

HALKGYO

INVESTOR PRESENTATION

2020 / Q2

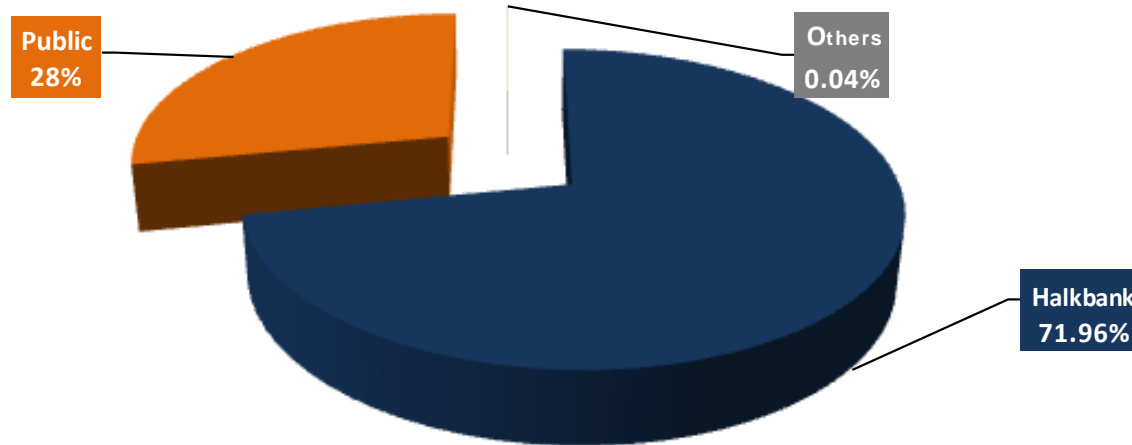
ABOUT HALK GYO

- 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”

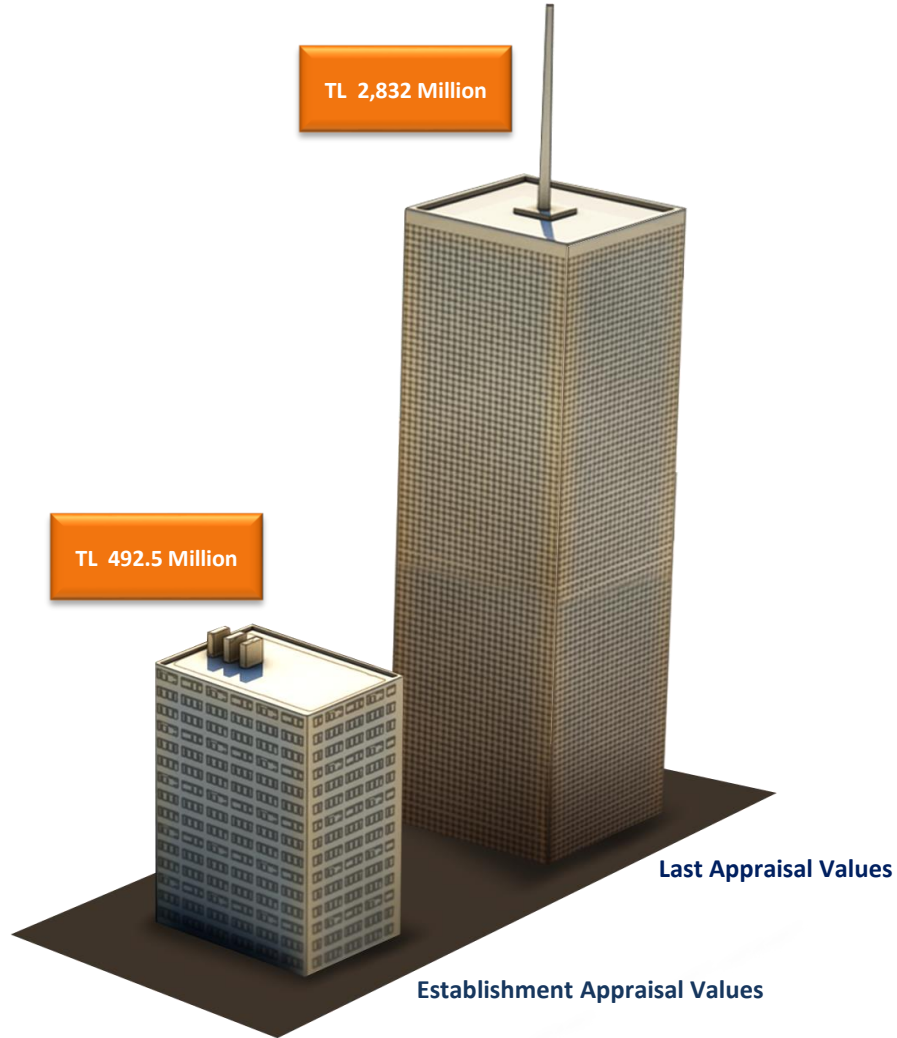
As of June 30, 2020;

❖ Halk GYO has an important position in the sector by the total asset value exceeding **TL 3 billion**, shareholders’ equity **TL 2.6 billion** and market value of **TL 2.1 billion**.

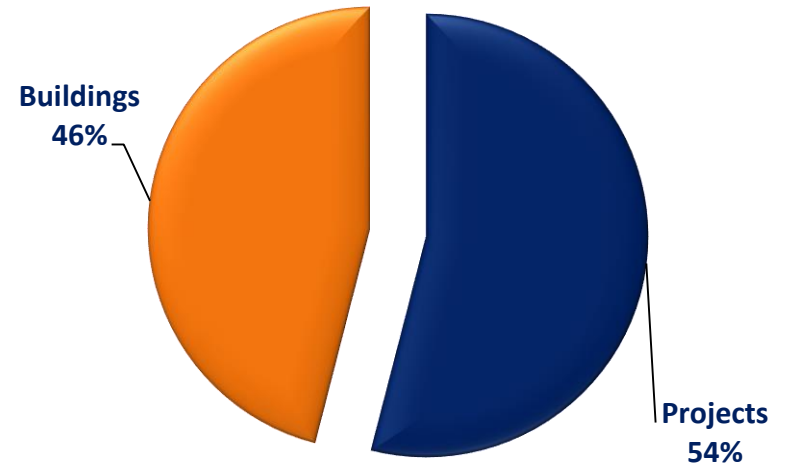
- **28%** of total shares are listed on the BIST.



REAL ESTATE PORTFOLIO

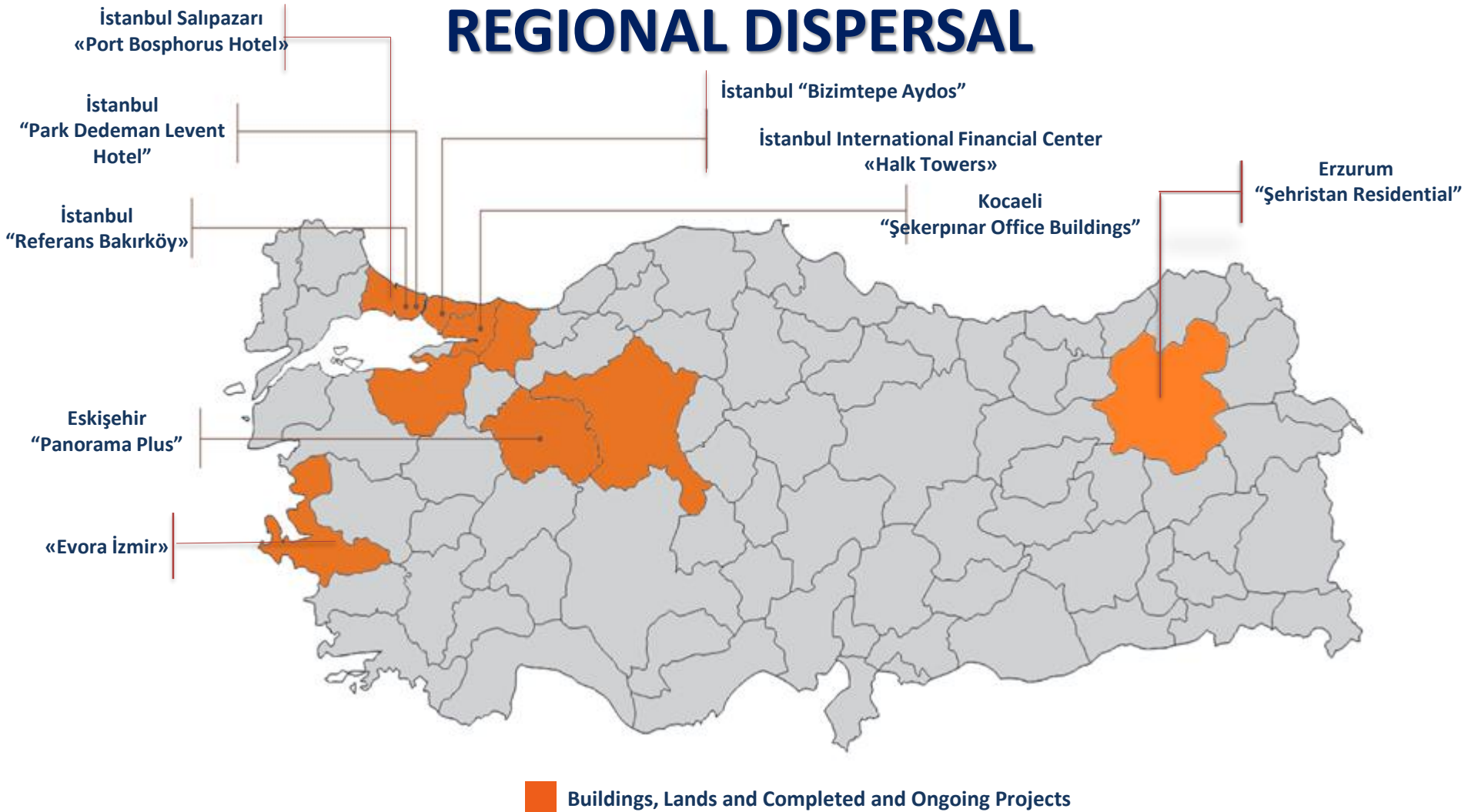


DISTRIBUTION OF PORTFOLIO



REAL ESTATE PORTFOLIO

REGIONAL DISPERSAL



REAL ESTATE PORTFOLIO TABLE

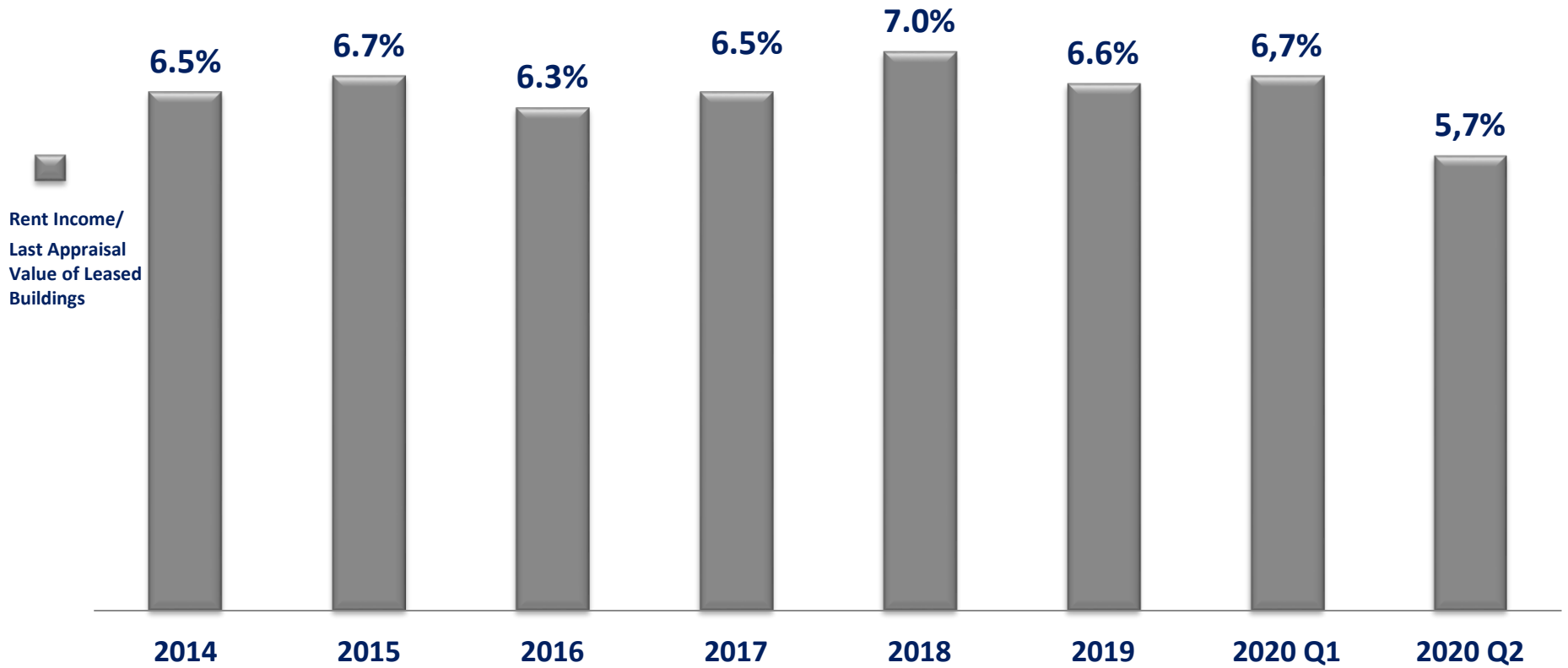
PORTFOLIO	Fair Value (TL)	
PROJECTS	Current Status	
IIFC «Halk Towers»	In Construction	1,476,600,413
Izmir Evora	In sale	² 550,000,000
Istanbul Bizimtepe Aydos	In sale	¹ 18,013,348
Erzurum Şehristan Residentials	In sale	¹ 4,281,767
Eskişehir Panorama Plus	In sale	¹ 940,000
Istanbul Referans Bakırköy	In sale	¹ 454,500
Erzurum Palandöken Lands	Land	14,350,000
Erzurum Yakutiye Land	Land	9,850,000
Salıpazarı Land	Car Park of Salıpazarı Hotel	8,200,000
Total		1,532,690,028

BUILDINGS	Tenant	2020 First Half Rent Income (TL)	
Istanbul Halkbank Finance Tower	Halkbank	8,913,000	313,200,000
Istanbul Park Dedeman Levent Hotel Building	Hotel	7,341,559	275,000,000
Şekerpınar Banking Center	Halkbank	4,151,894	138,500,000
Halk Office Şekerpınar	On The Market	-	94,920,000
Istanbul Salıpazarı Port Bosphorus Hotel Building	Hotel	3,265,651	85,000,000
Istanbul Karaköy Building	On the Market	-	40,000,000
Izmir, Konak 1 Building	Halkbank	916,390	33,900,000
Istanbul Beyoğlu Building	Halkbank	189,357	33,350,000
Istanbul Bakırköy Building	Halkbank	960,028	27,750,000
Istanbul Caddebostan Building	In renovation process	-	27,121,946
Istanbul Etiler Building	Halkbank	680,747	23,700,000
Istanbul Beşiktaş Building	Halkbank	756,386	22,750,000
Ankara Kızılay Building	Halkbank	925,118	22,400,000
Istanbul Şişli Building	Halkbank	672,019	20,000,000
Izmir Konak 2 Building	Halkbank and Halk Emeklilik	624,030	18,250,000
Bursa Building	Halkbank	644,091	17,250,000
Istanbul Fatih Building	Halkbank	436,376	14,975,000
Istanbul Ataköy Building	Halkbank	538,925	14,750,000
Kocaeli Building	Halkbank	610,927	14,500,000
Ankara Başkent Building	Halkbank / Hotel	743,521	14,000,000
Ankara Bahçelievler 1 Building	Halkbank	486,123	11,550,000
Istanbul Nişantaşı Building	Halkbank	366,556	11,500,000
Sakarya Adapazarı Building	In demolition process	-	9,500,000
Ankara Bahçelievler 2 Building	Store	275,196	8,250,000
Bizimtepe Aydos T No 1-2-3 Kindergarten	Yakın Ufuklar A.Ş.	87,000	2,358,000
Bizimtepe Aydos T No 17-18-19-20-21-22 Market	MOPAŞ	76,058	1,666,500
Bizimtepe Aydos T No 23-24 Real Estate Agent	Akatlı Group	25,500	1,046,500
Bizimtepe Aydos T No 39-40-41-42-43-44 Gift Market	Meşgalem Hediye	12,640	605,000
Bizimtepe Aydos T No 29-30-31-32 Real Estate Agent	Akatlı Group	-	380,000
Bizimtepe Aydos T No 26 Real Estate Agent	Akatlı Group	5,700	325,500
Bizimtepe Aydos T No 25 Pharmacy	Real Person	8,400	323,000
Bizimtepe Aydos T No 16 Dried nuts and fruits	Real Person	6,300	276,000
Bizimtepe Aydos T No 14 Real Estate Agent	Habitad Gayrimenkul	-	209,500
Bizimtepe Aydos T No 13 Hairdresser	Real Person	5,496	209,500
Bizimtepe Aydos T No 27-28 Real Estate Agent	Akatlı Group	1,500	193,500
Total		33,726,487	1,299,709,946

¹ Appraisal values of Halk GYO's share for remaining independent units as of June 30, 2020
² Calculated 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. (calculated as 50% of 65% Ordinary Partnership share)

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 313.2 million

COMPLETED PROJECTS

REFERANS BAKIRKÖY



Referans Bakirköy 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 Bakirköy, Istanbul. The project has 3 buildings consists of 254 residential and 73 commercial units in total and finished in 2014. All of the project was sold.

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 hotel has been leased to Dedeman Group and been opened since 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 275 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 completed in 2015.

In the project few remaining independent units continue to be sold.

Real Estate Information

City	: Eskişehir
District	: Odunpazarı
Appraisal Value (for remaining units as of June 30, 2020)	: TL 940 thousand

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.

Project was completed in 2015 and was leased in April of the same year.

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 138.5 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.

The marketing process for leasing or sale of the project still continues.

Real Estate Information

City	: Kocaeli
District	: Őekerpınar
Project Value	: TL 94.9 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.

The project, the construction of which started in November 2015, was completed in 2018 and the Building Use Permit Certificate (Settlement) was received in February 2019.

As of 30 June 2020, a total of 978 residences were sold in the project.

Real Estate Information

City	:	Istanbul
District	:	Sancaktepe
Appraisal Value (of Halk GYO's share for remaining units as of June 30, 2020)	:	TL 25.6 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 residentials 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, 2020, 623 residentials and 8 commercial units has been sold.

Real Estate Information

City	:	Erzurum
District	:	Yakutiye
Appraisal Value (of Halk GYO's share for remaining units as of June 30, 2020)	:	TL 4.3 million
Halk GYO Share	:	50%

COMPLETED PROJECTS

SALIPAZARI PORT BOSPHORUS HOTEL



Following the completion of the renovation of the Salıpazarı Building to be used as a hotel building, which serves as a bank branch and office, building use permit was obtained in 2018 and started to serve as a hotel building.

Real Estate Information

City	: İstanbul
District	: Beyoğlu / Salıpazarı
Appraisal Value	: TL 85 million



ONGOING PROJECTS

İSTANBUL 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 47% as of the end of June 2020.



Real Estate Information

City	:	İstanbul
District	:	Ümraniye
Project Value (the fair value as of June 30, 2020)	:	TL 1,477 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%.

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.

The construction licenses was obtained for A,B1,B2,B3,C,D,E,F,H,K,L and M blocks and sales have started.



FINANCIAL DATA

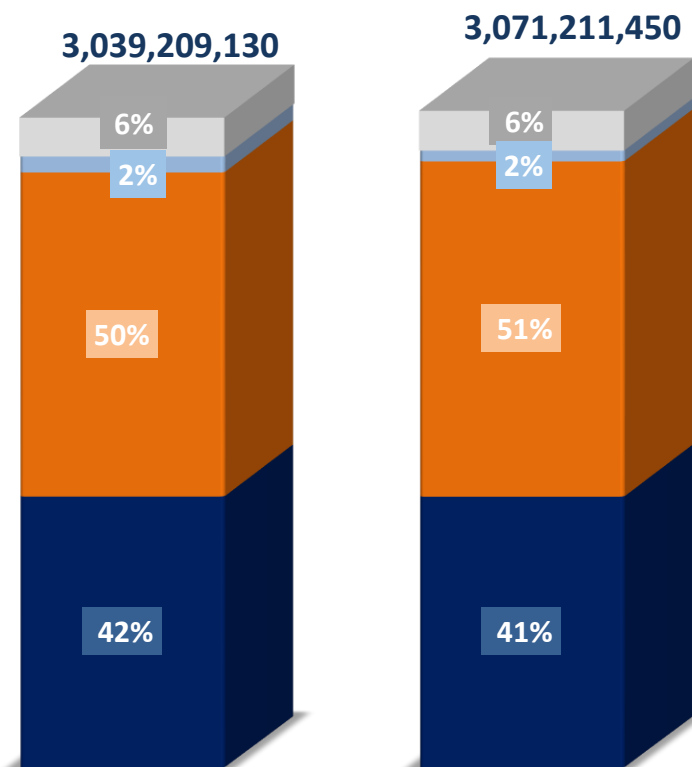
BALANCE SHEET (TL)	30.06.2020	31.12.2019
Current Assets	112,873,304	192,228,287
<i>Liquid Assets</i>	50,264,446	74,285,277
<i>Inventories</i>	26,838,162	67,906,463
Non-Current Assets	2,958,338,146	2,846,980,843
<i>Investment Properties</i>	2,808,710,359	2,715,950,000
Total Assets	3,071,211,450	3,039,209,130
Short Term Liabilities	360,561,158	452,228,381
<i>Deferred Income</i>	13,537,204	13,423,297
Long Term Liabilities	101,299,500	8,761,067
Equity	2,609,350,792	2,578,219,682
Total Liabilities and Equity	3,071,211,450	3,039,209,130

INCOME STATEMENT (TL)	01.01.2020 30.06.2020	01.01.2019 30.06.2019
Revenues	97,328,143	43,136,429
<i>Rent Income</i>	62,273,506	6,747,991
<i>Sales Income</i>	33,734,441	34,942,548
<i>Financial Income</i>	1,320,196	1,445,890
Cost of Sales	(46,599,502)	(5,960,369)
<i>Cost of Residential Sales</i>	(45,270,368)	(4,819,006)
<i>Other Costs</i>	(1,329,134)	(1,141,363)
Gross Profit	50,728,641	37,176,060
<i>General Administrative Expense</i>	(8,254,826)	(7,304,531)
<i>Marketing & Selling Expense</i>	(3,719,812)	(2,569,015)
<i>Other Income (Expense)</i>	(345,071)	1,283,703
Operating Profit	38,814,777	28,586,217
<i>Revaluation Income of Investment Property</i>	450,845	2,036,922
<i>Financial Expense</i>	(3,283,667)	(5,489,906)
Net Profit	35,531,110	25,133,233

DISTRIBUTION OF ASSETS AND LIABILITIES

DISTRIBUTION OF ASSETS_TL

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

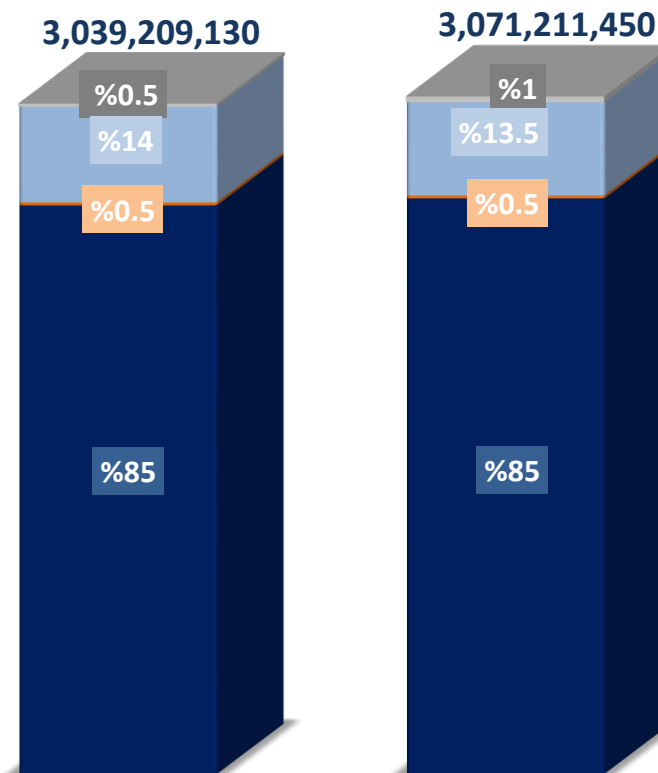


2019

2020 Q2

DISTRIBUTION OF LIABILITIES_TL

■ Equities ■ Deferred Income ■ Financial Debts ■ Other

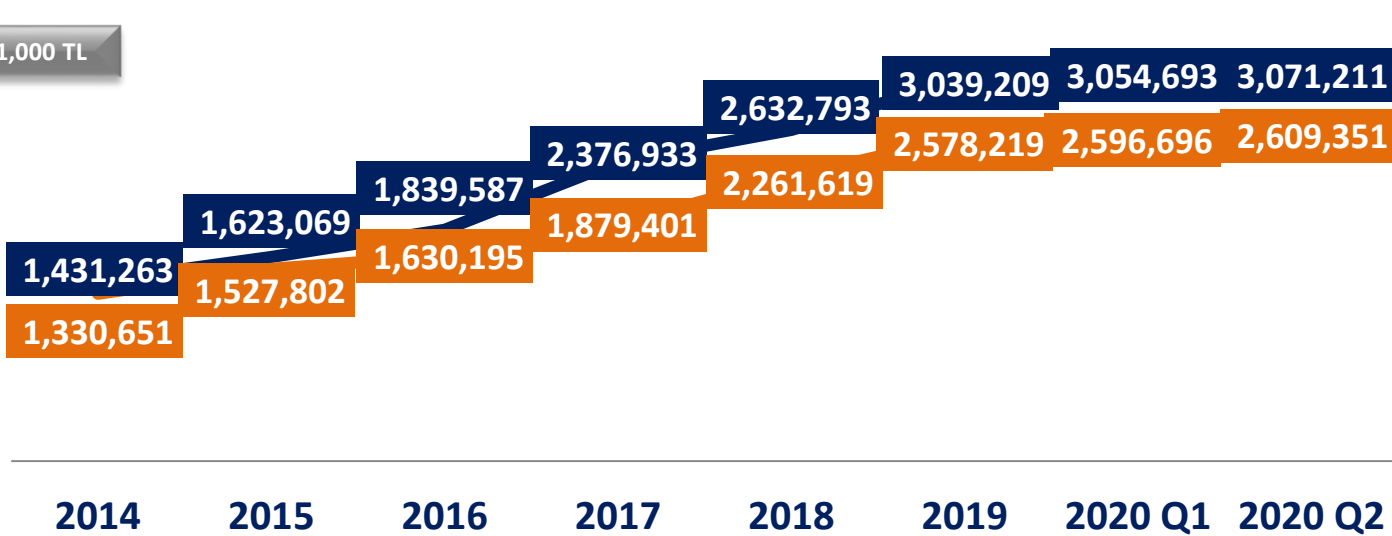


2019

2020 Q2

BALANCE SHEET ITEMS

1,000 TL



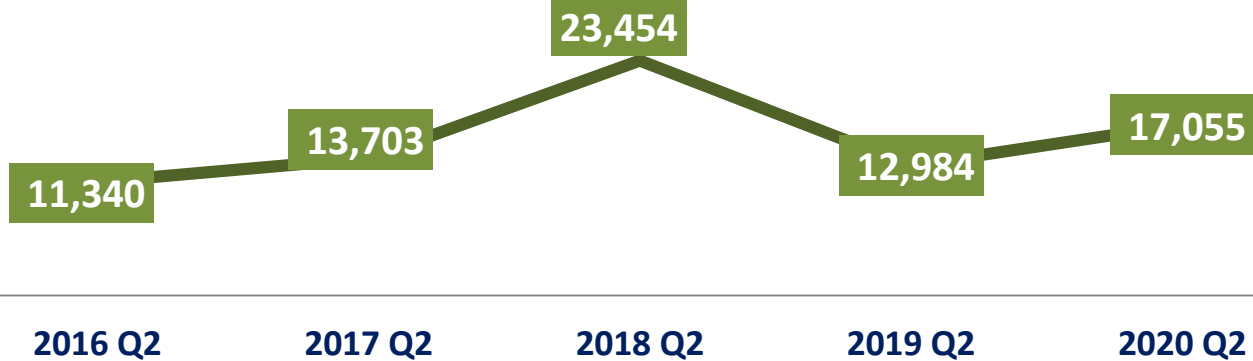
YOY

Assets

1.05%

Equities

1.21%



YOY

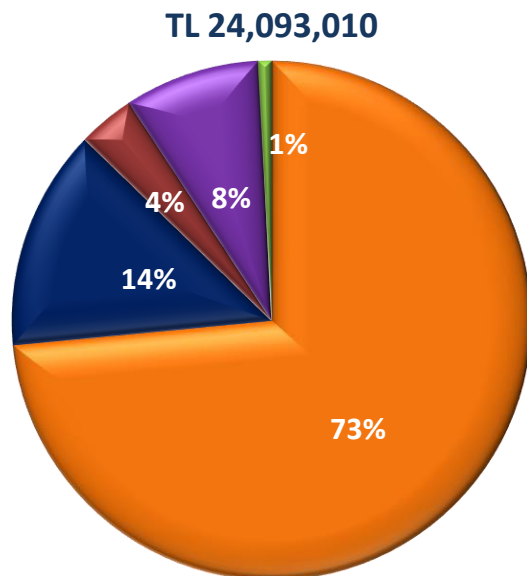
Net Profit

31.35%

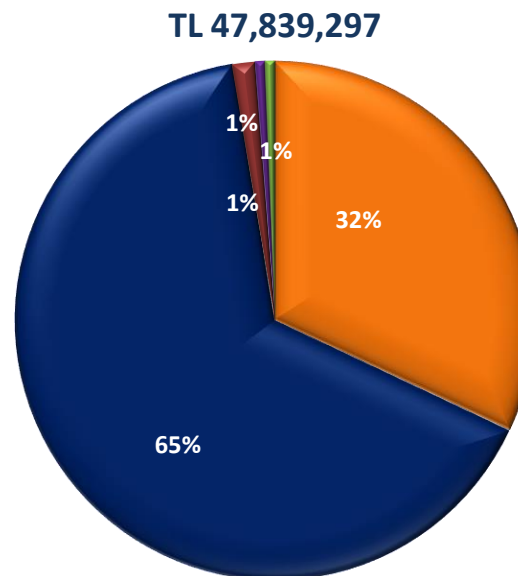
INCOME STATEMENT ITEMS

TL	2019 Q1	2019 Q2	2020 Q1	2020 Q2
Total Revenues	21,267,301	21,869,128	50,063,344	47,264,799
Rent Income	17,234,211	17,708,337	18,438,713	15,295,728
Real Estate Sale Income	3,441,076	3,306,915	30,972,540	31,300,966
Financial Income	592,014	853,876	652,091	668,105
Cost of Sales	-2,818,169	-3,142,200	-24,031,097	-22,568,405
Cost of Real Estate Sales	-2,519,443	-2,299,563	-23,677,934	-21,592,434
Other	-298,726	-842,637	-353,163	-975,971
Gross Profit	18,449,132	18,726,928	26,032,247	24,696,394
General Administrative Expenses	-3,370,046	-3,934,485	-3,892,875	-4,361,951
Marketing & Selling Expenses	-1,512,308	-1,056,707	-1,877,427	-1,842,385
Other Operating Income from Main Activities	1,245,443	186,960	616,601	269,903
Other Operating Loss from Main Activities	-99,359	-49,341	-784,640	-446,935
Operating Profit	14,712,862	13,873,355	20,093,906	18,315,026
Revaluation Income of Investment Property	-	2,036,922	101,250	304,595
Financial Expenses	-2,563,443	-2,926,464	-1,718,599	-1,565,068
Net Profit	12,149,419	12,983,813	18,476,557	17,054,553

DISTRIBUTION OF MAIN INCOME ITEMS

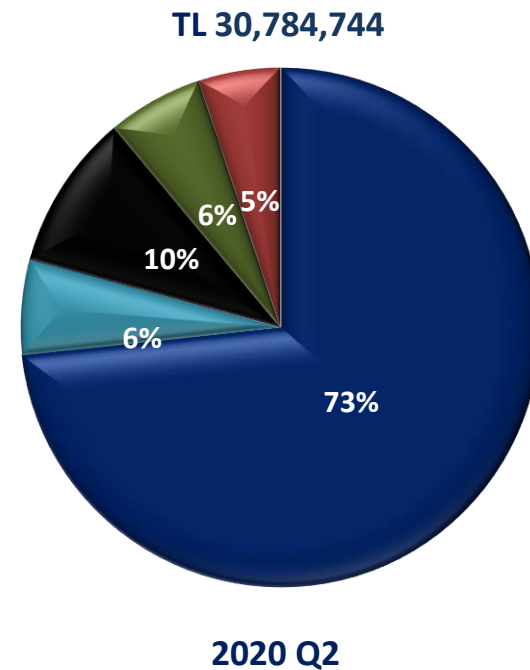
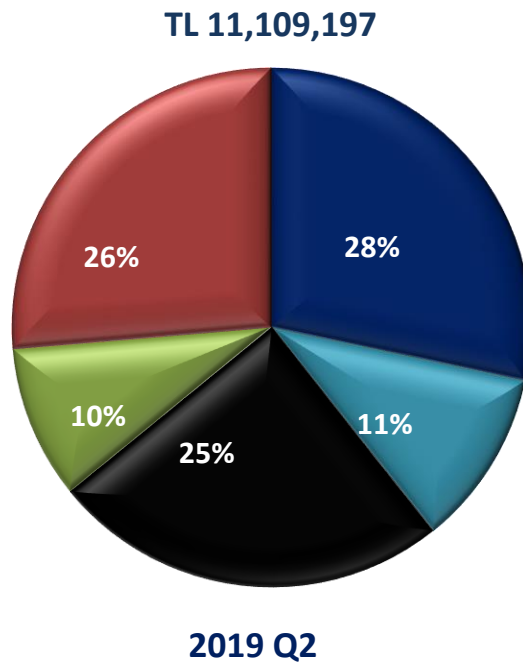


2019 Q2



2020 Q2

DISTRIBUTION OF MAIN EXPENSE ITEMS



2020 TARGET

To reach to ~ 8 % ROaA ratio

For further information please contact;

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