

Corporate Credit & Issue Rating

New Update

Sector: Port Management
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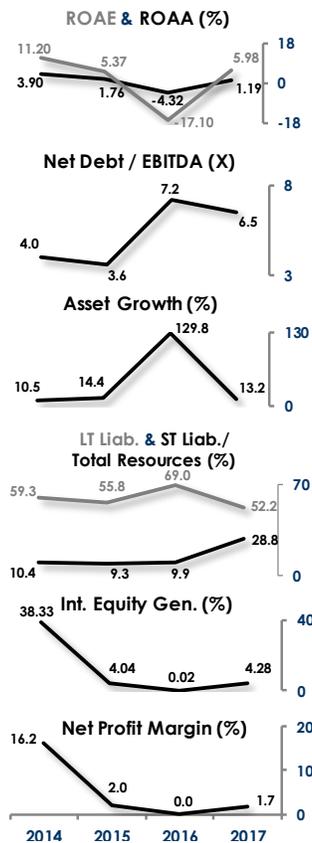
Head of Group

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RATINGS

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

*Assigned by JCR on August 14, 2018



YILPORT HOLDING A.Ş.

Financial Data	1H2018**	2017*	2016*	2015*	2014*
Total Assets (000 USD)	n.a	1,969,254	1,876,780	991,934	1,087,079
Total Assets (000 TRY)	n.a	7,503,644	6,628,413	2,884,148	2,520,828
Equity (000 TRY)	n.a	1,424,292	1,397,072	1,006,428	762,436
Net Profit (000 TRY)	n.a	34,013	129	11,513	66,263
Net Sales (000 TRY)	1,636,407	1,989,830	1,423,225	582,387	410,207
Net Profit Margin (%)	n.a	1.71	0.01	1.98	16.15
ROAA (%)	n.a	1.19	-4.32	1.76	3.87
ROAE (%)	n.a	5.98	-17.10	5.37	11.21
Equity / Total Assets (%)	n.a	18.98	21.08	34.90	30.25
NWC / T. Assets (%)	n.a	-17.56	-0.47	1.88	2.11
Net Debt / EBITDA (X)	n.a	6.49	7.17	3.58	4.03
Asset Growth Rate (%)	n.a	13.20	129.82	14.41	10.48

*End of year **End of period unaudited

Company Overview

"Yilport Holding A.Ş.", (hereinafter referred to as 'Yilport Holding', 'Yilport' or 'the Company'), is affiliated with the Yıldırım Group roots of which date back to 1963. Yilport Holding was established under its current title in 2011 with a view to combining the port and container terminal operations of the Yıldırım Group under its roof in general and investing in CMA CGM S.A. and Malta Freeport Terminals Holding in particular.

The Yıldırım Family has been the ultimate shareholder of the Yıldırım Group companies. The Yıldırım Group has a long business track record and maintains operations in 52 countries on 4 continents with a staff force of over 12,000 employees to benefit from a synergistic structure in such diverse fields as fertilizers & chemicals, energy, coal, metals & mining, port management & logistics, shipping & logistics, shipbuilding, real estate development, industrial construction, private equity and international trade.

Yilport operates in 8 countries on 2 continents with a staff force of 2,953 (2016: 3,213).

Strengths

- Competitive advantages as an industrial & multi-purpose terminal operator by advanced technology & efficient logistics through improved value chain and one-stop-shopping solutions
- Predictability & consistency of port revenue streams through steady client base
- Maintained strong market influence particularly through strategic acquisitions of international & domestic ports with long concession periods and strategic partnerships with world-renowned corporations
- Continuation of strong parental support through the major shareholder's track record and diversified business activities
- Albeit contracting average maturity, still long-term maturity structure of financial borrowings partly mitigating financial risk metrics
- Port management industry promising further room for growth

Constraints

- Financial risk indicators needed to be improved to converge to references corresponding its current notching category
- Net working capital indicators strongly requiring improvement
- Despite notable improvement during FY2017, EBITDA margins not yet having converged to desired level regarding large acquisitions during recent years
- Exposure to foreign exchange and interest rate risks resulting from foreign currency denominated and floating rate financial liabilities
- Terminal revenue concentration lacking granularity despite strengthened geographic diversification & coverage
- Need for improvement regarding the compliance level with corporate governance principles
- Growing uncertainties through aggravating geopolitical tension & persisting adversities on debt-servicing