



2019

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.

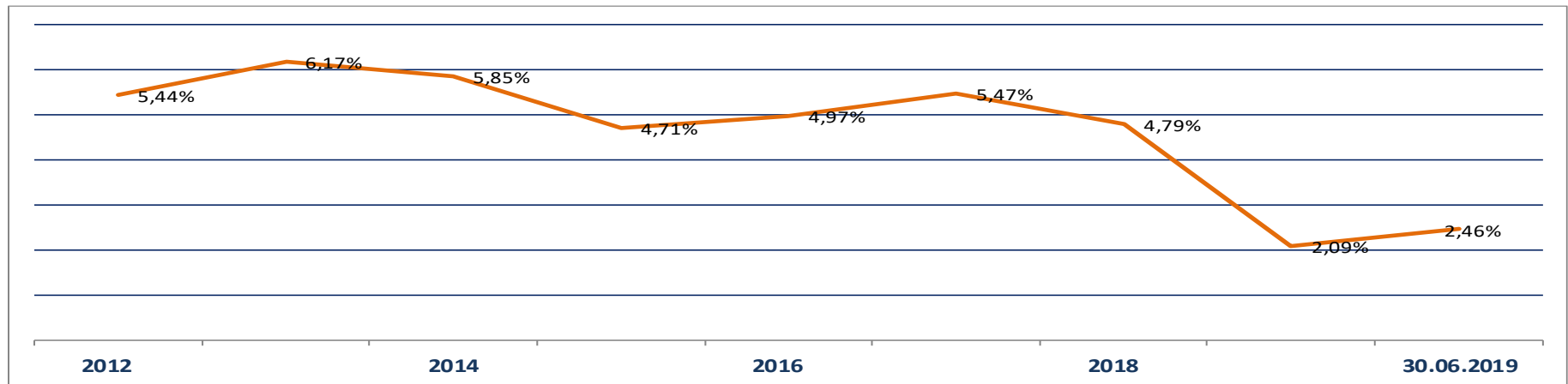
Expertise on SMEs,
consultancy and know-
how support in
addition to funding

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

Number of Leasing Companies and Leasing penetration

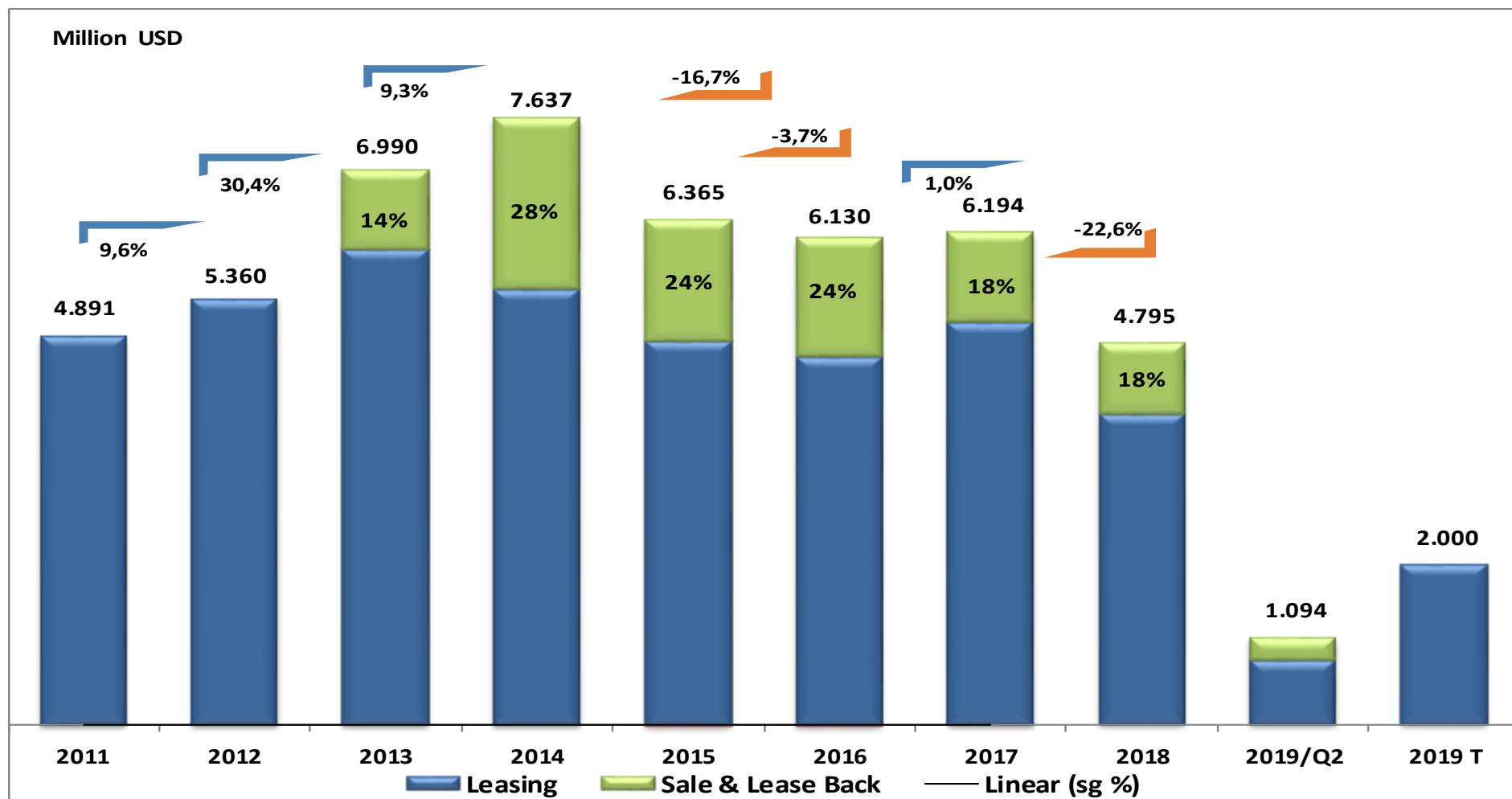


Leasing Penetration



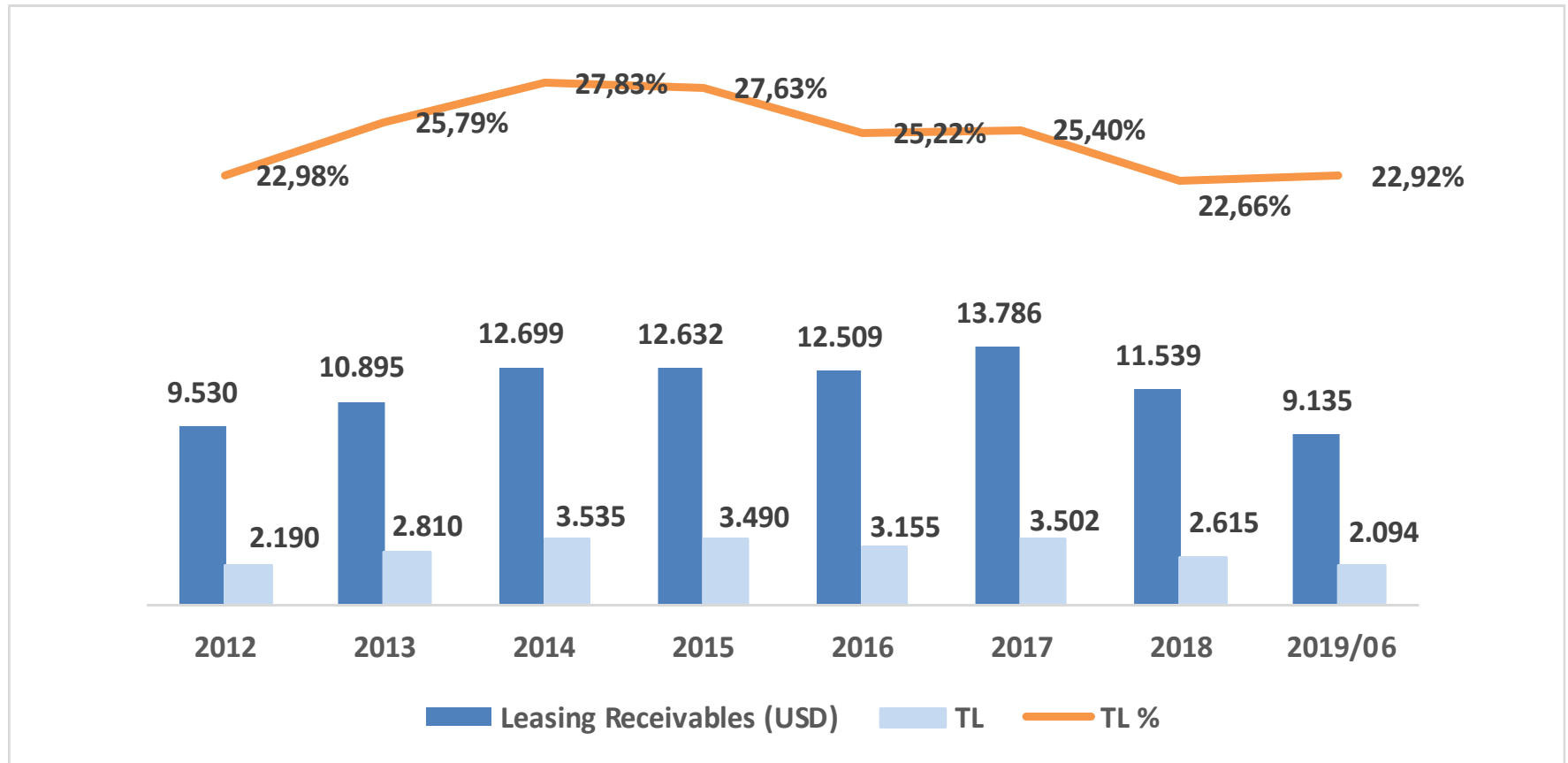
Penetration: Leasing volume/ Private sector fixed investments

Leasing Volume



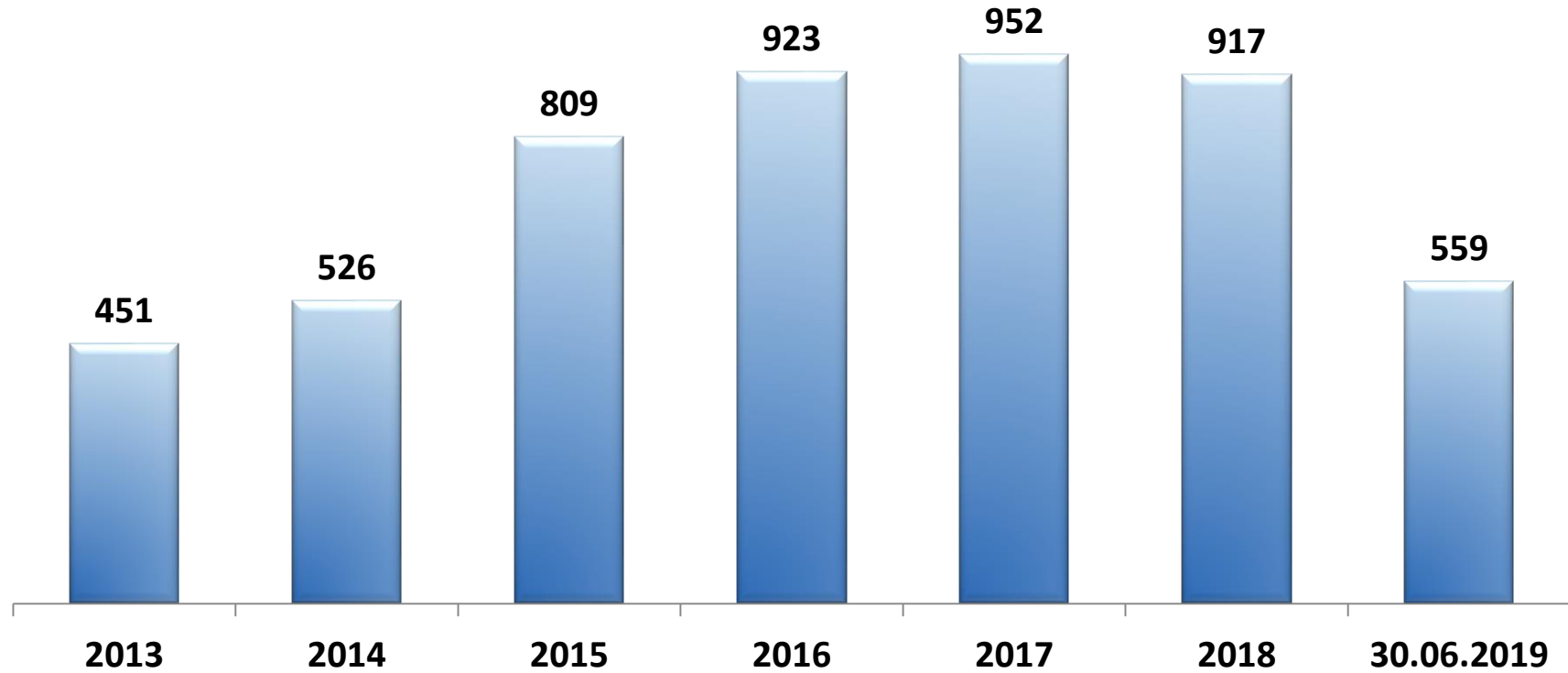
Leasing Receivables

Million USD

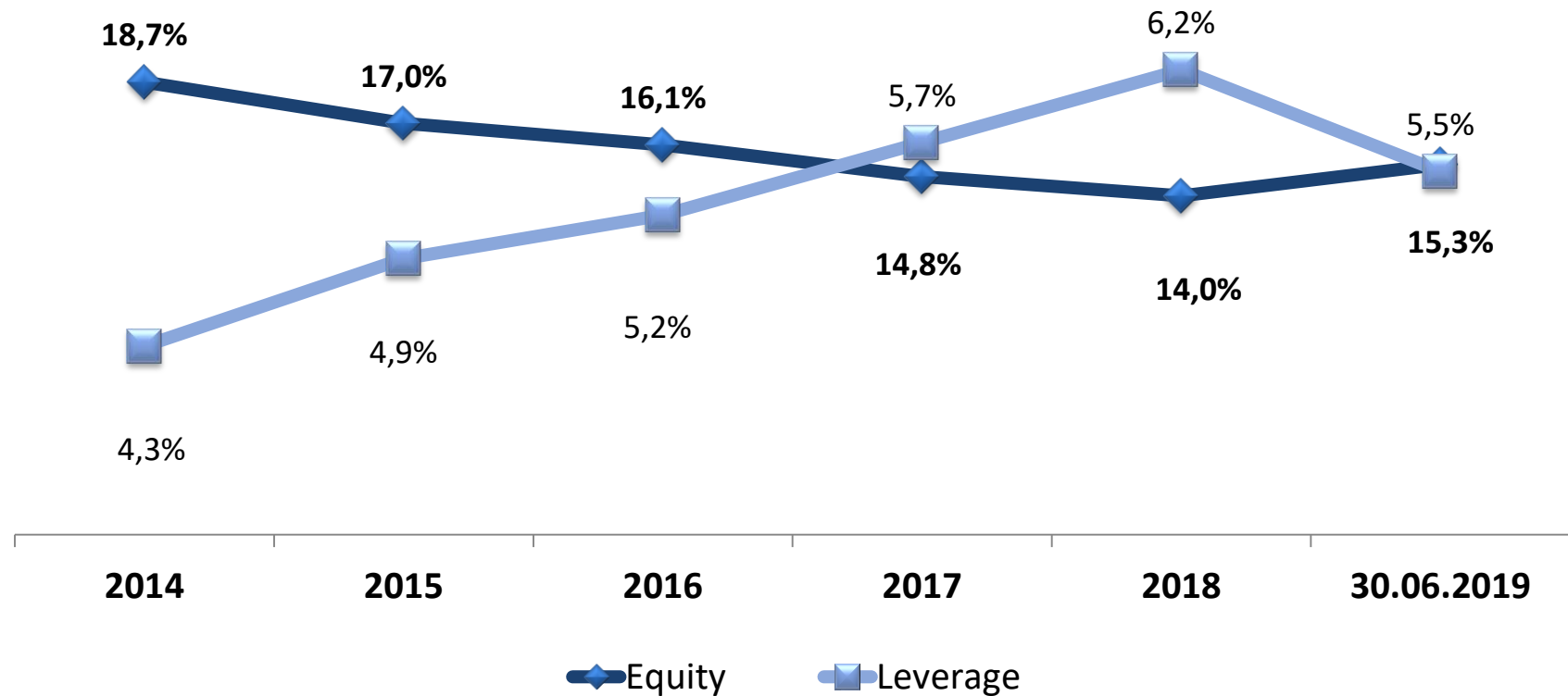


Net Profit of Sector

Million TL

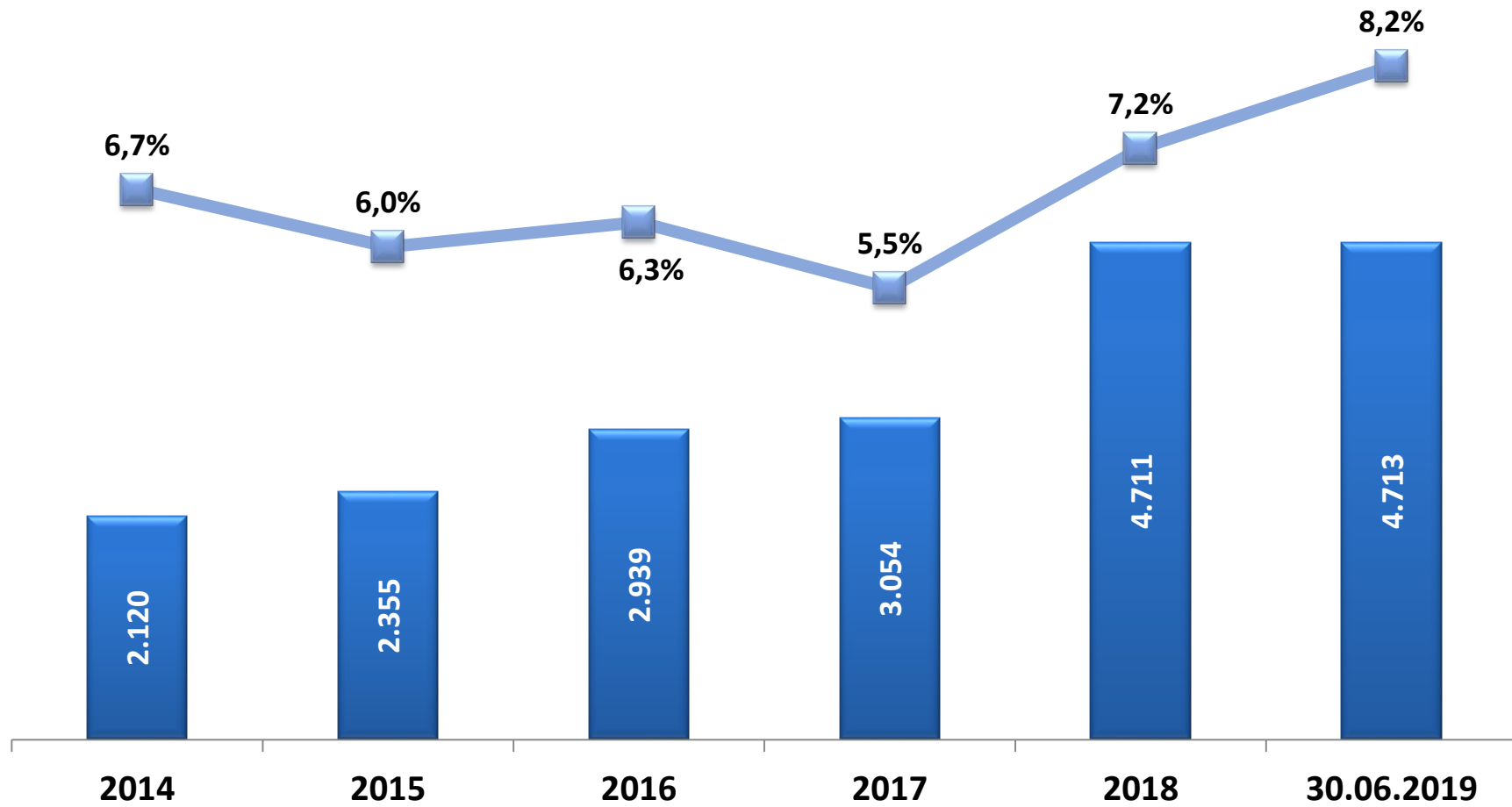


Equity & Leverage

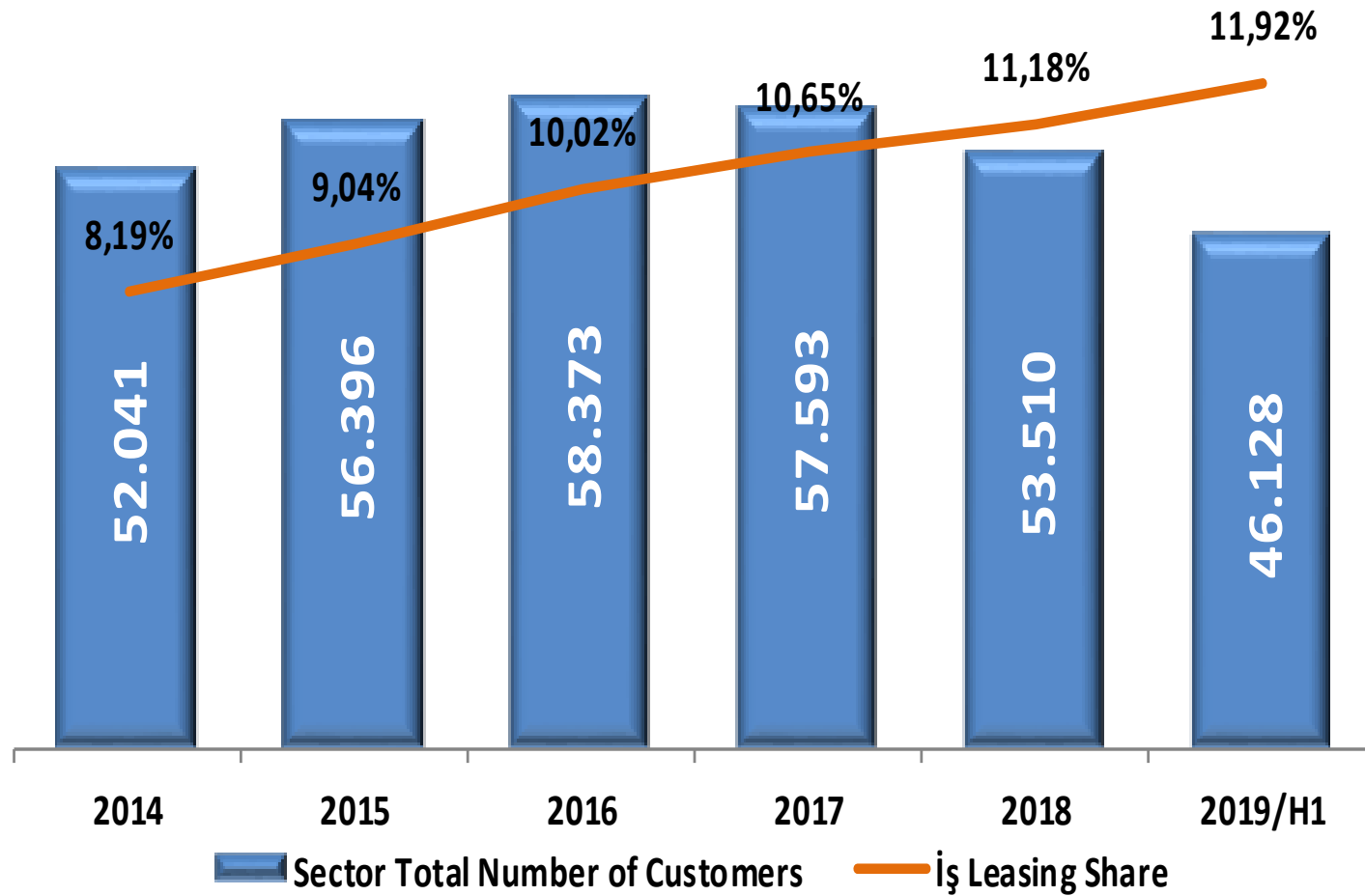


NPL & NPL Ratio

Million TL



Customer Base





LEASING SECTOR IN TURKEY

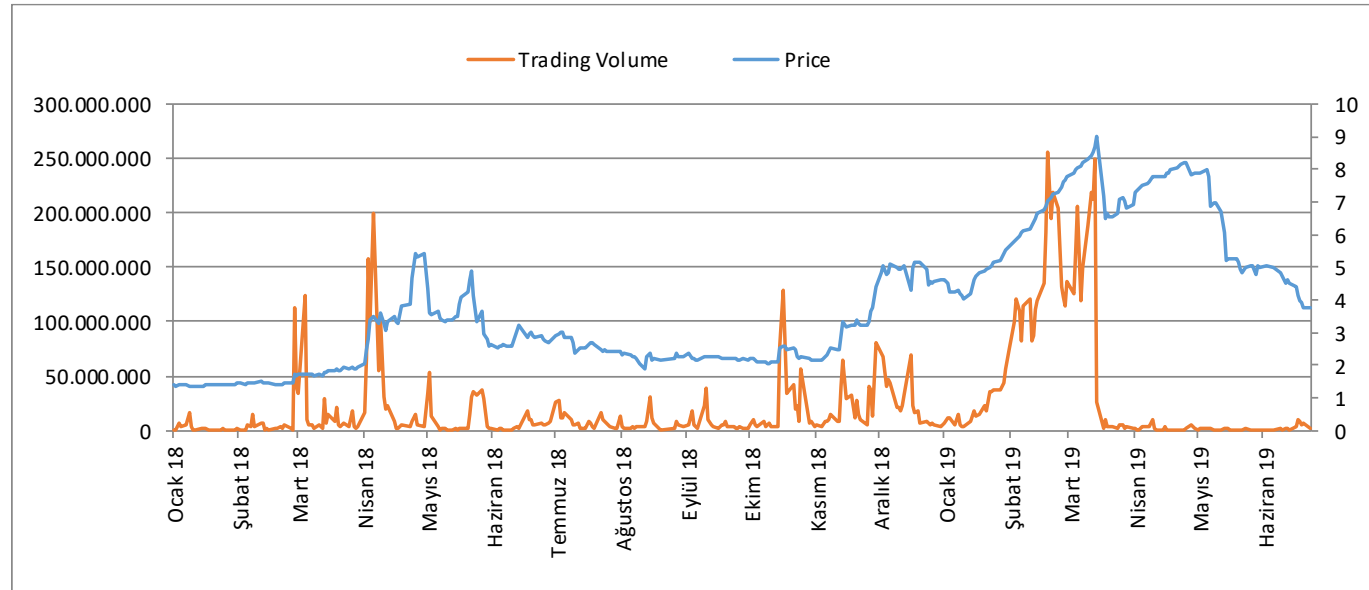
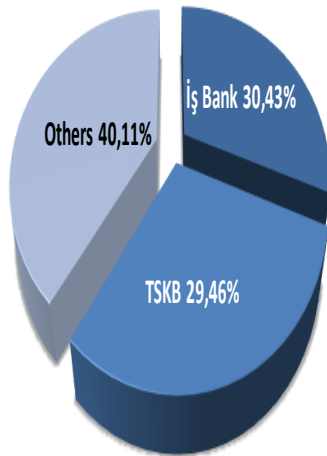
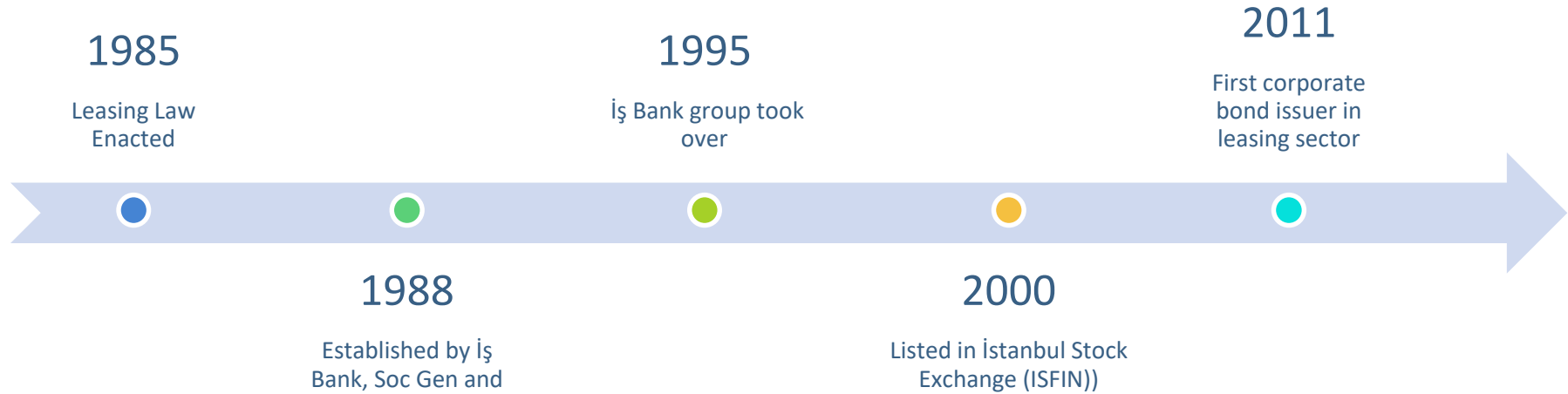
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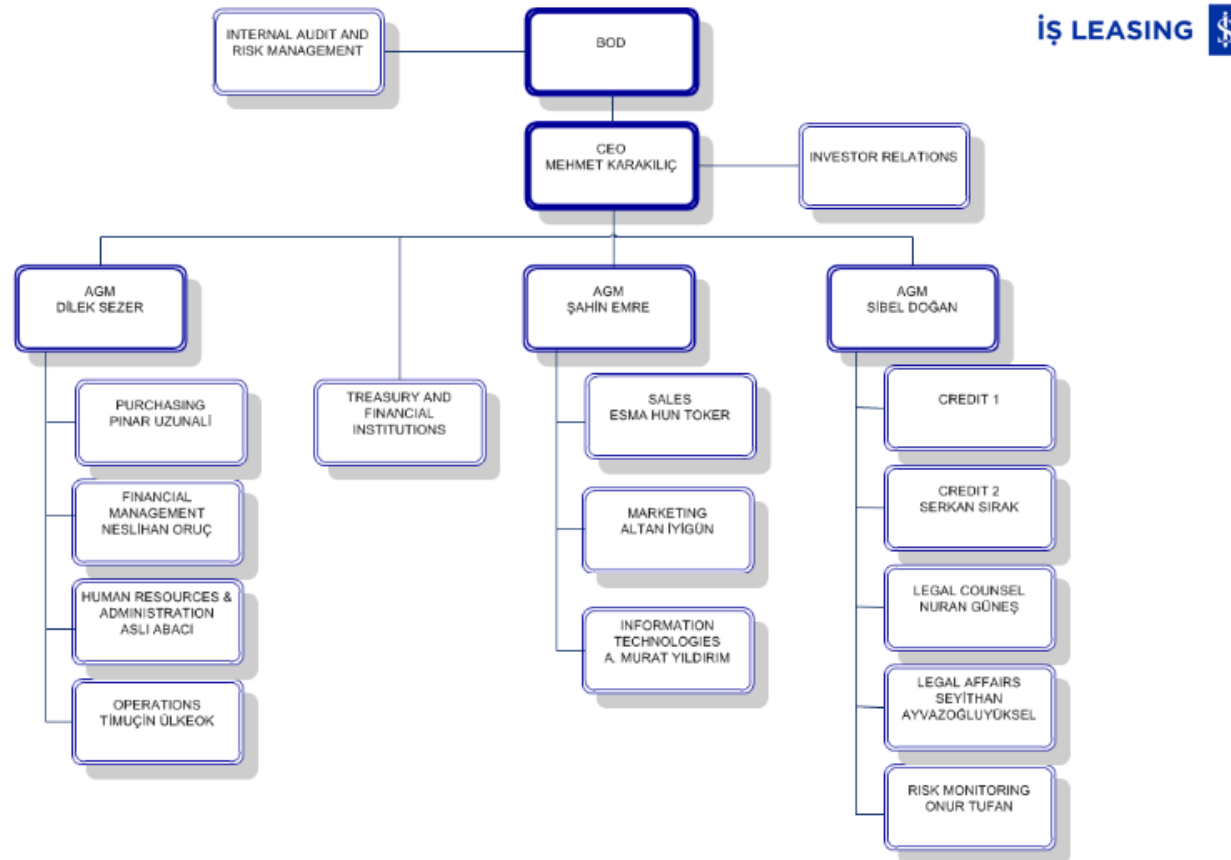
FINANCIAL RESULTS



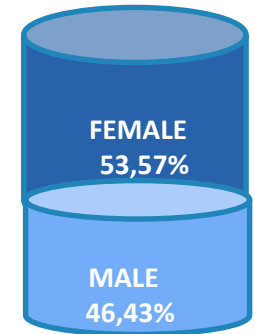
Milestones & Shareholders



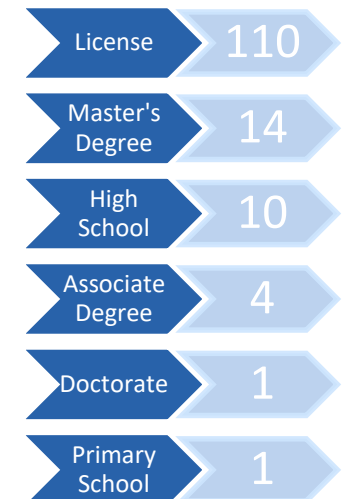
Organization Chart & Total Staff



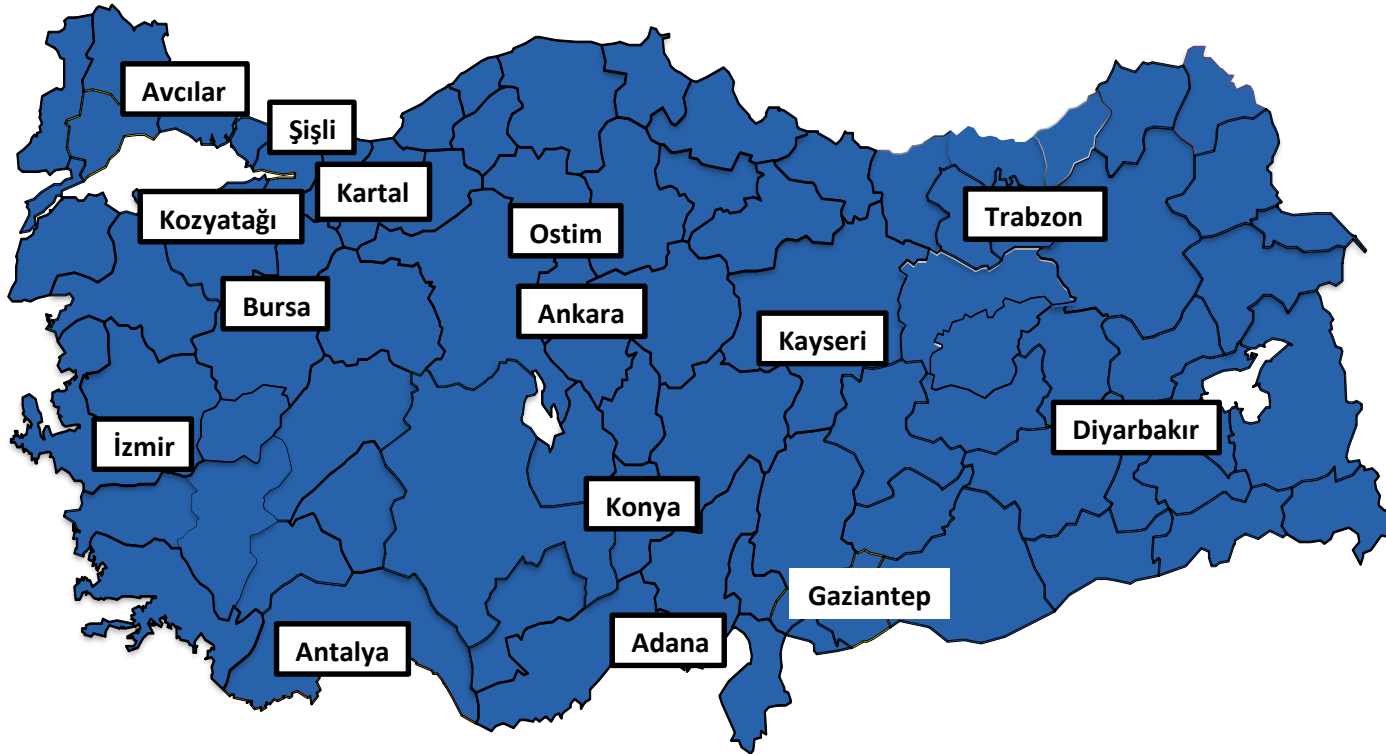
Gender



Education



Branch Network & Employee



15 Branches

44 Sales Staff

140 Total Staff



LEASING SECTOR IN TURKEY

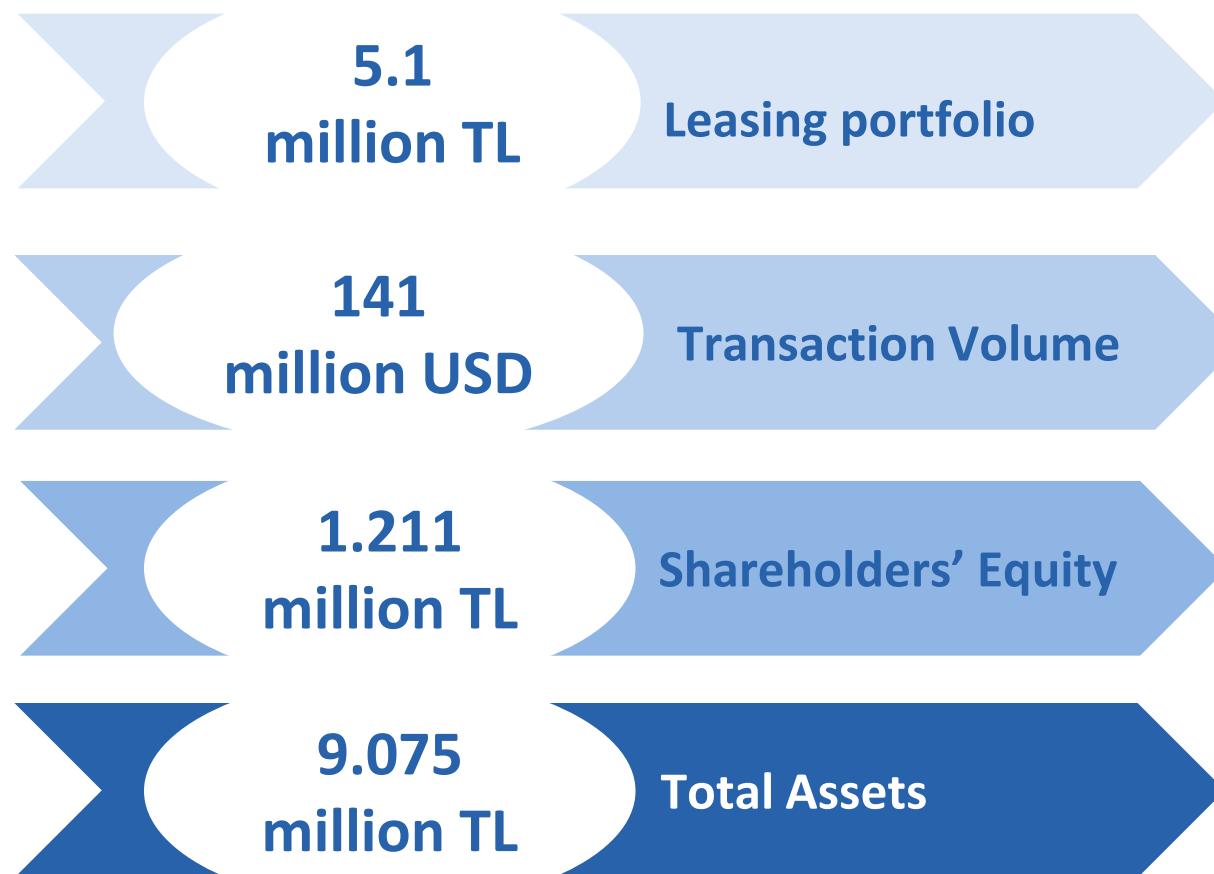
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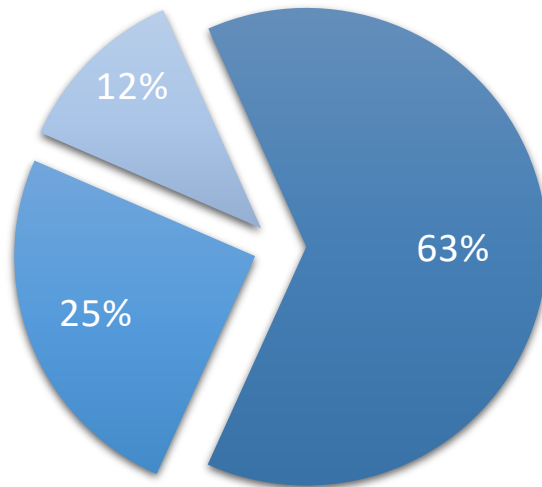
Consolidated Financial Indicators



Sales Channels

30.06.2019

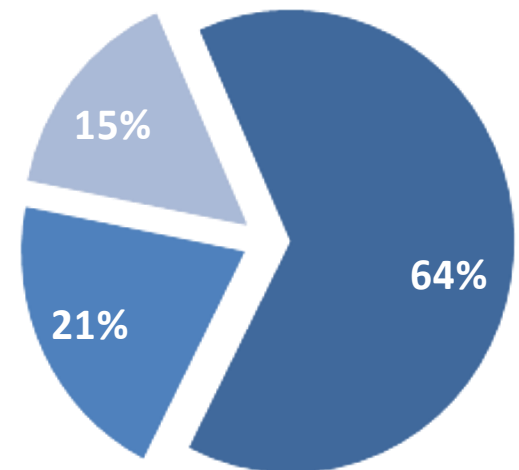
■ İŞ BANK ■ DIRECT MARKETING ■ VENDORS



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

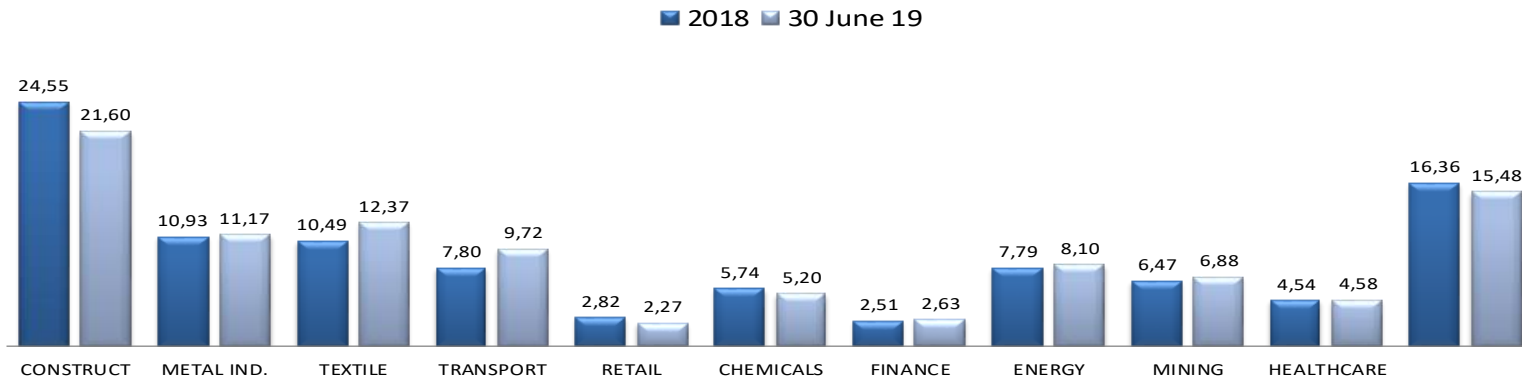
30.06.2018

■ İŞ BANK ■ DIRECT MARKETING ■ VENDORS



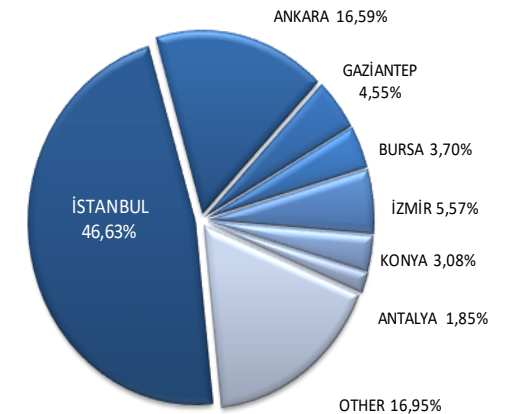
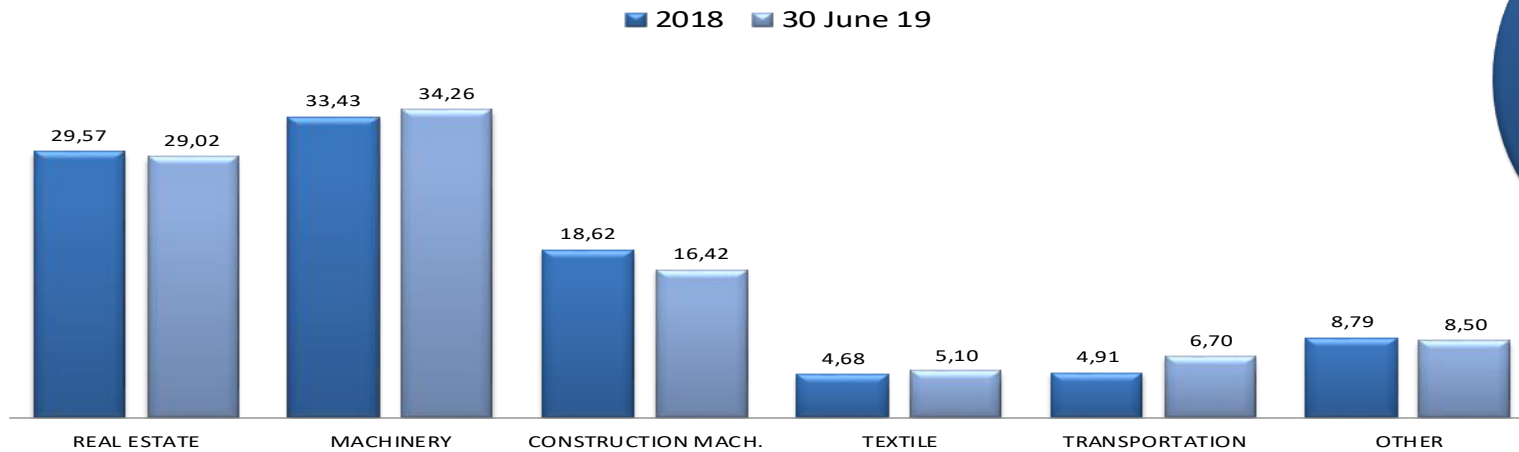
Sectoral & Asset & Geographical Distribution, %

Sectoral Distribution

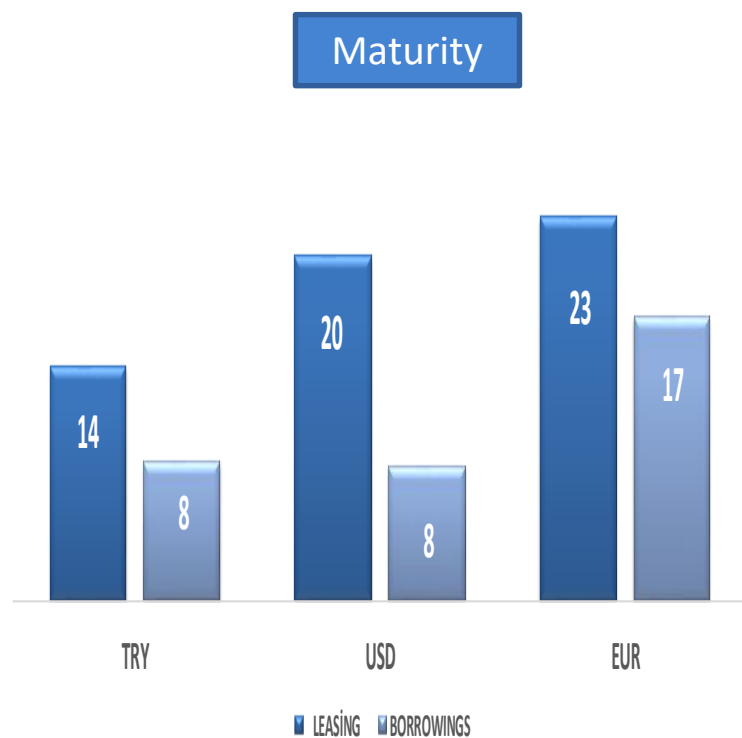


Geographical Distribution

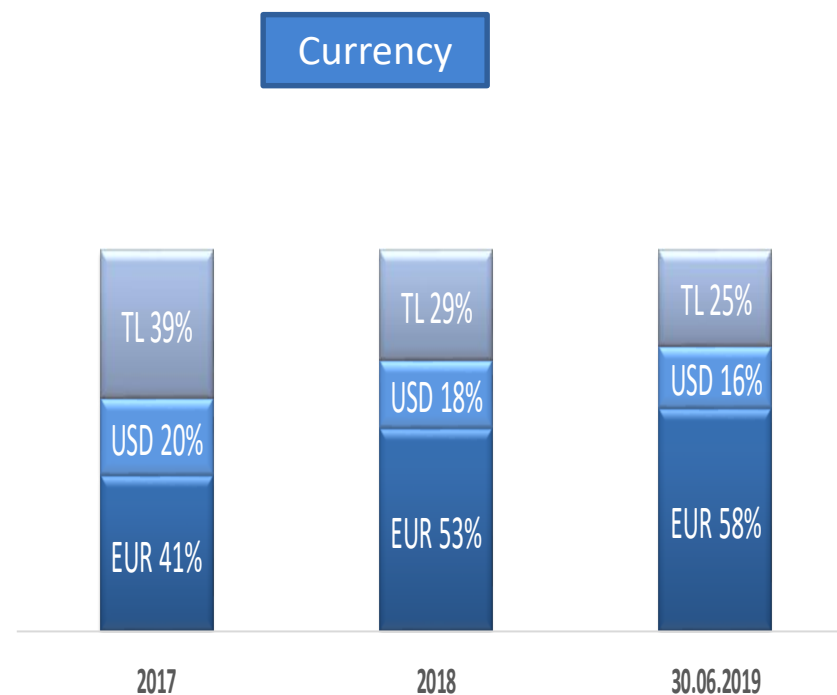
Asset Distribution



Maturity & Currency Distribution



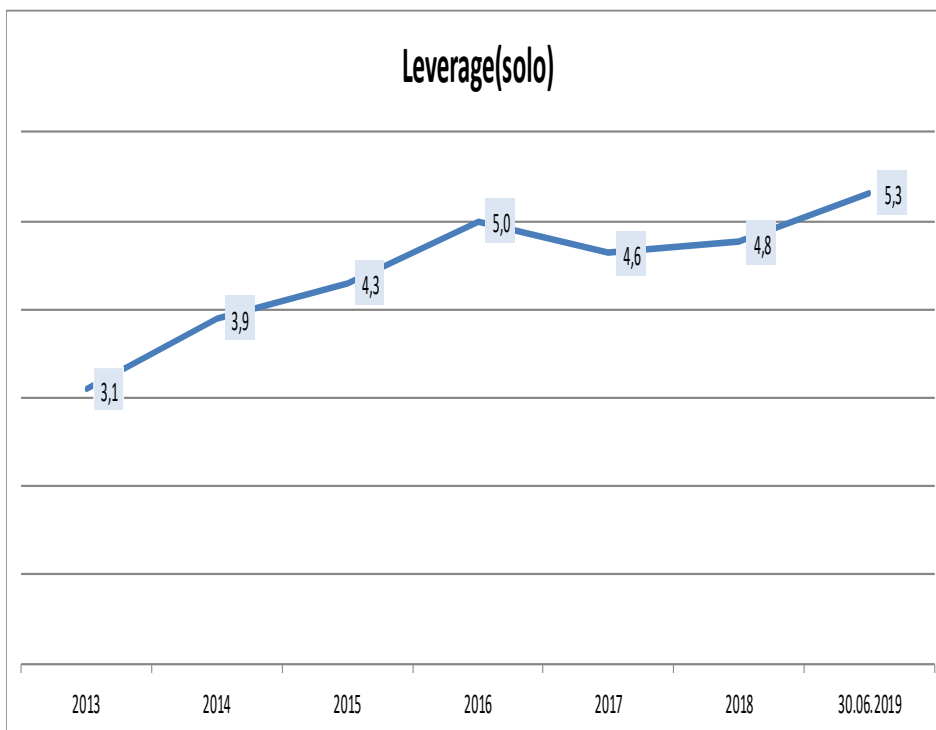
average, months



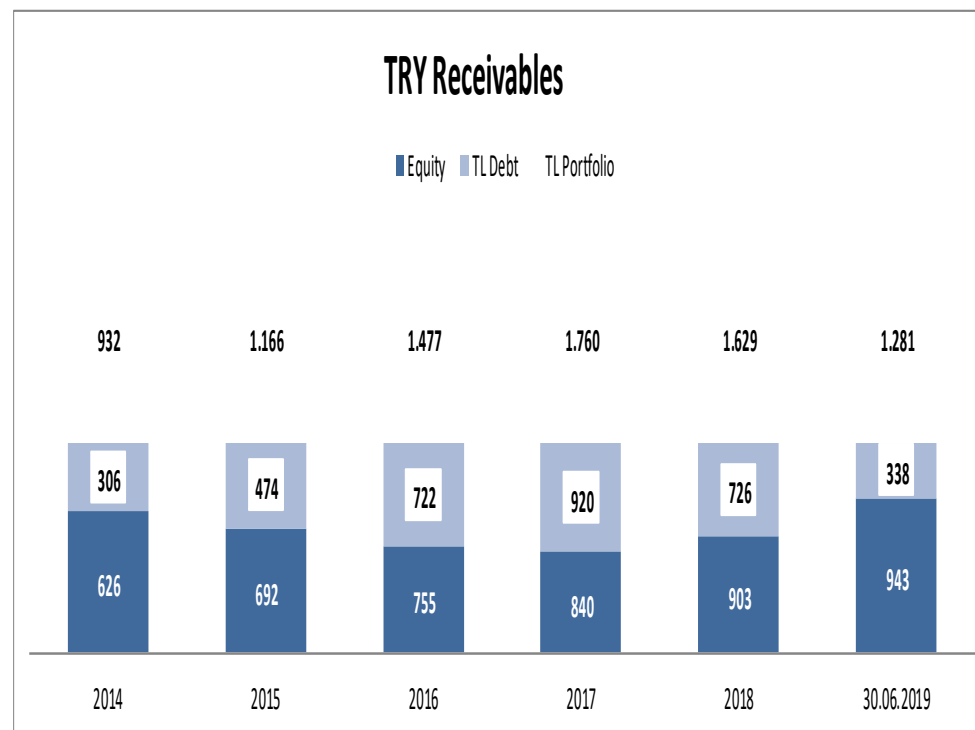
*TL funded by equity is included in the calculation.

Leverage

Leverage(solo)



TRY Receivables



Increased leverage by gaining market share

Finansman Politikası

- 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 6 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



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Financial Highlights

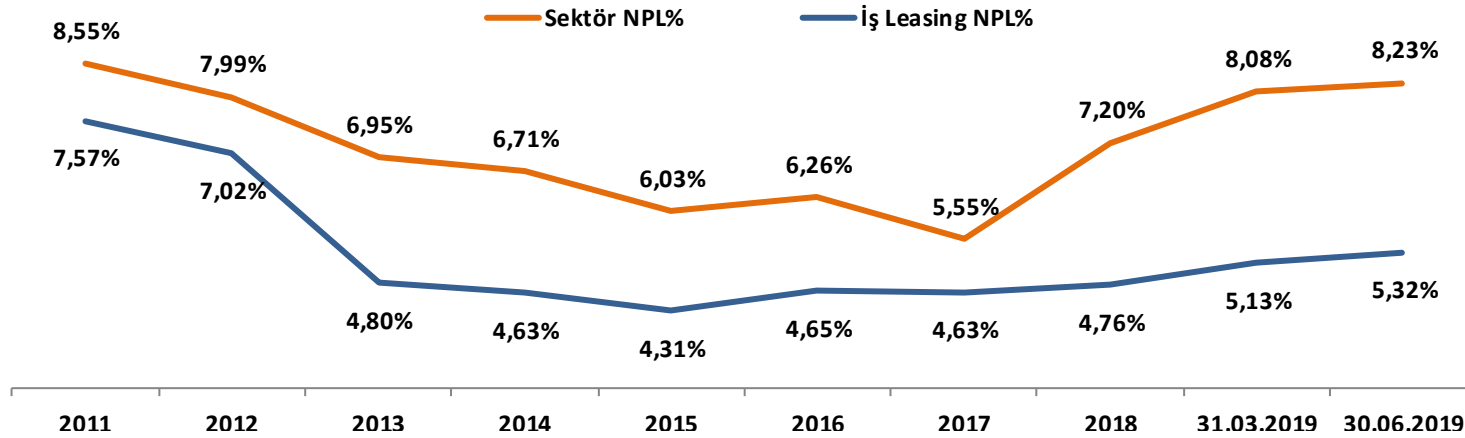
<i>TL Million, consolidated</i>	2015	2016	2017	2018	30.06.2019	Δ
Leasing Receivables, Net	3.287	4.001	4.701	5.435	5.154	-5,2%
Factoring Receivables, Net	1.951	2.986	4.207	2.725	3.201	17,5%
Non Performing Receivables	183	231	266	297	502	68,7%
Provisions	140	150	180	199	318	60,3%
Total Assets	5.581	7.480	9.283	8.682	9.075	4,5%
Financial Liabilities	4.661	6.394	8.038	7.257	7.661	5,6%
Equity	738	830	975	1.151	1.211	5,3%
Net Interest Income	121	146	82	131	20	-85,0%
Provisions Expenses	-48	-23	-33	-42	-147	247,8%
Consolidated net Profit	82	104	113	198	42	-78,5%
RATIOS						
NPL / Receivables	3,4%	3,2%	2,9%	3,6%	5,8%	
Provision Ratio	76,3%	65,1%	67,7%	66,8%	63,5%	
Cost / Income	37,0%	37,7%	66,3%	17,9%	17,6%	
ROE	12,2%	13,2%	12,5%	18,6%	7,2%	
ROA	1,8%	2,1%	1,3%	2,2%	1,0%	

Solo Key Figures

(Million TL)	2017	2018	30.06.2019	Δ	2017	2018	30.06.2019	Δ
Financial Highlights	İş				Sector			
Leasing Receivables	4.617	5.331	5.075	-5%	51.990	60.707	52.570	-13%
Total Assets	5.069	5.965	5.869	-2%	58.053	68.506	63.098	-8%
Equity	840	903	943	4%	8.567	9.601	9.676	1%
Net Profit	74	83	32	-61%	940	917	559	-39%
NPL Ratio	4,6%	4,8%	5,3%		5,5%	7,2%	8,2%	
Debt/Equity	5,0	5,6	5,2		5,8	6,1	5,5	
ROE *	10,0%	10,1%	7,0%		11,5%	9,6%	11,3%	
ROA	1,5%	1,9%	1,3%		1,8%	1,5%	1,7%	

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

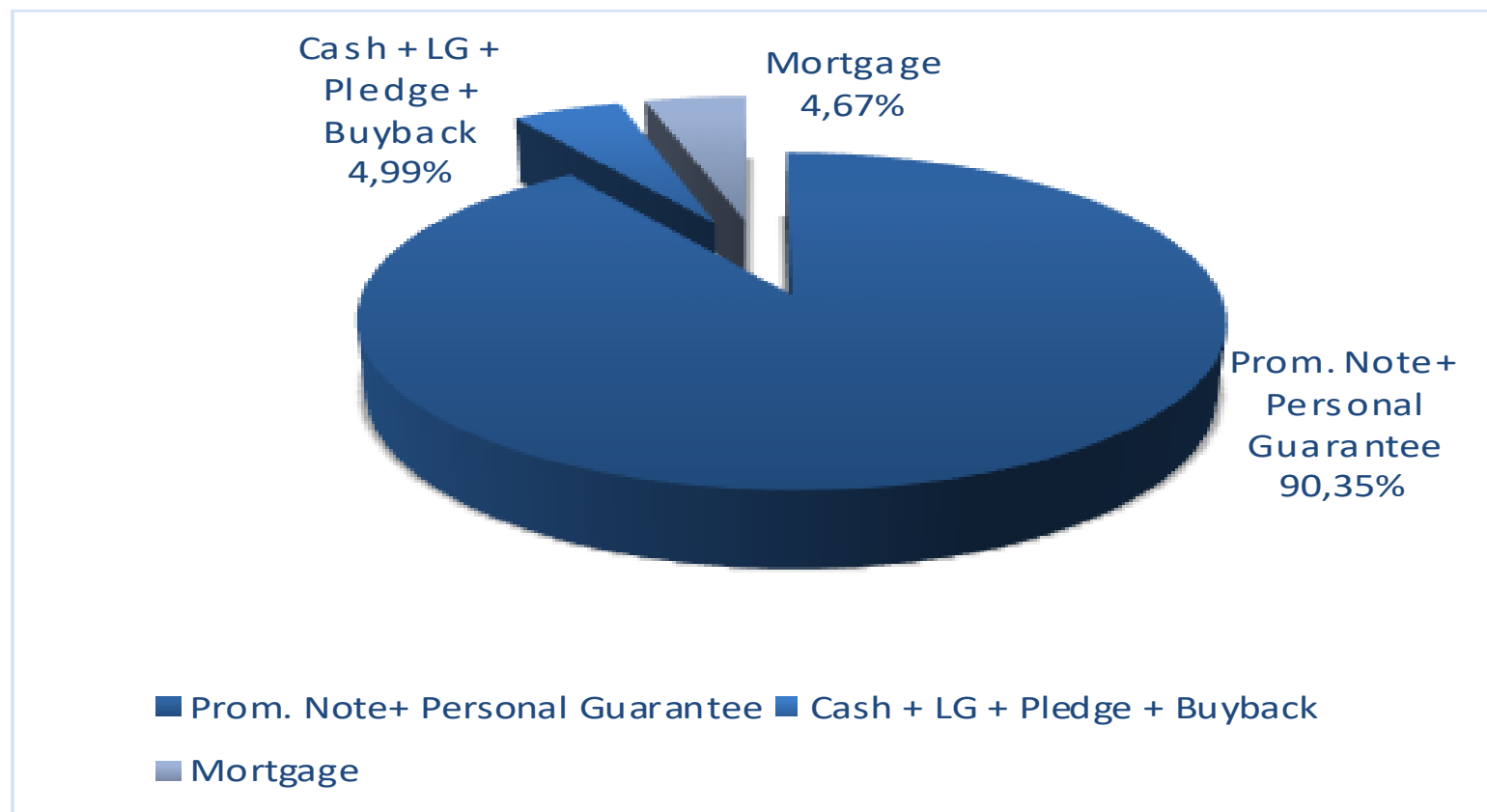
NPL



Consolidated	31.12.2015	31.12.2016	31.12.2017	31.12.2018	30.06.2019
Gross NPL /Total Receivables	3,40%	3,23%	2,93%	3,56%	5,78%
Net NPL / Net Receivables	0,83%	1,15%	0,97%	1,21%	2,19%

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



Foreing Currency	
Long Term	B+
Short Term	B
Outlook	Negatif
Turkish Lira	
Long Term	BB-
Short Term	B
Outlook	Negatif
National	
Long Term	A+(tur)
Outlook	Durağan
Supporting Rating	4

Corporate Governance Rating (Saha-2016) : 9.17

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