

INVESTMENT PORTFOLIO of İŞ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. (ISGYO)
as of 31.12.2015

TOTAL INVESTMENT PORTFOLIO	TL	%
Office Buildings	2.050.240.881	50%
Tuzla Technology and Operations Center	760.385.000	
Tuzla Mixed Use - Office	238.264.381	
Istanbul Is Towers	651.250.000	
Ankara Is Tower	118.000.000	
Maslak Building	94.031.500	
Sirkeci Office Building	47.000.000	
Office Lamartine	46.535.000	
Ankara Ulus Office Building	40.260.000	
Ankara Kizilay Office Building	34.930.000	
Antalya Office	19.585.000	
Projects	1.044.969.000	26%
Ege Perla Mixed Use	395.689.000	
Istanbul Finance Center	138.145.000	
Topkapı Residential Project	264.415.000	
Kartal Mixed Use Project	246.720.000	
Shopping Centers & Retail	759.314.469	19%
Kanyon Shopping Center	440.000.000	
Marmara Park Shopping Center	130.000.000	
Real Hypermarket Building	95.000.000	
Kule Carşı Shopping Center	48.750.000	
Tuzla Mixed Use - Office	31.810.619	
Mallmarine Shopping Center	11.263.850	
Çınarlıbahçe Tuzla Retail	2.490.000	
Hotels	22.890.000	1%
Kapadokya Lodge Hotel	22.890.000	
Lands	34.478.919	1%
Üsküdar Land	30.480.000	
Levent Land	3.998.919	
Cash and Marketable Securities	123.908.125	3%
Participations	500.000	0%
TOTAL PORTFOLIO VALUE	4.036.301.394	100%

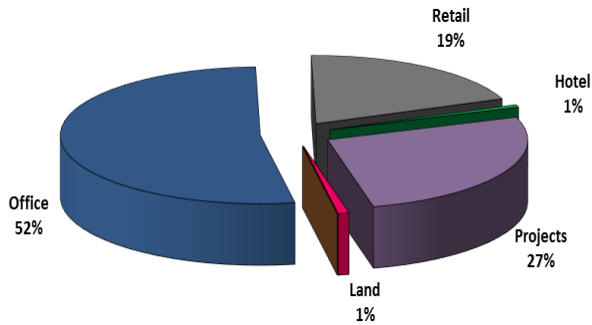
Company's investment portfolio is comprised of real estates, money & capital markets instruments and participations.

As of 31.12.2015 total portfolio value of the Company is TL4.036 million.

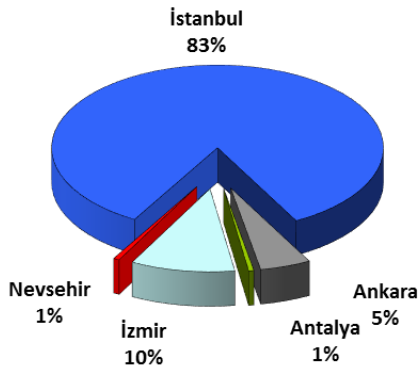
Breakdown of Investment Portfolio (000 TL)	2013	2014	2015
Real Estate Portfolio	2.309.148	2.765.833	3.911.893
Money and capital market instruments	105.279	139.036	123.908
Participations	288	500	500
Total Portfolio Value	2.414.715	2.905.369	4.036.301

97% of the Company's total portfolio is invested in real estate sector and the real estate portfolio is comprised of rent generating commercial assets, real estate projects and land investments.

I. REAL ESTATE PORTFOLIO



In terms of the appraisal values; 52% of the real estate investments is invested in office sector, 27% in real estate projects; 19% in retail sector and the remaining 2% is invested in hotel and land.



In terms of geography; 83% of the investments is located in Istanbul, 5% in Ankara, 10% in Izmir and the remaining 2% is invested in Antalya, Nevsehir and Mugla.

Rental Income Generated From The Real Estate Portfolio

72% of the real estate portfolio generates rental income. Total annual rental income generated from the real estate portfolio is TL138,6 million as of 31.12.2015.

70% of the rental income is generated from office investments while retail investments has 30% share in the rental income.

Property Name	Annual Rent mn TL (without VAT)	%
Is Towers Complex (Tower II & III, Kule Carsi	47,2	34,1%
Kanyon Shopping Center	31,6	22,8%
Marmara Park Shopping Center	13,5	9,7%
Ankara Is Tower	8,6	6,2%
Gunesli Office Building*	7,0	5,0%
Real Hypermarket Building	6,1	4,4%
Maslak Building	4,6	3,3%
Sirkeci Office Building	4,0	2,9%
Ankara-Ulus Office Building	3,8	2,7%
TUTOM**	3,8	2,7%
Ankara-Kizilay Office Building	3,2	2,3%
Office Lamartine	1,9	1,4%
Antalya Office Building	1,6	1,2%
Kapadokya Lodge Hotel	1,1	0,8%
Mallmarine Shopping Center	0,6	0,4%
Total	138,6	100%

*Gunesli office building was sold at 3Q2015.

** Completed in 4Q2015, partial rent was taken.

- Whilst the average duration of the lease agreements is 5 years, on the other hand the duration may vary depending on the type of the agreement or the investment model. For example, for buy-and-lease back agreements, the average duration may be longer than 15 years while projects with B.O.T. model have longer durations.
- As of 31.12.2015 currency breakdown of Company's rental income is; 22% in USD, 3% in Euro and 75% in Turkish Lira.

REAL ESTATE PROJECTS

Completed Project

Tuzla Technology & Operation Center (TUTOM)

Turn-key investment, Technology and Operation Center Project with a total GLA of 184.500 sqm in Tuzla was completed in 3Q 2015. The center has been leased to Isbank for 25 years. (12.000 sqm GLA of the project has been also rented to Sofitech, İşbank group's IT company). The annual rental income of TUTOM is TL61,5 mn.

Tuzla Mixed Use Project

Mixed Use Project in Tuzla, having an area of 21.305 sqm, next to TUTOM has been completed. The mixed use project comprises a commercial center and office units. The total office space and some part of the commercial area has been leased to Şişecam for TL14,45 mn annually. The lease

agreement signed with Şişecam has 5 year maturity and it will start on 01.09.2016. The expected annual rental income from the entire project is approximately TL17-17,5 mn.

Cinarli Bahce Residential

The residential project, located in Tuzla, İstanbul, comprises 476 units ranging between 58-212 sqm with 56.484 sqm total saleable area. The project was completed in August 2013 and as of 31.12.2015 all of the units have been sold.

Projects Under Development

Ege Perla Mixed Use Project

The mixed use project “Ege Perla” is being developed on 18.392 sqm land in the “new city center” of İzmir. Ege Perla comprises a shopping center with 25.600 sqm GLA and home and home-offices in two towers with a total saleable area of 32.000 sqm. The project, whose architectural design is made by Aga Khan Award winner architect Emre Arolat, is aimed to be an important icon for İzmir by becoming a city park for all users with its architecture integrating the city.

The project land was purchased from Isbank and according to the agreement, 50% of the net profit from the unit sales will be transferred to Isbank. The expected total net profit for the unit sales is TL40-46 mn and the estimated rental income of the shopping center in Ege Perla is TL20-22 mn. The project expected to be completed in 1H2016 and the shopping center will be operational in 2016.

Kartal Manzara Adalar Mixed Use Project

On the project land having a neighbouring location to Kartal Urban Regeneration Project, a mixed use project comprising residentials, offices and commercials is being developed with revenue sharing model. The project which is designed by Perkins Eastman has a total development cost of TL615-635 mn. The expected sales revenue for residentials is TL715-765 mn and the expected total rental income for offices and commercial area is TL30-35 mn.

ISGYO took the construction permit for Kartal Mixed Use Project in September 2014 and the preselling activity started in December, 2014. The estimated completion date for the project is the first half of 2018.

Istanbul Finance Center Project

The project land is located in the heart of Istanbul Finance Center Project in Atasehir and additionally has a high accessibility thanks to the close location to the main highways of the city. On this land plot, ISGYO plans to develop a mixed use project including offices and commercial areas as a part of Istanbul Finance Project (IFP) of the government. Estimated project development cost including land is approximately TL265-270 mn. Total expected rental income from the total units is TL40 mn.

ISGYO took the construction permit for IFC Project in June 2015.

Topkapı İnistanbul Residential Project

The project land having central location, was purchased from Şişe Cam and Anadolu Cam for an amount of TL320 mn at the end of 2013 in order to develop a joint project with NEF (Timur Real Estate). The total development cost of the project including land and borrowing cost is TL1-1.1 billion and expected sales revenue for the project is TL1.4-1.6 billion. ISGYO and NEF both have 50% share in the project.

ISGYO took the construction permit for Topkapı İnistanbul Residential Project in May 2015 and started preselling activity.

II. MONEY AND CAPITAL MARKETS INSTRUMENTS

Money and capital market instruments represent 3% of the investment portfolio. As of 31.12.2015, the value of money&capital market instruments is TL 123,9 mn.

Breakdown of Money&capital Market Instruments		
31.12.2015	TL	%
Time and Demand Deposits (Foreign Currency)	80.206.381	65%
Time and Demand Deposits (Local Currency)	13.439.257	11%
Mutual Fund	29.627.903	24%
Other	634.584	1%
TOTAL	123.908.125	