



## CREDIT RATING REPORT

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LEAD ANALİST: TOLGA KARACA

+90 212 232 84 50 tolga.karaca@drcrating.com

ISUER: MERCEDES-BENZ KAMYON FİNANSMAN A.Ş.

ISSUE: -

CORE BUSINESS: FINANCE

NEW:

UPDATE:

MERCEDES-BENZ KAMYON FİNANSMAN A.Ş. Akçaburgaz Mah. Süleyman Şah Cad. No:6/2 34522 Esenyurt / İstanbul Tel: (0212) 866 65 65 <a href="http://www.mercedesbenzkamyonfinansman.com.tr">www.mercedesbenzkamyonfinansman.com.tr</a>	RATINGS*					
	ISSUER RATING		OUTLOOK	ISSUE RATING		OUTLOOK
	LONG TERM	SHORT TERM		LONG TERM	SHORT TERM	
INTERNATIONAL FOREIGN CURRENCY	-	-	-			
INTERNATIONAL LOCAL CURRENCY	-	-	-			
NATIONAL RATING	TR AAA NR	TR A-1 NR	Stable NR			

\*Previous ratings are at the bottom right of the cells. **NR:** Not rated by DRC RATING. **Outlook:** Positive, Negative, Stable, Developing.

**SUMMARY:** Mercedes Benz Kamyon Finansman A.Ş. (hereafter MBKF or the Company) has been affirmed a **long-term national credit rating of TR AAA a short-term national credit rating of TR A-1 and outlook Stable**. The credit ratings reflect our opinion on the indirect parent Daimler Truck AG has given a 100% payment guarantee for the Company's loan debts to banks, the strong market share of the Mercedes-Benz branded trucks and buses, and the penetration rates of the Company in Mercedes-Benz vehicles, success of cautious risk management, the strength and willingness of the partners to provide full support to the Company when necessary. Although macroeconomic indicators, the loss in the value of ₺ compared to the end of 2021, short track record, low net interest margin and operating loss in the second quarter of 2022 put pressure on the credit ratings; net profit in the first operating period, low non-performing loans (NPL) ratio, strong equity structure, collaterals received for NPLs above the asset value and high solvency has been effective in determining the credit ratings.

### Key Financial Data (Million ₺)

	2021	2022/6
Total Assets	736	10,207
Total Customer Loans (Net)	0	9,865
Financial Liabilities	0	8,715
Equity	728	775
Income from Customer Loans	0	363
Net Profit / Loss	0	48



### Ratings Rationale, Outlook and Important Factors for the Future:

Istanbul, December 6<sup>th</sup>, 2022

#### Financial Data

June 30<sup>th</sup>, 2022

(Million ₺)

Total Assets	10,207
Total Cust. Loans (Gross)	9,865
Equity	775
Income from Cust. Loans	363
Total Financial Liab.	8,715
Net Profit/Loss	48

#### Rasyolar

ROAA (%)	0.9
ROAE(%)	6.7
NPL Ratio (%)	1.6
Equity/Tot Assets (%)	7.6

The credit ratings reflect our opinion on the indirect parent Daimler Truck AG has given a 100% payment guarantee for the Company's loan debts to banks, the strong market share of the Mercedes-Benz branded trucks and buses, and the penetration rates of the Company in Mercedes-Benz vehicles, success of cautious risk management, the strength and willingness of the partners to provide full support to the Company when necessary. Although macroeconomic indicators, the loss in the value of ₺ compared to the end of 2021, short track record, low net interest margin and operating loss in the second quarter of 2022 put pressure on the credit ratings; net profit in the first operating period, low non-performing loans (NPL) ratio, strong equity structure, collaterals received for NPLs above the asset value and high solvency has been effective in determining the credit ratings.

MBKF, of which Mercedes-Benz Finansman Türk A.Ş. is a 100% shareholder, was established on October 11, 2021 to provide consumer financing services within the scope of the global decision taken by Daimler AG. The establishment of the Company was authorized with the Decision of the Banking Regulation and Supervision Agency dated September 23, 2021 and numbered 9819. The Company derives its revenues mainly from financing activities provided to consumers purchasing Mercedes-Benz trucks and buses. On April 1, 2022, Mercedes-Benz Finansman Türk A.Ş. transferred its truck and bus financing contracts worth ₺6.3 billion and €134.4 million to MBKF, which has the same process and infrastructure as itself. All MBKF shares belonging to Mercedes-Benz Finansman Türk A.Ş. were transferred to Daimler Truck Financial Services GmbH, a financial services

institution within Daimler Truck AG, on October 5, 2022.

As of June 30, 2022, MBKF had to bear a financing expense of ₺333 million for the bank loans used, while earning an interest income of ₺362.8 million from the financing loans it extended. MBKF, which has allocated a provision expense of ₺44.5 million, has a loss of ₺13.2 million from its financing activities. The operating loss of MBKF in the first 3 months operating period was ₺56.4 million due to operational expenses of ₺43.2 million. Despite the operating loss, the income from other operations of ₺62.1 million and deposit interest income of ₺55.1 million enabled MBKF to close the period with a net profit of ₺47.5 million.

DRC RATING has assigned the outlook of MBKF's National Long-Term Rating as "**Stable**". Global disruptions in semiconductor chip production, which started in 2021, causing delays in vehicle production and delivery, the high power and willingness of Daimler Truck AG, the parent company, to provide financial support to the Company, the low collection risk with the cautious risk policies applied and the conversion of the resulting operating loss into net profit for the period thanks to other operating income and interest income from bank accounts and the depreciation in ₺ was taken into account and positive/negative factors were evaluated in determining the outlook.

Key factors to consider for the future change in rating and outlook are:

Positive

- Increasing the net interest margin,
- Reducing funding costs,
- Diversification of funding sources with debt instruments planned to be issued,

Negative:

- Additional restrictive regulations that the CBRT and BRSA may impose on financing companies,
- Increased collection risk due to negative macroeconomic indicators,
- Continuing depreciation of ₺ against foreign currencies,



Mercedes-Benz Kamyon Finansman

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