

**Corporate Credit Rating**  
Annual Review Report

**Factoring**

eko 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	A+ (Trk)	A-1 (Trk)	
	Outlook	Stable	Stable	
Sponsor Support		2	-	
Stand-Alone		B	-	
Sovereign*	Foreign Currency	BBB-	-	
	Local Currency	BBB-	-	
	Outlook	FC	Stable	-
LC		Stable	-	

EKO FAKTORİNG A.Ş.					
Financial Data	2012*	2011*	2010*	2009*	2008*
Total Assets (000 USD)	187,109	137,888	130,884	79,888	48,705
Total Assets (000 TRY)	332,605	260,456	201,247	118,817	74,119
Equity (000 TRY)	85,565	70,843	62,714	60,643	57,324
Net Profit (000 TRY)	16,376	9,168	4,159	2,530	10,162
Market Share (%)	1.83	1.67	1.39	1.13	0.95
ROAA (%)	6.94	4.60	4.28	3.04	17.55
ROAE (%)	26.32	15.90	11.12	4.98	27.06
Equity/Assets (%)	25.73	27.20	31.16	51.04	77.34
NPL (%)	12.40	12.72	15.08	21.58	32.61
Growth Rate (%)	27.70	29.42	69.38	60.31	-15.85

\*End of year

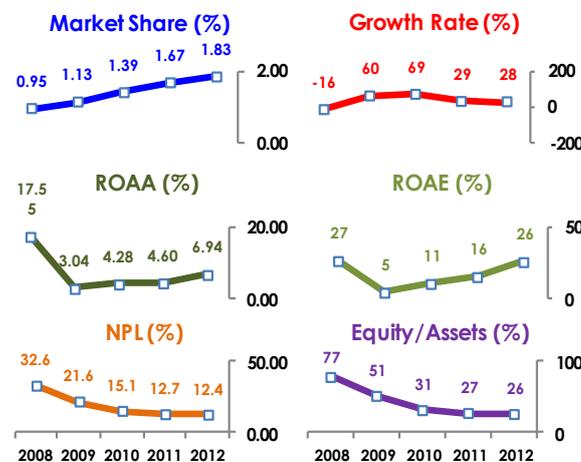
**Company Overview**

**Eko Faktoring A.Ş.** (hereinafter referred to as Eko Faktoring, or the Company), founded in 1994, 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 Company carries out its fully domestic operations through its headquarters in Istanbul and 11 branches in the cities of Adana, Ankara, Antalya, Bursa, Denizli, Izmir, Konya, Samsun, Trabzon and two in Istanbul (Dudullu and Perpa) as well as a labor force of 113 as of May 31, 2013 (84 FYE2011). The Company realized its first bond issuance amounting TRY 50mn in July 2012.

The Turkish Factoring Sector was worth a total of TRY 18.18bn and involved 78 companies as of FYE2012. Eko Faktoring, with a total asset size of TRY 332.61mn, held a 1.83% market share of the sector.

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



**Strengths**

- Continuously improving profitability ratios, exceeding sector averages
- Above sector average growth rates over the last four years, leading to a consistently increasing market share
- Ongoing improvement in internal equity generation capacity, outperforming the sector figure
- Expanding branch network
- Improving operating processes leading to a continuously decreasing operating expenses to total income ratio
- Full provisioning contributing to asset quality
- Relatively high equity level backed by recently realized paid capital increase

**Constraints**

- Continuously above sector average NPL related ratios despite improvements against sector deterioration
- Fierce competition throughout the sector
- Country-wide issue of remarkable increases in the number and volume of dishonored checks in the completed fiscal year
- Majority real person shareholder structure leading to a latent uncertainty in the long term despite non-existence of any problem thus far
- Growing perception of pressure in the markets through persistence and recurrence risks of the current social unrest