

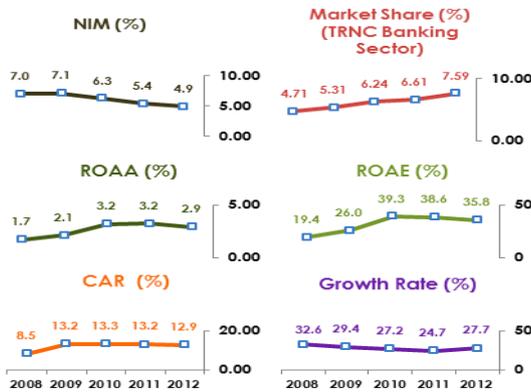
Corporate Credit Rating Update

Banking

creditwest Creditwest Bank Kıbrıs		Long-Term	Short-Term	
International	Foreign Currency	BBB-	A-3	
	Local Currency	BBB-	A-3	
	Outlook	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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Strengths

- Constant increase in net profit, accompanied by sound return on assets and equity ratios surpassing the sector average during the last four year period
- Retention of large proportion of endangered profits contributing to Bank equity and continuous growth
- Outperformance of the sector in assets, loans, deposits growth and booking net profit and hence progressive increase in all major segment market shares
- Satisfactory capital and liquidity level along with solid and broad deposit customer base, a significant portion of which is covered by the Savings Deposit Insurance Fund
- Allocated high loans loss provisioning and high collection rate of non-performing loans portfolio contributing to the quality of preserving assets
- Strong market position, well-established organizational structure and successful management practices

Constraints

- Short and continuous decline in average maturity profile of deposits, the Bank's main funding sources, prevalent in the TRNC banking sector
- Although banks hold substantial liquidity and credit products structures in order to reduce maturity mismatches, sector-wide structural maturity mismatches exerting pressure on liquidity management
- Sector-wide issue of high NPLs proportion as the main challenge, despite their full provisioning
- Additional global risks to be exerted by shifts in monetary policy of developed countries
- Isolated economic and political structure of the TRNC a major complication for the sector's development
- Improvements needed in corporate governance practices
- Retained decreasing trend in net interest margin will have adversities on the profitability in future

Creditwest Bank Limited					
Financial Data	2012*	2011*	2010*	2009*	2008*
Total Assets (000 USD)	470,671	346,907	341,709	277,681	209,661
Total Assets (000 TRY)	836,665	655,272	525,412	412,995	319,061
Total Deposit (000 TRY)	725,799	543,465	408,030	313,137	258,617
Total Net Loans (000 TRY)	517,854	415,502	291,891	198,796	151,373
Equity (000 TRY)	67,037	55,389	43,649	33,145	27,127
Net Profit (000 TRY)	17,198	14,740	11,705	6,018	4,413
Market Share (%)	7.59	6.61	6.24	5.31	4.71
ROAA (%)	2.94	3.24	3.21	2.14	1.73
ROAE (%)	35.85	38.61	39.26	25.97	19.36
Equity/Assets (%)	8.01	8.45	8.31	8.03	8.50
Capital Adequacy Ratio (%)	12.93	13.15	13.34	13.19	8.48
Asset Growth Rate (Annual)(%)	27.68	24.72	27.22	29.44	32.64

* End of year

Overview

Creditwest Bank Ltd. (hereinafter Creditwest Bank or the Bank), was incorporated in the Turkish Republic of Northern Cyprus (TRNC) under the name Altınbaşbank in 1994 and transformed its name to Creditwest Bank in 2006. The Bank carries out operations through its 14 branch network in Nicosia (Lefkoşa), Famagusta (Mağosa), Kyrenia (Girne) and Güzelyurt. The Bank provides modern banking services to principally privately owned enterprises as well as individuals in addition to insurance, factoring, leasing and credit card payments services via its four financial subsidiaries, Creditwest Insurance, Creditwest Finance, Creditwest Factoring and Starcard Banka Kartları Ltd.

Within the last five year period, the Bank recorded a nearly three times cumulative growth performance in assets, loans, deposits and earnings than the average sector growths thanks to its exceptional performance in all those fields.

As a result of its sound growth performance, the Bank progressively enhanced its market presence and reinforces its strong market position. The Bank's rank in assets size rose to 5th from 6th among 22 banking institutions at the end of 2012. The high collection rate and collateralization level of the non-performing loans ratio alleviate pressure to some extent, despite their relatively high ratio, in parallel with the sector.

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