

iŖ GYO



# İS REAL ESTATE INVESTMENT COMPANY

Investor Presentation

30.09.2020

IS REIC was established in 1999, by the strategic partnership of Isbank.

• Mcap

TL 1.678 mn

Total Mcap size of the sector is TL 43 bn.

• Asset Size

TL 5.019 mn

• Equity Size

TL 3.851 mn

• Real Estate Portfolio

TL 4.479 mn

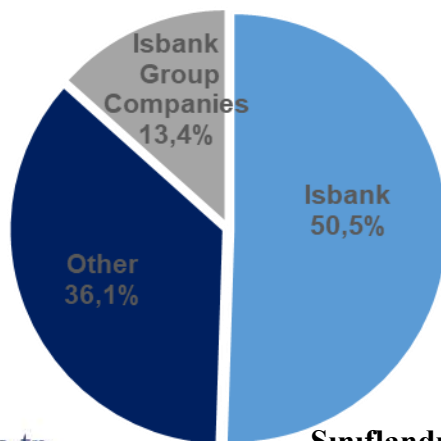
• Rental Portfolio Size

TL 3.755 mn

• Rental Income for 9M-2020

TL 157 mn

Ownership Breakdown of the Capital

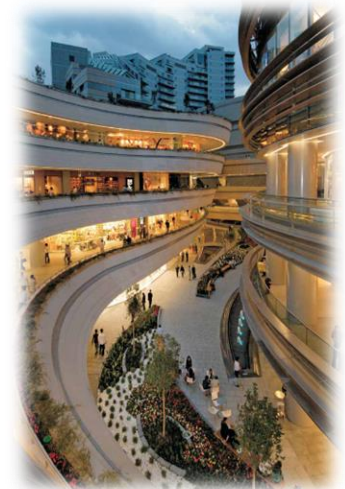


Almost 64% of the capital is held by Isbank and Is Group companies

41% of the capital is in free float

## Why IS REIC?

- ✓ **Diversified real estate portfolio**
  - *Balanced exposure in office, retail and residential sector*
  - *Office 57%, retail 27%*
- ✓ **Solid & growing rental income**
  - *~TL 157 mn rental income for 9M-2020.*
- ✓ **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*
- ✓ **Low foreign currency debt**
  - *23% of the total debt in foreign currency*
- ✓ **Strong shareholder structure**

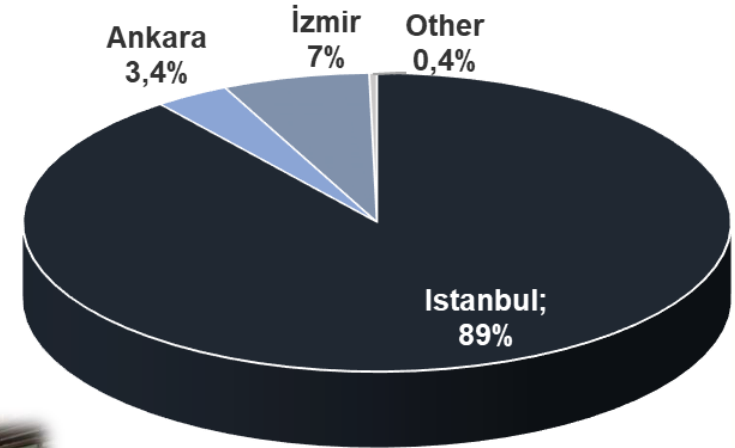
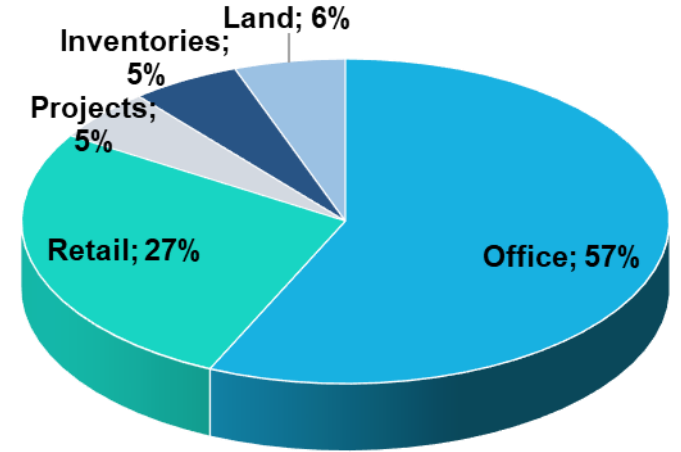


# ISGYO PORTFOLIO

# Real Estate Portfolio Breakdown

Real Estate Portfolio Value		
	mn TL	
Office	2.546	57%
Retail	1.209	27%
	<b>3.755</b>	<b>84%</b>
Projects	231	5%
Inventories	245	5%
Land	249	6%
<b>TOTAL</b>	<b>4.479</b>	<b>100%</b>

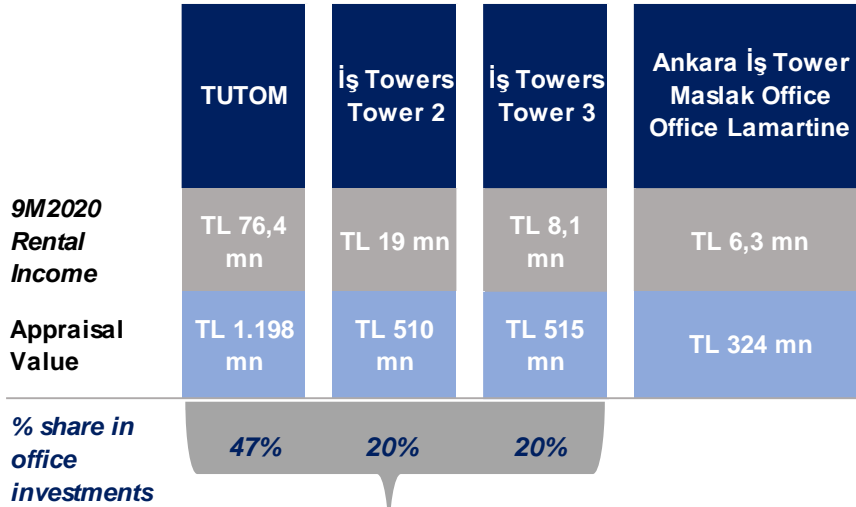
Rental Portfolio



\*Inventories represent the undelivered units in Ege Perla and Manzara Adalar.  
Projects represent IFC Project and 4th stage of İstanbul Residential Project.



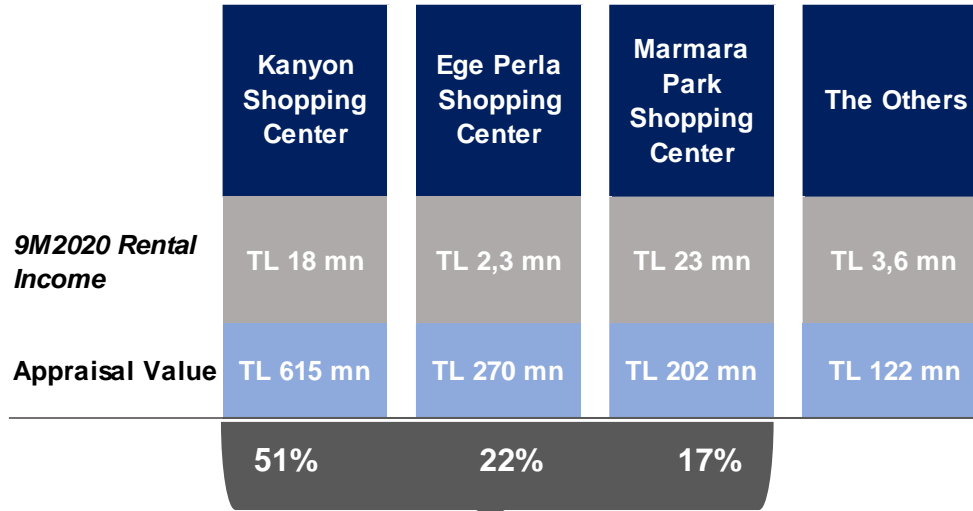
# RENTAL PORTFOLIO



- ✓ Represent 87% of the total office investments. (TL 2.223 mn)
- ✓ Represent 94% of the total office rental income. (TL 104 mn)

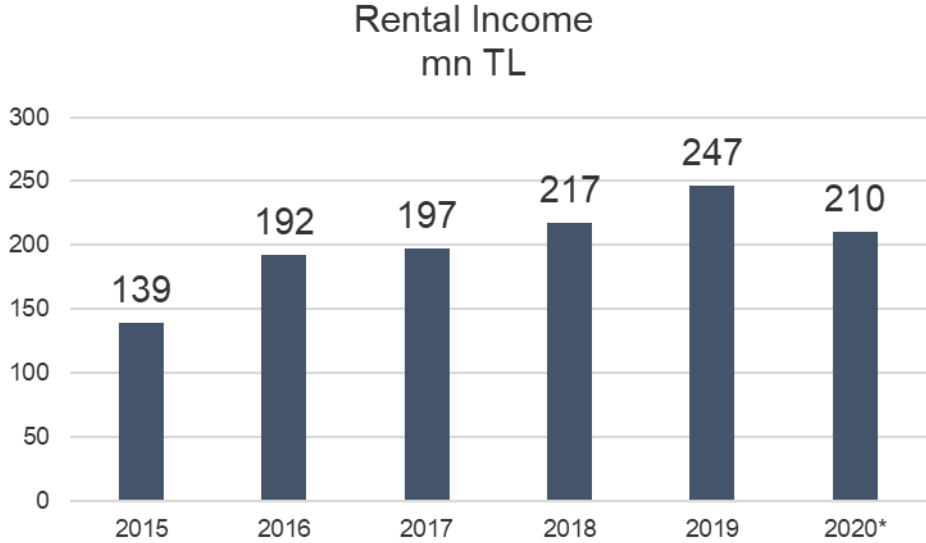
Office Portfolio	TL, mn
Appraisal Value	2.546
9M2020 Rental Income	110





- ✓ Represent 90% of the total retail investments. (TL 1.087 mn)
- ✓ Represent 92% of the total retail rental income. (TL 43 mn)
- ✓ Kanyon represents 38% of the total retail rental income.

Retail Portfolio	TL, mn
Appraisal Value	1.209
9M2020 Rental Income	47



\*Estimated

# PROJECTS UNDER DEVELOPMENT

# İstanbul Residential Project

**Location :** Topkapı, İstanbul

**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\* :** almost TL 1.540 mn

**Number of units:** 2.741\*\*

*(\*)Total figures, ISGYO has 50% share. Finance cost & VAT not included in the development cost.*

*(\*\*)As of 30.09.2020, 2.661 residential units were delivered. Until end of 2020, remaining units mostly in 4th stage of the project will be expected to be delivered.*

# İstanbul Financial Center Project (IFC)

**Location :** Atasehir, Istanbul

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

**Estimated saleable/leasable area :**  $\approx$  33.000 sqm



## Income Projection

**Estimated development cost:** TL400 mn\*

**Estimated rental Income :** TL 45-50 mn



\*Designed by



(\*) Excluding finance cost&VAT.

# PLANNED PROJECTS

## ➤ Kadıköy Hotel Project



**Location :** Kadikoy, Istanbul

**Project Type:** Hotel and commercial area

**Acquisition Date:** December, 2016

**Land Area:** 8.293 sqm

**Investment Model:** ISGYO has 45% share in the project

## ➤ Tuzla Residential Project



**Location :** Tuzla, Istanbul

**Acquisition date:** January, 2016

**Land Area:** 53.460 sqm

*The project has been postponed until the investment conditions improve.*

## ➤ Ömerli Residential Project



**Location :** Cekmekoy, Istanbul

**Project Type:** Residential

**Acquisition Date:** July, 2020

**Land Area:** 15.314 sqm\*

\*IS REIT has 67.2% ownership share of the land.



# DIVIDEND PAYOUT

- **According to the Dividend Policy, if the Company decides to distribute profits;**

“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 and 2019 ISGYO distributed cash dividend to shareholders.

Cash Dividend TL, mn	2013	2014	2015	2016	2017	2018	2019
<b>Period Income according to IFRS</b>	247,9	328,4	555,9	420,5	179,9	341,6	297,4
<b>Period Income according to LR*</b>	99,3	71,3	131,5	155,2	221,8	127,7	99,8
<b>Cash Dividend</b>	31,5	47,6	52,2	63,8	68,5	-	-
<b>Dividend per share</b>	0,05	0,07	0,07	0,075	0,075	-	-
<b>Cash Dividend/ Period Income (LR*)</b>	32%	67%	40%	41%	31%	-	-

\*Legal Records(LR)

\*\* The Company decided not to distribute dividends related with 2019 year profit.

# FINANCIALS & FINANCIAL RATIOS

# Balance Sheet & Income Statement

TL, mn	30.09.2020
<b>ASSETS</b>	<b>5.019,5</b>
<i>Current Assets</i>	543,4
<i>Long-term Assets</i>	4.476,1

TL, mn	30.09.2020
<b>LIABILITIES</b>	<b>5.019,5</b>
<i>Short-term Liabilities</i>	843,8
<i>Long-term Liabilities</i>	324,5
<i>Shareholders' Equity</i>	3.851,2

<b>INCOME STATEMENT</b> (TL, mn)	Jan.-Sep. 2020	Jan.-Sep. 2019
<b>Sales Revenue</b>	444,9	388,7
<i>Cost of Sales</i>	290,9	211,4
<b>Gross Profit/Losses</b>	<b>154,0</b>	<b>177,3</b>
<b>EBIT</b>	<b>133,1</b>	<b>149,6</b>
<i>Net Finance Expense</i>	143,7	182,4
<b>Net Period Income/Loss</b>	<b>-9,1</b>	<b>-31,5</b>
<b>Gross Margin</b>	<b>35%</b>	<b>46%</b>
<b>EBIT Margin</b>	<b>30%</b>	<b>38%</b>
<b>Net Margin</b>	-	-

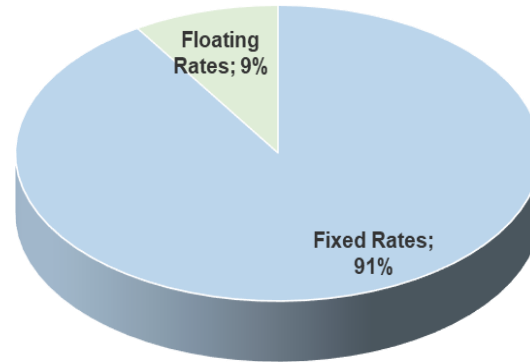
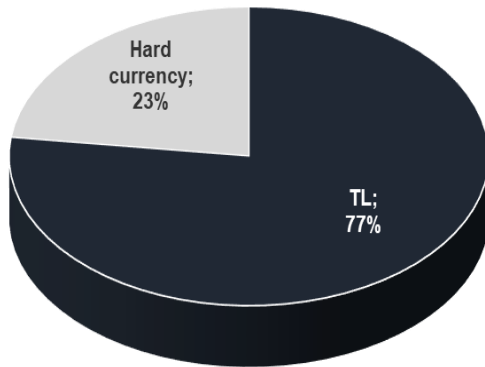
# Financial Debt & Cash Position

Bank Loans	Outstanding Loan Original Amount (TL mn)	Date to Maturity	Outstanding Loan TL mn
Dolar Loan	\$31,7	3 years	248
TL Loans	506	1 year-3 years	506
<b>Total</b>			<b>754</b>

Bonds & Bills	Original Amount (mn TL)
<b>Total</b>	<b>319</b>

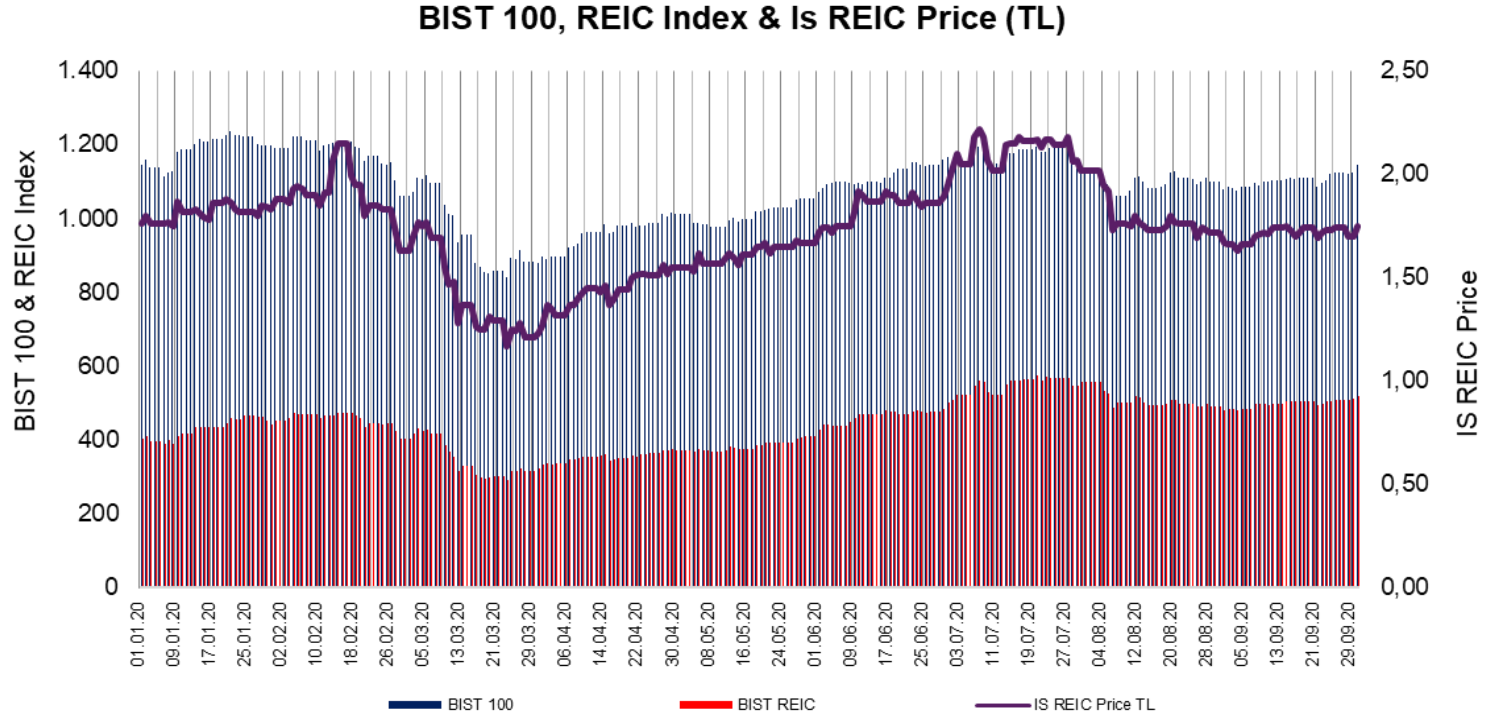
Cash, TL mn	81
Total Financial Debt, TL mn	1.072
Net Debt, TL mn	991
Total Financial Debt/Assets	21%

## TOTAL FINANCIAL DEBT



# STOCK PERFORMANCE

# Stock Price vs. Index Performance



Stock Price & Index Performance (%)		
	9M2020	2019
BIST 100	9	25
XGMYO	29	42
ISGYO	-1	63

9M2020	ISGYO
P/BV	0,44
Avr. Trade Volume	TL 132 mn

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