

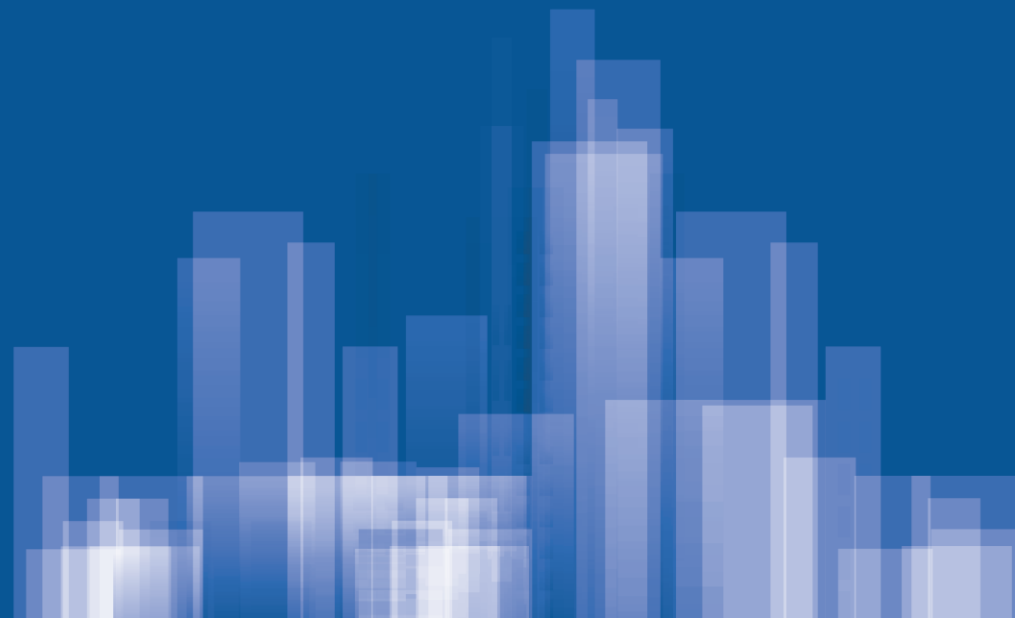


HALKGYO

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

INVESTOR PRESENTATION

2018 / Q3



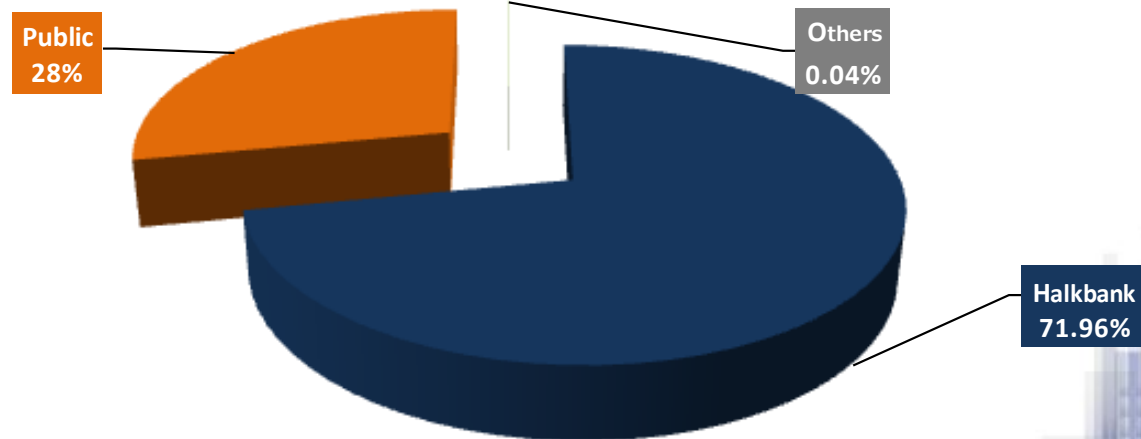
ABOUT HALK GYO

- 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”

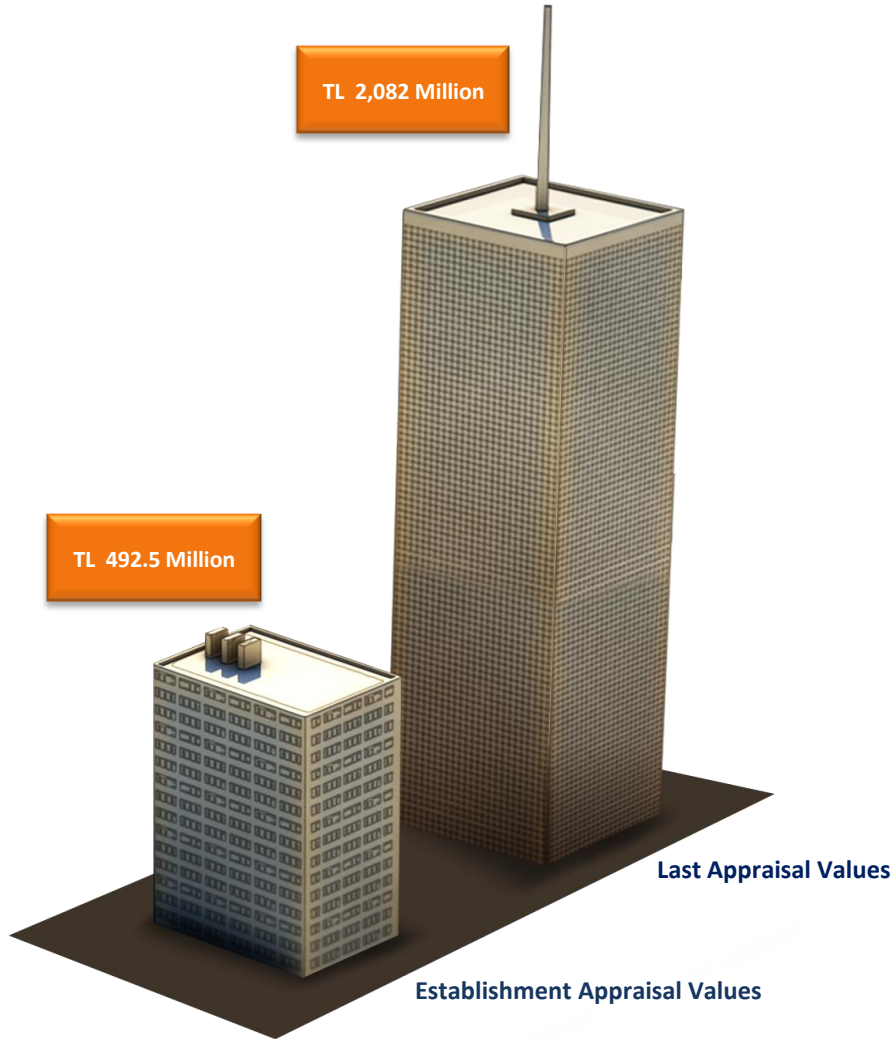
As of September 30, 2018;

❖ Halk GYO has an important position in the sector by the total asset value approaching **TL 2.3 billion**, shareholders' equity exceeding **TL 1.9 billion** and market value of **TL 550 million**

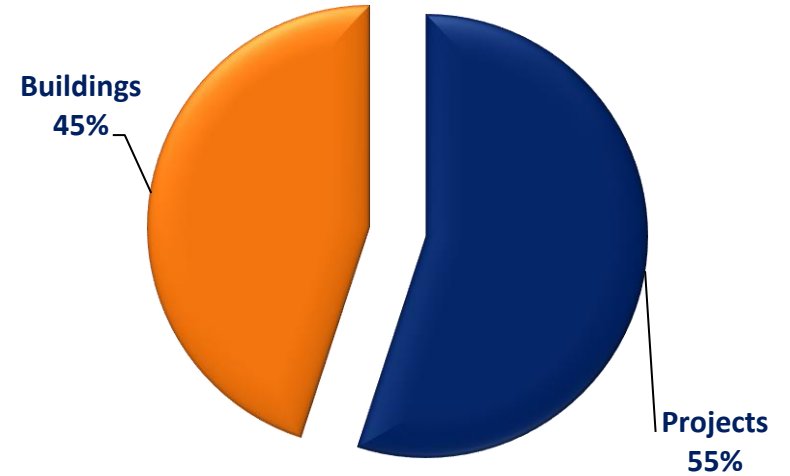
- **28%** of total shares are listed on the BIST.



REAL ESTATE PORTFOLIO



DISTRIBUTION OF PORTFOLIO



REAL ESTATE PORTFOLIO REGIONAL DISPERSAL

İstanbul Salıpazarı
«Port Bosphorus Hotel»

İstanbul «Bizimtepe Aydos» Residential Project

İstanbul «International Financial Center» Project

Erzurum
«Şehristan Residential»
Project

Kocaeli
«Şekerpınar Project»

İstanbul
«Park Dedeman Levent
Hotel»

İstanbul
«Referans Bakırköy
Residential Project

Eskişehir
«Panorama Plus»
Residential Project

«Evora İzmir»
Project



Buildings, Lands and Completed and Ongoing Projects

REAL ESTATE PORTFOLIO TABLE

PORTFOLIO		Fair Value (TL)
PROJECTS	Current Status	
Salıpazarı Land	Car Park of Salıpazarı Hotel	5,178,343
IIFC «Halk Towers»	In Construction	¹ 998,908,390
İzmir Evora Project	In Construction	³ 550,000,000
Istanbul Bizimtepe Aydos Residential Project	In sale	² 85,619,837
Erzurum Şehristan Residentials Project	In sale	² 40,286,621
Eskişehir Panorama Plus Residential Project	In sale	² 7,287,000
Istanbul Referans Bakırköy Residential Project	In sale	² 1,370,000
Total		1,138,650,191
BUILDINGS	Tenant	
Istanbul Halkbank Finance Tower	Halkbank	209,450,640
Istanbul Park Dedeman Levent Hotel Building	Dedeman	176,319,803
Şekerpınar Banking Center	Halkbank	98,016,800
Halk Office Şekerpınar	On The Market	¹ 75,996,779
Istanbul Salıpazarı Hotel Building	Hotel	¹ 65,278,838
Istanbul Karaköy Building	On the Market	36,000,000
Izmir, Konak 1 Building	Halkbank	27,156,000
Istanbul Beyoğlu Building	Halkbank	26,473,003
Istanbul Bakırköy Building	Halkbank	23,548,000
Istanbul Beşiktaş Building	Halkbank	19,465,000
Ankara Kızılay Building	Halkbank	17,013,475
Istanbul Etiler Building	Halkbank	18,440,000
Istanbul Şişli Building	Halkbank	16,262,529
Izmir Konak 2 Building	Halkbank and its subsidiaries	16,090,500
Bursa Building	Halkbank	14,400,400
Istanbul Caddebostan Building	In renovation process	¹ 14,176,823
Kocaeli Building	Halkbank	12,521,000
Ankara Başkent Building	Halkbank / Hotel	11,854,750
Istanbul Ataköy Building	Halkbank	12,463,200
Istanbul Fatih Building	Halkbank	12,477,083
Sakarya Adapazarı Building	Halkbank	12,525,000
Ankara Bahçelievler 1 Building	Halkbank	9,863,250
Istanbul Nişantaşı Building	Halkbank	9,514,000
Ankara Bahçelievler 2 Building	On the Market	8,100,000
Total		943,406,873
TOTAL OF PORTFOLIO		2,082,057,064

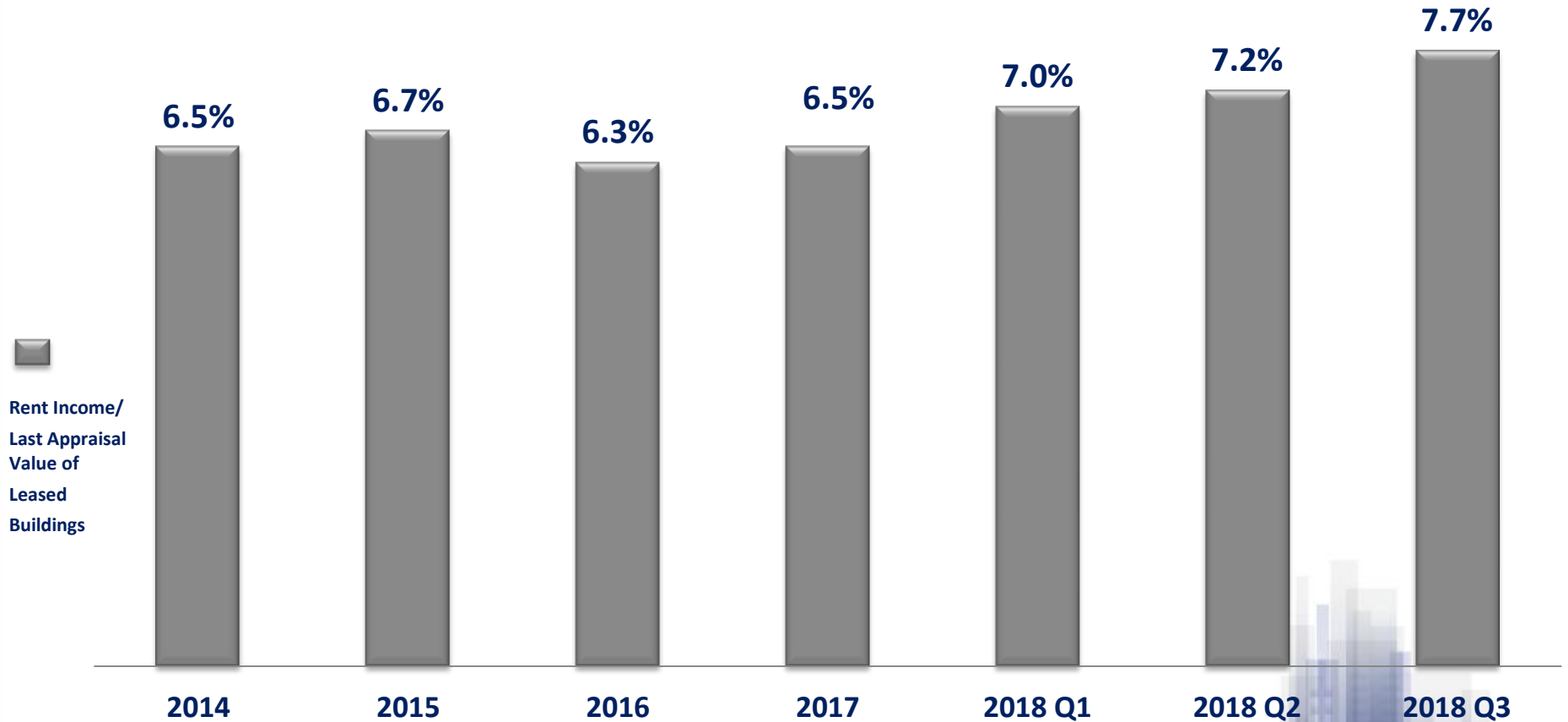
¹Project cost value as of September 30, 2018

²Appraisal values of Halk GYO's share for unsold independent units as of September 30, 2018

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.

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 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 209.5 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 1.4 million
(for units of Halk GYO as of September 30, 2018)		

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 176.3 million

COMPLETED PROJECTS

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.

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

As of September 30, 2018, 11 units have remained unsold in the Company’s portfolio.

Real Estate Information

City	: Eskişehir
District	: Odunpazarı
Appraisal Value (for 11 unsold units as of September 30, 2018)	: TL 7.3 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 98 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.

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 (the cost value as of September 30, 2018)	: TL 76 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 which will be the response to the house demand resulting from IIFC.

The Project finished in 2018 and sales continues. As of September 30 2018, 781 units has been sold.

Real Estate Information

City	:	Istanbul
District	:	Sancaktepe
Appraisal Value (of Halk GYO's share for 304 unsold units as of September 30, 2018)	:	TL 85.2 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 September 30, 2018, 398 residentials and 6 commercial units has been sold.

Real Estate Information

City	:	Erzurum
District	:	Yakutiye
Appraisal Value (of Halk GYO's share for 241 unsold units as of September 30, 2018)	:	TL 40.2 million
Halk GYO Share	:	50%

COMPLETED 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 in 2015.

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

Real Estate Information

City	: İstanbul
District	: Beyoğlu / Salıpazarı
Appraisal Value (the cost value as of September 30, 2018)	: TL 65.3 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 22%.

Real Estate Information

City	:	İstanbul
District	:	Ümraniye
Project Value (the cost value as of September 30, 2018)	:	TL 998.9 million

ONGOING PROJECTS

EVORA İZMİR PROJECT



“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 672 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)	31.12.2017	30.09.2018
Current Assets	432,080,905	218,396,975
<i>Liquid Assets</i>	<i>123,145,273</i>	<i>7,202,888</i>
<i>Inventories</i>	<i>252,004,404</i>	<i>128,686,402</i>
Non-Current Assets	1,944,852,835	2,078,560,341
<i>Investment Properties</i>	<i>1,828,384,803</i>	<i>1,948,174,240</i>
Total Assets	2,376,933,740	2,296,957,316
Short Term Liabilities	490,493,887	322,515,915
<i>Deferred Income</i>	<i>242,418,401</i>	<i>40,763,201</i>
Long Term Liabilities	7,038,201	22,632,654
Equity	1,879,401,652	1,951,808,747
Total Liabilities and Equity	2,376,933,740	2,296,957,316

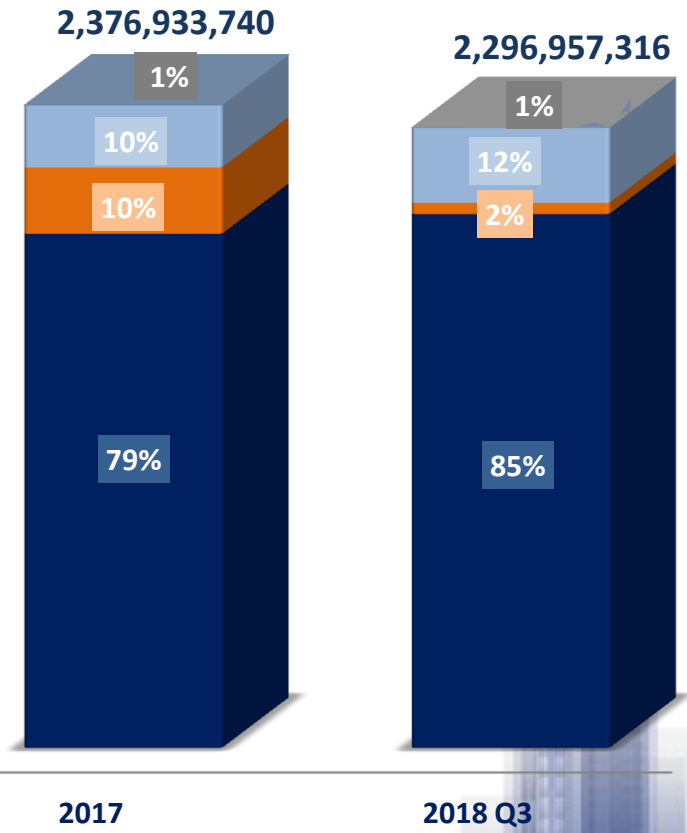
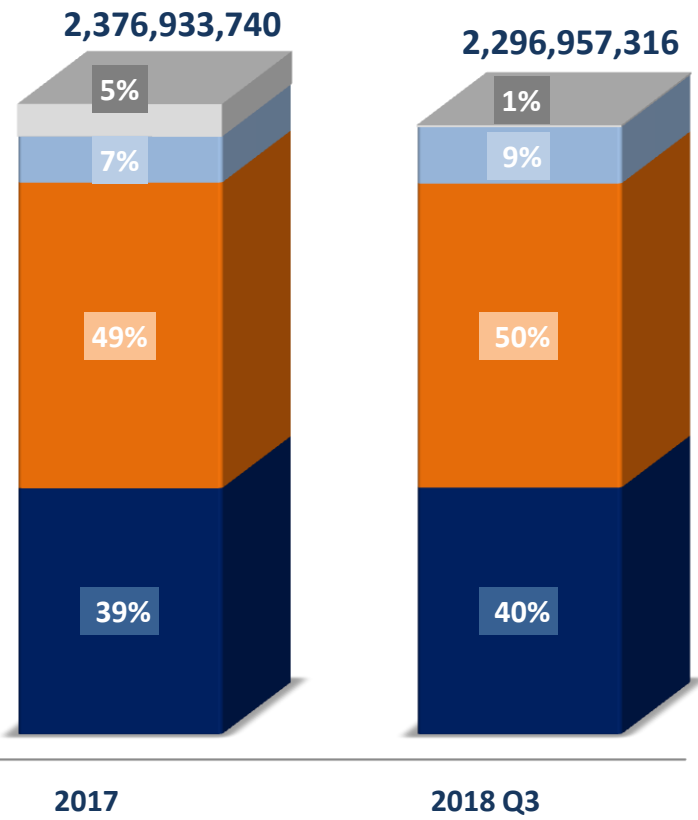
INCOME STATEMENT (TL)	01.01.2017 30.09.2017	01.01.2018 30.09.2018
Revenues	61,737,429	270,322,552
<i>Rent Income</i>	<i>38,612,633</i>	<i>44,047,917</i>
<i>Sales Income</i>	<i>18,238,868</i>	<i>221,194,869</i>
<i>Financial Income</i>	<i>4,885,928</i>	<i>5,079,766</i>
Cost of Sales	(11,289,136)	(178,026,709)
<i>Cost of Residential Sales</i>	<i>(9,899,518)</i>	<i>(176,772,949)</i>
<i>Other Costs</i>	<i>(1,389,618)</i>	<i>(1,253,760)</i>
Gross Profit	50,448,293	92,295,843
<i>General Administrative Expense</i>	<i>(8,742,946)</i>	<i>(9,653,475)</i>
<i>Marketing & Selling Expense</i>	<i>(2,149,597)</i>	<i>(1,203,170)</i>
<i>Other Income (Expense)</i>	<i>(1,252,346)</i>	<i>5,180,008</i>
Operating Profit	38,303,404	86,619,206
<i>Financial Expense</i>	<i>(1,324,191)</i>	<i>(15,179,094)</i>
Net Profit	36,979,213	71,440,112

DISTRIBUTION OF ASSETS AND LIABILITIES

DISTRIBUTION OF ASSETS_TL

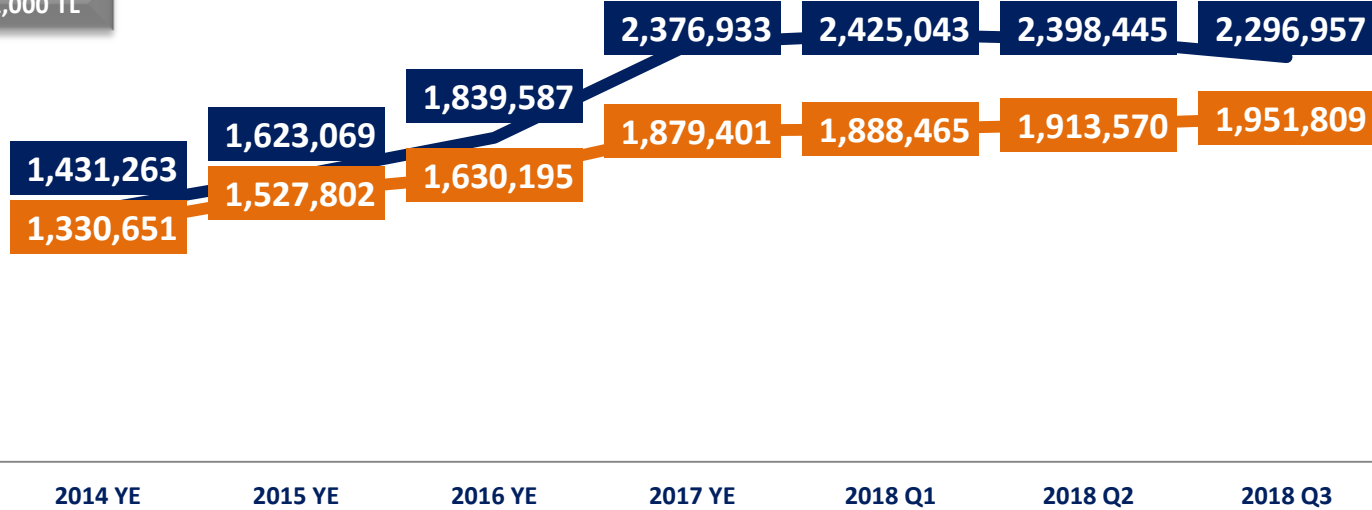
DISTRIBUTION OF LIABILITIES_TL

■ Buildings
 ■ Lands&Projects
 ■ Other
 ■ Cash and Cash Equivalents
 ■ Equities
 ■ Deferred Income
 ■ Financial Debts
 ■ Other



BALANCE SHEET ITEMS

1,000 TL



Year to Date

Assets -3.36%

Equities 3.85%

202,943

107,664

252,121

12,266

9,747

23,454

38,239

2015 YE

2016 YE

2017 Q3

2017 YE

2018 Q1

2018 Q2

2018 Q3

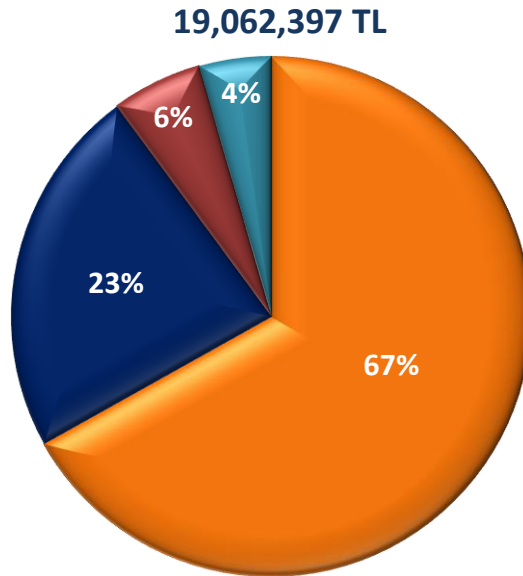
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Net Profit 211.75%

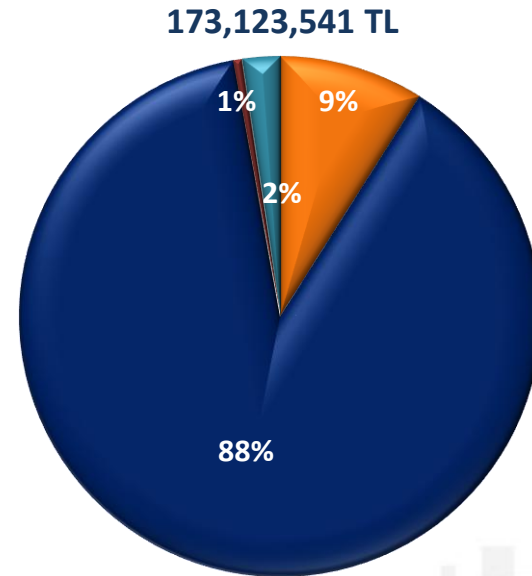
INCOME STATEMENT ITEMS

TL	2017 Q1	2017 Q2	2017 Q3	2018 Q1	2018 Q2	2018 Q3
Total Revenues	21.398,418	22,123,704	18,215,307	18,280,039	82,899,922	169,142,591
Rent Income	13,246,226	12,614,809	12,751,598	14,276,659	14,240,299	15,530,959
Real Estate Sale Income	6,672,008	7,178,567	4,388,293	1,400,453	67,095,073	152,699,343
Financial Income	1,480,184	2,330,328	1,075,416	2,602,927	1,564,550	912,289
Cost of Sales	-3,931,004	-4,705,979	-2,652,153	-1,035,256	-53,891,597	-123,099,856
Cost of Real Estate Sales	-3,779,817	-4,053,521	-2,066,180	-646,956	-53,260,205	-122,865,788
Other	-151,187	-652,458	-585,973	-388,300	-631,392	-234,068
Gross Profit	17,467,414	17,417,725	15,563,154	17,244,783	29,008,325	46,042,735
General Administrative Expenses	-3,151,601	-2,733,371	-2,857,974	-3,554,081	-3,128,667	-2,970,727
Marketing & Selling Expenses	-1,178,793	-478,570	-492,234	-399,309	-256,580	-547,281
Other Operating Income from Main Activities	980,493	319,505	847,090	1,101,360	1,097,623	3,980,950
Other Operating Loss from Main Activities	-2,791,403	-513,120	-94,911	-104,687	-102,355	-792,883
Operating Profit	11,326,110	14,012,169	12,965,125	14,288,067	26,618,346	45,712,794
Financial Expenses	-315,353	-309,497	-699,341	-4,540,587	-3,164,313	-7,474,194
Net Profit	11,010,757	13,702,672	12,265,784	9,747,479	23,454,033	38,238,600

DISTRIBUTION OF MAIN INCOME ITEMS

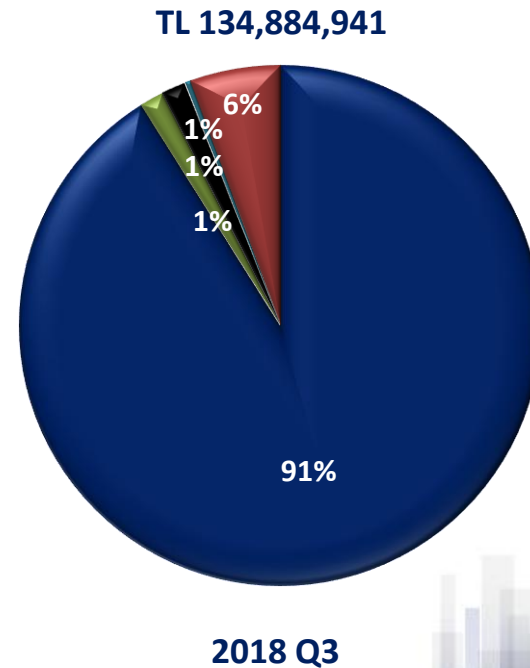
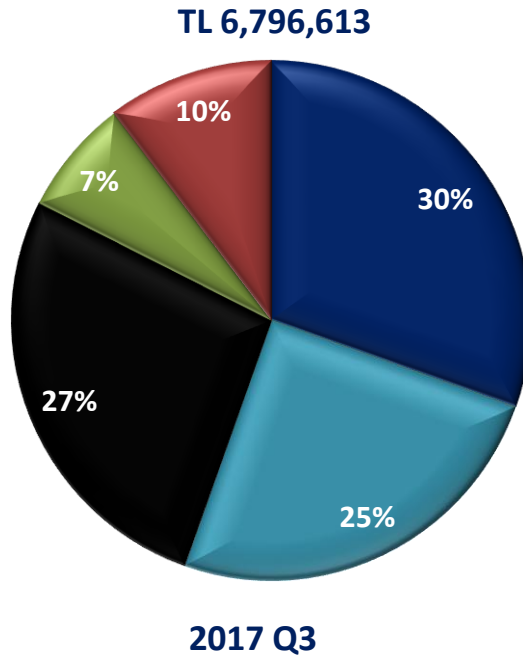


2017 Q3



2018 Q3

DISTRIBUTION OF MAIN EXPENSE ITEMS



2018 TARGETS & REALIZATIONS

To complete the marketing process of
«*Halk Office Şekerpinar*»

To open the Gates of «Salıpazarı Building» as a hotel



To start construction and sale works of «Evora İzmir»



To reach to ~ **11 %** RoaA ratio

For further information please contact;

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