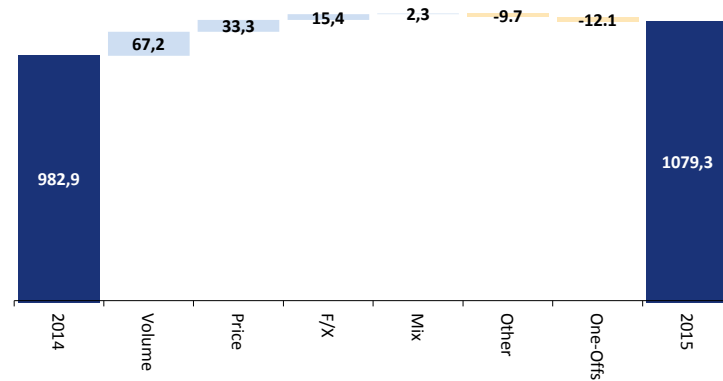
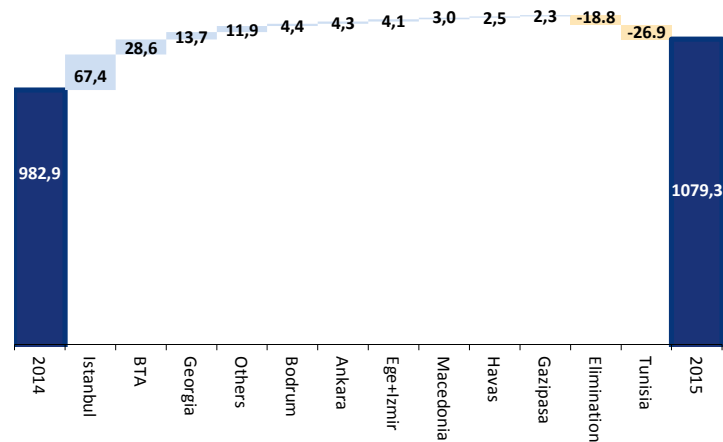
- › Slight decrease due to cash generation

Spend per Pax

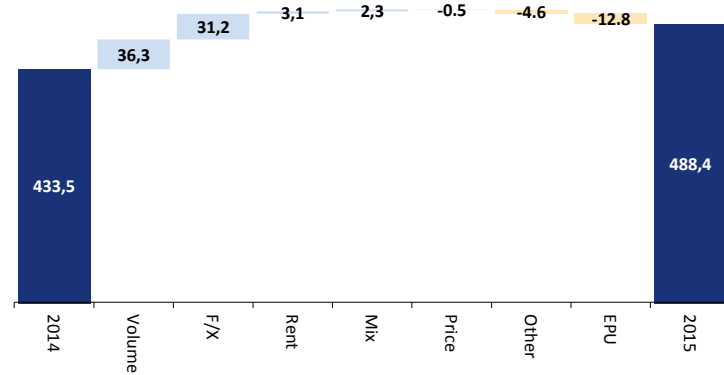
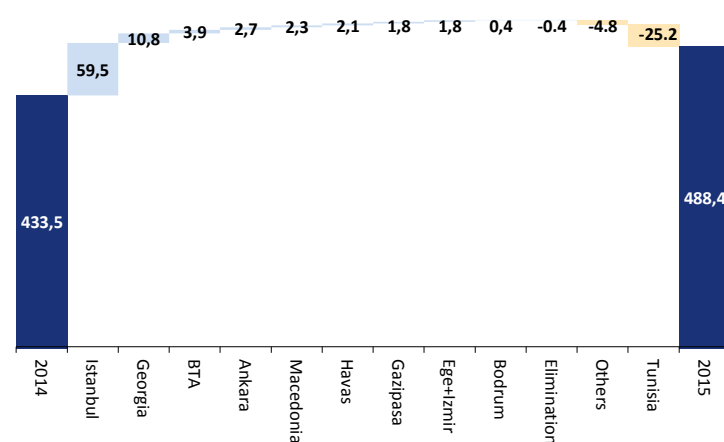
- › From €14.0 to €13.9, relatively flat

FY15 Revenue and EBITDA Bridges *

Revenue Bridges (€m)



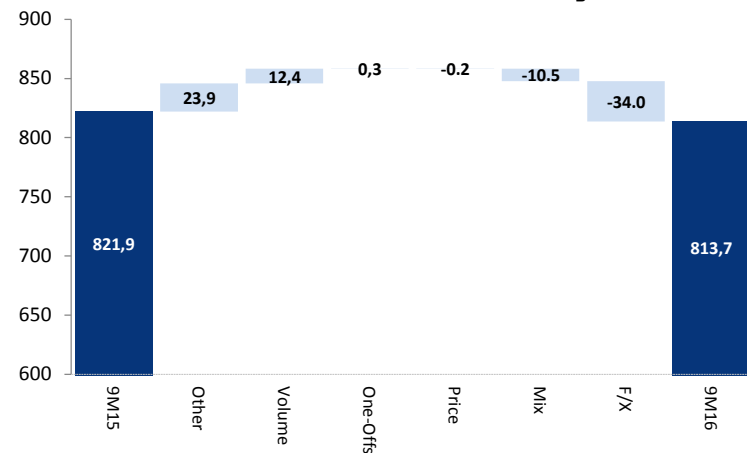
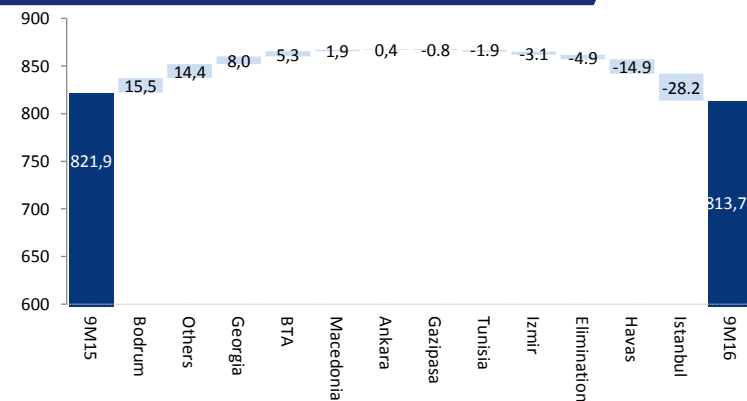
EBITDA Bridges (€m)



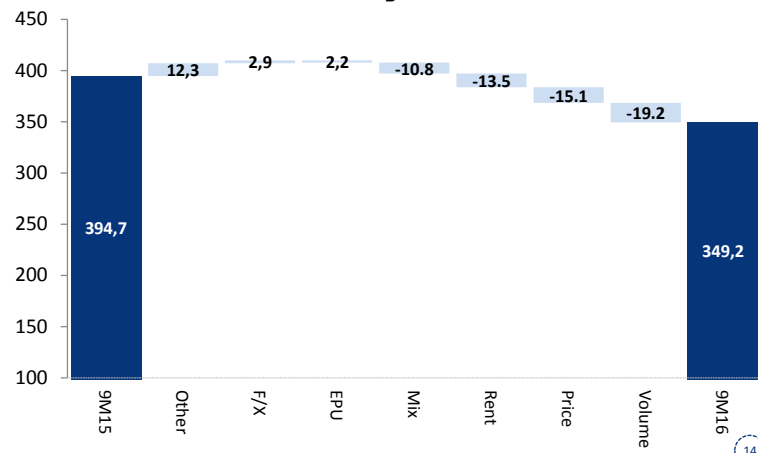
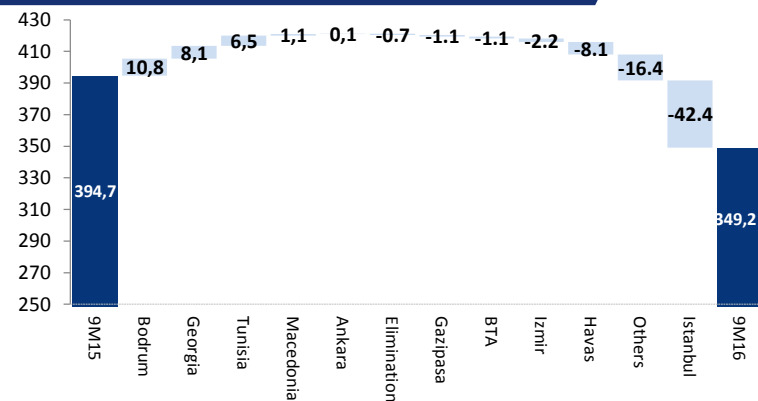
* IFRIC 12 adjusted

9M16 Revenue and EBITDA Bridges *

Revenue Bridges (€m)

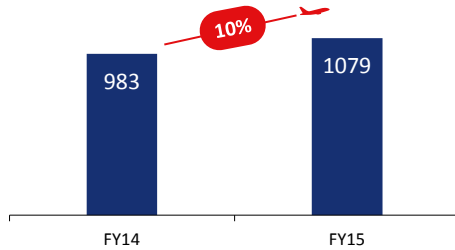


EBITDA Bridges (€m)

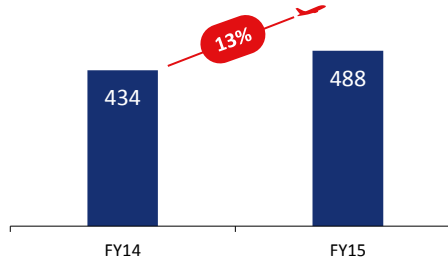


FY15 YoY Comparison

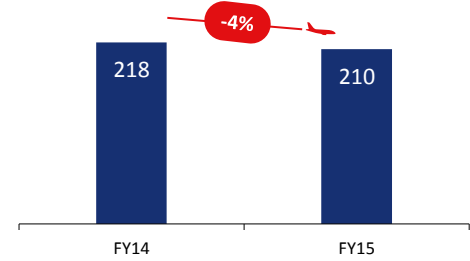
Consolidated Revenue ⁽¹⁾ (€m)



EBITDA ⁽¹⁾ (€m)

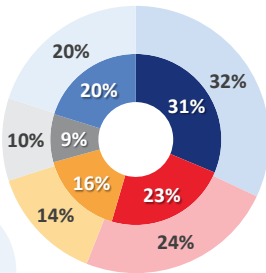


Net Profit ⁽²⁾ (€m)



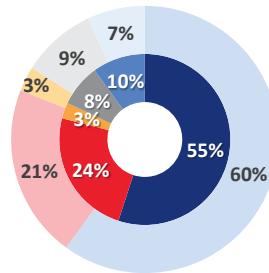
Consolidated Revenue (%)

■ Aviation ■ Duty-free ■ Ground-handling ■ F&B ■ Other



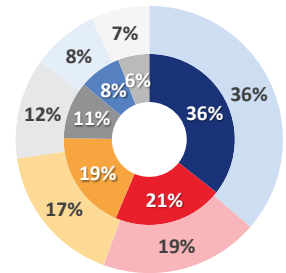
EBITDA (%)

■ Istanbul ■ Other Airports ■ BTA ■ HAVAS ■ Other Services



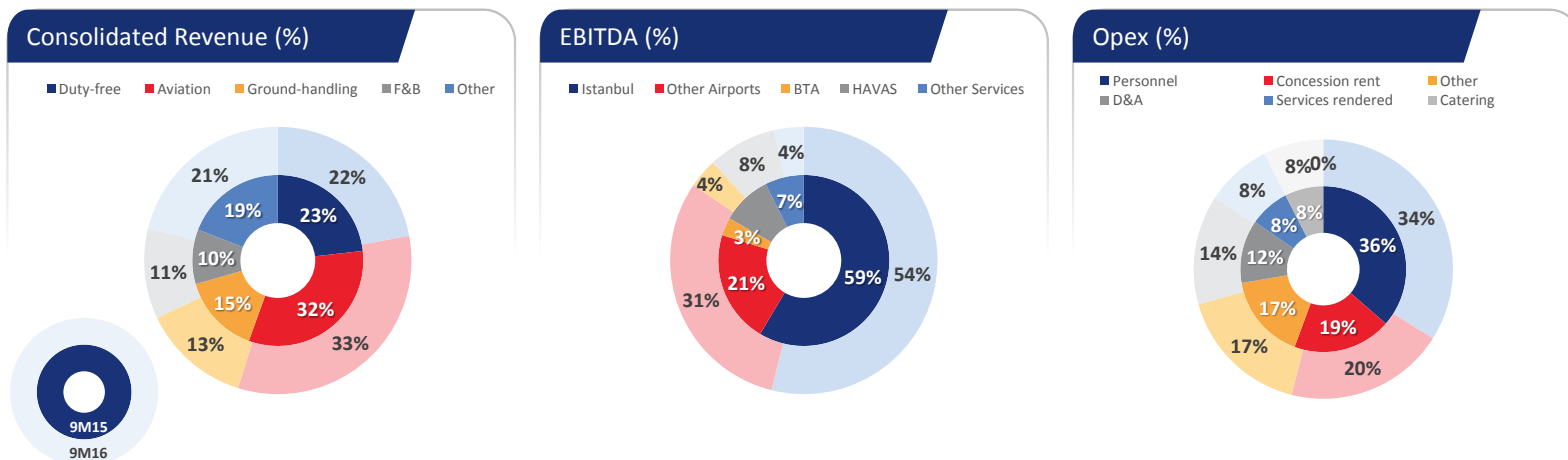
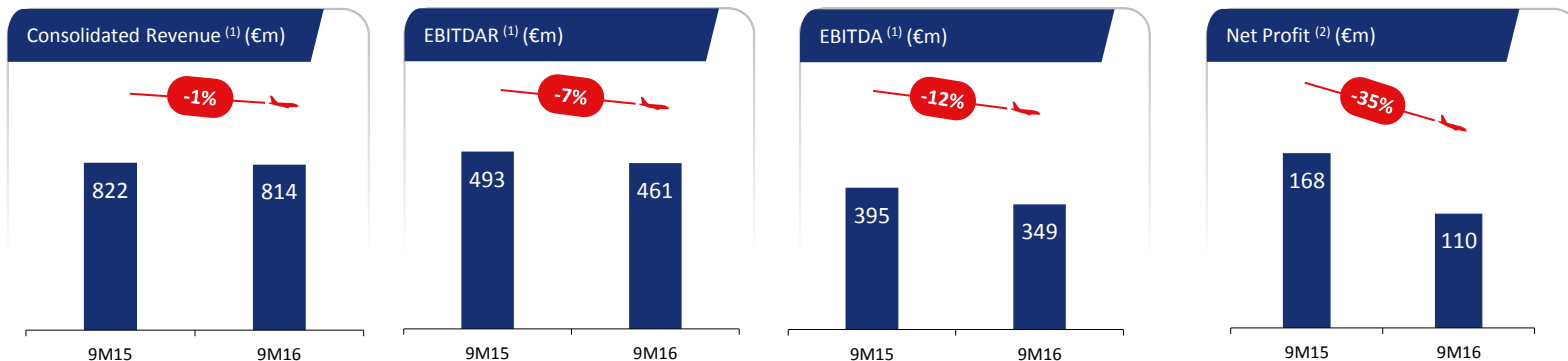
Opex (%)

■ Personnel ■ Concession rent ■ Other
■ D&A ■ Services rendered ■ Catering



(1) IFRIC 12 adjusted
(2) Attributable to equity holders of the company

9M16 YoY Comparison



(1) IFRIC 12 adjusted
 (2) Attributable to equity holders of the company

FY15 Selected Financials by Assets (IFRIC 12 Adjusted) and employee #s

(FY15, €m)	Revenue	EBITDA	EBITDA Margin (%)	Net Debt
Airports	762.7	395.1	52%	678
Istanbul	529.4	293.2	55%	-132
Ankara	51.5	24.7	48%	65
Izmir (including TAV Ege)	69.4	41.0	59%	203
Gazipasa	5.4	2.3	42%	46
Tunisia	25.0	-11.7	-47%	339
Georgia	50.9	34.5	68%	-25
Macedonia	23.7	9.7	41%	44
Bodrum	7.4	1.3	18%	137.6
Services	443.5	94.9	21%	161
Havas	147.9	44.8	30%	45
BTA	166.9	13.6	8%	3
Others*	128.8	36.4	28%	113
Total	1,206.2	489.9	41%	839
Elimination	-126.9	-1.5		
Consolidated	1,079.3	488.4	45%	839

Revenue (€m)	FY14	FY15	Chg.(%)
Airports	690.5	762.7	10%
Istanbul	462.0	529.4	15%
Ankara	47.2	51.5	9%
Izmir (including TAV Ege)	65.4	69.4	6%
Gazipasa	3.1	5.4	73%
Tunisia	51.9	25.0	-52%
Georgia	37.2	50.9	37%
Macedonia	20.7	23.7	15%
Bodrum	3.0	7.4	150%
Services	400.5	443.5	11%
Havas	145.4	147.9	2%
BTA	138.3	166.9	21%
Others	116.9	128.8	10%
Total	1,091.0	1,206.2	11%
Elimination	-108.1	-126.9	17%
Consolidated	982.9	1,079.3	10%
ATU**	283.7	333.6	18%
TGS**	109.6	130.4	19%
TIBAH**	34.3	46.3	35%

Number of Employees (eop)	FY14	FY15
Istanbul	2,811	2,761
Ankara	936	950
Izmir+Ege	911	922
Tunisia	780	740
Gazipasa	46	54
Georgia	769	766
Macedonia	638	642
Havas	3,842	4,032
BTA	2,587	2,743
Holding	105	109
O&M	302	340
IT	234	240
Security	463	574
Latvia	4	6
Bodrum	118	223
Academy	10	11
TOTAL	14,556	15,113

EBITDA (€m)	FY14	FY15	Chg.(%)
Airports	340.9	395.1	16%
Istanbul	233.7	293.2	25%
Ankara	22.0	24.7	12%
Izmir (including TAV Ege)	39.2	41.0	5%
Gazipasa	0.5	2.3	360%
Tunisia	13.6	-11.7	nm
Georgia	23.7	34.5	46%
Macedonia	7.3	9.7	32%
Bodrum	0.9	1.3	45%
Services	93.7	94.9	1%
Havas	42.7	44.8	5%
BTA	9.7	13.6	40%
Others*	41.3	36.4	-12%
Total	434.6	489.9	13%
Elimination	-1.1	-1.5	31%
Consolidated	433.5	488.4	13%
ATU**	29.5	22.7	-23%
TGS**	15.4	18.8	22%
TIBAH**	7.0	13.7	97%

*Others EBITDA includes share of profit of equity accounted investees (equity-pick up).

**Equity accounted investee

Selected Financials by Assets (IFRIC 12 Adjusted) and employee #s (9M16)

(€m)	Revenue	EBITDA	EBITDA Margin (%)	Net Debt
Airports	575.1	294.0	51%	860
Istanbul	376.4	187.4	50%	58
Ankara	36.9	19.4	53%	46
Izmir	51.2	31.0	61%	212
Gazipasa	3.7	1.2	32%	46
Tunisia	20.4	0.1	1%	338
Georgia	46.0	34.2	74%	-18
Macedonia	19.8	8.8	44%	46
Bodrum	20.7	11.9	57%	131
Services	332.7	53.7	16%	6
Havas	100.3	29.0	29%	36
BTA	132.3	12.2	9%	5
Others*	100.0	12.5	12%	-35
Total	907.8	347.7	38%	866
Elimination	-94.1	1.5		0
Consolidated	813.7	349.2	43%	866

*Others EBITDA includes share of profit of equity accounted investees (equity-pick up).

Number of Employees (eop)	9M15	9M16
Istanbul	2,728	2,839
Ankara	949	948
Izmir+Ege	918	917
Tunisia	760	681
Gazipasa	54	57
Georgia	799	832
Macedonia	645	675
Havas	4,503	4,134
BTA	2,781	2,721
Holding	106	107
O&M	316	324
IT	240	272
Security	311	881
Latvia	5	6
Bodrum	189	94
Academy	11	3
TOTAL	15,315	15,491

Revenue (€m)	9M15	9M16	Chg.(%)
Airports	583.2	575.1	-1%
Istanbul	404.5	376.4	-7%
Ankara	36.5	36.9	1%
Izmir	54.3	51.2	-6%
Gazipasa	4.5	3.7	-17%
Tunisia	22.3	20.4	-8%
Georgia	38.0	46.0	21%
Macedonia	17.9	19.8	11%
Bodrum	5.2	20.7	300%
Services	327.9	332.7	1%
Havas	115.2	100.3	-13%
BTA	127.1	132.3	4%
Others	85.6	100.0	17%
Total	911.1	907.8	0%
Elimination	-89.2	-94.1	5%
Consolidated	821.9	813.7	-1%
ATU**	251.7	249.8	-1%
TGS**	95.3	108.0	13%
TIBAH**	34.3	45.4	32%

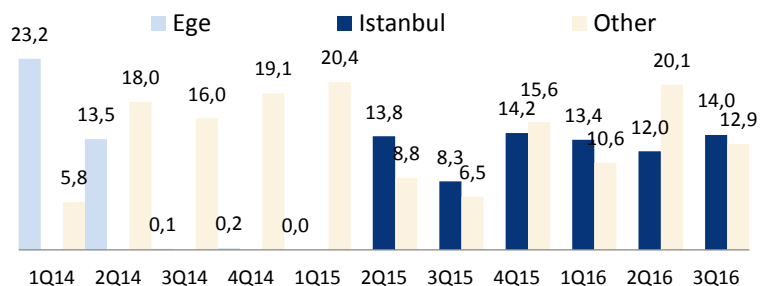
EBITDA (€m)	9M15	9M16	Chg.(%)
Airports	313.2	294.0	-6%
Istanbul	229.8	187.4	-18%
Ankara	19.4	19.4	0%
Izmir (including TAV Ege)	33.2	31.0	-7%
Gazipasa	2.3	1.2	-48%
Tunisia	-6.3	0.1	nm
Georgia	26.1	34.2	31%
Macedonia	7.7	8.8	14%
Bodrum	1.1	11.9	963%
Services	79.3	53.7	-32%
Havas	37.0	29.0	-22%
BTA	13.4	12.2	-9%
Others*	28.9	12.5	-57%
Total	392.6	347.7	-11%
Elimination	2.1	1.5	-32%
Consolidated	394.7	349.2	-12%
ATU**	19.0	16.3	-14%
TGS**	14.0	14.0	0%
TIBAH**	9.5	22.0	131%

*Others EBITDA includes share of profit of equity accounted investees (equity-pick up).

**Equity accounted investee

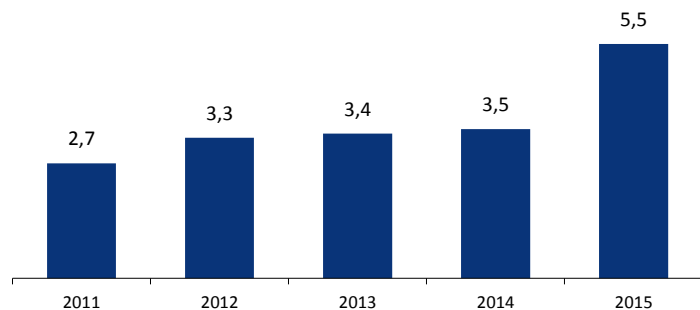
CAPEX Development / Dividends

Quarterly Capex (€m)(i)



(i) Adjusted to exclude effects of IFRIC 12 accounting change

Dividend Yield (%)



TAV Airports' dividend policy: **50%** of the consolidated IFRS net profit.

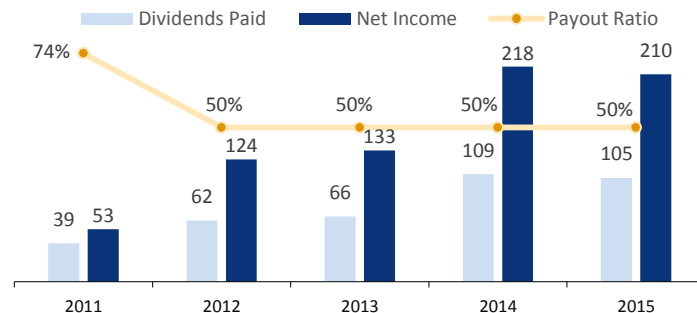
2016 Capex

**2016 9M
CAPEX**

€83m

- ▶ €76m invested in the Istanbul terminal expansion project cumulatively
- ▶ €15m invested in Tbilisi runway and taxiway rehabilitation in 2016

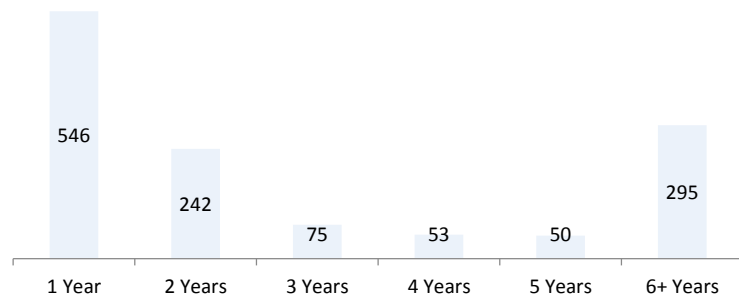
Dividend History (€m)



Decentralized Debt Structure - Prudently Levered

Net Debt (eop, €m)	9M15	FY15	1H16	9M16
Airports	627	678	977	860
Istanbul	(44)	(132)	137	58
Ankara	64	65	52	46
Izmir (including Ege)	217	203	222	212
Gazipasa	46	46	47	46
Tunisia*	335	339	343	338
Georgia	(21)	(25)	(16)	(18)
Macedonia	46	44	49	46
Bodrum	(16)	138	144	131
Services	264	161	5	6
HAVAS	41	45	44	36
BTA	0	3	3	5
Others	223	113	(42)	(35)
Total	891	839	981	866

Gross Debt Maturity Profile (€m)



- ▶ Door to Door Maturity 9.0 Years
- ▶ Average Maturity 5.7 Years
- ▶ Average € Cost of Debt (Hedged**) 4.1%
- ▶ Net Debt / 2015 FY EBITDA 2.0x

** 74% of all loans have fixed rates.

-as of September 30, 2016

** With the Istanbul refinancing the average cost of debt decreased from 4.4% in 1Q16 to 4.1% in 9M16.

The refinancing transaction will be bottom line neutral in 2016 and save approximately €13m in finance costs in 2017. The positive effect was €+6.9m in Q3.

2016 Guidance

In our material event disclosure on February 12, 2016 we had disclosed our financial and operational expectations for 2016, under normal conditions.

Because of security related incidents we have experienced both in Turkey and globally since then, passenger numbers and passenger mix is affected and hence guidance was revised on July 27, 2016.

All measures are taken to limit the decline in operational metrics and strict cost control measures are being implemented in response to the new situation.

**Istanbul
Ataturk
Airport Int.
O&D ⁽¹⁾
Pax**



20
percent

Revenue



stable

EBITDAR
(EBITDA before
concession &
rent)



8-10
percent

Net Profit



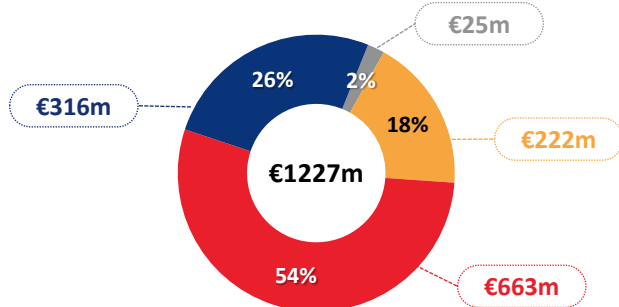
significant
decline

⁽¹⁾ O&D: Origin & Destination; declined by 14% in the first half of 2016 (down by 16% in the first nine months of 2016)

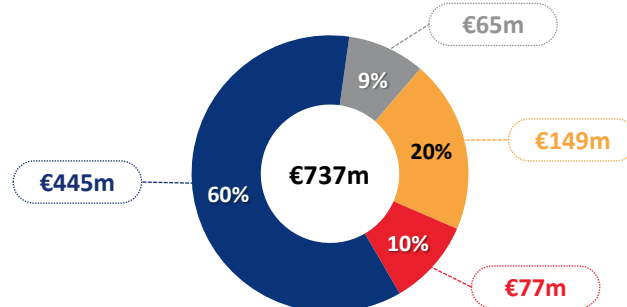
Notes: All financial targets have been adjusted to reverse the effects of IFRIC 12 and are compliant with IFRS 11.

FX Exposure of Operations (2015)

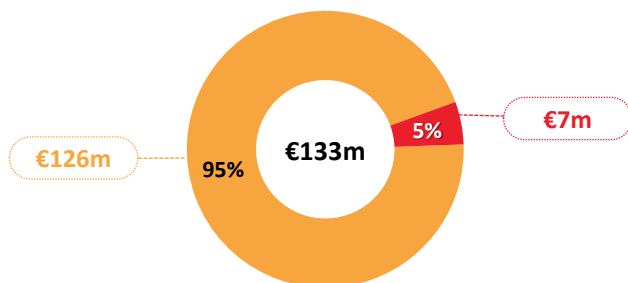
Revenue ⁽¹⁾



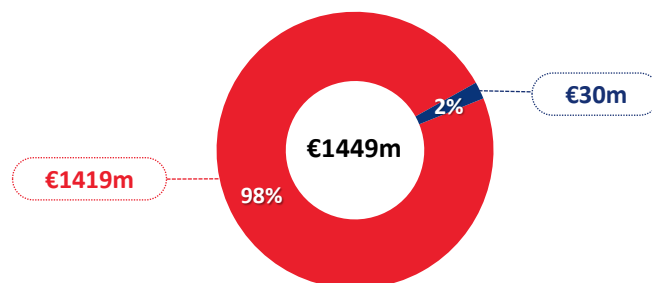
Opex ⁽¹⁾⁽²⁾



Concession Rent Expense



Gross Debt



■ TRY ■ EUR ■ USD ■ Other

⁽¹⁾ Combined figures, pre-elimination IFRIC12 adjusted, includes equity-pick up (€21m)

⁽²⁾ Includes concession rent expenses (€133m), does not include depreciation (€35m)

FX Rates	Average		30 September	30 September
	9M15	9M16	2015	2016
EUR/TRY	2.96	3.27	3.42	3.36
USD/TRY	2.66	2.93	3.04	3.00
EUR/USD	1.12	1.12	1.12	1.12
EUR/GEL	2.48	2.59	2.67	2.61
EUR/MKD	61.7	61.7	61.7	61.3
EUR/TND	2.17	2.35	2.20	2.47
EUR/SEK	9.37	9.36	9.42	9.63
EUR/SAR	4.19	4.19	4.22	4.21

('000)	Equity		Profit or loss	
	Strengthening of EUR	Weakening of EUR	Strengthening of EUR	Weakening of EUR
30 September 2016				
USD			(12,182)	12,182
TRY			(4,483)	4,483
Other			-	-
Total			(16,665)	16,665
31 December 2015				
USD	(9,757)	11,962	(17,724)	17,724
TRY	-	-	1,427	(1,427)
Other	-	-	(784)	784
Total	(9,757)	11,962	(17,081)	17,081

Hedging

- Subsidiaries, TAV Esenboga, TAV Ege and TAV Milas Bodrum enter into swap transactions in order to diminish exposure to foreign currency mismatch relating to DHMI instalments and interest rate risk to manage exposure to the floating interest rates relating to loans used.
- Interest payments of 100%, 100% and 90% of floating bank loans for TAV Esenboga, TAV Ege and TAV Milas Bodrum, respectively, are fixed with interest rate swaps.
- Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognized directly in equity to the extent that the hedge is highly effective. To the extent that the hedge is ineffective, changes in fair value of the ineffective are recognized in profit or loss.

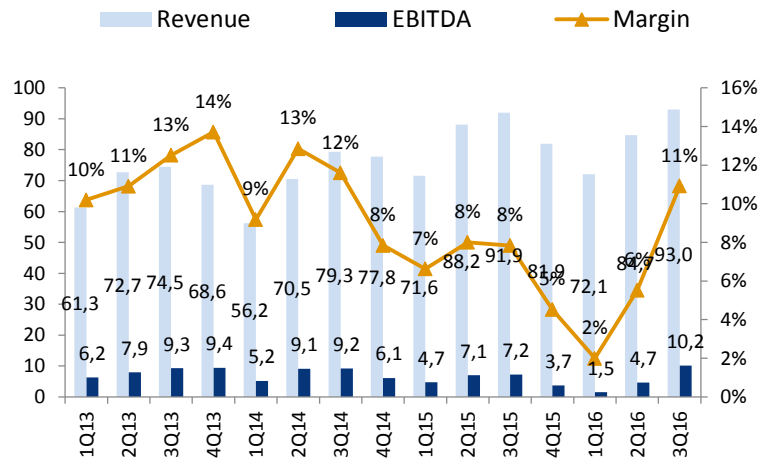
Sensitivity Analysis

- The Group's principal currency rate risk relates to changes in the value of the Euro relative to TRY and the 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. The analysis excludes net foreign currency investments.
- A 10 percent strengthening / (weakening) of EUR against the following currencies at 30 September 2016 and 31 December 2015 would have increased / (decreased) equity and profit or loss by the amounts shown above. This analysis assumes that all other variables, in particular interest rates, remain constant.

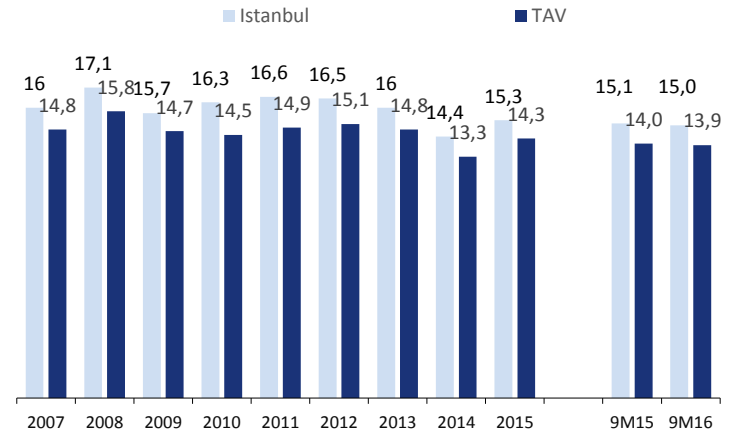
ATU (50%)

- Operations started in 5 Tunisian airports in Q4 2014, putting pressure on overall margins.
- SPP was relatively flat in İstanbul in the first nine months of 2016, despite dilutive impact of transfer pax

ATU Financials (€m)

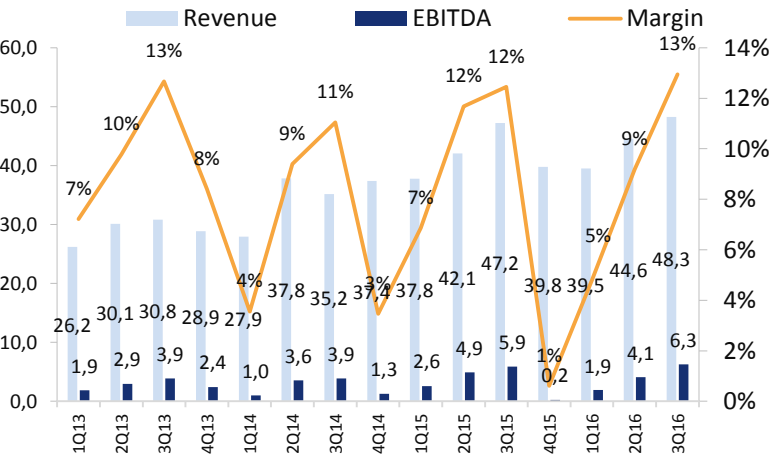


Duty Free Spend per Pax (€)

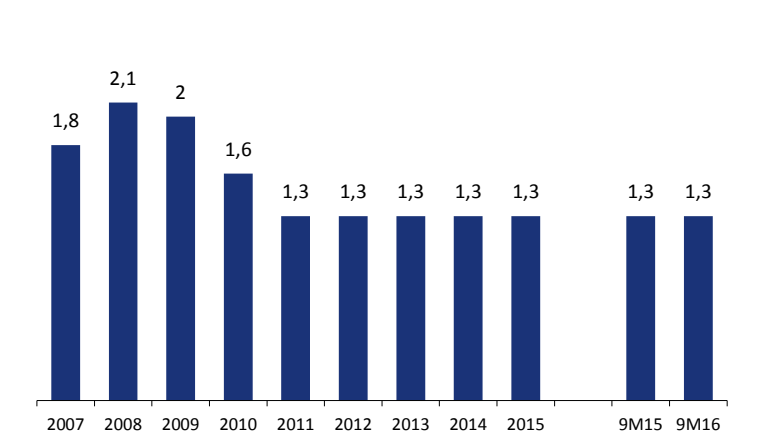


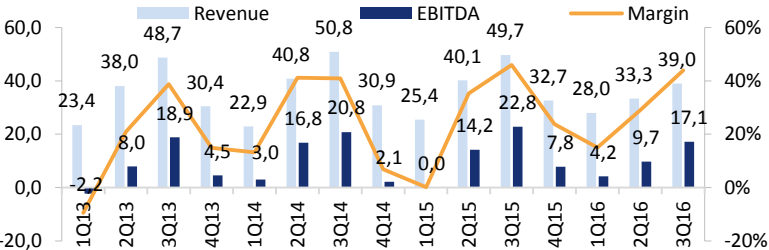
- Strong revenue growth mostly due to newly established logistics company
- Ramp up in Latvia and Medinah in 2016

BTA Financials (€m)

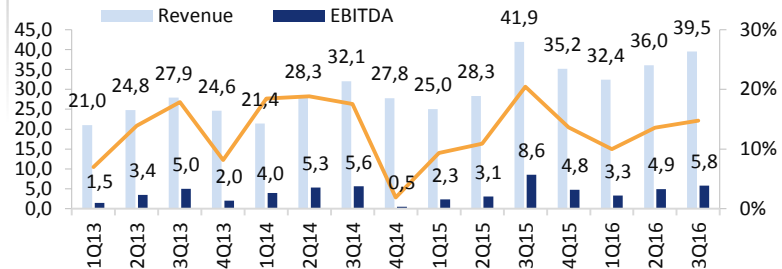
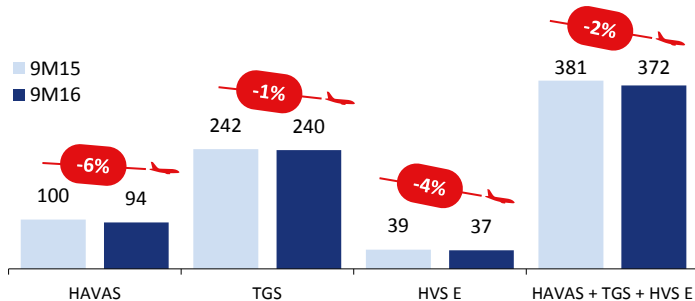
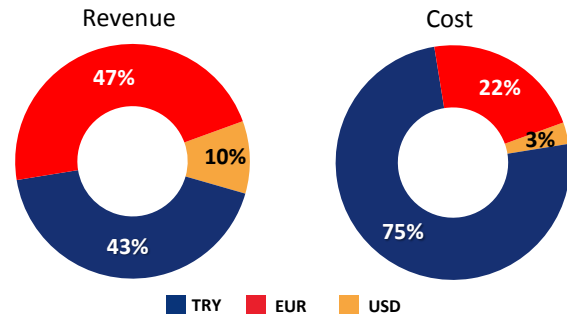


TAV F&B Spend per Pax (€)



Havas Consolidated * Financials (€m)


* Post IFRS 11

TGS Financials (50%) (€m)

of Flights Served ('000)

Havas Solo FX Exposure 9M 2016


Equity Accounted Investees – IFRS 11

HAVAS*	pre IFRS 11	post IFRS 11
Revenue	Havas Solo + TGS (50%)	Havas Solo
EBITDA	Havas EBITDA + TGS (50%) EBITDA	Havas EBITDA + TGS (50%) Net Profit
Net Profit	Havas Net Profit + TGS (50%) Net Profit	Havas Net Profit + TGS (50%) Net Profit
BTA**	pre IFRS 11	post IFRS 11
Revenue	BTA + BTA IDO (50%)	BTA
EBITDA	BTA EBITDA + BTA IDO (50%) EBITDA	BTA EBITDA + BTA IDO (50%) Net Profit
Net Profit	BTA Net Profit + BTA IDO (50%) Net Profit	BTA Net Profit + BTA IDO (50%) Net Profit

		1Q14	2Q14	3Q14	4Q14	FY14	1Q15	2Q15	3Q15	4Q15	FY15	1Q16	2Q16	3Q16
ATU (50%)	Revenue	56.2	70.5	79.3	77.8	283.7	71.6	88.2	91.9	81.9	333.6	72.1	84.7	93.0
	EBITDA	5.2	9.1	9.2	6.1	29.5	4.7	7.1	7.2	3.7	22.7	1.5	4.7	10.2
	Net Profit	3.8	7.0	5.4	4.0	20.2	3.0	5.2	5.9	3.8	17.9	1.3	3.5	6.5
	Net Debt	6.5	6.0	0.4	-1.7	-1.7	12.5	7.9	6.4	10.7	10.7	13.3	12.2	18.0
		1Q14	2Q14	3Q14	4Q14	FY14	1Q15	2Q15	3Q15	4Q15	FY15	1Q16	2Q16	3Q16
TGS (50%)	Revenue	21.4	28.3	32.1	27.8	109.6	25.0	28.3	41.9	35.2	130.4	32.4	36.0	39.5
	EBITDA	4.0	5.3	5.6	0.5	15.4	2.3	3.1	8.6	4.8	18.8	3.3	4.9	5.9
	Net Profit	1.7	3.5	3.5	-0.2	8.5	1.3	1.8	5.1	2.8	10.6	1.8	2.7	3.5
	Net Debt	-2.8	2.6	1.6	2.0	2.0	-	0.0	0.0	-5.9	-5.9	0	0.0	0.0
		1Q14	2Q14	3Q14	4Q14	FY14	1Q15	2Q15	3Q15	4Q15	FY15	1Q16	2Q16	3Q16
TIBAH (33%)	Revenue	9.7	8.1	8.9	7.6	34.3	11.0	10.1	13.3	11.9	46.3	14.1	14.8	16.5
	EBITDA	2.5	1.7	2.1	0.7	7.0	1.9	2.6	5.0	4.2	13.7	8.8	6.1	7.1
	Net Profit	2.1	1.4	1.8	0.6	5.8	1.7	-3.5	-1.8	-3.9	-7.6	0.8	-1.3	-0.7
	Net Debt	170.4	212.5	255.4	281.2	281.2	315.4	311.0	311.0	328.8	328.8	317.0	322.6	315.6
		1Q14	2Q14	3Q14	4Q14	FY14	1Q15	2Q15	3Q15	4Q15	FY15	1Q16	2Q16	3Q16
BTA IDO (50%)	Revenue	2.2	3.0	4.0	2.7	11.8	2.5	3.2	4.6	2.5	12.8	2.5	2.9	3.7
	EBITDA	0.2	0.5	0.7	-0.1	1.2	0.1	0.4	0.9	0.2	1.6	0.2	0.3	0.4
	Net Profit	0.1	0.3	0.5	-0.3	0.6	-0.1	0.2	0.7	0.1	0.9	0.1	0.2	0.2
	Net Debt	-0.8	-0.7	-1.1	-0.3	-0.3	-0.5	-0.6	-1.2	-0.4	-0.4	0.9	0.3	-0.3

*Havas Solo defined as all companies under HAVAS consolidation – TGS

**BTA defined as all companies under BTA consolidation – BTA IDO

Izmir Ege and Milas Bodrum Rent Accounting Change

(€m) Year	Bodrum	Before	After		
	Cash Payment	Concession Rent Expense	Amortization	Finance Expense	Total
2014	143.4	3.5	1.0	2.2	3.2
2015	28.7	12.8	4.0	7.5	11.5
2016	28.7	35	11.1	18.8	29.9
2017	28.7	35	11.9	18.2	30.1
2018	28.7	35	13.0	17.6	30.6
2019	28.7	35	14.2	16.9	31.1
2020	28.7	35	15.5	16.3	31.8
2021	28.7	35	17.0	15.5	32.5
2022	28.7	35	18.4	14.8	33.2
2023	28.7	35	20.0	14.0	33.9
2024	28.7	35	21.6	13.1	34.8
2025	28.7	35	23.3	12.2	35.5
2026	28.7	35	25.1	11.2	36.3
2027	28.7	35	26.7	10.2	37.0
2028	28.7	35	28.4	9.2	37.6
2029	28.7	35	30.0	8.0	38.1
2030	28.7	35	31.5	6.8	38.4
2031	28.7	35	33.0	5.6	38.5
2032	28.7	35	34.3	4.2	38.5
2033	28.7	35	35.6	2.8	38.4
2034	28.7	35	36.8	1.3	38.1
2035	-	35	37.9	-	37.9
TOTAL	717	717	490.5	226.5	717

(€m) Year	Izmir	Before	After			Izmir Domestic Terminal Depreciation
	Cash Payment	Concession Rent Expense	Amortization	Finance Expense	Total	
2011	12.2	-	-	-	-	
2012	18.3	8.7	2.7	5.9	8.6	
2013	29	8.7	3.0	5.7	8.7	
2014	29	8.7	3.1	5.5	8.7	6.1
2015	29	32.4	13.6	17.8	31.4	9.5
2016	29	32.4	14.4	17.3	31.6	10.1
2017	29	32.4	15.2	16.5	31.7	10.6
2018	29	32.4	16.0	15.8	31.8	11.2
2019	29	32.4	17.0	15.1	32.0	11.9
2020	29	32.4	18.0	14.3	32.3	12.6
2021	29	32.4	19.0	13.4	32.4	13.3
2022	29	32.4	20.1	12.5	32.6	14.0
2023	29	32.4	21.2	11.5	32.7	14.8
2024	29	32.4	22.3	10.5	32.9	15.6
2025	29	32.4	23.5	9.5	32.9	16.4
2026	29	32.4	24.6	8.3	33.0	17.2
2027	29	32.4	25.9	7.1	33.0	18.1
2028	29	32.4	27.1	5.9	33.0	18.9
2029	29	32.4	28.4	4.5	32.9	19.8
2030	29	32.4	29.7	3.1	32.8	20.7
2031	29	32.4	31.0	1.6	32.6	21.7
2032	29	32.4	32.4	0	32.4	22.6
TOTAL	610	610	408.1	201.9	610	285

Concession Overview

Airport	Type/Expire	TAV Stake	Scope	2015 Pax (mppa)	fee/pax Int'l	fee/pax Dom.	Volume Guarantee	Yearly Lease/Concession Fee Paid	Net Debt ⁽¹⁾
Istanbul Ataturk	Lease (January 2021)	100%	Terminal	61.3	US\$15 €2.5 (Transfer)	€3	No	\$140m + VAT	€58m
Ankara Esenboga	BOT (May 2023)	100%	Terminal	12.3	€15 €2.5 (Transfer)	€3	0.6m Dom. , 0.75m Int'l for 2007+5% p.a	-	€46m
Izmir A.Menderes	Concession (December 2032)	100%	Terminal	12.1	€15 €2.5 (Transfer)	€3	No	€29m+VAT ⁽²⁾	€212m
Gazipasa Alanya	Lease (May 2034)	100%	Airport	0.9	€10 ⁽³⁾	TL7.5 ⁽³⁾	No	\$50,000+VAT ⁽⁴⁾	€46m
Milas Bodrum	Concession (December 2035)	100%	Terminal	3.9	€15	€3	No	€143.4m upfront+ €28.7m+VAT ⁽⁵⁾	€131m
Tbilisi	BOT (February 2027)	80%	Airport	1.8	US\$22	US\$6	No	-	€-15m
Batumi	BOT (August 2027)	76%	Airport	0.2	US\$12	US\$7	No	-	€-3m
Monastir&Enfidha	BOT+Concession (May 2047)	67%	Airport	1.4	€9	€1	No	11-26% of revenues from 2010 to 2047	€338m
Skopje & Ohrid	BOT+Concession (March 2030)	100%	Airport	1.6	€17.5 in Skopje, €16.2 in Ohrid	-	No	4% of the gross annual turnover ⁽⁶⁾	€46m
Medinah	BTO+Concession (2037)	33%	Airport	5.8	SAR 87 ⁽⁷⁾	-	No	54.5% ⁽⁸⁾	-
Zagreb	BOT+Concession (April 2042)	15%	Airport	2.6	€15 €4 (Transfer)	€7	No	€2.0 - €11.5m fixed 0.5% (2016) - 61% (2042) variable	-

1) As of 30 September 2016

2) Accrual basis: Depreciation expense of €13.5m in 2015 to €32.4m in 2032 plus finance expense of €17.8m in 2015 to €0m in 2032

3) Gazipasa tariff increased on January 1, 2015

4) TAV Gazipasa will make a yearly rent payment of US\$ 50,000 + VAT plus 65% of net profit to DHMI.

5) Yearly payments start October 2015. Accrual basis: Depreciation expense of €11.1m in 2016 to €38.0m in 2032 plus finance expense of €18.8m in 2016 to €0m in 2032

6) The percentage will be tapered towards 2% as passenger numbers increase.

7) SAR 87 from both departing and arriving international pax. Pax charge will be increase as per cumulative CPI in Saudi Arabia every three years

8) The concession charge will be reduced to 27.3 % for the first two years that follow the completion of the construction.

IFRIC 12 & Our Adjusted Financials Policy

Introduction to IFRIC 12

- ▶ IFRIC 12- is an accounting application treating BOT assets with special provisions for guaranteed income. Ankara Esenboga Airport and Izmir Adnan Menderes Airport International Terminal, with their guaranteed passenger fee structures, fall under the scope.
- ▶ The capex we incur on our BOT assets, is routinely booked as “airport operation right” in the balance sheet. However when there are guaranteed passenger fees in question, these fees are discounted to their NPV and subtracted from the “airport operation right” of the BOT in question. The remaining capex amount gets booked as “airport operation right” and the NPV of guaranteed passenger fees gets booked as “trade receivables.”
- ▶ When the guaranteed passenger fees become earned during the course of operations, these are credited from the balance sheet and the difference between discounted (NPV of) guaranteed passenger fees and the actual fees as they are earned are booked as finance income.
- ▶ Due to the application of IFRIC 12, guaranteed passenger fees stop being P&L items and get treated as Balance Sheet/Cash Flow items, while at the same time, part of these fees gets shown as finance income. This unduly decreases aviation income and increases finance income and distorts our P&L. To adjust for the distortion we add back guaranteed passenger fees while reporting our adjusted revenues.
- ▶ On the other hand the capex incurred during the construction phase is immediately transferred to P&L with an offsetting construction income assigned to it. This income may or may not carry a mark-up on it. Since this method of booking also distorts both the P&L and the Balance Sheet we adjust our financials to disregard the effects of both “construction expense” and “construction income.”

IFRIC 12 booking model

	Debit	Credit
1. During Construction		
BS		Debt
BS		Cash
BS Construction in progress		
PL Construction Expense		Construction Income
2. Completion of Construction		
BS		Construction in progress
(NPV of) Passenger Revenue Receivable		
BS (Trade Receivables)		
BS Airport Operation Right *		
3. Operations During Year		
PL		Aviation Income for the Current Year **
BS Cash **		
4. Year Close		
PL Aviation Income for the Current Year ***		
		Finance Income (Difference between discounted receivables and the actual receivables)
PL		
BS		Passenger Revenue Receivable****
PL Amortisation of Airport Operation Right		
BS		Accumulated Amortisation of Airport Operation Right

* AOR = Construction in progress-(NPV of Passenger Revenue Receivable)

** TR-GAAP

*** IFRS (IFRIC 12 application)

**** Discounted guaranteed passenger revenues for that period

	Guaranteed Pax Structure	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Ankara	International Departing Pax (m)	0.8	0.8	0.9	0.9	1.0	1.0	1.1	1.1	1.2	1.2	1.3	1.3	1.4	1.5	1.6	0.6
	Guaranteed Pax Income (€m)	11.8	12.4	13.0	13.7	14.4	15.1	15.8	16.6	17.5	18.3	19.2	20.2	21.2	22.3	23.4	9.6
	Domestic Departing Pax (m)	0.6	0.7	0.7	0.7	0.8	0.8	0.8	0.9	0.9	1.0	1.0	1.1	1.1	1.2	1.2	0.5
	Guaranteed Pax Income (€m)	1.9	2.0	2.1	2.2	2.3	2.4	2.5	2.7	2.8	2.9	3.1	3.2	3.4	3.6	3.7	1.5
	Total Guaranteed Pax Income (€m)	13.7	14.4	15.1	15.9	16.7	17.5	18.4	19.3	20.2	21.3	22.3	23.4	24.6	25.8	27.1	11.1
Izmir	International Departing Pax (m)	1.1	1.1	1.1	1.2	1.2	1.2	1.3									
	Guaranteed Pax Income (€m)	15.9	16.4	16.9	17.4	17.9	18.4	19.0									
Total	Guaranteed Pax Income (€m)	29.6	30.8	32.0	33.3	34.6	35.9	37.4	19.3	20.2	21.3	22.3	23.4	24.6	25.8	27.1	11.1

Income Statement/Balance Sheet

INCOME STATEMENT (€m)	9M15	9M16
Construction revenue	0.0	0.1
Total operating income	809.3	803.4
Aviation income	252.7	256.3
Ground handling income	123.6	106.8
Commission from sales of duty free goods	190.8	179.4
Catering services and retail income	84.9	89.1
Other operating income	157.2	171.8
Construction expenditure	0.0	(0.1)
Operating expenses	(510.3)	(558.9)
Cost of catering inventory sold	(38.4)	(42.1)
Cost of services rendered	(40.0)	(45.7)
Personnel expenses	(185.9)	(190.0)
Concession rent expenses	(98.0)	(111.4)
Depreciation and amortization expense	(62.9)	(76.4)
Other operating expenses	(85.2)	(93.3)
Equity pick-up	20.2	18.0
Operating profit	319.1	262.5
Finance income	6.6	7.2
Finance expenses	(91.0)	(96.2)
Profit before tax	234.7	173.4
Income tax expense	(71.7)	(70.1)
Profit for the period attributable to:		
Owners of the Company	168.3	109.8
Non-controlling interest	(5.3)	(6.5)
Profit for the period	163.0	103.3

ASSETS (€m)	End of 9M15	End of 9M16
Property and equipment	200	230
Intangible assets	15	13
Airport operation rights	1,345	1,708
Other investments	0	0
Goodwill	136	136
Prepaid concession expenses	15	10
Trade receivables	102	94
Other non-current assets	6	3
Deferred tax assets	58	42
Equity pick-up assets	93	98
Total non-current assets	1,970	2,334
Inventories	10	10
Prepaid concession expenses	135	131
Trade receivables	118	151
Due from related parties	40	22
Derivative financial instruments	16	0
Other receivables and current assets	146	56
Cash and cash equivalents	114	249
Restricted bank balances	331	165
Total current assets	911	784
TOTAL ASSETS	2,881	3,119

EQUITY AND LIABILITIES (€m)	End of 9M15	End of 9M16
EQUITY		
Share capital	162	162
Share premium	220	220
Legal reserves	113	111
Other reserves	(20)	(67)
Revaluation surplus	0	0
Purchase of shares of entities under common control	40	40
Cash flow hedge reserve	(68)	(70)
Translation reserves	(26)	(26)
Retained earnings / (Accumulated losses)	376	421
Total equity attributable to equity holders of the Company	799	791
Non-controlling interest	(1)	1
Total Equity	798	792
Loans and borrowings	729	728
Reserve for employee severance indemnity	17	20
Due to related parties	0	0
Derivative financial instruments	126	65
Deferred income	38	44
Other payables	383	595
Deferred tax liabilities	8	15
Total non-current liabilities	1,300	1,467
Bank overdraft	3	3
Loans and borrowings	605	549
Trade payables	36	53
Due to related parties	2	1
Current tax liabilities	27	17
Other payables	79	217
Provisions	6	7
Deferred income	25	14
Total current liabilities	783	861
Total Liabilities	2,083	2,328
TOTAL EQUITY AND LIABILITIES	2,881	3,119

Cash Flow Statement

CASH FLOWS FROM OPERATING ACTIVITIES	9M15	9M16
Profit for the period	163.0	103.3
Adjustments for:		
Amortisation of airport operation right	37.1	44.6
Depreciation of property and equipment	22.5	28.6
Amortisation of intangible assets	3.4	3.2
Concession and rent expenses	98.0	111.4
Provision for employee severance indemnity	5.9	4.5
Provision for doubtful receivables	1.7	0.7
Discount on receivables and payables, net	0.0	-0.1
Gain on sale of property and equipment	0.7	0.0
Provision set for unused vacation	-0.2	0.4
Interest income	-6.3	-5.9
Interest expense on financial liabilities	68.0	66.6
Tax expense	71.7	70.1
Unwinding of discount on concession receivable	7.2	18.0
Share of profit of equity-accounted investees, net of tax	-20.2	-18.0
Unrealised foreign exchange differences on statement of financial position items	-6.3	5.1
Cash flows from operating activities	446.0	432.6
Change in current trade receivables	-9.6	-52.0
Change in non-current trade receivables	15.2	14.2
Change in inventories	0.0	0.6
Change in due from related parties	-15.5	12.5
Change in restricted bank balances	57.0	247.6
Change in other receivables and assets	56.8	-6.3
Change in trade payables	-7.7	2.6
Change in due to related parties	-11.8	-4.5
Change in other payables and provisions	229.1	-27.4
Cash provided from operations	759.5	620.0
Income taxes paid	-46.2	-39.2
Interest paid	-58.4	-50.6
Retirement benefits paid	-2.6	-3.3
Additions to prepaid concession and rent expenses	-117.4	-130.3
Dividends from equity-accounted investees	27.1	24.2
Net cash provided from operating activities	562.0	420.8

CASH FLOWS FROM INVESTING ACTIVITIES	9M15	9M16
Interest received	4.0	5.3
Proceeds from sale of property, equipment and intangible assets	7.7	6.2
Acquisition of property and equipment	-56.8	-56.4
Acquisition of non-controlling interest	-4.6	-
Additions to airport operation right	-297.7	-25.9
Acquisition of intangible assets	-1.1	-0.8
Net cash used in investing activities	-348.4	-71.5
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	88.7	270.0
Repayment of borrowings	-136.9	-468.5
Non-controlling interest change	-6.2	-
Dividends paid	-102.8	-113.9
Change in finance lease liabilities	-0.3	-2.5
Net cash used in financing activities	-157.6	-314.8
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	56.1	34.4
CASH AND CASH EQUIVALENTS AT 1 JANUARY	55.3	211.7
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	111.4	246.1

2014

Q1

- › Milas-Bodrum Airport tender was won
- › Dividend policy of 50% payout implemented
- › Cash Dividend of €65m paid
- › Izmir Domestic Terminal opened

Q2

- › ATU shop renovations completed
- › Competition Board approved Milas-Bodrum tender
- › Ankara AOR reclassified to trade receivables, which had a net effect of increasing net income €4.7m

Q3

- › Milas Bodrum Airport domestic terminal taken over
- › ATU started operations at Monastir Airport
- › ATU won the duty free concession in Salalah Airport, Oman
- › Havas divested CAS with a write-off of €1.1m

Q4

- › One-off income of €15m , due to projects followed
- › ATU started operations in 5 Tunisian airports including Carthage
- › Accounting policy change for Izmir Ege and Milas Bodrum rent

2015

Q1

- › 4% of TAV Georgia (Tbilisi) bought for USD 5.2m
- › Ten year duty-free concession at Houston George Bush Airport, USA won
- › Harsh winter conditions led to flight cancellations and unbudgeted de-icing revenue

Q2

- › The consortium including TAV was not selected as preferred bidder in LaGuardia tender.
- › New terminal building of Medinah Airport opened.
- › ATU operation in Oman Salalah started
- › Dividends paid

Q3

- › Gazipasa runway extension complete
- › Philippines PQ received
- › Mezzanine floor opens in Ataturk Airport International Terminal
- › ATU started in Houston.

Q4

- › Milas-Bodrum Airport international terminal taken over
- › Gazipasa runway extension complete
- › Havas became 100% shareholder of Havas Europe

2016

Q1

- › TRY 348 million cash dividends paid
- › Macedonia loan refinanced with one-off cost of ~EUR7m

Q2

- › Istanbul loan refinanced with one-off cost of ~EUR11m (will be net income neutral by year-end)
- › Tunisia deferred tax asset reversal of ~EUR14m
- › Ataturk extension complete
- › Tbilisi runway and taxiway rehabilitation complete
- › Attack on the airport (June 28), coup attempt (July 15)

Q3

- › Consortium with TAV invited to exclusive negotiations for Havana Airports, Cuba
- › Started negotiations with Saudi Oger Ltd. to purchase half of its 33.3% shares of Tibah



Turkey

- › Corporate income tax rate of 20%
- › Advance tax returns are filed on a quarterly basis.
- › Losses can be carried forward for offsetting against future taxable income for up to 5 years



Georgia

- › Corporate income tax rate of 15%



Tunisia

- › Corporate income tax rate of 25%
- › TAV Tunisia is exempt from corporate tax for a period of 5 years starting from the concession agreement date



Macedonia

- › Corporate income tax rate of 10%



Latvia

- › Corporate income tax rate of 15%



Saudi Arabia

- › Corporate income tax rate of 20% for non-residents



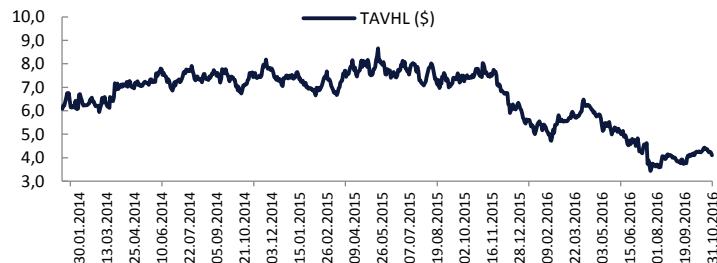
Croatia

- › Corporate income tax rate of 20%

ESG & Share Performance

Second highest
Corporate
governance
rating in Turkey
in 2015.

Share Performance (October 31, 2016)



Corporate Governance Rating 2015	Weight	Grade
Shareholders	25%	94.94
Public Disclosure and Transparency	25%	97.34
Stakeholders	15%	98.82
Board of Directors	35%	92.83
Total	100%	95.38

Share Price Performance	1M	3M	Since 2016
TRY	3%	16%	-26%
USD	-1%	13%	-26%
Relative to BIST -100	0%	12%	-32%

The Corporate Governance rating of our Company has increased to **95.38 (9.54 out of 10)** on 19.08.2016 from a rating of 95.19 (9.52 out of 10) which was announced on 21.08.2015, owing to our strong emphasis on developing good corporate governance practices.

Sustainability

TAV Airports was included in the BIST Sustainability Index on November 4, 2014.

Closing Price (TRY)
12.72

Market Cap
USD 1.45b

Avg. Daily Volume**
USD 12m

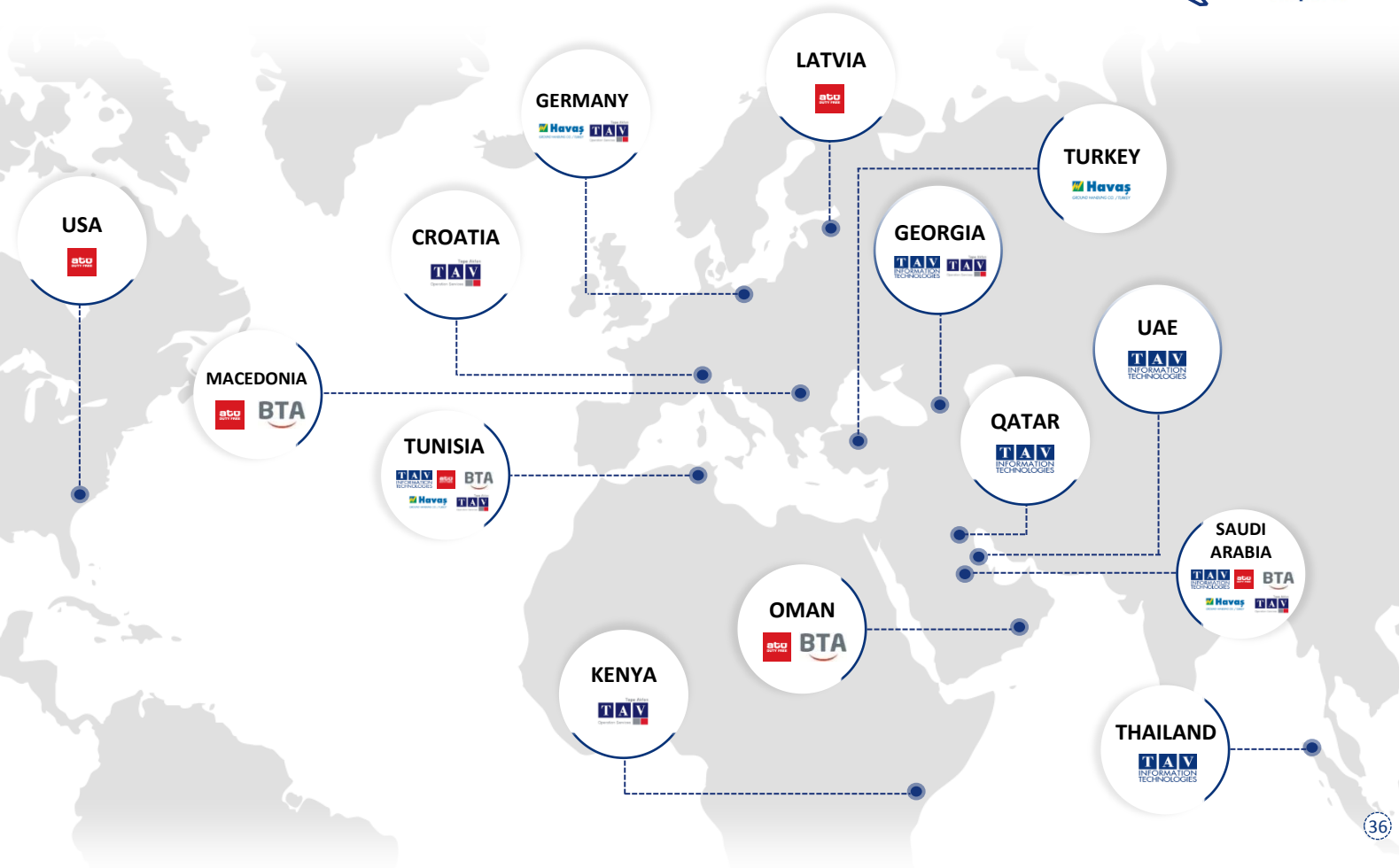
Free Float*
44%

Effective Free Float*
41%

Foreign Ownership
78%

* Source: Central Registry Agency (MKK)
** 2015 yearly average

Global Presence with Service Companies 14 Countries, 65 Airports



ADP – TAV Airports: A Global Footprint

A Platform of 34 airports and 252 million passengers*

■ TAV Airports ■ ADP

Tunisia (67%)

- Enfidha & Monastir 1.4mn pax
- Concession operator

13 Regional airports Mexico North Central (25.5%)*

- 17.1mn pax
- Operator

FRANCE

- Paris-CDG: 65.8mn pax
- Paris-Orly: 29.6mn pax
- Owner and operator

Schiphol Group (8%)

- 58.3mn pax
- Industrial cooperation

Conakry Airport (29%)

- 0.3mn pax
- Operator

Santiago de Chile (45%)

- 17.2mn pax
- Concession

Jeddah (Haji Terminal) – Saudi Arabia

- 7.3mn pax
- Management contract

Mauritius (10%)

- 3.2mn pax
- Operator
- Strategic partner

Liège (25.6%)

- 0.6mn tons of freight
- Strategic partner

Croatia (TAV 15% ADPM 21%)

- Zagreb Airport: 2.6 mn pax
- Concession operator

Georgia

- Tbilisi & Batumi: 2.1 mn pax
- Concession operator

Macedonia (100%)

- Skopje & Ohrid: 1.6 mn pax
- Concession operator

Turkey

- Istanbul Ataturk: 61.3mn pax
- Ankara: 12.3mn pax
- Izmir: 12.1mn pax
- Mlas-Bodrum: 3.9mn pax
- Gazipasa: 0.9mn
- Concession operator

Medinah (Saudi Arabia) (33%) 5.8mn pax

- Concession operator

Amman – Jordan (9.5%)

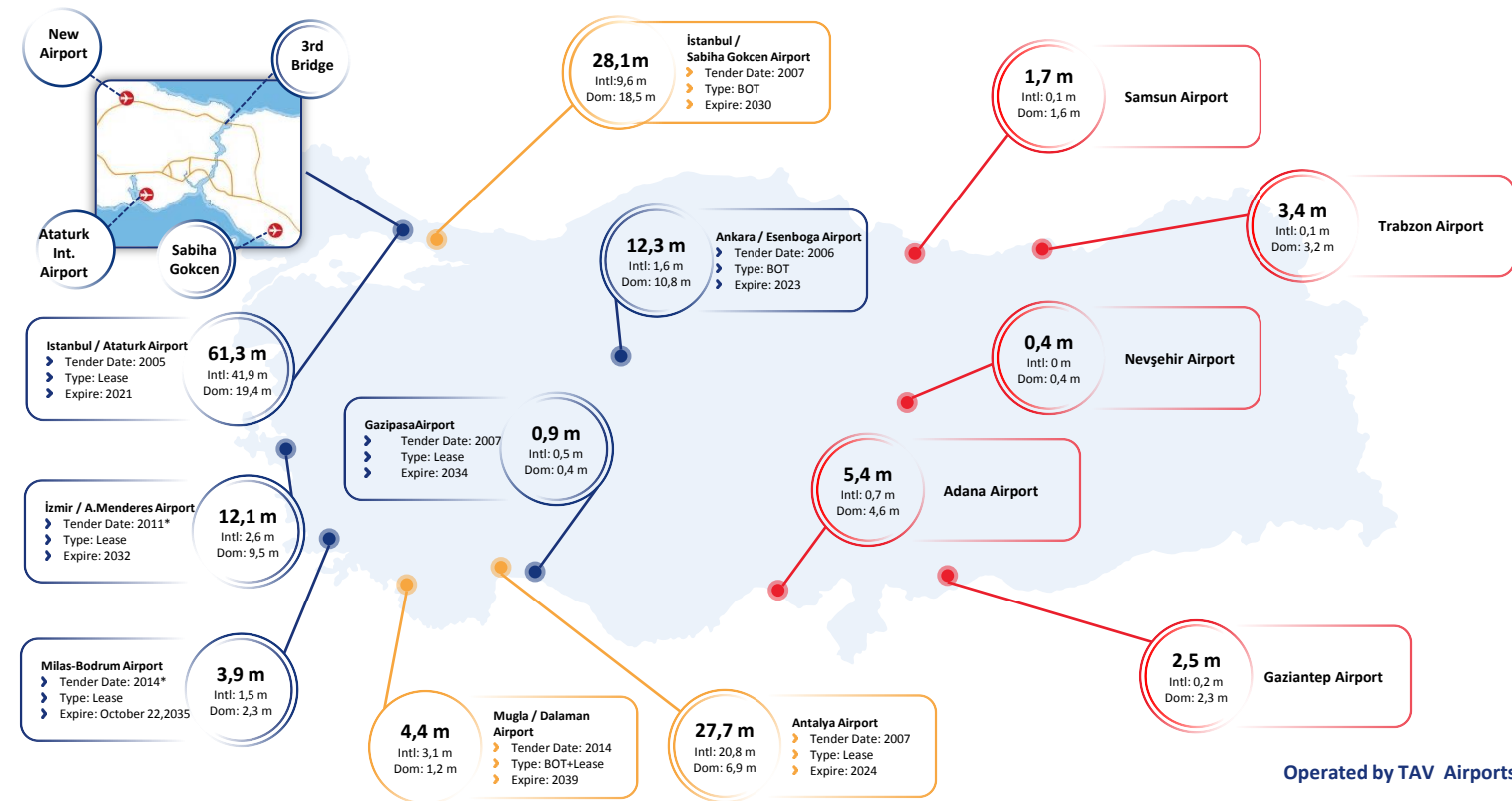
- 7.1 mn pax
- 1Management contract
- Strategic partner

Source: ADP, TAV Airports

Notes: Mexico: ADP holds a 25.5% stake in the Mexican company Servicios de Tecnología Aeroportuaria (SETA), which itself has a 16.7% stake in holding company Grupo Aeroportuario del Centro Norte (GACN), which controls 13 airports in the north and centre of Mexico, including Monterrey International Airport Passenger numbers are for FY 2015

*Excluding passenger numbers for Schiphol and Riga Airports

Major Airports in Turkey



Operated by TAV Airports

Not privatized

Operated by others

* International terminal to be taken over October 2015

** Pax numbers are for 2015.

Country	Subject Descriptor	Units	Scale	2014	2015	2016	2017	2018	2019	2020	2021
Croatia	Gross domestic product, current prices	U.S. dollars	Billions	57.2	48.9	49.9	51.5	53.5	56.0	58.9	61.1
	Gross domestic product per capita, current prices	U.S. dollars	Thousand	13.5	11.6	11.9	12.3	12.8	13.5	14.2	14.8
	Inflation, average consumer prices	Percent change		-0.2	-0.5	-1.0	0.8	1.7	1.9	2.0	2.0
	Population	Persons	Millions	4.2	4.2	4.2	4.2	4.2	4.2	4.1	4.1
Georgia	Gross domestic product, current prices	U.S. dollars	Billions	16.5	14.0	14.5	15.7	17.2	18.7	20.3	22.1
	Gross domestic product per capita, current prices	U.S. dollars	Thousand	4.4	3.8	3.9	4.3	4.7	5.1	5.5	6.0
	Inflation, average consumer prices	Percent change		3.1	4.0	2.6	3.6	3.5	3.0	3.0	3.0
	Population	Persons	Millions	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7
Latvia	Gross domestic product, current prices	U.S. dollars	Billions	31.3	27.0	27.9	29.6	31.5	33.6	35.9	38.0
	Gross domestic product per capita, current prices	U.S. dollars	Thousand	15.7	13.6	14.1	15.1	16.1	17.2	18.4	19.5
	Inflation, average consumer prices	Percent change		0.7	0.2	0.2	1.7	2.0	2.0	2.0	2.0
	Population	Persons	Millions	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.9
FYR Macedonia	Gross domestic product, current prices	U.S. dollars	Billions	11.3	10.0	10.5	11.1	11.7	12.5	13.3	14.1
	Gross domestic product per capita, current prices	U.S. dollars	Thousand	5.5	4.9	5.1	5.4	5.6	6.0	6.4	6.8
	Inflation, average consumer prices	Percent change		-0.1	-0.2	0.1	0.8	1.5	2.0	2.0	2.0
	Population	Persons	Millions	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1
Saudi Arabia	Gross domestic product, current prices	U.S. dollars	Billions	753.8	646.0	637.8	689.0	740.2	777.8	816.6	854.6
	Gross domestic product per capita, current prices	U.S. dollars	Thousand	24.5	20.6	19.9	21.1	22.2	22.9	23.6	24.2
	Inflation, average consumer prices	Percent change		2.7	2.2	4.0	2.0	4.7	2.0	2.0	2.0
	Population	Persons	Millions	30.8	31.4	32.0	32.7	33.3	34.0	34.7	35.3
Tunisia	Gross domestic product, current prices	U.S. dollars	Billions	47.6	43.6	42.4	41.7	42.1	44.2	46.8	49.5
	Gross domestic product per capita, current prices	U.S. dollars	Thousand	4.3	3.9	3.8	3.7	3.7	3.8	4.0	4.2
	Inflation, average consumer prices	Percent change		4.9	4.9	3.7	3.9	3.8	3.7	3.5	3.5
	Population	Persons	Millions	11.0	11.1	11.2	11.3	11.5	11.6	11.7	11.8
Turkey	Gross domestic product, current prices	U.S. dollars	Billions	798.7	718.0	735.7	769.5	811.9	861.0	912.5	964.8
	Gross domestic product per capita, current prices	U.S. dollars	Thousand	10.4	9.2	9.3	9.6	10.1	10.6	11.1	11.7
	Inflation, average consumer prices	Percent change		8.9	7.7	8.4	8.2	6.8	6.7	6.5	6.5
	Population	Persons	Millions	76.9	78.2	79.0	79.8	80.6	81.3	82.1	82.8

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About TAV Airports


Turkey

- › Istanbul Ataturk
- › Ankara Esenboga
- › Izmir Adnan Menderes
- › Gazipasa Alanya
- › Milas Bodrum


Georgia

- › Tbilisi and Batumi


Tunisia

- › Monastir and Enfidha


Macedonia

- › Skopje and Ohrid


Saudi Arabia

- › Medinah


Latvia

- › Riga (only commercial areas)


Croatia

- › Zagreb

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