

# Investor Presentation

## 31 Dec 2017



# Leasing Sector in Turkey





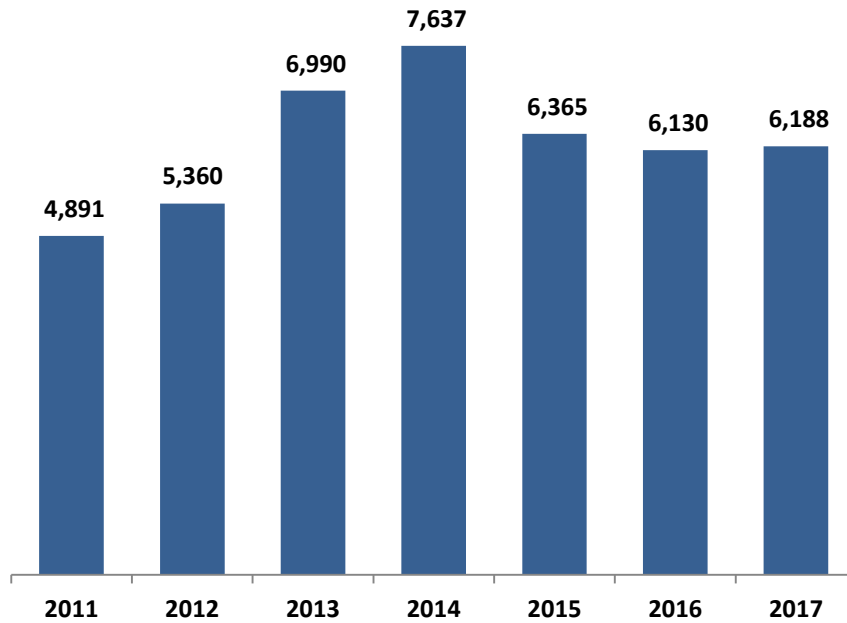
## LEASING

- ✓ 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

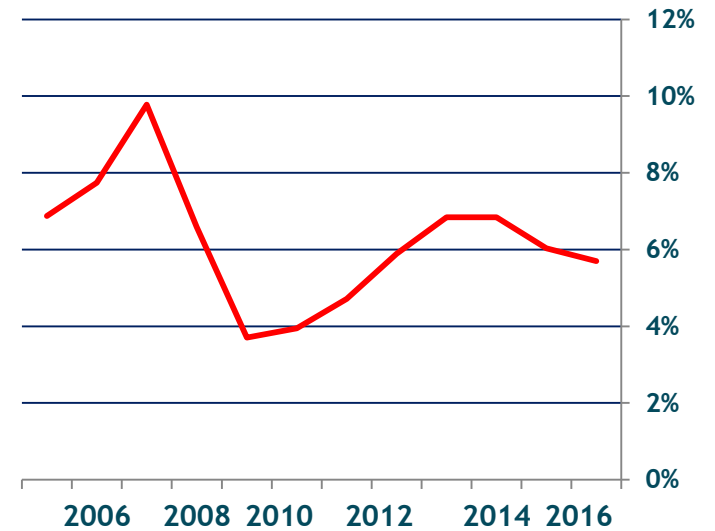


## SECTOR NEW LEASING VOLUME

New Leasing Volume  
(million USD)



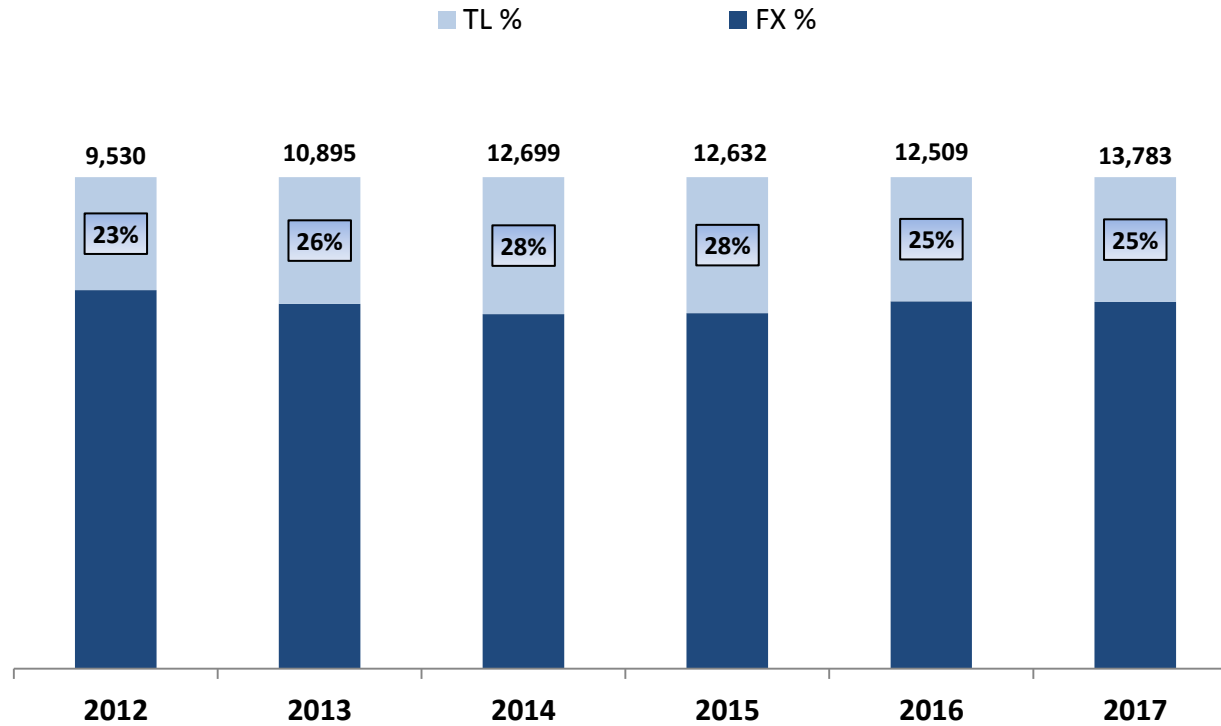
Leasing penetration is still at low levels compared to EU average of 15% and North America average of 18%.



Penetration: Leasing volume/ Private sector fixed investments

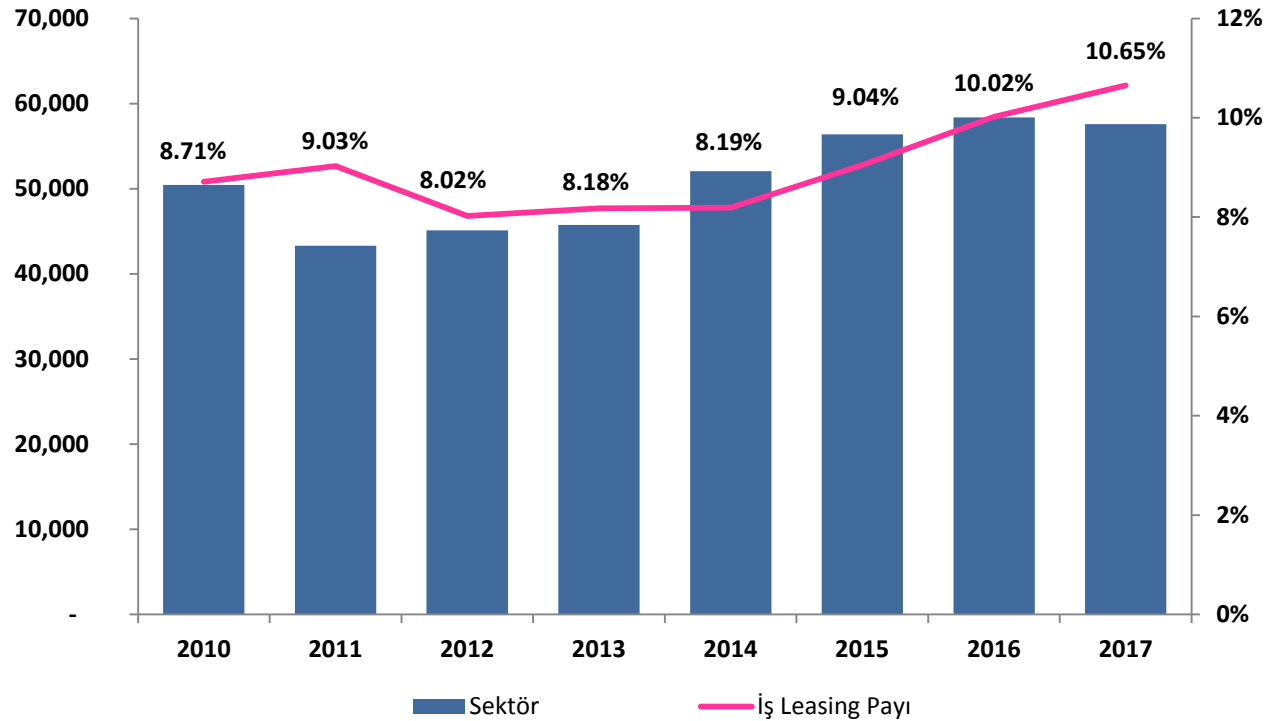


## LEASING RECEIVABLES





## CUSTOMER BASE



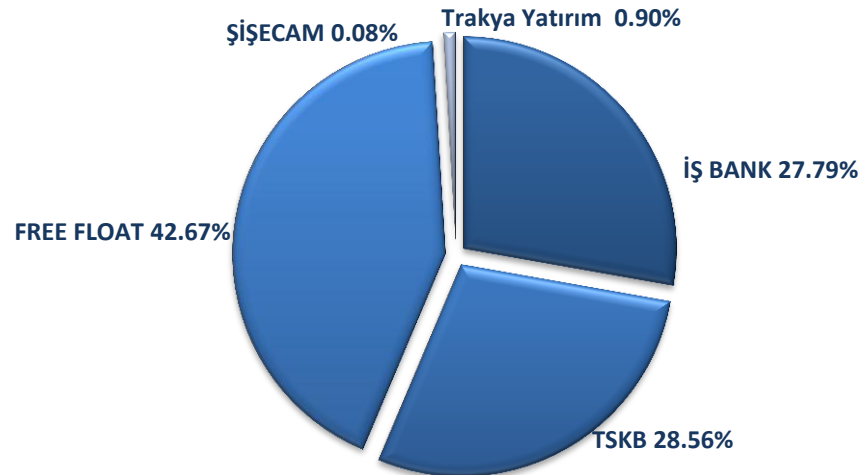
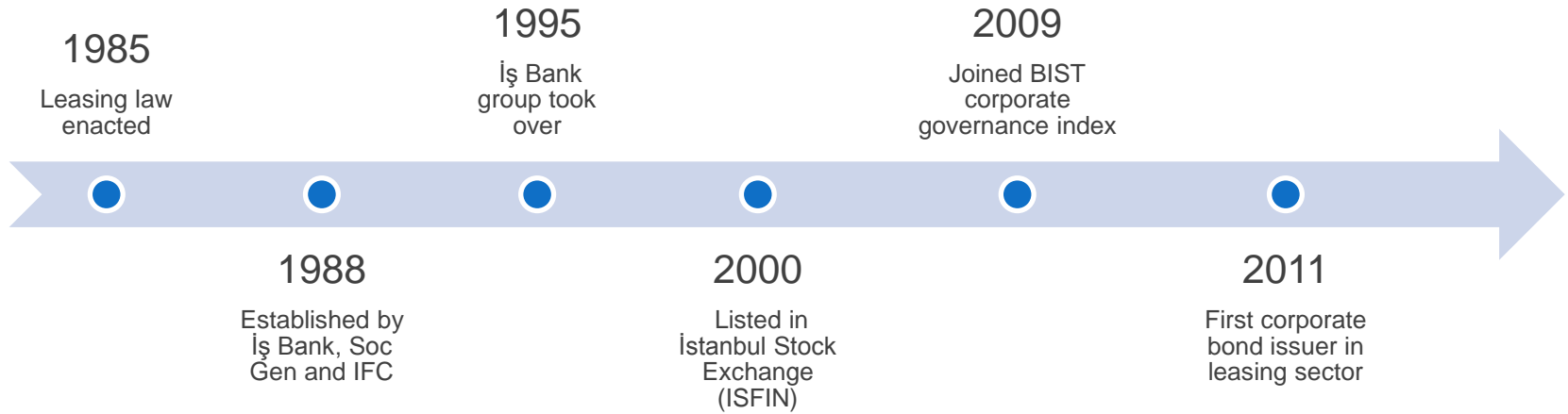
Fastest customer growth in the sector	2016 vs. 2015	
	Customers $\Delta$	Contracts $\Delta$
İŞ LEASING	15%	15%

# Company Overview





## MILESTONES & SHAREHOLDERS





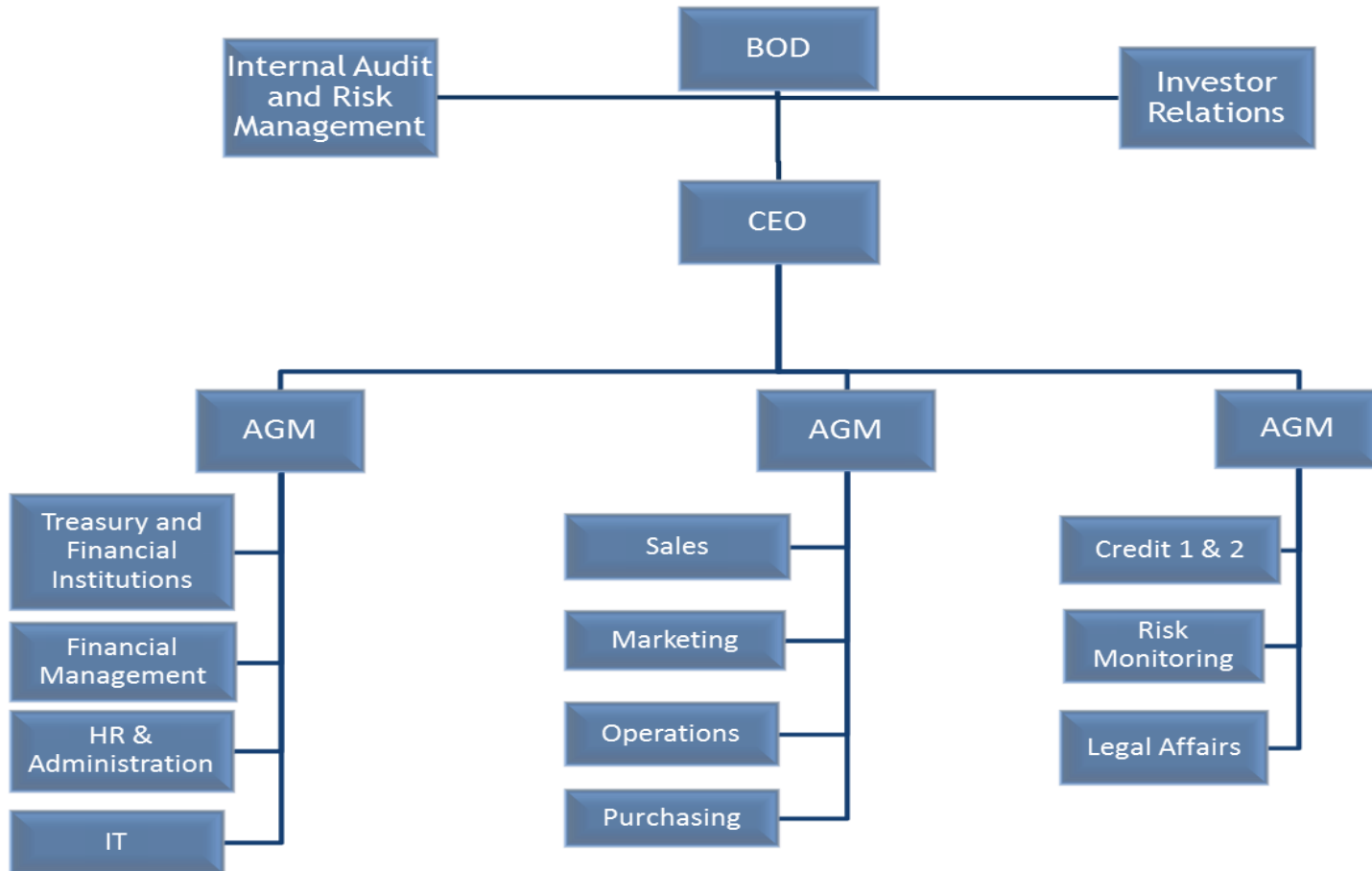


## PARTICIPATIONS

Subsidiaries and Participations	Ownership %
İş Faktoring A.Ş.	78,23
Efes Varlık Yönetimi A.Ş.	10,00
İş Yatırım Menkul Değerler A.Ş. (IS Invest)	4,86
İş Net	1,00
İş Girişim Sermayesi Yatırım Ort. A.Ş.	0,89
Yatırım Finansman A.Ş.	0,06

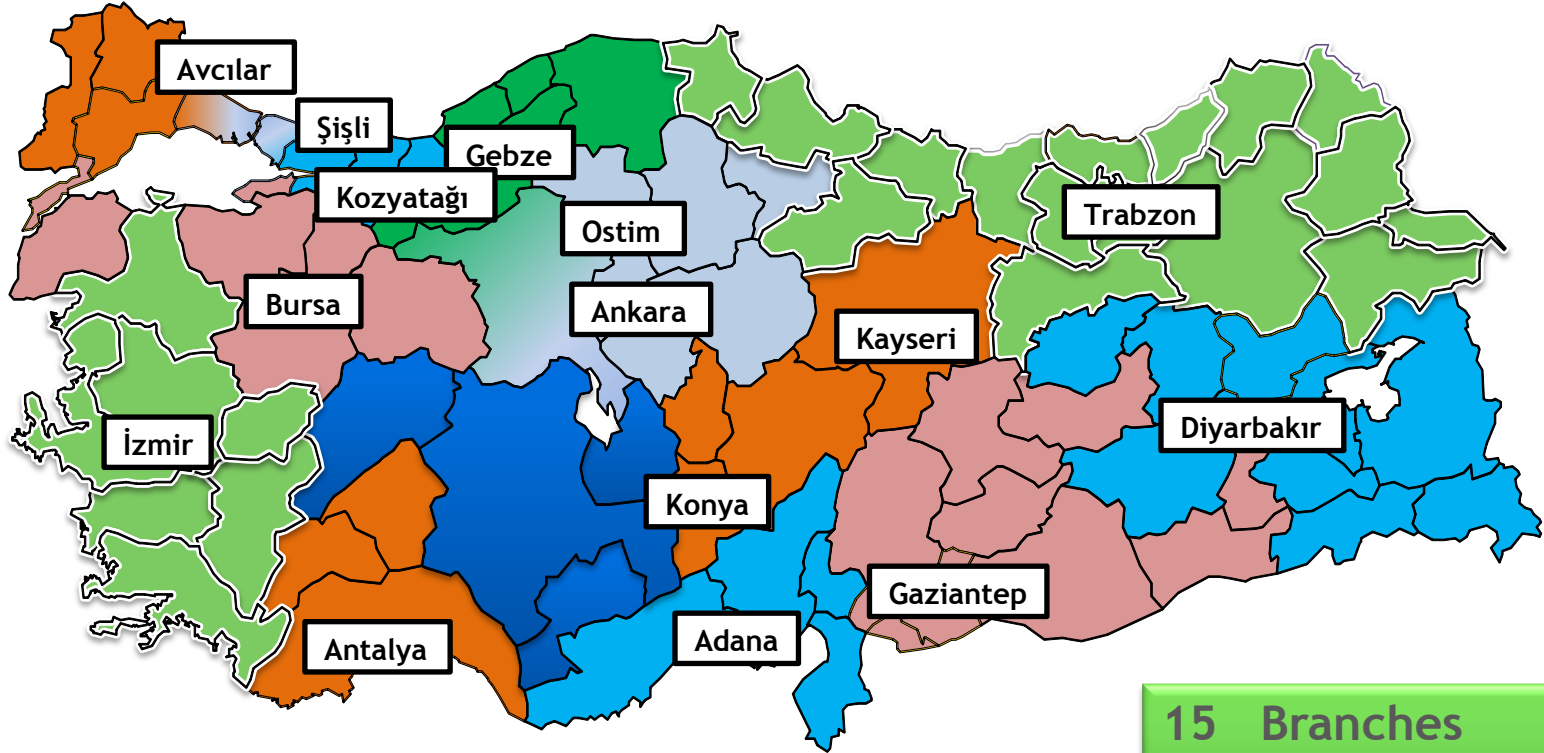


# ORGANIZATION CHART





## BRANCH NETWORK



15 Branches  
52 Sales staff  
150 Total staff

# Lease Portfolio

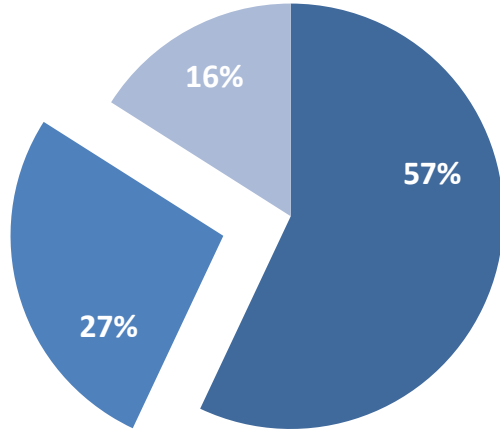




## SALES CHANNELS

### 2016

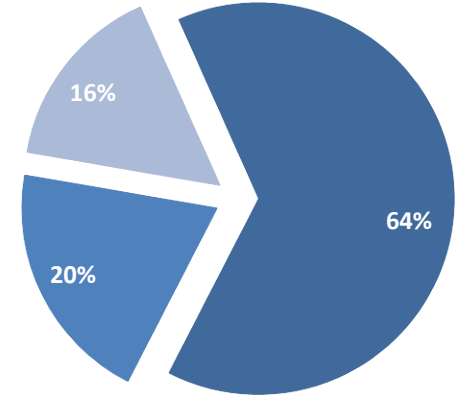
■ İŞ BANK ■ VENDORS ■ DIRECT MARKETING



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

### 2017

■ İŞ BANK ■ DIRECT MARKETING ■ VENDORS



### 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 takip etmeli ve işinizi teknoloji ile hızla büyütmek için mümkün olan her şeyi İş Leasing'de



### Finansal Kiralama Kanununun Getirdikleri

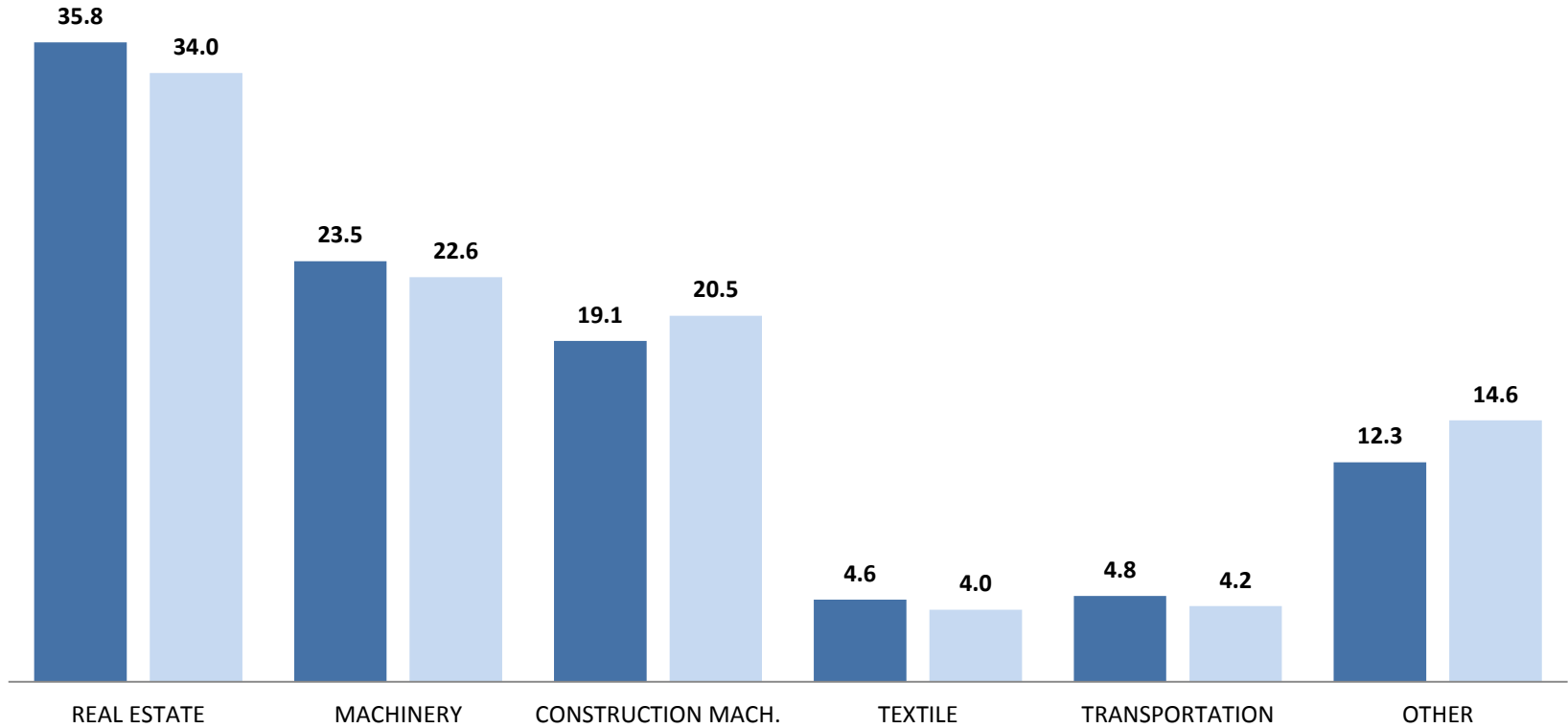
6361 sayılı Finansal Kiralama, Faktoring ve Finansman Şirketleri Kanunu 13.12.2012 tarih ve 28496 sayılı Resmî Gazetede yayımlanarak yürürlüğe girmiştir.





## ASSET DISTRIBUTION , %

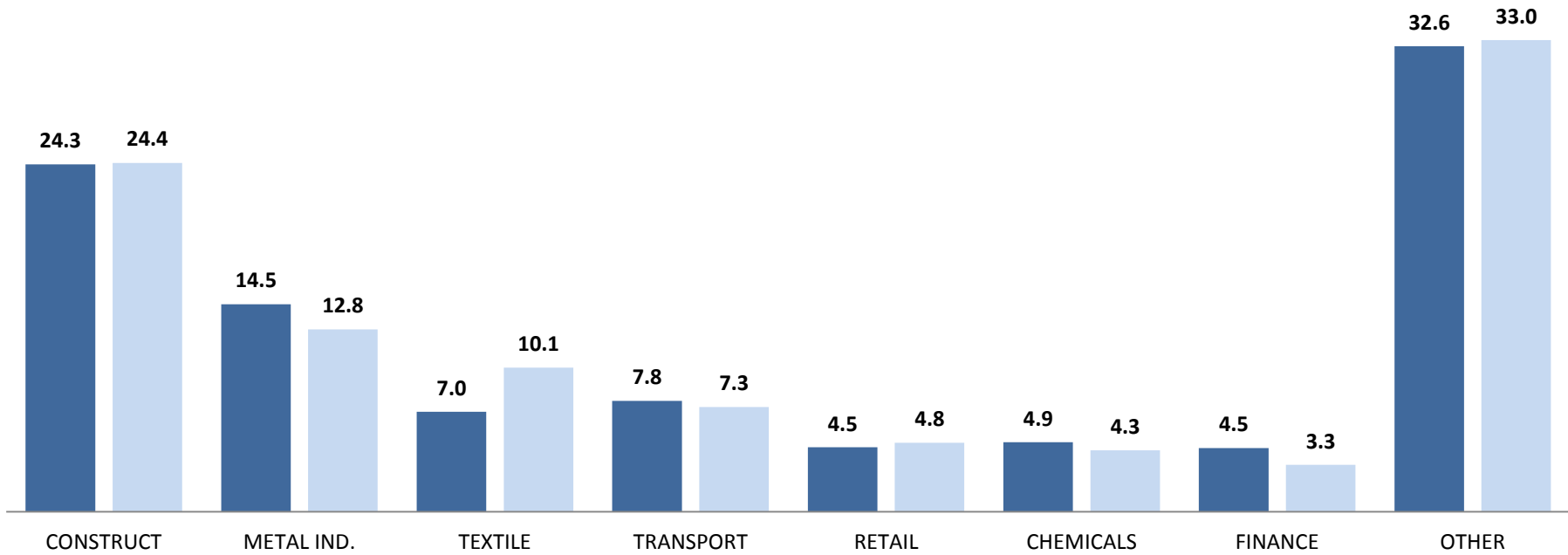
■ 2016 ■ 2017





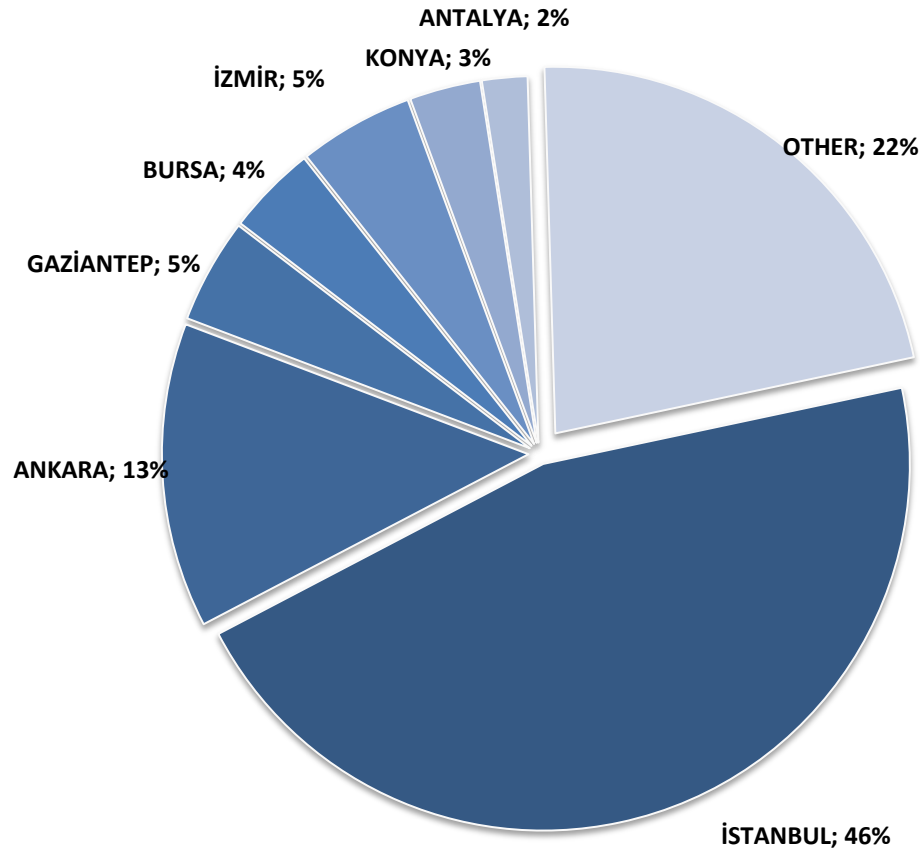
## SECTORAL DISTRIBUTION , %

■ 2016 ■ 2017





# GEOGRAPHICAL DISTRIBUTION

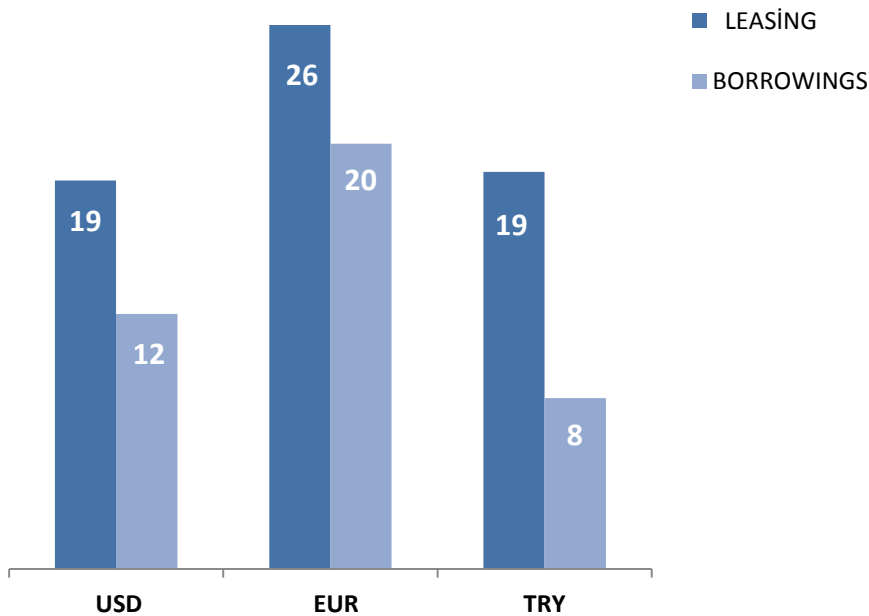




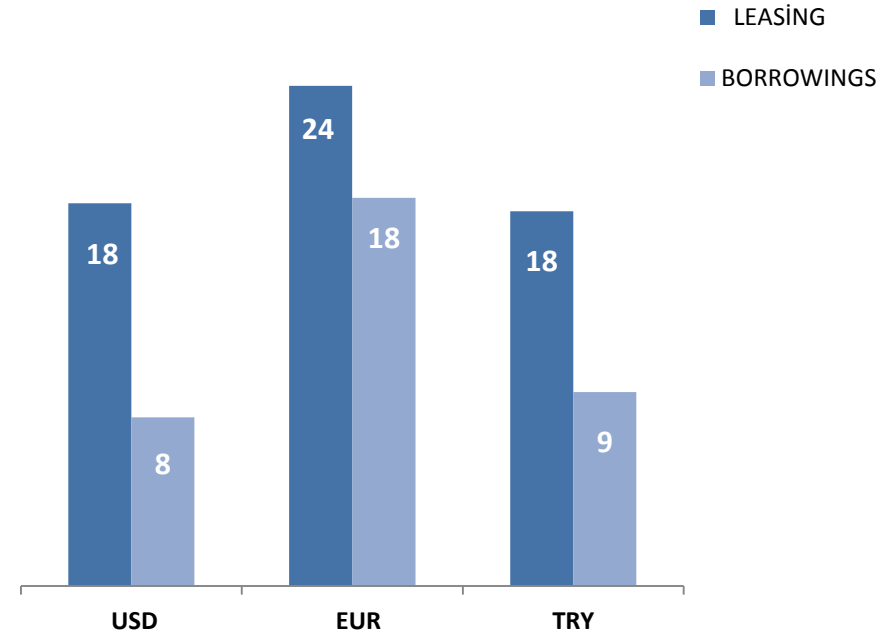


# MATURITY DISTRIBUTION

2016



2017

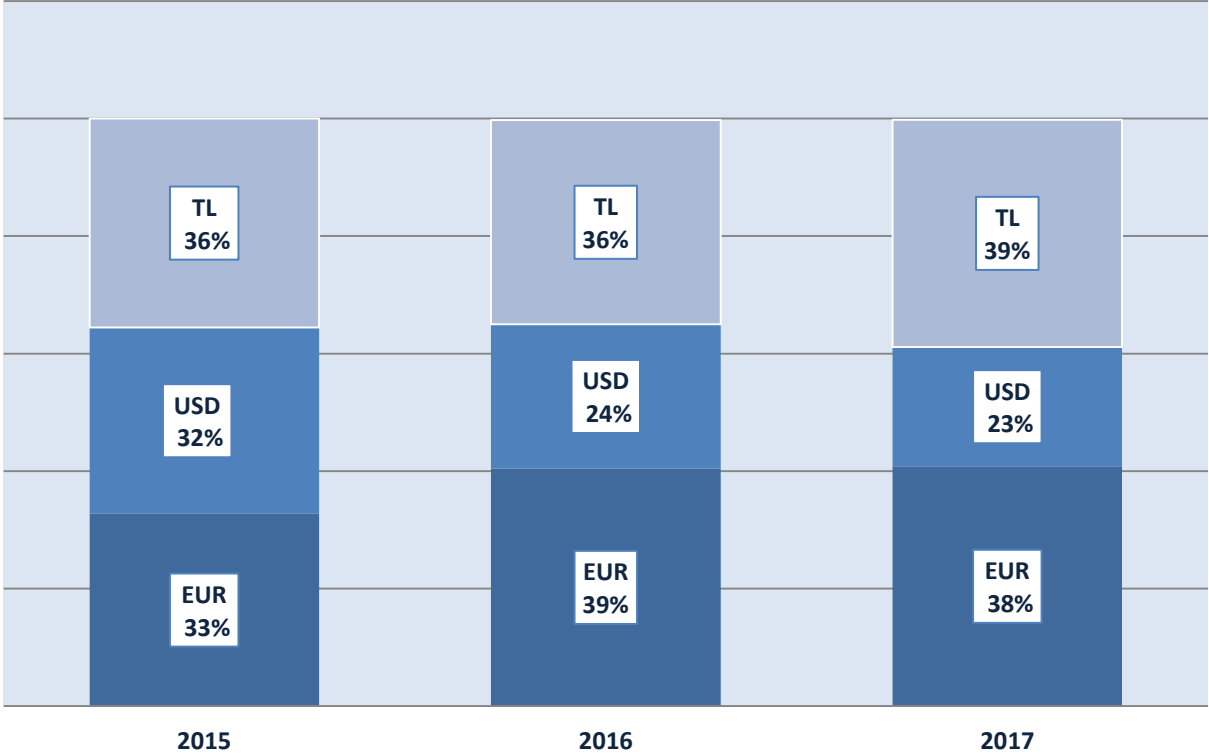


average, months

\*Portion funded by equity is included.



# CURRENCY DISTRIBUTION



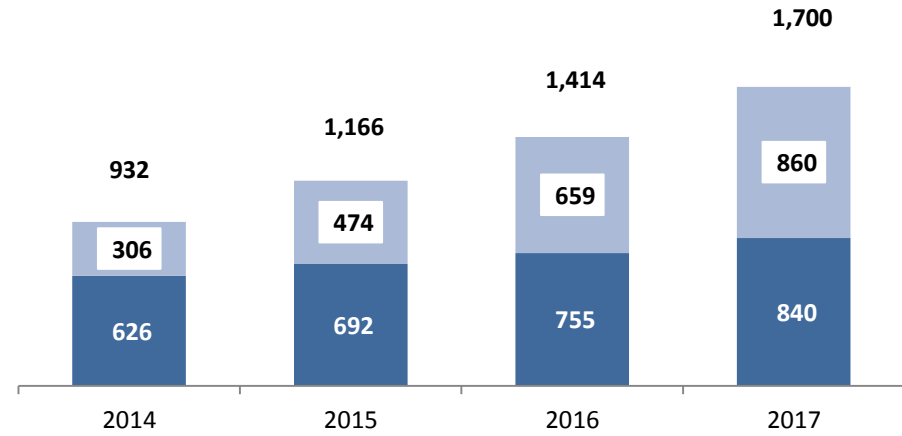
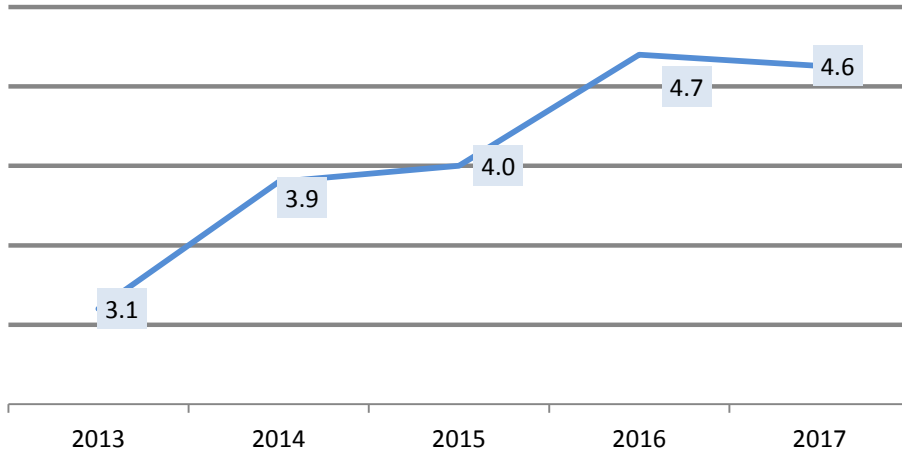


# LEVERAGE

## TRY Receivables

■ Equity ■ TL Debt ■ TL Portfolio

### Leverage(solo)



Increased leverage by gaining market share



## 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	2017	Δ
<b>Leasing Receivables, Net</b>	3.287	4.001	4.701	17,5%
<b>Factoring Receivables, Net</b>	1.951	2.986	4.207	40,9%
<b>Non Performing Receivables</b>	183	231	266	15,4%
<b>Provisions</b>	140	150	180	20,0%
<b>Total Assets</b>	5.581	7.480	9.283	24,1%
<b>Financial Liabilities</b>	4.661	6.394	8.038	25,7%
<b>Equity</b>	738	830	975	17,4%
<b>Net Interest Income</b>	121	146	82	-43,7%
<b>Provisions Expenses</b>	-48	-23	-33	46,3%
<b>Consolidated net Profit</b>	82	104	113	9,0%
<b>RATIOS</b>				
<b>NPL / Receivables</b>	3,4%	3,2%	2,9%	
<b>Provision Ratio</b>	76,3%	65,1%	67,7%	
<b>Cost / Income</b>	37,0%	37,7%	66,3%	
<b>ROE</b>	12,2%	13,2%	12,5%	
<b>ROA</b>	1,8%	2,1%	1,3%	



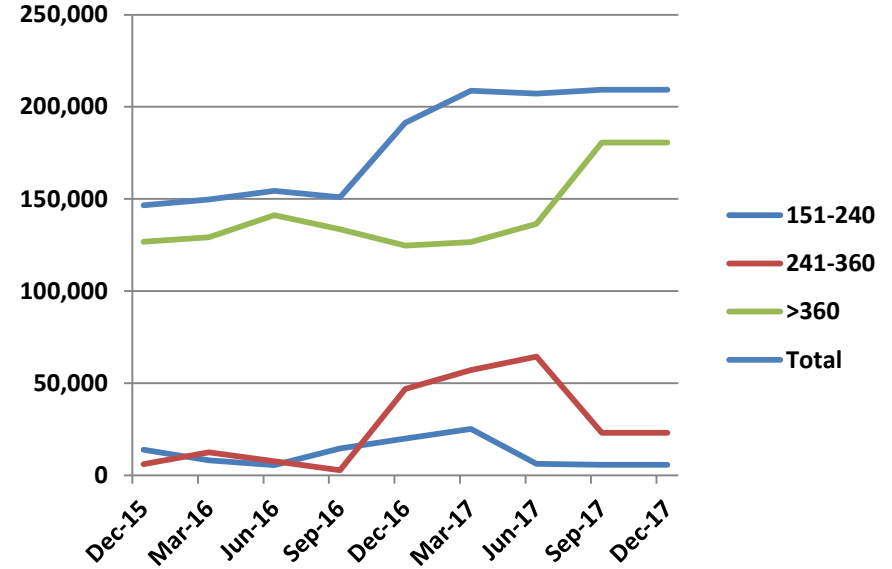
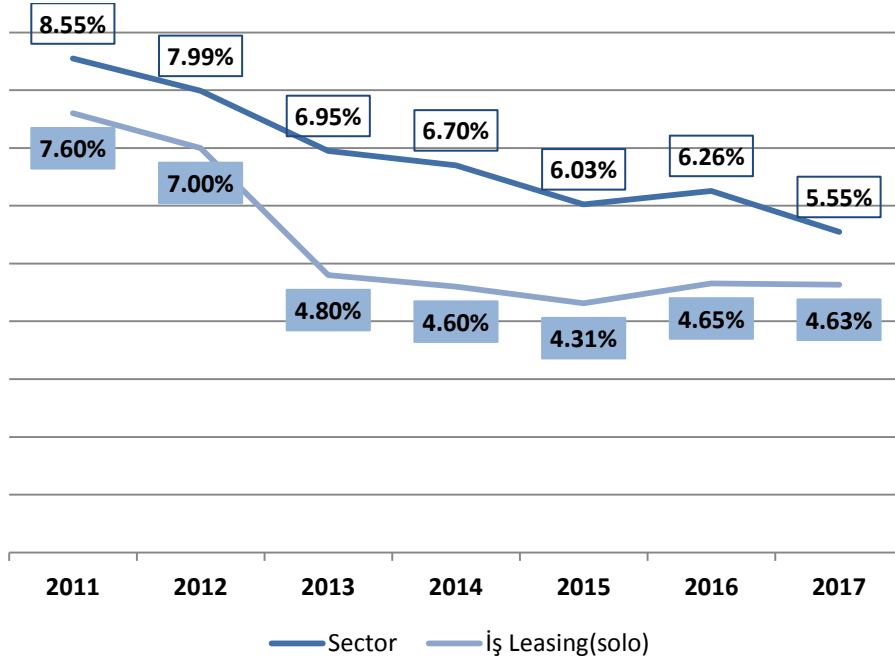
## SOLO KEY FIGURES

(Million TL)	2015	2016	2017	Δ	2015	2016	2017	Δ
Financial Highlights	iŞ				Sector			
Leasing Receivables	3.249	3.921	4.617	18%	36.728	44.022	51.990	30%
Total Assets	3.656	4.508	5.069	27%	40.655	48.500	58.053	31%
Equity	692	755	840	15%	6.930	7.800	8.567	12%
Net Profit	81	82	74	21%	809	922	940	23%
NPL Ratio	4,3%	4,7%	4,6%		6,0%	6,3%	5,5%	
Debt/Equity	4,0	4,7	5,0		4,5	4,8	5,8	
ROE *	10,3%	11,7%	10,0%		13,1%	13,0%	11,5%	
ROA	2,4%	2,0%	1,5%		2,1%	2,1%	1,8%	

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



## NPL



Consolidated	31.12.2015	31.12.2016	31.03.2017	30.06.2017	30.09.2017	31.12.2017
Gross NPL /Total Receivables	3,40%	3,23%	3,28%	2,98%	3,06%	2,93%
Net NPL / Net Receivables	0,83%	1,15%	1,28%	1,10%	1,06%	0,97%

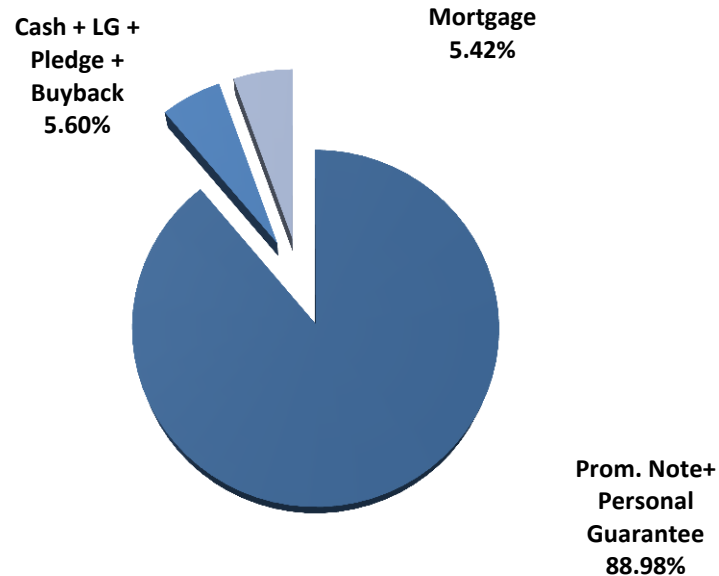
000 TL	LOSS RESERVE
2017 Opening	(150.231)
Reversals	3.108
New provisions	(33.133)
30.09.2017 Closing	(180.256)





## 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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