

Corporate Credit Rating
Annual Review

Non-Financial & Industry
(Vegetable Oil Production Sector)

Altınyag		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 August 28, 2015

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ALTINYAĞ KOMBİNALARI A.Ş.							
Financial Data	Sept,2015	2014**	2014*	2013*	2012*	2011*	2010*
Total Assets (000 USD)	47,097	56,119	32,635	33,294	25,974	29,231	18,567
Total Assets (000 TRY)	142,474	130,580	75,678	70,930	46,172	55,214	28,549
Equity (000 TRY)	62,175	73,930	47,221	49,192	32,608	8,031	9,238
Net Profit (000 TRY)	-5,910	-12,286	-1,885	2,910	-9,303	-2,313	-2,106
Sales (000 TRY)	57,818	N/A	51,417	46,185	52,196	83,816	48,926
Net Profit Margin (%)	-10.22	N/A	-3.67	6.30	-17.82	-2.76	-4.31
ROAA (%)	N/A	N/A	-3.88	4.24	-19.00	-5.79	-10.15
ROAE (%)	N/A	N/A	-5.89	6.06	-47.41	-28.07	-32.84
Equity / Total Assets (%)	43.64	56.62	62.40	69.35	70.62	14.55	32.36
Net Working Capital / T. Assets (%)	-30.64	-16.08	-6.63	1.91	-0.22	-36.99	-52.10
Debt Ratio (%)	56.36	43.38	37.60	30.65	29.38	85.45	67.64
Asset Growth Rate (%)	110.91	84.10	6.69	53.62	-16.38	93.40	-4.59

*End of year

**Revised in May, 2015

Company Overview

Founded in 1962, **Altınyag Kombinaları A.Ş.** (referred to as the Company or Altınyag) operates in the fields of raw, semi-refined and refined oil production from a wide range of oilseeds, oilcakes required for feed manufacturing along with the production of biodiesel. The Company, the production plants of which are located in the Ataturk Organized Industrial Zone in Izmir, Turkey was taken over by the Istanbul based **Artı Yatırım Holding A.Ş.** in 2012. In line with its growth strategies, the Company undertook the acquisition of shares belonging to **Karsusan Karadeniz Su Ürünleri Sanayii A.Ş.** and **Etiler Gıda ve Ticari Yatırımlar Sanayi ve Ticaret A.Ş.** from the 4Q2014 onwards, and as such had 4 subsidiaries as of September, 2015.

It must be noted that for the periods prior to FY2012, the financial tables were constructed in line with special accounting standards for the period from 1 September to 31 October with the adoption of general accounting standards from FY2012 onwards. Mr. Mehmed Nureddin **CEVIK** is the Chairman of the company the shares of which has been listed on Borsa Istanbul (BIST) since May, 2000 with a floatation rate of 65.73%. The number of average personnel employed across Company operations reached 120 as of September, 2015. (FYE2014: 122)

Strengths

- Maintenance of operational volume growth as reflected by the expansion in sales revenues and assets
- Growth opportunities in the medium and long-term with respect to Turkish vegetable and raw oil consumption
- Robust level of equity providing a suitable base for further expansion despite the decreasing trend stemming from incurred losses
- Future expansion strategies projected to offer greater profitability in line with the investments in capacity increases and recently realized acquisitions
- Established operational track record and know-how in the vegetable oil manufacturing industry
- The level of Compliance with Corporate Governance Practices

Constraints

- High cost of sale to total sales level exerting pressure on the Company's principle profitability indicators
- Significant share of short-term foreign currency denominated financial liabilities increasing risk levels
- Maintenance of high import dependence for raw material requirements across the sector increasing susceptibility to market volatility with respect to prices and supply security
- Short-term dominated liability composition exerting pressure on net working capital levels
- High level of impaired receivables exerting pressure on asset quality
- Persistent domestic economic instability along with global market volatility with the potential to negatively impact the cost base

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