

iŖ GYO



İS REAL ESTATE INVESTMENT COMPANY

Investor Presentation

31.03.2021

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

• Mcap

TL 1.889 mn

Total Mcap size of the sector is TL 58 bn.

• Asset Size

TL 5.264 mn

• Equity Size

TL 4.135 mn

• Real Estate Portfolio

TL 4.732 mn

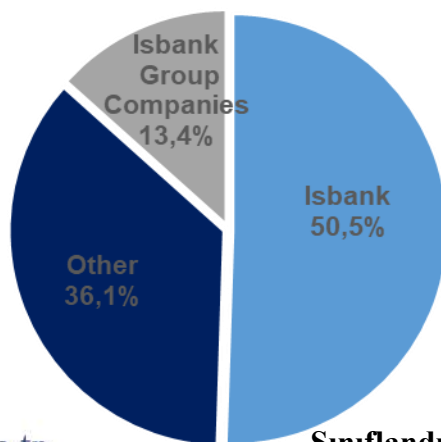
• Rental Portfolio Size

TL 3.975 mn

• Rental Income for 1Q2021

TL 53 mn

Ownership Breakdown of the Capital

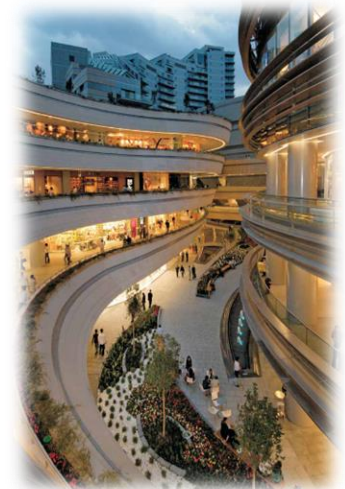


Almost 64% of the capital is held by Isbank and Is Group companies

41% of the capital is in free float

Why IS REIC?

- ✓ **Diversified real estate portfolio**
 - *Balanced exposure in office, retail and residential sector*
 - *Office 59%, retail 25%*
- ✓ **Solid & growing rental income**
 - *~TL 53 mn rental income for 1Q2021.*
- ✓ **Financially strong tenants & long-term leases**
 - *65% of the rental income comes from İş Group*
 - *Average duration of the lease contracts longer than 5 years*
- ✓ **Low foreign currency debt**
 - *21% of the total debt in foreign currency*
- ✓ **Strong shareholder structure**

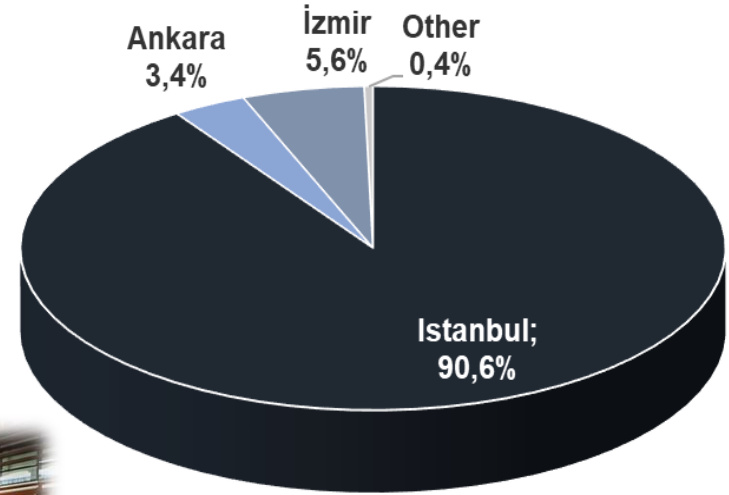
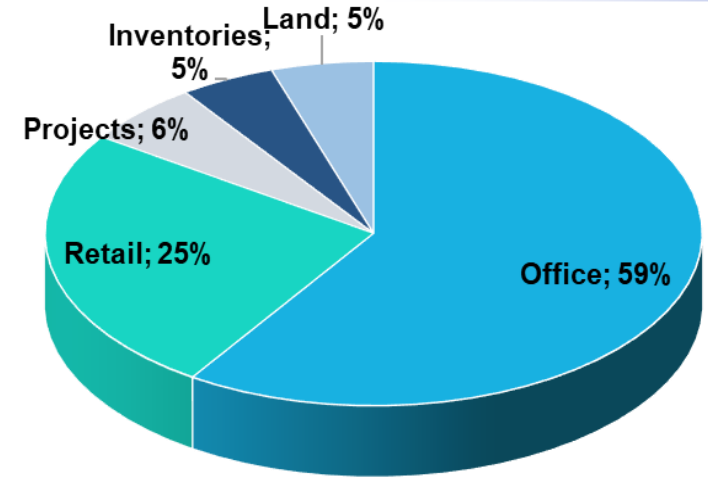


ISGYO PORTFOLIO

Real Estate Portfolio Breakdown

Real Estate Portfolio Value		
	mn TL	
Office	2.789	59%
Retail	1.186	25%
TOTAL	3.975	84%
Projects	273	6%
Inventories	221	5%
Land	263	5%
TOTAL	4.732	100%

Rental Portfolio

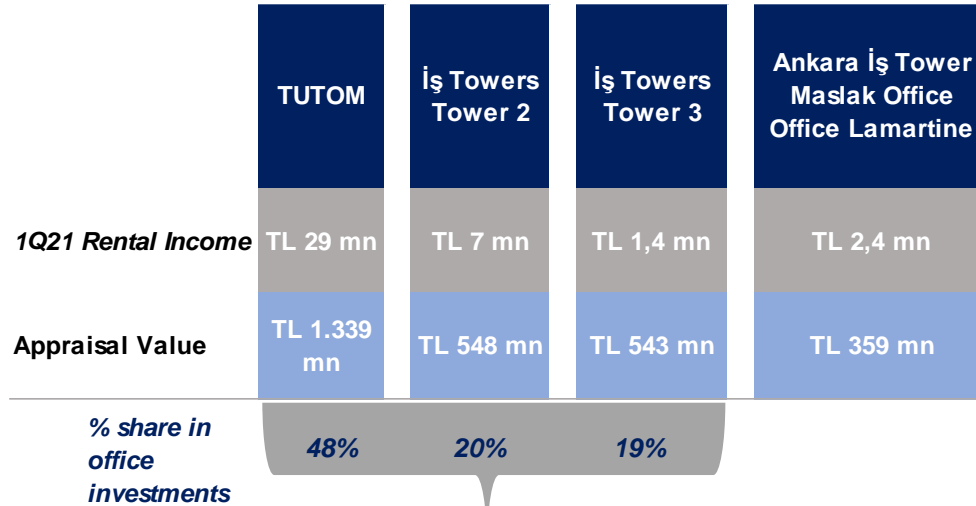


*Inventories represent the undelivered units in Ege Perla, Manzara Adalar and Istanbul Residential Project.

Projects represent IFC Project and Kasaba Evleri Project.



RENTAL PORTFOLIO



- ✓ Represent 87% of the total office investments. (TL 2.430 mn)
- ✓ Represent 95% of the total office rental income. (TL 37 mn)

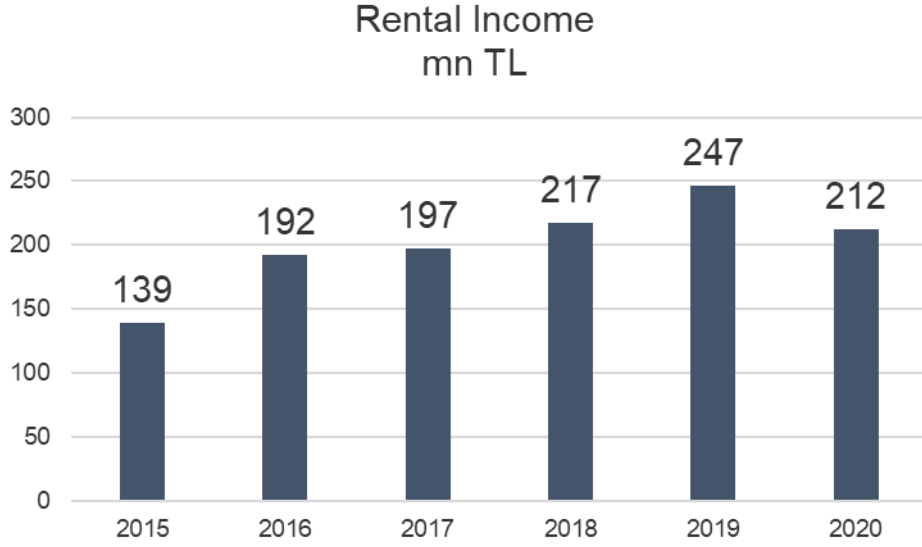
Office Portfolio	TL, mn
Appraisal Value	2.789
1Q21 Rental Income	39



- ✓ Represent 90% of the total retail investments. (TL 1.060 mn)
- ✓ Represent 96% of the total retail rental income. (TL 13,5 mn)

Retail Portfolio	TL, mn
Appraisal Value	1.185
1Q21 Rental Income	14

*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 33.000 sqm



Income Projection

Estimated development cost: \approx TL 369 mn*

Estimated rental Income : TL 45-50 mn



*Designed by



(*) Excluding finance cost&VAT.

Kasaba Evleri Residential Project

Location : Cekmekoy, Istanbul

Project type : Residential project (Villas)

Commencement of the project : 2021/Q1



Projections

Estimated development cost: \approx TL 71 mn*

Estimated sales revenue : TL 120 mn



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.

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, 2019 and 2020 ISGYO distributed cash dividend to shareholders.

Cash Dividend TL, mn	2013	2014	2015	2016	2017	2018	2019	2020
<i>Period Income according to IFRS</i>	247,9	328,4	555,9	420,5	179,9	341,6	297,4	266,5
<i>Period Income according to LR*</i>	99,3	71,3	131,5	155,2	221,8	127,7	99,8	5,0
<i>Cash Dividend</i>	31,5	47,6	52,2	63,8	68,5	-	-	
<i>Dividend per share</i>	0,05	0,07	0,07	0,075	0,075	-	-	
<i>Cash Dividend/ Period Income (LR*)</i>	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	31.03.2021
ASSETS	5.264,2
<i>Current Assets</i>	496,4
<i>Long-term Assets</i>	4.767,8

TL, mn	31.03.2021
LIABILITIES	5.264,2
<i>Short-term Liabilities</i>	980,1
<i>Long-term Liabilities</i>	149,5
<i>Shareholders' Equity</i>	4.134,6

INCOME STATEMENT		
(TL, mn)	1Q2021	1Q2020
Sales Revenue	72,0	70,9
<i>Cost of Sales</i>	26,6	23,9
Gross Profit/Losses	45,5	47,0
EBIT	39,4	32,6
<i>Net Finance Expense</i>	36,1	53,8
Net Period Income/Loss	3,6	-20,7
Gross Margin	63%	66%
EBIT Margin	55%	46%
Net Margin	5%	n.m

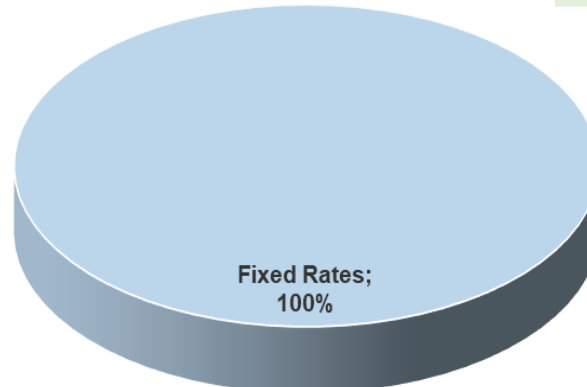
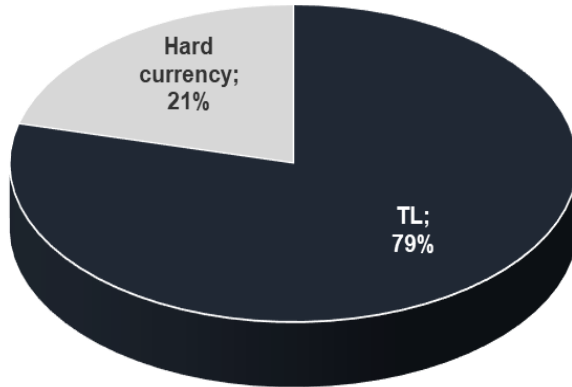
Financial Debt & Cash Position

Bank Loans	Outstanding Loan Original Amount (TL mn)	Date to Maturity	Outstanding Loan TL mn
Dolar Loan	\$26,5	2 years	225
TL Loans	431	1 year-3 year	431
Total			656

Bonds & Bills	Original Amount (mn TL)
Total	401

Cash, TL mn	55
Total Financial Debt, TL mn	1.057
Net Debt, TL mn	1.002
Total Financial Debt/Assets	20%

TOTAL FINANCIAL DEBT

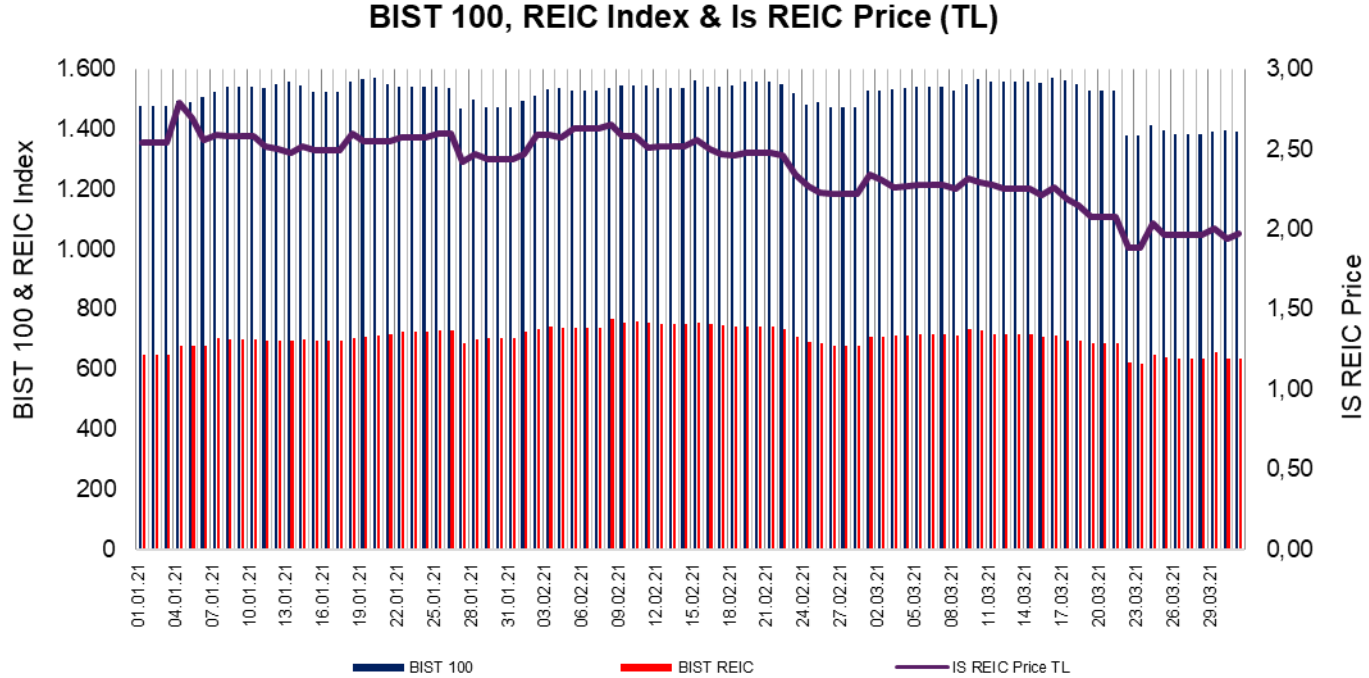


Short Term National Rating:
(TR) A1+
Outlook: Stable

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

STOCK PERFORMANCE

Stock Price vs. Index Performance



Stock Price & Index Performance (%)		
	1Q2021	1Q2020
BIST 100	-5,8	-21,7
XGMYO	-2,0	-17,5
ISGYO	-22,4	-27,8

1Q2021	ISGYO
P/BV	0,46
Avr. Trade Volume	TL 174 mn

Ayşegül Şahin Kocameşe

Head

Financial Reporting & Investor Relations

Phone : +90 850 724 23 50

E-mail : aysegul.sahin@isgyo.com.tr

Mine Kurt Yıldırım

Assistant Manager

Investor Relations

Phone : +90 850 724 23 50

E-mail : mine.kurt@isgyo.com.tr

Simay Ağaçdiken Ünal

Senior Assistant Specialist

Investor Relations

Phone : +90 850 724 23 50

E-mail : simay.agacdiken@isgyo.com.tr

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For more information : investorrelations@isgyo.com.tr