Corporate Credit Rating

Health Industry
[Hospital & Laboratory Services]

MEDICALPARK

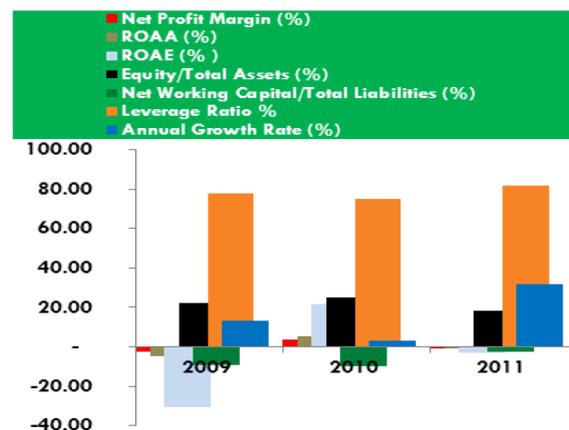|			Long Term	Short Term
International	**Foreign currency**		BB	B
	Local currency		BB	B
	Outlook	FC	Stable	Stable
		LC	Positive	Stable
National	**Local Rating**		BBB-(Trk)	A–3 (Trk)
	Outlook		Positive	Stable
Sponsor Support			2	-
Stand Alone			B	-
Sovereign*	**Foreign currency**		BB	B
	Local currency		BB	B
	Outlook	FC	Stable	Stable
		LC	Positive	Stable

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

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MEDİCAL PARK SAĞLIK HİZMETLERİ A.Ş. and ITS SUBSIDIARIES						
Financial Data	June,2012	2011*	2010*	2009*	2008*	2007*
Total Assets (USD mn)	437	404	374	373	327	301
Total Assets(TRY mn)	789	762	578	561	494	351
Equity (TRYmn)	135	139	143	124	36	81
Sales (TRYmn)	526	836	673	500	325	139
Net Profit (TRY mn)	-4	-7	25	-11	-115	-12
Net Profit Margin (%)	-0.83	-0.79	3.71	-2.26	-35.24	-8.41
ROAA (%)	n.a	-0.60	5.09	-4.61	-27.70	n.a
ROAE (%)	n.a	-2.84	21.71	-30.52	-200.50	n.a
Equity/Assets (%)	17.14	18.27	24.82	22.04	7.26	15.11
Net Working Capital/T. Assets (%)	-2.99	-2.00	-7.42	-7.12	-16.37	-43.09
Debt Ratio (%)	82.86	81.73	75.18	77.96	92.74	84.89
Asset Growth Rate (%)	3.43	31.93	3.04	13.47	40.80	n.a

*End of year

Overview

Medical Park Sağlık Hizmetleri A.Ş. (hereafter, the Group, the Company or Medical Park), through its 16 subsidiaries, is one of the largest and most prominent private healthcare providers among the most well-known private hospital operators in Turkey.

Medical Park was incorporated on December 28, 2005 in İstanbul as a private hospital group to invest, finance and execute companies in the healthcare sector. Its root however, trace back to 1995 with the establishment of Fatih Hospital in Istanbul.

The Group carries out its operations with a labour force of 9,103 with an operational area of 325,772 square meters as of October, 2012. Despite intense competition, the Group's position has sustained potency, underpinned by its strong track record and increasing health care spending in Turkey. Moreover, its hospital benefits from its strategic location, which currently provides services in miscellaneous cities together with 15 hospitals, 2 hospital complexes and 2 medical centers in 13 cities.

Medical Park Hospitals Group's 2 hospitals and 2 hospital complexes have been awarded the Joint Commission International (JCI) Accreditation Certificate that demonstrates compliance with International Quality Standards. Medical Park continues to expand its geographic footprint by growing its primary care network due to strong business performance and improved brand performance.

Strengths

- Progressively increasing sales revenue
- Improvement in gross profit and operating margins
- Frontrunner in the sector, the Group was the first company to sign a top-up- insurance contract with an insurance company
- One of the leading players in organ transplants,
- Immense growth potential in the Sector,
- Competitive strength derived from being the prominent private health services provider and high customer confidence
- Experienced and high qualified management team
- Shift in the number of patients seeking treatment from the government sector to the private sector
- University affiliations bring flexibility in license configuration and employ the best healthcare professionals

Constraints

- Incurred losses over the reviewed period and resultant negative profitability ratios with the exception of FY2010
- Currency risk due to a short foreign exchange position
- Negative net working capital over the reviewed period despite displayed improvement
- High level of indebtedness and dependency on external funds for growth
- Improvements needed in the area of corporate governance principles compliance
- Needs of functional and separate risk management unit and improvement risk management implementations
- Sector wide issue of the requirement for increasingly skillful personnel, in particularly nurses