

Investor Presentation
December 31, 2012





Leasing Sector in Turkey





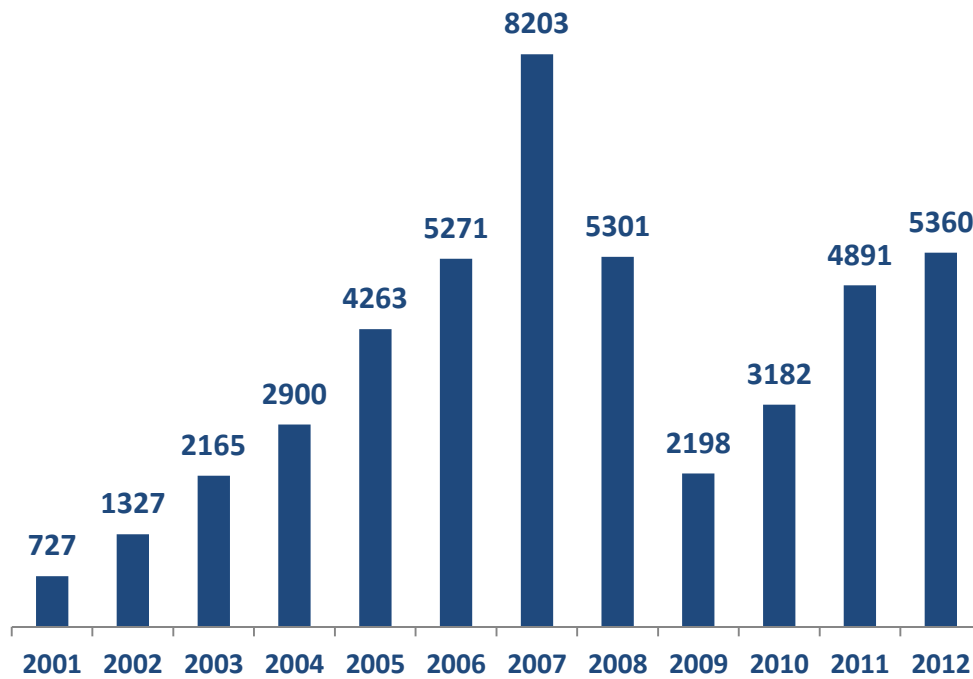
ADVANTAGES OF LEASING

- ✓ 1 % VAT on selected machinery. (Finance Ministry decree dated 27/12/2011)
- ✓ New Leasing Law approved(13/12/2012, Law no: 6361). Product differentiation; Operating Leases, Sale-and-lease back...
- ✓ 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.
- ✓ Banks can fund up to %50 of commercial real estate but there is no cap for leasing companies. (BRSA regulation dated 16/12/2010)



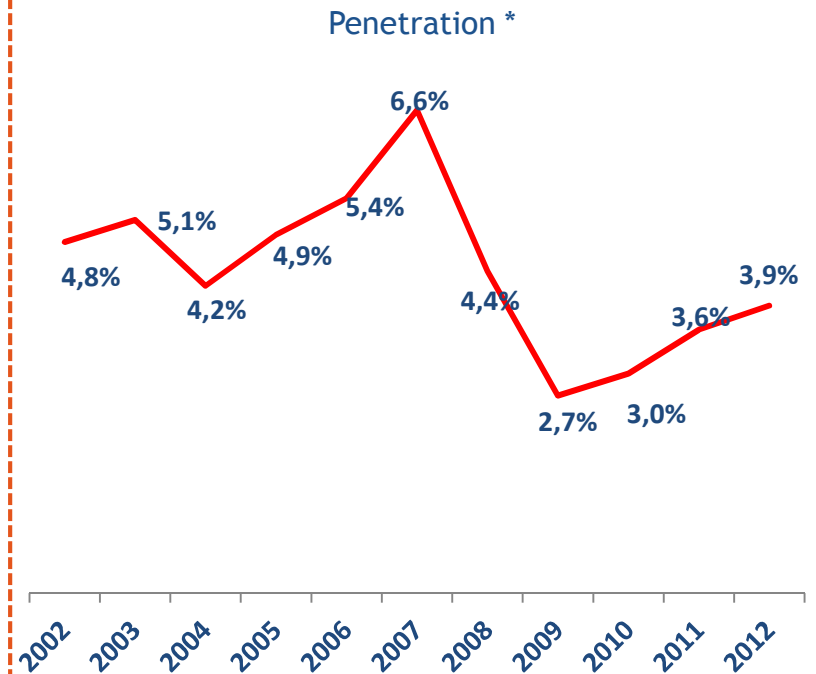
TURNOVER

New Leasing contracts of the sector



Million USD

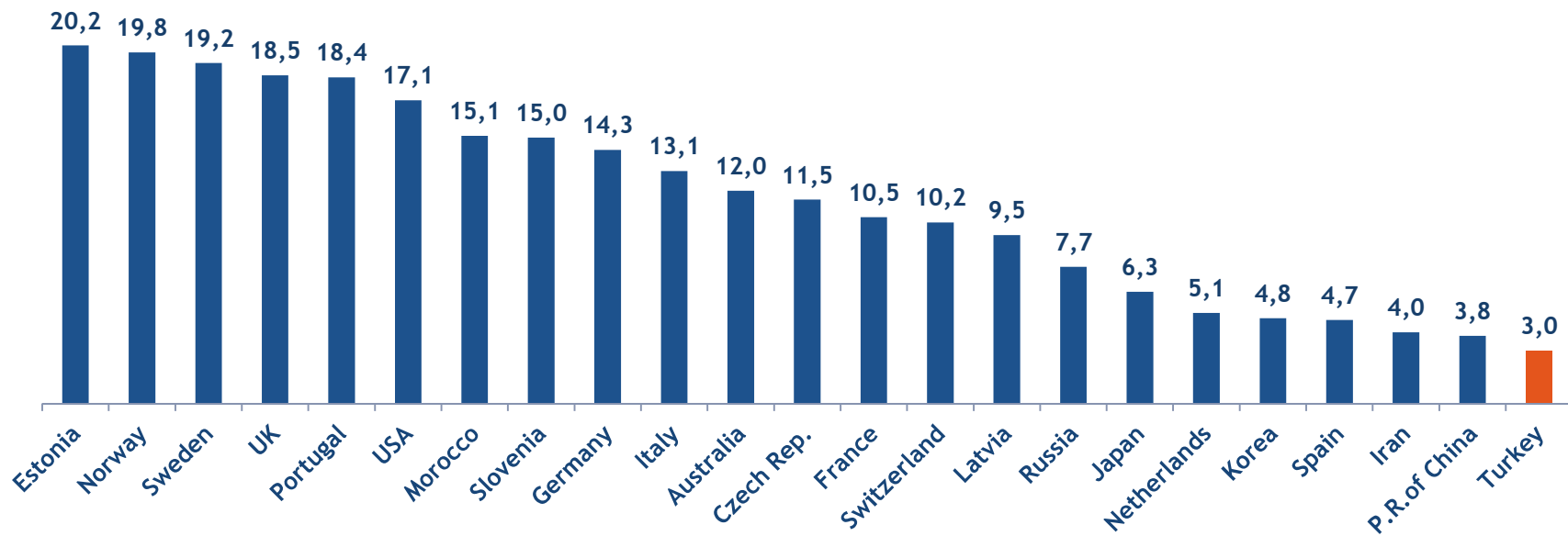
Leasing penetration is still at low levels compared to EU average of 15% and North America average of 18%.



*Leasing volume/ Private sector fixed investments

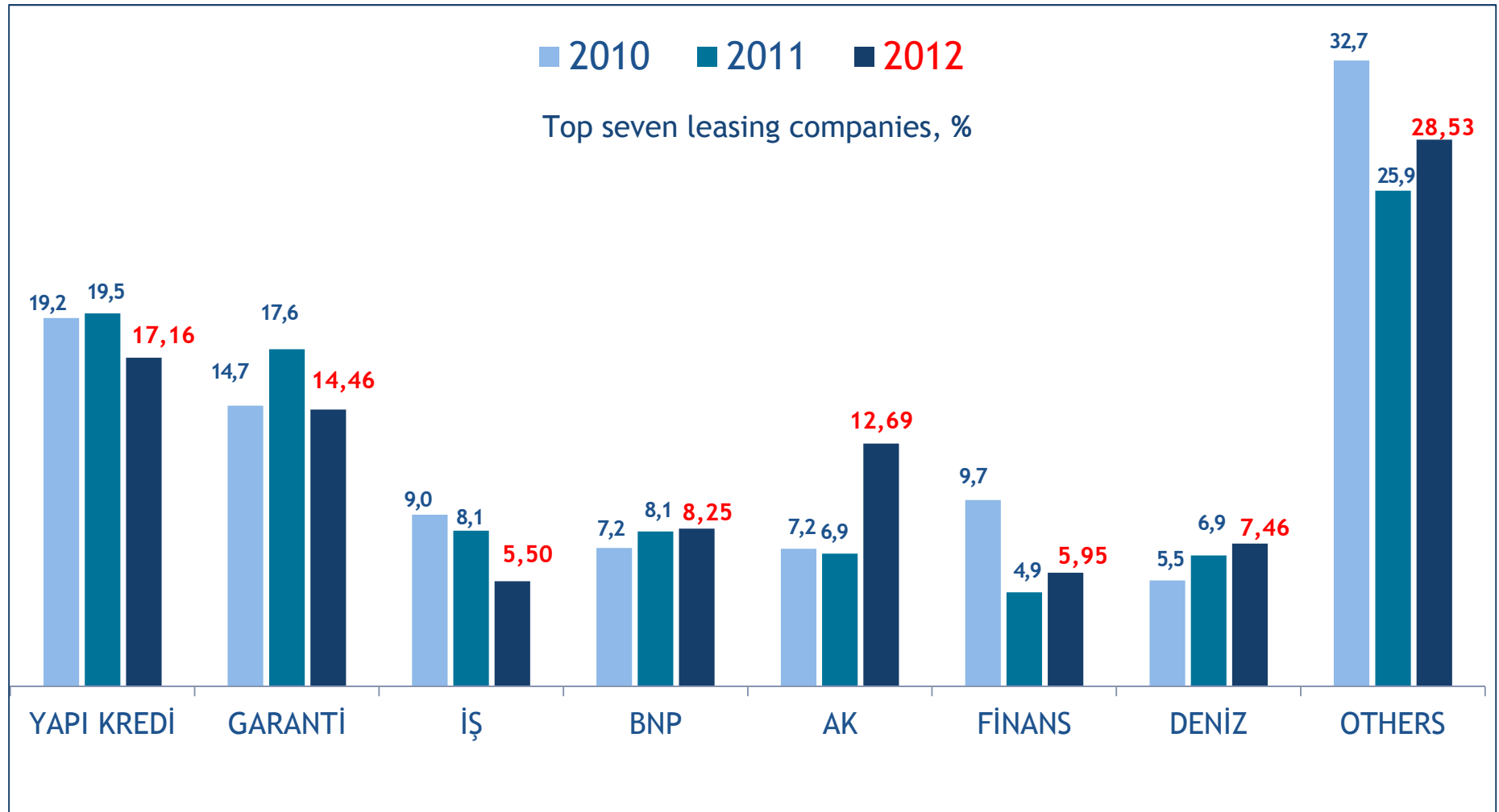


LEASING PENETRATION RATES COMPARED 2010





MARKET SHARES, New Leasing Transactions





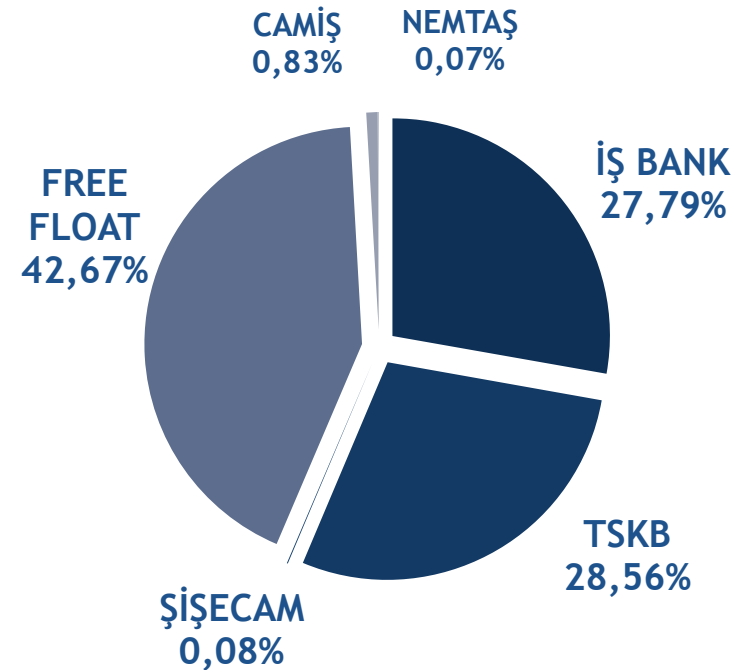
Company Overview





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.

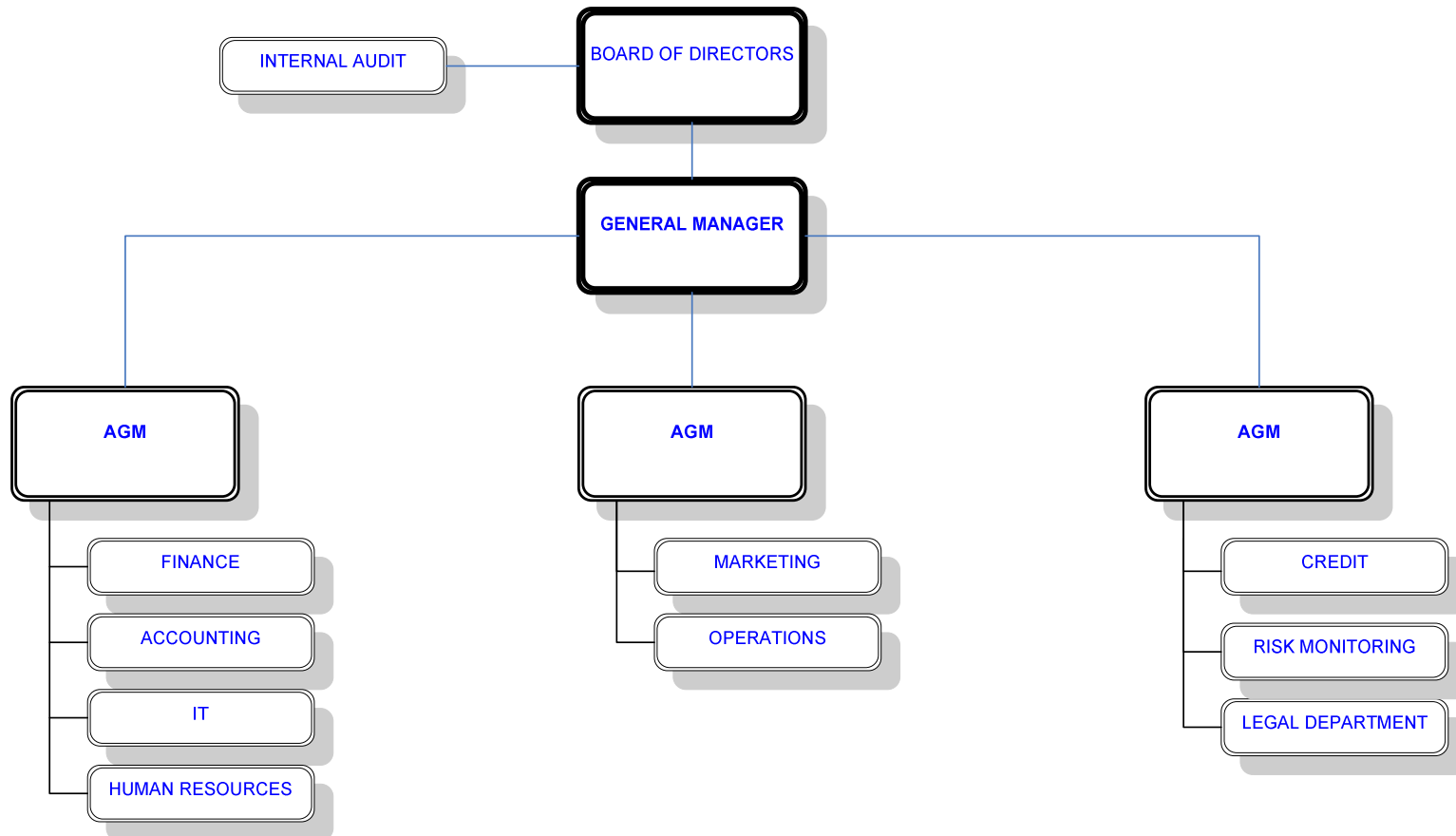


PARTICIPATIONS

Equity Participations	Ownership Rate (%)
Efes Varlık Yönetimi A.Ş.	10.00
İş Yatırım Menkul Değerler A.Ş. (IS Invest)	4.86
İş Net	1.00
İş Girişim Sermayesi Y.O A.Ş.	0.89
Yatırım Finansman A.Ş.	0.06
Camiş Menkul Değerler A.Ş.	0.05
Subsidiaries	Ownership Rate (%)
İş Factoring Finansman Hiz. A.Ş.	78.23



ORGANIZATION CHART



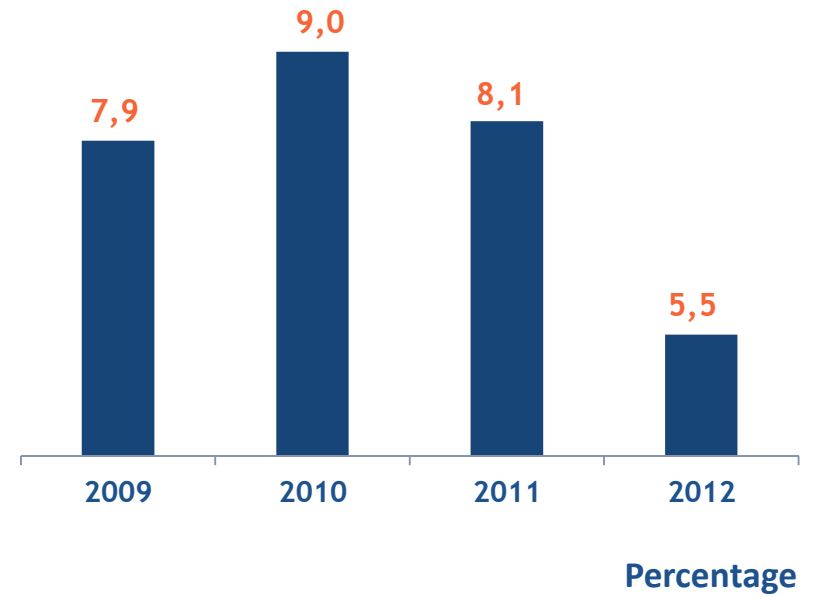
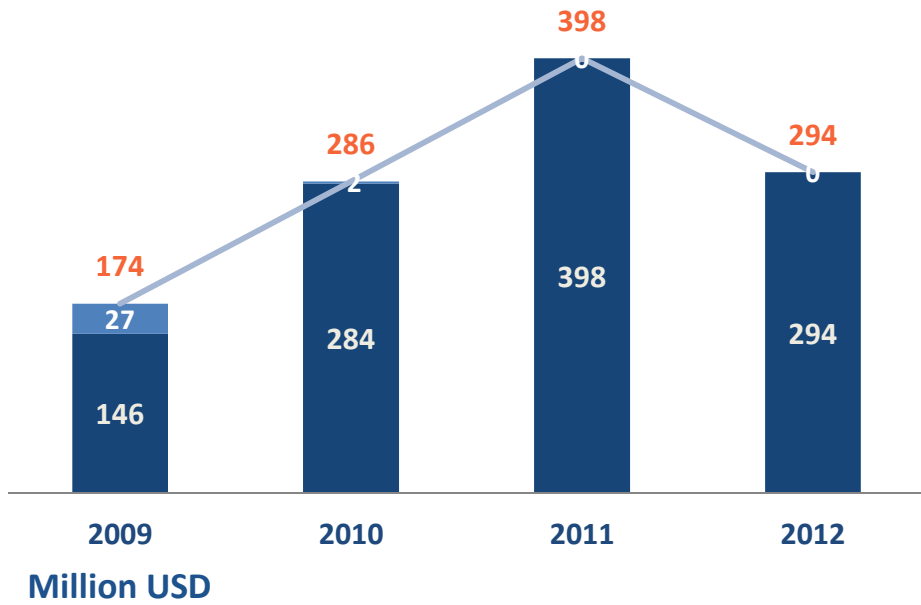


Lease Portfolio





TURNOVER & MARKET SHARE





2012 Leasing Volumes (000 \$)

2012 leasing industry turnover was \$ 5,359,642

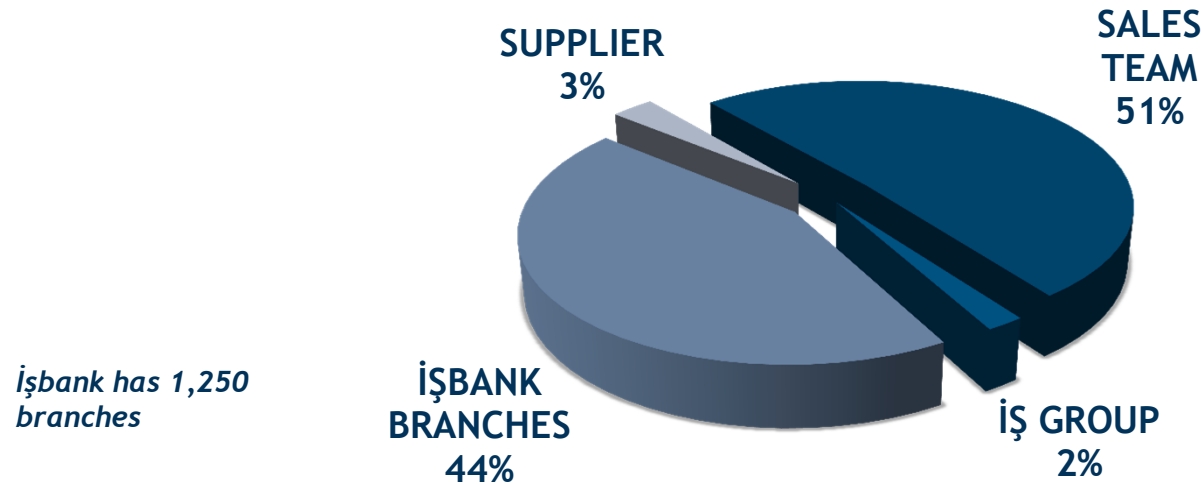
2012 Top 10 Turnover	Share %	Leasing volume \$
YAPI KREDİ LEASING	17,2 %	919.777
GARANTİ LEASING	14,5 %	776.654
AKLEASE	12,7 %	680.309
BNP PARIBAS	8,3 %	441.946
DENİZ LEASING	7,5 %	400.072
FİNANS LEASING	5,9 %	318.764
İŞ LEASING	5,5 %	293.850
HALK LEASING	5.2 %	277.610
VAKIF LEASING	4,8 %	254.962
ZIRAAT LEASING	3,4 %	183.681

A time lag of 2-3 months on average exists between leasing agreement and start of rental payments (delivery). The decrease in İş Leasing's transaction volume in Q1 mainly resulted from the increased risk awareness in the last 2 months of 2011 when the European debt crisis was moving to an unpredictable outcome.

Source : Fider



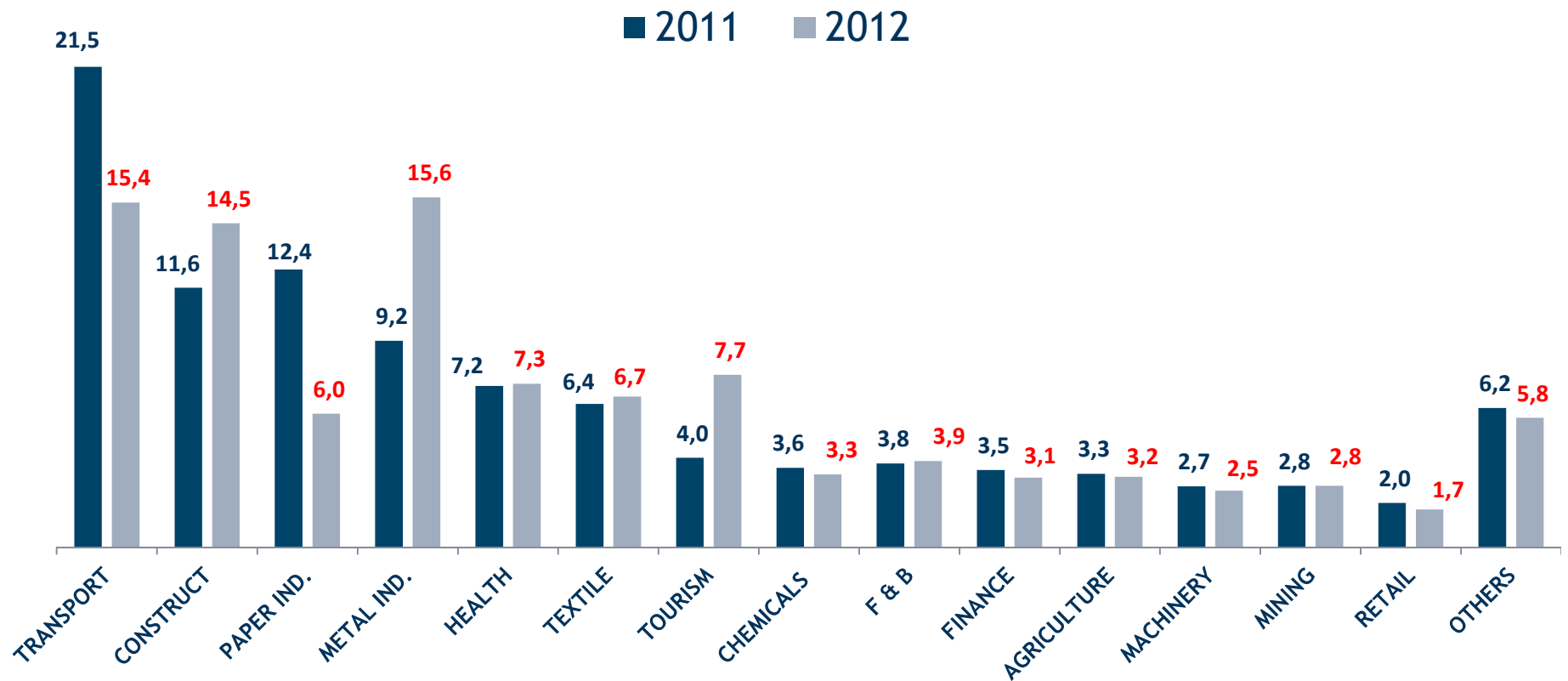
SALES CHANNELS



No of customers in CRM database	59.182
Customers with outstanding leasing transaction	4.027

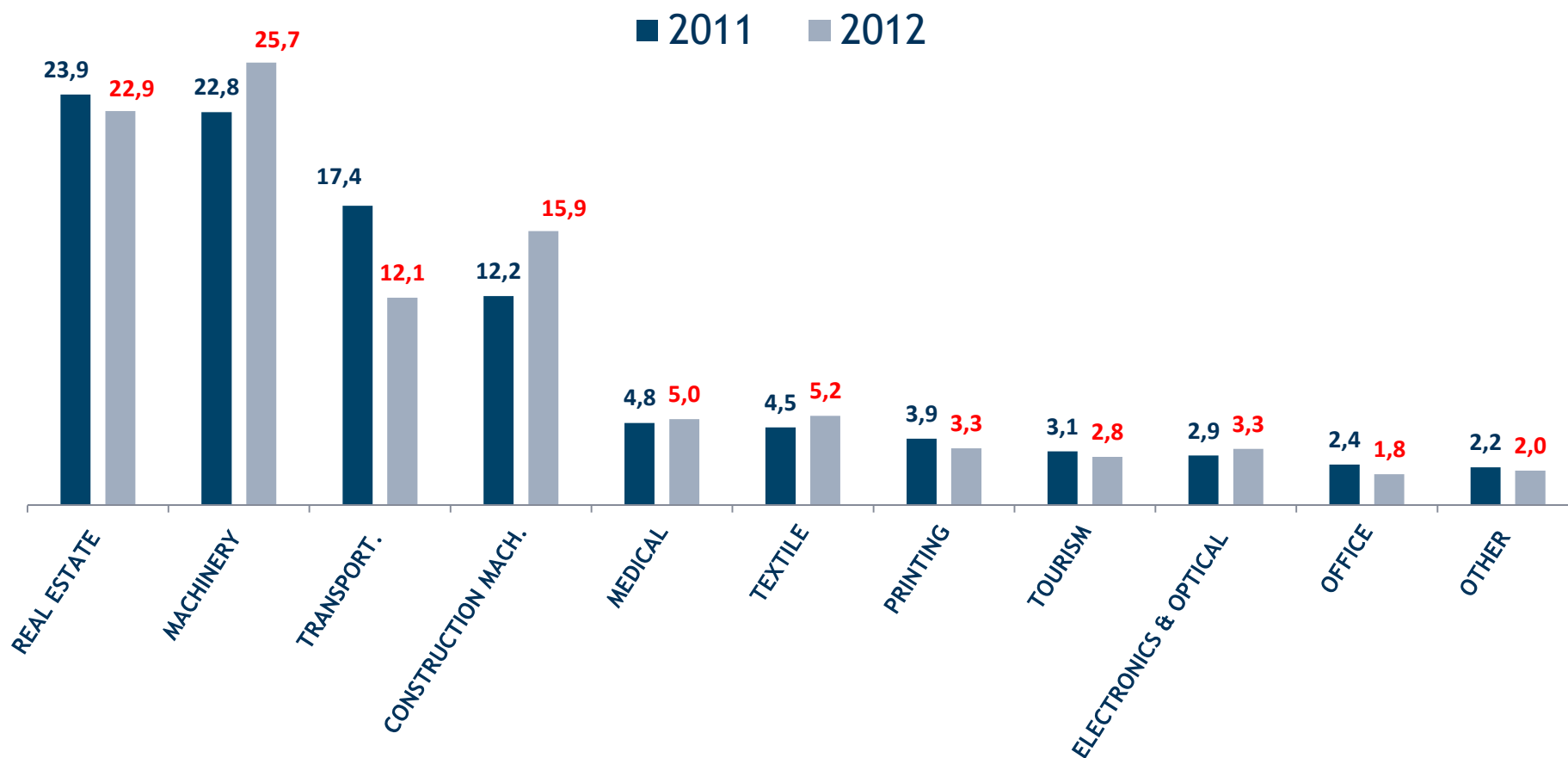


SECTORAL DISTRIBUTION , %



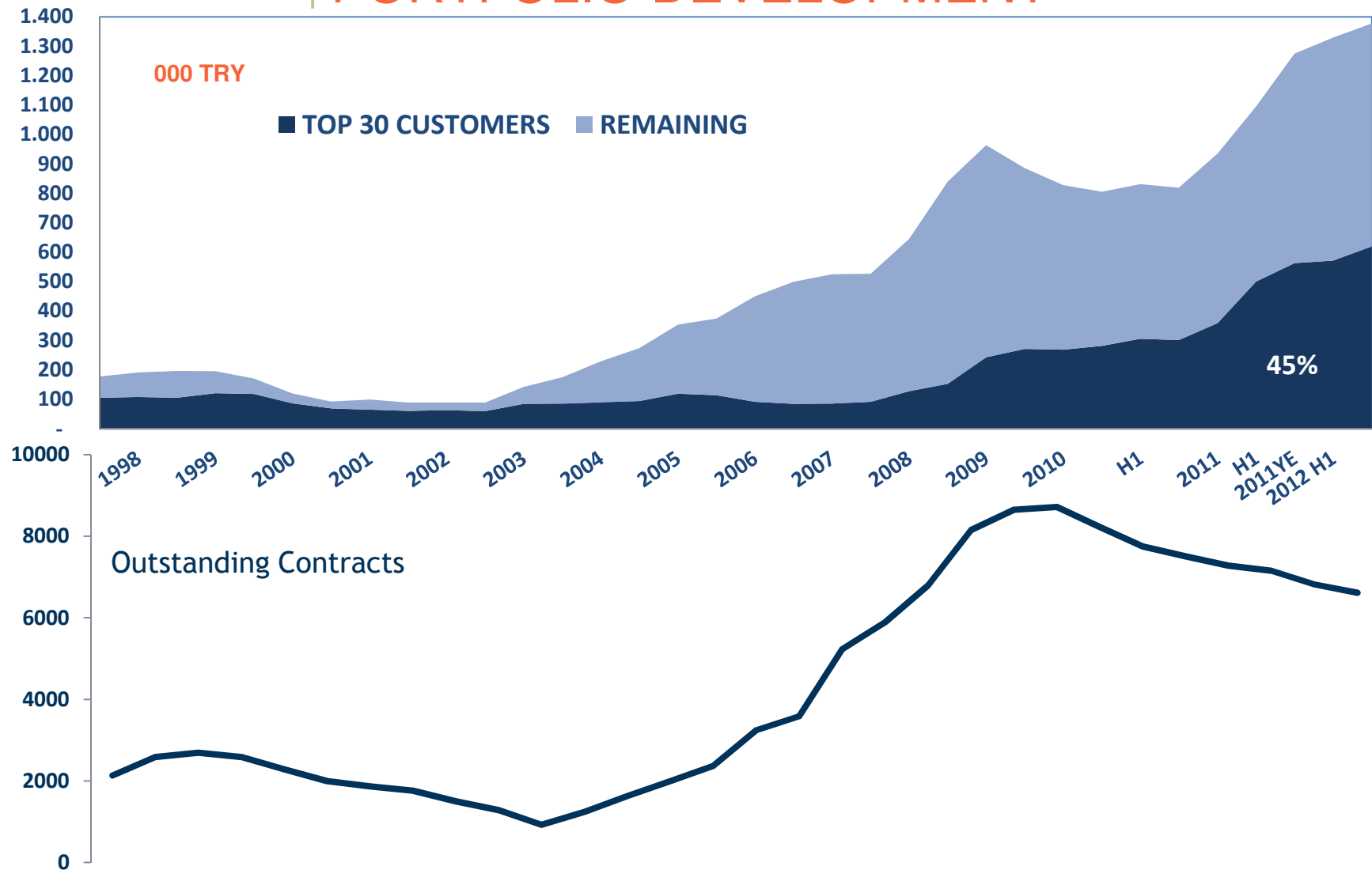


ASSET DISTRIBUTION , %



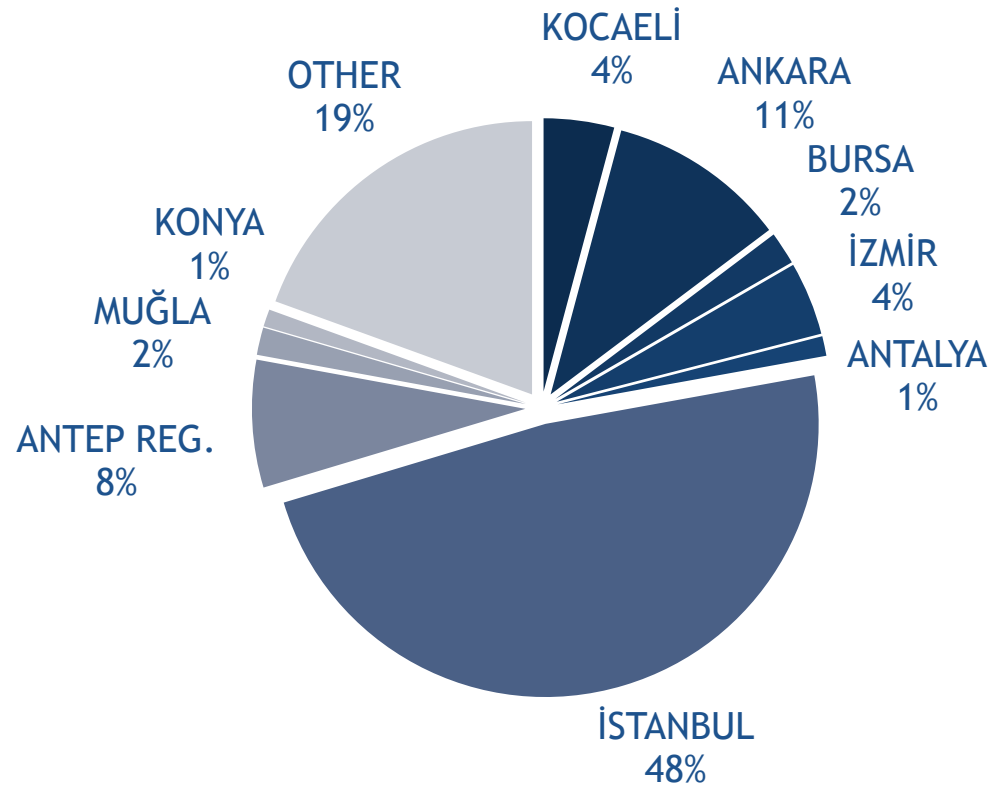


PORTFOLIO DEVELOPMENT





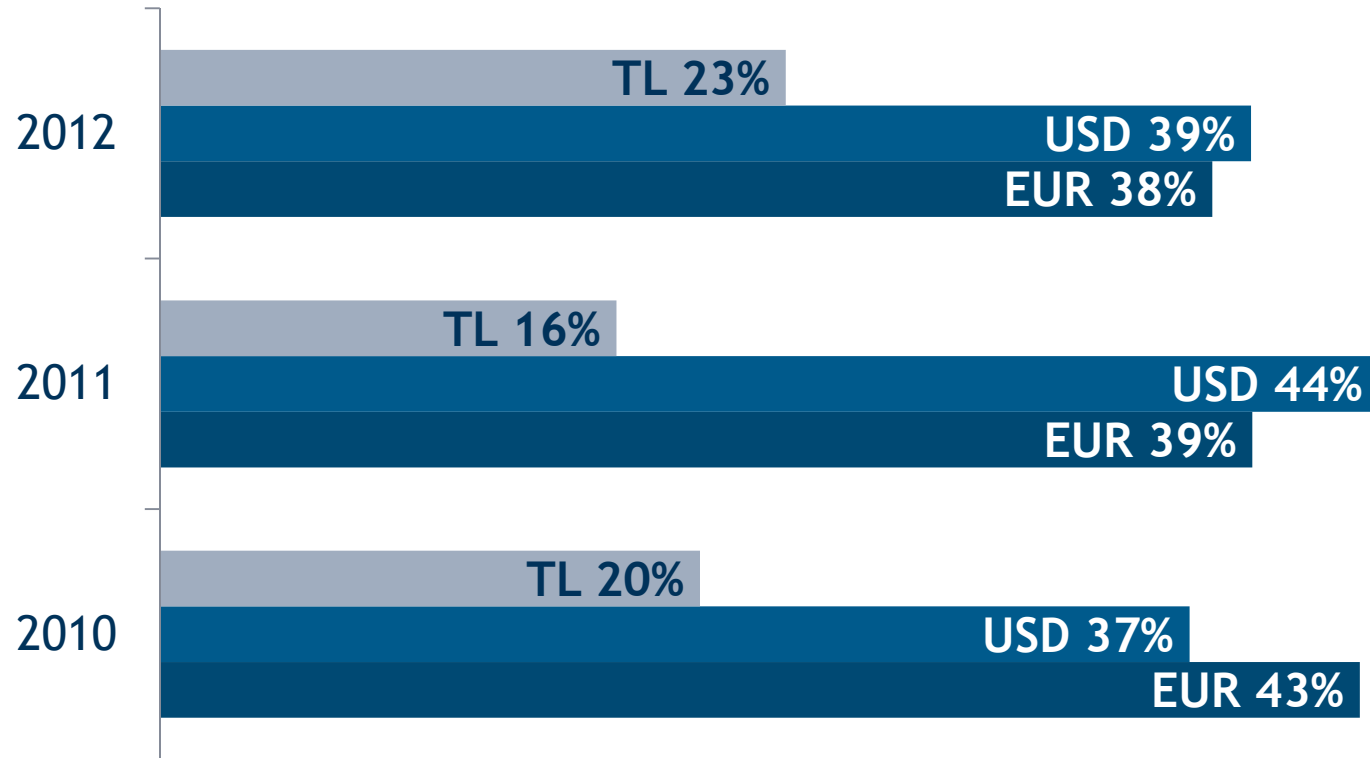
GEOGRAPHICAL DISTRIBUTION



OFFICES	SALES STAFF
Head Office	2
Istanbul Europe	5
Istanbul Asia	4
Ankara Rep. Office	5
Antep	5
Bursa	2
İzmir	4
Antalya	2
TOTAL SALES STAFF	29
TOTAL HEADCOUNT	103



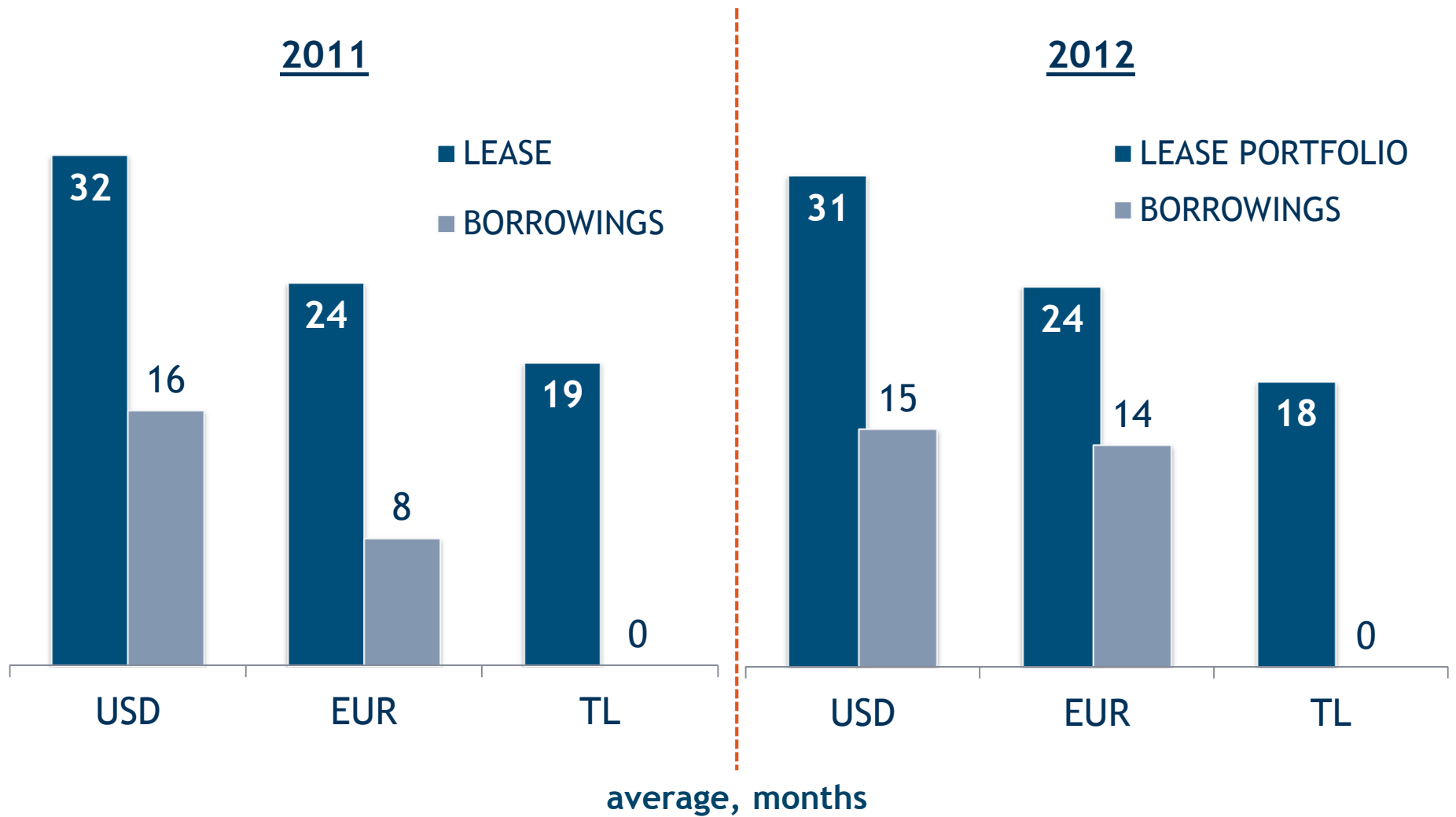
CURRENCY DISTRIBUTION



('000 TRY)	2011	2012
Net FX Position (Short)	2.232	-1.105
Net FX Position/Equity	0,4 %	0.2 %



MATURITY DISTRIBUTION





FUNDING POLICY

- ✓ 24 % of debt portfolio is funded via İşbank. İşbank has available lines to fund İş Leasing when necessary.
- ✓ İş Leasing completed 3 corporate bond issuances amounting 250 million TRY. Terms were 12 and 24 months.
- ✓ 40 million USD murabaha syndicated loan was closed in June 2012.
- ✓ Bilateral lines from local and foreign banks, SME funds of development banks and World Bank, ECA loans are other major other sources of funding. IFI facilities are being negotiated.
- ✓ Syndicated loans and other structured loans will be considered again at competitive pricing levels. Cost of funding is key to our evaluation.
- ✓ Strategy aims diversification of creditors and debt products.
- ✓ Strategy is not to generate a currency mismatch and to keep maturity mismatch within manageable limits.



Financial Performance





FINANCIAL HIGHLIGHTS

TL Million	31 December 2011	31 December 2012	Change (%)
Leasing Receivables, Net	1.398	1.391	-1%
Non Performing Receivables	110	102	-7%
Provisions	-58	-58	0%
Total Assets	2.242	2.820	26%
Financial Liabilities	1.673	2.213	32%
Equity	520	566	9%
INCOME STATEMENT			
Net Interest Income	87	95	9%
Provisions	-15	-22	47%
Operating Expenses	-22	-24	9%
Net Profit	52	41	-21%
RATIOS			
Gross Non-Performing Rec. / Gross Receivables	7,6%	7,0%	
Provision Ratio	52,7%	56,9%	
Return on Equity	10,5%	7,5%	
Return on Assets	2,4%	1,6%	



BALANCE SHEET (consolidated) mio TL

Million TRY	2010	2011	2012		2010	2011	2012
Current Assets				Current Liabilities			
Cash and Cash Equivalents	691.3	309.6	317.2	Short Term Liabilities	1416.4	1353.4	1874.7
Trading Securities(net)	4.4	12	8.7	Trade Payables	14.5	15.1	14.8
Leasing Receivables(net)	323.5	418.9	462.4	Advances Received	8.6	7.8	8.4
Factoring Receivables (net)	331.3	404.7	1014.9	Corporate Tax Payable	3.2	3.4	4.6
Other Current Assets(net)	24.4	22.6	9.7	Other Current Liabilities	2.1	20.3	10.1
Total Current Assets	1374.9	1167.6	1812.9	Total Current Liabilities	1444.7	1400	1912.6
Long Term Assets				Long Term Liabilities			
Leasing Receivables (net)	612.1	979.6	928.3	Long Term Borrowings	170.5	319.3	338.7
Assets for Sale(net)	26.5	20.2	25.6	Reserves for emp. benefits	2,2	2,7	3.2
Deferred Tax Assets(net)	78.6	72.5	51.4	Total Long Term Liabilities	172.7	322	341.9
Fixed Assets (net)	0.4	1.1	1.3	Minority Interest	10.9	11.5	13
Other Long Term Assets	0.9	1.0	0.8	Equity			
Total Long Term Assets	718.5	1074.4	1007.4	Capital	295	339	389
				Reserves	106.4	117	123
				Net Profit For The Year	63.7	52.5	40.8
				Total Shareholder's Equity	465.1	508.5	552.8
TOTAL ASSETS	2093.4	2242	2820.3	TOTAL LIABILITIES	2093.4	2242	2820.3



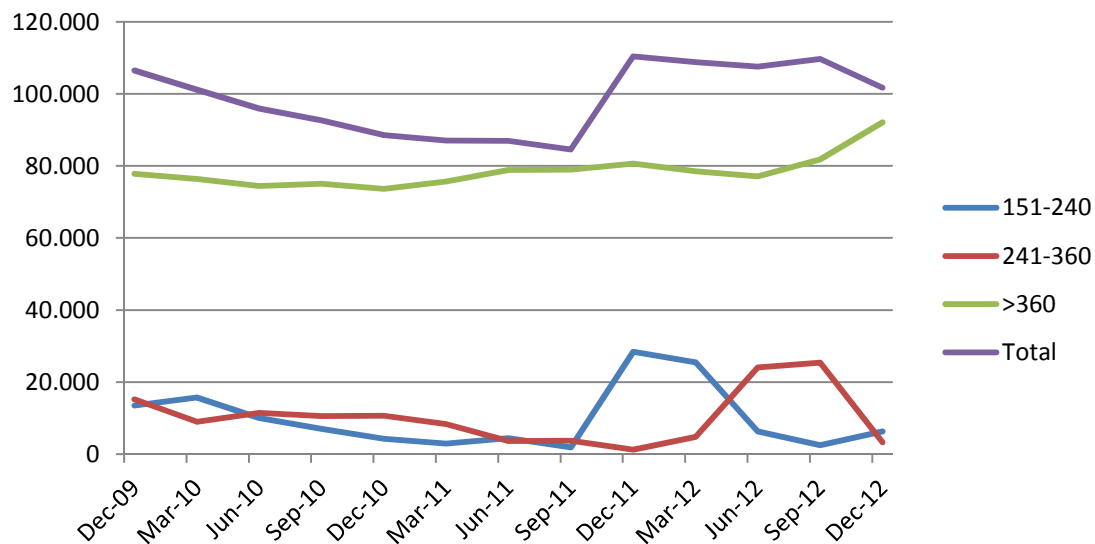
INCOME STATEMENT (consolidated) 000 TL

Million TRY	2010	2011	2012
Interest Income	81,488	100,636	106,067
Interest Expense	(60,230)	(79,613)	(96,954)
Foreign Currency Gains/(Losses)	912	9,927	24,758
Total	22,170	30,950	33,872
Factoring Income	18,671	34,801	51,984
General and Administrative Expenses	(18,352)	(21,978)	(24,364)
Provision Expenses	(12,372)	(15,273)	(22,058)
Other income/(expenses) (net)	52,330	32,275	15,141
Profit before taxation	62,447	60,774	54,576
Tax	2,422	(6,508)	(12,775)
Profit after taxation	64,869	54,266	41,800
Minority Interest	(1,167)	(1,793)	(995)
Net Profit for the Year	63,702	52,473	40,805



NPL

Consolidated	2009	2010	2011	2012
Gross NPL / Total Receivables	% 10,8	% 6,9	% 6,1	% 4,6
Net NPL / Net Receivables	% 6,9	% 3,5	% 2,9	% 1,8



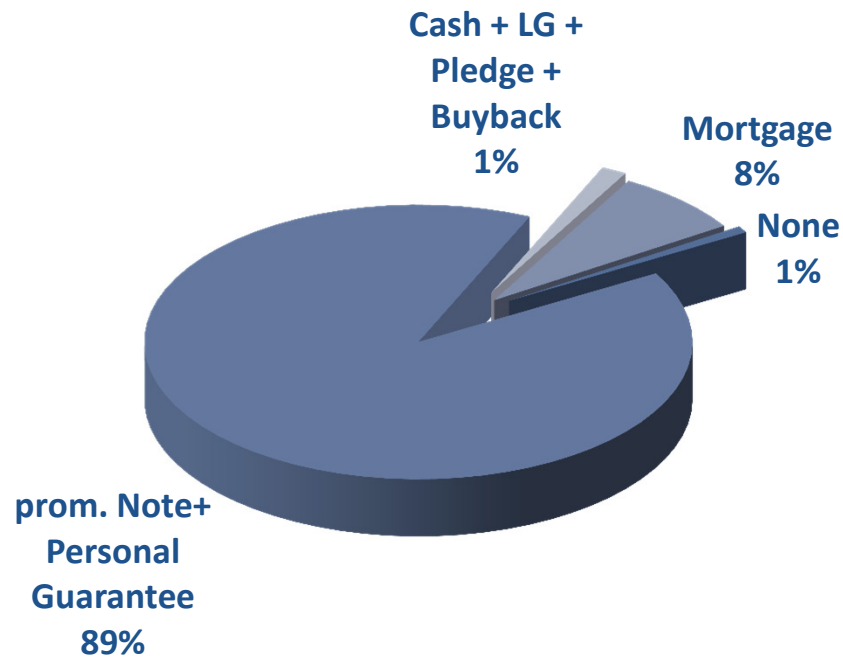
000 TL	LOSS RESERVE
2012 Opening	(57.527)
Reversals	901
New provisions	(13.456)
Write-off	10.214
Transfer	1.902
2012 Closing	(57.966)



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.

Collaterals



*İş Bank group excluded



Other Issues





RATINGS



Foreign Currency

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

Local Currency

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

National

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

A silhouette of a city skyline with various skyscrapers, rendered in a light blue color, positioned at the top of the page.

DISCLAIMER

The information in this document has been obtained by İş Finansal Kiralama A.Ş. (“İş Leasing”) from sources believed to be reliable, however, İş Leasing can not guarantee the accuracy, completeness, or correctness of such information. This document has been issued for information purposes only. The financial reports and statements announced by İş Leasing to the public and the relevant corporations are accepted to be the sole material. İş Leasing does not accept any liability whatsoever for any direct or consequential loss arising from any use of this document or its contents due to the misleading information in this document. All estimations, if any, contained in this document are the opinions of İş Leasing and can be subject to change without notice. This document can not be interpreted as an advice to the investors and İş Leasing can not be held responsible for the results of the investment decisions made on the account of this document.