

# **Corporate Credit Rating**

## HOLDING

2011\*

352,720

666,253

344,442

-15.634

404,974

-2.24

-4.23

n.m.

0.61

-0.18

n.m.

51.70

13.02

48.30

6.98

2012\*

406,872

723,256

378,630

34.243

419,510

5.93

11.40

4.29

0.67

0.53

9.43

52.35

11.14

47.65

8.56

## [Human and Veterinary Pharmaceuticals]

2014\*

385,326

893,532

411,909

8,702

467,940

0.59

1.24

5.45

0.86

0.50

8.53

46.10

16.80

53.90

8.09

2013\*

388,015

826,627

43,050

24,589

418,391

3.11

6.17

6.62

0.73

0.29

3.40

48.76

21.39

51.24

14.29

**DEVA HOLDING A.S.** 

2015\*

341,502

992,952

453,112

47,619

576,380

5.48

11.95

3.00

0.86

1.13

20.51

45.63

1.24

54.37

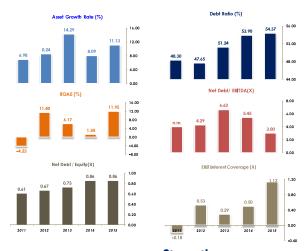
11.13

DEVA			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			В	-
Sovereign*	Foreign Currency		BBB-	-
	Local Currency		BBB-	-
	Outlook	FC	Stable	-
		LC	Stable	-

<sup>\*</sup>Affirmed by Japan Credit Rating Agency on August 28, 2015

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\*End of Year

Debt Ratio (%)

FinancialData

Total Assets (000 USD)

Total Assets (000 TRY)

Equity (000 TRY)

Sales (000 TRY)

ROAA (%)

**ROAE (%)** 

Net Profit (000 TRY)

Net Debt/ EBITDA(X)

Net Debt / Equity(X)

FFO to Net Debt (%)

EBIT Interest Coverage (X)

Equity / Total Assets (%)

Asset Growth Rate (%)\*

Net Working Capital / T. Assets (%)

"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.

**Company Overview** 

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.

## <u>Strengths</u>

- 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 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.

#### 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.

#### Publication Date: April 26, 2016

#### "Global Knowledge supported by Local Experience"