

Corporate Credit Rating

New Update

Sector: Banking

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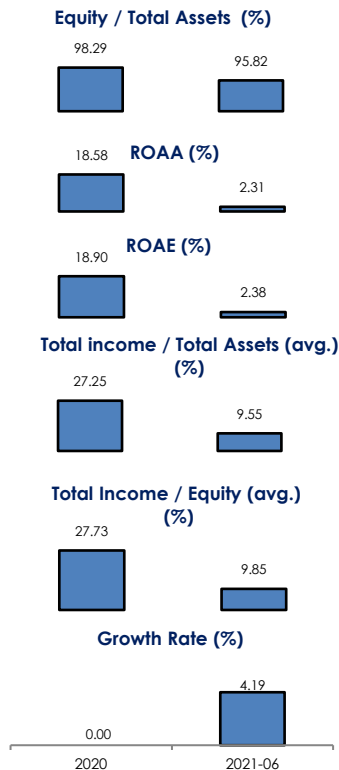
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RATINGS

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

- 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.

Constraints

- 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.