

Corporate Credit Rating

New Update

Sector: Banking

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R A T I N G S		Long Term	Short Term
ICRs (Issuer Credit Rating Profile)	National ICR	A- (tr)	J1 (tr)
	National ICR Outlooks	Stable	Stable
	International FC ICR	BB	-
	International FC ICR Outlooks	Negative	-
	International LC ICR	BB	-
	International LC ICR Outlooks	Negative	-
ISRs (Issue Specific Rating Profile)	National ISR	-	-
	International FC ISR	-	-
	International LC ISR	-	-
Sovereign *	Foreign Currency	BB (Negative)	-
	Local Currency	BB (Negative)	-

* Assigned by JCR on August 18, 2022

D Yatırım Bankası A.Ş.

JCR Eurasia Rating has evaluated "D Yatırım Bankası A.Ş." in the high investment-grade category, affirmed the Long-Term National Issuer Credit Rating as 'A- (tr)' and the Short-Term National Issuer Credit Rating as 'J1 (tr)' with 'Stable' outlooks. On the other hand, the Long-Term International Foreign and Local Currency Issuer Credit Ratings and outlooks have been assigned as 'BB / Negative' as parallel to international ratings and outlooks of Republic of Turkey.

"D Yatırım Bankası A.Ş." (hereinafter referred to as 'D Investment Bank', or 'the Bank' or 'the Company') was established with an initial capital of TRY 200mn and registered in the Istanbul Trade Register on June 22, 2020 with the decision of the Banking Regulation and Supervision Agency (BRSA) dated March 19, 2020 and numbered 8953. The Bank obtained authorization for the establishment from the BRSA which became valid by being published in the Official Gazette dated May 26, 2021, and began the process on banking operations on August 2, 2021. As part of its vision, mission and strategy, D Investment Bank is offering Structured Finance, Investment Banking, Transactional Banking (Cash Management and International Trade Finance) and Treasury products and services to Corporate and Commercial Banking customers. The Bank had an average workforce of 54 employees as of June 30, 2022.

Doğan Şirketler Grubu Holding A.Ş. (hereinafter referred to as 'Doğan Holding', or 'Doğan Group') is the main controlling shareholder, owning 90.99% of the total shares of the Bank and the remaining shares belong to Doğan Holding's subsidiaries as of reporting date. Doğan Holding was established in 1961 by Mr. Aydın Doğan and has been transformed into an investment holding in 1980. The main field of activity of Doğan Holding consists of electricity production, petroleum products retail, industry and trade, automotive trade and marketing, financing and investment, internet and entertainment and real estate investments. With over 60 years of activity history, Doğan Group has established collaborative partnerships with internationally well-known domestic and foreign institutions thanks to know-how and network presence. Doğan Holding operates 51 subsidiaries and 9 joint ventures under its umbrella with a staff force of 7,414 as of June 30, 2022.

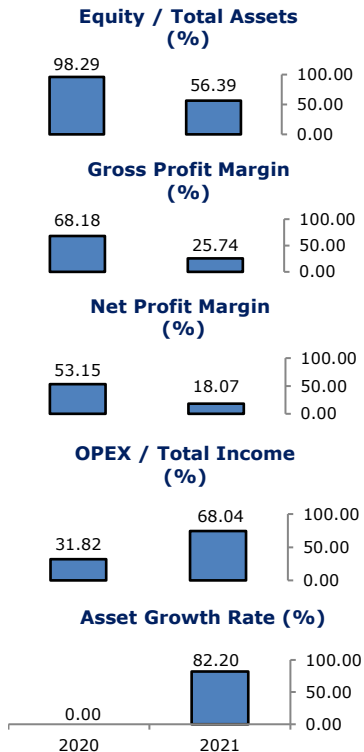
Key rating drivers, as strengths and constraints, are provided below.

Strengths

- Earning asset growth supported by operational activities,
- Increasing trend in the net interest margin,
- Diversified funding structure providing financial flexibility,
- Reputable brand name with a proven track record in various business segments, financial and operational strength of Doğan Şirketler Grubu Holding A.Ş. and the synergy created,
- Experienced management team and well-organized management infrastructure,
- Well-established risk management organization,
- Country-specific advantages encouraging investment which contributes to the investment banks' operations.

Constraints

- Limited historical data for trend analysis,
- Lack of customer and product diversification,
- Short-term borrowing profile causing sensitivity to interest rates and liquidity.



Considering the aforementioned points, the Bank's Long-Term National Issuer Credit Rating has been affirmed as 'A- (tr)'. The Bank's revenue generation capacity, asset quality, diversified borrowing structure, capital adequacy and risk management implementations have been evaluated as important indicators for the stability of the ratings and the outlooks for Long and Short-Term National Issuer Credit Ratings are determined as 'Stable'. The Bank's financial structure, attainability of the Bank's budgeted projections, the NPL level, the possible impacts of the Russia-Ukraine War on the global and Turkey's economy and its effects on the Bank's activities will be closely monitored by JCR Eurasia Rating in upcoming periods. The macroeconomic indicators in national and international markets, as well as market conditions and legal framework about the sector will be monitored as well.