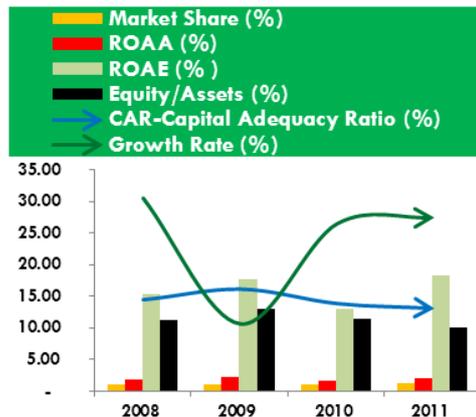


Şekerbank		Long Term	Short Term
International	Foreign currency	BB	B
	Local currency	BB	B
	Outlook	Stable	Stable
National	Local Rating	A+ (Trk)	A-1 (Trk)
	Outlook	Positive	Stable
Sponsor Support		2	-
Stand Alone		B	-
Sovereign*	Foreign currency	BB	B
	Local currency	BB	B
	Outlook	Stable	Stable

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

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Strengths

- Generating continuous profit over the last decade
- Higher cumulative asset size growth over the sector in the last seven year period,
- Higher net interest margin ratios compared to the sector, although displaying decrease over the last three year period
- High level of compliance with corporate governance best practices
- Management practices that generate alternative funding sources with longer maturities bond issues along with asset back securitization in international markets
- Experience in the micro segment and recognition in SME banking services
- Interest of International Financial Institutions, IFC own currently 4.2% of the Bank's share
- Above sector average deposit base maturity structure

Constraints

- Higher non-performing loans ratios in comparison to the sector, despite a demonstrated improvement
- ROAA and ROEA ratios below sector averages
- Despite compliance with BRSA regulations, continuously decreasing, below sector average capital adequacy ratios
- Lower coverage of total income to total expenses
- Sector-wide structural maturity mismatches exerting adversities on the liquidity management of the Bank
- Increasing equity needs for further growth and difficulties in equity injection resulting from the shareholder structure
- Low market presence, despite increasing brand awareness

ŞEKERBANK T.A.Ş.							
Financial Data	2011*	2010*	2009*	2008*	2007*	2006*	2005*
Total Assets (USD mn)	7,807	7,603	6,060	5,520	5,435	2,978	2,454
Total Assets (TRY mn)	14,746	11,556	9,124	8,233	6,300	4,185	3,299
Equity (TRY mn)	1,478	1,330	1,212	929	837	418	306
Net Profit (TRY mn)	204	135	155	111	115	44	78
Market Share (%)	1.18	1.13	1.07	1.10	1.05	0.80	0.81
Gross ROAA (%)	1.96	1.58	2.16	1.85	2.50	1.82	1.08
Gross ROAE (%)	18.33	12.93	17.68	15.27	20.89	18.07	11.26
Equity/Assets (%)	10.02	11.51	13.06	11.27	13.28	9.98	10.22
CAR-Capital Adequacy Ratio (%)	12.93	13.85	16.08	14.49	15.90	14.42	18.63
Growth Rate (%)	27.61	26.65	10.82	30.68	50.53	26.88	-2.71

*End of year

Overview

Şekerbank T.A.Ş. (hereinafter Şekerbank or the Bank) was established in 1953 under the name Pancar Kooperatifleri Bankası A.Ş. in Eskişehir. The Bank's head office was moved to Ankara and renamed Şekerbank T.A.Ş. in 1956. 15% of the Bank's total shares were initially offered to the public in 1997. Shares are traded on the Istanbul Stock Exchange (ISE) with a current free float of 31.96%.

The Bank, based in Istanbul since 2004, operates through a 272 nationwide branch network in 70 provinces and 204 cities in Turkey with its community banking strategy and offers services in the corporate, commercial, SME and retail banking fields as well provides services in leasing, factoring and brokerage through its subsidiaries. Şekerbank is principally focused on its specialization areas of agriculture, small business and SMEs.

In FY2011 the Bank succeeded in expanding and diversifying its resources with sustainable alternative funding sources, such as bank bond and asset backed securities issues. The Bank was the first Turkish commercial bank to issue longer maturity bonds ranging from 367 days to 24 months as well as TRY covered bonds backed by SME loans in international financial markets.