



JCR Eurasia Rating

"Global Knowledge Supported by Local Experience"

BASIN AÇIKLAMASI
İstanbul – 10 Haziran 2016

JCR Eurasia Rating,

periyodik gözden geçirme sürecinde **Akdeniz Faktoring A.Ş. ve Mevcut/Planlanan Tahvil İhracına** ilişkin Uzun Vadeli Ulusal Notunu **'A (Trk)/Stabil'** olarak yukarı yönlü revize etti. Uzun Vadeli Uluslararası Yerel ve Yabancı Para not ve görünümünü ise **"BBB-/Stabil"** olarak teyit etti.

JCR Eurasia Rating, Akdeniz Faktoring A.Ş. ve Mevcut/Planlanan Tahvil İhracına ilişkin periyodik gözden geçirme sürecinde Uzun Vadeli Ulusal Notunu **'A (Trk)/Stabil'** olarak yukarı yönlü revize etti. Uzun Vadeli Uluslararası Yabancı Para Yerel Para Notları ise **'BBB-/Stabil'** olarak teyit edilmiş olup tüm notların 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) / (Stabil Görünüm)
Uzun Vadeli İhraç Notu	: A (Trk)
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)
Kısa Vadeli İhraç Notu	: A-1 (Trk)
Desteklenme Notu	: 1
Ortaklardan Bağımsızlık Notu	: B

Türkiye'deki makroekonomik koşullardaki dalgalanmalardan ve belirsizliklerden etkilenme seviyesi en yüksek olan sektörlerden birisi olan Faktoring sektöründe ekonomik konjonktürdeki değişiklikler ve BDDK'nın regülasyon çalışmaları yönetim politikaları üzerinde belirleyici olmaktadır. Bununla beraber, yapılan reformlar doğrultusunda, etkin gözetim ve denetim açısından sektörün yasal altyapısı iyileştirilerek, bilgi sistemlerinin, risk ölçüm sistemlerinin ve iç kontrol süreçlerinin tesis edilmesinin zorunlu tutulması özellikle, sektörün kurumsal yapısının gelişimine, finansal raporlamaların kalitesinin, standardizasyonunun ve şeffaflığının artırılmasına ve rekabet eşitliğinin sağlanmasına yönelik pozitif yönde ivme kazandırmıştır.

Akaryakıt, enerji, finans ve kimya sektörlerinde yatırımları bulunan **Zülfikarlar Holding A.Ş.** bünyesinde faaliyet gösteren **Akdeniz Faktoring A.Ş.**, yurt içinde faaliyet gösteren faktoring şirketleri başta olmak üzere farklı sektörlerde faaliyet gösteren ve ağırlıklı olarak orta ve büyük ölçekli firmalara finansman sağlamaktadır. Faaliyetlerini genel merkezinde yoğunlaştıran şirketin Ankara'da faal olmayan bir şubesi bulunmaktadır.

Akdeniz Faktoring, 2015 yılında tekrar eden genel seçimler nedeniyle ortaya çıkan siyasi ve ekonomik belirsizliklerin sektörde neden olduğu reel küçülmeye karşı cirosunu ve varlık büyüklüğünü arttırmayı başarmıştır. İhtiyatlı risk yönetiminin ve ağırlıklı yerel faktoring şirketlerinin bulunduğu portföy yapısının sonucu olarak faiz marjları sektör ortalamasının altında şekillenen Şirket'in genel yönetim giderleri üzerindeki etkili kontrolü finansal sonuçlarını desteklemektedir. 2015 yılında sınırlı sayıda müşteri üzerinde yoğunlaşan şüpheli faktoring alacakların tamamına karşılık ayıran Şirket'in net karlılık seviyesini aşağı yönlü baskılanmış olsa da, ilk çeyrek sonuçları itibarıyla şüpheli alacak giderlerine maruz kalmayan Şirket, tatmin edici seviyede net kar elde etmiştir. Şirketin müşteri portföyündeki ticari ve kurumsal firma sayısında kaydettiği artış gelecek dönemlerdeki net faiz marjını destekleyecektir. Şirket'in Uzun Vadeli Ulusal Notu, müşteri tabanını genişletmeye ve çeşitlendirmeye yönelik stratejisi, büyümeye olanak veren kaldıraç seviyesi, dengeli finansman yapısı ve bünyesinde faaliyette bulunduğu holding yapısı dikkate alınarak, mevcut varlık kalitesini koruması koşulluyla, **A (Trk)** olarak yukarı yönlü revize edilmiştir.

İhraç yoluyla elde edilmesi planlanan kaynaklar şirket bilançosunda taşınacağı için ayrı bir ihraç rating raporu düzenlemeyip kredi derecelendirme raporu içerisinde analiz edilmiştir. İhraç edilecek tahvilin şirketin diğer yükümlülüklerine göre hukuksal ve teminat açısından bir farklılaştırılması olmadığı için şirketin kurumsal yapısının notları ihraç ratingini de temsil etmektedir.

Ortaklık yapısında kontrolü elinde tutan **İsfendiyar Zülfikari'nin** ve **Zülfikarlar Holding A.Ş.'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 iletişim kurulabilir.

JCR EURASIA RATING
Yönetim Kurulu

**PRESS RELEASE**
Istanbul – June 10, 2016**JCR Eurasia Rating**

has reviewed and upgraded the Long Term National credit ratings of **Akdeniz Faktoring A.Ş.** and the **Cash Flows of its Issued Bonds** as **'A (Trk)/Stable'** and affirmed its rating as **'BBB-/Stable'** on the Long Term International Foreign Currency Scale.

JCR Eurasia Rating has upgraded the Long Term National credit rating of "Akdeniz Faktoring A.Ş. and the Cash Flows on Bond Issues" to "A (Trk)/Stable". The Long Term International Foreign and Local Currency rating and outlooks have been affirmed as "BBB-/Stable". 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) / (Stable Outlook)
Long Term National Issue Rating	: A (Trk)
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)
Short Term National Issue Rating	: A-1 (Trk)
Sponsor Support	: 1
Stand Alone	: B

The Factoring Sector exhibits one of the highest levels of vulnerability to fluctuations in macroeconomic circumstances and instability. Management policies in the sector are strongly influenced by the changes in economic outlook and regulatory pressures from the Banking Regulation and Supervision Agency (BRSA). 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 have made a positive contribution to the improvement of the sector's institutional set-up, and the quality, standardization, and transparency of financial reporting practices and facilitated fair competition.

Operating within **Zülfikarlar Holding A.Ş.**, which conducts business in the petroleum and petroleum products, energy, construction, and financial sectors, **Akdeniz Faktoring A.Ş.** primarily provides factoring services to domestic factoring companies and corporate segment customers in different sectors. The Company has concentrated its operations at its headquarters and has a branch in Ankara which is currently inactive.

Akdeniz Faktoring increased its turnover asset base, despite contractions experienced throughout the sector in the wake of political and economic uncertainties stemming from snap elections held in 2015. Owing to prudent risk management and a portfolio structure dominated by local factoring companies, the Company's interest margin stood below the sector averages while effective control over its SG&A supported the financial results. Even though the year-end profitability indicators of the Company were pressured downwards due to the full provisioning of impaired receivables concentrated on a limited number of customers, Akdeniz Faktoring recorded satisfactory net income in Q12016. The increases in corporate and commercial segment customers throughout the year is expected to support the net profit margin in the upcoming periods. The Company's Long Term National Rating has been revised upwards to **A (Trk)**, considering the expanding customer base and diversification strategy, leverage level supporting growth, balanced funding structure, and the holding group it is operating within, provided that the current asset quality is maintained.

No separate rating report has been compiled for the bond issuances as the resources obtained from the bond issue will be carried in the Company's balance sheet and are subject to analysis in the corporate credit rating report. The planned bond issue carries no difference in comparison to the Company's other liabilities with respect to its legal standing and collateralization. As such, the notations outlined in the corporate credit rating report also reflect the issue rating.

It is considered that the controlling shareholder **İsfendiyar Zülfikari** and prominent parent company **Zülfikarlar Holding A.Ş.** 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 more than 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 and 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, you may visit our internet site <http://www.jcrer.com.tr> or contact our analyst **Mr. Abdurrahman TUTĞAÇ**.

JCR EURASIA RATING
Administrative Board

JCR EURASIA RATING



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

AKDENİZ FAKTORİNG A.Ş.					
Financial Data	Q12016	2015*	2014*	2013*	2012*
Total Assets (000 USD)	129,728	117,890	127,277	122,072	79,830
Total Assets (000 TRY)	366,468	342,777	295,143	260,063	141,905
Equity (000 TRY)	59,396	57,356	34,623	29,308	12,005
Net Profit (000 TRY)	2,041	1,587	5,317	4,058	231
Market Share (%)	n.a.	1.28	1.12	1.19	0.78
ROAA, pre-tax (%)	n.a.	0.63	2.39	2.50	0.73
ROAE, pre-tax (%)	n.a.	4.37	20.79	24.33	8.07
Equity/Assets (%)	16.20	16.73	11.73	11.27	8.46
NPL (%)	3.92	4.46	2.67	2.21	4.43
Growth Rate (%)	6.91	16.14	13.49	83.27	17.52

*End of year

Overview

Akdeniz Faktoring A.Ş. provides recourse factoring to its rooted client base largely comprised of domestic factoring companies and large entities operating in different sectors. The Company was established in 1993 and operates within Zülfikarlar Holding A.Ş., a long established family owned enterprise.

Zülfikarlar Holding has a wide range of activities in the fields of petroleum and petroleum products, energy, construction and the financial sector. Turkuaz Petrol Ürünleri A.Ş., Akça Kimyevi Maddeler Nakliyat Tic. San. A.Ş., and Tesla Enerji Toptan Satış A.Ş. are the holding's leading companies, along with Akdeniz Faktoring.

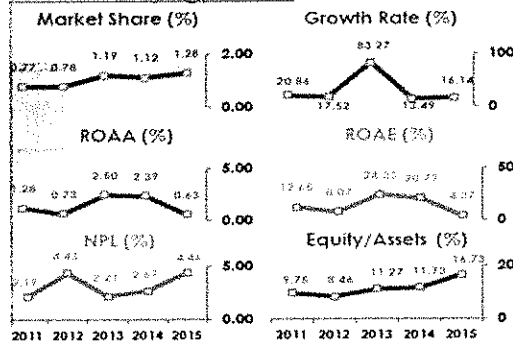
Akdeniz Faktoring A.Ş. holds 6.25% shares of Turkuaz Petrol Ürünleri A.Ş., a fuel distributor with over TRY 1bn revenues in 2015. Akdeniz Faktoring is headquartered in Üsküdar, İstanbul and the Company employed a staff of 17 as of 2015. The Company has one branch in Ankara which is currently inactive.

*Assigned by JCR Eurasia Rating, JCR-ER on August 28, 2015

Analyst:

Abdurrahman TUTGAÇ/+90 212 352 56 73

abdurrahman.tutgac@jcrer.com.tr



Strengths

- Above sector asset growth despite a contraction in the sector
- Prudent risk management which bolsters the quality of the factoring receivables portfolio
- Growing and a more diversified customer base
- Diversified and balanced funding mix
- Resilience to FX risks
- Relatively lower operational expenses to average assets underpinning profitability results
- Solid capital base comfortably above the mandated capital adequacy generate room for further growth
- Shareholder and group support in both financial and operational aspects

Constraints

- Below sector interest margins as part of the prudent risk-averse strategy of the Board
- Narrowed year-end profits due to provision expenses over few customers
- Frequent changes in the senior management team
- Highly competitive and fragmented market structure
- Pressurized global and regional economic outlook with persistent uncertainties concerning the monetary policy responses

Publication Date: June 10, 2016

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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, the total asset size of the Turkish Factoring Sector was TRY 26.7bn and involved 66 factoring companies.

This report is based on the independent audit report of Akdeniz Faktoring in addition to statistical data on the sector produced by BRSA. Additionally, JCR Eurasia's own analyses, estimations, and calculations were incorporated into the report. Clarifications related with the current operations and updates to the corporate structure of Akdeniz Faktoring are provided by the Company management.

As there are no additional legal and/or financial collateral guarantees provided separately for the repayment of the bond issued by Akdeniz Faktoring A.Ş., the rating assigned for the TRY dominated bond issuances has been assigned as the same as the Company's Long and Short Term National Local Ratings.

Akdeniz Faktoring's business profile, customer segments, interest margin, liquidity structure, solvency indicators, capitalization level, asset quality, risk management policies, and management and ownership profiles have been taken into consideration for assigning the long term national and international local and foreign currency grades. The main driving forces behind the Company's long-term national grade are;

Sound Growth Path despite the Challenges in the Sector

Akdeniz Faktoring has increased its assets by 16.14% in 2015 against a sector growth of 1.16%. However, the Company's factoring receivables increased by 10.48% in the same period. Turkey's election cycle in 2015 along with deteriorating economic conditions and rising uncertainties curbed the sector's appetite leading to a sharp growth decline compared to the previous year. Akdeniz Faktoring's distinctive above sector asset growth was chiefly the result of a shift in business strategy which increase the focus on corporate segment and a more diversified asset base.

Risk-Averse Strategy to Maintain Sustainable Asset Quality

Akdeniz Faktoring's strategy aims at funding domestic factoring companies, engendering less credit risk considering the double-recourse nature of their services

which are additionally collateralized by the factoring companies. The management's selective and prudent approach in facilitating lines to its customer was reflected on its healthy asset base, having a below-sector average NPL ratio over the reviewed periods.

Growing Customer Base

The Board raised its risk appetite in 2015 to increase the share of the profitable corporate segment on its portfolio in order to benefit from better interest margins.

Well Below Sector Average Operating Expenses

Akdeniz Faktoring designed an organizational structure which revealed a distinctive comparative advantages in the context of operational efficiency with a lower level of OPEX and overhead costs in the sector. The benefits of the organizational synergy created within the holding provided Akdeniz Faktoring a bigger room in pricing strategy.

Balanced Funding Mix

Akdeniz Faktoring organized borrowing facilities from several banks. The Company utilized capital markets instruments through a bond issuance which corresponds to 7.36% of its total resources as of FYE2015. Akdeniz Faktoring's balanced funding mix of its bolstered funding structure strengthened its negotiating ability with financial institutions.

Below Sector Interest Margins

The established business strategy of the Company, based primarily on funding domestic factoring companies, generated below sector average profit margins. Additionally, the Company's attempt to penetrate the corporate segment to increase its customer base necessitated competitive pricing and resulted in narrower margins in 2015. Over the medium term the Company is expected to improve its margins through a more balanced customer base.

Constrained Global and Regional Economic Outlook with Persistent Uncertainties Related with the Monetary Policies of Developed Economies

The factoring sector is sensitive to economic prospects and consumer confidence due to the fast paced nature of the business. Political and economic uncertainties, growing insurgency in the Middle East and spillovers, disappointing global economic performance, and volatile currency rates with decoupled monetary policies of developed countries are evaluated as potential downward risk factors. The subsequently tightened or potentially altered policies of the banking sector as a reaction to aforementioned downside risks might disrupt the liquidity chain of the economy. On the flipside, migration to the factoring sector might provide

growth opportunities, provided that the riskiness of the borrowers and the cheque drawers are prudently evaluated.

JCR Eurasia Rating has upgraded the Company's Long Term National Credit Rating as 'A (Trk)', considering the aforementioned rating drivers detailed in the rest of the report. The long term international foreign currency and local currency ratings of the Company are affirmed as the country ceiling of 'BBB-'.
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JCR Eurasia Rating has 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.

2. Outlook

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

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

The financial strength and expected support of the Company's shareholders lay the foundation of its Sponsor Support assessment. Akdeniz Faktoring's utmost shareholder, Mr. İsfendiyar Zülfikari is the owner of Zülfikarlar Holding. Accounting for the Group's long track record, assets, and equity, Mr. Zülfikari is considered to be in a comfortable position to provide support to Akdeniz Faktoring in case of a liquidity requirement. The fact that the shareholders increased the paid-in capital of the Company to TRY 50mn in the last two years, predominantly funded with cash injection, attest to their willingness and capacity to provide financial assistance. In this regard, JCR Eurasia Rating has assigned the Sponsor Support grade as '1' reflecting a strong financial and non-financial states and expected support by the shareholders.

Akdeniz Faktoring's Stand Alone grade reflects its asset quality, capitalization level, net interest margin, risk management structure, and the risks inherent in the market. In this regard, we believe Akdeniz Faktoring has reached the level of adequate entrepreneurial ability, experience, and facilities to manage the incurred risks in its balance sheet without any assistance by the shareholders provided that it extends its current customer base and effectiveness in the market and improves the organization and management procedures to reduce the key man risk for the Company. Within this context, the Stand Alone grade of Akdeniz Faktoring has been determined as (B) in the JCR Eurasia Rating notation system.

4. Company Profile

a) History & Activities

Akdeniz Faktoring A.Ş. provides recourse factoring to its rooted client base largely comprised of medium entities operating in different sectors and domestic factoring companies. The Company was established in 1993 and operates within Zülfikarlar Holding A.Ş., a long-established family owned enterprise.

Zülfikarlar Holding has a wide range of activities 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. are the holding's leading companies, along with Akdeniz Faktoring.

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 employed a staff of 17 as of 2015. 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 Company's paid up capital stood at TRY 50mn which was adequately above the regulatory imposed floor of TRY 20mn at end-2015. The majority of shares were transferred to the holding and the real person shareholder, İsfendiyar Zülfikari, held 10.27% of Company's shares.

Shareholding Structure	End-2015		End-2014	
	%	Amount	%	Amount
İsfendiyar Zülfikari	10.27	5,133	99.42	24.854
Zülfikarlar Holding A.Ş.	89.31	44,656	-/-	-/-
Others	0.42	211	0.58	146
Paid Capital (TRY 000)	100	50.000	100	25.000

Akdeniz Faktoring A.Ş. holds 6.25% of shares of Turkuaz Petrol Ürünleri A.Ş., a fuel distributor founded in 1994 to provide services to both corporate and final customers through a network of 350 stations, 4 terminals, and 7 supply establishments. Turkuaz Petrol generated over TRY 1bn revenue as of FYE 2015 and is the 12th largest company in the sector in terms of volume of sales.

The shareholding structures of Zülfikarlar Group companies as of FYE2015, 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. The new general manager, Murat Albuga 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 Strategies

Akdeniz Faktoring is a long established factoring company with adequate experience and facilities despite having a small 1.28% 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 primarily at 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 real sector companies 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 64 companies with different ownership and management structures, customer bases, scope of services, operational business models and strategies, profitability and risk preferences, branching facilities, access opportunities to customers and markets, funding sufficiency, operational capacities on a local and/or international scale. As of FYE2015, the sector reached a total asset size of TRY 26.7bn and equity of TRY 4.6bn.

Providing guarantees, financing and collection services faster than banks in return for the assignment of spot and deferred receivables arising from the sale of products and services domestically and overseas, the sector continued its



institutionalization, branching and extension of customer base activities in 2015.

However, a significant number 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 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 economic conjecture in comparison to banks, while regulatory pressures from the Banking Regulation and Supervision Agency (BRSA) continues to create difficulties in management policies across the sector.

Demand for Factoring Sector services result from the predominance of Small and Medium Sized Enterprises (SME) in production activities. The sector mainly concentrates on the energy, textile, transportation vehicles, main metal and machinery industries. Although the energy sector, covering nuclear fuel, petroleum and coal products, dominated the factoring sector in 2015, the energy sector's share fell in comparison to 2014.

Expectations of greater consolidation in the sector, as a result of obligatory increases in minimum capital levels to TRY 20mn, were somewhat realized in 2015. Some companies operating in the sector have either halted operations or merged with other companies from within the sector, eliminating further consolidation risk. Funding costs continue to maintain their principal importance for the sector while risk preferences and risk management practices are factoring firms' major determinants of the end of the year performance. A total of 12 firms exited the sector and been decertified due principally to the increase in the paid in capital obligation and sector-wide profitability problems, decreasing the number of factoring companies from 76 to 64 in 2015. However, the total asset size and market share of these companies are not considered as significant to affect the factoring system in general. On the other hand, the capital structures of the remaining companies have been strengthened as a result of the minimum capital level obligation.

Although non-performing receivables, collection problems and decreasing profit margins have created difficulties for the sector in 2015, factoring companies are expected to adjust to these changes with the help of the adaptable

nature of the sector. Growth in both customer numbers and operational volume is expected to continue at an increased pace in 2016.

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 subsidiary factoring companies are characterized by low asset and high NPL levels, high interest margins, low external financing, high equity and profitability levels along with narrow opportunities for access to loans and customers.

The establishment and working conditions of factoring companies are regulated by the BRSA and are organized under the Financial Institutions Union. The employment of managers with good education and sufficient vocational experience, establishment of sound information systems and the identification and evaluation of risks remain legal requirements of the sector. Following the adoption of a centralized billing system, the duplicate assignment of receivables arising from the sale of products and services have been prevented and thus transparency increased. A law introducing the establishment of a Centralized Billing Recording System under the "Financial Institutions Union" and enhanced opportunities to gather data from the Risk Center under the Turkish Banking Union is expected to 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, and the quality, standardization and transparency of financial reporting practices and facilitated 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 opportunities to diversify their funding streams since FY2010. However, the principal sources of funding for non-banking financial institutions are external and are provided through the Turkish Banking System, while the trend to access funds from capital markets via debt instruments remains rather weak.

Turkey is currently ranked 13th in the world and 8th in Europe in terms of the size of its factoring sector. Turkey is also ranked 2nd on a global basis in export factoring transactions after China. The shareholder structure and management teams of factoring companies are subject to rapid changes due to a comparatively large market entry and exits derived from the intensely competitive environment in which they operate.

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

THE KEY INDICATORS OF TURKISH FACTORING SECTOR

(000.000)	2015	2014	2013	2012	2011	2010	2009
Asset Size-TRY	26,716	26,515	21,790	18,146	15,622	14,463	10,490
Asset Size-USD	9,155	11,395	10,228	10,208	6,270	9,406	7,053
Equity-TRY	4,627	4,442	4,015	3,856	3,377	2,940	2,537
P/L-TRY	395	616	477	581	447	368	309
ROAA %	1.93	3.20	2.97	4.50	3.43	3.98	4.62
ROAE %	11.34	18.25	15.08	21.00	16.87	18.11	17.22
NPL Ratio%	5.49	4.83	4.70	4.69	3.94	4.07	5.88
Equity/T. Sources	17.32	16.75	18.42	21.25	21.00	20.33	24.19

The Factoring Sector has a relatively low free floating rate and enjoys a small share across the wider Turkish financial services sector. 63 of the total 64 companies are located in Istanbul while 1 is based in the capital, Ankara.

Funds obtained by the Factoring Sector largely belong to companies that are subsidiaries of banks or ones that have banks among the wider group, making it more difficult for non-bank affiliated factoring companies to carry out their intermediary function.

As of FYE2015, the total asset size of Turkish factoring companies was TRY 26,716mn, with an equity of TRY 4,627mn. Throughout its 26-year history, the Turkish Factoring Sector has maintained a consistent growth trend with the exception of 1994 and 2001 during which the sector underwent contractions of 10.31% and 40.23%, respectively. Between 2006 and 2015, the Factoring Sector exhibited a cumulative growth rate of 404.08%. The growth rate for the last financial year was 0.76%.

Factoring receivables constitute the largest item among the sector's assets with a share of 95%, whilst loans enjoyed the largest share among its resources with a 67.39% 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 2008 and accelerated in 2012. As a result, bond issuances comprised 12.25% of the sector's total asset size in 2014. The share of equity among total resources of the sector stood at 17.32% and displayed a downward trend within total liabilities. In line with the new regulations, factoring companies are obliged to have a standard ratio which dictates that the share of equity to total assets shall not fall below 3%.

In 2014, the risk concentration of factoring companies primarily focused on the manufacturing industry with a share of 56.50%, the largest sectors being nuclear fuel, oil and coal products, textile and textile products, metal industry, processed material products, and transportation vehicles. Across the services sector, the largest levels of concentration were observed in the sectors of wholesale and retail trade, motor vehicle services, construction, logistics, storage, and communications.

The sector's non-performing receivables to total receivables ratio increased from 4.83% in 2014 to 5.49% in 2015. However, speculation in the market exists regarding the level of additional non-performing receivables that have not yet been recorded to the balance sheets of the sector. The ratio of non-performing receivables to equity reached 31.5% in the sector. Provisions made regarding the non-performing receivables increased from 32.04% in 2014 to 50.37% in 2015, which has negatively influenced the financial performance of the sector. The main reason for the increase in non-performing receivables is the decreasing growth rate of the economy.

Factoring sector profitability indicators are currently following a downward trend and stood below those of FY2014 and of the Banking Industry as of FY2015. ROAA (Return on Average Assets) and ROAE (Return on Average Equity) indicators attained values of 1.52% and 13.39%, respectively, for the Banking Sector in comparison to the Factoring Sector's ratios of 1.93% and 11.34%, 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 in 2015 attained a value of 17.32% in comparison to the Banking Sector's value of 11.12%. The provision rates for the non-performing loans across the factoring sector outpaced that of the Banking Sector from FY2012 onward.

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 to a competitive distortion. The return on loans and assets across the sector underwent significant changes throughout FY2015 and as the increases in asset returns could not cope with the increases in interest rate sensitive resources, break-even interest rate settled at 12.34%. The most important outcome was the rapid decline of the net interest rate margin from 1.31% to 0.74%.

RETURN - COST RATIO ANALYSIS FOR FACTORING INDUSTRY			
Asset Return	2015	2014	2013
Loans Interest Yield	13.10%	11.68%	8.48%
Return of the Commissions	1.18%	1.07%	1.00%
FX Return or Cost	0.21%	-0.03%	0.30%
Return/Cost of other Operations	1.59%	2.04%	1.18%
Loans Total Return	16.08%	14.77%	10.96%
Cost of Non-Earning Asset	-0.50%	-0.46%	-0.34%
Asset Return	15.58%	14.31%	10.62%

Cost of Liabilities			
	2015	2014	2013
Interest Cost for	9.48%	7.77%	4.70%
Commission Cost of Resources	0.00%	0.00%	0.00%
Return on Non-Cost Bearing Resources	-0.54%	0.17%	1.09%
Cost of Liabilities	8.94%	7.94%	5.79%

Net Profit Margin			
	2015	2014	2013
Interest and Commission Margin	6.65%	6.37%	4.83%
The Cost of Provisioning Expenses	-1.96%	-1.37%	-1.14%
The Cost of Activities Expenses	-3.95%	-3.69%	-3.41%
Net Profit Margin	0.74%	1.31%	0.28%

Break-Even Analysis			
	2015	2014	2013
Break-even point in Terms of Interest	12.34%	11.39%	10.95%
Break-even point in Terms of Loan size-TL	24,292.98	20,413.98	18,406.96

As of 2015, regulations allowing factoring companies to benefit from Central Bank sourced export rediscount credits through Türk Eximbank on export related operations has ended the sector's disadvantage in terms of export financing operations.

6. Financial Foundation

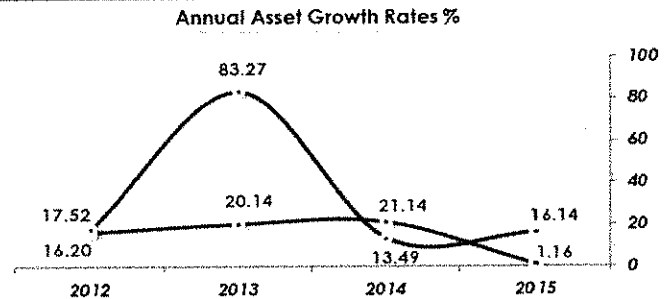
a) Financial Indicators & Performance

- Indices Relating to Size

Akdeniz Faktoring has managed to increase its assets by 16.14% in 2015 against the sector growth performance of 1.16%. However, the Company's factoring receivables

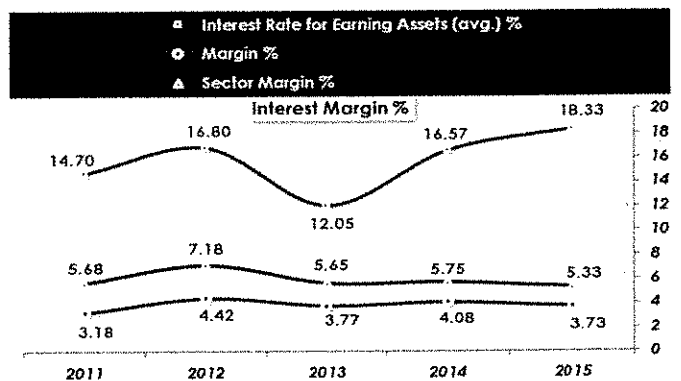
increased by 10.48% in the same period. Turkey's election cycle in 2015, deteriorating economic conditions, and rising uncertainties curbed the sector's appetite leading to a sharp growth decline compared to the previous year. Akdeniz Faktoring's distinctive above sector asset growth was chiefly the result of the shift in business strategy increasing the focus on corporate segment and a more diversified asset base.

■ TURKISH FACTORING SECTOR • AKDENİZ FAKTORİNG A.Ş.

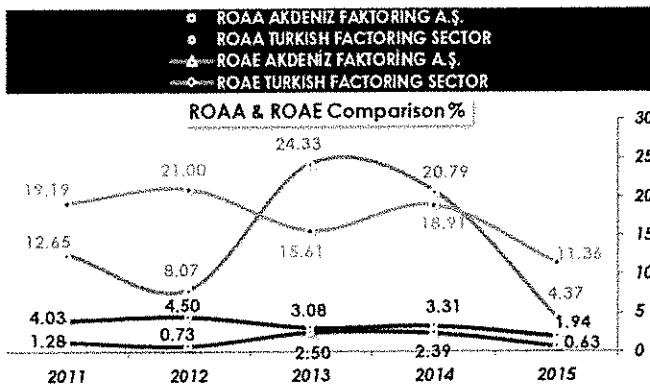


- Indices Relating to Profitability

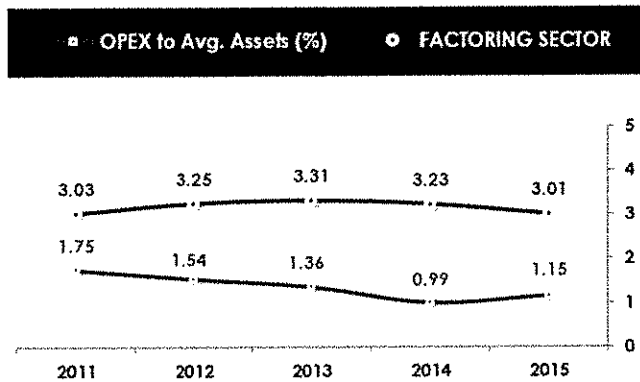
The Company's established business strategy based primarily on the funding of domestic factoring companies inherently generated below sector average profit margins. Additionally, the Company's attempt to further penetrate the corporate segment to increase its customer base necessitated competitive pricing and resulted in narrower margins in 2015. On the other hand, the growing customer base and factoring turnover bolstered the Company's net commission & fee income. Over the medium term the Company is expected to improve its margins through a more balanced customer base.



The Company's core profitability indicators of ROAA and ROAE declined more sharply than those of the sector in 2015, 11.36% and 4.37% respectively. The eroded bottom-line was engendered by provision expenses on impaired loans, which increased to TRY 8.41mn in 2015 (2014: TRY 1.55mn).

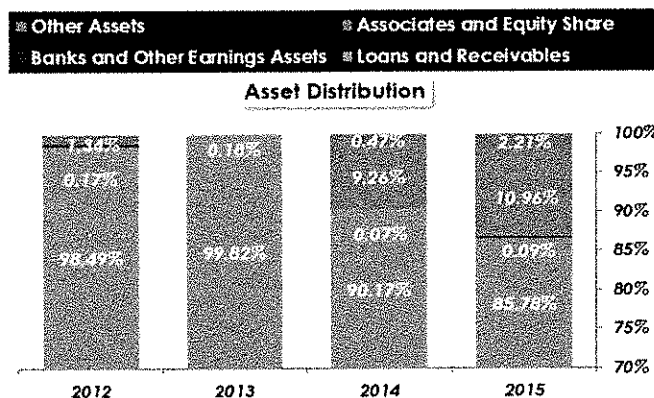


Akdeniz Faktoring designed an organizational structure which revealed a distinctive comparative advantages in the context of operational efficiency with a lower level of OPEX and overhead costs in the sector. The benefits of the organizational synergy created within the Holding provided Akdeniz Faktoring a bigger room in pricing strategy.

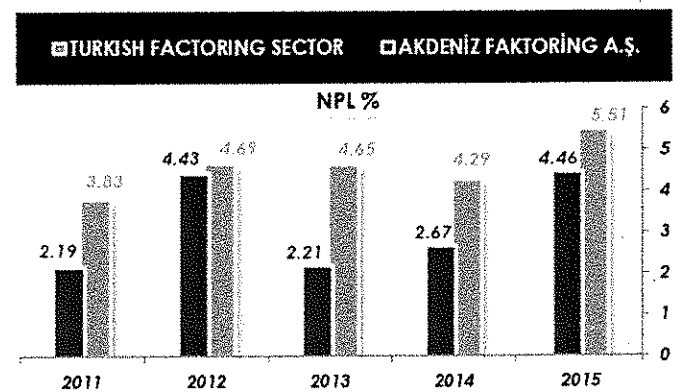


b) Asset Quality

Factoring receivables to 85.78% as of yearend-2015, notably below the sector average of 94.62%. This figure was a result of the Company's purchase of 6.25% of the group's leading company, Turkuaz Petrol, which had a book value of TRY 37.51mn as of FYE2015. The Company is expected to benefit from the future potential of Turkuaz Petrol in terms of capital gains while achieving further credit terms against its creditors.

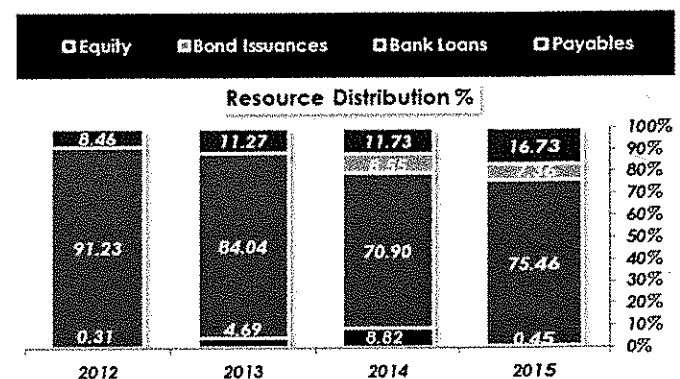


Akdeniz Faktoring's historically lower level of non-performing loans ratio reflects the prudence of the management in risk taking and the Company's customer base which is comprised of prominent domestic companies and large-scale companies. As of 2015, the breakneck growth in the Company's NPL ratio was due to unexpected loss concentrated in a few customers. Doubtful receivables of TRY 5mn from a single customer were reconstructed and is considered to have high collectability. Moreover, the management employed full provision for its impaired receivables, over the mandated limits, which reflects the Company's financial stamina to cushion unforeseen loss.

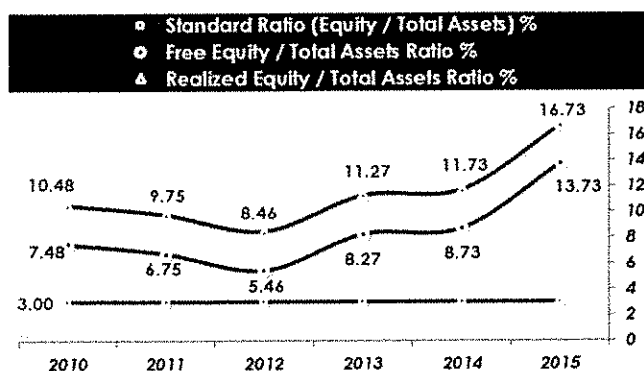


c) Funding & Adequacy of Capital

Akdeniz Faktoring organized borrowing facilities from several banks. The share of bank loans bottomed in 2015 to 75.46% from 70.90% the previous year. The Company has managed to utilize capital markets instruments through bond issuance which corresponds to 7.36% of its total resources as of FYE2015. The balanced funding mix bolstered the funding structure of Akdeniz Faktoring.



Among non-bank factoring peers, Akdeniz Faktoring has one of the strongest equity basis, having a paid-off capital of TRY 50mn. The free equity to total assets ratio of 13.73% was comfortably above the mandated capital adequacy ratio of 3.00% as of FYE2015 and providing a reasonable room for balance sheet growth.



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. The Board of Directors convenes periodically and reviews the findings of the internal control unit. The Company's Board of Directors defines and supervises the implementation of policies engendered to minimize, mitigate, control, and monitor the overall risk exposure.

b) Credit Risk

Akdeniz Faktoring is primarily exposed to credit risk arising from its receivables portfolio. The Board's strategy towards increasing and diversifying customer base resulted in growth in the share of factoring receivables from real sector companies. However, domestic factoring companies still comprised 62% of total receivables as of FYE 2015.

The management's selective and prudent approach in facilitating lines to its customer was reflected on its below sector average NPL ratio over the reviewed periods. The receivable portfolio is monitored and evaluated by several software and internally generated procedures comprising of risk & concentration limits and guidelines for underwriting loans. Collateral base which are largely in the form of invoices backed post-dated cheques underpins the Company's asset quality.

On the other hand, the Company's current strategy to expand and diversify customer base in favor of corporate segment will call for more deliberate allocation and monitoring efforts in order to maintain its current asset quality considering the Company's narrow organizational base.

c) Liquidity Risk

The Company manages liquidity risk mainly through due-date matching of borrowings and receivables. As the factoring receivables have relatively 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 factoring companies, the originator of the cheques, and endorsers.

The Company's access to capital market instruments provided additional funding opportunities. Akdeniz Faktoring's outstanding bonds stood at TRY 25mn as of FYE2015. Organized borrowing facilities from several financial institutions serve to meet the Company's primary liquidity needs. Additionally, the self-liquidating nature of the receivables along with the willingness and strength of the principle shareholder to ensure long term liquidity and should such a need arises underpins the liquidity management.

d) Market Risk

Akdeniz Faktoring does not operate in foreign currency transactions and the balance sheet is not directly exposed to the currency risk. The volatilities in the interest rates are the primary driver within the scope of market risk.

The Group manages its interest rate risk by ensuring due date matching of its interest bearing liabilities and earning assets, i.e. its factoring receivables and bank balances. Therefore, the Company's interest obligations and revenues were predictable and stable to a great extent throughout their maturity. Furthermore, the Company is often able to pass on the rising interest rates to the customers to mitigate the effects of market volatility.

8. Cash Flow Projections & Debt Issue

Akdeniz Faktoring has managed to increase its loan book by 7% in the first quarter thanks to elaborate efforts to expand and diversify its customer base while maintaining 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 around 16%, which is comfortably above the imposed floor of 3% as of 31 March 2015, the Company has further room for loan book growth. The Board raised its risk appetite in 2015 to increase the share of the profitable corporate segment on its portfolio in order to benefit from better interest margins. Additionally, the growing customer

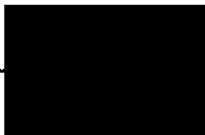


base and factoring turnover bolstered the Company's net commission & fee income creating a buffer for contracting margins in the sector.

Year-end projections of the Company reflect a receivables growth of approximately 17%, which is considered a comfortable level for the Company to achieve. Generating a greater interest margin will be the management's target through increasing the share of the real sector companies in the customer base. Tight control over activity expenses will help the Company to improve bottom-line results.

	2015	2016
FACTORING RECEIVABLES	294,037	342,875
FACTORING INCOME	54,210	63,396
Interest Income	51,644	60,876
Commission & Fee Income	2,566	2,520
Taxes (BITT)	-2,583	-3,005
GROSS FACTORING INCOME	51,627	60,391
FACTORING EXPENSES	-41,167	-42,015
Interest Expenses	-41,167	-42,015
NET FACTORING INCOME	10,460	18,377
ACTIVITY EXPENSES	-3,195	-3,916
Personnel Expenses	-1,550	-1,957
Administrative Expenses	-1,645	-1,959
OTHER INCOME/EXPENSES	-5,257	0
PRE TAX PROFIT	2,008	14,461

Akdeniz Faktoring successfully issued a total of TRY 25mn bonds comprised of three outstanding bonds as of December, 31 2015. Two outstanding bonds with a total amount of TRY 13mn were paid by the Company on their maturity dates during 2016. Management stated that a new issuance depends on the market conditions which remain strictly tied to domestic and global macroeconomic outlooks. Considering the Company's expanding business volume, increasing diversification of its customer base, and asset quality, all of which increase the visibility of the expected cash flows, and the owner's financial strength, Akdeniz Faktoring is considered to have the ability to meet its obligations related to the planned bond issuance.





AKDENIZ FAKTORING A.Ş. BALANCE SHEET - ASSET	2015		2014		2013		2012		2011		2010		2009		2008		2007		2006		2005		2004		2003		2002		2001		2000							
	(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)						
TRY (000)	USD	TRY	TRY	TRY	TRY	TRY	TRY	TRY	TRY	TRY	TRY	TRY	TRY	TRY	TRY	TRY	TRY	TRY	TRY	TRY	TRY	TRY	TRY	TRY	TRY	TRY	TRY	TRY	TRY	TRY	TRY	TRY						
A-TOTAL EARNING ASSETS (I+II+III)	102,361.03	297,623.00	282,030.00	266,433.00	263,113.00	259,791.00	199,895.00	139,999.00	86.83	90.27	99.90	11.71	2.56	85.57																								
1- LOANS AND RECEIVABLES (net)	101,127.05	294,037.00	280,085.50	266,134.00	262,861.00	259,288.00	199,672.00	139,756.00	85.78	90.17	99.82	10.48	2.52	85.74																								
a) Factoring Receivables	101,127.05	294,037.00	280,085.50	266,134.00	262,861.00	259,288.00	199,295.50	139,061.00	85.78	90.17	99.80	10.48	2.54	86.63																								
b) Financing Loans	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) Lease Receivables	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) Over Due Loans	4,720.04	13,724.00	10,515.50	7,307.00	6,589.00	5,871.00	6,162.00	6,453.00	4.00	2.48	2.26	87.82	24.46	-9.02																								
e) Others	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) Receivable from Customer due to Brokerage Activities	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																								
g) Allowance for Loan and Receivables losses (i)	-4,720.04	-13,724.00	-10,515.50	-7,307.00	-6,589.00	-5,871.00	-6,162.00	-6,453.00	-4.00	-2.48	-2.24	87.82	25.70	0.96																								
II- BANKS AND OTHER EARNING ASSETS	110.06	320.00	257.00	194.00	197.00	200.00	221.50	243.00	0.09	0.07	0.08	64.95	-3.00	-17.70																								
a) Banks	110.06	320.00	257.00	194.00	197.00	200.00	221.50	243.00	0.09	0.07	0.08	64.95	-3.00	-17.70																								
b) Other	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) Balance With Banks-Current Accounts	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																								
III- SECURITIES AT FAIR VALUE THROUGH P/L	1,123.95	3,268.00	1,687.50	1,077.00	55.00	3.00	1.50	0.00	0.95	0.04	0.00	2954.21	3,466.67	n.a																								
a) Treasury Bills and Government Bonds	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) Other Investment	1,123.95	3,268.00	1,687.50	1,077.00	55.00	3.00	1.50	0.00	0.95	0.04	0.00	2954.21	3,466.67	n.a																								
c) Repurchase Agreement	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- INVESTMENTS IN ASSOCIATES (net)+EQUITY SHARE	12,921.65	37,571.00	32,446.00	27,321.00	13,660.50	0.00	0.00	0.00	10.96	9.26	n.a	37.52	n.a	n.a																								
a) Investments in Associates (net)	12,921.65	37,571.00	32,446.00	27,321.00	13,660.50	0.00	0.00	0.00	10.96	9.26	n.a	37.52	n.a	n.a																								
b) Equity Share	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- NON-EARNING ASSETS	2,607.30	7,581.00	4,484.00	1,387.00	829.50	272.00	1,089.00	1,906.00	2.21	0.47	0.10	446.58	409.93	-85.73																								
a) Cash and Cash Equivalents	0.00	0.00	10.00	20.00	10.50	1.00	46.00	91.00	n.a	0.01	0.00	-100.00	1,900.00	-98.90																								
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	n.a	n.a	n.a	n.a	n.a	n.a																								
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	n.a	n.a	n.a	n.a	n.a	n.a																								
d) Other	2,607.30	7,581.00	4,474.00	1,367.00	819.00	271.00	1,043.00	1,815.00	2.21	0.46	0.10	454.57	404.43	-85.07																								
- Intangible Assets	4.13	12.00	12.00	12.00	8.50	5.00	10.00	15.00	0.00	0.00	0.00	0.00	140.00	-66.67																								
- Property and Equipment	26.14	76.00	71.50	67.00	44.50	22.00	27.50	33.00	0.02	0.02	0.01	13.43	204.55	-33.33																								
- Deferred Tax	24.42	71.00	53.00	35.00	29.00	23.00	23.50	24.00	0.02	0.01	0.01	102.86	52.17	-4.17																								
- Other	2,552.62	7,422.00	4,337.50	1,353.00	797.00	221.00	992.00	1,743.00	2.17	0.42	0.08	497.34	466.97	-87.32																								
TOTAL ASSETS	117,890.01	342,777.00	318,960.00	295,143.00	277,603.00	260,053.00	209,984.00	141,905.00	100.00	100.00	100.00	16.14	13.49	83.27																								



AKDENİZ FAKTORİNG A.Ş. BALANCE SHEET-LIABILITIES+EQUITY TRY (000)	2015 USD (Converted)		2015 TRY (Original)		2015 TRY (Average)		2014 TRY (Original)		2014 TRY (Average)		2013 TRY (Original)		2013 TRY (Average)		2012 TRY (Original)		2015 Assets (Original)		2014 Assets (Original)		2013 Assets (Original)		2015 Growth Rate		2014 Growth Rate		2013 Growth Rate								
	(Year end)		(Year end)		(Year end)		(Year end)		(Year end)		(Year end)		(Year end)		(Year end)		As % of		As % of		As % of		Rate		Rate		Rate								
C- COST BEARING RESOURCES (I+II)	98,046,50	285,080,00	272,635,50	260,191,00	245,306,50	230,422,00	179,942,00	129,462,00	83,17	88,16	88,60	9,57	12,92	77,98																					
I- PAVABLES	412,02	1,198,00	13,430,50	25,663,00	18,767,00	11,871,00	5,935,50	0,00	0,35	8,70	4,56	-95,33	116,18	n.d																					
a) Factoring Payables	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	n.d	n.d	n.d	n.d	n.d	n.d																					
b) Lease Payables	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	n.d	n.d	n.d	n.d	n.d	n.d																					
c) Other	412,02	1,198,00	13,430,50	25,663,00	18,767,00	11,871,00	5,935,50	0,00	0,35	8,70	4,56	-95,33	116,18	n.d																					
II- BORROWING FUNDS LOANS & OTHER	97,634,48	283,882,00	259,205,00	234,528,00	226,539,50	218,551,00	174,006,50	129,462,00	82,82	79,46	84,04	21,04	7,31	68,81																					
a) Fund Borrowed-Short Term	88,959,62	258,659,00	233,962,00	209,265,00	213,908,00	218,551,00	174,006,50	139,462,00	75,46	70,90	84,04	23,60	-4,25	68,81																					
b) Fund Borrowed-Long Term	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	n.d	n.d	n.d	n.d	n.d	n.d																					
c) Marketable Securities for Issued (net)	8,674,85	25,223,00	25,243,00	25,263,00	12,631,50	0,00	0,00	0,00	7,36	8,56	n.d	-0,16	n.d	n.d																					
d) Securities Sold Under Repurchase Agreements	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	n.d	n.d	n.d	n.d	n.d	n.d																					
e) Subordinated Loans	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	n.d	n.d	n.d	n.d	n.d	n.d																					
D- NON COST BEARING RESOURCES	117,28	341,00	335,00	329,00	331,00	333,00	385,50	438,00	0,10	0,11	0,13	3,65	-1,20	-23,97																					
a) Provisions	19,95	58,00	82,00	106,00	101,00	96,00	113,00	130,00	0,02	0,04	0,04	-45,28	10,42	-26,15																					
b) Current & Deferred Tax Liabilities	97,33	283,00	253,00	223,00	230,00	237,00	198,50	160,00	0,08	0,08	0,09	26,91	-5,91	48,13																					
c) Trading Liabilities (Derivatives)	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	n.d	n.d	n.d	n.d	n.d	n.d																					
d) Other Liabilities	0,00	0,00	0,00	0,00	0,00	0,00	7,40	148,00	n.d	n.d	n.d	n.d	n.d	n.d																					
E- TOTAL LIABILITIES	98,163,78	285,421,00	272,970,50	260,520,00	245,637,50	230,755,00	180,327,50	129,900,00	83,27	88,27	88,73	9,56	12,90	77,64																					
F- MINORITY INTEREST	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	n.d	n.d	n.d	n.d	n.d	n.d																					
F- EQUITY	19,726,23	57,356,00	45,989,50	34,623,00	31,965,50	29,308,00	20,656,50	12,005,00	16,73	11,73	11,27	65,66	18,13	144,13																					
a) Prior Year's Equity	11,907,76	34,623,00	31,965,50	29,308,00	20,656,50	12,005,00	11,889,50	11,774,00	10,10	9,93	4,62	18,13	144,13	1,96																					
b) Equity (Internal & external) resources added during the year	7,272,66	21,146,00	10,572,00	-2,00	6,671,50	13,245,00	6,622,50	0,00	6,17	-0,00	5,09	-1,057	400,00	-100,02																					
c) Minority Interest	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	n.d	n.d	n.d	n.d	n.d	n.d																					
d) Profit & Loss	545,81	1,587,00	3,453,00	5,317,00	4,687,50	4,058,00	2,144,50	231,00	0,46	1,80	1,56	-70,15	31,00	1,656,71																					
TOTAL LIABILITY+EQUITY	117,890,01	342,777,00	318,960,00	295,143,00	277,603,00	260,063,00	200,984,00	141,905,00	100,00	100,00	100,00	16,14	13,49	83,27																					

AKDENİZ FAKTORİNG A.Ş. INCOME STATEMENT TRY (000)	2015	2014	2013	2012	2011
Net Interest Income	10,523.00	10,747.00	7,544.00	5,729.00	3,475.00
A) Interest income	51,686.00	43,598.00	24,097.00	21,784.00	16,056.00
a) Factoring Interest Income	51,627.00	43,593.00	24,079.00	21,773.00	16,047.00
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	59.00	5.00	18.00	11.00	9.00
B) Financial Expense	41,163.00	32,851.00	16,553.00	16,055.00	12,581.00
Net Fee and Commission Income	0.00	77.00	129.00	147.00	36.00
a) Fee and Commission Income	0.00	77.00	129.00	147.00	36.00
b) Fee and Commission Expense	0.00	0.00	0.00	0.00	0.00
Total Operating Income	3,576.00	127.00	1,213.00	289.00	13.00
Interest Income from Other Operating Field	240.00	0.00	0.00	0.00	0.00
Foreign Exchange Gain or Loss (net) (+/-)	433.00	25.00	40.00	62.00	3.00
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	2,903.00	102.00	1,173.00	227.00	10.00
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	8,417.00	1,555.00	1,129.00	3,178.00	186.00
Provision for Impairment of Loan and Trade Receivables	8,417.00	1,555.00	1,129.00	3,178.00	186.00
Other Provision	0.00	0.00	0.00	0.00	0.00
Total Operating Expense	3,674.00	2,750.00	2,732.00	2,028.00	1,931.00
Salaries and Employee Benefits	1,550.00	1,461.00	1,308.00	1,243.00	1,399.00
Depreciation and Amortization	22.00	0.00	15.00	3.00	62.00
Other Expenses	2,102.00	1,289.00	1,409.00	782.00	470.00
Profit from Operating Activities before Income Tax	2,008.00	6,646.00	5,025.00	959.00	1,407.00
Income Tax – Current	421.00	1,329.00	967.00	348.00	296.00
Income Tax – Deferred	0.00	0.00	0.00	380.00	-136.00
Net Profit for the Period	1,587.00	5,317.00	4,058.00	231.00	1,247.00
Total Income	14,099.00	10,951.00	8,886.00	6,165.00	3,524.00
Total Expense	3,674.00	2,750.00	2,732.00	2,028.00	1,931.00
Provision	8,417.00	1,555.00	1,129.00	3,178.00	186.00
Pretax Profit	2,008.00	6,646.00	5,025.00	959.00	1,407.00

AKDENİZ FAKTORİNG A.Ş. FINANCIAL RATIO %	2015	2014	2013
I. PROFITABILITY & PERFORMANCE			
1. ROA - Pretax Profit / Total Assets (avg.)	0.63	2.39	2.50
2. ROE - Pretax Profit / Equity (avg.)	4.37	20.79	24.33
3. Total Income / Equity (avg.)	30.66	34.26	43.02
4. Total Income / Total Assets (avg.)	4.42	3.94	4.42
5. Provisions / Total Income	59.70	14.20	12.71
6. Total Expense / Total Resources (avg.)	1.35	1.12	1.52
7. Net Profit for the Period / Total Assets (avg.)	0.50	1.92	2.02
8. Total Income / Total Expenses	383.75	398.22	325.26
9. Non Cost Bearing Liabilities + Equity- Non Earning Assets / Assets	14.62	11.37	11.29
10. Non Cost Bearing Liabilities - Non Earning Assets / Assets	-2.11	-0.36	0.02
11. Total Operating Expenses / Total Income	26.06	25.11	30.74
12. Interest Margin	3.73	4.08	3.77
13. Operating ROAA = Operating Net Incomes / Assets (avg.)	13.53	14.23	10.74
14. Operating ROAE = Operating Net Incomes / Equity Capital (avg.)	93.87	123.56	104.46
15. Interest Coverage – EBIT / Interest Expenses	104.88	120.23	130.36
16. Net Profit Margin	11.26	48.55	45.67
17. Gross Profit Margin	14.24	60.69	56.55
18. Market Share	1.28	1.12	1.19
19. Growth Rate	16.14	13.49	83.27
II. CAPITAL ADEQUACY (year end)			
1. Equity Generation / Prior Year's Equity	61.08	-0.01	110.33
2. Internal Equity Generation / Previous Year's Equity	4.58	18.14	33.80
3. Equity / Total Assets (Standard Ratio)	16.73	11.73	11.27
4. Equity / Total Liabilities	20.10	13.29	12.70
5. Free Equity / Total Receivables Ratio	6.70	2.71	11.28
6. Tangible Assets / Total Assets	0.02	0.02	0.01
7. Intangible Assets / Total Assets	0.00	0.00	0.00
8. Equity / Total Guarantees and Commitments + Equity	100.00	100.00	100.00
III. LIQUIDITY (year end)			
1. Liquid Assets + Marketable Securities / Total Assets	1.05	0.11	0.08
2. Liquid Assets + Marketable Securities / Total Liabilities	1.26	0.12	0.09
3. Short Term Borrowings / Total Assets	75.81	79.60	88.60
4. Net Interest and Commission / Total Assets	3.07	3.67	2.95
5. Liquid Assets + Marketable Securities / Equity	6.26	0.93	0.70
IV. ASSET QUALITY			
1. Loan and Receivable's Loss Provisions / Total Loans and Receivables	4.46	2.67	2.19
2. Total Provisions / Profit Before Provision and Tax	80.74	18.96	18.35
3. Impaired Receivables / Gross Receivables	4.46	2.67	2.21
4. Impaired Receivables / Equity	23.93	21.10	20.03
5. Loss Reserves for Receivables / Impaired Receivables	100.00	100.00	99.01
6. Collaterals / Total Receivables	119.70	123.50	100.53
7. Total FX Position / Total Assets	0.00	8.37	0.00
8. Total FX Position / Equity	0.00	71.39	0.00
9. Assets / Total Guarantees and Commitments + Assets	100.00	100.00	100.00