Message of the CEO

Ö. Özgür Tort

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Honored partners,

2025 was a year in which even more customers chose to shop at Migros. We achieved sales growth in real terms, and we gained market share. At the same time, we also demonstrated our ability to enhance operational efficiency with the aid of technology. As inflation declines, the true potential of our country's economy will once again be revealed. That said, global risks along with geopolitical and macroeconomic uncertainties continue to intensify. We are entering a period in which agility will be more critical than ever.

Sectoral Review

New store openings in the sector continued in 2025, albeit at a slower pace than in recent years. Digital investments on the other hand accelerated, preserving the food retail industry's overall momentum. Last year there was also an increase in consumers' price sensitivity. Particularly in the second half of the year, consumers shifted toward more affordable products. Recognizing the growing emphasis on value in consumer behavior during this period, we intensified our discount and promotional activities. These value-focused initiatives were well-received by our customers, resulting in real growth in basket size and gaining new customers.

Migros gained market share in 2025. According to Nielsen data, Migros' market share in both total FMCG and modern FMCG markets increased by 50 basis points. Our market share reached 16.8% in modern FMCG market and 10.1% in total FMCG market. Notably, our e-commerce FMCG market share recorded a significant annual increase of 180 basis points, rising to 21.6%.

Financial & Operational Performance

In 2025, we achieved our annual targets by maintaining our operational and financial performance. As a result of our strong sales trajectory, we registered above-market consolidated sales growth for the third consecutive year. According to our 2025 financial results, Migros' consolidated revenues grew by 7.3% year-on-year and reached TL 412.8 billion.

We remained focused on enhancing operational efficiency all year long without ever compromising our commitment to providing customers with high-quality products at affordable prices. A significant portion of our investments went into initiatives aimed at balancing operational costs. Meanwhile, our online channels achieved further improvements in operational profitability in 2025.

With IAS 29 inflation accounting, Migros reported consolidated EBITDA (earnings before interest, taxes, depreciation, and amortization) of TL 27.3 billion in 2025. The EBITDA margin was 6.6%, up year-on thanks to our focus on efficiency-enhancing investments. Mainly due to the impact of inflation accounting, depreciation and amortization costs rose markedly year-on-year. Conversely, the impact of monetary gain was lower than that recorded in 2024. Migros concluded 2025 with a net profit of TL 6.8 billion and a 1.6% net profit margin. Total capital expenditures in 2025 amounted to TL 13.8 billion.

Operations, Investments & Strategies

2025 was a year during which Migros focused on its strategic priorities in its core business and strengthened its operational structure and omnichannel business model. Despite shifting market conditions throughout the year, we maintained our consistent growth in food retail and remained focused on delivering value to customers under all circumstances by investing in stores, digital channels, and supply chain operations.

Migros continued its robust expansion across all store formats during the year and further expanded its store network by adding 259 new stores (22 of which were Macrocenters). As of end-2025, the physical store network had expanded to 3,792 stores. Investments in online sales channels also continued in 2025. The number of stores serving online increased significantly year-on, reaching 2,103 as of end-2025. Online channels' share in total sales reached 21.0%, excluding tobacco and alcoholic beverages.

We continued to make investments in our supply chain to support our growing store network. In 2025, we opened 10 new distribution centers. As a result of these logistics investments of varying scales, we achieved improvements in supply chain efficiency. The new distribution centers not only shortened delivery distances to stores but also led to measurable improvements in shrinkage ratio.

Another important development at the beginning of 2026 was our decision to end the subcontracting model at our distribution centers and employ our colleagues working at distribution centers across the country directly as Migros employees. Although this strategic decision will increase our labor costs, by employing our colleagues directly, we have transitioned to a more sustainable model. At the same time, this move will help us build the expertise needed to guide our technology investments in this area.

Last year, we improved our shrinkage ratios by making more effective use of technology in our stores. In order to avoid high inventory carrying costs, we reduced stock levels through a prudent inventory management approach.

Last year we set up solar farms in Kırşehir, Malatya, Erzurum, Erzincan, and Ağrı, bringing our total installed capacity to 105.3 MWp. As of end-2025, Migros reached a position to self-generate 24% of its annual electricity consumption from its own power plants.

Our investments in in-store technology gained momentum last year. The number of stores equipped with self-checkout terminals reached 796 and the number using electronic shelf labels (ESL) rose to 816. Such investments improve operational efficiency while simultaneously enhancing the quality of service provided to customers.

By integrating our core business — food retail operations — with our subsidiaries, we are expanding the ecosystem we have created day by day. The subsidiaries within this ecosystem have now begun to contribute to Migros' profitability as well.

Sustainable Future

We regard sustainability—along with the principles of environmental responsibility, social contribution, and strong governance—as an essential part of our business model. Throughout 2025, we have prioritized our commitment to local production. We are investing in the future of agriculture by providing local producers with purchase guarantees, support for efficient production, and branding assistance. Additionally, by the end of 2026, we will ensure that all Migros-branded legume products are 100% locally produced.

We value transparency in our sustainability goals. The carbon emission reduction targets set forth in our Migros Better Future Plan have been approved by the Science Based Targets initiative (SBTi). Migros is the first and only food retailer in Türkiye to receive this approval. To support realization of our 2050 carbon net-zero goal, we have committed to a 42% total reduction in carbon emissions by 2030. Our solar energy investments play a key role in achieving this target. I am also pleased to express that, thanks to our investments in the supply chain, we have already achieved our goal of reducing food waste by 50% by 2030 as of the end of 2025.

Migros was included in the "Global A Leaders " list of the Carbon Disclosure Project (CDP) for the third consecutive year by receiving the highest grade of "A" in both the "Climate Change" and "Water Security" programs.

2026 and Beyond

Looking ahead, we will continue to deliver the best value to our customers under all conditions, further enhance the efficiency of our omnichannel operations, and develop data-driven, scalable solutions that use AI and technology more effectively. We will likewise strengthen our focus on people as we take our corporate culture into the future.

While achieving our goals, we will also continue to invest not only in addressing the needs of the present but also in the evolving future of retail. Migros' strength lies in an extensive ecosystem that encompasses everything from physical stores and digital platforms to suppliers, business partners, employees, and customers. It is our responsibility to grow and develop this ecosystem and create value together.

I thank our customers, investors, colleagues, suppliers, and business partners, as well as all our other stakeholders for their continued confidence in Migros. Migros' success story is being written through the collective efforts of this vast ecosystem. Looking ahead to 2026 and the years that follow, we will continue to deliver value to Türkiye and all our stakeholders with the same determination and sense of responsibility.

With sincere regards,

Ö. Özgür Tort
CEO
Migros Ticaret A.Ş.