

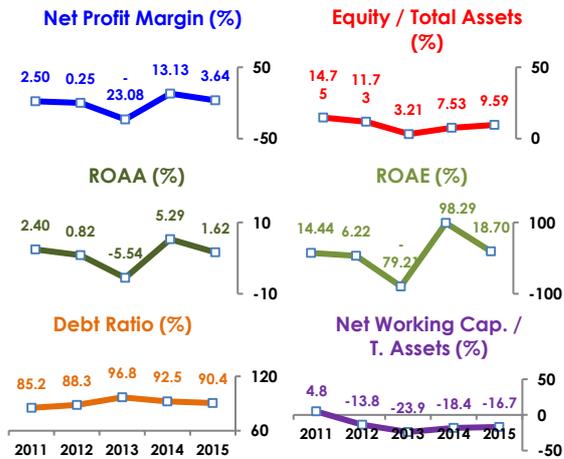
Corporate Credit Rating

Annual Update

Non-Financial Sector
Holding

		Long Term	Short Term	
International	Foreign currency	BBB-	A-3	
	Local currency	BBB-	A-3	
	Outlook	FC	Stable	Stable
		LC	Stable	Stable
Issue Rating		BBB-	A-3	
National	Local Rating	BBB+ (Trk)	A-2 (Trk)	
	Outlook	Positive	Stable	
	Issue Rating	BBB+ (Trk)	A-2 (Trk)	
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 on July 19, 2016

Senior Chief Analyst: Gökhan İYIGUN/ +90 212 352 56 73
gokhani@jcrer.com.tr

Strengths

- Improved ability to create beneficial and collaborative partnerships achieved through its long operating track record, market experience, and wide network
- Diversified operating fields and investment portfolio, mitigating market and geographic risk exposures
- Improved profit generation capacity through increasing contribution from activity fields with comparatively higher profitability to total revenue and improved operational efficiency
- Ease of access to funding sources and use of sophisticated financing tools thanks to its proven track record and activities in banking & finance
- Field of activities concentrated on strategic leading sectors with comparatively high support level, diminishing overall risk exposure
- Track record in privatizations, diversifying its business mix and contributing positively to its overall market risk exposure
- Increasing demand in the energy sector, in which the group has an intensive know-how and reputable track record via its completed sizable international projects and continuing IPP investments, enabling further growth opportunities

Constraints

- Increased suppressive effect of foreign exchange losses on profitability resulting in volatile profit figures
- The need for further improvement in corporate governance practices despite the subsidiaries with adequate compliance level operating in the regulated markets
- Comparatively high level of debt ratios even after excluding liabilities derived from financing activities
- Continuing net working capital shortfall giving rise to more demanding liquidity management together with the improvement in the last two years and the relieving effect of short-term liabilities arising from banking & finance sector activities and deferred revenues from energy and construction sectors
- Continuing political and economic stresses and unrest both in the Turkey and in neighboring regions in which the Group operates such as the Middle East and North Africa, restraining investment and business prospects and aggregating the risk exposure regarding the stated regions

ÇALIK HOLDİNG A.Ş. and Its Subsidiaries					
Financial Data	2015**	2014**	2013**	2012**	2011**
Total Assets (000 USD)	7,602,325	7,497,574	8,054,579	7,703,338	6,404,566
Total Assets (000 TRY)	22,104,524	17,386,123	17,190,888	13,731,971	12,097,585
Equity (000 TRY)	2,120,045	1,308,578	551,872	1,610,721	1,784,729
Net Profit (000 TRY)	263,788	788,405	-893,940	10,066	136,618
Revenue (000 TRY)	7,246,569	6,006,530	3,872,725	3,983,705	5,465,508
Net Profit Margin (%)	3.64	13.13	-23.08	0.25	2.50
ROAA (%)	1.62	5.29	-5.54	0.82	2.40
ROAE (%)	18.70	98.29	-79.21	6.22	14.44
Equity / Total Assets (%)	9.59	7.53	3.21	11.73	14.75
Net Working Capital / T. Assets (%)	-16.74	-18.38	-23.94	-13.82	4.84
Debt Ratio (%)	90.41	92.47	96.79	88.27	85.25
Asset Growth Rate (%)	27.14	1.14	25.19	13.51	35.31

**End of Year

Company Overview

Çalık Holding A.Ş. (hereinafter the Holding, the Group or the Company) was established in İstanbul in 1997 to ensure the management and coordination of the Ahmet Çalık's companies operations in the fields of textile, construction & real estate, energy, banking & finance, telecommunication, and mining, under a single managerial structure. As of the report date, Mr. Ahmet ÇALIK is the utmost qualified shareholder of the Holding with a 99.99% stake.

The Holding is one of the most prominent conglomerates in Turkey and nearby neighboring countries, particularly Turkmenistan and Albania, via its operations in 17 countries in the Middle East, Central Asia, Europe, and North Africa. As of FYE2015, the Group had 76 subsidiaries, 9 affiliates, 8 joint ventures and 1 joint operation. The Company employed a workforce of 7,590 as of December 31, 2015 (FYE2014: 7,631).

As of FYE2015, the sectors of energy, construction & real estate, and banking & finance were the main revenue generating activity fields constituting 44%, 18%, and 17% of the Holding's total revenue, respectively. In 2015, the Company added the Mitsubishi Corporation, one of the largest trading company and a globally known original equipment manufacturer (OEM), to its partnership portfolio in the energy sector through a 4.48% stake in Çalık Enerji. By the end of FY2015, Çalık Holding materialized a net profit of USD 97mn, a 73% decrease due to base effect of the previous year figure of USD 361mn including gains from discontinued operations.

Publication Date: August 10, 2016
"Global Knowledge supported by Local Experience"