

**Corporate Credit Rating**

**HOLDING**  
[Human and Veterinary Pharmaceuticals]

		Long Term	Short Term	
International	Foreign Currency	BBB-	A-3	
	Local Currency	BBB-	A-3	
	Outlook	FC	Stable	Stable
		LC	Stable	Stable
National	Local Rating	A- (Trk)	A-2 (Trk)	
	Outlook	Stable	Stable	
Sponsor Support		2	-	
Stand Alone		B	-	
Sovereign*	Foreign Currency	BBB-	-	
	Local Currency	BBB-	-	
	Outlook	FC	Stable	-
		LC	Stable	-

\*Affirmed by Japan Credit Rating Agency on August 28, 2015

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DEVA HOLDİNG A.Ş.					
Financial Data	2015*	2014*	2013*	2012*	2011*
Total Assets (000 USD)	341,502	385,326	388,015	406,872	352,720
Total Assets (000 TRY)	992,952	893,532	826,627	723,256	666,253
Equity (000 TRY)	453,112	411,909	43,050	378,630	344,442
Net Profit (000 TRY)	47,619	8,702	24,589	34,243	-15,634
Sales (000 TRY)	576,380	467,940	418,391	419,510	404,974
ROAA (%)	5.48	0.59	3.11	5.93	-2.24
ROAE (%)	11.95	1.24	6.17	11.40	-4.23
Net Debt/ EBITDA(X)	3.00	5.45	6.62	4.29	n.m.
Net Debt / Equity(X)	0.86	0.86	0.73	0.67	0.61
EBIT Interest Coverage (X)	1.13	0.50	0.29	0.53	-0.18
FFO to Net Debt (%)	20.51	8.53	3.40	9.43	n.m.
Equity / Total Assets (%)	45.63	46.10	48.76	52.35	51.70
Net Working Capital / T. Assets (%)	1.24	16.80	21.39	11.14	13.02
Debt Ratio (%)	54.37	53.90	51.24	47.65	48.30
Asset Growth Rate (%)*	11.13	8.09	14.29	8.56	6.98

\*End of Year

**Company Overview**

"Deva Holding A.Ş.", (hereinafter referred to as 'Deva Holding' or 'Group'), a subsidiary of Eastpharma S.A.R.L., founded in 1958, is a Turkey-based pharmaceutical Group. Deva Holding manufactures and markets human & veterinary pharmaceuticals and active pharmaceutical ingredients for human health through its five subsidiaries. The Group, having 3 production facilities in Turkey including, Çerkezköy I, Çerkezköy II and Kartepe production plants, has an annual production capacity of 500 million boxes. The Group's product portfolio comprises more than 350 licensed products in 13 therapeutic fields.

Deva Holding exports pharmaceuticals and pharmaceutical raw materials to over 25 countries, mainly to Middle East and CIS. The Group is headquartered in Istanbul and had an average staff number of 1,755 together with its affiliates during 2015. The major qualifying shareholder of the Holding was Eastpharma S.A.R.L. (82.21%) and the free float was (17.79%). Public trading began on the Borsa Istanbul (BİST) under the ticker symbol "DEVA" since 1986.

**Constraints**

- Downside risks to growth in the country exerting pressure on profit margins and impacts on debt-servicing capabilities regarding the trade receivables,
- The depreciation of the TL versus the U.S. dollar and Euro pressuring raw material prices,
- Sectorial price erosion stemming from the reference pricing system increasing the strong competition,
- Fragmented market aggravating fierce competition leading to margin pressure.

**Strengths**

- Sound EBITDA margin enabling the sustainability and expansion of operations thanks to strong presence and experience as a prominent provider as a pharmaceutical company,
- Maintaining asset quality thanks to a conservative capital base,
- Establishment of credible and well-established business and capital partnership at local and international level,
- High growth potential in the pharma sector due to an ageing and growing population, increasing innovation and accessing to healthcare as well as innovation in treatments in the human pharmaceuticals,
- Long-run strategy underpinned by sound competitive position,
- As an institution subject to Capital Market Law, improved transparency with regard to corporate governance compliance.

Publication Date: April 26, 2016

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