

Corporate Credit Rating
Annual Review Report

Factoring

creditwest		Long Term	Short Term	
International	Foreign Currency	BBB-	A-3	
	Local Currency	BBB-	A-3	
	Outlook	FC	Stable	Stable
		LC	Stable	Stable
National	Local Rating	AA (Trk)	A-1+ (Trk)	
	Outlook	Stable	Stable	
Sponsor Support		2	-	
Stand-Alone		A	-	
Sovereign*	Foreign Currency	BBB-	-	
	Local Currency	BBB-	-	
	Outlook	FC	Stable	-
		LC	Stable	-

*Assigned by Japan Credit Rating Agency, JCR on May 23, 2013

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CREDITWEST FAKTORİNG A.Ş.					
Financial Data	2012*	2011*	2010*	2009*	2008*
Total Assets (000 USD)	319,675	298,762	255,451	166,084	96,974
Total Assets (000 TRY)	568,255	564,331	392,782	247,017	147,575
Equity (000 TRY)	140,869	117,805	92,909	66,918	52,450
Net Profit (000 TRY)	31,621	25,620	25,587	15,225	10,457
Market Share (%)	3.13	3.61	2.72	2.35	1.89
ROAA (%)	6.92	6.76	10.02	9.73	7.90
ROAE (%)	30.32	30.70	40.11	32.17	27.51
Equity/Assets (%)	24.79	20.88	23.65	27.09	35.54
NPL (%)	4.07	3.67	4.17	8.13	10.97
Growth Rate (%)	0.70	43.68	59.01	67.38	-22.23

*End of year

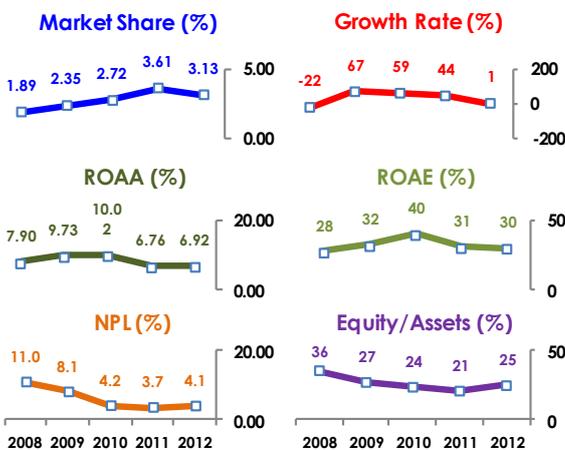
Company Overview

Creditwest Faktoring A.Ş. (hereinafter referred to as Creditwest Faktoring, Creditwest, or the Company), founded in 1994, operates in the Turkish Factoring Sector and offers cash-financing to sellers in return for their receivables, based on invoices or other certifying documents representing the domestic sales of goods and services, by undertaking their collection.

The principal shareholder of the company is **Altınbaş Holding A.Ş.** with an 85% share. The holding company specializes primarily in the jewelry sector and holds the well-known brand name **Altınbaş** in the Turkish jewelry sector. The Group also operates in the energy, logistics and ship-building sectors.

Creditwest, one of the only two factoring companies in Turkey to be listed on BIST (Borsa Istanbul), is a co-founder with a 50% stake of West Finance and Credit Bank in Ukraine, which was assigned a long-term national rating of 'A+ (Ukr)' by **JCR Eurasia Rating** in 2012. The Company, with a total asset size of TRY 568.26mn, had a 3.13% market share in the factoring sector worth a total of TRY 18.17bn as of FYE2012.

Creditwest Faktoring carried out its fully domestic and revocable factoring transactions through its headquarters in Istanbul and a branch in Ankara, and employed a staff of 63 as of FYE2012.



Strengths

- Relatively high compliance level with corporate governance principles,
- Continuously above sector average profitability ratios,
- Comparatively high internal equity generation capacity,
- Improved and above sector average equity level enabling opportunity for further growth,
- One of the few factoring companies listed on the BIST,
- Remarkably below sector average short-term debt ratio derived from continuing bond issuances,
- Below sector average NPL ratio derived from effective risk management practices and long-standing and experienced management team
- Improving and exceeding sector average collateral level, contributing to asset quality.

Constraints

- Downward trend in interest margin,
- Scarce network externalities compared to bank-related companies,
- Fierce competition throughout the sector,
- Country-wide issue of remarkable increases in the number and volume of dishonored checks in the completed fiscal year despite the relatively low effect on the Company due to its portfolio structure including assignment based receivables

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