

Corporate Credit Rating

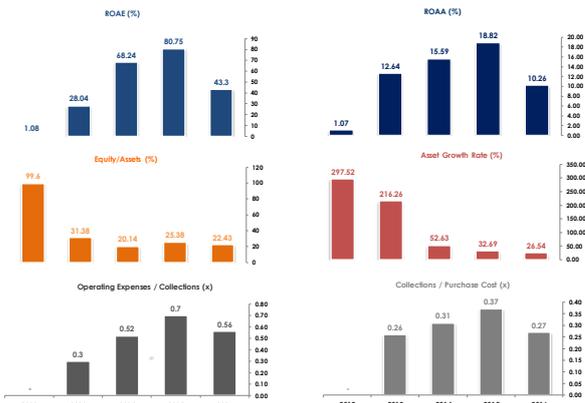
**NON- BANKING FINANCIAL INSTITUTIONS**  
**NPL Asset Management Companies**

VERA		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-2(Trk)	
	Outlook	Stable	Stable	
	Issue Rating	A-(Trk)	A-2(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 on October 7,2016

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**Strengths**

- The level of provision providing a buffer to absorb unexpected losses,
- Well above-sector-average profitability supporting internal equity generation,
- A strong record of supporting growth of the capital base through its operations,
- Capitalization remain strong and compare well with peers,
- High level of access to liquidity through diversified funding mix,
- Upward trend of portfolio sales by bank and recent sector legislation together with low level of sector penetration promising room for future sector growth,
- Effective and efficient operating processes leading to high collection rate.

**Constraints**

- In line with ongoing asset growth, upward trend in financial expenses resulting restrain profitability,
- Intense competition driving to margin pressure in view of portfolio costs,
- Improvements needed in corporate governance principles,
- Domestic and international political instability and regulatory risk, which like a domino effect on macro indicators.

VERA Varlık Yönetim A.Ş.		1Q2016**	2016*	2015*	2014*	2013*	2012*
Financial Data							
Total Assets (000 USD)		84,190	72,700	66,550	54,671	18,782	5,673
Total Assets (000 TRY)		306,130	256,763	193,500	126,776	40,086	10,084
Total Net Loans (000 TRY)		241,918	227,447	95,555	26,815	34,981	2,432
Equity (000 TRY)		62,822	57,590	49,112	25,530	12,577	10,044
Net Profit (000 TRY)		5,290	18,478	23,582	10,402	2,533	44
Market Share (%)		n.a.	n.a.	6.97	4.24	1.86	0.7
ROAA (%)		n.m.	10.26	18.82	15.59	12.64	1.07
ROAE (%)		n.m.	43.30	80.75	68.24	28.04	1.08
Equity/Assets (%)		20.52	22.43	25.38	20.14	31.38	99.60
Purchased Cost / Purchased Loans (x)		n.m.	0.60	0.56	0.17	0.10	n.m.
Collections / Purchase Cost (x)		n.m.	0.27	0.37	0.31	0.26	n.m.
Operating Expenses / Collections (x)		n.m.	0.56	0.70	0.52	0.30	n.m.
Asset Growth Rate (%)		26.54	32.69	52.63	216.26	297.52	n.a.

\*End of the Year, \*\* Unaudited Figures

**Company Overview**

Vera Varlık Yönetim Anonim Şirketi (hereinafter referred to as "Vera Varlık" or the "Company"), operates in the management of assets which acquired via purchasing over-due receivables from banks and other financial institutions or taking them on with respect to revenue sharing basis including the activities of collection and restructuring of them as well as consultancy The Company, within the content of BRSA regulations, has commenced its activities in 2011. The Company, with a total asset size of TRY193.5mn, had a 6.97% market share in terms of total assets in the NPL Asset Management Sector worth a total of TRY 2.77bn.

The shareholding structure of Vera Varlık covered 7 individuals as of FYE2016, one of which is the main controlling shareholder, namely Mr. Memduh ÖZTÜRK.

JCR Eurasia Rating has upgraded Vera Varlık's National Local Rating by one notch to 'A-(Trk)' from 'BBB+(Trk)'.

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