JCR Eurasia Rating
"Global Knowledge Supported by Local Experience"

TURKEY

Corporate Credit Rating
(Update)

Factoring

ATILIM FACTORING			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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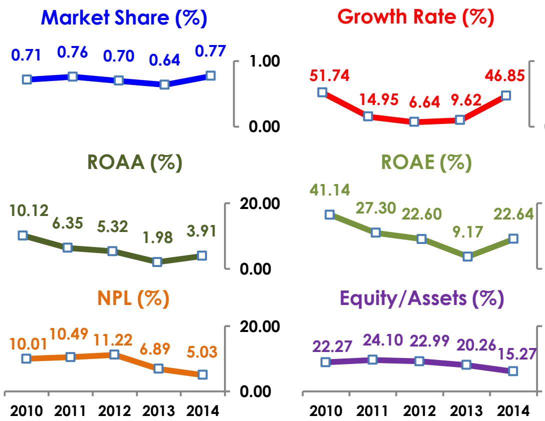

ATILIM FAKTORİNG A.Ş.

Financial Data	1Q2015**	2014*	2013*	2012*	2011*
Total Assets (000 USD)	82,912	87,954	65,192	71,276	62,899
Total Assets (000 TRY)	217,071	203,956	138,885	126,700	118,810
Equity (000 TRY)	30,550	31,135	28,132	29,126	28,638
Net Profit (000 TRY)	1,885	5,329	1,359	5,194	5,621
Market Share (%)	n.a.	0.77	0.64	0.70	0.76
ROAA (%)	n.a.	3.91	1.98	5.32	6.35
ROAE (%)	n.a.	22.64	9.17	22.60	27.30
Equity/Assets (%)	14.07	15.27	20.26	22.99	24.10
NPL (%)	4.92	5.03	6.89	11.22	10.49
Growth Rate (%)	6.43	46.85	9.62	6.64	14.95

*End of year ** End of Period

Company Overview

Atılım Faktoring A.Ş. hereinafter referred to as Atılım Faktoring, or the Company) is founded on 1993 and gained its current ownership status in 2001. The Company provides financing services to its customers through factoring their domestic operations in revocable fashion.

The Company is headquartered in Istanbul, where the majority of the operations take place. As of 2014, Atılım Faktoring had another branch in Istanbul and one office each in Ankara, Antalya and Samsun. As of December 2014, the Company had 64 employees.

The qualified owners of the Company are Dinler and Dalva Families, each owning 49.99% of the total shares. Mr. Doğan Danyel DİNLER represents the Dinler Family while shares of Dalva Family are owned by 3 members.

Funding its activities with diverse resource base, Atılım Faktoring plans to issue a 175-day bill with a nominal amount of TRY 50mn in 2015.

Strengths

- Noteworthy asset growth and greater market share, fueled by short-term factoring receivables,
- Diversified funding mix with bank borrowings and longer term bonds and bills
- Adequate capitalization level sufficient profits reserves facilitating paid-in capital increase without resorting to cash injection so as to comply with the upcoming legal regulation,
- Satisfactory interest margin, contributing to the internal revenue generation capacity,
- Absence of foreign currency position, shielding the Company from volatilities in the FX markets,
- Investments in the IT structure and credit intelligence systems supporting asset quality and facilitating risk management

Constraints

- Relatively higher NPL ratios despite of the write-offs, reflecting a carrying balance from the previous periods, while displaying satisfactory performance as of 1Q2015
- Limited geographic penetration and branch network, constraining the diversification across different local markets,
- Comparatively larger operating expenses indicators, curtailing the net profit margin
- Political uncertainties arising from the upcoming parliamentarian elections and the tensions & conflicts in the neighboring regions, coupled with the anticipated tapering policy
- Extensive competition and highly fragmented market structure

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