



2018

INVESTOR PRESENTATION

İŞ LEASING 



LEASING SECTOR IN TURKEY



COMPANY OVERVIEW



LEASING PORTFOLIO



FINANCIAL RESULTS



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Economy

Increasing protective trend in foreign trade was remarkable in 2018.

Turkish economy slowed down in the second half of 2018.



As growth in developed economies continued at different paces in 2018, risks with potential to impact the global economy in a negative way have increased during the last six months of the year.

Overall expectation for 2019 is a relative slowdown in growth performance in Turkish economy; however a relative recovery trend in the second half of the year is being anticipated.

Advantages of Leasing

FX borrowing option
(for selective assets)

VAT is %1 for various
types of machinery.

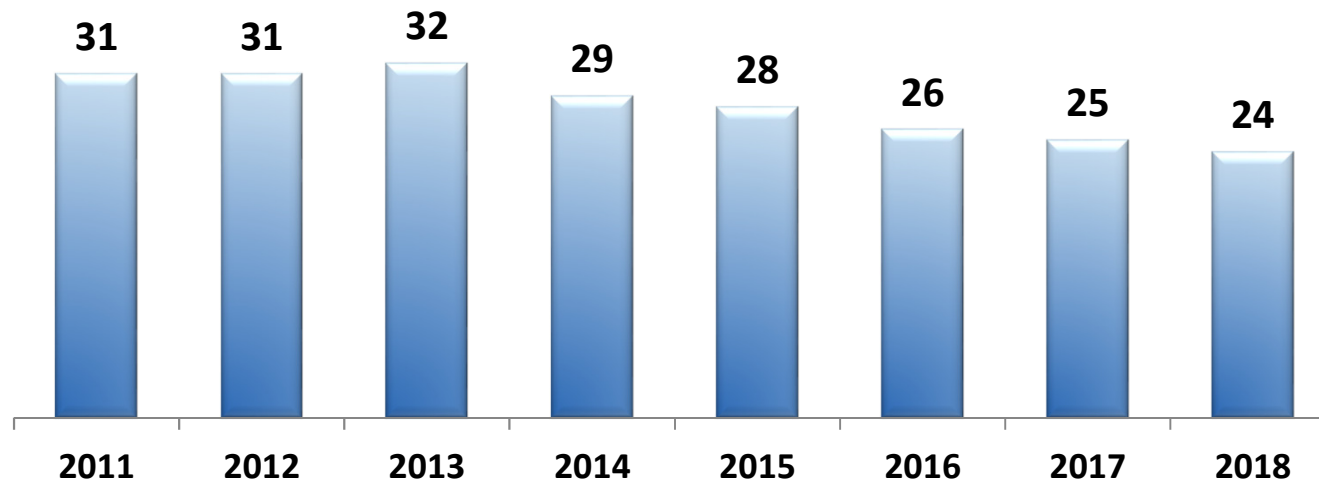
Sale-and-lease back and
operating leases were
added to finance leases
in 2013 by a regulation
change.

Expertise on SMEs,
consultancy and know-
how support in
addition to funding

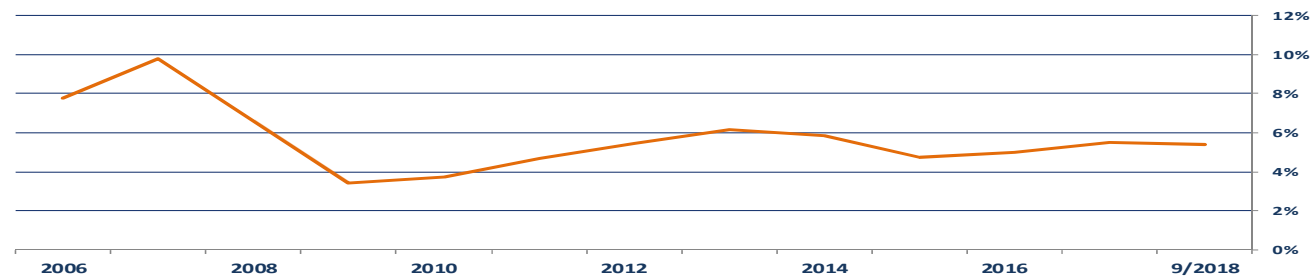
Fast credit approvals
(leased-asset ownership),
flexible payment plans

Number of Leasing Companies and Leasing penetration

Number of Leasing Companies



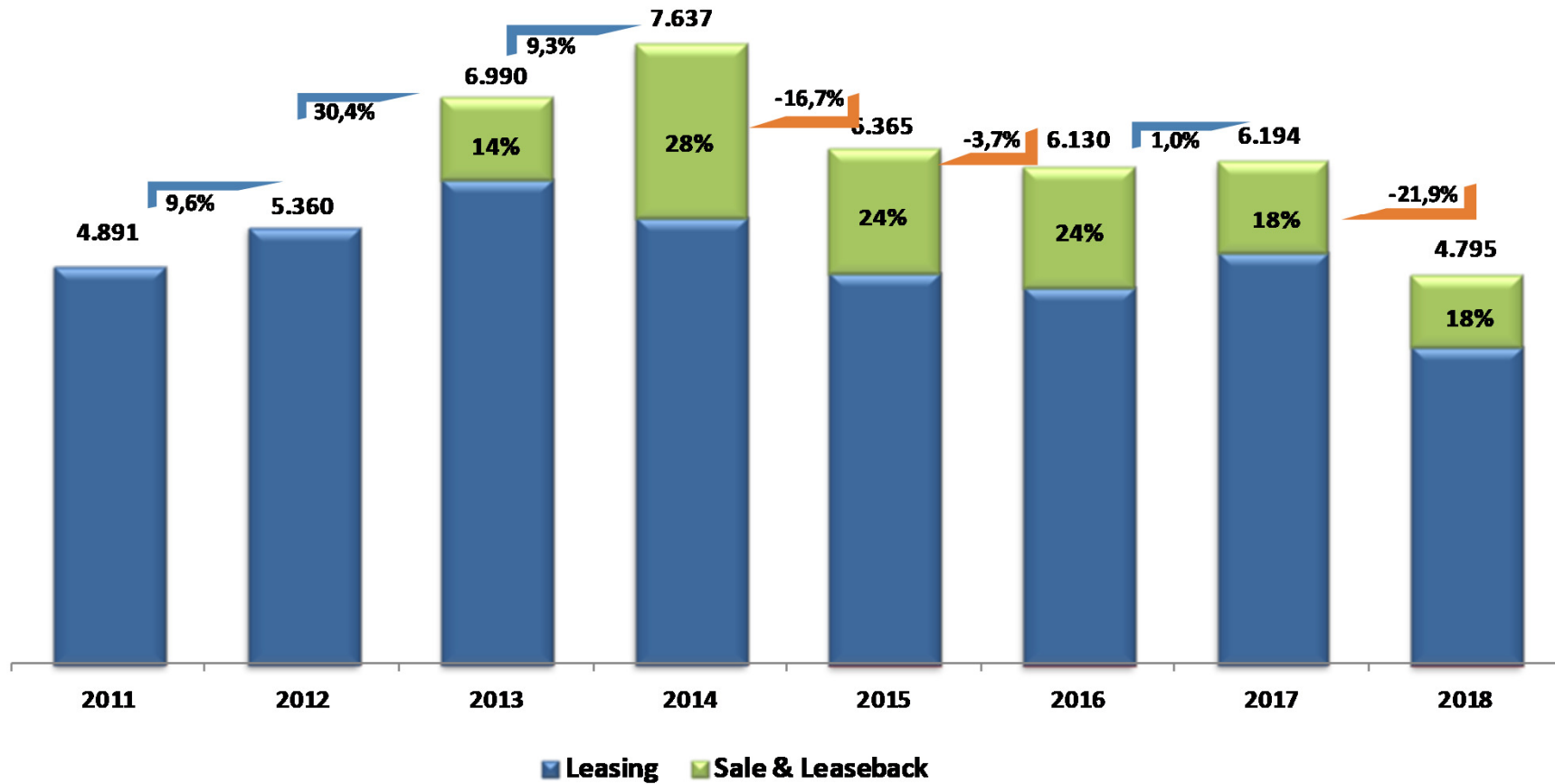
Leasing Penetration



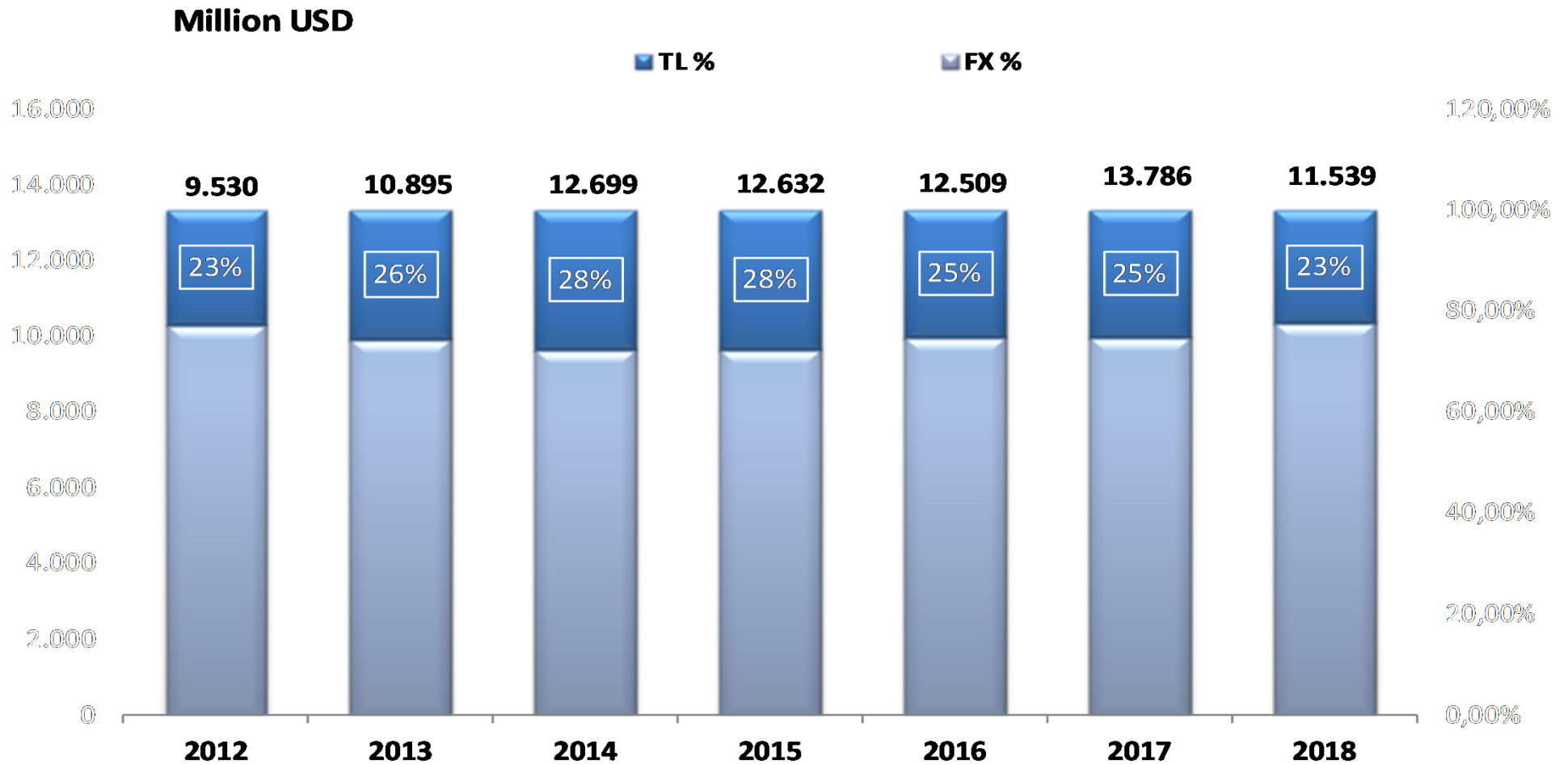
Penetration: Leasing volume/ Private sector fixed investments

Leasing Volume

Million USD

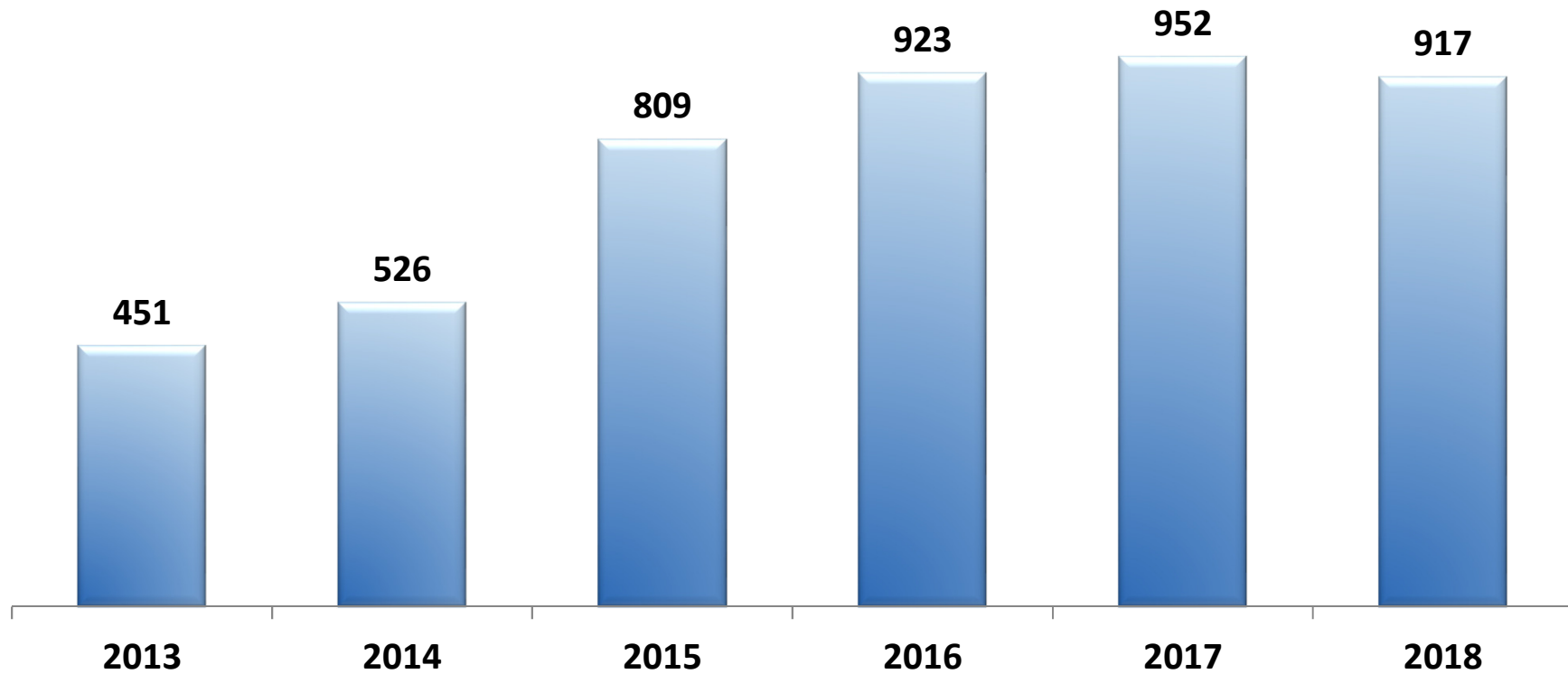


Leasing Receivables

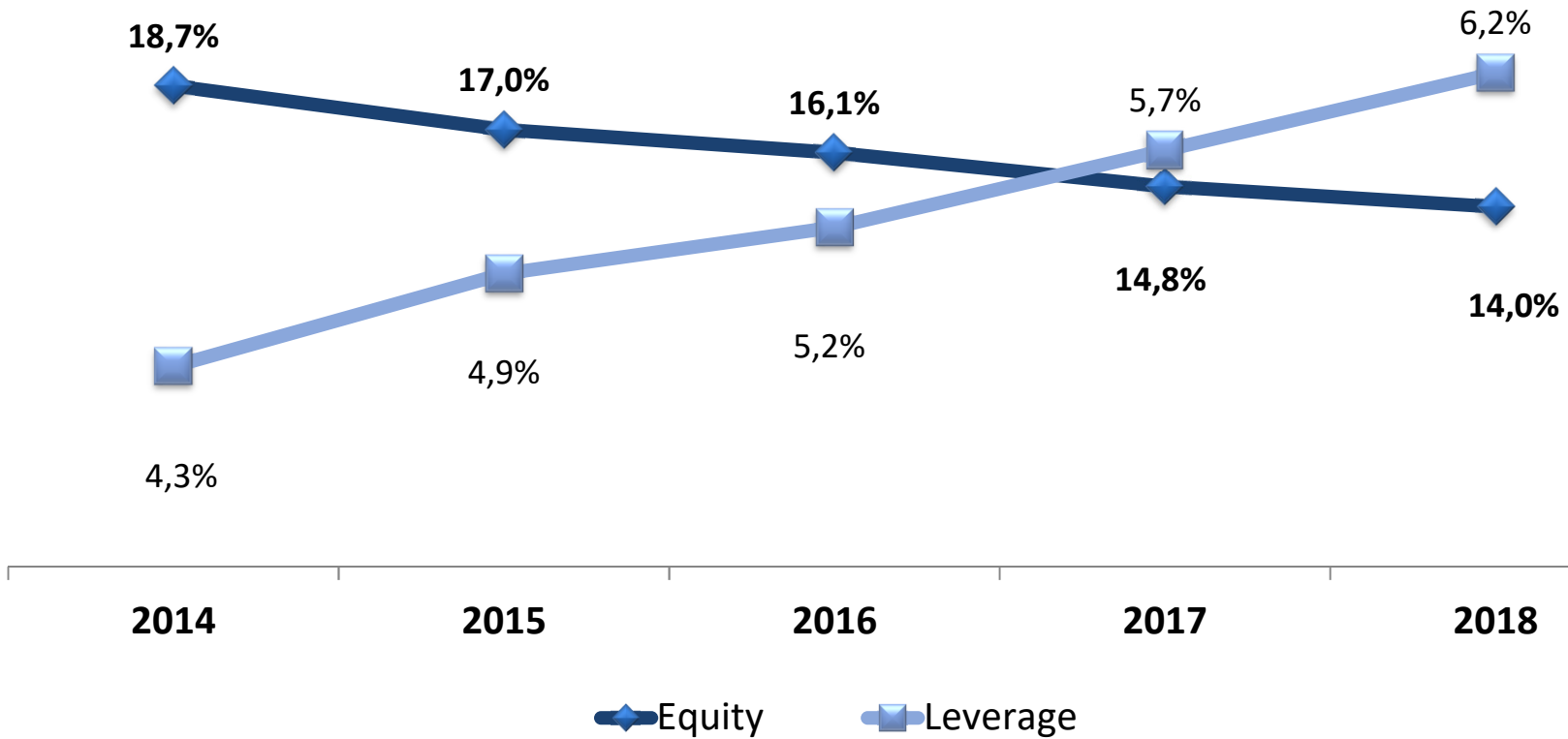


Net Profit of Sector

Million TL

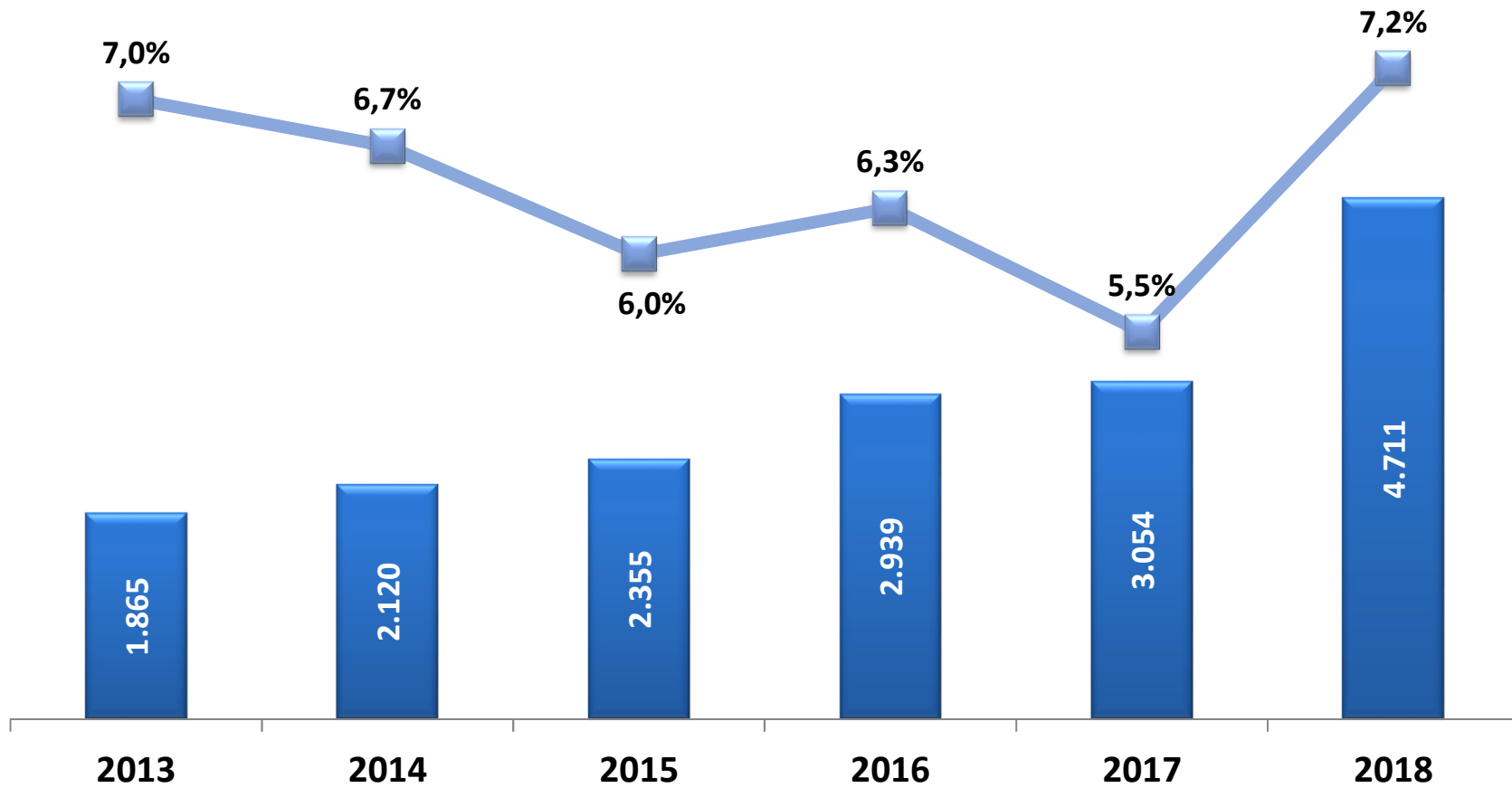


Equity & Leverage

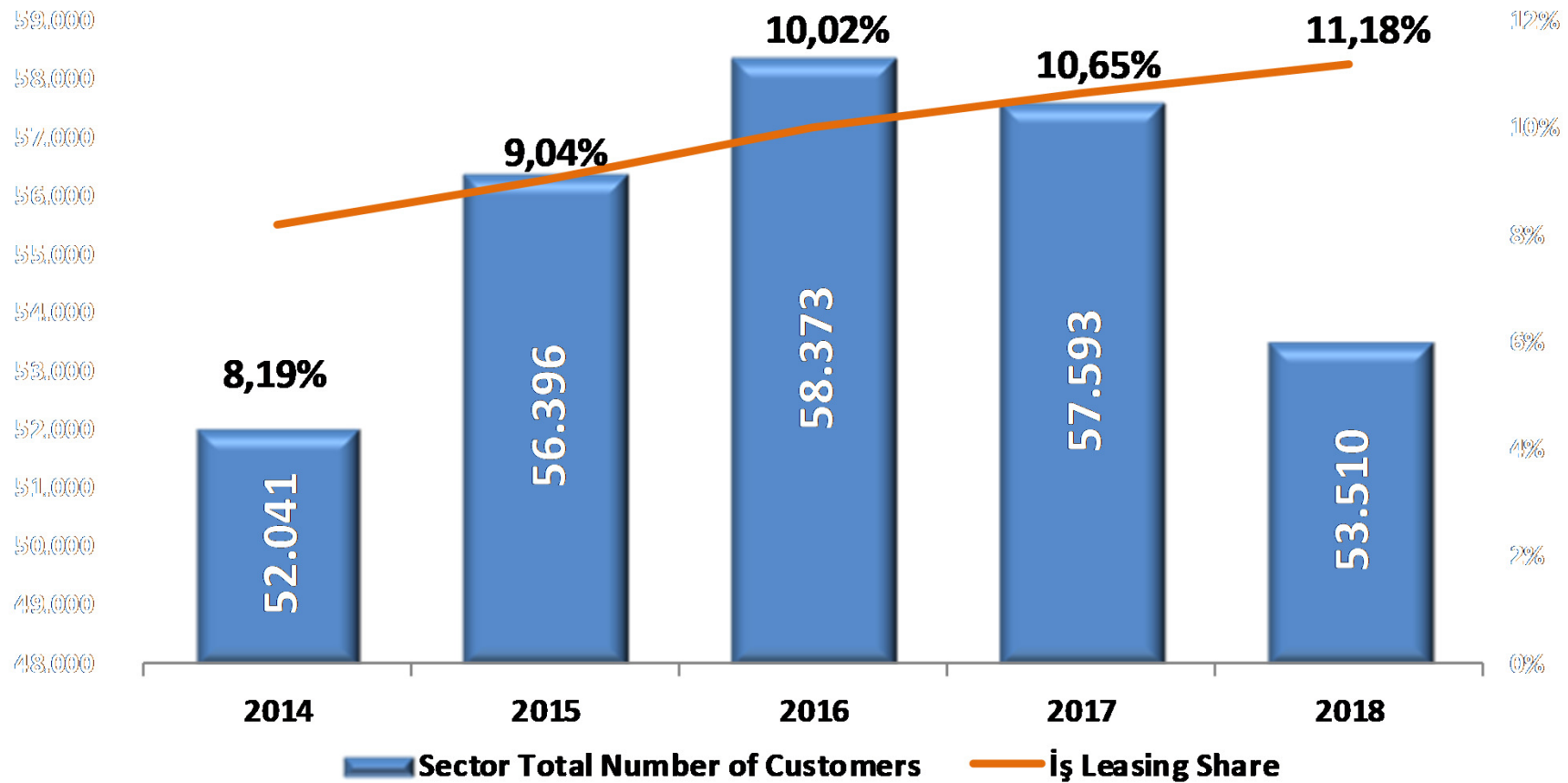


NPL & NPL Ratio

Million TL



Customer Base





LEASING SECTOR IN TURKEY

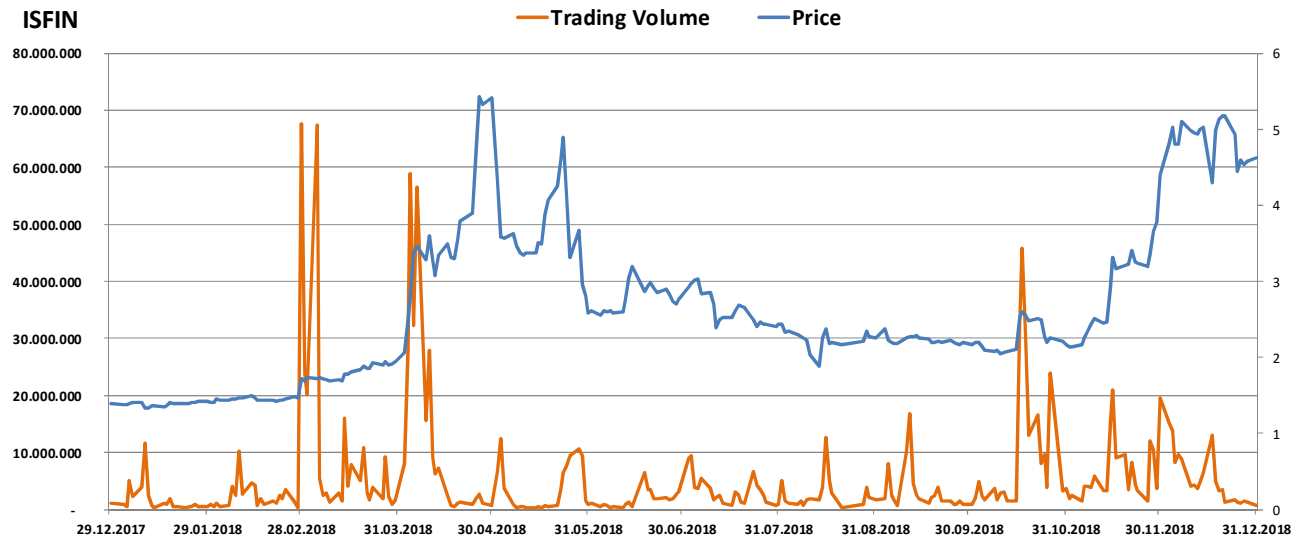
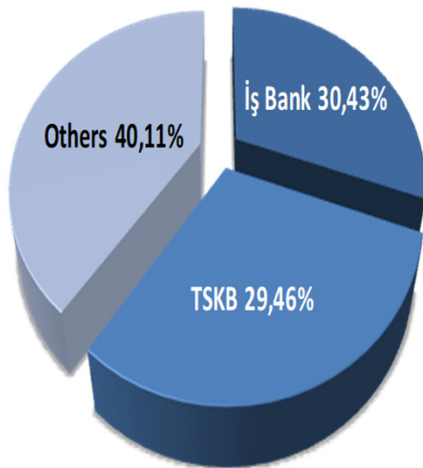
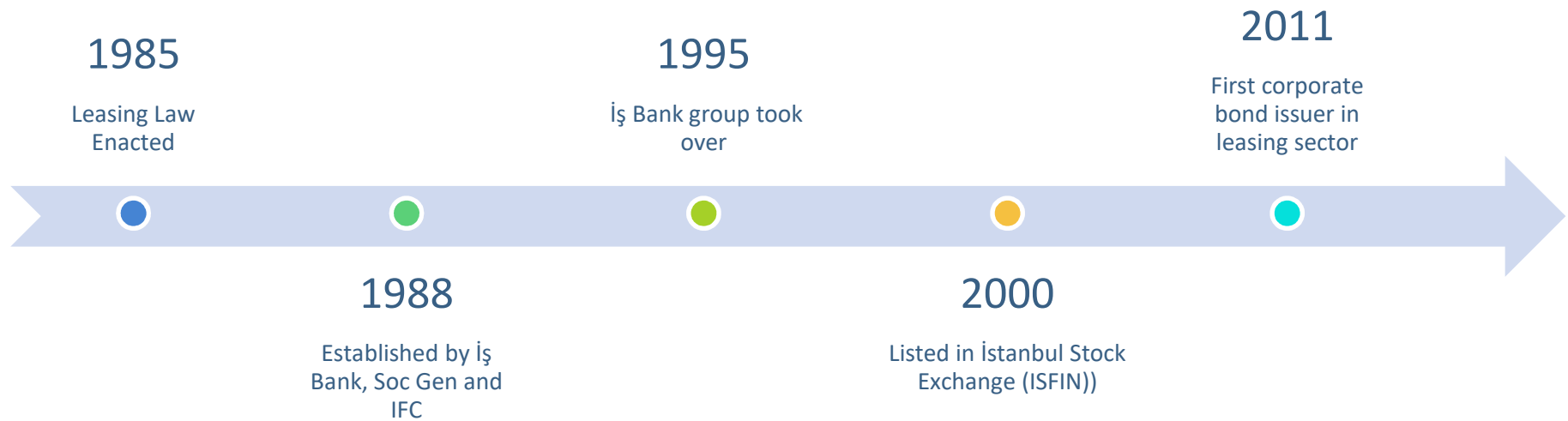
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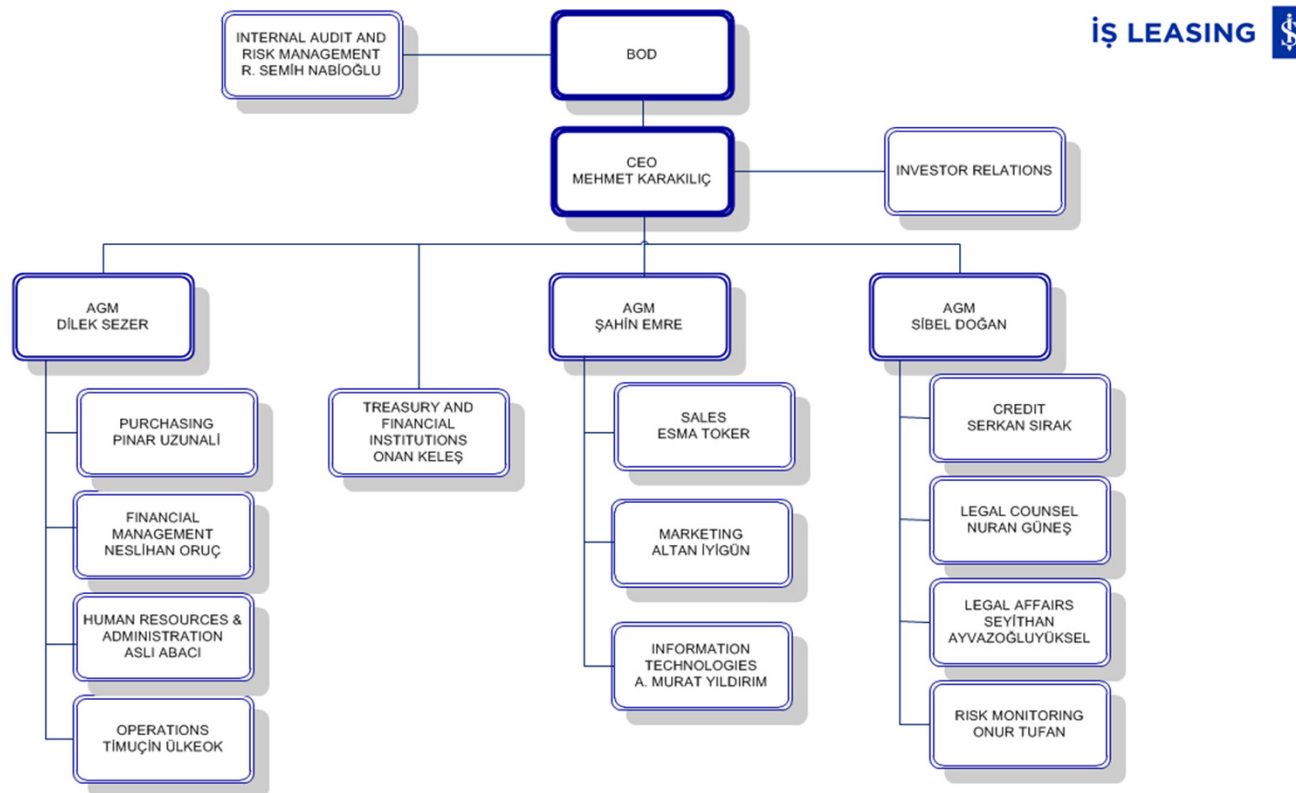
FINANCIAL RESULTS



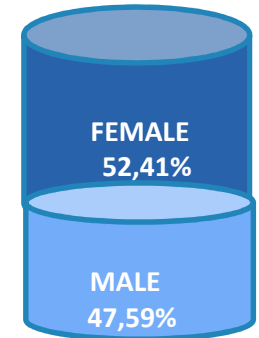
Milestones & Shareholders



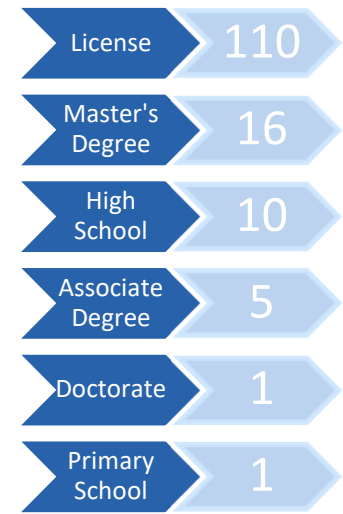
Organization Chart & Total Staff



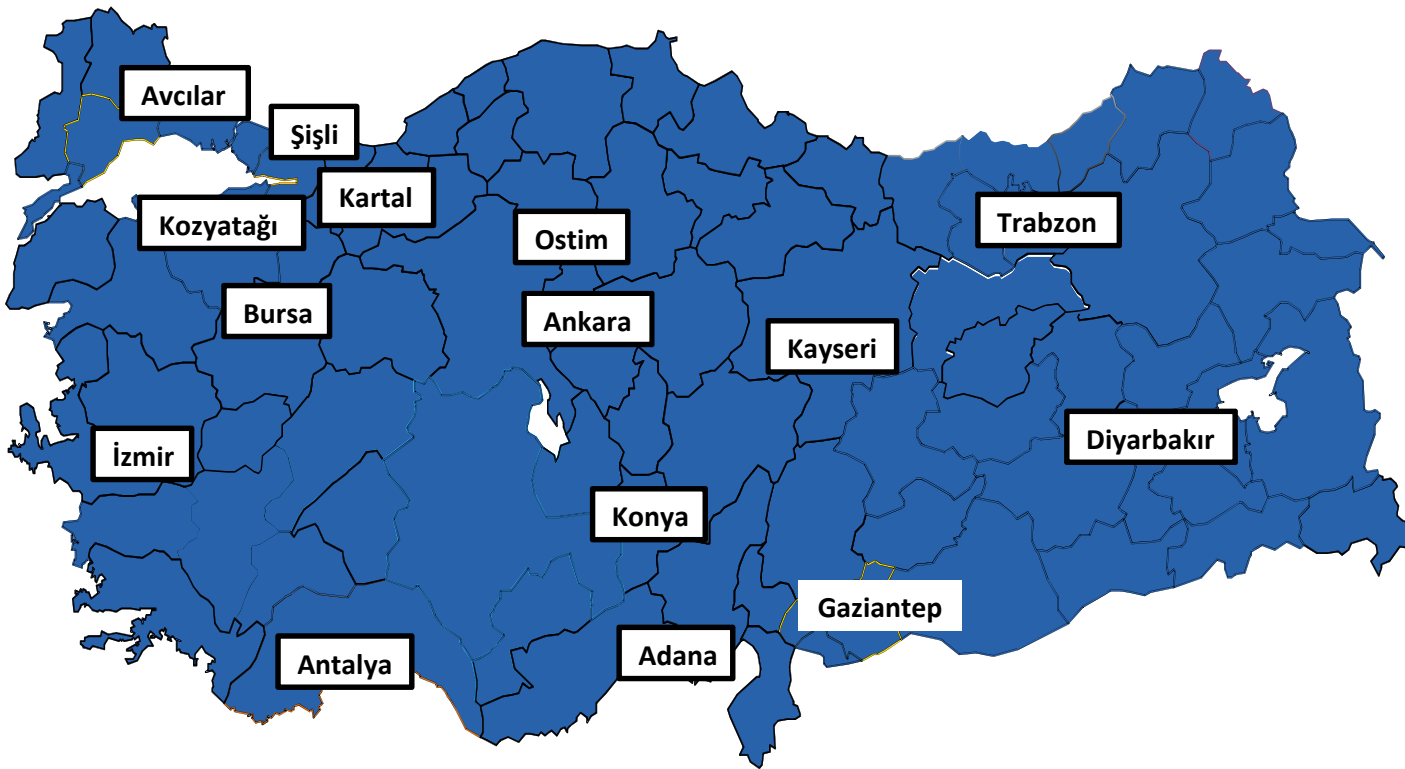
Gender



Education



Branch Network & Employee



15 Branches

49 Sales Staff

143 Total Staff



LEASING SECTOR IN TURKEY

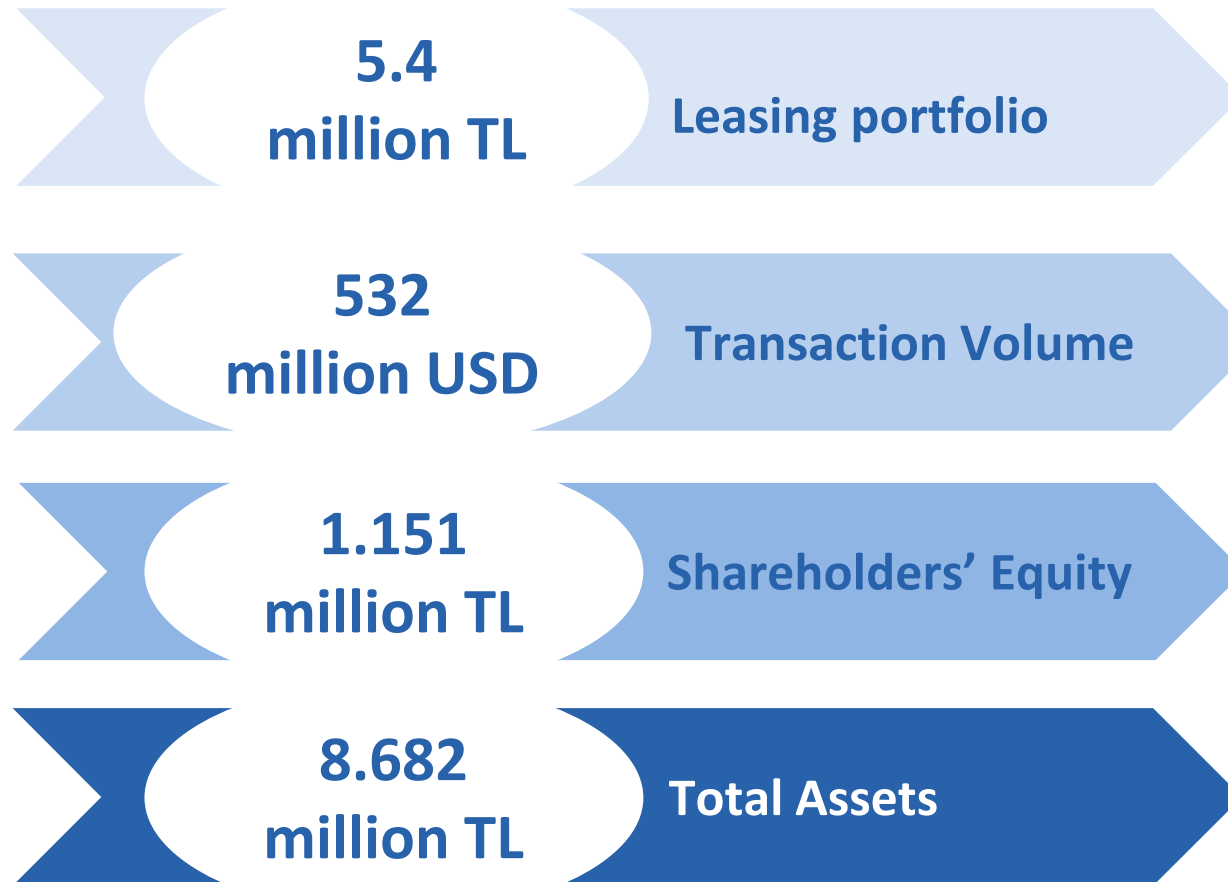
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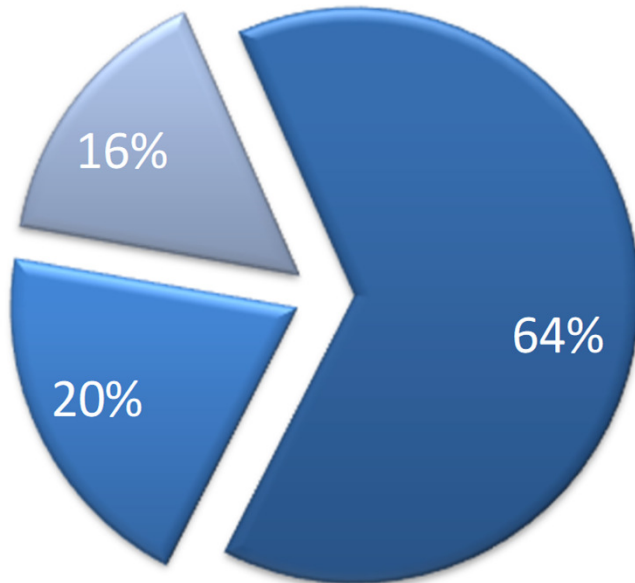
Consolidated Financial Indicators



Sales Channels

2017

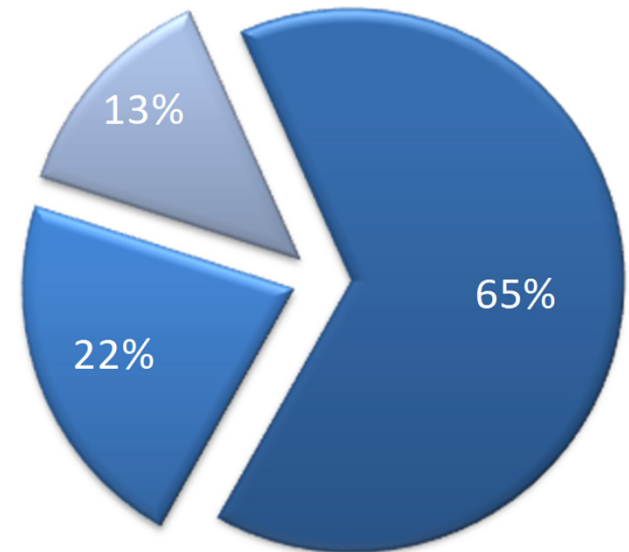
İŞ BANK DIRECT MARKETING VENDORS



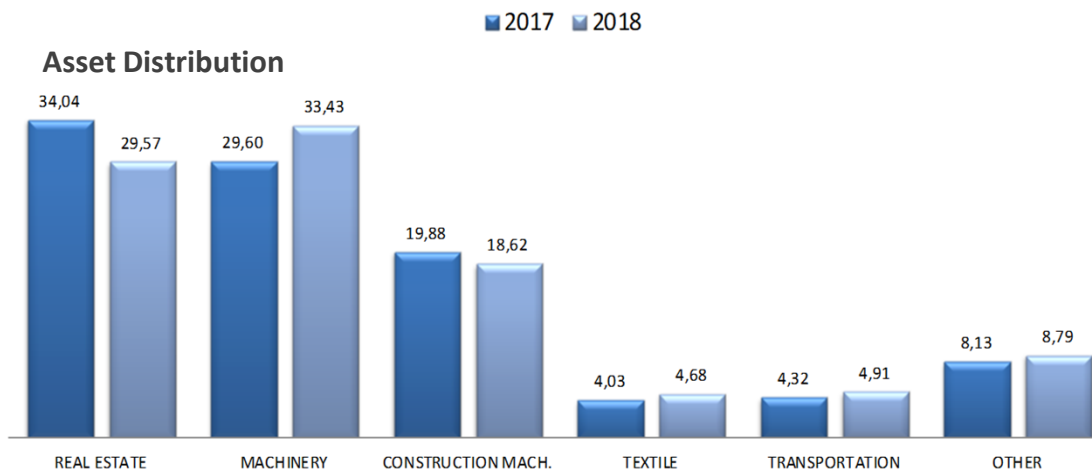
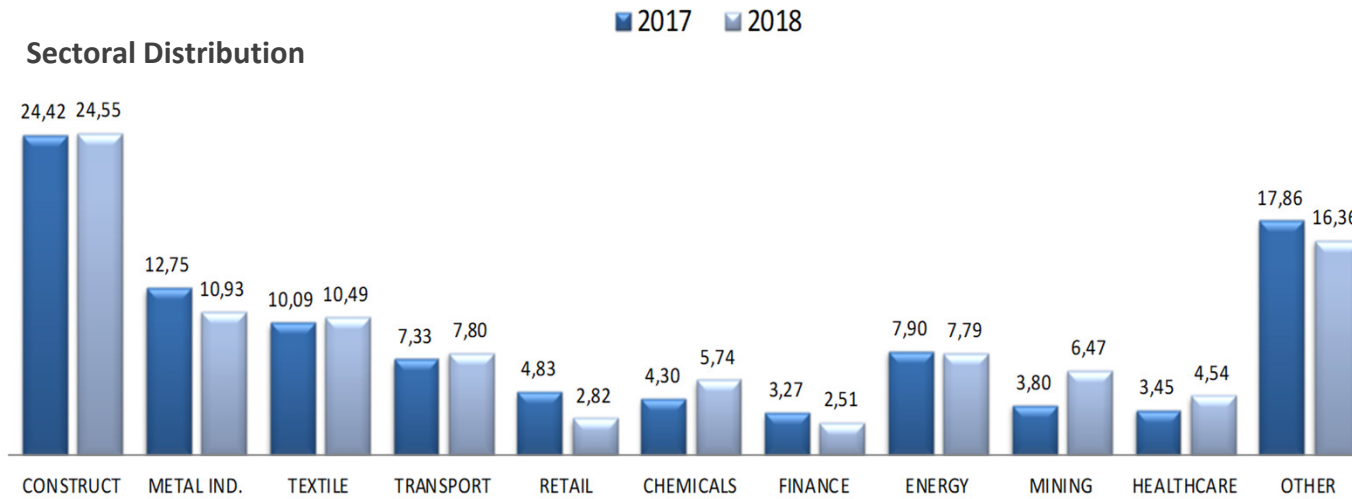
İşbank: 1342 local and 22 foreign branches, largest network among private banks.

2018

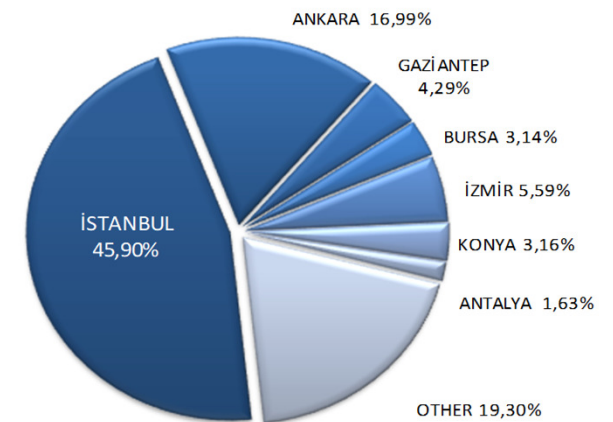
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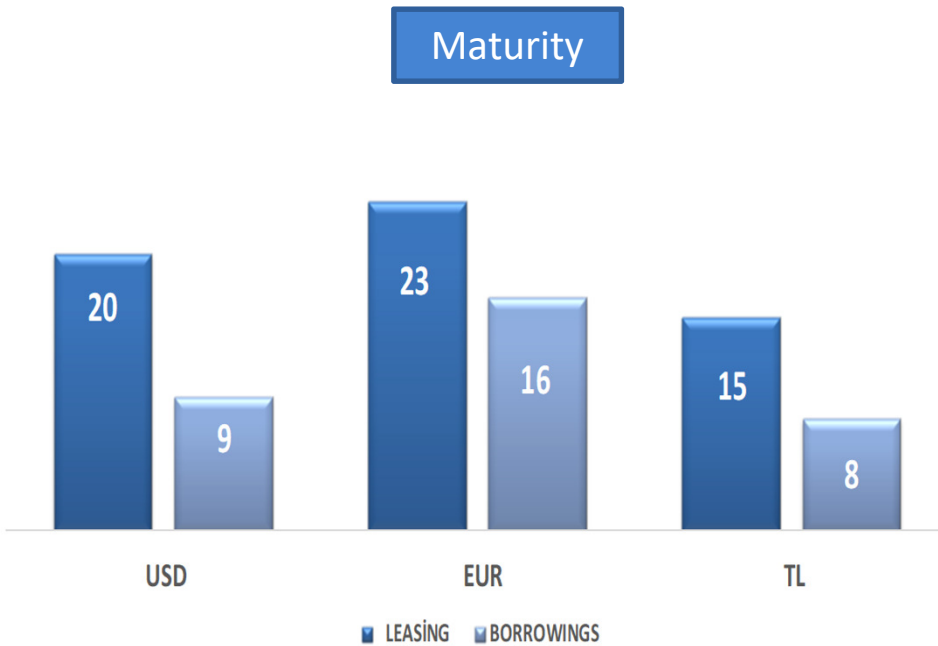
Sectoral & Asset & Geographical Distribution, %



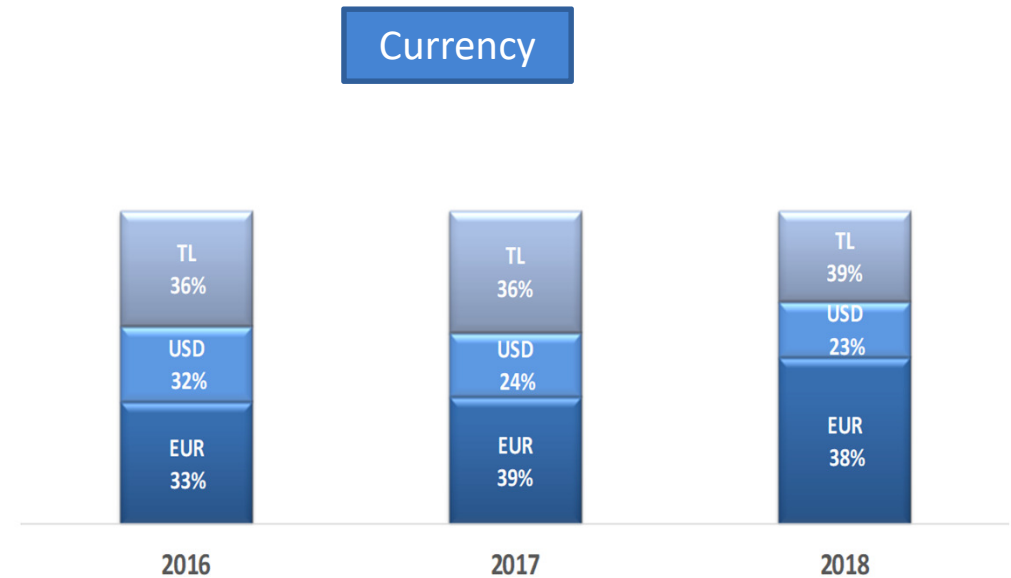
Geographical Distribution



Maturity & Currency Distribution

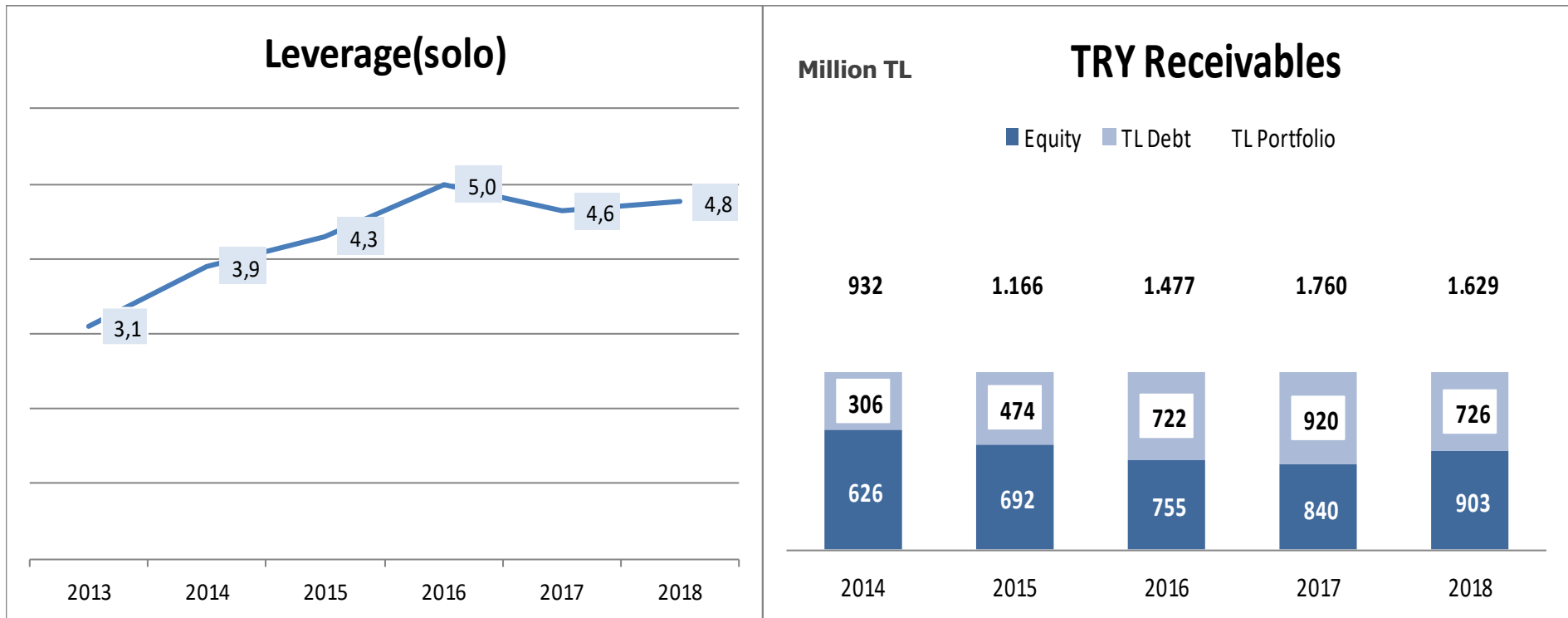


average, months



*TL funded by equity is included in the calculation.

Leverage



Increased leverage by gaining market share

Finansman Politikası

- Yurt içi ve uluslararası bankalarla güçlü ilişkiler.
 - 2018 yılında 80 milyon US\$ tutarında sendikasyon kredisi
 - Tamamı teminatsız banka kredileri
- Sektörün ilk TL tahvil ihracını gerçekleştirdi. Dolaşımdaki ihraç tutarı 1.7 milyar TL
- Uluslararası Finansman Kuruluşları (IFI) ve İhracat Kredi Kuruluşlarından (ECA) doğrudan borçlanmalar
 - IFC yenilenebilir enerji ve enerji verimliliği, Dünya Bankası EFIL- KOBİ kredileri, AKKB KOBİ Kredileri, BSTDB KOBİ kredileri, ECO-Trade Bank KOBİ kredisi,
 - Eximbank Kredileri ile ihracatçı firmalara destek
- İslami Borçlanma Piyasaları
 - Uluslararası bankalar ile gerçekleştirilen iki adet Murabaha sendikasyonu
- Stratejimiz kreditor ve borçlanma araçlarında çeşitliliği sağlamak ve yönetilebilir seviyelerde aktif - pasif dengesi yaratmak.



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Financial Highlights

<i>TL Million, consolidated</i>	2015	2016	2017	2018	Δ
Leasing Receivables, Net	3.287	4.001	4.701	5.435	15,6%
Factoring Receivables, Net	1.951	2.986	4.207	2.725	-35,2%
Non Performing Receivables	183	231	266	297	11,6%
Provisions	140	150	180	199	10,2%
Total Assets	5.581	7.480	9.283	8.682	-6,5%
Financial Liabilities	4.661	6.394	8.038	7.257	-9,7%
Equity	738	830	975	1.151	18,0%
Net Interest Income	121	146	82	131	59,5%
Provisions Expenses	-48	-23	-33	-42	27,3%
Consolidated net Profit	82	104	113	198	74,9%
RATIOS					
NPL / Receivables	3,4%	3,2%	2,9%	3,6%	
Provision Ratio	76,3%	65,1%	67,7%	66,8%	
Cost / Income	37,0%	37,7%	66,3%	40,9%	
ROE	12,2%	13,2%	12,5%	18,6%	
ROA	1,8%	2,1%	1,3%	2,2%	

Solo Key Figures

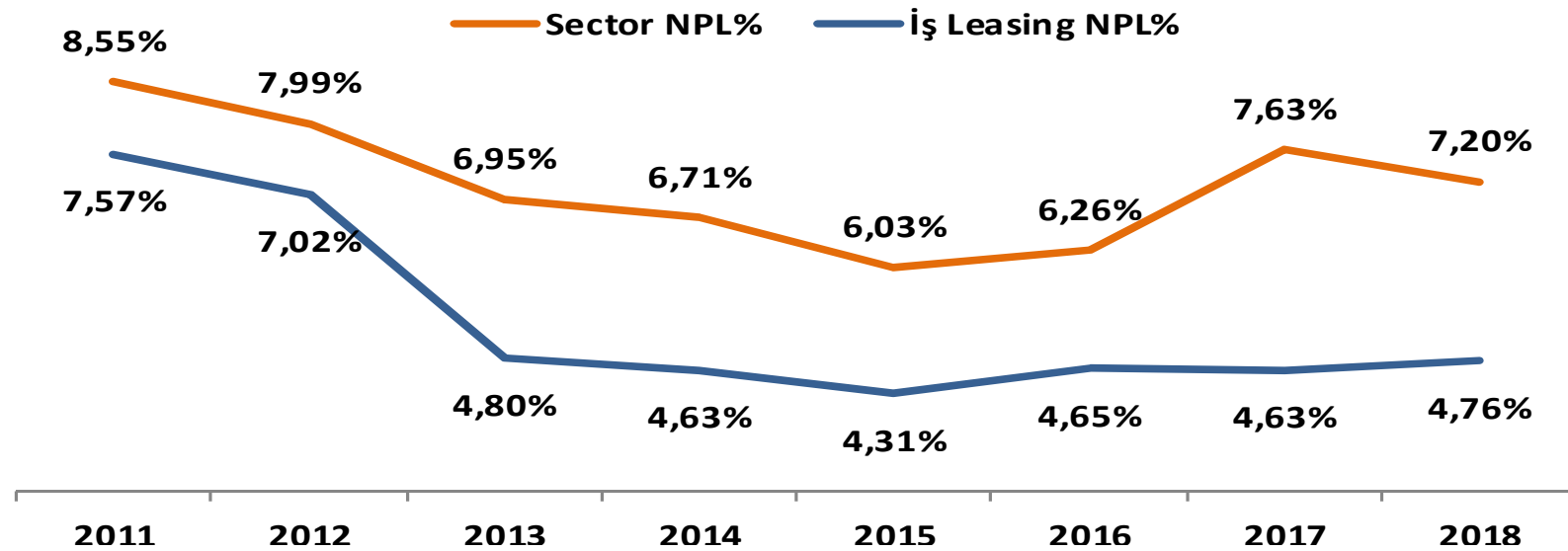
(Million TL)	2015	2016	2017	2018	Δ	2015	2016	2017	2018	Δ
Financial Highlights	İş					Sector				
Leasing Receivables	3.249	3.921	4.617	5.331	15%	36.728	44.022	51.990	60.707	17%
Total Assets	3.656	4.508	5.069	5.965	18%	40.655	48.500	58.053	68.506	18%
Equity	692	755	840	903	8%	6.930	7.800	8.567	9.601	12%
Net Profit	81	82	74	83	11%	809	922	940	917	-2%
NPL Ratio	4,3%	4,7%	4,6%	4,8%		6,0%	6,3%	5,5%	7,2%	
Debt/Equity	4,0	4,7	5,0	5,6		4,5	4,8	5,8	6,1	
ROE *	10,3%	11,7%	10,0%	10,1%		13,1%	13,0%	11,5%	9,6%	
ROA	2,4%	2,0%	1,5%	1,9%		2,1%	2,1%	1,8%	1,5%	

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

IFRS9 Impact Analysis

Financial Assets	Book Value Before TFRS 9 31.12.2017	Reclassifications	Remeasurements	Book Value After TFRS 9 01.01.2018	Tax Effect	Equity Effect
Leasing Receivables						
Pre-classification balance	4.246.966					
Valuation effect						
Book Value After Classification				4.246.966		
Leasing Receivables						
Pre-classification balance	4.841.727					
Valuation effect						
Book Value After Classification				4.841.727		
Expected Loss and Specific Provisions	(180.256)		(59.965)	(240.221)	13.232	(40.085)

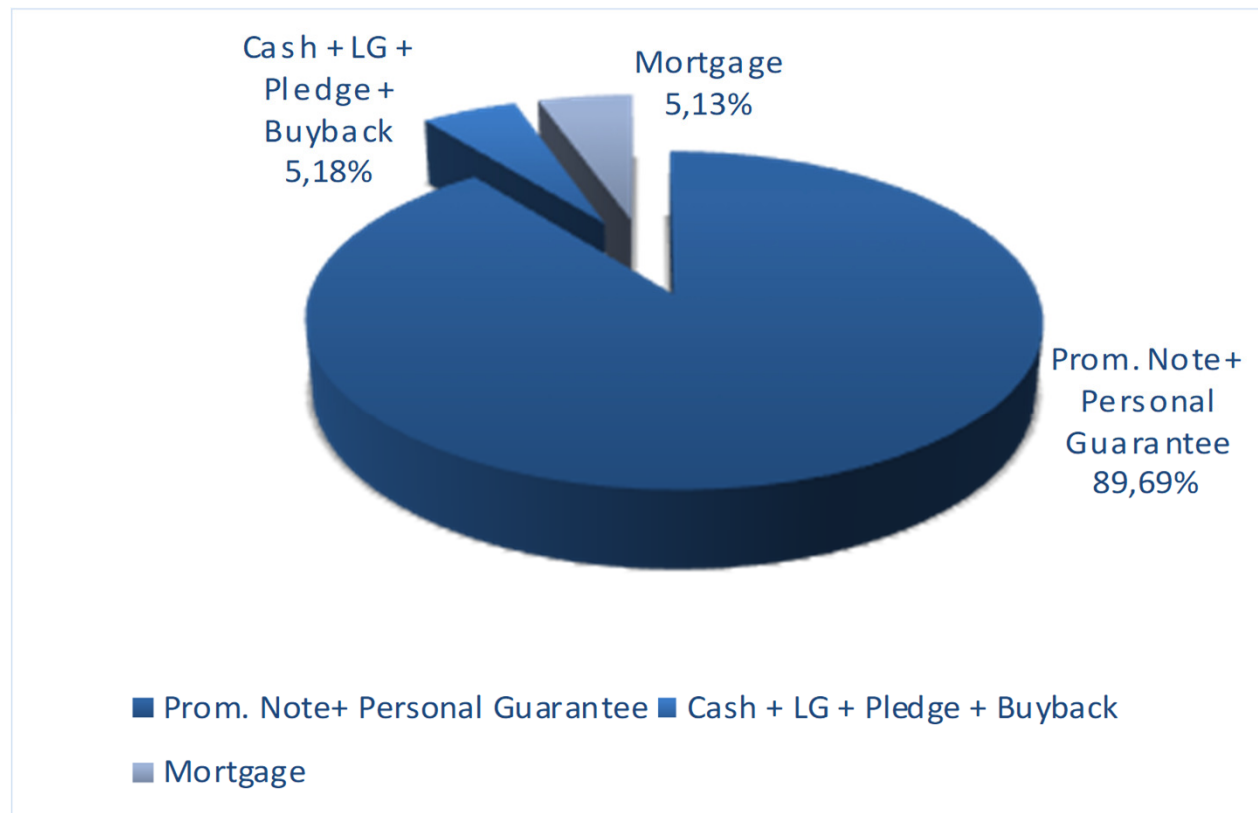
NPL



Consolidated	31.12.2015	31.12.2016	31.12.2017	31.12.2018
Gross NPL /Total Receivables	3,40%	3,23%	2,93%	3,56%
Net NPL / Net Receivables	0,83%	1,15%	0,97%	1,21%

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	Short Term	Outlook
B+	B	Negative

Turkish Lira

Long Term	Short Term	Outlook
BB-	B	Negative

National

Long Term	Support Rating	Outlook
A+(tur)	4	Stable

Corporate Governance Rating (Saha-2016) : 9.17

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