

Corporate Credit Rating

Leasing

		Long Term	Short Term	
International	Foreign Currency	BB	B	
	Local Currency	BB	B	
	Outlook	FC	Stable	Stable
		LC	Positive	Stable
National	Local Rating	A- (Trk)	A-1 (Trk)	
	Outlook	Stable	Stable	
Sponsor Support		2	-	
Stand-Alone		AB	-	
Sovereign*	Foreign Currency	BB	B	
	Local Currency	BB	B	
	Outlook	FC	Stable	Stable
		LC	Positive	Stable

*Assigned by Japan Credit Rating Agency, JCR on June 28, 2012

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ŞEKER FİNANSAL KİRALAMA A.Ş.					
Financial Data	2012*	2011*	2010*	2009*	2008*
Total Assets (000 USD)	156,994	111,105	125,951	108,712	119,219
Total Assets (000 TRY)	279,073	209,867	193,662	161,688	181,427
Equity (000 TRY)	44,150	40,454	35,491	31,182	15,838
Net Profit (000 TRY)	3,546	4,956	4,301	10,344	3,004
Market Share (%)	1.38	1.13	1.23	1.10	1.06
ROAA (%)	1.81	1.84	1.19	0.48	1.31
ROAE (%)	10.48	9.79	6.37	3.53	15.98
Equity/Assets (%)	15.82	19.28	18.33	19.29	8.73
Gross NPL (%)	12.22	16.43	17.59	16.15	9.73
Growth Rate (%)	32.98	8.37	19.78	-10.88	70.23

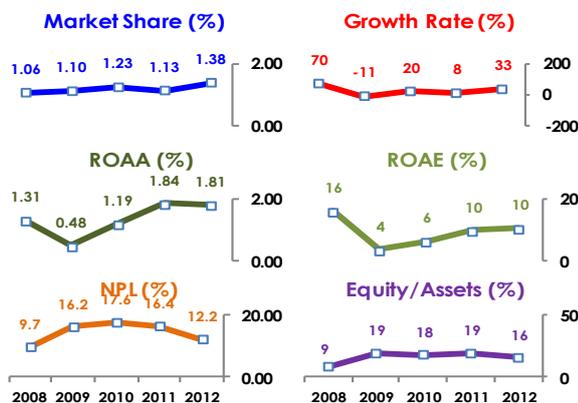
*End of year

Company Overview

Şeker Finansal Kiralama A.Ş. (Şeker Leasing, the Company), offering leasing services for the investment support of domestic and international assets and capital goods needed by SMEs (Small and Medium size Enterprises), was founded in 1997 and has been publicly traded since 2004 (with a 19.55% free float of its capital of TL 45mn as of FYE2010). The Company, being one of the five leasing companies in Turkey to be listed on the BIST-National Market, performs its activities via its headquarters and regional offices in Ankara, Bursa and Izmir as well as in the widespread branch network of Şekerbank T.A.Ş. (the Bank) and employs a staff force of 26 people. The Company actualized its first bond issuance in June 2012 as TRY 50mn and performed another TRY 50mn bond issuance in December 2012.

Şeker Leasing had a 1.38% market share in the leasing sector worth a total of TRY 20.25bn as of FYE2012. The Company is a partially owned (50.95% stake) subsidiary of **Şekerbank T.A.Ş.** (the Bank), a mid-scale commercial bank in Turkey which was assigned a long-term national rating of 'A+' (Trk) by JCR-ER in 2012, and has a subsidiary named Sekar Oto Kiralama Turizm Kargo Taşımacılık Hizmeti ve Tic. Ltd.Şti., consolidated in its statements.

The Company's long term national grade was upgraded one notch to 'A- (Trk)' with a 'Stable' outlook.



Strengths

- Ongoing upward pattern in profitability ratios approximating sector averages
- Remarkably above sector average year-end growth rate and a market share curve with upward trend
- Relatively higher income generation capacity of equity mainly derived from consistently above sector average interest margin
- Continuance of the bond issuance contributing to profitability and liquidity management and overcoming the sector issues of short term borrowing and scarcity in alternative sources
- Positively differentiated collateral level and compatible provisioning policy regarding sector, contributing to asset quality
- Positive outlook of sector growth due to enhanced product diversity through recent legal regulation and relatively low sector penetration level
- Being one of the few leasing companies listed on the BIST

Constraints

- Ongoing above sector average pattern in the 'operating expenses to total income' ratio resulting in below sector average profit margins
- Relatively high NPL ratios, despite improvements,
- Continuously below sector average equity share in total resources and total assets,
- Continuing FX losses pressuring profitability, despite improvements
- High level of competition in the sector

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