

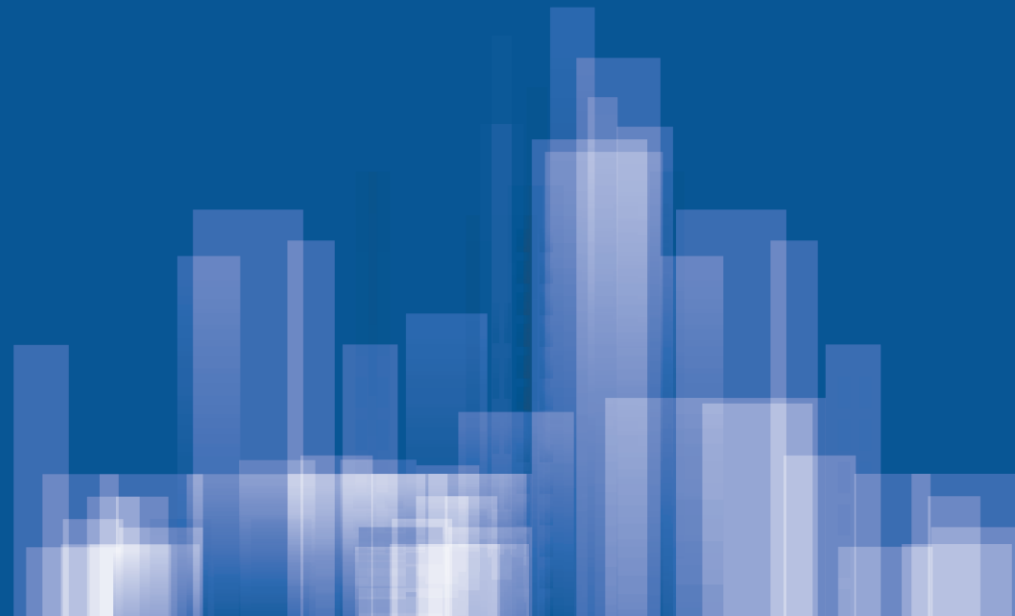


HALKGYO

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

INVESTOR PRESENTATION

2019 / YE



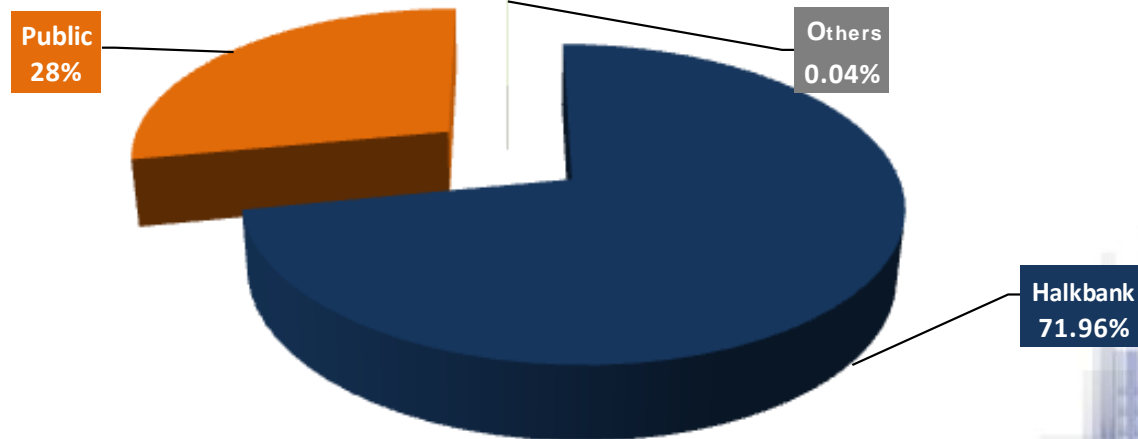
ABOUT HALK GYO

- 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”

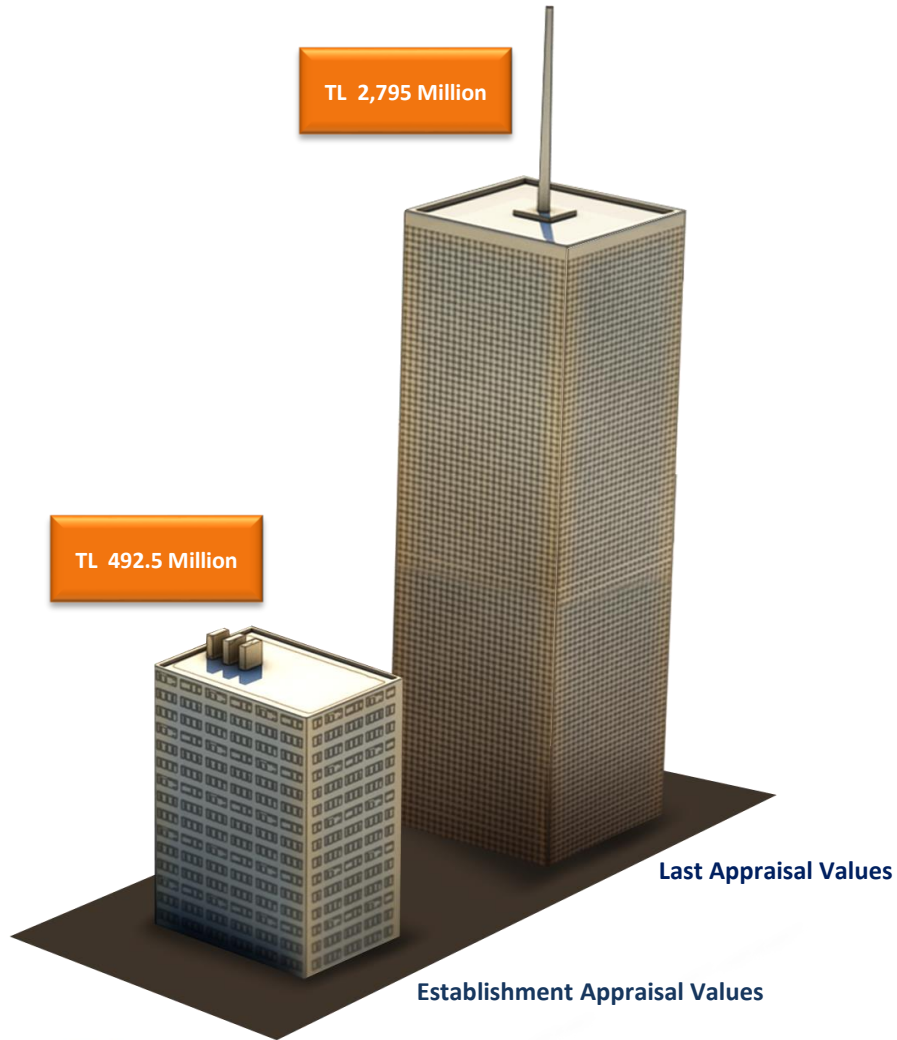
As of December 31, 2019;

❖ Halk GYO has an important position in the sector by the total asset value exceeding **TL 3 billion**, shareholders' equity approaching **TL 2.6 billion** and market value of **TL 1,132.2 million**

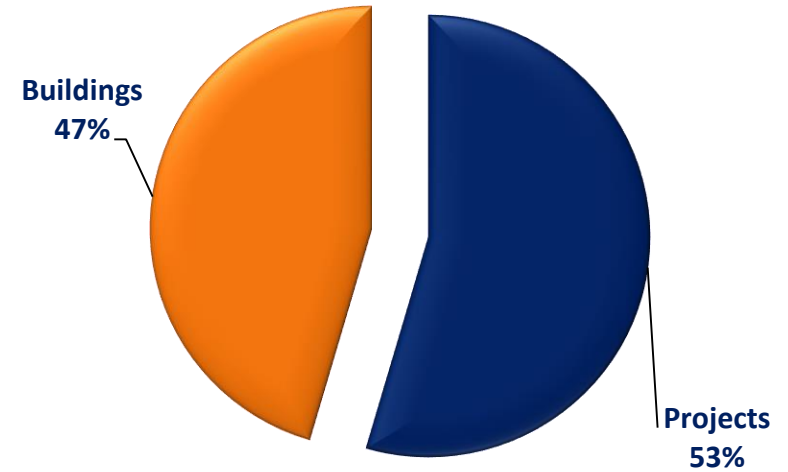
- **28%** of total shares are listed on the BIST.



REAL ESTATE PORTFOLIO



DISTRIBUTION OF PORTFOLIO



REAL ESTATE PORTFOLIO REGIONAL DISPERSAL



REAL ESTATE PORTFOLIO TABLE

PORTFOLIO	Fair Value (TL)
PROJECTS	Current Status
IIFC «Halk Towers»	In Construction
İzmir Evora	In sale
Istanbul Bizimtepe Aydos	In sale
Erzurum Şehristan Residentials	In sale
Eskişehir Panorama Plus	In sale
Istanbul Referans Bakırköy	In sale
Erzurum Palandöken Lands	Land
Erzurum Yakutiye Land	Land
Salıpazarı Land	Car Park of Salıpazarı Hotel

Total **1,494,914,735**

BUILDINGS	Tenant	2019 12 Months Rent Income (TL)	Fair Value (TL)
Istanbul Park Dedeman Levent Hotel Building	Hotel	21,051,851	275,000,000
Istanbul Halkbank Finance Tower	Halkbank	16,785,000	¹ 313,200,000
Şekerpinar Banking Center	Halkbank	7,643,021	¹ 138,500,000
Halk Office Şekerpinar	On The Market	-	¹ 94,920,000
Istanbul Salıpazarı Port Bosphorus Hotel Building	Hotel	5,932,952	² 85,000,000
Istanbul Karaköy Building	On the Market	-	40,000,000
İzmir, Konak 1 Building	Halkbank	1,758,321	33,900,000
Istanbul Beyoğlu Building	Halkbank	1,436,800	33,350,000
Istanbul Bakırköy Building	Halkbank	1,842,051	27,750,000
Istanbul Caddebostan Building	In renovation process	-	¹ 27,100,000
Istanbul Etiler Building	Halkbank	1,306,182	23,700,000
Istanbul Beşiktaş Building	Halkbank	1,674,592	22,750,000
Ankara Kızılay Building	Halkbank	1,775,067	¹ 22,400,000
Istanbul Şişli Building	Halkbank	1,289,436	20,000,000
İzmir Konak 2 Building	Halkbank and its subsidiaries	1,190,256	18,250,000
Bursa Building	Halkbank	1,235,849	17,250,000
Istanbul Fatih Building	Halkbank	837,296	14,975,000
Istanbul Ataköy Building	Halkbank	1,034,060	14,750,000
Kocaeli Building	Halkbank	1,172,214	14,500,000
Ankara Başkent Building	Halkbank / Hotel	1,446,061	¹ 14,000,000
Ankara Bahçelievler 1 Building	Halkbank	932,748	11,550,000
Istanbul Nişantaşı Building	Halkbank	703,329	11,500,000
Sakarya Adapazarı Building	In demolition process	-	9,500,000
Ankara Bahçelievler 2 Building	Store	387,000	⁴ 8,250,000
Eskişehir B12 Flat	Real Person	33,700	685,000
Eskişehir B13 Flat	Real Person	33,544	710,000
Bizimtepe Aydos T No 1-2-3 Kindergarten*	Yakın Ufuklar A.Ş.	82,167	2,358,000
Bizimtepe Aydos T No 17-18-19-20-21-22 Market*	MOPAŞ	58,450	1,666,500
Bizimtepe Aydos T No 13 Dried nuts and fruits*	Real Person	6,300	209,500
Bizimtepe Aydos T No 16 Hairdresser*	Real Person	5,950	276,000
Bizimtepe Aydos T No 26 Real Estate Agent	Real Person	-	325,500
Bizimtepe Aydos T No 25 Pharmacy**	Real Person	2,800	323,000
Bizimtepe Aydos T No 23-24 Real Estate Agent***	Real Person	274	1,046,500
Bizimtepe Aydos T No 39-40-41-42-43-44 Gift Market	Real Person	-	605,000

Total **71,657,271** **1,300,300,000**

TOTAL **2,795,214,735**

¹ Project fair value in the Independent Audit Report 2019 January-December.

² Appraisal values of Halk GYO's share for unsold independent units as of December 31, 2019

³ Calculated 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. (calculated as 50% of 65% Ordinary Partnership share,)

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

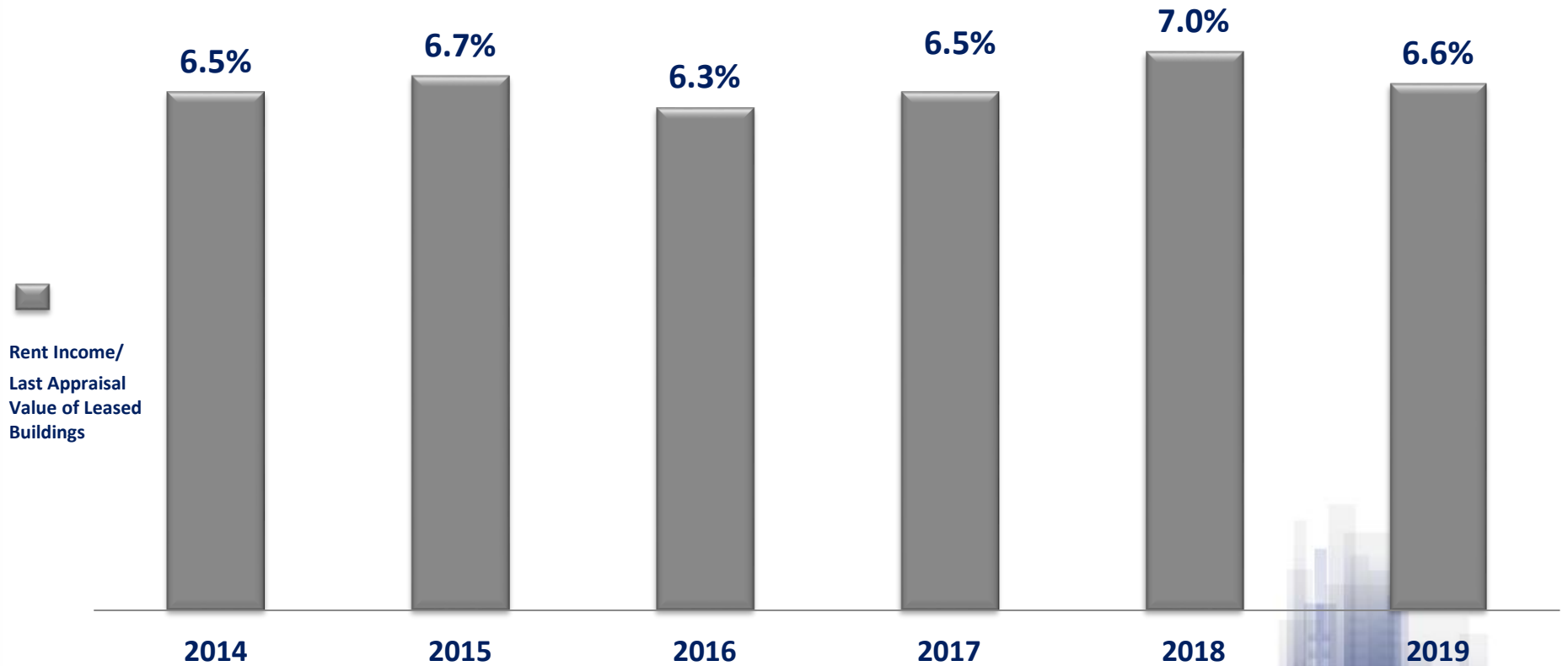
* The rental income is from 01.06.2019. Halk REIT share (50%)

** The rental income is from 01.12.2019. Halk REIT share (50%)

*** The rental income is from 30.12.2019. Halk REIT share (50%)

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 313.2 million

COMPLETED PROJECTS

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 and finished in 2014. Almost all of the project was sold.

Real Estate Information

City	:	İstanbul
District	:	Bakirköy
Appraisal Value	:	TL 804.5 thousand
<small>(for unsold unit of Halk GYO as of December 31, 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 275 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 December 31, 2019, 6 units have remained unsold in the Company’s portfolio.

Real Estate Information

City	:	Eskişehir
District	:	Odunpazarı
Appraisal Value (for 6 unsold units as of December 31, 2019)	:	TL 3.8 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 138.5 million

COMPLETED PROJECTS

HALK OFFICE ŐEKERPINAR



Halk Office Őekerpınar located on our Őekerpınar-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 94.9 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.

The project, the construction of which started in November 2015, was completed in 2018 and the Building Use Permit Certificate (Settlement) was received in February 2019.

As of 31 December 2019, a total of 812 residences were sold in the project where sales are continuing.

Real Estate Information

City	:	Istanbul
District	:	Sancaktepe
Appraisal Value (of Halk GYO's share for 272 unsold units as of December 31, 2019)	:	TL 73.5 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 December 31, 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 December 31, 2019)	:	TL 7.4 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 85 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 33% as of 2019 year end.

Real Estate Information

City	:	İstanbul
District	:	Ümraniye
Project Value (the cost value as of December 31, 2019)	:	TL 1,383 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.

Following the completion of the preliminary project and license projects in the project, a construction license was obtained for K, L, B3 and C blocks.

FINANCIAL DATA

BALANCE SHEET (TL)	31.12.2018	31.12.2019
Current Assets	213,276,049	192,228,287
<i>Liquid Assets</i>	28,825,032	74,285,277
<i>Inventories</i>	108,935,331	67,906,463
Non-Current Assets	2,419,517,344	2,846,980,843
<i>Investment Properties</i>	2,288,772,410	2,715,950,000
Total Assets	2,632,793,393	3,039,209,130
Short Term Liabilities	353,338,299	452,228,381
<i>Deferred Income</i>	10,116,377	13,423,297
Long Term Liabilities	17,836,274	8,761,067
Equity	2,261,618,820	2,578,219,682
Total Liabilities and Equity	2,632,793,393	3,039,209,130

INCOME STATEMENT (TL)	01.01.2018 31.12.2018	01.01.2019 31.12.2019
Revenues	319,158,974	129,978,874
<i>Rent Income</i>	61,000,045	71,657,271
<i>Sales Income</i>	252,924,725	54,617,196
<i>Financial Income</i>	5,234,204	3,704,407
Cost of Sales	(216,626,386)	(42,155,655)
<i>Cost of Residential Sales</i>	(210,353,577)	(39,783,010)
<i>Other Costs</i>	(6,272,809)	(2,372,645)
Gross Profit	102,532,588	87,823,219
<i>General Administrative Expense</i>	(12,811,718)	(15,141,458)
<i>Marketing & Selling Expense</i>	(4,671,801)	(4,993,522)
<i>Other Income (Expense)</i>	4,454,621	1,806,616
<i>Revaluation Income of Investment Property</i>	306,881,143	262,434,998
Operating Profit	396,384,833	331,929,853
<i>Financial Expense</i>	(15,039,947)	(10,521,639)
Net Profit	381,344,886	321,408,214

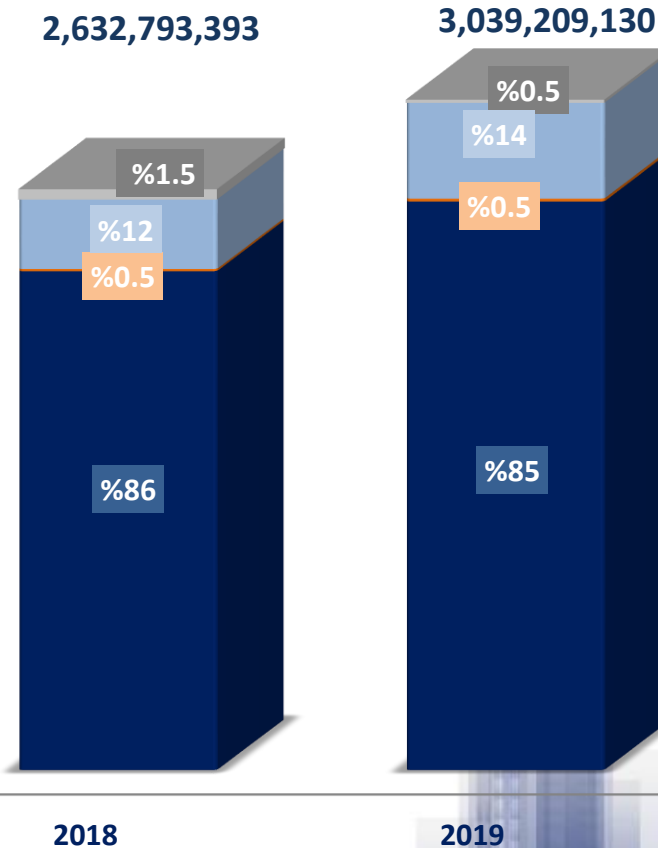
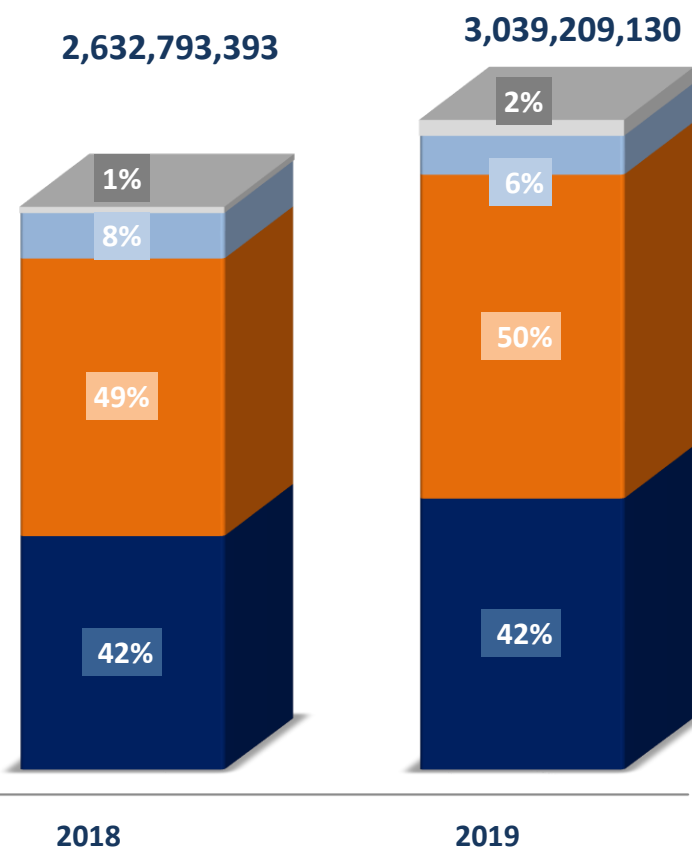
DISTRIBUTION OF ASSETS AND LIABILITIES

DISTRIBUTION OF ASSETS_TL

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

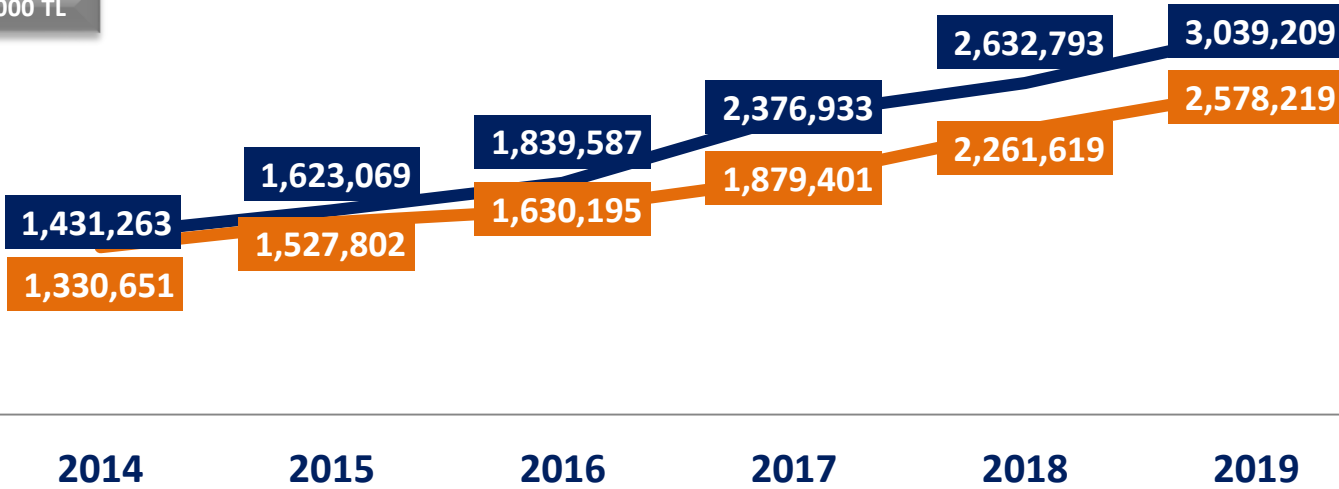
DISTRIBUTION OF LIABILITIES_TL

■ Equities ■ Deferred Income ■ Financial Debts ■ Other



BALANCE SHEET ITEMS

1,000 TL



YOY

Assets 15.44%

Equities 14.00%

202,943

107,664

252,121

381,250

321,408

2015

2016

2017

2018

2019

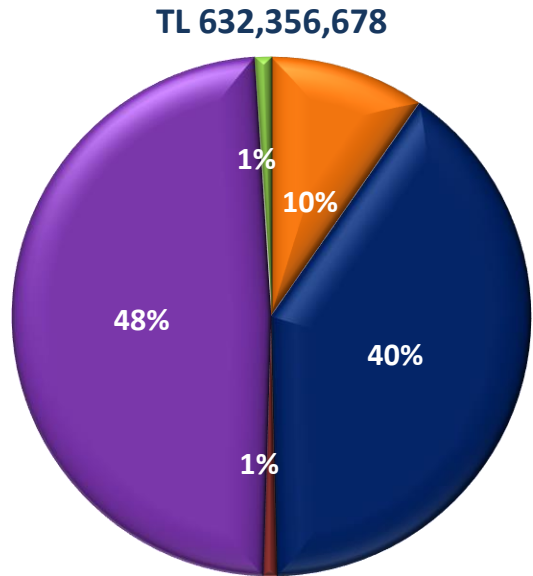
YOY

Net Profit -15.70%

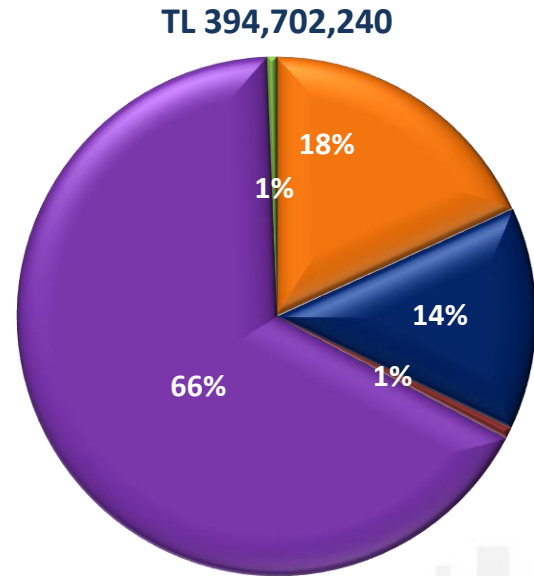
INCOME STATEMENT ITEMS

TL	2017	2018	2019
Total Revenues	82,240,682	319,158,974	129,018,350
Rent Income	51,029,060	61,000,045	71,657,271
Real Estate Sale Income	23,934,707	252,924,725	54,617,196
Financial Income	7,276,915	5,234,204	3,704,407
Cost of Sales	-15,812,566	-216,626,386	-42,155,655
Cost of Real Estate Sales	-13,036,019	-210,353,577	-39,783,010
Other	-2,776,547	-6,272,809	-2,372,645
Gross Profit	66,428,116	102,532,588	87,823,219
General Administrative Expenses	-11,584,483	-12,811,718	-15,141,458
Marketing & Selling Expenses	-3,421,687	-4,671,801	-4,993,522
Other Operating Income from Main Activities	2,932,688	6,316,561	2,288,368
Other Operating Loss from Main Activities	-4,426,514	-1,861,940	-481,752
Operating Profit	49,928,120	89,503,690	69,494.855
Revaluation Income of Investment Property	207,300,100	306,881,143	262,434,998
Financial Expenses	-5,119,449	-15,039,947	-10,521,639
Net Profit	252,108,771	381,344,886	321,408,214
ROaE	%14.33	%18.4	%13.2
ROaA	%11.91	%15.2	%11.3

DISTRIBUTION OF MAIN INCOME ITEMS

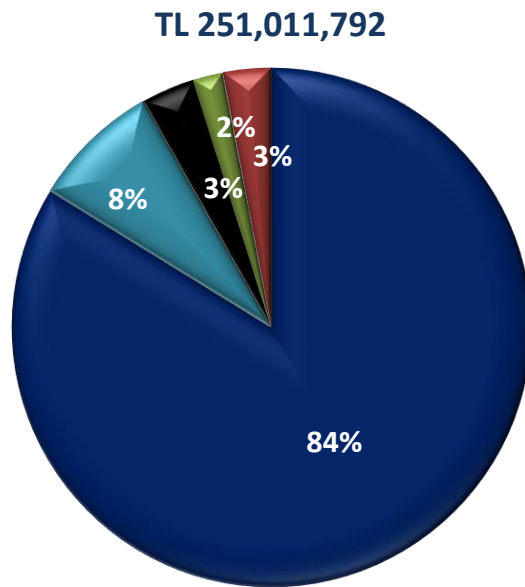


2018

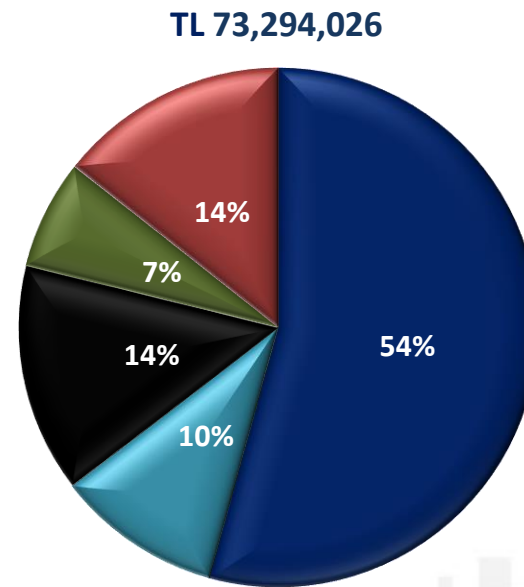


2019

DISTRIBUTION OF MAIN EXPENSE ITEMS



2018



2019

2019 TARGET

To reach to ~ 8 % ROaA ratio

For further information please contact;

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