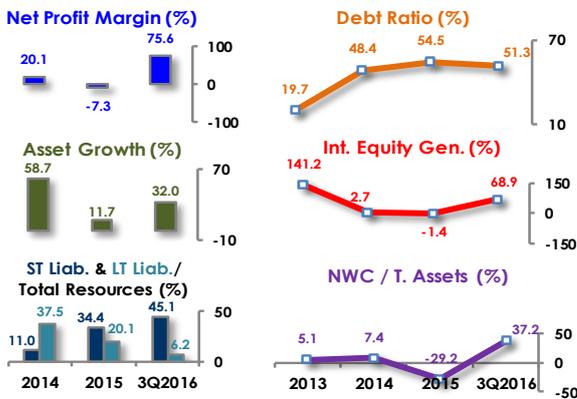


**Corporate Credit Rating**
**SERVICES & INDUSTRY**
**[Operating Holding]**

BEYKOZ DOĞA		Long Term	Short Term	
International	Foreign Currency	BBB-	A-3	
	Local Currency	BBB-	A-3	
	Outlook	FC	Stable	Stable
		LC	Stable	Stable
Issue Rating	n.a.	n.a.		
National	Local Rating	BBB (Trk)	A -3 (Trk)	
	Outlook	Stable	Stable	
	Issue Rating	BB+ (Trk)	B (Trk)	
Sponsor Support		2	-	
Stand Alone		B	-	
Sovereign*	Foreign Currency	BBB-	-	
	Local Currency	BBB-	-	
	Outlook	FC	Stable	-
LC		Stable	-	

\*Affirmed by Japan Credit Rating Agency, JCR on October 7, 2016

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**Strengths**

- Investment assets carrying high hidden reserve making positive impact on the value of the Company
- Recent notable improvement of profitability indicators despite significant fluctuations across periods
- Current capitalization level continuing to offer further growth opportunities
- Existence of activities in the sectors with positive outlooks
- Strong potential for parental support by shareholders having operations in diverse fields
- Highly experienced and qualified executive team

**Constraints**

- Delays in cash flow with regard to repayment of its bond principal amount on maturity date
- High level of related party receivables continuing to exert pressure on maintenance of asset quality
- Shortening terms of the funding mix
- Newly established business units not yet having converged to desired profitability level of generating internal equity
- Need for improvement regarding the compliance level with corporate governance principles
- Rising risks of weakened TL and downside risks to growth affecting profit margins and debt-servicing capabilities of the real sector

Beykoz Doğa Öğretim Yatırım ve Ticaret A.Ş.				
Financial Data	3Q2016**	2015*	2014*	2013*
Total Assets (000 USD)	146,310	114,195	133,228	94,749
Total Assets (000 TRY)	438,330	332,035	308,943	202,224
Equity (000 TRY)	213,673	151,105	169,315	165,405
Net Profit (000 TRY)	104,162	-2,140	5,224	90,824
Sales (000 TRY)	17,339	28,649	16,786	8,887
Dividend Income (000 TRY)	0	-1,234	4,155	4,369
Investment Income (000 TRY)	127,181	1,868	55	100,353
Net Profit Margin (%)	75.65	-7.31	24.88	79.94
ROAA (%)	n.a	-0.78	2.33	61.59
ROAE (%)	n.a	-1.62	3.56	81.63
Equity / Total Assets (%)	48.75	45.51	54.80	81.79
Net Working Capital / T. Assets (%)	37.21	-29.18	6.24	4.70
Debt Ratio (%)	51.25	54.49	45.20	18.21
Asset Growth Rate (%)	32.01	11.73	52.77	103.16

\*End of the year \*\*3<sup>rd</sup> quarter unaudited

**Company Overview**

"Beykoz Doga Öğretim Yatırım ve Ticaret A.Ş.", (hereinafter referred to as 'Beykoz Doga' or 'the Company'), is a multi-business enterprise, operating primarily in mining, IT & Telecom and real estate as well as having stakes in educational institutions and a sports facility via its associate and joint venture companies. Beykoz Doga was established in Istanbul, Turkey in 2010 and restructured in 2013 in the form of an operating holding company through the merger of 9 companies.

The major qualifying shareholder of the Company as of December, 2016 was Mr. Fethi Şimşek.

Doga Group, which Beykoz Doga is affiliated with through the ultimate owner, Mr. Fethi Şimşek, has a long business track record and maintains operations in such diverse fields as education, heavy industry, mining, real estate, venture, informatics, breeding, health and tourism sectors.