

## Corporate Credit Rating

New  Update

**Sector:** Construction & Contracting  
**Publishing Date:** May 29, 2025

### Team Leader

Muhammet Başar  
+90 212 352 56 73

[muhammet.basar@jcrer.com.tr](mailto:muhammet.basar@jcrer.com.tr)

### Assistant Analyst

Elif Sürücü  
+90 212 352 56 73

[elif.surucu@jcrer.com.tr](mailto:elif.surucu@jcrer.com.tr)

RATINGS		Long Term	Short Term
ICRs (Issuer Credit Rating Profile)	National ICR	BBB- (tr)	J3 (tr)
	National ICR Outlooks	Stable	Stable
	International FC ICR	BB-	-
	International FC ICR Outlooks	Stable	-
	International LC ICR	BB-	-
	International LC ICR Outlooks	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 10, 2024

## KARAS ALTYAPI İNŞAAT TİCARET ANONİM ŞİRKETİ

JCR Eurasia Rating has evaluated "Karas Altyapı İnşaat Ticaret A.Ş." in the investment grade category and assigned the Long-Term National Issuer Credit Rating as 'BBB- (tr)' and the Short-Term National Issuer Credit Rating as 'J3 (tr)' with 'Stable' outlooks. On the other hand, the Long Term International Foreign and Local Currency Issuer Credit Ratings and outlooks have been determined as 'BB-/Stable'.

**Karas Altyapı İnşaat Ticaret A.Ş.** (hereinafter referred to as "the Company" or "Karas Altyapı") was established in 2003 under the name of Nazmi Kürüm İnşaat Turizm Sanayi ve Ticaret A.Ş. (Nazmi Kürüm İnşaat) and underwent a title change in 2019 to become Karas Altyapı. Headquartered in Ankara, the Company's core area of activity is construction & contracting, particularly infrastructure work, with a strategic focus on public sector projects. It predominantly operates through business partnerships and secures projects via public tenders. Moreover, these projects are largely self-financed through progress payments linked to ongoing projects. The Company's completed project portfolio primarily comprises infrastructure works, including sewage systems and wastewater treatment plants.

The Company's sole shareholder is Barış Kara with 100% share, as of FYE2023. The Company employed a staff force of 28 as of FYE2023 (FYE2022: 19).

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

### Strengths

- Expected increase in sales revenues thanks to progress payments from ongoing projects as reflected in the 2024 Corporate Tax Return,
- Negligible level of financial debt with cash surplus position bolstering operational resiliency as projects are primarily funded through internal resources,
- Moderate backlog value derived from ongoing projects covering a portfolio of public engagements providing sustainable revenue visibility,
- Ensuring the equilibrium between expenditures and progress payments in ongoing projects according to 2024 Corporate Tax Return,
- High ability of collecting receivables thanks to the ongoing projects undertaken through tenders from public authorities.

### Constraints

- Continuation of Inadequate EBITDA generation capacity along with limited and volatile profitability profile according to 2024 Corporate Tax Return,
- Related party receivables distorting balance sheet integrity in FYE2023,
- Inherent operational and managerial risks attributable to the characteristics of the construction industry,
- Improvement needs in the corporate governance practices framework 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, 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 assigned as 'BBB- (tr)'. Taking into account the Company's revenue growth via progress payments from ongoing projects, negligible level of financial debt, moderate backlog value and working with public authorities, as well as inadequate EBITDA generation, related party receivables and inherent operational and managerial risks 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 profitability indicators, debt and equity level, liquidity metrics and economic conditions in Türkiye 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 also be monitored.

