

Corporate Credit Rating

Factoring

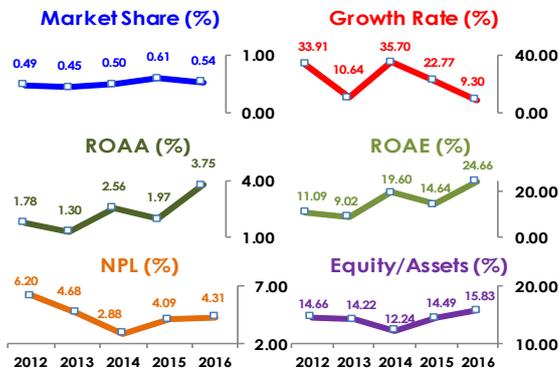
devir faktoring		Long Term	Short Term	
International	Foreign Currency	BBB-	A-3	
	Local Currency	BBB-	A-3	
	Outlook	FC	Stable	Stable
		LC	Stable	Stable
Issue Rating	n.a.	n.a.		
National	Local Rating	A- (Trk)	A-1 (Trk)	
	Outlook	Stable	Stable	
	Issue Rating	A- (Trk)	A-1 (Trk)	
Sponsor Support		2	-	
Stand Alone		B	-	
Sovereign*	Foreign Currency	BBB-	-	
	Local Currency	BBB-	-	
	Outlook	FC	Stable	-
LC		Stable	-	

*Affirmed by Japan Credit Rating Agency, JCR on October 7, 2016

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Strengths

- Sustainability through moderate risk profile, stability of management and prudent stance
- Net interest margin continuing to perform well above the sector
- Main profitability indicators improving and reversing below-sector-average pattern
- NPL ratios still below the sector average despite notable inflow and narrowing gap together with the level of earning assets contributing to asset quality
- Moderate concentration levels on sector and client bases – the latter notably improved
- Sustained growth path while maintaining a prudential small scale
- Continuing efforts to improve corporate governance compliance
- Adequate collateral structure & low pressure of off-B/S items

Constraints

- Upside risks of weakened TL and downside risks to growth affecting profit margins and debt-servicing capabilities of the real sector
- Widening interest rate exposure through increasing share of floating rate financial debts
- High operating expenses by scale
- Short term borrowing profile of the sector
- Fierce and asymmetric competition throughout the sector

DEVİR FAKTORİNG A.Ş.					
Financial Data	2016*	2015*	2014*	2013*	2012*
Total Assets (000 USD)	50,353	55,959	57,152	45,760	49,659
Total Assets (000 TRY)	177,837	162,706	132,529	97,666	88,274
Equity (000 TRY)	28,147	23,577	16,222	13,890	12,945
Net Profit (000 TRY)	5,079	2,307	2,343	955	1,097
Market Share (%)	0.54	0.61	0.50	0.45	0.49
ROAA (%)	3.75	1.97	2.56	1.30	1.78
ROAE (%)	24.66	14.64	19.60	9.02	11.09
Equity/Assets (%)	15.83	14.49	12.24	14.22	14.66
NPL (%)	4.31	4.09	2.88	4.68	6.20
Growth Rate (%)	9.30	22.77	35.70	10.64	33.91

*End of the year

Company Overview

Devir Faktoring A.Ş. (hereinafter to be referred as **Devir Faktoring, Devir** or **the Company**) was founded in 1991 by a partnership with Demirbank to operate in the Turkish Factoring Sector having been regulated and supervised by the Banking Regulation and Supervision Agency (BRSA) since 2006.

Following its foundation, the Levi Family acquired all of the shares in 1993 and has since been the sole ultimate shareholder of **the Company**.

The Company maintains its operations by a staff force of 55 employees as of FYE2016 through its headquarters in Istanbul. In line with adoption of a new strategy in 2011, **Devir Faktoring** has established two branches in Istanbul (Pendik) and Ankara (Ostim).