

Corporate Credit Rating

Leasing

Şeker Leasing		Long-Term	Short-Term
International	Foreign currency	BB	B
	Local currency	BB	B
	Outlook	Stable	Stable
National	Local Rating	BBB+ (Trk)	A-1 (Trk)
	Outlook	Positive	Stable
Sponsor Support		2	-
Stand Alone		AB	-
Sovereign*	Foreign currency	BB	B
	Local currency	BB	B
	Outlook	Stable	Stable

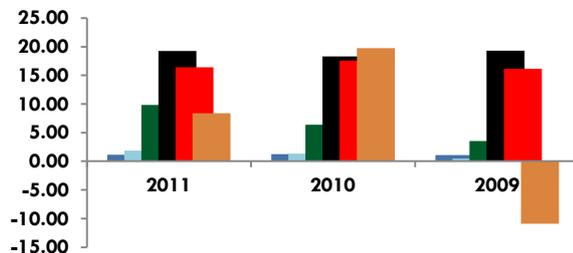
*Assigned by Japan Credit Rating Agency, JCR on February 21, 2011

Analyst: Zeki Metin **ÇOKTAN** / +90 212 352 56 73

zekic@jcrer.com.tr

Analyst: Gökhan **İYİĞÜN** / +90 212 352 56 74

gokhani@jcrer.com.tr



ŞEKER FİNANSAL KİRALAMA A.Ş.					
Financial Data	2011*	2010*	2009*	2008*	2007*
Total Assets (000 USD)	111,105	125,266	107,384	119,968	91,202
Total Assets (000 TL)	209,867	193,662	161,688	181,427	106,579
Equity (000 TL)	40,454	35,491	31,182	15,838	7,835
Net Income (000 TL)	4,963	4,309	10,344	3,004	1,043
Market Share (%)	1.13	1.23	1.10	1.06	0.78
ROAA (%)	1.85	1.20	0.48	1.31	1.12
ROAE (%)	9.81	6.39	3.53	15.98	121.89
Equity/Assets (%)	19.28	18.33	19.29	8.73	7.35
NPL Ratio (%)	16.43	17.59	16.15	9.73	7.75
Growth Rate (%)	8.37	19.78	-10.88	70.23	20.59

*End of year

Company Overview

Şeker Finansal Kiralama A.Ş. (hereinafter referred to as Şeker Leasing, or the Company), is a partially owned subsidiary of **Şekerbank T.A.Ş.** (the Bank), a mid-scale commercial bank in Turkey which was assigned a long-term national rating of 'A+ (Trk)' by JCR-ER, with a 50.95% stake. The Company was founded in 1997 and listed on the ISE (Istanbul Stock Exchange) in 2004. As of FYE2011, the free float rate was 19.55% of total capital of TRY 45mn. Şeker Leasing operates in the Turkish leasing sector and carries out its activities through its headquarters, three regional offices (Ankara, Bursa, and Izmir) and widespread branch network of the Bank, with a work force of 26 as of FYE2011.

The Company, with a total asset size of TRY 209.87mn, had a 1.13% market share in the leasing sector worth a total of TRY 18.63bn as of FYE2011. The Company has a subsidiary named **Sekar Oto Kiralama Turizm Kargo Taşımacılık Hizmeti ve Tic. Ltd.Şti.**, consolidated in its statements, and has an affiliate named **Seltur Turistik İşl.Yat.A.Ş.**, recorded in marketable securities account.

The Company's short-term national grade was upgraded one notch to 'A-1 (Trk)' with a 'Stable' outlook, and long-term national grade's outlook was revised to 'Positive'.

Strengths

- One of the few leasing companies listed on the ISE
- High growth potential for the leasing sector given the relatively low penetration level
- Board resolution regarding bond issuance (TRY 50mn) increasing diversity in funding sources that would provide a basis to outperform the sector in terms of profitability
- Ongoing and remarkable upward trend in the profitability ratios
- Positively differentiated collateral level regarding sector
- Remarkable improvement in receivables concentration per customer
- High transparency level in terms of transactions, reporting and management
- Successive two years of fairly above sector average interest margin
- Increasing synergy through the Şekerbank branches

Constraints

- High level of price competition caused by the excessive number of firms in the sector with a downward pressure on interest margin
- Maturity mismatches inherent in the sector
- Inadequate level of product diversity throughout the sector
- Regulations on VAT resulting in a lack of enthusiasm for leasing means, despite a partial improvement in the last year
- Deficiencies in the sector legislation
- Adverse effects of FX fluctuations on I/S
- Relatively high NPL ratios

Publication Date: March 30, 2012

"Global Knowledge supported by Local Experience"

Copyright © 2011 by JCR Eurasia Rating. Nispetiye Cad. Firuze Sok. Ceylan Apt. No:1-D:8 Akatlar/İSTANBUL Telephone: +90.212.352.56.73 Fax: +90 (212) 352.56.75
 Reproduction is prohibited except by permission. All rights reserved. All of the information has been obtained from sources JCR ER believes are reliable. However, JCR-ER does not guaranty the truth, accuracy, adequacy of this information. A JCR ER Rating is an objective and independent opinion as to the creditworthiness of a security and issuer, not a recommendation to buy, hold, sell any security and to issue a loan. This rating report has been composed within the frameworks of SPK (Capital Markets Board of Turkey) regulations and internationally accepted rating principles and guidelines but is not covered by the NRSRO regulations. <http://www.jcrer.com.tr>