
Monthly Equity Strategy

May 2026

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Geopolitical risk and energy supply concerns remained the focus of markets in April...

In April, geopolitical developments originating in the Middle East remained a decisive factor in pricing behavior in global markets. Ongoing tensions between the U.S. and Iran kept risks to global energy supply via the Strait of Hormuz at the center of market attention, while upward volatility in oil prices led to a cautious approach in asset pricing. The prolongation of the war and the possibility of a deadlock in the process between the parties kept risks to the global inflation outlook alive through energy prices, and led to a reshaping of expectations regarding central bank monetary policy paths.

The U.S.'s continued military presence in the region and its blockade of the Strait of Hormuz have kept geopolitical risk perception high, putting continued pressure on asset pricing. On the other hand, news reports throughout the month indicating intensified diplomatic contacts and the continued operation of negotiation channels between the parties created optimism in the markets, supporting a recovery in risk appetite. However, despite the extension of the ceasefire, continued uncertainty regarding the negotiation process has reflected in a fragile and volatile market trend.

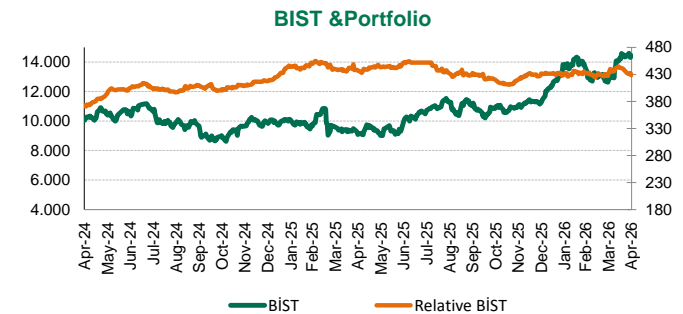
On the global monetary policy front, a month has passed in which major central banks, primarily the Fed, maintained a cautious stance. At its April FOMC meeting, the Fed kept its policy rate unchanged at 3.50%-3.75%, while the ECB, BoE, and BoJ also kept their policy rates unchanged at 2.15%, 3.75%, and 0.75%, respectively, at their April meetings. The Fed's decision statement noted the first instance in a long time of four dissenting votes, highlighting the assessment that geopolitical developments originating in the Middle East increased uncertainties regarding the economic outlook. The board's decision stated that the impact of the oil shock on the U.S. was more limited compared to Europe and Japan. While Fed officials emphasized the continuation of a data-driven approach and close monitoring of geopolitical developments, a communication framework emerged that postponed expectations of interest rate cuts.

In Europe and Asia, downside risks to the growth outlook and weakness in external demand conditions have been the determining factors. Macroeconomic data released in the Eurozone indicated that economic activity remained limited and fragile, with industrial production and foreign trade indicators supporting this outlook. In China, expectations of growth-supportive policy steps and stimulus measures remained on the agenda. In Japan, no significant change was observed in the monetary policy framework, and the current stance was maintained. In this context, downside risks and uncertainties regarding growth remained on the agenda across advanced economies.

Domestically, the CBRT's interest rate decision and its messages regarding the inflation outlook held the focus of the markets. At the April MPC meeting, the policy rate was kept constant at 37%, confirming the CBRT's tight monetary policy stance. It was emphasized that developments regarding the main trend of inflation and expectations are being closely monitored, and a message was given that additional tightening steps could be taken if necessary. S&P Global confirmed Türkiye's credit rating at "BB-/B" with a "stable" outlook, stating that managing the energy price shock and the recovery in reserves are critical for a rating upgrade. Throughout April, geopolitical risk and the potential impact of energy price movements on the inflation outlook were prominent, while Turkish Lira assets experienced volatile movements sensitive to global risk appetite. The direction of capital flows and foreign investor interest remained decisive factors in market performance.

Facts & Figures	Close*	MoM	YtD
BIST - 100, TRY	14.443	12,91%	28,2%
BIST - 100, USD	321	11,5%	22,2%
MSCI Turkey	356.073	10,9%	24,9%
MSCI EMEA	266	3,4%	2,4%
MSCI EM	1.600	14,5%	13,9%
Benchmark Bond	41,22%	-83bps	400bps
USD/TL	44,9692	1,29%	4,96%
EUR/TL	52,5723	3,23%	4,55%
P/E			
Banking	5,4		
Industrial	127,0		
Iron&Steel	321,5		
REIT	11,2		
Telecom	11,4		
2026E P/E	16,0		

*Close as of April 30, 2026



Expectations for interest rate cuts from the CBRT have been postponed to June and subsequent meetings...

Rating: BUY

In May, ongoing geopolitical developments in the Middle East and the trajectory of energy prices will continue to be decisive factors influencing risk appetite and asset prices. Inflation and employment data to be released in the U.S., guidance from Fed officials, potential new steps regarding trade policies, and the global trade outlook will be key topics for market pricing. Furthermore, the monetary policy approach of the new Fed chairman after Chairman Powell's term ends on May 15, 2026, will be closely watched by the markets. Growth outlook data and policymaker actions in Europe and Asia will also be closely monitored. There are no scheduled monetary policy meetings for the Fed, ECB, BoJ, and TCMB in May. Domestically, the CBRT's presentation of its second inflation report of the year on May 14th, and the inflation data will be crucial in determining expectations for the interest rate path. In the coming period, the main trend of inflation, the trajectory of expectations, and the outlook for financial conditions will remain critical for monetary policy decisions. The trajectory of global risk appetite and the direction of capital flows will continue to affect the performance of Turkish Lira assets.

Following the CBRT's pause in interest rate cuts in March, its decision not to change interest rates in April, in line with expectations, has led to the postponement of interest rate cut expectations to the June and subsequent meetings. As bullish sentiment prevailed in global equity markets in April, the losses experienced in March due to geopolitical developments were largely recovered. The BIST-100 Index reached a new record high in Turkish Lira terms on April 27th, hitting 14,621.97 points. The Index closed April with a 12.91% increase at 14,442.56 points, while sectoral divergences were prominent throughout the month. The Industrial Index rose by 12.91%, and the Banking Index by 9.57%.

In May, U.S. foreign policy actions, developments regarding trade policies, and the trajectory of geopolitical risk will continue to be decisive factors influencing global risk appetite. Domestically, inflation data and the CBRT's inflation report presentation will be the focus of the markets. Given the expectation that the disinflation process will not be disrupted and that interest rate cuts will continue, albeit with a delay, we anticipate a volatile performance for the index in May, depending on whether foreign investor interest increases again. In the event of a possible decline in geopolitical risk, we maintain our view of gradual buying in the medium and long term.

In light of these expectations, we maintain our 12-month target of 16,500 points for the BIST-100 Index and our BUY recommendation, as our target value represents a 14% return potential compared to the current index. The MSCI Turkey Index is trading at a 29% and 52% discount compared to the EM MSCI index, with P/E and P/BV ratios of 8.62x and 0.99x respectively for 2026E.

We are not making any changes to our model portfolio this month.

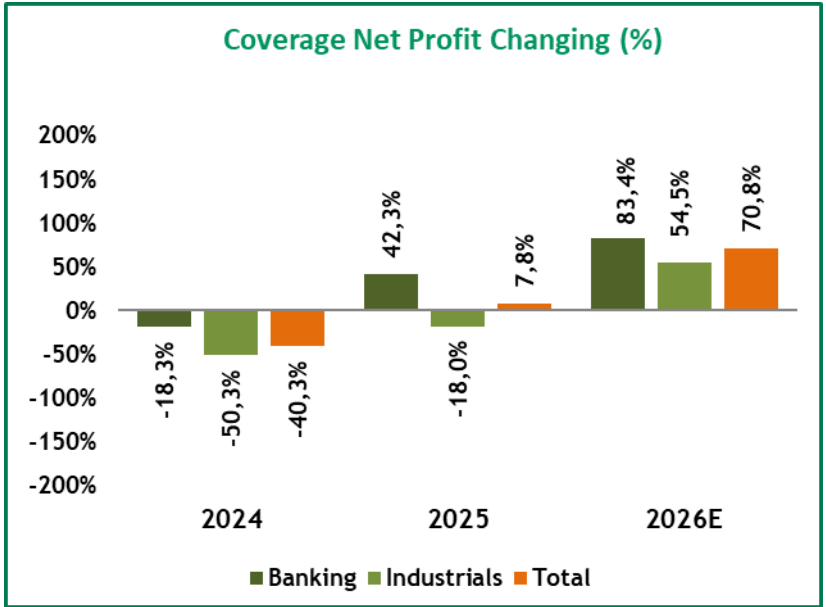
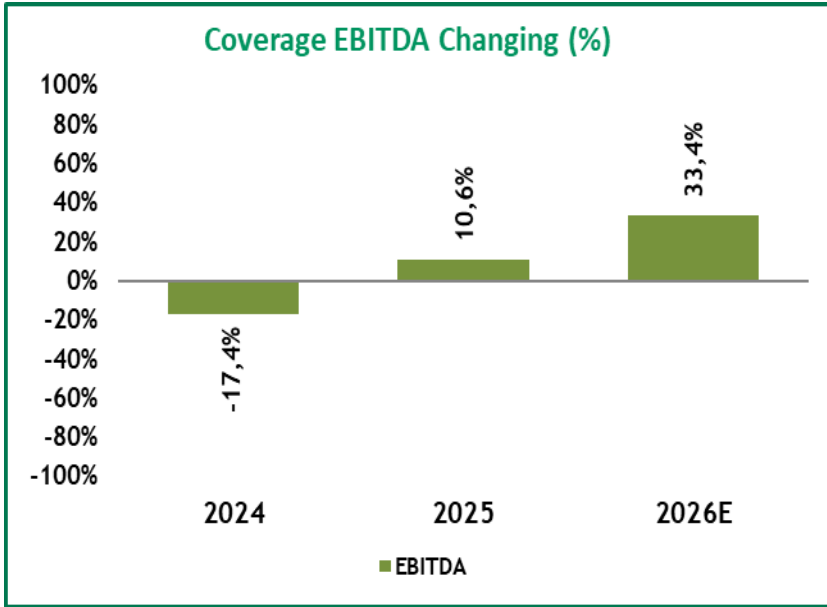
Main Market Risks

- Further intensification of the ongoing hot war in the Middle East,
- Geopolitical risks are causing energy prices to rise, increasing uncertainty over the global inflation outlook and the monetary policy path,
- The escalation of global trade tension due to aggressive U.S. foreign policy measures and tariff threats toward China and Europe,
- A potential disruption in the CBRT's rate-cutting cycle if the anticipated decline in inflation fails to materialize.

Model Portfolio					
Top Picks	Close	Target	Pot.	MoM	Relative
AKBNK.TI	73,20	108,10	47,7%	10,9%	-1,8%
ASELS.TI	420,25	495,00	17,8%	31,2%	16,2%
CIMSA.TI	57,60	70,55	22,5%	20,1%	6,4%
FROTO.TI	98,00	149,30	52,3%	-3,1%	-14,2%
MGROS.TI	641,50	885,00	38,0%	6,5%	-5,7%
SAHOL.TI	95,65	173,19	81,1%	8,7%	-3,7%
TCELL.TI	112,10	140,00	24,9%	5,9%	-6,3%
TUPRS.TI	271,00	355,76	31,3%	4,9%	-7,1%
YKBNK.TI	37,04	58,30	57,4%	12,2%	-0,7%
Monthly Return				10,8%	-1,9%

*Close as of April 30, 2026

Add	Remove	Maintain
-	-	AKBNK
		ASELS
		CIMSA
		FROTO
		MGROS
		SAHOL
		TCELL
		TUPRS
		YKBNK
Favourite Sectors Food&Beverage Defense Food Retail Energy Telecommunication Construction-Cement Aviation Banks Insurance REIT Main Metal Industry Iron-Steel		



In 2026E, industrials should deliver 54.5% and 33.4% YoY net income and EBITDA growth YoY, while we expect the banks' earnings to increase by 83,4% YoY.

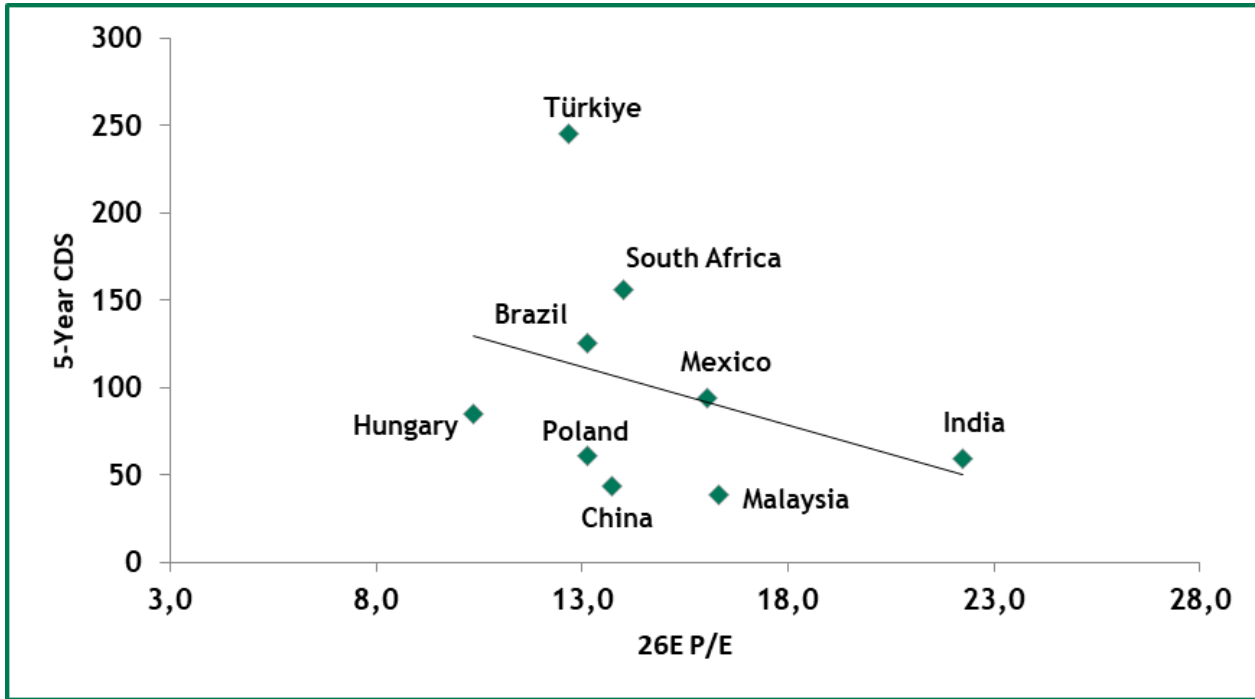
Returns compared to peers

- The MSCI Türkiye Index has risen by 42.1% in absolute terms over the past 12 months. It has underperformed the MSCI EM by 1.2%, and outperformed the MSCI EMEA index by 15.3% during same period.

Absolute Change	1m	3m	12m	YtD
MSCI Turkey	10,9%	1,0%	42,1%	24,9%
MSCI EM	14,5%	4,7%	43,8%	13,9%
MSCI EMEA	3,4%	-5,8%	20,4%	2,4%
MSCI Eastern Europe	10,5%	2,0%	37,8%	11,1%
MSCI World	9,4%	2,9%	27,5%	5,2%
Relative to MSCI Turkey	1m	3m	12m	YtD
MSCI EM	3,2%	3,6%	1,2%	-8,8%
MSCI EMEA	-6,8%	-6,8%	-15,3%	-18,0%
MSCI Eastern Europe	-0,4%	1,0%	-3,0%	-11,0%
MSCI World	-1,3%	1,9%	-10,3%	-15,8%

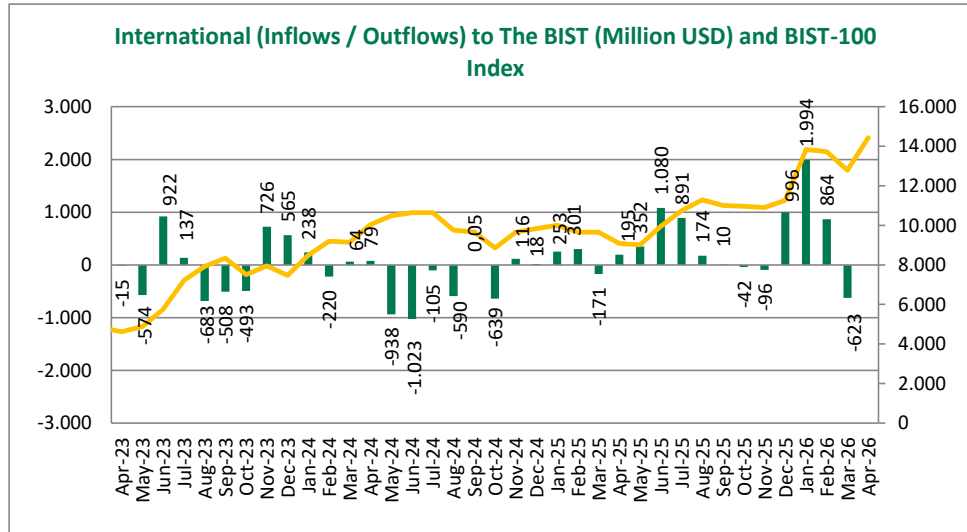
As of April 30, 2026

5-Year CDS

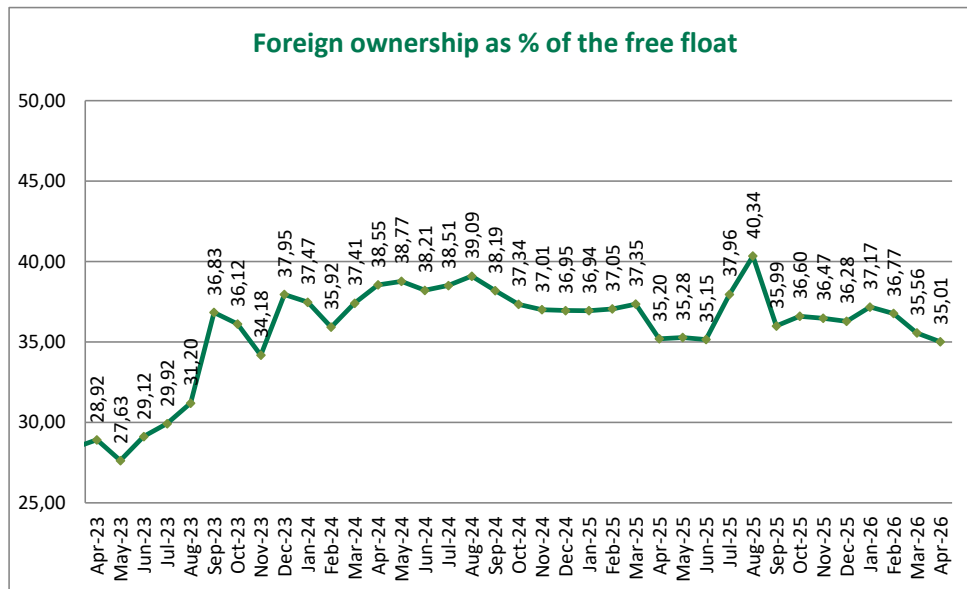


As of April 30, 2026

Int. flow and foreign ownership

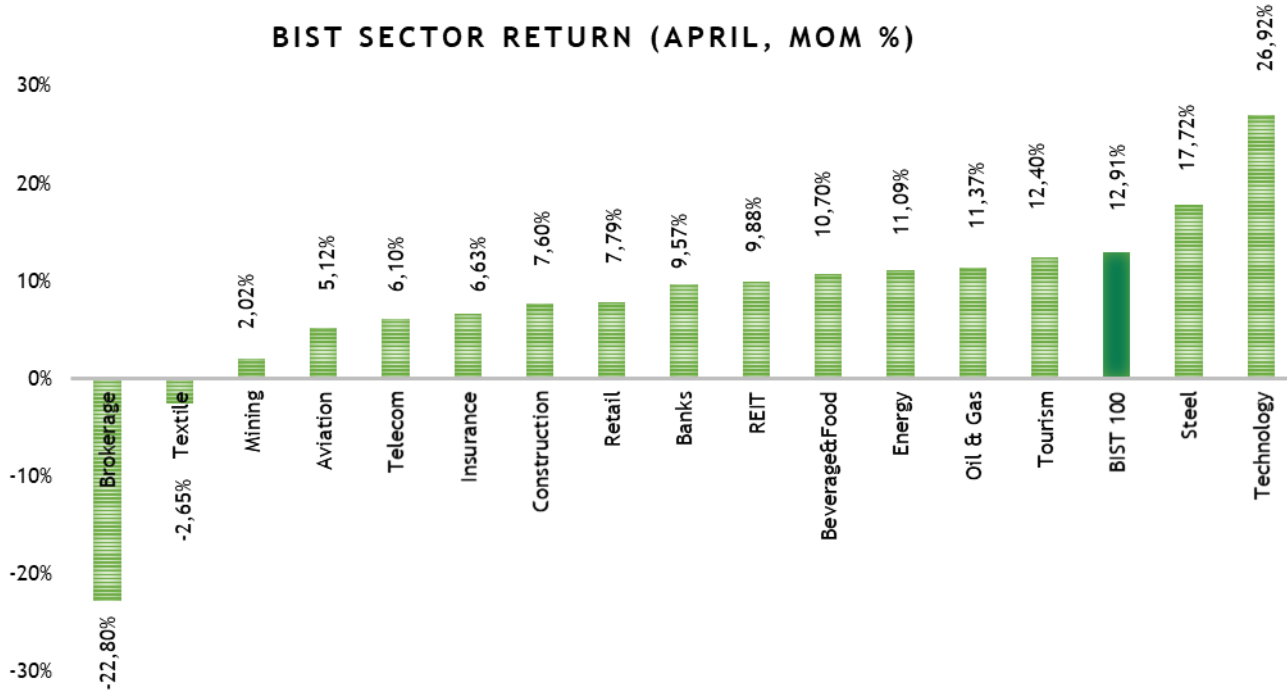


➤ Overall, in March 2026, foreign investors were net sellers of USD 623mn.



➤ Foreign ownership has slightly decreased to 35.01% in April 2026.

Sector performances



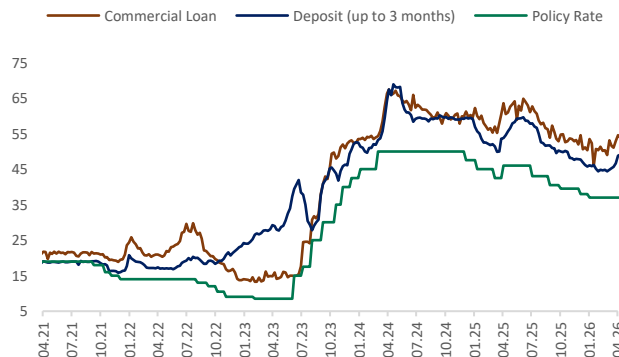
As of April 30, 2026

Macroeconomic Outlook

CBRT Rate Decision - April

At its meeting this month, the Central Bank of the Republic of Türkiye's Monetary Policy Committee (MPC) kept the policy rate steady at 37%, in line with market expectations. Under current conditions, the fact that market funding is being conducted at the upper band is already being interpreted as a sufficiently tight monetary policy and an implicit interest rate hike. In this context, raising the policy rate to this level and resuming funding via repo operations would not have had a meaningful impact on market interest rates. Therefore, maintaining flexibility and keeping interest rates steady is a sound decision. However, the section added to the final part of the inflation paragraph indicates that the CBRT remains committed to tightening when necessary. We believe that, rather than tightening further by raising interest rates, the preference was to steer expectations through a hawkish tone that limits upside risks and manages expectations. The text briefly summarizes recent developments. It is noted that the underlying trend in inflation rose slightly in April as a result of geopolitical developments. Furthermore, the high trajectory of energy prices will affect inflation through two channels. The inflation outlook, pushed upwards via the cost channel, is expected to ease somewhat due to the weakening of economic activity and the slowdown in growth. We believe the CBRT's wait-and-see policy is appropriate for assessing the direction and magnitude of this net effect. Both the war entering a ceasefire phase and moving towards a diplomatic negotiation framework, as well as domestic developments, have strengthened the CBRT's hand regarding its interest rate decision. During the war, there had been a depletion of reserves amounting to approximately 50 billion US dollars. Following this situation, which had strengthened the likelihood of an interest rate hike, the declaration of a ceasefire led to a recovery of approximately 30 billion US dollars in reserves. Furthermore, oil futures are pricing in the expectation that the war will end in the near future. For this reason, an interest rate hike by the CBRT at this meeting might have appeared premature. We could say that both the relative recovery of macroeconomic indicators and the shift in expectations towards a positive outlook have bought decision-makers some time. The most hawkish statement we observed in the decision text is the phrase: "The Council has emphasized its cautious stance against upward risks to inflation." Unlike previous statements, which highlighted improvements in the core inflation trend and a gradual decline, this statement explicitly emphasizes upward risks. We understand from this that the condition of a significant and persistent deterioration in the inflation outlook is being closely monitored. The condition of 'significant' appears to have been met, albeit to a limited extent, but we need time to see how persistent it is.

Policy, Loan and Deposit Rates (%)

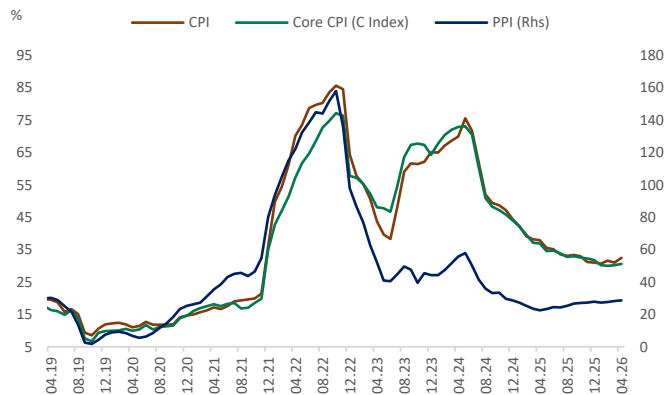


Macroeconomic Outlook

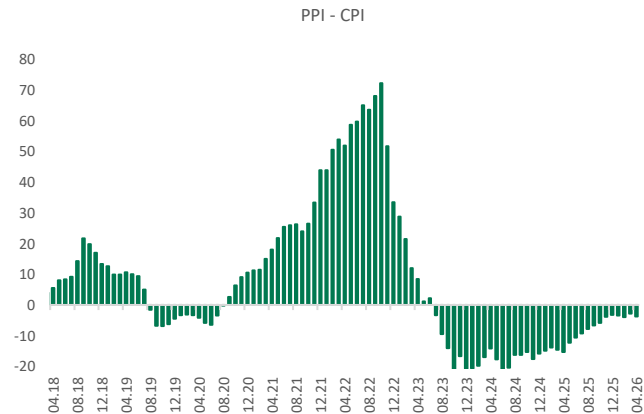
Inflation - April

The CPI rose by 4.18% month-on-month in April, whilst annual inflation stood at 32.37% (previously 30.87%). The monthly inflation rate in April, which exceeded both market and our own expectations, reflects the lagged effects of geopolitical developments. In our previous report, we had noted that we would see a rebound in the April-May inflation figures following the below-expectation figures in March. However, the actual figures have exceeded even our own expectations and are complicating the disinflationary path. Looking at the dispersion index for April, 147 sub-indices recorded an increase whilst 19 sub-indices showed a decline. The dispersion index is an indicator we monitor closely, just as much as the inflation trend, and increases are evident across almost all sub-groups. In such a scenario, it is a matter of supply-side shocks—such as those in energy—affecting all items, rather than a temporary effect. For the lower-income group, the rise in items constituting the majority of the consumption basket is deviating significantly upwards from headline inflation. This index, calculated using the average of food, housing and transport inflation—which accounts for 52.46% of the CPI—rose by 37.33% year-on-year in February. Rising commodity prices, led by energy, are creating fragility in net importing economies such as Turkey. The duration of this situation—which increases risks to both reserves and the balance of payments—stands out as the most prominent external variable directly influencing how tight monetary policy will remain. The oil price forecast (USD60/barrel) used when setting the CBRT’s intermediate targets has now been exceeded by approximately 100%. Even if the speculative impact on prices were to disappear due to geopolitical risks, we believe there will still be a significant upward deviation from the CBRT’s forecasts. We anticipate that oil prices will stabilise at levels of USD75-80/barrel by year-end. Under this assumption, we estimate that inflation will rise to the 25-29% range and close at 27% by year-end. These developments necessitate a more cautious stance in monetary policy. In this context, the decision to hold interest rates steady in April was a prudent one, given the leading indicators. May’s inflation figures will reveal the extent and duration of this shock. We forecast that the policy rate will close the year at 32%.

CPI, PPI and Core CPI (YoY %)



PPI - CPI Spread

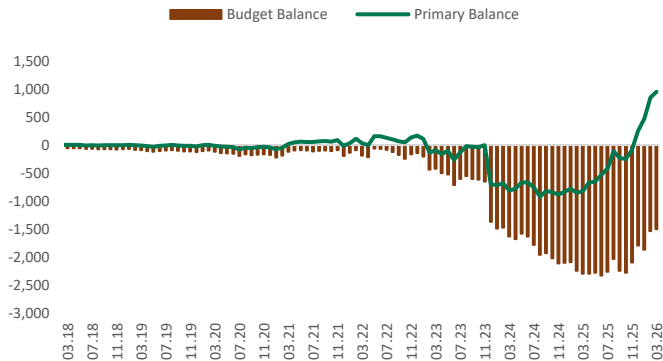


Macroeconomic Outlook

Budget Balance - March

According to the central government budget data for March published by the Ministry of Treasury and Finance, budget revenues stood at TRY 1,230.5 billion, whilst budget expenditures amounted to TRY 1,460.4 billion. During the same period, non-interest budget expenditures totaled TRY 1,224.4 billion. With these figures, the budget deficit stood at TRY 229.9 billion, whilst the non-interest balance recorded a surplus of TRY 6 billion. The interest burden on the budget accounts for approximately 18% of expenditure, which is a very high level. Interest expenditure, which averaged TRY 170 billion monthly in 2025, rose to an average of TRY 290 billion per month in the first quarter of 2026. The performance of the core budget balance is in line with monetary policy. Revenues are at a level sufficient to cover budget expenditure. A decline in inflation expectations and borrowing rates is of critical importance for ensuring fiscal discipline in the budget. Upon examining the budget details, all expenditure items—excluding capital transfers—are trending above inflation. In this sense, we can say that we are not pursuing austerity policies. Personnel costs remain high due to the impact of inflation. Current transfers, meanwhile, have solidified at a monthly level of TRY 500 billion. This month, additional pressure on current transfers stems from TRY 58 billion in holiday bonuses. Furthermore, TRY 16 billion has been transferred to Electricity Generation Inc. and TRY 26 billion to public banks. Whilst no significant change is apparent in capital expenditure and lending items, capital transfers have increased by TRY 30 billion. Although fiscal policy is not at the targeted levels, its tight conditions are noteworthy. When adjusted for interest expenditure, the primary budget balance is at a level that ensures fiscal discipline. Interest pressure, however, is reflected in fiscal policy as a result of the inflation generated by monetary policy. In this context, the primary priority is to ensure price stability, thereby reducing inflation expectations and, in turn, lowering long-term borrowing costs. Furthermore, this development, which curbs inflation generated by the public sector, will provide full support to monetary policy in achieving the long-term inflation target. Although recent price hikes for electricity and natural gas have strengthened budgetary discipline, their inflationary impact will have more negative repercussions on the budget in the long term. In this context, the upward pressure on inflation stemming from administered/guided prices needs to be deferred for a period. Whilst the energy burden on households was transferred to the public sector through the escalator mechanism, we can say that the latest electricity and natural gas price hike has transferred this burden back to households.

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

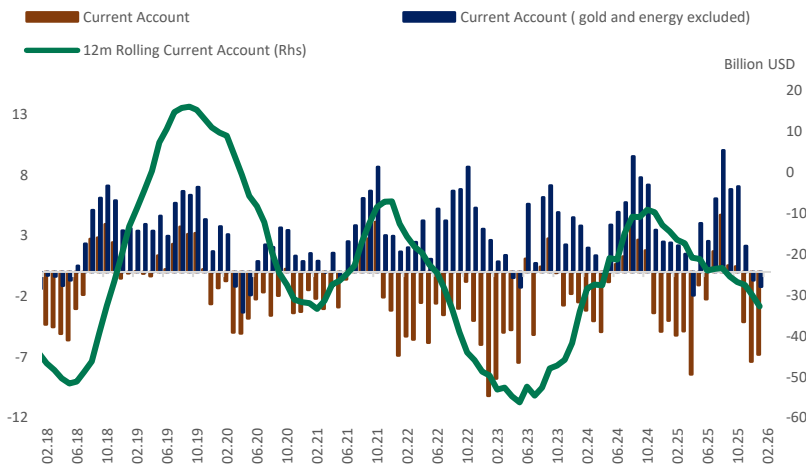


Macroeconomic Outlook

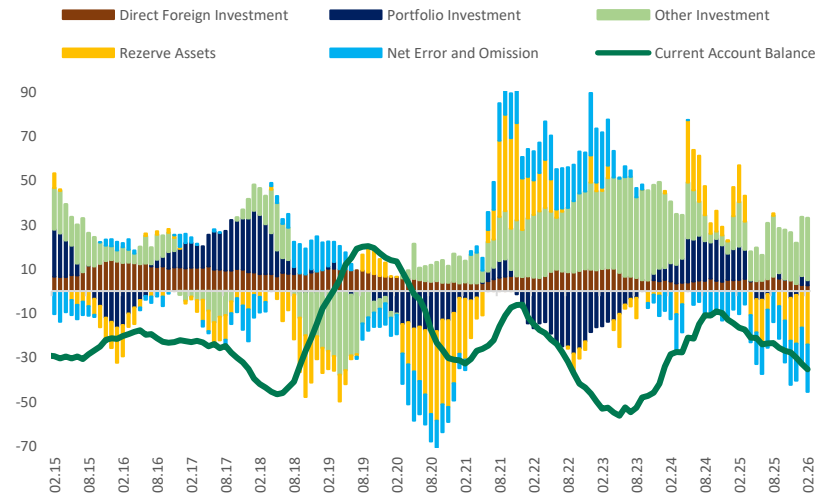
Balance of Payments - February

According to balance of payments statistics, the current account deficit for February stood at USD 7,501 million. As a result, the 12-month rolling current account deficit reached USD 35,447 million. The developments in the sub-components driving the upward trend in the current account deficit can be summarized as follows. The trade deficit increased by 500 million US dollars compared to the previous month, recording a deficit of 7.5 billion US dollars and maintaining its robust trend. We are clearly feeling the impact of the winter season on inflows from the services balance. In February, inflows from the services balance remained at around 2 billion USD. We had anticipated an upward trend in the trade deficit and a pullback in the services balance during the first quarter. However, recent geopolitical developments and rising commodity prices, led by energy, are increasing downward pressures. Whilst rising energy prices are triggering the trade deficit, geopolitical concerns are affecting tourism revenues in the services sector. The upward trend in the current account deficit could trigger macroeconomic vulnerabilities. This will have indirect implications for both inflation and monetary policy. The first noticeable impact is evident in the core inflation trend. The second impact will depend on how long these developments persist and the extent of any changes in the monetary policy stance. Looking at the details of the realised current account balance, the trade deficit as defined by the balance of payments stood at USD 7,478 million, whilst inflows from the services balance amounted to USD 2,014 million. The 12-month cumulative trade deficit, as defined by the balance of payments, stood at 73.2 billion USD, whilst inflows from the services balance amounted to 62.6 billion USD. The current account balance, excluding gold and energy, recorded a deficit of 1,462 million US dollars this month. There has been a slight deterioration in the core current account balance in recent months. A continuation of this trend could trigger risks of fragility.

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



Finance of Current Account Deficit (Billion USD)

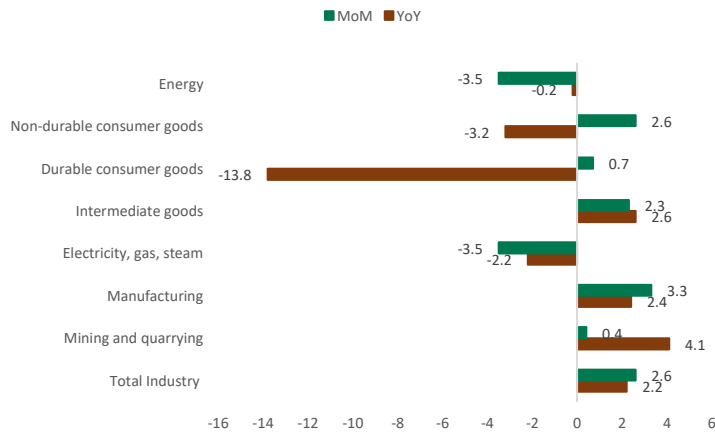


Macroeconomic Outlook

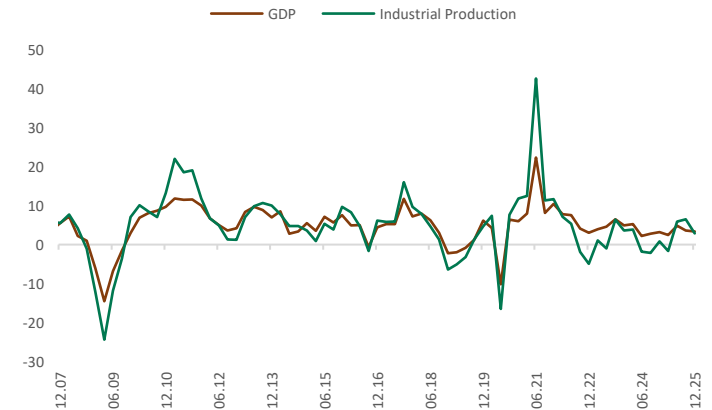
Industrial Production- February

According to industrial production index data, seasonally and calendar-adjusted production rose by 2.6% in February compared with the previous month. Year-on-year production increased by 2.2%. When the January and February figures are considered together, the data—which showed a mixed monthly trend in the first two months of the year—continued its positive trend on an annual basis. A clearer picture of the growth momentum will emerge following the release of March’s production data. However, geopolitical tensions and leading indicators point to downward pressure on growth. Whilst strong domestic economic activity is limiting the downward trend in prices, weak economic activity abroad is curbing external demand and slowing the pace of production growth. In particular, tightening measures from central banks in developed countries are limiting external demand. A tight monetary stance and macroprudential measures continue to adjust total demand in line with disinflation by pulling production levels below potential. Although production indicators in the real economy do not respond immediately to monetary policy decisions, this adjustment will continue gradually. The fact that inflation is sustaining economic activity led by the services sector is limiting the side effects of tight monetary policy on growth. However, whilst curbing demand is important in building the disinflation process, positive supply-side shocks also play a significant role. Increases on the production side, whilst supporting growth, can be regarded as positive shocks due to their deflationary effect. The ongoing contraction in durable and non-durable consumer goods presents a negative outlook for both employment and the health of growth. We can say that production indicators are where the most pronounced effects of tight monetary policy are felt. We anticipate seeing a stronger trend in industrial production data from the second half of the year onwards. The fact that growth is being driven by production data remains an indicator we are closely monitoring in terms of both employment and sustainable growth.

Industrial Production Rate of Change (%)



Industrial Production and GDP Growth (YoY)



Akbank (OP, 12M TP: TRY108.10) Cost and Margin Dynamics Remain a Headwind

Upside:48%

Akbank has reported TRY 19.179 billion in net income in its 1Q26 standalone financial results (QoQ: +4.6%, YoY: +40%). The reported figure was broadly in line with our estimate of TRY 19.095 billion and the market consensus.

The bank's growth in net interest income and the strong increase in trading income supported profitability, while higher operating expenses and the contraction in fee and commission income were the main factors weighing on performance.

Net interest income increased by 12% QoQ, while swap costs rose by 17% over the same period. Accordingly, swap-adjusted net interest income grew by 9.4% QoQ to TRY 24.7 billion. Swap-adjusted NIM improved by 10 bps to 3.23% in the quarter; however, the 10% decline in CPI-linked securities income and higher swap costs limited the improvement in margins.

Net fee and commission income, despite its strong underlying trend, declined by 7.2% QoQ to TRY 30.158 billion, while increasing by 33% YoY. The Bank's operating expenses increased by 19.4% QoQ to TRY 34.5 billion, mainly driven by seasonally higher personnel costs in the first quarter. As a result, the fee-to-cost ratio declined to 87.3% from 112%.

Asset quality remained broadly stable, with the NPL ratio increasing by a limited 14 bps to 3.8%, while expected credit loss provisions increased by 19% QoQ to TRY 9.5 billion. Accordingly, the net cost of risk (including FX impact) was in at 207bps.

Other income was supported by a strong increase in trading income (more than doubling) to TRY 10.967 billion, which more than offset a modest decline in equity-accounted income.

Akbank has maintained its FY26 guidance. As previously communicated, the bank expects 30% TRY loan growth, 10% FX loan growth, a 4% swap-adjusted NIM, 30% growth in fee and commission income, and 30% growth in operating expenses.

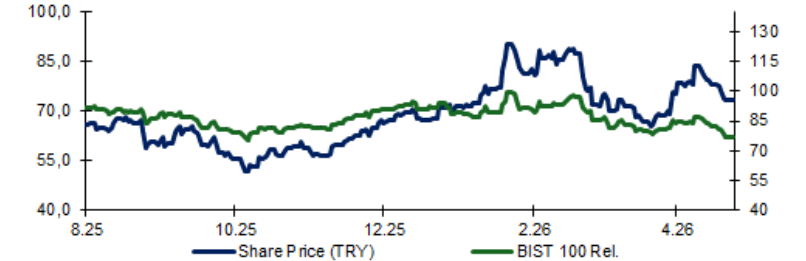
We keep our target price unchanged at TRY 108.10, implying 48% upside from current levels, and reiterate our "OUTPERFORM" recommendation. We model 75.5% earnings growth for 2026. The stock is trading at 3.9x 2026E P/E and 1.03x P/B, with an average ROE of around 30%.

Mcap (TRYmn)	380.640	Beta (12M)	1,37
Mcap (USDmn)	8.461	Avr. Daily Vol. (TRYr)	7.374
Close	73,20	Foreign Ownership i	50,5%
Last 12M High	90,60	Free Float (%)	52,0%
Last 12M Low	47,07	Weight	4,49%

Quick Facts (TRY Mn)	2024A	2025A	2026E	2027E
Net interest income	41.766	64.241	145.536	218.744
% Change, YoY	-29,9%	53,8%	126,5%	50,3%
Net fee income	69.162	114.402	152.921	193.153
% Change, YoY	124,3%	65,4%	33,7%	26,3%
Net income	42.366	57.247	100.449	161.032
% Change, YoY	-36,3%	35,1%	75,5%	60,3%

Ratios	2024A	2025A	2026E	2027E
NPL ratio	2,9%	3,7%	3,7%	3,5%
CoR (net) Exc. Currency	1,4%	2,3%	2,4%	1,1%
NIM (Swap adj.)	2,2%	2,5%	4,2%	4,9%
ROAA	2,0%	2,0%	2,6%	3,2%
ROAE	19,0%	21,5%	30,0%	36,5%

Multiples	2024A	2025A	2026E	2027E
P/E	2,9	8,0	6,6	3,8
P/BV	0,90	1,40	1,23	0,99



Return	1M	3M	6M	12M
TRY Return (%):	10,9	-18,7	24,3	55,8
US\$ Return (%):	9,4	-21,7	15,7	32,9
BIST-100 Relative (%):	-1,8	-22,1	-5,6	-2,1

Source: Bank financials, Şeker Invest Research

Aselsan (OP, 12M TP: TRY 495.00) Net Profit above expectations

Upside: 18%

Aselsan reported a net income of TRY 5,539 million in 1Q26 (including TMS-29 effects), marking a strong year-on-year increase of 86.1% (1Q25: TRY 2,977 million). Net income came in above both the market median expectation of TRY 4,667 million and our estimate of TRY 4,375 million. The company strengthened its operational performance in 1Q26, supported by robust revenue growth and improved EBITDA profitability. Notably, deferred tax income was the primary driver behind the increase in net profit. In addition, the decline in financial expenses and monetary position losses also contributed positively to profitability. Aselsan's net sales revenues increased by 15% year-on-year to TRY 34,306 million in 1Q26. The reported figure was in line with our estimate of TRY 33,950 million and the market median expectation of TRY 34,150 million. Revenue generation in the first quarter was mainly driven by Steel Dome (ÇELİKKUBBE), Radar, Electronic Warfare, Military Communications, AI-Supported Urban Security, Electro-Optics, and Guided Munitions Systems.

EBITDA (including TMS-29 effects) rose by 28.3% year-on-year to TRY 8,633 million (1Q25: TRY 6,730 million), slightly exceeding both our estimate and the market consensus of TRY 8,487 million. The company improved its EBITDA margin to 25.16% in 1Q26 (1Q25: 22.56%), while reducing general administrative expenses by 3% through efficiency measures. Meanwhile, the book-to-bill ratio, an important growth indicator, stood at 1.6 in 1Q26 (1Q25: 2.3).

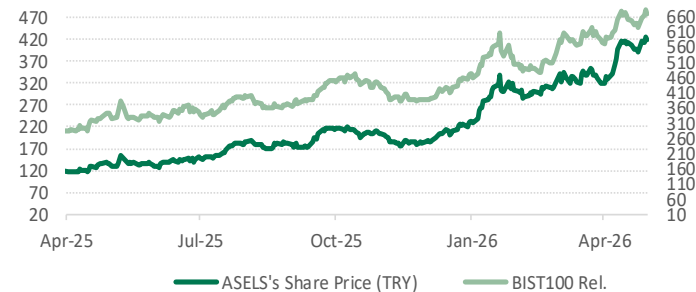
The company reached historical highs in new export contracts and backlog. Global demand for Aselsan's products and systems continued to expand. New export contracts signed in 1Q26 increased by 69% year-on-year to USD 629 million (1Q25: USD 372 million). The backlog also rose by 39% year-on-year to USD 20.7 billion (1Q25: USD 15 billion). As of 2025, 97% of total backlog consists of defense-related orders, while 3% comes from non-defense segments. In terms of currency composition, long-term orders consist of 51% USD, 43% EUR, and 6% TRY.

Despite a quarterly increase, net debt improved on an annual basis. Net debt, which stood at TRY 15,373 million as of 2025 year-end, increased by 44% to TRY 22,084 million by the end of 1Q26. However, on a year-on-year basis, net debt declined by 16%. Accordingly, the Net Debt/EBITDA ratio improved to 0.41x in 1Q26 from 0.60x in 1Q25.

2026 guidance maintained: The company expects net sales revenue growth of above 10% in TRY terms (including TMS-29 effects) in 2026. It also targets an EBITDA margin above 24% for the year. Additionally, Aselsan plans to execute capital expenditures of TRY 50 billion or more (including TMS-29 effects) in 2026.

We maintain our 12-month target price of TRY 495.00/share and 'Outperform' recommendation for ASELSAN. Our target price implies a 18% upside potential relative to the closing price of the stock as of April 30, 2026.

Code	ASELS.TI	Close	420,25	
MCAp (TRY m)	1.916.340	Last 12M High	434,25	
MCAp (US\$ m)	42.615	Last 12M Low	126,74	
EV (TRY m)	1.938.424	Beta	0,86	
EV (US\$ m)	43.112	Avg. daily trading vol. (US\$ m)	186,0	
Free float (%)	26,00	Foreign ownership in FF (%)	58,9%	
Key figures	*2023A	*2024A	*2025A	2026E
Revenues	153.042	173.140	198.566	252.500
<i>Growth</i>		13,1%	14,7%	27,2%
EBITDA	33.330	43.548	52.082	64.700
<i>EBITDA margin</i>	21,8%	25,2%	26,2%	25,6%
Net profit	15.161	22.036	32.957	35.850
EPS	3,32	4,83	7,23	7,86
Dividend yield	0,18%	0,14%	0,05%	0,09%
Net debt /EBITDA	0,8	0,5	0,3	0,2
Net debt /Equity	0,15	0,11	0,06	0,05
ROAE		11,5%	13,8%	13,8%
ROAA		6,6%	8,0%	7,9%
Valuation metrics	*2023A	*2024A	*2025A	2026E
P/E	28,1	21,6	35,3	53,5
EV/EBITDA	13,6	11,5	22,6	30,0
EV/Sales	1,5	2,0	5,4	7,7
P/BV	2,3	2,4	4,2	6,9
Return	1M	3M	YtD	YoY
TRY Return (%)	31,1	38,6	81,4	211,7
US\$ Return (%)	29,1	33,5	72,8	165,8
BIST-100 Relative (%)	14,6	32,8	41,4	95,9



Source: PDP, Finnet, Şeker Invest Research estimates

*2023, 2024 and 2025 financials are Indexed according to 2026/03 with IAS -29

Cimsa (OP, 12M TP: TRY 70.55)

Upside: 22%

Resilient Operating Performance amid Strong International Operations...

Çimsa reported a net profit of TRY 641mn in 1Q26, exceeding both our estimate of TRY 527mn and the market consensus. Net profit increased by 80.4% YoY, while the net profit margin improved by 2.5pp to 5.5%. The rise in net profit was mainly driven by higher monetary gains and a decline in financial expenses.

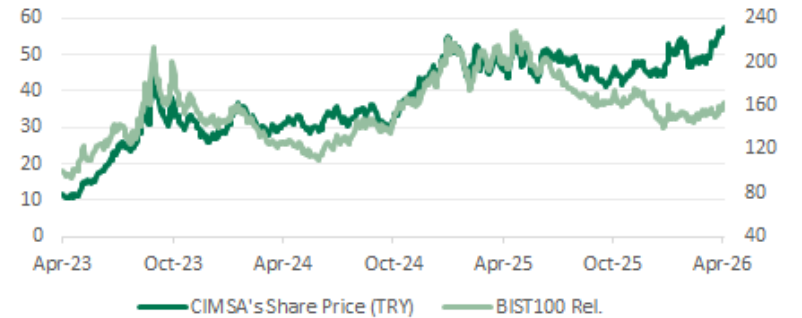
On the operational side, weak domestic demand conditions were evident, with domestic sales volume declining by 6.8% YoY. In contrast, international operations grew by 10.9%, and supported by the commissioning of the grey cement grinding facility in the US, consolidated sales volume increased by 2.0%. Net sales revenues remained flat at TRY 11,632mn, while gross profit declined to TRY 1,670mn, with the gross margin contracting by 1.1pp to 14.4%.

EBITDA increased by 2.7% YoY to TRY 1,470mn, supported by operational efficiency improvements, higher alternative fuel usage, and renewable energy investments. The EBITDA margin improved by 0.4pp to 12.6%. The Company's alternative fuel usage rates reached 25% in Türkiye, 31% in Buñol, and 77% in Mannok, supporting the cost structure. As of 1Q26, the Company's consolidated net debt rose to TRY 23,376mn, with a Net Debt/EBITDA ratio of 2.82x. The working capital to sales ratio remained stable at 15%, while the capex-to-sales ratio fell to 4.6%, indicating normalization in the investment cycle.

In the first quarter, despite weak domestic demand, the Company maintained its operational profitability, supported by international operations and efficiency-driven strategies. The slight weakening in gross profitability and the contraction in domestic demand stand out as key factors to monitor in the short term.

We expect Çimsa to generate TRY 59,817mn in revenue, TRY 10,946mn in EBITDA, and TRY 4,658mn in net profit in 2026. **We maintain our 12-month target price of TRY 70.55/share and 'Outperform' recommendation for Çimsa (CIMS.TI). Our target price implies a 22% upside potential relative to the closing price of the stock as of April 30, 2026.**

Code	CIMS.TI	Close	57,60	
MCAp (TRY m)	54.466	Last 12M High	59,75	
MCAp (US\$ m)	1.211	Last 12M Low	40,55	
EV (TRY m)	77.842	Beta	1,05	
EV (US\$ m)	1.738	Avg. daily trading vol. (US\$ m)	12,3	
Free float (%)	45,00	Foreign ownership in FF (%)	10,2%	
Key figures				
	2023A*	2024A*	2025A*	2026E
Revenues	42.641	40.547	50.517	59.817
<i>Growth</i>		-4,9%	24,6%	18,4%
EBITDA	7.611	7.326	9.065	10.946
<i>EBITDA margin</i>	17,8%	18,1%	17,9%	18,3%
Net profit	5.180	3.871	3.414	4.658
EPS	38,35	4,09	3,61	4,93
Dividend yield	3,2%	1,2%	1,4%	1,7%
Net debt /EBITDA	0,64	2,71	2,36	2,29
Net debt /Equity	0,13	0,56	0,59	0,72
ROAE		10,4%	9,5%	13,0%
ROAA		4,4%	3,4%	4,6%
Valuation metrics				
	2023A*	2024A*	2025A*	2026E
P/E	11,1	16,4	12,9	11,7
EV/EBITDA	8,2	11,4	8,6	7,1
EV/Sales	0,7	1,5	1,3	1,3
P/BV	1,5	1,8	1,2	1,6
Return				
	1M	3M	YtD	YoY
TRY Return (%):	20,3	13,7	25,8	25,0
US\$ Return (%):	18,5	9,5	19,8	6,6
BIST-100 Relative (%):	5,2	8,9	-1,9	-21,4



Source: PDP, Finnet, Şeker Invest Research estimates
*2023, 2024 and 2025 financials are Indexed according to 2026/03 with IAS-29.

Ford Otosan (OP, 12M TP: TRY 149.30)

Upside: 52%

We maintain our TP of **TRY 149.30/shr** for the Company and our **“OUTPERFORM”** recommendation. Based on the April 30, 2026 closing price, Ford Otosan is currently trading at 2026E EV/EBITDA of 6.3x and 2026E P/E of 7.6x.

While the discontinuation of the Ford Focus model is expected to weigh on the PC segment from 2026 onwards, we believe this impact can be gradually offset through a stronger product mix. Ramp-up processes for new models have largely stabilized, although certain variants are expected to continue ramping into 2026. Although economic uncertainty in the EU market and insufficient charging infrastructure & incentive mechanisms keep the demand outlook unclear, a potential recovery in demand amid easing macro conditions represents an upside risk for the Company. In this context, we expect export volumes to remain broadly flat in 2026, largely driven by demand conditions in the EU market. Assuming a gradual improvement in CUR, we forecast the 2026 operational outlook to track broadly in line with 2025. Over the medium to long term, we remain constructive on Ford Otosan given progress in electrification and the contribution of new product launches. Despite near-term weakness in PC and lingering uncertainty in the European market, we maintain a defensively positive view on Ford Otosan supported by its strong LCV market positioning, export-oriented business model, solid product mix, and cost-plus export contracts.

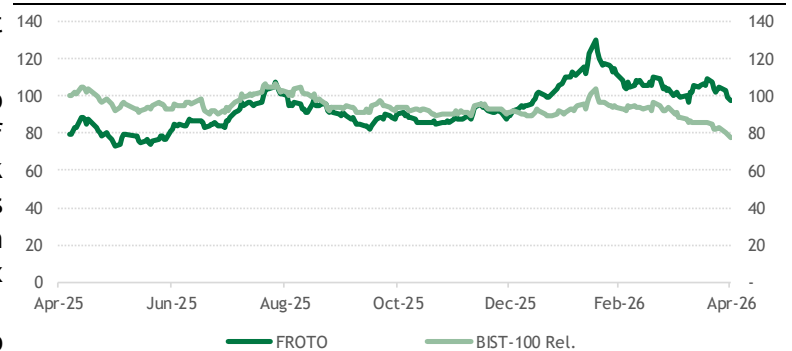
2026 expectations: Ford Otosan expects the domestic retail market to reach 1.3-1.4mn units in 2026, while forecasting domestic retail sales of 90-100k units. The Company guides for export volumes of 580-630k units (Romania: 190-210k; Türkiye: 390-420k). Total sales volume is projected at 670-730k units, while total production is expected to reach 690-740k units (Romania: 230- 250k; Türkiye: 460-490k). Planned CapEx for 2026 is EUR 300-400mn (General investments: EUR 80-100mn; Product Related Investments: EUR 220-300mn). Ford Otosan also expects high single-digit revenue growth and an adjusted EBITDA margin of 7%- 8% in 2026.

Code	FROTO TI/FROTO IS	Close	98,00
MCap (TRY mn)	343.892	Last 12M High	130,91
MCap (US\$ mn)	7.647	Last 12M Low	71,54
EV (TRY mn)	443.085	Beta	0,96
EV (US\$ mn)	9.962	Avg. Daily Trading Vol. (US\$ m)	36,0
Free Float (%)	20,31	Foreign Ownership in FF (%)	38,34

Key Figures (TRY mn)	* 2023	* 2024	2025	2026E
Revenues	856.578	856.997	830.828	1.092.989
Growth (%)	27,7%	0,0%	-3,1%	31,6%
EBITDA	88.818	57.423	52.105	70.446
EBITDA Margin (%)	10,4%	6,7%	6,3%	6,4%
Net profit	102.014	55.977	33.986	45.375
EPS (TRY)	29,07	15,95	9,69	12,93
Dividend Yield (%)	5,9%	7,9%	4,0%	3,0%
Net Debt/EBITDA (x)	1,42	1,75	1,90	1,79
Net Debt/Equity (x)	0,83	0,60	0,64	0,58
ROAE (%)	79,0%	35,2%	21,1%	24,2%
ROAA (%)	25,1%	12,1%	7,0%	9,3%

Valuation Metrics	* 2023	* 2024	2025	2026E
P/E	2,5	5,9	10,1	7,6
EV/EBITDA	3,9	8,0	8,5	6,3
EV/Sales	0,4	0,5	0,5	0,4
P/BV	2,4	2,2	2,2	1,6

Return	1M	3M	YtD	YoY
TRY Return (%)	-2,0	-10,9	9,4	22,0
US\$ Return (%)	-3,5	-14,1	4,2	4,0
BIST-100 Relative (%)	-14,3	-14,6	-14,7	-23,3



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

* 2023 & 2024 financials are Indexed according to 2025 with IAS-29.

Migros (OP, 12M TP: TRY 885.00)

Upside: 38%

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

We maintain our target price for Migros of **TRY 885.00/shr**, and our **“OUTPERFORM”** recommendation. As of the closing price on April 30, 2026, the stock is trading at 2026E EV/EBITDA of 3.2x and 2026E P/E of 11.5x, implying 38% upside potential.

Despite high inflation and an increasingly competitive landscape, we view positively Migros’ ability to expand its FMCG market share through a multi-channel growth strategy. We expect the increase in store count and associated sales area, along with the positive contribution from online channels, to continue supporting net sales in 2026.

Strong FCF generation, real sales growth, and total financial debt levels that remain significantly lower compared to previous years underpin our constructive view on the Company. In addition, efficiency-enhancing initiatives have driven improvements in gross profitability despite price discounts, which we believe can support a more favorable medium-to-long-term margin outlook. Furthermore, stronger LfL sales and basket growth relative to peers differentiate Migros, while low but positive customer traffic should continue to support basket size expansion.

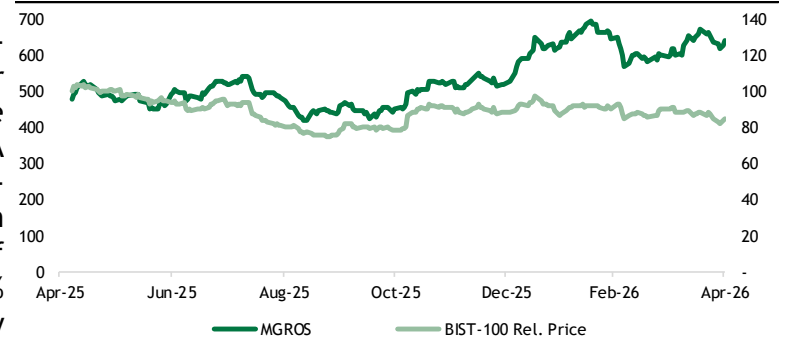
Migros targets real CAGR in sales revenue of 5-7% for 2026 and high-single-digit levels for the 2027-2030 period. The Company guides for 180-200 store openings in 2026, while planning annual selling space growth of 2.5-3.5% in each year between 2027-2030. For 2026, EBITDA and adjusted EBITDA margins are expected to come in at 6-7% and 4-5%, respectively, while management targets at least a 100bps margin improvement by 2030 compared to 2025. Meanwhile, the share of online sales in total sales is projected to rise from 21% in 2025 to 27.5% by 2030, while RoIC is also expected to trend higher, supported by improving profitability and the contribution of increasingly asset-light initiatives.

Code	MGROS TI / MGROS IS	Close	641,50
MCap (TRY mn)	116.146	Last 12M High	698,50
MCap (US\$ mn)	2.583	Last 12M Low	412,49
EV (TRY mn)	120.038	Beta	0,96
EV (US\$ mn)	2.674	Avg. Daily Trading Vol. (US\$ m)	32,3
Free Float (%)	50,82	Foreign Ownership in FF (%)	37,13

Key Figures (TRY mn)	* 2023	* 2024	2025	2026E
Revenues	343.111	384.534	412.756	539.191
Growth (%)		12,1%	7,3%	30,6%
EBITDA	5.939	20.676	27.320	36.940
EBITDA Margin (%)		5,4%	6,6%	6,9%
Net Profit	16.830	8.298	6.467	10.065
EPS (TRY)	92,95	45,83	35,72	55,59
Dividend Yield (%)	1,1%	1,5%	1,3%	2,6%
Net Debt / EBITDA (x)		-0,09	0,14	0,05
Net Debt / Equity (x)		-0,03	0,05	0,02
ROAE (%)	28,1%	11,6%	8,3%	12,0%
ROAA (%)	10,3%	4,5%	3,2%	4,4%

Valuation Metrics	* 2023	* 2024	2025	2026E
P/E	6,9	14,0	18,0	11,5
EV / EBITDA	20,2	5,8	4,4	3,2
EV / Sales	0,3	0,3	0,3	0,2
P/BV	1,7	1,5	1,5	1,3

Return	1M	3M	YtD	YoY
TRY Return (%)	7,9	0,7	22,9	36,9
US\$ Return (%)	6,2	-3,0	17,1	16,8
BIST-100 Relative (%)	-5,7	-3,5	-4,2	-13,9



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

* 2023 & 2024 financials are Indexed according to 2025 with IAS-29.

Sabancı Holding (OP, 12M TP: TRY 173.19)

Upside: 81%

Strategic Transformation in the Holding Portfolio: A New Phase Driven by Divestments...

On April 17, 2026, Sabancı Holding announced reaching an agreement with Yeni Mağazacılık A.Ş. for the sale and transfer of all its shares in Carrefoursa, representing 57.12% of the company's capital (with a nominal value of TRY 72,988,465.33), based on a total company valuation of USD 325mn. Within this scope, the consideration attributable to the Holding amounts to USD 185.64mn.

In its material disclosure dated January 28, 2026, the Company announced that it had received a binding offer for the sale of its shares in Akçansa, representing 39.72% of the capital, based on a company valuation of USD 1.1bn, subject to net debt and cash adjustments. Under the existing shareholders' agreement, the other controlling shareholder, Heidelberg Materials AG, exercised its right of first refusal and notified the Company on April 17, 2026 that it would acquire the shares based on the submitted offer. The consideration attributable to the Holding from this transaction amounts to USD 436.92mn.

The total gross cash inflow to the Holding from these two transactions is expected to reach USD 622.56mn. (Final consideration amounts for both the Akçansa and Carrefoursa transactions will be determined based on net debt and related financial adjustments at closing.)

In an interview with Bloomberg HT on April 21, 2026, Holding CEO Kıvanç Zaimler stated that the primary objective of the ongoing strategic transformation is to increase Net Asset Value (NAV) and improve return on equity (ROE) by 120-150 basis points. Emphasizing a disciplined capital allocation strategy toward high-return areas, Zaimler noted that potential new investments will focus on business lines that enhance portfolio resilience, increase the share of foreign currency revenues, and are Türkiye-based but export-oriented and globally integrated.

As of the current outlook, approximately 85% of the Holding's Net Asset Value is derived from Türkiye. In terms of revenue composition, around 80% of total revenues are generated in Turkish Lira. Within the scope of the ongoing strategic transformation, the Holding aims to strengthen the share of foreign currency-denominated revenues and enhance the portfolio's resilience against macroeconomic volatility.

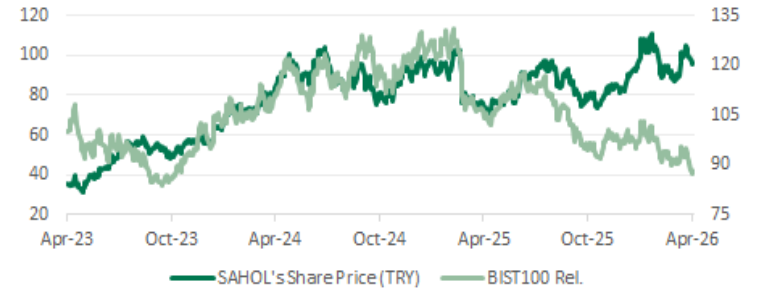
In the first half of 2026, we expect the banking and financial services segment—accounting for a significant share of Sabancı Holding's revenues—to be mildly negatively impacted by a potential delay in the expected rate-cutting cycle in Türkiye, due to rising geopolitical risks stemming from the Middle East. On the other hand, we believe that completed divestments and potential new investments point to 2026 being a pivotal year of strategic transformation for the Holding's portfolio.

We maintain our 12-month target price of TRY 173.19/share and 'Outperform' recommendation for Sabancı Holding (SAHOL.TI). Our target price implies a 81% upside potential relative to the closing price of the stock as of April 30, 2026.

Code	SAHOL.TI	Close	95,65
MCAp (TRY m)	200.901	Last 12M High	113,18
MCAp (US\$ m)	4.468	Last 12M Low	70,57
EV (TRY m)	442.654	Beta	1,26
EV (US\$ m)	10.110	Avg. daily trading vol. (US\$ m)	71,1
Free float (%)	51,00	Foreign ownership in FF (%)	29,9%

Key figures (TRY m)	2023*	2024*	2025
Revenues	258.921	255.361	246.236
Finance Sector Revenues	744.125	931.812	926.385
Total Revenues	1.003.047	1.187.173	1.172.620
Growth		18,4%	-1,2%
Consolidated net profit	29.155	-20.255	3.793
EPS	13,88	-9,64	1,81
Dividend yield	4,5%	2,7%	1,6%
Net debt /Equity	0,10	0,33	0,67
ROAE	7,0%	-5,1%	1,0%
ROAA	0,7%	-0,5%	0,1%

Valuation metrics	2023*	2024*	2025	
P/E	8,0	0,0	46,6	
EV/Sales	0,2	0,3	0,4	
P/BV	0,6	0,7	0,5	
Return	1M	3M	YtD	YoY
TRY Return (%)	9,3	-11,2	15,4	32,7
US\$ Return (%)	7,6	-14,5	9,9	13,2
BIST-100 Relative (%)	-4,4	-15,0	-10,1	-16,6



Source: PDP, Finnet, Şeker Invest Research estimates

*2023 and 2024 financials are Indexed according to 2025 with IAS -29.

Turkcell (OP, 12M TP: TRY 140.00)

Upside: 25%

Turkcell reported a net profit of TRY 3,594mn in 4Q25, representing a 63.4% YoY increase (4Q24: TRY 2,199mn). The reported net profit came above our estimate of TRY 2,864mn, while it was slightly below the market median expectation of TRY 3,752mn. The increase in net profit was mainly driven by the improvement in operating profitability thanks to effective operational cost management. In addition, the increase in net other income and gains from investment activities also supported the bottom line during the period.

Turkcell generated net sales revenues of TRY 62,820mn in 4Q25, marking a 6.9% YoY increase. The reported revenues came in line with our estimate of TRY 62,698mn and slightly above the market median expectation of TRY 62,110mn. Revenue growth was primarily supported by strong ARPU growth driven by segment-based price adjustments and upselling customers to higher-tier packages, along with one of the highest postpaid net subscriber additions in the company's history. Double-digit ARPU growth was recorded in both mobile and fixed segments, accompanied by a notable increase in the postpaid subscriber base. In 4Q25, the company achieved 2.4 million postpaid mobile net additions, the highest level in the past 26 years, bringing the postpaid subscriber ratio to 81%. During the same period, 119 thousand Turkcell Fiber subscribers were added, while total net fiber subscriber additions reached 190 thousand, including wholesale operations. Despite competitive pressures, strong ARPU growth continued; mobile ARPU (excluding M2M) increased by 10.6% in 2025 and individual fiber ARPU grew by 15.4%, while in 4Q25 mobile ARPU increased by 5.4% and individual fiber ARPU by 10.3%.

Including the effects of IAS 29 inflation accounting, EBITDA increased by 10.8% YoY to TRY 25,792mn in 4Q25, supported by strong revenue growth. The reported EBITDA came above both our estimate of TRY 24,776mn and the market median expectation of TRY 24,496mn. The EBITDA margin reached 43.3% in 4Q25 (4Q24: 41.7%).

The company's net debt position declined. Net debt, which stood at TRY 20.7bn as of September 2025, decreased to TRY 14.9bn by FY25. Accordingly, the Net Debt/EBITDA ratio declined to 0.14x as of 2025.

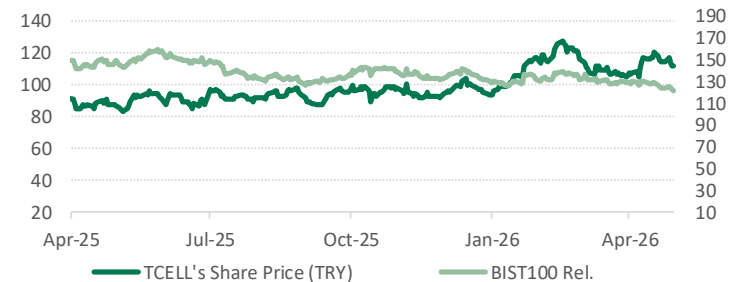
2025 performance: In 2025, excluding IFRIC 12 effects, the company increased its revenues by 10.1% YoY to TRY 229.0bn, in line with its -10% revenue growth guidance. The increase in revenues was mainly driven by strong ARPU growth resulting from segment-based price adjustments and upselling strategies, as well as one of the highest postpaid net subscriber additions in the company's history. The EBITDA margin reached 45.8%, exceeding the company's guidance range of 42-43%.

2026 outlook: Turkcell expects revenue growth of 5-7% and an EBITDA margin of 40-42% in 2026, while targeting operating expenses to revenue ratio of around 25%. In addition, the Data Center and Cloud business segment is expected to deliver revenue growth of 18-20%. These projections are based on the assumption that inflation will be around 23% in 2026.

Turkcell is expected to announce its 1Q26 financial results after the market close on May 11. We forecast the Company to generate TRY 66,900 million in net sales in the first quarter (market median expectation: TRY 67,273 million). On the EBITDA side, while the market expectation stands at TRY 27,582 million, our estimate is TRY 27,350 million. Overall, we expect Turkcell to report a net profit of TRY 4,554 million in 1Q26 (market median expectation: TRY 4,252 million).

In line with our forecasts, we keep our 12-month target price for Turkcell (TCELL) unchanged at TRY 140.00 per share. Based on the April 30, 2026 closing price, our target price implies a 25% upside potential, and we maintain our **OUTPERFORM** recommendation.

Code	TCELL.TI	Close	112,10	
MCAp (TRY m)	246.620	Last 12M High	129,60	
MCAp (US\$ m)	5.484	Last 12M Low	83,02	
EV (TRY m)	299.282	Beta	0,97	
EV (US\$ m)	6.713	Avg. daily trading vol. (US\$ m)	60,8	
Free float (%)	44,00	Foreign ownership in FF (%)	74,1%	
Key figures	*2023A	*2024A	2025A	2026E
Revenues	194.580	207.928	229.014	320.250
Growth		6,9%	10,1%	39,8%
EBITDA	88.922	92.523	104.867	130.380
EBITDA margin	45,7%	44,5%	45,8%	40,7%
Net profit	23.725	30.790	17.604	24.300
EPS	10,78	14,00	8,00	11,05
Dividend yield	1,65%	2,77%	2,76%	3,03%
Net debt /EBITDA	0,54	0,40	0,25	0,20
Net debt /Equity	0,21	0,15	0,10	0,08
ROAE		12,9%	7,0%	7,7%
ROAA		6,7%	3,7%	4,2%
Valuation metrics	*2023A	*2024A	2025A	2026E
P/E	9,8	8,7	11,6	10,1
EV/EBITDA	3,2	3,3	2,5	2,3
EV/Sales	0,8	1,2	1,1	0,9
P/BV	1,0	1,1	0,8	0,7
Return	1M	3M	YtD	YoY
TRY Return (%)	7,2	-4,1	20,4	29,7
US\$ Return (%)	5,5	-7,6	14,7	10,6
BIST-100 Relative (%)	-6,3	-8,1	-6,1	-18,5



Source: PDP, Finnet, Seker Invest Research estimates

*2023 and 2024 financials are Indexed according to 2025 with IAS -29

Tupras (OP, 12M TP: TRY 355.76)

Upside: 31%

Strong operational outlook continues to be supported by refining margins, while volatility remains elevated...

On the global front, rising geopolitical tensions and supply-side risks continue to support upward movements in oil prices, with Brent crude maintaining its upward trend as of end-April. Increased volatility is also reflected in refined product pricing, with this environment remaining supportive, particularly of middle distillate margins. Considering Tupras's product slate, we believe these developments continue to positively impact on the company's net refining margin (NRM).

According to the company's May investor presentation, while a limited normalization is observed in middle distillate margins compared to the previous month, diesel and particularly jet fuel margins remain significantly above their historical averages. In contrast, gasoline margins have shown a sharper decline. On the other hand, the widening heavy-light crude spread continues to support margins, supported by Tupras's complex refinery structure. In this context, we believe the product margin mix remains strong and the positive outlook for refining profitability is sustained.

The company reported a net profit of TRY 6.75bn in 4Q25, exceeding both our expectations and the market consensus. EBITDA of TRY 14.2bn indicates that operational profitability remains resilient, while the limited normalization observed in margins on a quarterly basis is in line with seasonal trends. Despite the fourth quarter typically being a weaker period, product margins remaining above annual averages signal a continued structural improvement in refining profitability.

On the balance sheet side, strong cash generation stands out. As of 4Q25, Tupras moved into a net cash position, enhancing its financial flexibility. Strong operating cash flow and limited capex requirements support the company's dividend capacity. The announced total dividend of TRY 33bn implies a dividend yield of approximately 6.3% based on the current market capitalization. The first tranche of TRY 20bn was paid on March 16, 2026, while the remaining TRY 13bn is scheduled to be distributed on September 30, 2026.

For 2026, we expect a more balanced yet sustainable margin environment. Company guidance points to an NRM of USD 6-7/bbl, a capacity utilization rate of 95-100%, and total sales volume of approximately 30 million tons. Despite strong middle distillate margins, we acknowledge that the recent partial normalization trend may lead to short-term margin volatility. However, the fact that current levels remain above historical averages indicates sustained upside potential for the NRM outlook. In this context, we believe the company's product margin and inventory hedge policies continue to support profitability against increased commodity price volatility.

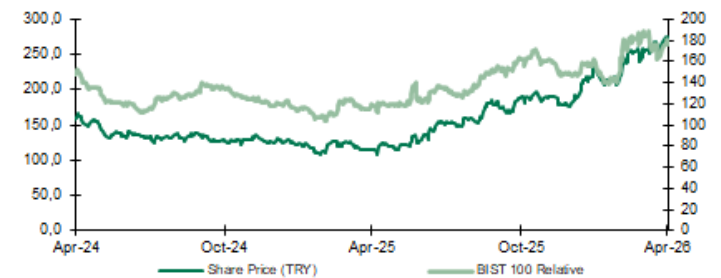
In line with our expectations, we maintain our 12-month target price for Tupras at TRY 355.76 and reiterate our OUTPERFORM recommendation. Our target price implies approximately 31% upside potential from current levels. We continue to include the stock in our model portfolio, supported by its strong cash generation, high dividend-paying capacity, and its defensive characteristics against geopolitical developments.

Code	TUPRS.TI / TUPRS.IS	Close	271,0
MCAp (TRY m)	522.162	Last 12M High	279,5
MCAp (US\$ m)	11.612	Last 12M Low	108,4
EV (TRY m)	465.174	Beta	0,8
EV (US\$ m)	10.281	Avg. daily trading vol. (US\$ m)	114,1
Free float (%)	48,9	Foreign ownership in FF (%)	34,5%

Key figures (TRY, mn)	2023*	2024*	2025	2026E
Revenues	991.203	1.060.730	830.356	1.007.127
Growth	141,1%	7,0%	-21,7%	21,3%
EBITDA	138.950	66.368	62.073	120.142
EBITDA margin	14,0%	6,3%	7,5%	11,9%
Net profit	77.354	23.973	29.523	86.763
EPS	40,15	12,44	15,32	45,03
Dividend yield	15,6%	10,7%	6,3%	13,3%
Net debt /EBITDA	-0,65	-1,08	-0,92	-0,28
Net debt /Equity	-0,31	-0,19	-0,16	-0,08
ROAE	33,1%	7,3%	8,0%	21,6%
ROAA	17,6%	4,3%	5,0%	13,5%

Valuation metrics	2023*	2024*	2025	2026E
P/E	3,6	11,4	12,0	6,0
EV/EBITDA	1,3	3,0	4,8	3,9
EV/Sales	0,2	0,2	0,4	0,5
P/BV	1,8	1,4	1,4	1,2

Return	1M	3M	YtD	YoY
TRY Return (%)	4,9	15,2	53,0	135,3
US\$ Return (%)	3,5	11,0	45,8	100,7
BIST-100 Relative (%)	-7,1	10,4	19,3	47,9



Source: PDP, Finnet, Şeker Invest Research estimates

*2023 and 2024 financials are Indexed according to 2025 with IAS -29

Yapı Kredi Bank (OP, 12M TP: TRY58.30) Stronger-Than-Expected Profitability

Upside: 57%

Yapı Kredi Bank has reported a net income of TRY 20.3bn in its 1Q26 solo financial results, exceeding both our estimate and the market consensus. The reported net income implies a 119% QoQ and 78% YoY increase.

The strong increase in net interest income and the rise in trading income were the main drivers of the Bank's earnings growth, while the limited increase in expected credit loss provisions and the decline in operating expenses provided additional support to profitability.

Net interest income increased by 13% QoQ, while swap costs rose by 7.6% over the same period. Accordingly, swap-adjusted net interest income grew by 20.5% QoQ to TRY 23.1bn. The swap-adjusted net interest margin improved by 40bps QoQ to 3.21%, despite the decline in CPI-linked securities income.

Net fee and commission income declined slightly by 0.9% QoQ to TRY 30.3bn in 1Q26, while recording a 33.1% YoY increase.

On the cost side, operating expenses declined by 5% QoQ, while increasing by 35% YoY. Accordingly, the Bank's fee income to operating expenses ratio improved to 89.5%.

On the asset quality side, Yapı Kredi's NPL ratio increased by 25bps to 4.06%, while expected credit loss provisions rose by a limited 4.6% QoQ to TRY 9.47bn. Accordingly, the Bank's FX-adjusted net cost of risk declined by 13bps to 204bps.

Yapı Kredi maintained its 2026 guidance. The Bank expects TL loan growth of 30%+, while FX loan growth is projected to be in the low single digits. On the margin side, an improvement of over 100bps is expected in 2026.

In addition, the Bank expects fee income to grow in line with inflation, while targeting operating expense growth of 35% or below. Lastly, the cost of risk is expected to be in the range of 150-175bps.

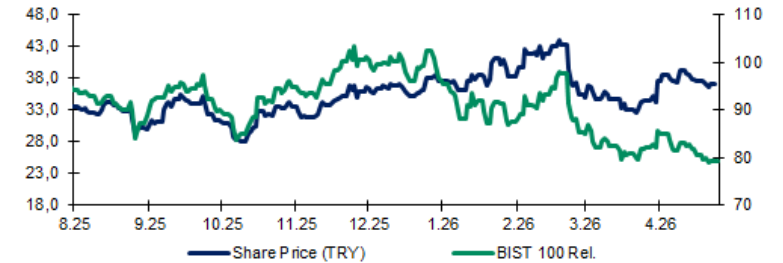
We maintain our 12-month target price of TRY 58.30, which implies a 57% upside from current levels, and reiterate our "Outperform" recommendation. Yapı Kredi Bank is trading at 3.9x 2026E P/E and 0.95x P/B, with an average ROE of 27.6%.

Mcap (TRYmn)	312.879	Beta (12M)	1,42
Mcap (USDmn)	6.955	Avr. Daily Vol. (TRYr)	6.648
Close	37,04	Foreign Ownership i	32,1%
Last 12M High	44,50	Free Float (%)	39,0%
Last 12M Low	22,52	Weight	2,77%

Quick Facts (TRY Mn)	2024A	2025A	2026E	2027E
Net interest income	13.860	55.536	120.096	208.940
% Change, YoY	-79,3%	300,7%	116,2%	74,0%
Net fee income	73.097	110.297	143.239	178.199
% Change, YoY	112,0%	50,9%	29,9%	24,4%
Net income	29.017	47.090	80.295	148.422
% Change, YoY	-57,3%	62,3%	70,5%	84,8%

Ratios	2024A	2025A	2026E	2027E
NPL ratio	3,1%	3,8%	3,9%	3,6%
CoR (net) Exc. Currency	0,8%	2,2%	2,7%	1,5%
NIM (Swap adj.)	0,7%	2,3%	3,6%	4,7%
ROAA	1,4%	1,7%	2,1%	3,0%
ROAE	15,7%	21,1%	27,6%	37,8%

Multiples	2024A	2025A	2026E	2027E
P/E	2,4	8,9	6,5	3,9
P/BV	0,92	1,34	1,20	0,94



Return	1M	3M	6M	12M
TRY Return (%):	12,2	-9,8	10,2	62,7
US\$ Return (%):	10,7	-13,1	2,7	38,8
BIST-100 Relative (%):	-0,7	-13,6	-16,3	2,3

Source: Bank financials, Seker Invest Research

Recommendation List

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Recommendation List

May 4, 2026

BANKING	Close (TRY)	Rating	TP (TRY)	Mcap TRY mn	Target Mcap TRY mn	Upside Potential	P/E	P/BV
AKBNK	73,20	OP	108,10	380.640	562.120	47,7%	6,07	1,26
GARAN	133,80	OP	200,02	561.960	840.084	49,5%	4,74	1,25
HALKB	37,84	MP	53,90	271.872	387.260	42,4%	10,02	1,25
ISCTR	14,34	OP	29,61	358.500	740.249	106,5%	5,32	0,84
TSKB	11,60	OP	20,06	32.480	56.168	72,9%	2,91	0,70
VAKBN	31,66	OP	55,04	313.938	545.772	73,8%	4,48	0,97
YKBNK	37,04	OP	58,30	312.879	492.463	57,4%	5,59	1,15
HOLDING	Close (TRY)	Rating	TP (TRY)	Mcap TRY mn	Target Mcap TRY mn	Upside Potential	P/E	P/BV
AGHOL	31,38	OP	46,74	76.421	113.823	48,9%	30,50	0,67
KCHOL	202,20	OP	318,51	512.759	807.702	57,5%	23,31	0,76
SAHOL	95,65	OP	173,19	200.901	363.759	81,1%	52,96	0,56
TAVHL	278,50	OP	440,00	101.174	159.845	58,0%	64,68	1,31
INDUSTRIAL	Close (TRY)	Rating	TP (TRY)	Mcap TRY mn	Target Mcap TRY mn	Upside Potential	P/E	P/BV
AKCNS	213,60	OP	252,50	40.893	48.340	18,2%	64,56	1,50
AKSEN	82,20	OP	85,00	100.805	104.244	3,4%	27,60	1,69
ARCLK	111,90	OP	149,50	75.614	101.021	33,6%	-	1,03
ASELS	420,25	OP	495,00	1.916.340	2.257.200	17,8%	58,94	6,82
BIMAS	741,50	OP	870,00	444.900	521.997	17,3%	23,88	2,69
COLLA	75,00	OP	90,70	209.856	253.780	20,9%	14,91	2,77
CIMSA	57,60	OP	70,55	54.466	66.712	22,5%	16,08	1,57
DOAS	180,50	OP	302,90	39.710	66.639	67,8%	12,64	0,59
EREGL	35,12	OP	42,24	245.840	295.710	20,3%	523,88	0,83
FROTO	98,00	OP	149,30	343.892	523.900	52,3%	10,12	2,20
KRDMD	38,52	MP	30,90	30.054	24.109	-19,8%	-	0,52
MGROS	641,50	OP	885,00	116.146	160.234	38,0%	17,96	1,47
OYAKC	23,70	OP	33,35	115.221	162.130	40,7%	13,15	1,83
PETKM	23,90	MP	18,91	60.572	47.935	-20,9%	-	0,95
PGSUS	180,60	OP	345,30	90.300	172.649	91,2%	6,57	0,77
SELEC	104,00	MP	110,10	64.584	68.372	5,9%	-	2,15
SISE	47,86	OP	65,00	146.605	199.110	35,8%	14,84	0,60
TCELL	112,10	OP	140,00	246.620	308.000	24,9%	14,01	0,95
THYAO	308,25	OP	445,00	425.385	614.102	44,4%	3,27	0,44
TOASO	294,50	OP	402,00	147.250	201.000	36,5%	17,63	2,45
TTKOM	62,15	OP	80,00	217.525	280.000	28,7%	9,47	1,02
TUPRS	271,00	OP	355,76	522.162	685.470	31,3%	17,69	1,43
ULKER	123,90	OP	159,80	45.753	59.010	29,0%	9,39	1,06
VESBE	7,12	MP	11,50	11.392	18.400	61,5%	-	0,29
ZOREN	3,06	MP	4,30	15.300	21.500	40,5%	-	0,27

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