

# Investor Presentation

## 31 December 2016



# Leasing Sector in Turkey





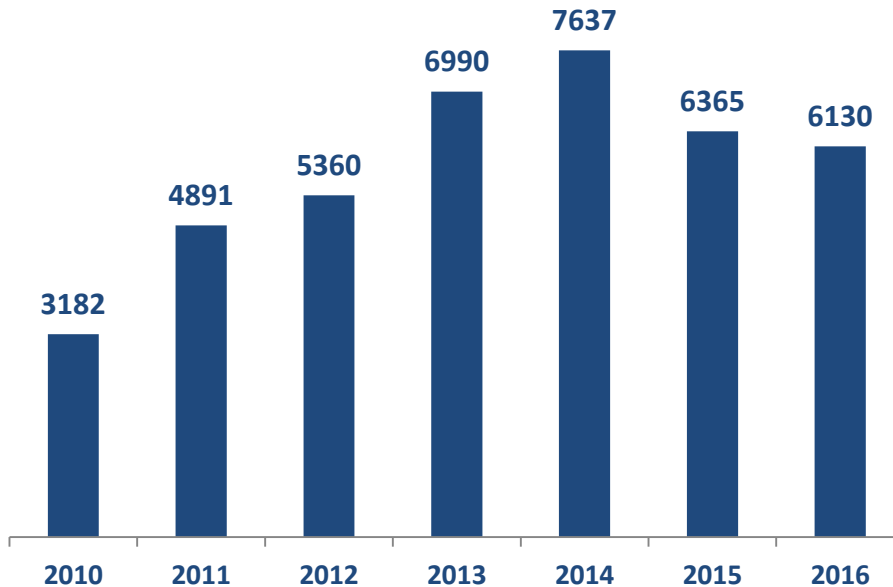
## LEASING

- ✓ 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

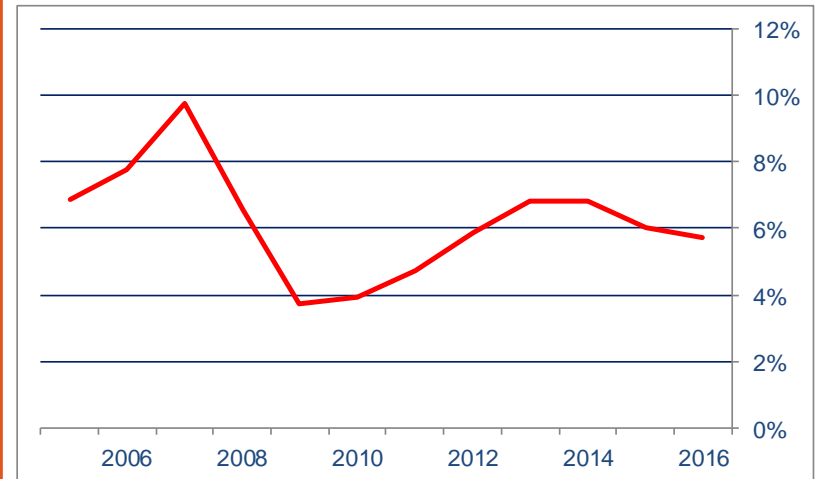


# SECTOR NEW LEASING VOLUME

New Leasing Volume  
(million USD)



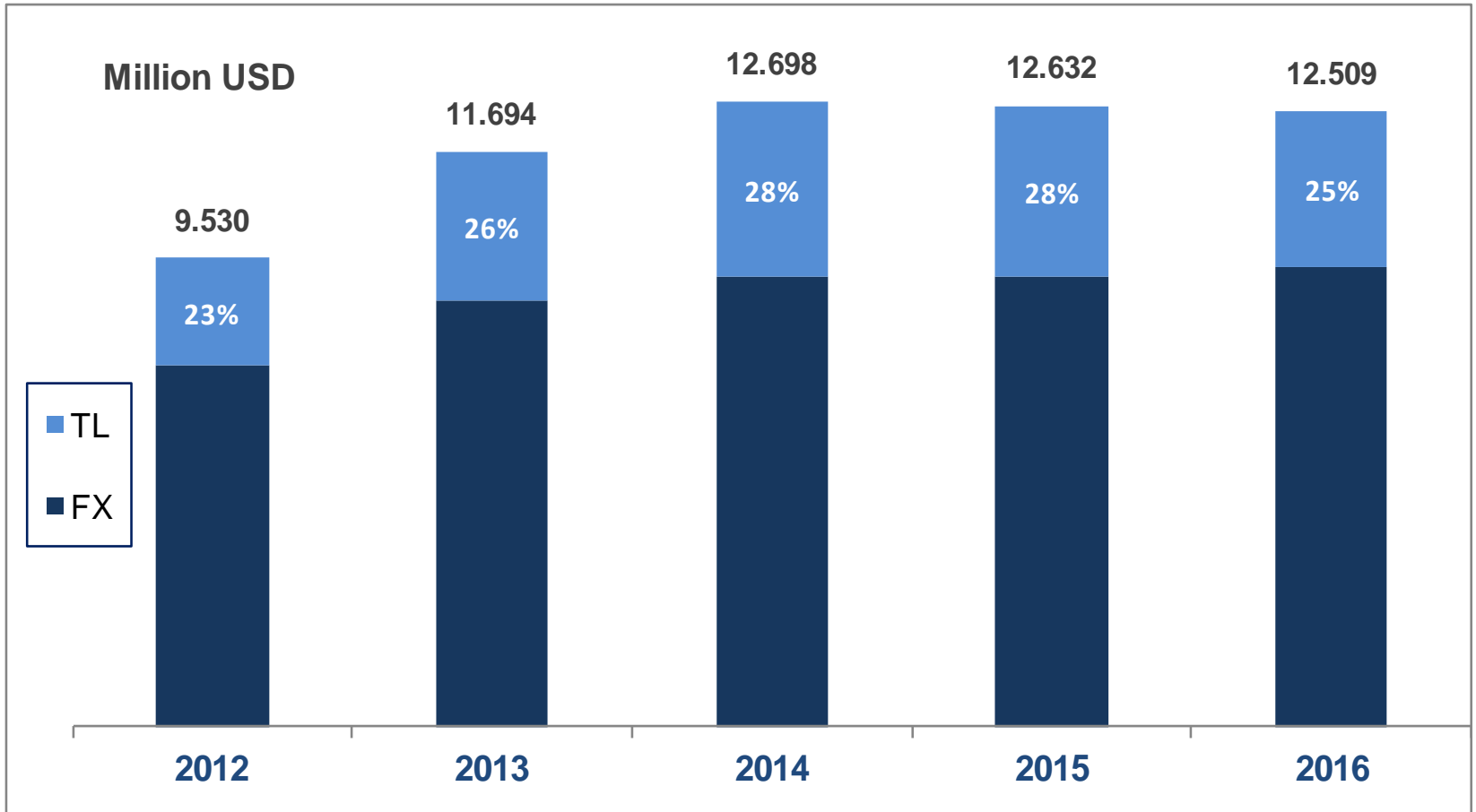
Leasing penetration is still at low levels compared to EU average of 15% and North America average of 18%.



Penetration: Leasing volume/ Private sector fixed investments

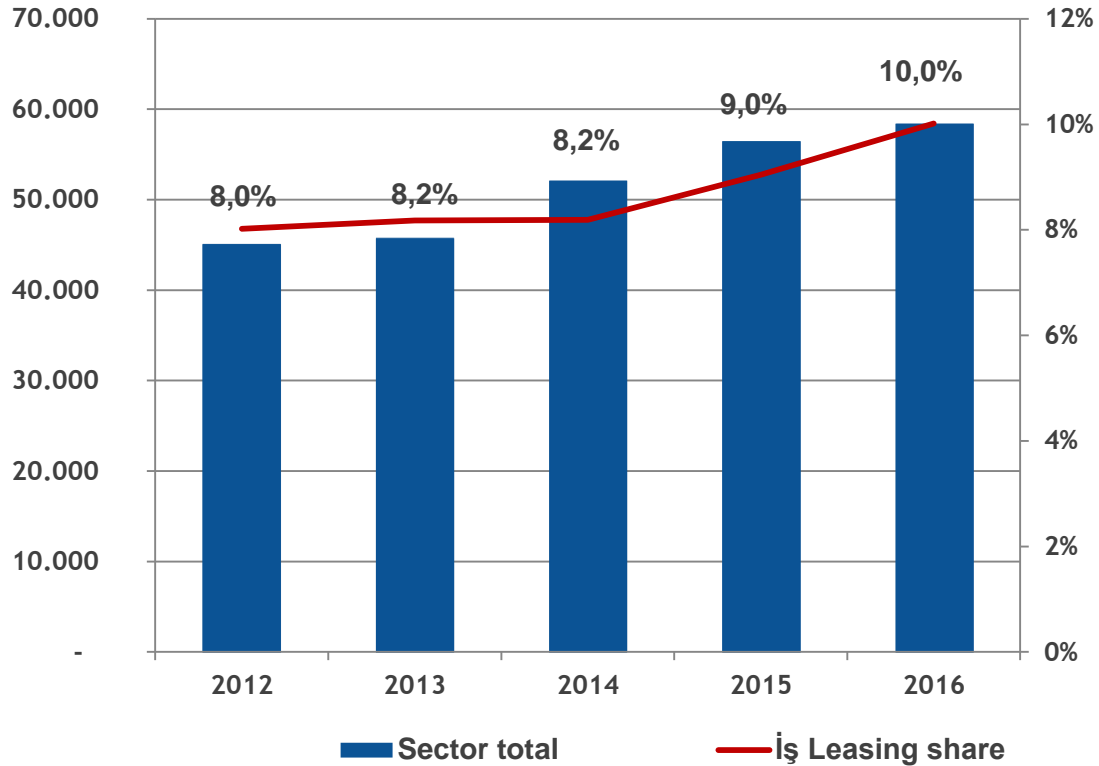


## LEASING RECEIVABLES





## CUSTOMER BASE



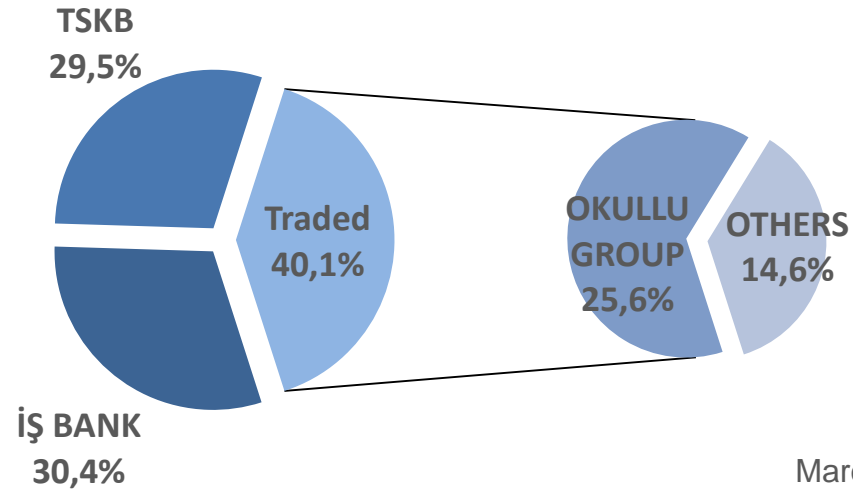
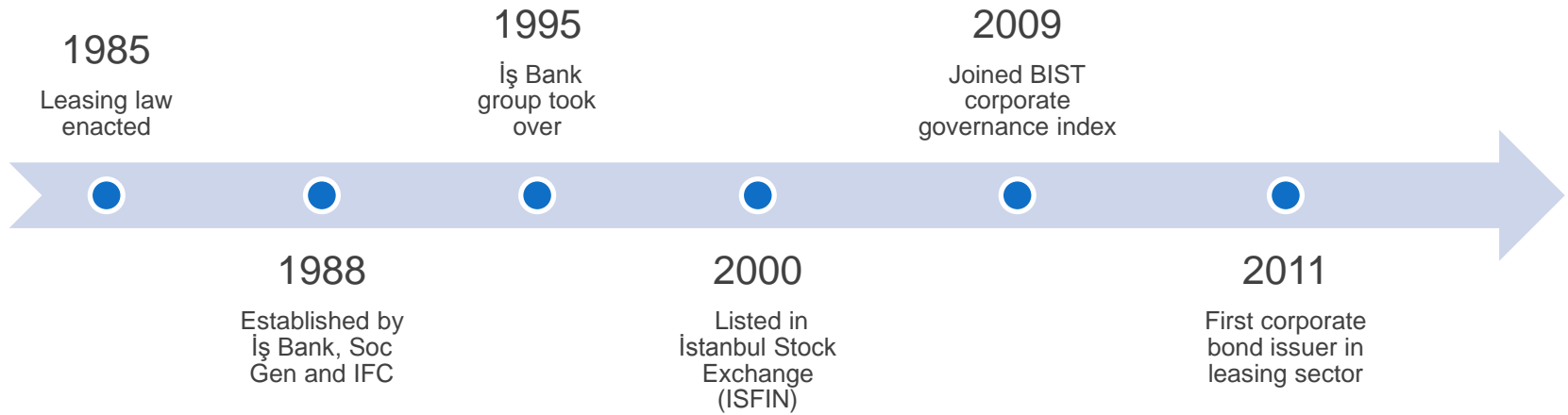
Fastest customer growth in the sector	2016 vs. 2015	
	Customers $\Delta$	Contracts $\Delta$
İŞ LEASING	15%	15%

# Company Overview





# MILESTONES & SHAREHOLDERS



March 2016



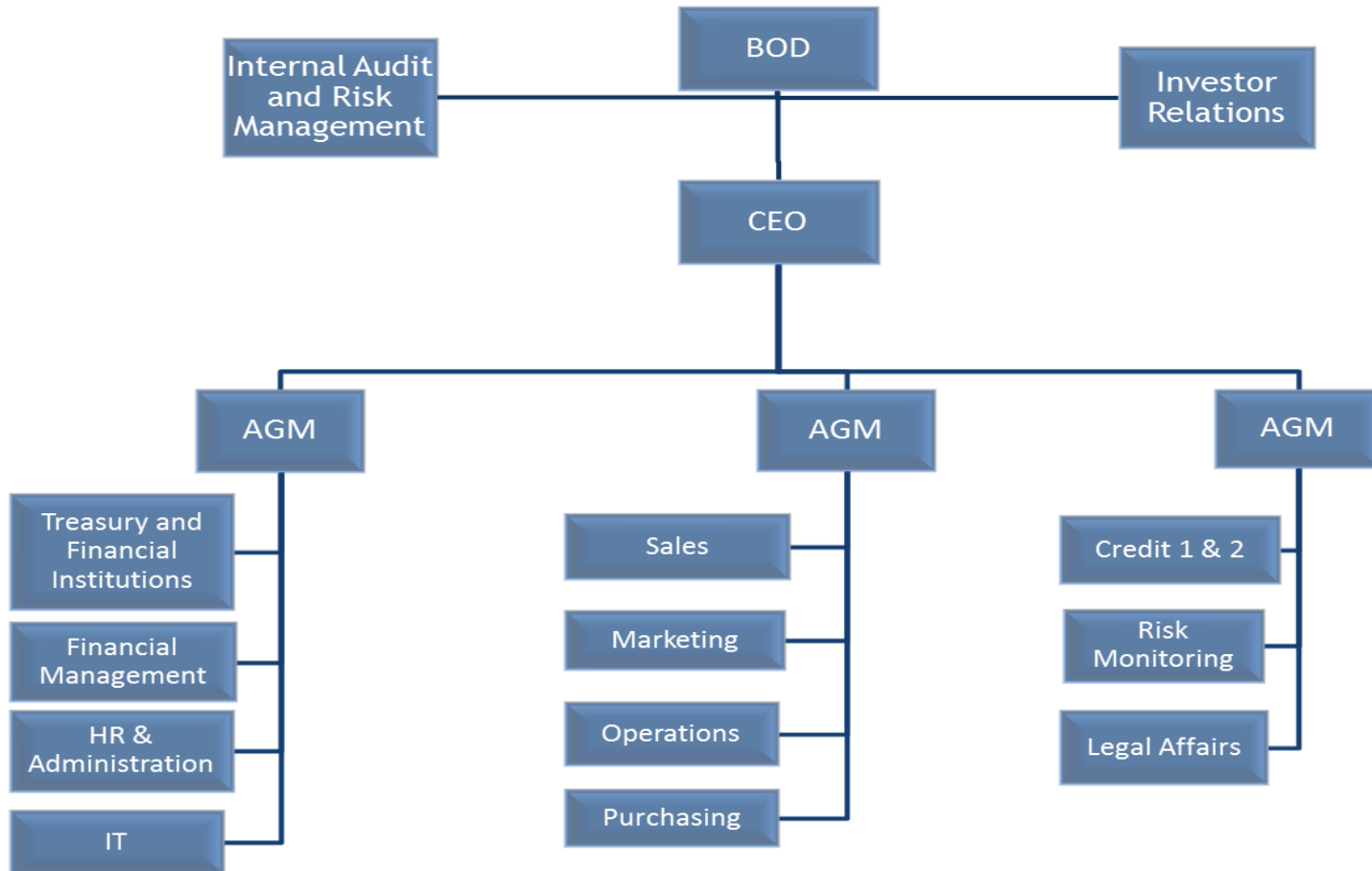


## PARTICIPATIONS

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

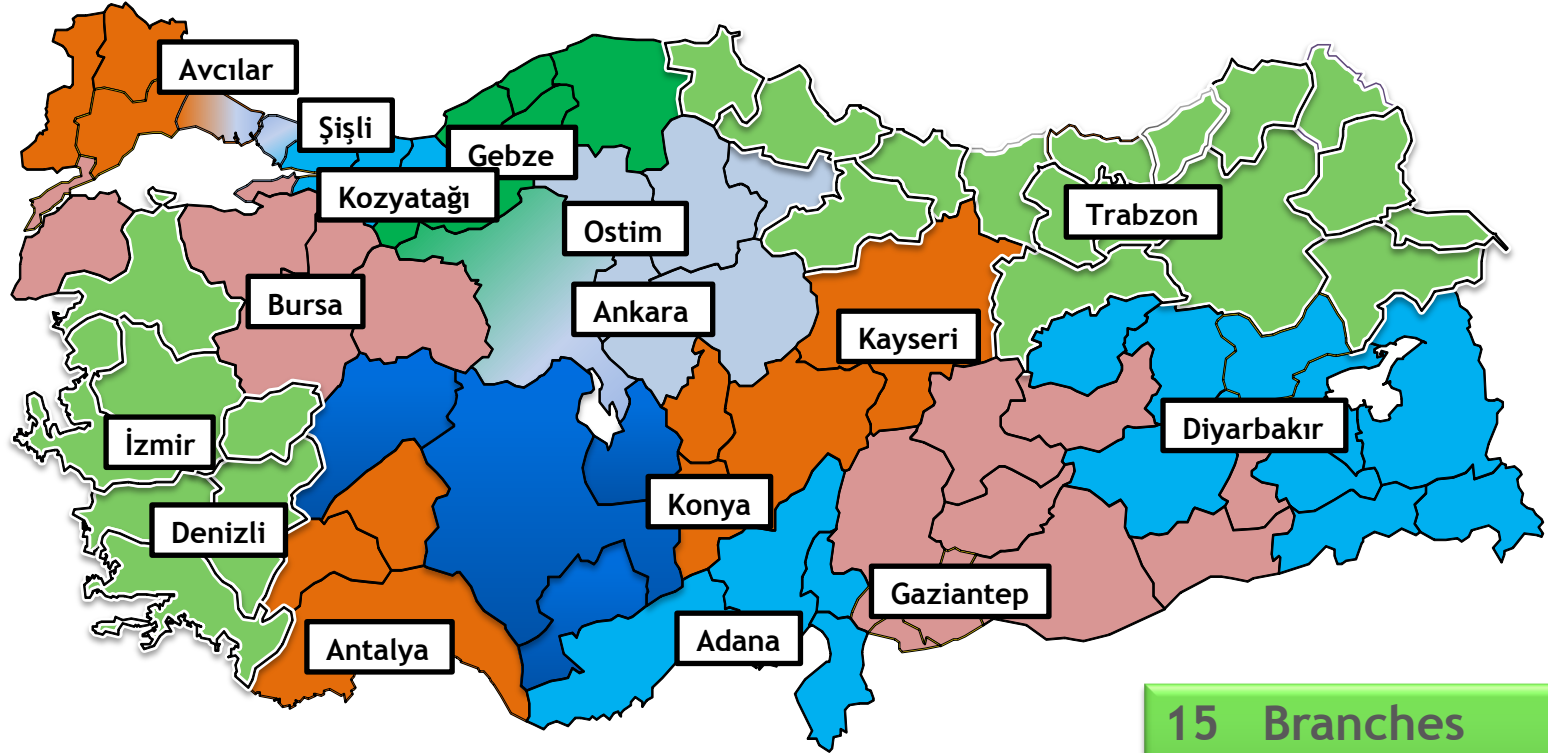


# ORGANIZATION CHART





## BRANCH NETWORK



15 Branches  
52 Sales staff  
150 Total staff

# Lease Portfolio

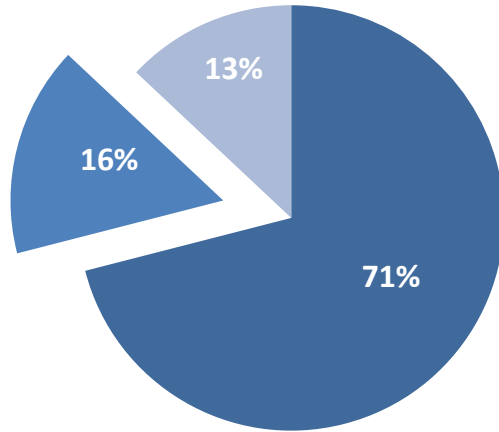




## SALES CHANNELS

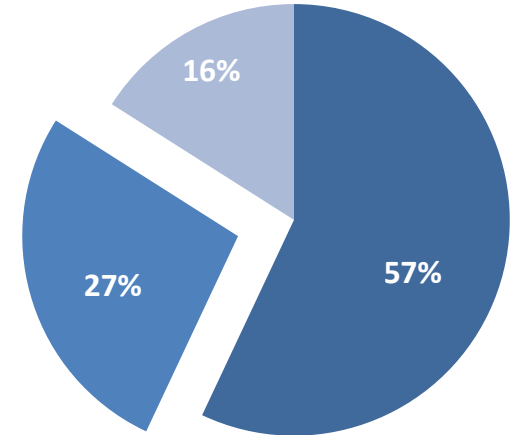
### 2015

■ İŞ BANK ■ VENDORS ■ DIRECT MARKETING



### 2016

■ 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 sahıplamak ve işinizi teknoloji ile hızlandırmak için bizimle iletişime geçin. İşletmeniz için her şey İş Leasing'dir.



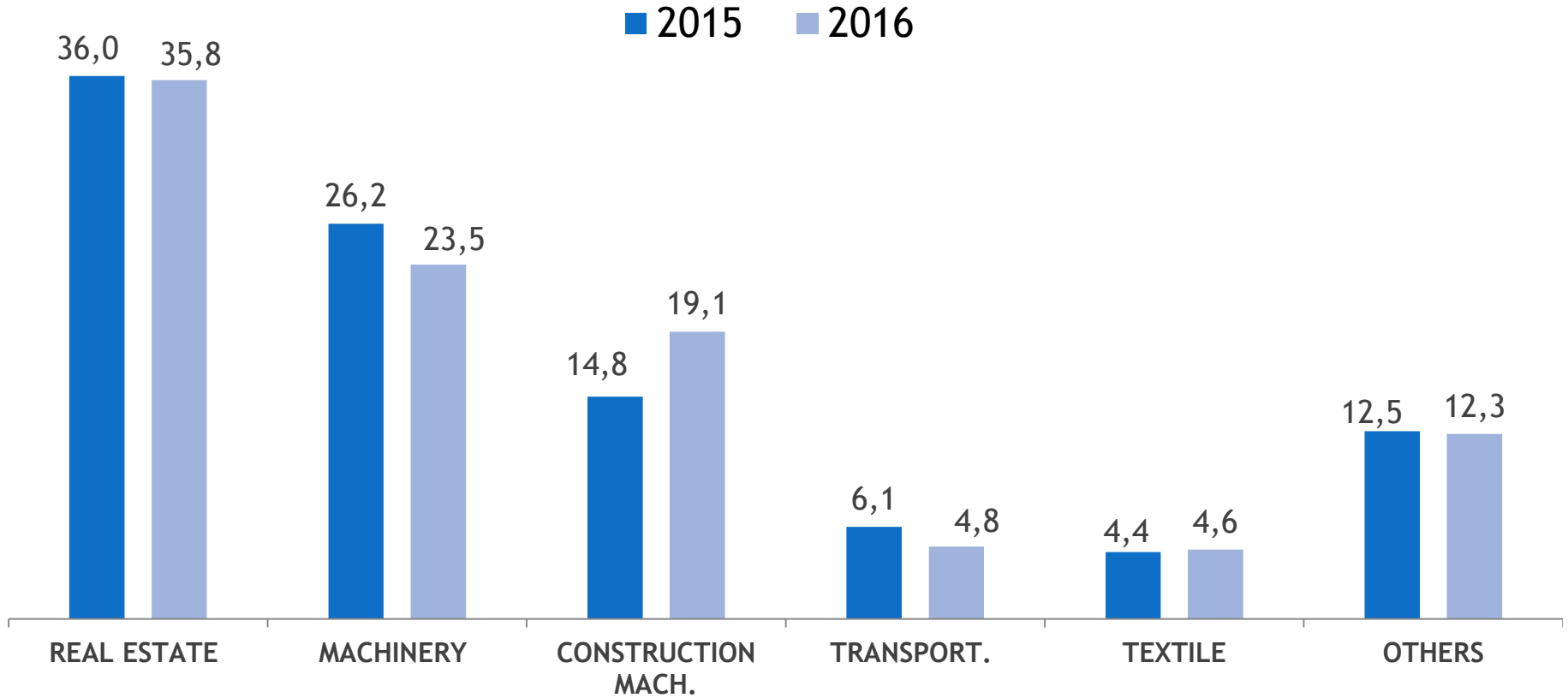
### Finansal Kiralama Kanununun Getirdikleri

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



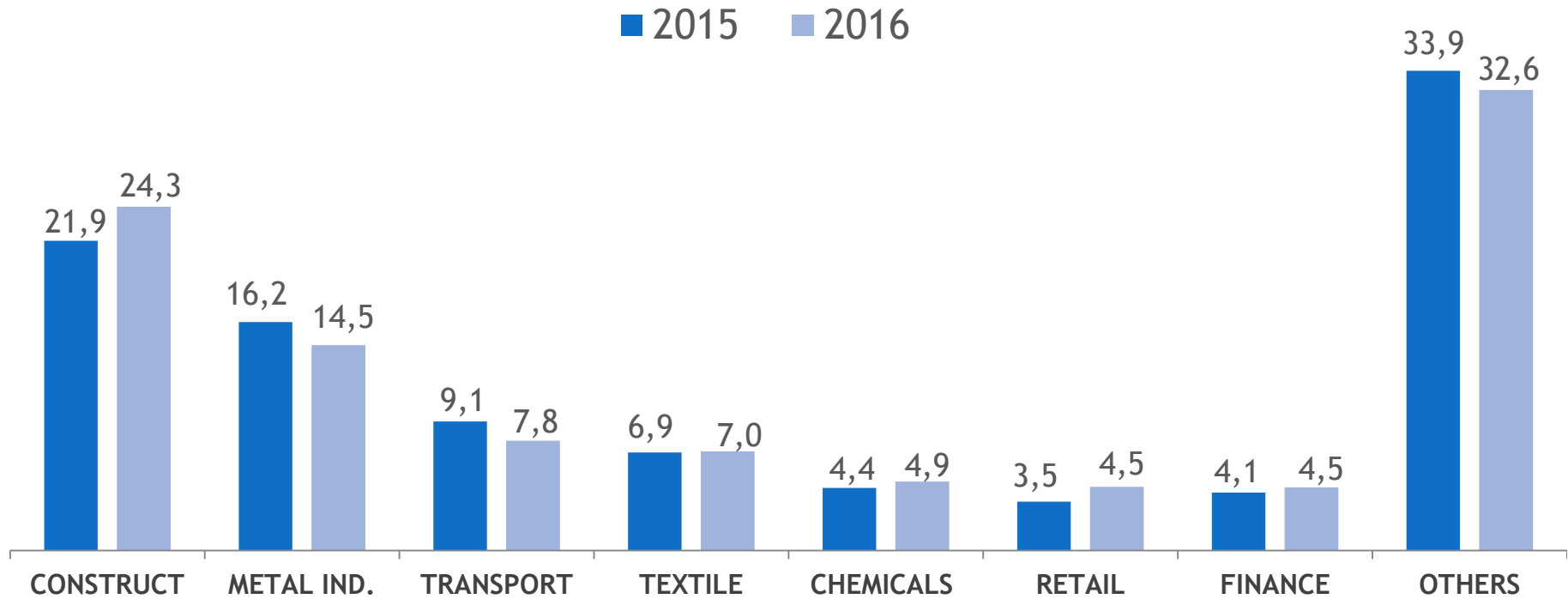


## ASSET DISTRIBUTION , %



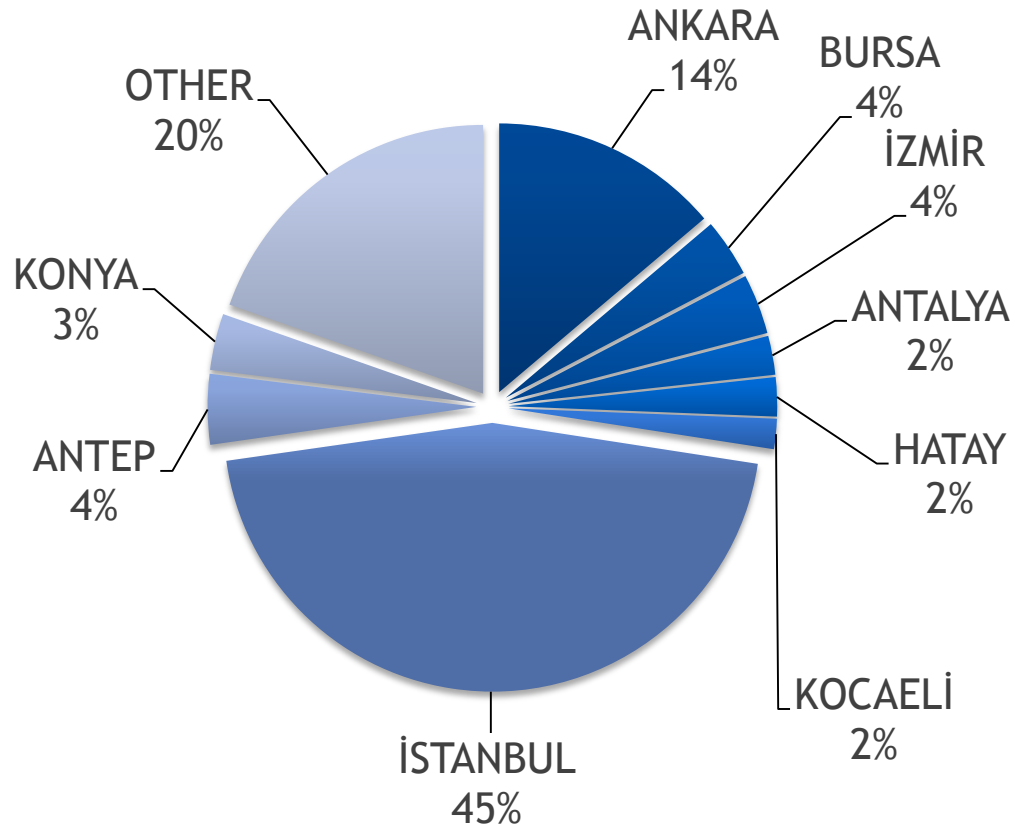


## SECTORAL DISTRIBUTION , %





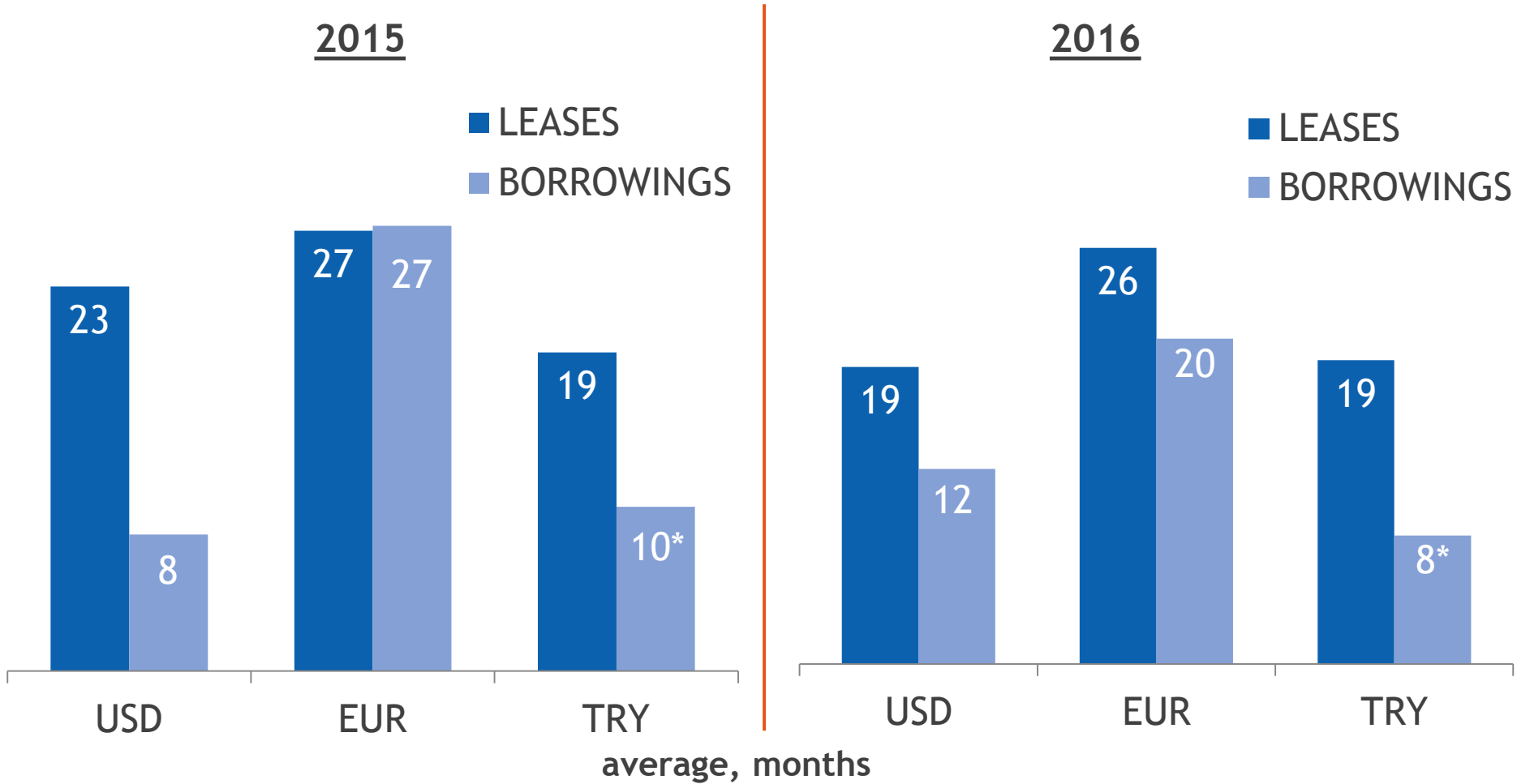
## GEOGRAPHICAL DISTRIBUTION







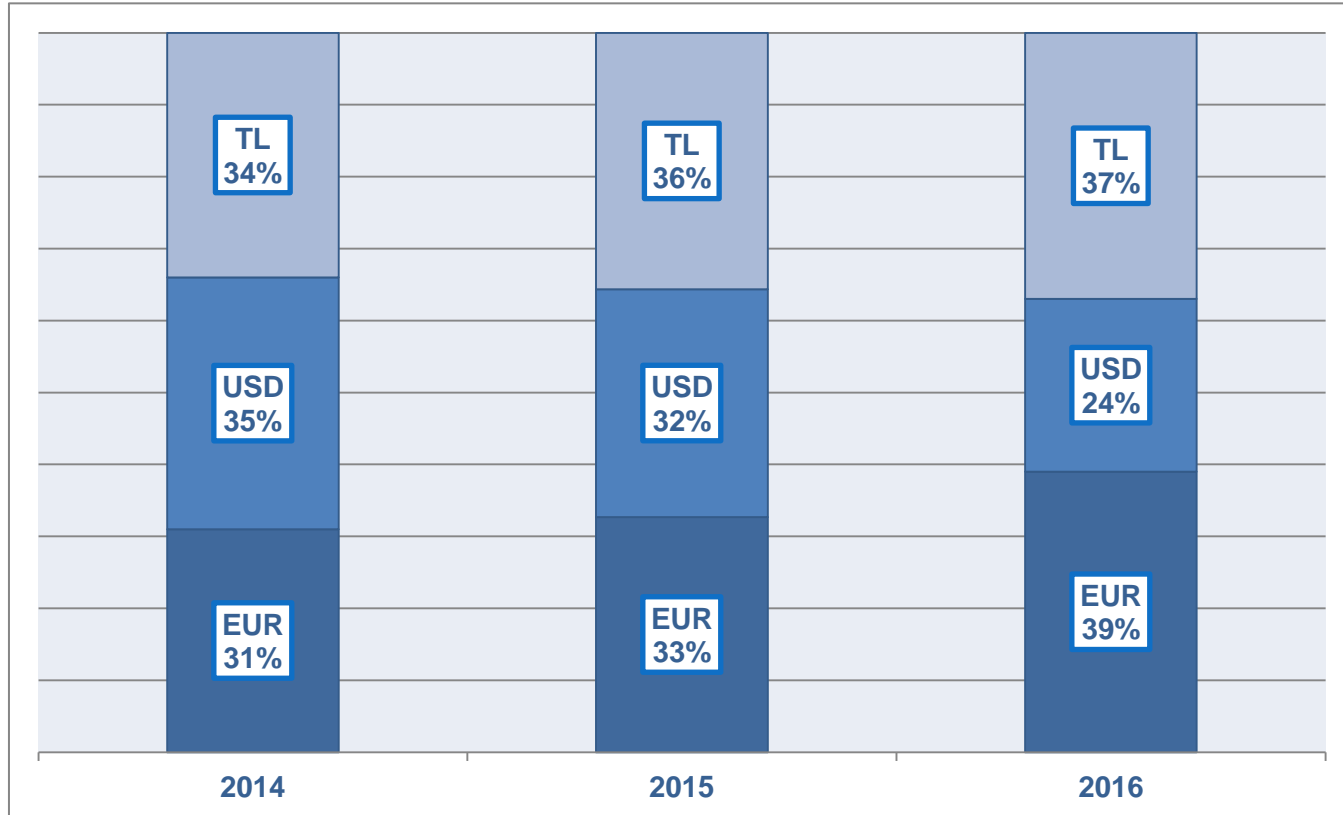
## MATURITY DISTRIBUTION



\*Portion funded by equity is included.



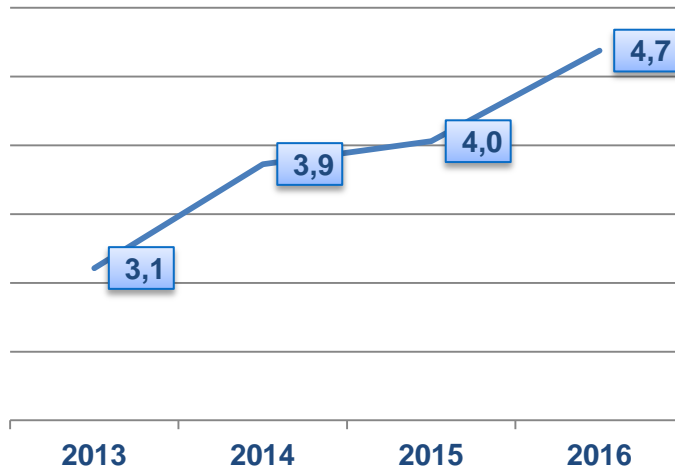
## CURRENCY DISTRIBUTION





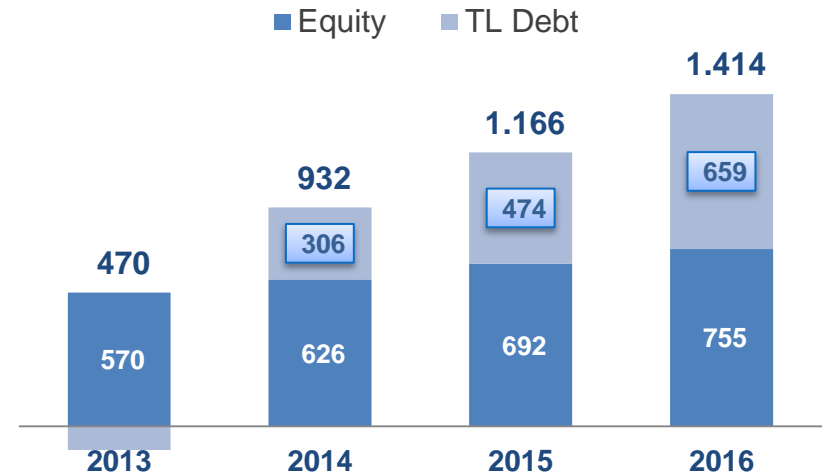
# LEVERAGE

Leverage (solo)



Increased leverage by gaining market share

TL Leasing Receivables



TL receivables increased three fold in 4 years.



## FUNDING POLICY

- First corporate bond issuer in leasing sector, outstanding nominal balance 1.065 million TL, maturities range between 6 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>	31 December 2014	31 December 2015	31 December 2016	2016 vs 2015 Δ
<b>Leasing Receivables, Net</b>	2.841	3.287	4.001	22%
<b>Factoring Receivables, Net</b>	1.433	1.951	2.984	53%
<b>Non Performing Receivables</b>	160	183	231	26%
<b>Provisions</b>	104	140	150	7%
<b>Total Assets</b>	4.580	5.581	7.480	34%
<b>Financial Liabilities</b>	3.791	4.661	6.394	37%
<b>Equity</b>	667	738	830	12%
<b>Net Interest Income</b>	81	121	146	21%
<b>Provisions Expenses</b>	-40	-48	-23	-52%
<b>Consolidated net Profit</b>	79	82	104	27%
<b>RATIOS</b>				
<b>NPL / Receivables</b>	3,7%	3,4%	3,2%	
<b>Provision Ratio</b>	65,4%	76,3%	65,1%	
<b>Cost / Income</b>	44%	37%	38%	
<b>ROE</b>	12,4%	11,7%	13,2%	
<b>ROA</b>	1,7%	1,6%	1,6%	



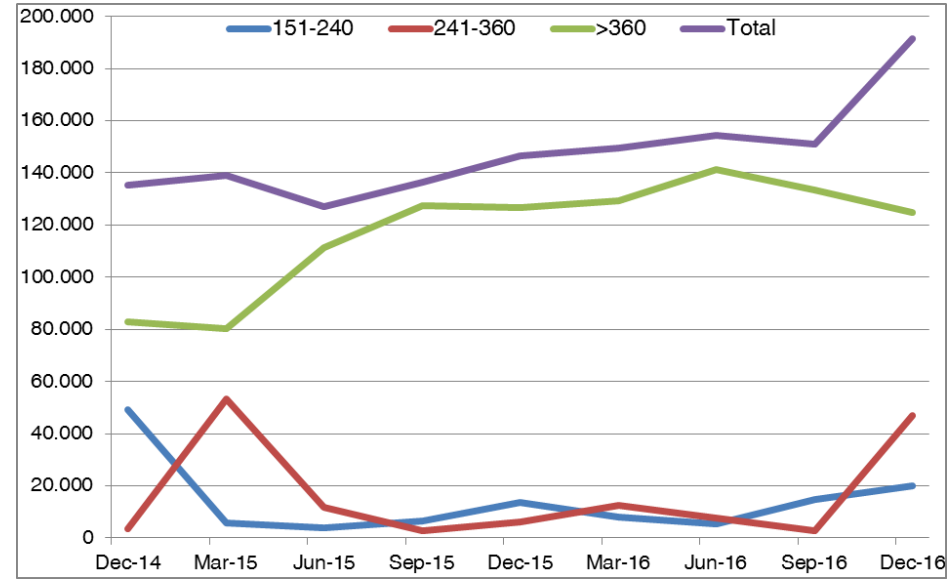
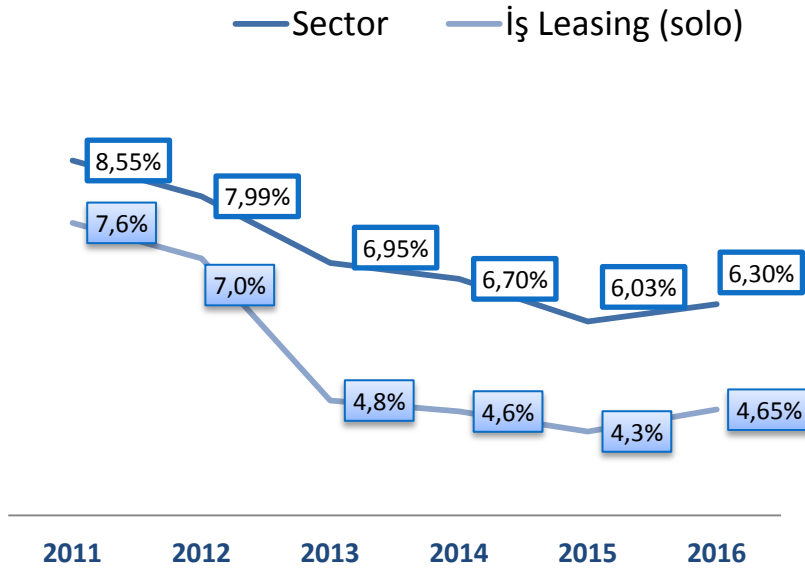
## SOLO KEY FIGURES

(Million TL)	2015	2016	Δ	2015	2016	Δ
Financial Highlights	İş			Sector		
Leasing Receivables	3.249	3.921	21%	36.728	44.022	20%
Total Assets	3.656	4.508	23%	40.655	48.500	19%
Equity	692	755	9%	6.930	7.800	13%
Net Profit	81	82	0%	809	922	14%
NPL Ratio	4,3%	4,7%		6,0%	6,3%	
Debt/Equity	4,0	4,7		4,5	4,8	
ROE *	12,1%	14,0%		13,1%	13,0%	
ROA	2,4%	2,1%		2,1%	2,1%	

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



## NPL



Consolidated	31.12.2014	31.12.2015	31.12.2016
Gross NPL /Total Receivables	3,70%	3,40%	3,23%
Net NPL / Net Receivables	1,30%	0,83%	1,15%

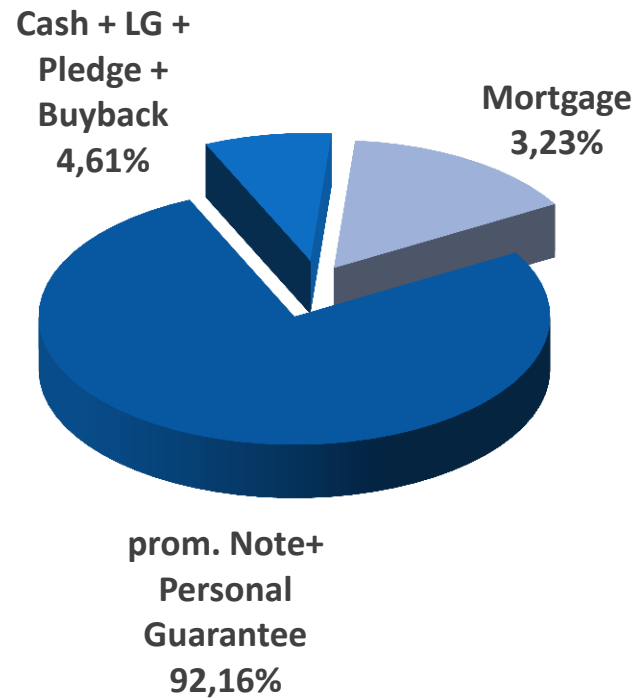
Million TL	Loss Reserve
2016 Opening	(140)
Reversals	12
New provisions	(23)
Write-off (*)	-
Transfer	-
2016 Closing	(150)





## 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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