

iŞ GYO



# İS REAL ESTATE INVESTMENT COMPANY

Investor Presentation

30.09.2021

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

• Mcap

TL 2.013 mn

Total Mcap size of the sector is ~TL 67 bn.\*

• Asset Size

TL 5.344 mn

\*Excluding Başkent Doğalgaz GYO

• Equity Size

TL 4.142 mn

• Real Estate Portfolio

TL 4.796 mn

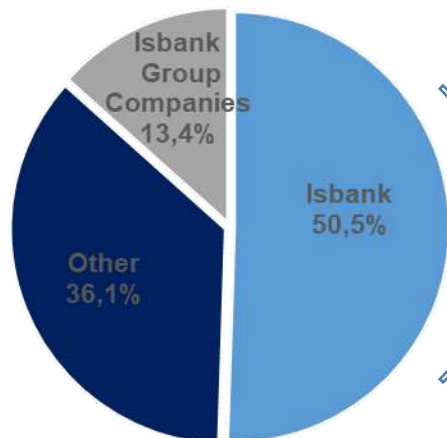
• Rental Portfolio Size

TL 3.975 mn

• Rental Income for 9M2021

TL 175 mn

Ownership Breakdown of the Capital

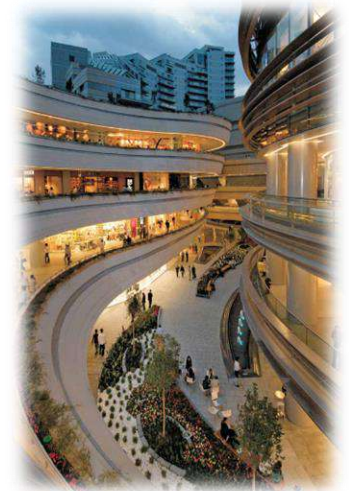


Almost 64% of the capital is held by Is Group.

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 175 mn rental income for 9M2021.*
- ✓ **Financially strong tenants & long-term leases**
  - *60% 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**
  - *~ 19% of the total debt in foreign currency*
- ✓ **Strong shareholder structure**

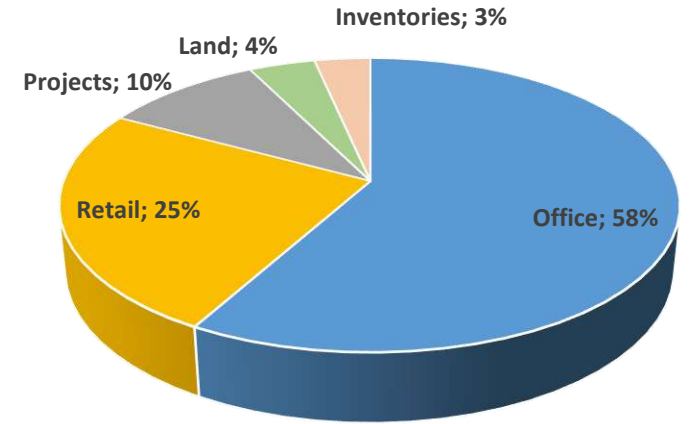


# ISGYO PORTFOLIO

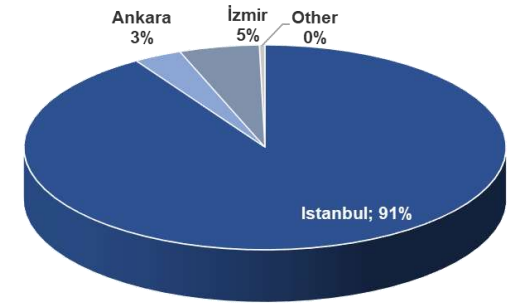
# Real Estate Portfolio Breakdown

Real Estate Portfolio Value		
	TL mn	
Office	2.789	58%
Retail	1.186	25%
	3.975	83%
Projects	465	10%
Land	193	4%
Inventories	163	3%
<b>TOTAL</b>	<b>4.796</b>	<b>100%</b>

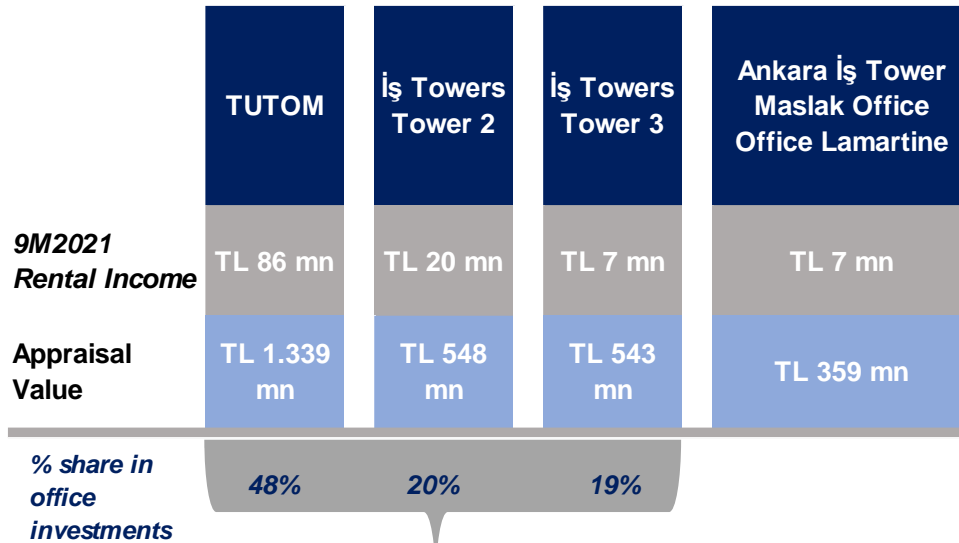
Rental Portfolio



\*Inventories represent the undelivered units. Projects represent IFC, Kasaba Evleri and Altunizde Residential Projects.



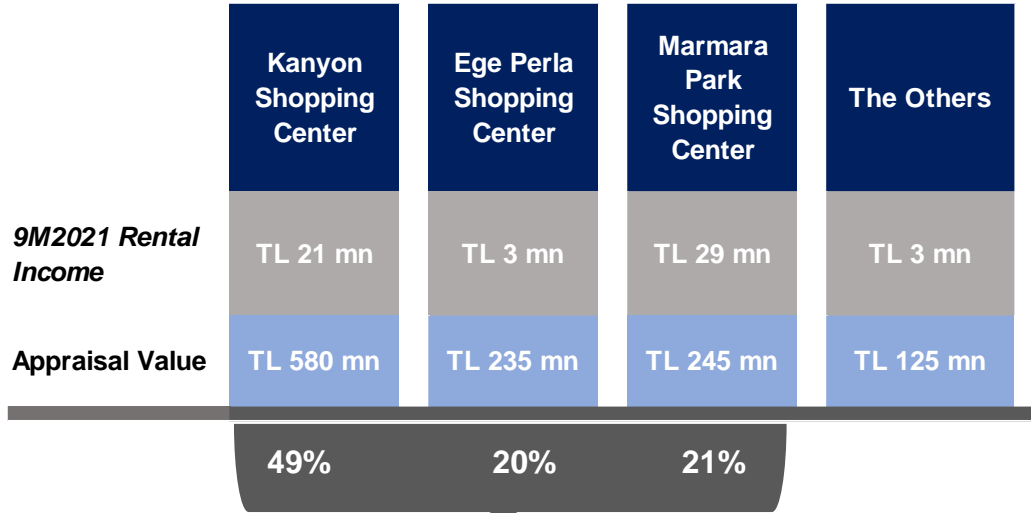
# RENTAL PORTFOLIO



- ✓ Represent 87% of the total office investments. (TL 2.430 mn)
- ✓ Represent 94% of the total office rental income. (TL 113 mn)

Office Portfolio	TL, mn
Appraisal Value	2.789
9M21 Rental Income	120

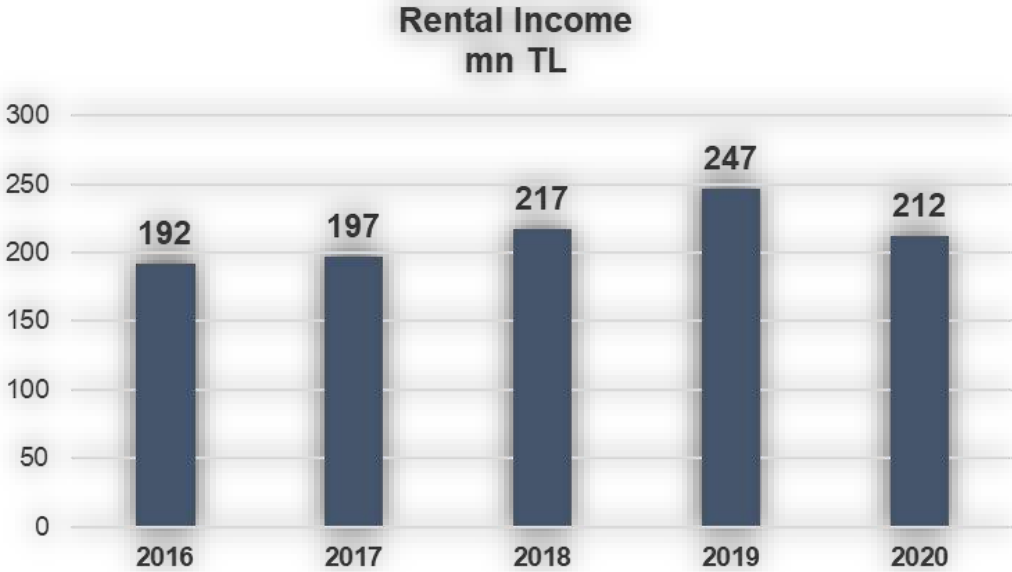




- ✓ Represent 90% of the total retail investments. (TL 1.060 mn)
- ✓ Represent 95% of the total retail rental income. (TL 53 mn)

Retail Portfolio	TL, mn
Appraisal Value	1.185
9M21 Rental Income	56

\*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 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
<b>Period Income according to IFRS</b>	247,9	328,4	555,9	420,5	179,9	341,6	297,4	266,5
<b>Period Income according to LR*</b>	99,3	71,3	131,5	155,2	221,8	127,7	99,8	5,0
<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	30.09.2021	TL, mn	30.09.2021
<b>ASSETS</b>	<b>5.344,4</b>	<b>LIABILITIES</b>	<b>5.344,4</b>
<i>Current Assets</i>	484,5	<i>Short-term Liabilities</i>	1.082,7
<i>Long-term Assets</i>	4.859,9	<i>Long-term Liabilities</i>	119,9
		<i>Shareholders' Equity</i>	4.141,7

INCOME STATEMENT	Jan.-Sep.	Jan.-Sep.
TL, mn	2021	2020
<b>Sales Revenue</b>	286,5	444,9
<i>Cost of Sales</i>	117,3	290,9
<b>Gross Profit/Losses</b>	<b>169,2</b>	<b>154,0</b>
<b>EBIT</b>	<b>145,8</b>	<b>133,1</b>
<i>Net Finance Expense</i>	136,4	143,6
<b>Net Period Income/Loss</b>	<b>10,8</b>	<b>-9,1</b>
<b>Gross Margin</b>	<b>59%</b>	<b>35%</b>
<b>EBIT Margin</b>	<b>51%</b>	<b>30%</b>
<b>Net Margin</b>	<b>4%</b>	<b>-</b>

## 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	199
TL Loans	510,7	< 1 year	511,0
<b>Total</b>			<b>710</b>

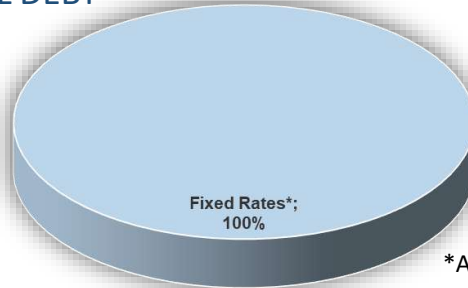
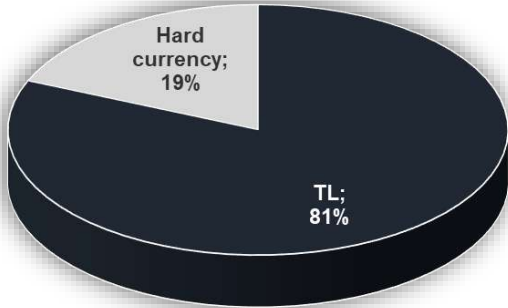
Bonds & Bills	Original Amount TL mn
Bills	362
<b>Total</b>	<b>362</b>

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

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

Cash, TL mn	103
Total Financial Debt, TL mn	1.072
Net Debt, TL mn	969
Total Financial Debt/Assets	20%

TOTAL FINANCIAL DEBT

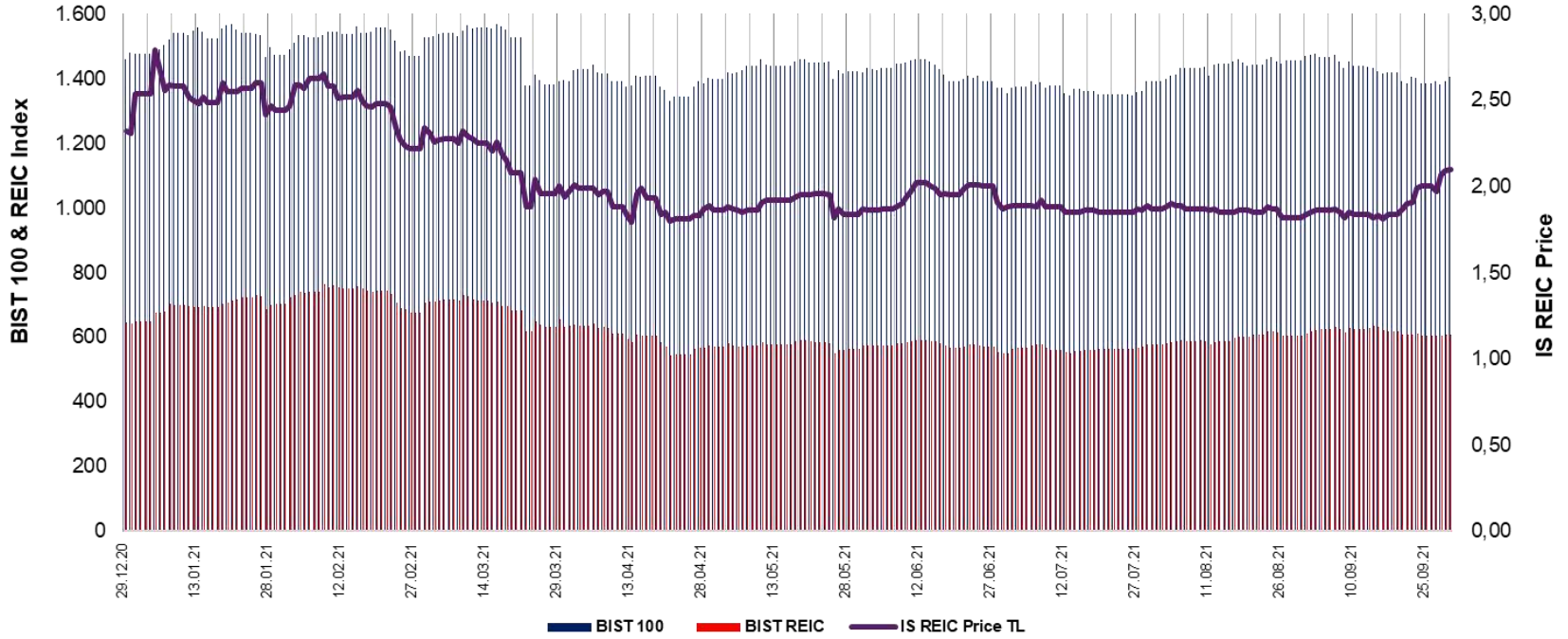


\*After hedging.

# STOCK PERFORMANCE

# Stock Price vs. Index Performance

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



## Stock Price & Index Performance (%)

	Q32021
BIST 100	-4,8
XGMYO	-6,2
ISGYO	-17,30

## Q32021

P/BV	0,49
Avr. Trade Volume	TL 85,4 mn

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