

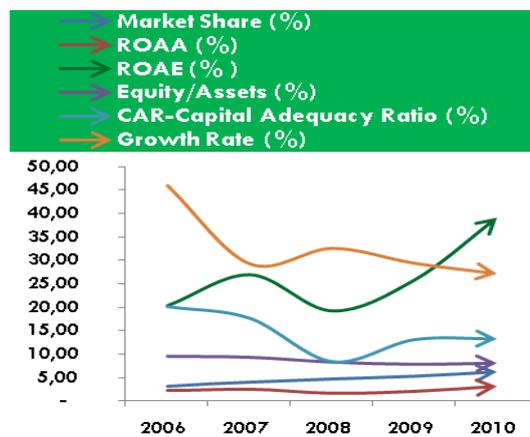
Corporate Credit Rating  
Update

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

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**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.