

Investor Presentation

March 31, 2011





Leasing Sector in Turkey



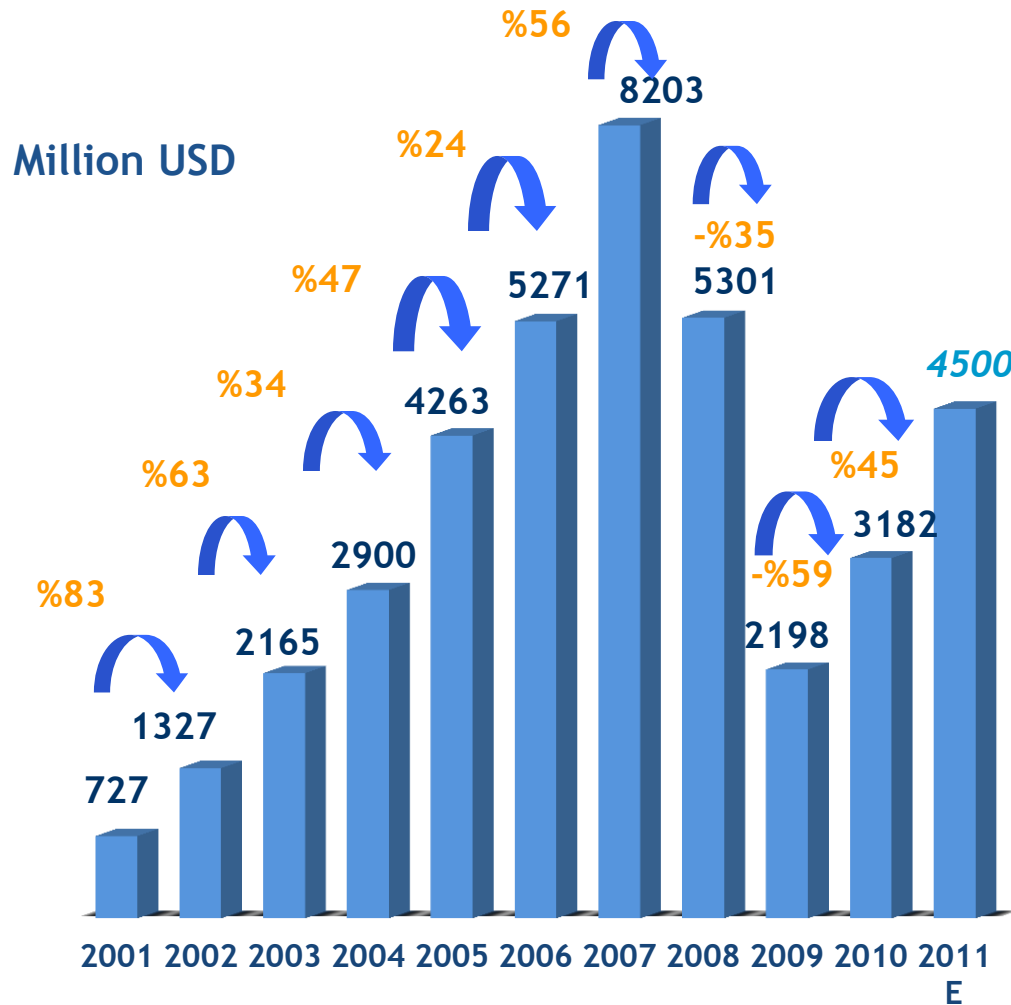


ADVANTAGES OF LEASING

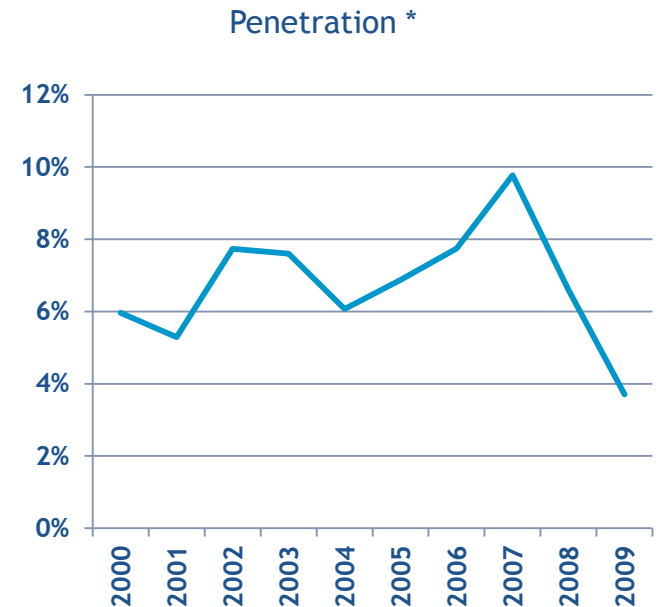
- ✓ Expertise on SMEs, consultancy and know-how support in addition to funding.
- ✓ Fast credit approvals (leased asset ownership), flexible payment plans.
- ✓ FX borrowing option (Bank FX loans have some restrictions)
- ✓ Banks can fund up to %50 of commercial real estate but there is no limit for leasing companies. (BRSA regulation dated 16/12/2010)



TURNOVER



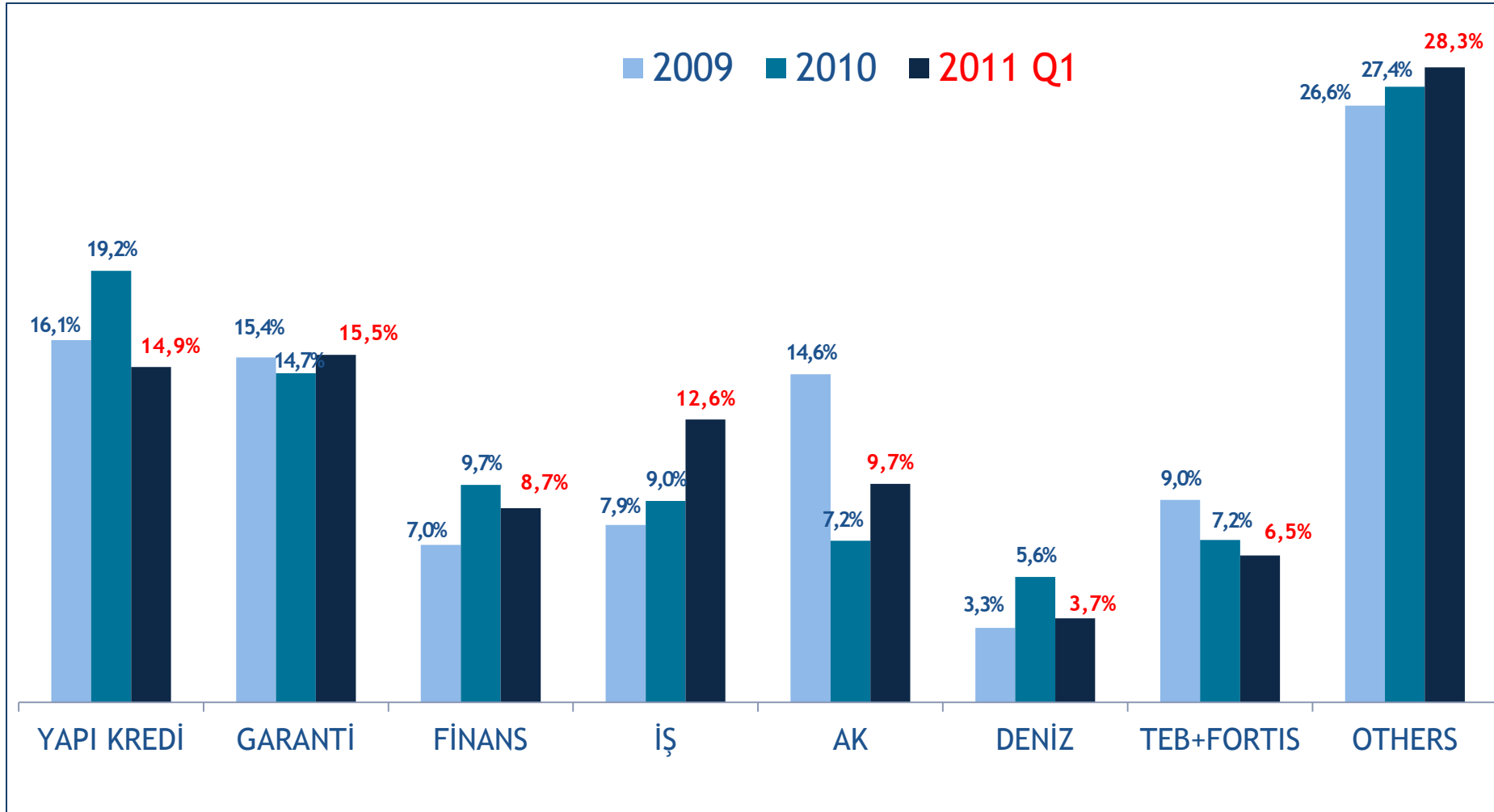
Leasing penetration is still at low levels compared to EU average of 15% and North America average of 18%.



*Leasing volume / Private sector fixed investments (Buildings excluded)



MARKET SHARES, New Leasing Transactions





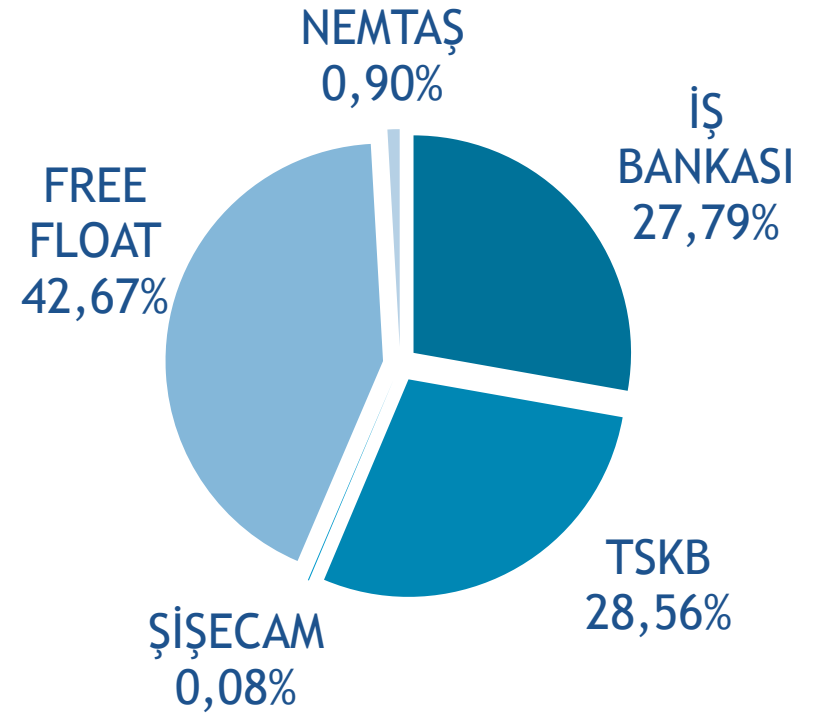
Company Overview





MILESTONES & OWNERSHIP

- Financial leasing law enacted in 1985.
- İş Leasing established in 1988 by İş Bank, IFC and Societe Generale.
- IFC and SocGen transferred leasing know-how and expertise, İş Bank branches provided access to the market.
- İş Group took over in 1995.
- 29,4% public offering in 2000.



İş Bank group controls 57,3% of the shares.



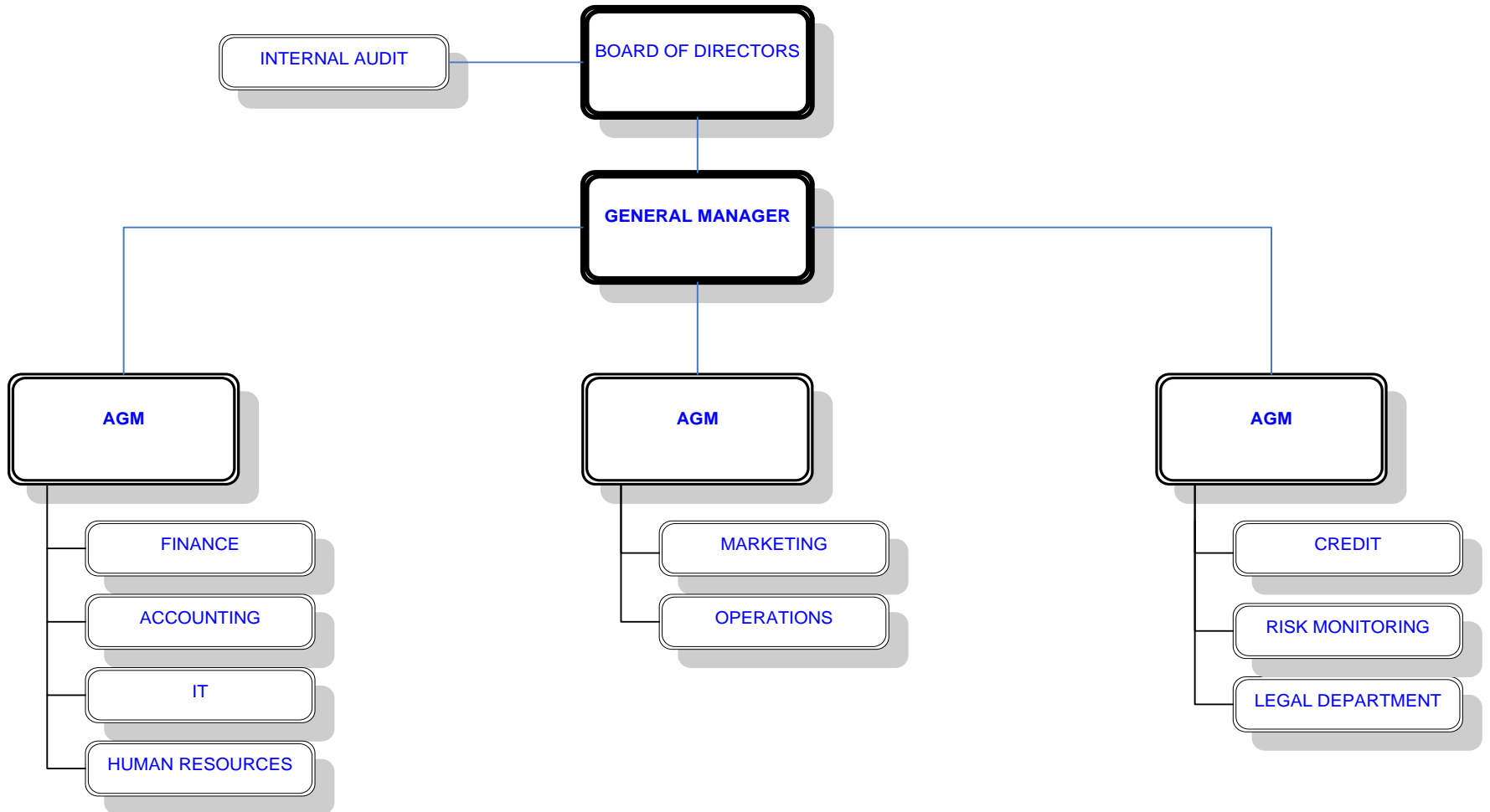
PARTICIPATIONS

<u>Equity Participations</u>	<u>Total Share Capital (TL)</u>	<u>İş Leasing</u>	<u>Share %</u>
İş Yatırım Menkul Değerler A.Ş.	200.000.000	4.864.851	2,43
Camiş Menkul Değerler A.Ş.	4.696.000	2.471	0,05
<u>Subsidaire</u>			
İş Factoring Finansman Hiz. A.Ş.	16.000.000	12.517.000	78,23

İş Yatırım (ISMEN) is a listed company.



ORGANIZATION CHART



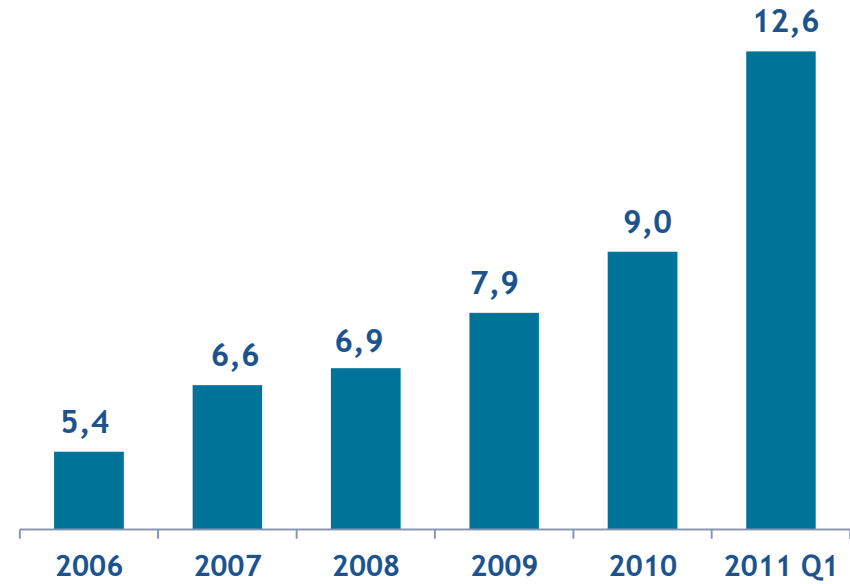
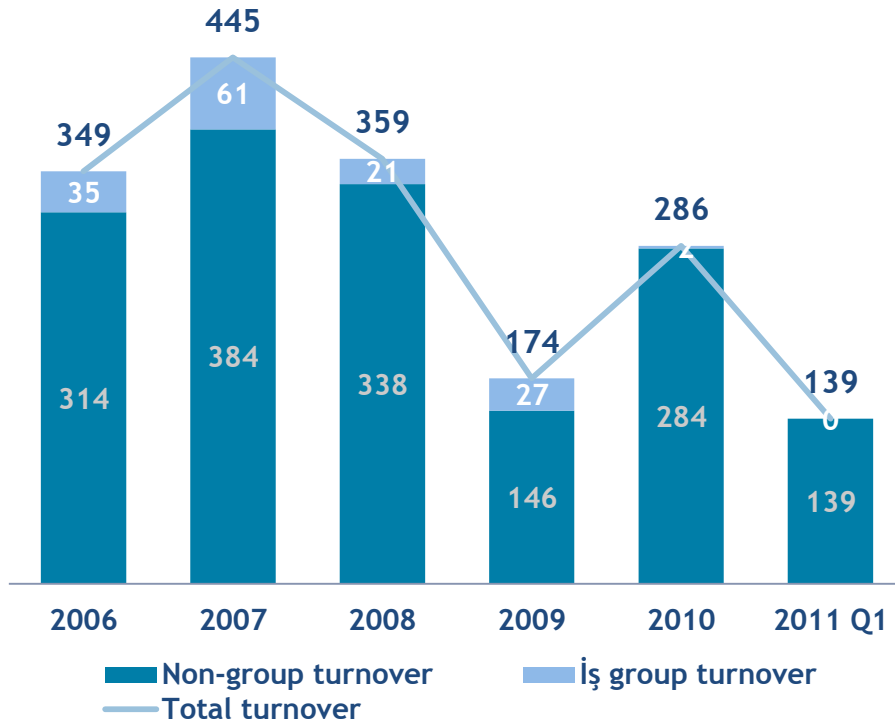


Lease Portfolio





TURNOVER & MARKET SHARE



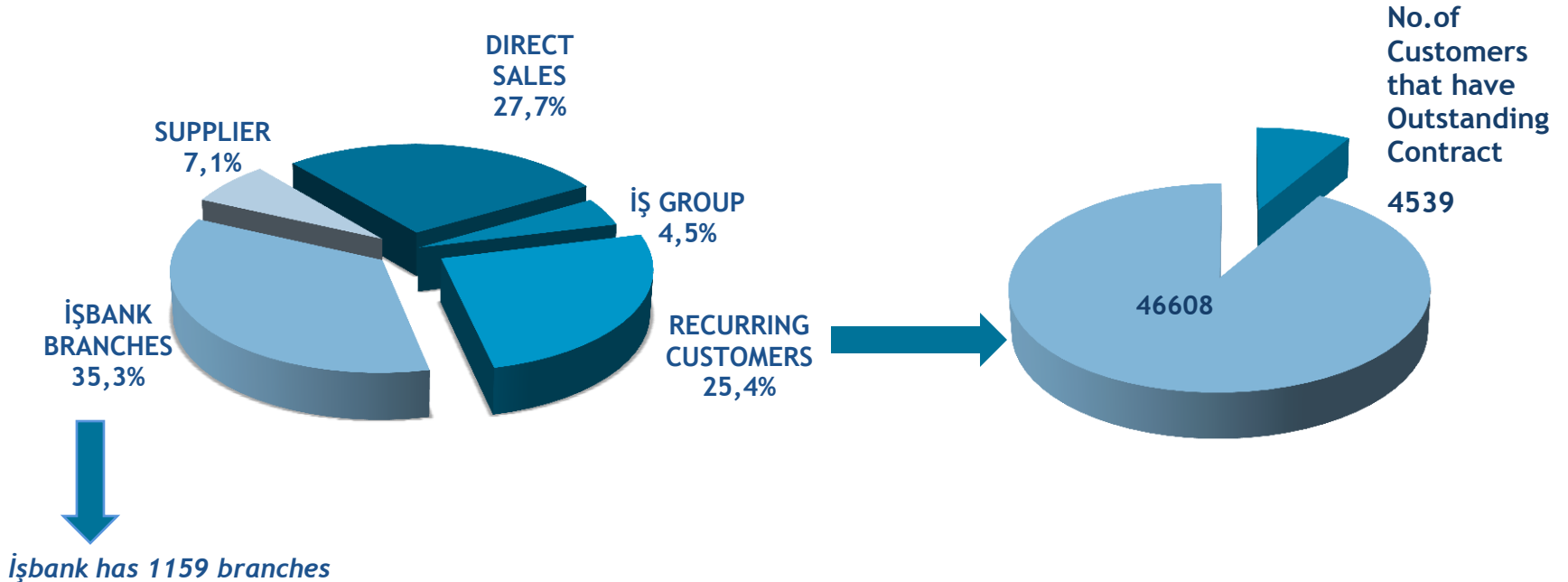
Percentage

Million USD



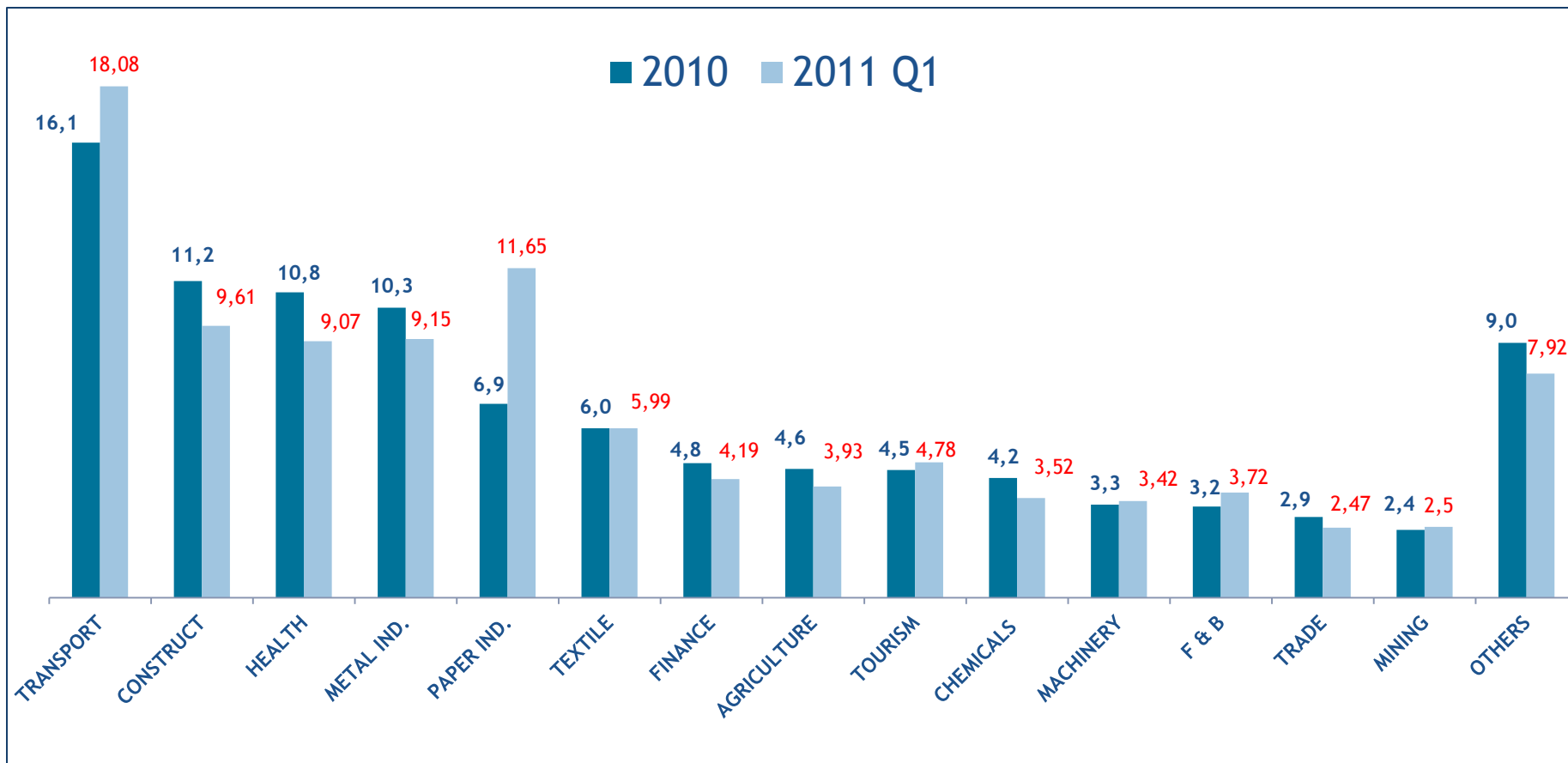
SALES CHANNELS

Total number of customers in CRM database: 50.922



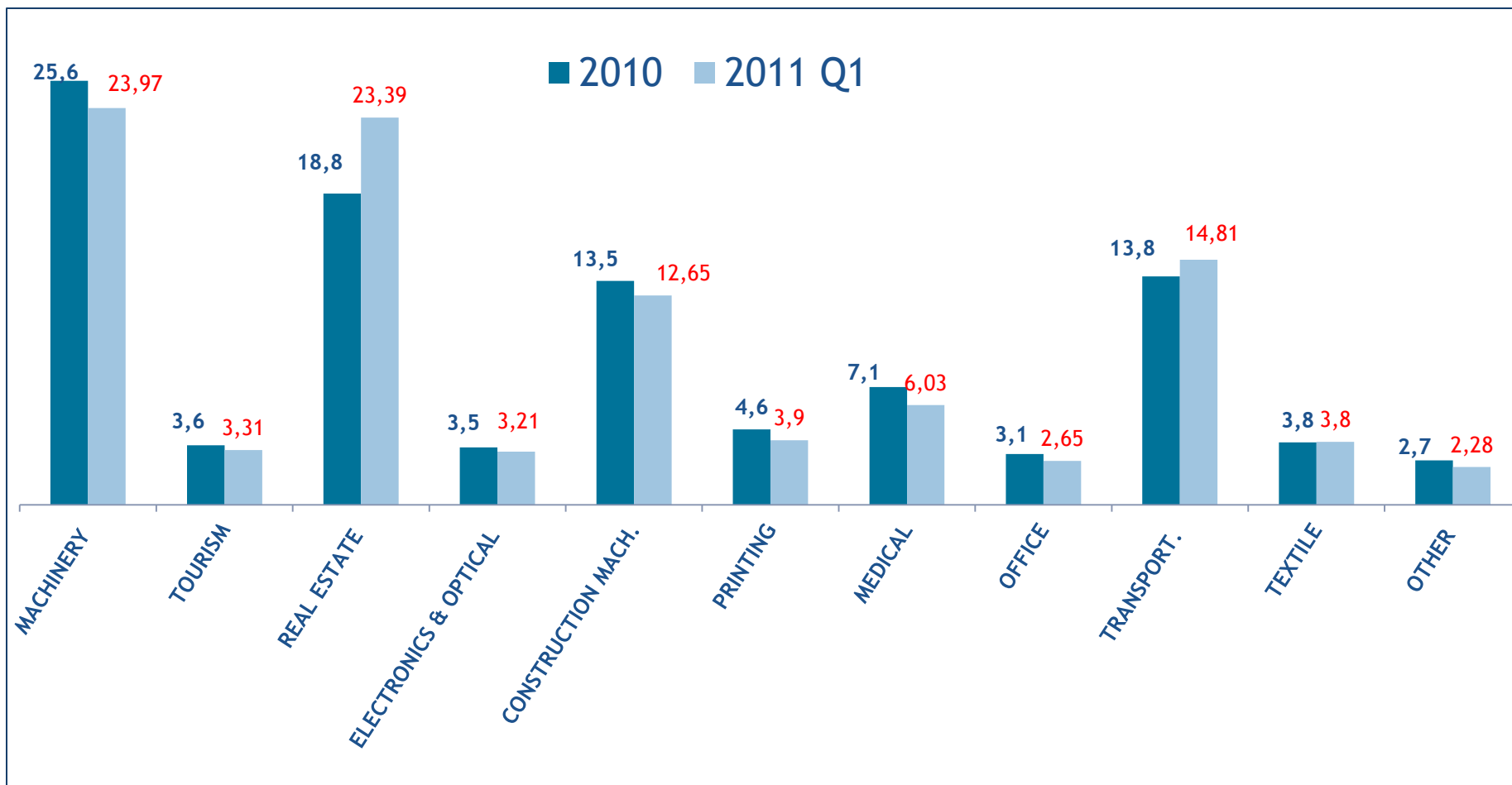


SECTORAL DISTRIBUTION , %





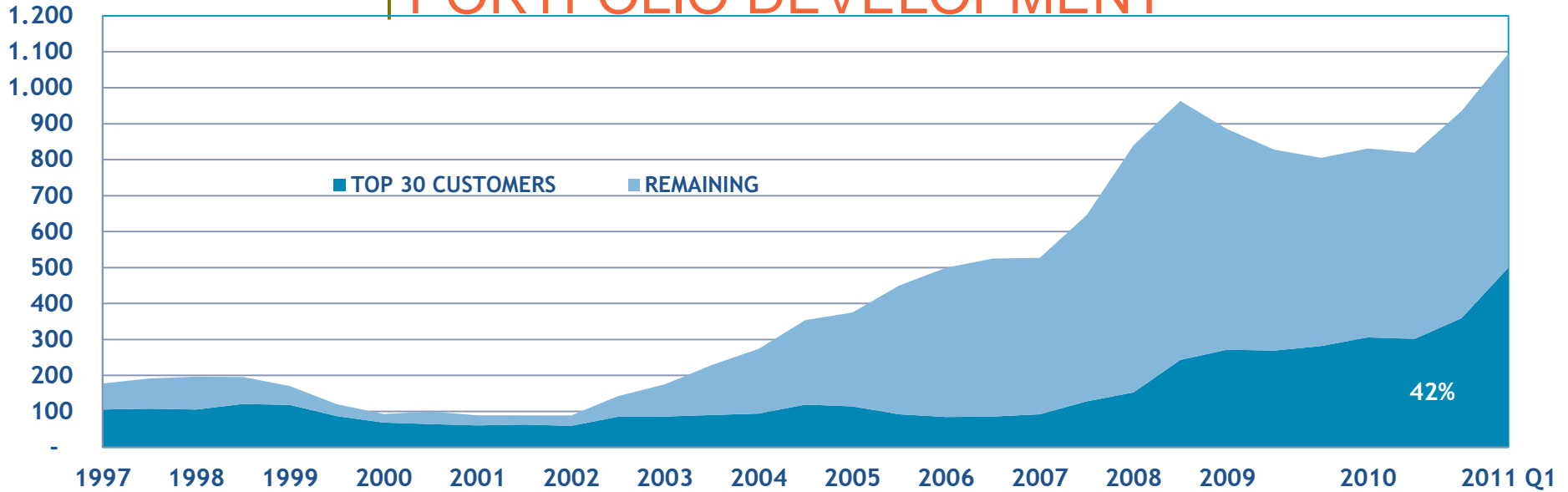
ASSET DISTRIBUTION , %





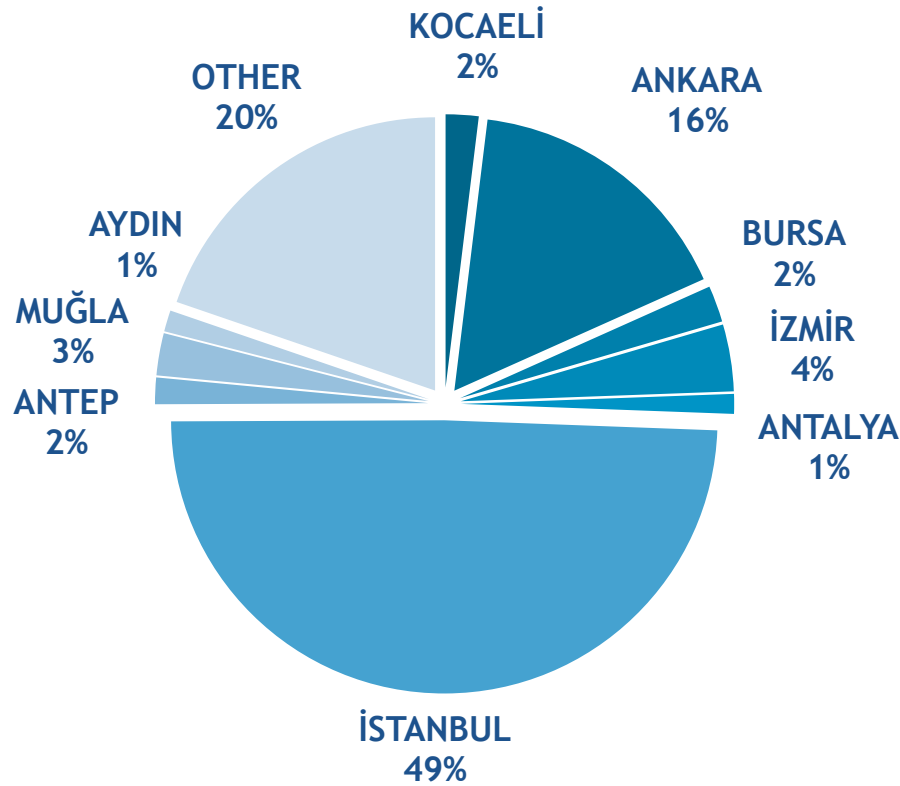
PORTFOLIO DEVELOPMENT

000 TL





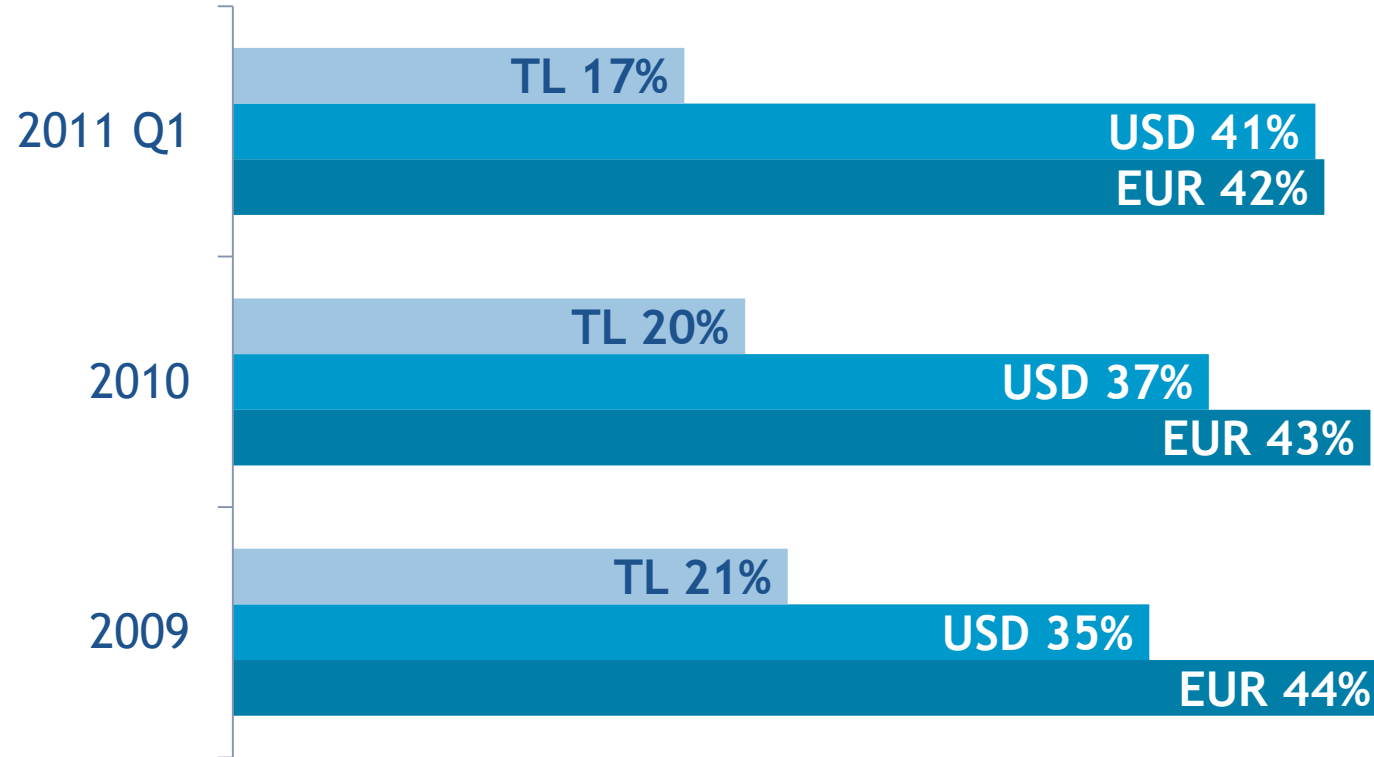
GEOGRAPHICAL DISTRIBUTION



OFFICES	# STAFF
Head Office	4
Istanbul Europe	5
Istanbul Asia	4
Ankara Rep. Office	6
Antep	4
Bursa	2
İzmir	4
Antalya	3
TOTAL SALES STAFF	32
TOTAL HEADCOUNT	95



CURRENCY DISTRIBUTION



TL 000	2010	2011 Q1
Net FX position (Long)	526	11552
Net FX position / Equity	0,1%	2,35%

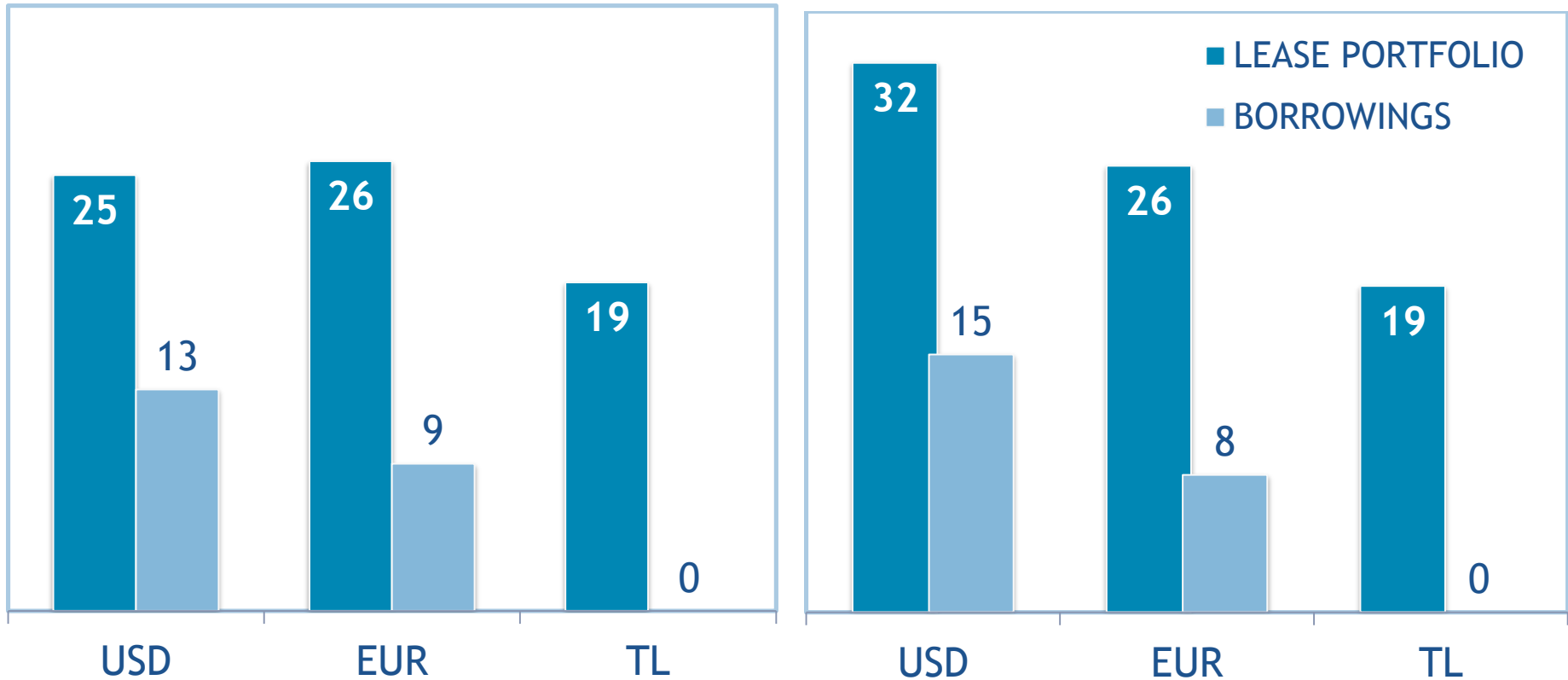


MATURITY DISTRIBUTION

2010

average, months

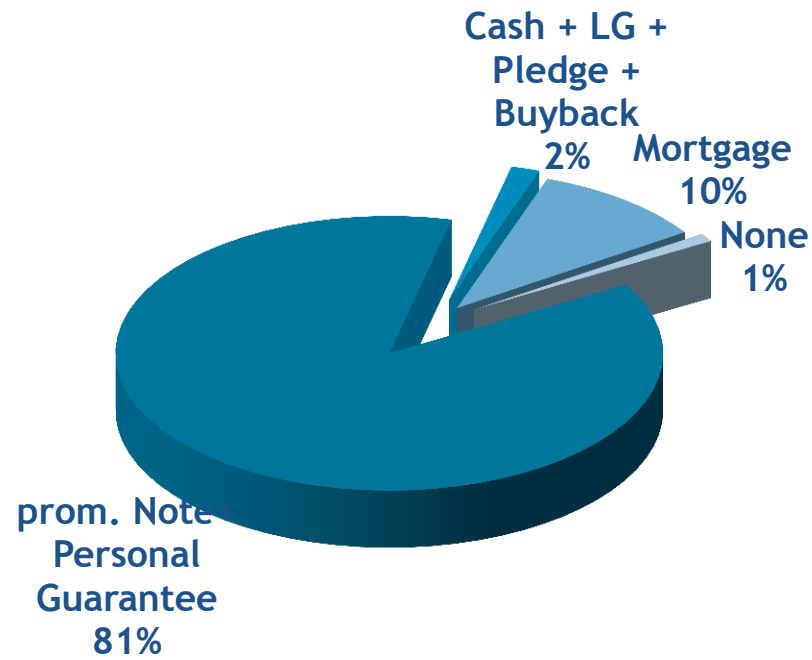
2011 Q1





COLLATERALS*

Leased asset, since legally possessed by the lessor, is a collateral. Depending on the lessee's credit ratings and second hand value of the leased asset, additional collaterals might be demanded.



*İş Bank group excluded



Financial Performance





FINANCIAL HIGHLIGHTS

TL Million	31 December 2010	31 March 2011	Change (%)
Leasing Receivables, Net	936	1.096	17%
Non Performing Receivables	89	87	-2%
Provisions	-45	-47	6%
Total Assets	2.093	2.204	5%
Financial Liabilities	1.587	1.683	6%
Equity	476	491	3%
INCOME STATEMENT			
Net Interest Income	83	19	-6%
Provisions	-12	-3	-3%
Operating Expenses	-18	-5	8%
Net Profit	64	15	-4%
RATIOS			
Gross Non-Performing Rec. / Gross Receivables	9,0%	7,6%	
Provision Ratio	50,4%	54,4%	
Return on Equity	14,5%	12,8%	
Return on Assets	3,6%	2,9%	



BALANCE SHEET (consolidated) 000 TL

	2009	2010	2011/Q1
CURRENT ASSETS			
Cash and cash equivalents	363.754	691.285	492.086
Trading Securities (net)	139	4.364	11.483
Leasing Receivables (net)	348.149	323.529	341.246
Factoring Receivables	142.899	331.321	470.089
Other current assets (net)	20.987	24.423	23.881
Total Current Assets	875.928	1.374.922	1.338.784

LONG TERM ASSETS

Factoring Receivables (net)	0	0	0
Leasing receivables (net)	480.567	612.091	754.595
Assets for sale (net)	18.086	26.516	26.626
Fixed assets (net)	778	448	437
Intangible assets (net)	74	640	706
Deferred tax assets (net)	64.981	78.615	82.408
Goodwill	166	166	166

Total Long Term Assets	564.652	718.476	864.939
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TOTAL ASSETS	1.440.580	2.093.398	2.203.723
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	2009	2010	2011/Q1
CURRENT LIABILITIES			
Short-term borrowings	893.554	1.416.398	1.512.925
Trade payables	12.524	14.480	9.394
Advances received	9.524	8.588	12.312
Other current liabilities	4.182	3.463	3.376
Corporate tax payable	487	1.789	2.977
Total Current Liabilities	920.271	1.444.718	1.540.984

LONG TERM LIABILITIES

Long term borrowings	114.244	170.501	170.501
Trade payables	0	0	0
Reserves for employee benef	1.563	2.218	1.543
Deferred tax liabilities (net)	0	0	0

Total Long Term Liabilities	115.807	172.719	172.044
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Minority Interest	8.945	10.861	10.968
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SHAREHOLDERS' EQUITY

Capital	250.000	295.000	295.000
Reserves	40.168	106.398	169.306
Net profit for the year	105.388	63.702	15.421
Total Shareholders' Equity	395.557	465.100	479.727

TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY

1.440.580	2.093.398	2.203.723
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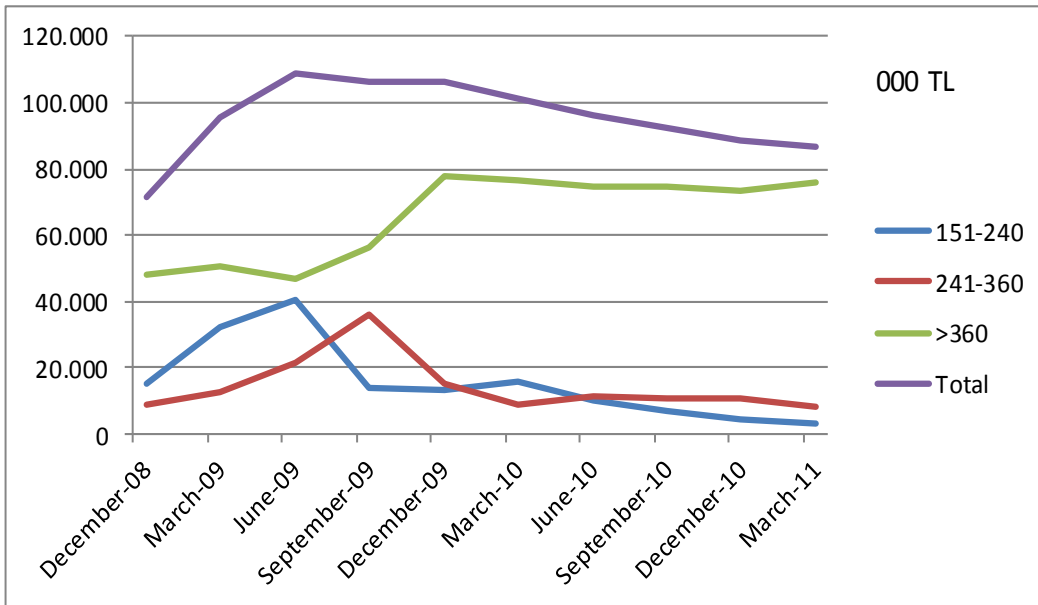
INCOME STATEMENT (consolidated) 000 TL

	2009	%	2010	%	2011 Q1	%
Interest income	97.986	10,9	81.488	9,2	21.780	8,6
Interest Expense	(50.739)	(5,2)	(60.230)	(4,6)	(18.140)	(4,4)
Foreign currency gains/(losses)	1.666		912		1.038	
	48.913	5,5	22.170	2,5	4.677	1,8
Factoring Income	14.147		18.671		5.895	
General and administrative expenses	(15.450)	(1,7)	(18.352)	(2,1)	(4.843)	(1,9)
Provision Expenses	(17.886)	(2,0)	(12.372)	(1,4)	(2.918)	(1,1)
Other income/(expenses) (net)	28.003	3,1	52.330	5,9	11.465	4,5
Profit before taxation	57.727	6,4	62.447	7,1	14.277	5,6
Taxation	49.107		2.422		1.351	
Profit after taxation	106.834	11,9	64.869	7,4	15.628	6,2
Net profit before minority interest	106.834		64.869		15.628	
Minority Interest	(1.446)		(1.167)		(207)	
Net profit for the year	105.388	11,8	63.702	7,2	15.421	6,1



NPL

Consolidated	2008	2009	2010	2011 Q1
Gross NPL / Total Receivables	% 7,0	% 10,8	% 6,9	% 5,5
Net NPL / Net Receivables	% 4,3	% 6,9	% 3,5	% 2,5



000 TL	LOSS RESERVE
2011 Opening	(47.258)
Reversals	275
New provisions	(2.918)
Write-off	-
2011/Q1 Closing	(49.901)

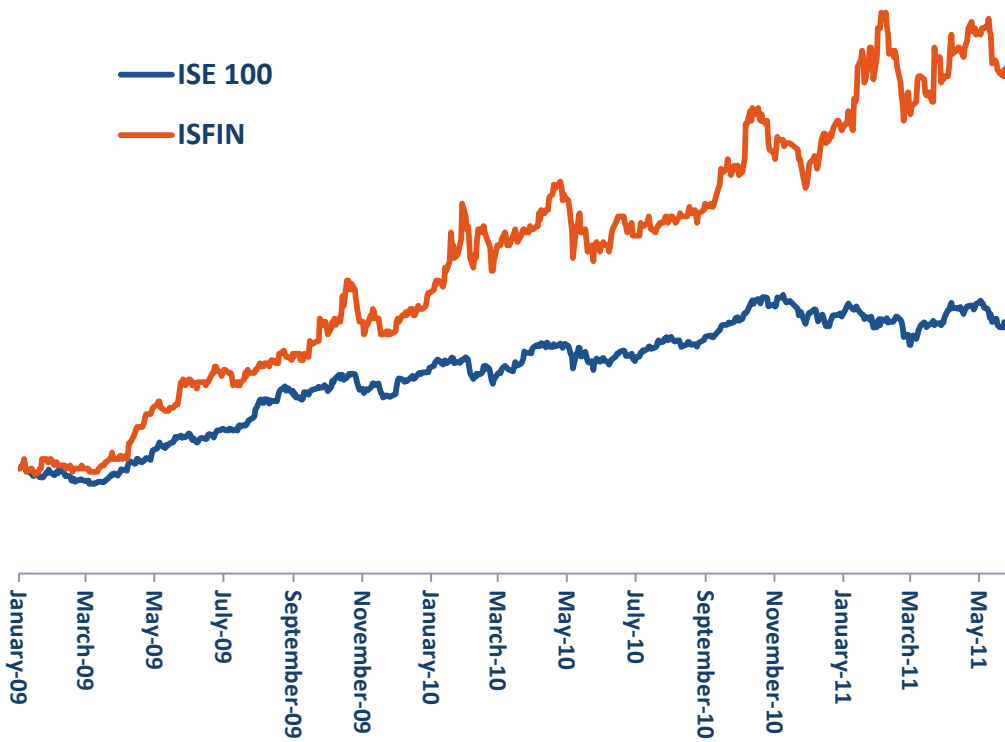


Other Issues





RELATIVE SHARE PERFORMANCE



(TL mn)	2010
Net income	63.7
Book value	465
Mcap @1.39	410
P/BV	0.91
P/E	6.4
Outstanding Shares	295 mio
Mcap @1.60 30/05/11	472 mio TL



RATINGS



Foreign Currency

Long-Term IDR	BBB-
Short-Term IDR	F3
Outlook	Positive

Local Currency

Long-Term IDR	BBB-
Short-Term IDR	F3
Outlook	Positive

National

Long-Term Rating	AAA (tur)
Outlook	Stable
Support Rating	2



AGENDA

- ✓ Increasing synergy with İşbank branches. By using the wide branch network of İşbank, reaching uncovered SME's therefore smaller ticket sizes and higher spreads are targeted.
- ✓ New regulatory changes expected.(probably after June11 elections). Sale and Lease back, Operating Lease, Lease of complementary parts, Software Leasing will be the new products expected after the change.
- ✓ Energy efficiency and renewable energy projects in cooperation with IFI's.
- ✓ Strategic partnerships with vendors to cover new customers. These relations will be an asset for operating leasing when available.



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