



# INVESTOR PRESENTATION

30 SEPTEMBER 2018

**İŞ LEASING** 



## Leasing Sector in Turkey

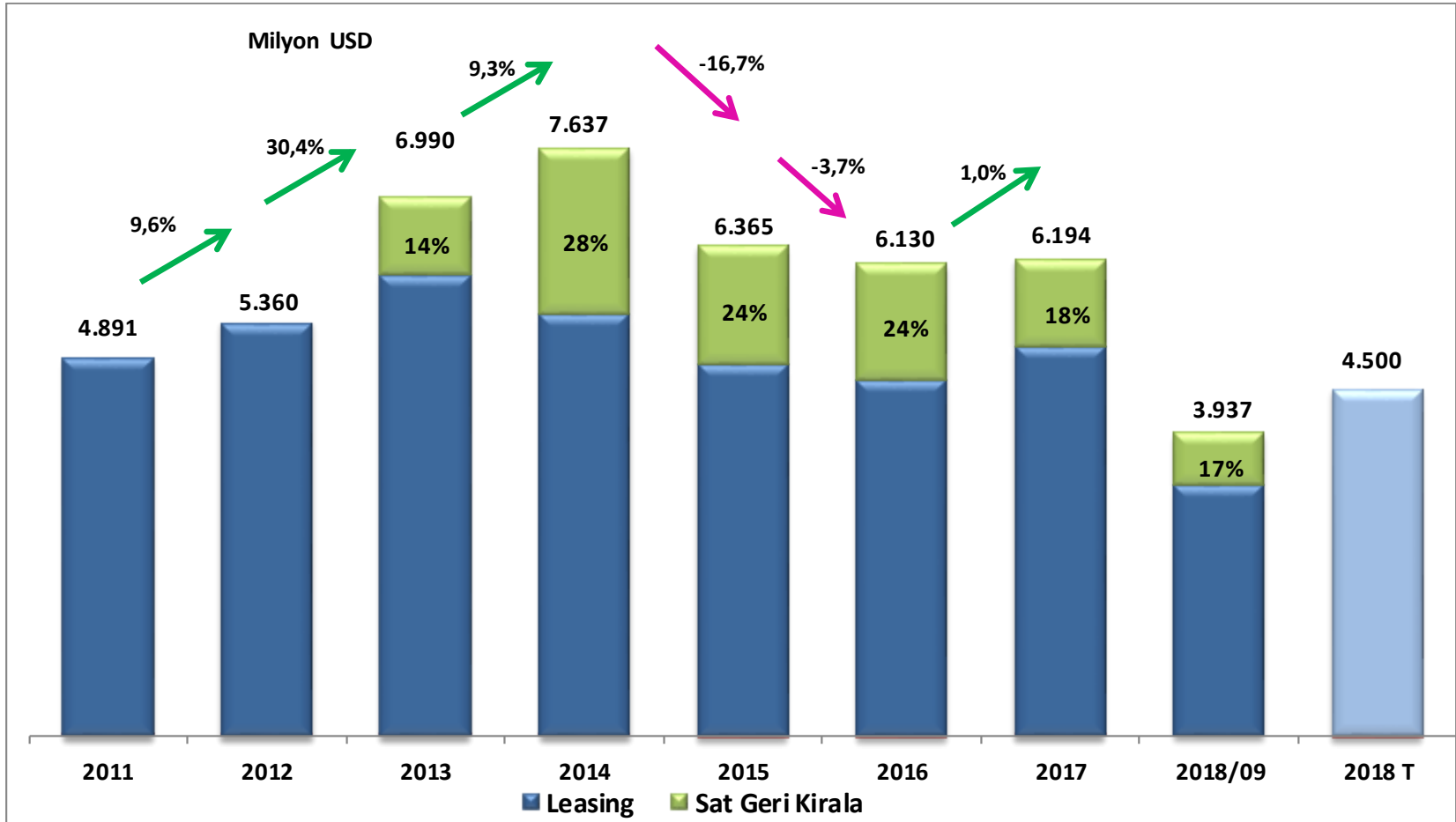


## Leasing advantages

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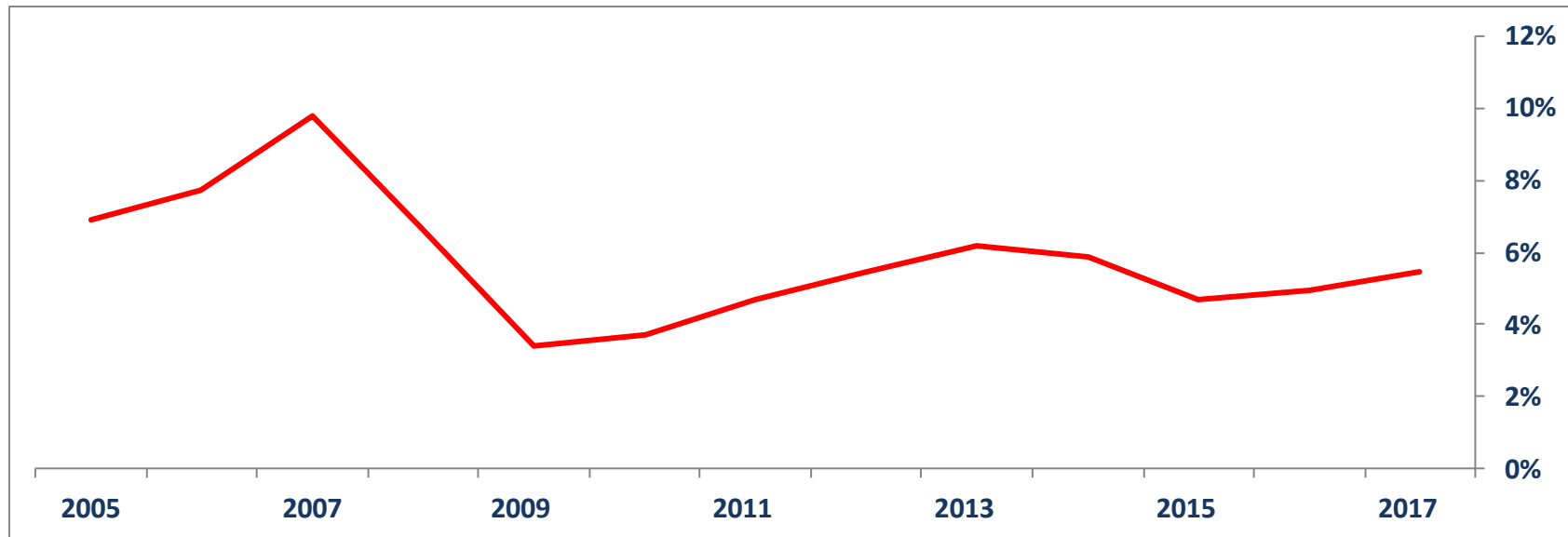
- ✓ VAT is %1 for various types of machinery
- ✓ Expertise on SMEs, consultancy and know-how support in addition to funding
- ✓ FX borrowing option (for selective assets)
- ✓ Fast credit approvals (leased-asset ownership), flexible payment plans
- ✓ Sale-and-lease back and operating leases were added to finance leases in 2013 by a regulation change.

## Leasing Volume



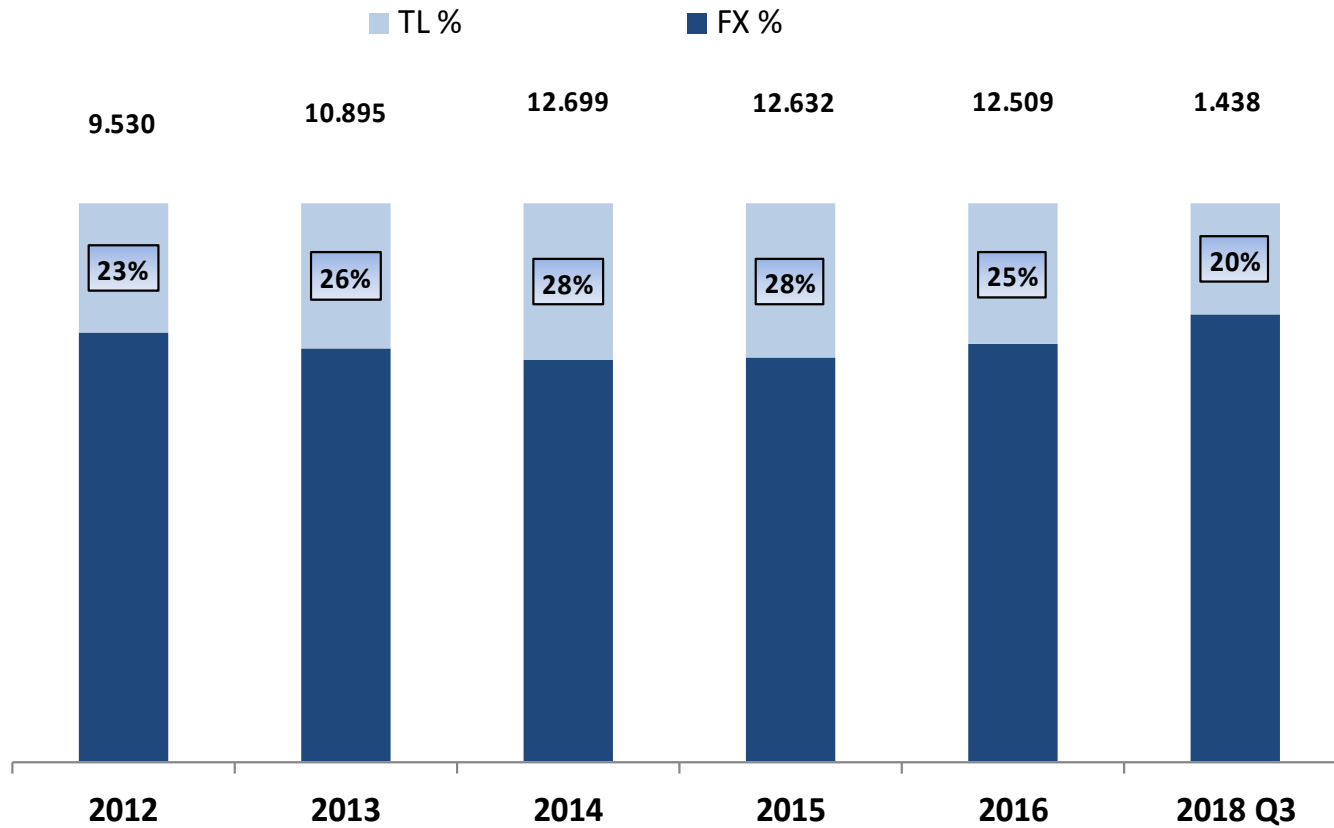
## Turkey Leasing Penetration

Leasing penetration is still at low levels compared to EU average of 15% and North America average of 21,5%.

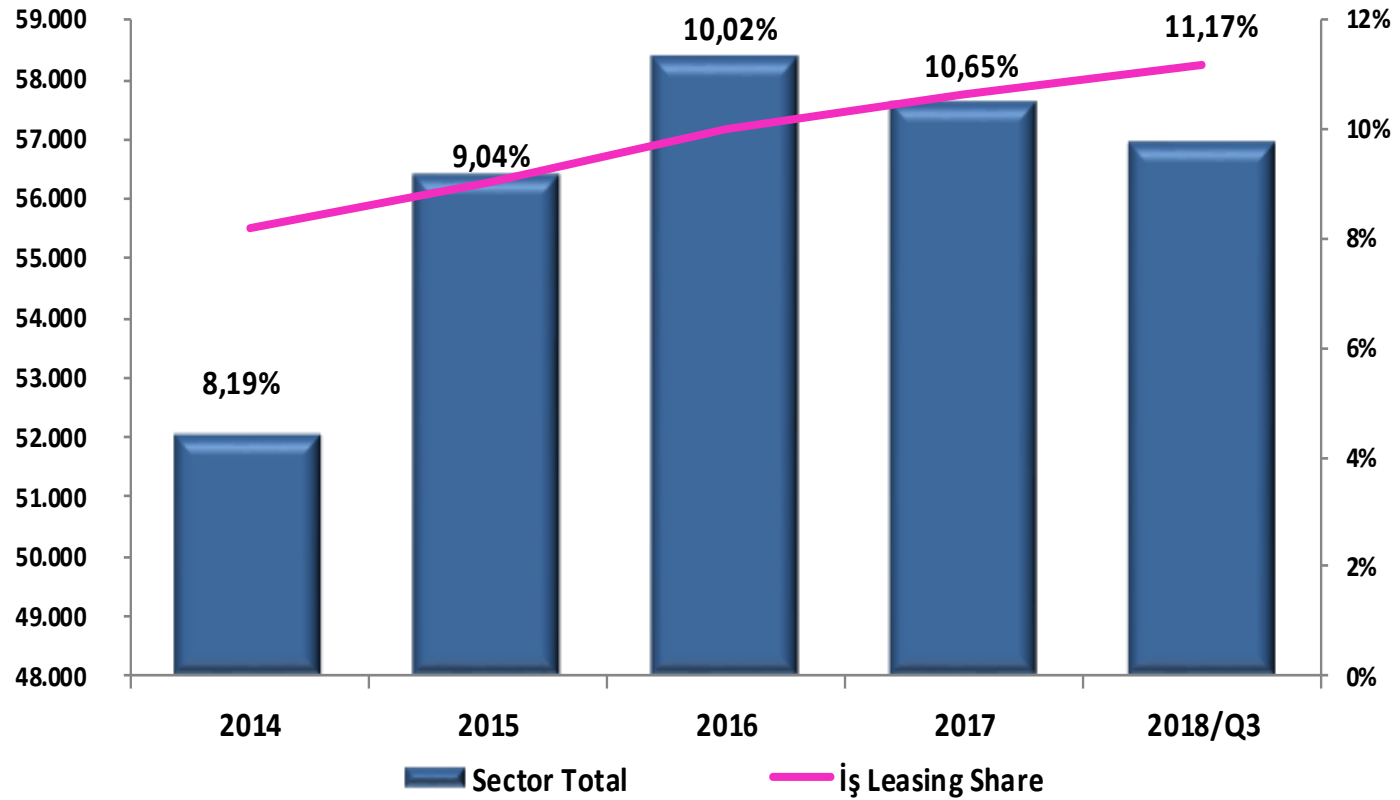


Penetration: Leasing volume/ Private sector fixed investments

# Leasing Receivables



## Customer Base





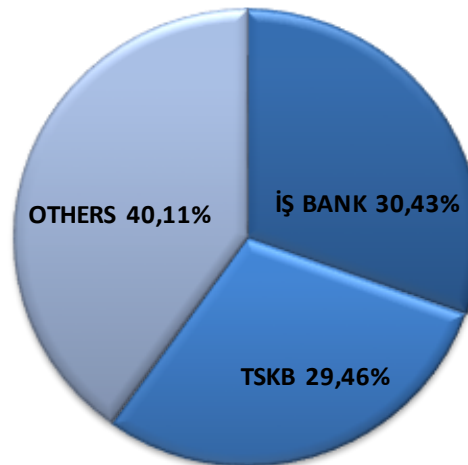
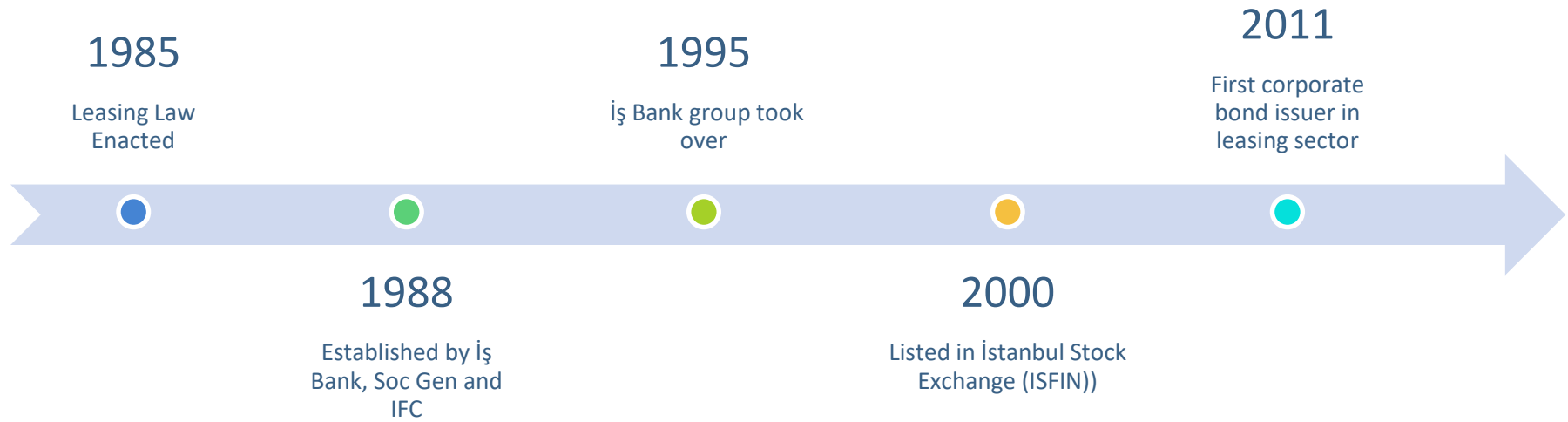


## Company Overview

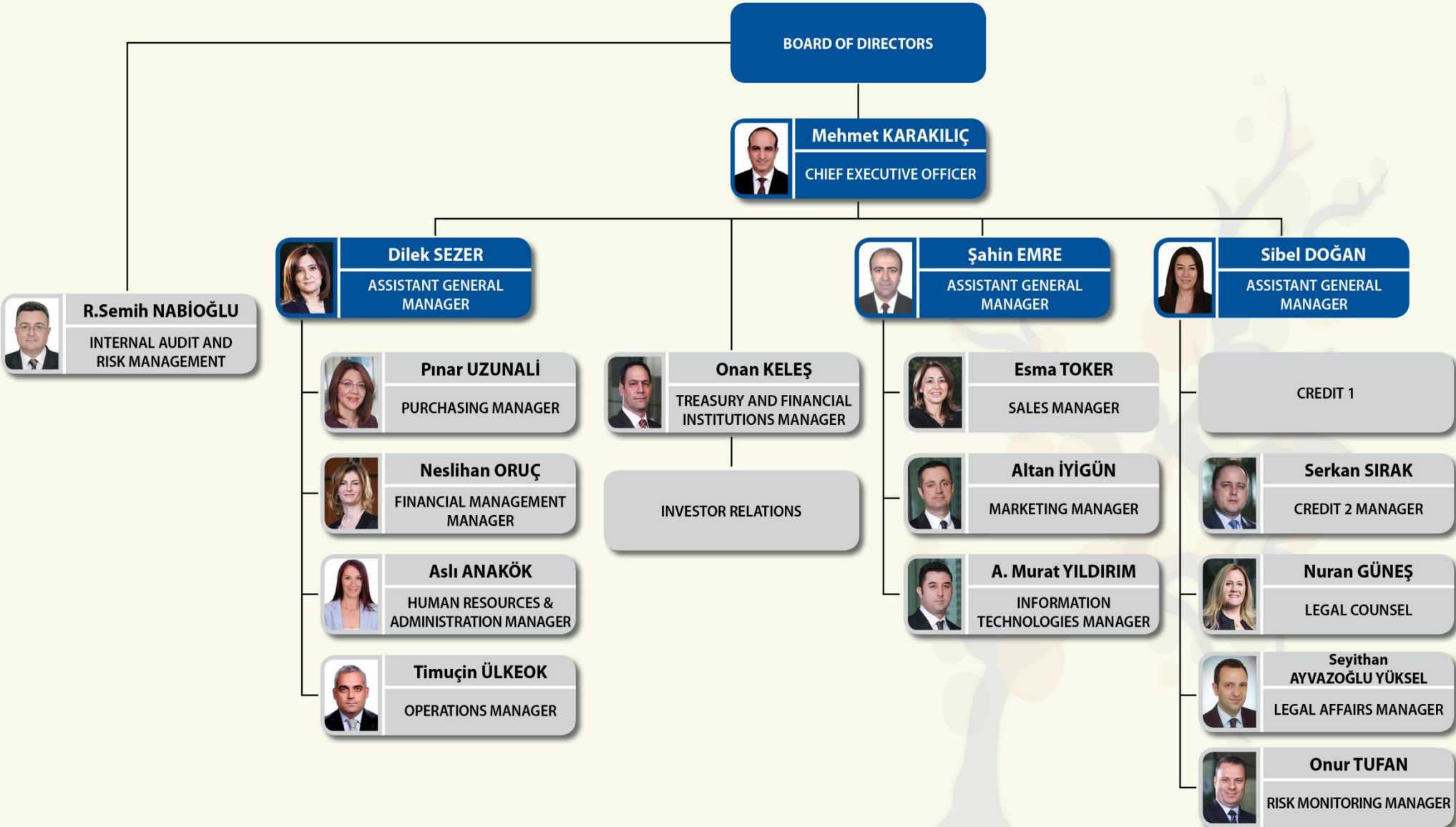




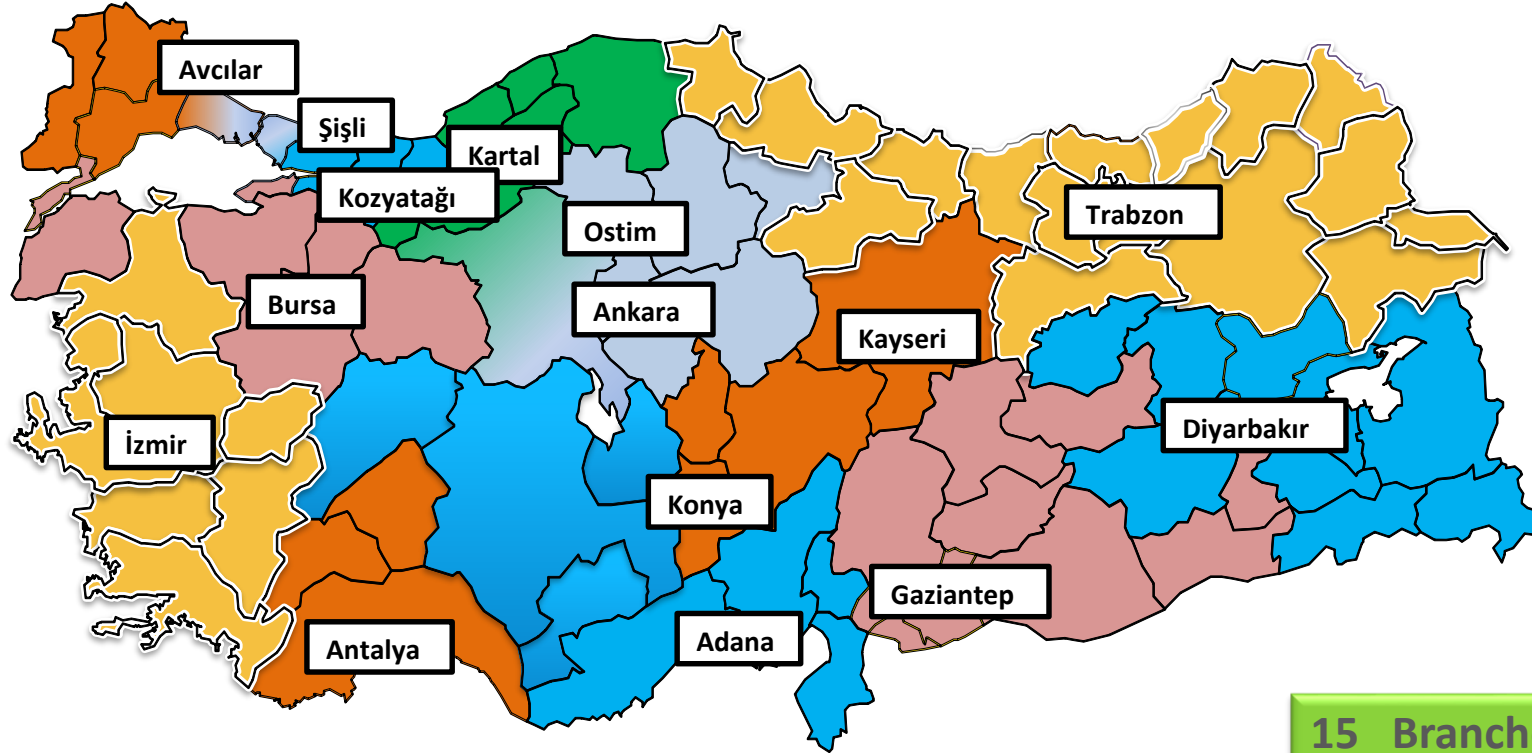
## Milestones &amp; Shareholders



## ORGANIZATION CHART



## BRANCH NETWORK



**15 Branches**  
**51 Sales staff**  
**153 Total staff**



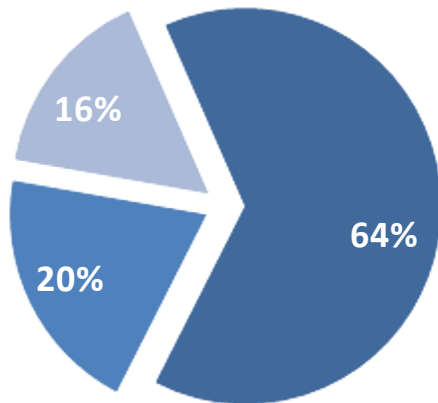
## Lease Portfolio



## SALES CHANNELS

2017

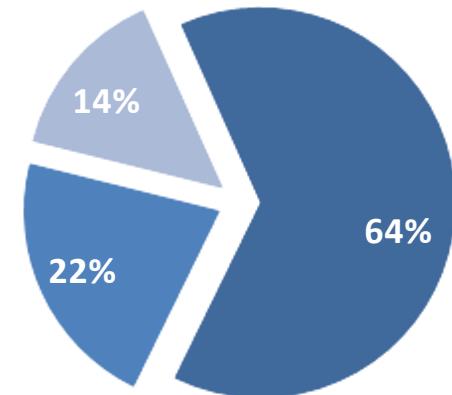
■ İŞ BANK ■ DIRECT MARKETING ■ VENDORS



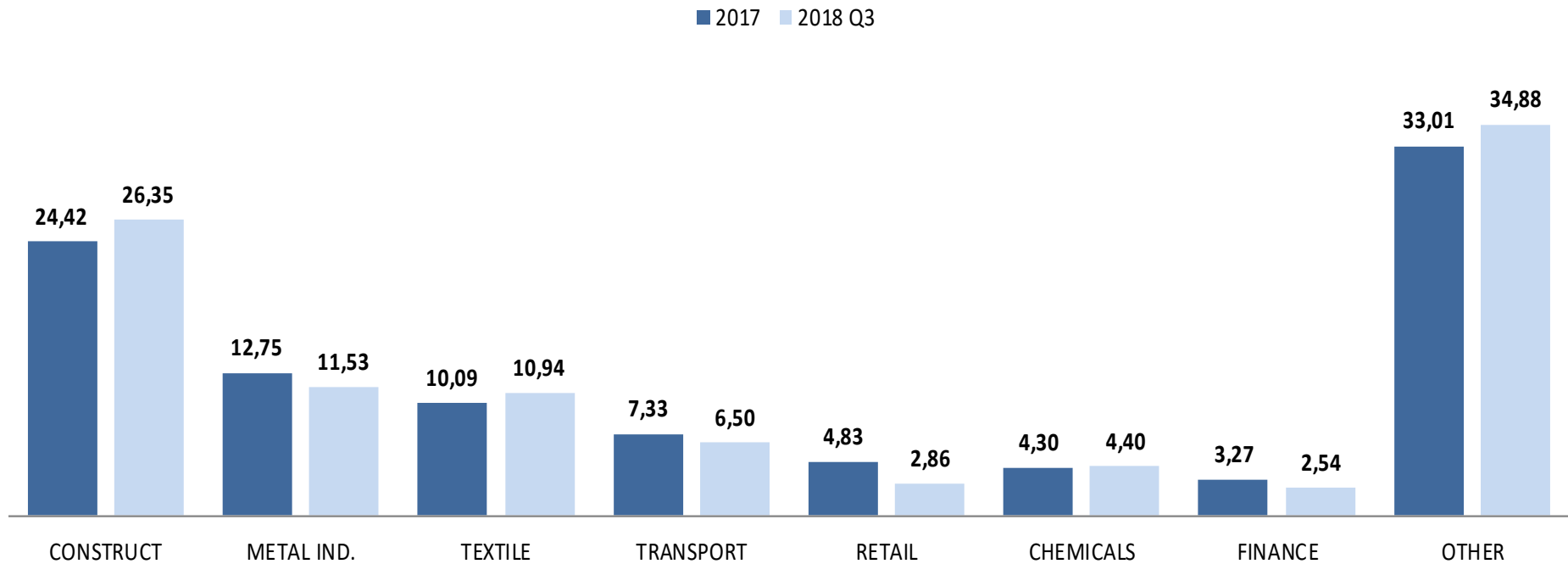
İşbank: 1342 local and 22 foreign branches, largest network among private banks.

2018/Q3

■ İŞ BANK ■ DIRECT MARKETING ■ VENDORS

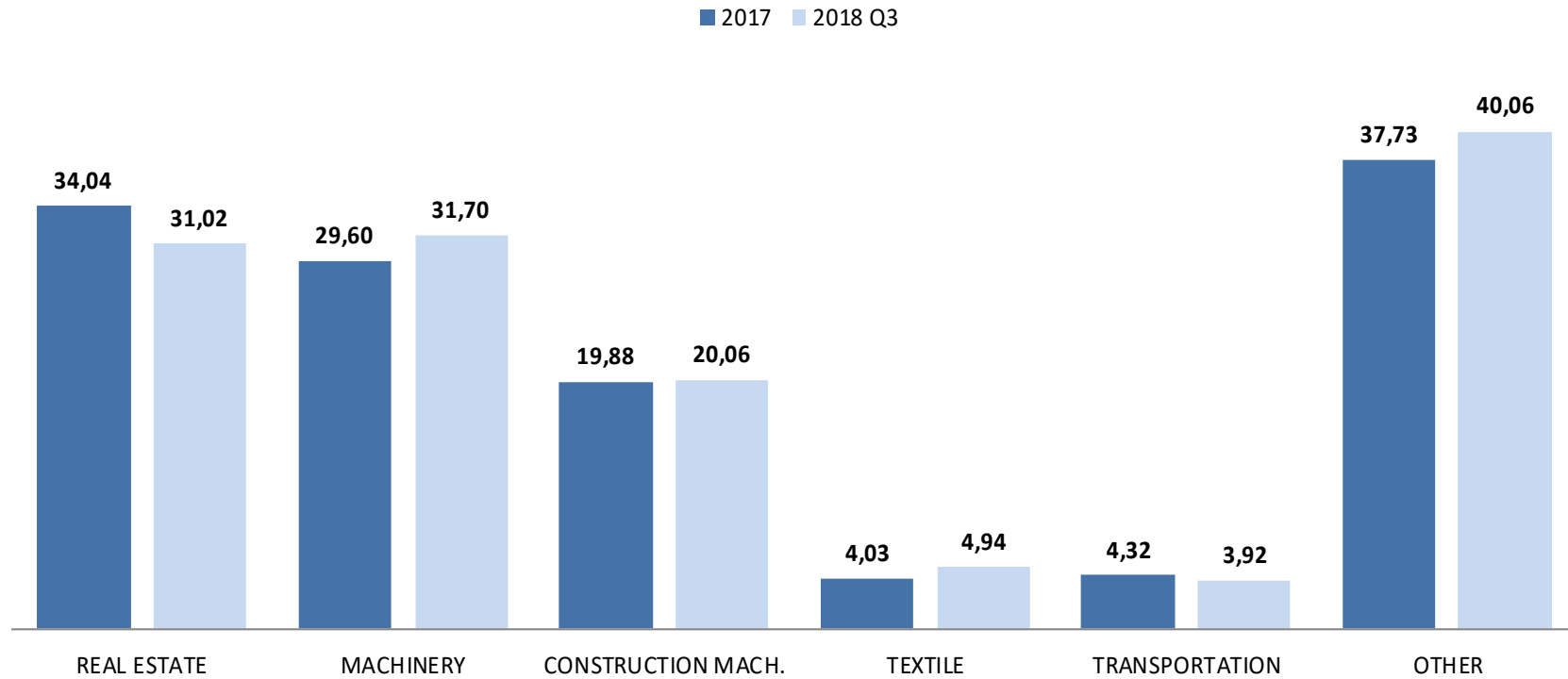


## SECTORAL DISTRIBUTION, %

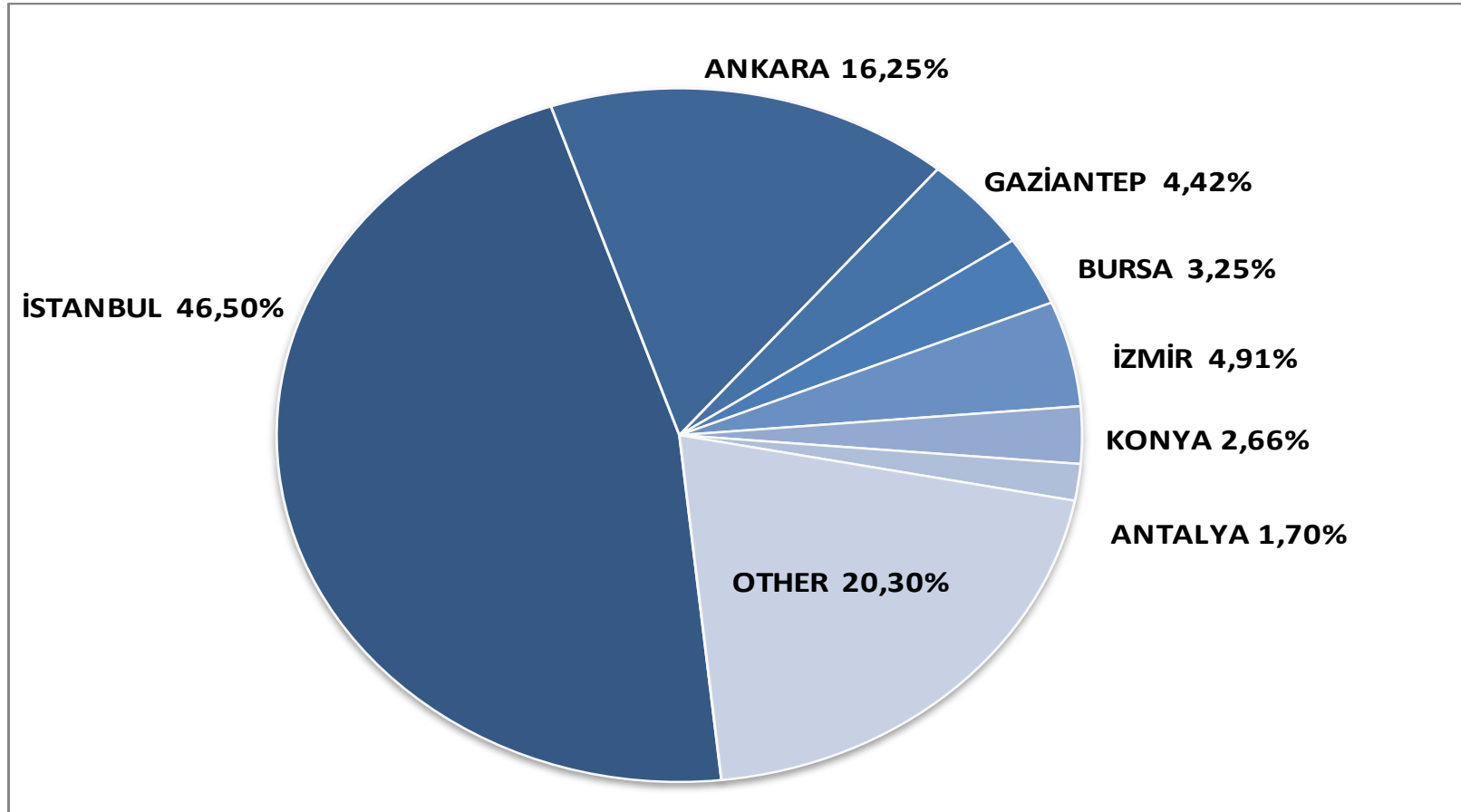




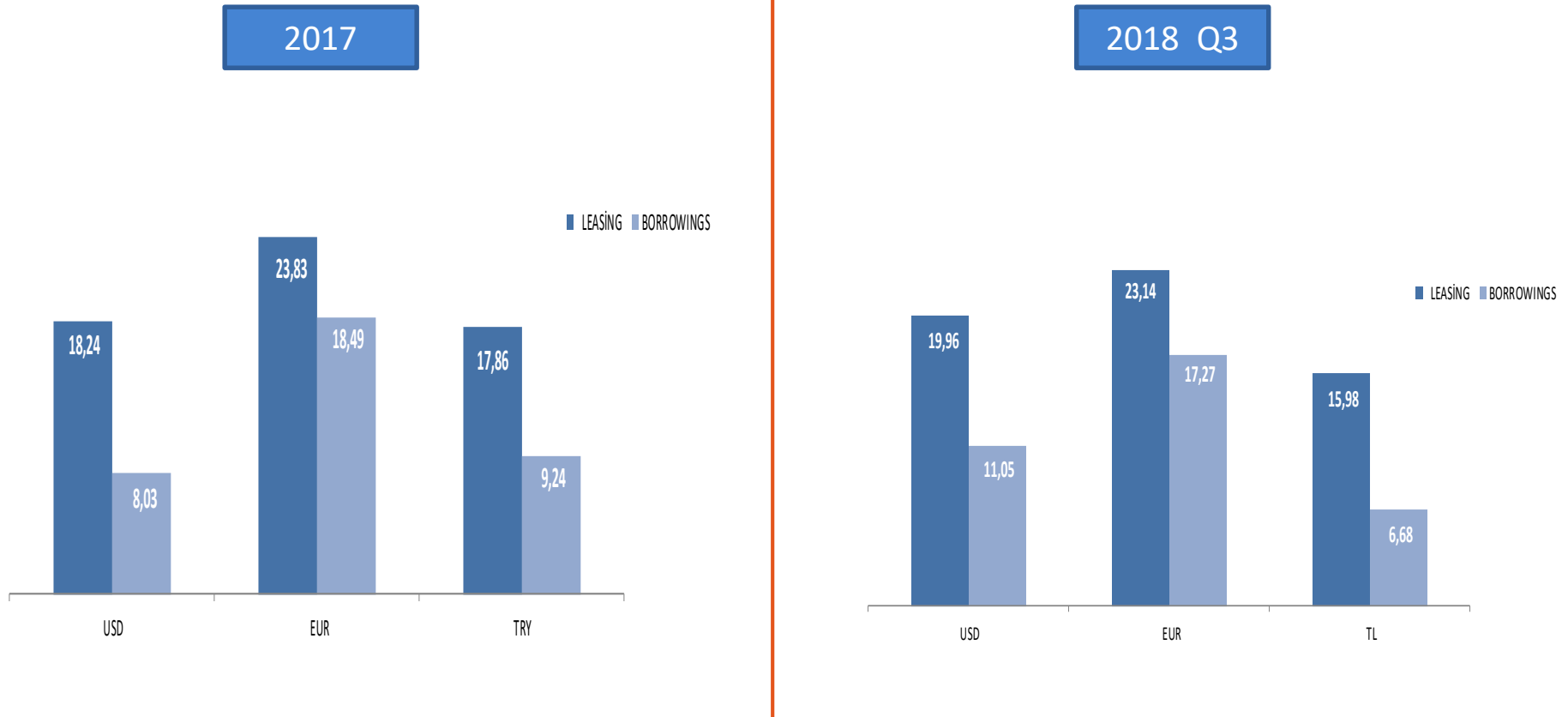
## ASSET DISTRIBUTION, %



## GEOGRAPHICAL DISTRIBUTION, %



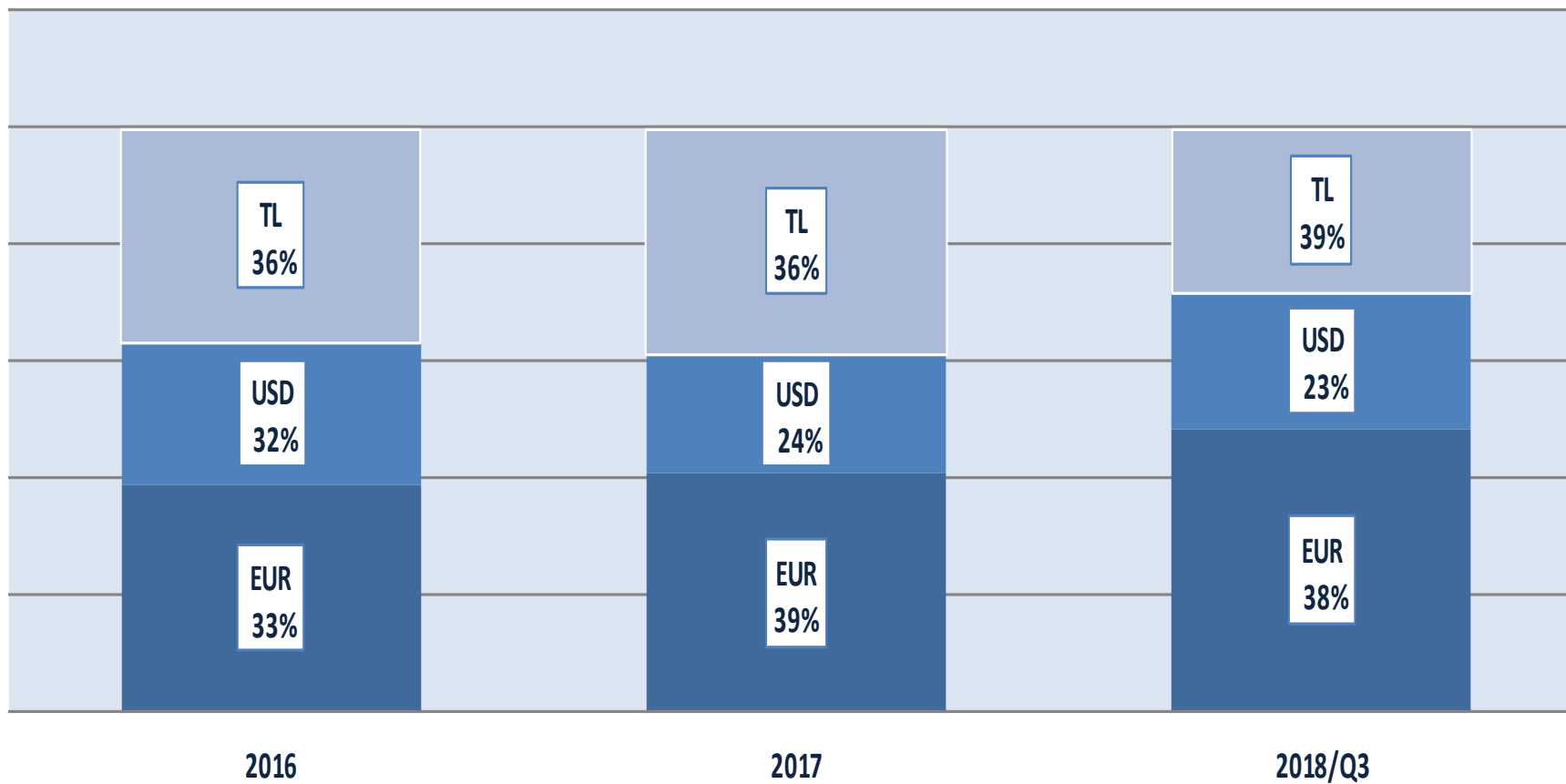
# MATURITY DISTRIBUTION, %



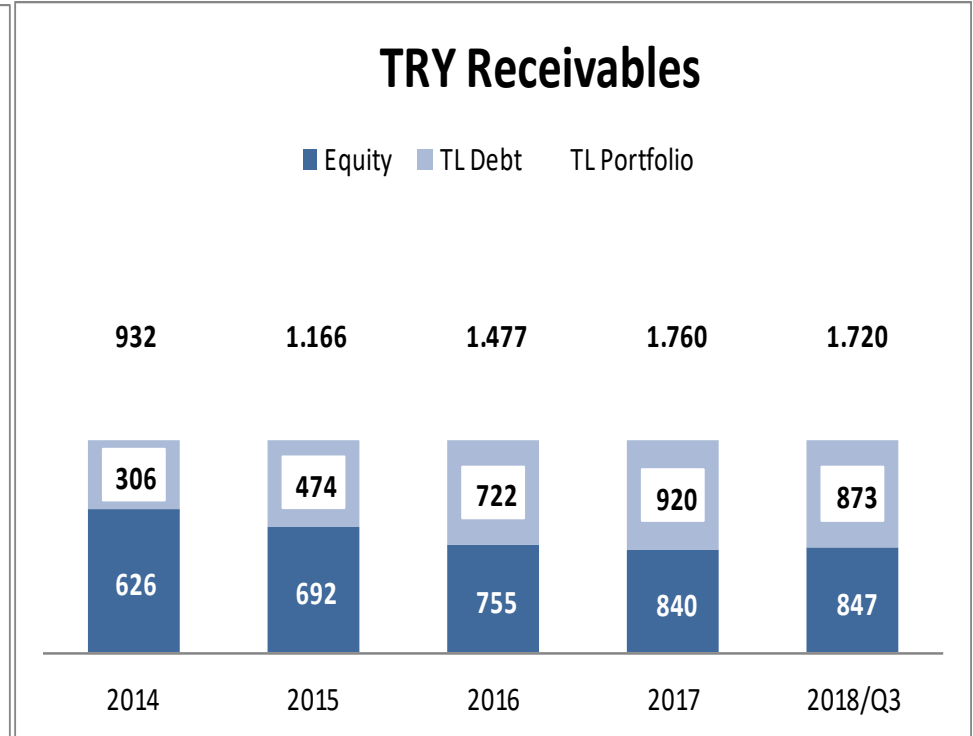
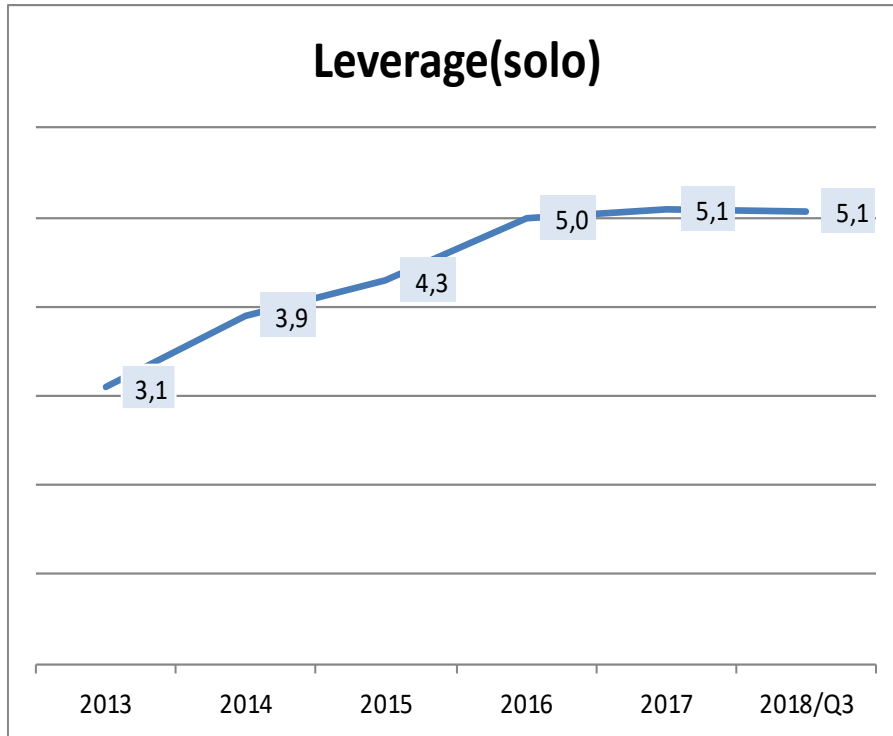
average, months

\*TL funded by equity is included in the calculation.

## CURRENCY DISTRIBUTION, %



# LEVERAGE



Increased leverage by gaining market share

## FUNDING POLICY

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- 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 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,
  - 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





## Financial Performance



## FINANCIAL HIGHLIGHTS

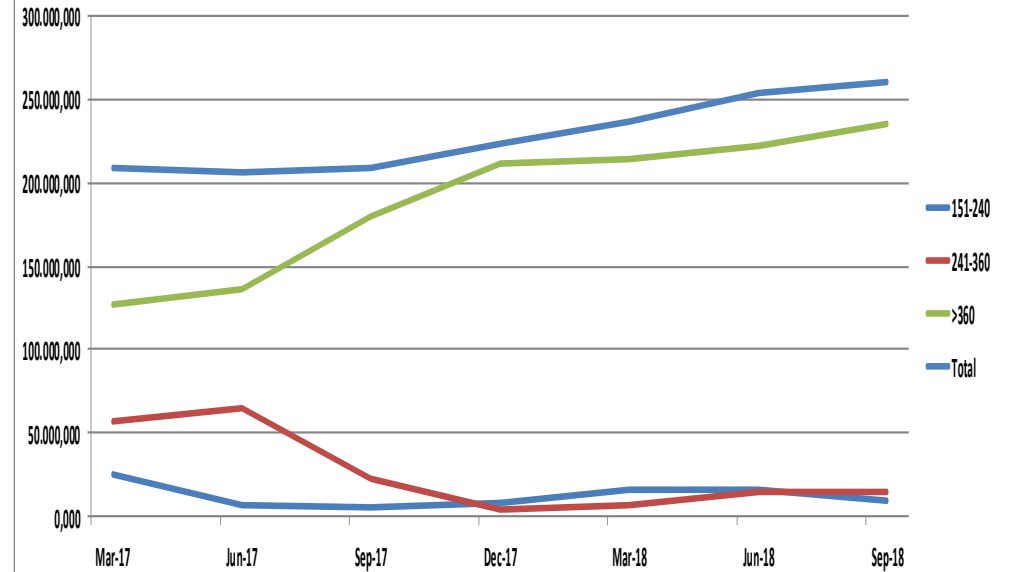
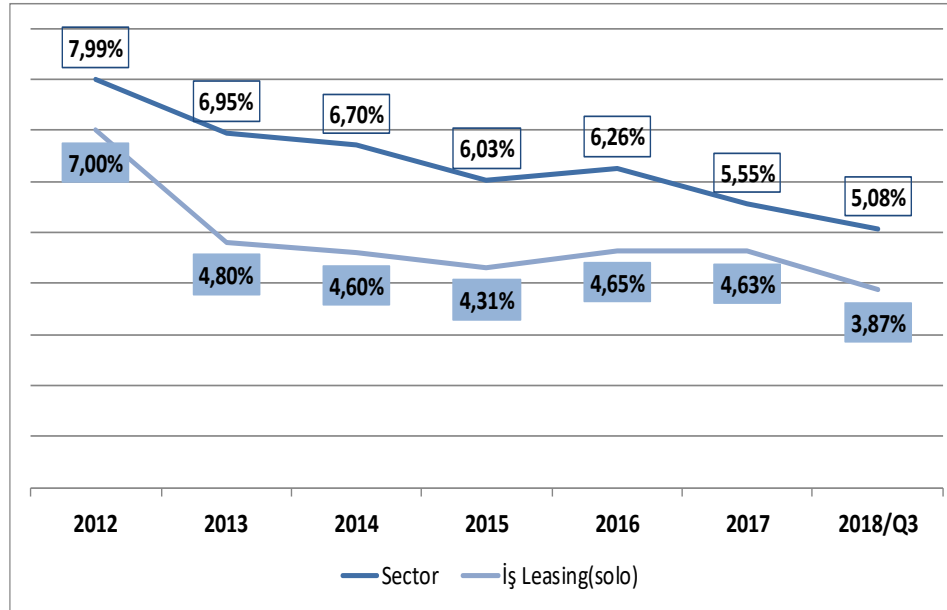
<i>TL Million, consolidated</i>	2015	2016	2017	2018 Q3	Δ
<b>Leasing Receivables, Net</b>	3.287	4.001	4.701	6.580	40,0%
<b>Factoring Receivables, Net</b>	1.951	2.986	4.207	2.158	-48,7%
<b>Non Performing Receivables</b>	183	231	266	319	19,7%
<b>Provisions</b>	140	150	180	202	11,8%
<b>Total Assets</b>	5.581	7.480	9.283	9.164	-1,3%
<b>Financial Liabilities</b>	4.661	6.394	8.038	7.447	-7,4%
<b>Equity</b>	738	830	975	1.070	9,8%
<b>Net Interest Income</b>	121	146	82	97	17,9%
<b>Provisions Expenses</b>	-48	-23	-33	-24	-26,7%
<b>Consolidated net Profit</b>	82	104	113	95	-15,9%
<b>RATIOS</b>					
<b>NPL / Receivables</b>	3,4%	3,2%	2,9%	3,6%	
<b>Provision Ratio</b>	76,3%	65,1%	67,7%	63,2%	
<b>Cost / Income</b>	37,0%	37,7%	66,3%	48,5%	
<b>ROE</b>	12,2%	13,2%	12,5%	12,4%	
<b>ROA</b>	1,8%	2,1%	1,3%	1,4%	

## SOLO KEY FIGURES

(Million TL)	2015	2016	2017	2018/Q3	Δ	2015	2016	2017	2018/Q3	Δ
Financial Highlights	İş					Sector				
Leasing Receivables	3.249	3.921	4.617	6.476	40%	36.728	44.022	51.990	71.886	38%
Total Assets	3.656	4.508	5.069	7.013	38%	40.655	48.500	58.053	79.280	37%
Equity	692	755	840	847	1%	6.930	7.800	8.567	9.484	11%
Net Profit	81	82	74	24	-68%	809	922	940	936	0%
NPL Ratio	4,3%	4,7%	4,6%	3,9%		6,0%	6,3%	5,5%	5,1%	
Debt/Equity	4,0	4,7	5,0	7,3		4,5	4,8	5,8	7,4	
ROE *	10,3%	11,7%	10,0%	4,6%		13,1%	13,0%	11,5%	10,8%	
ROA	2,4%	2,0%	1,5%	0,5%		2,1%	2,1%	1,8%	1,7%	

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

## NPL

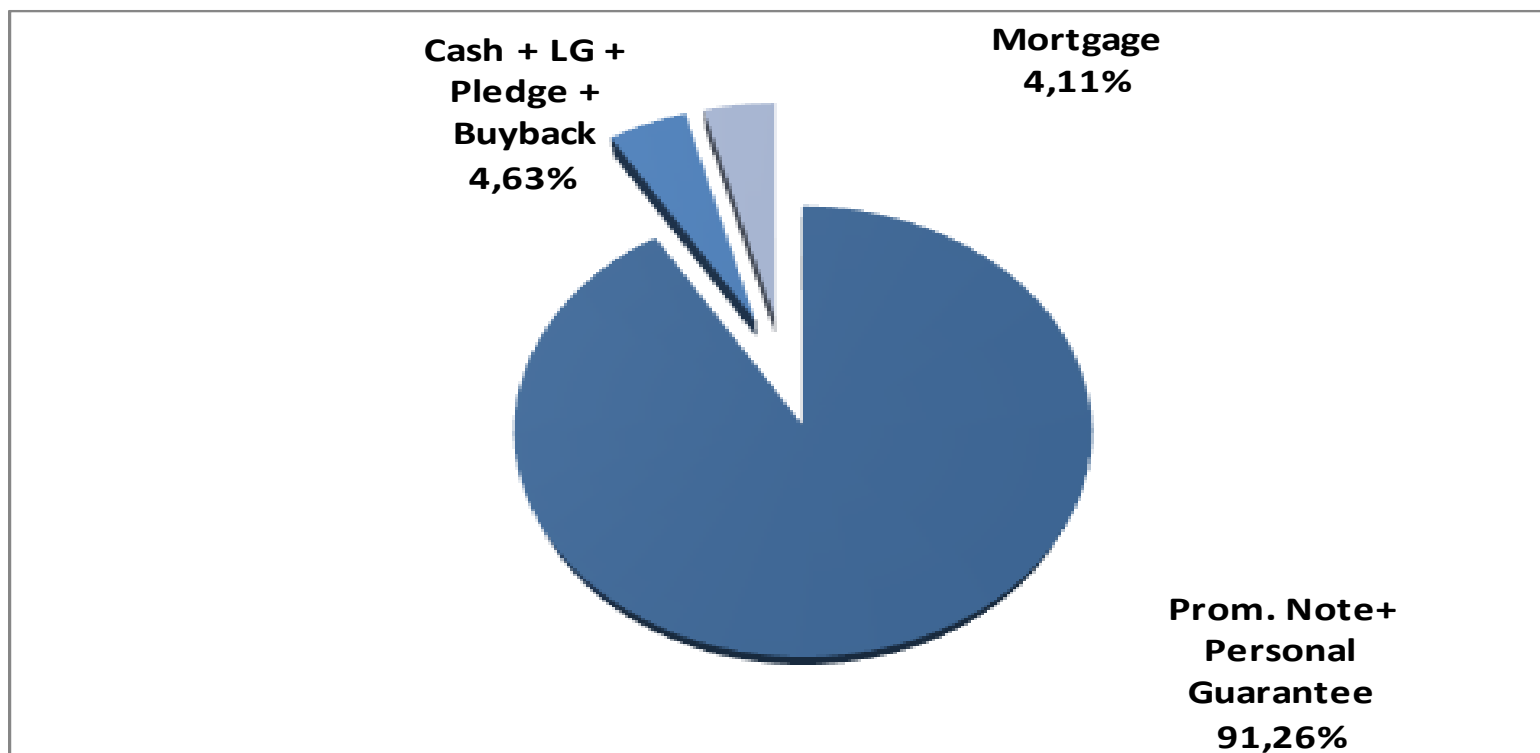


Consolidated	31.12.2015	31.12.2016	31.12.2017	30.09.2018
Gross NPL / Total Receivables	3,40%	3,23%	2,93%	3,57%
Net NPL / Net Receivables	0,83%	1,15%	0,97%	1,34%

000 TL	LOSS RESERVE
2017 Opening	(180.256)
Reversals	3.026
New provisions	(24.290)
30.09.2018 Closing	(201.520)

## 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	B+
Short-Term	B
Outlook	Negative
Turkish Lira	
Long-Term	BB-
Short-Term	B
Outlook	Negative
National	
Long-Term	A+(tur)
Outlook	Stable
Support Score	4

Corporate Governance Rating (Saha-2016) : 9.17



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