

Date: 31.10.2011

We had declared in our Material Event Disclosure dated August 8, 2011, that the consortium constituted by our company, Al Rajhi Holding Group and Saudi Oger Ltd. was named as the best bidder in the tender held by the Civil Aviation General Directorate (GACA) of the Kingdom of Saudi Arabia for an operation of 25 years for the Medina International Airport. The contract for the operation of the Medina International Airport as per the Build Transfer Operate model was signed on October 29, 2011 between the consortium and GACA.

The capacity of the current 4 million yearly capacity of the Medina Airport is to be increased to a capacity of 8 million passengers per year with the new terminal to be constructed by the first half of 2015, and the total investment amount is contemplated to be at the level of 1 – 1.5 billion USD. It is planned to take over the airport as it is, and commence the construction of the new terminal building during the first half of 2012. Until the new terminal building is completed, services shall continue through the existing terminal building. The service charges per passenger have been determined as 80 SAR (approximately 22 USD) both for incoming and outgoing international passengers, throughout the operation period. 54.5% of the annual turnover of the Medina Airport shall be paid as the concession lease amount to the local administration throughout the airport operation rights to continue until the first half of 2037.

We hereby state that the above clarifications are in compliance with the principles set forth in the Decree No 54 Series No VIII of the Capital Market Board, that it fully reflects the information we have received in this respect, that the information is compliant with the books, records and our documents, that we have accomplished our best in order to obtain the accurate and correct information, and that we are responsible for this clarification hereby.

**TAV Airports Holding Inc.**

Aziz Murat Ulug

CFO

31.10.2011, 8:19

Nursel İlgen, CFA

Head of Investor Relations

31.10.2011, 8:19

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