

PRESS RELEASE
Istanbul – August 28, 2015

JCR Eurasia Rating
has upgraded the credit ratings of **Akdeniz Faktoring A.Ş.**
to **'A-(Trk)/Positive'** on the Long Term National Scale and affirmed its rating as
'BBB-/Stable' on the Long Term International Foreign Currency Scale.

JCR Eurasia Rating has upgraded the investment grade credit ratings of "Akdeniz Faktoring A.Ş." to 'A- (Trk)' on the Long Term National Scale along with a 'Positive' outlook. In addition, JCR Eurasia Rating has also affirmed the Long Term International Foreign and Local Currency Ratings as 'BBB-'. Other notes and details of the ratings are given in the table below:

Long Term International Foreign Currency	: BBB- / (Stable Outlook)
Long Term International Local Currency	: BBB- / (Stable Outlook)
Long Term National Local Rating	: A-(Trk) / (Positive Outlook)
Short Term International Foreign Currency	: A-3 / (Stable Outlook)
Short Term International Local Currency	: A-3 / (Stable Outlook)
Short Term National Local Rating	: A-1 (Trk) / (Stable Outlook)
Sponsor Support	: 1
Stand Alone	: B

The factoring sector's significant future growth potential is expected to continue taking into account low levels of domestic penetration along with the increase in the extent of effectiveness by supervisory and regulatory authorities and the increased representational powers and effectiveness of the "Financial Institutions Union" which brings together all factoring, leasing, consumer financing companies constituted by legal obligations put in place at FYE2012. Furthermore, the new Takasbank Money Market (TMM) Procedure which came into force on 10 April 2015 enabling Leasing, Factoring and Financing Companies to join the membership of Takasbank Money Markets (TMM) is estimated to provide factoring companies with alternative models of funding and improve systemic support levels in the subsequent period. On the other hand, the intensely competitive operating environment that prevails throughout the sector necessitates tailor made solutions for customers, rapid conclusion of business procedures and sustainable growth, whilst rising transactional volume and pressure requires emphasis on effective risk management procedures.

Akdeniz Faktoring A.Ş. (henceforth the Company or **Akdeniz Faktoring**) has operated within **Zülfikarlar Holding**, which conducts business petroleum and petroleum products, energy and the financial sector, since 1993 and provides funding to a customer profile largely comprised of domestic factoring companies. Akdeniz Faktoring A.Ş. acquired 6.25% shares of the leading Holding company, **Turkuaz Petrol Ürünleri A.Ş.** on September 17, 2014. The Company has concentrated its operations at its headquarter and has a branch in Ankara which is currently inactive.

Akdeniz Faktoring's interest margin stood below the sector average reflecting the owner's prudent risk taking growth strategy. Despite displaying a modest loan-book growth as of yearend 2014, Akdeniz Faktoring has increased its turnover while enjoying a remarkably low NPL ratio thanks to its high asset quality and strong collateral structure. Additionally, Akdeniz Faktoring achieved a satisfactory credit growth along with improved profit indicators owing to the room provided through sound capital increase in 2015, the majority of which was met through cash injection, and the strategy to increase the share of profitable SME on the receivables portfolio. Moreover, in addition to shareholder's capital support, available cash credit lines and issuance of debt instruments provided flexibility and improved Akdeniz Faktoring's liquidity management.

In addition to the positive differentiation regarding the ratio of non-interest expenses to total revenues and average assets from that of the sector, the strength conferred upon the Company by a balance sheet with no foreign currency risk, the synergy created among Group companies, significant level of support provided for the revenue generating capacity by its asset quality and collateral structure and the capitalization level are the major factors that underlie the upward revision of the Company's long term national ratings and outlook as **'A-/Positive'**.

It is considered that the controlling shareholder **İsfendiyar Zülfikari** and **Zülfikarlar Holding** have the willingness to ensure long term liquidity and equity depending on financial capability should such a need arises and experience to provide efficient operational support to Akdeniz Faktoring A.Ş. In this regard, the Company's Sponsor Support grade has been determined as **(1)**.

Additionally, taking into account the internal resource generation capacity, profitability potential, growth capability and prospects, asset quality, capitalization level, liquidity profile and over 20 years of experience in the sector, we, as JCR Eurasia Rating, are of the opinion that the Company has reached the adequate level of financial strength, administrative experience and foundation to manage its financial obligations regardless of any assistance, provided that the consistency provided in the senior management and macroeconomic outlook does not concentrate on the negative direction. Within this context, the Stand Alone grade of the Akdeniz Faktoring A.Ş. has been determined as **(B)** in the JCR Eurasia Rating notation system.

For more information related to the rating results you may visit our internet site <http://www.jcrer.com.tr> or contact our analyst Mr. **Abdurrahman TUTGAÇ**.

JCR EURASIA RATING
Administrative Board

JCR AVRASYA
DERGELENDİRME A.Ş.
19 Mayıs Mah. 19 Mayıs Cad. Nova Baran Plaza No:4 Kat: 12 Şişli-İSTANBUL


BASIN AÇIKLAMASI

İstanbul – 28 Ağustos 2015

JCR Eurasia Rating, Akdeniz Faktoring A.Ş.'yi derecelendirerek

Uzun Vadeli Ulusal Notu'nu ve görünümünü **'A- (Trk)/Pozitif'** olarak yukarıya revize etti,
Uluslararası Yabancı Para Notu'nu ve görünümünü ise **'BBB-/Stabil'** olarak teyit etti.

JCR Eurasia Rating, "Akdeniz Faktoring A.Ş."yi ulusal ve uluslararası yatırım yapılabilir kategoride değerlendirerek Uzun Vadeli Ulusal Notu'nu ve görünümünü **'A-(Trk)'** olarak yukarıya revize etti ve söz konusu nota ilişkin görünümünü **'Pozitif'** olarak belirledi. Diğer taraftan Uzun Vadeli Uluslararası Yabancı Para ve Uzun Vadeli Uluslararası Yerel Para Notları **'BBB-/Stabil'** olarak teyit edilmiş olup diğer notlarla birlikte detayları aşağıda gösterilmiştir:

Uzun Vadeli Uluslararası Yabancı Para	: BBB- / (Stabil Görünüm)
Uzun Vadeli Uluslararası Yerel Para Notu	: BBB- / (Stabil Görünüm)
Uzun Vadeli Ulusal Notu	: A- (Trk) / (Pozitif Görünüm)
Kısa Vadeli Uluslararası Yabancı Para	: A-3 / (Stabil Görünüm)
Kısa Vadeli Uluslararası Yerel Para Notu	: A-3 / (Stabil Görünüm)
Kısa Vadeli Ulusal Notu	: A-1 (Trk) / (Stabil Görünüm)
Desteklenme Notu	: 1
Ortaklardan Bağımsızlık Notu	: B

Düzenleyici ve denetleyici otoritelerin etkinliğinin artması ve 2012 yılsonunda getirilen yasal düzenlemeler ile faktoring, leasing, ve tüketici finansmanı şirketlerini kapsayan "Finansal Kurumlar Birliği"nin sağladığı artan temsil kabiliyeti ve etkinliğin katkısıyla, ivmeli bir büyüme trendi sürdüren Faktoring Sektörü, yurtiçindeki düşük penetrasyon seviyesi dikkate alındığında ilerleyen dönemler için önemli bir büyüme potansiyeli barındırmaya devam etmektedir. Ayrıca, 10 Nisan 2015 tarihinde yürürlüğe giren ve Leasing, Faktoring ve Finansman Şirketleri'nin Takasbank Para Piyasası (TPP) üyesi olabilmelerini sağlayan yeni TPP Prosedürü'nün Türkiye'deki faktoring şirketlerine alternatif fonlama kanallarına ulaşım sağlaması ve izleyen dönemlerde sistemik destek seviyesini iyileştirmesi beklenmektedir. Öte yandan sektöre hakim olan yoğun rekabet koşulları, firmaların müşteriye özgü çözümler sunmasını, süreçlerinin hızlı bir biçimde sonuçlandırılmasını ve sürdürülebilir bir büyümeyi zorunlu kılmakta, buna mukabil artan işlem hacmi ise etkin risk yönetimi sistemlerinin tesis edilmesi gerekliliğini ön plana çıkarmaktadır.

Akaryakıt, enerji ve kimya sektöründe yatırımları bulunan Zülfikarlar Holding bünyesinde 1993 yılından itibaren faaliyet gösteren Akdeniz Faktoring A.Ş. yurt içinde faaliyet gösteren faktoring şirketlerinin ağırlıkta olduğu bir müşteri profiline finansman sağlamaktadır. Akdeniz Faktoring, 2014 yılının aralık ayında Holding'in ana firması **Turkuaz Petrol Ürünleri A.Ş.**'nin %6.25 hissesini satın almıştır. Faaliyetlerini genel merkezinde sürdüren şirketin Ankara'da faal olmayan bir şubesi bulunmaktadır.

Akdeniz Faktoring, benimsenen ihtiyatlı büyüme anlayışının sonucu olarak sektör ortalamasının altında bir faiz marjı ile faaliyetlerini sürdürmektedir. Faktoring alacaklarında 2014 yıl sonu itibarıyla görülen sınırlı düzeydeki artışa karşın iş hacmini arttırmaya devam eden Şirket, güçlü teminat yapısı ve yüksek aktif kalitesi ile NPL oranını sektör ortalamasının altında tutmayı başarmıştır. 2015 yılında gerçekleştirilen ve çoğunluğu nakdi olarak karşılanan sermaye artırımının büyüme için sağladığı ilave alan ile beraber yönetimin reel sektör firmalarının toplam işlem hacmindeki payını arttırmaya yönelik büyüme stratejisi, 2015'in ilk yarısında Şirket'in kredi portföyünü önemli oranda genişletirken karlılık göstergelerinde de iyileşmeyi beraberinde getirmiştir. Şirket, gerçek kişi ortaklarından sağlayabildiği finansman kolaylığı ve bankacılık sektöründeki mevcut kredi limitlerinin yanı sıra gerçekleştirdiği borçlanma senedi ihracı ile likidite yönetimi açısından esnekliğini önemli ölçüde arttırmıştır.

Şirket'in faiz dışı giderlerin toplam gelire ve ortalama varlıklara oranının sektörden pozitif olarak ayrışmasının yanı sıra, kur riski barındırmayan bilançosunun sağladığı direnç, holding şirketleri arasında yaratılan sinerji, varlık kalitesi ve teminat yapısının Şirket'in gelir yaratma kapasitesini önemli ölçüde desteklemesi ve sermaye düzeyi Şirketin Uzun Vadeli Ulusal Not ve Görünümünün **"A-/Pozitif"** olarak yukarı revize edilmesinin temel dayanaklarını oluşturmaktadır.

Ortaklık yapısında kontrolü elinde tutan İsfendiyar Zülfikari'nin ve Zülfikarlar Holding Şirketleri'nin ihtiyaç halinde Akdeniz Faktoring A.Ş.'ye finansal güçlerinin yeterliliğine bağlı olarak uzun vadeli likidite veya öz kaynak temin edebilecek yeterli arzuya ve ayrıca etkili operasyonel destek sunma deneyimine sahip oldukları bilgi ve kanaatine ulaşılmıştır. Bu kapsamda, Şirketin Desteklenme Notu JCR Eurasia Rating notasyonu içerisinde **(1)** olarak belirlenmiştir.

JCR Eurasia Rating olarak, Şirketin içsel öz kaynak yaratma ve karlılık potansiyeli, büyüme yeteneği, varlık kalitesi, sermayeleşme düzeyi, likidite profili ve sektörde 20 yılı aşan uzmanlığı dikkate alındığında, ortaklarından herhangi bir destek sağlanıp sağlanamayacağına bakılmaksızın, mevcut portföyünün korunması, üst yönetimde istikrarın sağlanması ve makroekonomik görünümünün önemli ölçüde bozulmaması kaydıyla üstlendiği yükümlülükleri yönetebilecek yeterli deneyim ve altyapıya ulaştığı düşünülmektedir. Bu kapsamda, Akdeniz Faktoring A.Ş.'nin Ortaklardan Bağımsızlık notu, JCR Eurasia Rating notasyonu içerisinde yeterli düzeyi işaret eden **(B)** olarak teyit edilmiştir.

Derecelendirme neticeleriyle ilgili daha fazla bilgi Kuruluşumuzun <http://www.jcrer.com.tr> adresinden sağlanabilir veya Kuruluşumuz analistlerinden **Sn. Abdurrahman TUTGAÇ** ile iletişime kurulabilir.

JCR EURASIA RATING
Yönetim Kurulu

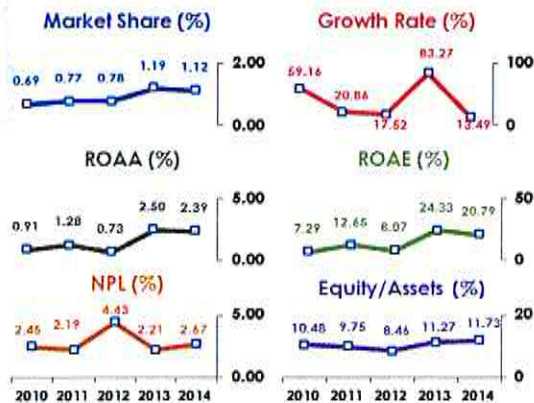
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19 Mayıs Mah. 19 Mayıs Cad. Nova Baran Plaza No:4 Kat: 4 34360-Şişli-İSTANBUL

Corporate Credit Rating

Factoring

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

*Assigned by JCR Eurasia Rating, JCR-ER on July 11, 2014
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Strengths

- Notable asset growth performance and improved profit margins in the first half of 2015
- High level of access to liquidity through diversified funding mix along with the shareholder's capital support
- Below sector average NPL levels reflecting sound asset quality and collateral structure
- Resilience to fluctuations in foreign currency risks and comparatively lower operating expenses indicators
- Comfortable equity to total assets level providing room for further market penetration
- Increase in the share of profitable SME's on its portfolio
- Synergy created among Holding companies

Constraints

- Absence of branch coverage which is widespread in the sector
- Need for further room in compliance to best practices of corporate governance principles
- Intense competition in the Turkish Factoring Sector
- Frequent changes in senior management
- Conservative economic growth forecasts, political uncertainties arising from upcoming early elections and the impact of anticipated tightening of FED's monetary policy on the emerging markets

Akdeniz Faktoring A.Ş.						
Financial Data	1H2015	2014*	2013*	2012*	2011*	2010*
Total Assets (000 USD)	145,415	127,277	122,072	79,830	63,923	64,977
Total Assets (000 TRY)	390,440	295,143	260,063	141,905	120,745	99,908
Equity (000 TRY)	58,611	34,623	29,308	12,005	11,774	10,472
Net Profit (000 TRY)	2,834	5,317	4,058	231	1,247	689
Market Share (%)	n.a.	1.12	1.19	0.78	0.77	0.69
ROAA (%)	n.a.	2.39	2.50	0.73	1.28	0.91
ROAE (%)	n.a.	20.79	24.33	8.07	12.65	7.29
Equity/Assets (%)	15.01	11.73	11.27	8.46	9.75	10.48
NPL (%)	2.03	2.67	2.21	4.43	2.19	2.45
Growth Rate (%)	32.28	13.49	83.27	17.52	20.86	59.16

*End of year

Overview

Akdeniz Faktoring A.Ş. (henceforth Akdeniz Faktoring or the Company), a Zülfikarlar Holding related company, was established in 1993 and provides with-recourse factoring services to its domestic customers. Akdeniz Faktoring's customer base is largely comprised of domestic factoring companies and medium sized enterprises operating in Turkey.

Akdeniz Faktoring A.Ş. acquired 6.25% shares of Turkuaz Petrol Ürünleri A.Ş., a Holding company, for TRY 27.3mn in September 17, 2014. Company headquarters are located in Üsküdar, İstanbul and the Company employed a staff of 19 as of 2014. The Company has one branch in Ankara which is currently inactive.

Zülfikarlar Holding is a long established family owned enterprise with over 70 years of experience in the chemicals industry. The Holding subsequently invested in the fields of petroleum and petroleum products, energy and the financial sector. Turkuaz Petrol Ürünleri A.Ş., Akça Kimyevi Maddeler Nakliyat Tic. San. A.Ş., and Tesla Enerji Toptan Satış A.Ş. along with Akdeniz Faktoring are the leading group companies.

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"Global Knowledge supported by Local Experience"

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1. Rating Rationale

The Banking Regulation and Supervision Agency (BRSA) has regulated and overseen the activities of the Turkish Factoring Sector since 2006. The Leasing, Factoring and Financing Companies Law No. 6361, the Factoring Sector's first, came into effect on December 13, 2012. Moreover, a regulation regarding organization and operating principals of financial leasing, factoring and financing companies entered into force on April 24, 2013. According to BRSA statistics updated February 13, 2015, the total asset size of the Turkish Factoring Sector was TRY26.41 bn and involved 76 factoring companies, two of which were publicly traded on Borsa Istanbul (BIST) national market as of FYE2014.

The rating analysis is based on the independent audit report of Akdeniz Faktoring and unaudited first half financial results in addition to the statistical data on the sector produced by BRSA and updated on February 13, 2015. JCR Eurasia's own studies and calculations were also utilized along with the information and clarification provided by the Company.

National and international ratings are determined with respect to the Company's asset quality, loan book growth, profitability indicators, interest margin, capitalization level, indebtedness ratio and funding sources on the financial side; while the business position, branch network, risk management system and processes, projections of the management and external factors such as macroeconomic outlook and regional developments are integrated into the analysis.

Fundamental Rating Indicators are;

Notable Loan Book Growth and Improved Profit Margins

2Q2015 results exhibited a 30.03% loan-book growth owing to the increase in the share of SME in the customer base and capital support from the shareholder. Despite the unfavorable environment of 2015 due to political uncertainties arising from the eventual early elections and the anticipated monetary tightening policy of the U.S. FED, the Company is expected to increase its business volume, positively diverging from the sector's outlook.

The Board raised its risk appetite in 2015 to increase the share of profitable SME segment on its portfolio in order to benefit from better interest margins. First half financial statements already reflect a visible improvement in the net profit margin of Akdeniz Faktoring. Therefore, the Company is likely to achieve an interest margin of approximately 5% at yearend-2015.

Sound Asset Quality and Collateral Level

Company factoring receivables, in the form of invoice-backed post-dated cheques, are largely drawn by a vast number of SME which are subsequently endorsed by domestic factoring companies on behalf of Akdeniz Faktoring. Akdeniz Faktoring's double recourse-covered receivables portfolio strongly contributed to its asset quality.

Akdeniz Faktoring had a remarkably low NPL ratio of 2.67% as of FYE2014, displaying a further improvement and dropping to 2.06% in the first half of 2015, reflecting the Company's healthy customer base and collateral structure.

High Quality Liquidity Opportunities

Akdeniz Faktoring uses credit lines from numerous (18) financial institutions in order for sufficient liquidity to be at the disposal of the Company. As of June 2015, the Company used approximately 60% of its total credit limits and had a cash credit line of more than TRY 138mn available. Moreover, the successful issuance of TRY 25mn one-year maturity bonds along with the shareholder's capital support helped the Company to diversify its funding channels and improved liquidity management.

Room for Further Credit Growth

The short term nature of factoring contracts enables Akdeniz Faktoring to make rapid balance sheet adjustments. Considering Akdeniz Faktoring's sound equity to total assets ratio of 15.01%, which is comfortably above the imposed floor of 3% as of 30 June 2015, the Company has further room for loan book growth.

Low Exposure to FX Fluctuations & Lower Operating Expenses

The above sector NPL ratio, avoidance of FX exposure and limited operating expenses helped the Company to achieve a satisfactory bottom-line in both 2014FYE and 1H2015. On the other hand, the growing customer base and extending operation calls for additional staffing for marketing and financial analysis. The Company reasonably projects an increase in operating expenses.

The Need for Progress in Corporate Governance Practices

On the other hand, the Company's website does not include the personal backgrounds of board members, the annual report or a social responsibility policy. Moreover, the lack of independent Board members, though not compulsory, is evaluated as a negative factor in terms of transparency and accountability.

Potential and On-going Uncertainties Arising from Domestic and Global Economic and Political Risks, Disrupting the Risk Appetite and Asset Quality of Lenders

The economic outlook of Turkey, which seems to be strongly linked with the outcome of the snap elections to be held on November 1, 2015 and the recovery and monetary policy decisions of the EU member countries, is further pressurized by the ongoing political and economic turmoil in Middle East and Russia and volatile foreign currency rates. The negative impact of these factors on the economy is expected to be accentuated in the second half of 2015, depending on the general elections. The deterioration of the companies' balance sheets and their solvency levels might hinder the asset quality and growth prospects of the financial sector.

In the light of the aforementioned factors, JCR Eurasia Rating has upgraded Akdeniz Faktoring's Long Term National Grade to 'A- (Trk)'. The Company's Long Term International Foreign and Currency ratings are affirmed at the country ceiling, 'BBB-'.
2. Outlook

A 'Positive' outlook has been assigned for the Company's long term national ratings considering its growing and diversifying customer base majority of which are factoring companies, double recourse-covered receivables portfolio, strong capital support of the sole shareholder, asset quality which compares well with sector average and diversified funding mix.

JCR Eurasia Rating evaluated The Company's International Long and Short Term Local Currency Ratings in line with the Long Term Sovereign Rating outlook of the Republic of Turkey.

We acknowledge certain factors such as potential loss of flexibility in financing, deteriorating asset quality and liquidity profile, decreasing investor appetite and growing turmoil in the domestic and international markets possible arguments for downward pressure on the outlook. On the contrary, ameliorating profitability indicators, solid growth, reduction in the financing costs and robust economic growth in the domestic and international markets are possible factors a positive rating outlook.

3. Sponsor Support & Stand Alone Assessment

Sponsor Support grades and risk assessments reflect the financial strength and willingness to support the Company of the utmost shareholders, İsfendiyar Zülfikari, in case of need along with the contribution of the Holding companies regarding operations. The sole shareholder of the Company is considered to be willing to support and capable of assisting Akdeniz Faktoring as seen in the previous cash capital increase. Moreover, completed transformation into a Holding structure creates a better environment for institutional sustainability. In this regard, JCR Eurasia Rating has assigned the Sponsor Support grade as '1' reflecting financial and non-financial states and expected support by the shareholders.

The Stand Alone grade has been constituted particularly with respect to Akdeniz Faktoring's internal resource generation capacity, equity level, funding alternatives and channels, asset quality, profitability indicators and risk management policies. In this sense, JCR Eurasia Rating has assigned the Stand Alone grade as 'B' indicating that Akdeniz Faktoring possesses sufficient liquidity and profitability position to meet its commitments and obligations without resorting to its shareholders.

4. Company Profile

a) History & Activities

Akdeniz Faktoring A.Ş., a Zülfikarlar Holding related company, was established in 1993 and provides with-recourse factoring services to its domestic customers. Akdeniz Faktoring's customer base is largely comprised of domestic factoring companies and medium sized enterprises operating in Turkey.

The Zülfikarlar Holding is a long established family owned enterprise with over 70 years of experience in the chemicals industry and subsequently invested in the fields of petroleum and petroleum products, energy and the financial sector. Turkuaz Petrol Ürünleri A.Ş., Akça Kimyevi Maddeler Nakliyat Tic. San. A.Ş., and Tesla Enerji Toptan Satış A.Ş. along with Akdeniz Faktoring are the leading holding companies.

b) Organization & Employees

The Board of Akdeniz Faktoring consists of three members with the utmost shareholder İsfendiyar Zülfikari serving as chairman. The General Manager and the Risk Monitoring and Control Department report directly to the Board.

Company headquarters are located in Üsküdar, İstanbul and the Company employed a staff of 19 as of 2014. Unlike the sector tendency, Akdeniz Faktoring does not benefit from branch coverage due to its strategy of providing funding primarily to factoring companies. The majority of employees have experience in the field of banking promoting the quality of its services.

c) Shareholders, Subsidiaries & Affiliates

The paid up capital of TRY 25mn stood fairly above the regulator's imposed asset floor of TRY 20mn at end-2014. Moreover, as of March 2015, thanks to an additional cash injection of TRY 21.8mn from the utmost shareholder, İsfendiyar Zülfikari, and TRY 3.2mn added from the previous year's profits, Akdeniz Faktoring's paid up capital reached TRY 50mn, which generates a sound room for future growth.

Shareholding Structure	1H2015		End-2013	
	%	Amount	%	Amount
İsfendiyar Zülfikari	99.58	49,788	99.42	24.856
Others	0.42	212	0.58	146
Paid Capital (TRY 000)	100	50.000	100	25.000

Akdeniz Faktoring A.Ş. acquired 6.25% shares of Turkuaz Petrol Ürünleri A.Ş., a Holding company, for TRY 27.3mn in September 17, 2014. Turkuaz Petrol Ürünleri A.Ş. is a fuel distributor, founded in 1994 to provide services to both corporate and final customers through a station network of 350, 4 terminals and 7 supply establishments. Turkuaz Petrol generated over TRY 1bn revenue as of FYE 2014 and is the

12th largest Company in the sector in terms of volume of sales.

The shareholding structures of Zülfikarlar Group companies as of FYE2014, excluding Akdeniz Faktoring, are shown in the footnotes.

d) Corporate Governance

The Banking Regulation and Supervision Agency (BRSA) regulates the factoring sector in Turkey. The BRSA's strict policies and regulations along with the Financial Institutions Association (FKB) require factoring companies to adopt a certain transparency, accountability and corporate governance structure. While Akdeniz Faktoring is not a publicly traded company and thus is not required to comply with the corporate governance standards outlined by the Capital Markets Board, the ring fence structure of the regulators help the Company comply with the principles to a certain extent.

The Company published an internal directive and disclosed on its website a clarification of the procedures of general assembly in line with the current Turkish Commercial Code facilitating the exercise of shareholders rights. Akdeniz Faktoring also discloses its articles of association and its shareholding structure on its website.

The Board of Akdeniz Faktoring consists of 3 members. İsfendiyar Zulfikari, the utmost shareholder of the Company, is the chairman of the Board. A new general manager, Murat Albuga, was assigned in 2015 is also member. The Board of Directors identifies the strategic vision of the Company and is considered to successfully perform its leading, supervising and inspecting duties. However, the lack of independent Board members, though not compulsory, is evaluated as a negative factor in terms of transparency and accountability.

The website of the Company contains detailed disclosures contributing to transparency such as organization chart, shareholder structure, audit reports, mission and vision, ethic principles, title information of board members, human resource policy, articles of association and attendance sheet. On the other hand, the Company's website lacks personal backgrounds of board members, the annual report and social responsibility policy.

e) The Company & Its Group Strategies

Akdeniz Faktoring is a long established factoring company with adequate experience and facilities despite having a small, 1.12% of market share in a competitive factoring sector which is widely dominated by bank-affiliated companies. Moreover, operating under the body of Zülfikarlar Holding helps the Company to benefit from organizational synergy which strengthens its presence in the market.

Akdeniz Faktoring's strategy aims at primarily funding domestic factoring companies engendering less credit risk considering the double-recourse nature of their services which are additionally collateralized by the factoring companies. In this sense, the lower interest margins among its peers reflect Akdeniz Faktoring's business strategy and prudent risk appetite. However, the Company foresees an increase in the share of profitable SME's on its portfolio.

The Group completed transformation into a Holding structure, creating a better environment for institutional sustainability and promising better practices of monitoring, reporting and corporate governance thanks to implementation of enterprise resource planning software (SAP). The Holding will be heavily investing in the field of energy and factoring business as a medium term strategy.

5. Sector Overview & Operational Environment

The Turkish Factoring Sector is comprised of 76 companies differing in terms of shareholding and management structure, customer base, scope of service, operational business models and strategies, profitability and risk preferences, extent of branching, access opportunities to customers and markets and operational capacity on a local and international scale. As of FYE2014, the sector reached a total asset size of TRY 26.4bn and equity of TRY 4.4bn.

The Factoring Sector provides faster guarantee, financing and collection services compared to banks in return for the assignment of spot and term receivables arising from the sale of products and services domestically and overseas. Throughout 2014, the sector maintained its institutionalization, branching and expansion of customer base. However, a significant portion of companies operating in the sector do not possess the necessary capabilities to provide "collection" services and export factoring. The certification of part of the assignment claims via post-dated checks has transformed the business model of some factoring companies into one which is predominantly occupied with the discount of small volume checks.

The practice of bad debt write off (selling non-performing receivables to asset management companies) is increasingly utilized by factoring companies in a similar fashion to that of banks. The Factoring Sector displays a higher level of sensitivity to changes in the economic conjecture in comparison to banks. In addition, regulatory pressures from the Banking Regulation and Supervision Agency (BRSA) along with the changes in the economic conjecture have created difficulties in management policies across the sector.

The sectors of wholesale/retail trade, energy and construction represent the three largest fields of concentration in banks and the Factoring Industry, a trend that is expected to be maintained throughout FY2014 and FY2015. Textiles, metals and automotive supply industries also constitute the traditional

client base for the Factoring Sector. Logistics and telecommunications represented new areas of growth for the sector in FY2014.

Expectations regarding mergers in the sector due to the legal requirement to raise minimum capital levels to TRY 20mn have not been realized as such aforementioned risks were reduced. Mainly the funding costs together with the risk preferences and risk management skills are major determinants of the sector's end-of-year performance.

The predomination of Small and Medium Sized Enterprises (SMEs) in production represents the major factor for the buoyant demand for factoring services.

A significant number of factoring companies operate as subsidiaries of banks or bank affiliated firms. The principal feature of such factoring companies is their ability to carry out operations with lower equity, higher external resources, access to large loans and customers, large asset levels and possession of risks with lower profile and lower levels of profitability. On the other hand, non-bank related factoring companies are characterized by low asset and high NPL levels, high interest margin, low external financing, high equity and profitability levels along with narrow opportunities for access to loans and customers.

The establishment and operation conditions of factoring companies are determined by the BRSA and are organized under the Financial Institutions Union. The formation of educated and highly qualified management structure, the establishment of sound information technologies and the identification and evaluation of risk exposures are the issues legally required. Following the adoption of a centralized billing record system, the duplicate assignment of receivables arising from the sale of products and services have been prevented, thus increasing transparency. The law foresees the establishment of a Centralized Billing Record System under the "Financial Institutions Union" along with the enhanced opportunities to gather data from the Risk Center under the Turkish Banking Union will improve the sector's ability to access higher quality data, contributing to its asset quality.

In line with the undertaken reforms, the sector's legal infrastructure has been improved with regards to effective surveillance and control. As such, the mandatory installation of information, risk measurement and internal control systems made a positive contribution to the improvement of the sector's institutional set-up as well as the quality, standardization and transparency of financial reporting practices and providing fair competition. Greater progress than the current achievements regarding the sector's effectiveness and standardization will be in line with the performance expected from the "Financial Institutions Union".

The Turkish bond market has provided Turkish factoring companies with opportunities for diversifying their funding streams since FY2010. However, the principal source of funding for non-banking financial institutions is external with the Turkish Banking System while the trend to access funds from capital markets via debt instruments remains rather weak.

Taiwan and Turkey are the two countries with the largest membership of Factors Chain International after China. Currently, 2 banks and 13 factoring companies are members of FCI. Turkey is ranked 2nd on a global basis in export factoring transactions with a share of 15%.

The shareholder structure and management teams of factoring companies are subject to comparatively high rate of change during their market entry and exit due to the intensely competitive environment in which they operate.

The Factoring Sector is one of the industries that exhibits the highest level of vulnerability to fluctuations in macroeconomic circumstances and instability. Management policies in the sector become more difficult mainly stemming from changes in economic conjuncture and regulatory pressures from the BRSA.

THE KEY INDICATORS OF TURKISH FACTORING SECTOR

(000,000)	2014	2013	2012	2011	2010	2009	2008
Asset Size-TRY	26,410	21,790	18,146	15,622	14,463	10,491	7,797
Asset Size-USD	11,350	10,228	10,208	8,270	9,406	7,054	5,123
Equity-TRY	4,422	4,015	3,856	3,377	2,941	2,537	2,374
P/L-TRY	645	389	610	493	412	329	439
ROAA %	3.31	3.06	4.50	3.43	3.98	4.62	6.49
ROAE %	18.90	15.54	21.00	16.87	18.11	17.22	21.32
NPL Ratio %	4.26	4.70	4.69	3.94	4.07	5.88	8.25
Equity / T. Sources	16.74	18.42	21.25	21.00	20.33	24.19	30.45

The sector has a relatively low free float rate and enjoys a small share across the wider Turkish Financial Services Sector. 73 companies are located in Istanbul whilst the remaining 3 firms are based in Izmir and Ankara.

Funds offered by the Factoring Sector largely belong to companies that are subsidiaries of banks or ones that have banks in among their wider group, making it more difficult for non-bank affiliated factoring companies to carry out their intermediary function. However, in recent years the Factoring Sector has increased its appeal for investors with a rising number of applications to obtain licenses from the BRSA.

As of FYE2014, the total asset size of all Factoring Companies was TRY 26.41bn, with an equity of TRY 4.42bn. Throughout its 25-year history the Factoring Sector has maintained a

consistent growth trend with the exception of 1994 and 2001 in which it underwent contractions of 10.31% and 40.23%, respectively. On a cumulative basis, the Factoring Sector exhibited a growth rate of 398.30% for the 2006-2014 period. The growth recorded in the last financial year attained a value of 21.20%.



Factoring receivables constitute the largest item among the sector's assets with a share of 95.03%, whilst loans enjoyed the largest share among its resources with a 69.75% share. The sector primarily utilizes short-term bank loans in order to meet its funding requirements and its inability to diversify its resource base remains an inherent feature of the sector. However, bond issues began to slowly gather momentum since FY2008 and accelerated in FY2012. As such, issued bonds accounted for 10.96% of total resources across the sector as of FYE2014.

The share of equity among total resources of the sector stood at 16.74% and displayed a downward trend. In line with the new regulations, the factoring companies were obliged to have a standard ratio which dictates that the share of equity to total assets should not fall below 3%.

The risk concentration of factoring companies primarily focuses on the manufacturing industry with a share of 56.50%. The largest subsectors of manufacturing industry were the nuclear fuel, oil and coal products, textile and textile products, metal industry, processed material products and the transportation vehicles industry. Across the services sector, the largest levels of concentration was observed in wholesale and retail trade, motor vehicle services, construction sector, logistics, storage and communications.

The ratio of non-performing receivables to total receivables across the sector realized a value of 4.26% as of FYE2014, which remained above the Banking Sector. In addition, the ratio of non-performing receivables to total equity which attained a value of 25.06% is a factor that raises risk perception among the Factoring Sector, weakening its asset quality. The most important reason for the rise in non-performing receivables was the decelerating growth in the general economy in a macro context.

Factoring Sector profitability indicators stood above those of the Banking Industry as of FY2014, and maintained an upward trend in comparison to FY2013. As such, the indicators ROAA (Return on Average Assets) and ROAE (Return on Average Equity) attained values of 1.69% and 14.82% for the Banking Sector in comparison to the Factoring Sector's ratios of 3.31% and 18.90%, respectively. When the share of equity to total assets is taken into consideration, the Factoring Sector has a higher level of equity compared to the Banking Sector. As such, the Equity/Total Assets ratio for the Factoring Sector attained a value of 16.74% in comparison to the Banking Sector's value of 11.64%. The provision rates for non-performing loans across the Factoring Sector outpaced that of the Banking Sector from FY2012.

Bank affiliated factoring companies carry a competitive advantage in comparison to non-bank affiliated firms with regards to competition, access to funding, scale of service provision and alternative distribution channels, resulting in unfair competition. The return on loans and assets across the sector did not undergo any significant changes throughout FY2014. In addition, the absorption of rising costs across interest bearing resources by increases in returns on assets, led to the conservation of break-even interest rates in comparison to the previous year and resulted in an equilibrium at 10.61%.

RETURNS - COST RATIOS ANALYSIS FOR FACTORING INDUSTRY

ASSET RETURN	2014	2013	2012
Loans Interest Yield	12.76%	9.37%	10.19%
Return on the Commission	1.15%	1.10%	1.10%
FX Return or cost	-0.04%	0.34%	-0.01%
Return or the cost of other operations	2.32%	1.38%	0.90%
Loans Total Return	16.19%	12.19%	12.18%
Cost of Non-Earning Asset	-0.51%	-0.39%	-0.39%
Asset Return	15.68%	11.80%	11.80%

COST OF LIABILITIES	2014	2013	2012
Interest Cost for Cost Bearing Resources	8.58%	5.24%	5.88%
Cost of the Commission for Cost Bearing Resources	0.00%	0.00%	0.00%
Return on Non cost Bearing Resources	-0.40%	0.64%	0.87%
Cost of Liabilities	8.18%	5.88%	6.74%

NET PROFIT MARGIN	2014	2013	2012
Interest and Commission Margin	7.50%	5.93%	5.05%
The cost of Provisioning Expenses	-1.31%	-1.25%	-1.28%
The cost of Activities Expenses	-4.11%	-3.77%	-2.60%
Net Profit Margin	2.08%	0.90%	1.17%

Break-even point In Terms of Interest	2014	2013	2012
Break-even point In Terms of Interest	10.61%	10.21%	12.86%
Break-even point in Terms of Loan size-TRY	19,400.33	16,962.68	13,532.61

6. Financial Foundation

a) Financial Indicators & Performance

• Indices Relating to Size

Compared to the remarkable above sector average asset growth performance of 83.27% of the previous year, Akdeniz Faktoring displayed an annual asset growth rate of 13.49% at year end-2014, raising its total assets to TRY 295mn (FYE2013: TRY 260mn). The modest asset growth of 2014 was mainly driven by the purchase of 6.25% of shares of Turkuaz Petrol for TRY 27mn. However, the 2Q2015 results exhibited a 30.03% loan-book growth owing to the increase in the share of SME in the customer base. Despite the unfavorable environment of 2015 due to political uncertainties arising from the eventual early elections and the anticipated monetary tightening policy of the U.S. FED, the Company is expected to increase its business volume, positively diverging from the sector's outlook.



Akdeniz Faktoring is a relatively small-sized factoring company in a competitive sector dominated by bank-owned companies. Despite a gradual increase in market share following 2010, a below sector average growth in 2014 led to a slight drop to 1.12% of the Company's market share. However, taking into account the aforementioned 2Q2015 loan book growth, Akdeniz Faktoring is likely to regain its market share by the end of the year.



The Company's primary funding source was bank loans, followed by equity and other funds provided by the shareholders. Moreover, Akdeniz Faktoring successfully issued a one-year maturity TRY 25mn bond in December 2014 and managed to diversify its funding structure. Additionally, Akdeniz Faktoring increased its paid-in capital to TRY 50mn through a cash injection of TRY 21.8mn and TRY3.2mn from the previous year's profits, providing opportunity for further growth.



• Indices Relating to Profitability

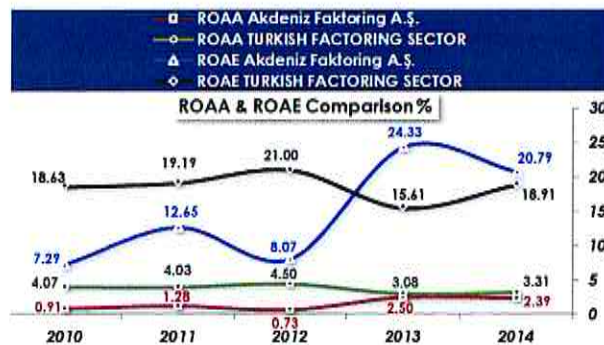
Akdeniz Faktoring primarily provides recourse domestic factoring services to other domestic factoring companies which comprised approximately 70% of its factoring portfolio as of FYE2014. The Company's secured collateral structure in the form of cheques and endorsement of the factoring companies contribute to the collectability of its portfolio. Consequently, Akdeniz Faktoring's interest margin of 3.18% stood below the sector average of 4.41%, reflecting the owner's prudent risk taking strategy.



Akdeniz Faktoring largely hedges its repricing risks by matching the maturities of financial loans with its receivables portfolio, thus reflecting the increase on its borrowing costs to its customer to a large extent.

Akdeniz Faktoring's growing volume of business was translated into sizable revenues in 2014, increasing the interest income by 81.04% to TRY 43.59mn. However, fuelled by the growing share of external funds, interest expenses increased by 98.46% to TRY 32.85mn. The ROAA slightly

over-performed the sector averages, while the ROAE remained below average.



Unlike the sector's tendency to benefit from a wide branch coverage, Akdeniz Faktoring has concentrated its operations at its headquarter. Despite a greater business volume, the Company controlled overhead costs thanks to its aforementioned limited customer base structure, helping the Company incur less marketing expenses and personnel costs. Moreover, the Management benefited from the synergy and the operational support of the Holding when needed, which led to decreasing share of operating expenses in total income.



On the other hand, management is eager to enhance its customer base and increase the share of the profitable SME segment in its portfolio. As of 1H2015, the year-end customer base of 98 more than doubled to 248, which is expected to expand year end income and improve interest margins.

b) Asset Quality

Factoring receivables comprised 90.17% of the total assets of Akdeniz Faktoring as of yearend-2014. This figure stood below the sector average of 94% for the first time due to the acquisition of 6.25% of Turkuaz Petrol for TRY 27mn and limited growth of its receivables portfolio. The Company is expected to benefit from the future potential of Turkuaz Petrol terms of capital gain and by achieving further bargaining power against its creditors.

Company factoring receivables, in the form of invoice-backed post-dated cheques, are largely drawn by a vast number of SME which are subsequently endorsed by domestic factoring companies on behalf of Akdeniz Faktoring. Akdeniz Faktoring's double recourse-covered receivables portfolio strongly contributed to its asset quality.



Akdeniz Faktoring had a remarkably low NPL ratio of 2.67% as of FYE2014, displaying a further improvement and dropping to 2.06% in the first half of 2015, reflecting the Company's healthy customer base and collateral structure. When taking into account the amount of write-offs and transferred doubtful receivables to asset management companies in the sector, Akdeniz Faktoring's asset quality compares well with sector.



Akdeniz Faktoring employs full reserves for its impaired loans which is considerably conservative compared to the sector at 81.17%. The Company's sound asset quality is a reflection of its prudent management.



The receivables portfolio of the Company is fully collateralized with invoice-backed post-dated cheques which are mainly reinforced with additional guarantee endorsed by credible domestic factoring companies and mortgages on properties. As of December 2014 the collaterals received corresponded to 123.50% of total receivables. While the sector average is strikingly high compared to both its own previous year levels and that of Akdeniz Faktoring, few factoring companies with substantial collateral balances distorted the average figure. The median was 104.59%.

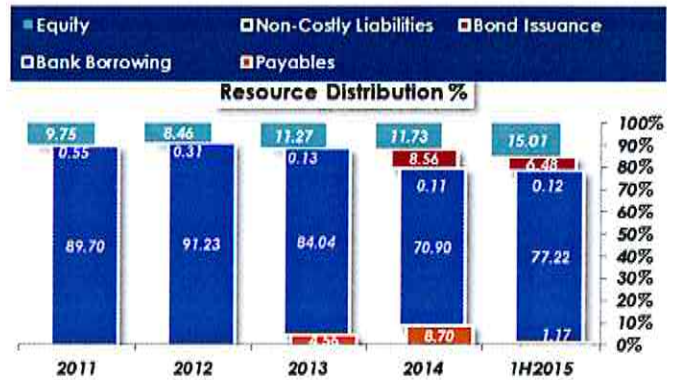


c) Funding & Adequacy of Capital

A regulation effective December 2015 will require factoring companies to have a minimum paid-in capital of TRY 20mn. Akdeniz Faktoring met this requirement through cash injection and internal resource generation as of FYE2014. Moreover, an additional capital injection of TRY 25mn in March 2015 increased the equity to total assets ratio of Akdeniz Faktoring to 15.01% as of 1H2015 which provides sound room for future growth.



The share of bank borrowings, inherently short term, gradually decreased from 91.23% in 2012 to 70.90% at yearend-2014 due to an increase in the amount of payables to shareholders and utilization of a TRY 25mn one-year maturity bond issuance in December 2014 which helped the Company to diversify its funding channels. Payables to shareholders were largely added to the equity during the paid-capital increase.



7. Risk Profiles & Management

a) Risk Management Organization & Its Function – General Information

The Banking Regulation and Supervision Agency obliges factoring companies to establish efficient operating risk management and internal control departments. We, as JCR Eurasia Rating, are of the opinion that Akdeniz Faktoring has efficient risk management processes considering;

- factoring companies weighted portfolio preferences with lower credit risk and yield
- detailed credit approval and control procedures
- below sector average of non-performing loans
- avoidance of currency risk
- on-going system integration enabling a better monitoring and control environment

b) Credit Risk

As a factoring service provider the Company primarily is exposed to credit risk arising from its receivables portfolio. Risk Monitoring & Financial Analysis and Internal Control departments are primarily responsible for managing credit risk. Senior Management monitors daily the overall receivables position and its distribution among factoring companies and SME's. Moreover, weekly credit committee meetings allow the management to follow up the balance sheet position to keep track of Board's lending strategy.

The customer base of Akdeniz Faktoring was comprised of 98 companies as of FYE 2014, considerably limited compared to that of the sector. Akdeniz Faktoring generated approximately 70% of the annual turnover from roughly 10 domestic factoring companies. On the other hand, the majority of the receivables portfolio of the Company, in the form of invoices backed post-dated cheques, are largely drawn by a vast number of SME subsequently endorsed by the domestic factoring companies on behalf of Akdeniz Faktoring. Credit allocation to factoring companies gives the advantage of double recourse which strengthens the collateral structure of the Company. Similar credit evaluation procedures are

applied to each ticket size regardless of the full compensation by the factoring companies' concerning dishonoured checks.

Although the Board currently has not established certain caps for sector exposure, management cautiously tracks the outlook of the related sectors in order to take early measures. The Company is considered to have a reasonable sector breakdown of credit risk exposure regarding data prepared by the Company.

The Company's below sector average NPL ratio is the reflection of the prudent credit risk management and monitoring practices of the company, contributing to the asset quality. On the other hand, the Company's current strategy to expand and diversify customer base in favor of SME's will call for more deliberate allocation and monitoring efforts in order to maintain its current asset quality considering the Company's current limited staffing.

c) Liquidity Risk

The Company manages the liquidity risk mainly through due date matching of the borrowings and receivables. As the factoring receivables have relative short maturities and are self-liquidating at maturity the liquidity position of the Company is thought to be manageable considering the Company's portfolio structure which provides the opportunity to recourse to both factoring companies, originator of the cheques and endorser.

Akdeniz Faktoring uses credit lines from numerous (18) financial institutions in order for sufficient liquidity to be at the disposal of the Company. As of June 2015, the Company used approximately 60% of its total credit limits and had more than TRY 138mn worth cash credit line available. Moreover, the successful issuance of a TRY 25mn one-year maturity bonds helped the Company to diversify its funding channels and improved liquidity management.

Upon the application filed before by the Financial Institutions Association (FKB) to Takasbank (Istanbul Settlement and Custody Bank), Leasing, Factoring and Finance Companies will become members in the Clearing System and be entitled to enter into borrowing/lending transactions in the Takasbank Money Market (TPP) based on certain limits and identified collaterals beginning with the enactment of the Takasbank Money Market Regulation and Procedure on April 10, 2015. This practice is expected to provide the factoring companies in Turkey with access to alternative funding channels and to improve systemic support level.

d) Market Risk

Market risk is evaluated in terms of currency and interest risk. Currency risk arises from the use of foreign currency denominated bank loans whereas the interest risk stems from

the use of fixed and float rate financial instruments and fixed rate factoring receivables.

The Company had a net short foreign currency position of TRY 24.71mn arising from a long-term EUR denominated payable to the Company's utmost shareholder, as of FYE2014. However, depending upon the Board's decision to increase paid-up capital, the respective amount was largely added to the equity in March 2015 and the Company is not exposed to FX risk as of 1H2015.

The effect of the alterations in the interest rates on the net profitability of the Company, given a 1% change on the floating rates and all else being equal, was TRY 2.3K as of yearend-2014, an immaterial amount considering the asset size and net total income of Akdeniz Faktoring.

8. Budget & Debt Issue

a) Budget

Political uncertainties arising from the upcoming early elections and the anticipated monetary tightening policy of the U.S. FED along with the tumbling currencies of the emerging countries shape an unfavorable outlook for 2015 and the sector's growth will likely be comparatively modest. On the other hand, Akdeniz Faktoring has managed to increase its loan book by 33% in the first half thanks to sound capital injection and elaborate efforts to expand and diversify its customer base while retaining healthy receivables portfolio.

The short term nature of factoring contracts enables Akdeniz Faktoring to make rapid balance sheet adjustments. Considering Akdeniz Faktoring's sound equity to total assets ratio of 15.01%, which is comfortably above the imposed floor of 3% as of 30 June 2015, the Company has further room for loan book growth. The Board raised its risk appetite in 2015 to increase the share of profitable SME segment on its portfolio in order to benefit from better interest margins. First half financial statements already reflect a visible improvement in the net profit margin of Akdeniz Faktoring. Therefore, the Company is likely to achieve around 5% interest margin in end-2015.

TRY (000)	Actual 2014YE	Actual 2015/6	Budgeted 2015YE
Factoring Receivables	266,134	353,156	450,000
Net Non-Performing Loans	0.00	0.00	0.00
Non-Performing Loans	7,307	7,307	7,307
Provisions for NPL	7,307	7,307	7,307
Other Assets	29,009	37,284	25,000
Total Assets	295,143	390,440	475,000
Bank Borrowings	209,265	301,517	390,000
Issued Bonds	25,263	25,286	25,000
Other Liabilities	25,992	5,206	-;



TRY (000)	Actual 2014YE	Actual 2015/6	Budgeted 2015YE
Equity	34,623	58,611	64,000
Paid Capital	25,000	50,000	50,000
Other	4,306	5,777	-;-
Net Profit / Loss	5,317	2,834	14,000
Total Liability	295,143	390,440	475,000
Annual Asset Growth %	13.49	32.70	61.01
Equity / Total Assets	11.73	15.01	13.47

The above sector NPL ratio, avoidance of FX exposure and limited operating expenses helped the Company to achieve a satisfactory bottom-line in both 2014FYE and 1H2015. On the other hand, growing customer base and extending operation calls for additional staffing for marketing and financial analysis. The Company reasonably projects an increase in operating expenses.

Akdeniz Faktoring received approval for a TRY 50mn issue limit from the CMB and successfully issued a TRY 25mn one-year maturity bond in December 2014 which helped the Company to diversify its funding channels and rely less on short term bank loans in funding factoring credits. Management of the Company stated that a new issuance depends on the market conditions which remain strictly tied to domestic and global macroeconomic outlook. Considering the Company's expanding business volume, increasing diversification of customer base and asset quality along with the owner's financial strength, Akdeniz Faktoring has the ability to meet its obligations related to the planned bond issuance.



JCR Eurasia Rating

"Global Knowledge Supported by Local Experience"

FACTORING

Akdeniz Faktoring A.Ş. BALANCE SHEET - ASSET	TRY (000)		2014 USD		2014 TRY		2013 TRY		2012 TRY		2011 TRY		As % of Assets		As % of Assets		2014 Growth		2013 Growth		2012 Growth	
	[Original]		[Original]		[Original]		[Original]		[Original]		[Original]		[Original]		[Original]		[Original]		[Original]		[Original]	
	Rate		Rate		Rate		Rate		Rate		Rate		Rate		Rate		Rate		Rate		Rate	
A-TOTAL EARNING ASSETS (I+II+III)	114,897.15	266,435.00	263,113.00	259,791.00	199,895.00	139,999.00	119,333.00	98.66	90.27	99.90	98.66	2.56	85.57	17.32								
I- LOANS AND RECEIVABLES (net)	114,767.35	266,134.00	262,861.00	259,588.00	199,672.00	139,756.00	119,111.00	98.49	90.17	99.82	98.49	2.52	85.74	17.33								
a) Factoring Receivables	114,767.35	266,134.00	262,861.00	259,588.00	199,672.00	139,756.00	119,111.00	98.49	90.17	99.82	98.49	2.52	85.74	17.33								
b) Financing Loans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00								
c) Lease Receivables	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00								
d) Over Due Loans	3,151.06	7,307.00	6,589.00	5,871.00	6,162.00	6,453.00	2,672.00	4.55	2.48	2.26	4.55	24.46	-9.02	141.50								
e) Others	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00								
f) Receivable from Customer due to Brokerage Activities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00								
g) Allowance for loan and Receivables Losses (-)	-3,151.06	-7,307.00	-6,589.00	-5,871.00	-5,785.50	-5,758.00	-2,672.00	-4.06	-2.48	-2.24	-4.06	25.70	0.96	115.49								
II-BANKS AND OTHER EARNING ASSETS	83.66	194.00	197.00	200.00	221.50	243.00	232.50	0.17	0.07	0.08	0.17	-3.00	-17.70	9.46								
a) Banks	83.66	194.00	197.00	200.00	221.50	243.00	232.50	0.17	0.07	0.08	0.17	-3.00	-17.70	9.46								
b) Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00								
c) Balance With Banks-Current Accounts	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00								
III-SECURITIES AT FAIR VALUE THROUGH P/L	46.14	107.00	55.00	3.00	1.50	0.00	0.00	0.04	0.04	0.00	0.04	3,466.67	n.a	n.a								
a) Treasury Bills and Government Bonds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00								
b) Other Investment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00								
c) Repurchase Agreement	46.14	107.00	55.00	3.00	1.50	0.00	0.00	0.04	0.04	0.00	0.04	3,466.67	n.a	n.a								
B - INVESTMENTS IN ASSOCIATES (net)+EQUITY SHARE	11,781.88	27,321.00	13,660.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00								
a) Investments in Associates (net)	11,781.88	27,321.00	13,660.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00								
b) Equity Share	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00								
C-NON-EARNING ASSETS	598.13	1,387.00	829.50	272.00	1,089.00	1,906.00	1,412.00	1.34	0.47	0.10	1.34	409.93	-85.73	34.99								
a) Cash and Cash Equivalents	8.62	20.00	10.50	1.00	46.00	91.00	2.00	0.06	0.01	0.00	0.06	1,900.00	-98.90	4,450.00								
b) Financial Assets at Fair Value through P/L	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00								
c) Asset Held For Sale And Discontinued Operations (net)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00								
d) Other	589.50	1,367.00	819.00	271.00	1,043.00	1,815.00	1,410.00	1.28	0.46	0.10	1.28	404.43	-85.07	28.72								
- Intangible Assets	5.17	12.00	8.50	5.00	10.00	15.00	7.50	0.01	0.00	0.00	0.01	140.00	-66.67	n.a								
- Property and Equipment	28.89	67.00	44.50	22.00	27.50	33.00	31.50	0.02	0.02	0.01	0.02	204.55	-33.33	10.00								
- Deferred Tax	15.09	35.00	29.00	23.00	23.50	24.00	214.50	0.01	0.01	0.01	0.02	52.17	-4.17	-9.407								
- Other	540.34	1,253.00	737.00	221.00	985.00	1,743.00	975.00	1.23	0.42	0.06	1.23	466.97	-87.32	78.77								
TOTAL ASSETS	127,277.16	295,143.00	277,603.00	260,063.00	200,984.00	141,905.00	120,745.00	100.00	100.00	100.00	100.00	13.49	83.27	17.52								

Akdeniz Faktoring A.Ş.



JCR Eurasia Rating

"Global Knowledge Supported by Local Experience"

FACTORING

	2014		2014		2013		2012		2011		2010		2009		2008		2007		2006		2005		2004		2003		2002		2001		2000	
	USD		TRY		TRY		TRY		TRY		TRY		TRY		TRY		TRY		TRY		TRY		TRY		TRY		TRY		TRY		TRY	
	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)
	(Converted)	(Original)	(Converted)	(Original)	(Converted)	(Original)	(Converted)	(Original)	(Converted)	(Original)	(Converted)	(Original)	(Converted)	(Original)	(Converted)	(Original)	(Converted)	(Original)	(Converted)	(Original)	(Converted)	(Original)	(Converted)	(Original)	(Converted)	(Original)	(Converted)	(Original)	(Converted)	(Original)	(Converted)	(Original)
AKDENİZ FAKTORİNG A.Ş.																																
BALANCE SHEET-LIABILITIES+EQUITY																																
TRY (000)																																
C- COST BEARING RESOURCES (I+II)	112,204.49	260,191.00	245,306.50	245,306.50	230,422.00	179,942.00	129,462.00	118,884.00	108,306.00	108,306.00	88.16	88.60	91.23	12.92	77.98	19.53																
I- PAYABLES	11,066.89	25,663.00	18,767.00	18,767.00	11,871.00	5,935.50	0.00	0.00	0.00	0.00	8.70	4.56	n.a	116.18	n.a	n.a																
a) Factoring Payables	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	n.a	n.a	n.a	n.a	n.a	n.a																
b) Lease Payables	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	n.a	n.a	n.a	n.a	n.a	n.a																
c) Other	11,066.89	25,663.00	18,767.00	18,767.00	11,871.00	5,935.50	0.00	0.00	0.00	0.00	8.70	4.56	n.a	116.18	n.a	n.a																
II- BORROWING FUNDING LOANS & OTHER	101,137.61	234,528.00	226,539.50	226,539.50	218,551.00	174,006.50	129,462.00	118,884.00	108,306.00	108,306.00	79.46	84.04	91.23	7.31	68.81	19.53																
a) Fund Borrowed-Short Term	90,243.22	209,265.00	213,908.00	213,908.00	218,551.00	174,006.50	129,462.00	118,884.00	108,306.00	108,306.00	70.90	84.04	91.23	-4.25	68.81	19.53																
b) Fund Borrowed-Long Term	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	n.a	n.a	n.a	n.a	n.a	n.a																
c) Marketable Securities For Issued (net)	10,894.39	25,263.00	12,631.50	12,631.50	0.00	0.00	0.00	0.00	0.00	0.00	8.56	n.a	n.a	n.a	n.a	n.a																
d) Securities Sold Under Repurchase Agreements	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	n.a	n.a	n.a	n.a	n.a	n.a																
e) Subordinated Loans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	n.a	n.a	n.a	n.a	n.a	n.a																
D- NON COST BEARING RESOURCES	141.88	329.00	331.00	331.00	333.00	385.50	438.00	551.50	665.00	665.00	0.11	0.13	0.31	-1.20	-23.37	-34.14																
a) Provisions	45.71	106.00	101.00	101.00	96.00	113.00	130.00	145.50	161.00	161.00	0.04	0.04	0.09	10.42	-26.15	-19.25																
b) Current & Deferred Tax Liabilities	96.17	223.00	230.00	230.00	237.00	198.50	160.00	190.00	220.00	220.00	0.08	0.09	0.11	-5.91	48.13	-27.27																
c) Trading Liabilities (Derivatives)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	n.a	n.a	n.a	n.a	n.a	n.a																
d) Other Liabilities	0.00	0.00	0.00	0.00	0.00	74.00	148.00	216.00	284.00	284.00	n.a	n.a	0.10	n.a	-100.00	-47.89																
E- TOTAL LIABILITIES	112,346.37	260,520.00	245,637.50	245,637.50	230,755.00	180,327.50	129,900.00	119,435.50	108,971.00	108,971.00	88.27	88.73	91.54	12.90	77.64	19.21																
F- MINORITY INTEREST	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	n.a	n.a	n.a	n.a	n.a	n.a																
F- EQUITY	14,930.79	34,623.00	31,965.50	31,965.50	29,308.00	20,656.50	12,005.00	11,889.50	11,774.00	11,774.00	11.73	11.27	8.46	18.13	144.13	1.96																
a) Prior Year's Equity	12,638.75	29,308.00	20,656.50	20,656.50	12,005.00	11,889.50	11,774.00	11,150.50	10,527.00	10,527.00	9.93	4.62	8.30	144.13	1.96	11.85																
b) Equity (Internal & external resources added during the year)	-0.26	-2.00	6,621.50	6,621.50	13,245.00	6,622.50	0.00	0.00	0.00	0.00	-0.00	5.09	n.a	-100.02	n.a	n.a																
c) Minority Interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	n.a	n.a	n.a	n.a	n.a	n.a																
d) Profit & Loss	2,292.90	5,317.00	4,687.50	4,687.50	4,058.00	2,144.50	231.00	739.00	1,247.00	1,247.00	1.80	1.56	0.16	31.03	1,656.71	-81.48																
TOTAL LIABILITY+EQUITY	127,277.16	295,143.00	277,603.00	277,603.00	260,063.00	200,984.00	141,905.00	131,325.00	120,745.00	120,745.00	100.00	100.00	100.00	13.49	83.27	17.52																

Akdeniz Faktoring A.Ş.

Akdeniz Faktoring A.Ş. INCOME STATEMENT TRY (000)	2014	2013	2012	2011	2010
Net Interest Income	10,747.00	7,544.00	5,729.00	3,475.00	-770.00
A) Interest income	43,598.00	24,097.00	21,784.00	16,056.00	8,640.00
a) Factoring Interest Income	43,593.00	24,079.00	21,773.00	16,047.00	8,628.00
b) Financing Loans Interest Income	0.00	0.00	0.00	0.00	0.00
c) Lease Income	0.00	0.00	0.00	0.00	0.00
d) Banks	5.00	18.00	11.00	9.00	12.00
B) Financial Expense	32,851.00	16,553.00	16,055.00	12,581.00	9,410.00
Net Fee and Commission Income	77.00	129.00	147.00	36.00	42.00
a) Fee and Commission Income	77.00	129.00	147.00	36.00	42.00
b) Fee and Commission Expense	0.00	0.00	0.00	0.00	0.00
Total Operating Income	127.00	1,213.00	289.00	13.00	3,340.00
Interest Income from Other Operating Field	0.00	0.00	0.00	0.00	0.00
Foreign Exchange Gain or Loss (net) (+/-)	25.00	40.00	62.00	3.00	3,138.00
Gross Profit from Retail Business	0.00	0.00	0.00	0.00	0.00
Gains or Loss on Derivative Instruments (+/-)	0.00	0.00	0.00	0.00	0.00
Income on Sale of Equity Participations and Consolidated Affiliates	0.00	0.00	0.00	0.00	0.00
Gains from Investment Securities (net)	0.00	0.00	0.00	0.00	0.00
Other Operating Income	102.00	1,173.00	227.00	10.00	202.00
Taxes other than Income Tax	0.00	0.00	0.00	0.00	0.00
Dividend	0.00	0.00	0.00	0.00	0.00
Provisions	1,555.00	1,129.00	3,178.00	186.00	43.00
Provision for Impairment of Loan and Trade Receivables	1,555.00	1,129.00	3,178.00	186.00	43.00
Other Provision	0.00	0.00	0.00	0.00	0.00
Total Operating Expense	2,750.00	2,732.00	2,028.00	1,931.00	1,829.00
Salaries and Employee Benefits	1,461.00	1,308.00	1,243.00	1,399.00	1,410.00
Depreciation and Amortization	0.00	15.00	3.00	62.00	87.00
Other Expenses	1,289.00	1,409.00	782.00	470.00	332.00
Profit from Operating Activities before Income Tax	6,646.00	5,025.00	959.00	1,407.00	740.00
Income Tax – Current	1,329.00	967.00	348.00	296.00	165.00
Income Tax – Deferred	0.00	0.00	380.00	-136.00	-114.00
Net Profit for the Period	5,317.00	4,058.00	231.00	1,247.00	689.00

Akdeniz Faktoring A.Ş. FINANCIAL RATIO %	2014	2013	2012
I. PROFITABILITY & PERFORMANCE			
1. ROA - Pretax Profit / Total Assets (avg.)	2.39	2.50	0.73
2. ROE - Pretax Profit / Equity (avg.)	20.79	24.33	8.07
3. Total Income / Equity (avg.)	34.26	43.02	51.85
4. Total Income / Total Assets (avg.)	3.94	4.42	4.69
5. Provisions / Total Income	14.20	12.71	51.55
6. Total Expense / Total Resources (avg.)	1.12	1.52	1.70
7. Net Profit for the Period / Total Assets (avg.)	1.92	2.02	0.18
8. Total Income / Total Expenses	398.22	325.26	303.99
9. Non Cost Bearing Liabilities + Equity - Non Earning Assets / Assets	11.37	11.29	7.43
10. Non Cost Bearing Liabilities - Non Earning Assets / Assets	-0.36	0.02	-1.03
11. Total Operating Expenses / Total Income	25.11	30.74	32.90
12. Interest Margin	4.08	3.77	4.42
13. Operating ROAA = Operating Net Incomes / Assets (avg.)	14.23	10.74	12.96
14. Operating ROAE = Operating Net Incomes / Equity Capital (avg.)	123.56	104.46	143.10
15. Interest Coverage = EBIT / Interest Expenses	120.23	130.36	105.97
16. Net Profit Margin	48.55	45.67	3.75
17. Gross Profit Margin	60.69	56.55	15.56
18. Market Share	1.12	1.19	0.78
19. Growth Rate	13.49	83.27	17.52
II. CAPITAL ADEQUACY (year end)			
1. Equity Generation / Prior Year's Equity	-0.01	110.33	0.00
2. Internal Equity Generation / Previous Year's Equity	18.14	33.80	1.96
3. Equity / Total Assets (Standard Ratio)	11.73	11.27	8.46
4. Equity / Total Liabilities	13.29	12.70	9.24
5. Free Equity / Total Receivables Ratio	2.71	11.28	8.56
6. Tangible Assets / Total Assets	0.02	0.01	0.02
7. Intangible Assets / Total Assets	0.00	0.00	0.01
8. Equity / Total Guarantees and Commitments + Equity	100.00	100.00	100.00
III. LIQUIDITY (year end)			
1. Liquid Assets + Marketable Securities / Total Assets	0.11	0.08	0.24
2. Liquid Assets + Marketable Securities / Total Liabilities	0.12	0.09	0.26
3. Short Term Borrowings / Total Assets	79.60	88.60	91.23
4. Net Interest and Commission / Total Assets	3.67	2.95	4.14
5. Liquid Assets + Marketable Securities / Equity	0.93	0.70	2.78
IV. ASSET QUALITY			
1. Loan and Receivable's Loss Provisions / Total Loans and Receivables	2.67	2.19	3.96
2. Total Provisions / Profit Before Provision and Tax	18.96	18.35	76.82
3. Impaired Receivables / Gross Receivables	2.67	2.21	4.43
4. Impaired Receivables / Equity	21.10	20.03	53.75
5. Loss Reserves for Receivables / Impaired Receivables	100.00	99.01	89.23
6. Collaterals / Total Receivables	123.50	100.53	104.41
7. Total FX Position / Total Assets	8.37	0.00	0.32
8. Total FX Position / Equity	71.39	0.00	3.82
9. Assets / Total Guarantees and Commitments + Assets	100.00	100.00	100.00

Holding Companies' Shareholding Structure (FYE 2014)	Zülfikarlar Holding	İsfendiyar Zülfikari	Tesla Enerji	Others	Total Equity (TRY)
Gürpınar Elektrik Üretim A.Ş.	0.00	0.00	100.00	0.00	94,500,00
Berke Elektrik A.Ş.	0.00	0.00	99.89	0.11	17,500,000
Berke Kimyevi Maddeler Nak. Tic. San. A.Ş.	0.00	88.28	0.00	11.72	2,550,000
Gündoğdu Rüzgar Enerji Ürt. San. ve Tic. A.Ş.	0.00	0.00	100.00	0.00	11,100,000
Hilal Enerji Ürt. San. ve Tic. A.Ş.	0.00	0.00	100.00	0.00	10,000,000
Turkuaz Petrol Ürünleri A.Ş.	86.66	2.50	0.00	10.84	65,000,000
Turkuaz Gaz Dağıtım ve Pazarlama A.Ş.	0.00	26.04	0.00	73.96	150,000
Tesla Enerji Elektrik Üretim Tic. Ve San. A.Ş.	90.20	9.80	0.00	0.00	220,000,000
Zülfikar Kim. Mad. İth. İhr. Ve Depo A.Ş.	72.63	6.69	0.00	20.68	1,500,000
Akça Kimyevi Mad. Nak. Tic. San. A.Ş.	90.10	9.90	0.00	0.00	1,000,000
Tesla Enerji Toptan Satış A.Ş.	91.00	9.00	0.00	0.00	1,000,000
Trend Lojistik A.Ş.	0.00	100.00	0.00	0.00	100,000
İz Gayrimenkul Geliş. Ve Yön. İnş. Ve Taah. A.Ş.	91.00	9.00	0.00	0.00	100,000
Zülfikarlar Holding A.Ş.	0.00	100.00	0.00	0.00	80,000,000