

**INVESTMENT PORTFOLIO of İŞ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. (ISGYO)**  
**as of 30.06.2019**

<b>TOTAL INVESTMENT PORTFOLIO</b>	<b>TL mn</b>	<b>%</b>
<b>Office Buildings</b>	<b>2.736,7</b>	<b>57%</b>
Tuzla Technology and Operation Center	1.076,5	
Istanbul Is Towers	900,0	
Tuzla Office	261,4	
Kartal Office	183,7	
Ankara Is Tower	149,6	
Maslak Building	112,5	
Office Lamartine	53,0	
<b>Retail</b>	<b>1.171,2</b>	<b>24%</b>
Kanyon Shopping Center	575,5	
Ege Perla Shopping Center	252,7	
Marmara Park Shopping Center	185,7	
Kule Carşısı Shopping Center	71,7	
Kartal Retail	39,2	
Tuzla Retail	28,8	
Mallmarine Shopping Center	15,0	
Çınarlıbahçe Tuzla Retail	2,6	
<b>Projects</b>	<b>394,4</b>	<b>8%</b>
İstanbul Topkapı Residentials*	194,3	
Istanbul Finance Center Project	200,1	
<b>Inventories*</b>	<b>278,8</b>	<b>6%</b>
Manzara Adalar Residentials	232,5	
Ege Perla Residentials and Offices	46,3	
<b>Lands</b>	<b>225,9</b>	<b>4%</b>
Tuzla Land	174,6	
Üsküdar Land	44,9	
Levent Land	6,4	
<b>Hotel</b>	<b>29,7</b>	<b>1%</b>
Kapadokya Lodge Hotel	29,7	
<b>Cash and Marketable Securities</b>	<b>17,3</b>	<b>0%</b>
<b>Participations</b>	<b>3,0</b>	<b>0%</b>
<b>TOTAL PORTFOLIO VALUE</b>	<b>4.856,9</b>	<b>100%</b>

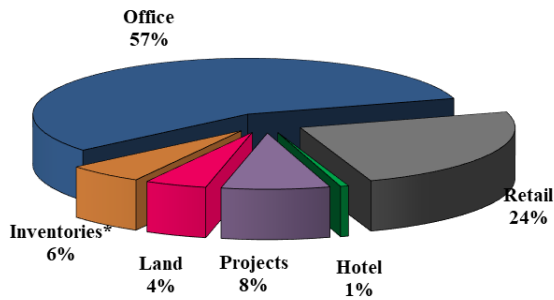
Company's investment portfolio is comprised of real estates, money & capital markets instruments and participations.

As of 30.06.2019 total portfolio value of the Company is TL 4.856,9 million.

<b>Breakdown of Investment Portfolio (mn TL)</b>	<b>2018</b>	<b>2019 1H</b>
Real Estate Portfolio	4.877,2	4.836,7
Money and capital market instruments	54,2	17,3
Participations	3,1	3,0
<b>Total Portfolio Value</b>	<b>4.934,5</b>	<b>4.856,9</b>

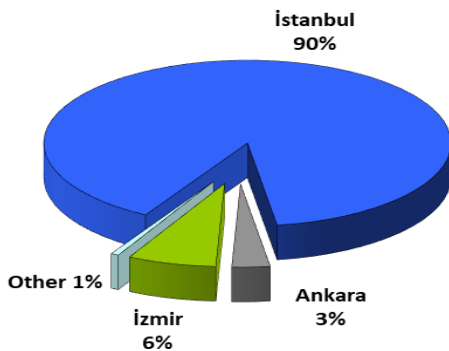
The majority of the Company's total portfolio is invested in real estate sector and the real estate portfolio is comprised of rent generating commercial assets, real estate projects, inventories and land investments.

## I. REAL ESTATE PORTFOLIO



In terms of the real estate portfolio; 57% of the real estate investments is invested in office sector, 24% in retail sector, 8% in real estate projects, 6% in inventories, 4% is invested in land while the remaining 1% is invested in hotel.

*\*Inventories represent the undelivered units in Ege Perla and Manzara Adalar.*



In terms of geography; 90% of the investments is located in Istanbul, 6% in Izmir, 3% in Ankara and the remaining 1% is invested in Nevsehir and Mugla.

## Rental Income Generated From The Portfolio

<i>Property Name</i>	<i>2019 1H Rental Income TL mn (without VAT)</i>	<i>%</i>
TUTOM	46,5	38,7%
Kanyon Shopping Center	20,3	16,9%
Is Towers Complex	18,6	15,5%
Tuzla Mixed Use	12,4	10,3%
Marmara Park Shopping Center	12,9	10,8%
İzmir Ege Perla Shopping Center	2,8	2,4%
Ankara Is Tower	2,7	2,3%
Others	3,8	3,1%
<b>Total</b>	<b>119,9</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 turn-key investment model, the average duration may be longer than 15 years while projects with B.O.T. model have longer durations.

## Real Estate Projects

### *i. Completed Projects in which presales continue*

#### **Kartal Manzara Adalar**

The deliveries in Kartal Manzara Adalar, comprising 975 residential units and office&commercial area, started in 2018. As of 30.06.2019; 603 residential units were delivered.

#### **Ege Perla**

Ege Perla, comprises 243 residential&office units and shopping center with ~22K GLA. As of 30.06.2019; 172 units were delivered.

### *ii. Projects Under Development*

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

The project land having central location, was purchased in order to develop a joint project with NEF (Timur Real Estate) with cost and revenue sharing model. ISGYO and NEF both have 50% share in the project. The total expected cost and sales revenues of the project is TL 1,2 billion and TL 1,6 billion respectively.\*

The residential project, comprising 2.724 residential units and 17 commercial units, has 4 stages. As of 30.06.2019, 1.926 residential units were delivered in the stages 1-2&3. Construction work still continues for the stage 4. The presales ratio for the total project is 99%.

*\*ISGYO has 50% share in the cost and sales revenues. Total expected cost does not include finance cost.*

## **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 with ~33K GLA, as a part of Istanbul Finance Project (IFP) of the government. ISGYO completed the core construction work in the project. The expected rental income of the project is TL 45-50 mn, while the expected development cost, excluding finance expense, is TL 320 mn.

### **Land Investments**

**Tuzla Land:** The Company postponed the planned residential project on ~63K land due to the economic conjuncture.

**Üsküdar Land:** The Company plans to develop residential project on ~32K land. The works for taking the construction permit and project development still continues.

**Levent Land:** ~8K land in front of İş Towers is green area due to the zoning plans.

## **II. MONEY AND CAPITAL MARKETS INSTRUMENTS**

As of 30.06.2019, the value of money&capital market instruments is TL 17,3 mn.

<b>Breakdown of Money&amp;capital Market Instruments</b>		
<b>30.06.2019</b>	<b>TL mn</b>	<b>%</b>
<i>Time&amp;Demand Deposits</i>	15,6	90,4%
<i>Mutual Funds</i>	1,63	9,4%
<i>Other</i>	0,03	0,2%
<b>Total</b>	<b>17,3</b>	

## **III.PARTICIPATIONS**

The Company has 50% share in Kanyon Yönetim İşletim ve Pazarlama A.Ş.(Kanyon). The field of activity of Kanyon is primarily to engage in the management, operation and marketing activities of residentials, offices, commercial units and shopping centers.