

 Early Warning System

IFC-37925

Odeabank Equity



Quick Facts

Countries	Turkiye
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	A
Voting Date	2016-06-27
Borrower	ODEA BANK ANONIM SIRKETI
Sectors	Agriculture and Forestry, Finance
Investment Amount (USD)	\$ 75.00 million
Project Cost (USD)	\$ 350.00 million



Project Description

The proposed IFC investment consists of participation in a capital increase for Odeabank A.S. in the Republic of Turkey. According to bank documents, the Project will help the Bank to build on its small and medium enterprises loan portfolio and support its existing digital banking activities to reach out to micro and other underbanked segments of the population.



Investment Description

- International Finance Corporation (IFC)

The sponsor of the Project is Bank Audi s.a.l. Founded in 1830 and incorporated in 1962 as a private joint stock company with limited liability, Bank Audi s.a.l is one of Lebanon's largest commercial banks, with a nationwide 82-branch network and a network of 217 foreign branches across the Middle East, North Africa, Turkey and Europe. Employing nearly 7,000 people via its Lebanese and international operations, the group is profitable and well capitalized, with consistently strong financial indicators. Total assets and total equity reported to be US\$42 billion and US\$3.3 billion, respectively, with a market capitalization of around US\$2.5 billion as of end-of 2015.

Odeabank's shareholding structure as of December 31, 2015 is:

Shareholder

Percentage of ownership (%)

Bank Audi s.a.l.

93.83%

Audi Private Bank s.a.l

6.06%

Others

0.11%

The total capital increase is going to be for TRY1 billion (around US\$350 million equivalent) where IFC is considering, for its own account, investing up to US\$75 million equivalent in local currency in the form of common shares. The FIG Fund, managed by IFC Asset Management Company, a wholly owned subsidiary of IFC, is co-investing with IFC in the transaction.

You can learn more about IFC Asset Management Company at: <https://www.ifcamc.org/funds>

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- [Odea Bank A.S.](#) (Financial Intermediary)



Private Actors Description

Founded in November 2012, Odeabank has been a growing player in the Turkish banking sector ranking twelfth in terms of asset size which reached around US\$11 billion and a capital base of around US\$0.9 billion as of year-end 2015. The Bank has 55 branches and around 1,560 employees offering a wide spectrum of universal banking products among key segments including corporate, commercial, small and medium enterprises and retail banking. The Bank has adopted a direct banking model with effective utilization of alternative distribution channels and has been identified as a potential partner for IFC to work with in supporting digital banking in Turkey.



Contact Information

Ms. Estel Gurdogan

Director

Odeabank A.S.

Levent 199, Buyukdere Caddesi No: 199

Kat: 33-39

34394 Sisli/Istanbul

Tel: +90 212 304 85 20

Fax: +90 212 304 84 45

<http://www.odeabank.com.tr>

ACCOUNTABILITY MECHANISM OF IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org/>