

iŖ GYO

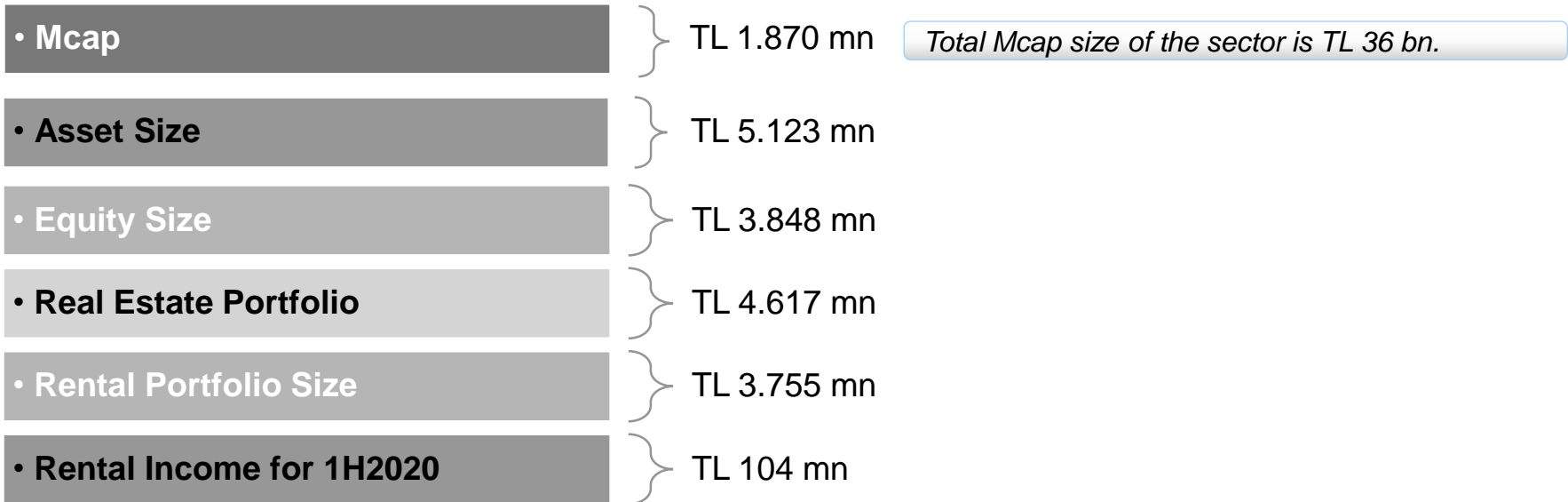


IS REAL ESTATE INVESTMENT COMPANY

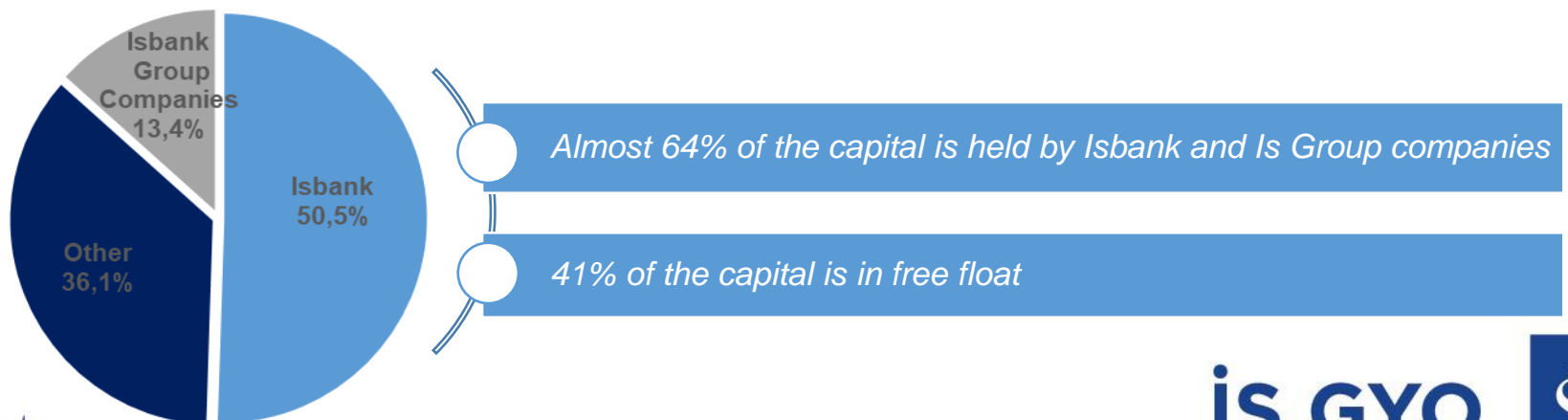
Investor Presentation

30.06.2020

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

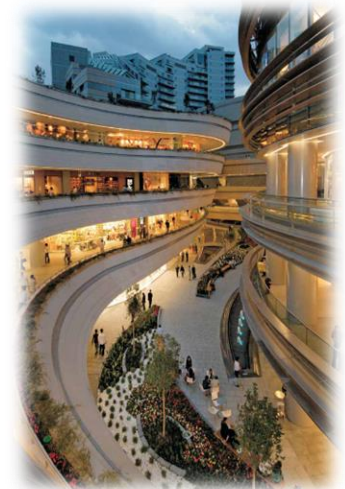


Ownership Breakdown of the Capital



Why IS REIC?

- ✓ **Diversified real estate portfolio**
 - *Balanced exposure in office, retail and residential sector*
 - *Office 55%, retail 26%*
- ✓ **Solid & growing rental income**
 - *~TL 104 mn rental income for 1H2020.*
- ✓ **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**
 - *19% of the total debt in foreign currency*
- ✓ **Strong shareholder structure**

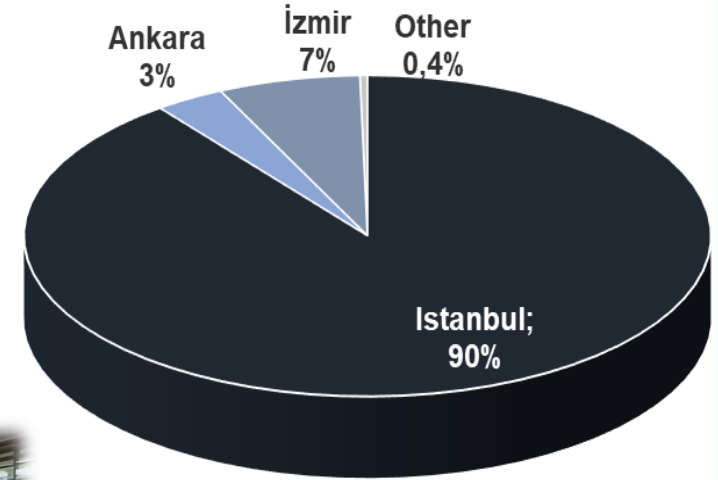
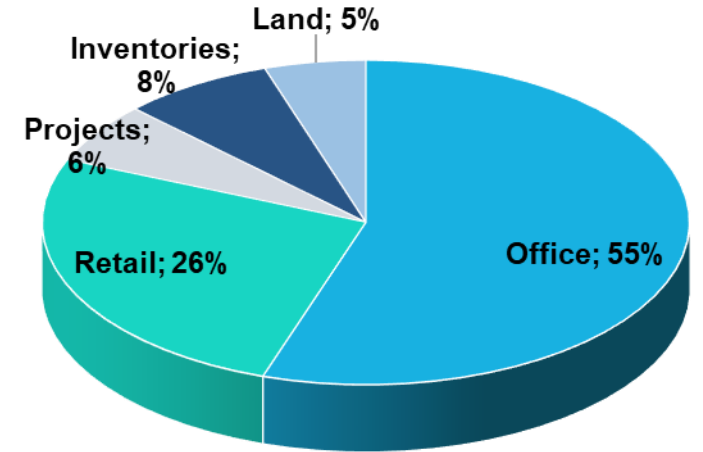


ISGYO PORTFOLIO

Real Estate Portfolio Breakdown

Real Estate Portfolio Value		
	mn TL	
Office	2.546	55%
Retail	1.209	26%
	3.755	81%
Inventories	351	8%
Projects	278	6%
Land	234	5%
	4.618	100%

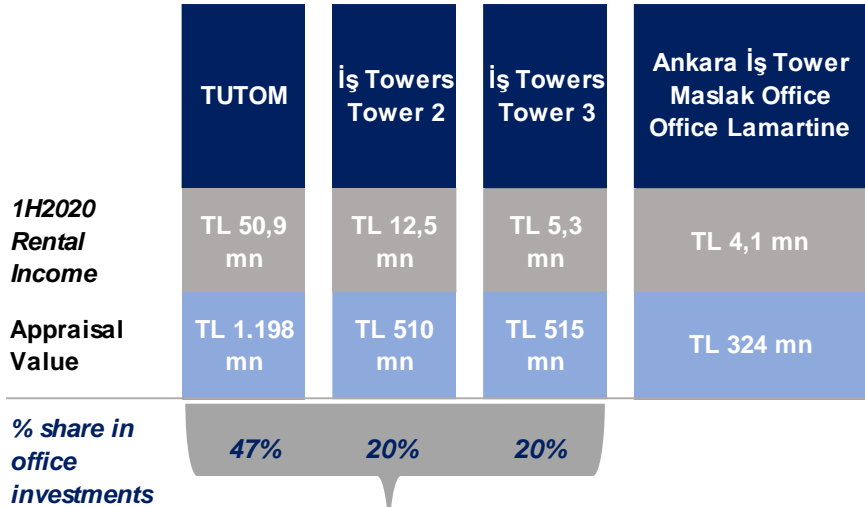
Rental Portfolio



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



RENTAL PORTFOLIO



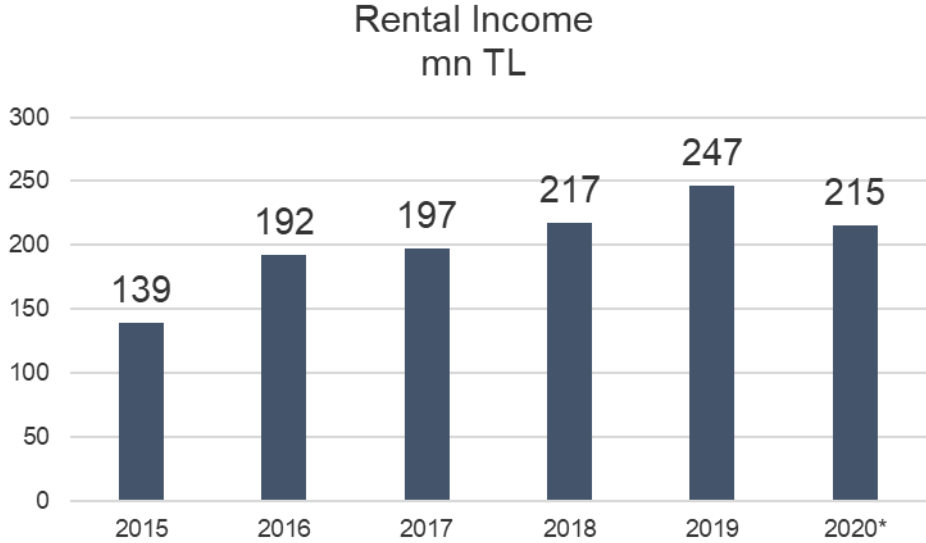
- ✓ Represent 87% of the total office investments. (TL 2.223 mn)
- ✓ Represent 94% of the total office rental income. (TL 69 mn)

Office Portfolio	TL, mn
Appraisal Value	2.546
1H2020 Rental Income	73



- ✓ Represent 90% of the total retail investments. (TL 1.087 mn)
- ✓ Represent 92% of the total retail rental income. (TL 29 mn)
- ✓ Kanyon represents 39% of the total retail rental income.

Retail Portfolio	TL, mn
Appraisal Value	1.209
1H2020 Rental Income	31



*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 30.06.2020, 2.420 residential units were delivered. Construction work still continues for the stage 4.*

Istanbul 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: TL380 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 due to the current conjuncture.

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
Period Income according to IFRS	247,9	328,4	555,9	420,5	179,9	341,6	297,4
Period Income according to LR*	99,3	71,3	131,5	155,2	221,8	127,7	99,8
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 2019 year profit.

FINANCIALS & FINANCIAL RATIOS

Balance Sheet & Income Statement

TL, mn	30.06.2020
ASSETS	5.123,2
<i>Current Assets</i>	658,9
<i>Long-term Assets</i>	4.464,4

TL, mn	30.06.2020
LIABILITIES	5.123,2
<i>Short-term Liabilities</i>	971,8
<i>Long-term Liabilities</i>	303,1
<i>Shareholders' Equity</i>	3.848,3

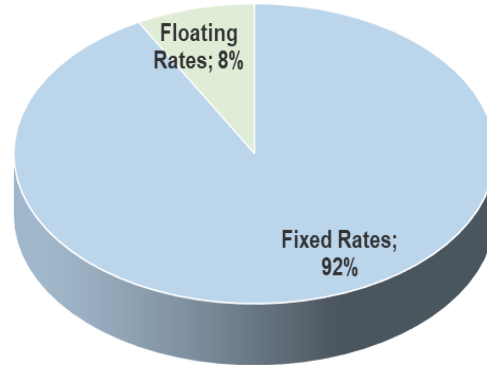
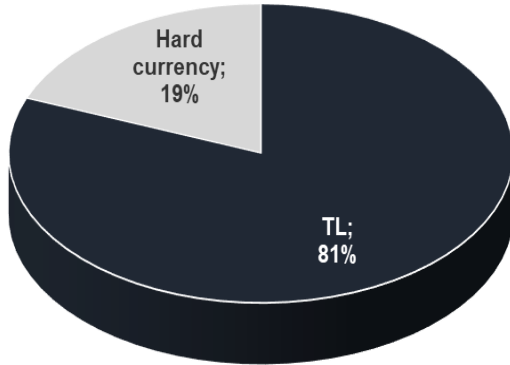
INCOME STATEMENT (TL, mn)	Jan.-Jun. 2020	Jan.-Jun. 2019
Sales Revenue	219,9	248,5
<i>Cost of Sales</i>	120,0	131,0
Gross Profit/Losses	99,9	117,5
EBIT	83,7	100,1
<i>Net Finance Expense</i>	96,7	119,5
Net Period Income/Loss	-11,9	-18,5
Gross Margin	45%	47%
EBIT Margin	38%	40%
Net Margin	-	-

Financial Debt & Cash Position

Bank Loans	Outstanding Loan Original Amount (TL mn)	Date to Maturity	Outstanding Loan TL mn
Dolar Loan	\$31,3	3 years	214
TL Loans	505	1 year-3 years	505
Total			719

Bonds & Bills	Original Amount (mn TL)
Total	399

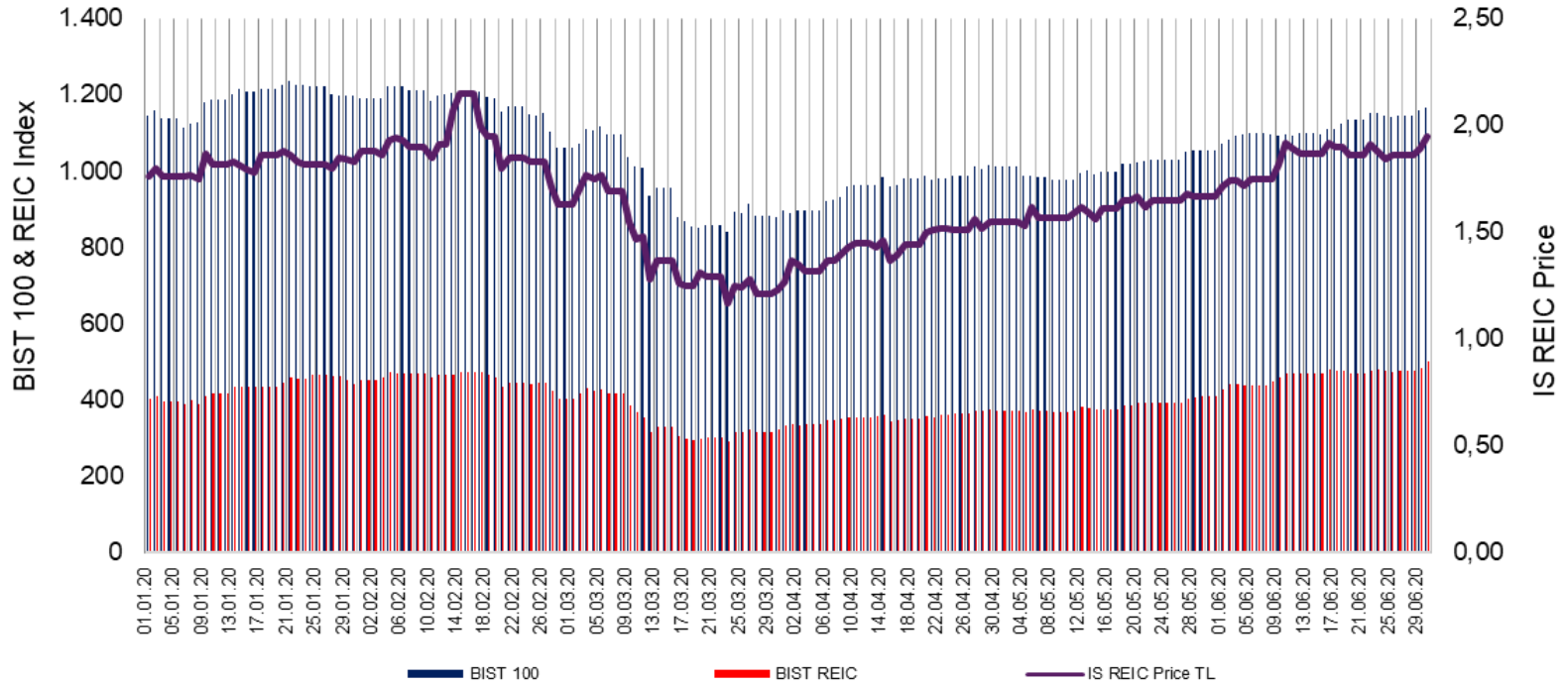
Cash, TL mn	49
Total Financial Debt, TL mn	1.118
Net Debt, TL mn	1.069
Total Financial Debt/Assets	22%



STOCK PERFORMANCE

Stock Price vs. Index Performance

BIST 100, REIC Index & Is REIC Price (TL)



Stock Price & Index Performance (%)		
	1H2020	2019
BIST 100	2	25
XGMYO	24	42
ISGYO	11	63

1H2020	ISGYO
P/BV	0,49
Avr. Trade Volume	TL 137 mn

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This presentation has been prepared in order to inform investors.

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