

Corporate Credit Rating

**Non-Financial Sector
Holding**

AKFA 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	Stable	Stable	
Sponsor Support		3	-	
Stand Alone		BC	-	
Sovereign*	Foreign Currency	BBB-	-	
	Local Currency	BBB-	-	
	Outlook	FC	Stable	-
		LC	Stable	-

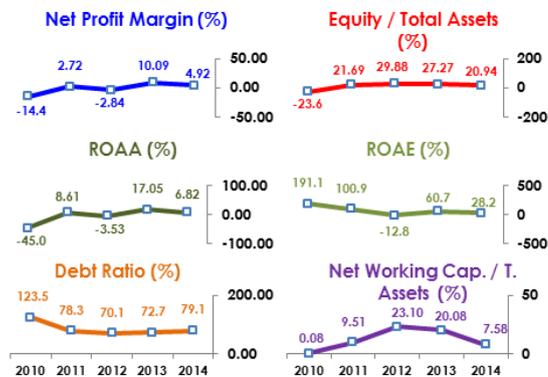
AKFA HOLDİNG A.Ş. & Subsidiaries					
Financial Data*	2014	2013	2012	2011	2010
Total Assets (000 USD)	238,751	267,118	150,069	57,988	29,23
Total Assets (000 TRY)	553,639	569,068	266,763	109,533	44,95
Equity (000 TRY)	115,919	155,167	79,721	23,759	-10,58
Net Profit (000 TRY)	26,432	59,722	-5,361	5,038	-10,70
Sales (000 TRY)	537,416	592,154	188,523	185,559	74,50
Net Profit Margin (%)	4.92	10.09	-2.84	2.72	-14.3
ROAA (%)	6.82	17.05	-3.53	8.61	-45.0
ROAE (%)	28.24	60.67	-12.85	100.93	191.1
Equity / Total Assets (%)	20.94	27.27	29.88	21.69	-23.5
Net Working Capital / T. Assets (%)	7.58	20.08	23.10	9.51	0.0
Debt Ratio (%)	79.06	72.73	70.12	78.31	123.5
Asset Growth Rate (%)	-2.71	113.32	143.55	143.68	n.a

*Assigned by JCR Eurasia Rating, JCR-ER on August 25, 2015

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Overview

Akfa Holding A.Ş. (henceforth the Holding or the Group) was established in 2010 to provide solutions in a wide range of sectors including construction and electro-mechanics, information technologies, industrial production and healthcare through participating entities. **Fatih Aktaş** was the majority shareholder as of FYE 2014.

The Akfa Group covered 21 group companies as of the reporting date, 4 based overseas in Russia, Qatar, Poland and Kazakhstan. The domestic and international activities of the Group are classified in four strategic business fields; information technologies, construction & electromechanical, manufacturing & industry and healthcare.

The Holding has a proven track record in delivering wide range of turnkey projects. Moreover, Riyadh Airport Terminal-5, Ra'idah Housing Complex and Al Qassem Hospital in Saudi Arabia, the Ashgabat Olympic Village in Turkmenistan along with the Abu Dhabi Plaza and Energy Discovery Centre in Kazakhstan are some of the on-going prestigious projects of the Group which forms a sound base for future growth.

Strengths

Constraints

- Proven track record and know-how of the Group to conduct large-scale and complex projects
- Diversified revenue streams through a wide range of services over a large geographical area
- Reasonable profitability indicators over the last two financial periods
- Increased visibility and future revenue due to the strong order book and involvement in large scale government projects
- Positive net working capital over the reviewed period, indicating a healthy liquidity profile
- Improved organizational efficiency and synergy created among group companies
- Wide overseas network and extensive international experience
- Rapid growth largely funded through loans and vendor finance leading to substantial leverage
- Substantial short foreign currency position and volatility of the currencies of the operating countries against the USD
- High dependency on qualified staff due to complex nature of projects and shortage in rapid growth periods
- Fluctuations in commodity prices throughout the project life cycle
- Weak transparency in the field of corporate governance
- Waning investment sentiments towards emerging markets and the macro-economic risks in Turkey curbing the sector's outlook

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