

Corporate Governance Rating Report

This Report has been prepared by JCR-ER in compliance with the Corporate Governance Code of Republic of Albania

Revised Report Banking

 BANKA KOMBETARE TREGTARE		85.23 AAA(Alb)/a (Stable)
Corporate Governance Score & Outlook	Board of Directors	83.44 AA(Alb)/bbb (Positive)
	Auditing, Internal Control, Risk Management	91.00 AAA(Alb)/aa (Stable)
	Remuneration and Performance Evaluation	75.02 AA(Alb)/bb (Positive)
	Public Disclosure and Transparency	82.00 AA(Alb)/bbb (Stable)
	Shareholders Relationship	90.00 AAA(Alb)/aa (Stable)

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Banka Kombetare Tregtare SH.A.					
Financial Data	2013*	2012*	2011*	2010*	2009*
Total Assets (000,000 EURO)	1,943	1,772	1,441	1,124	930
Total Assets (000,000 USD)	2,676	2,337	1,865	1,503	1,340
Equity (000,000 USD)	215	184	138	119	95
Net Profit (000,000 USD)	39	31	29	25	13
Market Share (%) **	21.92	20.50	17.73	15.62	14.43
ROAA (%)	1.75	1.65	1.96	1.97	1.16
ROAE (%)	21.96	21.50	25.65	26.19	16.31
Equity/Assets (%)	8.03	7.89	7.41	7.90	7.06
CAR-Capital Adequacy Ratio (%)	14.56	14.30	12.93	13.06	13.21
Asset Growth Rate (Annual) (%)	14.48	25.35	24.07	12.15	15.39

*End of year **Based on BoA Reporting Standards

Overview

Company Information	
Trade Name	BANKA KOMBETARE TREGTARE Sh. A.
Address	Bulevardi "Zhan D'Ark", Tirana, Albania
Chairman	Mehmet USTA
CEO	Seyhan PENCABLIGIL
Contact	Phone: +355/4/2250955 info@bkt.com.al
Web	www.bkt.com.al
Corporate Governance	Miranda CITOZI

Banka Kombetare Tregtare Sh. A. ('BKT' or 'the Bank'), all shares of which are owned by the Turkish company Çalık Finansal Hizmetler A. Ş. (Çalık), is the largest bank in terms of total asset and deposit size in Albania, as of June 2014. The Bank was assigned a rating of BB+ on the Foreign Currency scale and AAA on the Local Currency scale along with a Stable outlook by JCR Eurasia Rating on May 28 2014.

The Bank's origins date back to the first headquarters established in Durres on November 30, 1925. After the merger of the Albanian Commercial Bank and the National Bank of Albania, BKT acquired its current name in January 1993 as a state-owned bank and transformed into a joint stock company in July 1997. All Bank shares were sold by the Ministry of Finance and approved by the Albanian Parliament to an International Consortium consisting of Kentbank (60%), International Finance Corporation (20%) and European Bank for Reconstruction and Development (20%) in 2000. Çalık Financial Services, which gradually bought all shares of the Bank between 2006 and 2009, currently holds 100% of the shares.

As of September 30, 2014, the Bank carried out its activities through a branch network of 86, including 62 in Albania and 24 in Kosovo and two custom agencies. The Bank is managed by a Board of Directors that consists of 3 non-executive members, 1 independent member and the CEO.

Strengths

- Having a remuneration policy
- Highly trained, internationally experienced and skillful Board members
- Presence of an independent member in the Board
- Having a comprehensive internal control system
- Efficient Internal Audit Department with adequate organizational structure
- Adequate transparency and disclosure on the Bank's web site

Constraints

- Absence of Risk and Corporate Governance committees within the scope of the Board
- Non-existence of a female member in the Board
- No performance evaluation system for the Board members
- Nondisclosure of documents related to the shareholder general meetings

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