

## PRESS RELEASE

Istanbul – December 8, 2015

**JCR Eurasia Rating,**  
has affirmed the Long Term National Local Rating Note of  
**"Yeşil Gayrimenkul Yatırım Ortaklığı A.Ş."** on the as **'A- (Trk) / Positive** and affirmed  
the Long Term International Foreign Currency Note of **'BBB- / Stable'**

JCR Eurasia Rating has affirmed **Yeşil Gayrimenkul Yatırım Ortaklığı A.Ş.**'s Long Term National Local Rating Note as **'A- (Trk) / Positive** and the Short Term National Local Rating of **'A-1 (Trk) / Stable'**. Other notes and details of the ratings are given in the table below:

Long Term International Foreign Currency	: BBB- / (Stable Outlook)
Long Term International Local Currency	: BBB-/ (Stable Outlook)
Long Term National Local Rating	: A- (Trk) / (Positive Outlook)
Short Term International Foreign Currency	: A-3 / (Stable Outlook)
Short Term International Local Currency	: A-3 / (Stable Outlook)
Short Term National Local Rating	: A-1 (Trk) / (Stable Outlook)
Sponsor Support	: 2
Stand Alone	: B

**Yeşil Gayrimenkul Yatırım Ortaklığı A.Ş. (YEŞİL GYO)** which was established in 1997 as İhlas Gayrimenkul Yatırım Ortaklığı A.S. adopted the title of **"Yeşil Gayrimenkul Yatırım Ortaklığı A.Ş."** following the changes in its shareholder structure in 2006 and has been conducting its operations as a listed incorporated portfolio management company under its current name following the merger in 2010 owing to the legal regulations of the Capital Markets Board relating to Real Estate Investment Trusts. Yeşil GYO operates under the wider Yeşil Holding A.Ş. which has roots dating back to 1948 with fields of activity spanning construction, energy, telecommunication, services and manufacturing. Under the **INNOVIA** brand, it aims to form a diversified high-return portfolio principally in the residential and commercial real estate market through projects that provide rental income along with commercial real estate that offers high appreciation potential.

Real Estate Investment Trusts provide investment opportunities through the spreading of earnings and capital as the most important corporate financial source of the real estate sector. REITs are required to be publicly offered. Capital Markets Board regulations have increased the transparency of the real estate sector and established the international infrastructure necessary for supervision and control.

Residential housing sales which exhibited a robust growth rate of 21% in the first half of the year, have decelerated in the 3Q2015 stemming from political uncertainty, economic volatility along with weak lira and high interest rates. However, the temporarily depressed demand observed in the residential housing sector is expected to recover due to the reduction in political uncertainty, the positive effects on consumer confidence of the normalization of global monetary policies and favorable demographic structure contributing to the dynamism of the real estate market.

In terms of REITs' business model, Yeşil GYO's income statement does not directly reflect the Company's operating performance as sales only reflect those homes which were delivered. The comparison of the Company's income statement which depends on housing deliveries on an annual or quarterly basis doesn't fully reflect its performance. The pre-sale agreement performance for the first three quarters of Yeşil GYO points to a strong income statement in the upcoming period. The pre-sale agreement performance for the first three quarters of Yeşil GYO points to a strong income statement in the upcoming period. The high level of working capital preserved over the years, the ease of access to capital market instruments, the foreign currency position, high level of brand reputation in the sector, effective utilization of risk management systems and activities achieved in the field of compliance with Corporate Governance Practices over the years are the principal factors underlying the affirmation of the **"Positive"** outlook attached to the **"National Long Term Rating"**.

Considering the adequacy of financial strength of the major controlling real person shareholder **Kamil Engin Yeşil** and other qualified shareholders, the scale of the Group, planned investments and sectorial expansion, **Yeşil Gayrimenkul Yatırım Ortaklığı's** Sponsor Support grade has been determined as **(2)**. The Stand Alone grade has been determined as **(B)** considering the ability of the Company to manage its undertaken incurred risks based on its own resources, levels of internal resource generation and current capitalization.

For more information regarding the rating results you may visit our internet site <http://www.jcrer.com.tr> or contact our analyst **Mr. Orkun İNAN**.

**JCR EURASIA RATING**  
**Administrative Board**