

## Corporate Credit Rating

New  Update

**Sector:** Engineering & Construction  
**Publishing Date:** 28.03.2025

### Team Leader

Sami Aksu  
 +90 212 352 56 73  
[sami.aksu@jcrer.com.tr](mailto:sami.aksu@jcrer.com.tr)

### Senior Analyst

Rümeysa Dolaş  
 +90 212 352 56 73  
[rumeysa.dolas@jcrer.com.tr](mailto:rumeysa.dolas@jcrer.com.tr)

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)	-

\* Assigned by JCR on May 10, 2024

## RAL YATIRIM HOLDİNG A.Ş.

JCR Eurasia Rating has evaluated the consolidated structure of "Ral Yatırım Holding A.Ş." in the investment level category and affirmed the Long-Term National Issuer Credit Rating at 'BBB+ (tr)' and 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 assigned as 'BB/Stable', as parallel to international ratings and outlooks of Republic of Türkiye.

Ral Yatırım Holding A.Ş. (hereinafter "the Company" or "Ral Holding") was established in 1976 and went under fundamental changes both in the Company's shareholding structure and field of activities before 2017. Today, the Holding has investments in the construction contracting, renewable energy, and education sectors.

The Company continues its activities in the field of construction & contracting within the scope of consolidation with the acquisition of Trio Teknik Yapı A.Ş. ('Trio Teknik') on 8 June 2018, Hera Teknik Yapı A.Ş. ('Hera Teknik') on 22 June 2018 and Ral Yapı Mühendislik A.Ş. ('Ral Yapı') on 27 August 2020.

The Company has also won the two of the Yeka-SPP tenders (Viranşehir 4 and 9) with Ral Enerji Yatırım A.Ş. ('Ral Enerji'), in which it owns 51% of shares, and is investing in a SPP power plant with a total installed capacity of 100MW (130 MWm) in Viranşehir, Şanlıurfa.

In addition, Ral Prestij Gayrimenkul Geliştirme A.Ş. ('Ral Prestij' or 'Ral GYO') has been established through a partial division from the Holding in 2023.

Ral Holding and its subsidiaries (shortly names of Trio Teknik, Hera Teknik, Ral Yapı, Ral Enerji, Ral Prestij and Heguard Savunma) are consolidated in the financial statements and together referred to as "the Group". The Holding's ultimate controlling shareholders are Rıza Kandemir and Ahmet Zorlu, who hold the majority of shares. Ral Holding has been a publicly listed company on Borsa İstanbul since 1996, trading under the symbol 'RALYH,' with an actual outstanding shares ratio of 36.18% as of the end of 2024.

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

### Strengths

- Revenue growth mainly driven by progress in construction projects, in addition to diversification of activities,
- Sufficient backlog value and expected revenue growth from ongoing construction & real estate projects, along with investment on energy projects,
- Working mostly with the public housing authority in construction activities, reducing exposure to collection-related risks,
- Strong operational cash flow metrics in the last two years, though negative FOCF due to Capex,
- Successfully accomplished projects over the past decade,
- Sufficient equity base reinforced by retained earnings,
- Compliance with the corporate governance practices.

### Constraints

- Downtrend in key profit margins, notwithstanding the positive impact of investment property valuation differences on bottom-line profitability,
- The funding of energy projects mainly through bank loans and bond issuances leading to upward trend in debt ratios, despite still being at reasonable levels in 2024,
- Rising construction/labor costs in the sector and its structural exposure to global market conditions, coupled with intense competitive dynamics,
- As actions for a global soft-landing gain prominence, decisions with the potential to adversely affect global trade are engendering considerable uncertainty.

The Company's audited financial statements include inflation adjustments. Adjustments have been made in accordance with the terms of IAS 29 "Financial Reporting in Hyperinflationary Economies" regarding the changes in the general purchasing power of the Turkish Lira as of December 31, 2024. Considering the aforementioned points, the Company's Long-Term National Issuer Credit Rating has been affirmed at 'BBB+ (tr)'. The Company's asset and receivable quality, market position, growth projections with ongoing construction projects, sectoral developments and risk factors in the markets 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 achievement of budget targets, leverage indicators, profit margins and revenue generation and the impacts of global recession on the Company's operations 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.

