

Corporate Credit Rating

NON- BANKING FINANCIAL INSTITUTIONS
NPL Asset Management Companies

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

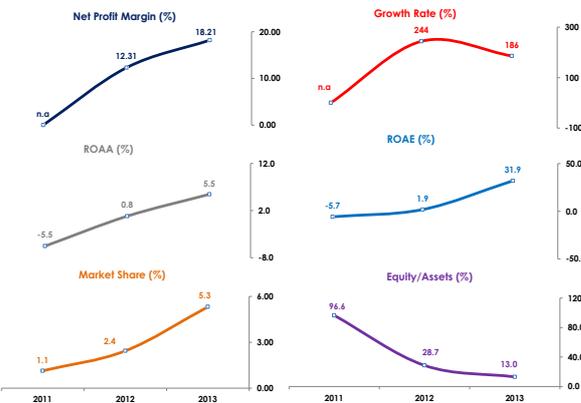
Final Varlık Yönetim A.Ş.			
Financial Data	2013*	2012*	2011*
Total Assets (000 USD)	46,367	19,470	5,325
Total Assets (000 TRY)	98,962	34,609	10,059
Equity (000 TRY)	12,903	9,921	9,722
Net Profit (000 TRY)	2,976	199	-278
Market Share (%)	5.32	2.44	1.14
ROAA (%)	5.46	0.82	-5.53
ROAE (%)	31.95	1.86	-5.72
Equity/Assets (%)	13.04	28.67	96.65
Collection/ Net Debt	85.43	192.48	n.a
Purchase Price / Loan Principal	15.00	16.47	n.a
Acquisition Cost / Collections	273.24	2,616.64	n.a
Growth Rate (%)	185.94	244.06	n.a

*End of the year

Company Overview

*Assigned by Japan Credit Rating Agency, JCR on May 23, 2013

Analysts: Zeki M. ÇOKTAN/ +90 212 352 56 73
zekic@jcrer.com.tr
Orkun İNAN / +90 212 352 56 73
orkuni@jcrer.com.tr



Final Varlık Yönetim Anonim Şirketi (hereinafter referred to as Final Varlık or the Company), operates as one of eleven asset management companies authorized by the Banking Regulation and Supervision Agency to acquire distressed and non-performing loans of banks and other financial institutions in Turkey and converting these assets into cash at optimum values and maximize the values of these assets since 2011. The shareholding structure of Final Varlık Yönetim A.Ş. was changed in 2H2012 through the sale of shares.

The Company's real person shareholding structure covers 5 individuals, the main controlling shareholders, who also hold majority shares in Altınhas Holding A.Ş. and had shares in Altınbaş Holding A.Ş., a leading institution in Turkey operating in the jewelry, finance, energy, logistics, education and sports sectors, Mr. İnan ALTINBAŞ (53.00%) and Hüseyin ALTINBAŞ (43.99%), as of FY2013.

The Company provided NPL asset management through a staff force of 108-employee in FY2013. With a total asset size of TRY 98.96mn, it had a 5.46% market share in the Asset Management Sector worth a total of TRY 1.86bn as of FYE2013.

Strengths

- Total assets size almost tripled compared to prior year's figure due to enthralling growth
- Upward trend in net interest and fee & commission income strengthening profitability ratios
- Preventing contagion of demands contraction gaining momentum in terms of trade volume
- Low balance sheet resource costs supporting profitability
- Effectiveness in analysis and portfolio valuations leading to qualified receivables collection management
- Improvement in practices regarding workflow and operational processes
- Taking advantage of brand awareness in the sector thanks to Group synergy
- Presence of a professional senior finance management team with specialized knowledge of the Turkish financial sector

Constraints

- Despite meeting legal requirements, descending and below sector equity level due to fast growth for the last two years
- Ongoing corrosion in liquidity ratios over the reviewed period
- The fragile condition of debt structure pressuring asset quality
- Growing market competition dominated by 3 companies, and exiguous operational channels compared with bank-related companies
- Upward trend perception of pressure in the markets through persistent risk of the social unrest and likelihood of a depreciation in the market outlook increasing funding costs
- Improvements needed in corporate governance principles

Publication Date: May 2, 2014

"Global Knowledge supported by Local Experience"