

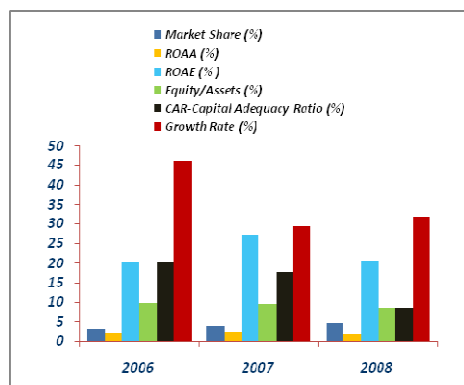
**Corporate Credit Rating**

**Banking**

<b>creditwest</b> Creditwest Bank Kıbrıs		Long-Term	Short-Term
<b>International</b>	Foreign currency	BB-	B
	Local currency	BB-	B
	Outlook	Stable	Stable
<b>National</b>	Local Rating	AA- (Trk)	A-1+(Trk)
	Outlook	Positive	Positive
<b>Sponsored Support</b>		2	-
<b>Stand-alone</b>		A	-
<b>Sovereign*</b>	Foreign currency	BB-	-
	Local currency	BB-	-
	Outlook	Stable	-

\*Assigned by Japan Credit Rating Agency, JCR on June 4, 2009

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<b>CREDITWEST BANK LTD.</b>			
Financial Data	2008*	2007*	2006*
Total Assets (000 USD)	209,781	206,534	132,338
Total Assets (000 TL)	317,252	240,550	186,014
Equity (000 TL)	27,378	22,897	18,110
Net Profit (000 TL)	4,481	4,780	2,814
Market Share (%)	4.69	4.05	3.34
ROAA (%)	1.86	2.60	2.17
ROAE (%)	20.62	27.08	20.34
Equity/Assets (%)	8.63	9.52	9.74
Growth Rate (%)	31.89	29.32	46.02
CAR-Capital Adequacy Ratio (%)	8.48	17.73	20.22

(CAR as of 3Q2009: 17.48%)

\*End of year

**Overview**

Creditwest Bank Ltd. (Bank) has been operating in the Turkish Republic of Northern Cyprus (TRNC) since 1994. The Bank provides retail and corporate banking services in North Cyprus through a widespread network of 13 branches and 4 subsidiaries i.e. Creditwest Insurance, Creditwest Finance, Creditwest Factoring and Starcard Banka Kartları Ltd.

The Bank has maintained solid income and capital ratio amid the severe financial crisis. Strategic growth in personal loans and expanding customer base via strong brand recognition in TRNC helped the Bank achieve results above the industry average.

The Bank is an affiliate of Altınbaş Group which is composed of 30 separate companies operating in the fields of jewelry, finance, logistics, real estate and energy. The Holding group has been offering services in Turkey as well as in Cyprus, Germany, Bulgaria, Albania, Macedonia, Ukraine and USA. The Group exports to 80 different countries and has an annual turnover of over US\$ 2.5 billion, employing almost 3,500 employees.

**Strengths**

- Has maintained a higher growth rate than sector average during the last four years
- Fully compliant with the Central Bank's regulations which allows the Bank to pay less premium on saving deposits
- Successful crisis management enabled the Bank to reduce liquidity and interest rate risks
- Experienced and professional executive team
- Continuously improving profitability indicators
- No commodity or settlement risk
- Offers a wide product range to customers via correspondence agreements.

**Constraints**

- Gross non-performing loans ratio on the higher side, however 90% is under provisioning
- Isolated economic and political structure of TRNC
- Continuing efforts towards corporate structuring according to corporate governance standards should be sustained

**Publication Date: December 14, 2009**

**"Global Knowledge supported by Local Experience"**

## 1. Rating Rationale

According to the figures published by the Central Bank of Northern Cyprus (the regulatory authority of the local banking sector), Creditwest Bank, having a market share of 4.69% end of FY2008 (FY2007: 4.05%, FY2006: 3.34%), is the seventh biggest bank amongst 24 banking institutions operating in TRNC (Turkish Republic of Northern Cyprus).

Creditwest Bank posted a 31.89% growth in total assets during FY2008, while the overall banking sector posted a growth rate of 13.90% during the same period. Also during the period from FY2004 to FY2008, the Bank posted an accumulative growth of 372.69% in total assets while the same figure was 85.99% for the banking sector of Northern Cyprus.

The Bank has a steady increase in the number of depository and loan customers which reached 18,000 and 9,300 respectively. Both figures have exhibited an increase of 16.5% and 21.50% respectively compared to the figures of FY2008.

Although the global economic crisis has dented public confidence in the banking industry, Creditwest Bank was able to maintain its deposit base and currently 89.51% of its funds come through deposits. Amongst the competing 24 banking organizations within the country, Creditwest ranks eighth with respect to total deposit size, and fifth with respect to total cash loans.

JCR-ER recognizes that the sovereign risk of TRNC is the same as that of the Republic of Turkey; the rating rationale of Creditwest Bank has been developed based on this assumption.

JCR-ER's assessment is mainly based on the Bank's audited unconsolidated accounts prepared in accordance with Financial Reporting Standards for the period. Moreover statistics provided from the Central Bank of North Cyprus and JCR-ER's own studies are also utilized for this assessment.

## 2. Outlook

JCR-ER has assigned a rating of **AA-(Trk)** along with a **"positive"** outlook to Creditwest Bank on

the long term national scale which denotes an **"investment grade-very high"** level. The continuity of the outlook status primarily depends on the confidence of depositors in the Bank together with the developments in the Turkish economy as both the countries share a common legal tender.

## 3. Sponsor Support and Stand-alone

The Bank derives strength from its ultimate parent "Altınbaş Holding" with respect to funding resources. The parent company has the capacity to display sufficient financial standing to support its subsidiaries in case of need. However, JCR-ER believes that Creditwest Bank will be able to, in the future, operate without primarily relying on these funding sources.

## 4. Company Background

### a) History

The Bank was founded under the name of Altınbaşbank in 1994 and was renamed as Creditwestbank in 2004. The Bank is fully licensed to carry out all banking operations in TRNC including deposit acceptance, granting corporate and personal loans.

### b) Organization & Employees

As of September 30, 2009, the Bank had 180 employees (as of December 31, 2008: 178) and a network of 13 branches. Based on its growth needs, the Bank has made changes in the organizational structure and founded new operating units.

The Bank has set in place its organizational structure and management committees as required by legal arrangements.

### c) Shareholders, Subsidiaries and Affiliates

Shareholding structure of the Bank is provided in the following table.

Shareholders	Share (%)
Ali ALTINBAŞ	15.83
Sofu ALTINBAŞ	15.83
Hüseyin ALTINBAŞ	15.83
Nusret ALTINBAŞ	15.83
İmam ALTINBAŞ	15.83
Aliye ALTINBAŞ	5.69
Orkun ALTINBAŞ	5.69
Sedef ALTINBAŞ	5.69
Fatma S. ALTINBAŞ	1.25
Tuğçe ALTINBAŞ	1.25
Serdar ALTINBAŞ	1.25
<b>Toplam</b>	<b>100</b>

The Bank has investments in associated companies engaged in financial services. The name and portion of share ownership are given in the following table.

Subsidiaries	Share %
Creditwest Finance Limited	49
Creditwest Insurance Limited	30
Starcard Banka Kartları Limited	16.7
Creditwest Faktoring A.Ş.	1.5

Creditwest Finance Limited was founded in 1994 to provide services in the consumer financing sector. It has focused on providing finances by way of leasing. Creditwest Finance Limited is 49% owned by the Bank.

Creditwest Insurance Limited was founded in 1994 to provide services in insurance sector in TRNC. The Bank has a 30% shareholding in the company.

Starcard Banka Kartları Limited was incorporated in 2005 in order to create a common platform for credit card payments in TRNC. The Bank has 16.7% shareholding in Starcard. The other shareholders are 5 other banks incorporated in TRNC.

Creditwest Faktoring A.Ş. was set up in 1994 and Altınbaş Holding A.Ş. became the Company's ultimate parent by acquiring 83% of the shares from the Saving Deposit Insurance Fund. Creditwest Faktoring is one of the only two factoring companies in Turkey to be listed on the Istanbul Stock Exchange Market.

## 5. Stability of the Financial System

Like other small island economies, the economic structure of TRNC is less diverse and the service sector is the back bone of the economy. The service sector accounts for more than 70% of the total GDP of TRNC. The economy operates on a free market basis, although it continues to be handicapped by the political isolation of Turkish Cypriots.

Banking in Northern Cyprus is greatly influenced by the Turkish system on which the republic has been dependent and has held close ties. The recent developments in the economy of Turkey are also reflected in North Cyprus due to the common currency of both countries. Assistance from Turkey is crucial for the development to the Turkish Cypriot economy.

The regulatory authority is the Central Bank of North Cyprus while the Council of Ministers is responsible for issuing banking licenses.

Operating in the Turkish Republic of Northern Cyprus are 24 banks with a total of 173 branches. Of these, seven are head-quartered in Turkey and the remaining 17 are small scale banking institutions head-quartered in Northern Cyprus. Besides these 24 banks mentioned above, the following institutions are included in the same sector:

- 13 International Banking Units (former offshore banks which change their extension names from offshore to International Banking Units in compliance with legal arrangements)1 publicly owned Development and Investment bank,
- 7 banks under the management of saving Deposit and Insurance Fund,
- 6 banks are in liquidation (defunct banks)

According to the Central Bank Publication, for the period ended 1H2009:

- 15 privately owned banks had a total market share of 35.04%.
- 2 public banks had a market share of 36.33%

- Remaining 28.63% of the market share belongs to seven Turkish Banks head-quartered in Turkey.
- The capital adequacy ratio of the private deposit banks, which are considered as peer group, averaged at 13.61%.
- The total of assets in the sector amounted to TL 7.5 billion.
- As of FY2008, asset size to GDP proportion was 131.27% while it was 161% at the end of FY2001. These figures show that the banking sector's growth has remained lower than the country's GDP's growth.

Active banks (as of end of 1Q09)	Number	Asset Market		CAR %
		Share%	Branches	
Public deposit banks	1	36.21	28	23.25
Private deposit banks	16	34.54	113	13.61
Foreign banks	7	29.25	32	26.09
<b>Total</b>	<b>24</b>	<b>100</b>	<b>173</b>	<b>19.64</b>

Source: KKTCCMB

Other Banks	Numbers
Development and Investment Public Bank	1
Savings Deposit & Insurance Fund Banks	7
Banks in Liquidation	6
<b>Total</b>	<b>14</b>

Source: KKTCCMB

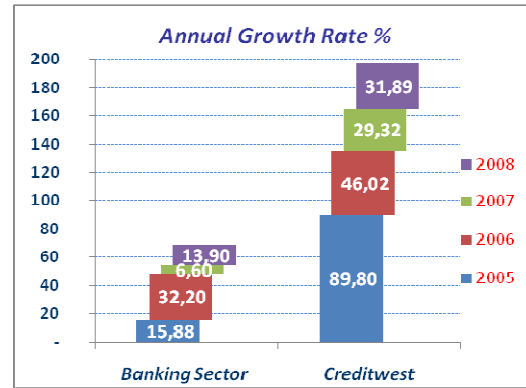
The Turkish banking collapse of the year 2000, cost TRNC approximately USD 250 million which amounted to more than 20% of that year's GDP.

In recent years, banks have expanded their activities beyond the traditional banking channels and developed new products and services through electronic means, using alternative distribution channel such as the internet. Banks in TRNC give credit card, POS, swift and ATM services via Turkish banks as the sovereign status of TRNC as is yet to be recognized.

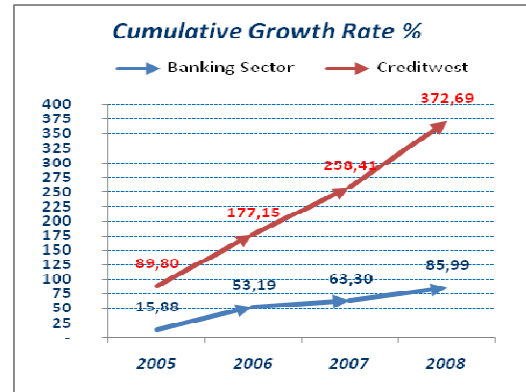
## 6. Financial Indicators

### • Indices relating to size

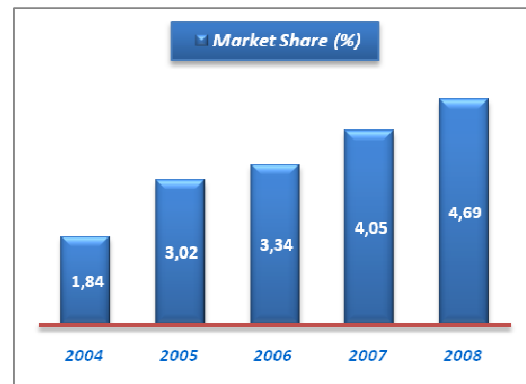
Creditwest Bank posted a 31.89% growth in total assets during FY2008, while the overall banking sector posted a growth rate of 13.90% during the same year.



Besides this, the accumulated growth in total assets was 372.69% between the four year period FY2005 and FY2008, while the same figure for the total banking sector was 85.99%.



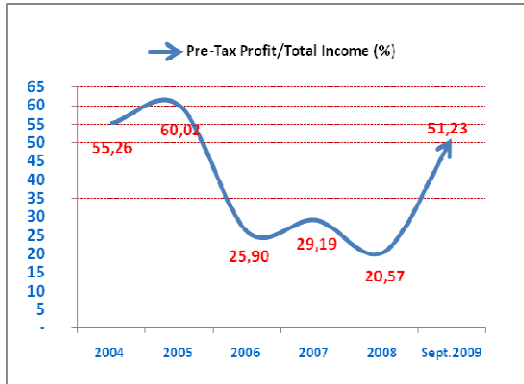
As seen from the graph below, the Creditwest Bank's market share increased steadily reaching 4.69% at the end of FY2008 from 1.84% at the end of FY2004.



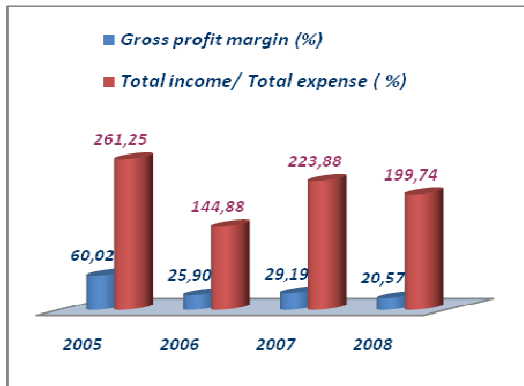
### • Indices relating to profitability

Pre-Tax Profit/Total Income has shown decrease during FY2008. The downward trend

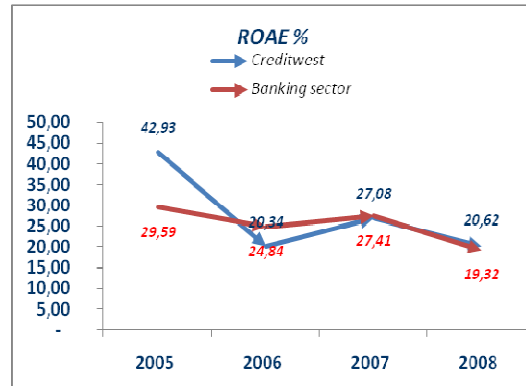
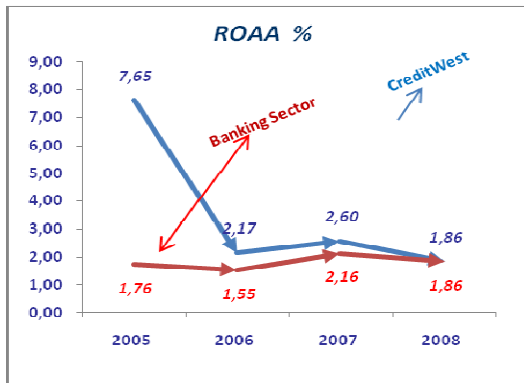
has however not continued during the first nine months of FY2009.



Similarly, gross profit margin and total income coverage to total expense has decreased in parallel to the overall banking sector during the last two years.



ROAA and ROAE of the Bank also had a similar decreased trend during FY2008, remaining in parallel to the average of the banking sector. The Bank's ROAA was almost the same as the sector average while ROAE was above the sector average as shown in the graphs below.

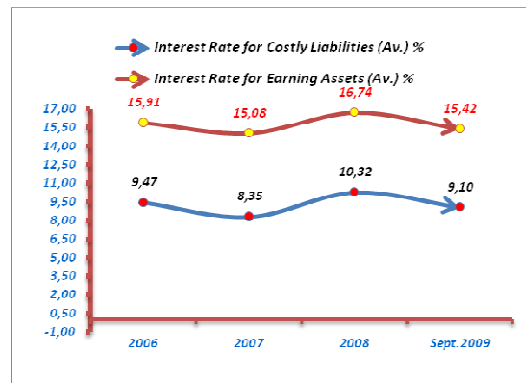


As a result of the narrowing spread, similar to banking sector the Bank's net interest margin also dropped to 6.42% at the period end FY2008 from 6.73% at the end of the previous year (FY2007).

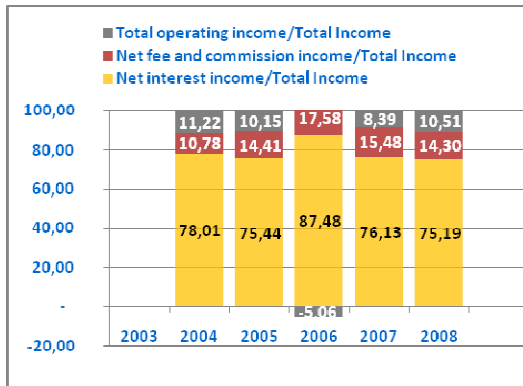
Average interest rate (%)	3Q09	2008	2007	2006
for Costly Liabilities %	9.10	10.32	8.35	9.47
for Earning Assets %	15.42	16.74	15.08	15.91
<b>Net Margin %</b>	<b>6.32</b>	<b>6.42</b>	<b>6.73</b>	<b>6.44</b>

For the period ended 3Q2009, as a natural result of decreasing interest rate environment during the financial crisis, the Bank's net interest margin has further dropped to 6.32%.

For comparison purposes, the average interest income and cost rates for the last four years of the Bank have been provided in the following graph.



The following graph displays the components of income; the decrease in proportion of fee and commission income is noteworthy.



### 7. Risk and Risk Management Organization

The main risks arising from the Bank's operations are credit risk, market risk, foreign currency risk and operational risk. The Bank's management periodically reviews policies for monitoring each of these risks.

The Bank has established a Risk Management system and has set up required departments and committees in this regard. The Bank's Internal Systems consist of Internal Audit, Internal Control and Compliance Department.

Creditwest Bank has also developed a risk management policy and application procedures methodology. All committees and departments related to risk management work in coordination.

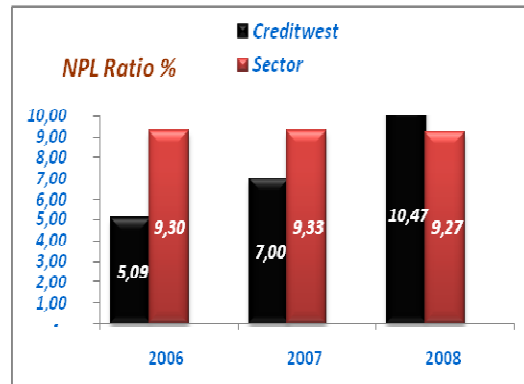
#### a) Credit Risk

Credit limits and loan criteria are determined by the Board of Directors and the Credit Committee. Credit worthiness of the loan customers is monitored and reviewed periodically.

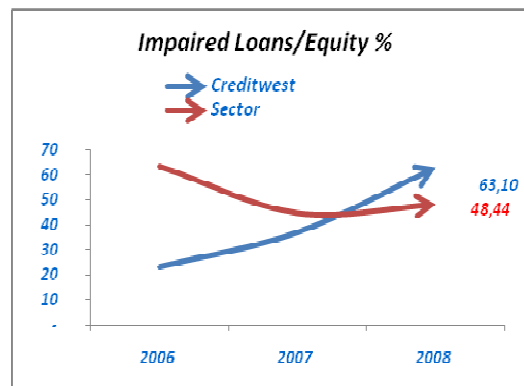
Non-performing loans in the cash loan portfolio are however higher than the average of the banking sector as visible from the following graph. The Bank's gross non-performing loan ratio increased to 10.47% at the end of FY2008 from 7.00% at the end of the previous year (FY2007). In other words, this ratio increased nearly 50% during FY2008.

The Bank's concentration in non-cash loans has also shown an increasing trend. At the end of 3Q2009, the top 50 non-cash loan customers

constituted 93% of the total non-cash loan portfolio of the Bank (FY2008: 89%).

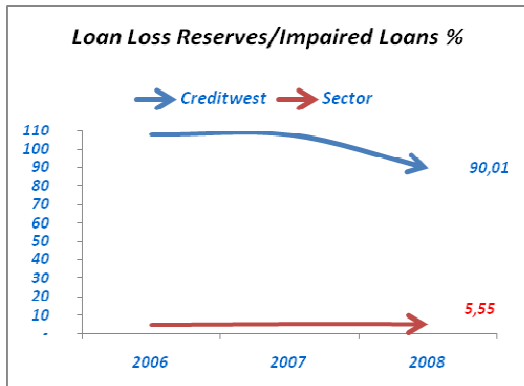


Impaired loans as a proportion of equity were 63.10% at the end of FY2008, while in comparison the same ratio for the whole banking sector was 48.44% at the end of the same period. Impaired loans of the Bank were therefore at a higher level in comparison to reference levels.



Provisioning for NPLs stood at 90.01% while the same ratio for whole banking sector was only 5.55% at the end of FY2008. It is noted that the Bank has applied a significantly conservative and healthy approach to avoid the losses arising from any potential defaults.

Similarly, 52% of the Bank's total outstanding cash loans have been granted as consumer loans which spread risk and risk concentration.



The Bank has continued working on an internal credit risk rating model, which will be used to increase the level of objectivity in the decision making processes.

**b) Market Risk**

The risk arising from currency and interest rate fluctuations together with commodity and settlements risks are monitored under the title of market risk.

The proportion of the Bank’s balance sheet which is exposed to market risk is calculated and reported periodically to the Board of Directors.

The Bank does not face any commodity or settlement risks. Net foreign currency position as a proportion of total assets is nevertheless used as a control mechanism.

As of FY2008, the amount of net foreign currency exposure was equivalent of TL 3.8 million. This is an ignorable amount as it corresponded to 1.2% of the Bank’s total asset base as the end of the same period.

The Bank carries out stress tests and scenario analysis to calculate its market risks. The risks are however calculated by the Treasury Department and not the Risk Management Department.

**c) Liquidity Risk**

Liquidity risks arise in general from the funding activities of any banking institution. It includes risks from both being unable to fund assets at appropriate maturities and at appropriate rates.

In order to minimize the liquidity risk faced by the Bank, a strategy of diversified funding resources has been adopted. The maturity mismatch between assets and liabilities is also given significant importance while a proportion of liquid assets are maintained at all times to guarantee sufficient liquidity during unexpected market fluctuations.

**d) Operational Risk**

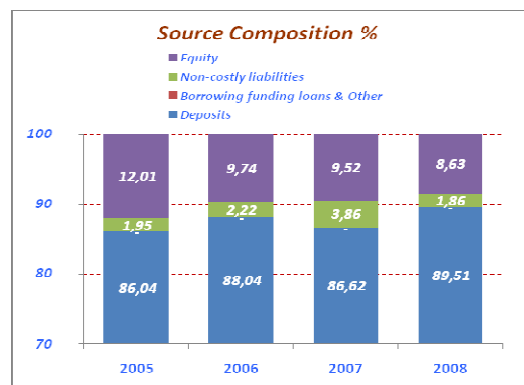
The Bank seeks to minimize operational risk and their potential impacts by implementing the human resources, network security, information technology back-up and disaster recovery policies.

In order to prevent possible operational risks, the Bank has created efficient internal audit, internal control and risk management systems within the framework of the legal regulations.

**8. Funding and Adequacy of Capital**

The funding base of the Bank is composed of both TL and FC denominated deposits (89.51%), non-costly liabilities (1.86%) and the remaining proportion from other funds and liabilities.

The Bank has no borrowings from international markets through securitization, syndication loans or either direct loans. This also ensured that the Bank was only influenced to a limited extent from the current global crisis.



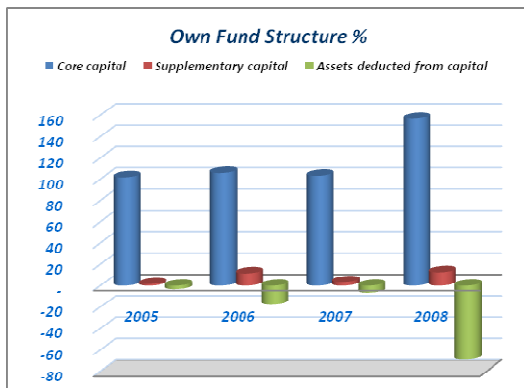
The deposit base of Creditwest constitutes almost 89.51% of the total liabilities of the bank. Deposits have a diversified base and thus exhibit a steady structure. The Bank has about

18,000 deposit accounts which exhibits a 17% annual growth. Of the total deposits, 23% have been funded by expats which illustrates the well organized structure of this institution as well as demonstrates the diversification within the deposit base.

At the end of FY2008, the Bank's CAR (Capital Adequacy Ratio) was calculated as 8.48%; this being well below the sector average. The lower CAR figure during this period was due to certain requirements set by the banking authority. The banking authority considered a certain amount of Creditwest's deposits, which had been placed with another financial institution, as block deposit and therefore had to be deducted from total equity for the calculation of CAR. This had a reducing effect on the total calculated figure. Nevertheless, the last four year's decreasing trend of CAR has been arrested and the ratio was able to reach a healthy 17.48% at the end of the 3Q2009 with the support provided by increased equity base.

	2008	2007	2006	2005
<b>CAR-Capital Adequacy Ratio (%)</b>	8,48	17,73	20,22	24,40

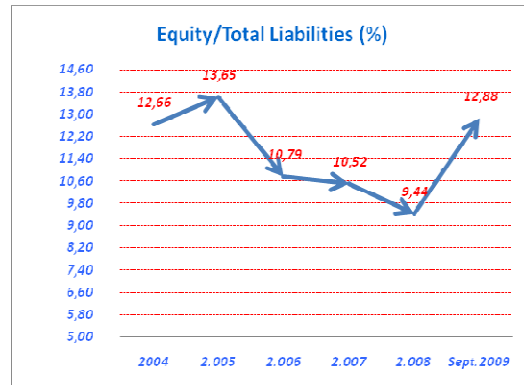
As seen from the graph given below, core capital which is the main part of the Bank's capital base has shown an increasing trend in the last four years.



The Bank's equity as a proportion of its total liabilities was 10.79% at the end of FY2006, declining to 10.52% by the end of FY2007 and further to 9.44% by the end of FY2008. At the end of 3Q2009, declining trend has turned into

increasing trend and reached to 12.88% due to profit explosion of the Bank at the end of 3QFY2009.

The Bank exhibits a better equity base if consolidated figures could be taken into account for assessment purposes.



## 9. Corporate Governance

The Bank's compliance with the principles of corporate governance should be further improved compared to international standards especially in the fields of shareholding structure and transparency. The Bank is fully owned by members of Altınbaş family. Efforts towards institutionalization should be accelerated.

Besides the Bank's small scale social responsibility projects, the ultimate parent of the Bank, Altınbaş Group, holds important corporate social responsibility projects, with Mehmet Altınbaş Education and Culture Foundation by making high donations for educational causes. Kemerburgaz University will be giving service as a foundation university in the next year and this will be one of the most important investments in the field of social responsibility projects.

## 10. Ability to Generate Income and Level and Stability of Profitability

Credit West Bank has recorded a net profit of TL 4.48m for the year ended FY2008. The Bank's profitability has reached to TL 10.7m, increasing 138.8%, at the end of 3QFY2009.



In addition, the Bank's return on average asset was 1.86% while return on average equity surpassed 20.62% at the end of 3Q2009. These ratios point out an above average performance as compared to the sector average of 19.32% and ensure the continuity of the Bank's profitability.

### **11. Information Technology**

Credit West Bank's efforts continue in improving information technologies with a view of offering the best services to its customers.

The Bank has wide presence in Cyprus and delivers uninterrupted service to its customer. Systems and communication infrastructure has been installed at the Bank's disaster center located far away from headquarter of the Bank.

Over the past two years the Bank has made sizable investments in its IT system and further expenditure has been planned in the coming years.

CREDITWEST BANK LTD. BALANCE SHEET ASSETS	3Q2009	FYE2008	FYE2008	FYE2008	FYE2007	FYE2007	FYE2006	FYE2006	FYE2005	As % of assets (Original)			Growth %		
	TL (Original)	USD (Converted)	TL (Original)	TL (Average)	TL (Original)	TL (Average)	TL (Original)	TL (Average)	TL (Original)	2008	2007	2006	2008	2007	2006
<b>A-TOTAL EARNING ASSETS (I+II+III)</b>	<b>309,984,316</b>	<b>200,207,586</b>	<b>302,773,933</b>	<b>261,954,707</b>	<b>221,135,480</b>	<b>199,056,477</b>	<b>176,977,473</b>	<b>146,634,849</b>	<b>116,292,224</b>	<b>95.44</b>	<b>91.93</b>	<b>95.14</b>	<b>36.92</b>	<b>24.95</b>	<b>52.18</b>
<b>I- LOANS&amp;LEASING RECEIVABLES (Net)</b>	<b>203,290,186</b>	<b>98,799,976</b>	<b>149,415,203</b>	<b>130,904,123</b>	<b>112,393,043</b>	<b>95,627,042</b>	<b>78,861,041</b>	<b>64,264,460</b>	<b>49,667,878</b>	<b>47.10</b>	<b>46.72</b>	<b>42.40</b>	<b>32.94</b>	<b>42.52</b>	<b>58.78</b>
a) Short term loans	198,169,040	97,658,582	147,689,073	130,384,587	113,080,101	96,136,355	79,192,609	64,473,708	49,754,806	46.55	47.01	42.57	30.61	42.79	59.17
b) Lease assets	-	-	-	-	-	-	-	-	-	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
c) Medium & Long term loans	-	-	-	-	-	-	-	-	-	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
d) Over due loan	16,237,962	11,422,611	17,274,415	12,894,557	8,514,698	6,382,344	4,249,990	3,892,653	3,535,316	5.45	3.54	2.28	102.88	100.35	20.22
e) Others	-	-	-	-	-	-	-	-	-	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
f) Receivable from customer due to brokerage activities	-	-	-	-	-	-	-	-	-	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
g) Allowance for loan losses (-)	-11,116,816	-10,281,217	-15,548,285	-12,375,021	-9,201,756	-6,891,657	-4,581,558	-4,101,901	-3,622,244	-4.90	-3.83	-2.46	68.97	100.84	26.48
<b>II-OTHER EARNING ASSETS</b>	<b>54,994,674</b>	<b>71,950,456</b>	<b>108,810,675</b>	<b>93,011,483</b>	<b>77,212,290</b>	<b>67,895,303</b>	<b>58,578,316</b>	<b>47,502,860</b>	<b>36,427,403</b>	<b>34.30</b>	<b>32.10</b>	<b>31.49</b>	<b>40.92</b>	<b>31.81</b>	<b>60.81</b>
a) Balance with banks-Time deposits	23,176,290	39,344,177	59,500,199	51,785,467	44,070,735	36,267,099	28,463,463	23,881,036	19,298,609	18.75	18.32	15.30	35.01	54.83	47.49
b) Money market placements	-	-	-	-	-	-	-	-	-	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
c) Reserve Deposits at CB	-	14,281,445	21,597,830	18,802,096	16,006,361	14,361,082	12,715,802	10,333,310	7,950,817	6.81	6.65	6.84	34.93	25.88	59.93
d) Balance with CB- Demand deposits	31,818,383	18,324,834	27,712,646	22,423,920	17,135,194	17,267,123	17,399,051	13,288,514	9,177,977	8.74	7.12	9.35	61.73	-1.52	89.57
<b>III-SECURITIES AT FAIR VALUE THROUGH P/L</b>	<b>51,699,457</b>	<b>29,457,155</b>	<b>44,548,055</b>	<b>38,039,101</b>	<b>31,530,147</b>	<b>35,534,132</b>	<b>39,538,116</b>	<b>34,867,530</b>	<b>30,196,943</b>	<b>14.04</b>	<b>13.11</b>	<b>21.26</b>	<b>41.29</b>	<b>-20.25</b>	<b>30.93</b>
a) Treasury bills and government bonds	51,699,457	29,457,155	44,548,055	38,039,101	31,530,147	35,534,132	39,538,116	34,867,530	30,196,943	14.04	13.11	21.26	41.29	-20.25	30.93
b) Other investments	-	-	-	-	-	-	-	-	-	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
c) Repurchase agreement	-	-	-	-	-	-	-	-	-	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
<b>B- INVESTMENTS IN ASSOCIATES (Net)+EQUITY SHARE</b>	<b>716,928</b>	<b>718,576</b>	<b>1,086,703</b>	<b>1,086,703</b>	<b>1,086,703</b>	<b>933,113</b>	<b>779,523</b>	<b>754,523</b>	<b>729,523</b>	<b>0.34</b>	<b>0.45</b>	<b>0.42</b>	<b>0.00</b>	<b>39.41</b>	<b>6.85</b>
a) Investments in associates (Net)	716,928	718,576	1,086,703	1,086,703	1,086,703	933,113	779,523	754,523	729,523	0.34	0.45	0.42	0.00	39.41	6.85
b) Equity share	-	-	-	-	-	-	-	-	-	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
<b>C-NON-EARNING ASSETS</b>	<b>21,932,596</b>	<b>8,855,250</b>	<b>13,391,795</b>	<b>15,859,800</b>	<b>18,327,805</b>	<b>13,292,292</b>	<b>8,256,779</b>	<b>9,311,115</b>	<b>10,365,451</b>	<b>4.22</b>	<b>7.62</b>	<b>4.44</b>	<b>-26.93</b>	<b>121.97</b>	<b>-20.34</b>
a) Cash and cash equivalents	3,123,913	1,207,762	1,826,499	2,249,627	2,672,755	1,937,506	1,202,257	941,721	681,185	0.58	1.11	0.65	-31.66	122.31	76.49
b) Balance with banks-Current accounts	170,262	215,031	325,192	3,194,005	6,062,817	3,281,153	499,489	1,697,437	2,895,385	0.10	2.52	0.27	-94.64	1,113.80	-82.75
c) Financial assets at fair value through P/L	-	-	-	-	-	-	-	-	-	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
d) Interest accruals from loans and lease	4,393,692	-	-	-	-	-	-	-	-	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
e) Other	14,244,730	7,432,457	11,240,104	10,416,169	9,592,233	8,073,633	6,555,033	6,671,957	6,788,881	3.54	3.99	3.52	17.18	46.33	-3.44
-Intangible assets	-	-	-	-	-	-	-	-	-	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
- Property and equipment	9,096,695	5,555,207	8,401,139	7,887,152	7,373,165	5,752,466	4,131,766	3,165,630	2,199,494	2.65	3.07	2.22	13.94	78.45	87.85
-Deferred tax	-	39,316	59,458	212,536	365,614	336,695	307,776	153,889	2	0.02	0.15	0.17	-83.74	18.79	15,388.700
-Other	5,148,035	1,837,934	2,779,507	2,316,481	1,853,454	1,984,473	2,115,491	3,352,438	4,589,385	0.88	0.77	1.14	49.96	-12.39	-53.90
<b>TOTAL ASSETS</b>	<b>332,633,839</b>	<b>209,781,413</b>	<b>317,252,431</b>	<b>278,901,210</b>	<b>240,549,988</b>	<b>213,281,882</b>	<b>186,013,775</b>	<b>156,700,487</b>	<b>127,387,198</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>31.89</b>	<b>29.32</b>	<b>46.02</b>
		USD/TL=		1.5123		1.1647		1.4056		1.3418					

CREDITWEST BANK LTD. BALANCE SHEET	3Q2009	FYE2008	FYE2008	FYE2008	FYE2007	FYE2007	FYE2006	FYE2006	FYE2005	As % of assets			Growth %		
	TL	USD	TL	TL	TL	TL	TL	TL	TL	2008	2007	2006	2008	2007	2006
LIABILITIES&SHAREHOLDERS EQ.	(Original)	(Converted)	(Original)	(Average)	(Original)	(Average)	(Original)	(Average)	(Original)						
<b>A- COSTLY LIABILITIES (I+II)</b>	<b>280,489,474</b>	<b>187,784,740</b>	<b>283,986,863</b>	<b>246,180,289</b>	<b>208,373,714</b>	<b>186,069,739</b>	<b>163,765,763</b>	<b>136,684,115</b>	<b>109,602,466</b>	<b>89.51</b>	<b>86.62</b>	<b>88.04</b>	<b>36.29</b>	<b>27.24</b>	<b>49.42</b>
<b>I-DEPOSITS</b>	<b>280,489,474</b>	<b>187,784,740</b>	<b>283,986,863</b>	<b>246,180,289</b>	<b>208,373,714</b>	<b>186,069,739</b>	<b>163,765,763</b>	<b>136,684,115</b>	<b>109,602,466</b>	<b>89.51</b>	<b>86.62</b>	<b>88.04</b>	<b>36.29</b>	<b>27.24</b>	<b>49.42</b>
a) TL Deposits	171,028,706	91,190,547	137,907,464	110,321,522	82,735,580	70,273,662	57,811,743	50,513,158	43,214,573	43.47	34.39	31.08	66.68	43.11	33.78
b) FC Deposits	101,949,642	58,583,789	88,596,264	77,122,863	65,649,462	57,652,413	49,655,364	43,727,612	37,799,860	27.93	27.29	26.69	34.95	32.21	31.36
c) FC & TL banks deposits	7,511,125	38,010,405	57,483,135	58,735,904	59,988,672	58,143,664	56,298,656	42,443,345	28,588,033	18.12	24.94	30.27	-4.18	6.55	96.93
<b>II-BORROWING, FUNDING LOANS &amp; OTHERS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>
a) Borrowing from domestic market	-	-	-	-	-	-	-	-	-	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
b) Borrowing from overseas markets	-	-	-	-	-	-	-	-	-	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
c) Borrowing from Interbank	-	-	-	-	-	-	-	-	-	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
d) Securities sold under repurchase agreements	-	-	-	-	-	-	-	-	-	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
e) Subordinated loan & Others & Funds	-	-	-	-	-	-	-	-	-	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
<b>B- NON-COSTLY LIABILITIES</b>	<b>14,192,100</b>	<b>3,893,228</b>	<b>5,887,728</b>	<b>7,583,644</b>	<b>9,279,559</b>	<b>6,708,711</b>	<b>4,137,862</b>	<b>3,313,298</b>	<b>2,488,733</b>	<b>1.86</b>	<b>3.86</b>	<b>2.22</b>	<b>-36.55</b>	<b>124.26</b>	<b>66.26</b>
a) Provisions	-	-	-	-	-	-	-	-	-	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
b) Current & Deferred tax liabilities	-	335,530	507,422	695,814	884,205	897,728	911,251	1,391,725	1,872,199	0.16	0.37	0.49	-42.61	-2.97	-51.33
c) Trading liabilities (Derivatives)	-	-	-	-	-	-	-	-	-	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
d) Other liabilities	14,192,100	3,557,698	5,380,306	6,887,830	8,395,354	5,810,983	3,226,611	1,921,573	616,534	1.70	3.49	1.73	-35.91	160.19	423.35
<b>C- TOTAL LIABILITIES</b>	<b>294,681,574</b>	<b>191,677,968</b>	<b>289,874,591</b>	<b>253,763,932</b>	<b>217,653,273</b>	<b>192,778,449</b>	<b>167,903,625</b>	<b>139,997,412</b>	<b>112,091,199</b>	<b>91.37</b>	<b>90.48</b>	<b>90.26</b>	<b>33.18</b>	<b>29.63</b>	<b>49.79</b>
<b>D- MINORITY INTEREST</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>
<b>E- SHAREHOLDERS' EQUITY</b>	<b>37,952,266</b>	<b>18,103,445</b>	<b>27,377,840</b>	<b>25,137,278</b>	<b>22,896,715</b>	<b>20,503,433</b>	<b>18,110,150</b>	<b>16,703,075</b>	<b>15,295,999</b>	<b>8.63</b>	<b>9.52</b>	<b>9.74</b>	<b>19.57</b>	<b>26.43</b>	<b>18.40</b>
a) Prior year's equity	27,245,856	15,140,326	22,896,715	20,503,433	18,110,150	16,703,075	15,295,999	12,503,653	9,711,307	7.22	7.53	8.22	26.43	18.40	57.51
b) Equity (Added from internal & external sources at this year)	-	-1	-1	3,138	6,276	3,138	-	-	-	-0.00	0.00	n.a.	-100.02	n.a.	n.a.
c) Profit & Loss	10,706,410	2,963,120	4,481,126	4,630,708	4,780,289	3,797,220	2,814,151	4,199,422	5,584,692	1.41	1.99	1.51	-6.26	69.87	-49.61
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY(A+B+C+D+E)</b>	<b>332,633,840</b>	<b>209,781,413</b>	<b>317,252,431</b>	<b>278,901,210</b>	<b>240,549,988</b>	<b>213,281,882</b>	<b>186,013,775</b>	<b>156,700,487</b>	<b>127,387,198</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>31.89</b>	<b>29.32</b>	<b>46.02</b>
		USD/TL=		1.5123		1.1647		1.4056		1.3418					

<b>CREDITWEST BANK</b>						
<b>INCOME STATEMENT (TL)</b>	<b>3Q2009</b>	<b>FYE2008</b>	<b>FYE2007</b>	<b>FYE2006</b>	<b>FYE2005</b>	<b>FYE2004</b>
<b>I. Net interest income</b>	<b>16,838,816</b>	<b>18,454,238</b>	<b>14,483,730</b>	<b>10,387,397</b>	<b>9,352,698</b>	<b>6,919,764</b>
Interest income	36,113,447	43,853,226	30,014,019	23,327,637	16,058,974	11,421,463
Interest expense	19,274,631	25,398,988	15,530,289	12,940,240	6,706,276	4,501,699
<b>II. Net fee and commission income</b>	<b>1,589,685</b>	<b>3,508,710</b>	<b>2,944,216</b>	<b>2,087,168</b>	<b>1,786,138</b>	<b>956,081</b>
Fee and commission income	1,792,746	4,068,828	3,130,069	2,296,784	1,889,556	1,004,211
Fee and commission expense	203,061	560,118	185,853	209,616	103,418	48,130
<b>III. Total operating income</b>	<b>7,677,086</b>	<b>3,238,785</b>	<b>1,596,834</b>	<b>-600,765</b>	<b>1,258,216</b>	<b>994,919</b>
Net trading income (+/-)	-	-	-	-	-	-
Foreign exchange gain(loss), net (+/-)	858,210	659,255	971,985	-1,239,248	887,868	467,575
Gross profit from retail business	-	-	-	-	-	-
Premium income from insurance business	-	-	-	-	-	-
Income on sale of equity participations and consolidated affiliates	-	-	-	-	-	-
Gains from investment securities, net	-	-	-	-	-	-
Other operating income	6,818,875	2,579,530	624,849	638,483	370,348	527,344
Taxes other than on income	-	-	-	-	-	-
Dividend	-	-	-	-	-	-
<b>IV. Provisions</b>	<b>1,773,578</b>	<b>7,400,979</b>	<b>4,974,496</b>	<b>665,238</b>	<b>211,360</b>	<b>874,457</b>
Provision for impairment of loan and trade receivables	1,773,578	7,400,979	4,974,496	665,238	211,360	807,007
Other Provision	-	-	-	-	-	67,450
<b>V. Total operating expense</b>	<b>10,957,333</b>	<b>12,617,338</b>	<b>8,497,740</b>	<b>7,811,640</b>	<b>4,745,312</b>	<b>3,094,495</b>
Salaries and employee benefits	6,274,839	7,592,531	4,836,618	3,428,394	2,726,429	1,701,485
Depreciation and amortization	1,064,000	974,084	892,249	562,290	326,682	194,819
Other expenses	3,618,494	4,050,723	2,768,873	3,820,956	1,692,201	1,198,191
<b>VI. Profit from operating activities before tax</b>	<b>13,374,676</b>	<b>5,183,416</b>	<b>5,552,544</b>	<b>3,396,922</b>	<b>7,440,380</b>	<b>4,901,812</b>
Income tax – current (-)	2,668,266	507,422	772,917	857,141	1,851,493	1,222,088
Income tax – deferred (-)	-	194,868	-662	-274,370	4,195	-
<b>VII. Net profit for the period</b>	<b>10,706,410</b>	<b>4,481,126</b>	<b>4,780,289</b>	<b>2,814,151</b>	<b>5,584,692</b>	<b>3,679,724</b>
<b>A. Total income (I+II+III)</b>	<b>26,105,587</b>	<b>25,201,733</b>	<b>19,024,780</b>	<b>13,113,048</b>	<b>12,397,052</b>	<b>8,870,764</b>
<b>B. Total expense (V)</b>	<b>10,957,333</b>	<b>12,617,338</b>	<b>8,497,740</b>	<b>9,050,888</b>	<b>4,745,312</b>	<b>3,094,495</b>
<b>C. Provision (IV)</b>	<b>1,773,578</b>	<b>7,400,979</b>	<b>4,974,496</b>	<b>665,238</b>	<b>211,360</b>	<b>874,457</b>
<b>D. Pre-tax profit (VI=A-B-C)</b>	<b>13,374,676</b>	<b>5,183,416</b>	<b>5,552,544</b>	<b>3,396,922</b>	<b>7,440,380</b>	<b>4,901,812</b>

<b>CREDITWEST BANK LTD. FINANCIAL RATIOS %</b>	<b>FYE2008</b>	<b>FYE2007</b>	<b>FYE2006</b>
<b>I. PROFITABILITY &amp; PERFORMANCE</b>			
1. ROA - Pre-tax profit / Average total assets	1.86	2.60	2.17
2. ROE- Pre-tax profit / Average equity	20.62	27.08	20.34
3. Total income / Average equity	100.26	92.79	78.51
4. Total income / Average total assets	9.04	8.92	8.37
5. Provisions / Total income	29.37	26.15	5.07
6. (Total expenses/Average total liabilities	4.52	3.98	5.78
7. Net profit for the period / Average total assets	1.61	2.24	1.80
8. Total income / Total expenses	199.74	223.88	144.88
9. (Non-costly liabilities+ Equity- Non-earning assets)/Total assets	6.26	5.76	7.52
10. (Non-costly liabilities- Non-earning assets) / Total assets	-2.37	-3.76	-2.21
11. Total operating expenses / Total income	50.07	44.67	59.57
12. Interest margin	7.04	6.55	5.87
13. Operating ROAA = Operating net income / Average total assets	10.97	9.88	10.43
14. Operating ROAE = Operating net income/Average equity capital	121.66	102.83	97.81
15. Interest coverage (EBIT / Interest expense)	120.41	135.75	126.25
16. Net profit margin	17.78	25.13	21.46
17. Gross profit margin	20.57	29.19	25.90
<b>II. CAPITAL ADEQUACY</b>			
1. Equity generation / Prior year's equity	0.00	0.03	0.00
2. Internal equity generation / Prior year's equity	19.57	26.40	18.40
3. Equity / Total assets	8.63	9.52	9.74
4. Core capital / Total assets	8.31	9.39	8.69
5. Supplementary capital / Total assets	0.67	0.31	0.96
6. Tier 3 / Total assets	0.00	0.00	0.00
7. Capital / Total assets	8.98	9.70	9.65
8. Own fund / Total assets	5.31	9.10	8.22
9. Standard capital adequacy ratio	8.48	17.73	20.22
10. Surplus own fund	5.66	54.87	60.44
11. Free equity / Total assets	5.64	6.00	7.10
<b>III. LIQUIDITY</b>			
1. LMS-Liquidity management success (On demand)	98.01	100.00	100.00
2. LMS-Liquidity management success (Up to 1 month)	83.45	99.98	100.00
3. LMS- Liquidity management success (1to 3 months)	70.94	99.98	99.99
4. Liquidity management success ( 3 to 6 months )	99.25	100.00	100.00
5. Liquidity management success (6 to 12 months)	98.06	100.00	100.00
6. Liquidity management success (over 1 year & Unallocated)	86.78	99.99	99.99
<b>IV. ASSET QUALITY</b>			
1. Loan loss provisions / Total loans	9.43	7.57	5.49
2. Total provisions / Profit before provision and tax	58.81	47.25	16.38
3. Impaired loans / Gross loans	10.47	7.00	5.09
4. Impaired loans net / Equity	63.10	37.19	23.47
5. Loan loss reserves / Impaired loans	90.01	108.07	107.80
<b>V. OTHER</b>			
1. Total assets / (Total guarantees and commitments + Total assets)	78.51	66.42	75.84
2. Equity / (Total guarantees and commitments + Equity)	23.97	33.76	23.41
3. Own fund / (Total guarantees and commitments + Own fund)	16.24	32.76	20.51
4. Total foreign currencies position / Total assets	1.21	3.30	1.84
5. Total foreign currencies position / Equity	14.02	34.72	18.89
6. Total foreign currencies position / Own equity	22.79	36.32	22.37
7. Market share	4.69	4.05	3.34
8. Growth	31.89	29.32	46.02