



STRATEGIC MARKET INTELLIGENCE

Market & Competitive Intelligence

Turkish Airlines — From Hub to Superconnector
Deep Dive

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Contents

Table of Contents

01 Management Summary.....2

02 Growth trajectory.....4

03 Earnings position.....5

04 Competitive comparison.....6

05 2033 capacity leap.....7

06 Position picture.....8

07 Recommended actions.....10

A Appendix.....12

01 Management Summary

The market of reach has been won

Core statement

Within twelve years Turkish Airlines has risen from a regional hub carrier to a global superconnector, and it remains profitable. The position is structurally secured through network breadth and geographic location advantage, and cannot be replicated in the short term. Earnings quality, however, is weaker than the revenue trend suggests: a group revenue record stands against a 15.1 % decline in profit. The decisive variable is therefore not demand, but the currency and cost structure.

Passengers 2025	Revenue FY2025	Net profit	Load factor
92.6 m	\$24.1 bn	\$2.9 bn	83.2 %
+8.8 % YoY · record level	+6.3 % YoY · group record	-15.1 % YoY · FX-burdened	international 82.9 %

Figure 1 — Key figures Turkish Airlines, financial year 2025. Source [1].

Executive summary

The rise is unprecedented and cannot be explained cyclically. From 48 m passengers in 2013 to 92.6 m in 2025 corresponds to average annual growth of around 5.6 %. This trajectory spans two crisis phases and rests on two durable factors: the geographic advantage of Istanbul and a network breadth of 131 countries and 358 destinations [1] [2].

Earnings are strong but exposed on the currency side. \$24.1 bn in revenue and \$2.9 bn in net profit stand against a 15.1 % decline in profit. At 83.2 % the load factor is robust — the problem does not lie in demand, but in its translation into result [1].

The 2033 target is a capacity leap with concentration risk. More than 800 aircraft and around 170 m passengers mean close to a doubling within eight years — financed, delivered and filled. The target path structurally demands more growth than the historical path provides [3].

The three core tensions of the case

Tension	Pole A	Pole B	Finding
Earnings against currency	Revenue record +6.3 %	Profit -15.1 %	The margin is not created in traffic, but in the currency structure.
Network breadth against exposure	131 countries, 358 destinations	Political network risk	Diversification cushions the effect but does not remove the exposure.
Growth against discipline	2033 target ~170 m pax	Order and financing burden	The limiting factor is yield quality, not infrastructure.

Figure 2 — The three fields of tension that structure the case. Sources [1][2][3].

The Deep Dive provides the evidenced factual basis and derives concrete points of leverage from it. An independently developed strategy with option assessment and a fully modelled business case is the subject of an Advisory mandate.

Scope of services · Deep Dive package boundary

02 Growth trajectory

From 48 to 92.6 million passengers

The path from 2013 to 2025

From 48 m passengers in 2013 to 92.6 m in 2025 corresponds to average annual growth of around 5.6 % over twelve years. In 2025 alone the increase was 8.8 %. Such a trajectory is rare in aviation because it spans two crisis phases and nevertheless shows no lasting break.

Metric	Value	Source
Passengers 2013	~48 m	[1]
Passengers 2025	92.6 m	[1]
CAGR 2013–2025	~5.6 % p.a.	[1]
Growth 2025 versus prior year	+8.8 %	[1]
Countries served	131	[2]
Destinations served	358	[2]
Target size 2033	~170 m passengers	[3]

Figure 3 — The growth arc from 2013 to the 2033 target. Sources [1][2][3].

The two drivers of the rise

The first driver is geographic. Istanbul is positioned such that a substantial share of the world population lies within short- and medium-haul range. The location is therefore structurally suited as a transfer point between Europe, Asia and Africa — an advantage that arises not from strategy but from position, and that no competitor can reproduce through investment.

The second driver is network breadth. With 131 countries served and 358 destinations, Turkish Airlines leads the field; the figure is recorded as a Guinness record. In the superconnector model, network breadth is not an end in itself but the precondition for transfer traffic to arise in sufficient density.

Delimitation — brand level, not group level

As a single brand, Turkish Airlines exceeds every individual Gulf and EU network carrier in passenger volume. This statement applies expressly at brand level. Group structures such as IAG or the Lufthansa Group are to be considered separately and are not included in this comparison. The delimitation is disclosed openly because it determines the result of the comparison.

03 Earnings position

Revenue record with falling profit

The finding

Financial year 2025 delivered a group revenue record of \$24.1 bn, an increase of 6.3 %. Net profit stood at \$2.9 bn and was therefore 15.1 % below the prior year. Revenue and result diverge — and not marginally, but in opposite directions.

Metric FY2025	Value	Δ versus prior year
Group revenue	\$24.1 bn	+6.3 %
Net profit	\$2.9 bn	−15.1 %
Load factor total	83.2 %	stable
Load factor international	82.9 %	stable
Cargo volume 2024	~2 m t	+20.6 %

Figure 4 — Earnings basis 2025 and cargo development. Source [1].

Driver decomposition

The reason for the divergence lies less in the operating business than in the currency structure. A large part of revenue arises in US dollars, while a relevant part of the cost base — lease rates, fuel, maintenance — also falls due in foreign currency. The weakness of the Turkish lira places an additional burden on the margin. The USD revenue base supports earnings power but does not neutralise the currency risk.

Operationally, utilisation is robust: an 83.2 % load factor across the total network, 82.9 % in international traffic. Demand is therefore not the problem. The problem is the translation of that demand into result.

Cargo as a second earnings pillar

A second stabiliser has strengthened considerably of late. Around 2 m tonnes of cargo volume in 2024 represents growth of 20.6 % against the prior year. Cargo volume responds differently to economic and demand cycles than passenger traffic and therefore has a balancing effect on the earnings position. The expansion of cargo infrastructure at the Istanbul location is thus not purely a capacity question but a question of earnings structure.

04 Competitive comparison

Superconnector against Gulf and EU carriers

The field at brand level

Brand	Character	Position in comparison
Turkish Airlines	Superconnector	Highest passenger volume as a single brand; broadest network [1][2]
Emirates	Gulf carrier	Long-haul focus, lower network breadth in countries [4]
Qatar Airways	Gulf carrier	Premium positioning, smaller volume per brand [4]
British Airways	EU network brand	Strong North Atlantic axis, lower transfer breadth [4]
Air France	EU network brand	Europe and Africa axis, group to be assessed separately [4]

Figure 5 — European and Gulf competitive field at brand level, FY2024/25. Sources [1][4].

Interpretation

The comparison shows not superiority across all dimensions, but superiority in precisely two: volume and network breadth. On premium quality, fleet age and yield per passenger the Gulf carriers are at least level. The superconnector advantage is therefore an advantage of connection density, not of yield quality — which corresponds directly to the earnings finding described in section 03.

Data gap — openly disclosed

Passenger and fleet figures diverge depending on source and delimitation. These divergences are reproduced in this analysis as a finding and are not harmonised. Where values differ, the range is stated rather than smoothed.

05 2033 capacity leap

Doubling subject to financing

The target picture

The published target for 2033 provides for more than 800 aircraft and around 170 m passengers — close to a doubling against the present level. This is a capacity leap that must be financed, delivered and filled over a period of eight years.

Dimension	Today (2025)	Target 2033	Implication
Passengers	92.6 m	~170 m	Requires structurally more than 5.6 % p.a.
Fleet	Continuously being built up	>800 aircraft	Capital and supply chain commitment over eight years
Hub capacity	designed for 150 m+	not limiting	The bottleneck is yield quality, not infrastructure

Figure 6 — The 2033 target picture and its implications. Sources [2][3].

The concentration risk

This carries concentration risk in two respects. First, an order of this magnitude commits capital and delivery capacity across the entire period; delays or demand weakness cannot be countered at short notice. Second, the passenger target assumes a demand development that cannot be extrapolated from the past: the growth path since 2013 stood at around 5.6 % per year, while the target path to 2033 structurally demands more.

In addition there is the capacity of the hub itself. The location is designed for more than 150 m passengers — infrastructure is therefore not the limiting factor. The limiting factor is the question of whether the additional capacity can be filled at sustainable yields.

06 Position picture

Strengths and structural tensions

Strategic starting position

Strengths Geographic advantage Istanbul: short- and medium-haul reach plus hub connectivity Network breadth: 131 countries, 358 destinations — recorded as a Guinness record Cargo is growing: around 2 m tonnes in 2024, an increase of 20.6 % USD revenue base supports earnings power A load factor of 83.2 % evidences a robust demand base	Structural tensions Lira volatility: profit –15.1 % despite revenue growth Foreign currency costs from leasing and fuel burden the margin Geopolitical and regional exposure of the widely spread network Capacity and order concentration risk in the 2033 build-up Yield quality per passenger behind the Gulf competitors
Opportunities Expansion of cargo infrastructure as a cycle-robust earnings path Sixth-freedom traffic as the highest-margin part of the transfer business Hub capacity for more than 150 m passengers already in place Network breadth as a basis for alliance and partner revenue	Risks Continued lira weakness with direct margin effect Delivery and financing delay in the fleet build-up Regional traffic interruptions in the politically exposed network Demand path to 2033 falls short of the target size

Figure 7 — SWOT as a position picture, not as a recommendation. Sources [1][2][3][4].

The finding

Turkish Airlines has risen to become a global superconnector and remains profitable. The position is structurally secured through network breadth and location advantage and cannot be replicated by competitors at short notice.

Earnings quality, however, is weaker than the revenue trend suggests. The decline in profit alongside a revenue record shows that the decisive variable is not demand but the currency and cost structure. The planned capacity leap to 2033 intensifies this dependency rather than

relieving it. The open question is therefore not whether Turkish Airlines can grow, but at what margins.

07 Recommended actions

Derived from the analysis

The following points of leverage follow directly from the findings of this report. They are derivations from the situational picture and not an independently developed strategy.

1 — Defend hub connectivity

Finding. The geographic advantage of Istanbul is the heaviest and most durable competitive advantage of the model; it works most strongly where transfer traffic arises [2].

Recommendation. Align existing capacity consistently to transfer and sixth-freedom traffic, and secure slot and transfer quality at the hub on a priority basis.

2 — Hedge earnings against currency risk

Finding. Lira volatility demonstrably dampens the margin: profit fell by 15.1 % although revenue rose by 6.3 % [1].

Recommendation. Actively manage the USD revenue base and foreign currency costs, and couple the hedging ratio to the maturity structure of leasing and fuel contracts.

3 — Scale cargo as an earnings lever

Finding. The cargo business grew by 20.6 % in 2024 to around 2 m tonnes and responds differently to economic cycles than passenger traffic [1][3].

Recommendation. Prioritise the expansion of cargo infrastructure as a more cycle-robust, higher-margin growth path and deliberately shift the ratio of cyclical to less cyclical business.

4 — Manage the fleet build-up with discipline

Finding. The 2033 target of more than 800 aircraft and around 170 m passengers commits capital and delivery capacity over eight years and assumes a demand path above historical growth [3].

Recommendation. Couple the order to utilisation and financing, define exercise stages and limit the concentration risk through staggering over time.

Scope of these recommendations

The recommendations are based on the public factual position and name strategic points of leverage. An independently developed strategy with option assessment, prioritisation and a

fully modelled business case is the subject of an Advisory mandate and is not part of this Deep Dive.

A Appendix

Methodology and sources

Methodology

The analysis rests on the triangulation of publicly accessible corporate, traffic and industry sources, supplemented by a time series analysis of passenger and earnings development from 2013 to 2025. The competitive comparison is deliberately conducted at brand level, not at the level of corporate groups. Passenger and fleet figures diverge depending on source and delimitation; the divergences are reproduced as a finding and not harmonised. The 2033 values are company targets and not a Rivalerra forecast. Status of the analysis: July 2026.

Scope of services

The report follows the Rivalerra Deep Dive standard: evidenced factual basis, position determination and points of leverage derived directly from it. Turkish Airlines is a named demonstration case based exclusively on publicly available data — not a real mandate. Confidential data were not used.

Sources

[1] Turkish Airlines Investor Relations / AGBI / Hürriyet — FY2025 results, revenue, profit, load factor, cargo volume.

[2] Wikipedia / Planespotters / Statista — fleet, network breadth, countries and destinations served, Guinness record.

[3] Turkish Airlines IR / Skift / Travel And Tour World — 2033 strategy, fleet and passenger targets.

[4] eTurboNews / IATA / industry analyses — competitive comparison at brand level.

Source note. Passenger and fleet figures diverge between sources and delimitations and are to be read as orders of magnitude. Target values for 2033 are company statements, not a Rivalerra forecast.