

Corporate Credit Rating (Update)

Textile [Fabrics]

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

Bossa Ticaret ve Sanayi T.A.Ş.					
Financial Data	2016	2015	2014	2013	2012
Total Assets (000 USD)	204,288	236,061	266,480	326,969	330,355
Total Assets (000 TRY)	718,932	686,372	617,940	697,851	587,239
Equity (000 TRY)	298,268	307,790	293,561	420,267	412,248
Net Profit (000 TRY)	-8,663	21,803	7,042	17,257	22,193
Sales (000 TRY)	361,200	374,616	391,812	371,763	362,771
Net Profit Margin (%)	-2.40	5.82	1.80	4.64	6.12
ROAA (%)	-1.38	3.89	2.01	3.36	4.62
ROAE (%)	-3.20	8.43	3.70	5.19	6.61
Equity / Total Assets (%)	41.49	44.84	47.51	60.22	70.20
Net Working Capital / T. Assets (%)	-6.53	-0.47	7.95	21.45	24.70
Debt Ratio (%)	58.51	55.16	52.49	39.78	29.80
Asset Growth Rate (%)	4.74	11.07	-11.45	18.84	21.28

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

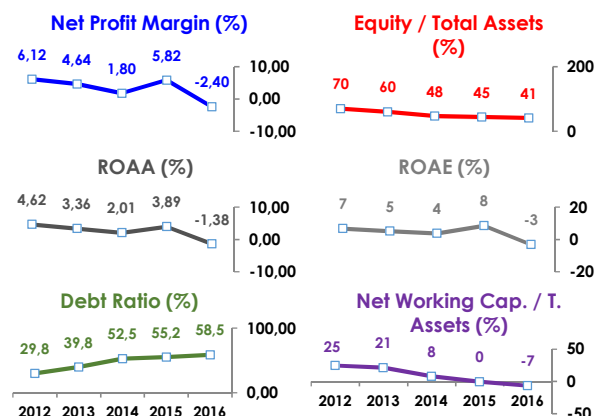
Analyst: Utku KARAGÜLLE/ +90 212 352 56 73
utku.karagulle@jcrer.com.tr

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 over 40mn meters fabrics in its manufacturing facilities. The Company holds a well-known brand, positioned as a symbol of high quality and fashionable products in textile industry. Bossa brand is ranked as 72th in Brand Finance Top 100 Turkish Brands 2016 report.

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 1,834 as of FYE2016.



Strengths

- Strong brand value both in national and international markets
- Natural hedging by matching the currencies of sales and financial expenses
- Efficient use of debt issuance supporting long term borrowing
- Proactive efficiency management by focusing of profitable product lines
- 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

- Deterioration in Net Working Capital
- Dependency on profitability and dividend payments to collect receivables from main shareholder
- Sharp decline in bottom line profit and net loss recorded in the last year
- High Dependency on Imports of Raw Materials and fragility against price volatility
- Volatility in macroeconomic indicators and political and economic tensions in region that results in uncertainty and exerting pressure on business prospects

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