

## Corporate Credit & Issue Rating

New  Update

Sector: Real Estate Development  
 Publishing Date: 16/05/2018

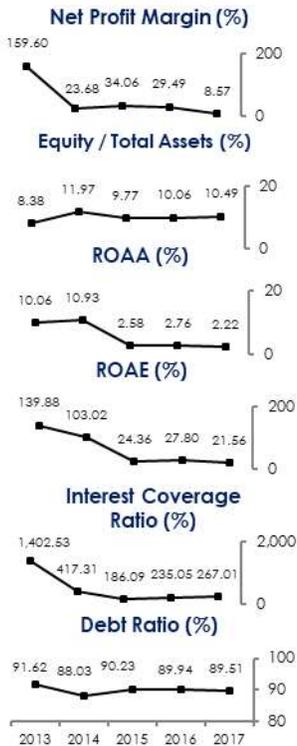
### Analyst(s)

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### RATINGS

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

\* Affirmed by JCR on November 10, 2017



## Timur Gayrimenkul Geliştirme Yapı ve Yatırım A.Ş.

### Company Overview

Financial Data	2017*	2016*	2015*	2014*	2013*
Total Assets (000 USD)	1,163,876	1,045,840	922,255	700,314	464,749
Total Assets (000 TRY)	4,390,025	3,680,519	2,681,550	1,623,957	991,913
Equity (000 TRY)	460,388	370,216	261,935	194,452	83,125
Net Profit (000 TRY)	69,793	61,553	41,569	112,445	57,193
Sales (000 TRY)	814,015	208,752	122,058	474,796	35,835
Net Profit Margin (%)	8.57	29.49	34.06	23.68	159.60
ROAA (%)	2.22	2.76	2.58	10.93	10.06
ROAE (%)	21.56	27.80	24.36	103.02	139.88
Equity / Total Assets (%)	10.49	10.06	9.77	11.97	8.38
Interest Coverage Ratio (%)	267.01	235.05	186.09	417.31	1,402.53
Debt Ratio (%)	89.51	89.94	90.23	88.03	91.62
Asset Growth Rate (%)	19.28	37.25	65.12	63.72	138.63

\* Audited financial statements

**Timur Gayrimenkul Geliştirme Yapı ve Yatırım A.Ş.** (Timur Gayrimenkul) is a real estate developer having a wide project range including flats, residences, houses, suites, offices, hotels, summer houses, and retail outlets under its prominent NEF brand. The Company has extended and diversified its project base and formed a visible structure to engage overseas projects in the upcoming years. The Company has established a strong brand awareness in the highly fragmented and competitive real estate market through need-oriented solutions and innovative concepts

Timur Gayrimenkul has cemented its presence in the real estate development market thanks to its business model which helped the Company enhance its cooperation with prominent domestic and real estate investment trusts, real person investors, and prominent architects and designers. Moreover, the joint venture **Nef EBRD Gayrimenkul Geliştirme A.Ş.** in partnership with the **European Bank of Reconstruction and Development (EBRD)** was incorporated to invest in modern, highly sustainable, and earthquake-proof developments and in residential and student housing redevelopment.

### Strengths

- Adding upscale projects expected to improve profit margins
- Diversifying project base in terms of geography and designs
- Visible future sales and cash flow streams
- Growing cooperation with international financial institutions and project developers
- Forming solid structure for global project development
- Hands on and experienced board
- Strict subcontractor management
- Fairly diversified funding bundle and reasonable level of leverage
- Sound marketing effort and growing strength of Nef brand

### Constraints

- Declining share of paid-in capital in total equity
- Increasing interest rate environment creating pressure on the level of mortgaged sales
- Persistent headwinds in the medium term macroeconomic outlook despite significant incentives and growth figures
- Turnover in the senior management team and room for improvement in the application of risk management and governance principles