

Corporate Governance Rating

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Publication Date: 27/07/2018

Sector: Holding

İHLAS HOLDİNG A.Ş.

Ratings

Overall Score	8.33	AA(Trk)/bbb (Positive)
Shareholders	8.19	AA(Trk)/bbb (Stable)
Public Disclosure & Transparency	8.44	AA(Trk)/bbb (Positive)
Stakeholders	8.20	AA(Trk)/bbb (Stable)
Board of Directors	8.42	AA(Trk)/bbb (Positive)

Company Profile

Trade Name	İHLAS HOLDİNG A.Ş.
Address	Merkez Mah.29 Ekim Cad. İhlas Plaza No:11 B/21 Yenibosna Bahçelievler/ İSTANBUL
Chairman	Mr. A. Mücahid ÖREN
CEO	Mr. A. Mücahid ÖREN
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Financial Data	2017*	2016*	2015*	2014*	2013*
Total Assets (000 USD)	717,877	706,233	965,034	1,147,900	1,266,554
Total Assets (000 TRY)	2,707,762	2,485,376	2,805,934	2,661,866	2,703,205
Equity (000 TRY)	828,322	788,461	740,743	791,362	821,391
Net Profit (000 TRY)	42,746	63,088	-83,539	-88,381	-229,839
Sales (000 TRY)	709,444	1,080,542	408,910	841,497	1,015,540
Net Profit Margin (%)	6.03	5.84	-20.43	-10.50	-22.63
ROAA (%)	1.12	3.32	-3.31	-2.95	-7.36
ROAE (%)	3.59	11.47	-11.81	-9.81	-20.21
Equity / Total Assets (%)	30.59	31.72	26.40	29.73	30.39
N. Working C. / T. Assets (%)	22.05	23.64	30.15	38.67	23.71
Debt Ratio (%)	69.41	68.28	73.60	70.27	69.61
Asset Growth Rate (%)	8.95	-11.42	5.41	-1.53	8.44

*The End of Year

Company Overview

İHLAS HOLDİNG A.Ş. (Holding or Company) with its roots dating back to the Türkiye Newspaper established in 1970, acquired its holding status in 1993. The shares of the Company began trading on BİST (Borsa İstanbul) through an IPO in 1994. As a managing company of a conglomerate of 32 companies (5 of them publicly traded including the Holding itself) operating in many distinct fields, the Holding maintains also the activities in the fields of education, health and construction within its own structure.

Of the paid-in capital of the Company in a nominal value of TL790 milyon, shares representing 86,37% are publicly traded. The largest qualifying shareholders of İhlas Holding are Mr. A. Mücahid ÖREN and Ms. Ayşe Dilvin ÖREN, who currently owns the Group's privileged shares. Investor Relations Department conducts and coordinates corporate governance activities by its staff of 1 manager and 3 specialists. The general meetings have been organized by this department in compliance with the principles.

4 members of the 11-member Board bear the attributes of independence. 4 members execute managerial functions while the other 7 are non-executives. Audit, Corporate Governance and Risk Committees composed of independent members exist within the Board.

Strengths

- Contemporary human resources implementations
- Notable progress in the field of sustainability
- Considerable investments to digitizing the management process
- Strong staff commitment preserved

Constraints

- Absence of female member in the Board and top management
- The privilege on the B group shares to determine majority of board members
- No liability insurance for board members and top managers