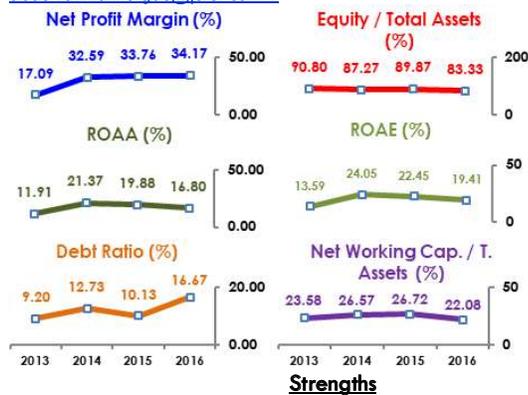


		Long Term	Short Term	
International	Foreign Currency	BBB-	A-3	
	Local Currency	BBB-	A-3	
	Outlook	FC	Stable	Stable
		LC	Stable	Stable
	Issue Rating	n.a.	n.a.	
National	Local Rating	A+(Trk)	A-1	
	Outlook	Stable	Stable	
	Issue Rating	A+(Trk)	A-1	
Sponsor Support		2	-	
Stand Alone		B	-	
Sovereign*	Foreign Currency	BBB-	-	
	Local Currency	BBB-	-	
	Outlook	FC	Stable	-
LC		Stable	-	

*Assigned by JCR Eurasia Rating, JCR-ER on October 7, 2016

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Strengths

- Above sector average profitability figures and strong internal revenue generation capacity
- Ample liquidity cushion and considerably low financial leverage
- Intra-group synergy and economies of scale in cost and supply management
- Diversified and differentiated product base with wide access to export markets
- Control environment ring-fenced by regulatory authorities and parent shareholders underpinning risk management practices
- Emphasis on R&D activities along with investments to exploit potential in resource efficiency and energy savings
- Limited exposure of financial figures to currency fluctuations
- Long established presence in the sector and sound implementation of corporate governance principles

Constraints

- Declined sales revenues due to fierce competition and supply-demand imbalance in the operating region
- Dividend policy which mandates the distribution of the entire amount of the distributable profit, reducing the share of equity in funding and trimming liquid reserves
- Contraction in the export markets due to increasing presence of competitors along with the tension in the neighborhood countries including Syria, Russia and Egypt
- The sector's high level of correlation with construction sector which reacts sharply to macroeconomic dynamics
- Volatile and challenging market conditions stemming from global and domestic worries coupled with expected pressure on fund resources through a number of interest rate increases and balance sheet reduction process of the FED

Adana Çimento Sanayii Türk A.Ş. & It's Affiliates						
Financial Data	Q1 2017	2016*	2015*	2014*	2013*	2012*
Total Assets (000 USD)	270,271	265,891	303,657	376,289	337,658	413,868
Total Assets (000 TRY)	982,760	935,723	882,912	872,577	720,664	735,692
Equity (000 TRY)	663,158	779,751	793,512	761,461	654,346	621,728
Net Profit (000 TRY)	30,283	130,944	144,078	142,921	67,705	86,953
Sales (000 TRY)	94,386	383,267	426,741	438,557	396,130	287,971
Net Profit Margin (%)	32.08	34.17	33.76	32.59	17.09	30.20
ROAA (%)	n.a.	16.80	19.88	21.37	11.91	13.66
ROAE (%)	n.a.	19.41	22.45	24.05	13.59	15.96
EBITDA Margin %	n.a.	32.36	34.59	34.14	28.46	26.05
Equity / Total Assets (%)	67.48	83.33	89.87	87.27	90.80	84.51
Net Working Capital / T. Assets (%)	32.62	22.08	26.72	26.57	23.58	17.47
Debt Ratio (%)	32.52	16.67	10.13	12.73	9.20	15.49
Asset Growth Rate (%)	n.a.	5.98	1.18	21.08	-2.04	2.44

*Year-end

Overview

Adana Çimento Sanayii Türk A.Ş. (henceforth Adana Çimento or the Company) was established in Adana in 1954 and is a prominent cement producer in the Mediterranean region of Turkey. The Company is one of six members of OYAK Çimento A.Ş. (OYAK Cement) which is wholly owned by Ordu Yardımlaşma Kurumu (OYAK). The core business is to produce white cement, clinker and ready-mixed concrete chiefly to meet the demand of concrete manufacturers and construction projects.

Having a wide production range, Adana Çimento is one of only two white cement producers in Turkey. The Company's production facilities in the region extended from Adana to Mersin, Hatay and Kahramanmaraş to Cyprus and have an annual production capacity of 2 million tons gray clinker, 300,000 tons white clinker, 5.15 million tons gray cement and 350,000 tons white cement.

Adana Çimento has been listed on the Borsa İstanbul (BIST) since 1991 and was ranked 333rd among Turkey's Top 500 Industrial Enterprises in 2016. As of FYE2016, Adana Çimento had a work force of 340, 111 were white collar and 229 blue collar workers. All blue-collar employees are covered by union agreement.