

Corporate Credit Rating

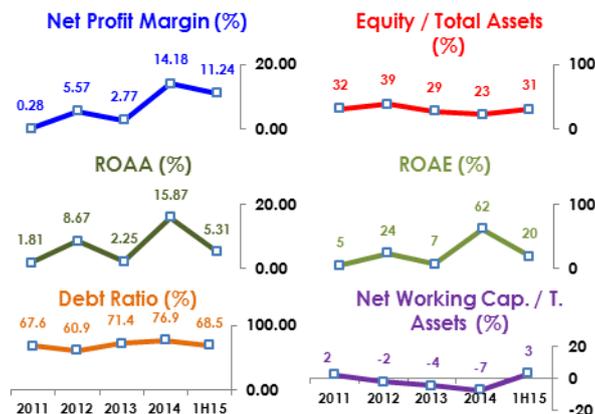
Energy

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

*Assigned by Japan Credit Rating Agency, JCR August 28, 2015

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Strengths

- Strong sales growth supported with new EPC contracts in various regions
- Adequate gross profit margins throughout the reviewed period considering the international competition
- Enhanced market influence through strong relations with local authorities with its position as a first-mover and market leader in the EPC Business
- Extensive know-how and experience in energy and infrastructure in EPC
- Easing liquidity management through bond issuances
- Capability to operate in challenging countries with efficient procurement organization and strong relations with well-known equipment suppliers
- High growth potential in the EPC business in target markets
- Opportunities to invest in thermal, hydro and wind projects in various regions of Turkey and Georgia
- Shareholder structure inspiring confidence in investors and providing convenience of accession to funds

Constraints

- Intensive competition among EPC contractors in key markets such as Middle East
- Stretched net working capital level in recent years
- Possibility of incurring additional costs by restrictive legislation and regulations concerned with the energy sector
- Slightly greater business risk due to involvement in increasingly complex and relatively new operational areas
- Persistent political and economic stresses and insurgencies witnessed in neighboring regions in which the Group operates such as the Middle East and North Africa, restraining investment and business prospects and aggregating the riskiness of operations realized in the region
- Improvements needed in the area of corporate governance with respect to compliance with best practices

ÇALIK ENERJİ SANAYİ VE TİCARET. A.Ş.					
Financial Data	1H15	2014*	2013*	2012*	2011*
Total Assets (000 USD)	1,126	1,502	1,537	1,234	958
Total Assets (000 TRY)	3,025	3,483	3,273	2,194	1,810
Equity (000 TRY)	952	806	935	859	587
Net Profit (000 TRY)	154	502	55	136	6
Sales (000 TRY)	1,368	3,538	2,005	2,452	2,105
Net Profit Margin (%)	11.24	14.18	2.77	5.57	0.28
ROAA (%)	5.31	15.87	2.25	8.67	1.81
ROAE (%)	19.67	61.58	6.86	24.03	5.02
Net Working Capital / T. Assets (%)	2.97	-7.14	-4.30	-1.83	2.26
Debt Ratio (%)	68.53	76.86	71.42	60.86	67.59
Asset Growth Rate (%)	-13.16	6.41	49.18	21.22	6.80

* End of year

Overview

Çalık Enerji Sanayi ve Ticaret Anonim Şirketi ("Çalık Enerji" or "the Company" or "the Group") was launched in 1998 in Turkey for the purpose of conducting Çalık Holding's activities in the energy sector and specializes in Engineering-Procurement-Construction (EPC) contracts of power plant projects. The Company entered the EPC business line in the early 2000s as the leading contractor for gas fired power plants in Turkmenistan. With a strong track record of achievements, the Company has expanded its EPC business line to new markets which include Libya, Iraq, Uzbekistan and Georgia. The Company's construction business continued to rapidly expand, securing Çalık Enerji a spot in the top 100 (89rd as of 2014) of the Engineering News Record contractors list.

Çalık Enerji diversified its business mix with IPP (Independent Power Producer) and Utility business in recent years. Çalık Enerji has an installed capacity of 30MW in the IPP business. The Company holds licenses of an energy generation portfolio consisting of hydro power plants, wind power plants, gas fired power plant and coal fired power plants and plans to invest in this segment in the mid-term under the condition that projects offer favorable feasibility and productivity. In the Utility business, the Company currently owns two electricity distribution companies in Turkey and one in Kosovo, Yeşilirmak Elektrik Dağıtım A.Ş. ("YEDAŞ"), Aras Elektrik Dağıtım ("ARAS") and Kosovo Energy Distribution and Supply Company ("KEDS"), which cover a population of 5.2mn in Turkey and 2.1mn in Kosovo. The Company is headquartered in Ankara, with branches and subsidiaries located in Turkmenistan, Georgia, Uzbekistan, Libya and Iraq. The Group, owned and managed by Çalık Holding Anonim Şirketi ("Çalık Holding"), employed a staff force of 1,479 as of 30 June 2014 (31 December 2014: 1,707). The Group performs its activities in its target markets with a workforce of nearly 8,000, including subcontractors.