

PRESS RELEASE

Istanbul – June 12, 2014

JCR Eurasia Rating,

has affirmed the ratings of **Creditwest Faktoring A.Ş. and its subsidiary's consolidated structure** as '**AA (Trk)** ' / **Stable** on the Long Term National Local Scale and Outlook and '**BBB-** ' / **Stable** on the Long Term International Foreign Currency Scale and Outlook

JCR Eurasia Rating has affirmed the investment grade ratings of "**Creditwest Faktoring A.Ş. and its subsidiary's consolidated structure**" on the Long Term National Scale as '**AA (Trk)**' and Short Term National Local Scale as '**A-1 (Trk)**' along with a '**Stable**' outlook. In addition, JCR Eurasia Rating has also affirmed the Long Term International Foreign Currency and Local Currency Rating as '**BBB-**'. Other notes and details of the ratings are given in the table below:

Long Term International Foreign Currency	:	BBB-/ (Stable Outlook)
Long Term International Local Currency	:	BBB- / (Stable Outlook)
Long Term National Local Rating	:	AA (Trk) / (Stable Outlook)
Short Term International Foreign Currency	:	A-3 / (Stable Outlook)
Short Term International Local Currency	:	A-3 / (Stable Outlook)
Short Term National Local Rating	:	A-1+(Trk) / (Stable Outlook)
Sponsor Support	:	2
Stand Alone	:	A

Recent regulations diversifying, improving, and deepening financial services have enhanced the reputation and overall standing of the Non-Banking Financial Sector and constitutes the effective supervision and control of the sector. As one of the leading non-banking financial sectors focusing on the finance of Small and Medium Sized Entities (SMEs), the growth rate of the Factoring Sector has accelerated. Despite the increased volatility of the national economy and decreased growth rates, the sector's low level of penetration and the commercial structure of an SME-dominated Turkey are considered determinant factors creating a positive outlook for the coming period.

Creditwest Faktoring A.Ş. started activities in 1995 and carries out its services in a bank-dominated factoring sector with an increased organization framework as one of two listed factoring companies through its head office and an Ankara branch. As a result of the growth slowdown in the national economy and escalating domestic political risks due to ongoing electoral process, volatility has been experienced in interest and exchange rates. Although the stated volatility, on a sector basis, created an upward potential on the NPL ratios by suppressing profitability, the Company gathered a significant improvement and created a positive effect on the asset quality thanks to its well-structured internal control systems and risk management practices, a collateral level providing full protection and nonperforming loans transferred to asset management companies.

The Company was able to hold profitability ratios well above the average of a sector dominated by narrowed interest margins, despite pressure derived from rapid growth and maintained the ongoing above sector equity level thanks to its high internal equity generation capacity with ongoing bond issues and diversified borrowing structure maintained its growth potential for future periods.

It is considered that the major controlling shareholder, **Afinbaş Holding**, has the willingness and experience to ensure long-term liquidity and equity within its financial capability when required and to provide efficient operational support to **Creditwest Faktoring A.Ş.** In this regard, the Company's Sponsor Support Grade has been affirmed as **(2)** in JCR Eurasia Rating's notation.

Taking into account the Company's asset size and asset quality, equity level, ongoing bond issues, long term borrowing structure, independent funding processes regarding the Holding and corporate and risk management processes, JCR Eurasia Rating has reached the conclusion that the Company has the sufficient experience and infrastructure to manage its obligations regardless of any assistance that may be provided by the shareholders, providing that it maintains its efficiency in the market. Within this context, the Stand Alone grade of **Creditwest Faktoring A.Ş.** has been determined as **(A)** in the JCR Eurasia Rating notation system.

For more information regarding the rating results you may visit our internet site <http://www.jcrer.com.tr> or contact our analysts Mr. **Gokhan IYIGUN** and Ms. **Merve BÖLÜKÇÜ**.

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