

Corporate Credit Rating

New Update

Sector: REIT

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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)	International LC ICR Outlooks	Stable	-
	National ISR	-	-
	International FC ISR	-	-
Sovereign*	International LC ISR	-	-
	Foreign Currency	BB (Stable)	-
	Local Currency	BB (Stable)	-

* Assigned by JCR on May 10, 2024

DOĞUŞ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

JCR Eurasia Rating, has evaluated "Doğuş Gayrimenkul Yatırım Ortaklığı A.Ş." in the investment grade category and affirmed the Long-Term National Issuer Credit Rating as '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 assigned as 'BB/Stable' as parallel to international ratings and outlooks of Republic of Türkiye.

Doğuş Gayrimenkul Yatırım Ortaklığı A.Ş. ("Doğuş GYO" or "the Company") was established on 25 July 1997 in accordance with the provisions of the Capital Markets Law. Doğuş GYO's shares have been listed on the Borsa İstanbul (BIST) with the ticker symbol of "DGGYO" since March 1998 as the third REIT listed on BIST. In March 2023, Doğuş Otomotiv Servis ve Ticaret A.Ş. acquired the majority of the Doğuş Holding's shares in Doğuş REIT with an amount of TRY 5.12bn. As of the report date, Doğuş Otomotiv has 94.44% of the Company's shares. As a real estate investment trust, Doğuş GYO has operations and investments in real estate projects and operates as defined in the regulations of the Capital Markets Board ("CMB") regarding real estate investment partnerships. Doğuş GYO's real estate investment portfolio includes; Doğuş Center Maslak, D-Office Maslak, Doğuş Center Etiler (D-Gym Sports Center), Gebze Center (Shopping Center, Hotel-Hyatt House Gebze, Automotive Showroom and Service) and thus the Company's investment property portfolio reached TRY 16.31bn as of 1Q2025.

According to the GYODER, Doğuş GYO ranked 22nd in REIT sector in terms of asset size as of 2024.

The head office of the Company is in Maslak/İstanbul. The Company has totally 12 employees in 1Q2025 (FYE2024: 12).

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

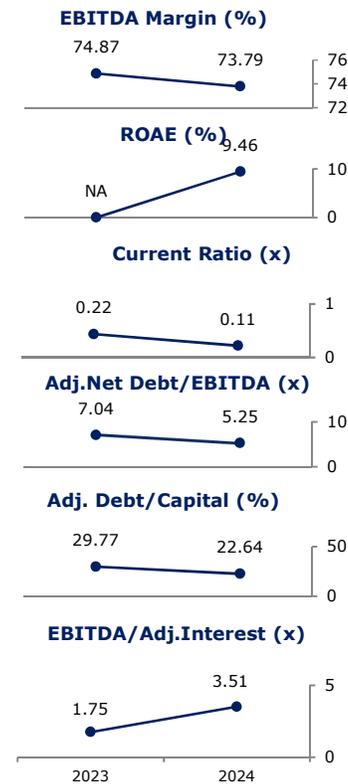
Strengths

- Predictable revenue stream and strong EBITDA generation capacity provided by the real estate portfolio through long-term rental contracts,
- Diversified real estate portfolio with reasonable rental yields and stable high occupancy rates,
- Doğuş Group companies' weighted tenant base supporting the receivable quality in a certain extent,
- Satisfactory LTV ratio coupled with gradual improvement in 2024 and 1Q2025 driven by portfolio value despite persistent debt levels,
- Ongoing moderate cash flow metrics in analyzed periods,
- Compliance with corporate governance practices as a publicly traded company,
- Deep-rooted operating history in the sector, with high brand recognition as a subsidiary of Doğuş Group.

Constraints

- Persistent share of hard currency weighted financial debts, despite slight improvement in leverage indicators,
- Financial pressure of the forthcoming maturity of the loan and its possible refinancing need,
- Ongoing sizeable share of non-cash revaluation gains and capital adjustment differences in equity along with limited contribution of paid-in capital, despite impact of retained earnings,
- 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 Long-Term National Issuer Credit Rating has been affirmed at 'BBB+ (tr)'. Additionally, high sector knowledge of Doğuş Group with well-known brand in the sector, diversified and valuable real estate portfolio and predictable cash flows via long term leases especially arising from group companies, satisfactory Loan-to-Value ratio, ongoing revenue generation capacity with stable high occupancy rates, and compliance with the corporate governance practices, as well as ongoing FX-based indebtedness and forthcoming maturity are important indicators for the stability of the ratings, and the outlooks for Long and Short-Term National Issuer Credit Ratings are affirmed as 'Stable'. The Company's revenue and profitability performance, cash generation capacity, indebtedness level and debt service capacity, coverage and leverage indicators, asset quality, net FX position, LTV ratio and developments regarding the macro conditions 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.



NA: Not Applicable