

Corporate Credit Rating
Annual Review

Factoring

BAŞER FAKTORİNG		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		3	-	
Stand-Alone		B	-	
Sovereign*	Foreign Currency	BBB-	-	
	Local Currency	BBB-	-	
	Outlook	FC	Stable	-
		LC	Stable	-

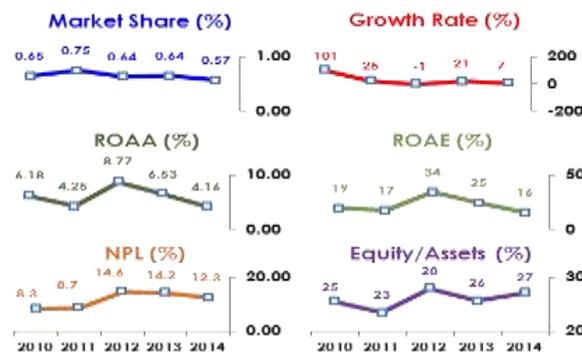
*Assigned by Japan Credit Rating Agency, JCR on July 11, 2014

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Strengths

- High level of equity in comparison to the sector providing growth opportunities through greater leverage
- Diversification of funding resources through realized successive bond issues in the previous year contributing to liquidity management
- Maintenance of high levels of collateral in relation to sector averages offering protection against potential deterioration in market conditions and subsequent effects on asset quality
- Implementation of policies to streamline operations anticipated to have a positive impact on customer numbers and transaction volume
- Further improvements in the level of compliance with Corporate Governance Practices following bond issue
- Skilled management team with established track record in the financial industry and well-defined work processes

Constraints

- Decline in profitability performance over the past financial year as reflected by the fall in the major indicators of ROAE and ROAA
- Slowdown in asset growth performance leading to a reduction in market share in the past financial year despite an above sector average performance cumulatively over a 5 year period
- Maintenance of an above sector average NPL ratio despite the partial sale of impaired receivables portfolio in the past year
- Bank affiliated company dominated market structure resulting in an intensely competitive operating environment
- Potential impact of the recent economic slowdown and ongoing uncertainty surrounding the upcoming general elections on the SMEs and the factoring sector

BAŞER FAKTORİNG A.Ş.					
Financial Data	2014*	2013*	2012*	2011*	2010*
Total Assets (000 USD)	64,602	65,791	65,040	61,611	60,683
Total Assets (000 TRY)	149,805	140,161	115,615	116,377	93,306
Equity (000 TRY)	40,577	35,854	32,261	27,278	23,767
Net Profit (000 TRY)	4,720	6,429	8,008	3,511	2,859
Market Share (%)	0.57	0.64	0.64	0.75	0.65
ROAA (%)	4.16	6.53	8.77	4.25	6.18
ROAE (%)	15.77	24.53	34.18	17.48	19.35
Equity/Assets (%)	27.09	25.58	27.90	23.44	25.47
NPL (%)	12.31	14.15	14.64	8.70	8.29
Growth Rate (%)	6.88	21.23	-0.65	24.73	100.77

*End of year

Company Overview

Başer Faktoring A.Ş., (hereinafter referred to as Başer Faktoring or the Company) was established in 1995 as an independent operator in the Turkish Factoring Sector, which has been subject to the regulation and supervision of the Banking Regulatory and Supervision Agency (BRSA) since 2006. **Bica Holding A.Ş.** is the largest qualified shareholder of the Company with a share of 87.24%. Mr. Atilla **BAŞER**, a real person shareholder of the Company, is also the chairman of the Company.

The Company 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. It carries out its fully domestic operations through its headquarters located in Istanbul and 6 branches (2 of which has been added in the past year) in the provinces of Adana, Ankara, Antalya, Izmir, Bursa and Gaziantep along with 69 personnel as of March, 2015. Başer Faktoring, continued to growth in the past year and reached a total asset size of TRY 149.81mn, equating to a 0.57% market share. The Turkish Factoring Sector, involving 76 companies, had a total asset size of TRY 26.41bn as of FYE2014.

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