

Corporate Credit & Issue Rating

New Update

Sector: Telecommunication
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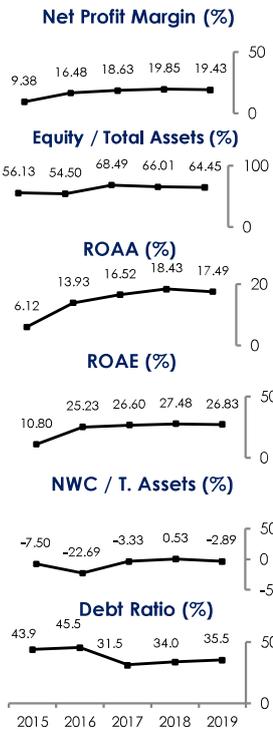
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RATINGS

		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	Stand-Alone	1	-	
		AB	-	
Sovereign*	Foreign Currency	BB+	-	
	Local Currency	BB+	-	
	Outlook	FC	Negative	-
LC		Negative	-	

* Assigned by JCR on April 10, 2020



Superonline İletişim Hizmetleri A.Ş.

Company Overview

Financial Data	2019	2018	2017	2016	2015
Total Assets (000 USD)	1,210,434	1,186,656	1,277,069	1,147,720	1,094,238
Total Assets (000 TRY)	7,189,978	6,242,880	4,816,975	4,039,056	3,181,607
Equity (000 TRY)	4,634,142	4,120,944	3,299,170	2,201,194	1,785,934
Net Profit (000 TRY)	937,237	808,893	598,030	400,226	161,185
Sales (000 TRY)	4,822,525	4,075,530	3,209,957	2,428,516	1,718,890
Net Profit Margin (%)	19.43	19.85	18.63	16.48	9.38
ROAA (%)	17.49	18.43	16.52	13.93	6.12
ROAE (%)	26.83	27.48	26.60	25.23	10.80
Equity / Total Assets (%)	64.45	66.01	68.49	54.50	56.13
Net Working Capital / T. Assets (%)	-2.89	0.53	-3.33	-22.69	-7.50
Debt Ratio (%)	35.55	33.99	31.51	45.50	43.87
Asset Growth Rate (%)	15.17	29.60	19.26	26.95	20.75

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 46 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 175mn of outstanding sukuk dated June 2020 and previous ones are paid on time.

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

- Boosted ARPU and enhancement in net profit in 2019
- Unceasing growth in EBITDA
- Being a part of one of the most valuable brands of Turkey: Turkcell
- Opportunity to diversify growth and income composition with value-added services
- Leadership in fiber connection and robust market share among all ISPs

Constraints

- Projected contraction on global and local economy in 2020, triggered by coronavirus outbreak
- Potential changes in regulatory environment that may create uncertainty in business strategies