

## Corporate Credit & Issue Rating

New  Update

Sector: Leasing

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### Head of Group

Zeki Metin ÇOKTAN

[zeki.coktan@jcrer.com.tr](mailto:zeki.coktan@jcrer.com.tr)

### Assistant Analyst

Ersin KILIÇKAP

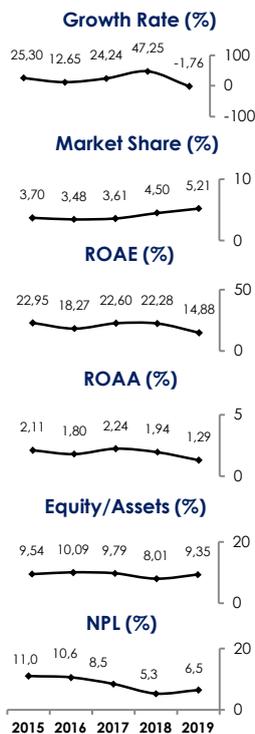
[ersin.kilickap@jcrer.com.tr](mailto:ersin.kilickap@jcrer.com.tr)

+90 212 352 56 73

## RATINGS

		Long Term	Short Term	
International	Foreign Currency	BB	B	
	Local Currency	BB	B	
	Outlook	FC	Negative	Negative
		LC	Negative	Negative
Issue Rating	-	-		
National	Local Rating	A- (Trk)	A-1 (Trk)	
	Outlook	Stable	Stable	
	Issue Rating	A- (Trk)	A-1 (Trk)	
Sponsor Support	1	-		
Stand-Alone	AB	-		
Sovereign*	Foreign Currency	BB+	-	
	Local Currency	BB+	-	
	Outlook	FC	Negative	-
		LC	Negative	-

\*Assigned by JCR on April 10, 2020



## Vakıf Finansal Kiralama A.Ş.

### Company Overview

Financial Data	2019**	2018*	2017*	2016*	2015*
Total Assets (000 USD)	510.294	586.501	555.521	477.528	517.811
Total Assets (000 TRY)	3.031.147	3.085.523	2.095.369	1.686.534	1.505.588
Equity (000 TRY)	283.345	247.159	205.138	170.103	143.644
Net Profit (000 TRY)	31.578	40.015	33.847	23.281	23.679
Market Share (%)	5,21	4,50	3,61	3,48	3,70
ROAA (%)	1,29	1,94	2,24	1,80	2,11
ROAE (%)	14,88	22,28	22,60	18,27	22,95
Equity/Assets (%)	9,35	8,01	9,79	10,09	9,54
NPL (%)	8,34	5,32	8,45	10,56	11,03
Growth Rate (%)	-1,76	47,25	24,24	12,02	25,30

\*Audited consolidated financial statements

\*\*Audited unconsolidated financial statements

The Company, **Vakıf Finansal Kiralama A.Ş.**, was founded in 1988 to provide leasing services to real sector firms, particularly to Small and Medium Size Enterprises (SMEs), for their investments regarding assets and capital goods. The Company has been publicly traded since 1991 (with a 22.54% free float rate of its TRY 175mn paid-in capital as of 2019 year-end).

The Company is a subsidiary of **Türkiye Vakıflar Bankası T.A.O.**, a large-scale and mostly publicly capitalized commercial bank in Turkey, with a 58.71% stake. **Güneş Sigorta A.Ş.** holds 15.65% of the Company shares. Both the stated shareholders of the Company are listed on the Borsa Istanbul (BIST). Vakıf Leasing has a staff force of 70 as of 2019 year-end. The Company performs its activities through its headquarters in Istanbul and five branches in Ankara, Adana, Bursa, Izmir and Antalya as well as in the widespread branch network of Vakıfbank.

The Company's long-term national grade was affirmed as **'A- (Trk)'** with a **'Stable'** outlook.

### Strengths

- Continuous increase in market share in the last four years.
- Solid liquidity measures
- Advantages of being a bank affiliate company.
- High level of compliance with corporate governance principles
- Strong and reputable shareholding structure
- Qualified management team and successful risk management

### Constraints

- Projected contraction on global and local economy in 2020, triggered by coronavirus outbreak
- Downward pressure on profitability figures and margins
- Increasing NPL rate parallel to sector average