



INVESTOR PRESENTATION

30 JUNE 2018



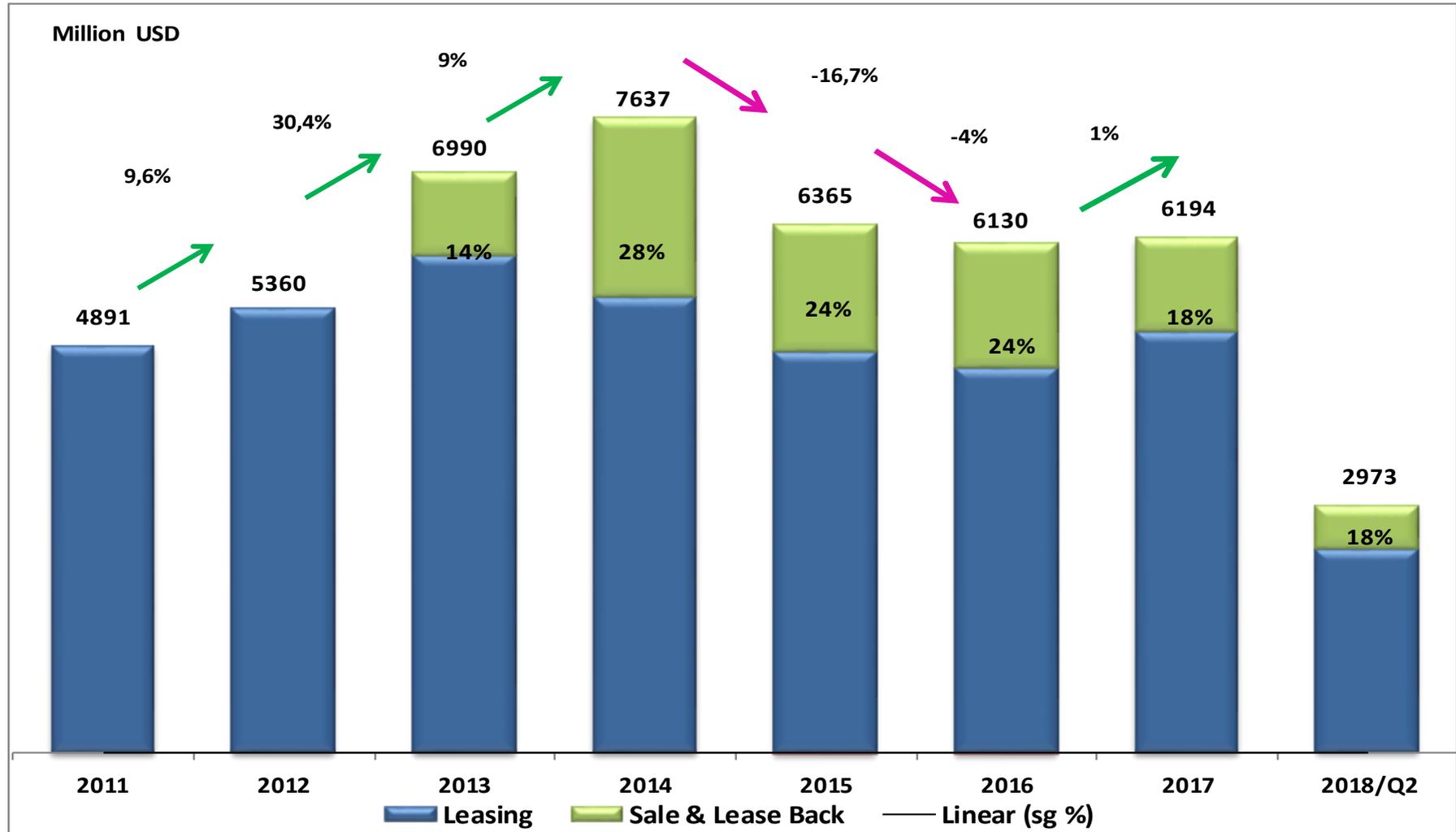
Leasing Sector in Turkey



Leasing advantages

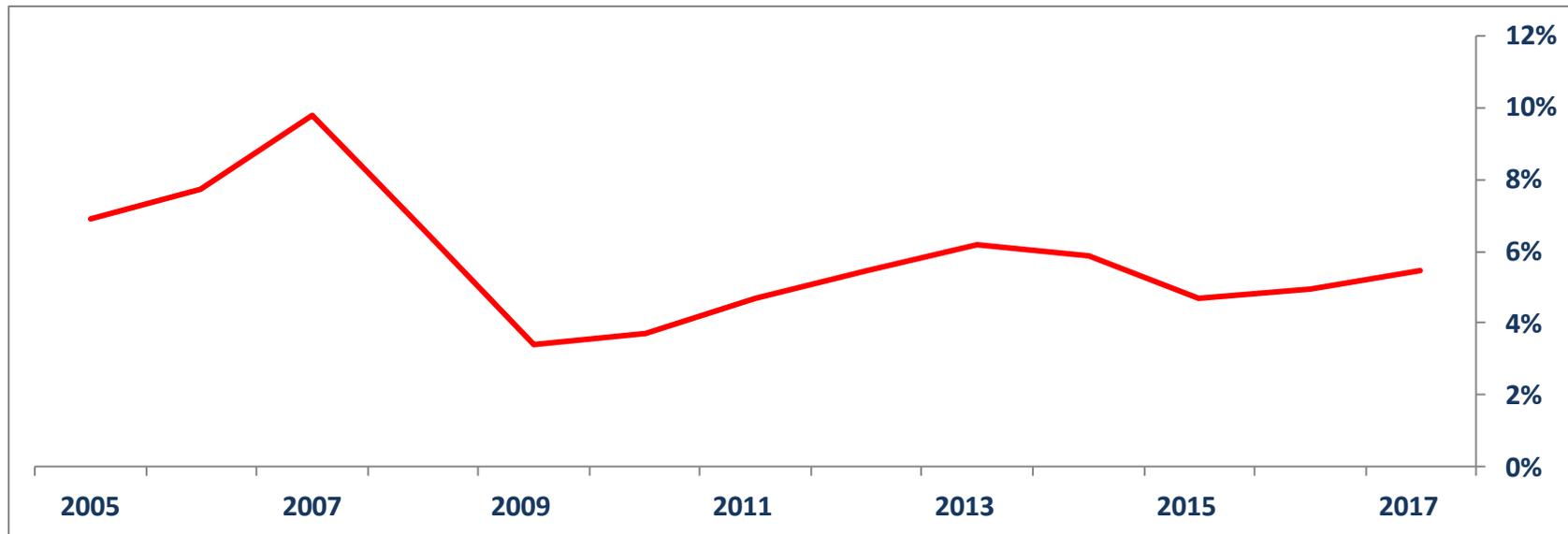
- ✓ VAT is %1 for various types of machinery
- ✓ Expertise on SMEs, consultancy and know-how support in addition to funding
- ✓ FX borrowing option (for selective assets)
- ✓ Fast credit approvals (leased-asset ownership), flexible payment plans
- ✓ Sale-and-lease back and operating leases were added to finance leases in 2013 by a regulation change.

Leasing Volume



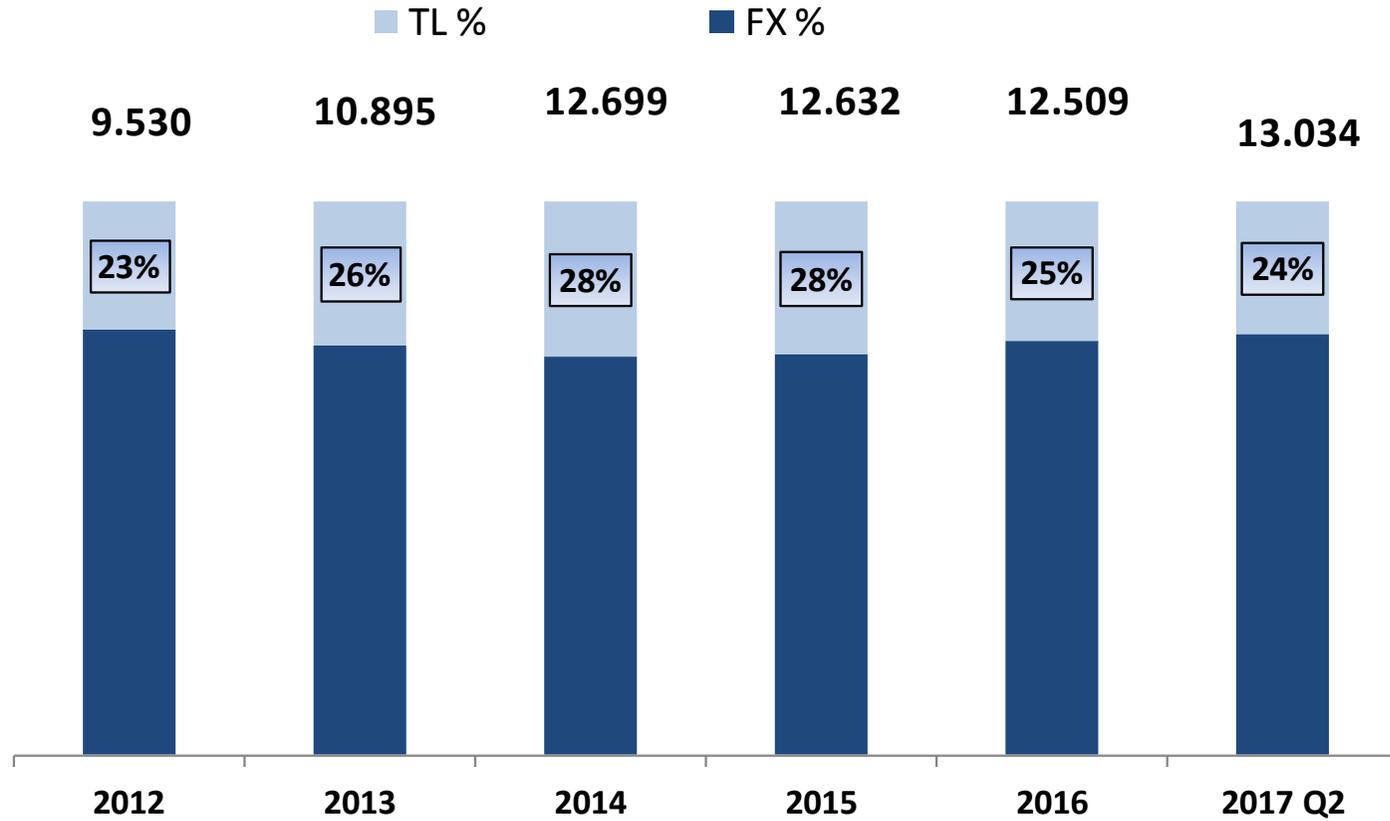
Turkey Leasing Penetration

Leasing penetration is still at low levels compared to EU average of 15% and North America average of 21,5%.

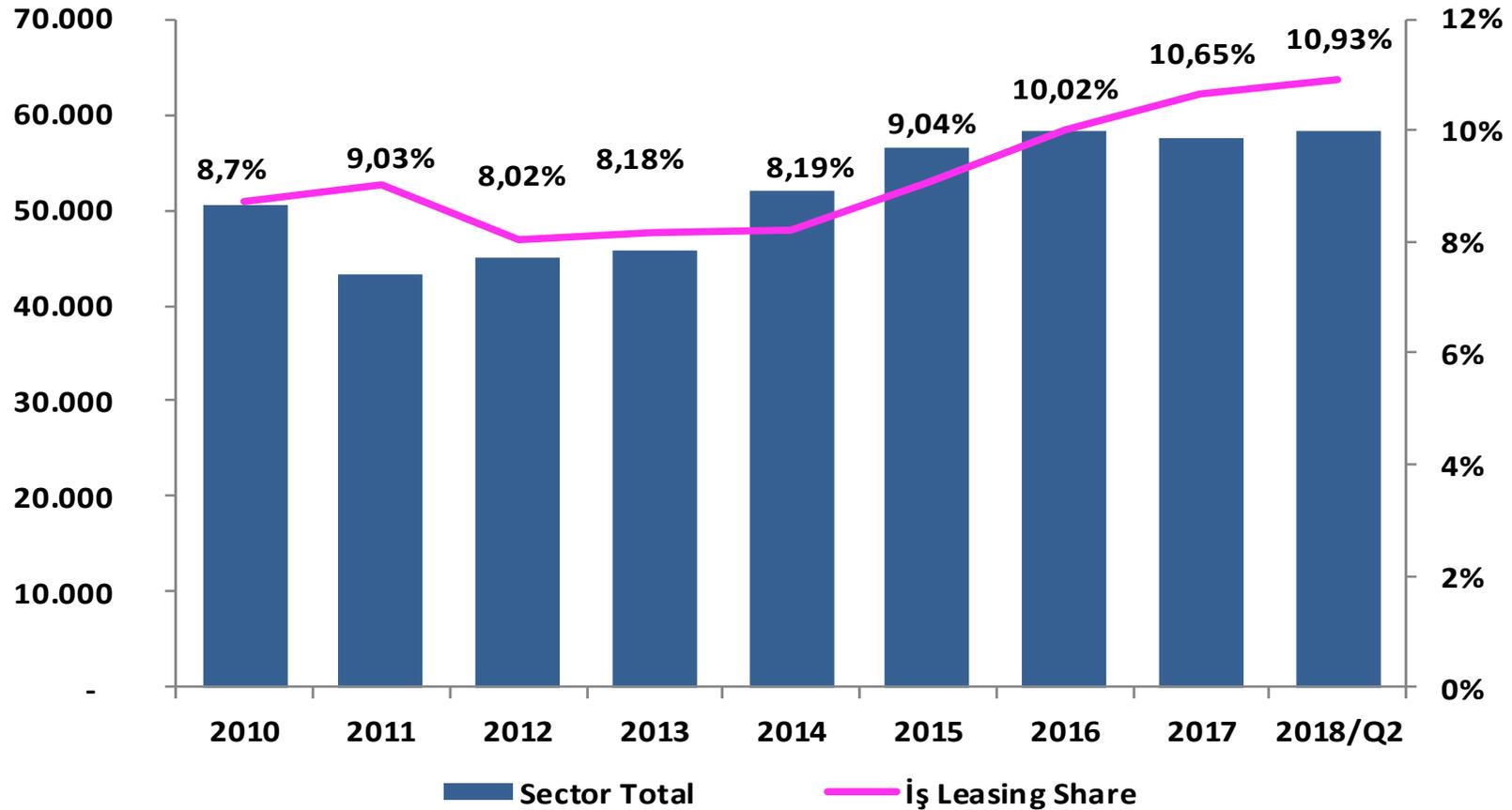


Penetration: Leasing volume/ Private sector fixed investments

Leasing Receivables



Customer Base

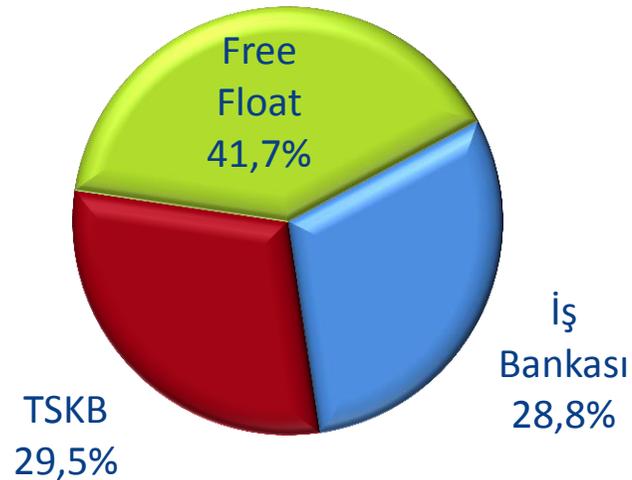




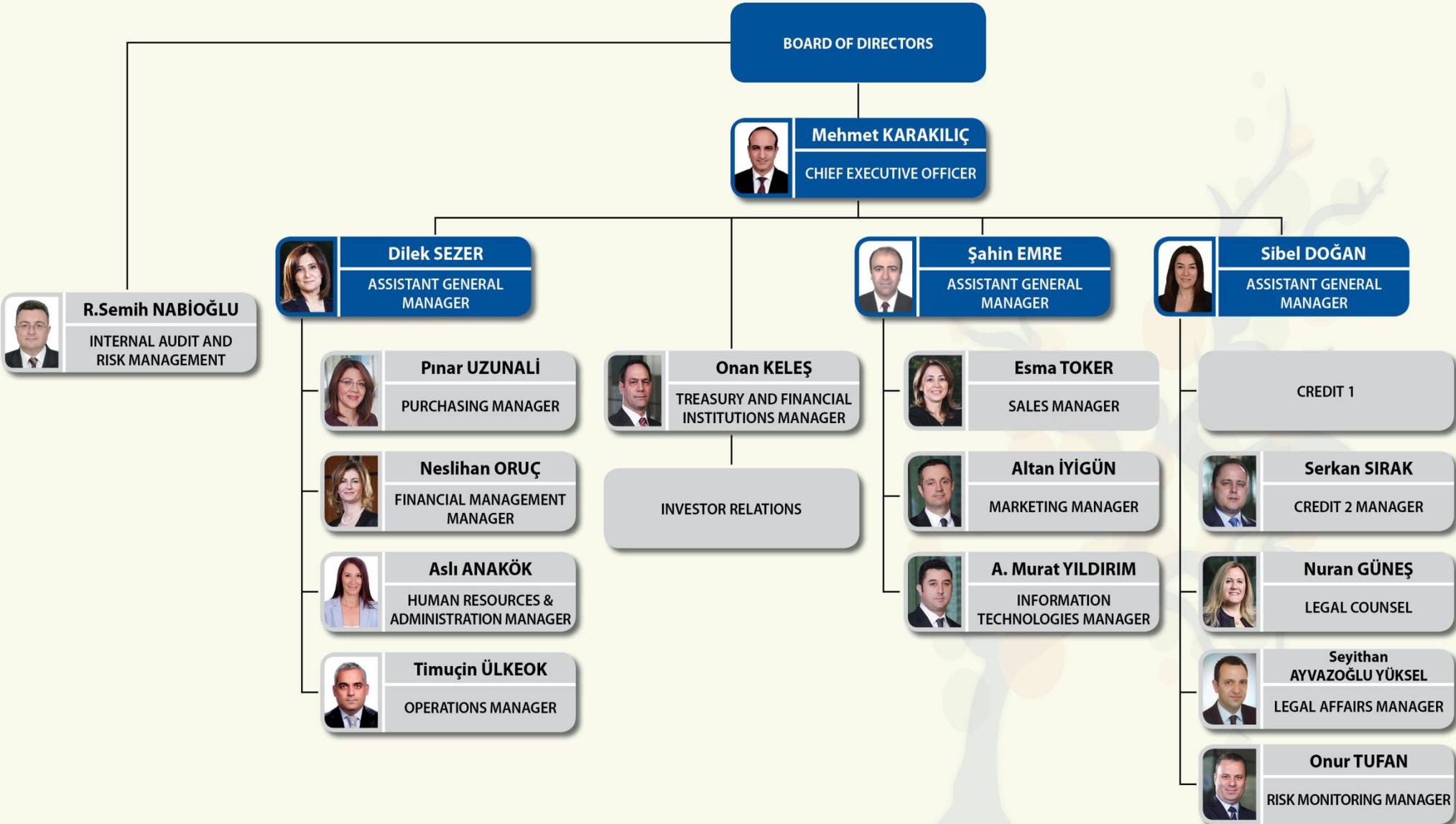
Company Overview



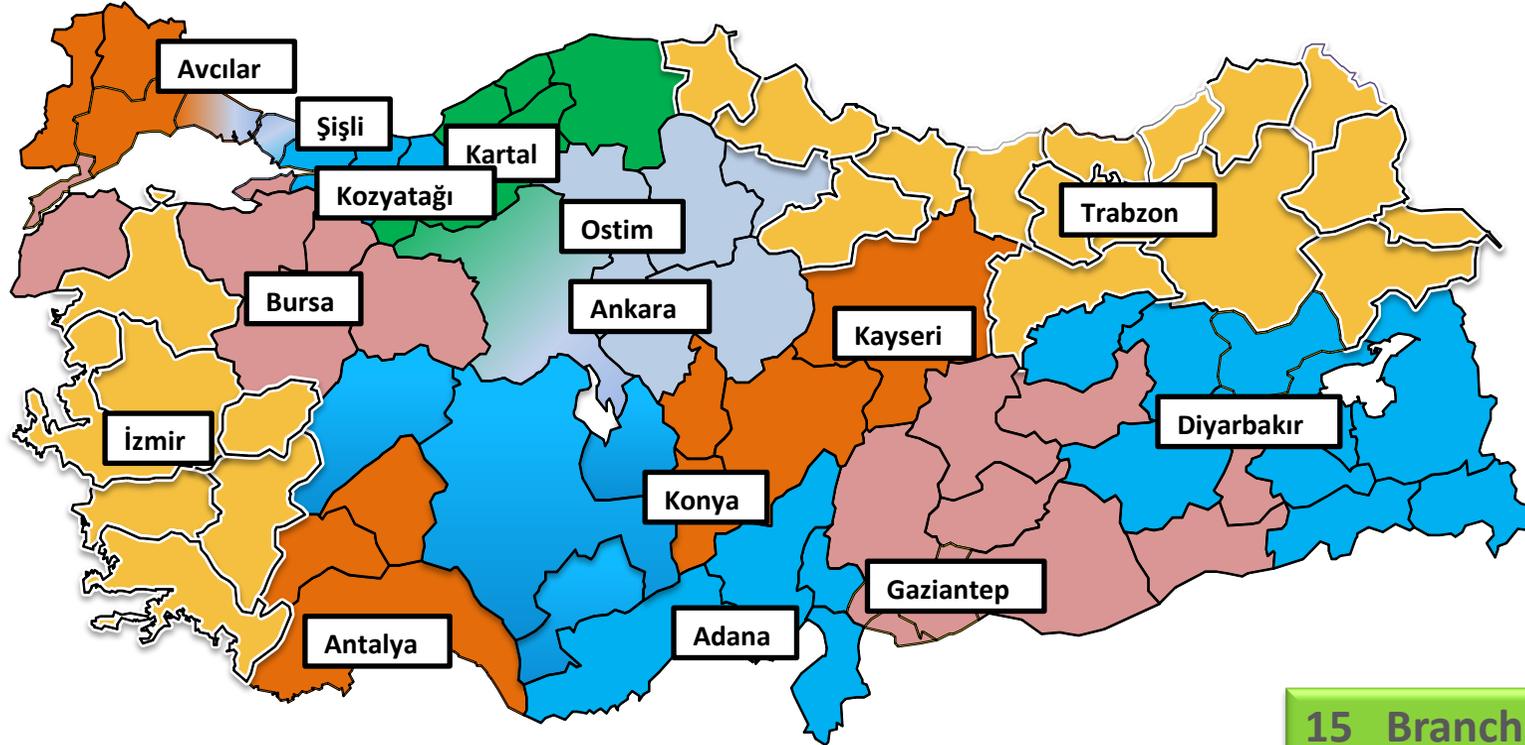
Milestones & Shareholders



ORGANIZATION CHART



BRANCH NETWORK



15 Branches
51 Sales staff
153 Total staff



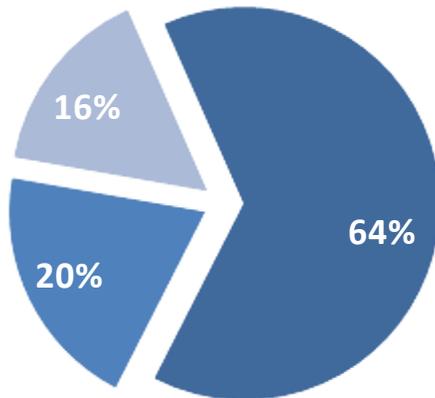
Lease Portfolio



SALES CHANNELS

2017

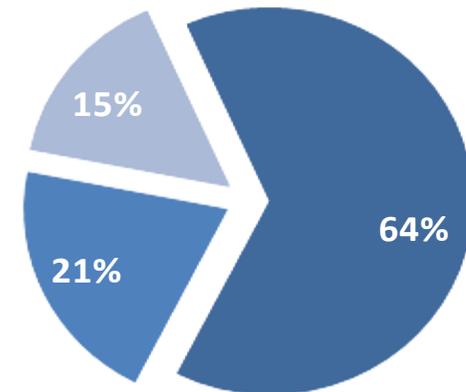
■ İŞ BANK ■ DIRECT MARKETING ■ VENDORS



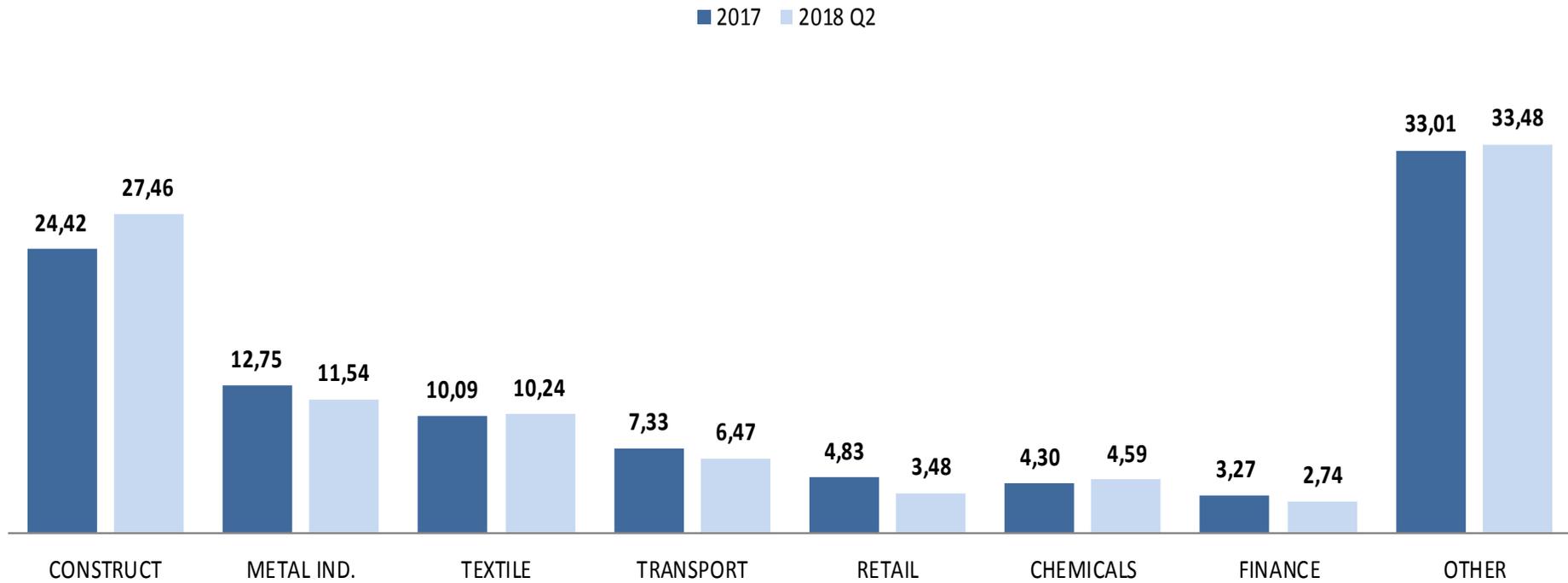
İşbank: 1342 local and 22 foreign branches, largest network among private banks.

2018/Q2

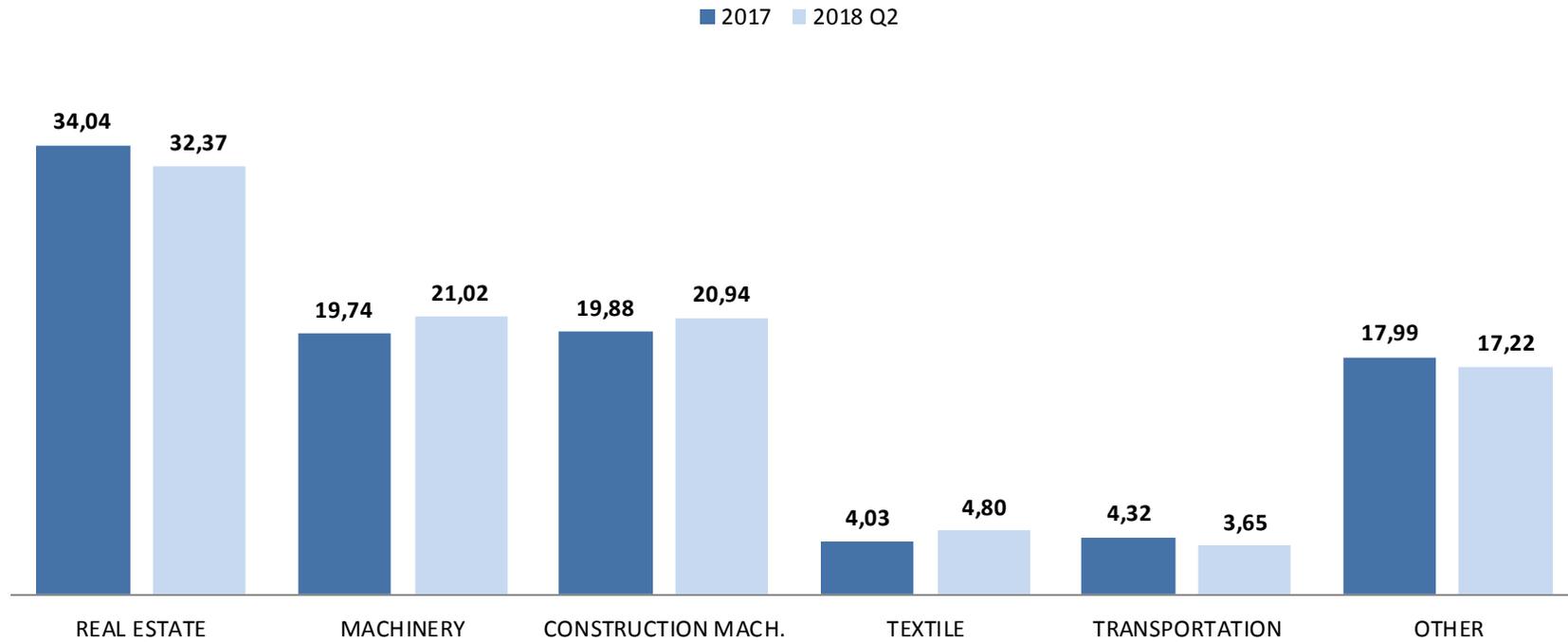
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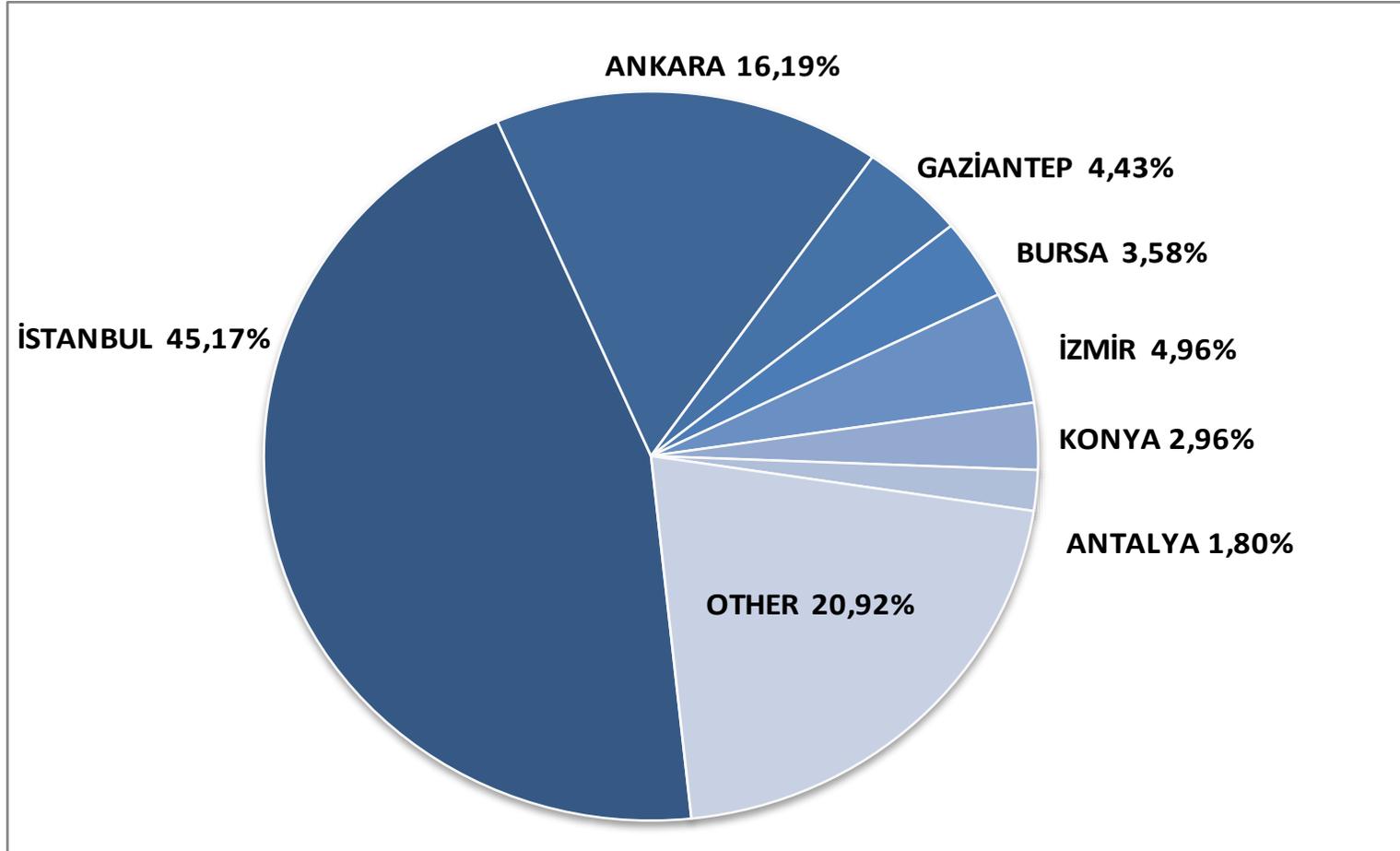
SECTORAL DISTRIBUTION, %



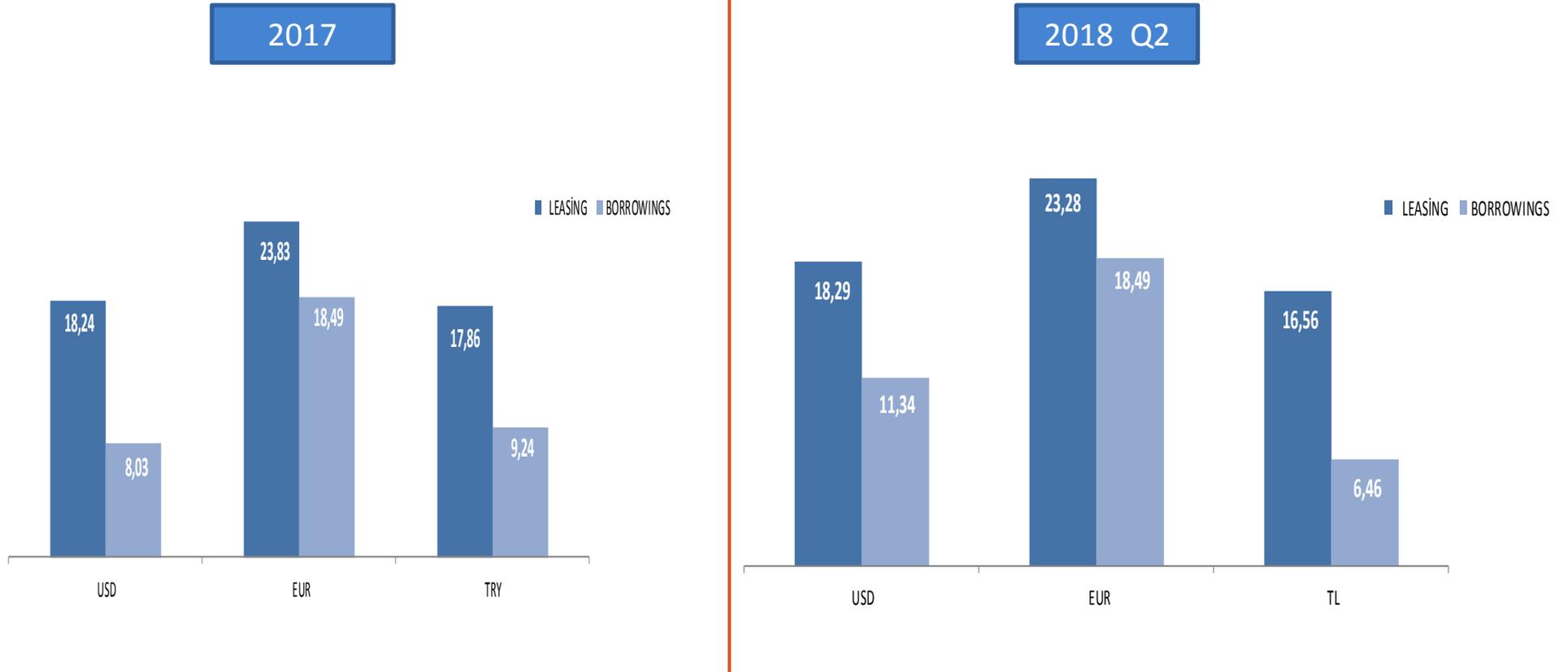
ASSET DISTRIBUTION, %



GEOGRAPHICAL DISTRIBUTION, %



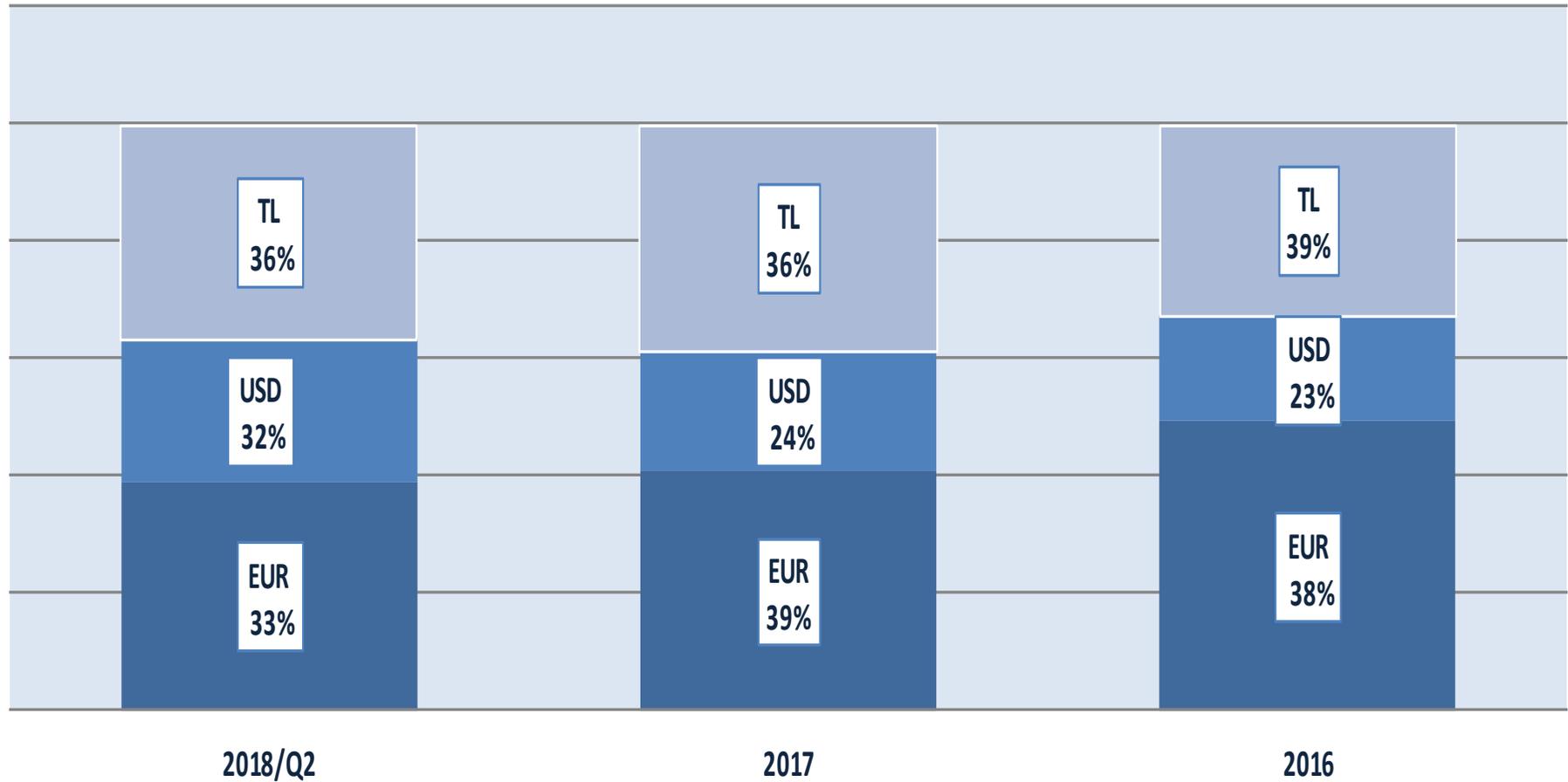
MATURITY DISTRIBUTION, %



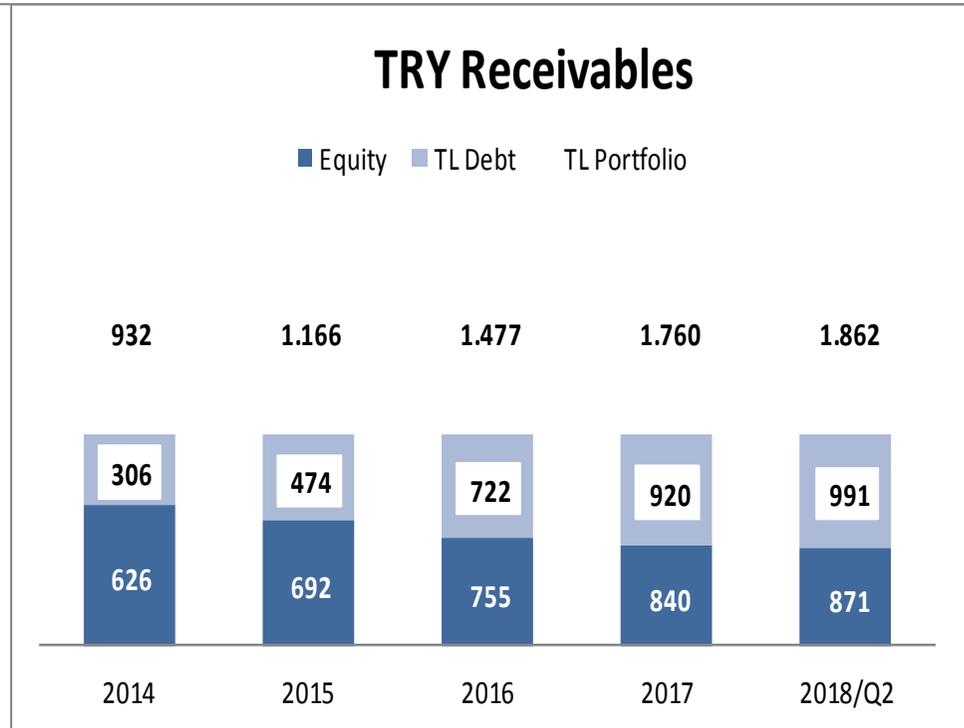
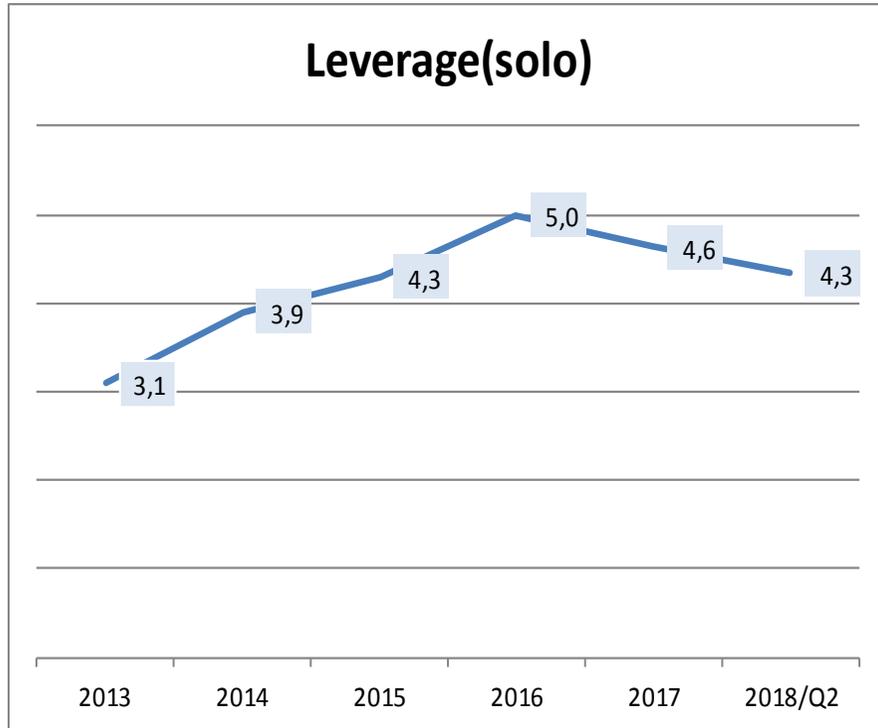
average, months

*TL funded by equity is included in the calculation.

CURRENCY DISTRIBUTION, %



LEVERAGE



Increased leverage by gaining market share

FUNDING POLICY

- Strong relations with international and local banks.
 - Closed a club loan transaction of 80 million US\$ in 2018.
 - Bilateral loans (all unsecured)
- First TL 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,
 - Eximbank loans to support exporters
- Islamic Debt Markets
 - Closed two Murabaha facilities
- Strategy aiming diversification of creditors and debt products, maturity mismatch within manageable limits



Financial Performance



FINANCIAL HIGHLIGHTS

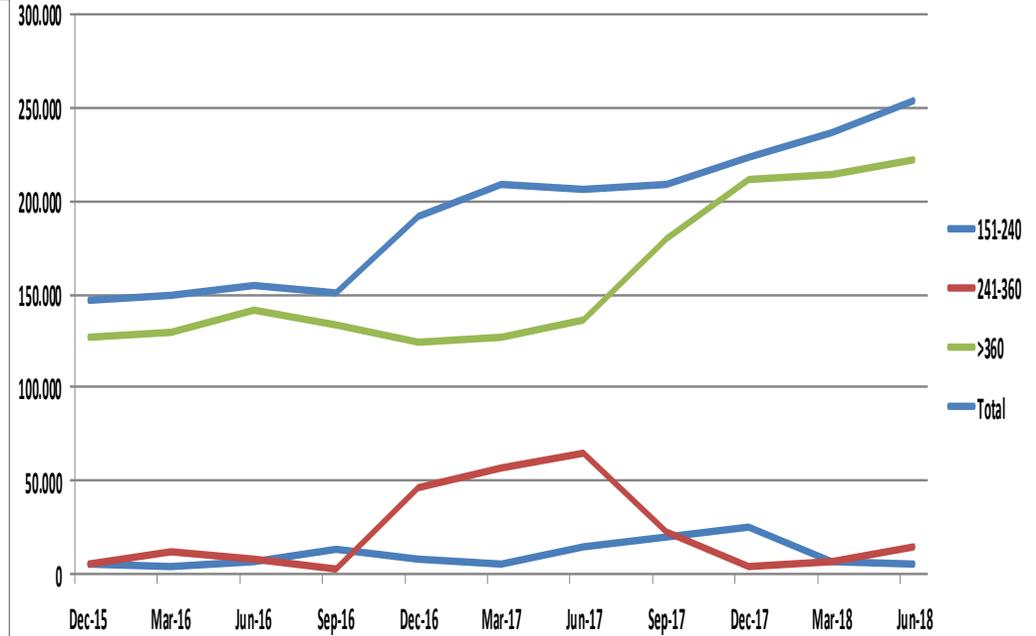
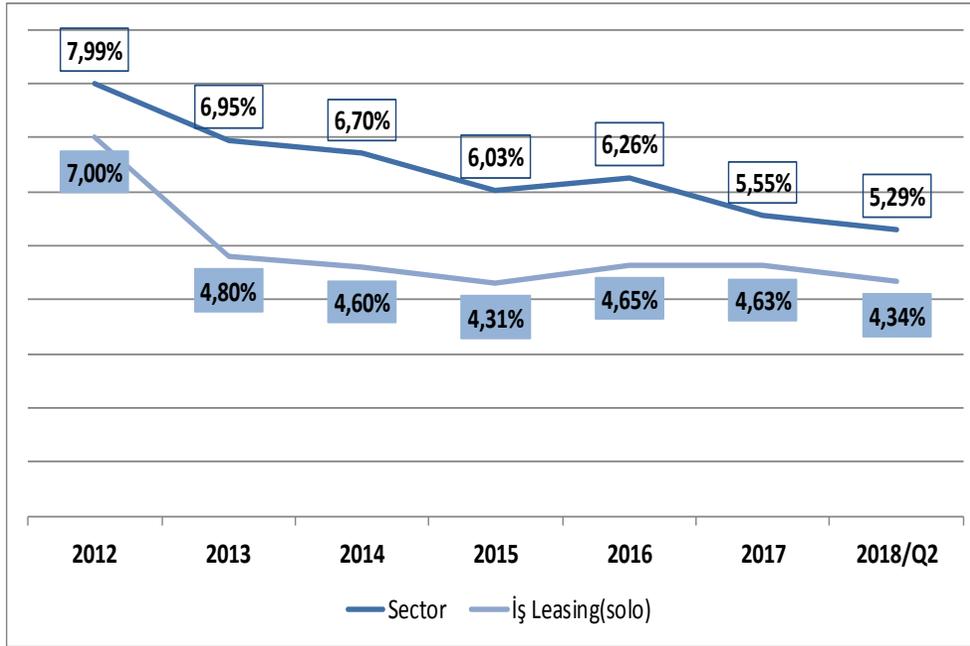
<i>TL Million, consolidated</i>	2015	2016	2017	2018 Q2	Δ
Leasing Receivables, Net	3.287	4.001	4.701	5.687	21,0%
Factoring Receivables, Net	1.951	2.986	4.207	4.057	-3,6%
Non Performing Receivables	183	231	266	301	13,1%
Provisions	140	150	180	193	7,1%
Total Assets	5.581	7.480	9.283	10.164	9,5%
Financial Liabilities	4.661	6.394	8.038	8.659	7,7%
Equity	738	830	975	1.056	8,4%
Net Interest Income	121	146	82	65	-20,9%
Provisions Expenses	-48	-23	-33	-15	-53,3%
Consolidated net Profit	82	104	113	75	-33,9%
RATIOS					
NPL / Receivables	3,4%	3,2%	2,9%	3,0%	
Provision Ratio	76,3%	65,1%	67,7%	64,1%	
Cost / Income	37,0%	37,7%	66,3%	49,0%	
ROE	12,2%	13,2%	12,5%	14,7%	
ROA	1,8%	2,1%	1,3%	1,5%	

SOLO KEY FIGURES

(Million TL)	2015	2016	2017	2018/Q2	Δ	2015	2016	2017	2018/Q2	Δ
Financial Highlights	İş					Sector				
Leasing Receivables	3.249	3.921	4.617	5.585	21%	36.728	44.022	51.990	59.446	14%
Total Assets	3.656	4.508	5.069	6.095	20%	40.655	48.500	58.053	66.098	14%
Equity	692	755	840	871	4%	6.930	7.800	8.567	9.264	8%
Net Profit	81	82	74	34	-55%	809	922	940	661	-30%
NPL Ratio	4,3%	4,7%	4,6%	4,3%		6,0%	6,3%	5,5%	5,3%	
Debt/Equity	4,0	4,7	5,0	6,0		4,5	4,8	5,8	6,1	
ROE *	10,3%	11,7%	10,0%	8,7%		13,1%	13,0%	11,5%	11,4%	
ROA	2,4%	2,0%	1,5%	1,2%		2,1%	2,1%	1,8%	1,8%	

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

NPL

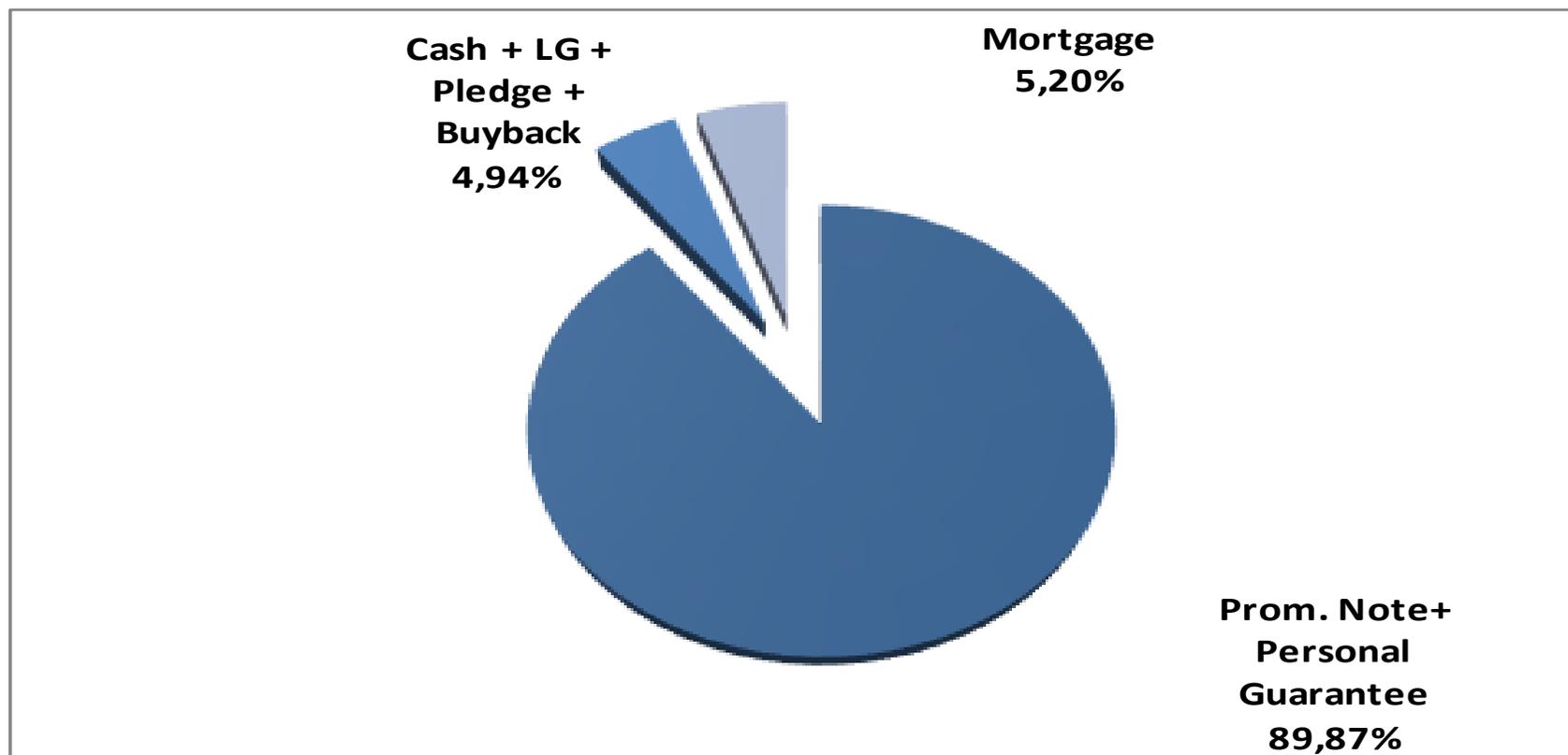


Consolidated	31-12-15	31-12-16	31-12-17	30-06-18
Gross NPL / Total Receivables	3,40%	3,23%	2,93%	3,03%
Net NPL / Net Receivables	0,83%	1,15%	0,97%	1,11%

000 TL	LOSS RESERVE
2017 Opening	(180.256)
Reversals	2.679
New provisions	(15.483)
30.06.2018 Closing	(193.060)

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	BB-
Short-Term	B
Outlook	Negative
Turkish Lira	
Long-Term	BB
Short-Term	B
Outlook	Negative
National	
Long-Term	AA(tur)
Outlook	Negative
Support Score	3

Corporate Governance Rating (Saha-2016) : 9.17

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