

MIRA INFORM REPORT

Report No. :	538415
Report Date :	06.11.2018

IDENTIFICATION DETAILS

Name :	OZULUTAS HALI IMALATI SANAYI VE TICARET LTD. STI.
Registered Office :	5. Organize Sanayi Bolgesi 83501 Cad. No:43 Sehitkamil 27620 Gaziantep
Country :	Turkey
Date of Incorporation :	02.01.1996
Com. Reg. No.:	17994
Legal Form :	Limited Company
Line of Business :	Manufacture and trade of machine-made carpet.
No. of Employees :	100

RATING & COMMENTS

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

MIRA's Rating :	A
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Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

Status :	Satisfactory
Payment Behaviour :	Slow but Correct
Litigation :	Clear

NOTES :

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

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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

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.

Source : CIA

COMPANY IDENTIFICATION

NAME	OZULUTAS HALI IMALATI SANAYI VE TICARET LTD. STI.
HEAD OFFICE ADDRESS	5. Organize Sanayi Bolgesi 83501 Cad. No:43 Sehitkamil 27620 Gaziantep / Turkey
PHONE NUMBER	90-342-337 99 11
FAX NUMBER	90-342-337 99 12
WEB-ADDRESS	www.prens carpet.com
E-MAIL	info@prens carpet.com

LEGAL STATUS AND HISTORY

TAX OFFICE	Sehitkamil
TAX NO	7160037271
REGISTRATION NUMBER	17994
REGISTERED OFFICE	Gaziantep Chamber of Commerce
COMMERCIAL REGISTRY	Gaziantep Commercial Registry
DATE ESTABLISHED	02.01.1996
ESTABLISHMENT GAZETTE DATE/NO	22.01.1996/3962
LEGAL FORM	Limited Company
TYPE OF COMPANY	Private
REGISTERED CAPITAL	TL 15.000.000
HISTORY	Previous Registered Capital : TL 500.000 / Changed on : 17.09.2008/(Commercial Gazette Date /Number 24.09.2008 /7156) Previous Registered Capital : TL 1.500.000 / Changed on : 03.06.2010/(Commercial Gazette Date /Number 09.06.2010 /7581) Previous Registered Capital : TL 3.000.000 / Changed on : 01.03.2011/(Commercial Gazette Date /Number 08.03.2011 /7767) Previous Registered Capital : TL 6.000.000 / Changed on : 29.06.2015/(Commercial Gazette Date /Number 15.07.2015 /8863) Previous Registered Capital : TL 10.000.000 / Changed on : 11.12.2017/(Commercial Gazette Date

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	Previous Address :	/Number 27.12.2017 /9482) 2. Organize Sanayi Bolgesi Celal Dogan Bulvari 3 Guney Cad. No:6 Baspinar Gaziantep / Changed on : 29.06.2015/(Commercial Gazette Date /Number 15.07.2015 /8863)
	Previous Shareholder :	Please vide Previous Shareholders section for the former shareholders' names. / Changed on : 11.07.2014/(Commercial Gazette Date /Number 23.07.2014 /8618)
PREVIOUS SHAREHOLDERS	Muzaffer Ulutas	51 %
	Ahmet Ulutas	40 %
	Tayfun Ulutas	9 %

OWNERSHIP / MANAGEMENT

SHAREHOLDERS	Muzaffer Ulutas	51 %
	Tayfun Ulutas	25 %
	Tuncay Ulutas	24 %

SISTER COMPANIES

- PRENS HALI IC VE DIS TICARET LTD. STI. (Origin: Turkey, Tax Number: 7330392682, Registration Number: 39216)
- ULUTAS HALI IMALATI SANAYI VE TICARET LTD.STI. (Origin: Turkey, Tax Number: 8910026043, Registration Number: 17482)

DIRECTORS	Tayfun Ulutas Muzaffer Ulutas
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OPERATIONS

BUSINESS ACTIVITIES	Manufacture and trade of machine-made carpet.
NACE CODE	DB.17.51
SECTOR	Textile
NUMBER OF EMPLOYEES	100
NET SALES	30.000 TL Thousand (2017)

NOTES ON NET SALES The sales figure is declared by the company. There is no certification for this

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	figure.
IMPORT COUNTRIES	U.A.E. Belgium Saudi Arabia China Libya Israel
MERCHANDISE IMPORTED	Machinery Raw materials
EXPORT COUNTRIES	Cameroon U.S.A. China Middle East Countries
MERCHANDISE EXPORTED	Carpet
HEAD OFFICE ADDRESS	5. Organize Sanayi Bolgesi 83501 Cad. No:43 Sehitkamil Gaziantep / Turkey
BRANCHES	Head Office/Production Plant : 5. Organize Sanayi Bolgesi 83501 Cad. No:43 Sehitkamil Gaziantep/Turkey

FINANCE

MAIN DEALING BANKS	Turk Ekonomi Bankasi Suburcu Branch ING Bank Gaziantep Branch Yapi ve Kredi Bankasi Gaziantep Ticari Branch T. Halk Bankasi Gaziantep Ticari Branch		
PAYMENT BEHAVIOUR	Slow but correct		
KEY FINANCIAL ELEMENTS	(2015)	(2016)	(2017)
	TL	TL	TL Thousand
Net Sales			30.000
Profit (Loss) Before Tax	1.089.003	906.977	796

COMMENT ON FINANCIAL POSITION

General Financial Position

The firm is profitable.

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
(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

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 73.07
UK Pound	1	INR 94.98
Euro	1	INR 82.26
TRY	1	INR 13.59

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

INFORMATION DETAILS

Analysis Done by :	PRI
Report Prepared by :	SYL

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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)