

Corporate Credit & Issue Rating

New Update

Sector: Investment Holding
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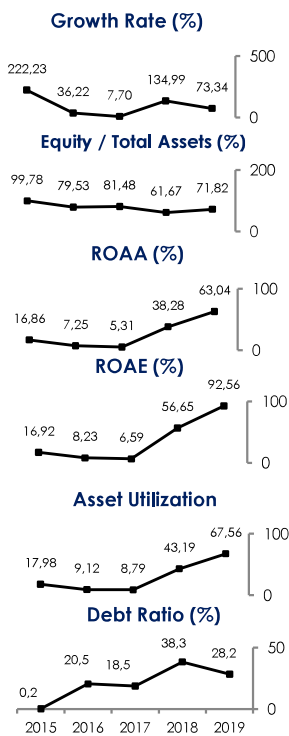
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RATINGS

		Long Term	Short Term	
International	Foreign Currency	BB+	B	
	Local Currency	BB+	B	
	Outlook	FC	Negative	Negative
		LC	Negative	Negative
Issue Rating	-	-		
National	Local Rating	A+ (Trk)	A-1 (Trk)	
	Outlook	Stable	Stable	
	Issue Rating	A+ (Trk)	A-1 (Trk)	
Sponsor Support		2	-	
Stand-Alone		B	-	
Sovereign*	Foreign Currency	BB+	-	
	Local Currency	BB+	-	
	Outlook	FC	Negative	-
LC		Negative	-	

* Assigned by JCR on April 10, 2020



Gedik Yatırım Holding A.Ş.

Company Overview

Financial Data	1Q2020	2019	2018	2017	2016	2015
Total Assets (000 USD)	101,525	34,620	22,550	13,384	13,319	11,834
Total Assets (000 TRY)	668,186	205,647	118,635	50,484	46,873	34,409
Equity (000 TRY)	519,961	147,706	73,159	41,136	37,280	34,335
Net Profit (000 TRY)	372,255	83,764	32,023	2,934	2,948	3,717
ROAA (%)	n/a	63.04	38.28	5.31	7.25	16.86
ROAE (%)	n/a	92.56	56.65	6.59	8.23	16.92
Asset Utilization Ratio (%)	n/a	67.56	43.19	8.79	9.12	17.98
Equity / Total Assets (%)	77.81	71.82	61.67	81.48	79.53	99.78
Debt Ratio (%)	22.18	28.18	38.33	18.52	20.47	0.22
Asset Growth Rate (%)	224.92	73.34	134.99	7.7	36.22	222.23

Gedik Yatırım Holding A.Ş. (the Holding) was established in 1998 under the name Gedik Yatırım Ortaklığı A.Ş. and transformed into an investment holding company in 2014. The Holding primarily focuses on private equity investments in innovative companies with the aim of capturing a competitive and technological edge and benefiting from these companies' sound growth and profitability prospects. As of 1Q2020, the majority of the Holding's investment portfolio, 98.24%, are comprised Gedik Yatırım Menkul Değerler A.Ş. (Gedik Yatırım).

The Holding's investee companies have a good track record in Turkey's capital market ecosystem. Gedik Yatırım has operated as a broadly authorized intermediary institution providing comprehensive capital market services for over 25 years.

JCR Eurasia Rating has evaluated Gedik Yatırım Holding in investment-level category on the national scale and affirmed the rating on the Long Term National Scale at '**A+ (Trk)**' and assigned outlooks of national ratings as '**Stable**'.

Strengths

- Noteworthy asset growth in 2019 and early 2020 thanks to bullish movements in the stocks held for investment.
- Financing the assets through internal resources and low level of indebtedness
- New investment initiatives in foreign markets that enables to deconcentrate the geographic risks
- Solid position of the main investment, Gedik Yatırım, in financial intermediary market
- Immunity against the volatility in the FX market
- Compliance with Corporate Governance Principles

Constraints

- Lack of operational and sectoral diversity in investment portfolio
- The link between the Holding's cash generation capacity and profitability is relatively weak
- Projected contraction on global and local economy in 2020, triggered by Covid-19 outbreak and increasing volatility in capital markets
- Volatility in financial results of the Holding due to movements in stock exchange