

iş GYO



İS REAL ESTATE INVESTMENT COMPANY

Investor Presentation

31.03.2020

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

• Mcap

TL 1.218 mn

Total Mcap size of the sector is TL 23 bn.

• Asset Size

TL 5.285 mn

• Equity Size

TL 3.839 mn

• Real Estate Portfolio

TL 4.699 mn

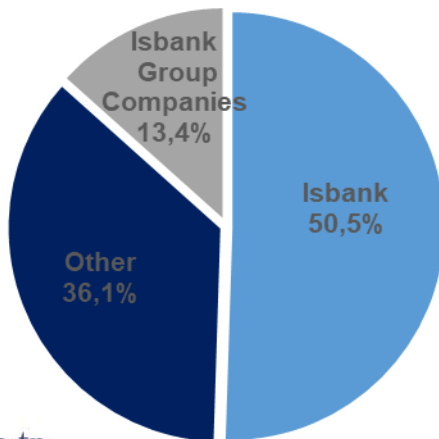
• Rental Portfolio Size

TL 3.755 mn

• Rental Income for 1Q2020

TL 57 mn

Ownership Breakdown of the Capital

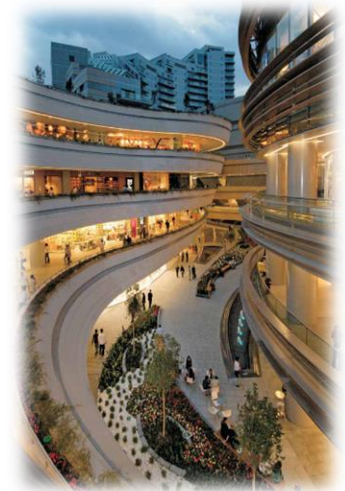


Almost 64% of the capital is held by Isbank and Is Group companies

41% of the capital is in free float

Why IS REIC?

- ✓ **Diversified real estate portfolio**
 - *Balanced exposure in office, retail and residential sector*
 - *Office 54%, retail 26%*
- ✓ **Solid & growing rental income**
 - *~TL 57 mn rental income for 1Q2020.*
- ✓ **Financially strong tenants & long-term leases**
 - *53% of the rental income comes from İş Group*
 - *Average duration of the lease contracts longer than 5 years*
- ✓ **Low foreign currency debt**
 - ✓ *19% of the total debt in foreign currency*
- ✓ **Strong shareholder structure**

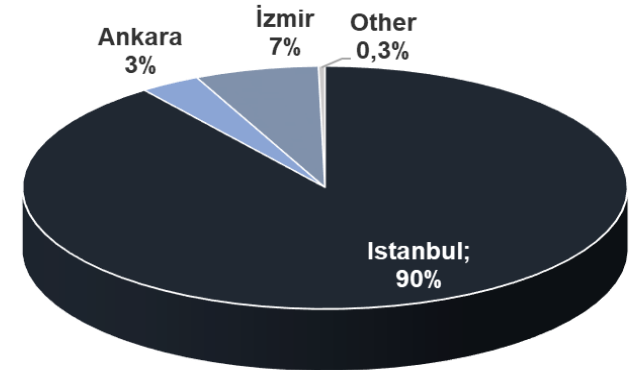
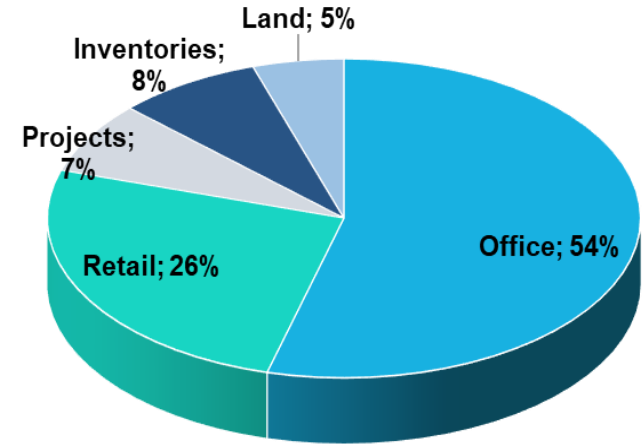


ISGYO PORTFOLIO

Real Estate Portfolio Breakdown

Real Estate Portfolio Value		
	mn TL	
Office	2.546	54%
Retail	1.209	26%
	3.755	80%
Inventories	372	8%
Projects	339	7%
Land	234	5%
	4.699	100%

Rental Portfolio

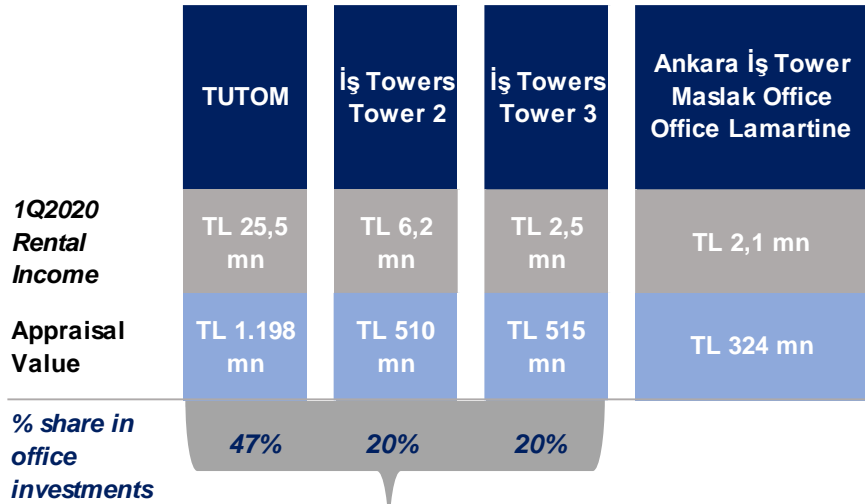


*Inventories represent the undelivered units in Ege Perla, Manzara Adalar and İstanbul Residentials. Projects represent IFC Project and 4th stage of İstanbul Residential Project.

**11% of the real estate portfolio is in residential.

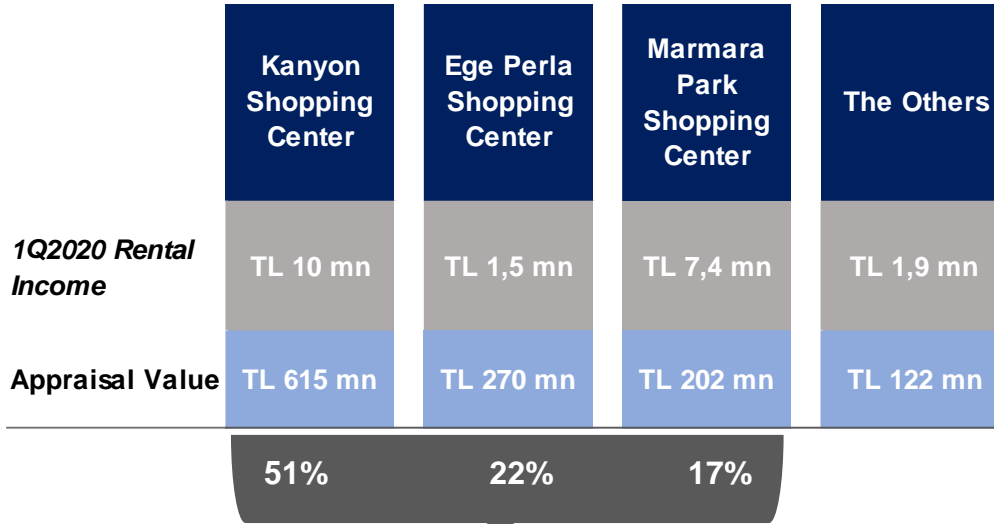


RENTAL PORTFOLIO



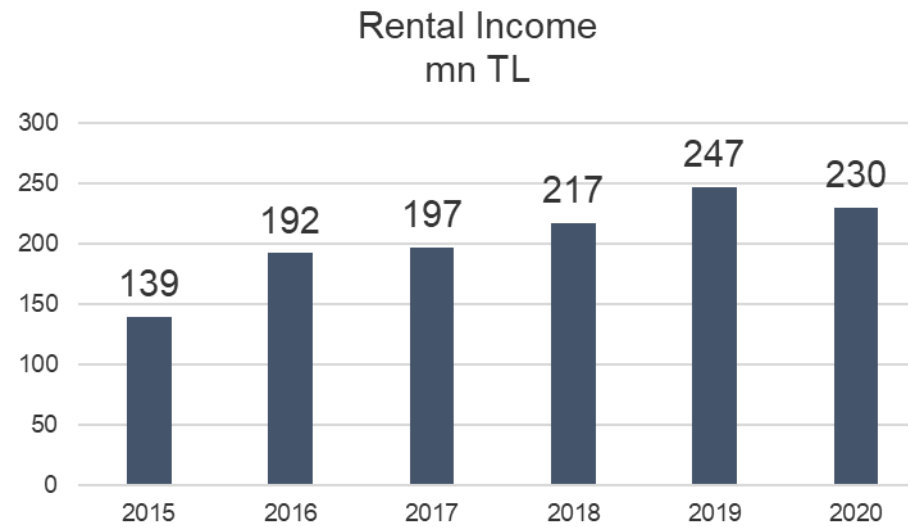
- ✓ Represent 87% of the total office investments. (TL 2.223 mn)
- ✓ Represent 94% of the total office rental income. (TL 34 mn)

Office Portfolio	TL, mn
Appraisal Value	2.546
1Q2020 Rental Income	36



- ✓ Represent 90% of the total retail investments. (TL 1.087 mn)
- ✓ Represent 90% of the total retail rental income. (TL 19 mn)
- ✓ Kanyon represents 48% of the total retail rental income.

Retail Portfolio	TL, mn
Appraisal Value	1.209
1Q2020 Rental Income	21



PROJECTS UNDER DEVELOPMENT

İstanbul Residential Project

Location : Topkapı, İstanbul

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

Total development cost* : TL1,2 bn

Total saleable area*: ≈ 250.000 sqm



Designed by PERKINS+WILL

Income Projection

Total sales revenues* : TL 1.540 mn

Number of units: 2.741**

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

(**)As of 31.03.2020, 2.126 residential units were delivered. Construction work still continues for the stage 4.

Istanbul Financial Center Project (IFC)

Location : Atasehir, Istanbul

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

Estimated saleable/leasable area : ≈ 33.000 sqm



**Designed by*



(*) Excluding finance cost&VAT.

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 and 2019 ISGYO distributed cash dividend to shareholders.

Cash Dividend TL, mn	2013	2014	2015	2016	2017	2018	2019
Period Income according to IFRS	247,9	328,4	555,9	420,5	179,9	341,6	297,4
Period Income according to LR*	99,3	71,3	131,5	155,2	221,8	127,7	99,8
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%	-	-

*Legal Records(LR)

** The Company decided not to distribute dividends related with 2019 year profit.

FINANCIALS & FINANCIAL RATIOS

Balance Sheet & Income Statement

TL, mn	31.03.2020
ASSETS	5.285,0
<i>Current Assets</i>	823,6
<i>Long-term Assets</i>	4.461,4

TL, mn	31.03.2020
LIABILITIES	5.285,0
<i>Short-term Liabilities</i>	1.068,5
<i>Long-term Liabilities</i>	377,0
<i>Shareholders' Equity</i>	3.839,5

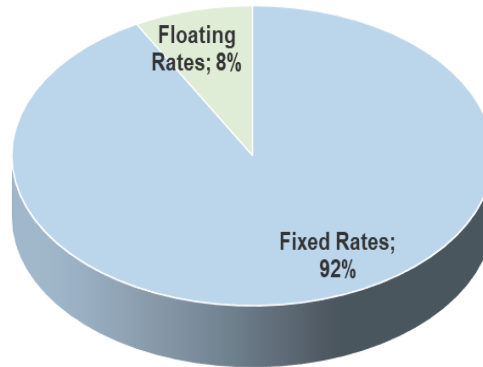
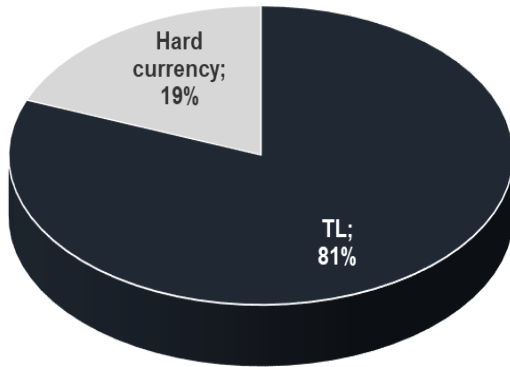
INCOME STATEMENT (TL, mn)	Jan.-Mar. 2020	Jan.-Mar. 2019
Sales Revenue	70,9	76,6
<i>Cost of Sales</i>	23,9	25,3
Gross Profit/Losses	47,0	51,2
EBIT	32,6	41,3
<i>Net Finance Expense</i>	53,8	48,2
Net Period Income/Loss	-20,7	-6,3
Gross Margin	66%	67%
EBIT Margin	46%	54%
Net Margin	-	-

Financial Debt & Cash Position

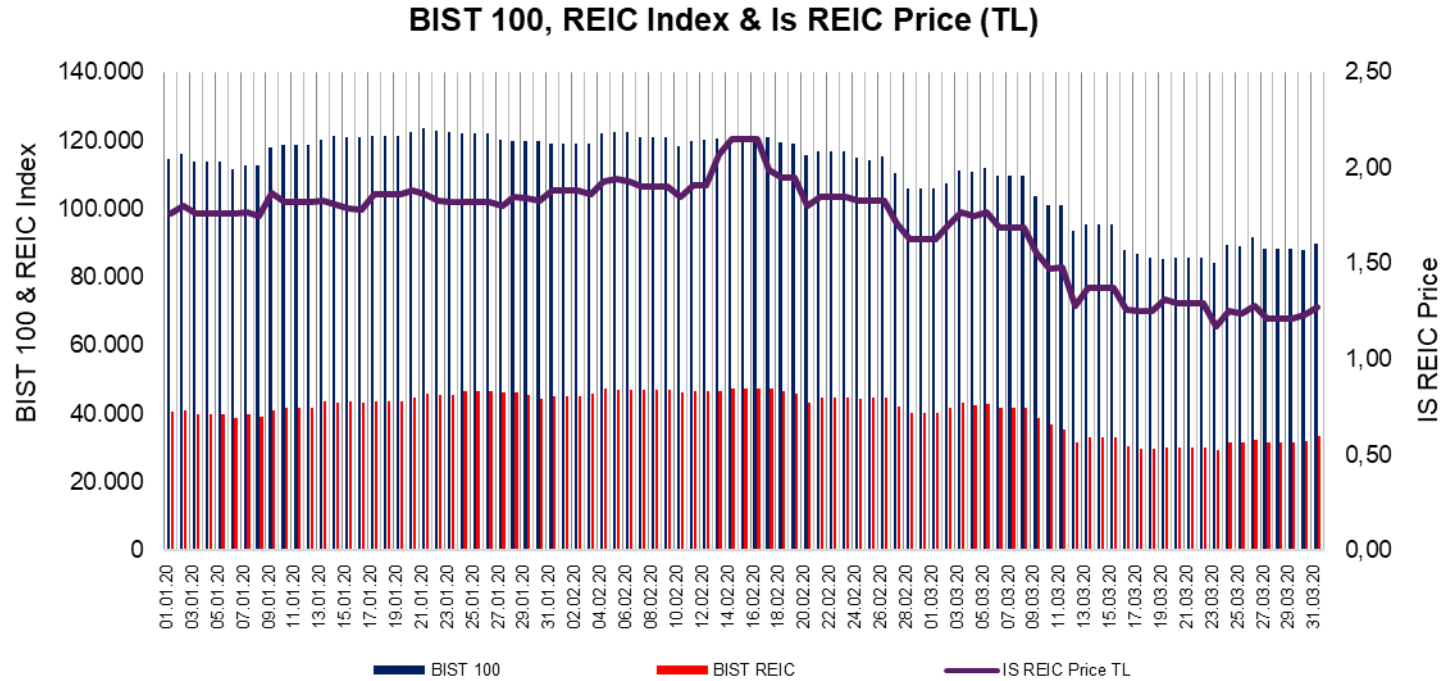
Bank Loans	Outstanding Loan Original Amount (TL mn)	Date to Maturity	Outstanding Loan TL mn
Dolar Loan	\$36,4	3 years	237
TL Loans	590	1 year-3 years	590
Total			827

Bonds & Bills	Original Amount
Total	391

Cash, TL mn	138
Total Financial Debt, TL mn	1.218
Net Debt, TL mn	1.080
Total Financial Debt/Assets	23%



STOCK PERFORMANCE



Stock Price & Index Performance (%)		
	1Q2020	2019
BIST 100	-22	25
XGMYO	-18	42
ISGYO	-28	63

1Q2020	ISGYO
P/BV	0,32
Avr. Trade Volume	TL 174,3 mn

Ayşegül Şahin Kocameşe

Head

Financial Reporting & Investor Relations

Phone : +90 850 724 23 50

E-mail : aysegul.sahin@isgyo.com.tr

Mine Kurt Yıldırım

Assistant Manager

Investor Relations

Phone : +90 850 724 23 50

E-mail : mine.kurt@isgyo.com.tr

This presentation has been prepared in order to inform investors.

Since the presentation has been prepared regarding the previous period, the data in it may not reflect the current situation. The estimations regarding projects are given in accordance with feasibility studies prepared on basis of certain assumptions and may be updated any time.

ISGYO management and employees can not be held responsible for any damages or losses arising from the direct/indirect use of content in this presentation.

For more information : investorrelations@isgyo.com.tr