

# Altınbaş

GLOBAL PARTNERING OPPORTUNITIES



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## President's Message

*The foundations of Altınbaş Holding were laid by our late father Mehmet Altınbaş in the 1950s. Since then, we have continuously developed Altınbaş Holding with our new investments and turned it into one of Turkey's leading forces.*

*With our experience of 60 years and our international investments, we carry on with contributing to the economy of our country every year. Our investments in such countries as the Turkish Republic of Northern Cyprus, Germany, Bulgaria, Albania, Republic of Macedonia, USA and Ukraine create employment opportunities there.*

*From the first day onwards, we have never lost our faith in entrepreneurship as well as our innovative and creative outlook. Our Altınbaş Jewelry Group, the flagship of Altınbaş Holding, is the most striking evidence of this vision.*

*As of today, we observe that Turkey has become one of the most important centers of the Global Jewelry Industry, and feel proud since Altınbaş brand has had a vital stake in this outcome.*

*For the first time in Turkey, we carried out the production of branded jewelry. We introduced diamond jewelry to the Turkish consumer, and opened the period of branded jewelry retailing by bringing to life the notion of "concept stores" in Turkey.*

*Making sure that our customers leave our stores entirely satisfied has always been our top priority. As an outcome of this perspective, Altınbaş has been hailed as "the most trustworthy brand in jewelry" year after year in the surveys conducted by independent research companies in Turkey.*

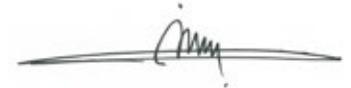
*We maintain our leadership position in the sector by emphasizing designs that have a story, reflect a theme, and blend traditional values with modern styles.*

*Our strength comes from growing constantly and without losing speed, and we always focus on efficiency. We are the only Turkish jewelry brand to become a member of the World Jewelry Confederation, and we rank among the top players of the global jewelry industry.*

*Moreover, our successful activities will go on with the improved levels we attain in production as well as in the areas of design, branding, marketing, service, after-sales support and distribution. Of course, in all our activities, our franchise business partners have always been and will continue to be the cornerstone of our success.*

*Yours sincerely*

**İmam ALTINBAŞ**



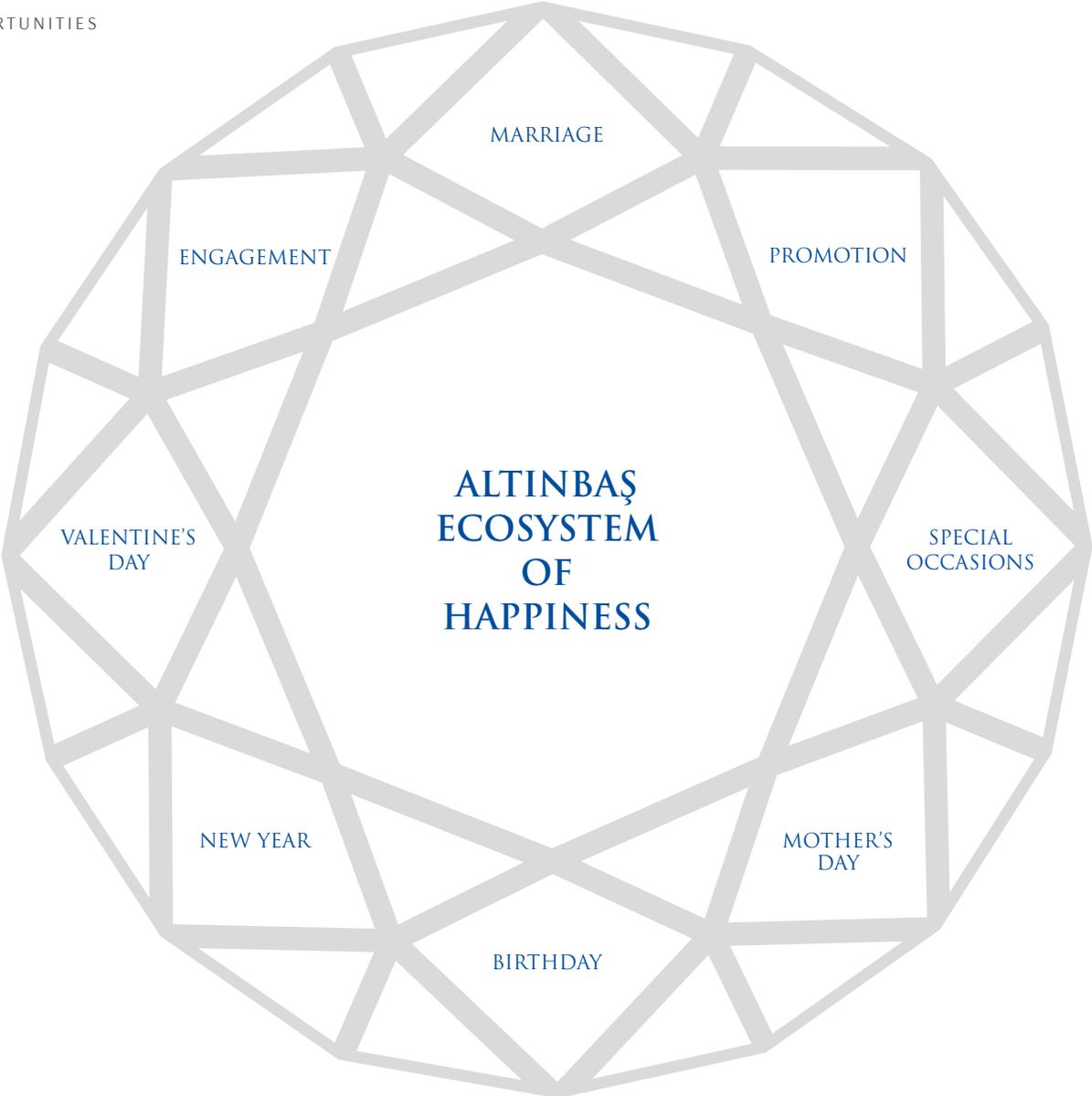


## Our Vision

Our vision is to become a global jewelry brand, a brand chosen by contemporary women of all ages around the world.

## Our Mission

Our mission is to offer women around the world a universe of high quality, genuinely crafted and modern jewelry blended with tradition and heritage; at affordable prices. We consider jewelry as a key to happiness and to celebrate the life.



## The World of Altınbaş

Altınbaş considers jewelry as a key to happiness and celebrating the life. The occasions of cheering-up the life as well as increasing and spreading happiness lie at the center of “Altınbaş Ecosystem of Happiness” where we collaborate with our stakeholders who are our artisans, manufacturers, retail partners, consumers and human resources at all levels. With our stakeholders, we always strive to offer the best service to our customers.

1950

The foundations of ALTINBAŞ Jewelry had been laid as the ALTINBAŞ Family started to engage in the wholesale jewelry business in the city of Gaziantep during the 1950s.

1985

The Family's wholesale 14-carat gold business started at Çuhacı Han, Istanbul, in 1985.

1996

In 1996, ALTINBAŞ became the first company in Turkey's jewelry business to advertise on national media.

1998

In 1998, the first ALTINBAŞ retail store was opened in Sultanahmet, Istanbul.

2004

In 2004, ALTINBAŞ founded Turkey's first and largest gold factory in Beylikdüzü, Istanbul.

1975

"ALTINBAŞ Jewelry", making retail sales, was established as a shop by Mehmet ALTINBAŞ and his sons in 1975 in Gaziantep.

1994

In 1994, ALTINBAŞ set up Turkey's first large-scale wholesale center in Istanbul, and marketing teams were established.

1997

In 1997, ALTINBAŞ became the first company to establish a franchise system in jewelry retailing in Turkey.

2000

In 2000, ALTINBAŞ Jewelry added ALTINBAŞ Diamond Jewelry to its extensive product range.

## 2008

In 2008, ALTINBAŞ was inducted into the Turquality Brand support program.

In the same year, ALTINBAŞ received the “Consumer Friendly” brand award given by the Consumer’s Voice Magazine.

ALTINBAŞ was found to be the leader in its business category according to the results of the first Best Brands survey conducted by the Turkey branch of the international research company GFK.

In Sibermetrik Research Company’s independent survey of the industry, ALTINBAŞ was found to be the most widely-recognized brand both in gold and diamond jewelry.

## 2010

The number of retail stores with the Altınbaş concept exceeded 100.

## 2013

Istanbul Minerals and Metals Exporters’ Associations presented Altınbaş with the “Jewelry Export Championship Award”

## 2007

ALTINBAŞ ranked as the top company in its jewelry business category in Turkey, in the 2007 research by Nielsen which looked into Turkey’s league of brands.

ALTINBAŞ was selected as the “Brand of the Year” in the survey by Ekovitrin Magazine. The Company was also counted among the top 27 most-successful super brands of Turkey and received the “Superbrands Turkey” award given by the international Superbrands Organization.

Having been found to be the leader in its sector and a Best Brand by the most recent brand research conducted by GFK, ALTINBAŞ continues to be the first choice for consumers thanks to its products and service quality in addition to the new concepts the Company introduced to the industry.

## 2009

In 2009, ALTINBAŞ became the only member of the CIBJO International Jewelry Confederation from Turkey.

Selected as partner in Turkey by the International Gold Exchange, the Company created a special collection (L’Or collection).

## 2011

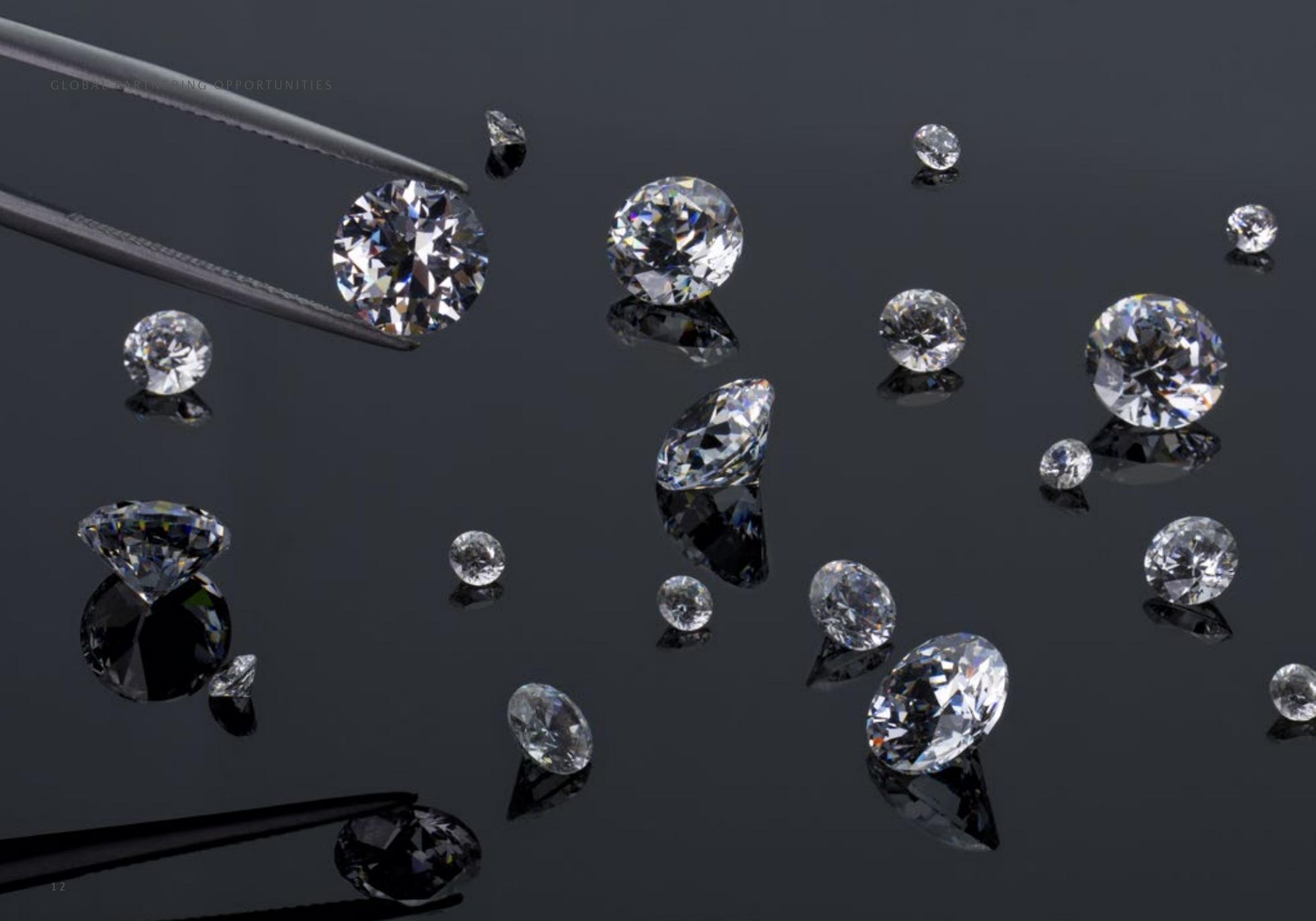
In 2011, ALTINBAŞ was awarded as the Jewelry Export Champion of Turkey by TİM Turkish Exporters.

## 2014

In 2014, Altınbaş has been awarded with the Luxury Lifestyle Awards in London, appreciating the company with the “Oscar” of luxury in the world.







## Our Business: The Jewelry Sector

Altınbaş jewelry operates in the affordable fine jewelry (the “mass-tige”) market, which includes the price range between USD 1000-2000. This allows us to offer our consumers prestigious goods at accessible prices.

Market research presents certain trends and opportunities which point to a strong growth prospect looking forward. Findings show that the jewelry sector is gradually becoming dominated by brands instead of local jewelry shops. Consumers’ perception on jewelry is changing, jewelry is now more of an accessory that can be worn throughout the day and during various occasions, which also require them to be customizable (personalized). Jewelry now witnesses a transformation about the way it is being perceived, from “buying for saving” to “buying for wearing to look good.”

And there is also a shift in customer base as well; the number of women who are buying jewelry for themselves is increasing as women’s participation in the workforce goes up, and this is also reinforced with the expansion of customer base as the populations in developing countries are incorporated in the global economy.



## Altınbaş Jewelry

Altınbaş collections, each based on a unique concept, are infused with a story by the Company's ever-growing Design Team in line with the trends and innovations that lead the world. Each of these collections, born from the interpretation of an aesthetical sense nurtured by elements from Turkish motifs to history and universal styles, pay homage to fashion and art.

Altınbaş products are managed under a division of categories which allows for the accurate and successful management of our retailing operations. These categories are; Bridal, Gold, High-End, Event, Gifts, and Costume Jewelry.

Our ISO 9001-certified manufacturing process takes place at the world-class and state-of-the-art Altınbaş Factory in Beylikdüzü, Istanbul, which is the largest gold plant in Turkey.

*“A Quantum Leap  
for new generation jewelry retailing”*



## Altınbaş Retailing

Altınbaş Retail Business Model provides its partners with the necessary toolkit to transform their business from a traditional small jewelry store to a branded jewelry shop.

This is a process we call QUANTUM RETAILING because it is the recreation of an enterprise through its resources. Even though you use the same resources, the perception will be completely different once they achieve their quantum leap.



# Altınbaş Franchising System

Altınbaş describes the franchise relationship as a business marriage in which both the brand company and franchisee work in close collaboration such that their combined power is greater than the sum of their independent capabilities.

Altınbaş offers a comprehensive business system in which the details of the brand, product and store are clearly laid out: Altınbaş franchisees never face the trouble of working through uncertainty and vagueness, and always feels the comfort of doing business with an established brand whose trustworthiness is globally validated. These features constitute the essence of Altınbaş's Franchising System and has led our business partners to great success.



# Altınbaş Franchise Concept

Altınbaş franchise concept includes providing assistance to our business partners throughout the establishment and operation of their store, starting with location scouting and retailing preparations. Afterwards, the design and building phase begins as the shop is transformed into a full-fledged Altınbaş store with furniture, outlay, and other details that are particular to our brand. From then onwards will come our support in creating a product mix for your business and assistance with running your day-to-day operations.

## *What we look for in prospective Altınbaş franchisees?*

- Energetic and self-motivated, positive mindset, openness to learning from and sharing with others
- Experience in retailing with a successful and financially sound background
- Understanding of and commitment to our Altınbaş brand and franchising system
- A character and mindset suitable for running a retail business and providing excellent customer service
- Willingness to personally devote full-time efforts for the store operations
- Professional attitude towards the business, and consciousness of representing all Altınbaş stores to customers.

GLOBAL PARTNERING OPPORTUNITIES



# Altınbaş

WORLD OF ADVANTAGES



## ALTINBAŞ'S SUCCESS KNOWS NO BOUNDARIES...

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THE MOST PRESTIGIOUS PRIZE OF THE LUXURY WORLD,  
LUXURY LIFESTYLE AWARDS 2014,  
WAS PRESENTED TO ALTINBAŞ IN JEWELRY CATEGORY

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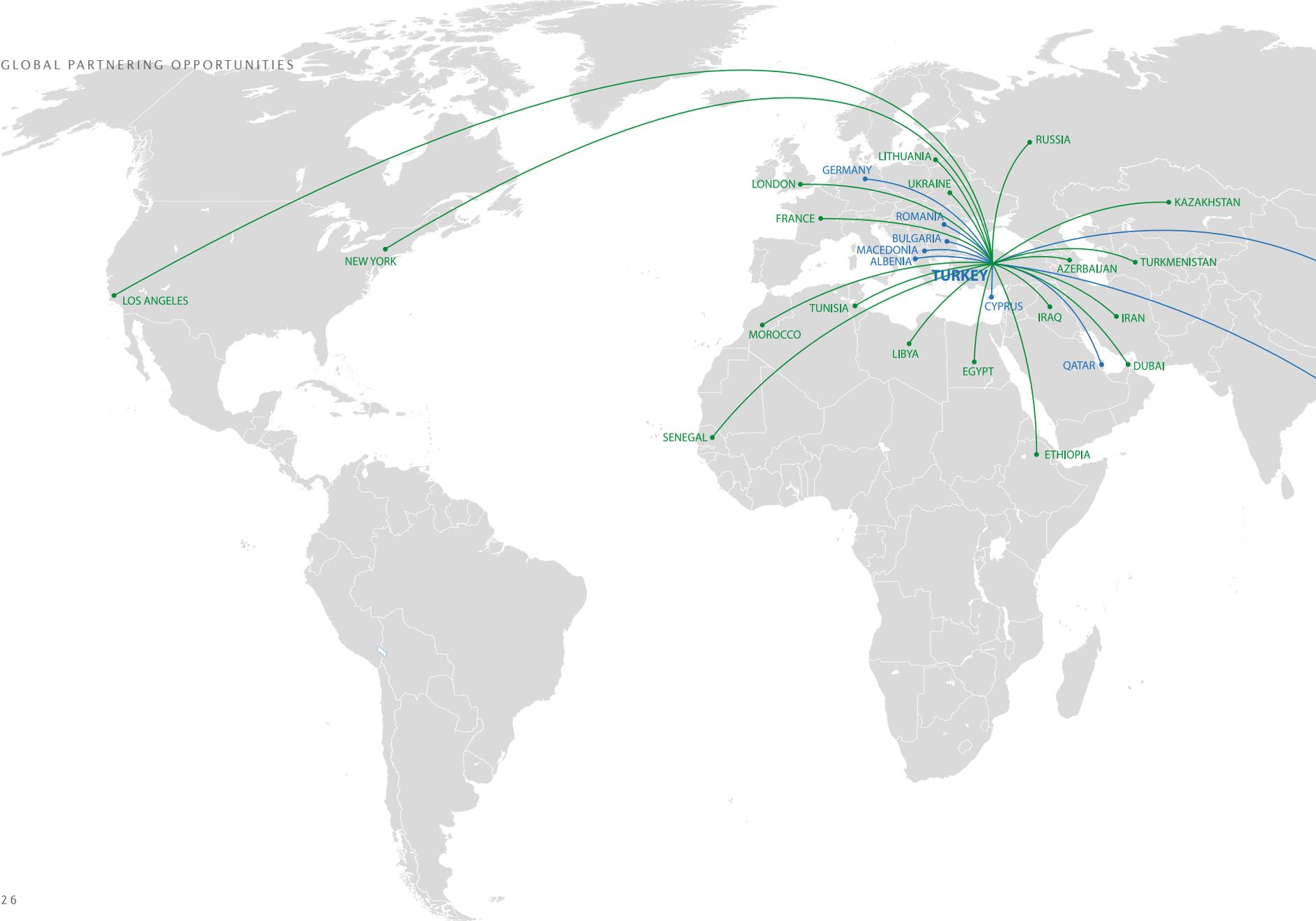


## A Market-Leading Brand

Numerous independent studies have established Altınbaş as the leader of gold and diamond jewelry business, with the widest recognition and brand awareness in its field as well as the most positive reception from consumers. Our success has not even faltered in the face of global economic crises, not to mention market and foreign exchange fluctuations we experienced in our history. This was mainly ensured by the astute management of our brand but we also enjoyed the advantage of being positioned in a business segment which represents more than half of the jewelry market all over the world. This segment now sees a trend where consumers are opting for branded products, which points to the fact that the advantages of doing business in this market is becoming more and more lucrative.

W O R L D   O F   A D V A N T A G E S

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## Global Store and Distribution Network

Altınbaş stores and franchises form a large family with members throughout the world. There is no difference between our own stores and franchise stores in terms of content, operations and support provided, which ensures that we present a unitary face in all our markets.



WORLD OF ADVANTAGES

GLOBAL PARTNERING OPPORTUNITIES



## Broad Product Range

### *Products with mass appeal...*

Altınbaş products are designed and produced to appeal to a wide range of interests, which serves to bring all Altınbaş customers together in our large family by offering people stories about the times they happily spend while buying and wearing their jewelry. Creating and maintaining the loyalty of our consumers is one of our top priorities.

Altınbaş's broad product range is grouped under various collections that are based on particular themes.

**OTTO** category includes diamond products which also feature more traditional designs. Our Ottoman Glory collection is an example of this category.

**QUEEN** category includes contemporary, trendy and fancy collections. Flora, Moonlight, or Starlight collections are some of such examples.

**ICON** category is made up of comparatively more classic styles in which precious stones such as ruby, emerald or sapphire are used with diamonds.

**LOVE** category includes classic diamond jewelry such as solitaire, five-stone, seven-stone and pavé rings, strand bracelets, etc. All products and collections that fall under the wedding concept are placed under this category. MOST and Bouquet and Wedding collections are examples of collections under this category.

**GOLD** category includes the CEO and "Hanedan" (Dynasty) collections targeted for men. We also have a KIDS collection for children.

**WEDDING BANDS** group represents a category by itself.

W O R L D O F A D V A N T A G E S



## Altınbaş Store Concept

### *For a shopping experience to last*

Altınbaş's vision for the future is shaped by our passion for design and products. Taking the necessary steps to offer a unique shopping experience, Altınbaş integrates its retailer identity with quality, and merges its established and leading brand identity in Turkey with that of its global brand through the Company's retailing system.

Altınbaş will offer and carry forward this shopping experience with its concept stores as well as its mission to be a trailblazer for innovation. The Brand's main aim is to offer the customers perfect goods and service quality, and to ensure that they live the best shopping experience.

One of the major components of providing the perfect shopping experience is the store itself. Our store concept aims to present a unitary and trustworthy face to all our customers. Since one of the most important aspects of retailing is creating and maintaining customer loyalty, it is critical that we help consumers leave with positive experiences from our stores. This is ensured by Altınbaş's unique style which requires our stores to have standardized features and layouts, which are nonetheless adapted to and optimized for local requirements. This style also incorporates smell, music, images

W O R L D   O F   A D V A N T A G E S



## Financing Solutions

Altınbaş has extensive contacts and close collaboration with banks and financial institutions, which ensures that we guarantee and offer the best terms on inventory financing.

WORLD OF ADVANTAGES



## Business Management Support

In order to create and provide the best corporate infrastructure for its business partners at all levels, Altınbaş carried out an extensive retail transformation program with Deloitte and reinforced its franchise concept with the experience and input obtained from this program.

## Professional Management

Altınbaş is administered by competent executives and its business is run by skilled professionals. From marketing to merchandising, financial management to human resources, you will see this high level of competence and professionalism reflected on your business partnership with Altınbaş to ensure that your business becomes a stellar success.

W O R L D   O F   A D V A N T A G E S



## An Elite and Profitable Business Model

The success our franchisees have attained all over the world demonstrates the power and feasibility of the turnkey solution we offer as well as the support we provide in all aspects of your business.

To ensure profitability for you, our activities will focus on attracting customers to your store, maintain the positioning and leadership of our brand, and implementing a comfortable store environment which instills trust in our customers.

W O R L D   O F   A D V A N T A G E S

## Quality Beyond Expectations

For Altınbaş, quality is a top priority. In order to become a global brand, we continuously strive to correctly assess customer needs and expectations, and to improve our product and service quality accordingly. We ensure that our suppliers and partners comply with quality, environment, professional health and safety requirements at all times.

Our diamond and gold products are manufactured by Altınbaş's own facilities where cutting-edge production technologies are employed and the highest levels of technical expertise and workmanship are blended to offer the best quality for our customers.

The diamonds and other precious stones we use are directly imported from Belgium by our affiliated company AlStone. The color, clarity and size of diamonds are inspected by AlStone's diamond experts, and all our diamonds are certified by independent certification centers. AlStone is a subsidiary of Altınbaş Holding.



# Merchandising & Supply Chain Management

- **Design Team**

Altınbaş Design Team creates new designs and collaborates with the designers of manufacturers

- **The Altınbaş Factory**

Altınbaş manufactures exclusive designs 8-, 14- and 18-K gold jewelry and mountings at its own factory.



## *Global Supply Chain*

- **Purchasing from Turkey**

Altınbaş has exclusive supply contracts with the major gold and diamond jewelry manufacturers in Turkey. We support our suppliers in every aspect for effective quality and cost management.

- **Hong Kong Office (HK, China, Korea, Thailand)**

Altınbaş has a regional office in Hungnam, HK, to coordinate its purchasing of jewelry and supplies from Asian markets including China, Thailand, India and Korea.

- **Purchasing from Dubai**

Altınbaş works closely with the world's leading sightholders to purchase diamonds at the best quality and competitive prices. Dubai Connection has a major role in that respect.

- **Stone Supply from India**

We purchase diamonds directly from the cutting and polishing factories and spot market in Mumbai, to cross-check the price/quality ratio.

- **Italy**

Italy is one our supply markets for 14-K trendy designs and high-tech semi-finished goods.

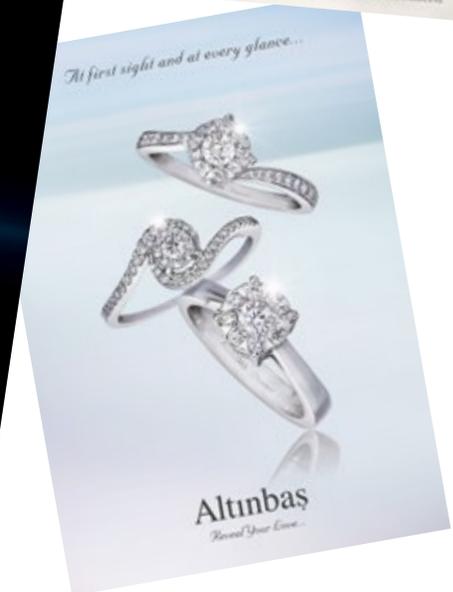
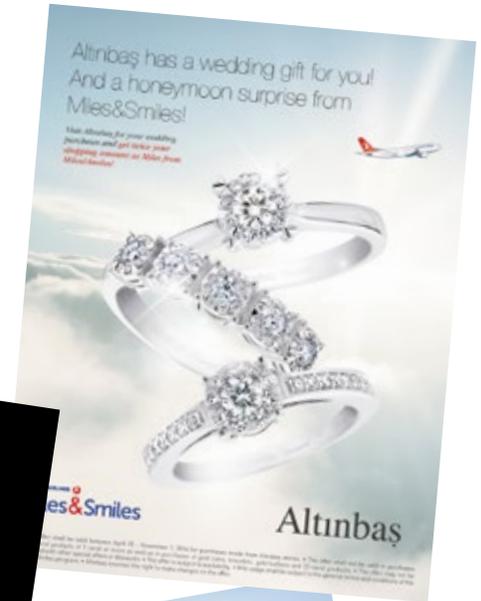
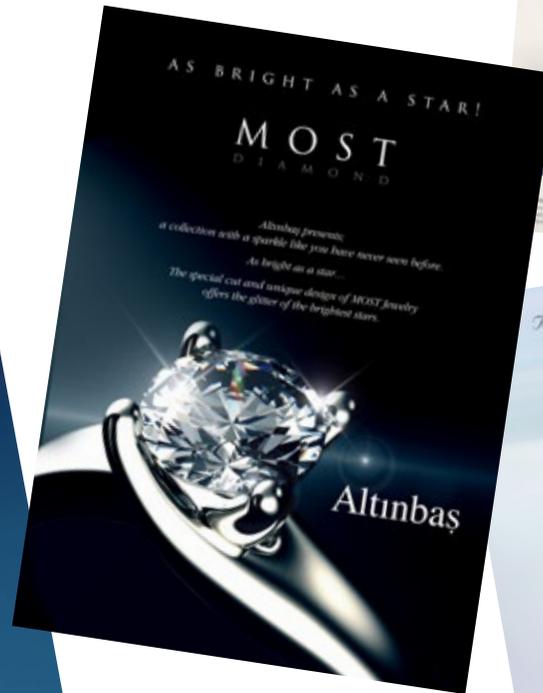
Altınbaş's Purchasing Team regularly attends to all major industry fairs to keep track of the market, find new merchandise and touch base with manufacturers.

# Global Brand Marketing

Altınbaş Brand Marketing Team prepares yearly marketing programs to increase public awareness on our brand and on our special collections. We widely use

- TV commercials
- Sponsorships
- Printed media
- On-line media
- Special offers

And allocate budgets of millions of dollars for those programs.



## 360-Degree Support Team

Altınbaş has a retail support team which monitors and supports our retail chain 7/24.

They are skilled and experienced to support our franchisees at the following fields:

- **Visual Merchandising**

To attract more attention on the displays and create more traffic.

- **In-shop and in-Mall marketing**

How to use POPs, Graphics, printed materials, billboards to increase awareness and inflow of customers.

- **PromoActions and PR activities**

Organizing events, PR activities.

- **Human Resources**

To recruit, prepare, fit-in and performance-monitor the shop staff.

- **Training**

To leverage the presentation, selling and service capacities of our sales team we implement uninterrupted training program at all levels.

- **Mystery Shopping**

We implement regular mystery shopping experience program to monitor and report the staff's in-shop service and adherence to brand regulations and standards.

- ALTINBAŞ LIFE MAGAZINE

Altınbaş's quarterly lifestyle magazine is published by a professional agency and distributed to more than 50.000 select addresses in addition to being presented on the store counters.

- ALTINBAŞ DIAMOND CLUB

ALTINBAS DIAMOND CLUB is an exclusive program which brings together various shopping advantages, promotions and exciting surprises to increase customer loyalty and shopping frequency per customer.



## Retail Partnering Options

To offer a greater variety of solutions to its future business partners and to ensure flexibility in adapting to local market conditions, Altınbaş has created its franchise system to incorporate four options for a franchise candidate to consider:

- Mono-branded Altınbaş Jewelry Shop
- Gold Jewelry shop-in-shop in independent jewelry stores
- Diamond Jewelry shop-in-shop in independent jewelry stores
- Altınbaş Jewelry Corners in Multi-brand Stores

## How to become a franchisee?

If what you read inspires and feels like an attractive business opportunity, becoming an Altınbaş franchisee might be the right choice for you.

Your application will be carefully examined and shown all due attention before you will be invited for an interview.

After being approved, the first step of the process will be to build the store, which requires choosing the right location.

Altınbaş stores are located in prominent city centers as well as major and elite shopping malls with high customer traffic.

Once the location is set and the store has been built, some initial investment will be required to staff your business and fill your store with merchandise. The size of the initial investment will naturally depend on the size of your operations as well as other expenditures or fees specified in the franchise agreement between us.

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# Growth Perspective

## *Growing with Retail Chain*

Altınbaş is looking for partners who can represent our brand, establish multiple stores and develop a profitable business in their respective regions. We are emphasizing expansion in Gulf countries, Middle East, Balkans, Southern Europe and the CIS countries.

## *Growing with Supply Chain*

Keen on improving itself in all possible aspects of the jewelry business, Altınbaş also welcomes suppliers and manufacturers offering exceptional quality as well as unique and innovative designs, materials and styles. Joining powers with such providers, Altınbaş aims to further reinforce its expertise and competence in jewelry, and to ensure that its franchisees always have the upper hand in competition.



## About Altınbaş Holding

Being one of leading companies of Turkey, the foundation of Altınbaş Holding was laid by Mehmet Altınbaş in Gaziantep in 1950s.

Coming from a business background in various areas, the Family embarked on its activities in the jewelry business first in Northern Cyprus in the late 70s. Altınbaş Jewelry started doing business in Turkey in 1985 and it has rapidly moved on to becoming the leading company in jewelry with more than a hundred concept outlets operated in Turkey and abroad.

With a view to ensuring quality in its products, Altınbaş looked to take control of its stone and raw materials supply. Accordingly, the Family founded Istanbul Altınbaş Kıymetli Taşlar A.Ş. (Precious Stones, Inc.) in 1992 and later restructured it under the name of Alstone in 2005. Later on, Altınbaş also established a gold and diamond refinery, ONSA, in line with the same understanding of quality.

The Family founded the “Altınbaş Bank” in Northern Cyprus in the early 90s and later on restructured it as Creditwest Bank, which now operates in Turkey, N. Cyprus and Ukraine.

Following their success in finance, Altınbaş moved on to establishing Creditwest Finance and Creditwest Insurance companies, which are now among the leading organizations in their respective markets.

In 1996, Altınbaş gathered all its companies under a single umbrella organization by establishing Altınbaş Holding. Following this restructuring of business, Altınbaş stepped into the energy market by establishing gas filling stations in Northern Cyprus under the company name of Alpet. Today, Alpet is a significant actor in Turkey's energy sector with more than two hundred filling stations across the country. The Holding is also active in industrial mineral oil and lubricators business since 2005 with its various companies of "Alpet Madeni Yağları" (Alpet Mineral Oils) "Atak Madeni Yağları", "Exen Madeni Yağları", and SuperMax Madeni Yağları

With a view to expanding in various jewelry market segments, Assos brand was created under the overall brand profile of Altınbaş Jewelry in 1997 and Pera Diamond was established in 2003.

Continuing its business activities without ever slowing down, Altınbaş Holding began ship operation and construction businesses with Transal Denizcilik and Galata Denizcilik in 2005.

Implementing the principle of sharing its experiences and accomplishments with Turkish people at every turn, Altınbaş Holding founded the Istanbul Kemerburgaz University in 2008 under Mehmet Altınbaş Foundation.

In 2011, Altınbaş Holding founded its fuel storage and transportation company "Akdeniz Akaryakıt Depolama Nakliyat ve Ticaret A.Ş." in combination with several petroleum companies within the scope of equal partnership.

Continuing its accomplishments that lasted more than 60 years as being among leading companies of Turkey and the world, Altınbaş is determined to continue putting its stamp over significant business ventures across the globe.





# Altınbaş

[www.altinbas.com](http://www.altinbas.com)