

Akiş REIT 2018 Year End Performance Presentation



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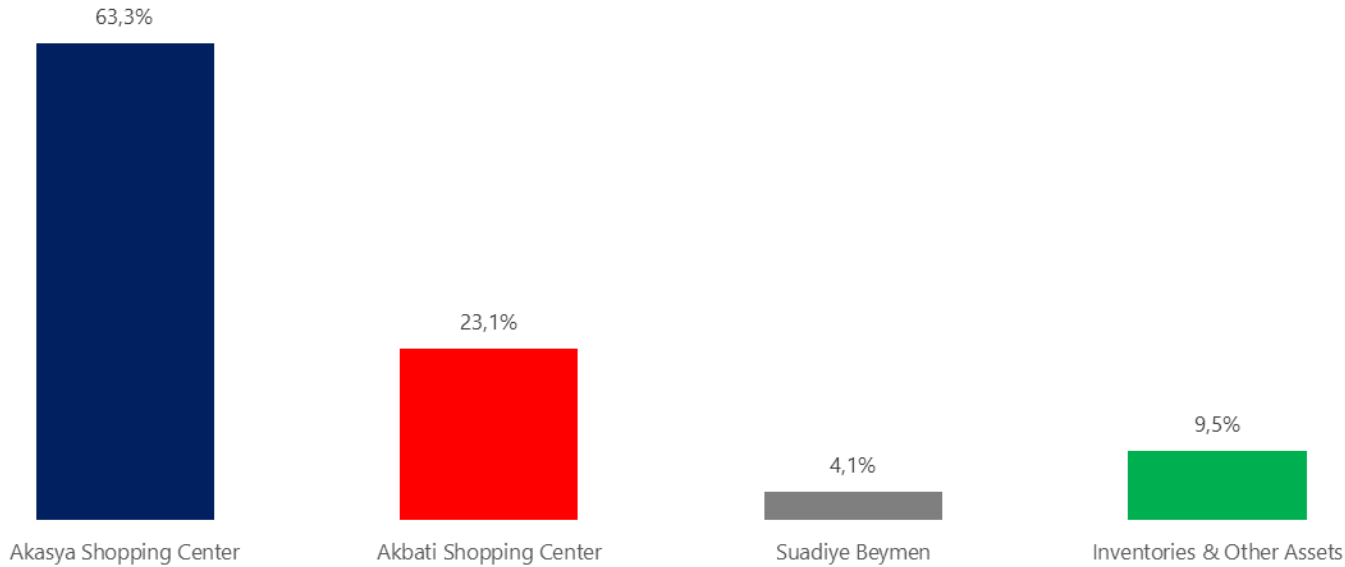
1 Breaking News

- ✓ Improving “**Corporate Governance Rating**” from 9.49 in 2017 to **9.54 in 2018**
 - ✓ Leader amongst listed construction companies and real estate investment trusts
- ✓ **US\$45mn loan from HSBC bank** in January 2019, in line with maturity extension goals
 - ✓ 48 months of maturity
 - ✓ US\$13.5mn bullet payment at maturity
- ✓ **US\$36mn and TL20mn WC loan from local banks** in March 2019
- ✓ **Hedging of hard currency borrowings**
 - ✓ Conversion of a portion of US\$ denominated debt into TL through **Cross Currency Swaps for a period of 3 years**
- ✓ The legal situation for Caddebostan project is evolving in favor of Akiş REIT
 - ✓ The company re-granted, ones cancelled, zoning plan permission
 - ✓ Construction expected to resume soon once the already existing former building license is re-approved
- ✓ **TL200mn net income in its statutory financials** making the base for the potential dividend payment
- ✓ **TL108mn (US\$20mn) dividend from its 2018 net earnings**
- ✓ Akiş REIT will ask for permission for **fixed income issuance up to TL250mn** during its general assembly

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2 Breakdown of Portfolio



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3 Portfolio Overview



Akasya Commercial Center

Opening Date	2014
Number of Shops	260
Gross Leasable Area (sqm)	80.000
Occupancy Rate	96%
Rent per sqm	US\$54/month
Rent for last Full Year	US\$52mn
International Awards	91



Akbatı Commercial Center

Opening Date	2011
Number of Shops	173
Gross Leasable Area (sqm)	65.500
Occupancy Rate	98%
Rent per sqm	US\$28/month
Rent for last Full Year	US\$22mn
International Awards	87



Suadiye Beymen

Opening Date	2017
Number of Shops	1
Gross Leasable Area (sqm)	c.5.000
Occupancy Rate	100%
Rent per sqm	US\$50/month
Rent for last Full Year	US\$3.0mn
International Awards	-

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Portfolio Performance (Akasya Shopping Mall)

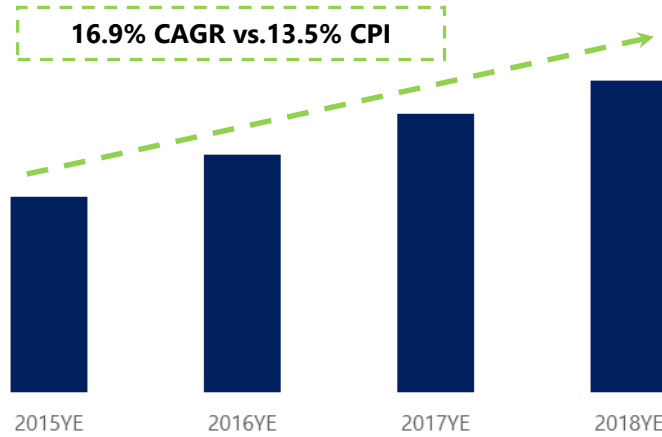


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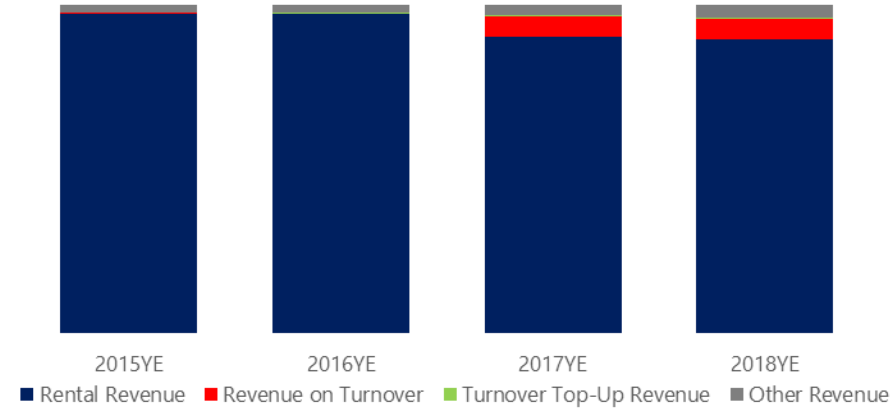
Akasya Shopping Mall – General Overview



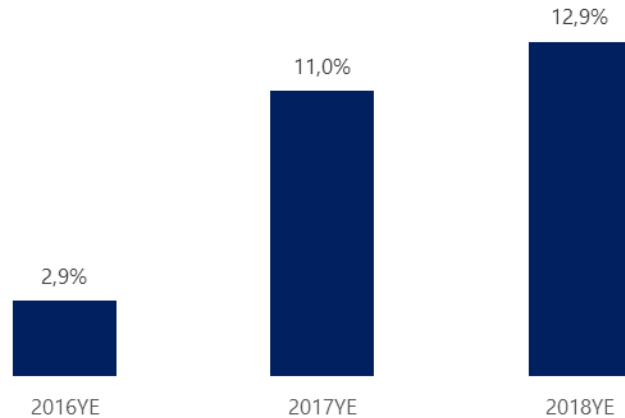
Akasya Shopping Mall stores' total TL turnover



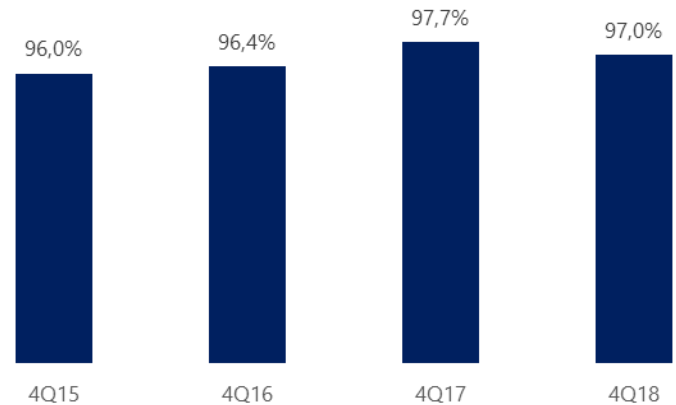
Income breakdown



Total Expenses Growth → Efficient Cost Management

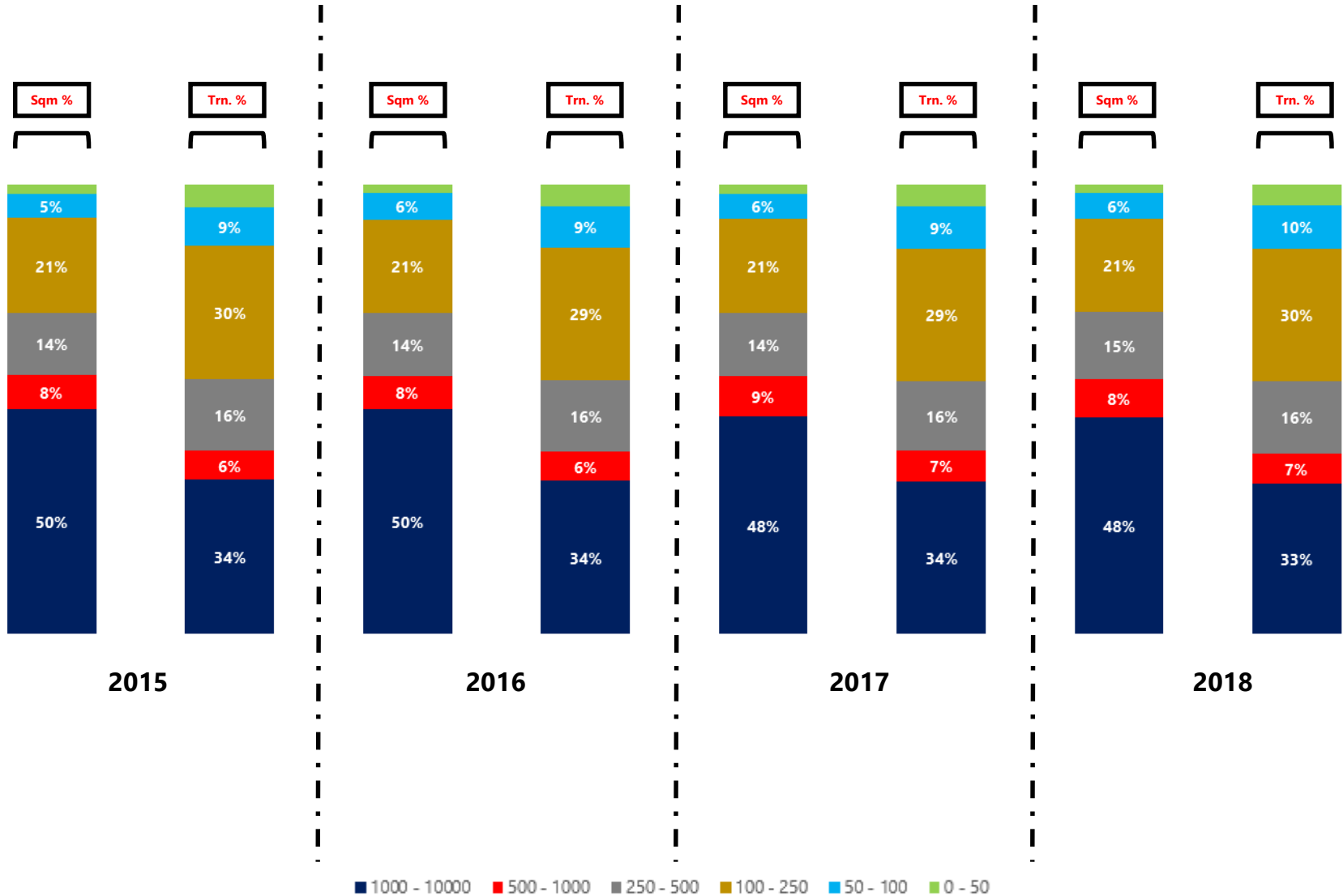


Occupancy Ratio



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Akasya Shopping Mall



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Akasya Shopping Mall – Financials



Income yield

Akasya Shopping Mall (US\$mn)	2015	2016	2017	2018
Revenue	58,4	58,9	57,5	52,3
NOI	44,5	45,0	45,3	41,8
EBITDA	45,5	45,9	46,0	42,4
Latest Appraisal Value	603,8	627,6	631,0	632,0
Yield	7,54%	7,31%	7,30%	6,70%

- ✓ Akasya Shopping Mall posted turnover/visitor ratio increase of c.18% in 2018, almost in line with CPI
- ✓ Net Operational Margin remained around 80% above the last 3 years' average of c.77% thanks to ongoing efforts on;
 - ✓ Effective cost management
 - ✓ Rise in complimentary income
 - ✓ Positive FX impact
- ✓ We focus on changing store mix with new attraction areas with a further emphasis on entertainment and F&B segment to be in line with global trends

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Portfolio Performance (Akbatı Shopping Mall)

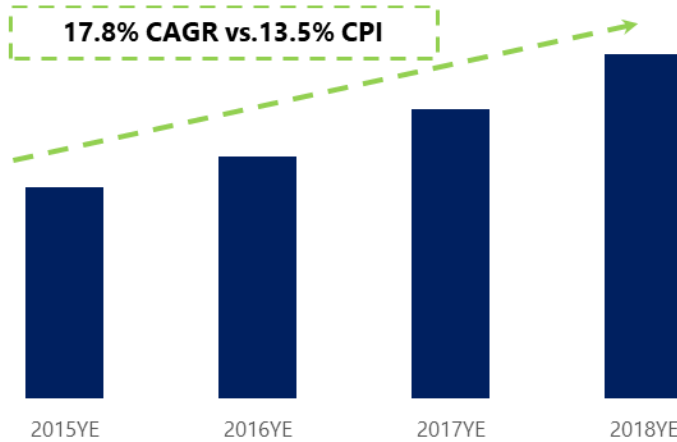


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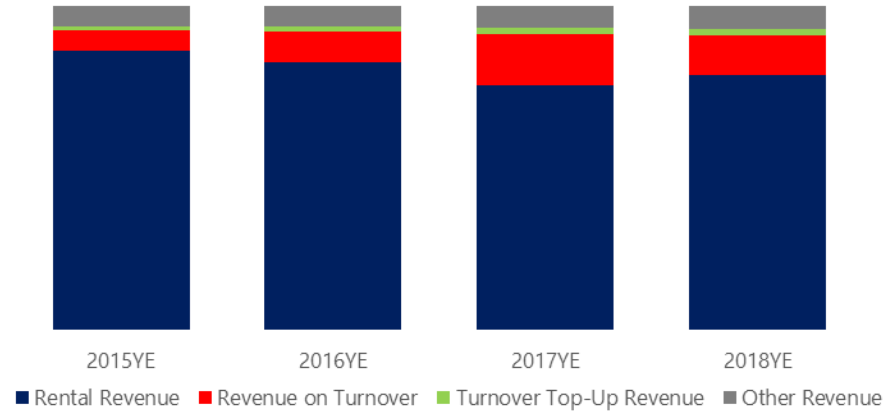
Akbatı Shopping Mall – General Overview



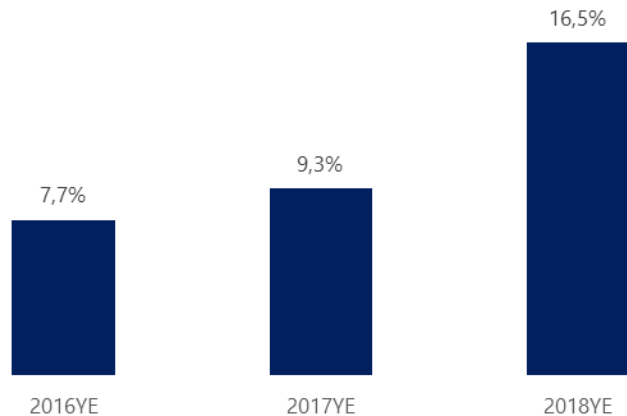
Akbatı Shopping Mall stores' total turnover



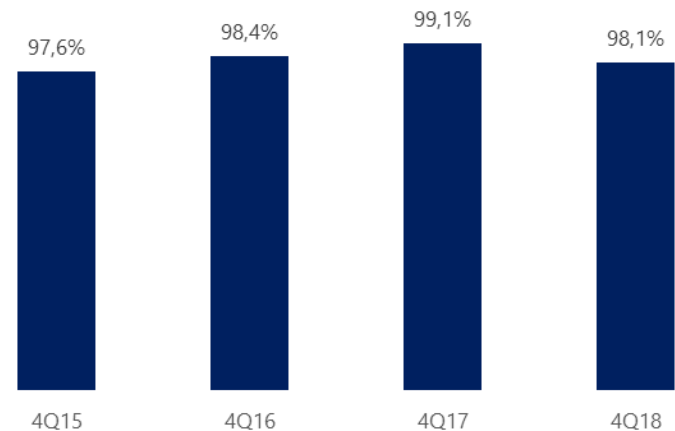
Income breakdown



Total Expenses Growth → Efficient Cost Management

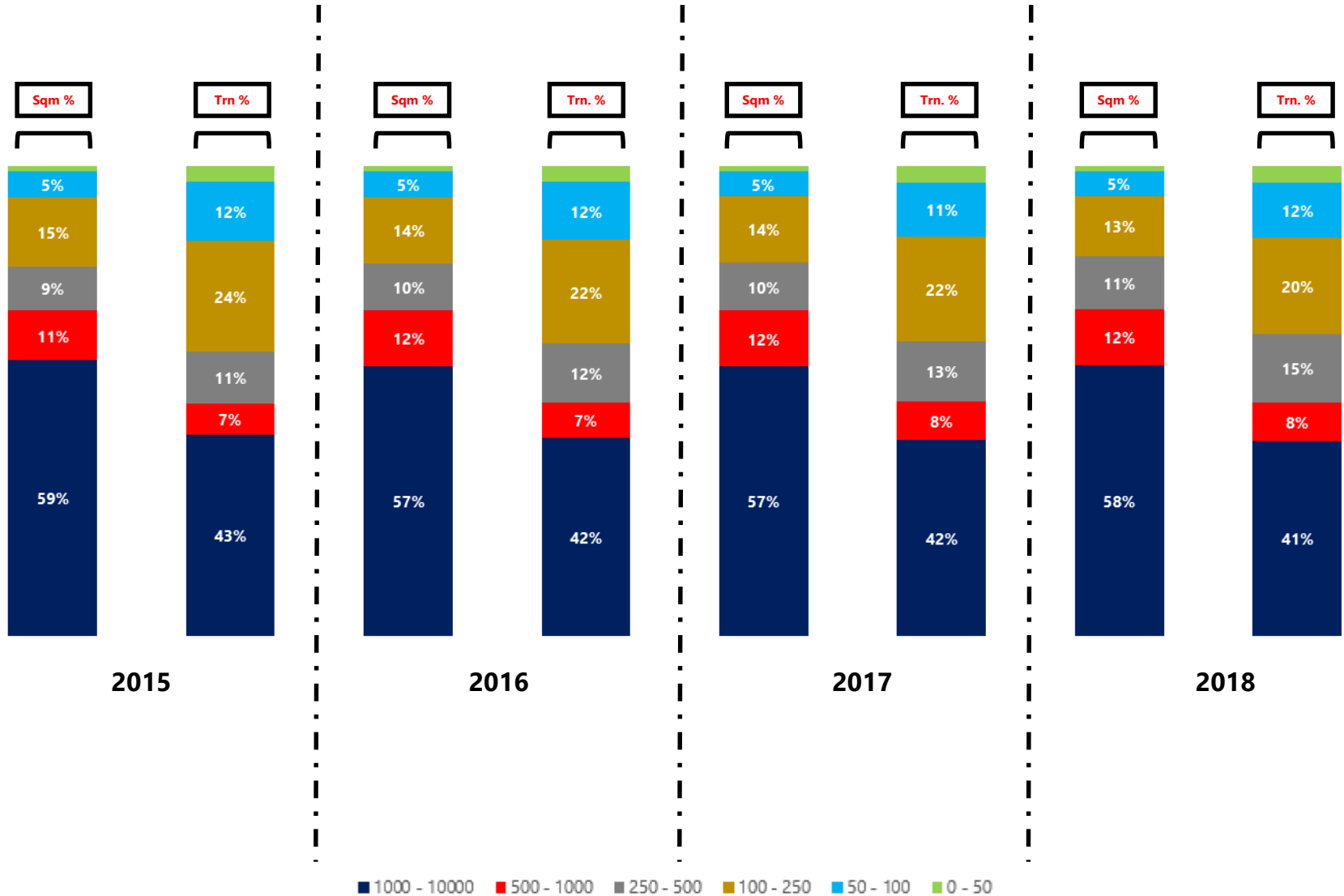


Occupancy Ratio



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Akbatı Shopping Mall



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Akbatı Shopping Mall – Financials



Income yield

Akbatı Shopping Mall (US\$mn)	2015	2016	2017	2018
Revenue	23,8	24,1	23,2	21,6
NOI	16,5	16,7	16,9	16,2
EBITDA	16,6	16,8	17,1	16,3
Latest Appraisal Value	267,4	253,5	239,4	230,7
Yield	6,22%	6,64%	7,13%	7,08%

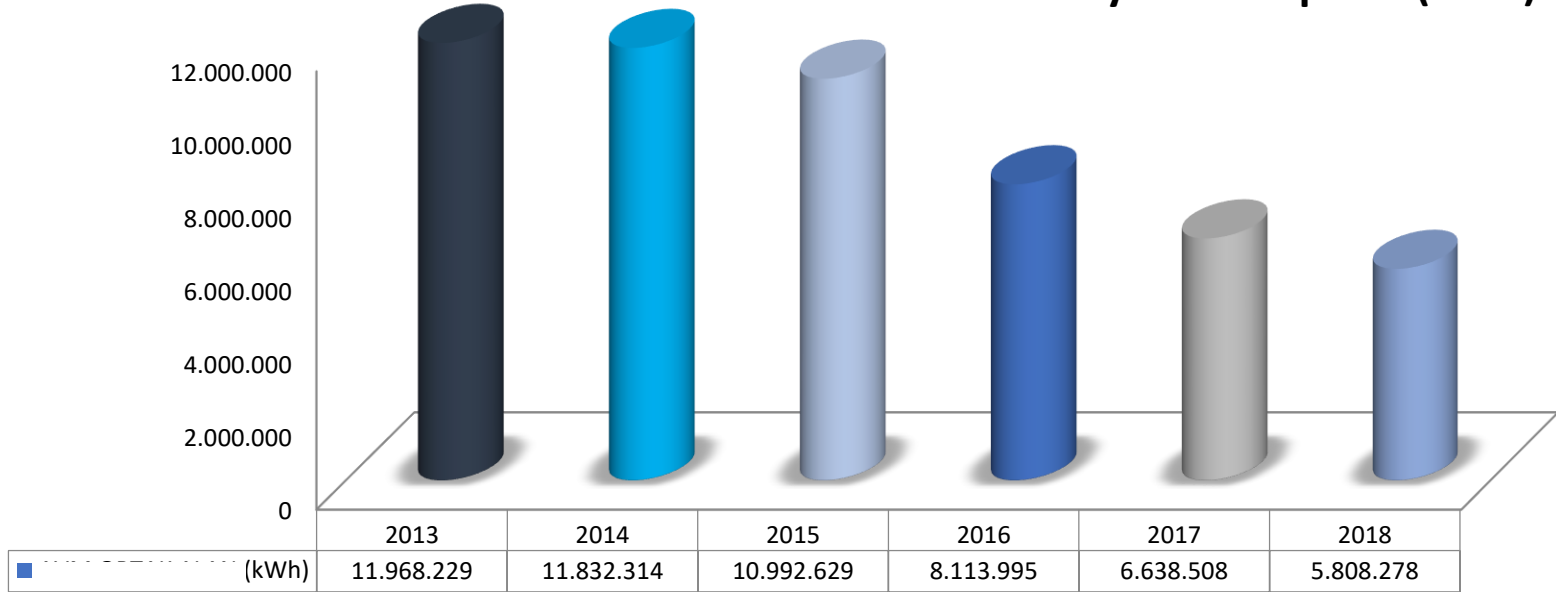
- ✓ Akbatı Shopping Mall posted turnover/visitor ratio increase of c.25% in 2018
- ✓ Net Operational Margin remained around c.75% well above the average of c.71% over the last 3 years thanks to ongoing efforts on;
 - ✓ Effective cost management
 - ✓ Rise in complimentary income
 - ✓ Positive FX impact

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Akbatı Shopping Mall – Efficiency Example

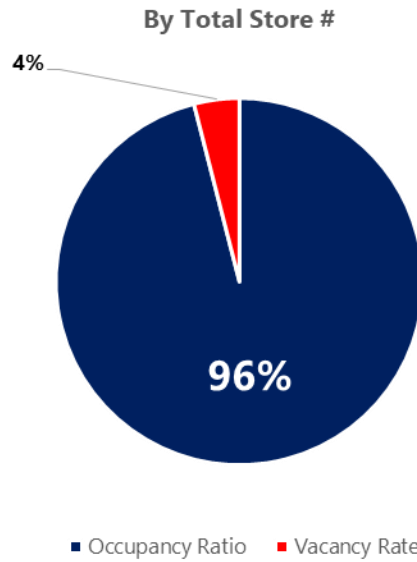


Electricity Consumption (kWh)

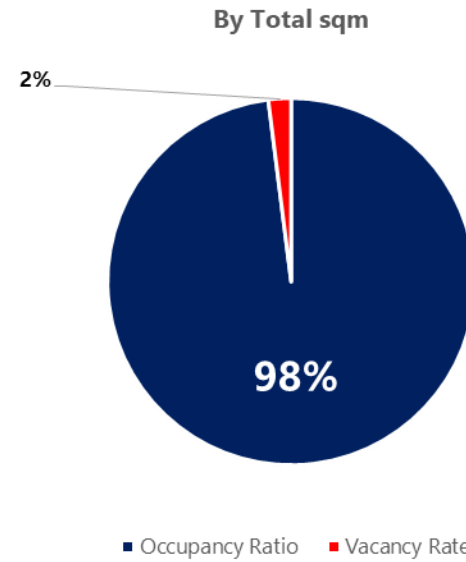


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Akasya Shopping Mall – Occupancy Ratio



Total Store # : 260



Total sqm : 80.231

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Akasya Shopping Mall – Selected New Arrivals



divan

VARIO



HEMINGTON

Knitss



SKECHERS

ZUHAL
TÜRKİYE'NİN 1 NUMARALI MÜZİK MAĞAZASI

joker



crocs™

LTB

BLUEMINT

carter's®

CINNABON®

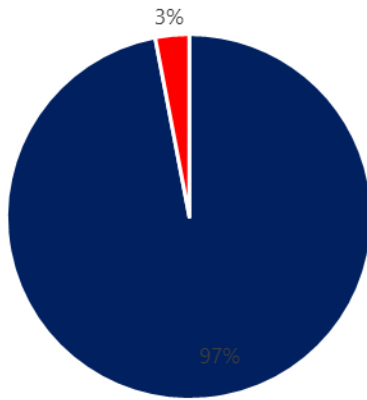


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Akbatı Shopping Mall – Occupancy Ratio



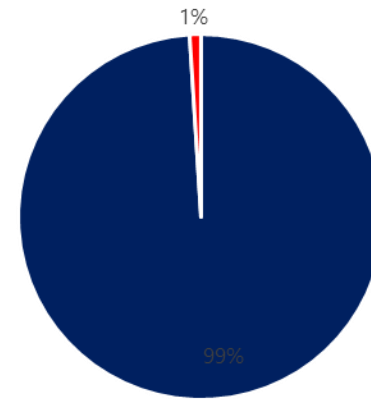
By Total Store #



■ Occupancy Ratio ■ Vacancy Rate

Total Store # : 173

By Total sqm



■ Occupancy Ratio ■ Vacancy Rate

Total sqm : 65.088

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Akbatı Shopping Mall – Selected New Arrivals



GUESS

CLICK CLOCK



BEYME
Club



flormar

KATIA
&
BONY

intimissimi

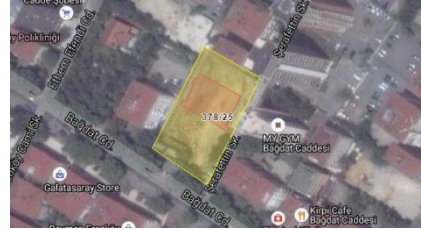
LTB

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Portfolio Performance (High Street Retail)



Uşaklıgil (Suadiye Beymen)

Ak Apartmanı

Erenköy

Caddebostan

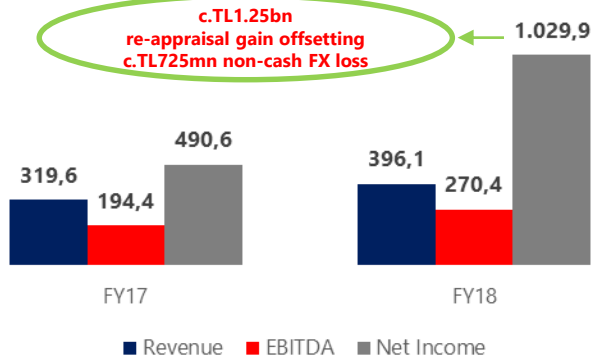
Current Status	Operational	Completed	Under Construction	On Hold
Est. Opening Date	Sep' 17	Jun' 19	Sept' 20	Sept' 20
Usage	Commercial	Mix	Commercial	Commercial
GLA (sqm)	c.5,000	c.1,250	c.6,925	c.2,000
GSA (sqm)	-	c.1,070	-	c.1,365
Est. Remaining Capex	-	-	US\$7mn	US\$2.1mn
Est. Rental Income	US\$3.2mn	US\$0.5mn	US\$2.7mn	US\$1.25mn
Est. Sales Income	-	US\$4mn	-	US\$5mn

5 Financials' Overview

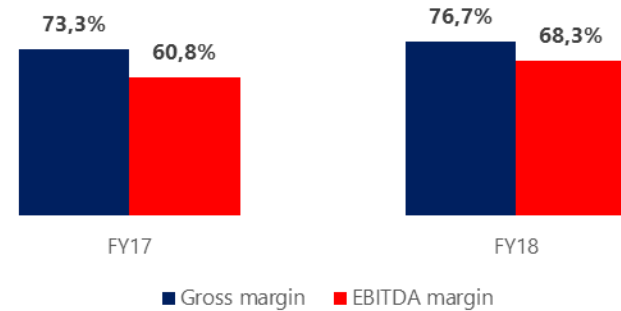
Revenues (TL)	2017	2018	YoY
Akasya Rental Revenue	199.760.428	250.223.178	25%
Akbatı Rental Revenue	83.581.401	104.870.939	25%
Uşaklıgil (Suadiye Beymen)	4.170.869	14.599.038	250%
Ticket Sales	5.942.368	9.392.463	58%
Sponsorhip Revenue	6.401.974	6.411.722	0%
Residential Sales	6.055.500	1.410.514	-77%
Other	13.737.415	9.189.973	-33%
Total	319.649.955	396.097.827	24%
Costs (TL)	2017	2018	YoY
Akasya	42.778.767	50.231.165	17%
Akbatı	23.033.979	25.426.243	10%
Residential Units	4.023.908	263.979	-93%
Other	15.358.315	16.245.633	6%
Total	85.194.969	92.167.020	8%

5 Financials' Overview

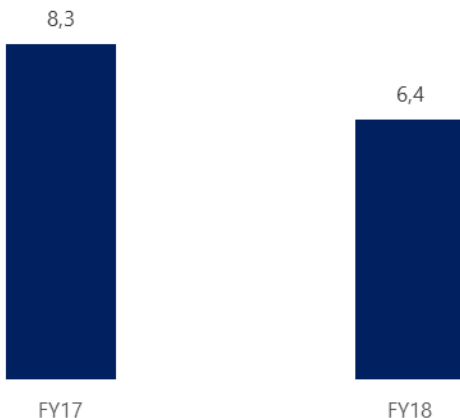
2018 YE net profit is mainly due to revaluation gain of Investment Properties



EBITDA margin improved thanks to c.25% rise in store rent revenues and significant jump in other revenues coupled with a good cost management



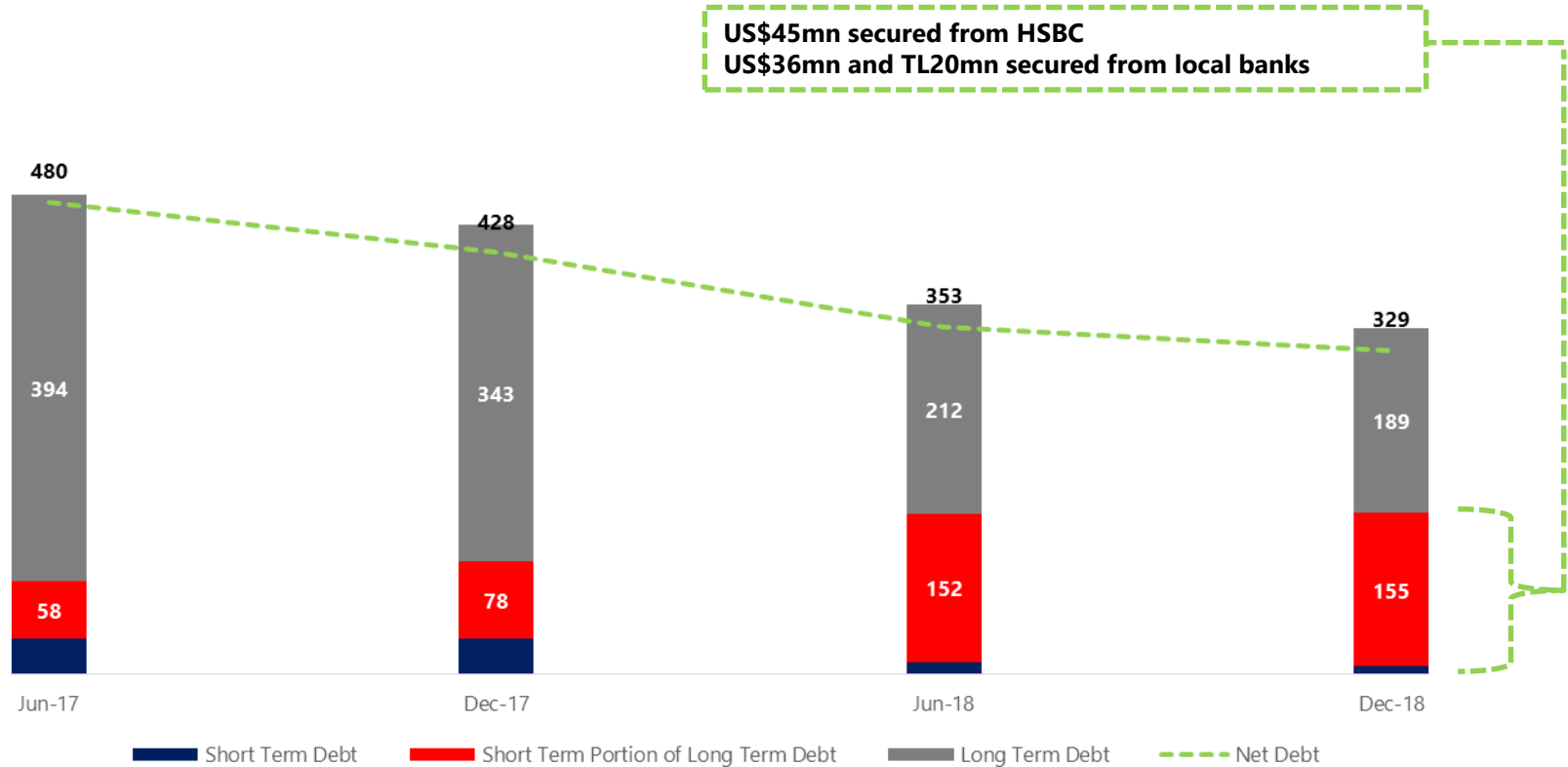
Net Debt/EBITDA



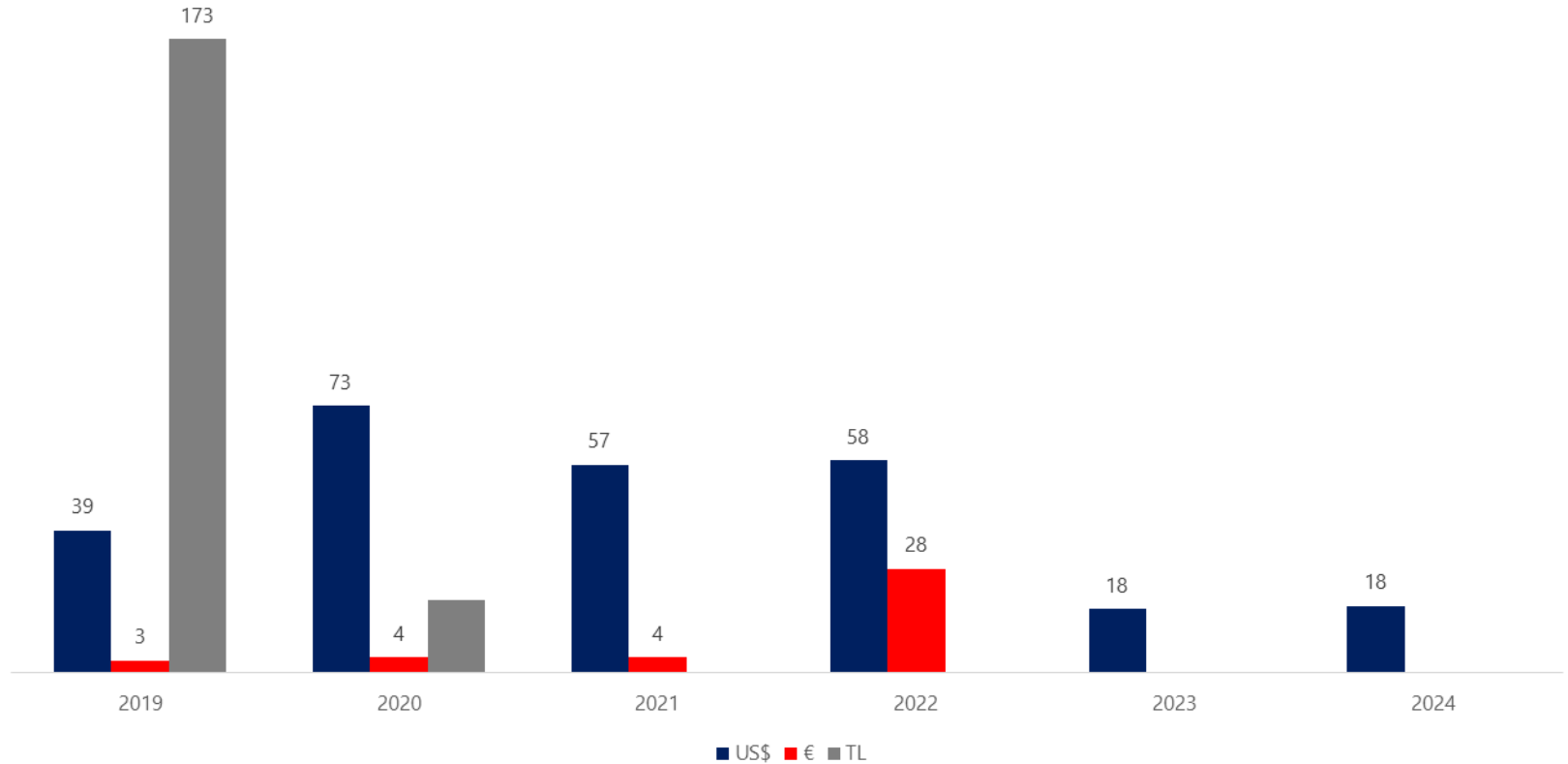
Average Debt Maturity has fallen significantly due to hefty previously long term payments being now recorded as short term.



5 Financials' Overview (Net Debt Evolution in US\$)



5 Financials' Overview (Debt Repayment Schedule as of March 1st 2019)



5 Financials' Overview (Participating Cross Currency Swap)

Hedging Period	31/12/2018-31/12/2021
Amount	US\$38.6mn
Interest Rate (TL)	11.75%
Interest Rate (Original Currency)	Monthly Libor + 4.5%
Spot	5,2990

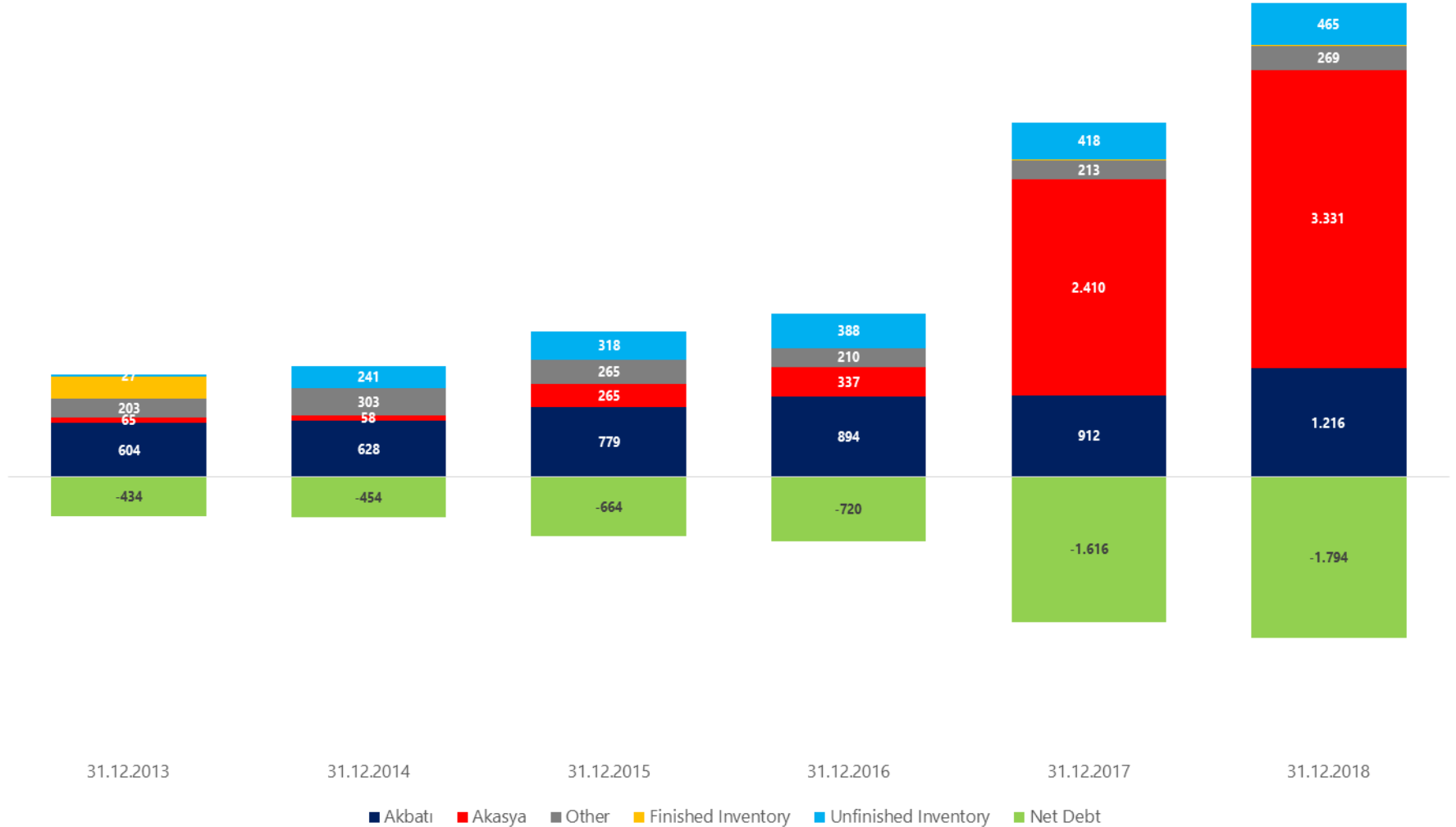
Principal Payment:

If spot US\$/TL is;

- * below 5,2990, Akiş REIT may buy from the market
- * between 5,2990-8,0000, Akiş REIT buys from 5,2990
- * equal or above 8,000, Akiş REIT will buy from the market but will be reimbursed the difference between 8,000 and 5,2990 for each US\$ bought

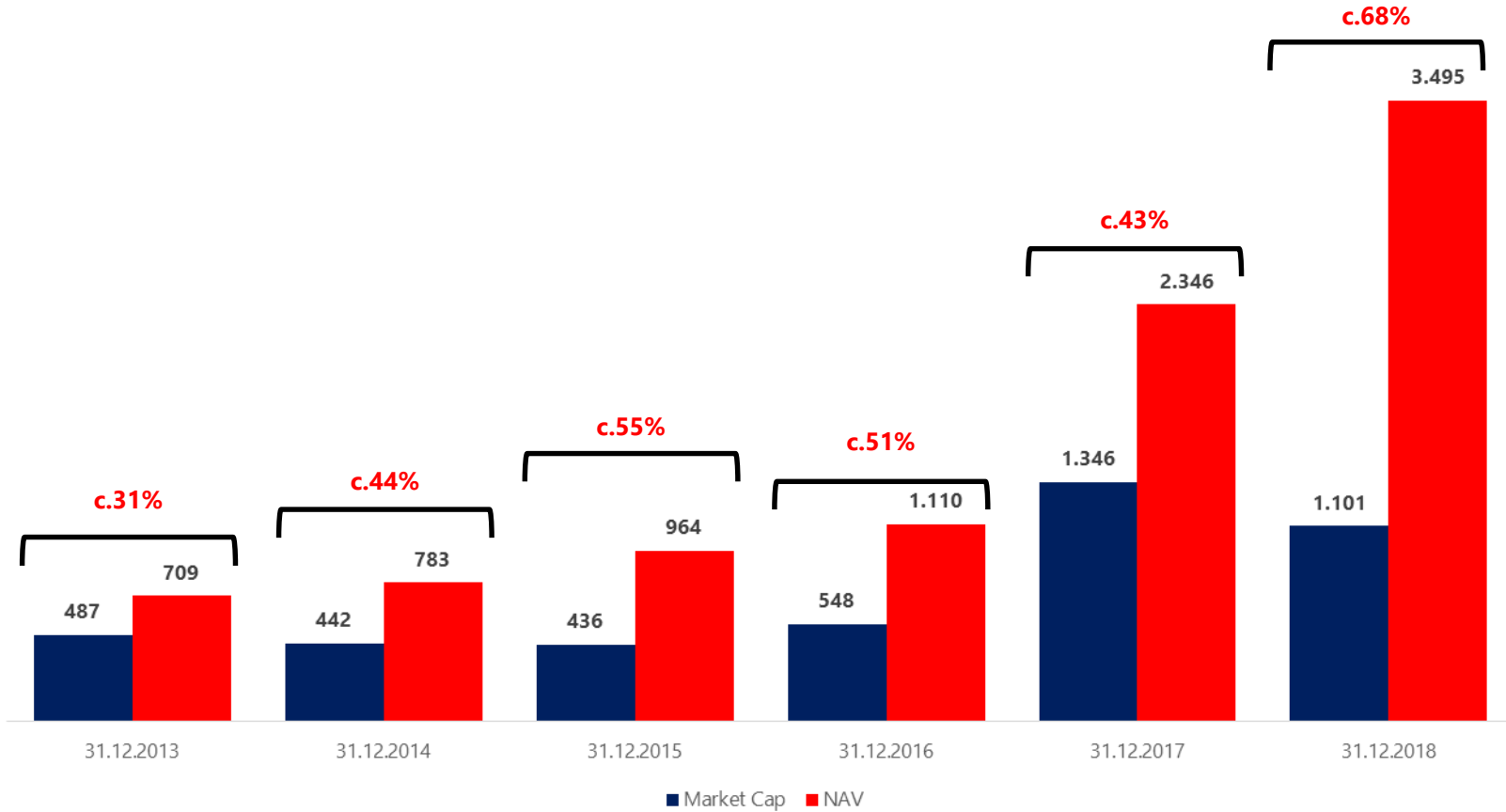
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Akiş REIT NAV Discount



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Akiş REIT NAV Discount



Communication

Ozan Hançer

Director

Strategic Planning, Business Development and Investor Relations

E-mail: ozan@akisgyo.com

Telephone: +902123930100

Sercan Uzun, CFA

Assistant Manager

Investor Relations, Strategic Planning and Business Development

E-mail: sercan.uzun@akisgyo.com

Telephone: +902123930100/53544

Disclosure:

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For more information : investor.relations@akisgyo.com