

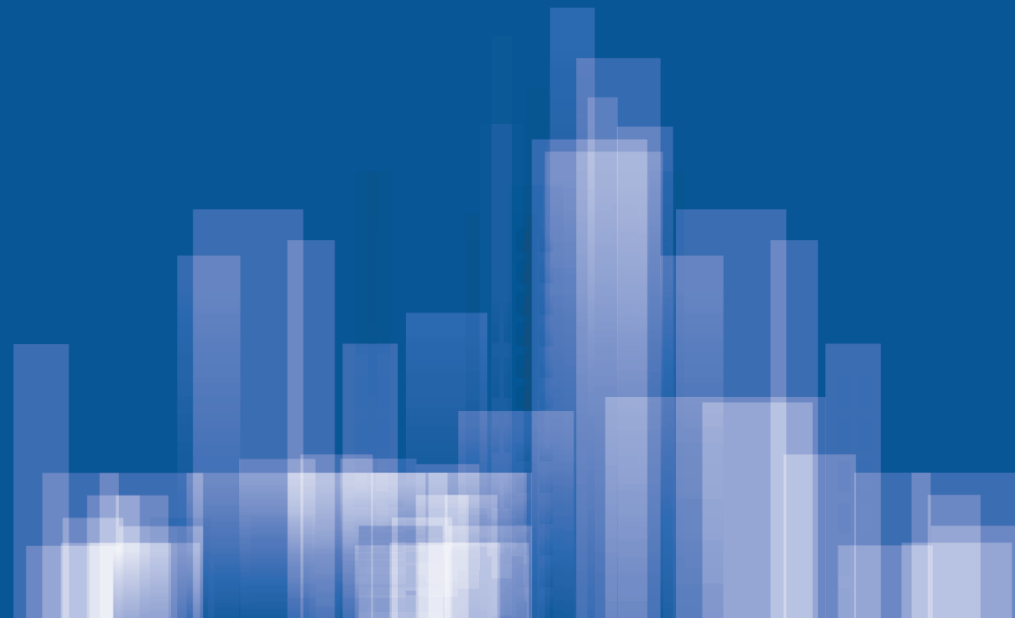


HALKGYO

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

INVESTOR PRESENTATION

2015 / Q2



ABOUT HALK GYO

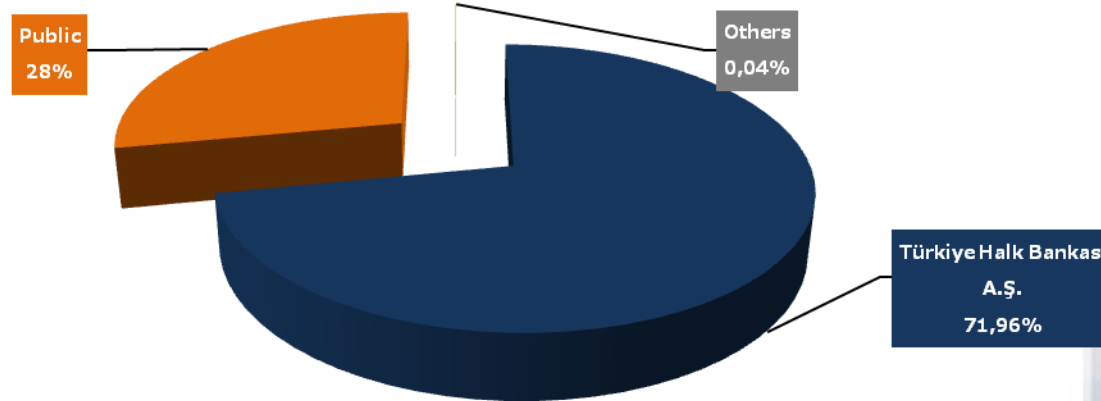
➤ Halk GYO, was established in 2010, invests in real estates, real estate projects, real estate based rights and capital market instruments.

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

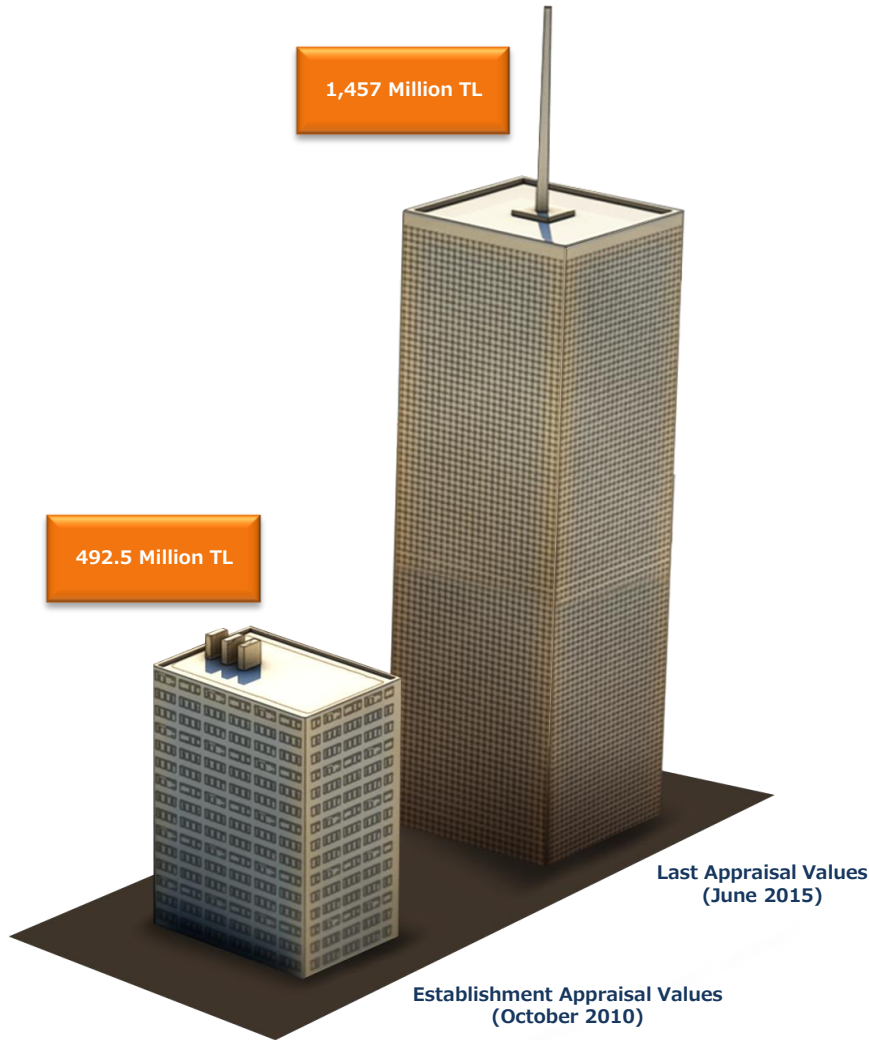
As of 30.06.2015;

❖ Halk GYO has an important position in the sector by **1,5 billion TL** real estate portfolio, **810 million TL** of market value and **845 million TL** of shareholders' equity.

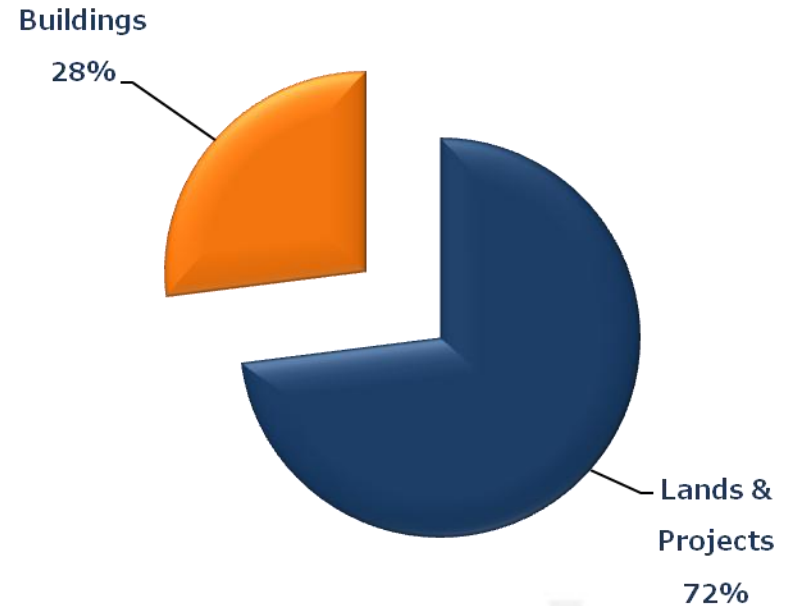
➤ 28% of total shares are listed on the BIST.



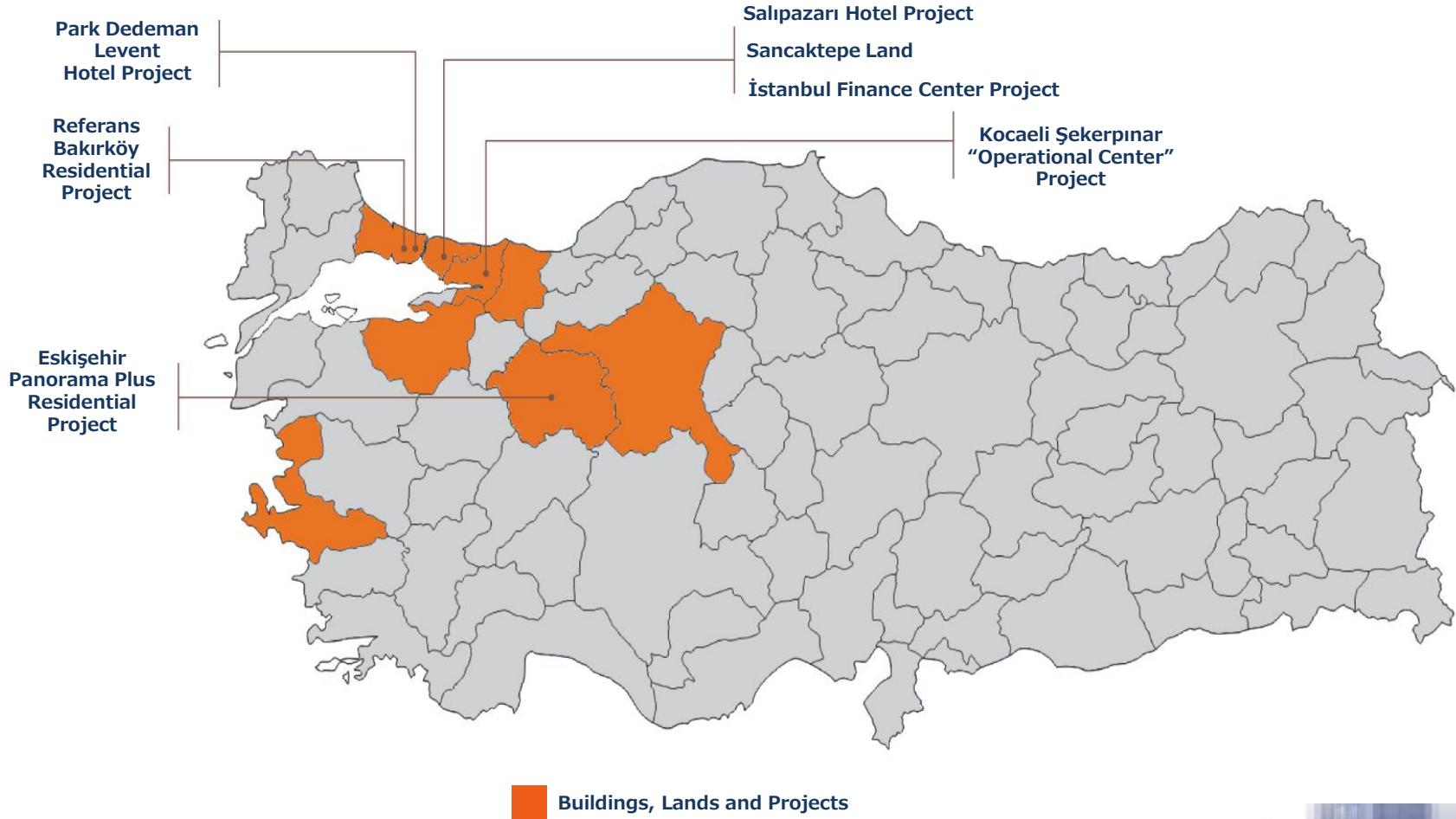
REAL ESTATE PORTFOLIO



DISTRIBUTION OF PORTFOLIO



REAL ESTATE PORTFOLIO REGIONAL DISPERSAL



REAL ESTATE PORTFOLIO TABLE

REAL ESTATES REAL ESTATE PROJECTS	2015 June Net Book Values (TL)	2015 June Last Appraisal Values (TL)
LANDS		
İstanbul Sancaktepe Land	57,089,602	*80,000,000
Total of Lands	57,089,602	80,000,000
PROJECTS		
İstanbul Finance Center Project	263,061,502	*574,633,400
Kocaeli Şekerpınar Project	91,402,285	**157,624,857
Park Dedeman Levent Hotel Project	84,305,094	121,992,000
Eskişehir Panorama Plus Residential Project	34,919,447	**47,395,494
İstanbul Salıpazarı Hotel Project	21,677,314	43,400,000
Referans Bakırköy Residential Project	16,159,512	***14,507,046
Total of Projects	511,525,154	959.552.798
BUILDINGS		
İstanbul Halkbank Fiance Tower	124,577,362	167,471,005
İstanbul Karaköy Building	23,320,599	28,500,000
İstanbul Bakırköy Building	8,936,209	19,602,000
Ankara Kızılay Building	12,325,741	17,675,000
İstanbul Beyoğlu Building	11,937,748	19,270,000
İzmir, Konak Building 1	13,098,919	18,530,000
İstanbul Beşiktaş Building	11,811,639	15,114,000
İstanbul Etiler Building	10,942,874	14,575,000
İstanbul Şişli Building	10,821,482	13,000,000
Ankara Başkent Building	9,450,751	13,224,000
İzmir Konak Building 2	10,162,494	12,600,000
Bursa Building	8,396,008	10,865,000
İstanbul Ataköy Building	4,975,436	10,290,000
Ankara Bahçelievler Building1	6,546,490	9,077,500
İstanbul Fatih Building	6,271,563	9,050,000
Kocaeli Building	6,455,325	8,567,000
Sakarya Adapazarı Building	5,891,447	8,212,050
Ankara Bahçelievler Building 2	5,640,085	7,735,000
İstanbul Nişantaşı Building	4,968,788	7,475,000
İstanbul Caddebostan Building	5,997,051	7,165,000
Total of Buildings	302,528,011	417,997,555
TOTAL OF PORTFOLIO	847,202,143	1,457,550,353

*Land appraisal values

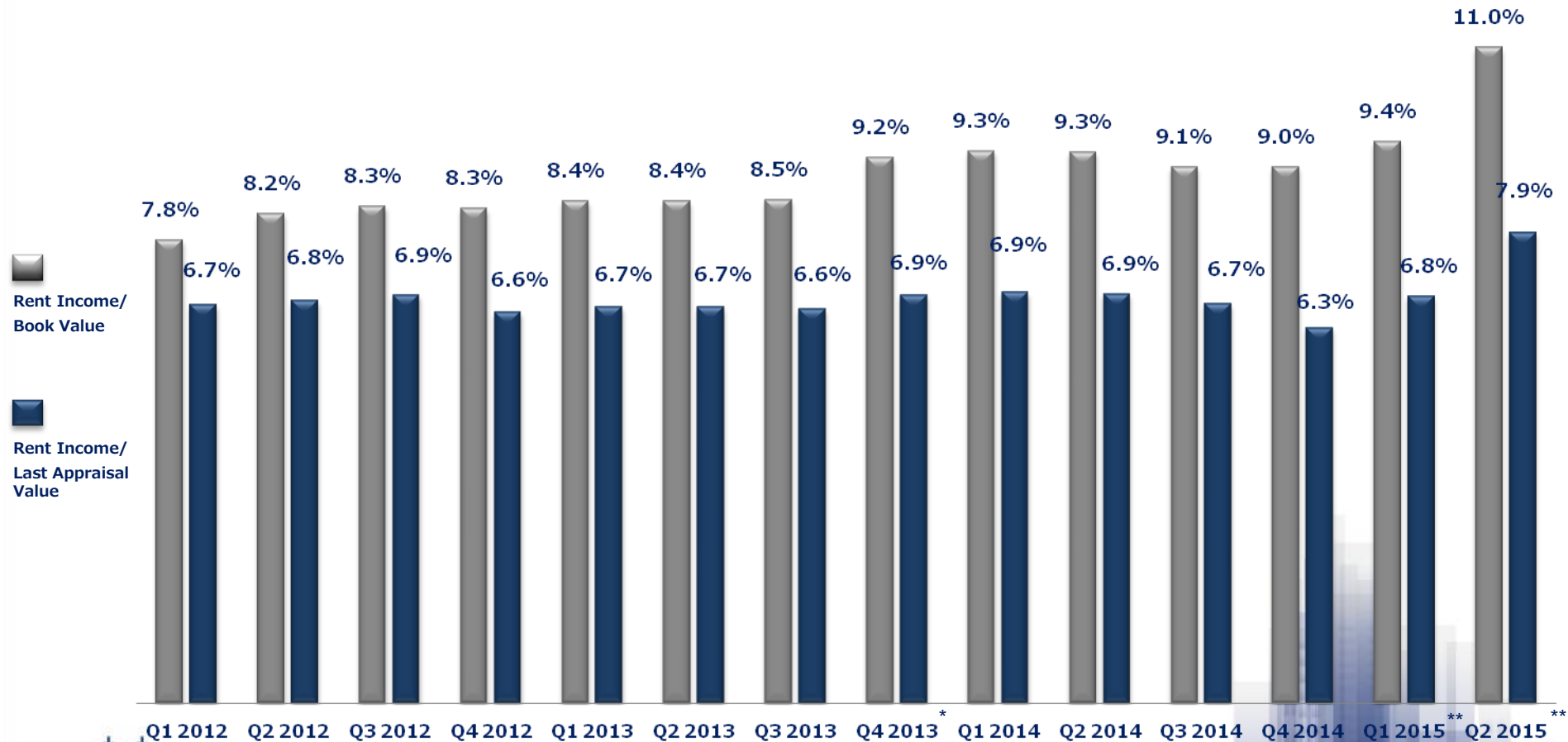
**Appraisal values when completed

***Appraisal values of unsold independent units

REAL ESTATES
WITH RENTAL
INCOME

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	Q1 2015	Q2 2015
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	7,319,204	8,426,029



COMPLETED PROJECTS

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.

Real Estate Information

City	:	İstanbul
District	:	Ataşehir
Gross Area	:	13,694 m ²
Book Value	:	124.5 million TL
Last Appraisal Value	:	167.4 million TL
Yearly Rent	:	6 million USD

COMPLETED PROJECTS

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 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.

In the period of Q2 2015, the total sales revenue was at the amount of TL 16.5 mn with the sales of 38 independent units and the deed transfer process of 30 independent units amounted TL 19.5 mn completed.

Real Estate Information		Sale Information		As of 30.06.2015
City	: İstanbul	Total of Sold IU		276
District	: Bakırköy		Amount	189.3 million TL
Land Cost	: 31.8 million TL	Completed deed transfers of IU		146
Appraisal value	: 214 million TL		Amount	114.6 million TL
Halk GYO Share	: 108.1 million TL	Unsold IU		51

COMPLETED PROJECTS

PARK DEDEMAN LEVENT HOTEL



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

The project is aimed to be an environmentally friendly building and is a candidate for the certificate of LEED.

In paralel with 10-year lease agreement signed with Dedeman Group as part of their Dedeman Park concept chain, the hotel has been delivered to Dedeman Group and opened its gates.

Real Estate Information

City	:	İstanbul
District	:	Şişli-Levent
Land Cost	:	25.7 million TL
Book Value	:	84.3 million TL
Appraisal Value	:	121.9 million TL

ONGOING PROJECTS

İSTANBUL FİNANCE 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. 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 Bank, 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 Halkbank, for the project. According to the agreement, Halkbank will lease a specific area, according to 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.

The process of EIA ended up with “EIA is not required” and construction permit has been granted.

Real Estate Information

City	:	İstanbul
District	:	Ümraniye
Land Cost	:	229.8 million TL
Book Value	:	263.0 million TL
Appraisal Value	:	574.6 million TL

ONGOING PROJECTS

ESKİŞEHİR PANORAMA PLUS RESIDENTIAL PROJECT



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 19-floor high rise tower, supported by another 8-floor low rise residential+commercial block and retail premises with in a total covered area of 27.318 sqm.

Sales of the project started in November 2013, its transitional title deeds has been granted and delivery of the units will be started in this year.

Real Estate Information

City	:	Eskişehir
District	:	Odunpazarı
Land Cost	:	4.6 million TL
Book Value	:	34,9 million TL
Appraisal Value	:	47,3 million TL

ONGOING PROJECTS

ŞEKERPINAR DATA AND OPERATION CENTER



The land purchased in 2012 in the district of Kocaeli – Şekerpınar, the area in which data centers of banks placed.

An agreement with an architectural company has been signed for construction works of the complex which consists of a operation center, hospitality unit, training facilities and a conference center. In the project, the construction permits granted 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.

A goodwill agreement has been signed with Halkbank, for the project. According to the agreement, Halkbank 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.

In the period, construction works of Block A has been completed and the construction of Block B still continues.

Real Estate Information

City	:	Kocaeli
District	:	Çayırova-Şekerpınar
Land Cost	:	9.9 million TL
Book Value	:	91.4 million TL
Appraisal Value	:	157.6 million TL

PLANNED PROJECTS

SANCAKTEPE RESIDENTIAL PROJECT



In 2014, 98k sqm land plot in Sancaktepe, mostly improved and mentioned district of Istanbul, 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.

For the construction permit has been applied.

Real Estate Information

City	:	İstanbul
District	:	Sancaktepe
Book Value (Halk GYO share)	:	57 million TL
Appraisal Value (Halk GYO share)	:	80 million TL

PLANNED PROJECTS

SALIPAZARI HOTEL PROJECT



Aiming to utilize our portfolio in the most efficient way, the best use and feasibility studies have been done for our Salıpazarı Building, which is registered in Beyoğlu District, İstanbul. After the best use studies, it was decided to renovate the Building as a hotel and to lease for a long period.

After the procedures of sealed-bid tender and auction, lease contract has been signed with Beril Otelcilik Turizm Ltd.Şti., who offered the best bid.

According to related lease contract; the expenditure of the renovation up to 15,000,000 TL +VAT+ Fee etc. (other legal liabilities) will be financed by our Company. Beril Otelcilik Turizm Ticaret Ltd.Şti. will pay monthly 10,000 Euro + VAT during 12-month renovation period and after the completion of renovation, the total lease for 20 years will be 34,350,000 Euro + VAT.

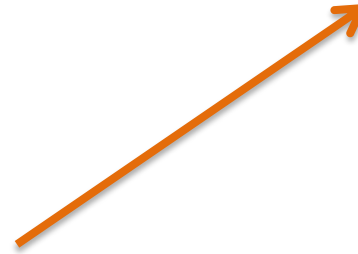
Real Estate Information

City	:	İstanbul
District	:	Beyoğlu / Salıpazarı
Book Value	:	21.6 million TL
Appraisal Value	:	43.4 million TL

FINANCIAL DATA

BALANCE SHEET (TL)	31.12.2014	30.06.2015
Current Assets	183,420,241	155,848,839
<i>Liquid Assets</i>	46,587,030	14,315,211
<i>Inventories</i>	103,090,737	108,168,561
Non-Current Assets	744,986,425	781,632,819
<i>Investment Properties</i>	713,531,361	762,974,206
Total Assets	928,406,666	937,481,658
Short Term Liabilities	87,142,074	79,620,036
<i>Deferred Income</i>	76,802,390	67,100,843
Long Term Liabilities	13,470,697	12,517,098
<i>Financial Liabilities</i>	13,340,555	12,364,993
Equity	827,793,895	845,344,524
Total Liabilities and Equity	928,406,666	937,481,658

“Revenues”
increased
%18



“Net Profit”
increased
%25

INCOME TABLE (TL)	01.01.2014 30.06.2014	01.01.2015 30.06.2015
Revenues	29,885,591	35,206,394
<i>Rent Income</i>	15,171,577	15,764,900
<i>Sales Income</i>	4,837,713	17,510,234
<i>Financial Income</i>	9,876,301	1,931,260
Cost of Sales	(3,291,254)	(6,128,235)
<i>Cost of Residential Sales</i>	(1,335,568)	(4,594,290)
<i>Others</i>	(1,955,686)	(1,533,945)
Gross Profit	26,594,337	29,078,159
<i>General Administrative Expense</i>	(6,512,762)	(4,856,958)
<i>Other Income/Expense</i>	(459,361)	(62,736)
Operational Profit	19,622,214	24,158,465
<i>Financial Expense</i>	(906,085)	(815,795)
Net Profit	18,716,129	23,342,670

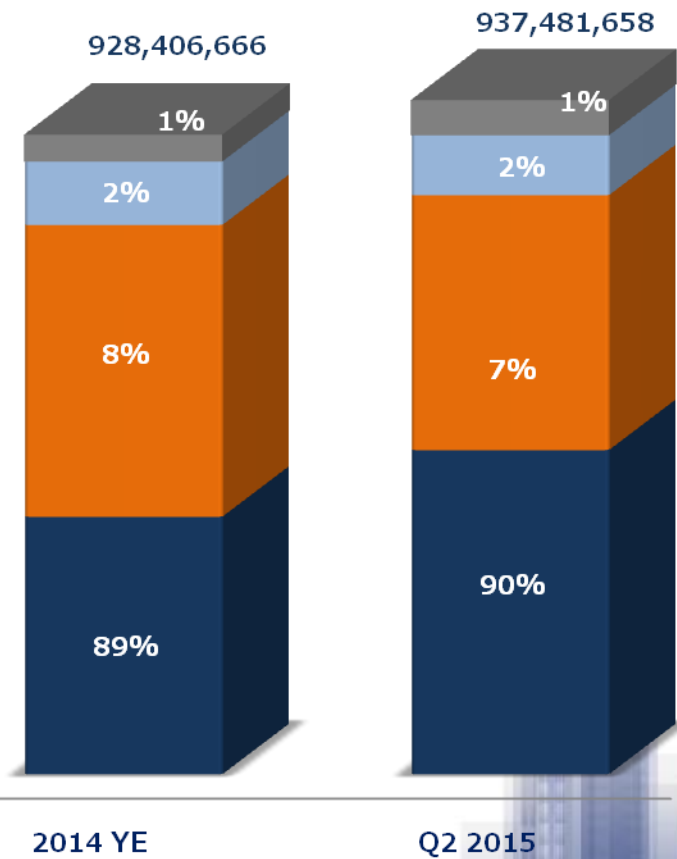
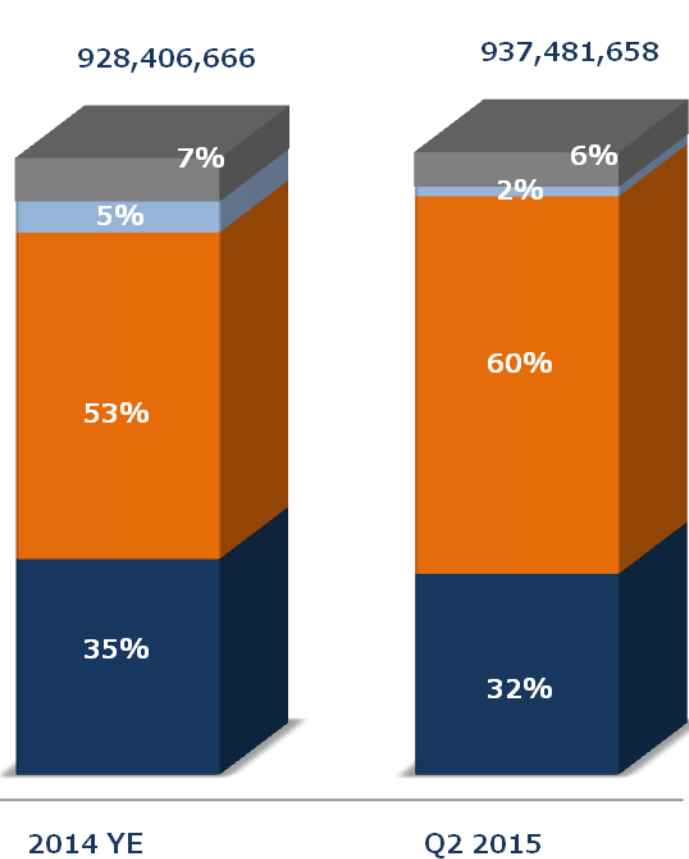
DISTRIBUTION OF ASSETS AND LIABILITIES

DISTRIBUTION OF ASSETS TL

DISTRIBUTION OF LIABILITIES TL

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

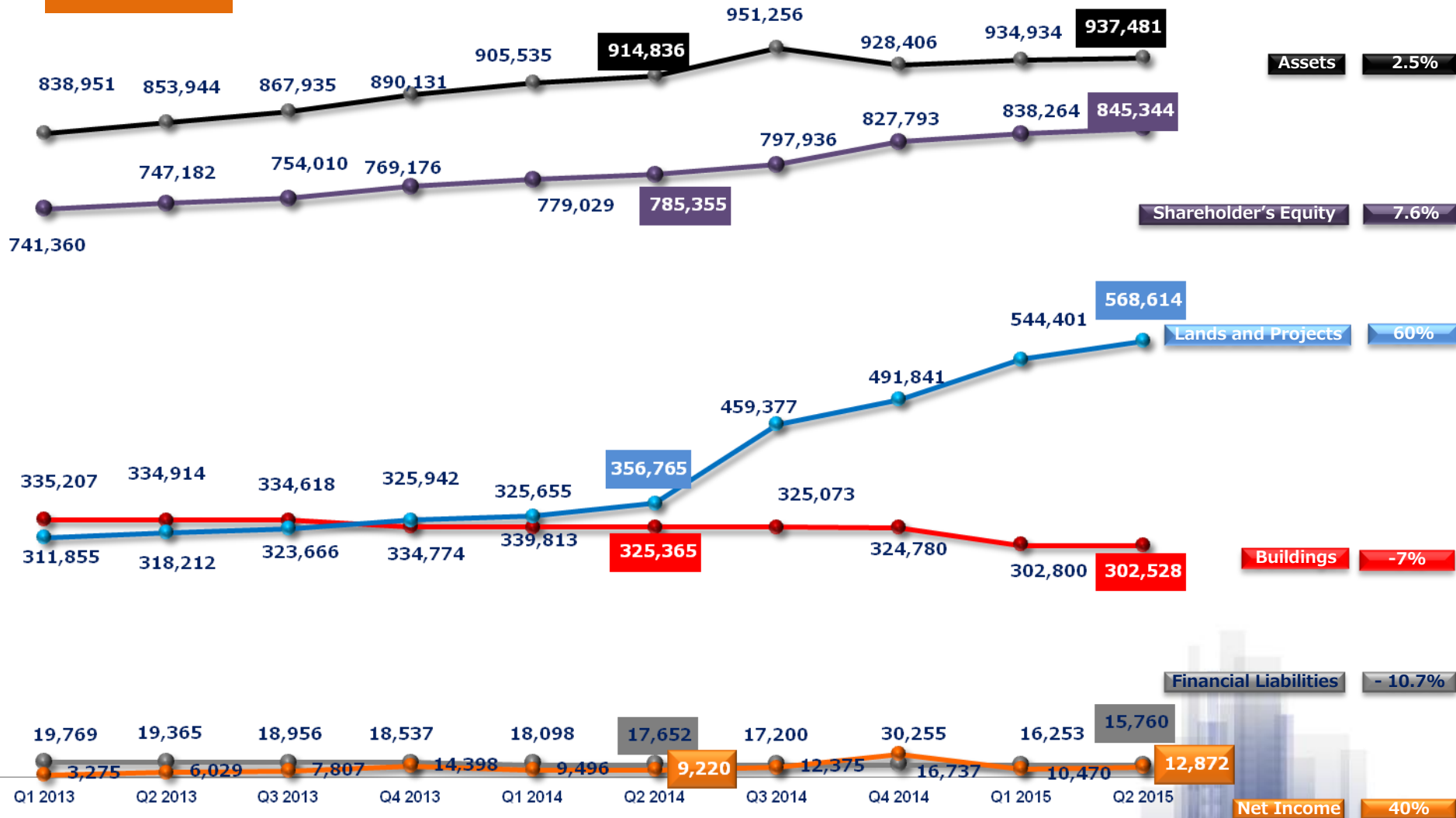
■ Equities ■ Deferred Income ■ Financial Debts ■ Others



BALANCE SHEET ITEMS

Thousand TL

Y-o-Y



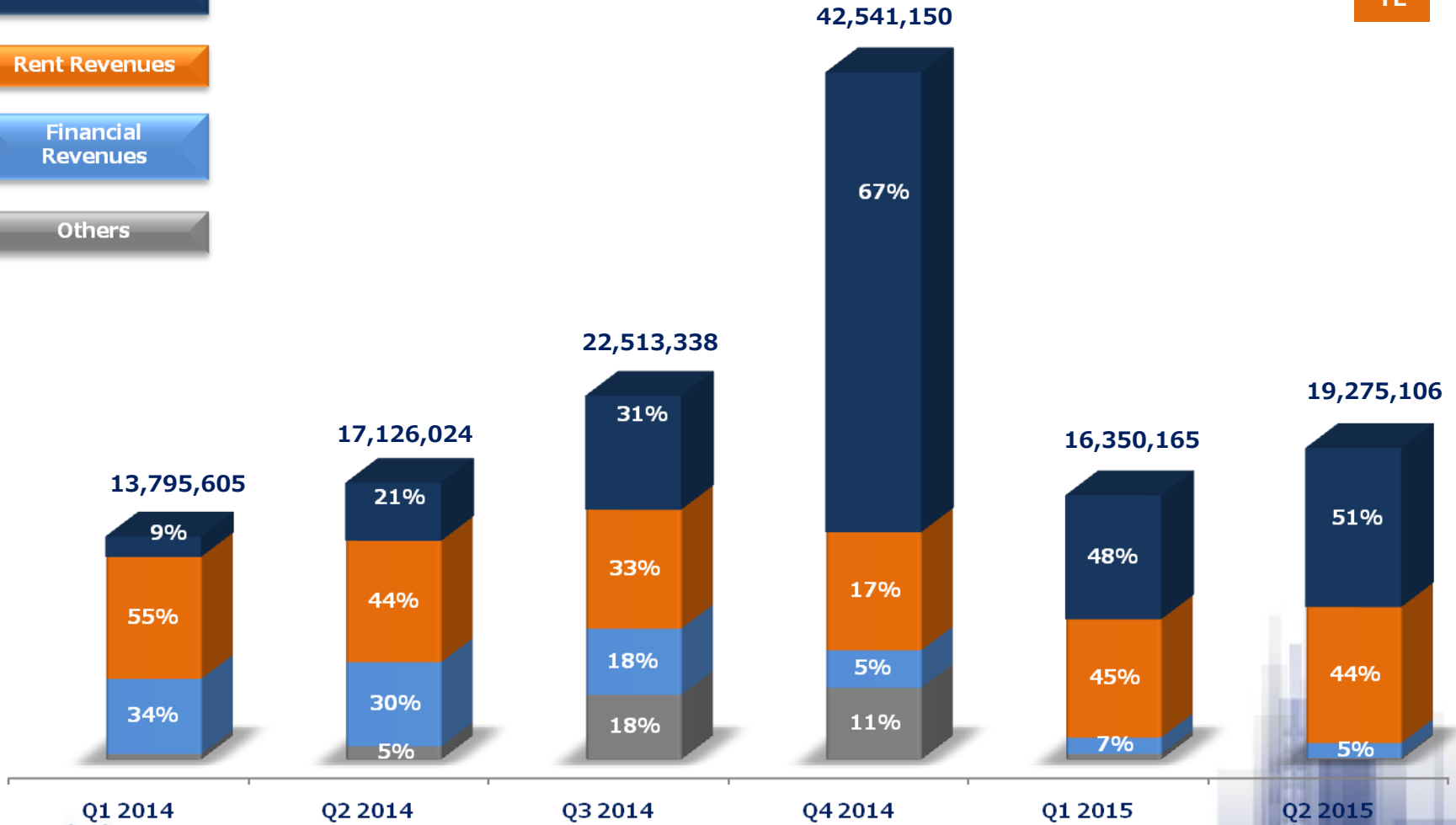
INCOME STATEMENT ITEMS

TL	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015
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	16,026,056	19,180,338
<i>Rent Income</i>	7,053,976	7,057,301	7,065,163	7,661,113	7,550,257	7,521,320	7,370,117	7,317,772	7,319,204	8,426,029
<i>Others</i>	0	16,666	50,000	50,000	50,000	50,000	50,000	53,000	18,166	1,501
<i>R. Estate Sale Income</i>				18,000,000	1,254,849	3,582,864	7,049,573	28,468,919	7,672,844	9,837,390
<i>Financial Income</i>	1,478,091	2,978,733	4,358,571	2,744,235	4,663,877	5,212,424	4,096,429	2,319,719	1,015,842	915,418
Cost of Sales	-332,118	-869,444	-742,580	-10,079,374	-1,330,428	-1,960,826	-2,818,187	-8,540,148	-2,848,388	-3,279,847
<i>Cost of Real Estate Sales</i>				-8,381,183	-371,561	-964,007	-1,923,154	-7,753,101	-2,017,124	-2,577,166
<i>Others</i>	-332,118	-869,444	-742,580	-1,698,191	-958,867	-996,819	-895,033	-787,047	-831,264	-702,681
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	13,177,668	15,900,491
General Administrative Expenses	-2,163,509	-2,280,851	-2,316,716	-2,992,524	-1,950,203	-4,562,559	-2,038,008	-2,373,273	-2,244,737	-2,612,221
Foreign Exchange Gain	103,482	305,195	473,588	545,103	276,622	759,416	3,947,222	4,381,740	324,109	94,768
Foreign Exchange Loss	-134,365	-686,798	-593,515	-1,054,156	-562,781	-932,618	-4,836,258	-940,340	-378,064	-103,549
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	10,878,976	13,279,489
Financial Expenses	-2,730,293	-491,698	-486,527	-475,923	-456,084	-450,001	-445,783	-431,474	-408,620	-407,175
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	10,470,356	12,872,314
TAX Expenses	0	0	0	0	0	0	0	0	0	0
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	10,470,356	12,872,314
ROE	*2.32%	3.24%	4.16%	7.56%	4.90%	4.71%	6.25%	14.88%	5.02%	6.12%
ROA	*1.89 %	2.85%	3.62%	6.55%	4.23%	4.05%	5.30%	12.87%	4.50%	5.50%

DISTRIBUTION OF MAIN INCOME ITEMS

TL

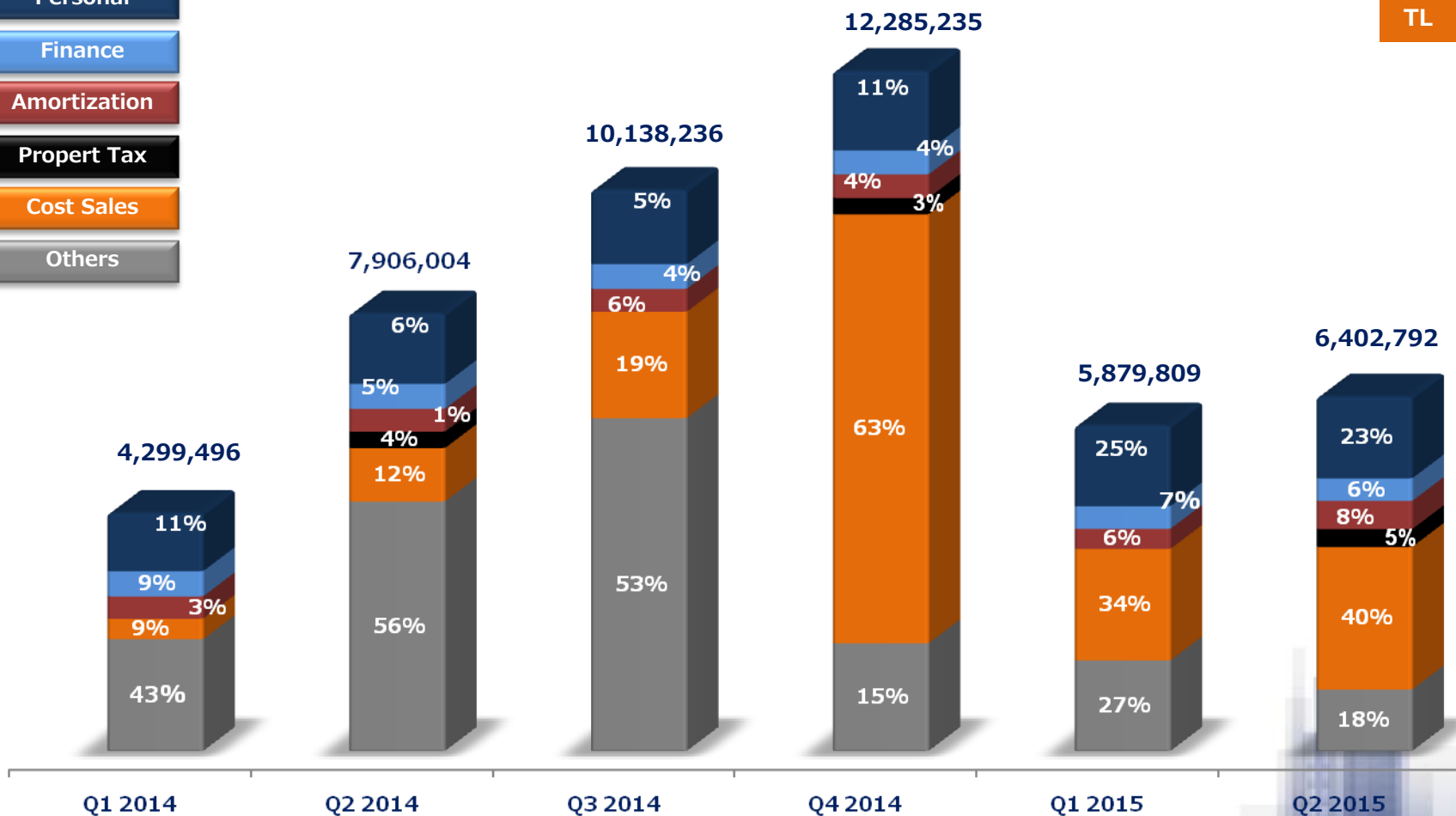
- Sales Revenues
- Rent Revenues
- Financial Revenues
- Others



DISTRIBUTION OF 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 Şekerpinar" project
- ◆ To start getting rental income from "Dedeman Park Levent" hotel project (**realized**)
- ◆ To start the construction and the sales of the Sancaktepe residential project
- ◆ To reach ~8,5 % ROaE ratio

For further information please contact;

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