

Corporate Credit Rating

Contracting & Real Estate Development

RÖNESANS HOLDİNG		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-1 (Trk)	
	Outlook	Positive	Stable	
Sponsor Support		2	-	
Stand Alone		AB	-	
Sovereign*	Foreign currency	BBB-	-	
	Local currency	BBB-	-	
	Outlook	FC	Stable	-
		LC	Stable	-

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

Rönesans Holding A.Ş.					
Financial Data	2014*	2013*	2012*	2011*	2010*
Total Assets (mn USD)	4,940	5,398	3,873	3,022	2,355
Total Assets (mn TRY)	11,455	11,501	6,884	5,708	3,621
Equity (mn TRY)	4,679	4,295	2,716	2,416	1,805
Net Profit (mn TRY)	619	1,782	342	530	532
Sales (mn TRY)	6,544	4,480	2,588	1,394	1,425
EBITDA (mn TRY)	1,402	1,141	483	224	233
Net Debt/EBITDA	1.28	1.49	2.68	5.85	2.69
Net Profit Margin (%)	9.47	39.78	13.21	38.04	37.32
ROAA (%)	6.44	22.46	6.08	14.55	20.73
ROAE (%)	16.47	58.88	14.92	32.15	41.37
Financial Leverage	2.45	2.68	2.53	2.36	2.01
Net WC/Assets (%)	9.08	8.06	6.32	1.18	4.09
Asset Growth Rate (%)	-0.40	67.07	20.61	57.63	42.47

* End of year

Analyst: Özgür Fuad ENGİN
+90 212 352 56 73 ozgur.engin@jcrer.com.tr

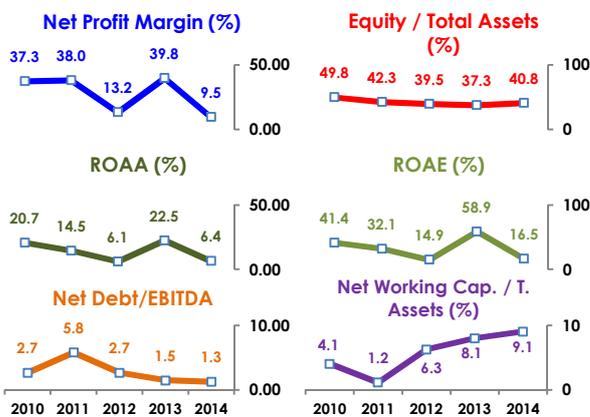
Overview

Rönesans Holding A.Ş.'s (hereinafter Rönesans or the Group) origins trace back to Renaissance Construction founded by Mr. Erman Ilıcak in 1993, St. Petersburg Russia. Rapidly becoming a major contractor in Russia, Rönesans was awarded several contracts ranging from retail and office works to industry facilities. The Group's ambitious growth motivation, managed with prudent financial planning helped Rönesans become a leading integrated contracting services and real estate development Group with several investments in the energy sector.

As of 2014, the Group's operational markets include more than 15 countries with a product & service offering of general construction works, infrastructure capabilities such as tunnels, bridges & railways and heavy industry facility construction. Strategic acquisitions of Switzerland based Hergiswil and Germany based Heitkamp, completed in 2013 and 2014 respectively, is paving the path for sophisticated and high-value added contracts along with transfer of engineering know-how.

The Group also diversified its operational markets and balanced the project backlog with decreasing emphasis on the primary Russian market, through Public and Private Partnership model contracted healthcare projects in Turkey as well as industrial projects in oil and gas rich countries.

As of December 2014, Rönesans Group's employee count was 36,069 including the outsourced workers based on internal records.



Strengths

- Fairly low net debt levels supported by liquidity buffer and meticulous financial planning
- Sustainable and increasingly diversified cash flows and revenue streams
- Satisfactory growth in both asset size and business volume
- Efficient business model dynamically and preemptively balancing growth in general construction, infrastructure, heavy industry in addition to real estate and energy segments
- Strategic acquisitions and partnerships transferring valuable engineering know-how and helping penetrate new markets, partnerships with international strategic investors in real estate strengthening the balance sheet for new investments
- Proven track record as an international contractor completing hundreds of projects
- Effective use of alternative financing options and successful financial close of major projects

Constraints

- Pressurized economic outlook in the Russian market in the wake of currency volatilities, while the project backlog indicates decreasing dependence to the aforementioned region
- Venturing into relatively new sectors such as infrastructure and heavy industries, which might require additional management focus and resources
- Slightly greater business risk due to involvement in increasingly complex and relatively new operational areas
- Absence of independent board members, with respect to compliance with corporate governance best practices

Publication Date: July 20, 2015

"Global Knowledge supported by Local Experience"