

Corporate Credit Rating

New Update

Sector: Wholesale Trading
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RATINGS		Long Term	Short Term
ICRs (Issuer Credit Rating Profile)	National ICR	AA+ (tr)	J1+ (tr)
	National ICR Outlooks	Stable	Stable
	International FC ICR	BB	J3
	International FC ICR Outlooks	Stable	Stable
	International LC ICR	BB	J3
	International LC ICR Outlooks	Stable	Stable
ISRs (Issue Specific Rating Profile)	National ISR	-	-
	International FC ISR	-	-
	International LC ISR	-	-
Sovereign*	Foreign Currency	BB (Stable)	-
	Local Currency	BB (Stable)	-

* Assigned by JCR on May 31, 2021

TFS AKARYAKIT HİZMETLERİ A.Ş.

JCR Eurasia Rating, has evaluated the "TFS Akaryakıt Hizmetleri A.Ş." in the high investment-level category and assigned the Long-Term National Issuer Credit Rating at 'AA+ (tr)' and the Short-Term National Issuer Credit Rating at 'J1+(tr)' with 'Stable' outlooks. On the other hand, the Long Term International Foreign and Local Currency Issuer Credit Ratings and outlooks were assigned as 'BB/Stable' as parallel to international ratings and outlooks of Republic of Turkey.

TFS Akaryakıt Hizmetleri A.Ş. (TFS Akaryakıt or "the Company") was established in İstanbul in October 13, 2016 with the partnership of Cengiz İnşaat Sanayi ve Ticaret A.Ş., Mapa İnşaat ve Ticaret A.Ş., Kolin İnşaat Turizm Sanayi ve Ticaret A.Ş., Limak İnşaat Sanayi ve Ticaret A.Ş. and Kalyon Havaçılık ve İnşaat A.Ş. under the name of IGA Havalimanı Akaryakıt Hizmetleri A.Ş. On 11.02.2019, Taya Liman İşletmesi A.Ş. took over the share representing 100% capital. The Company's title and partnership structure were changed with the General Assembly decision dated 21.02.2020 and the Company's new shareholder structure is Türk Hava Yolları A.O., Zirve Holding, Taya Liman İşletmesi A.Ş. and Demirören Akaryakıt Sanayi ve Ticaret A.Ş. The Company operates in the fields of storing and supplying the fuel to airplanes. TFS Akaryakıt currently operates only at İstanbul Airport and its concession at İstanbul Airport will continue until July 2029.

The Company's main shareholders are Taya Liman İşletmesi A.Ş. with 25% share, Zirve Holding A.Ş. with 25% share, Demirören Akaryakıt San. Ve Tic. A.Ş. with 25% share, Türk Hava Yolları A.O. with 25% share. As of the end of the December 2021, the Company has 93 employees totally. (FYE2020: 82)

Key rating drivers, as strengths and constraints, are provided below.

Strengths

- The growth in revenue figures provided by the amount of fuel supplied to aircraft with the recovery in aviation industry in 2021,
- Being the only official jet fuel provider of İstanbul Airport and geographical advantages of İstanbul Airport, supporting the growth,
- Reasonable liquidity structure and positive net working capital,
- Improvement in financial leverage ratios and robust level of debt service capacity with cash surplus in 2021,
- High market share in the sector with the effect of being the main fuel supplier of Turkish Airlines.

Constraints

- Low level of paid in capital, considering the asset size,
- Relatively limited licence period in İstanbul Airport,
- Vulnerable structure of the aviation sector such as geopolitical and political risks,
- The devastating impact of Covid-19 pandemic on aviation sector.

Considering the aforementioned points, the Company's the Long-Term National Issuer Credit Rating has been assigned as 'AA+ (tr)'. Improvement revenue and profitability are important indicators for the stability of the ratings and the outlooks for Long and Short-Term National Issuer Credit Ratings are determined as 'Stable'. The Company's revenue, profitability, indebtedness will be closely monitored by JCR Eurasia Rating in upcoming periods. The macroeconomic indicators at national and international markets, as well as market conditions and legal framework about the sector will be monitored as well.

