



INVESTOR PRESENTATION

2017 / Q1



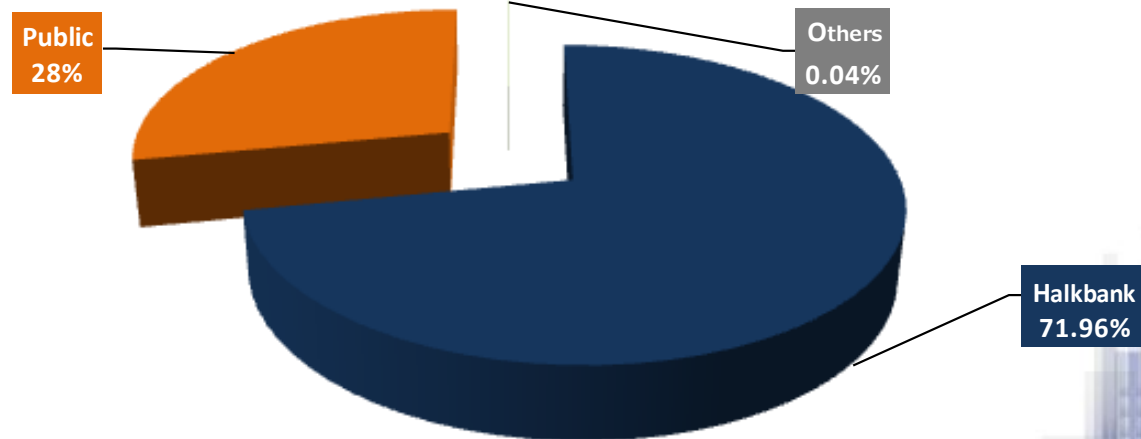
ABOUT HALK GYO

- 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”

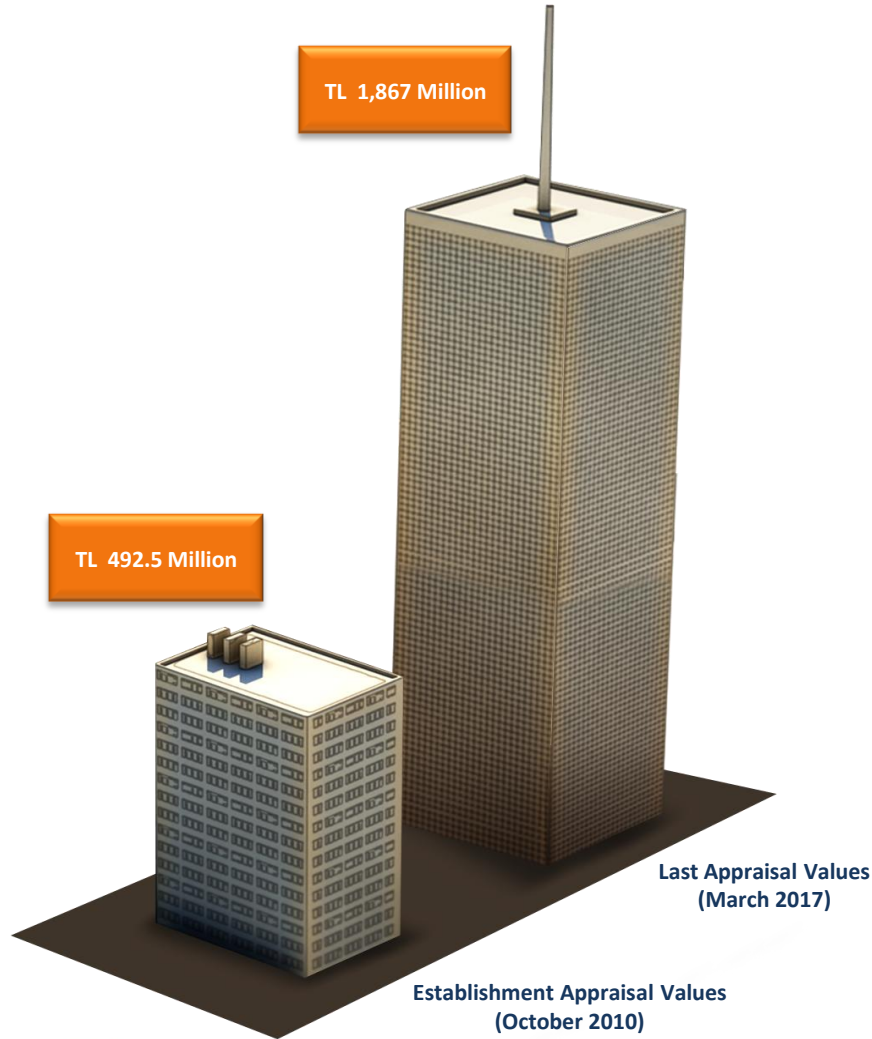
As of March 31, 2017;

❖ Halk GYO has an important position in the sector by **TL 1.9 billion** of total asset value, **TL 758.4 million** of market value and **TL 1.6 billion** of shareholders' equity,

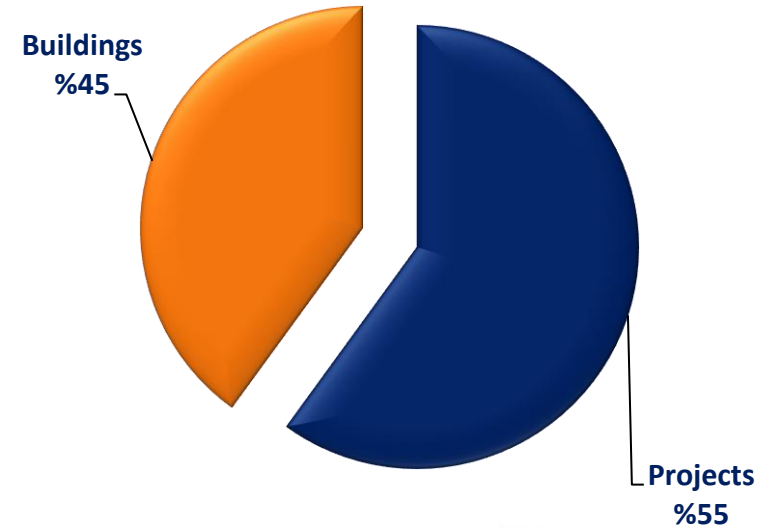
- **28%** of total shares are listed on the BIST,



REAL ESTATE PORTFOLIO



DISTRIBUTION OF PORTFOLIO



REAL ESTATE PORTFOLIO REGIONAL DISPERSAL



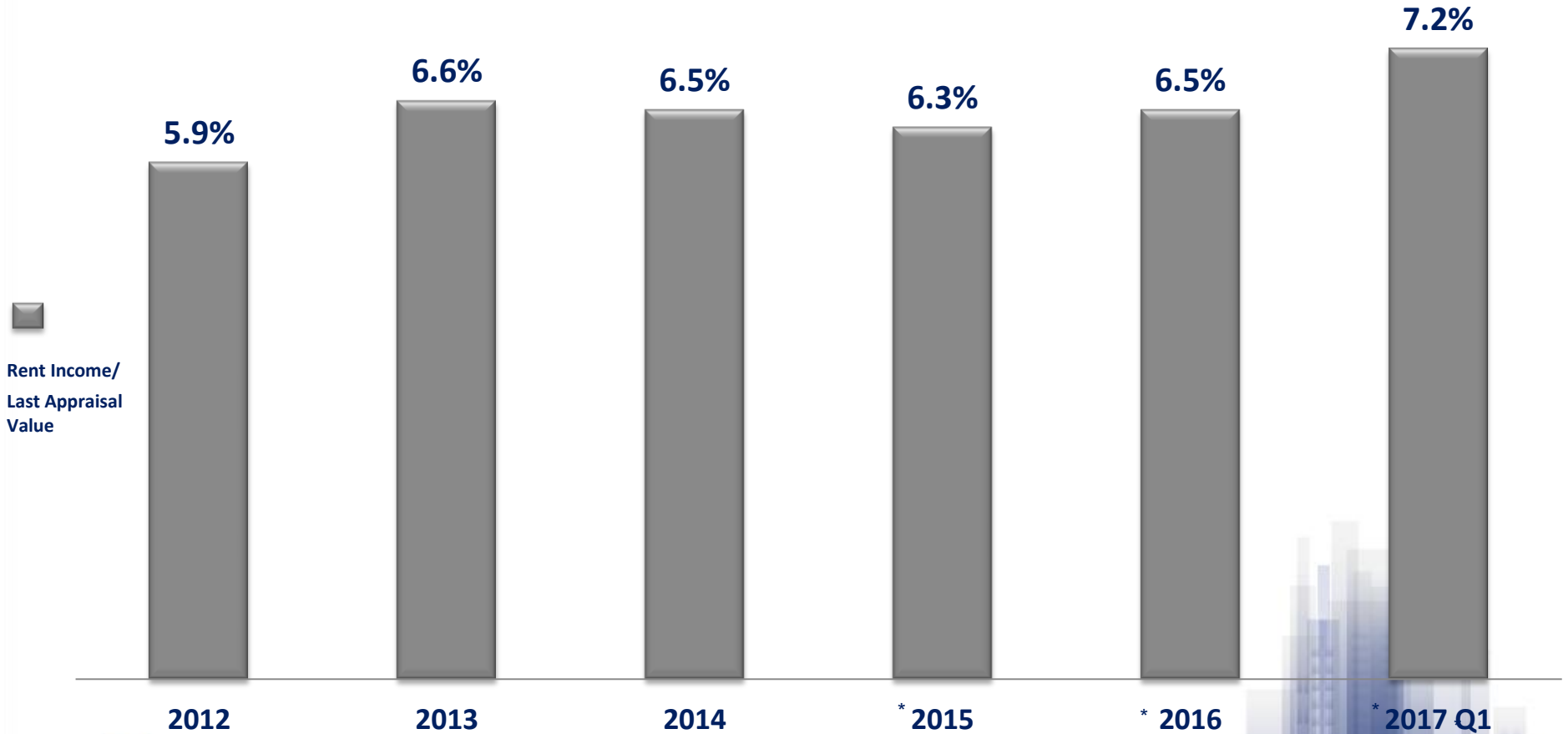
REAL ESTATE PORTFOLIO TABLE

		Fair Value(TL)
PROJECTS	Current Status	1,012,993,221
Istanbul Financial Center Project	In Construction	*646,462,575
Istanbul Bizimtepe Aydos Residential Project	In Construction	249,195,000
Erzurum Şehristan Residentials Project	In Construction	93,189,000
Eskişehir Panorama Plus Residential Project	In Sale	**18,535,602
Istanbul Referans Bakırköy Residential Project	In Sale	**5,611,044
BUILDINGS	Tenant	854,282,306
Istanbul Halkbank Finance Tower	Halkbank	186,636,280
Istanbul Park Dedeman Levent Hotel	Dedeman Grup	165,378,233
Şekerpınar Banking Center	Halkbank	88,704,000
Halk Office Şekerpınar	On The Market	70,300,584
Istanbul Salıpazarı Building	In renovation process (as a Hotel)	49,362,000
Istanbul Karaköy Building	Halkbank	32,600,000
Izmir, Konak 1 Building	Halkbank	25,130,000
Istanbul Beyoğlu Building	Halkbank / Turkish Treasury	24,555,000
Istanbul Bakırköy Building	Halkbank	21,500,350
Istanbul Beşiktaş Building	Halkbank	18,320,000
Ankara Kızılay Building	Halkbank	17,013,475
Istanbul Etiler Building	Halkbank	16,766,000
Istanbul Şişli Building	Halkbank	15,135,034
Izmir Konak 2 Building	Halkbank and its subsidiaries	14,841,600
Bursa Building	Halkbank	13,200,000
Kocaeli Building	Halkbank	11,862,000
Ankara Başkent Building	Halkbank / Ceda Akaryakıt&Otelcilik	11,854,750
Istanbul Ataköy Building	Halkbank	11,260,000
Istanbul Fatih Building	Halkbank	11,253,750
Istanbul Caddebostan Building	In renovation process	*11,225,000
Sakarya Adapazarı Building	Halkbank	10,875,000
Ankara Bahçelievler 1 Building	Halkbank	9,860,000
Istanbul Nişantaşı Building	Halkbank	8,549,250
Ankara Bahçelievler 2 Building	Koton Mağazacılık	8,100,000
TOTAL OF PORTFOLIO		1,867,275,527

REAL ESTATES
GENERATED
RENTAL INCOME

RENTAL INCOME RATIOS

Period	2012	2013	2014	2015	2016	2017 Q1
Building Rent Revenue (TL)	24,929,624	28,837,553	29,759,463	41,596,681	47,227,457	13,064,463



COMPLETED PROJECTS

HALKBANK FINANCE TOWER



In 2012, we acquired this 23-floor class A office tower located near the Istanbul International Finance 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 Finance 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 186.6 million
Yearly Rent	:	TL 14,4 million

COMPLETED PROJECTS

ISTANBUL 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.

As of March 2017, the revenue at the amount of TL 210.7 mn with the sales of 318 independent units and the deed transfer process of 263 independent units amounted TL 179.8 mn were completed.

Real Estate Information		Sale Information	As of March 31,2017
City	: İstanbul	Total of Sold IU	318
District	: Bakirköy	Amount	TL 210.7 million
Land Cost	: TL 31.8 million	Total of Deed Transferred Units	263
Appraisal Value of Halk GYO Share (for unsold untis)	: TL 5.6 million	Amount	TL 179.8 million
Halk GYO Share	: 50.5%		

COMPLETED PROJECTS

ISTANBUL 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	:	Istanbul
District	:	Şişli-Levent
Appraisal Value	:	TL 165.4 million

COMPLETED PROJECTS

ESKİŞEHİR PANORAMA PLUS PROJECT



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, 2 of which have been rented out by our Company.

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

Real Estate Information

City	: Eskişehir
District	: Odunpazarı
Appraisal Value (for unsold units)	: TL 18.5 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, 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 88.7 million
Rental Income (yearly)	:	TL 5.6 million

COMPLETED PROJECTS

HALK OFFICE ŞEKERPINAR



Halk Office Şekerpınar located on our Şekerpınar-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	:	Şekerpınar
Appraisal Value (for 90%)	:	TL 70.3 million

ONGOING PROJECTS

ISTANBUL FINANCIAL CENTER



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) 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.

For the project of which construction permits had been granted, main contractor company has been selected and contracting process has been completed. The construction of project has been started as of year end 2016.

Real Estate Information

City	:	Istanbul
District	:	Ümraniye
Land Cost	:	TL 229.8 million
Appraisal Value of Land	:	TL 646.5 million

ONGOING PROJECTS

SANCAKTEPE BİZİMTEPE AYDOS PROJECT



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, it is planning to build 13-storey 17 blocks (total 1037 units) with the options of 2+1, 3+1, 4+1, 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 have begun in the project which will be the response to the house demand resulting from IFC.

As of March 2017, TL 163,1 million is accounted as deferred income.

Real Estate Information

City	:	Istanbul
District	:	Sancaktepe
Appraisal Value of Entire Project	:	TL 498.3 million
Appraisal Value of Halk GYO Share	:	TL 249.2 million
Halk GYO Share	:	50%

ONGOING PROJECTS

ERZURUM ŞEHRİSTAN RESIDENTIAL PROJECT



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”, will comprise 13 blocks, each with 13-storey, and totally 620 residential and commercial units.

Of the project launched in May, construction works and sales continue.

As of March 2017, TL 36 million is accounted as deferred income.

Real Estate Information

City	:	Erzurum
District	:	Yakutiye
Appraisal Value of Entire Project	:	TL 186.3 million
Appraisal Value of Halk GYO Share	:	TL 93.2 million
Halk GYO Share	:	50%

ONGOING PROJECTS

SALIPAZARI HOTEL PROJECT



After the best use studies, it was decided to renovate our office building, Beyoğlu Salıpazarı, 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. Our Company will get avg, Euro 1,7 million yearly rent.

The alteration permission for transforming building to hotel has been granted.

Real Estate Information

City	:	İstanbul
District	:	Beyoğlu / Salıpazarı
Appraisal Value	:	TL 49.4 million

FINANCIAL DATA

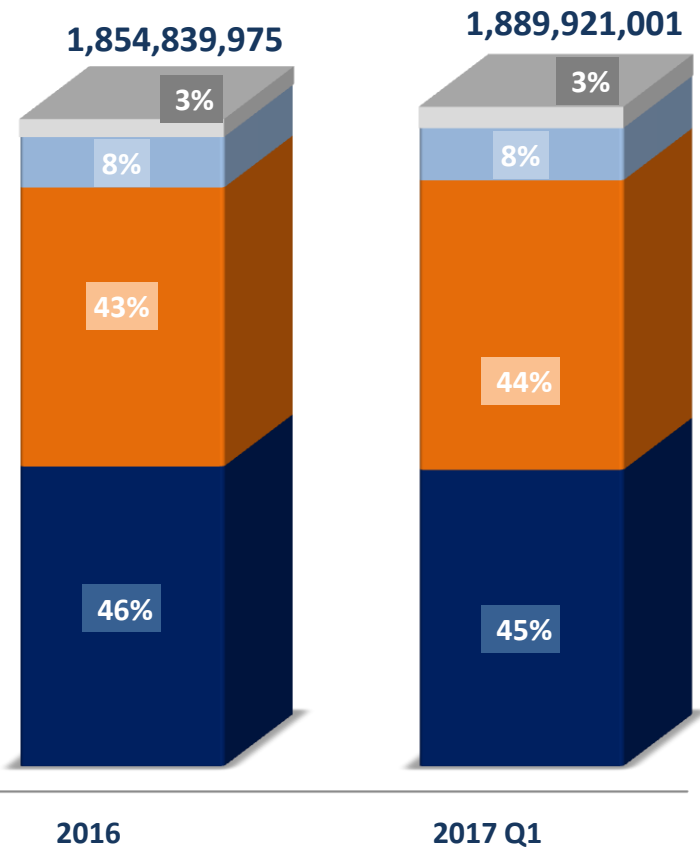
BALANCE SHEET (TL)	31.12.2016	31.03.2017
Current Assets	233,670,563	262,303,343
<i>Liquid Assets</i>	<i>51,301,426</i>	<i>61,008,271</i>
<i>Inventories</i>	<i>152,820,902</i>	<i>171,531,136</i>
Non-Current Assets	1,621,169,412	1,627,617,658
<i>Investment Properties</i>	<i>1,505,807,691</i>	<i>1,507,659,654</i>
Total Assets	1,854,839,975	1,889,921,001
Short Term Liabilities	31,496,435	40,722,200
<i>Deferred Income</i>	<i>21,520,181</i>	<i>30,814,901</i>
Long Term Liabilities	193,147,796	207,992,300
<i>Deferred Income</i>	<i>183,793,138</i>	<i>199,127,760</i>
Equity	1,630,195,744	1,641,206,501
Total Liabilities and Equity	1,854,839,975	1,889,921,001

INCOME STATEMENT (TL)	01.01.2016 31.03.2016	01.01.2017 31.03.2017
Revenues	19,273,889	21,682,198
<i>Rent Income</i>	<i>12,647,847</i>	<i>13,246,226</i>
<i>Sales Income</i>	<i>5,214,536</i>	<i>6,672,008</i>
<i>Financial Income</i>	<i>1,411,506</i>	<i>1,763,964</i>
Cost of Sales	(3,427,351)	(3,931,004)
<i>Cost of Residential Sales</i>	<i>(3,290,688)</i>	<i>(3,779,817)</i>
<i>Other Costs</i>	<i>(136,663)</i>	<i>(151,187)</i>
Gross Profit	15,846,538	17,751,194
<i>General Administrative Expense</i>	<i>(2,241,165)</i>	<i>(5,751,601)</i>
<i>Marketing & Selling Expense</i>	<i>(1,569,560)</i>	<i>(1,178,793)</i>
<i>Foreign Exchange Expenses</i>	<i>(23,177)</i>	<i>505,310</i>
Operating Profit	12,012,636	11,326,110
<i>Financial Expense</i>	<i>(377,315)</i>	<i>(315,353)</i>
Net Profit	11,635,321	11,010,757

DISTRIBUTION OF ASSETS AND LIABILITIES

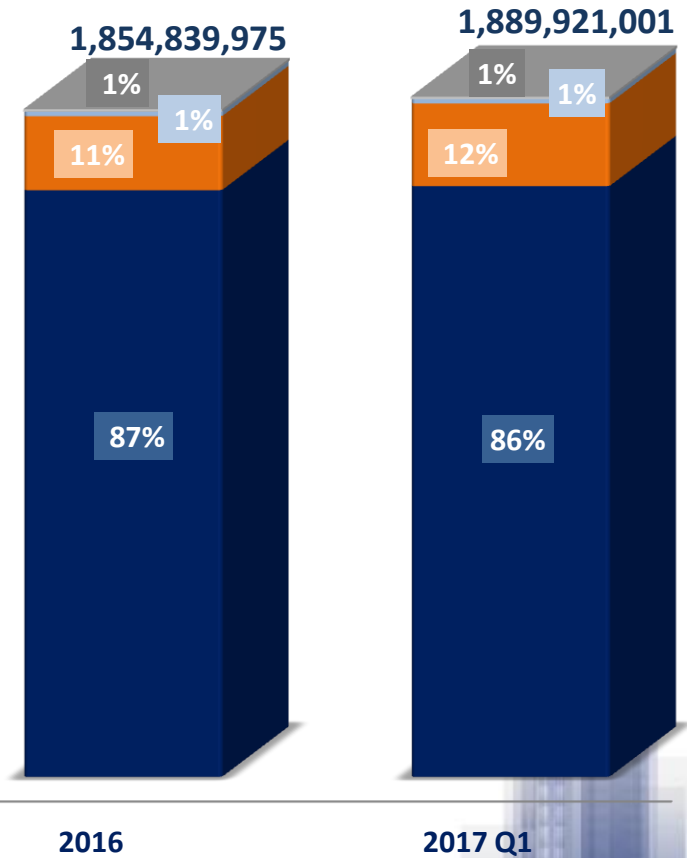
DISTRIBUTION OF ASSETS AND LIABILITIES_TL

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



DISTRIBUTION OF LIABILITIES_TL

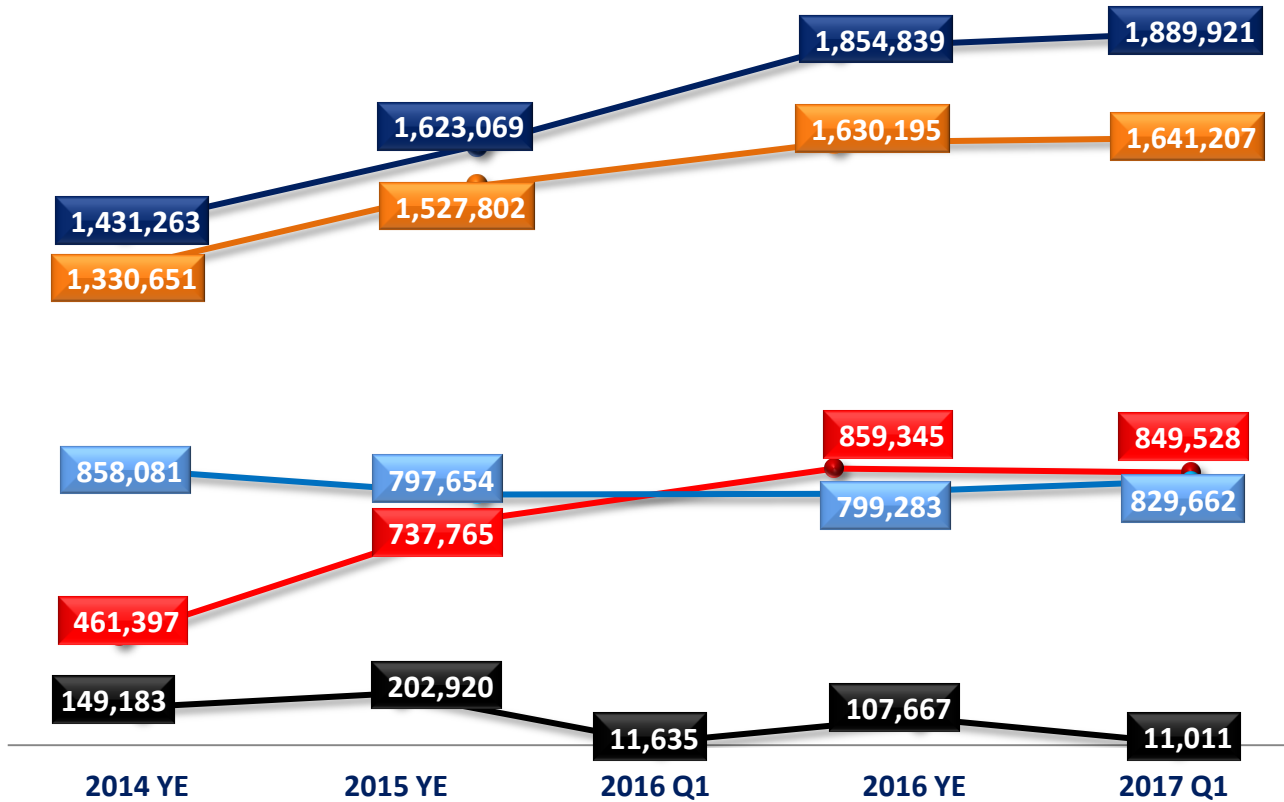
■ Equities ■ Deferred Income ■ Financial Debts ■ Others



BALANCE SHEET ITEMS

1,000 TL

QoQ



Assets 1.9 %

Equities 0.7 %

Buildings -1.1 %

Projects 3.8 %

YoY

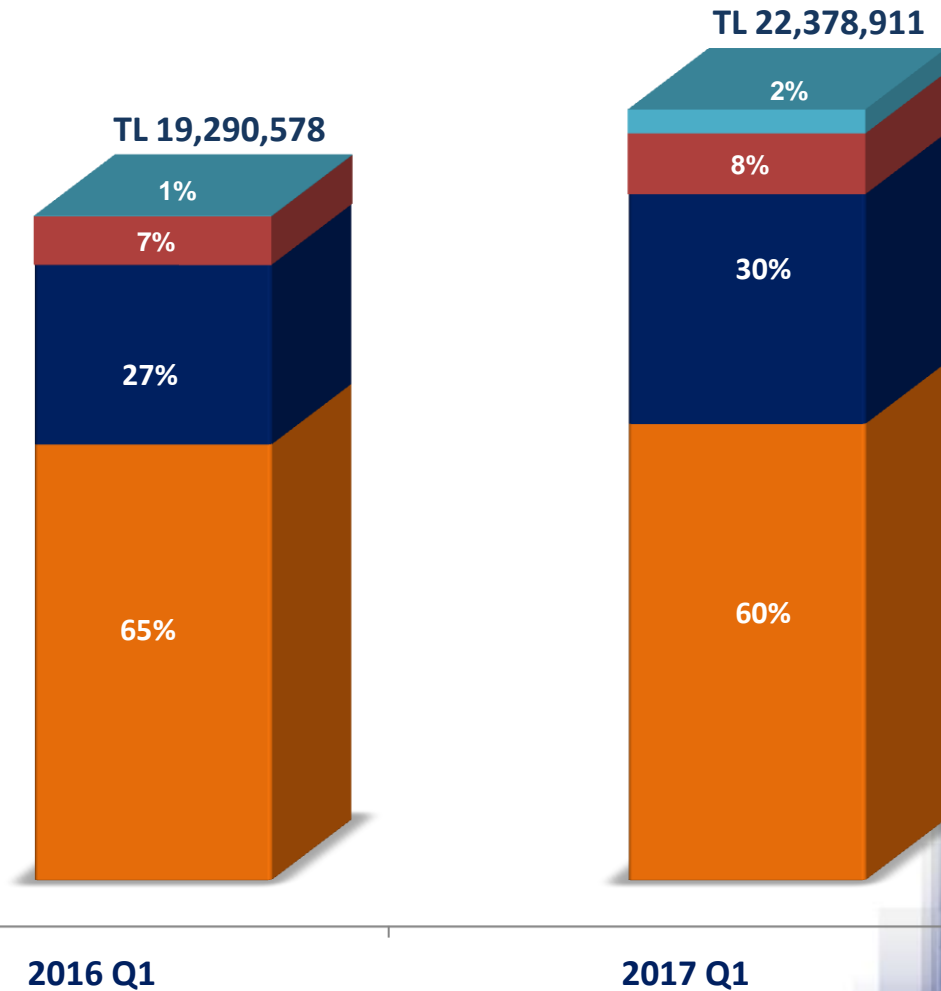
Net Profit -5.4 %

INCOME STATEMENT ITEMS

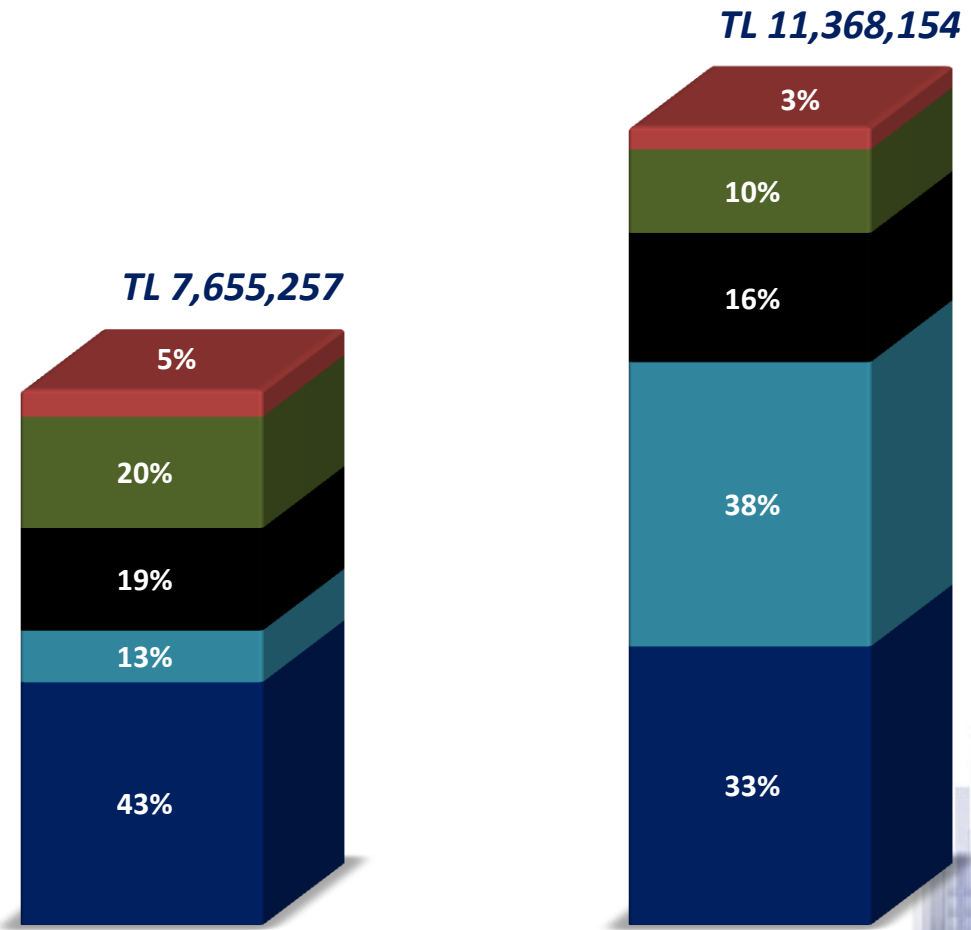
TL	2016 Q1	2017 Q1
Total Revenues	19,273,889	21,682,198
<i>Rent Income</i>	12,647,847	13,246,226
<i>Real Estate Sale Income</i>	5,214,536	6,672,008
<i>Financial Income</i>	1,411,506	1,763,964
Cost of Sales	-3,427,351	-3,931,004
<i>Cost of Real Estate Sales</i>	-3,290,688	-3,779,817
<i>Others</i>	-136,663	-151,187
Gross Profit	15,846,538	17,751,194
General Administrative Expenses	-2,241,165	-5,751,601
Marketing & Selling Expenses	-1,569,560	-1,178,793
Foreign Exchange Gain	16,689	696,713
Foreign Exchange Loss	-39,866	-191,403
Operating Profit	12,012,636	11,326,110
Financial Expenses	-377,315	-315,353
Net Profit	11,635,321	11,010,757
ROE	*	%2.70
ROA	*	%2.35

*As of 31 December 2016, accounting policy of Company's investment property has changed to fair value method from cost value method. Therefore, adjusted balance sheet items for the fiscal period ended March 31, 2016 were not issued, the average return on equity and average return on assets cannot be given.

DISTRIBUTION OF MAIN INCOME ITEMS



DISTRIBUTION OF MAIN EXPENSE ITEMS



2017 TARGETS

- To complete the marketing process of *“Halk Office Şekerpınar”*
- To renovate *“Salıpazarı Building”* as a hotel
- To finalise sales of *“Referans Bakırköy”* and *“Eskişehir Panorama Plus”* residential projects
- ✓ To reach to ~ 8 % RoA ratio

For further information please contact;

Investor Relations

ir@halkgyo.com.tr

Phone: +90 216 600 10 25



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