

# Investor Presentation

## 31 March 2017



# Leasing Sector in Turkey





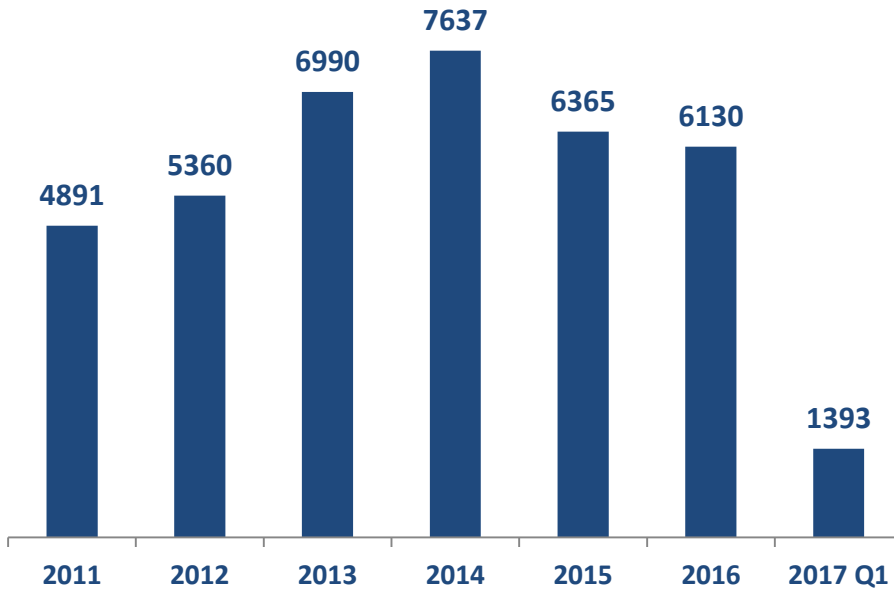
## LEASING

- ✓ 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

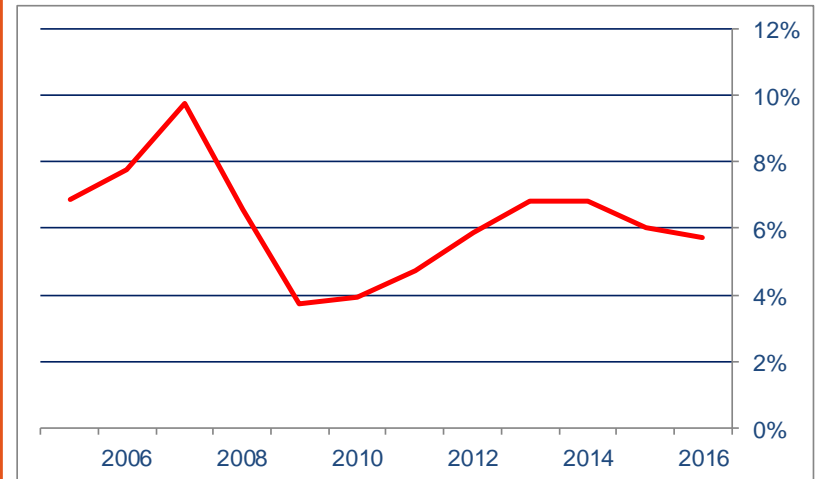


# SECTOR NEW LEASING VOLUME

New Leasing Volume  
(million USD)



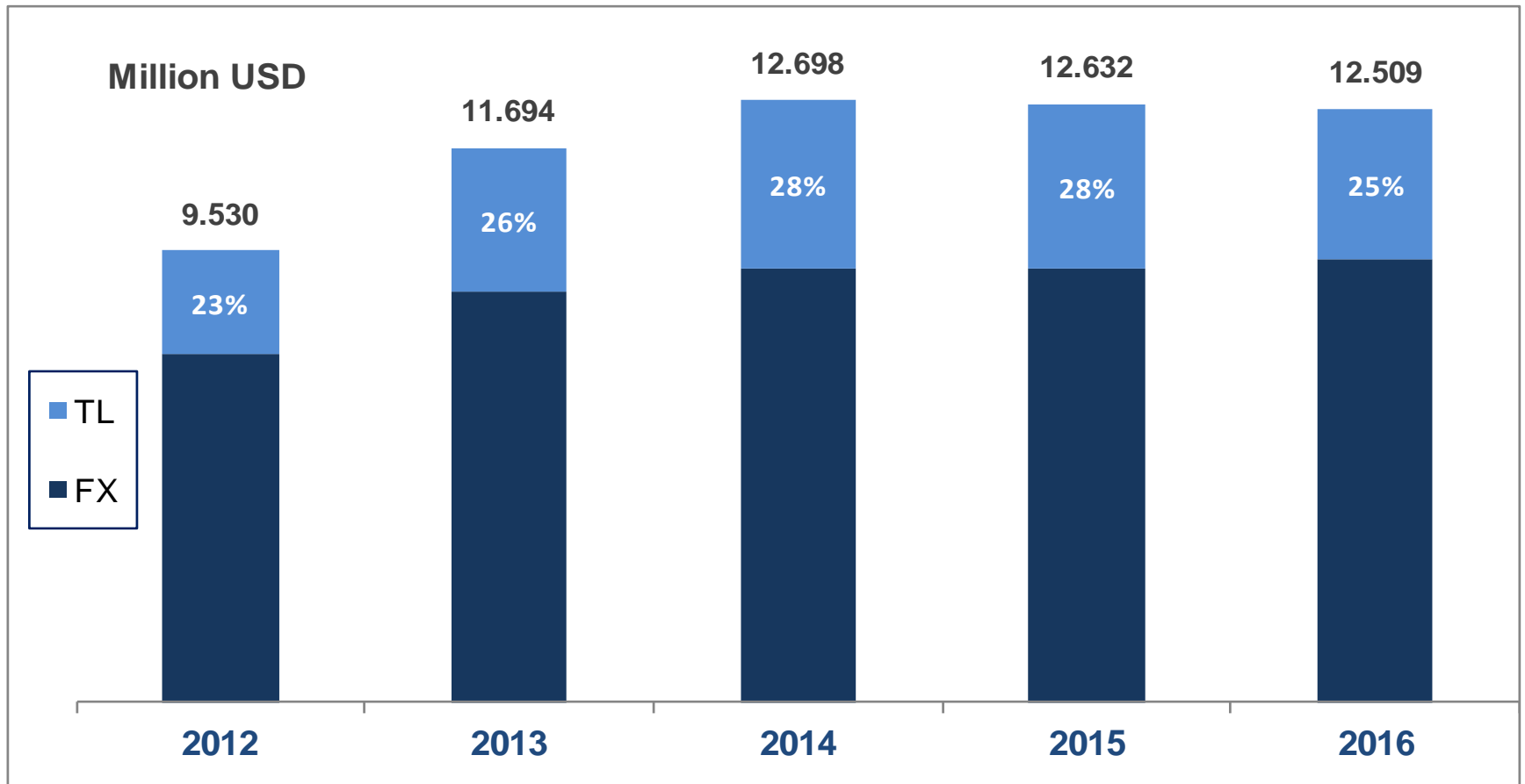
Leasing penetration is still at low levels compared to EU average of 15% and North America average of 18%.



Penetration: Leasing volume/ Private sector fixed investments

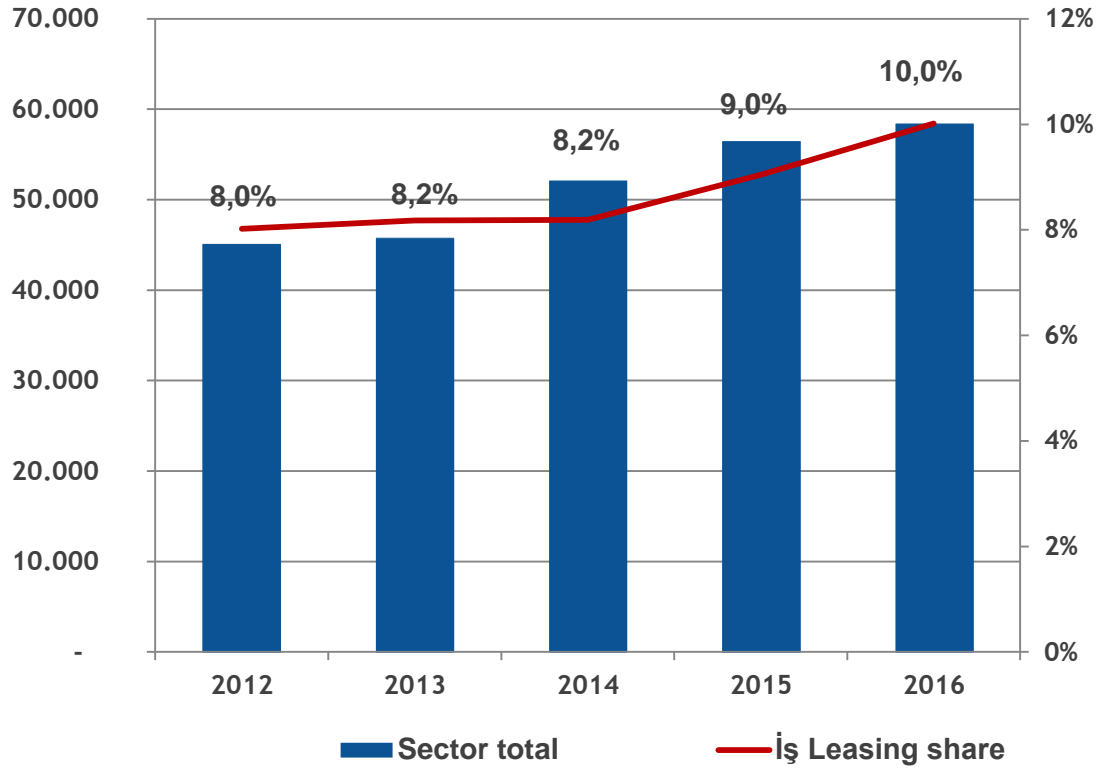


## LEASING RECEIVABLES





## CUSTOMER BASE



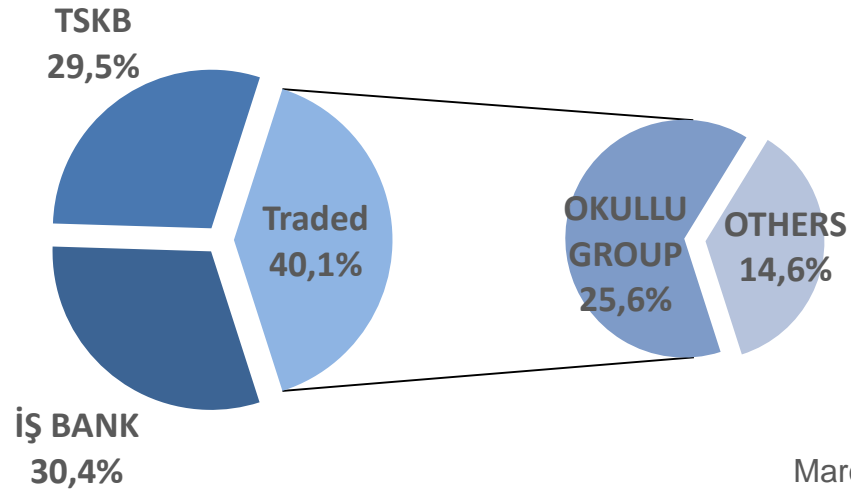
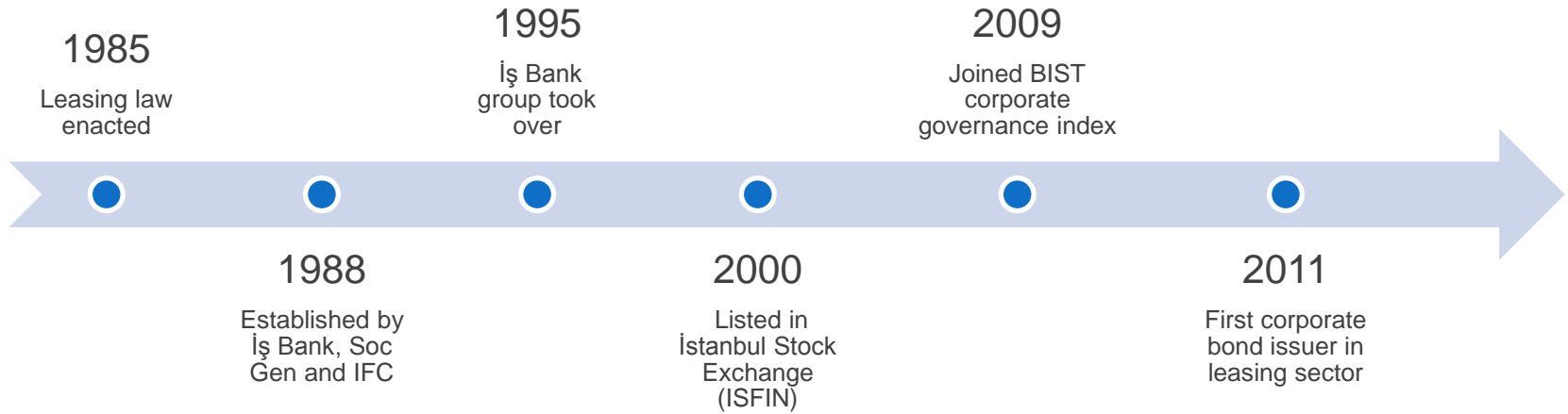
Fastest customer growth in the sector	2016 vs. 2015	
	Customers Δ	Contracts Δ
İŞ LEASING	15%	15%

# Company Overview





# MILESTONES & SHAREHOLDERS



March 2017



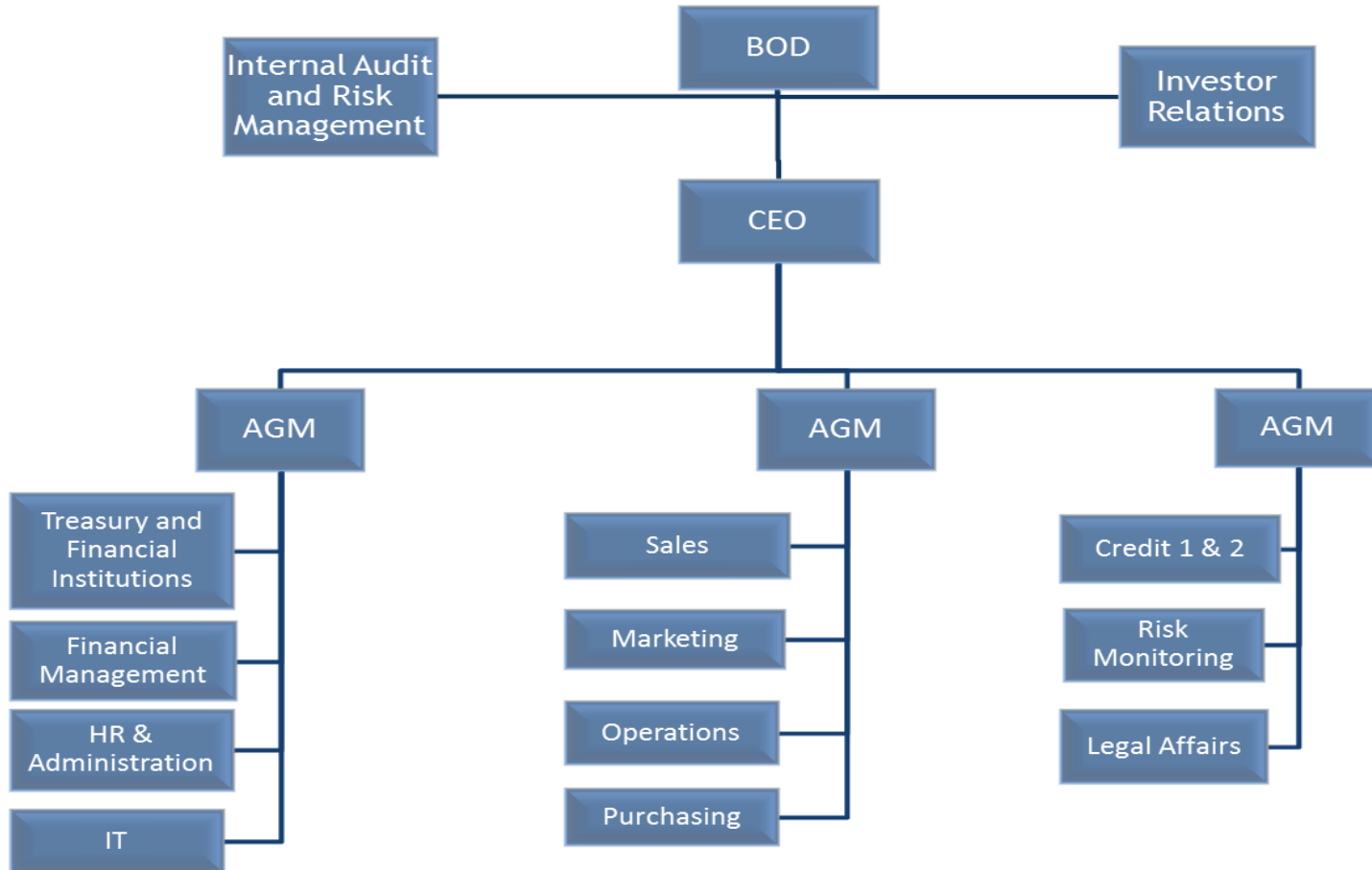


## PARTICIPATIONS

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

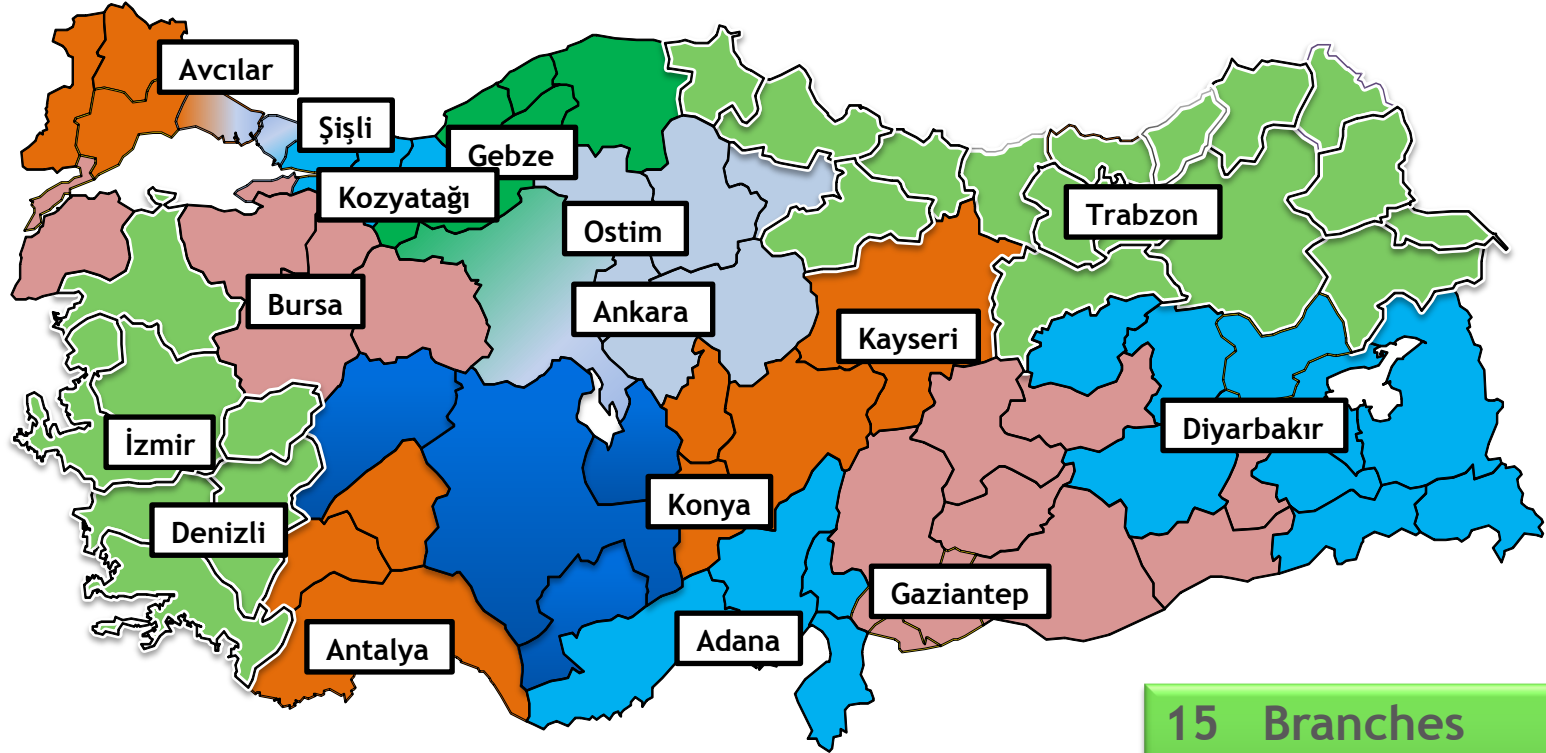


# ORGANIZATION CHART





## BRANCH NETWORK



15 Branches  
52 Sales staff  
150 Total staff

# Lease Portfolio

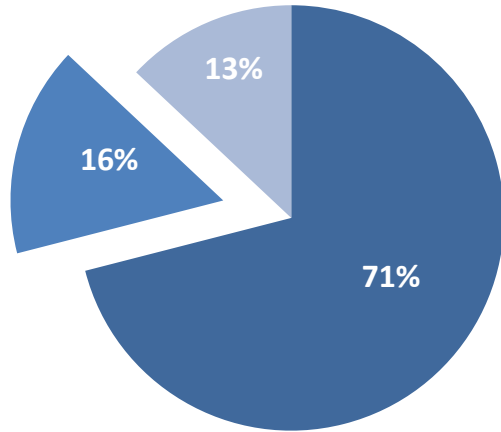




## SALES CHANNELS

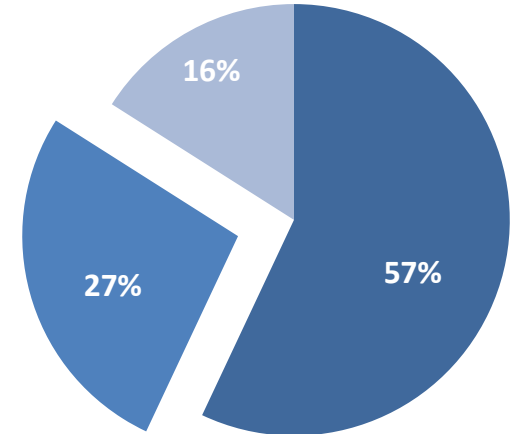
### 2015

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



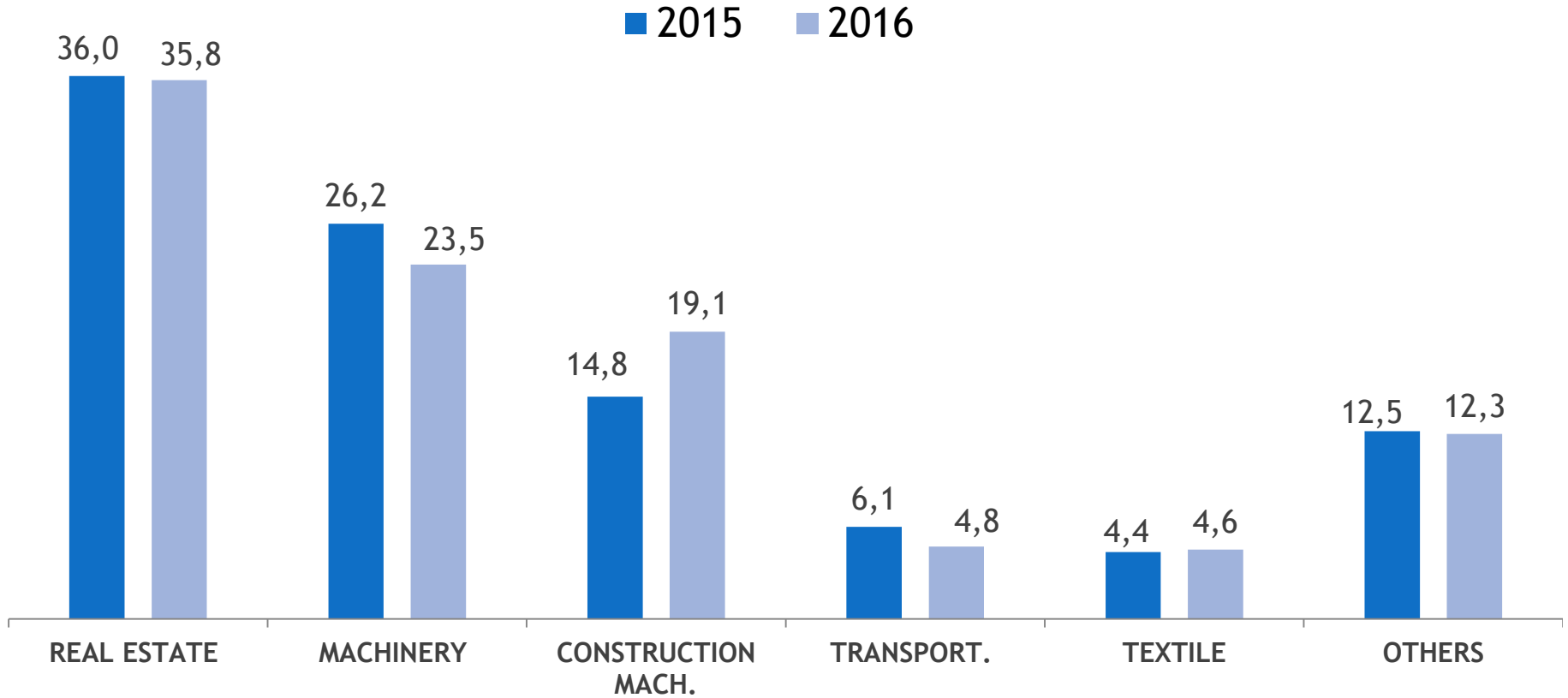
### Finansal Kiralama Kanununun Getirdikleri

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



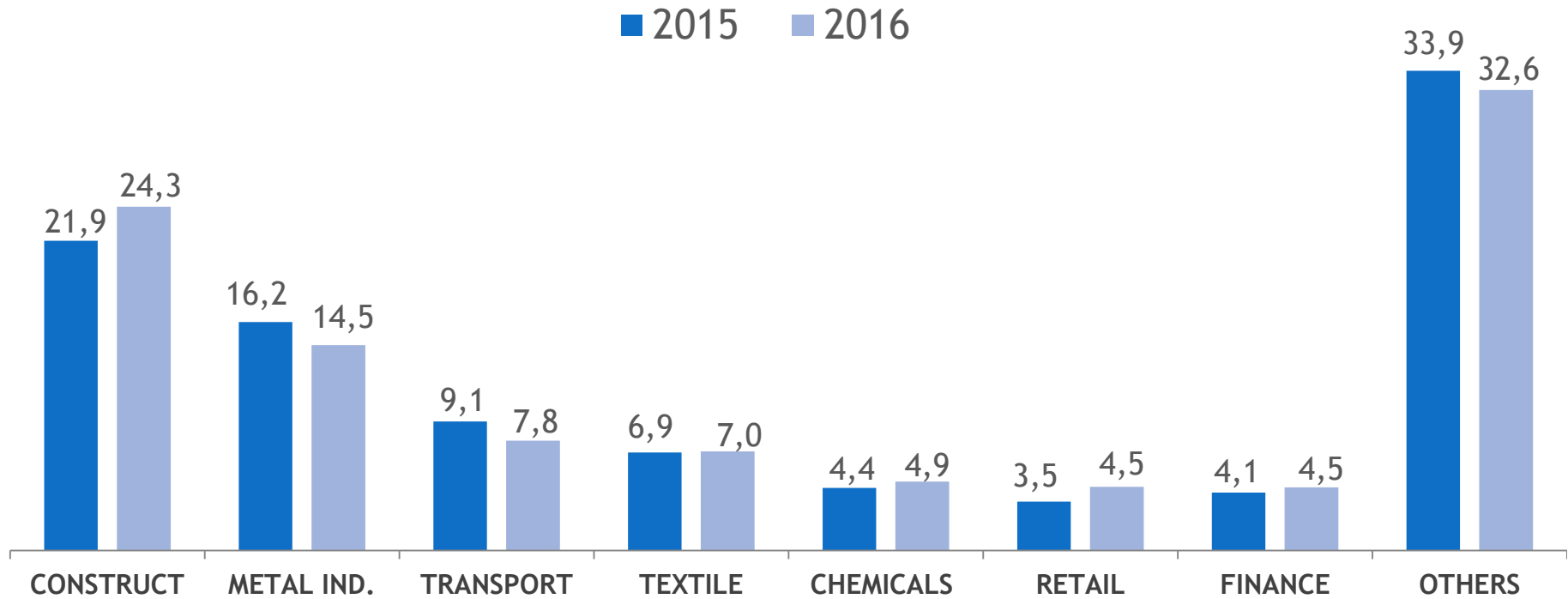


## ASSET DISTRIBUTION , %



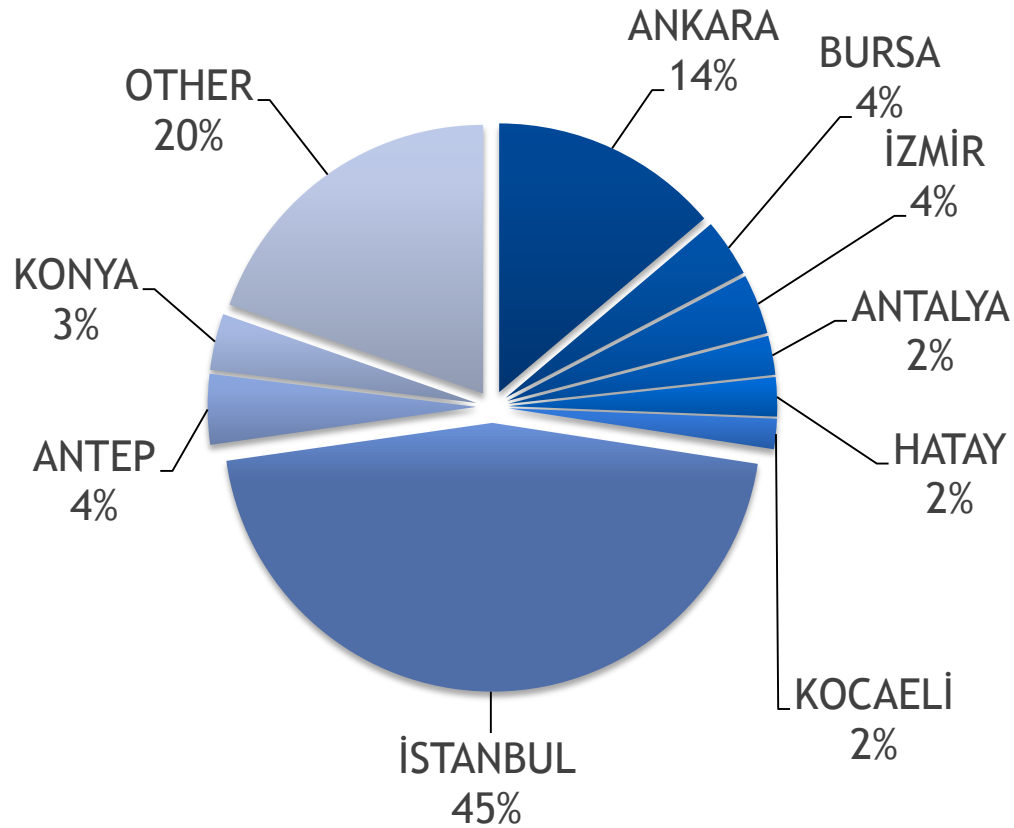


## SECTORAL DISTRIBUTION , %





## GEOGRAPHICAL DISTRIBUTION

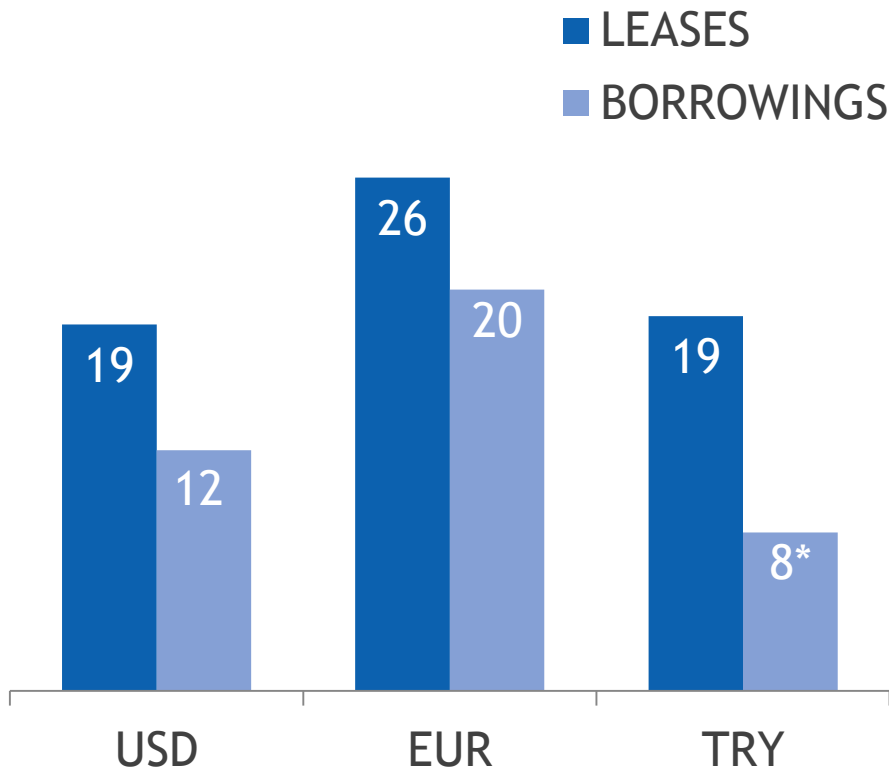




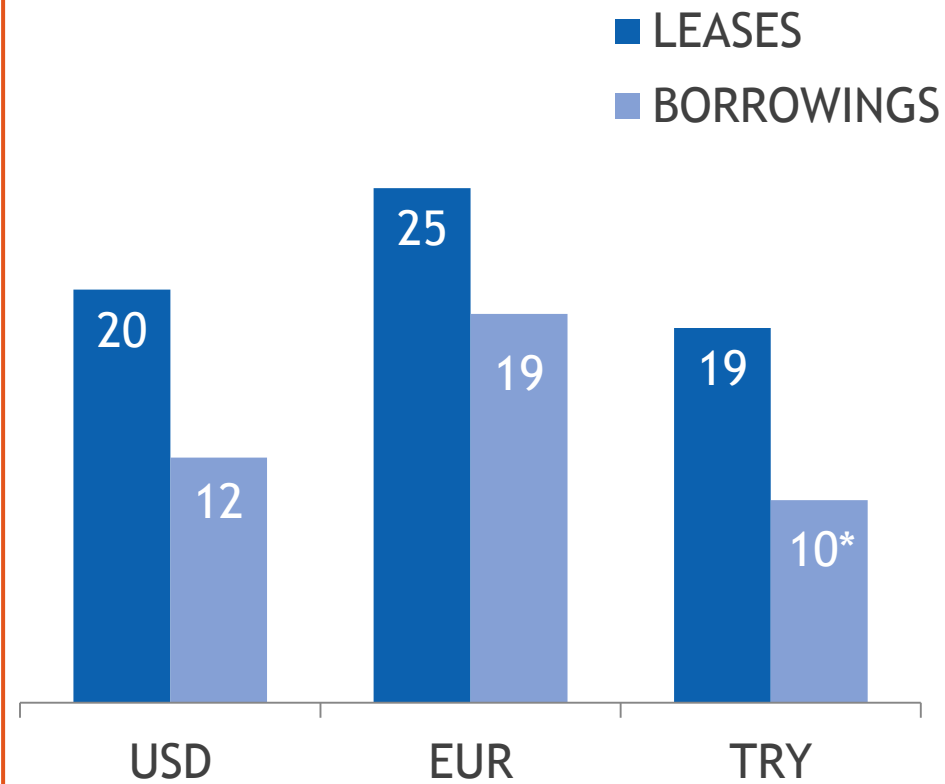


## MATURITY DISTRIBUTION

2016



2017 Q1

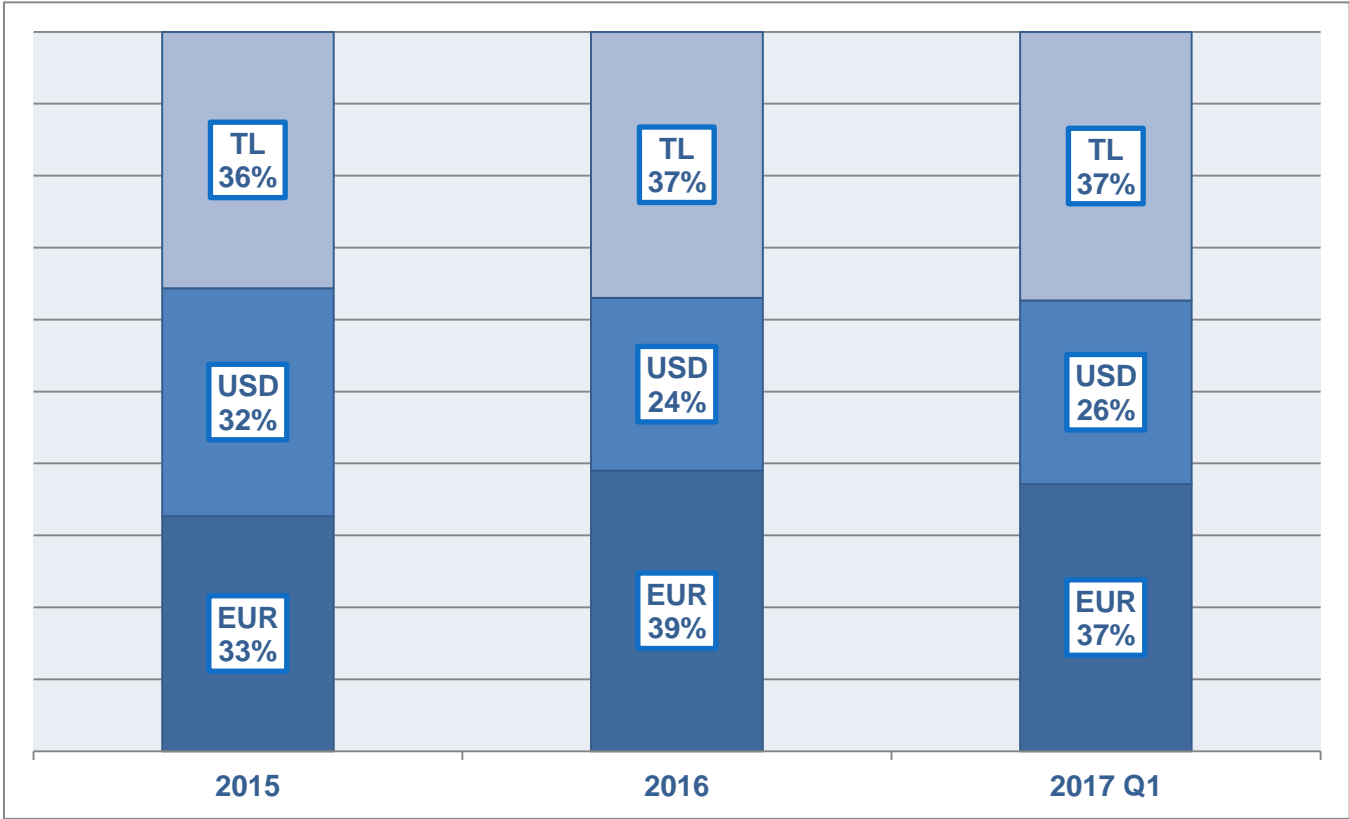


average, months

\*Portion funded by equity is included.



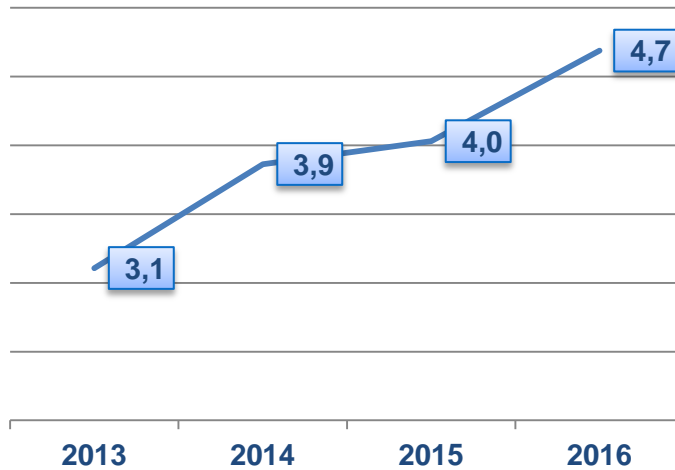
# CURRENCY DISTRIBUTION





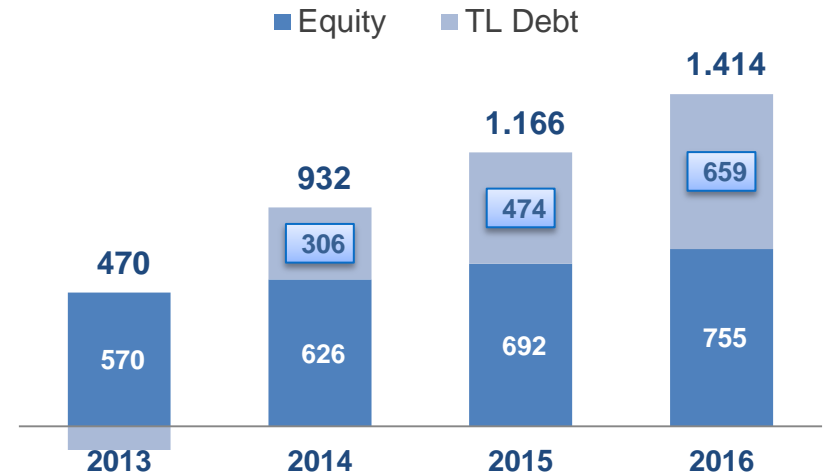
# LEVERAGE

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 1.1 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 Q1	2017 Q1	Δ
<b>Leasing Receivables, Net</b>	3.287	4.001	3.189	4.377	37%
<b>Factoring Receivables, Net</b>	1.951	2.984	1.551	3.058	97%
<b>Non Performing Receivables</b>	183	231	188	249	32%
<b>Provisions</b>	140	150	142	154	8%
<b>Total Assets</b>	5.581	7.480	4.978	7.683	54%
<b>Financial Liabilities</b>	4.661	6.394	4.118	6.616	61%
<b>Equity</b>	738	830	745	862	16%
<b>Net Interest Income</b>	121	146	39	26	-33%
<b>Provisions Expenses</b>	-48	-23	-4	-5	25%
<b>Consolidated net Profit</b>	82	104	28	29	4%
<b>RATIOS</b>					
<b>NPL / Receivables</b>	3,40%	3,23%	3,84%	3,28%	
<b>Provision Ratio</b>	76,30%	65,10%	75,78%	61,72%	
<b>Cost / Income</b>	37%	38%	35%	54%	
<b>ROE</b>	11,70%	13,20%	15,26%	13,82%	
<b>ROA</b>	1,60%	1,60%	2,14%	1,54%	



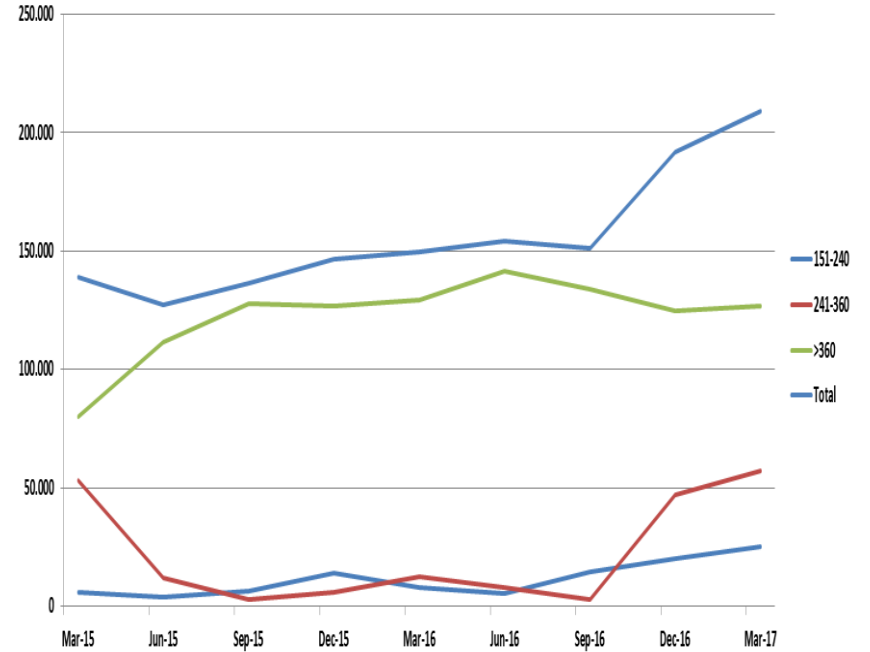
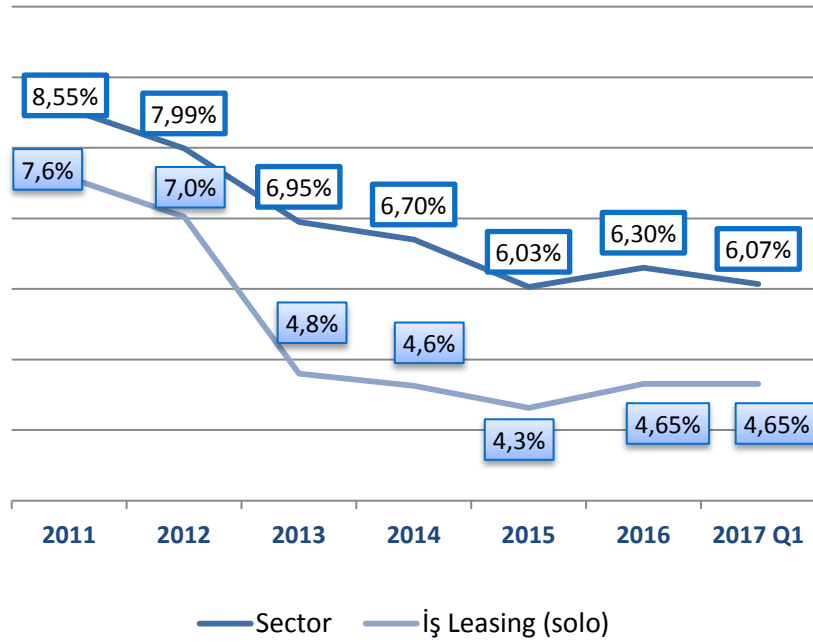
## SOLO KEY FIGURES

(Million TL)	2015	2016	2016/Q1	2017/Q1	Δ	2015	2016	2016/Q1	2017/Q1	Δ
<b>Financial Highlights</b>	<b>İş</b>					<b>Sector</b>				
Leasing Receivables	3.249	3.921	3.150	4.283	36%	36.728	44.022	36.941	46.085	25%
Total Assets	3.656	4.508	3.464	4.632	34%	40.655	48.500	40.692	50.947	25%
Equity	692	755	695	773	11%	6.930	7.800	7.174	8.108	13%
Net Profit	81	82	24	18	-24%	809	922	281	330	17%
NPL Ratio	4,3%	4,7%	4,5%	4,6%		6,0%	6,3%	6,0%	6,1%	
Debt/Equity	4,0	4,7	3,8	4,7		4,5	4,8	4,3	4,9	
ROE *	10,3%	11,7%	10,4%	11,2%		13,1%	13,0%	12,8%	12,8%	
ROA	2,4%	2,1%	1,9%	1,9%		2,1%	2,1%	2,2%	2,1%	

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



## NPL



Consolidated	31.12.2015	31.12.2016	31.03.2017
Gross NPL /Total Receivables	3,40%	3,23%	3,28%
Net NPL / Net Receivables	0,83%	1,15%	1,28%

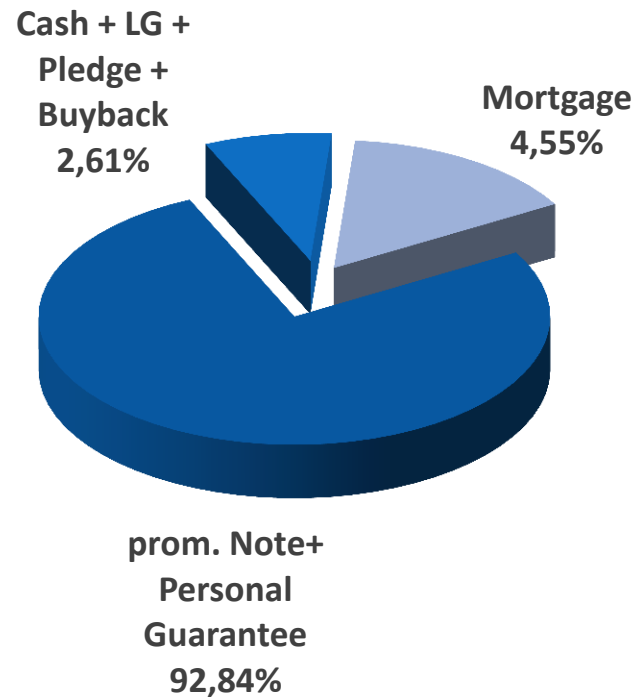
LOSS RESERVE	
000 TL	
2017 Opening	(150.231)
Reversals	1.131
New provisions	(4.519)
Write-off (*)	-
Transfer	-
31.03.2017 Closing	(153.619)





## 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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