

Corporate Credit Rating

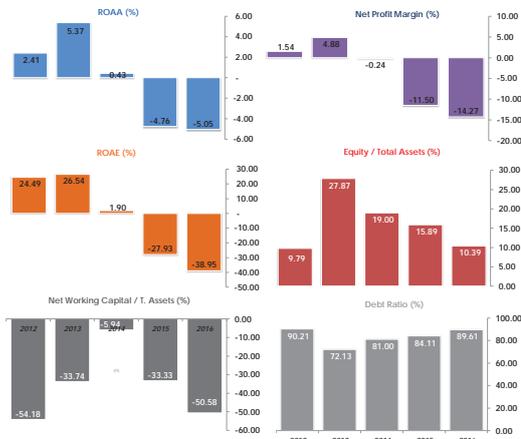
Health Industry

[Eye Care Hospital Group]

dünyagöz		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		CD	-	
Sovereign*	Foreign Currency	BBB-	-	
	Local Currency	BBB-	-	
	Outlook	FC	Stable	-
		LC	Stable	-

*Affirmed by Japan Credit Rating Agency on December 1, 2017

Chief Analyst: Orkun İNAN +90 212 352 56 73
orkuni@jcrer.com.tr



Strengths

- Easing liquidity management, interest costs, operational activities thanks to credit and bond restructuring processes,
- Maturity transformation of financial debt structure to long term,
- The strength of its operational services and rejuvenating current brands providing predictable cash flow,
- Strong sales figures strengthening Ebitda generation notably thanks to robust demand and recently completed investments,
- Extensive national coverage and significant market share as one of Turkey's leading private eye care hospital operators,
- Medium and long-term growth potential of the Turkish healthcare market in line with rising per-capita spending,
- Growing significance of income derived from medical tourism in line with long-term government strategies.

Constraints

- High level of related party receivables deteriorating asset quality
- Significant level of operating expenses inherent in the sector due to large personnel and depreciation costs,
- Sector's vulnerability to global market conditions, political instability and economic influences, intensive and fragmented market competition
- Need for further improvement in the level of compliance with Corporate Governance Practices.

Dünyagöz Hastanesi San. ve Tic. A.Ş.					
Financial Data	3Q2017**	2016*	2015*	2014*	2013*
Total Assets (000 USD)	229,311	223,494	240,189	180,637	133,943
Total Assets (000 TRY)	789,059	786,519	698,372	418,879	285,874
Equity (000 TRY)	3,438	81,687	110,972	79,588	79,661
Net Profit (000 TRY)	-37,713	-37,968	-24,970	-497	9,959
Sales (000 TRY)	242,060	266,086	217,166	203,268	204,084
Net Profit Margin (%)	-15.58	-14.27	-11.50	-0.24	4.88
ROAA (%)	n.m.	-5.05	-4.76	0.43	5.37
ROAE (%)	n.m.	-38.95	-27.93	1.90	26.54
Equity / Total Assets (%)	0.44	10.39	15.89	19.00	27.87
Net Working Capital/Assets (%)	10.35	-50.58	-33.33	-5.94	-33.74
Debt Ratio (%)	99.56	89.61	84.11	81.00	72.13
Asset Growth Rate (%)	1.47	12.62	66.72	46.53	36.39

*End of the year, **Third quarter of the year, **Unaudited figures

Company Overview

Dünya Göz Hastanesi Sanayi ve Ticaret Anonim Şirketi and its Subsidiaries (hereafter, the Group or Dünya Göz Hospital'), with roots dating back to 1995 with the founding of Levent Sağlık Hizmetleri Sanayi ve Ticaret A.Ş. in Istanbul, changed its title in 2004 to DünyaGöz Hastanesi as a first private eye care hospital in the healthcare sector through its 7 subsidiaries, is one of the largest and most prominent private healthcare providers among the most well-known private hospital operators in Turkey.

Its hospital benefits from its strategic location, which currently provides services in major cities together with 22 hospitals in Turkey's 11 cities and 3 different international locations in Germany and Georgia through a labour force of 1,476. The Group's 6-hospital has been awarded the Joint Commission International (JCI) Accreditation Certificate that demonstrates compliance with International Quality Standards. The Company's main controlling shareholders were Mr. Eray KAPICIOĞLU (58.07%) and Kapicioğlu Holding A.Ş. (27.12%) as of 3Q2017.

Publication Date: December 25, 2017 "Global Knowledge supported by Local Experience"