

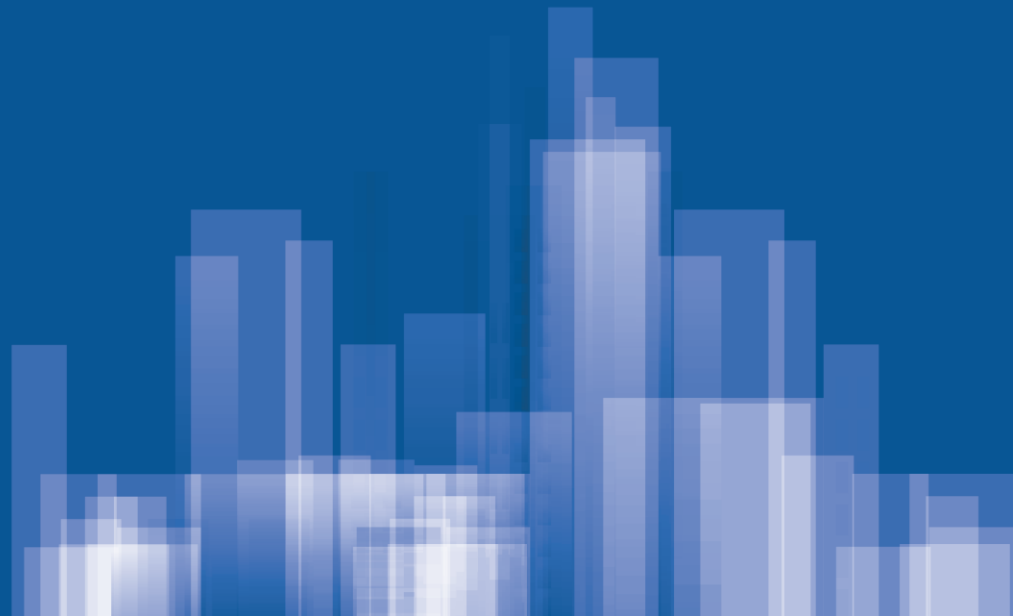


HALKGYO

Halk Real Estate Investment Trust... Investing in the Future...

INVESTOR PRESENTATION

2019 / Q2



ABOUT HALK GYO

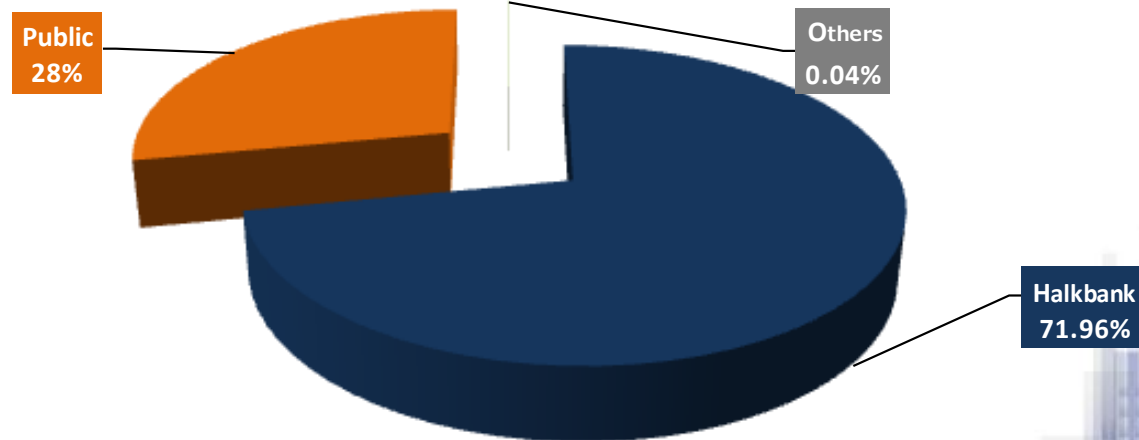
➤ Halk GYO, was established in 2010, invests in real estates, real estate projects, real estate based rights and capital market instruments.

➤ Halk GYO completed its IPO in February 2013 and is trading on the Borsa Istanbul (BIST) with the code “HLGYO”

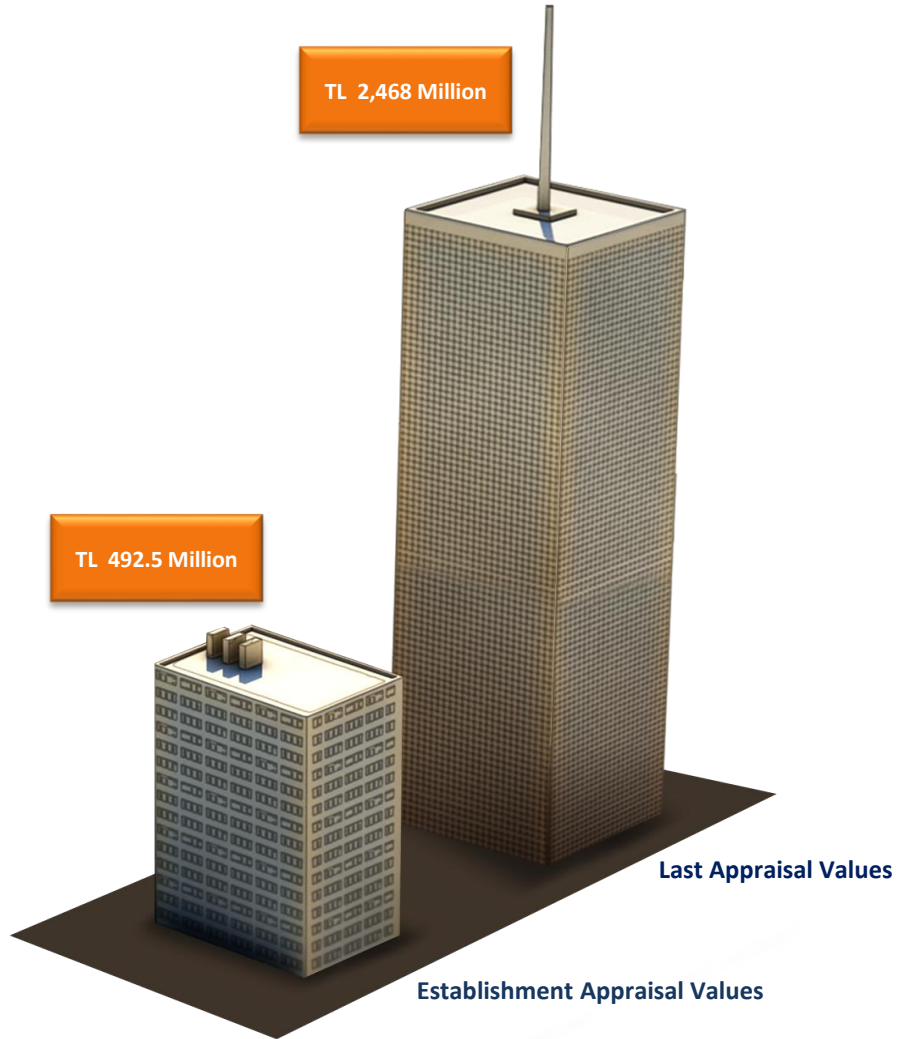
As of June 30, 2019;

❖ Halk GYO has an important position in the sector by the total asset value exceeding **TL 2.6 billion**, shareholders' equity approaching **TL 2.3 billion** and market value of **TL 705.3 million**

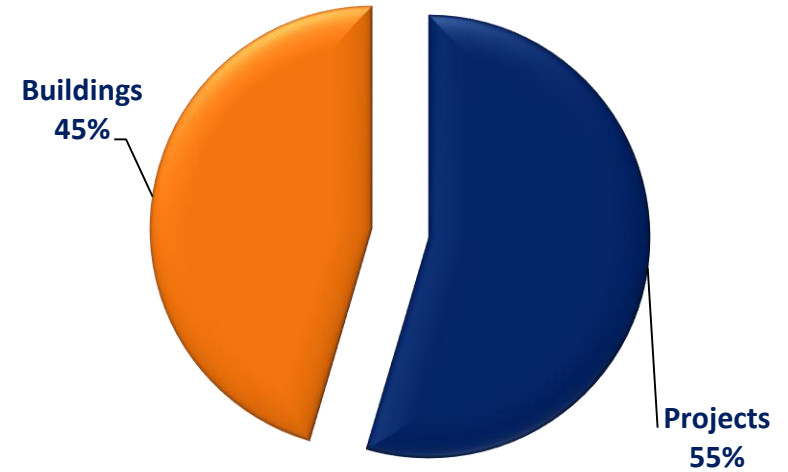
➤ **28%** of total shares are listed on the BIST.



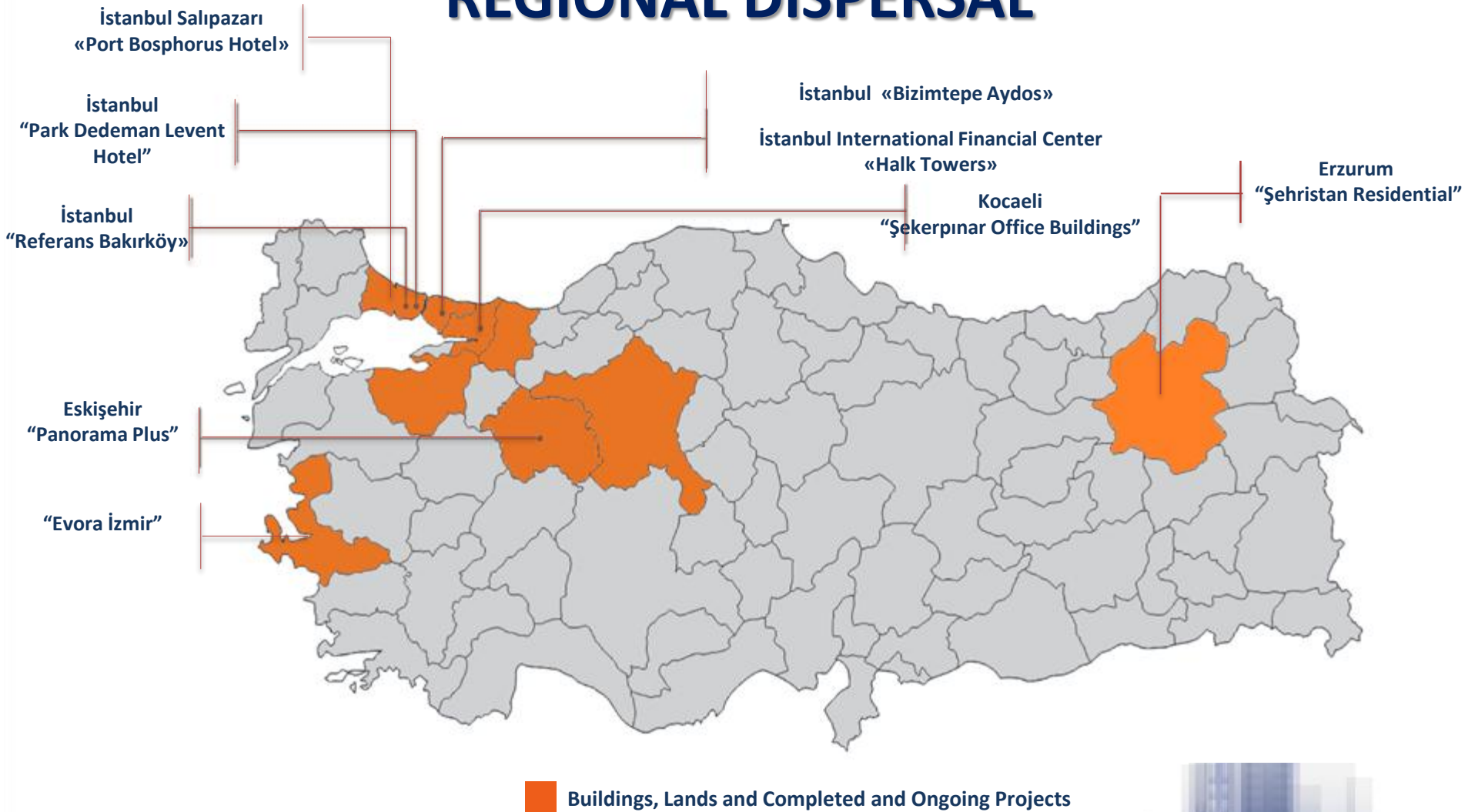
REAL ESTATE PORTFOLIO



DISTRIBUTION OF PORTFOLIO



REAL ESTATE PORTFOLIO REGIONAL DISPERSAL



REAL ESTATE PORTFOLIO TABLE

PORTFOLIO		Fair Value (TL)	
PROJECTS	Current Status		
Salıpazarı Land	Car Park of Salıpazarı Hotel	7,286,000	
IIFC «Halk Towers»	In Construction	¹ 1,209,298,127	
İzmir Evora	In Construction	³ 550,000,000	
Istanbul Bizimtepe Aydos	In sale	² 86,781,632	
Erzurum Şehristan Residentials	In sale	² 37,457,217	
Eskişehir Panorama Plus	In sale	² 6,043,101	
Istanbul Referans Bakırköy	In sale	² 342,630	
Total		1,347,208,707	
BUILDINGS	Tenant	2019 First Half Rent Income (TL)	
Istanbul Park Dedeman Levent Hotel Building	Hotel	10,268,733	246,138,000
Istanbul Halkbank Finance Tower	Halkbank	8,295,000	228,385,286
Şekerpınar Banking Center	Halkbank	3,647,805	137,773,786
Istanbul Salıpazarı Port Bosphorus Hotel Building	Hotel	2,850,824	81,056,000
Halk Office Şekerpınar	On The Market	-	77,995,312
Istanbul Karaköy Building	On the Market	-	37,825,000
Izmir, Konak 1 Building	Halkbank	871,715	28,794,550
Istanbul Beyoğlu Building	Halkbank	712,316	28,741,669
Istanbul Bakırköy Building	Halkbank	913,225	25,154,333
Istanbul Caddebostan Building	In renovation process	-	¹ 24,308,255
Istanbul Beşiktaş Building	Halkbank	830,205	21,346,000
Istanbul Etiler Building	Halkbank	647,560	20,526,000
Istanbul Şişli Building	Halkbank	639,258	18,844,404
Ankara Kızılay Building	Halkbank	880,017	18,714,823
Izmir Konak 2 Building	Halkbank and its subsidiaries	590,672	16,186,796
Bursa Building	Halkbank	612,691	16,110,000
Istanbul Fatih Building	Halkbank	415,102	13,475,250
Kocaeli Building	Halkbank	581,143	13,100,920
Istanbul Ataköy Building	Halkbank	512,651	12,954,666
Ankara Başkent Building	Halkbank / Hotel	691,743	12,642,550
Sakarya Adapazarı Building	In demolition process	-	10,979,699
Ankara Bahçelievler 1 Building	Halkbank	462,424	10,770,670
Istanbul Nişantaşı Building	Halkbank	348,686	10,288,500
Ankara Bahçelievler 2 Building	Store	129,000	⁴ 9,000,000
Total		34,900,770	1,121,112,469
TOTAL			2,468,321,176

¹Project fair value in the Independent Audit Report 2019 January-June

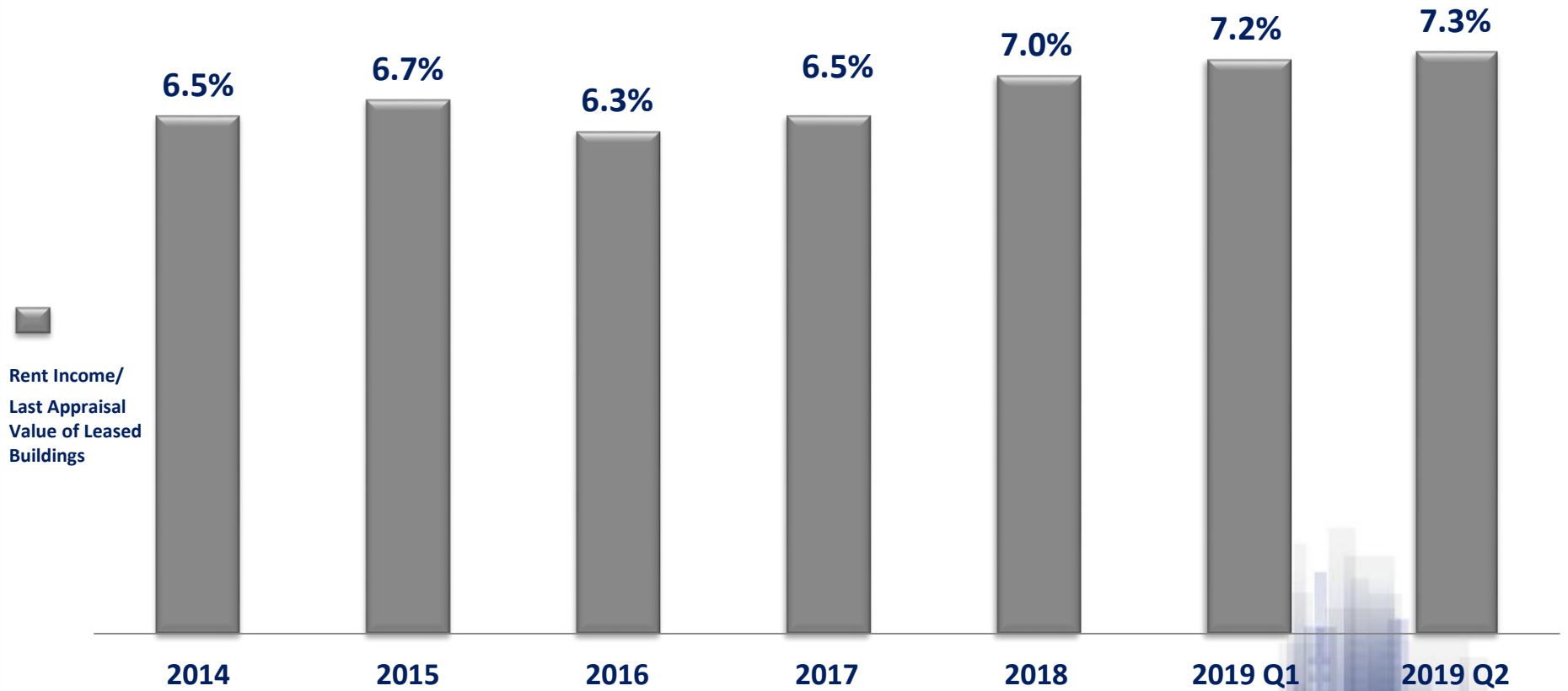
²Appraisal values of Halk GYO's share for unsold independent units as of June 30, 2019

³Calculated according to the expected total sales volume (1.7 billion TL), which is committed on the project tender. It is not included in the portfolio sum, just written for information purposes.

⁴As of April 1, 2019, Bahçelievler 2 Building has been rented to İpekyol Giyim Sanayi ve Tic. A.Ş.

REAL ESTATES
GENERATED
RENTAL INCOME

RENTAL INCOME RATIOS



COMPLETED PROJECTS

HALKBANK FINANCE TOWER



In 2012, we acquired this 23-floor class A office tower located near the İstanbul International Financial Center Project while it was under construction, The tower has been leased to Halkbank.

Being in Batı Ataşehir district, which is one of the closest areas to İstanbul International Financial Center, Halkbank Finance Tower substantially contributes in not only our portfolio but also our yearly rent income.

Real Estate Information

City	:	İstanbul
District	:	Ataşehir
Appraisal Value	:	TL 228.4 million

COMPLETED PROJECTS

REFERANS BAKIRKÖY



Referans Bakırköy is Halk GYO's first residential project. The project is developed based on a revenue sharing model in which our Company's share is 50,5 percent. The project which carried out together with Biskon Yapı A.Ş., an association of Kiler Holding, has risen on one of the last lands in Bakırköy, Istanbul. The project has 3 buildings consists of 254 residential and 73 commercial units in total and finished in 2014. A few units have remained unsold in the Company's portfolio.

Real Estate Information

City	:	İstanbul
District	:	Bakırköy
Appraisal Value	:	TL 343 thousand
<small>(for unsold units of Halk GYO as of June 30, 2019)</small>		

COMPLETED PROJECTS

PARK DEDEMAN LEVENT HOTEL



Park Dedeman Levent Hotel is the first hospitality project in Halk GYO's portfolio, It meets the much felt need for business hotels on Mecidiyeköy-Maslak line, Istanbul.

The occupancy permit for "Park Dedeman Levent" hotel project has been granted and in the scope with 10-year lease agreement signed with Dedeman Group, the hotel has been delivered to Dedeman Group and opened its doors in July, 2015.

The project is aimed to be an environmentally friendly building and received a certificate of **LEED Gold**.

Real Estate Information

City	:	İstanbul
District	:	Şişli-Levent
Appraisal Value	:	TL 246.1 million

COMPLETED PROJECTS

ESKİŞEHİR PANORAMA PLUS



The project located in Odunpazarı-Eskişehir, developed on an area of 9,811 sqm and covers 102 independent units consists 97 residential and 5 commercial units.

Panorama Plus is the first project which has “**LEED Silver Certification**” with the highest score in Eskişehir and finished in 2015.

As of June 30, 2019, 10 units have remained unsold in the Company’s portfolio.

Real Estate Information

City	: Eskişehir
District	: Odunpazarı
Appraisal Value (for 10 unsold units as of June 30, 2019)	: TL 6.0 million

COMPLETED PROJECTS

ŞEKERPINAR BANKING CENTER



Şekerpınar Banking Center which developed on our Şekerpınar-Kocaeli land which was purchased in September 2012, has an usage area of approximately 9k sqm.

In April 2015, Project finished and the Center leased for 10 years.

Center is aimed to be an environmentally friendly building and received a certificate of **LEED Gold**.

Real Estate Information

City	:	Kocaeli
District	:	Şekerpınar
Appraisal Value	:	TL 137.8 million

COMPLETED PROJECTS

HALK OFFICE ŐEKERPINAR



Halk Office Őekerpınar located on our Őekerpınar-Kocaeli land which was purchased in September 2012, has an usage area of approximately 52k sqm.

Project construction finished in 2015 and the marketing process for leasing or sale of the project still continues.

Real Estate Information

City	: Kocaeli
District	: Sekerpınar
Project Value	: TL 78 million

COMPLETED PROJECTS

BİZİMTEPE AYDOS



The Project will be constructed through joint venture with Vakıf REIT. It is located on Sancaktepe, one of the most developing and popular districts of Istanbul.

On the 95k sqm land, after leaving 90% of it for landscape the Project comprises 1085 independent units, besides hobby gardens, bicycle and running tracks, arbors and ponds, grass amphitheatres and commercial units consisting private kindergarten and market.

With the catch-phrase of *“happiness begins at home”*, sales and construction have begun as of November 2015.

The project finished in 2018 and sales continues. As of June 30 2019, 769 units have been sold.

Real Estate Information

City	:	Istanbul
District	:	Sancaktepe
Appraisal Value (of Halk GYO's share for 315 unsold units as of June 30, 2019)	:	TL 86.8 million
Halk GYO Share	:	50%

COMPLETED PROJECTS

ŞEHRİSTAN RESIDENTIAL



In April 2016, a land of approximately 24k sqm in Erzurum/Yakutiye, of which prior proprietor was Er Konut, added into portfolio with a cost of TL 17,5 million, the half amount of the appraisal value of TL 35 million, to develop a residential project.

The project, developed through Halk GYO-Er Konut “Ordinary Partnership”, comprise 13 blocks, each with 13-storey, and totally 632 residential and 13 commercial units.

Construction and sale works of the project have been started in May 2016 and the construction finished in 2018.

As of June 30, 2019, 415 residential and 7 commercial units has been sold.

Real Estate Information

City	:	Erzurum
District	:	Yakutiye
Appraisal Value (of Halk GYO's share for 223 unsold units as of June 30, 2019)	:	TL 37.5 million
Halk GYO Share	:	50%

COMPLETED PROJECTS

SALIPAZARI PORT BOSPHORUS HOTEL



After the best use studies, it was decided to renovate our office building, Beyoğlu Salıpaazarı, which is registered in one of the most historic and significant districts in Istanbul, as a hotel.

After the procedures of sealed-bid tender and auction, a lease contract for 20 years has been signed in 2015.

The hotel has been delivered to tender and opened its doors in March 2018.

Real Estate Information

City	:	İstanbul
District	:	Beyoğlu / Salıpaazarı
Appraisal Value	:	TL 81 million



ONGOING PROJECTS

iSTANBUL INTERNATIONAL FINANCIAL CENTER «HALK TOWERS»



As Halk GYO, we are one of the major stakeholders of the Istanbul International Financial Center Project carried out under the coordination of the Ministry of Environment and Urban Planning and two office towers, one with 46 floors and the other with 34 floors and also 3 buildings each with 8 floors will rise.

The project will serve as a hub for the state banks of Turkey, such as Halkbank, Vakıfbank, Ziraatbank, as well as financial institutions, such as Banking Regulation and Supervision Agency (BRSA), The Central Bank of Turkey and Capital Markets Board (CMB). IFC will be 7/24 lively center that supported by both green fields and architectural design studies as well as hidden parking area into the basement floors which provides cars be hardly seen around the finance center.

A goodwill agreement has been signed with Halkbank, our main shareholder, to lease out specified areas of our office towers, regarding their demand and need after being completed and designed through class A standards.

The construction of project started at the end of 2016 and the construction level has been reached 29% as of June 2019.

Real Estate Information

City	:	İstanbul
District	:	Ümraniye
Project Value (the cost value as of June 30, 2019)	:	TL 1.209 million



ONGOING PROJECTS

EVORA İZMİR



“Teknik Yapı – Halk GYO Joint Venture” has been established providing all profits, liability and revenue to be divided equally with Teknik Yapı A.Ş., the winner of the Revenue Sharing Model Project in Return for Land Sale Tender, made by Emlak Konut GYO A.Ş. in June, for approximately 47 acres of land consisting 2 parcels in Alsancak, İzmir, with a commitment of a revenue of 1 billion 700 million TL and revenue share of 35%.

Teknik Yapı – Halk GYO Joint Venture and Emlak Konut GYO A.Ş. signed a “Revenue Sharing Model Agreement in Return for Land Sale” in 08/25/2017 to build trade + tourism + residential + parking area + mosque units on 47 acres of land. According to the agreement details, revenue share ratio of Joint Venture was determined as 65%.

Pre-construction works continue for the Project and the process of collecting pre-requests has been started.

EVORA İzmir project, which is designed in a mixed structure that contains housing, trade, park, culture and tourism functions, has won “**2018 Best Architectural Design**” award of SOTCA (Sign of the City Awards) organization made each year.



FINANCIAL DATA

BALANCE SHEET (TL)	31.12.2018	30.06.2019
Current Assets	216,878,756	199,173,098
<i>Liquid Assets</i>	28,825,032	20,680,559
<i>Inventories</i>	108,935,331	101,700,778
Non-Current Assets	2,415,914,637	2,469,582,153
<i>Investment Properties</i>	2,288,772,410	2,343,590,017
Total Assets	2,632,793,393	2,668,755,251
Short Term Liabilities	353,338,299	374,724,255
<i>Deferred Income</i>	10,116,377	12,556,546
Long Term Liabilities	17,836,274	12,144,188
Equity	2,261,618,820	2,281,886,808
Total Liabilities and Equity	2,632,793,393	2,668,755,251

INCOME STATEMENT (TL)	01.01.2018 30.06.2018	01.01.2019 30.06.2019
Revenues	101,179,961	43,136,429
<i>Rent Income</i>	28,516,958	34,942,548
<i>Sales Income</i>	68,495,526	6,747,991
<i>Financial Income</i>	4,167,477	1,445,890
Cost of Sales	(54,926,853)	(5,960,369)
<i>Cost of Residential Sales</i>	(53,907,161)	(4,819,006)
<i>Other Costs</i>	(1,019,692)	(1,141,363)
Gross Profit	46,253,108	37,176,060
<i>General Administrative Expense</i>	(6,682,748)	(7,304,531)
<i>Marketing & Selling Expense</i>	(655,889)	(2,569,015)
<i>Other Income (Expense)</i>	1,991,941	1,283,703
<i>Revaluation Income of Investment Property</i>	-	2,036,922
Operating Profit	40,906,412	30,623,139
<i>Financial Expense</i>	(7,704,900)	(5,489,906)
Net Profit	33,201,512	25,133,233

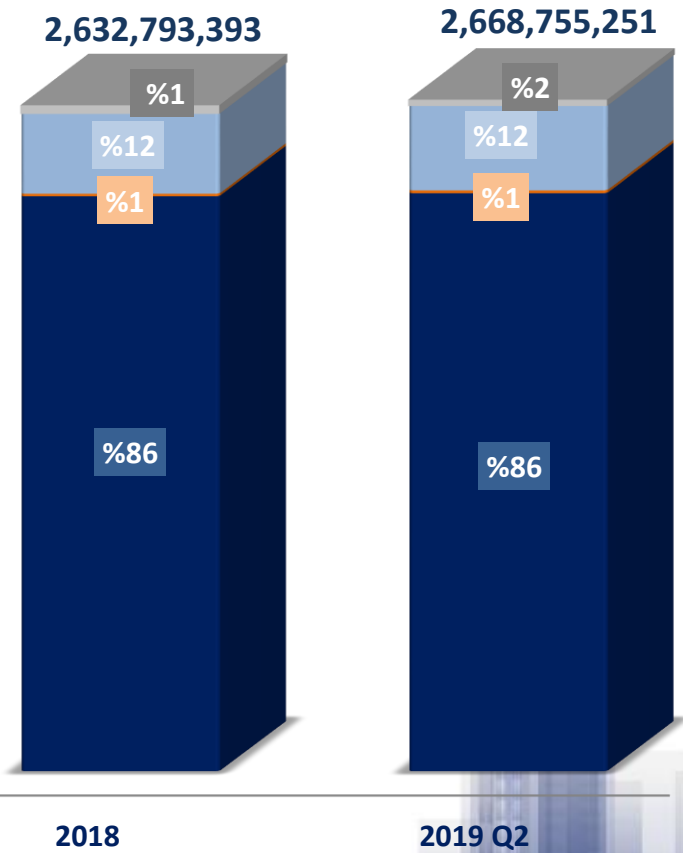
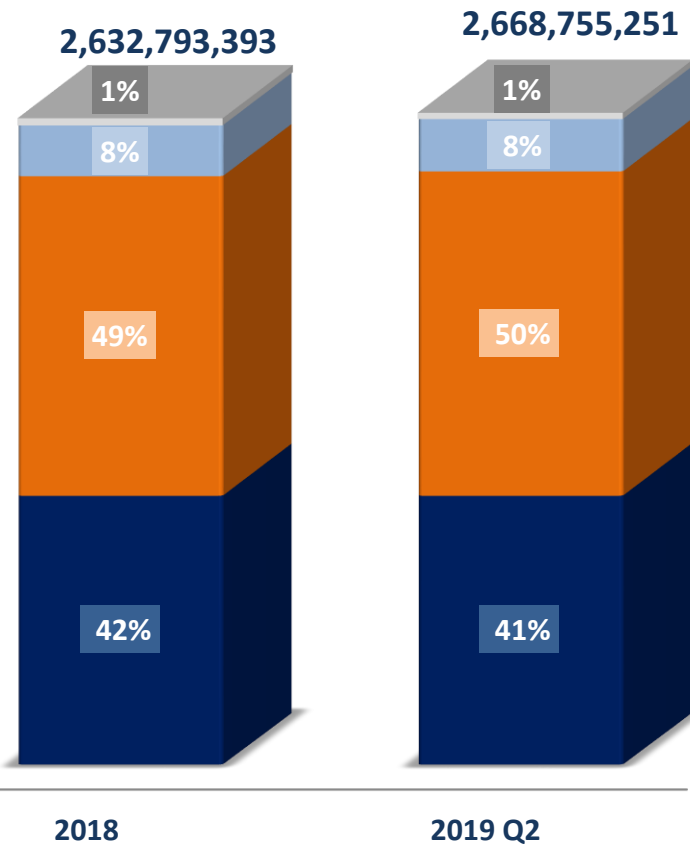
DISTRIBUTION OF ASSETS AND LIABILITIES

DISTRIBUTION OF ASSETS_TL

■ Buildings ■ Lands&Projects ■ Other ■ Cash and Cash Equivalents

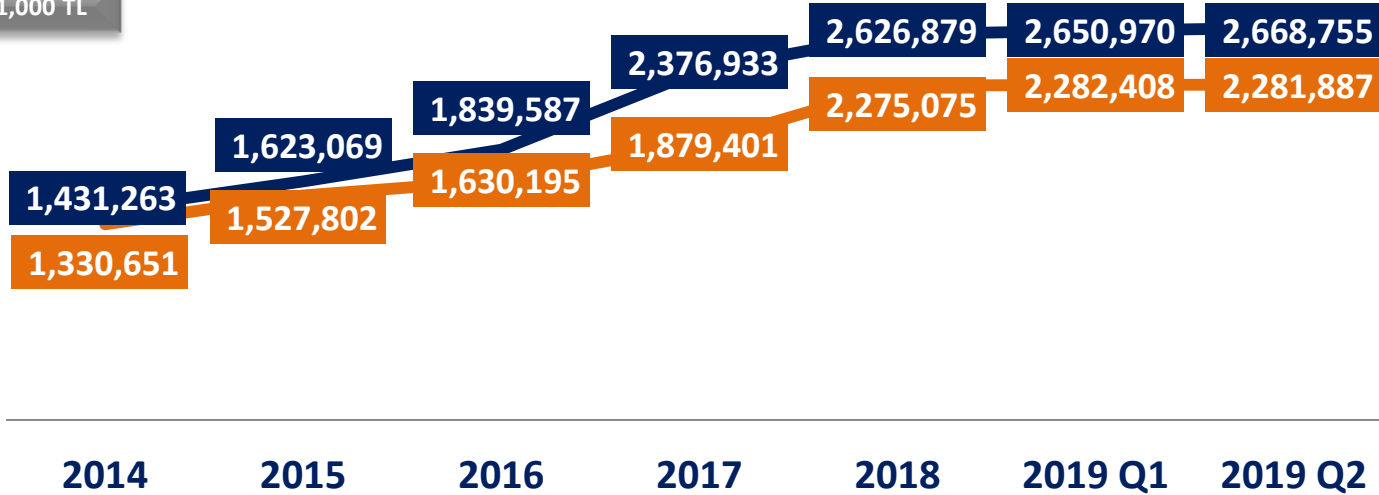
DISTRIBUTION OF LIABILITIES_TL

■ Equities ■ Deferred Income ■ Financial Debts ■ Other



BALANCE SHEET ITEMS

1,000 TL



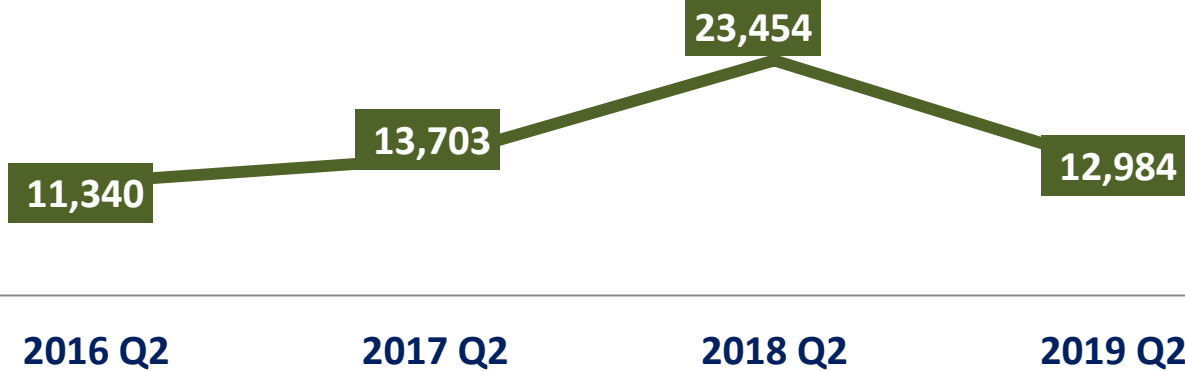
YOY

Assets 1.37%

Equities 0.90%

YOY

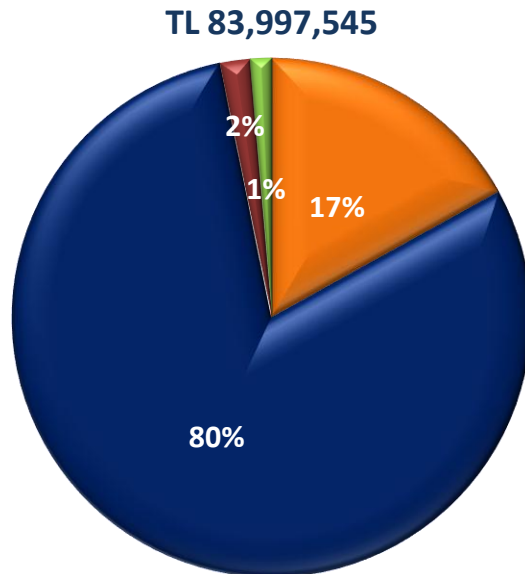
Net Profit -44.64%



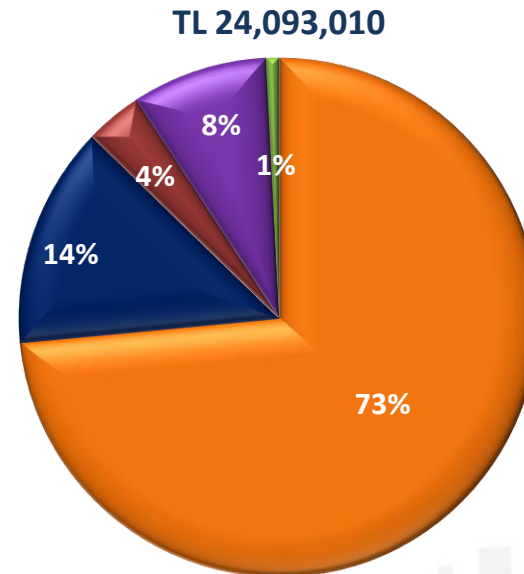
INCOME STATEMENT ITEMS

TL	2018 Q1	2018 Q2	2019 Q1	2019 Q2
Total Revenues	18,280,039	82,899,922	21,267,301	21,869,128
Rent Income	14,276,659	14,240,299	17,234,211	17,708,337
Real Estate Sale Income	1,400,453	67,095,073	3,441,076	3,306,915
Financial Income	2,602,927	1,564,550	592,014	853,876
Cost of Sales	-1,035,256	-53,891,597	-2,818,169	-3,142,200
Cost of Real Estate Sales	-646,956	-53,260,205	-2,519,443	-2,299,563
Other	-388,300	-631,392	-298,726	-842,637
Gross Profit	17,244,783	29,008,325	18,449,132	18,726,928
General Administrative Expenses	-3,554,081	-3,128,667	-3,370,046	-3,934,485
Marketing & Selling Expenses	-399,309	-256,580	-1,512,308	-1,056,707
Other Operating Income from Main Activities	1,101,360	1,097,623	1,245,443	186,960
Other Operating Loss from Main Activities	-104,687	-102,355	-99,359	-49,341
Operating Profit	14,288,066	26,618,346	14,712,862	13,873,355
Revaluation Income of Investment Property	-	-	-	2,036,922
Financial Expenses	-4,540,587	-3,164,313	-2,563,443	-2,926,464
Net Profit	9,747,479	23,454,033	12,149,419	12,983,813

DISTRIBUTION OF MAIN INCOME ITEMS

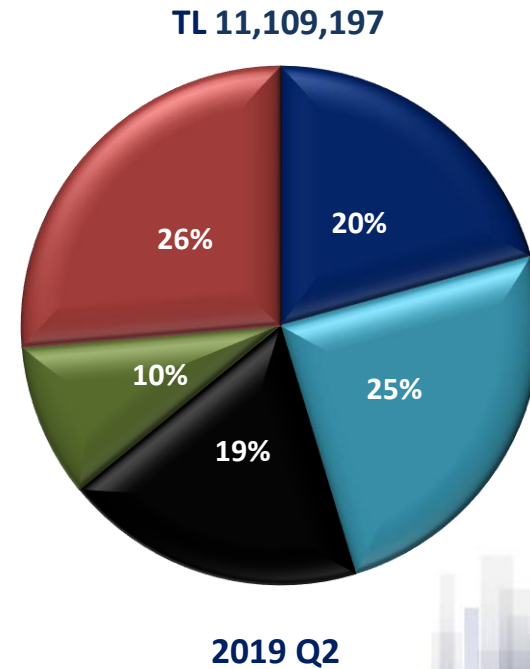
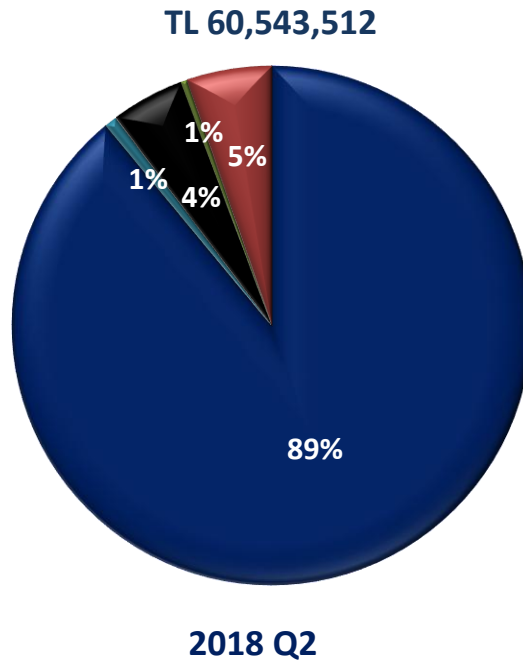


2018 Q2



2019 Q2

DISTRIBUTION OF MAIN EXPENSE ITEMS



2019 TARGET

To reach to ~ **12 %** RoaA ratio

For further information please contact;

Investor Relations

ir@halkgyo.com.tr



DISCLAIMER

The information contained in this presentation has been prepared by Halk Gayrimenkul Yatırım Ortaklığı A.Ş. (Halk GYO) for informational purposes only. Although the information in this presentation has been obtained from sources which Halk GYO believes to be reliable. Halk GYO cannot guarantee that the information is without fault or entirely accurate. The information contained in this presentation has not been independently verified. No representation or warranty express or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained herein. The information and opinions in this presentation are provided as at the date of this presentation and are subject to change without notice. Halk Gayrimenkul Yatırım Ortaklığı A.Ş. does not accept any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this presentation or otherwise arising in connection with this presentation. This presentation cannot be interpreted as an advice to anyone and is also strictly confidential and may not be reproduced, distributed or published for any purpose.