

Corporate Credit Rating

New Update

Sector: Telecommunication

Publishing Date: 29.05.2025

Team Leader

Alperen Adanır

+90 212 352 56 73

alperen.adanir@jcrer.com.tr

Analyst

Selçuk Şen

+90 212 352 56 73

selcuk.sen@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 (Issuer Specific Rating Profile)	International LC ICR Outlooks	Stable	-
	National ISR	-	-
	International FC ISR	-	-
Sovereign*	International LC ISR	-	-
	Foreign Currency Local Currency	BB (Stable) BB (Stable)	- -

* Assigned by JCR on May 10, 2024

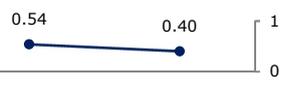
EBITDA Margin (%)



Current Ratio (x)



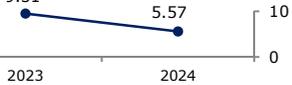
Adj.Net Debt/EBITDA (x)



Adj. Debt/Capital (%)



EBITDA/Adj.Interest (x)



Turkcell İletişim Hizmetleri A.Ş.

JCR Eurasia Rating has evaluated the "Turkcell İletişim Hizmetleri A.Ş." in the investment grade category with the highest credit quality and affirmed the Long-Term National Issuer Credit Rating as 'AAA (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 assigned as 'BB/Stable' as parallel to international ratings and outlooks of Republic of Türkiye.

Turkcell İletişim Hizmetleri A.Ş. (hereinafter referred to as "Turkcell" or "the Company" or "the Group") was established in 1993 and began its operations in 1994 as a Global System for Mobile Communications (GSM) operator. Since then, Turkcell has transitioned into a 'Digital Operator' by broadening its product offerings. Turkcell aims to be an integrated communication and technology services provider in the region, running a unified mobile and fixed network platform while delivering a wide array of innovative products and services. Its offerings include a TV platform, fixed wireless access, instant messaging, video communications, consumer finance, payment solutions, a search engine, data center and cloud services, a music platform and gaming technology.

As of FYE2024, Turkcell has 45.2mn subscribers across three different countries (Türkiye, Belarus and Turkish Republic of Northern Cyprus).

Turkcell is listed on both Borsa İstanbul A.Ş. (BIST) and on New York Stock Exchange (NYSE) since 2000. The Company has 22,228 employees as of FYE2024 (FYE2023: 24,352).

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

Strengths

- Increase in sales revenues thanks to new customer acquisition in FY2024,
- Higher ARPU than CPI in mobile and fiber segments thanks to the ability to reflect cost increases in service prices in FY2024,
- Strong profitability ratios in the analysed years,
- Continuing short-term cash surplus position and improvement in financial leverage metrics as of FYE2024,
- Wide product network especially in the mobile sector,
- Being one of the most important brands in Türkiye,
- Advantage arising from difficult entry of new players into the sector due to high infrastructure requirements,
- Compliance with corporate governance practices and quality standards as a publicly traded company.

Constraints

- Complexity and high rates of sector-specific taxes,
- 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 Rating has been affirmed as 'AAA (tr)'. The Company's strong EBITDA generation capacity, sales growth, short-term cash surplus position and solid cash flow generation capacity, wide product network and strong brand value have been evaluated as important indicators for the stability of the ratings and the outlooks for Long and Short-Term National Ratings are assigned as 'Stable'. Sustainability of the Company's profitability performance, changes in market share and equity level together with the trends in financing and telecommunication sectors are going to be monitored by JCR Eurasia Rating, as well as the macroeconomic indicators at national and international markets and legal frame about the sector.