

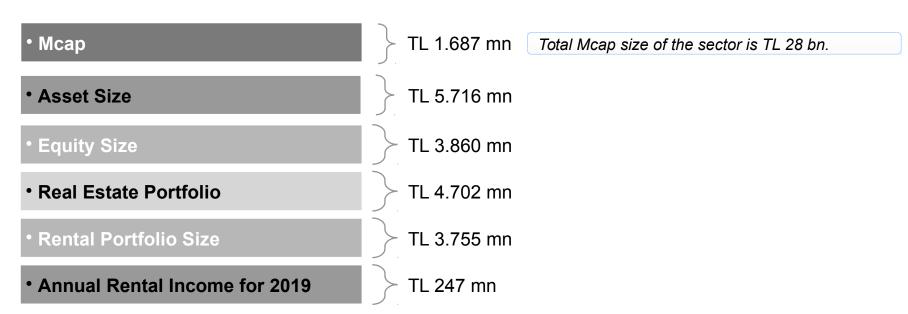
# IS REAL ESTATE INVESTMENT COMPANY

Investor Presentation 31.12.2019





#### IS REIC was established in 1999, by the strategic partnership of Isbank.







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#### Why IS REIC?

- ✓ Diversified real estate portfolio
- Balanced exposure in office, retail and residential sector
- Office 54%, retail 26%
- ✓ Solid & growing rental income
- ~TL 247 mn rental income for 2019.
- ✓ Financially strong tenants & long-term leases
- 57% of the rental income comes from İş Group
- Average duration of the lease contracts longer than 5 years
- ✓ Low foreign currency debt & fx short position
- 16% of the total debt in foreign currency
- Fx short position less than 1% of the total assets
- ✓ Strong shareholder structure









## ISGYO PORTFOLIO

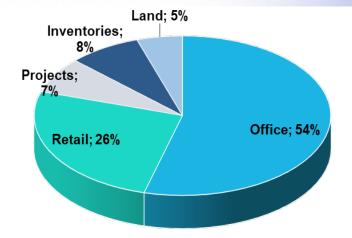


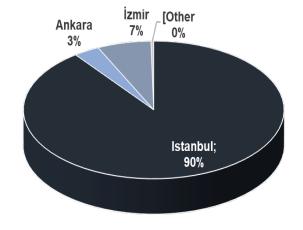


#### **Real Estate Portfolio Breakdown**

Real Estate Portolio Value				
	mn TL			
Office	2.546	54%		Rental Portf
Retail	1.208	26%		Rental Porti
	3.755	80%	<u>.                                    </u>	
Inventories	371	8%		
Projects	342	7%		
Land	234	5%		
	4.702	100%		

Rental Portfolio	













<sup>\*</sup>Inventories include units on sale in Ege Perla and Manzara Adalar.

<sup>\*\*11%</sup> of the real estate portfolio is in residential.

## RENTAL PORTFOLIO





#### Office Portfolio



- ✓ Represent 87% of the total office investments. (TL 2.223 mn)
- ✓ Represent 94% of the total office rental income. (TL 127 mn)

Office Portfolio	TL, mr
Appraisal Value	2.546
2019 YE Rental Income*	135

\*Excluding income of Şişecam Office which was sold in 2019.





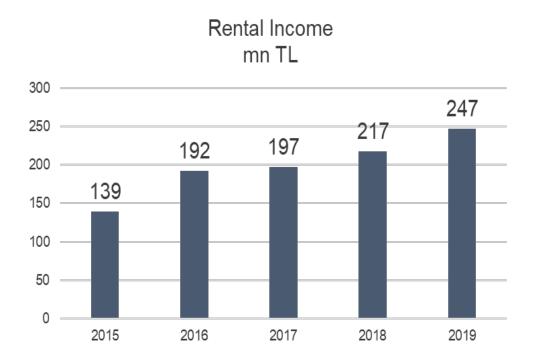
- ✓ Represent 90% of the total retail investments. (TL 1.087 mn)
- ✓ Represent 91% of the total retail rental income. (TL 75 mn)
- ✓ Kanyon represents 51% of the total retail rental income.

Retail Portfolio	TL, mr
Appraisal Value	1.208
2019 YE Rental Income	83





#### **Growth of the Rental Income**





# PROJECTS UNDER DEVELOPMENT





#### **Inistanbul Residential Project**



Location: Topkapı, Istanbul

**Investment model:** A joint venture between İş GYO and NEF (50-50%)

Total development cost\* : TL1.180 mn

Total saleable area\*: ≈ 250.000 sqm





**Income Projection** 

Total sales revenues\*: TL 1.530 mn

Number of units: 2.724\*\*



(\*)Total figures, ISGYO has 50% share. Finance cost &VAT not included in the development cost.

(\*\*)As of 31.12.2019, 2.121 residential units were delivered in the stages 1-2&3. Construction work still continues for the stage 4.





#### **İstanbul Financial Center Project (IFC)**

Location: Atasehir, Istanbul

**Project type :** A mixed use project (office & commercial)

Estimated saleable/leasable area : ≈ 33.000 sqm





\*Designed by

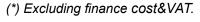
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#### **Income Projection**

Estimated development cost: TL380 mn\*

Estimated rental Income: TL 45-50 mn









### **PLANNED PROJECTS**





#### Kadıköy Hotel Project



Location: Kadikoy, Istanbul

Project Type: Hotel and commercial area

Acquisition Date: December, 2016

Land Area: 8.293 sqm

**Investment Model:** ISGYO has 45% share in the project

#### Tuzla Residential Project



Location: Tuzla, Istanbul

Acquisition date: January, 2016

Land Area: 53.460 sqm

The project has been postponed due to the current conjuncture.





### **DIVIDEND PAYOUT**





• According to the Dividend Policy, if the Company decides to distribute profits;

"dividend must be at least 30% of the total distributable income in the form of cash or bonus share".

- ✓ In the last 15 year period, except for 2006 & 2018, ISGYO distributed <u>cash dividend</u> to shareholders.
- ✓ ISGYO trades on BIST Dividend Index and BIST Dividend-25 Index.

Cash Dividend TL, mn	2013	2014	2015	2016	2017	2018
Period Income according to IFRS	247,9	328,4	555,9	420,5	179,9	341,6
Period Income according to LR*	99,3	71,3	131,5	155,2	221,8	127,7
Cash Dividend	31,5	47,6	52,2	63,8	68,5	
Dividend per share	0,05	0,07	0,07	0,075	0,075	-
Cash Dividend/ Period Income (LR*)	32%	67%	40%	41%	31%	

<sup>\*</sup> Legal Records(LR)





## FINANCIALS & FINANCIAL RATIOS





#### **Balance Sheet & Income Statement**

TL, mn	31.12.2019	TL, mn	31.12.2019
ASSETS	5.716,4	LIABILITIES	5.716,4
Current Assets	1.249,8	Short-term Liabilities	1.232,4
Long-term Assets	4.466,6	Long-term Liabilities	623,8
		Shareholders' Equity	3.860,2

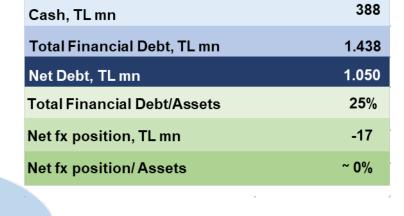
INCOME STATEMENT (TL, mn)	JanDec. 2019	JanDec. 2018
Sales Revenue	1.206,5	1.098,3
Cost of Sales	-956,0	-837,5
Gross Profit/Losses	250,5	260,8
EBIT	539,1	479,8
Net Finance Expense	-243,4	-139,5
Net Period Income/Loss	297,4	341,6
Gross Margin	21%	24%
EBIT Margin	45%	44%
Net Margin	25%	31%

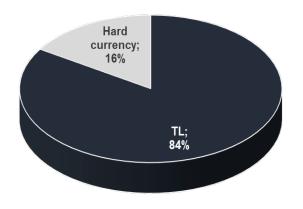


#### **Financial Debt & Cash Position**

Bank Loans	Outstanding Loan Original Amount TL mn	Date to Maturity	Outstanding Loan TL mn
Dolar Loan	\$35,8	4 years	213
Euro Loan	€2,4	1 year	16
TL Loans	723,9	1 year-3 years	723,9
Total			952,9

Bonds &Bills	Original Amount
Total	485





Fixed Rates; 93%

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Floating

Rates; 7%

Long Term National Rating: (TR) AA
Outlook: Stable





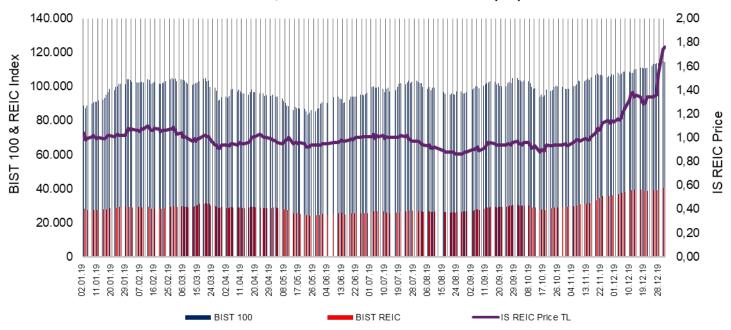
## STOCK PERFORMANCE





#### **Stock Price vs. Index Performance**

#### BIST 100, REIC Index & Is REIC Price (TL)



Stock Price & Index Performance (%)			
	2019	2018	
BIST 100	25,4	-20,9	
XGMYO	42,1	-35,5	
ISGYO	62,96	-11,7	

2019	ISGYO
P/BV	0,44
Avr. Trade Volume	TL 15,1 mn





#### **Investor Relations**

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Phone: +90 850 724 23 50 E-mail: mine.kurt@isgyo.com.tr This presentation has been prepared in order to inform investors.

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