

TAV Airports

We evaluate TAV Airports' 4Q25 results as neutral overall. Despite the deviation on the net income line due to higher financial expenses, operational performance came in broadly in line with our expectations. The company reported a TL1.2bn net loss in 4Q25, compared to our forecast of a TL179mn net loss. However, we observe that the operational profitability outlook remains intact. While the stock has delivered a more balanced performance year to date despite strong traffic data and a constructive 2026 outlook, we consider potential short term post-earnings profit taking and intermittent pressure stemming from geopolitical risks as normal. Over the medium to long term, capacity expansions, a hard-currency weighted revenue base and rising cash generation capacity continue to underpin the company's growth story. Based on our revised 2026 forecasts, we raise our 12-month target price to TL472 from TL400 and maintain our BUY recommendation.

On the operational side strong operating leverage was maintained in 4Q25. Revenues increased from EUR428mn to EUR433mn, while EBITDA rose from EUR78mn to EUR93mn, marking a 19% YoY increase. Revenue growth outpaced the increase in cash operating expenses, which translated into a positive margin impact. However, normalization in seasonality and, more notably, higher financial expenses weighed on the bottom line. The Net Debt/EBITDA ratio stood at 2.89x, remaining within the company's target range of 2.5–3.0x and pointing to a balanced leverage profile. In addition, the company's decision to distribute a gross dividend of TL3.61 per share (net TL3.068), payable in two installments from its 2025 earnings is supportive in our view, as it signals the continuation of its dividend policy.

Traffic performance remained solid throughout 2025. Total pax numbers reached 113 million, marking a 6% YoY increase. Domestic traffic grew by 8% YoY, while international traffic expanded by 6%, both contributing to overall growth. Key destinations such as Antalya, Ankara and Izmir maintained strong momentum, with particularly robust international traffic growth in Ankara and Almaty. Meanwhile, operations in Georgia and Central Asia delivered double-digit growth, providing a meaningful contribution to total pax traffic.

Management guidance for 2026 points to EUR1.88–1.98bn in revenue, total passenger traffic of 116–123 million, including 78–83 million international passengers, and EUR590–650mn in EBITDA. CAPEX is expected to remain below EUR330mn. Our 2026 forecasts stand at EUR1.95bn in revenue, EUR600mn in EBITDA, and EUR114mn in net profit. The full-year contribution from the Ankara concession, capacity expansion in Almaty, and continued growth in commercial revenues are expected to support the 2026 outlook.

TAVHL

BUY

Target Price TL 472
Return potential 39%

Share Data

Ticker:	TAVHL
Share price (as of 18.02.2026)	338,75
Share price (52 week range)	215 / 367
Market cap. (TL mn - USD mn)	123.062 - 2.818
# of shares (mn) & free float	363 - 48%
Foreign Ownership Rate	56.88%
Market	Star
Industry	Aviation

Avg. trading volume	1M	3M	12M
USD mn	24,3	18,7	16,7

Price performance	1M	3M	Y-t-D
TL	5%	33%	14%
USD	3%	29%	11%
Rel. to BIST-100	-7%	0%	-10%

Forecasts (TL mn)	2024	2025	2026
Revenues	1.668	1.823	1.950
EBITDA	473	515	600
Net Earnings	185	51	114

Valuation	2024	2025	2026
P/E	12,9x	47,1x	21,0x
P/BV	1,5x	1,5x	1,4x
EV/EBITDA	5,6x	4,5x	3,7x



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Projections

Balance Sheet	2024	2025	2026E
Cash	353	348	635
Accounts receivables	137	178	200
Inventory	45	49	58
Financial investments	154	169	186
Fixed assets	2.450	2.757	2.636
Other non-current assets	1.725	1.573	1.740
Total assets	4.863	5.074	5.455
Short-term financial loans	462	444	506
Accounts payables	95	97	122
Long-term financial loans	1.387	1.355	1.522
Other long-term payables	1.312	1.561	1.576
Non-current liabilities	3.255	3.457	3.726
Shareholders' equity	1.608	1.617	1.728
Paid in Capital	10	7	7
Other Equity	1.598	1.610	1.721
Total liabilities & equity	4.863	5.074	5.455
Net debt	1.496	1.451	1.393
Net working capital	86	129	136
Per share (EUR)			
EPS	0,51	0,14	0,31
BVPS	4,43	4,45	4,76
DPS	1,44	0,35	3,64
Ratios			
Profitability			
ROE	12,2%	3,1%	6,8%
Net margin	11,1%	2,8%	5,8%
Asset turnover	0,3x	0,4x	0,4x
Leverage	3,2x	3,1x	3,1x
ROA	3,8%	1,0%	2,2%
Leverage			
Financial debt/Total assets	38%	35%	37%
Net debt/Equity	0,93	0,90	0,81
Net debt/EBITDA	3,16	2,82	2,32

Income statement	2024	2025	2026E
Revenues	1.668	1.823	1.950
Gross profit	605	732	776
Operating expenses	-340	-372	-386
Operating profit	265	360	390
EBITDA	473	515	600
Other income, net	27	9	12
Financial income, net	-170	-234	-218
Earnings before taxes	242	128	188
Tax expense	-43	-62	-54
Net earnings	185	51	114

Cashflow statement	2024	2025	2026E
EBITDA	473	515	600
Taxes on EBIT	-26	-43	-54
Capital expenditures	-212	-250	-206
Chg. in NWC	29	13	52
Free cashflows to firm	138	167	253

Growth & margins	2024	2025	2026E
Revenues	25%	9%	7%
EBITDA	19%	9%	16%
Net earnings	-37%	-73%	125%
Gross margin	36,3%	40,2%	39,8%
Operating margin	15,9%	19,8%	20,0%
EBITDA margin	28,4%	28,3%	30,7%
Net margin	11,1%	2,8%	5,8%
Free cashflow margin	8,3%	9,1%	13,0%

Valuation	2024	2025	2026E
P/E	12,9x	47,1x	21,0x
P/BV	1,5x	1,5x	1,4x
EV/EBITDA	5,6x	4,5x	3,7x

Source: Company Data, Tacirler Investment

*All figures are stated in millions of EUR unless otherwise stated.

Important Disclosures

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