

PERFORMANCE & FINANCIAL RESULTS – 1H20

August 5, 2020

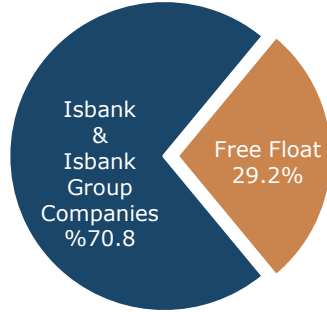
**Performance & Financial
Results – 1H20**

About Us

Operational Performance

Financial Results

Shareholder Structure



Business Lines

- **Brokerage & Trading**
- **Investment Advisory**
- **Asset Management**
- **Corporate Finance**
- **Research**

Ratings

Credit Rating (Saha Rating)

National Long-Term: AA+ Stable outlook
National Short-Term: A1+ Stable outlook

Subsidiaries

IS Private Equity: (Share: 29.1%) (Ticker: ISGSY:TI)

One of Turkey's largest Private Equity company and listed since 2004; 26.5% IRR (Internal Rate of Return) on USD basis from its exits

IS Investment Trust (Share: 28.9%) (Ticker: ISYAT:TI)

Turkey's leading Investment Trust; listed since 1996, represents almost 50% of the sector with its TL 233.4 mn portfolio size

IS Asset Management: (Share: 70.0%)

Turkey's leading asset management company by its TL61,6 bn AuM

Efes NPL Asset Management: (Share: 85.1%)

Mainly aims to manage NPLs

Maxis Investments: (Share: 100.0%)

London headquartered and capital markets licensed subsidiary

Maxis Private Equity Portfolio Management: (Share: 100.0%)

Started to invest in startups.

Performance & Financial
Results – 1H20

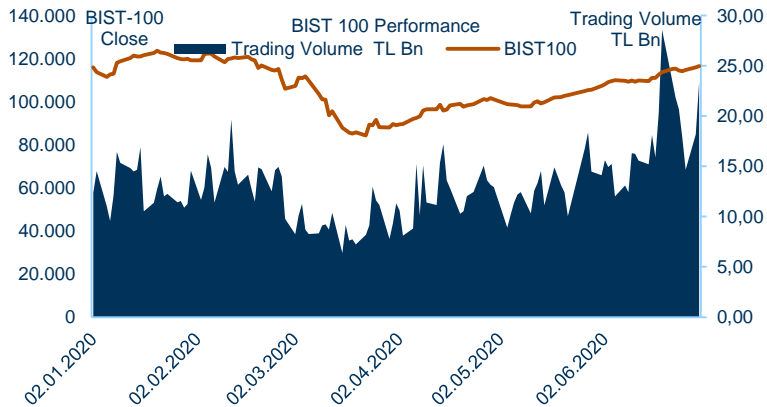
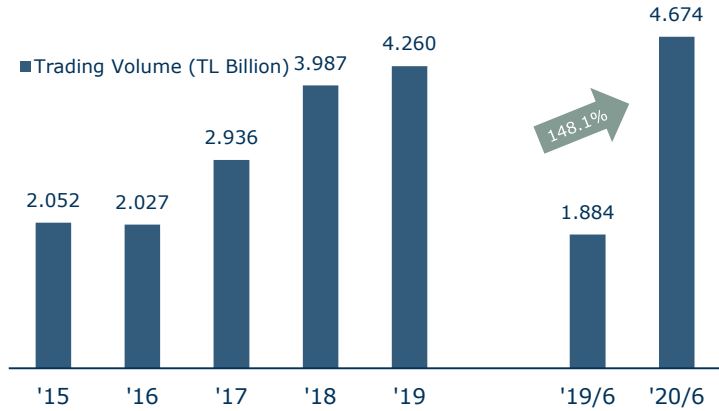
About Us

▶ **Operational Performance**

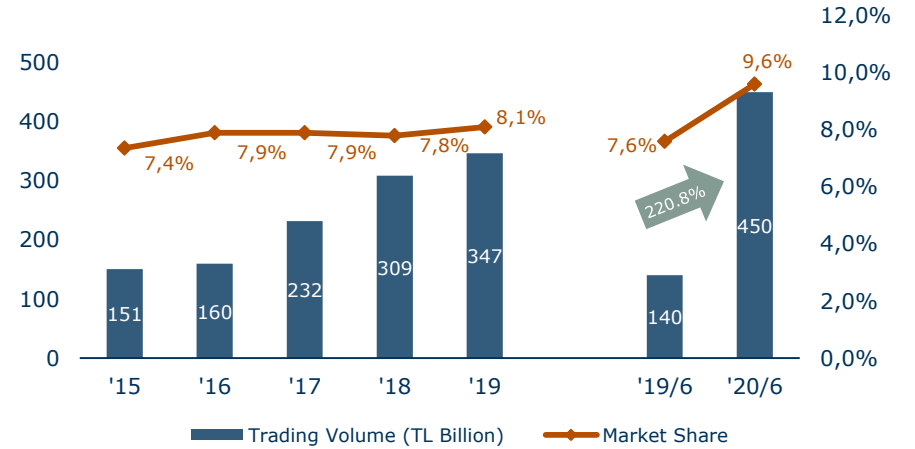
Financial Results

Operational Performance Equities

Equity Market - Borsa Istanbul



IS Investment



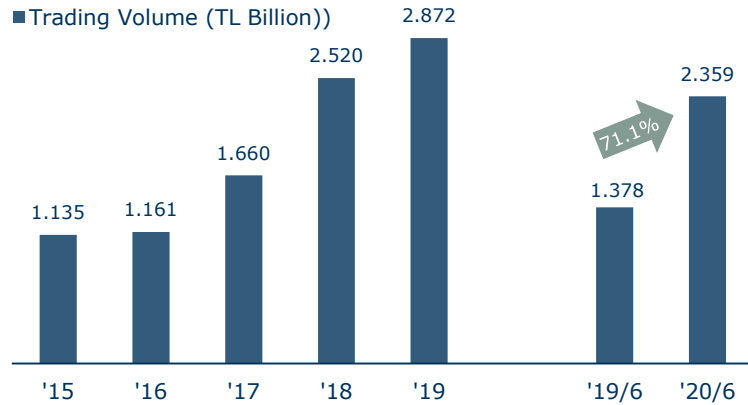
RANKINGS	INVESTMENT COMPANY	TRADING VOLUME (TL MN)	MARKET SHARE (%)
1	BROKER 1	611.969	13,09
2	IS INVESTMENT	450.464	9,64
3	BROKER 3	298.490	6,39
4	BROKER 4	292.233	6,25
5	BROKER 5	279.617	5,98
	MARKET TOTAL	4.673.775	-

Source: Borsa Istanbul, Equity Market Data
Market Transactions by Members

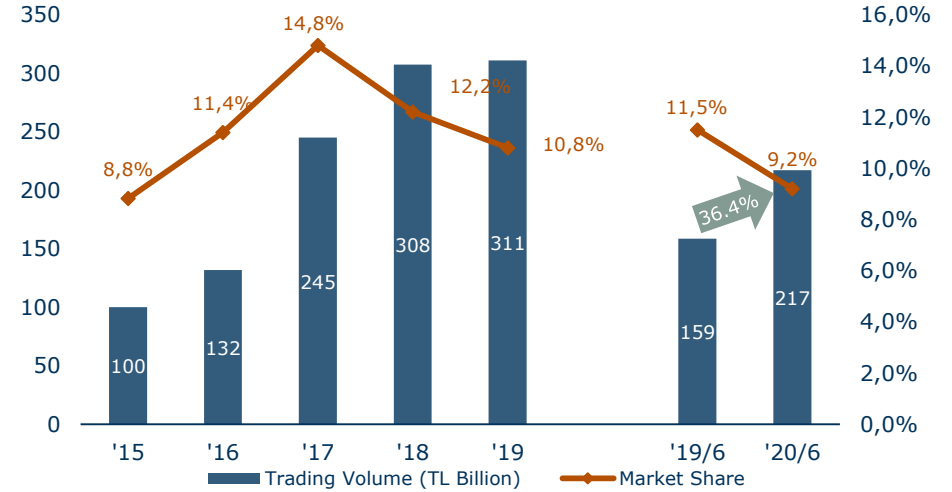
Despite the pandemic we managed to increase our Equity Market trading volume by 220.8% y/y while our market share rose to 9.64%

Operational Performance Derivatives

Turkish Derivatives Market (VIOP)



IS Investment

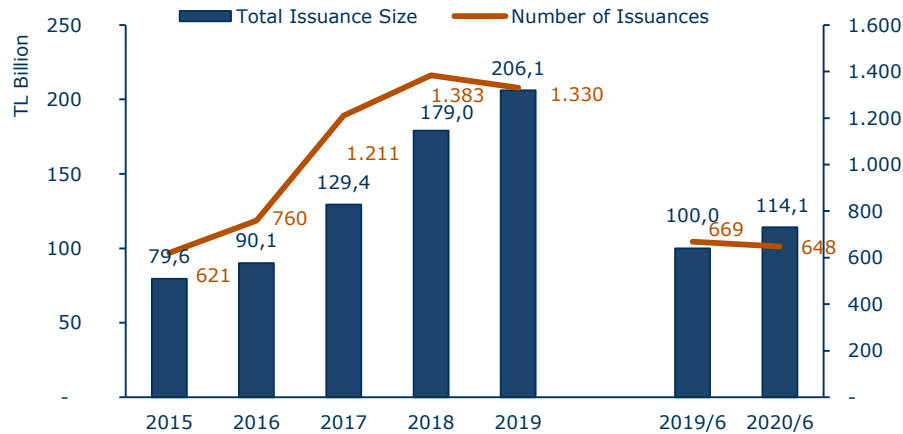


RANKINGS	INVESTMENT COMPANY	TRADING VOLUME (TL MN)	MARKET SHARE (%)
1	BROKER 1	362.090	15,35
2	IS INVESTMENT	217.222	9,21
3	BROKER 3	167.359	7,10
4	BROKER 4	137.860	5,84
5	BROKER 5	121.216	5,14
	MARKET TOTAL	2.358.676	-

Source: Borsa Istanbul, Derivatives Market Data, Market Transactions by Members

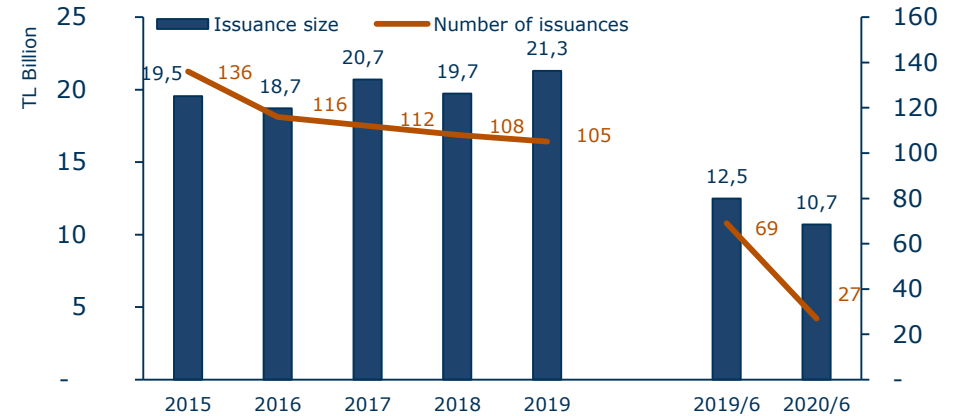
We continued to be market maker at index options and single stock futures while increasing our Derivatives Market trading volume by 36.4% with respect to the same period of 2019 with a market share of 9.21%

Debt securities issuances - Market

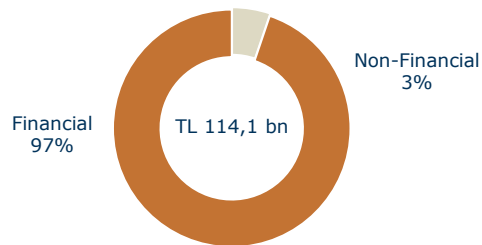


Source: Borsa Istanbul, IPO Data

IS Investment



Breakdown of Debt Sec. Issuances – 2020/6

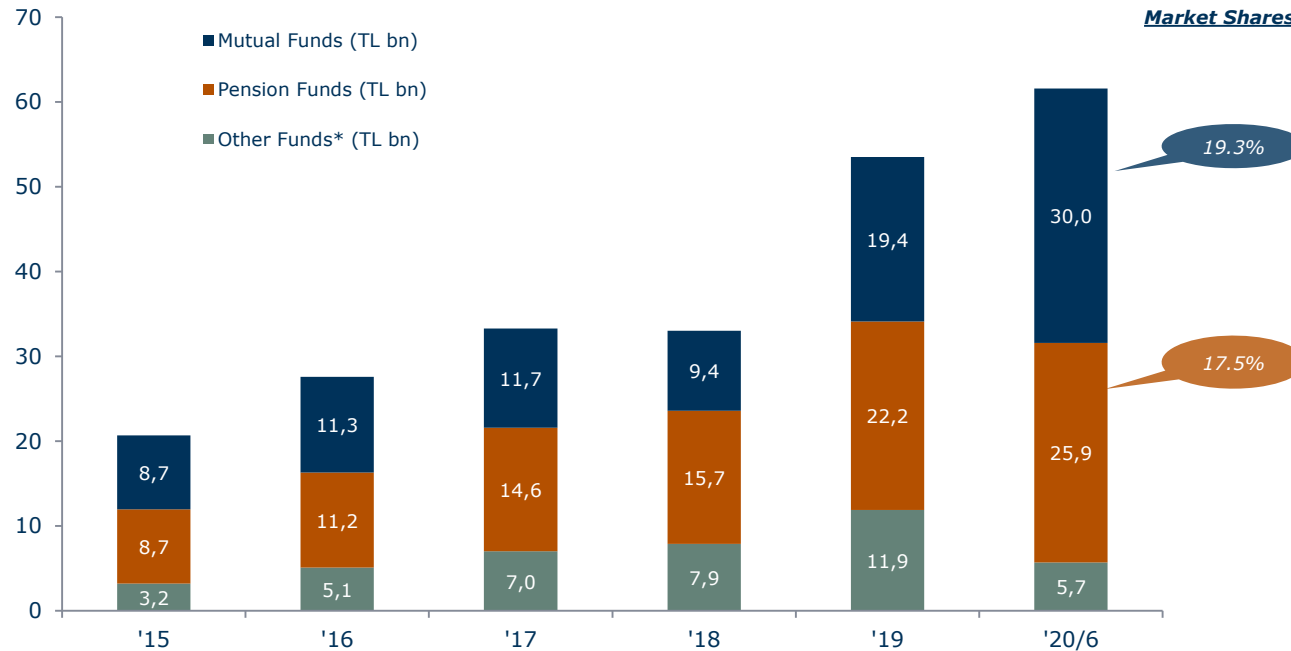


RANKINGS	INVESTMENT COMPANY	TRADING VOLUME (TL BN)	MARKET SHARE (%)
1	BROKER 1	12,4	10,88
2	BROKER 2	11,2	9,86
3	IS INVESTMENT	10,7	9,39
4	BROKER 4	10,2	8,98
5	BROKER 5	9,4	8,22
	MARKET TOTAL	114,1	

We intermediated the issuance of 27 debt securities with a total size of TL 10,7 bn with 9.39% market share

Operational Performance Assets under Management

Assets Under Management - IS Asset Management & IS Investment



Source: IS Asset Management

Our TL 61,6 bn size of consolidated AuM soared up 48.7% when compared to 1H19 while pension funds and mutual funds size grew 32.6% and 119.0% respectively

**Performance & Financial
Results – 1H20**

About Us

Operational Performance

▶ **Financial Results**

Consolidated Net Profit = [IS Investment Non-consolidated Net Profit + Contributions from Subsidiaries] – Elimination Adjustments

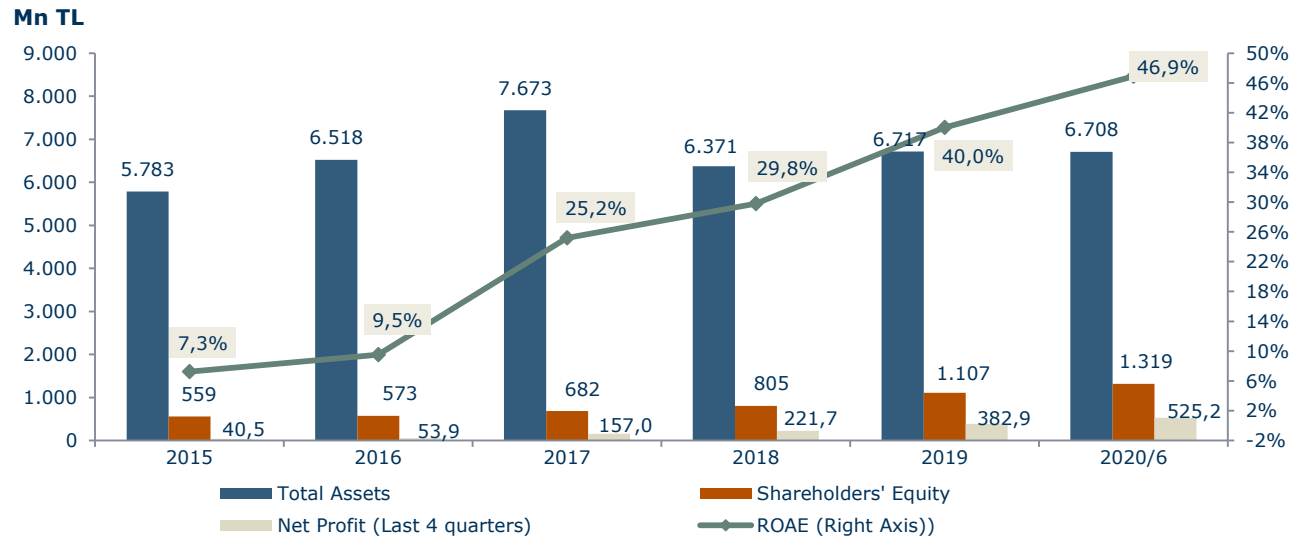
	Net Profit (TL mn)	1H19	1H20	y/y (%)
IS Investment Non-consolidated Net Profit	IS Investment Only	215,4	347,8	61.5
	Maxis Investments	(0,2)	2,0	a.d.
	IS Investment Trust	11,1	3,9	(64.9)
	IS Private Equity	(3,6)	2,0	a.d.
	IS Asset Management	11,6	19,2	65.5
	Efes NPL Asset Management	(5,8)	5,8	a.d.
	Maxis Private Equity PM	(0,7)	(0,4)	
	Elimination Adjustments	(24,6)	(34,8)	41.2
Contributions from Subsidiaries				
Elimination Adjustments				
Consolidated Net Profit	Consolidated Net Profit	203,2	345,5	70.0

- Profit attributable to equity holders of the company may differ from the disclosed financial statements due to indirect shares
 - Dividend and revenue elimination with subsidiaries, which is also reallocated and may differ from the disclosed financial statements

Our consolidated net profit disclosed as TL 345.5 mn increasing by 70 y/y, whereas our non-consolidated net profit reached TL347.8 mn rising by 61,5% with respect to 1H19

Financial Results Main Consolidated Financial Figures

IS Investment - Consolidated (TL000)	1H19	1H20	y/y (%)
Total Assets	5,717,452	6,707,509	17.3
Shareholders' Equity	921,108	1,319,164	43.2
Net Profit	203,188	345,558	70.1



Consolidated ROAE increased to 46.9% in 1H20 while non-consolidated ROAE rose to 48.8%

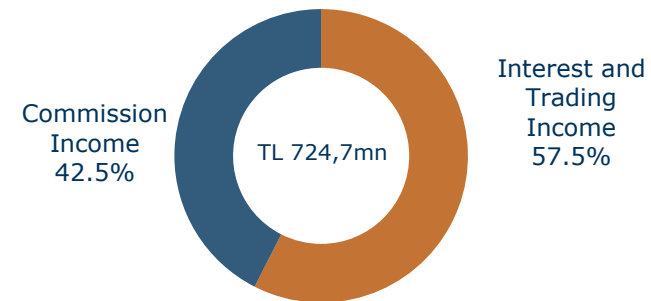
Financial Results Breakdown of Operating Revenues

Breakdown of Revenues (TL 000)	1H19	1H20	y/y (%)
Interest and Trading Income	368,219	416,639	13.1
Commission Revenues	132,882	308,067	131.8
Total Operating Revenues	501,101	724,706	45.2

Operating Revenues – 1H19



Operating Revenues – 1H20

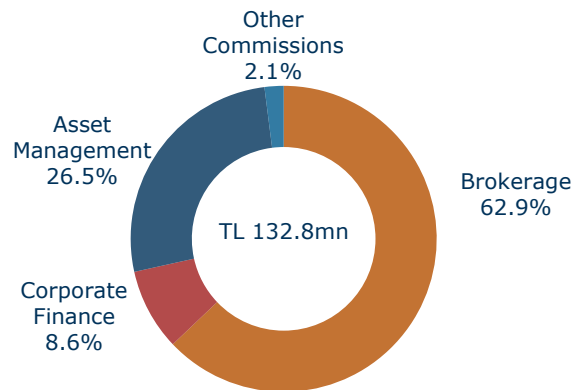


Operating revenues increased by 45.2% with respect to the same period of 2019 thanks mainly to the strong growth in commission revenues

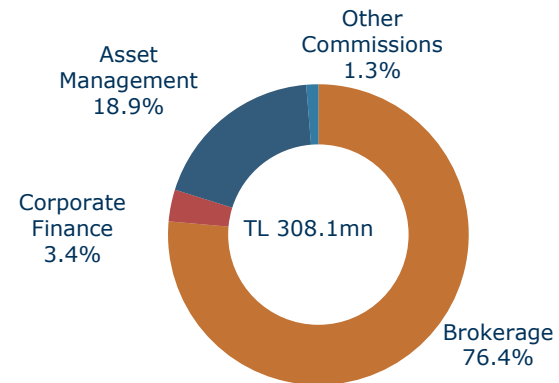
Financial Results Breakdown of Commissions

Commission Revenues (TL 000)	1H19	1H20	y/y (%)
Brokerage	83,583	235.385	181.6
Corporate Finance	11,475	10.545	(8.1)
Asset Management	35,151	58.144	65.4
Other Commissions	2,673	3.993	49.4
Total	132,882	308,067	131.8

Commission Revenues – 1H19



Commission Revenues – 1H20

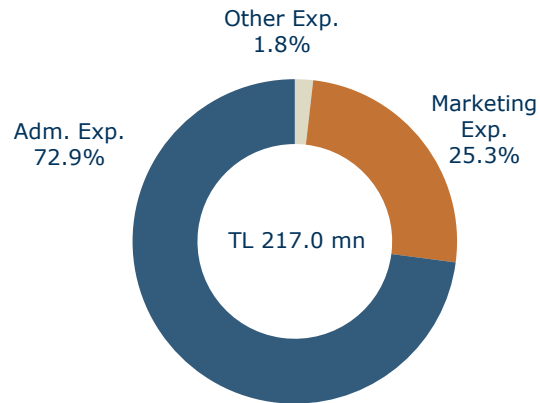


Brokerage revenues significantly increased by 181.6% y/y and continued to take the largest share in total commissions by 76.4%

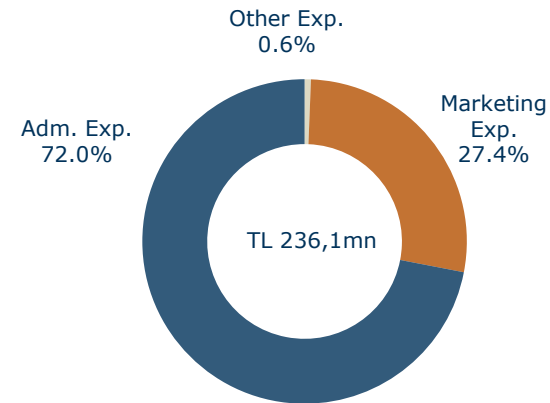
Financial Results Breakdown of Operating Expenses

Operating Expenses (TL 000)	1H19	1H20	y/y (%)
Marketing, Sales and Distribution Expenses	(54,824)	(64,738)	18.1
General Administrative Expenses	(158,308)	(169,958)	7.4
Other Operating Expenses	(3,939)	(1,492)	(62.1)
Total	(217,071)	(236,188)	8.8

Operating Expenses – 1H19



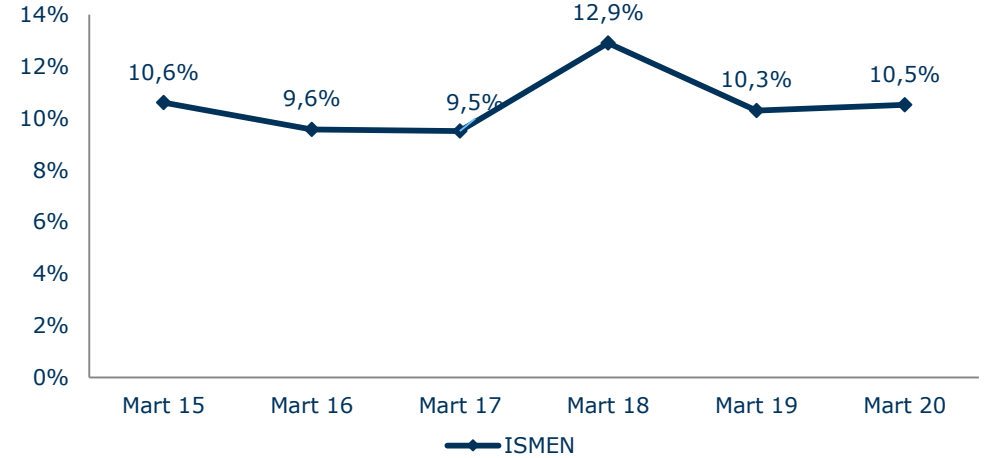
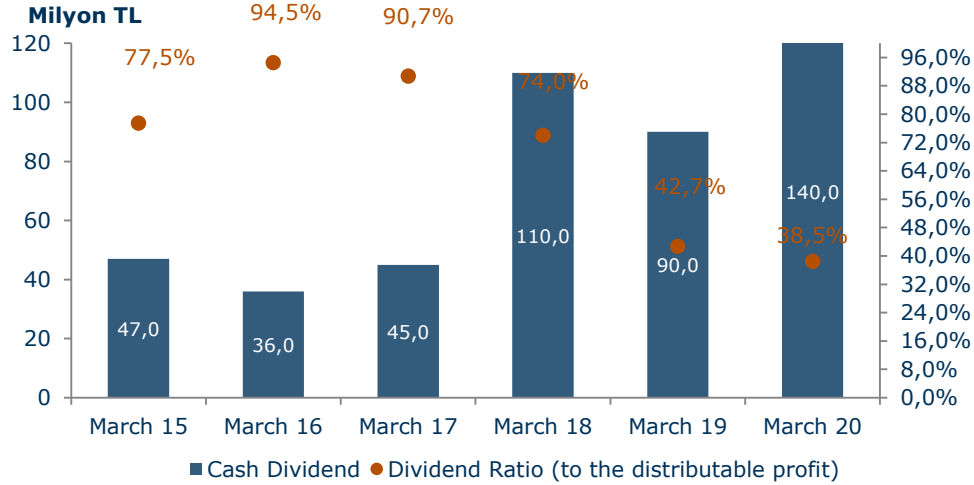
Operating Expenses – 1H20



OPEX increased by 8.8 y/y while our cost/income ratio improved to 32.5% (1H19:43.3%)

Cash Dividend & Payout Ratio - ISMEN

Dividend Yield - ISMEN



We paid TL 140 mn cash dividend with 10.5% yield

Kenan Ayvaci

Deputy CEO

Phone : +90 0212 350 25 00

Fax : +90 0212 350 20 01

E-mail : kayvaci@isinvestment.com

Ozan Altan

Manager, Head of IR

Phone : +90 0212 350 28 72

Fax : +90 0212 350 20 01

E-mail : oaltan@isinvestment.com

The Investor Relations Department is responsible for the timely communication of necessary, accurate, complete, comprehensible and easily accessible information and explanations, which are not considered to be insider information to its shareholders and stakeholders.

http://www.isinvestment.com/wwa_ir_new.aspx

The information in this report is prepared by “IS YATIRIM MENKUL DEGERLER A.S.” (IS Investment) and it is not to be construed as an offer or solicitation for the purchase or sale of any financial instrument or the provision of an offer to provide investment services. Information, opinions and comments contained in this material are not under the scope of investment advisory services. Investment advisory services are given according to the investment advisory contract, signed between the intermediary institutions, portfolio management companies, investment banks and the clients. Opinions and comments contained in this report reflect the personal views of the analysts who supplied them. The investments discussed or recommended in this report may involve significant risk, may be illiquid and may not be suitable for all investors. Therefore, making decisions with respect to the information in this report cause inappropriate results.

All prices, data and other information are not warranted as to completeness or accuracy and are subject to change without notice. Any form of reproduction, dissemination, copying, disclosure, modification, distribution and/or publication of this report is strictly prohibited. The information presented in this report has been obtained from sources believed to be reliable. IS Investment cannot be held responsible for any errors or omissions or for results obtained from the use of such information.

PERFORMANCE & FINANCIAL RESULTS – 1H20

August 5, 2020