

## Corporate Credit & Issue Rating

New  Update

Sector: Factoring  
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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	BBB+ (Trk)	A-2 (Trk)	
	Outlook	Stable	Stable	
	Issue Rating	BBB+ (Trk)	A-2 (Trk)	
Sponsor Support		3	-	
Stand-Alone		B	-	
Sovereign*	Foreign Currency	BBB-	-	
	Local Currency	BBB-	-	
	Outlook	FC	Stable	-
		LC	Stable	-

\*Affirmed by JCR on November 10, 2017

## Sardes Faktoring A.Ş.

### Company Overview

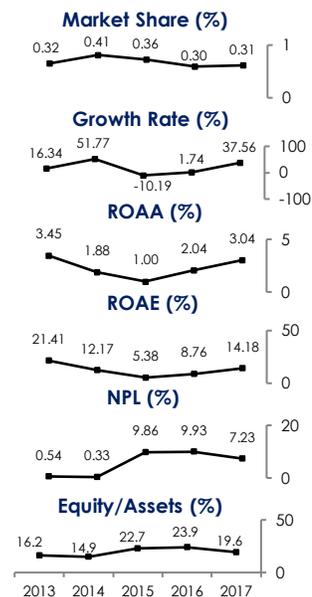
Financial Data	2017*	2016*	2015*	2014*	2013*
Total Assets (000 USD)	35,436	27,793	33,183	46,331	33,228
Total Assets (000 TRY)	135,027	98,160	96,484	107,436	70,788
Equity (000 TRY)	26,448	23,504	21,903	15,990	11,472
Net Profit (000 TRY)	2,944	1,601	813	1,393	1,726
Market Share (%)	0.31	0.30	0.36	0.41	0.32
ROAA (%)	3.04	2.04	1.00	1.88	3.45
ROAE (%)	14.18	8.76	5.38	12.17	21.41
Equity/Assets (%)	19.59	23.94	22.70	14.88	16.21
NPL (%)	7.23	9.93	9.86	0.33	0.54
Growth Rate (%)	37.56	1.74	-10.19	51.77	16.34

\*End of year

Sardes Faktoring A.Ş. (hereinafter referred to as “Sardes Faktoring”, or the “Company”) was established in 2010 to operate in the Turkish Factoring Sector. The sector has been regulated and supervised by the Banking Regulation and Supervision Agency (BRSA) since 2006.

The major qualifying shareholders of the company as of December 31, 2017, were Mr. Emin Hakan Eminsoy (71.46%), Mr. Kazım Cenk Tülümen (19.04%) and Mr. Celalettin Çağlar (9.50 %). The Company provided domestic and recourse or non-recourse factoring facilities through a staff force of 12 people as of FYE2017 (As of December 31, 2016: 13). The Company carries out its fully domestic and revocable factoring transactions through its headquarters in Istanbul.

The Company, with a total asset size of TRY 135.02 mn, had a 0.31 % market share in the factoring sector worth a total of TRY 43.7 bn in FYE2017.



### Strengths

- Almost twofold increase in net profit
- Service to many customers in different sectors
- Expanded funding opportunities and efforts to diversify funding channels through projected bond issuance
- Sufficient equity level above sector averages
- Qualified management team's broad experience in Turkish Financial Sector

### Constraints

- Low market share
- Strong competition in the market
- Lack of branch network considering the domination of bank affiliated companies
- Increasing interest rate environment, potentially tightening the net interest margin
- High NPL ratio above the sector average, despite improvement