

Investor Presentation

30 June 2017



Leasing Sector in Turkey





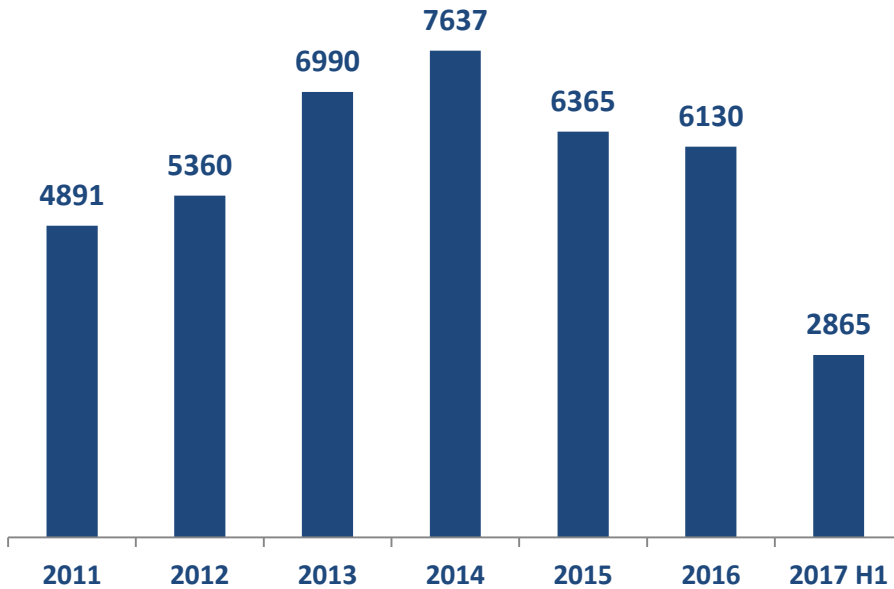
LEASING

- ✓ VAT is %1 for various types of machinery
- ✓ Sale&lease back has been added to product range in 2013
- ✓ Expertise on SMEs, consultancy and know-how support in addition to funding
- ✓ FX borrowing option (Bank FX loans have some restrictions)
- ✓ Fast credit approvals (leased-asset ownership), flexible payment plans

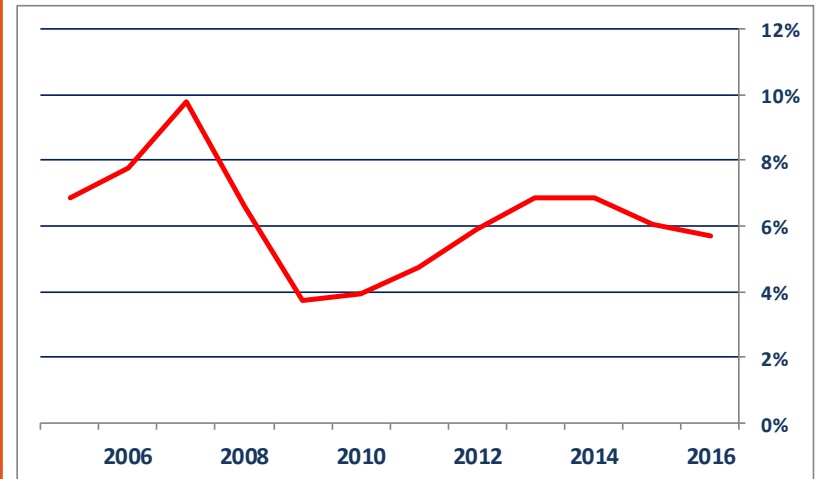


SECTOR NEW LEASING VOLUME

New Leasing Volume
(million USD)



Leasing penetration is still at low levels compared to EU average of 15% and North America average of 18%.

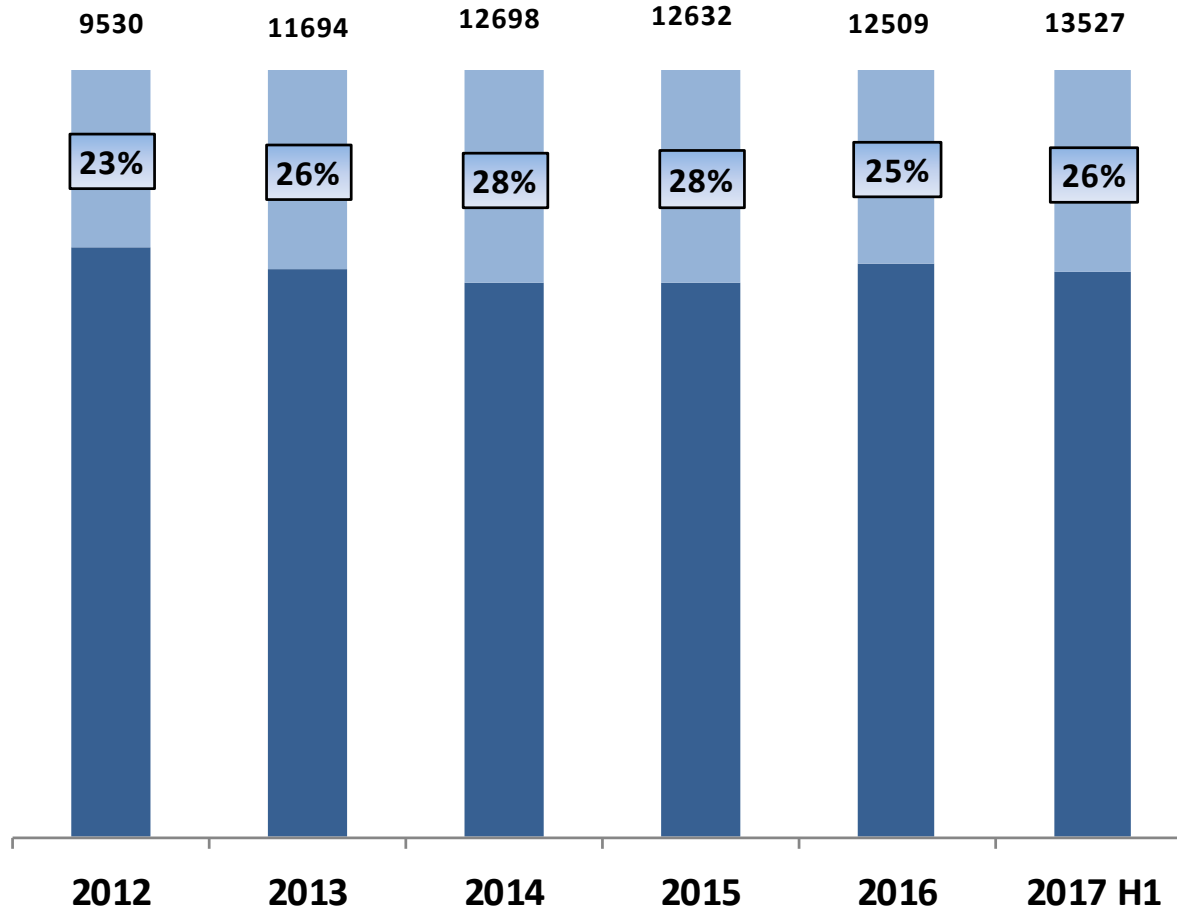


Penetration: Leasing volume/ Private sector fixed investments



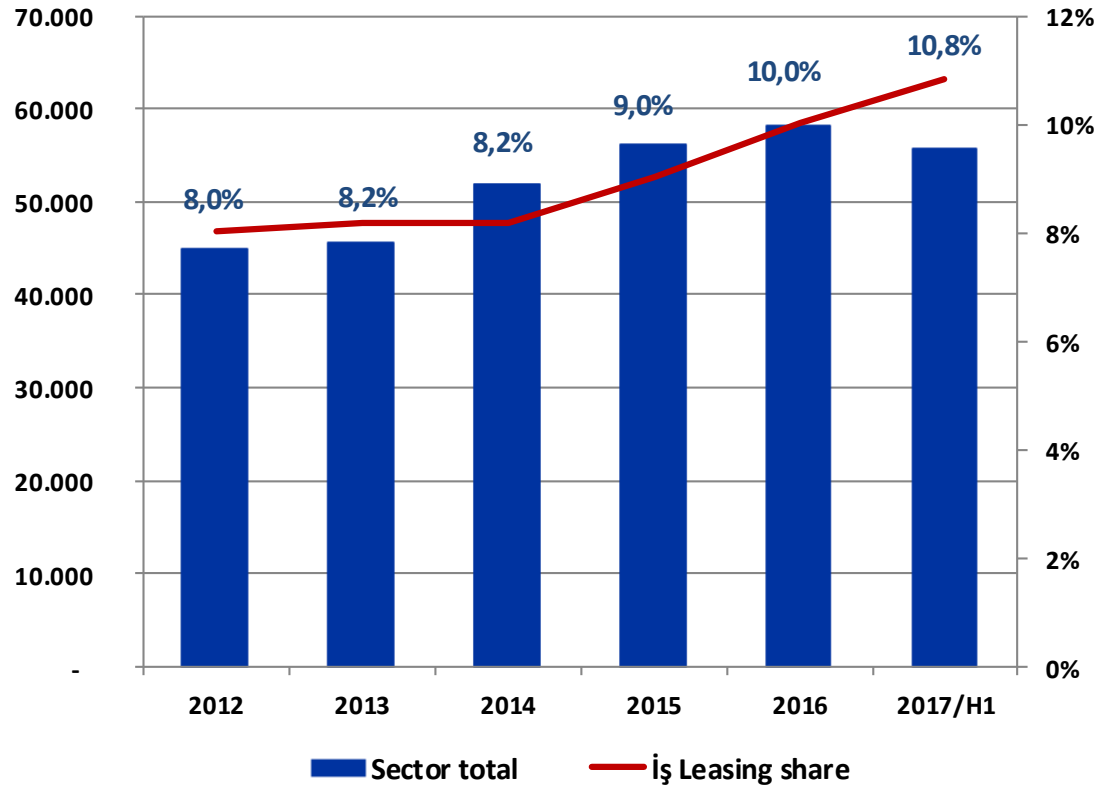
LEASING RECEIVABLES

■ TL ■ FX





CUSTOMER BASE



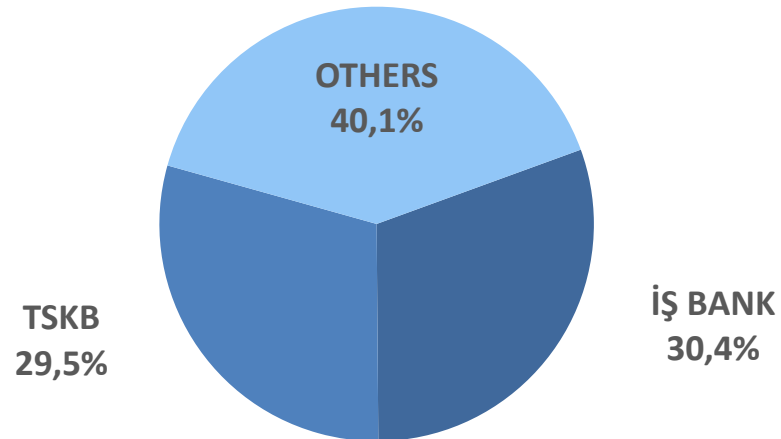
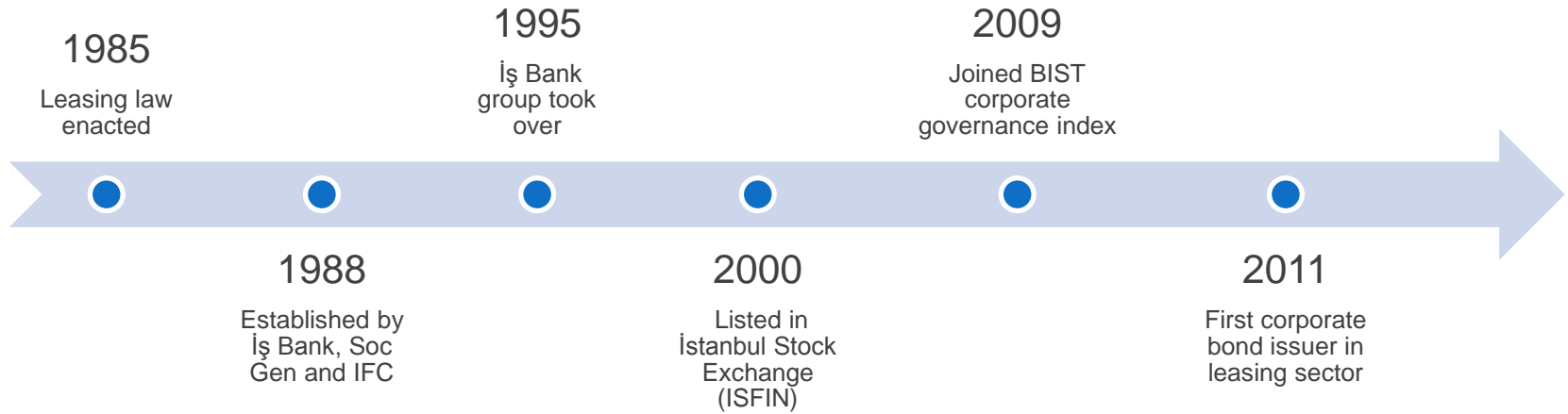
Fastest customer growth in the sector	2016 vs. 2015	
	Customers Δ	Contracts Δ
İŞ LEASING	15%	15%

Company Overview





MILESTONES & SHAREHOLDERS



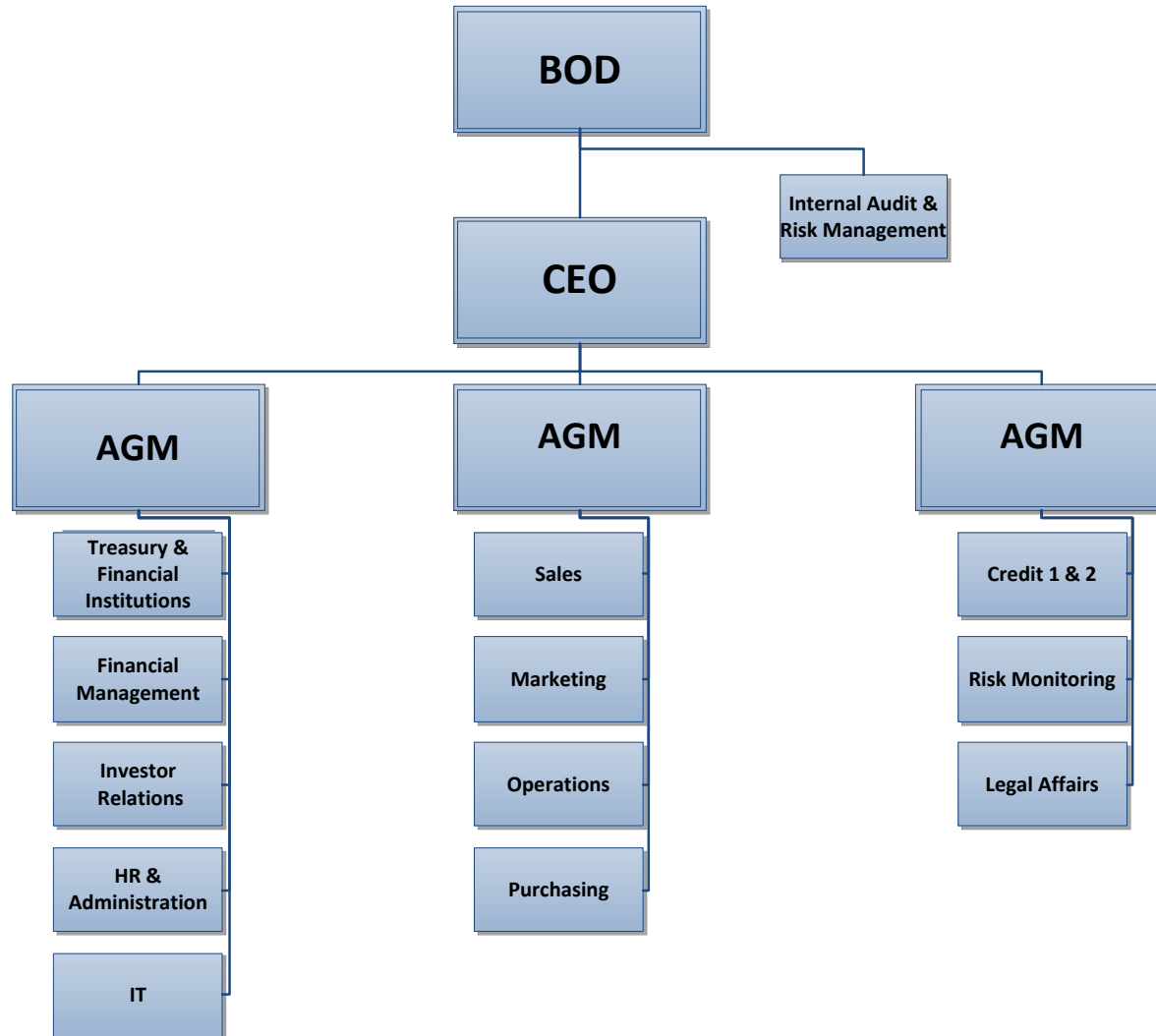


PARTICIPATIONS

Subsidiaries and Participations	Carrying Amount (000 TL)	Ownership %
İş Faktoring A.Ş.	53.932	78,23
Other	31.372	0,06- 10,00

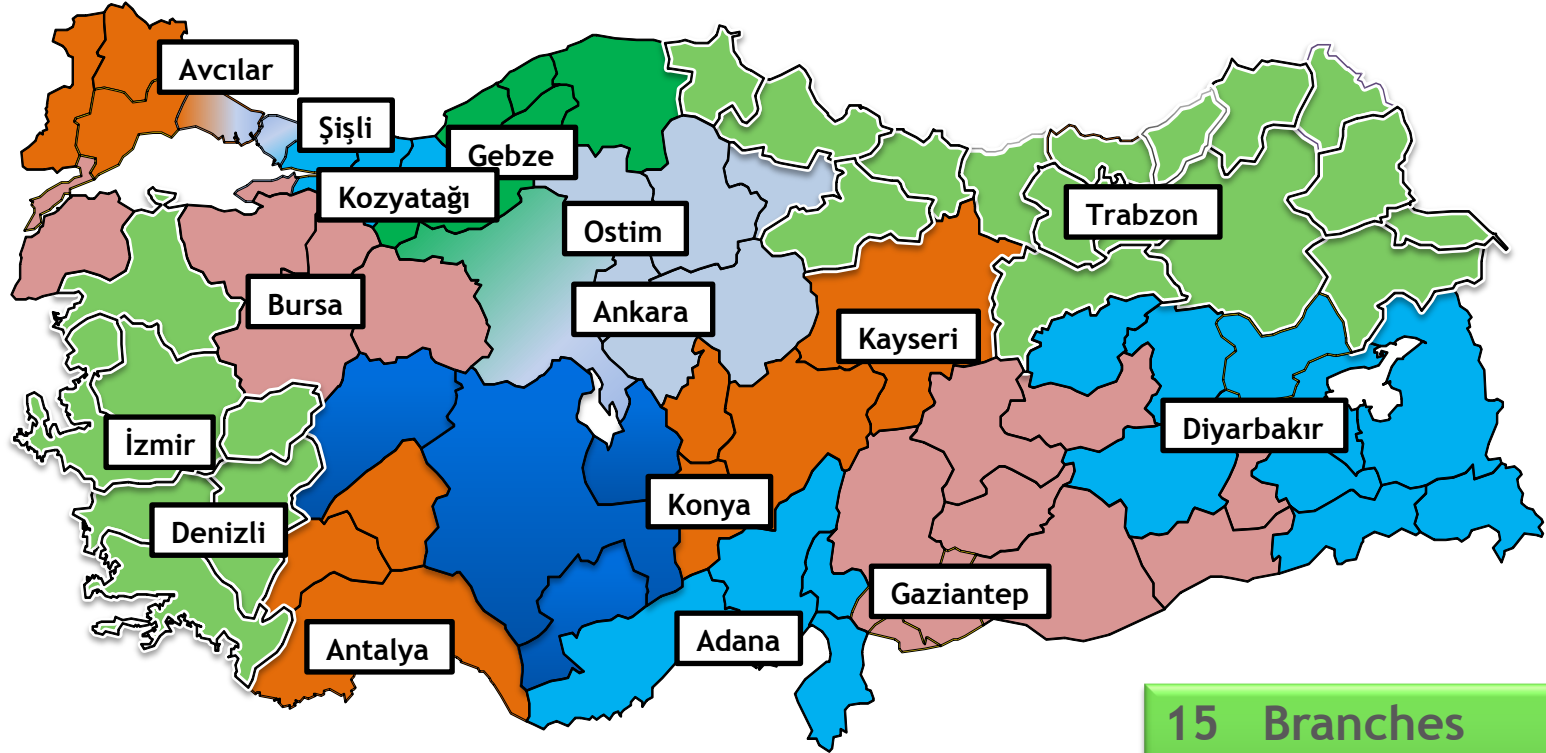


ORGANIZATION CHART





BRANCH NETWORK



15 Branches
52 Sales staff
150 Total staff

Lease Portfolio

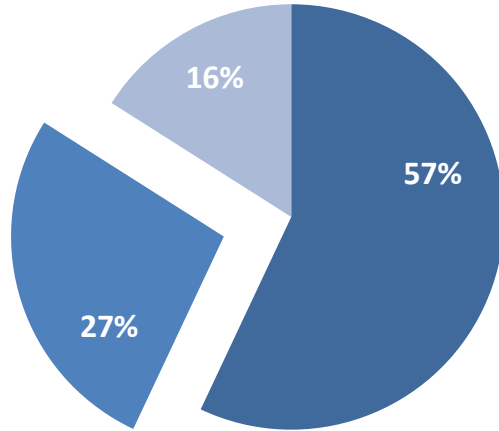




SALES CHANNELS

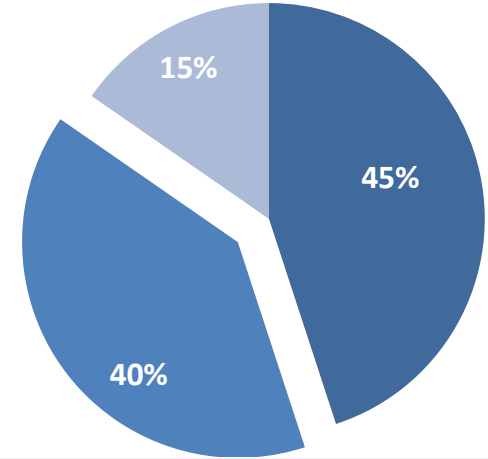
2016

■ İŞ BANK ■ VENDORS ■ DIRECT MARKETING



2017/H1

■ İŞ BANK ■ VENDORS ■ DIRECT MARKETING



İşbank: 1351 local and 23 foreign branches, largest network among private banks.

Çevreci Enerji Yolunda Bir Adım Daha

Datca Rüzgar Enerjisi Santrali (RES) projesinin finansmanı için sözleşme imzalandık, yenilenebilir enerji alanında önemli bir adım daha attık.



Leasing'te KDV

22.12.2011 Tarihli Resmî Gazete'de Bakanlar Kurulu Kararı ile KDV oranı %1 olarak uygulanmaya başlanmıştır.



İş'te Ürünlerimiz İş'te Biz

Kendi işlerinizi sahip olmak ve işinizi teknoloji ile hızla büyütmek için mümkün. İhtiyaçınız olan her şey İş Leasing'de!



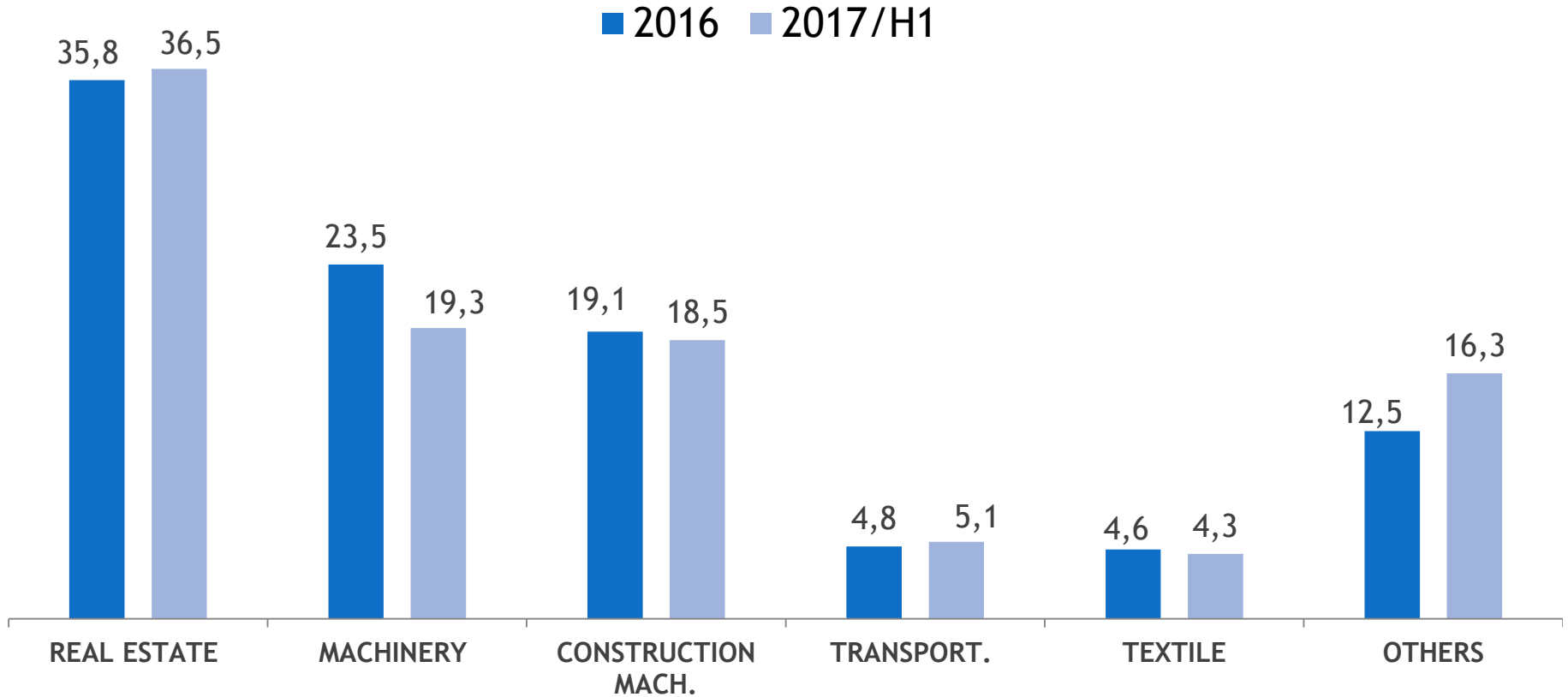
Finansal Kiralama Kanununun Getirdikleri

6361 sayılı Finansal Kiralama, Faktoring ve Finansman Şirketleri Kanunu 13.12.2012 tarih ve 28496 sayılı Resmî Gazetede yayımlanarak yürürlüğe girmiştir.





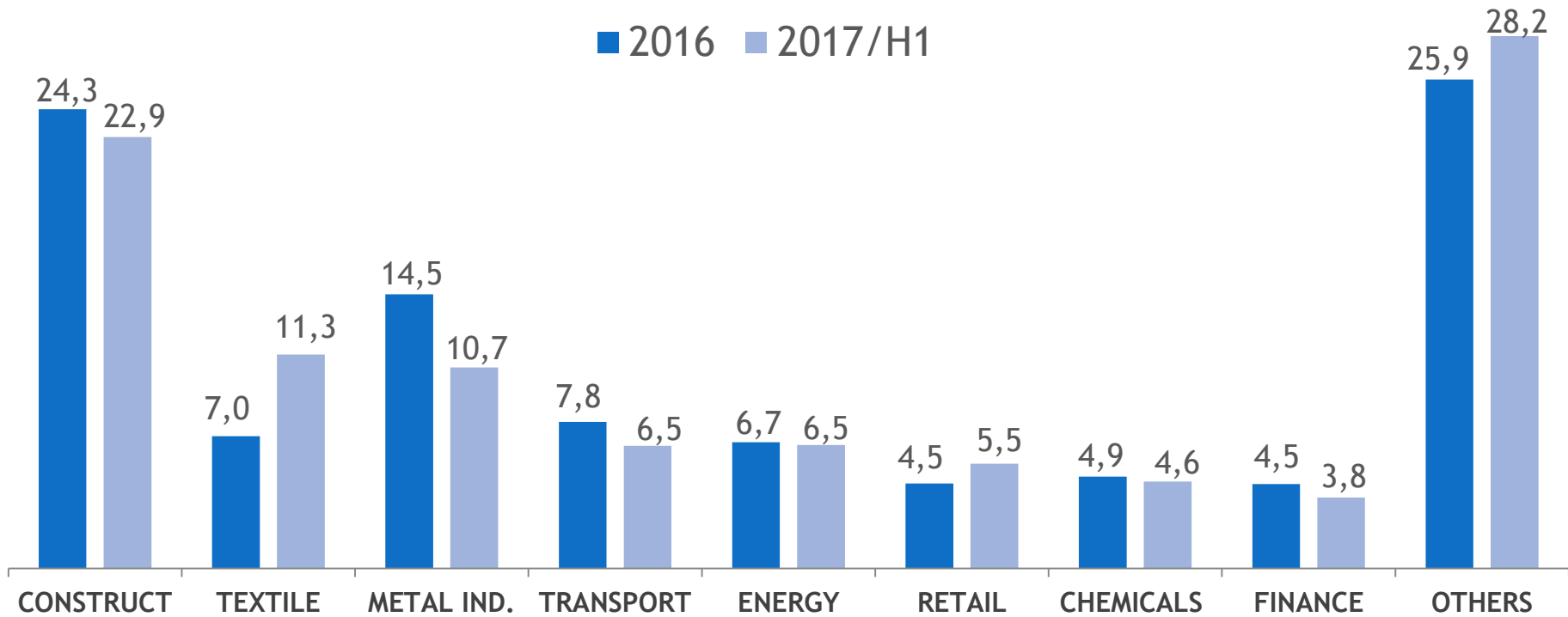
ASSET DISTRIBUTION , %





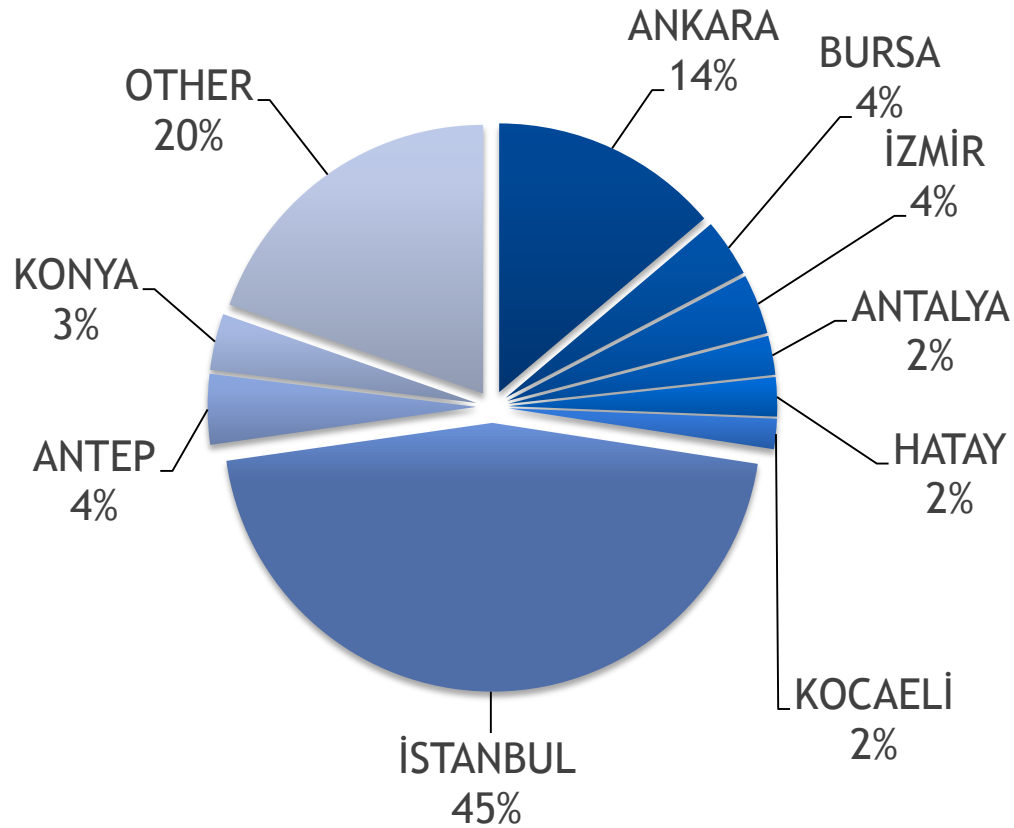
SECTORAL DISTRIBUTION , %

■ 2016 ■ 2017/H1





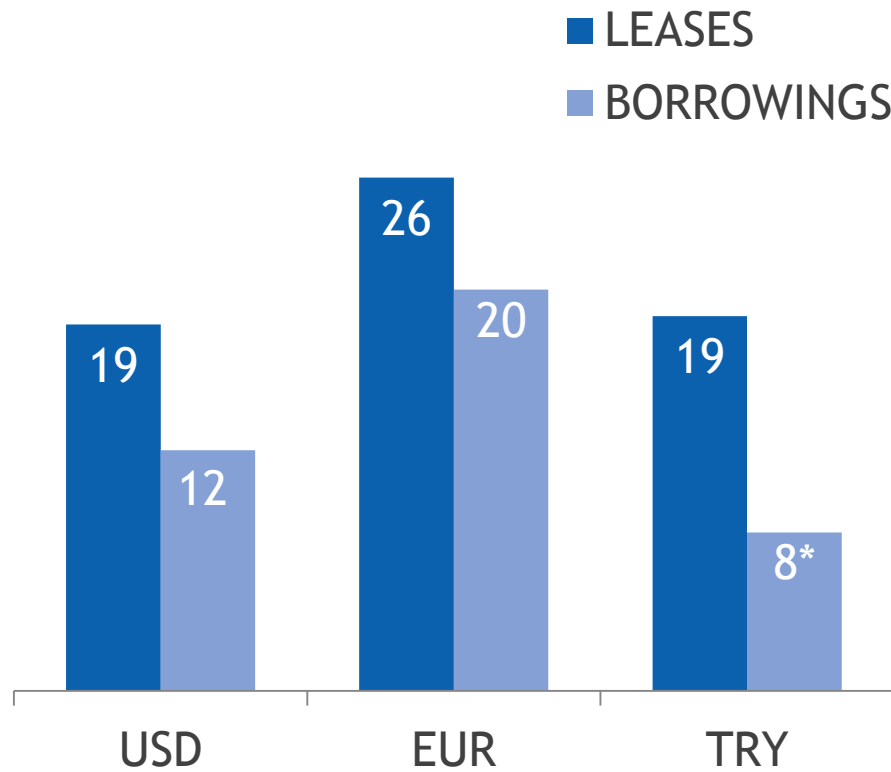
GEOGRAPHICAL DISTRIBUTION



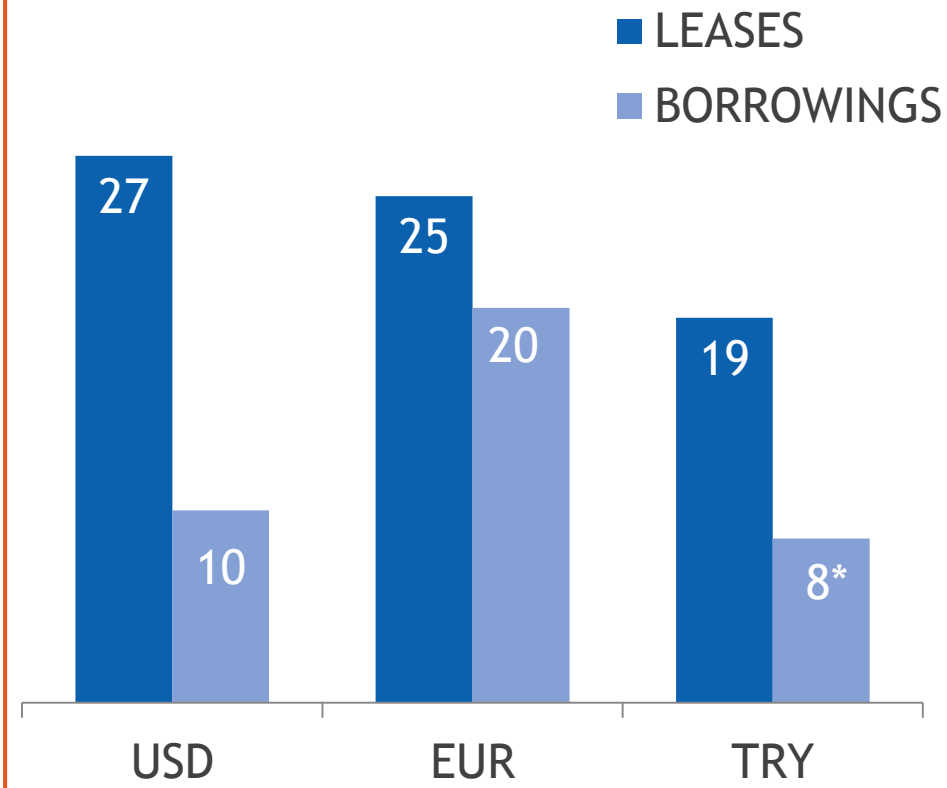


MATURITY DISTRIBUTION

2016



2017 H1

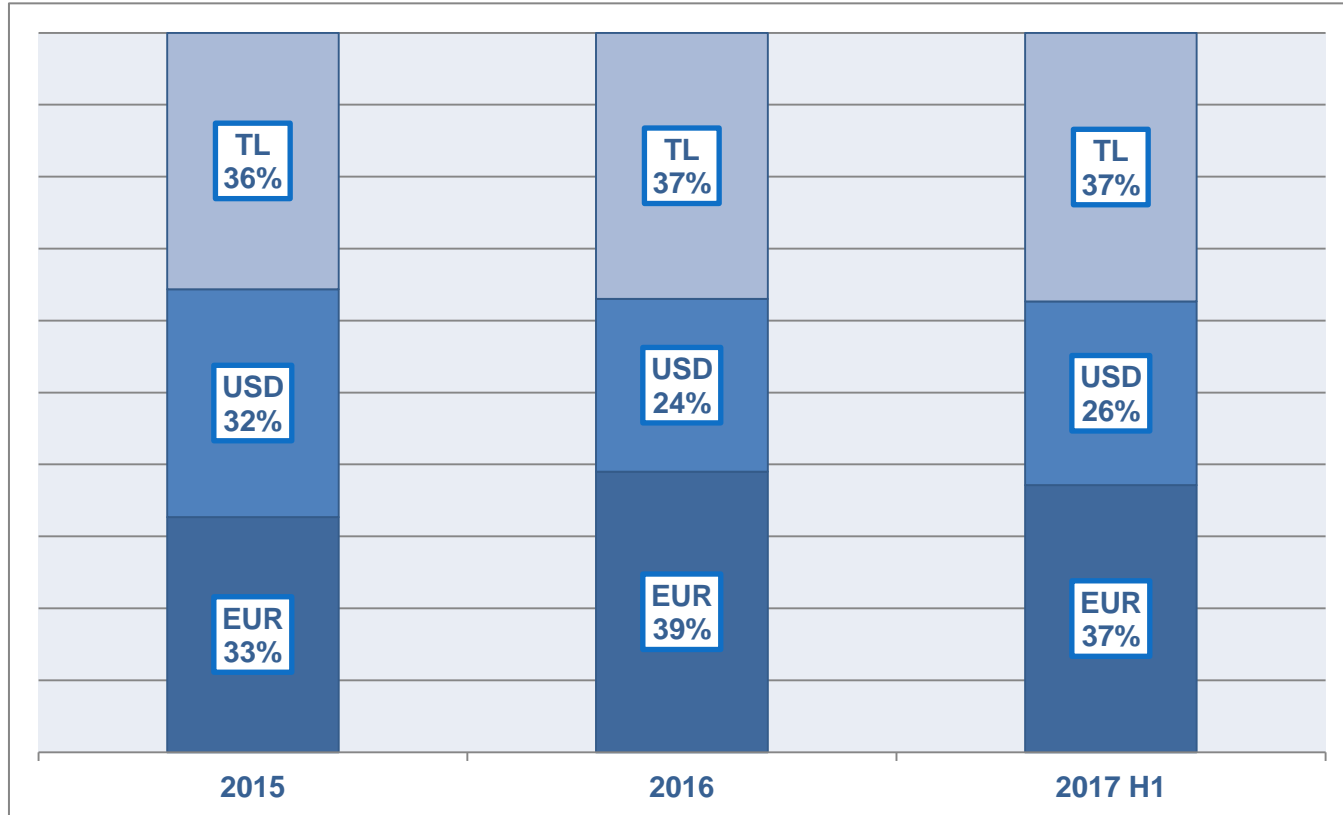


average, months

*Portion funded by equity is included.

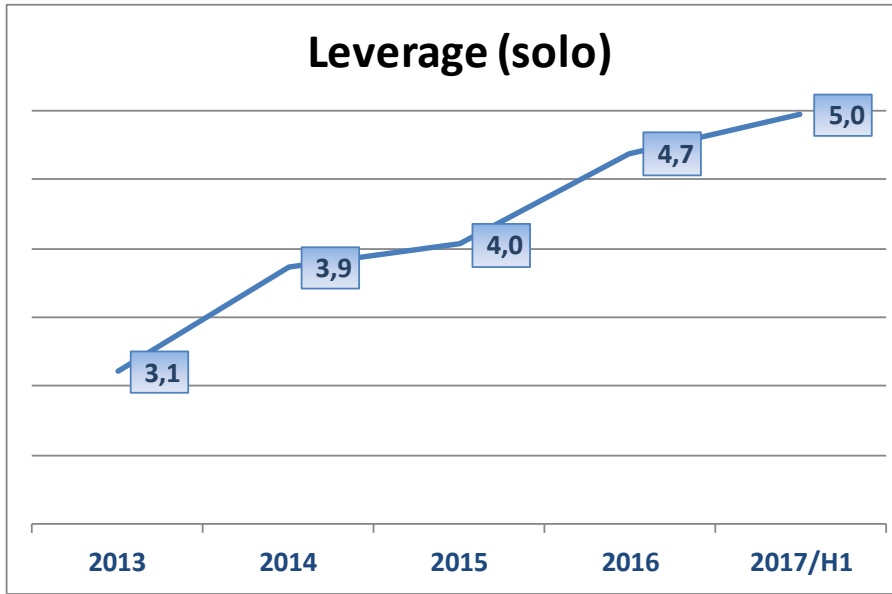


CURRENCY DISTRIBUTION

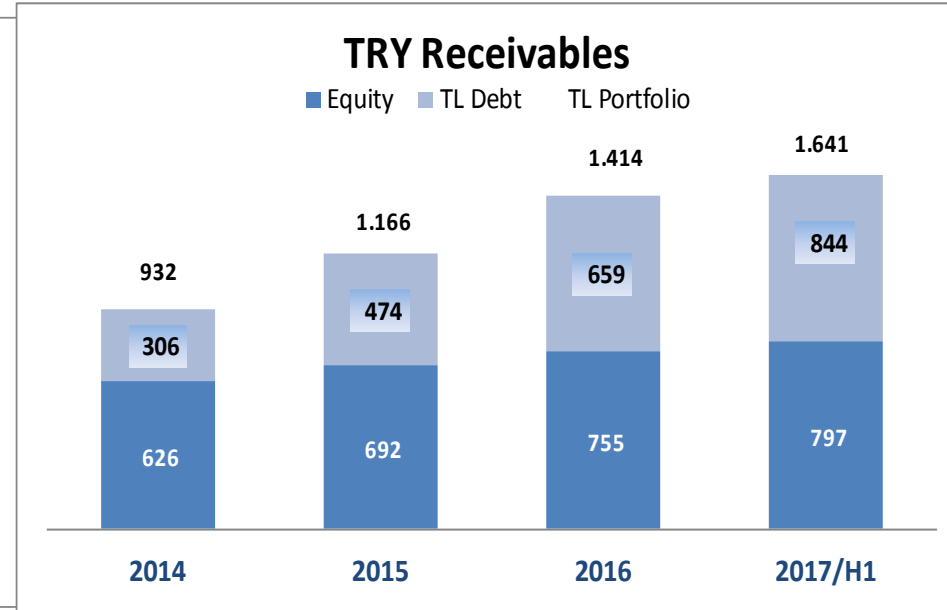




LEVERAGE



Increased leverage by gaining market share



TL receivables increased %50 in the last 2 years



FUNDING POLICY

- First corporate bond issuer in leasing sector, outstanding nominal balance 1.4 billion TL, maturities range between 3 months to 18 months.
- IFI and ECA Funding
 - IFC renewable energy and energy efficiency facility, World Bank EFIL- SME loans, CEB SME loans, BSTDB SME loan, ECO-Trade Bank,
- Islamic Debt Markets
 - Closed two Murabaha facilities
- Strategy aiming diversification of creditors and debt products, maturity mismatch within manageable limits
- Syndicated loans and eurobond issuance are being considered, cost of funding is key to our evaluation

iŞ LEASING



Financial Performance





FINANCIAL HIGHLIGHTS

<i>TL Million, consolidated</i>	2015	2016	2016 Q2	2017 Q2	Δ
Leasing Receivables, Net	3.287	4.001	3.393	4.317	27,2%
Factoring Receivables, Net	1.951	2.984	2.064	3.834	85,8%
Non Performing Receivables	183	231	192	248	29,2%
Provisions	140	150	150	158	5,3%
Total Assets	5.581	7.480	5.896	8.608	46,0%
Financial Liabilities	4.661	6.394	5.011	7.492	49,5%
Equity	738	830	771	898	16,5%
Net Interest Income	121	146	75	46	-38,7%
Provisions Expenses	-48	-23	-12	-10	-16,7%
Consolidated net Profit	82	104	53	58	9,4%
RATIOS					
NPL / Receivables	3,40%	3,23%	3,43%	2,98%	
Provision Ratio	76,30%	65,10%	77,95%	63,73%	
Cost / Income	37%	38%	38%	60%	
ROE	11,70%	13,20%	14,01%	13,37%	
ROA	1,60%	1,60%	1,84%	1,44%	



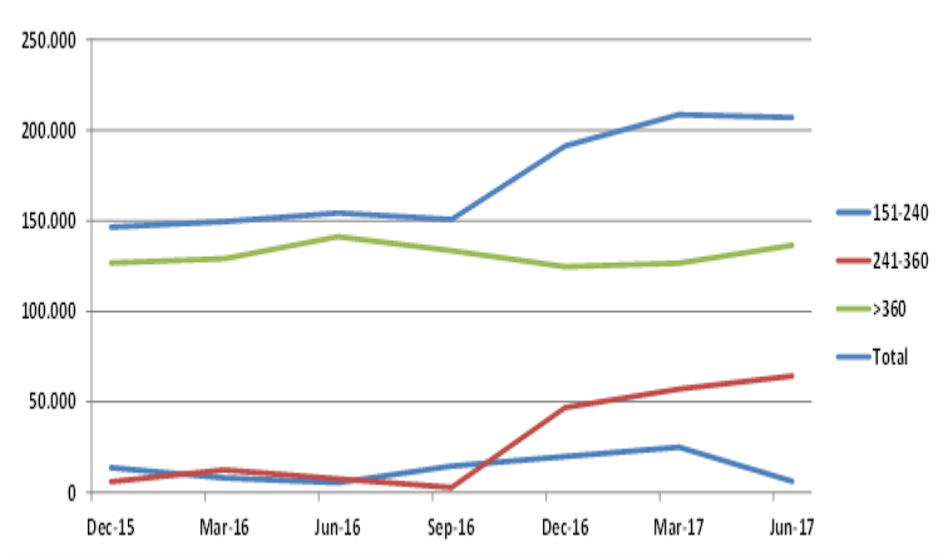
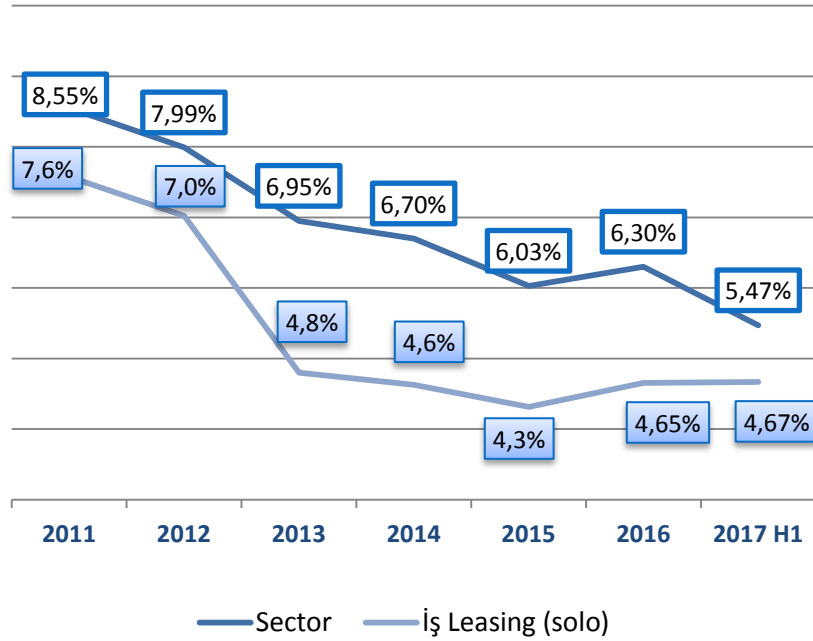
SOLO KEY FIGURES

(Million TL)	2015	2016	2016/Q2	2017/Q2	Δ	2015	2016	2016/Q2	2017/Q2	Δ
Financial Highlights	İş					Sector				
Leasing Receivables	3.249	3.921	3.354	4.229	26%	36.728	44.022	38.214	47.431	24%
Total Assets	3.656	4.508	3.865	4.784	24%	40.655	48.500	42.410	52.438	24%
Equity	692	755	714	798	12%	6.930	7.800	7.391	8.366	13%
Net Profit	81	82	43	40	-5%	809	922	529	611	15%
NPL Ratio	4,3%	4,7%	4,4%	4,7%		6,0%	6,3%	6,5%	5,4%	
Debt/Equity	4,0	4,7	4,3	4,7		4,5	4,8	4,3	4,8	
ROE *	10,3%	11,7%	12,4%	11,2%		13,1%	13,0%	13,3%	12,9%	
ROA	2,4%	2,1%	2,2%	1,7%		2,1%	2,1%	2,2%	2,4%	

*: Bonus shares from İş Factoring (19 million TL) in 2015 have been off-set



NPL



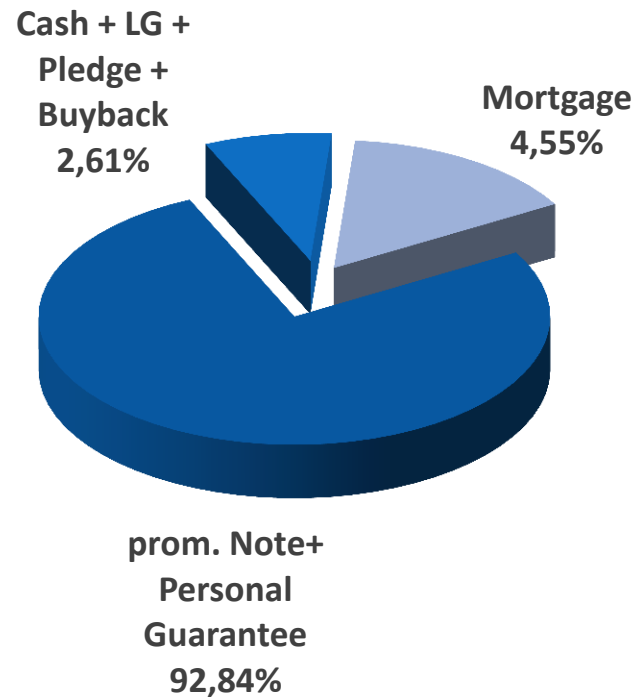
Consolidated	31.12.2015	31.12.2016	30.06.2017
Gross NPL /Total Receivables	3,40%	3,23%	2,98%
Net NPL / Net Receivables	0,83%	1,15%	1,09%

2017 Opening	(150.231)
Reversals	2.049
New provisions	(9.617)
Write-off (*)	-
Transfer	-
30.6.2017 Closing	(157.799)



COLLATERALS*

Leased assets are legally possessed by the lessor so they are the collateral of the leasing loan. Depending on the lessee's credit ratings and second hand value of the leased asset, additional collaterals might be demanded.



*Group leasing transactions excluded



RATING



Foreign Currency	
Long-Term IDR	BB+
Short-Term IDR	B
Outlook	Stable
Local Currency	
Long-Term IDR	BB+
Short-Term IDR	B
Outlook	Stable
National	
Long-Term Rating	AA + (tur)
Outlook	Stable
Support Rating	3

Corporate Governance Rating (Saha) : 9.17



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