

## Corporate Credit Rating

New Update

**Sector:** Rent a Car

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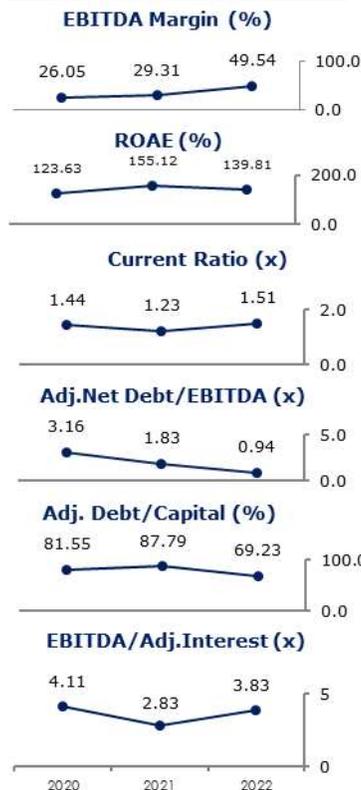
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## RATINGS

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

\* Assigned by JCR on August 18, 2022



## Yes Oto Kiralama ve Turizm Yatırımları A.Ş.

JCR Eurasia Rating has evaluated **Yes Oto Kiralama ve Turizm Yatırımları A.Ş.** in the investment level category and assigned the Long-Term National Issuer Credit as '**A+ (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/Negative**'.

**Yes Oto Kiralama ve Turizm Yatırımları A.Ş.** (referred to as "Enterprise" or "the Company") was established in 1990 in Istanbul, Turkey and operates in the field of car rental services. The Company operates as the representative of the Enterprise Rent-A-Car, Alamo, and National Car Rental brands which are owned by Enterprise Holding. Enterprise Holding is a global company provides car rental services and operates in more than 90 countries with more than 100 thousand employees and a fleet of more than 2 million vehicles. The Company operates in 38 cities with more than 80 rental offices. The number of personnel in the Company is 554 as of 31 December 2022 (31 December 2021: 474). As of FYE2022, the number of vehicles of the fleet is reached 6,907 vehicles (FYE2021: 5,031 vehicles).

The shareholders of the Company are Mustafa Başdemir, Adnan Başdemir, Muammed Selim Başdemir, Özarslan Abdulkadir Tangün.

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

### Strengths

- Significant improvement in revenue and EBITDA performance in 2022 thanks to increase in sales volume of rental operations and selling prices
- Upward trend in profitability indicators during the review period
- Improvement in financial leverage indicators
- Satisfactory level of net working capital
- Asset structure mainly consists of second-hand cars, capable of converting into cash rapidly
- Significant increase in fleet size along with a high number of rental offices in various cities of Türkiye
- Benefiting from the brand reputation of Enterprise, a global short-term car leasing brand

### Constraints

- Potential volatility in second-hand car prices in the market may put pressure on profitability
- Ongoing global chip shortage stands out as a potential risk for the Company and Industry
- Global recession and geopolitical risks stemming from the Russia-Ukraine tension increasing uncertainty and monetary tightening across the globe deteriorating growth projections

Considering the aforementioned points, the Company's Long-Term National Issuer Credit Ratings has been assigned as '**A+ (tr)**'. The Company's upward trend in revenue and EBITDA generation performance, profitability indicators, financial leverage ratios, and global interest rate hiking cycle have been evaluated as important indicators for the stability of the ratings and outlooks for Long and Short-Term National Issuer Credit Ratings '**Stable**'. The Company's sales performance, return on investments, profit margins, and liquidity level 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.