

Corporate Credit Rating

Wholesale Trade
[Leather Footwear, Apparel & Accessories]

DERİMOD			Long Term	Short Term
International	Foreign currency		BBB-	A-3
	Local currency		BBB-	A-3
	Outlook	FC	Stable	Stable
		LC	Stable	Stable
National	Local Rating		BBB	A-3 (Trk)
	Outlook		Stable	Stable
Sponsor Support			2	-
Stand Alone			B	-
Sovereign*	Foreign currency		BBB-	-
	Local currency		BBB-	-
	Outlook	FC	Stable	-
		LC	Stable	-

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

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Derimod Konfeksiyon Ayakkabı Deri San. ve Tic. A.Ş.					
Financial Data	2013*	2012*	2011*	2010*	2009*
Total Assets (000 USD)	59,321	57,070	35,789	36,120	31,922
Total Assets (000 TRY)	126,378	101,448	67,601	55,538	47,477
Equity (000 TRY)	27,902	25,137	15,142	13,281	12,039
Net Sales (000 TRY)	172,664	132,576	103,784	80,780	61,957
Net Profit (000 TRY)	2,053	1,625	1,861	1,242	-98
Net Profit Margin (%)	1.19	1.23	1.79	1.54	-0.16
ROAA (%)**	2.54	2.51	4.38	3.17	-0.08
ROAE (%)**	10.89	10.53	18.99	12.89	-0.30
Equity / Total Assets (%)	22.08	24.78	22.40	23.91	25.36
Net W. Cap. / T. Ast. (%)	31.08	14.26	20.07	18.66	21.34
Debt Ratio (%)	77.92	75.22	77.60	76.09	74.65
Asset Growth Rate (%)	24.57	50.07	21.72	16.97	n.a

* End of year ** Based on a single year in 2009 due to unavailability of data

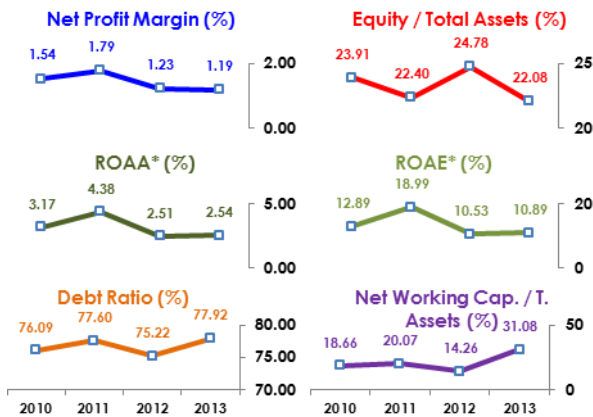
Overview

Derimod Group consists of two separate entities, Derimod Konfeksiyon Ayakkabı Deri San. ve Tic. A.Ş. and Derimod Deri Konfeksiyon Paz. San. ve Tic. A.Ş. (Hereinafter Derimod Konfeksiyon and Derimod Pazarlama, respectively). The Group was founded by Ümit Zaim to design, produce and promote leather footwear and outerwear in the Turkish market under the brand name 'Derimod'. Derimod Konfeksiyon, initially started as a manufacturing firm, currently procures the vast majority of products through third parties and sells exclusively to Derimod Pazarlama. The Derimod Group focuses on design and quality control of its operations and manages its distribution network of 95 local and 8 international retail outlets.

Derimod Group offers products under three leather categories; footwear, outerwear and accessories. Owing to effective and committed strategic marketing campaigns, high-quality products and fashionable designs, Derimod has built a powerful brand value and reputation. Furthermore, the Group's contracts with international and local celebrities and business expansion to neighboring countries support its position as a strong fashion company. With a presence in the sector of over 40 years, the Group has extensive experience in the leather fashion sector and values innovation. In this regard, the Derimod Group introduces apparel with breathable materials and alternative processing methods.

As the first Turkish leather apparel company to open a store abroad, Derimod Group plans to expand its activities to the lucrative Russian and Middle Eastern markets. Concerning its international business development strategy, the Group has opened 5 stores in Russia and 3 in Iran, with more planned for the upcoming periods in other countries.

As of 2013, the Group employed 836 employees.



* ROAA and ROAE for 2009 are based on single year figures only due to unavailability of data

Strengths

- Steady asset and sales growth over the reviewed period
- Approximately 40 years of experience in the leather apparel and footwear sector
- Powerful brand value and effective marketing activities, supported with local and international figures
- Sufficient retail network, reinforced with effective use of online distribution channels
- Sound international business development plan and bright prospects of ongoing investments in key markets
- Increasing demand for leather apparel and footwear worldwide and particularly in emerging countries
- Benefits from several government subsidies for international business development through the Turquality Program

Constraints

- Considerable leverage level, despite an equity increase stemming from fair market evaluation gains on tangible assets
- Relatively high interest expenses inflicted by the use of factoring credits inflict and resulting in a below potential profitability level
- Significant concentration risk due to exclusive sales to Derimod Pazarlama, limiting profitability on solo basis, despite the diversified risk on the consolidated structure
- Room for improvement in compliance with Corporate Governance Best Practices and operational process
- Fierce competition in the retail market, pressurizing pricing policies
- Instability in the Middle East region and economic sanctions on Russia, key markets for the Company, hampering exports and sales
- Sensitivity to foreign currency fluctuations, stemming from net short position due to imports

1. Rating Rationale

This rating report acknowledges the close link between Derimod Konfeksiyon and Derimod Pazarlama and observes the integrated structure of their operations. In this sense, the analysis is based on the financial performance of Derimod Konfeksiyon, as measured in terms of returns on assets and equity, indebtedness, sales and asset growth, cash management cycle and liquidity level, as well as the Company's business position indicated by the brand recognition, operational efficiency, international scope and competition structure. Even though Derimod Pazarlama is not individually rated with this report, its financial effects on Derimod Konfeksiyon are evaluated. Therefore, the rating process is an integrated and comprehensive analysis of the Company and its core business partner.

JCR Eurasia Rating has assigned Derimod Konfeksiyon a National Local Rating Grade of **'BBB'** in the long term, which donates an investment grade and **'A-3 (Trk)'** in the short term with a **'Stable'** outlook on both ratings. The Group's Long Term International Local and Foreign Currency grades have been assigned at the country ceiling of **'BBB-'**, considering the size of exports, scope of operations and the Group's international business partners. Potential changes in the net sales in favor of exports is considered a basis for evaluating the Group's Long Term International Local and Foreign Currency notes higher than the country ceiling.

This report is based on the independently audited financial statements of Derimod Konfeksiyon, prepared in compliance with the Turkish Financial Reporting Standards. The business plan, projections, details about the operations and strategies are provided and/or clarified by the Company management.

The sector overview is based on several studies by industry think-tanks, International Trade Centre statistics, NGO's, governmental organizations.

Principal Rating drivers are:

40 Years of Experience in the Leather Footwear and Apparel Sector

Derimod Konfeksiyon was founded in 1974 by Ümit Zaim, a prominent figure in the Turkish leather apparel sector. The Company benefits from a rich and diverse know-how concerning leather fashion products' demand characteristics and design accumulated over the years. Concentrating on the creative aspects of the production process and marketing of the products, the Company outsourced a vast majority of manufacturing process to

reliable third-parties. Owing the years of experience, Derimod Konfeksiyon has partnerships with high-quality, consistent and dedicated suppliers.

Powerful Brand Position and Favorable Market Perception

'Derimod' is an established leather footwear, apparel and handbags brand with a country-wide reputation as a premium supplier of high quality products. Derimod Group's position in the Sector is fortified by effective marketing campaigns and commercials featuring internationally and locally known models. Furthermore, Derimod Group commands a retail network reaching 95 stores in favorable locations, contributing to the brand position.

Steady Sales and Asset Growth Performance

The Company's net sales displayed a remarkable increase over the last 5 years with a compound annual growth rate of 22.71%; reaching TRY 172.39mn in 2013 from TRY 61.96mn. Additionally, the expansion in Derimod Konfeksiyon's business volume was accompanied with a solid asset growth, rising to TRY 112.02mn in 2013 from TRY 87.85mn in the previous year. A vast majority of the total assets, 69.96% was composed of trade receivables.

Sound Business Development Plan Capitalizing on the Growth in Emerging Market and Turquality Program

Having established a strong business position in the Turkish leatherwear market, the Company has taken the initial steps towards becoming an international fashion company. Derimod Group had 5 stores in Russia and 3 stores in Iran as of 3Q2014, and expects to increase the store count in the upcoming periods. In 2014, the Company was admitted to the "Turquality Program", a government backed project to promote Turkish brands in international markets. Consequently, Derimod Group will have access to several subsidies and advisory services which focus on marketing, retail store establishment and decoration and designs. Considering the increasing demand to luxury items and leather outerwear in the emerging markets, the Group's international sales are expected to support its financial structure.

Modest Profitability Levels, Accounting for the Performance of Retail Operations

Since the retail sales of Derimod Group are realized by Derimod Pazarlama, the profits recorded by Derimod Konfeksiyon understate the actual profitability of the Group. While Derimod Konfeksiyon reported pre-tax income of TRY 2.89mn (FY2012: TRY 2.12mn) based on

IFRS based financial statements, Derimod Pazarlama's corporate tax statement indicated a pre-tax income of TRY 8.87mn (FY2012: TRY 7.53mn). Accounting for both companies' income, Derimod Group's profitability level is found to be satisfactory, while acknowledging downward the pressure imposed by the financing costs.

Considerable Leverage Level Arising From Sizable Financial Loans

Derimod Konfeksiyon's debt ratio increased to 77.92%, indicating the weight of external resources in the balance sheet (FY2012: 75.22%). More importantly, despite a loan refinancing operation carried out in 2013 in order to extend the average maturity of the financial obligations, the short term liabilities continued to command a sizable portion of total liabilities at 73.87% (FY2012: 96.16%). While the equity growth by nearly TRY 10mn experienced in 2012 contributed to the deleveraging of the Company, the fact that the increase stemmed from fixed asset revaluation funds instead of cash injection limited the benefits.

Use of High-Interest Bearing Factoring Financing Negatively Pressurizes the Profits

In March 2013, the Company used an 8-year maturity loan to refinance a part of its short-term loans and pay-off its factoring liabilities. Nevertheless, Derimod Konfeksiyon had a TRY 13.53mn factoring obligations balance as of 2013, evidencing the reliance on factoring operations. The relatively high interest rates on these funds exacerbated the Company's financing costs and negatively affected the profitability.

Economic Sanctions to Russia and Instability in the Middle East Might Curtail Demand

Derimod Group's international business development plan targets the potential markets and prioritizes Middle Eastern countries and Russia. The Middle East suffers from serious instability manifested in economic and political activities coupled with significant security threats. While the Group's investments in the Middle East were in Iran, a relatively stable country considering the abolishment of several sanctions in the recent periods, the turmoil in the region is likely to disrupt the economic prospects. As for the Russian market, current economic sanctions imposed by the Western countries and political stress might hinder the economic growth and prospects from the retail store investments.

2. Outlook

Accounting for Derimod Konfeksiyon's expectations about the asset and revenue growth, the Group's domestic and international business development plans, the current and projected performance of the recent investments, indebtedness level, liquidity and profitability management, the brand value, business position and political uncertainties in the target markets a "Stable" outlook has been assigned.

The rating methodology employed in this report evaluates the deterioration of asset quality, profitability indicators and liquidity levels coupled with aggravated political risks in the local and global markets as negative signs for the outlook. On the other hand, the outlook may be considered positive if equity support via cash capital injections, improvement in profitability indicators and a favorable global economic climate is observed.

3. Sponsor Support and Stand-Alone Assessment

The Sponsor Support grade measures the financial capabilities and willingness of its supporters to assist the Company should such a need arises. Even though JCR Eurasia Rating does not possess elaborate information about the financial wealth of the primary shareholders, considering the owners' commitment to the Company, its actual and expected revenue potential, and employment opportunities created, a Sponsor Support Grade of '2' has been assigned, denoting a sufficient level of external support.

The Company's Stand Alone grade reflects its financial strength to meet its commitments and obligations through internally generated funds and is measured through returns on assets and equity, indebtedness level, asset quality, growth performance, business position, related party transactions and liquidity profile. Observing the fact that Derimod Konfeksiyon's profitability and liquidity structure is essentially related with the collection periods from Derimod Pazarlama and sales prices to the aforementioned company, Derimod Konfeksiyon's Stand Alone rating is determined as 'B', signifying an adequate level.

4. Company Profile

a. History & Activities

Derimod Konfeksiyon Ayakkabı Deri San. ve Tic. A.Ş. was founded in 1974 as a leather apparel manufacturing company with an emphasis on elegant style and unique designs. Owned and managed by Ümit Zaim, The Company's uncompromising dedication to quality and position as a premium brand of leather

products has been sustained over the course of 40 years. In order to focus on design and marketing aspects of its business, the Company contracted its in-house manufacturing activities and commenced providing leather shoes, accessories, bags and apparel mostly from domestic suppliers. Derimod Konfeksiyon sells almost exclusively to Derimod Pazarlama, which has a very similar owner structure and manages the widely known "Derimod" brand and its stores.

As the first Turkish leather company to start an overseas retail store with its own brand name, Derimod's international operations span into the key Russian leather market and the potential-bearing Iraq. The Company is particularly devoted to marketing and upholding its brand value, manifested in its partnerships with world class models.

b. Organization & Employees

The Company headquarters is based in Zeytinburnu, Istanbul while the warehouses are located in the İkitelli Organized Industrial Zone. As Derimod Konfeksiyon sells virtually all of its merchandise to the Group firm Derimod Pazarlama, it does not have a sales and distribution network. On the other hand, a number of employees of Derimod Pazarlama were transferred to Derimod Konfeksiyon in 2013.

Derimod Konfeksiyon's Board of Directors is composed of 7 members, consisting of 3 members of the Zaim Family who hold the majority of shares, and 4 other members, of whom 2 are independent. The senior management is composed of a general manager and divisional managers supervising sales, marketing, purchasing, product design, logistics, human resources, information technologies, finance, architecture and budget planning. The management team is supported by a Council of Advisors, consisting of legal, financial, management and occupational safety and health advisors.

Derimod Konfeksiyon employed 83 people as of December 31, 2013 (FY2012: 51). The growth in the personnel count was due to transferred employees. On the other hand, a total of 836 people were employed by Derimod Konfeksiyon, Derimod Pazarlama and the latter's subsidiaries (FY2012: 688).

c. Shareholders, Subsidiaries & Affiliates

The majority of the Company's shares are owned by the Zaim Family, while 34.40% of the shares were traded publicly on the Borsa Istanbul (BIST). The table below

exhibits the detailed shareholding structure of Derimod Konfeksiyon.

Shareholders	FY2013		FY2012	
	Paid Capital (000 TRY)	Share %	Paid Capital (000 TRY)	Share %
Ümit Zaim	2,510,824	46.50	2,510,824	46,50
Zerrin Zaim	882,431	16.34	882,431	16,34
Asuman Zaim	148,557	2.75	148,557	2,75
Cavidan Tepe	540	0.01	540	0,01
Others	1,857,648	34.40	1,857,648	34,40
	5,400,000	100	5,400,000	100

d. Corporate Governance

The Company's Board of Directors is responsible for the compliance with corporate governance principles. In this regard, the Corporate Governance Committee, composed of 3 Board Members and the Internal Audit Committee, consisting of 2 members have been formed and both are chaired by independent members of the Board of Directors.

As a publicly listed company, Derimod Konfeksiyon's independently audited financial statements, activity reports, articles of associations and amendments to the articles along with important notifications related with the Company's operations are announced on the Public Disclosure Platform.

Derimod Konfeksiyon was awarded entrance to the "Turquality®" program sponsored by the Ministry of Economy of Turkey in March 2014. Following the completion of the preparatory period, the Company will be entitled to several subsidies covering 50% of consultancy fees, retail store decoration and rent expenses, advertising, marketing and designer fee subsidies up to certain limits.

The Company's overall compliance level with Corporate Governance Principles is considered as moderate, accounting for the frequency, consistency and the scope of the publicly available information.

e. The Company & its Group Strategies

Derimod Group's prominent position in the leather apparel and shoes market is supported by extensive and successful marketing and promotion strategies. As one of the top fashion firms in Turkey and owner of a pioneer leather brand, the Company tackles competition from its peer group. In order to boost its growth and take advantage of its strong brand in a wider geographical area, Derimod Group aims to expand its activities in lucratively and rapidly growing emerging

markets. In this sense, the Company management selected Russia, the United Arab Emirates, Iraq and Iran as key markets. As a "Turquality®" program beneficiary, Derimod Group plans to open stores in the affluent cities of these aforementioned markets where consumer spending is on the rise and luxury brands are sought after.

As a part of its international business development plan, Derimod Group has contemplated a two part plan: (i) opening stores under the ownership of separate entities which will be owned by Derimod Pazarlama and (ii) building a franchise network. The Group's presence in the Russian market, 3 stores as of 2013, is expected to grow at rapid pace to reach 20 stores by 2018. As for the Middle East region, the Group aims to open stores in Dubai, Abu Dhabi, Erbil, Suleymaniah, Tehran and Tabriz.

The Company's supply chain strategy has been modified in order to adapt to the changing market conditions following an increase in tariffs on imported leather shoes on August 2014, which had a significant impact on the prices of imported leather shoes. Derimod Konfeksiyon plans to provide the leather shoes exclusively from domestic suppliers.

5. Sector Overview & Operational Environment

Derimod Konfeksiyon operates in the wholesale of leather shoes, apparel and accessories. Derimod Pazarlama, owned by the Zaim Family and Derimod Konfeksiyon's only customer, realizes the retail sales of these products through its branch network.

The leather shoes and apparel sector is characterized by upper-class products, while more affordable alternatives are present as well. Leather is a preferred material due to its physical qualities such as heat insulation and durability, as well as aesthetic preferences. Due to the intensity of manual labor requirements, the sector needs experienced and qualified workers. While global leather demand is on the rise, production centers have a tendency to migrate to emerging markets as developed countries focus on high-tech sectors with greater returns.

➤ **Global Leather Market**

The global leather products trade is mainly divided into three areas; shoes, clothes and handbags. According global trade statistics, the Sector exhibited a cumulative growth performance that outpaced global economic expansion. In fact, the compound annual growth rate (CAGR) of the leather sector exports was 6.33% between 2009 and 2013.



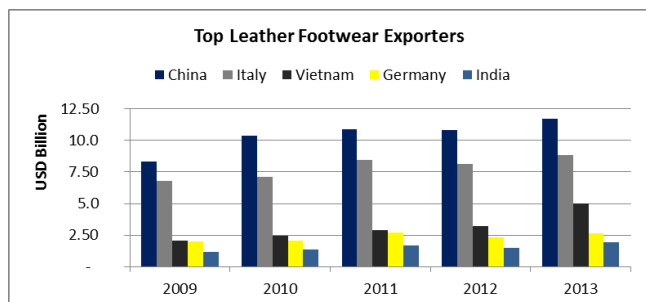
Leather handbags exports demonstrated a remarkable expansion of 12.79%, indicating great potentials. On the other hand, the leather footwear trade dominated the sector's exports, capturing 73.70% of the total leather product exports in 2013.



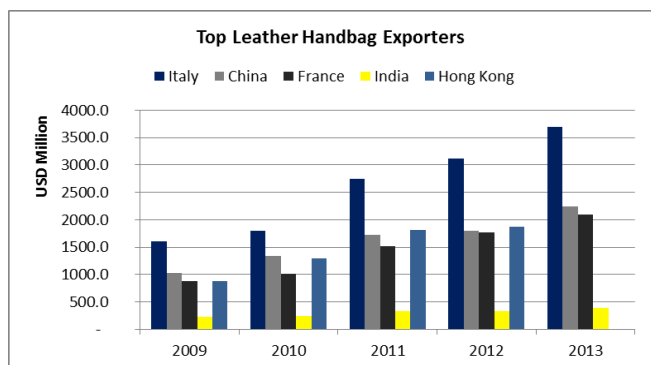
In terms of production capacity, China is the world leader in leather products. With total leather exports reaching USD 16.15bn in 2013, Chinese leather products have a strong penetration in global markets.



While China and certain other Asian producers achieve high trade volumes through sheer number of exported products, European producers, spearheaded by Italy and France, enjoy vast premiums owing to their luxurious and world-famous brands. The contrast is particularly stark in the handbag and footwear categories.



Italian leather handbag exports demonstrated a noteworthy increase over the 2009-2013 period, reaching USD 3.69bn with an CAGR of 18.13%. France experienced the highest CAGR among the top exporters, with 19.10% and reaching USD 2.09bn as of 2013.



➤ **Turkish Leather Production & Exports**

Turkish leather producers have significant experience in shoe, purse, accessories and leather apparel production accumulated over the years. Being mostly craftsmen, artisans and family owned companies, these leather manufacturers are predominantly SMEs; however there are few yet effective large scale enterprises. The intensive competition and disruptive prices of low cost producers negatively affected small scale producers. Even though the manufacturers associations' efforts resulted in stronger tariff regulations over imported leather shoes, local producers need to focus on designer value and quality products.

In 2012, the Turkish leather sector had a production value of USD 2.6bn, with total exports of USD 1.07bn. Nevertheless, despite the Sector's considerable export potential, the net trade balance is at a deficit due to lack of raw leather in Turkey. In fact, it is estimated that the 70% of raw leather used in production is imported, making Turkey the 2nd largest small cattle leather importer, following China.

Turkish leather industry mainly exports to three groups of countries; Commonwealth of Independent States (CIS), Middle East and European Union. Russia is the largest leather products market in the CIS region, where Turkey's exports amounted to USD 121.87mn in 2013. In the Middle East, Turkish companies market their products in Iraq, Saudi Arabia, Iran and the United Arab Emirates mostly. Italy and France are the primary markets in the EU.

	2011	2012	2013
Russia	95,943	113,613	121,873
Italy	61,991	49,157	59,542
France	31,893	28,012	34,962
Iraq	14,631	20,727	29,225
Saudi Arabia	7,387	13,426	15,027
UAB	4,151	7,922	12,298
Iran	1,921	1,824	919

While footwear is the largest category in total leather product exports, leather revenues vary significantly among different country groups. Italy is a major market for handbags, while France and Russia take the lead in leather apparels. The following table illustrates a select list of Turkey's export partners.

(000 USD)	2011	2012	2013
Footwear			
Russia	59,411	77,984	91,845
Iraq	12,223	16,356	23,255
Saudi Arabia	7,079	13,219	14,540
Apparel			
France	24,746	21,106	29,652
Russia	35,547	34,261	29,072
Italy	20,638	15,185	13,395
Handbags			
Italy	34,821	27,530	35,006
Iraq	478	1,776	3,437
France	3,223	3,570	1,836

The industry's opinion leaders and NGOs representing the leather manufacturers state that the majority of companies in the Sector suffer from scarcity of locally provided raw leather, shortage of trained blue-collar personnel and absence of long-term strategic marketing and brand building efforts. On the other hand, proximity to key markets, foothold in several emerging market regions such as the Middle East and the CIS region and high-quality production are the sector's strong suits. The Turkish leather footwear and apparel sector is expected to maintain its upward growth trend in the following periods owing to expanding retail network in emerging markets.

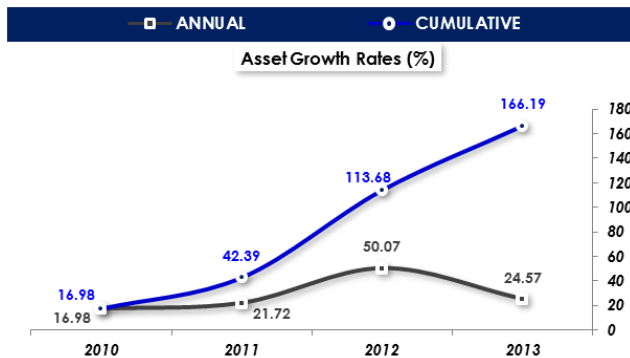
Sources: International Trade Center – Trademap, The General Secretariat of Istanbul Textiles and Apparel Exporters' Association – Leather and Leather Products Sector Review Report, Ministry of Science, Industry and Technology of Republic of Turkey – Textile, Apparel and Leather Products Sector Review Report (2013/2)

6. Financial Foundation

a. Financial Indicators & Performance

i. Indices Relating to Size

The Company's compound annual growth rate (CAGR) was 21.63% over the 2009-2013 period, indicating a healthy expansion of company size and scale of operations. The growth was markedly stronger in 2012 (50.07%, YoY) compared to the preceding years and 2013 (24.57%, YoY) due to gains of TRY 10.46mn from fixed asset revaluation. On the other hand, the overall growth is largely attributed to the increase in the trade receivables, which consistently increased over the reviewed period and soared by 31.89% to TRY 88.42mn in 2013 (FY2012: 22.62%, TRY 67.04mn).

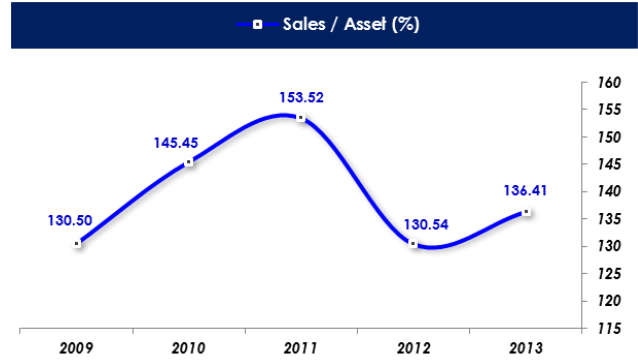


The Company management expects favorable returns from their planned investments in Russia, the largest export partner of Turkey in leather apparel and footwear products. Considering domestic demand supported by the positive market perception and upward demand trend in key markets, Derimod Konfeksiyon's asset growth is expected to continue in the upcoming periods.

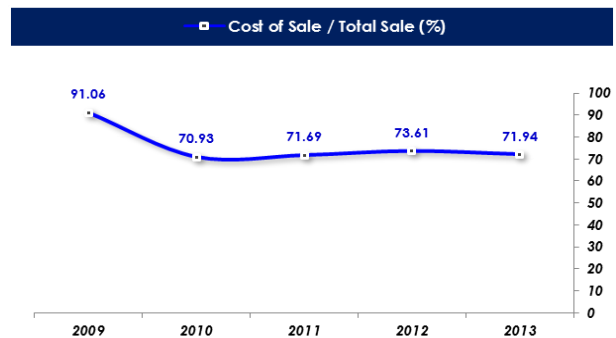
ii. Indices Relating to Profitability

A vast majority of Derimod Konfeksiyon's merchandise are sold to Derimod Pazarlama (95% in 2013, 98% in 2012), effectively making the latter the sole customer of the former. Since Derimod Konfeksiyon wholesales its merchandise, the final price of the goods is determined by the retailer Derimod Pazarlama, rather than Derimod Konfeksiyon, engendering the majority of the profits within Derimod Pazarlama. Therefore, the cumulative sales and profitability performance of these two companies are believed to reflect the actual profitability performance of Derimod Group. According to the corporate tax statement of Derimod Pazarlama as of FY2013, the company's net sales were TRY 252.14mn, corresponding to 157.85% of Derimod Konfeksiyon's sales (FY2012: TRY 209.43mn, 158.14%). Derimod Pazarlama recorded TRY 7.50mn net profits in

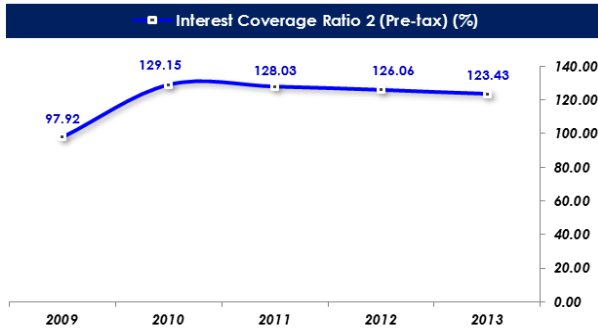
2013, displaying an increase of 19.45% over the previous year. It is also noted that the revenues engendered from international operations provided a fair support. The growth of total sales is expected to continue thanks to planned expansion in the Russian and Iraqi markets.



As Derimod Konfeksiyon essentially has a single customer, Derimod Pazarlama, it does not directly incur any marketing and related costs. However, Derimod Pazarlama reflected 50% of its advertising, marketing and distribution costs to Derimod Konfeksiyon until FYE2013. These costs, amounting to TRY 31.13mn, accounted for 88.89% of the Company's marketing, sales and distribution expenses (FY2012: TRY 24.21mn, 93.75%).



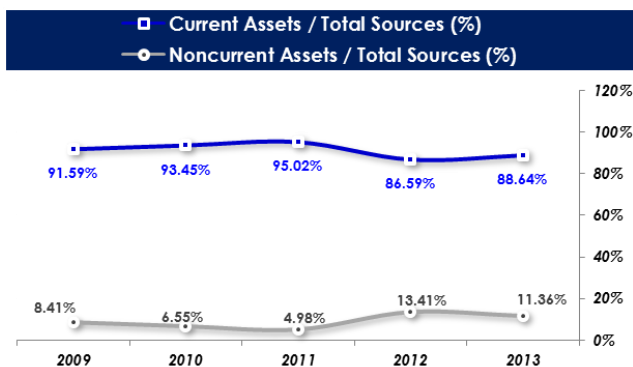
The Company's capacity to meet its financing payments via its internally generated resources is measured with the interest rate coverage ratio, exhibited below. Derimod Konfeksiyon's net profits from its principal activities were in excess of its financing expenses over the reviewed period, while 150% is considered as the threshold value for comfortable levels.



The Company's pre-tax profits plus financing expenses corresponded to 6.75% of net sales (FY2012: 6.30%), indicating a fairly modest level. Nonetheless, the actual profitability of Derimod Group is observed in the retail firm, Derimod Pazarlama which is considered as satisfactory.

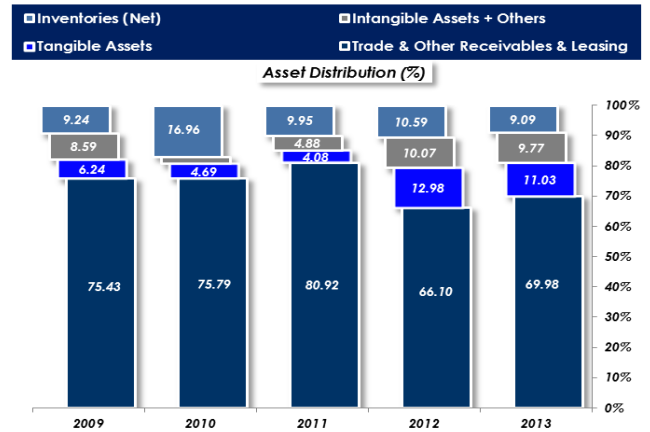
b. Asset Quality

Current assets comprised 88.64% of total assets (FY2012: 86.59%), where the majority of current assets consisted of trade receivables. Considering the fact that practically all of the Company's sales are realized to Derimod Pazarlama, Derimod Konfeksiyon's asset quality is closely related with the financial and operational performance of the aforementioned company. Derimod Pazarlama's profitability level indicates a reasonable financial strength and sales growth is expected to continue in the upcoming periods, even though the debt ratio was 89.41% where the financial debts accounted for 12.65% of total liabilities. Therefore the risk arising from forward sales is considered to be moderate.

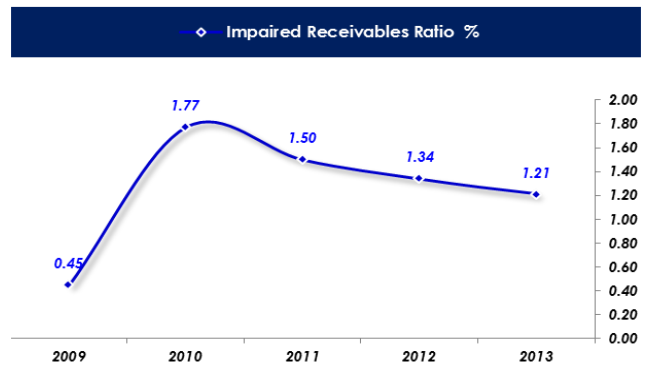


Financial loans given to the shareholders, classified under the receivables from the related parties, constituted 3.36% of total assets in 2013 with TRY 4.24mn (FY2012: 3.49%, TRY 3.54mn). While the maturities of these loans are not specified, the Company accrued interest at 11%.

As of 2013, the Company had deferred tax assets of TRY 7.72mn, arising from the accumulated VAT receivables. The Company management expects these funds to be collected/carried over in the upcoming periods, while noting the long maturity terms.



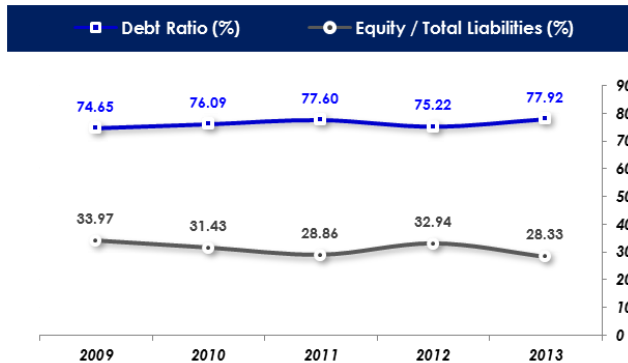
Derimod Konfeksiyon's non-performing receivable ratios remained fairly low, benefiting from the wholesales to Derimod Pazarlama and limited sales to external parties. The Company fully provisioned the doubtful receivables which amounted to TRY 1.09mn in 2013 (FY2012: 914.21mn).



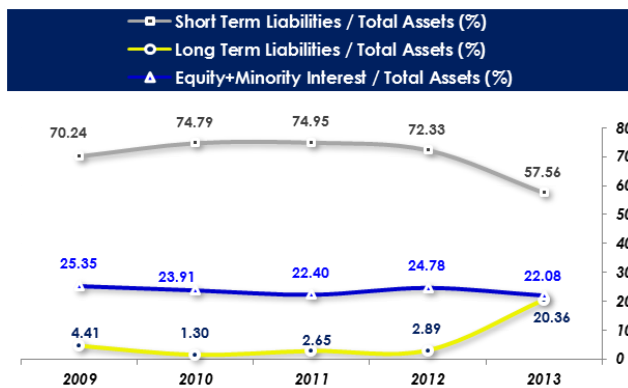
c. Funding & Adequacy of Capital

Derimod Konfeksiyon's debt ratio maintained a relatively steady level over the reviewed period, reaching 77.92% in 2013 (FY2012: 75.22). Net earnings were retained in the Company, which provided a steady yet modest support to the equity growth. On the other hand, the Company began to report its fixed assets at fair value as of FYE2012, generating a revaluation fund of TRY 8.37mn and TRY 0.79mn at 2012 and 2013, respectively. Consequently, these funds accounted for 32.26% of total equity (FY2012: 33.30%). While Derimod Konfeksiyon's equity benefited from this operation from an accounting perspective, the

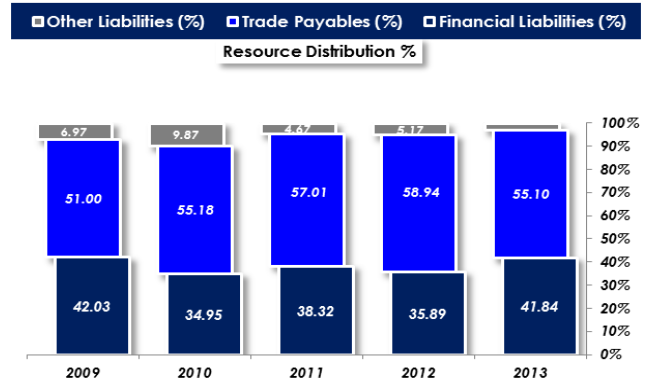
Company is considered to be more leveraged than the financial statements indicate.



The Company refinanced its short-term financial debts and factoring obligations with a long-term credit facility amounting to TRY 26.91mn in 2013. As a result, the average maturity of Derimod Konfeksiyon's financial obligations increased to 3.25 years from 1 year. The short-term liabilities accounted for 57.56% of total resources as of December 31, 2013 while the financial loans composed the 24.70% of short-term liabilities. (FY2012: 72.33%, 37.15, respectively).



The share of trade payables slightly fluctuated around 55% over the reviewed period, preserving its dominant position among liabilities (FY2013: 55.10%, FY2012: 58.94%). On the other hand, the Company's tax and social security obligation which were overdue as of December 31, 2010 were restructured in 2011 owing to Law No: 6111 published on February 25, 2011. These restructured obligations, amounting to a total of TRY 1.84mn as of FYE2010 are regularly paid off in installments over the reviewed period. The payment of these obligations is reflected in the diminishing share of the 'Other Liabilities' item.



7. Risk Profile & Management

The Company's risk management framework is defined by the Board of Directors and supervised by the Internal Audit and Corporate Governance Committees. The Internal Audit Committee is composed of two independent Board Members, while the Corporate Governance Committee consists of three members of the Board of Directors and is chaired by the single independent member in the Committee. Being a publicly listed company, Derimod Konfeksiyon is committed to complying with legal requirements and specific regulations concerning publicly owned companies.

a. Risk Management Organization & its Function – General Information

The Company is exposed to credit risk, market risk, liquidity risk and operational risk through its use of financial instruments and its commercial operations.

b. Credit Risk

Derimod Konfeksiyon's sales were exceedingly concentrated on Derimod Pazarlama (FY2013: 95%, FY2012:98%). Therefore, credit risk stemming from the trade receivables is perfectly correlated with the creditworthiness of Derimod Pazarlama. On the other hand, considering the financial profile and operational performance of the aforementioned company and the diversification through retail sales, the credit risk arising from trade receivables is considered to be moderate.

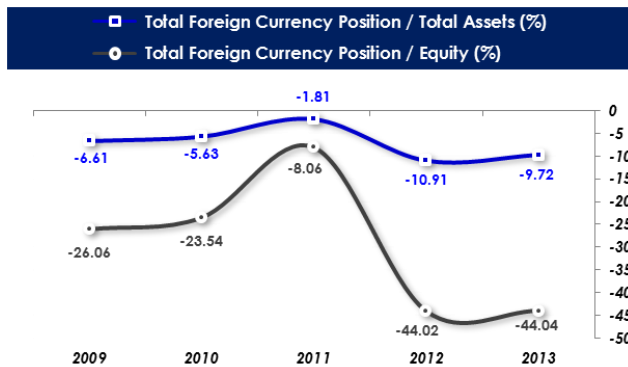
As of December 31, 2013 Derimod Konfeksiyon's maximum credit risk exposure amounted to TRY 92.75mn (FY2012: TRY 70.79mn) and the receivables from the related parties accounted for 99.82% of total credit risk (FY2012: 99.61%).

The Company recognized provisions for TRY 1.09mn of doubtful receivables at FY2013 (FY2012: TRY

914.21mn) that mainly stemmed from advances given to the subcontractor companies.

c. Market Risk

Derimod Konfeksiyon's exposure to market risk arises from fluctuations in foreign currency and interest rates. The total foreign currency position of the Company was TRY -12.29mn, predominantly arising from USD denominated trade liabilities. The level of net currency position corresponded to -9.72% of total assets and -44.40% of equity (FY2012: -10.91%, -44.02%, respectively).



Due to net short USD and EUR positions, devaluation of the TRY against these aforementioned currencies had a negative impact on the Company's profitability. As of December 31, 2013, valuation against the USD and EUR would reduce the pre-tax income by TRY 1.11mn and TRY 0.12mn, respectively. (FY2012: TRY 0.83mn, TRY 59K).

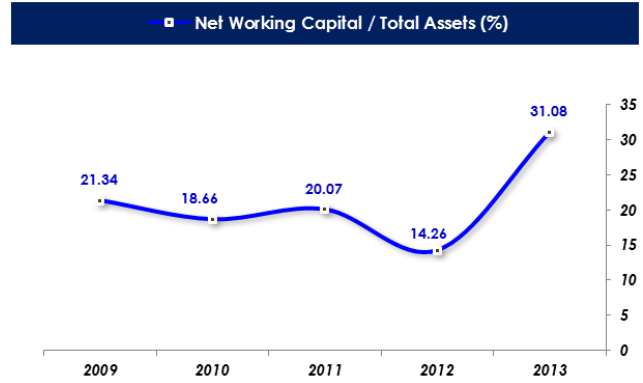
The Company's sensitivity to floating interest rates radically declined owing to the refinancing of short term debt with a long-term and fixed rate credit facility.

d. Liquidity Risk

Liquidity risk measures the likelihood of failing to the meet the cash outflows when they are due. The Company generates cash flow through its commercial operations and supports liquidity via external funding sources, mainly bank loans and factoring funds. As of 2013, Derimod Konfeksiyon's current ratio and acid ratio were 153.99% and 138.11%, respectively (FY2012: 119.72%, 105.06%). The long term refinancing operation clearly improved the liquidity profile of the Company.

The Company's net working capital had a positive net balance over the reviewed period, indicating a healthy liquidity profile. Moreover, owing to long-term credit facility and refinancing of short-term bank debts and

factoring obligations, the net working capital to total assets ratio of the Company increased substantially to 31.08% from 14.26%.



e. Operational, Legal Regulatory & Other Risks

The Company has an Internal Audit Unit that provides reasonable assurance to the Board of Directors that the processes are in line with the internally devised and externally mandated requirements. The internal audit division of the Company conducts onsite audits and reports its findings to the Board of Directors. Furthermore, the audit division serves a consulting function and reports its suggestions to the approval of the Board.

The Company attaches importance to complying with the legal framework and regulations. The monetary value of the legal proceedings filed against the Company amounted to TRY 378K as of 2013 (FY2012: 306K).

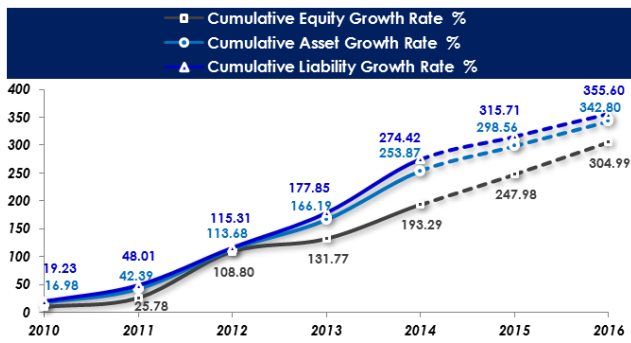
8. Budget

The Company management's projection for the upcoming periods is presented in the table below. It is noted that parallel to the business development plans of Derimod Group, supported by the growing size of international operations, Derimod Konfeksiyon's sales volume is expected to increase significantly.

Projected Income Statement				
(TRY 000)	2013	2014	2015	2016
Sales	172,664	218,613	259,232	301,702
COGS	-124,021	-202,412	-240,021	-279,344
Gross Profit	48,644	16,201	19,211	22,358
Activities Expenses	-37,484	-10,450	-12,392	-14,422
EBIT	11,160	5,751	6,819	7,937
EBIT margin %	6.46%	2.63%	2.63%	2.63%
Pre-tax Profit	2,889	3,291	3,902	4,541
Taxes	-836	-711	-819	-954
Net Profit	2,053	2,580	3,083	3,588

Projected Balance Sheet				
(TRY 000)	2013	2014	2015	2016
Current Assets	112,025	149,836	169,677	189,475
- Trade Receivables & Leasing	88,419	119,949	134,236	148,228
Fixed Assets	14,353	18,173	19,550	20,753
- Tangible Assets	13,939	17,648	18,927	20,028
Total Assets	126,378	168,009	189,227	210,228
Short Term Liabilities	72,747	107,125	122,006	136,995
- Financial Liabilities	17,971	37,753	39,768	41,283
- Trade Payables	54,281	68,726	81,496	94,848
Long Term Liabilities	25,729	25,576	25,328	24,478
- Financial Liabilities	23,231	22,413	21,577	20,112
Total Liabilities	98,476	132,701	147,335	161,473
Equity	27,902	35,308	41,892	48,755
Total Liabilities & Equity	126,378	168,009	189,227	210,228

The cumulative growth performance of the Company is expected to be maintained in the upcoming periods. Derimod Konfeksiyon's management also plans to implement several projects to widen their control over the supply and logistics costs and improve operational efficiency, which will ameliorate the bottom-line.





DERİMOD KONFEKSİYON AYAKKABI DERİ SAN.TİC.A.Ş. BALANCE SHEET - ASSET	(Year-end) 2013 USD (Converted)	(Year-end) 2013 TRY (Original)	2013 TRY (Average)	(Year-end) 2012 TRY (Original)	2012 TRY (Average)	(Year-end) 2011 TRY (Original)	2011 TRY (Average)	(Year-end) 2010 TRY (Original)	As % of 2013 Assets (Original)	As % of 2012 Assets (Original)	As % of 2011 Assets (Original)	2013 Growth Rate	2012 Growth Rate	2011 Growth Rate
I. CURRENT ASSETS	52,583,983	112,024,917	99,936,404	87,847,891	76,043,006	64,238,120	58,069,123	51,900,125	88.64	86.59	95.02	27.52	36.75	23.77
A. Liquid Assets	42,309	90,136	140,572	191,008	120,111	49,214	43,176	37,138	0.07	0.19	0.07	-52.81	288.12	32.52
B. Marketable Securities	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	n.a
1. Bond	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
2. Share Certificates	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
3. Other	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
4. Provision for Decrease in Value of Mkt. Securities(-)	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
C. Trade Receivables & Leasing	41,503,577	88,419,221	77,729,865	67,040,509	60,856,818	54,673,126	48,375,716	42,078,306	69.96	66.08	80.88	31.89	22.62	29.93
1. Customers & Notes Receivables	41,503,577	88,419,221	77,729,865	67,040,509	60,856,818	54,673,126	48,373,981	42,074,835	69.96	66.08	80.88	31.89	22.62	29.94
2. Other Receivables	0	0	0	0	0	0	1,736	3,471	n.a	n.a	n.a	n.a	n.a	-100.00
3. Doubtful Trade Receivables	509,454	1,085,340	999,777	914,213	875,653	837,093	801,686	766,279	0.86	0.90	1.24	18.72	9.21	9.24
4. Provision for Doubtful Trade Receivables (-)	-509,454	-1,085,340	-999,777	-914,213	-875,653	-837,093	-801,686	-766,279	-0.86	-0.90	-1.24	18.72	9.21	9.24
5. Rediscount on Notes Receivables (-)	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
D. Due From Related Parties (net)	1,990,981	4,241,585	3,890,361	3,539,137	2,095,250	651,362	379,649	107,936	3.36	3.49	0.96	19.85	443.34	503.47
E. Other Receivables	9,769	20,811	18,561	16,311	21,483	26,654	19,856	13,058	0.02	0.02	0.04	27.59	-38.80	104.12
1. Other Receivables	9,769	20,811	18,561	16,311	21,483	26,654	19,856	13,058	0.02	0.02	0.04	27.59	-38.80	104.12
2. Other Doubtful Receivables	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
3. Rediscounts on Other Notes Receivable (-)	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
4. Provision for Other Doubtful Receivables (-)	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
F. Live Assets (net)	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
G. Inventories (net)	5,394,704	11,492,877	11,116,722	10,740,567	8,733,896	6,727,225	8,072,136	9,417,046	9.09	10.59	9.95	7.00	59.66	-28.56
H. Contract Progress Income (net)	0	0	0	0	0	0	1,404	2,808	n.a	n.a	n.a	n.a	n.a	-100.00
I. Deferred tax Assets	3,623,524	7,719,556	7,019,958	6,320,359	4,215,435	2,110,510	1,171,391	232,272	6.11	6.23	3.12	22.14	199.47	808.64
J. Other Current Assets	19,119	40,731	20,366	0	15	29	5,795	11,561	0.03	n.a	0.00	n.a	-100.00	-99.75
1. Other Current Assets	19,119	40,731	20,366	0	15	29	5,795	11,561	0.03	n.a	0.00	n.a	-100.00	-99.75
2. Provision for Other Current Assets (-)	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
II. NON-CURRENT ASSETS	6,737,460	14,353,484	13,976,652	13,599,819	8,481,561	3,363,303	3,500,804	3,638,305	11.36	13.41	4.98	5.54	304.36	-7.56
A. Trade Receivables & Leasing	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
1. Customers & Notes Receivables & Leasing	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
2. Other Receivables	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
3. Doubtful Trade Receivables	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
4. Provision for Doubtful Trade Receivables (-)	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
5. Rediscount on Notes Receivables (-)	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
B. Due From Related Parties (net)	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
C. Other Receivables	131,596	280,353	286,468	292,583	294,234	295,884	307,144	318,403	0.22	0.29	0.44	-4.18	-1.12	-7.07
1. Other Receivables	131,596	280,353	286,468	292,583	294,234	295,884	307,144	318,403	0.22	0.29	0.44	-4.18	-1.12	-7.07
2. Other Doubtful Receivables	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
3. Rediscounts on Other Notes Receivable (-)	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
4. Provision for Other Doubtful Receivables (-)	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
D. Financial Fixed Assets (net)	33,080	70,474	70,474	70,474	70,474	70,474	70,474	70,474	0.06	0.07	0.10	0.00	0.00	0.00
1. Long Term Securities (net)	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
2. Affiliates (net)	33,080	70,474	70,474	70,474	70,474	70,474	70,474	70,474	0.06	0.07	0.10	0.00	0.00	0.00
3. Subsidiaries (net)	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
4. Other Financial Fixed Assets (net)	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
E. Tangible Assets	6,542,668	13,938,500	13,553,320	13,168,140	7,963,182	2,758,223	2,682,364	2,606,504	11.03	12.98	4.08	5.85	377.41	5.82
F. Other Fixed Assets	30,115	64,157	66,390	68,622	153,672	238,722	440,823	642,924	0.05	0.07	0.35	-6.51	-71.25	-62.87
TOTAL ASSETS	59,321,442	126,378,401	113,913,056	101,447,710	84,524,567	67,601,423	61,569,927	55,538,430	100.00	100.00	100.00	24.57	50.07	21.72



DERİMOD KONFEKSİYON AYAKKABI DERİ SAN.TİC.A.Ş. BALANCE SHEET-LIABILITIES+EQUITY	(Year-end)	(Year-end)	(Year-end)	(Year-end)	(Year-end)	(Year-end)	(Year-end)	(Year-end)	As % of	As % of	As % of			
	2013	2013	2013	2012	2012	2011	2011	2010	2013	2012	2011	2013	2012	2011
	USD (Converted)	TRY (Original)	TRY (Average)	TRY (Original)	TRY (Average)	TRY (Original)	TRY (Average)	TRY (Original)	Assets (Original)	Assets (Original)	Assets (Original)	Growth Rate	Growth Rate	Growth Rate
I. SHORT TERM LIABILITIES	34,146,935	72,746,631	73,063,070	73,379,508	62,024,008	50,668,507	46,103,338	41,538,169	57.56	72.33	74.95	-0.86	44.82	21.98
A. Financial Liabilities	8,435,394	17,970,764	22,614,819	27,258,873	23,518,582	19,778,290	17,068,148	14,358,006	14.22	26.87	29.26	-34.07	37.82	37.75
B. Trade Payables	25,470,006	54,261,301	49,619,264	44,977,226	37,441,858	29,906,490	26,612,056	23,317,622	42.94	44.34	44.24	20.64	50.39	28.26
C. Due to Related Parties	16,342	34,814	55,810	76,805	42,885	8,965	18,970	28,975	0.03	0.08	0.01	-54.67	756.72	-69.06
D. Other Financial Liabilities	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
E. Advances Received	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
F. Contract Progress Ongoing Cons. Contracts (net)	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
G. Deferred Tax Liabilities	1,397	2,976	152,558	302,139	177,472	52,804	265,505	478,205	0.00	0.30	0.08	-99.02	472.19	-88.96
H. Provisions for Liabilities	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
I Other Liabilities	223,796	476,776	620,621	764,465	843,212	921,958	2,138,660	3,355,361	0.38	0.75	1.36	-37.63	-17.08	-72.52
II. LONG TERM LIABILITIES	12,077,203	25,729,273	14,330,292	2,931,310	2,361,057	1,790,804	1,255,108	719,411	20.36	2.89	2.65	777.74	63.69	148.93
A. Financial Liabilities	10,904,340	23,230,605	11,680,443	130,280	228,283	326,285	368,756	411,226	18.38	0.13	0.48	17,731.29	-60.07	-20.66
B. Trade Payables	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
C. Due to Related Parties	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
D. Other Financial Liabilities	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
E. Advances Received	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
F. Contract Progress Ongoing Cons. Contracts (net)	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
G. Deferred Tax Liabilities	895,612	1,908,011	2,077,701	2,247,391	1,648,346	1,049,301	524,651	0	1.51	2.22	1.55	-15.10	114.18	n.a
H. Provisions for Liabilities	277,252	590,657	572,148	553,639	484,429	415,218	361,702	308,185	0.47	0.55	0.61	6.69	33.34	34.73
I Other Liabilities (net)	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
TOTAL LIABILITIES	46,224,138	98,475,904	87,393,361	76,310,818	64,385,065	52,459,311	47,358,446	42,257,580	77.92	75.22	77.60	29.05	45.47	24.14
F- EQUITY	13,097,304	27,902,497	26,519,695	25,136,892	20,139,502	15,142,112	14,211,481	13,280,850	22.08	24.78	22.40	11.00	66.01	14.01
a) Prior year's equity	11,799,142	25,136,892	20,139,502	15,142,112	14,211,481	13,280,850	12,659,740	12,038,630	19.89	14.93	19.65	66.01	14.01	10.32
b) Equity (Added from internal & external resources at this year)	334,413	712,433	4,540,931	8,369,428	4,184,714	0	0	0	0.56	8.25	n.a	-91.49	n.a	n.a
c) Minority Interest	0	0	0	0	0	0	0	0	n.a	n.a	n.a	n.a	n.a	n.a
h) Profit & Loss	963,750	2,053,172	1,839,262	1,625,352	1,743,307	1,861,262	1,551,741	1,242,220	1.62	1.60	2.75	26.32	-12.67	49.83
TOTAL LIABILITY	59,321,442	126,378,401	113,913,056	101,447,710	84,524,567	67,601,423	61,569,927	55,538,430	100.00	100.00	100.00	24.57	50.07	21.72
USD Rates 1=TRY	2.1304			1.7776		1.8889		1.5376						

DERİMOD KONFEKSİYON AYAKKABI DERİ SAN.TİC.A.Ş. INCOME STATEMENT	2013	2012	2011	2010	2009
I. Principal Activity Revenues	49,820,541	37,072,865	32,570,231	24,585,391	7,036,814
A. Sales Revenues (Net)	172,664,491	132,576,325	172,664,491	80,779,877	61,956,727
1.Domestic Sales	181,388,326	138,227,943	181,388,326	86,802,193	75,732,601
2.Export Sales	2,832,154	2,229,638	2,832,154	7,957	0
3.Sales Deductions (-)	-11,555,989	-7,881,256	-11,555,989	-6,030,273	-13,775,874
B. Cost Of Sales (-)	-124,020,648	-97,480,772	-124,020,648	-57,298,606	-56,420,766
C. Service Revenues (net)	0	0	0	0	0
D. Other Revenues From Principal Activities	1,176,698	1,977,312	1,176,698	1,104,120	1,500,853
1.Interest	1,176,698	1,977,312	3,185,618	1,104,120	1,500,853
2.Dividend	0	0	0	0	0
3.Rent	0	0	0	0	0
4.Other	0	0	0	0	0
GROS PROFIT & LOSS FROM PRINCIPAL ACTIVITIES	49,820,541	37,072,865	32,570,231	24,585,391	7,036,814
Activities Expenses (-)	-37,484,184	-28,554,423	-23,561,696	-18,851,593	-4,295,101
NET PROFIT & LOSS FROM PRINCIPAL ACTIVITIES	12,336,357	8,518,442	9,008,535	5,733,798	2,741,713
Income & Profit From Other Activities	306,789	206,434	329,643	158,493	1,913,949
Expenses & Losses From Other Activities (-)	-992,786	-366,953	0	0	0
Financing Income	0	0	0	0	0
Financing Expenses (-)	-8,761,385	-6,237,974	-6,639,589	-4,260,761	-4,691,815
OPERATING PROFIT & LOSS	2,888,975	2,119,949	2,698,589	1,631,530	-36,153
Net Monetary Position exc. And Other Profit & Loss (+/-)	0	0	0	0	0
PRETAX PROFIT & LOSS	2,888,975	2,119,949	2,698,589	1,631,530	-36,153
Taxes (-/+)	-835,803	-494,597	-837,327	-389,310	-61,426
NET PROFIT FOR THE PERIOD	2,053,172	1,625,352	1,861,262	1,242,220	-97,579
Total Income	185,703,967	142,641,327	114,631,302	88,072,763	79,147,403
Total Expense	-182,814,992	-140,521,378	-111,932,713	-86,441,233	-79,183,556
INCOMES OR EXPENSES FOR THE PERIOD	2,888,975	2,119,949	2,698,589	1,631,530	-36,153

DERİMOD KONFEKSİYON AYAKKABI DERİ SAN.TİC.A.Ş. FINANCIAL RATIOS %	FYE 2013	FYE 2012	FYE 2011
I. PROFITABILITY			
ROAE - Pre-tax Profit / Equity (avg.)	10.89	10.53	18.99
ROAA - Pre-tax Profit / Total Assets (avg.)	2.54	2.51	4.38
Total Income / Equity (avg.)	700.25	708.27	806.61
Total Income / Total Asset (avg.)	163.02	168.76	186.18
Economic Rentability ((Financing Expenses + Pre-tax Profit)/ (Total Liabilities) (avg.)	10.23	9.89	15.17
Net Profit & Loss From Principal Activities / Total Assets (avg.)	10.83	10.08	14.63
Financial Expenses / Inventories Ratio (avg.)	78.81	71.42	82.25
Return on Avg. Long Term Sources	5.03	7.22	12.03
Relationship Between Sales and Profit			
Gross Profit Margin = Principal Activities Income / Net Sales Income	28.85	27.96	31.38
Operating Margin = Net Profit & Loss From Principal Activities / Net Sales Income	7.14	6.43	8.68
Net Profit Margin = Net Profit / Net Sales Income	1.19	1.23	1.79
Cost of Sales / Net sales Income	71.83	73.53	71.69
Activities Expenses / Net Sales Income	21.71	21.54	22.70
Financing Expenses / Net Sales Income	5.07	4.71	6.40
(Pre-Tax Profit + Financing Expenses) / Net Sales Income	6.75	6.30	9.00
Relationship Between Financing Liabilities and Profit			
Interest Coverage Ratio 1 = Pre Tax Profit + Financing Expenses / Financing Expenses	132.97	133.98	140.64
Interest Coverage Ratio 2 = Net Profit + Financing Expenses / Financing Expenses	123.43	126.06	128.03
Structure of Income and Expenses			
Financing Expenses / T. Asset (avg.)	7.69	7.38	10.78
Financial Liabilities / T. Assets	32.60	27.00	29.74
II. LIQUIDITY			
(Liquid Assets + Marketable Securities) / T. Assets	0.07	0.19	0.07
(Liquid Assets + Marketable Securities) / T. Liabilities	0.09	0.25	0.09
Net Working Capital / Total Assets	31.08	14.26	20.07
Liquid Assets / Equity	0.32	0.76	0.33
Current Ratio	153.99	119.72	126.78
Acid Test Ratio	138.11	105.06	113.45
Cash Ratio	0.12	0.26	0.10
Inventories / Current Asset	10.26	12.23	10.47
Inventories / Total Asset	9.09	10.59	9.95
Inventories Dependency Ratio	632.19	681.42	752.45
Short Term Receivables / Total Current Assets	82.73	80.36	86.17
Short Term Receivables / Total Assets	73.34	69.59	81.88
III. CAPITAL and FUNDING			
Equity / Total Assets	22.08	24.78	22.40
Equity / Liabilities	28.33	32.94	28.86
Net Working Capital/Total Resources	31.08	14.26	20.07
Equity generation/prior year's equity	2.83	55.27	0.00
Internal equity generation/prior year's equity	8.17	10.73	14.01
Tangible Assets/Total Asset	11.03	12.98	4.08
Financial Fixed Assets/(Equity + Long Term Liabilities)	0.14	0.28	0.46
Minority Interest/Equity	0.00	0.00	0.00
IV. EFFICIENCY			
Net Profit Margin Growth	-3.01	-31.64	16.62
Net Sales Growth	30.24	27.74	28.48
Equity Growth	11.00	66.01	14.01
Asset Growth	24.57	50.07	21.72
Inventories Turnover	1,115.62	1,116.12	921.68
Days Inventories Utilization	32.72	32.70	39.60
Receivables Turnover	222.13	217.85	214.54
Days' Accounts Receivable	164.32	167.55	170.13
Efficiency Period	197.03	200.25	209.73
Payables Turnover	249.94	260.35	279.57
Days' Payments In Accounts Payables	146.03	140.19	130.56
Cash Turnover Cycle	51.00	60.05	79.17
Current Assets Turnover	172.77	174.34	178.72
Net Working Capital Turnover	642.51	945.69	867.34
Tangible Assets Turnover	1,273.96	1,664.87	3,869.11
Fix Asset Turnover	1,235.38	1,563.11	2,964.56
Equity Turnover	651.08	658.29	730.28
Asset Turnover	151.58	156.85	168.56
Export sales/Total sales	1.54	1.59	1.27
V. ASSET QUALITY			
Non-Performing Receivables / Total Receivables	1.21	1.34	1.50
Non-Performing Asset / Total Assets	20.18	23.64	14.14
Financial Fixed Assets / Non-Current Assets	0.49	0.52	2.10
VI. SENSITIVITY OF FOREIGN CURRENCY			
Total Foreign Currencies Position/Asset	-9.72	-10.91	-1.81
Total Foreign Currencies Position/Equity	-44.04	-44.02	-8.06
VII. INDEBTEDNESS			
Debt Ratio	77.92	75.22	77.60
Short Term Liabilities/Total Asset	57.56	72.33	74.95
Long Term Liabilities/Total Asset	20.36	2.89	2.65
Long Term Liabilities/(Equity+ Long term Liabilities)	47.97	10.44	10.58
Fixed Asset/Liabilities	14.58	17.82	6.41
Fixed Asset/(Long Term Liabilities + Equity)	26.76	48.45	19.86
Short Term Liabilities/ T. Liabilities	73.87	96.16	96.59
Short Term Financial Liabilities/Short Term Liabilities	24.70	37.15	39.03
Tangible Assets/Long Term Liabilities	54.17	449.22	154.02
Financial Liabilities/Total Liabilities	41.84	35.89	38.32
Off Balance Liabilities/(Assets + Off Balance Liabilities)	14.18	12.29	13.33
Off Balance Liabilities/(Equity + Off Balance Liabilities)	42.80	36.11	40.71