

Corporate Credit & Issue Rating

New Update

Sector: REIT

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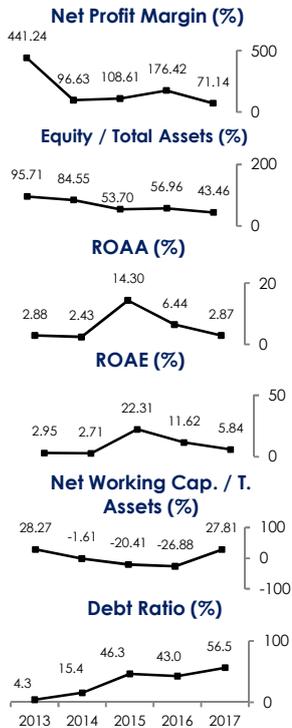
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RATINGS

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

*Assigned by JCR on August 14, 2018



Ata Gayrimenkul Yatırım Ortaklığı A.Ş.

Company Overview

Financial Data	1H2018	2017	2016	2015	2014
Total Assets (000 USD)	20,710	25,642	19,777	22,600	14,386
Total Assets (000 TRY)	94,454	96,717	69,598	65,711	33,359
Equity (000 TRY)	41,850	42,029	39,643	35,289	28,205
Net Profit (000 TRY)	-179	2,386	4,354	7,083	764
Sales (000 TRY)	12,876	3,354	2,468	6,522	791
Net Profit Margin (%)	-1.39	71.14	176.42	108.61	96.63
ROAA (%)	N/A	2.87	6.44	14.30	2.43
ROAE (%)	N/A	5.84	11.62	22.31	2.71
Equity / Total Assets (%)	44.31	43.46	56.96	53.70	84.55
Net Working Capital / T. Assets (%)	15.88	27.81	-26.88	-20.41	-1.61
Debt Ratio (%)	55.69	56.54	43.04	46.30	15.45
Asset Growth Rate (%)	N/A	38.97	5.92	96.98	13.34

Ata Gayrimenkul Yatırım Ortaklığı A.Ş. (herein referred to as 'Ata GYO' or 'the Company'), was founded in 1997 under the name "Ata Yatırım Ortaklığı Anonim Şirketi" before changing its title and status to real estate investment trust (Gayrimenkul Yatırım Ortaklığı) in 2012. With roots dating back to 1969, the parent company, Ata Holding A.Ş., is one of the largest industrial enterprises in Turkey, varied operations in the fields of finance, technology, food, logistic, real-estate development, construction material production, fashion, tourism and foreign trade.

Ata GYO operates in real estate investment trust business in which the Company completes real estate projects to sell or rent as well as financial activities of property backed assets. Ata GYO is listed in Borsa Istanbul with ticker 'ATAGY' and 96,15% of shares are traded publicly. The Company realized its first bond issuance amounting to TRY 25mn in last quarter of 2015.

Currently, 31 REIT companies are active in the market with total asset size over TRY 60bn. Ata GYO has TRY 68mn of assets and a market capitalization of approximately TRY 109mn.

Strengths

- Increased maturity in external funding relieving the pressure on short term liabilities and net working capital
- Despite an increasing trend in debt ratio, the Company's equity level continues to be inside a safe zone
- Solid rental revenue stream from tenants that are under the same roof of Ata Holding
- A strong group, Ata Holding, behind the Company
- High transparency and good compliance level with corporate governance principles via integrated management team and settled committees as a BIST-listed company

Constraints

- Sector-based concerns on sustainability of revaluation gains in the following periods
- Worsening macroeconomic indicators and its negative effects on cost of funding and investments
- Slowdown in economic activities may result with decline in demand for retail sector properties