

HALKGYO



**2014
YEAR END
INVESTOR PRESENTATION**

ABOUT HALK GYO

- Halk GYO was established in 2010, that 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”

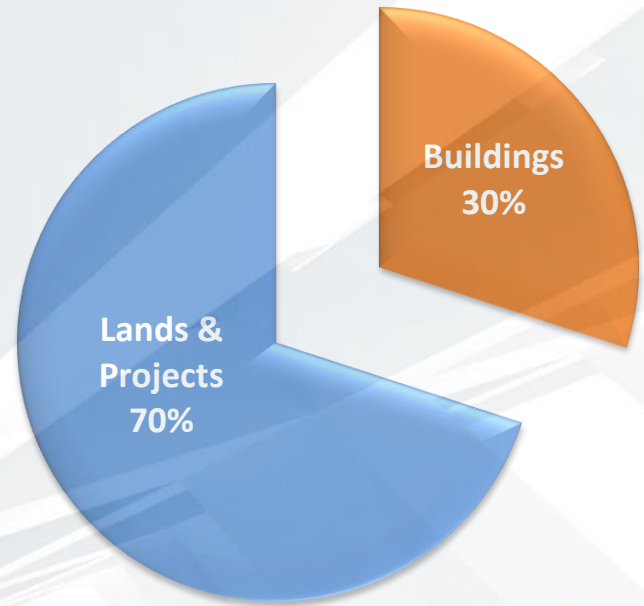
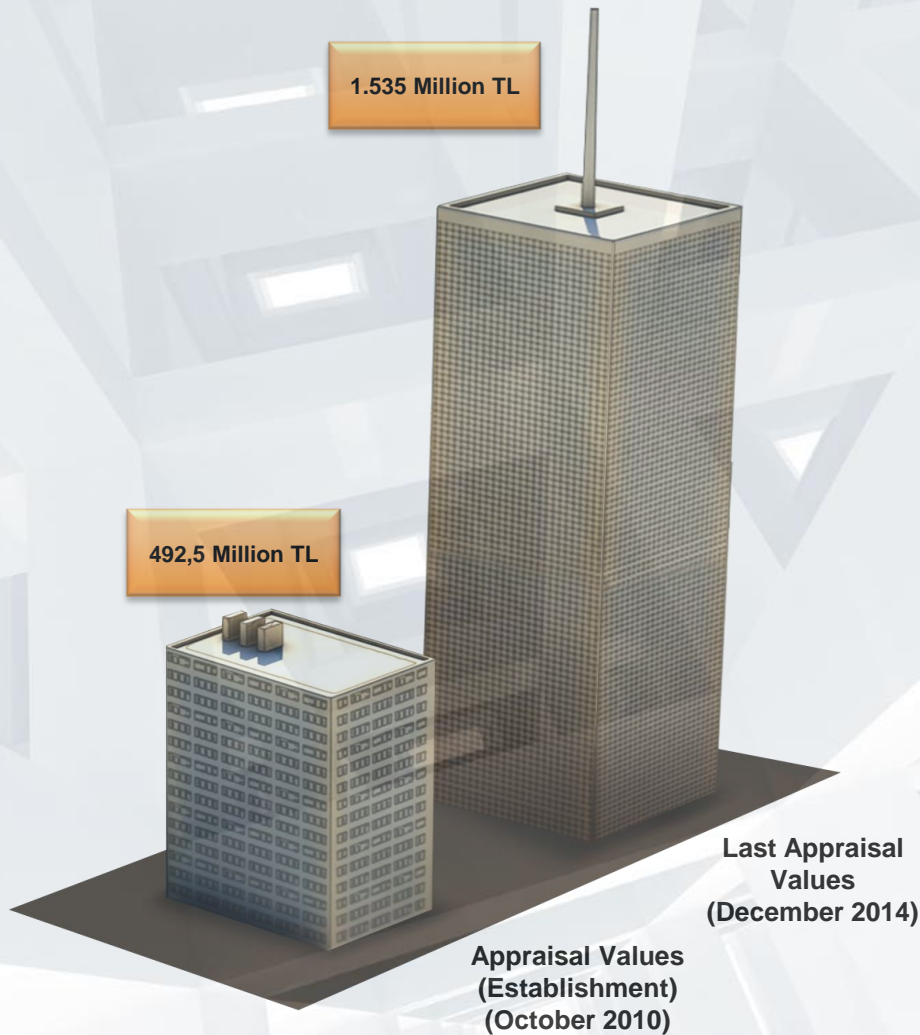
As of 31.12.2014;

- ❖ Halk GYO has an important position in the sector by **845 million TL** of market value and **828 million TL** of shareholders' equity.
- 28% of total shares are listed on the BIST.

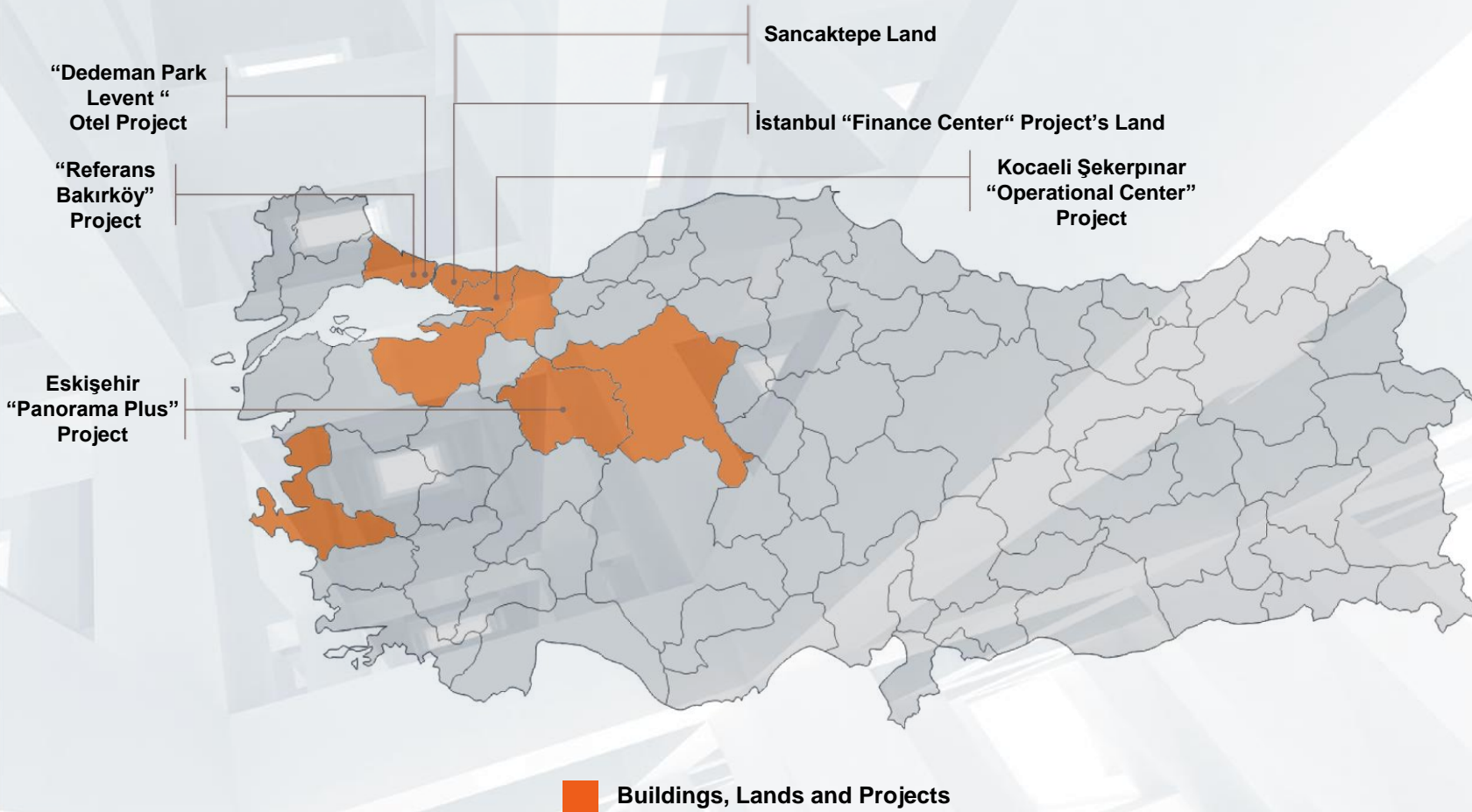


REAL ESTATE PORTFOLIO

DISTRIBUTION OF REAL ESTATE PORTFOLIO



REAL ESTATE PORTFOLIO REGIONAL DISPERSAL



REAL ESTATE PORTFOLIO TABLE

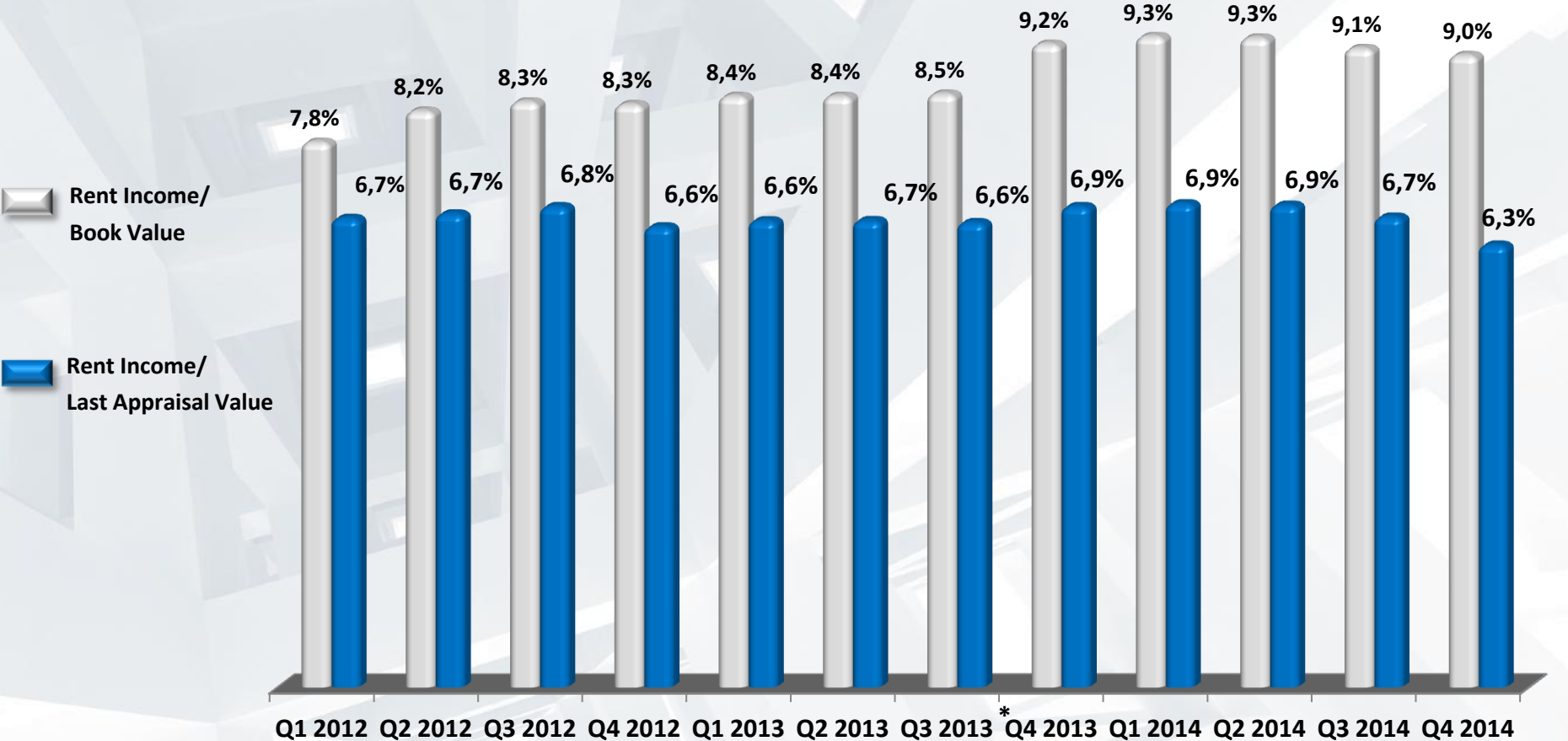
	Net Book Values (TL)	Last Appraisal Values (TL)
REAL ESTATES		
İstanbul Finance Center Land	261.705.522	574.633.400
Sancaktepe Land *	56.103.513	80.000.000.
Kocaeli Şekerpınar Banking Operation Center Project **	63.388.602	141.367.384
Dedeman Park Levent Hotel Project **	63.656.372	121.992.000
Referans Bakırköy Project **	20.753.802	108.178.755
Eskişehir Panorama Plus Project **	26.233.422	47.395.494
Total of Lands and Projects	491.841.233	1.073.567.033
İstanbul Halkbank Finance Tower	124.878.484	167.470.000
İstanbul Salıpazarı Building	21.711.550	43.400.000
İstanbul Karaköy Building	23.339.633	28.500.000
İstanbul Bakırköy Building	8.945.470	19.602.000
İstanbul Beyoğlu Building	11.944.353	19.270.000
İzmir Konak 1 Building	13.130.994	18.530.000
Ankara Kızılay Building	12.341.602	17.675.000
İstanbul Beşiktaş Building	11.820.360	15.114.000
İstanbul Etiler Building	10.948.935	14.575.000
Ankara Başkent Building	9.460.403	13.224.000
İstanbul Şişli Building	10.840.422	13.000.000
İzmir Konak 2 Building	10.176.078	12.600.000
Bursa Building	8.407.037	10.865.000
İstanbul Ataköy Building	4.984.563	10.290.000
Ankara Bahçelievler 1 Building	6.560.803	9.077.500
İstanbul Fatih Building	6.283.068	9.050.000
Kocaeli Building	6.462.129	8.630.000
Sakarya Adapazarı Building	5.898.720	8.250.000
Ankara Bahçelievler 2 Building	5.644.823	7.735.000
İstanbul Nişantaşı Building	4.972.113	7.475.000
İstanbul Caddebostan Building	6.029.325	7.165.000
Total of Buildings	324.780.865	461.497.500
Total of Portfolio	816.622.098	1.535.064.533

Real Estates with rental income

*Sancaktepe Land purchased in October through the joint venture (%50 Halk REIT & %50 Vakıf REIT). Total appraisal value of land is TL160 mn
 **Appraisal values of projects.

RENTAL INCOME RATIOS

Period	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014
Building Rent Revenue (TL)	4.073.794	6.896.228	7.000.728	6.958.874	7.053.976	7.057.301	7.065.163	7.661.113	7.550.257	7.521.320	7.370.114	7.317.772



* Values of rent, appraisal and book value of Karşıyaka Building which was sold at December 19,2013 was added into the calculation.

HALKBANK FINANCE TOWER



In 2012, we acquired this 23-floor Class A office tower located near the Istanbul Finance Center Project while it was under construction.

The tower is leased to Halkbank for four years. Due to its premium location, this acquisition has already increased our rent income and will increase the value of our real estate portfolio in the future further as the area transforms into a financial hub and becomes increasingly attractive for businesses.

City.....	İstanbul
District.....	Ataşehir
Gross Area.....	13.694 sqm
Book Value.....	124,8 million TL
Last Appraisal Value.....	167,4 million TL
Yearly Rent	6 million USD

*18 million USD of 3 year rent is collected in advance in April 2012.

İSTANBUL FINANCE CENTER



As Halk GYO, we are one of the major stakeholders of the Istanbul International Finance Center Project where we will build two office towers, one with 46 floors and the other with 34 floors. The project also comprises 3 buildings each with 8 floors. Halk GYO office towers will be designed as a Class A office complex to the highest standards. Upon completion the project will significantly meet a much felt need for Class A office spaces to the global standards in the Istanbul real estate market. The project will serve as a hub for the state banks of Turkey, such as Halkbank, Vakıfbank, Ziraat Bankası, as well as financial institutions, such as Banking Regulation and Supervision Agency (BRSA) and Capital Markets Board (CMB).

A goodwill agreement has been signed with Türkiye Halk Bankası A.Ş., for the project. According to the agreement, Türkiye Halk Bankası A.Ş. will lease a specific area, regarding their own needs and demands, in accordance with the appraisal value which will be determined by a real estate appraisal company approved by Capital Markets Board of Turkey, after the completion of the project.

In the period, the process of environmental impact assessment (EIA) ended and the decision came out as “EIA is not required” and our company applied for construction permit.

City.....	İstanbul
District.....	Ataşehir
Area	28.732 sqm
Land Cost.....	229,8 million TL
Book Value.....	261,7 million TL
Land Appraisal Value.....	574,6million TL



REFERANS BAKIRKÖY



Referans Bakırköy Project is HalkGYO's first residential project. The project is developed based on revenue sharing model with our Company's 50,5 percent share from total sales revenue.

The project consists of 254 residential and 73 commercial units.

As of December 31, 2014, the sales revenue has been reached to the amount of TL 161,1 mn with the sales of 224 independent units and the deed transfer process of 92 independent units amounted TL 79,9 mn has been completed

City.....	İstanbul
District.....	Bakırköy
Land Cost.....	31,8 million TL
Project Appraisal Value	214 million TL
Halk REIT Share.....	108,1 million TL
Contractor Firm.....	Biskon Yapı



DEDEMAN PARK LEVENT



The construction of the project has begun on our land plot in Levent. It will be the first hospitality project on Halk GYO's portfolio. The project will become one of the finest examples of urban hotels in Levent area in İstanbul. When completed, it will meet the much felt need for business hotels on Mecidiyeköy-Maslak line.

A 10-year lease agreement has been signed with Dedeman Group as part of their Dedeman Park concept chain.

The project is designed and constructed in conformity with LEED green building standard with the objective of using environment friendly materials, providing an ideal indoor environment quality for its users and achieving exemplary levels of water and energy efficiency, as well as other sustainability criteria.

City.....	İstanbul
District.....	Şişli/Levent
Land Cost.....	25,7 million TL
Book Value.....	63,6 million TL
Project Appraisal Value.....	121,9 million TL



ESKİŞEHİR PANORAMA PLUS



The project is currently underway in the Odunpazarı District of City of Eskişehir, one of the fastest growing cities of Turkey.

The project Panorama Plus will be a unique component in the cityscape of Eskişehir with its 18-floor high rise tower, the tallest residential building in Eskişehir, supported by another low rise residential block and retail premises with in a total covered area of 27.318 sqm.

The project's construction permit was approved and the main contractor services agreement has been signed. Sales of the project has started.

City.....	Eskişehir
District.....	Odunpazarı
Land Cost	4,6 million TL
Book Value.....	26,2 million TL
Project Appraisal Value.....	47,3 million TL



KOCAELİ ŞEKERPİNAR



Halk GYO is also carrying out an banking operational center in Şekerpınar district of Kocaeli. The project will consist of a operation center, hospitality unit, training facilities, a conference center and other facilities.

In the project, the construction permits has been got for the first part in August 2013 (Block A: construction size 9.131 sqm) and second part (Block B : construction size 51.795 sqm) in March 2014.

In the period a goodwill agreement has been signed with Türkiye Halk Bankası A.Ş., for the project. According to the agreement, Türkiye Halk Bankası A.Ş. will lease the whole areas in accordance with the appraisal value which will be determined by a real estate appraisal company approved by Capital Markets Board of Turkey, after the completion of the project.

City.....	Kocaeli
District.....	Şekerpınar
Land Cost.....	9,9 million TL
Book Value.....	57,2 million TL
Project Appraisal Value.....	141,3 million TL



A Blok



B Blok

SANCAKTEPE RESIDENTIAL PROJECT



98k sqm land plot in Sancaktepe district of Istanbul has been bought for TL 110.000.000 through the joint venture (50% Halk REIT / 50% Vakıf REIT) to build a residential project

The land is close to transportation networks, malls, community lots and Istanbul Finance Center which is planned to be one of the largest finance center.

City.....	Istanbul
District.....	Sancaktepe
Area.....	98.127,74 sqm
Book Value (Halk REIT's Share).....	56,1 million TL
Land Appraisal Value(Halk REIT's Share).....	80 million TL
Halk REIT's Share.....	50%

FINANCIAL DATA

31.12.2014

BALANCE SHEET (TL)	31.12.2014	31.12.2013
Current Assets	183.420.241	235.706.098
<i>Liquid Assets</i>	46.587.030	176.357.342
<i>Inventories</i>	103.090.737	44.969.470
Non-Current Assets	744.986.425	654.425.796
<i>Investment Properties</i>	713.531.361	615.745.523
Total Assets	928.406.666	890.131.894
Short Term Liabilities	87.142.074	102.905.640
<i>Deferred Income</i>	76.802.390	95.401.043
Long Term Liabilities	13.470.697	18.050.241
<i>Financial Liabilities</i>	13.340.555	15.212.501
Equity	827.793.895	769.176.013
Total Liabilities and Equity	928.406.666	890.131.894

“Revenues”
increased
%48



“Net Profit”
increased
%95



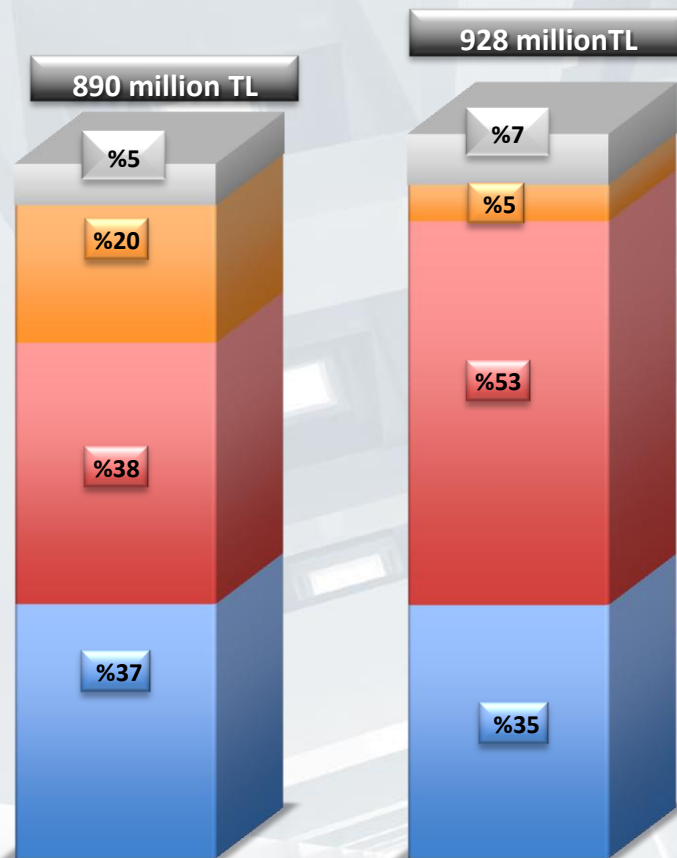
INCOME TABLE (TL)	01.01.2014 31.12.2014	01.01.2013 31.12.2013
Revenues	86.611.117	58.513.850
<i>Rent Incomes</i>	29.962.463	28.954.220
<i>Income of Residence Sales</i>	40.356.205	18.000.000
<i>Financial Incomes</i>	16.292.449	11.559.630
Cost of Sales	(14.649.589)	(12.023.516)
<i>Cost of Residence Sales</i>	(11.011.823)	(8.381.183)
Gross Profit	71.961.528	46.490.334
General Administrative Expenses	(10.924.043)	(9.753.600)
Other Income/Expense	(1.348.397)	(1.041.466)
Operational Profit	63.130.488	35.695.268
Financial Expenses	(1.783.342)	(4.184.441)
Net Profit	61.347.146	31.510.827

DISTRIBUTION OF ASSETS AND LIABILITIES

31.12.2014

Distribution of Assets TL

Buildings Lands and Projects Cash and Cash Equivalents Others

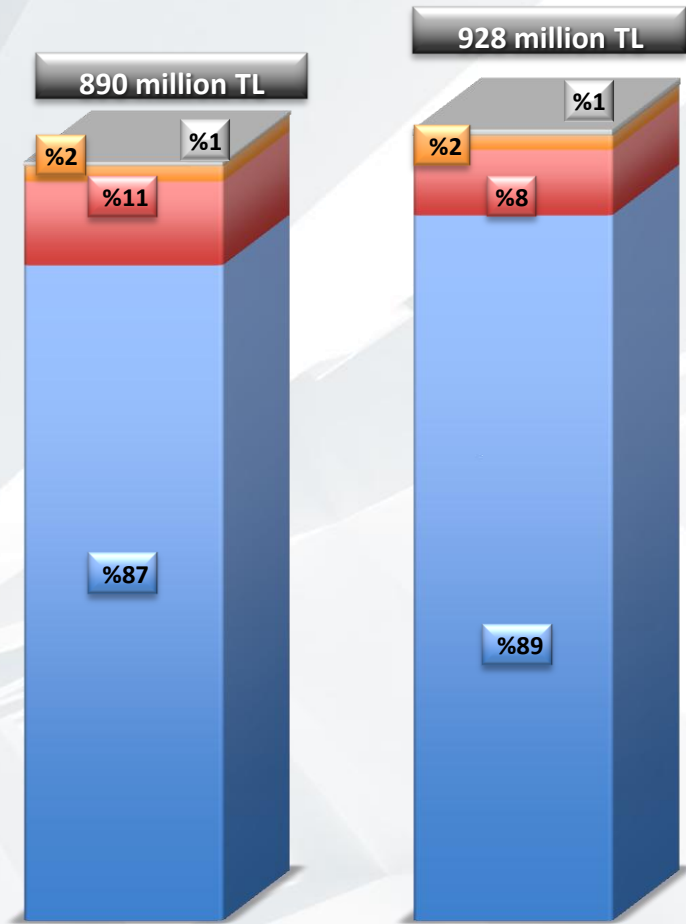


2013

2014

Distribution of Liabilities TL

Equities Deferred Income Financial Debts Others



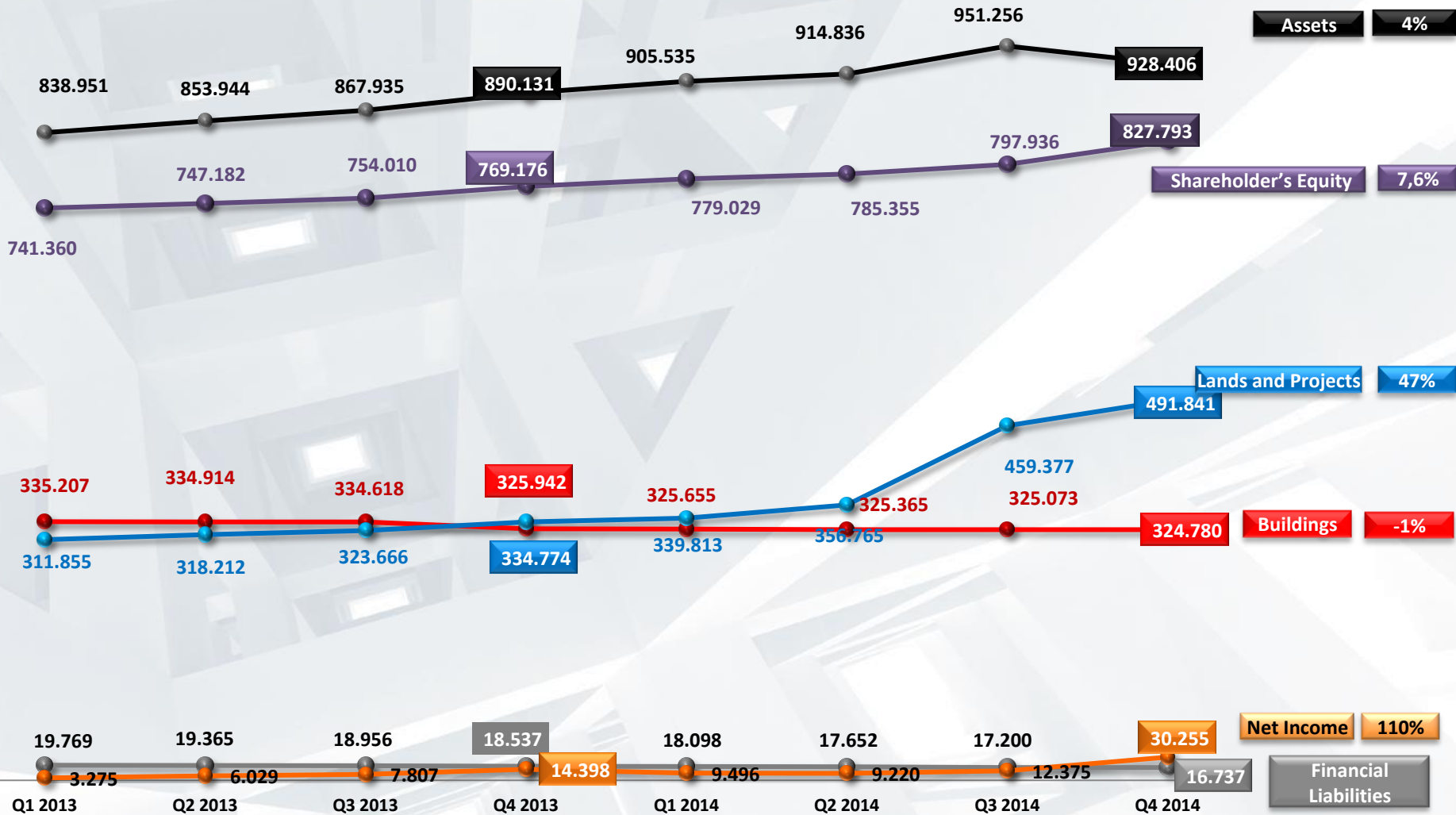
2013

2014

BALANCE SHEET ITEMS

Thousand TL

Y-o-Y



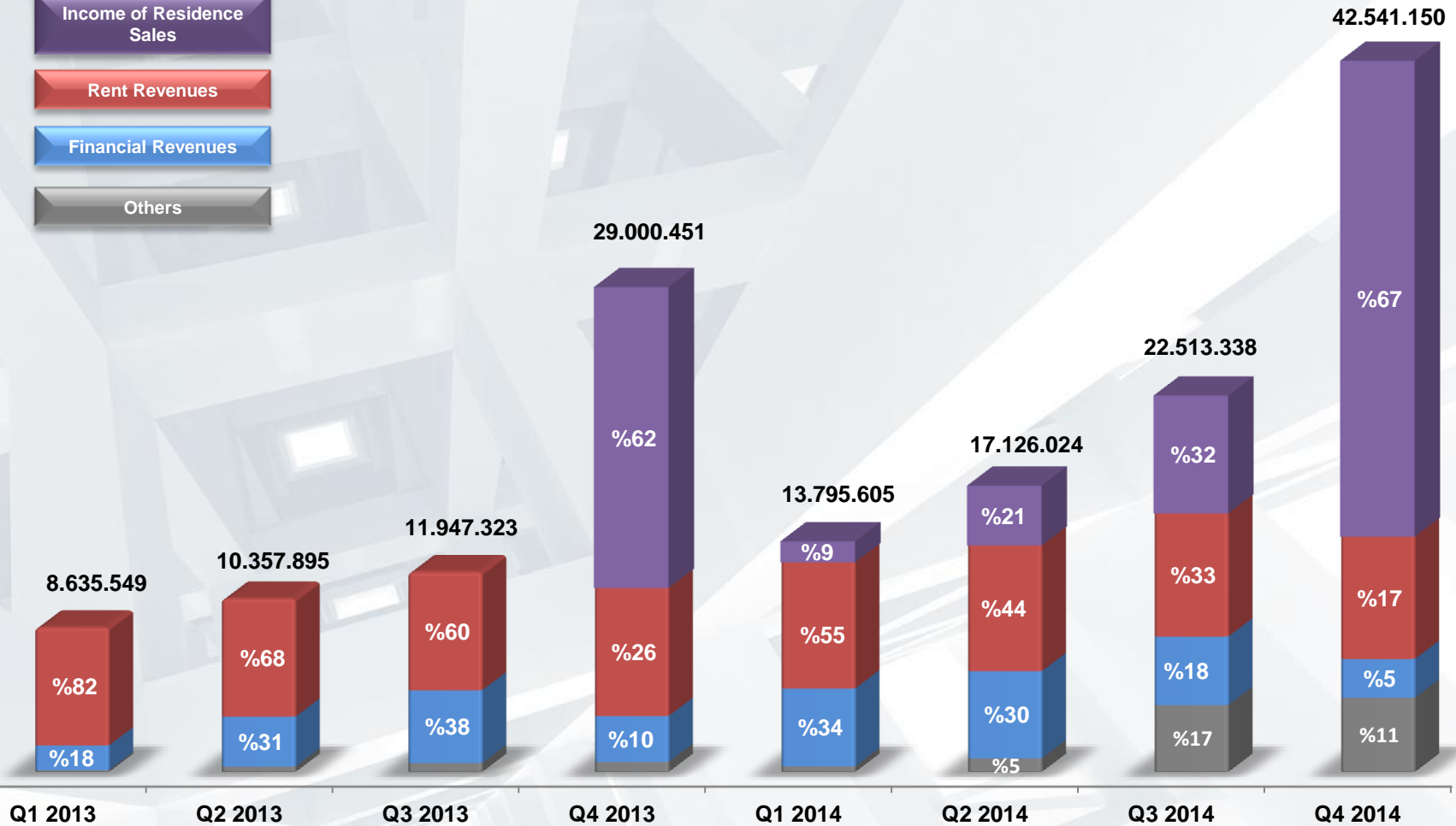
INCOME STATEMENT ITEMS

TL	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	2013	2014	Change
Total Revenues	8.532.067	10.052.700	11.473.735	28.455.348	13.518.983	16.366.608	18.566.116	38.159.410	58.513.850	86.611.117	48%
Rent Income	7.053.976	7.057.301	7.065.163	7.661.113	7.550.257	7.521.320	7.370.117	7.317.772	28.837.553	29.759.466	3%
Others	0	16.666	50.000	50.000	50.000	50.000	50.000	53.000	116.666	203.000	74%
Real Estate Sale Income				18.000.000	1.254.849	3.582.864	7.049.573	28.468.919	18.000.000	40.356.205	124%
Financial Income	1.478.091	2.978.733	4.358.571	2.744.235	4.663.877	5.212.424	4.096.429	2.319.719	11.559.630	16.292.449	40%
Cost of Sales	-332.118	-869.444	-742.580	-10.079.374	-1.330.428	-1.960.826	-2.818.187	-8.540.148	-12.023.516	-14.649.589	21%
<i>Cost of Real Estate Sales</i>				-8.381.183	-371.561	-964.007	-1.923.154	-7.753.101	-8.381.183	-11.011.823	31%
Gross Profit	8.199.949	9.183.256	10.731.155	18.375.974	12.188.555	14.405.782	15.747.929	29.619.262	46.490.334	71.961.528	55%
General Administrative Exp.	-2.163.509	-2.280.851	-2.316.716	-2.992.524	-1.950.203	-4.562.559	-2.038.008	-2.373.273	-9.753.600	-10.924.043	12%
Foreign Exchange Gain	103.482	305.195	473.588	545.103	276.622	759.416	3.947.222	4.381.740	1.427.368	9.365.000	556%
Foreign Exchange Loss	-134.365	-686.798	-593.515	-1.054.156	-562.781	-932.618	-4.836.258	-940.340	-2.468.834	-7.271.997	194%
Operating Profit	6.005.557	6.520.802	8.294.512	14.874.397	9.952.193	9.670.021	12.820.885	30.687.389	35.695.268	63.130.488	76%
Financial Expenses	-2.730.293	-491.698	-486.527	-475.923	-456.084	-450.001	-445.783	-431.474	-4.184.441	-1.783.342	-58%
Profit Before TAX	3.275.264	6.029.104	7.807.985	14.398.474	9.496.109	9.220.020	12.375.102	30.255.915	31.510.827	61.347.146	95%
TAX Expenses	0	0	0	0	0	0	0	0	0	0	0,00%
Net Profit	3.275.264	6.029.104	7.807.985	14.398.474	9.496.109	9.220.020	12.375.102	30.255.915	31.510.827	61.347.146	95%
ROE	*2,32%	3,24%	4,16%	7,56%	4,90%	4,71%	6,25%	14,88%	4,32%	7,68%	
ROA	*1,89%	2,85%	3,62%	6,55%	4,23%	4,05%	5,30%	12,87%	3,72%	6,75%	

* Because the IPO took place in February 2013, the effect of the cash injection included in to the calculation partial.

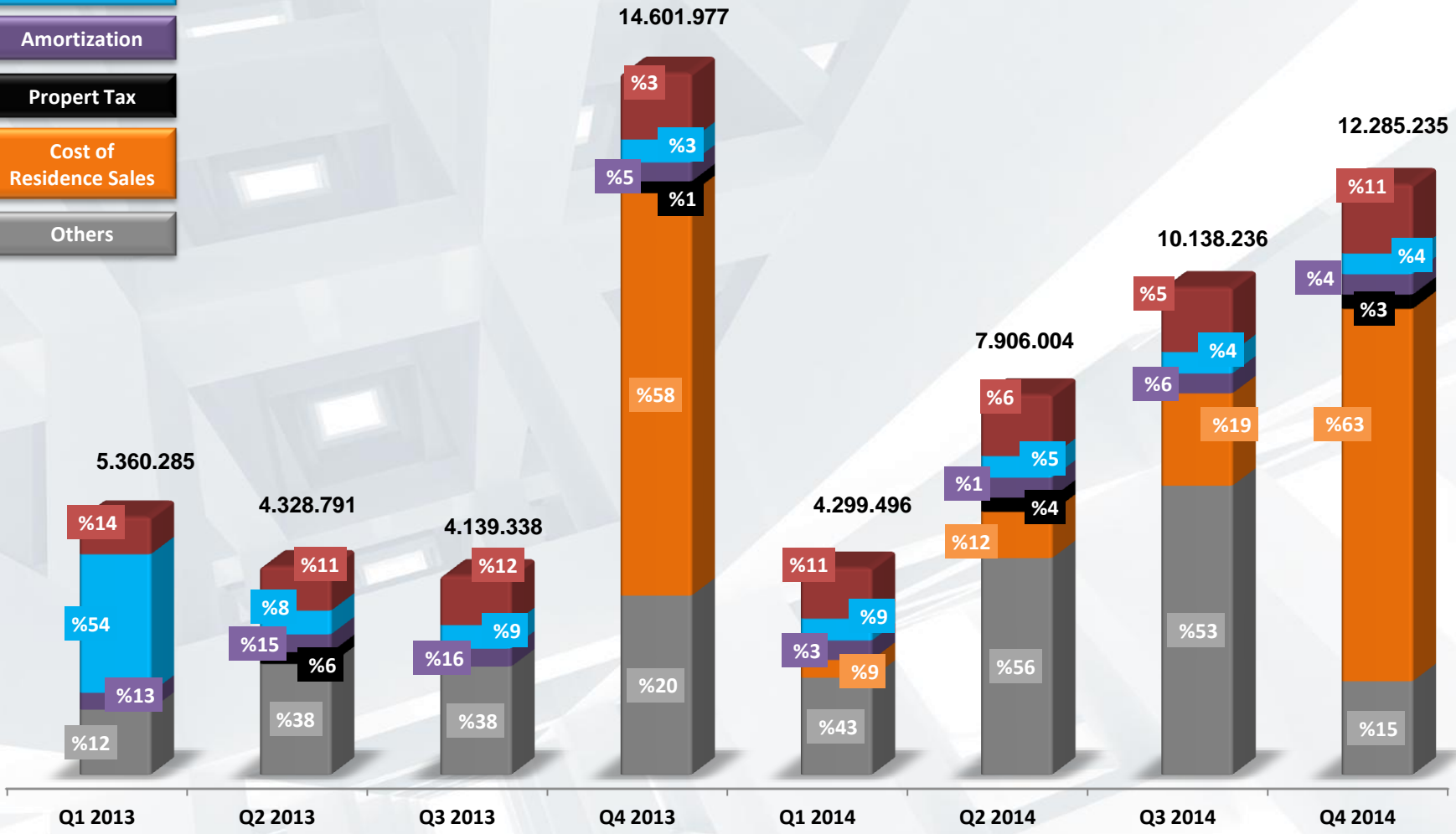
DISTRIBUTION OF MAIN INCOME ITEMS

(TL)



DISTRIBUTION OF MAIN EXPENSE ITEMS

(TL)



TARGETS

Main Targets

- ◆ To be one of the leaders of Turkish REIT Sector
- ◆ To use our capital in the most effective way
- ◆ To enhance our portfolio with lands and profitable projects

2015 Targets

- ◆ To start the construction of our towers in the “Istanbul Finance Center (IFC)” project
- ◆ To complete the construction the 2st part (Block B) and to lease 1st part Block A of the “Kocaeli Şekerpınar” project
- ◆ To start getting rental income from “Dedeman Park Levent” hotel project
- ◆ To start the construction and the sales of the Sancaktepe residential project
- ◆ To reach ~8,5 % ROaE ratio



HALKGYO

For further information please contact;

Investor Relations

Address: Şerifali Çiftliği Tatlısu Mahallesi Ertuğrulgazi Sokak
No:1 34774 Yukarı Dudullu - Ümraniye / İSTANBUL

[E-mail: ir@halkgyo.com.tr](mailto:ir@halkgyo.com.tr)

Phone: +90 216 600 10 25

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.

NOTES



A series of horizontal dotted lines for writing notes, set against a background of faint, overlapping architectural drawings.

NOTES



A series of horizontal dotted lines for writing notes, set against a background of faint, overlapping architectural drawings.