

Corporate Credit Rating

Factoring

AKFACTORING		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	Stable	Positive
Sponsor Support		2	-
Stand Alone		BC	-
Sovereign*	Foreign Currency	BBB-	-
	Local Currency	BBB-	-
	Outlook	FC	Stable
LC		Stable	-

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

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AK FAKTORİNG A.Ş.					
Financial Data	2014*	2013*	2012*	2011*	2010*
Total Assets (000 USD)	155,804	100,560	45,589	4,284	3,510
Total Assets (000 TRY)	361,295	214,233	81,038	8,093	5,398
Equity (000 TRY)	34,399	17,904	10,411	8,061	5,248
Net Profit (000 TRY)	16,494	7,493	2,350	-688	-350
Market Share (%)	1.37	0.98	0.45	0.05	0.04
ROAA (%)	7.17	6.35	6.17	-9.52	-4.92
ROAE (%)	78.91	66.22	29.78	-9.65	-7.44
Equity/Assets (%)	9.52	8.36	12.85	99.60	97.24
NPL (%)	1.59	0.45	0.00	0.00	0.00
Growth Rate (%)	68.65	164.36	901.34	49.94	-55.97

*End of year

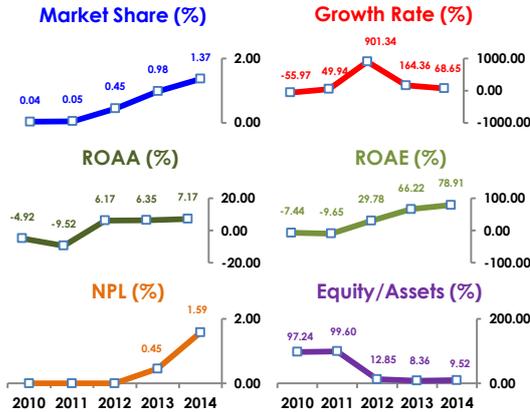
Company Overview

Ak Faktoring A.Ş. (hereafter referred to as “Ak Faktoring” or “the Company”) was founded in 1992 under the name “Ak Faktoring Hizmetleri Ticaret Anonim Şirketi” before changing its name to “Ak Faktoring Anonim Şirketi” in 2012 with the transfer of the majority shares from Atalay to Altınbaş family members in 2011. The Company began operating in the Turkish Factoring Sector under its new title in April 2012.

The Company’s largest shareholder is Altınbaş Holding A.Ş. (100%), which operates in the fields of asset management, education, energy, finance, accessories (jewelry), construction, textile and factoring.

Ak Faktoring provides collection services, guarantee payments of receivables on behalf of debtors based on invoices or other certifying documents representing the domestic sales of goods and services.

The Company carries out its fully domestic and revocable factoring transactions through its headquarters in Istanbul and employed a staff force of 45 in FYE2014. The Company’s long term national grade was **BBB (Trk)**.



Strengths

- Consistently above sector asset growth since FYE2011 contributing to market expansion
- Steady increase in main profitability ratios exceeding sector averages
- Negligible NPL level standing at far below sector averages despite ongoing factoring receivables
- Effective risk management approach through established internal control systems and experienced management team
- Augmented equity level despite sector’s opposite trend promising further growth thanks to planning equity injection in the near future
- Skyrocketed net profit, beating sector’s net profit margin

Constraints

- Consistently above sector short term borrowings ratio due to dependency on external funding
- Despite dominated bank loans in funding structure, realized and projected bond issuances diversifying debt structure as well as relieving liquidity management
- Noticeable increase in financial expenses due to interest payments for bank loans, pressuring profitability
- Low compliance level in corporate governance principles
- Fierce competition throughout the sector
- Persistent political and economic stresses along with regional tensions hosting uncertainties and exerting downward pressure on business prospects

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