

### Corporate Credit & Issue Rating

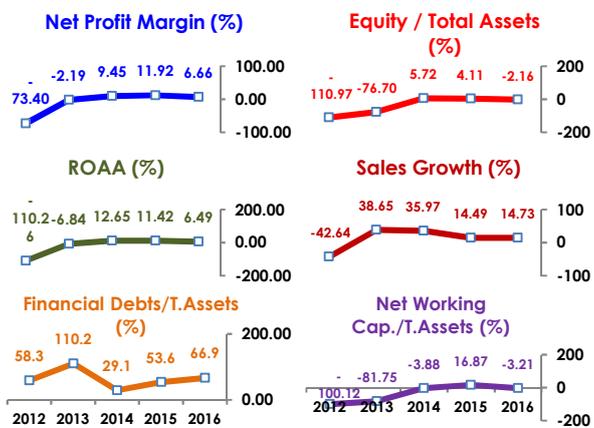
### EPC - Power Plants

GAMA GÜÇ SİSTEMLERİ MÜHENDİSLİK VE TAAHHÜT A.Ş.		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 Japan Credit Rating Agency (JCR), October 7, 2016

Analyst: Ozan SIVACI / +90 212 352 56 73

[ozan.sivaci@jcrer.com.tr](mailto:ozan.sivaci@jcrer.com.tr)



#### Strengths

- Parent Group's over 50 years of international engineering and construction experience
- Strong sales growth supported with EPC contracts in multiple regions
- Reputable brand name with a proven track record in various countries
- Improving profit margins considering the international competition, scope and sophistication of projects
- Access to foreign credit lines with pre-approved financing facilities give the Company a competitive edge in bidding processes
- Established relationships and close ties with global brands, Original Equipment Manufacturers (OEMs) and EPC companies
- Experienced and proficient management team contributing to the efficient management of the Company
- Adoption of corporate governance practices and effective internal control mechanisms
- Robust cash in-flow expectations related with the completion of the arbitration process of DISI

#### Constraints

- Significant increase in financial borrowings and negative equity level increasing the liquidity needs and deteriorating the Company's financial outlook
- Intensive competition among EPC contractors in key markets downward pressuring profit margins in the sector
- Change in the operating environment of the EPC sector, necessitating higher access to credit lines and increasing the funding needs
- Negative net working capital and robustly increased short-term financial borrowings decreasing the Company's liquidity despite available cash limits
- Economic and political risks and ongoing conflicts in key markets, increasing the riskiness of operations and deteriorating the investment environment
- Emphasis on renewable energy production throughout the world, while natural gas power plants are no longer promoted through economic incentives in Turkey
- Abundant state support to Chinese and Korean contractors hardens the global competition environment for other EPC contractors

GAMA GÜÇ SİSTEMLERİ MÜH. VE TAAH. A.Ş.					
Financial Data	2016*	2015*	2014*	2013*	2012*
Total Assets (000 USD)	699,894	581,660	491,612	228,519	186,246
Total Assets (000 TRY)	2,463,068	1,691,236	1,140,000	487,728	332,002
Equity (000 TRY)	-53,206	69,502	65,197	-374,092	-368,417
Net Profit (000 TRY)	93,345	145,695	100,830	-17,164	-415,529
Sales (000 TRY)	1,401,912	1,221,902	1,067,279	784,936	566,118
Net Profit Margin (%)	6.66	11.92	9.45	-2.19	-73.40
ROAA (%)	6.49	11.42	12.65	-6.84	-110.26
ROAE (%)	n.m.**	239.94	n.m.**	n.m.**	n.m.**
Net Working Capital / T. Assets (%)	-3.21	16.87	-3.88	-81.75	-100.12
Debt Ratio (%)	102.16	95.89	94.28	176.70	210.97
Asset Growth Rate (%)	45.64	48.35	133.74	46.90	-21.43

\* End of year \*\* Not meaningful due to negative equity

#### Overview

Gama Güç Sistemleri Mühendislik ve Taahhüt A.Ş. (hereinafter referred to as "GGS" or "the Company") is an international EPC contractor specialized in power plant contracts with over 200 international projects and a total of 30GW's of completed power plant experience. As of December-end 2016, the Company's ongoing projects had a total power production capacity exceeding 7.3 GW's\*. The Company operates through headquarters located in Ankara, 2 branches in Russia, 2 branches in Iraq and branches in Macedonia, Jordan, Latvia, Algeria, Libya and Bahrain as well as a subsidiary in Saudi Arabia and an associate ("Gama Endüstri") in Turkey as of year-end 2016.

The Company was established in 1990 as a subsidiary of Gama Holding, a major civil construction and engineering company operating since 1959 in several segments of construction ranging from heavy industry and power generation to infrastructure. The Company took its present name in 2003.

GGS is active in the Middle East, Europe, Africa, Russia and the CIS region, indicating a diverse regional reach as a construction, contracting and EPC services provider. The Company specializes in combined cycle gas turbine power plants and has strength and experience in other types of thermal and steam powered power plants.

As of December-end 2016, the Company employed a workforce of 2,643, including its branches but excluding subcontractors.

(\* As of July-end 2017, the Company's eight ongoing projects had a total power production capacity exceeding 7.3 GW's).

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