

## Corporate Credit & Issue Rating

New  Update

Sector: Factoring

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### Analyst(s)

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### RATINGS

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

\*Affirmed by JCR on November 10, 2017

## Analiz Faktoring A.Ş.

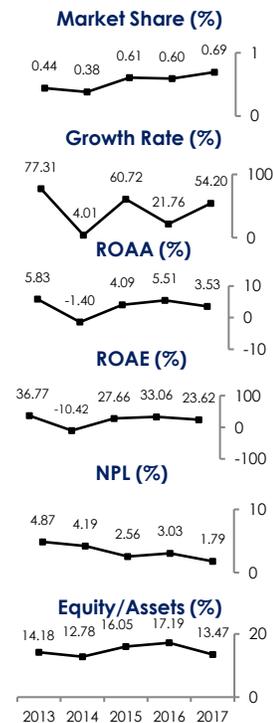
### Company Overview

Financial Data	2017*	2016*	2015*	2014*	2013*
Total Assets (000 USD)	79,687	55,753	55,618	43,392	45,412
Total Assets (000 TRY)	303,641	196,910	161,715	100,621	96,745
Equity (000 TRY)	40,907	33,851	25,959	12,864	13,715
Net Profit (000 TRY)	7,074	7,900	4,108	-1,117	3,440
Market Share (%)	0.69	0.60	0.61	0.38	0.44
ROAA (%)	3.53	5.51	4.09	-1.40	5.83
ROAE (%)	23.62	33.06	27.66	-10.42	36.77
Equity/Assets (%)	13.47	17.19	16.05	12.78	14.18
NPL (%)	1.79	3.03	2.56	4.19	4.87
Growth Rate (%)	54.20	21.76	60.72	4.01	77.31

\* Audited financial statements

'Analiz Faktoring A.Ş.' (hereinafter referred to as 'Analiz Faktoring' or 'the Company') has operated in the Turkish Factoring sector since 2008 as a non-bank owned factoring company. Since 2006, the Turkish Factoring Sector has been regulated and supervised by the Banking Regulation and Supervision Agency (BRSA). With a staff force of 43 in 4 branches, the Company provides funding to its customer portfolio via financing invoiced/documentated receivables based in Turkey.

The Company's current real person shareholding structure covers 5 individuals. The qualified shareholders with shares of 25% and over are Mr. Selim Tariç (40%) and Mr. Nesim Geron (25%). With an increasing total asset size of TRY 303.64mn, the Company maintained its market share of 0.69% in the TRY 43.71bn factoring sector (FYE2017).



### Strengths

- Robust above sector asset growth in line with an expansion in the factoring receivables portfolio and increased market share
- Steadily below sector average low NPL ratios bolstering asset quality through intelligence and credit services
- Enhanced borrowing profile and increasing utilization of marketable securities
- Above sector averages core profitability ratios despite a slight drop in FYE2017
- Granular receivables portfolio and fair concentration risk in terms of customers
- Experienced management team and well-organized risk management infrastructure

### Constraints

- Rising financial expenses pressurizing profitability
- Steadily decreased interest margin despite being above sector averages
- Increasing borrowing costs affected by market interest rates due to significant dependence on external funding to finance its assets
- Intensive competitive environment dominated by bank-owned companies which have comparative advantage with wide branch network and low borrowing costs
- Ongoing uncertainties arising from domestic and global economic and political risks, pressurizing the risk appetite and asset quality of lenders