

INVESTMENT PORTFOLIO of İŞ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. (ISGYO)
as of 31.12.2014

TOTAL INVESTMENT PORTFOLIO	TL	%
Office Buildings	941.933.600	32%
Istanbul Is Towers	546.000.000	
Ankara Is Tower	107.300.000	
Maslak Building	82.248.600	
Ankara Ulus Office Building	31.590.000	
Ankara Kizilay Office Building	29.500.000	
Antalya Office	17.200.000	
Sirkeci Office Building	37.200.000	
Günesli Office Building	46.600.000	
Office Lamartine	44.295.000	
Hotels	21.505.000	1%
Kapadokya Lodge Hotel	21.505.000	
Shopping Centers & Retail	641.742.650	25%
Kanyon Shopping Center	390.000.000	
Kule Carşı Shopping Center	54.000.000	
Real Hypermarket Building	81.000.000	
Marmara Park Shopping Center	106.600.000	
Mallmarine Shopping Center	10.142.650	
Residential	6.286.000	0%
Çınarlıbahçe Tuzla Residentials	6.286.000	
Projects	1.124.894.500	39%
Technology and Operations Center & Mixed Use	478.600.000	
Ege Perla Mixed Use	167.652.000	
Istanbul Finance Center Mixed Use	122.455.000	
Topkapı Residential Project	187.962.500	
Kartal Mixed Use Project	168.225.000	
Lands	29.471.500	1%
Üsküdar Land	25.665.000	
Levent Land	3.806.500	
General Total of Properties	2.765.833.250	95%
Cash and Marketable Securities	139.035.941	5%
Participations	500.000	0%
TOTAL PORTFOLIO VALUE	2.905.369.191	100%

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

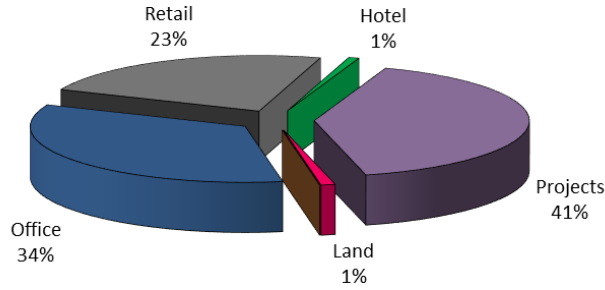
As of 31.12.2014 total portfolio value of the Company is TL 2.905 million.

Breakdown of Investment Portfolio (000 TL)	2012	2013	2014
Real Estate Portfolio	1.927.748	2.309.148	2.765.833
Money and capital market instruments	93.031	105.279	139.036
Participations	265	288	500
Total Portfolio Value	2.021.044	2.414.715	2.905.369

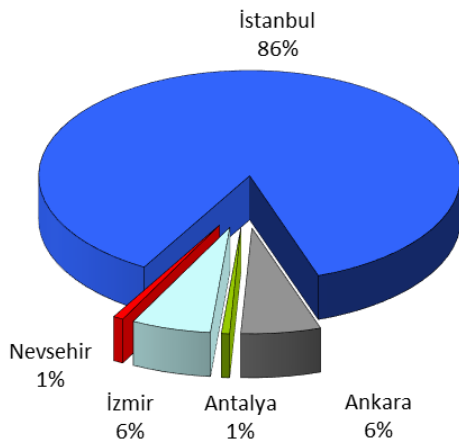
95% of the Company's total portfolio is invested in real estate sector and the real estate portfolio is comprised of rent generating commercial assets, real estate projects and land investments.

I. REAL ESTATE PORTFOLIO

In terms of the appraisal values; 41% of the real estate investments is invested in real estate projects, 34% in office sector; 23% in retail sector and the remaining 2% is invested in hotel and land.



In terms of geography; 86% of the investments is located in Istanbul, 6% in Ankara, 6% in Izmir and the remaining 2% is invested in Antalya, Nevsehir and Mugla.



Rental Income Generated From The Real Estate Portfolio

58% of the real estate portfolio generates rental income. Total annual rent generated from the real estate portfolio is USD 53 million as of 31.12.2014.

Almost 60% of the rental income is generated from office investments while retail investments has 40% share in the rental income.

Property Name	Annual Rent \$ mn (without VAT)	%
Is Towers II & III	17,2	32,4%
Kanyon Shopping Center	12,2	23,1%
Marmara Park Shopping Center	5,0	9,4%
Ankara Is Tower	3,7	7,0%
Gunesli Office Building	2,7	5,0%
Real Hypermarket Building	2,3	4,4%
Maslak Building	1,8	3,4%
Ankara-Ulus Office Building	1,6	3,0%
Kule Carsi Shopping Center	1,6	2,9%
Sirkeci Office Building	1,5	2,9%
Ankara-Kizilay Office Building	1,4	2,6%
Office Lamartine	0,8	1,5%
Antalya Office Building	0,7	1,4%
Kapadokya Lodge Hotel	0,3	0,5%
Mallmarine Shopping Center	0,2	0,4%
Total	53,0	100%

Total Annual Rent Including VAT: \$ 62,5 mn (Dec. 31, 2014 1\$ = TL 2,3189)

- 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.
- As of 31.12.2014 currency breakdown of Company's rental income is; 38% in USD, 5% in Euro and 57% in Turkish Lira.

REAL ESTATE PROJECTS

Projects Under Development

Technology & Operation Center and Tuzla Mixed Use Project (Tuzla Parcel no 1&2)

On parcel no 1, having an area of 44.395 sqm, Technology & Operation Center project is being developed as a turnkey project for Isbank. The center has been already leased to Isbank for 25 years and according to the agreement the annual rental rate will be determined over the final development cost. The total GLA of the operation center is 184.500 sqm and the expected annual rental income is \$23-25 mn.

On parcel no 2, having an area of 21.305 sqm, next to the technology & operation center project; a mixed use project is being developed. The mixed use project will comprise a commercial center (designed for meeting the basic needs of the people working in the operation center) and office units. The expected annual rental income from the project is approximately \$6-9 mn.

ISGYO took the construction permit of Technology & Operation Center and Tuzla Mixed Use Project in June, 2012. Currently construction activity continues for both of the projects and the estimated completion date is the third quarter of 2015.

Ege Perla Mixed Use Project

The mixed use project “Ege Perla” is being developed on 18.392 sqm land in the “new city center” of İzmir. Ege Perla, comprises a shopping center with 25.600 sqm GLA and home and home-offices in two towers with a total saleable area of 33.000 sqm. The project, whose architectural design is made by Aga Khan Award winner architect Emre Arolat, is aimed to be an important icon for İzmir by becoming a city park for all users with its architecture integrating the city.

The project land was purchased from Isbank and according to the agreement, 50% of the net profit from the unit sales will be transferred to Isbank. The expected net profit for the unit sales is \$10-15 mn and the estimated rental income of the shopping center in Ege Perla is \$ 7-10 mn.

ISGYO took the construction permit for Ege Perla in September 2012 and the preselling activities started in November 2012. Currently construction activity continues for the project and the estimated completion date is 2015 year end.

Kartal 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. The project which is designed by Perkins Eastman has a total development cost of \$270-300 mn. The expected sales revenue for residentials is \$290-300 mn and the expected total rental income for offices and commercial area is \$10-13 million.

ISGYO took the construction permit for Kartal Mixed Use Project in September 2014 and the estimated completion date for the project is 2017.

Pipeline Projects

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 plans to develop 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 price is approximately \$110-120 mn. ISGYO plans to partly sell or lease the offices and commercial areas in the project. Total expected rental income from the total units is \$9-12 mn.

Topkapı Residential Project

The project land having central location, was purchased from Şişe Cam and Anadolu Cam for an amount of TL 320 mn at the end of 2013 in order to develop a joint project with NEF (Timur Real Estate). The total development cost of the project including land is \$370-400 million and expected sales revenue for the project is \$530-590 million. ISGYO and NEF both have 50% share in the project.

The legal process regarding the construction permit of Topkapı Residential Project still continues.

Completed Project

Cinarli Bahce Residential

The residential project, located in Tuzla, İstanbul, comprises 476 units ranging between 58-212 sqm with 56.484 sqm total saleable area. The deliveries of the units in Çınarlı Bahçe started in August 2013 and as of 31.12.2014, 98% of the totals units have been delivered.

II. MONEY AND CAPITAL MARKETS INSTRUMENTS

Money and capital market instruments represent 5% of the investment portfolio. As of 31.12.2014, the value of money&capital market instruments is TL139.035.941

Breakdown of Money&capital Market Instruments		
31.12.2014	TL	%
<i>Time and Demand Deposits (Local Currency)</i>	45.185.685	32%
<i>Time and Demand Deposits (Foreign Currency)</i>	23.568.472	17%
<i>T-bills & Bonds</i>	15.126.664	11%
<i>Other</i>	55.155.120	40%
TOTAL	139.035.941	