

Garanti Faktoring A.S.

Update

Ratings

Foreign Currency

Long-Term IDR	BBB-
Short-Term IDR	F3

Local Currency

Long-Term IDR	BBB-
Short-Term IDR	F3

National

Long-Term Rating	AA+(tur)
Support Rating	2

Sovereign Risk

Foreign-Currency Long-Term IDR	BBB-
Local-Currency Long-Term IDR	BBB

Outlooks

Sovereign Foreign-Currency Long-Term IDR	Stable
Sovereign Local-Currency Long-Term IDR	Stable

Watches

Foreign-Currency Long-Term IDR	Positive
Local-Currency Long-Term IDR	Positive
Foreign-Currency Short-Term IDR	Positive
Local-Currency Short-Term IDR	Positive
National Long-Term Rating	Positive

Financial Data

Garanti Faktoring A.S.

	30 Mar 15	31 Dec 14
Total assets (USDm)	1,082.4	1,288.1
Total assets (TRYm)	2,827.9	2,989.6
Total equity (TRYm)	146.4	140.4
Operating profit (TRYm)	7.5	25.6
Published net income (TRYm)	6.0	20.5
Operating ROAA (%)	1.05	1.11
Operating ROAE (%)	21.21	19.63
Equity/assets (%)	5.18	4.70
Factoring receivables/equity(x)	19.20	21.40
Debt/ equity(x)	18.17	20.22

Related Research

[Fitch affirms large privately owned Turkish Banks; Keeps Garanti on RWP \(June 2015\)](#)

[Turkiye Garanti Bankasi - Ratings Navigator \(July 2015\)](#)

[Turkey \(April 2015\)](#)

[2015 Outlook: Turkish Banks \(December 2014\)](#)

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Key Rating Drivers

Support-Driven IDRs: The ratings of Garanti Faktoring A.S. (GF) are equalised with those of its parent, Turkiye Garanti Bankasi A.S. (Garanti; BBB-/RWP/bbb-). Fitch Ratings considers GF to be a core subsidiary of Garanti, as reflected in its key role within the group, high integration, shared management, aligned risk systems and branding. GF represented less than 2% of Garanti's consolidated assets at end-1Q15.

Rating Watch Positive: Fitch expects to upgrade Garanti's, and therefore also GF's, ratings by one notch to 'BBB' (the level of the Country Ceiling) when Banco Bilbao Vizcaya Argentaria S.A. (BBVA; 'A-/Stable) increases its ownership to a controlling stake, currently expected in 3Q15.

Leading Franchise: GF has grown rapidly in recent years, increasing its market share and becoming the largest Turkish factoring company by assets and factoring receivables. Uncertainties in the lead-up to the election slowed factoring demand in 1H15 but GF expects this to start to normalise in 2H15 as economic activity picks up. Fitch forecasts 3.2% GDP growth in 2015.

Margins Under Pressure: GF has maintained reasonable performance indicators to date, underpinned by reasonable cost efficiency and asset quality. However, the net interest margin (NIM) has tightened due to tough competition for corporate customers combined with GF's aggressive pricing policy in its quest to win market share. In 1Q15 the NIM fell to just 0.2% from 1.8% in 2013 (the sector average was 6.3% at end-2014). To help offset margin pressure GF plans to increase higher-yielding factoring to the potentially riskier SME segment.

Good asset quality: GF's impaired receivables/total receivables ratio of 2.1% at end-1Q15 was below the sector average (4.6%) reflecting its low-risk, largely group-sourced corporate customer base. In addition, business is largely local-currency denominated. The net impaired receivables ratio was equal to a fairly low 7% of Fitch Core Capital at end-2014. However, asset quality could show some signs of weakening following slower growth in 1H15 and GF's planned expansion into SME factoring.

Mainly Self-Funded in Lira: Bank borrowings (mainly from Turkish banks and to a lesser extent foreign and international financial institutions) made up 78% of non-equity funding at end-2014 (2013: 83%) and are almost entirely Turkish Lira denominated. Local debt issuance (short-term bonds) made up the remaining 22%. The maturities of assets and liabilities are reasonably matched and Fitch considers refinancing risk to be limited. GF does not rely on group funding, but would look to Garanti as the lender of last resort, if the need arose.

Rating Sensitivities

Garanti's Ratings: As GF's IDRs are equalised with those of its parent, upside and downside rating potential are dependent on movements in Garanti's IDRs. The Rating Watch Positive on GF's IDRs reflects that on Garanti's ratings.

Change in Support Stance: GF's ratings are sensitive to a weakening in the ability and propensity of Garanti to provide support in case of need, but this is not Fitch's base case.

- GF is 81.8% owned by Garanti, the third largest bank in Turkey, which had total assets of around TRY260bn at 1Q15. 9.8% is owned by Turkiye Ihracat Kredi Bankasi A.S. (Turk Eximbank; 'BBB-/Stable) and 8.4% is publicly listed.
- Management stress tests for 2014 indicate that a 100bp change in interest rates on TRY and FC denominated assets and liabilities would have impacted profit/loss by a low TRY1.5m (assuming all other variables remain constant), while a 10% weakening in the Turkish lira would have increased pre-tax profit by 1%.
- A factoring receivable is considered impaired when past due by 90+ days in Turkey

Source: Company data; Fitch

Figure 1

Margins (%)

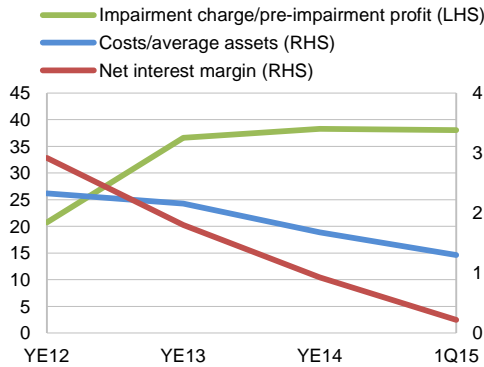


Figure 2

Key Profitability Metrics

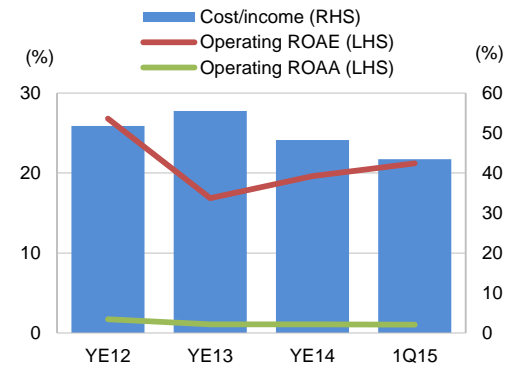


Figure 3

Credit Quality (As % of Gross Loans)

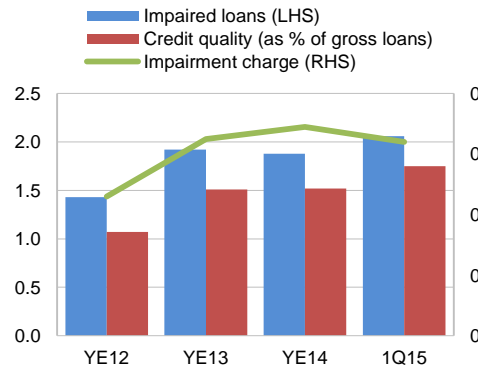


Figure 4

Capitalisation & Leverage

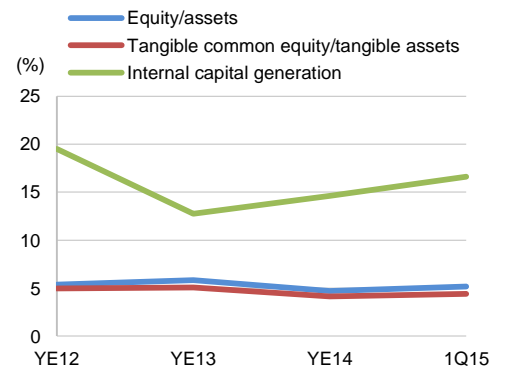


Figure 5

Non-Equity Funding

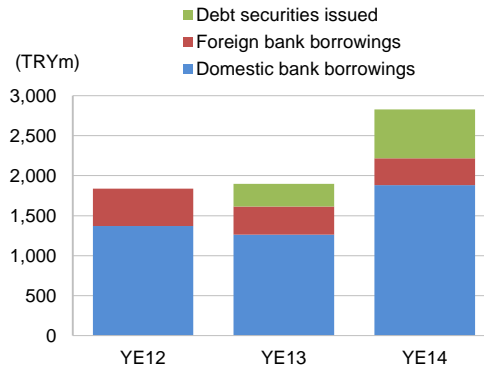


Figure 6

Growth

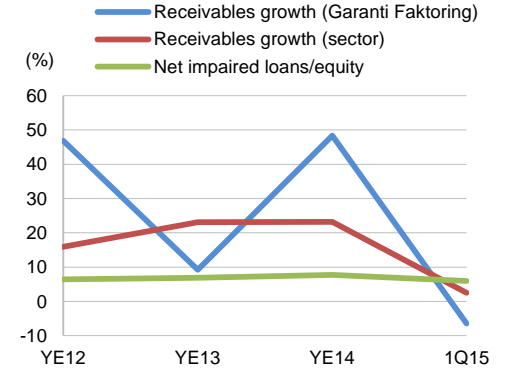


Figure 7

Sector Distribution by Transaction Volume (End-2014)

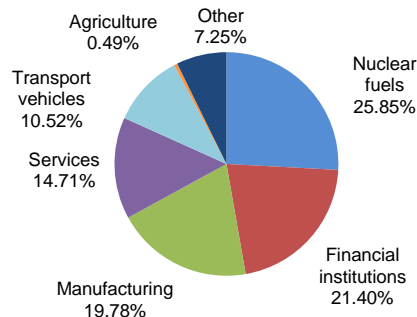
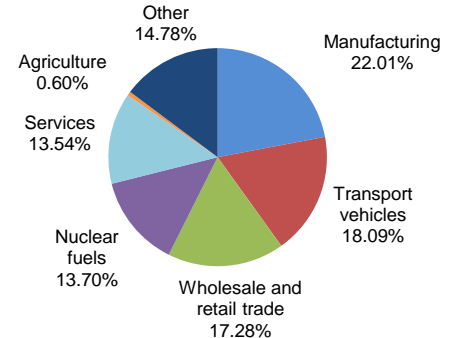


Figure 8

Sector Distribution by Receivables (End-2014)



Related Criteria

Global Non-Bank Financial Institutions Rating Criteria (April 2015)

Garanti Faktoring A.S.
Income Statement

	31 Mar 2015		As % of Earning Assets	31 Dec 2014		As % of Earning Assets	31 Dec 2013		As % of Earning Assets	31 Dec 2012		As % of Earning Assets
	3 Months - 1st Quarter			Year End			Year End			Year End		
	USDm Unaudited	TRYm Unaudited		TRYm Report not seen	TRYm Unqualified		TRYm Unqualified	TRYm Unqualified		TRYm Unqualified		
1. Interest Income on Loans	18.2	47.6	6.89	170.9	5.76	112.4	5.51	122.8	6.31			
2. Other Interest Income	0.0	0.0	0.00	0.6	0.02	4.3	0.21	4.7	0.24			
3. Dividend Income	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
4. Gross Interest and Dividend Income	18.2	47.6	6.89	171.5	5.78	116.7	5.72	127.5	6.55			
5. Interest Expense on Customer Deposits	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
6. Other Interest Expense	17.6	46.0	6.66	150.3	5.06	85.4	4.19	84.4	4.34			
7. Total Interest Expense	17.6	46.0	6.66	150.3	5.06	85.4	4.19	84.4	4.34			
8. Net Interest Income	0.6	1.6	0.23	21.2	0.71	31.3	1.53	43.1	2.22			
9. Net Gains (Losses) on Trading and Derivatives	5.6	14.7	2.13	42.5	1.43	14.2	0.70	2.6	0.13			
10. Net Gains (Losses) on Other Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	0.0	0.00			
11. Net Gains (Losses) on Assets at FV through Income Statement	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
12. Net Insurance Income	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
13. Net Fees and Commissions	1.5	4.0	0.58	15.2	0.51	22.1	1.08	20.7	1.06			
14. Other Operating Income	0.4	1.1	0.16	1.3	0.04	0.5	0.02	0.6	0.03			
15. Total Non-Interest Operating Income	7.6	19.8	2.87	59.0	1.99	36.8	1.80	23.9	1.23			
16. Personnel Expenses	2.0	5.2	0.75	22.1	0.74	21.9	1.07	20.4	1.05			
17. Other Operating Expenses	1.6	4.1	0.59	16.6	0.56	15.9	0.78	14.3	0.74			
18. Total Non-Interest Expenses	3.6	9.3	1.35	38.7	1.30	37.8	1.85	34.7	1.78			
19. Equity-accounted Profit/ Loss - Operating	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
20. Pre-Impairment Operating Profit	4.6	12.1	1.75	41.5	1.40	30.3	1.49	32.3	1.66			
21. Loan Impairment Charge	1.8	4.6	0.67	15.9	0.54	11.1	0.54	6.7	0.34			
22. Securities and Other Credit Impairment Charges	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
23. Operating Profit	2.9	7.5	1.09	25.6	0.86	19.2	0.94	25.6	1.32			
24. Equity-accounted Profit/ Loss - Non-operating	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
25. Non-recurring Income	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
26. Non-recurring Expense	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
27. Change in Fair Value of Own Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
28. Other Non-operating Income and Expenses	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
29. Pre-tax Profit	2.9	7.5	1.09	25.6	0.86	19.2	0.94	25.6	1.32			
30. Tax expense	0.6	1.5	0.22	5.1	0.17	3.9	0.19	5.1	0.26			
31. Profit/Loss from Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
32. Net Income	2.3	6.0	0.87	20.5	0.69	15.3	0.75	20.5	1.05			
33. Change in Value of AFS Investments	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
34. Revaluation of Fixed Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
35. Currency Translation Differences	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
36. Remaining OCI Gains/(losses)	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
37. Fitch Comprehensive Income	2.3	6.0	0.87	20.5	0.69	15.3	0.75	20.5	1.05			
38. Memo: Profit Allocation to Non-controlling Interests	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
39. Memo: Net Income after Allocation to Non-controlling Interests	2.3	6.0	0.87	20.5	0.69	15.3	0.75	20.5	1.05			
40. Memo: Common Dividends Relating to the Period	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
41. Memo: Preferred Dividends Related to the Period	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			

Exchange rate

USD1 = TRY2.61260

USD1 = TRY2.32100

USD1 = TRY2.13620

USD1 = TRY1.78190

Garanti Faktoring A.S. Balance Sheet

	31 Mar 2015			31 Dec 2014		31 Dec 2013		31 Dec 2012	
	3 Months - 1st Quarter	1st Quarter	As % of	Year End	As % of	Year End	As % of	Year End	As % of
	USDm	TRYm	Assets	TRYm	Assets	TRYm	Assets	TRYm	Assets
Assets									
A. Loans									
1. Residential Mortgage Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Other Mortgage Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Other Consumer/ Retail Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Corporate & Commercial Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Other Loans	1,075.6	2,810.2	99.37	3,004.6	100.50	2,025.4	98.33	1,854.3	94.84
6. Less: Reserves for Impaired Loans	18.9	49.3	1.74	45.6	1.53	30.6	1.49	19.8	1.01
7. Net Loans	1,056.8	2,760.9	97.63	2,959.0	98.98	1,994.8	96.85	1,834.5	93.83
8. Gross Loans	1,075.6	2,810.2	99.37	3,004.6	100.50	2,025.4	98.33	1,854.3	94.84
9. Memo: Impaired Loans included above	22.2	58.0	2.05	56.5	1.89	38.9	1.89	26.5	1.36
10. Memo: Loans at Fair Value included above	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
B. Other Earning Assets									
1. Loans and Advances to Banks	15.0	39.1	1.38	4.8	0.16	45.2	2.19	108.3	5.54
2. Reverse Repos and Cash Collateral	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Trading Securities and at FV through Income	n.a.	n.a.	-	n.a.	-	n.a.	-	2.0	0.10
4. Derivatives	0.5	1.2	0.04	4.8	0.16	0.4	0.02	0.3	0.02
5. Available for Sale Securities	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
6. Held to Maturity Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Equity Investments in Associates	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
8. Other Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
9. Total Securities	0.5	1.2	0.04	4.8	0.16	0.4	0.02	2.3	0.12
10. Memo: Government Securities included Above	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
11. Memo: Total Securities Pledged	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
12. Investments in Property	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
13. Insurance Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
14. Other Earning Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
15. Total Earning Assets	1,072.2	2,801.2	99.06	2,968.6	99.30	2,040.4	99.06	1,945.1	99.48
C. Non-Earning Assets									
1. Cash and Due From Banks	n.a.	n.a.	-	n.a.	-	0.0	0.00	0.0	0.00
2. Memo: Mandatory Reserves included above	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Foreclosed Real Estate	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Fixed Assets	0.2	0.6	0.02	0.7	0.02	0.7	0.03	0.9	0.05
5. Goodwill	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
6. Other Intangibles	1.4	3.7	0.13	3.4	0.11	2.4	0.12	1.5	0.08
7. Current Tax Assets	n.a.	n.a.	-	0.1	0.00	n.a.	-	n.a.	-
8. Deferred Tax Assets	7.3	19.0	0.67	13.6	0.45	13.9	0.67	6.5	0.33
9. Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Other Assets	1.3	3.4	0.12	3.2	0.11	2.3	0.11	1.2	0.06
11. Total Assets	1,082.4	2,827.9	100.00	2,989.6	100.00	2,059.7	100.00	1,955.2	100.00
Liabilities and Equity									
D. Interest-Bearing Liabilities									
1. Customer Deposits - Current	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Customer Deposits - Savings	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Customer Deposits - Term	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Total Customer Deposits	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Deposits from Banks	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
6. Repos and Cash Collateral	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Commercial Paper and Short-term Borrowings	220.1	575.1	20.34	611.8	20.46	1,899.1	92.20	1,837.5	93.98
8. Total Money Market and Short-term Funding	220.1	575.1	20.34	611.8	20.46	1,899.1	92.20	1,837.5	93.98
9. Senior Unsecured Debt (original maturity > 1 year)	n.a.	n.a.	-	0.0	0.00	n.a.	-	n.a.	-
10. Subordinated Borrowing	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
12. Other Long-term Funding	786.2	2,054.0	72.63	2,216.5	74.14	n.a.	-	n.a.	-
13. Total LT Funding (original maturity > 1 year)	786.2	2,054.0	72.63	2,216.5	74.14	n.a.	-	n.a.	-
14. Derivatives	11.9	31.0	1.10	10.2	0.34	24.6	1.19	0.0	0.00
15. Trading Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
16. Total Funding	1,018.2	2,660.1	94.07	2,838.5	94.95	1,923.7	93.40	1,837.5	93.98
E. Non-Interest Bearing Liabilities									
1. Fair Value Portion of Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Credit impairment reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Reserves for Pensions and Other	1.8	4.6	0.16	3.8	0.13	2.9	0.14	2.1	0.11
4. Current Tax Liabilities	3.2	8.4	0.30	1.8	0.06	4.9	0.24	2.4	0.12
5. Deferred Tax Liabilities	0.0	0.0	0.00	n.a.	-	n.a.	-	n.a.	-
6. Other Deferred Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
8. Insurance Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
9. Other Liabilities	3.2	8.4	0.30	5.1	0.17	8.1	0.39	8.2	0.42
10. Total Liabilities	1,026.4	2,681.5	94.82	2,849.2	95.30	1,939.6	94.17	1,850.2	94.63
F. Hybrid Capital									
1. Pref. Shares and Hybrid Capital accounted for as Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Pref. Shares and Hybrid Capital accounted for as Equity	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
G. Equity									
1. Common Equity	56.0	146.4	5.18	140.4	4.70	120.1	5.83	82.3	4.21
2. Non-controlling Interest	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Securities Revaluation Reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Foreign Exchange Revaluation Reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Fixed Asset Revaluations and Other Accumulated OCI	n.a.	n.a.	-	n.a.	-	n.a.	-	22.7	1.16
6. Total Equity	56.0	146.4	5.18	140.4	4.70	120.1	5.83	105.0	5.37
7. Total Liabilities and Equity	1,082.4	2,827.9	100.00	2,989.6	100.00	2,059.7	100.00	1,955.2	100.00
8. Memo: Fitch Core Capital	47.3	123.7	4.37	137.0	4.58	103.8	5.04	97.0	4.96
9. Memo: Fitch Eligible Capital	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-

Exchange rate

USD1 = TRY2.61260

USD1 = TRY2.32100

USD1 = TRY2.13620

USD1 = TRY1.78190

Garanti Faktoring A.S. Summary Analytics

	31 Mar 2015 3 Months - 1st Quarter	31 Dec 2014 Year End	31 Dec 2013 Year End	31 Dec 2012 Year End
A. Interest Ratios				
1. Interest Income on Loans/ Average Gross Loans	6.55	7.44	6.53	8.39
2. Interest Expense on Customer Deposits/ Average Customer Deposits	n.a.	n.a.	n.a.	n.a.
3. Interest Income/ Average Earning Assets	6.69	7.53	6.71	8.63
4. Interest Expense/ Average Interest-bearing Liabilities	6.79	6.97	5.26	6.11
5. Net Interest Income/ Average Earning Assets	0.22	0.93	1.80	2.92
6. Net Int. Inc Less Loan Impairment Charges/ Av. Earning Assets	(0.42)	0.23	1.16	2.46
7. Net Interest Inc Less Preferred Stock Dividend/ Average Earning Asset	0.22	0.93	1.80	2.92
B. Other Operating Profitability Ratios				
1. Non-Interest Income/ Gross Revenues	92.52	73.57	54.04	35.67
2. Non-Interest Expense/ Gross Revenues	43.46	48.25	55.51	51.79
3. Non-Interest Expense/ Average Assets	1.30	1.68	2.16	2.33
4. Pre-impairment Op. Profit/ Average Equity	34.22	31.83	26.60	33.79
5. Pre-impairment Op. Profit/ Average Total Assets	1.69	1.80	1.73	2.17
6. Loans and securities impairment charges/ Pre-impairment Op. Profit	38.02	38.31	36.63	20.74
7. Operating Profit/ Average Equity	21.21	19.63	16.86	26.78
8. Operating Profit/ Average Total Assets	1.05	1.11	1.10	1.72
9. Operating Profit / Risk Weighted Assets	n.a.	n.a.	n.a.	n.a.
C. Other Profitability Ratios				
1. Net Income/ Average Total Equity	16.97	15.72	13.43	21.44
2. Net Income/ Average Total Assets	0.84	0.89	0.87	1.38
3. Fitch Comprehensive Income/ Average Total Equity	16.97	15.72	13.43	21.44
4. Fitch Comprehensive Income/ Average Total Assets	0.84	0.89	0.87	1.38
5. Taxes/ Pre-tax Profit	20.00	19.92	20.31	19.92
6. Net Income/ Risk Weighted Assets	n.a.	n.a.	n.a.	n.a.
D. Capitalization				
1. Fitch Core Capital/ Risk Weighted Assets	n.a.	n.a.	n.a.	n.a.
2. Fitch Eligible Capital/ Risk Weighted Assets	n.a.	n.a.	n.a.	n.a.
3. Tangible Common Equity/ Tangible Assets	4.41	4.15	5.08	4.98
4. Tier 1 Regulatory Capital Ratio	n.a.	n.a.	n.a.	n.a.
5. Total Regulatory Capital Ratio	n.a.	n.a.	n.a.	n.a.
6. Core Tier 1 Regulatory Capital Ratio	n.a.	n.a.	n.a.	n.a.
7. Equity/ Total Assets	5.18	4.70	5.83	5.37
8. Cash Dividends Paid & Declared/ Net Income	n.a.	n.a.	n.a.	n.a.
9. Internal Capital Generation	16.62	14.60	12.74	19.52
E. Loan Quality				
1. Growth of Total Assets	(5.41)	45.15	5.34	53.35
2. Growth of Gross Loans	(6.47)	48.35	9.23	46.85
3. Impaired Loans/ Gross Loans	2.06	1.88	1.92	1.43
4. Reserves for Impaired Loans/ Gross Loans	1.75	1.52	1.51	1.07
5. Reserves for Impaired Loans/ Impaired Loans	85.00	80.71	78.66	74.72
6. Impaired loans less Reserves for Impaired Loans/ Fitch Core Capital	7.03	7.96	8.00	6.91
7. Impaired Loans less Reserves for Impaired Loans/ Equity	5.94	7.76	6.91	6.38
8. Loan Impairment Charges/ Average Gross Loans	0.64	0.69	0.65	0.46
9. Net Charge-offs/ Average Gross Loans	n.a.	n.a.	n.a.	n.a.
10. Impaired Loans + Foreclosed Assets/ Gross Loans + Foreclosed Ass	2.06	1.88	1.92	1.43
F. Funding				
1. Loans/ Customer Deposits	n.a.	n.a.	n.a.	n.a.
2. Interbank Assets/ Interbank Liabilities	n.a.	n.a.	n.a.	n.a.
3. Customer Deposits/ Total Funding (excluding derivatives)	n.a.	n.a.	n.a.	n.a.

Garanti Faktoring A.S. Reference Data

	31 Mar 2015			31 Dec 2014		31 Dec 2013		31 Dec 2012	
	3 Months - 1st Quarter USDm	1st Quarter TRYm	As % of Assets	Year End TRYm	As % of Assets	Year End TRYm	As % of Assets	Year End TRYm	As % of Assets
A. Off-Balance Sheet Items									
1. Managed Securitized Assets Reported Off-Balance Sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Other off-balance sheet exposure to securitizations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Guarantees	1.9	4.9	0.17	4.7	0.16	2.8	0.14	1.1	0.06
4. Acceptances and documentary credits reported off-balance sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Committed Credit Lines	2.2	5.7	0.20	6.8	0.23	5.7	0.28	9.0	0.46
6. Other Contingent Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Total Assets under Management	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
B. Average Balance Sheet									
Average Loans	1,112.8	2,907.4	102.81	2,297.2	76.84	1,720.9	83.55	1,463.2	74.84
Average Earning Assets	1,104.2	2,884.9	102.02	2,276.6	76.15	1,738.2	84.39	1,478.1	75.60
Average Assets	1,113.4	2,908.8	102.86	2,300.0	76.93	1,751.8	85.05	1,488.0	76.10
Average Managed Securitized Assets (OBS)	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Average Interest-Bearing Liabilities	1,052.3	2,749.3	97.22	2,155.5	72.10	1,624.6	78.88	1,381.6	70.66
Average Common equity	54.9	143.4	5.07	130.4	4.36	100.3	4.87	81.9	4.19
Average Equity	54.9	143.4	5.07	130.4	4.36	113.9	5.53	95.6	4.89
Average Customer Deposits	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
C. Maturities									
Asset Maturities:									
Loans & Advances < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Loans & Advances 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Loans and Advances 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Loans & Advances > 5 years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Debt Securities < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Debt Securities 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Debt Securities 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Debt Securities > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Loans & Advances to Banks < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Loans & Advances to Banks 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Loans & Advances to Banks 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Loans & Advances to Banks > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Liability Maturities:									
Retail Deposits < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Retail Deposits 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Retail Deposits 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Retail Deposits > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Deposits from Banks < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Deposits from Banks 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Deposits from Banks 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Deposits from Banks > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Senior Debt Maturing < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Senior Debt Maturing 3-12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Senior Debt Maturing 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Senior Debt Maturing > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Total Senior Debt on Balance Sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Fair Value Portion of Senior Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing 3-12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing 1 - 5 Year	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Total Subordinated Debt on Balance Sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Fair Value Portion of Subordinated Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
D. Equity Reconciliation									
1. Equity	56.0	146.4	5.18	140.4	4.70	120.1	5.83	105.0	5.37
2. Add: Pref. Shares and Hybrid Capital accounted for as Equity	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Add: Other Adjustments	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Published Equity	56.0	146.4	5.18	140.4	4.70	120.1	5.83	105.0	5.37
E. Fitch Eligible Capital Reconciliation									
1. Total Equity as reported (including non-controlling interests)	56.0	146.4	5.18	140.4	4.70	120.1	5.83	105.0	5.37
2. Fair value effect incl in own debt/borrowings at fv on the B/S- CC only	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
3. Non-loss-absorbing non-controlling interests	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
4. Goodwill	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
5. Other intangibles	1.4	3.7	0.13	3.4	0.11	2.4	0.12	1.5	0.08
6. Deferred tax assets deduction	7.3	19.0	0.67	0.0	0.00	13.9	0.67	6.5	0.33
7. Net asset value of insurance subsidiaries	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
8. First loss tranches of off-balance sheet securitizations	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
9. Fitch Core Capital	47.3	123.7	4.37	137.0	4.58	103.8	5.04	97.0	4.96
10. Eligible weighted Hybrid capital	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
11. Government held Hybrid Capital	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
12. Fitch Eligible Capital	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-

Exchange Rate

USD1 = TRY2.61260

USD1 = TRY2.32100

USD1 = TRY2.13620

USD1 = TRY1.78190

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