

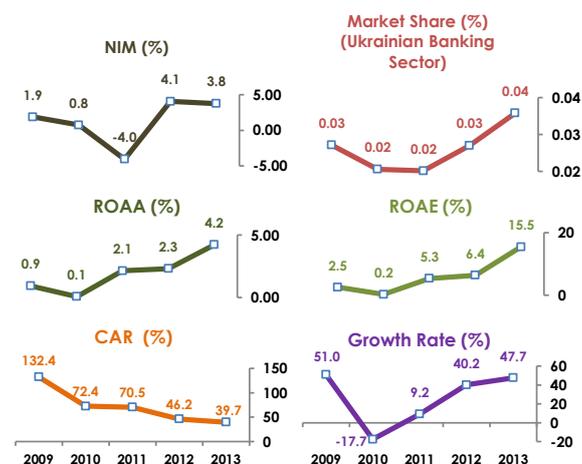
Corporate Credit Rating
Updated

Banking

creditwest Creditwest Bank Ukraine		Long Term	Short Term	
International	Foreign Currency	BB-	B	
	Local Currency	BB-	B	
	Outlook	FC	Stable	Stable
		LC	Stable	Stable
National	Local Rating	AA-(Ukr)	A-1+(Ukr)	
	Outlook	Stable	Stable	
Sponsor Support		2	-	
Stand Alone		AB	-	
Sovereign*	Foreign Currency	B-	C	
	Local Currency	B-	B	
	Outlook	FC	Negative	Negative
		LC	Negative	Negative

*Assigned by JCR Eurasia on February 25, 2014

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Strengths

- Well-capitalized and sturdy funding structure far above the sector averages and legal requirements providing adequate capacity to absorb incidental losses
- Improved profitability indicators to the extent of generating internal equity
- Strong shareholder support by the parent organization
- Significant expansion in the loan book accompanied by low level of NPLs
- Increasing share of the earning assets within the balance sheet
- Established composition of income components bolstering the sustainability of profits
- Competent managerial practices, internal written documentation and risk management organization together with high level of transparency regarding corporate governance best practices

Constraints

- Low granularity of the loan book on client and sector bases together with high level of concentration of deposit customers
- Mounting exposure and vulnerability of the Ukrainian economy to external financial shocks
- Ongoing headwinds further aggravated by the current warfare to the extent of threatening territorial integrity of Ukraine, declining investor confidence, regional disruption in banking activities of the sector and downside risks to growth and pressure to be exerted on profit margins while pushing up NPLs
- Increasing concentration of liquidity gap towards shorter periods
- Inability to enjoy the benefits of positive network effect through the lack of franchise strength of branches, alternative delivery channels and correspondent banks

PJSC West Finance and Credit Bank					
Financial Data	2013*	2012*	2011*	2010*	2009*
Total Assets (000 USD)	63,295	42,860	30,585	28,113	34,029
Total Assets (000 UAH)	505,917	342,582	244,343	223,778	271,888
Total Deposit (000 UAH)	226,593	138,669	36,558	40,335	129,952
Total Net Loans (000 UAH)	326,932	181,930	83,024	51,858	151,820
Equity (000 UAH)	123,120	108,806	103,723	83,936	83,920
Net Profit (000 UAH)	14,314	5,083	3,917	16	1,499
Market Share (%)	0.04	0.03	0.02	0.02	0.03
ROAA (%)	4.23	2.31	2.14	0.08	0.93
ROAE (%)	15.47	6.37	5.35	0.24	2.53
Equity/Assets (%)	24.34	31.76	42.45	37.51	30.87
CAR - Capital Adequacy Ratio (%)	39.69	46.21	70.48	72.42	132.37
Asset Growth Rate (Annual) (%)	47.68	40.21	9.19	-17.69	50.98

* End of year

Overview

PJSC - West Finance and Credit Bank (hereinafter also referred to as "the Bank") began banking operations in Ukraine in March, 2007 and currently offers local banking services including deposits, loans, investment and transfers to individuals and companies via its staff force of 64 people as of FYE2013.

The Bank, with its small-scale, has primarily focused its activities on corporate / commercial clients and treasury operations - the former representing the majority of its loan book.

The major shareholder of the Bank is 'Creditwest Factoring Hizmetleri A.Ş.', one of the two factoring companies listed on BIST (Borsa Istanbul) with a total asset size of USD328.26 mn (with a rating of AA(Trk) assigned by JCR Eurasia on June 12, 2014 on the long-term national scale). On the other hand, the ultimate major shareholder of all of the group companies is the Altınbaş Family which has established one of the largest conglomerates in Turkey operating in several diverse fields ranging from finance and energy to jewelry.

Despite stagnation in the national economy in the aftermath of violent protests, the upward trend in profitability indicators to the extent of generating internal equity as well as reduced pressure of NPLs together with the fact that the Bank has continued to decouple itself from the sector with its strong capitalization structure well above the required level have been mainly decisive on the affirmation of the rating notes.

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