

iŖ GYO



**IS REAL ESTATE
INVESTMENT COMPANY
31.03.2019**

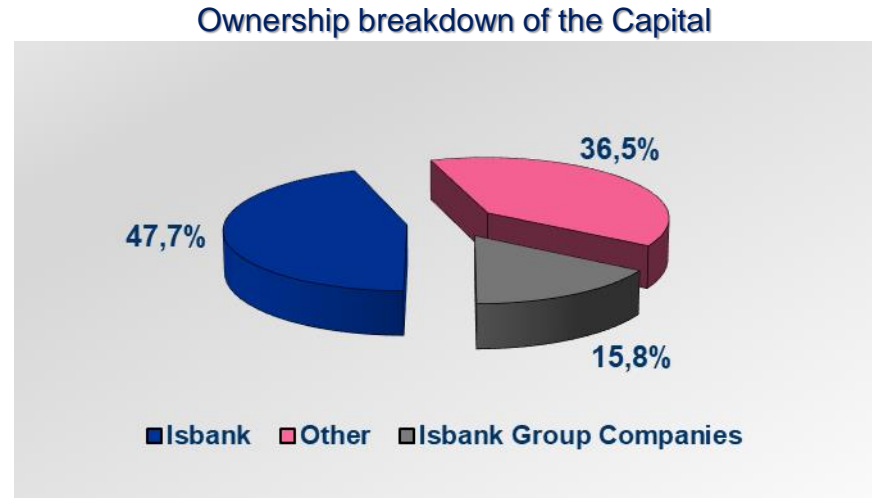
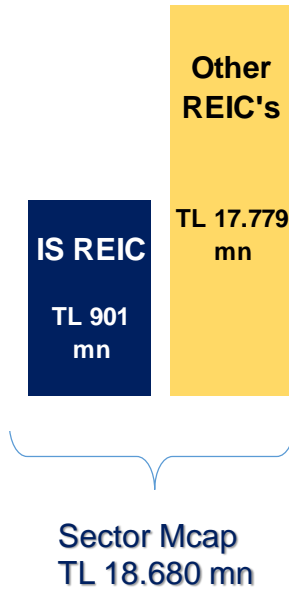
- Established in 1999, by the strategic partnership of Isbank.

As of 31.03.2019;

- ✓ Total asset size; **TL 5.212 mn.**
- ✓ Mcap **TL 901 mn** representing 4,8% of the sector.



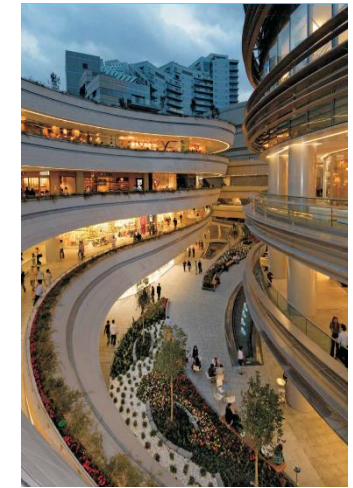
Sector Mcap



WHY ISGYO?



- **Diversified real estate portfolio**
 - *Balanced exposure in office, retail and residential sector*
 - *Office 56%, retail 24% and projects 9%*
- **Solid & growing rental income**
 - *~TL 60 mn rental income for Q1-2019.*
- **Financially strong tenants & long-term leases**
 - *58% of the rental income comes from İş Group*
 - *Average duration of the lease contracts longer than 5 years*
- **Strong shareholder structure**



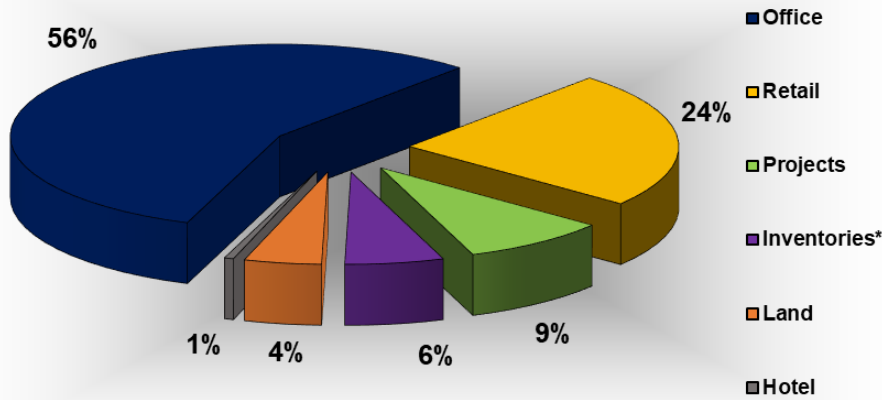
ISGYO PORTFOLIO



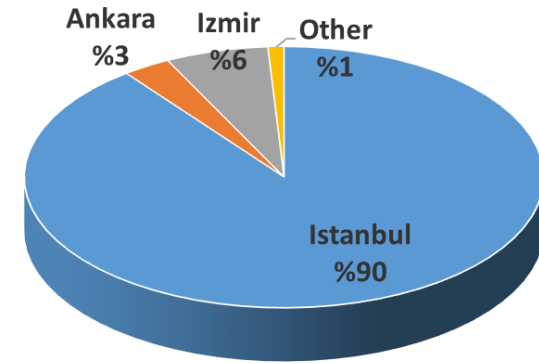
Real Estate Portfolio Breakdown



Real Estate Portfolio	TL mn
Office	2.737
Retail	1.171
Projects	453
Inventories*	284
Land	226
Hotel	27
TOTAL	4.898



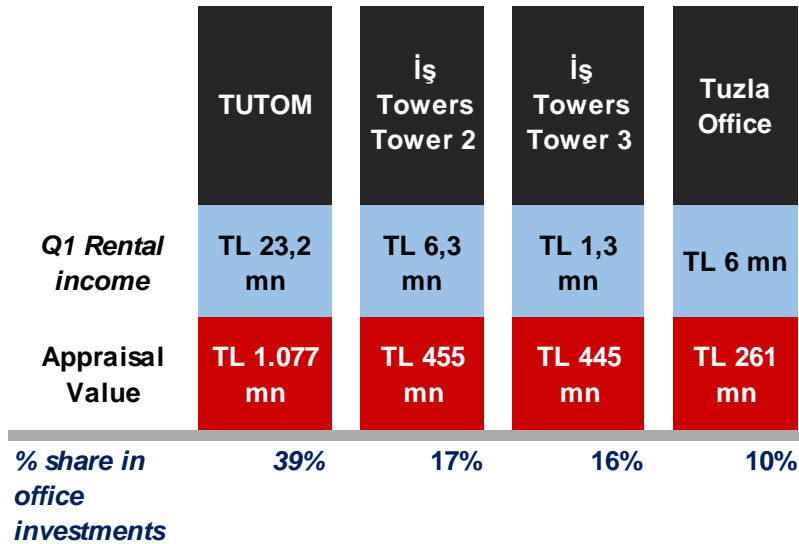
*Inventories include offices and residential units on sale in Ege Perla and residentials on sale in Manzara Adalar.
 **11% of the real estate portfolio is in residential.



RENT GENERATING ASSETS



Office Portfolio



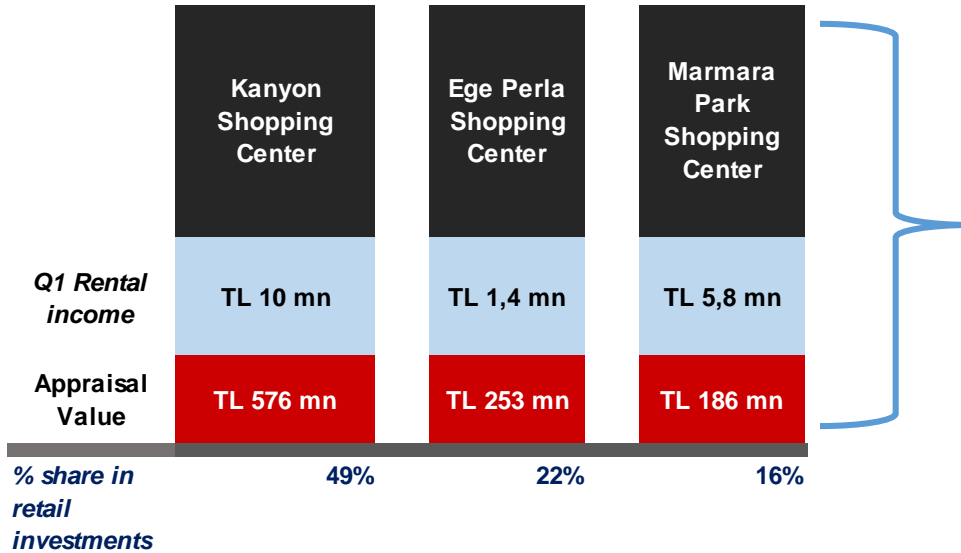
- ✓ Represent 82% of the total office investments. (TL 2.238 mn)
- ✓ Represent 95% of the total office rental income. (TL 37 mn)

Other Offices	Appraisal values
Kartal Office Building (*)	TL 184 mn
Ankara İş Kulesi	TL 150 mn
Maslak Office Building	TL 113 mn
Office Lamartine	TL 53 mn

(*) Completed in Q2, 2018.

Office Investments	TL Mn
Total Appraisal Value	2.737
Total Rental Income for Q1	39

Retail Portfolio



- ✓ Represent 87% of the total retail investments. (TL 1.015 mn)
- ✓ Represent 92% of the total retail rental income. (TL 17 mn)
- ✓ Kanyon represents 53% of the total retail rental income.

Other Retail Investments	Appraisal values
Kule Çarşı	TL 72 mn
Kartal Retail (*)	TL 39 mn
Tuzla Retail	TL 29 mn
Mallmarine	TL 15 mn

(*) Completed in Q2, 2018.

Retail Investments	TL Mn
Total Appraisal Value	1.171
Total Rental Income for Q1	19

PROJECTS UNDER DEVELOPMENT



İstanbul Residential Project



Location : Topkapı, Istanbul

Investment model: A joint venture between İş GYO and NEF (50-50%)

Total development cost* : TL1,2 bn

Total saleable area*: ≈ 250.000 sqm



Designed by

PERKINS+WILL



Income Projection

Total sales revenues* : TL 1,6 bn

Number of units = 2.724**

Presales ratio: 98%

*Total figures, ISGYO has 50% share.

(**)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.

Istanbul Financial Center Project (IFC)

Location : Atasehir, Istanbul

Project type : A mixed use project (office & commercial)

Estimated development cost: TL270-280 mn

Estimated saleable/leasable area : \approx 33.000 sqm



Income Projection

Estimated rental Income : TL 45-50 mn

*Designed by



PIPELINE PROJECTS





Location : Kadikoy, Istanbul

Acquisition date: December, 2016

Project Land Area: 8.293 sqm

Investment Model: ISGYO has 45% share in the project

Project type: Hotel and commercial area





Location : Tuzla, Istanbul

Acquisition date: January, 2016

Project Land Area: 53.460 sqm

() The project has been postponed due to the current conjuncture.*



DIVIDEND PAYOUT



- ISGYO's policy(*): **“dividend must be at least 30% of the total distributable income in the form of cash or bonus share”**.
- ✓ In the last 15 year period, except for 2006 & 2018, ISGYO distributed cash dividend to shareholders.
- ✓ ISGYO trades on BIST Dividend Index and BIST Dividend-25 Index.

(*If the Company decides to distribute profits.

Cash Dividend TL, mn	2013	2014	2015	2016	2017	2018**
Period Income according to IFRS	247,9	328,4	555,9	420,5	179,9	341,6
Period Income according to LR*	99,3	71,3	131,5	155,2	221,8	127,7
Cash Dividend	31,5	47,6	52,2	63,8	68,5	-
Dividend per share	0,05	0,07	0,07	0,075	0,075	-
Cash Dividend/ Period Income (LR*)	32%	67%	40%	41%	31%	-

* Legal Records(LR)

** The Company decided not to distribute dividends related with 2018 year profit.

DEBT & CASH POSITION

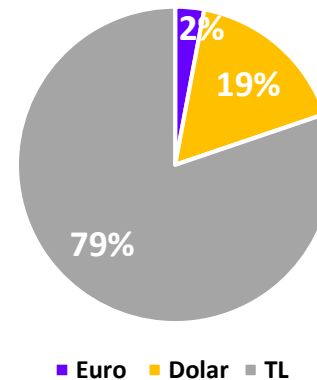
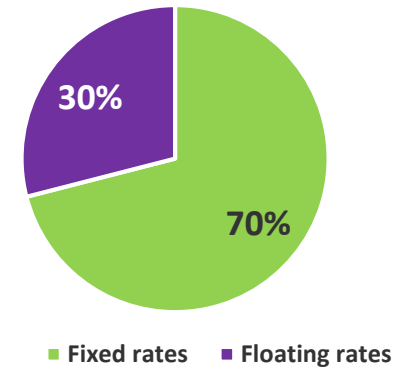


Debt & Cash Position

Bank Loans	Outstanding Loan Original Amount TL mn	Date to Maturity	Outstanding Loan TL mn
Euro loan	4,9 €	2 years	30,9
Dolar Loan	\$45,6	5 years	256,7
TL Loans	536,1	2-3 years	536,1
Total			823,7

Bonds	Original Amount	Date to Maturity
Bonds	498,1	1-2 years
Total	498,1	

Cash, TL mn	18
Total Financial Debt, TL mn	1.322
Net Debt, TL mn	1.304
Total Financial Debt/Assets	25%
Net fx position, TL mn	-32,8
Net fx position/ Assets	1%




Short Term National Rating:
(TR) A1+
 Outlook: Stable

Long Term National Rating:
(TR) AA
 Outlook: Stable



TL, mn	31.03.2019	31.12.2018	% Change
ASSETS	5.212,4	5.222,3	-0,2%
<i>Current Assets</i>	<i>744,9</i>	<i>752,7</i>	<i>-1,0%</i>
<i>Long-term Assets</i>	<i>4.467,5</i>	<i>4.469,6</i>	<i>0,0%</i>
LIABILITIES	5.212,4	5.222,3	-0,2%
<i>Short-term Liabilities</i>	<i>1.028,3</i>	<i>1.091,6</i>	<i>-5,8%</i>
<i>Long-term Liabilities</i>	<i>633,5</i>	<i>573,8</i>	<i>10,4%</i>
<i>Shareholders' Equity</i>	<i>3.550,7</i>	<i>3.556,9</i>	<i>-0,2%</i>

Of the total Liabilities (Short&Long Term):

- the amount regarding the financial liabilities constitutes the 80%,
- the amount regarding advances received from presales of the units in Manzara Adalar Project and İstanbul Project constitutes the 17%.



Financials (TL, mn)	Jan.-Mar. 2019	Jan.-Mar. 2018
Sales Revenue	76,6	60,6
Cost of Sales	-25,3	-21,2
Gross Profit/Losses	51,2	39,5
<i>General Administrative Expenses</i>	-7,0	-7,1
<i>Marketing, Sales and Distribution Expenses</i>	-4,1	-4,7
<i>Other Operating Income</i>	1,2	1,6
EBIT	41,3	29,3
Net Period Income/Loss	-6,3	15,9
Gross Margin	67%	65%
EBIT Margin	54%	48%
Net Margin	n.m.	26%

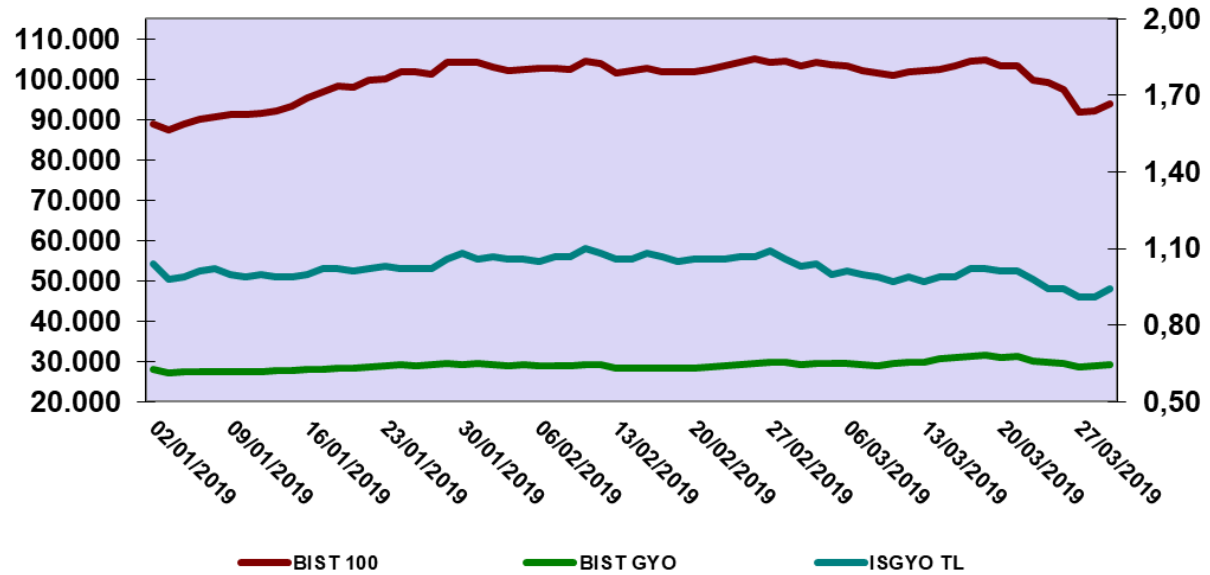


STOCK PERFORMANCE





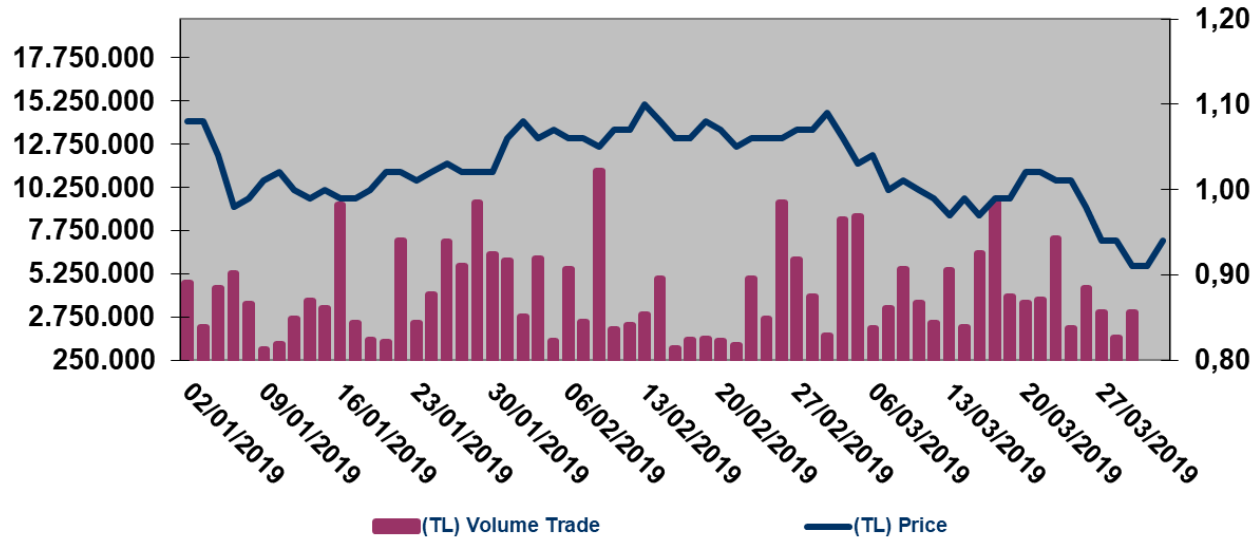
BIST 100 - BIST REIC Index & ISGYO Price



Stock Price & Index Performance (%)		
	2019 Jan-Mar.	2018
BIST 100	2,8	-20,9
XGMYO	2,5	-35,5
ISGYO	-13,0	-11,7



Price- Trade Volume



2019	Avr. Trade Vol. 2019 TL mn)	P/BV
ISGYO	4,1	0,25

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This presentation has been prepared in order to inform investors.

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