

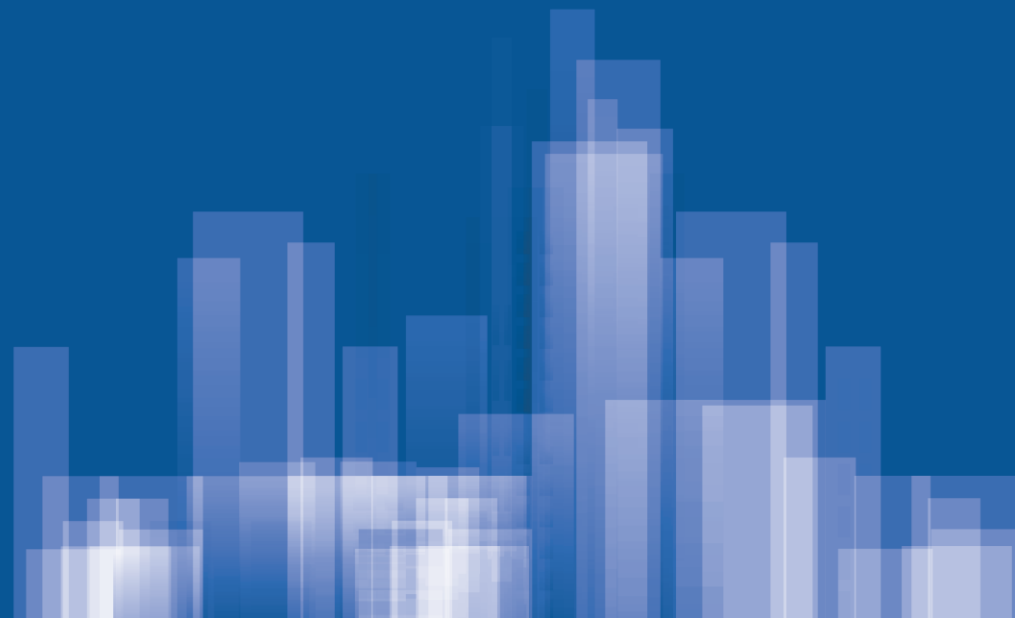


HALKGYO

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

INVESTOR PRESENTATION

2019 / Q3

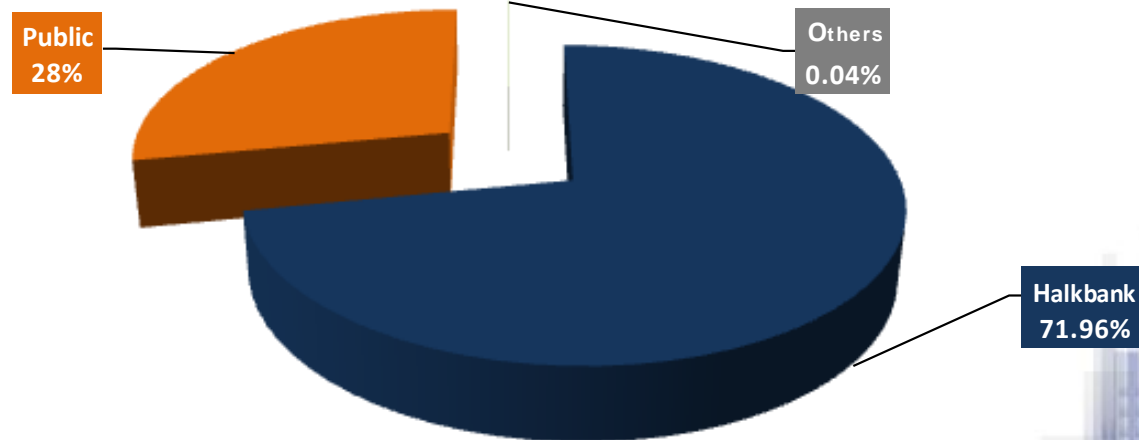


ABOUT HALK GYO

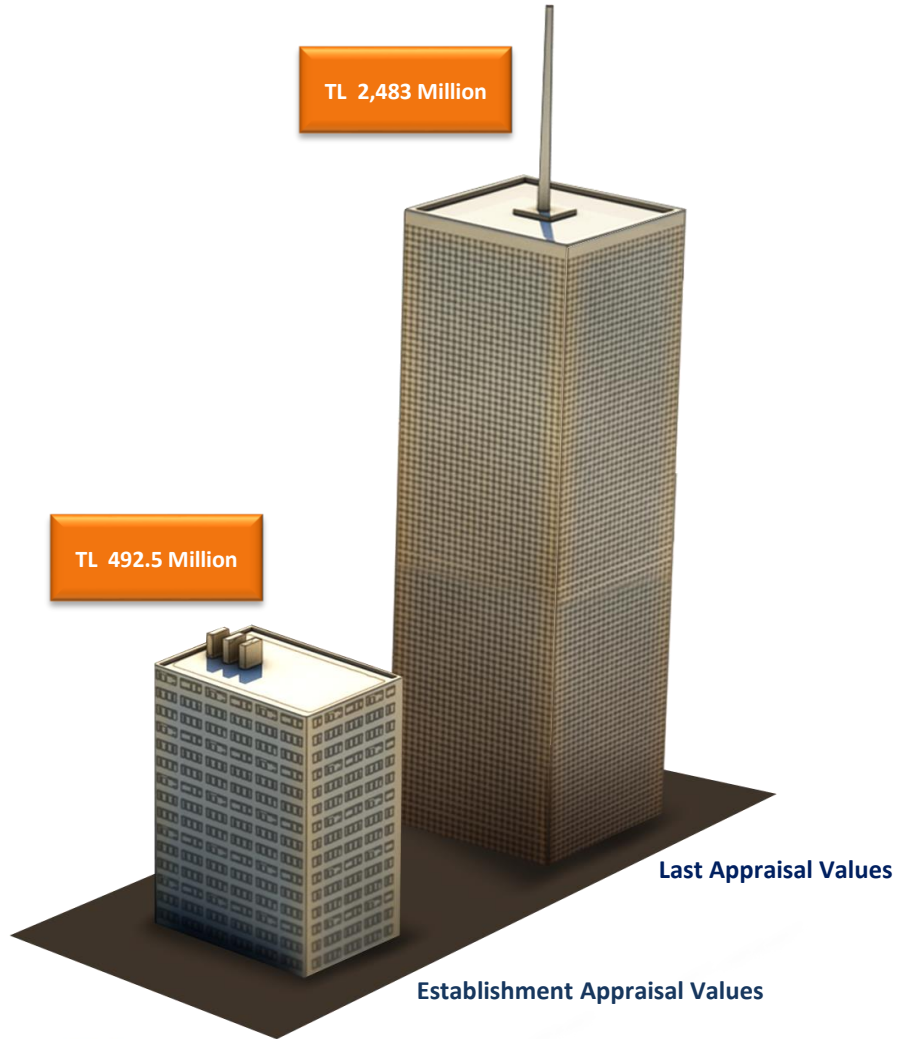
- Halk GYO, was established in 2010, invests in real estates, real estate projects, real estate based rights and capital market instruments.
- Halk GYO completed its IPO in February 2013 and is trading on the Borsa Istanbul (BIST) with the code “HLGYO”

As of September 30, 2019;

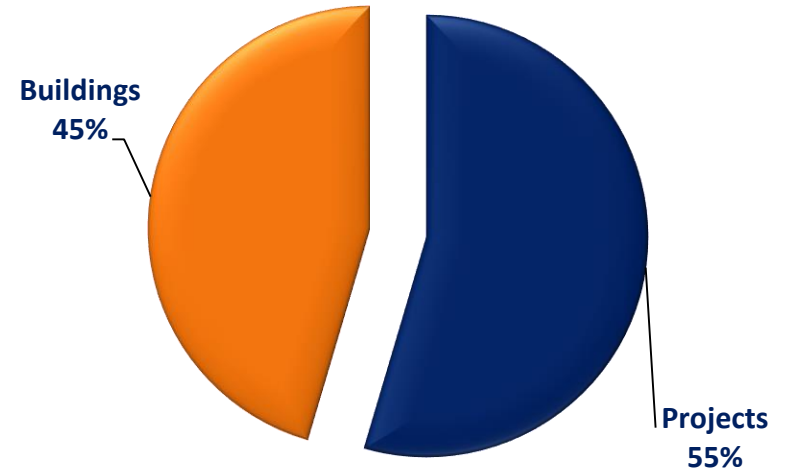
- ❖ Halk GYO has an important position in the sector by the total asset value approaching **TL 2.7 billion**, shareholders' equity exceeding **TL 2.3 billion** and market value of **TL 909.4 million**
- **28%** of total shares are listed on the BIST.



REAL ESTATE PORTFOLIO



DISTRIBUTION OF PORTFOLIO



REAL ESTATE PORTFOLIO REGIONAL DISPERSAL



REAL ESTATE PORTFOLIO TABLE

PORTFOLIO	Fair Value (TL)	
PROJECTS	Current Status	
Salıpazarı Land	Car Park of Salıpazarı Hotel	7,286,000
Erzurum Palandöken Lands	Land	14,637,000
Erzurum Yakutiye Land	Land	10,047,000
IIFC «Halk Towers»	In Construction	¹ 1,232,891,255
İzmir Evora	In Construction	³ 550,000,000
Istanbul Bizimtepe Aydos	In sale	² 84,623,451
Erzurum Şehristan Residentials	In sale	² 6,935,000
Eskişehir Panorama Plus	In sale	² 5,331,566
Istanbul Referans Bakırköy	In sale	² 337,500
Total		1,362,088,771

BUILDINGS	Tenant	2019 9 Months Rent Income (TL)	
Istanbul Park Dedeman Levent Hotel Building	Hotel	15,660,292	246,138,000
Istanbul Halkbank Finance Tower	Halkbank	12,540,000	¹ 228,385,286
Şekerpınar Banking Center	Halkbank	5,645,413	137,773,786
Istanbul Salıpazarı Port Bosphorus Hotel Building	Hotel	4,300,127	81,056,000
Halk Office Şekerpınar	On The Market	-	77,995,312
Istanbul Karaköy Building	On the Market	-	37,825,000
Izmir, Konak 1 Building	Halkbank	1,307,572	28,794,550
Istanbul Beyoğlu Building	Halkbank	1,068,473	28,741,669
Istanbul Bakırköy Building	Halkbank	1,369,838	25,154,333
Istanbul Caddebostan Building	In renovation process	-	¹ 24,316,352
Istanbul Beşiktaş Building	Halkbank	1,245,307	21,346,000
Istanbul Etiler Building	Halkbank	971,339	20,526,000
Istanbul Şişli Building	Halkbank	958,886	18,844,404
Ankara Kızılay Building	Halkbank	1,320,025	18,714,823
Izmir Konak 2 Building	Halkbank and its subsidiaries	886,008	16,186,796
Bursa Building	Halkbank	919,036	16,110,000
Istanbul Fatih Building	Halkbank	622,653	13,475,250
Kocaeli Building	Halkbank	871,715	13,100,920
Istanbul Ataköy Building	Halkbank	768,977	12,954,666
Ankara Başkent Building	Halkbank / Hotel	1,037,614	12,642,550
Sakarya Adapazarı Building	In demolition process	-	10,979,699
Ankara Bahçelievler 1 Building	Halkbank	693,636	10,770,670
Istanbul Nişantaşı Building	Halkbank	523,029	10,288,500
Ankara Bahçelievler 2 Building	Store	258,000	⁴ 9,000,000
Total		52,967,940	1,121,593,463

TOTAL			2,483,682,235
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¹Project fair value in the Independent Audit Report 2019 January-September.

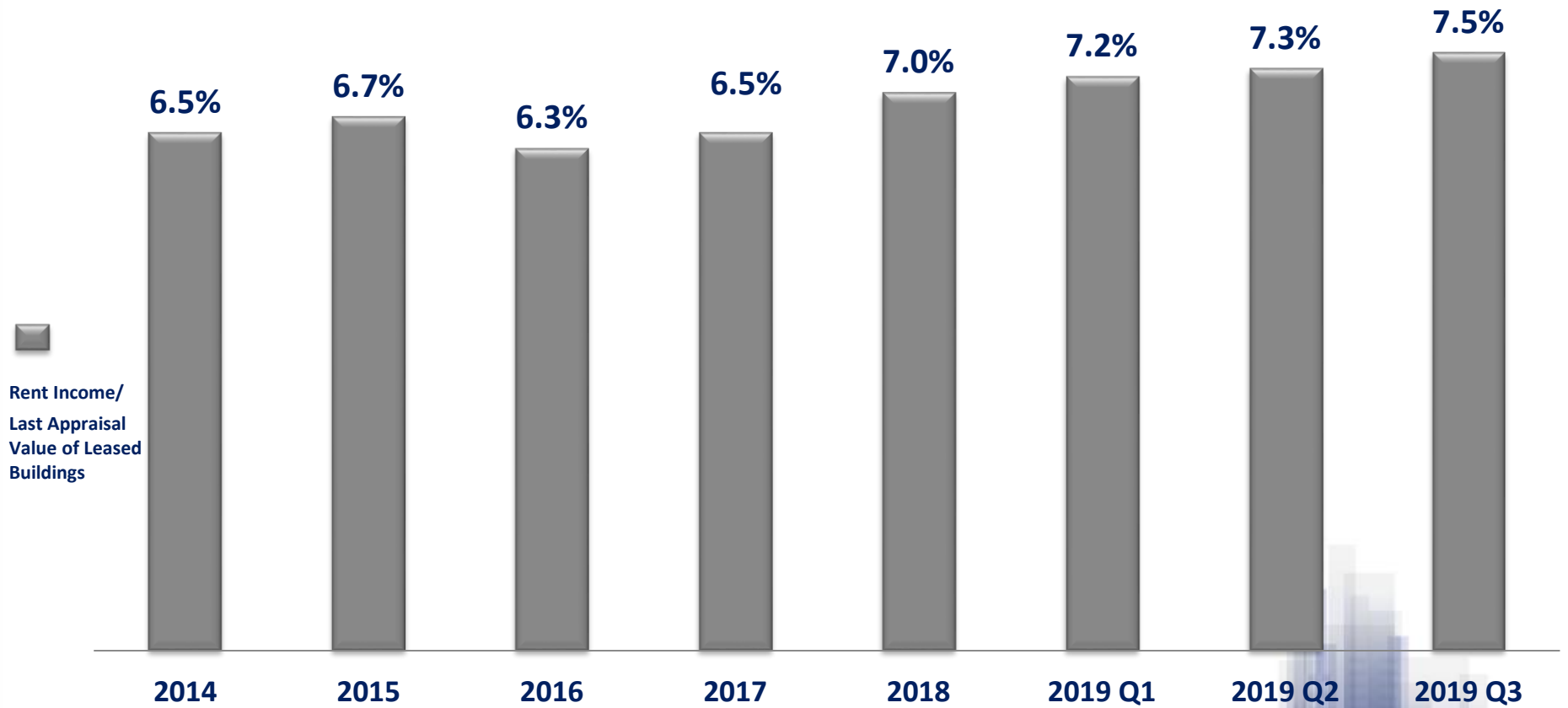
²Appraisal values of Halk GYO's share for unsold independent units as of September 30, 2019

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.

⁴As of April 1, 2019, Bahçelievler 2 Building has been rented to İpekyol Giyim Sanayi ve Tic. A.Ş.

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 228.9 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. One unit have remained unsold in the Company's portfolio.

Real Estate Information

City	:	İstanbul
District	:	Bakırköy
Appraisal Value	:	TL 337.5 thousand
<small>(for unsold unit of Halk GYO as of September 30, 2019)</small>		

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 246.1 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 finished in 2015.

As of September 30, 2019, 9 units have remained unsold in the Company’s portfolio.

Real Estate Information

City	:	Eskişehir
District	:	Odunpazarı
Appraisal Value	:	TL 5.3 million
<small>(for 9 unsold units as of September 30, 2019)</small>		

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 137.8 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	: TL 78 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.

The project finished in 2018 and sales continues. As of September 30 2019, 772 units have been sold.

Real Estate Information

City	:	Istanbul
District	:	Sancaktepe
Appraisal Value (of Halk GYO's share for 312 unsold units as of September 30, 2019)	:	TL 84.6 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 September 30, 2019, 605 residentials and 8 commercial units has been sold.

Real Estate Information

City	:	Erzurum
District	:	Yakutiye
Appraisal Value (of Halk GYO's share for 32 unsold units as of September 30, 2019)	:	TL 6.9 million
Halk GYO Share	:	50%

COMPLETED PROJECTS

SALIPAZARI PORT BOSPHORUS HOTEL



After the best use studies, it was decided to renovate our office building, Beyoğlu Salıpaazarı, 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 / Salıpaazarı
Appraisal Value	: TL 81,1 million



ONGOING PROJECTS

iSTANBUL 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 29% as of September 2019.

Real Estate Information

City	:	İstanbul
District	:	Ümraniye
Project Value (the cost value as of September 30, 2019)	:	TL 1.233 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%.

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

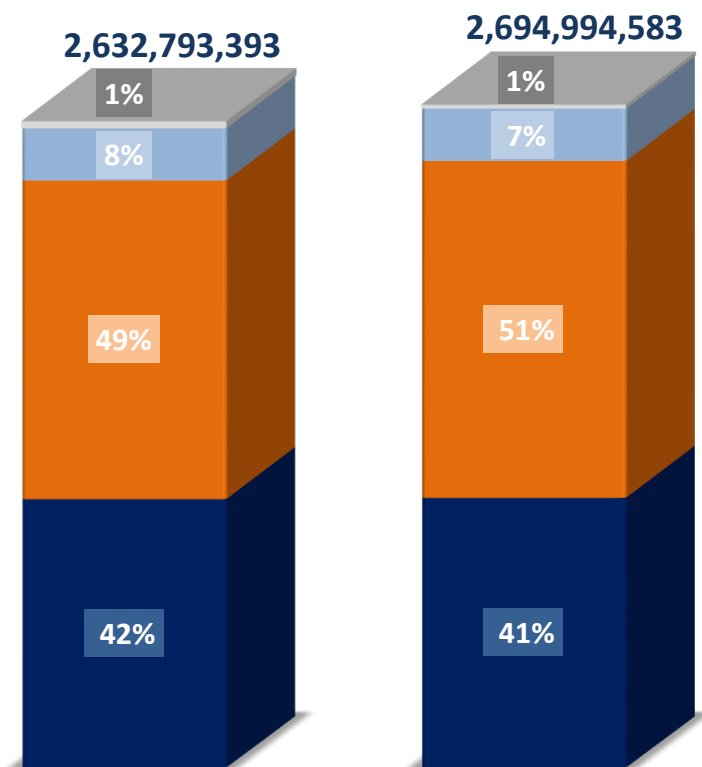
BALANCE SHEET (TL)	31.12.2018	30.09.2019
Current Assets	216,878,756	181,707,203
<i>Liquid Assets</i>	28,825,032	18,595,456
<i>Inventories</i>	108,935,331	78,583,960
Non-Current Assets	2,415,914,637	2,513,287,380
<i>Investment Properties</i>	2,288,772,410	2,392,673,638
Total Assets	2,632,793,393	2,694,994,583
Short Term Liabilities	353,338,299	382,548,284
<i>Deferred Income</i>	10,116,377	11,347,774
Long Term Liabilities	17,836,274	8,174,309
Equity	2,261,618,820	2,304,271,990
Total Liabilities and Equity	2,632,793,393	2,694,994,583

INCOME STATEMENT (TL)	01.01.2018 30.09.2018	01.01.2019 30.09.2019
Revenues	270,322,552	95,925,495
<i>Rent Income</i>	44,047,917	53,095,835
<i>Sales Income</i>	221,194,869	39,754,575
<i>Financial Income</i>	5,079,766	3,075,085
Cost of Sales	(178,026,709)	(29,544,181)
<i>Cost of Residential Sales</i>	(176,772,949)	(26,926,314)
<i>Other Costs</i>	(1,253,760)	(2,617,867)
Gross Profit	92,295,843	66,381,314
<i>General Administrative Expense</i>	(9,653,475)	(10,737,713)
<i>Marketing & Selling Expense</i>	(1,203,170)	(3,424,015)
<i>Other Income (Expense)</i>	5,180,008	1,385,385
<i>Revaluation Income of Investment Property</i>	-	2,227,001
Operating Profit	86,619,206	55,831,972
<i>Financial Expense</i>	(15,179,094)	(8,313,557)
Net Profit	71,440,112	47,518,415

DISTRIBUTION OF ASSETS AND LIABILITIES

DISTRIBUTION OF ASSETS_TL

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

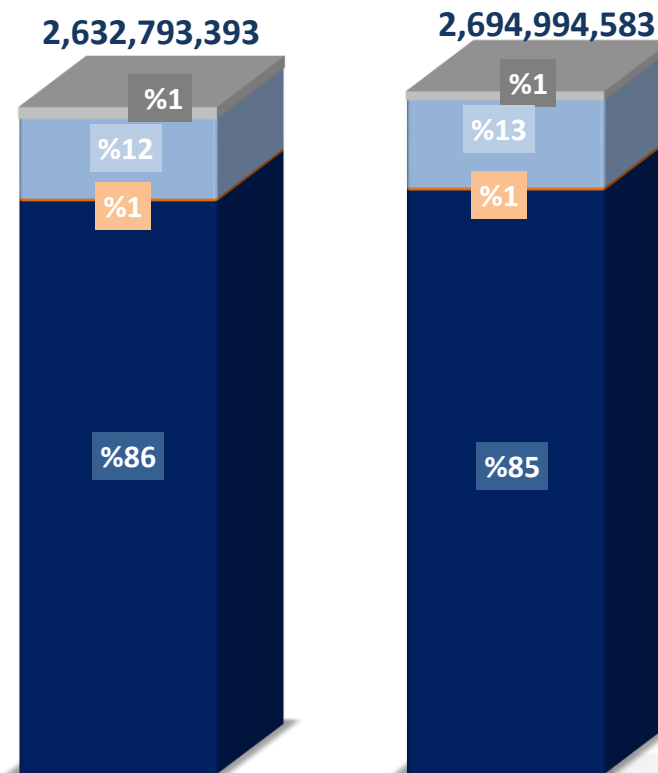


2018

2019 Q3

DISTRIBUTION OF LIABILITIES_TL

■ Equities ■ Deferred Income ■ Financial Debts ■ Other

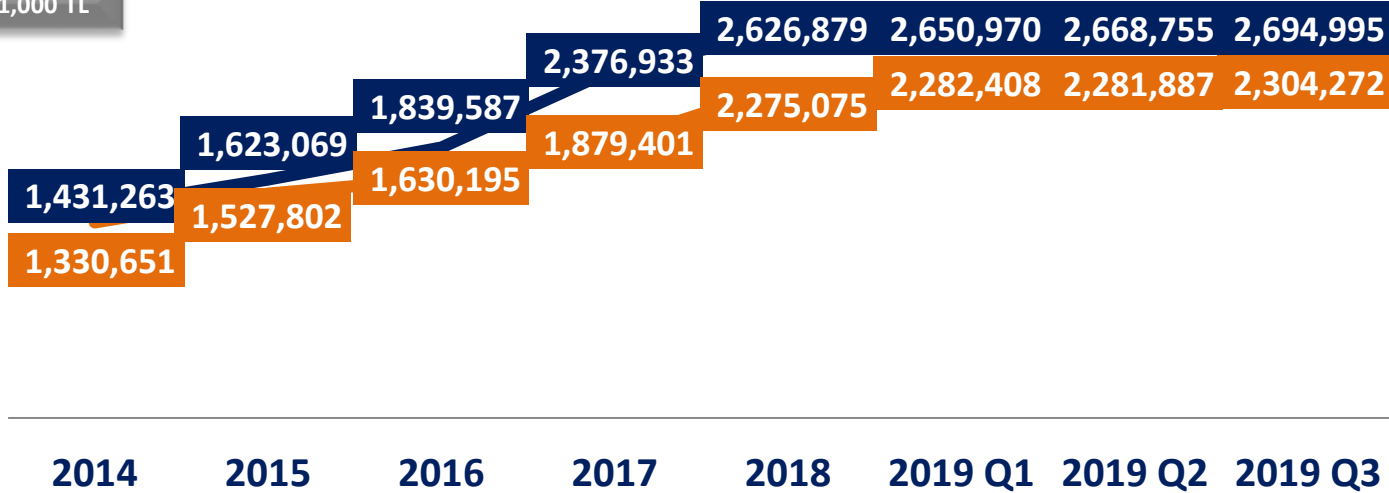


2018

2019 Q3

BALANCE SHEET ITEMS

1,000 TL



YOY

Assets 2.36%

Equities 1.89%

YOY

Net Profit -41.46%

8,300

12,266

38,239

22,385

2016 Q3

2017 Q3

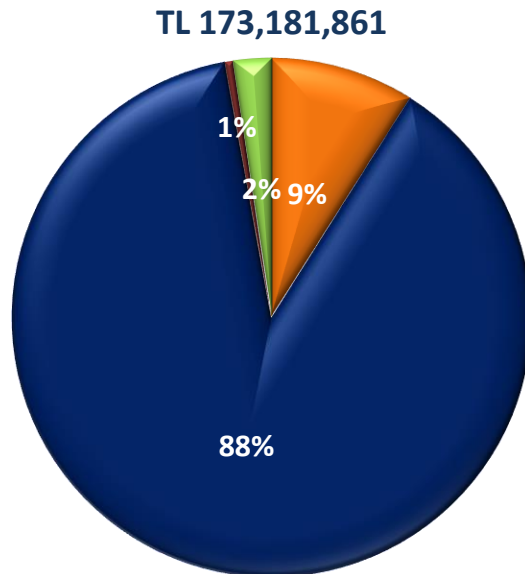
2018 Q3

2019 Q3

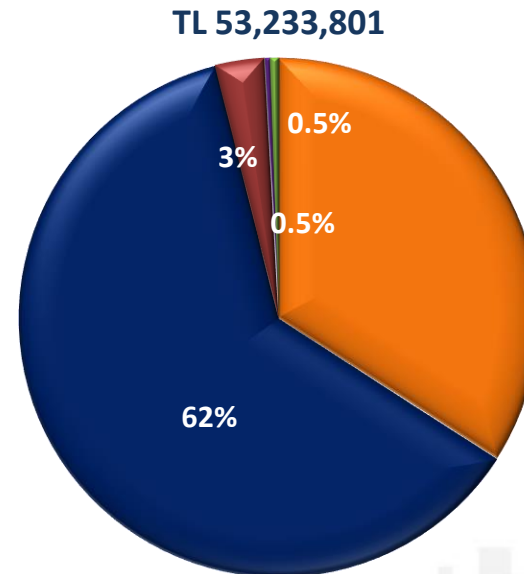
INCOME STATEMENT ITEMS

TL	2018 Q1	2018 Q2	2018 Q3	2019 Q1	2019 Q2	2019 Q3
Total Revenues	18,280,039	82,899,922	169,142,591	21,267,301	21,869,128	52,789,066
Rent Income	14,276,659	14,240,299	15,530,959	17,234,211	17,708,337	18,153,287
Real Estate Sale Income	1,400,453	67,095,073	152,699,343	3,441,076	3,306,915	33,006,584
Financial Income	2,602,927	1,564,550	912,289	592,014	853,876	1,629,195
Cost of Sales	-1,035,256	-53,891,597	-123,099,856	-2,818,169	-3,142,200	-23,583,812
Cost of Real Estate Sales	-646,956	-53,260,205	-122,865,788	-2,519,443	-2,299,563	-22,107,308
Other	-388,300	-631,392	-234,068	-298,726	-842,637	-1,476,504
Gross Profit	17,244,783	29,008,325	46,042,735	18,449,132	18,726,928	29,205,254
General Administrative Expenses	-3,554,081	-3,128,667	-3,029,047	-3,370,046	-3,934,485	-3,433,182
Marketing & Selling Expenses	-399,309	-256,580	-547,281	-1,512,308	-1,056,707	-855,000
Other Operating Income from Main Activities	1,101,360	1,097,623	4,039,270	1,245,443	186,960	254,656
Other Operating Loss from Main Activities	-104,687	-102,355	-792,883	-99,359	-49,341	-152,974
Operating Profit	14,288,066	26,618,346	45,712,794	14,712,862	13,873,355	25,018,754
Revaluation Income of Investment Property	-	-	-	-	2,036,922	190,079
Financial Expenses	-4,540,587	-3,164,313	-7,474,194	-2,563,443	-2,926,464	-2,823,651
Net Profit	9,747,479	23,454,033	38,238,600	12,149,419	12,983,813	22,385,182

DISTRIBUTION OF MAIN INCOME ITEMS

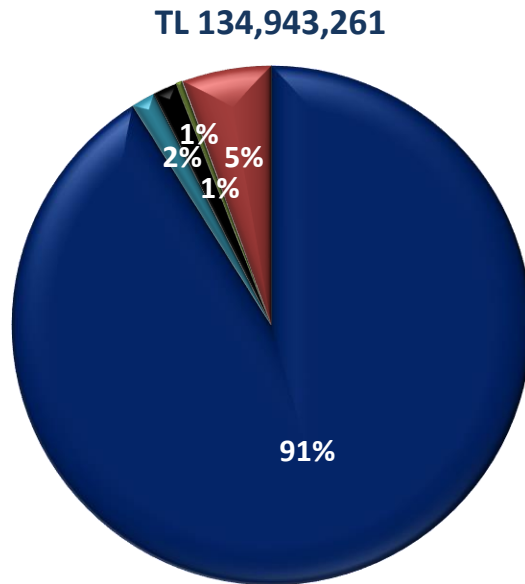


2018 Q3

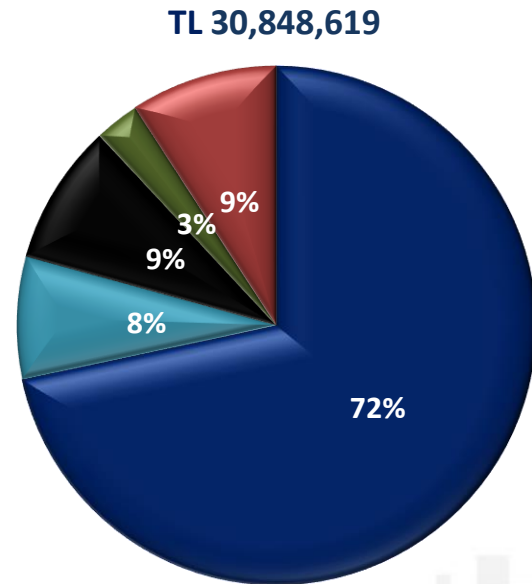


2019 Q3

DISTRIBUTION OF MAIN EXPENSE ITEMS



2018 Q3



2019 Q3

2019 TARGET

To reach to ~ **12 %** RoaA ratio

For further information please contact;

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