

Corporate Credit Rating

NON- BANKING FINANCIAL INSTITUTIONS
NPL Asset Management Companies

FINAL VARLIK YONETIM		Long Term	Short Term
International	Foreign Currency	BBB-	A-3
	Local Currency	BBB-	A-3
	Outlook	FC Stable	Stable
National	Local Rating	BBB+(Trk)	A-2(Trk)
	Outlook	Positive	Stable
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 August 28,2015

Chief Analyst: Orkun İNAN

+90 212 352 56 73 | orkuni@jcrer.com.tr

Final Varlık Yönetim A.Ş.				
Financial Data	2015*	2014*	2013*	2012*
Total Assets (000 USD)	70,843	61,139	46,367	19,470
Total Assets (000 TRY)	205,982	141,776	98,962	34,609
Total Net Loans (000 TRY)	176,521	135,017	93,531	32,945
Equity (000 TRY)	34,408	18,434	12,903	9,921
Net Profit (000 TRY)	16,013	5,531	2,976	199
Market Share (%)	n.a.	5.56	5.34	0.24
ROAA (%)	11.58	5.85	5.46	0.82
ROAE (%)	76.19	44.91	31.95	1.86
Equity/Assets (%)	16.70	13.00	13.04	28.7
Purchase Cost / Purchased Loans	11.92	4.00	15.44	n.m.
Purchase Cost / Collections	47.94	85.01	228.11	n.m.
Operating Expenses / Collections	21.83	27.47	28.18	n.m.
Asset Growth Rate (%)	45.29	43.26	185.94	244.06

*End of the Year

Company Overview

Final Varlık Yönetim Anonim Şirketi (hereinafter referred to as "Final Varlık" or the "Company"), founded in 2011 and headquartered in İstanbul, operates with an average staff of 207 as of December 31, 2015 in NPL Asset Management Sector as one of 12 companies, authorized by the Banking Regulation and Supervision Agency to acquire distressed and non-performing loans of banks and other financial institutions in Turkey and converting these assets into cash at optimum values and maximize the values of these assets.

The Company's real person shareholding structure covers 4 individuals and one entity, the main controlling shareholders, who also hold majority shares in Altınhas Holding A.Ş. and had shares in Altınbaş Holding A.Ş., a leading institution in Turkey operating in the jewellery, finance, energy, logistics, education and sports sectors, Mr. İnan ALTINBAŞ (53.00%) and Mr. Hüseyin ALTINBAŞ (43.99%), as of December 31, 2015.



Strengths

- A gradual acceleration of activity in collection rates strengthening NIM,
- Sound return on equity and assets ratios outstripping the sector average,
- Diversified borrowing structure with a bond issue enabling long term funding,
- Functionalized risk management processes and existence of secured portfolio providing high collection rate through conscious growth strategy,
- High asset quality, backed by significant amounts of purchased loan portfolio along with reserves for loan losses,
- Experienced management and sound operational record,
- Upward trend of compliance with corporate governance best practices.

Constraints

- Equity level remaining well below the sector average while well above the legal limit,
- Stiff competition leading to margin pressure in view of purchase costs,
- Despite increasing liquidity structure in 2015, heightened volatility and illiquidity environment in consumer and commercial segments engendering additional buffers need for capital conservation,
- Deteriorated TL and downside risks to growth exerting pressure on profit margins and impacts on debt-servicing capabilities of the real sector.

Publication Date: April 7, 2016

"Global Knowledge supported by Local Experience"