

Corporate Credit Rating

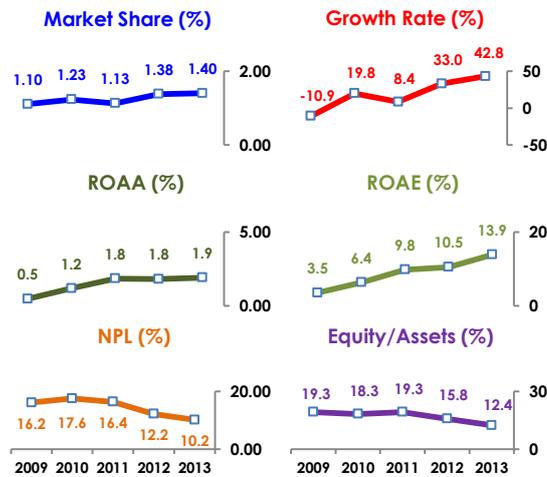
Leasing

Şeker Leasing		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		AB	-	
Sovereign*	Foreign Currency	BBB-	-	
	Local Currency	BBB-	-	
	Outlook	FC	Stable	-
		LC	Stable	-

ŞEKER FİNANSAL KİRALAMA A.Ş. and ITS SUBSIDIARY						
Financial Data	March, 2014 **	2013*	2012*	2011*	2010*	2009*
Total Assets (000 USD)	190,482	187,097	156,994	111,105	125,951	108,712
Total Assets (000 TRY)	410,621	398,592	279,073	209,867	193,662	161,688
Equity (000 TRY)	50,788	49,365	44,150	40,454	35,491	31,182
Net Profit (000 TRY)	1,421	5,248	3,546	4,956	4,301	10,344
Market Share (%)	1.37	1.40	1.38	1.13	1.23	1.10
ROAA (%)	n.a.	1.91	1.81	1.84	1.19	0.48
ROAE (%)	n.a.	13.87	10.48	9.79	6.37	3.53
Equity/Assets (%)	12.37	12.38	15.82	19.28	18.33	19.29
NPL (%)	9.05	10.17	12.22	16.43	17.59	16.15
Growth Rate (%)	52.60	42.83	32.98	8.37	19.78	-10.88

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

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*End of year **YoY basis

Overview

Şeker Finansal Kiralama A.Ş. (hereinafter referred to as Şeker Leasing, or the Company), is a partially owned subsidiary of **Şekerbank T.A.Ş.** (the Bank), a mid-scale commercial bank in Turkey assigned a long-term national rating of 'AA- (Trk)' on July 01, 2013 by JCR Eurasia Rating, with a 54.13% stake. The Company was founded in 1997 and listed on the BIST in 2004. As of March 26, 2014, the free float rate was 14.86% of TRY 45mn paid capital. The Company performs its activities through its headquarters and regional offices in Ankara, Izmir and Gaziantep as well as in the widespread branch network of Şekerbank T.A.Ş. and employs a staff force of 28 people as of March 31, 2014.

Şeker Leasing, with a total asset size of TRY 398.59mn, had a 1.37% market share in the leasing sector worth a total of TRY 29.96bn as of 1Q2014. The Company's subsidiary **Sekar Oto Kiralama Turizm Kargo Taşımacılık Hizmeti ve Tic. Ltd.Şti.** is fully consolidated in its financial statements.

Strengths

- Long term borrowing structure achieved mostly through continuing bond issuances, relieving liquidity management and contributing to risk level
- Continuously above sector average interest margin contributing to profitability figures
- Remarkably high collateral level ensuring full coverage with a wide safety margin contributing to asset quality and risk level
- High compliance to corporate governance principals as one of the few publicly traded leasing companies
- Reputable and robust shareholder structure
- Increasing product diversity and tax incentives in the sector leading to a positive sector outlook

Constraints

- Ongoing above sector average pattern in the share of operating expenses in total income restraining profitability figures
- Above sector average NPL ratios despite ongoing improvements along with a relatively high ratio of impaired receivables to equity
- Perpetually below sector average standard ratio along with relatively high deteriorations in the last two years despite meeting legal requirements
- Relatively high foreign currency position generating volatility in profitability figures despite its remarkable positive effect in the last year
- Increasing volatility in the markets deriving from global economic events, increased political tension and suppressed risk appetite of investors in the elections period

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