

**INVESTMENT PORTFOLIO of İŞ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. (ISGYO)**  
as of 31.03.2018

<b>TOTAL INVESTMENT PORTFOLIO</b>	<b>TL mn</b>	<b>%</b>
<b>Office Buildings</b>	<b>2.349,1</b>	<b>45%</b>
Tuzla Technology and Operation Center	941,3	
Istanbul Is Towers (Tower 2 & 3)	833,9	
Tuzla Office	232,4	
Ankara Is Tower	135,4	
Maslak Building	107,6	
Office Lamartine	50,5	
Ankara Ulus Office Building	47,8	
<b>Shopping Centers &amp; Retail</b>	<b>1.037,1</b>	<b>20%</b>
Kanyon Shopping Center	510,1	
Ege Perla Shopping Center	245,1	
Marmara Park Shopping Center	162,0	
Kule Carşı Shopping Center	66,4	
Tuzla Retail	37,9	
Mallmarine Shopping Center	13,0	
Çınarlibahçe Tuzla Retail	2,6	
<b>Projects</b>	<b>1.420,1</b>	<b>27%</b>
Istanbul Finance Center	191,9	
Topkapı Residential Project	511,5	
Kartal Mixed Use Project	716,7	
<b>Hotels</b>	<b>25,4</b>	<b>0%</b>
Kapadokya Lodge Hotel	25,4	
<b>Inventories</b>	<b>84,6</b>	<b>2%</b>
Residentials and offices on sale in Ege Perla	84,6	
<b>Lands</b>	<b>215,7</b>	<b>4%</b>
Tuzla Land	168,1	
Üsküdar Land	43,3	
Levent Land	4,3	
<b>Cash and Marketable Securities</b>	<b>124,0</b>	<b>2%</b>
<b>Participations</b>	<b>0,5</b>	<b>0%</b>
<b>TOTAL PORTFOLIO VALUE</b>	<b>5.256,5</b>	<b>100%</b>

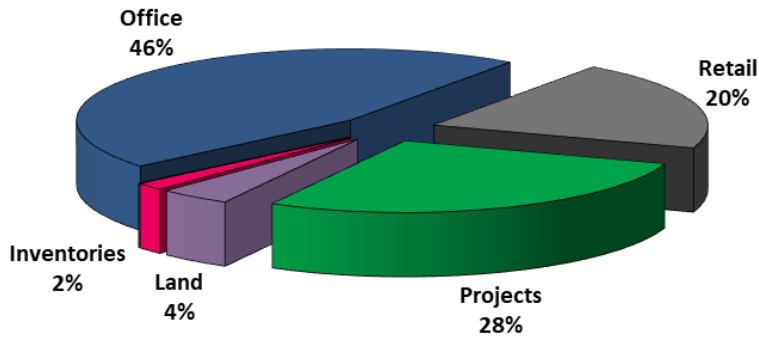
Company's investment portfolio is comprised of real estates, money & capital markets instruments and participations.

As of 31.03.2018 total portfolio value of the Company is TL 5.257 million.

<b>Breakdown of Investment Portfolio (000 TL)</b>	<b>2016</b>	<b>2017</b>	<b>2018 1Q</b>
Real Estate Portfolio	4.762.652	5.131.990	5.131.990
Money and capital market instruments	127.262	83.117	124.015
Participations	500	500	500
<b>Total Portfolio Value</b>	<b>4.890.414</b>	<b>5.215.607</b>	<b>5.256.505</b>

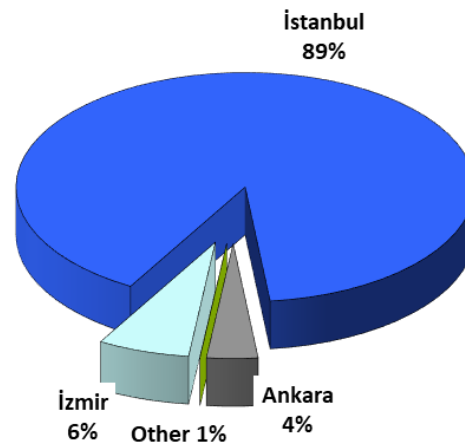
98% of the Company's total portfolio is invested in real estate sector and the real estate portfolio is comprised of rent generating commercial assets, real estate projects, inventories and land investments.

## I. REAL ESTATE PORTFOLIO



In terms of the appraisal values; 46% of the real estate investments is invested in office sector, 28% in real estate projects, 20% in retail sector, 2% in inventories while the remaining 4% is invested in land.

In terms of geography; 89% of the investments is located in Istanbul, 6% in Izmir, 4% in Ankara and the remaining 1% is invested in Nevsehir and Mugla.



## **Rental Income Generated From The Rental Portfolio**

<b>Property Name</b>	<b>2018 1Q Rental Income mn TL (without VAT)</b>	<b>%</b>
TUTOM	19,1	36,7%
Is Towers Complex	9,1	17,5%
Kanyon Shopping Center	9,0	17,3%
Marmara Park Shopping Center	4,7	9,0%
Tuzla Mixed Use Project	4,5	8,7%
İzmir Ege Perla Shopping Center	1,9	3,7%
Maslak Building	1,5	2,9%
Ankara-Ulus Office Building	1,2	2,3%
Others	1,0	1,9%
<b>Total</b>	<b>52,0</b>	<b>100%</b>

- 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.

## **REAL ESTATE PROJECTS**

### **Projects Under Development**

#### **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. Manzara Adalar mixed use project which is designed by Perkins Eastman has a total development cost (excluding borrowing cost) of TL 620-640 mn. The expected total rental income for offices and commercial area is TL 24-25 mn (ISGYO's share TL 15-16 mn). The deliveries of the units in Kartal Manzara Adalar started in February 2018.

#### **Topkapı İstanbul Residential Project**

The project land having central location, was purchased from Şişe Cam Group in order to develop a joint project with NEF (Timur Real Estate) with cost and revenue sharing model. The total development cost of the project excluding borrowing cost is TL 1.1-1.2 billion and expected sales revenue for the project is TL 1.5-1.6 billion. ISGYO and NEF both have 50% share in the project.

#### **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 is developing 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

(excluding borrowing cost) is approximately TL 270-280 mn. Total expected rental income from the project is approximately TL 45-50 mn.

## II. MONEY AND CAPITAL MARKETS INSTRUMENTS

Money and capital market instruments represent 2% of the investment portfolio. As of 31.03.2018, the value of money&capital market instruments is TL 124 mn.

<b>Breakdown of Money&amp;capital Market Instruments</b>		
<b>31.03.2018</b>	<b>TL mn</b>	<b>%</b>
<i>Time&amp;Demand Deposits (Local currency)</i>	92,8	75%
<i>Time&amp;Demand Deposits (Foreign currency)</i>	26,4	21%
<i>Mutual Fund</i>	4,1	3%
<i>Other</i>	0,7	1%
<b>TOTAL</b>	<b>124,0</b>	