

Corporate Credit Rating

New Update

Sector: Metal Industry

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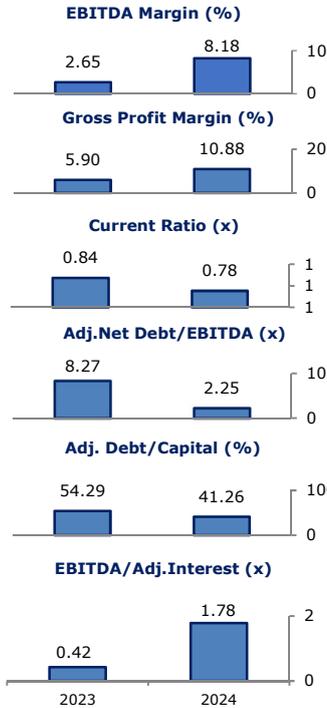
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RATINGS		Long Term	Short Term
ICRs (Issuer Credit Rating Profile)	National ICR	BBB (tr)	J2 (tr)
	National ICR Outlooks	Stable	Stable
	International FC ICR	BB	-
	International FC ICR Outlooks	Stable	-
	International LC ICR	BB	-
ISRs (Issue Specific Rating Profile)	National ISR	-	-
	International FC ISR	-	-
	International LC ISR	-	-
Sovereign*	Foreign Currency	BB (Stable)	-
	Local Currency	BB (Stable)	-

* Affirmed by JCR on September 1, 2025.



DEMİSAŞ DÖKÜM EMAYE MAMÜLLERİ SANAYİ A.Ş.

JCR Eurasia Rating has evaluated "Demisaş Döküm Emaye Mamülleri Sanayi A.Ş." in the investment grade category and affirmed the Long-Term National Issuer Credit Rating at 'BBB (tr)' and the Short-Term National Issuer Credit Rating as 'J2 (tr)' with 'Stable' outlooks. On the other hand, the Long Term International Foreign and Local Currency Issuer Credit Ratings and outlooks were affirmed as 'BB/Stable' in line with the global and national scale rating matching published by JCR Eurasia Rating.

Demisaş Döküm Emaye Mamülleri Sanayi A.Ş. (hereinafter referred to as "the Company" or "Demisaş") was established in 1974 to operate in the field of metal foundry. The production facilities of the Company are located in Bilecik with over 130.000 m² area and the headquarter of the Company is located in Kocaeli. The Company's production facility's annual theoretical capacity is currently 80.000 tons as of the reporting date. The Company began producing refrigerator compressor parts in 1989, automotive production in 1994, and highly sophisticated security brake parts in 2001. Demisaş is ranked 176th company Türkiye's Second Top 500 Industrial Enterprises List in 2024 (2023: 109th) published by Istanbul Chamber of Industry. The number of employees of the Company was 568 as of 9M2025 (FYE2024: 604).

The Company's ultimate controlling shareholder is Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş. ("Sarkuysan") with 44.44% of shares. Demisaş has been a publicly listed company in Borsa İstanbul since 1997 with an actual outstanding shares ratio of 55.56% as of the report date (December 31, 2024: 55.56%).

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

Strengths

- Improvement in operational profitability in FY2024 thanks to effective cost management,
- Downward trend in USD-based cash loans and improved in the leverage ratio in analyzed periods,
- Managing collection risk through insurance-backed trade receivables and relationships with well-known brands, contributing to asset quality,
- Modest equity level mainly boosted by capital adjustment differences despite bottom-line losses in FY2024 and 9M2025,
- Well-established partnership structure with controlling stakes, demonstrated success, and a respected brand name in the industry,
- Prioritizing R&D projects for cost reduction management.

Constraints

- Decrease in revenue generation as well as sales volume in FY2024 and further drop anticipated in FY2025 based on 9M2025 results,
- Continuation of high financial expenses pressure on the bottom line profitability, despite downward trend in FY2024 and 9M2025,
- Short-term denominated borrowing structure pressuring on liquidity metrics,
- Deterioration in cash flow metrics in FY2024 and further weakening in 9M2025,
- The widening gap between FX rates and inflation rates pressuring profitability,
- Contraction in the automotive sector in the Company's main export destinations suppressing the sales performance,
- As actions for a global soft-landing gain prominence, decisions with the potential to adversely affect global trade are engendering considerable uncertainty.

Considering the aforementioned points, the Company's the Long-Term National Issuer Credit Rating has been affirmed at 'BBB (tr)'. The Company's profitability margins, asset quality, equity base, shareholder structure and as well as profitability, borrowing structure, leverage and coverage metrics have been evaluated as 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 capital adequacy, financial structure, sales performance, asset quality, growth performance, profitability ratios and the trends of the existing risks in the markets and the business environment 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.