

Corporate Credit Rating

Annual Review

Non-Financial & Industry

(Vegetable Oil Production Sector)

		Long Term	Short Term
International	Foreign Currency	BBB-	A-3
	Local Currency	BBB-	A-3
	Outlook	Stable	Stable
National	Local Rating	BBB- (Trk)	A-3 (Trk)
	Outlook	Positive	Stable
Sponsor Support		3	-
Stand-Alone		BC	-
Sovereign*	Foreign Currency	BBB-	-
	Local Currency	BBB-	-
	Outlook	Stable	-

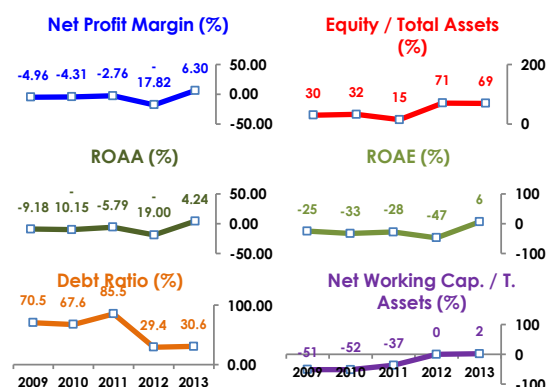
*Assigned by Japan Credit Rating Agency, JCR on July 11, 2014

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ALTINYAĞ KOMBİNALARI A.Ş.						
Financial Data	March, 2014	2013*	2012*	Sept, 2011*	Sept, 2010*	Sept, 2009*
Total Assets (000 USD)	32,934	33,294	25,974	29,231	18,567	20,119
Total Assets (000 TRY)	70,996	70,930	46,172	55,214	28,549	29,923
Equity (000 TRY)	48,566	49,192	32,608	8,031	9,238	8,838
Net Profit (000 TRY)	-557.91	2,910	-9,303	-2,313	-2,106	-2,960
Sales (000 TRY)	13,904	46,185	52,196	83,816	48,926	59,714
Net Profit Margin (%)	4.01	6.30	-17.82	-2.76	-4.31	-4.96
ROAA (%)	n.a.	4.24	-19.00	-5.79	-10.15	-9.18
ROAE (%)	n.a.	6.06	-47.41	-28.07	-32.84	-25.09
Equity / Total Assets (%)	68.41	69.35	70.62	14.55	32.36	29.54
Net Working Capital / T. Assets (%)	0.46	1.91	-0.22	-36.99	-52.10	-51.13
Debt Ratio (%)	31.59	30.65	29.38	85.45	67.64	70.46
Asset Growth Rate (%)	8.17	53.62	-16.38	93.40	-4.59	4.36

*End of year

Company Overview

Altınyağ Kombinaları A.Ş. (referred to as the Company, Altınyağ or the Group) was established in 1962 and maintains operations in the production of raw oil, vegetable oilseeds, animal feed and biodiesel fuel along with its consolidated subsidiaries of "Gürtaş Tarım Enerji Yatırımları Sanayi ve Ticaret A.Ş." and "Altınyağ Biodizel Petrol Ürünleri Enerji Üretim A.Ş." The Company is located in the Atatürk Industrial Zone, in İzmir, Turkey and employed 92 personnel as of March 2014. Following its take-over by Arı Yatırım Holding A.Ş. in 2012, the Company halted the production of packaged oils targeting the consumer and shifted focused to raw oil manufacturing.

The financial tables for the period 1 September to 31 September 2011 have been constructed in line with special accounting standards while general accounting standards have been used in the construction of all financial results from FY2012 onwards. The "Çevik Family" is the controlling shareholder and shares of the Company have been listed on the Borsa İstanbul (BIST) since May 2000 with a floatation rate of 65.73%.

Strengths

- Significant improvements in profitability performance contributing to internal equity generation capacity
- Maintenance of a high share of equity in the funding of Company activities
- Long operational track record resulting in extensive know-how and experience in the vegetable oil production industry
- Improvement in the level of compliance with Corporate Governance Practices
- Existence of synergies between different Group companies
- Presence of Company strategies aiming to penetrate niche markets offering significant potential for expansion

Constraints

- Inadequate level of gross operating revenue resulting from high level of cost of sales to sales, leading to low profit margins
- Low net working capital ratio despite turning positive by the end of the year
- High level of dependence on imports for raw material needs increasing susceptibility to fluctuations in global oilseed prices and currency markets
- The large number of players and oligopolistic market structure leading to intense competition
- Ongoing political and economic instability in the Middle East and Ukraine, representing the sector's largest export and import destinations respectively

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