

iŞ GYO



İS REAL ESTATE INVESTMENT COMPANY

Investor Presentation

30.06.2021

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

• Mcap

TL 1.802 mn

Total Mcap size of the sector is TL 56 bn.*

• Asset Size

TL 5.286 mn

*Excluding Başkent Doğalgaz GYO

• Equity Size

TL 4.126 mn

• Real Estate Portfolio

TL 4.768 mn

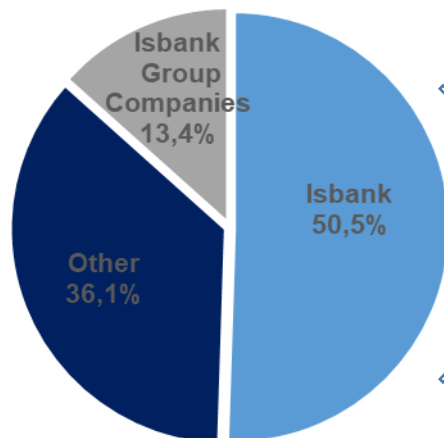
• Rental Portfolio Size

TL 3.975 mn

• Rental Income for 1H2021

TL 110 mn

Ownership Breakdown of the Capital

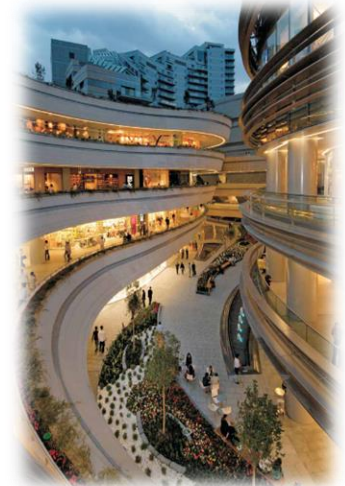


Almost 64% of the capital is held by Is Group.

41% of the capital is in free float

Why IS REIC?

- ✓ **Diversified real estate portfolio**
 - *Office 58%, retail 25% and residential 7%*
- ✓ **Solid & growing rental income**
 - *~TL 110 mn rental income for 1H2021.*
- ✓ **Financially strong tenants & long-term leases**
 - *63% of the rental income comes from İş Group*
 - *Investment models with long-term leases; turn-key 25 years, B.O.T. 72 years*
- ✓ **Low & totally hedged foreign currency debt**
 - *~ 18% of the total debt in foreign currency*
- ✓ **Strong shareholder structure**

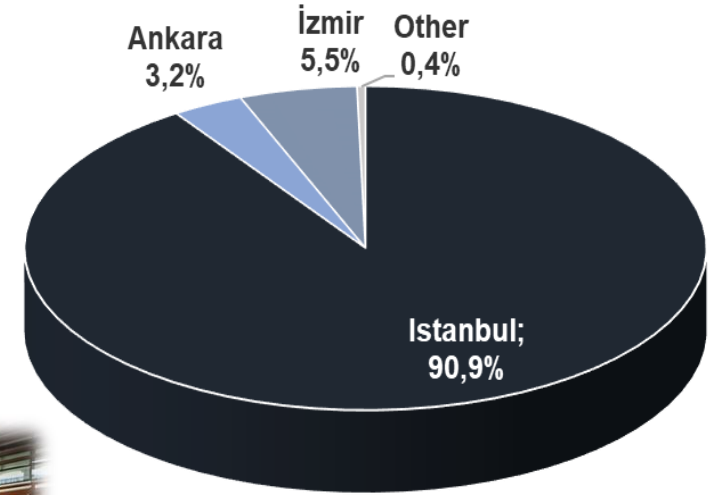
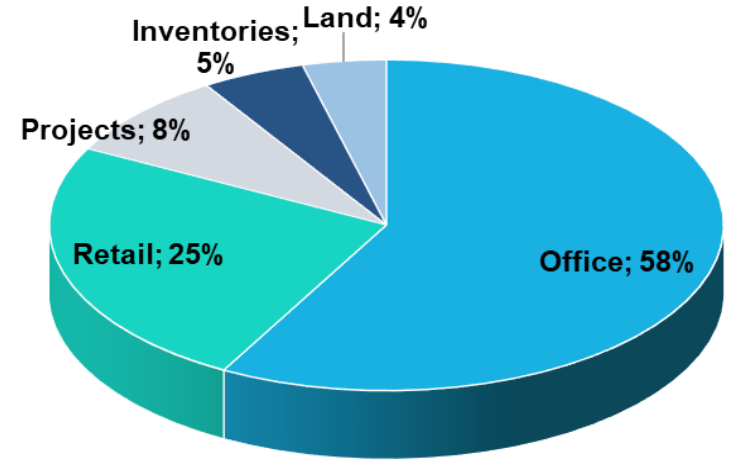


ISGYO PORTFOLIO

Real Estate Portfolio Breakdown

Real Estate Portfolio Value		
	mn TL	
Office	2.789	58%
Retail	1.186	25%
TOTAL	3.975	83%
Projects	403	8%
Inventories	197	5%
Land	193	4%
TOTAL	4.768	100%

Rental Portfolio

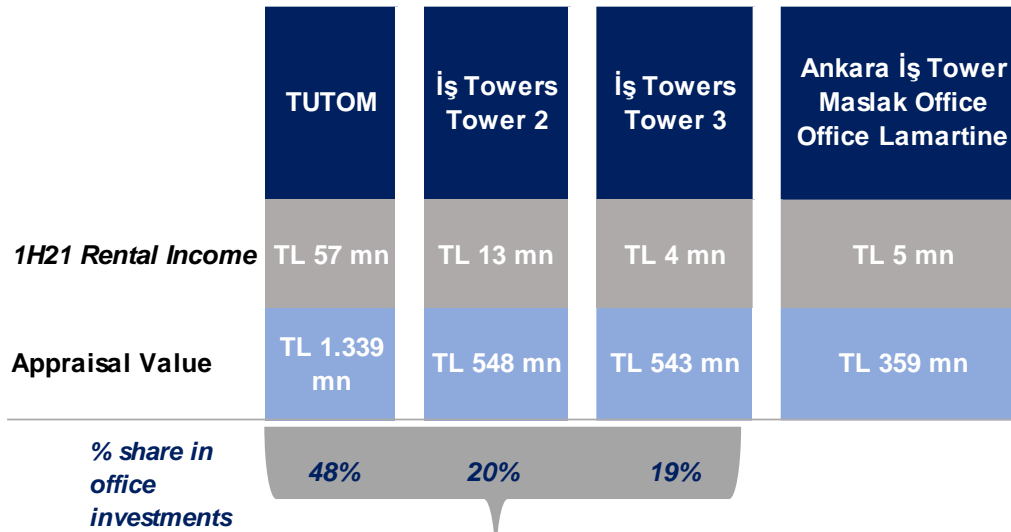


*Inventories represent the undelivered units.

**Projects represent IFC, Kasaba Evleri and Altunizde Residential Projects.

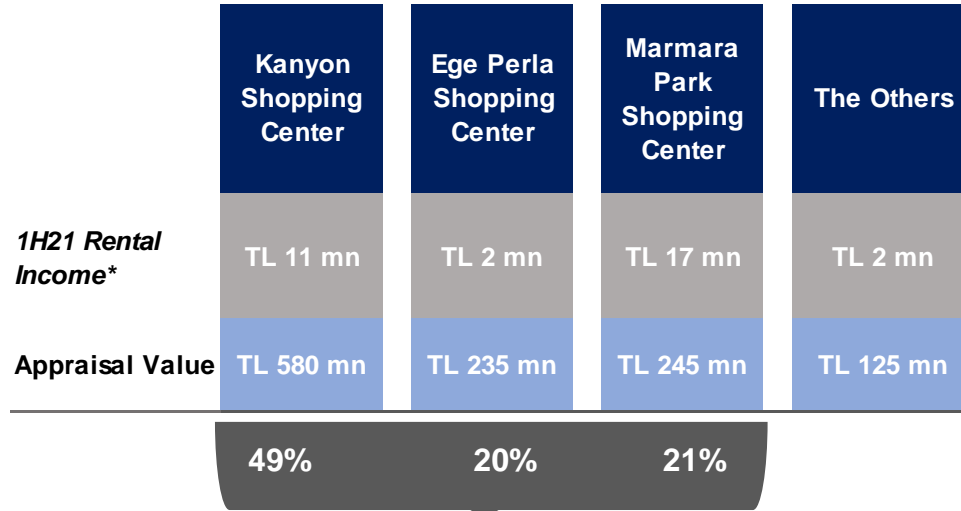


RENTAL PORTFOLIO



- ✓ Represent 87% of the total office investments. (TL 2.430 mn)
- ✓ Represent 94% of the total office rental income. (TL 74 mn)

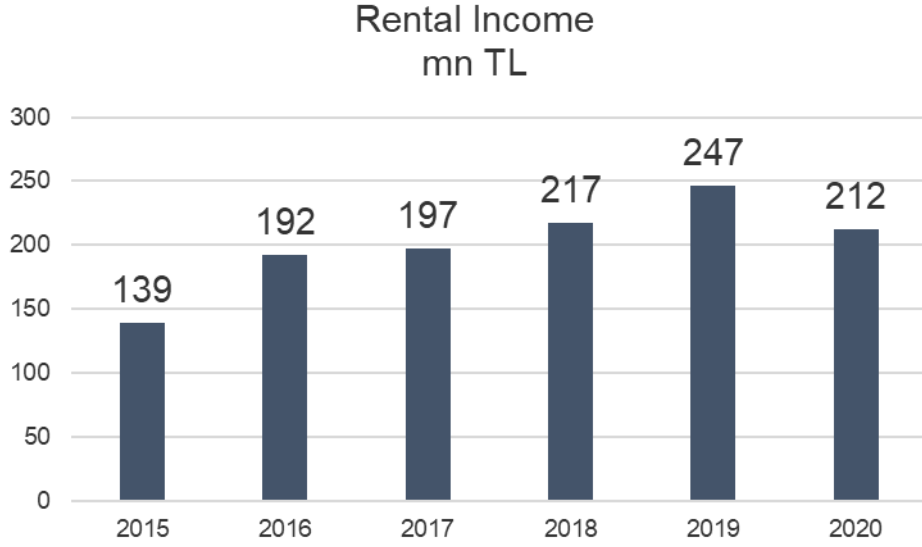
Office Portfolio	TL, mn
Appraisal Value	2.789
1H21 Rental Income	79



- ✓ Represent 90% of the total retail investments. (TL 1.060 mn)
- ✓ Represent 94% of the total retail rental income. (TL 30 mn)

Retail Portfolio	TL, mn
Appraisal Value	1.185
1H21 Rental Income	32

*Partial rent collected from the retail assets because of the rental support given to the tenants due to the COVID 19.



□ The rental income expectation for 2021 is ~ TL 210-230 mn.

PROJECTS UNDER DEVELOPMENT

İstanbul Financial Center Project (IFC)

Location : Atasehir, Istanbul

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

Estimated saleable/leasable area : \approx 32K sqm



Income Projection

Estimated development cost: \approx TL 370 mn*

Estimated rental Income : TL 45-50 mn



**Designed by*



() Excluding finance cost&VAT.*

Altunizade Residential Project*



Location : Altunizade, Istanbul

Project Type: Residential project with commercial area

Project Details: 6 residential blocks, 1 office block and partial commercial area

- **Number of Residentials:** 92
- **Estimated saleable/leasable commercial area :**
≈ 6K sqm

Estimated completion date: 2023

**ISGYO has 50% share in the project*

PLANNED PROJECTS

➤ Kadıköy Hotel Project



Location : Kadikoy, Istanbul

Project Type: Hotel and commercial area

Acquisition Date: December, 2016

Land Area: ≈ 8K sqm

Investment Model: ISGYO has 45% share in the project

➤ Tuzla Residential Project



Location : Tuzla, Istanbul

Acquisition date: January, 2016

Land Area: ≈ 53K sqm

The project has been postponed until the investment conditions improve.

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 3 year period, the Company did not distribute cash dividend in order to optimize the cash flows.

Cash Dividend TL, mn	2013	2014	2015	2016	2017	2018	2019	2020
Period Income according to IFRS	247,9	328,4	555,9	420,5	179,9	341,6	297,4	266,5
Period Income according to LR*	99,3	71,3	131,5	155,2	221,8	127,7	99,8	5,0
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	30.06.2021
ASSETS	5.286,2
<i>Current Assets</i>	443,9
<i>Long-term Assets</i>	4.842,3

TL, mn	30.06.2021
LIABILITIES	5.286,2
<i>Short-term Liabilities</i>	1.042,0
<i>Long-term Liabilities</i>	117,9
<i>Shareholders' Equity</i>	4.126,3

INCOME STATEMENT		
(TL, mn)	1H2021	1H2020
<i>Sales Revenue</i>	165,9	219,9
<i>Cost of Sales</i>	66,3	120,0
Gross Profit/Losses	99,6	99,9
EBIT	83,2	83,7
<i>Net Finance Expense</i>	88,5	96,7
Net Period Income/Loss	-4,6	-11,9
Gross Margin	60%	45%
EBIT Margin	50%	38%
Net Margin	-	-

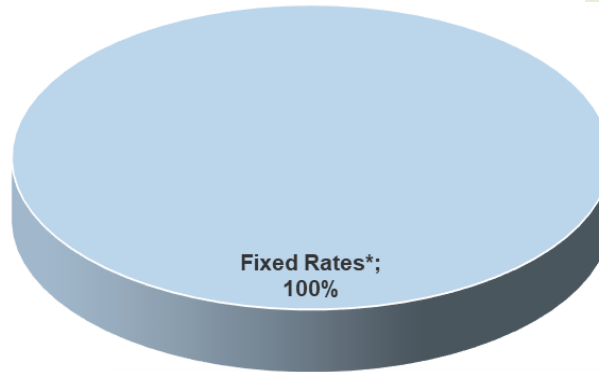
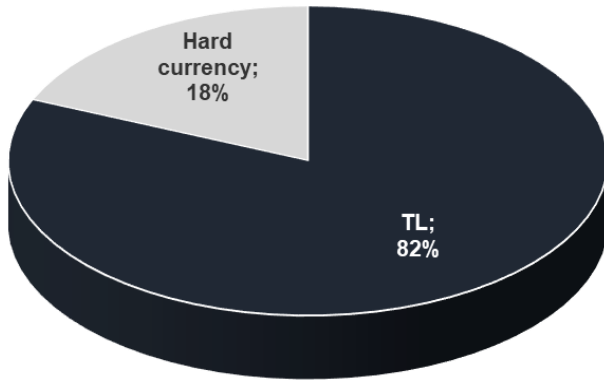
Financial Debt & Cash Position

Bank Loans	Outstanding Loan Original Amount (TL mn)	Date to Maturity	Outstanding Loan TL mn
Dolar Loan	\$22,1	2 years	194
TL Loans	408	1 year-3 year	408
Total			602

Bonds & Bills	Original Amount (mn TL)
Total	457

Cash, TL mn	48
Total Financial Debt, TL mn	1.060
Net Debt, TL mn	1.012
Total Financial Debt/Assets	20%

TOTAL FINANCIAL DEBT



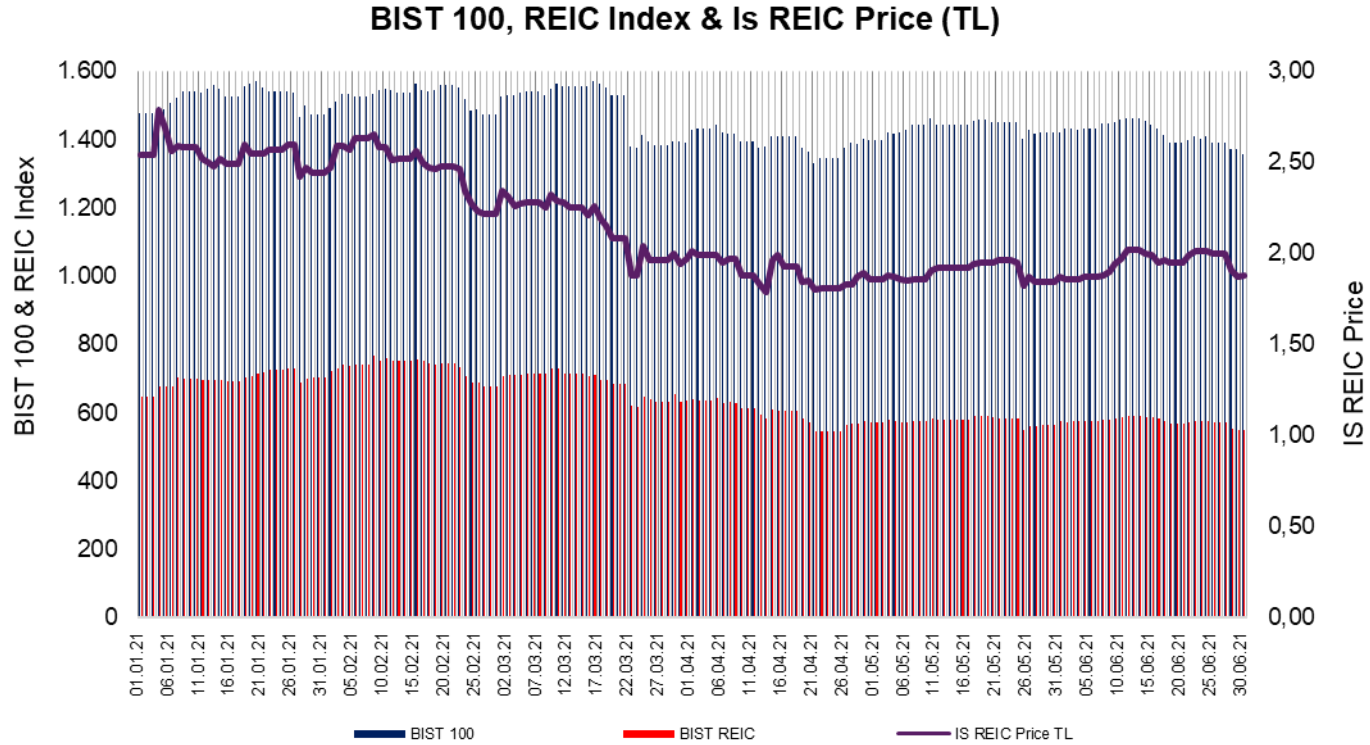
*After hedging.

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

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

STOCK PERFORMANCE

Stock Price vs. Index Performance



Stock Price & Index Performance (%)	
	1H2021
BIST 100	-8,2
XGMYO	-14,9
ISGYO	-26,0

1H2021	ISGYO
P/BV	0,44
Avr. Trade Volume	TL 111 mn

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This presentation has been prepared in order to inform investors.

Since the presentation has been prepared regarding the previous period, the data in it may not reflect the current situation. The estimations regarding projects are given in accordance with feasibility studies prepared on basis of certain assumptions and may be updated any time.

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