

## Corporate Credit Rating

New  Update

**Sector:** Logistic Support Services  
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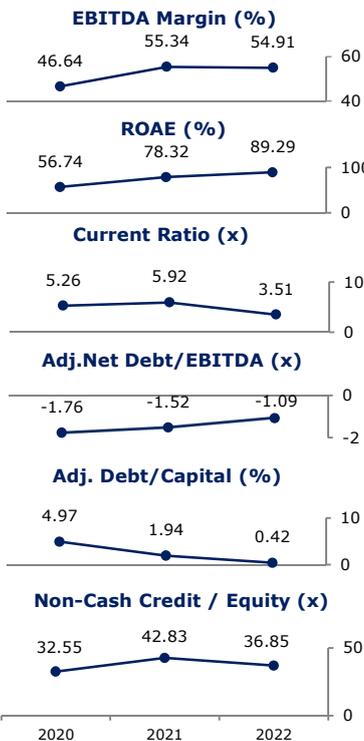
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RATINGS		Long Term	Short Term
ICRs (Issuer Credit Rating Profile)	National ICR	AA+ (tr)	J1+ (tr)
	National ICR Outlooks	Stable	Stable
	International FC ICR	BB	-
	International FC ICR Outlooks	Negative	-
	International LC ICR	BB	-
ISRs (Issue Specific Rating Profile)	International FC ISR	-	-
	International LC ISR	-	-
	Foreign Currency	BB (Negative)	-
Sovereign*	Local Currency	BB (Negative)	-

\* Assigned by JCR on Aug 18, 2022



## TOBB UND LOJİSTİK YATIRIM ANONİM ŞİRKETİ

JCR Eurasia Rating, has evaluated 'TOBB UND Lojistik Yatırım A.Ş.' in the investment-level category and affirmed the Long-Term National Issuer Credit Rating as 'AA+ (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 were affirmed as 'BB/Negative' as parallel to international ratings and outlooks of Republic of Türkiye.

**TOBB UND Lojistik Yatırım A.Ş.** (hereinafter referred to as 'TOBB UND' or 'the Company') was officially established in 2010 in Ankara to operate in logistic support services. The main activity of the Company is assisting border crossings of companies which are engaged in international transport in terms of common transit regime by providing collateral for its customers. TOBB UND has many services such as assisting in T1, T2 and TR Declarations processes, Entry Summary Declaration ("ENS") for ro-ro shipments, and Transport Electronic Tracking and Control Systems ("U-ETDS") as part of its transit services. Moreover, the Company offers a Border Pass Card to its customers for their fuel purchases at Petrol Ofisi fuel stations which located in Kapıkule and İpsala borders without cash or credit card, and with a deferred payment option. TOBB UND also maintains three foreign affiliates and many branches, agencies, in strategic locations of Türkiye and European continent.

The Company's paid in capital as of FYE2022 is TRY 30mn and ultimate controlling shareholder is Türkiye Odalar ve Borsalar Birliği ("TOBB") with 57.50% share, which is followed by Uluslararası Nakliyeciler Derneği with its 40.00%. TOBB UND's headquarter is located in Çankaya, Ankara and the Company has 77 personnel as of FYE2022 (FYE2021: 58).

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

### Strengths

- Steady revenue growth and strong profitability margins over the reviewed full year periods
- Sustained robust cash surplus position over the reviewed periods supporting bottom line profitability with time deposits and enhancing liquidity profile
- Although frequently dividend payments, high quality equity structure and level along with paid-in capital increases by transferring retained earnings
- Widespread service network competence and high brand value supported by shareholder structure
- Insured receivables improving asset quality
- Strategical location of Türkiye promises positive outlook for logistics sector

### Constraints

- Slower sales growth and deterioration in profitability margins in 3Q2023 provisional tax return due to earthquakes' impacts
- Improvement needs in the level of compliance with corporate governance practices
- Leading economic indicators signal global economic slowdown whereas quantitative tightening actions aim to restrict consumption growth and achieve a soft-landing in the domestic side

Considering the aforementioned points, the Company's Long-Term National Issuer Credit Ratings has been affirmed at 'AA+ (tr)'. The Company's revenue progression and profitability margins over the reviewed periods despite slower growth and declined margins in 2023, continuity of cash surplus position against financial debts, liquidity metrics, solid equity structure and paid-in capital increases, reputable shareholder structure, widespread service network, asset quality, and expected positive outlook for logistics industry have been evaluated as important indicators for the stability of the ratings and outlooks for Long and Short-Term National Issuer Credit Ratings are determined as 'Stable'. The Company's financial performance reflection to the 2023 independent audit report, business volume growth and profitability margins in the following year, and sustainability of indicators which subjected to strengths 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.