

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 July 11, 2014
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Creditwest Bank Limited					
Financial Data	2013*	2012*	2011*	2010*	2009*
Total Assets (000 USD)	540,608	470,671	346,907	341,709	277,681
Total Assets (000 TRY)	1,151,712	836,665	655,272	525,412	412,995
Total Deposit (000 TRY)	982,68	725,799	543,465	408,030	313,137
Total Net Loans (000 TRY)	709,210	517,854	415,502	291,891	198,796
Equity (000 TRY)	81,751	67,037	55,389	43,649	33,145
Net Profit (000 TRY)	20,714	17,198	14,740	11,705	6,018
Market Share (%)	8.62	7.59	6.61	6.24	5.31
ROAA (%)	2.69	2.94	3.24	3.21	2.14
ROAE (%)	35.95	35.85	38.61	39.26	25.97
Equity/Assets (%)	7.10	8.01	8.45	8.31	8.03
Capital Adequacy Ratio (%)	12.45	12.66	13.15	13.34	13.19
Asset Growth Rate (Annual) (%)	37.66	27.68	24.72	27.22	29.44

* End of year

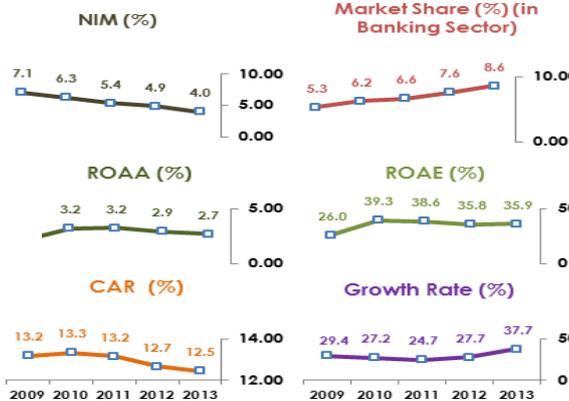
Overview

Creditwest Bank Ltd. (hereinafter Creditwest Bank or the Bank), the first financial institution of the Altınbaş Family, was established in the Turkish Republic of Northern Cyprus (TRNC) under the name Altınbaşbank in 1994 and altered its name to Creditwest Bank in 2006. All shares of the Bank have belonged to members of the Altınbaş Group, which carries out its operations in nine countries, with prime business activities based in Turkey, the TRNC, Albania and Ukraine. The Group has principally focused on four different sectors i.e. energy, finance, jewellery and logistics.

The Bank provides modern banking services principally to privately owned enterprises as well as individuals in addition to insurance, factoring, leasing and credit card payments services via its four financial affiliates, Creditwest Insurance, Creditwest Finance, Creditwest Factoring and Starcard Banka Kartları Ltd.

As in previous years, FY2013 was another prosperous year for the Bank which attained a vigorous growth performance in assets of 2.68 times the average cumulative sector growth rate of last five year period, complemented with sound profitability ratios. Furthermore, the Bank outperformed the sector regarding growth performance in loans, deposits, net profit and equity. As a result of its sound performance, the Bank progressively enhanced its efficiency and presence in the market and become the third largest bank among 22 banking institutions and the largest privately owned bank at the end of FY2013.

The Bank carries out operations through its 14 branch networks in Nicosia (Lefkoşa), Famagusta (Magosa), Kyrenia (Girne) and Güzelyurt and employed 234 staff at the end of FY2013.



Strengths

- Consistently outstripped the sector in terms of the key profitability indicators of return to assets and equity over the reviewed period, specifying the efficiency of the Bank and the management
- Exceptional growth performance in all major segments, moving the Bank closer to the leading of the sector step by step
- Strong market position and competitive strength as the third largest bank with a good operational track record
- Adequate capital level, despite a continuously slight decline, and liquidity level along with broad deposit customer base and a significant portion of saving accounts are covered by the Savings Deposit Insurance Fund
- Sustainable high internal resources generating capability and retention of large percentage of endangered profits contributing to Bank equity and enabling further expansion
- Existence and continuity of risk oriented visionary management team

Constraints

- Sector-wide short maturity profile of deposits, conventional and foremost funding sources, despite the Bank's relatively longer structure
- Sector-wide issue of relatively high NPLs, despite a remarkable improvement over the last five year period
- Isolated economic and political structure of the TRNC representing a major complication for the sector's development
- Sector-wide issue of need for progress in corporate governance practices
- Retained declining trend in net interest margin leading to erosion in profitability figures

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