

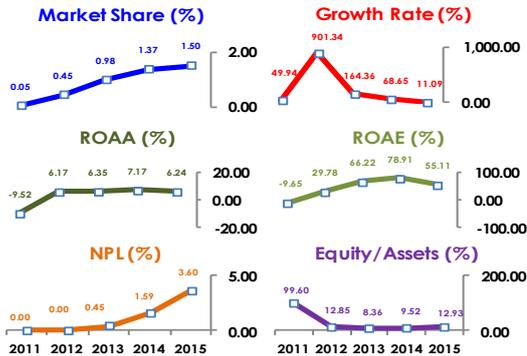
Corporate Credit Rating

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

*Assigned by Japan Credit Rating Agency, JCR on August 28, 2015

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Strengths

- Continuance of above sector average growth rates leading to a steady improvement in market share
- High level of profitability ratios, despite a slight drop, indicating a widening gap with the sector, contributing to internal equity generation capacity and promising further growth
- Ongoing interest margin outpacing sector averages
- Realized bond issuances overcoming the major sectoral disadvantage of scarce alternative funding sources
- Professional senior finance management team and experienced shareholder structure, enhancing the portfolio value
- High rates of coverage collateral, ensuring asset quality
- Below sector but strengthened equity level through internal equity injection despite performing an upward trend for the last three year period

Constraints

- Augment in financial expenses due to interest payments of bank loans and bond issuances, pressuring profitability
- Upward trend in NPL deteriorating the asset quality but still standing below sector averages
- Need for further improvement in increasing the granularity of the receivables portfolio to reduce the concentration exposure
- Sector market share largely driven by leading bank managed factoring companies and relatively scarce operating channels compared to bank-related companies
- Ongoing above sector average ratio of short term borrowings to total assets
- Need for improvements in corporate governance practices
- Ongoing economic and political turmoil and regional tensions hosting uncertainties on SMEs and the Factoring Sector through sector-wide increases in overdue loans

AK FAKTORİNG A.Ş.					
Financial Data	2015*	2014*	2013*	2012*	2011*
Total Assets (000 USD)	149,406	155,804	100,560	45,589	4,284
Total Assets (000 TRY)	401,350	361,295	214,233	81,038	8,093
Equity (000 TRY)	51,909	34,399	17,904	10,411	8,061
Net Profit (000 TRY)	19,040	16,494	7,493	2,350	-688
Market Share (%)	1.50	1.37	0.98	0.45	0.05
ROAA (%)	6.24	7.17	6.35	6.17	-9.52
ROAE (%)	55.11	78.91	66.22	29.78	-9.65
Equity/Assets (%)	12.93	9.52	8.36	12.85	99.60
NPL (%)	3.40	1.59	0.45	0.00	0.00
Growth Rate (%)	11.09	68.65	164.36	901.34	49.94

*End of year

Company Overview

Ak Faktoring A.Ş. (henceforward referred to as 'the Company' or 'Ak Faktoring') was established in 1992 under the name "Ak Faktoring Hizmetleri Ticaret Anonim Şirketi" to operate in the Turkish Factoring Sector. The Company offers cash financing to sellers in return for their receivables, based on invoices or other certifying documents representing the domestic sales of goods and services, by undertaking their collection.

Altınhas Holding A.Ş., the largest shareholder of the Company, operates in the fields of asset management, education, energy, finance, accessories (jewelry), construction, textile and factoring.

Ak Faktoring maintained its country-wide operations through its head office in Istanbul with an increasing staff force of 47 in FYE2015. The Company's long term national grade was **BBB(Trk)** in FYE2015. The Company, with a total asset size of TRY 401.35mn, had a 1.50% market share in the factoring sector worth a total of TRY 26.72 bn in FYE2015.

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