


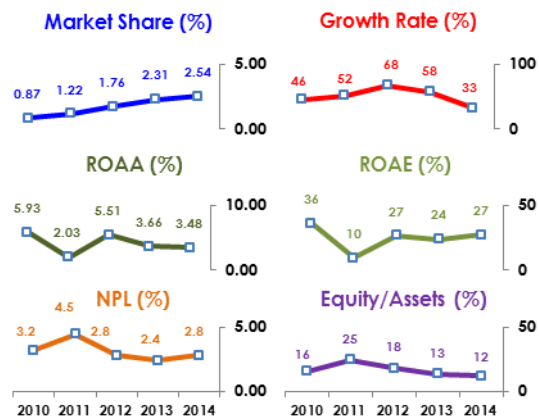
Corporate Credit Rating

Factoring

 ULUSAL FAKTORİNG Finansal Çözüm Ortakçısı...		Long Term	Short Term
International	Foreign Currency	BBB-	A-3
	Local Currency	BBB-	A-3
	Outlook	FC	Stable
LC		Stable	Stable
National	Local Rating	A+ (Trk)	A-1 (Trk)
	Outlook	Positive	Positive
Sponsor Support		2	-
Stand Alone		B	-
Sovereign*	Foreign Currency	BBB-	-
	Local Currency	BBB-	-
	Outlook	FC	Stable
LC		Stable	-

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

Analysts: Orkun INAN/+90 212 352 56 73
orkun.inan@jcrer.com.tr
Bora PAKYUREK/+90 212 352 56 74
bora.pakyurek@jcrer.com.tr



Strengths

- Continuously increasing market share and noteworthy asset and turnover growth, exceeding sector performance
- Well diversified portfolio through growing branch network and national presence and diversifying geographical risk
- Favourable and better than sector average interest margins, supporting profitability and internal resource generation capacity
- Sound asset quality and low level of NPL ratios
- Diversified funding opportunities through debt issuances contributing to borrowings term structure and reliving liquidity management
- Good practices of corporate governance principals
- Shareholder structure with a special purpose investment company inspiring confidence in investors

Constraints

- Increasing leverage due to growing share of external funds among resources, while the capital adequacy is above the legal threshold
- Operational expense ratios above sector and our reference values due to extension of the branch network
- Intense competition in the Turkish Factoring Sector
- Increasing volatility in the markets due to global economic events, increased political tension and suppressed risk appetite of investors in the elections period leading to economic slowdown, volatility on interest and exchange rates and sector-wide potential of diminishing profit margin through rising NPLs

ULUSAL FAKTORİNG A.Ş.						
Financial Data	2014*	2013*	2012*	2011*	2010*	2009*
Total Assets (000 USD)	289,586	236,713	179,239	100,494	81,402	57,575
Total Assets (000 TRY)	671,521	504,293	318,616	189,824	125,164	85,631
Equity (000 TRY)	82,125	67,631	57,913	46,693	19,656	14,626
Net Profit (000 TRY)	16,365	12,019	11,220	2,653	5,030	1,751
Market Share (%) (by asset size)	2.54	2.31	1.76	1.22	0.87	0.82
ROAA (%)	3.48	3.66	5.51	2.03	5.93	5.08
ROAE (%)	27.34	23.97	26.76	9.62	36.47	21.18
Equity/Assets (%)	12.23	13.41	18.18	24.60	15.70	17.08
NPL (%)	2.79	2.41	2.83	4.46	3.20	4.74
Growth Rate (%)	33.16	58.28	67.85	51.66	46.17	206.78

*Audited, Year-End

Overview

Ulusal Faktoring A.Ş. (hereinafter referred to as Ulusal Faktoring or the Company), founded in 1999, began operations in 2001 following the acquisition of the Company by its current shareholders from the Saving Deposits Insurance Funds (SDIF). In December 2011; the investment company **PineBridge Eurasia Financial Investment S.a.r.l.** purchased 46.99% of its shares. The Company offers domestic and revocable factoring services to its continuously growing customer base. The Turkish Factoring Sector has been regulated and supervised by the Banking Regulation and Supervision Agency (BRSA) since 2006.

Ulusal Faktoring is mainly focused on funding micro, small and medium sized enterprises (**MSMEs**) through its headquarters in Maslak (Istanbul) and thirteen branches in the cities of Istanbul, Ankara, Bursa, Gaziantep, Kocaeli, Izmir, Antalya and Adana. Ulusal Faktoring ranks 5th among non-bank affiliated factoring companies and 11th among all factoring firms in terms of asset size. Together with the experienced global partnership of **PineBridge**, the Company reinforced its growing trend in the market. Ulusal Faktoring employed a staff of 171 at the end of 2014, a significant increase from 2013 (FYE 2013:132).

PineBridge Eurasia Financial Investment S.a.r.l. is a special purpose investment company managed by PineBridge Investments. The firm managed approximately USD 72.9bn in investments of institutional and retail clients in more than 30 countries as of December 31, 2014. Ulusal Faktoring signed a credit agreement with **European Bank for Reconstruction and Development (EBRD)** worth € 10 mn with 3 year-maturity as of February 2015. This resource is supposed to be serviced for the credit extension of the MSME segment.

Publication Date: May, 8 2015

"Global Knowledge supported by Local Experience"