

**INVESTMENT PORTFOLIO of İŞ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. (ISGYO)**  
as of 30.09.2018

<b>TOTAL INVESTMENT PORTFOLIO</b>	<b>TL mn</b>	<b>%</b>
<b>Office Buildings</b>	<b>2.447,4</b>	<b>54%</b>
Tuzla Technology and Operation Center	941,3	
Istanbul Is Towers	833,9	
Tuzla Office	227,5	
Kartal Office	151,1	
Ankara Is Tower	135,4	
Maslak Building	107,6	
Office Lamartine	50,5	
<b>Retail</b>	<b>1.099,6</b>	<b>24%</b>
Kanyon Shopping Center	510,1	
Ege Perla Shopping Center	245,1	
Marmara Park Shopping Center	162,0	
Kule Carşı Shopping Center	66,4	
Kartal Retail	57,5	
Tuzla Retail	42,9	
Mallmarine Shopping Center	13,0	
Çınarlıbahçe Tuzla Retail	2,6	
<b>Projects</b>	<b>403,8</b>	<b>9%</b>
Istanbul Finance Center Project	191,9	
İnistanbul Topkapı Residential Project*	211,9	
<b>Inventories</b>	<b>296,3</b>	<b>7%</b>
Residentials and offices (Ege Perla)*	50,8	
Residentials (Manzara Adalar)*	245,5	
<b>Lands</b>	<b>215,7</b>	<b>5%</b>
Tuzla Land	168,1	
Üsküdar Land	43,3	
Levent Land	4,3	
<b>Hotels</b>	<b>25,6</b>	<b>1%</b>
Kapadokya Lodge Hotel	25,6	
<b>Cash and Marketable Securities</b>	<b>37,1</b>	<b>1%</b>
<b>Participations</b>	<b>2,7</b>	<b>0%</b>
<b>TOTAL PORTFOLIO VALUE</b>	<b>4.528,2</b>	<b>100%</b>

\*Shown with cost value, other assets are shown with appraisal values.

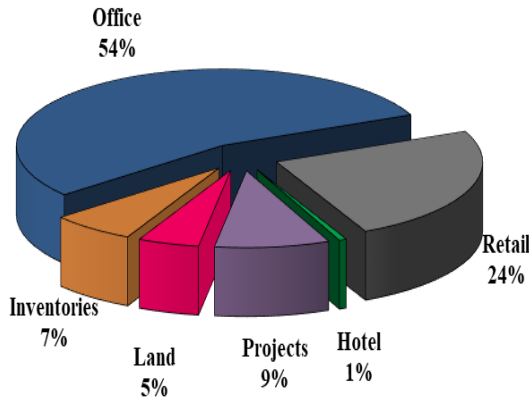
Company's investment portfolio is comprised of real estates, money & capital markets instruments and participations.

As of 30.09.2018 total portfolio value of the Company is TL 4.528 million.

<b>Breakdown of Investment Portfolio (mn TL)</b>	<b>2017</b>	<b>2018 3Q</b>
Real Estate Portfolio	5.132,0	4.488,5
Money and capital market instruments	83,1	37,1
Participations	2,5	2,7
<b>Total Portfolio Value</b>	<b>5.217,6</b>	<b>4.528,3</b>

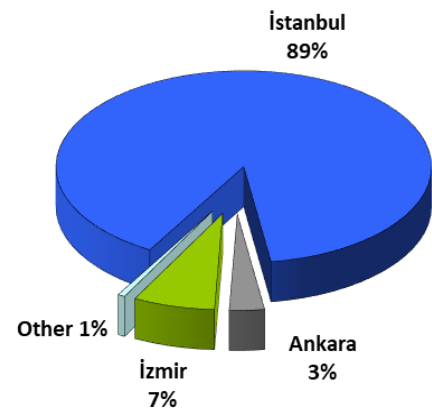
99% of the Company's total portfolio is invested in real estate sector and the real estate portfolio is comprised of rent generating commercial assets, real estate projects, inventories and land investments.

## I. REAL ESTATE PORTFOLIO



In terms of the real estate portfolio; 54% of the real estate investments is invested in office sector, 24% in retail sector, 9% in real estate projects, 7% in inventories 5% is invested in land while the remaining 1% is invested in hotel.

In terms of geography; 89% of the investments is located in Istanbul, 7% in Izmir, 3% in Ankara and the remaining 1% is invested in Nevsehir and Mugla.



## **Rental Income Generated From The Rental Portfolio**

<b>Property Name</b>	<b>2018 Jan.- Sep. Rental Income mn TL (without VAT)</b>	<b>%</b>
TUTOM	57,3	35,3%
Is Towers Complex	29,9	18,4%
Kanyon Shopping Center	28,7	17,7%
Marmara Park Shopping Center	15,5	9,6%
Tuzla Mixed Use Project	13,9	8,6%
İzmir Ege Perla Shopping Center	5,7	3,5%
Maslak Building	4,4	2,7%
Office Lamartine	1,4	0,9%
Ankara Is Tower	0,6	0,4%
Others	4,8	3,0%
<b>Total</b>	<b>162,2</b>	<b>100%</b>

- 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 turn-key investment model, the average duration may be longer than 15 years while projects with B.O.T. model have longer durations.

## **REAL ESTATE PROJECTS**

### **Projects Completed in 2018**

#### **Kartal Manzara Adalar Mixed Use Project**

The deliveries in Kartal Mixed Use Project, comprising 975 residential units and office&commercial area, started in 2018. As of 30.09.2018; 578 residential units were delivered. The total expected rental income for offices and commercial area is TL 24-25 mn. Since the project has been developed with revenue sharing model, ISGYO's share in the rental income is 62%.

### **Projects Under Development**

#### **Topkapı İstanbul Residential Project**

The project land having central location, was purchased 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 1.2 billion and expected sales revenue for the project is TL 1.6 billion. ISGYO and NEF both have 50% share in the project.

The residential project, comprising 2.724 residential units and 17 commercial units, has 4 stages. As of 30.09.2018, 1.637 residential units were delivered in the stages 1&2. Construction work still continues for the stages 3&4.

### **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 270-280 mn. Total expected rental income from the project in the completion year is approximately TL 45-50 mn.

## **II. MONEY AND CAPITAL MARKETS INSTRUMENTS**

Money and capital market instruments represent 1% of the investment portfolio. As of 30.09.2018, the value of money&capital market instruments is TL 37,1 mn.

<b>Breakdown of Money&amp;capital Market Instruments</b>		
<b>30.09.2018</b>	<b>TL mn</b>	<b>%</b>
<i>Time&amp;Demand Deposits (Local currency)</i>	29,5	80%
<i>Time&amp;Demand Deposits (Foreign currency)</i>	2,3	6%
<i>Mutual Funds</i>	5,0	14%
<i>Other</i>	0,3	1%
<b>Total</b>	<b>37,1</b>	