

Corporate Credit & Issue Rating
Production
 Illuminated Advertising and Furniture / Shop Fitting

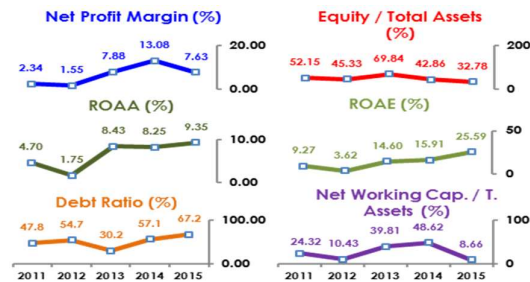
		Long Term	Short Term	
International	Foreign Currency	BB+	B	
	Local Currency	BB+	B	
	Outlook	FC	Stable	Stable
		LC	Stable	Stable
Issue Rating	n.a.	n.a.		
National	Local Rating	BBB+	A-2	
	Outlook	Stable	Stable	
	Issue Rating	BBB+	A-2	
Sponsor Support		2	-	
Stand Alone		B	-	
Sovereign*	Foreign Currency	BBB-	-	
	Local Currency	BBB-	-	
	Outlook	FC	Stable	-
LC		Stable	-	

*Assigned by JCR Eurasia Rating, JCR-ER on July 19, 2016

Analyst:

Abdurrahman TUTĞAÇ/+90 212 352 56 73

abdurrahman.tutgac@jcrer.com.tr


Strengths

- Sound revenue and asset growth performance and widespread presence in the sector
- Diversified and balanced funding structure thanks to successful bond issuance
- Investment in two prominent companies in Germany paving the way for wider access to the EU Market, enriching the Company's know-how and strengthening its competitiveness
- Growing opportunities in domestic and Middle East and North African market
- Reputable and large customer base
- Diversified product base from recent investments, providing a cushion for revenue fluctuations
- Improved implementations of corporate governance principles

Constraints

- Narrowing gross profit margin due to challenges in translating incurred costs to sales revenue
- Expected write down of inventories from assets which is expected to impair profitability, efficiency, and liquidity figures
- Positive bottom-line in H12016 solely thanks to non-recurrent revenues from subsidiary sales
- Deteriorated cash and revenue projections due to cancellation of a major project
- Widespread presence of small-scaled companies resulting in inefficiency and unfair competition
- Uncertainties and turmoil of the political environment in the neighborhood countries
- Increased risk levels in the domestic markets stemming from political volatility

Say Reklamcılık Yapı Dek. Proje Taah. San. ve Tic A.Ş.					
Financial Data	H12016	2015*	2014*	2013*	2012*
Total Assets (000 USD)	61,511	56,550	41,822	22,635	26,372
Total Assets (000 TRY)	177,766	164,424	96,980	48,309	46,878
Equity (000 TRY)	52,950	53,901	41,569	33,741	21,252
Net Profit (000 TRY)	880	9,696	4,802	3,374	563
Sales (000 TRY)	65,309	127,043	36,706	42,802	36,340
Net Profit Margin (%)	1.34	7.63	13.08	7.88	1.55
ROAA (%)	n.a.	9.35	8.25	8.43	1.75
ROAE (%)	n.a.	25.59	15.91	14.60	3.62
Equity / Total Assets (%)	29.79	32.78	42.86	69.84	45.33
NWC/ T. Assets (%)	23.93	8.66	48.62	39.81	10.43
Debt Ratio (%)	70.21	67.22	57.14	30.16	54.67
Asset Growth Rate (%)	8.11	69.54	100.75	3.05	18.11

*End of year

Overview

Say Reklamcılık Yapı Dekorasyon Proje Taahhüt Sanayi ve Ticaret A.Ş. (Hereinafter Say Reklam or the Company), with activities dating back to 1989, principally provides corporate identity and branding solutions to retail store chains including the construction and production of furniture's, stands, facade signboards, and totems. Following the acquisition of "Imm Network GmbH", a project management company founded in 1999 specializing in corporate visual designs, and 49.9% shares of "Borsi GmbH & Co. KG.", a company with extensive expertise in producing brand symbols and advertising elements, the Say Reklam broadened its expertise and presence in its core business.

The Company offers comprehensive turn-key solutions to its reputable customer base including Petrol Ofisi, Ziraat Bankası, Hyundai, Samsung, Vakıfbank, Opet, Mercedes, Fiat, Bosch, Lamborghini, and Ergo.

Following Say Reklam's successful completion of an IPO on 24 June, 2013, the shares of the firm began trading on the Emerging Companies Market of Borsa İstanbul A.Ş. In addition, the Company met the criteria and its shares began to be traded the Second National Market of Borsa İstanbul A.Ş. as of December 2014.

Publication Date: September 5, 2016

"Global Knowledge supported by Local Experience"