

Project Rating Report

This Report has been prepared by JCR-ER according to the International Regulations

Educational Institutions

 BAHÇEŞEHİR ÜNİVERSİTESİ		Overall	National Local Currency	International Foreign Currency
			A (Trk)	BB+
Project Rating Results	Project Owners & Sponsors	BB+ (Trk)	BB	
	Project Structure	BBB (Trk)	BB	
	Completion	A (Trk)	BB+	
	Operating & Technology	AA- (Trk)	BB+	
	Market	AA (Trk)	BB+	
	Funding & Financing	BBB- (Trk)	BB	
	Political & Regulatory	AA- (Trk)	BB+	
Force Majeure	A+ (Trk)	BB+		
Sovereign*	Republic of TURKEY	Long Term	Short Term	
	Foreign Currency	BB	B	
	Local Currency	BB	B	
	Outlook	Stable	Stable	

*Assigned by Japan Credit Rating Agency, JCR on February 1, 2010

BAHÇEŞEHİR UNIVERSITY – NEW CAMPUS							
Financial Data	First Year	Second Year	Third Year	Fourth Year	Fifth Year	Sixth Year	Seventh Year
Budgeted Investment Spending (000.000USD)	177,60	175,96	196,80	28,04	24,23	17,87	9,06
Budgeted Expenditures (000.000 TL)	58,82	62,35	76,31	116,82	152,13	211,49	226,46
Expected Revenue (000.000 TL)	42,53	45,18	136,89	210,10	335,68	486,91	576,35
Expected Profit & Loss(000.000 TL)	-16,29	-17,17	60,58	93,28	183,55	275,41	349,89
Planned Equity (000.000 USD)	15,00	15,00	15,00	15,00	15,00	15,00	15,00
Return on Investment	7 Years						
Period of Investment	2,5 Years						
Interest Rate	Expected 7-Year Libor (USD) + 1,85						

General Publicity

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Project Brief Information	
Owner	Bahçeşehir Üniversitesi and Uğur Eğitim Vakfı
Sponsor	Unspecified
Contractor	Unspecified
Guarantor	Unspecified
Project Coordinator	Coşkun INCE/Phone: +90.212.381.00.00
Return on Investment	7 Years
Planned Investment Expenditures	USD 629.561.873,-
Outside Financing Needs	USD 645.000.000,-
Web	www.bahcesehir.edu.tr

Strengths

- The existence of sufficient demand potential regarding the higher education in Turkey and the services to be offered under all subheadings within the Project,
- The competitive edge to be created by Bahçeşehir University's resource allocation preferences on the improvement of education and training quality, the level of institutionalization reached and the high ratio of preference by students,
- The establishment of the University under the concept of a "downtown campus" and in the center of the most developed metropolitan city of Turkey, Istanbul,
- The reasonable assumptions with very high realization possibilities that the pricing strategies for expected revenues and expenses have been based on,
- Not including the significant Force Majeure risks,
- Long track records of the owners and successful growth strategies.

Constraints

- With the exclusion of equity allocation, high level of indebtedness of the Project in its current conditions,
- Indeterminate Project sponsors, guarantor, contractor and contractor agreement and the lack of assessment of the risks that may arise thereof,
- The cyclical period of world economies worsening the raising of funds and encouragement of investors,
- The long construction - investment period of the Project and the high volatility and fragility of interest rates, exchange rate adjustments and inflation rates that might affect the costs,
- The delay risk of lack of financing in due course and in sufficient levels due to the stringency in the global and local business activities.

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