

**Corporate Credit Rating**
**Fast-Moving Consumer Goods (FMCG)  
Marketing & Distribution (M&D)**

AKYÜREK PAZARLAMA		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	n.a.	n.a.	
Sponsor Support		3	-	
Stand Alone		BC	-	
Sovereign*	Foreign Currency	BBB-	-	
	Local Currency	BBB-	-	
	Outlook	FC	Stable	-
LC		Stable	-	

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

 Chief Analyst: Orkun İNAN / +90 212 352 56 73  
[orkuni@jcrer.com.tr](mailto:orkuni@jcrer.com.tr)

Akyürek Tüketim Ürünleri Paz. Dağıtım ve Tic A.Ş.					
Financial Data	3Q2017***	2016*	2015*	2014*	2013*
Total Assets (000 USD)	77,245	82,771	103,183	153,934	111,091
Total Assets (000 TRY)	274,383	291,287	300,016	356,958	236,668
Equity (000 TRY)	8,406	18,053	41,162	80,168	83,840
Net Profit (000 TRY)	-37,793	-37,793	-37,793	-3,135	1,676
T. Sales (000 TRY)	51,839	116,201	421,053	565,989	536,720
Net Profit Margin (%)	n.m.	-32.52	-8.98	-0.55	0.31
ROAA (%)	n.m.	-12.78	-11.81	-1.28	1.00
ROAE (%)	n.m.	-127.65	-61.80	-4.63	3.2
Equity / Total Assets (%)	3.06	6.20	13.72	22.46	35.43
Net Working Capital. / T. Assets (%)	-18.18	-12.81	-47.67	23.13	23.65
Debt Ratio (%)	96.94	93.80	86.28	77.54	64.57
Asset Growth Rate (%)	-5.80	-2.91	-10.41	50.83	30.08

 \*End of Year, \*\* 3<sup>rd</sup> quarter of Year

**Company Overview**

Akyürek Tüketim Ürünleri Pazarlama Dağıtım ve Ticaret Anonim Şirketi (hereinafter referred to as Akyürek or the Company), was established by Akyürek Family in 1966. As one of the most well-known FMCG companies, Akyürek executes in the distribution and marketing of significant brands of Turkey.

The major qualifying shareholders of Akyürek as at the end of September, 2017 were Mr. Eyüp Serdal Akyürek (32.05%) and Mr. Şekip Akyürek (31.95%) while 35.80% of its shares were publicly traded. Public trading began on the Borsa İstanbul (BiST) under the ticker symbol "AKPAZ" in May, 2013.

JCR Eurasia Ratings has reaffirmed Akyürek Tüketim Ürünleri Pazarlama Dağıtım ve Ticaret A.Ş.'s National Long-Term rating at 'BB+ (Trk)' with "Stable" outlooks.

**Strengths**

- Expectation of easing the liquidity management and operational activities via ongoing debt restructuring negotiations and adopting cash & carry business model,
- Long operating track record, effective market and maintaining sales force, the strength of its product and rejuvenating current brands providing predictable cash flow,
- Improved compliance level with corporate governance practices,
- Positive supervisory support of senior management team.

**Constraints**

- Short term borrowing structure continuing net working capital shortfall giving rise to more demanding liquidity management distressing liquidity position,
- Deterioration of market perception restraining market share expansion and low profit margin due to high cost of sales and tougher competition leading to a weaker revenue environment,
- Large off-balance sheet commitments and contingencies increasing risk level and pressure on assets,
- Downward equity level and increasing funding needs,
- Concurrent political upheavals in international and domestic level and local adversities to be exerted on debt-servicing through weakened demand.

**Publication Date: December 27, 2017 -Global Knowledge supported by Local Experience"**