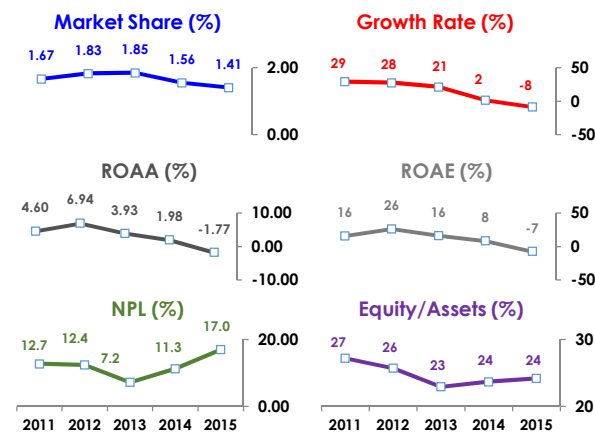


Corporate Credit & Issue Rating
**Non-Banking Financial Institutions
Factoring**

eko faktoring		Long Term	Short Term	
International	Foreign Currency	BBB-	A-3	
	Local Currency	BBB-	A-3	
	Outlook	FC	Stable	Stable
		LC	Stable	Stable
Issue Rating		N/A	N/A	
National	Local Rating	BBB (Trk)	A-3 (Trk)	
	Outlook	Stable	Stable	
	Issue Rating	BBB (Trk)	A-3 (Trk)	
Sponsor Support		3	-	
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

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Strengths

- Strong paid-in capital beyond the regulatory requirements
- Diversified funding mix with bank borrowings and bond issuances
- Experienced management team and adoption of regulations drawn out by local authorities
- Automated processes and credit decision tools to minimize operational errors
- Improved standard ratio in 2015 to maintain capital adequacy
- Widespread branch network to expand customer portfolio with SMEs in Anatolia
- Ratio of short term borrowings over total assets below the sector averages, mitigating liquidity risk

Constraints

- Net loss as of FYE2015 and 2016Q1
- Noticeable increase in NPL ratio
- Contraction in total transaction volume
- Decline in asset based market share for the last 3 years
- Increase in operational costs above the sector averages that emanated from closed branches' depreciation costs
- Ratio of impaired receivables over total equity is above the sector averages
- Macroeconomic uncertainties arising from the tensions & conflicts in the local political environment and neighboring regions
- Intensive competitive environment dominated by bank-owned companies which enjoys low borrowing costs.

EKO FAKTORİNG A.Ş.						
Financial Data	2016Q1	2015*	2014*	2013*	2012*	2011*
T. Assets (000 USD)	136,442	129,478	177,210	189,551	187,109	137,888
T. Assets (000 TRY)	386,594	376,470	410,932	403,819	332,605	260,456
Equity (000 TRY)	89,045	91,085	97,388	92,667	85,565	70,843
Net Profit (000 TRY)	-2,026	-5,168	6,868	11,420	16,376	9,168
Market Share (%)	1.47	1.41	1.56	1.85	1.83	1.67
ROAA (%)	N/A	-1.77	1.98	3.93	6.94	4.60
ROAE (%)	N/A	-7.40	8.50	16.24	26.32	15.90
Equity/Assets (%)	23.03	24.19	23.70	22.95	25.73	27.20
NPL (%)	18.98	17.00	11.33	7.23	12.40	12.72
Growth Rate (%)	2.69	-8.39	1.76	21.41	27.70	29.42

*End of year

Company Overview

Eko Faktoring A.Ş. (referred to as 'the Company' or 'Eko Faktoring') was founded in 1994 to operate as a factoring services supplier for commercial transactions to customers by undertaking their collection. The Factoring Sector has been regulated and supervised by the Banking Regulation and Supervision Agency (BRSA) since 2006 and Eko Faktoring is subject to its regulations. The Company had 102 employees as of FYE2015 and operates in its headquarters in Istanbul and 14 branches located nationwide (12-as of 1Q16). The Company realized its first bond issuance amounting to TRY 50mn in July 2012.

The Turkish Factoring Sector was worth a total of TRY 26.71 bn. Eko Faktoring, with a total asset size of TRY 376.47mn, held a 1.41% market share in the sector.

Coöperatieve BVS Financial Services U.A. is the main shareholder of Eko Faktoring with 28.5% share. The Bancroft Group, the sole shareholder of Coöperatieve BVS Financial Services U.A., is a private equity fund established in 1989 specialized in investments in Middle and Eastern Europe. Eko Faktoring did not have any subsidiaries as of reporting date.