

## MIGROS

## Lower than expected net profit in 2Q25...

A. Can TUGLU

Equity Research Analyst  
atuglu@sekeryatirim.com

Migros has announced a net profit of TRY 281mn for 2Q25, including IAS-29 inflation accounting effects (2Q24: TRY 816,1mn net profit). The reported figure was lower than both the market consensus estimates of TRY 1,006mn, and our estimate of TRY 942mn. Although the slight increase in net financing expenses along with a rise in interest expenses on term purchases suppressed net profit, increased gross profit and monetary gains contributed to net profit in this quarter.

On the sales revenue side, the Company saw 5.7% YoY top-line growth (Inc. IAS 29) and TRY 91,696mn of net sales in 2Q25 (2Q24: TRY 86,771mn) (RT Consensus Avg.: TRY 92,100mn, Seker: TRY 92,014mn). In 2Q25, with the rising number of stores & growth of sales area, and the positive contribution of online sales channels (share of total sales (exc. tobacco & alcohol) in 1H25: 20.7%), net sales revenue rose by 5.7% YoY. With growth in online sales channels, the number of online stores (2Q25: 1,553 stores, 2Q24: 1,185 stores) and successful store operations, 2Q25's net sales revenue grew 5.7% YoY.

Considering the Company's FMCG market share development; in the modern FMCG market, it had a 16.8% (1H24: 16.2%) market share in 1H25, and 10.2% (1H24: 9.6%) of the total FMCG market thanks to price investments, and its omni & multi format growth strategy. In addition, its store number rose by 193 compared to 1H24 to 3,683 stores in total in 1H25. Sales area rose by 3.7% YoY.

The Company announced an EBITDA (Inc. IAS 29) of TRY 4,996mn in 2Q25 (2Q24: TRY 4,375mn). The EBITDA margin rose to 5.4% in 2Q25. The Company's GP margin was at 23.9% in 2Q25.

The Company has no hard-currency exposure. At the end of 2Q25, the Company's total financial debt (Inc. IAS-29) was at TRY 665mn (2Q24: TRY 2,074mn). As of 2Q25, the Company's FCF improved from TRY -3,419mn in 1Q25 to TRY 4,111mn.

**2025 expectations:** Migros has maintained its 2025 guidance, expecting sales growth of 8-10%, incorporating IAS-29 inflation accounting effects. The company expects an EBITDA margin of approximately 6.0%. Additionally, Migros maintains its target of opening ~250 new stores by the end of 2025, while setting its capital expenditure-to-sales ratio forecast at 2.5%-3.0%.

We argue that the positive contribution of sales revenue growth & online activities to provide Migros to obtain net profit going forward. In addition, we appreciate the current strategy of boosting the private label portfolio and focusing on sustained store openings. We consider that Migros has no hard-currency exposure, and has a net cash position as of 2Q25. On the other hand; the Company has been able to increase its FMCG market share despite competitive market conditions in a high inflation environment. Moreover; we think that the business lines created by Migros with its various subsidiaries, which can use online channels effectively, will increasingly continue to contribute in the future. We maintain our target share price of TRY 750.00, and our "Outperform" recommendation.

"OUTPERFORM"

TP: TRY 750.00

Previous: TRY 750.00

Upside Potential: 38.1%

	TRY	US\$
Close	543,00	13,36
BIST 100	10.955	270
US\$/TRY (CB Bid Rate):	40,71	
52 Week High:	587,28	16,30
52 Week Low:	390,01	11,38
Bloomberg/Reuters Ticker:	MGROS.TI / MGROS.IS	

	181,1	(TRY Mn)	(US\$ Mn)
Number of Shares (Mn):			
Current Mcap:	98.312		2.419
Free Float Mcap:	50.139		1.234

	1M	YOY	YTD
TRY Return (%):	10,9	5,5	0,7
US\$ Return (%):	9,1	-13,1	-12,7
BIST 100 Relative (%):	4,9	-5,3	-9,7
Avg. Daily Vol. (TRY Mn):	891,24		
Avg. Daily Vol. (US\$ Mn):	24,46		

Beta	0,90
Volatility (Stock)	0,34
Volatility (BIST 100)	0,25

Shareholder Structure	%
MH Perakendecilik	49,2
Migros Ticaret A.Ş.	1,6
Other	49,2
Total	100,0

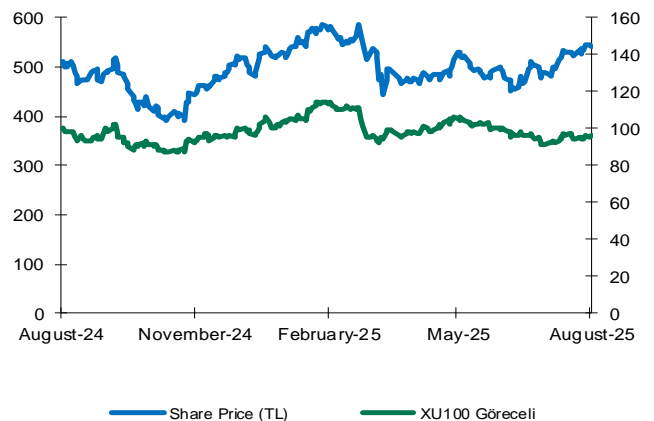


Table 1: Summary Financial Statement

BALANCE SHEET (TRY mn) (Inc. IAS-29)	2024	1H25	%
Current Assets	67.314	64.856	-3,7%
Non-current Assets	107.766	114.077	5,9%
<b>Total Assets</b>	<b>175.080</b>	<b>178.934</b>	<b>2,2%</b>
Current Liabilities	82.854	83.469	0,7%
Non-current Liabilities	24.925	28.056	12,6%
<b>Total Liabilities</b>	<b>107.780</b>	<b>111.525</b>	<b>3,5%</b>
<b>Equity</b>	<b>67.300</b>	<b>67.409</b>	<b>0,2%</b>
<b>Total Liabilities &amp; Equity</b>	<b>175.080</b>	<b>178.934</b>	<b>2,2%</b>

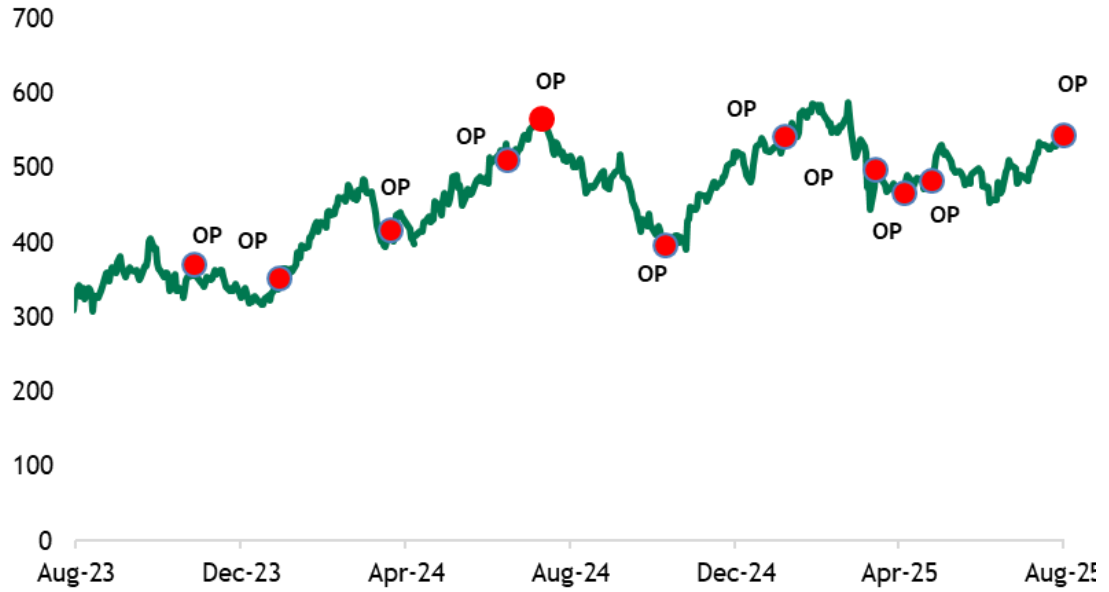
Source: Migros, Seker Invest - Research, Finnet, Audit Reports

Table 2: High level P&amp;L

INCOME STATEMENT (TRY mn) (Inc. IAS-29)	1H24	1H25	%	2Q24	2Q25	%
Net Sales	163.434	174.844	7,0%	86.771	91.696	5,7%
Cost of Sales	-128.050	-132.808	3,7%	-66.895	-69.819	4,4%
<b>Gross Profit</b>	<b>35.385</b>	<b>42.036</b>	<b>18,8%</b>	<b>19.876</b>	<b>21.877</b>	<b>10,1%</b>
<i>GP Margin</i>	<i>21,7%</i>	<i>24,0%</i>	<i>2,4%</i>	<i>22,9%</i>	<i>23,9%</i>	<i>1,0%</i>
Operating Expenses	-35.343	-39.902	12,9%	-18.072	-20.308	12,4%
Other Operating Expenses	-7.851	-8.569	9,1%	-4.812	-4.789	-0,5%
<b>Operating Loss</b>	<b>-7.809</b>	<b>-6.435</b>	<b>-17,6%</b>	<b>-3.008</b>	<b>-3.220</b>	<b>7,1%</b>
Income/Expense from Inv. Act.	42	7	-83,3%	48	15	-68,5%
Operating Loss Before Finance Income/Expense	-7.767	-6.427	-17,3%	-2.959	-3.204	8,3%
Financial Income/Expense	-1.670	-1.883	12,8%	-710	-1.033	45,6%
<b>Monetary Gain</b>	<b>12.959</b>	<b>10.804</b>	<b>-16,6%</b>	<b>4.483</b>	<b>4.555</b>	<b>1,6%</b>
<b>Income Before Tax</b>	<b>3.522</b>	<b>2.494</b>	<b>-29,2%</b>	<b>814</b>	<b>318</b>	<b>-61,0%</b>
Tax Expenses	-169	-208	23,1%	-98	-150	52,8%
Deferred Tax Expenses/Income	-721	-819	13,6%	108	206	91,2%
<b>Net Profit - Equity Holders of Parent</b>	<b>2.634</b>	<b>1.321</b>	<b>-49,8%</b>	<b>816</b>	<b>281</b>	<b>-65,6%</b>
<i>Net Profit Margin</i>	<i>1,6%</i>	<i>0,8%</i>	<i>-0,9%</i>	<i>0,9%</i>	<i>0,3%</i>	<i>-0,6%</i>

Source: Migros, Seker Invest - Research, Finnet, Audit Reports

## Historical recommendations and target prices



Date	Recommendation	Target Price (TRY)
2-Nov-23	Outperform (OP)	481,60
16-Jan-24	Outperform (OP)	518,80
19-Mar-24	Outperform (OP)	595,00
24-May-24	Outperform (OP)	595,00
21-Aug-24	Outperform (OP)	685,00
5-Nov-24	Outperform (OP)	685,00
7-Jan-25	Outperform (OP)	794,50
6-Mar-25	Outperform (OP)	794,50
2-May-25	Outperform (OP)	750,00
9-May-25	Outperform (OP)	750,00
13-Aug-25	Outperform (OP)	750,00

## Basis for 12m equity ratings

<b>Outperform:</b>	The total return is expected to exceed the return of the BIST100 by more than 10%.
<b>Underperform:</b>	The total return is expected to fall below the return of the BIST100 by more than 10%.
<b>Market Perform:</b>	The total return is expected to be in line with the return of the BIST100.

## ŞEKER INVEST RESEARCH

Şeker Yatırım Menkul Değerler A.Ş.  
 Büyükdere Cad. No: 171 Metrocity  
 A Blok Kat 4-5 34330 SİSLİ /İST  
 TURKEY

TEL: +90 (212) 334 33 33  
 Fax: +90 (212) 334 33 34  
 E-mail: [research@sekeryatirim.com](mailto:research@sekeryatirim.com)  
 Web: <http://www.sekeryatirim.com/english/index.aspx>

## For additional information, please contact:

Research

Kadir Tezeller	Head	+90 (212) 334 33 81	<a href="mailto:ktezeller@sekeryatirim.com">ktezeller@sekeryatirim.com</a>
Burak Demirbilek	Utilities	+90 (212) 334 33 33-128	<a href="mailto:bdemirbilek@sekeryatirim.com">bdemirbilek@sekeryatirim.com</a>
Engin Degirmenci	Cement	+90 (212) 334 33 33-201	<a href="mailto:edegirmenci@sekeryatirim.com">edegirmenci@sekeryatirim.com</a>
Atasav Can Tuglu	Food & Beverages, Automotive, Retail, Aviation	+90 (212) 334 33 33-334	<a href="mailto:atuglu@sekeryatirim.com.tr">atuglu@sekeryatirim.com.tr</a>
Basak Kamber	Glass, Pharmaceutical, Defense, Telcos, Cons. Dur.	+90 (212) 334 33 33	<a href="mailto:bkamber@sekeryatirim.com">bkamber@sekeryatirim.com</a>
Furkan Ozdemir	Iron & Steel, Oil, Gas, & Deriv.	+90 (212) 334 33 33-245	<a href="mailto:oozdemir@sekeryatirim.com">oozdemir@sekeryatirim.com</a>

Economy & Politics

Abdulkadir Dogan	Chief Economist	+90 (212) 334 91 04	<a href="mailto:adogan@sekeryatirim.com">adogan@sekeryatirim.com</a>
------------------	-----------------	---------------------	--

Institutional Sales

Batuhan Alpman	Head	+90 (212) 334 33 70	<a href="mailto:balpman@sekeryatirim.com">balpman@sekeryatirim.com</a>
Deniz Keskin	Trader	+90 (212) 334 33 36	<a href="mailto:dkeskin@sekeryatirim.com">dkeskin@sekeryatirim.com</a>
Kerim Culum	Trader	+90 (212) 334 33 33-316	<a href="mailto:kculum@sekeryatirim.com">kculum@sekeryatirim.com</a>

## DISCLAIMER

I, A. Can TUGLU, hereby certify that the views expressed in this research accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in this report.

This report has been prepared by the Şeker Yatırım Menkul Değerler A.Ş. (Şeker Invest, Inc.) Research Team. The information and opinions contained herein have been obtained from and are based upon public sources that Şeker Invest considers to be reliable. No representation or warranty, express or implied, is made that such information is accurate or complete and should not be relied upon, as such. All estimates and opinions included in this report constitute our judgments as of the date of this report and are subject to change without notice. This report is for informational purposes only and is not intended as an offer or solicitation for the purchase or sale of a security. Investors must make their own investment decisions based on their specific investment objectives and financial position and using such independent advisors as they believe necessary. Şeker Invest may, from time to time, have a long or short position in the securities mentioned in this report and may solicit, perform or have performed investment banking, underwriting or other services (including acting as adviser, manager, underwriter or lender) for any company referred to in this report and may, to the extent permitted by law, have acted upon or used the information contained herein, or the research or analysis upon which it is based, before its publication. This report is for the use of intended recipients and may not be reproduced in whole or in part or delivered or transmitted to any other person without the prior written consent of Şeker Invest. By accepting this document you agree to be bound by the foregoing limitations.

Copyright © 2025 Şeker Invest, Inc.