



## RATING ACTION COMMENTARY

# Fitch Takes Rating Actions on Turkish Corporates Following Sovereign Downgrade

Fri 18 Feb, 2022 - 12:45 PM ET

Fitch Ratings - Barcelona - 18 Feb 2022: Fitch Ratings has taken rating actions on eight Turkish corporate issuers following the downgrade of Turkey's sovereign ratings on 11 February 2022 (see 'Fitch Downgrades Turkey to 'B+'; Outlook Negative' at [www.fitchratings.com](http://www.fitchratings.com)). A full list of rating actions is below.

Turkiye Sise ve Cam Fabrikalari AS (Sisecam)

Fitch has downgraded Sisecam's Long-Term Foreign-Currency Issuer Default Rating (LT FC IDR) to 'B+' from 'BB-'. The Outlook on the IDR is Negative. Simultaneously, Fitch has downgraded Sisecam's senior unsecured rating to 'B+'/RR4 from 'BB-'.

The downgrade follows the downgrade of Turkey's LT FC IDR, Long-Term Local-Currency IDR (LT LC IDR) and the Country Ceiling to 'B+' from 'BB-'. We constrain Sisecam's LT FC IDR at Turkey's Country Ceiling due to its high exposure to the Turkish economy. The Negative Outlook reflects the likely correlation of future rating actions with changes to the sovereign rating, assuming that the Country Ceiling moves in line with the sovereign LT IDR.

Ordu Yardimlasma Kurumu (OYAK)

Fitch has downgraded OYAK's LT FC IDR to 'B+' from 'BB-'. The Outlook is Negative.

The downgrade follows the downgrade of Turkey's LT FC IDR and Country Ceiling. We constrain OYAK's LT FC IDR at Turkey's Country Ceiling due to its high exposure to the Turkish economy. The Negative Outlook reflects the likely correlation of future rating actions with changes to the sovereign rating, assuming that the Country Ceiling moves in line with the sovereign LT IDR.

Arcelik A.S.

Fitch has downgraded Arcelik A.S.'s LT FC IDR and senior unsecured rating to 'BB' from 'BB+'. The Outlook on the LT FC IDR is Negative. The LT LC IDR has been affirmed at 'BB+' with a Stable Outlook.

The downgrade follows the downgrade of Turkey's LT FC IDR and Country Ceiling. Arcelik's LT FC IDR and senior unsecured rating are currently two notches above the Turkish Country Ceiling, reflecting the issuer's exporter nature providing structural enhancements that are required under our criteria. The Negative Outlook reflects the likely correlation of future rating actions with changes to the sovereign rating, assuming that the Country Ceiling moves in line with the sovereign LT IDR.

The affirmation of the LT LC IDR reflects Fitch's unchanged assessment of the fundamental issuer-specific credit considerations.

Turk Telekomunikasyon A.S. (TT)

Fitch has downgraded TT's LT FC IDR to 'B+' from 'BB-' and senior unsecured rating to 'B+/RR4' from 'BB-'. The Outlook on the LT FC IDR is Negative. The LT LC IDR has been affirmed at 'BB-' and the Outlook revised to Negative from Stable.

The downgrade of the FC ratings follows the downgrade of Turkey's FC LT IDR and Country Ceiling. We constrain TT's LT FC IDR at Turkey's Country Ceiling due to its high exposure to the Turkish economy. The Negative Outlook reflects the likely correlation of future rating actions with changes to the sovereign rating, assuming that the Country Ceiling moves in line with the sovereign LT IDR.

Fitch allows TT's LT LC IDR to be one notch above Turkey's LT LC IDR given its resilient business model, effective hedging strategy, conservatively managed leverage and a strong record of access to international capital and loan markets.

### Turkcell Iletisim Hizmetleri A.S (Tcell)

Fitch has downgraded Tcell's LT FC IDR to 'B+' from 'BB-' and senior unsecured rating to 'B+'/'RR4 from 'BB-'. The Outlook on the IDR is Negative.

The downgrade follows the downgrade of Turkey's LT FC IDR and Country Ceiling. We constrain Tcell's LT FC IDR at Turkey's Country Ceiling due to its high exposure to the Turkish economy. The Negative Outlook reflects the likely correlation of future rating actions with changes to the sovereign rating, assuming that the Country Ceiling moves in line with the sovereign LT IDR.

### Emlak Konut Gayrimenkul Yatirim Ortakligi A.S. (Emlak Konut)

Fitch has downgraded the Turkish residential developer Emlak Konut's LT FC and LC IDRs to 'B+' from 'BB-'. The Outlooks are Negative.

The downgrade follows the downgrade of Turkey's LT FC and LC IDRs and Country Ceiling. We constrain Emlak Konut's LT FC IDR at Turkey's Country Ceiling and the LT LC IDR at Turkey's LT LC IDR due to its high exposure to the Turkish economy. The Negative Outlook reflects the likely correlation of future rating actions with changes to the sovereign rating, assuming that the Country Ceiling moves in line with the sovereign LT IDR.

### Pegasus Hava Tasimaciligi A.S.

Fitch has affirmed Pegasus's LT FC and LC IDRs at 'BB-'. The Outlooks are Negative. Fitch has affirmed Pegasus's foreign-currency senior unsecured bonds at 'BB-'.

The affirmations follow the downgrade of Turkey's LT FC and LC IDRs and Country Ceiling. Pegasus's high hard currency revenues and readily accessible hard currency liquidity should enable it to service hard currency debt for a minimum of one year. This leads to Pegasus's LT FC IDR being a maximum one notch above Turkey's Country Ceiling of 'B+' under Fitch's Non-Financial Corporates Exceeding the Country Ceiling Rating Criteria. Fitch allows Pegasus's LT LC IDR to be a maximum one notch above Turkey's LT LC IDR, given its high share of revenue from international routes.

### Bosphorus Pass Through Certificates Series 2015-1A

Fitch has affirmed Bosphorus Pass Through Certificates Series 2015-1A class A's long-term rating at 'BB'. The affirmation follows the downgrade of Turkey's LT FC IDR and Country

Ceiling. Based on Fitch's Enhanced Equipment Trust Certificates (EETC) Criteria and the nature of the EETC structure and its collateral, we deem there are offshore structural enhancements through the offshore liquidity facility from Paris-based BNP Paribas (A+/Stable) in this transaction, covering 18 months of debt service. This would mitigate transfer and convertibility risk and enables the Bosphorus rating to pierce the Country Ceiling under Fitch's Non-Financial Corporates Exceeding the Country Ceiling Rating Criteria by two notches.

## KEY RATING DRIVERS

For full key ratings drivers and ESG considerations for each issuer, see the rating action commentaries (RACs) listed below.

'Fitch Affirms Sisecam at 'BB-'; Outlook Stable' dated 24 June 2021

'Fitch Affirms Ordu Yardimlasma Kurumu (OYAK) at 'BB-'; Outlook Negative' dated 10 January 2022

'Fitch Upgrades Arcelik to 'BB+'; Outlook Stable' dated 1 June 2021

'Fitch Affirms Turk Telekom at 'BB-'; Outlook Stable' dated 17 November 2021

'Fitch Affirms Turkcell at 'BB-'; Outlook Stable' dated 17 November 2021

'Fitch Affirms Emlak Konut at 'BB-'; Outlook Stable' dated 13 October 2021

'Fitch Assigns Pegasus First-time IDR at 'BB-'; Outlook Negative' dated 19 April 2021

For Bosphorus pass through certificates series 2015-1A class A see 'Fitch Revises Turkish Airline's Outlook to Stable; Affirms IDR at 'B' dated 11 February 2022 and 'Fitch Publishes Turkish Airlines' Bosphorus Pass Through Certificates' 'BB' Rating' dated 19 May 2021.

## DERIVATION SUMMARY

See relevant RACs for each issuer.

## KEY ASSUMPTIONS

See relevant RACs for each issuer.

For issuers with IDRs of 'B+' and below, Fitch performs a recovery analysis for each class of obligations of the issuer. The issue rating is derived from the IDR and the relevant Recovery Rating (RR) and notching, based on the going-concern enterprise value of the company in a distressed scenario or its liquidation value.

Sisecam:

- The recovery analysis assumes that Sisecam would be a going concern in bankruptcy and that the company would be reorganised rather than liquidated.

- A 10% administrative claim is assumed.

Going-Concern Approach

- The going-concern EBITDA estimate reflects Fitch's view of a sustainable, post-reorganisation EBITDA level upon which we base the valuation of the company.

- The going-concern EBITDA is estimated at TRY5.2 billion.

- We assume an enterprise value multiple of 5x.

With these assumptions, our waterfall generated recovery computation (WGRC) for the senior unsecured notes is in the 'RR1' band. However, according to Fitch's Country-Specific Treatment of Recovery Ratings Criteria, the Recovery Rating for Turkish corporate issuers is capped at 'RR4'. The Recovery Rating for senior unsecured notes is therefore 'RR4' with the WGRC output percentage at 50%.

TT:

- The recovery analysis assumes that TT would be a going concern in bankruptcy and that the company would be reorganised rather than liquidated.

- A 10% administrative claim is assumed.

Going-Concern Approach

- The going-concern EBITDA estimate reflects Fitch's view of a sustainable, post-reorganisation EBITDA level upon which we base the valuation of the company.

- The going-concern EBITDA is estimated at TRY12.3 billion.

- We assume an enterprise value multiple of 4x.

With these assumptions, our waterfall generated recovery computation (WGRC) for the senior unsecured notes is in the 'RR1' band. However, according to Fitch's Country-Specific Treatment of Recovery Ratings Criteria, the Recovery Rating for Turkish corporate issuers is capped at 'RR4'. The Recovery Rating for senior secured notes is therefore 'RR4' with the WGRC output percentage at 50%.

Tcell:

- The recovery analysis assumes that Tcell would be a going concern in bankruptcy and that the company would be reorganised rather than liquidated.

- A 10% administrative claim is assumed.

#### Going-Concern Approach

- The going-concern EBITDA estimate reflects Fitch's view of a sustainable, post-reorganisation EBITDA level upon which we base the valuation of the company.

- The going-concern EBITDA is estimated at TRY10 billion.

- We assume an enterprise value multiple of 4x.

With these assumptions, our waterfall generated recovery computation (WGRC) for the senior unsecured notes is in the 'RR1' band. However, according to Fitch's Country-Specific Treatment of Recovery Ratings Criteria, the Recovery Rating for Turkish corporate issuers is capped at 'RR4'. The Recovery Rating for senior secured notes is therefore 'RR4' with the WGRC output percentage at 50%.

#### **RATING SENSITIVITIES**

Sisecam:

Factors that could, individually or collectively, lead to positive rating action/upgrade:

- We do not expect the ratings to be upgraded while they are constrained by Turkey's Country Ceiling.

Factors that could, individually or collectively, lead to negative rating action/downgrade:

- A lowering of Turkey's Country Ceiling.
- Funds from operations (FFO) margin below 8%.
- FFO net leverage above 4.0x on a sustained basis.

OYAK:

Factors that could, individually or collectively, lead to positive rating action/upgrade:

- We do not expect the rating to be upgraded while it is constrained by Turkey's Country Ceiling.

Factors that could, individually or collectively, lead to negative rating action/downgrade:

- Fitch-adjusted dividend interest coverage below 3.0x.
- Weakening in the credit quality of its portfolio, leading to a blended income stream assessment of 'b' or below.
- Fitch-adjusted LTV ratio sustained above 50 %.
- Decreased diversification of cash flow leading to increasing dependency on a single asset.

Arcelik:

Factors that could, individually or collectively, lead to positive rating action/upgrade:

- The ratings could be upgraded if Turkey's Country Ceiling was upgraded, in conjunction with an improvement in Arcelik's Standalone Credit Profile (SCP).

Factors that could, individually or collectively, lead to negative rating action/downgrade:

- A lowering of Turkey's Country Ceiling.
- Receivables-adjusted FFO net leverage above 3.5x.

- Substantial deterioration in liquidity.
- FFO margin below 6%.
- Consistently negative FCF.

TT:

Factors that could, individually or collectively, lead to positive rating action/upgrade:

- TT's LT FC and LC IDRs could be upgraded if Turkey's Country Ceiling or LT LC IDR were upgraded, respectively, assuming no change in TT's underlying credit quality.

Factors that could, individually or collectively, lead to negative rating action/downgrade:

- FFO net leverage above 4.0x on a sustained basis.
- Material deterioration in pre-dividend FCF margin, or in the regulatory or operating environments.
- Negative rating action on Turkey's Country Ceiling or LT LC IDR could lead to negative rating action on TT's LT FC and LC IDRs, respectively.
- Sustained increase in foreign-exchange (FX) mismatch between company's net debt and cash flows.
- Excessive reliance on short-term funding, without adequate liquidity over the next 12-18 months.

Tcell:

Factors that could, individually or collectively, lead to positive rating action/upgrade:

- An upgrade of the Country Ceiling, assuming no change in Tcell's underlying credit quality.

Factors that could, individually or collectively, lead to negative rating action/downgrade:

- FFO net leverage above 4.0x on a sustained basis.



- Material deterioration in pre-dividend FCF margin, or in the regulatory or operating environments.
- Sustained increase in FX mismatch between net debt and cash flows.
- A downgrade of Turkey's Country Ceiling.
- Excessive reliance on short-term funding, without adequate liquidity over the next 12-18 months.

#### Emlak Konut:

Factors that could, individually or collectively, lead to positive rating action/upgrade:

- An upgrade of the Country Ceiling or LT LC IDR.
- Reduced volatility of profits derived from the Turkish housing market.
- Consistently strong GDP growth, along with political stabilization.
- FFO gross and net leverage below 5x and 4.5x, respectively.

Factors that could, individually or collectively, lead to negative rating action/downgrade:

- Deterioration of the operating environment and downgrade of the Country Ceiling.
- FFO gross and net leverage above 6x and 5.5x, respectively.
- Material change in the relationship with TOKI, causing deterioration in Emlak Konut's financial profile and financial flexibility.
- Deterioration in liquidity profile over a sustained period.

#### Pegasus:

Factors that could, individually or collectively, lead to positive rating action/upgrade:

An upgrade is unlikely given the Negative Outlook on the IDR.

Factors that could, individually or collectively, lead to negative rating action/downgrade:

- Negative free cash flow (FCF) through the cycle and FFO adjusted net leverage above 3.7x and/or FFO adjusted gross leverage above 5x on a sustained basis.
- FFO fixed charge cover below 1.5x.
- A downgrade of Turkey's Country Ceiling would be negative for the airline's LT FC IDR and a downgrade of Turkey's LT LC IDR would be negative for the airline's LT LC IDR.

Bosphorus 2015-1 Class A:

Positive rating action is not expected in the near term due to coronavirus-related pressures on the airline industry and collateral values.

- The rating is based on a bottom-up analysis and is notched up from Turk Hava Yollari Anonim Ortakligi's (Turkish Airlines or THY) IDR. An upgrade of THY's IDR or improvement in collateral values leading to a top-down analysis-driven rating could lead to an upgrade if the Country Ceiling was upgraded.

Factors that could, individually or collectively, lead to negative rating action/downgrade:

- A downgrade of THY's IDR or of Turkey's Country Ceiling.
- A change in Fitch's expectation regarding the likelihood of affirmation or likely recovery.

## **BEST/WORST CASE RATING SCENARIO**

International scale credit ratings of Non-Financial Corporate issuers have a best-case rating upgrade scenario (defined as the 99th percentile of rating transitions, measured in a positive direction) of three notches over a three-year rating horizon; and a worst-case rating downgrade scenario (defined as the 99th percentile of rating transitions, measured in a negative direction) of four notches over three years. The complete span of best- and worst-case scenario credit ratings for all rating categories ranges from 'AAA' to 'D'. Best- and worst-case scenario credit ratings are based on historical performance. For more information about the methodology used to determine sector-specific best- and worst-case scenario credit ratings, visit <https://www.fitchratings.com/site/re/10111579>.

## **LIQUIDITY AND DEBT STRUCTURE**

See relevant RACs for each issuer.

## Criteria Variation

Bosphorus Pass Through Certificates Series 2015-1A's 'BB' rating includes a criteria variation from 'Non-Financial Corporates Exceeding the Country Ceiling Rating Criteria'.

The criteria guide possible notch-uplift above Country Ceiling by a minimum number of years of hard currency (HC) debt service to be covered by 50% of HC EBITDA from exports or other offshore cash sources. The Bosphorus transaction benefits from a Paris-based (i.e. offshore) liquidity facility provider, which covers 18 months of debt service. We view this, in effect, as providing protection against transfer and convertibility risk, similar to our criteria guidance. We therefore allow Bosphorus's rating to exceed Turkey's 'B+' Country Ceiling by two notches. The 1.5x coverage of HC debt service requirement for a two-notch uplift is not met but this is mitigated by the fact the liquidity facility is dedicated to debt service of the EETC and cannot be used for other purposes.

## SUMMARY OF FINANCIAL ADJUSTMENTS

See relevant RACs for each issuer.

## REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING

The principal sources of information used in the analysis are described in the Applicable Criteria.

## ESG CONSIDERATIONS

Unless otherwise disclosed in this section, the highest level of ESG credit relevance is a score of '3'. This means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. For more information on Fitch's ESG Relevance Scores, visit [www.fitchratings.com/esg](http://www.fitchratings.com/esg)

## RATING ACTIONS

ENTITY / DEBT ⇅

RATING ⇅

RECOVERY

PRIOR ⇅



Emlak Konut Gayrimenkul Yatirim Ortakligi A.S.	LT IDR				BB- Rating Outlook Negative
	B+ Rating Outlook Negative				
	Downgrade				
	LC LT IDR				BB- Rating Outlook Negative
	B+ Rating Outlook Negative				
	Downgrade				
Turk Telekomunikasyon A.S.	LT IDR				BB- Rating Outlook Negative
	B+ Rating Outlook Negative				
	Downgrade				
	LC LT IDR				BB- Rating Outlook Stable
	BB- Rating Outlook Negative				
	Affirmed				
senior unsecured	LT	B+	Downgrade	RR4	BB-
Turkiye Sise ve Cam Fabrikalari AS	LT IDR				BB- Rating Outlook Negative
	B+ Rating Outlook Negative				
	Downgrade				
senior unsecured	LT	B+	Downgrade	RR4	BB-

Turkcell Iletisim Hizmetleri A.S	LT IDR				BB- Rating Outlook Negative
		B+	Downgrade		
				RR4	
senior unsecured	LT	B+	Downgrade		BB-
Pegasus Hava Tasimaciligi A.S.	LT IDR				BB- Rating Outlook Negative
					BB- Rating Outlook Negative
					Affirmed
	LC LT IDR				BB- Rating Outlook Negative
					BB- Rating Outlook Negative
					Affirmed
senior unsecured	LT	BB-	Affirmed		BB-
Arcelik A.S.	LT IDR				BB+ Rating Outlook Negative
					BB Rating Outlook Negative
					Downgrade
	LC LT IDR				BB+ Rating Outlook Stable
					BB+ Rating Outlook Stable
					Affirmed

senior unsecured	LT	BB	Downgrade	BB+
Ordu Yardimlasma Kurumu (Oyak)	LT IDR			BB- Rating Outlook Negative
			B+ Rating Outlook Negative	
			Downgrade	
Bosphorus Pass Through Certificates Series 2015-1A				
senior secured	LT	BB	Affirmed	BB

[VIEW ADDITIONAL RATING DETAILS](#)

## FITCH RATINGS ANALYSTS

### Slava Bunkov

Senior Director

Primary Rating Analyst

+7 495 956 9931

slava.bunkov@fitchratings.com

Fitch Ratings CIS Ltd

Business Centre Light House, 6th Floor 26 Valovaya St. Moscow 115054

### Cigdem Cerit

Director

Primary Rating Analyst

+34 93 467 8840

cigdem.cerit@fitchratings.com

Fitch Ratings Ireland Spanish Branch, Sucursal en España

Av. Diagonal 601 Barcelona 08028

### Diego Della Maggiore

Director

Primary Rating Analyst

+44 20 3530 1797

diego.dellamaggiore@fitchratings.com

Fitch Ratings Ltd

30 North Colonnade, Canary Wharf London E14 5GN

**Raman Singla**

Director

Primary Rating Analyst

+44 20 3530 1728

raman.singla@fitchratings.com

Fitch Ratings Ltd

30 North Colonnade, Canary Wharf London E14 5GN

**Hugh Shim, CFA**

Director

Primary Rating Analyst

+44 20 3530 1724

hugh.shim@fitchratings.com

Fitch Ratings Ltd

30 North Colonnade, Canary Wharf London E14 5GN

**Tom Steabler, ACA**

Director

Secondary Rating Analyst

+44 20 3530 1661

tom.steabler@fitchratings.com

**Shrouk Diab**

Associate Director

Secondary Rating Analyst

+971 4 424 1250

shrouk.diab@fitchratings.com

**Jad Salem**

Associate Director

Secondary Rating Analyst

+971 4 424 1245

jad.salem@fitchratings.com

**Samer Haydar**

Director

Secondary Rating Analyst

+971 4 424 1240

samer.haydar@fitchratings.com

**Hugh Shim, CFA**

Director

Secondary Rating Analyst

+44 20 3530 1724

hugh.shim@fitchratings.com

**Raman Singla**

Director

Secondary Rating Analyst

+44 20 3530 1728

raman.singla@fitchratings.com

**Arkadiusz Wicik, CFA**

Senior Director

Committee Chairperson

+48 22 338 6286

arkadiusz.wicik@fitchratings.com

**MEDIA CONTACTS**

**Tahmina Pinnington-Mannan**

London

+44 20 3530 1128

tahmina.p-mannan@thefitchgroup.com

Additional information is available on [www.fitchratings.com](http://www.fitchratings.com)

**PARTICIPATION STATUS**

The rated entity (and/or its agents) or, in the case of structured finance, one or more of the transaction parties participated in the rating process except that the following issuer(s), if any, did not participate in the rating process, or provide additional information, beyond the issuer's available public disclosure.



## APPLICABLE CRITERIA

[Country-Specific Treatment of Recovery Ratings Criteria \(pub. 05 Jan 2021\)](#)

[Non-Financial Corporates Exceeding the Country Ceiling Rating Criteria \(pub. 08 Jan 2021\)](#)

[Corporates Recovery Ratings and Instrument Ratings Criteria \(pub. 09 Apr 2021\)  
\(including rating assumption sensitivity\)](#)

[Aircraft Enhanced Equipment Trust Certificates Rating Criteria \(pub. 31 Aug 2021\)  
\(including rating assumption sensitivity\)](#)

[Corporate Rating Criteria \(pub. 15 Oct 2021\) \(including rating assumption sensitivity\)](#)

[Sector Navigators - Addendum to the Corporate Rating Criteria \(pub. 15 Oct 2021\)](#)

[Investment Holding Companies Rating Criteria \(pub. 12 Nov 2021\) \(including rating assumption sensitivity\)](#)

[Parent and Subsidiary Linkage Rating Criteria \(pub. 01 Dec 2021\)](#)

## APPLICABLE MODELS

Numbers in parentheses accompanying applicable model(s) contain hyperlinks to criteria providing description of model(s).

Corporate Monitoring & Forecasting Model (COMFORT Model), v7.9.0 (1)

Enhanced Equipment Trust Certificates Model, v2.1.1 (1)

## ADDITIONAL DISCLOSURES

[Dodd-Frank Rating Information Disclosure Form](#)

[Solicitation Status](#)

[Endorsement Policy](#)

## ENDORSEMENT STATUS

Turkcell Iletisim Hizmetleri A.S	UK Issued, EU Endorsed
Turk Telekomunikasyon A.S.	UK Issued, EU Endorsed
Arcelik A.S.	EU Issued, UK Endorsed
Turkiye Sise ve Cam Fabrikalari AS	EU Issued, UK Endorsed
Ordu Yardimlasma Kurumu (Oyak)	EU Issued, UK Endorsed
Emlak Konut Gayrimenkul Yatirim Ortakligi A.S.	UK Issued, EU Endorsed
Bosphorus Pass Through Certificates Series 2015-1A	UK Issued, EU Endorsed
Pegasus Hava Tasimaciligi A.S.	UK Issued, EU Endorsed

## DISCLAIMER

ALL FITCH CREDIT RATINGS ARE SUBJECT TO CERTAIN LIMITATIONS AND DISCLAIMERS. PLEASE READ THESE LIMITATIONS AND DISCLAIMERS BY FOLLOWING THIS LINK: [HTTPS://WWW.FITCHRATINGS.COM/UNDERSTANDINGCREDITRATINGS](https://www.fitchratings.com/understandingcreditratings). IN ADDITION, THE FOLLOWING [HTTPS://WWW.FITCHRATINGS.COM/RATING-DEFINITIONS-DOCUMENT](https://www.fitchratings.com/rating-definitions-document) DETAILS FITCH'S RATING DEFINITIONS FOR EACH RATING SCALE AND RATING CATEGORIES, INCLUDING DEFINITIONS RELATING TO DEFAULT. PUBLISHED RATINGS, CRITERIA, AND METHODOLOGIES ARE AVAILABLE FROM THIS SITE AT ALL TIMES. FITCH'S CODE OF CONDUCT, CONFIDENTIALITY, CONFLICTS OF INTEREST, AFFILIATE FIREWALL, COMPLIANCE, AND OTHER RELEVANT POLICIES AND PROCEDURES ARE ALSO AVAILABLE FROM THE CODE OF CONDUCT SECTION OF THIS SITE. DIRECTORS AND SHAREHOLDERS RELEVANT INTERESTS ARE AVAILABLE AT [HTTPS://WWW.FITCHRATINGS.COM/SITE/REGULATORY](https://www.fitchratings.com/site/regulatory). FITCH MAY HAVE PROVIDED ANOTHER PERMISSIBLE SERVICE OR ANCILLARY SERVICE TO THE RATED ENTITY OR ITS RELATED THIRD PARTIES. DETAILS OF PERMISSIBLE SERVICE(S) FOR WHICH THE LEAD ANALYST IS BASED IN AN ESMA- OR FCA-REGISTERED FITCH RATINGS COMPANY (OR BRANCH OF SUCH A COMPANY) OR ANCILLARY SERVICE(S) CAN BE FOUND ON THE ENTITY SUMMARY PAGE FOR THIS ISSUER ON THE FITCH RATINGS WEBSITE.

[READ LESS](#)

## COPYRIGHT

Copyright © 2022 by Fitch Ratings, Inc., Fitch Ratings Ltd. and its subsidiaries. 33 Whitehall Street, NY, NY 10004. Telephone: 1-800-753-4824, (212) 908-0500. Fax: (212) 480-4435. Reproduction or retransmission in whole or in part is prohibited except by permission. All rights reserved. In issuing and maintaining its ratings and in making other reports (including forecast information), Fitch relies on factual information it receives from issuers and underwriters and from other sources Fitch believes to be credible. Fitch conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction. The manner of Fitch's factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters,

appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors. Users of Fitch's ratings and reports should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information Fitch relies on in connection with a rating or a report will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to Fitch and to the market in offering documents and other reports. In issuing its ratings and its reports, Fitch must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings and forecasts of financial and other information are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings and forecasts can be affected by future events or conditions that were not anticipated at the time a rating or forecast was issued or affirmed. The information in this report is provided "as is" without any representation or warranty of any kind, and Fitch does not represent or warrant that the report or any of its contents will meet any of the requirements of a recipient of the report. A Fitch rating is an opinion as to the creditworthiness of a security. This opinion and reports made by Fitch are based on established criteria and methodologies that Fitch is continuously evaluating and updating. Therefore, ratings and reports are the collective work product of Fitch and no individual, or group of individuals, is solely responsible for a rating or a report. The rating does not address the risk of loss due to risks other than credit risk, unless such risk is specifically mentioned. Fitch is not engaged in the offer or sale of any security. All Fitch reports have shared authorship. Individuals identified in a Fitch report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only. A report providing a Fitch rating is neither a prospectus nor a substitute for the information assembled, verified and presented to investors by the issuer and its agents in connection with the sale of the securities. Ratings may be changed or withdrawn at any time for any reason in the sole discretion of Fitch. Fitch does not provide investment advice of any sort. Ratings are not a recommendation to buy, sell, or hold any security. Ratings do not comment on the adequacy of market price, the suitability of any security for a particular investor, or the tax-exempt nature or taxability of payments made in respect to any security. Fitch receives fees from issuers, insurers, guarantors, other obligors, and underwriters for rating securities. Such fees generally vary from US\$1,000 to US\$750,000 (or the applicable currency equivalent) per issue. In certain cases, Fitch will rate all or a number of issues issued by a particular issuer, or insured or guaranteed by a particular insurer or guarantor, for a single annual fee. Such fees are expected to vary from

US\$10,000 to US\$1,500,000 (or the applicable currency equivalent). The assignment, publication, or dissemination of a rating by Fitch shall not constitute a consent by Fitch to use its name as an expert in connection with any registration statement filed under the United States securities laws, the Financial Services and Markets Act of 2000 of the United Kingdom, or the securities laws of any particular jurisdiction. Due to the relative efficiency of electronic publishing and distribution, Fitch research may be available to electronic subscribers up to three days earlier than to print subscribers.

For Australia, New Zealand, Taiwan and South Korea only: Fitch Australia Pty Ltd holds an Australian financial services license (AFS license no. 337123) which authorizes it to provide credit ratings to wholesale clients only. Credit ratings information published by Fitch is not intended to be used by persons who are retail clients within the meaning of the Corporations Act 2001

Fitch Ratings, Inc. is registered with the U.S. Securities and Exchange Commission as a Nationally Recognized Statistical Rating Organization (the "NRSRO"). While certain of the NRSRO's credit rating subsidiaries are listed on Item 3 of Form NRSRO and as such are authorized to issue credit ratings on behalf of the NRSRO (see <https://www.fitchratings.com/site/regulatory>), other credit rating subsidiaries are not listed on Form NRSRO (the "non-NRSROs") and therefore credit ratings issued by those subsidiaries are not issued on behalf of the NRSRO. However, non-NRSRO personnel may participate in determining credit ratings issued by or on behalf of the NRSRO.

[READ LESS](#)

## **SOLICITATION STATUS**

The ratings above were solicited and assigned or maintained by Fitch at the request of the rated entity/issuer or a related third party. Any exceptions follow below.

## **ENDORSEMENT POLICY**

Fitch's international credit ratings produced outside the EU or the UK, as the case may be, are endorsed for use by regulated entities within the EU or the UK, respectively, for regulatory purposes, pursuant to the terms of the EU CRA Regulation or the UK Credit Rating Agencies (Amendment etc.) (EU Exit) Regulations 2019, as the case may be. Fitch's approach to endorsement in the EU and the UK can be found on Fitch's [Regulatory Affairs](#) page on Fitch's website. The endorsement status of international credit ratings is provided within the entity summary page for each rated entity and in the transaction detail pages for structured finance transactions on the Fitch website. These disclosures are updated on a daily basis.

Technology, Media, and Telecom    Real Estate and Homebuilding

Corporate Finance: Middle Markets    Corporate Finance    Industrials and Transportation

Corporate Finance: Leveraged Finance    Middle East    Asia-Pacific    Europe    Turkey

---