

Investor Presentation

March 31, 2013





Leasing Sector in Turkey





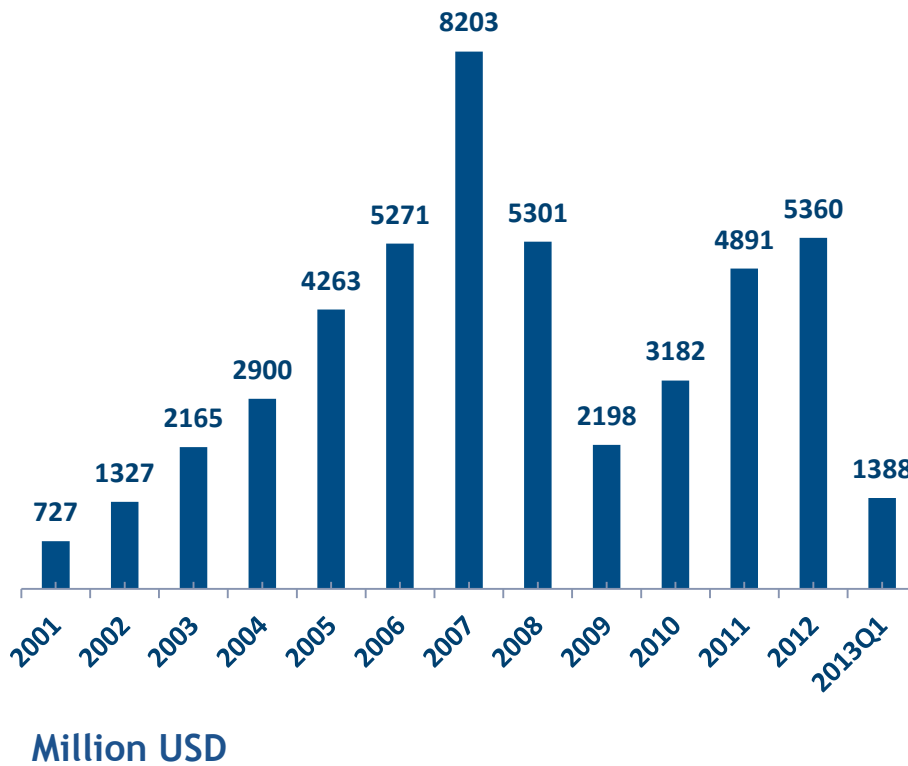
LEASING

- ✓ 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.

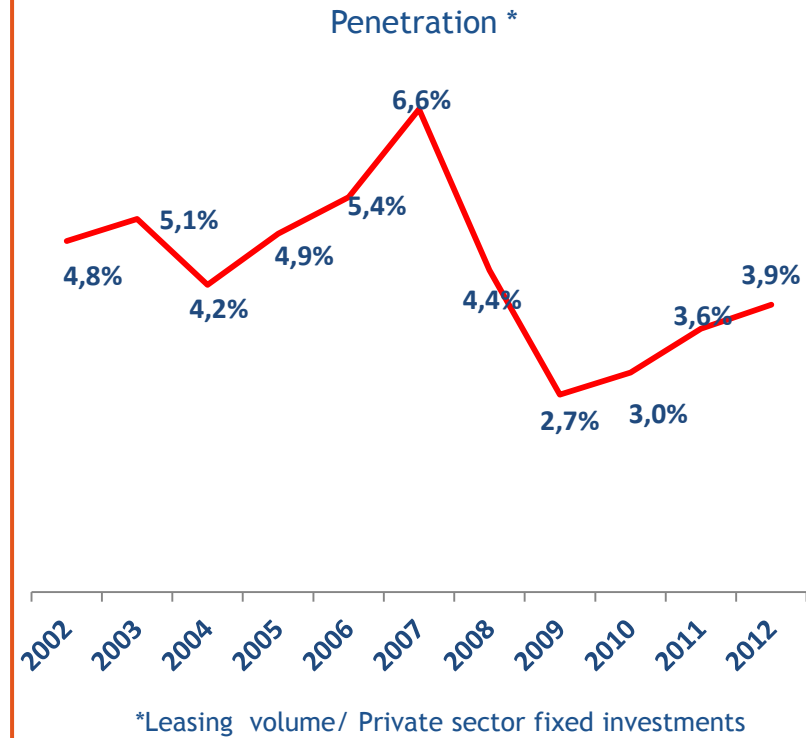


TURNOVER

New Leasing contracts of the sector

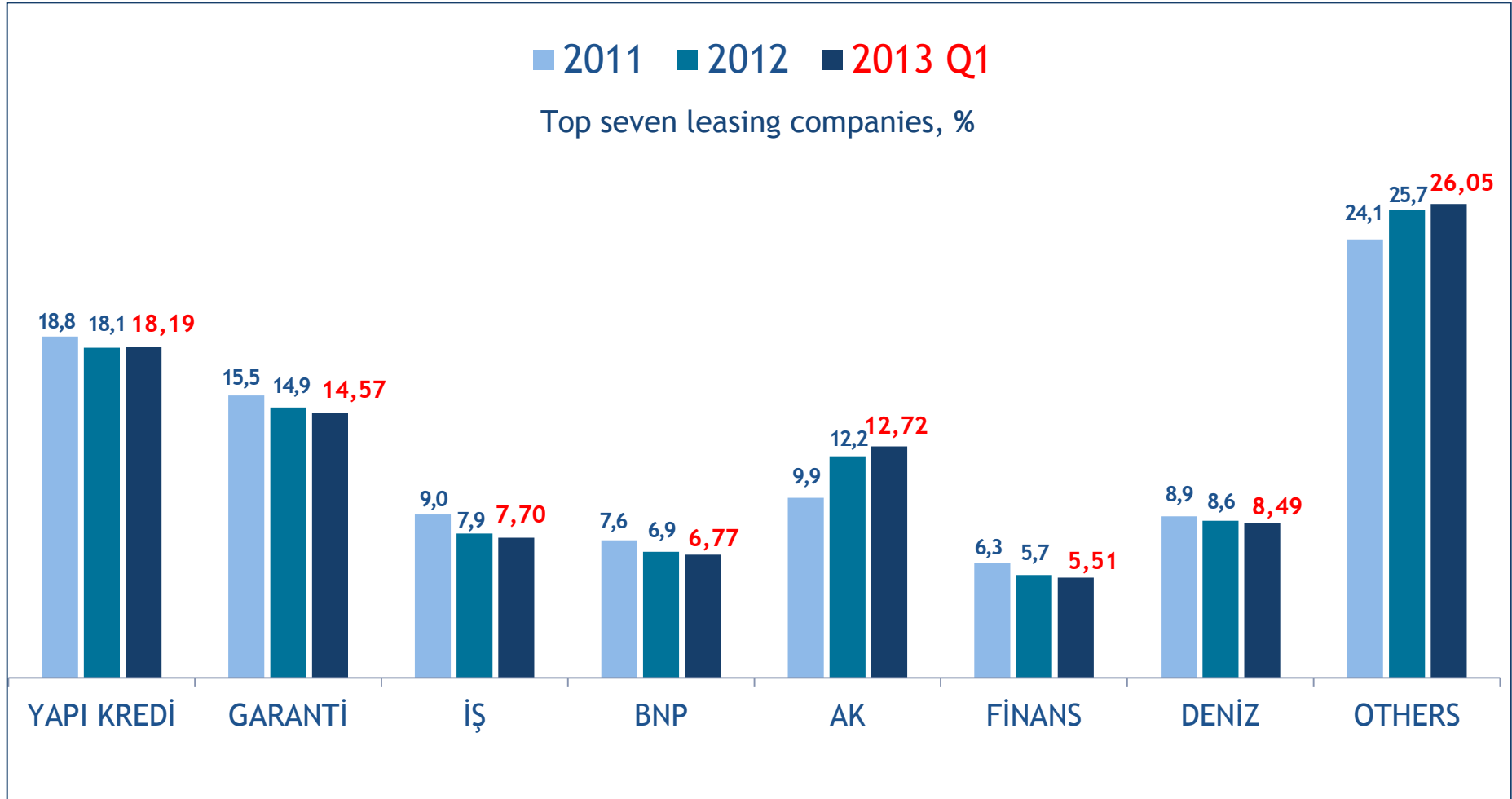


Leasing penetration is still at low levels compared to EU average of 15% and North America average of 18%.



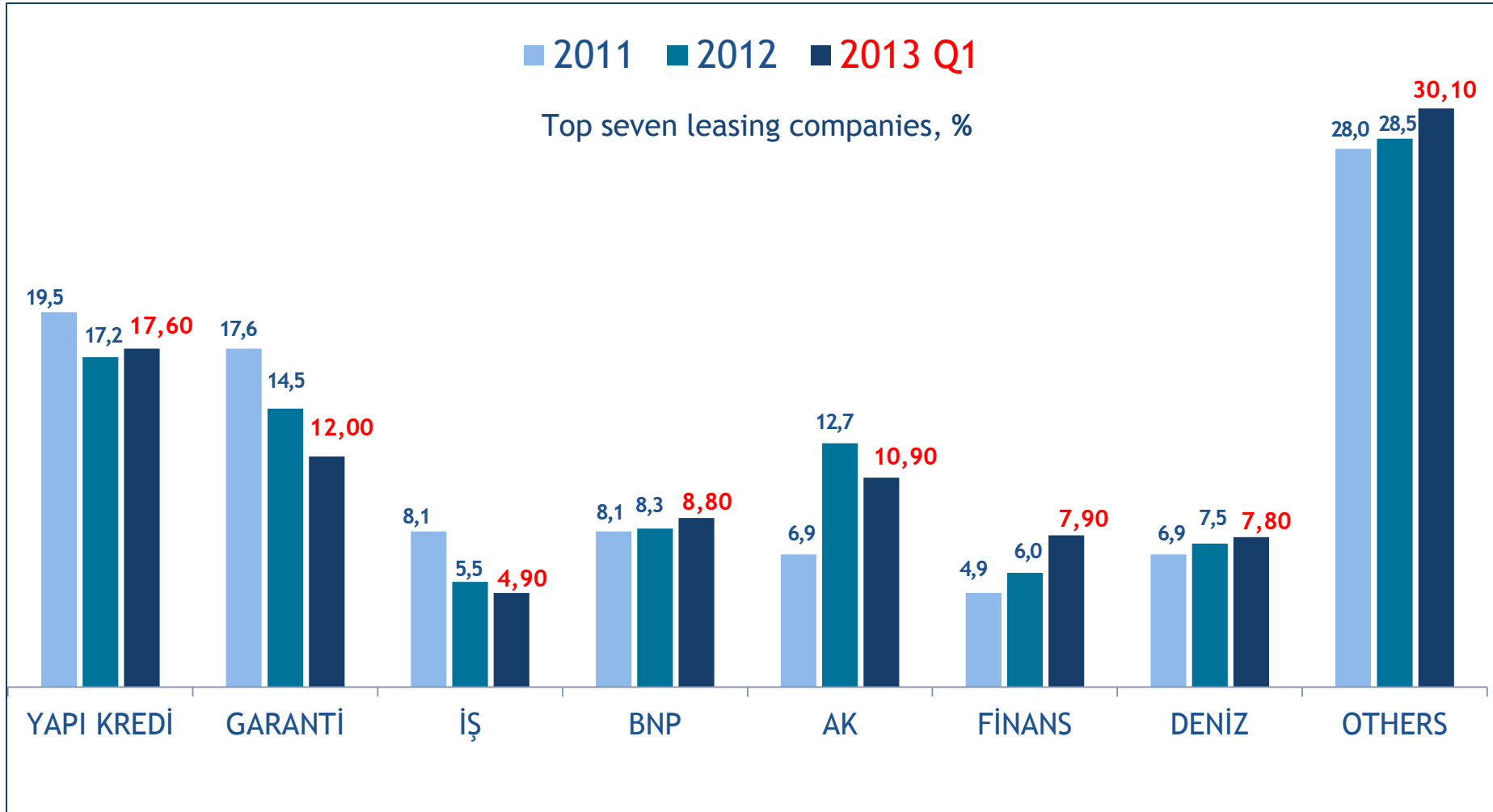


MARKET SHARES, Leasing Receivables





MARKET SHARES, New Leasing Transactions





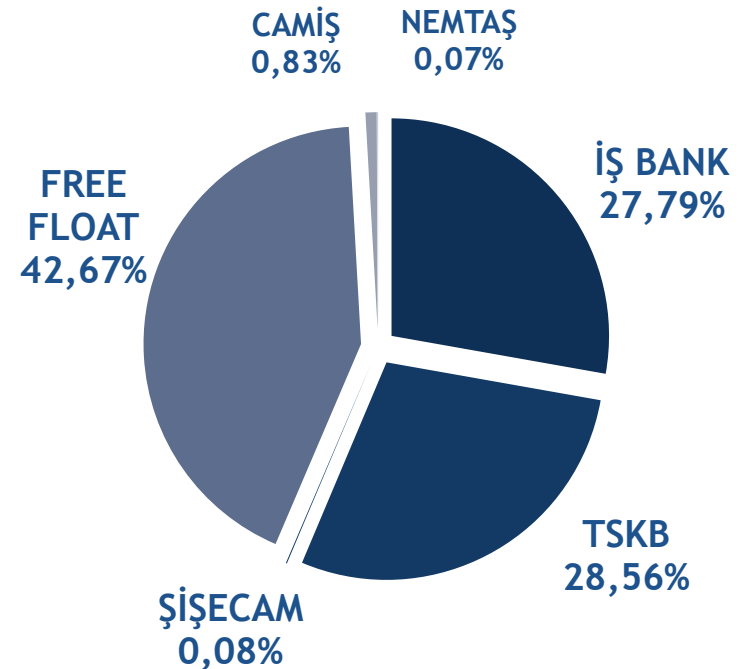
Company Overview





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.

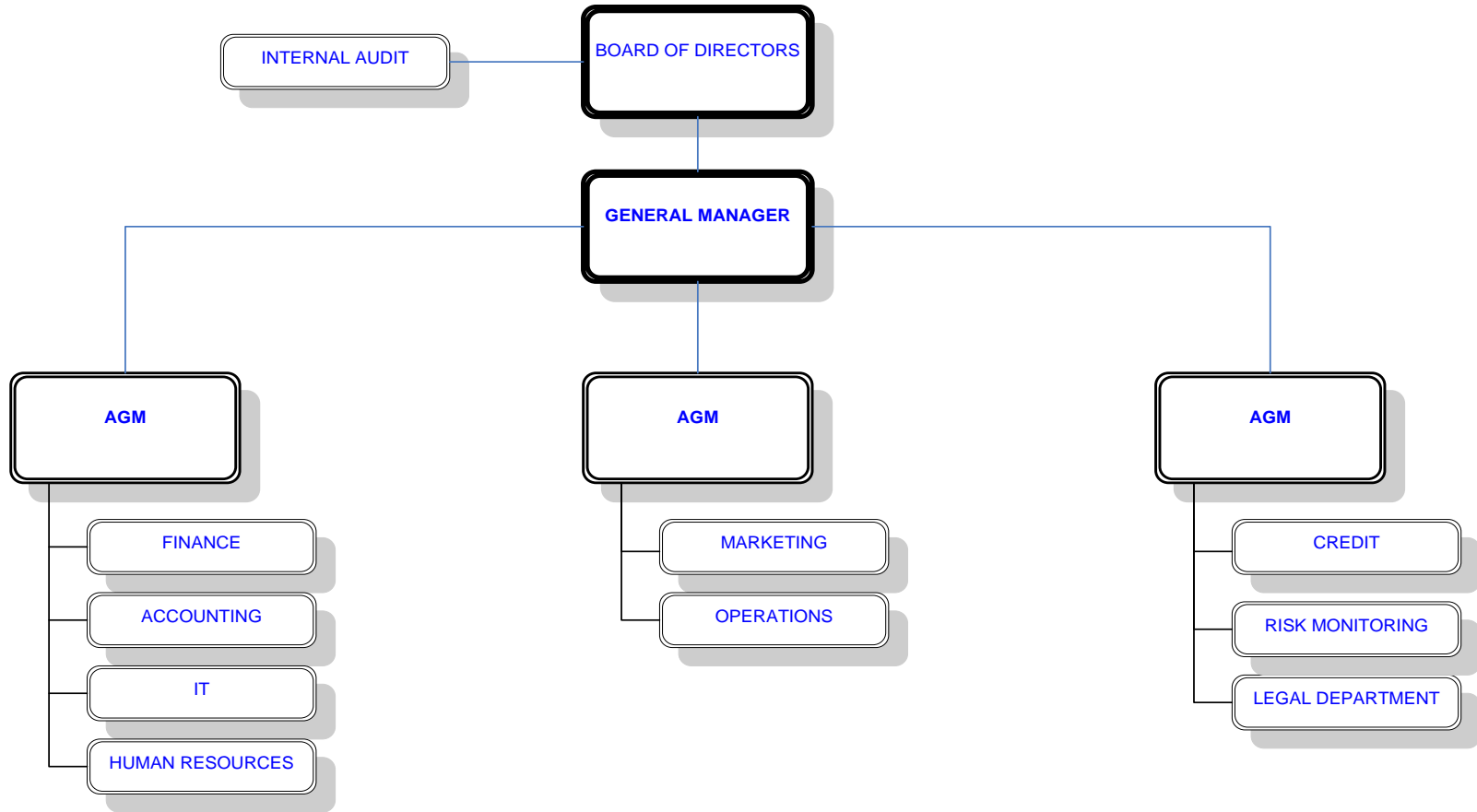


PARTICIPATIONS

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



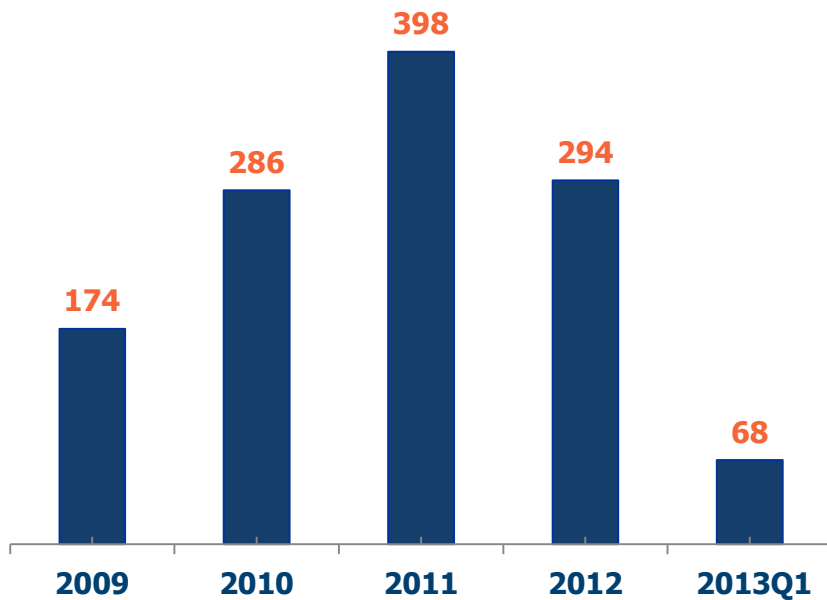


Lease Portfolio

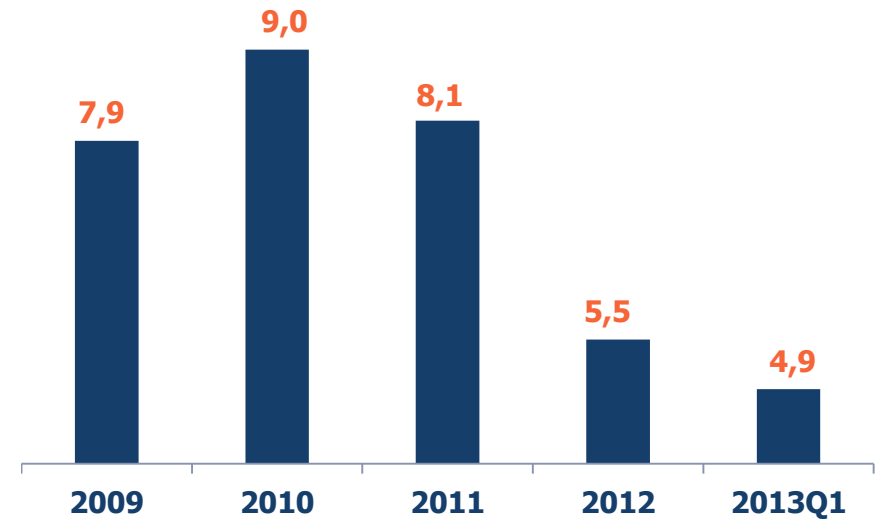




TURNOVER & MARKET SHARE



Million USD



Percentage



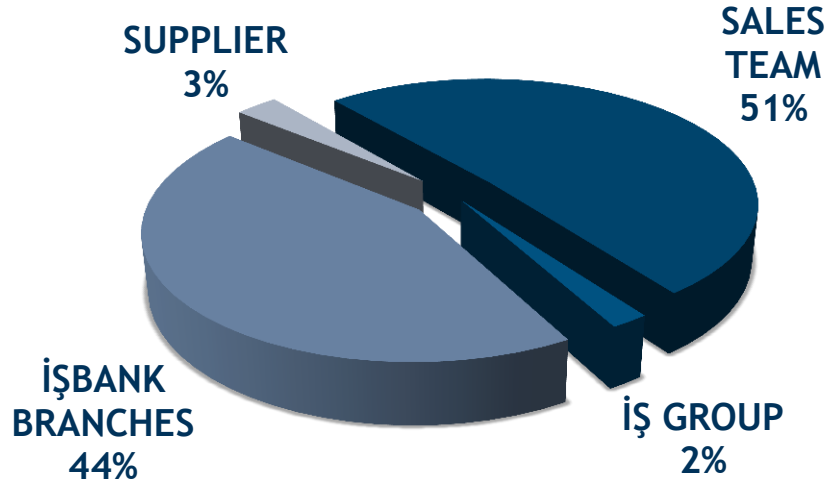
Leasing Receivables 31.March.2013

Total Leasing receivables= \$ 9.823.679.000.-

YAPI KREDİ LEASING	1.786.524	18,19%
GARANTİ LEASING	1.430.914	14,57%
AKLEASE	1.249.362	12,72%
DENİZ LEASING	834.261	8,49%
İŞ LEASING	756.551	7,70%
BNP PARIBAS LEASING	664.993	6,77%
HALK LEASING	584.343	5,95%
FİNANS LEASING	540.872	5,51%
VAKIF LEASING	398.449	4,06%
ZİRAAT LEASING	376.657	3,83%



SALES CHANNELS

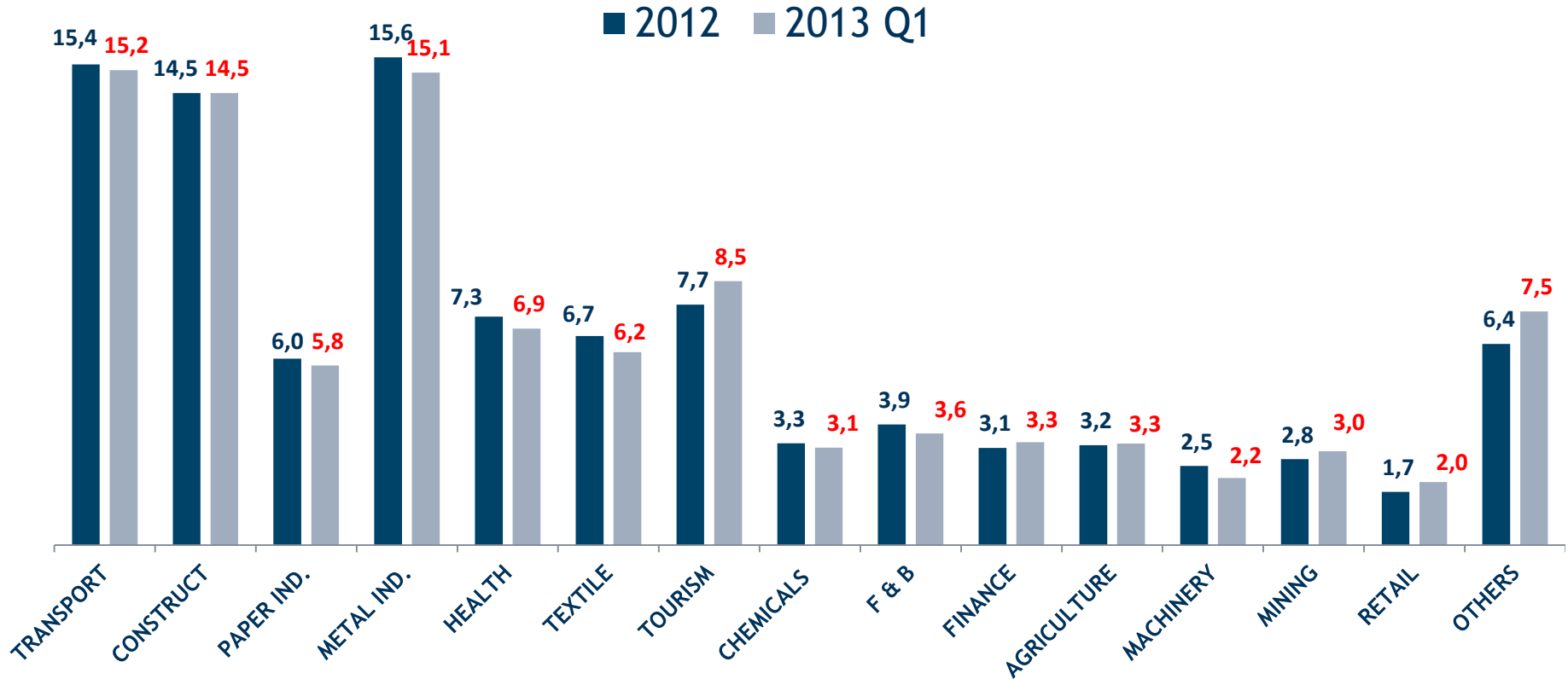


İşbank has 1,250 branches

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

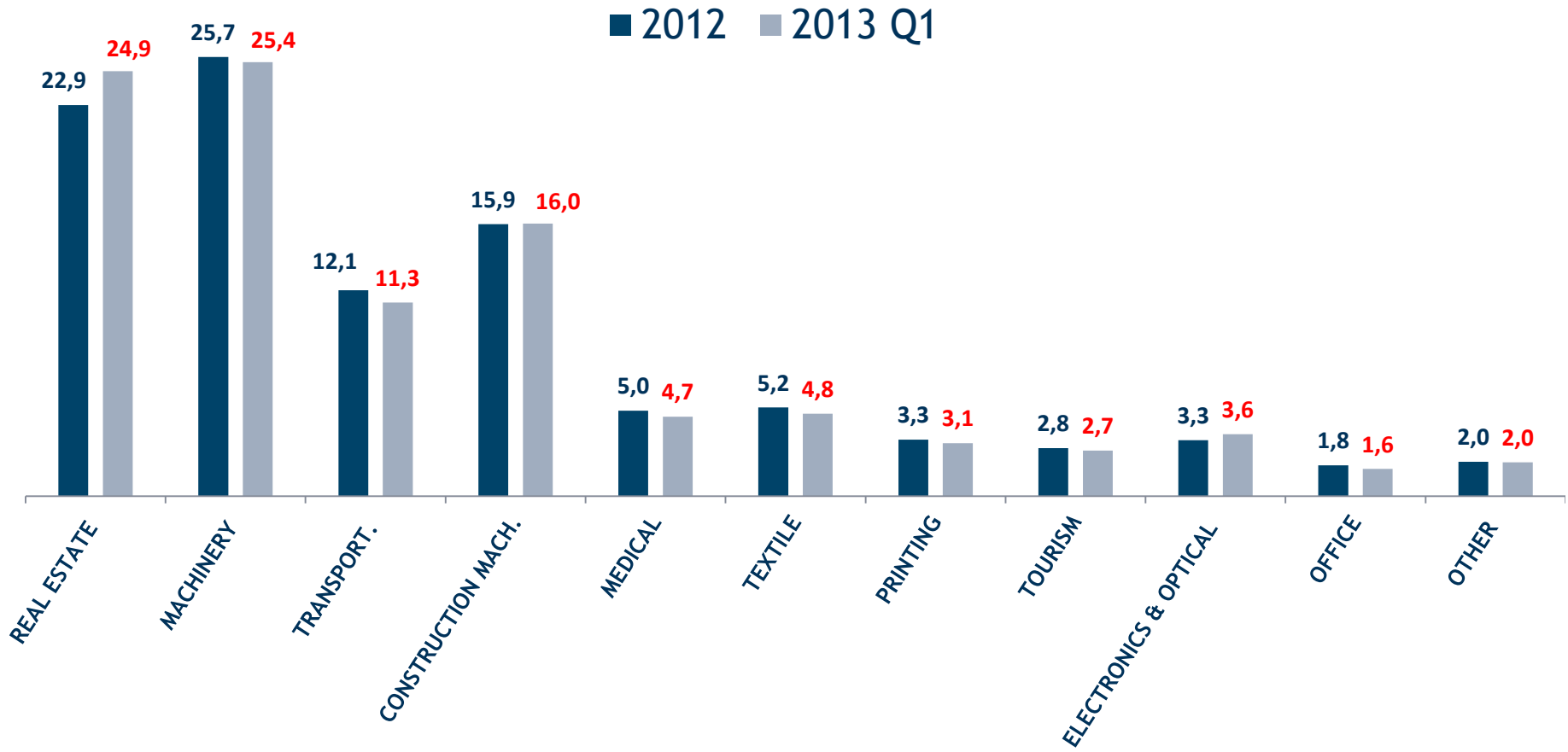


SECTORAL DISTRIBUTION , %



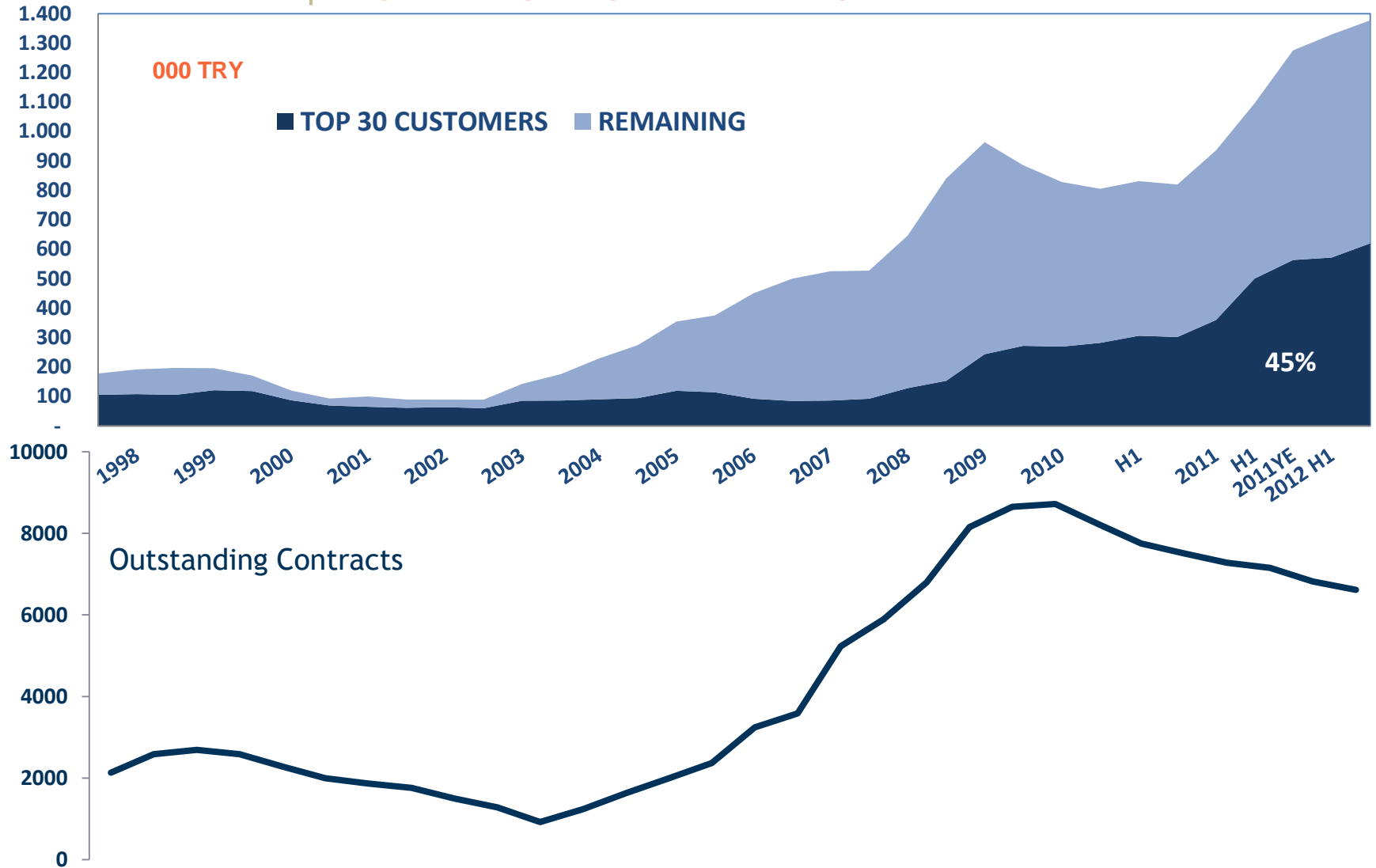


ASSET DISTRIBUTION , %



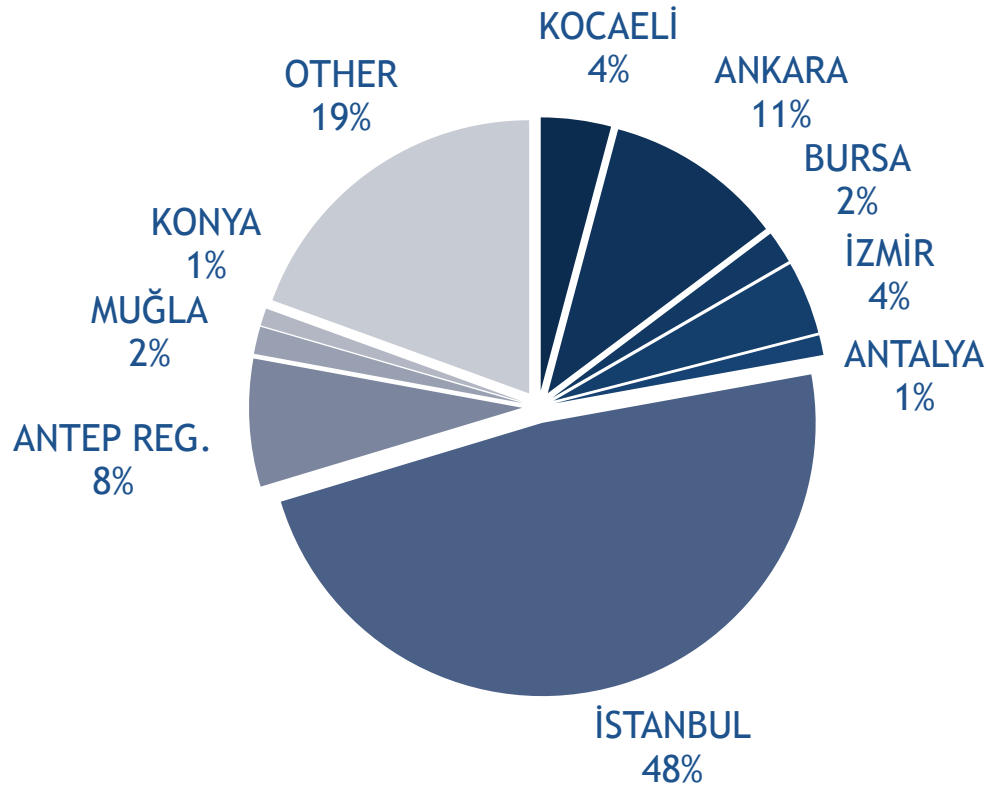


PORTFOLIO DEVELOPMENT





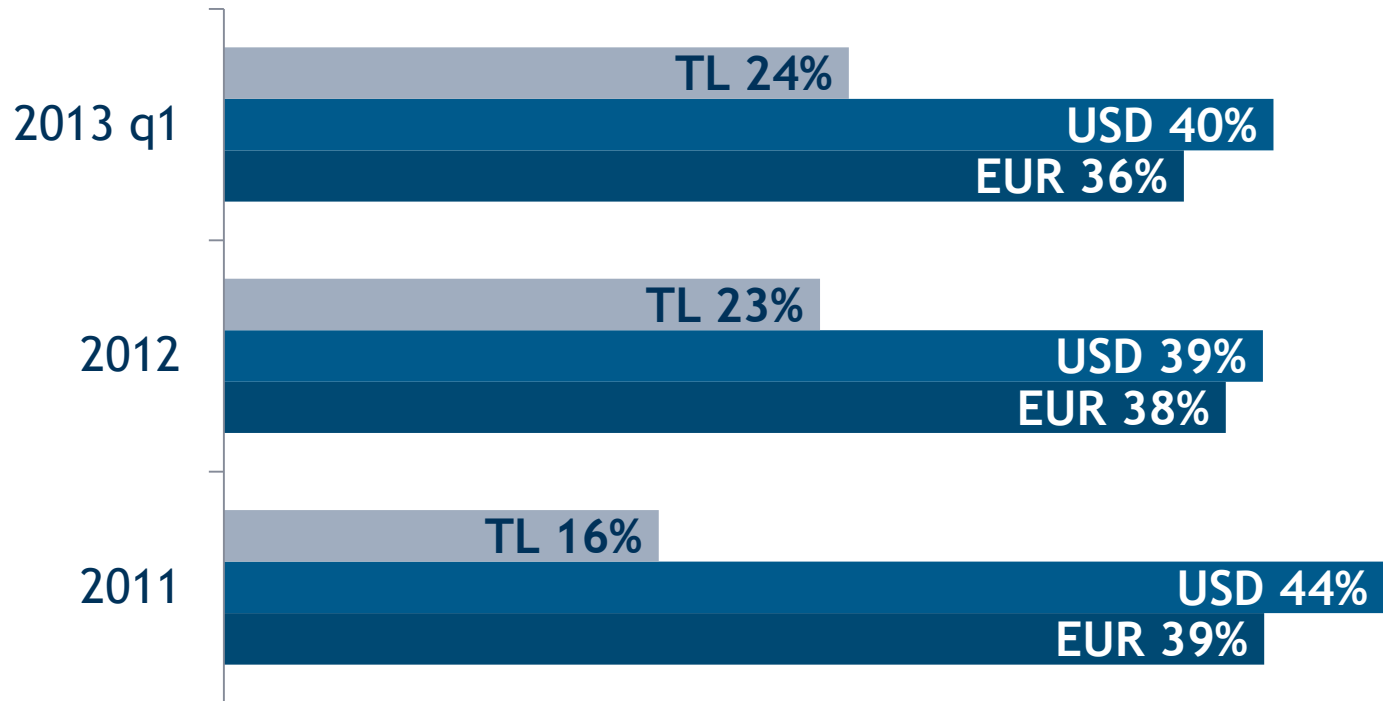
GEOGRAPHICAL DISTRIBUTION



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

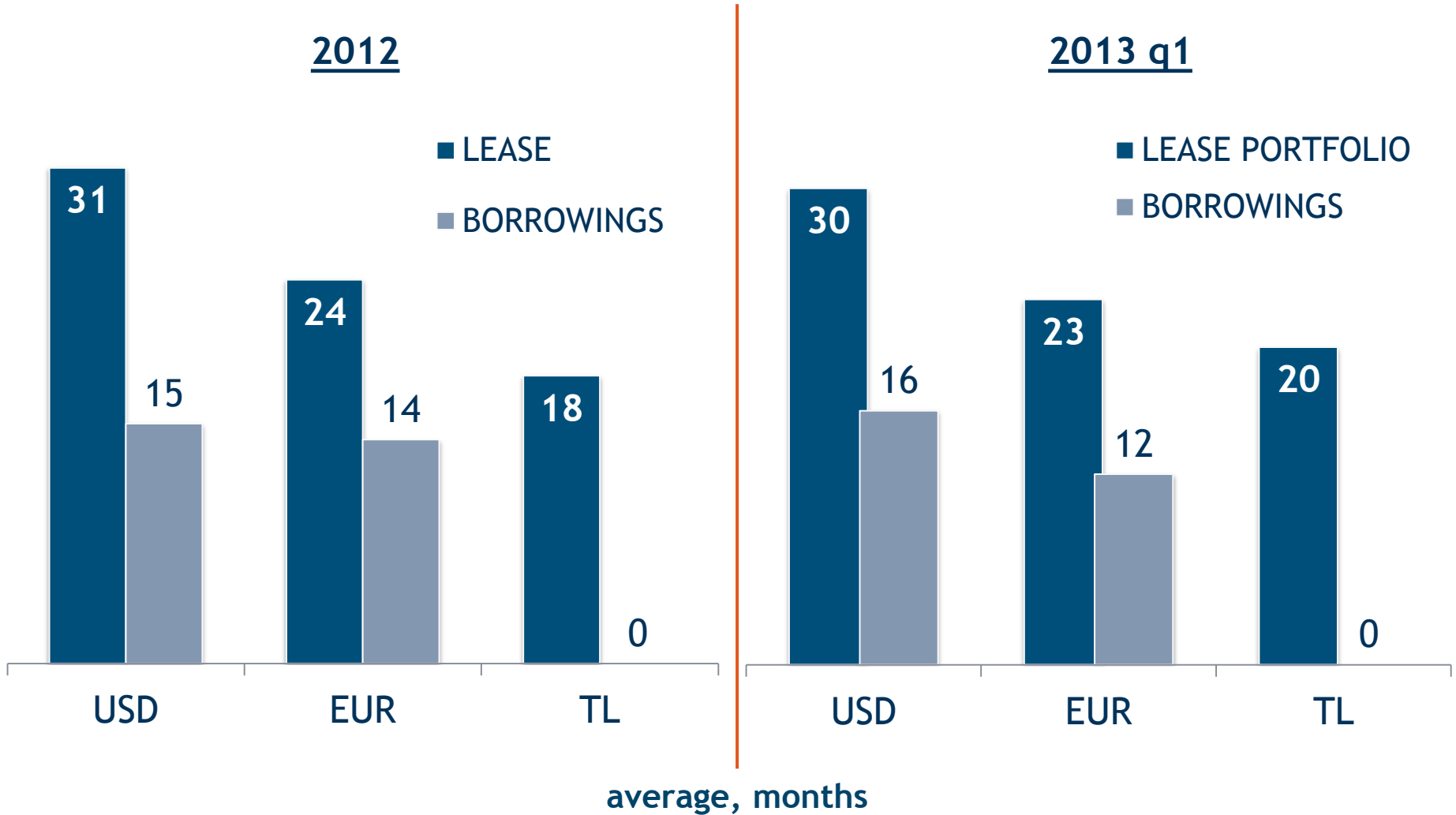


CURRENCY DISTRIBUTION





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

<i>TRY Million, consolidated</i>	31 December 2012	31 March 2013
Leasing Receivables, Net	1,391	1.414
Factoring Receivables, Net	1,015	1.037
Non Performing Receivables	113	116
Provisions	-69	-70
Total Assets	2,820	2.777
Financial Liabilities	2,213	2.130
Equity	566	582
Income Statement		
Net Interest Income	67	22
Provisions	-22	-15
Operating Expenses	-24	-22
İş Leasing solo Profit	37,2	11,2
Consolidated net Profit	41	14
RATIOS		
Non Performing Loans/ Receivables	4,6%	4,6%
Provision Ratio	61,2%	60,7
Return On Equity	7,5%	9,8%



BALANCE SHEET (consolidated) mio TL

Million TRY	2011	2012	2013/Q1		2011	2012	2013/Q1
Current Assets				Current Liabilities			
Cash and Cash Equivalents	309.6	317.2	234.4	Short Term Liabilities	1353.4	1874.7	1678.6
Trading Securities(net)	12	8.7	4.7	Trade Payables	15.1	14.8	16.6
Leasing Receivables(net)	418.9	462.4	515.4	Advances Received	7.8	8.4	26.9
Factoring Receivables (net)	404.7	1014.9	1036.6	Corporate Tax Payable	3.4	4.6	4.9
Other Current Assets(net)	22.6	9.7	9.9	Other Current Liabilities	20.3	10.1	12.9
Total Current Assets	1167.6	1812.9	1801	Total Current Liabilities	1400	1912.6	1739.9
Long Term Assets				Long Term Liabilities			
Leasing Receivables (net)	979.6	928.3	897.5	Long Term Borrowings	319.3	338.7	451.9
Assets for Sale(net)	20.2	25.6	26.9	Reserves for emp. benefits	2,7	3.2	2.9
Deferred Tax Assets(net)	72.5	51.4	48.6	Total Long Term Liabilities	322	341.9	454.8
Fixed Assets (net)	1.1	1.3	1.8	Minority Interest	11.5	13	14
Other Long Term Assets	1.0	0.8	0.9	Equity			
Total Long Term Assets	1074.4	1007.4	975.7	Capital	339	389	389
				Reserves	117	123	164.9
				Net Profit For The Year	52.5	40.8	14.1
				Total Shareholder's Equity	508.5	552.8	568
TOTAL ASSETS	2242	2820.3	2776.7	TOTAL LIABILITIES	2242	2820.3	2.776.7



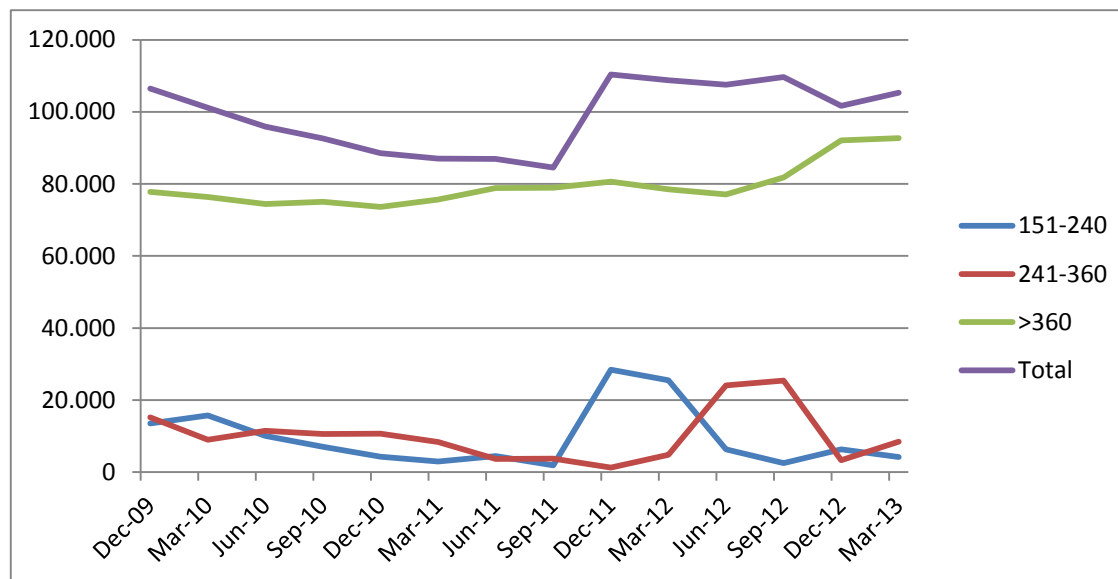
INCOME STATEMENT (consolidated) 000 TL

Million TRY	2011	2012	2013/Q1
Interest Income	100,636	106,067	27,830
Interest Expense	(79,613)	(96,954)	(23,551)
Foreign Currency Gains/(Losses)	9,927	24,758	2,931
Total	30,950	33,872	7,210
Factoring Income	34,801	51,984	14,145
General and Administrative Expenses	(21,978)	(24,363)	(6,492)
Provision Expenses	(15,273)	(22,058)	(1,601)
Other income/(expenses) (net)	32,275	15,141	5,212
Profit before taxation	60,774	54,576	18,474
Tax	(6,508)	(12,775)	(3,607)
Profit after taxation	54,266	41,800	14,867
Minority Interest	(1,793)	(995)	(800)
Net Profit for the Year	52,473	40,805	14,067



NPL

Consolidated	2010	2011	2012	2013/Q1
Gross NPL / Total Receivables	% 6,9	% 6,1	% 4,6	% 4,6
Net NPL / Net Receivables	% 3,5	% 2,9	% 1,8	% 1,9



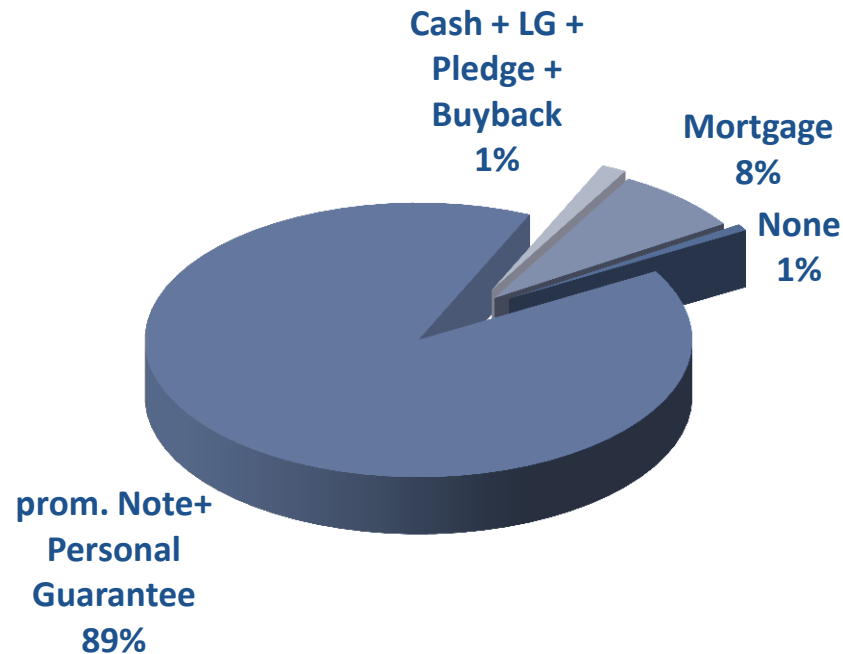
000 TL	LOSS RESERVE
2013 Opening	(57.966)
Reversals	14
New provisions	(1.258)
Write-off	-
Transfer	-
31.03.2013 Closing	(59.210)



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



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