

MIRA INFORM REPORT

Report No. :	536047
Report Date :	22.10.2018

IDENTIFICATION DETAILS

Name :	NURYILDIZ TEKSTIL SANAYI VE TICARET A.S.
Registered Office :	Gunesli Evren Mah. Gulbahar Cad. No:7 Kat:6 Bagcilar 34212 Istanbul
Country :	Turkey
Financials (as on) :	31.12.2017
Date of Incorporation :	11.11.1980
Com. Reg. No.:	176176
Legal Form :	Joint Stock Company
Line of Business :	Dyeing, finishing and trade of yarn and fabric.
No. of Employees :	240

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 :	No Complaints
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

NOTE

Address at your inquiry is the former address.

COMPANY IDENTIFICATION

NAME	NURYILDIZ TEKSTIL SANAYI VE TICARET A.S.
HEAD OFFICE ADDRESS	Gunesli Evren Mah. Gulbahar Cad. No:7 Kat:6 Bagcilar 34212 Istanbul / Turkey
PHONE NUMBER	90-212-550 26 55 90-212-651 70 72 90-282-674 48 09 (Factory)
FAX NUMBER	90-212-550 25 37 90-282-674 48 08 (Factory)
WEB-ADDRESS	www.nuryildiz.com.tr
E-MAIL	info@nuryildiz.com.tr

LEGAL STATUS AND HISTORY

TAX OFFICE	Gunesli
TAX NO	6320048000
REGISTRATION NUMBER	176176
REGISTERED OFFICE	Istanbul Chamber of Commerce
COMMERCIAL REGISTRY	Istanbul Commercial Registry
DATE ESTABLISHED	11.11.1980
ESTABLISHMENT GAZETTE DATE/NO	14.11.1980/122
LEGAL FORM	Joint Stock Company
TYPE OF COMPANY	Private
REGISTERED CAPITAL	TL 11.200.000
PAID-IN CAPITAL	TL 11.200.000
HISTORY	Previous Registered Capital : TL 2.225.000 / Changed on : 02.05.2003/(Commercial Gazette Date /Number 07.05.2003 /5793) Previous Address : Evren Mah. Gulbahar Cad. No:5 Gunesli-Istanbul (The address was changed from

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Kirazli Mah. 2148 Parsel 20 Pafta Gunesli
Bagcilar-Istanbul by the Municipality /
Changed on : 13.11.2009/(Commercial
Gazette Date /Number 19.11.2009 /7442)

OWNERSHIP / MANAGEMENT

SHAREHOLDERS	Mehmet Sahin Nalbant	67 %
	Mehmet Nurkan Nalbant	30 %
	Nesrin Tuna	1,50 %
	Jale Nalbant	1 %
	Sevim Nalbant	0,50 %

SISTER COMPANIES

- MNN DIS TICARET A.S. (Origin: Turkey, Tax Number: 6220597969 , Registration Number: 799483)

BOARD OF DIRECTORS

Mehmet Sahin Nalbant (Chairman)
Mehmet Nurkan Nalbant (Vice-Chairman)
Ogun Kalayci (Member)
Sevim Tezeller (Member)
Nesrin Tuna (Member)
Jale Nalbant (Member)

OPERATIONS

BUSINESS ACTIVITIES Dyeing, finishing and trade of yarn and fabric.

NACE CODE DB.17.30

SECTOR Textile

NUMBER OF EMPLOYEES 240

NET SALES	12.419.579 TL	(2005)
	20.032.538 TL	(2006)
	21.833.375 TL	(2007)
	23.623.929 TL	(2008)
	30.607.473 TL	(2009)
	39.500.086 TL	(2010)
	55.723.440 TL	(2011)
	52.629.506 TL	(2012)
	57.613 TL Thousand	(2013)
	59.741.399 TL	(2014)
	55.949.222 TL	(2015)

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	67.632 TL Thousand	(2016)
	93.862 TL Thousand	(2017)
REMARKS ON NET SALES	The sales figures of 2005, 2008, 2014, 2015 and 2016 are declared by the firm. There is no certification for these figures.	
IMPORT COUNTRIES	India Indonesia Thailand	
MERCHANDISE IMPORTED	Dye Yarn	
EXPORT VALUE	19.683 TL Thousand	(2017)
EXPORT COUNTRIES	Spain Northern Cyprus Turkish Republic U.S.A. Free Zone Australia Austria Belgium China Canada Denmark Egypt France Hong-Kong U.K. Italy U.A.E. Germany India Greece Bulgaria	
MERCHANDISE EXPORTED	Fabric	
HEAD OFFICE ADDRESS	Gunesli Evren Mah. Gulbahar Cad. No:7 Kat:6 Bagcilar Istanbul / Turkey (owned)	
BRANCHES	Factory : Velimese Haciseremet Mevkii Corlu Tekirdag/Turkey (owned) (53.992 sqm)	
TREND OF BUSINESS	There was an upwards trend in 2016 and 2017.	
SIZE OF BUSINESS	Giant	

FINANCE

MAIN DEALING BANKS T. Is Bankasi Carsi Gunesli Branch
T. Garanti Bankasi Yenibosna Branch
Akbank Gunesli Branch
Yapi ve Kredi Bankasi Gunesli Branch
Denizbank Gunesli Ticari Branch

CREDIT FACILITIES The subject company is making use of credit facilities.

PAYMENT BEHAVIOUR No Complaints.

KEY FINANCIAL ELEMENTS	(2017) TL Thousand
Net Sales	93.862
Profit (Loss) Before Tax	6.849
Stockholders' Equity	37.636
Total Assets	123.917
Current Assets	52.158
Non-Current Assets	71.759
Current Liabilities	83.702
Long-Term Liabilities	2.579
Gross Profit (loss)	15.002
Operating Profit (loss)	6.967
Net Profit (loss)	5.447

COMMENT ON FINANCIAL POSITION

Capitalization	Fair As of 31.12.2017
Liquidity	Insufficient As of 31.12.2017
Remarks On Liquidity	The favorable gap between average collection and average payable period has a positive effect on liquidity.
Profitability	Good Operating Profitability in 2017 Good Net Profitability in 2017
Gap between average collection and payable periods	Favorable in 2017
General Financial Position	Passable

	Incr. in producers' price index	Average USD/TL	Average EUR/TL	Average GBP/ TL
(2005)	2,66 %	1,3499	1,6882	2,4623

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(2006)	11,58 %	1,4309	1,7987	2,6377
(2007)	5,94 %	1,3075	1,7901	2,6133
(2008)	8,11 %	1,2858	1,8876	2,3708
(2009)	5,93 %	1,5460	2,1529	2,4094
(2010)	8,87 %	1,5128	2,0096	2,3410
(2011)	13,33 %	1,6797	2,3378	2,6863
(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
(01.01-31.05.2018)	12,12 %	3,9730	4,8144	5,4786

BALANCE SHEETS

31.12.2017 (Full Year)

TL Thousand

CURRENT ASSETS	52.158	0,42
Not Detailed Current Assets	0	0,00
Cash and Banks	958	0,01
Marketable Securities	174	0,00
Account Receivable	30.368	0,25
Other Receivable	315	0,00
Inventories	17.585	0,14
Advances Given	1.116	0,01
Accumulated Construction Expense	0	0,00
Other Current Assets	1.642	0,01
NON-CURRENT ASSETS	71.759	0,58
Not Detailed Non-Current Assets	0	0,00
Long-term Receivable	1.836	0,01
Financial Assets	0	0,00
Tangible Fixed Assets (net)	65.398	0,53
Intangible Assets	4.074	0,03
Deferred Tax Assets	0	0,00
Other Non-Current Assets	451	0,00
TOTAL ASSETS	123.917	1,00
CURRENT LIABILITIES	83.702	0,68
Not Detailed Current Liabilities	0	0,00
Financial Loans	8.606	0,07
Accounts Payable	52.473	0,42
Loans from Shareholders	0	0,00
Other Short-term Payable	392	0,00
Advances from Customers	20.073	0,16
Accumulated Construction Income	0	0,00
Taxes Payable	756	0,01
Provisions	1.402	0,01

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Other Current Liabilities	0	0,00
LONG-TERM LIABILITIES	2.579	0,02
Not Detailed Long-term Liabilities	0	0,00
Financial Loans	1.880	0,02
Securities Issued	0	0,00
Long-term Payable	0	0,00
Loans from Shareholders	0	0,00
Other Long-term Liabilities	699	0,01
Provisions	0	0,00
STOCKHOLDERS' EQUITY	37.636	0,30
Not Detailed Stockholders' Equity	0	0,00
Paid-in Capital	11.200	0,09
Cross Shareholding Adjustment of Capital	0	0,00
Inflation Adjustment of Capital	0	0,00
Equity of Consolidated Firms	0	0,00
Reserves	35.585	0,29
Revaluation Fund	0	0,00
Accumulated Losses(-)	-14.596	-0,12
Net Profit (loss)	5.447	0,04
TOTAL LIABILITIES AND EQUITY	123.917	1,00

INCOME STATEMENTS

	(2017) (Full Year) TL Thousand	
Net Sales	93.862	1,00
Cost of Goods Sold	78.860	0,84
Gross Profit	15.002	0,16
Operating Expenses	8.035	0,09
Operating Profit	6.967	0,07
Other Income	7.073	0,08
Other Expenses	6.838	0,07
Financial Expenses	353	0,00
Minority Interests	0	0,00
Profit (loss) of consolidated firms	0	0,00
Profit (loss) Before Tax	6.849	0,07
Tax Payable	1.402	0,01
Postponed Tax Gain	0	0,00
Net Profit (loss)	5.447	0,06

LAST FINANCIAL STATEMENT DETAILS

	TL Thousand
Cash	49
Banks	909

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Doubtful Trade Receivables	886
Provision for Doubtful Trade Receivables	-886
Other Miscellaneous Receivables (in Other Receivable)	315
Overdue, Delayed or Deferred Tax by Installments and Other Liabilities	0
Profit from Foreign Currency Exchange	4.600
Loss from Foreign Currency Exchange	5.972

FINANCIAL RATIOS

	(2017)
LIQUIDITY RATIOS	
Current Ratio	0,62
Acid-Test Ratio	0,38
Cash Ratio	0,01
ASSET STRUCTURE RATIOS	
Inventory/Total Assets	0,14
Short-term Receivable/Total Assets	0,25
Tangible Assets/Total Assets	0,53
TURNOVER RATIOS	
Inventory Turnover	4,48
Stockholders' Equity Turnover	2,49
Asset Turnover	0,76
FINANCIAL STRUCTURE	
Stockholders' Equity/Total Assets	0,30
Current Liabilities/Total Assets	0,68
Financial Leverage	0,70
Gearing Percentage	2,29
PROFITABILITY RATIOS	
Net Profit/Stockholders' Eq.	0,14
Operating Profit Margin	0,07
Net Profit Margin	0,06
Interest Cover	20,40
COLLECTION-PAYMENT	
Average Collection Period (days)	123,52
Average Payable Period (days)	239,54
WORKING CAPITAL	-31544,00

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 73.44
UK Pound	1	INR 95.65
Euro	1	INR 84.17
TRY	1	INR 12.97

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

INFORMATION DETAILS

Analysis Done by :	VAR
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)