

**Corporate Credit Rating**  
*Update*

**Insurance**

<b>creditwest</b> Creditwest Insurance Kıbrıs		Long Term	Short Term
<b>International</b>	Foreign currency	<b>BB-</b>	<b>B</b>
	Local currency	<b>BB-</b>	<b>B</b>
	Outlook	<b>Stable</b>	<b>Stable</b>
<b>National</b>	Local Rating	<b>A (Trk)</b>	<b>A-1 (Trk)</b>
	Outlook	<b>Stable</b>	<b>Stable</b>
<b>Sponsor Support</b>		<b>2</b>	<b>-</b>
<b>Stand Alone</b>		<b>A</b>	<b>-</b>
<b>Sovereign*</b>	Foreign currency	<b>BB</b>	<b>B</b>
	Local currency	<b>BB</b>	<b>B</b>
	Outlook	<b>Stable</b>	<b>Stable</b>

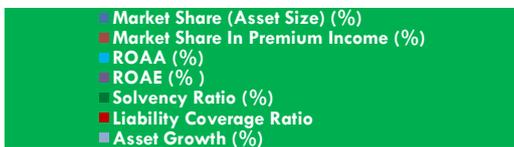
\*Affirmed by Japan Credit Rating Agency, JCR on February 21, 2011

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**Strengths**

- Profit retention policy contributes to the Company's financial strength,
- High asset quality and none doubtful receivables,
- Reached higher cumulative asset and GWP growth rates than the sector during the last six years,
- Promulgation of new Insurance Services Law envisaging many advances,
- Liability coverage ratios well above authorized limits,
- Benefits from liquidity ratios which are compliant with local and international regulations,
- Increasing market presence besides expanding customer base,
- Has high growth potential with its parent widespread activities.

<b>CREDITWEST SIGORTA LTD.</b> Creditwest Insurance Ltd.					
Financial Data	2010*	2009*	2008*	2007*	2006*
Total Assets (000 USD)	7,272	6,695	5,319	5,647	3,127
Total Assets (000 TL)	11,238	10,081	8,044	6,577	4,396
Equity (000 TL)	7,534	6,550	4,990	4,294	2,872
Net Profit (000 TL)	984	1,560	696	1,422	670
Technical Profit (000 TL)	1,965	2,396	962	1,851	1,052
Premium Income (000 TL)	5,888	5,449	5,031	3,949	2,809
Market Share in Premium Income (%)	5.24	4.09	5.22	4.66	4.54
Market Share in Asset Size (%) **	10.34	9.31	8.65	9.18	7.27
ROAA (%)	12.07	22.34	12.45	33.88	23.21
ROAE (%)	18.27	35.09	19.61	51.88	36.02
Solvency Ratio (%)	320.50	367.47	339.11	250.12	256.87
Liability Coverage Ratio (%)	532.18	497.16	408.23	447.31	490.87
Asset Growth Rate (%)	11.48	25.32	22.30	49.62	38.75
Gross Written Premium Growth (%)	16.67	6.19	28.78	36.70	8.79

\*End of year \*\*Non-life only

**Overview**

Creditwest Sigorta Ltd. (hereinafter Creditwest Insurance or the Company), established in 1994, is one of the largest non-life insurance companies operating in the Turkish Republic of Northern Cyprus (TRNC). The company is fully owned by the Altınbaş Group (Creditwest Bank and Creditwest Finance) and Altınbaş family members.

As of FY2010, Creditwest Insurance ranked fourth amongst the 28 non-life insurance companies operating in TRNC in terms of written premiums with a widespread agent network throughout Lefkoşa, Magusa, Güzelyurt, Gemikonagı and Girne. Creditwest Bank's branches are utilized as the major delivery channels by the insurance company. The Company currently maintains its operation with 28 agents, 14 of which are exclusive.

Altınbaş Group's widespread business activities in the TRNC, provides an opportunity for the Company to grow faster and take a leading position amongst its competitors.

**Constraints**

- Decrease in profit and profitability ratios despite premium income increase,
- Intense price competition creates pressure on profitability,
- Maintaining a higher outstanding losses policy pressurizes company profit and profitability ratios,
- Net premium to equity ratio significantly below the sector average,
- Continuing efforts towards corporate structuring according to corporate governance practices should be sustained.