

Corporate Credit Rating
Annual Review Report

Factoring

Destek Faktoring		Long Term	Short Term	
International	Foreign Currency	BBB-	A-3	
	Local Currency	BBB-	A-3	
	Outlook	FC	Stable	Stable
		LC	Stable	Stable
National	Local Rating	AA- (Trk)	A-1+ (Trk)	
	Outlook	Stable	Stable	
Sponsor Support		3	-	
Stand-Alone		B	-	
Sovereign*	Foreign Currency	BBB-	-	
	Local Currency	BBB-	-	
	Outlook	FC	Stable	-
LC		Stable	-	

DESTEK FAKTORİNG A.Ş.					
Financial Data	2012*	2011*	2010*	2009*	2008*
Total Assets (000 USD)	281,673	196,106	163,534	118,778	63,303
Total Assets (000 TRY)	500,702	370,425	251,450	176,658	96,335
Equity (000 TRY)	158,359	112,294	88,606	72,697	56,188
Net Profit (000 TRY)	46,065	23,613	15,739	16,501	7,113
Market Share (%)	2.76	2.37	1.74	1.68	1.24
ROAA (%)	13.35	9.25	8.95	15.24	9.30
ROAE (%)	42.97	28.64	23.75	32.27	18.67
Equity/Assets (%)	31.63	30.31	35.24	41.15	58.33
NPL (%)	2.65	2.79	3.79	5.18	9.83
Growth Rate (%)	35.17	47.32	42.34	83.38	-14.97

*End of year

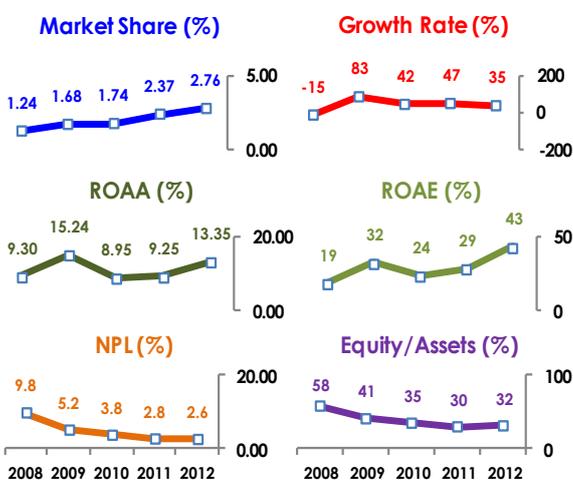
Company Overview

Destek Faktoring A.Ş. (hereinafter referred to as Destek Faktoring, or the Company), founded in 1996, operates in the Turkish Factoring Sector and offers cash-financing to sellers in return for their receivables, based on invoices or other certifying documents representing the domestic sales of goods and services, by undertaking their collection.

The principal shareholder of the company, **Altunç KUMOVA**, is also the chairman of the Company. The Company carries out its fully domestic and revocable operations through its headquarters. The issuance of a TRY 60mn bond and a TRY 15mn commercial bill was actualized in 3Q2012.

Destek Menkul Değerler A.Ş., a subsidiary of Destek Faktoring with a 98.24% equity ratio, provides mainly brokerage services to its customers in domestic and overseas futures exchange and stocks markets. The activities of the company are regulated and supervised by the Capital Markets Board of Turkey (CMB). The overall Group and Company work force of was 78 and 33, respectively as of FYE2012.

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



Strengths

- Remarkable improvement in continuously above sector average profitability ratios
- Above sector average growth rates over the last four years along with an ongoing increase in market share
- Consistent and continuously improving internal equity generation capacity
- Relatively high equity levels allowing for future growth
- Continuously decreasing NPL ratios derived from effective risk management practices
- Effective and efficient operating processes leading to relatively low operating expenses
- Possessing a subsidiary contributing to profitability and having a high cash generation capacity

Constraints

- Scarce network externalities compared to bank-related and peer group companies
- Fierce competition throughout the sector
- Country-wide issue of remarkable increases in the number and volume of dishonored checks in the completed fiscal year

Publication Date: June 10, 2013

"Global Knowledge supported by Local Experience"

1. Rating Rationale

The Turkish Factoring Sector has been regulated and supervised by the Banking Regulation and Supervision Agency (BRSA) since 2006. The Financial Leasing, Factoring and Financing Companies Law No. 6361, the factoring sector's first, came into effect on December 13, 2012. Moreover, the Regulation regarding organization and operating principals of financial leasing, factoring and financing companies entered into force on April 24, 2013. According to BRSA statistics updated March 1, 2013, the total asset size of the Turkish Factoring Sector was TRY 18.17bn and involved 83 factoring companies, two of which are listed on the Borsa Istanbul (BIST) as of FYE2012.

The Company's consolidated independent audit report prepared in conformity with BRSA regulations, statistical data on the sector produced by BRSA and updated on March 1, 2013, JCR Eurasia Rating's own studies and records, information and clarifications provided by the Company and non-financial figures constitute the major basis of Destek Faktoring's ratings.

In addition to the Company's profitability figures, asset quality, equity structure, risk management practices, market shares, growth rates and expected support, the main shareholders' financial and non-financial positions were also taken into consideration while determining the risk assessment of the long-term international local currency and foreign currency grades as well as national grades.

The driving forces behind the upgrade of the long-term national grade of the Company were;

- i. Remarkable improvement in continuously above sector average profitability ratios,
- ii. Ongoing upward trend in market share,
- iii. Consistent and continuously improving internal equity generation capacity,
- iv. Relatively high equity level,
- v. Continuously decreasing NPL ratios,
- vi. Effective and efficient operating processes leading to relatively low operating expenses.

Additionally, issues regarding profitability, performance, asset quality, capital adequacy and liquidity such as;

- ✓ Improvements in above sector average operating profitability ratios,
- ✓ Consistently above the sector improving net and gross profit margins,
- ✓ Ongoing above sector figure growth rates since 2009,
- ✓ Relatively high interest coverage ratios over the years,
- ✓ Continuously above sector average interest margin,
- ✓ Decreasing share of total operating expenses in total income along with a remarkably below sector average year-end figures,
- ✓ Remarkably above sector average 'total income to total expenses' ratio,
- ✓ Continuously below sector average ratio of 'provisions to total income',
- ✓ Ongoing above sector figure equity level,
- ✓ Improving and continuously below sector average short-term debt ratio,
- ✓ Continuing below sector figure ratio of 'impaired receivables to equity',

- ✓ Above sector average provisioning policy,
- ✓ Net foreign exchange figure transforming from loss to gain,
- ✓ High collateral level ensuring full coverage with a high margin,
- ✓ Below sector average FX position contributing to risk level,

along with low level of sector penetration and recently changed sector legislation promising further growth are the other supporting factors taken into consideration in the assessment of the Company's rating.

Moreover, the Company related issues, such as;

- ✓ Continuously below sector average ratios of liquid assets to total assets and total liabilities, along with relieving available year-end credit line of TRY 198mn,
- ✓ Scarce network externalities compared to bank-related companies

along with issues concerning the factoring sector such as a high level of price competition and inadequate product range along with country wide issues of decelerated economic growth and increased dishonoured checks volume and number are the main factors exerting pressure on the Company's grades.

With respect to the above mentioned factors, JCR Eurasia Rating has affirmed the long term international foreign currency and local currency ratings as '**BBB-**', the same as that of the sovereign ratings of the Republic of Turkey, and upgraded the long term national local rating to '**AA- (Trk)**' in JCR Eurasia Rating's notation system, which denotes a high investment grade.

2. Outlook

A '**Stable**' outlook has been assigned for the Company's short and long term national grades with the expectation of minimal changes in existing conditions, state of affairs and development trends due to exhibited trends and realized improvements in almost all indicators of financial performance, probable positive future effects on cost of funding and liquidity management of the realized and projected bond issuances, low level of sector penetration and recently changed sector legislation promising further growth as well as the sector wide issue of high level of price competition along with inadequate product range, country wide issues of decelerated economic growth and increased dishonored checks volume and number and the Company related issues of below sector average liquid assets level and scarce network externalities.

Additionally, JCR Eurasia Rating has affirmed and assigned '**Stable**' outlooks on the international long and short term local currency rating perspectives of Destek Faktoring, respectively, the one regarding the long-term is the sovereign rating's outlook of the Republic of Turkey.

The main driving forces that can call forth a revision in the current outlook status include Company related issues affecting asset quality and liability profile, along with Turkey's sovereign rating which is highly responsive to domestic and foreign political and economic uncertainties, tensions and developments.

3. Sponsor Support and Stand-Alone

Sponsor Support notes and risk assessments reflect the financial and non-financial positions and expected assistance of one of the major controlling shareholders of Destek Faktoring, **Mr. Altunç KUMOVA**. It is considered that Company's utmost qualified shareholder and its subsidiary have the willingness to supply long term liquidity or equity within their financial capability when required, and that they have adequate experience to provide efficient operational support to the Company.

The Stand Alone grade has been constituted particularly with respect to Destek Faktoring's organizational structure, asset quality, equity structure, risk management practices, market shares, growth rates and profitability ratios and the development of existing risks in the markets and business environment.

Under these assessments, JCR Eurasia Rating has affirmed the Sponsor Support grade as '3' reflecting financial and non-financial states and expected support by the shareholders, and a Stand Alone grade of 'B' with the opinion that Destek Faktoring has reached the level of adequate experience and facilities to manage the incurred risks on its balance sheet without any assistance from its shareholders, on condition that it maintains the current customer level and efficiency in the market.

The following table provides the Company's 2012 year-end shareholder structure and realized changes over time.

Destek Faktoring A.Ş. Shareholders Structure	Share %		
	2012	2011	2010
Altunç KUMOVA	99.99	99.99	99.99
Other	<1	<1	<1
TOTAL	100.00	100.00	100.00
Paid Capital (TRY/000)	40,000	40,000	10,000

4. Sector Analysis

According to BRSA's 2012 year-end data, the total assets size of the sector reached TRY 18.18bn from TRY 15.62 with a growth rate of 16.36% and there were 78 factoring companies operating in the sector as of FYE2012. Moreover, the total net profit of the sector increased 21.19% to TRY 597.08mn and profitability ratios of the sector improved accordingly.

Factoring transactions began in Turkey in 1983 under the regulation and inspection of the Undersecretariat of the Treasury. The first factoring company was established in 1990. Subsequent to the Banking Law enacted towards the end of 2005, factoring transactions fell under the supervision and regulation of the Banking Regulation and Supervision Agency (BRSA). Recently, the 'Leasing, Factoring and Financing Companies' draft law passed into law with acceptance of the Turkish Parliament General Assembly dated November 21, 2012 and entered into force on the date of publication, December 13, 2012. Moreover, the Regulation regarding organization and operating principals of financial leasing, factoring and financing companies entered into force on April 24, 2013. The key provisions of the stated law and regulation related to the Turkish Factoring Sector are as follows;

- ✓ The capital base of the companies advanced to TRY 20mn from TRY 7.5mn along with a 3-year of adaptation period,

- ✓ Companies are required to reserve to meet realized or potential losses derived from factoring receivables within the framework of the principles and procedures set by the BRSA,
- ✓ The associations of three sectors (leasing, factoring and financing companies) will unite under one roof within six months from the date of entry into force of the law. The companies will be a member of the established association within one month,
- ✓ The related companies are required to obtain permission to set up domestic and international branches. Moreover, an organizational structure that covers only the branches is permitted,
- ✓ Factoring companies and banks will assemble the information, including billing information, about their assigned receivables at a 'Risk Center' or in a way deemed appropriate by the association,
- ✓ Lending firms, operating with the permission of the Turkish Undersecretariat of Treasury, need to apply to BRSA to form into a factoring, leasing or financing company within six months from the date of entry into force of the Law. Within this period, the related firms cannot offer a new lending. Moreover, the operating permission of the lending firms which are not apply to BRSA on time or with unaccepted applications will be canceled.
- ✓ Companies are required to meet and sustain the minimum standard ratio (equity to total assets) of 3% along with an adaptation period until the end of 2013.

The recent regulation of BRSA covers the provision related to equity ratio that the ratio of the company's equity to total assets should be at least 3%. The stated sector average ration was 21.28% FYE2012.

Although the act does not involve provisions about certain points desired by the sector, such as recognizing provisions as an expense, not being liable to the Banking Insurance Transaction Tax (BITT) and to benefit from 'address information sharing' system, it is expected that it will contribute to more effective execution of sector activities.

Moreover, the Credit Bureau of Turkey (KKB) made the 'Check Report' available for the use of factoring and leasing companies in August 2012, partially due to a significant increase in the number of dishonored checks in 2012. It is expected that the use of the 'Check Report' will provide more effective credit risk management through information sharing and more robust decision making through accurate measurement of customers' commercial risks.

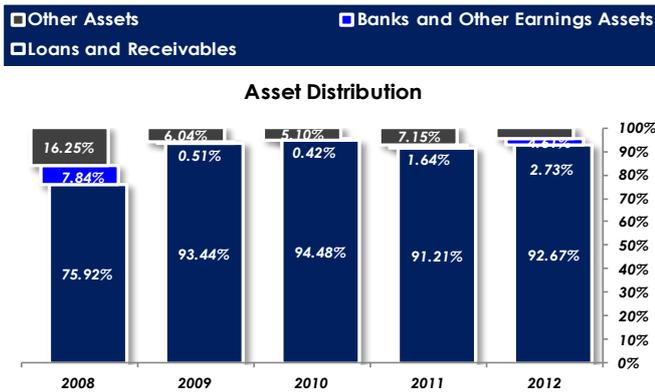
The Turkish factoring sector held a small 0.76% share of the general financial system as of September 30, 2012. Excluding banks, the Central Bank of Turkey (CBT) and Istanbul Stock Exchange (ISE), the factoring sector comprised an 11.32% share in the same period.

Market Share of Factoring Sector (%)	2008	2009	2010	2011	2012*
In the Financial System	0.69	0.74	0.83	0.82	0.76
In the Non-Bank and Non-ISE Financial System	7.61	8.81	9.67	9.37	11.32

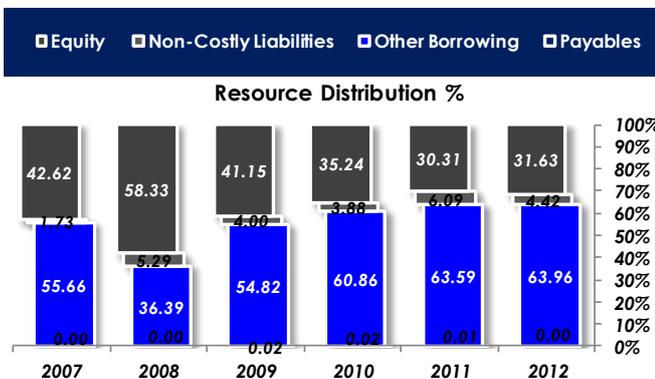
(*)September 30, 2012

5. Financial Analysis

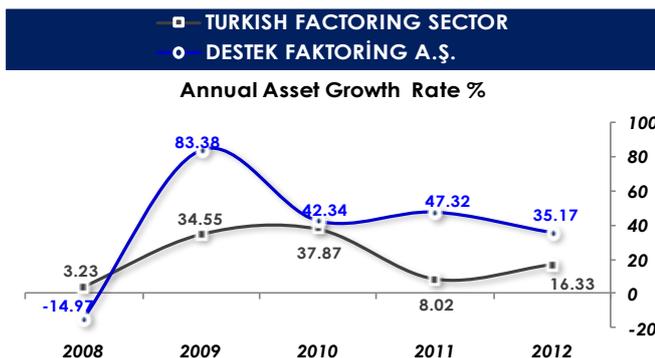
The Company's consolidated financial statements had a total assets size of TRY 500.70mn with a dispersion of 95.39% earning assets and 4.61% non-earning assets as of FYE2012. By FYE2012, the Company's factoring receivables' share improved to 92.33% of total assets, which was above the sector average of 89.87%. The earning assets weighted dispersion contributes to the Company's asset quality. Additionally, the share of 'profit' in the related balance sheet section rose to 9.20% (6.37% FYE2011), which was remarkably above the sector average of 3.43%. The shares of the Company's subsidiary, Destek Menkul Değerler A.Ş., in total assets, total liabilities and net profit were 6.21%, 3.70% and 12.56%, respectively.



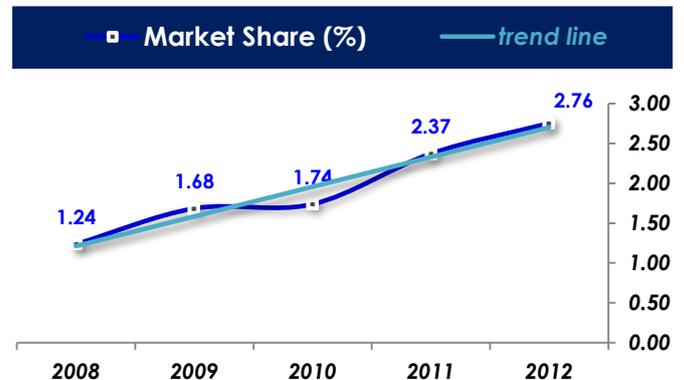
Moreover, the ratio of the Company's equity to its total resources increased to 31.63%, above the sector average of 21.28% FYE2012.



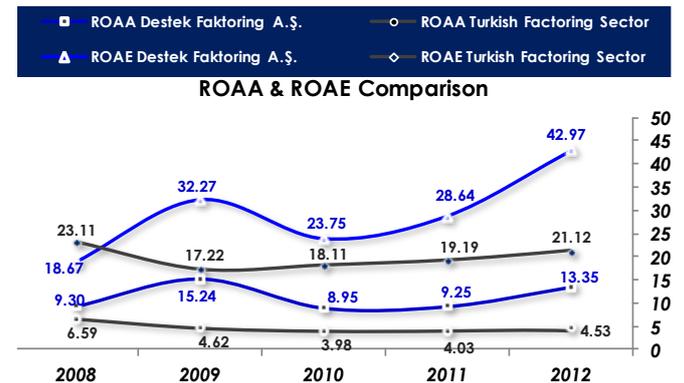
The Company's growth rates exhibited an ongoing above sector average pattern with a decelerating trend since 2009, with a year-end growth rate of 35.17%.



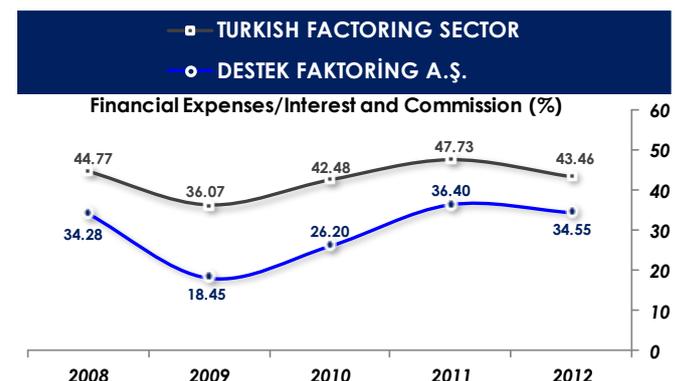
Moreover, mostly above sector average growth rates between 2008 and 2012 resulted in an above sector average (140.63%) cumulative growth rate with a year-end ratio of 341.93% as of FYE2012, leading to a rapidly increasing market share.



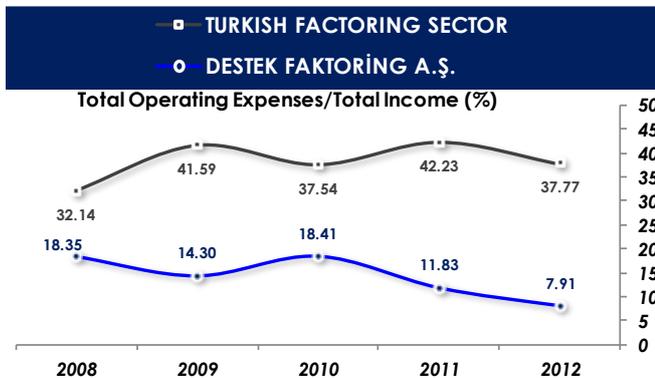
The Company's profitability ratios ROAA and ROAE both exhibited an ongoing above sector average pattern over the years. Moreover, the stated ratios of the Company performed remarkably above sector average improvements in 2012, increasing the spread.



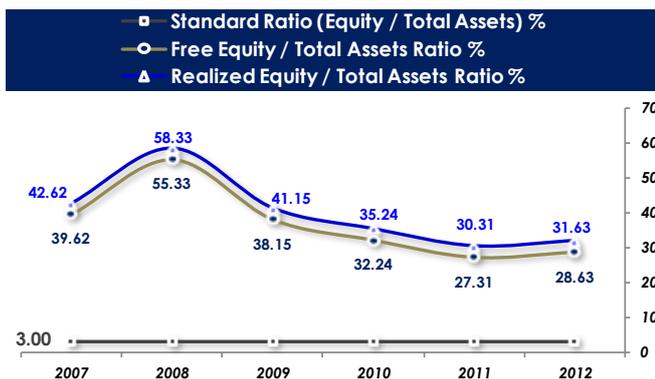
The Company's total income was composed of 87.17% net interest income as of FYE2012. While the share of net interest income was above the sector average (71.45%), the share of net fee and commission income was remarkably below the related sector figure (15.28%) as of FYE2012. Relatively high and effective interest pricing policy kept the Company's 'financial expenses to interest and commission' ratio continuously below the sector averages.



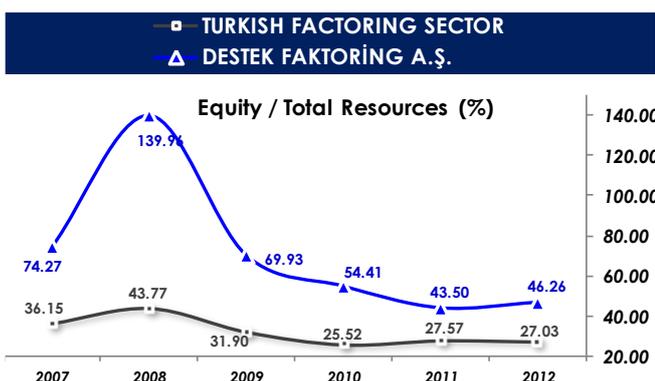
The Company ratio 'total operating expenses to total income' exhibited an improving and remarkably ongoing below sector average pattern over the years and stood at 7.91% as of FYE2012, representing the effective and efficient operating processes.



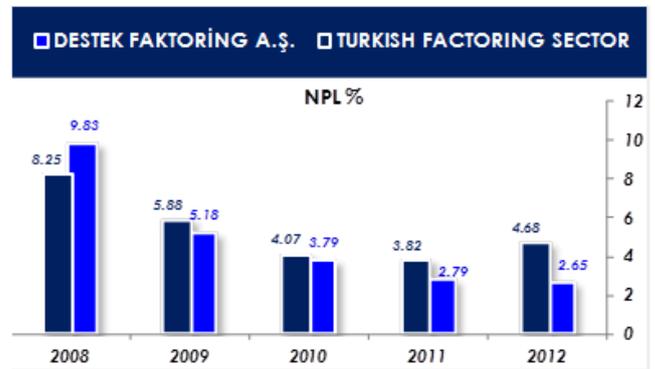
The recent BRSR regulation covers the provision related to equity ratio (standard ratio) and states that the ratio of the company's equity to total assets should be at least 3%. The Company had an above sector average (21.28%) standard ratio of 28.63% as of FYE2012.



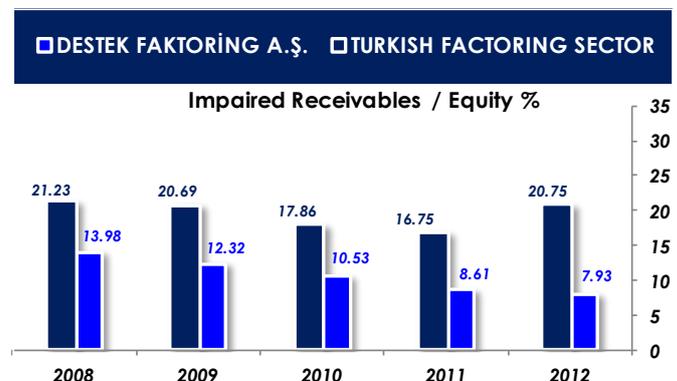
The equity to total resources ratio of the Company experienced a steep augmentation due to the highly shrinking trade volume in 2008 resulting from drawbacks in market conditions via the global crisis. Following 2008, the stated ratio decreased continuously owing to rapidly improved transaction volume and performed a slight improvement in 2012. Additionally, the Company's stated ratio exhibited an ongoing above sector average pattern since 2007 and realized the above sector value of 46.26% as of FYE2012, promising further growth.



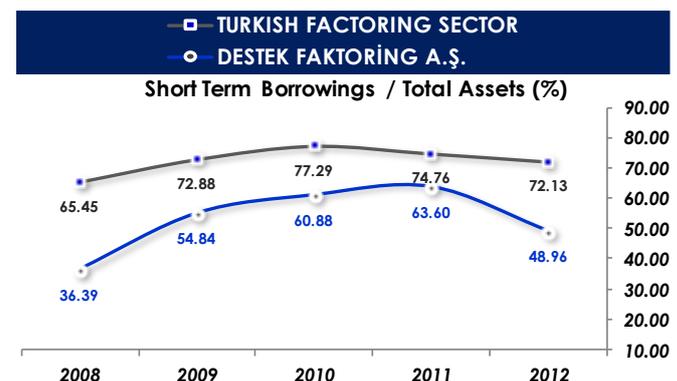
The NPL ratio of the Company exhibited a remarkable improvement between 2008 and 2012 and fell below the sector average in 2009. While the sector figure increased, the Company's NPL ratio maintained its improvement in 2012, increasing the spread with sector figure.



The Company ratio of 'impaired receivables to equity' consistently improved and stayed remarkably below the sector averages since 2008 and stood at 7.93% as of FYE2012. Moreover, while the sector figure deteriorated, the Company ratio improved in 2012 due to higher increase in equity (41.02%) than increase in overdue loans (29.90%). Additionally, the increase in the Company overdue loans of 29.90% stayed remarkably below the increase in sector figure of 41.86%.



The share of the Company's short term borrowings in total assets remained continuously below the sector averages between 2008 and 2012. The stated ratio improved to 48.96% from 63.60% due to the TRY 75mn bond issuances in 2012.



6. Risk Management

Factoring receivables, bank loans and issued marketable securities are the most important financial instruments giving rise to the Company's payable and receivable obligations. These financial instruments provide a source of financing to carry out its activities and are exposed to credit risk, market risk (interest rate and foreign exchange) and liquidity risk.

The Company has formed a written set of standard procedures titled 'Factoring Transactions Practice Statement' that includes the risk assessment of factoring transactions, credit allocation principles, and quantitative and qualitative based evaluation criteria. The Company benefits from the systematic current records in credit allocation and risk monitoring, such as dishonored check-protessed bills displays, tax-social security insurance premium debtors lists, lost and stolen check records and unfavorable customer data base of Credit Bureau and CBRT (Central Bank of the Republic of Turkey) risk centralization.

A Credit Allocation and Intelligence Group has been established within the Company and includes intelligence and credit allocation/risk monitoring teams under the deputy general management. The Group first receives all credit applications with customer, check drawer and endorser related documents supplied by the marketing group. The final decision on the loan request is then made by the Credit Committee. However, risk management and analysis are carried out by the Credit Committee authorized by the Board on the basis of 'expert judgment' rather than statistics and IT-based systems.

Credit risk is defined as the risk of financial loss due to the inability to fulfill contractual obligations of financial instrument. The Company attempts to minimize its credit risk through transactions with creditworthy counterparties. Moreover, the Company undergoes a credit review stage for all credit customers and obtains sufficient collateral where appropriate.

Credit risk concentration occurs depending on the number of companies operating in similar business areas, taking part in the same geographical region or affected similarly by the changes of economic, politic or other conditions. Credit risk concentration shows the sensitivity of the Company to developments affecting a particular industry or geographical area. The Company's factoring receivables are spread across diverse sectors. On the other hand, the Company's concentration ratios of 23.86% in textile, 18.69% in wood and wood products and 12.83% in construction as of FYE2012 are comparatively higher than the Turkish Factoring Sector's figures. All Company factoring transactions were revocable and domestic as of FYE2012.

The company's top 10 customers composed 45.79% (41.81% FYE2011) of the total receivables portfolio as of FYE2012, the top 20 customers 68.03% (58.85% FYE2011) and the top 50 89.63% (81.07% FYE2011) for the same period. The concentration ratios in all brackets increased and were higher than accepted international reference indices due to the espoused management strategy of emphasizing corporate customers rather than SME's. On the other hand, the Company did not have any factoring receivables with renegotiated terms as of FYE2012.

Destek Faktoring and its subsidiary is exposed to market risk comprised of interest rate and exchange rate risks derived from its activities and uses sensitivity analysis in their measurement.

Destek Faktoring A.Ş.

Foreign currency transactions lead to currency risk. The Company is mainly exposed to currency risk in EURO and USD. The financial statement had a variance range of (+/-) TRY 765k in the case of 15%, administrative expectation of possible change in foreign exchange rates, increase or decrease in exchange rates as of FYE2012.

The Company's ratio of 'net foreign exchange gain (loss) to profit before tax' ratio fluctuated over the years and stood at 4.35% as of FYE2012, representing a contribution to the profitability of the Company with a year-end foreign exchange gain value of TRY 2.22mn.

The Company's major interest bearing assets and liabilities are factoring receivables, bank loans and bonds issued. Interest rates of the Company's receivables and payables are usually changed at the end of their term and accordingly the Company tries to minimize the interest rate risk through due date matching efforts of its receivables and payables. As of FYE2012, the Company had no financial instrument with floating interest rates, except the issued marketable securities. Moreover, a probable 1% change in interest rates applied to the Group had a net profit variance range of (+/-) TRY 937k as of FYE2012.

The Company has organized an appropriate liquidity risk management process for its short, medium and long term funding requirements. The Company manages its liquidity risk through regular following of forecast and actual cash flow, maturities matching efforts of assets and liabilities and continuance of debt reserves.

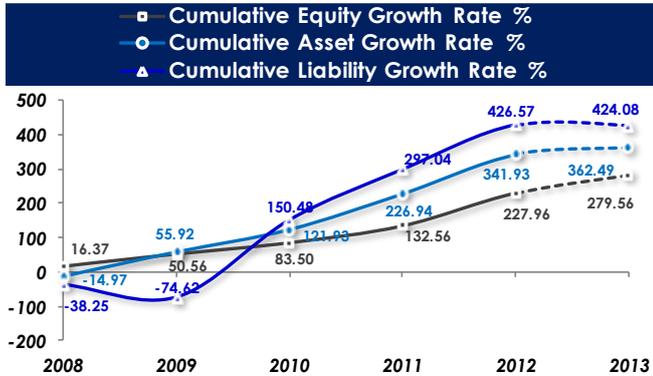
As of FYE2011, credit lines worth TRY 409.32mn were extended to Destek Faktoring by 19 different financial institutions and 51.58% of this total line was utilized, with a free line amounting to TRY 198.06mn as of FYE2012.

7. Budget and Bond Issue

Destek Faktoring projected a 2013 year-end asset size of TRY 524mn through a 9.68% annual growth rate in the current year. The estimated budget projection (solo) submitted by the Company is shown in the table below.

TRY (000)	Actual 2012	Budgete d 2013
Total Factoring Receivables	463,964	510,000
Other	13,789	14,000
Total Asset	477,753	524,000
Bank Borrowings	240,800	266,725
Issued Bonds	75,000	60,000
Other	13,879	14,000
Equity	148,058	183,275
Profit & Loss	40,274	35,217
Total Liability	477,737	524,000
Annual Asset Growth %	35.74	9.68
Equity/Total Asset %	30.99	34.98
ROAA %	9.71	8.79
ROAE %	31.5	26.57

Integrating the above stated projected growth with the last five years' growth series results in a cumulative assets growth rate of 362.49% compared to 2008 as of FYE2013.



Above stated growth projection will be financed through equity, borrowings and a probable bond issuance in 2013, with terms to be determined depending on the market conditions.

8. Corporate Governance

Destek Faktoring is not a publicly traded company; therefore the corporate governance discipline is not a field that is required to be taken into consideration for the Company. However, the factoring sector is one on which the BDDK enforces strict regulation and supervision. These circumstances have provided the company with a corporate organizational structure and a comprehensive internal control system. The company aligns all of its records and reports with international standards and has procured independent audit service since its establishment (1996) although it did not become mandatory until 2006. The periodical financial statements are disclosed to the public via its website.

We, as JCR-ER, are of the opinion that the senior management of the Company is adequate in terms of education, experience and managerial skills. In addition, the processes of recruitment, appointment, promotion, dismissal and training of employees are performed in accordance with human resources policies, practices and requirements and are based on objective criterions. All of these aspects have been assessed as factors to improve the quality level of the personnel.

The Board of Destek Faktoring consists of 4 members, two of which are executive, and involves no independent members. It is concluded that the Board Members have adequate qualifications to administer their duties and the Board successfully performs its duties of leading, supervising and inspecting. The Board of the Company does not contain the required committees, Corporate Governance and Audit, stated in the 'Corporate Governance Principals'. On the other hand, The Company has a credit committee and an internal control department which regularly reports to the Board.

The Company web site provides information and disclosed documentation including organization chart, audit reports, mission and vision, codes of conduct and ethic principles, articles of association and general assembly internal directive. On the other hand, the shortcomings of the Company's website such as the absence of the shareholder structure, personal backgrounds of board members and executive managers and documents related

to the general meetings along with absence of the annual report significantly weakens the transparency level of the Company. Moreover, the disclosure policies, and remuneration policy regarding board members and executive managers should be disclosed to the public via the website to realize the principles of corporate governance. Within the scope of social responsibility, the Company contributes to welfare associations and charitable foundations, amounting to TRY 137k in 2012.

DESTEK FAKTORİNG A.Ş. BALANCE SHEET - ASSET TRY (000)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	As % of	As % of	As % of	2012	2011	2010
	2012 USD (Converted)	2012 TRY (Original)	2012 TRY (Average)	2011 TRY (Original)	2011 TRY (Average)	2010 TRY (Original)	2010 TRY (Average)	2009 TRY (Original)	2012 Assets (Original)	2011 Assets (Original)	2010 Assets (Original)	Growth Rate	Growth Rate	Growth Rate
A-TOTAL EARNING ASSETS (I+II+III)	268,694.87	477,632.00	410,785.50	343,939.00	291,283.50	238,628.00	202,304.00	165,980.00	95.39	92.85	94.90	38.87	44.13	43.77
I- LOANS AND RECEIVABLES (net)	261,012.60	463,976.00	400,926.50	337,877.00	287,721.50	237,566.00	201,322.00	165,078.00	92.67	91.21	94.48	37.32	42.22	43.91
a) Factoring Receivables	260,065.26	462,292.00	399,623.00	336,954.00	286,808.50	236,663.00	200,347.50	164,032.00	92.33	90.96	94.12	37.20	42.38	44.28
b) Financing Loans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	n.a	n.a	n.a	n.a	n.a	n.a
c) Lease Receivables	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	n.a	n.a	n.a	n.a	n.a	n.a
d) Over Due Loans	7,067.96	12,564.00	11,118.00	9,672.00	9,499.00	9,326.00	9,141.00	8,956.00	2.51	2.61	3.71	29.90	3.71	4.13
e) Others	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	n.a	n.a	n.a	n.a	n.a	n.a
f) Receivable from Customer due to Brokerage Activities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	n.a	n.a	n.a	n.a	n.a	n.a
g) Allowance for Loan and Receivables Losses (-)	-6,120.61	-10,880.00	-9,814.50	-8,749.00	-8,586.00	-8,423.00	-8,166.50	-7,910.00	-2.17	-2.36	-3.35	24.36	3.87	6.49
II-BANKS AND OTHER EARNING ASSETS	7,682.27	13,656.00	9,859.00	6,062.00	3,562.00	1,062.00	982.00	902.00	2.73	1.64	0.42	125.27	470.81	17.74
a) Banks	7,682.27	13,656.00	9,859.00	6,062.00	3,562.00	1,062.00	982.00	902.00	2.73	1.64	0.42	125.27	470.81	17.74
b) Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	n.a	n.a	n.a	n.a	n.a	n.a
c) Balance With Banks-Current Accounts	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	n.a	n.a	n.a	n.a	n.a	n.a
III-SECURITIES AT FAIR VALUE THROUGH P/L	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	n.a	n.a	n.a	n.a	n.a	n.a
a) Treasury Bills and Government Bonds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	n.a	n.a	n.a	n.a	n.a	n.a
b) Other Investment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	n.a	n.a	n.a	n.a	n.a	n.a
c) Repurchase Agreement	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	n.a	n.a	n.a	n.a	n.a	n.a
B- INVESTMENTS IN ASSOCIATES (net)+EQUITY SHARE	0.00	0.00	0.00	0.00	0.00	0.00	0.50	1.00	n.a	n.a	n.a	n.a	n.a	-100.00
a) Investments in Associates (net)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	n.a	n.a	n.a	n.a	n.a	n.a
b) Equity Share	0.00	0.00	0.00	0.00	0.00	0.00	0.50	1.00	n.a	n.a	n.a	n.a	n.a	-100.00
C-NON-EARNING ASSETS	12,978.17	23,070.00	24,778.00	26,486.00	19,654.00	12,822.00	11,749.50	10,677.00	4.61	7.15	5.10	-12.90	106.57	20.09
a) Cash and Cash Equivalents	1.13	2.00	2.00	2.00	2.00	2.00	1.50	1.00	0.00	0.00	0.00	0.00	0.00	100.00
b) Financial Assets at Fair Value through P/L	46.13	82.00	47.00	12.00	78.00	144.00	72.00	0.00	0.02	0.00	0.06	583.33	-91.67	n.a
c) Asset Held For Sale And Discontinued Operations (net)	443.86	789.00	759.00	729.00	643.00	557.00	487.50	418.00	0.16	0.20	0.22	8.23	30.88	33.25
d) Other	12,487.06	22,197.00	23,970.00	25,743.00	18,931.00	12,119.00	11,188.50	10,258.00	4.43	6.95	4.82	-13.77	112.42	18.14
- Intangible Assets	395.48	703.00	769.00	835.00	902.50	970.00	677.00	384.00	0.14	0.23	0.39	-15.81	-13.92	152.60
- Property and Equipment	2,289.04	4,069.00	4,217.00	4,365.00	5,238.00	6,111.00	6,397.00	6,683.00	0.81	1.18	2.43	-6.78	-28.57	-8.56
- Deferred Tax	1.13	2.00	18.00	34.00	17.00	0.00	0.00	0.00	0.00	0.01	n.a	-94.12	n.a	n.a
- Other	9,801.42	17,423.00	18,966.00	20,509.00	12,773.50	5,038.00	4,114.50	3,191.00	3.48	5.54	2.00	-15.05	307.09	57.88
TOTAL ASSETS	281,673.04	500,702.00	435,563.50	370,425.00	310,937.50	251,450.00	214,054.00	176,658.00	100.00	100.00	100.00	35.17	47.32	42.34

DESTEK FAKTORİNG A.Ş. BALANCE SHEET-LIABILITIES+EQUITY TRY (000)	(Year end) 2012 USD (Converted)	(Year end) 2012 TRY (Original)	(Year end) 2012 TRY (Average)	(Year end) 2011 TRY (Original)	(Year end) 2011 TRY (Average)	(Year end) 2010 TRY (Original)	(Year end) 2010 TRY (Average)	(Year end) 2009 TRY (Original)	As % of 2012 Assets (Original)	As % of 2011 Assets (Original)	As % of 2010 Assets (Original)	2012 Growth Rate	2011 Growth Rate	2010 Growth Rate
C- COST BEARING RESOURCES (I+II)	180,147.39	320,230.00	277,903.50	235,577.00	194,332.00	153,087.00	124,987.50	96,888.00	63.96	63.60	60.88	35.93	53.88	58.00
I-PAYABLES	0.00	0.00	15.50	31.00	45.00	59.00	51.50	44.00	n.a	0.01	0.02	100.00	-47.46	34.09
a) Factoring Payables	0.00	0.00	15.50	31.00	45.00	59.00	51.50	44.00	n.a	0.01	0.02	100.00	-47.46	34.09
b) Lease Payables	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	n.a	n.a	n.a	n.a	n.a	n.a
c) Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	n.a	n.a	n.a	n.a	n.a	n.a
II-BORROWING FUNDING LOANS & OTHER	180,147.39	320,230.00	277,888.00	235,546.00	194,287.00	153,028.00	124,936.00	96,844.00	63.96	63.59	60.86	35.95	53.92	58.01
a) Fund Borrowed-Short Term	137,917.98	245,163.00	240,354.50	235,546.00	194,287.00	153,028.00	124,936.00	96,844.00	48.96	63.59	60.86	4.08	53.92	58.01
b) Fund Borrowed-Long Term	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	n.a	n.a	n.a	n.a	n.a	n.a
c) Marketable Securities For Issued (net)	42,229.41	75,067.00	37,533.50	0.00	0.00	0.00	0.00	0.00	14.99	n.a	n.a	n.a	n.a	n.a
d) Securities Sold Under Repurchase Agreements	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	n.a	n.a	n.a	n.a	n.a	n.a
e) Subordinated Loans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	n.a	n.a	n.a	n.a	n.a	n.a
D- NON COST BEARING RESOURCES	12,439.81	22,113.00	22,333.50	22,554.00	16,155.50	9,757.00	8,415.00	7,073.00	4.42	6.09	3.88	-1.96	131.16	37.95
a) Provisions	407.29	724.00	798.50	873.00	679.00	485.00	786.50	1,088.00	0.14	0.24	0.19	-17.07	80.00	-55.42
b) Current & Deferred Tax Liabilities	2,146.71	3,816.00	3,223.50	2,631.00	2,024.50	1,418.00	1,317.00	1,216.00	0.76	0.71	0.56	45.04	85.54	16.61
c) Trading Liabilities (Derivatives)	5,966.47	10,606.00	11,082.50	11,559.00	7,572.50	3,586.00	2,689.00	1,792.00	2.12	3.12	1.43	-8.24	222.34	100.11
d) Other Liabilities	3,919.33	6,967.00	7,229.00	7,491.00	5,879.50	4,268.00	3,622.50	2,977.00	1.39	2.02	1.70	-7.00	75.52	43.37
E- TOTAL LIABILITIES	192,587.20	342,343.00	300,237.00	258,131.00	210,487.50	162,844.00	133,402.50	103,961.00	68.37	69.69	64.76	32.62	58.51	56.64
F- MINORITY INTEREST	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	n.a	n.a	n.a	n.a	n.a	n.a
F- EQUITY	89,085.85	158,359.00	135,326.50	112,294.00	100,450.00	88,606.00	80,651.50	72,697.00	31.63	30.31	35.24	41.02	26.73	21.88
a) Prior Year's Equity	63,041.18	112,062.00	100,301.50	88,541.00	80,592.50	72,644.00	64,389.50	56,135.00	22.38	23.90	28.89	26.57	21.88	29.41
b) Equity (Internal & external resources added during the year)	-57.38	-102.00	-97.00	-92.00	33.00	158.00	83.00	8.00	-0.02	-0.02	0.06	10.87	158.23	1,875.00
c) Minority Interest	187.89	334.00	283.00	232.00	148.50	65.00	59.00	53.00	0.07	0.06	0.03	43.97	256.92	22.64
d) Profit & Loss	25,914.15	46,065.00	34,839.00	23,613.00	19,676.00	15,739.00	16,120.00	16,501.00	9.20	6.37	6.26	95.08	50.03	-4.62
TOTAL LIABILITY+EQUITY	281,673.04	500,702.00	435,563.50	370,425.00	310,937.50	251,450.00	214,054.00	176,658.00	100.00	100.00	100.00	35.17	47.32	42.34
USD 1 = TRY		1.7776		1.8889		1.5376		1.4873						

DESTEK FAKTORİNG A.Ş. INCOME STATEMENT TRY (000)	2012	2011	2010	2009	2008
Net Interest Income	57,415.00	33,824.00	24,289.00	24,065.00	20,513.00
A) Interest income	87,273.00	53,063.00	32,899.00	29,547.00	31,129.00
a) Factoring Interest Income	86,633.00	53,018.00	32,896.00	29,518.00	30,967.00
b) Financing Loans Interest Income	0.00	0.00	0.00	0.00	0.00
c) Lease Income	0.00	0.00	0.00	0.00	0.00
d) Banks	640.00	45.00	3.00	29.00	162.00
B) Financial Expense	29,858.00	19,239.00	8,610.00	5,482.00	10,616.00
Net Fee and Commission Income	-857.00	-207.00	-32.00	164.00	-164.00
a) Fee and Commission Income	1,506.00	994.00	766.00	649.00	397.00
b) Fee and Commission Expense	2,363.00	1,201.00	798.00	485.00	561.00
Total Operating Income	9,310.00	577.00	575.00	2,082.00	-3,484.00
Interest Income from Other Operating Field	0.00	0.00	0.00	0.00	0.00
Foreign Exchange Gain or Loss (net) (+/-)	1,801.00	-5,683.00	-997.00	84.00	-2,920.00
Gross Profit from Retail Business	0.00	0.00	0.00	0.00	0.00
Gains or Loss on Derivative Instruments (+/-)	98.00	325.00	137.00	31.00	0.00
Income on Sale of Equity Participations and Consolidated Affiliates	0.00	0.00	0.00	0.00	0.00
Gains from Investment Securities (net)	0.00	0.00	0.00	0.00	0.00
Other Operating Income	7,411.00	5,935.00	1,435.00	1,967.00	-564.00
Taxes other than Income Tax	0.00	0.00	0.00	0.00	0.00
Dividend	0.00	0.00	0.00	0.00	0.00
Provisions	2,514.00	707.00	922.00	1,752.00	3,484.00
Provision for Impairment of Loan and Trade Receivables	2,514.00	707.00	922.00	1,752.00	3,484.00
Other Provision	0.00	0.00	0.00	0.00	0.00
Total Operating Expense	5,210.00	4,719.00	4,754.00	3,763.00	3,630.00
Salaries and Employee Benefits	2,766.00	2,658.00	1,966.00	1,689.00	1,899.00
Depreciation and Amortization	455.00	501.00	573.00	662.00	392.00
Other Expenses	1,989.00	1,560.00	2,215.00	1,412.00	1,339.00
Profit from Operating Activities before Income Tax	58,144.00	28,768.00	19,156.00	20,796.00	9,751.00
Income Tax – Current	12,218.00	5,248.00	4,029.00	4,295.00	2,688.00
Income Tax – Deferred	-139.00	-93.00	-612.00	0.00	-50.00
Net Profit for the Period	46,065.00	23,613.00	15,739.00	16,501.00	7,113.00
Total Income	65,868.00	39,877.00	25,829.00	26,311.00	19,785.00
Total Expense	5,210.00	10,402.00	5,751.00	3,763.00	6,550.00
Provision	2,514.00	707.00	922.00	1,752.00	3,484.00
Pretax Profit	58,144.00	28,768.00	19,156.00	20,796.00	9,751.00

DESTEK FAKTORİNG A.Ş. FINANCIAL RATIO %	2012	2011	2010
I. PROFITABILITY & PERFORMANCE			
1. ROA - Pretax Profit / Total Assets (avg.)	13.35	9.25	8.95
2. ROE - Pretax Profit / Equity (avg.)	42.97	28.64	23.75
3. Total Income / Equity (avg.)	48.67	39.70	32.03
4. Total income / Total Assets (avg.)	15.12	12.82	12.07
5. Provisions / Total Income	3.82	1.77	3.57
6. Total Expense / Total Resources (avg.)	1.74	4.94	4.31
7. Net Profit for the Period / Total Assets (avg.)	10.58	7.59	7.35
8. Total Income / Total Expenses	1,264.26	383.36	449.12
9. Non Cost Bearing Liabilities + Equity- Non Earning Assets / Assets	31.44	29.25	34.02
10. Non Cost Bearing Liabilities - Non Earning Assets / Assets	-0.19	-1.06	-1.22
11. Total Operating Expenses / Total Income	7.91	11.83	18.41
12. Interest Margin	13.98	11.61	12.01
13. Operating ROAA = Operating Net Incomes / Assets (avg.)	20.20	15.44	12.97
14. Operating ROAE = Operating Net Incomes / Equity Capital (avg.)	65.03	47.79	34.43
15. Interest Coverage – EBIT / Interest Expenses	294.74	249.53	322.49
16. Net Profit Margin	69.94	59.21	60.94
17. Gross Profit Margin	88.27	72.14	74.16
18. Market Share	2.76	2.37	1.74
19. Growth Rate	35.17	47.32	42.34
II. CAPITAL ADEQUACY (year end)			
1. Equity Generation / Prior Year's Equity	-0.09	-0.10	0.22
2. Internal Equity Generation / Previous Year's Equity	41.11	26.67	21.67
3. Equity / Total Assets	31.63	30.31	35.24
4. Equity / Total Liabilities	46.26	43.50	54.41
5. Free Equity / Total Receivables Ratio	33.10	31.70	34.32
6. Tangible Assets / Total Assets	0.81	1.18	2.43
7. Intangible Assets / Total Assets	0.14	0.23	0.39
8. Equity / Total Guarantees and Commitments + Equity	0.48	0.50	0.26
III. LIQUIDITY (year end)			
1. Liquid Assets + Marketable Securities / Total Assets	2.73	1.64	0.42
2. Liquid Assets + Marketable Securities / Total Liabilities	3.99	2.35	0.65
3. Short Term Borrowings / Total Assets	48.96	63.60	60.88
4. Net Interest and Commission / Total Assets	11.30	9.08	9.65
5. Liquid Assets + Marketable Securities / Equity	8.62	5.40	1.20
IV. ASSET QUALITY			
1. Loan and Receivable's Loss Provisions / Total Loans and Receivables	2.29	2.52	3.42
2. Total Provisions / Profit Before Provision and Tax	4.14	2.40	4.59
3. Impaired Receivables / Gross Receivables	2.65	2.79	3.79
4. Impaired Receivables / Equity	7.93	8.61	10.53
5. Loss Reserves for Receivables / Impaired Receivables	86.60	90.46	90.32
6. Collaterals / Total Receivables	311.98	326.68	136.66
7. Total FX Position / Total Assets	2.34	8.63	9.83
8. Total FX Position / Equity	7.39	28.47	27.90
9. Assets / Total Guarantees and Commitments + Assets	0.60	0.63	0.43

The Historical Development of the Company's Credit Rating Notes							
		July 11, 2012		May 29, 2013		June 10, 2013	
		Long Term	Short Term	Long Term	Short Term	Long Term	Short Term
International	Foreign Currency	BB	B	BBB-	A-3	BBB-	A-3
	Local Currency	BB	B	BBB-	A-3	BBB-	A-3
	Outlook	Stable	Stable	Stable	Stable	Stable	Stable
		FC	Stable	Stable	Stable	Stable	Stable
		LC	Positive	Stable	Stable	Stable	Stable
National	Local Rating	A (Trk)	A-1+ (Trk)	A (Trk)	A-1+ (Trk)	AA- (Trk)	A-1+ (Trk)
	Outlook	Positive	Stable	Positive	Stable	Stable	Stable
Sponsor Support		3	-	3	-	2	-
Stand Alone		B	-	B	-	A	-
Sovereign*	Foreign Currency	BB	B	BBB-	-	BBB-	-
	Local Currency	BB	B	BBB-	-	BBB-	-
	Outlook	Stable	Stable	Stable	-	Stable	-
		FC	Stable	Stable	Stable	Stable	-
		LC	Positive	Stable	Stable	Stable	-
		Affirmed by JCR on June 28, 2012		()Assigned by JCR on May 23, 2013		(*)Assigned by JCR on May 23, 2013	