

## Corporate Credit & Issue Rating

New  Update

Sector: Telecommunication  
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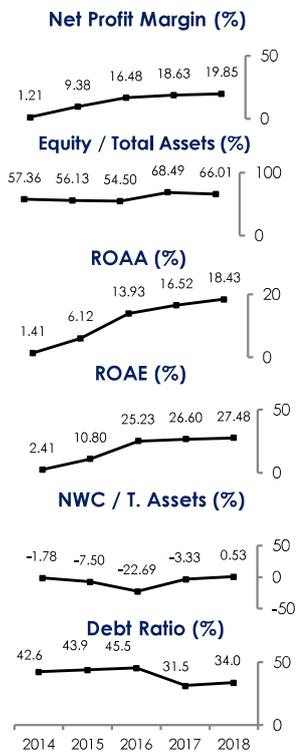
### Senior Analyst

Utku Karagülle  
 +90 212 352 56 73  
 utku.karagulle@jcrer.com.tr

### RATINGS

		Long Term	Short Term
International	Foreign Currency	BBB-	A-3
	Local Currency	BBB-	A-3
	Outlook	FC Negative	Negative
		LC Negative	Negative
	Issue Rating	-	-
National	Local Rating	AA (Trk)	A-1+ (Trk)
	Outlook	Stable	Stable
	Issue Rating	AA (Trk)	A-1+ (Trk)
	Sponsor Support	1	-
	Stand-Alone	AB	-
Sovereign*	Foreign Currency	BBB-	-
	Local Currency	BBB-	-
	Outlook	FC Negative	-
		LC Negative	-

\* Affirmed by JCR on November 27, 2018



## Superonline İletişim Hizmetleri A.Ş.

### Company Overview

Financial Data	2018	2017	2016	2015	2014
Total Assets (000 USD)	1,186,656	1,277,069	1,147,720	1,094,238	1,136,218
Total Assets (000 TRY)	6,242,880	4,816,975	4,039,056	3,181,607	2,634,776
Equity (000 TRY)	4,120,944	3,299,170	2,201,194	1,785,934	1,511,211
Net Profit (000 TRY)	808,893	598,030	400,226	161,185	15,141
Sales (000 TRY)	4,075,530	3,209,957	2,428,516	1,718,890	1,252,514
Net Profit Margin (%)	19.85	18.63	16.48	9.38	1.21
ROAA (%)	18.43	16.52	13.93	6.12	1.41
ROAE (%)	27.48	26.60	25.23	10.80	2.41
Equity / Total Assets (%)	66.01	68.49	54.50	56.13	57.36
Net Working Capital / T. Assets (%)	0.53	-3.33	-22.69	-7.50	-1.78
Debt Ratio (%)	33.99	31.51	45.50	43.87	42.64
Asset Growth Rate (%)	29.60	19.26	26.95	20.75	19.22

**Superonline İletişim Hizmetleri A.Ş.** (referred to as 'the Company' or 'Turkcell Superonline') is the leader in fixed fiber internet services and integrated communication services. The Company operates under the authorization of ICTA (The Information and Communication Technologies Authority) of Turkey in the fields of ISP, infrastructure operation, fixed telephony, satellite communication, mobile virtual network and broadcasting services. In addition, the Company enlarged its operational base with integration in billing, cross-services, sales network etc., thanks to its shareholder, Turkcell Group. Turkcell Superonline has 44.4 thousand km of fiber backbone within Turkey. Besides, Turkcell Superonline has 11 border crossings in total with 5 border crossings to Europe. The Company can offer various diversity options to Europe, middle-east, CIS and Arabian Peninsula. Turkcell Superonline aims to be "the most preferred service provider of choice", which the company management believes can only be achieved by building and owning an independent network in the given market conditions.

Turkcell Superonline has issued first corporate lease certificate (sukuk) amounted TRY 125mn on March 2018 for maturity of 176 days. As of reporting date, the Company holds TRY 100mn of outstanding sukuk and previous ones are paid on time in 2018 and 2019.

Turkcell Superonline is the member and 100% subsidiary of Turkcell Group, which is the pioneer of GSM-based mobile communication in Turkey and founded in February 1994. Turkcell, operating in 5 countries, is the only Turkish company listed on both Borsa İstanbul and on New York Stock Exchanges (NYSE) since 2000.

#### Strengths

- Strengthened profitability and enhancement in net profit in 2018
- Improvement in operational results and solid EBITDA growth
- Strong brand awareness and attitudes: 'Turkcell Superonline'
- Leadership in fiber connection and robust market share among all ISPs
- Strong support by sole shareholder, Turkcell Group

#### Constraints

- Deterioration in macroeconomic indicators, and its impact on cost of funding in the market
- Potential changes in regulatory environment that may create uncertainty in business strategies