Monthly Equity Strategy

October 2025

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Fed Commenced Rate Cuts…

Following the revisions in August, the data released in September signaled a slowdown in the U.S. labor market. At its September meeting, the Fed, under the shadow of independence debates and in line with market expectations, cut the policy rate by 25 bps to the 4.00-4.25% range, marking the first rate cut in nine months. The decision was taken with an 11-to-1 vote, with Stephen Miran — appointed to the Fed Board by President Trump —in favor of a 50 bps cut. In the updated forward guidance, growth projections were revised upward, rate expectations downward, while inflation forecasts were kept unchanged except for the 2026 projection, which was lifted from 2.4% to 2.6%. At the press conference, Chair Powell highlighted that downside risks in the labor market and upside risks in inflation remain prevalent, and that the 25 bps cut was appropriate given the changing balance of risks. Projections indicated an additional 50 bps in rate cuts by year-end. Since Trump's April 2 announcement, trade tariffs have weighed on markets. However, agreements reached with key trading partners — notably the EU, UK, and Japan — have eased the pressure. Ongoing negotiations with China, with tariffs being applied well below initially announced levels, have also supported risk appetite. On the geopolitical side, risks such as the Russia-Ukraine war continue to influence sentiment. Although the Trump-Putin summit held in Alaska on August 15 initially created a positive mood, the subsequent escalation of conflict reversed it. President Trump is seeking to pressure Russia into peace by announcing measures to restrict its energy exports, which is expected to weigh on risk appetite in the near term.

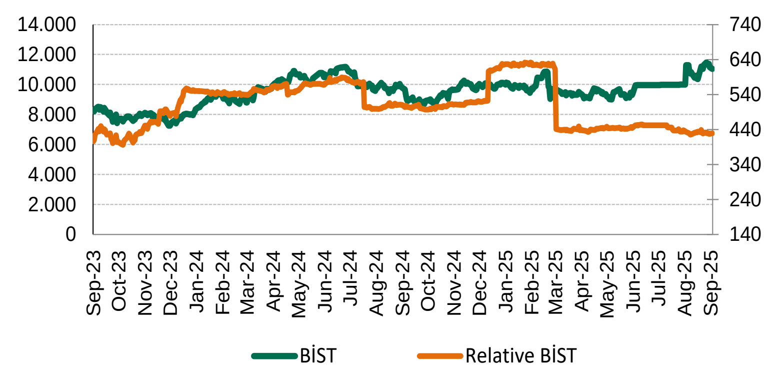
In the domestic market, having resumed its rate-cutting cycle in July, the CBRT delivered a larger-than-expected 250 bps cut at its September meeting, lowering the policy rate to 40.5%. The CBRT justified the move on the back of easing demand conditions and a declining inflation trend, while warning that elevated food inflation and sticky services inflation pose risks. The statement adopted a more hawkish tone, stressing that the pace of future cuts will depend on inflation dynamics. Based on these signals, we expect the CBRT to continue its easing cycle at the final two meetings of the year and end 2025 with a policy rate near 36%.

Going forward, the key focus in global markets will be macro data releases — especially inflation and labor market indicators — and Fed communications ahead of the October 28-29 FOMC meeting. While the Fed is expected to continue easing, both the ECB and BoJ are projected to remain on hold. Meanwhile, Trump's forthcoming announcements on tariffs and any new developments regarding the Russia-Ukraine war will also be closely monitored.

Facts & Figures	Close*	MoM	YtD
BIST - 100, TRY	11.012	-2,44%	12,0%
BIST - 100, USD	265	-3,8%	-4,8%
MSCI Turkey	296.650	-0,7%	-0,8%
MSCI EMEA	250	5,3%	22,6%
MSCI EM	1.346	7,0%	25,2%
Benchmark Bond	39,38%	45bps	-118bps
USD/TL	41,5068	1,37%	17,65%
P/E			
Banking	6,6		
Industrial	116,2		
Iron&Steel	49,5		
REIT	9,9		
Telecom	11,6		
2025E P/E	16,6		

*Close as of September 30, 2025

BIST &Portfolio



CBRT Expected to Continue Rate Cuts in October…

Rating: BUY

Locally, the September CPI print (to be released on October 3), the October 23 CBRT decision, and the forward guidance will be crucial. Political headlines, including corruption investigations, and regional geopolitical risks (Ukraine, the Middle East, Syria) remain important. On October 17, S&P is scheduled to review Türkiye's sovereign credit rating. Although the probability of an upgrade appears limited, the outlook statement will be significant for the markets.

The BIST-100 Index, which was volatile in September due to opposition party congress proceedings, initially recovered on news of an upcoming Erdogan-Trump meeting. However, profit-taking intensified toward month-end, leading to a 2.44% decline MoM, closing at 11,012.12 points. The Industrial Index dropped 2.65% while the Banking Index underperformed more sharply, falling 4.48%.

With the CBRT having entered a rate-cutting cycle at its July meeting and continuing with further easing in September, we expect the CBRT to deliver additional cuts at the remaining two meetings of the year, in line with the disinflation trend. On the global side, with the Fed initiating its rate-cut cycle at the September meeting, capital inflows into EM's are expected to increase, which should in turn benefit TRY-based assets.

Provided that the Fed continues easing, geopolitical conditions improve, tariff-related uncertainties are resolved, and no new domestic shocks emerge, we maintain our view that the CBRT's ongoing easing cycle will usher in a new phase of economic rebalancing in the final quarter. We expect this to initially support the banking sector and subsequently have positive spillover effects on the real economy. In light of these developments, we anticipate a positive but volatile performance from the BIST in October. Despite potential pullbacks, we continue to recommend a gradual accumulation strategy for medium- to long-term investors.

Accordingly, we maintain our BUY recommendation on the BIST-100, with a 12-month target of 13,500 points, implying ~23% upside from current levels. The MSCI Türkiye trades at 8.80x 2025E P/E and 1.00x P/BV, representing 43% and 50% discounts versus the MSCI EM, respectively.

We make no changes to our model portfolio this month.

Main Market Risks

- Escalation of armed conflicts in regions such as Russia-Ukraine and the Middle East,
- Higher-than-expected inflation prints delaying Fed rate cuts,
- Renewed escalation of trade tensions should President Trump make new tariff-related statements despite ongoing agreements,
- A disruption in the CBRT's easing cycle should the expected decline in inflation fail to materialize.

Model Portfolio

Top Picks	Close	Target	Pot.	MoM	Relative
AKBNK.TI	62,70	82,47	31,5%	-8,1%	-5,8%
ASELS.TI	215,00	240,00	11,6%	17,3%	20,2%
CIMSA.TI	47,10	63,00	33,8%	-2,7%	-0,2%
FROTO.TI	99,05	143,00	44,4%	-11,3%	-9,1%
ISCTR.TI	14,15	20,07	41,8%	-6,0%	-3,6%
MGROS.TI	445,00	750,00	68,5%	-8,4%	-6,1%
SAHOL.TI	86,80	146,24	68,5%	-7,9%	-5,5%
TCELL.TI	97,85	136,60	39,6%	3,2%	5,8%
THYAO.TI	315,00	495,50	57,3%	-5,0%	-2,6%
Average				-3,2%	-0,8%

*Close as of September 30, 2025

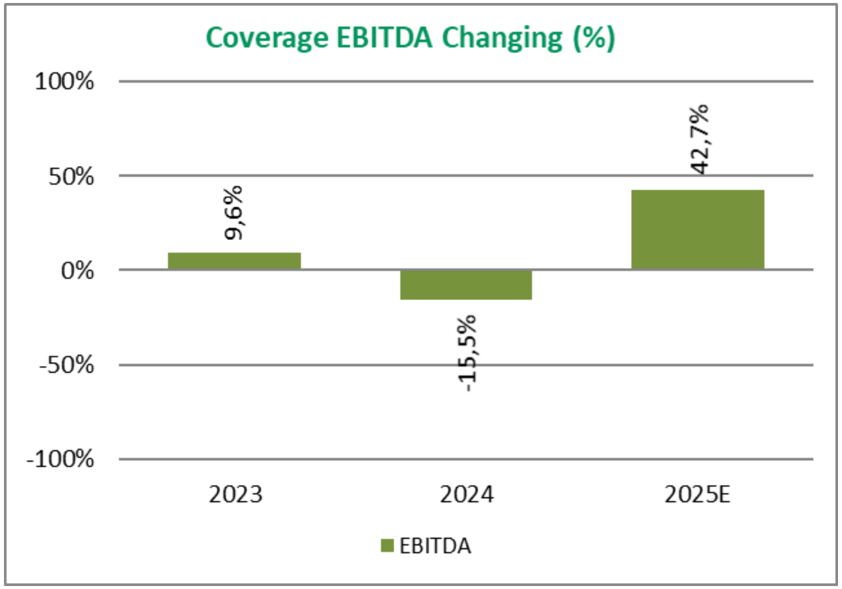
Add
-

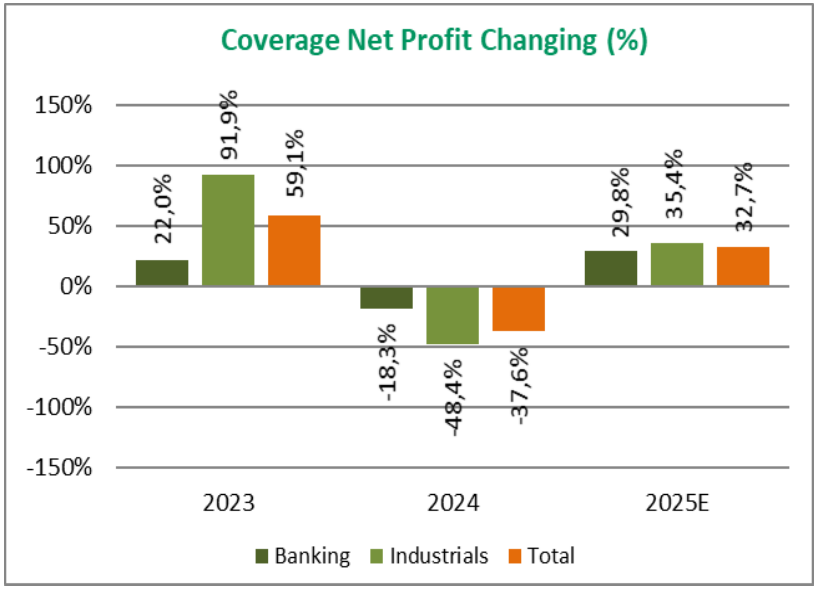
Remove
-

Maintain
AKBNK
ASELS
CIMSA
FROTO
ISCTR
MGROS
SAHOL
TCELL
THYAO

Favourite Sectors
Banks
Insurance
REIT
Construction-Cement
Food&Beverage
Iron-Steel
Main Metal Industry
Defense
Aviation
Food Retail
Telecommunication
Energy

This will be a year of recovery…





In 2025, with the expected rebound, industrials should deliver 35,4% and 42,7% YoY net income and EBITDA growth YoY, while we expect the banks’ earnings to increase by 29,8% YoY.

Returns compared to peers

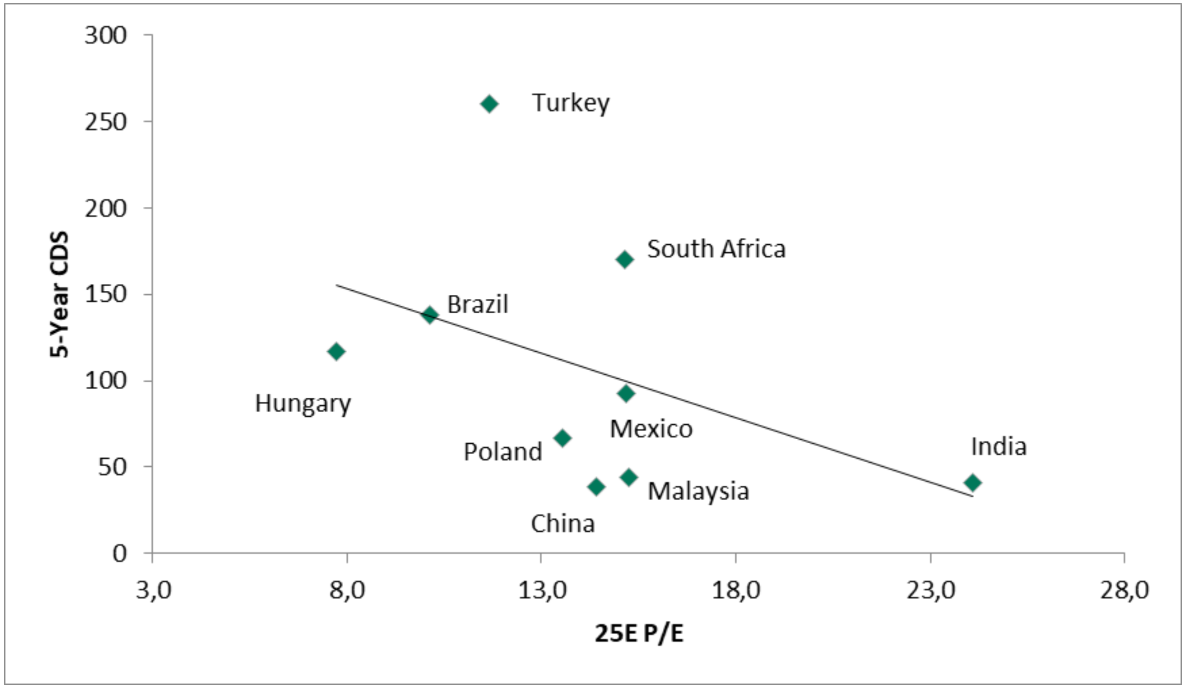
- The MSCI Turkiye Index has declined by 4.3% in absolute terms over the past 12 months. It has underperformed the MSCI EM, and the MSCI EMEA index by 20.1%, and 22.6%, respectively during same period.

Absolute Change	1m	3m	12m	YtD
MSCI Turkey	-0,7%	7,6%	-4,3%	-0,7%
MSCI EM	7,0%	10,1%	15,0%	25,0%
MSCI EMEA	5,3%	8,0%	17,3%	22,4%
MSCI Eastern Europe	1,0%	0,2%	34,1%	46,7%
MSCI World	3,1%	7,0%	15,7%	16,1%

Relative to MSCI Turkey	1m	3m	12m	YtD
MSCI EM	7,72%	2,3%	20,1%	26,0%
MSCI EMEA	6,0%	0,4%	22,6%	23,3%
MSCI Eastern Europe	1,7%	-6,9%	40,1%	47,8%
MSCI World	3,8%	-0,6%	20,9%	17,0%

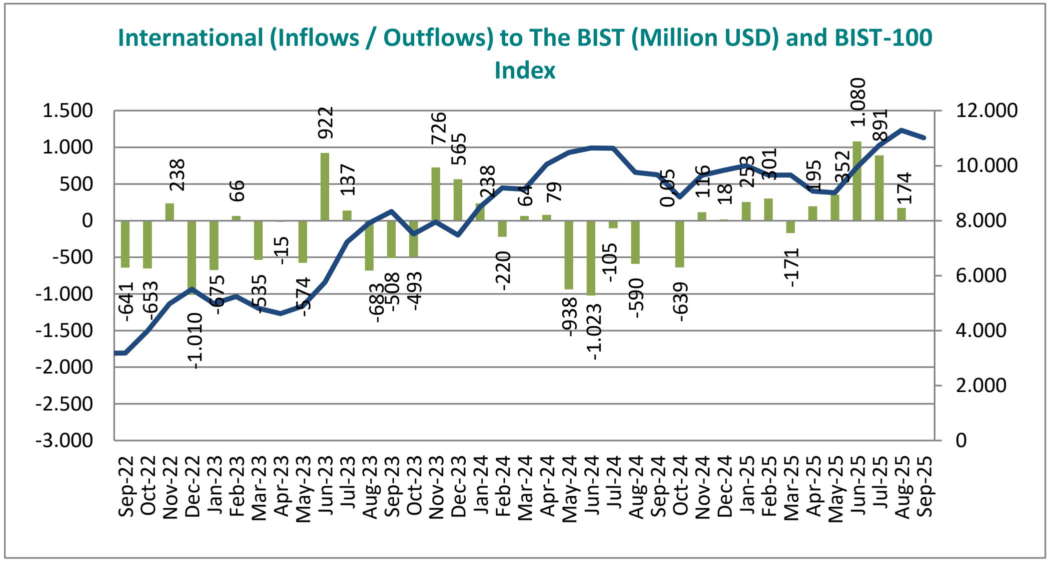
As of September 30, 2025

5-Year CDS

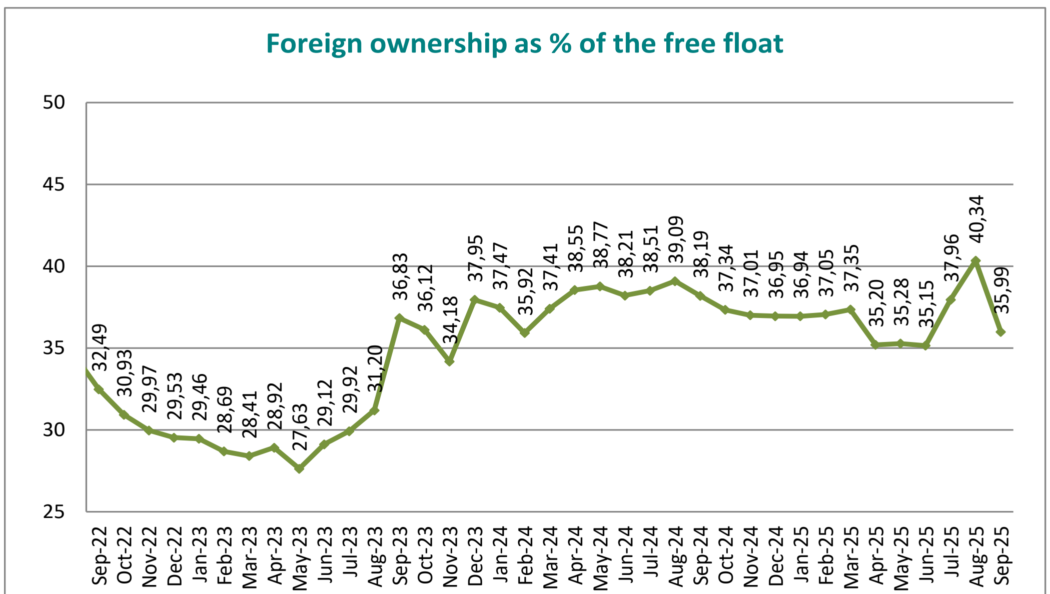


As of September 30, 2025

Int. flow and foreign ownership

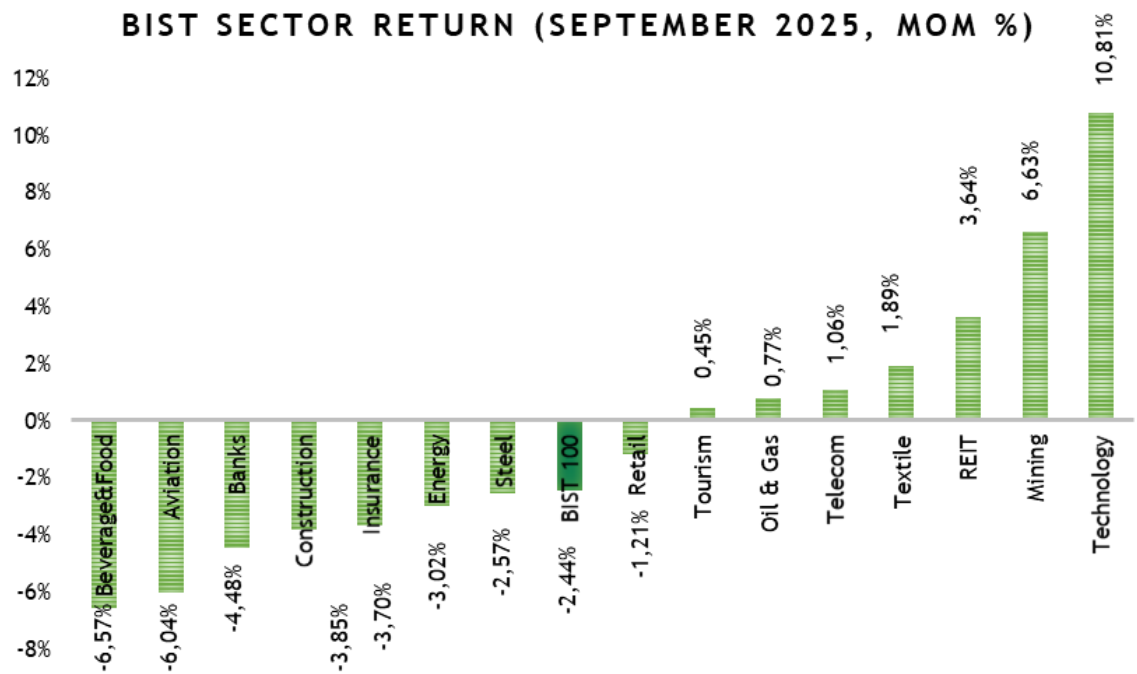


- In August 2025, foreign investors were net buyers at the BIST of USD 174mn.



- Foreign ownership has declined to 35.99% in September 2025.

Sector performances

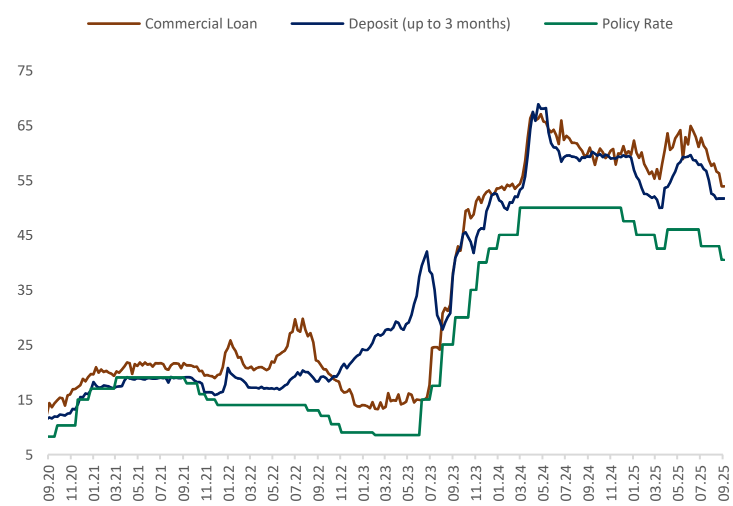


As of September 30, 2025

CBRT Rate Decision - September

The Central Bank of the Republic of Türkiye (CBRT) Monetary Policy Committee (MPC) cut the policy rate by 250 basis points above market expectations to 40.5% at its meeting this month. Despite the larger-than-expected rate cut, the overall tone of the statement was hawkish in terms of the monetary policy stance. Looking at the details, it is stated that the main trend of inflation—on which monetary policy is based—slowed down in August. The main reason for the decision to cut interest rates beyond expectations lies in this detail. Another reason is the continued weakness in demand conditions and growth exceeding forecasts. The shift from demand- and inflation-based growth to production-oriented growth is easing inflationary pressures. While the text up to this point reflects the positive mood and the reasons for the cut, the following section shifts to a cautious stance and hawkish rhetoric. The first noteworthy point is the statement that the inertia in food prices and service inflation keeps risks alive. When the sub-items of food inflation are examined, we note that they continue to contribute significantly to annual inflation (the monthly trend for food and non-alcoholic beverages is above headline inflation, at 3.02%). On the other hand, although service inflation has declined since the beginning of the year, the annual rate of 45.77% is still far from the interim targets. Any excessive interest rate cuts before the risks here are brought to a manageable level will disrupt disinflation. The second emphasis is on pricing behavior, inflation expectations, and global developments. Although the effective functioning of the transmission mechanism requires a more pronounced decline in inflation in the expectation channel, 12-24-month inflation expectations have not retreated to the targeted level. Furthermore, the rigidity in these expectations increases upward pressure on pricing behavior. When global uncertainties are added to these pressures, we see that risk factors remain valid.

Policy, Loan and Deposit Rates (%)

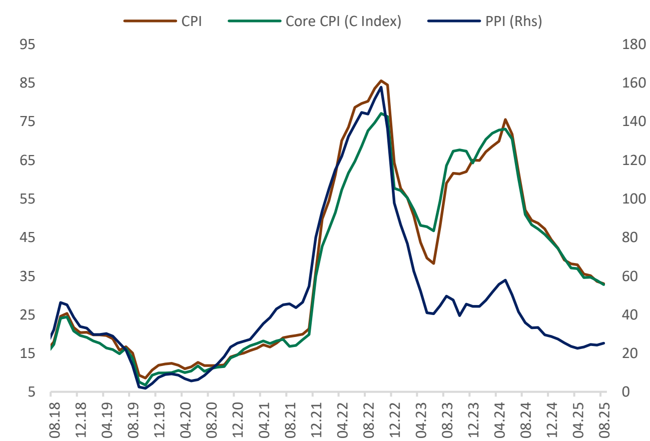


Macroeconomic Outlook

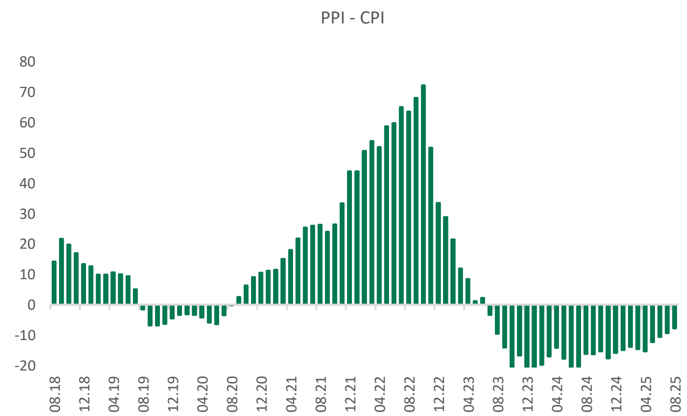
Inflation - August

The CPI rose by 2.04% in August compared to the previous month, while annual inflation stood at 32.95% (previous: 33.52%). Inflation figures, which exceeded market and our expectations, indicate that domestic demand remains buoyant, albeit to a limited extent. The average inflation rate for food, housing, and transportation, which accounts for 55.52% of the index, rose by 36.43% annually. The average inflation of items with a high weight in the spending basket of the low-income group is far above headline figures. During the same period, the monthly inflation rate for the B index (core inflation), which is the Specially Covered CPI Indicator, was 2.07%, while the annual inflation rate was 32.71%. Both inertia and managed/directed price effects continue in products of high basket weight. In particular, food and non-alcoholic beverages, alcoholic beverages, and tobacco recorded increases of 3.02% and 6.04% this month, respectively. This was followed by a monthly increase of 2.66% in housing. Of the 2.04% monthly inflation, 1.4 points came from these three items, while the remaining 0.65 points came from other sub-items. When the total impact is assessed on an annual basis, the impact of alcoholic beverages and tobacco remains limited, while transportation takes its place. When their contribution to 32.95% annual inflation is evaluated, housing, food, and transportation contribute a total of 20.2 points. Although demand-side inflation is under control, cost/supply-side pressures and service inflation are hampering inflation targets. Despite a marked improvement in service inflation, the annual inflation rate of 45.77% is preventing a downward break in the expectations channel. When the last three months of inflation are evaluated together, we can say that we are on a path consistent with the CBRT's forecasts. Although the tight stance continues the disinflation process, the pace of adjustment has slowed. This slowdown was within our expectations. Inflation will continue to hover around the 30-35% range until the end of the year. It appears that the inertia and base effect at these levels will not disappear until 2026. Although political developments and global fluctuations may cause deviations in forecasts, we will close the year with inflation close to market expectations (+/-2 points).

CPI, PPI and Core CPI (YoY %)



PPI - CPI Spread

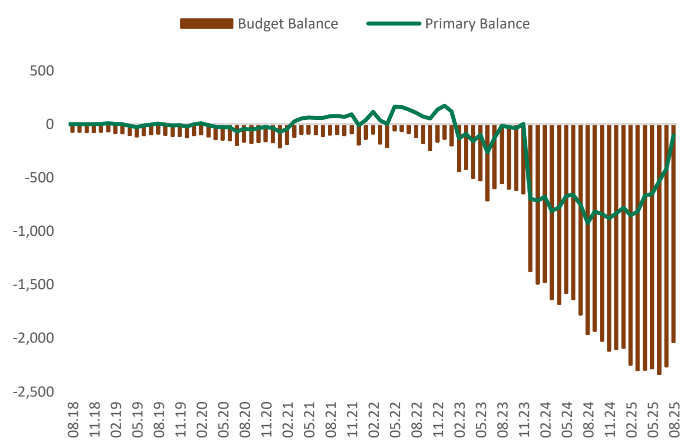


Macroeconomic Outlook

Budget Balance - August

According to the August central government budget data published by the Ministry of Treasury and Finance, budget revenues amounted to TL 1.288 trillion, while budget expenditures reached TL 1.1913 trillion. During the same period, non-interest budget expenditures amounted to TL 1.0116 trillion. With these figures, the budget surplus was TL 96.7 billion, while the non-interest balance showed a surplus of TL 276.4 billion. The main driver behind this month's momentum was corporate tax collection, which reached TL 293 billion. When adjusted for seasonal effects, the budget continues to show a flat and open trend. On the other hand, current transfers rose again to TL 450 billion. In August, TL 27 billion and TL 18 billion in current transfers were made to Elektrik Üretim AŞ and BOTAŞ, respectively, from this item. A total of TL 266.7 billion in transfers were made to BOTAŞ and Elektrik Üretim AŞ in the January-August period. Calculating total interest expenses at TL 1.42 trillion for the same period, the total burden on the budget from public borrowing interest and transfers to public institutions for the first eight months was approximately TL 1.7 trillion. Excluding these, the budget performance is quite good in terms of the core revenue-expenditure balance. Considering the recovery in income tax and the year-round performance in corporate tax collection, the core balance is converging towards the Medium-Term Program targets. We see the disruptive effect of inflation on both monetary and fiscal policy in the budget figures. High borrowing rates increase the interest burden on the budget. We see that price stability is a prerequisite for achieving fiscal discipline targets. However, in this period when inflation is well above the average of the Past 10 years, causality has shifted from public finances to price stability. In summary, the slowdown in inflation caused by fiscal policy will lead to price stability and, subsequently, fiscal discipline. In the remainder of the year, following the CBRT's interest rate cuts, the interest pressure on the budget will ease after the decline in borrowing rates and risk premiums. Although these cuts will be reflected in the 2026-2027 fiscal outlook, they are critical in terms of expectation management. We believe that both public finances and monetary policy will enter a more stable phase by the fourth quarter of 2025.

Budget and Primary Balance (12m rolling, Billion TRY)

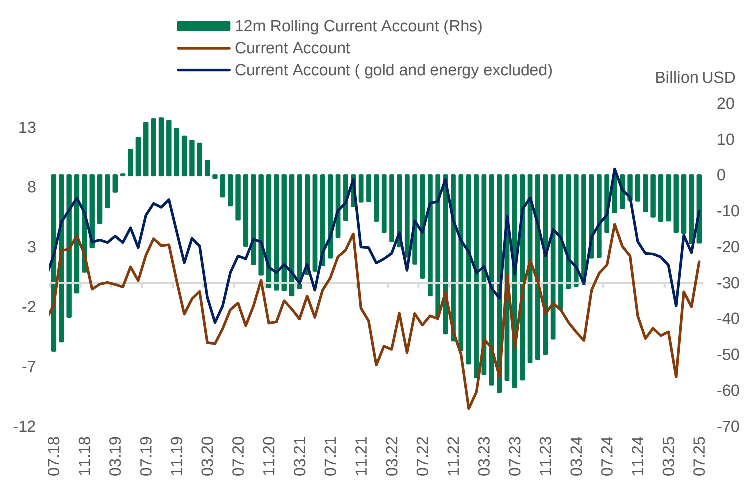


Macroeconomic Outlook

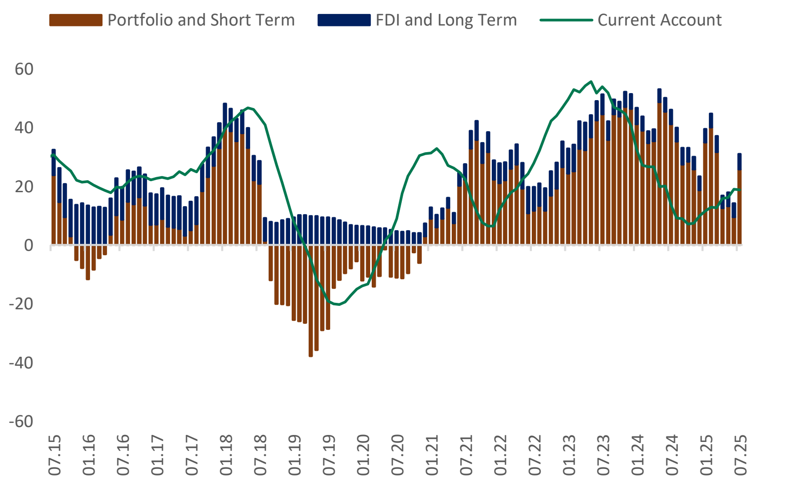
Balance of Payments - July

According to balance of payments statistics, the current account balance for July showed a surplus of USD 1.766 billion. As a result, the twelve-month current account deficit stood at USD 18.786 billion (previous: USD 19.160 billion). Our expectation was for a current account surplus of USD 1.3 billion, which was below market expectations (USD 1.5 billion surplus). There has been an improvement above both market and our expectations. Contributions from both main components of the current account balance were effective in this development. Despite an 11.8% decrease in the foreign trade deficit compared to the previous year, the services balance brought approximately USD 8 billion in the current account surplus. We expected a more negative outlook for the current account balance compared to 2024 and, in particular, a deterioration in the second half of 2025. Along with interest rate cuts, the recovery of domestic economic activity, led by import demand, formed our baseline scenario for the current account balance. Despite a revival in import demand, this will be offset by strong inflows in the services balance, especially in the third quarter. In the last quarter of the year, a relatively negative atmosphere will prevail in the balance of payments. The central bank, which continues interest rate cuts in a measured and cautious manner, is also closely monitoring developments in the balance of payments. Looking into the current account balance details, the balance of payments-defined trade deficit amounted to USD 4,635 million, while inflows from the services balance amounted to USD 8,024 million. The twelve-month cumulative trade deficit defined by the balance of payments was USD 62.7 billion, while inflows from the services balance amounted to USD 62 billion. We expect inflows from the services balance to gain momentum starting from the summer months. The current account balance, excluding gold and energy, showed a surplus of USD 6,029 million this month. This indicator, which can be referred to as the core current balance, shows that the balance of payments recorded a surplus when adjusted for volatile items. However, developments in monetary policy, the realization of deferred demand, and interest rate cuts keep the risks to the balance of payments alive.

Current Account (CA), Energy and Gold Excluded (CA), 12M Rolling CA (Billion USD)



Finance of Current Account Deficit (Billion USD)

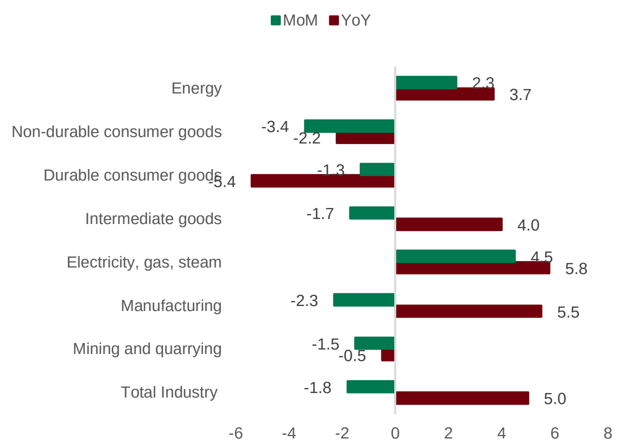


Macroeconomic Outlook

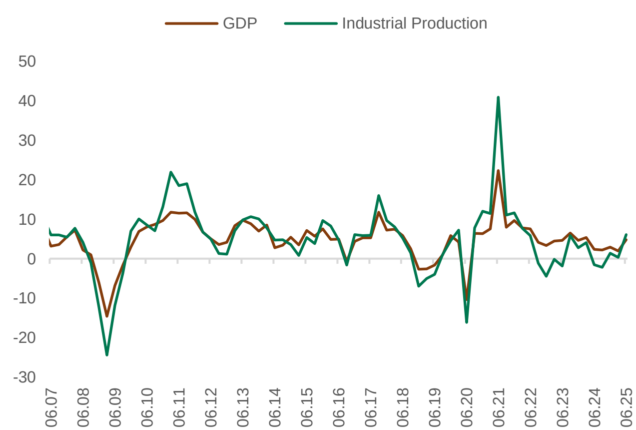
Industrial Production- July

According to industrial production index data, seasonally and calendar-adjusted production fell by 1.8% in July compared to the previous month. The slowdown in monthly production brought annual production growth down to 5% (from 8.5%). Production data, which recorded a strong recovery in the second quarter with the approach of interest rate cuts, had contributed significantly to growth. Although political and geopolitical developments in March slowed this momentum, we can say that growth was achieved, led by production. We expect a slowdown in production due to the possibility of the pace of interest rate cuts remaining lower than expected, as well as to the forecast of a calmer inflation outlook for the rest of the year. The fact that the output gap will remain in negative territory also supports this scenario. In the same base scenario, we had thought that the recovery in production data would become more pronounced in the second quarter of the year. Due to the impact of these external shocks, we have revised our expectations for production data by one quarter. Given the current outlook, monthly data continues to fluctuate and remain flat. However, positive stagnation is an indication that the worst is behind us in terms of production. Nevertheless, we had previously stated in our reports that we were testing peak levels in annual production momentum and that the equilibrium would be around 5%. The actual results support these forecasts. The interest rate cuts that began in July have afforded some breathing space in terms of companies' financing costs. We believe this outlook will continue for the remainder of the year and that companies with high TL debt burdens will be positively affected during this process. As developments in monetary policy will indirectly impact on the expectation channel in industrial production, we expect the positive momentum in production data to continue until the end of the year, based on the expectation of continued interest rate cuts. Although this baseline scenario remains robust, political turmoil and global polarization could limit the positive impact of interest rate cuts on production. In this context, we emphasize that the CBRT, which prioritizes a cautious stance, may ease its monetary policy accordingly.

Industrial Production Rate of Change (%)



Industrial Production and GDP Growth (YoY)



Akbank (OP, 12M TP: TRY82.47) Upside: 31%
Net profit in Q2 was in line with expectations

Following its organic growth strategy, the bank stands out with its focus of increasing customer profitability in 2025 and is in a favorable position in maintaining the strong course in core banking revenues in a declining interest rate environment. We maintain our Outperform recommendation considering its solid capital structure, growth performance in fee and commission income, strategic TL loan growth focused on increasing the maturity structure, and high yielding private sector bonds weight.

Strong capital structure and advantage in cost optimization. The bank is a leader among its rival deposit banks with its strong CAR ratio of 20.32%. LDR on the TL side is at 82%, the lowest among private peers banks, which provides a cost optimization advantage.

Akbank posted TRY11,125mn net income (-19% QoQ and +1.8% YoY) in its 2Q25 bank-only results. The announced net profit figure was in line with the market average expectation of TRY11,104 million.

Amid the tighter-than-expected monetary policy stance of the economic authorities, the bank has revised its full-year 2025 expectations: RoE guidance has been lowered from >30% to >25% (1H25 actual: 20.1%). TL loan growth guidance remains unchanged at above 30%. The FX loan growth (in USD) expectation has been reduced from high-teens to mid-single-digit levels. The swap-adjusted NIM forecast has been revised downward from ~5% to 3-3.5%. Net fees and commission growth guidance has been increased to ~60% (previously: +40%, 1H25 actual: +59.8%). The cost/income ratio is revised to the high 40s (previously: low 40s, 1H25 actual: 59.8%). Net total CoC is maintained at 150-200 bps, and the NPL ratio is guided to remain at around ~3.5%.

We model 33% YoY earnings growth for 2025E- Our TP of TRY82.47/shr offers 22% upside. We also maintain our “Outperform” recommendation. The bank is trading at a 2025E P/E of 6.2x and P/BV of 1.27x with a ROAE of 21,9%.

The weight of high-yield private sector bonds in TL securities stands out. We anticipate strategic TL loan growth, proactive market share gains in FC loans, and extension of the maturity structure and support margins.

Striking improvement in Fee/OPEX coverage. Fee/OPEX ratio has significantly recovered and increased to 96% in 1H25 (1Q25:92% - YE24:86%). The Bank's net fee and commission market share also increased to 17.2% as of 1H25 (1H24: 16.4%).

Strong collection performance. The NPL ratio is 3.4% in Q2 (1Q25:3.3%), while the weight of the Stage 2 loans is only 5.3% in 2Q25.

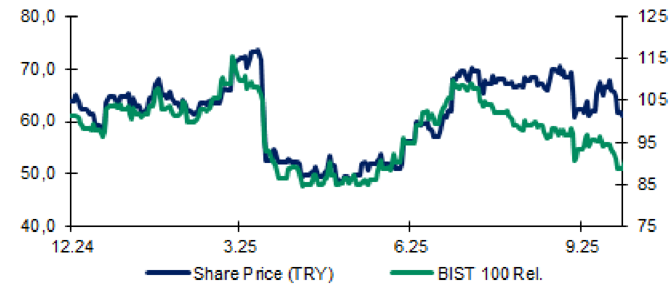
Upside and downside risks- Higher-than-expected asset quality worsening, and a worse-than-expected easing in funding costs are the main downside risks.

Mcap (TRYmn)	326.040	Beta (12M)	1,33
Mcap (USDmn)	7.857	Avr. Daily Vol. (TRYm)	6.000
Close	62,70	Foreign Ownership in FF	46,5%
Last 12M High	74,54	Free Float (%)	52,0%
Last 12M Low	45,11	Weight	5,20%

Quick Facts (TRY Mn)	2023A	2024A	2025E	2026E
Net interest income	63.547	65.045	84.921	112.851
% Change, YoY	*-17,3%*	*2,4%*	*30,6%*	*32,9%*
Net fee income	30.832	69.162	103.744	147.316
% Change, YoY	*198,9%*	*124,3%*	*50,0%*	*42,0%*
Net income	66.479	42.366	56.516	79.054
% Change, YoY	*10,8%*	*-36,3%*	*33,4%*	*39,9%*

Ratios	2023A	2024A	2025E	2026E
NPL ratio	2,4%	2,9%	3,4%	3,5%
CoR (net) Exc. Currency	1,1%	1,3%	2,1%	1,7%
NIM (Swap adj.)	5,5%	2,6%	5,0%	3,9%
ROAA	4,6%	2,0%	1,9%	2,1%
ROAE	36,4%	18,8%	21,9%	26,1%

Multiples	2023A	2024A	2025E	2026E
P/E	2,9	8,0	5,8	4,1
P/BV	0,90	1,40	1,18	0,98



Return	1M	3M	6M	12M
TRY Return (%):	-8,1	-8,1	20,0	4,1
US$ Return (%):	-9,3	-12,0	9,7	-14,5
BIST-100 Relative (%):	-5,8	-16,9	5,3	-8,7

Source: Bank financials, Seker Invest Research

Aselsan (OP, 12M TP: TRY 240.00) Upside: 11.6%

ASELSAN continues its export-oriented growth strategy with determination…

ASELSAN reported a net profit of TRY 3,993 million in 2Q 2025. This figure was 32% higher than the market median expectation of TRY 3,019 million (2Q 2024: TRY 3,075 million). The increase in net sales revenues in 2Q 2025, along with the rise in operating profit and deferred tax income resulting from successful operational management, supported the net profit figure. However, the increase in net financial expenses due to mounting exchange rate losses, coupled with the loss of net monetary position, were factors that suppressed profitability.

In 2Q 2025, Aselsan's net sales revenues, including the TMS-29 impact, were realized at TRY 29,550 million, above the market median expectation (Expectation: TRY 28,645 million). The Company achieved a net sales revenue of TRY 29,550 million, with a 13.3% increase year-on-year. Deliveries for Air Defense, Electronic Warfare, Electro-Optics, Radar, Avionics, Security and Weapon Systems were influential in the increased sales revenues. EBITDA, including the TMS-29 impact, was realized at TRY 8,016 million, above the market median expectation (Expectation: TRY 6,999 million). In 2Q 2025, EBITDA continued to strengthen thanks to increased operational profitability and turnover growth resulting from cost control. The gross profit margin was 33.7%, the EBITDA margin was 27.1% and the net profit margin was 13.5%. (2Q24, respectively: 34.5%, 26.0%, 11.8%). **ASELSAN's total order value reached a record high of USD16 billion in the first half of the year (1H24: USD12.3 billion).** The Company received a total of USD2.8 billion in new orders in 1H25 (1H24: USD2.6 billion). Steadfastly pursuing its export-focused growth strategy, the company secured USD1.3 million of the USD2.8 billion order value received in 1H25 from abroad (1H24: USD365 million). As of 1H25, 97% of the Company's total outstanding orders were defense-related, while 3% were non-defense orders. As of 1H25, 56% of the Company's long-term orders were in dollars, 33% in euros, and 11% in Turkish lira.

The Company maintains its expectations for 2025. Accordingly, Aselsan predicts that net sales revenue growth will increase by over 10% in TL terms in 2025, including TMS 29. The Company aims for an EBITDA margin of over 23% in 2025, including TMS 29. It also plans for an investment of TRY 20 billion and above in 2025, including TMS 29.

ASELSAN continues to lead the development and transformation of defense technology in Türkiye. ASELSAN to further strengthen its global position in defense technologies, the company has acquired a new 6,500-acre plot of land in Oğulbey, Ankara, allocated for investment purposes. Currently operating on 5,000 acres of open space, the company has more than doubled its existing footprint. The foundations for a new $1.5 billion investment have been laid at this new campus. This investment, one of the largest industrial investments in Türkiye in recent times, will enable the mass production of numerous critical technologies, particularly the Air Defense Systems that will form the ÇELİKKUBBE (Celikkubbe) project, in higher volumes, and will also provide additional design, testing, and production capabilities and infrastructure.

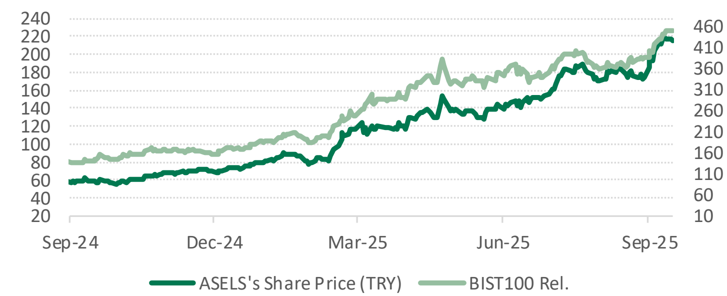
We maintain our 12-month target price at TRY 240,0/shr. While our target price has a 11.6% upside potential, we maintain our Outperform rating for ASELS.

Code	ASELS.TI	Close	215,00
MCAp (TRY m)	817.608	Last 12M High	187,70
MCAp (US$ m)	20.188	Last 12M Low	54,01
EV (TRY m)	837.721	Beta	0,83
EV (US$ m)	20.721	Avg. daily trading vol. (US$ m)	96,6
Free float (%)	26,00	Foreign ownership in FF (%)	49,74%

Key figures	*2022A	*2023A	*2024A	2025E
Revenues	112.626	123.969	140.248	176.702
Growth		*10,1%*	*13,1%*	*26,0%*
EBITDA	23.650	26.998	35.275	52.439
EBITDA margin	*21,0%*	*21,8%*	*25,2%*	*29,7%*
Net profit	2.159	12.281	17.850	29.131
EPS	0,95	2,69	3,91	6,39
Dividend yield	0,25%	0,18%	0,14%	0,11%
Net debt /EBITDA	0,36	0,71	0,50	0,30
Net debt /Equity	0,06	0,13	0,11	0,08
ROAE		8,7%	11,5%	16,3%
ROAA		4,9%	6,6%	9,5%

Valuation metrics	*2022A	*2023A	*2024A	2025E
P/E	378,6	66,6	45,8	28,1
EV/EBITDA	2,1	31,0	23,7	16,0
EV/Sales	0,4	6,8	6,0	4,7
P/BV	6,1	5,6	5,0	4,2

Return	1M	3M	YtD	YoY
TRY Return (%):	22,4	30,5	147,3	186,4
US$ Return (%):	20,1	23,7	115,2	133,3
BIST-100 Relative (%):	9,8	14,8	131,8	193,2



Source: PDP, Finnet, Seker Invest Research estimates

**2022 and 2023 financials are Indexed according to 2024 with IAS -29*

Cimsa (OP, 12M TP: TRY 63.00) Upside: 33.8%

Despite the noticeable improvement in sales volume in 2Q, margins narrowed.

Cimsa published its restated financial results in accordance with inflation accounting, applying TMS 29 'Financial Reporting in Hyperinflationary Economies' in the first week of August.

Cimsa has announced a net profit of TRY 717mn for 2Q25. The company had posted a net profit of TRY 1,725mn in 2Q24. Cimsa's net profit declined due to an increase in net financing expenses, a decrease in monetary gains, and lower income from Sabancı Holding shares compared to last year. Thanks to organic growth in sales volumes and Mannok's contribution, sales revenues increased by 40.0% YoY in 2Q25 to TRY 10,895mn. (2Q24: TRY 7,782mn). In 2Q25, Cimsa maintained high capacity utilization rates and increased its consolidated sales volume by 46.6% YoY. This was supported by a 24.1% increase in sales in Türkiye and a 76.7% increase in international markets (including Mannok). Excluding Mannok's sales volumes, the increase in consolidated sales volume was 32.1% YoY. The company generated a quarterly EBITDA of TRY 2,029mn in 2Q25, (2Q24: TRY 1,927mn). The quarterly EBITDA margin narrowed by 6.2pp YoY to 18.6%, due to last year's high base effect and the impact of price increases on cost items (2Q24 EBITDA margin: 24.8%).

As of September 30, 2025, CIMSA stock had lost 2.7% over the previous month. Regarding returns relative to the BIST 100, the stock had underperformed by 0.2% over the previous month.

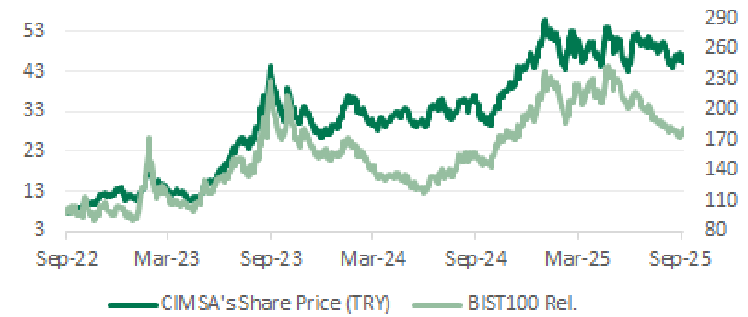
We maintain our 12-month target price of **TRY 63.00**/share and '**Outperform**' recommendation for CIMSA. Our TP has 33.8% upside potential compared to the share closing price on September 30, 2025.

Code	CIMSA.TI	Close	47,10
MCAp (TRY m)	44.537	Last 12M High	56,69
MCAp (US$ m)	1.073	Last 12M Low	29,24
EV (TRY m)	65.298	Beta	1,03
EV (US$ m)	1.595	Avg. daily trading vol. (US$ m)	14,7
Free float (%)	45,00	Foreign ownership in FF (%)	6,7%

Key figures	2022A*	2023A*	2024A	2025E
Revenues	30.060	29.604	28.151	37.444
Growth		*-1,5%*	*-4,9%*	*33,0%*
EBITDA	3.080	5.284	5.086	8.575
EBITDA margin	*10,2%*	*17,8%*	*18,1%*	*22,9%*
Net profit	5.887	3.596	2.688	5.117
EPS	43,58	3,80	2,84	5,41
Dividend yield	3,8%	4,7%	1,1%	2,3%
Net debt /EBITDA	0,59	0,64	2,71	0,46
Net debt /Equity	0,08	0,13	0,56	0,14
ROAE		14,5%	10,4%	19,2%
ROAA		6,5%	4,4%	6,7%

Valuation metrics	2022A*	2023A*	2024A	2025E
P/E	7,6	12,4	16,6	8,7
EV/EBITDA	1,7	12,4	12,8	7,6
EV/Sales	0,2	2,2	2,3	1,7
P/BV	2,8	1,7	1,8	1,6

Return	1M	3M	YtD	YoY
TRY Return (%):	-2,7	-1,9	2,3	35,9
US$ Return (%):	-3,9	-6,0	-13,1	11,7
BIST-100 Relative (%):	-0,2	-11,4	-8,6	19,3



Source: PDP, Finnet, Şeker Invest Research estimates
2022 and 2023 financials are indexed according to 2024 with IAS -29

Ford Otosan (OP, 12M TP: TRY 143.00) Upside: 44%

We maintain our TP for Ford Otosan of **TRY 143.00/sh**, and our "**OUTPERFORM**" recommendation. Based on the September 30, 2025 closing price, Ford Otosan trades at 2025E 6.8x EV/EBITDA and 2025E P/E of 7.8x, indicating a potential return of 44%. We are holding Ford Otosan into our model portfolio, driven by its robust story, and significant investment initiatives within the electrification period.

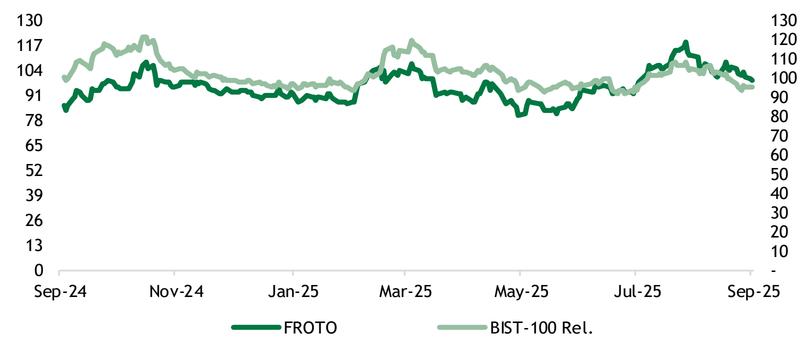
According to ADMA, Ford Otosan's LCV sales declined by 10.9% YoY in August 2025, reaching 5,180 units (August 2024: 5,814 units). During the January to August 2025 period, its retail sales of LCVs rose by 11.0% YoY, up from 41,496 units last year to 46,067 units this year. In August 2025, Ford Otosan's market share declined to 6.8% while in 8M25, it was flat, to 7.7%.

Ford Otosan's total production capacity has reached 746,000 units, with plans to exceed 900,000 units through electrification and the introduction of new models. We anticipate that Ford Otosan's planned investment programs will have a long-term positive impact on its stock, particularly as part of its electrification strategy. These investments are expected to support the company's export-driven business model and profitability-focused domestic strategy, enhancing both operational and financial performance. We also expect the favorable changes in the product mix and the benefits of cost-plus export agreements to have a meaningful impact on both sales volumes and profitability. Ford Otosan aims to offer electric options for all its models by 2025 as part of its electrification strategy. Additionally, the aging fleets in Europe and Turkiye, coupled with increasing maintenance costs and downtime, are driving the need for fleet and vehicle renewal. In this context, Ford Otosan's updated product portfolio and its diversified electric vehicle production position it well to meet the rising demand for fleet renewal. Furthermore, the introduction of the next-generation Custom model and the collaboration with Volkswagen for the production of the 1-ton medium commercial vehicle are expected to significantly bolster Ford Otosan's export volumes in 2025.

2025 expectations: Ford Otosan expects the domestic retail market to be in the range of 1,050,000 - 1,150,000 units. Ford Otosan's domestic retail volume expectation is in the range of 90,000 - 100,000 units. The company expects total export volumes to be in the range of 610,000 - 660,000 units (Romania: 200,000 - 220,000 units, Türkiye: 410,000 - 440,000 units). The total sales volume expectation is 700,000 - 760,000 units. Ford Otosan's total production volume forecast for 2025 is 700,000 - 750,000 units (Romania: 240,000 - 260,000 units (2024: 251,000 units) and Türkiye: 460,000 - 490,000 units). The 2025 CapEx target is EUR 600 - 700mn (General investments: EUR 130 - 150mn and Product investments: EUR 470 - 550mn). Ford Otosan also expects sales revenue to grow in the high single-digit range in 2025, while the EBITDA margin is expected to be between 7% - 8%.

Code	FROTO TI/FROTO IS	Close	99,05
MCap (TRY mn)	347.576	Last 12M High	118,30
MCap (US$ mn)	8.374	Last 12M Low	78,85
EV (TRY mn)	438.206	Beta	0,87
EV (US$ mn)	10.654	Avg. Daily Trading Vol. (US$ m)	32,3
Free Float (%)	20,31	Foreign Ownership in FF (%)	38,45

Key Figures (TRY mn)	* 2022A	* 2023A	* 2024A	2025E
Revenues	322.556	594.705	594.995	825.303
Growth (%)		*84,4%*	*0,0%*	*38,7%*
EBITDA	31.981	61.665	39.868	64.816
EBITDA Margin (%)	*9,9%*	*10,4%*	*6,7%*	*7,9%*
Net Profit	27.730	70.826	38.864	44.639
EPS	79,02	201,84	110,75	127,21
Dividend Yield	8,1%	7,5%	1,6%	2,6%
Net Debt/EBITDA (x)	1,43	1,42	2,97	1,99
Net Debt/Equity (x)	0,90	0,83	0,88	0,92
ROAE (%)		90,5%	32,4%	32,4%
ROAA (%)		29,0%	11,2%	11,0%
Valuation Metrics	*** 2022A**	*** 2023A**	*** 2024A**	**2025E**
P/E	12,5	4,9	8,9	7,8
EV/EBITDA	13,7	7,1	11,0	6,8
EV/Sales	1,4	0,7	0,7	0,5
P/BV	4,7	2,3	3,5	2,5
Return	**1M**	**3M**	**YtD**	**YoY**
TRY Return (%):	-11,3	11,0	7,5	11,3
US$ Return (%):	-12,4	6,3	-8,8	-8,6
BIST-100 Relative (%):	-9,1	0,3	-4,1	-2,3



Source: PDP, Ford Otosan, Finnet, Seker Invest Research Estimates

**2023 and 2024 financials are Indexed according to 2024 with IAS -29*

Isbank (OP, 12M TP: TRY20.07) Upside: 42%

Outstanding cost management

We maintain our BUY recommendation on Isbank, supported by its strong demand deposit base, rising fee and commission income, effective cost management, and better-than-expected net profit.

Isbank announced a solo net profit of TRY 17,372 million in 2Q25 up 40% QoQ and 15% YoY. The strong contribution came mainly from subsidiaries, with income from this line increasing 54% QoQ and 18% YoY. The bank's average ROE stood at 20.2% in 2Q25. Reported earnings were 29% above the market consensus.

NIM under pressure from higher funding costs. Despite a 12% QoQ decline in swap costs, higher deposit funding expenses led to an 18% QoQ contraction in swap-adjusted net interest income. As a result, the swap-adjusted NIM narrowed by 40 bps to 1.2%.

Strong fee growth. Net fee and commission income delivered robust growth, rising 21.5% QoQ and 52% YoY, driven by payment systems and loan growth.

Effective cost management. Operating expenses increased moderately, up 9.6% QoQ and 36% YoY.

Sound asset quality compared to peers. The NPL ratio stood at 2.5% in 2Q25, while net NPL formation rate declined to 1.66%. Stage 3 coverage ratio stood at 66%, and net CoR (including currency impact) decreased by 33 bps to 176 bps.

We model above %83 YoY earnings growth for 2025E. Our 12-month target price of TRY20.07 has 33% upside potential. We maintain our "Outperform" recommendation. The stock is trading at 2025E P/E of 4.5x, P/B of 0.95x, with an average ROE of 23.4%.

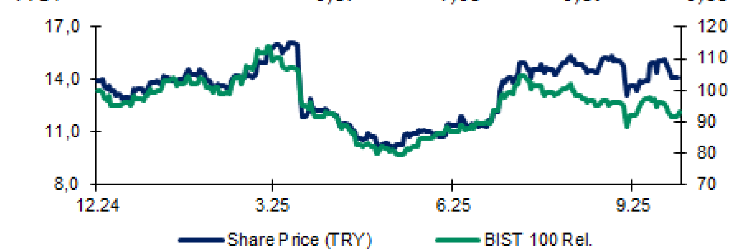
The bank revised its year-end guidance, the swap-adjusted NIM forecast has been revised downward from +450 bps increase to +350 bps relative to end-2024. ROE guidance has been lowered from 30% to 25%.

Mcap (TRYmn)	353.750	Beta (12M)	1,23
Mcap (USDmn)	8.524	Daily Volume (12M)	6.003
Close	14,15	Foreign Ownership in FF	26,0%
Last 12M High	16,36	Free Float (%)	31,0%
Last 12M Low	10,07	Weight	3,36%

Quick Facts (TRY Mn)	2023A	2024A	2025E	2026E
Net interest income	67.073	34.451	104.282	166.539
% Change, YoY	*-10,8%*	*-48,6%*	*202,7%*	*59,7%*
Net fee income	42.438	91.411	124.319	157.885
% Change, YoY	*162,8%*	*115,4%*	*36,0%*	*27,0%*
Net income	72.265	45.517	83.543	138.937
% Change, YoY	*17,4%*	*-37,0%*	*83,5%*	*66,3%*

Ratios	2023A	2024A	2025E	2026E
NPL ratio	2,1%	2,1%	2,9%	3,1%
CoR (Net)	1,0%	1,1%	2,9%	2,4%
NIM (Swap adj.)	3,7%	-0,7%	4,0%	5,1%
ROAA	3,7%	1,6%	2,8%	4,7%
ROTE	31,6%	15,6%	23,4%	30,3%

Multiples	2023A	2024A	2025E	2026E
P/E	3,2	7,4	4,2	2,5
P/BV	0,87	1,06	0,89	0,68



Return	1M	3M	6M	12M
TRY Return (%):	-6,0	6,0	15,4	2,1
US$ Return (%):	-7,2	1,5	5,5	-16,1
BIST-100 Relative (%):	-3,6	-4,2	1,2	-10,4

Source: Bank financials, Seker Invest Research

Migros (OP, 12M TP: TRY 750.00) Upside: 69%

We maintain our positive outlook on net cash position & market share development…

We maintain our "Outperform" recommendation for Migros, with our 12M TP of TRY 750.00. As of the closing price on September 30, 2025, the stock is trading at 2025E EV/EBITDA of 4.3x and 2025E P/E of 7.7x, implying an upside potential of 69%.

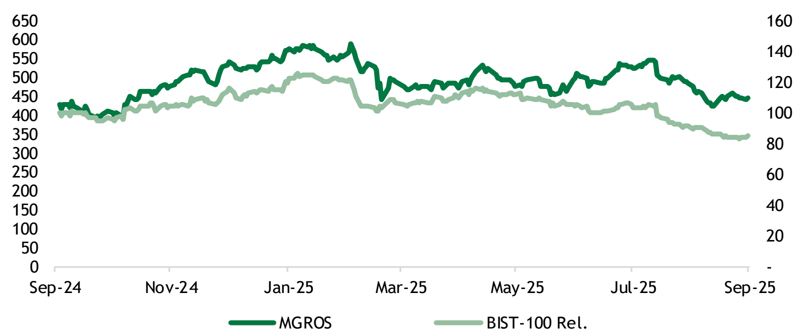
Considering the Company's FMCG market share trajectory; in the modern FMCG market, it had a 16.8% (1H24: 16.2%) market share in 1H25, and 10.2% (1H24: 9.6%) of the total FMCG market thanks to price investments, and its omni & multi format growth strategy. In addition, its store number rose by 193 compared to 1H24 to 3,683 stores in total in 1H25. Sales area rose by 3.7% YoY. We note that with the significant growth opportunity in online channels, the Company has reached 81 cities through online operations. The potential rise in online operations and store growth will positively affect net sales and operational profitability in the medium-to-long term. With the rising number of stores & growth of sales area, solid growth in basket size, and the positive contribution of online sales channels, we maintain our positive outlook for Migros. Thanks to strong cash flow created by the operations, we maintain our positive outlook for Migros. 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.

Migros expects sales growth of 8-10%, incorporating IAS-29 inflation accounting effects in 2025E. 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 appreciate the current strategy of boosting the private label portfolio and focusing on strategic store openings. Meanwhile, the Company has been able to increase its FMCG market share despite competitive market conditions in a high inflation environment. Moreover, we expect the business lines created by Migros with its various subsidiaries that use online channels effectively to increasingly contribute in the future.

Downside risk for Migros - The rise in input costs due to inflationary pressures, & rising energy prices, are likely to create downside risks.

Code	MGROS TI/MGROS IS	Close	445,00
MCap (TRY mn)	80.569	Last 12M High	591,72
MCap (US$ mn)	1.941	Last 12M Low	389,03
EV (TRY mn)	85.943	Beta	0,91
EV (US$ mn)	2.076	Avg. Daily Trading Vol. (US$ m)	25,8
Free Float (%)	50,82	Foreign Ownership in FF (%)	25,48

Key Figures (TRY mn)	* 2022A	* 2023A	* 2024A	2025E
Revenues	202.823	262.132	293.780	392.163
Growth (%)		*29,2%*	*12,1%*	*33,5%*
EBITDA	5.430	4.537	15.796	20.010
EBITDA Margin (%)	*2,7%*	*1,7%*	*5,4%*	*5,1%*
Net Profit	13.196	12.747	6.340	10.472
EPS	72,88	101,65	36,66	57,84
Dividend Yield	1,6%	1,9%	0,8%	1,3%
Net Debt/EBITDA (x)	-0,27	-1,17	0,51	0,33
Net Debt/Equity (x)	-0,04	-0,07	0,15	0,10
ROAE (%)		22,2%	10,0%	18,0%
ROAA (%)		8,2%	3,1%	4,6%
Valuation Metrics	*** 2022A**	*** 2023A**	*** 2024A**	**2025E**
P/E	6,1	6,3	12,7	7,7
EV/EBITDA	15,8	18,9	5,4	4,3
EV/Sales	0,4	0,3	0,3	0,2
P/BV	2,0	1,1	1,5	1,2
Return	**1M**	**3M**	**YtD**	**YoY**
TRY Return (%):	-8,4	-10,1	-17,5	0,9
US$ Return (%):	-9,5	-13,9	-30,0	-17,1
BIST-100 Relative (%):	-6,1	-18,7	-26,4	-11,4



Source: PDP, Migros, Finnet, Seker Invest Research Estimates

**2023 and 2024 financials are Indexed according to 2024 with IAS-29*

Sabanci Holding (OP, 12M TP: TRY 146.24) Upside: 68.5%

Sabanci Holding (SAHOL.TI; OP) announced a consolidated net profit of TRY 1,751mn in 2Q25 under inflation accounting (IAS 29), compared to a loss of TRY 2,450mn in 2Q24. Sabanci Holding's net loss as of 1H25 was realized at TRY 1,365mn (1H24: TRY 10,305mn TL net loss). In 2Q25, Sabanci Holding generated sales revenue of TRY 357,041mn (up 3.7% YoY), including banking operations. The company's EBITDA reached TRY 36,182mn in 2Q25, on a 4.4% YoY increase. Non-bank EBITDA margin expansion, particularly driven by financial services and energy segments, passed largely through to the bottom-line with some support from lower monetary losses despite increased financial expenses, amid prevailing high borrowing cost conditions in Türkiye.

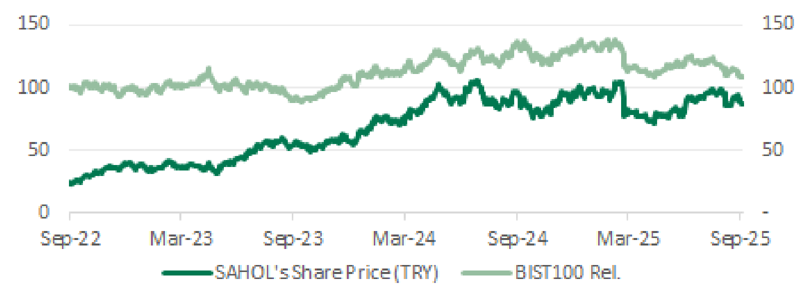
The Holding's solo net cash position has increased to TRY 13.3bn from TRY 12.4bn at the end of 2024 thanks to received dividend payments. Net Debt/EBITDA was 1.7x, well below the Holding's midterm target of a maximum 2.0x.

Sabancı Holding's net asset value is composed of 42% banking and financial services, 33% energy and climate technologies, 14% material technologies, 6% digital technologies and others, and 5% mobility solutions. Revenue-wise, 60% comes from banking and financial services, 20% from energy, 0,6% from mobility solutions, 9% from material technologies, 0,4% from digital services, and 10% from other segments.

2025 Expectations: We believe that the banking and financial services segment, which accounts for a significant 60% of the Holding's revenue, will be positively affected by interest rate cuts in 2025. However, due to its high cash position, it is expected to continue being negatively impacted by inflation accounting.

In line with our expectations, we maintain our 12-month target price for Sabancı Holding (SAHOL) at TRY 146.24/share. As our target price carries 68.5% upside potential based on the closing price of September 30, 2025, we maintain our OUTPERFORM recommendation for the stock.

Code	SAHOL.TI	Close		86,80
MCAp (TRY m)	182.313	Last 12M High		105,98
MCAp (US$ m)	4.392	Last 12M Low		71,70
EV (TRY m)	309.040	Beta		1,14
EV (US$ m)	7.581	Avg. daily trading vol. (US$ m)		57,6
Free float (%)	51,00	Foreign ownership in FF (%)		38,7%
Key figures	**2023***	**2024 ***	**2024/06**	**2025/06**
Revenues	230.796	227.623	112.436	108.709
Finance Sector Revenues	663.293	830.594	183.250	199.880
Total Revenues	894.089	1.058.217	295.686	308.589
Growth		*18,4%*		*4,4%*
Consalidated net profit	25.988	18.000	-10.306	-1.365
EPS	12,74	8,82	-5,05	-0,65
Dividend yield	3,0%	3,2%		
Net debt /Equity	0,10	0,02		0,40
ROAE	7,4%	5,4%		8,3%
ROAA	0,7%	0,5%		0,8%
Valuation metrics	**2023***	**2024 ***	**2024/06**	**2025/06**
P/E	7,0	10,1		6,8
EV/Sales	1,3	1,4		1,4
P/BV	0,5	0,6		0,6
Return	**1M**	**3M**	**YtD**	**YoY**
TRY Return (%):	-7,9	-3,2	-6,2	-7,5
US$ Return (%):	-9,0	-7,3	-20,4	-24,0
BIST-100 Relative (%):	-5,5	-12,5	-16,3	-18,8



Source: PDP, Finnet, Seker Invest Research estimates

**2023, 2024 financials are indexed according to 1H25 with IAS -29*

Turkcell (OP, 12M TP: TRY 136.60)

Upside: 39.6%

Net profit exceeded expectations in 2Q25

Turkcell, based on its financials with inflation accounting (TMS-29 effect), announced a net profit of TRY 4,201 million in the 2Q25 period (2Q24: TRY 3,922 million), exceeding our expectation of TRY 3,400 million and the market expectation of TRY 3,294 million. Operational profitability strengthened compared to the previous year, while other revenues of TRY 10,714 million net, driven by exchange rate gains, supported the net income of TRY 2,378 million from investment activities and the lower net profit from tax provisions compared to the previous quarter. However, the net financial expense of TRY 15,455 million and the lower monetary position gains weighed on the net profit figure. The Company's net profit margin in 2Q25 was 7.92% (2Q24: 8.32%). **The Company's sales revenues, including the impact of TMS-29, increased by 12.5% year-over-year to TRY 53,022 million in 2Q25. Our expectation for net sales revenues was TRY 52,400 million, while the market expectation was TRY 52,012 million.** Strong ARPU performance, a growing postpaid subscriber base, and effective efforts to upgrade our customers to higher packages were instrumental in the increase in sales revenues. Turkcell Group subscribers increased by 0.7% year-over-year to 45.6 million in 2Q25, while Turkcell Türkiye subscribers also increased by 0.7% to 43.5 million. Driven by ongoing price adjustments, ARPU (revenue per user) recorded 9.8% annual real growth in mobile and 17.5% in individual fiber. Revenues continued to grow thanks to the strong ARPU and subscriber base.

EBITDA, including the impact of TAS-29, reached TRY 23,394 million, a 13.1% increase compared to TRY 21,368 million in 2Q24, supported by the improvement in gross profit margin. EBITDA exceeded our expectation of TRY 21,900 million and the market expectation of TRY 21,894 million. EBITDA margin was 44.1% in 2Q25 (45.3% in 2Q24).

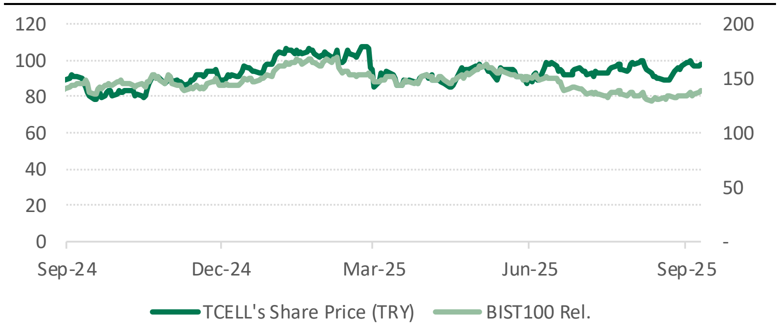
2025 expectations remain intact: Turkcell expects to achieve revenue growth in the range of 7-9% and an EBITDA margin of 41-42% in 2025, while targeting a 24% operational expense-to-revenue ratio. Furthermore, the Data Center-Cloud business is expected to see revenue by 32-34%. (Expectations are based on the assumption of 30.5% inflation in 2025.)

Turkcell will participate in the Information and Communication Technologies Authority (BTK) tender. Turkcell announced its decision to participate in the authorization tender for mobile electronic communications infrastructure and services, to be held on October 16 by the Information and Communication Technologies Authority.

In line with our expectations, we maintain our 12-month target price for TCELL at 136.60/share. Our target price has 39.6% upside potential compared to the stock's closing price on September 30, 2025. We maintain our OUTPERFORM recommendation.

Code	TCELL.TI	Close	97,85
MCAp (TRY m)	200.420	Last 12M High	109,11
MCAp (US$ m)	4.949	Last 12M Low	76,79
EV (TRY m)	237.254	Beta	1,05
EV (US$ m)	5.924	Avg. daily trading vol. (US$ m)	62,1
Free float (%)	54,00	Foreign ownership in FF (%)	42,3%

Key figures	*2022A	*2023A	*2024A	2025E
Revenues	151.953	173.443	185.341	229.082
Growth		*14,1%*	*6,9%*	*23,6%*
EBITDA	67.092	79.263	82.472	98.505
EBITDA margin	*44,2%*	*45,7%*	*44,5%*	*43,0%*
Net profit	11.590	21.147	27.446	20.944
EPS	7,61	13,88	10,11	9,52
Dividend yield	2,4%	1,6%	2,8%	3,39%
Net debt /EBITDA	0,57	0,46	0,38	0,22
Net debt /Equity	0,21	0,18	0,14	0,15
ROAE		10,8%	12,9%	11,6%
ROAA		5,2%	6,7%	6,2%
Valuation metrics	***2022A**	***2023A**	***2024A**	**2025E**
P/E	17,3	9,5	7,3	9,6
EV/EBITDA	0,9	3,0	2,9	2,4
EV/Sales	0,4	1,4	1,3	1,0
P/BV	1,1	1,0	0,9	1,4
Return	**1M**	**3M**	**YtD**	**YoY**
TRY Return (%):	2,0	1,9	0,2	-9,2
US$ Return (%):	0,1	-3,4	-12,8	-26,0
BIST-100 Relative (%):	-8,5	-10,4	-6,1	-7,0



Source: PDP, Finnet, Seker Invest Research estimates

**2023 and 2024 financials are Indexed according to 2024 with IAS -29*

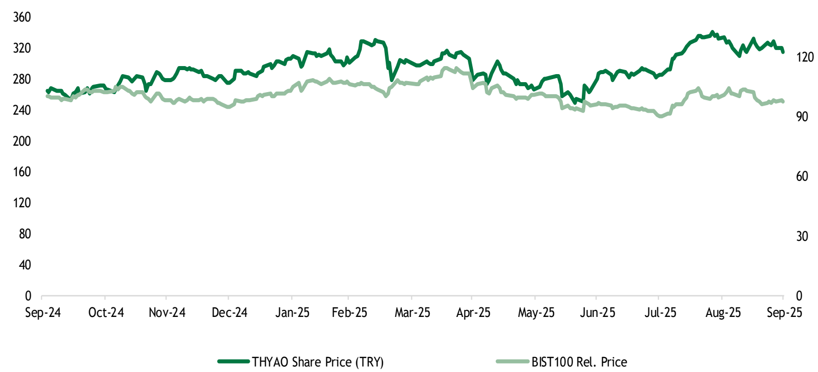
Turkish Airlines (OP, 12M TP: TRY 495.50) Upside: 57%

Balanced Growth Through Operational Diversity…

- We maintain our target share price for Turkish Airlines (THYAO) **of TRY 495.50/sh**. Turkish Airlines presents a compelling growth trajectory, supported by its robust operational fleet structure and the planned addition of new aircraft over the coming years. We anticipate its cargo operations will continue to bolster the Company's operational and financial profile. Furthermore, the geographically diversified revenue base provides a natural hedge against FX volatility, underpinning revenue resilience. Consequently, we reiterate our **"OUTPERFORM"** recommendation, with our maintained target price—based on the September 30, 2025, closing price—offering an attractive **57% upside potential**. THY is currently trading at 2025E P/E of 3.75x and 2025E EV/EBITDA of 3.68x.
- THY's PAX rose by 11.9% YoY for August 2025. The rise was mainly due to increase of both int'l and domestic passenger number when compared to August 2024. THY's total PAX in August 2025 was at 9.46mn. Meanwhile, in August 2025, the share of international PAX in total PAX was 63.2%. The total load factor rose by 0,9 pp at 86.7% in August 2025. The carrier's international PAX rose by 10.5% YoY to 5.98mn in August 2025; domestic PAX also rose by 14.5% YoY to 3.48mn in August 2025. THY's cargo operations volume was up 10.5% YoY in August 2025. THY's traffic figures for 8M25 indicates with a PAX increase of 5.8% YoY. THY's total PAX in 8M25 was at 60.7mn. The total load factor rose by 0,6 pp at 82.7% in 8M25. The carrier's international PAX rose by 7.3% YoY to 39mn in 8M25; domestic PAX rose by 3% YoY to 21.7mn in 8M25. THY's cargo operations volume was up 5.4% YoY in 8M25.
- The Company expects the number of aircraft under the THY brand to exceed 800 by 2033, while the number of passengers will exceed 170 million in 2033. THY predicts 7-8% YoY growth in passenger capacity, with total passenger exceeding 91 million. The company expects total revenue to rise by 6-8% YoY, with an EBITDAR margin in the range of 22-24%. Ex-fuel unit cost is projected to increase in the mid-to-single-digit range, while the fleet is expected to expand to 520-525 aircraft by the end of 2025.
- **Risks -** The major downside risks are slower than expected global growth, rising protectionism and geopolitical risk, i.e., lower than expected demand growth, higher-than expected capacity growth leading to lower yields, higher-than-expected jet fuel prices hurting demand and profitability, and an unfavorable course of US$/JPY and €/US$ rates.

Code	THYAO.TI/THYAO.IS	Close	315,00
MCAp (TRY mn)	434.700	Last 12M High	342,72
MCAp (US$ mn)	10.473	Last 12M Low	246,66
EV (TRY mn)	769.941	Beta	0,95
EV (US$ mn)	18.909	Avg. Daily Trading Vol. (US$ mn)	237,6
Free Float (%)	50,48	Foreign Ownership in FF (%)	31,88

Key Figures (USD mn)	2022	2023	2024	2025E
Revenues	18.426	20.942	22.669	24.390
Growth (%)	*72,4%*	*13,7%*	*8,2%*	*7,6%*
EBITDA	4.947	5.533	5.059	5.142
EBITDA Margin (%)	*26,8%*	*26,4%*	*22,3%*	*21,1%*
Net Profit	2.725	6.021	3.425	2.796
EPS	1,97	4,36	2,48	2,03
Net Debt/EBITDA (x)	1,7	1,3	1,1	1,5
Net Debt/Equity (x)	0,9	0,5	0,3	0,4
ROAE	32,9%	47,6%	19,6%	13,6%
ROAA	9,5%	18,1%	9,1%	6,4%
Valuation Metrics	**2022**	**2023**	**2024**	**2025E**
P/E	3,84	1,74	3,06	3,75
EV/EBITDA	3,82	3,42	3,74	3,68
EV/Sales	1,03	0,90	0,83	0,78
P/BV	1,17	0,73	0,60	0,52
Return	**1M**	**3M**	**YtD**	**YoY**
TRY Return (%):	-5,00	12,26	14,75	13,14
US$ Return (%):	-6,20	7,51	-2,60	-7,06
BIST-100 Relative (%):	-2,62	1,41	2,44	-0,69



Source: Turkish Airlines, PDP, Finnet, Seker Invest Research

Recommendations List

Şeker Invest

Recommendation List October 1, 2025

BANKING	Close (TRY)	Rating	TP (TRY)	Mcap TRY mn	Target Mcap TRY mn	Upside Potential	P/E	P/BV
AKBNK	62,70	OP	82,47	326.040	428.846	31,5%	7,56	1,26
GARAN	139,80	OP	164,52	587.160	690.977	17,7%	5,82	1,55
HALKB	26,34	MP	21,45	189.247	154.148	-18,5%	10,02	1,12
ISCTR	14,15	OP	20,07	353.750	501.715	41,8%	7,66	0,98
TSKB	13,36	OP	15,86	37.408	44.407	18,7%	3,06	0,95
VAKBN	25,60	MP	28,73	253.848	284.916	12,2%	4,95	1,03
YKBNK	33,94	OP	36,77	286.693	310.595	8,3%	8,34	1,29
HOLDING	**Close (TRY)**	**Rating**	**TP (TRY)**	**Mcap TRY mn**	**Target Mcap TRY mn**	**Upside Potential**	**P/E**	**P/BV**
KCHOL	172,90	OP	243,75	438.457	618.125	41,0%	-	0,74
SAHOL	86,80	OP	146,24	182.313	307.167	68,5%	-	0,57
TAVHL	240,00	OP	371,00	87.188	134.776	54,6%	47,84	1,24
INDUSTRIAL	**Close (TRY)**	**Rating**	**TP (TRY)**	**Mcap TRY mn**	**Target Mcap TRY mn**	**Upside Potential**	**P/E**	**P/BV**
AKCNS	137,60	OP	200,20	26.343	38.328	45,5%	31,62	1,18
AKSEN	37,28	OP	55,00	45.718	67.450	47,5%	34,58	0,93
ARCLK	126,50	OP	185,00	85.480	125.010	46,2%	-	1,24
ASELS	215,00	OP	240,00	980.400	1.094.400	11,6%	59,16	5,80
BIMAS	541,00	OP	730,66	324.600	438.395	35,1%	26,25	2,39
CCOLA	46,00	OP	75,00	128.712	209.847	63,0%	12,95	2,06
CIMSA	47,10	OP	63,00	44.537	59.576	33,8%	31,00	1,54
DOAS	175,90	OP	259,90	38.698	57.179	47,8%	11,84	0,64
EREGL	29,40	OP	39,70	205.800	277.908	35,0%	39,37	0,77
FROTO	99,05	OP	143,00	347.576	501.800	44,4%	11,34	2,47
KRDMD	28,40	OP	37,98	22.158	29.630	33,7%	-	0,55
MGROS	445,00	OP	750,00	80.569	135.790	68,5%	16,03	1,21
PETKM	18,09	MP	21,53	45.847	54.561	19,0%	-	0,71
PGSUS	216,50	OP	365,60	108.250	182.801	68,9%	7,08	1,11
SELEC	79,95	MP	110,00	49.649	68.310	37,6%	41,45	1,85
SISE	37,32	OP	55,00	114.319	168.470	47,4%	45,80	0,53
TCELL	97,85	OP	136,60	215.270	300.523	39,6%	9,27	0,98
THYAO	315,00	OP	495,50	434.700	683.795	57,3%	4,30	0,58
TOASO	259,25	OP	284,70	129.625	142.350	9,8%	132,64	2,69
TTKOM	50,80	OP	72,50	177.800	253.744	42,7%	16,53	0,99
TUPRS	186,50	OP	237,80	359.347	458.185	27,5%	17,90	1,17
ULKER	104,50	OP	170,00	38.589	62.778	62,7%	6,65	1,07
VESBE	11,24	OP	17,00	17.984	27.204	51,3%	-	0,51
ZOREN	3,56	MP	4,20	17.800	21.000	18,0%	-	0,28

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