

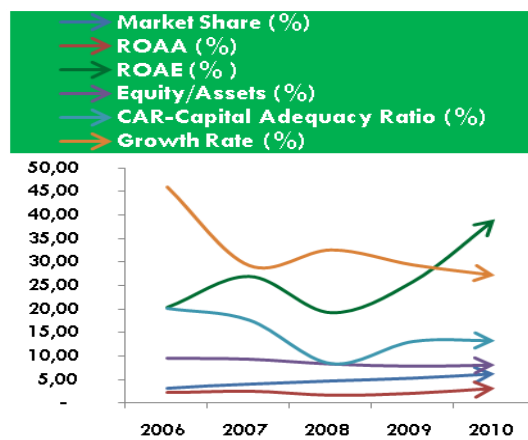
Corporate Credit Rating
Update

Banking

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

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

Analyst: Şevket GÜLEÇ / +90 212 352 56 73
sevketg@jcrer.com.tr



Strengths

- Much higher asset size growth over the sector in the previous six year period,
- Steadily increasing market share and market presence,
- Much better performance than the sector in terms profitability indicators,
- Retention of profits policy contributes to the Bank's capital adequacy and supports the Bank's balance sheet strength,
- Consistency in the experienced and professional management team,
- Longer maturity customer deposit base compared to the sector eases liquidity management,
- Advanced risk management applications.

Constraints

- High gross non-performing loans ratio which is consistent with the sector, however fully provisioned,
- Continuing efforts towards corporate structuring according to corporate governance practices should be sustained,
- Higher leverage ratios as a result of fast growth rates,
- Lower demand deposits to total deposits ratio compared to the sector,
- Isolated economic and political structure of the TRNC is a major obstacle for the sector's development,
- Strong competition amongst sector players.

CREDITWEST BANK LTD.					
Financial Data	2010*	2009*	2008*	2007*	2006*
Total Assets (000 USD)	341,395	274,288	210,978	206,534	132,338
Total Assets (000 TL)	525,412	412,995	319,062	240,550	186,014
Equity (000 TL)	43,649	33,145	27,127	22,897	18,110
Net Profit (000 TL)	11,705	6,018	4,413	4,780	2,814
Market Share (%)	6.24	5.31	4.71	4.05	3.34
Gross ROAA (%)	3.21	2.14	1.73	2.60	2.17
Gross ROAE (%)	39.26	25.97	19.36	27.08	20.34
Equity/Assets (%)	8.31	8.03	8.50	9.52	9.74
CAR-Capital Adequacy Ratio (%)	13.34	13.19	8.48	17.73	20.22
Growth Rate (%) in TL	27.22	29.44	32.64	29.32	46.02

*End of year

Overview

Creditwest Bank Ltd. (hereinafter Creditwest Bank or the Bank), was incorporated in the Turkish Republic of Northern Cyprus (TRNC) in 1994. The Bank provides all types of banking services through its thirteen branches, and insurance, factoring, leasing and credit card payments services via its four financial subsidiaries i.e. Creditwest Insurance, Creditwest Finance, Creditwest Factoring and Starcard Banka Kartları Ltd.

Creditwest Bank posted an exceptional growth during the previous six years, showing a cumulative asset size growth of 682.84% (TL basis) while the sector recorded a growth of 131.23%. By the end of FY2010, the Bank's net profit nearly doubled the previous year's profit. During the same period, the sector's net profit increased by just 21%. Furthermore, the Bank displayed a better performance than the sector in deposits, loans and equity growths while it maintained its asset quality. With respect to its fast growth in asset size, the Bank's market share in the overall banking system as a whole increased to 6.24% during FY2010 from 5.31% in and also increased to 16.70% from 14.72% in the private deposit banking group.

The Bank is ultimately owned by the Altınbaş Family, which has operations spread out in nine countries over three continents and having interests in seven different sectors i.e. energy, finance, jewellery, logistics, real estate, education and sports. As of December 31, 2010, the Parent's conglomerate; Altınbaş Holding has a TL 1,521mn asset size and TL 527mn equity base.

1. Rating Rationale

Creditwest Bank is one of twelve private deposit banking institutions in the Turkish Republic of Northern Cyprus Banking Sector which constitutes 37.39% of the entire TRNC (Turkish Republic of Northern Cyprus) banking sector. Amongst these private deposit banks, Creditwest Bank has a market share of 16.70% (FY2009: 14.72%), and a 6.24% market share (FY2009: 5.31%) in respect to the entire banking sector. The Bank steadily expanded its market share from FY2006 to FY2010. According to the Central Bank of Northern Cyprus (the regulatory authority of the local banking sector), 24 banking institutions operate in the TRNC. At the end of FY2010, public deposit banks constituted 33.53% of the whole sector, while branch banks have a proportion of 29.08%.

Creditwest ranked 5th at the end of FY2010 from 7th at the end of FY2009 among the twenty four banking institutions with respect to total asset size. *(Information related with 2010 asset size of the banks operating in the TRNC has been provided by Creditwest Bank)*

The Bank currently operates through its 13 branch networks in Nicosia (Lefkoşa), Famagusta (Magosa), Kyrenia (Girne) and Güzelyurt in Northern Cyprus as well as provides alternative service channels such as internet banking facilities and ATMs. In line with its mission, to become the best bank in the Eastern Mediterranean and Black sea regions, the Bank has steadily been improving its services quality and increasing its presence in the market. Furthermore, the Bank expanded its retail loans to total loans ratio to 58.88% from 55.69% at the end of FY2009 at par with its growing strategy in retail loans.

At the end of FY2010:

- The Bank showed a better performance in comparison to the sector in indices of ROAA (3.21%) and ROAE (39.26), where the sector figures were (2.55% and 23.89%) respectively,
- Creditwest Bank's exhibited growth of 27.22% in asset size year on year basis, which was beyond the sector's growth figure of 8.15%,
- The Bank displayed exceptional performance in net profit field; net profit of the Bank increased by 94.50% while the sector's net profit increased just by 20.99%
- The Bank's equity increase (31.69%) was above the sector's equity increase (18.32%), however equity to total asset ratio (8.31%) of the Bank was still lower than the sector's (11.11%)

- The Bank's proportion of external liabilities to shareholder's equity was above those of the the TRNC banking sector as a whole
- Demand deposit to total deposit ratio (8.80%) was below the sector's ratio (16.08%)
- The Bank's capacity of internal funds generation is relatively higher as compared to the sector,
- Total deposit of the Bank increased by 33.56% while the Sector's increased by 7.63%
- Capital adequacy ratio (13.34%) was both below the entire sector (20.86%) and private deposit banks (15.11%) ratios (however above the required rate of 10%)
- Total loans to total deposits ratio (72.24%) was above the Sector's ratio (65.53%)
- NPL to gross loans ratio of the Bank (9.37%) was slightly below the sector (9.53%), however impaired loans to equity ratio was higher than the sector.
- Loan loss reserves to impaired loans ratio (111.22%) was significantly higher than both sectors (60.38%)
- Throughout the last six year period, the Bank's cumulative growth performance was well above the sector's growth. Cumulative growth rate of the Bank was 5.2 times that of the average sector growth.
- Net fee and commission income increased by 86.77%, which was composed of 19.28% of total income (FY2009:13.01%)
- Net interest margin and net interest income to total income proportion decreased to 5.60% and 64.11% from 6.27% and 70.85% respectively
- The Bank's average deposit maturity was 113 days while that of the sector was 48 days, (68.47% of the sector's total deposits was in 1 month maturity bracket)
- Liquid assets to total asset ratio of the bank was 19.31% while the sector's ratio was 29.63%.

As indicated above, a higher internal fund generating capacity, higher growth rates in asset size base, longer maturities deposit base, higher profitability ratios, successful liquidity management and transparent reporting are some of the major driving factors the assigned ratings. Conversely, higher non-performing loans, lower CAR ratios in comparison to the sector although above the legal requirements, higher leverage ratio and higher impaired loans to equity ratio have contained ratings to their current levels.

JCR-ER recognizes that the sovereign risk of the 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 to the Financial Reporting Standards for the period. Moreover,

statistics provided by the Central Bank of North Cyprus and JCR-ER's own studies are also utilized for this assessment.

2. Outlook

At the end of current financial year, Creditwest Bank projected an increase in its asset base, equity and net profit of 20%, 40% and 18% respectively; these are deemed an achievable threshold for the Bank, keeping in mind it recorded growths of 27.22%, 31.69% and 94.50% at the end of FY2010.

As of June 30, 2011, the Bank's assets, deposits and loans showed a growth of 9.34%, 15.71% and 23.37%, respectively. The Bank booked a net profit of TL 12mn in six month period of FY2011 and according to this figure the Bank has exceeded its last year's net profit. If the Bank continues a net profit increase trend for the remaining period of the year, it is fair to assume that the Bank will be able to generate more income than the budget projections.

JCR-ER has assigned a "positive" outlook on the long term national rating and "stable" outlook on the short term national and international ratings perspective of Creditwest Bank. In parallel to its growths projections, its internal funds generating capacity, the sustainability level of its profitability, the Bank's level of liquidity, the level of capital adequacy, the presence of the Bank within the sector, deposit maturity structure and the financial strength of its group companies and shareholders as well as improvements in NPL ratio are the other elements which support the current rating outlook.

Macro economic developments in Turkey, the Turkish Republic of Northern Cyprus and global financial climate, the level of profit generated in the future, the level of NPL, the management of the additional risks combined with the growth of the Bank, as well as the changing sovereign rating of Turkey are the significant factors that may be taken into consideration for any future change in ratings and outlook status.

3. Sponsor Support and Stand Alone

The Bank derives strength with respect to funding resources from the Altınbaş Family. Altınbaş Holding A.Ş., a conglomerate of the Group, has operations in nine countries on three continents. Prime business activities are based in Turkey, the TRNC, Albania and Ukraine. The Holding has diversified its geographical and business risks by holding interests in seven different

sectors i.e. energy, finance, jewellery, logistics, real estate, education and sports. As of December 31.2010, the Holding's assets, equity and net profit figures were TL 1,521mn, 527mn and 59mn respectively. These figures indicate that the Altınbaş Family has the sufficient financial resources in addition to those invested in group operations and will be ready to provide financial support as and when required.

The Stand Alone grade for Creditwest Bank has been primarily based on the asset quality, liquidity level, profit generating capacity, capital adequacy ratio, and growth potential and increasing market share. JCR-ER believes that the Bank has the sufficient liquidity, equity and capability to easily reach external funds as well as the experienced management necessary to run the incurred risks on its balance sheet via its core business operations, assuming that the shareholders do not provide any assistance.

The Sponsor Support and Stand Alone Notes of Creditwest Bank have been determined as "2" and "A", respectively. A Sponsor Support Note of "2" denotes a moderate external support possibility where a sponsor has a sufficient credit rating note and willing to support the company. Stand Alone Note "A" signifies a strong bank, sustainable profitability, sound balance sheet composition, successful management, convenient operating environment and future expectations.

4. Company Background

a) History

Creditwest Bank Limited was incorporated under the name Altınbaşbank in 1994 and was renamed Creditwest Bank in 2004. The Bank is fully licensed to carry out all banking operations in the TRNC, provides wide range of banking services, including deposit acceptance, the granting of corporate and personal loans as well as other banking services through its thirteen branches and insurance, factoring, leasing and credit card payments services via its four financial affiliates.

b) Organization & Employees

The Board of Creditwest Bank consists of five members, none of them independent. The senior management team of the Bank is comprised of the CEO and three executive vice presidents. All these managers are highly educated in their respective fields. The Bank has set in place an organizational structure and management committees as required by legal arrangements.

As of December 31, 2010, the Bank had 204 employees (as of December 31, 2009: 179), 60 of which are employed in the Headquarters with the remaining in the

Branches. The Bank provides commercial, retail, private, and expat banking services through its network of 13 branches as well as internet banking services. Based on its growth needs, the Bank has made changes in its organizational structure and developed new operating units.

c) Shareholders, Subsidiaries and Affiliates

The Bank is owned by Altınbaş family members. The shareholding structure of the Bank is provided in the following table:

Shareholders	2010 Share %
Ali Altınbaş	15.83%
Sofu Altınbaş	15.83%
Hüseyin Altınbaş	15.83%
Nusret Altınbaş	15.83%
İnan Altınbaş	15.83%
Aliye Altınbaş	5.69%
Orkun Altınbaş	5.69%
Sedef Altınbaş	5.69%
Fatma S. Altınbaş	1.25%
Serdar Altınbaş	1.25%
Tuğçe Altınbaş	1.25%
Total	100.00%
Paid Capital (TL)	8,900,000

The subsidiaries and affiliates shareholding pattern is detailed in the following table:

Subsidiaries and Affiliates 2010	Bank's Share %	(000)	(000)	Country
		Shareholder's Equity-TL	Total Assets-TL	
Creditwest Finance Limited	48.91			TRNC
Creditwest Insurance Limited	30.00	7,534	11,238	TRNC
Starcard Banka Kartları Limited	16.67			TRNC
Creditwest Factoring A.Ş. (*)	1.01	86,081	392,782	TURKEY

(*) Quoted to Istanbul Stock Exchange

• Creditwest Finance Limited:

Creditwest Finance Limited was established in 1994 to offer services in the consumer financing sector. It focuses on providing finances by way of leasing. 48.91% shares of Creditwest Finance Limited are owned by the Bank.

• Creditwest Insurance Limited:

Creditwest Insurance Limited was founded in 1994 to operate in the insurance sector in the TRNC. 30% of shares of the company are held by The Bank.

• Starcard Banka Kartları Merkezi Limited

Starcard Banka Kartları Merkezi Limited was incorporated in 2005 in order to create a common platform for credit card payments in the TRNC through the equal partnership of six banks. The Bank has a 16.67% sharehold in the Company.

• Creditwest Factoring A.Ş.

Creditwest Factoring A.Ş. was set up in 1994. Altınbaş Holding A.Ş. became the Company's ultimate parent by acquiring 85% of the shares from the Saving Deposit Insurance Fund. Creditwest Factoring is one of only two factoring companies in Turkey to be listed on the Istanbul Stock Exchange Market. The Company also owns 50% of West Finance and Credit Bank in Ukraine as a founding partner. By the end of FY2010, Creditwest had a 2.7% market share in the Turkish factoring sector.

5. Stability of the Financial System

Turkish Republic of Northern Cyprus Banking Sector constitutes 24 institutions with a total of 192 branches and 2,429 employees. Its total assets size was TL 8,417mn at the end of FY2010 (FY2009: TL 7.748mn). TRNC Gross Domestic Product was TL 5,192mn; total workforce was 91,550 individuals at the end of FY2009. According to the figures, TRNC banking sector makes about 2.60% contribution to the total employment in the Republic. With a population of about 300,000, the economic structure of the TRNC is less diverse and the service sector is the backbone of the economy.

The TRNC Banking system is deeply influenced by the Turkish system on which the Republic has been dependent and has held close ties. All developments in the economy of Turkey are also reflected in TRNC due to the common currency of both countries. Assistance from Turkey is crucial for the development of the Turkish Cypriot economy.

Economic and political isolation is the fundamental issue for the further development of the TRNC; no doubt development would accelerate in this strategically located island in the event of the unification of the island and subsequent entry into the European Union.

The Banking sector has recently expanded its 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 the TRNC offer credit cards, POS, swift and ATM services via Turkish banks as the sovereign status of the TRNC is yet to be recognized.

The figures about TRNC banking sector provided below;

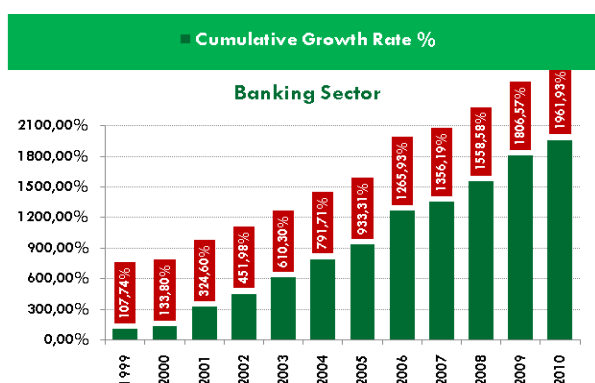
Banking Sector as of 2010	Number of Banks	Number of Branch	Number of Staff	Asset-TL (000.000)	CAR
Public Deposit Bank	4	34	549	4,392	20.49%
Private Deposit Banks (*)	12	118	1,437	2,561	15.11%
Foreign Banks Branch	7	40	443	1,464	30.08%
Total	23	192	2,429	8,417	20.86%

Source: KKTCCB
 (*) Including 2 banks which transferred to the SDIF

According to the Central Bank Publication, for the period ended 2010:

- The total of assets of the TRNC banking sector increased by 8.63% in YOY basis and reached an amount of TL 8.4bl
- Total deposits of the sector increased by 7.63% and reached TL 7.1bl
- Total loans of the sector increased by 16.53% and reached TL 4.6bl
- Total equity of the sector increased by 18.31% and reached the amount of TL 936mn
- NPL ratio of the Sector decreased to 9.53% FY2010 from 10.89%FY2009
- 12 privately owned deposit banks had a total market share of 37.39%,
- 4 public banks had a market share of 33.53%
- Remaining 29.08% of the market share belongs to seven Turkish Banks head-quartered in Turkey.
- The capital adequacy ratio of the sectors was 20.86% (FY2009: 20.39 %)
- The capital adequacy ratio of the private deposit banks, which are considered as the Bank's peer group, averaged at 15.11%.
- Leverage ratio (total liabilities to equity) decreased to 800% FY2010 from 880% FY2009

Cumulative Asset size based growth of the sector is displayed below;

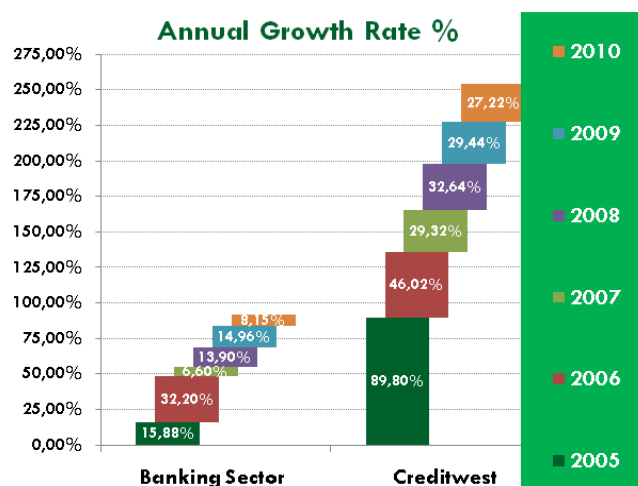


The TRNC Banking Sector showed a steady increasing trend based on total asset size within the last 12 year period and reached 1,962%. Total assets had a cumulative last six year growth rate of 131.23% and the year on year growth rate for total assets was 8.63%, amounting to TL 668,8mn as of FYE 2010.

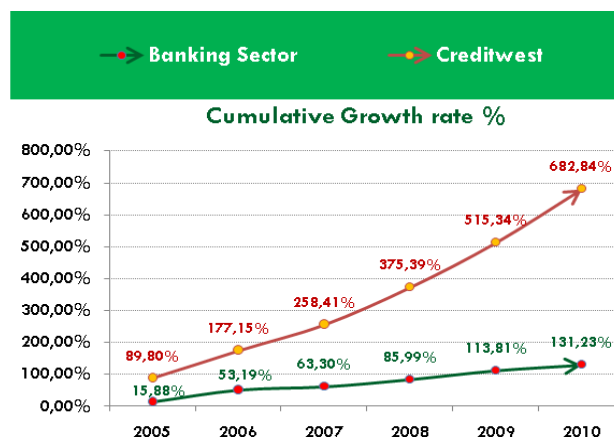
6. Financial Indicators

• **Indices relating to size**

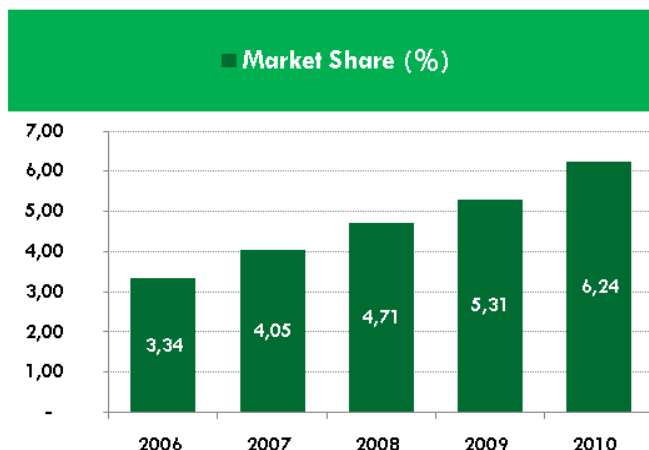
During FY2010, Creditwest Bank exhibited a 27.22% growth in total asset size which was well beyond the sector's 8.15% growth. The graph below displays the Bank's asset base growth in comparison to that of the sector. For all periods under consideration, the Bank performed much better than the entire banking sector and recorded higher asset size growth.



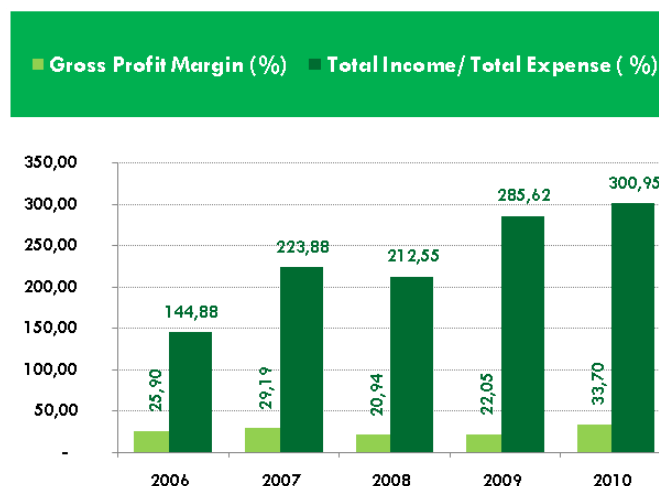
With respect to cumulative growth performance, Creditwest Bank's growth performance during the period of FY2005-FY2010 was well above the average growth of the TRNC banking sector; cumulative growth rate of the Bank was 5.2 times that of the average sector growth.



The Bank's asset size market share increased progressively for the period of FY2005 and FY2010 and reached its highest level at 6.24% at the end of FY2010. Thus the Bank reinforced its market presence.



The Bank's pre-tax profit to total income ratio showed an increase in the last two year period, though it was still far behind the highest level of 60.02% at the end of FY2005. During FY2010, the ratio increased to 33.70% from 22.05% at the end of FY2009.

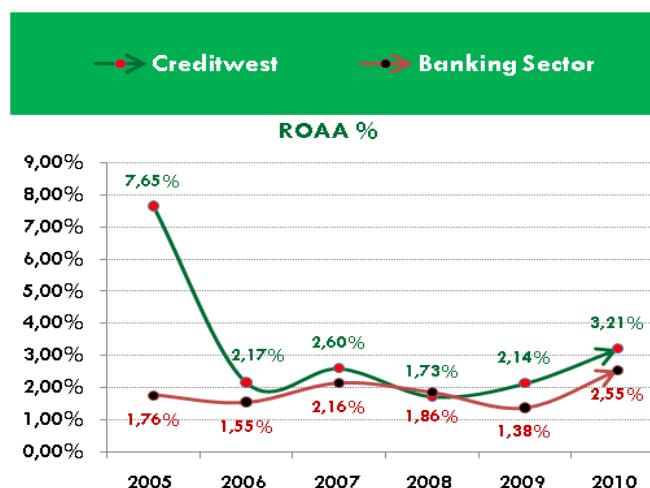


The table below displays the components of the 27.22% growth achieved by the Bank during FY2010 and placements made of this growth. As can be noted, earning assets displayed a growth of 26.96% while the non-earning portion of the balance sheet expanded by 0.26% during the same period. On the liability side, to support this growth, interest-bearing liabilities contributed 23.42%, non-interest bearing liabilities 1.26% and equity 2.54% during the year.

Source of cumulative growth 2010	Placement %		
	Earning Assets	Non Earning Assets	Total Growth Ratio
Costly Liabilities	23.42	-	23.42
Non Costly Liabilities	1.26	-	1.26
Equity +Minority Interest	2.29	0.26	2.54
Total	26.96	0.26	27.22

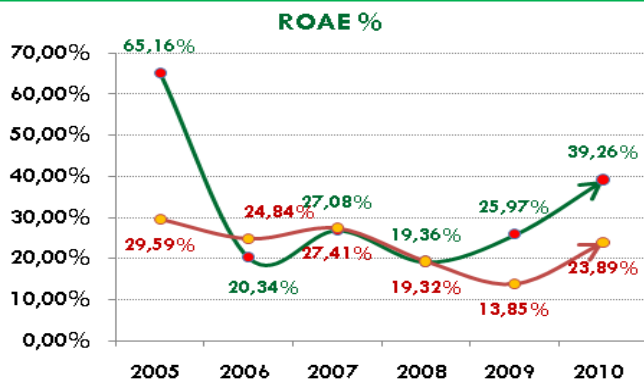
The increasing trend in total income coverage to total expense ratio between 2006 and 2010, was interrupted during FY2008, but returned to its former upward trend again from FY2009. At the end of FY2010, the 'total income to total expense' ratio doubled its FY2006 levels.

During the last six year period, Creditwest Bank's ROAAs and ROAEs followed a similar fluctuating path. The ROAE ratio fell below sector averages for 2006 and 2007 and the ROAA ratio in FY2008. However, during the last two year period, the Bank's ROAA and ROAE ratios attained an increasing trend and were well above the sector's averages. The Bank outperformed the sector within the last two years.

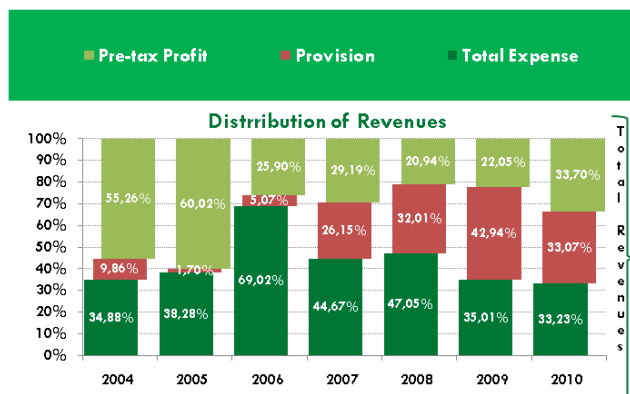
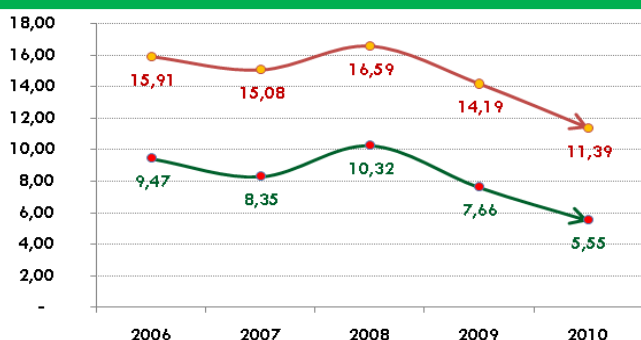
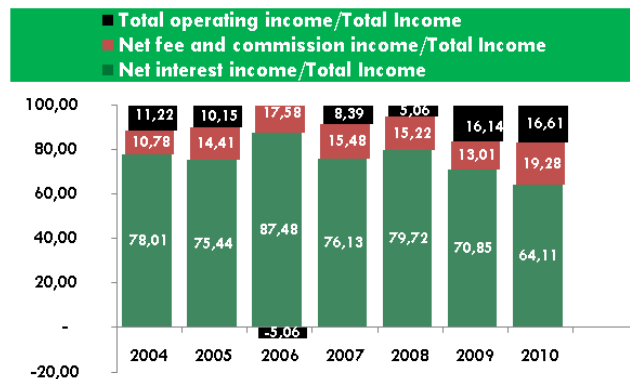


Indices relating to profitability

Creditwest Bank booked a net profit of TL 11.70mn in FY2010, a considerable increase of 94.50% in comparison to the net profit of FY2009 (TL 6.02mn). In comparison during the same period, TRNC banking sector's net profit figure increased by a lower 21% for FY2010 on YoY basis. Creditwest Bank's out-performance than the sector is clearly visible from these figures.



The total operating income to total income ratio, although slightly increasing during FY2010, still stood at around 16.00%.



The Bank's interest rate for cost bearing liabilities and interest rate for earning assets ratios followed similar path for the period FY2006 and FY2010. The Bank's average net interest margin was between 6.73% and 5.84%. For the year under review, the ratio fell to 5.84% from 6.54% at the end of the previous year (FY2009).

Average	2006	2007	2008	2009	2010
Interest Rate for Cost Bearing Liabilities (Av.) %	9.47	8.35	10.32	7.66	5.55
Interest Rate for Earning Assets (Av.) %	15.91	15.08	16.59	14.19	11.39
Margin %	6.44	6.73	6.27	6.54	5.84

The net interest income of the Bank comprised 64.11% of its total income, a decrease from 79.72% at the end of FY2008. The ratio for the entire banking sector also displayed a similar declining path and decreased from 69.49% in FY2008 to 65.67% in FY2010 due to squeezing spread of interest margins. The net fee and commission income to total income ratio of the Bank reached its highest level of 19.28% by the end of FY2010, increasing 86.77% in comparison to FY2009.

7. Risk and Risk Management Organization

Creditwest Bank is mainly exposed to credit risk, market risk, liquidity risk and operational risk from its use of financial instruments. Its objectives and policies are to define, measure and manage risks in order to protect its capital as well as support profitable and sustainable growth. In this context, the Board of Directors has the overall responsibility for establishing and supervising the Bank's risk management framework. The Bank's risk management policies are reviewed periodically and, according to the requirements, necessary changes or implementations are made.

The Bank has established risk management system and set up the Internal Audit, the Internal Control & Risk Monitoring and the Compliance Departments in line with regulation on Internal Control, Risk Management and Audit and Management Systems in Banks. The Bank's Internal Systems Committee is composed of the managers of the Internal Audit, Internal Control and Compliance Departments and directly reports to the Board Member responsible for internal systems.

The Bank has set up the following Committees; Credit, Assets and Liabilities, Internal System, Corporate

Structuring, Repurchase & Selling, Disciplinary, Education and recently the NPL and Information Technologies Development Committee.

a) Credit Risk

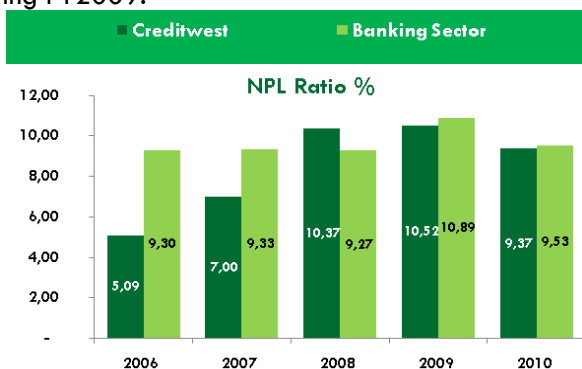
Credit risk is one of the fundamental risks in the banking system. Well managed credit risk is important in promoting secure banking facilities. The Bank manages its credit risk by determining loan limits for customers and customer groups as well as defining limits for sectors.

The defining limits for sectors are closely monitored on a daily and monthly basis. The risk concentrations for the sectors are also analyzed periodically. The Bank is not allowed an exposure of more than 20% in each sector and cannot allocate credit limits to each loans customer or customer group of more than 25% of its equity or 4% of its deposit base.

Customer credit limits are assigned by the General Manager, the Credit Committee and the Board of Directors under the rules set by the Board. The Bank continuously monitors the credit assessment of its customers, takes necessary precautions, and allocated loans limit are reviewed periodically. Credit limit reviews are done as deemed necessary due to the changes in overall economic conditions.

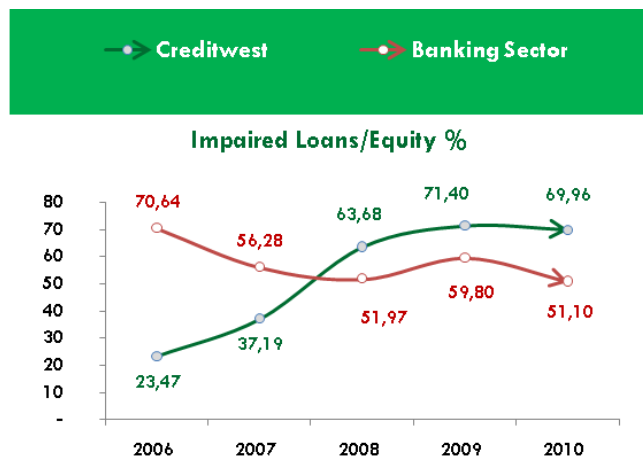
At the end of FY2010, around 41% of the total loans of the Bank were granted as corporate loans while 59% of them as retail loans, which increased to nearly 8% in comparison to the previous year. The Bank allocated 58.39% of its total loans in TL terms while 41.61% in FC, dominantly for GBP. The Bank's deposit structure composed of 64.47% TL deposit and remaining 35.52% in FC deposit that the Bank's funding and loans structure was a balanced outlook including TL based Equity.

The NPL to gross loans ratio stood at 9.37% at the end of FY2010, decreasing 115 basis points from 10.52% at the end of FY2009. As seen in the following chart, the Bank's NPL ratios were slightly lower than the banking sector average at the end of FY2010, as in the previous year. The NPL ratio hit its highest level of 10.52% during FY2009.

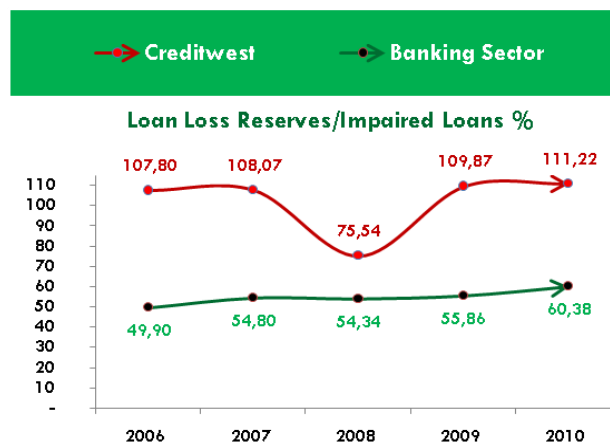


Till the end of FY2007, impaired loans to equity ratio of the Bank was below the sector's average, from than the axis has changed. The ratio of the Bank has remained relatively higher than the sector for the last three years period. Impaired loans as a proportion of equity were 69.96% at the end of FY2010, while in comparison the same ratio for the whole banking sector was 51.10% at the end of the same period.

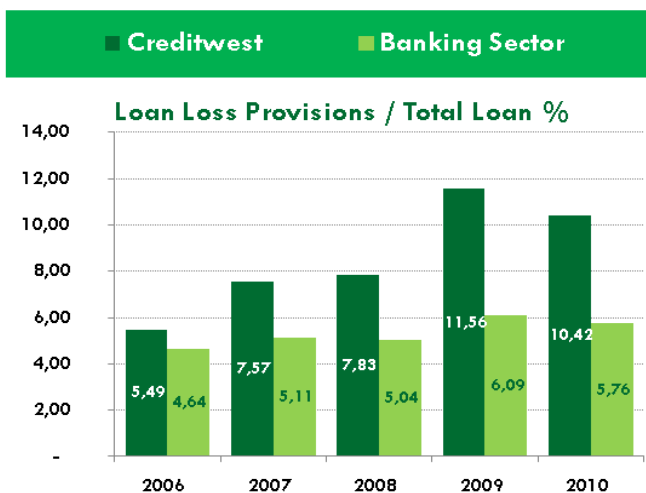
Provisions to impaired loans ratios of the Bank were as following for FY2006: 107.80%, FY2007: 108.07%, FY2008: 75.54%, FY2009: 109.87% and FY2010: 111.22%. These were considerably over the sector ratios and although assessed in positive from the point of view of continuing asset quality, but also negative from the point of decreasing asset profit. If the Bank has the same provisioning ratio as the sector average (60.38%), then its impaired loans to equity ratio would be below the sector average.



Provisioning for NPLs stood at 111.22% while the same ratio for whole banking sector was only 60.38% at the end of FY2010. It is noted that the Bank has applied a significantly conservative and healthy approach to avoid the losses arising from any potential defaults. However, when taking into higher collection amount of overdue loans, it can be said that the Bank is excessively conservative to provisioning.



As seen in the chart below, for all reviewed periods the loan loss provisions to total loans ratio of the Bank was above the the sector's average and for the last two years period they were nearly double of the sector's ratio.



b) Market Risk

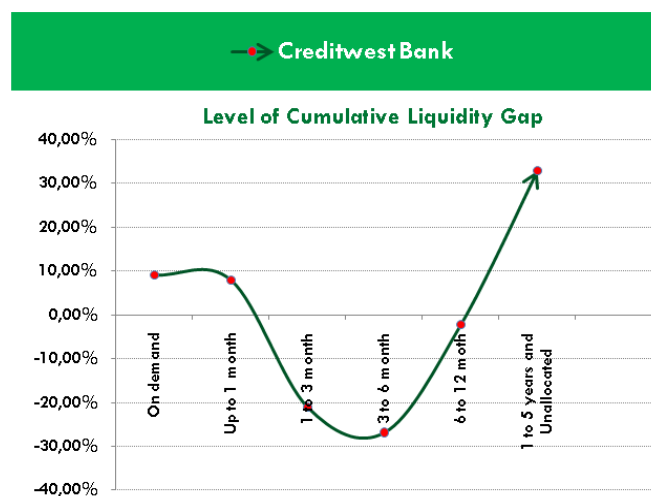
Market risk arises from changes in market prices, interest and foreign currency exchange rates related to the Bank's on and off balance sheet position. Creditwest Bank measures and monitors its market risks and reports to the executive management daily. Treasury Department manages market risk aligned with rules set by the Board of Directors while the Risk Management Department of the Bank closely monitors as well. Transaction, trading and dealer limits are defined and approved by the Board of Directors. These limits and risks are continuously monitored and reviewed in meetings of the Board of Directors, held every month, in line with the Bank's strategy and requirement of the changes in market conditions. Also, the Bank carries out stress tests and scenario analysis to assess its market risks.

With respect of its policy, the Bank has not targeted to generate income carrying foreign currency position and forward transactions. For this reason, as of FY2010, Creditwest Bank had exposure of only an amount equivalent to TL 636,494 in short foreign currency position, which is an ignorable amount as it composes 0.12% percentage of the Bank's total asset base as the end of the same period.

Within the context of capital adequacy, the Bank's market risk is calculated on a monthly basis according to the 'Standard Method' and periodically reported to the Board of Directors. As of December 31, 2010, the market risk of the Bank had a share of 4.09% (0.55 points) of the total CAR of the Bank.

c) Liquidity Risk

In order to avoid any liquidity related risks, the Bank diversifies its funding resources as customer deposits and borrowings from domestic market, considers the maturity mismatch between assets and liabilities and maintains liquid assets to guarantee sufficient liquidity during market fluctuations. As of December 31, 2010, the level of cumulative liquidity gap/surplus of Creditwest Bank is shown in the graph below. On demand and up to one month period as well as over one year maturity, the Bank's liquidity level was in surplus while between the 1 month and 1 year period it was in deficit .



The Bank met its short term liquidity needs mainly through customer deposits and the interbank market; its long term liquidity needs are provided through customer deposits and equity.

The Bank placed 46.36% of its total assets in the one year and over one year maturity bracket, 1.97% of its total liabilities were funded by over one year maturity based resources except its equity. Due to maturity mismatch between the assets and liabilities, the Bank has not faced any liquidity crisis during the last year. However, increasing concerns about second bottom expectations in global economies and challenging situation especially in Greece, Ireland, and Portugal may give rise to liquidity needs. In case heavy deposit withdrawals and continuity of these circumstances, the Bank may face liquidity tightening. Even in this case, it is assumed that the Altınbaş Family will be able to provide sufficient liquidity.

The average maturity of the Bank's deposit base Bank was 113 days as of FY2010. In comparison to the FY2009figure, the average length of maturity of the deposits contracted by 11 days. However, compared to the sector, the Bank has important advantages. The sector's

average maturity length of the deposit was 48 days at the end FY2010. The Bank's broad deposit customer base, which has an average maturity of 113 days (The Sector's 48 days), eases the Bank's liquidity management.

d) Operational Risk

Operational risks occur mainly from human errors, fraud, embezzlement, system errors & failure as well as other external events such as earthquake, floods, terrorist attacks and fire. If necessary precautions are not taken in time, these risks can cause a loss and may dampen the value of the institution's brand value. For this reason, the Bank seeks to minimize operational risk and its potential impact by implementing human resources, network security, back up and disaster recovery policies.

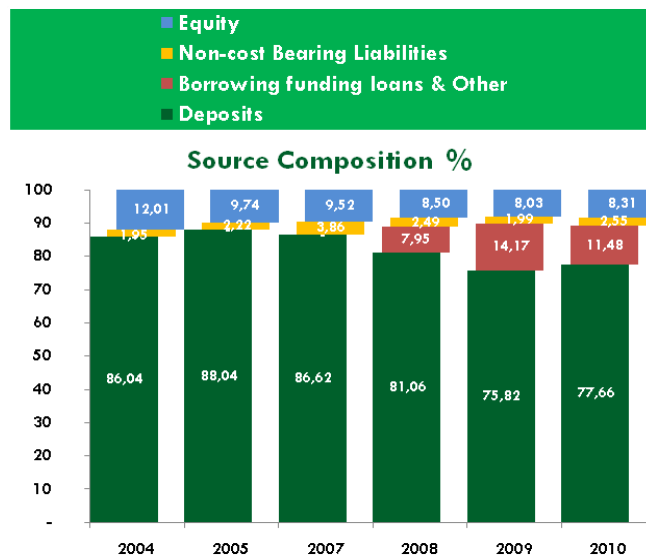
Operational risk had a share of 19.65% of the Bank's total CAR at the end of FY2010 (2.62 points), a slight increase from 19.53% in FY2009.

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

e) Funding and Adequacy of Capital

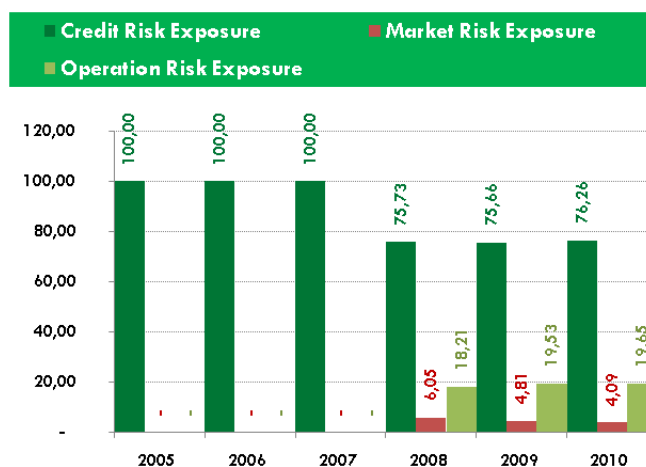
The funding base of Creditwest Bank is primarily composed of TL and FC deposit amounting to 77.66%, borrowing funds from institution (11.48%), shareholders' equities (8.31%) and non-cost bearing liabilities (2.55%). The largest, sustainable and most fundamental funding source of the Bank is deposits. The Bank has no borrowings from international markets through securitization, syndication loans nor direct loans due to isolated economic and political structure of TRNC. The maturity profile of the Bank's deposit base indicates that 8.65% of the total deposits have been placed in the on-demand deposits, 8.44% of up-to-one-month maturity bracket, 34.18% in the 1-3 months bracket, 37.94% in the 3-6 months brackets, 8.26% in the 6-12 months brackets and 2.53% in the 1year and over time bracket.

The average maturity of the deposit base stood at approximately 113 days as of FY2010. In comparison to the figure of FY2009, the average maturity days of the deposits contracted by 11 days.



Year	Deposits-TL (000)	The share of deposits in total liabilities	The average maturity of deposits (Days)
2009	313,136,555	75.82%	124
2010	408,029,560	77.66%	113

As seen in the chart below, 10.17% of the total CAR (13.34%) is allocated for the credit risk exposure, while 2.62% is allocated for operational risk and 0.55% for market risk as of December 31, 2010. According to the 'Communiqué on Measurement and Evaluation of Capital Adequacy of Banks' published on August 9, 2007; Market and operational risk were included in the calculation of CAR from the end of FY2007 and FY2008 respectively. Credit risk exposure will remain to be the main component of CAR.

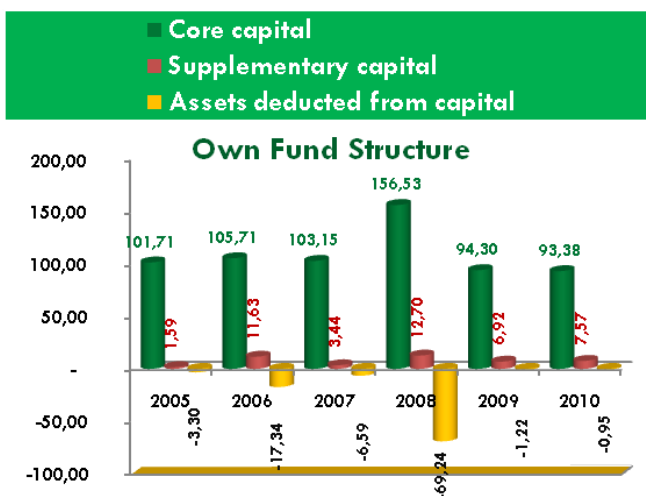


The decreasing trend of Creditwest Bank's CAR ratio which was initiated in FY2006 was interrupted in FY2009. As of December 31, FY2010, the Bank's CAR was calculated as

13.34% displaying a slight increase in YoY basis (FY2009: 13.19%). Although the Bank's CAR (FY2010:13.34%, FY2009: 13.19%) was below the banking sector average (FY2010:20.86%, FY2009:20.91%), it still remained above the minimum required rate of 10%, which was increased from 8% as of July 2010. At the end of FY2010, the CAR ratios of Public, Private and Branch Banks were calculated as 20.49%, 15.11% and 30.08% respectively. Public and Branch Banks raised the CAR average level of the sector. Nevertheless, the Bank's CAR was below the average CAR (15.11%) of private banks.

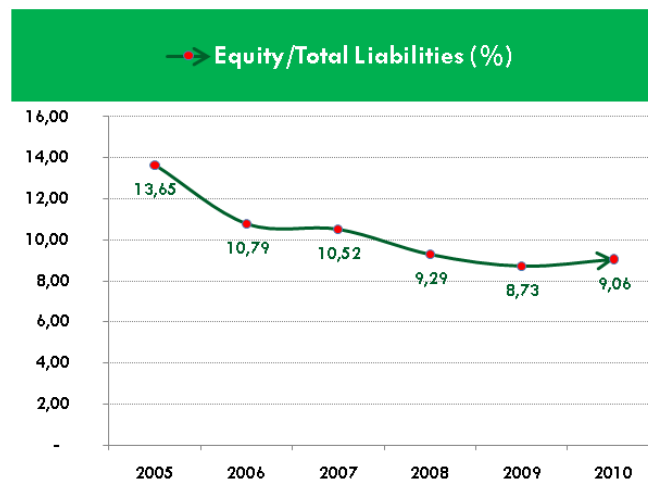
	2005	2006	2007	2008	2009	2010
CAR-Capital Adequacy Ratio (%)	24.40	20.22	17.73	8.48	13.19	13.34

Tier 1 capital (Core Capital) is the core measurement of the Bank's financial strength. Creditwest's core capital is composed of around a 93% share of its own funds. It primarily consists of the year's retained earnings, paid-up capital and net profit. The supplementary capital amounts to 7.57% of its equity base. As seen from the graph below, the Bank's core capital fell to its lowest at the end of FY2010.



The Bank's equity to total liabilities ratio was 13.65% at the end of FY2005. From then it steadily decreased until FY2009 and fell to its lowest level of 8.73% at the end of FY2009. During the FY2010, the declining trend reversed and the ratio reached 9.06%. Entire banking sector's total liabilities and equity expand by 7.53% and 18.31% respectively at the end of FY2010 on YoY basis. In the same period, Creditwest Bank's total liabilities and equity increased by 26.83% and 31.69%. Due to a relatively higher increase in the Bank's equity compared to that of its total liability, the Bank's equity to total liabilities ratio was positively affected. However, the Bank's ratio was below sector

averages, which stood at 12.50% at the end of FY2010 (FY2009: 11.37%). As a result, the ratio indicates that the Bank utilizes higher leverage.



f) Corporate Governance

The Bank set up Corporate Structuring Committee to carry out institutionalization efforts of the Bank. The Committee operates to raise corporate awareness of the institution & its employees and compliance level of best practices of corporate governance principals. Although the Bank's shares are not publicly traded, the Committee considers the corporate governance principals set by Turkish Banking Regulation and Supervision Agency (BRSA) and Turkish Capital Market Board (CMB).

The non-disclosure of the Bank's articles of association, a dividend distribution policy, an information policy, the disclosure of ethical rules, a comprehensive corporate social responsibility policy, an investor relations department, organization chart and absence of independent members in the Board of Directors, reduce the level of transparency and effectiveness of its business activities as well as its compliance level with corporate governance principles.

The Bank's compliance with the principle of corporate governance should be further improved compared to international standards. However, The Bank's compliance level of the best practices in corporate Governance Principals is much higher when compared to the compliance with the principle of corporate governance level of the Banking sector in TRNC.

In the context of social responsibility field, the Bank runs some social responsibility projects. In addition to these, the Altınbaş Group holds some corporate social responsibility projects. Mehmet Altınbaş Education and Culture Foundation make high donations for educations. With regard, Kemerburgaz University will initiate to service as a foundation university in the ongoing year and this is the one

of the most important investments in the field of social responsibility projects. Also the Group provides support to other supportive organizations. In 2007, Altınbaş Holding A.Ş. acquired the Göztepe Spor Club; its history goes back to the 1920s and with Göztepe Sports Schools introduces young people to the sport at a young age.

The Bank has outsourced the following services; banking systems, data systems, the internet and web interface.

8. Ability to Generate Income and Level and Stability of Profitability

Creditwest Bank took its current trade name in 2004. From this point up to date, it has achieved steady profits with a cumulative amount of TL 39mn. The management practices, coherent strategies, balance sheet composition and operational structure of the Bank have been designated to generate profitability. Therefore, during the last seven year period, the Bank managed to generate profit in its activities. The income components of the Bank are composed of a large proportion of income attained from sustainable channels interests' income as well as fee and commission income.

Creditwest Bank recorded net profit of TL 11.70mn in FY2010, a remarkable increase of 94.50% in comparison to the net profit of FY2009 (TL 6.02mn). During the same period, the TRNC banking sector's net profit figure increased by just 21% in FY2010 on year on year basis.

The Bank's average return on asset was 3.21% while average return on equity was 39.26% at the end of FY2010, indicating a significant increase in comparison to the previous year. These ratios point to an above average performance as compared to the sector averages of 2.55% and 23.89% respectively.

The Bank posted net profit TL 12mn (103% of FY2010 net profit) in the first six month period of FY2011. If this trend continues for the remaining of the year, the Bank is likely to double last year's net profit level. These figures ensure the continuity of the Bank's profitability.

9. Information Technology

The Bank has recently established an Information Technologies Development Committee to develop the Bank's technological infrastructure and to offer an effective and high standard of services to its customers.

The Bank has a wide presence in Cyprus and delivers uninterrupted service to its customers. The systems and communication infrastructure have been installed at the Bank's disaster center which is located geographically away from the headquarters of the Bank.

BANKING

CREDITWEST BANK LTD. BALANCE SHEET ASSETS	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	As % of	As % of	As % of	2010	2009	2008
	2010 USD (Converted)	2010 TL (Original)	2010 TL (Average)	2009 TL (Original)	2009 TL (Average)	2008 TL (Original)	2008 TL (Average)	2007 TL (Original)	2010 Assets (Original)	2009 Assets (Original)	2008 Assets (Original)	Growth Rate	Growth Rate	Growth Rate
A-TOTAL EARNING ASSETS (I+II+III)	332,751,995	512,105,320	456,428,038	400,750,755	353,994,528	307,238,300	264,186,890	221,135,480	97.47	97.04	96.29	27.79	30.44	38.94
I- LOANS AND LEASING RECEIVABLES (NET)	189,781,240	292,073,329	245,520,065	198,966,801	176,286,854	153,606,907	132,999,975	112,393,043	55.59	48.18	48.14	46.80	29.53	36.67
a) Short Term Loans	188,083,713	289,460,834	242,629,393	195,797,951	170,697,036	145,596,120	129,338,111	113,080,101	55.09	47.41	45.63	47.84	34.48	28.75
b) Lease Assets	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
c) Medium & Long Term Loans	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
d) Over Due Loan	19,841,149	30,535,529	27,100,910	23,666,290	20,470,352	17,274,414	12,894,556	8,514,698	5.81	5.73	5.41	29.03	37.00	102.88
e) Others	3,924,586	6,039,938	5,772,414	5,504,889	4,645,233	3,785,576	1,892,788	0	1.15	1.33	1.19	9.72	45.42	n.a
f) Receivable from customer due to brokerage activities	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
d) Allowance for Loan Losses (-)	-22,068,208	-33,962,972	-29,982,651	-26,002,329	-19,525,766	-13,049,203	-11,125,480	-9,201,756	-6.46	-6.30	-4.09	30.62	99.26	41.81
II-OTHER EARNING ASSETS	86,216,555	132,687,278	116,221,219	99,755,160	104,445,514	109,135,868	93,174,079	77,212,290	25.25	24.15	34.21	33.01	-8.60	41.35
a) Balance With Banks-Time Deposits	38,315,815	58,968,039	48,000,623	37,033,206	48,397,020	59,760,834	51,915,785	44,070,735	11.22	8.97	18.73	59.23	-38.03	35.60
b) Money Market Placements	8,710	13,405	62,399	111,392	87,975	64,557	32,279	0	0.00	0.03	0.02	-87.97	72.55	n.a
c) Reserve Deposits at CB	22,137,032	34,068,893	30,459,449	26,850,004	24,223,917	21,597,830	18,802,096	16,006,361	6.48	6.50	6.77	26.89	24.32	34.93
d) Balance With CB- Demand Deposits	25,754,997	39,636,941	37,698,750	35,760,558	31,736,603	27,712,647	22,423,921	17,135,194	7.54	8.66	8.69	10.84	29.04	61.73
III-SECURITIES AT FAIR VALUE THROUGH P/L	56,754,199	87,344,713	94,686,754	102,028,794	73,262,160	44,495,525	38,012,836	31,530,147	16.62	24.70	13.95	-14.39	129.30	41.12
a) Treasury bills and government bonds	55,095,379	84,791,789	93,399,631	102,007,472	73,251,499	44,495,525	38,012,836	31,530,147	16.14	24.70	13.95	-16.88	129.25	41.12
b) Other Investment	1,658,820	2,552,924	1,287,123	21,322	10,661	0	0	0	0.49	0.01	n.a	11,873.19	n.a	n.a
c) Repurchase agreement	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
B- INVESTMENTS IN ASSOCIATES (NET)+EQUITY SHARE	706,110	1,086,703	1,086,703	1,086,703	1,086,703	1,086,703	1,086,703	1,086,703	0.21	0.26	0.34	0.00	0.00	0.00
a) Investments in associates (Net)	706,110	1,086,703	1,086,703	1,086,703	1,086,703	1,086,703	1,086,703	1,086,703	0.21	0.26	0.34	0.00	0.00	0.00
b) Equity Share	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
C-NON-EARNING ASSETS	7,940,233	12,220,019	11,688,983	11,157,947	10,947,177	10,736,406	14,532,106	18,327,805	2.33	2.70	3.36	9.52	3.93	-41.42
a) Cash and Cash Equivalents	1,835,981	2,825,575	2,865,963	2,906,351	2,366,425	1,826,499	2,249,627	2,672,755	0.54	0.70	0.57	-2.78	59.12	-31.66
b) Balance With Banks-Current Accounts	0	0	0	0	0	0	3,031,409	6,062,817	n.a	n.a	n.a	n.a	n.a	-100.00
c) Financial Assets at fair value through P/L	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
d) Interest Accruals from Loans and Lease	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
e) Other	6,104,252	9,394,444	8,823,020	8,251,596	8,580,752	8,909,907	9,251,070	9,592,233	1.79	2.00	2.79	13.85	-7.39	-7.11
Intangible assets	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
Property and equipment	5,682,080	8,744,721	8,331,488	7,918,255	8,015,157	8,112,058	7,742,612	7,373,165	1.66	1.92	2.54	10.44	-2.39	10.02
Differed tax	0	0	0	0	75,072	150,143	257,879	365,614	n.a	n.a	0.05	n.a	-100.00	-58.93
other	422,172	649,723	491,532	333,341	490,524	647,706	1,250,580	1,853,454	0.12	0.08	0.20	94.91	-48.54	-65.05
TOTAL ASSETS	341,398,338	525,412,042	469,203,724	412,995,405	366,028,407	319,061,409	279,805,699	240,549,988	100.00	100.00	100.00	27.22	29.44	32.64

BANKING

CREDITWEST BANK LTD. BALANCE SHEET LIABILITIES	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	(Year end)	As % of	As % of	As % of	2010	2009	2008
	2010 USD (Converted)	2010 TL (Original)	2010 TL (Average)	2009 TL (Original)	2009 TL (Average)	2008 TL (Original)	2008 TL (Average)	2007 TL (Original)	2010 Assets (Original)	2009 Assets (Original)	2008 Assets (Original)	Growth Rate	Growth Rate	Growth Rate
C- COSTLY LIABILITIES (I+II)	304,324,962	468,356,116	420,000,035	371,643,954	327,815,431	283,986,907	246,180,311	208,373,714	89.14	89.99	89.01	26.02	30.87	36.29
I-DEPOSITS	265,126,420	408,029,560	360,583,058	313,136,555	285,876,576	258,616,596	233,495,155	208,373,714	77.66	75.82	81.06	30.30	21.08	24.11
a) YTL Deposits	166,229,006	255,826,441	223,140,731	190,455,021	164,181,245	137,907,468	110,321,524	82,735,580	48.69	46.12	43.22	34.32	38.10	66.68
b) FC Deposits	94,135,165	144,874,019	127,214,459	109,554,899	99,075,582	88,596,264	77,122,863	65,649,462	27.57	26.53	27.77	32.24	23.66	34.95
c) FC & LC Banks Deposits	4,762,248	7,329,100	10,227,868	13,126,635	22,619,750	32,112,864	46,050,768	59,988,672	1.39	3.18	10.06	-44.17	-59.12	-46.47
II-BORROWING FUNDING LOANS & OTHER	39,198,542	60,326,556	59,416,978	58,507,399	41,938,855	25,370,311	12,685,156	0	11.48	14.17	7.95	3.11	130.61	n.a
a) Borrowing from domestic market	6,919,506	10,649,119	6,289,654	1,930,189	13,650,250	25,370,311	12,685,156		2.03	0.47	7.95	451.71	-92.39	n.a
b) Borrowing from overseas markets	0		0		0		0		n.a	n.a	n.a	n.a	n.a	n.a
c) Borrowing from Interbank	3,660,446	5,633,426	3,566,298	1,499,169	749,585		0		1.07	0.36	n.a	275.77	n.a	n.a
b) Securities Sold Under Repurchase Agreements	28,618,591	44,044,011	49,561,026	55,078,041	27,539,021		0		8.38	13.34	n.a	-20.03	n.a	n.a
b) Subordinated Loan & other & Funds	0		0		0		0		n.a	n.a	n.a	n.a	n.a	n.a
D- NON COSTLY LIABILITIES	8,711,202	13,406,540	10,806,615	8,206,689	8,077,160	7,947,631	8,613,595	9,279,559	2.55	1.99	2.49	63.36	3.26	-14.35
a) Provisions	0		0		1,069,808	2,139,615	1,069,808		n.a	n.a	0.67	n.a	-100.00	n.a
b) Current & Deferred tax liabilities	2,078,470	3,198,765	2,229,284	1,259,802	664,023	68,243	476,224	884,205	0.61	0.31	0.02	153.91	1,746.05	-92.28
c) Trading Liabilities (Derivatives)	0		0		0		0		n.a	n.a	n.a	n.a	n.a	n.a
c) Other Liabilities	6,632,732	10,207,775	8,577,331	6,946,887	6,343,330	5,739,773	7,067,564	8,395,354	1.94	1.68	1.80	46.94	21.03	-31.63
E- TOTAL LIABILITIES	313,036,164	481,762,656	430,806,650	379,850,643	335,892,591	291,934,538	254,793,906	217,653,273	91.69	91.97	91.50	26.83	30.12	34.13
F- MINORITY INTEREST	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
F- EQUITY	28,362,174	43,649,386	38,397,074	33,144,762	30,135,817	27,126,871	25,011,793	22,896,715	8.31	8.03	8.50	31.69	22.18	18.47
a) Prior year's equity	21,536,558	33,144,762	30,135,817	27,126,871	25,011,793	22,896,715	20,503,433	18,110,150	6.31	6.57	7.18	22.18	18.47	26.43
b) Equity (Added from internal & external recourses at this year)	-779,727	-1,200,000	-600,000	0	-91,379	-182,758	-88,241	6,276	-0.23	n.a	-0.06	n.a	-100.00	-
h) Profit & Loss	7,605,344	11,704,624	8,861,258	6,017,891	5,215,403	4,412,914	4,596,602	4,780,289	2.23	1.46	1.38	94.50	36.37	-7.69
TOTAL LIABILITY	341,398,338	525,412,042	469,203,724	412,995,405	366,028,407	319,061,409	279,805,699	240,549,988	100.00	100.00	100.00	27.22	29.44	32.64
	USD 1 = TRY	1.53900		USD 1 = TRY	1.50570	USD 1 = TRY	1.51230	1.16470						

CREDITWEST BANK LTD.							
INCOME STATEMENT	2010	2009	2008	2007	2006	2005	2004
Net interest income	28,677,394	25,141,348	18,431,754	14,483,730	10,387,397	9,352,698	6,919,764
Interest income	51,983,522	50,249,143	43,830,742	30,014,019	23,327,637	16,058,974	11,421,463
Interest expense	23,306,128	25,107,795	25,398,988	15,530,289	12,940,240	6,706,276	4,501,699
Net fee and commission income	8,623,501	4,617,200	3,518,816	2,944,216	2,087,168	1,786,138	956,081
Fee and commission income	9,135,489	5,209,849	4,068,828	3,130,069	2,296,784	1,889,556	1,004,211
Fee and commission expense	511,988	592,649	550,012	185,853	209,616	103,418	48,130
Total operating income	7,428,771	5,727,738	1,169,734	1,596,834	- 600,765	1,258,216	994,919
Net trading income (+/-)	1,164,847	1,684,382	90,296				
Foreign exchange gain(loss), net (+/-)	1,359,745	1,339,715	628,208	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	4,993,281	2,863,792	637,177	624,849	638,483	370,348	527,344
Taxes other than on income	- 89,102	- 160,151	- 185,947				
Divident							
PROVISIONS	14,792,212	15,236,699	7,400,979	4,974,496	665,238	211,360	874,457
Provision for impairment of loan and trade receivables	14,792,212	15,236,699	7,400,979	4,974,496	665,238	211,360	807,007
Other Provision							67,450
Total operating expense	14,862,647	12,424,131	10,877,563	8,497,740	7,811,640	4,745,312	3,094,495
Salaries and employee benefits	10,945,744	9,067,730	7,592,531	4,836,618	3,428,394	2,726,429	1,701,485
Depreciation and amortization	1,217,677	1,005,616	1,263,164	892,249	562,290	326,682	194,819
Other expenses	2,699,226	2,350,785	2,021,868	2,768,873	3,820,956	1,692,201	1,198,191
Profit from operating activities before income tax	15,074,807	7,825,456	4,841,762	5,552,544	3,396,922	7,440,380	4,901,812
Income tax – current	3,418,574	1,560,352	507,422	772,917	857,141	1,851,493	1,222,088
Income tax – deferred	- 48,391	247,213	- 78,574	- 662	- 274,370	4,195	
Net profit for the period	11,704,624	6,017,891	4,412,914	4,780,289	2,814,151	5,584,692	3,679,724
Total Income	44,729,666	35,486,286	23,120,304	19,024,780	13,113,048	12,397,052	8,870,764
Total Expense	14,862,647	12,424,131	10,877,563	8,497,740	9,050,888	4,745,312	3,094,495
Provision	14,792,212	15,236,699	7,400,979	4,974,496	665,238	211,360	874,457
Pre-tax Profit	15,074,807	7,825,456	4,841,762	5,552,544	3,396,922	7,440,380	4,901,812

CREDITWEST BANK LTD.			
FINANCIAL RATIOS			
	2010	2009	2008
I. PROFITABILITY & PERFORMANCE			
1. ROA - Pre-tax Profit/Total Assets (av.)	3.21	2.14	1.73
2. ROE- Pre-tax Profit/Equity (av.)	39.26	25.97	19.36
3. Total Income/Equity (av.)	116.49	117.75	92.44
4. Total income /Total Assets (av.)	9.53	9.69	8.26
5. Provision/Total Income	33.07	42.94	32.01
6. (Total Expense/Total Liabilities (av.) %)	3.17	3.39	3.89
7. Net Profit for the period/ Total Asset (av) %	2.49	1.64	1.58
8. Total Income/ Total Expense %	300.95	285.62	212.55
9. (Non Cost Bearing Liabilities+ Equity- Non Earning Assets)/Assets	8.53	7.31	7.63
10. (Non Cost Bearing Liabilities- Non Earning Assets)/Assets	0.23	- 0.71	- 0.87
11. Total operating expense/Total Income	33.23	35.01	47.05
12. Interest Margin	5.60	6.27	6.00
13. Operating ROAA = Operating Net income/Asset (avr.)	8.18	9.00	10.81
14. Operating ROAE = Operating Net income/Equity Capital(avr.)	99.96	109.28	120.91
15. Interest Coverage (EBIT/Interest Expense)	164.68	131.17	119.06
16. Net Profit Margine	26.17	16.96	19.09
17. Gross Profit Margine	33.70	22.05	20.94
II. CAPITAL ADEQUACY (year end)			
1. Equity generation/prior year's equity	- 3.62	-	- 0.80
2. Internal equity generation/prior year's equity	35.31	22.18	19.27
3. Equity/Total Assets %	8.31	8.03	8.50
4. Core Capital//Total Assets %	8.05	7.71	8.26
5. Supplementary Capital/Total Assets %	0.65	0.57	0.67
6. Tier 3/Total Assets %	-	-	-
7. Capital/Total Assets %	8.70	8.27	8.93
8. Own Fund/Total Assets %	8.62	8.17	5.28
9. Standard Capital Adequacy Ratio	13.34	13.19	8.48
10. Surplus Own Fund %	40.02	39.36	5.66
11. Free Equity/Total Assets %	6.44	5.85	5.62
III. LIQUIDITY (year end)			
1. LMS-Liquidity management success % (On demand)	94.79	95.45	92.24
2. LMS-Liquidity management success % (Up to 1 month)	95.41	97.77	99.48
3. LMS- Liquidity management success % (1to 3 months)	87.88	92.85	81.32
4. Liquidity management success % (3to 6 months)	84.55	85.22	98.96
5. Liquidity management success % (6 to 12 months)	98.77	97.20	99.82
6. Liquidity management success % (over 1 year & Unallocated)	81.01	82.06	90.46
IV. ASSET QUALITY			
1. Loan Loss Provisions/Total Loans %	10.42	11.56	7.83
2. Total Provisions/Profit before Provision and Tax %	49.53	66.07	60.45
3. Impaired Loans/Gross Loans %	9.366	10.52	10.37
4. Impaired Loans net/equity %	69.96	71.40	63.68
5. Loan Loss Reserves/Impaired Loans	111.22	109.87	75.54
V. OTHER			
1. Asset/ (Total Guarantees and Commitments +Asset)	89.35	86.15	78.61
2. Equity/(Total Guarantees and Commitments +Equity)	41.06	33.29	23.80
3. Own Fund/(Total Guarantees and Commitments +Own fund)	41.95	33.70	16.24
4. Total Foreign Currencies Position/Asset	0.12	0.08	1.05
5. Total Foreign Currencies Position/Equity	1.46	0.97	12.32
6. Total Foreign Currencies Position/Own Equity	1.41	0.96	19.85
7. Market Share	6.24	5.31	4.71
8. Growth Rate	27.22	29.44	32.64