A JOURNEY THROUGH ENDURING VALUES

2013 Annual Report
In order to pass along our cultural heritage to the country’s future generations, TAV Volunteers, who implement the “Culture Ants Project” of the Cultural Awareness Foundation, continued to introduce children and youth to the past in 2013.

TAV conducts its operations with an understanding that a better tomorrow is built upon strong and enduring values. With this awareness, TAV not only develops unique, modern airports designed for the future but also abides by traditional values today as it moves into the future. In 2012, TAV Volunteers, who implement the Culture Ants Project of the Cultural Awareness Foundation, helped bridge the past and the future. Meanwhile in 2013, TAV gave children and youth the opportunity to meet history at the ancient city of Ephesus near Izmir. On this journey to the distant past, Izmir Adnan Menderes Airport staff guided youngsters around the richly historic site while providing them with detailed information about the location.
**Culture Ants**

**Educational Model**

The educational model of the Culture Ants initiative of the Cultural Awareness Foundation is based on student oriented learning by traveling, seeing, sensing, feeling and is implemented via small groups of primary school students. The educational experience continues for one or two years depending on the objectives. Under the thematic model, cultural heritage is demonstrated in the original setting and the educational activities are reinforced with music, arts, dramatic exercises and other multi-sensory exercises.

**TAV Volunteers**

TAV Airports Holding defines the concept of social responsibility as the voluntary contribution of companies to improve society-at-large and to make for a better future. Following this approach, TAV conducts its operations with a keen awareness of its own social responsibility in areas such as the environment, culture, arts and education. The TAV Volunteers initiative has been an important hallmark of TAV Holding’s corporate social responsibility approach since 2012. In the TAV Volunteers program, employees of TAV Holding and its affiliate companies voluntarily come together with the understanding that helping others and contributing to society, arts, and the environment is actually the biggest favor we can do for each other. TAV Volunteers, in keeping with the organization’s main objectives, have implemented and/or supported many worthwhile initiatives in a short time.
TAV VOLUNTEERS
İZMIR

Alper Dalkıran  Aziz Altındağ

Belgin Önal  Deniz Ülker  Dilek Bozkurt  Firdevs Bingöl

Harun Taşdelen  Mehmet Ali Türkeli  Murat Kadır İşçen  Nilüfer Bahçekapılı

Özlem Çapkınlı  Özlem Pazvantoğlu  Rüyam İyigün  Salih Çalış

Sezgin Altın  Sırra Taş  Tufan Tabak  Tülay İlhan
We conduct our operations with a keen understanding that a better future is built upon strong and enduring values. With this awareness, we not only provide quality services to 84 million passengers a year from 652 thousand flights in modern airport facilities built for tomorrow but we also take the traditional values of the past along with us today as we move forward into the future.

With TAV Volunteers, who implement the Culture Ants Project of the Cultural Awareness Foundation, we give children and youth the opportunity to meet the past in order to pass along our cultural heritage to future generations.

As a result, these schoolchildren of today will have a better historical awareness and understanding to take our country forward into tomorrow...
WHO ARE WE?

OWNERSHIP STRUCTURE

TAV AIRPORTS HAS A VERY STRONG AND SUPPORTIVE SHAREHOLDER STRUCTURE COMPRISING INDUSTRIAL KNOW-HOW, LOCAL-EXPERTISE AND FINANCIAL STRENGTH.

(As of 31 December 2013)

<table>
<thead>
<tr>
<th>Shareholders</th>
<th>Number of Shares</th>
<th>Ownership Share (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aéroports de Paris Group*</td>
<td>138,046,875</td>
<td>38.0</td>
</tr>
<tr>
<td>Tepe İnşaat Sanayi A.Ş.</td>
<td>29,273,852</td>
<td>8.1</td>
</tr>
<tr>
<td>Akfen Holding A.Ş.</td>
<td>29,495,446</td>
<td>8.1</td>
</tr>
<tr>
<td>Sera Yapı Endüstrisi ve Ticaret A.Ş.</td>
<td>7,379,507</td>
<td>2.0</td>
</tr>
<tr>
<td>Non-floating (Other)</td>
<td>12,775,048</td>
<td>3.5</td>
</tr>
<tr>
<td>Free-float (Other)</td>
<td>146,310,522</td>
<td>40.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>363,281,250</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

*Through Tank ÓWA alpha GmbH, a wholly owned subsidiary of Aéroports de Paris

**Shareholders**

**38.0% Aéroports de Paris Group:** One of Europe’s leading airport operators with operations around the world

**8.1% Tepe İnşaat:** A leading company in the construction industry operating since 1969

**8.1% Akfen Holding:** Active in maritime investments, port operations, energy, real estate, and construction industries with a special focus on infrastructure investments

**2.0% Sera Yapı:** Focused on infrastructure and superstructure construction.

**3.5% Non-floating (Other)**

**40.3% Free-float (Other)**
“We visited historical sites in Ephesus with TAV Volunteers. I liked everyone, everything was great. They paid close attention to kids. We sang songs, and took trips. They taught us a lot of things.”

BÜŞRA AKKURT (12)
İBNI SİNA SECONDARY SCHOOL

“The library really impressed me. The library at the ruins of Ephesus was very beautiful. I had a lot of fun with the TAV Volunteers.”

EMİRÇAN ER (12)
İBNI SİNA SECONDARY SCHOOL

“Learning about the way ancient people lived impressed me. I was very excited from the beginning, and I learned as I observed. I love TAV Volunteers very much.”

İSMAIL BEDİR (12)
İBNI SİNA SECONDARY SCHOOL
THE RUINS OF EPHESUS

With foundations dating back to 6000 B.C., in the Neolithic Period, the Ephesus visible today was founded by one of the generals of Alexander the Great, Lysimakhos in 300 B.C. The ancient city’s most glorious era was in the Hellenistic and Roman periods. As the capital of the Roman province of Asia and as the largest port city, Ephesus’ population climbed to 200,000 at its peak.
WHAT DO WE DO?

ORGANIZATIONAL STRUCTURE

AIRPORT MANAGEMENT

Ataturk Airport
100%

Esenboğa Airport
100%

Adnan Menderes Airport
100%

Garipasa Airport
100%

Medinah Airport
33%

Monastir and Enfidha Hammamet Airports
67%

Tbilisi and Batumi Airports
76%

Skopje and Ohrid Airports
100%

Riga Airport*
100%

Zagreb Airport
15%

* Only commercial areas
A PIONEER IN THE AREA OF AIRPORT OPERATIONS IN ITS REGION, TAV AIRPORTS CONTINUED TO CONTRIBUTE TO THE DEVELOPMENT OF THE INDUSTRY ON INTERNATIONAL PLATFORMS IN 2013.
**Airport** | **Type/Duration of Operation** | **TAV’s Share (%)** | **Area of Operation** | **International Passenger Fee** | **Domestic Passenger Fee** | **Passenger Guarantees** | **Concession/Lease Payment** |
---|---|---|---|---|---|---|---|
Istanbul Atatürk | Concession Lease (January 2021) | 100 | Terminal | US$ 15 € 2.5 (Transfer) | € 3 | - | US$ 140 million + VAT per year |
Ankara Esenboğa | Build-Operate-Transfer (BOT) (May 2023) | 100 | Terminal | € 15 | € 3 | 0.6 million (domestic), 0.75 million (international) (2007) + 5% annual increase | - |
Izmir A. Menderes | BOT + Lease (December 2032) | 100 | Terminal | € 15 | € 3 | 1 million international (2006) + 3% annual increase | € 29 million (starting in 2013) (5) |
Gazipaşa | Lease (May 2034) | 100 | Airport | € 5 | TL 2 | - | US$ 50,000 VAT (4) |
Tbilisi | BOT (February 2027) | 76 | Airport | US$ 22 | US$ 6 | - | - |
Batumi | BOT (August 2027) | 76 | Airport | US$ 12 | US$ 7 | - | - |
Monastir & Enfidha | BOT + Concession (May 2047) | 67 | Airport | € 9 | € 1 | - | 11-26% of revenue between 2010 and 2047 |
Skopje & Ohrid | BOT + Concession (March 2030) | 100 | Airport | € 175 Skopje, € 162 Ohrid | - | - | 15% of annual gross revenue (1) |
Medinah | BTO + Concession (June 2037) | 33 | Airport | SAR 80 (2) | - | - | 54.5% (3) |
Zagreb | BOT + Concession (April 2042) | 15 | Airport | € 15 (6), € 4 (transfer) | € 7 (6) | - | € 2.0 - € 11.5 million fixed 0.5% (2016) 61% (2042) variable |

(1) Concession lease payment is 15% of the annual gross revenue until the combined passenger traffic of the two airports exceeds 1 million; it will range between 2% and 4% based on the passenger traffic after the 1 million passenger threshold is exceeded.
(2) A fee of SAR 80 per passenger is being collected for each departing and arriving passenger. The per-passenger fee will increase every three years based on the cumulative consumer price index (CPI).
(3) Concession lease payment will drop to 27.3% for two years following the completion of construction work.
(4) TAV Gazipaşa Yatırım Ve İşletme A.Ş. will make a fixed payment of US$ 50,000 + VAT per year until the end of the operation period and pay 65% of the net profit for the year to the Turkish State Airports Authority (DHMİ) as profit share at the end of each operating year.
(5) Cash basis.
(6) International, domestic and transfer passenger service fees of € 10, € 4, and € 4, respectively, prior to April 2014.
AN AIRPORT OPERATOR WITH VAST INTERNATIONAL EXPERIENCE, TAV AIRPORTS IS INTERESTED IN INVESTMENT OPPORTUNITIES IN THE MIDDLE EAST, BALKANS, NORTH AFRICA AND THE CAUCASUS, IN ADDITION TO OTHER REGIONS.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>TURKEY</td>
<td>545.8 thousand</td>
<td>72.8 million</td>
</tr>
<tr>
<td>TUNISIA</td>
<td>30.1 thousand</td>
<td>3.4 million</td>
</tr>
<tr>
<td>SAUDI ARABIA</td>
<td>40.0 thousand</td>
<td>4.7 million</td>
</tr>
<tr>
<td>MACEDONIA</td>
<td>12.4 thousand</td>
<td>1.1 million</td>
</tr>
<tr>
<td>GEORGIA</td>
<td>23.5 thousand</td>
<td>1.6 million</td>
</tr>
<tr>
<td>CROATIA*</td>
<td>38.9 thousand</td>
<td>2.3 million</td>
</tr>
</tbody>
</table>

* TAV Airports took over the operations of Zagreb Airport as of December 2013.
### DEVELOPMENTS IN 2013

#### OPERATIONAL SUMMARY
The increase in passenger traffic jumped to record levels as a result of organic growth and inclusion of Medinah passengers for all of 2013. TAV took over Medinah operations in the second half of 2012.

<table>
<thead>
<tr>
<th>Category</th>
<th>2012</th>
<th>2013</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Domestic Passenger Traffic</strong> (Million)</td>
<td>30.8</td>
<td>36.2</td>
<td>18%</td>
</tr>
<tr>
<td><strong>Domestic Commercial Flight Traffic</strong> (Thousand)</td>
<td>238.9</td>
<td>275.1</td>
<td>15%</td>
</tr>
<tr>
<td><strong>International Passenger Traffic</strong> (Million)</td>
<td>40.9</td>
<td>47.4</td>
<td>16%</td>
</tr>
<tr>
<td><strong>International Commercial Flight Traffic</strong> (Thousand)</td>
<td>330.9</td>
<td>376.7</td>
<td>14%</td>
</tr>
</tbody>
</table>

TAV Airports’ Domestic Passenger Traffic reached 36.2 million with an 18% increase in 2013.

TAV Airports’ Domestic Commercial Flight Traffic reached 275.1 thousand with a 15% increase in 2013.

TAV Airports’ International Passenger Traffic reached 47.4 million with a 16% increase in 2013.

TAV Airports’ International Commercial Flight Traffic reached 376.7 thousand with a 14% increase in 2013.
FINANCIAL SUMMARY

Once again, TAV Airports managed to translate its successful operations to strong financial results in the reporting year. The Company increased consolidated revenue by 17% to TL 2,245 million and consolidated EBITDA by 26% to TL 880 million in 2013. TAV Airports closed the year with record-breaking net profit of TL 336 million.

TOTAL PASSENGER TRAFFIC (MILLION)

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>717</td>
<td>83.6</td>
</tr>
</tbody>
</table>

TAV Airports’ Total Passenger Traffic reached 83.6 million, increasing by 17% in 2013.

TOTAL COMMERCIAL FLIGHT TRAFFIC (THOUSAND)

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>569.8</td>
<td>651.8</td>
</tr>
</tbody>
</table>

TAV Airports’ Total Commercial Flight Traffic reached 651.8 thousand, increasing by 14% in 2013.

REVENUE (TL MILLION)

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1917</td>
<td>2,245</td>
</tr>
</tbody>
</table>

TAV Airports’ revenue increased 17% and reached TL 2,245 million in 2013.

EBITDA (TL MILLION)

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>699</td>
<td>880</td>
</tr>
</tbody>
</table>

TAV Airports’ EBITDA increased 26% and reached TL 880 million in 2013.
FINANCIAL SUMMARY

As a result of strong operations, TAV Airports reported TL 297 million in net profit and continued to add value for its shareholders by distributing a gross dividend of TL 0.39 per share which totaled TL 142.9 million in 2012. The proposal for a total dividend payment of TL 199 million and TL 0.55 per share from the 2013 net profit was submitted for the approval of the General Assembly.

<table>
<thead>
<tr>
<th>Summary Income Statement* (TL million)</th>
<th>2012</th>
<th>2013</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>1,917</td>
<td>2,245</td>
<td>17</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>709</td>
<td>860</td>
<td>21</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>546</td>
<td>706</td>
<td>29</td>
</tr>
<tr>
<td>Investment Expenses (net)</td>
<td>-29</td>
<td>-54</td>
<td>83</td>
</tr>
<tr>
<td>Financial Expenses (net)</td>
<td>-139</td>
<td>-177</td>
<td>27</td>
</tr>
<tr>
<td>Profit before Tax</td>
<td>377</td>
<td>475</td>
<td>26</td>
</tr>
<tr>
<td>Net Profit</td>
<td>297</td>
<td>336</td>
<td>13</td>
</tr>
<tr>
<td>EBITDA</td>
<td>699</td>
<td>880</td>
<td>26</td>
</tr>
<tr>
<td>EBITDAR</td>
<td>1,012</td>
<td>1,243</td>
<td>23</td>
</tr>
</tbody>
</table>

*Excluding construction revenues

<table>
<thead>
<tr>
<th>Summary Balance Sheet (TL million)</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Assets</td>
<td>1,701</td>
<td>2,170</td>
</tr>
<tr>
<td>Short-term Liabilities</td>
<td>747</td>
<td>1,129</td>
</tr>
<tr>
<td>Non-current Assets</td>
<td>3,279</td>
<td>4,471</td>
</tr>
<tr>
<td>Total Assets</td>
<td>4,981</td>
<td>6,641</td>
</tr>
<tr>
<td>Non-current Liabilities</td>
<td>2,968</td>
<td>3,673</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>3,715</td>
<td>4,802</td>
</tr>
<tr>
<td>Shareholders’ Equity</td>
<td>1,265</td>
<td>1,839</td>
</tr>
</tbody>
</table>

**33%**

TAV Airports’ Total Assets increased 33%, rising from TL 4,981 million to TL 6,641 million.

**13%**

TAV Airports’ Net Profit increased 13% and totaled TL 336 million in 2013.

*After minority*
NET CASH PROVIDED FROM OPERATING ACTIVITIES

While net cash provided from operating activities was TL 1,038 million in 2012, it rose to TL 1,636 million in 2013. Net cash used in investment activities increased in 2013 particularly due to ongoing investments in Izmir.

<table>
<thead>
<tr>
<th>Summary Consolidated Cash Flow Statement (TL million)</th>
<th>2012*</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at the Beginning of the Period</td>
<td>137</td>
<td>90</td>
</tr>
<tr>
<td>Net Cash Provided From Operating Activities</td>
<td>1,038</td>
<td>1,636</td>
</tr>
<tr>
<td>Net Cash Used in Investment Activities</td>
<td>-374</td>
<td>-744</td>
</tr>
<tr>
<td>Net Cash Used in Financing Activities</td>
<td>-711</td>
<td>-699</td>
</tr>
<tr>
<td>Cash Balance at the End of the Period</td>
<td>90</td>
<td>283</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Financial Ratios</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Ratio (X)</td>
<td>2.28</td>
<td>1.92</td>
</tr>
<tr>
<td>Liquidity Ratio (X)</td>
<td>2.26</td>
<td>1.90</td>
</tr>
<tr>
<td>Current Assets/Total Assets (%)</td>
<td>34</td>
<td>33</td>
</tr>
<tr>
<td>Current Liabilities/Total Liabilities (%)</td>
<td>20</td>
<td>24</td>
</tr>
<tr>
<td>Total Liabilities/Total Assets (%)</td>
<td>75</td>
<td>72</td>
</tr>
<tr>
<td>Return on Equity (%)</td>
<td>24</td>
<td>18</td>
</tr>
<tr>
<td>Return on Assets (%)</td>
<td>6</td>
<td>5</td>
</tr>
<tr>
<td>Net Debt/EBITDA (X)</td>
<td>3.43</td>
<td>2.92</td>
</tr>
</tbody>
</table>

* Restated.

**NET CASH PROVIDED FROM OPERATING ACTIVITIES (TL MILLION)**

58%

Net Cash Provided from Operating Activities increased 58% in 2013 compared to 2012.
HOW DID 2013 UNFOLD?

INVESTMENTS IN 2013

TAV AIRPORTS CONTINUES ITS CAPITAL INVESTMENTS WITH THE CONSTRUCTION OF IZMIR ADNAN MENDERES AIRPORT’S DOMESTIC TERMINAL.

<table>
<thead>
<tr>
<th>TL Million</th>
<th>2013</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additions to Airport Operating Rights</td>
<td>92</td>
<td>592</td>
</tr>
<tr>
<td>Acquisition of Tangible Assets</td>
<td>67</td>
<td>91</td>
</tr>
<tr>
<td>Acquisition of Intangible Assets</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>163</strong></td>
<td><strong>686</strong></td>
</tr>
</tbody>
</table>
How did 2013 unfold?

**AWARDS & ACHIEVEMENTS**

**ISTANBUL ATATÜRK AIRPORT, OPERATED BY TAV AIRPORTS, WAS NAMED “AIRPORT OF THE YEAR” AT THE ATN NEWS AWARDS, WHICH IS HELD ANNUALLY PRIOR TO THE INTERNATIONAL CIVIL AVIATION ORGANIZATION (ICAO) MEETING.**

- Istanbul Atatürk Airport became Europe's 5th busiest airport in 2013.
- CEO, Mr. Sani Şener became a member of ACI World’s Governing Board.
- In the Pan-European Investor Relations Survey conducted by Thomson Reuters Extel Surveys annually among 15,000 professionals working in fund management and brokerage firms worldwide, TAV Airports was voted “Best Company in Investor Relations - 1st in Turkey (3rd in the European Transport Sector),” “Best Investor Relations Officer - 2nd in Turkey (3rd in the European Transport Sector),” “Best Investor Relations Officer - 3rd in Turkey (4th in the European Transport Sector).”
- TAV Aviation Minds, a program that disseminates TAV Airports’ know-how in airport operations to the entire world, began providing training to airports in China.
- Project Finance International chose the Medinah Airport Project, a joint venture of TAV Airports with its partners Saudi Oger and Al Rajhi Holding, as the “Middle East and Africa Infrastructure Deal of the Year.”
- Skopje Airport, operated by TAV Airports, was named the best airport under 2 million passengers per year in Europe by Airports Council International (ACI).
- Istanbul Atatürk Airport, operated by TAV Airports, received the “Airport of the Year” designation at the ATN News Awards, which is held annually prior to the United Nations International Civil Aviation Organization (ICAO) meeting.
- Enfidha Airport in Tunisia, operated by TAV Airports, became the very first African airport to be certified by ACI Europe’s prestigious carbon accreditation program.
- The recycling program implemented by TAV at the new domestic terminal, currently under construction, was recognized with the “Innovative Sustainability Practices” award presented for the first time by the Sustainable Development Association of Turkey.
- Istanbul Atatürk Airport was named the fastest growing airport in Europe at the Euro Annies 2013 Awards held by anna.aero.
- TAV Airports hosted the General Assemblies of ACI World, the global trade body of the airport operation industry, and its European arm ACI Europe in Istanbul. More than 800 aviation executives representing 1,751 airports from 174 countries discussed the future of aviation and airports over a five-day period.
- TAV Airports 2012 Annual Report received “Gold” award in Report Content Design, Text, Non-Traditional Reports categories and “Honor” award in the Illustration category in 2013 International Annual Reports Competition ARC. The report received “Gold” award in the “Transportation and Logistics” category, and “Silver” award in the “Airport Operations” category of the Vision Awards organized by LACP and took its place among the best 20 Reports in Turkey. Moreover, the Company received “Bronze” award in the “Transportation” category of the “Galaxy Awards.”
- TAV Airports received the highest Corporate Governance Rating Company award at the third TKYD Corporate Governance Awards.
MAJOR DEVELOPMENTS IN 2013

IN 2013, TAV AIRPORTS CONTINUED TO GROW ORGANICALLY, EXPAND ITS PORTFOLIO AND DELIVER SUPERIOR FINANCIAL RESULTS.

January 8, 2013, Regarding Tbilisi New Runway Construction

In the Company’s material event disclosure dated August 24, 2012, it was announced that an agreement (“agreement”) had been reached with United Airport Georgia (“local authority”) on the reconstruction of the unused runway, one of two runways at the Tbilisi International Airport operated by TAV Urban Georgia LLC, a 76%-owned subsidiary of TAV Airports Holding. It was also disclosed that, as per the agreement, an investment of US$ 65 million would be made for the reconstruction of the runway and the operating concession of TAV Urban Georgia would be extended for 10 years and nine months from February 2027 to November 8, 2037 under the Build-Operate-Transfer agreement, in exchange for the reconstruction investment.

However, as per the decree issued by the new government of Georgia which came to power after the general election in October 2012, it was announced that the runway construction will be administered by the local authority. The financing for the construction will be secured by the Georgian government, with the support of the Finance Ministry and Economy Ministry of Georgia, and the agreement signed with TAV Urban Georgia in August 2012, when the former government was in power, is mutually terminated. The operating rights of TAV Urban Georgia based on the existing Build-Operate-Transfer agreement have not changed and TAV Urban Georgia’s concession will remain effective until February 2027.

January 22, 2013, Regarding the Official Letter Received from the Turkish State Airports Authority (DHMI)

As per the lease contract between TAV Istanbul Terminal İşletmeciliği A.Ş. (“TAV Istanbul”) and the Turkish State Airports Authority (“DHMI”), TAV Istanbul has the right to operate Atatürk Airport’s international and domestic terminal buildings, parking garage and general aviation terminal for 15.5 years, from July 3, 2005 00:01 hours until January 2, 2021 24:00 hours.

In the official letter addressed to TAV Havalimanları Holding A.Ş. and to TAV Istanbul by DHMI dated January 22, 2013, DHMI has stated that it will fully reimburse the Company for all loss of profit over the remaining period of its existing lease period that may be incurred in the event that another airport is opened for operation in Istanbul before the end of the lease period of TAV Istanbul and that independent companies may be consulted to calculate of the total amount of the loss of profit.

January 25, 2013, Changes in the Composition of Board of Directors and Committee Memberships

The following resolutions were adopted at the Company’s Board of Directors meeting dated January 24, 2013:

- The resignation of Mr. Francois Paul Antoine Rubichon from membership on the Board of Directors is accepted and Mr. Augustin Pascal Pierre Louis Marie de Romanet de Beaune is appointed as a member of the Board of Directors to replace
Mr. Rubichon, to be submitted for the approval of shareholders at the next General Assembly meeting;
• Mr. Augustin Pascal Pierre Louis Marie de Romanet de Beaune is elected as the Deputy Chair of the Board of Directors, and Mr. Pierre Georges Denis Graff, who was serving as the Deputy Chair prior to this resolution, will continue his duties as a member of the Board of Directors;
• Mr. Augustin Pascal Pierre Louis Marie de Romanet de Beaune is elected to the Company’s Risk Assessment Committee to replace Mr. Pierre Georges Denis Graff, who has resigned from the Risk Assessment Committee of the Company;
• Mr. Augustin Pascal Pierre Louis Marie de Romanet de Beaune is elected to the Company’s Corporate Governance Committee to replace Mr. Francois Paul Antoine Rubichon, who has resigned from the Corporate Governance Committee of the Company;
• Mr. Augustin Pascal Pierre Louis Marie de Romanet de Beaune is elected to the Company’s nomination Committee to replace Mr. Pierre Georges Denis Graff, who has resigned from the Nomination Committee of the Company;
• Except for the changes in the composition of the Risk Assessment Committee, Corporate Governance Committee and Nomination Committee stipulated above, the composition of the memberships of the Company’s Board committees remains unchanged.

May 3, 2013, Regarding the New Istanbul Airport Tender

It has been announced that the winning bid for the tender held on May 3, 2013 as per the tender specifications of Istanbul’s New Airport Project to be undertaken via the Build-Operate-Transfer model under the procedures and principles defined by the General Directorate of State Airports Authority (DHMİ) as per Law no. 3996 and Cabinet Decree no. 2011/1807 was offered to a venture other than the Company. We have not received any written notification related to the tender result as of yet.

May 8, 2013, General Assembly Meeting Information Memorandum

1. Opening and formation of the Presidential Board,
3. Review, discussion and approval of the Balance Sheet and Profit and Loss Accounts of 2012,
4. Informing the General Assembly about the “Profit Distribution Policy” of the Company for 2012 and the following years in accordance with the regulations of the Capital Markets Board,
5. Accepting, accepting by amendment or declining the proposition for the distribution of the profit of 2012 and the date of the dividend payment,
6. Releasing the Members of the Board of Directors and the Auditors from their responsibilities for the fiscal year 2012,
7. Submitting for the approval of the General Assembly the changes in the composition of the Board of Directors membership executed in accordance with Article 363 of the Turkish Commercial Code,
8. Approving the selection of the independent audit company which was conducted by the Board of Directors in accordance with the Turkish Commercial Code and the regulations of the Capital Markets Board,
9. Submitting for the approval of the General Assembly the amendment of articles no. 2, 3, 4, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 34A, 34B, 35, 36, 37, 38, 39, 40, 41, 42 and the annulment of articles no. 43 and 44 of the Articles of Association in order to comply with the Turkish Commercial Code numbered 6102 and the amendment of Article no. 6 of the Articles of Association in accordance with the provisions of the Capital Markets Law numbered 6362 due to a time extension on the registered capital system, on the condition that legal permission is granted by the Capital Markets Board and the Ministry of Customs and Trade,
10. Submitting for the approval of the General Assembly the Internal Directive on the Operating Procedures and Principles of the General Assembly prepared by the Board of Directors in accordance with Article no. 419/2 of the Turkish Commercial Code and Article no. 40 and the following articles of the Regulation on the Procedures and Principles of the General Assembly Meetings of Joint Stock Companies and the Ministry of Customs and Trade Representatives attending these meetings,
11. Submitting the Remuneration Policy as per the Capital Markets Board regulations for the information of the General Assembly,
12. Submitting the Donation and Aid Policy of the Company for the approval of the General Assembly and informing the General Assembly on the donations and aid which were provided by the Company in 2012 in accordance with the regulations of the Capital Markets Board,
13. Informing the General Assembly on the “Information Disclosure Policy” in accordance with the regulations of the Capital Markets Board,
14. Providing information to the General Assembly regarding the transactions of “Related Parties” under the provisions of Article 5 of the Communiqué of the Capital Markets Board Series: IV No. 41 amended by the Communiqué of the Capital Markets Board Series: IV No. 52,
15. Providing information to the General Assembly related to the pledges, guarantees and mortgages granted by the Company as per Resolution no. 28/780 of the Capital Markets Board dated September 9, 2009,
16. Granting authorization to the Chair and the members of the Board of Directors on the execution of the transactions stipulated in Article 395 and 396 of the Turkish Commercial Code,
17. Suggestions and requests,
18. Closing.

May 30, 2013, Result of the General Assembly Meeting of Shareholders

Detailed information on the Minutes of the General Assembly Meeting of Shareholders that include the resolutions passed, List of Attendees, Draft Revisions to the Articles of Association, Profit Distribution Table and Internal Directive can be accessed at the following web address: http://www.kap.gov.tr/bildirim-sorgulari/bildirim-detayi.aspx?id=286989.

May 31, 2013, Dividend Payment

The Company’s distributable profit, after setting aside legal reserves, totaled TL 142,929,000; the recommendation of the Board of Directors to pay out this amount as dividend to shareholders was approved by the General Assembly of Shareholders. Dividend payments of TL 0.3344 per share were made on May 31, 2013.

June 10, 2013, Amendments to the Articles of Association

Amendment of articles no. 2, 3, 4, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 34A, 34B, 35, 36, 37, 38, 39, 40, 41, 42 and annullment of articles no. 43 and 44 of the Articles of Association in order to comply with the Turkish Commercial Code numbered 6102 and the amendment of Article no. 6 of the Articles of Association in accordance with the provisions of the Capital Markets Law numbered 6362 due to a time extension on the registered capital system, on the condition that legal permission is granted by the Capital Markets Board and the Ministry of Customs and Trade, were presented to the Ordinary General Assembly Meeting of Shareholders for approval, where they were accepted and ratified.

The latest version of the revised Articles of Association of the Company can be accessed at the following web address:


July 29, 2013, Preliminary Qualification for LaGuardia Airport Tender

The consortium composed of TAV Airports, Aéroports de Paris (ADP) Management, Goldman Sachs (GS Global Infrastructure Partners II, L.P. and GS International Infrastructure Partners II, L.P.), Tutor Perini Corporation, Ove Arup & Partners PC, Kohn Pederson Fox Associates PC, Suffolk Construction Company, STV Incorporated and ADP Ingenierie received preliminary qualification to place a bid in the tender for the “Design / Build / Finance / Operate & Maintain LaGuardia Airport Central Terminal Building Replacement Project” in New York City, USA held by the Port Authority of New York and New Jersey (PANYNJ). LaGuardia International Airport served a total of 26 million passengers in 2012.
### TAV Airports Profit Distribution Table for 2012 (TL)

<table>
<thead>
<tr>
<th></th>
<th>Paid-in/Issued Capital</th>
<th>Total Legal Reserves (As per Statutory Records)</th>
<th>Profit for the Period</th>
<th>Taxes (-)</th>
<th>Net Profit ( = )</th>
<th>Prior Years’ Losses ( - )</th>
<th>First Series of Legal Reserves ( - )</th>
<th>NET DISTRIBUTABLE PROFIT FOR THE PERIOD (=)</th>
<th>Donations Made During the Year ( + )</th>
<th>First Dividend to Shareholders (*)</th>
<th>Dividends Distributed to Preferred Shareholders</th>
<th>Dividends Distributed to Members of the Board of Directors, Employees, et al.</th>
<th>Dividends Distributed to Dividend-Right Certificates</th>
<th>Second Dividend to Shareholders</th>
<th>Second Series of Legal Reserves</th>
<th>Statutory Reserves</th>
<th>Special Reserves</th>
<th>EXTRAORDINARY RESERVES</th>
<th>Other Sources Planned for Distribution</th>
<th>Prior Years’ Profit</th>
<th>Extraordinary Reserves</th>
<th>Other Distributable Reserves as per the Regulations and Articles of Association</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>363,281,250</td>
<td>20,240,231</td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>
HOW DID 2013 UNFOLD?
MAJOR DEVELOPMENTS IN 2013

August 23, 2013, Corporate Governance Rating

The “Corporate Governance Rating Periodic Revision Report” has been issued by ISS Corporate Services, an international rating organization officially authorized to rate compliance with Corporate Governance Principles as set forth by the Capital Markets Board of Turkey.

<table>
<thead>
<tr>
<th>Subcategories</th>
<th>Weight</th>
<th>Grade</th>
<th>Assigned Score</th>
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</thead>
<tbody>
<tr>
<td>Shareholders</td>
<td>0.25</td>
<td>92.62</td>
<td>9.26</td>
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<tr>
<td>Public Disclosure</td>
<td>0.35</td>
<td>96.59</td>
<td>9.65</td>
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<tr>
<td>and Transparency</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stakeholders</td>
<td>0.15</td>
<td>94.53</td>
<td>9.45</td>
</tr>
<tr>
<td>Board of Directors</td>
<td>0.25</td>
<td>91.31</td>
<td>9.13</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1.00</strong></td>
<td><strong>93.97</strong></td>
<td><strong>9.39</strong></td>
</tr>
</tbody>
</table>

August 26, 2013, Regarding the Appointment of a New Board Member

The Board of Directors has resolved to accept the resignation of Mr. Pierre Georges Denis Graff from his position as a member of the Board of Directors and Corporate Governance Committee, and to appoint Mr. Edward Rodolphe Paul Arkwright as a Board member and a Corporate Governance Committee member. Mr. Arkwright will serve until the first General Assembly meeting and his membership will be presented to the General Assembly of Shareholders for approval.

November 8, 2013, Guidance Update

In our material event disclosure dated February 22, 2013, we had disclosed the Company’s operational and financial targets for the year 2013 under normal market conditions. We revise our revenue growth guidance to between 10 and 12 percent growth from 14 to 16 percent growth due to the depreciation of the Turkish lira against other currencies. Our EBITDA guidance remains unchanged from the beginning of the year.

December 6, 2013, Takeover of Zagreb Airport

In our material event disclosure dated November 20, 2013, we had disclosed that TAV Airports had signed a letter of intent to become a 15% shareholder in the consortium which was awarded the tender for Croatia’s Zagreb International Airport that was held in April 2012.

The consortium, comprised of Aéroports de Paris Management (a subsidiary of Aéroports de Paris), Bouygues Batiment International, Viadukt, IFC and Marguerite Fund, has assumed the operations of the airport as of December 5, 2013 and will operate the facility until April 2042. The consortium will make investments in the airport and incur capital expenditures until the end of 2016 to increase capacity from 2 million passengers per year to 5 million. Passenger capacity will eventually increase to 8 million in the later stages.
An operating service company has been commissioned to provide advisory services to the consortium. The operating service company, established under the name AMS Airport Management Services D.O.O., will be 40% held by TAV Airports (indirectly) and 60% by Aéroports de Paris Management.

Detailed information on this airport can be found in the table entitled “Concessions at a Glance” within the investor presentations section on our website at http://www.tavyatirimciiliskileri.com.

December 24, 2013, Regarding the Decision of One of the Shareholders to Exercise Its Right of First Refusal in the Project Related to the Sale of a Portion of the Outstanding Shares of Istanbul Sabiha Gökçen Uluslararası Havalimanı Yatırım, Yapı ve İşletme A.Ş. and LGM Havalimanı İşletmeleri Ticaret ve Turizm A.Ş. that the Company is Interested in Acquiring

The Company has communicated its interest in the project related to the sale by GMR Infrastructure Limited, GMR Infrastructure Overseas Limited and GMR Infrastructure (Global) Limited (the “Sellers”) of their shares in Istanbul Sabiha Gökçen Uluslararası Havalimanı Yatırım, Yapı ve İşletme A.Ş. (“ISG”) and LGM Havalimanı İşletmeleri Ticaret ve Turizm A.Ş. (“LGM”).

Pursuant to the existing obligations of the Sellers, the abovementioned ISG and LGM shares are subject to various share transfer restrictions, including a right of first refusal of other shareholders of the companies. Therefore, as per the resolution dated October 25, 2013 and numbered 2013/27-A, the Board of Directors of the Company has unanimously decided to delay the disclosure of internal information as prescribed by Article 15 of Communiqué No. 54, Series VIII issued by the Capital Markets Board of Turkey, in order to prevent the proceedings from being negatively affected, to protect the legal rights and interests of the Company, and to prevent the risk of investors being misled before the project can be finalized, as well as to ensure that the confidentiality obligations we assumed under the proceedings were not breached.

However, one of the existing shareholders of ISG and LGM, Malaysia Airports Holdings Berhad (“MAHB”), has announced its decision to exercise its right of first refusal through an indirectly-owned subsidiary, Malaysia Airports MSC Sdn Bhd, in a disclosure dated December 23, 2013 to the relevant stock exchange. In the event that it is determined that the right of first refusal notice by MAHB to the Sellers has been duly served and was validly exercised, the Company shall not be a party to the transaction in question. We kindly present to the attention of our investors this timely disclosure upon the removal of the reasons for previously delaying our material event disclosure related to this transaction.

02.04.2014, Executive Liability Insurance
In compliance with the Article 4.2.8 of Capital Markets Board’s (“CMB”) Corporate Governance Principles published in January 3, 2014, the total amount of the current “executive liability insurance” for our Company’s Board of Directors’ Members and for our Senior Executive Managers was increased to 45 million USD, equivalent of an amount exceeding our Company’s capital by 25%.
“I saw things I have never seen before. The theatre was huge and beautiful. I wish I could perform in a play there. We thank TAV Volunteers who led and guided us around.”

BİLGE ÖZER (12)
İBNI SİNA SECONDARY SCHOOL

“I really enjoyed the theatre ruins of Ephesus. Our friends even sang a song there, on the stage. TAV Volunteers paid close attention to us. I thank them very much.”

FURKAN GÜLER (12)
İBNI SİNA SECONDARY SCHOOL

“Ephesus is a magnificent city. I was very surprised at the presence of the ancient libraries. I did not know that ancient peoples collected information in libraries.”

SARAH ZEİN (12)
İBNI SİNA SECONDARY SCHOOL
İBNİ SİNA SECİNĐARY SCHOOL STUDENTS COLLEGE STUDY
HELLENISTIC THEATRE

The Hellenistic Theatre is one of the largest and most magnificent structures in Ephesus. Although the seating is damaged, the theatre still has a spellbinding impact on visitors. The theatre continues to draw archeologists to the site with its well-preserved stage area within the completely excavated ruins.
TAV 2013 ANNUAL REPORT

ASSESSMENTS

BOARD OF DIRECTORS’ MESSAGE

IN 2013 WE CONTINUED TO CONTRIBUTE TO THE DEVELOPMENT OF THE AIRPORT OPERATION INDUSTRY IN TURKEY AND AROUND THE WORLD.

TAV Airports, one of world’s leading airport operators, continued to take steps worthy of its excellent brand reputation in 2013 and maintained its steady growth. While continuing to improve its existing service infrastructure in light of the contemporary developments in technology and the global economy, the Company also moved forward with business development activities by actively assessing current risks and opportunities.

Recording major accomplishments in a total of 13 airports operated by the Company in Turkey and abroad and its branded service companies, TAV Airports continued to reinforce its profitable financial structure and its business excellence-based corporate structure in 2013. Reporting a net profit of TL 297 million in 2012 as a result of its successful activities, the Company continued to create value for its shareholders by paying a dividend of TL 0.39 per share, corresponding to a total payout of TL 142.9 million. The proposal for a gross total dividend payment of TL 199.8 million as TL 0.55 per share from the 2013 net profit was submitted for the approval of the General Assembly.

Undertaking exemplary efforts in capital markets in terms of transparency and accountability, the Company raised its corporate governance rating from 9.24 (out of 10) to 9.39 in 2013 and solidified its reputable standing in the eyes of its stakeholders.

As a result of our continuous efforts in this field, the Company was voted the “Best Company in Turkey” in the Pan-European Investor Relations Survey carried out by Thomson Reuters Extel Surveys among 15,000 professionals working in funds and brokerages.

TAV Airports, carrying out its activities with an eye toward continuous development, added the Zagreb Airport in Croatia to its portfolio in December 2013 and thus increased the total number of its airports on three continents and in seven countries to 13. In addition to this breakthrough, TAV Airports, in consortium with Aéroports de Paris and Goldman Sachs of USA, once again demonstrated its drive to grow as it received preliminary qualification for the contract on New York’s (USA) LaGuardia International Airport Central Terminal.

It was a great source of pride for all of us that Project Finance International chose Medinah Airport Project, a joint venture of the Company with its partners Saudi Oger and Al Rajhi Holding, as the “Middle East and Africa Infrastructure Deal of the Year”.

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As a result of our continuous efforts in this field, the Company was voted the “Best Company in Turkey” in the Pan-European Investor Relations Survey carried out by Thomson Reuters Extel Surveys among 15,000 professionals working in funds and brokerages.
Pioneering in the area of airport operations in its region, TAV Airports continued to make significant contributions to the development of the aviation industry on international platforms in 2013. As part of this effort, our Company organized the Annual Congress and Exhibition of ACI World, the global trade body of the airport operation industry, and its European arm ACI Europe. Hosting more than 800 aviation executives representing 1,751 airports in 174 countries in Istanbul, the Company contributed to the discussions on the future of aviation and airports.

TAV Airports, which has made it a tradition to solidify its successful line of operations with awards, was acknowledged with a large number of awards again in 2013. Istanbul Atatürk Airport, operated by TAV Airports, was named “Airport of the Year” at the ATN News Awards organized annually by the United Nations International Civil Aviation Organization (ICAO) as well as the “Fastest Growing Airport in Europe” at the Euro Annies 2013 Awards held by anna.aero. Skopje Airport, another airport operated by the Company, was deemed the “Best Airport under 2 Million Passengers per Year in Europe” by Airports Council International (ACI).

Enfidha Airport in Tunisia, operated by TAV Airports which is known for undertaking model projects in environmental sustainability, became the very first African airport to be certified by ACI’s prestigious carbon accreditation program. In addition, the recycling program implemented by TAV Airports as part of the still ongoing Izmir Adnan Menderes Domestic Terminal Project was recognized by the Sustainable Development Association of Turkey with the “Innovative Sustainability Practices” award.

We would like to thank all of our shareholders, business partners, employees and customers who have contributed to the 2013 operations of TAV Airports, a company proud of its countless accomplishments in the airport operation industry, one of world’s most difficult businesses, and serving millions of passengers at excellent quality standards since its inception in 1997. Here’s to the continuation of our success story with the same enthusiasm and pride in the year ahead.

Respectfully yours,

Augustin de Romanet
Deputy Chair

Dr. M. Sani Şener
CEO and Board Member

Hamdi Akın
Chair
WE SET OUT AMBITIOUS TARGETS FOR 2013 AND ATTAINED ALL OF THEM DURING THE YEAR.

TAV Airports, the pioneering force for innovation in the airport operation business, achieved major accomplishments in 2013 and maintained its strong support for the Turkish economy. The Company, which now operates a total of 13 airports in seven countries on three continents after the addition of Croatia’s Zagreb Airport to its portfolio in December, increased its passenger traffic by 17% versus 2012 to 84 million and its total consolidated revenue to TL 2,245 million. The Company’s EBITDA was up by 26% to TL 880 million while it reported net profit of TL 336 million. In 2013, we set challenging operational and financial targets and we have achieved all the operational and financial metrics we provided guidance for. Striving for constant improvement and development in every area, TAV Airports undertook lucrative ventures enhancing shareholder value during the year while continuing to carry out successful investments and business development activities that will ensure the sustainability of its corporate structure.

The passenger traffic growth achieved by TAV Airports confirms the judiciousness of our investment decisions that have come to fruition in light of the knowledge and expertise accumulated over the years. Despite the highly volatile course of capital markets during the year, TAV Airports shares (TAVHL) traded as high as TL 16.45 in 2013, corresponding to a market capitalization of US$ 2.85 billion. TAVHL shares gained 75% in absolute terms and more than 102% relative to the benchmark Borsa İstanbul index in 2013.

After closely following all processes regarding Istanbul’s new airport, one of Turkey’s largest infrastructure projects in recent times, and participating in the tender that was held on May 3, 2013, the Company resolved to withdraw from the bidding for the benefit of the long-term interests of its shareholders. As part of the correspondence between the Turkish State Airports Authority (DHMI) and TAV Airports, we have been notified that the Company will be fully reimbursed for all loss of profit over the remaining period of its existing lease period that may be incurred in the event that the new Istanbul airport commences operation before the end of Istanbul Atatürk Airport’s lease period. Acting in accordance with the mission of creating the greatest value for all of its stakeholders, TAV Airports is determined to continue to closely monitor suitable projects in airport operations and undertake those investments that will make the Company’s successful operations more sustainable in the period ahead. Also supported by the deep-rooted experience and expertise of our main shareholder Aéroports de Paris, we are interested in investment opportunities in the Middle East, Balkans, Africa and CIS in addition to other regions. Taking a major step in the direction of this strategic orientation in 2013, the Company qualified to bid for the tender for the Central Terminal of the LaGuardia International Airport in New York, USA as part of a consortium that includes Aéroports de Paris and US-based Goldman Sachs. In addition, the consortium that includes TAV Airports and Aéroports de Paris Group has taken over Zagreb Airport in December 2013.
The launch of the training activities of the TAV Aviation Minds development program, designed by TAV Academy, one of the Company’s new brands, at select Chinese Airports demonstrates the excellent quality standards the Company has reached in every area.

Continuing to invest amid the uncertainty plaguing global markets thanks to its robust financial structure and the trust of its shareholders, TAV Airports carried on with its capital investments at Izmir Adnan Menderes and Medinah Airports. The Company plans to complete Medinah Airport by the first half of 2015 while the new domestic terminal that will increase the service capacity of Izmir Adnan Menderes Airport to 35 million passengers per year will be completed in 2014.

Our flagship Istanbul Ataturk Airport has become the 5th busiest airport in Europe and 17th busiest airport in the world with its rapid growth rate in 2013. Our airports in Macedonia exceeded 1 million passengers by growing 17% and the concession payment thereby decreased from 15% to 4%. While at Gazipaşa Airport, where we are planning for a capacity enhancement, 350 thousand passengers experienced TAV’s service quality. Within the year, we achieved 18% growth in Georgia, 18% growth in Ankara and 9% growth in Izmir. With the completion of capital investments in Medinah and achievement of political stability in Tunisia, the growth rates in these countries will increase significantly.

The aircraft parking area expansion investment project assumed by the Turkish State Airports Authority (DHMI) as part of the capacity expansion efforts undertaken by the joint decision-making mechanism constituted by DHMI, Turkish Airlines and TAV within Istanbul Atatürk Airport, is aimed for completion in 2014. As a result, the plane parking space problem, the main bottleneck we face at the Istanbul Atatürk Airport, will be resolved and hourly flight arrival/departure efficiency will improve greatly.

I would like to share with you the pride and pleasure of being elected to a new international position where I will be representing the TAV brand and Turkey as the Chief Executive of TAV Airports. As of January 1, 2014, I will be serving as a Member of the Governing Board of ACI World, the trade body of our industry, where I plan to make significant contributions to sector platforms in light of TAV’s corporate experience and know-how. I would like to extend my thanks to all of our stakeholders who have contributed to the success of the projects we have carried out in 2013 in pursuit of becoming a global brand. I wish all of us continued success and even greater accomplishments in the period ahead.

Dr. M. Sani Şener
Member of the Board of Directors and President & CEO
TURKISH AVIATION INDUSTRY AND TAV AIRPORTS

TAV AIRPORTS’ SHARE OF TOTAL PASSENGER TRAFFIC AT TURKEY’S AIRPORTS REMAINED STEADY AT 49% IN 2013.

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**TOTAL NUMBER OF PASSENGERS IN TURKEY (MILLION)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Number of Passengers</th>
</tr>
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<tr>
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<td>2012</td>
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**TOTAL NUMBER OF PASSENGERS AT TAV AIRPORTS (MILLION)**

<table>
<thead>
<tr>
<th>Year</th>
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<td>2011</td>
<td>53</td>
</tr>
<tr>
<td>2012</td>
<td>72</td>
</tr>
<tr>
<td>2013</td>
<td>84</td>
</tr>
</tbody>
</table>

**Compound Annual Growth Rate (CAGR)**

- **14%** Compound Annual Growth Rate (CAGR) between 2002 and 2013
- **23%** Compound Annual Growth Rate (CAGR) between 2002 and 2013

*Source: General Directorate of State Airports Authority and TAV Airports*
PASSENGER FORECAST OF DHMI* FOR COMING YEARS (MILLION)

11% Compound Annual Growth Rate (CAGR) between 2009-2023

AVERAGE ANNUAL GROWTH FORECASTS (2013-2032)

World Economy (GDP)
3.1%

World Trade
3.8%

Aircraft Fleet
3.7%

Source: Airbus Global Market Forecast 2013-2032
According to Turkish State Airports Authority (DHMI) statistics, total passenger traffic at Turkey’s airports rose 15% during 2013 compared to 2012 and totaled 150 million.

The share of airports operated by TAV Airports in Turkey (Istanbul Atatürk, Ankara Esenboğa, İzmir A. Menderes and Antalya Gazipaşa) in total passenger traffic at the country’s airports remained unchanged at 49% in 2013.
According to Turkish State Airports Authority (DHMI) data, total commercial flight traffic at Turkey’s airports rose 13% during 2013 compared to 2012 and exceeded 1 million.

The share of airports operated by TAV Airports in Turkey (Istanbul Atatürk, Ankara Esenboğa, İzmir A. Menderes and Antalya Gazipaşa) in total commercial flight traffic at the country’s airports dipped by one percentage point, to 51%, in 2013.
INVESTOR RELATIONS AND BIST PERFORMANCE

IN 2013, TAV AIRPORTS INVESTOR RELATIONS PARTICIPATED IN A TOTAL OF 18 ROADSHOWS AND CONFERENCES AND CONDUCTED MEETINGS WITH NEARLY 600 INVESTORS AND ANALYSTS IN REGARDS TO THE COMPANY’S OPERATIONS, FINANCIALS AND OTHER DEVELOPMENTS.

Investor Relations
TAV Investor Relations’ (TAV IR) main duty is to make sure that capital markets instruments issued by TAV Airports Holding are fairly valued. In order to attain this goal, TAV IR uses an arsenal of investor relations tools to communicate the equity story of TAV Airports in a thorough and accurate manner to different constituents of capital markets. TAV IR also makes sure that the Company is in full compliance vis-a-vis its obligations arising from capital markets legislation. TAV IR also coordinates all relevant stakeholders to make sure that the Company adheres to the highest Corporate Governance standards.

There are four main principles TAV IR adheres by in its day to day activities: accuracy, fairness, speed and proactiveness.

Accuracy
TAV IR pays special attention to making sure that all information shared with capital markets participants is well researched, accurate and thorough. TAV IR believes that the flow of accurate and thorough information is paramount to establishing trust between the Company and capital markets participants.

Fairness
TAV IR is keen on making sure that all constituents of capital markets receive the same information regardless of function (buyside, sellside) or relative size.

Speed
TAV IR is highly aware that information also has a time dimension in capital markets and quick information is superior to slow information. With this awareness, TAV IR strives to respond to all requests for information promptly.

Number of Investor & Analyst Meetings

Roadshow & Conference Participated

Number of Investor & Analyst Meetings
**Proactiveness**

TAV IR keeps a vigilant eye on the Company and its economic and legal ecosystem and identifies investor, legislative and corporate governance related issues before they are raised by capital markets participants and stakeholders. TAV IR then promptly and thoroughly addresses these issues.

In 2013, TAV Airports Investor Relations participated in a total of 18 roadshows and conferences and conducted meetings with nearly 600 investors and analysts in regards to the Company’s operations, financials and other developments.

**Stock Performance**

The Company’s shares, listed on the Borsa İstanbul under the ticker TAVHL, traded between a low of TL 9.16 and a high of TL 16.45 in 2013. The Company’s shares gained 75% in nominal terms and 102% relative to the benchmark Borsa İstanbul index in 2013.

**Corporate Governance Rating**

The “Periodic Revision Corporate Governance Rating Report” issued by ISS Corporate Services (ISS), an international corporate governance rating agency that is also licensed to conduct corporate governing rating activities in Turkey, has been completed.

The Company’s Corporate Governance Rating score that stood at 92.44 (9.24 out of 10) on August 24, 2012 was revised upwards to 93.97 (9.39 out of 10) as of August 23, 2013 thanks to the ongoing improvements made by the Company in implementing Corporate Governance Principles.

The Company Corporate Governance Ratings by subcategory are presented below.

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<td>Board of Directors</td>
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<td><strong>Total</strong></td>
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<td><strong>93.97</strong></td>
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</table>

**TAV IR Contact Information**

Tel.: +90 212 463 30 00 / 2120-2122-2123-2124
Fax: +90 212 465 31 00
IR Website: http://ir.tav.aero
Twitter: @irTAV
Facebook: /irTAV
Address: İstanbul Atatürk Havalimanı Dış Hatlar Terminali (A Kapısı - VIP Yani) 34149 Yeşilköy/Istanbul
“I had not seen this place before. I learned a lot about ancient history. I’m very glad to have had the chance come here.”

BAHAR AYKURT (12)
İBNI SİNA SECONDARY SCHOOL

“We saw the House of the Virgin Mary. Ephesus is a unique place. I had never seen anything like this before.”

MEHTAP AKTAŞ (12)
İBNI SİNA SECONDARY SCHOOL

“The Ephesus library and theatre were very interesting. It was the third largest library in the world. The theatre was huge. I was very happy and very excited. If TAV Volunteers offered to take us on another trip, I’d go with them right away.”

CELAL CAN BAYAR (12)
İBNI SİNA SECONDARY SCHOOL
The House of the Virgin Mary, nine kilometers from Selçuk, is located on Mount Koressos (Mount Nightingale). Jesus’ mother Mary is believed to have lived and died in this house, which is located above the ancient city of Ephesus at the end of a path next to the upper gate.
TAV AIRPORTS IS COMMITTED TO DISCLOSING ITS SUSTAINABILITY PERFORMANCE OPENLY, TRANSPARENTLY AND COMPREHENSIVELY WITH ALL OF ITS STAKEHOLDERS.

1. Introduction
As globalization continues to deepen in the present day, the economic, environmental and social challenges and market opportunities encountered by companies become more varied and diverse. At the same time, the pace of change is accelerating while companies that cannot overcome these challenges and take advantage of the opportunities available lose their ability to compete. As problems like climate change and depletion of natural resources necessitate diverse stakeholders to act jointly, the impacts of economic and social change reverberate across a wide variety of geographic areas. Corporations that want to remain competitive in the future need to improve their business conduct and models toward a more participatory, transparent and accountable state that is respectful of the human condition and the environment.

TAV Airports continues to strive toward its vision of being the pioneering and leading airport operator in its target regions. In pursuit of this vision, the Company has aimed to generate the greatest value for all stakeholders in the countries and regions where it operates while limiting the environmental impact of its operations and creating social benefit since the first day it was established.

The principles required to achieve sustainable growth are at the core of all operations of the Company. A bottom-up and interdisciplinary organizational structure has been put in place to disseminate the existing know-how within the Company and to conduct measurement, reporting and development efforts in a coordinated manner. The Sustainability Teams at the terminal operating companies are comprised of representatives from energy management, waste management, water management, human resources, corporate communications, financial affairs and other related departments within the companies with the guidance of the General Manager and Deputy General Manager of each company. The Sustainability Teams report to the General Manager and Deputy General Manager of the respective company and are responsible for carrying out measurement, assessment and reporting tasks related to main performance indicators set forth in the TAV Airports Holding Sustainability Strategy and Action Plan and developing projects and recommendations to improve sustainability performance. The TAV Airports Sustainability Committee is tasked with putting together and developing the Company’s Sustainability Strategy and Action Plan; coordinating and guiding the Sustainability Teams formed within the terminal operating companies and service companies as part of this effort; and measuring, improving and reporting on the Company’s sustainability performance. The Committee consists of representatives delegated by the managers of the related departments within the Company.
and service companies. The Chairs of the Sustainability Teams of operating companies also serve as members of the Committee.

TAV Airports is committed to disclosing its sustainability performance openly, transparently and comprehensively to all of its stakeholders. As part of this effort, the Company has reported its economic performance as well as its environmental and social impact in compliance with internationally accepted standards since 2010. The Company takes special heed of stakeholder participation and embraces a participatory management model at every phase of its operations.

2. Our Economic Impacts
The aviation industry has major direct and indirect economic impact both globally and locally. IATA forecasts that airline companies will record revenues of US$ 743 billion and increase their net profit to US$ 12.9 billion in 2013. Airports Council International (ACI), the global trade body of airports around the world, states that passenger traffic was up 3% while freight volume grew 4% during the year. High growth rates continue especially in the emerging markets where TAV Airports operates.

Airport operators generate direct economic value through the employment and income opportunities they create; produce ancillary benefits such as the emergence of supply chains that ensure the provision of services and goods and the development of various industries such as tourism; and also contribute to the cultural and social development of the region they operate in.

3. Our Environmental Impacts
In order to strike the optimal balance between the soaring demand for air transport and efficient use of natural resources, TAV Airports strives to adopt and implement environmental best practices in every area it conducts operations. To this end, above and beyond complying with local and national legal and regulatory requirements, the Company engages in energy and environmental management at global standards to minimize its environmental impacts.

Prioritizing climate change as among the most significant of its environmental risks, TAV actively participates in the Airport Carbon Accreditation program administered by ACI Europe in order to measure, manage, reduce and neutralize carbon emissions at the airports it operates. In addition to publishing sustainability reports, TAV also shares its performance in directly addressing climate change transparently and regularly with investors and the public at large via the Carbon Disclosure Project (CDP).

Engaging in effective water management at the Company’s terminals to ensure efficient use of water resources, TAV Airports regularly measures and reports its water consumption per passenger. Wastewater is treated and reused at every opportunity; when that is not possible, it is disposed of properly. Soaring passenger traffic is also increasing the

Sources:
http://www.iata.org/pressroom/pr/Pages/2013-12-12-01.aspx
http://www.aci.aero/News/Releases/Most-Recent/2013/12/09/Passenger-Traffic-Posts-Solid-Gains-as-Air-Freight-is-Revived-in-October-
importance of waste management at the terminals. TAV takes measures to reduce waste production and to reclaim as much of it as possible during the reuse, recycling and disposal processes. TAV also makes efforts to protect biodiversity in the terminal areas and to minimize the loss of natural habitats.

4. Our Social Impacts

TAV Airports believes that the satisfaction of its customers can only be enhanced by ensuring the well-being of its employees; as such, the Company defines its social impacts through these two major stakeholder groups.

Embracing the highest level of economic, social and environmental responsibilities, TAV Airports has been carrying out sustainable projects in the area of social responsibility. Accordingly, to take part in the social responsibility projects “TAV Volunteers” has been established within TAV Group. With more than 200 members, TAV Volunteers has participated in a variety of social responsibility projects in Istanbul. Creating significant local employment opportunities in the countries it conducts operations, TAV has adopted a world class human resources policy and strives to be the most preferred employer. TAV’s human resources policy is built on occupational safety, comprehensive opportunities for the professional and personal development of employees, and equal opportunity for all. Offering diversified and comprehensive training programs for the professional development of the Company’s employees, TAV Academy has established collaborations with universities and other academic institutions and also serves as one of ACI’s global training centers. TAV Aviation Minds, an offshoot of TAV Academy, was incorporated in 2013 to deploy the Company’s experience and know-how for the improvement of airports around the world.

The personal development needs of employees are served via training activities in various arts and crafts branches under the name of TAV Workshop. As part of TAV Cup, tournaments are held throughout the year for employees to experience teamwork in a diverse range of sports.

Setting customer satisfaction as a strategic corporate goal, TAV strives to provide its guests with a quick, comfortable and safe travel experience. As safety is paramount in the aviation business, TAV fully complies with all international and domestic requirements in cooperation with the relevant authorities.

In order to make all of its terminals fully accessible to special-needs passengers, TAV implemented the “Obstacle-Free Airport Project” that was initiated by the Directorate General of Civil Aviation of Turkey (SHGM). TAV Gallery, a culture and arts platform created to ensure that passengers have a pleasant time while at the airport, hosts a large number of diverse exhibitions throughout the year.
TAV AIRPORTS’ RISK ASSESSMENT COMMITTEE WAS ESTABLISHED AND COMMENCED ACTIVITY IN ACCORDANCE WITH THE TURKISH COMMERCIAL CODE (TCC), AND THE COMMUNIQUES AND FRAMEWORK OF CAPITAL MARKETS BOARD’S CORPORATE GOVERNANCE PRINCIPLES.

a) Information on Risk Management Policy:

Corporate Risk Management Policy

The objective of TAV Airports Enterprise Risk Management (ERM) Policy is to set forth the methods and principles for the execution of the responsibilities and functions that can be summarized in the main headings as follows:

- Identifying risk factors that may have an impact on the processes carried out to attain TAV Airports’ corporate objectives,
- Assuring senior management and shareholders that the risks assumed are compatible with the Company’s risk-taking appetite,
- Assessing the risks that have the potential to create uncertainty and pose threats, formulating effective control and action plans commensurate with the levels of these risks, taking advantage of opportunities that arise, and working in cooperation with risk owners and enterprise risk management (ERM) officers to ensure the continuity of this cycle,
- Ensuring that management decisions are made with full awareness of related risks by carrying out prompt reporting to facilitate the functioning of decision mechanisms,
- Supporting the management of risks that are identified in different units and that have different impacts but that can have an effect on each other in the most appropriate manner for the greater benefit of the Company rather than that of the individual unit, thus contributing to increased effectiveness and lower losses at the corporate level.

b) Information on the Activities and Reports of the Risk Assessment Committee:

TAV Airports’ Risk Assessment Committee was established and commenced activity in accordance with the Turkish Commercial Code* (TCC), and the communiques and framework of the Corporate Governance Principles* of the Capital Markets Board. The Committee was chartered to undertake activities related to the early detection and management of all types of financial, operational, strategic and regulatory risks that threaten the existence, development and continuity of TAV Airports companies as well as to implement action plans for risks that need to be mitigated. In addition, the Committee oversees the functioning of the Enterprise Risk Management System and gathers information from Company executives, attorneys and related units and performs assessments on a variety of matters including major lawsuits filed against the Company, provisions set aside against potential risks, exchange rate risk and determination of the Company’s strategy against potential threats. The Committee meets regularly every two months and additionally as needed to ensure the effectiveness of its activities. Related management staff may be invited to the meetings of the Committee based on the meeting agenda. All activities and resolutions of the Risk Assessment Committee are documented as written meeting minutes and shared with senior management in the form of official reports.

* Principle no. 4.5.12 of the “Communiqué on the Determination and Implementation of Corporate Governance Principles” Series: IV, No: 56 as replaced by Communiqué Series: IV, No: 57 of the Capital Markets Board and Article 378 of the Turkish Commercial Code that went into effect in July 2012.
c) Forward Looking Risks
Related to Sales, Productivity,
Income Generation Capability,
Profitability, Debt/Equity Ratio
and Related Matters:

Financial Risk Management
The Company may be exposed to
the following risks depending on
its use of financial instruments:

• Credit risk
• Liquidity risk
• Market risk
• Operational risk

Credit Risk
Credit risk is the risk that a
customer or a counter party to
a financial instrument fails to
honor its contractual obligations.
Essentially, the Group’s customer
receivables and financial losses
that may arise from its bank
balances constitute its credit risk.

The Group’s primary financial
assets are cash and cash
equivalents, and trade and other
receivables.

The credit risk on cash and cash
equivalents is limited since the
counter parties are banks with high
creditworthiness.

Liquidity Risk
Liquidity risk is the risk that the
Group is unable to meet its future
cash payments or other financial
obligations. The Group’s liquidity
risk is managed by securing
adequate financing facilities from
various financial institutions to
fund existing and future borrowing
requirements under normal
circumstances or crisis conditions
so as not to inflict damage on the
Group or harm its reputation.

Market Risk
Market risk consists of all changes
in exchange rates, interest rates
and prices of securities market
instruments that can directly
impact the Company’s revenues
and the market value of its
financial assets. TAV’s market risk
management aims to keep its
risk exposure within acceptable
parameters while optimizing
potential returns.

Operational Risk
Operational risk is the risk of
direct or indirect loss that may
arise from the Group’s processes,
human resources, technology
and infrastructure, as well as from
legal and regulatory requirements
other than credit risk, market risk
and liquidity risk, and peripheral
external factors such as generally-
accepted standards related to
the Company. Operational risks
are inherent in all activities of the
Group.
INTERNAL AUDIT

Information on the Internal Control System and Internal Audit Activities
TAV Airports Internal Audit Department performs the audit of the operational, financial and information systems processes of TAV Airports and all of its subsidiaries. The Department carries out its auditing activities in accordance with an annual audit plan that is drawn up based on the results of the risk assessment performed annually and approved by the Audit Committee. The Department shares its reports that summarize the audit results and ongoing findings with the Audit Committee and the CEO.

The Internal Audit Department also contributes to the sustainability of the Company by identifying and reporting the deficiencies in risk management and corporate governance processes, and the practices that cause inefficiencies and result in the waste of resources.

As part of its auditing activities, the Internal Audit Department also liaises with the independent audit firm and examines the reports drafted by the independent audit team.

The Department performed 18 audits in 2013, including those of TAV Macedonia, BTA, BTA Denizyolları (BTA Marine), and ATU, and reported on the areas of improvement that it identified in conjunction with the Audit Committee. The Department cooperated with all audited units and supported the efforts to implement its recommendations. In addition, the Department provided advisory services to TAV Airports and its subsidiary companies on information security management as well as on process and system development.

An audit conducted by PricewaterhouseCoopers in 2009 confirmed that the TAV Airports Internal Audit Department operates in compliance with international internal audit standards and ethical principles. The Unit has been conducting its activities in compliance with these standards since 2009.

Consolidation Process
All Group companies in consolidation fall under the Internal Audit Department’s auditing scope. As a result, the Department assesses the internal control system with respect to the operations that impact the financial statements and provides reasonable assurance to the management on the accuracy and reliability of the figures appearing in the financial statements.

Similarly, the Department assesses the effectiveness and efficiency of the management of the risks inherent in the preparation process of standalone and consolidated financial statements as well as the information systems used in the process.
CORPORATE GOVERNANCE

CORPORATE GOVERNANCE PRINCIPLES
COMPLIANCE REPORT

TAV AIRPORTS MAKES EVERY EFFORT TO BE A BEST PRACTICE EXAMPLE VIS-À-VIS THE CAPITAL MARKETS BOARD’S CORPORATE GOVERNANCE PRINCIPLES.

TAV Airports (“the Company”) makes every effort to comply with the Capital Markets Board’s (“CMB”) Corporate Governance Principles. The Company has embraced the principles of equality, transparency, accountability and responsibility of the Corporate Governance Principles published by CMB.

The “Corporate Governance Principles” as stipulated by the Capital Markets Board are also embraced by the Company and these universal principles are fully implemented by TAV Airports.

The Corporate Governance Rating Periodic Revision Report has been issued by ISS Corporate Services, an international rating agency officially authorized to rate compliance with the Corporate Governance Principles as set forth by Turkey’s Capital Markets Board. The Company’s Corporate Governance Rating score that stood at 92.44 (9.24 out of 10) on August 24, 2012 was revised upwards to 93.97 (9.39 out of 10) as of August 23, 2013 thanks to the ongoing improvements made by the Company in implementing the Corporate Governance Principles.

The Company’s Corporate Governance Rating Report can be accessed on the TAV Investor Relations website, at ir.tavaero.

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The Corporate Governance Rating score by subcategory are presented in the table above.

Justifications for the Corporate Governance Principles not Implemented

- TAV Airports’ Corporate Governance Committee continues to carry out initiatives to improve the Company’s corporate governance practices. The principles that are not being implemented as of yet have not resulted in any conflicts of interest among stakeholders to date.
- While not provided for in the Articles of Association, General Assembly meetings are open to the public as per the General Assembly Internal Directive. Pursuant to the new Turkish Commercial Code, the Ordinary General Assembly Meeting of Shareholders that was held in 2013 was accommodative of electronic voting.
- The Company does not have a formal model or mechanism for the participation of stakeholders in management. However, the independent members of the Board of Directors allow for the representation of all stakeholders, as well as the Company and the shareholders, in management. The Company heeds the opinions and suggestions of its employees, suppliers, various non-governmental organizations and all other stakeholders as well as those in customer satisfaction surveys. While not stipulated in the Articles of Association, the Company’s Chair of the Board of Directors has never been the same person as its chief executive officer since the day the Company was founded. No one in the Company has unlimited decision-making authority.
- Currently, Ms. Didar Sevdil Yıldırım is the only female member on the Company’s Board of Directors; we are in the process of devising the policies for setting a target ratio of female members on the Board, not to be less than 25%, and a deadline for implementation.
- Due to the shareholding structure
of the Company, some members of the Board of Directors serve on multiple committees at the same time.

- As per Article no. 4.6.5 of the “Corporate Governance Principles,” salaries paid and all other benefits provided to the members of the Board of Directors and senior executives are disclosed to the public via the annual report. However, the disclosure is not made on an individual basis; it only provides a distinction between the Board of Directors and senior executives.

SHAREHOLDERS

1.1. Facilitating the Exercise of Shareholder Rights

Pursuant to its Information Disclosure Policy, it is the Company’s principle to treat all shareholders, potential investors and analysts equally with respect to the exercise of the right to obtain and analyze information, as well as to make all information disclosures to everyone simultaneously and with identical content. All information sharing is undertaken within the scope of information that has previously been disclosed to the public. As part of the information sharing effort, all information of interest to shareholders and market participants is announced via material disclosures; the English translations of these disclosures are transmitted electronically to all people and entities who share their e-mail addresses with the Company, and past material disclosures are posted on the Company’s website in both Turkish and English.

1.1.1. The Investors Relations Department operates for the purpose of presenting accurate, timely and coherent information to existing and potential investors about TAV Airports, increasing the recognition and credibility of the Company, positioning the Company among the publicly-traded airport operation companies in the world, lowering the Company’s cost of capital by implementing the Corporate Governance Principles, and establishing communication between the Board of Directors and capital markets participants. In line with these objectives, the Company strives to maintain close communication with its shareholders and investors and conducts an active investor relations program. The Investor Relations Department presents reports to the Corporate Governance Committee and CEO about the activities conducted approximately six times a year.

1.1.2. All information and announcements that may impact the exercise of shareholding rights are disclosed promptly to investors via the Company’s website, at www.tavyatirimciiliskileri.com.

1.2. The Right to Obtain and Analyze Information

Questions directed to the Investor Relations Department are responded to, aside from confidential information and trade secrets, via telephone or in writing after consulting with the most relevant person in the related subject matter.

1.2.1. The Company avoids all conduct that obstructs the performance of special audits. The matter of requesting appointment of a Special Auditor is not individually mentioned in the Articles of Association but Article 201 of the Articles of Association entitles the shareholders to point out any items considered suspicious to the auditors and demand necessary clarifications. There were no demands to appoint a Special Auditor within this period. In addition, the activities of the Company are audited periodically by an Independent Audit Company assigned by the General Assembly.

TAV Investor Relations Department

<table>
<thead>
<tr>
<th>Name Surname</th>
<th>Title</th>
<th>Phone</th>
<th>E-mail</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nursel Ilgen, CFA</td>
<td>Director</td>
<td>(212) 463 3000 / 2122</td>
<td><a href="mailto:nursel.ilgen@tav.aero">nursel.ilgen@tav.aero</a></td>
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<tr>
<td>Ali Özgü Caneri</td>
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<td>Besim Meriç</td>
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<td>(212) 463 3000 / 2123</td>
<td><a href="mailto:besim.meric@tav.aero">besim.meric@tav.aero</a></td>
</tr>
</tbody>
</table>
1.3. General Assembly

1.3.1. The announcement of General Assembly Meeting shall be on the Company’s corporate website and Public Disclosure Platform and also the documents to be kept available for review of the shareholders pursuant to the Turkish Commercial Code dated 13.1.2011 and numbered 6102, and Article number 437, statements and declarations to be made by the partner pursuant to the legislation shall be announced to investors minimum three weeks before the general assembly meeting, excluding the dates of announcement and meeting, and this announcement shall highlight the matters explained on Article 1.3.1.

The General Assembly Information Document and the General Assembly meeting announcements posted on the Company website included the meeting date and time, meeting location, agenda, the fact that the invitation was being extended by the Board of Directors and the procedures for the shareholders to attend the General Assembly. Since the Company does not have any registered shares, no accommodations were made to facilitate the participation of this class of shareholders in the General Assembly meetings.

In addition, the total number of shares and voting rights reflecting the Company’s ownership structure, the number of shares and voting rights representing each class of preferred shares, if there are preferred shares in the Company’s capital; changes in the management or activities of the Company or its major subsidiaries or affiliates that transpired in the previous reporting period or are planned for the coming period which may have a significant impact on the Company’s operations, the justifications for these changes, and the annual reports and annual financial statements for the last two fiscal years of all entities that are a party to such changes; the justification for discharge or change as well as information on the persons who will be nominated for a seat on the Board of Directors, if the General Assembly meeting agenda includes the release, change or election of the members of the Board of Directors; the resolution of the Board of Directors related to the amendment to the Articles of Association included in the agenda as well as the former and current versions of the Articles of Association amendments; backgrounds of the persons to be nominated for a seat on the Board of Directors, positions they held during the last 10 years and the reasons for leaving those posts, nature and materiality level of their relationship with the Company and the Company’s affiliated parties, whether they meet the criteria for being an independent Board member, and information on other related matters that have the potential to impact the Company’s operations if these persons were to be elected as members of the Board of Directors were disclosed to the public within one week of the date of the publication of the memorandum for the General Assembly meeting. Shareholders’ the Capital Markets Board (CMB) and/or the Company’s other public institutions and organizations that placed the request for the item to the agenda because there has not been included in the agenda of the General Assembly.

Financial statements and reports, the General Assembly agenda of the General Assembly since the announcement of the invitation to the meeting of shareholders and where they are most easily accessed on the web site is made available for review.

The Ordinary General Assembly Meeting of shareholders regarding the Company’s 2012 activities was held on Thursday May 30, 2013, at 2:00 pm at TAV Academy (A) Hall, located at Atatürk Airport International Terminal Gate A - Next to VIP, TAV Administration Center, Yeşilköy-İstanbul. The memorandum for the Ordinary General Assembly, including the necessary information about the meeting date and time, meeting location, agenda items, procedures related to the attendance of shareholders at the meeting, proxy forms and arrangement procedures, was published on pages 417-423 of the Turkish Trade Registry Gazette, Issue no. 8316, dated May 9, 2013. The memorandum was also published in the daily Dünya and Star Newspapers, dated May 9, 2013. Of the 363,281,250 shares representing the Company’s share capital as of the date of the meeting, 288,578,939.5 shares, or 79% of the total, were represented at the Ordinary General Assembly meeting.

Announcements pertaining to the General Assembly, in accordance with applicable legislation, as well as achieving the greatest possible number of shareholders at the Company headquarters and in such a way that the web site (www.tavyatirimcilisikleri.com) was released 21 days in advance.
1.3.2. While preparing an agenda of the General Assembly, each agenda item is added under a different title and expressions which are suggestive and open-ended are tried to be avoided while writing the agenda items. Words such as “other”, “miscellaneous” are tried to be avoided in agenda items and the information to be provided prior to a General Assembly Meeting are stated by referring to the related agenda items.

1.3.3. The General Assembly Meetings are held in a manner avoiding any inequalities between the shareholders and ensuring participation of the shareholders with minimum cost in order to increase the level of participation by shareholders and thus the meeting is organized at a place where majority of the shareholders resides provided that it is included on the articles of association.

1.3.4. The Meeting Chair makes preparations related to holding a general assembly previously and duly informs pursuant to the Turkish Commercial Code, Law and related legislations.

1.3.5. In the General Assembly, issues on the agenda as an impartial and thorough, clear and understandable manner transferred to the shareholders to express their opinions under the same conditions and are given the opportunity to ask questions. If a question asked is not related to the meeting agenda or if it is such a comprehensive question that it cannot be answered right away, the question asked is answered by the Investors Relations Department in writing within a period of maximum 15 days. All questions asked during the General Assembly Meeting and answers given are announced to be public on the website within a maximum period of 30 days following the date of General Assembly Meeting. There are no questions asked on matters not related to the General Assembly Meeting’s agenda and not answered during that 2013 Meeting held for the 2012 fiscal year. The questions posed by shareholders, audience and meeting attendees during the course of the General Assembly meeting were responded to via appropriate explanations by the chief executive officer and senior executives.

1.3.6. If the shareholders controlling the management, board of directors’ members, executives having administrative responsibilities and their spouses, first and second degree blood relatives and relatives by marriage execute a significant transaction which might conflict with the interests of the partnership or subsidiaries and/or personally deal with business similar to the trading activities conducted by the partnership or subsidiaries or join to another partnership dealing with the same line of business as an unlimited partner, the transactions in question shall be discussed on the general assembly agenda as an individual item in order to inform the general assembly in details and the discussions shall be documented on the general assembly’s meeting minutes.

1.3.7. Parties having privileged access to the partnership details, excluding the parties listed on article (1.3.6), inform the board of directors so that the transactions performed in their own names under the scope of partnership’s line of activity can be added to the agenda as a new headline and the general assembly can be informed.

1.3.8. The Board of Directors’ members, other related parties, officers responsible for preparing the financial statements and auditors should attend to the general assembly meeting in order to inform about agenda items prioritized and to answer the questions.

1.3.9. The principles listed under Article no. 1.3.9 of the Corporate Governance Principles were abided by at the meeting.

1.3.10. The Company’s donation and aid policy was approved by the General Assembly. Information is presented to the shareholders at the General Assembly meeting as a separate agenda item regarding the amount of all donations and charitable contributions made during the year in light of the policy approved by the General Assembly and the beneficiaries of these donations and charitable contributions as well as policy changes.

1.3.11. While not provided for in the Articles of Association, General Assembly meetings are open to the public as per the General Assembly Internal Directive. Pursuant to the new Turkish Commercial Code, the Ordinary General Assembly Meeting of Shareholders that was held in 2013 was accommodative of electronic voting.

1.4. The Right to Vote

1.4.1. The Company avoids practices that make it difficult to exercise voting rights. All shareholders are given the opportunity to exercise their voting rights in the easiest and most convenient manner possible.

1.4.2. Each share is entitled to one vote in the Company. According to the Company’s Articles of Association, there are no privileges associated with voting rights.
Therefore, there are no preferred stocks or different classes of shares in the Company. There is no Company regulation that restricts the exercise of shareholders’ voting rights for a certain time period following the acquisition date of the shares. The Company’s Articles of Association do not contain any provision that prevents non-shareholders from voting in proxy as a representative of a shareholder.

1.4.3. The share capital of the Company does not involve any cross-shareholdings.

1.5. Minority Rights

1.5.1. The exercise of minority rights in the Company is governed by the Turkish Commercial Code, the Capital Markets Law and related regulations, and the communiqués and resolutions of the Capital Markets Board. TAV Airports pays utmost attention to this matter.

1.5.2. The Company’s Articles of Association contain a provision which stipulates that minority rights shall be exercised by shareholders collectively holding at least 5% of the share capital.

1.6. Right to Dividends

1.6.1. This dividend policy approved by the General Assembly can be found in the annual report and on the investor relations website. There are no privileges with respect to participation in the Company’s profit. The Company makes its dividend distribution decisions taking into account the Turkish Commercial Code, Capital Markets Law, Capital Markets Board Communiqués and Resolutions, the Tax Laws and the provisions of other related laws and regulations, as well as the Company’s Articles of Association.

1.6.2. The profit distribution policy contains the minimum information that will allow shareholders to anticipate the procedures and principles of the distribution of the profit the Company will earn in the years ahead.

1.6.3. In the event that the Board of Directors proposes to the General Assembly that the profit not be distributed to shareholders, information on the reasons for such recommendation and how the retained earnings will be used are provided in the agenda item about the profit distribution.

1.6.4. The profit distribution policy strikes a balance between the interests of the shareholders and the interests of the Company. As per Item 5 of the Agenda of the Company’s Ordinary General Assembly Meeting held on May 30, 2013, as a result of the Company’s activities executed between January 1, 2012 and December 31, 2012 and based on the Company’s statutory accounts as of the end of the 2012 accounting year, the following resolution has been submitted to the General Assembly for approval, approved, included in the annual report, and posted on the Company’s website:

1. The Company’s profit according to the independently-audited consolidated financial statements prepared in accordance with the provisions of the Capital Markets Board’s “Communiqué on the Principles of Financial Reporting in Capital Markets” Series: XI, No: 29 is TL 285,858,000, and its commercial profit calculated as stipulated by the provisions of the Turkish Commercial Code and Tax Procedure Law is TL 210,848,826,

2. Of the after-tax profit based on consolidated financial statements, TL 285,858,000 of profit is subject to profit distribution pursuant to the Capital Markets Board’s Communiqué Series: IV No: 27,

3. Article 519 of the Turkish Commercial Code obligates the Company to set aside primary legal reserve until 20% of the paid-in capital is reached. Accordingly, TL 10,542,441 shall be set aside as primary legal reserve for 2012,

4. Adding TL 765,086 in donations made during the year to the distributable profit of TL 275,315,559 for 2012 according to consolidated financial statements yields TL 276,080,645, which is determined as the first dividend basis amount,

5. TL 55,216,129, which corresponds to 20% of the TL 276,080,645 that is taken as the first dividend basis in accordance with the Capital Markets Board’s Communiqué Series: IV No: 27, shall be distributed as first cash dividend, and TL 87,712,871 shall be paid as second cash dividend,

6. Pursuant to the Capital Markets Law and Turkish Commercial Code, the amount remaining after deducting the profit to be distributed to the shareholders shall be set aside as extraordinary reserve.
1.7. Transfer of Shares
The Company’s Articles of Association do not contain any provisions that make it difficult for the shareholders to freely transfer their shares.

2. PUBLIC DISCLOSURE AND TRANSPARENCY

2.1. Corporate Website
All publicly disclosed information by the Company is also available on the Company website. The Company letterhead clearly indicates the address of its website and this information can be accessed at the web address http://www.tavyaratirimciliskileri.com. Of the information stipulated in the Capital Markets Board Corporate Governance Principles, all items applicable to the Company are posted and updated on the website.

Thanks to the new features implemented to the Company’s website, investors can submit all types of questions to the TAV Investor Relations Department and establish active communication with the Company’s management by sending messages to the Company’s Board of Directors. By joining the Company’s e-mail distribution list, users can have regular access to the reports and information related to the Company; institutional investors can send meeting requests through the related section of the website. In addition, analysts issuing reports on the Company can also access the website and post their reports, major financial and operational forecasts regarding the Company, and their expectations of the macroeconomic outlook for the coming years by using the personal user IDs and passwords provided to them.

2.1.1. All information stipulated in Article no. 2.1.1. of the Corporate Governance Principles is available on the Company’s website.

2.1.2. TAV Airports Holding’s ownership structure, updated at least every six months, is disclosed so as to reveal the names, ownership amounts and ratios in the Company’s capital of real persons who own more than 5% of the Company’s share capital as well as the privileges such shareholders possess, after deducting indirect and cross-shareholding relationships.

2.1.3. Except for material event disclosures and footnotes, financial statement disclosures that the Company is required to announce publicly as stipulated by capital markets regulations are published on the Public Disclosure Platform in English and Turkish. The disclosures in English are drafted as summary documents that are consistent with the original disclosure in Turkish and are sufficiently accurate, complete, direct, comprehensible and adequate for the decision-making purposes of the parties who will benefit from the announcement.

2.1.4. Information on the Company’s website is also presented in English, with the exact same content as the information provided in Turkish, for the benefit of international investors.

2.2. Annual Report

2.2.1. The Company’s Board of Directors prepares the Annual Report in order for the public at large to have access to complete and accurate information on the Company’s activities.

In addition to the matters specified in the Legislation and in other sections of Corporate Governance Principles, in the annual reports:

- a) Information on the positions held by the members of the Board of Directors and managers outside of the Company and the statement of independence by the members of the Board of Directors,

- b) Operating principles of the committees formed within the Board of Directors including committee members, meeting frequency and the activities they carry out as well as the Board of Directors’ assessment on the effectiveness of the committees,

- c) The number of meetings the Board of Directors held during the year and attendance of the members of the Board of Directors at these meetings,

- d) Information on legislative and regulatory changes that may have a material impact on the Company’s activities,

- e) Information on major lawsuits filed against the Company and potential outcomes,

- f) Information on the conflicts of interest that arise between the Company and the companies it procures services from such as investment advisory or rating, and the measures taken by the Company to prevent such conflicts of interest,

- g) Information on cross-shareholdings that exceed 5% of direct ownership of the Company’s share capital,

- h) Information on fringe benefits and professional development
of employees as well as other corporate social responsibility activities related to the Company’s operations that have social and environmental impacts.

3. STAKEHOLDERS

3.1. Company’s Policy regarding the Stakeholders

3.1.1. The Company’s corporate governance practices and code of ethics safeguard the rights of stakeholders as stipulated in laws and regulations as well as in mutual agreements. Stakeholders are continually kept informed within the framework of the Company’s Information Disclosure Policy, established with respect to governing legislation and the Company’s code of ethics. In addition, the Company strives to provide information to all stakeholders via press releases, annual reports, the Company website and other practices within the framework of the Company’s transparency-oriented Information Disclosure Policy. For the Company’s employees, the intranet, which is the intra-Company information sharing platform, is used actively and the “NEWSPORT” magazine is published quarterly and “Gate” magazine is published monthly. The Company’s employees are expected to fulfill their responsibilities and hold the Company’s interests above their own interests and the interests of their families or acquaintances while performing their jobs. Employees shall avoid any conduct that may be construed as pursuing their own or acquaintances’ interests. Foreseeable conflict of interest situations as well as situations defined by the Company management in such manner are shared with the employees and Company management takes necessary measures when required.

3.1.2. The Company offers an effective and timely damage compensation opportunity in case of breach of stakeholders’ rights that are protected by applicable law and regulations as well as by mutual agreements. The Company acts meticulously in ensuring the presence of clear provisions regarding damages in all of its contracts and takes into consideration every request and feedback provided by stakeholders. A “Severance Pay Policy” that was published internally by the Company is also made available on our website. Some exceptional situations that need to be addressed explicitly due to the scope or nature of the job are stipulated as an additional damages clause in employment contracts executed with personnel and are shared with employees.

3.1.3. The Company discloses information to shareholders and investors in accordance with, and via the methods stipulated in, the Capital Markets Law and the Regulations and Resolutions of the Capital Markets Board. Company management is encouraged to participate in the various non-governmental organizations (NGOs) established by our stakeholders and the rights of stakeholders are safeguarded meticulously.

3.1.4. Stakeholders have the opportunity to directly contact via e-mail members of the Corporate Governance Committee or the Audit Committee as well as individuals authorized to disseminate information as prescribed by the Company’s Information Disclosure Policy with regard to the Company’s conduct or transactions in breach of applicable law and regulations or ethical norms.

3.1.5. In the event that conflict of interest situations arise between stakeholders or a stakeholder belongs to multiple interest groups, the Company pursues as balanced a policy as possible in order to safeguard every right of all parties and strives to protect each and every right independently from each other.

3.2. Encouraging Stakeholder Participation in Management

3.2.1. The Company does not have a formal model or mechanism for the participation of stakeholders in management. However, the independent members of the Board of Directors allow for the representation of all stakeholders, as well as the Company and the shareholders, in management.

3.2.2. The Company heeds the opinions and suggestions of its employees, suppliers, various non-governmental organizations and all other stakeholders as well as customer satisfaction surveys.

3.3. Human Resources Policy

There is no representative appointed exclusively for conducting employee relations. Our Company manages personnel relationships through the Human Resources Department and Human Resources Professionals who have specific responsibilities under the roof of this department. Also, it is agreed that Human Resources Department will be the department to be consulted by employees in case of a conflict with the management and the employees are informed duly. As for the
matters related to discipline, we have a Discipline Committee in addition of the Human Resources Department.

3.3.1. TAV Airports embraces the principle of providing equal opportunity to people in equal positions when formulating its recruiting policies and undertaking its career planning. The Company makes succession planning in determining the managers to be appointed in situations where changes in managerial positions may have a foreseeable effect in the Company’s operations.

• The criteria for hiring employees are documented in writing and the Company complies with these criteria.
• The Company treats all of its employees with fairness and equality in terms of the benefits provided to them; provides training programs to enhance employee knowledge, skills and conduct; and formulates training policies.
• Informational meetings are organized for employees about the Company’s financial position as well as compensation, career, training and health related issues where opinions are exchanged.
• Since the employees of the TAV Group companies are generally not unionized, the matter of resorting to the opinion of the trade unions in decisions about the employees and collective bargaining agreements stipulated in the human resources policy is not applicable. However, the constitutional provisions regarding the right of association stipulated in the Constitution of the Republic of Turkey remain; in addition, as a member

of the International Labor Organization (ILO), pursuant to the Freedom of Association and Protection of the Right to Organize Convention (convention 87) and Right to Organize and Collective Bargaining Convention (convention 98), the Company shall abide by its related commitments regarding associations that may transpire in the future and the Company respects the free will of its employees on every platform.
• Job descriptions and distribution of the Company’s employees as well as performance and rewarding criteria are announced to the employees. Productivity is a major criterion in determining the salary and other benefits provided to the employees. The Company may create stock acquisition plans for its employees.
• The Company takes measures to prevent discrimination between employees on the basis of race, religion, language and gender and to protect its personnel against physical, mental and emotional abuse within the Company.

As of December 31, 2013, TAV Airports, including all of its subsidiaries, has a total of 23,698 (13,370 after IFRIC 11 effect) employees. No complaints related to discrimination were received from employees.

3.3.2. Criteria for hiring personnel are documented in writing and the Company complies with the criteria listed in articles 3.3.3., 3.3.4., 3.3.5., 3.3.6., 3.3.7., 3.3.8. and 3.3.9. of the Capital Markets Board’s Corporate Governance Principles Communiqué.

3.4. Relations with Customers and Suppliers

3.4.1. The Company takes all necessary measures to ensure customer satisfaction in the marketing and sales of its products and services.

3.4.2. Customer requests related to the products and services they purchased are addressed expeditiously while delays are communicated to customers before the expiration of the response deadline.

3.4.3. The Company complies with global quality standards of products and services and strives to maintain these standards. To this end, the Company provides a certain level of quality guarantee.

3.4.4. Information on customers and suppliers is kept confidential as part of the Company’s treatment of trade secrets.

3.5. Code of Ethics and Social Responsibility

3.5.1. The Company’s social responsibility activities are conducted in accordance with its code of ethics, which is made available to the public on its website. The Company expends maximum effort to be sensitive to its social responsibilities in its operations. It complies with all regulations regarding the environment, consumers and public health, as well as ethics rules, and directs and supports its subsidiaries to behave in the same manner. The Company’s terminal operating subsidiaries conduct their operations in compliance with environmental
regulations and the directives and guidelines of international aviation organizations such as the ICAO, ECAC, EUROCONTROL and IATA, as well as the Equator Principles of the World Bank.

3.5.2. Due to the nature of their operations, the Company and its subsidiaries are not legally required, within the scope of Environment Law and its related regulations, to produce environmental impact assessment reports. Nevertheless, the Company’s related subsidiaries have prepared environmental reports and environmental management plans during both the construction and operation phases of terminals and they comply with updated environmental management plans.

The Company’s subsidiaries have international quality control plans for their operation areas and quality control audits are conducted in compliance with international standards.


4. Board of Directors

4.1. Function of the Board of Directors
TAV Airports Board of Directors governs and represents the Company by taking strategic decisions, maintaining an optimal balance between risk, growth and return, pursuing a rational and prudent risk management approach, and giving priority to the Company’s long-term plans.

4.1.1. Our Board of Directors defines the strategic objectives of the company, determines the workforce and financial resources to be required by the company and controls the management performance.

4.1.2. The Board of Directors defines the strategic targets, identifies the financial and human resources and evaluates the performance of the management of the company.

4.2. The Board of Directors determines the human capital and financial resources the Company will need in light of its strategic objectives and oversees the management’s performance.

Operating Principles of the Board of Directors

4.2.1. The Board of Directors conducts its activities in a transparent, accountable, fair and responsible manner.

4.2.2. Delegation of duties among the members of the Company’s Board of Directors as well as the duties and authorities of the Board members are stipulated in the annual report.

4.2.3. The Board of Directors creates the Company’s internal control systems, including information systems and processes as well as risk management systems, that will minimize the impact of risks that have the potential to affect the Company’s stakeholders, particularly its shareholders, and by also seeking the opinion of the relevant Board of Directors committees.

4.2.4. The Board of Directors reviews the effectiveness of the risk management and internal control systems at least once per year and presents information on the functioning and effectiveness of the internal auditing system in the annual report.

4.2.5. The Company embraces the principle of clearly separating the powers of the Chair of the Board of Directors from those of the chief executive/general manager and stipulating this distinction in writing in the Articles of Association. No one in the Company is endowed with unilateral, unlimited decision-making authority.

4.2.6. While not stipulated in the Articles of Association, the Company’s Chair of the Board of Directors has never been the same person as its chief executive officer since the day the Company was founded.

4.2.7. The Board of Directors has a pioneering role in maintaining effective communications between the Company and its shareholders, and eliminating and resolving potential conflicts. To this end, the Board of Directors works in close cooperation with the Corporate Governance Committee and the Investor Relations Department.

4.2.8. The Company has US$ 45 million insurance coverage against losses the Company may incur due to negligence of the members of the Board of Directors and the coverage level exceeds 25% of the Company’s capital.
4.3. Structure of the Board of Directors

4.3.1. The number of Board of Directors members is determined in a manner enabling board of directors’ members to work efficiently and positively, make rational decisions fast and organize formation and works of committees effectively but the number of members shall not be less than five under any circumstances.

4.3.2. Majority of the Board of Directors’ members are members who do not have executive duties.

4.3.3. There are independent members capable of officiating without being under the influence of any matter among the board of directors’ members who do not have executive duties.

4.3.4. The composition and election of the Board of Directors are conducted in compliance with the Corporate Governance Principles and the principles governing this process are stipulated in the Company’s Articles of Association. As set forth in the Company’s Articles of Association, one-third of the Board of Directors is made up of independent members as prescribed in the Corporate Governance Principles.

The names and surnames of the members of the Board of Directors are presented below as stipulated by the Company’s Articles of Association. In compliance with the Corporate Governance Principles, the majority of the members of the Board of Directors are non-executive members.

### Board of Directors

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Akfen Holding A.Ş. (Representative: Hamdi Akın)</td>
<td>Chair (Non-executive)</td>
</tr>
<tr>
<td>Augustin Pascal Pierre Louis Marie de Romanet de Beaune</td>
<td>Deputy Chair (Non-executive)</td>
</tr>
<tr>
<td>Tepe İnşaat Sanayi A.Ş. (Representative: Ali Haydar Kurtdarcan)</td>
<td>Board Member (Non-executive)</td>
</tr>
<tr>
<td>Mustafa Sani Şener</td>
<td>Board Member and CEO (Non-executive)</td>
</tr>
<tr>
<td>Bilkent Holding A.Ş. (Representative: Abdullah Atalar)</td>
<td>Board Member (Non-executive)</td>
</tr>
<tr>
<td>Edward Rodolphe Paul Arkwright</td>
<td>Board Member (Non-executive)</td>
</tr>
<tr>
<td>Laurent Marc Galzy</td>
<td>Board Member (Non-executive)</td>
</tr>
<tr>
<td>Tayfun Bayazıt</td>
<td>Board Member (Independent)</td>
</tr>
<tr>
<td>Necmi Rıza Bozantı</td>
<td>Board Member (Independent)</td>
</tr>
<tr>
<td>Jérôme Paul Jacques Marie Calvet</td>
<td>Board Member (Independent)</td>
</tr>
<tr>
<td>Didar Sevdil Yıldırım</td>
<td>Board Member (Independent)</td>
</tr>
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Tayfun Bayazıt, Necmi Bozantı, Jérôme Paul Jacques Marie Calvet and Sevdil Yıldırım meet the independence criteria of the Corporate Governance Principles and they are Independent Members of the Board of Directors. No situation arose in the reporting period that would cease the independent status of the independent members of the Company’s Board of Directors.

The Nomination Committee evaluates the proposed candidates, including the management and shareholders, for independent Board members based on whether the candidates meet the criteria for independence and presents its assessment in a report to the Board of Directors for approval.

4.3.5. The term of office of the independent members of the Board of Directors is three years, as stipulated by Capital Markets Board’s Corporate Governance Principles.

4.3.6. Our independent members of the Board of Directors meet the independency criteria given on Article 4.3.6.

4.3.7. Within the framework of the Nomination Committee’s report, the Board of Directors is responsible for preparing the independent member nominees list and sending it prior to the General Assembly meeting within the time period specified by the CMB.
4.3.8. Independent members of the Board of Directors are required to submit a written statement of independence to the Board of Directors and immediately inform the Board of Directors when their independent status ceases.

The statements of independence issued by the independent members of the Board of Directors are included in our 2013 Activity Report.

As a matter of principles, the Member of Board of Directors who loses his or her independent status resigns. In order to re-establish the minimum number of Independent Members of the Board of Directors, the Nomination Committee performs an evaluation to elect independent members to the vacated seats on the Board of Directors to serve until the earliest General Assembly meeting and presents the result of its evaluation in writing to the Board of Directors.

4.3.9. The Company, as stipulated in the Corporate Governance Principles, the Board of Directors sets a target ratio, not to be less than 25%, and a deadline to reach this target, for the share of female directors on the Board of Directors and formulates policies to attain these objectives. The Board of Directors assesses the progress made toward meeting these targets on an annual basis.

4.3.10. The members of our audit committee have 5-year experience in auditing/accounting and finance. The resumes of our Board of Directors’ members are available on 2013 Activity Report and our company’s website.

4.4. The Structure of Board of Directors Meetings

4.4.1. The Board of Directors convenes at least once every two months. In 2013, the Company had total 7 (seven) Board of Directors meetings. The Chair of the Board of Directors sets the agenda of the Board meetings in consultation with other Board members and the chief executive/general manager. Members make every effort to attend every meeting and voice their opinions at the meetings. The Company accommodates Board of Directors meetings to be held in an electronic environment.

4.4.2. The chair of the Board of Directors is responsible for ensuring that the information and documents related to the items on the Board of Directors meeting agenda are made available to the members of the Board of Directors for their examination sufficiently before the meeting while abiding by the principle of equal information dissemination.

4.4.3. The opinions of members who cannot attend the meeting but who present their opinions to the Board of Directors in writing are provided to the other Board members.

4.4.4. Each member is entitled to one vote on the Board of Directors.

4.4.5. The structure of Board of Directors meetings was set down in writing as internal regulations of the Company.

4.4.6. Agenda items are deliberated openly and from many perspectives at the Board of Directors meetings. The Chair of the Board of Directors expends maximum effort to ensure active participation of non-executive members in the Board of Directors meetings. Alternative opinions expressed and opposing votes cast by members of the Board of Directors at the Board meetings are also recorded in the resolution book with their reasonable and detailed justifications.

4.4.7. The members of the Board of Directors spend a sufficient amount of time on their tasks at the Company. The members of the Board of Directors who hold positions in other companies do not create a conflict of interest and do not impede their jobs at the Company. Therefore, the Board members’ assumption of duties in other companies is not subjected to certain prescribed rules or otherwise restricted. Shareholders are informed about the positions a member of the Board of Directors holds outside of the Company and the justification for them, with a distinction drawn between duties within the Group and externally. At the General Assembly meeting the election of members is discussed as part of the related agenda item.

4.5. Committees Formed under the Board of Directors

In accordance with the provisions of the Capital Markets Board’s Communiqué on the Determination and Implementation of Corporate Governance Principles, the Company’s Board of Directors reviewed the structure and activities of the existing committees.
and resolved to constitute them as follows:

**AUDIT COMMITTEE**

Audit Committee Chair  
Necmi Rıza Bozantı

Audit Committee Members  
Tayfun Bayazıt

**CORPORATE GOVERNANCE COMMITTEE**

Corporate Governance Committee Chair  
Tayfun Bayazıt

Corporate Governance Committee Members  
Didar Sevdil Yıldırım  
Augustin Pascal Pierre Louis Marie de Romanet de Beaune  
Edward Rodolphe Paul Arkwright  
Ali Haydar Kurtdarcan  
Pelin Akin

**NOMINATION COMMITTEE**

Nomination Committee Chair  
Didar Sevdil Yıldırım

Nomination Committee Members  
Tayfun Bayazıt  
Augustin Pascal Pierre Louis Marie de Romanet de Beaune  
Laurent Marc Galzy  
Hamdi Akin  
Ali Haydar Kurtdarcan

**RISK ASSESSMENT COMMITTEE**

Risk Assessment Committee Chair  
Jerome Paul Jacques Marie Calvet  
Risk Assessment Committee Members  
Necmi Rıza Bozantı  
Augustin Pascal Pierre Louis Marie de Romanet de Beaune  
Laurent Marc Galzy  
Ali Haydar Kurtdarcan  
Pelin Akin

4.5.2. The areas of activity and operating principles of the committees were determined by the Board of Directors and disclosed publicly.

4.5.3. Committee chairs were elected from among independent Members of the Board of Directors. All members of the Audit Committee are independent Members of the Board of Directors.

4.5.4. The chief executive officer is not a member of any committee.

4.5.5. A number of the Members of the Board of Directors serve on multiple committees due to the Company’s ownership structure.

4.5.6. The Board of Directors provides all resources and support to the committees in execution of their functions; committees can invite the person they deem necessary to their meetings to elicit their opinions.

4.5.7. The committees seek independent expert opinions as they see fit to pursue their respective activities. While no such support service has been procured by the Company to date, advisory services the committees require shall be paid for by the Company. Information about the person/firm providing the services and whether such person/firm is affiliated with the Company will be provided in the annual report.

4.5.8. Committees document all of their work in writing and keep a record of it. The committees convene as frequently as required for the effectiveness of their activities as stipulated in the committee operating principles. They present the reports about their activities and meeting results to the Board of Directors.

4.5.9. The Audit Committee formed within the Company carries out the responsibilities stipulated in Article no. 4.5.9 of the Capital Markets Board’s Corporate Governance Principles Communiqué. The Audit Committee convenes once every two months for a total of six meetings a year and presents the results of its meetings as an official report to the Board of Directors.

The annual report presents information on the activities of the Audit Committee and the results of its meetings, as well as how many times it submitted a written report to the Board of Directors during the fiscal year.

4.5.10. Corporate Governance Committee  
The Corporate Governance Committee determines whether the corporate governance principles are implemented at the Company; assesses the rationale for incompliance, if any, and the conflicts of interest caused by such incompliance; makes suggestions to the Board of Directors in order to improve the implementation of corporate governance; and oversees the activities of the Investor Relations Department.
4.5.11. Nomination Committee
The Nomination Committee is responsible for:

a) Undertaking efforts to create a transparent system to identify, assess and train the qualified candidates for Board of Directors and executive management positions and to formulate policies and strategies related to this subject,
b) Conducting regular assessments on the structure and efficiency of the Board of Directors and reporting its recommendations on the changes that can be made in these areas to the Board of Directors.

4.5.12. Risk Assessment Committee
The Risk Assessment Committee established by the Company is responsible for undertaking efforts for early detection of the risks that threaten the existence, development and continuity of the Company, implementation of measures against the risks identified, and management of risk. The Risk Assessment Committee reviews the risk management systems at least once a year.

4.5.13. Compensation Committee
The Company has not established a Compensation Committee. The duties listed below are executed by the Corporate Governance Committee:

a) Setting forth the remuneration principles, criteria and practices for members of the Board of Directors and executives in light of the Company’s long-term objectives and overseeing the resulting compensation policy and practices,
b) Making recommendations to the Board of Directors relating to the pay packages to be offered to the members of the Board of Directors and executives, taking into consideration the level of achievement with respect to the criteria used in remuneration.

Company’s Strategic Objectives
The vision and strategic objectives of the Company are regularly discussed and determined by the members during the Board of Directors Meeting held minimum every 2 (months) and, if necessary, they are revised and restated. If necessary, the Board of Directors might agree to assign a Senior Executive and/or Department with the task of determining and monitoring strategic objectives.

4.6. Financial Benefits Provided to Members of the Board of Directors and Senior Executives

4.6.1. The Board of Directors is responsible for achieving the Company’s predetermined and publicly announced operational and financial performance targets. Assessment of whether the Company achieved its publicly announced operational and financial performance targets, and the reasons for failing to meet them in the event that the targets are missed, are presented in the annual report. The Board of Directors performs a critical self-assessment and performance evaluation for the Board of Directors as a whole, for individual Board members, and for senior executives. Members of the Board of Directors and senior executives are rewarded or dismissed based on these assessments.

4.6.2. Remuneration principles for members of the Board of Directors and senior executives have been set down in writing; this matter is presented for the information of shareholders as a separate agenda item at the General Assembly meetings and shareholders are given the opportunity to voice their opinions. The remuneration policy developed for this purpose is made available on the Company’s corporate website.

4.6.3. Profit sharing, share options or payment plans based on the Company’s performance are not used in remunerating the independent members of the Board of Directors. Pursuant to the Capital Markets Board’s Corporate Governance Principles, the Company pays a salary of US$ 50,000 per year to each independent member of the Board of Directors commensurate with the time investment and efforts necessary for executing the duties of serving on the Board.

4.6.4. The Company did not lend money or extend credit to any member of the Board of Directors or senior executives.

4.6.5. Salaries paid and all other benefits provided to the members of the Board of Directors and senior executives are disclosed to the public via the annual report. The disclosure is not made on an individual basis; it encompasses the Board of Directors and senior executives.

<table>
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<tr>
<th>(TL million)</th>
<th>2013</th>
<th>2012</th>
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<tr>
<td>Short-term benefits (salaries and bonuses)</td>
<td>38</td>
<td>39</td>
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The agenda of the meeting of the Ordinary General Assembly of TAV HAVALİMANLARI HOLDİNG ANONİM ŞİRKETİ

1. Opening and forming of the Presidential Board,
2. Review, discussion, and approval of the Annual Report of the Board of Directors of the year 2013,
3. Review, discussion, and approval of the summary statement of the Independent Audit Report of the fiscal year 2013,
4. Review, discussion, and approval of the year-end Financial Statements for the fiscal year 2013,
5. Releasing the Members of the Board from their activities for the year 2013,
6. Accepting, accepting by amendment or declining the proposition of distribution of the dividend of 2013 and the date of dividend distribution,
7. Determining the rights of the members of the Board of Directors regarding the wages and attendance fee, and rights such as bonus, premium,
8. Submitting for the approval of the General Assembly the change of the Board membership executed in accordance with the Article 363.1 of the Turkish Commercial Code,
9. Approval of the nomination of the Independent Audit Company conducted by the Board of Directors pursuant to the TCC and the regulations of the Capital Markets Board,
10. Pursuant to the regulations of the Capital Markets Board, submitting the “Dividend Policy” of the Company for the approval of the General Assembly,
11. Submitting the Remuneration Policy written as per the Capital Markets Board regulations for the information and consideration of the General Assembly,
12. Submitting the “Donation and Aid Policy” of the Company for the approval of the General Assembly and informing the General Assembly on the donations and aids which were provided by the Company in 2013 in accordance with the regulations of the Capital Markets Board,
13. Submitting the “Disclosure Policy” prepared in accordance with the regulations of the Capital Markets Board for the approval of the General Assembly,
14. Submitting the Share Buy Back Program of the Company for the approval of the General Assembly,
15. Giving information to the General Assembly regarding the transactions of the “Related Parties” as per third section of Corporate Governance Communiqué (II-171) of the Capital Markets Board,
16. Giving information to the General Assembly regarding pledges, collaterals, and mortgages to the shareholders as per fourth section of Corporate Governance Communiqué (II-171) of the Capital Markets Board,
17. Granting authorization to the Chair and the Members of the Board on the fulfilment of the written transactions pursuant to Article 395 and 396 of the Turkish Commercial Code,
18. Wishes and requests,
19. Closing.

The minutes of the meeting of the Ordinary General Assembly of TAV HAVALİMANLARI HOLDİNG ANONİM ŞİRKETİ

The ordinary meeting of TAV Havalimanları Holding Anonim Şirketi General Assembly for 2012 was held in TAV Academy (A) Meeting Hall, located in the Company’s Executive Center in Atatürk Airport International Terminal Port A – beside VIP, Yeşilköy Istanbul, in 30 May 2013 at 14:00 under the supervision of Ministry Representatives Ceyda ÇALIK and Ömer KURTıLAR, who were assigned to the post in accordance with the instrument of the Republic of Turkey Istanbul Governorship Provincial Directorate of Commerce dated 29/05/2013 No 17121.
The invitation for the meeting was published on the pages 417, 418, 419, 420, 421, 422 and 423th pages of Turkish Trade Registry Gazette dated 9 May 2013 No. 8316 and on the STAR and Dünya Newspapers' editions dated 9 May 2013, containing the agenda as stipulated in the law and the articles of association by declaring on the Company’s website and EGKS.

It was found that 288,578,939.5 shares equal to 288,578,939.5 TL of capital out of 363,281,250 shares equal to the total capital of 363,281,250 TL of the Company were represented in the meeting by analyzing the participants list. Hence, it was understood that the minimum quorum stipulated by the law and the articles of association was present at the assembly. Managing Member of the Board of Directors Mr. Mustafa Sani ŞENER, Member of the Board of Directors Ms. Didar Sevdil YILDIRIM and Company Auditor Ms. Meral Necmiye ALTINOK were present at the meeting. The meeting was hence, inaugurated by the Managing Member of the Board of Directors Mr. Mustafa Sani ŞENER both in the physical and the electronic environment simultaneously and the agenda was discussed.

1. Under the first article of the agenda, it was approved that Mr. Mehmet Erdoğan was chosen as the chairman of the meeting, Mr. Besim Meriç as vote collector and Mr. Nihat Kamil Akkaya as the secretary; the Chairman was authorized to sign the Minutes of the General Assembly and to hold the meeting in the physical and electronic environments. The article was accepted by a majority of 288,006,872.5 for and 44,690 against votes.

2. Under the second article of the agenda, the Annual Report of the Board of Directors and the Audit Report of the Company for 2012 was voted to be accepted as ‘read’; and it was accepted by a majority of 288,006,872.5 for and 44,690 against votes. The summary of the Independent Audit Report was read personally by the Company Auditor Meral Necmiye Altınok, discussed and approved unanimously by the participants of the meeting.

3. Under the third article of the agenda, the balance sheet and the profit and loss accounts of the Company for 2012 were voted to be accepted as ‘read’ and it was approved by a majority of 288,006,872.5 for and 44,690 against votes. The profit, formed in accordance with the consolidated accounts independently audited under the provisions of ‘the Notification of Principles on Financial Reporting in the Capital Market’ No. 29 Serial: XI of the Capital Markets Board, is 285,858,000 TL; and the net profit calculated within the provisions of the Turkish Commercial Code and the Tax Procedural Law is 210,848,826 TL.

4. Under the fourth article of the agenda, the General Assembly was informed about the Dividend Policy of the Company for 2012 and the following years in accordance with the regulations of the Capital Markets Board. Ms. H. Vuslat Sümen, representing by proxy 7,810,110 votes did not consent to the information provided.

5. Under the fifth article of the agenda, following the activities performed by our Company between the dates 1st January 2012 and 31st December 2012;

- The profit, formed in accordance with the consolidated accounts independently audited under the provisions of ‘the Notification of Principles on Financial Reporting in the Capital Market’ No. 29 Serial: XI of the Capital Markets Board, is 285,858,000 TL; and the net profit calculated within the provisions of the Turkish Commercial Code and the Tax Procedural Law is 210,848,826 TL.
- 285,858,000 TL of the profit remaining from the net profit after tax formed in accordance with the consolidated accounts is subject to dividend distribution under the Notification No. 27 Serial: IV of the Capital Markets Board.
- 10,542,441 TL was allocated as primary reserve for 2012.
- 276,080,645 TL, formed by adding the annual grants equal to 765,086 TL to the distributable profit of 2012 equal to 275,315,559 TL in accordance with the consolidated accounts, was defined as the first dividend base.

- It was decided that 55,216,129 TL, equal to the 20% of 276,080,645 TL accepted as the first dividend base in accordance with the Notification No. 27 Serial: IV of the Capital Markets Board, would be distributed as the first dividend in cash; and 87,712,871 TL would be distributed as the second dividend as cash.

The allocation and payment of the dividend:

a. It was decided unanimously that the total amount of 142,929,000 TL, which would be completely distributed in cash, would be distributed from the net profit of the period.

b. It was decided that a total of gross 142,929,000 TL (gross 0.39 TL for each per share value equal to the nominal value of 1 TL) would be distributed as cash dividend to our shareholders and the remaining sum would be allocated as excess reserves following the discounting of the profit that would be distributed as per the Capital Market Boards Legislation and Turkish Commercial Code by a majority of 288,006,872.5 for and 44,690 against votes.

The date 31 May 2013 as the starting of the profit distribution was voted and accepted by a majority of 288,006,872.5 for and 44,690 against votes.

6. Under the sixth article of the agenda, the acquittal of the Members of the Board of Directors who served within 2012 was put to the vote due to their activities in 2012 and it was approved by a majority of 287,719,503.5 for and 332,059 against votes, with the against vote of H. Vuslat Sümen, representing 115,000 shares by proxy.

The Members of the Board of Directors did not vote for their own acquittals.

The acquittal of the Company Auditors who served within 2012 was put to the vote and it was approved by a majority of 287,719,503.5 for and 332,059 against votes, with the against vote of H. Vuslat Sümen, representing 115,000 shares by proxy.

7. Under the seventh article of the agenda, the serving of the new members of the Board of Directors elected to the positions of the resigning Board of Directors members until they complete their remaining time was discussed.

Under the 363º Article of the Turkish Commercial Code, for the positions of the resigning Board of Directors Members, the assignments of Pierre Georges Denis Graff, a citizen of France with the taxpayer identification No. 4110386375, Laurent Marc Galzy, a citizen of France with the taxpayer identification No. 3880670412, François Paul Antoine Rubichon, a citizen of France with the taxpayer identification No. 7350725319, who were chosen under the Board of Directors Decision dated 27.09.2012 No.40; Bilkent Holding Inc. with the register no 60994 in Ankara Registry of Commerce and Tepe İnşaat Sanayi Inc. which were chosen under the Board of Directors Decision dated 27.09.2012 No.41; Mustafa Sani Şener with the identity number 22628641168 who was chosen under the Board of Directors Decision dated 27.09.2012 No. 2012/42; Akfen Holding Inc. with the register no 145672 in the Ankara Registry of Commerce; Augustin Pascal Pierre Louis Marie de Romanet de Beaune, French national with the taxpayer identification No. 2710774976, who was chosen for the position of François Paul Antoine Rubichon, who resigned under the Board of Directors Decision dated 25.01.2013 No. 2013/01, were approved and the serving of the new members of the Board of Directors assigned to the positions of the resigning Board of Directors members until
they completed their remaining time was accepted by a majority of 284,304,514.5 for and 3,747,048 against votes, with the against vote of H. Vuslat Sümen, representing 115,000 shares by proxy.

8. Under the eighth article of the agenda, it was decided that KPMG Akis Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Inc. would be the independent auditing firm for a year by a majority of 285,208,043.5 for and 2,843,519 against votes, with the against vote of H. Vuslat Sümen, representing 115,000 shares by proxy.

9. Under the ninth article of the agenda, the articles no. 2, 3, 4, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 34A, 34B, 35, 36, 37, 38, 39, 40, 41, 42 of the Articles of Association, approved by the Presidency of the Capital Markets Board and permitted by the letter of the Ministry of Customs and Trade of the Republic of Turkey, dated 10.05.2013 No. 3800, would be amended in accordance with the proposal of amendment in the annex of this Official Report of the General Assembly and the Articles 43 and 44 would be annulled; and the 6th Article in the Articles of Association would be amended in accordance with the proposal of amendment in the annex of this Official Report of the General Assembly due to the extension of time in the registered capital system, under the provisions of the Capital Markets Board Act no. 6362, permitted by the letter of the Ministry of Customs and Trade of the Republic of Turkey, dated 10.05.2013 No. 3800.

10. Under the tenth article of the agenda, The Internal Directive on the Basis and Procedures of the General Assembly's Working was put to the vote to be accepted as ‘read’ and was approved by a majority of 288,006,611.5 votes for and 44,691 votes against. The Internal Directive on the Basis and Procedures of the General Assembly’s Working prepared by the Board of Directors under the 419/2 Article of the Turkish Trade Act and the Basis and Procedures of the Meetings of Incorporations and the 40th and the remaining articles of the Regulation on the Participating Representatives of the Ministry of Customs and Trade, was approved by a majority of 288,006,611.5 votes for and 44,691 votes against.

11. Under the eleventh article of the agenda, the Remuneration Policy was put to the vote to be accepted as ‘read’ and approved unanimously by the participants of the meeting. The General Assembly was informed on the ‘Remuneration Policy’ of the Company under the regulations of the Capital Markets Board. Ms. Vuslat Sümen representing 7,810,100 shares by proxy did not consent to the information provided.

12. Under the twelfth article of the agenda, the Donation and Aid Policy under the regulations of the Capital Markets Board of our Company was approved by a majority of 287,582,761.5 votes for and 468,801 votes against.
Under the 7th Article of the Notification No. 27 Serial: IV of the Capital Markets Board, the General Assembly was informed that a total amount of 765,085 TL as donation and aid was granted to foundations and charities working for public welfare.

13. Under the thirteenth article of the agenda, the Disclosure Policy was put to the vote to be accepted as ‘read’ and approved unanimously by a majority of 252,874,235.5 votes for and 35,177,327 votes against.

The General Assembly was informed on the ‘Disclosure Policy’ of the Company under the regulations of the Capital Markets Board. Ms. Vuslat Sümen representing 7,810,100 shares by proxy did not consent to the information provided.

14. Under the fourteenth article of the agenda, the General Assembly was informed on the operations conducted with the ‘Related Parties’ within the scope of the Notification No. 52 Serial: IV and the 5th Article of the Notification No.41 Serial: IV of the Capital Markets Board. Ms. Vuslat Sümen representing 7,810,100 shares by proxy did not consent to the information provided.

15. Under the fifteenth article of the agenda, the General Assembly was informed on the warrants, liens and collaterals given under the Decision dated 09.09.2009 No.28/780 of the Capital Markets Board. Ms. Vuslat Sümen representing 7,810,100 shares by proxy did not consent to the information provided.

16. Under the sixteenth article of the agenda, the authorization of the Chairman and the Members of the Board of Directors for the undertaking of the deeds described in the 395th and 396th Articles of the Turkish Commercial Code was discussed. Authorization of the Chairman and the Members of the Board of Directors for the performance of the related proceedings was approved by a majority of 275,957,291.5 for and 12,094,271 against votes, with the against vote of H. Vuslat Sümen, representing 751,125 shares by proxy.

17. Under the thirteenth article of the agenda, the wishes and requests were listened.

18. The meeting ended as the 5 copies of this Minutes of Meeting along with the Participants List was arranged and signed by the Presidency of the Meeting and the Representatives of the Ministry.

Mehmet Erdoğan
Chairman
Nihat Kamil Akkaya
Secretary
Besim Meriç
Vote Collector
Ceyda Çalık
Representative of the Ministry
Ömer Kurtlar
Representative of the Ministry
The terms of office of the members of the Company’s Board of Directors expire in 2014.

Hamdi Akın
Chair of Board of Directors

Hamdi Akın assumed his current duties as the TAV Airports Holding Chair in 2005. Being one of the founders and shareholders of TAV Airports Holding, Mr. Akın is also the founder and the Chair of Akfen Holding. Graduated from the Department of Mechanical Engineering, Gazi University, Mr. Akın founded Akfen Holding in 1976, a company that operates in the construction, tourism, commerce and services sectors. Undertaking infrastructure, energy and investment projects within the scope of privatization efforts besides private entrepreneurial activities, Mr. Akın has been undertaking responsibilities as a founder and director at various associations, foundations and NGOs. Mr. Akın served as the Vice President of Fenerbahçe Sports Club between 2000 - 2002, the President of Ankara Region Representative Council of the Turkish Metal Industrialists’ Union (MESS) between 1992 - 2004, the President of Turkish Young Businessmen’s Association (TUGIAD) between 1998 - 2000, a Board Member of Turkish Confederation of Employer Associations (TISK) between 1995 - 2001, a Board Member of Turkish Industrialists’ and Businessmen’s Association (TUSIAD) and the President of Information Society and New Technologies Committee between 2008 - 2009. Mr. Akın has been serving as a Board Member of Clean Seas Association / TURMEPA since 2011. He is one of the founders of the Chair in Contemporary Turkish Studies at the London School of Economics and he currently serves as the founding member and the Honorary Chair of the Human Resources Foundation of Turkey (TIKAV,) which has been active since 1999 in order to provide well-educated human resources for Turkey. Mr. Akın is also the Vice Chair of the Board of Trustees of Abdullah Gül University Support Foundation.

Augustin de Romanet
Deputy Chair of the Board of Directors

Augustin de Romanet, born on 2 April 1961, is a graduate of the Institut d’Etudes Politiques in Paris and a former student of the Ecole nationale de l’Administration. He was previously Chief Executive Officer of Caisse des Dépôts et Consignations between March 2007 and March 2012, and chaired the Strategic Investment Fund between 2009 and 2012. Prior to that, he was Deputy Finance Director of Crédit Agricole S.A., and a member of the Executive Committee. Before taking up this position, Mr de Romanet was Deputy Secretary General to the President of the Republic between June 2005 and October 2006, and held responsibilities in various ministerial offices. In particular, between 2002 and 2005, he was Chief of Staff to Alain Lambert, Minister Delegate for the Budget, Deputy Chief of Staff to Francis Mer, Minister for the Economy, Finance and Industry, Chief of Staff to Jean-Louis Borloo, Minister for Employment, Labour and Social Cohesion, and lastly, Deputy Chief of Staff to Jean-Pierre Raffarin, Prime Minister. Augustin de Romanet, who was co-opted by the Board of Directors meeting of 12 November 2012, was appointed Chair and CEO of Aéroports de Paris by decree on 29 November 2012, to replace Pierre Grall. In the case of the TAV Group (governed by Turkish Law), in which Aéroports de Paris has an interest, he is a Director and Vice-Chair of the Board of Directors of TAV Havalimanlari Holding A.S, of yatırım Holding A.S and of TAV Tepe Akfen yatırım Holding A.S. He is Vice-Chair of the TAV Havalimanlari Holding A.S. Corporate Governance Committee and the Risk and Nomination Committees. Augustin de Romanet is also Chair and Director of Média Aéroports de Paris (SAS), a member of the Board of Directors and Deputy Chair of the Board of Directors of Airport Council International (ACI) Europe (an international non-profit association governed by Belgian law) and a member of the Board of Trustees of the Louvre-Lens Museum. Augustin de Romanet is a Chevalier of the Légion d’Honneur, and a holder of the French National Defence Medal.
Mustafa Sani Şener
Member of the Board of Directors and President & CEO

Mustafa Sani Şener was appointed member of the Board of Directors, President and CEO of TAV Airports in 1997. After graduating from Black Sea Technical University (KTÜ) Department of Mechanical Engineering in 1977, Mr. Şener earned his Master’s degree (M.Phil) in fluid mechanics in 1979 from University of Sussex in the UK. He has been awarded an Honorary Doctorate in engineering from KTÜ for his invaluable contributions to the development of Turkish engineering at the international level, as well as an Honorary Doctorate in Business Administration from the Hellenic American University for his accomplishments in Project and Risk Management throughout his tenure at TAV.

Prior to his career at TAV Airports Holding, Mr. Şener served in various positions, from project manager to general manager, in many national and international projects. He attended training on management of complex systems at the Massachusetts Institute of Technology (MIT.) Mustafa Sani Şener is also a member of the Board of Directors of the Airports Council International (ACI) World and was elected the President of Foreign Economic Relations Board’s Turkish-French Business Council in 2012.

Laurent Galzy
Board Member

Laurent Galzy, born on 14 May 1957, is a graduate of HEC School of Management with a Master’s degree in economics and a graduate of the Paris Institute of Political Studies, and is also a former student of the Ecole Nationale d’Administration. From 1984, he held several positions within the Budget Directorate at the Ministry of the Economy and Finance relating to infrastructure, transport, land planning and local government. In 1999, Laurent Galzy was appointed Deputy Director of Industry, Transport and Research within the Budget Directorate at the Ministry of the Economy and Finance. Joining Aéroports de Paris as Director of Management Control and Financial & Legal Affairs in January 2002, Laurent Galzy was Executive Director, Finance & General Administration until September 2013. He is currently Executive Director, Chief International Officer. He is Chair of Aéroports de Paris Management and of Alyzia Sûreté France (limited companies, subsidiaries of Aéroports de Paris). Since 16 May 2012, he has also been a director and a member of the Risk and Nomination Committees of TAV Havalimanları Holding A.S. and a director of TAV Yatirim Holding A.S. and since 24 August 2012, of TAV Tepe Akfen Yatirim Insaat Ve Isletme A.S. He is also member of the Board of Société de Distribution Aéroportuaire SAS (a joint venture), a member of the Management Committee of Cœur d’Orly Investissement SAS (a subsidiary of Aéroports de Paris), a member of the Board of Directors of Média Aéroports de Paris SAS (a joint venture), a member of the Board of Aéroports de Paris ingénierie, a member of the Board of Hub One (limited companies, subsidiaries of Aéroports de Paris). Laurent Galzy is a Chevalier of the Légion d’Honneur.

Edward Arkwright
Board Member

Edward Arkwright born on 26 April 1974, is a senior parliamentary civil servant, and holds a degree from the Institut d’Etudes Politiques de Paris. He is a graduate of the Ecole Superieure des Sciences Economiques et Commerciales (ESSEC) and holds a Master’s in Advanced Modern History. In 1999, he became an advisor to the Senate Finance Commission. Between 2002 and 2007, he held several positions at the Ministry of Finance, and worked on the implementation of the budgetary reforms introduced by the legislation regarding Budget Acts (LOLF), and on the reform of the state and of public finance. In 2007, he worked as Chief of Staff to the CEO of the Caisse des Dépôts. In 2010, he was appointed Director of Strategy and Sustainable Development at the Caisse des Dépôts Group, and from 2011, as Chair of the SCET (the French Regional Expert Advisory entity). Edward Arkwright joined Aéroports de Paris in December 2012 as Director and Special Advisor to the Chair and Chief Executive Officer. He was appointed Executive Director Finance, Strategy and General Administration as of 1st September
2013. On 13th February 2013, he joined the Board of Directors of Hub One (S.A., subsidiary of Aéroports de Paris), as the permanent representative of the Board of Aéroports de Paris. He is also a member of the Board of Directors of TAV Havalimanlari Holding A.S. and a member of the Corporate Governance Committee, since 26 August 2013. Edward Arkwright is a Chevalier of the Ordre national du Mérite.

Ali Haydar Kurtdarcan
Board Member
Ali Haydar Kurtdarcan, is a member of the Board of Directors of TAV Airports Holding, and is the Chair of the Board of Directors of Tepe Construction, shareholder of TAV Airports Holding. Kurtdarcan graduated from ODTÜ Construction Engineering in 1973. Since 1987, he has worked in different manager positions for Bilkent Holding Tepe Construction Company. He was the Chair of IDO Board of Directors between 2011 and 2013. Kurtdarcan continues to be the Chair of the Board of Directors of TAV Construction A.Ş., Tepe Security A.Ş., Sports International A.Ş., Bilintur A.Ş., Meteksan Matbaa A.Ş., and Bilenerji A.Ş.

Abdullah Atalar,
Board Member
Abdullah Atalar was appointed member of the Board of Directors of TAV Airports in 2009. After graduating from Middle East Technical University, Department of Electrical Engineering in 1974, Mr. Atalar received his Master’s and PhD degrees from Stanford University, Department of Electrical Engineering in the United States, respectively in 1976 and 1978. Beginning his career at the Hewlett Packard Research Labs in 1979, Mr. Atalar returned to Turkey as an Assistant Professor at Middle East Technical University in 1980. In 1982 he led the project to develop the first commercial acoustic microscope at Ernst Leitz Wetzlar in Germany. In 1986, he served as the Chair of the Department of Electrical and Electronics Engineering and as Associate Professor at the newly established Bilkent University and he was promoted to Full Professorship in 1990. Mr. Atalar worked as Visiting Professor at Stanford University in 1996. He received the Scientific Encouragement and Science Awards of TÜBİTAK in 1982 and 1994, respectively. He was also elected as a full-member of the Turkish Academy of Sciences in 1997 and has been awarded a Fellow Degree by the IEEE in 2007. Mr. Atalar led research projects for such companies as ASELSAN, Teletaş and Hitachi. Mr. Atalar has 11 international patents, 86 academic articles and 132 conference proceedings and there are more than 2,500 citations referring to his papers. He is currently the Rector of Bilkent University, and Vice Chair and Executive Director of Bilkent Holding.

Tayfun Bayazıt
Board Member (Independent)
After receiving a bachelor’s degree in mechanical engineering in 1980, Tayfun Bayazıt received an MBA from Columbia University in Finance and International Business. Beginning his banking career at Citibank in 1983, he subsequently worked in senior executive positions within Çukurova Group for 13 years, including Yapı Kredi Bank (Senior Executive Vice President and Executive Committee Member), Interbank (CEO) and Banque de Commerce et de Placements S.A. Switzerland (President and CEO). In 1999, he was appointed as the Vice Chair of Doğan Holding and an Executive Director of Dişbank. He assumed the CEO position at Dişbank in 2001 and was appointed as the Chair of the Board of Directors in 2003. He became the CEO of Fortis Turkey and Member of the Executive Committee of Fortis Global after the acquisition of the majority shares of Dişbank in July 2005. Tayfun Bayazıt assumed the position of the Chair of the Board of Directors of Fortis Turkey after the General Assembly Meeting of Shareholders in 2006. In 2007 he returned to Yapı Kredi (a partnership of Unicredit and Koç Groups) as CEO and Managing Director and was appointed the Chair of the Board of Directors in 2009. Mr. Bayazıt resigned from his duties at Yapı Kredi in August 2011 to establish “Bayazıt Consulting Services” which he currently is the Chair of. Mr. Bayazıt is also the Vice Chair of the Board of Directors of Turkish Industrialists’ and Businessmen’s Association (TÜSİAD) and an active member in various associations such as Educational Volunteers Foundation of Turkey (TEGV), Corporate Governance Association of Turkey (TKYD) and Embarq.
Necmi Bozantı  
**Board Member (Independent)**  
After graduating from Marmara University in 1977 Necmi Bozantı received his master’s degree in Production Management from the same university and a master’s degree in Accounting-Finance from Istanbul University, Faculty of Economics. Following his doctoral studies in General Economics, Mr. Bozantı served as Planner in the Planning Department of Türkiye Şişe ve Cam Fabrikaları A.Ş. Beginning his banking career at Interbank in 1984, Necmi Bozantı worked at İktisat Bank from 1984 until 1987, and at Türkiye Emlak Bankası between 1991 and 1992. He served as Deputy General Manager of Alternatifbank between 1992 and 1995, after which he was the General Manager of Diş Faktoring for six years. Mr. Bozantı, who is the founder of Ekip Consulting, is also an Executive Board Member in My Technic, ACT Kargo, ASD Madencililik, Mapek Dış Ticaret A.Ş. and Bordrill.

Sevdil Yıldırım  
**Board Member (Independent)**  
Sevdil Yıldırım graduated from the Business Administration Department of Middle East Technical University (METU) in 1988. Immediately after, she passed the exams for working at the Capital Markets Board of Turkey (CMB). Mrs. Yıldırım worked in CMB’s Research and Development Department, the Audit Department and Market Surveillance and Supervision Department, between 1988 and 1999. She also carried out and run international technical studies especially in the scope of IOSCO, FIBV and OECD. Mrs. Yıldırım, simultaneously, completed MS degree in Economics at METU between 1989 and 1995, and also earned Masters degree in Finance from the London Business School, UK, in 1996. In March 1999, Sevdil Yıldırım joined private sector in Yapı Kredi Investment to establish international business arm (ICM: the International Capital Markets Department). By the end of 2002, she became Assistant General Manager in charge of Department of Corporate Finance, Department of Research as well as Department of ICM and Portfolio Management division of Yapı Kredi Investment. She played role in development of Yapı Kredi Investments in the Istanbul Stock Exchange ranking from the 19th to the 2nd place. In mid 2006, Sevdil Yıldırım joined Turkish Investment and a year later BGC Partners as the Assistant General Manager. In 2009, she joined Yıldız Holding as Finance Coordinator in charge of Corporate Finance and Capital Markets, and undertook CMB compliance, M&A, and corporate governance as well as capital market operations of the Holding and 7 publicly-held companies. A year later, she established the private equity arm of Yıldız Holding. As the Assistant General Manager of Gözde Private Equity Investment Company of Yıldız, she was also the Member of Investment Committee. After resigning in February 2012, she undertook private equity Projects first for European Investment Fund with Kayra, and lately for TÜBİTAK together with Mir R&D Co. As an independent board member, she has been serving at the Board of Is Real Estate Investment Company since March 2012, and also in Denizli Glass and in TAV Airports Holding Company since May 2012. Sevdil Yıldırım assumed Executive Vice Presidency positions in Business Councils of Kuwait, Saudi Arabia as well as Board positions at Qatar and Bahrain Business Councils at Foreign Economic Affairs Council of Turkey between 2007 and 2011. She was also Founding Chairperson of London Business School Club between 1998-2013, and the President of the Capital Markets Board Experts Association in the past.

Jerome Calvet  
**Board Member (Independent)**  
Jerome Calvet received his law degree from Institut d’Etudes Politiques de Paris in 1983. He worked in the Finance Ministry of France between 1983 and 1997 and as Financial Secretary of the France Mission of EU between 1988 and 1990, while also serving on the Boards of Directors of many companies. From 1998 until 2004 he led the Corporate Finance (France) Department of Société Générale and later on became the Head of the Mergers & Acquisitions Department in the same bank. Between 2004 and 2008 he directed the Investment Banking Department (France) of Lehman Brothers. He is the co-head of Nomura (France) since 2008.

Sevdil Yıldırım  
**Board Member (Independent)**  
Sevdil Yıldırım graduated from the Business Administration Department of Middle East Technical University (METU) in 1988. Immediately after, she passed the exams for working at the Capital Markets Board of Turkey (CMB). Mrs. Yıldırım worked in CMB’s Research and Development Department, the Audit Department and Market Surveillance and Supervision Department, between 1988 and 1999. She also carried out and run international technical studies especially in the scope of IOSCO, FIBV and OECD. Mrs. Yıldırım, simultaneously, completed MS degree in Economics at METU between 1989 and 1995, and also earned Masters degree in Finance from the London Business School, UK, in 1996. In March 1999, Sevdil Yıldırım joined private sector in Yapı Kredi Investment to establish international business arm (ICM: the International Capital Markets Department). By the end of 2002, she became Assistant General Manager in charge of Department of Corporate Finance, Department of Research as well as Department of ICM and Portfolio Management division of Yapı Kredi Investment. She played role in development of Yapı Kredi Investments in the Istanbul Stock Exchange ranking from the 19th to the 2nd place. In mid 2006, Sevdil Yıldırım joined Turkish Investment and a year later BGC Partners as the Assistant General Manager. In 2009, she joined Yıldız Holding as Finance Coordinator in charge of Corporate Finance and Capital Markets, and undertook CMB compliance, M&A, and corporate governance as well as capital market operations of the Holding and 7 publicly-held companies. A year later, she established the private equity arm of Yıldız Holding. As the Assistant General Manager of Gözde Private Equity Investment Company of Yıldız, she was also the Member of Investment Committee. After resigning in February 2012, she undertook private equity Projects first for European Investment Fund with Kayra, and lately for TÜBİTAK together with Mir R&D Co. As an independent board member, she has been serving at the Board of Is Real Estate Investment Company since March 2012, and also in Denizli Glass and in TAV Airports Holding Company since May 2012. Sevdil Yıldırım assumed Executive Vice Presidency positions in Business Councils of Kuwait, Saudi Arabia as well as Board positions at Qatar and Bahrain Business Councils at Foreign Economic Affairs Council of Turkey between 2007 and 2011. She was also Founding Chairperson of London Business School Club between 1998-2013, and the President of the Capital Markets Board Experts Association in the past.
CORPORATE GOVERNANCE

SENIOR MANAGEMENT

Mustafa Sani Şener
Board Member and President & CEO
TAV Airports, 59
Member of the Board of Directors and President & CEO Mustafa Sani Şener was appointed member of the Board of Directors, President and CEO of TAV Airports in 1997. After graduating from Black Sea Technical University (KTU) Department of Mechanical Engineering in 1977, Mr. Şener earned his Master’s degree (M.Phil) in fluid mechanics in 1979 from University of Sussex in the UK. He has been awarded an Honorary Doctorate in engineering from KTU for his invaluable contributions to the development of Turkish engineering at the international level, as well as an Honorary Doctorate in engineering from KTU for his valuable contributions to the development of Turkish engineering at the international level, as well as an Honorary Doctorate in business administration from the Hellenic American University for his accomplishments in project and risk management throughout his tenure at TAV. Prior to his career at TAV Airports Holding, Mr. Şener served in various positions, from project manager to general manager, in many national and international projects. He attended training on management of complex systems at the Massachusetts Institute of Technology (MIT). Mustafa Sani Şener is also a member of the Board of Directors of the Airports Council International (ACI) World and was elected the President of Foreign Economic Relations Board’s Turkish-French Business Council in 2012.

David Olivier Tarac
Senior Vice President - Consumer Services
Deputy CEO
TAV Airports, 42

Burcu Geriş
Vice President - CFO
TAV Airports, 36
Burcu Geriş graduated from Boğaziçi University, Department of Business Administration in 1999 and received her MBA degree from London Business School and Columbia Business School. Ms. Geriş began her professional career at Garanti Bank where she took part in the financing of a series of privatization, infrastructure and energy projects from 1999 until 2005. She has 15 years of professional experience in project finance, corporate finance and treasury. Joining TAV Airports in 2005, Burcu Geriş led the Project & Structured Finance Department of the Company between 2005 and 2012. During her tenure at TAV she closed the financing and refinancing of eight airports in Istanbul, Ankara, İzmir, Georgia, Tunisia, Macedonia, Medina, and Zagreb airports worth a total of US$ 4.5 billion. In addition to serving as a member of the Boards of Directors of TAV Group companies, Ms. Geriş is also a member of BÜMED, CBS and LBS Alumni Associations. In 2013, she became one of 16 women worldwide chosen to the Rising Talents program, which is organized by the Women’s Forum annually where women professionals under 40 who will shape the future are recognized with awards. She is fluent in English and in French.
Ersagun Yücel  
**General Secretary**  
TAV Airports, 42

Appointed General Secretary of TAV Airports Holding in 2002 and a member of the TAV Airports Holding Board of Directors in 2009. He graduated from California Newport University, Department of Business Administration in 1999 and is currently pursuing his MBA degree at the same university. Also Yücel graduated from Yıldız Technical University, Department of Serigraphy in 1994 and attended the New York University Advertising and Marketing Program in 1997. Beginning his career as a graphic artist in MR Com Graphics in 1993, Mr. Yücel worked as manager in Rifle Jeans and Calvin Klein Jeans between 1995 and 1998. Mr. Yücel joined TAV Airports in 1999 as the Assistant to the President & CEO and was subsequently appointed General Secretary of TAV Holding in 2002 and then as a member of the Board of Directors of TAV Airports in 2009. In addition to his responsibilities as the General Secretary of TAV Airports, he also oversees the activities of the Corporate Communications, External Affairs, Management Systems, and Board of Directors Administrative Affairs Departments.

Kemal Ünlü  
**General Manager**  
TAV Istanbul, 55

In 1978, he began working as an electricity technician in Ankara Esenboğa Airport. He graduated from Gazi University Electricity Engineering Dept. in 1983. He served as Electricity Manager of the Turkish State Airports Authority (DHMI)’s Antalya Airport in 1988, the Deputy Principal in Charge of DHMI Atatürk Airport in 1994, and the Principal in Charge of Atatürk Airport at the Turkish State Airports Authority (DHMI) between August 1999 and March 2004. In 2004, he retired from the Director-in-chief position and joined TAV Airports and was assigned to the Iran Project. He returned to Istanbul after four months. In 2006, he was appointed as the General Manager of the TAV Istanbul. Since 05.12.2006, for four terms, he has been the Vice Chair of the Board of Directors of Turkish Private Aviation Enterprises Association (TOSHID).

Murat Örnekol  
**Vice President – COO**  
TAV Airports Holding, 55

Murat Örnekol graduated from Middle East Technical University, Department of Industrial Engineering in 1980 and served as the General Manager of TAV Esenboğa between 2006 and 2008. Prior to joining TAV Airports he worked as Planning Engineer, IT Manager and Commerce Manager at Kutlutaş Holding. Mr. Örnekol also served as General Manager at Bordata, an IT company, as well as Logistics & Business Development Coordinator, Head of the Healthcare Group, Telecom Project Director and Vice Chair of the Holding’s Executive Board at Bayındır Group companies. Appointed Operations Director of TAV Airports Holding in 2008, Murat Örnekol is serving as Vice President–Operations as of 2013.
Serkan Kaptan  
Vice President - Business Development  
TAV Airports, 43

Serkan Kaptan graduated from Istanbul University, Department of Business Administration in 1995 and received his MBA from Marmara University in 2002. He has been serving as Business Development Director of TAV Airports Holding since 2003. Mr. Kaptan joined TAV Airports Holding in 1998 with the build-operate-transfer project of the Istanbul Atatürk Airport. Between 1998 and 2001, he served as airport operation consultant at Airport Consulting Vienna, a company owned by VIE, which in turn is a partner of TAV Airports Holding. Prior to joining TAV Airports, Mr. Kaptan worked at Birgenair Charter Group as Dispatcher and Operations Supervisor. Serkan Kaptan has 18 years of experience in airport and airline operations and public-private partnership infrastructure projects. He served as the country director and in relationship management tasks in managing TAV Airports’ operations in Iran and Georgia. Mr. Kaptan has also been the Chair of the Turkish-Latvian Business Council of the Foreign Economic Relations Board of Turkey (DEIK) since 2010.

Yiğit Oğuz Duman  
Vice President - Business Support  
TAV Airports, 40

After graduating from Boğaziçi University, Department of Industrial Engineering, Yiğit Oğuz Duman received his MBA degree from Koç University. Mr. Duman began his professional career at Kilbar Holding, a conglomerate with operations in such industries as foreign trade, automotive, metal and food, where he assumed responsibilities in change management, human resources management, industrial relations, quality assurance practices, and labor law. He also worked as Human Resources Manager at Assan Aluminum and as Human Resources and Administrative Affairs Director at Kilbar Holding. In 2008 Yiğit Oğuz Duman joined Turkcell Superonline where he undertook responsibilities in Human Resources, Purchasing and Administrative Affairs and Customer Experience Management and served as Business Support Assistant General Manager and Customer Experience Management Assistant General Manager. In 1995 Mr. Duman joined the Personnel Management Association of Turkey (PERYON), the largest Human Resources Management non-governmental organization in Turkey, and served in various managerial positions on the Board of Directors of this organization since 2001. After serving as President of PERYON between 2005 and 2010, and Vice President of PERYON from 2010 to 2012, Yiğit Oğuz Duman has been the Chair of PERYON’s Board of Directors since March 2012. In October 2011, Yiğit Oğuz Duman started working as the Human Resources Director in TAV Airports Holding, and in November 2013, he was appointed as the Deputy General Manager of Business Support.

Altuğ Koraltan  
Internal Audit Director  
TAV Airports, 51

Mr. Koraltan was appointed Internal Audit Director of TAV Airports in 2007. After graduating from Istanbul University, Department of Business Administration in 1986, Mr. Koraltan began his career as an External Auditor at Peat Marwick & Mitchell between 1986 and 1988. He subsequently served as Sales Representative at the Baghdad office of ENKA Marketing. Working at Effemex-Mars as Finance Manager in 1990, Mr. Koraltan served as Internal Auditor, Securities Department Assistant Manager and Dealer on the Foreign Exchange Desk of the Treasury Department at Ottoman Bank during the following years. Serving on the Internal Audit Board of OYAK Bank for a one-year term in 1997, Mr. Koraltan was the head of Internal Audit in charge of Turkey and Greece at ABN Amro Bank for 10 years, from 1997 to 2007, before joining TAV Group.
Bengi Vargül  
Corporate Communications Director  
TAV Airports, 40
A graduate of Istanbul University, Faculty of Communication, Bengi Vargül completed her master’s degree in television journalism at the same school. She began her career in 1992 as a news reporter at TRT News Center and consequently worked at NTV News Center from 1997 until 2000. She attended training at the London Canning School in communication, persuasion techniques and the methods of communication with different cultures. Serving at the TAV Group for 14 years, Ms. Vargül has also been teaching the Corporate Communications Certificate Program at Istanbul Bilgi University for four years, in addition to teaching assignments at other universities. She is a member of the Corporate Communications Association of Turkey (TüHİD) as well as a Member of the Board of Directors of Corporate Communications Association. As of January 2014, Ms. Vargül started to serve as the Chair of the Corporate Communications Association of Turkey (TüHİD) as well as a member of the Boards of Directors of the Sustainable Development Association and Corporate Communications Association.

Ceyda Akbal  
General Counsel  
TAV Airports, 38
Following her graduation from the Galatasaray Lyceum, Ceyda Akbal graduated from Galatasaray University, Faculty of Law in 1999. She subsequently received her postgraduate degree in private law from the same university and also earned a master’s degree in Economic Law from Paris 1 Panthéon Sorbonne University. Since 2000 Ms. Akbal has worked in the fields of ‘Competition Law’ and ‘International Trade Law’ in various law offices serving internationally in Paris and in Istanbul. Ceyda Akbal has provided legal services for leading companies in Turkey in the pharmaceuticals, air and sea transportation, telecommunications and cement industries. She is currently working on her doctoral dissertation at Paris 1 Panthéon Sorbonne University. Joining TAV Airports Holding as Legal Counsel in February 2009, Ms. Akbal was appointed General Counsel in April 2012.

Deniz Aydın  
Financial Affairs Director  
TAV Airports, 49
Appointed Financial Affairs Director of TAV Airports Holding in July 2010, Ms. Aydın joined TAV Airports Holding in 2006 as Financial Affairs Coordinator. Deniz Aydın graduated from Middle East Technical University, Department of Economics in 1988. Prior to joining the TAV Group, she served in the financial affairs departments of such companies as Ernst & Young, Akfen Holding, Bobcock & Wilcox Gama Kazan and FMC Nurol Savunma Sanayi A.S. in areas encompassing cost systems, management and international reporting as well as the establishment of such systems. Obtaining her CPA certification in 2004, Deniz Aydın is also a member of TÜMOK (Union of Chambers of Certified Public Accountants and Sworn-in Certified Public Accountants of Turkey) Istanbul SMMM (Chamber of Independent Accountants and Financial Advisors) and the Corporate Governance Association of Turkey (TKYD).
Haluk Bilgi
Africa Director
TAV Airports, 45
Haluk Bilgi graduated from Istanbul University, Faculty of Economics, Department of Economics in 1992. He received his MBA degree from Middle East Technical University in 1999, and attended the Structuring Effective Private Equity Partnership Program of Harvard Business School the same year. He completed the Harvard Business School Strategic Negotiations program in 2013. Haluk Bilgi began his career as Foreign Relations Specialist at BBBAG in 1991. Assuming his first position abroad in 1993 with Sibkon Siberia Novokuznetsk, Mr. Bilgi joined Tepe Group in 1995 and served in senior management posts in the Russian Federation, the UK, United States and Iraq at Tepe Group and its subsidiaries for 10 years. Before joining TAV Airports as Business Development Group Manager in 2005, he served as the Business Development Coordinator at Tepe İnşaat (Tepe Construction) and has also served as a member of the American Management Association, Foreign Economic Relations Board (DEİK)’s Turkish American Business Council International Contracting Committee, Central Anatolia Exporters Union’s Board of Directors, and Global Ethics since 2001. Haluk Bilgi was appointed TAV Airports’ Business Development Director responsible for Subsidiaries in 2008 and also serves as TAV Tunisie Country Director. Mr. Bilgi was elected to the Governing Board of Airports Council International (ACI) Africa in 2013.

Mehmet Erdoğan
External Affairs Director
TAV Airports, 54
Mr. Erdoğan graduated from Anadolu University, Faculty of Economics and Administrative Affairs with honors and began his professional career at Arapoğlu Giyim Sanayi as Operating Manager. He served as Marketing Manager at Ankara Anonim Türk Sigorta and as Insurance Advisor at Soğut Seramik San. Tic. A.Ş. Joining TAV Group in 1999, Mr. Erdoğan was appointed External Affairs Director after serving as External Affairs Coordinator and Deputy General Secretary. He is currently a member of the Boards of Directors at various Group and subsidiary companies of TAV Holding including TAV Esenboğa, TAV Adnan Menderes, TAV Gazipaşa, TAV Operation Services, HAVAŞ, TAV IT, and TAV Security. Mr. Erdoğan is a Council Member of the Recep Tayyip Erdoğan University Development Foundation and a member of Haliç University’s Board of Trustees. He was appointed Operations Director of TAV Airports Holding in 2008.

Nursel Ilgen, CFA
Director, Head of Investor Relations
TAV Airports, 39
Nursel Ilgen graduated from Middle East Technical University (METU), Department of Business Administration in 1997 and started her career at Ata Invest where she worked as portfolio manager and senior analyst from 1997 to 2002. She served as Vice President of İş Investment’s Research Department between 2002 and 2006. Ms. Ilgen took part in drafting industry and macroeconomic research reports and making the presentations of these reports to local and foreign institutional investors as well as in initial public offering and privatization projects. She participated in the public offering of TAV, which she joined in 2006, and established the Investor Relations Department and fulfilled many tasks including various transactions of share sales. In the voting among the domestic and foreign financial institutions conducted by Thomson Extel, she was ranked second in 2009 and 2011 and first in 2010 and 2012, and ranked third in 2013 in the category of investor relations officers in Turkey. She also came second in the Investor Relations category in a similar survey on transportation industry conducted in Europe and she ranked second in 2012, and fourth in 2013. Ms. Ilgen, who possesses Chartered Financial Analyst (CFA) and Capital Markets Board (SPK) Advanced and Corporate Governance Rating licenses, is also a member of the CFA Institute, CFA Society of Istanbul, TUYİD (Turkish Investor Relations Society) and TKYD (Corporate Governance Association of Turkey).
Dr. Waleed Youssef  
Middle East Director  
TAV Airports, 48

A graduate of the University of California at Berkeley, Department of Civil Engineering, Waleed Youssef subsequently earned his Master’s degree in Transportation Economics and PhD in Air Transport Finance from the same university. Prior to joining TAV Airports, Dr. Youssef served as Director at Abu Dhabi Airports Company, and as Aviation Specialist at the International Finance Corporation (IFC), the private sector arm of the World Bank Group. Having vast experience in airport privatizations, Dr. Waleed Youssef executed successful operations at the JFK Terminal 4 (the US), Brisbane (Australia) and Bangalore International Airport (India.) He served as privatization advisor to the governments of Jordan, Saudi Arabia, Madagascar, Nigeria and Panama during his tenure at the IFC. Dr. Youssef led the incorporation and certification process of two airport companies in Abu Dhabi (Abu Dhabi and Al Ain). Dr. Waleed Youssef is also the former Chair of the World Economics Standing Committee at Airports Council International (ACI) as well as a member of the ACI Europe Committee, Committee on Airfield and Airspace Capacity and Delay at the US National Academy of Sciences’ Transportation Research Board. Dr. Waleed Youssef was serving as the Strategy Director of TAV Airports prior to his titles as the Gulf Arab Countries Director & ACI Representative from 2008 until 2012.

Ali Bora İşbulan  
General Manager  
TAV Operations Services, 38

Ali Bora İşbulan, graduated from Boğaziçi University Mechanical Engineering in 1998. He received his MA degree in Business Administration in 2000 and his master’s degree in Industrial Engineering in 2002 from University of Texas. Beginning his professional career in Yeşim Teksil, in various managerial positions, he was in charge of internal audit, production and a number of international projects between 2002 - 2010. Before joining TAV, he was the Egypt Country Director in Yeşim Teksil. İşbulan joined TAV Airports in 2010. Today he is the General Manager of TAV Operation Services which carries out the allocation of commercial space and rental of advertisement and publicity space, TAV “primeclass”, CIP Lounge Operations, TAV Tourism, “TAVPort” Travel Portal, “TAV Passport” loyalty card program at the airports operated by TAV Airports Holding in Turkey, Georgia, Tunisia and Macedonia. İşbulan has spoken of several national/international conferences and given seminars about “change management” and “lean thinking”.

Barış Müstecaplıoğlu  
Coordinator, TAV Academy  
General Manager, TAV Aviation Minds, 37

A graduate of Boğaziçi University, Department of Civil Engineering, Barış Müstecaplıoğlu was appointed TAV Akademi Eğitim ve Danışmanlık Hizmetleri A.Ş. (TAV Academy) Coordinator and TAV Aviation Minds General Manager as of July 2013. Founded in February 2013, TAV Aviation Minds leverages on TAV Airports’ vast know-how in airport operations to provide comprehensive training and development solutions to airports outside of the TAV group. Mr. Müstecaplıoğlu joined TAV Airports Holding in 2010 as Human Resources Deputy Manager and was promoted to TAV Airports Holding Human Resources Manager (New Projects) as of January 2012. Beginning his professional career as Management Trainee in the Human Resources Department of Yapı Kredi Bank in 1999, Barış Müstecaplıoğlu served as Human Resources Specialist at the Çukurova Media Group from 2006 to 2007, and as Human Resources Deputy Manager at Arkas Holding between 2007 and 2010.
Binnur Onaran  
General Manager, TAV IT  
CIO, TAV Airports, 45  
Completing her BS in 1993 in Canada, Conestoga College “Computer Programmer/Analyst” Program, Onaran, began her career in Canada CDI College as the Training Manager. In 1995 she returned to Turkey and She worked in various managerial positions in the Information Technology and Organization Department of Mercedes Benz Turkey between 1995 and 2002. After completing the executive training program at Daimler Chrysler University, she was appointed as “Senior Manager, Organization & IT (CIO)” of Mercedes Benz Turkey in 2002. Onaran carried out various network, telecommunication, software development, ERP and infrastructure projects, and took part in organizational structuring, process optimization and system development projects. She, later, worked as the IT Director of TÜYÜK. In 2006, Onaran joined TAV family as the Assistant General Manager in charge of System Support and Application in TAV Information Technologies Company. In 2010, she was appointed as the General Manager of TAV IT Services which integrates various systems creating and implementing local and global airport services and solutions, which gives support using new generation technologies, which provides the sector with airport/passenger friendly products through its end-to-end solutions and turn-key projects. Today, she is in charge of carrying out the IT management of 20 different companies and 22 airports all across Turkey, Europe, Asia, Africa and Middle East. As the TAV Airports Holding CIO, she is also in charge of the strategic IT management of the Group. Onaran has been carrying out IT sector activities as a member of TUBISAD and CIO Turkey.

Cengiz Aşıklı  
Operation Coordinator  
TAV Gazipaşa, 60  
Cengiz Aşıklı, after graduating from Erzurum Kazım Karabekir Eğitim Enstitüsü, began working at DHMI General Directorate, Department of Operations in 1975. Between 1982-1984 he worked as DHMI Elazığ Airfield Directorate Operations Chief, between 1984-1994 as Malatya Airfield Director, between 1994-2006 as Adana Airport Director in Chief, between 2006-2008 as Antalya Airport Director in Chief. After he was appointed as Isparta Airport Director in Chief in September 2008 he retired in November. Throughout his career in DHMI General Directorate, he attended several seminars and courses about Aviation in and outside Turkey. As of December 2008, he is still working as Coordinator in Gazipaşa Airport for TAV Gazipaşa Yatırım Yapımcı İşletme A.Ş.

Erkan Balcı  
General Manager  
TAV İzmir, 41  
He was appointed General Manager of TAV İzmir in 2009. Previously, he had been appointed Assistant General Manager of TAV İzmir in 2006 and served as Acting General Manager from March 2008 to January 2009. Erkan Balcı graduated from Middle East Technical University, Department of Civil Engineering in 1996. He served as Assistant General Manager at TAV İzmir between 2006-2008. Before joining TAV Airports, Mr. Balcı worked as the Operations Manager at the Antalya Airport International Terminal I, Information Technology Project Manager at Fraport, and Information Technology Chief at the Bayındır Antalya Airport.
İşmet Ersan Arcan  
General Manager  
ATU, 46  
İşmet Ersan Arcan graduated from the Department of Business Administration of Warnborough College Oxford, Britain (BBA) and Schiller University (Heidelberg, Germany). He worked as a Sales Representative A.T.A S.a.r.l in Switzerland and as Sales Manager at A.R.E.X Ltd. in Luxembourg. After joining TAV Airports Holding, between 1999-2006 he worked as Operations Manager at ATU and between 2006-2007 he worked as Assistant General Manager. In October 2007, Ersan Arcan was appointed as General Manager in ATU Tourism A.Ş.

Mete Erkal  
General Manager  
TAV Georgia, 48  
He was appointed General Manager of TAV Georgia in June 2010. Mete Erkal graduated from Southern Illinois University, Department of Finance in 1993. Mr. Erkal was a Management Trainee at the Blinder&Robinson Co., in St. Louis, United States and served as the New York and Paris Routes Manager at Turkish Airlines prior to 1995. He served as the Assistant General Manager of Sales and Services in the privatization of Havas Yer Hizmetleri A.Ş. (Havas Ground Handling) and in its partnership with Swissport from 1995 until 1999, and as the Commerce Director at Celebi Hava Servisi A.Ş. (Celebi Air Services) between 1999 and 2002. Working as the Marketing Director of ATA Holding for three years prior to joining TAV Airports, Mete Erkal served as the Operations Coordination Manager of TAV Airports Holding from 2008 to 2009, and as Assistant General Manager (Acting General Manager) of TAV Georgia between September 2009 and June 2010. Mr. Erkal was appointed General Manager of TAV Georgia in June 2010. He is also a member of the American Marketing Association.

Nuray Demirer  
General Manager  
TAV Esenboğa, 47  
Nuray Demirer graduated from the Department of Architecture, Istanbul Technical University in 1988. In 2013, she attended the Executive MBA program of Bilkent University. In 1988 she began her career as an architect in Atölye T Architecture A.Ş.. She, later, worked in managerial positions in charge of “Trim Works”, “Site” and “Maintenance” Manager in Eczacıbaşı Pharmaceuticals Factory and Tepe Construction. In 1999, she joined TAV family with the project of construction of the Atatürk Airport International Terminal. Demirer later, worked as the Project Manager of TAV Esenboğa Domestic and International Terminals. In 2007 Nuray Demirer, was appointed as the General Manager of TAV Esenboğa Construction Investment and Operations A.Ş.
Sadettin Cesur
CEO
BTA, 41
Sadettin Cesur, graduated from University of Edexcel/London Britain, (BTEC) Tourism and Hotel Management School. Starting his career in 1991 in Çınar Hotel, Cesur continued working in Parksa Hilton and Conrad Istanbul. Mr. Cesur served as the Restaurant-Bar & Café Manager at Four Seasons Istanbul between 1996 and 1998, from the day of its opening. At the same time, he attended comprehensive training in hotel management at the Managing Successfully program conducted by Four Seasons in Chicago, USA. He, later worked as the Food and Beverage Manager in Ankara Sports International of Tepe-Bilintur. He was appointed as the Deputy General Manager in Bilintur Catering Center of the same group. In October 1999, Mr. Cesur was appointed Deputy General Manager of BTA Havalimanları Yiyecik ve İçecek Hizmetleri A.Ş. and was subsequently promoted to the position of General Manager in April 2000. Serving in this post until July 2011, Mr. Cesur has been the Chief Executive Officer of BTA since that time.

Şeyda Nurzat Erkal
General Manager
Havaş, 43
Seyda Nurzat Erkal, a civil engineer, graduated from Galatasaray High School in 1989 and from Istanbul Technical University in 1994. He held various positions both in the private sector and public sector between 1994 and 2005. During this period, he was actively engaged in drafting inter-city transportation projects for the Istanbul Metropolitan Municipality. Joining the aviation industry in 2005, Mr. Erkal worked as the Head of Construction and Real Estate Department at Turkish Airlines from 2005 until 2010 where he made major contributions to the successful completion of many projects. He joined the TAV family in 2010 as the General Manager of TAV G Otopark Yapım İcteme A.Ş. Seyda Nurzat Erkal has been serving as the General Manager of Havaş since December 1, 2013.

Sofiène Abdessalem
General Manager
Medina International Airport, 46
Sofiène Abdessalem graduated from Tunisia Aviation Academy in 1992 and got his master’s degree in 1994 from Ecole Nationale de l’Aviation Civile'den (France) (National Civil Aviation School – France) in Airport Management. Beginning his career in 1995 at the Tunisian Civil Aviation and Airports Authority (OACA) as the Director of the Tozeur International Airport, Mr. Abdessalem was involved in projects geared toward the development of the tourism industry of South Tunisia. He was appointed the Director of the International Airport (Tunisia) and served in numerous airport committees including Air Transport and Airport Security and Safety. He was also engaged in Tunisia’s airport privatization program. In 2008 Abdessalem was appointed as the Deputy General Manager responsible for TAV Tunisia Operations. Abdessalem, was promoted as the General Manager of Tunisia Enfidha International Airport in 2011. In his job within TAV, he carried out the coordination activities regarding public authorities as he took part in the construction and operational preparations of the new Enfidha Airport. Since November 2011, Abdessalem, is the General Manager of TIBAH Operation managing the Medinah International Airport. Abdessalem has many certificates in the area of Aviation and airport management, besides the certificates Aviation Security Management (USA) and Airport Senior Management Training (France, ENAC). He also has attended a number of conferences and seminars organized by ICAO, ACI, and IATA.
Turgay Şahan  
**General Manager**  
TAV Security, 44

Turgay ŞAHAN graduated from the Police Academy in 1989 and between 1989-1990 he attended Professional Integration Program in British Police Department and between 1999-2000 he attended Ankara University European Union Basic Training Program. Between 1990-2006 Şahan worked in different units in İzmir, Tunceli, and Ankara Police Departments and moreover he carried out tasks in Haiti, Bosnia, Kosovo, United Nations Peacekeeping Force and Belgium ECAC work teams. Between 1996-2006 Şahan worked as Airports Security Branch Manager at Security General Directorate of National Police Protection Department and also as the Chair of Training, Inspection and Investigation Experts Committee (EADUK). In 2006, Şahan began working as Esenboğa Airport Security Manager for TAV Security. Between 2007-2010, he worked as Esenboğa Airport Private Security Coordinator. Between January 2010-April 2011 he worked as the Deputy Manager. In April 2011, he was appointed as the General Manager of TAV Private Security Services. In addition to the task he has carried out within TAV he continues to be ACI Europa Security member representing TAV Airports in ACI Europa.

Zoran Krstevski  
**General Manager**  
TAV Macedonia, 54

Zoran Krstevski graduated from the University St. “Cyril & Methodius,” Faculty of Law in 1985 and worked as an Aviation Law Senior Specialist between 1986 and 1990. Serving as the Vice President and Assistant General Director of JSC Makpetrol from 1996 until 2000, he was the General Director of PEAS Airport Services for three years. Serving as the Deputy Prime Minister for European Affairs from 2000 until 2002, Zoran Krstevski was a Member of Parliament of the Republic of Macedonia between 2002 and 2006. He worked as the General Director of JSC Airports Macedonia between 2006 and 2008, where he was also a member of the ACI Policy Committee. He served as the General Director of the Civil Aviation Agency of the Republic of Macedonia from 2008 to 2010 before joining TAV Airports. During his tenure he was a member of the Provisional Council of the Eurocontrol Management Board, member of the Enlarged Committee, member of ECAC, and EASA Management Board Observer.
Limits of Authority of Members of the Board of Directors
The Chair and the members of the Board of Directors have the powers and duties stipulated in the related articles of the Turkish Commercial Code and articles 17 and 18 of the Company’s Articles of Association.

Financial Benefits Provided to the Members of the Board of Directors and Senior Management and Other Various Expenses

<table>
<thead>
<tr>
<th>(TL million)</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term Benefits (salaries and bonuses)</td>
<td>38</td>
<td>39</td>
</tr>
<tr>
<td>Travel and Accommodation Expenses</td>
<td>12</td>
<td>11</td>
</tr>
<tr>
<td>Representation Expenses</td>
<td>5</td>
<td>5</td>
</tr>
</tbody>
</table>

As of 2012 and 2013, the Group does not have any payable balances to the directors and senior management.

Information Regarding Expenses for Donation and Aid and for Social Responsibility Projects
In 2013, the Company provided our employees, UNICEF Turkey National Committee and Turkish Special Athletes Sports Federation with Donation and Aid of a total amount of TL 295,297.

Related Party Transactions
Total amount of transactions between our Company and ATU whose 50% shares are owned by our Company, and TAV Construction surpassed 10% of 2013 consolidated revenues, as of 31 December 2013. Detailed information about these transactions is explained in our consolidated financials footnotes (Note 10). Note that TAV adopted IFRS 11 “Joint Venture” standard starting from 1 January 2012.
Assessment of the Board of Directors Regarding Committees

The committees shall meet prior to each meeting of the Board of Directors whose agenda incorporates a decision concerning matters that are of relevance to them. The committees shall meet at least one day prior to the meeting of the Board of Directors, barring an urgency or material impediment. The chair of each committee, or, in case the chair is unavailable, one of the committee members who is designated for that purpose, shall report on the committee’s work to the meeting of the Board of Directors that is held following the committee’s meeting; the reporting shall comprise a summary of the committee’s proceedings and transactions.

The Audit Committee, which is responsible for taking any and all necessary measures to ensure that all internal and independent audits are carried out adequately and transparently while also overseeing the effective functioning of the internal control system, reported all of its recommendations in its areas of responsibility, including its opinions and recommendations on the internal audit and internal control system, two times in writing to the Board of Directors.

- **Audit Committee**
  The scope of TAV Airports Holding Audit Committee’s activities is determined by the Audit Committee Bylaws which were approved by the Board of Directors.

Accordingly, the Audit Committee is responsible for:
- Overseeing, supervising and assisting the healthy functioning of internal audit activities
- Making the arrangements for independent external audit activities
  - Selection of the audit firm
  - Determination of the scope of the task to be performed
  - Examination of the financial reports prior to their presentation to the Board of Directors
  - Following up on the findings of statutory audits

As such, TAV Airports Holding Audit Committee:
- Gathered information on periodic audit activities at the regularly conducted meetings; sought the opinion of the audit director on an as needed basis; made decisions on expanding or narrowing the scope and on the revisions that need to be made to the annual plan.
- Reported the high-risk findings identified as a result of audit activities to the Company’s senior management and Board of Directors and assisted in the undertaking of healthy follow-up actions.
- Supported the Audit Department in the selection of the independent audit firm and assisted in the selection process to be performed in a healthy manner.
- Pursuant to a request from the audit director, led the coordination efforts between senior management and the Audit Department with regard to the employment of a sufficient number of adequately trained auditors.

- **Corporate Governance Committee**
  The Corporate Governance Committee assessing determining whether the corporate governance principles are applied. Assessing the reasoning behind incompliance, if any, and the conflict of interests caused by such incompliance, making suggestions to the Board of Directors in order to improve the implementation of corporate governance, overseeing the activities of the Investor Relations Department.

- **Nomination Committee**
  a) Conducts studies in order to form a transparent system for determining appropriate nominees for the Board of Directors, determining policies and strategies regarding the determination of the appropriate nominees for the Board of Directors,
  b) Makes regular evaluations regarding the structure and efficiency of the Board of Directors and submitting its recommendations with regards to the changes that could be made to the Board of Directors.

- **Risk Assessment Committee**
  Risk assessment committee is responsible for analyzing methods to pre-identify and manage risks that could endanger the existence and growth of the company and evaluates risk management systems at least once every year.
CORPORATE GOVERNANCE

AMENDMENT OF THE ARTICLES OF ASSOCIATION IN 2013

OLD TEXT

ARTICLE 2- TITLE OF THE COMPANY

Trade Registry Gazette of 10th August 2006

The title of the company is TAV Airports Holding Joint Stock Company, hereinafter referred as “company”.

ARTICLE 3- MAIN OFFICE AND BRANCHES

The main office of the Company is located in the province of Istanbul, town of Bakırköy. Its address is: “Atatürk Airport International Terminal 34149 Yeşilköy, İstanbul”.

In case of address change, the new address will be registered to the Trade Registry and announced in the Trade Registry Gazette. Ministry of Industry and Trade and the Board of Capital Market are also notified. Notifications sent to the registered and published address shall be deemed to be sent to the Company. Failure to register the new address within due time period, after leaving the registered and published address, will constitute a ground for termination.

The Company may open branches, offices and representations within and outside Turkey based on the resolution of the Board of Directors as per the valid legislation provided to inform the Ministry of Industry and Trade and the Capital Market Board and if necessary other related authorities.

ARTICLE 4- AIM AND SUBJECT

Main aim and subject of the Company are as follows:
In the country and abroad, to participate in the capital and management of companies which build, operate, to market on behalf of such companies, sell or rent airport terminals, hangars and facilities, shopping centers, tourism facilities, sports facilities, entertainment centers, business places, industrial facilities, houses and mass houses, motorways, tunnels, subways, bridges, dams, telephone lines, other engineering facilities, substructure facilities, cultural and social facilities, directly by undertaking or in the scope of Build-Operate-Transfer model, or as a combined model, or against condominium, providing all kinds of facilities

NEW TEXT

ARTICLE 2- TITLE OF THE COMPANY

The title of the company is TAV Airports Holding Joint Stock Company, hereinafter referred as the “Company” under the Articles of Association.

ARTICLE 3- MAIN OFFICE AND BRANCHES

The main office of the Company is located in the province of Istanbul, town of Bakırköy. Its address is: “Atatürk Airport International Terminal 34149 Yeşilköy, İstanbul”.

In case of address change, the new address will be registered to the Trade Registry and announced in the Trade Registry Gazette. Ministry of Customs and Trade of T.R. and the Board of Capital Market are also notified. Notifications sent to the registered and published address shall be deemed to be sent to the Company. Failure to register the new address within due time period, after leaving the registered and published address, will constitute a ground for termination.

The Company may open branches, offices and representations within and outside Turkey based on the resolution of the Board of Directors as per the valid legislation provided to inform the Ministry of Customs and Trade of T.R. and the Capital Market Board and if necessary other related authorities.

ARTICLE 4- AIM AND SUBJECT

Main aim and subject of the Company are as follows:
In the country and abroad, to participate in the capital and management of companies which build, operate, to market on behalf of such companies, sell or rent airport terminals, hangars and facilities, shopping centers, tourism facilities, sports facilities, entertainment centers, business places, industrial facilities, houses and mass houses, motorways, tunnels, subways, bridges, dams, telephone lines, other engineering facilities, substructure facilities, cultural and social facilities, directly by undertaking or in the scope of Build-Operate-Transfer model, or as a combined model, or against
and undertaking, project works, providing counseling and control services regarding the subjects in its field of activity.

The aim of the company is to plan the activities of companies, manage and inspect, take precautions to make sure such companies which it has established or participated in the capital provide maximum efficiency, to determine principles for this purpose, establish necessary organizations to realize these aims by means of; joining companies by being a founder or a partner-shareholder by providing the capital in cash or in kind, during the incorporation or capital increase stage for companies which are joint stock companies or limited liability partnerships or partnerships, established either with foreign or local capital, established or will be established in the future for any purpose.

While the Company performs its aims stated above, it shall perform its liabilities of enlightening the public in order to inform the investors in accordance with the Capital Market Board and the related legislation. The company may carry out the following or give orders to have such carried out in order to pursue its aim stated above:

1. It may enforce and execute franchising, investment, construction, and operation agreements.
2. It may sell, rent lands or territories, may provide and have provided zone plans, application plans, architectural projects, engineering projects, substructure projects, and all similar plans and projects related with them.
3. It may sign long, medium and short-term loan agreements locally or abroad, may obtain security loans;
4. It may acquire in part or in whole, rent, use, sell, lease intangible rights such as local and international permits, license patents, Commercial marks, licenses, franchises and copyrights, brands, models, picture and commercial titles, know-how, technical information, which it deems useful or necessary for the activities regarding the company aim and subject, and he may grant usufruct and pledge rights and may perform any similar legal savings on them without prejudice to the article 4.27 of the Articles of Association.
5. It may participate and undertake on behalf of companies in which it has participated or will participate in the future local and international tenders through agreements with local and/or foreign companies.
6. It may provide the administrative and technical organizations of present or future companies, to which it participated and joined as founding partner.

condominium, providing all kinds of facilities and undertaking, project works, providing counseling and control services regarding the subjects in its field of activity.

The aim of the company is to plan the activities of companies, manage and inspect, take precautions to make sure such companies which it has established or participated in the capital provide maximum efficiency, to determine principles for this purpose, establish necessary organizations to realize these aims by means of; joining companies by being a founder or a partner-shareholder by providing the capital in cash or in kind, during the incorporation or capital increase stage for companies which are joint stock companies or limited liability partnerships or partnerships, established either with foreign or local capital, established or will be established in the future for any purpose.

While the Company performs its aims stated above, it shall perform its liabilities of enlightening the public in order to inform the investors in accordance with the Capital Market Board and the related legislation. The company may carry out the following or give orders to have such carried out in order to pursue its aim stated above:

1. It may enforce and execute franchising, investment, construction, and operation agreements.
2. It may sell, rent lands or territories, it may provide and have provided zone plans, application plans, architectural projects, engineering projects, substructure projects, and all similar plans and projects related with them.
3. It may sign long, medium and short-term loan agreements locally or abroad, may obtain security loans;
4. It may acquire in part or in whole, rent, use, sell, lease intangible rights such as local and international permits, license patents, Commercial marks, licenses, franchises and copyrights, brands, models, picture and commercial titles, know-how, technical information, which it deems useful or necessary for the activities regarding the company aim and subject, and he may grant usufruct and pledge rights and may perform any similar legal savings on them without prejudice to the article 4.27 of the Articles of Association.
5. It may participate and undertake on behalf of companies in which it has participated or will participate in the future local and international tenders through agreements with local and/or foreign companies.
6. It may provide the administrative and technical organizations of present or future companies, to which it participated and joined as founding partner.
7. It may provide counseling and control services regarding subjects included in its activity area, make or have made feasibility studies, project arrangement, technical and economic studies and may enter commercial activities with local and foreign persons and organizations.
8. It may plan mass and several residences, offices, houses, etc. on behalf of companies in which it participates;
9. It may be active in the wholesale and retail purchase and sale, transport, marketing, import, export, trusteeship and transit business of the goods related to its aim and subject, may enter tenders, auction billing and underbidding, may provide construction, undertaking, consultancy, studies, project services, warehousing, customs transactions and trading regarding its subject in order not to make customs brokerage on behalf of companies in which it participates;
10. In order to realize its aim and activity subject, to meet its need or to evaluate its resources it may purchase, sell any type of real estates and properties and rights, the company may make real estate sales agreements, it may partially or wholly rent, lease, and may register and annotate them to title deeds. Regarding the real estates recorded in its name it may perform any type of transactions and savings at title deeds regarding type correction, division, unification, separation, parceling, it may leave and donate them to public institutions and organizations in order to realize the company aim and activities, it may perform procedures regarding abandoning them to green places and roads, besides it can perform transfers.

Without prejudice to the article 4.27 of the Articles of Association, because of its debts and credits on real estates owned and of others it may establish, enter satisfactions, maintain, purchase, establish lower and upper rights, enter satisfactions any type of mortgages, other real estate’s pledges and real and personal rights in favor or against, it may establish any real and personal rights on the upper rights it has acquired, it may partially or wholly sell its upper right within the period of the upper right, it may lease to local and foreign real persons and organizations, in order to provide for the debts of the company’s debts or in order to realize the company aim, without prejudice to the article 4.27 of the Articles of Association, it may establish mortgages, pledges, real estate liability, right of habitation, pledge of assets agreement, benefit, rights of access and any type of real or personal rights, it may accept the said right established on the estates and real estates of third parties in order to realize the credits from third parties or the company aim.
It may accept bill guarantees and guaranteeing, it may obtain and give real and personal securities for any type of rights and credits, it may give real and personal securities for its liabilities and debts mortgage its real estates against its debts to third parties, pledge the real estates, may give guarantee and securities in favor of third parties, it may sign guarantee and security agreements without prejudice to the article 4.27 of the Articles of Association.

In order to provide for the debts and credits of the company, as per the civil code, it may perform any type of tenancy and saving procedures regarding real and intangible rights, it may perform any type of imperfect and perfect savings on real estates, it may perform any type of transfer and assignment on these subjects, it may accept the transfer and assignment, it may provide annotations to the title deed, accept these annotations and may perform and conclude other title deeds transactions without prejudice to the article 4.27 of the Articles of Association.

11. Following the property division suits at courts it may participate and deposit at tenders of potential real estates at certain places;
12. By contacting the Treasury and the municipalities, may directly purchase lands and territories which are suitable for mass houses, commerce or industry areas, or those that can be used for operational purposes;
13. By opening zoning sites for mass housing, or detecting and purchasing the possible sites of zoning, may sell these as independent parts as land, territory, built or to be built;
14. By making buildings on lands that shall be indicated by the Real-estate Investment Trust, may act as intermediary in their sales on behalf of companies in which it participates.
15. It may act as a mediatory on issues related with tendering and execution of contracts on constructions made by the landowner against condominium, on projects, control and consultancy issues on behalf of companies in which it participates;
16. It may purchase real estates, subdivide into lots and sell. In case the company which has been participated is a Build-Operate-Transfer company, a party of the contract in concern, it may perform the above mentioned proceedings on behalf of the Build-Operate-Transfer company following the termination of contract period and partnership.
may be active in the purchase and sell, plan and construction, leasing of houses, offices, governmental buildings, industrial, tourism, health, educational, sports and cultural facilities, and without prejudice to the article 4.27 of the Articles of Association, it may establish any real and personal rights on these on behalf of companies in which it participates.

In case the company which has been participated is a Build-Operate-Transfer company, a party of the contract in concern, it may perform the above mentioned proceedings on behalf of the Build-Operate-Transfer company following the termination of contract period and partnership.

It may purchase, deliver a promise to purchase the apartment easements, all or part of the independent parts that are classified and registered in accordance with the Condominium Law no.634 and may establish apartment easements and condominiums on them.

may prepare and apply zoning plans for undeveloped lands, provide actual map allotting and unifying works, provide all kinds of cadastre studies, prepare projects for issuing title deeds for lands, may provide all photogrammetry and geodesy cartography works;

may purchase, rent, lease, sell, transfer, lend any type of land, sea, air vehicles needed for the company business, it may perform real and personal savings on these and make financial rental agreements without prejudice to the article 4.27 of the Articles of Association.

may purchase, sell, rent, and import any type of vehicles, equipment and facilities needed for the realization of the company aim and to make financial lease agreements;

may provide or have provided all the services, management, maintenance, repair, operation works required for the airports, hotels, motels, residences, all kinds of commercial facilities, social, sports and cultural facilities, entertainment centers it operates upon undertaking their construction or give orders to the companies in which it participates to cause the same to be done. It may perform or make the companies in which it participates perform ground services, provision of food and beverages, cargo services and parking lot management in relation with airports.

Regarding its activity subjects or other subjects, it may establish new local and international companies, participate to established companies or without prejudice to the article 4.27 of the Articles of Association, purchase shares, provided not to mediate owned shares it may
sell these shares, it may establish partnerships with local and international real and judicial persons, participate to, merge with, acquire established partnerships, provided not to mediate, it may purchase, sell, exchange, pledge and show as security their shares, bonds, and other securities, open locally and internationally branches, liaison offices, representations, agencies, vendors, distributorships without prejudice to the article 4.27 of the Articles of Association;

24. may establish an R&D center within the company regarding its field of activity;
25. may carry out and perform all commercial business and transactions necessitated by the aim and subject of the company and in order to realize these aim and subjects, provided to remain within the scope of the above mentioned operation subject, it may acquire all rights and tenure debts;
26. pursuant to Capital Market Law, related legislation and Turkish Commercial Code and with the permission of Capital Market Board the company may issue all kinds of securities permitted under legislation and/or other capital market instruments and may offer to the public capital market instruments that it has issued in the country and abroad. General conditions for such securities and/or other capital market instruments are determined by the General Assembly of Shareholders or the General Assembly may authorize the Board of Directors in this respect to such extent as permitted under relevant legislation.

27. Adheres to the Capital Markets Regulation framework while establishing on its or other third parties' behalf, guarantees, sureties, collaterals and pledges including real estate mortgages.
28. The company may enter upon the offer of the Board of Directors and the resolution of the General Assembly work and transactions other than the above mentioned which may be deemed useful and necessary, in order for the application of this resolution which changes the articles of association it shall obtain the permissions of the Capital Markets Board and the Ministry of Customs and Trade and other necessary authorities and shall perform the necessary registers and announcements.

Association, purchase shares, it may sell owned shares provided not to have the characteristics of investment services and activities defined under Article 37 of the Capital Markets Law, it may establish partnerships with local and international real and judicial persons, participate to, merge with, acquire established partnerships, it may purchase, sell, exchange, pledge and show as security their shares, bonds, and other securities provided not to have the characteristics of investment services and activities defined under Article 37 of the Capital Markets Law, open locally and internationally branches, liaison offices, representations, agencies, vendors, distributorships without prejudice to the article 4.27 of the Articles of Association;

24. It may establish an R&D center within the company regarding its field of activity;
25. It may carry out and perform all commercial business and transactions necessitated by the aim and subject of the company and in order to realize these aim and subjects, provided to remain within the scope of the above mentioned operation subject, it may acquire all rights and tenure debts;
26. Pursuant to Capital Market Law, related legislation and with the permission of Capital Market Board the company may issue all kinds of securities permitted under legislation and/or other capital market instruments and may offer to the public capital market instruments that it has issued in the country and abroad. General conditions for such securities and/or other capital market instruments are determined by the Board of Directors.

27. It adheres to the Capital Markets Regulation framework while establishing on its or other third parties' behalf, guarantees, sureties, collaterals and pledges including real estate mortgages.
28. The provisions of Capital Markets Law on prohibition of the concealed gain transfer are reserved with respect to the business, transactions and activity of the Company.
ARTICLE 6- CAPITAL

Trade Registry Gazette of 17th December 2008

The company has adopted registered capital system pursuant to the provisions of the Capital Markets Law No. 2499 and with the permission of the Capital Markets Board dated 15.10.2008 and No. 27/1073.

The registered capital ceiling of the Company is 1,500,000,000.-TL (One billion five hundred million New Turkish Liras) divided into 1,500,000,000 (One billion five hundred million) shares having a nominal value of 1 TL (One New Turkish Liras) each.

The registered capital ceiling permit issued by the Capital Market Board is valid between 2008 and 2012 (for 5 years). At the end 2012, even if the permitted registered capital ceiling has not been attained, in order for the Board of Directors to pass a resolution for a capital increase after 2012, it is obligatory to obtain authorization from the general council for a new period, by asking for permission from the Capital Market Board for the ceiling permitted previously, or for a new ceiling amount. In case the relevant authorization cannot be obtained, the company will have been deemed to be out of the registered capital system.

The company's issued capital is 242,187,500.- TL (two hundred forty two million one hundred eighty seven thousand five hundred New Turkish Liras). This issued capital is divided into 242,187,500 (two hundred forty two million one hundred eighty seven thousand five hundred) bearer shares having a nominal value of 1 TL (One New Turkish Liras) each.

The Board of Directors of the Company is authorized to increase the issued share capital by issuing new registered or bearer shares up to the registered share capital between 2008 and 2012, in compliance with the Capital Market Law and relevant regulations.

The Board of Directors of the Company is also authorized to take resolutions regarding the issuance of premium shares and to resolve to restrict, partly or wholly, the pre-emption rights of the shareholders. The resolutions of the Board of Directors adopted pursuant to the authority granted in this Article are published in compliance with the principles set forth by of the Capital Markets Board.

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The company has adopted registered capital system pursuant to the provisions of the Capital Markets Law No. 2499 and with the permission of the Capital Markets Board dated 15.10.2008 and No. 27/1073.

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The Company's issued capital is 363,281,250 TL (three hundred sixty three million two hundred eighty one thousand two hundred fifty Turkish Liras). This issued capital is divided into 363,281,250 (three hundred sixty three million two hundred eighty one thousand two hundred fifty) bearer shares having a nominal value of 1 TL (One Turkish Lira) each.

The Board of Directors of the Company is authorized to increase the issued share capital by issuing new registered or bearer shares up to the registered share capital between 2013 and 2017, in compliance with the Capital Market Law and relevant regulations.

The Board of Directors of the Company is also authorized to take resolutions regarding the issuance of premium shares and to resolve to restrict, partly or wholly, the pre-emption rights of the shareholders. The resolutions of the Board of Directors adopted pursuant to the authority granted in this Article are published in compliance with the principles set forth by of the Capital Markets Board.
The shares representing the capital are registered and monitored as per the principles of registration.

ARTICLE 7- INCREASE OF CAPITAL

Trade Registry Gazette of 9th February 2007

The capital of the company may be increased as per the provisions of the Turkish Commercial Code and the Capital Markets Law provided required permissions are obtained.

ARTICLE 7- INCREASE OF CAPITAL AND PRE-EMPTION RIGHTS

In the capital increase, each shareholder has the pre-emption right proportional to their existing shareholdings in the capital of the Company. However, the Board of Directors is entitled to restrict the pre-emption rights in case of capital increases. The Board of Directors determines the form conditions for the pre-emption rights of the shareholders to be used in compliance with the provisions of the Turkish Commercial Law, the Capital Market Law and these Articles of Association. In addition to its powers set out in Article 6, the Board of Directors is also authorized to resolve upon issuance of shares with prices lower than their nominal value.

ARTICLE 8- DECREASE OF CAPITAL

Trade Registry Gazette of 9th February 2007

The capital of the company may be decreased as per the provisions of the Turkish Commercial Code and the Capital Markets Law provided required permissions are obtained.

ARTICLE 8- DECREASE OF CAPITAL

The capital of the company may be decreased as per the provisions of the Turkish Commercial Code and the Capital Markets Law and the related legislation provided required permissions are obtained.

ARTICLE 9- METHOD

Trade Registry Gazette of 17th December 2008

The Board of Directors determines the form conditions for the pre-emption rights of the shareholders to be used in compliance with the provisions of the Turkish Commercial Law, the Capital Market Law and these Articles of Association.

ARTICLE 9- ACQUISITION BY THE COMPANY OF ITS SHARES AND ITS ACCEPTANCE THEREOF FOR PLEDGE

The Company may acquire the shares issued by it or accept thereof as pledge subject to the limitations set forth in Turkish Commercial Code and the Capital Market Law.

ARTICLE 10- FORM OF SHARE CERTIFICATES

Trade Registry Gazette of 9th February 2007

The provisions of Turkish Commercial Code are applied regarding the form of share certificates. The provisions of the Capital Market Legislation and the dematerialization of stock

ARTICLE 10- FORM OF SHARES

The provisions of the Capital Market Legislation and the procedures and principles for the dematerialization of shares and monitoring of dematerialized shares are required to be
shares principles need to be conformed to regarding the form of the shares issued by the Company.

ARTICLE 11- CAPITAL MARKET INSTRUMENTS

Trade Registry Gazette of 9th February 2007

Provided not to be included in the subject of activities of broker companies and security portfolio management companies, upon the resolution of the board of directors, in accordance with the Turkish Commercial Code, Capital Market Law, related decrees of the Council of Ministers and principles foreseen of other legislation and provisions of related legislation, the company may issue at national and international level, with guarantees or without guarantees, any type of debentures, financial bonds, on joint profit and loss certificates, profit sharing securities, convertible debentures, sharing bonus certificates and other securities accepted as capital market instruments. Capital Market Law will be conformed to regarding the capital market instruments issued by the Company.

ARTICLE 12- TRANSFER OF SHARE CERTIFICATES AND CHANGE IN CAPITAL

Trade Registry Gazette of 17th December 2008

12.1. In the capital increase, unless otherwise has been resolved by the Board of Directors each shareholder has the pre-emption right proportional to their existing shareholdings in the capital of the Company.

12.2. There is no limitation for the transfer of shares. The Capital Market Board Regulations and Decrees, and related provisions of Turkish Commercial Code are complied with regarding the transfer of the shares.

ARTICLE 13 – BOARD OF DIRECTORS

Trade Registry Gazette of 18th May 2012

13.1. The Company is managed by a Board of Directors consisting of at least 9 (nine) members to be elected from among the shareholders.

ARTICLE 11- CAPITAL MARKET INSTRUMENTS

Provided not to have the characteristics of investment services and activities defined under Article 37 of the Capital Markets Law, upon the resolution of the board of directors, in accordance with the Capital Market Law and provisions of related legislation, the company may issue at national and/or international level, with guarantees or without guarantees, any type of debentures and similar debt instruments, financial bonds, on joint profit and loss certificates, profit sharing securities, convertible debentures, sharing bonus certificates, asset backed securities, other debt securities including those that are issued on discounted basis, redeemable and convertible securities and other securities accepted as capital market instruments. Capital Market Law will be conformed to regarding the capital market instruments issued by the Company. In relation to the issuance of capital markets instruments above, the Board of Directors is entitled to resolve upon issues such as the type of issuance, maturity date, the rate and amount of the interest.

ARTICLE 12- TRANSFER OF SHARES

There is no limitation for the transfer of shares. The Capital Market Board Regulations and Decrees, and related provisions of Turkish Commercial Code are complied with regarding the transfer of the shares.

ARTICLE 13 – BOARD OF DIRECTORS

13.1. The Company is managed and represented by a Board of Directors consisting of 11 (eleven) members elected by the General Assembly.
The number and qualifications of the independent board members shall be determined by adherence to the Corporate Governance Principles outlined by the Capital Markets Board.

The members must be appointed among the person who, preferably graduated from faculty, has basic knowledge of the legal framework regulating the transactions related to the field of the Company and experience and education concerning company management and the ability of analyzing the financial accounts and reports.

13.2. Independent Members of the Board are elected from among person(s) nominated by the shareholders at the General Assembly in accordance with the General Assembly meeting and resolution quorum.

It is mandatory that the independent board members issue an independence declaration and inform immediately the Board of Directors in case their independence is compromised.

In such an event it is principally required that the member whose independence is compromised resign and a new member is elected in his/her place.

The committee in charge of the matter evaluates in writing the candidature for the vacant memberships to make sure that the minimum number of independent members as required by the CMB legislation are elected to the Board of Directors and submits the written evaluation to the Board of Directors. This article shall also apply in cases where the independent board member resigns or is unable to fulfill his/her duties.

The clauses of the article above are without prejudice to the CMB Corporate Governance Principles.

13.3. A person elected as a Member of the Board, but who is not a shareholder, can start duty upon becoming a shareholder. In case it is notified in writing that the real person who is the representative of a judicial person who is a shareholder of the company has no relationship anymore with the said judicial person to the Board of Directors by that judicial person, the said real person is deemed to have resigned from its duty as Member of the Board of Directors.

The number and qualifications of the independent board members shall be determined by adherence to the Corporate Governance Principles outlined by the Capital Markets Board.

The members must be appointed among the person who, preferably graduated from faculty, has basic knowledge of the legal framework regulating the transactions related to the field of the Company and experience and education concerning company management and the ability of analyzing the financial accounts and reports.

13.2. All Members of the Board, including Independent Members of the Board are elected from among person(s) nominated by the shareholders at the General Assembly in accordance with the General Assembly meeting and resolution quorum.

It is mandatory that the independent board members issue an independence declaration and inform immediately the Board of Directors in case their independence is compromised.

In such an event it is principally required that the member whose independence is compromised resign and a new member is elected in his/her place.

The committee in charge of the matter evaluates in writing the candidature for the vacant memberships to make sure that the minimum number of independent members as required by the CMB legislation are elected to the Board of Directors and submits the written evaluation to the Board of Directors. This article shall also apply in cases where the independent board member resigns or is unable to fulfill his/her duties.

The clauses of the article above are without prejudice to the CMB Corporate Governance Principles.

13.3. If a board membership is vacant due to any reason, the Board of Directors shall temporarily elect somebody who is legally qualified to be submitted to the approval of the next General Assembly. The member elected by this means shall serve until the General Assembly at which he is being submitted for approval, and if approved by the General Assembly, will serve to complete the term of the member in replacement of whom he is being elected.

The election of independent members for the newly vacant independent board memberships is carried out according to the relevant paragraphs of article 13.2 of the Articles of Association and CMB Corporate Governance Principles.
13.4. If one or more membership is vacant due to resignation, death or any other reason, the Board of Directors shall temporarily appoint member/members from among the person or persons nominated by the shareholders represented by the departed members, to be submitted to the approval of the next General Assembly. Members thus appointed shall serve until the next General Assembly, and if approved by the General Assembly, will serve to complete the term of the member whom being replaced.

The election of independent members for the newly vacant independent board memberships is carried out according to the relevant paragraphs of article 13.2 of the Articles of Association and CMB Corporate Governance Principles.

13.5. The newly elected Board of Directors shall elect a Chair and a Vice Chair in his first meeting in accordance with Article 318 of TCC.

ARTICLE 14- DUTY PERIOD OF THE BOARD OF DIRECTORS
Trade Registry Gazette of 15th December 2006

The members of the board may be appointed for 3 (three) years to the maximum until the election of their successors. Following the termination of the duty period the member of the board can be reelected. Board of Directors may replace the members of the board where necessary.

ARTICLE 15- GENERAL ASSEMBLY
Trade Registry Gazette of 14th June 2006

15.1. The General Assembly convenes ordinarily or extraordinarily. However, it is mandatory for the General Assembly to convene within 3 months at least. The Chairman, Vice Chair and each Member of the Board have the right to invite the members at least 7 work days before and/or discuss the subjects on the agenda. These invitations are performed by fax message. The members may waiver the right by written notice.

15.2. General Assembly convenes at the main Office unless otherwise expressed by the Board of Directors.

15.3. The ones who have the right to participate in the board of directors meetings of the Company may participate in
ARTICLE 16- QUORUM FOR THE BOARD OF DIRECTORS

Trade Registry Gazette of 9th February 2007

The quorum for holding a Board of Directors meeting is the majority of the members of the Board of Directors. The foregoing rule also applies to the board meetings held via electronic media.

ARTICLE 17- BOARD OF DIRECTORS RESOLUTIONS

Trade Registry Gazette of 9th February 2007

17.1. The actions and activities of the Board of Directors are based on resolutions taken. The Board of Directors is authorized to make resolutions on every subject that is under its authority.

17.2. The Board of Directors cannot make resolutions on subjects that are not on the agenda. However, in a Board of Directors meeting where all members are present, a subject which is not on the agenda may be put on the agenda with the unanimous decision of the members.

17.3. The Board of Directors may make resolutions without holding meetings, pursuant to Article 330/2 of Turkish Commercial Code. A written resolution which is distributed to all Board of Directors members and approved with their signatures shall be treated as a resolution which is accepted in a meeting that is convened in accordance with the rules in all aspects with the participation of all members.

17.4. The quorum for the resolutions of the Board of Directors is that more than half of the members should be presented. If the
outcome is not a whole number when the half of the member count is evaluated, the number is rounded off.

**ARTICLE 18- DUTIES OF BOARD OF DIRECTORS**

Trade Registry Gazette of 18th May 2012

Unless otherwise resolved by the General Assembly, the Board of Directors has the following duties:

**18.1.** To make proposals to the General Assembly on distribution of company profits, creation of all reserve funds, changing the location of Head Office, opening and closing of branches and liaison offices; to present information and reports to the General Assembly on the Company’s investment and finance policies, annual financial statements and reports, annual budget and organizational structure.

**18.2.** Make proposals to the General Assembly for amendments and adjustments in the Articles of Association and for increasing the registered capital of the Company.

**18.3.** Invite the General Assembly to convene,

**18.4.** Keep the following ledgers that merchants are obliged to keep:

- General Assembly Resolution Book: Contains meeting minutes of General Assembly Resolutions.
- Board of Directors Resolution Book: Contains meeting minutes of Board of Directors.

**18.5.** Prepare the balance sheet for the previous fiscal year as required by Turkish Laws and present it for review as many days prior to the General Assembly as required by the TCC and Capital Markets Law, and maintain all ledgers.

Board of Directors. The articles 17.3. and 19. of the Articles of Association are reserved.

**ARTICLE 18- DUTIES OF BOARD OF DIRECTORS**

Unless otherwise resolved by the General Assembly, the Board of Directors has the following duties in addition to such duties and powers set forth in Article 375 and related provisions of Turkish Commercial Code:

**18.1.** To make proposals to the General Assembly on distribution of company profits, creation of all reserve funds, changing the location of Head Office, opening and closing of branches and liaison offices; to present information and reports to the General Assembly on the Company’s investment and finance policies, annual financial statements and reports, annual budget and organizational structure.

**18.2.** Make proposals to the General Assembly for amendments and adjustments in the Articles of Association and for increasing the registered capital of the Company.

**18.3.** Invite the General Assembly to convene, preparation of annual activity report and corporate governance statement and submission thereof to the general assembly, preparation of the general assembly meeting and implementation of the general assembly resolutions.

**18.4.** Keep the board of directors resolution book and general assembly resolution book of the Company in addition to the books that merchants are obliged to keep.

**18.5.** Cause the preparation of the financial tables as of the year end in accordance with Turkish Commercial Code, Capital Markets Law and other related legislation and present it for the information of the shareholders in order to be reviewed within such period prior to the General Assembly as required by the Turkish Commercial Code and Capital Markets Law and the related legislation, and maintain all ledgers.
18.6. In addition to the balance sheet in the end of every fiscal year, present to the shareholders for review as many days prior to the General Assembly as required by the TCC and Capital Markets Law, a report that includes the commercial, financial and economic state of the Company, a summary of transactions and the dividend distributable to the shareholders and the reserves to be set aside.

18.7. Approve the annual budget of the Company.

18.8. Resolve the Capital increase up to registered capital and perform all actions that should be performed by the Board of Directors pursuant to the Articles of Association, the Turkish Commercial Code, the Capital Market Law and relevant regulations.

18.9. To prepare financial statements, to have these financial statements independently audited and declared to the public within the frame of the Capital Market Board regulations.

ARTICLE 19- TRANSACTIONS RELATED WITH THE RESOLUTIONS OF GENERAL ASSEMBLY

Trade Registry Gazette of 14th June 2006

The Board of Directors may make resolutions without holding meetings and a written resolution which is distributed to all Board of Directors members and approved with their signatures shall be treated as a resolution which is accepted in a meeting that is convened in accordance with the rules in all aspects with the participation of all members including the date, the name of the attendees and the text of every resolution. Then, it is stuck on the Resolution Ledger of the Company.

A Board of Directors Resolution is prepared as the result of the Board of Directors meeting and it is signed by the members of the Board of Directors. The date of the Board meeting, the names of the Board Members who have attended to the meeting and the content of the resolution is set forth in the Board of Directors Resolutions that are rendered by way of holding Board of Directors meeting. The Board of Directors Resolutions so completed are affixed to the Board of Directors Resolution Book. In respect of those resolutions that are rendered without convening a meeting pursuant to Article 17.3 of the Articles of Association, the names of all members of the Board of Directors to whom the proposition is submitted, date of the resolution and the content of the resolution are set forth therein, and such resolution is required to be signed by all of the total number of the board members, inclusion of approvals of all members on the same paper is not required provided that all papers of counterparts which include approvals separately are required to be affixed to the Board of Directors Book or it is required to be converted to a resolution which includes the signatures of the members and to be stuck in the Board of Directors Book, for the validity of such resolution.
ARTICLE 20- COMMERCIAL LEDGERS AND OBLIGATION TO KEEP CONFIDENTIALITY

Trade Registry of 9th February 2007

20.1. Shareholders are authorized to direct the attention of auditors to doubtful matters and request necessary explanations.

20.2. Every partner is obliged to keep the secrets of the Company however learned even after he no longer holds the status of a shareholder. Any partner who fails to observe such obligation shall be liable with the damages caused to the company as well as may be penalized upon the litigation of the company.

ARTICLE 21- ADMINISTRATION AND REPRESENTATION

Trade Registry Gazette of 18th May 2012

21.1. The Company shall be administered and represented by the Board of Directors. The Board of Directors is authorized to perform all types of actions, legal, financial and technical affairs included in the aim and business of the company on behalf of the Company and use them on behalf of the Company.

21.2. Without prejudice to the article 4.27 of the Articles of Association, the Board of Directors, does take and give motions of waiver at the land registries on behalf of the Company regarding the purchase and sale of immovable property and assets qualified as immovable pursuant to the Turkish Civil Code and associated rights, establish charges in favor of third parties on such immovable property and assets qualified as immovable and associated rights in short, medium and long term borrowings by presenting them as security, accept all charges presented by third parties in favor of the Company at any level and grade at the land register office, sign documents associated with such transactions and terminate as necessary such charges.

21.3. The Board of Directors may delegate by a resolution of the Board of Directors all or some of its authority to manage and represent the company to a member delegate of the Board of Directors. The Board of Directors may authorize a general manager or other managers or officers for the conduct of the company affairs and empower them with the signing authority on behalf of the company, or leave such authority of appointment to an executive committee. Article 342 et seq. of the Turkish Commercial Code and the related legislation in relation to matters that they deem doubtful.

ARTICLE 20- RIGHT OF RECEIVING INFORMATION AND OBLIGATION TO KEEP CONFIDENTIALITY

20.1. Shareholders are authorized to request necessary explanations as specified under Capital Markets Law, Turkish Commercial Code and the related legislation in relation to matters that they deem doubtful.

20.2. Each shareholder is obliged to keep the secrets of the Company however learned even after he no longer holds the status of a shareholder. Any shareholder who fails to observe such obligation shall be liable with the damages caused to the company as well as may be penalized upon the litigation of the company. However, the provisions of this Article do not apply to such information that is disclosed to public.

ARTICLE 21- ADMINISTRATION AND REPRESENTATION

21.1. The Company is managed and represented by the Board of Directors. The Board of Directors is authorized to perform all types of actions, legal, financial and technical affairs included in the aim and business of the company on behalf of the Company and use them on behalf of the Company.

21.2. The Board of Directors, establishes charges in favor of third parties on such immovable property and assets qualified as immovable and associated rights in short, medium and long term borrowings by presenting them as security, accepts all charges presented by third parties in favor of the Company at any level and grade at the land register office, signs documents associated with such transactions and terminates as necessary such charges, provided that these are in compliance with the Capital Markets Legislation.

21.3. Assignment of Representation Authorization

The Board of Directors may assign the representation authority to one or more managing directors who are Board Members and/or managers who are not Board Members in whole or in part pursuant to Article 370(2) of the Turkish Commercial Code. The term of authorization is not limited to the office term of the Board of Directors. However, in any case, at least one Board Member shall have the representation power.
the Turkish Commercial Code applies to the general manager, managers and officers. The terms of office of the general manager, other managers and officers with signature authority are not limited to the terms of office of the members of the Board of Directors.

21.4. All documents issued by the Company and all contracts made by the Company must carry the signature of two persons authorized to bind the Company placed under the title of the Company to have validity.

21.5. The Board of Directors may establish an executive committee and committees or commissions of adequate number from among its members to supervise the progress of operations, prepare presentations to the Board, and report on the preparation of the balance sheet, and supervise the implementation of the decisions.

ARTICLE 22- PROHIBITED TRANSACTIONS AND OBLIGATIONS

Trade Registry Gazette of 18th May 2012

Without the prior consent of the General Assembly, the Board Members cannot perform written transactions as per the articles 334 and 335 of Turkish Commercial Code. In order to be able to effect transactions by controlling shareholders, board members, senior executives and their spouses, relatives and next of kin up to second degree which may cause conflict of interest or compete with the company or the subsidiaries, prior approval of the general assembly is required, and information needs to be provided about such transactions at the general assembly.

21.4. Assignment of Management

The Board of Directors is authorized to assign the management to one or more managing directors who are Board Members and/or one or more Board Members and/or managers who are not Board Members and deputy managers according to an internal directive to be prepared by the Board of Directors in accordance with Article 367(1) of the Turkish Commercial Code. In the event that such an internal directive is prepared the Board of Directors will provide information about the internal directive upon their request.

The duties and authorizations which are not assignable that are set forth in Article 375 are reserved.

21.5. All documents issued by the Company and all contracts made by the Company must carry the signature of two persons authorized to bind the Company placed under the title of the Company to have validity.

21.6. The Board of Directors may establish committees and commissions which may include Board Members for the purposes of monitoring the conduct of the activities, preparation of reports to be submitted to the Board of Directors, implementation of the Board of Directors Resolutions or internal audit.

ARTICLE 22- PROHIBITED TRANSACTIONS AND OBLIGATIONS

Without the prior consent of the General Assembly, the Board Members cannot enter into the transactions set forth in Articles 395(1) and 396(1) of Turkish Commercial Code. In order to be able to effect transactions by controlling shareholders, board members, senior executives and their spouses, relatives and next of kin up to second degree which may cause conflict of interest or compete with the company or the subsidiaries, prior approval of the general assembly is required, and information needs to be provided about such transactions at the general assembly. Provisions of the Capital Markets Legislation regarding the foregoing provisions are reserved.
ARTICLE 23- RIGHT TO ATTENDANCE FEE AND WAGES OF THE BOARD MEMBERS

Trade Registry Gazette of 18th May 2012

Wages and attendance fee, if presented, and the amount for the Board Members shall be determined by the General Assembly.

The remuneration of Board members and senior management complies with the Capital Markets Board legislation.

ARTICLE 24- AUDITORS

Trade Registry Gazette of 9th February 2007

24.1. The General Assembly elects three (3) auditors for two years maximum from among the candidates nominated by the shareholders.

24.2. The General Assembly, observing the aforesaid principles, may remove and replace the auditors any time. Auditors may not request compensation for removal.

24.3. Expiring auditors may be re-elected. Auditors may not be elected as the members of the Board, nor be the employee of the Company. Expiring members of the Board of Directors may not be elected as auditors unless released by the General Assembly.

24.4. Where any one of the auditors dies, resigns or is incapacitated for any reason, other auditors shall elect a replacement observing Article 241 of the Articles of Association.

24.5. Resolutions regarding the appointment and removal of the auditors shall be registered by the Board of Directors at the Commercial Register and announced pursuant to Article 37 of the Turkish Commercial Code.

24.6. The companies annual financial statements and the interim financial statements which as per the regulations of the Capital Market Board are required to be independently audited by independent auditors which are offered by the Board of Directors and approved by the General Assembly and which is an internationally established independent audit company. The regulations of the Capital Market Board regarding the selection, approval of independent auditors and independent audit are conformed to.

ARTICLE 24- AUDIT

The auditing of the Company is carried out by an auditor to be elected in accordance with Turkish Commercial Code, Capital Markets Law and the related legislation. The election and dismissal of the auditor, termination of its agreement and the procedures and principles of the company’s audit are performed in accordance with the provisions of Turkish Commercial Code, Capital Markets Law and the related legislation.

ARTICLE 23- MONETARY RIGHTS OF THE BOARD MEMBERS

Attendance fee, remuneration, bonus, premium or percentage of annual profit may be paid to the Board Members provided that the amount thereof is determined under the Articles of Association or by a General Assembly Resolution.

The remuneration of Board members and senior management complies with the Capital Markets Board legislation.
ARTICLE 25- THE DUTIES OF THE AUDITORS

Trade Registry Gazette of 11th November 1997

25.1. The duty of the auditors is to audit the works and proceedings of the Company. Principally, the auditors have the following obligations:

- To determine the arrangement of balance sheet by cooperating with the members of the Board of Directors of the Company.
- To revise the ledger of the Company at least once within six months for procuring information on the proceedings of the Company and orderly maintenance of the registrations of concern.
- On condition not to take a recess of more than three months, to control and to register the securities that should be kept in the cash of the Company.
- To check if the provisions of participation in the General Assembly meetings have been exercised or not.
- To audit the budget and the balance sheet.
- To supervise liquidation proceedings.
- As ordinary and extraordinary, to invite the General Assembly for convention in case of negligence by the Board of Directors.
- To attend to the General Assembly meetings.
- To supervise if the provisions of the Main Contract and the law have been exercised by the Members of the Board of Directors or not.

25.2. The afore mentioned written authorities of the auditors cannot be restricted by the Main Contract and the resolution of the General Assembly.

25.3. The duties and obligations of the auditors are stated between the articles 353-359 of Turkish Commercial Code.

25.4. The auditors can participate in the General Assembly meetings without exercising the right of expression and the right to vote.

ARTICLE 26- AUDITOR FEE

Trade Registry Gazette of 11th November 1997

General Assembly determines the payment and the amount of monthly wages for the auditors.

ARTICLE 26- AUDITOR FEE

The provisions of Turkish Commercial Code, Capital Markets Law and the related legislation are applied for the duties and responsibilities of the auditors and other related matters.

General Assembly determines the payment and the amount of monthly wages for the auditors.
ARTICLE 27- GENERAL ASSEMBLY

Trade Registry Gazette of 18th May 2012

27.1. Convention
The General Assembly convenes ordinarily or extraordinarily. The ordinary General Assembly convenes within 3 months from the end of the accounting period of the Company, and the extraordinary General Assembly convenes as necessary.

The General Assembly may be called by the Board of Directors or auditors as indicated in the Turkish Commercial Code. Further, the Board of Directors has to invite the General Assembly to meet upon receiving the request from shareholder(s) holding at least 5% of the share capital of the Company and the agenda for such call pursuant to Articles 366 and 367 of the Turkish Commercial Code.

ARTICLE 27- GENERAL ASSEMBLY MEETINGS

27.1. General Assembly Meetings and Participation in General Assembly Meeting Via Electronic Media
The General Assembly convenes ordinarily or extraordinarily. The ordinary General Assembly convenes within 3 months from the end of the accounting period of the Company, and the extraordinary General Assembly convenes as necessary. General Assembly meetings are implemented in accordance with the “Internal Directive” of the Company for General Assembly.

The General Assembly may be called by the Board of Directors as indicated in the Turkish Commercial Code. Further, the Board of Directors has to invite the General Assembly to meet upon receiving the request from shareholder(s) holding at least 5% of the share capital of the Company and the agenda for such call pursuant to Articles 411 and 412 of the Turkish Commercial Code.

Attending to the general assembly meeting via electronic media:

The right holders who have the right to attend the general assembly meetings of the Company participate in these meetings via electronic media pursuant to Article 1527 of the Turkish Commercial Code. The Company may set up the electronic general assembly system that will enable the right holders to participate, to declare their opinions, to present their suggestions and to exercise their votes at the general assembly meetings via electronic media pursuant to the Regulation Regarding General Assemblies to be Convened Via Electronic Media in Joint Stock Companies or it may procure services from the systems formed by service providers for this purpose. It is required to ensure that the right holders exercise their rights specified in the related legislation on the basis set forth in the provisions of the above mentioned Regulation in all general assemblies to be held via the system set up or the system to be procured from support service pursuant to this Article herein.

27.2. Invitation for General Assembly Meetings
Invitation to General Assemblies are made through all kinds of communication instruments that will enable to reach as maximum number of shareholders as possible including without limitation electronic communication, in addition to the instruments set forth in the related legislation, by taking
Commercial Code are reserved. For convening meetings, the provisions of Article 355, 365, 366 and 368 are complied with, as well as the relevant provisions of the Capital Market legislation. Further to Article 11 of the Capital Market Law modified with the law 4487, the minority rights shall be used by the shareholders representing at least five per cent of the issued capital.

Ordinary and extraordinary General Assembly meetings are notified to the Ministry of Industry and Trade, Capital Market Board and the other authorities entitled by the Capital Markets Board at least three weeks in advance. The Commissar of the T.R. Ministry of Customs and Trade must attend to all meetings. In the absence of the Commissar the meetings and resolutions taken thereof shall not be valid.

27.3. Appointment of representative
Shareholders may be represented by representatives to be appointed from among themselves or outside in General Assembly Meetings. The arrangements of the Capital Market Board, representing the public joint stock companies for voting by proxy are reserved.

ARTICLE 28- ORDINARY GENERAL ASSEMBLY
Trade Registry Gazette of 15th December 2006
At Ordinary General Assemblies the issues stated in the provisions of the Turkish Commercial Code are negotiated and resolved.

the minimum periods prescribed under Turkish Commercial Code, Capital Markets Law and other related legislation into consideration and the related provisions of the above mentioned legislation are applied with respect thereto. Further, information that is required to be provided pursuant to Turkish Commercial Code, Capital Markets Law and the related legislation are disclosed to public at the internet site of the Company at the same time with the announcement of the General Assembly meeting.

The Representative of the T.R. Ministry of Customs and Trade must attend to all meetings as long as this is mandatory as per the relevant legislation. In the absence of the Representative the meetings and resolutions taken thereof shall not be valid.

27.3. Appointment of representative
The shareholders may be represented at the General Assembly meetings by way of another shareholder or a third party who is not a shareholder to whom they have granted proxy or who have been authorized by them as described below. The arrangements of the Capital Market Board, representing the public joint stock companies for voting by proxy are reserved. If the representative in lieu of the shareholder is to attend the General Assembly, the identity information of the representative is required to be recorded in the Electronic General Assembly System. Authorization may also be made as such in cases which the representative is to attend the meeting physically.

ARTICLE 28- ORDINARY GENERAL ASSEMBLY
At Ordinary General Assemblies election of corporate bodies, financial tables, annual report of the board of directors, the manner of usage of the profit, determination of the ratios of the dividend and profit percentage to be distributed, release of the board members, other matters relating to the relevant activity period that are deemed necessary, the issues stated in the provisions of the Turkish Commercial Code and other issues stated in the agenda prepared by the Board of Directors are discussed and resolved.
ARTICLE 29- EXTRAORDINARY GENERAL ASSEMBLY

Trade Registry Gazette of 15th December 2006

As per the provisions of the Turkish Commercial Code in Extraordinary General Assemblies any type of issues which are appropriate to be resolved by Extraordinary General Assemblies are negotiated and resolved.

ARTICLE 30- QUORUM AND VOTING

Trade Registry Gazette of 18th May 2012

30.1. Quorum for Meeting

The provisions of the Turkish Commercial Code are applied regarding the meeting quorum of the Ordinary and Extraordinary General Assemblies.

30.2. Voting

Votes are cast by raising hands in the General Assembly unless resolved to secret ballot by the absolute majority of the shareholders.

The provisions of the Turkish Commercial Code and Capital Markets Regulations are applied regarding the resolution quorum for resolutions to be taken at the Ordinary and Extraordinary General Assemblies.

Shareholders or their proxies have one vote for each stock certificate (on one voting slip) and all share groups have the same voting rights in every respect.

As per the provisions of article 11 of the Capital Market Law, in General Assembly meetings to be held for issues stated in the second and third paragraphs of article 388 of the Turkish Commercial Code, the meeting quorum in article 372 of the Turkish Commercial Code are to be applied regarding the General Assembly meeting and resolution quorum.

As per the provisions of article 11 of the Capital Market Law, rights of the shareholders representing minimum one tenth of the capital as per article 341, 348, 356, 359, 366, 367 and 377 of the Turkish Commercial Code are used by the shareholders representing minimum one twentieth of the paid capital.
**ARTICLE 31- LIST OF ATTENDEES**

Trade Registry Gazette of 11th November 1997

For General Assembly meeting, a list indicating the identity details, addresses, shares held and vote count of the shareholders who participate in the related meeting in person or represented by a proxy will be arranged. The list will be signed by the shareholders or their representatives.

The list of those who may attend the General Assembly meeting is prepared by the Board of Directors pursuant to the shareholders chart for the dematerialized shares monitored by the Central Registry Agency and the above mentioned list is signed by the Chair of the Board of Directors or a Board Member authorized by the Chair of the Board of Directors.

**ARTICLE 32- GENERAL ADMINISTRATION BOARD**

Trade Registry Gazette of 11 November 1997

All General Assembly conventions are administrated by a General Administration Board elected by the shareholders attending to the related meetings. General Administration Board is constituted of a Chair and a secretary.

All General Assembly meetings are presided by a meeting Chair, who is not required to be a shareholder, to be elected by the shareholders attending to the related meetings. The meeting Chair forms the meeting Chairship by appointing secretary for recording the minutes and if he deems necessary vote counter. Persons who have expertise may be assigned by the meeting Chair.

**30.3. Resolution Quorum**

Provisions of Turkish Commercial Code are applied in connection with the resolution quorum of the Ordinary and Extraordinary General Assemblies. The rights granted to such shareholders that represent minimum one tenth of the principal capital under the Turkish Commercial Code are exercised by such shareholders that represent minimum one twentieth of the principal capital.

**30.4. Internal Directives**

The Board of Directors prepares an internal directive regarding the procedures and principles of activities of General Assembly in accordance with the related provisions of the Turkish Commercial Code and the regulations and communiqués issued with respect thereto and submits such internal directive for the approval of the General Assembly. The internal directive which has been approved by the General Assembly is registered at the Trade Registry and it is published at the Trade Registry Gazette.
ARTICLE 33- MEETING MINUTES

Trade Registry Gazette of 11th November 1997

There has to be complete and correct registrations of the meetings of all General Assembly conventions. Their Turkish and English versions will be arranged and the meeting minutes will be signed by the shareholders or their representatives attended to the related meetings.

ARTICLE 33- GENERAL ASSEMBLY MEETING MINUTES

Chair for implementing the technical operations in respect of the Electronic General Assembly System during the meeting.

ARTICLE 34- ANNOUNCEMENTS, REPORTS AND DECLARATIONS

Trade Registry Gazette of 18th May 2012

34.1 The announcements related to the Company shall be made in the newspaper mentioned in Article 37 of the Turkish Commercial Code and at least two daily newspapers published all-around of Turkey as many days in advance as set forth by the TCC and the Capital Markets Regulations.

34.2. Articles 397 and 438 of the Turkish Commercial Code shall apply to announcements regarding capital reduction and liquidation. Besides, the regulations of the Capital Market Board regarding announcements are complied with.

Special condition declarations and any type of declarations to be foreseen by the Capital Market Board as per the regulations of the Capital Market Board are made duly in time.

The whole reporting conditions of the Company shall be performed in accordance with the legislation of the Capital Market and financial statements and reports and the Independent Audit Reports foreseen to be prepared with the methods and principles determined by the Capital Market Board and have to be submitted to the Capital Market Board.

All announcements made pursuant to relevant regulations shall be also published in the web site of the Company.

ARTICLE 34- ANNOUNCEMENTS

34.1. The announcements regarding the Company shall be made in accordance with the Turkish Commercial Code and Capital Markets Legislation.

34.2. Articles 474 and 532 and 541 of the Turkish Commercial Code shall apply to announcements regarding capital reduction and liquidation. Besides, the regulations of the Capital Market Board regarding announcements are complied with.

Special condition declarations and any type of declarations to be foreseen by the Capital Market Board as per the regulations of the Capital Market Board are made duly in time.

The whole reporting conditions of the Company shall be performed in accordance with the legislation of the Capital Market and financial statements and reports and the Independent Audit Reports foreseen to be prepared with the methods and principles determined by the Capital Market Board and have to be submitted to the Capital Market Board. Announcements made pursuant to relevant regulations shall be also published in the web site of the Company.
ARTICLE 34 A- COMMITTEES

Trade Registry Gazette of 18th May 2012

Board of Directors, in order to carry out its duties and liabilities efficiently, may establish Committee Responsible for Audit, Corporate Governance Committee, Nomination Committee, Remuneration Committee and Committee for Early Identification of the Risks considering the requirements of the company.

However in case Nomination Committee, Remuneration Committee and Committee for Early Identification of the Risks could not be established individually, the Corporate Governance Committee also performs the duties of these Committees.

All members of the Committee Responsible for Audit and the chairpersons of other committees are selected from among the independent board members. Chief executive/general manager does not participate in the committees.

The committees are structured in accordance with the Capital Markets regulations, Corporate Governance Principles of Capital Markets Board and these Articles of Association.

As long as the relevant regulations permit, the committee Chair may be elected from among expert and independent third parties in case of occurrence of such reasons as the number of the committees is more than the number of independent members of the Board and/or no eligible persons who have appropriate skills required for such committees can be found.

The committees conduct their transactions independently and make suggestions to the Board of Directors. However, the committees do not have the power to take executive decisions regarding the Company activities. The power to take decision suggested by the committees belongs to the Board of Directors.

The committees shall convene at a frequency according to the necessity of their duties and with the invitation of the Chair. All works shall be fulfilled in written and the necessary records shall be kept. Whole correspondences and informative duties of the committees shall be carried out by the secretariat of the Board of Directors.

The clauses of the article above are without prejudice to the CMB Corporate Governance Principles.

Besides the committees made obligatory as per the provisions of the Turkish Commercial Code and Capital Markets Legislation, the Board of Directors, in order to carry out its duties and liabilities efficiently, shall establish the required committees considering the requirements of the company. The committees established by the Board of Directors shall function within the scope of Turkish Commercial Code and Capital Markets Legislation.

The scope of duties and working principles of committees shall be determined in detail in the resolutions for establishing the committees by also considering the provisions of these Articles of Association and disclosed to the public. The Board of Directors may always redefine the scope of duties and working of the committees and make any necessary changes in the appointments of the Chair and members.

The committees conduct their transactions independently and make suggestions to the Board of Directors. The committees shall convene at a frequency according to the necessity of their duties and with the invitation of the Chair. All works shall be fulfilled in written and the necessary records shall be kept. Whole correspondences and informative duties of the committees shall be carried out by the secretariat of the Board of Directors.

The clauses of the article above are without prejudice to the CMB Corporate Governance Principles.
The Committee Responsible for Audit, is responsible for taking necessary precautions in order to exercise whole internal and external audit adequately and transparently and fulfilling the duties rendered by the capital market regulations. In particular responsibilities and duties of this committee are as follows:

- To audit and approve whether the financial reports and its footnotes which shall be publicly announced are appropriate to the regulations and the international accounting standards and to report in writing to the audit board and board of directors report in writing to the audit board and board of directors

- To survey the running and the effectiveness of the Company accounting system, the independent audit, Company internal control and risk management system and the public announcement of the financial information,

- To examine and conclude the complaints regarding the Company’s accounts, internal control system and independent audit,

To prevent the conflict of interest among the members of Board of Directors, the managers and other employers and to monitor compliance with the internal arrangements and policies in order to prevent the abusive usage of Company trade secrets.

Senior financial officers cannot be members of the Audit Committee.

The Audit Committee meets at least once in every three months with invitation of the Chair. The Chair, if deemed necessary, may invite managers, internal and external independent auditors and experts to the meetings in order to take their advice. The Audit Committee, if deemed necessary, may inform General Assembly.
34. A.2. Corporate Governance Committee

**Trade Registry Gazette of 18th May 2012**

Corporate Governance Committee; reviews whether the corporate governance principles are properly adhered to and if such principles are not adhered to, determines the reasons therein and the conflict of interests occurring as a result of non-compliance with such principles, and suggests measures for improving corporate governance practices to the board of directors.

34.B. Corporate Governance Principles

**Trade Registry Gazette of 18th May 2012**

Corporate Governance Principles stipulated as mandatory by the Capital Market Board shall be complied with. Transactions carried out and Board of Directors Resolutions resolved without complying mandatory principles are void and considered to be contrary to the articles of association.

As for the application of Corporate Governance Principles, in material transactions, and in all related party transactions of the company, and in the case of issuing guarantees, pledges and mortgages in favour of third parties, the corporate governance stipulations of the Capital Market Board shall be complied with.

**ARTICLE 35- MODIFICATION OF THE MAIN CONTRACT**

**Trade Registry Gazette of 9th February 2007**

35.1. Maturation and execution of the modifications within the main contract in general depends on the favorable opinion of the Capital Market Board and the permission of Turkish Republic Ministry of Industry and Trade.

35.2. Such modifications shall take effect from the date of announcement after due approval and registration at the Commercial Register.

**ARTICLE 35- AMENDMENT OF THE ARTICLES OF ASSOCIATION**

35.1. Realization and implementation of all amendments within the Articles of Association is subject to the approval of the Capital Market Board and the permission of Republic Ministry of Customs and Trade of T.R.

35.2. All amendments to these Articles of Association shall take effect from the date of announcement after due approval and registration at the Commercial Register.
ARTICLE 36- ANNUAL REPORTS

Trade Registry Gazette of 11th November 1997

As three copies of each, annual balance sheet of the reports of the Board of Directors, auditors and the list of attendees will be submitted to the Ministry of Industry and Trade in 1 month following the date of General assembly meeting or will be submitted to the government commissioner who participated in the meeting on the related date.

ARTICLE 37- PROFIT DETERMINATION AND DISTRIBUTION

Trade Registry Gazette of 9th February 2007

37.1. Net Profit of the Company

The profit of the Company is determined as per the Turkish Commercial Code, the Capital Market legislation and generally accepted accounting principles.

The net profit of the company consists of the amount where ordinary expenses, amortization and extraordinary expenses, corporate taxes and taxes and funds which have to be paid are deducted from the revenues obtained from ordinary activities and extraordinary income and profits. Net profit is respectively distributed as follows after deducted previous year losses, if any:

37.1. Dividend

Periodical profit which is shown in the annual balance sheet and which is the remainder after deduction of the Company’s general expenses, amounts that are required to be paid or reserved by the Company such as various amortizations and taxes the payment of which are mandatory by the Company from the revenue that is calculated at the end of the Company’s activity period, shall be distributed in the following order, upon deduction of losses pertaining to the previous year, if any:

General Legal Reserve

a) 5% shall be allocated for legal reserves.

First Dividend

b) From the sum of the remaining amount and amounts donated throughout the year (if any), first dividend shall be reserved in accordance with the Turkish Commercial Code and Capital Markets Legislation.
37.2. Distribution of Profit

First Composition Legal Reserves:
A 5% legal reserve is separated from the net profit until 1/5 of the paid in capital is reached as per article 466 of the Turkish Commercial Code.

c) Upon making the above-mentioned deductions, General Assembly shall have the right to decide the distribution of dividend to the Board Members and officers, servants and employees, to foundations established for various purposes and to persons and institutions with similar qualifications.

Second Dividend

d) The General Assembly is authorized to distribute as second dividend in whole or in part, the amount remaining of the net periodical profit after deduction of amounts set out under paragraphs (a), (b) and (c) or to reserve such amount in whole or in part as voluntary reserves in accordance with Article 521 of the Turkish Commercial Code.

General Legal Reserve

e) One-tenth of the amount remaining after deduction of the dividend in the ratio of 5%, from the portion decided to be distributed to the shareholders and other persons participating to the profit, shall be added to the general legal reserve as per the second paragraph of Article 519 of the Turkish Commercial Code.

Unless the legal reserves that are legally required to be allocated, are allocated; unless the first dividend specified in the articles of association for the shareholders is distributed in cash and/or in the form of share; it is not possible to resolve allocation of any other reserves, transfer of profit to the consequent year or to distribute percentage of profit to board members, officers, servants and employees, to foundations established for various purposes and to similar persons and institutions.

The dividend is equally distributed as of the dividend distribution date to all existing shares without taking into account their issuance and acquisition dates.

Regarding the profit distribution, the regulations published or to be published by the Capital Market Board are complied with.

37.2. Dividend Advance

On the condition that the Board of Directors is authorized by the General Assembly and that Article 20 of the Capital Market Law and the communiqués issued by the Capital Market Board are complied with, the Board of Directors may distribute cash dividend advance in a manner as limited with the year for which the authorization is granted.
First Dividend:  
Taking into account article 15 of the Capital Market Law and in accordance with the regulations of the Capital Market Board prepared accordingly a first dividend is separated at a rate and amount determined by this Board.

Second Dividend:  
The portion remaining following the deduction of the above amounts from the net profit may be distributed as second dividend in part or in whole by the General Assembly or it may be separated as extraordinary reserve.

Second Composition Legal Reserves:  
As per paragraph 3 of article 466 of the Turkish Commercial Law a second composition legal reserve is separated.

37.3. Principles of Profit Distribution:  
As long as the legal reserves which need to be separated as per the provision of law are not separated and as long as the first dividend determined for shareholders in the articles of association are not distributed in cash and/or in the form of shares by conforming to the possibilities and requirements of the regulations of the Capital Market, the provisions of the legislation stating that no other reserves can be separated, no profit can be transferred to the next year and in case of distribution of dividends, and no resolution can be taken to distribute profit share to the members of the board and officers, servants and workers, foundations established or to be established with various aims and similar persons and/or institutions are exactly applied.

The dividend is equally distributed as of the account period to all existing shares without taking into account their issue and acquisition dates.

Regarding the profit distribution, the regulations published or to be published by the Capital Market Board are complied to.
37.4. Dividend Advance

Provided to be authorized by the General Assembly and conforming to article 15 of the Capital Market Law and the communiqués issued by the Capital Market Board, the Board of Directors may distribute cash dividend advance based on the profits included in the financial statements prepared as of 3, 6, 9 months periods which have been independently and limited audited provided to be limited to the said year. The authorization to distribute dividend advance issued to the Board of Directors by the General Assembly is limited to the year this authorization is issued. As long as the dividend advances of the previous year are set off wholly, no resolution can be taken to issue an additional dividend advance and to distribute dividends.

ARTICLE 38- RESERVE MONIES

Trade Registry Gazette of 9th February 2007

38.1. Regarding the separation of reserve monies, the provisions of article 37 of the Articles of Association, the Turkish Commercial Code and the Capital Market Legislation are conformed to.

38.2. The Board of Directors may propose to the General Assembly that reserves in addition to those indicated in the law and the Articles of Association should be set aside in order to ensure steady improvement of the Company or stable dividend distribution to the extent possible.

ARTICLE 39- PROFIT DISTRIBUTION DATE

Trade Registry Gazette of 9th February 2007

The date and the form of the distribution of the annual profit to the shareholders are resolved by the General Assembly upon the offer of the Board of Directors and in accordance with the provisions of the Turkish Commercial Code and the Capital Market Legislation. The profit distributed in accordance with the provisions of the Articles of Association, Turkish Commerce Code and the Capital Market Legislation cannot be refunded.

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ARTICLE 40- TERMINATION AND LIQUIDATION

Trade Registry Gazette of 9th February 2007

The Company dissolves due to the reasons indicated in the Turkish Commercial Code or by the court decree. In addition to that, the Company may be dissolved by the General Assembly observing the imperative provisions. The liquidation of the Company upon termination or expiry shall be carried out in accordance with the Turkish Commercial Code and the legislation of the Capital Market Legislation.

ARTICLE 41- SETTLEMENT OF DISPUTES

Trade Registry Gazette of 11th November 1997

During the execution of the Main Contract of the Company, the disputes between the Company and the shareholders are settled by the competent courts in the area where the main office of the company is located.

ARTICLE 42- DOCUMENTS TO BE SUBMITTED TO RELATED AUTHORITIES

Trade Registry Gazette of 9th February 2007

Two copies of the Turkish Trade Registry Gazette where the company articles of association are published are sent to the Ministry of Industry and Commerce and one copy to the Capital Market Board. Reports and information foreseen in the regulations of the Capital Market Board are submitted in time to the Capital Market Board in accordance with the legislation.

ARTICLE 40- TERMINATION AND LIQUIDATION

Provisions of Articles between 529 to 561 of the Turkish Commercial Code and the provisions of the other related legislation are applied in relation to the termination and liquidation of the Company.

ARTICLE 41- SETTLEMENT OF DISPUTES

The disputes which arise between the Company and the shareholders during the performance of the Articles of Association of the Company are settled by the competent courts in the area where the main office of the Company is located.

ARTICLE 42- LEGAL PROVISIONS

In respect of the matters not covered in these Articles of Association, the provisions of the Turkish Commercial Code and the Capital Market Legislation shall apply.
ARTICLE 43- LEGAL PROVISIONS

Trade Registry Gazette of 9th February 2007

To matters not covered in these Articles of Association, the provisions of the Turkish Commercial Code and the Capital Market Legislation shall apply.

ARTICLE 44

Trade Registry Gazette of 15th December 2006

The Company will execute the participations it controls and owns with majority shares (hereafter will be referred as Group together with the Company), any business relations with a Person Concerned and the transactions in a way not different from the commercial business relations it establishes with third persons and at equal terms approved from economic point of view by the members of the Board of Directors. The Company will provide the business relations and transactions with any of the companies within the Group and the Person Concerned not to be different from the business relations with third persons and on equal terms under circumstances approved from economic point of view by each member of the Board of Directors. ‘Person Concerned’ refers to any of the Board members, or foundations controlling directly or indirectly the Company by intermediaries, or foundations controlled by any of the Board Members or under cooperative control of any of the Board Members; ‘control’ expresses the authority or ability to determine, directly or indirectly, the investment resolutions or the method of management of a company.
Our Company determines the resolutions for distribution of profit by considering the Turkish Commercial Code, Capital Market Legislation, Capital Markets Board Regulations and Decisions, Tax Laws, the provisions of the other relevant legislations and Articles of Association of our Company.

Accordingly, 50% of the "consolidated net profit for the relevant period" calculated by considering the period financial statements that have been prepared under the Capital Market legislation and in conformity with the International Financial Reporting Standards (IFRS), will be distributed in cash or as gratis shares which will be issued by means of adding such amount to the share capital subject to the resolution to be rendered by the general assembly of shareholders of our company.

Sustainability of this dividend policy is one of the basic purposes of our Company, except for such special cases necessitated by investments and any other fund requirements that may be required for the long term development of the Company, its subsidiaries and affiliates and any extraordinary developments in economic conditions.

**Distribution of Dividend for the Year 2013**

It is unanimously resolved that this resolution be submitted to the approval of our shareholders in the Ordinary General Assembly Meeting of our Company for the year 2013;

1. Our Company’s net profit of the fiscal year 2013 according to the independently audited consolidated financial tables prepared in accordance with “Capital Markets Board Communiqué About Financial Reporting in Capital Markets Serial: II No: 14.1” is TL 336,088,000 and according to the clauses of the Turkish Commercial Code and Tax Procedure Law is TL 239,800,280,
2. Profit of TL 336,088,000 of the profit after tax set forth in the consolidated financial statements will be the base for distribution of profit pursuant to the Capital Markets Board Dividend Communiqué (II-19.1),
3. As it is obligatory to set aside first legal reserves until the reserve amount reaches 20% of the paid in capital in accordance with Article 519 of the Turkish Commercial Code, it is decided to reserve TL 11,990,014 as first legal reserves for 2013,
4. It is determined that TL 324,393,283, which is reached by adding the donations in the amount of TL 295,297 made during the year to the distributable profit of TL 324,097,986 for the year 2013 according to the consolidated financial statements, shall be the base for first dividend.
5. It is decided to distribute TL 64,878,657, which corresponds to 20% of TL 324,393,283, which is considered as the base of the first dividend in accordance with “Capital Markets Board Dividend Communiqué (II-19.1)" as cash first dividend and to distribute TL 134,130,108 as cash second dividend.
   a. TL 199,008,765, which is the total cash dividend amount to be distributed shall be covered by current period net profit.
   b. Accordingly TL 0.5478 (54.78%) gross cash dividend per share having nominal value of TL 1 shall be distributed to our shareholders and the total gross cash dividend distribution amount shall be TL 199,008,765.
6. It is decided to reserve the remaining amount after deducting the dividend to be distributed in accordance with the Capital Markets Law and Turkish Commercial Law as extraordinary reserve.
The Subsidiary Company Report of the TAV Airports Board of Directors for 2013 Prepared Pursuant to Article 199 of the Turkish Commercial Code

Pursuant to Article 199 of the Turkish Commercial Code, Law No. 6102, that became effective on July 1, 2013, TAV Airports Board of Directors is obligated to issue a report within the first three months of the fiscal year regarding the Company’s relationships with its controlling shareholder and the subsidiaries of its controlling shareholder during the previous fiscal year, and to include the conclusion section of this report in the annual report. The transactions TAV Airports executed with its affiliated parties are presented in note 39 of the financial report. The report issued by the Board of Directors states: “It was concluded that in each and every transaction TAV Airports executed with its controlling shareholders and the subsidiaries of its controlling shareholders in 2013, based on the situation and conditions known to us at the time the transaction was executed or the measure was taken or the measure was refrained from being taken, the Company had a commensurate gain in return and there was no measure taken or refrained from being taken that will lead to losses for the Company and, within this framework, there are no transactions or measures that require compensation.”
INDEPENDENT AUDIT REPORT ON THE ANNUAL REPORT

To the Board of Directors of TAV Airports Holding A.Ş.

Within the scope of our independent auditing, we assessed the compliance of the consolidated financial data and assessments and explanations of the Board of Directors stated in the annual report, prepared as of 31st of December 2013, of TAV Airports Holding A.Ş. (“Company”) and its Subsidiary Companies (hereafter referred to as “Group”) with the independently audited consolidated financial statements of the same date.

The preparation of the annual report in compliance with the Regulations Specifying the Minimum Content of the Companies’ Annual Report and Communiqué on Financial Reporting in Capital Markets are in the responsibility of the Company Management.

As an independent auditing firm, we are responsible for presenting our opinions on the compliance of the consolidated financial data stated in the annual report with the independently audited consolidated financial statements evaluated in the independent audit report dated February 18, 2014.

Our assessment was made in accordance with the procedures and principles carried into effect by Turkish Commercial Code No: 6102 (“TCC”) regarding the preparation and the publication of the annual report. As stipulated by these regulations, the audit shall be planned and performed in order to;
- assure that the consolidated financial data stated in the annual report is in compliance with the consolidated financial statements previously audited independently and with the data obtained by the independent auditor during the audit and;
- reveal whether there is a significant mistake or not.

We believe that our assessments form a reasonable and sufficient basis for our opinions.

In our opinion, consolidated financial data and assessments and explanations of the Board of Directors stated in the attached annual report comply with the independently audited consolidated financial statements of TAV Airports Holding A.Ş., dated December 31, 2013.

Other Issue
Our assessment was made in order to present our opinions regarding the compliance of the consolidated financial data and assessments and explanations of the Board of Directors stated in the attached annual report and with the Company’s independently audited consolidated financial statements prepared as of 31st of December, 2013 in accordance with “Turkish Accounting Standards”. We do not present any opinion on the financial information given in the “Euro Based Financials” section of the annual report evaluated in this Audit Report.

İstanbul, February 27, 2014
Akis Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.

İsmail Önder Ünal, SMMM
Contributory, Lead Auditor
STATEMENT OF RESPONSIBILITY PREPARED PURSUANT TO ARTICLE 9 OF THE COMMUNIQUÉ ON THE PRINCIPLES OF FINANCIAL REPORTING IN CAPITAL MARKETS NO. II-14.1 OF THE CAPITAL MARKETS BOARD

RESOLUTION DATE: 18/02/2014
RESOLUTION NO: 7
OF THE BOARD OF DIRECTORS REGARDING THE APPROVAL OF FINANCIAL STATEMENTS AND ANNUAL REPORTS


-We hereby declare that:

-Prepared in accordance with the financial reporting standards in effect, the financial statements provide an accurate view of the assets, liabilities, financial position and profit or loss of the Company including its consolidated participations, and the annual report provides an accurate view of the development and performance of the business and the financial position of the Company including its consolidated participations as well as the principal risks and uncertainties the Company is exposed to.

Respectfully yours,

Audit Committee Chair
Necmi Riza Bozantı

Audit Committee Member
Tayfun Bayazıt

Financial Affairs Director
Deniz Aydın
To the Board of Directors of TAV Airports Holding Co.,

Pursuant to my nomination to be an Independent Member of the Board of Directors at the Company’s General Assembly Meeting dated May 11, 2012, I hereby declare that:

a) There has not been any direct or indirect employment, capital or material commercial relationship between the Company, one of its affiliated parties or any legal entity related to the shareholders of the Company with more than 5% direct or indirect shareholding in the Company in terms of management or capital and myself, my spouse or my blood or affinity relatives by up to the third degree within the last five years,

b) I have not been employed by or served on the board of directors of any company, particularly the firms performing auditing, rating and advisory tasks for the Company, undertaking the operations or organization of the Company, in part or in full, pursuant to contracts within the last five years,

c) I have not been a shareholder, employee or member of the board of directors of any firm that is providing significant amounts of services and products to the Company within the last five years,

d) My shareholding in the Company does not exceed 1% and I do not own any preferred shares,

e) I possess the professional training, knowledge and experience to execute the duties I will assume as a result of being an independent member of the board of directors,

f) I am not a full-time employee of any state enterprise or public agency as of the date of my nomination for a seat on the Company’s Board of Directors, and I will not hold such a position during my term of duty if I am elected to the Board of Directors,

g) I am a resident of Turkey as per the Income Tax Law,

h) I possess the strong ethical standards, professional reputation and experience to make positive contributions to the Company’s activities, to maintain my impartiality during the conflicts of interest between the shareholders of the Company, and to make decisions freely based on the rights of the stakeholders,

i) I can set aside sufficient time for the Company’s business that will allow me to oversee the operation of the Company’s activities and fully execute the requirements of the duties I assume.

Respectfully yours,

D. Sevdil Yıldırım  Necmi Rıza BOZANTI  Tayfun BAYAZIT
To the Board of Directors of TAV Airports Holding Co.,

I hereby declare that:

I am a candidate to serve on the Board of Directors of TAV Airports Holding Co. (“Company”) as an “independent member” within the scope of the criteria set forth in legislation, Articles of Association and Corporate Governance Principles published by the Capital Markets Board of Turkey.

a) There has not been any direct or indirect employment, capital or material commercial relationship between the Company, one of its affiliated parties or any legal entity related to the shareholders of the Company with more than 5% direct or indirect shareholding in the Company in terms of management or capital and myself, my spouse or my blood or affinity relatives by up to the third degree within the last five years,
b) I have not been employed by or served on the board of directors of any company, particularly the firms performing auditing, rating and advisory tasks for the Company, undertaking the operations or organization of the Company, in part or in full, pursuant to contracts within the last five years,
c) I have not been a shareholder, employee or member of the board of directors of any firm that is providing significant amounts of services and products to the Company within the last five years,
d) My shareholding in the Company does not exceed 1% and these shares are not preferred shares/I do not own any shares in the Company,
e) As it can be seen in my attached curriculum vitae, I possess the professional training, knowledge and experience to execute the duties I will assume as a result of being an independent member of the board of directors,
f) I am not a full-time employee of any state enterprise or public agency as of the date of my nomination, and I will not hold such a full-time position during my term of duty if I am elected to the Board of Directors,
g) I possess the strong ethical standards, professional reputation and experience to make positive contributions to the Company’s activities, to maintain my impartiality during the conflicts of interest between the shareholders of the Company, and to make decisions freely based on the rights of the stakeholders,
h) I can set aside sufficient time for the Company’s business that will allow me to oversee the operation of the Company’s activities and fully execute the requirements of the duties I assume.

Respectfully yours,

Jérome Paul Jacques Marie Calvet
### Consolidation Table Summary

<table>
<thead>
<tr>
<th>Subsidiary Name</th>
<th>Consolidation</th>
<th>Consolidation</th>
<th>%</th>
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</thead>
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<td>Full Consolidation</td>
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<td>TAV Esenboğa</td>
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<td>TIBAH Development</td>
<td>Equity Method</td>
<td>Equity Method</td>
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<td>TIBAH Operation</td>
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<td>TAV Operations Services</td>
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<td>TAV Security</td>
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<tr>
<td>BTA Marine</td>
<td>Equity Method</td>
<td>Equity Method</td>
<td>50</td>
</tr>
</tbody>
</table>

### IFRS 11 Impacts

- Pursuant to the IFRS 11 standard, starting in 2013 joint ventures cannot be consolidated using the proportionate consolidation method. Joint ventures now need to be consolidated using the equity method.
- Joint ventures such as ATU, TGS, TIBAH (Medinah) and BTA IDO which were previously being consolidated as TAV Airports under the proportionate consolidation method will now be consolidated under the equity method.
TARGETS AND REALIZATIONS*

IN 2013, TAV AIRPORTS SET OUT AMBITIOUS TARGETS ALL OF WHICH WERE ATTAINED.

<table>
<thead>
<tr>
<th></th>
<th>Targets</th>
<th>Realizations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Istanbul Atatürk Airport Passenger Increase</td>
<td>14-16%</td>
<td>14%</td>
</tr>
<tr>
<td>Total Passenger Increase</td>
<td>15-18%</td>
<td>17%</td>
</tr>
<tr>
<td>Consolidated Revenue Increase**</td>
<td>10-12%</td>
<td>10%</td>
</tr>
<tr>
<td>Consolidated EBITDA Increase</td>
<td>17-19%</td>
<td>17%</td>
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<tr>
<td>Consolidated Capital Expenditures</td>
<td>€ 330-350 million</td>
<td>€ 354 million</td>
</tr>
</tbody>
</table>

*Based on Euro financials adjusted for IFRS 11 and IFRIC 12.

** In our material event disclosure dated February 22, 2013, we had disclosed the Company’s operational and financial targets for the year 2013 under normal market conditions. We revise our revenue growth guidance to between 10 and 12 percent growth from 14 to 16 percent growth due to the depreciation of the Turkish lira against other currencies. Our EBITDA guidance remains unchanged from the beginning of the year.
TAV AIRPORTS HAS SET OUT AMBITIOUS TARGETS FOR 2014.

TAV Aircorpt's estimated targets -under normal market conditions- for 2014 are presented below.

<table>
<thead>
<tr>
<th>2014 Targets*</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Istanbul Atatürk Airport Passenger Increase</td>
<td>8-10%</td>
</tr>
<tr>
<td>Total Passenger Increase</td>
<td>10-12%</td>
</tr>
<tr>
<td>Consolidated Revenue Increase</td>
<td>9-11%</td>
</tr>
<tr>
<td>Consolidated EBITDA Increase</td>
<td>12-14%</td>
</tr>
<tr>
<td>Consolidated Capital Expenditures</td>
<td>€ 100-120 million</td>
</tr>
<tr>
<td>Net Profit Increase</td>
<td>Significant development is expected.</td>
</tr>
</tbody>
</table>

*All financial targets have been adjusted to reverse the effects of IFRIC 12 on euro financials. Financial targets are subject to the passenger targets being met.
OPERATIONAL PERFORMANCE

TAV AIRPORTS’ NET PROFIT WAS REALIZED AS €133 MILLION AS OF DECEMBER 31, 2013 COMPARED TO A NET PROFIT OF €129 MILLION IN 2012.

- Revenue increased by 7% to €904 million in 2013 from €847 million in 2012, on the back of strong organic and inorganic growth. In 2013, while total number of passengers served increased by 17%, like-for-like growth was 13%.

- Aviation income amounted €284 million in 2013, versus €266 million in 2012 (+7% yoy). The growth in passenger number outpaced the growth in aviation income as domestic and transfer pax have a dilutive effect on aviation fees whose fees are €3 and €2.5 per pax respectively. The guaranteed pax fees in the context of IFRIC12 amounted €17.5 million for Ankara Esenboga and €18.4 million for Izmir Adnan Menderes in 2013.

- Commission from duty free sales increased 9% from €209 million in 2012 to €227 million in 2013 on the back of strong international passenger growth. While there was 16% growth in international pax in 2013, the growth was 10% excluding Medinah where there is no duty free. Average per passenger spending decreased 2% to €14.8 in 2013, due to the dilutive impact of the increase in transfer traffic. The share of internal to international transfer passengers in Istanbul’s international passengers increased from 33% in 2012 to 38%, YoY*.

- Ground handling income increased by 6% to €147 million in 2013 from €138 million in 2012. The number of aircraft served by Havaş, TGS and Havaş Europe increased by 15% YoY to 426 thousand. The number of flights served by TGS soared 19% in parallel with increase in total THY traffic and addition of SunExpress to clients served in second quarter of 2012. THY is served in Bodrum and Dalaman by TGS instead of Havaş as of 2Q13. Havaş Europe served 13% more aircraft due to German operations while Helsinki and Stockholm operations closed in 2013. TGS revenues (not included in IFRS financials) are denominated in TRL.

- Catering service income, mainly denominated in TRL, increased by 12%, from €67 million in 2012 to €76 million in 2013, mainly on the back of organic growth.

- Other operating revenue increased by 2% from €167 million in 2012 to €171 million in 2013, mainly stemming from the success fee one-off paid to TAV Airports by TIBAH in 2012.

- Operating expenses increased by 2% from €611 million in 2012 to €625 million in 2013. This was primarily the result of increase in concession and rent expenses. Expenses grew slower on the back of weak TRL and cost control measures.

*Transfer passenger numbers for 2013 are tentative.
• Concession & rent expenses increased 6% to €143 million in 2013. Rent expenses principally consist of payments to DHMI under the terms of the Istanbul Ataturk Airport lease agreement and renovation of the domestic terminal (€129 million in total in 2013). Concession expenses consist of payments made to Tunisian Civil Aviation Authority (OACA), Macedonian Ministry of Transportation and Communication and those made to DHMI under the terms of the Izmir Adnan Menderes Airport concession. While the rent payment of Istanbul Ataturk Airport is made in USD terms at the beginning of each year, due to the amortization schedule of the prepaid rent, Istanbul Ataturk Airport’s rent increased 4% from €124 million in 2012 to €129 million in 2013. TAV Ege booked €8.7 million for Izmir Adnan Menderes domestic terminal in 2013. The concession expense for 2013 was €5.1 million in Tunisia. In 2012, the Tunisian concession payable due from 2010 was decreased €3.9 million resulting in a one-off low concession expense. Macedonia’s concession payment decreased because it served more than 1 million passengers in 2013 whereafter the concession percentage drops from 15% to 4%.

• Cost of catering inventory sold increased by 10% in 2013.

• Personnel expenses increased by 3% from €218 million in 2012 to €223 million in 2013, slightly higher than 0.4% YoY increase in the average number of employees.

• Cost of services rendered decreased by 4% from €53 million in 2012 to €51 million in 2013. Cost of services rendered principally consists of Havaş’s operating expenses, TAV Latvia’s concession payments and also includes some costs of BTA and TAV O&M.

• Depreciation and amortization expense rose by 3% from €66 million in 2012 to €69 million in 2013.

• Other operating expenses were down 2% at €112 million in 2013, due to almost flat utility expenses and lower insurance costs in EUR terms. Both costs enjoyed a stronger EUR while utility expenses were contained with cost control measures.

• Operating profit increased 19% from €261 million in 2012 to €312 million in 2013.

• EBITDA, which we define as EBITDA before concession rent payment, increased by 13% from €462 million in 2012 to €524 million in 2013.

• Net finance costs amounted €88 million in 2013, compared with €63 million in 2012. Finance costs were higher mainly due to non-cash FX losses in 2013 versus marginal FX gains in 2012. In 2013, revaluation of predominantly TRL and USD denominated monetary assets resulted in FX loss, due to depreciation of TRL.

• Tax expense consists of deferred tax and corporate taxes. Current tax expense was €40 million in 2013, compared with €37 million in 2012. In 2012, TAV had recorded €5 million deferred tax income versus €16 million deferred tax expense in 2013 mainly due to temporary differences in airport operation rights and tax loss carry forwards. All in all, total tax expense amounted €55 million in 2013 versus €32 million in 2012, mainly due to deferred taxes turning negative.

• Net profit attributable to owners of the company in 2013 was realized as €133 million compared to a net profit of €129 million in 2012 according to IFRS financial statements. Non-controlling interest reflects the allocation of profit / losses held by the non-controlling interest and amounted €0 million in 2013.
### EUROS FINANCIALS

#### PROJECT COMPANIES*

<table>
<thead>
<tr>
<th>TAV ISTANBUL</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>13/12 Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Passengers (million)</td>
<td>37.4</td>
<td>45.1</td>
<td>51.3</td>
<td>14%</td>
</tr>
<tr>
<td>Flight Numbers (thousand)</td>
<td>301.5</td>
<td>346.1</td>
<td>388.0</td>
<td>12%</td>
</tr>
<tr>
<td>Revenue (€ million)</td>
<td>344.4</td>
<td>413.8</td>
<td>442.1</td>
<td>7%</td>
</tr>
<tr>
<td>EBITDA (€ million)</td>
<td>135.9</td>
<td>181.1</td>
<td>210.6</td>
<td>16%</td>
</tr>
<tr>
<td>EBITDA Margin (%)</td>
<td>39</td>
<td>43</td>
<td>48</td>
<td>4%</td>
</tr>
<tr>
<td>Number of Employees</td>
<td>2,413</td>
<td>2,640</td>
<td>2,724</td>
<td>3%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TAV IZMIR</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>13/12 Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Passengers (million)</td>
<td>8.5</td>
<td>9.4</td>
<td>10.2</td>
<td>9%</td>
</tr>
<tr>
<td>Flight Numbers (thousand)</td>
<td>62.4</td>
<td>66.4</td>
<td>70.1</td>
<td>5%</td>
</tr>
<tr>
<td>Revenue (€ million)</td>
<td>35.1</td>
<td>56.5</td>
<td>60.0</td>
<td>6%</td>
</tr>
<tr>
<td>EBITDA (€ million)</td>
<td>21.9</td>
<td>26.8</td>
<td>27.3</td>
<td>2%</td>
</tr>
<tr>
<td>EBITDA Margin (%)</td>
<td>62</td>
<td>47</td>
<td>46</td>
<td>-2%</td>
</tr>
<tr>
<td>Number of Employees</td>
<td>559</td>
<td>623</td>
<td>686</td>
<td>10%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TAV TUNISIA</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>13/12 Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Passengers (million)</td>
<td>2.3</td>
<td>3.3</td>
<td>3.4</td>
<td>4%</td>
</tr>
<tr>
<td>Flight Numbers (thousand)</td>
<td>20.8</td>
<td>27.4</td>
<td>30.1</td>
<td>10%</td>
</tr>
<tr>
<td>Revenue (€ million)</td>
<td>34.7</td>
<td>50.6</td>
<td>51.9</td>
<td>3%</td>
</tr>
<tr>
<td>EBITDA (€ million)</td>
<td>6.1</td>
<td>21.7</td>
<td>17.0</td>
<td>-22%</td>
</tr>
<tr>
<td>EBITDA Margin (%)</td>
<td>18</td>
<td>43</td>
<td>33</td>
<td>-10%</td>
</tr>
<tr>
<td>Number of Employees</td>
<td>693</td>
<td>748</td>
<td>775</td>
<td>4%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TAV MACEDONIA</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>13/12 Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Passengers (million)</td>
<td>0.8</td>
<td>0.9</td>
<td>1.1</td>
<td>17%</td>
</tr>
<tr>
<td>Flight Numbers (thousand)</td>
<td>11.9</td>
<td>11.3</td>
<td>12.4</td>
<td>10%</td>
</tr>
<tr>
<td>Revenue (€ million)</td>
<td>16.7</td>
<td>17.8</td>
<td>18.8</td>
<td>6%</td>
</tr>
<tr>
<td>EBITDA (€ million)</td>
<td>2.1</td>
<td>2.2</td>
<td>5.7</td>
<td>154%</td>
</tr>
<tr>
<td>EBITDA Margin (%)</td>
<td>12</td>
<td>13</td>
<td>30</td>
<td>18%</td>
</tr>
<tr>
<td>Number of Employees</td>
<td>664</td>
<td>648</td>
<td>626</td>
<td>-3%</td>
</tr>
</tbody>
</table>

*Adjusted for IFRS 11 and IFRIC 12 by excluding construction revenues and expenses and including guaranteed passenger revenues in Ankara and Izmir.
### TAV ESENBOGA

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>13/12 Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Passengers (million)</td>
<td>8.5</td>
<td>9.3</td>
<td>10.9</td>
<td>18%</td>
</tr>
<tr>
<td>Flight Numbers (thousand)</td>
<td>71.8</td>
<td>74.9</td>
<td>85.2</td>
<td>14%</td>
</tr>
<tr>
<td>Revenue (€ million)</td>
<td>41.9</td>
<td>44.6</td>
<td>48.1</td>
<td>8%</td>
</tr>
<tr>
<td>EBITDA (€ million)</td>
<td>19.7</td>
<td>19.1</td>
<td>21.4</td>
<td>12%</td>
</tr>
<tr>
<td>EBITDA Margin (%)</td>
<td>47</td>
<td>42</td>
<td>45</td>
<td>2</td>
</tr>
<tr>
<td>Number of Employees</td>
<td>840</td>
<td>872</td>
<td>921</td>
<td>6%</td>
</tr>
</tbody>
</table>

### TAV GAZIPASA

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>13/12 Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Passengers (thousand)</td>
<td>14.1</td>
<td>79.7</td>
<td>363.0</td>
<td>n.m.</td>
</tr>
<tr>
<td>Flight Numbers</td>
<td>196</td>
<td>578</td>
<td>2,577</td>
<td>n.m.</td>
</tr>
<tr>
<td>Revenue (€ million)</td>
<td>0.1</td>
<td>0.5</td>
<td>1.8</td>
<td>251%</td>
</tr>
<tr>
<td>EBITDA (€ million)</td>
<td>-0.9</td>
<td>-0.9</td>
<td>-0.1</td>
<td>n.m.</td>
</tr>
<tr>
<td>EBITDA Margin (%)</td>
<td>n.m.</td>
<td>n.m.</td>
<td>-0.8</td>
<td>n.m.</td>
</tr>
<tr>
<td>Number of Employees</td>
<td>19</td>
<td>19</td>
<td>29</td>
<td>53%</td>
</tr>
</tbody>
</table>

### TAV GEORGIA

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>13/12 Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Passengers (million)</td>
<td>1.2</td>
<td>1.4</td>
<td>1.6</td>
<td>18%</td>
</tr>
<tr>
<td>Flight Numbers (thousand)</td>
<td>23.1</td>
<td>23.6</td>
<td>23.5</td>
<td>0%</td>
</tr>
<tr>
<td>Revenue (€ million)</td>
<td>25.0</td>
<td>30.9</td>
<td>35.3</td>
<td>14%</td>
</tr>
<tr>
<td>EBITDA (€ million)</td>
<td>13.1</td>
<td>17.5</td>
<td>21.6</td>
<td>24%</td>
</tr>
<tr>
<td>EBITDA Margin (%)</td>
<td>52</td>
<td>57</td>
<td>61</td>
<td>5</td>
</tr>
<tr>
<td>Number of Employees</td>
<td>747</td>
<td>794</td>
<td>806</td>
<td>2%</td>
</tr>
</tbody>
</table>

### TAV MEDINAH

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>13/12 Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Passengers (million)</td>
<td>3.5</td>
<td>4.6</td>
<td>4.7</td>
<td>2%</td>
</tr>
<tr>
<td>Flight Numbers (thousand)</td>
<td>32.9</td>
<td>36.3</td>
<td>40.0</td>
<td>10%</td>
</tr>
<tr>
<td>Revenue (€ million)</td>
<td>0</td>
<td>16.5</td>
<td>28.4</td>
<td>72%</td>
</tr>
<tr>
<td>EBITDA (€ million)</td>
<td>0</td>
<td>3.1</td>
<td>4.4</td>
<td>42%</td>
</tr>
<tr>
<td>EBITDA Margin (%)</td>
<td>n.m.</td>
<td>19</td>
<td>15</td>
<td>3</td>
</tr>
<tr>
<td>Number of Employees</td>
<td>0</td>
<td>254</td>
<td>291</td>
<td>15%</td>
</tr>
</tbody>
</table>

*Adjusted for IFRS 11 and IFRIC 12 by excluding construction revenues and expenses and including guaranteed passenger revenues in Ankara and Izmir*
### EURO BASED FINANCIALS

#### SERVICE COMPANIES*

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>13/12 Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ATU</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue (€ million)</td>
<td>207.6</td>
<td>255.1</td>
<td>277.1</td>
<td>9%</td>
</tr>
<tr>
<td>EBITDA (€ million)</td>
<td>21.2</td>
<td>28.5</td>
<td>32.9</td>
<td>15%</td>
</tr>
<tr>
<td>EBITDA Margin (%)</td>
<td>10</td>
<td>11</td>
<td>12</td>
<td>1</td>
</tr>
<tr>
<td>Number of Employees</td>
<td>1,420</td>
<td>1,551</td>
<td>1,376</td>
<td>-11%</td>
</tr>
<tr>
<td><strong>HAVAS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue (€ million)</td>
<td>197.4</td>
<td>210.9</td>
<td>240.9</td>
<td>14%</td>
</tr>
<tr>
<td>EBITDA (€ million)</td>
<td>34.3</td>
<td>23.2</td>
<td>40.9</td>
<td>76%</td>
</tr>
<tr>
<td>EBITDA Margin (%)</td>
<td>17</td>
<td>11</td>
<td>17</td>
<td>6</td>
</tr>
<tr>
<td>Number of Employees</td>
<td>9,928</td>
<td>11,082</td>
<td>11,670</td>
<td>5%</td>
</tr>
<tr>
<td><strong>BTA</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue (€ million)</td>
<td>81.1</td>
<td>115.4</td>
<td>127.2</td>
<td>10%</td>
</tr>
<tr>
<td>EBITDA (€ million)</td>
<td>6.0</td>
<td>11.5</td>
<td>12.5</td>
<td>9%</td>
</tr>
<tr>
<td>EBITDA Margin (%)</td>
<td>7</td>
<td>10</td>
<td>10</td>
<td>0</td>
</tr>
<tr>
<td>Number of Employees</td>
<td>2,323</td>
<td>2,642</td>
<td>2,894</td>
<td>10%</td>
</tr>
<tr>
<td><strong>OTHER</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue (€ million)</td>
<td>66.3</td>
<td>92.2</td>
<td>88.4</td>
<td>-4%</td>
</tr>
<tr>
<td>EBITDA (€ million)</td>
<td>-1.7</td>
<td>10.4</td>
<td>3.5</td>
<td>-66%</td>
</tr>
<tr>
<td>EBITDA Margin (%)</td>
<td>n.m.</td>
<td>11</td>
<td>4</td>
<td>-7</td>
</tr>
<tr>
<td>Number of Employees</td>
<td>663</td>
<td>831</td>
<td>900</td>
<td>8%</td>
</tr>
</tbody>
</table>

*Adjusted for IFRS 11 and IFRIC 12 by excluding construction revenues and expenses and including guaranteed passenger revenues in Ankara and Izmir.
<table>
<thead>
<tr>
<th><strong>TAV IN FIGURES</strong>*</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue (€ million)</td>
<td>402</td>
<td>508</td>
<td>627</td>
<td>640</td>
<td>785</td>
<td>881</td>
<td>1,099</td>
<td>1,205</td>
</tr>
<tr>
<td>EBITDA (€ million)</td>
<td>29</td>
<td>77</td>
<td>141</td>
<td>167</td>
<td>212</td>
<td>257</td>
<td>339</td>
<td>397</td>
</tr>
<tr>
<td>Passengers (million)</td>
<td>23</td>
<td>30</td>
<td>41</td>
<td>42</td>
<td>48</td>
<td>53</td>
<td>72</td>
<td>84</td>
</tr>
<tr>
<td>Average Number of Employees</td>
<td>8,146</td>
<td>9,473</td>
<td>11,289</td>
<td>12,194</td>
<td>17,535</td>
<td>19,838</td>
<td>22,797</td>
<td>24,016</td>
</tr>
</tbody>
</table>

**Consolidated Revenue*** Growth of 10%

Consolidated revenue grew 10% and totaled € 1,205 million in 2013.

**Consolidated EBITDA*** Growth of 17%

Due to operational leverage, revenues grew 10% while EBITDA was up 17% in 2013.

**Passenger Traffic Growth of 17%**

Passenger traffic at the airports operated by TAV Airports soared by 17% over the previous year and totaled 84 million in 2013.

**Increase in Average Number of Employees**

TAV Airports operates with 24,016 employees at its 13 airports in seven countries on three continents.

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*Adjusted for IFRS 11 and IFRIC 12 by excluding construction revenues and expenses and including guaranteed passenger revenues in Ankara and Izmir*