

Corporate Credit Rating

SERVICES & INDUSTRY

[Operating Holding]

BEYKOZ DOĞA			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		BBB (Trk)	A-3 (Trk)
	Outlook		Stable	Stable
Sponsor Support			2	-
Stand Alone			B	-
Sovereign*	Foreign Currency		BBB-	-
	Local Currency		BBB-	-
	Outlook	FC	Stable	-
		LC	Stable	-

Beykoz Doğa Öğretim Yatırım ve Ticaret A.Ş.			
Financial Data	3Q2014*	2013*	2012*
Total Assets (000 USD)	119,398	94,923	55,996
Total Assets (000 TRY)	271,892	202,224	99,538
Equity (000 TRY)	164,598	165,405	62,297
Net Profit (000 TRY)	507	90,824	11,421
Sales (000 TRY)	12,512	8,887	0
Dividend Income (000 TRY)	4,723	4,369	11,055
Investment Income (000 TRY)	147	100,353	0
Net Profit Margin (%)	2.91	79.94	n.a
ROAA (%)	n.a	103.16	n.a
ROAE (%)	n.a	81.63	n.a
Equity / Total Assets (%)	60.54	81.79	62.59
Net Working Capital / T. Assets (%)	18.07	4.70	0.45
Debt Ratio (%)	39.46	18.21	37.41
Asset Growth Rate (%)	34.45	103.16	n.a

*Affirmed by Japan Credit Rating Agency, JCR on July 11, 2014

*End of the year

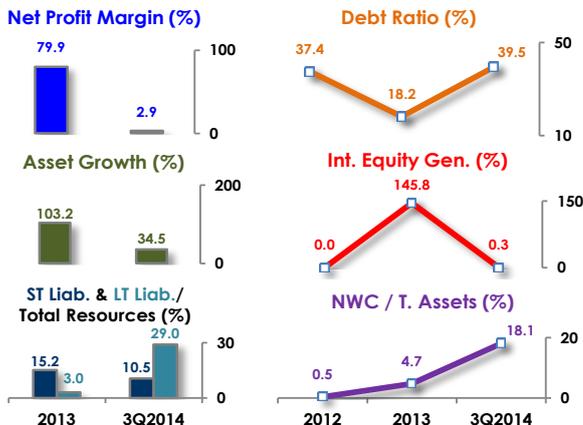
Senior Analyst: Zeki M COKTAN / +90 212 352 56 73
zekic@jcrer.com.tr

Company Overview

"Beykoz Doğa Öğretim Yatırım ve Ticaret A.Ş.", (hereinafter referred to as 'Beykoz Doğa' or 'the Company'), is a multi-business enterprise, operating primarily in mining and IT & Telecom as well as having stakes in educational institutions via its associate and joint venture companies. Beykoz Doğa was established in Istanbul, Turkey in 2010 and restructured in 2013 in the form of an operating holding company through the merger of 9 companies.

The major qualifying shareholder of the Company as of November, 2014 was Mr. Fethi Şimşek.

Doga Group, which Beykoz Doğa is affiliated with through the ultimate owner, Mr. Fethi Şimşek, has a long business track record and maintains operations in such diverse fields as education, iron & steel, real estate, venture, informatics, breeding, health and tourism sectors.



Strengths

- Focus of activities well positioned in growing and promising sectors together with investment assets with high trading ability and hidden reserve providing maneuvering capability in liquidity management
- Current capitalization level and funding composition offering further growth opportunities
- Revenue streams through Doga College shares balancing predictability level of revenues
- Strong potential for parental support by shareholders having operations in diverse fields and financial supporting capacity
- Improved asset quality indicated by low level of impairments and broad insurance coverage of high level of related party receivables
- Utilization of alternative funding channels notwithstanding the short track record of operations
- Initiation of a comprehensive corporate development project with a view to establishing a governance model including risk management
- Highly experienced and qualified executive team

Constraints

- Newly established business units not yet having converged to desired profitability level regarding the initial costs of investments although average EBITDA margins are expected to settle at satisfactory levels in the medium term
- Moderate exposure to foreign exchange and interest rate risks resulting from predominantly TRY denominated and floating rate financial liabilities
- Past financial statements including substantial amount of nonrecurring income components
- Need for improvement regarding the compliance level with corporate governance principles
- Ongoing political headwinds, decrease in risk appetite of investors and downside risks to growth and pressure to be exerted on profit margins

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"Global Knowledge supported by Local Experience"