

Corporate Credit Rating

New Update

Sector: Automotive Industry
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RATINGS		Long Term	Short Term
ICRs (Issuer Credit Rating Profile)	National ICR	AAA (tr)	J1+ (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)	-

* Affirmed by JCR on September 1, 2025

Tofaş Türk Otomobil Fabrikası A.Ş.

JCR Eurasia Rating, has evaluated "Tofaş Türk Otomobil Fabrikası A.Ş." in the investment level category with the highest credit quality and affirmed the Long-Term National Issuer Credit Rating at 'AAA (tr)' and the Short-Term National Issuer Credit Rating at 'J1+ (tr)' with 'Stable' outlooks. On the other hand, the Long Term International Foreign and Local Currency Ratings and outlooks of the Company were affirmed as 'BB/Stable' according to JCR-ER's national-global mapping methodology.

"Tofaş Türk Otomobil Fabrikası A.Ş." (hereinafter referred to as "Tofaş" or "the Company" or "the Group"), was established in 1968 and main operating field of the Company is manufacturing, and trading of 'FIAT' brand personal cars (PC) and light commercial vehicles (LCV) in domestic and export markets. The Company conducts production and sales of sedan (SD), hatchback (HB) and cross models of 'Fiat Egea/Tipò' family, and new light vehicle model of 'Fiat, Opel, Peugeot, Citroen' branded 'K0' production started as of 4Q2024. In 2025, the Company acquired Stellantis Otomotiv Pazarlama A.Ş., through which distribution operations of other Stellantis brands including Opel, Peugeot, Citroen, DS were incorporated into the portfolio. Production plant, located on a surface area of 1,000,000 m², 350,000 m² of which is enclosed in Bursa with 450,000-unit annual production capacity. In addition, the Company also acts as the distributor of several global automotive brands including Alfa Romeo, Jeep, Maserati, and Ferrari, strengthening its market presence and brand portfolio in the Türkiye's automotive industry. The shareholders of the Company are Koç Holding A.Ş. (37.62%), Koç Group Companies and Koç Family members (0.23%), Stellantis N.V. (37.86%), and rest of the shares (24.28%) have been traded on Istanbul Stock Exchange (BIST) since 1991 under ticker-name of 'TOASO'.

Tofaş ranked 23th in the 'Türkiye's Top 500 Industrial Enterprises 2024' list of Istanbul Chamber of Commerce (2023: 11th) and ranked 45th in the 'Türkiye's Top 1000 Exporters 2024' survey of Türkiye Exporters Assembly (2023: 22th).

As of September, 2025, the Company has 4,639 employees (FYE2024: 4,502, FYE2023: 6,025).

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

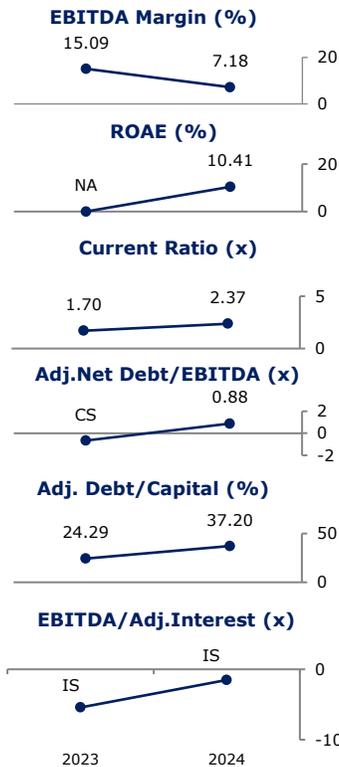
Strengths

- Enhanced sales volume and accordingly revenue in 3Q2025, driven by the launch of new models and the acquisition of other Stellantis brands' distribution rights,
- Adequate equity contribution during the reviewed periods, despite sizeable dividend outflows and low level of paid-in capital,
- Reasonable leverage metrics in the reviewed periods underpinned by resilient cash generation delivered short-term cash surplus position, despite partial increase in 3Q2025 amid the rise in financial indebtedness,
- Solid coverage metrics in line with net interest income during the reviewed periods,
- Moderate liquidity metrics along with favourable cash cycle in the reviewed periods,
- Strong receivable quality ensured by the collateralized structure,
- Sustained domestic LV market leadership for six consecutive years, further strengthened in 3Q2025 through the integration of Stellantis brands,
- Compliance with the corporate governance practices as a publicly traded company,
- Established market presence backed by reputable shareholders, Koç Holding and Stellantis.

Constraints

- Pressured profitability margins in FY2024 followed by further decline in 3Q2025,
- Production suspension for certain models during the model transition periods resulted in negative FOCF and CFO in FY2024, despite the recovery in 3Q2025,
- 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 'AAA (tr)'. The Company's enhanced sales volume and revenue in 3Q2025, adequate equity contribution, reasonable leverage and solid coverage metrics, moderate liquidity metrics, strong receivable quality, domestic LV market leadership, established market presence with reputable shareholder structure as well as pressured profitability margins, negative FOCF and CFO in FY2024 have been evaluated as important indicators for the stability of the ratings and the outlooks for the Long and Short-Term National Issuer Credit Ratings are affirmed as 'Stable'. The Company's profitability figures, demand and global market conditions both on domestic side and abroad, indebtedness, liquidity profile, cash flow figures, equity structure and the possible impacts of the global macroeconomic policies on Türkiye's economy and its effects on the Company's activities will be continued to be monitored.



CS: Cash Surplus
 NA: Not Applicable
 IS: Interest Surplus