

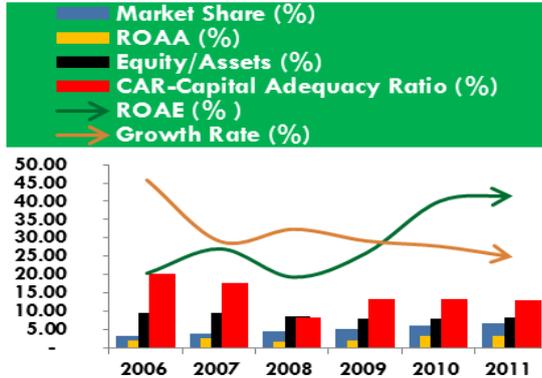
**Corporate Credit Rating Update**

**Banking**

creditwest Creditwest Bank Kıbrıs		Long Term	Short Term
International	Foreign currency	BB	B
	Local currency	BB	B
	Outlook	FC LC	Stable Stable
National	Local Rating	AA+(Trk)	A-1+(Trk)
	Outlook	Stable	Stable
Sponsor Support		2	
Stand-Alone		A	
Sovereign*	Foreign currency	BB	B
	Local currency	BB	B
	Outlook	FC LC	Stable Stable

\*Assigned by Japan Credit Rating Agency, JCR on June 28, 2012

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CREDITWEST BANK LTD.						
Financial Data	2011*	2010*	2009*	2008*	2007*	2006*
Total Assets (000 USD)	350,038	341,398	274,288	210,978	206,534	132,338
Total Assets (000 TL)	655,272	525,412	412,995	319,061	240,550	186,014
Equity (000 TL)	55,389	43,649	33,145	27,127	22,897	18,110
Net Profit (000 TL)	14,740	11,705	6,018	4,413	4,780	2,814
Market Share (%)	6.61	6.24	5.31	4.71	4.05	3.34
ROAA (%)	3.24	3.21	2.14	1.73	2.60	2.17
ROAE (%)	38.61	39.26	25.97	19.36	27.08	20.34
Equity/Assets (%)	8.45	8.31	8.03	8.50	9.52	9.74
Cap. Adequacy Ratio (%)	13.15	13.34	13.19	8.48	17.73	20.22
Growth Rate (%)	24.72	27.22	29.44	32.64	29.32	46.02

\*End of year

**Overview**

Creditwest Bank Ltd. (hereinafter Creditwest Bank or the Bank), was established in the Turkish Republic of Northern Cyprus (TRNC) under the name Altınbaşbank in 1994 and altered its name to Creditwest Bank in 2006. The Bank carries out operations through its 14 branch network in Nicosia (Lefkoşa), Famagusta (Magosa), Kyrenia (Girne) and Güzelyurt. In addition to all types of banking services, the Bank provides insurance, factoring, leasing and credit card payments services via its four financial subsidiaries, Creditwest Insurance, Creditwest Finance, Creditwest Factoring and Starcard Banka Kartları Ltd.

The Bank is ultimately owned by the Altınbaş Family, with operations spread out over nine countries in three continents and interests in various sectors with a primary focus in the energy, finance, jewellery, logistics, real estate, education and sports.

Creditwest Bank demonstrated an outstanding performance in all core banking activities and exhibited a transformative growth during the previous seven year period, displaying a cumulative asset size, loans and deposits growth of 876.32%, 1,211.58% and 915.79%, respectively in TRY basis without compromising its asset quality. The TRNC Banking Sector recorded remarkably lower growth rates of 172.47%, 360.74% and 163.95%, respectively in the same period.

The Bank was the second largest bank with a market share of 17.93% (FY2010: 16.70%) amongst private deposit banks and sixth with a market share of 6.61% (FY2010: 6.24%) in the entire sector with respect to total asset size in FY2011.

**Strengths**

- Continuation of uninterrupted and controlled growth policies,
- Progressively increasing market share, efficiency and brand awareness,
- Allocated high loans loss provisioning contribute to the quality of preserving assets,
- Well-established organizational structure and successful management practices,
- Relatively high collection rate of non-performing loans portfolio,
- Advanced risk management applications,
- Solid customer deposit base, a significant portion of which is covered by the Savings Deposit Insurance Fund,
- Decrease in the negative pressure of NPLs on the equity,
- Decrease in the volatility of the profit due to low FX risk exposure

**Constraints**

- Sector-wide structural maturity mismatches exerting adversities on liquidity management,
- Retained decreasing trend in net interest margin, prevalent in the TRNC banking sector,
- Isolated economic and political structure of the TRNC a major complication for the sector's development,
- Needed improvement in corporate governance practices in both the bank and sector,
- Although fully provisioned, high proportion of NPLs a prevalent sector-wide phenomenon

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