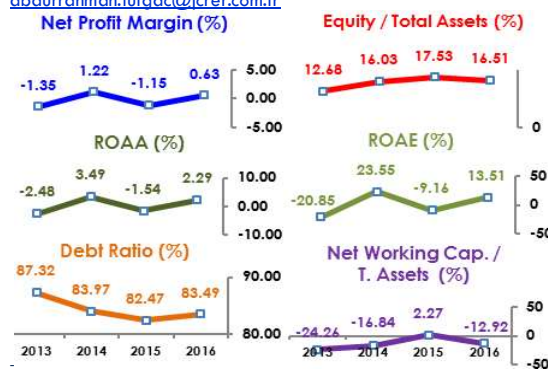


Corporate Credit & Issue Rating
Logistics

NETLOG LOJİSTİK GRUBU		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-2 (Trk)	
	Outlook	Stable	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 JCR Eurasia Rating, JCR-ER on July 19, 2016
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Strengths

- Sound revenue growth and diversified income streams
- Balanced and mixed funding bundle
- Improved financial leverage and visible cash flow streams
- Share premium gained through partnership with prominent private equity group to reduce short term financial liabilities
- Unique capability to provide wide range of logistics services through multipurpose fleet, warehouses and business network
- Wide presence in EMEA region and access to a broader market through its business alliances
- Diversified customer base comprised of broad range of prominent domestic and international brands
- Growing business potential of the logistics sector considering Turkey's crossroad position in the region

Constraints

- Meager pre-tax profit margin despite a rebound from previous year's negative returns
- Narrowed foreign trade of Turkey in line with the global figures putting pressure on the projected growth trajectory
- High tax burden on volatile gasoline prices limiting the Management's ability on cost management
- Exposure to foreign currencies affecting financial figures through reporting currency translations
- Tension in the neighborhood countries including Syria, Egypt and Russia
- Volatile and challenging market conditions stemming from global and domestic worries

Netlog Logistics Group					
Financial Data	2016*	2015*	2014*	2013*	2012*
Total Assets (000 USD)	303,439	316,499	344,691	208,194	144,912
Total Assets (000 TRY)	1,067,863	920,253	799,304	444,349	257,596
Equity (000 TRY)	176,341	161,298	128,108	56,355	27,131
Net Profit (000 TRY)	11,606	-18,027	16,213	-10,402	6,432
Sales (000 TRY)	1,841,635	1,569,737	1,326,924	769,284	676,659
Net Profit Margin (%)	0.63	-1.15	1.22	-1.35	0.95
ROAA (%)	2.29	-1.54	3.49	-2.48	3.31
ROAE (%)	13.51	-9.16	23.55	-20.85	30.43
Equity / Total Assets (%)	16.51	17.53	16.03	12.68	10.53
NWC/ T. Assets (%)	-12.92	2.27	-16.84	-24.26	-15.29
Debt Ratio (%)	83.49	82.47	83.97	87.32	89.47
Asset Growth Rate (%)	16.04	15.13	79.88	72.50	41.97

*End of year

Overview

Netlog Lojistik Hizmetleri A.Ş. (the Company or the Netlog), established in 1981, is the parent company of the **Netlog Logistics Group** (the Group) which is one of the largest logistics service provider of Turkey. Through the acquisition and establishment of new companies, the Group expanded into a large integrated logistics service provider operating in the EMEA region.

The Group provides a wide range of logistic services including general logistics, temperature-controlled logistics, pharmaceuticals and healthcare operations, global fashion and lifestyle logistics, solutions for retailers and e-commerce companies and global freight forwarding through 3,200 vehicles and 70 warehouses covering 6 countries on three continents

The Board of the Netlog approved the sale of 21.06% of shares on 27 July 2017 to **TurkLogistics B.V.**, which is established under the prominent private equity company, **the Abraaj Group**. The established partnership is expected to accelerate Netlog's business volume and operational coverage. Majority of the Netlog's shares were owned by **the Çak Family**.

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"Global Knowledge supported by Local Experience"

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