

INVESTMENT PORTFOLIO of İŞ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. (ISGYO)
as of 31.12.2017

TOTAL INVESTMENT PORTFOLIO	TL mn	%
Office Buildings	2.349,1	45%
Tuzla Technology and Operation Center	941,3	
Istanbul Is Towers (Tower 2 & 3)	833,9	
Tuzla Office	232,4	
Ankara Is Tower	135,4	
Maslak Building	107,6	
Office Lamartine	50,5	
Ankara Ulus Office Building	47,8	
Shopping Centers & Retail	1.037,1	20%
Kanyon Shopping Center	510,1	
Ege Perla Shopping Center	245,1	
Marmara Park Shopping Center	162,0	
Kule Carşı Shopping Center	66,4	
Tuzla Retail	37,9	
Mallmarine Shopping Center	13,0	
Çınarlıbahçe Tuzla Retail	2,6	
Projects	1.420,1	27%
Istanbul Finance Center	191,9	
Topkapı Residential Project	511,5	
Kartal Mixed Use Project	716,7	
Hotels	25,4	0%
Kapadokya Lodge Hotel	25,4	
Inventories	84,6	2%
Residential and offices on sale in Ege Perla	84,6	
Lands	215,7	4%
Tuzla Land	168,1	
Üsküdar Land	43,3	
Levent Land	4,3	
Cash and Marketable Securities	83,1	2%
Participations	0,5	0%
TOTAL PORTFOLIO VALUE	5.215,6	100%

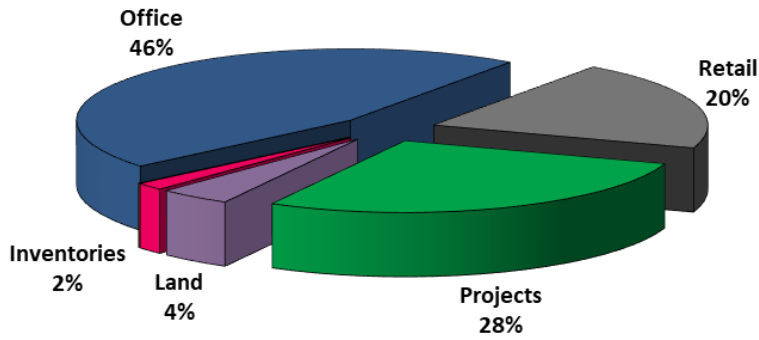
Company's investment portfolio is comprised of real estates, money & capital markets instruments and participations.

As of 31.12.2017 total portfolio value of the Company is TL 5.215 million.

Breakdown of Investment Portfolio (000 TL)	2015	2016	2017
Real Estate Portfolio	3.911.893	4.762.652	5.131.990
Money and capital market instruments	123.908	127.262	83.117
Participations	500	500	500
Total Portfolio Value	4.036.301	4.890.414	5.215.607

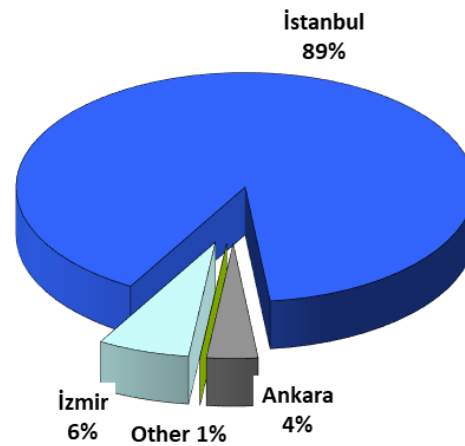
98% of the Company's total portfolio is invested in real estate sector and the real estate portfolio is comprised of rent generating commercial assets, real estate projects, inventories and land investments.

I. REAL ESTATE PORTFOLIO



In terms of the appraisal values; 46% of the real estate investments is invested in office sector, 28% in real estate projects, 20% in retail sector, 2% in inventories while the remaining 4% is invested in land.

In terms of geography; 89% of the investments is located in Istanbul, 6% in Izmir, 4% in Ankara and the remaining 1% is invested in Nevsehir and Mugla.



Rental Income Generated From The Rental Portfolio

Property Name	2017 Rental Income mn TL (without VAT)	%
TUTOM	67,2	34,1%
Kanyon Shopping Center	36,6	18,6%
Is Towers Complex (Tower II & Kule Carsi)	30,3	15,4%
Marmara Park Shopping Center	18,3	9,3%
Tuzla Office and Retail	16,6	8,4%
Metro Hypermarket Building*	9,3	4,7%
Maslak Building	5,1	2,6%
Ankara-Ulus Office Building	4,3	2,2%
Ege Perla Shopping Center**	2,8	1,4%
Ankara-Kizilay Office Building*	2,2	1,1%
Office Lamartine	1,8	0,9%
Antalya Office Building*	1,2	0,6%
Ankara Is Tower	0,7	0,4%
Others	0,9	0,5%
Total	197,2	100%

*Sold out in August, 2017.

** Operational since Sep, 2017

- 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.

REAL ESTATE PROJECTS

Projects Under Development

Kartal Manzara Adalar 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. Manzara Adalar mixed use project which is designed by Perkins Eastman has a total development cost (excluding borrowing cost) of TL 620-640 mn. The expected total rental income for offices and commercial area is TL 26-28 mn (ISGYO's share TL 16-17 mn). The estimated completion date for the project is the first half of 2018.

Topkapı İstanbul Residential Project

The project land having central location, was purchased from Şişe Cam Group in order to develop a joint project with NEF (Timur Real Estate) with cost and revenue sharing model. The total

development cost of the project excluding borrowing cost is TL 1.1-1.2 billion and expected sales revenue for the project is TL 1.5-1.6 billion. ISGYO and NEF both have 50% share in the project.

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 as a part of Istanbul Finance Project (IFP) of the government. Estimated project development cost including land (excluding borrowing cost) is approximately TL 260-280 mn. Total expected rental income from the project is approximately TL 45-50 mn.

II. MONEY AND CAPITAL MARKET'S INSTRUMENTS

Money and capital market instruments represent 2% of the investment portfolio. As of 31.12.2017, the value of money&capital market instruments is TL 83,1 mn.

Breakdown of Money&capital Market Instruments		
31.12.2017	TL	%
<i>Time&Demand Deposits (Local currency)</i>	44.345.110	53%
<i>Time Deposits (Foreign currency)</i>	24.683.756	30%
<i>Mutual Fund</i>	13.793.590	17%
<i>Other</i>	295.136	0%
TOTAL	83.117.592	