

## PRESS RELEASE Istanbul – May 25, 2015

**JCR Eurasia Rating**  
has revised the credit ratings of “**Atılım Faktoring A.Ş.**” and ‘**Cash Flows on Prospective Bond Issue**’ and affirmed its rating as “**A- (Trk)/Stable**” on the Long Term National Local Scale and  
“**BBB- / Stable**” on the Long Term International Foreign Currency Scale.

**JCR Eurasia Rating** has revised the credit ratings of “**Atılım Faktoring A.Ş.**” and ‘**Cash Flows on Prospective Bond Issue**’ and affirmed its Long Term National rating as “**A- (Trk)/Stable**”. Other grades 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) / (Stable 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	:	3
Stand Alone	:	B

The factoring sector continues to entail a significant future growth potential 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.

Founded in 1993 and attaining its current shareholder structure in 2001, **Atılım Faktoring A.Ş.** provides with-recourse factoring services through transfer of receivables arising from domestic sales. The Company adopted a profitability focused growth strategy and managed to preserve its interest margin above the Sector averages with pricing policies dynamically managed with respect to the market conditions.

The factoring receivables and turnover significantly increased as of 2014, while the NPL ratio relative declined and the rate of impaired receivables added displayed a fall in absolute terms. Even though the rate of non-interest expenses to average assets and total income were slightly higher than the Sector averages, healthy interest margin and debt instruments issued in advantageous market conditions helped the Company perpetuate its activities with satisfactory profitability performance. The resilience provided by the absence of currency risk on the balance sheet and the proactive management of credit risk managed with attention to adequate collateralization supports the asset quality. Furthermore, the new head office purchased in 2014 and to which the Company plans to relocate shortly after the rearrangements is financed with a long-term credit facility, easing liquidity management.

The continuation of **Atılım Faktoring**’s profitable interest margin as of the first quarter of 2015, the preservation of asset quality in an economic environment with relatively strong headwinds, the efficiency of risk management system, the diversification of the financing base with close regard to the market conditions, stable management team, current concentration levels, the impact of the operational expenses on the profitability and the capitalization levels are the primary foundations of the Company’s Long Term National Rating and outlook of “**A- (Trk)/Stable**”.

We maintain our opinion that the families who are the controlling owners of **Atılım Faktoring A.Ş.** have the willingness to provide long-term funds or equity along with delivering operational support, should such a need arises. In this perspective, the Company’s Sponsor Support Rating is affirmed as **(3)** within **JCR Eurasia Rating** scale.

**JCR Eurasia Rating** believes that the Company possesses the capacity and the experience to manage its commitments without external support, considering the Company’s internal resource generation capacity and profitability potential, achieved growth rates, asset quality, capitalization level, liquidity profile, term structure and risk management applications and provided that the macroeconomic outlook does not concentrate on the negative direction. In this regard, **Atılım Faktoring A.Ş.**’s Stand Alone Rating is affirmed as **(B)**, indicating a sufficient level within **JCR Eurasia Rating** notation.

For more information regarding the rating results, you may visit our internet site <http://www.jcrer.com.tr> or contact our analysts **Sn. Zeki M. ÇOKTAN** and **Mr. Özgür Fuad ENGİN**.

**JCR EURASIA RATING**  
Administrative Board