





**LEASING SECTOR IN TURKEY**



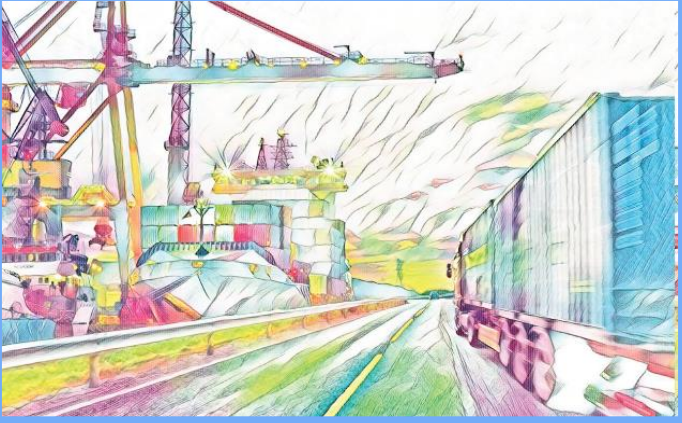
**COMPANY OVERVIEW**



**LEASING PORTFOLIO**



**FINANCIAL RESULTS**



## LEASING SECTOR IN TURKEY

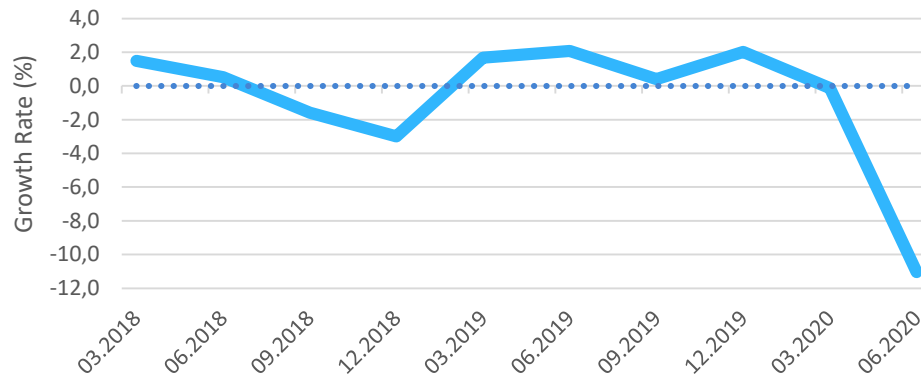
COMPANY OVERVIEW

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FINANCIAL RESULTS



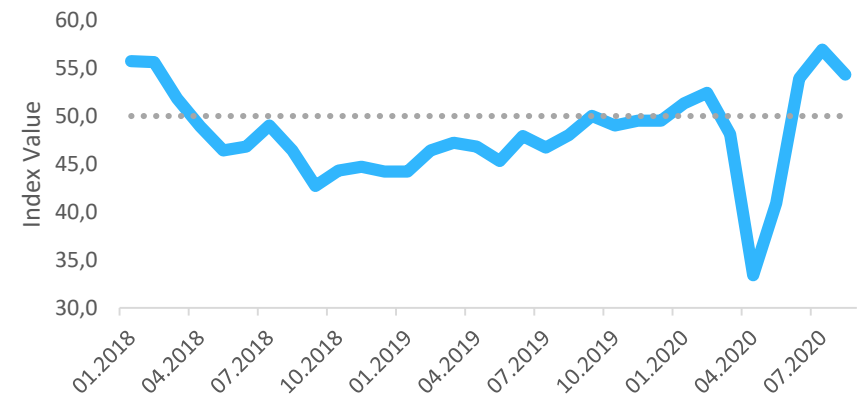
**GDP QoQ (SWDA-Seasonally & Working Days Adjusted)**



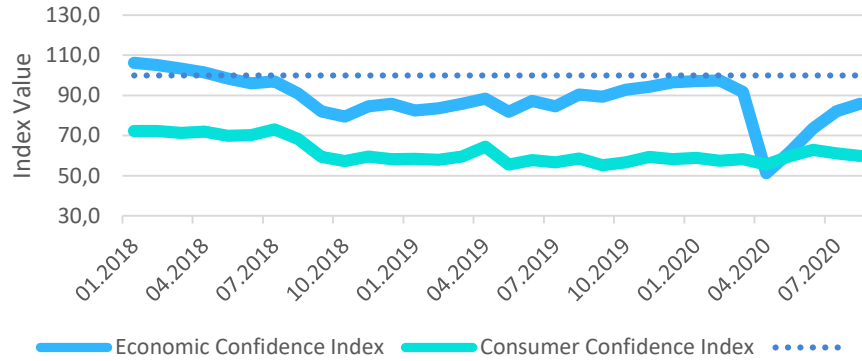
Growth performance of Turkey is affected in parallel with pandemic's global impact. In the second quarter of 2020, the quarterly contraction ratio adjusted for seasonal and calendar effects is 11%.

Manufacturing PMI data showed a strong recovery after a rapid contraction. Loosening protective measures taken against the pandemic and revival of the economic activities are the main driving forces of the recovery process.

**Manufacturing PMI of Turkey**



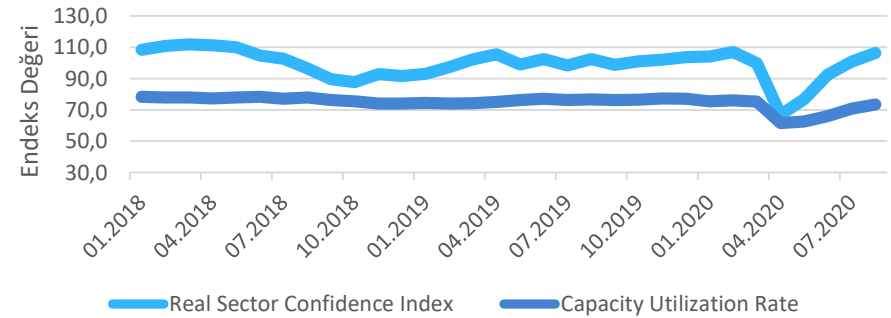
### Confidence Indices



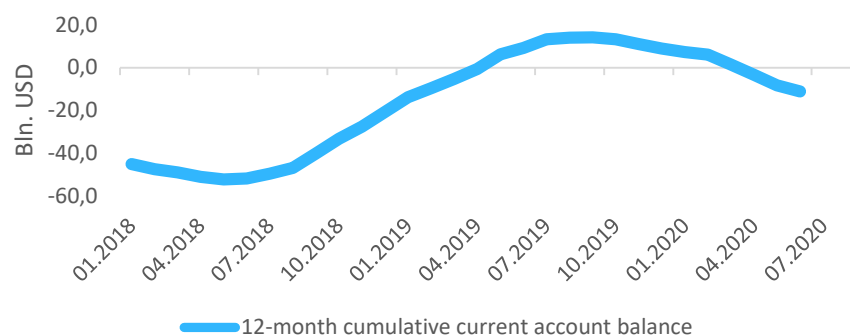
Real sector confidence index also shows the recovery signals. The recovery process observed in capacity utilization rates is expected to continue in the upcoming period.

A similar outlook is observed in the economic confidence index. The data announced in May and afterwards show the signals of resolving the rapid contraction.

### Real Sector Confidence Index and Capacity Utilization Rate



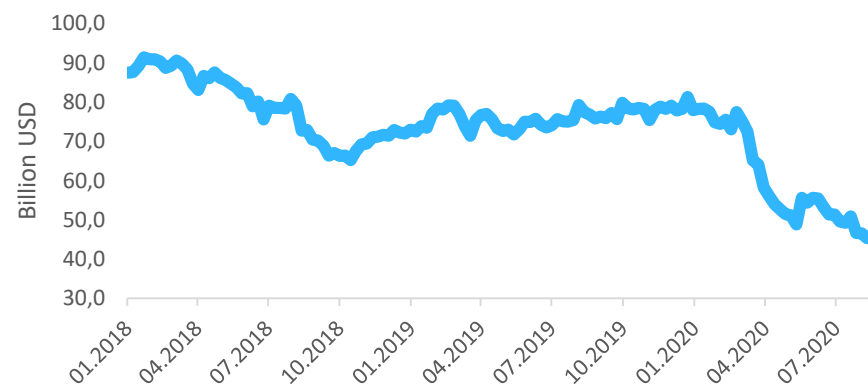
### Current Account Balance



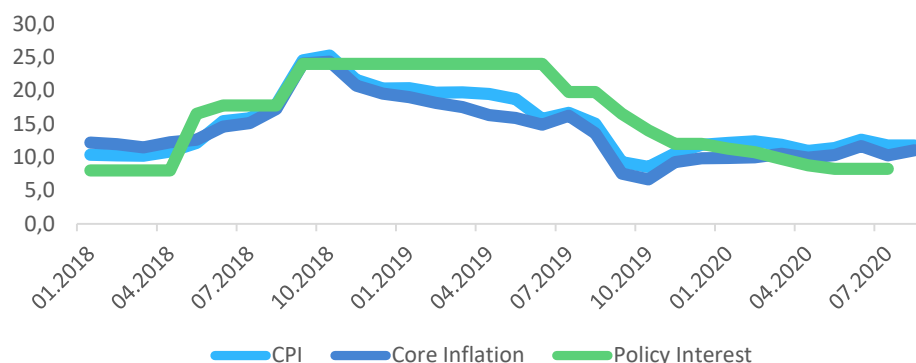
The deterioration of global risk perception and the difficulties experienced by developing countries' economies due to risk avoidance required some actions to be taken for supporting local currencies. The decline observed in the Central Bank reserves since the beginning of 2020 continues.

The deterioration in the global trade volume has also adversely affected the export potential of Turkey. On the other hand, the contraction in tourism revenues and the increase in the demand for imported intermediate goods caused a deficit of 11 billion USD in total in the current account balance.

### Gross Reserves of the CBRT



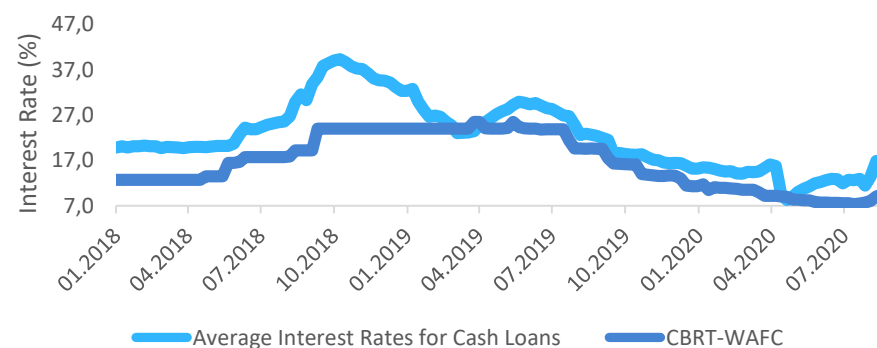
### Inflation and Policy Rates



Liquidity tightening measures were taken by the Central Bank in order to alleviate the inflationary pressure created by monetary expansion and rapid credit growth. In this framework, the funding costs of banks were increased and this increase was reflected in the market by the banks.

The depreciation of the Turkish Lira against foreign currencies is one of the main reasons for its differentiation in a negative way from the global disinflationary environment. Aim for the single digit figures is getting difficult for headline inflation as it is realized at 11.7% in August.

### Loan Rates and CBRT-Weighted Average Cost of Funding (CBRT-WACF)

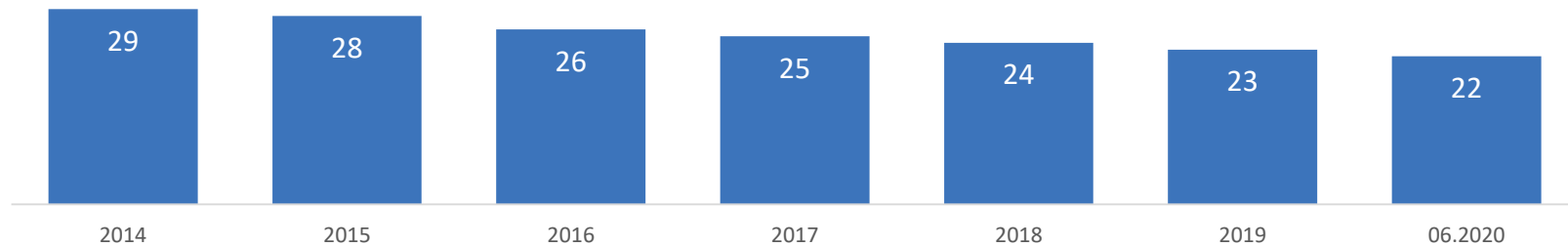


## Advantages of Leasing

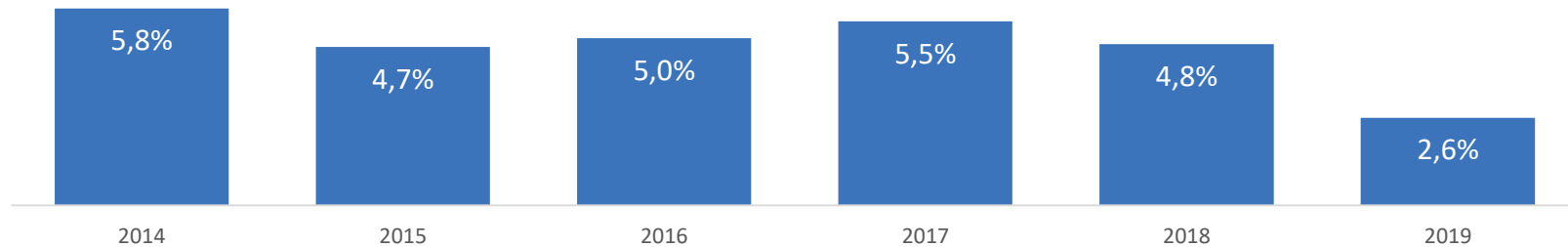


## Number of Leasing Companies and Leasing penetration

### Number of Leasing Companies

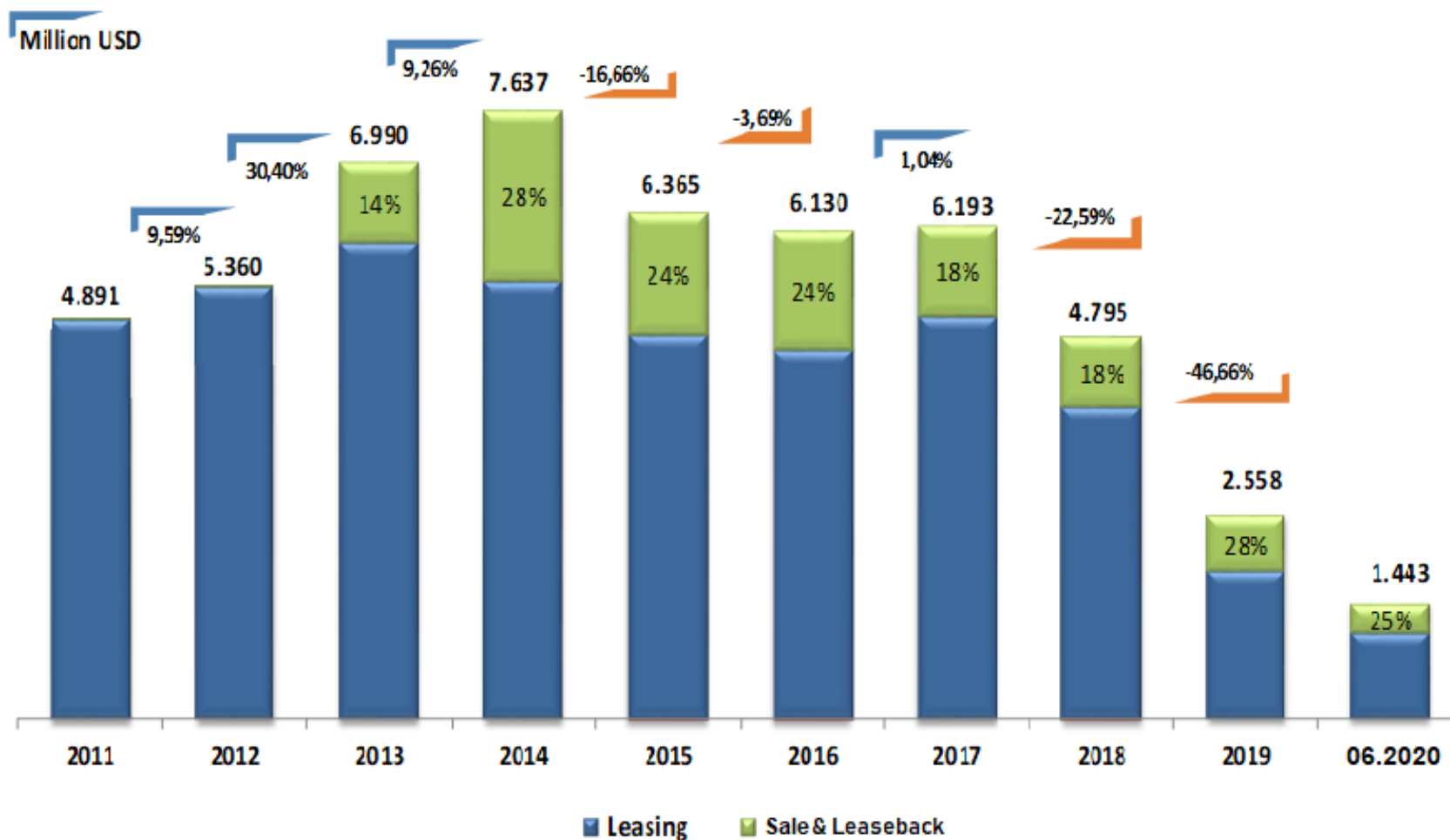


### Leasing penetration



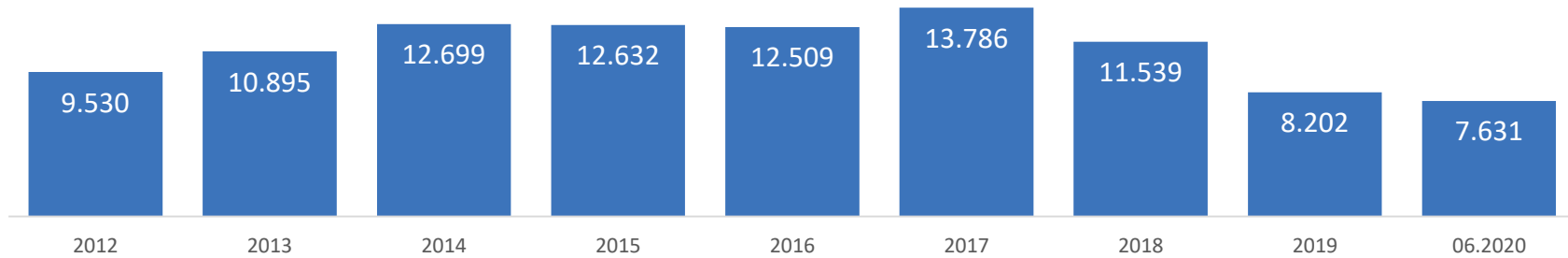
Penetration: Leasing volume/ Private sector fixed investments

## Leasing Volume

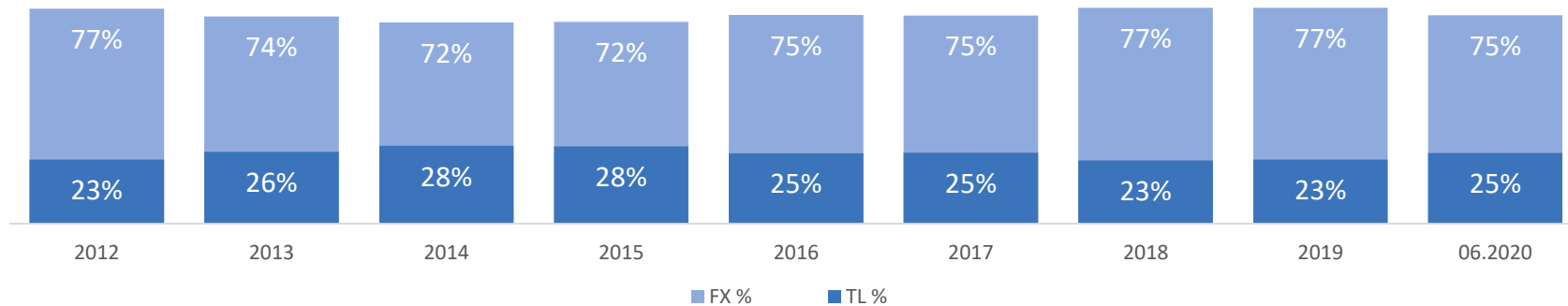


## Portfolio Development

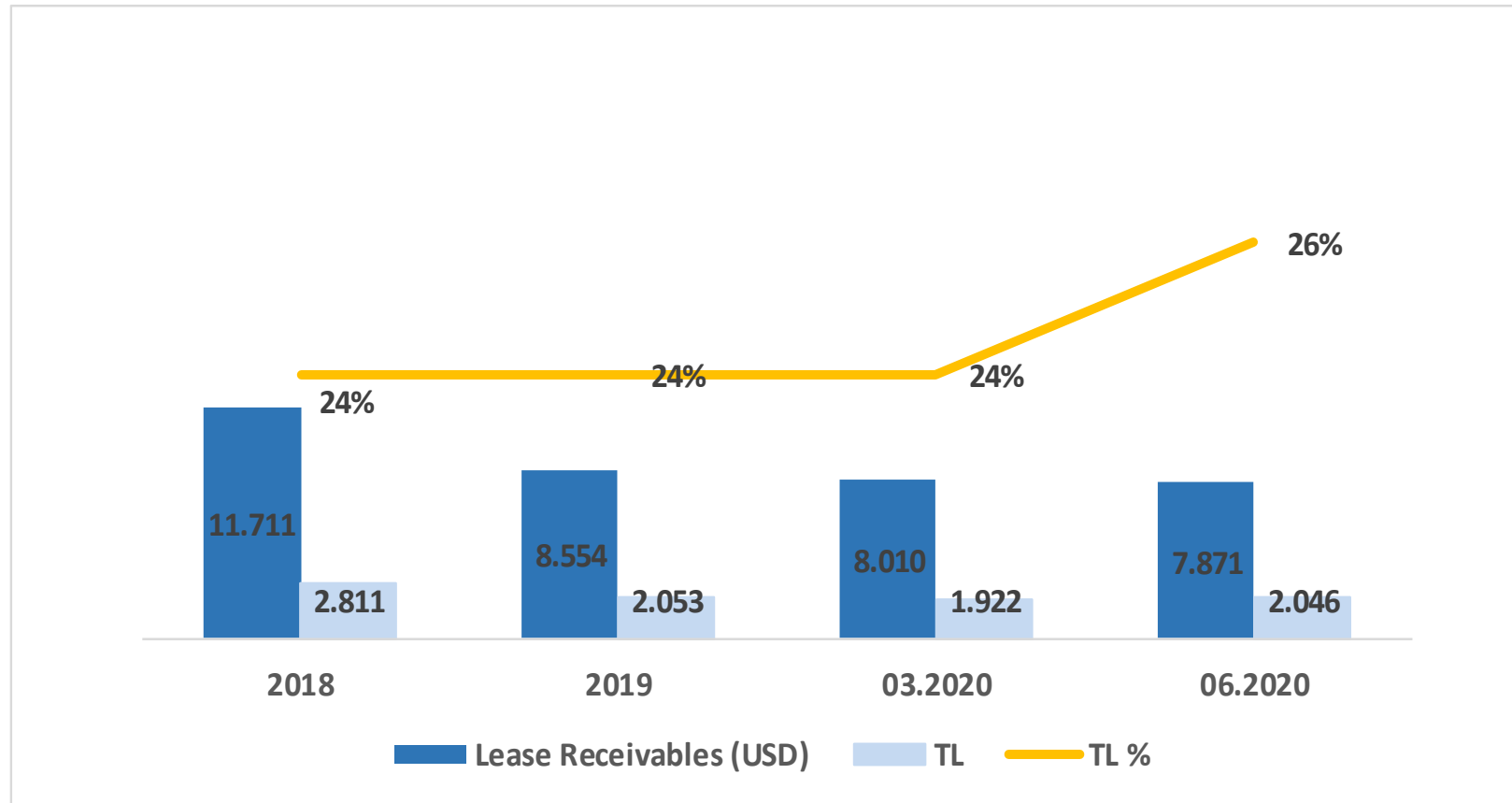
### Lease Receivables (USD)



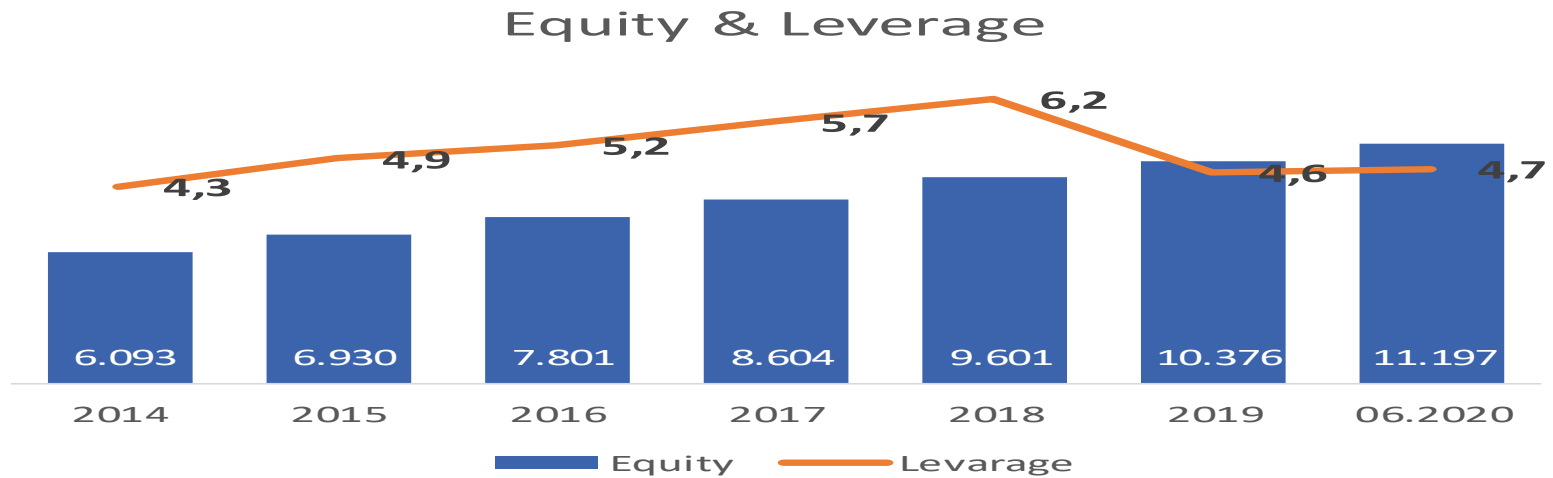
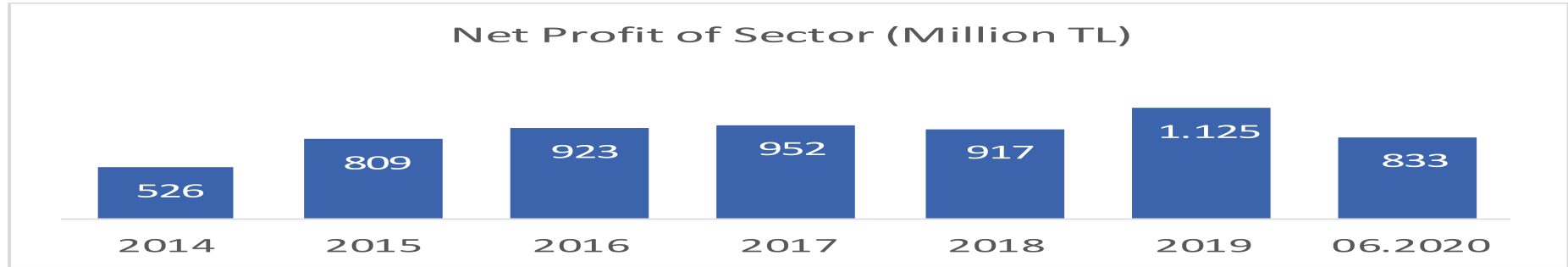
### Currency Distribution



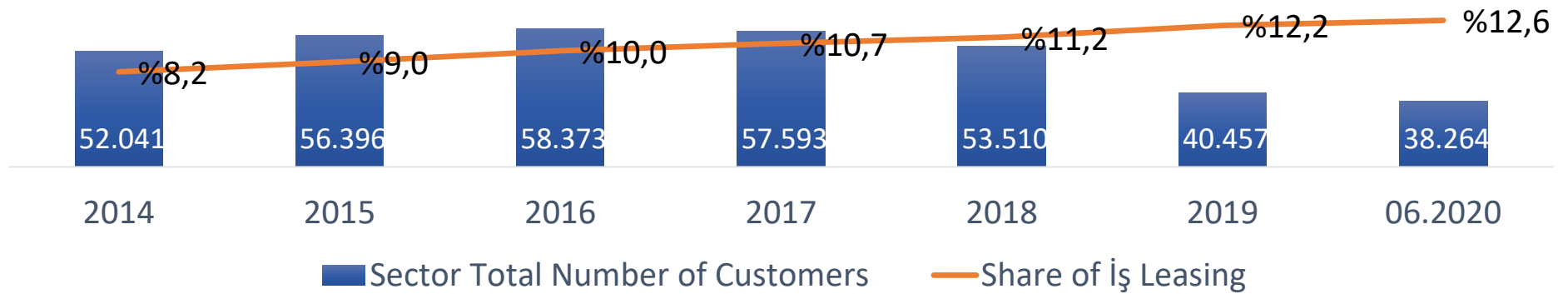
## Portfolio Development



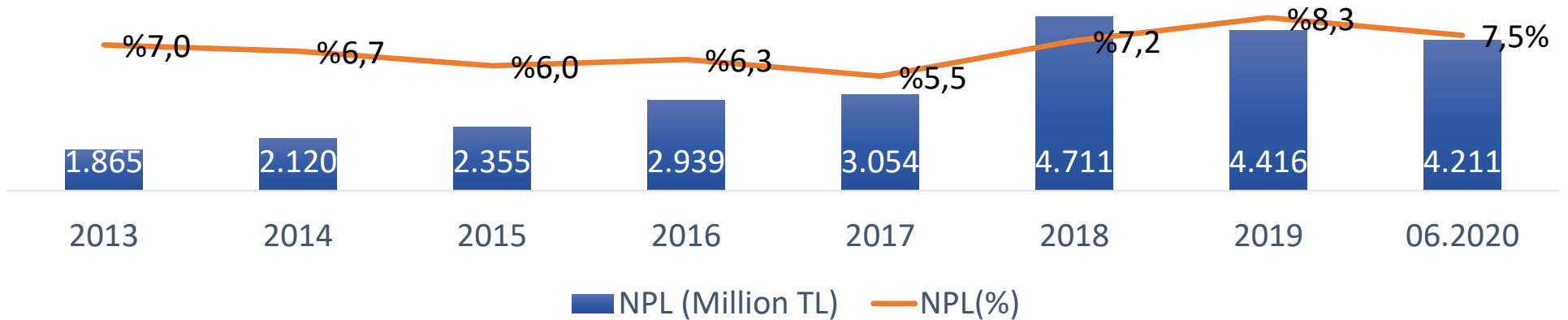
## Profitability

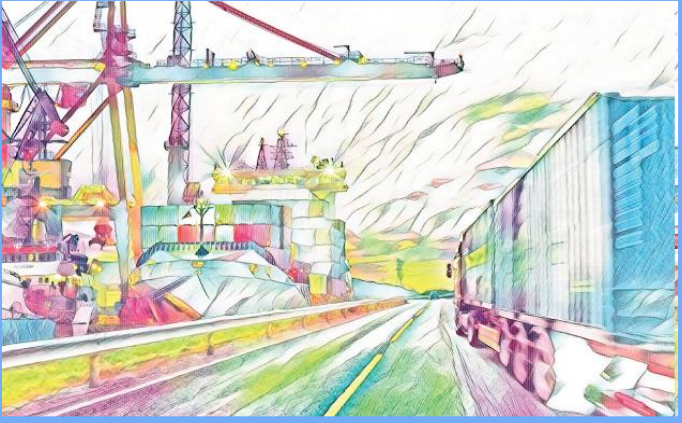


### Customer Base



### Non Performing Loans





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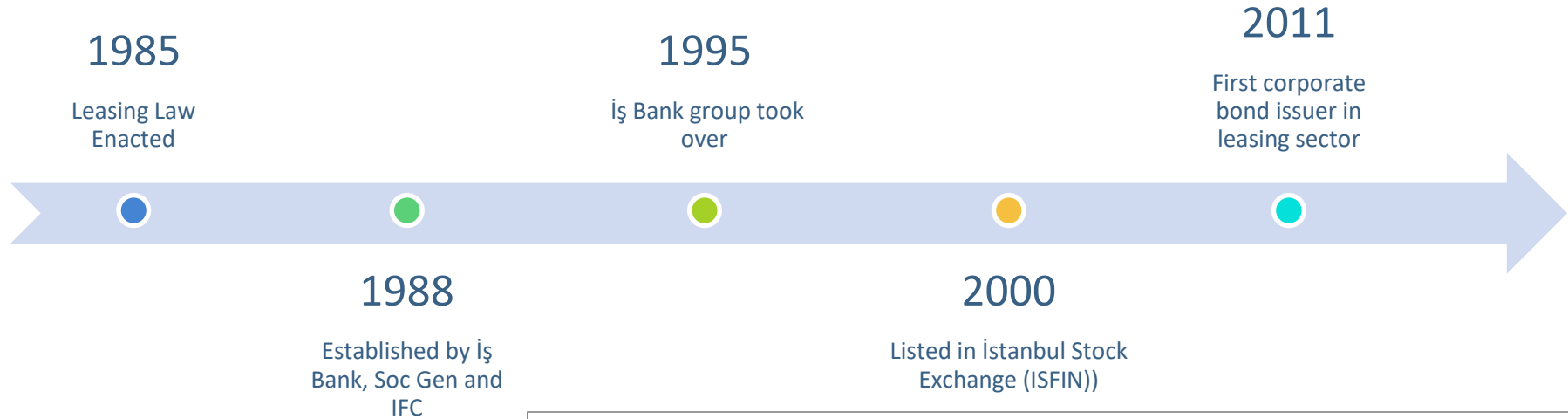
COMPANY OVERVIEW

LEASING PORTFOLIO

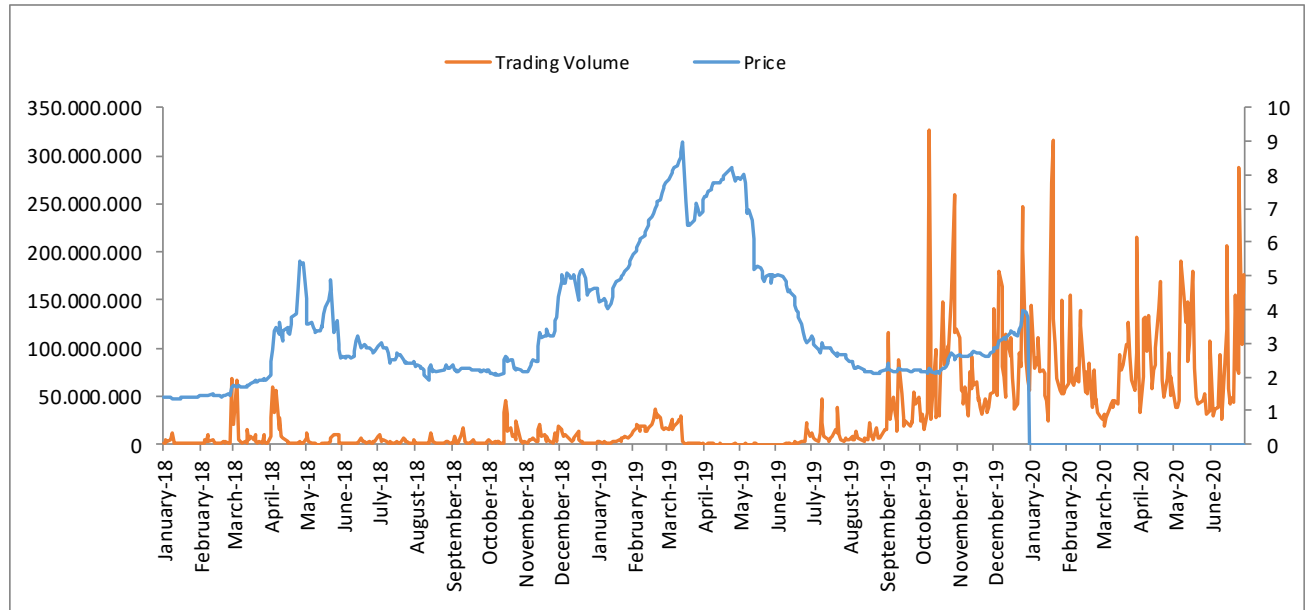
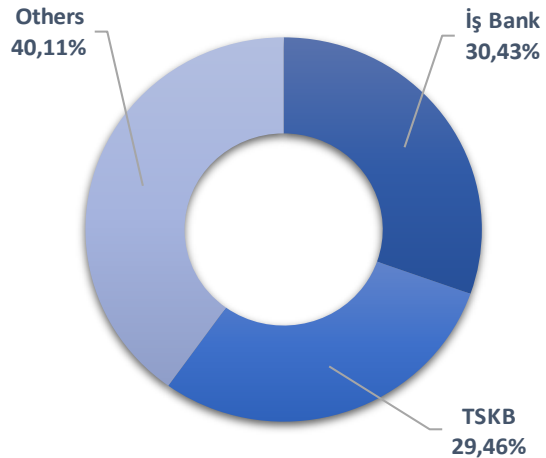
FINANCIAL RESULTS



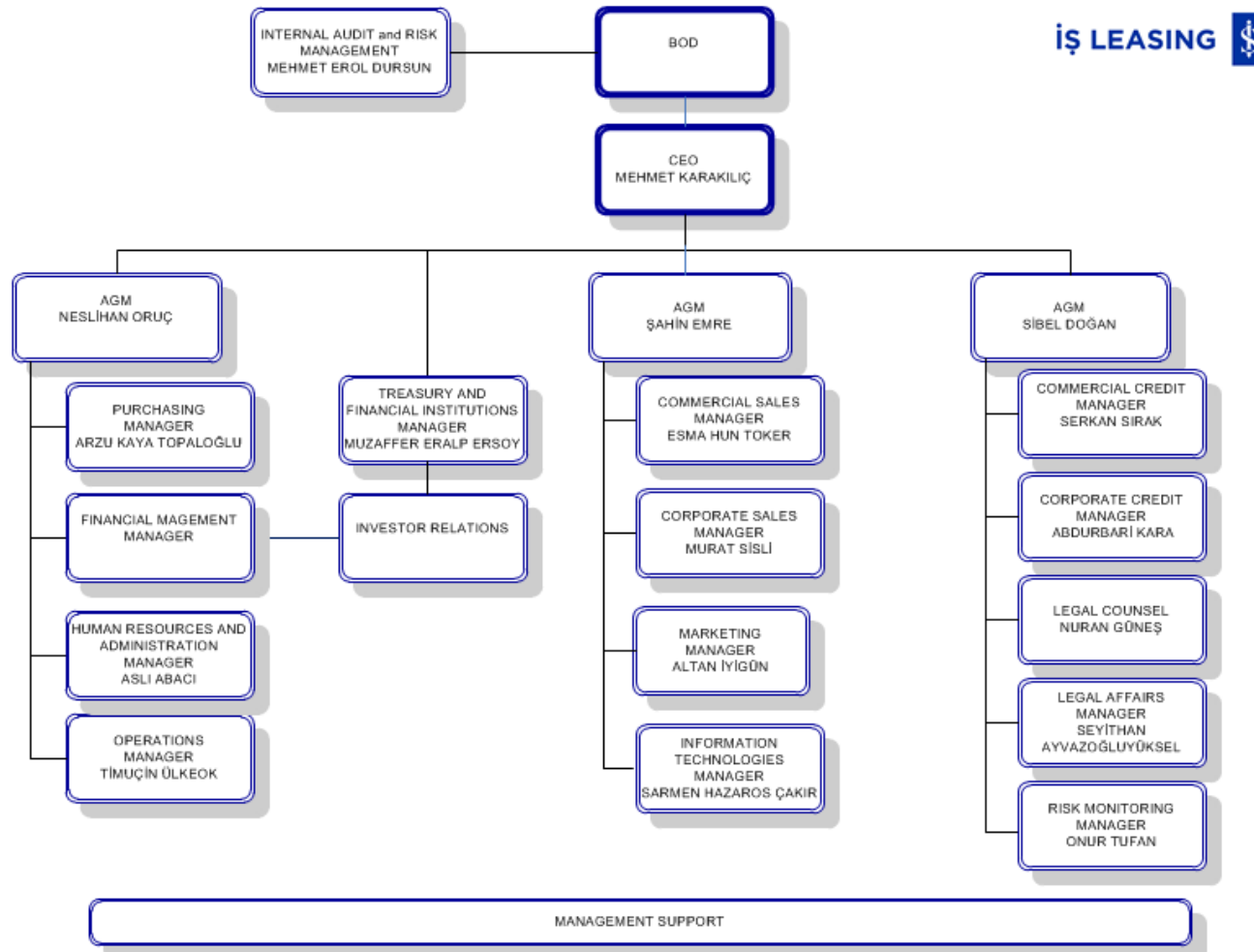
## Milestones & Shareholders



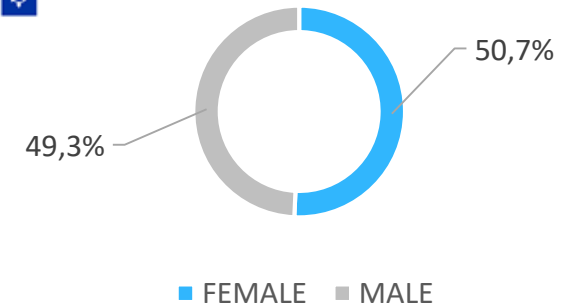
### Share Structure(%)



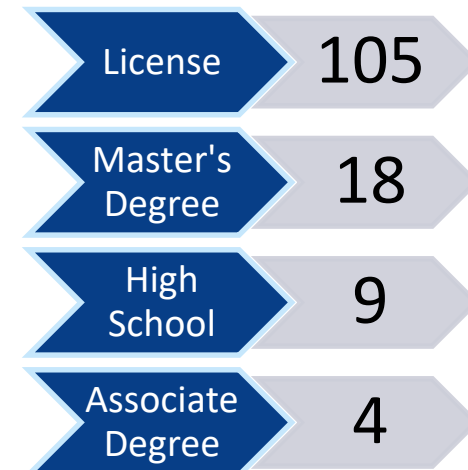
## Organization Structure & Employee Base



### Gender

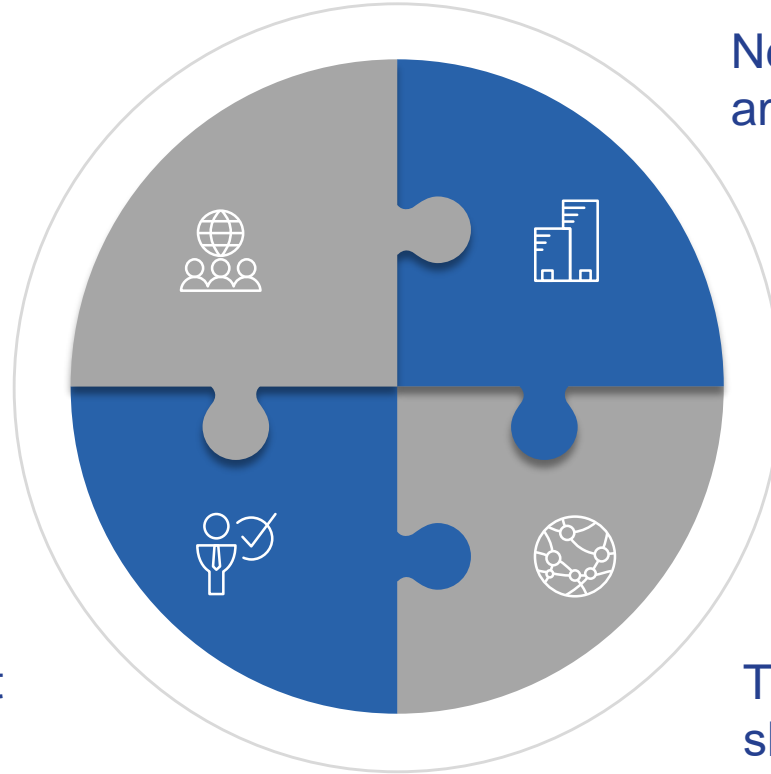


### Education



## Company Performance

With a new transaction volume of USD 202 million and a market share of 14%, İş Leasing carried its strong position in the sector one step further



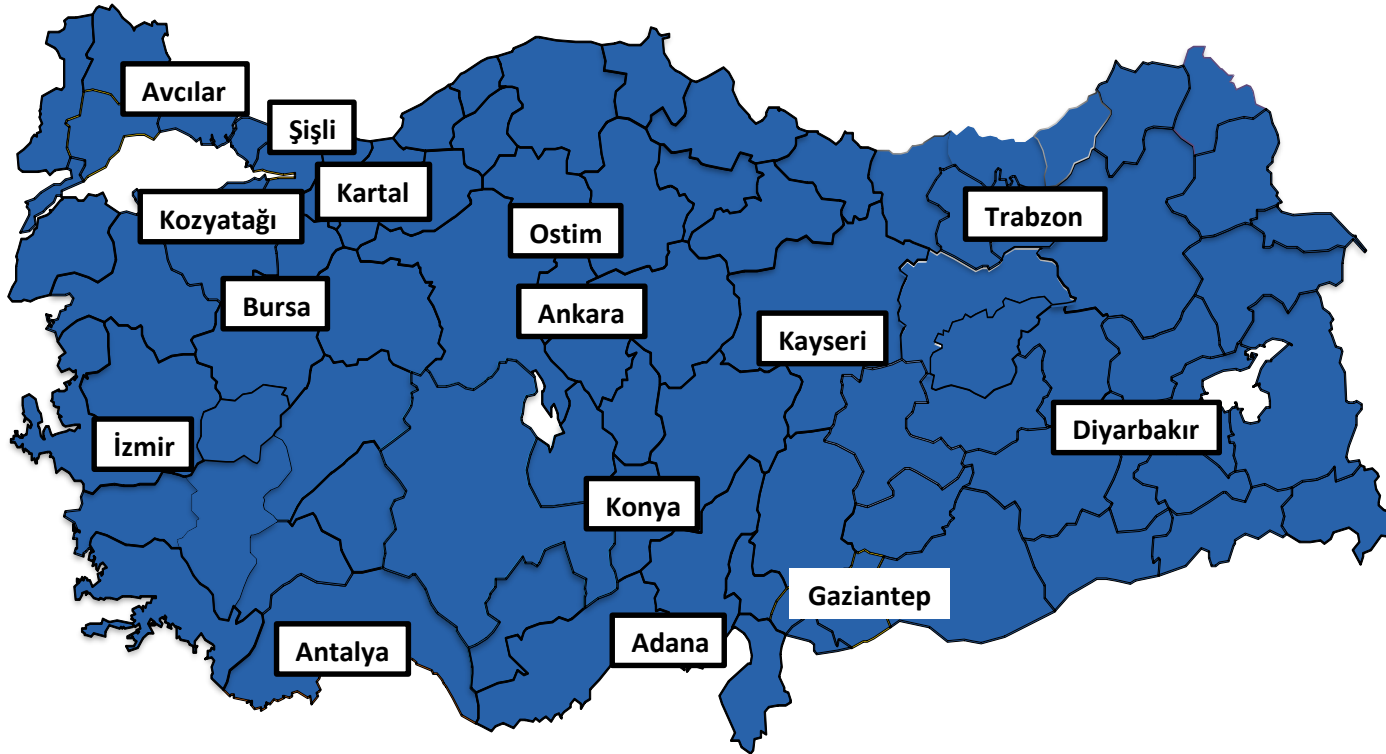
Net leasing receivables amounted to TL 5.7 billion.

The Company posted a net profit of TL 54 million.

The Company increased its shareholders' equity by 7% to TL 1.36 billion

Figures are as of June 30, 2020

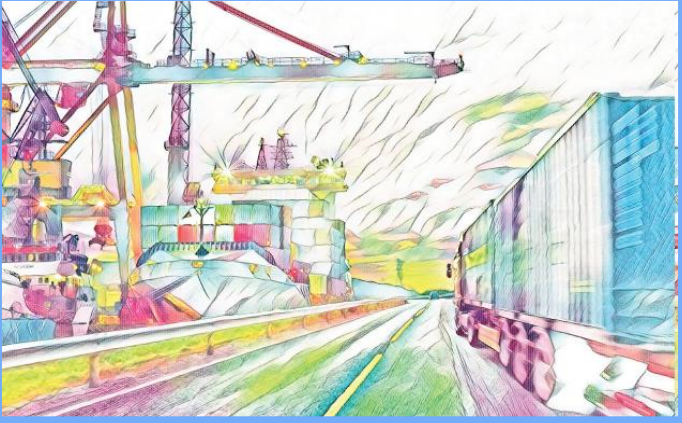
## Branch Network



15 Branches

41 Sales Staff

136 Total Staff



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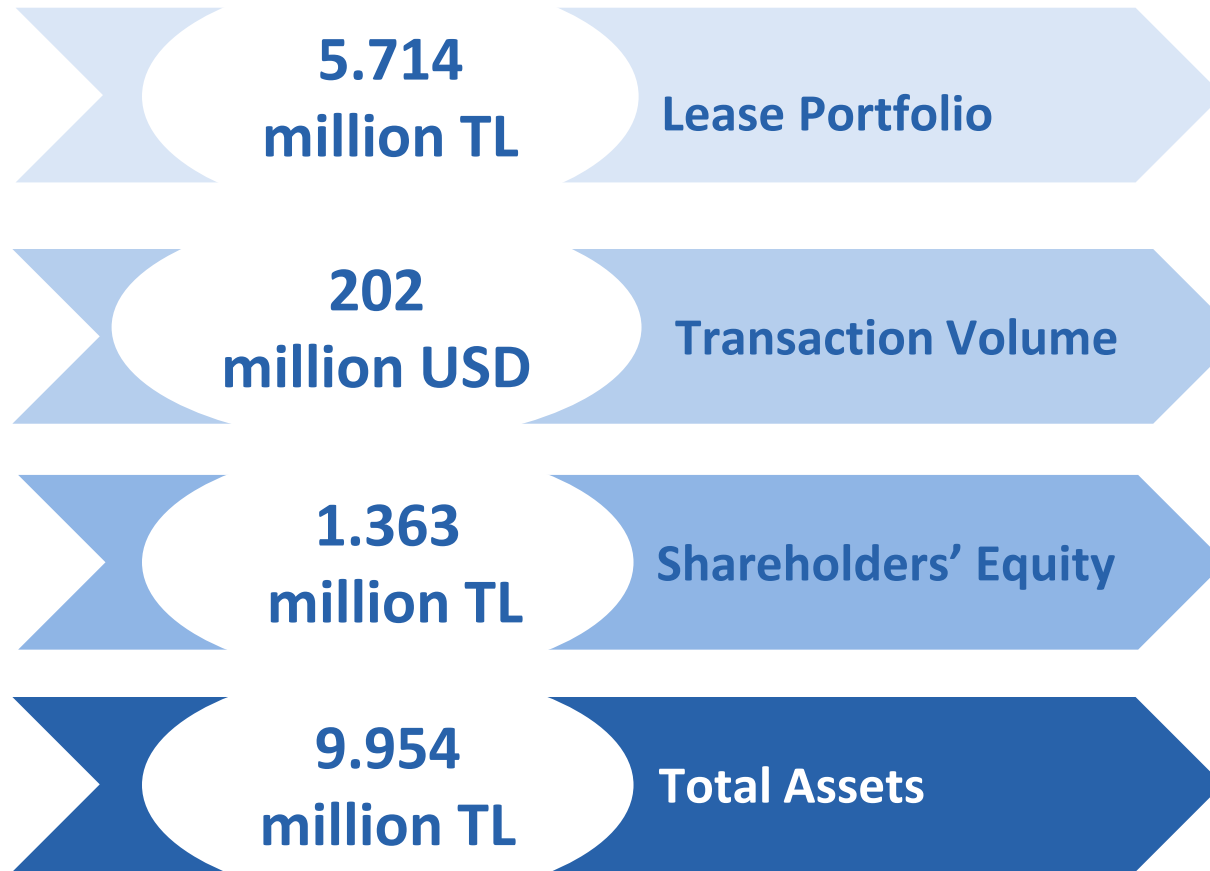
COMPANY OVERVIEW

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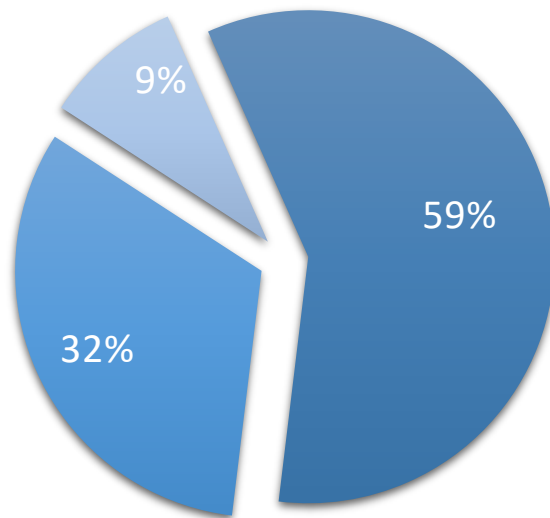
## Consolidated Financial Indicators (30.06.2020)



## Sales Channels

**30.06.2020**

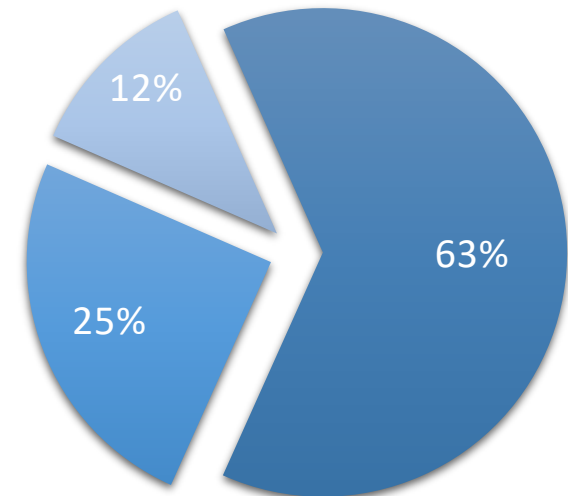
■ İŞ BANK ■ DIRECT MARKETING ■ VENDORS



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

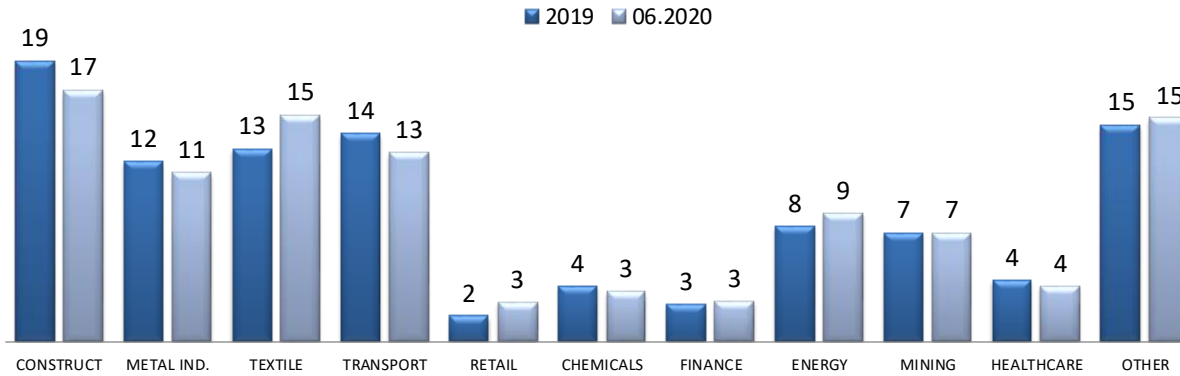
**30.06.2019**

■ İŞ BANK ■ DIRECT MARKETING ■ VENDORS

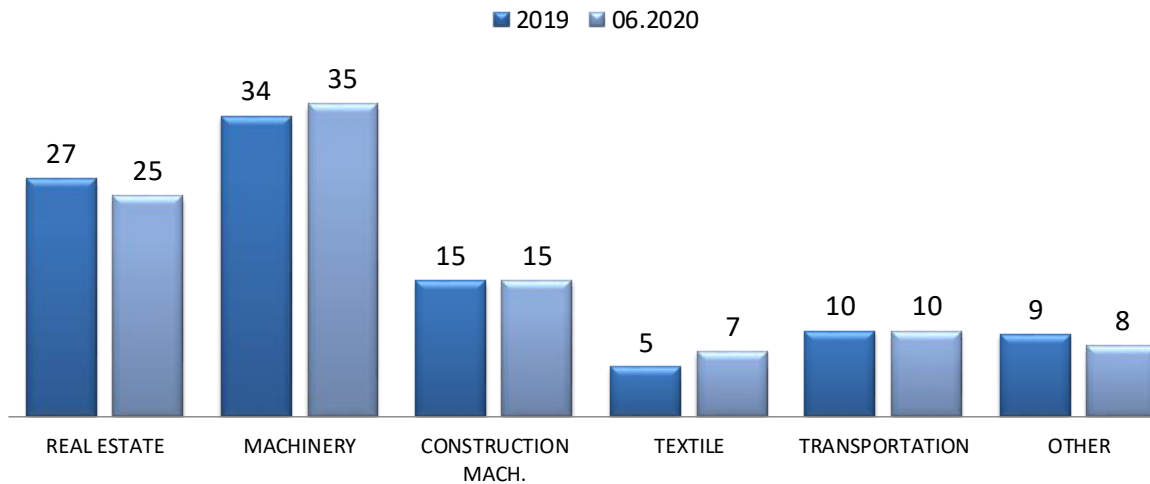


## Industrial & Asset & Geographical Breakdown, %

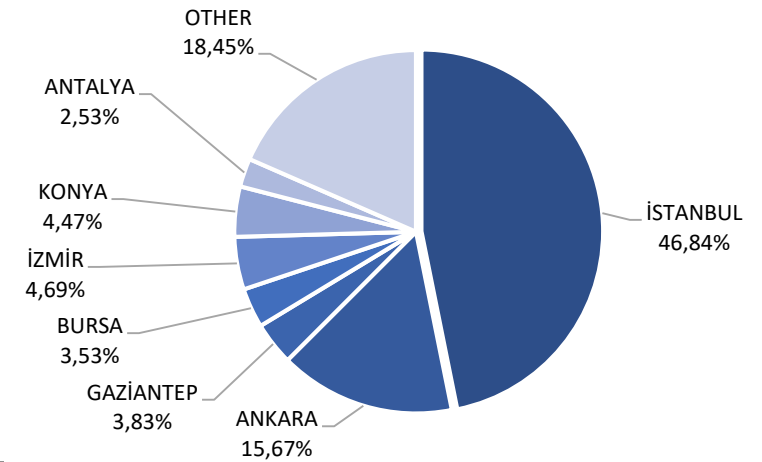
### Sectoral Breakdown



### Asset Breakdown



### Geographical Breakdown



## Funding Structure

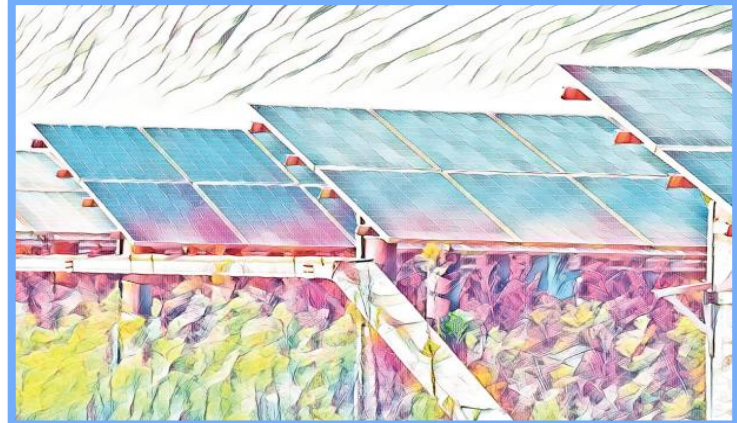
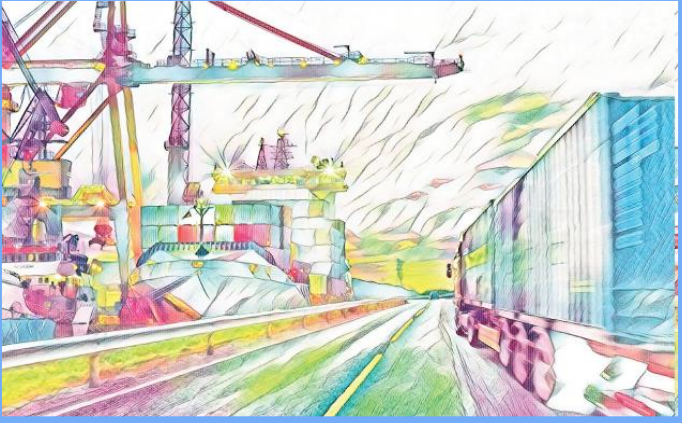
Strong  
relationships with  
both domestic  
and international  
banks

Efficient use of  
capital market  
instruments

Efficient hedging  
strategy against  
maturity, interest  
rate and FX risk  
by diversifying  
liabilities.

Allocation of  
special loan  
structures

Usage of  
alternative  
funding channels



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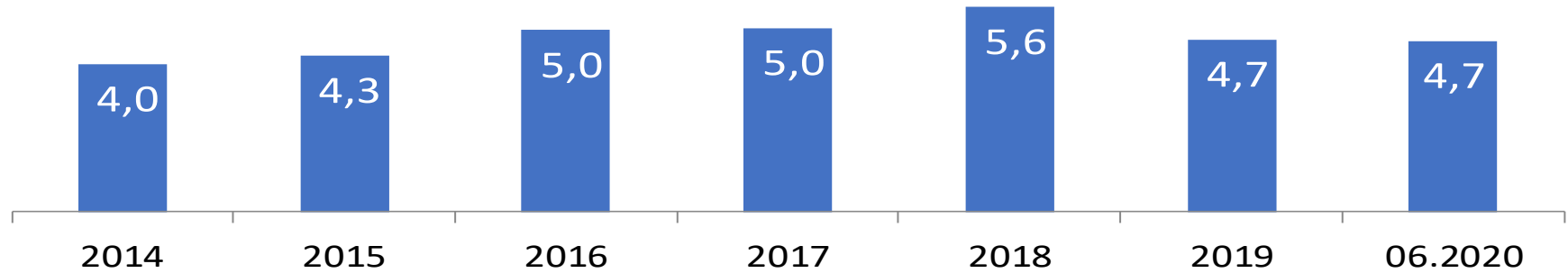
## Financial Highlights

<i>TL Million, consolidated</i>	2017	2018	2019	30.06.2020	Δ
<b>Leasing Receivables, Net</b>	4.701	5.435	5.107	5.715	11,9%
<b>Factoring Receivables, Net</b>	4.207	2.725	3.179	3.352	5,4%
<b>Non Performing Receivables</b>	266	297	580	560	-3,4%
<b>Provisions</b>	180	199	462	562	21,8%
<b>Total Assets</b>	9.283	8.682	9.088	9.954	9,5%
<b>Financial Liabilities</b>	8.038	7.257	7.541	8.280	9,8%
<b>Equity</b>	975	1.151	1.274	1.363	7,0%
<b>Net Interest Income</b>	82	131	167	172	2,6%
<b>Provisions Expenses</b>	-33	-42	-312	-126	-59,7%
<b>Consolidated net Profit</b>	113	198	84	54	-36,2%
<b>RATIOS</b>					
<b>NPL / Receivables</b>	2,9%	3,6%	6,6%	5,8%	
<b>Provision Ratio</b>	67,7%	66,8%	79,6%	100,4%	
<b>Cost / Income</b>	26,5%	17,9%	18,9%	21,2%	
<b>ROE</b>	12,5%	18,6%	7,0%	8,2%	
<b>ROA</b>	1,3%	2,2%	0,9%	1,1%	

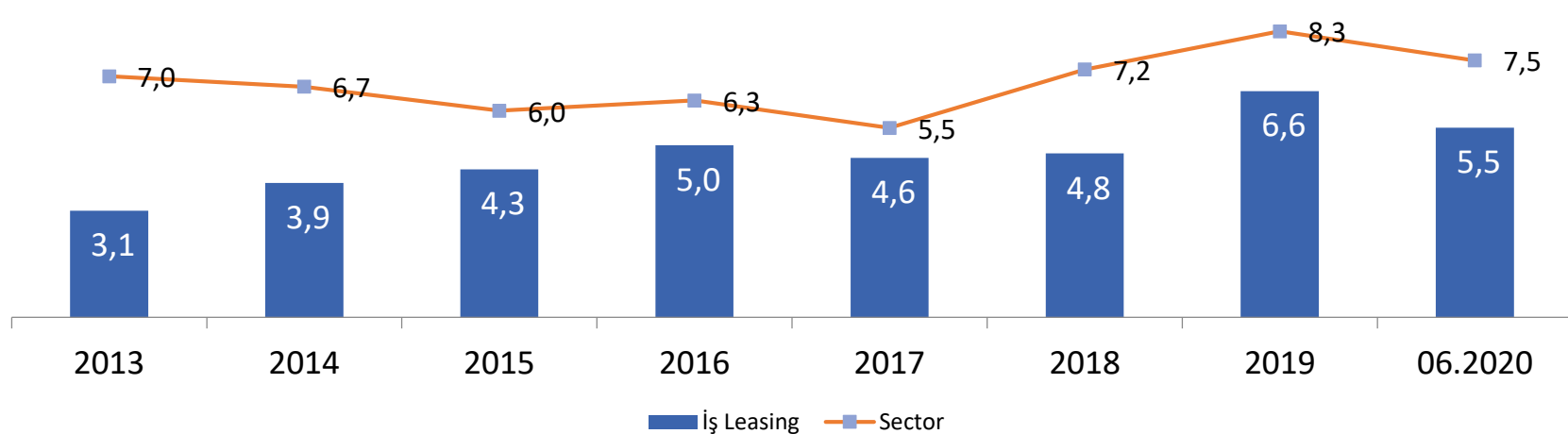
## Solo Key Figures

(Million TL)	2018	2019	06.2020	Δ	2018	2019	06.2020	Δ
Financial Highlights	İş				Sector			
Leasing Receivables	5.331	5.008	5.715	14%	60.707	48.721	52.212	7%
Total Assets	5.965	5.877	6.544	11%	68.506	58.176	63.626	9%
Equity	903	1.027	1.082	5%	9.601	10.376	11.197	8%
Net Profit	83	103	40	-61%	917	1.125	833	-26%
NPL Ratio	4,8%	6,6%	5,5%		7,2%	8,3%	7,5%	
Debt/Equity	5,6	4,7	5,0		6,1	4,6	4,7	
ROE *	10,1%	11,5%	11,6%		9,6%	11,6%	13,9%	
ROA	1,9%	1,8%	1,9%		1,5%	1,8%	2,3%	

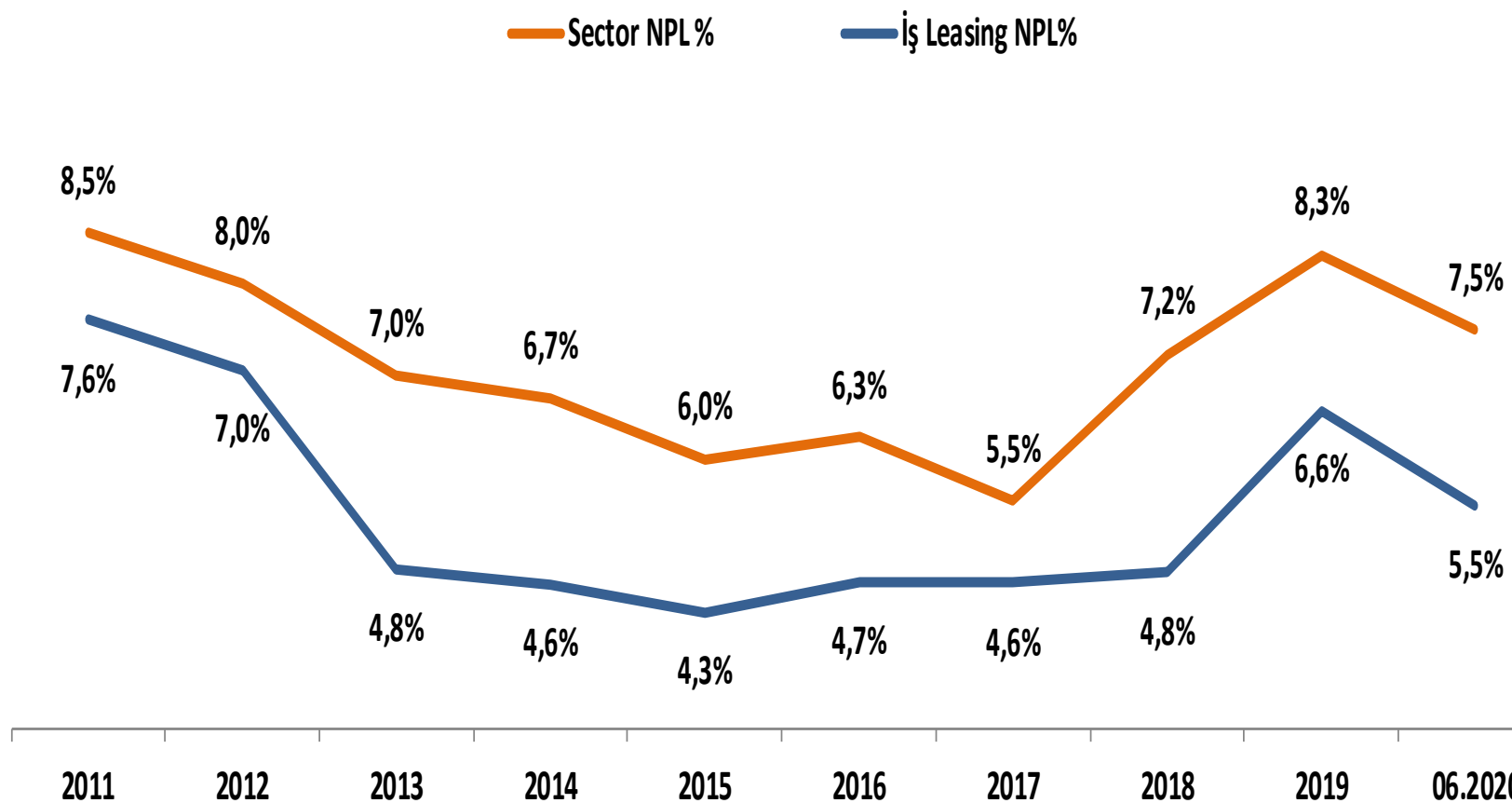
## Leverage



## Receivables to be Liquidated



## NPL



# Rating



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

Corporate Governance Rating (Saha-2016) : 9.17

## Disclaimer Statement

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