

Corporate Credit Rating

Factoring

devir 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	BBB+ (Trk)	A-2 (Trk)	
	Outlook	Stable	Stable	
Sponsor Support		3	-	
Stand Alone		B	-	
Sovereign*	Foreign Currency	BBB-	-	
	Local Currency	BBB-	-	
	Outlook	FC	Stable	-
		LC	Stable	-

DEVİR FAKTORİNG A.Ş.					
Financial Data	2014*	2013*	2012*	2011*	2010*
Total Assets (000 USD)	57,152	45,844	49,659	34,898	32,140
Total Assets (000 TRY)	132,529	97,666	88,274	65,920	49,418
Equity (000 TRY)	16,222	13,890	12,945	11,873	9,483
Net Profit (000 TRY)	2,343	955	1,097	1,389	698
Market Share (%)	0.50	0.45	0.49	0.42	0.34
ROAA (%)	2.56	1.30	1.78	2.90	2.26
ROAE (%)	19.60	9.02	11.09	15.68	10.08
Equity/Assets (%)	12.24	14.22	14.66	18.01	19.19
NPL (%)	2.88	4.68	6.20	4.08	2.69
Growth Rate (%)	35.70	10.64	33.91	33.39	54.64

*End of the year

*Affirmed by Japan Credit Rating Agency, JCR on July 11, 2014

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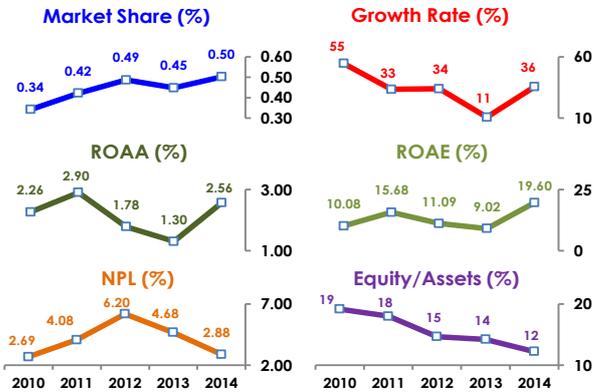
Company Overview

Devir Faktoring A.Ş. (hereinafter to be referred as **Devir Faktoring, Devir** or **the Company**) was founded in 1991 by a partnership with Demirbank to operate in the Turkish Factoring Sector having been regulated and supervised by the Banking Regulation and Supervision Agency (BRSA) since 2006.

Following its foundation, the Levi Family acquired all of the shares in 1993 and has since been the sole ultimate shareholder of **the Company**.

The Company maintains its operations by a staff force of 49 employees as of FYE2014 through its headquarters in Istanbul. In line with adoption of a new strategy in 2011, **Devir Faktoring** has established two branches in Istanbul (Pendik) and Ankara (Ostim).

The Company has one subsidiary with an 85.51% ownership as of the report date.



Strengths

- As one of the first movers in the sector, sustainability of activities further bolstered by its moderate risk profile and established shareholder and management structure
- Net interest margin outperforming the sector
- Significant improvement in NPL ratios together with the level of earning assets contributing to asset quality
- Cumulative asset growth trend well above the sector averages though maintaining its small scale
- Moderate concentration levels on sector and client bases
- Significant efforts to improve corporate governance compliance
- Adequate collateral structure & low pressure of off-B/S items
- Limited exposure to interest and foreign exchange rate risks

Constraints

- Downward trend in capitalization level, albeit satisfying the regulatory requirements
- Main profitability indicators underperforming the sector averages caused by high level of operating expenses
- Short term borrowing profile compared to the sector
- Comparatively large fluctuations in provisions leading to volatility in profit figures
- Fierce competition throughout the sector
- Continuing geopolitical risks leading to decreasing risk appetite of investors and risk of limited growth that might pressure profit margins through lowering the debt-services capabilities of the real sector

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