

# Corporate Credit Rating

# Factoring

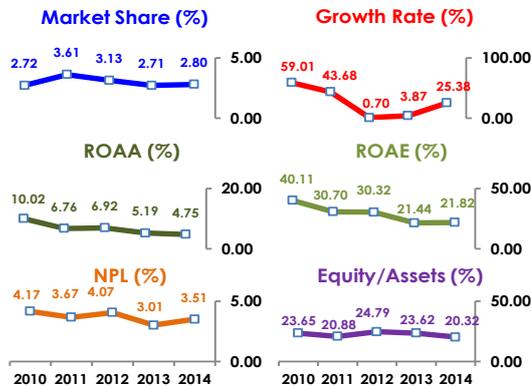
creditwest		Long Term	Short Term	
International	Foreign Currency	BBB-	A-3	
	Local Currency	BBB-	A-3	
	Outlook	FC	Stable	Stable
		LC	Stable	Stable
National	Local Rating	AA (Trk)	A-1+ (Trk)	
	Outlook	Stable	Stable	
Sponsor Support		2	-	
Stand-Alone		A	-	
Sovereign*	Foreign Currency	BBB-	-	
	Local Currency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

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

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### Strengths

- A remarkable and above sector asset growth rate positively contributing to market share growth and Company reputation through the main shareholder's track record history
- Experienced management team and well organized risk management infrastructure through committees settled under the Board of Directors as well as high level of regulatory compliance along with well-defined work flow processes
- Enhanced practice of corporate governance principles as one of the few factoring companies listed on the BIST
- Main profitability ratios climbing above the sector averages and contributing to internal equity generation capacity promising further growth
- Positively affected asset quality derived from credit risk analyses through improved intelligence and credit services
- Below sector figure short term borrowings level stemmed from the roll of bond issuance in the diversification of external fund resources diversifying borrowing structure through enabling long term funding and relieving liquidity management

### Constraints

- Noticeable increase in financial expenses due to interest payments for bank loans and bond issuances, pressuring profitability
- Descending but well above sector average equity level due to fully external financing of funding needs
- High share of provisions in total income suppressing profitability ratios
- Restricted branch network and operating channels compared to bank dominated companies and intensity of competition in the operating environment
- Slightly increased but still below sector average NPL level through the transfer of non-performing loans to asset management company
- Growing perception effects of the ongoing economic slowdown and market volatility along with the uncertainty surrounding the upcoming general elections on SMEs and the factoring sector

CREDITWEST FAKTORING A.Ş.					
Financial Data	2014**	2013**	2012*	2011*	2010*
Total Assets (000 USD)	319,137	277,047	319,675	298,762	255,451
Total Assets (000 TRY)	740,046	590,222	568,255	564,331	392,782
Equity (000 TRY)	150,391	139,428	140,869	117,805	92,909
Net Profit (000 TRY)	25,134	23,866	31,621	25,620	25,587
Market Share (%)	2.80	2.71	3.13	3.61	2.72
ROAA (%)	4.75	5.19	6.92	6.76	10.02
ROAE (%)	21.82	21.44	30.32	30.70	40.11
Equity/Assets (%)	20.32	23.62	24.79	20.88	23.65
NPL (%)	3.51	3.01	4.07	3.67	4.17
Growth Rate (%)	25.38	3.87	0.70	43.68	59.01

\*Consolidated end of year \*\*Solo end of year

### Company Overview

**Creditwest Faktoring A.Ş.** (referred to as 'the Company' or 'Creditwest Faktoring') was founded in 1994 to operate in the Turkish Factoring sector and offers factoring services for domestic commercial transactions to its customers by undertaking their collection. The Factoring Sector has been regulated and supervised by the Banking and Supervision Agency (BRSA) since 2006. The Company had a staff force of 79 employees as of FYE2014 at its headquarters in Istanbul and branches in Ankara and İstanbul.

The Company's utmost qualified shareholder is **Altınbaş Holding A.Ş.** with a share of 85%. The remaining 15% are public shares and Creditwest Faktoring has been listed on the stock exchange since 1997. The holding company has various business operations mainly in the fields of jewelry under the well-known brand name 'Altınbaş', as well as in the finance, energy, logistics and education sectors.

Creditwest Faktoring was a co-founder of West Finance and Credit Bank (with a rating of **AA-(Ukr)** assigned by JCR Eurasia on July 21, 2014 on a long term national scale and **BB-** on foreign currency international scale) established in 2006 in Ukraine with a share of 50% until the Company sold its shares to Altınbaş Holding A.Ş. on 24 March, 2015. Currently, Creditwest Faktoring has not have any subsidiaries.

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