

## MIRA INFORM REPORT

<b>Report No. :</b>	542534
<b>Report Date :</b>	05.12.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	UNTEL KABLOLARI SANAYII VE TICARET A.S.
<b>Registered Office :</b>	Demirciler Koyu Makine Organize Sanayi Bolgesi 6.Cad. No:4 Dilovasi 41455 Kocaeli
<b>Country :</b>	Turkey
<b>Financials (as on) :</b>	2015
<b>Date of Incorporation :</b>	20.03.1980
<b>Com. Reg. No.:</b>	18072
<b>Legal Form :</b>	Joint Stock Company
<b>Line of Business :</b>	Manufacture and trade of rubber and plastic cables.
<b>No. of Employees :</b>	198

### RATING & COMMENTS

(Mira Inform has adopted New Rating mechanism w.e.f. 23<sup>rd</sup> January 2017)

<b>MIRA's Rating :</b>	B
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Credit Rating	Explanation	Rating Comments
B	Medium Risk	Business dealings permissible on a regular monitoring basis

<b>Status :</b>	Moderate
<b>Payment Behaviour :</b>	Slow but Correct
<b>Litigation :</b>	Clear

### NOTES :

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Any query related to this report can be made on e-mail : [infodept@mirainform.com](mailto:infodept@mirainform.com) while quoting report number, name and date.

**ECGC Country Risk Classification List**

Country Name	Previous Rating (30.06.2018)	Current Rating (30.09.2018)
Turkey	B1	B1

Risk Category	ECGC Classification
Insignificant	A1
Low Risk	A2
Moderately Low Risk	B1
Moderate Risk	B2
Moderately High Risk	C1
High Risk	C2
Very High Risk	D

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## **TURKEY - ECONOMIC OVERVIEW**

Turkey's largely free-market economy is driven by its industry and, increasingly, service sectors, although its traditional agriculture sector still accounts for about 25% of employment. The automotive, petrochemical, and electronics industries have risen in importance and surpassed the traditional textiles and clothing sectors within Turkey's export mix. However, the recent period of political stability and economic dynamism has given way to domestic uncertainty and security concerns, which are generating financial market volatility and weighing on Turkey's economic outlook.

Current government policies emphasize populist spending measures and credit breaks, while implementation of structural economic reforms has slowed. The government is playing a more active role in some strategic sectors and has used economic institutions and regulators to target political opponents, undermining private sector confidence in the judicial system. Between July 2016 and March 2017, three credit ratings agencies downgraded Turkey's sovereign credit ratings, citing concerns about the rule of law and the pace of economic reforms.

Turkey remains highly dependent on imported oil and gas but is pursuing energy relationships with a broader set of international partners and taking steps to increase use of domestic energy sources including renewables, nuclear, and coal. The joint Turkish-Azerbaijani Trans-Anatolian Natural Gas Pipeline is moving forward to increase transport of Caspian gas to Turkey and Europe, and when completed will help diversify Turkey's sources of imported gas.

After Turkey experienced a severe financial crisis in 2001, Ankara adopted financial and fiscal reforms as part of an IMF program. The reforms strengthened the country's economic fundamentals and ushered in an era of strong growth, averaging more than 6% annually until 2008. An aggressive privatization program also reduced state involvement in basic industry, banking, transport, power generation, and communication. Global economic conditions and tighter fiscal policy caused GDP to contract in 2009, but Turkey's well-regulated financial markets and banking system helped the country weather the global financial crisis, and GDP growth rebounded to around 9% in 2010 and 2011, as exports and investment recovered following the crisis.

The growth of Turkish GDP since 2016 has revealed the persistent underlying imbalances in the Turkish economy. In particular, Turkey's large current account deficit means it must rely on external investment inflows to finance growth, leaving the economy vulnerable to destabilizing shifts in investor confidence. Other troublesome trends include rising unemployment and inflation, which increased in 2017, given the Turkish lira's continuing depreciation against the dollar. Although government debt remains low at about 30% of GDP, bank and corporate borrowing has almost tripled as a percent of GDP during the past decade, outpacing its emerging-market peers and prompting investor concerns about its long-term sustainability.

2018 is a year in which risks increased in Turkey due to high devaluation and volatility of foreign exchange rate (EUR/TRY was 4.20 in January 2018 increased to 7.20 in August and now it is 6.07) So this devaluation caused a tremendous increase at inflation and created an uncertainty. There is a sharp decline at domestic demand and many companies are facing financial difficulty.

Source : CIA

## **COMPANY IDENTIFICATION**

NAME	UNTEL KABLOLARI SANAYII VE TICARET A.S.
HEAD OFFICE ADDRESS	Demirciler Koyu Makine Organize Sanayi Bolgesi 6.Cad. No:4 Dilovasi 41455 Kocaeli / Turkey
PHONE NUMBER	90-262-722 93 30
FAX NUMBER	90-262-722 94 42
WEB-ADDRESS	www.untel.com.tr
E-MAIL	info@untel.com.tr

## **LEGAL STATUS AND HISTORY**

NOTES ON LEGAL STATUS AND HISTORY	Change at registration no.
TAX OFFICE	Ulucinar
TAX NO	9170016069
REGISTRATION NUMBER	18072
REGISTERED OFFICE	Gebze Chamber of Commerce
COMMERCIAL REGISTRY	Gebze Commercial Registry
DATE ESTABLISHED	20.03.1980
ESTABLISHMENT GAZETTE DATE/NO	24.04.1980/384
LEGAL FORM	Joint Stock Company
TYPE OF COMPANY	Private
REGISTERED CAPITAL	TL 15.000.000
HISTORY	Previous Registered Capital : TL 2.500.000 / Changed on : 14.11.2018/(Commercial Gazette Date /Number 22.11.2018 /9708) Previous Address : Okcumusa Cad. Kaya Han. 82/6 Karakoy 80020 Istanbul / Changed on : 06.04.2004/(Commercial Gazette Date /Number 09.04.2004 /6026) Previous Address : Inkilap Mah. Alemdag Cad. Site Yolu Untel Sok. No:26 Umraniye Istanbul / Changed on

Merger :	: 17.12.2012/(Commercial Gazette Date /Number 25.12.2012 /8222) The subject took over and merged with Unpa Elektroteknik Pazarlama Sanayi Ve Ticaret Ltd. Sti. / Changed on : 14.11.2018/(Commercial Gazette Date /Number 22.11.2018 /9708)
Previous Commercial Registry :	Istanbul Commercial Registry / Changed on : 17.12.2012/(Commercial Gazette Date /Number 25.12.2012 /8222)
Previous Registration Number :	171595 / Changed on : 17.12.2012/(Commercial Gazette Date /Number 25.12.2012 /8222)

## **OWNERSHIP / MANAGEMENT**

SHAREHOLDERS	Ahmet Unlu	16 %
	Ayşe Unlu Guneysu	16 %
	Selim Unlu	16 %
	Others	

GROUP UNTEL GROUP OF COMPANIES

SISTER COMPANIES

- UNKA KABLO SANAYI VE TICARET A.S. ( Origin: Turkey, Tax Number: 9130267983, Registration Number: 553131 )

BOARD OF DIRECTORS	Selim Unlu ( Chairman ) Ferhat Gunan ( Vice-Chairman ) Onur Serhat Gunan ( Member ) Ahmet Unlu ( Member ) Mehmet Unlu ( Member )
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DIRECTORS Ali Omer Alemdar ( General Manager )

## **OPERATIONS**

BUSINESS ACTIVITIES Manufacture and trade of rubber and plastic cables.

NACE CODE DL.31.30

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SECTOR	Plastics	
TRADEMARKS OWNED	Untel	
NUMBER OF EMPLOYEES	198	
NET SALES	46.385.262 TL	(2006)
	54.492.627 TL	(2007)
	61.531.134 TL	(2008)
	50.347.447 TL	(2009)
	63.311.996 TL	(2010)
	88.077.459 TL	(2011)
	80.454.718 TL	(2012)
	100.718.995 TL	(2013)
	124.693.817 TL	(2014)
	143.235.673 TL	(2015)
	136.433.876 TL	(2016)
	206.203.992 TL	(2017)
IMPORT COUNTRIES	Germany China Italy Belgium	
MERCHANDISE IMPORTED	Machinery Raw material Rubber paste Steel wire	
EXPORT VALUE	2.221.193 USD	(2015)
	19.462.779 USD	(2016)
	27.247.994 USD	(2017)
EXPORT COUNTRIES	Germany Hong-Kong Taiwan U.S.A. India Indonesia Canada Sri Lanka Bahrain Vietnam U.A.E. Pakistan Iran Netherlands	

	U.K. Croatia Jordan Finland
MERCHANDISE EXPORTED	Plastic cables Rubber
HEAD OFFICE ADDRESS	Demirciler Koyu Makine Organize Sanayi Bolgesi 6.Cad. No:4 Dilovasi Kocaeli / Turkey ( owned )
BRANCHES	Head Office/Factory : Demirciler Koyu Makine Organize Sanayi Bolgesi 6.Cad. No:4 Dilovasi 41455 Kocaeli/Turkey ( owned ) ( 32.000 sqm )
GENERAL INFORMATION ON OPERATIONS	The firm has a considerable market potential.
TREND OF BUSINESS	There was a decline at business volume in nominal terms in 2016. There was an upwards trend in 2017.

## **FINANCE**

MAIN DEALING BANKS	T. Is Bankasi Umraniye Branch T. Garanti Bankasi Altunizade Branch Akbank Altunizade Branch Yapi ve Kredi Bankasi Umraniye Siteyolu Branch		
PAYMENT BEHAVIOUR	Slow but Correct.		
KEY FINANCIAL ELEMENTS	(2015)	(2016)	(2017)
	TL	TL	TL
Net Sales	143.235.673	136.433.876	206.203.992
Profit (Loss) Before Tax	11.210.104	10.502.930	6.702.879
Stockholders' Equity	46.299.462		
Total Assets	80.980.663		
Current Assets	57.959.093		
Non-Current Assets	23.021.570		
Current Liabilities	34.681.201		
Gross Profit (loss)	26.141.234		
Operating Profit (loss)	9.740.804		

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Net Profit (loss) 9.098.201

**REMARKS ON KEY  
FINANCIAL ELEMENTS**

Some of the key financial figures of 2015 is declared by the company. There is no certification for these figures.

**COMMENT ON FINANCIAL POSITION**

**General Financial Position**

The firm has profit but there is a decline at profit amount in the last year when compared to the former year.

The firm has a high amount of capital. The liability of the shareholders is limited to the capital.

**CREDIT OPINION WITHOUT OBLIGATION**

	Incr. in producers' price index	Average USD/TL	Average EUR/TL	Average GBP/ TL
( 2012 )	2,45 %	1,7995	2,3265	2,8593
( 2013 )	6,97 %	1,9179	2,5530	3,0178
( 2014 )	6,36 %	2,1891	2,8989	3,6060
( 2015 )	5,71 %	2,7230	3,0254	4,1661
( 2016 )	9,94 %	3,0292	3,3349	4,1006
( 2017 )	15,47 %	3,6337	4,1120	4,7059
( 01.01-30.09.2018 )	38,96 %	4,5878	5,4581	6,1749

**INCOME STATEMENTS**

	(2015) ( Full Year ) TL	
Net Sales	143.235.673	1,00
Cost of Goods Sold	117.094.439	0,82
Gross Profit	26.141.234	0,18
Operating Expenses	16.400.430	0,11
Operating Profit	9.740.804	0,07
Other Income	7.555.706	0,05

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Other Expenses	4.010.391	0,03
Financial Expenses	2.076.015	0,01
Minority Interests	0	0,00
Profit (loss) of consolidated firms	0	0,00
Profit (loss) Before Tax	11.210.104	0,08
Tax Payable	2.111.903	0,01
Postponed Tax Gain	0	0,00
Net Profit (loss)	9.098.201	0,06

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.34
UK Pound	1	INR 89.64
Euro	1	INR 80.07
TRY	1	INR 13.09

**Note** : Above are approximate rates obtained from sources believed to be correct

**INFORMATION DETAILS**

Analysis Done by :	PRI
Report Prepared by :	DNS

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**RATING EXPLANATIONS**

Credit Rating	Explanation	Rating Comments
A++	Minimum Risk	Business dealings permissible with minimum risk of default
A+	Low Risk	Business dealings permissible with low risk of default
A	Acceptable Risk	Business dealings permissible with moderate risk of default
B	Medium Risk	Business dealings permissible on a regular monitoring basis
C	Medium High Risk	Business dealings permissible preferably on secured basis
D	High Risk	Business dealing not recommended or on secured terms only
NB	New Business	No recommendation can be done due to business in infancy stage
NT	No Trace	No recommendation can be done as the business is not traceable

NB is stated where there is insufficient information to facilitate rating. However, it is not to be considered as unfavourable.

This score serves as a reference to assess SC's credit risk and to set the amount of credit to be extended. It is calculated from a composite of weighted scores obtained from each of the major sections of this report. The assessed factors are as follows:

- Financial condition covering various ratios
- Company background and operations size
- Promoters / Management background
- Payment record
- Litigation against the subject
- Industry scenario / competitor analysis
- Supplier / Customer / Banker review (wherever available)