

**INVESTMENT PORTFOLIO of İŞ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. (ISGYO)**  
**as of 31.03.2019**

| <b>TOTAL INVESTMENT PORTFOLIO</b>     | <b>TL mn</b>   | <b>%</b>    |
|---------------------------------------|----------------|-------------|
| <b>Office Buildings</b>               | <b>2.736,7</b> | <b>56%</b>  |
| Tuzla Technology and Operation Center | 1.076,5        |             |
| Istanbul Is Towers                    | 900,0          |             |
| Tuzla Office                          | 261,4          |             |
| Kartal Office                         | 183,7          |             |
| Ankara Is Tower                       | 149,6          |             |
| Maslak Building                       | 112,5          |             |
| Office Lamartine                      | 53,0           |             |
| <b>Retail</b>                         | <b>1.171,2</b> | <b>24%</b>  |
| Kanyon Shopping Center                | 575,5          |             |
| Ege Perla Shopping Center             | 252,7          |             |
| Marmara Park Shopping Center          | 185,7          |             |
| Kule Carşı Shopping Center            | 71,7           |             |
| Kartal Retail                         | 39,2           |             |
| Tuzla Retail                          | 28,8           |             |
| Mallmarine Shopping Center            | 15,0           |             |
| Çınarlıbahçe Tuzla Retail             | 2,6            |             |
| <b>Projects</b>                       | <b>452,9</b>   | <b>9%</b>   |
| İnistanbul Topkapı Residentials*      | 252,8          |             |
| Istanbul Finance Center Project       | 200,1          |             |
| <b>Inventories*</b>                   | <b>284,0</b>   | <b>6%</b>   |
| Manzara Adalar Residentials           | 235,4          |             |
| Ege Perla Residentials and Offices    | 48,6           |             |
| <b>Lands</b>                          | <b>225,9</b>   | <b>5%</b>   |
| Tuzla Land                            | 174,6          |             |
| Üsküdar Land                          | 44,9           |             |
| Levent Land                           | 6,4            |             |
| <b>Hotels</b>                         | <b>27,0</b>    | <b>1%</b>   |
| Kapadokya Lodge Hotel                 | 27,0           |             |
| <b>Cash and Marketable Securities</b> | <b>18,3</b>    | <b>0%</b>   |
| <b>Participations</b>                 | <b>3,7</b>     | <b>0%</b>   |
| <b>TOTAL PORTFOLIO VALUE</b>          | <b>4.919,6</b> | <b>100%</b> |

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

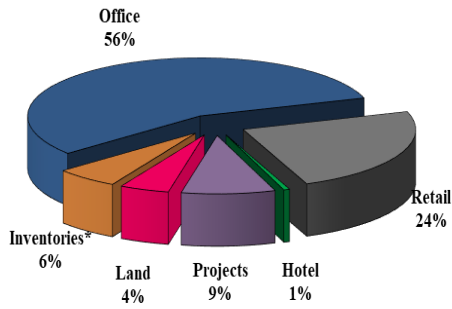
Company's investment portfolio is comprised of real estates, money & capital markets instruments and participations.

As of 31.03.2019 total portfolio value of the Company is TL 4.919,6 million.

| <b>Breakdown of Investment Portfolio (mn TL)</b> | <b>2018</b>    | <b>2019 1Q</b> |
|--|----------------|----------------|
| Real Estate Portfolio                            | 4.877,2        | 4.897,6        |
| Money and capital market instruments             | 54,2           | 18,3           |
| Participations                                   | 3,1            | 3,7            |
| <b>Total Portfolio Value</b>                     | <b>4.934,5</b> | <b>4.919,6</b> |

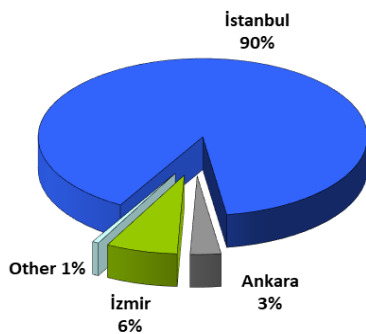
The majority of the Company's total portfolio is invested in real estate sector and the real estate portfolio is comprised of rent generating commercial assets, real estate projects, inventories and land investments.

## I. REAL ESTATE PORTFOLIO



In terms of the real estate portfolio; 56% of the real estate investments is invested in office sector, 24% in retail sector, 9% in real estate projects, 6% in inventories, 4% is invested in land while the remaining 1% is invested in hotel.

*\*Inventories represent the undelivered units in Ege Perla and Manzara Adalar.*



In terms of geography; 90% of the investments is located in Istanbul, 6% in Izmir, 3% in Ankara and the remaining 1% is invested in Nevsehir and Mugla.

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

| <b>Property Name</b>            | <b>2019 1Q Rental<br/>Income TL mn<br/>(without VAT)</b> | <b>%</b>    |
|---------------------------------|--|-------------|
| TUTOM                           | 23,2   | 39,6%       |
| Kanyon Shopping Center          | 10,0   | 17,0%       |
| Is Towers Complex               | 8,8  | 15,0%       |
| Tuzla Mixed Use                 | 6,2  | 10,5%       |
| Marmara Park Shopping Center    | 5,8  | 9,9%        |
| Izmir Ege Perla Shopping Center | 1,4  | 2,4%        |
| Ankara Is Tower                 | 1,4  | 2,3%        |
| Others                          | 1,9  | 3,2%        |
| <b>Total</b>                    | <b>58,6</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**

### ***i. Completed Projects in which presales continue***

#### **Kartal Manzara Adalar**

The deliveries in Kartal Manzara Adalar Mixed Use Project, comprising 975 residential units and office&commercial area, started in 2018. As of 31.03.2019; 596 residential units were delivered.

#### **Ege Perla**

Ege Perla Mixed Use Project, comprises 243 residential&office units and shopping center with ~22K GLA. As of 31.03.2019; 169 units were delivered.

### ***ii. Projects Under Development***

#### **Topkapı İnistanbul 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. ISGYO and NEF both have 50% share in the project. The total expected cost and sales revenues of the project is TL 1,2 billion and TL 1,6 billion respectively.\*

The residential project, comprising 2.724 residential units and 17 commercial units, has 4 stages. As of 31.03.2019, 1.701 residential units were delivered in the stages 1&2. Construction work still continues for the stages 3&4. The presales ratio for the total project is 98%.

\*ISGYO has 50% share in the cost and sales revenues.

## **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 with ~33K GLA, as a part of Istanbul Finance Project (IFP) of the government. ISGYO completed the core construction work in the project. The expected rental income of the project is TL 45-50 mn, while the expected development cost, excluding finance expense, is TL 270-280 mn.

### **Land Investments**

**Tuzla Land:** The Company postponed the planned residential project on ~63K land due to the economic conjuncture.

**Üsküdar Land:** The Company plans to develop residential project on ~32K land. The works for taking the construction permit and project development still continues.

**Levent Land:** ~8K land in front of İş Towers is green area due to the zoning plans.

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

As of 31.03.2019, the value of money&capital market instruments is TL 18,3 mn.

| <b>Breakdown of Money&amp;capital Market Instruments</b> |              |          |
|--|--------------|----------|
| <b>31.03.2019</b>  | <b>TL mn</b> | <b>%</b> |
| <i>Time&amp;Demand Deposits</i>                          | 16,2         | 89%      |
| <i>Mutual Funds</i>                                      | 1,98         | 11%      |
| <i>Other</i>   | 0,04         | 0%       |
| <b>Total</b>   | <b>18,3</b>  |          |

## **III.PARTICIPATIONS**

The Company has 50% share in Kanyon Yönetim İşletim ve Pazarlama A.Ş.(Kanyon). The field of activity of Kanyon is primarily to engage in the management, operation and marketing activities of residentials, offices, commercial units and shopping centers.