

## Corporate Credit & Issue Rating

New  Update

Sector: Factoring

Publishing Date: 04/05/2018

### Analyst(s)

Utku Karagülle

+90 212 352 56 73

utku.karagulle@jcrer.com.tr

### RATINGS

		Long Term	Short Term
International	Foreign Currency	BBB-	A-3
	Local Currency	BBB-	A-3
	Outlook	FC Stable	Stable
		LC Stable	Stable
	Issue Rating	-	-
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	-

\* Affirmed by JCR on November 10, 2017

## Creditwest Faktoring A.Ş.

### Company Overview

Financial Data	2017	2016	2015	2014	2013
Total Assets (000 USD)	187,330	208,396	265,807	319,137	277,047
Total Assets (000 TRY)	706,591	736,011	772,862	740,046	590,222
Equity (000 TRY)	150,641	149,946	147,989	150,391	139,428
Net Profit (000 TRY)	22,970	25,392	27,202	25,134	23,866
Market Share (%)	1.62	2.22	2.89	2.80	2.71
ROAA (%)	3.99	4.21	4.51	4.75	5.19
ROAE (%)	19.14	21.34	22.88	21.82	21.44
Equity/Assets (%)	21.32	20.37	19.15	20.32	23.62
NPL (%)	3.11	2.89	3.04	3.48	3.01
Growth Rate (%)	-4.00	-4.77	4.43	25.38	3.87

**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 Istanbul Stock Exchange (BIST) over 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 December 31, 2017 in its headquarters in Istanbul and 4 branches in Ankara, İstanbul and Kocaeli, in total.

### Strengths

- Robust and sustainable profitability followed by promising dividend payments to investors
- NPL ratio that is shaped below the sector average and found at acceptable level
- Increase in the share of internal resources among total balance sheet and better equity to assets ratio.
- Good level of implementation of corporate governance principles as one of the three factoring companies listed on Borsa Istanbul Stock Exchange
- Positive value added by the ultimate shareholder, Altınbaş Holding, in operations and strategy field

### Constraints

- Decline in total turnover based market share despite the preserved profitability
- Increasing tension and conflicts in the local political environment, together with negatively impacted cost of funding
- Intensive competitive environment dominated by bank-owned companies which have a comparative advantage with wide branch networks and low borrowing costs

