

TAV Airports
2006 Financial Results
Istanbul, 11 May 2007

- 1. Offering Summary**
2. TAV Airports – Overview and Investment Highlights
3. TAV Airports – Operations
4. TAV Airports – Financial Overview
5. Conclusion

Offering Summary

Offer Structure

- ▶ Institutional investors (under Reg S): 69%
- ▶ Domestic individual investors: 30,5%
- ▶ Domestic institutional investors: 0,5%

IPO Price

- ▶ TRY 10 (Price range TRY 8,55- TRY 10,30)

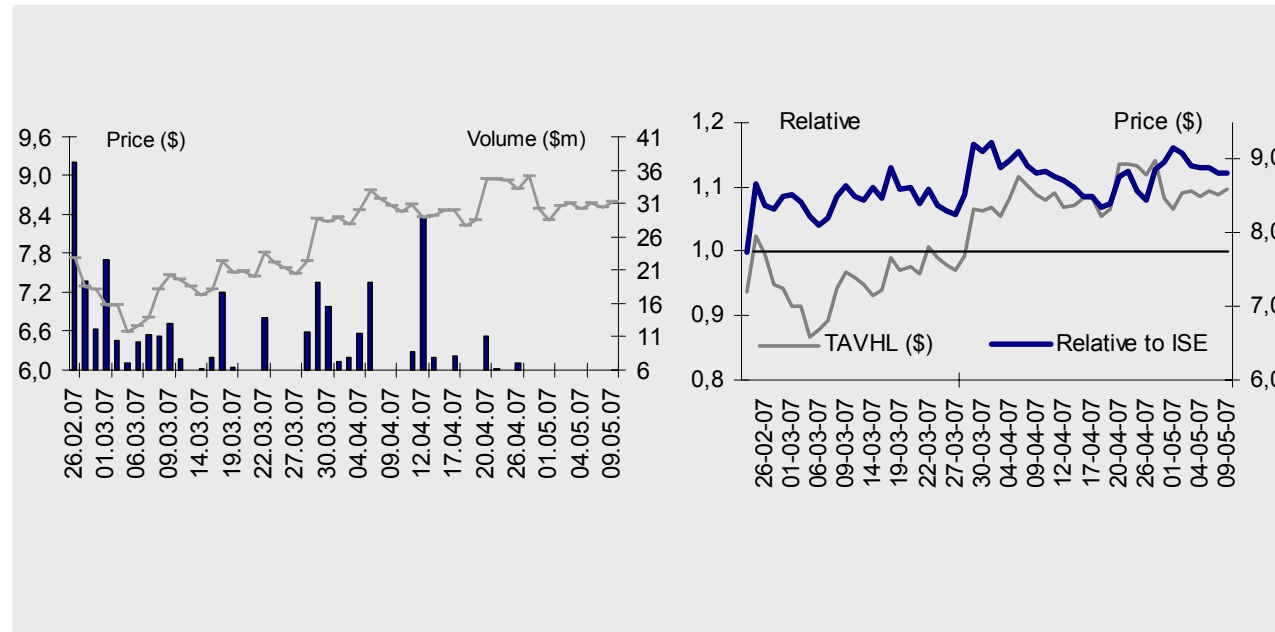
Free Float

- ▶ 18,4% (Post-over allotment)

Offer Size

- ▶ US\$ 320m offer with a MCap of US\$ 1,740m

Positive Aftermarket Performance



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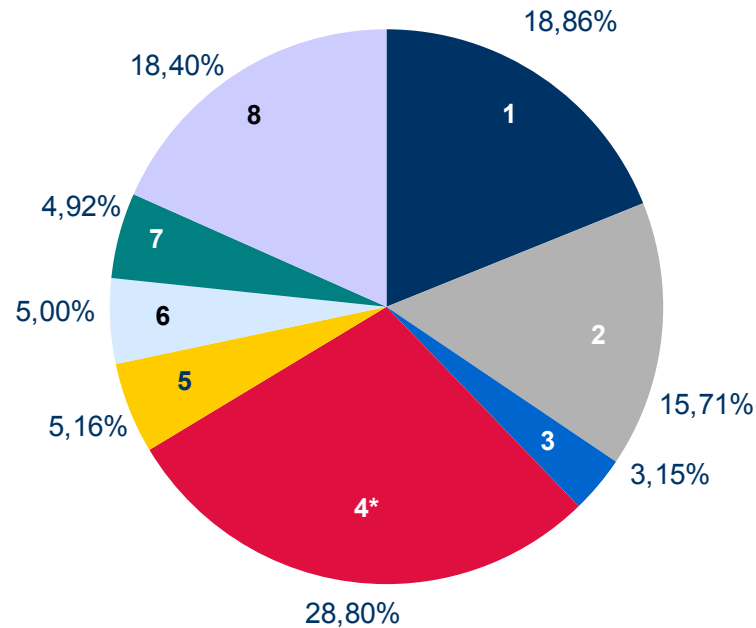
TAV Airports Overview

	Airports	Duty Free	Food and Beverage	Ground Handling	Other
					
	<p>Turkey</p> <ul style="list-style-type: none"> ▶ Istanbul Atatürk Airport (100%) ▶ Ankara Esenboğa Airport (75%) ▶ Izmir Adnan Menderes Airport (Intl. Terminal) (95%) <p>Georgia</p> <ul style="list-style-type: none"> ▶ Tbilisi International Airport (60%) 	<p>ATÜ (%50)</p> <ul style="list-style-type: none"> ▶ Largest duty free operator in Turkey ▶ Partner with Unifree – leading German travel retailer (Travel Value) 	<p>BTA (%67)</p> <ul style="list-style-type: none"> ▶ 44 outlets with a total seating capacity of 4,500 in Istanbul ▶ Operates Istanbul Airport Hotel ▶ Bakery & pastry factory serving Starbucks in Turkey 	<p>Havaş (%60)</p> <ul style="list-style-type: none"> ▶ Traffic, ramp and cargo handling ▶ Major groundhandler in Turkey with a c.51%⁽¹⁾ share ▶ Operates in 10 airports in Turkey including Istanbul, Ankara, Izmir and Antalya 	<p>O&M, IT and Security</p> <ul style="list-style-type: none"> ▶ TAV O&M (100%): <ul style="list-style-type: none"> ▪ Commercial area allocations ▪ CIP / VIP ▪ Car park ▶ TAV IT (96%): <ul style="list-style-type: none"> ▪ Airport IT services ▶ TAV Security (67%): <ul style="list-style-type: none"> ▪ Security service provider in Istanbul, Ankara and Izmir
Revenues 2006 (2)	€250m	€109m	€35m	€62m	€35m

Notes: (1) Based on number of flights for 2006
 (2) Revenues represent the proportional interest of these companies in TAV Airports (e.g. 50% of ATÜ revenues, 60% of Havaş and 60% of TAV Georgia). (before eliminations)

Ownership Structure

Current Shareholder Structure



* 34,875,000 of the shares owned by Goldman Sachs that correspond to 14.4% of our issued and outstanding share capital have been provided by Tepe, Akfen Holding and Sera to Goldman Sachs as collateral and the title of those shares have been transferred to Goldman Sachs for this purpose. A pledge granted by Goldman Sachs in favour of Tepe, Akfen Holding and Sera exists on those shares. As a result, the voting rights, right of receiving dividends, pre-emption rights for participating in cash share capital increase in connection with those (except for acquiring gratis shares under any share capital increase) belong to Tepe, Akfen Holding and Sera as if such shares had not been owned by Goldman Sachs.

Founding shareholders

1. Tepe – Turkish integrated conglomerate focused on infrastructure and construction
2. Akfen – holding company operating in the construction, tourism, foreign trade, insurance and natural gas sector
3. Sera Yapi Endustrisi – family of Dr. Sani Sener, CEO of TAV Airports

New shareholders

4. Goldman Sachs (Dec 2006)
5. Babcock & Brown – infrastructure fund (Dec 2006)
6. Global Investment House – a Kuwait based fund (Aug 2006)
7. IDB Infrastructure fund – Bahrain based private investment vehicle affiliated with the Islamic Development Bank (Apr 2006)
8. Free Float – post-over allotment

Investment Highlights

<p style="text-align: center;">#1 Airport Terminal Operator in Turkey</p>	<ul style="list-style-type: none"> ▶ Buoyant Turkish economy (2001-2006 CAGR⁽¹⁾ = %7,3) ▶ Strong passenger growth (2001-2006 CAGR⁽²⁾ = %11,0) ▶ Diversified portfolio with leading market position (46% market share⁽³⁾) ▶ Large catchment areas
<p style="text-align: center;">Clear Regulatory Framework and Earnings Visibility</p>	<ul style="list-style-type: none"> ▶ Agreed regulatory framework providing hard currency fees ▶ Long-term concessions (Istanbul: 2021, Ankara: 2023, Tbilisi: 2027, Tunisia: 2047) ▶ Fixed cost base and minimal ongoing capex⁽⁴⁾
<p style="text-align: center;">Well Positioned for Growth</p>	<ul style="list-style-type: none"> ▶ Deregulation of domestic market ▶ Strategic shareholder base and internationally recognised JV partners ▶ Well positioned to win domestic and international concessions ▶ Development of the service business (e.g. ATÜ, BTA, Havaş)

Notes: (1) TURKSTAT
(2) Istanbul Ataturk Airport (excluding transit passengers)
(3) Based on 2006 number of passengers
(4) Minimal capex on existing concessions as all terminals are brand new. Also, the lease agreement for Istanbul mentions no additional mandatory capex for TAV

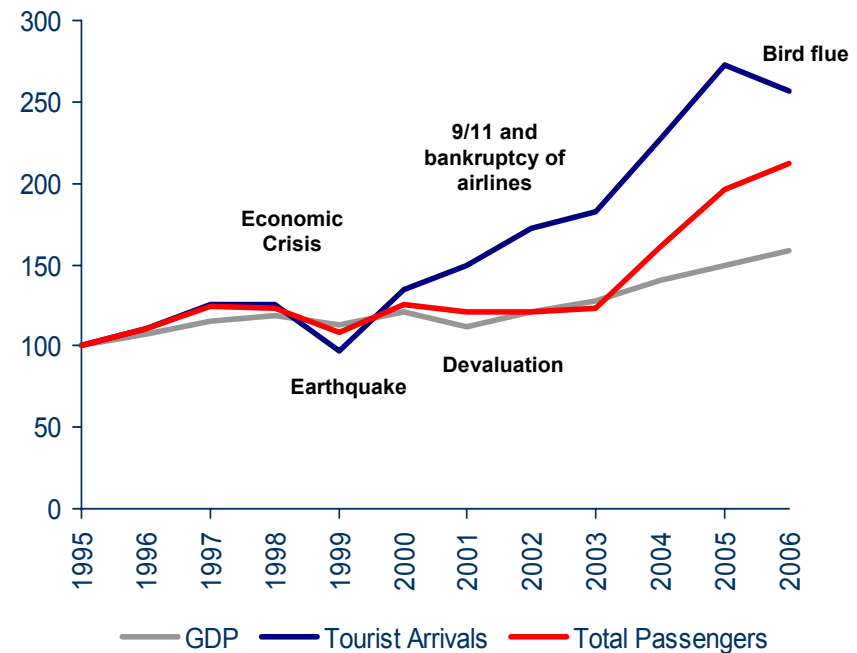
Turkey is a Fast Growing Market

Attractive Market Conditions

- ▶ GDP growth 7.3%⁽¹⁾ over the last five years
- ▶ In 2006 foreign visitors amounted 19.8m⁽²⁾ (tourism approx 5% of GDP)
- ▶ 2nd largest country in Europe (population: 74m)
- ▶ Current passport holders represent only 11% of the Turkish population, while 50 million are under the age of 30⁽³⁾
- ▶ Deregulation of domestic market
- ▶ Limited alternative transport infrastructure

GDP and tourism growth (1995-2006)

(Index, 1995=100)

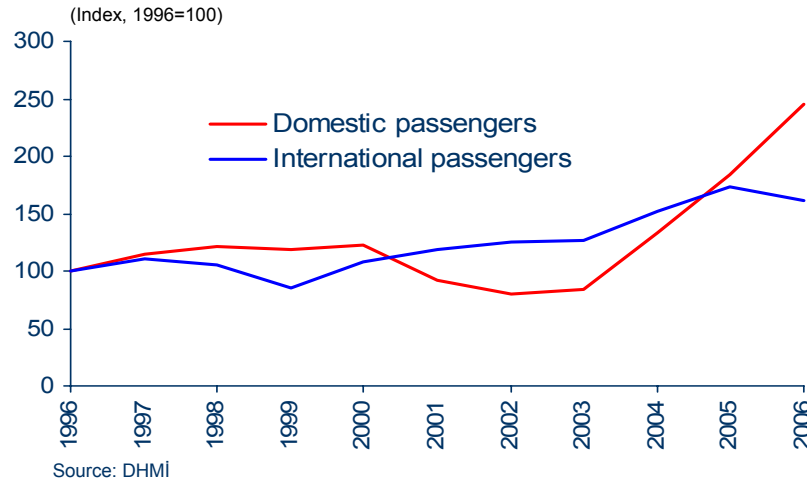


Source: DHMI, Passenger figures for 2006

Notes: (1) TURKSTAT; (2) Ministry of Culture and Tourism; (3) TURKCELL Survey

Turkish Aviation Market has Grown Rapidly

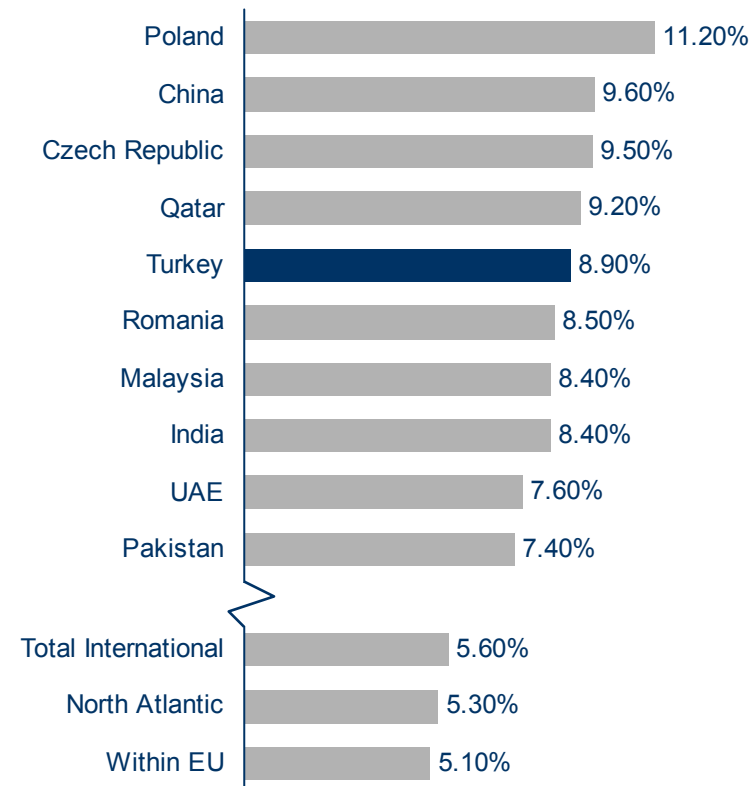
Demand is Expected to be Strong



- ▶ From 1991 to 2006, the annual Turkish passenger growth rate was 11.8% pa, despite events such as the wars in Iraq, earthquakes, terrorist attacks, economic crisis ⁽¹⁾
- ▶ Turkey is the 5th fastest growing market among countries with over 2m annual passengers for the period from 2005 to 2009 ⁽²⁾

Notes: (1) DHMI
 (2) IATA – October 2005

2005 - 2009 annual passenger growth forecast



Source: IATA, Top 10 highest growth countries with over 2m annual passengers (05-09); Ranked by average annual growth rate for the 2005-09 forecast period

Earnings Visibility

Aviation		Non-Aviation	
Istanbul	Agreed passenger service charge <ul style="list-style-type: none"> ▪ \$15 per intl. pax ▪ €3 per dom. pax 	Duty Free and Catering	Duty Free available to <u>all</u> international inbound and outbound passengers Increased number of shops, improved selection of products and check-in / security procedures enhanced Potential to enter local in-flight catering market by 2009
Ankara	Revenue guarantees <ul style="list-style-type: none"> ▪ €15 per intl. pax ▪ €3 per dom. Pax ▪ Fixed PSC → €13m + 5% volume growth p.a. 		
Izmir	Revenue guarantees <ul style="list-style-type: none"> ▪ €15 per intl. pax ▪ Fixed PSC → €15m +3% volume growth p.a. 	Other	High margin and operational leverage Minimal maintenance capex requirement
Tbilisi	Agreed passenger service charge <ul style="list-style-type: none"> ▪ \$22 per intl. pax – growing at 2% p.a. ▪ Fixed \$6 per domestic pax 		

We are the #1 Airport Operator

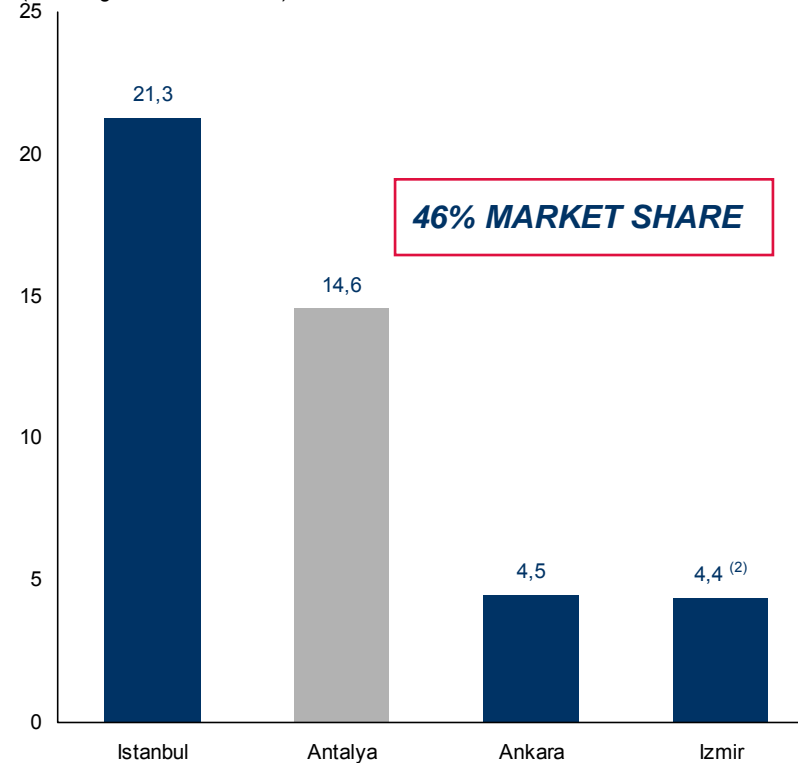
Large catchment areas



- ▶ TAV operates 3 of the 4 largest airports in Turkey
- ▶ TAV is the leading airport operator in Turkey with a 46% market share
- ▶ The airport terminals which we operate in Turkey handled 27.3 million passengers in 2006 ⁽¹⁾

#1 Airport operator in Turkey

(Passenger number, million)



Source: DHMI, Passenger figures for 2006

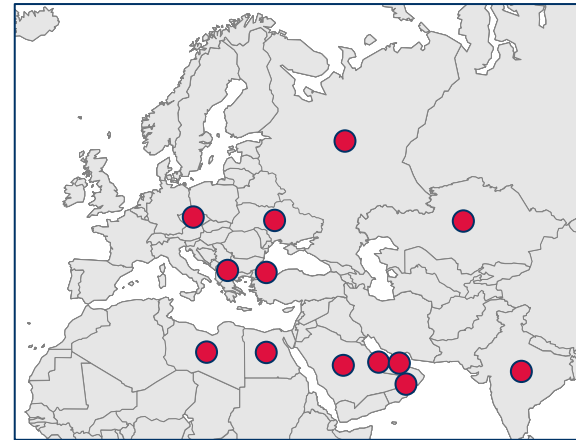
Notes: (1) Excluding transit passengers

(2) TAV only operates the international terminal, which had 1.4m passengers in 2006

Well Positioned for Additional Concessions

- ▶ Significant upcoming domestic and international concession tenders
- ▶ Targeted approach to concession bidding in the region
- ▶ Strategic shareholder base and internationally recognised JV partners
- ▶ Development of our retail business (ATU, BTA)
- ▶ Favourable tender characteristics:
 - Limited competition
 - Political stability
 - TAV differentiating factor
 - Strict price / profitability criteria
 - Middle Eastern & African concessions with reasonable price tag

Upcoming tenders in the region



Key upcoming tender:

- Sabiha Gökçen Istanbul International Airport (2 July 2007)

Recently won two airport concessions in Tunisia

Why Tunisia?

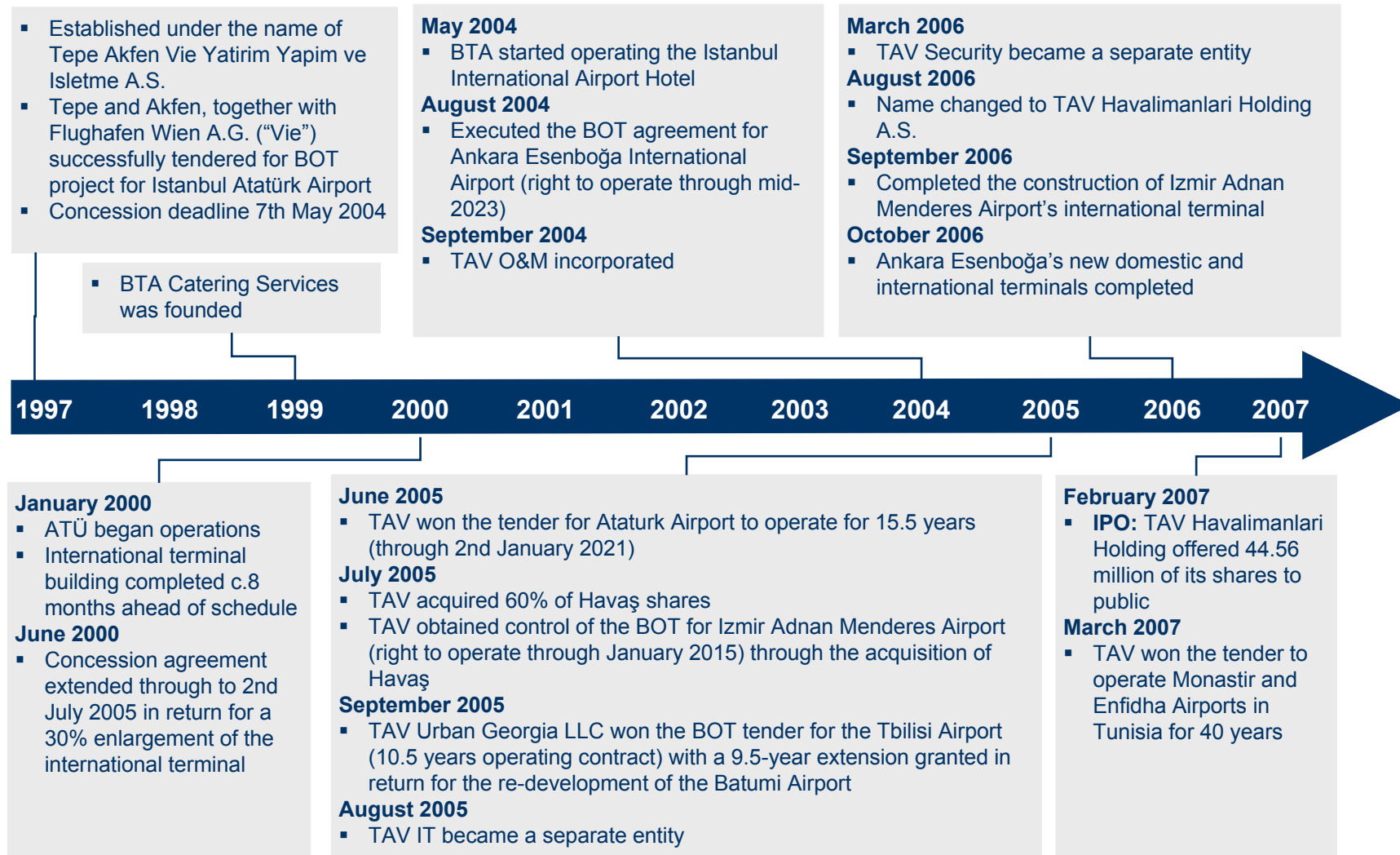


- The 2007 Davos World Economic Forum Report ranks Tunisia first in Africa and second in the Arab World after Dubai, in terms of tourist and travel competitiveness.
- Tunisia ranks 34th in the world insofar as its travel and tourist competitiveness are concerned. Tunisia comes ahead of Turkey (52nd), Thailand (43rd) and Morocco (57th).

- An existing airport concession in Monastir (Central Eastern Tunisia on the sea shore) Favourable tender characteristics:
 - Major Tunisian airport with 4.2m passengers – mainly tourists using charters
 - Declared capacity of 3.5m passengers
 - 40-years management concession starting from 1 Jan 2008
- A BTO airport concession in Enfidha (50 km from Monastir)
 - Building this airport, as Monastir airport capacity cannot be extended
 - Formal capacity will gradually increase from 7m to 22m passengers over time
 - 40-years management concession, with operations estimated to be launched during the first half of 2009
 - Initial investment of approximately €400m

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Historic Overview



Concession Overview

Airport	Type / expire	TAV stake	Scope	2006 Pax (mppa)	Fee/pax Intern'l	Fee/pax domestic	Volume guarantee	Concession fee	Net Debt ⁽¹⁾
Istanbul Ataturk	Concession (2021)	100%	Intl + dom	21.2	US\$15	€3	No	\$165m/yr	€332m
Ankara Esenboga	BOT (2023)	75%	Intl + dom	4.55	€15	€3	0.6m Dom. 0.75 Int'l for 2007 + 5% p.a.	-	€102m
Izmir A Menderes	BOT (2015)	95%	Intl	1.45	€15	na	1.0m Int'l for 2006 + 3% p.a.	-	€77m
Tbilisi	BOT (2027)	60%	Intl + dom	0.6	US\$22 (+ 2% p.a.)	US\$6	No	-	€15m

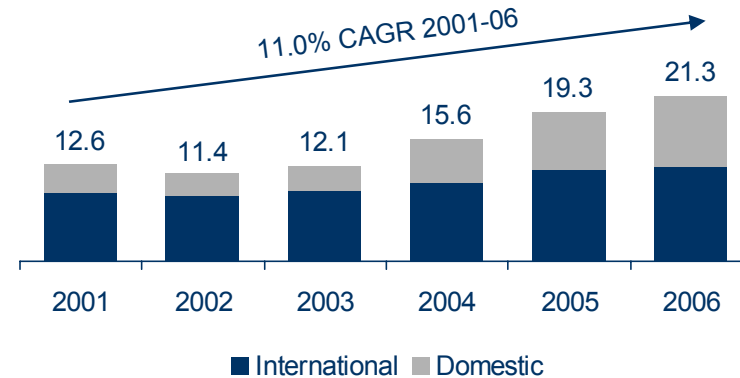
Source: Company data,
Notes: (1) As of 31 December 2006

Istanbul Ataturk Airport (100% owned)

Strong growth in Passenger volume and Revenues

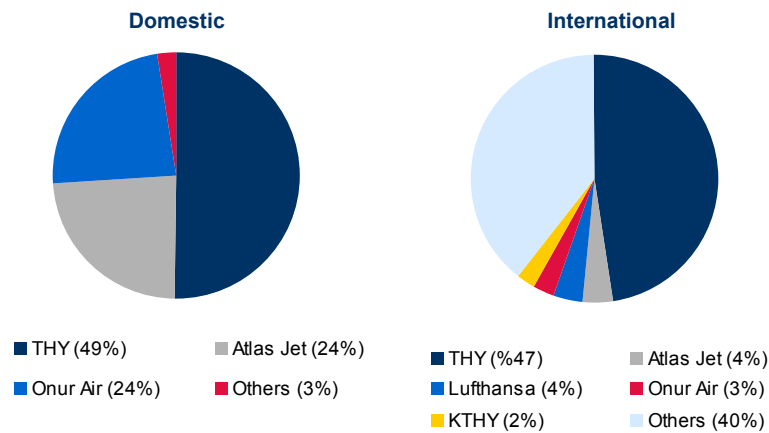
- 10.2% YoY passenger volume growth in 2006
- We have operated Domestic Terminal since July 3, 2005.
- Revenue of €230 million, up 14%
- Duble digit CAGRs

Passenger traffic 2001-2006 (m)



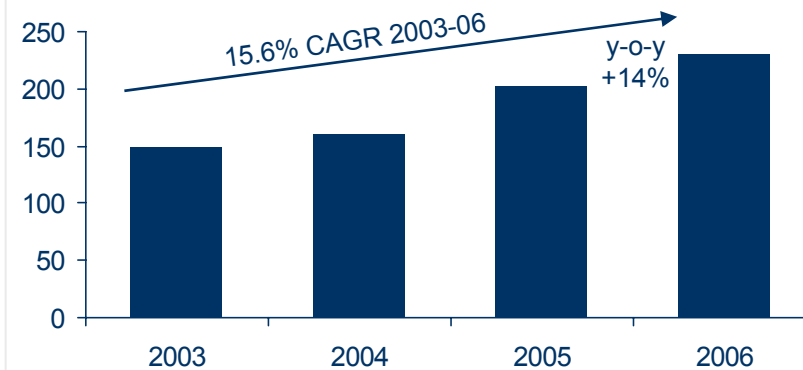
Source: DHMI, Terminal passenger figures exclude transit passengers

Passengers per airline (2006)



Source: DHMI

Revenue (€m)



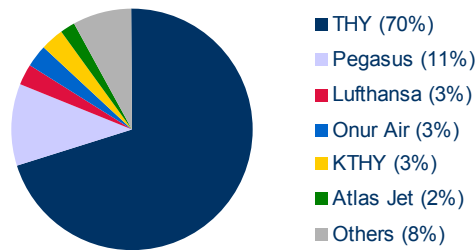
Source: TAV Airports

Managing our Diversified Portfolio

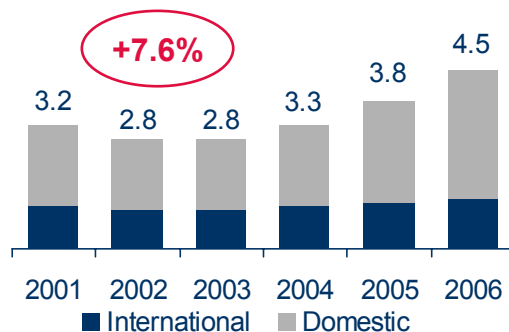
Ankara Esenboğa Airport (75% owned)

- Operations commenced in October 16, 2006.
- With the new terminal and relieved capacity constraints, Ankara is expected to grow in the coming years
- DHMI volume guarantees
- Drive passenger growth through package deals

Passengers per airline



Total passengers (million)

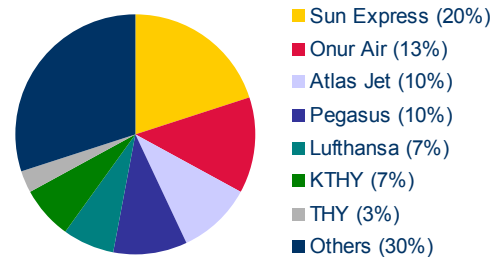


Source: DHMI

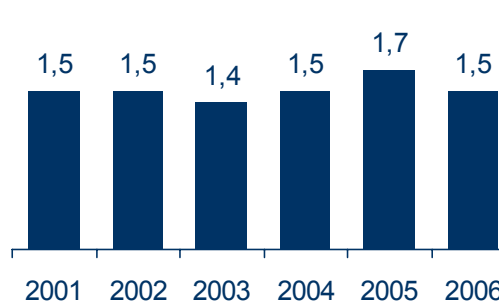
Izmir Adnan Menderes Airport (95% owned)

- Operations commenced in September 13, 2006.
- Diversified customer base
- Volume guarantees
- Talks with Euro flag carriers to fly direct

Passengers per airline



Total passengers (million)

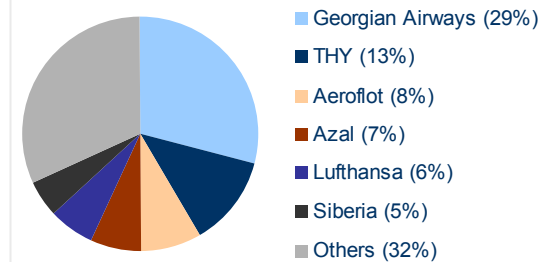


Source: DHMI

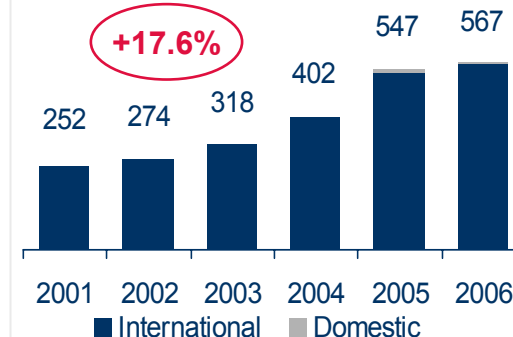
Tblisi International Airport (60% owned)

- Operations in new terminal commenced in February 7, 2007.
- Capturing 98% of all air traffic in Georgia
- ATÜ and BTA started to operate in the new terminal
- Pegasus Air to make regional hub

Passengers per airline



Total passengers (000's)



Source: Georgian authorities

ATU Duty Free (50% owned)

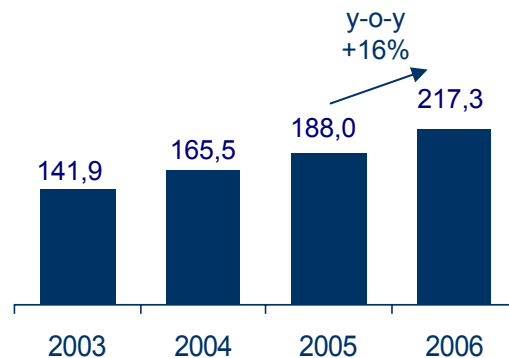
- ATU is the sole duty free operator at Istanbul Ataturk, Ankara, Izmir and Tbilisi
- A 50:50 JV with German top retailer Heinemann (via Unifree)
- Pricing strategy set by reference to Euro airports
- ALL international passengers (including transit passengers) eligible for duty free
- Competitive concession fee (~43%) paid to TAV for ATÜ-operated shops in Ataturk Airport
- Minimum spending per pax of €13.0 guaranteed to TAV Istanbul and €7 to TAV Esenboga
- ATÜ also pursues tenders outside TAV operations

Financial Data

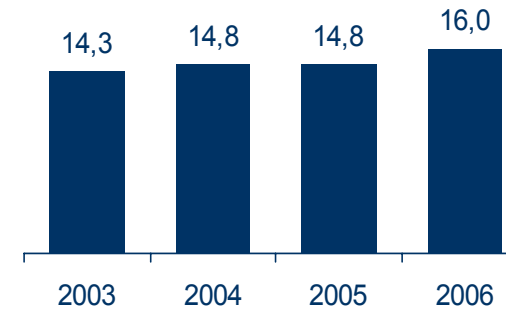
(€ m)	2003	2004	2005	2006	Change
Total Revenues	141,9	165,5	188,0	217,4	16%
EBITDA	13,3	17,6	11,9	7,6	-36%
EBITDA Margin	9,4%	10,6%	6,3%	3,5%	-
Spend per pax (€)	14,3	14,8	14,8	16,0	8%

Source: TAV, Figures imply 100% of ATU

Revenue (€m)



Spend per pax (€) *



* TAV Istanbul only

BTA Catering Services (67% owned)

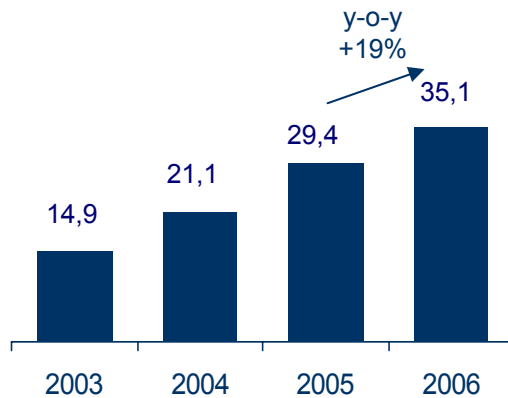
- BTA is the food and beverage operator at Istanbul Atatürk (Intl), Ankara, Izmir and Tbilisi
- Steady growth over last few years. 2005 was lower as the concession fee to TAV increased
- Concession fees: BTA pays c39% of its revenues to TAV
- As of August 2005, BTA started to supply all sandwiches and bakery products of Starbucks Coffee Shops in Turkey
- BTA is in negotiations to provide in-flight catering operations within the local market by 2009

Financial Data

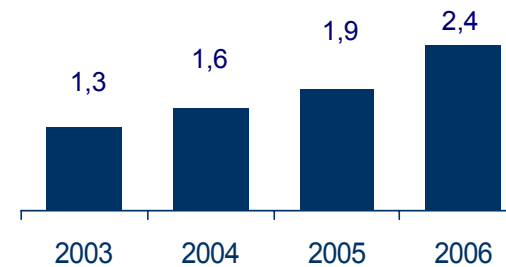
(€ m)	2003	2004	2005	2006	Change
Total Revenues	14,9	21,1	29,4	35,1	19%
EBITDA	1,3	1,4	-0,6	3,0	NM
EBITDA Margin	8,8%	6,8%	-2,4%	8,6%	-
Spend per pax (€)	1,3	1,6	1,9	2,4	26%

Source: TAV, Figures imply 100% of BTA

Revenue (€m)



Spend per pax (€) *



* TAV Istanbul only

Havaş Ground Handling (60% owned)

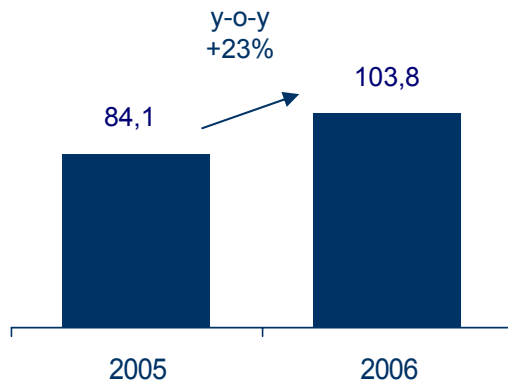
- Fastest growing ground handler in Turkey
- Favourable market characteristics with only two operators
- Currently operating at 10 airports in Turkey
- Large customer base (>200 customers)
- Seasonal labour force
- In 2006, Havaş won the largest ground handling contract ever tendered in Turkey
- Formed strategic partnership with Cyprus Turkish Airlines (KTHY) to undertake ground handling operations in Northern Cyprus (Ercan Airport)

Financial Data

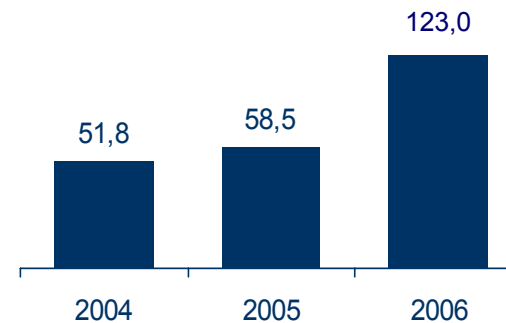
(€ m)	2005	2006	Change
Total Revenues	84,1	103,8	23%
EBITDA	8,1	8,7	7%
EBITDA Margin	9,7%	8,4%	-
# Aircrafts handled ('000)	58,5	122,7	110%

Source: TAV, Figures imply 100% of Havas

Revenue (€m)



Aircrafts handled ('000)



Other Services

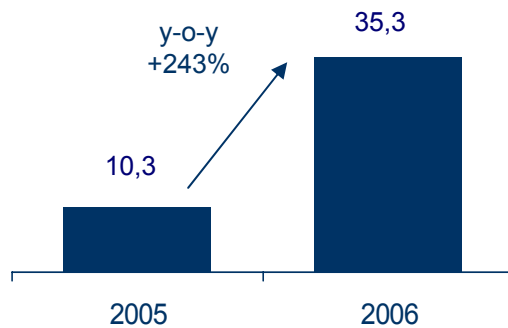
- TAV O&M (100%), incorporated in 2004
 - Commercial area allocations
 - CIP / VIP
 - Car park
- TAV IT (96%), become a separate entity in 2005
 - Airport IT services
- TAV Security (67%) , incorporated in 2006
 - Security service provider in Istanbul, Ankara and Izmir

Financial Data

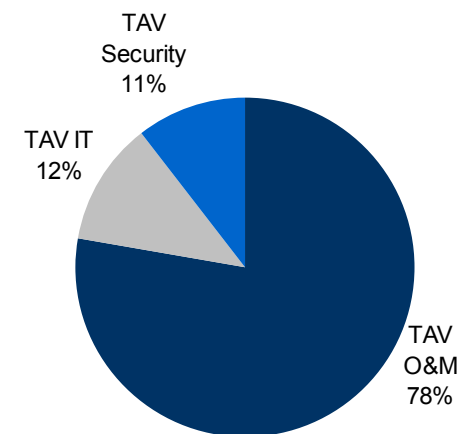
(€ m)	2005	2006	Change
Total Revenues	10,3	35,3	243%
EBITDA	1,5	8,9	493%
EBITDA Margin	14,4%	25,1%	-

Source: TAV

Revenue (€m)



Revenue Breakdown (2006)



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Revenue Profile

TAV Airports Revenues					
(€ million)	2003	2004	2005	2006	Change
Airports	149	160	202	250	24%
Istanbul	149	160	202	230	14%
Others	-	-	-	20	NM
Services	86	104	183	241	32%
ATU (50%)	71	83	94	109	16%
BTA	15	21	29	35	21%
Havas (60%)	-	-	48	62	29%
Others	-	-	11	35	218%
Total	235	264	385	491	28%
Eliminations	(34)	(42)	(80)	(91)	
Consolidated	201	222	305	400	31%

► There is no historical financial information for Ankara, Izmir and Tbilisi (only passenger data) – in 2006 the volumes at these airports were approximately 31% of Istanbul's volumes

► Services commenced operations at the new airports in Q4 2006 → **2007 will be the first full year of operations for the new Group**

EBITDAR Profile

TAV Airports EBITDAR					
(€ million)	2003	2004	2005	2006	Change
Airports	110	116	139	147	6%
Istanbul	110	116	139	146	5%
Others	-	-	-	1	NM
Services	8	10	7	21	200%
ATU (50%)	7	9	6	4	(33%)
BTA	1	1	(1)	3	NM
Havas (60%)	-	-	0	5	NM
Others	-	(0)	2	9	350%
Total	118	126	146	168	15%
Eliminations	0	1	4	0	
Consolidated	118	128	149	168	13%

- ▶ Istanbul has a good like-for-like EBITDAR track record
- ▶ EBITDA for ATÜ was lower as the result of higher concession fee to TAV Airports
- ▶ Havaş recently won major contracts with THY on competitive pricing terms

2006 Financial Summary

TAV Airports - 2006				
(€ million)	Revenues	EBITDA (*)	EBITDA Margin	Net Debt
Airports	250	147	58.8%	526
Istanbul	230	146	63.4%	332
Ankara	6	(3)	-52%	102
Izmir	7	1	19%	77
Tbilisi (60%)	6	3	45%	15
Services	241	21	8.7%	15
ATU (50%)	109	4	3.5%	16
BTA	35	3	8.6%	(0.5)
Havas (60%)	62	5	8.4%	(0.3)
Others	35	9	25.1%	(0.4)
Total	491	168	34.2%	541
Eliminations	(91)	(0)		
Consolidated	400	168	41.9%	541

► In 2006, one-off expenses amounted €15 million relating to old holding company structure

Note: (*) EBITDAR figure is used for Istanbul

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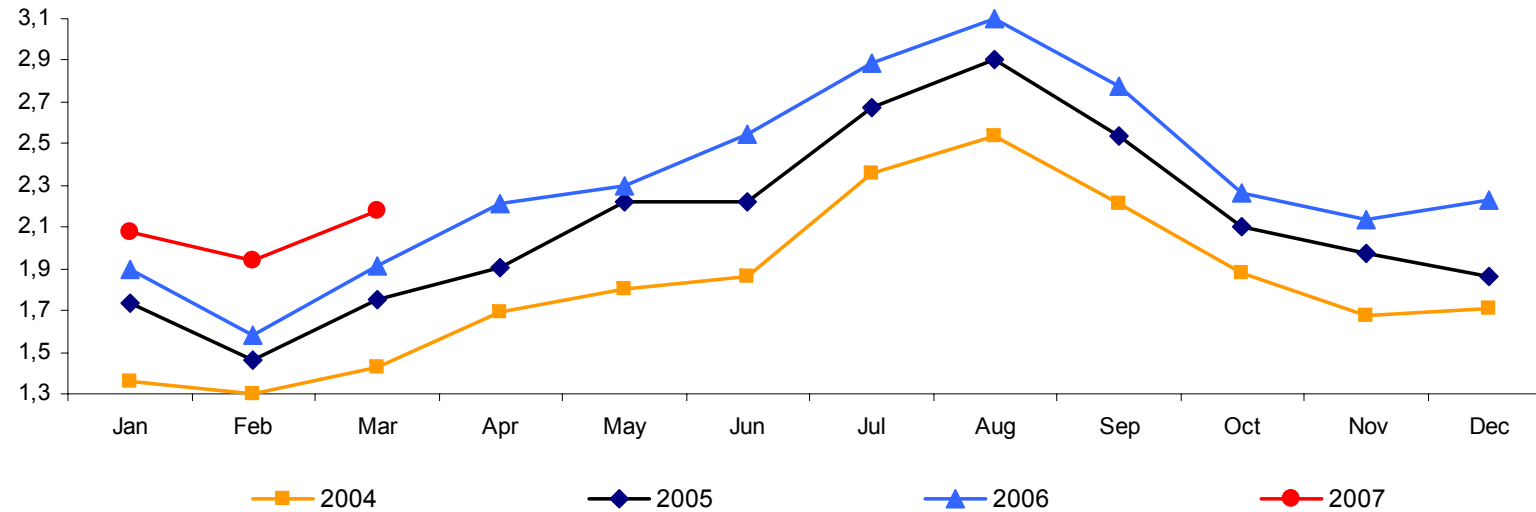
Outlook

Traffic passenger growth	<ul style="list-style-type: none">▶ IATA forecasts 8.9% growth p.a. in Turkey▶ THY joining Star Alliance → expected to boost pax by 2 million
Commercial revenues	<ul style="list-style-type: none">▶ ATÜ and BTA expected to increase revenues at new airports▶ All international passengers eligible for duty free (departing and arriving)▶ BTA – potential from in-flight catering operations within local market (2009)
New concessions	<ul style="list-style-type: none">▶ 2007 will be the first full year of operations at Ankara, Izmir and Tbilisi▶ Recently won two concessions in Tunisia▶ Started negotiations for Batumi Airport
Capex	<ul style="list-style-type: none">▶ Minimal capex on existing concessions as all terminals are brand new
Dividends	<ul style="list-style-type: none">▶ Dividends are expected to commence in 2 to 3 years

2007 Outlook

Passenger Traffic *

Pax (million)



- 16% YoY passenger growth in full year of 2005
- 10% YoY passenger growth in full year of 2006
- 15% YoY passenger growth in the first quarter of 2007

* Combined figures for terminals operated by TAV in Turkey

Appendix

Financials

Consolidated Balance Sheet

(€ m)	31 December 2006	31 December 2005
Current Assets		
Cash and cash equivalents	11.7	10.9
Restricted bank balances	318.1	135.4
Prepaid concession expenses, current portion	144.9	117.3
Other current assets	68.9	47.9
Total Current Assets	543.6	311.5
Non Current Assets		
Long term loan receivable from related parties	10.6	203.0
Built-operate-transfer (BOT) Investment (net)	441.2	134.3
Prepaid concession expenses	191.4	308.2
Other non-current assets	169.4	192.1
Total Non-Current Assets	812.6	837.6
Total Assets	1,356.2	1,149.1
Current Liabilities		
Bank loans, current portion	820.7	211.5
Loans payable to related parties	17.4	17.8
Current Liabilities	104.6	54.1
Total Current Liabilities	942.7	283.4
Non Current Liabilities		
Bank loans	49.7	673.1
Other non current liabilities	30.2	25.9
Total Non-Current Liabilities	79.9	699.0
Equity		
Equity attributable to equity holders of the parent	310.6	155.9
Minority interest	23.1	10.9
Total Equity	333.6	166.8
TOTAL LIABILITIES AND EQUITY	1,356.2	1,149.1

Consolidated Income Statement

(€)	31 December 2006	31 December 2005
Continuing operations		
Operating income	386,149,529	288,325,572
Other operating income	13,663,663	16,460,112
Cost of inventory sold, service rendered	(78,557,461)	(60,642,596)
Employee benefit expense	(69,816,359)	(40,754,489)
Concession rent expenses	(133,256,893)	(69,915,181)
Depreciation and amortization expense	(16,302,861)	(51,328,398)
Other operating expenses	(83,911,539)	(54,099,361)
Operating profit	17,968,079	28,045,659
Investment income	18,319,384	15,224,762
Other gains and losses	2,018,941	407,938
Finance costs (net)	(83,740,449)	(40,275,731)
Transaction gain/(loss) (net)	(9,786,752)	27,152,931
Monetary gain/(loss) (net)	-	96,152
Profit/(loss) before tax	(55,220,797)	30,651,711
Income tax benefit /(expense)	(9,100,933)	9,889,549
Profit/(loss) for the period from continuing operations	(64,321,730)	40,541,260
Attributable to:		
Equity holders of the parent	(59,265,474)	37,253,127
Minority interest	(5,056,256)	3,288,133
	(64,321,730)	40,541,260