

Corporate Credit Rating

Non-Financial & Trade
[Plastic Products Trade & Manufacturing]

		Long Term	Short Term
International	Foreign currency	BBB-	A-3
	Local currency	BBB-	A-3
	Outlook	Stable	Stable
National	Local Rating	BBB-(Trk)	A-3(Trk)
	Outlook	Stable	Stable
Sponsor Support		3	-
Stand Alone		BC	-
Sovereign*	Foreign currency	BBB-	-
	Local currency	BBB-	-
	Outlook	Stable	-

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

Senior Analyst: Gökhan **IYIGUN**/+90 212 352 56 74
gokhan.iyigun@jcrer.com.tr
Assistant Analyst: Dinçer **SEMERCİLER**/+90 212 352 56 74
dincer.semenciler@jcrer.com.tr

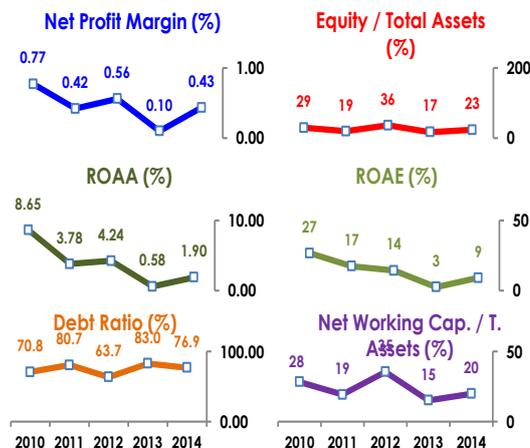
PLASPAK KİMYA SANAYİ VE TİCARET A.Ş.					
Financial Data	2014*	2013*	2012*	2011*	2010*
Total Assets (000 USD)	19,213	11,844	6,538	3,813	1,614
Total Assets (000 TRY)	44,706	25,233	11,622	7,202	2,482
Equity (000 TRY)	10,331	4,281	4,217	1,389	725
Net Profit (000 TRY)	324	56	301	143	101
Sales (000 TRY)	74,884	56,559	53,726	34,162	13,144
Net Profit Margin (%)	0.43	0.10	0.56	0.42	0.77
ROAA (%)	1.90	0.58	4.24	3.78	8.65
ROAE (%)	9.07	2.53	14.25	17.33	26.69
Equity / Total Assets (%)	23.11	16.96	36.28	19.29	29.23
Net Working Capital / T. Assets (%)	19.92	15.26	35.49	19.27	28.37
Debt Ratio (%)	76.89	83.04	63.72	80.71	70.77
Asset Growth Rate (%)	77.17	117.13	61.37	190.20	522.52

*End of year

Overview

Plaspak Kimya Sanayi ve Ticaret A.Ş. (referred to as Plaspak Kimya or the Company) was established in Istanbul in 2003 and changed its status to that of a joint stock Company in 2012. Having originally focused on the imports & distribution of bi-oriented polypropylene films for the packaging sector, the Company broadened its operational scope to include the export/import, storage, distribution and transit trade of various plastic raw materials for the chemical and plastics sectors. Following the global economic recession in 2008-2009, the Company underwent a period of re-structuring and gradually expanded its operations. In line with the new strategies, in January 2015 the Company commenced the production of plastic compound products which are utilized across a wide range of industries including automotive, packaging, construction and white goods, electronics and home appliances.

The production facilities of the Company are located in Gebze, Kocaeli. As of December 2014, the Company established a subsidiary, Plaschem Trading SA in Switzerland, with the purpose of carrying out the international trade of chemical raw materials, bulk products and merchandise. Mr. Gökhan **SIKRAK** is the largest qualified shareholder of the Company following the listing of 35.35% of shares on the Emerging Companies Market on Borsa Istanbul in January 2014. As of FYE2014, the average number of personnel employed across Company operations was 18. (FYE2013:11)



Strengths

- Stable expansion of operational volume as indicated by the growth in sales revenues and assets over the last 5 years
- Significant catch-up growth opportunities in the medium and long-term due to low levels of plastic products consumption in Turkey
- Large share of current assets and net positive working capital levels contributing to liquidity management
- Low impaired receivables ratio and credit insurance policies strengthening asset quality
- The recent Initial Public Offering (IPO) and subsequent equity increase anticipated to contribute to future growth
- Presence of Company strategies focusing on value added products with a potentially positive impact on profit margins

Constraints

- High level of cost of sales placing downward pressure on profitability
- High level of sector dependency on imports for raw material requirements
- Slowdown in sectors that are major end-users of plastic polymers in tandem with the ongoing market turmoil
- Moderate foreign currency risk through financial liabilities creating volatility potential on future profitability performance
- The domination of the funding structure by short-term liabilities planned to be relieved by projected bond issuance
- Need for progress in the level of compliance with Corporate Governance Practices

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