

## ***Cedar Rose International Services Ltd***

Company Size: MEDIUM  
Business Trend: GROWING  
Payments: NO COMPLAINTS  
CR Credit Rating: "C" High risk  
Maximum Credit: USD 150,000  
Credit Requested: -

### **TURKISH SAMPLE REPORT**

Our Opinion: We recommend that international suppliers use precautionary measures when dealing with the subject.

## **STATUS REPORT**

**SUBJECT: SAMPLE TURKISH COMPANY A.S.**

Trading As: OTTOMAN SPORT TURKEY;  
SAMPLE TURKISH GUNGOR MAGAZACIKIK VE DIS. TIC. A.C.

Formerly: OTTOMAN EMPIRE TEKNİK LTD. STI.;  
SAMPLE TURKISH OTTOMAN EMPIRE TEKNİK LTD. STI.

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## **ADDRESS**

Location:

Street: XXX Yukari Dudullu Tavukcuyolu Cad.  
Area: Umraniye  
Town: Istanbul 34775  
Country: Turkey  
Telephone: (+90) (216) 499 XXXX  
Fax: (+90) (216) 499 XXXX  
EMail: info@intersport.com.tr

Branch Addresses:

Street: Zeytinoglu Cad. Mustafa Kemal Kultur Merkezi No:1XB-X  
Area: Akatlar  
Town: Istanbul  
Country: Turkey

Street: Capitol Alisveris Merkezi Uskudar  
Town: Istanbul  
Country: Turkey

## *Cedar Rose International Services Ltd*

Street: Kanyon Alisveris Merkezi Levent  
Town: Istanbul  
Country: Turkey

Street: M1 Meydan Alisveris Merkezi  
Area: Umraniye  
Town: Istanbul  
Country: Turkey

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### MANAGEMENT

**Name:** Mr. Kanuni Sultan Suleyman  
**Position:** Chairman  
**Gender:** Male  
**Nationality:** Turkish  
**Address:** Turkey  
**Languages:** Turkish, English

**Name:** Mr. Mustafa Kemal Ataturk  
**Position:** Deputy Chairman  
**Gender:** Male  
**Nationality:** Turkish  
**Address:** Turkey  
**Languages:** Turkish, English

**Name:** Mr. İsmail Enver Paşa  
**Position:** Director  
**Gender:** Male  
**Nationality:** Turkish  
**Address:** Turkey  
**Languages:** Turkish, English

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### PROFILE

**Legal Form:** Joint Stock Company

## ***Cedar Rose International Services Ltd***

**Year Started:** 19YY

**Date Registered:** 28/02/19YY

(Commercial Registry Gazette Date/No: 16/03/19YY/969)

**Commercial Register No.:** 20YY72 Istanbul Chamber of Commerce

Type: Main

Status: Active

**Other No.:** 7810312800 Sarigazi Tax Office

Type: Main

Status: Active

### **History:**

18/12/20YY Registered Capital was increased from TRY 2,600,000 to current.

(Commercial Registry Gazette Date/ No: 26/12/20YY/ 6964)

18/04/20YY Registered Capital was increased from TRY 1,560,000 to TRY 2,600,000.

(Commercial Registry Gazette Date/ No: 18/05/20YY/ 6811)

02/01/20YY Legal form changed from Limited Liability Company to Joint Stock Company.

(Commercial Registry Gazette Date/ No: 07/01/20YY/ 5712)

02/01/20YY Name changed from "SAMPLE TURKISH Ottoman EmpireTeknik Sanayi ve Ticaret  
Ltd. Sti." to current header.

03/08/1995 Name changed from "Ottoman EmpireTeknik Ltd. Sti." to

"SAMPLE TURKISH Ottoman EmpireTeknik Ltd. Sti.".

(Commercial Registry Gazette Date/ No: 09/08/1995/ 3846)

28/02/19YY The Subject was originally established as a Private Limited Company under the name of  
"Ottoman Empire Teknik Ltd.Sti."

All figures are in local currency unless stated. TRY (Turkish Lira / Turk Lirasi)

### **Capital:**

Capital Authorised: 2,860,000

## *Cedar Rose International Services Ltd*

### SHAREHOLDERS

Shareholder		%
<b>Name:</b>	<b>Mr. Mustafa Kemal Atatürk</b>	
		65.060
Relationship:	Owner/Shareholder	
Gender:	Male	
Nationality:	Turkish	
Address:	Turkey	
Languages:	Turkish, English	
<b>Name:</b>	<b>Mr. Kanuni Sultan Suleyman</b>	
		11.060
Relationship:	Owner/Shareholder	
Gender:	Male	
Nationality:	Turkish	
Address:	Turkey	
Languages:	Turkish, English	
<b>Name:</b>	<b>Ms. İsmail Enver Paşa</b>	
		10.800
Relationship:	Owner/Shareholder	
Gender:	Female	
Nationality:	Turkish	
Address:	Turkey	
Languages:	Turkish, English	
<b>Name:</b>	<b>Mr. Abd-ul-Mejid</b>	
		13.080
Relationship:	Owner/Shareholder	
Gender:	Male	
Nationality:	Turkish	
Address:	Turkey	
Languages:	Turkish, English	
<b>Totals</b>		100.000

## ***Cedar Rose International Services Ltd***

### **AFFILIATE(S)**

#### **SAMPLE DREAM. A.S.**

Country: Turkey

#### **HOTTURK B.V. (ICELAND)**

Country: Iceland

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### **OPERATION**

#### **Activities**

Importer, re-exporter and trader of sports materials, equipment, accessories and related supplies including ski and tennis products, sport shoes, sunglasses, surfing and outdoor products.

Operates ten commercial units: five outlets in Istanbul; two outlets in Ankara and one outlet each in Bursa, Eskisehir and Kayseri.

UKSIC Code: 51.47/9

UKSIC Name: Sports goods (wholesale)

**Imports From:** China; Germany; Italy; Netherlands; Slovenia; United States of America; United Kingdom; Switzerland

#### **Agents For:**

INTERSPORT, (Cedar Ref: 01197XX)

TOKO, Switzerland (Cedar Ref: 01197XX)

#### **Brands Sold:**

Adidas, Arena, Asics, Columbia, Converse, Crocs, Daysee, Elan, Energetics, Etirel, Head, McKinley, Nakamura, Nike, Nordica, O'Neill, Online, Puma, Rucanor, Salomon, Scott, Speedo, Spyder, Tecno Pro, Voit, Wilson.

**Exports To:** Iran, Islamic Republic of; Cyprus, Northern (Occupied); Pakistan

#### **Methods of Payment:**

Domestic Sales: Cash / 90 Days

Domestic Purchases: Cash / 90-120 Days

Import: Cash / Letter Of Credit

## ***Cedar Rose International Services Ltd***

### **No. of Employees**

20YY 110	
20YY	Not Provided
20YY 94	
20YY	Not Provided
20YY 2,006	

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### **FINANCIAL INFORMATION**

Annual Sales	20YY	33,311,293	
	20YY	24,152,109	
	20YY	19,706,066	
	20YY	11,983,340	
	20YY	7,037,122	
	20YY	5,890,165	
Annual Profit	20YY	-1,642,704	(Loss)
	20YY	215,996	
	20YY	1,634,757	
	20YY	250,964	
	20YY	-1,027,472	(Loss)
	20YY	-,193,464	(Loss)
Export Value	20YY	Not Provided	
	20YY	11,189	
	20YY	No export activity during 20YY	
	20YY	10,960	
	20YY	32,491	
	20YY	47285	
Total Assets	20YY	25,949,011	
	20YY	21,720,065	
	20YY	17,666,867	
	20YY	13,400,641	
	20YY	9,587,442	
	20YY		Nor Provided
Owners Equity	20YY	6,009,966	
	20YY	7,652,670	
	20YY	7,436,674	
	20YY	5,801,917	

***Cedar Rose International Services Ltd***

20YY

1,750,542

20YY

Not Provided

Financial Year Ends: 31/12

**FINANCIAL STATEMENT****KEY FINANCIAL ELEMENTS**

	(20YY) TRY	(20YY) TRY	(20YY) TRY	(20YY) TRY	(20YY) TRY
Net Sales	7.037.122	11.983.340	19.706.066	24.152.109	33.311.293
Profit (Loss) Before Tax	-1.027.472	250.964	1.751.539	280.487	-1.642.704
Stockholders' Equity	1.750.542	5.801.917	7.436.674	7.652.670	6.009.966
Total Assets	9.587.442	13.400.641	17.666.867	21.720.065	25.949.011
Current Assets	8.494.359	12.036.965	16.283.364	18.292.002	19.708.325
Non-Current Assets	1.093.083	1.363.676	1.383.503	3.428.063	6.240.686
Current Liabilities	7.836.900	7.598.724	10.230.193	14.067.395	19.939.045
Long-Term Liabilities	0	0	0	0	0
Gross Profit (loss)	3.636.768	6.507.060	11.168.383	13.461.230	15.753.327
Operating Profit (loss)	-638.599	915.013	2.902.703	2.042.496	387.873
Net Profit (loss)	-1.027.472	250.964	1.634.757	215.996	-1.642.704

<b>BALANCE SHEETS</b>										
	(31/12/20Y Y) TRY		(31/12/20Y Y) TRY		(31/12/20Y Y) TRY		(31/12/20Y Y) TRY		(31/12/20Y Y) TRY	
<b>CURRENT ASSETS</b>	8.494.359	0,89	12.036.965	0,90	16.283.364	0,92	18.292.002	0,84	19.708.325	0,76
Not Detailed Current Assets	0	0,00	0	0,00	0	0,00	0	0,00	0	0,00
Cash and Banks	1.271.401	0,13	1.129.506	0,08	2.460.757	0,14	2.260.171	0,10	-2.599.291	- 0,10
Marketable Securities	91.407	0,01	5	0,00	5	0,00	5	0,00	868	0,00
Account Receivable	799.623	0,08	1.963.127	0,15	2.756.573	0,16	2.714.553	0,12	2.630.818	0,10
Other Receivable	1.905	0,00	3	0,00	3	0,00	3	0,00	3	0,00
Inventories	5.627.283	0,59	7.752.628	0,58	9.199.629	0,52	10.332.224	0,48	14.747.408	0,57
Advances Given	312.614	0,03	679.732	0,05	1.726.241	0,10	2.764.860	0,13	3.990.094	0,15
Accumulated	0	0,00	0	0,00	0	0,00	0	0,00	0	0,00

## *Cedar Rose International Services Ltd*

Construction Expense										
Other Current Assets	390.126	0,04	511.964	0,04	140.156	0,01	220.186	0,01	938.425	0,04
NON-CURRENT ASSETS	1.093.083	0,11	1.363.676	0,10	1.383.503	0,08	3.428.063	0,16	6.240.686	0,24
Not Detailed Non-Current Assets	0	0,00	0	0,00	0	0,00	0	0,00	0	0,00
Long-term Receivable	0	0,00	0	0,00	0	0,00	0	0,00	0	0,00
Financial Assets	0	0,00	0	0,00	0	0,00	0	0,00	0	0,00
Tangible Fixed Assets (net)	678.563	0,07	533.157	0,04	453.206	0,03	474.743	0,02	373.365	0,01
Intangible Assets	390.710	0,04	781.887	0,06	875.680	0,05	2.914.294	0,13	5.512.039	0,21
Deferred Tax Assets	0	0,00	0	0,00	0	0,00	0	0,00	0	0,00
Other Non-Current Assets	23.810	0,00	48.632	0,00	54.617	0,00	39.026	0,00	355.282	0,01
TOTAL ASSETS	9.587.442	1,00	13.400.641	1,00	17.666.867	1,00	21.720.065	1,00	25.949.011	1,00
CURRENT LIABILITIES	7.836.900	0,82	7.598.724	0,57	10.230.193	0,58	14.067.395	0,65	19.939.045	0,77
Not Detailed Current Liabilities	0	0,00	0	0,00	0	0,00	0	0,00	0	0,00
Financial Loans	1.802.809	0,19	2.985.466	0,22	3.940.583	0,22	6.610.217	0,30	10.417.145	0,40
Accounts Payable	4.875.051	0,51	2.560.333	0,19	2.995.974	0,17	3.333.414	0,15	4.494.062	0,17
Loans from Shareholders	0	0,00	272.580	0,02	1.136.802	0,06	1.475.580	0,07	2.532.994	0,10
Other Short-term Payable	58.411	0,01	42.219	0,00	51.433	0,00	111.601	0,01	60.640	0,00
Advances from Customers	977.010	0,10	1.527.302	0,11	1.780.024	0,10	2.275.578	0,10	1.962.182	0,08
Accumulated Construction Income	0	0,00	0	0,00	0	0,00	0	0,00	0	0,00
Taxes Payable	96.884	0,01	184.090	0,01	299.297	0,02	233.614	0,01	445.288	0,02
Provisions	26.735	0,00	26.734	0,00	26.080	0,00	27.391	0,00	26.734	0,00
Other Current Liabilities	0	0,00	0	0,00	0	0,00	0	0,00	0	0,00
LONG-TERM LIABILITIES	0	0,00	0	0,00	0	0,00	0	0,00	0	0,00
Not Detailed Long-term Liabilities	0	0,00	0	0,00	0	0,00	0	0,00	0	0,00
Financial Loans	0	0,00	0	0,00	0	0,00	0	0,00	0	0,00
Securities Issued	0	0,00	0	0,00	0	0,00	0	0,00	0	0,00
Long-term Payable	0	0,00	0	0,00	0	0,00	0	0,00	0	0,00
Loans from Shareholders	0	0,00	0	0,00	0	0,00	0	0,00	0	0,00
Other Long-term Liabilities	0	0,00	0	0,00	0	0,00	0	0,00	0	0,00
Provisions	0	0,00	0	0,00	0	0,00	0	0,00	0	0,00
STOCKHOLDERS' EQUITY	1.750.542	0,18	5.801.917	0,43	7.436.674	0,42	7.652.670	0,35	6.009.966	0,23
Not Detailed Stockholders' Equity	0	0,00	0	0,00	0	0,00	0	0,00	0	0,00



***Cedar Rose International Services Ltd***

Paid-in Capital	1.560.000	0,16	2.860.000	0,21	2.860.000	0,16	2.860.000	0,13	2.860.000	0,11
Cross Shareholding Adjustment of Capital	0	0,00	0	0,00	0	0,00	0	0,00	0	0,00
Inflation Adjustment of Capital	775.914	0,08	775.914	0,06	775.914	0,04	775.914	0,04	775.914	0,03
Equity of Consolidated Firms	0	0,00	0	0,00	0	0,00	0	0,00	0	0,00
Reserves	23.660	0,00	580	0,00	251.544	0,01	1.886.301	0,09	2.102.297	0,08
Revaluation Fund	1.555.025	0,16	4.078.516	0,30	4.078.516	0,23	4.078.516	0,19	4.078.516	0,16
Accumulated Losses(-)	-1.136.585	- 0,12	-2.164.057	- 0,16	-2.164.057	- 0,12	-2.164.057	- 0,10	-2.164.057	- 0,08
Net Profit (loss)	-1.027.472	- 0,11	250.964	0,02	1.634.757	0,09	215.996	0,01	-1.642.704	- 0,06
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>9.587.442</b>	<b>1,00</b>	<b>13.400.641</b>	<b>1,00</b>	<b>17.666.867</b>	<b>1,00</b>	<b>21.720.065</b>	<b>1,00</b>	<b>25.949.011</b>	<b>1,00</b>

<b>INCOME STATEMENTS</b>										
	(20YY) TRY		(20YY) TRY		(20YY) TRY		(20YY) TRY		(20YY) TRY	
Net Sales	7.037.122	1,00	11.983.340	1,00	19.706.066	1,00	24.152.109	1,00	33.311.293	1,00
Cost of Goods Sold	3.400.354	0,48	5.476.280	0,46	8.537.683	0,43	10.690.879	0,44	17.557.966	0,53
Gross Profit	3.636.768	0,52	6.507.060	0,54	11.168.383	0,57	13.461.230	0,56	15.753.327	0,47
Operating Expenses	4.275.367	0,61	5.592.047	0,47	8.265.680	0,42	11.418.734	0,47	15.365.454	0,46
Operating Profit	-638.599	-0,09	915.013	0,08	2.902.703	0,15	2.042.496	0,08	387.873	0,01
Other Income	380.454	0,05	281.257	0,02	755.828	0,04	332.842	0,01	431.104	0,01
Other Expenses	546.390	0,08	428.475	0,04	798.368	0,04	775.560	0,03	974.582	0,03
Financial Expenses	222.937	0,03	516.831	0,04	1.108.624	0,06	1.319.291	0,05	1.487.099	0,04
Minority Interests	0	0,00	0	0,00	0	0,00	0	0,00	0	0,00
Profit (loss) of consolidated firms	0	0,00	0	0,00	0	0,00	0	0,00	0	0,00
Profit (loss) Before Tax	- 1.027.472	-0,15	250.964	0,02	1.751.539	0,09	280.487	0,01	-1.642.704	- 0,05
Tax Payable	0	0,00	0	0,00	116.782	0,01	64.491	0,00	0	0,00
Postponed Tax Gain	0	0,00	0	0,00	0	0,00	0	0,00	0	0,00
Net Profit (loss)	- 1.027.472	-0,15	250.964	0,02	1.634.757	0,08	215.996	0,01	-1.642.704	- 0,05

<b>FINANCIAL RATIOS</b>					
	(20YY)	(20YY)	(20YY)	(20YY)	(20YY)
<b>LIQUIDITY RATIOS</b>					
Current Ratio	1,08	1,58	1,59	1,30	0,99
Acid-Test Ratio	0,28	0,41	0,51	0,35	0,00
Cash Ratio	0,17	0,15	0,24	0,16	-0,13
<b>ASSET STRUCTURE RATIOS</b>					

***Cedar Rose International Services Ltd***

Inventory/Total Assets	0,59	0,58	0,52	0,48	0,57
Short-term Receivable/Total Assets	0,08	0,15	0,16	0,12	0,10
Tangible Assets/Total Assets	0,07	0,04	0,03	0,02	0,01
<b>TURNOVER RATIOS</b>					
Inventory Turnover	0,60	0,71	0,93	1,03	1,19
Stockholders' Equity Turnover	4,02	2,07	2,65	3,16	5,54
Asset Turnover	0,73	0,89	1,12	1,11	1,28
<b>FINANCIAL STRUCTURE</b>					
Stockholders' Equity/Total Assets	0,18	0,43	0,42	0,35	0,23
Current Liabilities/Total Assets	0,82	0,57	0,58	0,65	0,77
Financial Leverage	0,82	0,57	0,58	0,65	0,77
Gearing Percentage	4,48	1,31	1,38	1,84	3,32
<b>PROFITABILITY RATIOS</b>					
Net Profit/Stockholders' Eq.	-0,59	0,04	0,22	0,03	-0,27
Operating Profit Margin	-0,09	0,08	0,15	0,08	0,01
Net Profit Margin	-0,15	0,02	0,08	0,01	-0,05
Interest Cover	-3,61	1,49	2,58	1,21	-0,10
<b>COLLECTION-PAYMENT</b>					
Average Collection Period (days)	40,91	58,98	50,36	40,46	28,43
Average Payable Period (days)	516,13	168,31	126,33	112,25	92,14
<b>WORKING CAPITAL</b>	657459,00	4438241,00	6053171,00	4224607,00	-230720,00

**PREMISES**

<b>Ownership</b>	<b>Type</b>	<b>Number</b>	<b>Size</b>
	Commercial Outlet	9	Unknown
Rented	Head Office/Commercial Unit	1	Unknown

The Subject operates from a rented head office/commercial outlet located at the header address and a further nine commercial units: four rented outlets in Istanbul; two outlets in Ankara and one outlet each in Bursa, Eskisehir and Kayseri.

## *Cedar Rose International Services Ltd*

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### **REFERENCES**

#### **Bank(s)**

##### **TURK BANK**

Branch: Imes Ticari Branch  
Town: Istanbul  
Country: Turkey  
EMail: : info@TURK BANK.com

##### **ISRAMIC BANK**

Branch: Imes branch  
Town: Istanbul  
Country: Turkey  
Telephone: (+90) (216) 527 4424  
Fax: (+90) (216) 527 4547

##### **PASA BANK**

Branch: Imes Branch  
Town: Istanbul  
Country: Turkey

##### **VEREDI BANKASI**

Branch: Ataturk Cad. Branch  
Town: Istanbul  
Country: Turkey

#### **Trade Supplier(s)**

##### **DINAMIQUE**

Country: France

##### **SIJ (NEILLO)**

Country: Netherlands

##### **NELA**

Country: Slovenia

##### **NEKI A.S.**

Town: Istanbul  
Country: Turkey

## *Cedar Rose International Services Ltd*

SADIDA SPOR ZMAL.SAT.VEZAP.A.S

Town: Istanbul

Country: Turkey

LANA TC (ONVERSEK)

Town: Istanbul

Country: Turkey

LAAN IANSAT ITUZM TEKSTIL TIC.A.S.

Town: Istanbul

Country: Turkey

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### COMMENT

The Subject is a **MEDIUM**-sized joint stock company originally formed as a private limited company in 19YY by a group of local and international investors (whose shares were subsequently bought by family members of the existing local shareholders). The Subject subsequently changed its legal form to limited liability before changing to the current form in 20YY and has undergone several name changes since its inception.

The Subject is engaged in the import, re-export and trade of SAMPLE TURKISH materials and equipment, operating from 10 commercial outlets located in Istanbul, Ankara, Bursa, Squishier and Kayseri.

According to the Subject's most recent available financial statement, as at 31/12/20YY, Capitalization was insufficient and Liquidity was low. A part of the Subject's current liabilities consist of short-term loans from shareholders rather than liabilities to third parties. The favourable gap between the average collection and average payable period had a positive effect on Liquidity in 20YY.

Company Size: MEDIUM

Business Trend: GROWING

Payments: NO COMPLAINTS

CR Credit Rating: "C" High risk

Maximum Credit: USD 150,000

Credit Requested: -

Our Opinion: We recommend that international suppliers use precautionary measures when dealing with the subject.

### Turkey (Republic of Turkey) Country Risk Analysis

Sized 785,347 Km2, Turkey is home to 72.56 million individuals (20YY) evenly divided between genders. The country

## *Cedar Rose International Services Ltd*

enjoys good and advanced infrastructure. For example, the country has 4,540 primary health centers and 1,350 hospitals (including 1,171 general hospitals) providing 188,065 beds. However, unemployment remains high; above 10% for the past three years registering 10.3% in 20YY, 11% in 20YY and 14% in 20YY. Turkey has had decades of high double digit inflation to the point that each US Dollar was worth more than a million Turkish Lira. In beginning 20YY, Turkey launched its new currency named New Turkish Lira (TRY) by dropping six zeros from the original notes. Since then, inflation has been fluctuating, but its levels are much lower than previous decades, i.e. inflation was 6.3% (20YY), 12.7% (20YY), and 1.2% (20YY). Turkey joined the World Trade Organization on 26 March 1995. Turkey has also signed a Customs Union with the EU (effected in year end 1995), and free trade agreements with European Free Trade Association (EFTA), Egypt, Israel, Croatia, Bosnia-Herzegovina, Tunisia, Morocco, the Palestinian Authority, Syria, Egypt, Georgia and Albania. Turkey has been attempting to join the European Union but several issues remain pending which are preventing such accession from moving forward including the situation in Cyprus.

In 20YY, Turkey was the 17th largest economy in the world in terms of Gross Domestic Product (USD 617.01 billion), bypassing Saudi Arabia, Switzerland, and Sweden. Following strong growth rates in 20YY (8.4%), 20YY (6.9%) and 20YY (4.7%), real GDP growth plummeted to 0.7% in 20YY and contracted by 4.7% in 20YY. While this can be due to the effects of the global economic crisis, it is noteworthy that the regulatory framework and policies introduced or amended since the start of the century protected the Turkish economy from the continued effects of the global crisis and prevented its slide into recession. Despite such contraction, decline in trading and limited decrease in production, the overall economic conditions remained strong. In 20YY, the economy was reported to rebound quickly from the declines witnessed in 20YY and 20YY.

The agriculture sector is diverse and in 20YY Turkey produced 52.45 million tons of crops (wheat, maize, rice, barley, etc.), 24.71 million tons of vegetables (onion, tomatoes, cucumber, eggplant, water melon, etc.), 13.16 million tons of fruits (grapes, apples, oranges, olive, etc.), 1.1 million tons of green tea leaves, 198,046 tons of dry tea (75,826 hectares of areas under tea plantation), 3.94 million m2 of wood products (including fiber-chip wood, pulpwood, industrial wood, and others). Agricultural produce also included 482,458 tons of meat (cattle, buffalo, sheep, goats, camel, pig, etc.), 12.24 million tons of milk production, hides, poultry and eggs, honey (4.88 million hives producing 81,364 tons of honey and 4,539 tons of wax production), 125 tons of silk cocoon, and a wide selection of fish and aquaculture production.

The industrial sector is also diverse with many product categories. Besides agro-industries, Turkey is a producer of (1) textiles, fabrics, and 108.14 million m3 of carpets, (2) soft drinks, wine, beers, and to lesser extent Raki, Brandi, Liqueur, Vodka, and gin, (3) cigarettes - 132.9 billion cigarettes in 20YY alone, (4) hygiene products i.e. diapers, hygienic paper, soap, detergents, etc., (5) packaging materials and paper including writing, wrapping, packaging, paperboard, and corrugated paperboard, (6) fertilizers, paints and polymers, (7) tubes, pipes and hoses, plastics, including bottles, (8) ceramic, bricks, lime, plasters, RMC concrete, (9) stainless steel, iron, Aluminum products, and copper products i.e. bars, rods, and wires, (10) silverware, (11) radiators for central heating, fans, generators, fuses and electric conductors, (12) industrial chemicals, motor vehicle, tyres, (13) durable consumer goods, such as TVs refrigerators, etc. Turkey produces mineral products including Hard coal, Lignite, Crude petroleum, Natural gas, Iron, Copper, Chrome, and Chromium.

Turkey is a major tourist destination. The number of tourists has increased from 21 million in 20YY to 27 million in 20YY, 35% of which came from Germany, Russia, and the UK. The country also received around 10 million Turks living abroad in 20YY. Tourist receipts on the other hand declined slightly in 20YY (year-on-year) registering USD 21.24 billion, of which USD 15.85 billion came from foreigners (a slight decline of 5.6% over its peak in 20YY) while visiting Turks living abroad brought USD 5.39 billion (a 4.9% increase).

The balance of trade has been recording deficits since 20YY. In 20YY, the deficit came to its narrowest figure due to major fallout in imports that came larger than exports fallout.

In 20YY, Turkey exported USD 102,129 million of goods, a decline of 22.6% year-on-year; the first decline in 5 years. Exports products included Machinery and transport equipment (28.20% of total exports), followed by Manufactured goods (28.00%), Miscellaneous manufactured articles (17.21%), Food and live animals (8.94%), Chemicals and related products (5.18%), Other Commodities (4.81%), Mineral fuels, lubricants and related materials (3.82%), Inedible crude materials, except fuels (2.50%), Beverages and tobacco (0.91%), Animal and vegetable oils, fats and waxes (0.42%). The EU is the largest export trading partner and accounts for 46% of total exports, followed majorly by Near and Middle Eastern countries (18.78%), Other European countries non-EU (11.12%), African other than North Africa (7.29%). Broken down by country, the top 10 export destinations account for 48% of total exports and include Germany (9.6%), France (6.1%), United Kingdom (5.8%), Italy (5.8%), Iraq (5.0%), Switzerland (3.8%), USA (3.2%), Russia (3.1%), UAE (2.8%), Spain (2.8%).

In 20YY, Turkey imported USD 140,926 million of goods, a decline of 30.2% year-on-year; the first decline in 5 years.

## ***Cedar Rose International Services Ltd***

Imports comprised of Machinery and transport equipment (29.14%), Mineral fuels, lubricants and related materials (21.21%), Manufactured goods (16.45%), Chemicals and related products (14.38%), Inedible crude materials, except fuels (7.05%), miscellaneous manufactured articles (6.62%), Food and live animals (2.55%), Other Commodities (1.46%), Animal and vegetable oils, fats and waxes (0.80%), Beverages and tobacco (0.34%). The EU is the country's largest imports trading partner accounting for 40.16% in 20YY, followed by Asian countries other than Near and Middle East (20.48%), European non-EU members (18.56%), and near and middle eastern (6.81%). Broken down by country, the top 10 imports sources account for 59.4% and include Russia (14.0%), Germany ( 10.0%), China ( 9.0%), USA (6.1%), Italy (5.4%), France ( 5.0), Spain (2.7%), United Kingdom (2.5%), Iran (2.4%), Ukraine (2.2%).

While Turkey's overall security situation is good, Turkey faces major security and political challenges. Its geopolitical importance stems from the facts that Turkey holds an important strategic US base, is a major transit country for Caspian oil through the Baku-Tbilisi-Ceyhan pipeline, and has had good political relationships with different parties of the Arab-Israeli conflict, as well as the US and European countries. Turkey faces an internal conflict caused by a separatist group whose presence stretches into Northern Iraq. Turkish troops have on several occasions made several incursions into Northern Iraq. Such incursions date back to the 1990's with the latest in May 20YY. Turkey is also the only country that acknowledges the legitimacy of the Northern Cyprus government, providing it also with financial support.

**As of 01 January 20YY, the prefix 'New' used in the 'TRY / Yeni Turk Lirasi - New Turkish Lira' is removed. The name of the Turkish currency unit is to be 'TRY' (Turkish Lira / Turk Lirasi).**

### **NOTES ON PAYMENT REGISTRIES:**

**The protested bill and non-paid cheque registries of companies which have eventually paid their debts have been deleted by Central Bank of Turkey following a decision of Turkish Government taken in January 20YY. This decision has been taken as a caution to global financial crisis in order to enable those companies to be able to obtain new credits.**

### **OCTOBER 20YY-20YY GLOBAL ECONOMIC CRISIS:**

Please note that in the current global economic climate, any credit extended carries a greater than usual risk. This status report is based on normal trading conditions, but it should be noted that all countries without exception are likely to be affected by the economic crisis to a degree depending upon their exposure to the world's financial markets.

Regardless of current and past economic, political, and security situations in the Middle East and North African countries (MENA); there is an overall rise in the country risk for each of these countries. This rise is caused by factors outside the control of their respective countries. The ongoing war on terror, the aftermath of the war on Iraq, the disputes with Iran, the 20YY demonstrations across the region, the tensions regarding Libya and other factors are increasing the likelihood of political and security instability, and the likelihood of military actions or economic sanctions. In view of these events, and in our opinion, exporters to the MENA region should exercise an appropriate degree of caution.

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### **GENERAL GUIDE TO CEDAR ROSE CREDIT RATING**

Company Size	Sales Turnover	Employees	Credit Opinion
SMALL	Up to USD 2 million	Up to 50	Up to USD 75,000

Our Reference: 0000XXX

Client Id:XXXXX-

Client Ref.:XXXX-

Date: DD/MM/20YY

## ***Cedar Rose International Services Ltd***

MEDIUM	Up to USD 5 million	Up to 200	Up to USD 300,000
LARGE	Over USD 5 million	Over 200	Over USD 300,000

Business Trend: GROWING/STEADY/DECLINING

Payments: PROMPT / NO COMPLAINTS / COMPLAINTS REPORTED

CEDAR ROSE Credit Rating "A" Low risk

"B" Medium risk

"C" High risk

"D" No credit recommended