

Contents

1	Corporate Profile
1	Vision, Mission
2	Chairperson's Message
6	Message from the Financial Leasing Sector Representatives Board
8	Message from the Factoring Sector Representatives Board
10	Message from the Financing Companies Representatives Board
12	Board of Directors
13	Member Companies
14	General Secretariat
18	Financial indicators
20	Financial Indicators - Assets
22	Financial Indicators - Receivables
24	Financial Indicators - Shareholders' Equity
26	Financial Indicators - Net Profit
30	Developments in the World and Turkish Economies
40	2019 Activities
70	AFI in the Press - 2019
76	Consolidated Financial Statements Together with Independent Auditor's Report for the Year Ended 31 December 2019



THE ASSOCIATION OF FINANCIAL INSTITUTIONS

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Corporate Profile

The Association of Financial Institutions (AFI) is in the nature of a public agency and professional organization incorporated in accordance with the Financial Leasing, Factoring, and Financing Companies Law no: 6361 dated 21 November 2012.

AFI is an umbrella organization for concerns in Turkey that provides

• **Financial Leasing** • **Factoring** • **Financing**

products and services to customers who are active in the production, trade, sales, and consumption channels of the Turkish economy.

Vision

Help increase the added value that financial institutions contribute to the economy and thus enhance the national and international strength and influence of the sectors it represents.

Mission

Contribute to the sustainable and healthy development of the financial leasing, factoring, and financing sectors; support these sectors in their efforts to enhance their international competitive strength; ensure the creation and establishment of and adherence to professional standards in their respective fields.

Chairperson's Message

We charge ahead into the future in line with the strategies we espouse and apply, empowered in this journey by our strength arising from our structure as an "Association", in addition to the financial expertise and knowledge that we possess.



Aynur Eke
Chairperson

In 2019, the Association of Financial Institutions continued to create added value for represented sectors and its stakeholders, and kept implementing projects that will shape the future.

"Offering the best possible solution to the SMEs", which is the shared and unchanged priority of its members, makes the focal point of all activities that are carried out under the AFI roof, targeted at achieving the better and nurtured by innovative thinking. We charge ahead into the future in line with the strategies we espouse and apply, empowered in this journey by our strength arising from our structure as an "Association", in addition to the financial expertise and knowledge that we possess. The plans that have been designed to make life easier for the SMEs and to provide the solutions they need by offering the best products and services are being put into life.

Believing in the importance and the power of regular communication with its stakeholders, the AFI continued to heavily work along the same line in 2019. Our report that we present for your comments and assessments cover the developments that took place in all the three sectors in 2019, the projects we have undersigned as AFI, the regulatory framework that concerns our fields of activities, our anticipations from the lawmakers, and the media coverage in relation to all of these headings.

2019 has been an important year also with respect to formulating our strategies that will help us achieve our 2020 targets, while updating our strategic theme made one of the year's highlights for our Association. In view of our national economy and the growth potential of our sectors, our strategic theme has been set as digitalization. Accordingly, we have prioritized effective positioning of the products that best

cater to our stakeholders' evolving needs and expectations by our members on diverse service and distribution channels, and giving greater weight to digital service channels.

We continue to express on every platform that we, as the Association of Financial Institutions, are ready to do everything that falls upon us to support the financing of trade, production and investments, adhering to the New Economic Program introduced by Turkey. Readying the digital infrastructure of the sectors we represent constitutes the foothold of this understanding. This approach adopts the best practices in Europe as a model so as to facilitate financial access through digital transformation, and helps us concentrate on sectoral initiatives.

Delivering financing facilities to customers through digital platforms will not only give us countrywide reach, but will also pave the way for the joining of new players in our sectors.

Important steps towards digitalization have been taken in 2019.

Financial leasing, factoring and financing sectors covered under the roof of our Association continued to offer high added-value products and services to their customers amid the occasionally volatile and tough conditions of 2019. Performance results attained by each one of our sectors are presented in detail for your review in the related parts of our report.

At this point, I would like to outline the specific steps taken in our sectors with respect to digitalization, which we have identified as our strategic theme. The digitalization activities, which possess strategic and long-term importance in our opinion, contribute to the value all of the three sectors offer to customers, and serve to our financial inclusion target.

Our two initiatives, namely Central Receivables Recording (CRR) that records invoices and similar documents thus precluding recurrent assignment and financing of the same trade receivable, which is one of the most critical duties imposed on the AFI by the Financial Leasing, Factoring and Financing Companies Law no. 6361, and the Contract Registration System where financial leasing contracts are registered, continue to function successfully, while also supporting registered economy.

I would also like to add that we are unrolling important practices that are products of our consultations and meetings with the public authorities. Integration work started and came to its final stage based on the protocol signed with the Ministry of Trade concerning integration of CRR and the Movable Pledge Registry System (MPRS). The project is slated for completion in 2020. The integration of CRR and MPRS will serve to find out any previous partial or total pledge or transfer, if any, of a given receivable. In addition, members will be able to connect to MPRS via CRR and perform pledge formalities. The Trade

digital

Delivering financing facilities to customers through digital platforms will not only give us countrywide reach, but will also pave the way for the joining of new players in our sectors.



Chairperson's Message

We are confident that in the years ahead we will be seeing AFI in the focal point of a more digitalized structure within the scope of the strategies we have determined with the strength lent to us by our members.

Chain Finance System launched by AFI has an important role in increasing the fluidity of trade across Turkey. Basically bringing together the buyer, supplier and financing companies electronically, the Trade Chain Finance System increases the rate of access to financing of the SMEs that are accountable for 56% of the added value generated for the national economy, and enables low-cost funding. We believe that the system that covers SMEs, large-scale companies and financial institutions will also contribute to downsizing unregistered economy, as well.

Our sectors, which have an important role with respect to financial inclusion, are undergoing a transformation phase that is focused on a digital future and innovation that will further strengthen their market presence. In line with the evolving consumer behavior and the mega trends that influence our lives, our sectors are taking successful steps to increasingly capture the advancements in financial technology in their business models, and operate in cooperation with fintechs.

We are monitoring our members' needs...

As part of the implementation of the requirements specified in the Communiqué on Management and Auditing of Information Systems of Leasing, Factoring and Financing Companies, which came into effect on 6 April 2019, work was initiated to create the "Shared Data Center" with a customized cloud architecture owned by AFI with the purpose of satisfying system infrastructure requirements of AFI-member companies in the fastest and most efficient manner, and providing an environment that will allow low-cost utilization of current technologies. The AFI Cloud Data Center is targeted to go live during 2020. We are confident that in the years ahead we will be seeing AFI in the focal point of a more digitalized structure within the scope of the strategies we have determined with the strength lent to us by our members.

for 2021

We will need to work on new, more aggressive targets for 2021 which will be a year of return to growth.

Outlook...

We have completed yet another year during which we, as AFI, have provided material support to our sectors by introducing major, digital-oriented projects to drive our sectors towards development. As we were preparing our report for publishing in the first quarter of 2020, the whole world was in the grip of the Covid-19 pandemic. It is obvious that this global health crisis will present the world and individual national economies with challenging equations that must be resolved.

In this process awaiting our sectors, the AFI is prepared to stand by and support its stakeholders with all the resources and capacities at its disposal. Thereafter, we will need to work on new, more aggressive targets for 2021 which will be a year of return to growth. We are convinced that there are no obstacles that we cannot overcome or prevail given the involvement and commitment of AFI members. Let me assure you that, in all our actions and activities, we are guided by the approach summed up as “together, we are stronger”.

I would like to thank you, our valuable members and stakeholders, and wish all of us health and success.

Sincerely,

Aynur Eke
Chairperson
Association of Financial Institutions



Message from the Financial Leasing Sector Representatives Board

The fundamental strategies of the members of our sector focus on efforts to enlarge the total pie by pursuing activities so as to increase their share in the financing of investments.



Dr. Cüneyt Akpınar
Deputy Chairperson

*Chairperson of the Financial Leasing
Sector Representatives Board*

Distinguished stakeholders,

The operations and business volumes of the financial leasing sector were substantially shaped by the economic developments in 2018 and 2019.

The rebalancing tendency in economic activity, which started in the second quarter of 2018, persisted in the third quarter before becoming pronounced in the fourth, and growth slowed down in the third quarter of 2018. While the economy downsized by 2.8% in the fourth quarter of that year, growth was 2.8% for the whole year in 2018. This weak growth outlook of the GDP caused 0.6% shrinkage in investment expenditures. The downsizing that started in the GDP in the last quarter of 2018 carried on in 2019, with respective rates of -2.3% and -1.6% in the first and second quarters. GDP expanded 1% in the third quarter of 2019 and 6% in the fourth. Growth was driven by private consumption expenditures and exports,

and the ratio of investment expenditures to GDP went below the 2018 figure. The ratio of total fixed capital investments to GDP was 27.5% in 2018 and 23.5% in 2019.

The contraction in total fixed-capital investments stemmed from real estate investments and the ratio of movable property investments to GDP remained fixed in the order of 10%.

The stagnation in economic activity reflected also on investments financed through leasing. Private sector fixed investment expenditures financed through leasing, which amounted to USD 6.2 billion in 2017, were USD 4.8 billion in 2018 and USD 2.6 billion in 2019. At ordinary market conditions, our projected business volume for 2020 was USD 3.4 billion. However, we have revised this projection to USD 2.5 billion due to the slowdown in global and national economy that resulted from the Covid-19 pandemic.

Having conducted its services through 23 companies and 1,232 employees in 2019, the leasing sector's total assets were worth TL 58.2 billion and its shareholders' equity amounted to TL 10.4 billion, while the overall sector posted a net profit of TL 1.1 billion.

The Contract Registration System that functions publicly continues to serve as an element of trust.

Successfully operating for five years and working in integration with the Ministry of Finance, e-government and the Central Civil Registration System (in Turkish: MERNİS), the Financial Leasing Contract Registration System was established by the Central Registry Agency (in Turkish: MKK) totally electronically. Used by leasing companies, participation banks, investment banks and development banks, the system registers the contracts that are electronically signed and time stamped.

In 2019, a total of 9,960 contracts were registered in the system.

We are confident that the stagnant course of the economy and investments will be overcome by the joining of forces by the economy administration and the sector.

The increase in our sector's contribution to investments in this particular period depends on the steps to be taken to the extent possibilities to access low-

cost funding resources are developed. Our sector is always ready to dedicate all the resources available to it to the sustainable development of our country. The fundamental strategies of the members of our sector focus on efforts to enlarge the total pie by pursuing activities so as to increase their share in the financing of investments.

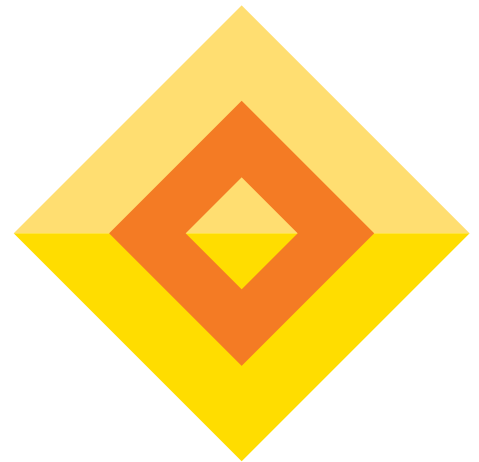
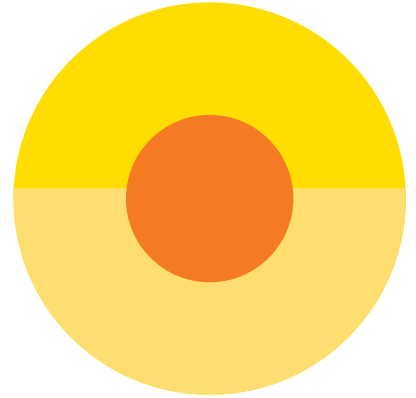
As well known by all, financial leasing is a medium- and long-term investment finance instrument; it is an investment loan. The characteristics that define it as an investment loan is the guarantee that the repayment terms of the investor that has provided financing through leasing remains constant, irrespective of the severity of economic volatility. This characteristic tends to be overlooked especially when the economy is stable; however, the value of leasing is revealed more clearly amid conjunctures such as the extraordinary period we are going through.

As our sector and each and every one of our members continue determinedly to mobilize all the means they have to help the customers overcome the potential difficulties they may be faced with in 2020, they will be spending their best efforts to keep their customers unharmed during the Covid-19 pandemic.

Dr. Cüneyt Akpınar
Deputy Chairperson
Association of Financial Institutions

development

Our sector is always ready to dedicate all the resources available to it to the sustainable development of our country.



Message from the Factoring Sector Representatives Board

In 2019, we have launched important projects aimed at increasing the share, strength and penetration of the factoring sector in economy, and to extend the necessary support to the SMEs.



Aynur Eke
Chairperson

*Chairperson of the Factoring Sector
Representatives Board*

Distinguished stakeholders,

Factoring continues to keep the wheels of trade turning...

The need to access financing, which is one of the critical building blocks underlying economic stability in our country, imposes important duties on the factoring sector. In this period, we owned our mission and responsibility together with all our stakeholders, and we have taken care to stand by the national real sector, our exporters and SMEs. We have continued to produce solutions for the financing needs of our SMEs and we have actively assumed responsibility for keeping the wheels of trade turning despite all exchange rate attacks.

The factoring sector deserves to be applauded for the performance it has displayed in spite of having a very trying year. With a business volume in the order of TL 130 billion as at year-end 2019, our sector's receivables expanded by more than 8% to TL 34 billion. Total assets of the sector reached TL 37 billion and its shareholders' equity TL 8 billion. These figures show that a challenging year has been left behind in 2019 thanks to the strong support and reflex of all our stakeholders.

In 2019, extremely productive meetings were held with the public authority, during which the problems of the sector were voiced, some of our structural issues were resolved, while result-oriented important steps were taken for some others. Along this line, we have underlined time and again the critical importance of a regulatory framework which paves the way for increased weight of non-bank finance within the economy for us and for our stakeholders, as is the case in developed economies. We will be increasing the frequency of these meetings to convey the problems and expectations of our sector to the public authority in the period ahead.

We have created new projects and digitalized our sector...

We have launched important projects aimed at increasing the share, strength and penetration of the factoring sector in economy, and to extend the necessary support to the SMEs. Supporting recorded economy and precluding recurrent assignment and financing of the same trade receivable, the CRR, which was established under the AFI roof by the factoring sector, has been operating successfully since 2015. CRR, which was being used by 56 factoring

companies and 23 banks for a total of 79 financial institutions as at year-end 2019, prevented 740 thousand risky transactions. In addition, the integration of CRR with the Movable Pledge Registry System (MPRS) will allow to determine whether the receivables were subject to prior pledge, and will increase the added value of the system.

The e-transformation applications that save labor, time and cost, enhance total quality, and render financial data electronically accessible are offered to enterprises with the AFI assurance. While e-invoice and e-archive applications lead the private integrator services launched within this framework, which are critical for recording the economy, we are extremely pleased with the growing demand for these applications from our members and businesses. Work is ongoing also on new projects for the progress and digitalization of our sector. Studies were initiated to create the "Shared Data Center" with a customized cloud architecture owned by AFI for the purpose of satisfying system infrastructure requirements of our member companies in the most efficient manner, and bringing cutting-edge technology to our members at more affordable prices. The AFI Cloud Data Center is targeted to be launched in 2020. Both our Association, which serves as our primary umbrella organization, and our Trade Finance Commercial Enterprise spend their best efforts to integrate and further improve the services they offer to anyone adding value to the national economy and primarily to our SMEs and exporters with the opportunities technology offers. This vision will serve to launch new e-transformation initiatives also in the period ahead.

We are contributing to the national economy with the Trade Chain Finance...

We regard the Trade Chain Finance System, which was introduced in 2019 following painstaking efforts under the roof of AFI, as an important part of our digitalization vision. The Trade Chain Finance System is intended to give our SMEs, the building block of our national economy, centralized access to numerous financial instruments, and most importantly, to low-cost financing through their own trade receivables. Accordingly, when they need cash, SMEs will be able to create funds for themselves for their ongoing production by financing their trade in cash, whereas financial institutions will finance suppliers, which are mostly constituted by SMEs, with the confirmation of the buyer company that enjoy a higher creditworthiness as compared to their suppliers, thus generating a closed-circuit workflow. Also an ecosystem that will become indispensable for the users in the long-term will result through new features, products and integrations to be added to the system.

The entire factoring sector will continue to work hard to make sure that factoring is given the value it deserves and to gradually increase its contribution to our country's trade. I know that we will overcome challenges with a spirit of union in the future, as we did in 2019, and extend my gratitude to all our members and business stakeholders.

Aynur Eke
Chairperson
Association of Financial Institutions

e-transformation

The e-transformation applications that save labor, time and cost, enhance total quality, and render financial data electronically accessible are offered to enterprises with the AFI assurance.



Message from the Financing Companies Representatives Board

With the financing functions performed, our sector plays an important role directly in the development of the automotive sector and indirectly in the development of the construction industry, two of the driving engines of the Turkish economy.



Adem Duman

Deputy Chairperson

*Chairperson of the Financing Companies
Sector Representatives Board*

The financing sector is one of the cornerstones of the economic cycle.

The financing sector provides commercial and consumer finance for commodity and service purchases in numerous areas, primarily in automotive, commercial vehicles, telecommunications, consumer durables, education and mortgage sectors.

Our sector sustained a significant contraction because of several reasons including the macroeconomic volatilities, declined demand and restrictions imposed on the number of allowed installations following the foreign currency attack in the summer of 2018. In the light of these events, the total number of our customers which had gone up to 4.7 million dwindled by 29.8% in 2019 and dropped to 3.3 million.

Total assets of the financing sector also suffered a parallel downsizing in 2019. Total assets shrank by 30.6% to TL 28 billion, whereas transaction volume slumped by 32.7% to TL 18 billion. Particularly remarkable in this period was the 60% shrinkage in the micro-lending market, resulting mainly from installment restrictions. In 2019, total receivables of the financing sector were down by 30% and worth TL 23 billion.

Commercial loans made up 54% of our portfolio.

Commercial loans made up 54% of total loans disbursed in 2019 by financing companies.

Supporting domestic production is another priority mission of our sector. Financing companies are important contributors to the commercial and consumer financing of passenger and commercial vehicles manufactured. Of the products we provide financing to, 55% of automotive and commercial vehicles are domestically produced, whereas this ratio is almost 100% for white and brown goods, furniture and textiles. On the other hand, our sector made an important contribution to the long-term financing of investment goods including trucks and heavy-duty machinery that constitute important elements of infrastructure investments including the mega projects realized in recent years in our country, among which there are İstanbul Airport, Yavuz Sultan Selim Bridge, Marmaray project, high-speed train projects, divided highways, city hospitals, and tunnels.

With the financing functions performed, our sector plays an important role directly in the development of the automotive sector and indirectly in the development of the construction industry, two of the driving engines of the Turkish economy.

Digitalization steps

Keeping a close eye on the evolving consumer behaviors, financing companies capture the advancements in the fintech circle to their business models.

Today, customers visit the physical sales outlets less frequently, research and compare the products and services they wish to purchase on the internet and mobile platforms, and conclude their transactions through remote access.

Financing companies update their information technology infrastructure so as to make use of rating/scoring systems and RPA (robotic process automation) in operational processes and artificial intelligence (AI) applications at a greater extent. In addition, maximum importance is attached to developing collaborations with payment systems and insurance companies within the frame of digital projects.

We continue to share the policies we develop for driving our sector forward and for rendering more efficient service to our customers with the public authority via our Association.

When we look at the developments across the world, we see that fintechs and non-bank financial institutions undertake an important role in growing financial inclusion especially in emerging countries. With its 3.3 million customers, the Turkish financing sector has also assumed a significant part with respect to financial inclusion and is focused on further strengthening its presence.

In a market shaped by Covid-19...

In the first quarter of 2020 when this report was being written, the whole world and our country was undergoing a tough period due to the Covid-19

pandemic. This period re-established the vitality of the introduction of the remote financing method with all of its involved processes, which financing companies developed in line with the vision they have formulated over the course of many years. In addition to remote financing, risk, liquidity and cost management and the need for diversification in funding and business models will make the other topics of growing importance in the period ahead.

We are determined to increase our contribution to the national economy.

Under the new market conditions that will mature with the adaptation of identity authentication in distance transactions, biometric signature solutions, eIDAS (Electronic Identification, Authentication and Trust Service), which is the new version of the Turkish Electronic Signature Law no. 5070 and espoused in Europe in 2016, and PSD-2 (Payment Service Directive) to our country, the financing sector will continue to act in perfect unison, and to carry on and further increase its contribution to the national economy in diverse areas, primarily including facilitation of access to financing and productivity. We are confident that we will come through 2020 with minimum damage thanks to proactive and effective measures to be adopted by our economy administration, coupled with the regulatory arrangements to be published in all these areas.

I would like to thank all the players of the financing sector and all our stakeholders for their invaluable contributions and relentless support.

Adem Duman
Deputy Chairperson
Association of Financial Institutions

fintech

Keeping a close eye on the evolving consumer behaviors, financing companies capture the advancements in the fintech circle to their business models.



Board of Directors



L-R		Member Company
Dr. Cüneyt Akpınar	Deputy Chairperson of the Board	Burgan Finansal Kiralama A.Ş.
Tijen Akdoğan Ünver	Member of the Board	Volkswagen Doğuş Finansman A.Ş.
Selahattin Süleymanoğlu	Member of the Board	Halk Faktoring A.Ş.
Mehmet Karakılıç	Member of the Board	İş Finansal Kiralama A.Ş.
Murat Ömürbek	Member of the Board	Atılım Faktoring A.Ş.
Cafer Sadık Karabüber	Member of the Board	Kent Faktoring A.Ş.
Y. Pınar Kitapçı	Member of the Board	Koç Finansman A.Ş.
T. Fatih Torun	Member of the Board	Yapı Kredi Finansal Kiralama A.Ş.
Özgür Öztürk	Member of the Board	Orfin Finansman A.Ş.
Coşkun Çabuk	Member of the Board	Halk Finansal Kiralama A.Ş.
Aynur Eke	Chairperson of the Board	Vakıf Faktoring A.Ş.
Adem Duman	Deputy Chairperson of the Board	Turkcell Finansman A.Ş.
Fidan Sevilmiş	Member of the Board	Koç Fiat Kredi Finansman A.Ş.
Nurcan Taşdelenler	Member of the Board	Arena Faktoring A.Ş.
Rahime Özlem Baysal (not present in the picture)	Member of the Board	Şeker Finansal Kiralama A.Ş.

Member Companies

Financial Leasing Sector

- 1 A&T Finansal Kiralama A.Ş.
- 2 Ak Finansal Kiralama A.Ş.
- 3 Alternatif Finansal Kiralama A.Ş.
- 4 Anadolu Finansal Kiralama A.Ş.
- 5 Arı Finansal Kiralama A.Ş.
- 6 BNP Paribas Finansal Kiralama A.Ş.
- 7 Burgan Finansal Kiralama A.Ş.
- 8 De Lage Landen Finansal Kiralama A.Ş.
- 9 Deniz Finansal Kiralama A.Ş.
- 10 Garanti Finansal Kiralama A.Ş.
- 11 Haliç Finansal Kiralama A.Ş.
- 12 Halk Finansal Kiralama A.Ş.
- 13 ING Finansal Kiralama A.Ş.
- 14 İş Finansal Kiralama A.Ş.
- 15 Mercedes-Benz Finansal Kiralama Türk A.Ş.
- 16 Pervin Finansal Kiralama A.Ş.
- 17 QNB Finans Finansal Kiralama A.Ş.
- 18 Siemens Finansal Kiralama A.Ş.
- 19 Şeker Finansal Kiralama A.Ş.
- 20 Vakıf Finansal Kiralama A.Ş.
- 21 VFS Finansal Kiralama A.Ş.
- 22 Yapı Kredi Finansal Kiralama A.O.
- 23 Yatırım Finansal Kiralama A.Ş.

Factoring Sector

- 24 ABC Faktoring A.Ş.
- 25 Acar Faktoring A.Ş.
- 26 Ak Faktoring A.Ş.
- 27 Akdeniz Faktoring A.Ş.
- 28 Akın Faktoring A.Ş.
- 29 Anadolu Faktoring A.Ş.
- 30 Arena Faktoring A.Ş.
- 31 Atak Faktoring A.Ş.
- 32 Atılım Faktoring A.Ş.
- 33 Başer Faktoring A.Ş.
- 34 Bayramoğlu Faktoring A.Ş.
- 35 C Faktoring A.Ş.
- 36 Creditwest Faktoring A.Ş.
- 37 Çağdaş Faktoring A.Ş.

- 38 Çözüm Faktoring A.Ş.
- 39 Deniz Faktoring A.Ş.
- 40 Destek Faktoring A.Ş.
- 41 Devir Faktoring A.Ş.
- 42 Doğa Faktoring A.Ş.
- 43 Doruk Faktoring A.Ş.
- 44 Eko Faktoring A.Ş.
- 45 Ekspo Faktoring A.Ş.
- 46 Fiba Faktoring A.Ş.
- 47 Garanti Faktoring A.Ş.
- 48 Global Faktoring Hizmetleri A.Ş.
- 49 GSD Faktoring A.Ş.
- 50 Halk Faktoring A.Ş.
- 51 Huzur Faktoring A.Ş.
- 52 ING Faktoring A.Ş.
- 53 İstanbul Faktoring A.Ş.
- 54 İş Faktoring A.Ş.
- 55 Kapital Faktoring A.Ş.
- 56 Kent Faktoring A.Ş.
- 57 Kredi Finans Faktoring Hizmetleri A.Ş.
- 58 Lider Faktoring A.Ş.
- 59 Mert Finans Faktoring A.Ş.
- 60 MNG Faktoring A.Ş.
- 61 Optima Faktoring A.Ş.
- 62 Pamuk Faktoring A.Ş.
- 63 Para Finans Faktoring A.Ş.
- 64 QNB Finans Faktoring A.Ş.
- 65 Sardes Faktoring A.Ş.
- 66 Sümer Faktoring A.Ş.
- 67 Şeker Faktoring A.Ş.
- 68 Şirinoğlu Faktoring A.Ş.
- 69 Tam Faktoring A.Ş.
- 70 TEB Faktoring A.Ş.
- 71 Tradewind Faktoring A.Ş.
- 72 Tuna Faktoring A.Ş.
- 73 Ulusal Faktoring A.Ş.
- 74 Vakıf Faktoring A.Ş.
- 75 VDF Faktoring Hizmetleri A.Ş.
- 76 Yapı Kredi Faktoring A.Ş.
- 77 Yaşar Faktoring A.Ş.
- 78 Yeditepe Faktoring A.Ş.
- 79 Zorlu Faktoring A.Ş.

Financing Sector

- 80 ALJ Finansman A.Ş.
- 81 Doruk Finansman A.Ş.
- 82 Evkur Finansman A.Ş.
- 83 Hemenal Finansman A.Ş.
- 84 Koç Fiat Kredi Finansman A.Ş.
- 85 Koç Finansman A.Ş.
- 86 Mercedes Benz Finansman Türk A.Ş.
- 87 Orfin Finansman A.Ş.
- 88 Şeker Mortgage Finansman A.Ş.
- 89 TEB Finansman A.Ş.
- 90 Tirsan Finansman A.Ş.
- 91 Turkcell Finansman A.Ş.
- 92 Turk Finansman A.Ş.
- 93 VFS Finansman A.Ş.
- 94 Volkswagen Doğuş Finansman A.Ş.

General Secretariat



Vahit Altun
Deputy Secretary General /
Financing

Hakan Gülelçe
Deputy Secretary General /
Financial Leasing

Ahmet Candan
Secretary General

Filiz Ünal
Deputy Secretary General /
Factoring



Sevilay Alşar
Education Director



Aysun Koçak Gül
Manager, Financial and
Administrative Affairs



Atty. Eda Atamer Coşkunsu
Manager, Regulatory and Legal
Affairs



Janin Ersöz Amiroğlu
Manager, Financial Leasing
Commercial Enterprise



Sibel Özata Erdoğan
Manager, Statistics and Economic
Researches



Tefik Altuğ Çetinbaş
Manager, Trade Finance
Commercial Enterprise



Özkan Tekeş
Deputy Manager, Financial and
Administrative Affairs



Gencay Karaman
Deputy Manager, Trade Finance
Commercial Enterprise



Mehmet Şahin
Deputy Manager, Trade Finance
Commercial Enterprise



Emre Kırşan
Deputy Manager, Financial Leasing
Commercial Enterprise



Ceren İnce
Assistant Specialist, Financial and
Administrative Affairs



Seda Salcı
Assistant Specialist, Financing
Sector



Zülfiye Yeşilçimen
Assistant of Secretary General



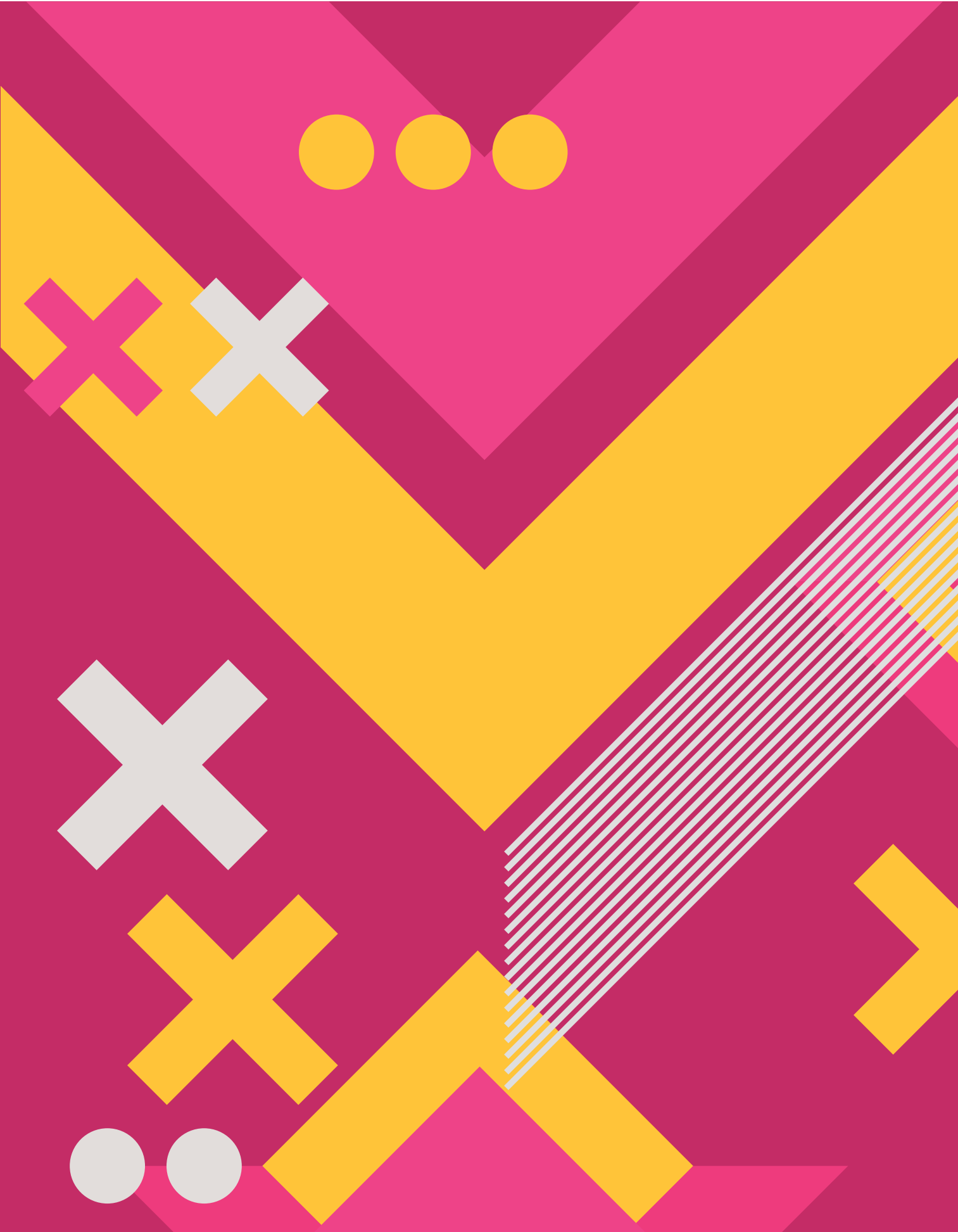
Hande Demirkol
Assistant



Kerim Koca
Office Assistant



Mevlüt Karakuş
Office Assistant





CONTRIBUTING TO MANUFACTURING TOGETHER

Acting as the pivotal financial solution partner of the SMEs through factoring, we are using all the means at our disposal to keep the wheels of real sector turning.

Financial indicators

TL 14,831 million

As of year-end 2019, total business volume of financial leasing companies contracted by 33.2% year-over-year to TL 14,831 million. While real estate got the biggest share out of total financial leasing receivables with 23.9%, other machinery and equipment accounted for 20.3%.

Financial Leasing

(TL million)	2018	2019	%Change
Transaction Volume	22,187	14,831	-33.20%
Total Assets	68,506	58,176	-15.10%
Receivables	60,707	48,721	-19.70%
NPL	4,711	4,416	-6.30%
Special Provisions (-)	2,351	2,836	20.70%
Shareholders' Equity	9,601	10,376	8.10%
Borrowings	47,052	41,007	-12.80%
Net Profit	917	1,125	22.70%

(units)

Number of Companies	24	23	-4.20%
Number of Branches	131	119	-9.20%
Number of Employees	1,401	1,232	-12.10%
Number of Customers	53,510	40,457	-24.40%

Return on Equity	10.10%	11.30%	1.2 pps
Return on Assets	1.40%	1.80%	0.4 pps
NPL Ratio	7.20%	8.30%	1.1 pps

TL 129,912 million

Total business volume of factoring companies was down by 11.4% to TL 129,912 million in the twelve months to end-2019. Domestic and international factoring transactions made up 84.7% and 15.3% of the total business volume, respectively.

Factoring

(TL million)	2018	2019	% Change
Transaction Volume	146,687	129,912	-11.40%
Total Assets	34,608	37,017	7.00%
Receivables	31,410	34,026	8.30%
NPL	2,096	2,140	2.10%
Special Provisions (-)	1,717	1,730	0.80%
Shareholders' Equity	6,770	8,136	20.20%
Borrowings	23,048	25,590	11.00%
Net Profit	1,306	1,374	5.20%

(units)

Number of Companies	58	56	-3.40%
Number of Branches	354	352	-0.60%
Number of Employees	4,355	4,269	-2.00%
Number of Customers	92,422	83,636	-9.50%

Return on Equity	20.80%	18.40%	-2.4 pps
Return on Assets	3.30%	3.80%	0.5 pps
NPL Ratio	6.30%	5.90%	-0.4 pps

TL 17,766 million

Total business volume of financing companies, which decreased 32.7% year-over-year, was TL 17,766 million in 2019. 73.8% of the new loans extended during 2019 consisted of personal and corporate auto loans.

Financing

(TL million)	2018	2019	% Change
Transaction Volume	26,407	17,766	-32.70%
Total Assets	39,707	27,560	-30.60%
Receivables	32,545	22,797	-30.00%
NPL	2,316	2,169	-6.40%
Special Provisions (-)	1,098	1,331	21.30%
Shareholders' Equity	4,568	5,227	14.40%
Borrowings	29,877	19,528	-34.60%
Net Profit	559	633	13.20%

(units)

Number of Companies	14	15	7.10%
Number of Branches	1	1	0.00%
Number of Employees	936	901	-3.70%
Number of Customers	4,565,434	3,386,999	-25.80%

Return on Equity	12.60%	12.90%	0.3 pps
Return on Assets	1.40%	1.90%	0.5 pps
NPL Ratio	6.60%	8.70%	2.1 pps

TL 162,509 million

The aggregate business volume of financial leasing, factoring and financing companies shrank by 16.8% and amounted to TL 162,509 million in 2019 and had a 3.8% share in GDP.

Total

(TL million)	2018	2019	% Change
Transaction Volume	195,281	162,509	-16.80%
Total Assets	142,822	122,753	-14.10%
Receivables	124,663	105,544	-15.30%
NPL	9,124	8,725	-4.40%
Special Provisions (-)	5,165	5,897	14.20%
Shareholders' Equity	20,939	23,739	13.40%
Borrowings	99,978	86,125	-13.90%
Net Profit	2,782	3,132	12.60%

(units)

Number of Companies	96	94	-2.10%
Number of Branches	486	472	-2.90%
Number of Employees	6,692	6,402	-4.30%
Number of Customers	4,711,366	3,511,092	-25.50%

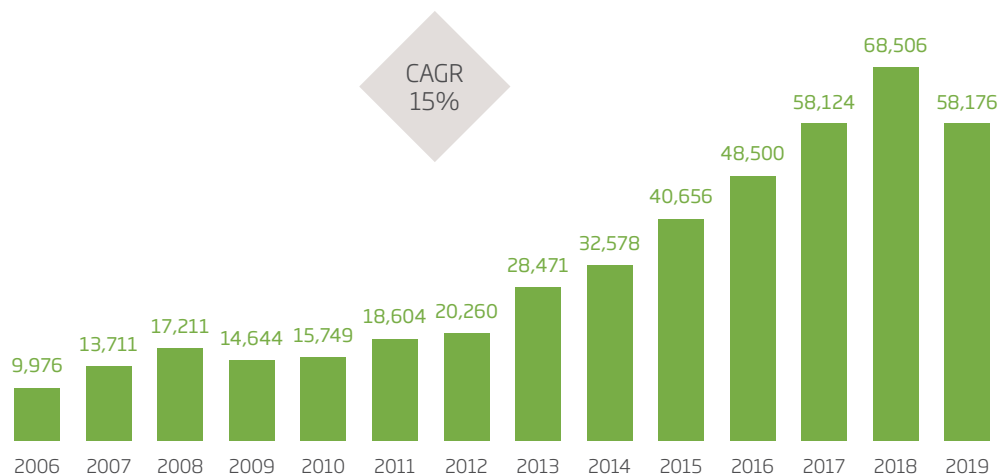
Return on Equity	14.10%	14.00%	-0.1 pps
Return on Assets	2.00%	2.40%	0.4 pps
NPL Ratio	6.80%	7.60%	0.8 pps

Financial Indicators - Assets

Financial Leasing Sector - Total Assets (TL million)

TL 58,176 million

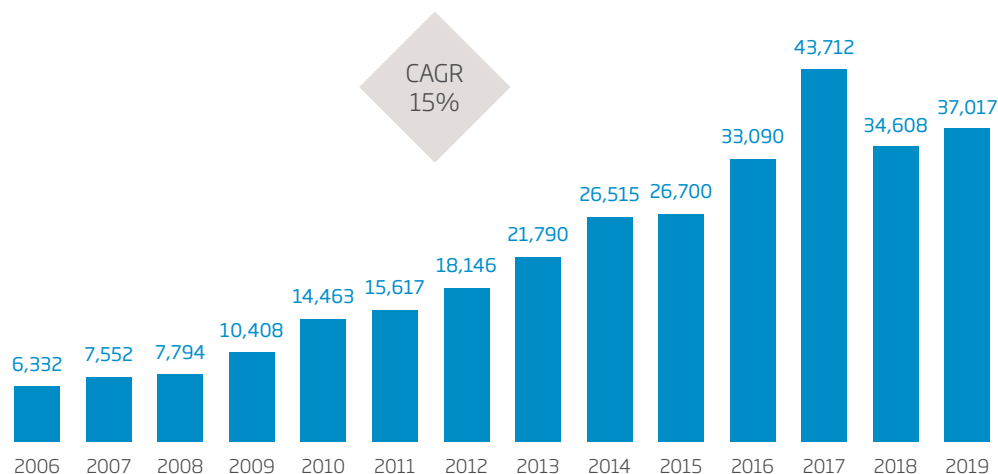
In 2019, total assets of the financial leasing sector decreased by 15.1% and amounted to TL 58,176 million.



Factoring Sector - Total Assets (TL million)

TL 37,017 million

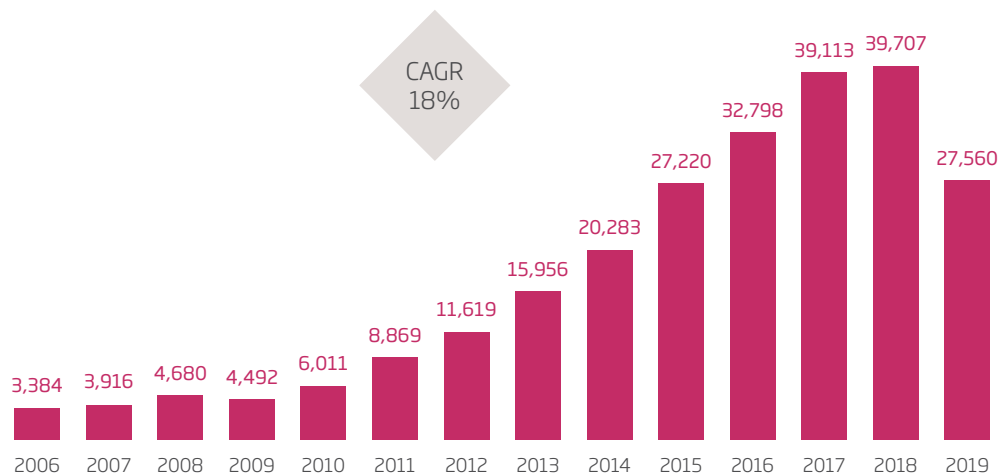
The factoring sector's total assets reached TL 37,017 million in 2019, up by 7%.



Financing Sector - Total Assets (TL million)

TL 27,560 million

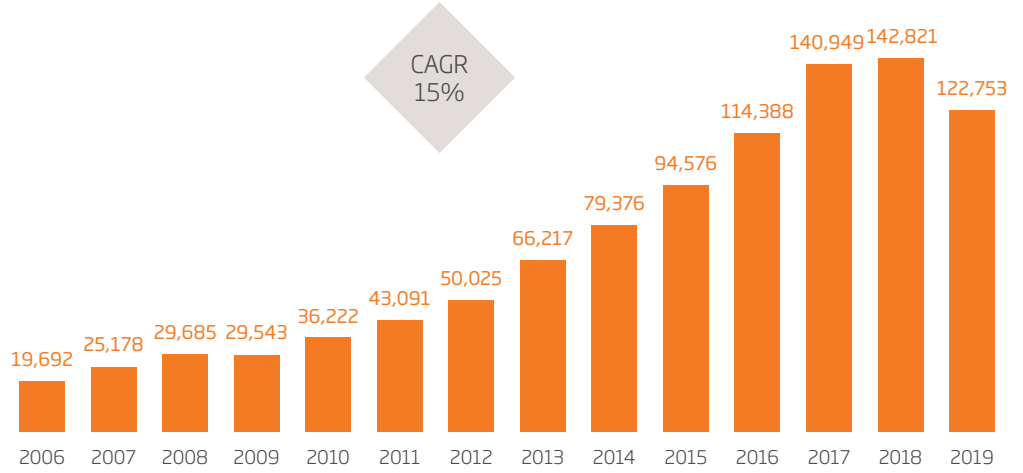
Total assets of the financing sector amounted to TL 27,560 million in 2019, translating into a year-on decline by 30.6%.



Aggregate Total Assets of the Financial Leasing, Factoring and Financing Sectors (TL million)

TL 122,753 million

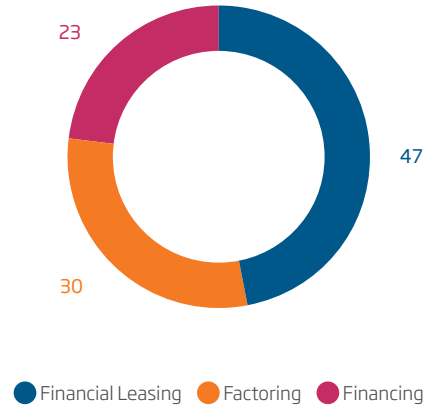
During 2019, consolidated total assets of the financial leasing, factoring and financing sectors declined by 14.1% and amounted to TL 122,753 million. Total return on assets was registered as 2.4%. Annual average growth rate of total assets of the sectors between 2006 and 2019 is 15%.



Sectoral Breakdown of Total Assets (%)

47%

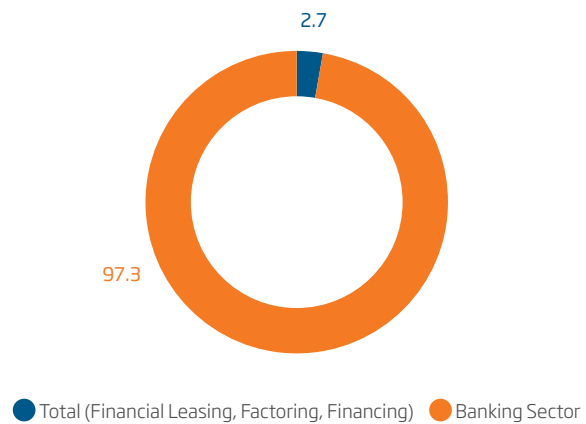
In 2019, the financial leasing sector claimed the highest share out of total assets with 47%.



Position in the Finance Sector (%)

2.7%

Factoring, financial leasing and financing sectors represent 2.7% of the Turkish finance sector in terms of total assets.

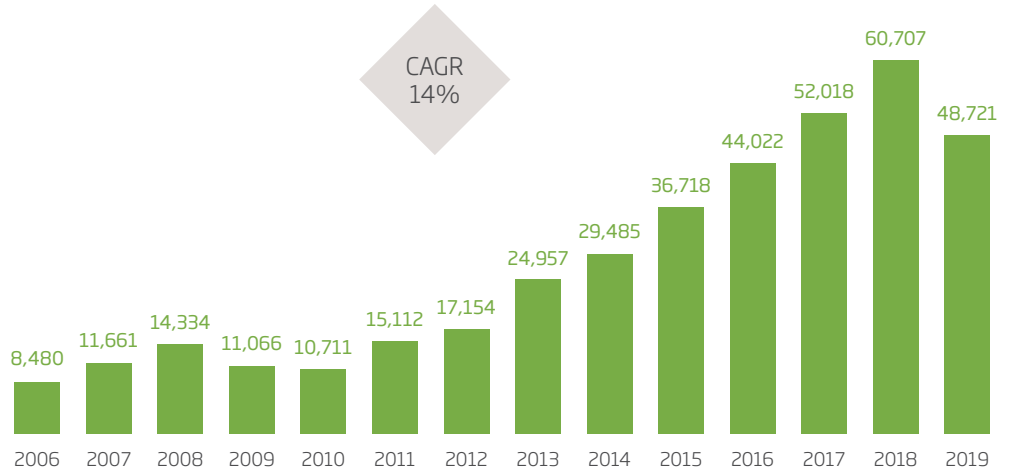


Financial Indicators - Receivables

Financial Leasing Sector - Receivables (TL million)

TL 48,271 million

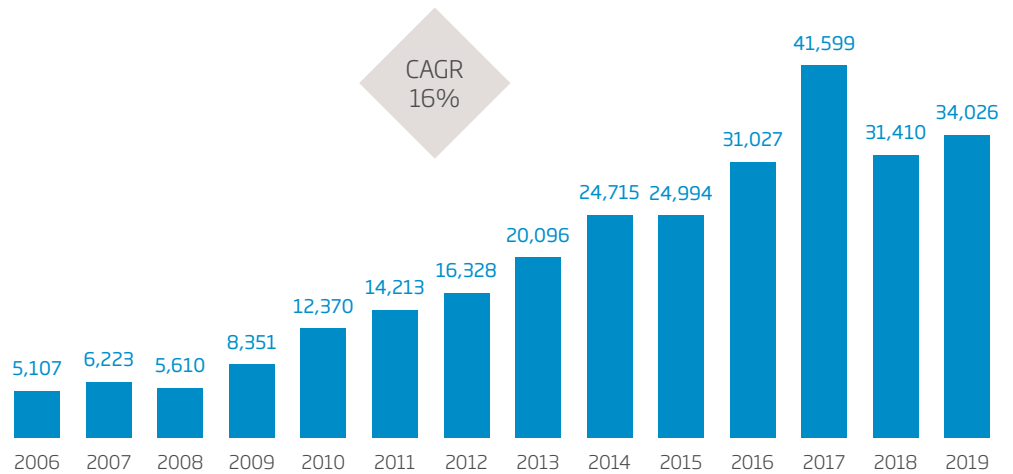
Total receivables of the financial leasing sector were down by 19.7% in 2019 and amounted to TL 48,271 million.



Factoring Sector - Receivables (TL million)

TL 34,026 million

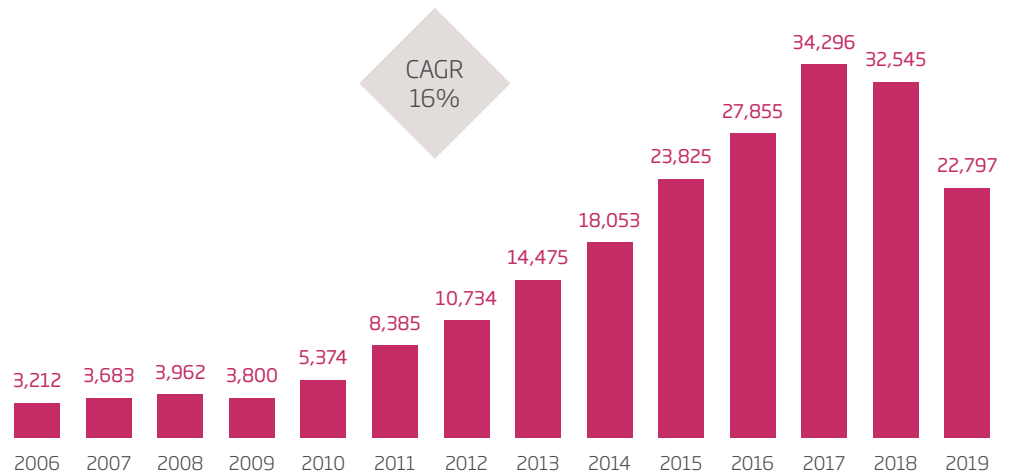
Having grown by 8.3% in 2019, total receivables of the factoring sector reached TL 34,026 million.



Financing Sector - Receivables (TL million)

TL 22,797 million

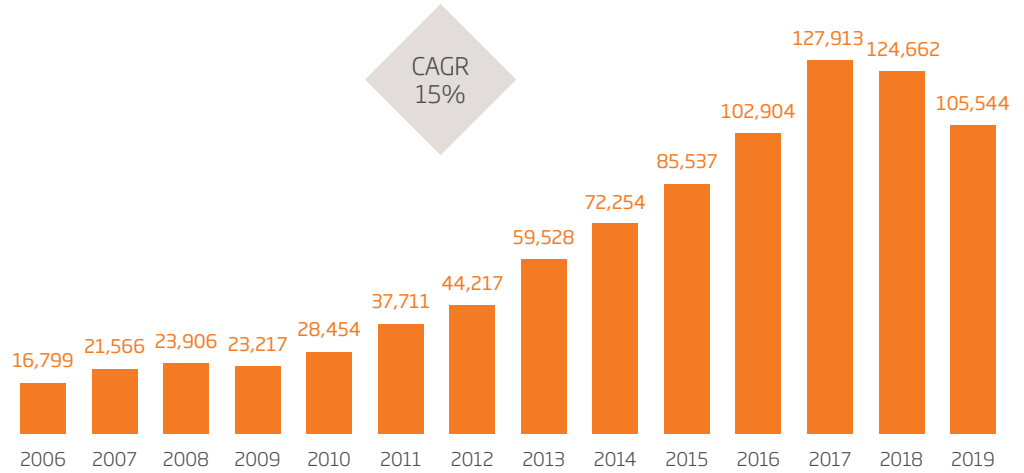
Total receivables of the financing sector were worth TL 22,797 million in 2019, down by 30.0%.



Total Receivables of the Financial Leasing, Factoring and Financing Sectors (TL million)

TL 105,544 million

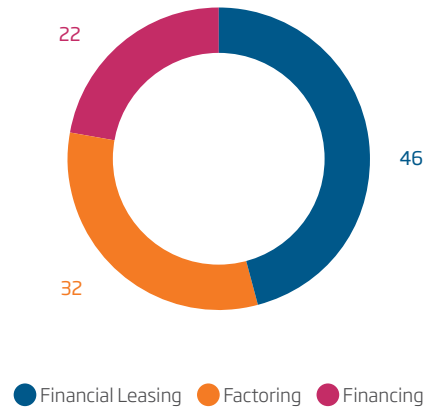
Total receivables of the three sectors decreased to TL 105,544 million in 2019, down by 15.3% year-over-year. Total receivables of the sectors grew by 15% on average between 2006 and 2019.



Sectoral Breakdown of Total Receivables (%)

46%

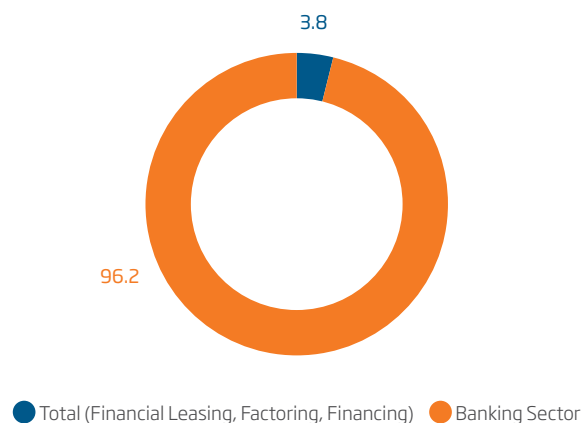
In 2019, the financial leasing sector got the highest share out of total receivables with 46%.



Position in the Finance Sector (%)

3.8%

All three sectors account for 3.8% of the Turkish finance sector in terms of total receivables.

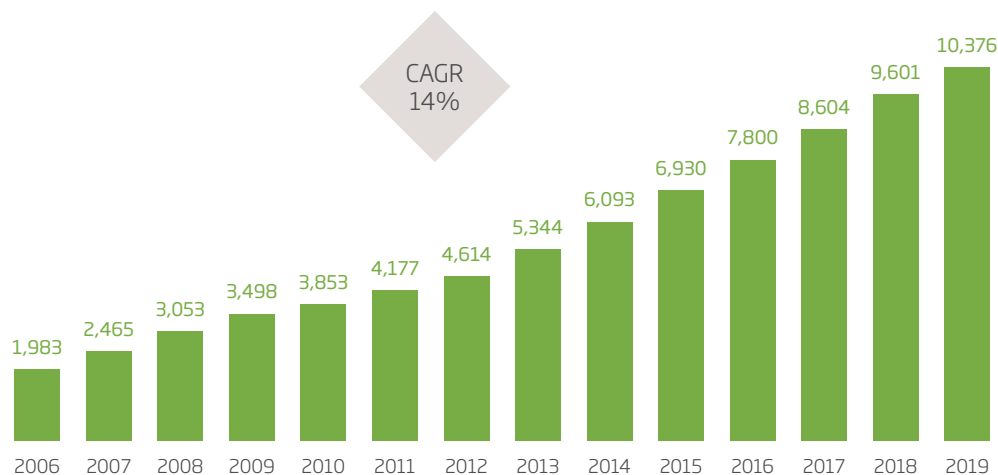


Financial Indicators - Shareholders' Equity

Financial Leasing Sector - Shareholder' Equity (TL million)

TL 10,376 million

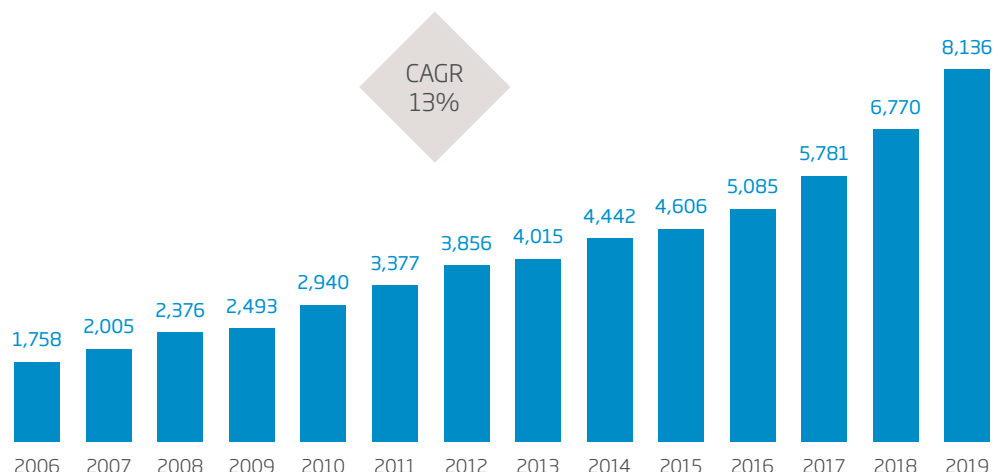
Total shareholders' equity of the financial leasing sector grew by 8.1% in 2019 and reached TL 10,376 million.



Factoring Sector - Shareholder' Equity (TL million)

TL 8,136 million

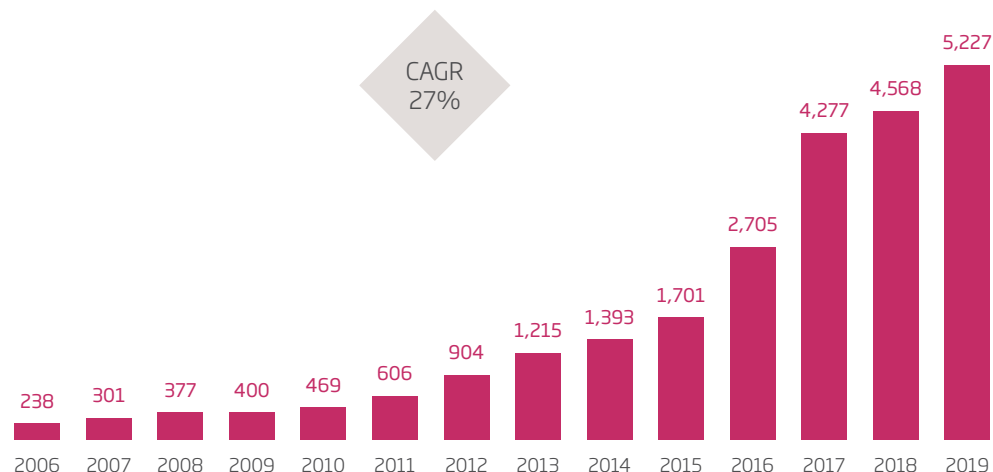
Total shareholders' equity of the factoring sector was up by 20.2% in 2019 and amounted to TL 8,136 million.



Financing Sector - Shareholders' Equity (TL million)

TL 5,227 million

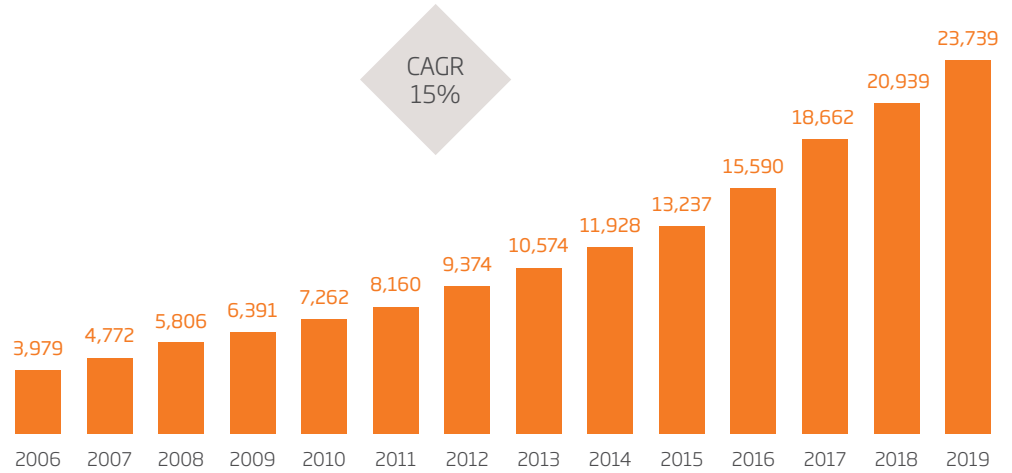
Total shareholders' equity of the financing sector reached TL 5,227 million in 2019, translating into a year-on rise by 14.4%.



Total Shareholders' Equity of the Financial Leasing, Factoring and Financing Sectors (TL million)

TL 23,739 million

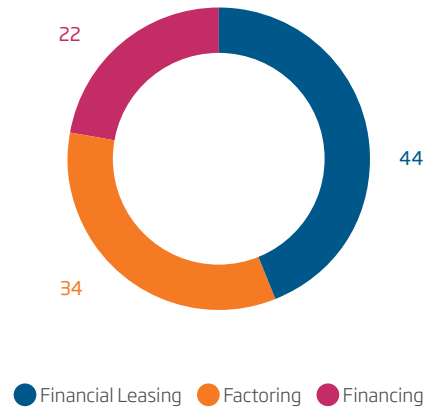
Total shareholders' equity of the sectors displayed a year-on rise by 13.4% and reached TL 23,739 million in 2019. Return on equity, on the other hand, rose to 14.0%. Average annual growth rate of total shareholders' equity of the sectors was registered as 15%.



Sectoral Breakdown of Total Shareholders' Equity (%)

44%

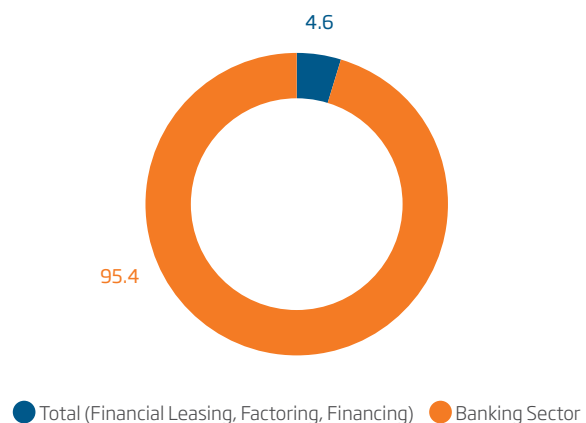
In 2019, the financial leasing sector got the highest share out of total shareholders' equity with 44%.



Position in the Finance Sector (%)

4.6%

The three sectors constitute 4.6% of the Turkish finance sector in terms of total shareholders' equity.

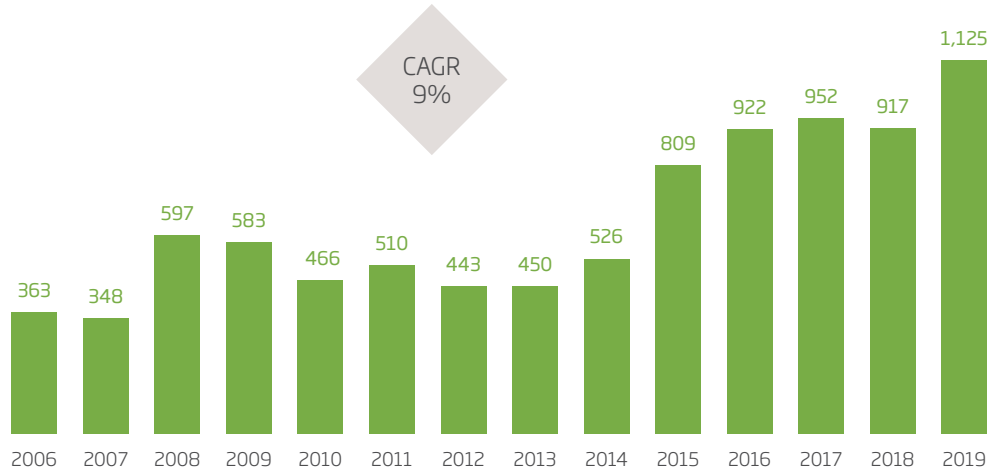


Financial Indicators - Net Profit

Financial Leasing Sector - Net Profit (TL million)

TL 1,125 million

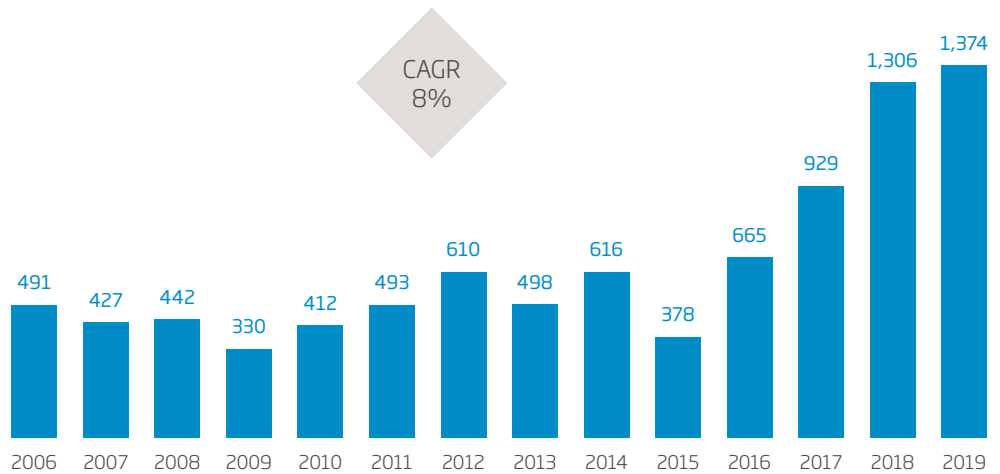
Total net profit of the financial leasing sector was up by 22.7% in 2019 and reached TL 1,125 million.



Factoring Sector - Net Profit (TL million)

TL 1,374 million

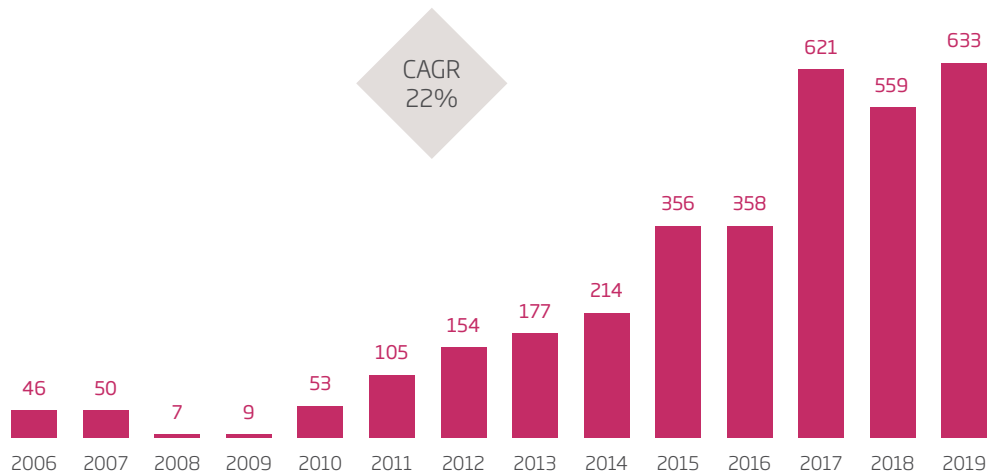
Having gone up by 5.2% in 2019, the factoring sector's total net profit amounted to TL 1,374 million.



Financing Sector - Net Profit (TL million)

TL 633 million

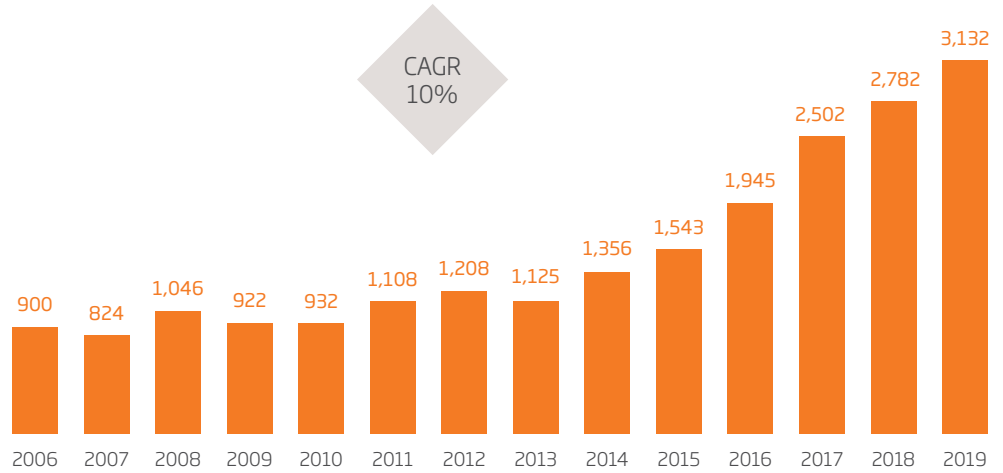
The financing sector booked TL 633 million in net profit in 2019, which increased by 13.2% year-over-year.



Total Net Profit of the Financial Leasing, Factoring and Financing Sectors (TL million)

TL 3,132 million

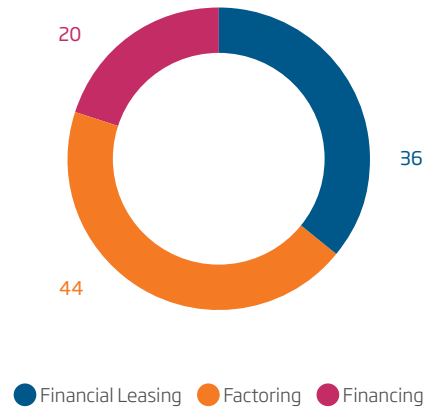
As at year-end 2019, total net profit of the sectors increased to TL 3,132 million, which was 12.6% higher than what it was in 2018. Total net profit of the three sectors combined grew by 10% on average from 2006 to 2019.



Sectoral Breakdown of Total Net Profit (%)

44%

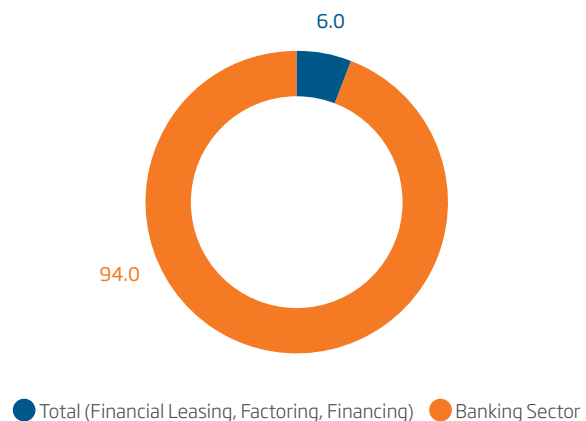
In 2019, factoring sector was the greatest contributor to total net profit with a share of 44%.

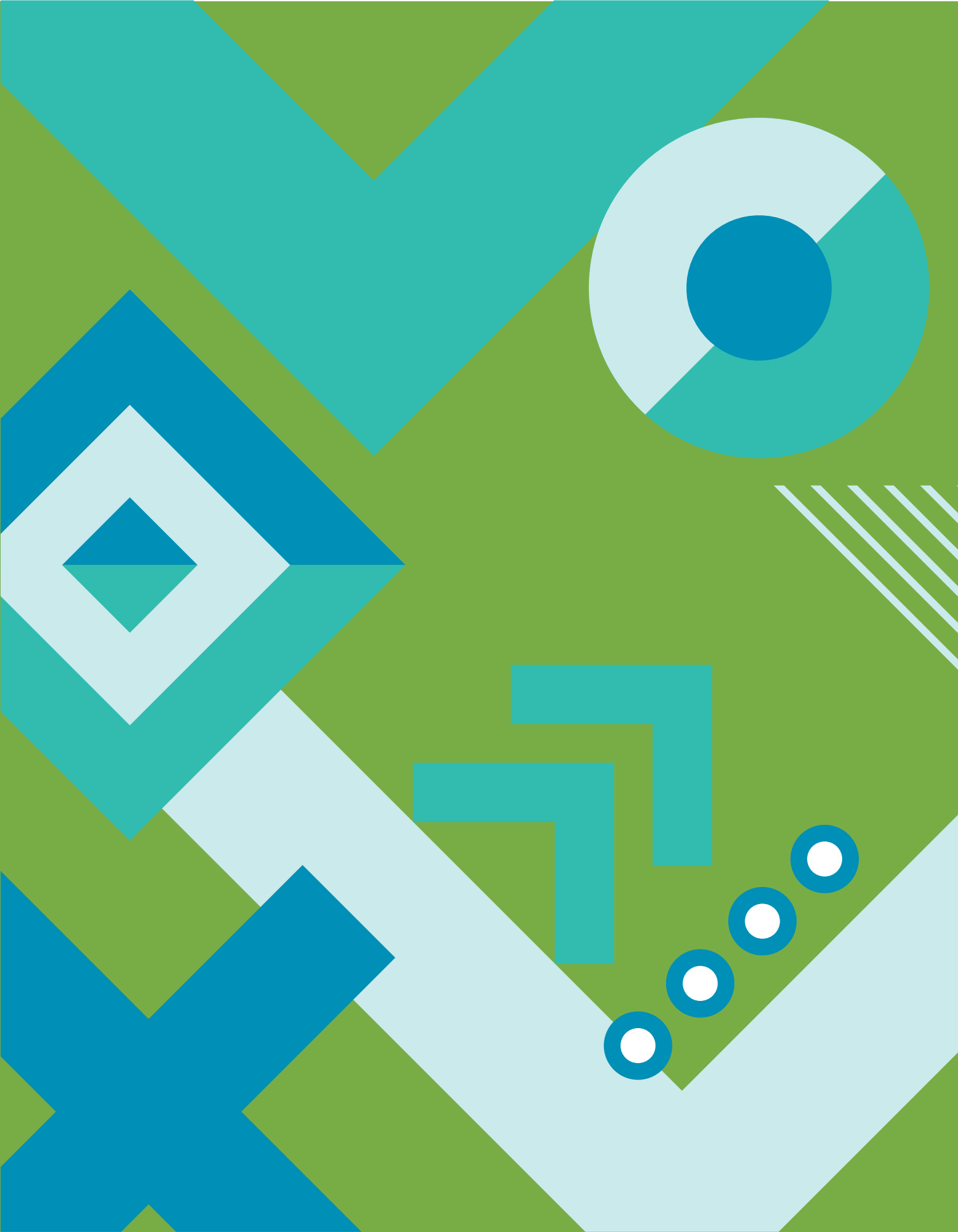


Position in the Finance Sector (%)

6.0%

With the net profit they generated, the sectors got 6.0% share in the Turkish finance industry.







CONTRIBUTING TO INVESTMENT TOGETHER



We are fulfilling a growing role in the sustainable development of our country through the support we extend for financing of investments through financial leasing.

Developments in the World and Turkish Economies

Defining the Covid-19 pandemic as a shock that will have major implications for global economy, the IMF projects a 3% contraction for the world economy in 2020.

DEVELOPMENTS IN THE WORLD ECONOMY

The world economy displayed a low performance in 2019 tainted by volatilities and risks.

The decelerated economic activity experienced since the second half of 2018 with the effect of the increased

economic, political and geopolitical uncertainties in global conjuncture persisted through 2019. While the ongoing US-China trade wars that further escalated in 2019 is pointed out as one of the key actors resulting in the contracted demand the world is experiencing, the concerns over global trade that began to escalate from the second half of the year, increasingly pronounced geopolitical risks

originating from the Middle East, declined investments and the global deceleration becoming especially marked in the manufacturing industry at an extent to negatively affect economic activity increased the downside risks for growth outlook in the rest of the year, and global growth lost momentum.

World Economic Growth (2018-2021) (%)

	Realization	Estimate	Projection	
	2018	2019	2020	2021
WORLD OUTPUT	3.6	2.9	-3.0	5.8
Advanced Economies	2.2	1.7	-6.1	4.5
USA	2.9	2.3	-5.9	4.7
Europe (Euro Area)	1.9	1.2	-7.5	4.7
Germany	1.5	0.6	-7.0	5.2
France	1.7	1.3	-7.2	4.5
Italy	0.8	0.3	-9.1	4.8
Spain	2.4	2.0	-8.0	4.3
Japan	0.3	0.7	-5.2	3.0
UK	1.3	1.4	-6.5	4.0
Canada	1.9	1.6	-6.2	4.2
Other Advanced Economies	2.6	1.7	-4.6	4.5
Emerging Market and Developing Economies	4.5	3.7	-1.0	6.6
Emerging and Developing Europe	3.1	2.1	-5.2	4.2
Russia	1.5	1.3	-5.5	3.5
Emerging and Developing Asia	6.4	5.5	1.0	8.5
China	6.6	6.1	1.2	9.2
India	6.8	4.2	1.9	7.4
MENA	1.9	0.3	-3.3	4.2
Latin America	1.1	0.1	-5.2	3.4

Source: IMF World Economic Outlook, April 2020



During 2019, growth projections were constantly revised downwards.

In the World Economic Outlook reports it has released, the IMF revised the global growth projections downwards once again in January 2020 after October 2019.

The report decreased the growth estimations for 2019 and 2020 by 0.1 point each, updating them as 2.9% and 3.3% respectively. In 2021, with a 0.2 point downward revision, moderate growth is projected to continue and be registered as 3.4%. It has been stated that the negative developments in the economic activities observed in several emerging countries led by India resulted in decreased growth projections for the next two years.

Covid-19 pandemic tempested all prior projections.

After its outbreak in China's Wuhan province in December 2019, the coronavirus epidemic turned into a world-scale health crisis at the onset of 2020. Announced by the World Health Organization (WHO) with the name Covid-19, the pandemic's negative impact on Western Europe and the USA was ongoing as of April 2020, the time of this writing.

China has substantially taken the pandemic under control and is taking normalization steps. Notwithstanding, European countries including Turkey and the USA concentrate on keeping the spread of the virus under control and on efforts to make sure that their healthcare systems respond to demand fully through various measures including lockdowns, curfews and travel restrictions.

Having defined the Covid-19 pandemic as a shock that will have major implications with respect to global economy in its April update to the World Economic Outlook, the IMF projects a 3% contraction for the world economy in 2020 due to the effect of the pandemic. In the presence of these exceptional circumstances, it is estimated that the loosening tendency that emerged in global monetary policies in the second half of the year will become much more visible come 2020 with the aim of supporting economic activity.

Monetary policies of the central banks of developed countries remain as the most prominent instrument steering the markets.

Having revised its growth estimations for 2019 downwards, the US Federal Reserve (the Fed) kept the policy rate in the 2.25%-2.50% range as anticipated, but changed this attitude by mid-year, with the political pressure playing a part in it to some extent. The Fed made 25 bps reductions each in July, September and October, pulling its policy rate down to the 1.50-1.75% interval.

The Fed concluded that the upper level of 1.75% as of year-end would suffice for economic outlook and stated that it would stop rate cuts throughout 2020. However, taking into consideration the negative effects upon the economy of the Covid-19 pandemic that altered all projections, the Fed decreased its policy rate by 50 bps to the 1-1.25% interval in its extraordinary meeting of 3 March 2020.

On the other hand, low growth figures across the Euro Area caused the European Central Bank (ECB) to plan quantitative easing measures in its monetary policies. With a monthly asset buying program of EUR 20 million, the ECB introduced another support package and implemented a rate cut. The increased liquidity is targeted to curb the negative effects created by downside risks and to restrain anticipations.

The ECB assessed the developments in the first quarter of 2020 and decided to keep interest rates unchanged in its March meeting, leaving its policy rate fixed at zero, its deposits rate -0.50% and marginal funding rate at 0.25%. In a statement made, it was expressed that ECB would provide new temporary long-term refinancing operations (LTRO) to the Euro Area's financial system, assets with a net worth of EUR 120 million would be purchased with a focus on the private sector, and bank loan support would be extended for the SMEs.

Developments in the World and Turkish Economies

An annual contraction of 2.5 points is estimated in the trade volume in 2019, when the negative repercussions of global trade wars got even more pronounced.

During 2019, rate cuts continued in emerging countries. The general opinion that the Fed and the ECB would not rush the normalization of their policies particularly in the medium-term and the weak inflation tendency provided the continuity of the policies of central banks of emerging countries, which were devised in a manner to support growth.

[Global trade followed a fluctuating course throughout the year with the impact of the protectionist measures.](#)

An annual contraction of 2.5 points is estimated in the trade volume in 2019, when the negative repercussions of global trade wars got even more

pronounced. Underlying this contraction was the conflict between the US and China, coupled with the emerging countries being forced to cut down their external demands that got overindebted.

The World Trade Organization (WTO) predicted that global trade wars would continue to reduce the expansion of trade volume also in 2019 and 2020, and announced a downward revision of its projections.

Due to the tensions in trade and increasing economic volatility, the WTO updated its growth projection for global trade volume as 1.2% in its January 2020 report.

[Commodity prices displayed a relative rise in the last quarter of 2019.](#)

Since monetary policies remained supportive of growth and global uncertainty relatively decreased, commodity prices went up by 1.4% on average quarterly in the last quarter of 2019.

The flat prices in the last quarter of the year despite the continuing supply limitations in the industrial metal market resulted from the negative outlook of the global manufacturing industry activity that got more pronounced as well as the lengthened trade tension between US and China.

World Trade Growth Rates (2017-2020) (%)

	Realization		Estimate	
	2017	2018	2019	2020
World Trade Volume	5.7	3.6	1.1	3.2
Imports - Advanced Economies	4.7	3.0	1.2	2.7
Imports - Emerging Market and Developing Economies	7.5	5.1	0.7	4.3
Exports - Advanced Economies	4.7	3.1	0.9	2.5
Exports - Emerging Market and Developing Economies	7.3	3.9	1.9	4.1

Source: IMF World Economic Outlook, October 2019



On the other hand, trade wars and geopolitical negativities will probably trigger deteriorations in global risk perception and keep the uptrend of precious metal prices vibrant.

During 2019, oil prices declined by nearly 10%.

Oil price is another variable that affects the world trade and that is also affected by the developments in trade. In 2019 that saw global trade wars intensify, decelerated global growth and trade volume triggered a nearly 10% decline in oil price.

As geopolitical uncertainty remained high in the last quarter of 2019, the progress in trade conflicts between the US and China caused the oil price to oscillate around USD 60-67. Having floated near the top levels of the past 7 months by exceeding USD 70 a barrel in the last week of 2019, oil price closed the year in the order of USD 67.5 a barrel.

The diminutive effect the Covid-19 pandemic had upon oil demand has been leading to an oil price meltdown in the first half of 2020. The world's largest oil producer countries decided to limit daily oil production from the beginning of May in order to stabilize the market, but the collapsed consumption resulted in an oversupply that caused oil storage facilities all around the world to fill up.

The rise in crude oil price in the last quarter of 2019 triggered an upturn in headline inflation rates.

Despite the continued weakening of global growth outlook, headline inflation rates in developed and emerging countries had a quarterly rise in connection with the increase in crude oil price in the last quarter of 2019. In the same period, while core inflation took an upturn for developed countries, it dropped in emerging economies.

Although unemployment rate preserved its historic low levels in the US in the fourth quarter, continued reasonable rise in salaries coupled with the upturn in crude oil price somewhat pulled the headline consumer inflation up in the same period.

After having gone down to below 2% by late 2018 in the Euro Area, annual CPI retained the same levels throughout 2019. Inflation closed the year at 1.3%, after hitting its highest at 1.7% in April. Despite the tight labor market and salaries that continue to rise, headline and core inflation rates will possibly remain below 2% in the medium term.

Sources:
IMF World Economic Outlook reports, OECD Economic Outlook reports, CBRT, Presidency of Turkey, Presidency of Strategy and Budget

Developments in the World and Turkish Economies

GDP at current prices by production approach was up by 14.9% year-over-year and reached TL 4,280 billion in 2019.

TURKISH ECONOMY

Turkey underwent an economic rebalancing process in 2019.

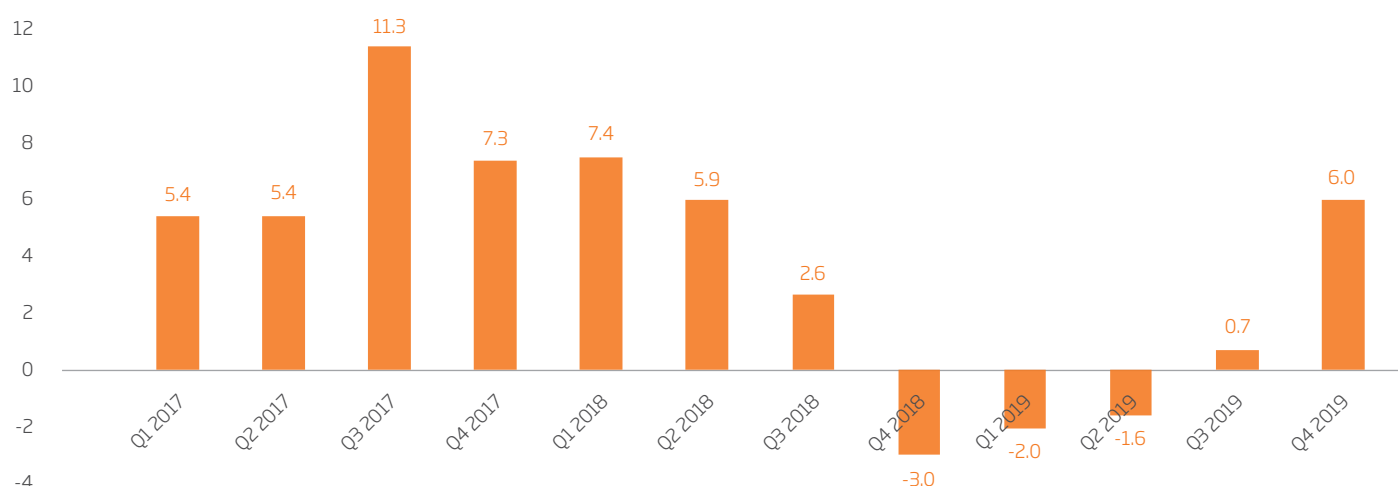
Having started to shrink from the last quarter of 2018, the Turkish economy downsized in the first two quarters of 2019, grew by 1% in the third quarter, before displaying a rapid development of 6% to exceed projections in the fourth. The country's growth rate for the whole year came to 0.9%. While net exports acted as the greatest contributor to economic activity in the first two quarters, the decline in investment

expenditures and particularly in construction investments put significant pressure on growth. In the third quarter of the year, on the other hand, economic activity resumed growth trend owing to the positive impact of consumption expenditures although the contribution of net exports turned negative.

GDP at current prices by production approach was up by 14.9% year-over-year and reached TL 4,280 billion in 2019. Per capita GDP, on the other hand, was calculated as TL 51,834 at current prices and 9,217 in USD terms.

Looking at the components that make up GDP, it is seen that all main sectors other than the construction industry contributed positively to annual growth. On a chained-volume-index basis, total added value of financial and insurance activities increased by 7.4% year-over-year in 2019, while that of public administration, education, human health and social services went up by 4.6%, other service activities by 3.7% and the agricultural sector by 3.3%. Construction sector was down by 8.6%, and administrative and support services activities was down by 1.8%.

GDP Growth (buyer prices)



Source: TurkStat



The relative recovery in the economy gained momentum in the last quarter of the year with the low base effect, in addition to the rate cuts implemented by the CBRT. While recuperation is anticipated to continue with the low base effect and deferred consumption expenditures coming into the cycle in the first quarter of 2020, geopolitical developments and the impact of the globally threatening Covid-19 pandemic will be telling upon growth.

Rate of unemployment was 13.7% in 2019.

In 2019, unemployment rate across Turkey was up by 2.7 points to 13.7% and non-agricultural unemployment was registered as 16.0%, up 3.1 points.

The rate of employment in 2019 was down by 1.7 points to 45.7%, where labor participation rate declined by 0.2 points to 53.0%.

Unemployment rate in the 15-64 age interval increased by 2.8 points year-over-year to reach 14.0%, while non-agricultural unemployment was up 3.1 points to reach 16.1%. Average youth unemployment (defined as the 15-24 age interval) increased by 5.1 points in the same period and went up to as high as 25.4%.

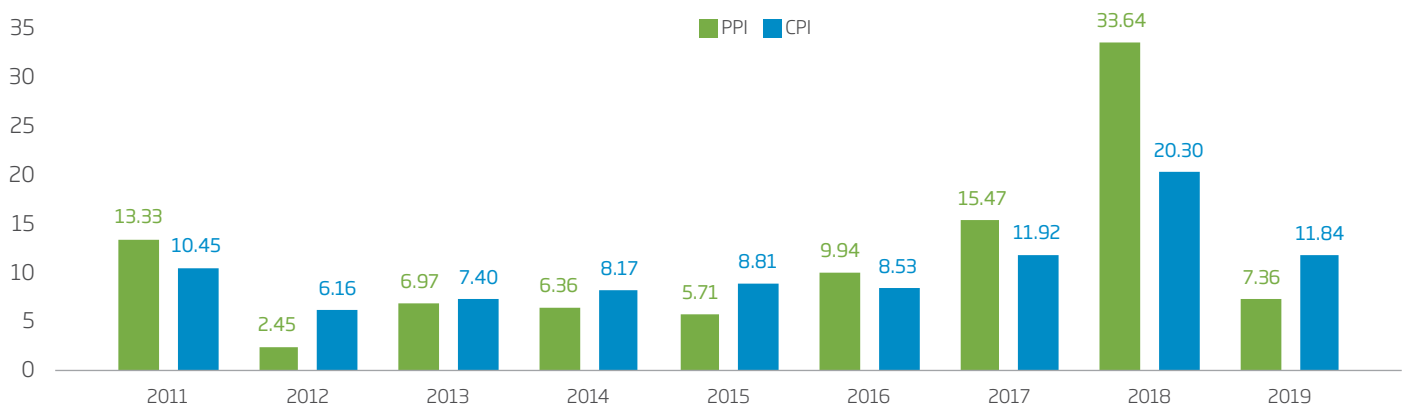
Inflation ended 2019 below 12%, the target set in the New Economic Program (NEP).

In 2019, inflation displayed a downward trend due to weak domestic demand conditions, a relatively stable Turkish lira, high base effect, and moderate course

of commodity prices, and ended the year below 12%, the target set in the New Economic Program (NEP). Having ended 2018 at 20.30%, annual CPI was up by 0.74% in December on a month-over-month basis, by 11.84% as compared to December 2017, and 15.18% on the basis of 12-month averages.

While the food group that saw a monthly average rise by 2.9% in prices was the highest contributor to annual CPI inflation with 254 bps, it was followed by the transportation group with 205 bps. The lowest annual rise in CPI occurred in the communication group with 3.16%. The course of the PPI, which put pressure on CPI for 32 months from December 2016 until August 2019, changed in the last quarter of 2019, and PPI, which floated above CPI, fell below CPI after the said period. 33.64% at year-end 2018, PPI ended 2019 at 7.36%.

Inflation (Annual - %)



Source: TurkStat

Developments in the World and Turkish Economies

In 2019, exports increased by 2.1% year-over-year to USD 171.5 billion, while imports shrank by 9.1% to USD 202.7 billion.

While foreign trade deficit narrowed down in connection with the decline in economic activity, current accounts balance produced a surplus in 2019.

In 2019, exports increased by 2.1% year-over-year to USD 171.5 billion, while imports shrank by 9.1% to USD 202.7 billion.

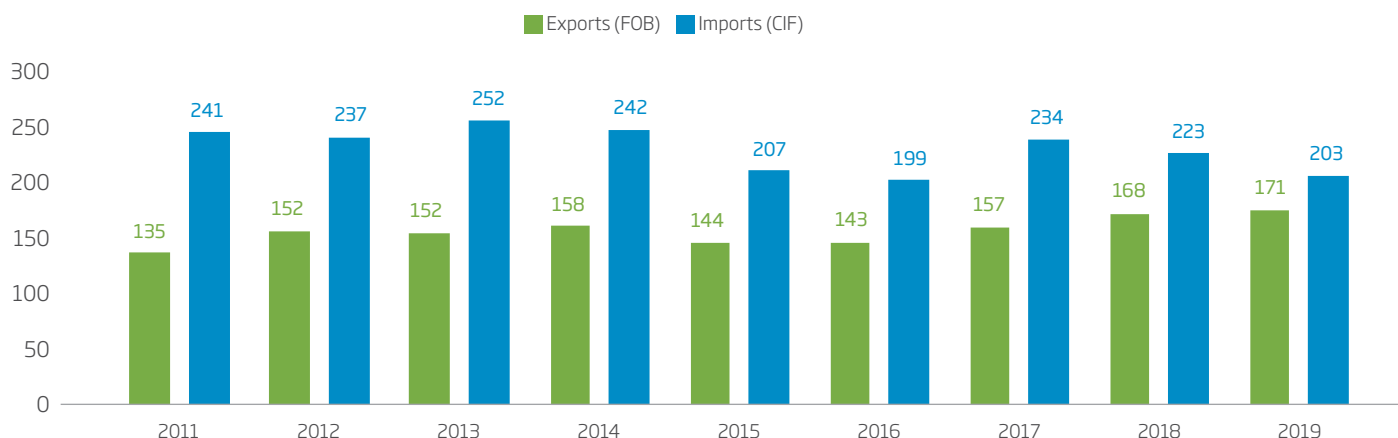
Foreign trade deficit diminished by 43.5% year-over-year and dropped to USD 31.2 billion in 2019. The ratio of exports to imports went up from 75.3% in 2018 to 84.6% in 2019.

In 2019, Germany led the total exports ex-Turkey, and was followed by the United Kingdom, Italy, Iraq and USA. Exports to top five countries constituted 30.7% of total exports.

On the imports front, the leader Russia was followed, in order, by China, Germany, USA and Italy. Imports from the top five countries constituted 38.8% of total imports.

As a result of weakened domestic demand, coupled with the lower oil prices and the strong performance of tourism, 12-month cumulative current account began posting a surplus from June 2019 onwards, and produced a surplus of USD 1.7 billion for the whole year, for the first time since 2001. In the months that followed, the upward trend in domestic demand caused imports to widen and therefore started to limit the current account surplus.

Foreign Trade (USD Billion)



Source: TurkStat



The CBRT gradually lowered its policy rate to 12% by the end of the year.

The CBRT formulates its monetary policy decisions by taking into account inflation projects, pricing behavior and the developments in all the other elements affecting inflation.

During 2019, the CBRT defined its monetary stance in view of the main tendency of inflation, and established

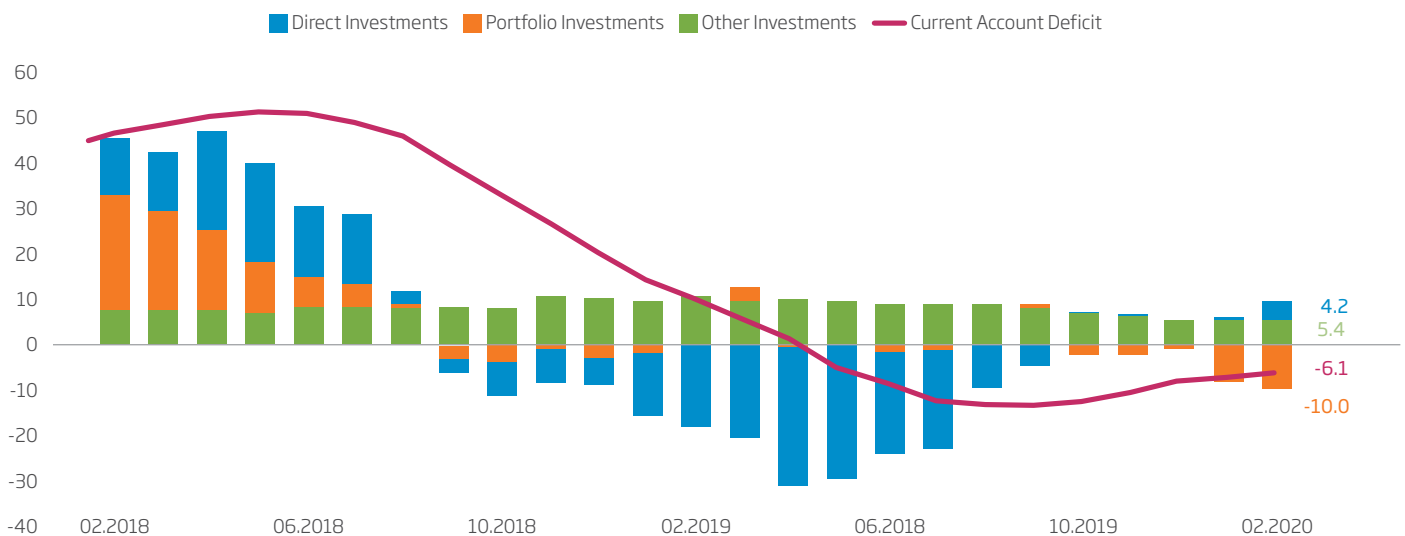
the degree of monetary tightness so as to ensure continued decline in inflation and its compatibility with the targeted path.

While keeping the one-week repo tender rate flat at 24% in the first half of 2019, the CBRT adopted a series of decisions regarding liquidity management. Accumulated FC effects that diminished on the back of coordinated tight monetary policy

stance and powerful policy and the moderate course of domestic demand resulted in a pronounced betterment in inflation dynamics. In connection with the improved inflation outlook, the CBRT gradually brought the policy rate down to 12% at the end of the year through decisions adopted in its meetings in July, September, October and December.

Source: TurkStat, CBRT, Ministry of Treasury and Finance

Current Account And Financial Account (Net) (12 Months, USD Billion)



Source: TurkStat





CONTRIBUTING TO LIFE TOGETHER

We are providing lifeline to individuals and micro businesses with the support we extend to consumption expenditures and financing of commercial activity.

2019 Activities

Introduced as a first in the world in our country, CRR is cited as an example in the international arena and provides the global factoring sector with a new perspective.

HIGHLIGHTS OF 2019 DEVELOPMENTS AND PROJECTS

CENTRAL RECEIVABLES RECORDING



AFI carries out its activities under the Financial Leasing, Factoring and Financing Companies Law no. 6361. Among the major tasks assumed by the Association is to set up the Central Receivables Recording (CRR) where invoices and any documents substituting the invoices used in factoring transactions are recorded.

Supporting formal economy and preventing double assignment and financing of the same receivable, CRR was set up under the AFI by the factoring sector and started to be used in January 2015.

The CRR, into which all kinds of documents and information pertaining to receivables subject to factoring transactions are entered, precluded 740 thousand risky transactions until the end of 2019 thanks to recurrence and amount overrun controls performed during such recording.

E-documents recorded into the CRR are verified by Revenue Administration (RA) through integration with the RA.

In brief, CRR;

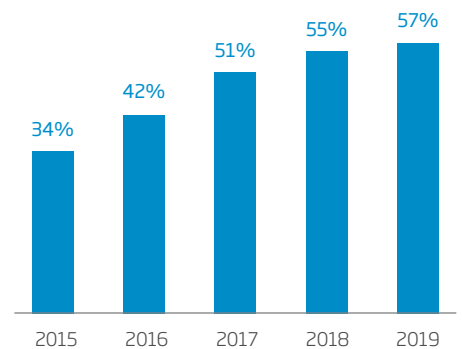
- is utilized by factoring companies and banks,
- prevents double assignment and financing of the same receivable,
- runs online and integrated with the e-invoice system of the RA,
- verifies the accuracy of e-invoices and e-archives through integration with the RA,
- allows verification of the T.R. ID No. and VAT No. of buyer and seller companies through the Credit Bureau,
- allows tracking payments and collections in relation to the documents pertaining to a given receivable,
- maintains records of data for all assigned receivable documents in relation to the finance sector,
- provides reporting service on assigned receivables.

The Central Receivables Recording (CRR) provides a new perspective to the global factoring sector.

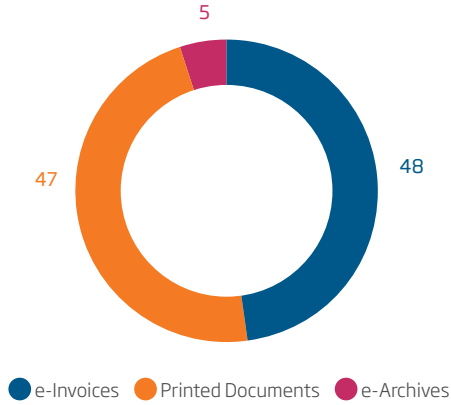
Introduced as a first in the world, CRR is cited as a model in the international arena and provides a new perspective to the global factoring sector.

By the end of 2019, 56 factoring companies and 23 banks recorded invoices or any documents substituting the invoices that were assigned them to the CRR. According to the CRR data, 26.5 million invoices and receivable documents worth TL 738 billion in total were recorded in the system, and 740 thousand risky transactions were prevented since its inception. The ratio of e-invoices, which was 23% back when the system was established, reached 57% as of year-end 2019. The uptrend in records is ongoing.

Ratio of E-documents Registered at the CRR



Breakdown of Document Types (quantity basis %)



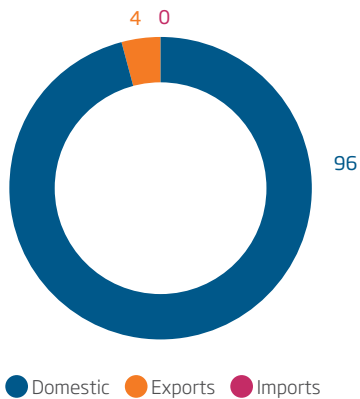
Quantity and Ratio of Documents by Type

Document Type	Quantity	Average Amount of Documents (TL thousand)	Quantity Ratio (%)
e-Archives	211,694	13	5
e-Invoices	2,235,279	39	48
Printed Documents	2,195,675	30	47
Grand Total	4,642,648	34	100

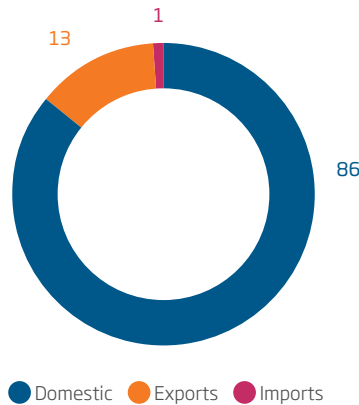
Quantity and Ratio of Documents by Category

Category	Quantity	Amount (TL thousand)	Average Amount of Documents (TL thousand)	Quantity Ratio (%)	Amount Ratio (%)
Exports	186,089	20,609,764	111	4	13
Imports	2,169	1,541,722	711	0	1
Domestic	4,454,390	133,825,743	30	96	86
Grand Total	4,642,648	155,977,230	34	100	100

Breakdown of Category Types (amount basis %)



Breakdown of Category Types (quantity basis %)



2019 Activities

End-to-end e-transformation service is furnished to establishments with the e-invoice, e-archive and e-custody applications provided under the AFI roof.

CRR serves as an important data warehouse for the sector.

In the second phase of the CRR, which is a live system, payment instruments associated with the assigned receivable documents also began to be recorded in the system. With 56 factoring companies and 23 banks that became part of the system, a significant data pool is created, which covers invoices, similar receivable documents and associated payment instruments and collection notifications in the sector.

In order to meet the reporting needs of CRR-user companies on their own data, data analyses studies on the basis of user banks, factoring companies and sectors were completed and launched for access.

In addition, work was initiated for system updates for refactoring transactions; for inclusion of retail sales receipts, e-self-employment receipts, e-producer receipts in the system; and for performance of additional controls for payment instruments associated with receivable documents. These initiatives are slated for introduction in 2020.

Central Receivables Recording (CRR) and Movable Pledge Registry System (MPRS) have been integrated.

A protocol was signed between the Ministry of Trade and AFI for the integration of CRR and the Movable Pledge Registry System (MPRS).

MPRS is used to register, amend and cancel mortgage agreements, to transfer pledged movable property and the right of mortgage, and to register the right to move a subordinated mortgage up to higher priority ranks, to inquire about the registered matters and to create documents pertaining to the same.

The following will be enabled by the integration between CRR and MPRS, where data -including invoice information- pertaining to the receivables that factoring companies and banks take over under the Law no. 6361 are recorded:

- CRR members will be able to simultaneously and electronically inquire pledged receivables, which are registered with the Chattel Mortgage Registry by the Ministry, based on

criteria to be set according to types of receivable documents, to find out whether a given receivable was previously pledged in part or in whole;

- Similarly, MPRS users will be able to simultaneously inquire electronically the information regarding pledges of receivables that are registered with the CRR to find out whether a given receivable has been previously subject to transfer in part or in whole.
- Moreover, members will be able to access MPRS via CRR, and to perform mortgage procedures under the Law no. 6750 (the Law no. 6750 dated 20 October 2016 concerning the Chattel Mortgage in Commercial Transactions).

The integration between CRR and MPRS is planned to go live in 2020.

DIGITAL TRANSFORMATION AT AFI

Aiming to upgrade the work processes and products of factoring, which is a valuable financial instrument in trade finance in today's digitalized world, AFI decided to augment its contribution to this process and thus initiated the Private Integrator Project.

In July 2017, the Trade Finance Commercial Enterprise organized under the AFI became an e-invoice private integrator.

Within the scope of the private integrator project, user companies are provided with the following services:

- custody
- e-invoice
- e-archive
- e-ledger
- e-reconciliation
- e-bank balance

The necessary infrastructure has been set up for companies wishing to digitalize their business processes.

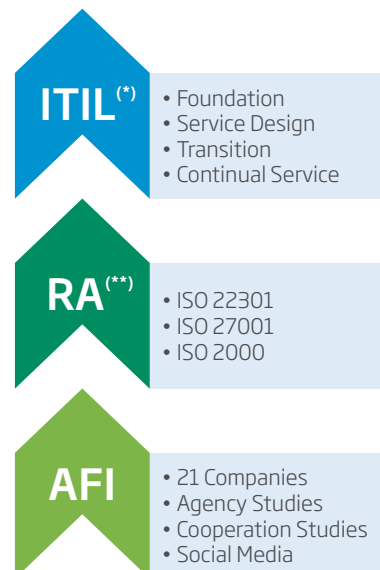
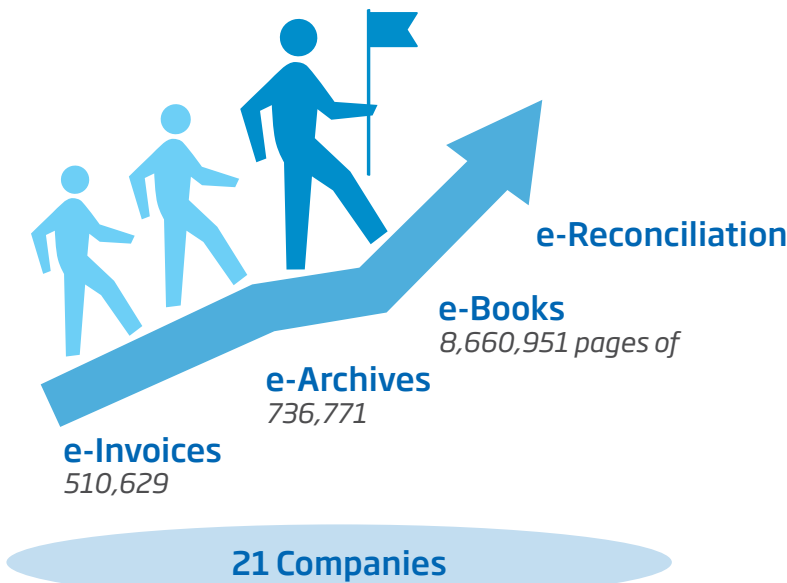
Under the private integrator services the companies have been provided with e-transformation applications, which save labor, time and cost, enhancing total quality and making financial data accessible electronically, all under the AFI assurance.

E-invoice and e-archive applications take the lead among the Private Integrator-supplied services, which are critical for recording the economy. The e-invoice service provided as a Private Integrator lets companies work more easily and faster with a much more reliable system.

E-books (of account) application is another important phase of the digital transformation process. This application enables the preparation of journals and ledgers, which are compulsory to be kept, to be prepared and printed in

electronic file format in compliance with all regulatory and technical requirements, guaranteeing their inalterability, integrity and authenticity, thus allowing them to be used as proof before relevant parties. E-booking of accounts is a system that keeps all financial data of organizations secure, while also facilitating reporting and analyses. In addition, all e-invoices, e-archive and e-books (of account) records received/sent through the private integrator can be retained on this platform throughout the legally prescribed period of time.

End-to-end e-transformation service is furnished to establishments with the e-invoice, e-archive and e-custody applications provided under the AFI roof. An infrastructure is built for companies wishing to carry their business processes to the digital environment, which will allow them to register with the AFI e-portal via fkb.org.tr and digitalize all their processes.



(*) ITIL (Information Technology Infrastructure Library)

(**) RA: Revenue Administration

2019 Activities

TRADE CHAIN FINANCE SYSTEM

Launched in 2019, the Trade Chain Finance System (TCFS) gives the SMEs a faster, more secure and low-cost access to financing through electronic receivable assignment and confirmation to be received from the -mostly large-scale- buyer companies.

Designed in a secure and centralized structure using the Blockchain concept, TCFS is targeted at letting the SMEs use their trade receivables as cash in trading via the system, to provide low-cost funding through securitization of the receivables portfolio created in this pool, and reach new international loan facilities through refinancing.

Once the TCFS Platform begins to be used by wide audiences, it is projected that the access rate to financing by SMEs, which are responsible for 56% of the added value generated for the national economy, will rise from its current level of 24% to the order of 50%.

From a macroeconomic standpoint, the TCFS Platform will bring along the following advantages:

- It will be useful for predicting the macroeconomic variables and will enable proactive measures as instant information about commercial activity will be available,
- Unregistered economy will lessen significantly.
- The supply chain system incorporating the SMEs, large-scale companies and financial institutions will acquire a more institutionalized structure.

CORE FACTORING SOFTWARE PROJECT

For fulfilling the software need of the factoring sector, detailed analyses have been undertaken and contacts have been held with technology companies backed by national and foreign capital regarding the Core Factoring Software. The project has been postponed to 2020 by the Association members, and will be revisited in 2020 according to the sector's needs.

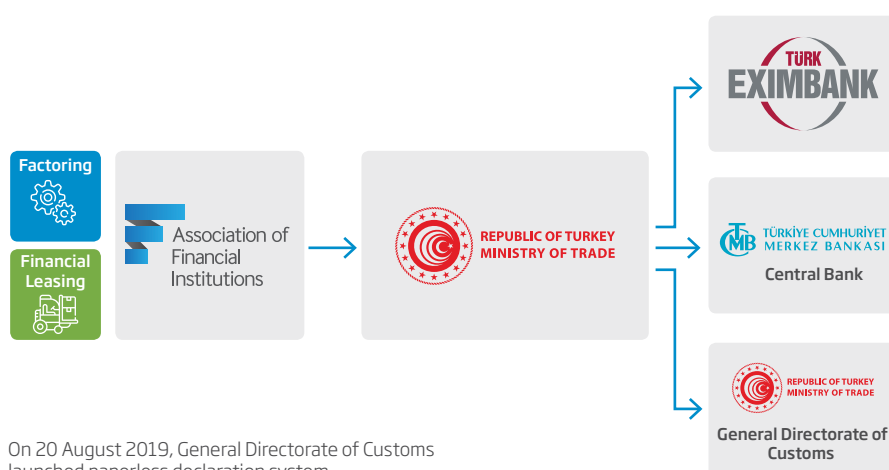
UNDOCUMENTED EXPORT CREDITS MODULE

Launched in 2019, the Undocumented Export Credits Module (UEC) gives all companies quick reach from a single point to the latest version of customs declarations, which are critical in closing undocumented export credits.

Through these services, financial institutions can annotate the declarations they use for closures, and these annotations can be viewed by other financial institutions querying declarations. This precludes recurrent uses.

The financial institutions using the module can use the system via their internal webservice or via AFI UEC application. During 2020, developments in compliance with the Ministry of Trade are planned to be completed and version updates are intended to be carried out in line with the demands from the sector in the UEC Module that is currently being used by 21 companies.

Undocumented Export Credits Module



SHARED DATA CENTER

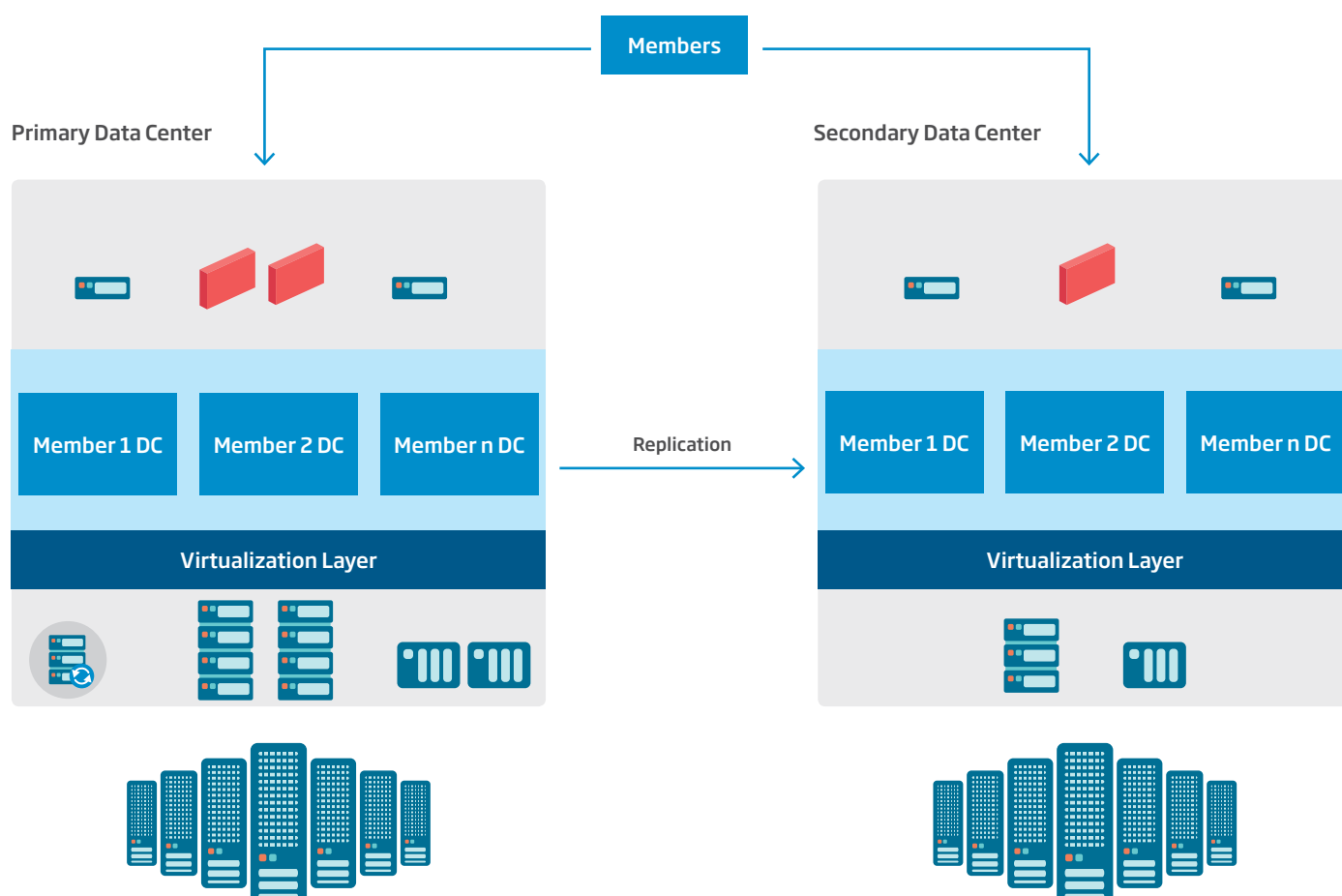
The requirements that are specified in the “Communiqué on the Information System Management and Audit of Financial Leasing, Factoring and Financing Companies”, which came into effect on 6 April 2019, are planned to be put into implementation. Accordingly, work was initiated to create the

“Shared Data Center” with a customized cloud architecture owned by AFI with the purpose of satisfying system infrastructure requirements of AFI-member companies in the fastest and most efficient manner, and providing an environment that will allow low-cost utilization of current technologies. The AFI Cloud Data Center is targeted to go live during 2020.

The services planned to be offered within the scope of the AFI Cloud Shared Data Center include:

- Infrastructure: setting up the system infrastructure where our members will be able to host their primary and secondary systems,
- Managed Services: Management of the member systems hosted in the AFI Cloud Shared Data Center and the infrastructure.

Architectural Structure



2019 Activities

FINANCIAL LEASING CONTRACT REGISTRATION SYSTEM

In keeping with the duty delegated by Article 22 of the Financial Leasing, Factoring and Financing Companies Law no. 6361, the Financial Leasing Contracts Registration System was established by the AFI. The Circular on the Contract Registration System was approved by the BRSA and entered into force upon its publication on the AFI website on 9 February 2015.

The System is created to be kept fully on electronic environment by Central Registry Agency (MKK) and is being operated by the MKK on behalf of the AFI.

The contracts, which are electronically signed, are being entered into the system by financial leasing companies, participation, investment and development banks, and can be retrieved 24/7 bearing the Registered Document

time stamp. At present, the system users include 23 financial leasing companies, seven participation banks, two investment banks and two development banks.

The system can be accessed from the screen and through Institutional Integration (web service), and third parties are able to inquire about the leased goods.

Pursuant to a decision adopted by the Financial Leasing Sector Representatives Board, a sapling is donated for each contract registered and activated under a protocol signed between the AFI and the Directorate General of Forestry.

Within the scope of the protocols executed with İstanbul Regional Directorate of Forestry, 23,125 saplings were planted for 23,125 financial leasing contracts financed in 2015 and 23,751 saplings were planted for 23,751 financial

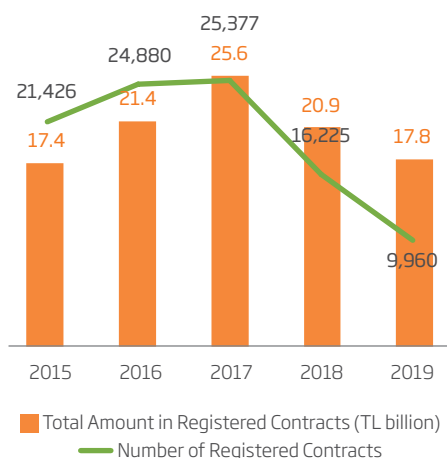
leasing contracts financed in 2016. Subsequently, necessary steps were completed for creating the AFI - Financial Leasing Memorial Forest.

The Financial Leasing Sector Board is determined to perpetuate this important social responsibility initiative in the future.

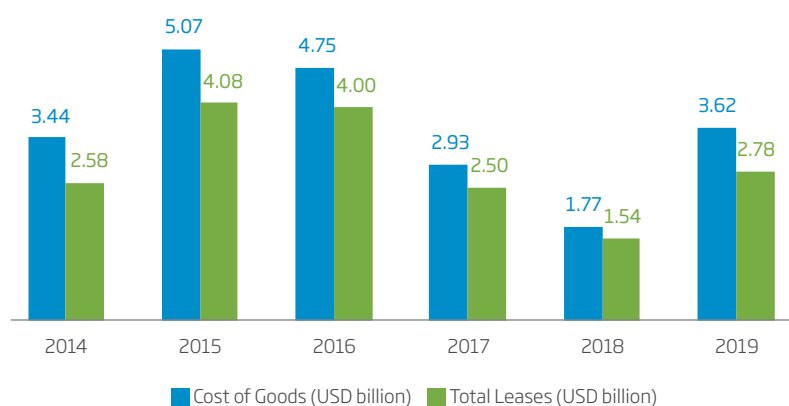
REGISTER FOR LEASING TRANSACTIONS PROVIDED BY NON-RESIDENT FINANCIAL LEASING COMPANIES TO RESIDENT COMPANIES

In keeping with the duty delegated thereto by Article 21 of the Law no. 6361, financial leasing contracts where the financial leasing company is a non-resident and the lessee is a resident, are being registered by the AFI as per the Circular that went into force on 31 July 2013 upon its approval by the BRSA. These contracts generally belong to aircraft transactions.

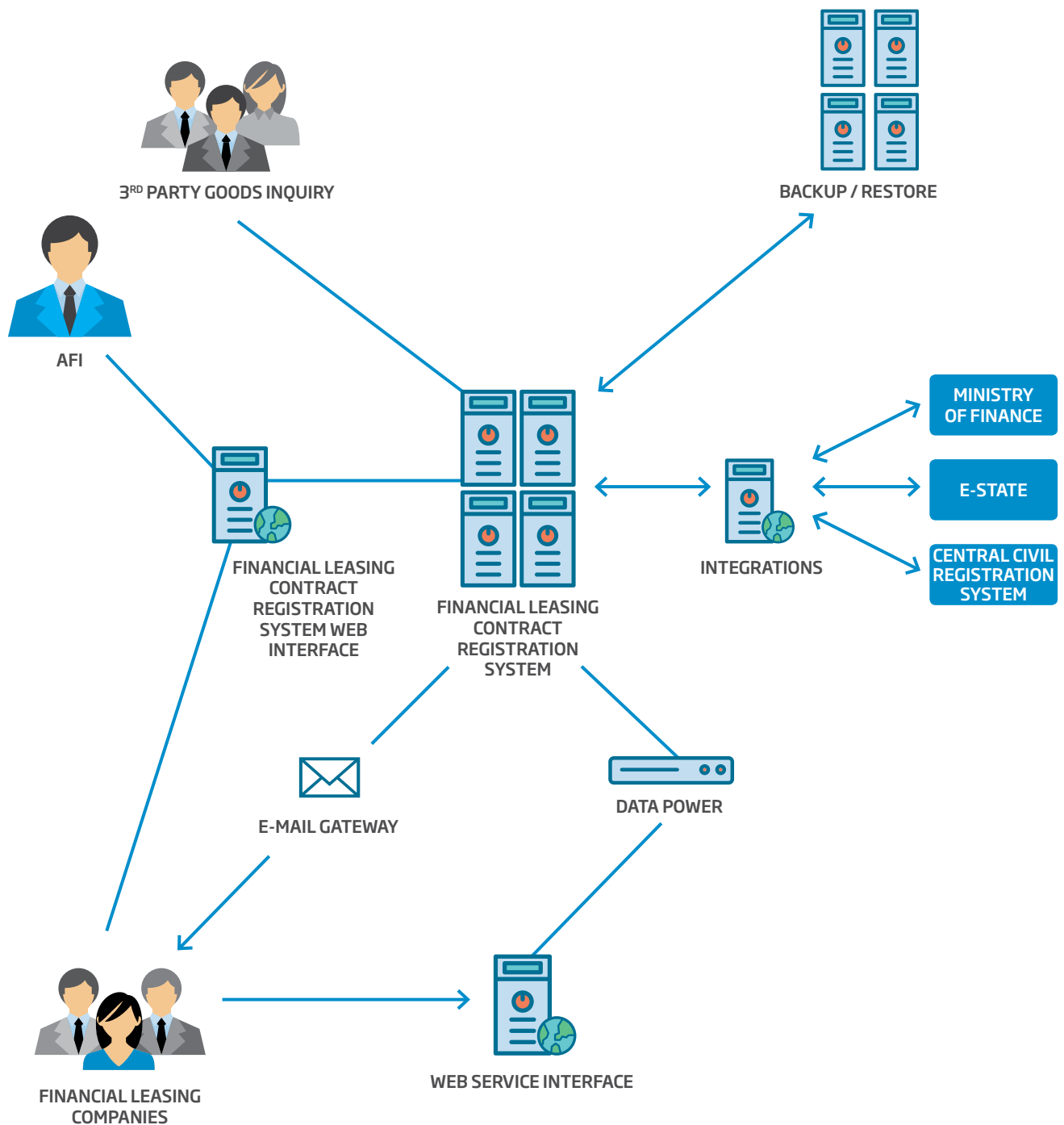
Contract Registration Statistics



Cross-Border Financial Leasing Contracts Statistics (from 31 July 2013)



The Architecture of the Financial Leasing Contract Registration System



2019 Activities

PUBLICITY ACTIVITIES

Lease Conference-İstanbul 2019

Organized by Alta Group (LAR), a global provider of leasing and asset finance advisory services, and European Invigors EMEA LLP, part of the Alta Group, the “Lease Conference-İstanbul 2019” took place on 20 & 21 November. With our country chosen to host the event, the Conference was also supported by the Association of Financial Institutions.

Holding an important place in the leasing sector owing to its international character, the Lease Conference hosted eminent participants from various countries for two days. During the

international Lease Conference, the leading managers of the sector spoke about the developments in “Financial Leasing and Fleet Management in Central and Eastern Europe and in the Middle East and Africa”.

In addition to all of the above, the conference has also provided a stage for talks about the leasing sector, fleet management, business development, growth and profitability in Turkey and in the world. The Conference also included sub-headings such as the trends in the leasing sector, funding and the role of the European Bank for Reconstruction and Development (EBRD), IFRS 16 compliance and fleet management.

During the Conference that featured speakers with international experience in the sector, Cüneyt Akpınar, Ph.D., the Deputy Chairperson of the Association of Financial Institutions and Chairperson to the Financial Leasing Sector Representatives Board, made a presentation titled “Shifting Balances in the Coming Decade”.

The organization of the Lease Conference in İstanbul is also important in that it has been the first sector meeting held in our country after a long time.

DEVELOPMENTS CONCERNING THE MEMBERS

Discontinued Companies

By the BRSA Chairman's Office decision dated 28 February 2019, the operating license of Ziraat Finansal Kiralama A.Ş. (the company) was revoked at the company's request pursuant to Article 50(1) of the Financial Leasing, Factoring and Financing Companies Law no. 6361.

By the BRSA Chairman's Office decision dated 10 October 2019, the operating license of Analiz Faktoring A.Ş. (the company) was revoked. The decision stated that the shareholders of Analiz Faktoring A.Ş. did not satisfy the condition set out in Article 6(1)(d) of the Financial Leasing, Factoring and Financing Companies Law no. 6361, and accordingly, it was decided to revoke the company's operating license. Article 6(1)(d) of the Law reads that the company's founding shareholders are required to "possess the financial strength and reputation to cover the amount of capital that they have subscribed to".

By the BRSA Chairman's Office decision dated 31 January 2019, the operating license of Eren Faktoring A.Ş. (the company) was revoked at the company's request pursuant to Article 50(1) of the Financial Leasing, Factoring and Financing Companies Law no. 6361.

Based on the scrutiny of the letter dated 13 February 2019 and no. 12509071-103.01.01-E.2895 and its appendices attached to the BRSA Chairman's Office agenda letter dated 14 February 2019;

The operating license of Merkez Faktoring A.Ş. is revoked based on Article 50 paragraph (1), clauses (c) and (e) of the Law on Financial Leasing, Factoring and Financing Companies.

By the BRSA Chairman's Office decision dated 2 May 2019, the operating license of Strateji Faktoring A.Ş. (the company) was revoked at the company's request pursuant to Article 50(1) of the Financial Leasing, Factoring and Financing Companies Law no. 6361.

Recently Established Companies

Tradewind Faktoring A.Ş.

Based on the scrutiny of the letter dated 20 February 2019 and no. 12509071-103.01.01-E.3339 and its appendices attached to the BRSA Chairman's Office agenda letter dated 20 February 2019; an operating license has been granted to Tradewind Faktoring A.Ş., the incorporation of which was authorized by the BRSA decision dated 28 June 2018 and no. 7865, under Article 7 of the Financial Leasing, Factoring and Financing Companies Law no. 6361 and Article 5(2) of the Regulation on the Establishment and Operating Principles of Financial Leasing, Factoring and Financing Companies.

Türk Finansman A.Ş.

Based on the scrutiny of the letter dated 3 April 2019 and no. 12509071-104.01.01-E.6218 and its appendices attached to the BRSA Chairman's Office agenda letter dated 3 April 2019; it has been decided to grant an operating license to Türk Finansman A.Ş., the incorporation of which was authorized by the BRSA decision dated 8 November 2018 and no. 8080, under Article 7 of the Financial Leasing, Factoring and Financing Companies Law no. 6361 and Article 5(2) of the Regulation on the Establishment and Operating Principles of Financial Leasing, Factoring and Financing Companies.

2019 Activities

MEETINGS IN 2019

MEMBER MEETINGS

Date	Explanation	Sector
3 January	Supply-Chain Finance Introductory Meeting	Factoring
7 January	Legal Committee Meeting on Taking a Legal Opinion on the Subject of Concordatum	Leasing
13 January	Legal Committee Meeting	Factoring
14 January	MASAK (Financial Crimes Investigation Board) Committee Meeting	Factoring
15 January	Working Committee Meeting on IT Systems Communique Draft	AFI
15 January	CRR Analysis Meeting	Factoring
16 January	Informative Meeting with Prof. Dr. Emrehan İnal on Legal Opinion to be Taken	Leasing
17 January	Factoring Sector Representatives Board Meeting	Factoring
17 January	Leasing Sector Representatives Board Meeting	Leasing
17 January	Financing Sector Representatives Board Meeting	Financing
17 January	AFI Board of Directors Meeting	AFI
18 January	MASAK (Financial Crimes Investigation Board) Committee Meeting	Factoring
20 January	Legal Committee Meeting	Factoring
22 January	Financial Affairs Committee	Financing
23 January	Personal Data Protection Agency (PDPA) Working Committee	Financing
25 January	Factoring Sector Meeting	Factoring
28 January	Working Committee Meeting on IT Systems Communique Draft	AFI
5 February	Financial Affairs Meeting on Revaluation within the Scope of TFRS 9	Leasing
5 February	Financial Affairs Committee	Financing
6 February	Legal Committee Meeting	Factoring
10 February	Personal Data Protection Agency (PDPA) Working Committee	Financing
12 February	Factoring Sector Representatives Board Meeting	Factoring
14 February	Factoring Software Meeting	Factoring
14 February	Operational Committee Meeting	Financing
18 February	MASAK (Financial Crimes Investigation Board) Committee Meeting	Factoring
18 February	Factoring Software Meeting	Factoring
20 February	Financing Sector Representatives Board and General Manager Meeting	Leasing
22 February	Eximbank Credits Committee Meeting	Leasing
25 February	Financing Sector Representatives Board Meeting	Financing
26 February	Financial Affairs Committee	Financing
27 February	Personal Data Protection Agency (PDPA) Working Committee	Financing
28 February	Legal Committee Meeting	Financing
8 March	Personal Data Protection Agency (PDPA) Working Committee	Financing
11 March	Factoring Sector Representatives Board Meeting	Factoring
11 March	Leasing Sector Representatives Board Meeting	Leasing
11 March	Financing Sector Representatives Board Meeting	Financing
11 March	AFI Board of Directors Meeting	AFI
12 March	Financial Affairs Working Committee Meeting	Leasing
12 March	Operational Working Committee Meeting	Leasing
14 March	Compliance Officers and Internal Control Meeting	Leasing

Date	Explanation	Sector
14 March	Factoring Software Meeting	Factoring
14 March	MASAK (Financial Crimes Investigation Board) Committee Meeting	Factoring
16 March	Legal Working Committee Meeting	Leasing
26 March	Financial Affairs Committee	Financing
27 March	Leasing to Consumers Working Committee Meeting	Leasing
27 March	Personal Data Protection Agency (PDPA) Working Committee	Financing
28 March	Operational Working Committee Meeting	Financing
2 April	Eximbank Loan Meeting with Fund Managers Working Committee	Leasing
3 April	Personal Data Protection Agency (PDPA) Working Committee	Financing
9 April	Personal Data Protection Agency (PDPA) Working Committee	Financing
10 April	Operational Committee Meeting	Financing
10 April	Leasing Joint Software Meeting	Leasing
10 April	Legal Committee Meeting	Factoring
11 April	Factoring Sector Representatives Board Meeting	Factoring
11 April	Factoring Sector Meeting	Factoring
16 April	Financial Affairs Committee	Financing
16 April	Personal Data Protection Agency (PDPA) Working Committee	Financing
17 April	Legal Committee Meeting	Financing
17 April	Meeting of General Managers	Leasing
17 April	Leasing Sector Representatives Board Meeting	Leasing
17 April	Financing Sector Representatives Board Meeting	Financing
18 April	Factoring Sector Representatives Board Meeting	Factoring
18 April	Legal Committee Meeting	Factoring
29 April	Legal Committee Meeting	Financing
30 April	Eximbank Credits Committee Meeting	Leasing
2 May	Factoring Sector IT Information Meeting	Factoring
10 May	MASAK (Financial Crimes Investigation Board) Committee Meeting	Factoring
10 May	Personal Data Protection Agency (PDPA) Working Committee	Financing
13 May	Legal Working Committee Meeting Regarding the Issue That Contracts Should Be in Writing	Leasing
15 May	IT Committee Meeting	Factoring
16 May	Financing Sector Representatives Board Meeting	Financing
16 May	AFI Board of Directors Meeting	AFI
21 May	Financial Affairs Committee	Financing
22 May	Factoring Sector Meeting	Factoring
22 May	Internal Control Committee Meeting	Financing
22 May	Working Committee Meeting on Yacht Transactions	Leasing
23 May	Legal Committee Meeting	Financing
28 May	Legal Committee Meeting	Factoring
29 May	Personal Data Protection Agency (PDPA) Working Committee	Financing
2 July	Factoring Sector Meeting	Factoring
5 July	AFI General Assembly	AFI
10 July	Factoring Sector Meeting	Factoring
10 July	Financing Sector Representatives Board Meeting	Financing
10 July	Leasing Sector Representatives Board Meeting and Chairman of the Board of Directors Election	Leasing

2019 Activities

Date	Explanation	Sector
10 July	AFI Board of Directors Meeting	AFI
23 July	Financial Affairs Committee	Financing
23 July	Factoring Sector Representatives Board Meeting	Factoring
24 July	Operational Committee Meeting	Financing
24 July	Leasing Sector Representatives Board Meeting	Leasing
25 July	Legal Committee Meeting	Financing
25 July	Working Committee Meeting on Financing Renewable Energy Investments with Foreign Currency	Leasing
30 July	Meeting of the Law Working Committee on the Draft Regulation Amendment on Financial Restructuring	Leasing
7 August	Legal Committee Meeting	Financing
21 August	Legal Committee Meeting	Factoring
22 August	Factoring Sector Representatives Board Meeting	Factoring
22 August	Factoring Sector Meeting	Factoring
22 August	Financing Sector Representatives Board Meeting	Financing
23 August	Workshop of the Legal Working Committee on the Financial Restructuring Agreement	Leasing
28 August	Personal Data Protection Agency (PDPA) Working Committee	Financing
6 September	Contract Template to be Sent to the Public Procurement Authority	Leasing
9 September	MASAK (Financial Crimes Investigation Board) Committee Meeting	Factoring
11 September	Legal Committee Meeting	Financing
12 September	Operational Committee Meeting	Financing
17 September	Financial Affairs Committee	Financing
18 September	Meeting with Leasing Sector Representatives and Yacht Tour	Leasing
18 September	Leasing Sector Representatives Board Meeting	Leasing
19 September	Presentations of Three Consultancy Companies to Sector Executives within the Scope of Their Bids on the Process Management of Leasing Joint Software Project Tender	Leasing
19 September	Financing Sector Representatives Board Meeting	Financing
19 September	Factoring Sector Representatives Board Meeting	Factoring
20 September	Legislation Development Meeting of the Law Working Committee	Leasing
23 September	Financial Affairs and Legal Committees Meeting	Financing
25 September	Credits Committee Meeting	Factoring
26 September	AFI Extraordinary General Assembly Meeting	AFI
26 September	IT Committee Meeting	Factoring
27 September	MASAK (Financial Crimes Investigation Board) Committee Meeting	Factoring
9 October	Legal Committee Meeting	Financing
10 October	Operational Committee Meeting	Financing
15 October	Financial Affairs Committee	Financing
16 October	Personal Data Protection Agency (PDPA) Working Committee	Financing
17 October	IT Committee Meeting	Financing

Date	Explanation	Sector
18 October	Personal Data Protection Agency (PDPA) Working Committee	Financing
24 October	Factoring Sector Meeting	Factoring
24 October	Financing Sector Representatives Board Meeting	Financing
24 October	AFI Board of Directors Meeting	AFI
25 October	Legal Committee Meeting	Factoring
30 October	Working Committee Meeting on Treasury Backed Credit Guarantee System	Leasing
5 November	Legal Committee Meeting	Factoring
7 November	Briefing on the Shared Data Center Project Conducted by the Factoring Sector Representatives Board	AFI
12 November	Legal Committee Meeting	Financing
14 November	Operational Committee Meeting	Financing
20 November	Legal Committee Meeting	Factoring
21 November	Factoring Sector Representatives Board Meeting	Factoring
25 November	Leasing Compliance Officers Meeting	Leasing
26 November	MASAK (Financial Crimes Investigation Board) Committee Meeting	Factoring
27 November	Meeting of General Managers	Leasing
27 November	Leasing Sector Representatives Board Meeting	Leasing
29 November	Presentations of Two Software Companies to Sector Executives within the Scope of Leasing Joint Software Project	Leasing
3 December	Law Working Committee Meeting	Leasing
3 December	Credits Committee Meeting	Factoring
3 December	Financial Affairs Committee	Financing
4 December	Meeting of General Managers	Leasing
4 December	Leasing Sector Representatives Board Meeting	Leasing
4 December	Financing Sector Representatives Board Meeting	Financing
11 December	Financial Affairs Committee	Factoring
11 December	Reporting Working Committee Meeting	Leasing
12 December	Factoring Sector Representatives Board Meeting	Factoring
12 December	Legal Committee Meeting	Factoring
12 December	Operational Committee Meeting	Financing
13 December	Law Symposium Preparation Meeting	Leasing
18 December	Legal Committee Meeting	Financing
19 December	Factoring Sector Representatives Board Meeting	Factoring
19 December	Leasing Sector Representatives Board Meeting	Leasing
19 December	Financing Sector Representatives Board Meeting	Financing
19 December	AFI Board of Directors Meeting	AFI
23 December	Financial Affairs Committee	Factoring
25 December	Factoring Sector Representatives Board Meeting	Factoring

2019 Activities

MEETINGS WITH PUBLIC INSTITUTIONS

Date	Explanation	Sector
16 January	Visit of Members of the Sector Representatives Board to Turk Eximbank Head Office	AFI
11 February	Financial Action Task Force (FATF) Evaluation Meetings with MASAK (Financial Crimes Investigation Board)	AFI
18 February	Eximbank Loan Signing Ceremony	Leasing
21 February	Meeting with the CBRT and Development and Investment Bank of Turkey Officials	AFI
21-22 February	Personal Data Protection Law (PDPL) Training in Ankara	AFI
26 February	Negotiations at the Ministry of Justice General Directorate of Legislation and Tax Inspection Department	AFI
8 March	Meeting with the to the Chairman of the Revenue Administration	AFI
8 March	Information Meeting on Our Regulation Requests at the Ministry of Treasury and Finance	AFI
16 March	MASAK (Financial Crimes Investigation Board)-FATF Round IV Evaluation Meeting	AFI
20 March	Meeting with Representatives of Turkey Notaries Union on the Integration of the Movable Pledge Registry System (MPRS) and the Contract Registration System	AFI
22 March	Turk Eximbank Meeting	Factoring
22 March	Meeting with the to the Chairman of the Revenue Administration	AFI
22 March	Meeting with Risk Center Management	AFI
15 April	T. R. Presidential Finance Office Meeting	Factoring
26 April	BRSA, Training	Factoring
26 April	T. R. Presidential Finance Office Meeting	AFI
29 April	Meeting on Draft Law on Financial Restructuring	AFI
30 April	BRSA Meeting	AFI
3 May	T. R. Presidential Finance Office Meeting	AFI
10 May	Meeting on Stamp Duty at the Revenue Administration	Leasing
11-12 June	Istanbul Finance Center Workshop	AFI
12 June	Risk Center Working Committee Meeting	AFI
14 June	Meeting at the AFI Head Office about Statistics Projects with the CBRT Representatives	AFI
21 June	Meeting with the Chairman of the Revenue Administration on the Stamp Duty Problems Encountered by Two Leasing Companies at the Notary Offices	Leasing
28 June	Meeting with TURKKEP Registered Electronic Mail (KEP) Services	AFI
2 July	Meeting with Central Depository of Turkey Representative at the General Directorate of Customs about the Digital Customs Project	Leasing
10 July	Omnibus Law Discussions in the Parliamentary Plan and Budget Commission	AFI
28-29 August	Workshop on Public Leasing with Public Procurement Agency Representatives	Leasing
2 September	Visit to the CEOs of Turk Eximbank and the Investment and Development Bank of Turkey	AFI
6 September	CBRT Interest Statistics Training	AFI
9 September	Meeting with Mr. Hayrettin Kurt, the Chairman of MASAK (Financial Crimes Investigation Board)	AFI
9 September	Visit to the Ministry of Commerce and the Ministry of Treasury and Finance	AFI
10 September	Meeting on Unregistering at the BRSA	AFI

Date	Explanation	Sector
11 September	Meeting with the Presidency Strategy and Budget Presidency Representatives at the AFI Head Office on our Amendment Suggestions about Financial Institutions to the 11 th Development Plan Action Plan	AFI
12 September	Meeting with the General Manager of the General Directorate of Financial Markets and Foreign Exchange, Ministry of Treasury and Finance, Mr. Murat Zaman	AFI
17 September	Meeting with the Treasury and Finance Minister Advisor	AFI
17 September	Meeting with CBRT Governor Mr. Murat Uysal	AFI
1 November	Meeting with the Officials the General Directorate of Financial Markets and Foreign Exchange, Ministry of Treasury and Finance on the Treasury Backed Credit Guarantee System	AFI
8 November	T. R. Presidential Finance Office Meeting	Financing
8 November	Meeting at the TR. Presidential Finance Office on our Regulatory Proposals	AFI
13 November	Visit to the Head of the BRSA Audit III Department	AFI
3 December	MASAK (Financial Crimes Investigation Board)- AFI Workshop	AFI
3 December	Meeting with the President of the Competition Authority	AFI
6 December	Visit to Capital Markets Board	Factoring
9 December	Meeting with the CEO of Turk Eximbank	AFI
19 December	BRSA Meeting	AFI
19 December	National Employment Strategy Action Plan Meeting	AFI

MEETINGS WITH INTERNATIONAL ORGANIZATIONS

Date	Explanation	Sector
15 January	FCI Meeting	Factoring
21 January	EBRD Meeting	Factoring
31 January	EBRD Meeting	Factoring
12 February	FCI Meeting	Factoring
14 February	Meeting with FAMCA Fund Managers from Malaysia	AFI
21 March	Leaseurope CEO Business Council Meeting	Leasing
15-16 May	Leaseurope Secretary Generals Meeting	Leasing
22 July	Meeting with Al Huda Representative organizing Islamic Finance Training	AFI
10 October	Leaseurope General Assembly	Leasing
10-11 October	Leaseurope Annual, Congress	Leasing
20-21 November	International Leasing Conference Organized by Invigors	Leasing
4-5 December	Leaseurope Secretary Generals Meeting	Leasing
9 December	Sector Presentation to Ethiopian Leasing Executives	Leasing

2019 Activities

MEETINGS ATTENDED OR ORGANIZED

Date	Explanation	Sector
2 January	Cybersoft, Trade Chain Finance System Integration Meeting	Factoring
3 January	Fibabanka, Supply-Chain Finance Meeting	Factoring
4 January	Visit to Güneş Sigorta Assistant General Manager	AFI
7 January	TEDAR, Supply-Chain Finance Meeting	Factoring
9 January	Visit of the Members of the Sector Representatives Board to the General Manager of the Credit Bureau of Turkey	Leasing
18 January	Credit Bureau of Turkey, E-cheque Meeting	Factoring
18 January	Meeting with our Representative Member at the Risk Center Management	AFI
24 January	Faturampara Meeting	Factoring
24 January	Risk Center Control Targets Evaluation Meeting	AFI
29 January	Private Integrator Company Meeting	Factoring
30 January	Meeting with DRC Rating	Leasing
1 February	Digital Transformation Company Meeting	Factoring
5 February	Cybersoft, Trade Chain Finance System Integration Meeting	Factoring
6 February	Private Integrator Company Meeting	Factoring
7 February	Central Securities Depository of Turkey (MKK) Meeting	Factoring
8 February	Faturampara Meeting	Factoring
11 February	Halk Sigorta, Meeting on State Supported Receivable Insurance	Factoring
14 February	Halkbank, CRR Meeting	Factoring
27 February	Central Securities Depository of Turkey (MKK) Meeting	Factoring
28 February	Digital Transformation Company Meeting	Factoring
6 March	Cybersoft, Undocumented Export Credit Integration Meeting	Factoring
8 March	Cybersoft, Undocumented Export Credit Integration Meeting	Factoring
15 March	CRR Technical Software Meeting	Factoring
18 March	Cybersoft, Undocumented Export Credit Integration Meeting	Factoring
18 March	Faturampara Meeting	Factoring
19 March	Cybersoft, Trade Chain Finance System Integration Meeting	Factoring
22 March	Halk Sigorta, Meeting on State Supported Receivable Insurance	Factoring
25 March	Cybersoft, Undocumented Export Credit Integration Meeting	Factoring
28 March	Mediation Symposium with the Ministry of Justice	AFI
1 April	Faturampara Meeting	Factoring
2 April	VakıfBank, Supply-Chain Finance Meeting	Factoring
5 April	Personal Data Protection Law (PDPL) Software Meeting	Factoring
11 April	Halk Sigorta, Meeting on State Supported Receivable Insurance	Factoring
12 April	Faturampara Meeting	Factoring
16 April	Emlak Participation Bank, Supply-Chain Finance Meeting	Factoring
16 April	Halk Sigorta, Meeting on State Supported Receivable Insurance	Factoring
16 April	VakıfBank, Supply-Chain Finance Meeting	Factoring
19 April	Credit Bureau of Turkey, CRR Meeting	Factoring
25 April	EY IT Seminar	AFI
25 April	Emlak Participation Bank, Supply-Chain Finance Meeting	Factoring
25 April	Central Software Company Meeting	Factoring
26 April	Faturampara Meeting	Factoring
30 April	Halkbank, Halk Faktoring, Supply-Chain Finance Meeting	Factoring
30 April	ING Bank, CRR Meeting	Factoring
2 May	Faturampara Meeting	Factoring
2 May	Private Integrators Board Meeting	Factoring
6 May	Supply-Chain Finance Introductory Meeting	Factoring

Date	Explanation	Sector
7 May	Visit to the Notaries Union	AFI
9 May	Halkbank, Supply-Chain Finance Meeting	Factoring
10 May	VakıfBank, Supply-Chain Finance Meeting	Factoring
13 May	Credit Bureau of Turkey Meeting	Factoring
14 May	Emlak Participation Bank, Supply-Chain Finance Meeting	Factoring
17 May	Credit Bureau of Turkey Meeting	Factoring
20 May	Meeting at the Banks Association of Turkey on the Capital Movement Circular	AFI
20 May	Iftar Dinner with TİAD	Leasing
22 May	Cybersoft, Trade Chain Finance System Integration Meeting	Factoring
22 May	Risk Center Working Committee Meeting at the Banks Association of Turkey	AFI
23 May	Cybersoft, Trade Chain Finance System Integration Meeting	Factoring
24 May	Financial Action Task Force (FATF) Evaluation Meeting with the FATF - MASAK (Financial Crimes Investigation Board) and Financial Sector Representatives Hosted by the Banks Association of Turkey	AFI
24 May	VakıfBank, Supply-Chain Finance Meeting	Factoring
13 June	Risk Center Working Committee Meeting at the Banks Association of Turkey	AFI
17 June	KPMG's IT Seminar at AFI Head Office	AFI
24 June	Türkiye Finans Participation Bank, Supply-Chain Finance Meeting	Factoring
28 June	Central Software Company Meeting	Factoring
2 July	Supply-Chain Finance Introductory Meeting	Factoring
3 July	Meeting at the Construction Equipment Distributors and Manufacturers Association-IMDER on the Establishment of a Leasing Sector Assembly at the Union of Chambers and Commodity Exchanges of Turkey (TOBB)	Leasing
4 July	Meeting with Board Members of Risk Managers Association	AFI
8 July	Credit Bureau of Turkey, CRR Meeting	Factoring
11 July	Cybersoft, Trade Chain Finance System Integration Meeting	Factoring
11 July	Meeting with the software company Cybersoft	Leasing
12 July	Türkiye Finans Participation Bank, Supply-Chain Finance Meeting	Factoring
16 July	Credit Bureau of Turkey, CRR Meeting	Factoring
24 July	Credit Insurance Company Meeting	Factoring
25 July	Albaraka Türk Participation Bank, Supply-Chain Finance Meeting	Factoring
26 July	Meeting with TCMA About the Capital Markets Congress	AFI
1 August	Anadolubank, Supply-Chain Finance Meeting	Factoring
1 August	Visit to Central Depository of Turkey (MCK) General Manager Mr. Ekrem Arıkan and Takasbank General Manager Mr. Gökhan Elibol	AFI
8 August	Shared Data Center Company Meeting	Factoring
8 August	Meeting at Banks Association of Turkey on Financial Restructuring Framework Agreement	AFI
19 August	Meeting at Banks Association of Turkey on Financial Restructuring Framework Agreement	AFI
20 August	Shared Data Center Company Meeting	Factoring
21 August	IT Survey Planning with PwC	AFI
23 August	Shared Data Center Company Meeting	Factoring
27 August	Central Securities Depository of Turkey (MCK) Meeting	Factoring
28 August	IFC Meeting	Factoring
2 September	Shared Data Center Company Meeting	Factoring
3 September	Banks Association of Turkey - International Rating Companies Meeting	AFI
5 September	Shared Data Center Company Meeting	Factoring
6 September	Türkiye Finans Participation Bank, Supply-Chain Finance Meeting	Factoring
12 September	Shared Data Center Company Meeting	Factoring
13 September	KPMG IT Audits Seminar	AFI
18 September	VakıfBank, Supply-Chain Finance Meeting	Factoring

2019 Activities

Date	Explanation	Sector
20 September	Shared Data Center Company Meeting	Factoring
24 September	VakıfBank, Supply-Chain Finance Meeting	Factoring
26 September	Credit Bureau of Turkey Meeting	Factoring
27 September	Shared Data Center Company Meeting	Factoring
30 September	Cybersoft, Undocumented Export Credit Integration Meeting	Factoring
30 September	VakıfBank, Supply-Chain Finance Meeting	Factoring
1 October	ICBC, CRR Meeting	Factoring
1 October	Shared Data Center Company Meeting	Factoring
1 October	Shared Data Center Company Meeting	Factoring
2 October	Shared Data Center Company Meeting	Factoring
2 October	Shared Data Center Company Meeting	Factoring
3 October	Türkiye Finans Participation Bank, CRR Meeting	Factoring
7 October	Shared Data Center Company Meeting	Factoring
8 October	Shared Data Center Company Meeting	Factoring
8 October	Shared Data Center Company Meeting	Factoring
9 October	Shared Data Center Company Meeting	Factoring
9 October	Shared Data Center Company Meeting	Factoring
10 October	Cybersoft, Undocumented Export Credit Integration Meeting	Factoring
11 October	Credit Bureau of Turkey Meeting	Factoring
11 October	Supply-Chain Finance Introductory Meeting	Factoring
16 October	Shared Data Center Company Meeting	Factoring
17 October	FCI Meeting	Factoring
17 October	ING Bank, CRR Meeting	Factoring
21 October	Borsa İstanbul Meeting	Factoring
22 October	Private Integrator Company Meeting	Factoring
23 October	Shared Data Center Company Meeting	Factoring
25 October	Cybersoft, Undocumented Export Credit Integration Meeting	Factoring
28 October	Shared Data Center Company Meeting	Factoring
30 October	Shared Data Center Company Meeting	Factoring
4 November	Supply-Chain Finance Introductory Meeting	Factoring
5 November	Shared Data Center Company Meeting	Factoring
6 November	Corporate Communications Agency Meeting	Factoring
6 November	Meeting with Central Securities Depository of Turkey (MKK) on Service Procurement for Shared Data Center and System Infrastructure	AFI
6 November	Central Securities Depository of Turkey (MKK) Meeting	Factoring
6 November	Shared Data Center Company Meeting	Factoring
6 November	Private Integrator Company Meeting	Factoring
7 November	Meeting with Softtech, an İşbank Group company, on Joint Leasing Software	Leasing
11 November	Cybersoft, Trade Chain Finance System Integration Meeting	Factoring
11 November	Supply-Chain Finance Introductory Meeting	Factoring
12 November	Shared Data Center Company Meeting	Factoring
12 November	Shared Data Center Company Meeting	Factoring
13 November	Shared Data Center Company Meeting	Factoring
14 November	Cybersoft, Trade Chain Finance System Integration Meeting	Factoring
14 November	Document Management System Software Meeting	Factoring
15 November	Digital Transformation Company Meeting	Factoring
15 November	Shared Data Center Company Meeting	Factoring
15 November	Personal Data Protection Law (PDPL) Workshop organized by The Banks Association of Turkey	AFI
19 November	Shared Data Center Company Meeting	Factoring
19 November	Shared Data Center Company Meeting	Factoring

Date	Explanation	Sector
19 November	Shared Data Center Company Meeting	Factoring
19 November	Private Integrator Company Meeting	Factoring
22 November	Meeting with Architech Software Company on Digital Transformation	AFI
22 November	Roundtable Meeting with the Leadership of Invigors on Leasing Sector	Leasing
22 November	Central Software Company Meeting	Factoring
22 November	Shared Data Center Company Meeting	Factoring
22 November	Private Integrator Company Meeting	Factoring
25 November	Leasing and Factoring Training to Kültür University Students	AFI
26 November	Shared Data Center Company Meeting	Factoring
28 November	Alternatifbank, Supply-Chain Finance Meeting	Factoring
28 November	Meeting with Architech Software Company on Digital Transformation	AFI
28 November	Cybersoft, Trade Chain Finance System Integration Meeting	Factoring
28 November	Central Software Company Meeting	Factoring
28 November	Supply-Chain Finance Introductory Meeting	Factoring
29 November	Turkey 2023 Finance Summit	AFI
2 December	Shared Data Center Company Meeting	Factoring
2 December	VakıfBank, Supply-Chain Finance Meeting	Factoring
3 December	Document Management System Software Meeting	Factoring
3 December	Shared Data Center Company Meeting	Factoring
4 December	Shared Data Center Company Meeting	Factoring
4 December	Shared Data Center Company Meeting	Factoring
4 December	Shared Data Center Company Meeting	Factoring
5 December	AFI Introductory Meeting Afyon Kocatepe University	AFI
5 December	Credit Insurance Company Meeting	Factoring
5 December	Central Securities Depository of Turkey (MKK) Meeting	Factoring
5 December	Shared Data Center Company Meeting	Factoring
9 December	Faturampara Meeting	Factoring
9 December	Shared Data Center Company Meeting	Factoring
10 December	Akbank AG, CRR Meeting	Factoring
10 December	Alternatifbank, Supply-Chain Finance Meeting	Factoring
10 December	Halkbank, Supply-Chain Finance Meeting	Factoring
11 December	Shared Data Center Company Meeting	Factoring
11 December	Shared Data Center Company Meeting	Factoring
11 December	Meeting with Prof. Turgut Öz Regarding Legal Opinion on Applications of Obligations Law	Leasing
16 December	Product Safety Workshop with General Directorate of Product Safety and Control	Leasing
17 December	Credit Bureau of Turkey Meeting	Factoring
17 December	Shared Data Center Company Meeting	Factoring
17 December	AFI Introductory Meeting, Antakya Mustafa Kemal University	AFI
18 December	Shared Data Center Company Meeting	Factoring
20 December	Document Management System Software Meeting	Factoring
20 December	IFC Meeting	Factoring
23 December	Cybersoft, Trade Chain Finance System Integration Meeting	Factoring
24 December	Shared Data Center Company Meeting	Factoring
24 December	Vakıf Participation Bank, Supply-Chain Finance Meeting	Factoring
25 December	VakıfBank, Supply-Chain Finance Meeting	Factoring
26 December	Central Software Company Meeting	Factoring
26 December	TNB Electronic Information Sharing Protocol Meeting	AFI
27 December	Shared Data Center Company Meeting	Factoring

2019 Activities

Regulatory Changes in 2019

Date	Description	Sector
25 January 26 February	Regulation on the Establishment and Operating Principles of Financial Leasing, Factoring and Finance Companies	Leasing & Finance
1 February	Regulation Amending the Regulation on the Accounting Practices and Financial Statements of Financial Leasing, Factoring and Finance Companies	Leasing & Factoring & Finance
1 February	Communiqué Amending the Communiqué on the Uniform Chart of Accounts to be Implemented by Financial Leasing, Factoring and Finance Companies and Its Explanation	Leasing & Factoring & Finance
1 February	Communiqué on Amending the Communiqué on Uniform Chart of Accounts and Explanations	Leasing & Factoring & Finance
10 February	Regulation on the Establishment and Operating Principles of Financial Leasing, Factoring and Finance Companies	Leasing & Finance
3 March 31 August	Communiqué No: 2019-32/53 Amending the Communiqué No: 2018-32/48 (on Exports Proceeds) Concerning the Decree No. 32 on the Protection of the Value of Turkish Currency	Factoring
6 April	Communiqué on Management and Control of Information Systems of Financial Leasing, Factoring and Financing Companies	Leasing & Factoring & Finance
22 June	Communiqué (No: 2019/11) Amending the Communiqué on Required Reserves (No: 2013/15)	Finance
19 July	Law Amending the Income Tax Law and Some Laws	Leasing & Factoring & Finance
1 August	Regulation Amending the Regulation on the Accounting Practices and Financial Statements of Financial Leasing, Factoring and Finance Companies	Leasing & Factoring & Finance
1 August	Regulation on Uniform Account Plan	Leasing & Factoring & Finance
27 October	Regulation Amending the Regulation on the Accounting Practices and Financial Statements of Financial Leasing, Factoring and Finance Companies	Leasing & Factoring & Finance
27 October	Regulation Amending the Regulation on the Accounting Practices and Financial Statements of Financial Leasing, Factoring and Finance Companies	Leasing & Factoring & Finance
27 October	Regulation Amending the Regulation on the Accounting Practices and Financial Statements of Financial Leasing, Factoring and Finance Companies	Leasing & Factoring & Finance

CERTIFICATE PROGRAMS, TRAININGS AND SEMINARS

In 2019, 78 training programs were offered in a total of 125 days, and 900 participants attended these trainings.

Trainings were offered under the "Basic Expertise in Financial Institutions Certification Program" which was launched after a protocol signed by AFI and Marmara University Continuing Education Center (MUSEM) in November 2014. These trainings were delivered by faculty members from Marmara University and volunteer market professionals with training experience from financial leasing, factoring and financing companies. Participants who are successful at the exams after 18 days of training receive certificates from Marmara University and AFI. A total of 110 participants were qualified in these certificate programs that have been organized for four years in a row.

The students who started the certificate program in the last semester of the previous year received their certificates in January from the BRSA Vice Chairman Mehmet İrfan Kurt and the members of our Board of Directors.

Trainers: Faculty members from Marmara University - Dr. Ahmet Başcı, Prof. Dr. Ali Köse Doç. Dr. Gökhan Işıl, Assoc. Prof. Güçlü Okay, Assoc. Prof. Gülcan Çağıl, Assoc. Prof. Halil İbrahim Alpaslan, Prof. Dr. Mehmet Melemen, Prof. Dr. Özgür Çatıkkaş, Assoc. Prof. Seher Tezergil, Dr. Seniha Dal

Industry Volunteer Trainers: Arda Demir, Can Özyurt, Ekrem Yavrucuk, Kayıhan Hasırcı, Kudret Ünsal, Murat Türker, Nilgün Yılmaz

PERCEPTION MANAGEMENT AND PERSONAL BRANDING

The training underlines the importance of each manager of an organization in making a contribution to brand equity, and steers managers to play an active role towards this target. Customized according to each organization in line with corporate values and corporate communication targets, the training covers such headings as representing the organization in formal circles; communications with professional associations and nongovernmental organizations; and development in key account relationships.

Trainer: Seçil Şendağ

NEURO-LINGUISTIC PROGRAMMING (NLP)

NLP (Neuro Linguistic Programming) deals with how we generate our personal experiences, how we create our thoughts and moods, and how we build our inner world based on our experiences, and how we make sense of it.

Trainer: Ayşegül Ekmekçioğlu

COSO INTERNAL CONTROL SYSTEM IN NON-BANK FINANCIAL INSTITUTIONS

The training covers the relevant regulations of international organizations such as the COSO Committee, The Institute of Internal Auditors (IIA), Association of Certified Fraud Examiners (ACFE), and of the Banking Regulation and Supervision Agency (BRSA) from our country. The program is intended to consolidate the Three Lines of Defense Model. The training objectives also include the assimilation of the subject by participants through the application of

the subject specific to non-bank financial institutions, sample bank designs and implementations following the completion of the theoretical framework. Thus, it is aimed to help the participants bring the knowledge and skills they have acquired in the training along with these experiences to the organizations they work for.

Trainer: Dr. Cengiz Doğru

BRSA IT AUDIT LEGISLATION

The Communiqué on the Information Systems Management and Audit of Financial Leasing, Factoring and Financing Companies published on 6 April 2019 sets out the procedures and principles for the management of the information systems the related companies use in the performance of their activities falling under the Financial Leasing, Factoring and Financing Companies Law no. 6361 and their auditing by authorized independent auditors. In meetings held in cooperation with KPMG, the new requirements introduced by the BRSA IT Legislation and BRSA Legislation Technical Specifications were addressed, analyzed and members' questions were responded to.

Speakers: Sinem Cantürk, Bengisu Özgehan, Didem Tarhan, Hakan Erçin

INFORMATION SECURITY CONTROLS AND INFORMATION SECURITY MANAGEMENT

The program objective was to equip participants with the capability to perform activities necessary to fulfill information security requirements specified in the BRSA Communiqué on Principles to be Considered in Information Systems Management in Banks as a

2019 Activities

requirement of Risk Center membership, to achieve compliance with information system audit requirements and to meet enterprise information security needs.

Trainer: Fatih Emiral

MINDFULNESS

Upon completion of the training, participants are anticipated to contribute to their own self-development and be able to motivate themselves and their teams. To do that, first of all, the importance and methods of staying in the moment are given; exercises are made to make the feeling motivational, and efforts are spent to increase resilience to handle challenges and to make action plans to leave one's comfort zone.

Trainer: Elif Tokman

BORROWING INSTRUMENTS AND CORPORATE BOND ISSUANCE PROCESS

The training dwells on borrowing instruments and their technical characteristics within the context of the Capital Market Law no. 6362 and applicable legislation, and also deals with the operating rules of the Debt Securities Market of Borsa İstanbul, and first/second hand market processes for these financial assets.

Trainer: Dr. Murad Kayacan

PROCEDURES TO BE FOLLOWED IN TRANSACTIONS INVOLVING CHECKS AND IMPORTANT CONSIDERATIONS

The training primarily deals with important considerations in domestic factoring transactions for which checks are received as a payment instrument.

Trainer: Ebru Atasoy Akalın

TRENDS IN DATA ANALYTICS, BIG DATA AND ARTIFICIAL INTELLIGENCE

The training is intended to share the necessary steps for acquiring data-driven competitive edge, creating value, and developing profitable business models in line with a corporate roadmap and strategic plan with the participants. Successful implementations and case studies are used in the training to address how big data and artificial intelligence that are among the major technology trends of our day influence everyday life and how they should be correctly integrated into business life and used, and the impact of these technologies upon financial institutions and the sector.

Trainer: Ergi Şener - Erim Yağcı

DIGITAL TRANSFORMATION AND TECHNOLOGY TRENDS THAT TRANSFORM FINANCIAL INSTITUTIONS

Technology and technology-driven innovations in business models bear various impacts on numerous sectors. While the finance sector and financial institutions digitalize rapidly in connection with the advancing technologies, acquiring new customers, increasing sales and turnover, and achieving sustainable growth remain as key priorities. On the other hand, consumers tend to get confused because of the constantly growing competition in the finance sector, the effect of increasing and diversifying channels, and payment applications that continually increase also owing to the mobile. Nonetheless, the change also entails important opportunities.

With technology, the existing systems and processes are replaced by models developed by more agile companies and start-ups. Some examples include Airbnb in the lodging sector, Uber and Lyft in the transportation sector, Amazon in the retail sector, Netflix in the broadcasting sector, WhatsApp in messaging applications, and Tesla in the automotive industry. These applications seriously threaten conventional sectors and customary products, services and brands.

Companies that succeed in digital transformation correctly understand customer needs, provide effective solutions to problems, test the solutions with the customers, and are able to offer better products and services. In the process, concepts such as lean start-up, minimum viable product (MVP), business model canvas, and design thinking come to the foreground.

The training objectives include studying technological trends and business models that trigger digital transformation and analyzing its dimension while examining the applications that are capable of making a difference on the basis of successful digitalization, and sharing the steps that are necessary for creating a corporate roadmap and strategic plan towards digitalization.

Trainer: Ergi Şener - Erim Yağcı

UNDERSTANDING THE ECONOMY AND FINANCIAL STATEMENTS - FINANCE FOR THE LAYMAN

In keeping with the growing importance of finance for businesses, first of all, rules and main processes of bookkeeping are examined by taking basic economic

concepts as the starting point, after which financial statements and their importance from the standpoint of stakeholders are addressed. Finally, the program dwells upon basic analysis methods, which are among the main functions of financial science, and discusses the tasks and responsibilities of finance professionals.

Trainer: Dr. Murad Kayacan

INDUSTRY 4.0 AND ADJUSTING TO CHANGE

The world is changing rapidly; digital transformation and Industry 4.0 are deeply affecting the business world. New terms such as smart robots, internet of things (IoT), big data, blockchain, chatbot, and digital marketing began to make themselves a place in our everyday lives. How will this technological transformation affect our business, our sector? How and in which direction will it lead? What will we be doing when change arrives?

In this training program, participants will;

1. learn new information about the ways the business world and the finance sector are affected by technological transformation, and gain awareness that they themselves need to leave their comfort zones and accommodate themselves to change;
2. confront their own feelings about change, acquire new skills for managing how they feel about it, for changing the way they think in order to act proactively, and for gaining resilience.

Trainer: Aylin Demiray Özden

EARLY WARNING SIGNALS AND NON-PERFORMING LOANS

The objective of the program was to provide participants a new perspective to set up early warning systems to support an effective monitoring process, systematic approach skills to easily capture changes in risk level of companies and develop proper strategies. 8 people participated in the training.

Trainer: Yenal Koçak

FACTORING PRODUCTS

The objective of the training was to evaluate services provided in factoring industry and increase product variety.

Trainer: Can Özyurt

FACTORING TRANSACTIONS

The training focuses on control points within factoring transaction processes and regulatory requirements.

Trainer: Nilgün Yılmaz

MARKET RESEARCH AND FINANCE ANALYTICS IN THE FINANCIAL SECTOR

The training provides information about the research design necessary for conducting market research particularly in the financial sector and for correctly approaching the customers from the viewpoint of researchers. The program also deals with the financial analysis techniques that are important for gaining insight into customers following the research.

Trainer: Assoc. Prof. Mehmet Nuri İnel

PROCESS MANAGEMENT AND PRODUCTIVITY IN THE FINANCIAL SECTOR

The training dwells upon the process concept for designing processes targeted at operational efficiency that will bring cost advantages in the financial sector. It deals with process improvement perspective and techniques, which will resolve the problems in the process to ensure continuous improvement and ensure competitive superiority.

Trainer: Assoc. Prof. Mehmet Nuri İnel

TAX ARRANGEMENTS AND PRACTICES IN FINANCIAL INSTITUTIONS

The training is intended to enable member companies to study details in relation to various taxation matters such as Basic Taxes, Corporate Tax Return, Loss Netting, Discounts, Double Taxation Agreements, Transfer Pricing and the like.

Trainer: Oğuz Kemal Bulut, Certified Public Accountant

ACCOUNTING FOR FINANCIAL INSTITUTIONS

In this training program, accounting rules and practices applicable for financial leasing, factoring and financing companies were discussed within the framework of BRSA Uniform Chart of Accounts and Applications. In this context, participants received detailed information on accounting applications of their institutions and their financial statements. Backed by real-life examples, the training adopts basic theory and detailed practice approach.

During the training program, participants learn hands-on about the fundamental principles and functions of accounting

2019 Activities

for financial institutions, systematics of accounting, applications of Uniform Chart of Accounts, how accounting records are kept in financial institution transactions, and how accounting for financial institutions are transformed into financial statement presentations on the basis of the Turkish Financial Reporting Standards.

Trainer: Oğuz Kemal Bulut, Certified Public Accountant

FINANCIAL MATHEMATICS

The program targeted training the participants so that they would be able to perform the necessary financial calculations, independent of systems, to provide their clients with detailed information about cost computation methods, to make comparisons using alternative pricing techniques, and to offer consultancy to clients regarding alternative financial products, when necessary and to enhance the quality of service provided to customers. The training was held twice.

Trainer: Yenal Koçak

USING EXCEL IN FINANCIAL MODELING AND SIMULATION

The training will basically explain how financial modeling will be made using Excel and give some Excel formulas that can be used in the creation of scenario analyses. It is a practice-based training that also touches upon the simulation concept in addition to usage of some formulas employed in financial management and assessment of investment projects within Excel.

Trainer: Assoc. Prof. Mehmet Nuri İnel

FINANCIAL REPORTING STANDARDS AND ANALYSIS OF FINANCIAL STATEMENTS AT COMPANIES (READING FINANCIAL STATEMENTS MADE EASY)

Financial statements are results derived from various accounting movements that show the financial status of a business at a given time. Financial statements of a company are usually complicated and even incomprehensible for people who are not directly involved in this task. The training is intended to equip the participants with sufficient knowledge to let them evaluate the position of a company based on the data provided in financial statements, to read these statements in general terms, to compare the past and the future, and to detect signals of a threat, if any. The training describes the methods used in the analysis of financial statements and provides case studies with real data.

Trainer: Assistant Prof. Bülent Günceler

SENSITIVITY TRAINING WORKSHOP

The goal of the workshop is to make the participants more aware of themselves, and to increase efficiency through role-playing and storytelling activities.

Trainer: Aytül Vatansever

PERSUASIVE PRESENTATION AND "GETTING DATA TO TALK"

Briefly touching upon sales techniques, the training also dwells upon persuasion techniques and targets to teach how a decision can be reversed through an effective presentation not just in the sales process of a product or service, but also in social life. The training also aims to provide information about how data can be presented more effectively, in other words, how one can get data to

talk. Additionally, the program holistically addresses such topics as negotiation, group decisions, and team management in the communications of the so-called internal customers, i.e. individuals working towards the same goal, and seeks to teach the necessary information for rendering internal communication within an organization effective and efficient.

Trainer: Assoc. Prof. Mehmet Nuri İnel

ADVANCED MICROSOFT EXCEL

The objectives of the Advanced Excel Training were to increase efficiency by building on advanced skills for using Microsoft Excel program, and to ensure efficient use of Excel in reporting and data analyses. This training was intended for employees who work in reporting and controlling functions as well as those who want to improve their Excel skills.

Trainer: Kerim Bağrıyanık

BUSINESS DEVELOPMENT ANALYTICS

The training aimed to approach business development concept from different aspects and provide information on what it is and how to manage it, to define business analytics concept, discuss various types and how to use business analytics for business development through real life cases.

Trainer: Assoc. Prof. Mehmet Nuri İnel, Lecturer

BUSINESS LAW

The training is intended to provide detailed information about the problems encountered particularly in practice, and to contribute to the efficacy of business law and to qualified human resource in this field.

Trainer: Atty. Murat Keçeciler

PROFITABILITY AND PRICING TECHNIQUES

The training is developed to provide an understanding of increasing an organization's profitability by employing the methods of complete determination of basic and total costs through analyzing the company's financials; and strategic pricing techniques by including the effect of maturity, inflation and market risks, as well as pricing techniques.

Trainer: Uğur İşbilir

COMPARATIVE AND APPLIED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) AND TURKISH ACCOUNTING STANDARDS (TAS)

The training covered financial statements and disclosures, presentation of financial statements, balance sheet, income statement, cash flow statement, interim financial statements, first application of IFRS on financial statements, events after the balance sheet date, related party standard, non-current assets held for sale and discontinued operations, consolidation (with comprehensive examples), calculation of minority interest, consolidation goodwill, inventory, property, plant and equipment, depreciation methods, intangible assets, provisions, tax accounting and deferred taxes, employee benefits, profit/loss and equity, sales, earnings per share, financial instruments, financial assets and measurement, derivative instruments, borrowing costs and leasing transactions.

Trainer: Oğuz Kemal Bulut, Certified Public Accountant

CREDIT MONITORING AND PROCESS MANAGEMENT IN SMEs AND TRADE COMPANIES

The training is designed to equip the participants with the skills to evaluate past performances of small enterprises using financial and non-financial data, and to project their forward-looking needs and debt payment capabilities.

Trainer: Yenal Koçak

ENTERPRISE RISK MANAGEMENT

The objective of the training is to enable assessment of the role and importance of effective risk management, which is a corporate governance requirement for companies, in view of current developments with respect to the risk exposure of a given company and the impact of such risks. For financial institutions, the aim is to help create a perspective that will enable assessment of company governance risks within the framework of risk management activities and practices during the credit risk assessment of a given firm.

Trainer: Dr. Selda Eke

FINANCIAL ANALYSIS

The objective of the training was to give an understanding of various subjects like credits, getting to know the company and preparing a company introduction report, reading the balance sheet, income statement and trial balance, uniform chart of accounts and accounting practices, transfers/removals performed at financial analysis, financial analysis techniques and ratios, analyses of contracting firms and determination of credit limits, lending terms and collaterals which take place within the allocation process.

Trainer: Hüseyin Ünlü

MASAK

A training was organized intended to raise increased awareness of the Association members regarding MASAK (Financial Crimes Investigation Board) obligations and effective notification of suspicious transactions.

Trainer: Banu Okumuş and Faruk Mutlu

MINDFULNESS

Focusing on the benefits of mindfulness, the module entails challenge management, resilience, mental and physical exercises. Upon completion of the training, it is intended to help the participants contribute to their self-development and be able to motivate themselves and their teams.

Trainer: Elif Tokman

FINANCIAL CALCULATIONS IN MICROSOFT EXCEL

The aim is to increase the use of Excel, which is an effective analysis tool. The main headings of the training include financial math applications, evaluation of investment projects, loan repayment calculation tools, statistical analyses, and advanced finance applications.

Trainer: Kerim Bağrıyanık

MICROSOFT EXCEL - BASICS

The program intended to teach performing basic operations with Microsoft Excel.

Trainer: Kerim Bağrıyanık

2019 Activities

FEEDBACK IN PERFORMANCE MANAGEMENT

The training discusses motivation through effective feedback, understanding the value of feedback, methods for using feedback in self-development and action plans, and the ways to deal with challenges involved in the process.

Trainer: Gülnur Yetkin

POWERPOINT

The training is intended to teach all the features of PowerPoint for creating effective presentations, for conveying the intended messages correctly and simply.

Trainer: Kerim Bağrıyanık

SALES AND FINANCE ANALYTICS

The training describes how analytics and creative thinking can be used in the sales process within the framework of decision-making, and talks about the union of sales and finance through analytics. Analysis suggestions that can be made strategically during the sales process and how the process needs to be managed in sales surveys are given on process-basis. Dealing with the finance concept within the frame of finance and sales duo, and briefly touching upon financial analysis methods, the training also entails games.

Trainer: Assoc. Prof. Mehmet Nuri İnel

NON-PERFORMING LOANS AND EARLY WARNING SYSTEMS

The training is targeted to equip the participants with a perspective that will help them set up early warning systems to support an effective monitoring process, and with systematic approach skills that will help them easily identify any changes in riskiness and develop strategies accordingly.

Trainer: Yenal Koçak

LEGAL PROCEEDINGS IN NON-PERFORMING LOANS, PRACTICAL INFORMATION ABOUT EXECUTION, BANKRUPTCY AND LEGAL PROCEEDINGS LAW

The objective of the training is to give a legal perspective regarding the actions to be taken for speeding up the collection of bad debts in financial leasing, factoring and financing companies and for managing the process smoothly. In this context, practical information is provided about the types of lawsuits and proceedings to reflect the latest regulatory changes, and the problems in practice are addressed in an interactive fashion.

Trainer: Atty. Emel Tezcan

IMPORTANT CONSIDERATIONS IN THE PREPARATION AND CONTROL OF CONTRACTS, COLLATERALS AND PROMISSORY NOTES

The training is organized for all sector professionals interested in the topic. The objective of the training is to make sure that financial leasing agreements and payment notes are issued so as to preclude any future risks. 17 people participated in the training.

Trainer: Atty. Emel Tezcan

TEAM ROLES

The training touches upon the value of being a team, the common characteristics of effective teams, and team dynamics, followed by the four stages of being a team. Finally, the topics addressed in the training are put into practice and reinforced within the frame of a workshop.

Trainer: Elif Tokman

CBRT INTEREST RATE STATISTICS

Following brief information about the organization and objectives of the CBRT Statistics Department, the duties of the divisions, the statistics produced, and Electronic Data Delivery System (in Turkish: EVDS), information was provided about the forms collected from financing companies for gathering loan rate statistics, and the notifications received therefrom were assessed. In addition, reporting methods were discussed.

Speakers: Birgül Ceylan, Head of Data Management Division; Merve Yıldız and Onur Koca, Assistant Specialists of Monitoring, Interest Rate and Risk

CBRT MONETARY POLICY AND THE IMPORTANCE OF ANALYTICAL BALANCE SHEET FROM THE STANDPOINT OF FINANCIAL INSTITUTIONS

The training is intended to follow up and interpret the trend of market variables (interest rates, exchange rates, prices) based on the Central Bank of the Republic of Turkey (CBRT) Monetary Policy Committee decisions and the CBRT's analytical balance sheet

Trainer: Dr. Cengiz Doğru

THE FORMULA FOR PERSUASION OVER THE PHONE

The training deals with the tricks of maintaining a healthy communication over the phone, when one is not face to face with an internal or external customer, and discusses the methods of persuading over the phone.

Trainer: Aytül Vatansever

COLLATERAL AND PROCEEDINGS LAW

The training provides information about the detailed legal aspects to participants who are or will be involved in requiring, creating, following-up and controlling collaterals by discussing the solutions of problems encountered in practice and real-life experiences. The programs also seeks to convey the rules of Proceedings Law that will be applied when it becomes necessary to take legal action, through schematic comparisons of methods by actions and within the frame of a cause-and-effect relationship.

Trainer: Atty. Emel Tezcan

THE ART OF ELOQUENT SPEAKING AND EXECUTIVE PRESENCE

The Art of Eloquent Speaking and Executive Presence is a highly interactive training addressed within the context of presentation and speaking. The training covers all aspects of speaking including those during a teleconference, board meetings or simply at a cocktail or networking event.

Trainer: Raj Kumar

MEDIATION AS A CAUSE OF ACTION IN COMMERCIAL DISPUTES SEMINAR

With its opening speeches delivered by Mr. Umut İlhan Durmuşoğlu, Ministry of Justice, Director of Mediation Department, and Mr. Adem Duman, AFI Chairman, the Seminar provided an introduction to Mediation as a Cause of Action in Commercial Disputes, its Scope, Applicability and Practices of Mediation as a Cause of Action in Commercial Disputes with the presentations of Mr. İlker Koçyiğit, Ankara Regional Court of Appeal, Head of the Third Civil Chamber and Mr. Alper Bulur, Hacettepe University, Faculty of Law Lecturer.

REFRAME YOUR ATTITUDE (RESILIENCE)

The objective of the seminar is to provide a roadmap for the attitudes we will adopt in various experiences we have. While seeking to answer the question "how does emotional intelligence make a difference in an experience", it also draws the communication cycle based on the perception of empathy position and the roadmap to solution.

Trainer: Elif Tokman

TURKISH AND GLOBAL ECONOMY: INDICATORS AND DEVELOPMENTS

The training is intended to help make a more accurate prediction of the future conjuncture of the Turkish and global economy. Within this frame, key macroeconomic and financial figures such as growth, inflation, interest rates, parity ratios, gold and commodity prices were discussed using current data.

Trainer: Prof. Erhan Aslanoğlu

IFRS 9 AND HEDGE ACCOUNTING

In the seminar co-organized with KPMG, general information was provided about IFRS 9, followed by information on IFRS 9 taxation implementation and hedge accounting, and the questions of participants were answered.

Speakers: Sinem Cantürk, Kerem Vardar, Hakan Güzeloğlu

LEADERSHIP FOR MANAGERS (STRATEGIC BEHAVIOR)

Focusing on the skills that a team leader needs to possess, the training raises an awareness of the characteristics of inspirational leadership, differences between a leader and a manager, the importance of proactivity in business management, time & stress management, identification of obstacles against team performance, creation of action plans to overcome obstacles, and team coaching skills.

Trainer: Arzu Baran

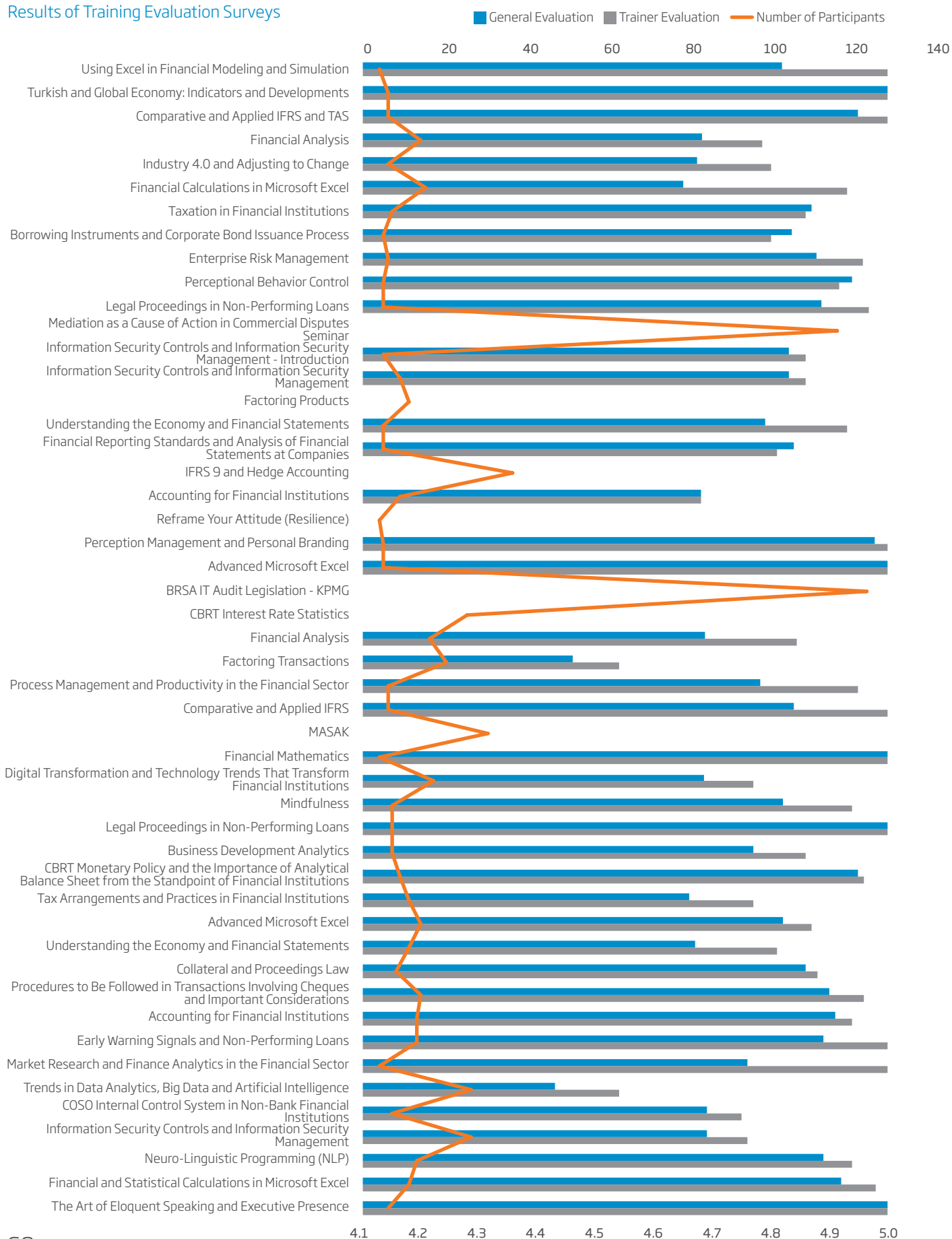
WHO IS A DIFFICULT PERSON, WHO IS A DIFFICULT CUSTOMER?

It is important to deal with the problems occurring when working and communicating with difficult people. This will let us use our time and energy efficiently. Difficult people are those who upset us, who make us feel restless, helpless, exhausted and even angry. During the program, participants get to know themselves and types of different people, learn about how to communicate in order to deal with difficult behaviors, emotional intelligence, awareness and empathizing. Participants also experience how teams that are part of a chain effectively manage crises.

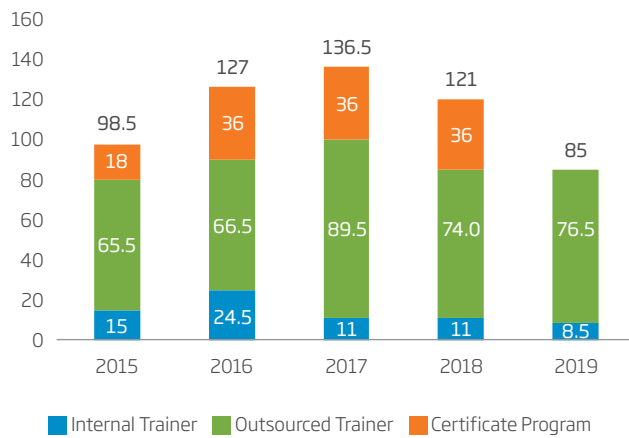
Trainer: Fatma Meriç Demirel

2019 Activities

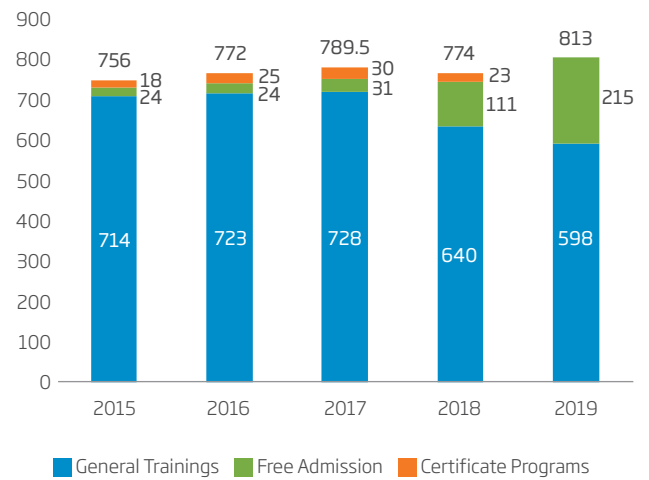
Results of Training Evaluation Surveys



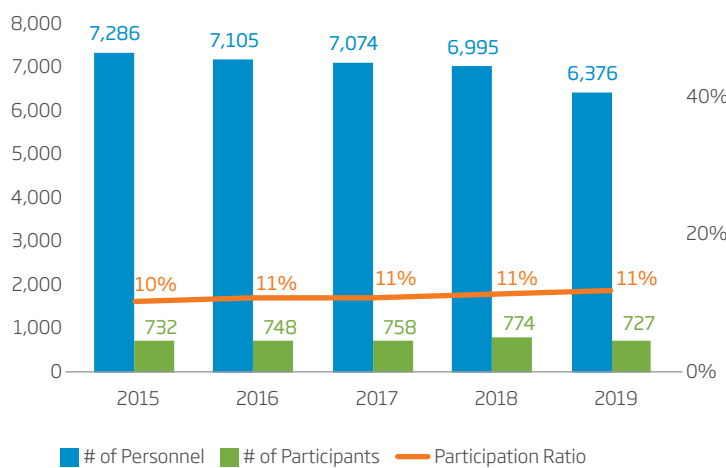
of Training Days



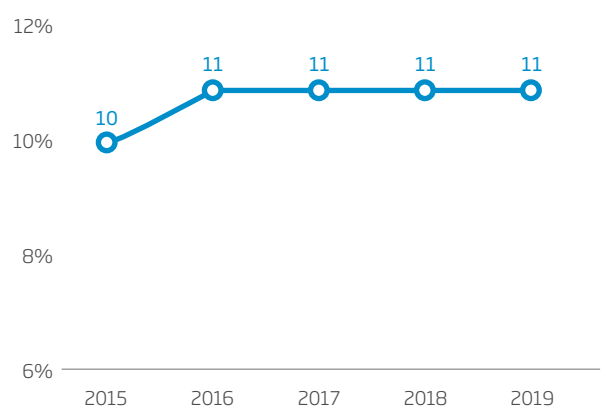
of Participants



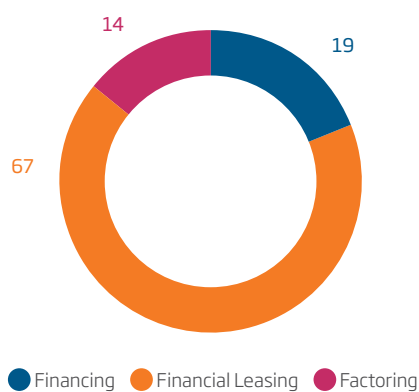
of Personnel vs # of Participants



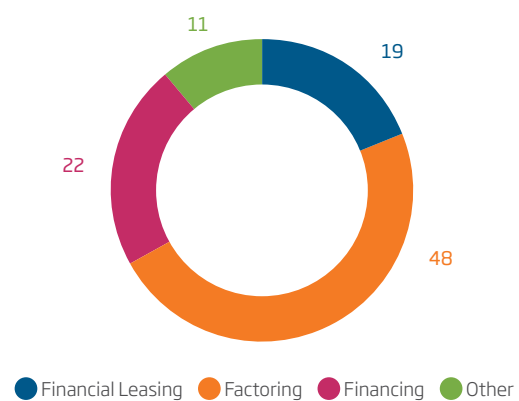
Participation Ratio



Breakdown of Personnel (%)



Breakdown of Applications (%)



AFI in the Press - 2019



FKB YIL SONU VERİLERİNİ AÇIKLADI

Finansal Kurumlar Birliği (FKB), faktoring, finansal kiralama ve finansman şirketlerinin 2018 yıl sonu konsolide verilerini açıkladı. Sonuçlara göre FKB'nin temsil ettiği üç sektörün aktif toplamı 143 milyar TL'ye, öz kaynak büyüklüğü 21 milyar TL'ye, net kâr 2,7 milyar TL'ye, müşteri sayısı ise 4,7 milyona yükseldi. Sonuçları değerlendiren FKB Başkanı Adem Demirel, "FKB olarak reel sektöre sürdürülebilir büyüme için kaynak sağlamaya devam edeceğiz" dedi.



Her derde deva kredi

KOBİ'YE İHRACAT KAPISI ACILDI

15.5 yıldır beniz kremi kullanıyorum. Beniz kremi kullanırken 15.5 yıldır dolandırıcı bir şekilde piyasaya sürülen dolandırıcıları vuruyorum. Aynı şekilde, "Beniz kremi" adını kullanarak insanların vadesiz işleri bitiriyoruz. KDBT tahsilatın zaman zaman yaparsa o zaman geri ödemezli alyo-
nuz. Üçüncüde pazarın tahsilatı, bilgisi ulaşmakta zorlanan küçük işletmeler, yurtdışında muhatap bankalar
karailemi hem pazar bilgisi veriyoruz hem de tahsilat garantisi sağlıyoruz.
Bu sayede ilk kez ihracatçı olanlar
var. Sirketleri, hakkında bilgi olmayan
firmaları ilgili bir satış işlemi verecek
birin satış temsilcilerini söyleyebiliriz.
Sizin Satın alarak almamız, alacağınız
garanti ediliyor. Aslında bu yapılmamış
KDBT lerimiz çok çukurluğa bilmeyiz



REKABET EŞİTSİZLİĞİ GİDERİLMELİ

BİRLİK olarak temsil etmeleri ile sektörde öne çıkan konularla çalıştıkları İfade edeni Eke, şunları söyledi: "Tasak mevzuatları konusundaki önceliğimiz, finans sektörünün birbiriyle ayıran düzenlemelerine yaptığı sığlamak. Örneğin, tabii ki aktarılan kredilere ayıran yapılar bankalarla vergi matrahından düşülmüyor. 2019 yılı itibarıyla birliğimize dahil olan üç sektör de bu yapılmadından yararlanırlar hale geliyor. Bunun gibi ayrı işlem için kullanılmadığını (çünkü Banka Sığırta Maamele Vergisi'ne İBŞMW'ni bulutlulması, yurtiçinden birliğimiz yüzü pıkarlar tarahtan sağlanan 3 yıldan kısa vadeli kredilere Kaynak Kullanımı Desteklerine Fırsat İKİDİ) yapılmıyor, adres yapılmamış sistemlere erişilememesi gibi rekabete engel teşkilini giderilmesi için çalışmamızın devam ediyor."



Fotograf: Saffet AZAK

DÜNYADA kredi kullandırma açısından bankalarla yarışan atta bazı ülkelerde geçen bankacılık dışı finans sektörü, Türkiye'de tağı kalktı. Faktoring, finansal kiralama ve finansman şirketlerinden oluşan 94 üyeli Finansal Kurumlar Birliği (FKB) hem finans hem de bilgiye gereksinim duyan her (k) konuda da tam destek veriyor.

YENİ FINANS MODELİ KURULDU

2020'de yapılan uygulamaları derinleştirecek alacakları bütçesini verim FKB Bankası Aynur Koc, "2017'de 'tedarik zinciri finansmanı' diye bir mode- le başladık. Sonra bunu ticaret zinciri finans- manına dönüştürmeye karar verdik. Bu başarıyı boyf finansmanı, ihracat ve katılım bankacılığı- nı ünlüleri ile teyitladık. Alacak sigortasız platform üzerine getirip sigortalılaşarak alacak- nın finansmanını sağladık. Burada bir- ken alacakları menkul kıymetleştirip yal varlı- ga duralı menkul kıymet varlığı yal finansman kaynakları yattırdık. Yani bu platform üzerin- den alacak ve borcun ödenmesini sağladık. Ticaretin uçtan uca dijitalleşmesini hedefliyoruz. Bu projenin tedarik zinciri finansman kısmı bağlı" dedi.

İLK ANLAŞMA VAKIFBANK'LA

Sistem bankalara da açılarak anlaşmaların Vakıfbank'a yapılması için Eke, "Büroda alıcı, satıcı kurumunu buluşturuyoruz. Şu anda KOİP'er oluyor, benden satmış ve elinde belli bir alacağı var. Bu platform aralı devreye giriyoruz ve eli alacağı bu finansman diyoruz. Böylece dev finansman maliyeti de ne kavuşmuş oluyor" diye konuştu. Eke, bu yöntemi ihracatta da uygulamayı düşündüğünü ifade etti.



YOUTUBE.COM

Finansal Kurumlar Birliği 7. Genel Kurul Sn. Ahmet Candan Röportajı

FKB 2019 YILI 6 AYLIK KONSOLİDE VERİLERİNİ AÇIKLADI

Banka dışı finansmanda
müşteri sayısı 4 milyonu geçti

Finansal Kurumlar Birliği çatısı altında bulunan faktoring, leasing ve finansman şirketlerinin müşteri sayısı 4 milyonu buldu. Aktif toplam 129 milyar TL olan 3 sektörün öz kaynak büyüklüğü 22 milyar TL net kâr ise 1,7 milyar TL oldu.

Finansal Kurumlar Birliği'nin temsil ettiği üç sektöre yönelik değerlendirmelerde bulunan Finansal Kurumlar Birliği Başkanı Aynur Eke, "Sektörlerimiz geçtiğimiz yıllara kıyasla 2018 ve 2019 yıllarında yaşanan ekonomik dalgalanmaları daha fazla hissetti. Zorlu geçen yıla rağmen Birliğimizin temsil ettiği finansal kiralama, faktoring ve finansman sektörlerini daha verimli hale getirmek ve ekonomiyeye verdikleri katkıyı artırmak üzere çalışmalarımızı sürdürüyoruz. Türkiye ekonomisi her zaman



ralama sektörümüzün alacakları-
nın 52 milyar TL seviyesinde ol-
duğunu görüyoruz. Sektörün aktif
büyüklüğü de 63 milyar TL sevi-
yelerini geçti. Faktoring sektö-
rüne baktığımızda; işlem hacmi 59
milyar TL seviyelerinde, alacak-
ları ise 29 milyar TL seviyelerini

Hoerber / MALLÉ-MOTTO

lar sekteleşimise cankık geliyor."

"FKB olarak ticareti, üretimi desteklemek adına çalışmayı sürdüreceğiz..."

[illegible]

BANKACILIK DIŐI FİNANS SEKTÖRÜ ÜRETİME DESTEK OLMAYI SÜRDÜRÜYOR...

Finansal Kurumlar Birliği (FKB), Faktoring, Finansal Kiralama ve Finansman Şirketleri'nin 2019 yılı 6 aylık konsolide verilerini açıkladı.

FEB'in temsil ettiği üç sektörün 2019 yılı ilk 6 ay konsolidé verilerine göre,

- Akrif toplamı 129 milyar TL,
- Özkaynak büyüklüğü 32 milyar TL,
- Net kâr 1,7 milyar TL,
- Müşteri sayısı 4 milyon olarak gerçekleşti.

Finansal Kurumlar Birliği tarafından oluşturulan ve sektöre yönelik değerlendirmelerde bulunan Finansal Kurumlar Birliği Başkanı Ayman Evi, "Sektörümüzün geçtiğimiz yıllara kıyasla 2015 ve 2019 yıllarında yapılan ekonomik dışa bakanlarımıza daha fazla bütçesi Zorunlu olarak yapılan dışa bakanlarımıza karşı finansal kurumlara, sektörün ve finansal

[illegible]

AFI in the Press - 2019

FİNANS

Bozkurt Çöteli

Türkiye ekonomisi bir darboğazdan geçiyor. Dolayısıyla birçok sektör 2018'in Ağustos'undan bu yana temkinli. Yapı Kredi Faktoring Genel Müdürü Bozkurt Çöteli, "Bu dönem geçici. Piyasalardaki dengeleme devam etsin arındırın kaldığımız yerden büyüme devam edeceğiz. Yapı Kredi Faktoring olarak bu dönem hiç faktoring ile çalışmamış ihracatçı KOBİ'ye odaklanarak sektördeki liderliğimizi sürdürmek istiyoruz" diyor.

■ RÖPORTAJ: Kader Karagöy YEMAZ

Yapı Kredi Faktoring Genel Müdürü Bozkurt Çöteli:

"2019, 2018'den daha iyi geçecek"

Sektörde 2001 yılından bu yana liderliği sürdüren Yapı Kredi Faktoring, 2019'da ihracatçı KOBİ'ye odaklanacak. Toplam müşteri kesiminde yüzde 20 olan KOBİ'ye ağırlığı ise yüzde 30'a çıkarmayı hedefliyor. Yapı Kredi Faktoring Genel Müdürü Bozkurt Çöteli, "Özellikle Ağustos sonrası bu alanak zor bir yıl geçecek. 2018 yılında 3,563 KOBİ'ye toplam 1 milyar TL'lik işleme hacmi gerçekleştirdik. 2019 yılının 2018'den daha iyi bir yıl olacağını inanıyoruz. Bu yıl 3 bin 500 aktif müşteri sayısını yüzde 10 artırmayı hedefliyoruz" diyor.

2019'da değerlendirilen iki farklı değerlendirme yapan Çöteli, yılın Haziran dan itibaren işiye ayrıyor. Haziran'a kadar hem müşteri hem işlem hacminde ciddi büyüme gözlemlemişti. Haziran yılın ikinci yarısında tüm sektörün tepetaklak olduğunu hatırlatan Çöteli, "Haziran'da yavaş yavaş tam yavaşlıkta beklediği hissettik. İkinci yarıda karlılıkta ilgili işlemi olmadi ama finansmana erişim çok zor ol-

duğu an circular yapıya yönlü" değerlendirilmesini yapıyor. Faktoring sektörünün de bankacılık gibi sermayeye ihtiyaç duyduğuna bunu da yansıttığını belirttikten ve de uluslararası piyasalardan karlılıkla ilgili haberler Çöteli, "2018'in ikinci yarısında faiz oranları çok yükseldi. Yüzde 15-40'ları geçen faiz oranlarında müşteriye ulaşmak çok zordur. Nakit çıkışa kadar emsile ilgili müşteriler dışında faiz oranları yavaş yavaş düştü. Bu anda faiz oranları yüzde 20'ler seviyesindedir. Önümüzdeki dönemde dengeleme süreciyle birlikte oranın daha da düşmesini bekliyoruz" diye konuştu.

"2019'un Ağustos'undan sonra yukarı yönlü ivme yakalanabilir"

2019 yılında ciroda 22 milyar TL'ye ulaşan Yapı Kredi Faktoring, 2018 yılında 24 milyar TL ciro gerçekleştirdi. Yapı Kredi Faktoring aynı zamanda 2018 yılında 2500 adet KOBİ ile 1 milyar TL'lik işlem hacmine imza attı. Yeni müşteri kazanımında

64 | KÜltür Sanat 2019

Finansal Kurumlar Birliği
20 Kasım 2019 - 

20-21 Kasım'da The Alta Group ve Invigors EMEA LLP tarafından gerçekleştirilmekte olan Lease Conference İstanbul 2019'da Finansal Kurumlar Birliği Başkanı Vekili Dr. Cüneyt Akpınar açılış sunumunu yaptı.

DR. CÜNEYT AKPINAR Burgan Leasing Genel Müdürü

"Operasyonel leasing ve filo ya ağırlık vereceğiz"

SÜREÇ İYİ YÖNETİLMELİ
2018 sonu itibarıyla 68,5 milyar TL lik finansmanımız var. Bunun 10 milyar dolarını da kaynağımız 2018'de işlem hacmimiz yüzde 18, 40 kaynağımız yüzde 12 artarken net kâr TL bazında yüzde 4 düştü. Sonuiki kredileşildiği tahsilat problemi dikkat çekti. 2017'de yüzde 5,5 olan NPL oranı 2018'de yüzde 7,2'ye çıktı. Böyle kalırdığında 2019'da öncelikle ne olacak orada: Veri olan portföyü iyi yönetmek. Zaten sektör aktarı buğüne kadar kendinden da rahat çıkmamış nedeni bu. Biz, diğer alternatif finansman yöntemlerinden farklı olarak bir seriliğin yöneticisi, serilicisi. Bu nedenle zorlaiki hemen birniyor, yeniden yapılandırıyor, devam ettiriyor, silindiri da beraber çıkıyor. Bu düünden de silire: İyi yönetmemiz halinde kapayıcı çıkacağına inanıyoruz.

TABANCI İĞİLİ YÖRSEK
Beklenmedik sorunlara karşılayamazak yönetmeye gidebiliriz. Bunun gileşimlerinden bir, yabancı ilgi. Tabancılar henüz alima geçmemişler de tabii ki. Özellikle Eurobond'larıdan başlayarak bir faaliyet beklentisi. Seçimler sona silin orantı yakalanı, reformları yapıncıya yönelik notaları gelme potansiyeli çıkılabilir. Türkiye leasing sektörü, leaseurope'un bilimsel verisi yüzde 2,5'ini oluştuyor. Rakamları bulduğumuzda, Avrupa'da da leasing yavaş büyüyor. Leaseurope'ta işlem hacmimiz yüzde 52'ni oluşturur, yüzde 20'si ticari araç, yüzde 30'u makine ekipman ve gayrimenkul oluyordu. Gayrimenkulü payı oluyordu. Avrupa'da da yatırım enilancile edilebilen fazla alan yok.

kırdığı yönere leasing giretken, Türkiye'de de banka sermayelerinin oranı yüzde 99. Sektöre yeni oyuncu gelmek. Gelmemeleri nedeni, düüdenlemleridei değışiklikler. Örneğin 2007'da birkaç yıla devri giret gelmiş ancak KDV değışim nedeniyle hep o gan çekmiş.

ENDÜSTRİ 4.0
Taliyat yan çok beklentiler ve yüksek fiyatlar nedeniyle artıyor. Türkiye, bölgeanın en büyük ekonomisi ve üretim merkezi. Hıta-ettisi oldukça tüketim pazarı var. Türkiye'deki yabancı yatırımları gikili ve ilginç olarak yaklaşı bu üretim merkezi nima notisanda ayağa tutacak. Kırızın da aparık sektörü büyümeliyiz. Burada yeni müptesi ihtiyacımız var. Etiliden beklentilerle, kamuya il yapacak. Bunlar dır. O taraftan yeniden hareketlenmeliyiz. Daha küçük işletmeler ve birimler tarafında da çok büyük bir potansiyel bulunuyor. Endüstri 4.0, sektör için çok büyük potansiyel. Rekabetçi yapılmak mevcut makine ekipman parkı değirmek zorunda kalacak. Bunun yanında Türkiye'de bir başka büyük potansiyel, yazılım pazarı mevcut. Bunun yüzde 10'unu ancak ciddi olarak ilise edebilir. Sektörü olarak ortak yazılım da üretilmeli. Bu şekilde maliyet düşer, herik büyür.

DESTEK BEKLENİYOR
2019'da şu yarı operasyonel leasing yapacağız. Bunun sektöründe yarı giret sayı çok az. Sektör finansal leasing da çok tutulu. Ama artık oyunun kuralları değışiyor. Biz operasyonel leasing ve filo yine ağırlık vermeye başlayacağız. Determan tuttu, bu konuda çalışmalarımız var. Ancak

[illegible]

Leasing sektörüne 200 milyon dolar

TÜRK EKİBANK GENEL MÜDÜRÜ ADRIAN YILDIRIM İLE GENEL LEASING GENEL MÜDÜRÜ VE FİNANSAL KURUMSAL BİRLİK LEASING SEKTÖRÜ BAŞKANI ÜNAL ÇİÇEK'İN ARASINDA YAPILAN KIRALAMA (LEASING) SİRKETİNİ KAPASİYAN 200 MİLYON DOLARLIK FİNANSMAN PROTOKOLÜ İMZALANDI.

Türkiye Kurumsal Ticaret Bankası Püfser Polcar, Ekibank ile kredi desteği protokolüyle 100 milyon dolarlık finansman tutarında 200 milyon dolarlık limit tutuşu eşitliklerini belirledi. "En kısa zamanda bu paketle ilgili kotaları finansal kuruluşlar seretisi sayımı da testleri de artırarak daha fazla yaygınlaştırmayı umut ediyoruz" dedi. Ekibank'ın 2018'de Türkiye'de her 100 dolarlık ihracatın 25 dolarını finanse ettiği anırsatır "2018 yılında Ekibank'ın finansman desteğiyle 13 artarak 44 milyar dolarlık ihracatın" diye konuştu.

Türkiye'nin en iyi leasing şirketi

YAPI Kredi Leasing, finans ve iş dünyası dengisi Global Banking & Finance Review tarafından düzenlenen "Global Banking & Finance Awards 2019'da "Türkiye'nin En İyi Leasing Şirketi" seçildi. Yapı Kredi Leasing Genel Müdürü Fatih Torun, sunuları kaydetti: "Bu ödül, çalışmalarımızın ne kadar doğru bir yönde olduğunu da teyit ediyor. Sektörümüzün lideri olarak aldığımız bu prestijli ödül için çok gururluyuz. Yapı Kredi Leasing olarak müşterilerimize fonlama altyapımızın çeşitliliği ve zenginliği nedeniyle farklı finansman imkanları sunuyoruz. Tüm çalışanlarımızla Yapı Kredi Leasing olukunda eğitim veriyoruz. Meslekte uzmanlaşmaktan yönetmelik ver-

FAKTÖRİNGİN 2019 VİZYONU



Birliğimiz Yönetim Kurulu Üyesi ve Koç Fiat Finans Genel Müdürü Fidan Sevilmiş #TSPKongresi2019'da Finansal Risklerin Yönetimi ve Geleceği Panelinde tecrübelerini paylaşıyor.



Cumhurbaşkanlığı Finans Ofisi koordinasyonunda İstanbul Finans Merkezi oluşumuna destek vermek için; Hukuki Altyapı ve Düzenleyici Çerçeve, Finansal Ürünlerin Geliştirilmesi, Vergi ve Teşvik Mekanizması, Teknolojik Gelişim bileşenlerinde görüşlerimizi paylaştık.



Insurtech'in Geleceği Masaya Yatırıldı

Finansal Kurumlar Birliği Başkanı ve Türkcell Finansman Genel Müdürü Adem Duman, Global Insurtech Summit kapsamında moderasyonunu yaptığı 'Türkiyede Techinsure'in Geleceği' konulu panelde BNP Paribas Çarđıf

AFI in the Press - 2019

İHRACATA 8 MİLYAR DOLAR GARANTİ

KOBİ'lerimizin mali iyi ama müşteriye tanımıyor

FKB Başkan Vekili Çağatay Baydar, faktoring şirketleri olarak bilansosu ne olursa olsun ihracatçılara garanti ve tahsilat hizmeti verdiklerini belirttik. Bu açıklamaları yaptı. "Maliyetlerimiz Eximbank maliyetlerine yakın. Çünkü biz de parayı yurt dışından getiriyoruz. Bu maliyetlere yakın da yurt dışından finansman getirildiği zaman oradaki muhabirlerimiz aracılığıyla bir paraları vadesinde tahsilatı sağlıyoruz. Bir de finansman sağlıyoruz. Gerekirse KOBİ'lerimiz istihbarat hizmeti de veriyoruz. Bu üç hizmeti tek semaliye altında sunabilmek bir çok faktoring sektörü var."

İhracatın yüzde 27'sine Eximbank desteği

TSKB Eximbank Genel Müdürü Adnan Yıldırım, 2018'de 7,3 milyar dolarlık kredi, 17 milyar dolarlık sigorta imkanı olmak üzere önceki yıla göre yüzde 12,5 düzeyinde bir artışla toplam 44,2 milyar dolarlık finansman desteği sağladıklarını, böylece ihracatın da % 26'sını finanse ettiklerini belirttik. Yıldırım şöyle dedi: "2018 sonu itibarıyla Türkiye'de dış ticaret 3 yıldan fazla düzenli ihracat yapan 15 bin ihracatçıdan 11 bin Eximbank'ın nakdi kredi ve sigorta desteğinden yararlanan hale geldi. Böylece 2018 yılsonu hedefleri aşırken, ulaşılan ihracatçı sayısında da % 16'lık bir artış gerçekleşti. 2019'da ise sağlanan finansman desteğinin 48,4 milyar dolara yükseltilmesi ve ihracat destekleme oranının yüzde 27'ye çıkarılması hedefliyoruz. Ulaşılan ihracatçı sayısını 2019'da yüzde 13 artıracak, 12 bin 500 firmaya ulaşacak. Orta ve uzun vadeli kaynak taleplerini 2017'de ve 2018'de birer puan arttırdık, yüzde 36'dan yüzde 38'e çıkarttık. 2019'da da bunu biraz daha arttıracak, yani toplam kredilerimizin içerisinde orta ve uzun vadeli yüzde 40'ına çıkartma hedefimize var. Bankamız alacak sigortası hacminin de 2019 yılında 20 milyar dolara, 2020 yılında 30 milyar dolara ve 2021 yılında 50 milyar dolara yükseltilmesini hedefliyoruz."

İhracat faktoringine ihtiyaç artacak

VAPÖD'nin Faktoring Genel Müdürü İbrahim Çelik, ihracat faktoring sayesinde ihracatçıların mali mukabilatı hızlanarak uluslararası alanda...



İhracata rekor üstüne rekor kırılırsa, Eximbank'tan sonra ihracatçıya bir destek de faktoring şirketlerinden geldi. Eximbank, 2018'de, 44,2 milyar dolarlık finansman desteği sağlarken, KOBİ'lerin tercih ettikleri alacak garantili ihracat faktoringinde ise işlem hacmi 8 milyar dolara çıktı.

GÇKB'nin ihracatçı cumhuriyet ihracatı rekoru kırarak yüzde 7,1 artışla 168,1 milyar dolarlık ihracat gerçekleştirirken, bu yılın Ocak ayında yeni bir rekor daha geldi ve ihracat yüzde 5,9 artışla 13,2 milyar doları buldu. İhracata üst üste rekor kırılınca, Türk Eximbank'tan sonra ihracatçıya en büyük destek faktoring şirketlerinden geldi. Toplam 40 milyar dolarlık işlem hacminin gerçekleştirildiği faktoring sektöründe işlem hacminin yüzde 20'ini ihracat faktoringinden kaynaklandı.

600 BİN KOBİ KULLANIYOR

Finansal Kurumlar Birliği (FKB) Başkan Vekili ve TEB Faktoring Genel Müdürü Çağatay Baydar, faktoring sektörünün 40 milyar dolarlık işlem hacmi yarattığını belirttik. 40 milyar dolarlık ticareti finanse ettiklerini söyledi. Faktoringin özelliğinin, KOBİ'lere yönelik hazırlanmış bir ürün olduğuna kaydetti. Baydar, "ABD, Almanya, Fransa'da bu ürünün toplam gayri safi milli hasıladaki payı yüzde 15'er civarında. İngiltere'de bu oran yüzde 18'e kadar çıkıyor. Bizde ise yüzde 4'ler civarında. Buna rağmen Türkiye'de 110 bin KOBİ faktoring ürününü kullanıyor. Bununla da 500 bin tane borçlusu var. Aklında...

Leasing sektörü vizyon belirledi

Faaliyet alanı yatırımların finansmanı olan leasing sektörü için 2018 zorlu geçti. Özellikle yılın ikinci yarısında işlem hacimlerinde önemli daralmalar meydana geldi. 2017 yılında 6,2 milyar dolarlık işlem hacmi elde eden sektör, 2018'i 4,8 milyar dolarlık hacimle kapattı. Bu yıl işler daha da kötü gidiyor.



Rektör Yardımcısı Erhan Aslanoglu, dünya ve Türkiye ekonomisindeki mevcut durum ve gelecek beklentileriyle ilgili bir sunum yaptı. Toplantı ana başlığı yeni iş alanları ve yeni iş modelleri oldu. Birlikten aldığımız bilgiye göre, vizyon toplantısında sektörün yeni büyüme alanları...

Sektör 11 yılda 5 kat büyüdü

Son 11 yılda yüzde 380 büyüme ile neredeyse 5 katına ulaşmak üzere olan banka dışı mali sektörün güçlü bir büyüme performansına sahip olduğu gözlemlendiğini kaydeden BDDK Başkanı Mehmet Ali Akben, banka dışı mali sektörün 2008'de 30 milyar TL'lik bir aktif büyüklüğüyle faaliyet gösterdiğini belirttik. 2013'te 66 milyar TL'ye ve 2018 yıl...



Suç gelirlerinin aklanması ve terörün finansmanı suçlarıyla mücadelede önleyici tedbirler 2019 MASAK Çalıştay'ında MASAK Daire Başkanı Dr. Havva Şahan ve ekibi, BDDK ile Birlik üye temsilcilerinin katılımı ile değerlendirildi.

#FinansalKurumlarBirliği



LEASİNGİN 2019 VİZYONU



Leasing sektörü için 2018 yılı oldukça zorlu geçti. Özellikle yılın ikinci yarısında işlem hacimlerinde önemli daralmalar meydana geldi. 2017 yılında 6,2 milyar dolar işlem hacmi olan sektör, 2018'i 4,8 milyar dolarlık hacimle kapattı. Bu yıl ise finansman maliyetlerindeki artışlar ve yatırım ortamının zayıf seyriyle birlikte sadece 1,2-1,5 milyar dolar arasında hacim tahminleri yapılıyor. Faaliyet alanı yatırımların finansmanı olan leasing sektöründe daralmanın yumuşatılması için düzenleyici otoriteden yeni düzenlemeler bekleniyor.



İŞ LEASING'DEN GÜNEŞ ENERJİSİNE FİNANSMAN

NERGİS AYVAZ BÜMEDİAN ÇNB Finans Faktoring Genel Müdürü

"İhracatın payında yükseliş yaşanıyor"

[illegible]

İBRACATIN FAYDASI
Kuruduğumuzdan beri bütün
İslamcılar bu İbracatı benimseyen
şey artıyor. Şu an İslam tarihinde pay yüzd 24'e
girmiş durumdayız. Bunun için ilk pay yüzd 30-35'e
gelmeleri hedefliyoruz. Burada fonlama çok önemli.
Bizi dışarıya forupla İbracatımız destekliyoruz ki
ayrım maliyetleri bulabilsinler. Şu yili İbracat attı
çok az açık. Finansman ve garant bulabildikler
bölde İbracatı artırmaları düşünüyoruz. Burada
sektör olarak önce çözüme İslam ve ekonomi
yanı sarayda önemli.

LİMITLER KÜÇÜLDÜ
Tedarik zinciri finansmanı önüsü, bu dönemde hafif yavaş evlet मामलेle görüldü. Çünkü ödemeler azaldı, yapılandırılmıslar devreye girdi. Limitler küçüldü ve arzı ettiğiniz hacim yapılamadı. Ama bundan sonra daha iyileşmeler bekliyoruz.

TUM DİJİTAL SİSTEMİ YENİLENDİ
İlçe öğrencilerinde dijitalleşme sağlandı. Artık öğrenciler dersleri BİT ile öğreniyorlar. BİT dersleri artık öğrencilerin hayatlarında önemli bir yer alıyor. BİT dersleri artık öğrencilerin hayatlarında önemli bir yer alıyor. BİT dersleri artık öğrencilerin hayatlarında önemli bir yer alıyor.

ESİT MUAMELE GÖRMEYİ
ONE Finansbank Grup çatısı
altında leasing ve faktoring
olarak varız. Bz griset boyoy ve
deneyimlerimiz bbe geidinde
buza nesi koniside edilecek
bilermiyor Leasing ve banka bu
çok rahat haledeledeyoz. Banka
Sports Muamele Vergisi (BSM)
oldysun, diğer konularda

göre çok daha fazla vergi veriyorsunuz. Tabii ki kaymak bürocuları konusunda da bu etkil oluyor. Farklı vergi ödemeleri nedeniyle vereceğiniz kaymak mailyetli hale geliyor. Sektörün banka dışı finans içinde aktif muamele görmesi önemli.

İhracat faktoringinin avantajları

- İnşaatçılar güvenciler atışması bilgileri sayesinde, اکنون میں گھر، یہ پڑھائی کے قابل ہیں اور ان کے لیے بھی یہ سہولت ہے۔
- Yeni pazarlara idare girmek için olanağı var.
- Nispeti ağırlık verimli bir şekilde düşenler, daha çok satış yapma olanağı sağlar.
- Daha hızlı bir şekilde yapar olar.
- Tesisat yönetiminin diğer 3 şubesi ile.

50 *Flavourist* 2 October 2011

ORFİN Finansman'da kredi kullanan 250 bininci müşterisine özel bir etkinlik!
ORFİN Finansman'ın 250 bininci kredi müşterisi olarak İzmir Renault MAİS yetkili satıcısı ERMAT Motorlu Araçlar A.Ş.'den Dacia Duster ECO-G aracını almaya hak kazanan Gerçek Kubilay'a anahtarını Genel Müdür Özgür Öztürk teslim etti.

Müşterilerimizin taşıt kredisi deneyimini dijitalleştiriyoruz



Mohit Singh *Managing Director, India Office, UK Trade & Investment*



ALJ Finans Genel Müdürü Soner İsmail, finansal sistemlerin her şeyden önce güvenli olmasını vurguladı.

ALFALFANS 

Ingrediente de calitate, ambalare sigilată, siguranță și un preț foarte competitiv. Alfalfans este produs în România și este disponibil în toate regiunile din țară. Este disponibil în două variante: Alfalfans 1000 și Alfalfans 2000. Alfalfans 1000 este un produs de calitate superioară, care conține 1000g de alfalfă pe sac. Alfalfans 2000 este un produs de calitate superioară, care conține 2000g de alfalfă pe sac. Alfalfans este disponibil în toate regiunile din țară. Este disponibil în două variante: Alfalfans 1000 și Alfalfans 2000.

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FINANSMAN ŞİRKETLERİ



FKB Yönetim Kurulu Başkanımız Aynur Eke, Yönetim Kurulu Üyelerimiz ve üye şirketlerimizden 7 kadın CEO, Türkiye'nin En Güçlü 50 Kadın CEO Listesi'nde yer aldı; tebrik ediyoruz.

Tijen Akdoğan Ünver, VDF
Yeşim Pınar Kitapçı, Koçfinans
Aynur Eke, Vakıf Faktoring
Fidan Sevilmiş, Koç Fiat Kredi Finansman
Nergis Ayvaz Bumedian, QNB Finans Faktoring
Fatma Özge Yılmaz, Fiba Faktoring
Dilber Bıçakçı, Creditwest Faktoring
#50GüçlüKadınCEO

Ticaret Bakanı Pekcan eform niteliğindeki kanunun yürürlüğe girdiğini açıkladı

Taşınır rehni KOBİ'leri finansmanda rahatlattı

Ruhsar Pelican
"Tasarru rehni
sistemi ile
KOBİ'lerinize
237 milyar lira
38 milyar dolar
ve 11 milyar
avro finansman
sağlandı.
Bugüne kadar
fiili kullandırım
96 milyar liray-
bıldı" dedi

Takmer takami Rukma Polici, v pripadku svojih 100 let, bo imela enolično indijsko znamenje: na svoji opremi nosi miniaturni klobuček, ki jo razlikuje od ostalih. Rukma Polici je bila prva indijska policistka, ki je leta 1927 postala članica indijske policije. V tistem času je bila indijska policija sestavljena iz britanskih policistov in indijskih policistov, ki so bili pod nadzorstvom britanskih policistov. Rukma Polici je bila prva indijska policistka, ki je leta 1927 postala članica indijske policije. V tistem času je bila indijska policija sestavljena iz britanskih policistov in indijskih policistov, ki so bili pod nadzorstvom britanskih policistov.

[illegible]

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 11. [Index](#)
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Independent Auditor's Report



To the General Assembly of Finansal Kiralama, Faktoring ve Finansman Şirketleri Birliği

A. Audit of the consolidated financial statements

1. Our opinion

We have audited the consolidated financial statements of Finansal Kiralama, Faktoring ve Finansman Şirketleri Birliği (the "Association") and its subsidiaries (collectively referred to as the "Group") which comprise the consolidated statement of financial position as at 31 December 2019, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements comprising a summary of significant accounting policies.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with Turkish Financial Reporting Standards ("TFRS").

2. Basis for opinion

Our audit was conducted in accordance with the Standards on Independent Auditing (the "SIA") that are part of Turkish Standards on Auditing issued by the Public Oversight Accounting and Auditing Standards Authority (the "POA"). Our responsibilities under these standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We hereby declare that we are independent of the Group in accordance with the Ethical Rules for Independent Auditors (the "Ethical Rules") and the ethical requirements regarding independent audit in regulations issued by POA that are relevant to our audit of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

3. Key audit matters

It was decided that we did not have a key audit matter to report in our report.

4. Other matters

The consolidated financial statements of the Association as of 31 December 2018 and for the year then ended were audited by another audit firm whose audit report dated 15 March 2019 expressed an unqualified opinion on those financial statements.

5. Responsibilities of management and those charged with governance for the consolidated financial statements

The Group management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with TFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

6. Auditor's responsibilities for the audit of the consolidated financial statements

Responsibilities of independent auditors in an independent audit are as follows:

Our aim is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an independent auditor's report that includes our opinion. Reasonable assurance expressed as a result of an independent audit conducted in accordance with SIA is a high level of assurance but does not guarantee that a material misstatement will always be detected. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

Independent Auditor's Report

As part of an independent audit conducted in accordance with SIA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Assess the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

B. Other responsibilities arising from regulatory requirements

1. No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code ("TCC") No. 6102 and that causes us to believe that the Group's bookkeeping activities concerning the period from 1 January to 31 December 2019 period are not in compliance with the TCC and provisions of the Association's articles of association related to financial reporting.
2. In accordance with subparagraph 4 of Article 402 of the TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.

PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.


Zeynep Uras, SMMM
Partner

Istanbul, 17 February 2020

INDEX

	PAGE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)	80
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	82
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	83
CONSOLIDATED CASH FLOW	84
EXPLANATORY NOTES RELATED WITH CONSOLIDATED FINANCIAL STATEMENTS	85 - 104

Finansal Kiralama Faktoring ve Finansman Şirketleri Birliği and Subsidiaries

Consolidated Statement of Financial Position (Balance Sheet)

For the Year Ended 31 December 2019

(All amounts expressed in Turkish Lira ("TL"))

	Notes	Current period Audited 31 December 2019	Prior period Audited 31 December 2018
Assets			
Current assets			
Cash and cash equivalents	3	17,510,669	9,766,188
Trade receivables	4	504,482	129,747
Other receivables	5	84,518	-
Current tax assets	9	18,061	120,242
Other current assets	6	35,244	100,597
Total current assets		18,152,974	10,116,774
Non-current assets			
Property, plant and equipment	7	230,253	380,050
Intangible assets	8	2,083,955	1,239,542
Deferred tax asset	13	15,123	9,313
Other non-current assets		8,617	804
Total non-current assets		2,337,948	1,629,709
Total assets		20,490,922	11,746,483

The accompanying notes form an integral part of these consolidated financial statements.

Finansal Kiralama Faktoring ve Finansman Şirketleri Birliği and Subsidiaries
Consolidated Statement of Financial Position (Balance Sheet)
For the Year Ended 31 December 2019

(All amounts expressed in Turkish Lira ("TL"))

	Notes	Current period Audited 31 December 2019	Prior period Audited 31 December 2018
Liabilities and Equity			
Current liabilities			
Trade payables	10	734,949	529,634
Employee termination benefits obligations	11	533,929	225,374
Deferred income	12	3,497,500	2,268,667
Current provisions for employee termination benefits	11	142,724	162,441
Tax payables	13	65,454	25,282
Other current liabilities	14	53,980	207,643
Total current liabilities		5,028,536	3,419,041
Non-current liabilities			
Deferred tax liabilities	13	8,104	6,107
Provisions for long-term employee benefits	11	371,851	282,423
Total non-current liabilities		379,955	288,530
Total liabilities		5,408,491	3,707,571
Shareholders' equity			
Other accumulated expenses that will not be reclassified to profit or loss		(149,096)	(83,976)
- Defined benefit plans re-measurement (losses)/gains		(149,096)	(83,976)
Legal Reserves		15,000	15,000
Retained earnings		8,107,888	9,550,751
Net period income/(loss)		7,108,639	(1,442,863)
Total equity		15,082,431	8,038,912
Total liabilities and shareholders' equity		20,490,922	11,746,483

The accompanying notes form an integral part of these consolidated financial statements.

Finansal Kiralama Faktoring ve Finansman Şirketleri Birliği and Subsidiaries

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 31 December 2019

(All amounts expressed in Turkish Lira ("TL"))

	Notes	Current period Audited January 1 - 31 December 2019	Prior period Audited January 1 - 31 December 2018
Profit or loss			
Sales	15	24,212,742	14,204,152
Cost of sales (-)	15	(5,024,559)	(4,610,872)
Gross profit	15	19,188,183	9,593,280
General administrative expenses (-)	16	(13,556,607)	(12,096,125)
Other operating income		203,398	117,609
Other operating expense (-)	17	(131,878)	(831,535)
Operating profit		5,703,096	(3,216,771)
Financial income	18	1,817,460	2,211,597
Financial expense (-)	19	(35,137)	(265,780)
Profit/(loss) before tax from continuing operations		7,485,419	(1,270,954)
- Tax expense for the period	13	(382,232)	(180,732)
- Deferred tax income	13	5,452	8,823
Net period income		7,108,639	(1,442,863)
Other comprehensive income or loss			
Will not be reclassified to income or loss			
- Actuarial income/(loss)	11	(63,481)	(30,322)
- Deferred income/(expense)	13	(1,639)	(2,992)
Other comprehensive income or loss		(65,120)	(33,314)
Total comprehensive income or loss		7,043,519	(1,476,177)

The accompanying notes form an integral part of these consolidated financial statements.

Finansal Kiralama Faktoring ve Finansman Şirketleri Birliği and Subsidiaries

Consolidated Statement of Changes in Equity

For the Year Ended 31 December 2019

(All amounts expressed in Turkish Lira ("TL"))

	Other comprehensive income and expenses not to be reclassified to profit or loss				
	Defined benefit plans remeasurement losses	Legal reserves	Net Profit/ (Loss)	Retained Earning	Total shareholders' equity
Balance as of January 1, 2018	(50,662)	-	(1,039,365)	10,605,116	9,515,089
Transfers	-	15,000	1,039,365	(1,054,365)	-
Net income/(loss) for the period	-	-	(1,442,863)	-	(1,442,863)
Other comprehensive income/(loss)	(33,314)	-	-	-	(33,314)
Total comprehensive income/(loss)	(33,314)	-	(1,442,863)	-	(1,476,177)
Balance as of December 31, 2018	(83,976)	15,000	(1,442,863)	9,550,751	8,038,912
Balance as of January 1, 2019	(83,976)	15,000	(1,442,863)	9,550,751	8,038,912
Transfers	-	-	1,442,863	(1,442,863)	-
Net income/(loss) for the period	-	-	7,108,639	-	7,108,638
Other comprehensive income/(loss)	(65,120)	-	-	-	(65,120)
Total comprehensive income/(loss)	(65,120)	-	7,108,639	-	7,043,519
Balance as of December 31, 2019	(149,096)	15,000	7,108,639	8,107,888	15,082,431

The accompanying notes form an integral part of these consolidated financial statements.

Finansal Kiralama Faktoring ve Finansman Şirketleri Birliği and Subsidiaries

Consolidated Statement of Cash Flows
For the Year Ended 31 December 2019

(All amounts expressed in Turkish Lira ("TL"))

	Notes	Current period Audited 1 January- 31 December 2019	Prior period Audited 1 January- 31 December 2018
Cash flows from operating activities:			
Net profit/(loss) for the year		7,108,639	(1,442,863)
Adjustments for the reconciliation of net profit and net cash gained from operating activities:			
Entrance fees and accrued shareholding costs	12	1,228,833	362,667
Depreciation and amortization	7, 8	406,463	637,624
Tax adjustments	13	200,381	171,909
Provision for employee termination benefits	11	183,215	53,058
Provision for unused vacation liability	11	(19,717)	67,245
Provision for doubtful receivables	4	(255,898)	(15,250)
Interest income	18	(1,817,460)	(2,120,001)
Cash flows from operating activities before changes in operating assets and liabilities		7,034,456	(2,285,611)
Changes in trade receivables, other receivables	4	(203,355)	153,186
Changes in other current assets	6	65,351	(82,421)
Changes in other non current assets		(7,813)	7,284
Changes in trade payables	10	205,315	37,291
Changes in employee benefit obligations	11	308,555	7,119
Changes in other payables and other liabilities		(301,019)	(90,354)
Tax paid	13	(71,783)	(377,696)
Net cash used from operating activities		7,029,707	(2,631,202)
Cash flows from investing activities			
Interest received	18	1,919,609	2,201,272
Cash flow from property, plant and equipment and intangible asset purchase	7, 8	(1,102,672)	(198,025)
Cash flows from investing activities		816,937	2,003,247
Net cash/(used in) financing activities		-	-
Net changes in cash and cash equivalents		7,846,644	(627,955)
Cash and cash equivalents at the beginning of the period	3	9,645,492	10,273,447
Period-end cash and cash equivalents	3	17,492,136	9,645,492

The accompanying notes form an integral part of these consolidated financial statements.

Finansal Kiralama Faktoring ve Finansman Şirketleri Birliği and Subsidiaries

Notes to the Consolidated Financial Statement

As of 31 December 2019

(All amounts expressed in Turkish Lira ("TL"))

1. GROUP'S ORGANIZATION AND NATURE OF ACTIVITIES

Law No. 6361 on Leasing, Factoring and Financing Companies ("Law") Pursuant to Article 40, the Association of Financial Leasing, Factoring and Financing Companies ("FKB" or "Association") is a public institution that has a legal entity and is a public institution established by the publication of its Status in the o") in the Official Gazette on 25 July 2013. With the General Assembly meeting held on 5 July 2019, the new term Board of Directors was elected for 3 years and took over.

According to the law provisions, all financial leasing, factoring and financing companies that operate in Turkey, as of the date they receive permission to operate, have to join the Association within one month, comply with the provisions of the Statute, and must implement the decisions taken by the Association's competent body.

To assist the realization of the objectives of the Association pursuant to the decisions of the Board of Directors dated 7 January 2014, 2014/2, 2014/3 and 2014/4 and to established three commercial enterprises (subsidiary) with the following titles in accordance with the provisions of the Law, decided.

- 1) Finansal Kiralama, Faktoring ve Finansman Şirketleri Birliği Finansal Kiralama İktisadi İşletmesi
- 2) Finansal Kiralama, Faktoring ve Finansman Şirketleri Birliği Ticaret Finansmanı İktisadi İşletmesi,
- 3) Finansal Kiralama, Faktoring ve Finansman Şirketleri Birliği İktisadi İşletmesi

Association and its subsidiaries together as the "Group" are operating in Turkey and located in Esentepe Mahallesi, Büyükdere Caddesi, Bahar Sokak, No:13 River Plaza Kat:18 Ofis No: 48-49 34394 Şişli, İstanbul, Türkiye. As of the balance sheet date the number of personnel of the Group is 22 (December 31, 2018: 22).

Associations's subject of activity:

The Association is a professional institution that has a legal personality established in accordance with the Law and is a public institution.

Within the framework of free market economy and full competition principles and in line with regulation principles and rules of the industry, the aim of the Association is to defend the rights and interests of the companies to work for the sectors' growth, trusted work and the development of relevant professions and raise the competitiveness.

The Association performs the following tasks to accomplish this aim:

- a) Create policies for the development of sectors and relevant professions and take decisions,
- b) Determine the professional principles and standards that companies have to comply,
- c) To provide the companies to work in the unity, dignity and discipline that the profession requires according to the needs of the economy, by determining the principles and ethics of the profession,
- d) Inform the companies about the decisions taken by relevant legislation and by the Agency and the measures,
- e) Take the necessary measures to protect the competitive environment,
- f) Represent the sectors in the country and abroad, to promote and to make efforts to enlighten the public on this issue,
- g) Transfer the information which is collected through the economy, the financial sector and domestic and international developments in their system by monitoring; to its members and relevant persons,
- ğ) Giving advices to official authorities and organizations about the issues of the companies and sectors,
- h) Take decisions that will strengthen professional solidarity relations between the companies,
- ı) Ensure the cooperation on joint projects between the members,
- i) Collect the companies'and sectors' unconfidential statistics and announce to public,
- k) Follow up the regulations related to the sectors and to publicize these regulations to companies,
- l) Identify the principles to be followed in advertisements and announcements of the companies under the relevant legislation
- m) Follow up the implementation of the decisions and measures and decide to administrative penalty about the companies do not exactly comply with these totally and on time, within the context of the law,
- n) Organize seminars symposiums, conferences and such education programs on issues related to industry,
- o) Litigate about the common interests of the companies according to the Board of Directors' decision,
- p) Take the measures which are required to be taken by the Agency,

Finansal Kiralama Faktoring ve Finansman Şirketleri Birliği and Subsidiaries

Notes to the Consolidated Financial Statement

As of 31 December 2019

(All amounts expressed in Turkish Lira ("TL"))

- r) Determine the principles and procedures related to the registration of lease contracts to the special registry, by taking the relevant opinion of the Board,
- s) Consolidate the information about the assigned receivables including the invoice information of the factoring companies and banks with approval of the Association under the consideration of the Risk Center, determine the procedures and principles about sharing the information.
- t) Carry out other tasks given by the legislation

Finansal Kiralama, Faktoring ve Finansman Şirketleri Birliği Ticaret Finansmanı İktisadi İşletmesi was established on 27 February, 2014. The Factoring Commercial Enterprise's purpose and scope are as follows:

- a) Making required investments in order to establish the system on which the information regarding transferred receivables including the data of invoices will be consolidated; as it is mentioned in article 43, titled as 'Central Invoice Recording', of Financial Leasing, Factoring and Financing Companies Law numbered 6361;
- b) Making operating and personnel expenses for the system to be run on a regular basis,
- c) Achieving service revenue related to the registration process that is performed in order for the system to operate in a well-ordered manner by performing any kind of activity and collecting fees for them
- d) Generating revenue via organizing training and consultancy activities like seminars and conferences about system operations,
- e) Claiming extra fee, in case the information which is demanded by the Association members and banks is not provided in a full and timely manner,
- f) Providing revenue on books, magazines and all kind of publications related to Central Invoice Recording System,
- g) Generating income via other activities performed according to the regulations to be published in accordance with the Financial Leasing, Factoring and Financing Companies Law numbered 6361, Article 43 with the title Central Invoice Recording,
- h) Investing the revenue collected as a result of its financial activities, and depositing the revenue to the bank accounts that are deemed appropriate, being authorized for such actions.
- i) Acting as a private integrator within the scope of the Tax Procedure Law General Notification numbered 421.
- j) Providing electronic invoice storage services under the Tax Procedure Law General Notification numbered 416, 421 and 424.
- k) Providing "e-Archives" service under the Tax Procedure Law General Notification numbered 433.
- l) Manufacturing, developing, handling and reproducing software in every kind of physical and electronic atmosphere, trading of them and acting as a service provider for them which are electronic invoicing, electronic books, electronic invoice software derived from or an integrated part of mentioned software and the service packages consisting of this software,
- m) Producing services on internet, communication medium and all kinds of informatics and exporting, importing domestically trading every kind of computer hardware, software whilst obeying the legislation.
- n) Maintaining, repairing, modifying and leasing the mentioned hardware and software, performing activities for software development and licencing, importing, exporting and domestically trading the related hardware and software.
- o) Servicing for establishing and operating of computer systems
- p) Organizing, seminars, symposiums, conferences and such education and consulting services on issues related to the activities and services within the Factoring Commercial Enterprise and generating income for them.

Finansal Kiralama, Faktoring ve Finansman Şirketleri Birliği İktisadi İşletmesi was established on 24 March, 2014. The Commercial Enterprise's purpose and scope are as follows:

- a) To conduct activities related to the expansion and development of the financial leasing, factoring ve financing companies in Turkey,
- b) Conducting and promoting studies and research regarding financial leasing, factoring and financing companies in order to provide highest level of service and quality,
- c) To make necessary investments for the establishment of the systems for certification, training, testing and evaluation of the creation and development of human resources of the sectors,
- d) Making operational and personnel expenses for the system to be run on a regular basis,
- e) To prepare and implement educational programs in order to increase the number of specialized staff in the sectors and to promote related sectors,

Finansal Kiralama Faktoring ve Finansman Şirketleri Birliği and Subsidiaries

Notes to the Consolidated Financial Statement

As of 31 December 2019

(All amounts expressed in Turkish Lira ("TL"))

- f) Organizing required promotions in order to ensure enhancing the sector image to the highest level, to publish books, magazines and brochures, preparing video band, CD, DVD etc., to take ads, to assume, import and sell the publication rights of related books, to make periodical and non-periodical publications, to organize seminars, symposiums, and conferences with technicality, to organize training courses towards the training of personnel working at member institution and other entities,
- g) To organize various organizations, including dinner meetings to improve the feeling of social solidarity among employees of the Association's member companies,
- h) Engaging activities in the areas which focus on generating revenues from services within the area of its activity.

Finansal Kiralama, Faktoring ve Finansman Şirketleri Birliği Finansal Kiralama İktisadi İşletmesi was established on 27 February, 2014. The Financial Leasing Commercial Enterprise's purpose and scope are as follows:

- a. Making necessary investments according to Financial Leasing, Factoring and Financing Companies Law numbered 6361, Articles 21 and 22 for the establishment of the system related to registration process,
- b. Making operational and personnel expenses for the system to be run on a regular basis,
- c. Performing all kind of activities in order to generate service revenue from registration process,
- d. Organizing trainings, conferences, publications and consulting activities regarding the registration process,
- e. Investing the revenue collected as a result of financial activities and depositing the revenue to the bank accounts that are deemed appropriate, being authorized for such actions.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

A. Explanations on basis of presentation

Declaration of conformity with applied accounting standards and TFRS

Group's financial statements are prepared according to TFRS. TFRS's include standards and comments published by Public Oversight, Accounting and Auditing Standards Authority ("POA") with the name of Turkish Accounting Standards ("TAS"), Turkish Financial Reporting Standards ("TFRS"), TAS Comments and TFRS Comments.

While financial statements use the 2016 TAS Taxonomy which is developed by POA based on the by the Board by the Board decision No. 30 dated 2 June 2016, developed on the basis of subparagraph (b) of Article 9 of the Decree Law No. 660 ("Decree"), 2016 TAS Taxonomy is updated on April 2019 in the frame of TFRS 15 Revenue from Contracts with Customers and TFRS 16 Leases and it is published under the name of 2019 TFRS Taxonomy in order to provide term coherence in the legislation and the Group has prepared its financial statements in accordance with 2019 TFRS Taxonomy.

According to the Turkish Commercial Law No. 6102, among companies who are subject to independent audit, those who are not subject to apply TFRS by the Board Decision of POA about TAS Application can also prepare their financial statements according to TFRS. In this context, Association's management preferred to prepare its financial statements for 31 December 2019 in accordance with TFRS.

The functional currency of the Group is Turkish Lira (TL).

Approval of consolidated financial statements:

The consolidated financial statements prepared related to the accounting period which end up on

31 December 2019 have been approved by the Management of the Group on 17 February 2020 and will be submitted for approval in the first General Assembly that will take place. In the framework of the legislation, the Group's authorized Boards and the regulatory institutions have the authority to alter the financial statements.

Applied accounting standards

Group holds its legal books in accordance with the Turkish Commercial Code no. 6102, tax legislation and the Uniform Chart of Accounts published by the Turkish Ministry of Finance.

Finansal Kiralama Faktoring ve Finansman Şirketleri Birliği and Subsidiaries

Notes to the Consolidated Financial Statement

As of 31 December 2019

(All amounts expressed in Turkish Lira ("TL"))

Group is obliged to recognize all its transactions in line with their actual nature and arrange its financial statements on a timely, accurate, understandable, trustable and comparable manner and suitable for auditing, analysis and interpretation in a form and content meeting knowledge acquisition requirement in the framework of procedures and principles determined by Public Oversight, Accounting and Auditing Standards Authority.

In the preparation of the financial statements and footnotes, "Financial Statements and Examples Use Guide" principles has been used which was announced by the POA as of April 2019.

The financial statements are based on the Group's legal records and represented with TL balances and they have been subjected to certain adjustments and classifications in order to properly present the position of the Association which have been published by the Public Oversight Accounting and Auditing Standards.

Group's functional currency is Turkish Lira ("TL").

Netting/Offset

With all kinds of significant financial amounts, even with similar characteristics, are presented separately in the financial statements. Non significant amounts are material or shown in terms of consolidating as similar items. As a result of the transaction and to make the event the necessary offsetting these transactions and the net amount of the event or the presence of the monitoring over the amount after impairment losses are not considered as a violation of the rule of offsetting. The income earned as a result of the transactions in the normal course of business of the Group, is presented as net value provided with the clause of being appropriate with the nature of the transaction or event.

Basis of consolidation

The Association and the subsidiaries are included in the consolidated financial statements.

Consolidated financial statements include the financial statements of the Association and its subsidiaries as of 31 December 2019. The balance sheet prepared in accordance with the Turkish Financial Reporting Standards ("TFRS") of the subsidiaries has been consolidated with the Association's balance sheet.

According to board decisions which are numbered 2014/2, 2014/3 and 2014/4 dated 7 January 2014, it is decided to establish commercial enterprises to provide continually income and assist for realization of the objectives for the Association of Financial Leasing, Factoring and Finance Companies in line with the law numbered 6361.

Field of activity of commercial enterprises, respectively are;

- To make the necessary investments for the establishment of related systems about registration process specified in articles 21 and 22 of the relevant law and operates in accordance,
- According to 'Central Invoice Recording' entitled under Article 43 at related law, to make required investments in order to establish the system that consolidate the information concerning the receivables (including invoice information) that are assigned to factoring companies and banks,
- To expand and develop activities of the Financial Leasing, Factoring and Finance Companies in Turkey.

Commercial enterprises consolidated are as follows:

Title	Address (City/Country)	Share Rate	Paid in Capital
Finansal Kiralama Faktoring ve Finansman Şirketleri Birliği Finansal Kiralama İktisadi İşletmesi (Finansal Kiralama İktisadi İşletmesi)	Istanbul/Turkey	100%	100,000
Finansal Kiralama Faktoring ve Finansman Şirketleri Birliği Ticaret Finansmanı İktisadi İşletmesi (Ticaret Finansmanı İktisadi İşletmesi)	Istanbul/Turkey	100%	100,000
Finansal Kiralama Faktoring ve Finansman Şirketleri Birliği İktisadi İşletmesi (Birlik İktisadi İşletmesi)	Istanbul/Turkey	100%	105,000
Total			305,000

Finansal Kiralama Faktoring ve Finansman Şirketleri Birliği and Subsidiaries

Notes to the Consolidated Financial Statement

As of 31 December 2019

(All amounts expressed in Turkish Lira ("TL"))

B. Summary of Significant Relevant Accounting Policies

a) Standards, amendments and interpretations applicable as at 1 January 2019:

The Group has applied the new, revised standards and interpretations that are in compliance with TAS and TFRS and valid as of 1 January 2019, related to its field of activity.

- **TFRS 16, 'Leases';** effective from annual periods beginning on or after 1 January 2019, with earlier application permitted if TFRS 15 'Revenue from Contracts with Customers' is also applied. This standard replaces the current guidance in IAS 17 and is a far-reaching change in accounting by lessees in particular. Under IAS 17, lessees were required to make a distinction between a finance lease (on balance sheet) and an operating lease (off balance sheet). TFRS 16 now requires lessees to recognise a lease liability reflecting future lease payments and a 'right of use asset' for virtually all lease contracts. The IASB has included an optional exemption for certain short-term leases and leases of low-value assets; however, this exemption can only be applied by lessees. For lessors, the accounting stays almost the same. However, as the IASB has updated the guidance on the definition of a lease (as well as the guidance on the combination and separation of contracts), lessors will also be affected by the new standard. At the very least, the new accounting model for lessees is expected to impact negotiations between lessors and lessees. Under TFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.
- **IFRIC 23, 'Uncertainty over income tax treatments';** effective from annual periods beginning on or after 1 January 2019. This IFRIC clarifies how the recognition and measurement requirements of IAS 12 'Income taxes', are applied where there is uncertainty over income tax treatments. The TFRS IC had clarified previously that IAS 12, not IAS 37 'Provisions, contingent liabilities and contingent assets', applies to accounting for uncertain income tax treatments. IFRIC 23 explains how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. An uncertain tax treatment is any tax treatment applied by an entity where there is uncertainty over whether that treatment will be accepted by the tax authority. For example, a decision to claim a deduction for a specific expense or not to include a specific item of income in a tax return is an uncertain tax treatment if its acceptability is uncertain under tax law. IFRIC 23 applies to all aspects of income tax accounting where there is an uncertainty regarding the treatment of an item, including taxable profit or loss, the tax bases of assets and liabilities, tax losses and credits and tax rates.
- **Amendments to IAS 19, 'Employee benefits' on plan amendment, curtailment or settlement';** effective from annual periods beginning on or after 1 January 2019. These amendments require an entity to:
 - use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
 - recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

b) Standards, amendments and interpretations that are issued but not effective as at 31 December 2019:

- **Amendments to IAS 1 and IAS 8 on the definition of material;** effective from Annual periods beginning on or after 1 January 2020. These amendments to IAS 1, 'Presentation of financial statements', and IAS 8, 'Accounting policies, changes in accounting estimates and errors', and consequential amendments to other IFRSs:
 - i) use a consistent definition of materiality throughout IFRSs and the Conceptual Framework for Financial Reporting;
 - ii) clarify the explanation of the definition of material; and
 - iii) incorporate some of the guidance in IAS 1 about immaterial information.
- **Amendments to IFRS 3 - definition of a business;** effective from Annual periods beginning on or after 1 January 2020. This amendment revises the definition of a business. According to feedback received by the IASB, application of the current guidance is commonly thought to be too complex, and it results in too many transactions qualifying as business combinations.

Finansal Kiralama Faktoring ve Finansman Şirketleri Birliği and Subsidiaries

Notes to the Consolidated Financial Statement As of 31 December 2019

(All amounts expressed in Turkish Lira ("TL"))

The Group considers that the implementation of the Standards and Interpretations above will not have a significant impact on the Group's financial statements in the future.

The significant accounting policies followed in the preparation of these financial statements are summarized below:

a) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, time deposits and demand deposits at banks.

b) Financial instruments

Trade receivables and provision for doubtful receivables

Trade receivables for which the Group is not in a cash flow forecast for the foreseeable future are deleted from the asset. The provision for doubtful receivables is reserved for receivables whose collectibility is doubtful and for which it is unclear whether the receivables are worthless. The amount of the provision is the difference between the recorded value of the receipt and the possible amount of receivable. Collectable amount is the amortized cost of all cash flows, including amounts recoverable from guarantees and collateral, discounted based on the original effective interest rate of the originated transaction.

If all or part of the doubtful receivable is collected, the amount collected is deducted from the provision for doubtful receivables and recorded in other operating income. Interest and other income from trading securities is also included into "Other income" in the income statement.

c) Property, plant and equipment

Property, plant and equipment are carried at cost value excluding accumulated depreciation and impairment. Depreciation on the property, plant and equipment is provided on straight-line method according to their useful lives from the date of recognition or assembly of the related asset. The estimated useful lives of assets are as follows:

	Years
Furnitures and fixtures	3-10
Leasehold improvements	4-5

Disposal of property, plant and equipment fixed assets or asset gain or loss arising on the difference between the sales proceeds and the carrying amount of the asset is included in the income statement. Further expenses are capitalised only if the expenses increase the future economic benefits. All other expenses are recognized in the comprehensive income report as expenses.

d) Intangible Assets

Amortization is charged on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

	Years
Rights	3-10

Finansal Kiralama Faktoring ve Finansman Şirketleri Birliği and Subsidiaries

Notes to the Consolidated Financial Statement

As of 31 December 2019

(All amounts expressed in Turkish Lira ("TL"))

e) Employee benefits

Employment termination benefits

In accordance with existing social legislation lump-sum termination indemnities are paid to each employee whose employment is terminated due to the retirement or dismissal. In the context of TAS 19 Employee benefits ("TAS 19") mentioned type of payments are specified as defined retirement benefit plans.

The reserve has been calculated by estimating the present value of the future obligation of the Group that may arise from the retirement of the employees.

The liability is not funded as there is no funding requirement.

The Group accounts for employee termination benefits, vacation rights and other benefits to employees in accordance with "Turkish Accounting Standard for Employee Rights" ("TAS 19"). TAS 19 requires actuarial valuation methods to be developed to estimate the Group's obligations under defined benefit plans.

The discount rate for pension commitments consistent with the maturity period and will be used for the payment of commitments, is estimated liabilities denominated in currencies, according to the changing discount rate that has been used over the years regarding the calculation as of 31 December 2019 and 31 December 2018. In line with a discount rate estimation for long-term inflation rate, the changing inflation rate has been used over the years.

The estimated rate of severance indemnity amounts that have not been paid as a result of on-demand departures and that have remained in the Group are also taken into consideration. It is assumed that, the rate of optional separation will be subject to past service period and to assume by calculating total retirement benefit obligation with making the analysis of past experience, expectations are reflected in the calculation of expected future demand separation.

Accordingly, in actuarial calculations, the possibility of employees leave voluntarily is included in the calculation as decreasing rate whilst having increased past service period.

f) Shareholding charges, entrance fee and interest income/expense

Share of participation cost and entrance fee

The entrance fee revenues consist of fees allocated to the budget by the companies for once and the amount is determined by the Board of the Association. The share of participation cost consist of the fees for the Association and sectoral costs in the budget and are determined by the Board of the Association and approved by the General Assembly. Unlike 2019, additional expense participation share was collected for JCR Avrasya Derecelendirme A.Ş share purchase.

Revenues are recorded according to giving the service, having the transfer of risks and benefits associated with the service, determination of the amount of revenue reliably and economic benefits associated with the transaction that are or will be probable to be taken over to flow to the Association on an accrual basis over the fair value.

The entrance fees are reflected to income statement after the membership process is completed and the shares of participation cost are reflected regarding the following service period.

Interest income and expense

Interest income and expenses are recognized in the income statement in the period to which they relate on an accrual basis.

Finansal Kiralama Faktoring ve Finansman Şirketleri Birliği and Subsidiaries

Notes to the Consolidated Financial Statement As of 31 December 2019

(All amounts expressed in Turkish Lira ("TL"))

g) Taxes on income

The Association has exemption from the corporate tax and the value-added tax ("VAT"). However, the Association has obligation on stamp duty for papers issued in relation with its transactions. The subsidiaries are subject to corporate tax at 22%.

To be effective from 1 January 2006, in Turkey, whilst the corporate income is subject to corporate tax at 20%; according to the regulation numbered 7061, which is published in the Official Gazette dated 5 December 2017 and numbered 30261, the "Law on Amendments to Certain Tax Laws and Other Certain Laws" it is set at 22% to be applied to the corporate earnings of the tax years 2018, 2019 and 2020. In addition, the Council of Ministers was authorized to reduce the rate of 22% to 20% (31 December 2018: 20%).

The temporary taxes are calculated and accrued quarterly in Turkey.

Tax losses can be carried forward to offset against future taxable income for up to 5 years. But tax losses cannot be carried back to offset profits from previous periods.

In Turkey, there is no procedure for a final and definite agreement on tax assessments. Corporations file their tax returns within the 25th of the fourth month following the close of the financial year to which they relate. Tax returns and the related accounting records might be changed within 5 years by the tax authorities.

h) The Effects of Changes in Foreign Currency

Foreign currency valuations are recorded by calculation with the exchange rate of the period; foreign currency assets and liabilities are valued with the buying exchange rate declared by the Central Bank of the Republic of Turkey of the balance sheet date. Income and expenses resulting from translation of foreign currency items are included in the income statement for the period.

i) Trade payables

Trade payables contain related goods and services billed or unbilled amounts, consist of debts having maturities of less than three months.

j) Subsequent Events

Subsequent events cover any events which arise between the date of approval of the financial statements and the balance sheet date, even if they occurred after declaration of the net profit for the period or specific financial information is publicly disclosed. The Group adjusts its financial statements if such subsequent events require an adjustment to the financial statements.

k) Provisions and contingent assets and liabilities

Provisions are booked when there is a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. When the amount of the obligation cannot be estimated and an outflow of resources is not probable, it is considered that a "contingent" liability exists and it is disclosed in the related notes to the financial statements. As of 31 December 2019 and 31 December 2018 the Group has no provision, contingent liabilities and assets.

Finansal Kiralama Faktoring ve Finansman Şirketleri Birliği and Subsidiaries

Notes to the Consolidated Financial Statement

As of 31 December 2019

(All amounts expressed in Turkish Lira ("TL"))

I) Related parties

a) A person or that person's immediate family are considered as related party to the Group if the following conditions have been met:

Certain party,

- (ii) If it has control or joint control over the Group,
- (ii) If it has significant influence over the Group
- (iii) In the case of being a member of the Group or the parent Association's key management personnel

b) If any of the following conditions are present, the entity is considered as related party of the Group:

- (i) Entity and Group are members of the same group
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity has a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. (If the Group itself has such a plan, the sponsoring employers are also related to the Group.)
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

3. CASH AND CASH EQUIVALENTS

	31 December 2019	31 December 2018
Cash	2,431	4,244
Bank		
- Demand deposits	52,055	53,276
- Time deposits	17,456,183	9,708,668
Total	17,510,669	9,766,188

As of 31 December 2019, the yearly weighted average interest rates of the TL deposits in the banks range between 7.5% and 23.75% (31 December 2018: 15% - 24%) and the accrued interest amount is TL 18,533 (31 December 2018: TL 120,696). The maturity dates of the TL deposits in the banks vary between 2 January 2020 and 31 January 2020 (31 December 2018: 2 January 2019 - 19 January 2019).

As of 31 December 2019 and 31 December 2018, cash and cash equivalents of the Group are presented by deducting interest accruals from cash and cash equivalents:

	31 December 2019	31 December 2018
Cash and cash equivalents	17,510,669	9,766,188
Minus (-): Interest accruals	(18,533)	(120,696)
Cash and cash equivalents in the cash flow statement	17,492,136	9,645,492

Finansal Kiralama Faktoring ve Finansman Şirketleri Birliği and Subsidiaries

Notes to the Consolidated Financial Statement

As of 31 December 2019

(All amounts expressed in Turkish Lira ("TL"))

4. TRADE RECEIVABLES

	31 December 2019	31 December 2018
Receivables from "MFKS" operations (**)	41,300	53,100
Receivables from factoring operations (Special Integration)	30,330	18,401
Other Factoring	590	-
Receivables from registration process (*)	121,542	35,166
Receivables from members (***)	310,720	23,080
Doubtful trade receivables	552,452	196,765
Provision for doubtful receivables	(552,452)	(196,765)
Total	504,482	129,747

(*) One of the entities subject to consolidation "Finansal Kiralama İktisadi İşletmesi", performs registration of domestic and foreign leasing contracts. As a result of cooperation with "Merkezi Kayıt Kuruluşu", registration process of leasing contracts are started being executed by "Finansal Kiralama İktisadi İşletmesi" since 9 February 2015.

(**) Since 1 January 2015, "Ticaret Finansmanı İktisadi İşletmesi" with cooperation with "Kredi Kayıt Bürosu", serves the Central Invoice Recording System (MFKS) by which Factoring Companies and banks aggregate invoice information about the receivables they assign.

(***) Receivables from members are consists of receivables from Analiz Faktoring TL 158,898 and TL 97,000 are 100% provision according to 2019. In addition, according to MFKS receivables which is include TL 11,800 from Atak Faktoring and TL 8,850 Merkez Faktoring, are 100% provisions are reserved.

Provision for doubtful receivables as of 2019 is as follows:

	2019	2018
Opening balance, 1 January	(196,765)	(181,515)
Provision on the current period	(355,687)	(15,250)
Ending balance, 31 December	(552,452)	(196,765)

5. OTHER RECEIVABLES

As of 31 December 2019, other receivables of the group is TL 84,518, which is contain receivables from tax office (31 December 2018: None).

6. OTHER CURRENT ASSETS

	31 December 2019	31 December 2018
Prepaid insurance policies	23,930	12,738
Reverse charge VAT	9,575	81,073
Personnel health insurance	1,242	4,568
Advances given	497	1,134
Prepaid taxes and funds	-	1,084
Total	35,244	100,597

Finansal Kiralama Faktoring ve Finansman Şirketleri Birliği and Subsidiaries

Notes to the Consolidated Financial Statement

As of 31 December 2019

(All amounts expressed in Turkish Lira ("TL"))

7. PROPERTY, PLANT AND EQUIPMENT

Movements in tangible assets between 1 January - 31 December 2019 are as follows:

Property, plant and equipment	Furniture and fixtures	Leasehold improvement	Construction in progresss	Total
Cost				
Opening balance, January 1, 2019	718,194	1,420,231	-	2,138,425
Additions	53,297	-	-	53,297
Disposals (-)	(1,592)	-	-	(1,592)
Closing balance as of December 31, 2019	769,899	1,420,231	-	2,190,130
Accumulated depreciation				
Opening balance, January 1, 2019	(476,439)	(1,281,936)	-	(1,758,375)
Charge for the period	(63,254)	(138,248)	-	(201,502)
Closing balance as of December 31, 2019	(539,693)	(1,420,184)	-	(1,959,877)
Net book value	230,206	47	-	230,253

Movements in property, plant and equipment between 1 January - 31 December 2018 are as follows:

Property, plant and equipment	Furniture and fixtures	Leasehold improvement	Construction in progresss	Total
Cost				
Opening balance, January 1, 2018	685,851	1,420,231	-	2,106,083
Additions	32,343	-	-	32,342
Closing balance as of December 31, 2018	718,194	1,420,231	-	2,138,425
Accumulated depreciation				
Opening balance, January 1, 2018	(289,363)	(997,146)	-	(1,286,509)
Charge for the period	(187,076)	(284,790)	-	(471,866)
Closing balance as of December 31, 2018	(476,439)	(1,281,936)	-	(1,758,375)
Net book value	241,755	138,295	-	380,050

As of 31 December 2019, there is no pledge or blockage (31 December 2018: None.) Depreciation expenses are reflected in General Administrative Expenses and Costs of Sales accounts.

Finansal Kiralama Faktoring ve Finansman Şirketleri Birliği and Subsidiaries

Notes to the Consolidated Financial Statement
As of 31 December 2019

(All amounts expressed in Turkish Lira ("TL"))

8. INTANGIBLE ASSETS

Movements in intangible assets between 1 January - 31 December 2019 are as follows:

	Rights	Other intangible assets	Total
Cost			
Opening balance, January 1, 2019	1,773,867	50,000	1,823,867
Additions	1,049,374	-	1,049,374
Closing balance as of December 31, 2019	2,823,241	50,000	2,873,241
Accumulated depreciation			
Opening balance, January 1, 2019	(559,325)	(25,000)	(584,325)
Charge for the period	(194,961)	(10,000)	(204,961)
Closing balance as of December 31, 2019	(754,286)	(35,000)	(789,286)
Net book value	2,068,955	15,000	2,083,955

Movements in intangible assets between 1 January - 31 December 2018 are as follows:

	Rights	Other intangible assets	Total
Cost			
Opening balance, January 1, 2018	1,608,184	50,000	1,658,184
Additions	165,682	-	165,682
Closing balance as of December 31, 2018	1,773,866	50,000	1,823,866
Accumulated depreciation			
Opening balance, January 1, 2018	(403,566)	(15,000)	(418,566)
Charge for the period	(155,758)	(10,000)	(165,758)
Closing balance as of December 31, 2018	(559,324)	(25,000)	(584,324)
Net book value	1,214,542	25,000	1,239,542

As of 31 December 2019, there is no pledge or blockage (31 December 2018: None.) Amortisation expenses are reflected in General Administrative Expenses and Costs of Sales accounts.

9. CURRENT PERIOD TAX ASSETS

As of 31 December 2019 the Group has TL 18,061 in taxable income account (31 December 2018: TL 120,242).

Finansal Kiralama Faktoring ve Finansman Şirketleri Birliği and Subsidiaries

Notes to the Consolidated Financial Statement

As of 31 December 2019

(All amounts expressed in Turkish Lira ("TL"))

10. TRADE PAYABLES

	31 December 2019	31 December 2018
Trade payables to third parties	734,949	529,634
Total	734,949	529,634

Trade payables to non-related parties, consist of; technical services, advertising, corporate communications, vendor liabilities and balances owed to the Merkezi Kayıt Kuruluşu. (Regarding 21st and 22nd Articles of Law No. 6361, "Finansal Kiralama İktisadi İşletmesi" executes the registrations of domestic and cross border leasing agreements). Since 9 February 2015, as a result of cooperation with Merkezi Kayıt Kuruluşu, the registration process for leasing contracts are started to be executed by "Finansal Kiralama İktisadi İşletmesi" Trade payables' maturities are less than 30 days.

As of 31 December 2019, the Group has TL 282,940 part, classified under other payables, consists of debts sourcing from contracts concluded in scope of realization of system and infrastructure establishment which shall be used by the software developed towards aggregation, recording, inquiring and reporting of invoice information and other information and/or documents related to receivables transferred in scope of the Law by factoring companies and banks in scope of contracts made with Kredi Kayıt Bürosu; TL 177,000 part consists of debt sourcing from additional software development. (31 December 2018: TL 235,783).

11. LIABILITIES AND PROVISIONS RELATED TO EMPLOYEE BENEFITS

Liabilities related to employee benefits consist of social security premiums payable, income tax paid on behalf of employees; provisions for long-term benefits provided to employees consist of reserve for employment termination benefits.

The indemnities payable amounts to one month salary for each term of service and the maximum amount is calculated on the TL 6,730.15 for 31 December 2019 (31 December 2018: TL 5,434.42).

	31 December 2019	31 December 2018
Provision for employment termination benefits	371,851	282,423
Total	371,851	282,423

	31 December 2019	31 December 2018
Unused vacation provision	142,724	162,441
Total	142,724	162,441

The following actuarial assumptions are used in the calculation of the total liability at the balance sheet date:

	31 December 2019	31 December 2018
Discount rate	4.47%	4.50%
Inflation rate	7.50%	7.00%

Finansal Kiralama Faktoring ve Finansman Şirketleri Birliği and Subsidiaries

Notes to the Consolidated Financial Statement
As of 31 December 2019

(All amounts expressed in Turkish Lira ("TL"))

The movement of severance pay for 2019 and 2018 is as follows:

	2019	2018
Opening balance (1 January)	282,423	199,043
Interest cost	64,230	16,036
Service cost	90,320	37,022
Actuarial (gain)/loss	(65,122)	30,322
Closing balance (31 December)	371,851	282,423

The movement of unused vacation provision for 2019 and 2018 is as follows:

	2019	2018
Opening balance (1 January)	162,441	111,192
Vacation provision for the current period	(19,717)	51,249
Closing balance (31 December)	142,724	162,441

12. DEFERRED INCOME

As of 31 December 2019, charges of shareholding and entrance fees which have been collected from the members are recorded as income for the period of 1 January - 31 December 2019 and the portion of the following years' amounting to TL 3,497,500 was accounted as deferred income (31 December 2018: TL 2,268,667).

13. TAX AND LIABILITIES PAYABLE

	31 December 2019	31 December 2018
Corporate tax provision	382,232	180,732
Advance corporate tax	(334,839)	(275,692)
Total	47,393	(94,960)

Deferred tax asset/(liability), net

	Taxable temporary differences		Deferred tax asset/(liability)	
	31 December 2019	31 December 2018	31 December 2019	31 December 2018
Depreciation correction of property, plant and equipment and intangible assets	54,364	(9,362)	11,962	(1,872)
Provisions for severance pay	8,136	23,422	1,790	4,684
Provisions for accumulated leave	6,233	12,271	1,371	2,700
Accumulated financial losses	-	17,277	-	3,801
Deferred tax asset/(liability)	68,733	43,608	15,123	9,313

Finansal Kiralama Faktoring ve Finansman Şirketleri Birliği and Subsidiaries

Notes to the Consolidated Financial Statement

As of 31 December 2019

(All amounts expressed in Turkish Lira ("TL"))

Deferred tax liability

	Taxable temporary differences		Deferred tax asset/(liability)	
	31 December 2019	31 December 2018	31 December 2019	31 December 2018
Depreciation correction of property, plant and equipment and intangible assets	(141,336)	(78,061)	(31,095)	(15,612)
Provision for severance pay	102,875	42,623	22,633	8,525
Unused vacation liability	1,625	4,457	358	980
Deferred tax liability	(36,836)	(30,981)	(8,104)	(6,107)

Deferred tax assets/liabilities, net

	Taxable temporary differences		Deferred tax asset/(liability)	
	31 December 2019	31 December 2018	31 December 2019	31 December 2018
Depreciation correction of property, plant and equipment and intangible assets	(86,972)	(87,423)	(19,133)	(17,484)
Provision for severance pay	111,011	66,045	24,423	13,209
Provision for accumulated leave	7,858	16,728	1,729	3,680
Accumulated financial losses	-	17,277	-	3,801
Deferred tax assets/liabilities, net	31,897	12,627	7,019	3,206

Reconciliation of tax expense for the years ended 31 December 2019 and 31 December 2018 is as follows:

	31 December 2019	31 December 2018
Profit/(loss) before tax	7,485,419	(1,270,954)
Tax amount due to profit/(loss) before tax	(1,646,792)	279,610
Tax exempt profit	1,233,846	(287,961)
Accumulated financial losses not subject to deferred tax	10,555	6,098
Non-deductible expenses	(35,341)	(169,656)
Deferred tax expenses	(3,801)	-
Additional discounts' effect	64,752	-
Total	(376,780)	(171,909)

The movement of deferred tax for the years ended 31 December 2019 and 31 December 2018 is as follows:

	31 December 2019	31 December 2018
Opening balance	3,206	(2,625)
Accounted on income statement	5,452	8,823
Accounted on shareholders' equity	(1,639)	(2,992)
Total deferred tax liability	7,019	3,206

Finansal Kiralama Faktoring ve Finansman Şirketleri Birliği and Subsidiaries

Notes to the Consolidated Financial Statement As of 31 December 2019

(All amounts expressed in Turkish Lira ("TL"))

14. OTHER CURRENT LIABILITIES

Other current liabilities consist of taxes and funds payable TL 41,426 and other liabilities TL 12,734 value added tax paid as responsible and expense accrual items. (31 December 2018: Other current liabilities consist of taxes and funds payable TL 147,443 and other liabilities TL 60,200).

15. SALES AND COST OF SALES

	1 January - 31 December 2019	1 January - 31 December 2018
Association additional participation share costs	5,727,420	-
Association participation share costs	5,656,251	4,425,584
"MFKS", "TZFS" and private integrator income (*)	5,436,764	4,616,218
Domestic registration fee income	3,133,900	2,580,290
Factoring company participations share costs	1,512,666	796,250
Financing company participations share cost	1,204,000	849,333
Financial leasing participations share cost	1,041,666	398,000
Education expenses	306,475	522,477
Association entrance fee	160,000	-
Foreign registration fee income	34,000	16,000
Total	24,213,142	14,204,152
Sales returns (-)	400	-
Net Sales	24,212,742	14,204,152
Cost of sales (-)	(5,024,559)	(4,610,872)
Gross profit	19,188,183	9,593,280

(*) "MFKS" revenues, as Central Invoice Recording and "TZFS" revenues, as Trade Chain Finance Expense.

Finansal Kiralama Faktoring ve Finansman Şirketleri Birliği and Subsidiaries

Notes to the Consolidated Financial Statement

As of 31 December 2019

(All amounts expressed in Turkish Lira ("TL"))

16. GENERAL ADMINISTRATIVE EXPENSES

	1 January - 31 December 2019	1 January - 31 December 2018
Personnel expenses	(8,149,686)	(6,057,360)
Rent expenses	(1,578,679)	(1,593,232)
Consultancy and audit expenses	(797,340)	(875,751)
General office expenses	(451,298)	(412,832)
Travel expenses	(391,955)	(252,487)
Sponsorships (*)	(354,000)	-
Outsourced benefits and services	(342,727)	(333,283)
Conference and organization expenses	(264,447)	(160,854)
Depreciation and amortization charges	(239,988)	(424,151)
Promotion and advertising expenses	(216,729)	(1,073,559)
Banks' withholding deductions	(180,775)	(143,746)
Representation and hospitality expenses	(132,305)	(117,662)
Stoppage	(115,062)	-
Membership fees	(108,151)	(83,974)
Stamp tax	(64,729)	(25,545)
Conference expense (FCI etc)	(38,000)	(462,996)
Accounting costs	(37,171)	(32,750)
Donation and aid expenses	(30,631)	(100)
Taxes and other legal duties	(54)	(305)
Other expenses	(62,880)	(45,538)
Total	(13,556,607)	(12,096,125)

(*) Presidential Finance Office Financial Perception Survey

17. OTHER OPERATIONAL EXPENSES

	1 January - 31 December 2019	1 January - 31 December 2018
Provision expense	(109,567)	(90,615)
Travel expenses	(13,817)	(195,383)
Advertisement design expense	(5,909)	(121,202)
Withholding tax	(1,041)	(111,014)
Anadolu Tour	-	(200,132)
Leaseurope membership expense	-	(83,830)
Organization expense	-	(23,748)
Representation expense	-	(5,501)
Donation expense	-	(100)
Other expense	(1,544)	(10)
Total	(131,878)	(831,535)

Finansal Kiralama Faktoring ve Finansman Şirketleri Birliği and Subsidiaries

Notes to the Consolidated Financial Statement

As of 31 December 2019

(All amounts expressed in Turkish Lira ("TL"))

18. FINANCIAL INCOME

Financial income consists of interest income from deposits amounting to TL 1,817,460 that consists of interest accrual income amounting to TL 18,533. Interest income includes, also exchange profit to TL 120,696 (31 December 2018: TL 1,944,039 interest income, foreign exchange gain amounting to TL 267,558, interest accrual income amounting to TL 120,696). In addition, as of 31 December 2019, financial income includes exchange profit amount to TL 32,009.

19. FINANCIAL EXPENSE

Financial expenses consist of commission (bank expenses) expenses amounting to TL 2,442 and foreign exchange difference expenses amounting to TL 32,695 (31 December 2018: commission expenses amounting to TL 6,270 (bank expenses) and foreign exchange difference expenses amounting to TL 259,510).

20. RELATED PARTY TRANSACTIONS

As of 31 December 2019 and 31 December 2018 the Group has no related party transactions and balances.

There are no compensations to key management personnel as of 31 December 2019 and 31 December 2018.

21. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Risk management objectives and principles

The Group's activities expose it to a variety of financial risks, including the effects of changes in debt and equity market prices, foreign currency exchange rates and interest rates. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Group.

Credit risk

Having the financial instruments carries out an element of risk that the counterparties may be unable to meet the terms of the agreements. Group Management front these risks by limiting the aggregate risk to any individual counterparty and also in case, by obtaining collaterals. Group's collection risk arises mainly from receivables from members.

As of 31 December 2019	Other Receivables	Trade Receivables	Deposits at bank	Financial investments
Maximum exposure to credit risk at the reporting date (A+B+C+D+E) (1)	-	504,482	17,508,238	-
- The part of maximum risk guarantee with collateral or etc (2)	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired the net book value	-	504,482	17,508,238	-
B. Having renegotiated conditions otherwise due to the carrying amount of financial assets accepted as past due or impaired	-	-	-	-
C. Net book value of financial assets that are past due but not impaired the net book value	-	-	-	-
- The part of net values under guarantee with collateral.	-	-	-	-
D. Net book value of financial assets that are impaired the net book value	-	552,452	-	-
- Past due (gross carrying amount)	-	(552,452)	-	-
- Impairment (-)	-	-	-	-
- The part of net values under guarantee with collateral.	-	-	-	-
- Not past due (gross carrying amount)	-	-	-	-
- Impairment (-)	-	-	-	-
- The part of net values under guarantee with collateral.	-	-	-	-
E. Off-balance sheet items with credit risk	-	-	-	-

Finansal Kiralama Faktoring ve Finansman Şirketleri Birliği and Subsidiaries

Notes to the Consolidated Financial Statement

As of 31 December 2019

(All amounts expressed in Turkish Lira ("TL"))

As of 31 December 2018	Other Receivables	Trade Receivables	Deposits at bank	Financial investments
Maximum exposure to credit risk at the reporting date (A+B+C+D+E) (1)	-	129,747	9,761,944	-
- The part of maximum risk guarantee with collateral or etc (2)	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired the net book value		129,747	9,761,944	
B. Having renegotiated conditions otherwise due to the carrying amount of financial assets accepted as past due or impaired	-	-	-	-
C. Net book value of financial assets that are past due but not impaired the net book value	-	-	-	-
- The part of net values under guarantee with collateral.	-	-	-	-
D. Net book value of financial assets that are impaired the net book value	-	196,765	-	-
- Past due (gross carrying amount)	-	(196,765)	-	-
- Impairment (-)	-	-	-	-
- The part of net values under guarantee with collateral.	-	-	-	-
- Not past due (gross carrying amount)	-	-	-	-
- Impairment (-)	-	-	-	-
- The part of net values under guarantee with collateral.	-	-	-	-
E. Off-balance sheet items with credit risk	-	-	-	-

Liquidity risk

The risk of funding of existing and prospective debt requirements is managed by arranging sustainable accessibility to sufficient number of high-qualified lenders.

Prudent liquidity risk management refers to the ability to hold sufficient cash and securities, the availability of adequate utilizing funding sources and credit transactions, and the ability to close market positions.

The table below shows the Group's distribution of non-derivative financial liabilities' maturity profile as of 31 December 2019 and 31 December 2018:

Finansal Kiralama Faktoring ve Finansman Şirketleri Birliği and Subsidiaries

Notes to the Consolidated Financial Statement
As of 31 December 2019

(All amounts expressed in Turkish Lira ("TL"))

December 31, 2019

Maturities in accordance with agreement	Book values	Total cash outflow in accordance with agreement (=I+II+III)	Less than 3 months (I)	Between 3-12 months (II)	Between 1-5 years (III)
Non-derivative financial liabilities					
Trade payables	734,949	734,949	734,949	-	-
Total	734,949	734,949	734,949	-	-

December 31, 2018

Maturities in accordance with agreement	Book values	Total cash outflow in accordance with agreement (=I+II+III)	Less than 3 months (I)	Between 3-12 months (II)	Between 1-5 years (III)
Non-derivative financial liabilities					
Trade payables	529,634	529,634	529,634	-	-
Total	529,634	529,634	529,634	-	-

Interest rate risk

The Group has no interest rate risk as of 31 December 2019 since it has no asset with flexible interest. (31 December 2018: None).

Foreign currency risk

The Group is exposed to foreign currency risk due to exchanging of the foreign currency assets and liabilities amounts to TL. The Group follows balanced foreign exchange policy in order to reduce its foreign currency risk.

As of 31 December 2019 the Group has no foreign currency balance and was not exposed to exchange rate risk (31 December 2018: None).

22. SUBSEQUENT EVENTS FOLLOWING THE BALANCE SHEET DATE

Share Transfer Contract regarding 850,500 registered shares of JCR Avrasya Derecelendirme A.Ş which represents 85.05% of the total shares, has been organized in Istanbul, Turkey on 28 November 2019 and signed by other buyers including Association. The total number of shares subject to the Association within the total transfer is 59,999 and the share ratio is 6%, and the transfer fee to be paid is TL 5,788,185.91. According to the contract, 75% of the share transfer price will be paid to the seller by the buyers on the closing date and the remaining 25% after six months. (Closing protocol date: 17 January 2020 and TL 4,341,139.43 was paid by the Association on the related date.) Association has received an approval for the purchase of shares by holding an Extraordinary General Assembly Meeting on 26 September 2019.

23. OTHER ISSUES THAT HAVE SIGNIFICANT EFFECT ON THE BALANCE SHEET OR THAT ARE AMBIGUOUS AND/OR OPEN TO INTERPRETATION AND REQUIRE CLARIFICATION:

None.

Individual independent audit reports of our Institution and Commercial Enterprises are available on our website and can be accessed via the link below:
<https://www.fkb.org.tr/reports-and-publications/reports/members-audit-reports/>



www.fkb.org.tr

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