

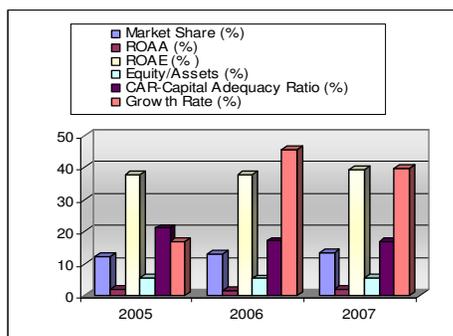
Corporate Credit Rating

Banking

		Long-Term	Short-Term
International	Foreign currency	BBB-	A-3
	Local currency	BB+	B
	Outlook	Stable	Stable
National	Local Rating	AAA(Alb)	A-1+(Alb)
	Outlook	Stable	Stable
Sponsored Support		2	-
Stand-alone		AB	-
Sovereign*	Foreign currency	BB+	B
	Local currency	BB+	B
	Outlook	Stable	Stable

* Assigned by JCR Eurasia Rating, JCR-ER on October 6, 2008

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Strengths

- High level of available liquidity
- Deposit structure primarily composed of long term and well spread retail deposit accounts
- Generated funds from the Bank's balance sheet have crucial importance on growth
- One of the top three banks in Albania with an established franchise
- International financial institutions, IFC and EBRD are shareholders of BKT, with significant minority rights
- The management team and the past performance of the bank gives confidence to investors and customers
- The majority shareholders also own Altelecom, which offers prospect for growth in retail business

Constraints

- Increasing trend in non-performing loans
- Substantial proportion of assets (almost 38%) have been invested in treasury bills and investment securities of the Albanian Government (rated BB+)
- Concentration of the construction sector in the corporate portfolio (19%) and home loans in the retail portfolio (83%)
- Main competitors in the peer group belong to major banking groups in the EU, with international presence and expertise
- Market and Operational risks are not included in CAR calculations as Basel II not yet implemented in Albania

BANKA KOMBETARE TREGTARE SH.A.			
Financial Data	2007*	2006*	2005*
Total Assets (mn EURO)	815	651	498
Total Assets (mn USD)	1,200	858	589
Equity (mn USD)	65	46	33
Net Profit (mn USD)	17.3	11.9	8.4
Market Share (%)	13.40	13.09	12.29
Gross ROAA (%)	2.01	1.73	2.01
Gross ROAE (%)	39.28	37.91	37.85
Equity/Assets (%)	5.38	5.31	5.54
CAR-Capital Adequacy Ratio (%)	17.02	17.16	21.08
Growth Rate (%)	39.86	45.66	16.90

*End of year

Overview

Banka Kombetare Tregtare Sh.A. (BKT) was established as a state owned bank in 1993 following the merger of the Albanian Commercial Bank and the National Bank of Albania whose history can be traced back to the 1920s. It was fully licensed in 1998 by the Bank of Albania (BoA) in accordance with the new Banking Law to operate as a commercial bank in the Republic of Albania. BKT completed its privatization process in the year 2000 and was the second largest commercial banking institution of Albania in 2007. BKT's shareholders are Çalık-Şeker Consortium (having 60% of the shares), International Finance Corporation (IFC) (holding 20% of the shares) and European Bank for Reconstruction and Development (EBRD) (holding the remaining 20% of the shares).

BKT underwent a major organizational restructuring process following its privatization and has attained higher growth and profitability rates than those of the banking sector in Albania. BKT has established two new divisions during 2007; i.e., a corporate & commercial banking division and a retail banking division. BKT operates as a commercial bank with 45 branches/agencies in Albania and 5 branches in Kosovo; plans are in the pipeline to open new branches primarily in Kosovo and other regional countries.

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