ISTANBUL NEW AIRPORT PROJECT

OPPORTUNITY MAPPING

May 2016
Istanbul / Turkey
THE TWO OPERATIONAL AIRPORTS (IST AND SAW) IN ISTANBUL HOSTED 89 MILLION PASSENGERS IN 2015

OPERATIONAL AIRPORTS IN ISTANBUL
- There are two operational airports in Istanbul
  - Atatürk Airport (IST) is on the European Side
  - Sabiha Gökçen Airport (SAW) is on the Asian Side
- Passengers visiting Istanbul Airports have increased with a CAGR of 15% for the last five years
  - IST and SAW passenger numbers grew by 13% and 21% CAGR respectively

Number of Passengers
(Million)

Location of The Airports in Istanbul

SOURCE: GENERAL DIRECTORATE OF STATE AIRPORTS AUTHORITY

*ISTANBUL NEW AIRPORT (UNDER CONSTRUCTION)
BOTH ATATÜRK AND SABIHA GÖKÇEN AIRPORTS HAVE ONGOING EXPANSION PLANS

ATATÜRK AIRPORT (IST)

- Aviation activities around Istanbul Atatürk Airport area started by DHMI in 1911
  - The airport became international in 1953
- IST’s terminal is managed by TAV** Airports
  - TAV Airports’ contract is valid until 2020
- IST has 3 runways and ~55 million passenger capacity
  - With 61 million passengers in 2015, IST works over capacity
  - A new international terminal building is under construction and will be operational in late 2016, the airport capacity will be increased to ~70 million passengers

SABIHA GÖKÇEN AIRPORT (SAW)

- Istanbul Sabiha Gökçen Airport is built in 2001. SAW is owned by Under Secretariat for Defence Industries
- SAW’s air traffic is managed by DHMI
- SAW was privatised in 2007 for 20 years and new terminal building is completed in 2009
- SAW is operated by Malaysia Airports
- SAW has 1 runway and 25 million passenger capacity
  - With 28 million passengers in 2015, it is working over capacity
  - Second runway is under construction and expected to finish in 2017

**ISTANBUL NEW AIRPORT (UNDER CONSTRUCTION)

** TAV: TEPE-AXFEN-VIE

DESPITE THE EXPANSION PLANS, BOTH IST AND SAW ARE EXPECTED TO FALL SHORT OF MEETING MID-TERM PASSENGER DEMAND

*ISTANBUL NEW AIRPORT (UNDER CONSTRUCTION) ** TAV: TEPE-AXFEN-VIE

SOURCE: GENERAL DIRECTORATE OF STATE AIRPORTS AUTHORITY, IST AND SAW AIRPORT WEBSITES
TURKISH GOVERNMENT TARGETS TO HAVE THE AIRPORT OPERATIONAL BY FEBRUARY 2018

TIMELINE FOR ISTANBUL NEW AIRPORT (INA)

Plans for building Istanbul New Airport are declared to public

Jan 2012

Tender process starts

Jan 2013

Cengiz – MAPA – Limak – Kolin – Kalyon Consortium wins the tender for a total of 22,15 Billion EUR + VAT

May 2013

IGA Company is established

Oct 2013

Construction begins

June 2015

The first terminal and 2 runways becomes operational

Feb 2018

The airport is completed with 6 runways

2028

SOURCE: GENERAL DIRECTORATE OF STATE AIRPORTS AUTHORITY, IGA, HURRIYET.COM.TR
INA WILL BE THE WORLD'S LARGEST AIRPORT WHEN COMPLETED

GENERAL INFORMATION

- **Owner of the Land & Airport:** General Directorate Of State Airports Authority (DHMI)
- **Members of the IGA Consortium:** Cengiz, Mapa, Limak, Kolin and Kalyon Holdings
- **Planned Investment:** 10.3 billion EUR during construction
- **BOT* Period:** 42 Months (construction) + 25 Years (operations)

AIRPORT FEATURES

- **Location:** North of Istanbul, 35 km distance to city centre
- **Airport Area:** 76.5 million square meters
- **Passenger Capacity:** 90 million (2018), 150 million (2028)
- **Retail Space:** 100,000 m²
- **Additional Buildings:** Airport City (Offices, Hotels, Conference and Exhibition Buildings, Hospitals, Training Centres), Parking Garage and Station, Port

* BUILD-OPERATE-TRANSFER
ISTANBUL NEW AIRPORT WILL BE CONSTRUCTED IN FOUR PHASES

TIMELINE

2018
Phase 1A

2020
Phase 1B

2022
Phase 2 and 3

2028
Phase 4

PROJECT PLAN

IGA CONSORTIUM IS RESPONSIBLE FOR ALL STAGES OF CONSTRUCTION, SUBJECT TO DHMI'S SUPERVISION

SOURCE: IGA
ONCE FULLY COMPLETED IN 2028, ISTANBUL NEW AIRPORT WILL HAVE 6 RUNWAYS AND 3 TERMINALS

PROJECT PHASES

2018
Phase 1A
- A main terminal with a total passenger capacity of 90 million
- Multi-storey car park
- Two North-South runways & associated taxiway system
- Aprons
- Fuel farm & hydrant system
- Air traffic control tower
- Roads & infrastructures
- Support facilities

2020
Phase 1B
- North-South runway & associated taxiway system

2022
Phase 2 and 3*
- A terminal with a capacity of 30 million passengers, built at seaside
- North-South runway & associated taxiway system
- West-East runway & associated taxiway system
- 2 air traffic control towers
- Support facilities

2028
Phase 4*
- A satellite terminal with a capacity of 30 million passengers
- Total capacity of 150 million passengers
- North-South runway & associated taxiway system

SOURCE: IGA

* SUBJECT TO CHANGE
THE MINISTRY OF TRANSPORT IS THE HIGHEST DECISION MAKER WITH REGARD TO INA PROJECT

STAKEHOLDERS

- Ministry
- DHMI
- IGA Consortium
- IGA Operations
- IGA Construction

RESPONSIBILITIES

- Planning future airports and facilitating their construction (specification, field reconnaissance, etc.)
- Operating majority of the airports in Turkey
- Managing and controlling Turkish air space
- Installing and operating air traffic management systems in airports
- IGA Consortium is assigned for INA construction and operations
- IGA Operations will execute the operations and improvement of the airport between 2018-2043
- IGA Construction has a partnership agreement with IGA Consortium
- IGA Construction is responsible from engineering, construction and procurements for Istanbul New Airport Project

UNDER THE SUPERVISION OF DHMI, IGA CONSORTIUM IS THE MAIN AUTHORITY RESPONSIBLE FOR CONSTRUCTION & OPERATIONS OF INA

SOURCE: MINISTRY OF TRANSPORT, MARITIME AFFAIRS AND COMMUNICATION, GENERAL DIRECTORATE OF STATE AIRPORTS AUTHORITY, IGA
IGA CONSORTIUM CONSISTS OF FIVE COMPANIES WITH EQUAL SHARES

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<thead>
<tr>
<th>Establishment Year</th>
<th>Sectors</th>
<th>Airport References</th>
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<tbody>
<tr>
<td>1980</td>
<td>Construction, energy, mining, tourism, aviation, insurance</td>
<td>Construction of Erbil Airport, Duhok Airport, Ordu-Giresun Airport</td>
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<tr>
<td>1976</td>
<td>Construction, energy, tourism, finance, logistics, media</td>
<td>Kotoka Airport terminal building, Baku Airport terminal building and aircraft maintenance hangar</td>
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<td>1976</td>
<td>Construction, energy, tourism, cement, investment, food, aviation</td>
<td>Sabiha Gökçen Airport, Pristina Airport, Cairo Airport terminal, Sabiha G. Airport operations</td>
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<td>1977</td>
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<tr>
<td>1974</td>
<td>Construction, energy, tourism, finance, logistics, media</td>
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CENGIZ HOLDING IS OBLIGED BY THE CONCESSION AGREEMENT TO BE IN THE CONSORTIUM UNTIL THE END OF OPERATIONAL PERIOD

SOURCE: COMPANY WEBSITES
IGA CONSTRUCTION FOLLOWS A STRUCTURED PROCESS FOR SERVICE/PRODUCT PROCUREMENTS

**PROCESS PHASES**

- **Request for Proposal**
- **Financial Evaluation**
- **Technical Evaluation**
- **Approval**

**INVOLVED TASKS**

- Department directors contact suppliers to ask for proposals which are then evaluated and ranked. Chosen proposals are submitted to the evaluation committees.
- Evaluation committees evaluate the submitted proposals on financial and technical levels and decide on the supplier. The chosen proposal is then submitted for approval to the CEO*.
- Depending on the transaction volume, CEO, Executive Committee and Board of Directors may be involved during the approval process.

**RESPONSIBLE DEPARTMENTS**

- Department Director(s)
- Financial Committee*
- Technical Committee**
- CEO
- EXCO***
- Board of Directors

**OUTPUT**

- **Five proposals** are chosen to be submitted to the scrutiny of evaluation committees.
- The most suitable proposal/supplier is chosen.
- The chosen proposal/supplier is approved.

**SUPPLIERS SHALL BE IN CONTINUOUS CONTACT WITH DEPARTMENT DIRECTORS TO BE ASKED FOR PROPOSALS**

*FINANCIAL COMMITTEE IS COMPOSED OF THE PROCUREMENT MANAGERS OF THE FIVE CONSORTIUM COMPANIES
**TECHNICAL COMMITTEE IS COMPOSED OF THE PROCUREMENT MANAGERS OF THE FIVE CONSORTIUM COMPANIES
*** EXECUTIVE COMMITTEE
THANK YOU

BUSINESS SWEDEN TURKEY

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