

Corporate Credit Rating

New Update

Sector: Banking

Publishing Date: 26.05.2023

Manager

Ömer Sucu

+90 212 352 56 73

omer.sucu@jcrer.com.tr

Analyst

Ezgi Çiçek Yılmaz

+90 212 352 56 73

ezgi.yilmaz@jcrer.com.tr

Assistant Analyst

Barbaros Dişçi

+90 212 352 56 73

barbaros.disci@jcrer.com.tr

RATINGS		Long Term	Short Term
ICRs (Issuer Credit Rating Profile)	National ICR	A (tr)	J1 (tr)
	National ICR Outlooks	Stable	Stable
	International FC ICR	BB	-
	International FC ICR Outlooks	Negative	-
	International LC ICR	BB	-
ISRs (Issue Specific Rating Profile)	National ISR	-	-
	International FC ISR	-	-
	International LC ISR	-	-
Sovereign*	Foreign Currency	BB (Negative)	-
	Local Currency	BB (Negative)	-

* Assigned by JCR on August 18, 2022

D Yatırım Bankası A.Ş.

JCR Eurasia Rating has evaluated "D Yatırım Bankası A.Ş." in investment level category with high credit quality and revised the Long-Term National Issuer Credit Rating from 'A- (tr)' to 'A (tr)' and assigned the Short-Term National Issuer Credit Rating as 'J1 (tr)' with 'Stable' outlooks. On the other hand, the Long-Term International Foreign and Local Currency Issuer Credit Ratings and outlooks were determined as 'BB/Negative', as parallel to international ratings and outlooks of Republic of Türkiye.

D Yatırım Bankası A.Ş. (hereinafter referred to as 'D Investment Bank', or 'the Bank') was founded with an initial capital of TRY 200mn and registered in the Istanbul Trade Register on June 22, 2020 with the decision of the Banking Regulation and Supervision Agency (BRSA) dated March 19, 2020 and numbered 8953. The Bank obtained authorization for the establishment from the BRSA which became valid by being published in the Official Gazette dated May 26, 2021, and began the process on banking operations on August 2, 2021. Main pillars of the Bank's operations are Corporate & Commercial Banking, Investment Banking & Structured Finance, Treasury & Markets and Transactional Banking & Digital Solutions.

Doğan Şirketler Grubu Holding A.Ş. (hereinafter referred to as 'Doğan Holding', or 'Doğan Group') is the main controlling shareholder, owning 90.99% of the total shares of the Bank and the remaining shares belong to Doğan Holding's subsidiaries as of reporting date. Doğan Holding was established in 1961 by Mr. Aydın Doğan and has been transformed into an investment holding in 1980. The main field of activity of Doğan Holding consists of electricity production, petroleum products retail, industry and trade, automotive trade and marketing, financing and investment, internet and entertainment and real estate investments. With over 60 years of activity history, Doğan Group has established collaborative partnerships with internationally well-known domestic and foreign institutions thanks to know-how and network presence.

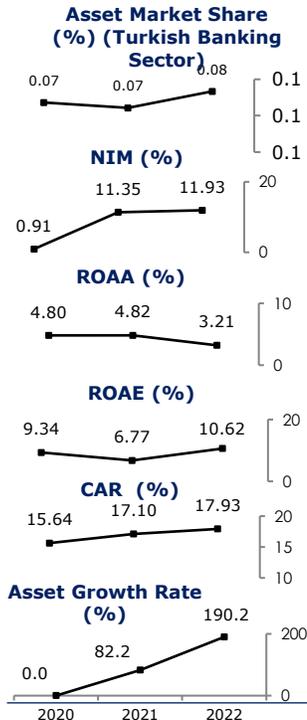
Key rating drivers, as strengths and constraints, are provided below.

Strengths

- Well above sector average net interest margin,
- Asset quality supported by absence of impaired loans since its establishment,
- Diversified funding structure providing financial flexibility,
- Reputable brand name with a proven track record in various business segments, financial and operational strength of Doğan Şirketler Grubu Holding A.Ş. and the synergy created,
- Experienced management with strong local and global ties gathered under a well-organized management infrastructure,
- Compliance with corporate governance practices and continuity of well-established risk management organization,
- Country-specific advantages encouraging investment which contributes to the investment banks' operations.

Constraints

- Limited historical data for trend analysis,
- Capital adequacy ratios standing below the sector averages in FYE2022 despite being compatible with the requirements,
- Lack of customer and product diversification,
- Short-term weighted borrowing profile of the sector.



Considering the aforementioned points, the Bank's the Long-Term National Issuer Credit Rating has been revised from 'A- (tr)' to 'A (tr)'. The Bank's revenue generation capacity, asset quality, capital adequacy, leverage level, liquidity profile and risk management implementations have been evaluated as important indicators for the stability of the ratings and the outlooks for Long and Short-Term National Issuer Credit Ratings are determined as 'Stable'. The Bank's financial structure, attainability of the Bank's budgeted projections, the NPL level, the possible impacts of the Russia-Ukraine War on the global and Türkiye's economy and its effects on the Bank's activities will be closely monitored by JCR Eurasia Rating in the upcoming periods. The macroeconomic indicators in national and international markets, as well as market conditions and legal framework about the sector will be monitored as well.