

Corporate Credit Rating

☒New ☐Update

Sector: Holding

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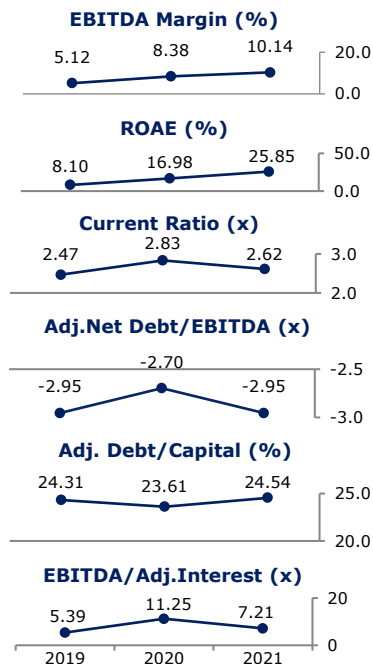
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RATINGS		Long Term	Short Term
ICRs (Issuer Credit Rating Profile)	National ICR	AAA (tr)	J1+ (tr)
	National ICR Outlooks	Stable	Stable
	International FC ICR	BB	J3
	International FC ICR Outlooks	Stable	Stable
	International LC ICR	BB	J3
	International 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



Doğan Şirketler Grubu Holding A.Ş.

JCR Eurasia Rating has evaluated **"Doğan Şirketler Grubu Holding A.Ş."** in the highest investment-grade category, assigned the Long-Term National Issuer Credit Rating as **'AAA (tr)'** and the Short-Term National Issuer Credit Rating as **'J1+ (tr)'** with **'Stable'** outlooks. On the other hand, the Long-Term International Foreign and Local Currency Issuer Credit Ratings and outlooks are assigned at **'BB / Stable'**.

Doğan Şirketler Grubu Holding A.Ş. (hereinafter **"Doğan Holding"**, **"the Company"** or **"the Group"**) was established in 1961 by Mr. Aydın Doğan and has been transformed into an investment holding in 1980. The main field of activity of the Group consists of electricity production, petroleum products retail, industry and trade, automotive trade and marketing, financing and investment, internet and entertainment and real estate investments. The Group sold a significant portion of its media and retail assets from the existing investment portfolio in FY2018 and simplified its core business sectors.

With over 60 years of activity history, the Group has established beneficial and collaborative partnerships with internationally well-known domestic and foreign institutions thanks to know-how and network presence. Doğan Holding employs approximately 3,858 people through 41 subsidiaries and 9 joint ventures under its umbrella as of March 31, 2022. The major shareholders of Doğan Holding are Adilbey Holding A.Ş. (49.66%) and the Doğan Family (14.47%) as of March 31, 2022. Doğan Holding's 35.87% shares are traded on the Borsa Istanbul under the ticker symbol DOHOL.

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

Strengths

- Maintaining solid liquidity structure and cash surplus against financial debts,
- Upward trend in profitability indicators and EBITDA generation capacity,
- Sector diversification of the investment portfolio compensating for potential uncertainty in economic conditions to a certain extent,
- Sustainable dividend income stream through well-positioned Group companies,
- Competitive advantages thanks to owning subsidiaries with strong brand awareness and high market shares,
- High level of compliance regarding corporate governance implementations.

Constraints

- Potential geographical concentration risk due to domestic dominance of total sales,
- Limited profit margins of petroleum products retail sector, which has a high share in the Group sales.

Considering the aforementioned points, Doğan Holding's Long-Term National Issuer Credit Rating has been assigned as **'AAA (tr)'**. The Group's large cash and liquid investment position, strong revenue and EBITDA generation capacity, successful track record and the competitive advantage obtained through its diversified investment portfolio 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 Group's financial structure, attainability of the Group's budgeted projections, efficiency of investments, the possible impacts of the Russia-Ukraine War on the global and Turkey's economy and its effects on the Group's activities will be closely monitored by JCR Eurasia Rating in upcoming periods. The macroeconomic indicators in national and international markets, as well as market conditions and legal framework about the sector will be monitored as well.