


Corporate Credit Rating (Update)

Textile [Fabrics]

		Long Term	Short Term
International	Foreign Currency	BBB-	A-3
	Local Currency	BBB-	A-3
	Outlook	FC	Stable
		LC	Stable
National	Local Rating	A- (Trk)	A-1 (Trk)
	Outlook	Stable	Stable
Sponsor Support		3	-
Stand Alone		B	-
Sovereign*	Foreign currency	BBB-	-
	Local currency	BBB-	-
	Outlook	FC	-
		LC	-

*Affirmed by Japan Credit Rating Agency, JCR on August 28, 2015

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Bossa Ticaret ve Sanayi T.A.Ş.					
Financial Data	2015*	2014*	2013*	2012*	2011*
Total Assets (000 USD)	236,061	266,480	327,568	330,355	256,341
Total Assets (000 TRY)	686,372	617,940	697,851	587,239	484,203
Equity (000 TRY)	307,790	293,561	420,267	412,248	336,728
Net Profit (000 TRY)	21,803	7,042	17,257	22,193	51,204
Sales (000 TRY)	374,616	391,812	371,763	362,771	338,887
Net Profit Margin (%)	5.82	1.80	4.64	6.12	15.11
ROAA (%)	3.89	2.01	3.36	4.62	13.23
ROAE (%)	8.43	3.70	5.19	6.61	19.46
Equity / Total Assets (%)	44.84	47.51	60.22	70.20	69.54
Net Working Capital / T. Assets (%)	-0.47	7.95	21.45	24.70	34.53
Debt Ratio (%)	55.16	52.49	39.78	29.80	30.46
Asset Growth Rate (%)	11.07	-11.45	18.84	21.28	12.33

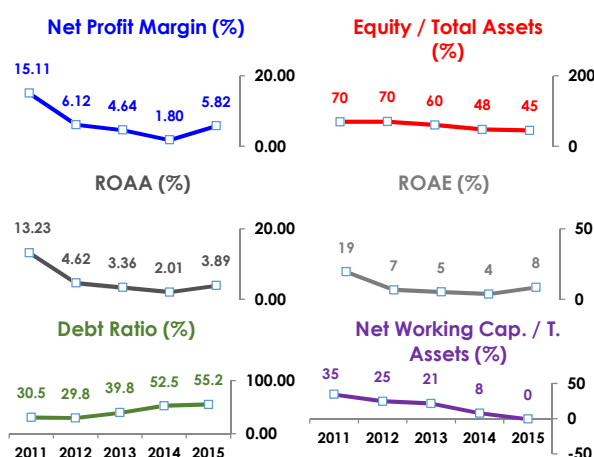
*End of year

Company Overview

Bossa Ticaret ve Sanayi İşletmeleri T.A.Ş. (herein referred to as '**Bossa**' or '**the Company**') was founded in the Adana province of Turkey in 1951. The Company operates as one of the leading integrated textile companies in the fields of fabric manufacturing and global sales. Bossa had a total annual production capacity of 45mn meters produced in its manufacturing facilities. The Company is positioned in the market as a supplier of high quality and fashionable products, fabricated through spinning, dyeing, weaving, and finishing processes.

Following the transfer of the majority of shares from 'Hacı Ömer Sabancı Holding A.Ş.' to 'Akkardan Sanayi ve Ticaret A.Ş.' (hereinafter 'Akkardan') in 2008, the inactive Akkardan became the largest shareholder with a current shareholding of 93.75%. Bossa has been publicly traded on the Borsa İstanbul (BIST) since 1995.

The Company manufactures both for the local and foreign textile markets and exports to over 50 countries. The Company had an average work force of 1,902 as of FYE2015.



Strengths

- Strong brand value both in national and international markets
- Increased net profit with cost-effective sales strategy
- Restructured bank loans that helps to match currency composition in line with sales revenue
- Efficient Use of Debt Issuance Supporting Long Term Borrowing
- Improved Return on Average Assets (ROAA) and Return on Average Equity (ROAE) figures
- Long experience in textile sector that enables economies of scale and scope
- Given priority to environmental issues that matches with the global trends appreciated in foreign markets

Constraints

- Pressure on liquidity as a result of cumulative related party transactions
- Burden on net profitability from devaluation of the Turkish Lira and short foreign exchange position on receivables from main shareholder
- Lowered equity mainly derived from the placement of receivables from related parties
- Increased leverage level and decline in share of equity
- Volatility in macroeconomic indicators and political and economic tensions in region that results in uncertainty and exerting pressure on business prospects
- Nationwide competition in the sector and high dependency on unstable raw material prices

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