

Corporate Credit Rating

Tourism & Real Estate Development
[Hotels, Casino, Duty Free, Real Estate Development]

NET HOLDING A.Ş.		Long Term	Short Term
International	Foreign Currency	BB	B
	Local Currency	BB	B
	Outlook	FC	Stable
LC		Positive	Stable
National	Local Rating	BBB (Trk)	A-3 (Trk)
	Outlook	Positive	Stable
Sponsor Support		2	-
Stand-Alone		BC	-
Sovereign*	Foreign Currency	BB	B
	Local Currency	BB	B
	Outlook	FC	Stable
LC		Positive	Stable

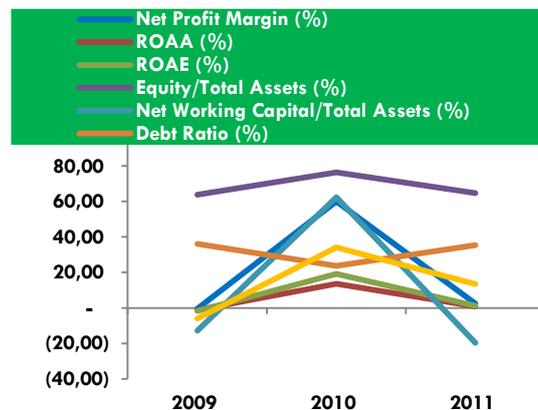
*Assigned by Japan Credit Rating Agency, JCR on June 28, 2012

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Strengths

- Concentration in the highly government-backed tourism sector of the Turkish Republic of Northern Cyprus
- High future cash inflow potential generated by ongoing projects and accrued investment incentives, substantial cash inflow from the sale of Antalya duty free operations, in particular
- Relatively small share of receivables, stemmed from collection of significant part of revenue in cash, in total assets contributing to asset quality regarding credit risk exposure and impaired receivables
- Sufficient levels of equity, debt and leverage ratios that promises further growth
- Improved compliance level with corporate governance practices
- Long years of experience in the major fields of activities and ability to form partnerships with industry-leading firms to invest in new sectors
- Fairly low risk level of long term liabilities promoting management comfort regarding future plans and projects

Constraints

- Relatively low transparency level derived from complex and inactive companies involving capital structure, along with ongoing resolving activities that will demonstrate its effects in the near future
- Large amounts of off-balance sheet commitments and contingencies including high shares of equities and mortgages as collateral, along with the improvement expectation in risk level with the end of the contracted sales process of Antalya duty free operations
- The seasonality affect in operating income due to concentration on tourism sector
- Increasing cost of sales mainly stemming from construction and renovation expenses which are about to finalize
- Fluctuating trend in net working capital level
- Relatively high currency risk

Financial Data	NET HOLDING A.Ş. and ITS SUBSIDIARIES						
	June, 2012	2011(*)	2010(*)	2009(*)	2008(*)	2007(*)	2006(*)
Total Assets (000.000 USD)	295	263	283	217	230	259	200
Total Assets (000.000 TRY)	534	497	438	327	347	302	294
Equity (000.000 TRY)	359	322	335	209	215	233	160
Sales (000.000 TRY)	48	115	99	70	70	67	67
Net Profit (000.000 TRY)	74	3	59	0	-41	87	-6
Net Profit Margin (%)	n.a	2.54	60.08	-0.51	-57.88	130.13	-9.08
ROAA (%)	n.a	0.81	13.58	-1.08	-11.89	31.11	-3.11
ROAE (%)	n.a	1.16	19.12	-1.72	-17.21	48.44	-5.94
Equity/Assets (%)	67.31	64.69	76.37	63.88	61.93	77.25	50.19
Net Working Capital/T. Assets (%)	14.00	-19.71	62.39	-12.91	4.46	68.02	26.02
Debt Ratio (%)	32.69	35.31	23.63	36.12	38.07	22.75	49.81
Asset Growth Rate (%)	7.37	13.49	34.12	-5.96	14.93	7.72	-4.69

*End of financial year

Overview

Net Holding A.Ş. (hereafter, Net Group, the Group, the Company) with roots dating back the organization of Net Turizm Ticaret ve Sanayi A.Ş. in 1975, was established in 1981 to coordinate activities and carry out the planning and auditing functions of its group companies covering 20 subsidiaries, two of which is publicly traded, and 6 affiliates as of FYE2011.

The Group, along with its subsidiaries, operates in the fields of real estate development, management of duty free shops, hotels, casinos and touristic store facilities, luxury car rental services and touristic publications with a labor force of 1,435 as of June 30, 2012.

The shares of the Company have been traded on the ISE (Istanbul Stock Exchange) since October 5, 1989 and had a free-float rate of 32.65% as of June, 2012.

The Group holds and operates 5 hotels under the brand name 'Merit'. Other Group activities cover the management of casinos, duty-free stores, luxury car rental (Inter Limousine), publications, touristic shopping stores (Bazaar 54) and real estate development as of June 2012.