

Corporate Credit Rating

New Update

Sector: Construction

Publishing Date: 22/05/2026

Team Leader

Ezgi Çiçek YILMAZ

+90 212 352 56 73

ezgi.yilmaz@jcrer.com.tr

Senior Analyst

Hayrettin ÇELİK

+90 212 352 56 73

hayrettin.celik@jcrer.com.tr

RATINGS		Long Term	Short Term
ICRs (Issuer Credit Rating Profile)	National ICR	A- (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

ERKUT İNŞAAT YAPI ENDÜSTRİSİ SAN. VE TİC. A.Ş.

JCR Eurasia Rating has evaluated "Erkut İnşaat Yapı Endüstrisi San. ve Tic. A.Ş." in the investment grade category with high credit quality, revised the Long-Term National Issuer Credit Rating to 'A- (tr)' from 'BBB+ (tr)' and affirmed the Short-Term National Issuer Credit Rating at 'J2 (tr)' with 'Stable' outlooks. On the other hand, the Long-Term International Foreign and Local Currency Issuer Credit Ratings and outlooks were determined as 'BB/Stable' in line with the sovereign ratings and outlooks of Republic of Türkiye.

"Erkut İnşaat Yapı Endüstrisi San. ve Tic. A.Ş." (hereinafter referred to as "Erkut İnşaat" or "the Company") was established on March 24, 1988 in Kayseri.

Erkut İnşaat operates in turnkey housing construction, build-to-sell housing construction and luxury housing construction. Turnkey housing projects constitute a significant part of the activities and the Company works with the Housing Development Administration of the Republic of Türkiye in this field.

The Company has a total of 309 employees as of FYE2024 (FYE2023: 189).

As of the reporting date, the shareholder of the Company is Erkut Korkmaz with 100% share.

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

Strengths

- Expected revenue stream from ongoing projects providing predictability to a certain extent,
- Solid net debt to EBITDA multiplier in FY2024 and a net cash position according to 2025 CTR,
- Reasonable core profitability margins in FY2024 and 2025 CTR,
- High equity level mainly supported by capital adjustment differences arising from TAS 29 effect and net profit for the period in FYE2024,
- Asset quality supported by low collection risk due to working with public institutions,
- Long-lasting presence in the sector.

Constraints

- Potential operational and management risks due to the nature of construction business,
- Improvement needs in compliance with corporate governance and risk management practices along with key-person risk stemming from the ownership and management of the Company by one individual,
- As actions for a global soft-landing gain prominence, geopolitical risks and 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 revised to 'A- (tr)' from 'BBB+ (tr)'. The Company's expected revenue stream, solid net debt to EBITDA multiplier, reasonable core profitability margins and low collection risk as well as improvement needs in compliance with corporate governance practices and uncertainties in the global economy 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 financial structure, sales and profitability performance, liquidity and leverage indicators will be closely monitored by JCR Eurasia Rating in the 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.

