JCR Eurasia Rating
"JCR-ER, Group of Japan Credit Rating Agency, Ltd."

RATING NOTIFICATION

Rating Agency	: JCR AVRASYA DERECELENDİRME A.Ş.
Rated Institution	: Borusan Birleşik Boru Fabrikaları San. ve Tic. A.Ş.
Address	: Maslak Mahallesi Taşyoncası Sokak No:1/F F2 Blok Kat:2 34485 Sarıyer, İstanbul-Türkiye
Phone and Fax No	: 0212 352 56 73 – 0212 352 56 75
Date	: 28/08/2024
Subject	: Article 26 of the CMB Serial VIII, No. 51 Communiqué on Principles

Capital Markets Board of Türkiye (SPK) - To the Accounting Standards Department
Central Securities Depository of the Turkish Capital Markets (MKK) - Public Disclosure Platform

JCR Eurasia Rating has evaluated **"Borusan Birleşik Boru Fabrikaları San. ve Tic. A.Ş."**.

- Remarkable increase in sales performance in FY2023 and 1H2024, also expected to continue in 2024 financials with the effect of the new facilities abroad,
- Significant increase in profitability indicators, although stabilizing in 1H2024 due to weakening demand,
- Notable improvement in leverage profile thanks to an increase in EBITDA generation capacity,
- Visible enhancement in cash flow metrics in FY2023,
- Diversified customer portfolio through operations in both national/international markets and wide sales network supporting revenues and mitigating concentration risk,
- Internal equity generation capacity thanks to strong operational performance,
- Natural hedge mechanism provided by abroad-oriented revenue structure,
- Compliance with corporate governance practices as a publicly traded company.
- High brand recognition and strong business profile supporting commercial ties with the support of the Borusan Group,
- Short-term weighted debt structure despite the decrease in total debt level in FYE2023 and diversified funding structure including debt issuance through tailored financial instruments,
- High amount of net financial expenses suppressing the bottom-line results,
- Fluctuations in production input costs and overall market demand may put pressure on profitability,
- Operational risk that may be exposed due to potential global regulatory changes.

The Long-Term National Issuer Credit Rating of **"Borusan Birleşik Boru Fabrikaları San. ve Tic. A.Ş."** has been affirmed at **'A+ (tr)'** considering the above-mentioned issues. All rating notes and outlooks of the Company are as follows.

Long-Term National Issuer Credit Rating	:	**A+ (tr)** / (Stable Outlook)
Short-Term National Issuer Credit Rating	:	**J1 (tr)** / (Stable Outlook)
Long Term International Foreign Currency Issuer Credit Rating	:	**BBB-** / (Stable Outlook)
Long Term International Local Currency Issuer Credit Rating	:	**BBB-** / (Stable Outlook)

NOTE: JCR Eurasia's ratings are objective and independent opinions regarding the creditworthiness of a security and/or issuer and should not be considered a recommendation to buy, hold, sell, or grant credit to any security. Rating reports are valid for 1 year from publication unless otherwise stated. The validity date of interim reviews cannot exceed the validity date of the original report.

Regards,
JCR AVRASYA DERECELENDİRME A.Ş.

Zeki Metin ÇOKTAN	**Prof. Dr. Feyzullah YETGİN**
Executive Vice President	**General Manager**