

**Corporate Credit & Issue Rating
(Update)**
**Non-Banking Financial Institutions
Factoring**

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

CREDITWEST FAKTORİNG A.Ş.					
Financial Data	2017Q1	2016*	2015*	2014*	2013*
Total Assets (000 USD)	192,551	209,142	265,807	319,137	277,047
Total Assets (000 TRY)	700,615	736,011	772,862	740,046	590,222
Equity (000 TRY)	156,927	149,946	147,989	150,391	139,428
Net Profit (000 TRY)	6,981	25,392	27,202	25,134	23,866
Market Share (%)	N/A	2.22	2.89	2.80	2.71
ROAA (%)	N/A	4.21	4.51	4.75	5.19
ROAE (%)	N/A	21.34	22.88	21.82	21.44
Equity/Assets (%)	22.40	20.37	19.15	20.32	23.62
NPL (%)	3.17	2.89	3.04	3.48	3.01
Growth Rate (%)	-4.81	-4.77	4.43	25.38	3.87

*End of year

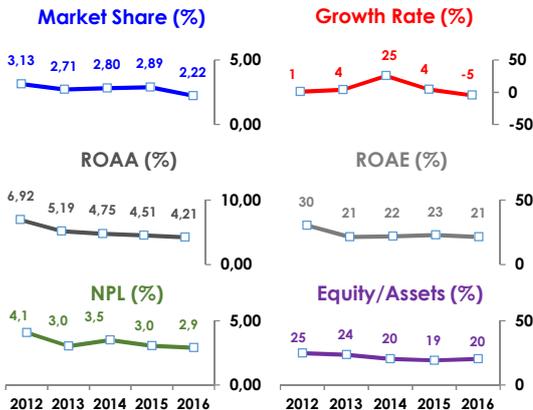
*Affirmed by Japan Credit Rating Agency, JCR on October 7, 2016

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Company Overview

Creditwest Faktoring A.Ş. (referred to as 'the Company' or 'Creditwest Faktoring') was founded in 1994 and has continued its operations under the roof of Altınbaş Holding since 1996 and has been quoted on the Borsa İstanbul Stock Exchange (BIST) for 20 years. The Company is a member of 'Association of Financial Institutions', a professional organization of factoring, leasing and financing companies in Turkey. The activities of the Company are regulated and supervised by the Banking Regulation and Supervision Agency (BRSA).

Creditwest Faktoring is controlled by Altınbaş Holding via an 85% stake. The Holding has business operations in the fields of banking in Northern Cyprus, financial services, gas stations under the well-known Alpet brand, logistics and education. Creditwest Faktoring did not have any subsidiaries as of reporting date.

The Company had a staff force of 77 employees as of April 2017 in its headquarters in İstanbul and branches in Ankara, İstanbul and Kocaeli.


Strengths

- Sustainable profitability and great bottom line profit followed by high dividend payments to investors
- Diversified funding mix with bond issuances
- Decline in NPL ratio and good performance over the Sector average.
- Strong equity level backed by profitability and a high level of paid-in capital.
- Internalization and adoption of corporate governance principles as one of the three factoring companies listed on the stock market
- Positive value added by the ultimate shareholder, Altınbaş Holding, in operations and strategy field

Constraints

- Intensive competitive environment dominated by bank-owned companies which have a comparative advantage with wide branch networks and low borrowing costs
- Uncertainties arising from tensions & conflicts in the local political environment, together with worsening macroeconomic indicators
- Slight decline in market share
- Intentionally low interest margin, considering the solvency issues, potentially limits higher profit margins

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