

Corporate Credit Rating & Issue Rating (Update)

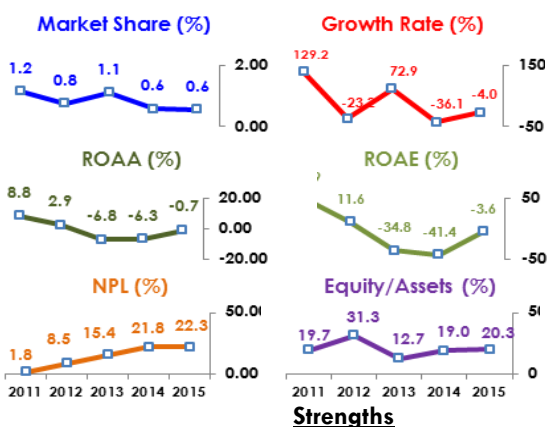
Factoring

KENTFAKTORING		Long Term	Short Term	
International	Foreign Currency	BBB-	A-3	
	Local Currency	BBB-	A-3	
	Outlook	FC	Stable	Stable
		LC	Stable	Stable
Issue Rating	n.a.	n.a.		
National	Local Rating	BBB+ (Trk)	A-2 (Trk)	
	Outlook	Positive	Stable	
	Issue Rating	BBB+ (Trk)	A-2 (Trk)	
Sponsor Support		2	-	
Stand Alone		B	-	
Sovereign*	Foreign Currency	BBB-	-	
	Local Currency	BBB-	-	
	Outlook	FC	Stable	-
LC		Stable	-	

*Assigned by Japan Credit Rating Agency, JCR on August 28, 2015

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Strengths

Constraints

- Ongoing restructuring efforts in order to reduce the operational costs and improve efficiency
- Active use of multiple funding sources and long-term capital market borrowing instruments
- Wide interest margin surpassing the Sector averages and indicating core business profitability
- Shareholder and Group support in both financial and operational aspects
- Süzer Group's broad experience in the field of financial sector and ample credit lines from various institutions

- Considerable non-performing receivables ratio mainly due to delinquency of few large ticket customers
- Contracting asset base and market share, necessitated by the restructuring of the Company and the loan book
- Significant provision expenses, negating majority of the net operating income
- Relatively higher operational expenses to average assets, reducing the profitability despite of solid potential
- Highly competitive and fragmented market structure
- Pressurized global and regional economic outlook with persistent uncertainties concerning the monetary policy responses

KENT FAKTORING A.Ş.						
Financial Data	2016/3*	2015*	2014*	2013*	2012*	2011*
Total Assets (000 USD)	62,569	50,997	66,578	113,377	78,586	96,320
Total Assets (000 TRY)	177,283	148,280	154,387	241,539	139,694	181,938
Equity (000 TRY)	31,153	30,095	29,283	30,796	43,674	35,774
Net Profit (000 TRY)	1,058	813	-12,923	-12,472	4,088	9,462
Market Share (%)	n.a.	0.56	0.58	1.11	0.77	1.16
ROAA, pre-tax (%)	n.a.	-0.70	-6.28	-6.80	2.87	8.76
ROAE, pre-tax (%)	n.a.	-3.58	-41.41	-34.79	11.62	47.90
Equity/Assets (%)	17.57	20.30	18.97	12.75	31.26	19.66
NPL (%)	18.47	22.26	21.83	15.37	8.53	1.84
Growth Rate (%)	19.56	-3.96	-36.08	72.91	-23.22	129.15

*End of year ** As of March 31, 2016

Overview

Kent Faktoring (hereinafter referred to as Kent Faktoring or the Company) operates in Turkish Faktoring market since 1997 as a member of the conglomerate Süzer Group. The Company merged with Süzer Faktoring A.Ş. and Kent Finansal Kiralama A.Ş. in 2011 and 2014, respectively.

Headquartered in Istanbul, Kent Faktoring operates with 3 offices located in Istanbul (2) and Ankara. The Company is experiencing a reorganization to support the profitability and improve operational efficiency & asset quality. In this regard, certain offices have been closed in 2015. As of December 2015, Kent Faktoring had 44 employees. The profitability oriented management perspective with an emphasis of asset quality has become the primary objective of the Company.

Ali Baran SÜZER is the principal shareholder of the Company with 99.99% of total shares. Mr. Süzer has holdings in Süzer Group (Eksen Holding A.Ş.) and serves as head of the finance group and vice president of the holding company's board. The Süzer Group is a conglomerate operating in various sectors such as finance, energy, construction, real estate development and tourism.

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