Corporate Credit Rating

☒New ☐Update

Sector: Banking

Publishing Date: Sept 17, 2021

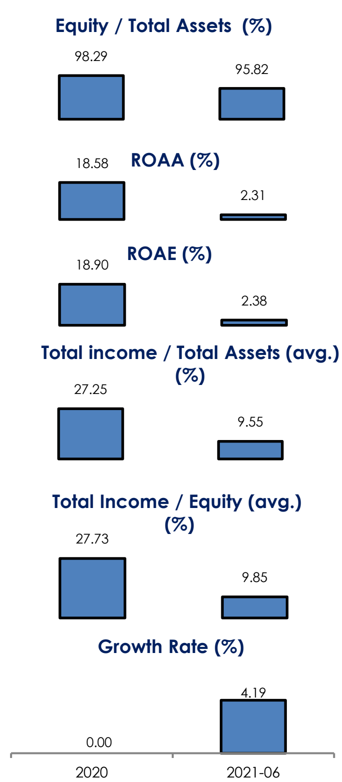
Senior Chief Analyst
Orkun Inan
+90 212 352 56 73
orkun.inan@jcrer.com.tr

Analyst
Ezgi Çiçek Yılmaz
+90 212 352 56 73
ezgi.yilmaz@jcrer.com.tr

RATINGS

			Long Term	Short Term
National	Local Rating		A- (Trk)	A-1 (Trk)
National	Outlook		Stable	Stable
National	Issue Rating		-	-
International	Foreign Currency		BB	B
International	Local Currency		BB	B
International	Outlook	FC	Stable	Stable
International	Outlook	LC	Stable	Stable
Sponsor Support			1	-
Stand-Alone			B	-
Sovereign*	Foreign Currency		BB	-
Sovereign*	Local Currency		BB	-
Sovereign*	Outlook	FC	Stable	-
Sovereign*	Outlook	LC	Stable	-

***Assigned by JCR on May 31, 2021**



D YATIRIM BANKASI A.Ş.

JCR Eurasia Rating has evaluated the credit ratings of "**D Yatırım Bankası A.Ş."** in an investment-grade category and assigned the ratings as **"A- (Trk)"** on the Long-Term National Scale and as **"A-1 (Trk)"** on the Short-Term National Scale with **'Stable'** outlooks. On the other hand, the Long-Term International Foreign and Local Currency Ratings have been assigned as **'BB/Stable'.**

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. As part of its vision, mission and strategy; D Investment Bank aims to offer in the upcoming period Transaction Banking (Cash Management and Foreign Trade Finance), Structured Finance, Investment Banking, and Treasury products and services to both Corporate and Commercial Banking customers.

Doğan Şirketler Grubu Holding A.Ş. (hereinafter referred to as '**Doğan Holding**', or **'Doğan Group'**) is the primary shareholder of the Bank, owning 99% of the total shares as of June 30,2021. Doğan Holding 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	Constraints
• 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 team well organized management infrastructure, • Well-established risk management organization, • Country-specific advantages encouraging investment which contributes to the investment banks' operations.	• Low level of predictability of future financial results as a newly established bank, • Sector-specific scarce alternative delivery channels and lack of revenue stream to provide continuity of efficiency rates, • Short-term borrowing profile of the sector.

Considering the aforementioned points, the Long-Term National Rating of the Bank has been assigned as **'A- (Trk)'**. The Bank's revenue generation capacity, asset quality, capital adequacy, leverage level, liquidity profile, risk management implementations are the primary pillars of the rating and the outlooks for Long- and Short-Term National ratings are determined as '**Stable**'. JCR-ER will monitor the global and domestic macroeconomic indicators, Covid-19 pandemic and geopolitical risks-driven uncertainties and the NPL level.

JCR Eurasia Rating has maintained its opinion that, Doğan Şirketler Grubu Holding A.Ş. has the ultimate shareholder status of the Bank and has the willingness and capability to ensure long term liquidity, equity as well as provide efficient operational support to **"D Yatırım Bankası A.Ş."** within its financial capability if required, when taking into consideration the Bank's position achieved in its sector. In this scope, **"Sponsor Support"** category has been assigned as **(1)**, which denotes the highest level.

Considering the Bank's asset quality, equity structure, organizational structure, management practices and corporate governance implementations, we, as JCR Eurasia Rating, state the opinion that the Bank has reached the level of sufficient experience and facilities to manage the incurred risks on its balance sheet regardless of any assistance from the shareholders, if it preserves its current customer level, efficiency and existing macroeconomic level in the market. Within this context, the **"Stand-Alone"** grade of the Bank has been assigned as **(B)** in the JCR Eurasia Rating notation system, indicating an adequate level.

1. Rating Rationale

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

The establishment of D Yatırım Bankası A.Ş. was registered in the Istanbul Trade Register on June 22, 2020, with an initial capital of TRY 200mn. With Doğan Group holding 99.99% of the capital, D Yatırım Bankası A.Ş. obtained authorization for the establishment and began the process on operations on August 2,2021.

D Investment Bank's primary shareholder, Doğan Holding has started its operations in 1961 in the automotive industry which has been transformed to Holding structure in 1980. The Holding has been serving the energy sector, media, petroleum products retail, industry, automotive, real estate marketing, tourism and financial services historically. The Holding sold a significant portion of its media and entire retail assets from the existing investment portfolio and simplified its core business sectors in 2018. With 60 years of activity history and industry experience, the Holding has established beneficial and collaborative partnerships with internationally well-known domestic and foreign institutions.

Doğan Holding operates 37 subsidiaries and 9 joint ventures under its umbrella with a staff force of 3,620 as of June 30, 2021 (FYE2020: 3,533). Doğan Holding operates across a vast geographical area in Turkey, and regularly forms strategic partnerships with international groups in order to ensure efficient operations. The Group that coordinates the activities of and liaises between its subsidiaries and joint ventures operating in different fields including electricity generation, petroleum products retail, industry, automotive distribution, financing & investment, real estate investments and internet & entertainment.

A broad coverage of different sectors and subsidiaries reduced the volatility of valuation and revenue while increase the visibility of the portfolio performance. In line with the Group's long-run strategy, Doğan Holding's well-established market and business diversification generates strong and resilient cash flow from petroleum products retail, electricity generation, and other sectors such as finance & investment, industry, internet & entertainment, automotive, tourism, real estate investments and foreign trade, husbandry sectors underpinning the Group's financial resilience. The Group's cash flows continued to maintain its level and earnings, despite volatility in the markets due to Covid-19 outbreak during FY2020.

The Group continues to hold strong market positions in several of its key businesses. Dogan Holding has successfully transformed from a media conglomerate into an investment company that has stake in various industries. Since the sale of its mainstream media business in FY2018, the Group focuses on investing in new assets while increasing the profitability of the existing portfolio.

The ultimate shareholder Doğan Holding's expertise in different industries, diversified portfolio, access to financial resources and strong relationships established within the group companies provide high synergy under the same roof. The Bank has an advantage of being a part of that synergy by utilizing operational and financial support by the Group.

In the short-run, the Bank plans to implement digital lending project in cooperation with "Hepsiburada", one of the Doğan family companies.

The synergy created in the Doğan Group companies together with operational and financial support of shareholders are strengthening the Bank's growth phase.

Experienced Management Team Well Organized Management Infrastructure

D Investment Bank's primary shareholder is Doğan Holding, who have significant experience, network and investments in the finance sector over 20 years.

The Board of Directors (BoD) of the Bank consists of 9 members responsible for identifying the vision and mission of the Bank which are published on the Bank website. The average finance and banking experience of the senior management, who constitutes the executive committee, is over 20 years, makes a great contribution to the management infrastructure.

Credit, Audit, Corporate Governance and Remuneration Committees have been formed under the BoD and the Bank has also set up the, Executive, Asset & Liability, Information Security, Information Systems Strategy and Steering, Discipline and Information Systems Continuity Committees with the participation of senior executives under the presidency of the Chief Executive Officer (CEO).

According to the Bank management, current Board of Directors structure is provided below:

Board of Directos	
Ahmet Vural Akışık	Chairman
Arzuhan Doğan Yalçındağ	Vice Chairwoman
Çağlar Gögüş	Vice Chairman
Ertunç Soğancıoğlu	Deputy Vice Chairman
Hulusi Horozoğlu	Board Member / CEO
Vedat Mungan	Board Member
Ayhan Sırtıkara	Board Member
Şinasettin Atalan	Independent Board Member
Mehmet Sırrı Erkan	Independent Board Member

According to the Bank management, current senior management structure is provided below:

Senior Management	
Hulusi Horozoğlu	Chief Executive Officer (CEO)
F. Tolga Kısakürek	Corporate and Commercial Banking
Murat Selamoğlu	Treasury and Financial Institutions
Tuğba Ersoylu	Financial Control and Operation
Nihan Salihoğlu Tarmur	Credits
Özge Atalay	Project and Business Development
Hikmet Aras	Information Technology
Sinem Eda Güllüoğlu	Human Resources

We, as JCR Eurasia Rating, are of the opinion that both senior management and board members have sufficient and appropriate professional and managerial experience regarding to their position.

Well-Established Risk Management Organization

Compliance with corporate governance provides guidance and sustainability for companies through the enhancement of their efficiency via transparent, widely accepted and continuously monitored processes and policies.

Doğan Holding is registered within the Capital Market Board (CMB) and its shares have been traded on the Borsa Istanbul (BIST) under the ticker symbol DOHOL since June 21, 1993. Doğan Holding's shares are owned by Adilbey Holding A.Ş. (49.66%) and the Doğan Family (14.47%); 35.87% are publicly traded on the BIST as of June 30,2021. BIST Indices that the Doğan Holding is included in BIST 30, BIST 50, BIST 100, BIST Stars, BIST All Shares, BIST Corporate Governance, BIST Sustainability, BIST Liquid 10 Ex Banks, BIST Holding and Investment, BIST Financials and BIST İstanbul.

As a publicly traded company, Doğan Holding is subject to certain compliance requirements concerning corporate governance principles and framework identified by CMB. As such, it has reached a high standard of compliance with the Corporate Governance Practices such as a comprehensive risk management framework, high degree of transparency, quality of financial reporting along with an emphasis on sustainability and efficiency which contributes to its current set of ratings.

Doğan Holding is the primary shareholder of D Yatırım Bankası A.Ş., owning 99% of the total shares as of June 30,2021. As D Investment Bank is not a publicly traded company, the Capital Market Board's Corporate Governance discipline is not a field that the Bank is required to take into consideration. On the other hand, Regulations on the Principles of Corporate Governance of Banks, corporate governance provisions in Turkish Commercial Code along with Banking Regulation and Supervision Agency (BRSA)'s enforcements of strict regulation and supervision on the Turkish Banking Sector, together with Doğan Holding's previous operating track record in the sector and with over 60 years of activity history have provided the Bank with a corporate organizational structure, a comprehensive internal control, audit and risk management systems.

The Bank's Board of Directors incorporates 9 members all of whom, including the Chairman and the Chief Executive Officer (CEO). The Board of the Bank contains the committees of Audit, Corporate Governance, Remuneration, Disciplinary and Personnel, Assets and Liabilities, Credit, Information Systems Strategy. The Bank's articles of association, disclosed to the public, involve a detailed declaration of the working principles of its Board. It is concluded that the Board Members have the adequate qualifications and experience to administer their duties and the Board successfully performs its duties of leading, supervising and inspecting.

In the current situation, the Bank's website is in the construction phase, and the Bank shows effort to reach high standard of compliance with the Corporate Governance Practices with investor relations and corporate governance headings in the website providing sufficient information and disclosed documentation regarding transparency such as the organizational structure, board members, audit reports, vision and mission.

Country-Specific Advantages Encouraging Investment Which Contributes to The Investment Banks' Operations

The main purpose of investment banks is to provide long-term funding for small to large-scale companies. They operate to assist corporate and commercial companies in relation to their working capital and refinancing needs and also support their new investments. These banks also play an active role in the capital markets. They ensure the development of capital markets and thus better valuation of investment instruments. In addition to financial support for new entrepreneurs, they also help with administrative and technical issues.

The fact that investments are supported by the state in Turkey as a developing country creates an opportunity when evaluated in terms of investment banking.

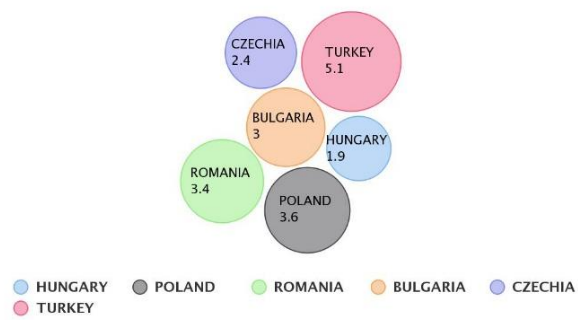
According to the Presidency of the Republic Turkey Investment Office, top reasons to invest in Turkey are listed below:

- **Robust Economy**

Over the past 18 years, Turkey has put in a noteworthy performance by increasing the size of its overall economy from USD 236 billion in FYE2002 to USD 717 billion in FYE2020.

As shown in the below chart, Turkey has outpaced its peer economies, and the growth momentum is set to continue in the coming years.

Average Annual GDP Growth (%) – FYE2003-2020



- **Large Domestic and Regional Markets**

More than 23 urban centers, each with populations of over 1 million, support Turkey's thriving domestic market through their production of goods and services. In terms of population, Istanbul is the largest city in Europe.

- **Strategic Location**

Turkey is a natural bridge between both the East-West and the North-South axes, thus creating an efficient and cost-effective hub to major markets. Multinationals are increasingly choosing Turkey as a preferred hub for manufacturing, exports, as well as management.

- **Favourable Demographics and Competititive Labor Force**

According to the Worldbank data as of FYE2020, Turkey's overall labor-force is around 32 million people, which makes the country the 3rd largest labor force in Europe. Turkey's young and dynamic population with half under 32 years old is an important contributor to labor force growth and has boosted the country's rank over peer countries. Turkey has posted the largest labor force growth among the EU countries.

- **Continuous Reform Process**

The Turkish government has always prioritized reforms for a qualified workforce, innovative production, sustainable growth, a sustainable environment, and international cooperation for development. Thanks to the extensive reforms made over the past 16 years, today Turkey is well below the OECD average in terms of the number of restrictions imposed on foreign investors.

- **Liberal Investment Climate**

Turkey's investment legislation is simple and complies with international standards while offering equal treatment for all investors.

The fundamental parts of the overall investment legislation include the Encouragement of Investments and Employment Law No. 5084, Foreign Direct Investment Law No. 4875, the Regulation on the Implementation of the Foreign Direct Investment Law, multilateral and bilateral investment treaties, and various laws and related sub-regulations on the promotion of sectorial investments.

- **Lucrative Incentives**

Applicable both for greenfield and brownfield projects, Turkey offers a comprehensive investment incentives program with a wide range of instruments that helps to minimize the upfront cost burden and accelerate the returns on investments.

These incentives may also be tailored for projects in priority sectors classified as key areas for the transfer of technology and economic development. In addition, the Turkish government provides generous support programs for R&D and innovation projects, employee training initiatives, and for exporters through various grants, incentives, and loans.

- **Advantageous R&D Ecosystem**

Extensive R&D incentives in Turkey are further supported by well-educated and highly qualified labor force, competitive cost advantages, and several global companies that are active in the market. All together these form a dynamic ecosystem in Turkey.

In current situation, over 100 top global companies are taking advantage of the competitive R&D incentives and growing ecosystem in Turkey.

- **Sectoral Opportunities**

Turkey offers abundant opportunities in a wide variety of sectors where it has a competitive edge such as automative, machinery, defense & aerospace, energy, agrofood, infrastructure and financial services.

Low Level of Predictability of Future Financial Results as A Newly Established Bank

D Yatırım Bankası A.Ş. 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.

Doğan Holding is the primary shareholder of D Yatırım Bankası A.Ş., owning 99% of the total shares as of June 30,2021. Despite of the fact that the ultimate shareholder of the Bank, Doğan Holding's support strengthening the Bank's growth phase, there is low level of predictability regarding growth potential, customer concentration and diversification, funding resources as a natural consequence of being a newly established bank.

Since the Bank has started its main activities in August 2021, it is seen that the Bank's majority of total assets consist of balance with banks in the TFRS reports dated June 30,2021. Due to the fact that the historical financial data regarding the Bank's main activities has not been formed yet, the predictability of future financial results are based on the company's projections together with sector dynamics in Turkey.

Sector-Specific Scarce Alternative Delivery Channels and Lack of Revenue Stream to Provide Continuity of Efficiency Rates

The investment banks operate to assist corporate and commercial companies in relation to their working capital and refinancing needs and also support their new investments. Vast majority of the investment banks provide relatively narrow range of products and services when compared to particularly the deposit banks. Due to the nature of investment banking, the investment banks carry both the risk of interest rate and exchange rate risk, due to long-term TRY and FX loans they will provide. Accordingly, hedging these risks are limited due to narrow product variety and customer portfolio.

Short-Term Borrowing Profile of The Sector

The fact that the Turkish Investment Banking Sector has had short-term borrowing structure as a major characteristic. The long-term weighted loans structure together with short-term weighted borrowing structure such as Issued Debt Instruments within the concern of interest rate exposure constitutes maturity mismatch risk for the Bank.

With respect to the factors mentioned above, JCR Eurasia Rating has assigned the Long-Term National Rating of as **'A- (Trk)'** and the Short-Term National Rating as **'A-1 (Trk)'** in JCR Eurasia Rating's notation system.

The sovereign rating of Republic of Turkey was downgraded by one notch to 'BB' on May 31, 2021. The Bank's Long and Short-Term International Ratings are capped with **'BB'** and **'B'**, respectively.

2. Projections

Owned by Doğan Şirketler Grubu Holding A.Ş., Doğan Investment Bank, for which an establishment license was obtained on March 19, 2020 to operate in the field of investment banking, has received its operating license from the BRSA on May 21, 2021 and began the process on operations on August 2,2021.

The Bank carries out operations with a mission to create sustainable value added to all stakeholders, driven by innovative financial solutions at global standards, insights and experience in domestic and international markets, a responsible banking philosophy and an entrepreneurial culture. As part of its vision, mission and strategy; the Bank aims to offer in the upcoming period Transaction Banking (Cash Management and Foreign Trade Finance), Structured Finance, Investment Banking, and Treasury products and services to both Corporate and Commercial Banking customers.

According to the Bank management, The Bank's 2021 year-end estimates based on the September 2021 projections are provided below:

- Total assets are estimated to increase by %75 as of FYE2021 compared to 1H2021. The estimated increase is mostly based on the loans the Bank will provide to the customers.

- The amount of bonds to be issued is expected be reached to approximately 45% of the Bank's equity size and amounts to approximately 25% of its total assets size as of December 31, 2021.

- During the second half of 2021, the Bank's equity is expected to maintain the same level with the first half.

- There is no public offering plan in the upcoming period.

- The main sources of the estimated growth of the Bank are comprised of the bond to be issued, loans to be utilized and the expected increase in profit to be internally generated.

- Net Interest Income is estimated to increase by %115 as of FYE2021 compared to 1H2021.

- The Gross Operating Profit is estimated to increase by %113 as of FYE2021 compared to 1H2021.

- During the second half of 2021, the Bank's Net Profit is expected to maintain the same level with the first half.

Taking into consideration Doğan Holding's operational and financial support strengthening the Bank's growth phase, the future projections of D Invesment Bank relating to the FY2021 period, we, as JCR Eurasia Rating, are of the opinion that the Bank shall fulfil the obligations in a timely manner and without distress as long as it preserves its current market share and efficiency along with no deterioration in the general macro-economic context and sector dynamics.

3. Rating Outlook

JCR Eurasia Rating has affirmed the **"Stable"** outlooks on the Long and Short-Term National Ratings perspectives of D Investment Bank, taking into account the operational and financial strength of Doğan Holding, improved corporate governance practices, competent and experienced management team, and expected high level of revenue streams to be supported by anticipated increase in the activities through the completion of the founding process to a great extent and thus cessation of the establishment expenses having been burden on the financial structure to date.

In line with the latest assessment of JCR Eurasia Rating on May 31, 2021, the outlooks of D Investment Bank on the Long and Short-Term International Foreign and Local Currency Ratings have been assigned at **'Stable'** -which are the same of the Long-Term sovereign ratings of the Republic of Turkey.

JCR Eurasia Rating will continue to monitor developments with regard to the proposed projections by the Bank management including market conditions regarding the sector, enhancement of internal equity generation capacity, the NPL level and effects of Covid-19 pandemic are to be monitored in the upcoming period.

Significant factors that may be taken into consideration for any future change in ratings and outlook status:

Factors that Could Lead to an Upgrade
»Solid growth performance in assets volume,
»Increasing net interest margin above the sector average,
»Robust amelioration of profitability indicators,
»Ease of funding from international organizations,
»Reduction in financing costs and robust economic growth in the domestic and international markets.

Factors that Could Lead to a Downgrade
»Deteriorating asset quality and liquidity profile,
»Increasing cost of funding and its effect on profitability,
»Deteriorating interest margins and material increase in the NPL ratio,
»Diminishing capital adequacy strength,
»Developments in international politics particularly relating to Turkey's neighboring countries,
»Possible regulatory actions that would restrain the profitability & growth performance of the sector.

4. Sponsor Support and Stand-Alone

Sponsor Support notes and risk assessments reflect the financial strength and expected assistance of the controlling shareholders. It is considered that the utmost shareholder has the tendency and satisfactory financial strength to offer financial support when liquidity needs arise in the short- or long-term perspective. Based on these assessments, the Sponsor Support Note of the Bank has been assigned as **"1"**, which denotes a strong external support possibility.

The Bank's Stand-Alone Note has been assigned as "**B**" regarding asset quality, internal resource generation capacity, profitability ratios, adequate capital and liquidity levels, balance sheet structure, risk management practices, market share and the development of existing risks in the markets and business environment. This note indicates that the Bank is expected to be able to manage its balance sheet risks successfully even if the shareholders or public authorities do not provide any assistance.

5. Company Profile & Industry

a) History and Activities

The establishment of D Yatırım Bankası A.Ş. was registered in the Istanbul Trade Register on June 22, 2020, with an initial capital of TRY 200mn. With Doğan Group holding 99.99% of the capital, D Yatırım Bankası A.Ş. obtained authorization for the establishment and began the process on operations on August 02,2021.

The foundation of the Doğan Holding was laid with the establishment of the first company in the automotive sector in 1961 by Mr. Aydın Doğan. Doğan Holding has been serving the energy sector, media, petroleum products retail, industry, automotive, real estate marketing, tourism and financial services historically. Doğan Holding sold a significant portion of its media and entire retail assets from the existing investment portfolio and simplified its core business sectors in 2018.

With 60 years of activity history and industry experience, the Group has established beneficial and collaborative partnerships with internationally well-known domestic and foreign institutions.

Doğan Group's headquarters are located in Istanbul and the Group employed a staff force of 3,620 as of June 30, 2021 (FYE2020: 3,533).

a) Shareholders, Subsidiaries & Affiliates

The shareholder structure of the Bank which had a paid-in capital of TRY 200mn remained unchanged in comparison to the previous year as indicated in the table below:

D Invesment Bank's Shareholder Structure as of June 30,2021	Share Amount (TRY)	Share (%)
Doğan Şirketler Grubu Holding A.Ş.	199,998,180	99.99909
Milta Turizm İşletmeleri A.Ş.	820	0.00041
Doğan Dış Ticaret ve Mümessillik A.Ş.	500	0.00025
Neta Yönetim Dan. Havacılık Hiz A.Ş.	250	0.000125
Değer Merkezi Hiz. ve Yön. Dan. A.Ş.	250	0.000125
Total	**200,000,000**	**100.00**

The Bank has no subsidiary or affiliate and no privilege rights exist in the available shares.

The shareholder structure of Doğan Holding which had a paid-in capital of TRY 2,617mn remained unchanged in comparison to the previous year as indicated in the table below.

Doğan Holding's Shareholder Structure as of June 30,2021	Share Amount (TRY 000)	Share (%)
Adilbey Holding A.Ş.	1,299,679	49.66
Doğan Family	378,626	14.47
Free Float (BIST)	938,633	35.87
Total	**2,616,938**	**100.00**

As seen in the table above, Adilbey Holding A.Ş., founded in 1986 to carry out real estate and subsidiary management activities is the qualified shareholder of Doğan Holding, holding 49.66% of the shares whilst the remaining shares 14.47% and 35.87% are hold by Doğan Family and listed on Borsa Istanbul (BIST), respectively as of June 30, 2021.

As of June 30, 2021, the Doğan Group Companies are shown below;

Petroleum Products Retail, Subsidiary	Country
Aytemiz Akaryakıt	Turkey
Aytemiz Petrolcülük	Turkey
İstasyon Petrolcülük	Turkey
Petroleum Products Retail, Joint Venture	**Country**
Gas Plus Erbil	Jersey
Electricity Production, Subsidiary	**Country**
Galata Wind	Turkey
Sunflower	Turkey
Electricity Production, Joint Venture	**Country**
Boyabat Elektrik	Turkey
Aslancık Elektrik	Turkey
Industry and Trading, Subsidiary	**Country**
Çelik Halat	Turkey
Celik Halat Netherlands	Netherlands
Ditaş Doğan	Turkey
Doğan Dış Ticaret	Turkey
Falcon	England
Neta Yönetim	Turkey
Kelkit Doğan Besi	Turkey
Sesa Yatırım	Turkey
Sesa Ambalaj	Turkey
Automotive Trade & Marketing, Subsidiary	**Country**
Suzuki	Turkey
Doğan Trend Otomotiv	Turkey
Finance and Investment, Subsidiary	**Country**
Öncü Girişim	Turkey
Doruk Faktoring	Turkey
Doruk Finansman	Turkey
DHI Investment	Holland
Değer Merkezi	Turkey
D Yatırım Bankası	Turkey
Internet and Entertainment, Subsidiary	**Country**
Kanal D Romanya	Romania
Rapsodi Radyo	Turkey
Glokal	Turkey
DG Invest	Holand
DMC Invest	Holland
Dogan Media Invest	Holland
Glocal Invest	Holland
İnnobil	Turkey
Doğan Egmont	Turkey
Internet and Entertainment, Joint Venture	**Country**
NetD Müzik	Turkey
Ultra Kablolu	Turkey
Doğan Burda	Turkey
DMC	Turkey
DPP	Turkey
Real Estate Investments, Subsidiary	**Country**
Milpa	Turkey
D Gayrimenkul	Turkey
D Yapı Romanya	Romania
Milta Turizm	Turkey
Marlin Otelcilik	Turkey
M Investment	USA
Real Estate Investments, Joint Venture	**Country**
Kandilli Gayrimenkul	Turkey

b) Industry Assessment

Turkish Banking Sector

Banking sector of Turkey is the core foundation of the financial system and the main funding source of the economy as the yet developing capital markets lag considerably behind. As such, the stability, resilience and growth prospects of the banking system is instrumental in any projection concerning the macroeconomic outlook of Turkey. As of FYE2020, Turkish Banking Sector operates with 54 banks maintaining 11,189 branches within the country and employs 203,224 people. According to the Banks Association of Turkey FYE2020 data, top 5 banks account for 60.17% of total assets, 66.24% of deposits and 60.14% of total loans.

Number of Banks	FYE2018	FYE2019	FYE2020
Deposit Banks	33	34	34
State-owned	3	3	3
Private	8	8	8
Foreign	20	21	21
SDIF (*)	2	2	2
Develop. and invest. Banks	13	13	14
Participation Banks	5	6	6
Total	51	53	54

Source: BAT, BRSA
(*) The Savings Deposit Insurance Fund (TMSF/SDIF)

Following the onset of the sharp currency depreciation in August 2018 and subsequent interest rate hikes by CBRT, domestic lending had fallen considerably. However, the rates have fallen first incrementally and then sharply by the first and second quarters of 2019, as CBRT initiated a monetary easing accommodated via moderating inflation outlook and stabilized exchange rates. The loan book growth, ceased upon the onset of the aforementioned developments, picked up in particularly since 1Q2019 and despite a pause, remains strong throughout the year-end.

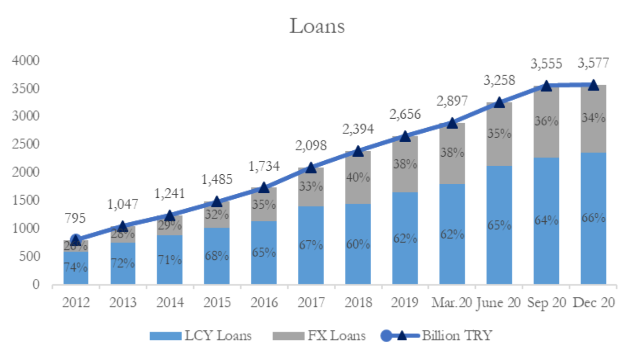
The continuation of financial markets, the healthy functioning of credit channels and the companies' cash flow had paramount importance to limit the negative impacts of Covid-19 pandemic on the Turkish economy. Interest rates have fallen sharply by the first and second quarters of 2020. Although interest rate rose sharply in 4Q2020, interest rates remained low throughout the year which led to loan growth to support consumers' lagged needs and companies' working capital needs.

Additionally, during Covid-19 pandemic, to incentivize banks to extend more loans and use their resources more efficiently, the Banking Regulation and Supervision Authority ("BRSA") has decided to implement a new mechanism on the basis of an "active ratio" equation, as announced in the Decision no. 9000, dated 18 April 2020. Accordingly, Turkish banks were required to calculate their Active Ratio as from 1 May 2020 on a weekly basis. This mechanism continued to be implemented until 31 December 2020. Active ratio is another impact on loan growth in 2020.

Turkish Banking Sector			
Bn TRY	**2018-12**	**2019-12**	**2020-12**
Loans	2,394	2,656	3,577
State Bank's Share in Loans (%)	42	45	48
Non-Performing Loans	97	151	152
Securities	477	660	1,023
Deposit	2,036	2,567	3,455
Shareholders' Equity	422	492	601
Total Asset	3,867	4,491	6,108
Net Income	54	49	60

Source: BRSA

Banking sector loans reached to TRY 3.5 trillion as of FY2020, comparing to TRY 2.6 trillion FY2019. State-owned banks share in total loan portfolio is increasing year by year. There are two state-owned banks in the top 3 banks in the sector—Ziraat Bank and Vakıf Bank. Commercial and corporate loans constituted 53% of total loans while SME loans composed 24% of total loans and consumer loans & credit cards comprised 23% of total loans.



Source: BRSA

Consumer loans & credit cards increased by 40.79% to TRY 822.71bn, according to BRSA data. Considering the average CPI of 12.28%, the actual growth was also high across the year.

Weighted average funding rate (WAFR) by CBRT realized as 11.49% in January 2020. In July, it declined to its lowest level 7.34% throughout the year. After July, the growth trend has been strong and it reached to 17.03% at the end of the year followed by 19.00% in March 2021.

In fact, there is a strong negative correlation between the WAFR and loan growth, continued until end of 2Q2020. On the other hand, loan demand has increased despite high WAFR due to increasing needs of companies and consumers during Covid-19 pandemic.

(TRY mn)	% Loans	% NPL	Std. NPL Multiplier (*)
Construction	7.67	9.29	1.21
Electric, Gas and Water	6.80	5.60	0.82
Wholesale Trade and Brokerage	6.66	5.72	0.85
Retail Trade and Personal Products	3.76	4.80	1.27
Survey, Consulting, Advertising	3.48	3.47	0.99
Agriculture	3.46	3.87	1.12
Textile	3.40	4.10	1.20
Metals	3.34	3.14	0.94
Food, Bev. & Tobacco	3.10	3.64	1.17
Tourism	2.81	4.91	1.75
Others	55.52	n.a.	n.a.

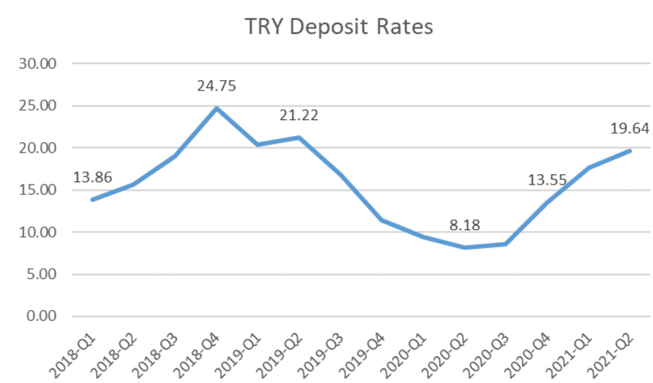
Source: BRSA
(*) % of commercial loans. Std. NPL multiplier measures the ratio of NPL share to loan share for each sector

While the loan growth has regained momentum and increasing in both consumer and corporate segments, a key challenge remains in the form of asset quality, and particularly in FX sensitive sectors such as construction and energy. The non-performing loans ratio of the system has steadily increased since August 2018, reaching 5.37% by the end of 2019. Due to loan growth and regulation change (The delinquency period for the classification of loans as non-performing has been extended from 90 days to 180 days), NPL ratio of sector decreased to 4.08% as of FYE2020. Moreover, non-financial companies in the system state their demand for restructuring of existing loans due to constrained domestic conditions. In fact, various large-scale loans including major conglomerates have been completed.

Security portfolio of the banking sector supported the revenues of the banks as the key rates, reaching TRY 1,023bn, or 16.75% of total assets as of FYE2020. Owing to an upward move in both short and long ends of the yield curve, from as high as 19.15% for 2-year bonds to as low as 10.20% as of March 2021.

The portfolio composition reflects the changes in the Treasury's borrowing program, with more FX borrowing undertaken purchased by the Banking Sector. In fact, according to BRSA data, as of December 2020, Eurobond issuances by the Treasury amounted to 21% of total securities portfolio.

Typically, short liability duration of Turkish Banks, with the average maturity of deposits far shorter than 3 months, vis-a-vis long dated loan book, falling interest rates in the first 8 months of 2020, provided uplift to the banks' profitability as the more cheaply repriced deposits resulted in a positive spread, least in the last 4 months of 2020 and 1Q2021, increasing interest rates had adverse effect on spread.



Source: BRSA

Another key point with regards to the deposits is the increasing FX deposit trend, particularly by the retail residents. Volatilities in the exchange rates led retail depositors to hold FX deposits and golds, a trend sustained despite more stable exchange rates in the recent months. This high FX deposit levels results in a spike in banks' short balance sheet FX position, which is exacerbated by the fact that FX lending to corporations is currently subject to more strict standards and thus limited if not declining. FX loans by banking sector declined to USD 164bn as of FYE2020 from USD 171bn FYE2019. In parallel with 1.4% decrease in the FX deposits of the residents which was USD 221bn as of FYE2019 reached to USD 218bn as of FYE2020.

Turkish banks have established connections to international financing markets, with syndicated loans and securitizations of assets commonplace and important source of funding.

Main Ratios	2020	2019	2018	2017	2016
CAR	18.76	18.40	17.30	16.85	15.57
NPL	4.08	5.36	3.87	2.95	3.24
ROAA	1.41	1.44	1.45	1.62	1.5
ROAE	11.64	11.48	14.83	15.88	14.28
NII/Avg. Assets	4.05	3.85	3.91	3.77	3.65
Loans/Deposits	103.5	109.65	122.58	126.63	123.6

Sources: Banks Association of Turkey (BAT), The Banking Regulation and Supervision Agency (BRSA), Central Bank of the Republic of Turkey (CBRT), The Investment Office of the Presidency of the Republic of Turkey

6. Financial Policy & Risk

When D Investment Bank starts its operations, the Bank will be principally exposed to credit, market, liquidity and operational risks stemming from the nature of its operations and utilization of financial instruments.

Risks are executed under the risk management framework and in line with the implementation communiques. The Bank's risk management policies and strategies are reviewed according to arising needs. The Board of Directors (BoD) has the overall responsibility of establishing and supervising an effective risk management framework and principals.

Credit, Audit, Corporate Governance and Remuneration Committees have been formed under the BoD and the Bank has also set up the, Executive, Asset & Liability, Information Security, Information Systems Strategy and Steering, Discipline and Information Systems Continuity Committees with the participation of senior executives under the presidency of the Chief Executive Officer (CEO). Furthermore, Internal Control, Internal Audit, Compliance and Risk Management Departments have been formed under Internal Systems in line with the BRSA regulations to establish a thorough and comprehensive risk management system.

Credit Risk

The Bank's credit risk management policy is initially set on three pillars; customer assessment, credit allocation and credit pricing. In this sense, through the guides of the comprehensive risk management framework, the Bank manages its credit risk by the allocation of loan limits for customers and customer groups as well as the definition of limits for sectors with considerations of maximizing risk-adjusted returns. The Bank monitors customer credit assessments, takes necessary precautions and reviews allocated limits when necessary. In accordance with the lending policies, collaterals such as cash, bank guarantees, mortgages, pledges, cheques & notes and personal or corporate guarantees are required in line with the financial position of the debtor and its creditworthiness.

The Bank started its activities as of August 02, 2021, and before this date, the Bank did not provide any loan. Therefore, the Bank is not exposed to credit risk as of June 30,2021.

Market Risk

Market risk shows the changes in market prices such as interest rate, equity prices, foreign exchange rates and credit spreads will affect the Bank's income or the value of its holdings of financial instruments and use the 'Standard Method', in line with the methodology outlined in the regulations of the Banking Regulation and Supervision Agency (BRSA). The monthly market risk report and the weekly currency risk reports prepared are reported to BRSA.

In accordance with the Bank's Market Risk Management Procedure, with the standard shock stress tests method for interest rate risk, in order to calculate the monthly effect of the upward or downward movements that may occur in the yield curve on the balance sheet separate analyzes are provided for assets and liabilities in TRY, USD and EUR
In addition, the possible loss on the securities portfolio due to the upward movements that may occur in interest rates, and the impact of this loss on the Bank's capital adequacy ratio are also considered in the stress tests. Within the scope of exchange rate risk, the FX position arising from the difference of all FX assets and liabilities in the foreign currency exchange rate is analyzed and subjected to monthly stress test, scenario analysis and it is ensured that the results are presented to the Board of Directors on a monthly basis.

The BoD of the Bank defines the risk limits for primary risks carried by the Bank and periodically updated the limits. The Bank measures its market risk daily through the value at risk (VaR) methodology, related with trading and available-for-sale portfolios. VAR measurements calculated using internal methods, and exchange rate and overall market risks calculated using standard methods, as well as stress tests and scenarios, are analysed within the scope of the market risk and regularly reported by the Risk Management Department to the Senior Management and Audit Committee.

The Bank measures the interest rate sensitivity of assets, liabilities and off-balance sheet items in weekly meetings of the Asset- Liability Committee (ALCO) comprising members of senior management.

As of June 30,2021, the Bank is not principally exposed to the fluctuations in the interest rates and foreign currency risks in the scope of market risk due to being newly established bank.

Liquidity Risk

The Bank executes its liquidity risk by maintaining an adequate level of liquid assets to meet its obligations even in stressed conditions and accomplishes the regulations regarding liquidity implemented by the the Banking Regulation and Supervision Agency (BRSA).

The Bank's liquidity risk management is strategically owned by the Board of Directors and the Assets-Liabilities Committee (ALCO). The Bank's liquidity situation is discussed in weekly ALCO meetings and Risk Management in monthly periods. It is also ensured that it is reported to the Board of Directors (BoD) through stress tests performed by the Presidency. The liquidity risk appetite is determined by BoD by using the limit and signal values. Overruns are monitored on a weekly basis by the Risk Management Department and necessary notifications are made to the relevant management levels.

As of June 30,2021, the Bank is not principally exposed to the liquidity risk due to being newly established bank.

Operational Risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Bank's processes, personnel, technology and infrastructure. Information systems, internal control policies, and procedures outline the overall operational risk management profile.

The Bank places importance on compliance with the regulations set by the authorities and changes to the legal framework such as Regulations on the Principles of Corporate Governance of Banks, corporate governance provisions in Turkish Commercial Code along with Banking Regulation and Supervision Agency (BRSA)'s enforcements of strict regulation and supervision on the Turkish Banking Sector.

Operational risks are managed effectively through the formation and implementation of risk management policies, network security and human resources. Business continuity is ensured by implementing back-up and disaster recovery plans and systems. In addition to the Bank's timely risk management applications assisted by the risk management, internal audit, internal control and compliance departments, the Bank insures its premises and equipment, money transfers, business interruption as well as offering liability insurance.

Moreover, the Bank did not receive penal action by the regulatory and supervisory authorities, within the scope of legal risk.

D YATIRIM BANKASI A.Ş. BALANCE SHEET - ASSET (000)	1H 2021 USD (Converted)	1H 2021 TRY (Original)	1H 2021 TRY (Average)	FYE 2020 TRY (Original)	FYE 2020 TRY (Average)	As % of 2021 Assets (Original)	As % of 2020 Assets (Original)	FYE 2021 Growth Rate %	FYE 2020 Growth Rate %
A- TOTAL EARNING ASSETS (I+II+III)	**24,495**	**213,233**	**211,470**	**209,706**	**104,853**	**93.17**	**95.46**	**1.68**	**n.a**
I- LOANS AND LEASING RECEIVABLES (net)	**0**	**0**	**0**	**0**	**0**	**n.a**	**n.a**	**n.a**	**n.a**
a) Short Term Loans	0	0	0	0	0	n.a	n.a	n.a	n.a
b) Lease Assets	0	0	0	0	0	n.a	n.a	n.a	n.a
c) Medium & Long Term Loans	0	0	0	0	0	n.a	n.a	n.a	n.a
d) Over Due Loans	0	0	0	0	0	n.a	n.a	n.a	n.a
e) Others	0	0	0	0	0	n.a	n.a	n.a	n.a
f) Receivable from Customer due to Brokerage Activities	0	0	0	0	0	n.a	n.a	n.a	n.a
g) Allowance for Loan and Receivables Losses (-)	0	0	0	0	0	n.a	n.a	n.a	n.a
II- OTHER EARNING ASSETS	**24,495**	**213,233**	**211,470**	**209,706**	**104,853**	**93.17**	**95.46**	**1.68**	**n.a**
a) Balance With Banks -Time Deposits	24,495	213,233	211,470	209,706	104,853	93.17	95.46	1.68	n.a
b) Money Market Placements	0	0	0	0	0	n.a	n.a	n.a	n.a
c) Reserve Deposits at CB (*)	0	0	0	0	0	n.a	n.a	n.a	n.a
d) Balance With CB- Demand Deposits (**)	0	0	0	0	0	n.a	n.a	n.a	n.a
III- SECURITIES AT FAIR VALUE THROUGH P/L	**0**	**0**	**0**	**0**	**0**	**n.a**	**n.a**	n.a	n.a
a) Treasury Bills and Government Bonds	0	0	0	0	0	n.a	n.a	n.a	n.a
b) Other Investment	0	0	0	0	0	n.a	n.a	n.a	n.a
c) Repurchase Agreement	0	0	0	0	0	n.a	n.a	n.a	n.a
B- INVESTMENTS IN ASSOCIATES (NET) + EQUITY SHARE	**0**	**0**	**0**	**0**	**0**	**n.a**	**n.a**	**n.a**	**n.a**
a) Investments in Subsidiaries (Net)	0	0	0	0	0	n.a	n.a	n.a	n.a
b) Investments in Associates (Net)	0	0	0	0	0	n.a	n.a	n.a	n.a
C- NON-EARNING ASSETS	**1,796**	**15,638**	**12,803**	**9,968**	**4,984**	**6.83**	**4.54**	**56.88**	**n.a**
a) Cash and Cash Equivalents	0	0	0	0	0	n.a	n.a	n.a	n.a
b) Balance With Banks - Current Accounts	0	0	0	0	0	n.a	n.a	n.a	n.a
c) Financial Assets at Fair Value through P/L	0	0	0	0	0	n.a	n.a	n.a	n.a
d) Accrued Interest from Loans and Lease	0	0	0	0	0	n.a	n.a	n.a	n.a
e) Other	1,796	15,638	12,803	9,968	4,984	6.83	4.54	56.88	n.a
- Intangible Assets	506	4,403	3,787	3,170	1,585	1.92	1.44	38.90	n.a
- Property and Equipment	1,218	10,604	7,817	5,030	2,515	4.63	2.29	110.82	n.a
- Deferred Tax	10	86	43	0	0	0.04	n.a	n.a	n.a
- Other	63	545	1,157	1,768	884	0.24	0.80	-69.17	n.a
TOTAL ASSETS	**26,291**	**228,871**	**224,273**	**219,674**	**109,837**	**100.00**	**100.00**	**4.19**	**n.a**

- *According to JCR Eurasia Rating's Calculations,*

D YATIRIM BANKASI A.Ş. BALANCE SHEET LIABILITIES & SHAREHOLDERS' EQUITY (000)	1H 2021 USD (Converted)	1H 2021 TRY (Original)	1H 2021 TRY (Average)	FYE 2020 TRY (Original)	FYE 2020 TRY (Average)	As % of 2021 Assets (Original)	As % of 2020 Assets (Original)
A- COST BEARING RESOURCES (I+II)	**564**	**4,911**	**2,456**	**0**	**0**	**2.15**	**n.a**
I- DEPOSIT	**0**	**0**	**0**	**0**	**0**	**n.a**	**n.a**
a) TL Deposit	0	0	0	0	0	n.a	n.a
b) FC Deposit	0	0	0	0	0	n.a	n.a
c) FC & LC Banks Deposits	0	0	0	0	0	n.a	n.a
II- BORROWING FUNDING LOANS & OTHER	**564**	**4,911**	**2,456**	**0**	**0**	**2.15**	**n.a**
a) Borrowing From Domestic Market	564	4,911	2,456	0	0	2.15	n.a
b) Borrowing From Overseas Markets	0	0	0	0	0	n.a	n.a
c) Borrowing from Interbank	0	0	0	0	0	n.a	n.a
d) Securities Sold Under Repurchase Agreements	0	0	0	0	0	n.a	n.a
e) Subordinated Loans & Others	0	0	0	0	0	n.a	n.a
B- NON-COST BEARING RESOURCES	**536**	**4,662**	**4,214**	**3,766**	**1,883**	**2.04**	**1.71**
a) Provisions	401	3,490	1,745	0	0	1.52	n.a
b) Current & Deferred Tax Liabilities	0	0	0	0	0	n.a	n.a
c) Trading Liabilities (Derivatives)	0	0	0	0	0	n.a	n.a
d) Other Liabilities	135	1,172	2,469	3,766	1,883	0.51	1.71
C- TOTAL LIABILITIES	**1,100**	**9,573**	**6,670**	**3,766**	**1,883**	**4.18**	**1.71**
E- EQUITY	**25,192**	**219,298**	**217,603**	**215,908**	**107,954**	**95.82**	**98.29**
a) Prior Year's Equity	22,975	200,000	200,000	200,000	100,000	87.39	91.04
b) Equity (Added From Internall & External Resourses At This Year)	1,826	15,897	7,949	0	0	6.95	n.a
c) Profit & Loss	391	3,401	9,655	15,908	7,954	1.49	7.24
d) Minority Interest	0	0	0	0	0	n.a	n.a
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**26,291**	**228,871**	**224,273**	**219,674**	**109,837**	**100.00**	**100.00**
(*) This item is included in Other Item	**USD Rates 1=TRY**	**8.7052**		**7.3405**			

- *According to JCR Eurasia Rating's Calculations,*

D YATIRIM BANKASI A.Ş. INCOME STATEMENT (000) TRY	1H 2021	FY 2020
Net Interest Income	**16,000.00**	**3,703.00**
a) Interest Income	16,453.00	3,703.00
b) Interest Expense	453.00	0.00
Net Fee and Commission Income	**-3.00**	**-7.00**
a) Fee and Commission Income	0.00	0.00
b) Fee and Commission Expense	3.00	7.00
Total Operating Income	**5,432.00**	**26,235.00**
Net trading income (+/-)	0.00	0.00
Foreign Exchange Gain or Loss (net) (+/-)	3,746.00	26,235.00
Gross Profit from Retail Business	0.00	0.00
Premium income from insurance business	0.00	0.00
Income on Sale of Equity Participations and Consolidated Affiliates	0.00	0.00
Gains from Investment Securities (Net)	0.00	0.00
Other Operating Income	1,686.00	0.00
Taxes other than Income	0.00	0.00
Dividend	0.00	0.00
Provisions	**3,206.00**	**0.00**
Provision for Impairment of Loan and Trade Receivables	0.00	0.00
Other Provision	3,206.00	0.00
Total Operating Expense	**13,044.00**	**9,525.00**
Salaries and Employee Benefits	8,313.00	3,431.00
Depreciation and Amortization	0.00	0.00
Other Expenses	4,731.00	6,094.00
Profit from Operating Activities before Income Tax	**5,179.00**	**20,406.00**
Income Tax – Current	1,861.00	4,498.00
Income Tax – Deferred	-83.00	0.00
Net Profit for the Period	**3,401.00**	**15,908.00**
Total Income	**21,429.00**	**29,931.00**
Total Expense	**13,044.00**	**9,525.00**
Provision	**3,206.00**	**0.00**
Pre-tax Profit	**5,179.00**	**20,406.00**

- *According to JCR Eurasia Rating's Calculations,*

D YATIRIM BANKASI A.Ş. FINANCIAL RATIOS %	1H 2021	FY 2020
I. PROFITABILITY & PERFORMANCE		
1. ROAA - Pretax Profit / Total Assets (avg.)	2.31	18.58
2. ROAE - Pretax Profit / Equity (avg.)	2.38	18.90
3. Total Income / Equity (avg.)	9.85	27.73
4. Total income / Total Assets (avg.)	9.55	27.25
5. Provisions / Total Income	14.96	0.00
6. Total Expense / Total Liabilities (avg.)	195.58	505.84
7. Net Profit for the Period / Total Assets (avg.)	1.52	14.48
8. Total Income / Total Expenses	164.28	314.24
9. Non Cost Bearing Liabilities + Equity- Non Earning Assets / Total Assets	91.02	95.46
10. Non Cost Bearing Liabilities - Non Earning Assets / Total Assets	-4.80	-2.82
11. Total Operating Expenses / Total Income	60.87	31.82
12. Net Interest Margin	7.57	3.53
13. Operating ROAA (avg.)	2.51	18.58
14. Operating ROAE (avg.)	2.59	18.90
15. Interest Coverage – EBIT / Interest Expenses	1,243.27	n.a.
16. Net Profit Margin	15.87	53.15
17. Gross Profit Margin	24.17	68.18
18. Growth Rate	4.19	n.a
II. CAPITAL ADEQUACY		
1. Equity Generation / Prior Year's Equity	7.95	0.00
2. Internal Equity Generation / Previous Year's Equity	1.70	7.95
3. Equity / Total Assets	95.82	98.29
4. Core Capital / Total Assets	87.39	91.04
5. Supplementary Capital / Total Assets	8.44	7.24
6. Capital / Total Assets	95.82	98.29
7. Own Fund / Total Assets	92.82	98.29
8. Standard Capital Adequacy Ratio	198.28	n.a.
9. Free Equity / Total Assets	89.26	94.55
10. Equity / Total Guarantees and Commitments + Equity	99.95	100.00
III. LIQUIDITY		
1. Liquidity Management Success (On Demand)	99.82	99.60
2. Liquidity Management Success (Up to 1 Month)	53.61	52.67
3. Liquidity Management Success (1 to 3 Months)	99.97	100.00
4. Liquidity Management Success (3 to 6 Months)	100.00	100.00
5. Liquidity Management Success (6 to 12 Months)	99.84	100.00
6. Liquidity Management Success (Over 1 Year & Unallocated)	99.14	100.00
IV. ASSET QUALITY		
1. Loan and Receivable's Loss Provisions / Total Loans and Receivables	n.a.	n.a.
2. Total Provisions / Profit Before Provision and Tax	38.23	0.00
3. Impaired Loans / Gross Loans	n.a.	n.a.
4. Impaired Loans / Equity	0.00	0.00
5. Loss Reserves for Loans / Impaired Loans	n.a.	n.a.
6. Total FX Position / Total Assets	9.86	32.22
7. Total FX Position / Equity	10.29	32.78
8. Assets / Total Guarantees and Commitments + Assets	99.95	100.00

- *According to JCR Eurasia Rating's Calculations,*

Rating Info

Rated Company:	D Yatırım Bankası A.Ş. Kuştepe Mahallesi Mecidiyeköy Yolu Caddesi Trump Tower Apt No: 12/32 34387 Şişli / İstanbul Telephone: +90 212 998 74 00 Fax: +90 212 998 74 75
Rating Report Preparation Period:	01.09.2021-17.09.2021
Rating Publishing Date:	17.09.2021
Rating Expiration Date:	1 full year after publishing date, unless otherwise stated
Audited Financial Statements:	30.06.2021-31.12.2020/ Solo
Previous Rating Results:	First Report

Disclaimer

The ratings assigned by JCR Eurasia Rating are reflection of the Company's independent audit reports prepared in conformity with Turkish Financial Reporting Standards (TFRS), on and off-balance sheet figures, general market conditions in its fields of activity, unaudited financial statements, management report, information and clarifications provided by the Company, and non-financial figures. Certain financial figures of the Company for previous years have been adjusted in line with the JCR Eurasia Rating's criteria.

The Company's balance sheet composition, asset quality, risk management practices, business profile, liquidity management, history in the sector, profitability figures, revenues, debt structure, growth rates, off-balance sheet commitments, and the financial and non-financial positions of the main shareholders were taken into consideration while determining the risk assessment of the long-term international local currency and foreign currency ratings as well as national ratings.

Previous rating results and other relevant information can be accessed on www.jcrer.com.tr

This rating report has been composed within the methodologies registered with and certified by the SPK (CMB-Capital Markets Board of Turkey), BDDK (BRSA-Banking Regulation and Supervision Agency) and internationally accepted rating principles and guidelines but is not covered by NRSRO regulations.

JCR Eurasia Rating
Maslak Mahallesi Taşyoncası Sokak No:1/F F2 Blok Kat:2 34485 Sarıyer/İstanbul/Türkiye
Telephone: +90(212)352 56 73
Fax: +90 (212) 352 56 75
www.jcrer.com.tr