

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi
Condensed Statement of Financial Position (Balance Sheet)
For the Interim Period Ended September 30, 2019
(Amounts expressed in Turkish Lira (“TL”) unless otherwise indicated.)

		<i>Reviewed</i>	<i>Audited</i>
	<i>Notes</i>	September 30, 2019	December 31, 2018
ASSETS			
Current assets		691.214.378	752.744.479
Cash and cash equivalents	5	51.097.252	54.236.749
Trade receivables	8	133.029.188	107.442.054
<i>Trade receivables from related parties</i>	24	2.701.412	4.680.762
<i>Trade receivables from third parties</i>		130.327.776	102.761.292
Other receivables	9	5.574.007	718.345
<i>Other receivables from related parties</i>	24	--	35.610
<i>Other receivables from third parties</i>		5.574.007	682.735
Derivatives	6	46.285.610	59.536.713
Inventories	11	304.925.252	307.030.105
Inventories under development	11	111.828.845	209.357.229
Prepaid expenses	16	8.481.556	14.386.026
<i>Prepaid expenses to related parties</i>	24	1.250.318	2.788.312
<i>Prepaid expenses to third parties</i>		7.231.238	11.597.714
Other current assets	16	29.992.668	37.258
Non-current assets		4.433.385.125	4.469.588.445
Trade receivables	8	39.639.215	44.389.008
<i>Other trade receivables from third parties</i>		39.639.215	44.389.008
Inventories	11	175.370.569	174.550.000
Equity accounted investees	3	3.349.724	3.088.133
Investment properties	10	3.920.117.331	3.679.192.500
Investment properties under development	10	252.575.936	474.295.599
Tangible assets	12	32.814.760	33.814.159
Intangible assets	13	985.189	1.015.609
Prepaid expenses	16	8.532.401	5.982.425
<i>Prepaid expenses to third parties</i>		8.532.401	5.982.425
Other non-current assets	16	--	53.261.012
TOTAL ASSETS		5.124.599.503	5.222.332.924

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(Amounts expressed in Turkish Lira (“TL”) unless otherwise indicated.)

		<i>Reviewed</i>	<i>Audited</i>
		September 30, 2019	December 31, 2018
LIABILITIES			
Short-term liabilities		1.070.839.024	1.091.581.932
Short term loans and borrowings	7	388.838.530	--
<i>Loans and borrowings to related parties</i>	24	114.550.160	--
<i>Loans and borrowings to third parties</i>		274.288.370	--
Current portion of long term loans and borrowings	7	436.543.519	742.664.172
<i>Loans and borrowings to related parties</i>	24	215.150.557	235.002.422
<i>Loans and borrowings to third parties</i>		221.392.962	507.661.750
Trade payables	8	19.790.641	34.901.072
<i>Trade payables to related parties</i>	24	11.185.744	16.360.219
<i>Trade payables to third parties</i>	8	8.604.897	18.540.853
Other payables	9	14.522.729	20.833.806
<i>Other payables to third parties</i>	9	14.522.729	20.833.806
Liabilities from contracts with customers		191.421.558	279.436.381
<i>Contractual obligations from sales of goods and services</i>	17	191.421.558	279.436.381
Deferred income (Excluding liabilities from contracts with customers)	16	2.986.778	7.283.080
<i>Deferred income from related parties</i>	24	91.583	257.870
<i>Deferred income from third parties</i>		2.895.195	7.025.210
Short-term provisions		8.757.598	5.205.156
<i>Provisions for employee benefits</i>	15	440.197	390.946
<i>Other short-term provisions</i>	14	8.317.401	4.814.210
Other short-term liabilities	16	738.252	1.258.265
Derivatives	6	7.239.419	--
Long-term liabilities		528.366.579	573.811.637
Loans and borrowings	7	526.416.598	572.183.948
<i>Loans and borrowings to related parties</i>	24	265.207.592	381.929.982
<i>Loans and borrowings to third parties</i>		261.209.006	190.253.966
Long term provisions		1.949.981	1.627.689
<i>Provisions for employee benefits</i>	15	1.949.981	1.627.689
EQUITY		3.525.393.900	3.556.939.355
Share capital	18	958.750.000	958.750.000
Inflation restatement difference on share capital	18	240.146.090	240.146.090
Share premium	18	423.981	423.981
Other comprehensive income that will never be reclassified to profit or loss		30.669.212	30.669.212
<i>Revaluation and classification of gains / losses</i>		31.053.049	31.053.049
<i>Other earnings/ losses</i>		(383.837)	(383.837)
Restricted reserves	18	65.949.792	59.561.684
Prior years' profits	18	2.261.000.280	1.925.777.515
Net profit for the period		(31.545.455)	341.610.873
TOTAL EQUITY AND LIABILITIES		5.124.599.503	5.222.332.924

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

Condensed Statement of Profit or Loss

For the Interim Period Ended September 30, 2019

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

		<i>Reviewed</i>	<i>Reviewed</i>	<i>Reviewed</i>	<i>Reviewed</i>
		January 1-	July 1-	January 1-	July 1-
	Notes	September 30,	September 30,	September 30,	September 30,
		2019	2019	2018	2018
Revenue	19	388.687.696	140.150.256	986.631.970	236.966.748
Cost of revenue (-)	19	(211.385.600)	(80.347.632)	(773.469.362)	(172.852.375)
Gross profit		177.302.096	59.802.624	213.162.608	64.114.373
General administrative expense (-)	20	(23.191.002)	(6.628.145)	(18.847.781)	(5.815.858)
Marketing expenses (-)	20	(10.730.020)	(2.638.588)	(14.505.720)	(938.654)
Other operating income	21	7.391.436	115.921	9.904.504	7.268.344
Other operating expense (-)	21	(1.209.782)	(1.207.998)	(11.327.968)	(10.277.968)
Operating profit		149.562.728	49.443.814	178.385.643	54.350.237
Share of profit of equity-accounted investees	3	1.261.591	377.764	921.573	143.886
Operating Profit Before Finance Expense		150.824.319	49.821.578	179.307.216	54.494.123
Financial income	22	--	(6.582.227)	102.019.085	62.089.471
Financial expenses (-)	22	(182.369.774)	(56.244.420)	(189.391.921)	(119.754.470)
Operating Profit before Tax From Continuing Operations		(31.545.455)	(13.005.069)	91.934.380	(3.170.876)
Tax Expense From Continuing Operations					
- Corporate tax charge		--	--	--	--
- Deferred tax benefit		--	--	--	--
Net profit for the period		(31.545.455)	(13.005.069)	91.934.380	(3.170.876)
Earnings per share	23	(0,0003)	(0,0001)	0,0010	0,0000

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi
Condensed Statement of Other Comprehensive Income
For the Interim Period Ended September 30, 2019

(Amounts expressed in Turkish Lira (“TL”) unless otherwise indicated.)

		<i>Reviewed</i>	<i>Reviewed</i>	<i>Reviewed</i>	<i>Reviewed</i>
		January 1- September 30, 2019	July 1- September 30, 2019	January 1- September 30, 2018	July 1- September 30, 2018
Net profit for the period	Notes	(31.545.455)	(13.005.069)	91.934.380	(3.170.876)
Other comprehensive income		--	--	--	--
Other comprehensive income that will never be reclassified to profit or loss		--	--	--	--
Revaluation and classification of gains / losses		--	--	--	--
Actuarial gain/(loss) arising from defined benefit plans		--	--	--	--
Other comprehensive income		--	--	--	--
TOTAL COMPREHENSIVE INCOME		(31.545.455)	(13.005.069)	91.934.380	(3.170.876)

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

Consensed Statement of Changes in Equity

For the Interim Period Ended September 30, 2019

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

					Other comprehensive income that will never be reclassified to profit or loss					
	Notes	Share capital	Inflation restatement difference on share capital	Share premium	Other earnings/ losses	Revaluation and classification of gains / losses	Legal reserves	Prior years' profits	Net profit for the period	Total
Balances at January 1, 2018		913.750.000	240.146.090	423.981	(223.542)	27.610.009	46.188.875	1.872.724.737	179.956.837	3.280.576.987
Transfers		--	--	--	--	--	13.372.809	166.584.028	(179.956.837)	--
Total comprehensive income		--	--	--	--	--	--	--	91.934.380	91.934.380
Capital increase		45.000.000	--	--	--	--	--	(45.000.000)	--	--
Dividends		--	--	--	--	--	--	(68.531.250)	--	(68.531.250)
Balances at September 30, 2018	18	958.750.000	240.146.090	423.981	(223.542)	27.610.009	59.561.684	1.925.777.515	91.934.380	3.303.980.117
Balances at January 1, 2019		958.750.000	240.146.090	423.981	(383.837)	31.053.049	59.561.684	1.925.777.515	341.610.873	3.556.939.355
Transfers		--	--	--	--	--	6.388.108	335.222.765	(341.610.873)	--
Total comprehensive income		--	--	--	--	--	--	--	(31.545.455)	(31.545.455)
Balances at September 30, 2019	18	958.750.000	240.146.090	423.981	(383.837)	31.053.049	65.949.792	2.261.000.280	(31.545.455)	3.525.393.900

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi
Consensed Statement of Cash Flow
For the Interim Period Ended September 30, 2019
(Amounts expressed in Turkish Lira (“TL”) unless otherwise indicated.)

		<i>Revised</i>	<i>Revised</i>
		<i>Reviewed</i>	<i>Reviewed</i>
		1 January -	1 January -
		30 September	30 September
	Notes	2019	2018
A. Cash flows from operating activities			
Net profit for the period		(31.545.455)	91.934.380
Profit adjustments for:			
Adjustments to depreciation and amortization	12, 13	1.493.869	1.341.716
Adjustments to impairment or cancelation		2.850.300	10.790.070
- <i>Adjustments to impairment of receivables</i>	8	2.850.300	512.102
- <i>Adjustments to impairment of inventories</i>		--	10.277.968
Adjustments for provisions		1.699.745	545.235
- <i>Adjustments to provision for employee severance indemnity</i>	15	491.748	545.235
- <i>Adjustments to provision for legal cases</i>	14	1.207.997	--
Adjustments for (gain)/losses on fair value		7.675.952	(102.974.074)
- <i>Adjustments to (gain)/losses on fair value of investment property</i>	10	(2.740.000)	(955.000)
- <i>Adjustments to (gain)/losses on fair value of derivatives</i>	22	10.415.952	(102.019.074)
Adjustments for retained earnings of investments valued by equity method		(1.261.591)	(921.573)
- <i>Adjustments for retained earnings of subsidiaries</i>	3	(1.261.591)	(921.573)
Adjustments for loss or gain on sales of non-current assets		--	2.225.000
- <i>Adjustments for loss or gain on sales of investment property</i>	19	--	2.225.000
Adjustments to interest income and expense		143.392.285	53.584.385
- <i>Adjustments to interest income</i>	19	(8.192.774)	(6.890.462)
- <i>Adjustments to interest expense</i>	22	151.585.059	60.474.847
Adjustments to foreign exchange differences		18.106.857	126.420.168
Operating profit before the changes in working capital		142.411.962	182.945.307
Changes in working capital			
Changes in trade receivables		(23.687.641)	(232.373.646)
- <i>Changes in trade receivables from related parties</i>		1.979.350	493.040
- <i>Changes in trade receivables from third parties</i>		(25.666.991)	(232.866.686)
Changes in other receivables		(3.855.662)	(388.112)
- <i>Changes in other receivables from related parties</i>		1.035.610	750.000
- <i>Changes in other receivables from third parties</i>		(4.891.272)	(1.138.112)
Changes in inventories		106.888.277	419.836.454
Changes in derivative assets		(4.426.958)	(125.978)
Changes in prepaid expenses		3.354.494	58.049.816
Changes in trade payables		(15.110.431)	(21.300.595)
- <i>Changes in trade payables from related parties</i>		(5.174.475)	(5.062.702)
- <i>Changes in trade payables from third parties</i>		(9.935.956)	(16.237.893)
Changes in other payables		(6.311.077)	(17.507.496)
- <i>Changes in other payables from third parties</i>		(6.311.077)	(17.507.496)
Changes in derivative liabilities		4.582.320	--
Changes in liabilities from contracts with customers		(88.014.823)	(325.305.696)
- <i>Changes in contractual obligations from sales of goods and services</i>		(88.014.823)	(325.305.696)
Changes in deferred income (Excluding liabilities from contracts with customers)		(4.296.302)	(7.167.770)
Other changes in working capital		25.080.784	35.185.906
- <i>Changes in other assets</i>		23.305.602	13.477.886
- <i>Changes in other liabilities</i>		1.775.182	21.708.020
		136.614.943	91.848.190
Cash generated from operating activities			
Employee termination benefits paid	15	(120.206)	(703.641)
Interest received	5, 19	8.800.872	7.528.913
Net cash provided by / (used in) operating activities		145.295.609	98.673.462
B. Cash flows from investing activities			
Cash outflows arising from purchases of investment properties		(9.934.771)	(48.617.983)
Cash inflows arising from sales of investment properties		--	52.135.000
Cash outflows arising from purchases of tangible and intangible assets	12, 13	(464.050)	(965.991)
- <i>Cash outflows arising from purchases of tangible assets</i>		(7.488)	(448.263)
- <i>Cash outflows arising from purchases of intangible assets</i>		(456.562)	(517.728)
Net cash used in investing activities		(10.398.821)	2.551.026
C. Cash flows from financing activities			
Dividends paid	18	--	(68.531.250)
Cash inflows arising from derivatives		9.919.208	--
Borrowings received	7	1.071.072.948	216.269.873
Borrowings paid	7	(1.049.288.932)	(172.484.416)
Interest paid	7	(169.111.714)	(121.801.418)
Net cash provided by financing activities		(137.408.490)	(146.547.211)
Increase / (decrease) in cash and cash equivalents before effect of changes in foreign currency rates		(2.511.702)	(45.322.723)
Effect of changes in foreign currency rates over cash and cash equivalents		(19.697)	(52.601)
Net increase / (decrease) in cash and cash equivalents		(2.531.399)	(45.375.324)
Cash and cash equivalents at the beginning of the period	5	53.467.044	82.425.118
Cash and cash equivalents at the end of the period	5	50.935.645	37.049.794