

PERFORMANCE & FINANCIAL RESULTS – 1Q20

May 4, 2020

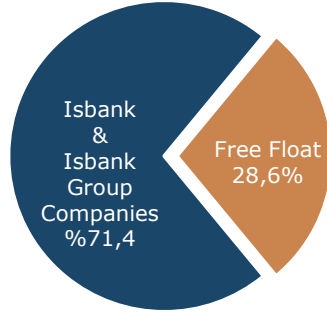
**Performance & Financial
Results – 1Q20**

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 221,2 mn portfolio size

IS Asset Management: (Share: 70.0%)

Turkey's leading portfolio management company by its TL54,1 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 Venture Capital Portfolio Management: (Share: 100.0%)

Already invested in 3 startups.

Performance & Financial
Results – 1Q20

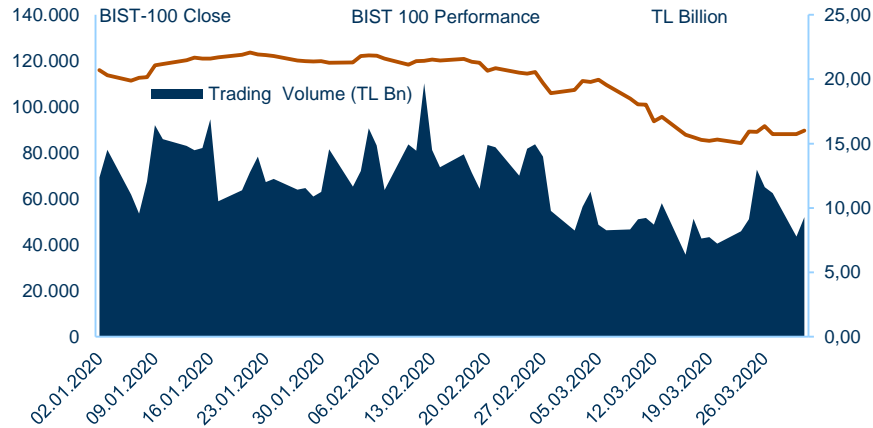
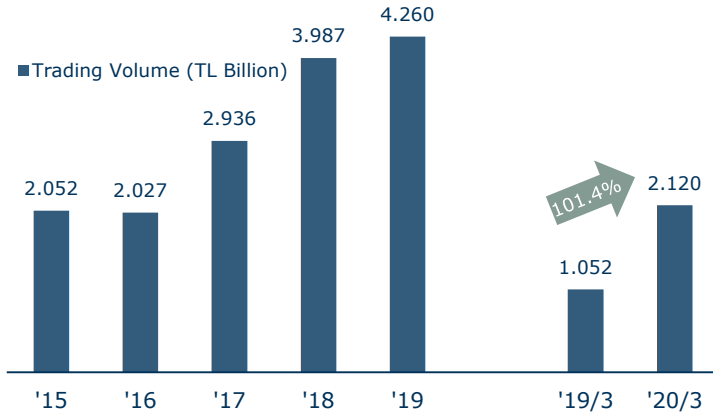
About Us

▶ **Operational Performance**

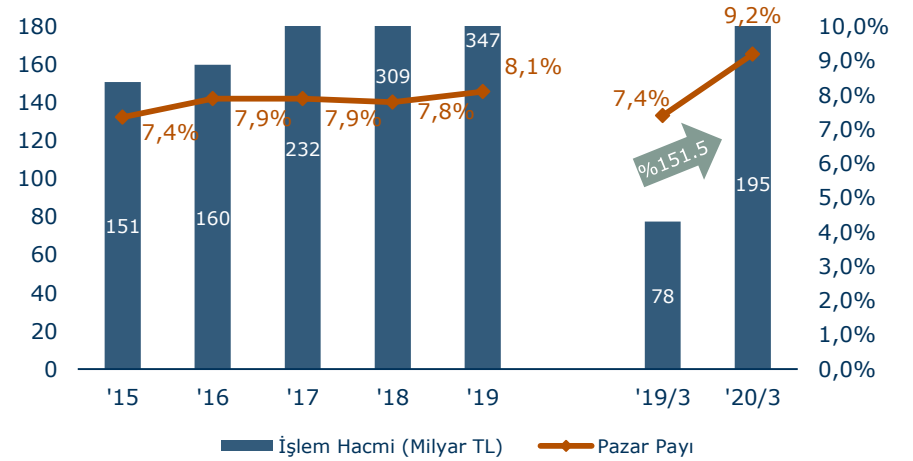
Financial Results

Operational Performance Equities

Equity Market - Borsa Istanbul



IS Investment

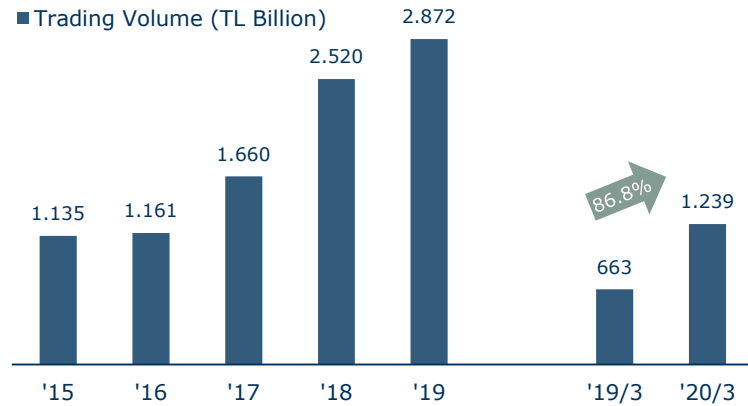


RANKINGS	INVESTMENT COMPANY	TRADING VOLUME (MN TL)	MARKET SHARE (%)
		2020/3	2020/3
1	BROKER 1	293.421	13,84
2	IS INVESTMENT	195.326	9,21
3	BROKER 3	153.270	7,23
4	BROKER 4	135.750	6,40
5	BROKER 5	121.846	5,75
	MARKET TOTAL	2.119.959	

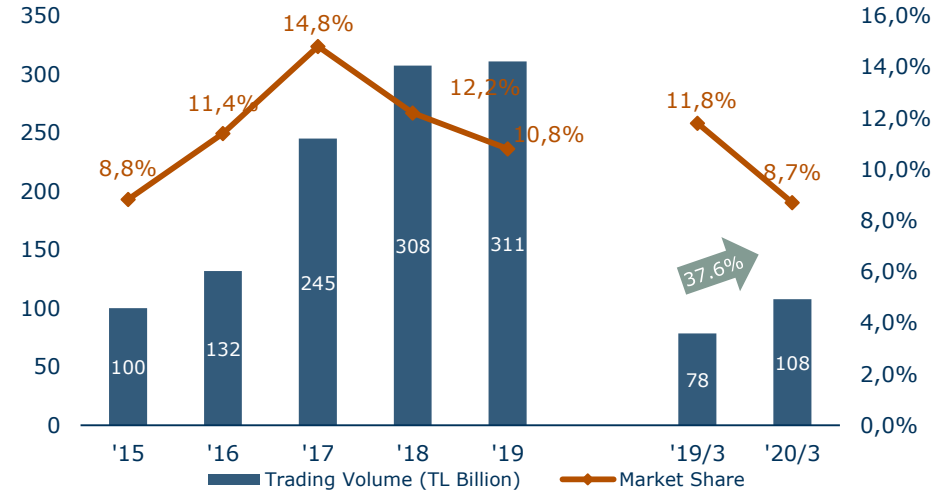
Source: Borsa Istanbul, Equity Market Data
Market Transactions by Members

Despite the pandemic effect in March, equity market trading volume increased by 101.4% y/y while BIST 100 index closing down the period by 21.7% when compared to the end of 2019

Turkish Derivatives Market (VIOP)



IS Investment

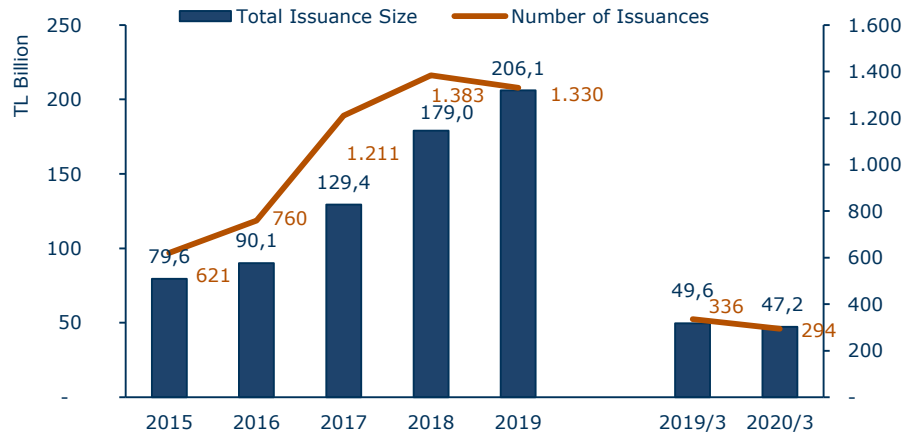


RANKINGS	INVESTMENT COMPANY	ISSUANCE SIZE (MN TL)	MARKET SHARE (%)
		2020/3	2020/3
1	BROKER 1	186.756	15,0
2	IS INVESTMENT	107.948	8,7
3	BROKER 3	97.176	7,8
4	BROKER 4	77.310	6,2
5	BROKER 5	62.285	5,0
	MARKET TOTAL	1.238.849	

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

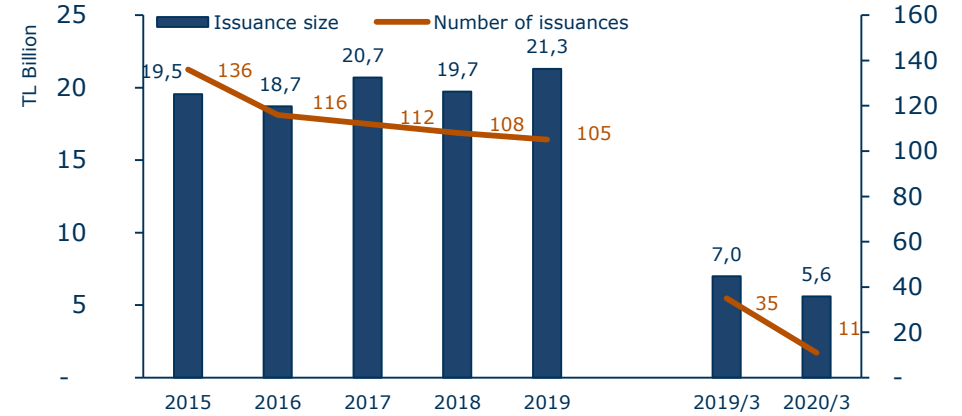
We continued to be market maker at index options and single stock futures while increasing our trading volume by 37.6% with respect to 1Q19

Debt securities issuances - Market

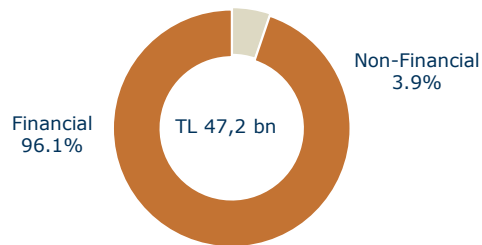


Source: Borsa Istanbul, IPO Data

IS Investment



Breakdown of Debt Sec. Issuances – 2020/3

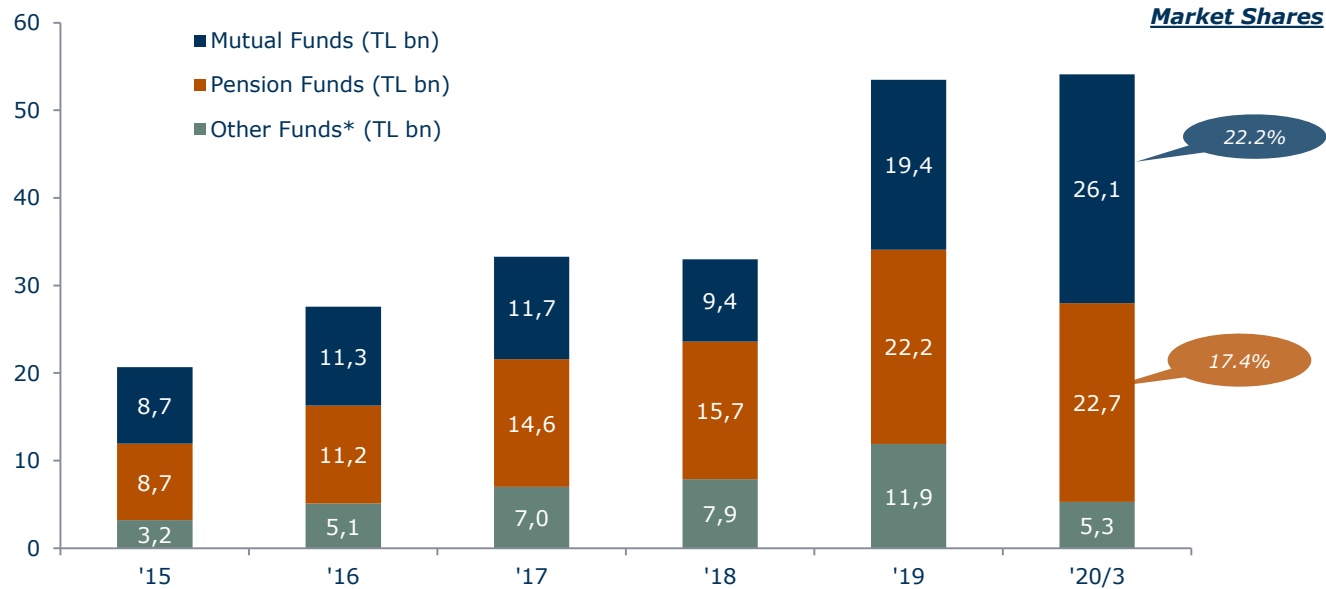


RANKINGS	INVESTMENT COMPANY	ISSUANCE SIZE (BN TL)	MARKET SHARE (%)
		2020/3	2020/3
1	IS INVESTMENT	5,60	11,8
2	BROKER 2	5,38	11,4
3	BROKER 3	4,79	10,1
4	BROKER 4	4,03	8,5
5	BROKER 5	3,89	8,2
MARKET TOTAL		47,20	

We intermediated the issuance of 11 debt securities with a total size of TL 5,6 bn leading the market by 11.8% share

Operational Performance Assets under Management

Assets Under Management - IS Investment (Consolidated)



* Other funds include portfolios of private asset management, alternative investment products management (including PE and real estate), Turkishfund (SICAV) and portfolio of IS Investment Trust

Source: IS Asset Management

Our TL 54,1 bn size of consolidated AuM soared up 40.1% when compared to 1Q19 while pension funds and mutual funds grew 54.2% and 65.6% respectively

**Performance & Financial
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Operational Performance

▶ **Financial Results**

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

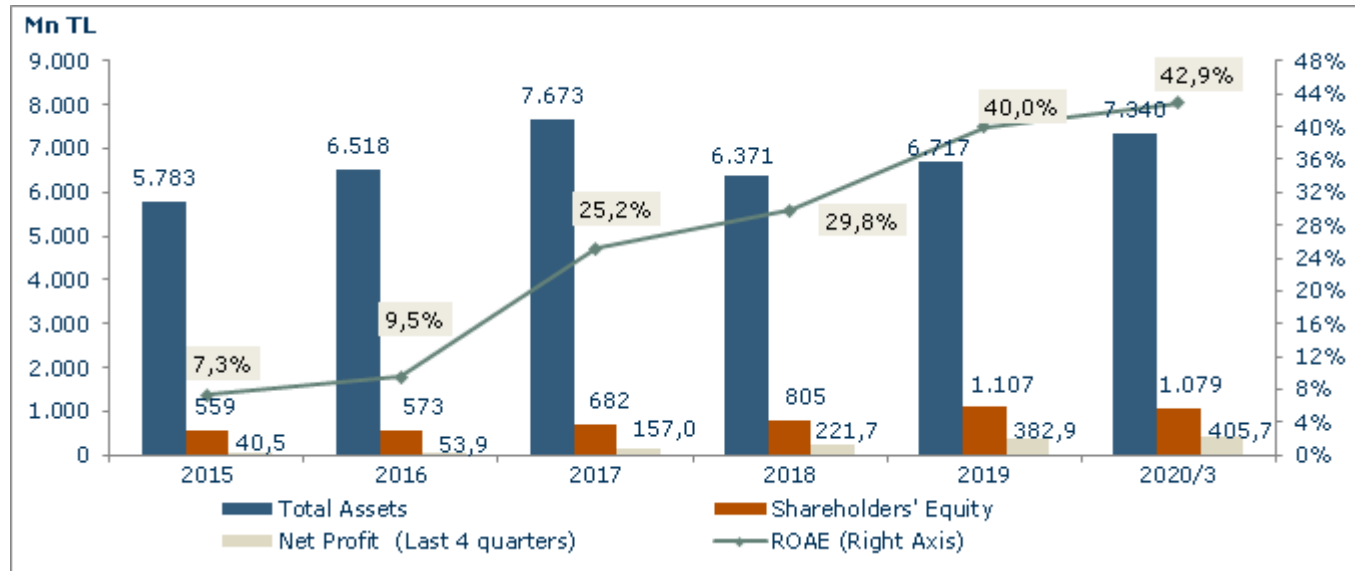
	Net Profit (TL mn)	1Q19	1Q20	y/y (%)
IS Investment Non-consolidated Net Profit	IS Investment Only	110,2	126,6	14,8
	Maxis Investments	-	1,9	n.m.
	IS Investment Trust	6,5	0,4	(93.8)
	IS Private Equity	(0,8)	5,1	n.m.
	IS Asset Management	5,7	7,4	29.8
	Efes NPL Asset Management	(5,3)	5,7	n.m.
	Maxis Venture Capital PM	(0,7)	(0,1)	n.m.
	Elimination Adjustments	(25,3)	(33,9)	33.9
Consolidated Net Profit	Consolidated Net Profit	90,3	113,1	25,2

- 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 realized as TL 113.1 mn increasing by 25,2 y/y, while our non-consolidated net profit soared up to TL 126,6 mn rising by 14,8% with respect to 1Q19

Financial Results Main Consolidated Financial Figures

IS Investment - Consolidated (TL000)	1Q19	1Q20	y/y (%)
Total Assets	8,419,111	7,340,042	(12.8)
Shareholders' Equity	809,011	1,079,171	33.4
Net Profit	90,353	113,154	25.2

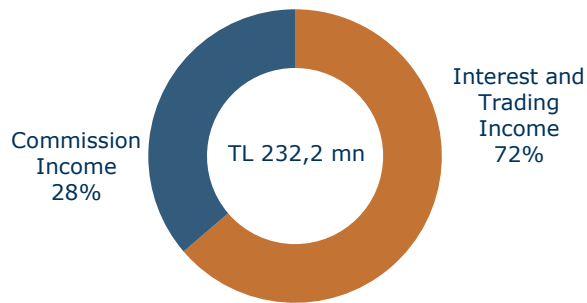


Consolidated ROAE increased to 42.9% while non-consolidated ROAE reached 44.8%

Financial Results Breakdown of Operating Revenues

Breakdown of Revenues (TL 000)	1Q19	1Q19	y/y (%)
Interest and Trading Income	166,184	162,415	(2.3)
Commission Revenues	66,100	136,179	106.0
Total Operating Revenues	232,284	298,594	28.5

Operating Revenues – 1Q19



Operating Revenues – 1Q20

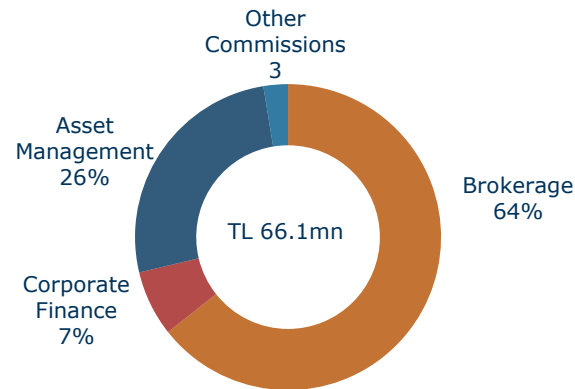


Operating revenues increased by 28.5% with respect to the same period of 2019 thanks mainly to the growth in commission revenues

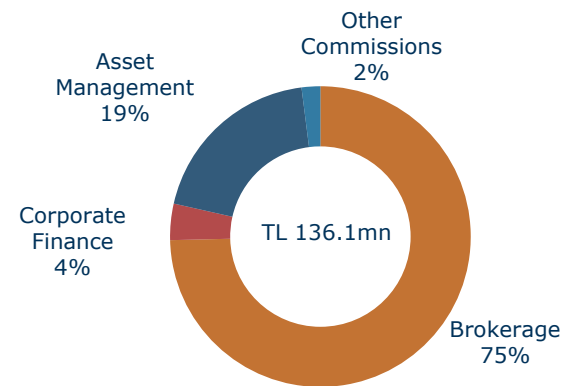
Financial Results Breakdown of Commissions

Commission Revenues (TL 000)	1Q19	1Q20	y/y (%)
Brokerage	42.536	101.618	138.9
Corporate Finance	4,590	5,318	15,8
Asset Management	17,263	26,508	53,5
Other Commissions	1.711	2.735	59.8
Total	66,100	136,179	106,0

Commission Revenues – 1Q19



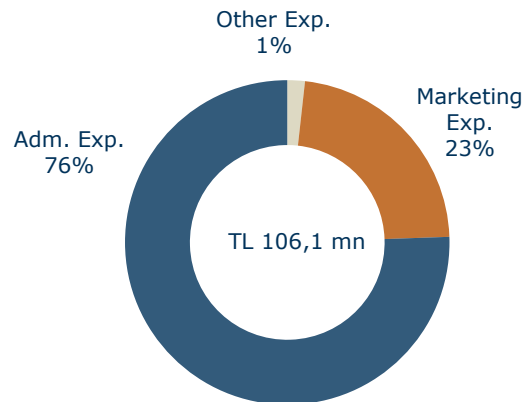
Commission Revenues – 1Q20



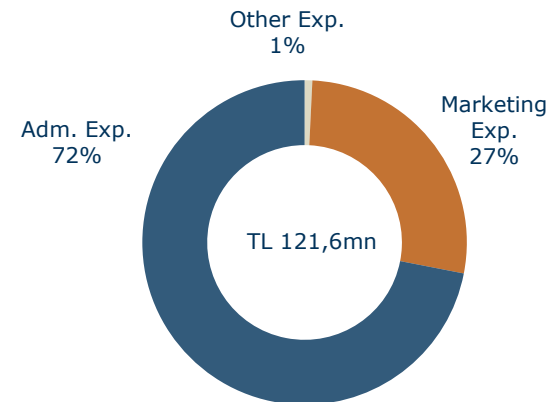
Brokerage revenues increased by 138.9% y/y and continued to take the largest share in total commissions by 75%

Operating Expenses (TL 000)	1Q19	1Q20	y/y (%)
Marketing, Sales and Distribution Expenses	24,079	33,208	37,9
General Administrative Expenses	80,131	87,530	9,2
Other Operating Expenses	1.856	937	(49,5)
Total	106,066	121,675	14.7

Operating Expenses – 1Q19



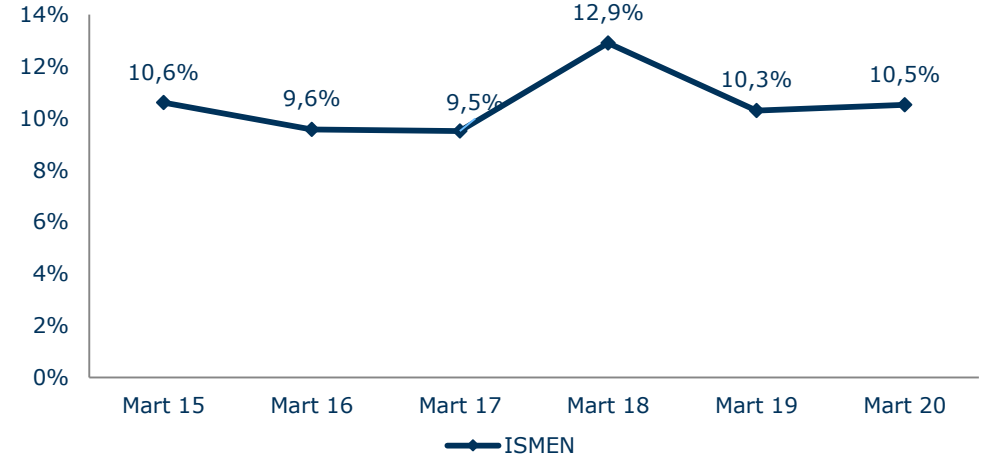
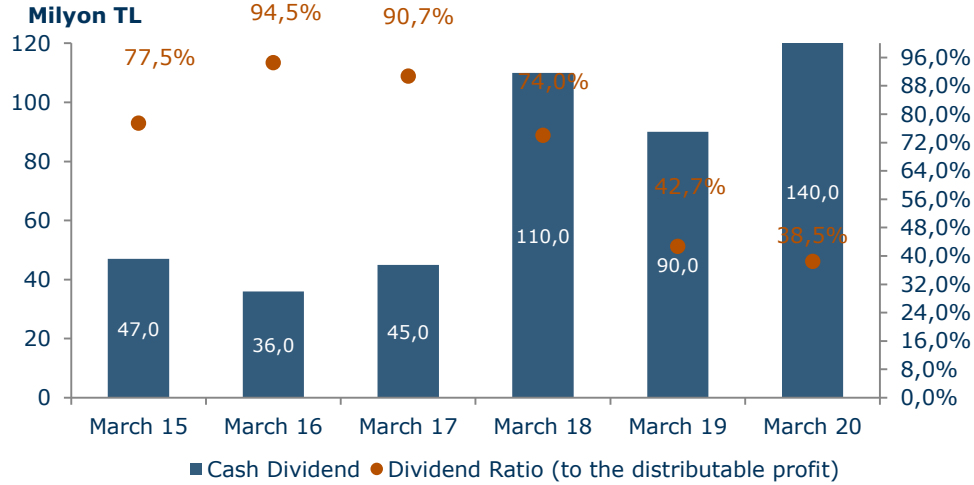
Operating Expenses – 1Q20



OPEX increased by 14.7 y/y while our cost/income ratio realized at 40.7% (1Q19: 45.6%)

Cash Dividend & Payout Ratio - ISMEN

Dividend Yield - ISMEN



We paid TL 140 mn cash dividend with 10.5% yield

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