

Corporate Credit Rating

New Update

Sector: Industrial Equipment Industry

Publishing Date: 25.11.2025

Team Leader

Abdurrahim Torun
 +90 212 352 56 73

abdurrahim.torun@jcrer.com.tr

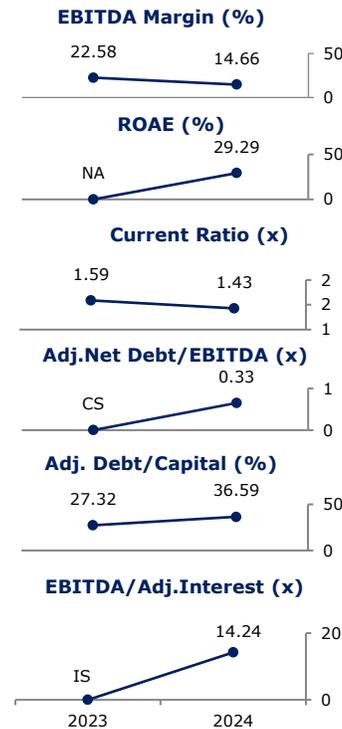
Assistant Analyst

Deniz Önder
 +90 212 352 56 73

deniz.onder@jcrer.com.tr

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)	National ISR	-	-
	International FC ISR	-	-
	International LC ISR	-	-
Sovereign*	Foreign Currency	BB (Stable)	-
	Local Currency	BB (Stable)	-

* Affirmed by JCR on September 1, 2025



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

Türk Traktör ve Ziraat Makineleri Anonim Şirketi

JCR Eurasia Rating, has evaluated "Türk Traktör ve Ziraat Makineleri A.Ş." in the investment grade 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.

"Türk Traktör ve Ziraat Makineleri A.Ş." (hereinafter referred to as "TürkTraktör" or "the Company"), was established on June 1954 in Ankara, as Minneapolis Moline Türk Traktör ve Ziraat Makineleri A.Ş. by MKE, TZDK, Ziraat Bankası, Tarış, Çukobirlik and MinneapolisMoline from the US and main operating field of the Company is manufacturing and trading of farm tractors, harvesters and other agricultural machinery and equipment. The title of the Company was changed as Türk Traktör Ziraat Makineleri A.Ş. in 1968 following the purchase of 25% of the shares held by Ege Makina ve Ticaret A.Ş., a group company of the Koç Holding A.Ş. ("Koç Holding").

TürkTraktör continues to stand by the farmers with its widespread sales and service network throughout Türkiye. TürkTraktör, transfers its 7 decades of experience in 4 continents in the world and services to farmers all over Türkiye with 126 tractor sales dealers, 143 spare parts dealers and 34 construction equipment dealers as of 3Q2025. In addition to distribution agreement signed with CNHI International SA, TürkTraktör also started to manufacture the Case and New Holland construction equipment in Türkiye in 2020. The major shareholders of the Company are Koç Holding and CNHI Osterreich GmbH with 37.50% shares, and remaining 25% of shares are publicly traded on the BIST with the ticker symbol "TTRAK".

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

Strengths	Constraints
<ul style="list-style-type: none"> Resilient capitalization amid a relative decline in 3Q2025, despite consistent sizeable dividend distributions and low paid-in capital, Satisfactory leverage metrics during the reviewed periods, albeit the loss of cash surplus position as of FYE2024 and further increase in indebtedness as of 3Q2025, Insignificant level of doubtful trade receivables, thanks to broad dealer network along with collateralized structure and dispersed exports, Moderate liquidity metrics, despite declined liquid assets and extending cash cycle as of FYE2024 and 3Q2025, SPP and in-house production investments contributing to cost management and reinforcing ESG compliance to some extent, Dominant domestic market position for over 18 consecutive years, underpinned by strong brand recognition and a strategic partnership framework, Compliance with the corporate governance practices as a publicly listed company. 	<ul style="list-style-type: none"> Decline in sector-wide demand resulted in reduced sales volume, and consequently, lower revenue and operating profitability margins in FY2024 and 3Q2025, Elevated financing expenses weakened coverage metrics and pressured bottom line in 3Q2025, Exposure to agricultural productivity and sectoral regulations, limiting operational flexibility despite diversification efforts, as particularly observed in 2025.

Considering the aforementioned points, the Company's Long-Term National Issuer Credit Rating has been affirmed at 'AAA (tr)'. The Company's resilient capitalization, satisfactory leverage metrics, insignificant level of doubtful trade receivables, moderate liquidity metrics, SPP and in-house production investments, dominant domestic market position and strategic partnership framework, compliance with corporate governance principles as well as decline in sector-wide demand and accordingly revenue and profitability, weakened coverage metrics and exposure to agricultural productivity with sectoral regulations 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 sales performance and profitability especially considering the declining demand during 2024 and 3Q2025, agricultural productivity, mainly related to climatic conditions, dividend policy, national and international policy implementation to the sector, the developments regarding the global and domestic macroeconomic indicators will be continued to be monitored.