



**ANSAR**  
LEASING

**BAKU**  
**21 JUNE 2010**

**on the duty of your interests**

LEASING

# BACKGROUND OF ANSAR LEASING

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# BACKGROUND OF ANSAR

- THE FIRST ISLAMIC LEASING COMPANY IN AZERBAIJAN

- SHAREHOLDER:



- OFFICIAL NAME: AZERBAIJAN LEASING COMPANY LLC
- BRAND NAME: ANSAR LEASING
- MAIN ACTIVITY: LEASING ON ISLAMIC PRINCIPLES
- CHARTER CAPITAL: 5.000.000 AZN

# BACKGROUND OF ANSAR,cont

- ALC was established by the Islamic Corporation for the Development of the Private Sector in December 2008, in Baku Azerbaijan.
- In short span of 8 months, since starting operation in Sep '09, ALC has processed more than 300 leasing applications from individuals and companies in numerous sectors of the economy - industry, transportation, construction, medical, real estate etc
- Since the beginning of 2010, ALC's portfolio has grown by 52% & the trend is expected to continue for the whole year.
- Guided by Sharia principles, Ansar Leasing aims to be the best in its class, satisfying client needs while serving its shareholder's objective of helping to develop Azerbaijani private sector.

# BACKGROUND OF ANSAR,cont

- **Current Portfolio: 1.2 million USD.**

- **Current Portfolio diversification:**

**Individual Clients - 36%**  
**Corporate Clients - 64%**

- **Forecasted 2010 year end portfolio: USD 8 mln**

- **Forecasted 2012 year end portfolio: USD 40 mln**



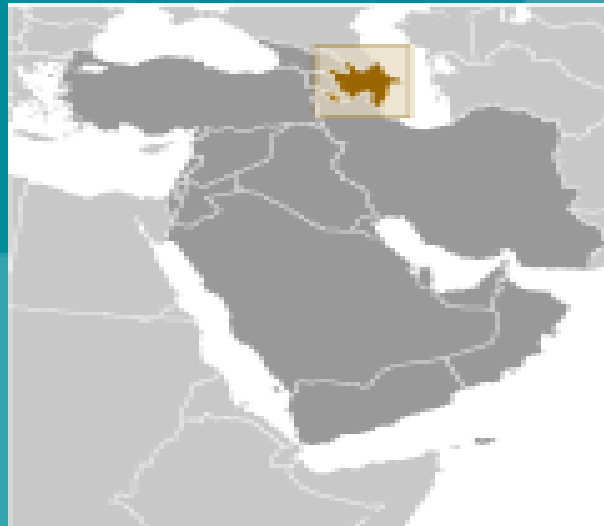
# BACKGROUND OF ANSAR,cont

- **Funding Sources**
  - Charter capital
  - ICD
  - Other Islamic financial institutions
    - Local
    - International
- **Participation on non-fund based activities**



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# OVERVIEW OF AZERBAIJAN LEASING MARKET



# MACROECONOMIC INDICATORS OF AZERBAIJAN IN AZN MILLION



- Gross Domestic Product/Growth rate (12/09): 34 578,7-109,3%
- Non-oil GDP/Growth rate (12/09): 15 683,2-103,2%
- Capital investments/Growth rate (12/09): 7 358,7-81,3%
- Nominal income of population/Growth rate (12/09): 22 396,1-108,0%

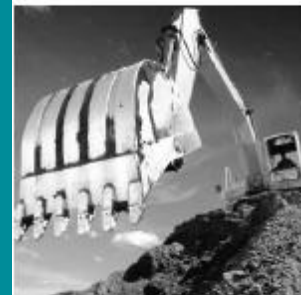


# LEGAL ASPECT OF LEASING SECTOR

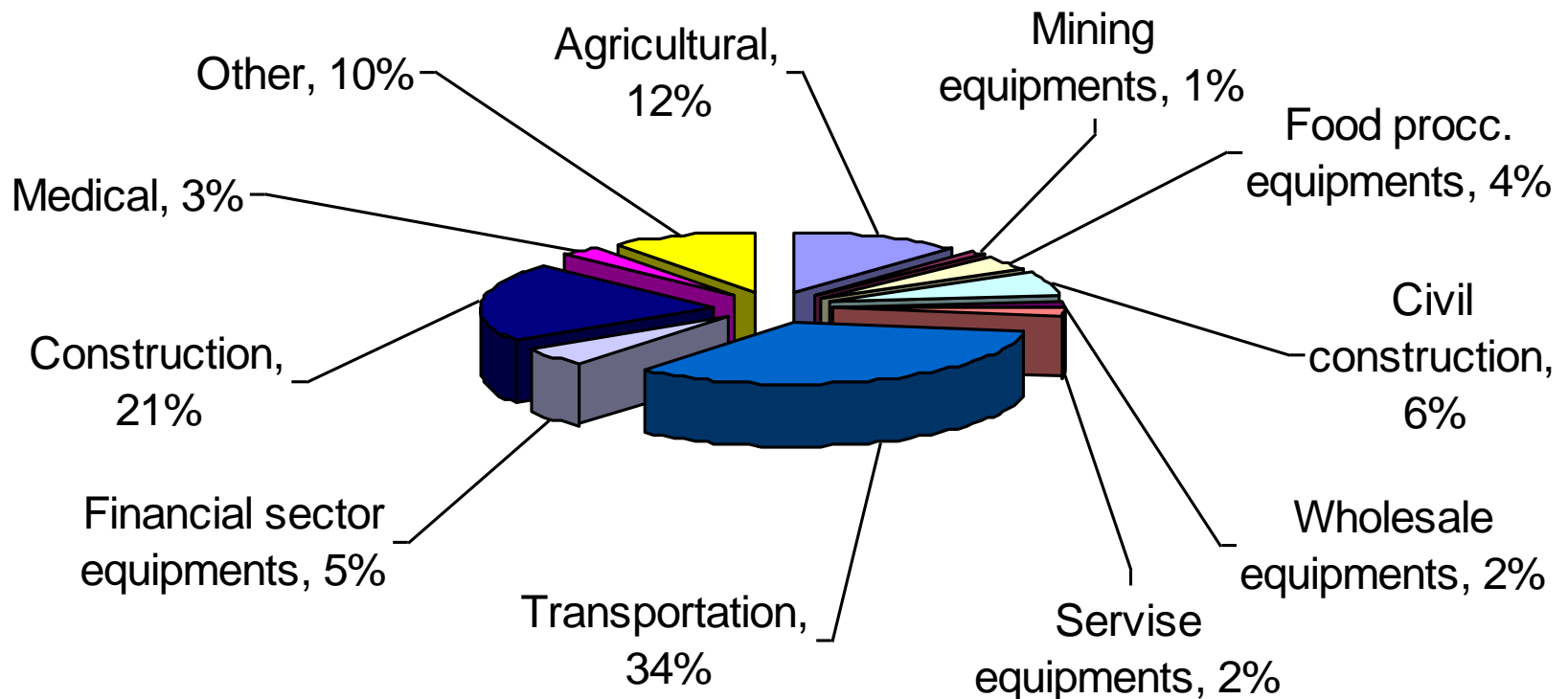
- Leasing started to operate in Azerbaijan from 1999
- Leasing is regulated by tax and civil code in Azerbaijan
- Currently there are about 15 leasing companies officially registered in Azerbaijan
  - One of these is established by government to stimulate agriculture sector

# LEASING INDUSTRY VOLUME

- Average portfolio size of leasing companies of Azerbaijan is 150 million USD.
- Demand for leasing in Azerbaijan is approximately 700-800 million USD.



# DIVERSIFICATION BY SECTORS (2008)



# TARGETS OF ANSAR

# BUSINESS STRATEGY

- **Sharia-compliant activities**
- **Individual - personal leasing**
- **Corporation – business leasing**
- **Participation in global investment projects in Azerbaijan**
- **Vendor leasing**



# BENEFITS TO CUSTOMERS

- **Low documentation cost**
- **No outside security needed as leasing object is the property of lessor**
- **Leasing payment is free from VAT**
- **Leasing period is long**
- **Leasing is a main tool of renovation of fixed assets**
- **During leasing operations whole procedures are held by lessor**
- **Option for used equipments**

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# LEASING OBJECTS

**Passenger Vehicles  
Commercial  
Vehicles**

**Special – Purpose  
Construction  
Vehicles**

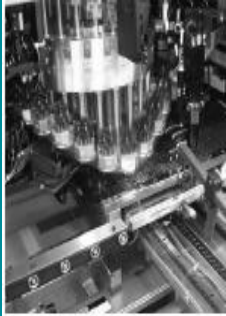
**Work Machines  
Medical Devices and  
Equipment**

**Technological  
Equipment**

**Textile Machinery  
Metal Processing  
Machinery**

**Printers  
Manufacturing  
Machinery  
Furnishing  
Audio and Visual  
Systems  
Agriculture  
Machinery  
Real Estate  
Heating and Cooling  
Equipment  
Aircrafts  
Marine Vehicles**

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# MAIN LEASING TERMS

- **Down Payment: From 20 %**
- **Maturity: 12 months to 72 months**
- **Currency: USD, AZN, EURO**
- **Property rights obliged to leasing company**
- **Leasing object must be insured for the whole period**
- **Compliance to environmental regulations**



# STRUCTURE OF LEASING OPERATIONS

- APPLICATION
- EVALUATION
- CONTRACT SIGNING
- ACQUISITION OF EQUIPMENT
- INSURANCE OF EQUIPMENT
- HANDING OVER OF PROPERTY RIGHTS TO LESSEE



# KEY PERFORMANCE INDICATORS

- **DEVELOPMENT IMPACT**
  - DEVELOPMENT OF ISLAMIC FINANCIAL SECTOR
  - INCREASE EXPORT POTENTIAL THRU DEVELOPING SUB INDUSTRIES SUCH AS CONSTRUCTION AND MANUFACTURING
  - JOB CREATION
- **CUSTOMER SERVICE**
  - QUICK AND CONVENIENT
- **HIGH RETURN ON INVESTMENT**
  - ROE (5<sup>TH</sup> YEAR): 33%
  - ROA (5<sup>TH</sup> YEAR): 7.9%
- **INVESTMENT OPPORTUNITIES TO FOREIGN INVESTORS – EXPOSURE TO GROWING AZERI ECONOMY**

# CONTACT INFO

## ANSAR LEASING COMPANY

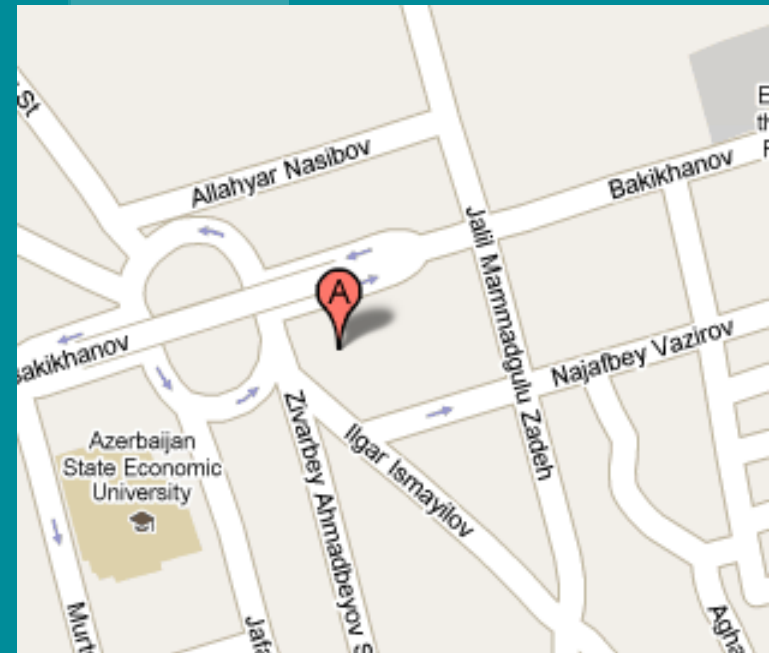
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# Thank you!

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