

Corporate Credit & Issue Rating

**IT & Consumer Electronics Retailing
TSS Channel**

bimeks.com.tr		Long Term	Short Term	
International	Foreign Currency	BB-	B	
	Local Currency	BB-	B	
	Outlook	FC	Stable	Stable
		LC	Stable	Stable
Issue Rating	n.a.	n.a.		
National	Local Rating	BB (Trk)	B (Trk)	
	Outlook	Stable	Stable	
	Issue Rating	BB- (Trk)	B (Trk)	
Sponsor Support		4	-	
Stand Alone		D	-	
Sovereign*	Foreign Currency	BBB-	-	
	Local Currency	BBB-	-	
	Outlook	FC	Stable	-
		LC	Stable	-

BİMEKS BİLGİ İŞLEM VE DIŞ TİCARET ANONİM ŞİRKETİ						
Financial Data	1Q'17**	2016*	2015*	2014*	2013*	2012*
Total Assets (000 USD)	151,791	156,218	270,630	277,190	245,181	189,899
Total Assets (000 TRY)	552,305	551,729	786,884	642,775	522,333	337,564
Equity (000 TRY)	-47,991	4,983	153,854	148,431	134,549	115,224
Net Profit (000 TRY)	-57,453	-147,814	9,388	9,249	12,152	1,908
Net Sales (000 TRY)	57,212	1,152,704	1,490,568	1,176,889	687,293	482,397
Net Profit Margin (%)	-100.42	-12.82	0.63	0.79	1.77	0.40
ROAA (%)	n.a	-22.68	1.03	1.55	3.33	1.08
ROAE (%)	n.a	-191.13	4.89	6.37	11.46	3.05
Equity/T. Assets (%)	-8.69	0.90	19.55	23.09	25.76	34.13
N.W.Cap. /T. Assets (%)	-16.54	-10.42	21.35	23.59	8.27	27.11
Net Debt / EBITDA (X)	n.a	-6.32	3.61	2.77	1.64	0.36
Asset Growth Rate (%)	0.10	-29.88	22.42	23.06	54.74	33.56

*End of year **End of period

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

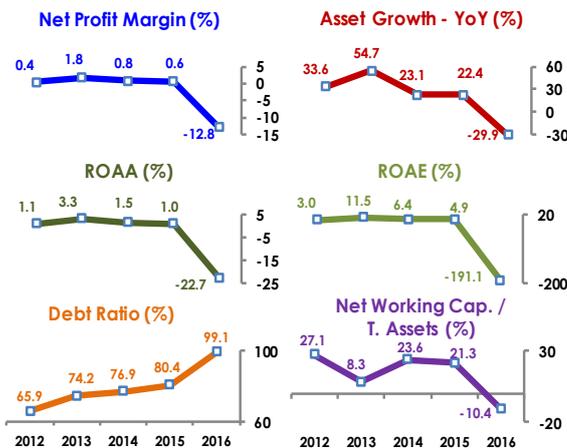
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Overview

BİMEKS BİLGİ İŞLEM VE DIŞ TİCARET ANONİM ŞİRKETİ (herein referred to as 'Bimeks', or 'the Company') was established by the Akgiray family in 1990 and is the one of the most well-known technology supermarket chains in Turkey offers information technology products, consumer electronics, white goods and small home appliances. The Company operated 102 stores in 59 cities out of a total of 81 as at the end of March, 2017 (FYE2015: 138 stores) 31 of which were franchises established within its own model (SbP - Store-based Partnership).

Bimeks operates mega, standard and small stores with a total net operational area of c. 73k sq. m (FYE2015: c. 103k sq.m). In addition to store based revenues, the Company has focused on the immense potential of on online retailing through its web site.

The major qualifying shareholders of Bimeks are Mehmet Murat Akgiray (18.52%) and Spv Bilişim ve Dış Tic. A.Ş. (9.92%) while 64.27% of its shares are publicly traded. Public trading began on the Borsa İstanbul (BiST) under the ticker symbol "BMEKS" in April, 2011. Bimeks is headquartered in İstanbul with a staff force of 896 as of FYE2016 (FYE2015: 1,216).



Strengths

- Recently signed protocol with financial institutions to restructure its financial debts expected to improve funding structure and NWC level
- Still low internet & computer penetration rates, increasing urbanization level and paradigm shifts in consumer behavior expected to fuel technical consumer goods demand in the long term
- Potential of franchise strength through utilization of a still large store network (though contracting) for commercial cooperation and customer lending
- Omni-channel business model through support of new sales channels having potential to increase web-based sales share
- Stable management team with long business track in the sector

Constraints

- Increasing liquidity needs to meet OPEX and short-term obligations
- Declining market influence through notable contraction in activities
- Capitalization level so low as to necessitate prompt actions - primarily capital injection
- Current scale of sales not to generate internal equity
- Fierce competition leading to aggravated pressure in view of price sensitivity of some of the targeted segments
- Significantly increasing foreign currency exposure with regard to current level of equity
- Regulatory measures having restrained the upward growth path of the TSS channel through market share transfer from the TSSs to the channels of CES and TCR
- Adversities to be exerted on debt-servicing through subdued growth accompanied by weakened demand and rising unemployment though partially eased by counter-cyclical fiscal stimulus package