

Corporate Credit Rating

New Update

Sector: Banking

Publishing Date: 18.05.2023

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RATINGS		Long Term	Short Term
ICRs (Issuer Credit Rating Profile)	National ICR	BBB- (tr)	J3 (tr)
	National ICR Outlooks	Stable	Stable
	International FC ICR	BB-	-
	International FC ICR Outlooks	Negative	-
	International LC ICR	BB-	-
ISRs (Issue Specific Rating Profile)	International LC ICR Outlooks	Negative	-
	National ISR	-	-
	International FC ISR	-	-
Sovereign*	International LC ISR	-	-
	Foreign Currency Local Currency	BB (Negative) BB (Negative)	-

* Assigned by JCR on August 18, 2022

DİLER YATIRIM BANKASI ANONİM ŞİRKETİ

JCR Eurasia Rating has evaluated "Diler Yatırım Bankası A.Ş." in the investment-grade category, assigned the Long-Term National Issuer Credit Rating as 'BBB- (tr)' and the Short-Term National Issuer Credit Rating as 'J3 (tr)' with 'Stable' outlooks. Furthermore, the Long-Term International Foreign and Local Currency Issuer Credit Ratings and outlooks have been assigned as 'BB- / Negative'.

"Diler Yatırım Bankası A.Ş." (hereinafter referred to as 'Diler Yatırım', or 'the Bank' or 'the Company') is licensed as a development and investment bank and provides services authorized by the relevant regulations of BRSA and banking law. The Bank was established in 1998 under the umbrella of Diler Group, which includes companies that operates in steel production, foreign trade, energy, sea shipping, port management, mining, banking and tourism. In terms of the asset size, Diler Yatırım ranks 15th and 47th among the development and investment banks and total banks, respectively as of 3Q2022. The Bank is headquartered in İstanbul, Türkiye and has one branch with a total of 20 employees as of FYE2022.

As of the reporting date, the Bank operates in two main fields, which are corporate banking and investment banking. Yazıcı Demir Çelik San. ve Turizm Tic. A.Ş. and Fatma Tuğba Yazıcı are the qualified shareholders with a share of 40% and 26.72%, respectively as of FYE2022.

The Bank had no other affiliates or subsidiaries as of the reporting date.

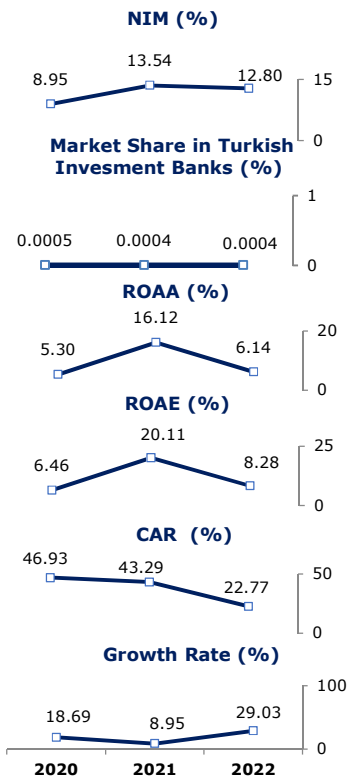
Key rating drivers, as strengths and constraints, are provided below.

Strengths

- Well above sector average net interest margin during the reviewed period, despite swings,
- Low level of NPL ratio, remaining below the sector average as of FY2022,
- Satisfactory capital adequacy ratios well above the legal requirements,
- Operations of the Diler Group in real sector providing the Bank for a potential growth prospect.

Constraints

- Small scale of business and lack of product diversification due to business model,
- Lack of diversified funding resources, albeit increased level of current balances of loan customers as of FYE2022,
- Notable high customer concentration mainly consisted of related parties,
- Scarce alternative delivery channels to provide continuity of efficiency rates,
- The global recession and geopolitical risks stemming from the Russia-Ukraine tension increasing uncertainty and monetary tightening across the globe deteriorating growth projections.



Considering the aforementioned points, the Bank's Long-Term National Issuer Credit Rating has been assigned as 'BBB- (tr)'. The Bank's high level of net interest margin, low level of NPL ratios, satisfactory capital adequacy ratios have been evaluated as important indicators for the stability of the ratings and the outlooks for Long and Short-Term National Issuer Credit Ratings are determined as 'Stable'. The Bank's financial structure, attainability of the Bank's budgeted projections, the NPL level, the possible impacts of the Russia-Ukraine War on the global and Türkiye's economy and its effects on the Bank's activities will be closely monitored by JCR Eurasia Rating in upcoming periods. The macroeconomic indicators in national and international markets, as well as market conditions and legal framework about the sector will be monitored as well.