Türkiye Garanti Bankası Anonim Şirketi
and Its Financial Subsidiaries

Publicly Announced Consolidated Financial Statements, Related Disclosures and Independent Auditors' Report Thereon

as of and for the Six-Month Period Ended

30 June 2025

(Convenience Translation of Financial Statements and Related Disclosures and Footnotes Originally Issued in Turkish)

Shape the future
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Güney Bağımsız Denetim ve SMMM A.Ş.
Maslak Mah. Eski Büyükdere Cad.
Orjin Maslak İş Merkezi No: 27
Daire: 57 34485 Sarıyer
İstanbul - Türkiye

Tel: +90 212 315 3000
Fax: +90 212 230 8291
ey.com
Ticaret Sicil No : 479920
Mersis No: 0-4350-3032-6000017

Convenience Translation of the Auditor's Review Report Originally Issued in Turkish

Independent Auditors' Report on Review of Consolidated Interim Financial Information

To the Board of Directors of Türkiye Garanti Bankası Anonim Şirketi

Introduction

We have reviewed the consolidated statement of financial position of Türkiye Garanti Bankası Anonim Şirketi ("the Bank") and its subsidiaries (together will be referred as "the Group") at June 30, 2025 and the related consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in shareholders' equity, consolidated statement of cash flows and a summary of significant accounting policies and other explanatory notes to the consolidated financial statements for the six months period then ended. The Group Management is responsible for the preparation and fair presentation of interim consolidated financial information in accordance with the Banking Regulation and Supervision Agency ("BRSA") Accounting and Financial Reporting Legislation which includes "Regulation on Accounting Applications for Banks and Safeguarding of Documents" published in the Official Gazette no.26333 dated 1 November 2006, and other regulations on accounting records of Banks published by Banking Regulation and Supervision Agency and circulars and interpretations published by BRSA and Turkish Accounting Standard 34 "Interim Financial Reporting" for those matters not regulated by the aforementioned regulations. Our responsibility is to express a conclusion on these interim consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial reporting process, and applying analytical and other review procedures. A review of interim financial information is substantially less in scope than an independent audit performed in accordance with the Independent Auditing Standards and the objective of which is to express an opinion on the financial statements. Consequently, a review of the interim financial information does not provide assurance that the audit firm will be aware of all significant matters which would have been identified in an audit. Accordingly, we do not express an opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not give a true view of the financial position of the Group at June 30, 2025 and the results of its consolidated operations and its consolidated cash flows for the six months period then ended in all material respects in accordance with the BRSA Accounting and Financial Reporting Legislation.

Report on other regulatory requirements arising from legislation

Based on our review, nothing has come to our attention that causes us to believe that the consolidated financial information provided in the accompanying interim activity report in Section VII, are not consistent with the reviewed consolidated financial statements and disclosures in all material respects.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi
A member firm of Ernst &Young Global Limited

Damla Harman, SMMM
Partner

July 30, 2025
İstanbul, Türkiye

(Convenience Translation of Financial Statements and Related Disclosures and Footnotes Originally Issued in Turkish)

TÜRKİYE GARANTİ BANKASI ANONİM ŞİRKETİ AND ITS FINANCIAL SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS OF AND FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

Levent Nispetiye Mah.Aytar Cad.
No:2 Beşiktaş 34340 Istanbul

Telephone: 212 318 18 18
Fax: 212 216 64 22

www.garantibbva.com.tr
investorrelations@garantibbva.com.tr

The consolidated financial report for the six-month period ended prepared in accordance with the communiqué of Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks as regulated by Banking Regulation and Supervision Agency, is comprised of the following sections:

1. General Information about Parent Bank
2. Consolidated Financial Statements of Parent Bank
3. Accounting Policies
4. Consolidated Financial Position and Results of Operations, and Risk Management Applications of Group
5. Disclosures and Footnotes on Consolidated Financial Statements
6. Limited Review Report
7. Interim Activity Report

The consolidated subsidiaries and structured entities in the scope of this consolidated financial report are the followings:

Subsidiaries
1. Garanti Bank International NV
2. Garanti Emeklilik ve Hayat AŞ
3. Garanti Holding BV
4. Garanti Finansal Kiralama AŞ
5. Garanti Faktoring AŞ
6. Garanti Yatırım Menkul Kıymetler AŞ
7. Garanti Portföy Yönetimi AŞ
8. Garanti Ödeme Sistemleri AŞ
9. Garanti Ödeme ve Elektronik Para Hizmetleri AŞ

Structured Entities
1. Garanti Diversified Payment Rights Finance Company
2. RPV Company

The consolidated financial statements for the six-month period and related disclosures and footnotes that were subject to limited review, are prepared in accordance with the Regulation on Accounting Applications for Banks and Safeguarding of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards and the related statements and guidances and in compliance with the financial records of our Bank and, unless stated otherwise, presented in **thousands of Turkish Lira (TL).**

Süleyman Sözen	**Mahmut Akten**	**Aydın Güler**	**Hakan Özdemir**
Board of Directors Chairman	General Manager	Executive Vice President Finance and Treasury	Accounting and Regulatory Reporting Director

Ebru Oğan Knottnerus	**Pablo Alfonso Pastor Muñoz**
Audit Committee Member	Audit Committee Member

The authorized contact person for questions on this financial report:

Name-Surname/Title: Ceyda AKINÇ/Manager of Investor Relations
Phone no: 90 212 318 23 53
Fax no: 90 212 318 60 00

SECTION FIVE
Disclosures and Footnotes on Consolidated Financial Statements

SECTION SIX
Limited Review Report

SECTION SEVEN
Interim Activity Report

1 General Information

1.1 History of Parent Bank including its incorporation date, initial legal status, amendments to legal status

Türkiye Garanti Bankası Anonim Şirketi ("the Bank") was established by the decree of Council of Ministers numbered 3/4010 dated 11 April 1946 as a "private bank" and its "Articles of Association" was issued in the Official Gazette dated 25 April 1946.

Following the acquisition on 27 July 2015, Banco Bilbao Vizcaya Argentaria SA (BBVA)'s stake in the Bank reached to 39.90% and BBVA become the main shareholder. Accordingly, the Bank was moved to the "Foreign Deposit Banks" category from the "Private Deposit Bank" category by the Banking Regulation and Supervision Agency (the BRSA).

The Bank provides banking services through 790 domestic branches, 7 foreign branches and 1 representative office (31 December 2024: 787 domestic branches, 7 foreign branches and 1 representative office). The Bank's head office is located in Istanbul.

1.2 Parent Bank's shareholder structure, management and internal audit, direct and indirect shareholders, change in shareholder structure during the period and information on its risk group

As of 30 June 2025, group of companies under BBVA that currently owns 85.97% shares of the Bank, is defined as the BBVA Group ("the Group") and it is the main shareholder.

On 22 March 2011, BBVA had acquired; 78,120,000,000 shares of the Bank owned by GE Capital Corporation at a total nominal value of TL 781,200 representing 18.60% ownership, and 26,418,840,000 shares of the Bank owned by Doğuş Holding AŞ at a total nominal value of TL 264,188 representing 6.29% ownership. BBVA, purchasing 24.89% shares of the Bank, had joint control on the Bank's management together with group of companies under Doğuş Holding AŞ ("the Doğuş Group").

On 7 April 2011, BBVA had acquired 503,160,000 shares at a nominal value of TL 5,032 and increased its ownership in the Bank's share capital to 25.01%.

In accordance with the terms of the agreement between BBVA and the Doğuş Group which was previously disclosed on 19 November 2014, the sale of shares representing 14.89% of the share capital of the Bank with a face value of TL 625,380 and 62,538,000,000 shares by the Doğuş Group to BBVA, was completed on 27 July 2015. Following the acquisition, BBVA's stake in the Bank reached to 39.90% and BBVA became the main shareholder. The Bank was moved to "Foreign Deposit Banks" category from "Private Deposit Bank" category by the BRSA.

On 21 February 2017, BBVA agreed with Doğuş Group to acquire 41,790,000,000 shares at a nominal value of TL 417,900 representing 9.95% ownership and on 22 March 2017 in accordance with the terms of the agreement share transfer had been finalized. After the share transfer BBVA's interest in the share capital of the Bank is at 49.85%.

The voluntary tender offer process launched by BBVA for the entire share capital of the bank and approved by the Capital Markets Board of Türkiye in accordance with the Communiqué on Takeover Bids no. II-26.1 on 31 March 2022, in their letter numbered E-29833736-110.05.05-19391 and dated 31 March 2022 ended as of 18 May 2022. During the voluntary tender offer process, BBVA acquired shares of the bank with a total nominal value of TL 1,517,196 which corresponds to 36.12%. As a result, the total share capital of the bank owned by BBVA reached 85.97%.

BBVA Group

BBVA is operating for more than 166 years, providing variety of wide spread financial and non-financial services to 79.1 million retail and commercial customers.
The Group's headquarter is in Spain, where the Group has concrete leadership in retail and commercial markets. BBVA adopting innovative, and customer and community oriented management style, besides banking, operates in insurance sector in Europe and portfolio management, private banking and investment banking in global markets.

(Thousands of Turkish Lira (TL))

BBVA which is the largest financial institution in Mexico and also a market leader in South America, operates in more than 25 countries with more than 125 thousand employees.

1.3 Information on Parent Bank's Board of Directors chairman and members, audit committee members, chief executive officer, executive vice presidents and their responsibilities and, if any, shareholdings in the bank

Board of Directors Chairman and Members:

Name and Surname	Responsibility	Appointment Date	Education	Experience in Banking and Business Administration
Süleyman Sözen	Chairman	29.05.1997	University	44 years
Jorge Saenz Azcunaga Carranza	Deputy Chairman and Member	24.03.2016	University	31 years
Mahmut Akten	Member and CEO	23.08.2024	Master	26 years
Sait Ergun Özen	Member	14.05.2003	University	38 years
Jaime Saenz de Tejada Pulido	Member	02.10.2014	University	33 years
Pablo Alfonso Pastor Munoz	Independent Member and Member of Audit Committee	31.03.2021	Master	36 years
Rafael Salinas Martinez de Lecea	Member	08.05.2017	Master	34 years
Halil Hüsnü Erel	Independent Member	27.03.2025	University	49 years
Avni Aydın Düren	Member	17.06.2020	Master	34 years
Mevhibe Canan Özsoy	Member	04.04.2019	Master	35 years
Ebru Oğan Knottnerus	Independent Member and Member of Audit Committee	27.03.2024	Master	34 years

CEO and Executive Vice Presidents:

Name and Surname	Responsibility	Appointment Date	Education	Experience in Banking and Business Administration
Mahmut Akten	CEO	23.08.2024	Master	26 years
İlker Kuruöz	EVP-Engineering Services and Data	14.03.2018	Master	33 years
Sinem Edige	EVP-Corporate, Investment Banking and Global Markets	26.11.2024	University	29 years
Cemal Onaran	EVP-Commercial Banking	17.01.2017	University	35 years
Ebru Taşçı Firuzbay	EVP- Talent and Culture	26.12.2024	University	27 years
Aydın Güler	EVP- Finance and Treasury	03.02.2016	University	35 years
Murat Atay	Head of Credit Risk Management	01.01.2021	PhD	32 years
Ceren Acer Kezik	EVP-Retail Banking	06.06.2022	Master	20 years
Sibel Kaya	EVP- SME Banking	02.02.2021	Master	28 years

The top management listed above does not hold any material unquoted shares of the Bank.

1.4 Information on Parent Bank's qualified shareholders

Company	Shares	Ownership	Paid-in Capital	Unpaid Portion
Banco Bilbao Vizcaya Argentaria SA	3,610,895	85.97%	3,610,895	-

1.5 Summary information on Parent Bank's activities and services

Activities of the Bank as stated at the third clause of its Articles of Association are as follows:

- All banking operations,
- Participating in, establishing, and trading the shares of enterprises at various sectors within the limits set forth by the Banking Law,
- Providing attorneyship, insurance agency, brokerage and freight services in relation with banking activities,
- Purchasing/selling debt securities, treasury bills, government bonds and other share certificates issued by Turkish government and other official and private institutions on the condition that completion of the necessary approvals and permits by Capital Markets Board of Türkiye,
- Developing economical and financial relations with foreign organizations,
- Dealing with all economic operations in compliance with the Banking Law.

The Bank's activities are not limited to those disclosed in that third clause, but whenever the Board of Directors deems any operations other than those stated above to be of benefit to the Bank, it is recommended in the general meeting, and the launching of the related project depends on the decision taken during the General Assembly which results in a change in the Articles of Association and on the approval of this decision by the Ministry of Industry and Commerce. Accordingly, the approved decision is added to the Articles of Association.

The Bank is not a specialized bank but deals with all kinds of banking activities. Deposits are the main sources of the lending to the customers. The Bank grants loans to companies operating in various sectors while aiming to maintain the required level of efficiency.

The Bank also grants non-cash loans to its customers; especially letters of guarantee, letters of credit and acceptance credits.

1.6 Information on application differences between consolidation practices as per the Regulation on Preparation of Consolidated Financial Statements of Banks and as per the Turkish Accounting Standards, and entities subject to full or proportional consolidation or deducted from equity or not subject to any of these three methods

As per the Regulation on Preparation of Consolidated Financial Statements of Banks, the investments in financial subsidiaries are subject to consolidation whereas as per the Turkish Accounting Standards and Turkish Financial Reporting Standards, the investments in both financial and non-financial subsidiaries are subject to consolidation.

1.7 Current or likely actual or legal barriers to immediate transfer of equity or repayment of debts between Parent Bank and its subsidiaries

None.

2 Consolidated Financial Statements

(Convenience Translation of Financial Statements Originally Issued in Turkish)

Türkiye Garanti Bankası Anonim Şirketi and Its Financial Subsidiaries

Consolidated Balance Sheet (Statement of Financial Position)

At 30 June 2025

	ASSETS	Footnotes	THOUSANDS OF TURKISH LIRA (TL)					
			CURRENT PERIOD 30 June 2025			PRIOR PERIOD 31 December 2024		
			TL	FC	Total	TL	FC	Total
I.	**FINANCIAL ASSETS (Net)**		**446,847,616**	**619,071,881**	**1,065,919,497**	**305,526,598**	**482,219,836**	**787,746,434**
1.1	**Cash and Cash Equivalents**	**5.1.1**	**336,535,603**	**516,370,830**	**852,906,433**	**213,417,887**	**409,152,850**	**622,570,737**
1.1.1	Cash and Balances with Central Bank		307,875,870	225,413,409	533,289,279	201,171,331	162,289,288	363,460,619
1.1.2	Banks		17,603,797	271,000,555	288,604,352	12,472,961	226,893,061	239,366,022
1.1.3	Money Market Placements		11,583,500	20,319,308	31,902,808	97,970	20,243,465	20,341,435
1.1.4	Expected Credit Losses (-)		527,564	362,442	890,006	324,375	272,964	597,339
1.2	**Financial Assets Measured at Fair Value through Profit/Loss (FVTPL)**	**5.1.2**	**3,091,605**	**7,361,511**	**10,453,116**	**5,188,266**	**6,938,577**	**12,126,843**
1.2.1	Government Securities		2,352,380	6,088,799	8,441,179	4,575,298	5,767,257	10,342,555
1.2.2	Equity Securities		558,832	131,662	690,494	414,244	117,338	531,582
1.2.3	Other Financial Assets		180,393	1,141,050	1,321,443	198,724	1,053,982	1,252,706
1.3	**Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)**	**5.1.3**	**100,242,653**	**87,499,815**	**187,742,468**	**82,265,767**	**56,823,078**	**139,088,845**
1.3.1	Government Securities		99,954,613	39,394,361	139,348,974	81,495,680	22,737,036	104,232,716
1.3.2	Equity Securities		215,237	3,803,270	4,018,507	327,138	2,941,270	3,268,408
1.3.3	Other Financial Assets		72,803	44,302,184	44,374,987	442,949	31,144,772	31,587,721
1.4	**Derivative Financial Assets**	**5.1.4**	**6,977,755**	**7,839,725**	**14,817,480**	**4,654,678**	**9,305,331**	**13,960,009**
1.4.1	Derivative Financial Assets Measured at FVTPL		6,932,528	7,393,241	14,325,769	4,622,729	8,940,236	13,562,965
1.4.2	Derivative Financial Assets Measured at FVOCI		45,227	446,484	491,711	31,949	365,095	397,044
II.	**FINANCIAL ASSETS MEASURED AT AMORTIZED COST (Net)**		**1,586,034,272**	**951,159,644**	**2,537,193,916**	**1,360,600,576**	**674,210,610**	**2,034,811,186**
2.1	**Loans**	**5.1.5**	**1,411,332,515**	**842,110,058**	**2,253,442,573**	**1,177,140,043**	**599,223,773**	**1,776,363,816**
2.2	**Lease Receivables**	**5.1.6**	**9,874,583**	**41,020,921**	**50,895,504**	**9,242,733**	**27,270,100**	**36,512,833**
2.3	**Factoring Receivables**	**5.1.7**	**22,398,949**	**2,602,723**	**25,001,672**	**10,816,523**	**2,268,560**	**13,085,083**
2.4	**Other Financial Assets Measured at Amortised Cost**	**5.1.8**	**195,118,923**	**87,763,545**	**282,882,468**	**201,058,415**	**69,014,030**	**270,072,445**
2.4.1	Government Securities		192,547,951	53,949,668	246,497,619	196,050,799	46,391,977	242,442,776
2.4.2	Other Financial Assets		2,570,972	33,813,877	36,384,849	5,007,616	22,622,053	27,629,669
2.5	**Expected Credit Losses (-)**		**52,690,698**	**22,337,603**	**75,028,301**	**37,657,138**	**23,565,853**	**61,222,991**
III.	**ASSETS HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS (Net)**	**5.1.9**	**4,205,423**	**41,508**	**4,246,931**	**3,756,800**	**50,284**	**3,807,084**
3.1	Asset Held for Resale		4,205,423	41,508	4,246,931	3,756,800	50,284	3,807,084
3.2	Assets of Discontinued Operations		-	-	-	-	-	-
IV.	**INVESTMENTS IN ASSOCIATES,SUBSIDIARIES AND JOINT VENTURES**		**15,086,853**	**504,718**	**15,591,571**	**8,821,160**	**190,908**	**9,012,068**
4.1	**Associates (Net)**	**5.1.10**	**211,409**	**37**	**211,446**	**171,876**	**29**	**171,905**
4.1.1	Associates Consolidated Under Equity Accounting		-	-	-	-	-	-
4.1.2	Unconsolidated Associates		211,409	37	211,446	171,876	29	171,905
4.2	**Subsidiaries (Net)**	**5.1.11**	**14,875,444**	**504,681**	**15,380,125**	**8,649,284**	**190,879**	**8,840,163**
4.2.1	Unconsolidated Financial Investments in Subsidiaries		-	-	-	-	-	-
4.2.2	Unconsolidated Non-Financial Investments in Subsidiaries		14,875,444	504,681	15,380,125	8,649,284	190,879	8,840,163
4.3	**Joint Ventures (Net)**	**5.1.12**	**-**	**-**	**-**	**-**	**-**	**-**
4.3.1	Joint-Ventures Consolidated Under Equity Accounting		-	-	-	-	-	-
4.3.2	Unconsolidated Joint-Ventures		-	-	-	-	-	-
V.	**TANGIBLE ASSETS (Net)**	**5.1.13**	**40,032,845**	**2,317,520**	**42,350,365**	**34,844,681**	**1,834,164**	**36,678,845**
VI.	**INTANGIBLE ASSETS (Net)**	**5.1.14**	**5,542,472**	**1,048,198**	**6,590,670**	**3,590,222**	**774,240**	**4,364,462**
6.1	Goodwill		6,388	-	6,388	6,388	-	6,388
6.2	Others		5,536,084	1,048,198	6,584,282	3,583,834	774,240	4,358,074
VII.	**INVESTMENT PROPERTY (Net)**	**5.1.15**	**2,828,750**	**-**	**2,828,750**	**2,416,949**	**-**	**2,416,949**
VIII.	**CURRENT TAX ASSET**		**3,510,170**	**232,905**	**3,743,075**	**-**	**159,784**	**159,784**
IX.	**DEFERRED TAX ASSET**	**5.1.16**	**23,880,389**	**199,990**	**24,080,379**	**20,585,789**	**142,258**	**20,728,047**
X.	**OTHER ASSETS (Net)**	**5.1.17**	**111,981,501**	**7,182,813**	**119,164,314**	**97,415,847**	**5,438,673**	**102,854,520**
	TOTAL ASSETS		**2,239,950,291**	**1,581,759,177**	**3,821,709,468**	**1,837,558,622**	**1,165,020,757**	**3,002,579,379**

The accompanying notes are an integral part of these consolidated financial statements.

(Convenience Translation of Financial Statements Originally Issued in Turkish)

Türkiye Garanti Bankası Anonim Şirketi and Its Financial Subsidiaries
Consolidated Balance Sheet (Statement of Financial Position)
At 30 June 2025

	LIABILITIES AND SHAREHOLDERS' EQUITY	Footnotes	THOUSANDS OF TURKISH LIRA (TL) CURRENT PERIOD 30 June 2025 TL	FC	Total	PRIOR PERIOD 31 December 2024 TL	FC	Total
I.	**DEPOSITS**	**5.2.1**	**1,467,851,480**	**1,212,197,495**	**2,680,048,975**	**1,251,197,662**	**903,149,980**	**2,154,347,642**
II.	**FUNDS BORROWED**	**5.2.2**	**11,372,073**	**79,286,772**	**90,658,845**	**8,122,667**	**59,994,106**	**68,116,773**
III.	**MONEY MARKET FUNDS**	**5.2.3**	**76,195,512**	**63,800,354**	**139,995,866**	**14,341,779**	**32,541,053**	**46,882,832**
IV.	**SECURITIES ISSUED (NET)**	**5.2.4**	**758,398**	**84,334,528**	**85,092,926**	**732**	**28,108,769**	**28,109,501**
4.1	Bills		758,398	7,423,557	8,181,955	732	12,052,200	12,052,932
4.2	Asset Backed Securities		-	-	-	-	-	-
4.3	Bonds		-	76,910,971	76,910,971	-	16,056,569	16,056,569
V.	**FUNDS**		**-**	**-**	**-**	**-**	**-**	**-**
5.1	Borrowers' Funds		-	-	-	-	-	-
5.2	Others		-	-	-	-	-	-
VI.	**FINANCIAL LIABILITIES MEASURED AT FVTPL**	**5.2.5**	**-**	**63,263,376**	**63,263,376**	**-**	**57,223,084**	**57,223,084**
VII.	**DERIVATIVE FINANCIAL LIABILITIES**	**5.2.6**	**9,184,478**	**9,025,001**	**18,209,479**	**10,475,496**	**4,648,451**	**15,123,947**
7.1	Derivative Financial Liabilities Measured at FVTPL		8,907,681	8,855,300	17,762,981	9,948,256	4,015,886	13,964,142
7.2	Derivative Financial Liabilities Measured at FVOCI		276,797	169,701	446,498	527,240	632,565	1,159,805
VIII.	**FACTORING LIABILITIES**	**5.2.7**	**-**	**-**	**-**	**-**	**-**	**-**
IX.	**LEASE LIABILITIES (Net)**	**5.2.8**	**4,804,620**	**837,060**	**5,641,680**	**2,218,510**	**730,782**	**2,949,292**
X.	**PROVISIONS**	**5.2.9**	**20,632,439**	**11,479,626**	**32,112,065**	**16,828,703**	**9,618,524**	**26,447,227**
10.1	Restructuring Reserves		-	-	-	-	-	-
10.2	Reserve for Employee Benefits		8,000,462	832,346	8,832,808	7,443,241	699,992	8,143,233
10.3	Insurance Technical Provisions (Net)		5,108,693	6,261,792	11,370,485	3,225,911	4,430,122	7,656,033
10.4	Other Provisions		7,523,284	4,385,488	11,908,772	6,159,551	4,488,410	10,647,961
XI.	**CURRENT TAX LIABILITY**	**5.2.10**	**25,735,494**	**271,370**	**26,006,864**	**18,433,347**	**346,321**	**18,779,668**
XII.	**DEFERRED TAX LIABILITY**	**5.2.10**	**23,920**	**103,529**	**127,449**	**55,641**	**131,200**	**186,841**
XIII.	**LIABILITIES FOR ASSETS HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS (Net)**	**5.2.11**	**-**	**-**	**-**	**-**	**-**	**-**
13.1	Asset Held for Sale		-	-	-	-	-	-
13.2	Assets of Discontinued Operations		-	-	-	-	-	-
XIV.	**SUBORDINATED DEBTS**	**5.2.12**	**-**	**81,722,002**	**81,722,002**	**799,475**	**66,271,143**	**67,070,618**
14.1	Borrowings		-	4,175,571	4,175,571	-	1,064,066	1,064,066
14.2	Other Debt Instruments		-	77,546,431	77,546,431	799,475	65,207,077	66,006,552
XV.	**OTHER LIABILITIES**	**5.2.13**	**199,104,025**	**20,596,331**	**219,700,356**	**169,478,228**	**16,455,108**	**185,933,336**
XVI.	**SHAREHOLDERS' EQUITY**	**5.2.14**	**375,947,836**	**3,181,749**	**379,129,585**	**329,093,849**	**2,314,769**	**331,408,618**
16.1	Paid-in Capital		4,200,000	-	4,200,000	4,200,000	-	4,200,000
16.2	Capital Reserves		784,434	-	784,434	784,434	-	784,434
16.2.1	Share Premium		11,880	-	11,880	11,880	-	11,880
16.2.2	Share Cancellation Profits		-	-	-	-	-	-
16.2.3	Other Capital Reserves		772,554	-	772,554	772,554	-	772,554
16.3	Other Comprehensive Income/Expense Items not to be Recycled to Profit or Loss		26,881,718	1,710,540	28,592,258	23,833,961	1,149,330	24,983,291
16.4	Other Comprehensive Income/Expense Items to be Recycled to Profit or Loss		29,173,403	631,777	29,805,180	20,114,665	493,055	20,607,720
16.5	Profit Reserves		260,121,549	839,432	260,960,981	187,261,190	672,384	187,933,574
16.5.1	Legal Reserves		6,729,076	839,432	7,568,508	4,725,932	672,384	5,398,316
16.5.2	Status Reserves		-	-	-	-	-	-
16.5.3	Extraordinary Reserves		253,118,126	-	253,118,126	182,269,331	-	182,269,331
16.5.4	Other Profit Reserves		274,347	-	274,347	265,927	-	265,927
16.6	Profit/Loss		53,009,838	-	53,009,838	91,279,430	-	91,279,430
16.6.1	Prior Periods' Profit/Loss		69,851	-	69,851	36,294	-	36,294
16.6.2	Current Period's Net Profit/Loss		52,939,987	-	52,939,987	91,243,136	-	91,243,136
16.7	Minority Interest		1,776,894	-	1,776,894	1,620,169	-	1,620,169
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**2,191,610,275**	**1,630,099,193**	**3,821,709,468**	**1,821,046,089**	**1,181,533,290**	**3,002,579,379**

The accompanying notes are an integral part of these consolidated financial statements.

Türkiye Garanti Bankası Anonim Şirketi and Its Financial Subsidiaries
Consolidated Off-Balance Sheet Items
At 30 June 2025

		Footnotes	THOUSANDS OF TURKISH LIRA (TL)					
			CURRENT PERIOD 30 June 2025			PRIOR PERIOD 31 December 2024		
			TL	FC	Total	TL	FC	Total
A. OFF-BALANCE SHEET COMMITMENTS AND CONTINGENCIES (I+II+III)			**3,135,017,684**	**2,139,193,950**	**5,274,211,634**	**2,180,929,448**	**1,571,699,684**	**3,752,629,132**
I.	**GUARANTEES AND SURETIES**	**5.3.1**	**416,883,368**	**340,364,406**	**757,247,774**	**332,094,808**	**240,229,095**	**572,323,903**
1.1	Letters of guarantee		389,425,969	241,535,267	630,961,236	311,772,179	170,290,959	482,063,138
1.1.1	Guarantees subject to State Tender Law		-	5,903,620	5,903,620	-	5,001,515	5,001,515
1.1.2	Guarantees given for foreign trade operations		17,436,260	8,562,142	25,998,402	14,283,714	5,980,863	20,264,577
1.1.3	Other letters of guarantee		371,989,709	227,069,505	599,059,214	297,488,465	159,308,581	456,797,046
1.2	Bank acceptances		154,606	8,660,931	8,815,537	418,424	8,015,069	8,433,493
1.2.1	Import letter of acceptance		-	8,660,931	8,660,931	309,806	8,015,069	8,324,875
1.2.2	Other bank acceptances		154,606	-	154,606	108,618	-	108,618
1.3	Letters of credit		850,393	86,017,221	86,867,614	287,205	58,383,975	58,671,180
1.3.1	Documentary letters of credit		-	-	-	-	-	-
1.3.2	Other letters of credit		850,393	86,017,221	86,867,614	287,205	58,383,975	58,671,180
1.4	Guaranteed prefinancings		-	-	-	-	-	-
1.5	Endorsements		26,452,400	-	26,452,400	19,617,000	-	19,617,000
1.5.1	Endorsements to the Central Bank of Turkey		26,452,400	-	26,452,400	19,617,000	-	19,617,000
1.5.2	Other endorsements		-	-	-	-	-	-
1.6	Underwriting commitments		-	-	-	-	-	-
1.7	Factoring related guarantees		-	-	-	-	-	-
1.8	Other guarantees		-	4,150,987	4,150,987	-	3,539,092	3,539,092
1.9	Other sureties		-	-	-	-	-	-
II.	**COMMITMENTS**	**5.3.1**	**1,860,602,052**	**177,872,946**	**2,038,474,998**	**1,386,726,113**	**121,772,505**	**1,508,498,618**
2.1	Irrevocable commitments		1,857,005,376	141,160,598	1,998,165,974	1,384,150,733	96,849,345	1,481,000,078
2.1.1	Asset purchase and sale commitments		41,483,659	90,259,429	131,743,088	4,617,202	66,601,123	71,218,325
2.1.2	Deposit purchase and sale commitments		-	431,148	431,148	-	23,659	23,659
2.1.3	Share capital commitments to associates and subsidiaries		-	39	39	-	30	30
2.1.4	Loan granting commitments		377,297,912	37,174,473	414,472,385	260,980,464	18,566,286	279,546,750
2.1.5	Securities issuance brokerage commitments		-	-	-	-	-	-
2.1.6	Commitments for reserve deposit requirements		-	-	-	-	-	-
2.1.7	Commitments for cheque payments		19,992,749	-	19,992,749	14,208,207	-	14,208,207
2.1.8	Tax and fund obligations on export commitments		2,554,098	-	2,554,098	1,985,064	-	1,985,064
2.1.9	Commitments for credit card limits		1,415,668,423	6,236,758	1,421,905,181	1,102,354,203	4,621,168	1,106,975,371
2.1.10	Commitments for credit cards and banking services related promotions		8,535	-	8,535	5,593	-	5,593
2.1.11	Receivables from "short" sale commitments on securities		-	-	-	-	-	-
2.1.12	Payables from "short" sale commitments on securities		-	-	-	-	-	-
2.1.13	Other irrevocable commitments		-	7,058,751	7,058,751	-	7,037,079	7,037,079
2.2	Revocable commitments		3,596,676	36,712,348	40,309,024	2,575,380	24,923,160	27,498,540
2.2.1	Revocable loan granting commitments		765,636	25,791,462	26,557,098	346,825	16,642,387	16,989,212
2.2.2	Other revocable commitments		2,831,040	10,920,886	13,751,926	2,228,555	8,280,773	10,509,328
III.	**DERIVATIVE FINANCIAL INSTRUMENTS**	**5.3.2**	**857,532,264**	**1,620,956,598**	**2,478,488,862**	**462,108,527**	**1,209,698,084**	**1,671,806,611**
3.1	Derivative financial instruments held for risk management		10,646,239	152,571,366	163,217,605	10,600,163	78,180,693	88,780,856
3.1.1	Fair value hedges		-	135,156,498	135,156,498	-	63,584,925	63,584,925
3.1.2	Cash flow hedges		10,646,239	17,414,868	28,061,107	10,600,163	14,595,768	25,195,931
3.1.3	Net foreign investment hedges		-	-	-	-	-	-
3.2	Trading derivatives		846,886,025	1,468,385,232	2,315,271,257	451,508,364	1,131,517,391	1,583,025,755
3.2.1	Forward foreign currency purchases/sales		74,604,083	98,665,643	173,269,726	41,934,451	49,897,110	91,831,561
3.2.1.1	Forward foreign currency purchases		41,697,873	44,470,308	86,168,181	23,027,758	22,462,381	45,490,139
3.2.1.2	Forward foreign currency sales		32,906,210	54,195,335	87,101,545	18,906,693	27,434,729	46,341,422
3.2.2	Currency and interest rate swaps		743,183,062	1,111,281,472	1,854,464,534	364,299,901	837,818,870	1,202,118,771
3.2.2.1	Currency swaps-purchases		45,749,473	392,596,489	438,345,962	10,995,944	244,540,653	255,536,597
3.2.2.2	Currency swaps-sales		141,540,559	387,173,112	528,713,671	64,326,775	272,429,682	336,756,457
3.2.2.3	Interest rate swaps-purchases		277,945,965	165,755,935	443,701,900	145,302,341	159,560,567	304,862,908
3.2.2.4	Interest rate swaps-sales		277,947,065	165,755,936	443,703,001	143,674,841	161,287,968	304,962,809
3.2.3	Currency, interest rate and security options		27,994,063	43,004,554	70,998,617	44,100,348	55,674,665	99,775,013
3.2.3.1	Currency call options		3,921,306	28,885,585	32,806,891	4,820,746	35,244,714	40,065,460
3.2.3.2	Currency put options		21,965,261	14,118,969	36,084,230	37,468,434	6,610,751	44,079,185
3.2.3.3	Interest rate call options		-	-	-	-	6,909,600	6,909,600
3.2.3.4	Interest rate put options		-	-	-	-	6,909,600	6,909,600
3.2.3.5	Security call options		1,053,748	-	1,053,748	905,584	-	905,584
3.2.3.6	Security put options		1,053,748	-	1,053,748	905,584	-	905,584
3.2.4	Currency futures		458,229	414,725	872,954	529,375	469,043	998,418
3.2.4.1	Currency futures-purchases		441,017	2,637	443,654	512,858	-	512,858
3.2.4.2	Currency futures-sales		17,212	412,088	429,300	16,517	469,043	485,560
3.2.5	Interest rate futures		-	2,180,564	2,180,564	-	345,480	345,480
3.2.5.1	Interest rate futures-purchases		-	1,090,282	1,090,282	-	-	-
3.2.5.2	Interest rate futures-sales		-	1,090,282	1,090,282	-	345,480	345,480
3.2.6	Others		646,588	212,838,274	213,484,862	644,289	187,312,223	187,956,512
B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)			**7,386,466,968**	**7,472,551,916**	**14,859,018,884**	**5,716,805,332**	**6,692,189,233**	**12,408,994,565**
IV.	**ITEMS HELD IN CUSTODY**		**1,439,233,995**	**591,812,309**	**2,031,046,304**	**1,111,648,531**	**405,328,436**	**1,516,976,967**
4.1	Customers' securities held		1,139,177,240	5,760,854	1,144,938,094	850,591,760	215,463	850,807,223
4.2	Investment securities held in custody		145,296,178	373,014,704	518,310,882	138,980,713	231,358,820	370,339,533
4.3	Checks received for collection		139,896,921	31,493,253	171,390,174	108,487,892	22,872,914	131,360,806
4.4	Commercial notes received for collection		14,181,120	7,818,009	21,999,129	12,339,686	7,961,158	20,300,844
4.5	Other assets received for collection		520,159	143,828,707	144,348,866	732,966	117,346,605	118,079,571
4.6	Assets received through public offering		-	973,431	973,431	-	838,386	838,386
4.7	Other items under custody		162,377	28,923,351	29,085,728	515,514	24,735,090	25,250,604
4.8	Custodians		-	-	-	-	-	-
V.	**PLEDGED ITEMS**		**5,947,232,973**	**6,880,739,607**	**12,827,972,580**	**4,605,156,801**	**6,286,860,797**	**10,892,017,598**
5.1	Securities		49,032,929	68,589,166	117,622,095	35,839,965	47,613,743	83,453,708
5.2	Guarantee notes		26,037,008	137,433,955	163,470,963	25,207,043	104,709,054	129,916,097
5.3	Commodities		336,941	-	336,941	545,489	-	545,489
5.4	Warranties		-	11,368,622	11,368,622	-	9,217,785	9,217,785
5.5	Real estates		2,164,553,531	1,123,457,115	3,288,010,646	1,596,328,815	931,858,094	2,528,186,909
5.6	Other pledged items		3,707,272,564	5,539,890,749	9,247,163,313	2,947,235,489	5,193,462,121	8,140,697,610
5.7	Pledged items-depository		-	-	-	-	-	-
VI.	**CONFIRMED BILLS OF EXCHANGE AND SURETIES**		-	-	-	-	-	-
	TOTAL OFF-BALANCE SHEET ITEMS (A+B)		**10,521,484,652**	**9,611,745,866**	**20,133,230,518**	**7,897,734,780**	**8,263,888,917**	**16,161,623,697**

The accompanying notes are an integral part of these consolidated financial statements.

Türkiye Garanti Bankası Anonim Şirketi and Its Financial Subsidiaries
Consolidated Statement of Profit or Loss
For the period ended at 30 June 2025

	INCOME AND EXPENSE ITEMS	Footnotes	THOUSANDS OF TURKISH LIRA (TL) CURRENT PERIOD 1 January 2025- 30 June 2025	PRIOR PERIOD 1 January 2024- 30 June 2024	CURRENT PERIOD 1 April 2025- 30 June 2025	PRIOR PERIOD 1 April 2024- 30 June 2024
I.	INTEREST INCOME	5.4.1	359,173,497	230,980,199	185,349,188	126,481,225
1.1	Interest income on loans		261,300,504	170,529,910	137,761,797	93,464,088
1.2	Interest income on reserve deposits		34,850,242	11,229,224	18,678,707	7,778,624
1.3	Interest income on banks		14,353,131	5,142,605	3,453,261	2,060,181
1.4	Interest income on money market transactions		2,904,828	3,875,464	1,578,544	1,667,883
1.5	Interest income on securities portfolio		41,717,049	35,783,157	21,822,891	19,029,800
1.5.1	Financial assets measured at FVTPL		722,262	512,613	408,170	274,685
1.5.2	Financial assets measured at FVOCI		17,177,779	11,996,264	9,526,708	6,368,898
1.5.3	Financial assets measured at amortised cost		23,817,008	23,274,280	11,888,013	12,386,217
1.6	Financial lease income		3,347,781	3,001,731	1,744,750	1,589,122
1.7	Other interest income		699,962	1,418,108	309,238	891,527
II.	INTEREST EXPENSE (-)	5.4.2	276,801,514	173,250,711	142,298,946	93,691,489
2.1	Interest on deposits		240,135,274	157,617,737	122,878,080	83,475,080
2.2	Interest on funds borrowed		5,728,887	5,006,130	3,285,250	2,713,048
2.3	Interest on money market transactions		25,731,908	6,421,887	13,261,158	5,051,983
2.4	Interest on securities issued		4,476,750	2,596,219	2,474,059	1,413,053
2.5	Lease interest expense		597,779	230,483	349,584	123,429
2.6	Other interest expenses		130,916	1,378,255	50,815	914,896
III.	NET INTEREST INCOME (I - II)		82,371,983	57,729,488	43,050,242	32,789,736
IV.	NET FEES AND COMMISSIONS INCOME/EXPENSES	5.4.12	65,469,805	41,832,932	35,086,627	22,206,632
4.1	Fees and commissions received		92,375,343	61,216,210	49,060,540	32,983,069
4.1.1	Non-cash loans		3,144,756	2,369,235	1,663,342	1,238,292
4.1.2	Others		89,230,587	58,846,975	47,397,198	31,744,777
4.2	Fees and commissions paid (-)		26,905,538	19,383,278	13,973,913	10,776,437
4.2.1	Non-cash loans		30,047	35,721	11,029	11,045
4.2.2	Others		26,875,491	19,347,557	13,962,884	10,765,392
V.	DIVIDEND INCOME	5.4.3	251,563	158,360	243,384	150,338
VI.	NET TRADING INCOME/LOSSES (Net)	5.4.4	4,223,934	1,755,201	33,883	(3,700,496)
6.1	Trading account income/losses		1,240,489	(288,120)	(493,680)	(283,886)
6.2	Income/losses from derivative financial instruments		(13,779,780)	(14,899,550)	(13,017,424)	(13,426,798)
6.3	Foreign exchange gains/losses		16,763,225	16,942,871	13,544,987	10,010,188
VII.	OTHER OPERATING INCOME	5.4.5	37,327,021	29,333,823	17,480,211	14,057,623
VIII.	TOTAL OPERATING PROFIT (III+IV+V+VI+VII)		189,644,306	130,809,804	95,894,347	65,503,833
IX.	EXPECTED CREDIT LOSSES (-)	5.4.6	42,322,730	28,815,569	18,510,906	12,844,093
X.	OTHER PROVISIONS (-)	5.4.6	251,756	67,452	(1,628)	27,667
XI.	PERSONNEL EXPENSES (-)		27,639,343	17,562,206	14,078,279	8,921,572
XII.	OTHER OPERATING EXPENSES (-)	5.4.7	48,725,620	27,629,514	26,646,315	14,490,484
XIII.	NET OPERATING PROFIT/LOSS (VIII-IX-X-XI-XII)		70,704,857	56,735,063	36,660,475	29,220,017
XIV.	INCOME RESULTED FROM MERGERS		-	-	-	-
XV.	INCOME/LOSS FROM INVESTMENTS UNDER EQUITY ACCOUNTING		1,348,973	1,347,000	808,406	595,348
XVI.	GAIN/LOSS ON NET MONETARY POSITION		-	-	-	-
XVII.	PROFIT/LOSS BEFORE TAXES (XIII+...+XVI)	5.4.8	72,053,830	58,082,063	37,468,881	29,815,365
XVIII.	PROVISION FOR TAXES (±)	5.4.9	18,440,559	13,492,253	9,254,309	7,705,138
18.1	Current tax charge		21,562,139	19,425,757	12,627,155	11,026,651
18.2	Deferred tax charge (+)		1,100,931	1,311,648	(1,079,343)	(170,389)
18.3	Deferred tax credit (-)		(4,222,511)	(7,245,152)	(2,293,503)	(3,151,124)
XIX.	NET OPERATING PROFIT/LOSS AFTER TAXES (XVII±XVIII)	5.4.10	53,613,271	44,589,810	28,214,572	22,110,227
XX.	INCOME FROM DISCONTINUED OPERATIONS		-	-	-	-
20.1	Income from assets held for sale		-	-	-	-
20.2	Income from sale of associates, subsidiaries and joint-ventures		-	-	-	-
20.3	Others		-	-	-	-
XXI.	EXPENSES FROM DISCONTINUED OPERATIONS (-)		-	-	-	-
21.1	Expenses on assets held for sale		-	-	-	-
21.2	Expenses on sale of associates, subsidiaries and joint-ventures		-	-	-	-
21.3	Others		-	-	-	-
XXII.	PROFIT/LOSS BEFORE TAXES ON DISCONTINUED OPERATIONS (XX-XXI)	5.4.8	-	-	-	-
XXIII.	PROVISION FOR TAXES OF DISCONTINUED OPERATIONS (±)	5.4.9	-	-	-	-
23.1	Current tax charge		-	-	-	-
23.2	Deferred tax charge (+)		-	-	-	-
23.3	Deferred tax credit (-)		-	-	-	-
XXIV.	NET PROFIT/LOSS AFTER TAXES ON DISCONTINUED OPERATIONS (XXII±XXIII)	5.4.10	-	-	-	-
XXV.	NET PROFIT/LOSS (XIX+XXIV)	5.4.11	53,613,271	44,589,810	28,214,572	22,110,227
25.1	Equity holders of the bank		52,939,987	44,155,427	27,844,619	21,865,161
25.2	Minority interest		673,284	434,383	369,953	245,066
	Earnings per Share		0.12605	0.10513	0.06630	0.05206

The accompanying notes are an integral part of these consolidated financial statements.

Türkiye Garanti Bankası Anonim Şirketi and Its Financial Subsidiaries
Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the period ended at 30 June 2025

	STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	THOUSANDS OF TURKISH LIRA (TL)	
		CURRENT PERIOD 1 January 2025 - 30 June 2025	**PRIOR PERIOD 1 January 2024 - 30 June 2024**
I.	CURRENT PERIOD PROFIT/LOSS	53,613,271	44,589,810
II.	OTHER COMPREHENSIVE INCOME	12,817,903	3,406,947
2.1	**Other Income/Expense Items not to be Recycled to Profit or Loss**	**3,608,967**	**4,544,152**
2.1.1	Revaluation Surplus on Tangible Assets	3,075,947	5,037,938
2.1.2	Revaluation Surplus on Intangible Assets	-	-
2.1.3	Defined Benefit Plans' Actuarial Gains/Losses	(721,445)	(583,148)
2.1.4	Other Income/Expense Items not to be Recycled to Profit or Loss	727,959	225,451
2.1.5	Deferred Taxes on Other Comprehensive Income not to be Recycled to Profit or Loss	526,506	(136,089)
2.2	**Other Income/Expense Items to be Recycled to Profit or Loss**	**9,208,936**	**(1,137,205)**
2.2.1	Translation Differences	13,749,459	2,415,036
2.2.2	Income/Expenses from Valuation and/or Reclassification of Financial Assets Measured at FVOCI	(644,982)	(2,078,097)
2.2.3	Gains/losses from Cash Flow Hedges	(309,129)	(1,741,279)
2.2.4	Gains/Losses on Hedges of Net Investments in Foreign Operations	(5,737,731)	(1,102,022)
2.2.5	Other Income/Expense Items to be Recycled to Profit or Loss	358	(65,928)
2.2.6	Deferred Taxes on Other Comprehensive Income to be Recycled to Profit or Loss	2,150,961	1,435,085
III.	TOTAL COMPREHENSIVE INCOME (I+II)	66,431,174	47,996,757

The accompanying notes are an integral part of these consolidated financial statements.

(Convenience Translation of Financial Statements Originally Issued in Turkish)

Türkiye Garanti Bankası Anonim Şirketi and Its Financial Subsidiaries
Consolidated Statement of Changes in Shareholders' Equity
For the period ended at 30 June 2025

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	Footnotes	THOUSANDS OF TURKISH LIRA (TL)															
						Other Comprehensive Income/Expense Items not to be Recycled to Profit or Loss			Other Comprehensive Income/Expense Items to be Recycled to Profit or Loss								
		Paid-in Capital	Share Premium	Share Cancellation Profits	Other Capital Reserves	Revaluation surplus on tangible and intangible assets	Defined Benefit Plans' Actuarial Gains/Losses	Others	Foreign Currency Translation Differences	Income/Expenses from Valuation and/or Reclassification of Financial Assets Measured at FVOCI	Others	Profit Reserves	Prior Periods' Profit/Loss	Current Period's Net Profit/Loss	Shareholders' Equity Before Minority Interest	Minority Interest	Total Shareholders' Equity
PRIOR PERIOD (01/01/2024-30/06/2024)																	
I. Balances at Beginning of Period		**4,200,000**	**11,880**	**-**	**772,554**	**15,971,976**	**(1,994,953)**	**1,322,665**	**28,894,950**	**3,337,016**	**(8,778,924)**	**114,589,030**	**86,374,997**	**-**	**244,701,191**	**920,327**	**245,621,518**
II. Correction made as per TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1. Effect of Corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2. Effect of Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Adjusted Balances at Beginning of Period (I+II)	5.5	**4,200,000**	**11,880**	**-**	**772,554**	**15,971,976**	**(1,994,953)**	**1,322,665**	**28,894,950**	**3,337,016**	**(8,778,924)**	**114,589,030**	**86,374,997**	**-**	**244,701,191**	**920,327**	**245,621,518**
IV. Total Comprehensive Income		-	-	-	-	**4,714,208**	**(408,203)**	**238,147**	**2,415,036**	**(1,476,124)**	**(2,069,633)**	-	-	**44,155,427**	**47,568,858**	**427,899**	**47,996,757**
V. Capital Increase in Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Capital Increase from Internal Sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Capital Reserves from Inflation Adjustments to Paid-in Capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Convertible Bonds		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Subordinated Liabilities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Others Changes		-	-	-	-	-	-	-	-	-	-	**34,967**	-	-	**34,967**	-	**34,967**
XI. Profit Distribution		-	-	-	-	-	-	-	-	-	-	**73,275,239**	**(86,374,997)**	-	**(13,099,758)**	**(241,387)**	**(13,341,145)**
11.1 Dividends		-	-	-	-	-	-	-	-	-	-	-	(13,099,758)	-	(13,099,758)	(241,387)	(13,341,145)
11.2 Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	73,257,539	(73,257,539)	-	-	-	-
11.3 Others		-	-	-	-	-	-	-	-	-	-	17,700	(17,700)	-	-	-	-
Balances at end of the period (III+IV+…+X+XI)		**4,200,000**	**11,880**	**-**	**772,554**	**20,686,184**	**(2,403,156)**	**1,560,812**	**31,309,986**	**1,860,892**	**(10,848,557)**	**187,899,236**	**-**	**44,155,427**	**279,205,258**	**1,106,839**	**280,312,097**
CURRENT PERIOD (01/01/2025-30/06/2025)																	
I. Balances at Beginning of Period		**4,200,000**	**11,880**	**-**	**772,554**	**25,642,651**	**(2,825,872)**	**2,166,512**	**33,263,218**	**(1,426,792)**	**(11,228,706)**	**187,933,574**	**91,279,430**	**-**	**329,788,449**	**1,620,169**	**331,408,618**
II. Correction made as per TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1. Effect of Corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2. Effect of Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Adjusted Balances at Beginning of Period (I+II)	5.5	**4,200,000**	**11,880**	**-**	**772,554**	**25,642,651**	**(2,825,872)**	**2,166,512**	**33,263,218**	**(1,426,792)**	**(11,228,706)**	**187,933,574**	**91,279,430**	**-**	**329,788,449**	**1,620,169**	**331,408,618**
IV. Total Comprehensive Income		-	-	-	-	**3,465,231**	**(505,012)**	**648,748**	**13,749,459**	**(495,585)**	**(4,056,414)**	-	-	**52,939,987**	**65,746,414**	**684,760**	**66,431,174**
V. Capital Increase in Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Capital Increase from Internal Sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Capital Reserves from Inflation Adjustments to Paid-in Capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Convertible Bonds		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Subordinated Liabilities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Others Changes		-	-	-	-	-	-	-	-	-	-	**219,254**	**33,573**	-	**252,827**	-	**252,827**
XI. Profit Distribution		-	-	-	-	-	-	-	-	-	-	**72,808,153**	**(91,243,152)**	-	**(18,434,999)**	**(528,035)**	**(18,963,034)**
11.1 Dividends		-	-	-	-	-	-	-	-	-	-	-	(18,434,999)	-	(18,434,999)	(528,035)	(18,963,034)
11.2 Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	72,794,297	(72,794,297)	-	-	-	-
11.3 Others		-	-	-	-	-	-	-	-	-	-	13,856	(13,856)	-	-	-	-
Balances at end of the period (III+IV+…+X+XI)		**4,200,000**	**11,880**	**-**	**772,554**	**29,107,882**	**(3,330,884)**	**2,815,260**	**47,012,677**	**(1,922,377)**	**(15,285,120)**	**260,960,981**	**69,851**	**52,939,987**	**377,352,691**	**1,776,894**	**379,129,585**

Türkiye Garanti Bankası Anonim Şirketi and Its Financial Subsidiaries
Consolidated Statement of Cash Flows
For the period ended at 30 June 2025

	STATEMENT OF CASH FLOWS	Footnotes	THOUSANDS OF TURKISH LIRA (TL) CURRENT PERIOD 1 January 2025- 30 June 2025	PRIOR PERIOD 1 January 2024 - 30 June 2024
A.	**CASH FLOWS FROM BANKING OPERATIONS**			
1.1	**Operating profit before changes in operating assets and liabilities**	**5.6**	**67,881,265**	**55,995,637**
1.1.1	Interests received		347,792,269	203,156,307
1.1.2	Interests paid		(274,859,885)	(147,783,300)
1.1.3	Dividend received		251,563	158,360
1.1.4	Fees and commissions received		92,375,343	61,216,210
1.1.5	Other income		12,835,923	6,680,692
1.1.6	Collections from previously written-off receivables		6,231,115	1,661,966
1.1.7	Cash payments to personnel and service suppliers		(68,014,460)	(39,709,475)
1.1.8	Taxes paid		(12,198,938)	(17,944,319)
1.1.9	Others		(36,531,665)	(11,440,804)
1.2	**Changes in operating assets and liabilities**	**5.6**	**2,554,489**	**(103,792,133)**
1.2.1	Net (increase) decrease in financial assets measured at FVTPL		1,574,842	1,282,178
1.2.2	Net (increase) decrease in due from banks		(112,340,089)	(106,265,806)
1.2.3	Net (increase) decrease in loans		(503,351,632)	(284,878,397)
1.2.4	Net (increase) decrease in other assets		(16,340,829)	(17,831,540)
1.2.5	Net increase (decrease) in bank deposits		(34,209,708)	18,091,133
1.2.6	Net increase (decrease) in other deposits		563,084,183	226,267,396
1.2.7	Net increase (decrease) in financial liabilities measured at FVTPL		(1,337,143)	-
1.2.8	Net increase (decrease) in funds borrowed		73,095,958	36,616,510
1.2.9	Net increase (decrease) in matured payables		-	-
1.2.10	Net increase (decrease) in other liabilities		32,378,907	22,926,393
I.	**Net cash flow from banking operations**	**5.6**	**70,435,754**	**(47,796,496)**
B.	**CASH FLOWS FROM INVESTING ACTIVITIES**			
II.	**Net cash flow from investing activities**	**5.6**	**(31,090,508)**	**(51,957,619)**
2.1	Cash paid for purchase of associates, subsidiaries and joint-ventures		(870,000)	(848,000)
2.2	Cash obtained from sale of associates, subsidiaries and joint-ventures		-	-
2.3	Purchases of tangible assets		(7,626,739)	(3,046,760)
2.4	Sales of tangible assets		4,342,335	757,010
2.5	Cash paid for purchase of financial assets measured at FVOCI		(109,441,736)	(59,991,908)
2.6	Cash obtained from sale of financial assets measured at FVOCI		82,086,733	44,682,204
2.7	Cash paid for purchase of financial assets measured at amortised cost		(26,176,486)	(55,277,356)
2.8	Cash obtained from sale of financial assets measured at amortised cost		26,595,385	21,767,191
2.9	Others		-	-
C.	**CASH FLOWS FROM FINANCING ACTIVITIES**			
III.	**Net cash flow from financing activities**		**69,213,825**	**28,252,379**
3.1	Cash obtained from funds borrowed and securities issued		123,295,026	67,481,920
3.2	Cash used for repayment of funds borrowed and securities issued		(33,897,988)	(25,200,713)
3.3	Equity instruments issued		-	-
3.4	Dividends paid		(18,963,034)	(13,341,145)
3.5	Payments for leases		(1,220,179)	(687,683)
3.6	Others		-	-
IV.	**Effect of translation differences on cash and cash equivalents**	**5.6**	**9,601,479**	**4,881,115**
V.	**Net increase/(decrease) in cash and cash equivalents (I+II+III+IV)**	**5.6**	**118,160,550**	**(66,620,621)**
VI.	**Cash and cash equivalents at beginning of period**	**5.6**	**202,945,617**	**295,973,109**
VII.	**Cash and cash equivalents at end of period (V+VI)**	**5.6**	**321,106,167**	**229,352,488**

The accompanying notes are an integral part of these consolidated financial statements.

3 Accounting Policies

3.1 Basis of presentation

The Bank and its consolidated financial subsidiaries prepare their consolidated financial statements in accordance with the Banking Regulation and Supervision Authority ("BRSA") Accounting and Reporting Regulation which includes the regulation on "The Procedures and Principles Regarding Banks' Accounting Practices and Maintaining Documents" published in the Official Gazette dated 1 November 2006 with No. 26333, and other regulations on accounting records of banks published by the Banking Regulation and Supervision Board and circulars and pronouncements published by the BRSA and Turkish Financial Reporting Standards ("TFRS") published by the Public Oversight Accounting and Auditing Standards Authority ("POA") for the matters not regulated by the aforementioned legislations.

The accompanying consolidated financial statements are prepared in accordance with the historical cost basis except for financial assets and liabilities at fair value through profit or loss, financial assets measured at fair value through other comprehensive income, and real estates which are presented on a fair value basis.

Prepared in accordance with the "Communiqué amending the Communiqué on the Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks" published in the Official Gazette dated 1 February 2019 with No. 30673.

The accounting policies and the valuation principles applied in the preparation of the accompanying financial statements are explained in Notes from 3.2 to 3.29.

3.1.1 Changes in Accounting policies and disclosures

New and revised Turkish Accounting Standards effective for annual periods beginning on or after 1 January 2025 have no material effect on the financial statements, financial performance, and on the Group's accounting policies. New and revised Turkish Accounting Standards issued but not yet effective as of the finalization date of the financial statements have no material effect on the financial statements, financial performance, and on the Group's accounting policies.

3.1.2 Other

Entities whose functional currency is the currency of a hyperinflationary economy present their financial statements in terms of the measuring unit current at the end of the reporting period according to "TAS 29 Financial Reporting in Hyperinflation Economies". Based on the announcement made by Public Oversight, Accounting and Auditing Standards Authority (POA) on 23 November 2023, entities applying Turkish Financial Reporting Standards (TFRS) are required to present their financial statements by adjusting for the impact of inflation for the annual reporting period ending on or after 31 December 2023, in accordance with the accounting principles specified in TAS 29. In the same announcement, it was stated that institutions or organizations authorized to regulate and supervise in their respective scope might determine different transition dates for the implementation of inflation accounting, and in this context, Banking Regulation and Supervision Agency (BRSA) announced that;

- In accordance with Board decision on 12 December 2023, financial statements of banks, financial leasing, factoring, financing, savings financing and asset management companies as of 31 December 2023 would not be subject to the inflation adjustment.
- In accordance with Board decision on 11 January 2024, banks, financial leasing, factoring, financing, savings financing and asset management companies are required to apply inflation adjustment as of 1 January 2025.
- In accordance with the Board decision numbered 11021 on 5 December 2024, banks, financial leasing, factoring, financing, savings financing and asset management companies will not apply inflation adjustment in 2025.

Based on this, "TAS 29 Financial Reporting in Hyperinflation Economies" has not been applied in the consolidated financial statements as of 30 June 2025.

In February 2019, POA issued TFRS 17, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation, and disclosure. TFRS 17 introduces a model that both measures insurance contract liabilities at their current balance sheet value and recognizes profit over the period in which the services are provided. With the announcement made by POA, the mandatory effective date of the Standard has been postponed to accounting periods beginning on or after 1 January 2026. Accordingly, the Group has not applied the related standard in the consolidated financial statements of its subsidiary Garanti Emeklilik ve Hayat A.Ş..

3.2 Strategy for use of financial instruments and foreign currency transactions

3.2.1 Strategy for use of financial instruments

The liability side of the balance sheet is intensively composed of short-term deposits in line with the general trend in the banking sector. In addition to deposits, the Bank and its financial subsidiaries have access to longer-term borrowings via borrowings from abroad.

In order to manage the interest rate risk arising from short-term deposits, the Bank and its financial subsidiaries are keen on maintaining floating rate instruments such as government bonds with quarterly coupon payments and instruments like credit cards and consumer loans providing regular cash inflows. A portion of the fixed-rate securities and loans and the bonds are hedged under fair value hedges. The fair value risks of such fixed-rate assets and financial liabilities are hedged with interest rate swaps and cross currency swaps. The fair value changes of the hedged fixed-rate financial assets and financial liabilities together with the changes in the fair value of the hedging instruments, namely interest rate swaps and cross-currency swaps, are accounted under net trading income/losses in the income statement. At the inception of the hedge and during the subsequent periods, the hedge is expected to achieve the offsetting of changes in fair value attributable to the hedged risk for which the hedge is designated, and accordingly, the hedge effectiveness tests are performed.

It may classify the financial assets and liabilities as at fair value through profit or loss at the initial recognition in order to eliminate any accounting inconsistency.

The fundamental strategy to manage the liquidity risk that may incur due to short-term structure of funding is to expand the deposit base through customer-oriented banking philosophy and to increase customer transactions and retention rates. The widespread and effective branch network, advantage of primary dealership, and strong market share in the treasury and capital markets, are the most effective tools in the realisation of this strategy. For this purpose, serving customers by introducing new products and services continuously and reaching the customers satisfaction are very important.

Another influential factor in the management of the interest and liquidity risk on balance sheet is product diversification both on asset and liability sides.

Exchange rate risk, interest rate risk, and liquidity risk are controlled and measured by various risk management systems, and the balance sheet is managed under the limits set by these systems and the limits legally required. Asset-liability management and value-at-risk models, stress tests, and scenario analysis are used for this purpose.

Purchase and sale of short and long-term financial instruments are allowed within the pre-determined limits to generate risk-free return on capital.

The foreign currency position is controlled by the equilibrium of a currency basket to eliminate the foreign exchange risk.

3.2.2 Foreign currency transactions

Foreign exchange gains and losses arising from foreign currency transactions are recorded at transaction dates. At the end of the periods, foreign currency assets and liabilities are evaluated with the Bank’s spot purchase rates for the Parent Bank and domestic financial subsidiaries, and the differences are recorded as foreign exchange gain or loss in the income statement.

During the consolidation of foreign subsidiaries, the assets and liabilities are translated into TL at exchange rates ruling at the balance sheet date, and the income and expenses in income statement are translated into TL using monthly average exchange rates. Foreign exchange differences arising from the translation of income and expenses and other equity items are recognized in "other comprehensive income/expense items to be recycled to profit or loss under the shareholders' equity.

In the current period, net investment hedge amounting to EUR 530,583,575 (31 December 2024: EUR 530,583,575) is applied in total among investments in Garanti Bank International NV and Garanti Holding BV having capitals denominated in foreign currencies and long-term foreign currency borrowings. Foreign exchange losses amounting to TL 22,601,004 (31 December 2024: TL 16,863,273), arising from conversion of both foreign currency investments and long-term foreign currency borrowings are accounted under capital reserves and other comprehensive income/expense items to be recycled to profit/loss, respectively under equity as of 30 June 2025. There is no ineffective portion arising from net investment hedge accounting.

3.3 Information on consolidated subsidiaries

As of 30 June 2025, Türkiye Garanti Bankası Anonim Şirketi and the following financial subsidiaries are consolidated in the accompanying consolidated financial statements; Garanti Bank International (GBI), Garanti Finansal Kiralama AŞ (Garanti Finansal Kiralama), Garanti Yatırım Menkul Kıymetler AŞ (Garanti Yatırım), Garanti Portföy Yönetimi AŞ (Garanti Portföy), Garanti Emeklilik ve Hayat AŞ (Garanti Emeklilik), Garanti Faktoring AŞ (Garanti Faktoring), Garanti Ödeme Sistemleri AŞ (GÖSAŞ), Garanti Holding BV (Garanti Holding) and Garanti Ödeme ve Elektronik Para Hizmetleri AŞ (TAMİ).

Garanti Finansal Kiralama was established in 1990 to perform financial lease activities and all related transactions and contracts. The company's head office is in Istanbul. The Bank increased its shareholding to 100% through a further acquisition of 0.04% of the company's shares on 21 October 2014.

Garanti Faktoring was established in 1990 to perform import, export and domestic factoring activities. The company's head office is in Istanbul. The Bank owns 81.84% of Garanti Faktoring shares including the shares acquired in the market, T. İhracat Kredi Bankası AŞ owns 9.78% of the company's shares and the remaining 8.38% shares are held by public.

GBI was established i October 1990 to perform banking activities abroad. The head office of this bank is in Amsterdam. It is wholly owned by the Bank.

Garanti Yatırım was established in 1991 to perform brokerage activities for marketable securities, valuable papers and documents representing financial values or financial commitments of issuing parties other than securities. The company's head office is in Istanbul. It is wholly owned by the Bank. Garanti Yatırım Ortaklığı AŞ that Garanti Yatırım participated by 3.61%, has been consolidated in the accompanying consolidated financial statements due to the company's right to elect all the members of the Board of Directors as resulted from its privilege in election of board members.

In 1992, it was decided to operate life and health branches under a different company and accordingly Garanti Hayat Sigorta AŞ was established. Garanti Hayat Sigorta AŞ was converted into a private pension company in compliance with the legislation early in 2003 and its name was changed as Garanti Emeklilik ve Hayat AŞ. Following the sale transactions that took place on 21 June 2007, the Bank's ownership in Garanti Emeklilik decreased to 84.91%. The head office of this company is in Istanbul.

Garanti Portföy was established in June 1997 to manage the customer portfolios by using the capital market products in compliance with the principles and rules of the regulations regarding the company's purpose of establishment and the portfolio management agreements signed with the customers. The company's head office is in Istanbul. It is wholly owned by the Bank.

Garanti Ödeme Sistemleri was incorporated in 1999. It offers the infrastructure required clearing and reconciliation transactions among participants. It constitutes, operates and develops the system, platform and infrastructures ensuring or supporting any and all types of payments or money transfers without having to use cash.

Garanti Ödeme ve Elektronik Para Hizmetleri was established in 2022 with a partnership of 50% Garanti BBVA and 50% Garanti Ödeme Sistemleri AŞ. As of May 16, 2024, with the capital increase of the Parent Bank amounting TL 400,000,000, the shareholding structure of the company has changed to 80.53% Garanti BBVA and 19.47% Garanti Ödeme Sistemleri AŞ. On January 30, 2024, it was granted a license by the Central Bank of the Republic of Türkiye, allowing it to operate as a payment and electronic money institution to provide electronic money issuance services. As of February 10, 2025, with the capital increase of the Parent Bank amounting TL 595,000,000, the shareholding structure of the company has changed to 89.80% Garanti BBVA and 10.20% Garanti Ödeme Sistemleri AŞ.

Garanti Holding was established in December 2007 in Amsterdam and all its shares was purchased by the Bank from Doğuş Holding AŞ in May 2010. On 27 January 2011, the consolidated subsidiary's legal named changed to Garanti Holding BV from D Netherlands BV.

Garanti Diversified Payment Rights Finance Company and RPV Company are structured entities established for the Parent Bank's DPR transactions, and consolidated in the accompanying consolidated financial statements. The Bank or any of its subsidiaries does not have any shareholding interests in these companies.

Non-financial subsidiaries owned by the Bank and its subsidiaries within the scope of consolidation are accounted by using the equity method as defined in TAS 28 "Investments in Associates and Joint Ventures".

3.4 Forwards, options and other derivative transactions

3.4.1 Derivative financial assets

Derivative financial assets measured at fair value through profit or loss

The derivative transactions mainly consist of foreign currency and interest rate swaps, foreign currency options, and forward foreign currency purchase/sale contacts.

Derivatives are initially recorded at their fair values. The related transaction costs are recognized in income statement at the date they incur. The changes in their fair values are recorded on balance sheet under "the portion of derivative financial assets measured at fair value through profit and loss" or "the portion of derivative financial liabilities measured at fair value through profit and loss", respectively depending on the fair values being positive or negative. Fair value changes for derivatives are recorded in the account of "income/losses from derivative transactions" under statement of profit or loss.

Within the scope of TFRS 13 Fair Value Measurement standard; (i) if there is a significant decrease in the volume or level of activity for that asset or liability in relation to normal market activity for the asset or liability (or similar assets or liabilities); (ii) when the transaction or quoted price does not represent fair value; and / or (iii) when a price for a similar asset requires significant adjustment to make it comparable to the asset being measured, or (iv) when the price is stable, an adjustment to the transactions or quoted prices is made and this adjustment is reflected to the fair value measurement. In this context, the point is determined within the range that is most representative of fair value under current market conditions. The Parent Bank uses off-shore market curve for swap and forward transactions with foreign institutions and uses the TLREF-based OIS ("Overnight Indexed Swap") market curve for swap and forward transactions with domestic institutions in order to reflect the fair value measurement and performed the necessary fair value measurement adjustments.

The spot legs of currency swap transactions are recorded on the balance sheet and the forward legs in the off-balance sheet accounts as commitment. In the initial phase of currency swaps, the currency exchange transactions to realise at value dates are recorded and followed as irrevocable commitments in the off-balance sheet accounts up to their value dates.

Liabilities and receivables arising from the derivative instruments are followed in the off-balance sheet accounts at their contractual values.

An embedded derivative is a component of a hybrid contract that also includes a non-derivative host with the effect that some of the cash flows of the combined instrument vary in a way similar to stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating, or credit index, or other variables, provided in the case of a non-financial variable that the variable is not specific to contract. A derivative that is attached to a financial instrument but is contractually transferable independently of that instrument, or has a different counterparty, is not an embedded derivative but a separate financial instrument. If a hybrid contract contains a host that is an asset within the scope of this standard, it is applied the standard's requirements about classification of financial assets to the entire hybrid contract. The Bank and its consolidated financial subsidiaries do not have either any hybrid contract contains a host that is not an asset within the scope of this standard or a financial instrument which shall be separated from the host and accounted for as derivative under this standard.

Credit derivatives; are capital market tools designed to transfer credit risk from one party to another. The credit derivatives portfolio included in the off-balance sheet accounts composes of total return swaps and credit default swaps resulted from protection buying or selling.

Credit default swap; is a contract, in which the protection seller commits to pay the protection value to the protection buyer in case of certain credit risk events in return for the premium paid by the buyer for the contract. Credit default swaps are valued daily at their fair values.

Total return swap; is a contract, in which the protection seller commits to make a certain payment and compensate the decreases in market values of the reference assets to the buyer under the condition that the protection buyer will transfer all the cash flows to be created by and the increases in market values of the reference asset. It is entered into total return swap contract for the purpose of generating long-term funding.

3.4.2 Derivative financial instruments held for hedging purpose

TFRS 9 permits to defer implementation of TFRS 9 hedge accounting and continue to apply hedge accounting in accordance with TAS 39 as a policy choice. Accordingly, the Group was applying hedge accounting in accordance with TAS 39 until 1 January 2025.

As of 1 January 2025, The Bank and its consolidated financial subsidiaries have started to apply TFRS 9 requirements for micro hedge derivative financial instruments and continues to apply TAS 39 requirements for macro fair value hedge derivative financial instruments.

The Group applies TFRS 9 hedge accounting to all hedge relationships, with the exception of fair value hedges of the interest rate exposure of a portfolio of financial assets or financial liabilities.

The Group enters into interest rate and cross currency swap transactions in order to hedge the changes in fair values of fixed-rate financial instruments. The changes in fair values of derivative instruments held for fair value hedges are recognised in "Income/Losses from Derivative Financial Instruments". If the hedging is effective, the changes in fair value of the hedged item is presented in the Statement of Financial Position together with the fixed-rate loan. In case of fixed-rate financial assets measured at fair value through other comprehensive income, such changes are reclassified from Shareholders' Equity to Statement of Profit or Loss.

Derivative financial assets measured at fair value through other comprehensive income

The Bank and its consolidated financial subsidiaries enter into interest rate and cross-currency swap transactions in order to hedge the changes in cash flows of the floating-rate financial instruments. While applying cash flow hedge accounting, the effective portion of the changes in the fair value of the hedging instrument is accounted for under "accumulated other comprehensive income or expense to be reclassified to profit or loss" in shareholders' equity, and the ineffective portion is recognised in income statement. The changes recognized in shareholders' equity are removed and included in statement of profit or loss in the same period when the hedged cash flows effect the income or loss.

The Bank and its consolidated financial subsidiaries discontinue hedge accounting prospectively only when the hedging relationship ceases to meet the qualifying criteria. This includes instances when the hedging instrument expires or is sold, terminated or exercised. For this purpose, the replacement or rollover of a hedging instrument into another hedging instrument is not an expiration or termination if such a replacement or rollover is part of, and consistent with, the Bank's documented risk management objective. Additionally, for this purpose there is not an expiration or termination of the hedging instrument.

Besides The Bank and its consolidated financial subsidiaries perform effectiveness tests as an additional control at the beginning of hedge accounting and at each reporting period. Effectiveness tests are performed with the "Dollar off-set method" and if the effectiveness is between 80% and 125%, it is reviewed in accordance with TFRS 9 regarding the continuation of the hedging relationship.

When discontinuing fair value hedge accounting, the cumulative fair value changes in carrying value of the hedged item arising from the hedged risk are amortised to Statement of Profit or Loss under trading account income/loss caption over the maturity of the hedged item from that date of the hedge accounting is discontinued.

While discontinuing cash flow hedge accounting, the cumulative gains/losses recognised in shareholders' equity and presented under Other Comprehensive Income or Expense to be Recycled to Profit or Loss, are continued to be kept in this account.

When the cash flows of hedged item incur, the gain/losses accounted for under Shareholders' Equity, are recognised in Statement of Profit or Loss considering the original maturity.

3.5 Interest income and expenses

General

Interest is recorded according to the effective interest rate method (rate equalizing future cash flows of financial assets or liabilities to net present value) defined in the TFRS 9 "Financial Instruments" standard by applying the effective interest rate to the gross carrying amount of a financial asset except for: purchased or originated credit-impaired financial assets or financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. In applying the effective interest method, it is identified fees that are an integral part of the effective interest rate of a financial instrument. Fees that are an integral part of the effective interest rate of a financial instrument are treated as an adjustment to the effective interest rate, unless the financial instrument is measured at fair value, with the change in fair value being recognised in profit or loss. In those cases, such fees are accounted as revenue or expense when the financial instrument is initially recognised in the financial statements.

When applying the effective interest method, it is amortised any fees, transaction costs and other premiums or discounts that are included in the calculation of the effective interest rate over the expected life of the financial instrument.

In case an interest was accrued on a security before its acquisition, the collected interest is divided into two parts as interest before and after the acquisition and only the interest income of the period after the acquisition is recorded as interest income in the financial statements.

If the expectations for the cash flows in the financial asset are revised for reasons other than the credit risk, the amendment is reflected in the carrying amount of the asset and in the related income statement line and is amortized over the estimated life of the financial asset.

If the financial asset is impaired and classified as a non-performing receivable, it is applied the effective interest rate on the amortized cost of the asset for subsequent reporting periods. Such interest income calculation is made on an individual contract basis for all financial assets subject to impairment calculation. It is used effective interest rate during calculation of loss given default rate in expected credit loss models and accordingly, the calculation of expected credit losses includes an interest amount. Therefore, a reclassification is made between the accounts of "expected credit losses" expense and "interest income from loans" for interest amounts calculated in this way.

If the credit risk of the financial instrument improves to the extent that the financial asset is no longer considered as impaired and the improvement can be attributed to an incident that eventually takes place (such as an increase in the loan's credit rating), the system calculates interest income at subsequent reporting periods by applying the effective interest rate to the gross amount.

Financial lease activities

Total of minimum rental payments including interests and principals are recorded under "financial lease receivables" as gross. The difference, i.e. the interest, between the total of rental payments and the cost of the related tangible asset is recorded under "unearned income". When the rent payment incurs, the rent amount is deducted from "financial lease receivables"; and the interest portion is recorded as interest income in the income statement.

3.6 Fees and commissions

Fees and commissions except for which are integral part of the effective interest rates of financial instruments measured at amortized costs, are accounted for in accordance with TFRS 15 "Revenue from Contracts with Customers". Except for certain fees related with certain banking transactions and recognized when the related service is given, fees and commissions received or paid, and other fees and commissions paid to financial institutions are accounted under accrual basis of accounting throughout the service period. The income derived from agreements or asset purchases from real-person or corporate third parties are recognized as income when realized.

3.7 Financial instruments

3.7.1 Initial recognition of financial instruments

It shall be recognised a financial asset or a financial liability in its statement of financial position when, and only when, an entity becomes party to the contractual provisions of the instrument. A regular way purchase or sale of financial assets shall be recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. Purchase and sale transactions of securities are accounted for the settlement date.

3.7.2 Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on the contractual conditions and the relevant business model. Except for the assets in the scope of TFRS 15 "Revenue from Contracts with Customers", at initial recognition, financial assets or financial liabilities are measured at fair value. At initial recognition, financial asset or a financial liability exclusive the ones at fair value through profit or loss are measured at its fair value plus or minus, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

3.7.3 Classification of financial instruments

On which category a financial instrument shall be classified at initial recognition depends on both the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

3.7.3.1 Assessment of the business model

As per TFRS 9, the business model is determined at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. The business model does not depend on management's intentions for an individual instrument. Accordingly, this condition is not an instrument-by-instrument approach to classification and should be determined on a higher level of aggregation.

During assessment of the business model for management of financial assets, it must be considered all relevant evidence that is available at the date of the assessment. Such relevant evidence includes below:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed; and
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

Assessment of the business model is not performed on the basis of scenarios that the entity does not reasonably expect to occur, such as so-called 'worst case' or 'stress case' scenarios.

If cash flows are realised in a way that is different from the expectations at the date that it is assessed the business model, that does not give rise to a prior period error in the financial statements nor does it change the classification of the remaining financial assets held in that business model as long as it is considered all relevant information that was available at the time that it made the business model assessment. However, when the business model is assessed for newly originated or newly purchased financial assets, it must be considered information about how cash flows were realised in the past, along with all other relevant information.

The business models are divided into three categories. These categories are defined below:

- A business model whose objective is to hold assets in order to collect contractual cash flows: A business model whose objective is to hold assets in order to collect contractual cash flows are managed to realise cash flows by collecting contractual payments over the life of the instrument. The financial assets that are held within the scope of this business model are measured at amortised cost when the contractual terms of the financial asset meet the condition of giving rise on specified dates to contractual cash flows that are solely payments of principal and interest on the principal amount outstanding.

- A business model whose objective is achieved by both collecting contractual cash flows and selling financial assets: It may be held financial assets in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. Fair value change of the financial assets that are held within the scope of this business model is accounted under other comprehensive income when the contractual terms of the financial asset meet the condition of giving rise on specified dates to contractual cash flows that are solely payments of principal and interest on the principal amount outstanding.

- Other business models: Financial assets are measured at fair value through profit or loss if they are not held within a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

3.7.3.2 Contractual cash flows that are solely payments of principal and interest on the principal amount outstanding

As per TFRS 9, a financial asset is classified on the basis of its contractual cash flow characteristics if the financial asset is held within a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

In a basic lending arrangement, consideration for the time value of money and credit risk are typically the most significant elements of interest. In order to assess whether the element provides consideration for only the passage of time, an entity applies judgment and considers relevant factors such as the currency in which the financial asset is denominated and the period for which the interest rate is set. When the contractual conditions are exposed to the risks which are not consistent with the basic lending arrangement or variability of cash flows, the relevant financial asset is measured at fair value through profit or loss.

3.7.4 Measurement categories of financial assets and liabilities

All financial assets are classified based on the business model for managing the financial assets. Accordingly, financial assets are classified in three main categories as listed below:

- Financial assets measured at amortized cost,
- Financial assets measured at fair value through other comprehensive income,
- Financial assets measured at fair value through profit or loss.

Financial investments and loans measured at amortised cost

Financial investments and loans are measured at amortised cost if both of the following conditions are met:

- Financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

- Contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial investments measured at amortised cost: subsequent to the initial recognition, financial investments measured at amortised cost are accounted at amortised cost calculated by using the effective interest rate method. The expected losses calculated for the relevant financial assets in accordance with TFRS 9 are presented in Note 5.1.8.5.

Loans: financial assets other than those held for trading in short term or generated through providing money, commodity and services to debtors. Loans are financial assets with fixed or determinable payments and not quoted in an active market.

Loans are recognized at cost and measured at amortized cost using the effective interest method. Duties paid, transaction costs and other similar expenses on assets received against such risks are considered as a part of transaction cost and charged to customers. The expected losses calculated for the relevant financial assets in accordance with TFRS 9 are presented in Note 5.1.5.11.

Financial assets measured at fair value through other comprehensive income

As per TFRS 9, financial investments are measured at fair value through other comprehensive income if both of the following conditions are met:

- Financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- Contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A gain or loss on a financial asset measured at fair value through other comprehensive income shall be recognised in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognised or reclassified. If the financial asset is reclassified as financial assets measured at fair value through profit or loss, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment at the reclassification date.

Financial assets measured at fair value through other comprehensive income are measured at their fair values subsequently. However, assets for which fair values could not be determined reliably are valued at amortized cost by using the discounting method with effective interest rate, that approximates to fair value, for floating-rate securities; and by using valuation models or discounted cash flow techniques for fixed-rate securities.

Unrecognised gains/losses derived from the difference between their fair value and the discounted values are recorded in accumulated other comprehensive income or expense to be reclassified to profit or loss under the shareholders' equity. In case of sales, the gain/losses arising from fair value measurement accumulated under shareholders' equity are recognized in income statement.

Interests calculated and/or earned by using the effective interest method during holding of financial assets measured at fair value through other comprehensive income are recorded primarily in interest income. In case of sale of such debt securities are sold before maturity date, the difference between the sales income calculated as difference between the cost in accordance with the Uniform Chart of Accounts and the sale price and the recognized interest income is transferred to "trading account income/losses".

The Bank also consumer price indexed government bonds ("CPI") in its securities portfolio, reclassified as financial assets measured at fair value through other comprehensive income, financial assets measured at fair value through profit or loss and financial assets measured at amortised cost. CPI's are valued and accounted based on the effective interest rate method which is calculated according to the real coupon rate and the reference inflation index on the issue date. As it is mentioned in the Undersecretariat of Treasury's Investor Guide of CPI, the reference index used during the calculation of the actual coupon payment amount is the previous two months' CPI's. The Bank determines its expected inflation rates in compliance with this guideline. The estimated inflation rate according to the Central Bank of Türkiye's and the Bank's expectations, may be updated during the year when it is considered necessary.

Equity instruments measured at fair value through other comprehensive income

At initial recognition, it can be made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument within the scope of TFRS 9 that is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which TFRS 3 applies. Such election is made on an instrument-by-instrument basis.

Amounts presented in other comprehensive income shall not be subsequently transferred to profit or loss. However, the cumulative gain or loss shall be transferred to prior period's profit or loss. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. TFRS 9 impairment requirements are not applicable for equity instruments.

Financial assets and liabilities measured at fair value through profit or loss

Financial assets valued at fair value through profit or loss are valued at their fair values and gain/loss arising on those assets is recorded in the income statement. Interest income earned on trading securities and the difference between their acquisition costs and amortized costs are recorded as interest income in the income statement. The differences between the amortized costs and the fair values of such securities are recorded under trading account income/losses in the income statement. In cases where such securities are sold before their maturities, the gains/losses on such sales are recorded under trading account income/losses.

It is classified certain loans and securities issued at their origination dates, as financial assets/liabilities, irrevocably at fair value through profit or loss in order to eliminate any accounting mismatch in compliance with TFRS 9.

The interest income/expense earned and the difference between the acquisition costs and the amortized costs of financial liabilities are recorded under interest income/expense in statement of profit or loss, the difference between the amortized costs and the fair values of financial liabilities are recorded under trading account income/losses in statement of profit or loss. The amount of change in the fair value of the financial liability at fair value through profit or loss that is attributable to changes in the credit risk of that liability shall be presented in other comprehensive income unless it creates accounting mismatch or increases the accounting mismatch. Excluding the change in credit risk of the liability, the change in the fair value of the liability shall be recognized in profit or loss.

3.8 Disclosures on impairment of financial instruments

Loss allowance for expected credit losses is recognised on financial assets and loans measured at amortised cost, financial assets measured at fair value through other comprehensive income, loan commitments, and financial guarantee contracts not measured at fair value through profit or loss based on TFRS 9 and the regulation published in the Official Gazette No. 29750 dated 22 June 2016 in connection with "Procedures and Principals regarding Classification of Loans and Allowances Allocated for Such Loans" effective from 1 January 2018. TFRS 9 impairment requirements are not applicable for equity instruments.

At each reporting date, it shall be assessed whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, it shall be used the change in the risk of a default occurring for the financial instrument.

As of the reporting date, if the credit risk on a financial instrument has not increased significantly since initial recognition, it shall be measured the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. However, if there is a significant increase in credit risk of a financial instrument since initial recognition, it is measured loss allowance regarding such instrument at an amount equal to lifetime expected credit losses.

The expected credit loss is calculated on a collective basis by means of grouping the financial assets having common credit risk features or on an individual basis.

It is constituted a policy in order to make an assessment whether the credit risk on a financial instrument has increased significantly since initial recognition by taking into consideration change in the risk of a default occurring over the expected life of the financial instrument. The aforementioned policy is presented in note 3.8.3.

The impairment model having 3 stages based on the change in credit quality since initial recognition based on TFRS 9 is explained below.

3.8.1 Calculation of expected credit losses

Expected credit losses are calculated based on a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between the cash flows that are due based on the contract and the cash flows that are expected to be received.

Probability of Default (PD): PD refers to the likelihood that a loan will default, which is usually set at 12 months, given certain characteristics. Based on TFRS 9, it is used two different PDs in order to calculate expected credit losses:

- 12-month PD: as the estimated probability of default occurring within the next 12 months following the balance sheet date.
- Lifetime PD: as the estimated probability of default occurring over the remaining life of the financial instrument.

Internal rating systems are used for both retail and commercial portfolios. The internal rating models used for the commercial portfolio include customer financial information and qualitative survey responses. Whereas behavioral and application scorecards used in the retail portfolio include; (i) the behavioral data of the customer and the product in the Bank, (ii) the demographic information of the customer, and (iii) the behavioral data of the customer in the sector. Probability of default calculation has been carried out based on past information, current conditions and forward-looking macroeconomic parameters.

Loss Given Default (LGD): If a loan default occurs, it represents the economic loss incurred on the loan. It is expressed as a percentage.

LGD calculations are performed using historical data which best reflect current conditions, by formation of segments based on certain risk factors that are deemed important for each portfolio and inclusion of forward-looking information and macroeconomic expectations. LGD summarizes all cash flows from customers subsequent to default. It covers all costs and collections that occur during the collection cycle, including collections from collaterals. It also includes the "time value of money" calculated by means of deducting costs and additional losses from the present value of collections.

Exposure at Default (EAD): For cash loans, it corresponds to the amount of loan granted as of the reporting date. For non-cash loans and commitments, it is the value calculated through using credit conversion factors. Credit conversion factor corresponds to the factor which adjusts the potential increase of the exposure between the current date and the default date.

When expected credit losses are estimated, it is considered three scenarios (base scenario, bad scenario, good scenario). Each of these three scenarios is associated with different probability of default, loss given default and exposure at default. When relevant, the assessment of multiple scenarios also incorporates how defaulted loans are expected to be recovered, including the probability that the loans will cure and the value of collateral or the amount that might be received for selling the asset.

With the exception of credit cards and other revolving facilities, the maximum period for which the credit losses are determined is the contractual life of a financial instrument unless there is the legal right to call it earlier.

Stage 1: 12-month expected credit loss represents the expected credit losses that result from default events on a financial instrument that are possible within the 12 months after the reporting date and calculated as the portion of lifetime expected credit losses. It is calculated 12-month expected credit loss based on a probability of default realized within 12 months after the reporting date. Such expected 12-month probability of default is applied on an expected exposure at default, multiplied with loss given default rate and discounted with the original effective interest rate. Such calculation is performed for each of three scenarios explained above.

Stage 2: When a loan has shown a significant increase in credit risk since origination, it is calculated an allowance for the lifetime expected credit losses. Including multiple scenario usage, it is similar to descriptions above, but probability of default and loss given default rates are estimated through the life of the instrument. Estimated cash shortfalls are discounted by using the original effective interest rate.

Stage 3: For the loans considered as impaired, it is accounted for lifetime expected credit losses. The methodology is similar to stage 2 and the probability of default is taken into account as 100%.

It is considered a debt as default on these two below conditions;

1. Objective Default Definition: It means debt having past due more than 90 days. Current definition of default is based on a more than 90 days past due definition. If a loan is exactly 90 days past due, it will not be considered as default. Default status starts on the 91st day.
2. Subjective Default Definition: It means it is considered that a debt is unlikely to be paid. Whenever it is considered that an obligor is unlikely to pay its credit obligations, it should be considered as defaulted regardless of the existence of any past-due amount or the number of days past due.

For the purpose of determining significant increases in credit risk and recognising a loss allowance on a collective basis, financial instruments are grouped on the basis of shared credit risk characteristics. In this context, the methodology developed for the estimation of expected credit losses should include the risk features which meet the criteria for carrying the same credit risk characteristics. Examples of the common credit risk characteristics include, but are not limited to, the following:

- Customer type (retail or corporate/commercial)
- Product type
- Credit risk rating notes /scores
- Sector/market segmentation
- Collateral type
- Loan to value ratio
- Duration since origination of a loan
- Remaining time to maturity
- Exposure at default

In addition, a certain portion of commercial and corporate loans is assessed individually in accordance with the internal policies in the calculation of the expected credit losses based on TFRS 9. Such calculations are made by discounting the expected cash deficits from the individual financial instrument to its present value using the effective interest rate.

When measuring expected credit losses, it shall be considered the risk or probability that a credit loss occurs by reflecting the possibility that a credit loss occurs and the possibility that no credit loss occurs, even if the possibility of a credit loss occurring is very low. Such assessment is made by reflecting the estimate of expected credit loss which is unbiased and probability-weighted determined by evaluating a range of possible outcomes.

In accordance with the internal policies, TFRS 9 models are updated once a year. The related model update was made in the last quarter of 2024 and has calculated credit losses provision is continued to calculated based on the updated model during 2024.

3.8.1.1 Loan commitments and non-cash loans

The expected credit losses on a loan commitment shall be discounted using the effective interest rate, or an approximation thereof, that will be applied when recognising the financial asset resulting from the loan commitment. This is because for the purpose of applying the impairment requirements, a financial asset that is recognised following a drawdown on a loan commitment shall be treated as a continuation of that commitment instead of as a new financial instrument.

The expected credit losses on the financial asset shall therefore be measured considering the initial credit risk of the loan commitment from the date when becoming a party to the irrevocable commitment.

Expected credit losses on financial guarantee contracts or on loan commitments for which the effective interest rate cannot be determined shall be discounted by applying a discount rate that reflects the current market assessment of the time value of money and the risks that are specific to the cash flows but only if, and to the extent that, the risks are taken into account by adjusting the discount rate instead of adjusting the cash shortfalls being discounted.

3.8.1.2 Debt instruments measured at fair value through other comprehensive income

In accordance with TFRS 9, the impairment requirements for the recognition and measurement of a loss allowance for financial assets that are measured at fair value through other comprehensive income shall be applied. However, the loss allowance shall be recognised in other comprehensive income and shall not reduce the carrying amount of the financial asset in the statement of financial position. The expected credit loss is reflected in other comprehensive income and the accumulated amount is recycled to statement of profit/loss following the derecognition of related financial asset.

3.8.1.3 Credit cards and other revolving loans

The Bank and its financial subsidiaries subject to consolidation offer credit card and overdraft products which give ability to corporate and commercial customers demand repayment and cancel the undrawn commitment. Such products do not limit the period that entities are exposed to credit losses with the contractual notice. For this reason, it is calculated the expected credit losses for these products over a period of time reflecting the anticipation of customer behavior, the likelihood of default, and future risk mitigation procedures such as the reduction or removal of undrawn limits.

When determining the period over which it is expected to be exposed to credit risk, but for which expected credit losses would not be mitigated by normal credit risk management actions, it is considered factors such as historical information and experience about the below items:

- the period over which the entity was exposed to credit risk on similar financial instruments;
- the length of time for related defaults to occur on similar financial instruments following a significant increase in credit risk; and
- the credit risk management actions that it is expected to be taken once the credit risk on the financial instrument has increased, such as the reduction or removal of undrawn limits.

It is calculated expected credit losses on the revolving products of retail and corporate customers by considering 3 to 5 years.

It is made assessment of significant increase in credit risk of revolving loans by considering qualitative and quantitative criteria considered for other credit products as explained in disclosure 3.8.3.

3.8.2 Forward-looking macroeconomic information

Forward-looking macroeconomic information is incorporated into credit risk parameters during assessment of significant increases in credit risk and expected credit loss calculation. The incorporation of forward-looking information into the credit risk parameters consists of the following steps:

Step 1: It is made specifications and estimates of econometric models that reveal past relationships between credit risk parameters and macroeconomic variables in order to be able to generate estimates based on macroeconomic information. Macroeconomic variable prevailing during these estimates is mainly the Gross Domestic Product (GDP).

Step 2: Where macroeconomic scenarios do not include longer maturity, a process called "convergence to the mean" is applied.

Step 3: In order to estimate the ultimate parameters to be used in the calculation of the expected credit losses, it is applied the methods of credit risk parameters reflection and forward-looking impact inclusion into the parameters.

The Parent Bank updates its macroeconomic parameters incorporated into significant increases in credit risk and expected credit loss assessments quarterly.

The Parent Bank takes into account different scenarios in the calculation of expected credit loss by evaluating the current economic conditions and expert opinions. Accordingly, the updated macroeconomic value estimates taken into account in the expected loss provision calculation are presented below as of 30 June 2025.

(Thousands of Turkish Lira (TL))

Date	GDP
31.12.2025	3.49%
31.12.2026	4.01%
31.12.2027	4.17%
31.12.2028	4.20%
31.12.2029	3.96%

3.8.3 Significant increase in credit risk

Qualitative and quantitative assessments are performed regarding assessment of significant increase in credit risk.

Qualitative assessment:

It is classified the financial asset as Stage 2 (Significant Increase in Credit Risk) where any of the following conditions are satisfied as a result of a qualitative assessment.

- Loans overdue more than 30 days as of the reporting date,
- Loans classified as watchlist,
- When there is a change in the payment plan due to refinancing, restructuring or concession, the loan is not considered as default or written off and the change is not due to any commercial reason.

Quantitative assessment:

The quantitative reason explaining the significant increase in the credit risk is based on a comparison of the probability of default calculated at the origination of the loan and the probability of default assigned for the same loan as of the reporting date.

The absolute and relative thresholds used for the probability of default are differentiated on the basis of segment/ loan group.

It is classified the related financial asset as stage 2 (Significant Increase in Credit Risk) where both of the following criteria are satisfied as a result of quantitative assessment.

- Relative change in the Probability of Default (PD): If the "relative difference" between the probability of defaults as of the reporting date and the date when the loan is initially recognized in the financial statements is above the specified threshold
- Absolute change in the PD: If the "absolute difference" between the probability of defaults as of the reporting date and the date when the loan is initially recognized in the financial statements is above the specified threshold (different from the threshold for the relative change).

3.8.4 Low credit risk

As per TFRS 9, the credit risk on a financial instrument is considered as low if the financial instrument has a low risk of default, the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfill its contractual cash flow obligations.

It is not considered financial instruments to have low credit risk when they are regarded as having a low risk of loss simply because of the value of collateral and the financial instrument without that collateral would not be considered low credit risk. Financial instruments are also not considered to have low credit risk simply because they have a lower risk of default than the other financial instruments or relative to the credit risk of the jurisdiction within which it is operated.

If it is determined that a financial instrument has a low credit risk as of the reporting date, it is assumed that the credit risk of the financial instrument has not increased significantly following its first recognition in the financial statements.

It is defined the definition of low credit risk based on the definition of High-Quality Liquid Asset given in the Regulation on the Liquidity Coverage Ratio Calculation and the principles of the risk weight calculation based on the external rating note of the receivables from the Central Banks and the Central Governments in accordance with the Regulation on the Measurement and Assessment of Banks' Capital Adequacy.

The financial instruments that are defined as having low credit risk based on TFRS 9 are as follows:

- Receivables from the Central Bank of the Republic of Türkiye (required reserves, free reserves, placements etc.)
- Loans with the counterparty of the Treasury of the Republic of Türkiye,
- Receivables (reserves, free reserves, placements, etc.) from the central banks of the branches of the Bank or its subsidiaries, securities issued or guaranteed by these central banks and securities issued/guaranteed by the treasury of these countries,
- Loans granted to the treasury of countries having rating note of AA- and above and the securities issued or guaranteed by the treasury of these countries,
- Local currency loans granted to the treasury of countries having rating below AA-, and securities in local currency issued or guaranteed by the treasury of these countries,
- Securities exported or guaranteed by multilateral development banks or international organizations having rating of AA- and above.

3.8.5 Disclosures on write down policy

The amendment with respect to the regulation on the Principles and Procedures Regarding the Classification of Loans and Reserves Set Aside for These Loans entered into force with its publication in the Official Gazette No.30961 on 27 November 2019. Pursuant to the regulation, the banks are enabled to write down and move off the balance sheet the portion of a loan which is classified as “Group V Loan” (Loans Classified as Loss) if it cannot reasonably be expected to be recovered. The Bank performs objective and subjective assessments whether there is reasonable expectation.

In accordance with TFRS 9, a provision is provided for the portions of the loans, that are not expected to be recovered as explained in the accounting policies “3.8 Disclosures on impairment of financial instruments” and “3.8.1 Calculation of expected credit losses”. Accordingly, the loans which cannot be reasonably expected to be recovered regarding the opinions of the related department responsible from the collection and the portion up to the provision amount of the loans, that are classified as “Group V Loan” (Loans Classified as Loss), can be subject to write-down operation.

In addition, all of the loans that meet the conditions in the below are assessed by the Bank as having completely lost their ability to collect and can be written down based on the positive opinion of the related departments.

i. Being monitored as a non-performing loan at least for 18 months,
ii. Not having any collection in the last 6 months,
iii. The absence of a qualified guarantee.

The write-down of these loans, which are not possible to be collected, is an accounting policy and this policy does not result in waiving the right of receivables.

3.9 Disclosures about netting and derecognition of financial instruments

3.9.1 Netting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when the Bank and its consolidated financial subsidiaries have legally enforceable rights to offset the recognized amounts and to collect/pay related financial assets and liabilities on a net basis, or there is an intention to realize the asset and settle the liability simultaneously.

3.9.2 Derecognition of financial instruments

3.9.2.1 Derecognition of financial assets due to change in the contractual terms

Based on TFRS 9, the renegotiation or modification of the contractual cash flows of a financial asset can lead to the derecognition of the existing financial asset. When the modification of a financial asset results in the derecognition of the existing financial asset and the subsequent recognition of the modified financial asset, the modified asset is considered a ‘new’ financial asset.

The Bank shall assess the characteristics of the new contractual terms of the financial asset based on quantitative and qualitative criteria. When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset, it is recalculated the gross carrying amount of the financial asset and in case a significant change is determined, it is recognized as a modification gain or loss in profit or loss.

Where all risks and rewards of ownership of the asset have not been transferred to another party and it is retained control of the asset, it is continued to recognize the remaining portion of the asset and liabilities arising from such asset.

When it is retained substantially all the risks and rewards of ownership of the transferred asset, the transferred asset continues to be recognised in its entirety and the consideration received is recognised as a liability.

3.9.2.2 Derecognition of a financial asset without any change in the contractual terms

It is derecognised the asset if the contractual rights to cash flows from the financial asset are expired or the related financial asset and all risks and rewards of ownership of the asset are transferred to another party.

Except for equity instruments measured at fair value through other comprehensive income, the total amount consisting of the gain or loss arising from the difference between the book value and the amount obtained and any accumulated gain directly accounted in equity shall be recognized in profit or loss.

3.9.2.3 Derecognition of financial liabilities

A financial liability (or part of a financial liability) is removed from the statement of financial position only when the obligation is extinguished, so when the obligation specified in the contract is fulfilled, canceled or expired.

3.9.3 Reclassification of financial instruments

Based on TFRS 9, it shall be reclassified all affected financial assets at amortised cost to financial assets measured at fair value through other comprehensive income and fair value through profit or loss in the subsequent accounting when, and only when, it is changed the business model for managing financial assets.

3.9.4 Restructuring and refinancing of financial instruments

It may be changed the original contractual terms of a loan (maturity, repayment structure, guarantees and sureties) which were previously signed, in case the loan cannot be repaid or if a potential payment difficulty is encountered based on the new financing power and structure of the borrower.

Restructuring is to change the financial terms of existing loans in order to facilitate the payment of debt. Refinancing is granting a new loan which will cover either the principal or the interest payment in whole or in part of one or a few existing loans due to the anticipated financial difficulty which the customer or group encounter currently or will encounter in the future.

Changes in the original terms of a credit risk can be made in the current contract or through a new contract.

Corporate and commercial companies which have been restructured and refinanced can be removed from the watchlist when the following conditions are met:

- Subsequent to the thorough review of company's financial data and its owners' equity position, in circumstances when it is not anticipated that the owner of the company will face financial difficulties; and it is assessed that the restructured debt will be paid on time (starting from the date when the debt is restructured all due principal and interest payments are made on time)

- At least 2 years should pass over the date of restructuring (or if it is later), the date of removal from non-performing loan category, 10% (or the ratio specified in the legislation) of the total principal amount at the time restructuring /refinancing shall be paid and no overdue amount (principal and interest) shall remain at the date of restructuring/refinancing.

In order for the restructured non-performing corporate and commercial loans to be classified to the watchlist category, the following conditions must be met:

- Recovery in debt service,
- At least 1 year should pass over the date of restructuring,

- Payment of all accrued and overdue amounts by debtor (interest and principal) since the date of restructuring /refinancing or the date when the debtor is classified as non-performing (earlier date to be considered) and fulfillment of the payment condition of all overdue amounts as of the date of restructuring /refinancing,
- Collection of all overdue amounts, disappearance of the reasons for classification as non-performing receivable (based on the conditions mentioned above) and having no overdue more than 30 days as of the date of reclassification.

During the follow-up period of at least two years following the date of restructuring/refinancing, if there is a new restructuring/refinancing or a delay of more than 30 days, the transactions which were non-performing at the beginning of the follow-up period are classified as non-performing loans again.

The performing or non-performing retail loans being subject to restructuring shall be removed from the watchlist only if the debt is paid in full.

3.10 Repurchase and resale agreements and securities lending

Securities sold under repurchase agreements are recorded on the balance sheet in compliance with the Uniform Chart of Accounts. Accordingly, government bonds and treasury bills sold to customers under repurchase agreements are classified as “Investments Subject to Repurchase Agreements” and valued based on the management’s future intentions, either at market prices or using discounting method with internal rate of return. Funds received through repurchase agreements are classified separately under liability accounts and the related interest expenses are accounted for on an accrual basis.

Securities purchased under resale agreements are classified under “Money Markets Placements” separately. An income accrual is accounted for the positive difference between the purchase and resale prices earned during the period on such securities.

Securities lending transactions are classified under “Money Markets” and the related expense accruals are accounted.

3.11 Assets held for sale, assets of discontinued operations and related liabilities

According to the Turkish Financial Reporting Standard 5 (TFRS 5) “Assets Held for Sale and Discontinued Operations”, a tangible asset (or a group of assets to be disposed) classified as “asset held for sale” is measured at lower of carrying value and fair value less costs to sell. An asset (or a group of assets to be disposed) is regarded as “asset held for sale” only when the sale is highly probable and the asset (or a group of assets to be disposed) is available for immediate sale in its present condition. For a highly probable sale, there must be a valid plan prepared by the management for the sale of asset including identification of possible buyers and completion of sale process. Furthermore, the asset should be actively in the market at a price consistent with its fair value. Assets held for sale consist of tangible assets and investments in associates to be disposed that were acquired against non-performing receivables.

A discontinued operation is a part of the business classified as sold or held for sale. The operating results of the discontinued operations are disclosed separately in income statement. The Bank or its financial subsidiaries have no discontinued operations.

3.12 Goodwill and other intangible assets

The intangible assets consist of goodwill, software, intangible rights and other intangible assets.

Goodwill and other intangible assets are recorded at cost in accordance with the Turkish Accounting Standard 38 (TAS 38) “Intangible Assets”.

The costs of other intangible assets purchased before 31 December 2004 are restated from the purchasing dates to 31 December 2004, the date the hyperinflationary period is considered to be ended. The intangible assets purchased after this date are recorded at their initial purchase costs.

As per TAS 38, internally-generated software should be recognised as intangible assets if they meet the below-listed criteria:

- The technical feasibility of completing the intangible asset so that it will be available for use,

- Availability of the Bank and its financial subsidiaries’ intention to complete and use the intangible asset,

(Thousands of Turkish Lira (TL))

- The ability to use the intangible asset,

- Clarity in probable future economic benefits to be generated from the intangible asset,

- The availability of adequate technical, financial and other resources to complete the development phase and to start using the intangible asset,

- The availability to measure reliably the expenditure attributable to the intangible asset during the development phase.

The directly attributable development costs of intangible asset are included in the cost of such assets, however the research costs are recognised as expense as incurred.

The intangible assets are amortised over their estimated useful lives based on their inflation-adjusted costs on a straight-line basis.

Goodwill represents the excess of the total acquisition costs over the shares owned in the net assets of the acquired company at the date of acquisition. The "net goodwill" resulted from the acquisition of the investment and to be included in the consolidated balance sheet, is calculated based on the financial statements of the investee company as adjusted according to the required accounting principles. If any goodwill is computed at consolidation, it is recorded under intangible assets on the asset side of the consolidated balance sheet as an asset. It is assessed to identify whether there is any indication of impairment. If any such indication exists, the necessary provision is recorded as an expense in the income statement. The goodwill is not amortized.

Estimated useful lives of the intangible assets except for goodwill, are 3-15 years and amortisation rates are 6.67-33.3%.

If there is objective evidence of impairment, the asset's recoverable amount is estimated in accordance with the Turkish Accounting Standard 36 (TAS 36) "Impairment of Assets" and if the recoverable amount is less than the carrying value of the related asset, a provision for impairment loss is provided.

3.13 Tangible assets

The cost of the tangible assets purchased before 31 December 2004 is restated from the purchasing dates to 31 December 2004, the date the hyperinflationary period is considered to be ended. The tangible assets purchased after this date are recorded at their historical costs.

As of 1 November 2015, changing the existing accounting policy, it has been decided to apply revaluation model for properties recorded under tangible assets instead of cost model in accordance with the Turkish Accounting Standard 16 (TAS 16) "Property, Plant and Equipment". Within this framework, the revaluation difference arising from the valuations performed by independent expertise firms for all real estates registered in the ledger is accounted under revaluation surplus on tangible and intangible assets under equity.

If there is objective evidence of impairment, the asset's recoverable amount is estimated in accordance with the Turkish Accounting Standard 36 (TAS 36) "Impairment of Assets" and if the recoverable amount is less than the carrying value of the related asset, a provision for impairment loss is provided.

Gains/losses arising from the disposal of the tangible assets are calculated as the difference between the net book value and the net sale price.

Maintenance and repair costs incurred for tangible assets, are recorded as expenses.

There are no restrictions such as pledges, mortgages or any other restriction on tangible assets.

The depreciation rates and estimated useful lives of tangible assets are presented below. Depreciation method in use was not changed in the current period.

Tangible assets	Estimated Useful Lives (Years)	Depreciation Rates (%)
Buildings	50	2
Vaults	50	2
Motor Vehicles	5-7	15-20
Other Tangible Assets	4-20	5-25

The depreciation of an asset held for a period less than a full financial year is calculated as a proportion of the full-year depreciation charge from the date of acquisition to the financial year-end.

Useful lives of buildings are reviewed at least once a year and if current estimates are different than previous estimates, then the revised estimates are considered as accounting policy change in accordance with the Turkish Accounting Standard 8 (TAS 8) "Accounting Policies, Changes in Accounting Estimates and Errors".

Investment properties

Land and buildings that are held to earn rentals or for capital appreciation or both rather than for use in production, supply of goods or services, administrative purposes or sale in the ordinary course of business are classified as investment property. As of 1 November 2015, changing the existing accounting policy, it has been decided to apply fair value model for investment properties instead of cost model in accordance with the Turkish Accounting Standard 40 (TAS 40) "Investment Property". Accordingly, for all the investment properties registered in the ledger, a valuation study was performed by independent expertise firms and arising changes in their fair values resulting from these studies are recognized in statement of profit or loss at the date they incur.Investment properties accounted at fair value are not depreciated.

Right-of-use assets

Based on the Parent Bank's assessment, lease branches, buildings and vehicles are recognized in compliance with TFRS 16 whereas ATM places and other leases are considered out of TFRS 16 scope as a result of materiality assessment. Therefore, these leases are recognized under Other Operating Expense.

At the commencement date, the Parent Bank shall measure the right-of-use properties at cost in compliance with TFRS 16. The cost of the right-of-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date, less any lease incentives received, any initial direct costs incurred by the lessee and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

After the commencement date, the right-of-use asset is measured by applying a cost model. To apply the cost model, the right-of-use asset is measured at cost less any accumulated depreciation and any accumulated impairment losses; and adjusted for any remeasurement of the lease liability.

The depreciation requirements in TAS 16 "Property, Plant and Equipment" is applied in depreciating real assets considered as right-of-use asset.

TAS 36 "Impairment of Assets" is applied to determine whether the real estates considered as right-of-use assets are impaired and to account for any impairment loss identified.

3.14 Leasing activities

Leases, in which the majority of risks and returns of the related asset belong to the lessor, are classified as operational leases. The rent payments for leases that meet the conditions of exemptions stated in TFRS 16, are recognized as expense in related periods' statements of profit or loss over the lease term in accordance with periodicity principle.

Based on TFRS 16, at the commencement date, the lease liability is measured at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the incremental borrowing interest rate.

After the commencement date, the lease liability is measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made; and remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect revised in-substance fixed lease payments.

Interest on the lease liability in each period during the lease term shall be the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability.

(Thousands of Turkish Lira (TL))

After the commencement date, the lease liability is remeasured to reflect changes to the lease payments. The amount of the remeasurement of the lease liability is recognised as an adjustment to the right-of-use asset.

The lease liability is remeasured by discounting the revised lease payments using a revised discount rate, if either there is a change in the lease term or there is a change in the assessment of an option to purchase the underlying asset. However, if there is a change in future lease payments resulting from a change in an index or a rate used to determine those payments or if there is a change in the amounts expected to be payable under a residual value guarantee, an unchanged discount rate is used.

For a lease modification that is not accounted for as a separate lease, at the effective date of the lease modification, the lease liability is remeasured by discounting the revised lease payments using a revised discount rate. The revised discount rate is determined as the incremental borrowing interest rate at the effective date of the modification. The carrying amount of the right-of-use asset is decreased to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease. Any gain or loss relating to the partial or full termination of the lease is recognised in profit or loss. A corresponding adjustment to the right-of-use asset is made for all other lease modifications.

3.15 Provisions and contingent liabilities

Provisions and contingent liabilities resulted from past events, if it is probable that the commitment will be settled and a reliable estimate can be made for the amount of the obligation, are accounted for in accordance with the Turkish Accounting Standard 37 (TAS 37) “Provisions, Contingent Liabilities and Contingent Assets”.

3.16 Contingent assets

The contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the Bank or its financial subsidiaries. If an inflow of economic benefits has become probable, then the contingent asset is disclosed in the footnotes of the financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the financial statements of the related period.

3.17 Liabilities for employee benefits

Severance indemnities and short-term employee benefits

As per the existing labor law in Türkiye, the entities are required to pay certain amounts to the employees who retired or were fired except for resignations or misbehaviors specified in the Turkish Labor Law.

Accordingly, the Bank and its financial subsidiaries subject to the labor law, reserved for employee severance indemnities in the accompanying financial statements using actuarial method in compliance with the Turkish Accounting Standard 19 (TAS 19) “Employee Benefits” for all its employees who retired or whose employment is terminated, called up for military service or died.

The major actuarial assumptions used in the calculation of the total liability are as follows:

	Current Period	***Prior Period***
Net Effective Discount Rate	3.74%	3.74%
Discount Rate	31.02%	31.02%
Estimated Real Salary/Limit Increase Rate	1.50%	1.50%
Inflation Rate	26.30%	26.30%

In the above table, the effective rates are presented for the Bank and its financial subsidiaries subject to the labor law, whereas the rates applied for the calculations differ according to the employee’s years-in-service.

The Bank provided for undiscounted short-term employee benefits earned during the financial periods as per services rendered in compliance with TAS 19.

The actuarial gains/losses are recognised under shareholders’ equity as per the revised TAS19.

Retirement benefit obligations

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee and his/her dependents will receive on retirement.

(Thousands of Turkish Lira (TL))

The Bank's defined benefit plan ("the Plan") is managed by "Türkiye Garanti Bankası A.Ş Memur ve Müstahdemleri Emekli ve Yardım Sandığı Vakfı" ("the Fund") established as per the provisional Article 20 of the Social Security Law No.506 and the Bank's employees are the members of this Fund.

The Plan is funded through contributions of both the employees and the employer as required by Social Security Law No. 506. These contributions are as follows:

	Current Period		***Prior Period***	
	Employer	**Employee**	**Employer**	**Employee**
Pension contributions	15.5%	10.0%	15.5%	10.0%
Medical benefit contributions	6.0%	5.0%	6.0%	5.0%

The Plan is composed of a) the contractual benefits of the employees, which are subject to transfer to Social Security Foundation ("SSF") as per the Social Security Law No.5754 ("the Law"), and b) other social rights and medical benefits provided by the Bank but not transferable to SSF.

a) Benefits transferable to SSF

The first paragraph of the provisional Article 23 of Banking Law No. 5411, published in the Official Gazette on 1 November 2005, No. 25983, which requires the transfer of the members of the funds subject to the provisional Article 20 of the Social Security Law No.506, and the persons who are paid under insurance coverage for disablement, old-age and mortality and their right-holders to the SSF within three years following the effective date of the related article was cancelled with the decision of the Constitutional Court dated 22 March 2007, No. 2007/33. The reasoned ruling regarding the cancellation of the Constitutional Court was published in the Official Gazette No. 26731, dated 15 December 2007.

The Constitutional Court stated that the reason behind this cancellation was the possible loss of antecedent rights of the fund members. Following the publication of the verdict, the Turkish Grand National Assembly ("Turkish Parliament") started to work on the new legal arrangements by taking the cancellation reasoning into account and the Articles of the Law No.5754 regulating the principles related with such transfers were accepted and approved by Turkish Parliament on 17 April 2008, and enacted on 8 May 2008 after being published in the Official Gazette No.26870.

As per the Law, the present value of post-employment benefits as at the transfer date for the fund members to be transferred, is to be calculated by a commission composing from the representatives of the SSF, the Ministry of Finance, the Undersecretariat of Treasury, the Undersecretariat of State Planning Organisation, the BRSA, the Savings Deposit Insurance Fund ("SDIF"), the banks and the funds, by using a technical discount rate of 9.80% taking into account the Funds' income and expenses as per insurance classes and the transferable contributions and payments of the funds including any salary and income differences paid by the funds above the limits of SSF for such payments. The transfers are to take place within the three-year period starting from 1 January 2008.

Subsequently, the transfer of the contributors and the persons receiving monthly or regular income and their right-holders from such funds established for employees of the banks, insurance and reinsurance companies, trade chambers, stock markets and unions that are part of these organizations subject to the provisional Article 20 of the Social Security Law No.506 to the SSF, has been postponed for two years. The decision was made by the Council of Ministers on 14 March 2011 and published in the Official Gazette No. 27900 dated 9 April 2011 as per the decision of the Council of Ministers No. 2011/1559, and as per the letter No. 150 of the Ministry of Labor and Social Security dated 24 February 2011 and according to the provisional Article 20 of the Social Security and Public Health Insurance Law No.5510.

On 19 June 2008, Cumhuriyet Halk Partisi ("CHP") applied to the Constitutional Court for the cancellation of various articles of the Law including the first paragraph of the provisional Article 20. At the meeting of the Constitutional Court on 30 March 2011, it was decided that the Article 73 and the first paragraph of the provisional Article 20 added to the Law No. 5510 are not contradictory to the Constitutional Law, and accordingly the dismissal of the cancellation request has been denied with the majority of votes. Before the completion of two-year period set by the Council of Ministers on 14 March 2011 as explained above, as per the Article No. 51 of the Law No. 6645, published in the Official Gazette No. 29335 dated 23 April 2015, the Article No. 20 of the Law No. 5510 was amended giving the Council of Ministers the authority to determine the date of transfer without defining any timeline.

b) Other benefits not transferable to SSF

Other social rights and payments provided in the existing trust indenture but not covered through the transfer of the funds' members and their right-holders to the SSF, are to be covered by the funds and the institutions that employ the funds' members.

The actuarial gains/losses are recognised under shareholders' equity.

The consolidated subsidiaries do not have retirement benefit plans for their employees. The retirement-related benefits of the employees of the consolidated subsidiaries are subject to SSF in case of domestic investees and to the legislations of the related countries in case of foreign investee companies. There are no obligations not reflected in the accompanying consolidated financial statements.

3.18 Insurance technical reserves and technical income and expense

3.18.1 Insurance technical reserves

The Group's insurance subsidiaries adopted TFRS 4, Insurance Contracts ("TFRS 4"). TFRS 4 requires that all contracts issued by insurance companies be classified as either insurance contracts or investment contracts. Contracts with significant insurance risk are considered insurance contracts. Insurance risk is defined as risk, other than financial risk, transferred from the holder of a contract to the issuer. TFRS 4 permits a company to continue with its previously adopted accounting policies with regard to recognition and measurement of insurance contracts. Only in case of presentation of more reliable figures a change in accounting policy shall be carried out.

Contracts issued by insurance companies without significant insurance risk are considered investment contracts. Investment contracts are accounted for in accordance with TFRS 9 Financial Instruments standard.

Insurance technical provisions on the consolidated financial statements consist of, reserve for unearned premiums, reserve for unexpired risk, and provision for outstanding claims and mathematical provisions.

3.18.2 Insurance technical income and expense

In insurance companies, premium income is obtained subsequent to the share of reinsurers in policy income is diminished.

Claims are recorded in expense on accrual basis. Outstanding loss provisions are recognized for the claims reported but not paid yet and for the claims that incurred but not reported. Reinsurers' share of claims paid and outstanding loss is offset in these provisions.

3.19 Taxation

3.19.1 Corporate tax

While corporate tax which is applied to corporate earnings at the rate of 20% in Türkiye, in accordance with the regulation introduced by the Law No.7456 "On the Formation of Additional Motor Vehicle Tax to Compensate the Economic Losses Caused by the Earthquakes That Occurred on 6 February 2023, Amending Certain Laws and the Decree Law No. 375, the corporate earnings of 2023 and later taxation periods this rate has been determined to be applied as 25% and for the banks, companies within the scope of Law No. 6361, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies this rate has been determined to be applied as 30%.

This rate is applied to tax base which is calculated by adding certain non-deductible expenses for tax purposes and deducting certain exemptions (like dividend income) and other deductions on accounting income. If there is no dividend distribution, no further tax charges are made.

Dividends paid to the resident institutions and the institutions working through local offices or representatives are not subject to withholding tax. As per the Presidential decision No.32760 dated 22 December 2024, certain duty rates included in the articles No.15 and 30 of the new Corporate Tax Law No.5520 are revised. Accordingly, the witholding tax rate on the dividend payments other than the ones paid to the nonresident institutions generating income in Türkiye through their operations or permanent representatives and the resident institutions has been changed to 15% from 10% by the Presidential decision published in the Official Gazette No. 32760 dated 22 December 2024. In applying the withholding tax rates on dividend payments to the nonresident institutions and the individuals, the withholding tax rates covered in the related Double Tax Treaty Agreements are taken into account. Appropriation of the retained earnings to capital is not considered as profit distribution and therefore is not subject to withholding tax.

The prepaid taxes are calculated and paid at the rates valid for the earnings of the related years. The prepayments can be deducted from the annual corporate tax calculated for the whole year's earnings.

In accordance with the Turkish tax legislation, the tax losses can be carried forward to offset against future taxable income for up to five years. Tax losses cannot be carried back to offset profits from previous periods.

While 75% of earnings generated through sale of equity shares, founders' shares, redeemed shares and preemption rights are exempt from the corporate tax with the conditions that such earnings shall be held in a special reserve account under equity until the end of five years following the year of sale and shall be collected as cash until the end of the following two fiscal years, it has been determined that the exemption rate would be 50% by the Presidential Decision published in the Official Gazette dated 27 November 2024 and numbered 32735.

All earnings generated through transfer of equity shares, founders' shares, redeemed shares and preemption rights by the companies being under legal proceedings or guarantor and mortgage provider of such companies, to banks, financial leasing companies and finance companies or the Savings Deposit Insurance Fund in connection with liquidation of their liabilities and earnings of banks, financial leasing companies and finance companies through sale of immovable part of such assets or other items are exempt from corporate tax at the rate of 50% and 75%, respectively.

As of 31 December 2021, the conditions sought for inflation adjustment in the calculation of corporate tax have been fulfilled, within the framework of the repeated provision of Article 298/ Ç of the Tax Procedure Law. These conditions are both the exceed in the increase of Producer Price Index in the last 3 accounting periods including current period by 100% and the exceed in the increase in the current period by 10%. However, temporary article 33 has been added on the Tax Procedure Law No. 213 with the regulation made with the Tax Procedure Law and the Law on Change in Corporate Tax Law No. 7352 published in the Official Gazette No.31734 dated 29 January 2022, the application of inflation adjustment in the calculation of corporate tax was postponed to 2023. According to this, the financial statements for the 2021 and 2022 accounting periods, including the provisional tax periods, are not subject to inflation adjustment, and for the 2023 accounting period; are not subject to inflation adjustment as of the provisional tax periods, and the financial statements dated 31 December 2023 will be subject to inflation adjustment regardless of whether the inflation adjustment conditions are met or not. Profit/loss difference arising from inflation adjustment in the financial statements are to be shown in previous years' profit/loss accounts and does not affect the corporate tax base.

According to Article 17 of the Law No. 7491 on Amendments to Certain Laws and Decree Laws published in the Official Gazette No. 32413 dated 28 December 2023, it has become law that profit/loss differences arising from the inflation adjustment to be made in the 2024 and 2025 accounting periods, including the provisional tax periods, do not be taken into account in determining the income of banks, companies within the scope of the Financial Leasing, Factoring, Financing and Savings Financing Companies Law No. 6361 dated 21 November 2012, payment and electronic money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies.

The tax applications for foreign branches;

NORTHERN CYPRUS

According to the Corporate Tax Law of the Turkish Republic of Northern Cyprus No.41/1976 as amended, the corporate earnings (including foreign corporations) are subject to a 10% corporate tax and 15% income tax. This tax is calculated based on the income that the taxpayers earn in an accounting period. Tax base is determined by modifying accounting income for certain exclusions and allowances for tax purposes. The corporations cannot benefit from the rights of offsetting losses, investment incentives and amortization unless their balance sheets, income statements and accounting records used for tax calculations examined and prepared by an accountant and an auditor authorized by the Ministry of Finance. In cases where it is revealed that the earnings of a corporation were not subject to taxation in prior years or the tax paid on such earnings are understated, additional taxes can be charged in the next seven years following that the related taxation period. The corporate tax returns are filed in the tax administration office in April after following the end of the accounting year to which they relate. The corporate taxes are paid in two equal installments in May and October. According to the Decision of the TRNC Council of Ministers dated 25 March 2020, the prepaid taxes are calculated and paid at the rate of 15% tax on quarterly commercial earnings of the related year. The prepayments can be deducted from the annual corporate tax calculated for the whole year earnings.

MALTA

The corporate earnings are subject to a 35% corporate tax. This rate is determined by modifying accounting income for certain exclusions and allowances for tax purposes. The earnings of the foreign corporations' branches in Malta are also subject to the same tax rate that the resident corporations in Malta are subject to. The earnings of such branches that are transferred to their head offices are not subject to an additional tax. The taxes payable are calculated by the obligating firm and the calculation is presented in the tax declaration form that is due till the following year's month of November.

Tax applications for foreign financial subsidiaries

THE NETHERLANDS

In the Netherlands, corporate income tax is levied at the rate of 19% for tax profits up to EUR 200,000 and 25.80% for the excess part over this amount on the worldwide income of resident companies, which is determined by modifying accounting income for certain exclusions and allowances for tax purposes for the related year. Based on the unilateral decree for the avoidance of double taxation between Türkiye and The Netherlands, the dividend taxation is 0% percent under certain conditions.

As of 2022, losses of previous years no longer vaporize but can be carried forward indefinitely. However, the losses can only be used up to an amount of EUR 1 million, or if the profit exceeds EUR 1 million, the amount of losses that can be offset is EUR 1 million plus 50% of the excess of the profit over EUR 1 million. Companies must file their tax returns within five months following the end of the tax year to which they relate, unless the company applies for an extension (normally an additional eleven months).

Tax returns are open for five years from the date of the filing deadline the tax return during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their findings. The corporate income tax for the Germany branch is 30%.

ROMANIA

The applicable corporate tax rate in Romania is 16%. The taxation system in Romania is continuously developing and is subject to varying interpretations and constant changes, which may become rarely retroactive. In Romania, tax periods remain open for tax audits for maximum seven years, depending on the reporting year. Tax losses can be carried forward to offset against future taxable income for seven years. The fiscal loss incurred starting with 2024 is recovered within the limit of 70% from the taxable profits generated in the next 5 consecutive years. The deferred tax asset from fiscal losses is recognized to the extent that the realization of the related tax benefit through the future taxable profits is probable.

Levy on turnover ("tax on turnover")

In accordance with Law 296/2023, the Romanian Fiscal Code was amended to introduce, starting 1 January 2024, an additional tax established for credit institutions (Romanian legal entities and Romanian branches of credit institutions) foreign legal entities, namely "tax on turnover". Therefore, credit institutions owe, in addition to the corporate income tax, a minimum "tax on turnover" computed by applying the following rates on the turnover (which is specifically defined):

i) 2% for the period 1 January 2024 - 31 December 2025 inclusively,

ii) 1% starting with 1 January 2026.

3.19.2 Deferred taxes

According to the Turkish Accounting Standard 12 (TAS 12) "Income Taxes"; deferred tax assets and liabilities are recognized, using the balance sheet method, on all taxable temporary differences arising between the carrying values of assets and liabilities in the financial statements and their corresponding balances considered in the calculation of the tax base, except for the differences not deductible for tax purposes and initial recognition of assets and liabilities which affect neither accounting nor taxable profit.

As stated in Note 3.19.1, in accordance with the regulation introduced by the Law No.7456 "On the Formation of Additional Motor Vehicle Tax to Compensate the Economic Losses Caused by the Earthquakes That Occurred on 6 February 2023, corporate income tax has been determined to be applied as 30% for the banks, companies within the scope of Law No. 6361, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies. Therefore, as of 30 June 2025, the Bank has calculated deferred tax at the rate of 30% for assets and liabilities.

According to the Provisional Article 33 of the Tax Procedure Law, in the financial statements dated 30 June 2025, the tax effects arising from the subject of inflation correction of the corporate tax are included in the deferred tax calculation as of 30 June 2025.

If transactions and events are recorded in the income statement, then the related tax effects are also recognized in the income statement. However, if transactions and events are recorded directly in the shareholders' equity, the related tax effects are also recognized directly in the shareholders' equity.

The deferred tax assets and liabilities of the Bank and its consolidated subsidiaries are reported as net in their individual financial statements.

In compliance with TAS 12, the deferred tax assets and liabilities of the consolidated subsidiaries are presented on the asset and liability sides of financial statements separately, without any offsetting.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Furthermore, the deferred tax assets are not subject to profit distribution or capital increase as per the BRSA's related circular in cases where there are net asset balances after netting deferred tax assets with deferred tax liabilities.

In September 2023, POA issued amendments to TAS 12 that introduce a mandatory exception to the recognition and disclosure of deferred tax assets and liabilities related to Second Pillar income taxes. The amendments clarify that TAS 12 applies to income taxes arising from tax laws that have been enacted, or are substantively enacted, for the purpose of applying the Second Pillar Model Rules issued by the Organization for Economic Cooperation and Development (OECD). These amendments also introduce certain disclosure requirements for entities affected by such tax laws. The exemption for not recognizing and disclosing information about deferred taxes and the disclosure requirement for when the exemption has been applied are applied when the amendment is issued. The amendment did not have a significant impact on the financial position or performance of the parent Bank.

3.19.3 Transfer pricing

The Article No.13 of the Corporate Tax Law describes the issue of transfer pricing under the title of "Disguised Profit Distribution by Way of Transfer Pricing". "The General Communiqué on Disguised Profit Distribution by Way of Transfer Pricing" published on 18 November 2007, explains the application-related issues on this topic.

According to this Communiqué, if the taxpayers conduct transactions like purchase and sale of goods or services with the related parties where the prices are not determined according to the arm's length principle, then it will be concluded that there is a disguised profit distribution by way of transfer pricing. Such disguised profit distributions will not be deducted from the corporate tax base for tax purposes.

As stated in the General Communiqué No. 4 on Disguised Profit Distribution by Way of Transfer Pricing, the taxpayers are required to fill out the "Transfer Pricing, Controlled Foreign Entities and Thin Capitalization" form for the purchase and sale of goods or services conducted with their related parties in a taxation period, attach these forms to their corporate tax returns and submit to the tax offices.

3.20 Funds borrowed

The Parent Bank, whenever required, generates funds from domestic and foreign sources in the form of borrowings, syndications, securitizations, and bill and bond issuances in the local and international markets. The funds borrowed are recorded at their purchase costs and valued at amortised costs using the effective interest method.

In cases where such funds are valued at their amortised costs but this application results in measurement or accounting mismatch due to having the related financial instruments valued using different methods or the related gains or losses are recognized differently, such fundings are reclassified as financial liabilities at their fair values through profit or loss at initial recognition in order to prevent such mismatch. The interest expenses paid during holding the related financial liabilities and the difference between the amortized cost and the acquisition cost are recorded as interest expense in statement of profit or loss and the difference between the fair values and the amortized costs of the financial liabilities are recorded under trading account income/losses.

3.21 Share and share issuances

If the Bank issues a share at a price above its nominal value, the difference between the issue price and the nominal value is accounted for as "share premium" under shareholders' equity.

3.22 Confirmed bills of exchange and acceptances

Payments of the confirmed bills of exchange and acceptances are made simultaneously with the payments of the customers. Confirmed bills of exchange and acceptances are recorded in "off-balance sheet accounts" as possible debts and commitments, if any.

3.23 Government incentives

None.

3.24 Segment reporting

The Parent Bank operates in corporate, commercial, retail and investment banking. Accordingly, the banking products served to customers are; custody services, time and demand deposits, accumulating deposit accounts, repos, overdraft facilities, spot loans, foreign currency indexed loans, consumer loans, automobile and housing loans, working capital loans, discounted bills, gold loans, foreign currency loans, Eximbank loans, pre-export loans, ECA covered financing, letters of guarantee, letters of credit, export factoring, acceptance credits, draft facilities, forfaiting, leasing, insurance, forward, futures, salary payments, investment account (ELMA), cheques, safety boxes, bill payments, tax collections, payment orders. GarantiCard, BonusCard, Miles&Smiles Card, FlexiCard, MoneyCard, BusinessCard, Shop & Fly, virtual cards under the brand names of Visa and Mastercard and also American Express credit cards and "Paracard" debit cards with Maestro, Electron, Visa and Mastercard brand names, are available.

(Thousands of Turkish Lira (TL))

The Parent Bank provides service packages to its corporate, commercial and retail customers including deposits, loans, foreign trade transactions, investment products, cash management, leasing, factoring, insurance, credit cards, and other banking products. A customer-oriented branch network has been built in order to serve customers' needs effectively and efficiently. The Parent Bank also utilizes alternative delivery channels intensively.

The Parent Bank provides corporate banking products to international and national holdings in Türkiye by coordinating regional offices, suppliers and intermediaries, utilizing cross-selling techniques. Mainly, it provides services through its commercial and mixed types of branches to export-revenue earning sectors like tourism and textile and exporters of Türkiye's traditional agricultural products.

Additionally, the Parent Bank provides banking services to enterprises and their employees working in retail and service sectors through product packages including overdraft accounts, POS machines, credit cards, chequebooks, Turkish Lira and foreign currency deposits, investment accounts, internet banking and call-center, debit cards and bill payment modules.

Retail banking customers form a widespread and sustainable deposit base for the Bank. Individual customers' needs are met by diversified consumer banking products through branches and digital banking.

Information on the business segments on a consolidated basis is as follows:

Current Period	**Retail Banking**	**Corporate Banking**	**Investment Banking**	**Other**	**Total Operations**
Net Interest Income	59,264,211	75,601,888	(96,443,539)	43,949,423	82,371,983
Net Fees And Commıssıons Income	55,888,455	10,097,605	46,532	(562,787)	65,469,805
Dividend Income	-	-	-	251,563	251,563
Net Trading Income/Losses (Net)	2,082,330	4,160,798	2,891,913	(4,911,107)	4,223,934
Other Operatıng Income (*)	2,195,078	3,522,491	136,323	9,385,016	15,238,908
Expected Credıt Losses (*)	(19,347,574)	(2,313,185)	(271,641)	1,697,783	(20,234,617)
Other Provisions	-	-	-	(251,756)	(251,756)
Personnel and Other Operatıng Expenses	(39,661,523)	(13,606,528)	(1,671,455)	(21,425,457)	(76,364,963)
Income/Loss From Investments Under Equıty Accountıng	-	-	-	1,348,973	1,348,973
Net Operating Profit	**60,420,977**	**77,463,069**	**(95,311,867)**	**29,481,651**	**72,053,830**
Provision for Taxes	-	-	-	(18,440,559)	(18,440,559)
Net Profit	**60,420,977**	**77,463,069**	**(95,311,867)**	**11,041,092**	**53,613,271**
Segment Assets	765,723,450	1,394,915,452	1,061,635,112	583,843,883	3,806,117,897
Investments in Associates and Subsidiaries	-	-	-	15,591,571	15,591,571
Total Assets	**765,723,450**	**1,394,915,452**	**1,061,635,112**	**599,435,454**	**3,821,709,468**
Segment Liabilities	1,692,712,747	1,014,870,061	414,093,481	320,903,594	3,442,579,883
Shareholders' Equity	-	-	-	379,129,585	379,129,585
Total Liabilities and Shareholders' Equity	**1,692,712,747**	**1,014,870,061**	**414,093,481**	**700,033,179**	**3,821,709,468**

Prior Period	**Retail Banking**	**Corporate Banking**	**Investment Banking**	**Other**	**Total Operations**
Net Interest Income	32,567,576	51,175,622	(73,960,361)	47,946,651	57,729,488
Net Fees And Commıssıons Income	33,499,220	7,468,052	(13,337)	878,997	41,832,932
Dividend Income	-	-	-	158,360	158,360
Net Tradıng Income/Losses (Net)	2,046,910	2,425,513	(3,244,514)	527,292	1,755,201
Other Operatıng Income (*)	1,457,497	1,107,659	63,424	5,103,943	7,732,523
Expected Credıt Losses (*)	(10,769,959)	520,486	1,398,399	1,636,805	(7,214,269)
Other Provisions	543	-	-	(67,995)	(67,452)
Personnel and Other Operatıng Expenses	(26,083,016)	(8,710,134)	(1,101,993)	(9,296,577)	(45,191,720)
Income/Loss From Investments Under Equıty Accountıng	-	-	-	1,347,000	1,347,000
Net Operating Profit	**32,718,771**	**53,987,198**	**(76,858,382)**	**48,234,476**	**58,082,063**
Provision for Taxes	-	-	-	(13,492,253)	(13,492,253)
Net Profit	**32,718,771**	**53,987,198**	**(76,858,382)**	**34,742,223**	**44,589,810**
Segment Assets	635,199,068	1,071,292,880	817,253,040	469,822,323	2,993,567,311
Investments in Associates and Subsidiaries	-	-	-	9,012,068	9,012,068
Total Assets	**635,199,068**	**1,071,292,880**	**817,253,040**	**478,834,391**	**3,002,579,379**
Segment Liabilities	1,375,408,981	784,112,394	299,465,995	212,183,391	2,671,170,761
Shareholders' Equity	-	-	-	331,408,618	331,408,618
Total Liabilities and Shareholders' Equity	**1,375,408,981**	**784,112,394**	**299,465,995**	**543,592,009**	**3,002,579,379**

(*) Prior year reversals from Expected Credit Losses presented under Other Operating Income in the Profit or Loss Statement are netted off with the Expected Credit Losses.

3.25 Profit reserves and profit appropriation

Retained earnings as per the statutory financial statements other than legal reserves, are available for distribution, subject to the legal reserve requirement explained to below.

Under the Turkish Commercial Code, legal reserves consist of first legal reserve and second legal reserve. First legal reserve, appropriated at the rate of 5%, until the total reserve is equal to 20% of issued and fully paid-in share capital. Second legal reserve, appropriated at the rate of at least 10% of distributions in excess of 5% of issued and fully paid-in share capital, but holding companies are not subject to such transaction. According to the Turkish Commercial Code, legal reserves can only be used to compensate accumulated losses and cannot be used for other purposes unless they exceed 50% of paid-in capital.

In the ordinary General Assembly Meeting dated 27 March 2025, a decision has been made regarding appropriation of the unconsolidated net profit of the Bank deriving from operations in 2024 amounting to TL 92,174,994 and aforementioned distribution has been disclosed in Note 5.10.2.

3.26 Earnings per share

Earnings per share disclosed in the statement of profit or loss, are calculated by dividing net profit for the period by the weighted average number of shares outstanding during the period concerned.

	Current Period	***Prior Period***
Distributable net profit	52,939,987	44,155,427
Average number of issued common shares (thousand)	420,000,000	420,000,000
Earnings per share (amounts presented full TL)	0.12605	0.10513

In Türkiye, companies can increase their share capital by making a pro-rata distribution of shares ("bonus shares") to existing shareholders from retained earnings. For the purpose of earnings per share computations, the weighted average number of shares outstanding during the year has been adjusted in respect of bonus shares issued without a corresponding change in resources by giving them a retroactive effect for the year in which they were issued and for each earlier period. In case bonus shares are distributed after the balance sheet date but before the preparation of the financial statements, earnings per share is calculated considering the new number of shares.

As of 30 June 2025, there are no bonus shares issued (31 December 2024: None).

3.27 Related parties

For the purpose of these financial statements, shareholders having control shares of the Bank, key management personnel and board members together with their families and companies controlled by/subsidiary with them, associated companies and joint ventures and the Fund providing post- employment benefits are considered and referred to as related parties in accordance with TAS 24 “Related Parties”. The transactions with related parties are disclosed in detail in Note 5.7.

3.28 Cash and cash equivalents

For the purposes of the cash flow statement, cash includes cash effectives, cash in transit, purchased cheques and demand deposits including balances with the Central Bank of Türkiye; and cash equivalents include money market placements, time deposits at banks with original maturity periods of less than three months and investments on marketable securities other than common stocks.

3.29 Other disclosures

None.

(Thousands of Turkish Lira (TL))

4 Consolidated Financial Position and Results of Operations and Risk Management

4.1 Consolidated total capital

The consolidated capital items calculated as per the "Regulation on Equities of Banks" published on 5 September 2013, are presented below:

4.1.1 Components of consolidated total capital (*)

	Current Period	*Prior Period*
COMMON EQUITY TIER I CAPITAL		
Paid-in Capital to be Entitled for Compensation after All Creditors	4,972,554	4,972,554
Share Premium	11,880	11,880
Reserves	260,960,981	187,933,574
Other Comprehensive Income according to TAS	89,347,661	71,084,803
Profit	53,009,838	91,279,430
Current Period's Profit	52,939,987	91,243,136
Prior Periods' Profit	69,851	36,294
Bonus Shares from Associates, Subsidiaries and Joint-Ventures not Accounted in Current Period's Profit	86,889	47,977
Minority Interest	835,469	462,522
Common Equity Tier I Capital Before Deductions	**409,225,272**	**355,792,740**
Deductions From Common Equity Tier I Capital		
Valuation adjustments calculated as per the Article 9. (i) of the Regulation on Bank Capital		-
Current and Prior Periods' Losses not Covered by Reserves, and Losses Accounted under Equity according to TAS (-)	30,210,290	24,141,214
Leasehold Improvements on Operational Leases (-)	544,996	407,827
Goodwill Netted with Deferred Tax Liabilities	-	-
Other Intangible Assets Netted with Deferred Tax Liabilities Except Mortgage Servicing Rights	6,272,130	4,118,344
Net Deferred Tax Asset/Liability (-)		-
Differences arise when assets and liabilities not held at fair value, are subjected to cash flow hedge accounting		-
Total credit losses that exceed total expected loss calculated according to the Regulation on Calculation of Credit Risk by Internal Ratings Based Approach		-
Securitization gains		-
Unrealized gains and losses from changes in bank's liabilities' fair values due to changes in creditworthiness		-
Net amount of defined benefit plans		-
Direct and Indirect Investments of the Bank on its own Tier I Capital (-)		-
Shares Obtained against Article 56, Paragraph 4 of the Banking Law (-)		-
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital (-)		-
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or more of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital (-)		-
Mortgage Servicing Rights Exceeding the 10% Threshold of Tier I Capital (-)		-
Net Deferred Tax Assets arising from Temporary Differences Exceeding the10% Threshold of Tier I Capital (-)		-
Amount Exceeding the 15% Threshold of Tier I Capital as per the Article 2, Clause 2 of the Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks (-)		-

(Thousands of Turkish Lira (TL))

	Current Period	*Prior Period*
The Portion of Net Long Position of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or more of the Issued Share Capital not deducted from Tier I Capital (-)	-	-
Excess Amount arising from Mortgage Servicing Rights (-)	-	-
Excess Amount arising from Deferred Tax Assets from Temporary Differences (-)	-	-
Other items to be Defined by the BRSA (-)	-	-
Deductions from Tier I Capital in cases where there are no adequate Additional Tier I or Tier II Capitals (-)	-	-
Total Deductions from Common Equity Tier I Capital	**37,027,416**	**28,667,385**
Total Common Equity Tier I Capital	**372,197,856**	**327,125,355**
ADDITIONAL TIER I CAPITAL		
Preferred Stock not Included in Common Equity Tier I Capital and the Related Share Premiums	-	-
Debt Instruments and the Related Issuance Premiums Defined by the BRSA	-	-
Debt Instruments and the Related Issuance Premiums Defined by the BRSA (Covered by Temporary Article 4)	-	-
Shares of Third Parties in Additional Tier I Capital	-	-
Shares of Third Parties in Additional Tier I Capital (Covered by Temporary Article 3)	-	-
Additional Tier I Capital before Deductions	-	-
Deductions from Additional Tier I Capital		
Direct and Indirect Investments of the Bank on its own Additional Tier I Capital (-)	-	-
Investments in Equity Instruments Issued by Banks or Financial Institutions Invested in Bank's Additional Tier I Capital and Having Conditions Stated in the Article 7 of the Regulation	-	-
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital (-)	-	-
The Total of Net Long Position of the Direct or Indirect Investments in Additional Tier I Capital of Unconsolidated Banks and Financial Institutions where the Bank Owns more than 10% of the Issued Share Capital (-)	-	-
Other items to be defined by the BRSA (-)	-	-
Items to be Deducted from Tier I Capital During the Transition Period		
Goodwill and Other Intangible Assets and Related Deferred Taxes not deducted from Tier I Capital as per the Temporary Article 2, Clause 1 of the Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks (-)	-	-
Net Deferred Tax Asset/Liability not deducted from Tier I Capital as per the Temporary Article 2, Clause 1 of the Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks (-)	-	-
Deduction from Additional Tier I Capital when there is not enough Tier II Capital (-)	-	-
Total Deductions from Additional Tier I Capital	-	-
Total Additional Tier I Capital	-	-
Total Tier I Capital (Tier I Capital= Common Equity Tier I Capital + Additional Tier I Capital)	**372,197,856**	**327,125,355**
TIER II CAPITAL		
Debt Instruments and the Related Issuance Premiums Defined by the BRSA	57,020,460	53,074,453
Debt Instruments and the Related Issuance Premiums Defined by the BRSA (Covered by Temporary Article 4)		-
Provisions (Amounts explained in the first paragraph of the Article 8 of the Regulation on Bank Capital)	28,760,489	22,182,516
Total Deductions from Tier II Capital	**85,780,949**	**75,256,969**
Deductions from Tier II Capital		
Direct and Indirect Investments of the Bank on its own Tier II Capital (-)	-	-
Investments in equity instruments issued by Banks and Financial Institutions Invested in Bank's Tier II Capital and having conditions stated in the Article 8 of the Regulation	-	-

(Thousands of Turkish Lira (TL))

	Current Period	*Prior Period*
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital (-)	-	-
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or more of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital (-)	-	-
Other items to be defined by the BRSA (-)	-	-
Total Deductions from Tier II Capital	**-**	**-**
Total Tier II Capital	**85,780,949**	**75,256,969**
Total Equity (Total Tier I and Tier II Capital)	**457,978,805**	**402,382,324**
Total Tier I Capital and Tier II Capital (Total Equity)		
Loans Granted against the Articles 50 and 51 of the Banking Law (-)	378	686
Other items to be Defined by the BRSA (-)	2,176	8,093
Items to be Deducted from the Sum of Tier I and Tier II Capital (Capital) during the Transition Period		
The Portion of Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital not deducted from Tier I Capital, Additional Tier I Capital or Tier II Capital as per the Temporary Article 2, Clause 1 of the Regulation (-)	-	-
The Portion of Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns more than 10% of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital not deducted from Additional Tier I Capital or Tier II Capital as per the Temporary Article 2, Clause 1 of the Regulation (-)	-	-
The Portion of Net Long Position of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or more of the Issued Share Capital, of the Net Deferred Tax Assets arising from Temporary Differences and of the Mortgage Servicing Rights not deducted from Tier I Capital as per the Temporary Article 2, Clause 2, Paragraph (1) and (2) and Temporary Article 2, Clause 1 of the Regulation (-)	-	-
CAPITAL		
Total Capital (Total of Tier I Capital and Tier II Capital)	**457,976,251**	**402,373,545**
Total Risk Weighted Assets	**2,706,999,743**	**2,035,471,894**
CAPITAL ADEQUACY RATIOS		
Consolidated CET1 Capital Ratio (%)	**13.75**	**16.07**
Consolidated Tier I Capital Ratio (%)	**13.75**	**16.07**
Consolidated Capital Adequacy Ratio (%)	**16.92**	**19.77**
BUFFERS		
Total Additional CET1 Capital Requirement Ratio (a+b+c)	4.14	4.14
a) Capital Conservation Buffer Ratio (%)	2.50	2.50
b) Bank-specific Counter-Cyclical Capital Buffer Ratio (%)	0.14	0.14
c) Systemically Important Banks Buffer Ratio (%)	1.50	1.50
Additional CET1 Capital Over Total Risk Weighted Assets Ratio Calculated According to the Article 4 of Capital Conservation and Counter-Cyclical Capital Buffers Regulation (%)	7.75	10.07
Amounts Lower Than Excesses as per Deduction Rules		
Remaining Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital		-
Remaining Total of Net Long Positions of the Investments in Tier I Capital of Unconsolidated Banks and Financial Institutions where the Bank Owns more than 10% or less of the Issued Share Capital		-
Remaining Mortgage Servicing Rights		-
Net Deferred Tax Assets arising from Temporary Differences	24,080,380	20,728,047

(Thousands of Turkish Lira (TL))

	Current Period	***Prior Period***
Limits for Provisions Used in Tier II Capital Calculation		
General Loan Provisions for Exposures in Standard Approach (before limit of one hundred and twenty five per ten thousand)	40,717,886	41,087,646
General Loan Provisions for Exposures in Standard Approach Limited by 1.25% of Risk Weighted Assets	28,760,489	22,182,516
Total Loan Provision that Exceeds Total Expected Loss Calculated According to Communiqué on Calculation of Credit Risk by Internal Ratings Based Approach	-	-
Total Loan Provision that Exceeds Total Expected Loss Calculated According to Communiqué on Calculation of Credit Risk by Internal Ratings Based Approach, Limited by 0.6% Risk Weighted Assets	-	-
Debt Instruments Covered by Temporary Article 4 (effective between 1.1.2018-1.1.2022)	-	
Upper Limit for Additional Tier I Capital Items subject to Temporary Article 4	-	-
Amount of Additional Tier I Capital Items Subject to Temporary Article 4 that Exceeds Upper Limit	-	-
Upper Limit for Additional Tier II Capital Items subject to Temporary Article 4	-	-
Amount of Additional Tier II Capital Items Subject to Temporary Article 4 that Exceeds Upper Limit	-	-

(*) According to “Bank Capital Regulation” Article 10 paragraph 4, which published on Official Gazette dated 5 September 2013 and numbered 28756, banks also calculate their consolidated capital with their consolidated insurance company investments as unconsolidated financial institutions if 9th Article’s 4th paragraph’s (c) and (ç) items apply. Lesser of consolidated capital calculated according to 1st and 4th paragraphs is considered the consolidated capital according to this regulation. As the consolidated capital calculated including the insurance subsidiary is lesser, the consolidated capital is calculated according to consolidated financial statements including the insurance subsidiary.

Within the scope of the regulation dated 19 December 2024 by the Banking Regulation and Supervision Agency, the amount subject to credit risk is calculated with the Central Bank foreign exchange buying rates as of 28 June 2024 and the net valuation differences of the securities in the securities portfolio whose fair value difference is reflected in other comprehensive income are negative. In this case, these differences are not taken into account in the equity amount to be used for the capital adequacy ratio.

As of 30 June 2025, the amount subject to credit risk in calculating the regulatory capital adequacy ratio was calculated by taking into account the regulation changes. If the regulation changes are not taken into account, the capital adequacy ratio is at 15.61% as of 30 June 2025.

The Parent Bank plans its Common Equity Tier 1 (CET1) Capital by considering 10% as the minimum target.

(Thousands of Turkish Lira (TL))

4.1.2 Items included in capital calculation

Current Period	***Information about instruments included in total capital calculation***		
Issuer	T. Garanti Bankası A.Ş.	T. Garanti Bankası A.Ş.	T. Garanti Bankası A.Ş.
Identifier (CUSIP, ISIN vb.)	Reg S: ISIN: XS1617531063 Common Code: 161753106 144A: CUSIP: 900148 AE7 ISIN: US900148AE73 Common Code: 161752479	Regulation S ISIN/Common Code: Rule 144A ISIN/CUSIP: XS2773062471/277306247 US900148AF49/900148AF4	Regulation S ISIN/Common Code: Rule 144A ISIN/CUSIP: XS2913414384 / 291341438 US900148AG22 / 900148AG2
Governing law (s) of the instrument	Subject to English Law and in terms of certain articles to Turkish Regulations. It is issued within the scope of the Communiqué VII-128.8 on Debt Instruments of the Capital Markets Board and the Regulation on Bank Capital of the BRSA.	Subject to English Law and in terms of certain articles to Turkish Regulations. It is issued within the scope of the Communiqué VII-128.8 on Debt Instruments of the Capital Markets Board and the Regulation on Bank Capital of the BRSA.	Subject to English Law and in terms of certain articles to Turkish Regulations. It is issued within the scope of the Communiqué VII-128.8 on Debt Instruments of the Capital Markets Board and the Regulation on Bank Capital of the BRSA.
Regulatory treatment			
Subject to 10% deduction as of 1/1/2015	No	No	No
Eligible on unconsolidated and /or consolidated basis	Eligible on unconsolidated and consolidated	Eligible on unconsolidated and consolidated	Eligible on unconsolidated and consolidated
Instrument type	Subordinated debt instruments (Notes)	Subordinated debt instruments (Notes)	Subordinated debt instruments (Notes)
Amount recognized in regulatory capital (Currency in TL million, as of most recent reporting date)	4,895 (31 December 2024: 8,509)	19,875 (31 December 2024: 17,274)	29,812 (31 December 2024: 25,911)
Nominal value of instrument (TL million)	24,475 (31 December 2024: 25.911)	19,875 (31 December 2024: 17,274)	29,812 (31 December 2024: 25,911)
Accounting classification of the instrument	34701 – Secondary Subordinated Loans	34701 – Secondary Subordinated Loans	34701 – Secondary Subordinated Loans
Issuance date of instrument	23.05.2017	28.02.2024	03.12.2024
Maturity structure of the instrument (demand/time)	Time	Time	Time
Original maturity of the instrument	24.05.2027	28.02.2034	03.01.2035
Issuer call subject to prior supervisory (BRSA) approval	No	Yes	Yes
Optional call date, contingent call dates and redemption amount	-	28.02.2029-USD 500,000,000	03.01.2030 750,000,000
Subsequent call dates, if applicable	-	-	-
Interest/dividend payment			
Fixed or floating coupon/dividend payments	Fixed	Fixed	Fixed
Coupon rate and any related index	7.1770%	First five years 8.375%; second five years will be 5Y US Treasury rate + 409 Bps.	First five years 8.125%; second five years Will be 5Y US Treasury rate + 383,6 Bps.
Existence of any dividend payment restriction	-	-	-
Fully discretionary, partially discretionary or mandatory	-	-	-
Existence of step up or other incentive to redeem	-	-	-

Noncumulative or cumulative	-	-	-
Convertible into equity shares	-	-	-
If convertible, conversion trigger (s)	-	-	-
If convertible, fully or partially	-	-	-
If convertible, conversion rate	-	-	-
If convertible, mandatory or optional conversion	-	-	-
If convertible, type of instrument convertible into	-	-	-
If convertible, issuer of instrument to be converted into	-	-	-
Write-down feature	Yes	Yes	Yes
If bonds can be written-down, write-down trigger(s)	Due to the losses incurred, where the Bank is at the point at which the BRSA may determine pursuant to Article 71 of the Banking Law that: (i) its operating license is to be revoked and the Bank is liquidated or (ii) the rights of all of its shareholders (except to dividends), and the management and supervision of the Bank, are to be transferred to the SDIF on the condition that losses are deducted from the capital of existing shareholders (occurrence of either condition means the issuer has become non-viable), or (iii) it is probable that the Issuer will become non-viable; then the bonds can be written-down.	Due to the losses incurred, where the Bank is at the point at which the BRSA may determine pursuant to Article 71 of the Banking Law that: (i) its operating license is to be revoked and the Bank is liquidated or (ii) the rights of all of its shareholders (except to dividends), and the management and supervision of the Bank, are to be transferred to the SDIF on the condition that losses are deducted from the capital of existing shareholders (occurrence of either condition means the issuer has become non-viable), or (iii) it is probable that the Issuer will become non-viable; then the bonds can be written-down.	Due to the losses incurred, where the Bank is at the point at which the BRSA may determine pursuant to Article 71 of the Banking Law that: (i) its operating license is to be revoked and the Bank is liquidated or (ii) the rights of all of its shareholders (except to dividends), and the management and supervision of the Bank, are to be transferred to the SDIF on the condition that losses are deducted from the capital of existing shareholders (occurrence of either condition means the issuer has become non-viable), or (iii) it is probable that the Issuer will become non-viable; then the bonds can be written-down.
If bond can be written-down, full or partial	Partially or fully	Partially or fully	Partially or fully
If bond can be written-down, permanent or temporary	Continuously	Continuously	Continuously
If temporary write-down, description of write-up mechanism	There are no any temporary write-up mechanisms.	There are no any temporary write-up mechanisms.	There are no any temporary write-up mechanisms.
Position in subordination hierarchy in case of liquidation (instrument type immediately senior to the instrument)	In priority of receivables, it comes after the senior obligations of the Issuer.	In priority of receivables, it comes after the senior obligations of the Issuer.	In priority of receivables, it comes after the senior obligations of the Issuer.
In compliance with article number 7 and 8 of Regulation on Bank Capital	Instrument is in compliant with Article 8 of the Regulation on Bank Capital.	Instrument is in compliant with Article 8 of the Regulation on Bank Capital.	Instrument is in compliant with Article 8 of the Regulation on Bank Capital.
Details of incompliances with article number 7 and 8 of Regulation on Bank Capital	Instrument is not in compliant with Article 7 of the Regulation on Bank Capital.	Instrument is not in compliant with Article 7 of the Regulation on Bank Capital.	Instrument is not in compliant with Article 7 of the Regulation on Bank Capital.

(Thousands of Turkish Lira (TL))

Current Period	*Information about instruments included in total capital calculation*					
Issuer	responsAbility SICAV (Lux) acting for its sub-funds responsAbility SICAV (Lux) Micro and SME Finance Leaders responsAbility SICAV (Lux) Financial Inclusion Fund	MultiConcept Fund Management S.A. acting in its own name for responsAbility Global Micro and SME Finance Fund	responsAbility SICAV (Lux) acting for its sub-funds responsAbility SICAV (Lux) Micro and SME Finance Leaders responsAbility SICAV (Lux) Financial Inclusion Fund responsAbility SICAV (Lux) Micro and SME Finance Debt Fund	MultiConcept Fund Management S.A. acting in its own name for responsAbility Global Micro and SME Finance Fund	Black Sea Trade and Development Bank	European Bank for Reconstruction and Development
Identifier (CUSIP, ISIN vb.)	LEI:529900S7V25UG37A2Q19 LEI:5299008N49S2T1SWIP98	LEI:529900J0CQ7V9271DC81	LEI: 5299008N49S2T1SWIP98 LEI: 529900S7V25UG37A2Q19 LEI: 529900IHHF9LIQY6AH65	LEI: 529900J0CQ7V9271DC81	LEI: 529900J7FSFACAGZ5042	LEI: 549300HTGDOVDU6OGK19
Governing law (s) of the instrument	The provisions of the Loan Agreement shall be governed by and construed in accordance with the laws of the Grand Duchy of Luxembourg, without giving effect to any conflicts of law provisions.	The provisions of the Loan Agreement shall be governed by and construed in accordance with the laws of the Grand Duchy of Luxembourg, without giving effect to any conflicts of law provisions.	The provisions of the Loan Agreement shall be governed by and construed in accordance with the laws of the Grand Duchy of Luxembourg, without giving effect to any conflicts of law provisions.	The provisions of the Loan Agreement shall be governed by and construed in accordance with the laws of the Grand Duchy of Luxembourg, without giving effect to any conflicts of law provisions.	The provisions of the Loan Agreement shall be governed by and construed in accordance with the laws of the England and Wales, without giving effect to any conflicts of law provisions.	The provisions of the Loan Agreement shall be governed by and construed in accordance with the laws of the England and Wales, without giving effect to any conflicts of law provisions.
			Regulatory treatment			
Subject to 10% deduction as of 1/1/2015	No	No	No	No	No	No
Eligible on unconsolidated and /or consolidated basis	Eligible on consolidated basis	Eligible on consolidated basis	Eligible on consolidated basis	Eligible on consolidated basis	Eligible on consolidated basis	Eligible on consolidated basis
Instrument type	Subordinated debt instruments (Loan Agreement)	Subordinated debt instruments (Loan Agreement)	Subordinated debt instruments (Loan Agreement)	Subordinated debt instruments (Loan Agreement)	Subordinated debt instruments (Loan Agreement)	Subordinated debt instruments (Loan Agreement)
Amount recognized in regulatory capital (Currency in TL million, as of most recent reporting date)	153 (31 December 2024: 105)	122 (31 December 2024: 84)	122 (31 December 2024: 84)	213 (31 December 2024: 147)	305 (31 December 2024: 210)	1,523
Nominal value of instrument (TL million)	233 (31 December 2024: 179)	187 (31 December 2024: 143)	187 (31 December 2024: 143)	327 (31 December 2024: 251)	466 (31 December 2024: 359)	2,333
Accounting classification of the instrument	-	-	-	-	-	-
Issuance date of instrument	28.12.2022	28.12.2022	23.02.2023	23.02.2023	29.05.2024	30.04.2025
Maturity structure of the instrument (demand/time)	Time	Time	Time	Time	Time	Time
Original maturity of the instrument	03.01.2029	03.01.2029	28.02.2029	28.02.2029	29.05.2031	16.08.2032
Issuer call subject to prior supervisory (BRSA) approval	-	-	-	-	-	-
Optional call date, contingent call dates and	-	-	-	-	-	-

redemption amount						
Subsequent call dates, if applicable	-	-	-	-	-	-
Interest/dividend payment						
Fixed or floating coupon/dividend payments	Floating	Floating	Floating	Floating	Floating rate	Floating rate
Coupon rate and any related index	EURIBOR 6M + 5%	EURIBOR 6M + 5%	EURIBOR 6M + 5%	EURIBOR 6M + 5%	EURIBOR 6M + 4.95%	EURIBOR 6M + 4.75%
Existence of any dividend payment restriction	-	-	-	-	-	-
Fully discretionary, partially discretionary or mandatory	-	-	-	-	-	-
Existence of step up or other incentive to redeem	-	-	-	-	-	-
Noncumulative or cumulative	-	-	-	-	-	-
Convertible into equity shares	-	-	-	-	-	-
If convertible, conversion trigger (s)	-	-	-	-	-	-
If convertible, fully or partially	-	-	-	-	-	-
If convertible, conversion rate	-	-	-	-	-	-
If convertible, mandatory or optional conversion	-	-	-	-	-	-
If convertible, type of instrument convertible into	-	-	-	-	-	-
If convertible, issuer of instrument to be converted into	-	-	-	-	-	-
Write-down feature	-	-	-	-	-	-
If bonds can be written-down, write-down trigger(s)	-	-	-	-	-	-
If bond can be written-down, full or partial	-	-	-	-	-	-
If bond can be written-down, permanent or temporary	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent
If temporary write-down, description of write-up mechanism	There are no any temporary write-up mechanisms.	There are no any temporary write-up mechanisms.	There are no any temporary write-up mechanisms.	There are no any temporary write-up mechanisms.	There are no any temporary write-up mechanisms.	There are no any temporary write-up mechanisms.
Position in subordination hierarchy in case of	In priority of receivables, it comes after the senior	In priority of receivables, it comes after the senior	In priority of receivables, it comes after the senior obligations of the Issuer.	In priority of receivables, it comes after the	In priority of receivables, it comes after the senior	In priority of receivables, it comes after the senior obligations of the Issuer.

liquidation (instrument type immediately senior to the instrument)	obligations of the Issuer.	obligations of the Issuer.		senior obligations of the Issuer.	obligations of the Issuer.	
In compliance with article number 7 and 8 of Regulation on Bank Capital	Instrument is in compliant with Article 8 of the Regulation on Bank Capital.	Instrument is in compliant with Article 8 of the Regulation on Bank Capital.	Instrument is in compliant with Article 8 of the Regulation on Bank Capital.	Instrument is in compliant with Article 8 of the Regulation on Bank Capital.	Instrument is in compliant with Article 8 of the Regulation on Bank Capital.	Instrument is in compliant with Article 8 of the Regulation on Bank Capital.
Details of incompliances with article number 7 and 8 of Regulation on Bank Capital	Instrument is not in compliant with Article 7 of the Regulation on Bank Capital.	Instrument is not in compliant with Article 7 of the Regulation on Bank Capital.	Instrument is not in compliant with Article 7 of the Regulation on Bank Capital.	Instrument is not in compliant with Article 7 of the Regulation on Bank Capital.	Instrument is not in compliant with Article 7 of the Regulation on Bank Capital.	Instrument is not in compliant with Article 7 of the Regulation on Bank Capital.

(Thousands of Turkish Lira (TL))

4.1.3 Reconciliation of capital items to balance sheet

Current Period	*Carrying value*	*Amount of correction*	*Value of the capital report*	*Explanation of differences*
Paid-in Capital	4,200,000	772,554	4,972,554	Inflation adjustments included in Paid-in Capital according to Regulation's Temporary Article 1
Capital Reserves	784,434	(772,554)	11,880	Inflation adjustments included in Paid-in Capital according to Regulation's Temporary Article 1
Other Capital Reserves	*772,554*	*(772,554)*	-	Inflation adjustments included in Paid-in Capital according to Regulation's Temporary Article 1
Bonus Shares of Associates, Subsidiaries and Joint-Ventures	-	-	-	
Share Premium	*11,880*	-	*11,880*	
Other Comprehensive Income/Expenses in Shareholders' Equity as per Turkish Account Standards	58,397,438	826,822	59,224,260	Items not included in the calculation as per Regulation's Article 9-1-f and Gain on sale of associate/subsidiaries' shares and real estate classified as different in the value of the capital report
Other Comprehensive Income/Expense Items not to be Recycled to Profit/Loss	*28,592,258*	-	*28,592,258*	
Other Comprehensive Income/Expense Items to be Recycled to Profit/Loss	*29,805,180*	*826,822*	*30,632,002*	Items not included in the calculation as per Regulation's Article 9-1-f
Profit Reserves	260,960,981	-	260,960,981	
Profit or Loss	53,009,838	-	53,009,838	
Prior Periods' Profit/Loss	*69,851*	-	*69,851*	
Current Period Net Profit/Loss	*52,939,987*	-	*52,939,987*	
Minority Interest	1,776,894	(941,425)	835,469	Items are calculated as per Regulation's Article 12
Deductions from Common Equity Tier I Capital (-)	-		6,817,126	Deductions from Common Equity Tier 1 Capital as per the Regulation
Common Equity Tier I Capital	**379,129,585**		**372,197,856**	
Subordinated Debts			-	
Deductions from Tier I Capital (-)			-	Deductions from Tier 1 Capital as per the Regulation
Tier I Capital			**372,197,856**	
Subordinated Debts			57,020,460	
12 Month ECL (Stage 1) and Lifetime ECL Significant Increase in Credit Risk (Stage 2)			28,760,489	Stage 1 and Stage 2 expected credit losses added to Tier II Capital as per the Regulation's Article 8
Deductions from Tier II Capital (-)			-	Deductions from Tier II Capital as per the Regulation
Tier II Capital			**85,780,949**	
Deductions from Total Capital (-)			2,554	Deductions from Capital as per the Regulation
Total			**457,976,251**	

Within the scope of the measures announced by the BRSA on 21 December 2021, in the case of net valuation differences of the securities classified under "Financial Assets Measured at Fair Value through Other Comprehensive Income" are negative, these differences are not taken into consideration in capital calculation for capital adequacy ratio.

(Thousands of Turkish Lira (TL))

Prior Period	***Carrying value***	***Amount of correction***	***Value of the capital report***	***Explanation of differences***
Paid-in Capital	4,200,000	772,554	4,972,554	Inflation adjustments included in Paid-in Capital according to Regulation’s Temporary Article 1
Capital Reserves	784,434	(772,554)	11,880	Inflation adjustments included in Paid-in Capital according to Regulation’s Temporary Article 1
Other Capital Reserves	*772,554*	*(772,554)*	-	Inflation adjustments included in Paid-in Capital according to Regulation’s Temporary Article 1
Bonus Shares of Associates, Subsidiaries and Joint-Ventures	-	-	-	
Share Premium	*11,880*	-	*11,880*	
Other Comprehensive Income/Expenses in Shareholders’ Equity as per Turkish Account Standards	45,591,011	1,400,555	46,991,566	Items not included in the calculation as per Regulation’s Article 9-1-f and Gain on sale of associate/subsidiaries’ shares and real estate classified as different in the value of the capital report
Other Comprehensive Income/Expense Items not to be Recycled to Profit/Loss	*24,983,291*	-	*24,983,291*	
Other Comprehensive Income/Expense Items to be Recycled to Profit/Loss	*20,607,720*	*1,400,555*	*22,008,275*	Items not included in the calculation as per Regulation’s Article 9-1-f
Profit Reserves	187,933,574	-	187,933,574	
Profit or Loss	91,279,430	-	91,279,430	
Prior Periods’ Profit/Loss	*36,294*	-	*36,294*	
Current Period Net Profit/Loss	*91,243,136*	-	*91,243,136*	
Minority Interest	1,620,169	(1,157,647)	462,522	Items are calculated as per Regulation’s Article 12
Deductions from Common Equity Tier I Capital (-)	-		4,526,171	Deductions from Common Equity Tier 1 Capital as per the Regulation
Common Equity Tier I Capital	**331,408,618**		**327,125,355**	
Subordinated Debts			-	
Deductions from Tier I Capital (-)			-	Deductions from Tier 1 Capital as per the Regulation
Tier I Capital			**327,125,355**	
Subordinated Debts			53,074,453	
12 Month ECL (Stage 1) and Lifetime ECL Significant Increase in Credit Risk (Stage 2)			22,182,516	Stage 1 and Stage 2 expected credit losses added to Tier II Capital as per the Regulation’s Article 8
Deductions from Tier II Capital (-)			-	Deductions from Tier II Capital as per the Regulation
Tier II Capital			**75,256,969**	
Deductions from Total Capital (-)			8,779	Deductions from Capital as per the Regulation
Total			**402,373,545**	

(Thousands of Turkish Lira (TL))

4.2 Consolidated credit risk

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

4.3 Consolidated currency risk

Foreign currency open position limit is set in compliance with the legal standard ratio of net foreign currency position. As of 30 June 2025, the Bank and its financial subsidiaries' net 'on balance sheet' foreign currency short position amounts to TL 41,389,737 (31 December 2024: TL 16,953,617 short position), net 'off-balance sheet' foreign currency long position amounts to TL 76,323,748 (31 December 2024: TL 44,913,219 long position), while net foreign currency long position amounts to TL 34,934,011 (31 December 2024: TL 27,959,602 long position).

The foreign currency position risk is measured by "standard method" and "value-at-risk (VaR) model". Measurements by standard method are carried out monthly, whereas measurements by VaR are done daily for the Bank. The foreign currency exchange risk is managed through transaction, dealer, desk and stop-loss limits approved by the Board of Directors for the trading portfolio beside the foreign currency net position standard ratio and the VaR limit.

The parent Bank's effective exchange rates at the date of balance sheet and for the last five working days of the period announced by the Bank in TL are as follows:

	EUR	**USD**
The Parent Bank's foreign currency purchase rate at balance sheet date	**46.6610**	**39.7490**
Foreign currency rates for the days before balance sheet date;		
Day 1	46.5770	39.7500
Day 2	46.5100	39.7270
Day 3	46.1370	39.7030
Day 4	45.9630	39.5660
Day 5	45.7580	39.6840
Last 30-days arithmetical average rate	**45.4113**	**39.3675**

(Thousands of Turkish Lira (TL))

The Bank's consolidated currency risk

	EUR	USD	Other FCs	Total
Current Period				
Assets				
Cash (Cash on Hand, Money in Transit, Purchased Cheques) and Balances with the Central Bank of Türkiye	56,880,963	88,014,953	80,517,493	225,413,409
Banks	189,683,168	65,327,871	15,989,516	271,000,555
Financial Assets Measured at Fair Value through Profit/Loss	415,916	6,945,595	-	7,361,511
Money Market Placements	11,067,922	9,251,386	-	20,319,308
Financial Assets Measured at Fair Value through Other Comprehensive Income	42,051,848	44,209,457	1,238,510	87,499,815
Loans (*)	483,027,414	315,194,018	87,618,769	885,840,201
Investments in Associates, Subsidiaries and Joint-Ventures	31,122	-	473,596	504,718
Financial Assets Measured at Amortised Cost	6,448,846	53,587,254	27,727,445	87,763,545
Derivative Financial Assets Held for Hedging Purpose	11,844	1,154,156	-	1,166,000
Tangible Assets	1,414,575	1,873	901,072	2,317,520
Intangible Assets	466,890	-	581,308	1,048,198
Other Assets (**)	(11,116,964)	2,000,582	(710,572)	(9,826,954)
Total Assets	**780,383,544**	**585,687,145**	**214,337,137**	**1,580,407,826**
Liabilities				
Bank Deposits	3,328,196	10,082,339	4,024,801	17,435,336
Foreign Currency Deposits	462,685,372	449,005,795	109,877,788	1,021,568,955
Money Market Funds	11,633,244	45,907,978	6,259,132	63,800,354
Other Fundings	49,552,854	32,738,619	1,170,870	83,462,343
Securities Issued (***)	11,252,724	206,671,954	7,219,657	225,144,335
Miscellaneous Payables	3,340,694	12,363,229	1,279,731	16,983,654
Derivative Financial Liabilities Held for Hedging Purpose	83,767	79,817	-	163,584
Other Liabilities (****)	8,313,908	9,458,594	175,466,500	193,239,002
Total Liabilities	**550,190,759**	**766,308,325**	**305,298,479**	**1,621,797,563**
Net 'On Balance Sheet' Position	**230,192,785**	**(180,621,180)**	**(90,961,342)**	**(41,389,737)**
Net 'Off-Balance Sheet' Position	**(209,461,590)**	**174,711,478**	**111,073,860**	**76,323,748**
Derivative Assets	66,670,450	374,182,353	126,117,602	566,970,405
Derivative Liabilities	276,132,040	199,470,875	15,043,742	490,646,657
Non-Cash Loans	-	-	-	-
Prior Period				
Total Assets	**570,429,820**	**447,871,119**	**144,230,531**	**1,162,531,470**
Total Liabilities	**405,012,354**	**561,020,023**	**213,452,710**	**1,179,485,087**
Net 'On Balance Sheet' Position	**165,417,466**	**(113,148,904)**	**(69,222,179)**	**(16,953,617)**
Net 'Off-Balance Sheet' Position	**(151,454,121)**	**112,940,395**	**83,426,945**	**44,913,219**
Derivative Assets	30,531,708	243,402,507	111,946,123	385,880,338
Derivative Liabilities	181,985,829	130,462,112	28,519,178	340,967,119
Non-Cash Loans	-	-	-	-

(*) The foreign currency-indexed loans amounting TL 106,499 (31 December 2024: TL 231,873) included under TL loans in the accompanying consolidated financial statements are presented above under the related foreign currency code.
(**) Includes expected credit losses in accordance with TFRS 9.
(***) Includes securities issued as subordinated loan presented under subordinated debts and financial liabilities measured at FVTPL in the balance sheet
(****) Other liabilities include gold deposits of TL 173,193,204 (31 December 2024: TL 113,921,219).

(Thousands of Turkish Lira (TL))

4.4 Consolidated interest rate risk

The interest rate risk resulting from balance sheet maturity mismatch presents the possible losses that may arise due to the changes in interest rates of interest sensitive assets and liabilities in the on- and off-balance sheet. Interest sensitivity of assets, liabilities and off-balance sheet items is evaluated during the Weekly Assessment Committee and Assets-Liabilities Committee meetings taking into consideration the developments in market conditions.

The Bank's interest rate risk is measured by using, economic value, economic capital, net interest income, income at risk, market price sensitivity of marketable securities portfolio, duration-gap and sensitivity analysis.

The results are supported by the sensitivity and scenario analysis performed periodically against the possible instabilities in the markets. Furthermore, the interest rate risk is monitored according to the limits approved by the Board of Directors.

4.4.1 Interest rate sensitivity of assets, liabilities and off balance sheet items (based on repricing dates)

Current Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non-Interest Bearing (*)	Total
Assets							
Cash (Cash on Hand, Money in Transit, Purchased Cheques) and Balances with the Central Bank of Türkiye	237,177,571	-	-	-	-	296,111,708	533,289,279
Banks	196,585,100	1,303,656	394,145	140,152	-	90,181,299	288,604,352
Financial Assets Measured at Fair Value through Profit/Loss	204,939	2,434,579	2,680,064	2,533,806	940,218	1,659,510	10,453,116
Money Market Placements	31,861,873	-	-	-	-	40,935	31,902,808
Financial Assets Measured at Fair Value through Other Comprehensive Income	13,063,675	6,059,039	36,114,691	56,169,708	38,537,887	37,797,468	187,742,468
Loans	916,196,446	260,752,337	545,876,168	390,487,125	149,170,115	66,857,558	2,329,339,749
Financial Assets Measured at Amortised Cost	25,307,381	2,331,686	29,743,379	121,053,080	47,568,897	56,878,045	282,882,468
Other Assets (**)	142,943	636,096	263,311	240,465	583	156,211,830	157,495,228
Total Assets	**1,420,539,928**	**273,517,393**	**615,071,758**	**570,624,336**	**236,217,700**	**705,738,353**	**3,821,709,468**
Liabilities							
Bank Deposits	15,508,278	1,148,413	-	-	-	7,584,747	24,241,438
Other Deposits	1,225,983,513	326,262,871	143,558,817	14,965,728	1,269,086	943,767,522	2,655,807,537
Money Market Funds	118,035,385	12,953,227	5,103,323	10,437	-	3,893,494	139,995,866
Miscellaneous Payables	501,925	4,806	50,814	-	-	154,401,573	154,959,118
Securities Issued (***)	66,635,730	4,659,034	74,230,553	25,407,508	49,686,969	5,282,939	225,902,733
Other Fundings	33,098,323	7,865,737	22,038,564	26,740,377	4,993,440	97,975	94,834,416
Other Liabilities	144,325	351,460	1,015,084	2,927,871	339,990	521,189,630	525,968,360
Total Liabilities	**1,459,907,479**	**353,245,548**	**245,997,155**	**70,051,921**	**56,289,485**	**1,636,217,880**	**3,821,709,468**
On Balance Sheet Long Position	**-**	**-**	**369,074,603**	**500,572,415**	**179,928,215**	**-**	**1,049,575,233**
On Balance Sheet Short Position	**(39,367,551)**	**(79,728,155)**	**-**	**-**	**-**	**(930,479,527)**	**(1,049,575,233)**
Off-Balance Sheet Long Position	**89,578,900**	**139,647,618**	**133,241,399**	**128,206,796**	**24,945,065**	**-**	**515,619,778**
Off-Balance Sheet Short Position	**(114,422,211)**	**(136,799,161)**	**(144,600,256)**	**(93,738,084)**	**(28,683,040)**	**-**	**(518,242,752)**
Total Position	**(64,210,862)**	**(76,879,698)**	**357,715,746**	**535,041,127**	**176,190,240**	**(930,479,527)**	**(2,622,974)**

(*) Interest accruals are included in non-interest bearing column.
(**) Includes expected credit losses in accordance with TFRS 9.
(***) Includes securities issued having qualification of subordinated loan presented under subordinated debts and financial liabilities measured at FVTPL in the balance sheet.

(Thousands of Turkish Lira (TL))

Prior Period	**Up to 1 Month**	**1-3 Months**	**3-12 Months**	**1-5 Years**	**5 Years and Over**	**Non-Interest Bearing (*)**	**Total**
Assets							
Cash (Cash on Hand, Money in Transit, Purchased Cheques) and Balances with the Central Bank of Türkiye	174,310,665	-	-	-	-	189,149,954	363,460,619
Banks	200,188,697	338,164	765,995	81,865	-	37,991,301	239,366,022
Financial Assets at Fair Value through Profit/Loss	259,525	2,299,348	1,733,356	5,787,461	949,522	1,097,631	12,126,843
Money Market Placements	20,294,285	-	-	-	-	47,150	20,341,435
Financial Assets Measured at Fair Value through Other Comprehensive Income	16,056,354	5,524,290	25,962,062	27,474,717	24,698,735	39,372,687	139,088,845
Loans	762,531,852	182,339,951	455,424,109	272,989,797	109,075,319	43,600,704	1,825,961,732
Financial Assets Measured at Amortised Cost	29,423,293	10,987,064	16,789,168	103,813,391	52,317,413	56,742,116	270,072,445
Other Assets (**)	76,138	648,738	350,039	204,197	-	130,882,326	132,161,438
Total Assets	**1,203,140,809**	**202,137,555**	**501,024,729**	**410,351,428**	**187,040,989**	**498,883,869**	**3,002,579,379**
Liabilities							
Bank Deposits	55,293,672	-	43,087	-	-	2,655,369	57,992,128
Other Deposits	892,975,401	263,393,740	144,743,242	13,847,086	1,111,221	780,284,824	2,096,355,514
Money Market Funds	41,503,145	1,897,652	2,401,786	-	-	1,080,249	46,882,832
Miscellaneous Payables	1,123,230	79,509	57,075	-	-	131,082,955	132,342,769
Securities Issued (***)	62,010,673	9,533,158	11,461,299	40,656,606	25,911,719	1,765,682	151,339,137
Other Fundings	24,668,657	7,212,679	24,819,051	10,485,790	1,858,334	136,328	69,180,839
Other Liabilities	75,896	181,840	478,448	1,396,701	223,186	446,130,089	448,486,160
Total Liabilities	**1,077,650,674**	**282,298,578**	**184,003,988**	**66,386,183**	**29,104,460**	**1,363,135,496**	**3,002,579,379**
On Balance Sheet Long Position	**125,490,135**	**-**	**317,020,741**	**343,965,245**	**157,936,529**	**-**	**944,412,650**
On Balance Sheet Short Position	**-**	**(80,161,023)**	**-**	**-**	**-**	**(864,251,627)**	**(944,412,650)**
Off-Balance Sheet Long Position	**56,988,032**	**87,132,177**	**105,594,856**	**64,747,836**	**38,161,953**	**-**	**352,624,854**
Off-Balance Sheet Short Position	**(44,692,447)**	**(97,634,360)**	**(108,098,149)**	**(70,847,152)**	**(33,951,274)**	**-**	**(355,223,382)**
Total Position	**137,785,720**	**(90,663,206)**	**314,517,448**	**337,865,929**	**162,147,208**	**(864,251,627)**	**(2,598,528)**

(*) Interest accruals are included in non-interest bearing column.
(**) Includes expected credit losses in accordance with TFRS 9.
(***) Includes securities issued having qualification of subordinated loan presented under subordinated debts and financial liabilities measured at FVTPL in the balance sheet

(Thousands of Turkish Lira (TL))

4.4.2 Average interest rates on monetary financial instruments (%)

Current Period	EUR	USD	JPY	TL
Assets				
Cash (Cash on Hand, Money in Transit, Purchased Cheques) and Balances with the Central Bank of Türkiye	-	-	-	32.81
Banks	1.92-2.02	2.02-4.33	-	41.00-59.45
Financial Assets at Fair Value through Profit/Loss	4.48	6.44-7.13	-	12.60-44.11
Money Market Placements	1.89-2.00	4.02	-	47.05-47.75
Financial Assets Measured at Fair Value through Other Comprehensive Income	2.13-6.25	0.50-12.06	-	12.60-72.42
Loans (*)	1.08-22.33	3.55-21.94	-	39.02-84.13
Financial Assets Measured at Amortised Cost	0.50-3.63	6.62	-	21.68
Liabilities				
Bank Deposits	1.75-2.78	5.40	-	57.32
Other Deposits	0.10-3.75	0.32-5.05	-	6.25-45.22
Money Market Fundings	4.00	4.44	-	33.00-62.35
Miscellaneous Payables	-	-	-	-
Securities Issued	3.27	6.56	-	46.42-55.06
Other Fundings	0.94-9.95	1.66-8.95	-	35.73-65.39

Prior Period	EUR	USD	JPY	TL
Assets				
Cash (Cash on Hand, Money in Transit, Purchased Cheques) and Balances with the Central Bank of Türkiye	-	-	-	37.99
Banks	2.91-3.00	2.28	-	43.50-58.32
Financial Assets at Fair Value through Profit/Loss	4.25	5.84-6.67	-	34.00-40.96
Money Market Placements	-	4.17	-	48.73
Financial Assets Measured at Fair Value through Other Comprehensive Income	2.13-6.25	0.50-12.06	-	12.60-100.10
Loans (*)	1.08-25.46	3.17-26.61	-	41.44-89.64
Financial Assets Measured at Amortised Cost	4.00	6.67	-	26.33
Liabilities				
Bank Deposits	2.75-3.04	4.63	-	62.76
Other Deposits	0.10-5.40	0.18-5.45	-	6.00-46.00
Money Market Fundings	1.75	3.62	-	19.27-52.50
Miscellaneous Payables	-	-	-	-
Securities Issued	2.76	7.08	-	62.47
Other Fundings	0.94-10.21	1.66-8.40	-	39.52-52.50

(*) Lease receivables and factoring receivables are included.

(Thousands of Turkish Lira (TL))

4.5 Consolidated position risk of equity securities

4.5.1 Equity shares in associates and subsidiaries

Accounting policies for equity shares in associates and subsidiaries are disclosed in Note 3.3.

4.5.2 Comparison of carrying, fair and market values of equity shares

Current Period		Comparison		
Equity Securities (shares)		**Carrying Value**	**Fair Value**	**Market Value**
1	**Investment in Shares- Grade A**	**15,561,538**	-	**428,643**
	Quoted Securities	-	-	428,643
2	**Investment in Shares- Grade B**	**25,557**	-	-
	Quoted Securities	-	-	-
3	**Investment in Shares- Grade C**	**822**	-	-
	Quoted Securities	-	-	-
4	**Investment in Shares- Grade D**	-	-	-
	Quoted Securities	-	-	-
5	**Investment in Shares- Grade E**	**3,489**	-	-
	Quoted Securities	-	-	-
6	**Investment in Shares- Grade F**	**165**	-	-
	Quoted Securities	-	-	-

Prior Period		Comparison		
Equity Securities (shares)		**Carrying Value**	**Fair Value**	**Market Value**
1	**Investment in Shares- Grade A**	**8,984,627**	-	**487,901**
	Quoted Securities	-	-	487,901
2	**Investment in Shares- Grade B**	**25,557**	-	-
	Quoted Securities	-	-	-
3	**Investment in Shares- Grade C**	**822**	-	-
	Quoted Securities	-	-	-
4	**Investment in Shares- Grade D**	-	-	-
	Quoted Securities	-	-	-
5	**Investment in Shares- Grade E**	**1,014**	-	-
	Quoted Securities	-	-	-
6	**Investment in Shares- Grade F**	**48**	-	-
	Quoted Securities	-	-	-

4.5.3 Realised gains/losses, revaluation surpluses and unrealised gains/losses on equity securities and results included in core and supplementary capitals

Current Period			Revaluation Surpluses		Unrealized Gains and Losses		
Portfolio		**Gains/Losses in Current Period**	**Total**	**Amount in Tier I Capital**	**Total**	**Amount in Core Capital**	**Amount in Tier I Capital**
1	Private Equity Investments	-	-	-	-	-	-
2	Quoted Shares	-	-	-	147,522	-	147,522
3	Other Shares	-	1,494,328	1,494,328	-	-	-
	Total	-	**1,494,328**	**1,494,328**	**147,522**	-	**147,522**

(Thousands of Turkish Lira (TL))

Prior Period			**Revaluation Surpluses**		**Unrealized Gains and Losses**		
Portfolio		**Gains/Losses in Current Period**	**Total**	**Amount in Tier I Capital**	**Total**	**Amount in Core Capital**	**Amount in Tier I Capital**
1	Private Equity Investments	-	-	-	-	-	-
2	Quoted Shares	-	-	-	225,853	-	225,853
3	Other Shares	-	955,148	955,148	-	-	
	Total	**-**	**955,148**	**955,148**	**225,853**	**-**	**225,853**

4.5.4 Capital requirement as per equity shares

	Current Period			
	Portfolio	**Carrying Value**	**RWA Total**	**Minimum Capital Requirement**
1	Private Equity Investments	-	-	-
2	Quoted Shares	-	-	-
3	Other Shares	20,184,793	30,296,658	2,423,733
	Total	**20,184,793**	**30,296,658**	**2,423,733**

	Prior Period			
	Portfolio	**Carrying Value**	**RWA Total**	**Minimum Capital Requirement**
1	Private Equity Investments	-	-	-
2	Quoted Shares	-	-	-
3	Other Shares	12,722,452	18,814,793	1,505,183
	Total	**12,722,452**	**18,814,793**	**1,505,183**

4.6 Liquidity risk management, consolidated liquidity coverage ratio and consolidated net stable funding ratio

Liquidity risk is managed by Asset and Liability Management Department (ALMD), Weekly Review Committee and Asset and Liability Committee (ALCO) in line with liquidity and funding policies and risk appetite approved by the Board of Directors in order to take the necessary measures in a timely and correct manner against possible liquidity shortages that may result from market conditions and balance sheet structure. Under stressed conditions, liquidity risk is managed within the contingency funding plan framework.

The Board of Directors reviews the liquidity risk management policy and approves the liquidity and funding risk management policy, ensures the effective of practice of policies and integrations with the Parent Bank’s risk management system. The Board of Directors determines the basic metrics in liquidity risk measurement and monitoring. The Board of Directors establishes risk appetite of the Parent Bank in liquidity risk management and identifies the risk limits in accordance with the risk appetite and reviews it regularly.

ALCO takes necessary decisions which will be executed by related departments by assessing the liquidity risk that the Parent Bank is exposed to and considering the Bank’s strategy and conditions of competition and pursues the implementations.

ALMD, performs daily liquidity management by ensuring compliance with regulatory and internal liquidity limits and monitoring related early warning indicators in case of probable liquidity squeezes. The medium and long term liquidity and funding management is performed by ALMD in accordance with ALCO decisions.

Head of Risk management defines the Parent Bank's liquidity risk, measures and monitors the risks with liquidity risk measurement methods that are in compliance with international standards, presents measurement results periodically to related departments, committees and senior management. Head of Risk management coordinates related parties in order to ensure compliance of risk management process in accordance with the Parent Bank's risk profile, operation environment and strategic plan with regulations. Head of Risk management analyses, develops and revises relevant liquidity risk measurement in accordance with changing market conditions and the Parent Bank's structure. Head of Risk Management department reviews assumptions and parameters used in liquidity risk analysis.

The liquidity risk analysis and the important liquidity indicators are reported regularly to related senior management. Additionally, analysis and monitored internal ratios related to liquidity risk are presented in ALCO report. Internal liquidity metrics are monitored with limit and alert levels approved by the Board of Directors/ the Board of Directors Risk Committee and reported regularly to related parties.

Decentralized management approach is adopted in the Parent Bank's liquidity management. Each subsidiary controlled by the Parent Bank performs daily, medium and long term liquidity management independently from the Bank by the authorities in each subsidiary responsible for managing liquidity risk. In addition, within the scope of consolidated risk management, liquidity and funding risk of each subsidiary in control are monitored via the liquidity risk management methods identified by the Parent Bank by considering the operations, risk profile and regulations of the related subsidiary.

The Parent Bank's funding management is carried out in compliance with the ALCO decisions. Funding and placement strategies are developed by assessing liquidity of the Bank.

In liquidity risk management actions that will be taken and procedures are determined by considering normal economic conditions and stress conditions.

Diversification of assets and liabilities is assured so as to be able to continuously meet the obligations, also taking into account the relevant currencies. Funding sources are monitored actively during identification of concentration risk related to funding.

The Parent Bank's funding base of customer deposits, interbank and other borrowing transactions are diversified in order to prevent the concentration of a particular funding source. Factors that could trigger the sudden and significant run off in funds or impair the accessibility of the funding sources are analyzed. Additionally, in order to have a healthy liquidity buffer, most of the securities which are eligible as collateral at CBRT issued by Republic of Türkiye Ministry of Treasury and Finance have active secondary market are comprised in the Bank's assets.

In the context of TL and foreign currencies liquidity management, the Parent Bank monitors the cash flows regarding assets and liabilities and forecasts the required liquidity in future periods. In cash flow analysis, stress is applied to items that affect the liquidity by volume and rate of change from a liquidity management point of view.

Liquidity risk exposed by the Parent Bank is managed by establishing risk appetite, risk mitigation according to the liquidity and funding policies (diversification of funding sources, holding high quality liquid assets reserve) and effective control environment and closely monitoring by limits. For those risks that cannot be reduced, the adoption of the current level of risk, reduction or termination of the activities that cause the risk is considered.

In liquidity risk stress testing framework, the level of the Parent Bank's ability to cover cash outflows in liquidity crisis scenario based on the Bank's current cash flow structure, by high quality liquid assets is calculated. Scenario analysis are performed by assessing changing balance sheet structure, liquidity requirements and market conditions.

The results of liquidity risk stress testing are taken into consideration in the assessment of liquidity adequacy and identification of policy regarding liquidity risk and contingency funding plan is prepared within this framework.

There exists "Liquidity Contingency Plan" in the Bank approved by the Board of Directors, including mechanisms to prevent increase in liquidity risk scenarios for different conditions and levels. Available liquidity sources are determined by considering the liquidity squeezes. Within the framework of this plan, the Bank monitors liquidity risk in terms of early warning indicators and probable scenarios where liquidity risk crisis and possible actions that can be taken. Moreover, Liquidity Contingency Plan for each subsidiaries has been documented and approved by their Board of Directors.

In the scope of contingency plan within the framework of intraday liquidity risk management in liquidity and funding risk procedure, situations requiring the activation of contingency plan and indicating an intraday liquidity stress, and intraday liquidity metrics are monitored and intraday liquidity risk stress testing is performed. Furthermore, "Liquidity Contingency Plan" which is approved by the Board of Directors, is prepared independently in each subsidiary controlled by the Bank.

The Parent Bank's liabilities consist of TL and foreign currency funding, of which a large portion is USD/EUR and Gold. Deposits and capital constitute most of TL funding. Retail customers cannot use foreign currency loans but are able to purchase FX for foreign currency deposits, leading to imbalances in deposit and loan volumes in the TL and FC balance sheet. Long term funding obtained from foreign banks and creditors are mainly in foreign currency. For these reasons overall foreign currency liabilities are usually more than foreign currency assets and unused portion of USD, EURO and gold are used in TL funding via currency swap transactions. Swap transactions which is made for TL funding are made with CBRT, however swap transactions with foreign banks are being made in legal swap limits. Repo lines by open market operations and Borsa Istanbul ("OMO / BİST") are not utilized, unused limits and high quality liquid asset stock is held is kept to use in the case of a liquidity scarcity in market. Also Eurobonds of Republic of Türkiye aren't used to secure funding and kept as reserve to use in the case of a foreign currency liquidity scarcity in market. In TL and foreign currency liquidity management, regulatory ratios, internally set warnings, limits and other liquidity and funding metrics are monitored.

The Parent Bank turns to permanent consumer deposits to increase of weights Consumer/SME deposits in TL deposits which significantly contributes to liquidity metrics such as the internal stress test during the first half of 2025.

The Parent Bank keeps a strong liquidity buffer due to possible liquidity risks. Excess liquidity is utilized as overnight reverse repurchase transactions in BİST, in which, the collateral received by the bank is HQLA securities issued by Republic of Türkiye Ministry of Treasury and Finance.

4.6.1 Liquidity coverage ratio

Liquidity Coverage Ratio (LCR), aims for the banks having the ability to cover 30 days of liquidity needs with their own cash and high quality liquid assets that are easy to convert to cash during liquidity shortages in the markets. With that perspective and according to "Regulation for Banks' Liquidity Coverage Ratio Calculations" (the Regulation) terms LCR ratio is calculated by having high quality liquid assets divided by net cash outflows. In both bank-only and consolidated basis, LCR ratio should be at least 80% for foreign currency and 100% for total.

Items in balance sheet and off balance sheet items are taken into account after being multiplied by the coefficients advised in the Regulation. In both bank-only and consolidated LCR calculations cash inflows are limited by 75% of cash outflows and cash inflows from high quality liquid assets aren't included.

High quality liquid assets consist of cash, deposits in central banks and securities considered as high quality liquid assets. Reserve deposits are included in high quality liquid assets, limited by the amount that is allowed by central bank to use in liquidity shortages. High quality liquid assets are composed of 3.16% cash, 62.80% deposits in central banks and 34.04% securities considered as high quality liquid assets.

The Parent Bank's main funding sources are deposits, funds borrowed, money market borrowings and securities issued. Consolidated funding source composition as of report date is 77.89% deposits, 6.70% funds borrowed and money market borrowings, 6.69% securities issued and 8.72% other liabilities.

In consolidated LCR calculations, cash outflows are mainly consisting of deposits, secured and unsecured borrowings, securities issued and off balance sheet items.

The cash flows from derivative financial instruments are included in consolidated LCR calculations according to the Regulation's terms. The Bank also considers changes in fair value of the liabilities that result in margin calls when calculating cash outflows.

(Thousands of Turkish Lira (TL))

Current Period		Total Unweighted Value (*)		Total Weighted Value (*)	
		TL+FC	**FC**	**TL+FC**	**FC**
High-Quality Liquid Assets				**846,260,974**	**478,419,296**
1	Total high-quality liquid assets (HQLA)	848,284,208	480,183,408	846,260,974	478,419,296
Cash Outflows					
2	Retail deposits and deposits from small business customers, of which:	1,632,220,442	683,286,224	144,746,010	67,560,291
3	Stable deposits	369,520,683	15,375,512	18,476,034	768,776
4	Less stable deposits	1,262,699,759	667,910,712	126,269,976	66,791,515
5	Unsecured wholesale funding, of which:	897,322,219	504,892,654	522,233,237	289,061,792
6	Operational deposits	-	-	-	-
7	Non-operational deposits	725,891,161	435,621,304	398,494,260	227,347,488
8	Unsecured funding	171,431,058	69,271,350	123,738,977	61,714,304
9	Secured wholesale funding	66,147,165	14,139,185	16,128,975	12,130,013
10	Other cash outflows of which:	2,368,575,189	281,489,657	192,602,203	72,339,707
11	Outflows related to derivative exposures and other collateral requirements	15,561,483	33,376,713	15,561,483	33,376,713
12	Outflows related to restructured financial Instruments	-	-	-	-
13	Payment commitments and other off-balance sheet commitments granted for debts to financial markets	2,353,013,706	248,112,944	177,040,720	38,962,994
14	Other revocable off-balance sheet commitments and contractual obligations	31,224,498	28,893,740	1,561,225	1,444,687
15	Other irrevocable or conditionally revocable off-balance sheet obligations	77,471,509	76,355,779	3,873,575	3,817,789
16	**Total Cash Outflows**	**5,072,961,022**	**1,589,057,239**	**881,145,225**	**446,354,279**
Cash Inflows					
17	Secured receivables	111,943	-	-	-
18	Unsecured receivables	401,383,681	166,919,118	264,627,854	119,743,673
19	Other cash inflows	16,832,642	61,525,218	16,274,309	61,511,267
20	**Total Cash Inflows**	**418,328,266**	**228,444,336**	**280,902,163**	**181,254,940**
				Upper Limit Applied Values	
21	**Total HQLA**			**846,260,974**	**478,419,296**
22	**Total Net Cash Outflows**			**600,243,062**	**265,099,339**
23	**Liquidity Coverage Ratio (%)**			**142.60%**	**186.46%**

(*) The average of last three months' simple averages of daily figures.

The table below presents the second quarter of 2025 consolidated Liquidity Ratios:

Period	**TL+FC**	**FC**
30 April 2025	160.13%	221.15%
31 May 2025	133.95%	174.15%
30 June 2025	133.72%	164.07%

(Thousands of Turkish Lira (TL))

Prior Period		**Total Unweighted Value (*)**		**Total Weighted Value (*)**	
		TL+FC	**FC**	**TL+FC**	**FC**
High-Quality Liquid Assets				**717,304,698**	**415,652,755**
1	Total high-quality liquid assets (HQLA)	717,699,584	415,764,703	717,304,698	415,652,755
Cash Outflows					
2	Retail deposits and deposits from small business customers, of which:	1,336,877,073	544,231,192	120,485,597	53,853,736
3	Stable deposits	264,042,190	11,387,672	13,202,109	569,384
4	Less stable deposits	1,072,834,883	532,843,520	107,283,488	53,284,352
5	Unsecured wholesale funding, of which:	679,957,684	378,250,539	381,459,771	216,061,780
6	Operational deposits	-	-	-	-
7	Non-operational deposits	559,448,736	304,904,952	295,721,696	147,537,438
8	Unsecured funding	120,508,948	73,345,587	85,738,075	68,524,342
9	Secured wholesale funding	2,297,061	87,477	2,233,432	87,469
10	Other cash outflows of which:	1,851,877,844	224,651,601	150,257,322	62,321,723
11	Outflows related to derivative exposures and other collateral requirements	13,051,158	33,059,718	13,051,158	33,059,718
12	Outflows related to restructured financial Instruments	-	-	-	-
13	Payment commitments and other off-balance sheet commitments granted for debts to financial markets	1,838,826,686	191,591,883	137,206,164	29,262,005
14	Other revocable off-balance sheet commitments and contractual obligations	22,314,823	20,025,525	1,115,741	1,001,276
15	Other irrevocable or conditionally revocable off-balance sheet obligations	59,924,745	57,270,975	2,996,240	2,863,549
16	**Total Cash Outflows**	**3,953,249,230**	**1,224,517,309**	**658,548,103**	**336,189,533**
Cash Inflows					
17	Secured receivables	70,667	-	-	-
18	Unsecured receivables	324,596,815	114,984,707	212,453,365	82,031,396
19	Other cash inflows	10,563,417	37,977,653	10,146,487	37,893,858
20	**Total Cash Inflows**	**335,230,899**	**152,962,360**	**222,599,852**	**119,925,254**
				Upper Limit Applied Values	
21	**Total HQLA**			**717,304,698**	**415,652,755**
22	**Total Net Cash Outflows**			**435,948,251**	**216,264,279**
23	**Liquidity Coverage Ratio (%)**			**166.11%**	**196.64%**

(*) The average of last three months' simple averages of daily figures.

The table below presents the last quarter consolidated Liquidity Ratios of the year 2024:

Period	**TL+FC**	**FC**
31 October 2024	181.03%	195.34%
30 November 2024	159.29%	184.82%
31 December 2024	158.02%	209.76%

4.6.2 Contractual maturity analysis of liabilities according to remaining maturities

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

(Thousands of Turkish Lira (TL))

4.6.3 Maturity analysis of liabilities according to remaining maturities

	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Undistributed	Total
Current Period								
Assets								
Cash (Cash on Hand, Money in Transit, Purchased Cheques) and Balances with the Central Bank	217,775,882	293,635,117	21,372,998	505,282	-	-	-	533,289,279
Banks	99,522,259	184,224,627	1,345,981	395,780	781,530	2,098,277	235,898	288,604,352
Financial Assets at Fair Value through Profit/Loss	1,224,333	20,163	2,474,512	2,710,584	2,728,287	1,268,300	26,937	10,453,116
Money Market Placements	-	31,902,808	-	-	-	-	-	31,902,808
Financial Assets Measured at Fair Value through Other Comprehensive Income	4,018,507	1,840,860	5,260,557	27,367,291	91,190,333	58,064,920	-	187,742,468
Loans	18,605,329	614,874,978	322,234,710	624,171,590	544,553,922	105,130,964	99,768,256	2,329,339,749
Financial Assets Measured at Amortised Cost	-	2,627,871	1,608,590	41,538,670	153,351,633	83,755,704	-	282,882,468
Other Assets (*)	48,358,478	8,650,736	2,446,922	5,268,249	5,103,155	2,688,403	84,979,285	157,495,228
Total Assets	**389,504,788**	**1,137,777,160**	**356,744,270**	**701,957,446**	**797,708,860**	**253,006,568**	**185,010,376**	**3,821,709,468**
Liabilities								
Bank Deposits	7,521,047	15,553,888	1,166,503	-	-	-	-	24,241,438
Other Deposits	1,059,283,035	1,123,460,578	329,604,933	129,939,431	12,234,546	1,285,014	-	2,655,807,537
Other Fundings	4,370,692	15,830,945	3,081,478	43,575,585	22,712,524	5,263,192	-	94,834,416
Money Market Funds	-	121,321,143	13,488,052	5,186,671	-	-	-	139,995,866
Securities Issued (**)	-	1,236,574	4,770,841	77,179,262	26,605,637	116,103,705	6,714	225,902,733
Miscellaneous Payables	146,316,931	765,065	488,496	825,649	632,729	317	5,929,931	154,959,118
Other Liabilities (***)	51,917,956	23,663,069	7,526,030	5,013,504	9,482,653	1,921,568	426,443,580	525,968,360
Total Liabilities	**1,269,409,661**	**1,301,831,262**	**360,126,333**	**261,720,102**	**71,668,089**	**124,573,796**	**432,380,225**	**3,821,709,468**
Liquidity Gap	**(879,904,873)**	**(164,054,102)**	**(3,382,063)**	**440,237,344**	**726,040,771**	**128,432,772**	**(247,369,849)**	**-**
Net Off-Balance Sheet Position	**(5,248,974)**	**(4,506,078)**	**(4,170,410)**	**757,114**	**4,036,229**	**(83,943)**	**-**	**(9,216,062)**
Derivative Financial Assets	**5,416,640**	**396,671,054**	**149,414,816**	**169,585,404**	**38,991,124**	**6,296,359**	**-**	**766,375,397**
Derivative Financial Liabilities	**10,665,614**	**401,177,132**	**153,585,226**	**168,828,290**	**34,954,895**	**6,380,302**	**-**	**775,591,459**
Non-Cash Loans	**933**	**142,736,202**	**23,599,312**	**27,972,373**	**48,995,598**	**26,352,181**	**2,526,066,173**	**2,795,722,772**
Prior Period								
Total Assets	**240,852,961**	**907,959,348**	**300,088,134**	**581,015,546**	**621,177,715**	**210,058,491**	**141,427,184**	**3,002,579,379**
Total Liabilities	**989,525,792**	**971,224,672**	**302,168,410**	**211,364,114**	**48,380,809**	**103,941,980**	**375,973,602**	**3,002,579,379**
Liquidity Gap	**(748,672,831)**	**(63,265,324)**	**(2,080,276)**	**369,651,432**	**572,796,906**	**106,116,511**	**(234,546,418)**	**-**
Net Off-Balance Sheet Position	**-**	**337,312**	**(2,546,917)**	**279,958**	**(2,565,885)**	**703,757**	**-**	**(3,791,775)**
Derivative Financial Assets	-	278,068,974	109,266,097	83,826,062	34,273,804	6,054,051	-	511,488,988
Derivative Financial Liabilities	-	277,731,662	111,813,014	83,546,104	36,839,689	5,350,294	-	515,280,763
Non-Cash Loans	**717**	**84,008,635**	**17,803,480**	**18,612,595**	**34,717,452**	**6,399,287**	**1,919,280,355**	**2,080,822,521**

(*) Includes expected credit losses in accordance with TFRS 9.
(**) Includes subordinated securities issued and financial liabilities measured at FVTPL.
(***) Shareholders' Equity is included in "Other Liabilities" line under "Undistributed" column.

4.6.4 Net Stable Funding Ratio

Net stable funding ratio (NSFR) is calculated by dividing the available stable funding amount by the required stable funding amount. Available stable funding includes the portion of banks' liabilities and capital that are expected to be permanent; and required stable funding refers to the portion of banks' on-balance sheet assets and off-balance sheet liabilities that are expected to be refunded.

Available stable funding amount is calculated by summing the amounts to be found after applying the relevant consideration rates determined within the scope of the legislation to the amounts of banks' liabilities and capital items valued in accordance with TFRS. Required stable funding amount will be found after applying the relevant consideration rates determined within the scope of the legislation to the value calculated by deducting the special provisions set aside in accordance with the Regulation on the Procedures and Principles on the Classification of Loans and the Provisions from the amounts of the banks' on-balance sheet assets and off-balance sheet liabilities valued in accordance with TFRS.
The three-month simple arithmetic average of the consolidated and unconsolidated NSFR calculated monthly as of capital calculation periods as of March, June, September and December cannot be less than one hundred percent.

(Thousands of Turkish Lira (TL))

Current Period		a	b	c	ç	d
		Unweighted Amount According to Residual Maturity				Total Weighted Amount
		Non Maturity	Residual maturity of less than 6 months	Residual maturity of nine months and longer but less than one year	Residual maturity of one year or more	
Available stable funding						
1	Capital Instruments	495,408,249	-	-	-	495,408,249
2	Tier 1 Capital and Tier 2 Capital	495,408,249	-	-	-	495,408,249
3	Other Capital Instruments	-	-	-	-	-
4	Real-person and Retail Customer Deposits	736,895,483	931,125,771	38,857,722	269,893	1,561,316,328
5	Stable Deposits	213,731,267	263,207,686	20,670,458	37,518	472,764,582
6	Less Stable Deposits	523,164,216	667,918,085	18,187,264	232,375	1,088,551,746
7	Other Obligations	336,557,052	629,581,349	30,699,862	68,126,019	509,221,094
8	Operational deposits	4,442,595	-	-	-	2,221,297
9	Other Obligations	332,114,457	629,581,349	30,699,862	68,126,019	506,999,797
10	Liabilities equivalent to interconnected assets	-	-	-	-	-
11	Other Liabilities					32,083,072
12	Derivative liabilities	-		1,498,999		-
13	All other equity not included in the above categories	384,721,661	42,499,909	4,279,672	30,691,486	32,083,072
14	**Available stable funding**	-	-	-	-	**2,598,028,743**
Required stable funding						
15	High Quality Liquid Assets	-	-	-	-	101,166,560
16	Deposits held at financial institutions for operational purposes	35	-	-	-	18
17	Performing Loans	184,693,174	1,278,074,222	359,059,114	567,543,258	1,295,951,012
18	Encumbered loans to financial institutions, where the loan is secured against Level 1 assets	7,799,884	1,479,665	-	289,729	10,894,898
19	Unencumbered loans to financial institutions or encumbered loans that are not secured against Level 1 assets	78,737,539	41,958,810	18,034,895	8,608,128	28,283,518
20	Loans to corporate customers, real persons and or retail customers, central banks, other than credit agencies and/or financial institutions	93,390,053	1,216,476,413	329,684,782	447,915,917	1,165,816,780
21	*Loans with a risk weight of less than or equal to %35*	-	3,271,906	485,639	2,866,699	3,741,799
22	Residential mortgages	-	11,581,400	9,334,795	97,665,679	75,607,332
23	*Residential mortgages with a risk weight of less than or equal to %35*	-	6,876,153	5,958,081	74,454,283	55,266,650
24	Securities that are not in default and do not qualify as HQLA and exchange-traded equities	4,765,699	6,577,934	2,004,641	13,063,804	15,348,483
25	Assets equivalent to interconnected liabilities	-	-	-	-	-
26	Other Assets	-	-	-	-	381,150,425
27	Physical traded commodities, including gold	27,763,207	-	-	-	27,763,207
28	Initial margin posted or given guarantee fund to central counterparty	-		1,254,347		1,066,195
29	Derivative Assets	-		10,445,731		9,609,101
30	Derivative Liabilities before the deduction of the variation margin	-		1,217,352		1,217,352
31	Other Assets not included above	310,079,796	75,628,421	-	32,412,267	341,494,570
32	Off-balance sheet commitments	-	248,183,786	236,413,521	2,178,137,223	149,023,174
33	**Total Required stable funding**	-	-	-	-	**1,927,291,188**
34	**Net Stable Funding Ratio (%)**	-	-	-	-	**134.80**

(Thousands of Turkish Lira (TL))

As of 30 June 2025, consolidated NSFR is calculated as 134.80% (31 December 2024: 140.53%). Considering the amounts to which the consideration rate is applied, Capital items corresponds to 19.1% of Available Stable Funding amount (31 December 2024: 20.6%) and Real Person and Retail Customer Deposits corresponds to 60.1% of Available Stable Funding amount. (31 December 2024: 60.6%), where those two refers to items to which the highest consideration rates are applied within the scope of the legislation.

Performing Receivables, which have the largest share in Required Stable Funding, constitute 67.2% (31 December 2024: 65.6%) of Required Stable Fund amount.

Factors such as the development of major balance sheet items such as Loans and Deposits, the change in balance sheet maturity structure and asset encumbrance are effective in the development of the ratio between the periods.

Consolidated NSFR ratio development in the second quarter of 2025 is shown in the table below.

Period	**Ratio**
30 April 2025	138.57%
31 May 2025	135.72%
30 June 2025	134.80%
3 Month Average	136.36%

(Thousands of Turkish Lira (TL))

Prior Period		a	b	c	ç	d
		Unweighted Amount According to Residual Maturity				Total Weighted Amount
		Non Maturity	Residual maturity of less than 6 months	Residual maturity of nine months and longer but less than one year	Residual maturity of one year or more	
Available stable funding						
1	Capital Instruments	433,745,063	-	-	-	433,745,063
2	Tier 1 Capital and Tier 2 Capital	433,745,063	-	-	-	433,745,063
3	Other Capital Instruments	-	-	-	-	-
4	Real-person and Retail Customer Deposits	591,891,666	766,644,551	28,871,184	7,820,777	1,273,472,790
5	Stable Deposits	172,703,021	166,468,148	11,460,911	4,716,514	337,581,164
6	Less Stable Deposits	419,188,645	600,176,403	17,410,272	3,104,263	935,891,625
7	Other Obligations	235,022,743	517,129,251	26,783,107	57,053,102	373,298,077
8	Operational deposits	4,620,950	-	-	-	2,310,475
9	Other Obligations	230,401,793	517,129,251	26,783,107	57,053,102	370,987,602
10	Liabilities equivalent to interconnected assets	-	-	-	-	-
11	Other Liabilities	-	-	-	-	20,809,471
12	Derivative liabilities	-	2,401,231			-
13	All other equity not included in the above categories	267,237,424	10,343,905	2,524,832	21,382,937	20,809,471
14	**Available stable funding**	-	-	-	-	**2,101,325,400**
Required stable funding						
15	High Quality Liquid Assets	-	-	-	-	83,467,630
16	Deposits held at financial institutions for operational purposes	24	-	-	-	12
17	Performing Loans	110,879,010	983,840,232	301,649,474	405,206,365	981,643,357
18	Encumbered loans to financial institutions, where the loan is secured against Level 1 assets	10,873,400	20,607,579	28,470	211,112	11,113,023
19	Unencumbered loans to financial institutions or encumbered loans that are not secured against Level 1 assets	25,817,624	18,512,353	18,127,614	5,655,229	22,496,328
20	Loans to corporate customers, real persons and or retail customers, central banks, other than credit agencies and/or financial institutions	74,135,206	930,815,561	274,107,764	314,319,221	882,187,363
21	*Loans with a risk weight of less than or equal to %35*	-	16,897,081	4,002,311	2,897,669	12,332,864
22	Residential mortgages	-	8,296,408	7,675,733	74,418,606	57,581,577
23	*Residential mortgages with a risk weight of less than or equal to %35*	-	5,853,925	4,458,184	59,077,960	43,931,138
24	Securities that are not in default and do not qualify as HQLA and exchange-traded equities	52,780	5,608,332	1,709,893	10,602,196	8,265,066
25	Assets equivalent to interconnected liabilities	-	-	-	-	-
26	Other Assets	-	-	-	-	317,153,033
27	Physical traded commodities, including gold	16,300,705	-	-	-	16,300,705
28	Initial margin posted or given guarantee fund to central counterparty	-	1,243,193			1,056,714
29	Derivative Assets	-	9,360,748			8,061,192
30	Derivative Liabilities before the deduction of the variation margin	-	991,944			991,944
31	Other Assets not included above	232,005,487	65,307,234	-	21,525,833	290,742,478
32	Off-balance sheet commitments	-	213,784,805	148,809,863	1,634,988,956	113,013,870
33	**Total Required stable funding**	-	-	-	-	**1,495,277,901**
34	**Net Stable Funding Ratio (%)**	-	-	-	-	**140.53**

(Thousands of Turkish Lira (TL))

Consolidated NSFR ratio development in the last 3 months of 2024 is shown in the table below.

Period	Ratio
31 October 2024	148.14%
30 November 2024	140.69%
31 December 2024	140.53%
3 Month Average	143.12%

4.7 Consolidated leverage ratio

The leverage ratio table prepared in accordance with the Communiqué "Regulation on Measurement and Assessment of Leverage Ratios of Banks" published in the Official Gazette No. 28812 dated 5 November 2013 is presented below.

The Bank's consolidated leverage ratio calculated by taking average of end of month leverage ratios for the last three-month periods, is 5.55% (31 December 2024: 6.27%). While the capital increased by 12.91% mainly as a result of increase in net profits, total risk amount increased by 27.60%. Therefore, the current period leverage ratio decreased by 72 basis points compared to prior period.

		Current Period (***)	***Prior Period*** (***)
1	Total assets in consolidated financial statements prepared in accordance with Turkish Accounting Standards (*) (**)	3,008,751,537	2,617,090,174
2	The difference between total assets prepared in accordance with Turkish Accounting Standards (*) and total assets in consolidated financial statements prepared in accordance with the Communiqué "Preparation of Consolidated Financial Statements" (**)	(6,172,158)	335,014
3	The difference between the amounts of derivative financial instruments and credit derivatives in consolidated financial statements prepared in accordance with the Communiqué "Preparation of Consolidated Financial Statements" and risk amounts of such instruments	(87,195,877)	(77,660,059)
4	The difference between the amounts of securities or commodity financing transactions in consolidated financial statements prepared in accordance with the Communiqué "Preparation of Consolidated Financial Statements" and risk	178,321,702	129,383,956
5	The difference between the amounts of off-balance items in consolidated financial statements prepared in accordance with the Communiqué "Preparation of Consolidated Financial Statements" and risk amounts of such items	5,575,602	3,665,340
6	Other differences between the amounts in consolidated financial statements prepared in accordance with the Communiqué "Preparation of Consolidated Financial Statements" and risk amounts of such items	-	-
7	Total risk amount	6,421,672,353	5,032,653,807

(*) Consolidated financial statements prepared in compliance with the paragraph 6 of Article 5 of the Communiqué "Preparation of Consolidated Financial Statements."

(**) The consolidated financial statements prepared in accordance with Turkish Accounting Standards as of 31 December 2024 for the current period and 30 June 2024 for the prior period, are considered.

(***) Amounts in the table are three-month average amounts.

(Thousands of Turkish Lira (TL))

		Current Period (*)	***Prior Period*** (*)
On-balance sheet assets			
1	On-balance sheet items (excluding derivative financial instruments and credit derivatives but including collateral)	3,667,480,601	2,948,245,184
2	(Assets deducted in determining Tier I capital)	(6,445,917)	(4,127,235)
3	Total on-balance sheet risks (sum of lines 1 and 2)	3,661,034,684	2,944,117,949
Derivative financial instruments and credit derivatives			
4	Replacement cost associated with all derivative financial instruments and credit derivatives	13,387,479	10,671,624
5	Add-on amounts for PFE associated with all derivative financial instruments and credit derivatives	73,808,398	66,988,435
6	Total risks of derivative financial instruments and credit derivatives (sum of lines 4 and 5)	87,195,877	77,660,059
Securities or commodity financing transactions (SCFT)			
7	Risks from SCFT assets (excluding on-balance sheet)	22,637,473	13,514,144
8	Risks from brokerage activities related exposures	-	-
9	Total risks related with securities or commodity financing transactions (sum of lines 7 and 8)	22,637,473	13,514,144
Other off-balance sheet transactions			
10	Gross notional amounts of off-balance sheet transactions	2,656,379,921	2,001,026,995
11	(Adjustments for conversion to credit equivalent amounts)	(5,575,602)	(3,665,340)
12	Total risks of off-balance sheet items (sum of lines 10 and 11)	2,650,804,319	1,997,361,655
Capital and total risks			
13	Tier I capital	356,104,631	315,395,781
14	Total risks (sum of lines 3, 6, 9 and 12)	6,421,672,353	5,032,653,807
Leverage ratio			
15	Leverage ratio	5.55%	6.27%

(*) Amounts in the table are three-month average amounts.

4.8 Fair values of financial assets and liabilities

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

4.9 Transactions carried out on behalf of customers and items held in trust

None.

4.10 Risk management objectives and policies

The notes under this caption are prepared as per the "Regulation on Calculation of Risk Management Disclosures" published in the Official Gazette No. 29511 dated 23 October 2015.

4.10.1 Risk management strategy and weighted amounts

4.10.1.1 Risk management strategy

Risk Management ensures that; risk management policies and principles are applied and adopted throughout the Bank and its consolidated subsidiaries and that risk management system is maintained and improved which pursues risk-return relationship, and measures all risks together and which is in compliance with applicable regulation, bank strategies and policies and where limits determined in connection with the risk appetite approved by the Board of Directors are not breached. Risk Management defines, measures, reports, monitors the risks and ensure the activities executed in order to control these risks thoroughly and timely; also monitors the results.

Policies and procedures regarding risk management are established for consolidated subsidiaries. Policies and procedures are prepared in compliance with applicable legislations that the subsidiaries subject to and the parent Bank's risk management strategy, reviewed regularly and revised if necessary. The parent Bank ensures that risk management system is applied in subsidiaries where risks are defined, measured, monitored and controlled.

Risk management activities are structured under the responsibility of the Board of Directors. Besides oversight of corporate risk management policies and practices, capital adequacy and planning with liquidity adequacy subjects, management of various risks that the Bank may be exposed to is the responsibility of the Risk Committee, which consists of members of the Board of Directors. Accordingly, the Risk Management, which performs risk management functions, reports to the Board of Directors via the Risk Committee, whereas the Internal Audit Department, performing internal audit functions, the Internal Control Unit, performing internal control functions, and the Compliance Department, which implements compliance controls and performs activities to prevent laundering proceeds of crime, and financing of terrorism, report directly to the Board of Directors. Senior managements responsibility is to report to Board of Directors about the significant risk the Bank encounters, ensure the compliance with the risk management about own duties, eliminate the risks, deficiencies and errors occurring in the units responsible or take the necessary measures, participate in design and implementation of internal capital adequacy assessment process (ICAAP); participate in process of assessing the adequacy and appropriateness of the underlying assumptions, data sources and principles used to measure the assumptions and risks associated with the models.

The Bank's main approach for the implementation of risk management model is establishing risk culture throughout the Bank, and aims that the importance of risk management for maintaining business operations is understood and risk awareness and sensitivity is ensured for decision making and implementation mechanisms process by all employees.

The Bank manages all exposed crisis situations within the framework of business continuity policy and business continuity program formed by strategic goals which designate The Bank's business continuity vision and principles; takes necessary actions.
Compliant with legislation, the Bank measures and monitors risks that exposed to, considering methods suitable with international standards. Risk measuring and reporting are performed via advanced methods and risk management software. Risk based detailed reports are prepared for management of significant risks, in order to determine strategies and take decisions, in this scope, reports are prepared for Board of Directors, relevant committees and senior management.

The Bank's risk appetite framework determines the risk level that the Board of Directors is prepared to accept in order to accomplish the goals and strategies with the consideration of the capacity of the institution to safely absorbs those risks and the Bank monitors regularly risk appetite metrics regarding capital, liquidity, income recurrence and risk based limits. Risks that the Bank is exposed is managed by providing effective control environment and monitoring limits. Unmitigated risks are either accepted with current risk levels or decreasing/ terminating the activity that causes the risk.

The Risk Management function conducts the ICAAP report, to be sent to the BRSA by coordinating relevant parties. Stress test report is also reported to the BRSA, which evaluates how adverse effects on macroeconomic parameters, in the scope of determined scenarios, affect the Bank's three year budget plan and results, and certain ratios, including capital adequacy.

Training programs for employees, risk reports to the Board of Directors, senior management and committees, risk appetite framework established by the Bank and ICAAP generate significant inputs to ensure that risk management culture is widely embraced.

On the other hand, within the scope of the "Regulation on the Precautionary Plans to be Prepared by Systemically Important Banks" published in the Official Gazette dated 16 March 2021 and numbered 31425, the Bank prepares a Recovery Plan and reports the Plan to BRSA.

The Recovery Plan describes; the "precautionary measures" to be taken, in case the Recovery Plan indicators such as solvency (capital), liquidity, profitability indicators etc., fall below certain threshold levels. In this plan, besides the measures that can be applied under stress scenarios, information about the bank's structure is also given.

The main purposes of the Recovery Plan are the following:

- An overview, with a detailed analysis of core business lines, critical economic functions as well as its interconnectedness.

- A detailed explanation of the specific governance arrangements relating to the recovery plan, comprising its development, approval and integration in the overall corporate governance of the Bank.

- A description of the decision-making process regarding the potential adoption of recovery measures, underscoring the escalation process and the role of indicators in this process.

- An identification of feasible recovery measures to be potentially adopted in order to restore the Recovery Plan indicators such as liquidity, solvency (capital), profitability etc., following a substantial deterioration that has potentially led to the implementation of recovery measures. This identification should be accompanied by a financial assessment of each measure, their legal and operational requirements, their potential obstacles, and their time for implementation and, in a second step, their feasibility in different scenarios of financial stress.

- A reference to the communication plan to address both internal and external communication.

The main purpose of including scenarios in the recovery plan is to test the impact and feasibility of the different recovery measures. They also allow for proper identification of the potential impediments or delays in the implementation of the recovery measures in a range of situations. Therefore, it is worth noting that the role of scenarios is noticeably different from the role of scenarios in other supervisory tools, such as capital plans or stress-tests exercises, whereas there should be consistency among all these tools.

(Thousands of Turkish Lira (TL))

4.10.1.2 Risk weighted amounts

		Risk Weighted Amounts		Minimum Capital Requirements
		Current Period	*Prior Period*	*Current Period*
1	Credit risk (excluding counterparty credit risk) (CCR) (*)	2,268,963,577	1,748,771,899	181,517,086
2	Of which standardised approach (SA)	2,268,963,577	1,748,771,899	181,517,086
3	Of which internal rating-based (IRB) approach	-	-	-
4	Counterparty credit risk	31,875,539	25,735,945	2,550,043
5	Of which standardised approach for counterparty credit risk (SA-CCR)	31,875,539	25,735,945	2,550,043
6	Of which internal model method (IMM)	-	-	-
7	Equity position in banking book under basic risk weighting or internal rating-based	-	-	-
8	Equity investments in funds – look-through approach	-	-	-
9	Equity investments in funds – mandate-based approach	-	93,455	-
10	Equity investments in funds – 1250% risk weighting Approach	-	-	-
11	Settlement risk	-	-	-
12	Securitisation exposures in banking book	-	-	-
13	Of which IRB ratings-based approach (RBA)	-	-	-
14	Of which IRB supervisory formula approach (SFA)	-	-	-
15	Of which SA/simplified supervisory formula approach (SSFA)	-	-	-
16	Market risk	68,489,938	44,101,237	5,479,195
17	Of which standardised approach (SA)	68,489,938	44,101,237	5,479,195
18	Of which internal model approaches (IMM)	-	-	-
19	Operational risk	337,670,689	216,769,358	27,013,655
20	Of which basic indicator approach	337,670,689	216,769,358	27,013,655
21	Of which standardised approach	-	-	-
22	Of which advanced measurement approach	-	-	-
23	Amounts below the thresholds for deduction from capital (subject to 250% risk weight)	-	-	-
24	Floor adjustment	-	-	-
25	**Total (1+4+7+8+9+10+11+12+16+19+23+24)**	**2,706,999,743**	**2,035,471,894**	**216,559,979**

(*) Excluding equity investments in funds and amounts below the thresholds for deductions from capital.

4.10.2 Linkages between financial statements and risk amounts

Not prepared in compliance with the Communiqué “Risk Management Disclosures to be Announced to Public by Banks.”.

4.10.3 Consolidated credit risk

4.10.3.1 General information on consolidated credit risk

4.10.3.1.1 General qualitative information on consolidated credit risk

The Parent Bank's credit risk management policies; under the relevant legislation in line with the Bank's credit strategy approved by the board of directors are created based on the prudence, sustainability and customer credit worthiness principles. Credit risk is managed on a portfolio basis considering the risk/return balance and asset quality of the Bank in the scope of the principles specified in the credit risk policy documents.

Credit risk management is a structured process where credit risks are consistently assessed, quantified and monitored. In order to take the right decision, during the credit process which begins with the application of the customer and includes the phases of determination of the customer's credibility, collateralization, loan configuration, approval and usage, monitoring and closing the exposure, all required financial and non-financial information and documents intended to identify the customer are collected in a centralized database, with this information the customer's financial strength is analyzed, credit risk analysis is done. The customers are graded according to their characteristics and size and the information is kept updated by inquiring the customers. Thus before a loan is granted, it is ensured that risks are well-understood, sufficient evaluation has been done and after the loan is granted the loan is monitored, controlled and reported.

Diversification to avoid concentrations are performed while determining the Parent Bank's credit risk profile. Credit portfolios are evaluated depending upon the credit type, managed aggregately during their life cycle. Customer selection is made in accordance with the policies and strategies, affordability of the borrower to fulfil on a timely basis all financial obligations with his expected cash flows from foreseeable specific transactions or from its regular operations; without depending upon guarantors, bails or pledged assets is predicated. Necessary risk rating/scoring models are developed, reviewed, and validated for the different portfolios of the Bank. These models are created by ensuring the best separation of the customers in terms of their credibility and grading them using the objective criteria. The outputs of the internal rating and scoring models that developed based on the each portfolio are an important part of the loan approval process.

Loan based assessment, allocation and monitoring are carried out within the framework of related processes by related units in the credit group. Credit proposals, on the basis of the determined amount and in the framework of levels of authority, are concluded after being evaluated by the regional offices, loans units and committees of headoffice, if required by the credit committee and the board of directors. The credit approval authority can be transferred starting from the board of directors by notifying in written form.

Each unit operating in credit risk management is responsible for identifying risks arising from its own process, activities and systems, informing senior management and taking necessary action to reduce risk level.

The general risk policy including the risk appetite and indicators is determined by the board of directors. Risk management is handled, in order to reach the determined targets, by carrying out a continuous monitoring process with a proper classification of risks and customers in scope of the effective management mentality. The limit framework and delegation rules are specified by establishing proper decision systems in order to assess the risks correctly. Optimum limit levels are determined by taking into account the loss and returns during the limit setting process.

Organizational structure related to credit risk management and control functions is detailed below: Units within the scope of credit risk management; Corporate and Specialized Loans, Commercial Loans, Retail Loans Evaluation, Retail Risk Strategies, Commercial Risk Strategies, Corporate and Commercial Loans Restructuring, Risk Planning Monitoring and Reporting, Risk Solutions, Strategy and Performance, Credit Risk Management Advanced Analytics Discipline.

In addition, decisions regarding the credit policy in the corporate governance framework are taken by the relevant committees. In this context, there are Wholesale Credit Risk Committee, Retail Credit Risk Committee, Risk Management Committee, Risk Technology and Analytics Committee, Credit Restructuring Committee, NPL and Collection Committee, Credit Admission Committee, and Risk Committee. Allocated limits and conditions that exceeding the limits with their usage, evaluations regarding major risks and non-performing loans with high risk, information regarding NPLs, the data regarding the portfolios of subsidiaries are reported to senior management on a regular basis.

The Risk Management measures, monitors and reports credit risks by using validated probability of defaults obtained from the Parent Bank's rating models, loss that is caused by defaulted customer and credit conversion factors. The Bank's internal capital is calculated and adequacy is assessed by considering stress tests and scenario analysis. Also, by considering optimum risk return balance, expectations regarding economic outlook the limits are determined for credit portfolios. Risk based analyses are executed, credit concentrations are monitored and the results are presented to senior management.

(Thousands of Turkish Lira (TL))

The Parent Bank carries out on-site and central controls regarding credit risk by Internal Control Unit. Internal Control Unit, which is in the second line of defense, carries out on-site collateral and contract controls and centralized remote examinations in branches and business/support units, which are involved in credit risk management, respectively, alongside with the operational examinations in the regions. In addition, as a second line control specialist, Risk Management Control which reports to the Head of Risk Management conducts periodic controls and assessments on credit risk management on compliance with the Parent Bank's credit risk policies, rules and procedures.

4.10.3.1.2 Credit quality of consolidated assets

	Current Period	*Gross carrying value in consolidated financial statements prepared as perTAS*		*Allowances/amortisation and impairments*	*Net values*
		Defaulted	*Non-defaulted*		
1	Loans	61,680,125	3,035,919,842	40,534,377	3,057,065,590
2	Debt securities	-	467,038,109	-	467,038,109
3	Off-balance sheet exposures	5,120,992	828,980,846	2,768,086	831,333,752
4	**Total**	**66,801,117**	**4,331,938,797**	**43,302,463**	**4,355,437,451**

	Prior Period	*Gross carrying value in consolidated financial statements prepared as perTAS*		*Allowances/amortisation and impairments*	*Net values*
		Defaulted	*Non-defaulted*		
1	Loans	39,145,869	2,360,529,628	26,198,191	2,373,477,306
2	Debt securities	-	405,892,880	-	405,892,880
3	Off-balance sheet exposures	4,256,973	612,847,625	2,370,145	614,734,453
4	**Total**	**43,402,842**	**3,379,270,133**	**28,568,336**	**3,394,104,639**

4.10.3.1.3 Changes in stock of default loans and debt securities

		Current Period	*Prior Period*
1	**Defaulted loans and debt securities at end of the previous reporting period**	**39,145,869**	**26,158,606**
2	Loans and debt securities defaulted since the last reporting period	38,727,732	39,538,631
3	Receivables back to non-defaulted status	-	-
4	Amounts written off (-)	(5,381,535)	(13,431,111)
5	Other changes (-) (Collections and fx differences)	(10,811,941)	(13,120,257)
6	**Defaulted loans and debt securities at end of the reporting period**	**61,680,125**	**39,145,869**

4.10.3.1.4 Additional information on credit quality of consolidated assets

Not prepared in compliance with the communique “Risk Management Related Disclosures to be Announced to Public by Banks”.

4.10.3.2 Consolidated credit risk mitigation

4.10.3.2.1 Qualitative disclosure on consolidated credit risk mitigation techniques

The Parent Bank assesses the cash flow of the activity or investment subject to credit as the primary repayment source during the credit assignment process.

Calculating the value of the collateral depends on margins determined according to market and FX risks. Standard margins in use throughout the Bank are specific to type of the collateral and changes according to the currency of the collateral.

If credit assignment is conditioned to a collateral extension, the data of the collaterals must be entered to the banking information system. Operational transactions are handled by centralized Operation unit (ABACUS). During the credit utilization, compliance of all conditions between credit decision and credit utilization (such as collateral conditions) are controlled systematically.

In the scope of capital adequacy ratio calculations The Bank monitors up to date value of the collaterals by type. Credit monitoring process involves the control of the balance between the value of the collateral and risk besides creditworthiness of the customer.

(Thousands of Turkish Lira (TL))

The Parent Bank's credit risk exposure and mitigation techniques used in order to reduce the exposure level are taken into account according to the principles stated in the related regulation. The Bank applies credit risk mitigation according to the comprehensive method that includes risk mitigation calculations considering the volatility-adjusted values of financial collaterals The standardized risk weights are applied to the rest of the loans and receivables that remained unprotected after credit risk mitigation techniques. Financial collaterals, that are composed of cash or cash equivalents, real estate mortgages, high quality securities and Credit Guarantee Fund suretyship having Treasury guarantee, have been used in credit risk mitigation.

4.10.3.2.2 Consolidated credit risk mitigation techniques

	Current Period	*Exposures unsecured: carrying amount as per TAS*	*Exposures secured by collateral*	*Collateralized amount of exposures secured by collateral*	*Exposures secured by financial guarantees*	*Collateralized amount of exposures secured by financial guarantees*	*Exposures secured by credit derivatives*	*Collateralized amount of exposures secured by credit derivatives*
1	Loans	2,968,435,737	88,629,892	72,311,423	1,106,431	1,106,431	-	-
2	Debt securities	467,038,109	-	-	-	-	-	-
3	**Total**	**3,435,473,846**	**88,629,892**	**72,311,423**	**1,106,431**	**1,106,431**	**-**	**-**
4	Of which defaulted (*)	61,521,878	158,323	23,214	-	-	-	-

(*) The gross defaulted amount is given.

	Prior Period	*Exposures unsecured: carrying amount as per TAS*	*Exposures secured by collateral*	*Collateralized amount of exposures secured by collateral*	*Exposures secured by financial guarantees*	*Collateralized amount of exposures secured by financial guarantees*	*Exposures secured by credit derivatives*	*Collateralized amount of exposures secured by credit derivatives*
1	Loans	2,284,919,646	88,557,647	75,223,373	1,604,290	1,604,290	-	-
2	Debt securities	405,892,880	-	-	-	-	-	-
3	**Total**	**2,690,812,526**	**88,557,647**	**75,223,373**	**1,604,290**	**1,604,290**	**-**	**-**
4	Of which defaulted (*)	38,508,010	637,854	15,137	-	-	-	-

(*) The gross defaulted amount is given.

4.10.3.3 Consolidated credit risk under standardised approach

4.10.3.3.1 Qualitative disclosures on banks' use of external credit ratings under the standardised approach for credit risk

An international rating firm, Fitch Ratings' external risk ratings are used to determine the risk weights of the risk categories as per the Article 6 of the "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks".

The international risk ratings are used for the exposures to central governments and central banks, whereas for central governments and central banks that are not rated by Fitch Ratings, the published country ratings as announced by the Organisation for Economic Cooperation and Development (OECD) are used.

According to the regulation on capital adequacy, external risk ratings are used only for the exposures to banks and brokerage houses and to corporates where the counterparties are resident in abroad, to determine their risk weights. Where the counterparties are domestic, the related exposures are included in the calculation of capital adequacy as unrated.

In the determination of risk weights; if a relevant rating is available then such rating, but if it is an unrated exposure then the rating available for the issuer is used.

Rating notes issued by Fitch Ratings are presented in the table below, as per credit quality levels and risk weights per risk classes:

(Thousands of Turkish Lira (TL))

Credit Quality Level	*Fitch Ratings long term credit rating*	*Risk Classes*			
		Exposures to Central Governments or Central Banks	*Exposures to Banks and Brokerage Houses*		*Exposures to Corporates*
			Exposures with Original Maturities Less Than 3 Months	*Exposures with Original Maturities More Than 3 Months*	
1	AAA to AA-	0%	20%	20%	20%
2	A+ to A-	20%	20%	50%	50%
3	BBB+ to BBB-	50%	20%	50%	100%
4	BB+ to BB-	100%	50%	100%	100%
5	B+ to B-	100%	50%	100%	150%
6	CCC+ and below	150%	150%	150%	150%

4.10.3.3.2 Consolidated credit risk exposure and credit risk mitigation techniques

	Current Period	*Exposures before CCF and CRM*		*Exposures post-CCF and CRM*		*RWA and RWA density*	
	Risk classes	*On-balance sheet amount*	*Off-balance sheet amount*	*On-balance sheet amount*	*Off-balance sheet amount*	*RWA*	*RWA density*
1	Exposures to sovereigns and their central banks	1,034,393,774	9,322,293	1,035,500,204	6,193,785	22,572,699	2%
2	Exposures to regional and local governments	8,654,841	368,173	8,654,841	319,578	4,486,150	50%
3	Exposures to administrative bodies and non-commercial entities	1,537,627	521,994	1,534,200	92,468	1,626,668	100%
4	Exposures to multilateral development banks	890,513	162	890,513	-	-	-
5	Exposures to international organizations	-	-	-	-	-	-
6	Exposures to banks and brokerage houses	156,955,380	102,971,764	146,812,365	30,824,025	55,267,120	31%
7	Exposures to corporates	975,527,696	764,502,189	953,076,004	383,217,357	1,235,340,213	92%
8	Retail exposures	933,296,471	1,738,543,327	930,422,100	36,849,676	725,453,578	75%
9	Exposures secured by residential property	79,434,272	296,199	79,404,932	187,209	27,857,248	35%
10	Exposures secured by commercial property	56,244,287	17,609,300	56,103,307	10,977,080	42,512,883	63%
11	Past-due items	19,459,338	2,278	19,457,227	-	13,816,724	71%
12	Exposures in high-risk categories	2,676,982	2,509,119	2,576,785	1,174,498	4,682,481	125%
13	Covered bonds	-	-	-	-	-	-
14	Short term exposures to banks, brokerage houses and corporates	-	-	-	-	-	-
15	Exposures in the form of collective investment undertakings	-	-	-	-	-	-
16	Shares	29,778,503	-	29,778,503	-	29,778,503	100%
17	Other exposures	145,042,453	-	145,042,454	-	105,569,311	73%
18	**Total**	**3,443,892,137**	**2,636,646,798**	**3,409,253,435**	**469,835,676**	**2,268,963,578**	**58%**

(Thousands of Turkish Lira (TL))

	Prior Period	***Exposures before CCF and CRM***		***Exposures post-CCF and CRM***		***RWA and RWA density***	
	Risk Classes	***On-balance sheet amount***	***Off-balance sheet amount***	***On-balance sheet amount***	***Off-balance sheet amount***	***RWA***	***RWA density***
1	Exposures to sovereigns and their central banks	835,083,164	1,154,325	836,687,455	692,880	20,668,491	2%
2	Exposures to regional and local governments	5,721,185	236,145	5,721,184	189,034	2,947,230	50%
3	Exposures to administrative bodies and non-commercial entities	995,259	455,733	993,872	115,602	1,109,475	100%
4	Exposures to multilateral development banks	16	496	17	-	-	-
5	Exposures to international organizations	-	-	-	-	-	-
6	Exposures to banks and brokerage houses	109,061,651	76,892,843	95,055,297	18,717,813	38,759,068	34%
7	Exposures to corporates	741,475,205	551,151,068	706,221,630	277,350,736	888,967,869	90%
8	Retail exposures	775,819,507	1,343,142,889	769,748,394	36,706,679	604,839,104	75%
9	Exposures secured by residential property	54,484,338	250,909	54,461,468	146,468	19,112,778	35%
10	Exposures secured by commercial property	43,841,824	14,124,293	43,761,020	8,396,866	32,577,405	62%
11	Past-due items	11,908,500	692	11,908,262	-	8,282,812	70%
12	Exposures in high-risk categories	14,669,256	1,914,596	14,657,008	977,155	27,838,262	178%
13	Covered Bonds	-	-	-	-	-	-
14	Short term exposures to banks, brokerage houses and corporates	-	-	-	-	-	-
15	Exposures in the form of collective investment undertakings	93,454	-	93,454	-	93,454	100%
16	Shares	18,367,140	-	18,367,140	-	18,367,140	100%
17	Other exposures	114,990,349	-	114,990,350	-	85,302,266	74%
18	**Total**	**2,726,510,848**	**1,989,323,989**	**2,672,666,551**	**343,293,233**	**1,748,865,354**	**58%**

(Thousands of Turkish Lira (TL))

4.10.3.3.3 Consolidated exposures by asset classes and risk weights

	Regulatory portfolio *Current Period*	*0%*	*2%*	*10%*	*20%*	*25%*	*35%*	*50%*	*75%*	*100%*	*150%*	*250%*	*Others*	*Total risk amount (post-CCF and CRM)*
1	Exposures to sovereigns and their central banks	957,974,020	-	9,982,891	64,997,174	-	-	329,859	-	8,410,045	-	-	-	1,041,693,989
2	Exposures to regional and local government	-	-	-	3,530	-	-	8,970,889	-	-	-	-	-	8,974,419
3	Exposures to administrative bodies and non-commercial entities	-	-	-	-	-	-	-	-	1,626,668	-	-	-	1,626,668
4	Exposures to multilateral development banks	890,513	-	-	-	-	-	-	-	-	-	-	-	890,513
5	Exposures to international organizations	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Exposures to banks and brokerage houses	-	6,969,435	-	109,360,966	-	-	56,100,898	-	5,205,091	-	-	-	177,636,390
7	Exposures to corporates	-	-	-	49,746,082	-	-	122,312,578	-	1,164,234,701	-	-	-	1,336,293,361
8	Retail exposures	-	-	-	10	-	-	1,216	967,270,297	253	-	-	-	967,271,776
9	Exposures secured by residential property	-	-	-	-	-	79,592,141	-	-	-	-	-	-	79,592,141
10	Exposures secured by commercial property	-	-	-	-	-	-	49,135,000	-	17,945,387	-	-	-	67,080,387
11	Past-due items	-	-	-	-	-	-	11,281,021	-	8,176,206	-	-	-	19,457,227
12	Exposures in high-risk categories	-	-	-	-	-	-	710,868	-	471,485	2,568,310	-	620	3,751,283
13	Covered bonds	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Short term exposures to banks, brokerage houses and corporates	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Exposures in the form of collective investment undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Shares	-	-	-	-	-	-	-	-	29,778,503	-	-	-	29,778,503
17	Other exposures	39,471,269	-	-	2,325	-	-	35	-	105,568,825	-	-	-	145,042,454
18	**Total**	**998,335,802**	**6,969,435**	**9,982,891**	**224,110,087**	**-**	**79,592,141**	**248,842,364**	**967,270,297**	**1,341,417,164**	**2,568,310**	**-**	**620**	**3,879,089,111**

(Thousands of Turkish Lira (TL))

	Regulatory portfolio ***Priort Period***	***0%***	***2%***	***10%***	***20%***	***25%***	***35%***	***50%***	***75%***	***100%***	***150%***	***250%***	***Others***	***Total risk amount (post-CCF and CRM)***
1	Exposures to sovereigns and their central banks	775,347,226	-	-	43,838,384	7,543,662	-	1,272,332	-	9,378,731	-	-	-	837,380,335
2	Exposures to regional and local government	-	-	-	3,999	26,713	-	5,879,506	-	-	-	-	-	5,910,218
3	Exposures to administrative bodies and non-commercial entities	-	-	-	-	-	-	-	-	1,109,474	-	-	-	1,109,474
4	Exposures to multilateral development banks	17	-	-	-	-	-	-	-	-	-	-	-	17
5	Exposures to international organizations	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Exposures to banks and brokerage houses	-	343,888	-	69,460,415	-	-	38,217,406	-	5,751,401	-	-	-	113,773,110
7	Exposures to corporates	2,772,064	-	-	52,382,243	-	-	99,853,837	-	828,563,644	578	-	-	983,572,366
8	Retail exposures	-	-	-	734	-	-	16,353	806,428,807	9,179	-	-	-	806,455,073
9	Exposures secured by residential property	-	-	-	-	-	54,607,936	-	-	-	-	-	-	54,607,936
10	Exposures secured by commercial property	-	-	-	-	-	-	39,160,964	-	12,996,922	-	-	-	52,157,886
11	Past-due items	-	-	-	-	-	-	7,250,903	-	4,657,359	-	-	-	11,908,262
12	Exposures in high-risk categories	-	-	-	-	-	-	496,191	-	541,296	13,124,147	-	1,472,529	15,634,163
13	Covered bonds	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Short term exposures to banks, brokerage houses and corporates	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Exposures in the form of collective investment undertakings	-	-	-	-	-	-	-	-	93,454	-	-	-	93,454
16	Shares	-	-	-	-	-	-	-	-	18,367,140	-	-	-	18,367,140
17	Other exposures	29,684,809	-	-	4,093	-	-	-	-	85,301,448	-	-	-	114,990,350
18	**Total**	**807,804,116**	**343,888**	**-**	**165,689,868**	**7,570,375**	**54,607,936**	**192,147,492**	**806,428,807**	**966,770,048**	**13,124,725**	**-**	**1,472,529**	**3,015,959,784**

(Thousands of Turkish Lira (TL))

4.10.4 Consolidated counterparty credit risk

4.10.4.1 Qualitative disclosure on consolidated counterparty credit risk

Counterparty credit risk management policies include evaluating and monitoring risk developments, taking necessary measures, setting risk limits, ensuring that the risks remain within the limits, and establishing required reporting, control and audit mechanisms by using the methods aligned with both international standards and local regulations. The policies regarding counterparty credit risk measurement, monitoring, and limit settings are defined by the Board of Directors.

Counterparty credit risk arising from derivative transactions is periodically being monitored and reported by the Market and Structural Risk Department on product, country, counterparty and counterparty type basis.

International framework agreements (ISDA, CSA, GMRA, etc.) are being used through collateral and margin call mechanisms in order to mitigate the counterparty credit risk.

4.10.4.2 Consolidated counterparty credit risk (CCR) approach analysis

	Current Period	*Replacement cost*	*Potential future exposure*	*EEPE(Effective Expected Positive Exposure)*	*Alpha used for computing regulatory EAD*	*EAD post-CRM*	*RWA*
1	Standardised Approach - CCR (for derivatives)	10,477,389	8,698,727		1.4	26,846,562	12,568,192
2	Internal Model Method (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)			-	-	-	-
3	Simple Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)					-	-
4	Comprehensive Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)					22,948,877	9,144,675
5	Value-at-Risk (VaR) for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions					-	-
6	**Total**						**21,712,867**

(Thousands of Turkish Lira (TL))

	Prior Period	***Replacement cost***	***Potential future exposure***	***EEPE(Effective Expected Positive Exposure)***	***Alpha used for computing regulatory EAD***	***EAD post-CRM***	***RWA***
1	Standardised Approach - CCR (for derivatives)	7,879,356	5,101,546		1.4	18,173,262	7,635,794
2	Internal Model Method (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)			-	-	-	-
3	Simple Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)					-	-
4	Comprehensive Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)					17,862,884	10,041,153
5	Value-at-Risk (VaR) for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions					-	-
6	**Total**						**17,676,947**

4.10.4.3 Consolidated capital requirement for credit valuation adjustment (CVA)

		Current Period		***Prior Period***	
		EAD post-CRM	***RWA***	***EAD post-CRM***	***RWA***
	Total portfolios subject to the Advanced CVA capital obligation	-	-	-	-
1	(i) VaR component (including the 3×multiplier)		-		-
2	(ii) Stressed VaR component (including the 3×multiplier)		-		-
3	All portfolios subject to the Standardised CVA capital obligation	23,798,742	10,162,672	16,721,280	8,058,998
4	**Total subject to the CVA capital obligation**	**23,798,742**	**10,162,672**	**16,721,280**	**8,058,998**

(Thousands of Turkish Lira (TL))

4.10.4.4 Consolidated CCR exposures by risk class and risk weights

Current Period	**Risk weight**									
Regulatory portfolio	***0%***	***2%***	***10%***	***20%***	***50%***	***75%***	***100%***	***150%***	***Other***	***Total credit exposure***
Exposures to sovereigns and their central banks	2,013,991	-	-	-	-	-	-	-	-	2,013,991
Exposures to regional and local governments	-	-	-	-	-	-	-	-	-	-
Exposures to administrative bodies and non-commercial entities	-	-	-	-	-	-	30			30
Exposures to multilateral development banks	118,888	-	-	-	-	-	-	-	-	118,888
Exposures to international organizations	-	-	-	-	-	-	-	-	-	-
Exposures to banks and brokerage houses	-	5,505,670	-	14,295,856	16,411,523	-	408,888	-	-	36,621,937
Exposures to corporates	-	36,887	-	766,401	501,347	-	9,688,972	-	-	10,993,607
Retail exposures	-	-	-	-	-	46,986	-	-	-	46,986
Other assets	-	-	-	-	-	-	-	-	-	-
Total	**2,132,879**	**5,542,557**	**-**	**15,062,257**	**16,912,870**	**46,986**	**10,097,890**	**-**	**-**	**49,795,439**

Prior Period	**Risk weight**									
Regulatory portfolio	***0%***	***2%***	***10%***	***20%***	***50%***	***75%***	***100%***	***150%***	***Other***	***Total credit exposure***
Exposures to sovereigns and their central banks	-	-	-	-	-	-	-	-	-	-
Exposures to regional and local governments	-	-	-	-	-	-	-	-	-	-
Exposures to administrative bodies and non-commercial entities	-	-	-	-	-	-	13	-	-	13
Exposures to multilateral development banks	155,358	-	-	-	-	-	-	-	-	155,358
Exposures to international organizations	-	-	-	-	-	-	-	-	-	-
Exposures to banks and brokerage houses	-	1,447,626	-	7,762,862	19,193,822	-	176,532	-	-	28,580,842
Exposures to corporates	-	8,955	-	985,656	347,970	-	5,928,075	-	-	7,270,656
Retail exposures	-	-	-	-	1	26,724	2,552	-	-	29,277
Other assets	-	-	-	-	-	-	-	-	-	-
Total	**155,358**	**1,456,581**	**-**	**8,748,518**	**19,541,793**	**26,724**	**6,107,172**	**-**	**-**	**36,036,146**

(Thousands of Turkish Lira (TL))

4.10.4.5 Collaterals for consolidated CCR

	Collateral for derivative transactions				*Collateral for other transactions*	
Current Period	*Fair value of collateral received*		*Fair value of collateral given*		*Fair value of collateral received*	*Fair value of collateral given*
	Segregated	*Unsegregated*	*Segregated*	*Unsegregated*		
Cash-domestic currency	-	-	-	-	65,865,171	11,583,511
Cash-foreign currency	-	-	-	-	62,842,550	4,813,787
Domestic sovereign debts	-	-	-	-	5,333,916	107,464,357
Other sovereign debts	-	-	-	-	-	130,273
Government agency debts	-	-	-	-	-	-
Corporate debts	-	-	-	-	4,355,922	1,618,952
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**138,397,559**	**125,610,880**

	Collateral for derivative transactions				*Collateral for other transactions*	
Prior Period	*Fair value of collateral received*		*Fair value of collateral given*		*Fair value of collateral received*	*Fair value of collateral given*
	Segregated	*Unsegregated*	*Segregated*	*Unsegregated*		
Cash-domestic currency	-	-	-	-	11,806,884	97,970
Cash-foreign currency	-	-	-	-	26,514,966	-
Domestic sovereign debts	-	-	-	-	100,134	30,962,790
Other sovereign debts	-	-	-	-	-	255,206
Government agency debts	-	-	-	-	-	-
Corporate debts	-	-	-	-	-	45,977
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**38,421,984**	**31,361,943**

4.10.4.6 Consolidated credit derivatives

	Current Period		*Prior Period*	
Notionals	*Protection bought*	*Protection sold*	*Protection bought*	*Protection sold*
Single-name credit default swaps	-	-	-	-
Index credit default swaps	-	-	-	-
Total return swaps	-	61,089,244	-	54,369,915
Credit options	-	-	-	-
Other credit derivatives	-	-	-	-
Total Notionals	-	**61,089,244**	-	**54,369,915**
Fair Values	**-**	**419,905**	-	**1,306,142**
Positive fair values (asset)	-	427,718	-	1,306,142
Negative fair values (liability)	-	(7,813)	-	-

(Thousands of Turkish Lira (TL))

4.10.4.7 Exposures to central counterparties

	Current Period		***Prior Period***	
	EAD (post-CRM)	***RWA***	***EAD (post-CRM)***	***RWA***
Exposures to QCCPs (total)		**60,956**		**29,132**
Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which			-	-
(i) OTC derivatives	3,047,819	60,956	1,456,580	29,132
(ii) Exchange-traded derivatives	-	-	-	-
(iii) Securities financing transactions	-	-	-	-
(iv) Netting sets where cross-product netting has been approved	-	-	-	-
Segregated initial margin			-	
Non-segregated initial margin	-	-	-	-
Pre-funded default fund contributions	-	-	-	-
Unfunded default fund contributions	-	-	-	-
Exposures to non-QCCPs (total)		-		-
Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-	-	-
(i) OTC derivatives	-	-	-	-
(ii) Exchange-traded derivatives	-	-	-	-
(iii) Securities financing transactions		-	-	-
(iv) Netting sets where cross-product netting has been approved	-	-	-	-
Segregated initial margin	-		-	
Non-segregated initial margin	-	-	-	-
Pre-funded default fund contributions	-	-	-	-

4.10.5 Consolidated securitisations

Not prepared in compliance with the communique “Risk Management Related Disclosures to be Announced to Public by Banks”.

4.10.6 Consolidated market risk

4.10.6.1 Qualitative disclosure on consolidated market risk

Market risk is managed in accordance with the strategies and policies defined by the Parent Bank. The Bank takes economic climate, market and liquidity conditions and their effects on market risk, the structure of portfolio subject to market risk, the sufficiency of the Bank’s definition, measurement, evaluation, monitoring, reporting, control and mitigation of market risk and the availability of the related processes into account while defining the market risk management. Market risk strategies and policies are reviewed by the board of directors and related top management by considering financial performance, capital required for market risk, and the existing market developments. Market risk for internal use, implementation fundamentals and procedures are being developed on bank-only and consolidated level in consideration of the size and complexity of the operations.

Market risk is managed through measuring the risks in parallel with the international standards, setting the limits, capital reserving and additionally through mitigating via hedging transactions.

The Market Risk function under Market and Structural Risk Department monitors the activities of Global Markets Trading Department via risk reports and the limits approved by the board of directors.

Market Risk, which is defined as the risk arising from the price fluctuations in balance sheet and off-balance sheet trading positions, is being calculated and reported daily via Value at Risk (VaR) Model.

(Thousands of Turkish Lira (TL))

4.10.6.2 Consolidated market risk under standardised approach

		RWA (*)	
		Current Period	*Prior Period*
	Outright products	**66,384,513**	**43,222,262**
1	Interest rate risk (general and specific)	12,751,187	10,127,261
2	Equity risk (general and specific)	2,022,713	2,764,000
3	Foreign exchange risk	39,520,463	28,169,363
4	Commodity risk	12,090,150	2,161,638
	Options	**2,105,425**	**878,975**
5	Simplified approach	-	-
6	Delta-plus method	2,105,425	878,975
7	Scenario approach	-	-
8	Securitisation	-	-
9	**Total**	**68,489,938**	**44,101,237**

(*) According to "Bank Capital Regulation" article 10 paragraph 4, which published on Official Gazette dated 5 September 2013 and numbered 28756, banks calculated their consolidated capital with their consolidated insurance company investments as unconsolidated financial institutions if 9th article's 4th paragraph's (c) and (ç) items apply. Lesser of consolidated capital calculated according to 1st and 4th paragraphs is considered the consolidated capital according to this regulation. As the consolidated capital calculated including the insurance subsidiary is lesser, consolidated equity and the amounts subject to the market risk are calculated based on the consolidated financial statements including the insurance subsidiaries.

4.10.7 Consolidated operational risk

Not prepared in compliance with the communique "Risk Management Related Disclosures to be Announced to Public by Banks".

4.10.8 Consolidated banking book interest rate risk

Not prepared in compliance with the communique "Risk Management Related Disclosures to be Announced to Public by Banks".

(Thousands of Turkish Lira (TL))

5 Disclosures and Footnotes on Consolidated Financial Statements

5.1 Consolidated assets

5.1.1 Cash and Cash Equivalents

5.1.1.1 Cash and balances with Central Bank

	Current Period		*Prior Period*	
	TL	**FC**	**TL**	**FC**
Cash in TL/Foreign Currency	7,583,100	19,244,049	6,455,145	18,550,380
Central Bank of Türkiye	300,290,770	178,343,447	194,716,186	127,432,845
Others	2,000	27,825,913	-	16,306,063
Total	**307,875,870**	**225,413,409**	**201,171,331**	**162,289,288**

Balances with the Central Bank of Türkiye

	Current Period		*Prior Period*	
	TL	**FC**	**TL**	**FC**
Unrestricted Demand Deposits	183,974,820	511,696	115,100,035	5,194
Unrestricted Time Deposits	-	-	-	-
Restricted Time Deposits	116,315,950	177,831,751	79,616,151	127,427,651
Total	**300,290,770**	**178,343,447**	**194,716,186**	**127,432,845**

The reserve requirements in TL, FC and gold that maintained in accordance with the "Communiqué Regarding the Reserve Requirements" numbered 2013/15 are included in the table.

As of 30 June 2025, reserve requirement rates for TL denominated liabilities are in between 3% and 33% depending on their original maturity (31 December 2024: between 3% and 33%) and, reserve requirement rates for foreign currency denominated liabilities are in between 5% and 32% depending on their original maturity (31 December 2024: between 5% and 30%).

An additional reserve requirement of 4% is maintained in TL for foreign currency denominated deposits (excluding foreign bank deposits and precious metal accounts).

Starting from 20 January 2024, the banks that overshoot the targets namely "Ratio For Renewal and Transition To Turkish Lira" and "Ratio For Transition To Turkish Lira" have been receiving interest gain over reserve requirements maintained for TL deposits and newly opened and renewed FX protected deposits as of 21 December 2024.

Within the scope of Regulation on Commission Applied To Reserve Requirement Balances, the banks that undershoot the minimum levels required by CBRT for two separate targets namely "Ratio For Renewal and Transition To Turkish Lira" and "Ratio For Share of TL Deposit" should pay commission to CBRT over their foreign currency denominated reserve requirement balances linked to foreign currency deposits.

5.1.1.2 Banks

	Current Period		*Prior Period*	
	TL	**FC**	**TL**	**FC**
Banks				
Domestic banks	11,660,407	1,522,316	8,456,016	1,110,455
Foreign banks	5,943,390	269,478,239	4,016,945	225,782,606
Foreign head office and branches	-	-	-	-
Total	**17,603,797**	**271,000,555**	**12,472,961**	**226,893,061**

The placements at foreign banks include blocked accounts amounting TL 79,660,233 (31 December 2024: TL 64,734,162) of which TL 65,714,809 (31 December 2024: TL 55,816,981) kept at the central banks of Malta, TL 1,426,512 (31 December 2024: TL 1,143,468) kept at Turkish Republic of Northern Cyprus and TL 12,518,912 (31 December 2024: TL 7,773,713) kept at various banks as collateral.

Furthermore, there are restricted deposits at various domestic banks amounting TL 2,278,325 (31 December 2024: TL 1,469,962) as required for insurance activities.

(Thousands of Turkish Lira (TL))

Due from foreign banks

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

5.1.1.3 Receivables from reserve repo transactions

	Current Period		*Prior Period*	
	TL	**FC**	**TL**	**FC**
Domestic Transactions	**11,583,500**	**-**	**97,970**	**-**
Central Bank of Türkiye	-	-	-	-
Banks	11,583,500	-	97,970	-
Others	-	-	-	-
Foreign Transactions	**-**	**20,319,308**	**-**	**20,243,465**
Central banks	-	-	-	-
Banks	-	20,319,308	-	20,243,465
Others	-	-	-	-
Total	**11,583,500**	**20,319,308**	**97,970**	**20,243,465**

5.1.1.4 Expected credit losses for cash and cash equivalents

Current Period	*Stage 1*	*Stage 2*	*Stage 3*	*Total*
Balances at Beginning of Period	**597,339**	**-**	**-**	**597,339**
Additions during the Period (+)	1,409,532	-	-	1,409,532
Disposal (-)	(1,192,506)	-	-	(1,192,506)
Transfer to Stage1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Foreign Currency Differences	75,641	-	-	75,641
Balances at End of Period	**890,006**	**-**	**-**	**890,006**

Prior Period	*Stage 1*	*Stage 2*	*Stage 3*	*Total*
Balances at Beginning of Period	**1,938,327**	**-**	**-**	**1,938,327**
Additions during the Period (+)	2,739,300	1	-	2,739,301
Disposal (-)	(4,191,436)	(2)	-	(4,191,438)
Transfer to Stage1	3	(3)	-	-
Transfer to Stage 2	(4)	4	-	-
Transfer to Stage 3	-	-	-	-
Foreign Currency Differences	111,149	-	-	111,149
Balances at End of Period	**597,339**	**-**	**-**	**597,339**

5.1.2 Financial assets at fair value through profit/loss

5.1.2.1 Financial assets at fair value through profit/loss subject to repurchase agreements and provided as collateral/blocked

	Current Period		*Prior Period*	
	TL	**FC**	**TL**	**FC**
Collateralised/Blocked Assets	-	2,440,689	178,027	2,217,508
Assets Subject to Repurchase Agreements	85,603	-	67,594	-
Total	**85,603**	**2,440,689**	**245,621**	**2,217,508**

(Thousands of Turkish Lira (TL))

5.1.2.2. Financial assets measured at fair value through profit or loss

	Current Period		Prior Period	
	TL	FC	TL	FC
Government Securities	2,352,380	6,088,799	4,575,298	5,767,257
Equity Securities	558,832	131,662	414,244	117,338
Other Financial Assets (*)	180,393	1,141,050	198,724	1,053,982
Total	**3,091,605**	**7,361,511**	**5,188,266**	**6,938,577**

(*) Loans whose contractual conditions are inconsistent with a basic lending agreement (consideration for the time value of money and credit risk are typically the most significant elements of interest) are measured at fair value through profit or loss. As of 30 June 2025, loans with a fair value of TL 281,471 (31 December 2024: TL 54,062) have been classified under other financial assets.

5.1.3 Financial assets measured at fair value through other comprehensive income

5.1.3.1 Financial assets subject to repurchase agreements and provided as collateral/blocked

	Current Period		Prior Period	
	TL	FC	TL	FC
Collateralised/Blocked Assets	13,666,501	21,832,265	12,766,813	9,481,770
Assets subject to Repurchase Agreements	21,462,862	33,949,270	2,943,284	15,220,097
Total	**35,129,363**	**55,781,535**	**15,710,097**	**24,701,867**

5.1.3.2 Details of financial assets measured at fair value through other comprehensive income

	Current Period	Prior Period
Debt Securities	**151,104,566**	**100,432,402**
Quoted at Stock Exchange	151,104,566	100,432,402
Unquoted at Stock Exchange	-	-
Common Shares/Investment Fund	**35,182**	**28,069**
Quoted at Stock Exchange	4,491	4,491
Unquoted at Stock Exchange	30,691	23,578
Value Increase/Impairment Losses (-)	**36,602,720**	**38,628,374**
Total	**187,742,468**	**139,088,845**

Expected losses of TL 262,581 (31 December 2024: TL 189,193) are accounted under shareholders' equity for financial assets measured at fair value through other comprehensive income.

5.1.4 Derivative financial assets

5.1.4.1 Positive differences on derivative financial assets measured at FVTPL

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	1,218,337	600,123	884,181	163,955
Swap Transactions	5,290,519	5,489,865	3,536,101	8,514,578
Futures	249	343	-	452
Options	423,423	119,741	202,447	20,993
Others	-	6,245	-	264
Total	**6,932,528**	**6,216,317**	**4,622,729**	**8,700,242**

(Thousands of Turkish Lira (TL))

5.1.4.2 Positive differences on derivative financial instruments held for hedging purpose

Derivative Financial Assets Held for Hedging Purpose	*Current Period*		*Prior Period*	
	TL	**FC**	**TL**	**FC**
Fair Value Hedges	-	1,176,924	-	239,994
Cash Flow Hedges	45,227	446,484	31,949	365,095
Net Foreign Investment Hedges	-	-	-	-
Total	**45,227**	**1,623,408**	**31,949**	**605,089**

As of 30 June 2025, the face values and the net fair values, recognised in the balance sheet, of the derivative financial instruments held for hedging purpose, are summarized below:

	Current Period			*Prior Period*		
	Face Value	**Asset**	**Liability**	**Face Value**	**Asset**	**Liability**
Interest Rate Swaps	**142,349,031**	**1,225,906**	**72,071**	**72,469,088**	**610,545**	**193,919**
-TL	229,166	10,849	-	1,526,241	14,438	5,771
-FC	142,119,865	1,215,057	72,071	70,942,847	596,107	188,148
Cross Currency Swaps	**18,585,047**	**436,545**	**381,212**	**11,974,093**	**21,617**	**832,098**
-TL	9,210,274	34,378	276,797	6,698,012	17,511	521,469
-FC	9,374,773	402,167	104,415	5,276,081	4,106	310,629
Currency Forwards	**2,283,527**	**6,184**	**65,286**	**4,337,675**	**4,876**	**321,907**
-TL	1,206,799	-	-	2,375,910	-	-
-FC	1,076,728	6,184	65,286	1,961,765	4,876	321,907
Total	**163,217,605**	**1,668,635**	**518,569**	**88,780,856**	**637,038**	**1,347,924**

5.1.4.3 Fair value hedge accounting

Current Period						
				Net Fair Value Change of Hedging Item		**Income Statement Effect (gains/losses from derivative financial instruments)**
Hedging Item	**Hedged Item**	**Type of Risk**	**Fair Value Change of Hedged Item**	**Asset**	**Liability**	
Interest Rate Swaps	Fixed-rate commercial loans	Interest rate risk	(3,099)	14,480	(72,071)	(60,690)
Interest Rate Swaps	Fixed-rate securities	Interest rate risk	(68,209)	85,284	-	(31,495)
Interest Rate Swaps	Fixed-rate securities issued	Interest rate risk	(2,902,198)	1,077,160	-	(1,735,395)

Prior Period						
				Net Fair Value Change of Hedging Item		**Income Statement Effect (gains/losses from derivative financial instruments)**
Hedging Item	**Hedged Item**	**Type of Risk**	**Fair Value Change of Hedged Item**	**Asset**	**Liability**	
Interest Rate Swaps	Fixed-rate commercial loans	Interest rate risk	(15,107)	-	(407)	(15,514)
Interest Rate Swaps	Fixed-rate securities	Interest rate risk	(124,161)	239,994	(90,396)	(82,039)
Interest Rate Swaps	Fixed-rate securities issued	Interest rate risk	7,692	-	(97,316)	(89,611)

(Thousands of Turkish Lira (TL))

5.1.4.4 Cash flow hedge accounting

Current Period							
Hedging Item	**Hedged Item**	**Type of Risk**	**Fair Value Change of Hedged Item**		**Gains/Losses Accounted under Shareholders' Equity in the Period**	**Gains/Losses Accounted under Income Statement in the Period**	**Ineffective Portion (net) Accounted under Income Statement**
			Asset	**Liability**			
Interest Rate Swaps	Floating-rate funds borrowed	Cash flow risk resulted from change in market interest rates	48,982	-	49,312	1,633	-
Interest Rate Swaps	Floating-rate deposit	Cash flow risk resulted from change in market interest rates	-	-	-	-	-
Cross Currency Swaps	Floating-rate funds borrowed	Cash flow risk resulted from change in market interest rates and foreign currency exchange rates	53,859	(146,361)	(136,996)	-	-
Cross Currency Swaps	Fixed-rate funds borrowed	Cash flow risk resulted from change in market interest rates and foreign currency exchange rates	382,686	(234,851)	(345,276)	334,264	-
Currency Forwards	Mile payments	Cash flow risk resulted from foreign currency exchange rates	-	-	-	-	-
Currency Forwards	Floating-rate funds borrowed	Cash flow risk resulted from change in market interest rates and foreign currency exchange rates	6,184	(65,286)	133,318	(104,617)	-
Currency Swaps	Expected investment /Operational expenses	Cash flow risk resulted from foreign currency exchange rates	-	-	-	-	-

In the current period, the profit/loss amount recognized in the equity due to the ceased hedging transactions is TL 290,263 and the part of this amount recycled to income statement is TL 512,056.

(Thousands of Turkish Lira (TL))

Prior Period							
Hedging Item	**Hedged Item**	**Type of Risk**	**Fair Value Change of Hedged Item**		**Gains/Losses Accounted under Shareholders' Equity in the Period**	**Gains/Losses Accounted under Income Statement in the Period**	**Ineffective Portion (net) Accounted under Income Statement**
			Asset	**Liability**			
Interest Rate Swaps	Floating-rate funds borrowed	Cash flow risk resulted from change in market interest rates	63,413	-	(174,864)	20,451	-
Interest Rate Swaps	Floating-rate deposit	Cash flow risk resulted from change in market interest rates	307,138	-	146,362	77,402	24,699
Cross Currency Swaps	Floating-rate funds borrowed	Cash flow risk resulted from change in market interest rates and foreign currency exchange rates	-	(5,800)	29,954	27,207	-
Cross Currency Swaps	Fixed-rate funds borrowed	Cash flow risk resulted from change in market interest rates and foreign currency exchange rates	17,511	-	(93,547)	-	-
Currency Forwards	Mile payments	Cash flow risk resulted from foreign currency exchange rates	4,106	(832,098)	68,546	(75,893)	-
Currency Forwards	Floating-rate funds borrowed	Cash flow risk resulted from change in market interest rates and foreign currency exchange rates	4,876	(321,907)	59,116	(55,371)	-
Currency Swaps	Expected investment /Operational expenses	Cash flow risk resulted from foreign currency exchange rates	-	-	(292,869)	-	-

As of 31 December 2024, the profit/loss amount recognized in the equity due to the ceased hedging transactions is TL (4,949) and the part of this amount recycled to income statement is TL (1,141,212).

(Thousands of Turkish Lira (TL))

5.1.5 Loans

5.1.5.1 Loans and advances to shareholders and employees of the Bank

	Current Period		*Prior Period*	
	Cash Loans	**Non-Cash Loans**	**Cash Loans**	**Non-Cash Loans**
Direct Lendings to Shareholders	-	**8,280,779**	-	**4,004,844**
Corporates	-	8,280,779	-	4,004,844
Individuals			-	-
Indirect Lendings to Shareholders	**44,641**	-	**226,373**	-
Loans to Employees	**3,345,202**	**3,158**	**2,588,364**	**1,523**
Total	**3,389,843**	**8,283,937**	**2,814,737**	**4,006,367**

5.1.5.2 Performing loans and loans under follow-up including restructured loans, and provisions allocated for such loans

Loans measured at amortised cost

Current Period	**Performing Loans**	**Loans under Follow-up**		
			Restructured	
Cash Loans (*)		**Non-restructured**	**Revised Contract Terms**	**Refinanced**
Loans	**1,972,138,754**	**158,405,221**	**56,516,482**	**6,307,150**
Working Capital Loans	260,508,712	16,083,718	171,049	1,794,597
Export Loans	186,147,734	9,086,851	31,371	71,763
Import Loans	2,815,198	-	-	-
Loans to Financial Sector	82,083,174	607,723	-	-
Consumer Loans	371,091,237	34,358,275	5,997,110	43,523
Credit Cards	430,415,015	46,145,703	21,911,703	-
Others	639,077,684	52,122,951	28,405,249	4,397,267
Specialization Loans	-	-	-	-
Other Receivables	**68,331,520**	**3,049,436**	**2,894,919**	**16,142**
Total	**2,040,470,274**	**161,454,657**	**59,411,401**	**6,323,292**

(*) Non-performing loans are not included.

Prior Period	**Performing Loans**	**Loans under Follow-up**		
			Restructured	
Cash Loans (*)		**Non-restructured**	**Revised Contract Terms**	**Refinanced**
Loans	**1,534,245,147**	**154,143,972**	**46,181,553**	**3,964,446**
Working Capital Loans	182,030,024	11,096,873	326,238	870,671
Export Loans	151,051,140	7,801,254	30,426	30,058
Import Loans	7,622,936	-	-	-
Loans to Financial Sector	55,057,724	4,533,503	-	-
Consumer Loans	273,034,280	43,529,741	3,278,089	36,206
Credit Cards	369,665,219	35,899,152	16,267,012	-
Others	495,783,824	51,283,449	26,279,788	3,027,511
Specialization Loans	-	-	-	-
Other Receivables	**43,639,552**	**2,597,632**	**2,033,223**	**10,338**
Total	**1,577,884,699**	**156,741,604**	**48,214,776**	**3,974,784**

(*) Non-performing loans are not included.

(Thousands of Turkish Lira (TL))

Current Period	**Corporate/ Commercial Loans**		**Consumer Loans**		**Financial Lease**		**Factoring**		**Total**	
	TL	**FC**	**TL**	**FC**	**TL**	**FC**	**TL**	**FC**	**TL**	**FC**
Performing Loans (Stage 1)	545,248,568	707,259,083	663,311,444	56,321,513	8,763,153	34,879,437	22,084,353	2,602,723	1,239,407,518	801,062,756
Loans under Follow-up (Stage 2)	58,750,127	67,252,988	88,571,615	6,654,104	598,691	5,218,850	142,975	-	148,063,408	79,125,942
Total Stage 1 and 2 Loans	**603,998,695**	**774,512,071**	**751,883,059**	**62,975,617**	**9,361,844**	**40,098,287**	**22,227,328**	**2,602,723**	**1,387,470,926**	**880,188,698**
Expected Credit losses-Stage 1-2 (-)	6,478,534	16,520,867	9,140,136	889,353	90,550	887,826	39,050	1,475	15,748,270	18,299,521
Total Non-performing Loans	**21,421,240**	**3,155,738**	**34,029,521**	**1,466,632**	**512,739**	**922,634**	**171,621**	**-**	**56,135,121**	**5,545,004**
Expected Credit losses-Stage 3 (-)	13,572,648	2,031,520	22,552,079	1,223,896	336,945	661,803	155,486	-	36,617,158	3,917,219

Prior Period	**Corporate/ Commercial Loans**		**Consumer Loans**		**Financial Lease**		**Factoring**		**Total**	
	TL	**FC**	**TL**	**FC**	**TL**	**FC**	**TL**	**FC**	**TL**	**FC**
Performing Loans (Stage 1)	460,027,037	498,487,861	542,640,385	33,108,124	8,135,925	22,524,894	10,691,913	2,268,560	1,021,495,260	556,389,439
Loans under Follow-up (Stage 2)	57,741,038	56,278,135	82,814,764	7,456,035	606,277	4,032,072	2,843	-	141,164,922	67,766,242
Total Stage 1 and 2 Loans	**517,768,075**	**554,765,996**	**625,455,149**	**40,564,159**	**8,742,202**	**26,556,966**	**10,694,756**	**2,268,560**	**1,162,660,182**	**624,155,681**
Expected Credit losses-Stage 1-2 (-)	5,608,580	18,755,035	8,685,470	701,837	73,829	773,372	12,940	1,329	14,380,819	20,231,573
Total Non-performing Loans	**22,941,859**	**2,855,144**	**10,974,960**	**1,038,474**	**500,531**	**713,134**	**121,767**	**-**	**34,539,117**	**4,606,752**
Expected Credit losses-Stage 3 (-)	15,417,623	1,859,381	7,060,301	879,273	351,794	513,597	116,222	-	22,945,940	3,252,251

	Current Period		***Prior Period***	
	Performing Loans	**Loans Under Follow-Up**	**Performing Loans**	**Loans Under Follow-Up**
12-Month ECL (Stage 1)	10,870,351	-	8,918,792	-
Significant Increase in Credit Risk (Stage 2)	-	23,177,440	-	25,693,600

As of 30 June 2025, loans amounting to TL 9,233,076 (31 December 2024: TL 7,752,182) are benefited as collateral under funding transactions.

Collaterals received for loans under follow-up

Current Period	**Corporate / Commercial Loans**	**Consumer Loans**	**Credit Cards**	**Total**
Loans Collateralized by Cash	3,614,766	16,684	-	3,631,450
Loans Collateralized by Mortgages / Shares/ Credit Guarantee Fund Sureties	50,462,583	6,555,877	-	57,018,460
Loans Collateralized by Pledged Assets	12,534,344	474,559	-	13,008,903
Loans Collateralized by Cheques and Notes	676,190	4,409	-	680,599
Loans Collateralized by Other Collaterals	44,961,915	20,117,930	-	65,079,845
Unsecured Loans	6,483,238	13,229,449	68,057,406	87,770,093
Total	**118,733,036**	**40,398,908**	**68,057,406**	**227,189,350**

Prior Period	**Corporate / Commercial Loans**	**Consumer Loans**	**Credit Cards**	**Total**
Loans Collateralized by Cash	8,446,967	18,168	-	8,465,135
Loans Collateralized by Mortgages / Shares/ Credit Guarantee Fund Sureties	36,544,623	11,170,517	-	47,715,140
Loans Collateralized by Pledged Assets	8,732,596	1,055,947	-	9,788,543
Loans Collateralized by Cheques and Notes	581,522	4,120	-	585,642
Loans Collateralized by Other Collaterals	43,584,871	24,692,205	-	68,277,076
Unsecured Loans	12,030,385	9,903,079	52,166,164	74,099,628
Total	**109,920,964**	**46,844,036**	**52,166,164**	**208,931,164**

(Thousands of Turkish Lira (TL))

Delinquency periods of loans under follow-up

Current Period	**Corporate / Commercial Loans**	**Consumer Loans**	**Credit Cards**	**Total**
31-60 days	2,825,444	5,437,898	7,298,350	15,561,692
61-90 days	2,609,596	2,141,483	3,729,387	8,480,466
Other	113,297,996	32,819,527	57,029,669	203,147,192
Total	**118,733,036**	**40,398,908**	**68,057,406**	**227,189,350**

Prior Period	**Corporate / Commercial Loans**	**Consumer Loans**	**Credit Cards**	**Total**
31-60 days	1,407,907	5,249,222	6,327,297	12,984,426
61-90 days	761,184	2,120,282	2,882,994	5,764,460
Other	107,751,873	39,474,532	42,955,873	190,182,278
Total	**109,920,964**	**46,844,036**	**52,166,164**	**208,931,164**

5.1.5.3 Maturity analysis of cash loans

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

(Thousands of Turkish Lira (TL))

5.1.5.4 Consumer loans, retail credit cards, personnel loans and personnel credit cards

Current Period	**Short-Term**	**Medium and Long-Term**	**Total**
Consumer Loans – TL	**78,436,053**	**180,595,397**	**259,031,450**
Housing Loans	165,344	76,391,227	76,556,571
Automobile Loans	8,723,810	4,494,276	13,218,086
General Purpose Loans	69,546,899	99,709,894	169,256,793
Others	-	-	-
Consumer Loans – FC-indexed	**-**	**84,911**	**84,911**
Housing Loans	-	84,911	84,911
Automobile Loans	-	-	-
General Purpose Loans	-	-	-
Others	-	-	-
Consumer Loans – FC	**18,299,595**	**40,207,363**	**58,506,958**
Housing Loans	1,370,240	22,662,421	24,032,661
Automobile Loans	386	46,669	47,055
General Purpose Loans	5,356,112	17,451,043	22,807,155
Others	11,572,857	47,230	11,620,087
Retail Credit Cards – TL	**377,346,999**	**16,394,038**	**393,741,037**
With Installment	146,393,367	16,394,038	162,787,405
Without Installment	230,953,632	-	230,953,632
Retail Credit Cards – FC	**4,187,618**	**33,662**	**4,221,280**
With Installment	-	-	-
Without Installment	4,187,618	33,662	4,221,280
Personnel Loans – TL	**873,091**	**592,778**	**1,465,869**
Housing Loan	-	11,480	11,480
Automobile Loans	211	446	657
General Purpose Loans	872,880	580,852	1,453,732
Others	-	-	-
Personnel Loans - FC-indexed	-	-	-
Housing Loans	-	-	-
Automobile Loans	-	-	-
General Purpose Loans	-	-	-
Others	-	-	-
Personnel Loans – FC	**21,541**	**137,285**	**158,826**
Housing Loans	5,889	77,081	82,970
Automobile Loans	-	-	-
General Purpose Loans	13,496	60,204	73,700
Others	2,156	-	2,156
Personnel Credit Cards – TL	**1,518,531**	**14,303**	**1,532,834**
With Installment	488,946	14,303	503,249
Without Installment	1,029,585	-	1,029,585
Personnel Credit Cards – FC	**74,954**	**955**	**75,909**
With Installment	-	-	-
Without Installment	74,954	955	75,909
Deposit Accounts– TL (Real Persons)	**92,130,367**	-	**92,130,367**
Deposit Accounts– TL (Personnel)	**111,764**	-	**111,764**
Deposit Accounts– FC (Real Persons)	-	-	-
Total	**573,000,513**	**238,060,692**	**811,061,205**

(Thousands of Turkish Lira (TL))

Prior Period	Short-Term	Medium and Long-Term	Total
Consumer Loans – TL	**90,696,042**	**121,594,349**	**212,290,391**
Housing Loans	191,306	60,222,958	60,414,264
Automobile Loans	7,849,356	5,183,762	13,033,118
General Purpose Loans	82,655,380	56,187,629	138,843,009
Others	-	-	-
Consumer Loans – FC-indexed	-	**89,462**	**89,462**
Housing Loans	-	89,462	89,462
Automobile Loans	-	-	-
General Purpose Loans	-	-	-
Others	-	-	-
Consumer Loans – FC	**8,822,926**	**28,416,063**	**37,238,989**
Housing Loans	988,446	16,558,159	17,546,605
Automobile Loans	-	52,191	52,191
General Purpose Loans	3,613,560	11,688,668	15,302,228
Others	4,220,920	117,045	4,337,965
Retail Credit Cards – TL	**326,603,294**	**11,834,811**	**338,438,105**
With Installment	132,684,816	11,834,811	144,519,627
Without Installment	193,918,478	-	193,918,478
Retail Credit Cards – FC	**3,081,084**	**30,170**	**3,111,254**
With Installment	-	-	-
Without Installment	3,081,084	30,170	3,111,254
Personnel Loans – TL	**795,063**	**283,354**	**1,078,417**
Housing Loan	-	4,544	4,544
Automobile Loans	18	334	352
General Purpose Loans	795,045	278,476	1,073,521
Others	-	-	-
Personnel Loans - FC-indexed	-	-	-
Housing Loans	-	-	-
Automobile Loans	-	-	-
General Purpose Loans	-	-	-
Others	-	-	-
Personnel Loans – FC	**18,094**	**122,965**	**141,059**
Housing Loans	4,452	68,705	73,157
Automobile Loans	-	-	-
General Purpose Loans	10,799	54,016	64,815
Others	2,843	244	3,087
Personnel Credit Cards – TL	**1,207,429**	**10,568**	**1,217,997**
With Installment	394,424	10,568	404,992
Without Installment	813,005	-	813,005
Personnel Credit Cards – FC	**48,484**	**555**	**49,039**
With Installment	-	-	-
Without Installment	48,484	555	49,039
Deposit Accounts– TL (Real Persons)	**68,937,585**	**-**	**68,937,585**
Deposit Accounts– TL (Personnel)	**102,413**	**-**	**102,413**
Deposit Accounts– FC (Real Persons)	-	-	-
Total	**500,312,414**	**162,382,297**	**662,694,711**

(Thousands of Turkish Lira (TL))

5.1.5.5 Installment based commercial loans and corporate credit cards

Current Period	**Short-Term**	**Medium and Long-Term**	**Total**
Installment-based Commercial Loans – TL	**14,838,485**	**114,153,570**	**128,992,055**
Real Estate Loans	8,825	1,827,418	1,836,243
Automobile Loans	4,065,667	56,902,287	60,967,954
General Purpose Loans	10,763,993	55,423,865	66,187,858
Others	-	-	-
Installment-based Commercial Loans - FC-indexed	-	**20,222**	**20,222**
Real Estate Loans	-	19,738	19,738
Automobile Loans	-	-	-
General Purpose Loans	-	484	484
Others	-	-	-
Installment-based Commercial Loans – FC	**29,032,020**	**39,946,195**	**68,978,215**
Real Estate Loans	-	-	-
Automobile Loans	15,324	3,979,776	3,995,100
General Purpose Loans	13,679	56,073	69,752
Others	29,003,017	35,910,346	64,913,363
Corporate Credit Cards – TL	**95,392,969**	**3,120,772**	**98,513,741**
With Installment	25,073,444	3,120,772	28,194,216
Without Installment	70,319,525	-	70,319,525
Corporate Credit Cards – FC	**387,620**	-	**387,620**
With Installment	-	-	-
Without Installment	387,620	-	387,620
Deposit Accounts– TL (Corporates)	**23,285,639**	-	**23,285,639**
Deposit Accounts– FC (Corporates)	-	-	-
Total	**162,936,733**	**157,240,759**	**320,177,492**

(Thousands of Turkish Lira (TL))

Prior Period	Short-Term	Medium and Long-Term	Total
Installment-based Commercial Loans – TL	**20,596,042**	**93,764,846**	**114,360,888**
Real Estate Loans	25,666	1,280,447	1,306,113
Automobile Loans	4,222,240	46,203,473	50,425,713
General Purpose Loans	16,348,136	46,280,926	62,629,062
Others	-	-	-
Installment-based Commercial Loans - FC-indexed	-	**21,964**	**21,964**
Real Estate Loans	-	21,122	21,122
Automobile Loans	-	-	-
General Purpose Loans	-	842	842
Others	-	-	-
Installment-based Commercial Loans – FC	**20,434,525**	**28,639,320**	**49,073,845**
Real Estate Loans	-	-	-
Automobile Loans	33,545	3,148,070	3,181,615
General Purpose Loans	17,936	42,923	60,859
Others	20,383,044	25,448,327	45,831,371
Corporate Credit Cards – TL	**77,178,974**	**1,542,587**	**78,721,561**
With Installment	23,122,088	1,542,587	24,664,675
Without Installment	54,056,886	-	54,056,886
Corporate Credit Cards – FC	**293,427**	-	**293,427**
With Installment	-	-	-
Without Installment	293,427	-	293,427
Deposit Accounts– TL (Corporates)	**14,635,069**	**-**	**14,635,069**
Deposit Accounts– FC (Corporates)	-	-	-
Total	**133,138,037**	**123,968,717**	**257,106,754**

5.1.5.6 Allocation of loans by customers (*)

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

5.1.5.7 Allocation of domestic and foreign loans (*)

	Current Period	*Prior Period*
Domestic Loans	1,988,350,234	1,602,040,172
Foreign Loans	279,309,390	184,775,691
Total	**2,267,659,624**	**1,786,815,863**

(*) Non-performing loans are not included.

5.1.5.8 Loans to associates and subsidiaries

	Current Period	*Prior Period*
Direct Lending	5,600,562	7,731,340
Indirect Lending	-	-
Total	**5,600,562**	**7,731,340**

(Thousands of Turkish Lira (TL))

5.1.5.9 Provision allocated for non-performing loans (Stage 3)

	Current Period	*Prior Period*
Substandard Loans- Limited Collectibility	10,650,249	7,481,373
Doubtful Loans	14,920,070	7,112,567
Uncollectible Loans	14,964,058	11,604,251
Total	**40,534,377**	**26,198,191**

5.1.5.10 Non-performing loans (NPLs) (net)

Non-performing loans and loans restructured from this category

	Group III	Group IV	Group V
	Substandard Loans	Doubtful Loans	Uncollectible Loans
Current Period			
(Gross amounts before provisions)	4,001,321	4,072,225	7,285,526
Restructured Loans and Receivables	4,001,321	4,072,225	7,285,526
Prior Period			
(Gross amounts before provisions)	2,334,309	1,627,488	5,681,237
Restructured Loans and Receivables	2,334,309	1,627,488	5,681,237

Movements in non-performing loan groups

	Group III	Group IV	Group V
Current Period	Substandard Loans	Doubtful Loans	Uncollectible Loans
Balances at End of Prior Period	**12,833,812**	**10,901,927**	**15,410,130**
Additions during the Period (+)	36,985,186	310,779	1,431,767
Transfer from Other NPL Categories (+)	87,503	25,802,951	7,471,005
Transfer to Other NPL Categories (-)	25,851,703	7,476,798	32,958
Collections during the Period (-)	5,841,247	3,639,769	2,380,282
Write down /Write-offs (-) (*)(**)	21,972	20,860	639,159
Debt Sale (-) (***)	43,511	2,932,016	1,724,017
Corporate and Commercial Loans	16,115	503,713	153,118
Retail Loans	17,943	750,154	699,992
Credit Cards	9,453	1,678,149	870,907
Other	-	-	-
Foreign Currency Differences	380,060	125,992	543,305
Balances at End of Period	**18,528,128**	**23,072,206**	**20,079,791**
Provisions (-)	10,650,249	14,920,070	14,964,058
Net Balance on Balance Sheet	**7,877,879**	**8,152,136**	**5,115,733**

(Thousands of Turkish Lira (TL))

	Group III	Group IV	Group V
Prior Period	Substandard Loans	Doubtful Loans	Uncollectible Loans
Balances at End of Prior Period	**8,265,265**	**4,301,581**	**13,591,760**
Additions during the Period (+)	37,402,208	226,228	1,910,195
Transfer from Other NPL Categories (+)	102,259	23,972,742	10,318,648
Transfer to Other NPL Categories (-)	25,887,197	8,436,151	70,301
Collections during the Period (-)	6,717,049	3,385,600	3,696,400
Write down / Write-offs (-)(*) (**)	3,052	134,356	3,333,660
Debt Sale (-) (***)	575,806	5,695,915	3,688,322
Corporate and Commercial Loans	12,001	235,263	244,324
Retail Loans	306,504	2,391,677	1,980,313
Credit Cards	257,301	3,068,975	1,463,685
Other	-	-	-
Foreign Currency Differences	247,184	53,398	378,210
Balances at End of Period	**12,833,812**	**10,901,927**	**15,410,130**
Provisions (-)	7,481,373	7,112,567	11,604,251
Net Balance on Balance Sheet	**5,352,439**	**3,789,360**	**3,805,879**

(*) Includes loans for which 100% provision is provided during the corresponding period.
(**) As of 30 June 2025, Bank's and consolidated subsidiaries, has also written down "Group V Loan" (Loans Classified as Loss) amounting to TL 17,119,285 (31 December 2024: TL 17,811,603). During the period, the non-performing loan ratio of the Group calculated as 2.65% (31 December 2024: 2.14%) by taking into account the written-off loans in accordance with the amendment on the relevant Provisions Regulation instead of 3.36% (31 December 2024: 3.09%). In the current period, the collection amounting to TL 2,380,222 (31 December 2024: TL 548,213) has been performed from written-down loans.
(***) Consists of sale of non-performing loans.

Non-performing loans in foreign currencies

	Group III	Group IV	Group V
	Substandard Loans and Receivables	Doubtful Loans and Receivables	Uncollectible Loans and Receivables
Current Period			
Balance at End of Period	**3,098,469**	**1,067,587**	**7,772,578**
Provisions (-)	1,733,081	710,913	5,678,383
Net Balance at Balance Sheet	**1,365,388**	**356,674**	**2,094,195**
Prior Period			
Balance at End of Period	**1,439,359**	**455,830**	**7,845,470**
Provisions (-)	956,032	301,202	5,802,849
Net Balance at Balance Sheet	**483,327**	**154,628**	**2,042,621**

(Thousands of Turkish Lira (TL))

Gross and net non-performing loans as per customer categories

	Group III	Group IV	Group V
	Substandard Loans	**Doubtful Loans**	**Uncollectible Loans**
Current Period (Net)	**7,877,879**	**8,152,136**	**5,115,733**
Loans to Individuals and Corporates (Gross)	18,287,522	23,032,150	19,949,386
Provision (-)	10,466,898	14,885,434	14,839,460
Loans to Individuals and Corporates (Net)	7,820,624	8,146,716	5,109,926
Banks (Gross)	-	-	-
Provision (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	240,606	40,056	130,405
Provision (-)	183,351	34,636	124,598
Other Loans and Receivables (Net)	57,255	5,420	5,807
Prior Period (Net)	**5,352,439**	**3,789,360**	**3,805,879**
Loans to Individuals and Corporates (Gross)	12,641,984	10,861,044	15,303,568
Provision (-)	7,338,581	7,087,108	11,503,626
Loans to Individuals and Corporates (Net)	5,303,403	3,773,936	3,799,942
Banks (Gross)	-	-	-
Provision (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	191,828	40,883	106,562
Provision (-)	142,792	25,459	100,625
Other Loans and Receivables (Net)	49,036	15,424	5,937

Interest accruals, valuation differences and related provisions calculated for non-performing loans

	Group III	Group IV	Group V
	Substandard Loans	**Doubtful Loans**	**Uncollectible Loans**
Current Period (Net)	**1,092,827**	**1,314,583**	**701,523**
Interest accruals and valuation differences	2,565,506	3,746,243	2,331,190
Provision (-)	1,472,679	2,431,660	1,629,667
Prior Period (Net)	**800,417**	**579,206**	**386,699**
Interest accruals and valuation differences	1,881,665	1,691,928	1,279,166
Provision (-)	1,081,248	1,112,722	892,467

(Thousands of Turkish Lira (TL))

Collaterals received for non-performing loans

Current Period	**Corporate/ Commercial Loans**	**Consumer Loans**	**Credit Cards**	**Total**
Loans Collateralized by Cash	146,513	369	-	146,882
Loans Collateralized by Mortgages	12,331,985	380,381	-	12,712,366
Loans Collateralized by Pledged Assets	1,590,891	40,386	-	1,631,277
Loans Collateralized by Cheques and Notes	66,670	1,787	-	68,457
Loans Collateralized by Other Collaterals	6,564,645	9,775,950	-	16,340,595
Unsecured Loans	2,756,698	5,497,350	22,526,500	30,780,548
Total	**23,457,402**	**15,696,223**	**22,526,500**	**61,680,125**

Prior Period	**Corporate/ Commercial Loans**	**Consumer Loans**	**Credit Cards**	**Total**
Loans Collateralized by Cash	121,086	524	-	121,610
Loans Collateralized by Mortgages	7,047,751	296,880	-	7,344,631
Loans Collateralized by Pledged Assets	1,512,658	36,939	-	1,549,597
Loans Collateralized by Cheques and Notes	77,361	1,449	-	78,810
Loans Collateralized by Other Collaterals	4,813,958	6,817,550	-	11,631,508
Unsecured Loans	2,320,286	3,215,790	12,883,637	18,419,713
Total	**15,893,100**	**10,369,132**	**12,883,637**	**39,145,869**

5.1.5.11 *Expected credit loss for loans*

Current Period	***Stage 1***	***Stage 2***	***Stage 3***	***Total***
Balances at End of Prior Period	**8,918,792**	**25,693,600**	**26,198,191**	**60,810,583**
Additions during the Period (+)	9,692,057	13,555,042	16,854,041	40,101,140
Disposal (-)	(10,955,167)	(11,134,493)	(5,398,838)	(27,488,498)
Debt Sale (-)	(8)	(330)	(3,435,315)	(3,435,653)
Write-offs (-)	-	-	(605,927)	(605,927)
Transfer to Stage1	6,491,593	(6,440,180)	(51,413)	-
Transfer to Stage 2	(3,876,299)	3,933,574	(57,275)	-
Transfer to Stage 3	(71,700)	(6,220,099)	6,291,799	-
Foreign Currency Differences	671,083	3,790,326	739,114	5,200,523
Balances at End of Period	**10,870,351**	**23,177,440**	**40,534,377**	**74,582,168**

Prior Period	***Stage 1***	***Stage 2***	***Stage 3***	***Total***
Balances at End of Prior Period	**5,851,076**	**27,784,054**	**17,730,763**	**51,365,893**
Additions during the Period (+)	15,860,561	39,026,601	14,782,501	69,669,663
Disposal (-)	(18,651,763)	(29,213,307)	(5,565,049)	(53,430,119)
Debt Sale (-)	(7,278)	(16,212)	(7,006,233)	(7,029,723)
Write-offs (-)	-	-	(3,471,068)	(3,471,068)
Transfer to Stage1	10,037,645	(9,978,523)	(59,122)	-
Transfer to Stage 2	(4,398,150)	4,989,930	(591,780)	-
Transfer to Stage 3	(65,037)	(9,836,973)	9,902,010	-
Foreign Currency Differences	291,738	2,938,030	476,169	3,705,937
Balances at End of Period	**8,918,792**	**25,693,600**	**26,198,191**	**60,810,583**

(Thousands of Turkish Lira (TL))

5.1.5.12 Liquidation policy for uncollectible loans

Loans and other receivables Classified as Loss are collected through legal follow-up and conversion of collaterals into cash.

5.1.5.13 Write-off policy

Not prepared in compliance with the Article 25 of the Communiqué “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

5.1.6 Lease receivable (Net)

5.1.6.1 Financial lease receivables according to remaining maturities (*)

	Current Period		*Prior Period*	
	Gross	**Net**	**Gross**	**Net**
Less than 1 Year	25,784,687	21,450,365	20,087,794	16,649,993
Between 1-5 Years	30,511,184	27,349,299	20,466,568	18,255,678
Longer than 5 Years	695,822	660,467	411,503	393,497
Total	**56,991,693**	**49,460,131**	**40,965,865**	**35,299,168**

(*) Non-performing loans are not included.

5.1.6.2 Net financial lease receivables (*)

	Current Period	*Prior Period*
Gross Financial Lease Receivables	56,991,693	40,965,865
Unearned Income on Financial Lease Receivables (-)	(7,531,562)	(5,666,697)
Terminated Lease Contracts (-)	-	-
Net Financial Lease Receivables	**49,460,131**	**35,299,168**

(*) Non-performing loans are not included.

5.1.6.3 Financial lease agreements

Criteria applied for financial lease agreements

The customer applied for a financial lease is evaluated based on the lending policies and criteria taking into account the legal legislation. A “customer analysis report” according to the type and amount of the application is prepared for the evaluation of the customer by the Credit Committee and certain risk rating models such as “customer risk rating” and “equipment rating/scoring” are applied.

In compliance with the legal legislation and the authorization limits of the General Manager, Credit Committee and Board of Directors, it is decided whether the loan will be granted considering the financial position and the qualitative characteristics of the customer and the criteria mentioned above. In case of compliance with these factors it is assessed which conditions will be applied. At this stage, collaterals such as bank guarantees, mortgages, asset pledges, promissory notes or personal or corporate guarantees, may be required depending on the creditworthiness of the customer and the characteristics of the product to be sold.

The sectoral, equipment type and pledged asset concentration of the customers are monitored regularly.

Details monitored subsequent to signing of financial lease agreements

Subsequent to granting of loan, the fulfillment of monetary aspects such as lending procedures and timely collection of rental payments are monitored. Furthermore, updated information on the performance of companies is reported by the Credit Monitoring Unit even for the performing customers.

The reports prepared by the Credit Monitoring Unit for the performing companies and the assessments made by the administration follow-up and the legal units for the problematic companies, are presented to the top management following the assessments made by the related internal committees and the necessary actions are taken.

(Thousands of Turkish Lira (TL))

5.1.7 Factoring receivables

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

5.1.8 Financial assets measured at amortised cost

5.1.8.1 Financial assets subject to repurchase agreements and provided as collateral/blocked

	Current Period		*Prior Period*	
	TL	**FC**	**TL**	**FC**
Collateralised/Blocked Investments	39,370,721	27,822,516	33,478,190	23,246,915
Investments subject to Repurchase Agreements	81,263,106	17,349,289	14,155,329	17,882,404
Total	**120,633,827**	**45,171,805**	**47,633,519**	**41,129,319**

5.1.8.2 Government securities measured at amortised cost

	Current Period	*Prior Period*
Government Bonds	236,120,415	232,042,406
Treasury Bills	1,173,354	873,644
Other Government Securities	9,203,850	9,526,726
Total	**246,497,619**	**242,442,776**

5.1.8.3 Financial assets measured at amortised cost

	Current Period	*Prior Period*
Debt Securities	**226,004,018**	**213,208,028**
Quoted at Stock Exchange	224,806,703	212,425,816
Unquoted at Stock Exchange	1,197,315	782,212
Valuation Increase / (Decrease)	**56,878,450**	**56,864,417**
Total	**282,882,468**	**270,072,445**

5.1.8.4 Movement of financial assets measured at amortised cost

	Current Period	*Prior Period*
Balances at Beginning of Period	**270,072,445**	**216,382,865**
Foreign Currency Differences on Monetary Assets	13,214,889	12,638,374
Purchases during the Period	26,176,486	85,037,890
Disposals through Sales/Redemptions	(26,595,385)	(63,187,327)
Valuation Effect	14,033	19,200,643
Balances at End of Period	**282,882,468**	**270,072,445**

5.1.8.5 Expected credit loss for financial assets measured at amortised cost

Current Period	*Stage 1*	*Stage 2*	*Stage 3*	*Total*
Balances at End of Prior Period	**412,408**	**-**	**-**	**412,408**
Additions during the Period (+)	87,801	-	-	87,801
Disposal (-)	(70,904)	-	-	(70,904)
Transfer to Stage1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Foreign Currency Differences	16,828	-	-	16,828
Balances at End of Period	**446,133**	**-**	**-**	**446,133**

(Thousands of Turkish Lira (TL))

Prior Period	*Stage 1*	*Stage 2*	*Stage 3*	*Total*
Balances at End of Prior Period	**1,044,702**	**-**	**-**	**1,044,702**
Additions during the Period (+)	402,340	1,629	-	403,969
Disposal (-)	(1,074,531)	(310)	-	(1,074,841)
Transfer to Stage 1	1,380	(1,380)	-	-
Transfer to Stage 2	(61)	61	-	-
Transfer to Stage 3	-	-	-	-
Foreign Currency Differences	38,578	-	-	38,578
Balances at End of Period	**412,408**	**-**	**-**	**412,408**

5.1.9 Assets held for sale and assets of discontinued operations

5.1.9.1 Movement of assets held for sale and assets of discontinued operations

	Current Period	*Prior Period*
End of Prior Period		
Cost	**3,809,304**	**2,143,274**
Accumulated Depreciation (-)	**(2,220)**	**(2,220)**
Net Book Value	**3,807,084**	**2,141,054**
End of Current Period		
Additions (*)	897,832	1,919,721
Disposals (Cost)	(467,864)	(247,312)
Disposals (Accumulated Depreciation)	368	-
Reversal of Impairment / Impairment Losses	1,370	(9,148)
Depreciation Expense for Current Period (-)	-	-
Currency Translation Differences on Foreign Operations	8,141	2,769
Cost	**4,248,783**	**3,809,304**
Accumulated Depreciation (-)	**(1,852)**	**(2,220)**
Net Book Value	**4,246,931**	**3,807,084**

(*) In the prior period, it includes the recalassification of investment properties with a net book value of TL 63,883 and properties in use with a net book value of TL 392,423.

5.1.9.2 Investments in subsidiaries and associates to be disposed

None.

5.1.10 Investments in associates

5.1.10.1 Unconsolidated investments in associates

	Associates	**Address (City/ Country)**	**Parent Bank's Share – If Different, Voting Rights (%)**	**Bank Risk Group's Share (%)**
1	Emeklilik Gözetim Merkezi AŞ(2)	İstanbul/Türkiye	-	6.66
2	Bankalararası Kart Merkezi AŞ (2)	İstanbul/Türkiye	4.98	4.98
3	Yatırım Finansman Menkul Değerler AŞ (2)	İstanbul/Türkiye	0.77	0.77
4	İstanbul Takas ve Saklama Bankası AŞ (2)	İstanbul/Türkiye	4.95	4.97
5	Borsa İstanbul AŞ (1)	İstanbul/Türkiye	0.30	0.34
6	Kredi Kayıt Bürosu AŞ ("KKB") (2)	İstanbul/Türkiye	9.09	9.09
7	Türkiye Cumhuriyet Merkez Bankası AŞ (1)	Ankara/Türkiye	2.48	2.48
8	Kredi Garanti Fonu AŞ (2)	Ankara/Türkiye	1.49	1.49
9	JCR Avrasya Derecelendirme AŞ (2)	İstanbul/Türkiye	2.86	2.86
10	Birleşik İpotek Finansmanı AŞ (2)	İstanbul/Türkiye	8.33	8.33
11	İhracatı Geliştirme A.Ş. (İGE) (2)	İstanbul/Türkiye	0.95	0.95

(Thousands of Turkish Lira (TL))

	Total Assets	Shareholders' Equity	Total Fixed Assets (*)	Interest Income	Income on Securities Portfolio	Current Period Profit/Loss	Prior Period Profit/Loss	Company's Fair Value
1	199,308	152,226	50,900	3,179	28	32,367	22,021	-
2	7,529,589	6,669,221	1,552,515	533,996	-	647,012	586,017	-
3	8,370,601	1,351,849	281,739	270	2,112	960	6,886	-
4	232,028,657	16,307,626	575,017	2,708,805	289,669	2,579,472	1,654,125	-
5	211,783,090	29,627,947	6,007,032	2,495,402	-	12,595,644	6,319,881	-
6	3,952,982	1,483,623	1,026,902	187,324	188	420,310	190,914	-
7	8,585,994,365	(1.498,735,096)	2,770,603	444,575,016	48,877,097	(700,354,115)	(818,182,864	-
8	10,066,743	5,590,676	65,312	341,064	-	1,194,725	205,880	-
9	752,135	588,685	23,440	30,114	7,751	60,876	(15,193)	-
10	279,495	215,998	4,909	671	30,557	15,742	6,413	-
11	14,564,260	14,165,356	29,975	1,100,965	35,734	1,236,034	760,760	-

(1) Financial information is as of 31 December 2024
(2) Financial information is as of 31 March 2025.

(*) Total fixed assets include tangible and intangible assets.

Unconsolidated investments in associates sold during the current period

None.

Unconsolidated investments in associates acquired during the current period

None.

5.1.10.2 Consolidated investments in associates

None.

5.1.10.3 Movement of consolidated investments in associates

None.

Valuation methods of consolidated investments in associates

None.

Sectoral distribution of consolidated investments and associates

None.

Quoted consolidated investments in associates

None.

Investments in associates sold during the current period

None.

Investments in associates acquired during the current period

None.

(Thousands of Turkish Lira (TL))

5.1.11 Investments in subsidiaries (net)

Information on capital adequacy of major subsidiaries

Current Period	Garanti Bank International NV	Garanti Holding BV	Garanti Finansal Kiralama AŞ	Garanti Emeklilik ve Hayat AŞ	Garanti Yatırım Menkul Kıymetler AŞ
COMMON EQUITY TIER I CAPITAL					
Paid-in Capital to be Entitled for Compensation after All Creditors	6,389,662	20,479,001	6,357,310	517,159	205,423
Share Premium	-	605,378	-	-	-
Share Cancellation Profits	-	-	-	-	-
Legal Reserves	8,153,416	3,416,851	11,222,046	2,295,361	8,721,148
Other Comprehensive Income according to TAS	26,185,157	135,880	-	152,626	-
Current and Prior Periods’ Profits	2,373,988	636,942	2,773,174	3,275,361	2,393,212
Minority interest	-	-	-	-	88,518
Common Equity Tier I Capital Before Deductions	**43,102,223**	**25,274,052**	**20,352,530**	**6,240,507**	**11,408,301**
Deductions From Common Equity Tier I Capital					
Current and Prior Periods' Losses not Covered by Reserves, and Losses Accounted under Equity according to TAS (-)	31,647	2,520,944	9,477	25,161	11,013
Leasehold Improvements on Operational Leases (-)	-	2,278	-	-	501
Goodwill and Other Intangible Assets and Related Deferred Taxes (-)	466,890	2,875,019	127,858	300,123	168,584
Net Deferred Tax Asset/Liability (-)	-	-	-	-	-
Total Deductions from Common Equity Tier I Capital	**498,537**	**5,398,241**	**137,335**	**325,284**	**180,098**
Total Common Equity Tier I Capital	**42,603,686**	**19,875,811**	**20,215,195**	**5,915,223**	**11,228,203**
Total Deductions From Tier I Capital	**-**	**-**	**-**	**-**	**-**
Total Tier I Capital	**42,603,686**	**19,875,811**	**20,215,195**	**5,915,223**	**11,228,203**
TIER II CAPITAL	**-**	**2,439,105**	**-**	**-**	**-**
TOTAL CAPITAL	**42,603,686**	**22,314,916**	**20,215,195**	**5,915,223**	**11,228,203**

(Thousands of Turkish Lira (TL))

Prior Period	Garanti Bank International NV	Garanti Holding BV	Garanti Finansal Kiralama AŞ	Garanti Emeklilik ve Hayat AŞ	Garanti Yatırım Menkul Kıymetler AŞ
COMMON EQUITY TIER I CAPITAL					
Paid-in Capital to be Entitled for Compensation after All Creditors	4,909,917	15,732,855	357,848	517,159	205,423
Share Premium	-	465,078	-	-	-
Share Cancellation Profits	-	-	-	-	-
Legal Reserves	4,614,440	2,351,261	7,333,214	1,432,864	5,245,542
Other Comprehensive Income according to TAS	17,969,966	104,362	-	76,558	-
Current and Prior Periods' Profits	3,513,228	908,361	3,888,832	4,362,497	4,475,606
Minority interest	-	-	-	-	84,073
Common Equity Tier I Capital Before Deductions	**31,007,551**	**19,561,917**	**11,579,894**	**6,389,078**	**10,010,644**
Deductions From Common Equity Tier I Capital					
Current and Prior Periods' Losses not Covered by Reserves, and Losses Accounted under Equity according to TAS (-)	65,890	2,374,097	9,964	30,955	11,013
Leasehold Improvements on Operational Leases (-)	-	1,787	-	2	694
Goodwill and Other Intangible Assets and Related Deferred Taxes (-)	336,496	2,236,302	87,307	201,105	123,996
Net Deferred Tax Asset/Liability (-)	-	-	-	-	-
Total Deductions from Common Equity Tier I Capital	**402,386**	**4,612,186**	**97,271**	**232,062**	**135,703**
Total Common Equity Tier I Capital	**30,605,165**	**14,949,731**	**11,482,623**	**6,157,016**	**9,874,941**
Total Deductions From Tier I Capital	**-**	**-**	**-**	**-**	**-**
Total Tier I Capital	**30,605,165**	**14,949,731**	**11,482,623**	**6,157,016**	**9,874,941**
TIER II CAPITAL	**-**	**947,547**	**-**	**-**	**-**
TOTAL CAPITAL	**30,605,165**	**15,897,278**	**11,482,623**	**6,157,016**	**9,874,941**

The Parent Bank does not have any capital requirement for its subsidiaries included in the calculation of its consolidated capital adequacy standard ratio.

(Thousands of Turkish Lira (TL))

5.1.11.1 Unconsolidated investments in subsidiaries

	Subsidiaries	Address (City/ Country)	Parent Bank's Share – If Different, Voting Rights (%)	Bank Risk Group's Share (%)
1	Garanti Kültür A.Ş.	Istanbul/Türkiye	100.00	100.00
2	Tasfiye Halinde Garanti Konut Finansmanı Danışmanlık Hizmetleri A.Ş. (1)	Istanbul/Türkiye	100.00	100.00
3	Trifoi Real Estate Company	Bucharest/Romania	-	100.00
4	Motoractive Multi Services SRL	Bucharest/Romania	-	100.00
5	Garanti Filo Yönetim Hizmetleri A.Ş.	Istanbul/Türkiye	-	100.00
6	Garanti Filo Sigorta Aracılık Hizmetleri A.Ş.	Istanbul/Türkiye	-	100.00
7	Garanti BBVA Finansal Teknoloji A.Ş. (2)	İstanbul/Türkiye	100.00	100.00
8	Garanti BBVA Kripto Varlık Alım Satım Platformu A.Ş. (3)	İstanbul/Türkiye	-	100.00
9	Ralfi IFN SA	Bükreş/Romanya	-	100.00

The financial information presented in the below table is as of 30 June 2025.

	Total Assets	Shareholders' Equity	Total Fixed Assets (*)	Interest Income	Income on Securities Portfolio	Current Period Profit/Loss	Prior Period Profit/Loss	Company's Fair Value	Amount of Equity Requirement
1	14,054	4,001	1,552	-	-	777	111	-	-
2	2,967	1,548	-	410	-	-	(525)	-	-
3	54,398	44,687	54,398	-	-	-	(7)	-	-
4	422,414	216,765	280,507	2,576	-	2,992	8,932	-	-
5	30,919,853	12,916,924	27,817,638	202,008	-	1,443,202	1,422,995	-	-
6	98,460	92,307	-	20,758	-	28,960	11,787	-	-
7	2,191,885	2,190,422	-	15,565	-	6,625	17,673	-	-
8	2,350,039	1,855,044	645,899	98,493	-	(124,129)	(114,089)	-	-
9	278,124	256,794	2,477	5,544	-	(10,331)	(55,502)	-	-

(*) Total fixed assets include tangible and intangible assets.

(1) Financial information is as of 31 December 2023
(2) Capital of Garanti BBVA Finansal Teknoloji A.Ş. amounting to TL 1,296,000 has been increased to TL 2,166,000 through paid-in capital increase with the Board of Directors Decision No. 7 dated 6 May 2025. The Parent Bank has participated the total of paid-in capital increase in exchange for 870,000,000 shares with a nominal value of TL 1 (full amount) amounting to TL 870,000 corresponding to its share in the capital.
(3) Capital of Garanti BBVA Kripto Varlık Alım Satım Platformu A.Ş. has been increased to TL 2,183,500 through paid-in capital increase with the Board of Directors Decision dated 24 June 2025.

Unconsolidated subsidiaries, reasons for not consolidating such investments and accounting treatments applied for such investments

The companies which are not included within the scope of consolidation due to not being financial subsidiaries are accounted for equity method as defined in TAS 28 "Investments in Associates and Joint Ventures".

(Thousands of Turkish Lira (TL))

5.1.11.2 Movement of consolidated investments in subsidiaries

	Current Period	*Prior Period*
Balances at Beginning of Period	**78,607,473**	**56,344,559**
Movements During the Period	**29,004,171**	**22,262,914**
Acquisitions (1)	6,595,000	400,000
Bonus Shares Received (2)	50,000	260,263
Dividends from Current Year Profit	13,018,675	18,925,595
Sales/Liquidations	-	-
Reclassifications (3)	-	107,300
Value Increase/Decrease (4)	(5,042,359)	(1,876,034)
Currency Differences on Foreign Subsidiaries	14,382,855	4,445,790
Reversal of Impairment Losses / Impairment Losses (-)	-	-
Balances at End of Period	**107,611,644**	**78,607,473**
Capital Commitments	**-**	**-**
Share Percentage at the End of Period (%)	**-**	**-**

(1) Capital of Garanti Ödeme ve Elektronik Para Hizmetleri A.Ş. amounting to TL 255,000 has been increased to TL 655,000 through paid-in capital increase with the Board of Directors Decision No. 2024/4 dated 16 May 2024. The Parent Bank has participated the total of paid-in capital increase in exchange for 400,000,000 shares with a nominal value of TL 1 (full amount) amounting to TL 400,000 corresponding to its share in the capital. As a result of paid-in capital increase, the Parent Bank's share capital in Garanti Ödeme ve Elektronik Para Hizmetleri A.Ş. has increased to 80.53%.

Capital of Garanti Ödeme ve Elektronik Para Hizmetleri A.Ş. amounting to TL 655,000 has been increased to TL 1,250,000 through paid-in capital increase with the Board of Directors Decision No. 2025/3 dated 10 February 2025. The Parent Bank has participated the total of paid-in capital increase in exchange for 595,000,000 shares with a nominal value of TL 1 (full amount) amounting to TL 595,000 corresponding to its share in the capital. As a result of paid-in capital increase, the Parent Bank's share capital in Garanti Ödeme ve Elektronik Para Hizmetleri A.Ş. has increased to 89.80%.

Capital of Garanti Finansal Kiralama A.Ş. amounting to TL 350,000 has been increased to TL 6,350,000 through paid-in capital increase with the Board of Directors Decision No. 2025/18 dated 5 May 2025. The Parent Bank has participated the total of paid-in capital increase in exchange for 6,000,000,000 shares with a nominal value of TL 1 (full amount) amounting to TL 6,000,000 corresponding to its share in the capital.

(2) Garanti Portföy Yönetim A.Ş. amounting to TL 50,000 has been increased to TL 100,000 through paid-in capital increase with the Board of Directors Decision No. 2025/5 dated 24 January 2025.

(3) Garanti Ödeme ve Elektronik Para Hizmetleri A.Ş. has been included in the scope of consolidation in the prior period.

(4) Except for quoted subsidiaries, value increases / (decreases) are based on the results of equity accounting application.

Valuation methods of consolidated investments in subsidiaries

	Current Period	*Prior Period*
Valued at Cost	-	-
Valued at Fair Value (*)	107,611,644	78,607,473

(*) The amounts recognized in the equity accounting application are included in the unconsolidated financial statement of the Bank.

Sectoral distribution of consolidated investments in subsidiaries

	Current Period	*Prior Period*
Banks	42,886,904	30,933,040
Insurance Companies	5,277,637	5,403,794
Factoring Companies	3,383,928	2,596,458
Leasing Companies	20,408,568	11,729,905
Finance Companies	-	-
Other Subsidiaries	35,654,607	27,944,276

Quoted consolidated investments in subsidiaries

	Current Period	*Prior Period*
Quoted at Domestic Stock Exchanges	3,393,296	2,606,959
Quoted at International Stock Exchanges	-	-

(Thousands of Turkish Lira (TL))

Other information on consolidated investments in subsidiaries

	Subsidiaries	Address (City/ Country)	Parent Bank's Share – If Different, Voting Rights (%)	Shares of Other Consolidated Subsidiaries (%)	Method of Consolidation
1	Garanti Finansal Kiralama AŞ.	Istanbul/Türkiye	100.00	-	Full Consolidation
2	Garanti Faktoring AŞ	Istanbul/Türkiye	81.84	-	Full Consolidation
3	Garanti Yatırım Menkul Kıymetler AŞ	Istanbul/Türkiye	100.00	-	Full Consolidation
4	Garanti Portföy Yönetimi AŞ	Istanbul/Türkiye	100.00	-	Full Consolidation
5	Garanti Emeklilik ve Hayat AŞ	Istanbul/Türkiye	84.91	-	Full Consolidation
6	Garanti Bank International NV	Amsterdam/the Netherlands	100.00	-	Full Consolidation
7	Garanti Holding BV	Amsterdam/the Netherlands	100.00	-	Full Consolidation
8	G Netherlands BV	Amsterdam/the Netherlands	-	100.00	Full Consolidation
9	Garanti Bank SA	Bucharest/Romania	-	100.00	Full Consolidation
10	Motoractive IFN SA	Bucharest/Romania	-	100.00	Full Consolidation
11	Garanti Yatırım Ortaklığı AŞ	Istanbul/Türkiye	-	3.61	Full Consolidation
12	Garanti Ödeme Sistemleri AŞ	Istanbul/Türkiye	100.00	-	Full Consolidation
13	Garanti Ödeme ve Elektronik Para Hizmetleri AŞ	Istanbul/Türkiye	89.80	100.00	Full Consolidation

The financial information presented in the below table is as of 30 June 2025.

	Total Assets	Shareholders' Equity	Total Fixed Assets (*)	Interest Income	Income on Securities Portfolio	Current Period Profit/Loss	Prior Period Profit/Loss	Company's Fair Value
1	54,588,911	20,460,663	192,673	3,149,408	-	2,984,919	1,840,138	-
2	19,533,973	3,581,932	135,118	1,647,691	-	409,462	693,057	-
3	12,473,078	11,324,709	319,629	3,009,395	53,505	2,396,238	2,296,325	-
4	2,945,604	2,129,458	99,255	468,776	-	1,038,296	400,829	-
5	23,466,478	6,215,346	338,214	1,926,882	853,061	3,275,361	1,954,177	-
6	426,404,610	42,886,872	1,887,018	15,028,747	369,497	2,374,006	1,757,752	-
7	18,352,984	18,349,952	-	-	-	(2,146)	(1,506)	-
8	14,764,919	14,759,544	-	-	-	(3,856)	(2,687)	-
9	165,991,249	20,263,527	3,799,895	3,598,086	857,157	561,801	528,017	-
10	11,354,639	2,253,121	69,281	380,270	-	94,559	69,334	-
11	96,844	88,389	2,904	6,849	1,080	4,611	14,000	259,520
12	1,162,076	899,204	50,415	165,916	-	294,363	191,511	-
13	1,028,746	944,138	283,160	117,514	804	(72,902)	-	-

(*) Total fixed assets include tangible and intangible assets.

Garanti Yatırım Ortaklığı AŞ that Garanti Yatırım participated by 3.61%, is consolidated in the accompanying consolidated financial statements under full consolidation method due to the company's right to elect all the members of the Board of Directors as resulted from its privilege in election of board members.

Consolidated investments in subsidiaries disposed during the current period

None.

Consolidated investments in subsidiaries acquired during the current period

None.

5.1.12 Investments in joint-ventures (net)

None.

(Thousands of Turkish Lira (TL))

5.1.13 Tangible assets

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

5.1.14 Intangible assets

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

5.1.15 Investment property

	Current Period	*Prior Period*
Net Book Value at Beginning of Period	**2,416,949**	**1,590,712**
Additions	3,550	-
Disposals	-	(8,375)
Transfers	(71,524)	(63,883)
Fair Value Change	479,775	898,495
Net Currency Translation Differences on Foreign Subsidiaries	-	-
Net Book Value at End of Period	**2,828,750**	**2,416,949**

The investment property is held for operational leasing purposes. The Bank and its financial subsidiaries account their investment property based on the fair value model in accordance with the Turkish Accounting Standard 40 (TAS 40) "Investment Property". Accordingly, for all investment properties registered in the ledger, valuation studies are performed by independent expertise firms every year.

5.1.16 Deferred tax asset

As of 30 June 2025, on a consolidated basis the Bank has a deferred tax asset of TL 24,080,289 (31 December 2024: TL 20,728,048) calculated as the net amount remaining after netting of tax deductible timing differences and taxable timing differences in its consolidated financial statements.

As of 30 June 2025, deferred tax assets of TL 29,975,587 (31 December 2024: TL 26,350,725) calculated on all taxable temporary differences arising between the carrying amounts and the taxable amounts of assets and liabilities on the financial statements that will be considered in the calculation of taxable earnings in the future, which is presented as netted-off in the accompanying consolidated financial statements, with a deferred tax liability of TL 5,895,208 (31 December 2024: TL 5,622,677).

For the cases where the differences between the carrying values and the taxable values of assets subject to tax are related with certain items on the shareholders' equity accounts, the deferred taxes are charged or credited directly to these accounts.

	Current Period		*Prior Period*	
	Tax Base	**Deferred Tax Amount**	**Tax Base**	**Deferred Tax Amount**
Provisions (*)	11,473,232	3,409,204	9,761,815	2,897,336
Stages 1&2 Credit Losses	38,037,176	11,339,984	39,054,837	11,663,118
Differences between the Carrying Values and Taxable Values of Financial Assets (**)(****)	9,125,331	2,899,939	3,621,931	1,140,378
Revaluation Differences on Real Estates (***)(****)	6,163,256	2,302,874	4,466,827	1,819,004
Differences Between Book Value and Tax Value of Fixed Assets (***)(****)	7,949,478	2,384,673	5,965,035	1,789,359
Other	5,928,285	1,743,705	4,891,137	1,418,853
Deferred Tax Asset	**78,676,758**	**24,080,379**	**67,761,582**	**20,728,048**

(*) Consists of reserve for employee benefits, provision for promotion expenses of credit cards and other provisions.
(**) Calculations are performed at the relevant tax rates applicable in the country of the foreign branches and subsidiaries' financial assets.
(***) Includes deferred tax assets resulting from inflation adjustments within the scope of the provisions of Provisional Article 33. of the Tax Procedure Law.
(****) The Deferred tax effect arising from differences between inflation-adjusted tax value and book value is included..

(Thousands of Turkish Lira (TL))

5.1.17 Other assets

	Current Period		*Prior Period*	
	TL	**FC**	**TL**	**FC**
Derivative Assets (Derivative Guarantees)	848,337	1,802,852	385,236	1,447,733
Receivables From Clearing Transactions	45,370,718	330,481	43,759,697	965,905
Prepaid Expenses (*)	53,014,008	420,154	41,451,212	263,158
Cash Guarantees Given	470,288	355,028	459,125	289,016
Receivables From Forward Sale of Assets	302,500	-	-	-
Other (**)	11,975,650	4,274,298	11,360,577	2,472,861
Total	**111,981,501**	**7,182,813**	**97,415,847**	**5,438,673**

(*) The related item mainly includes salary promotion payments.

(**) As of 30 June 2025, the foreign exchange valuation differences amounting to TL 579,061 (31 December 2024: TL 586,764) calculated as of the balance sheet date related to the foreign exchange protected deposit accounts opened within the scope of the "Communiqué on Supporting the Conversion of Turkish Lira Deposit and Participation Accounts" published by the CBRT in the Official Gazette dated 21 December 2021 numbered 31696 are included in other assets.

(Thousands of Turkish Lira (TL))

5.2 Consolidated liabilities

5.2.1 Maturity profile of deposits

Current Period	Demand	7 Days Notice	Up to 1 Month	1-3 Months	3-6 Months	6-12 Months	1 Year and Over	Accumulating Deposit Accounts	Total
Saving Deposits	**141,931,939**	**-**	**19,656,210**	**580,664,390**	**113,964,679**	**32,618,943**	**18,143,132**	**1,224**	**906,980,517**
Foreign Currency Deposits	**645,417,993**	**-**	**122,601,657**	**122,681,201**	**40,916,934**	**58,661,371**	**30,238,056**	**43,183**	**1,020,560,395**
Residents in Türkiye	469,561,944	-	69,173,107	68,623,326	4,790,430	4,704,253	2,646,559	43,113	619,542,732
Residents in Abroad	175,856,049	-	53,428,550	54,057,875	36,126,504	53,957,118	27,591,497	70	401,017,663
Public Sector Deposits	**22,135,247**	**-**	**8,117,282**	**240,316**	**464**	**13**	**4,498**	**-**	**30,497,820**
Commercial Deposits	**76,590,300**	**-**	**210,963,218**	**101,298,956**	**27,618,424**	**65,590,124**	**5,270,887**	**-**	**487,331,909**
Others	**1,891,966**	**-**	**3,543,295**	**10,487,528**	**364,556**	**3,643,598**	**17,312,750**	**-**	**37,243,693**
Precious Metal Deposits	**171,315,590**	**-**	**-**	**580,195**	**356,853**	**83,466**	**857,099**	**-**	**173,193,203**
Bank Deposits(*)	**7,521,047**	**-**	**15,553,925**	**1,166,466**	**-**	**-**	**-**	**-**	**24,241,438**
Central Bank of Türkiye	2,863,872	-	-	-	-	-	-	-	2,863,872
Domestic Banks	116,174	-	2,807,487	-	-	-	-	-	2,923,661
Foreign Banks	4,532,305	-	12,746,438	1,166,466	-	-	-	-	18,445,209
Special Financial Institutions	8,696	-	-	-	-	-	-	-	8,696
Others	-	-	-	-	-	-	-	-	-
Total(**)	**1,066,804,082**	**-**	**380,435,587**	**817,119,052**	**183,221,910**	**160,597,515**	**71,826,422**	**44,407**	**2,680,048,975**

Prior Period	Demand	7 Days Notice	Up to 1 Month	1-3 Months	3-6 Months	6-12 Months	1 Year and Over	Accumulating Deposit Accounts	Total
Saving Deposits	**114,572,171**	**-**	**17,216,637**	**377,608,985**	**173,929,352**	**29,315,182**	**53,818,636**	**917**	**766,461,880**
Foreign Currency Deposits	**500,981,509**	**-**	**90,206,523**	**93,810,521**	**33,235,620**	**39,996,453**	**26,304,377**	**37,914**	**784,572,917**
Residents in Türkiye	377,822,788	-	53,212,825	47,810,052	6,210,749	4,285,183	1,465,302	37,219	490,844,118
Residents in Abroad	123,158,721	-	36,993,698	46,000,469	27,024,871	35,711,270	24,839,075	695	293,728,799
Public Sector Deposits	**16,134,707**	**-**	**1,562**	**202,363**	**270**	**12**	**-**	**-**	**16,338,914**
Commercial Deposits	**71,066,735**	**-**	**119,013,120**	**115,692,245**	**33,756,166**	**33,309,842**	**11,026,003**	**-**	**383,864,111**
Others	**2,090,860**	**-**	**2,171,150**	**7,125,842**	**1,553,591**	**4,737,052**	**13,524,658**	**-**	**31,203,153**
Precious Metal Deposits	**112,667,112**	**-**	**-**	**285,398**	**259,547**	**36,918**	**665,564**	**-**	**113,914,539**
Bank Deposits(*)	**2,154,923**	**-**	**55,794,118**	**-**	**10,986**	**32,101**	**-**	**-**	**57,992,128**
Central Bank of Türkiye	6,679	-	-	-	-	-	-	-	6,679
Domestic Banks	80,247	-	54,710,347	-	-	-	-	-	54,790,594
Foreign Banks	2,041,295	-	1,083,771	-	10,986	32,101	-	-	3,168,153
Special Financial Institutions	26,702	-	-	-	-	-	-	-	26,702
Others	-	-	-	-	-	-	-	-	-
Total(**)	**819,668,017**	**-**	**284,403,110**	**594,725,354**	**242,745,532**	**107,427,560**	**105,339,238**	**38,831**	**2,154,347,642**

(*) Includes Interbank precious metal accounts.
(**) As of 30 June 2025, the Parent Bank has a total of TL 81,033,246 (31 December 2024: TL 164,989,263) foreign exchange-protected deposit instrument within the scope of the "Communiqué on Supporting the Conversion of Turkish Lira Deposit. Foreign exchange revaluation differences amounting to TL 579,061 (31 December 2024: TL 586,764) regarding the foreign exchange-protected deposit instrument calculated as of the balance sheet date and is not the liability of the Parent Bank are included in deposits.

(Thousands of Turkish Lira (TL))

5.2.1.1 Saving deposits insured by Saving Deposit Insurance Fund

Information on deposits covered by deposit insurance and exceeding insurance coverage limit:

Saving Deposits	Covered by Deposit Insurance Over Deposit Insurance Limit(*)		Over Deposit Insurance Limit	
	Current Period	*Prior Period*	*Current Period*	*Prior Period*
Saving Deposits	344,247,489	238,200,143	558,272,127	524,525,015
Foreign Currency Saving Deposits	303,467,782	226,913,756	254,601,201	216,940,066
Other Saving Deposits	85,167,850	59,171,175	80,494,543	49,991,980
Foreign Branches' Deposits Under Foreign Insurance Coverage	4,020,511	3,379,899	4,126,157	3,547,375
Off-Shore Branches' Deposits Under Foreign Insurance Coverage	-	-	-	-

Commercial Deposits (**)	Covered by Deposit Insurance Over Deposit Insurance Limit(*)		Over Deposit Insurance Limit	
	Current Period	*Prior Period*	*Current Period*	*Prior Period*
Commercial Deposits	48,025,309	38,946,190	483,639,647	383,784,173
Foreign Currency Commercial Deposits	28,212,124	19,548,870	415,300,303	311,536,548
Other Commercial Deposits	447,962	268,377	6,652,767	4,353,752
Foreign Branches' Deposits Under Foreign Insurance Coverage	-	-	-	-
Off-Shore Branches' Deposits Under Foreign Insurance Coverage	-	-	-	-

(*) The amount of deposits subject to insurance is TL 950 for the current period (31 December 2024: TL 650).
(**) With the regulation published in the Official Gazette dated 27 August 2022 and numbered 31936, commercial deposits were included in the scope of insurance.

5.2.1.2 Saving deposits at domestic branches of foreign banks in Türkiye under the coverage of foreign insurance

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

5.2.1.3 Deposits not covered by insurance limits

Saving Deposits	*Current Period*	*Prior Period*
Deposits and Other Accounts held at Foreign Branches	5,991,248	3,749,339
Deposits and Other Accounts held by Shareholders and their Relatives	-	-
Deposits and Other Accounts of the Chairman and Members of Board of Directors, Chief Executive Officer, Senior Executive Officers and their Relatives	1,081,026	695,741
Deposits and Other Accounts held as Assets subject to the Crime defined in the Article 282 of the Turkish Criminal Code No. 5237 dated 26 September 2004	-	-
Deposits at Depository Banks established for Off-Shore Banking Activities in Türkiye	-	-

Commercial Deposits	*Current Period*	*Prior Period*
Deposits and Other Accounts held at Foreign Branches	15,967,150	13,850,939
Deposits and Other Accounts held by Main Shareholder with Qualified Shareholders and Corporates Under Their Control	14,879,325	10,573,507
Official Institutions Deposits and Other Accounts	30,590,862	15,932,467
Credit and Financial Institutions Deposits	362,237,668	255,806,791

(Thousands of Turkish Lira (TL))

5.2.2 Funds borrowed

Information on funds borrowed is as follows;

	Current Period		*Prior Period*	
	TL	**FC**	**TL**	**FC**
Central Bank of Türkiye	1,786,231	-	1,500,000	-
Domestic Banks and Institutions	4,894,926	7,376,901	2,931,744	6,269,856
Foreign Banks, Institutions and Funds	4,690,916	71,909,871	3,690,923	53,724,250
Total	**11,372,073**	**79,286,772**	**8,122,667**	**59,994,106**

5.2.2.1 Maturities of funds borrowed

	Current Period		*Prior Period*	
	TL	**FC**	**TL**	**FC**
Short-Term	7,562,429	15,967,119	6,112,840	9,451,929
Medium and Long-Term	3,809,644	63,319,653	2,009,827	50,542,177
Total	**11,372,073**	**79,286,772**	**8,122,667**	**59,994,106**

5.2.2.2 Disclosures for concentration areas of bank's liabilities

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

5.2.3 Money market funds

Information on obligations under repurchase agreements classified in money market funds is as follows;

	Current Period		*Prior Period*	
	TL	**FC**	**TL**	**FC**
Domestic Transactions	**35,941,822**	**43,683,189**	**687,539**	**23,869,839**
Financial Institutions and Organizations	35,791,094	43,683,189	536,529	23,869,839
Other Institutions and Organizations	82,617	-	84,431	-
Individuals	68,111	-	66,579	-
Foreign Transactions	**30,104,671**	**20,117,165**	**11,655,200**	**8,670,789**
Financial Institutions and Organizations	30,104,464	20,117,165	11,653,286	8,670,789
Other Institutions and Organizations	-	-	1,349	-
Individuals	207	-	565	-
Total	**66,046,493**	**63,800,354**	**12,342,739**	**32,540,628**

(Thousands of Turkish Lira (TL))

5.2.4 Securities issued

Current Period	TL		FC	
	Short-Term	**Medium and Long-Term**	**Short-Term**	**Medium and Long-Term**
Nominal	836,493	-	7,293,060	75,798,658
Cost	581,564	-	7,293,060	75,789,913
Carrying Value	758,398	-	7,423,557	76,910,971

Prior Period	TL		FC	
	Short-Term	**Medium and Long-Term**	**Short-Term**	**Medium and Long-Term**
Nominal	12,399	-	11,837,911	15,782,578
Cost	732	-	11,837,911	15,775,860
Carrying Value	732	-	12,052,200	16,056,569

5.2.5 Information about financial liabilities measured at fair value through profit or loss

	Current Period		*Prior Period*	
	TL	**FC**	**TL**	**FC**
Securities Issued	-	63,263,376	-	57,223,084
Total	**-**	**63,263,376**	**-**	**57,223,084**

In accordance with TFRS 9, the Parent Bank classified a part of borrowings obtained through DPR amounting to USD 1,536,875,000 (31 December 2024: USD 1,573,750,000) as financial liability at fair value through profit/loss at the initial recognition in order to eliminate the accounting mismatch.

As of 30 June 2025, the accumulated fair value change of the related financial liability amounted to TL (370,754) (31 December 2024: TL (1,267,178)) and the corresponding gain/loss recognised in the statement of profit/loss amounted to TL 896,424 (31 December 2024: TL (1,676,904)). The carrying value of the related financial liability amounted to TL 63,263,376 (31 December 2024: TL 57,223,084).

5.2.6 Derivative financial liabilities

5.2.6.1 Negative differences on derivative financial liabilities measured at FVTPL

Information on negative differences on derivative financial liabilities measured at FVTPL classified in derivative financial liabilities is as follows;

	Current Period		*Prior Period*	
	TL	**FC**	**TL**	**FC**
Forward Transaction	489,328	134,724	1,019,168	77,858
Swap Transactions	8,004,710	8,507,176	8,494,470	3,688,746
Futures	-	2,832	201	-
Options	413,643	137,582	434,417	60,339
Others	-	915	-	824
Total	**8,907,681**	**8,783,229**	**9,948,256**	**3,827,767**

(Thousands of Turkish Lira (TL))

5.2.6.2 Derivative financial liabilities held for hedging purpose

Information on negative differences on derivative financial liabilities held for hedging purposes classified in derivative financial liabilities is as follows;

Derivative Financial Liabilities Held for Hedging Purpose	***Current Period***		***Prior Period***	
	TL	**FC**	**TL**	**FC**
Fair Value Hedges	-	72,071	-	188,119
Cash Flow Hedges	276,797	169,701	527,240	632,565
Net Foreign Investment Hedges	-	-	-	-
Total	**276,797**	**241,772**	**527,240**	**820,684**

Please refer to Note 5.1.4.2 for financial liabilities resulted from derivatives held for hedging purpose.

5.2.7 Factoring payables

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

5.2.8 Lease payables

5.2.8.1 Operational and financial lease agreements

	Current Period		***Prior Period***	
	Gross	**Net**	**Gross**	**Net**
Less than 1 Year	2,759,897	1,773,226	1,435,365	946,465
Between 1-5 Years	5,079,843	3,312,679	2,414,460	1,619,991
Longer than 5 Years	903,387	555,775	621,850	382,836
Total	**8,743,127**	**5,641,680**	**4,471,675**	**2,949,292**

As of 30 June 2025, the weighted average of the incremental borrowing interest rates applied to TL, EUR, USD and RON lease liabilities presented in the statement of financial position of the Group are 34.0%, 3.2%, 3.0% and 3.7% (31 December 2024: 34.2%, 3.0%, 2.9% and 3.7%), respectively.

5.2.9 Provisions

5.2.9.1 Reserve for employee severance indemnity

	Current Period	***Prior Period***
Balances at Beginning of Period	**2,915,185**	**2,349,462**
Expenses During the Period	604,283	950,132
Actuarial Gain/Loss	-	33,185
Reversals During the Period	(115,029)	(417,594)
Balances at End of Period	**3,404,439**	**2,915,185**

5.2.9.2 Provisions for foreign exchange differences on foreign currency indexed loans and financial lease receivables

None.

5.2.9.3 Expected credit losses (Stage 3) for non-cash loans that are not indemnified or converted into cash

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

(Thousands of Turkish Lira (TL))

5.2.9.4 Other provisions

	Current Period	*Prior Period*
Reserve for Employee Benefits	8,832,808	8,143,233
Insurance Technical Provisions, Net	11,370,485	7,656,033
Provision for Promotion Expenses of Credit Cards	2,451,599	1,523,213
Provision for Lawsuits	1,043,635	776,169
Provision for Non-Cash Loans	7,850,228	7,650,271
Other Provisions	563,310	708,308
Total	**32,112,065**	**26,447,227**

Recognized Liability for Defined Benefit Plan Obligations

The Bank obtained an actuarial report dated 31 December 2024 from an independent actuary reflecting the principles and procedures on determining the application of transfer transactions in accordance with the Law and it is determined that the assets of the Plan are above the amount that will be required to be paid to transfer the obligation and the asset surplus amounts to TL 22,436,684 at 31 December 2024 as details are given in the table below.

Furthermore, an actuarial report was prepared as of 31 December 2024 as per the requirements of the Law explained in Note 3.17, the accounting policies related with "employee benefits" for the benefits transferable to the SSF and other benefits not transferable to the SSF and arising from other social rights and payments covered by the existing trust indenture of the Fund and medical benefits provided for employees. Based on the actuary's report, the asset surplus over the fair value of the plan assets to be used for the payment of the obligations also fully covers the benefits not transferable and still a surplus of TL 4,516,257 remains as of 31 December 2024 as details are given in the table below.

	31.12.2024	**31.12.2023**
Transferable Pension and Medical Benefits:		
Net present value of pension benefits transferable to SSF	(21,854,813)	(10,106,552)
Net present value of medical benefits and health premiums transferable to SSF	8,500,676	4,156,378
General administrative expenses	(690,987)	(361,006)
Present Value of Pension and Medical Benefits Transferable to SSF (1)	**(14,045,124)**	**(6,311,180)**
Fair Value of Plan Assets (2)	**36,481,808**	**23,155,630**
Asset Surplus over Transferable Benefits ((2)-(1)=(3))	**22,436,684**	**16,844,450**
Non-Transferable Benefits:		
Other pension benefits	(9,104,789)	(5,440,430)
Other medical benefits	(8,815,638)	(6,413,552)
Total Non-Transferable Benefits (4)	**(17,920,427)**	**(11,853,982)**
Asset Surplus over Total Benefits ((3)-(4))	**4,516,257**	**4,990,468**

Movement of recognized liability for asset shortage over the Bank's defined benefit plan:

	Current Period	*Prior Period*
Balance at Beginning of Period	-	-
Actual contributions paid during the period	(895,152)	(1,417,697)
Total expense recognized in the income statement	173,707	263,232
Amount recognized in the shareholders' equity	721,445	1,154,465
Balance at End of Period	-	-

(Thousands of Turkish Lira (TL))

The major actuarial assumptions used in the calculation of other benefits not transferable to SSF are as follows:

	31.12.2024	31.12.2023
	%	%
Discount Rate (*)	31.02	25.60
Inflation Rate (*)	26.30	21.94
Estimated Real Salary/Limit Increase Rate	1.50	1.50
Medical Cost Trend Rate	30.50	26.14
Future Pension Increase Rate (*)	26.30	21.94

(*) The above rates are effective rates, whereas the rates applied for the calculation differ according to the employees' years in service.

The sensitivity analysis of defined benefit obligation of excess liabilities and retirement indemnities of the Parent Bank are as follows:

Defined Benefit Obligation	**Pension Benefits Effect**	**Medical Benefits Effect**	**Overall Effect**
Assumption change	**%**	**%**	**%**
Discount Rate +0.5%	(5.80)	(7.10)	(7.90)
Discount Rate -0.5%	6.60	8.00	9.10
Medical Inflation +0.5%	-	8.10	8.10
Medical Inflation -0.5%	-	(7.20)	(7.20)

Retirement Indemnities	**Sensitivity of Past Service Liability**	**Sensitivity of Normal Cost**
Assumption change	**%**	**%**
Discount Rate +0.5%	(6.30)	(7.30)
Discount Rate -0.5%	6.80	8.00
Inflation Rate +0.5%	7.00	(3.70)
Inflation Rate -0.5%	(6.50)	8.20

5.2.10 Tax liability

5.2.10.1 Current tax liability

5.2.10.1.1 Tax liability

As of 30 June 2025, the corporate tax liability amounts to TL 12,082,314 (31 December 2024: TL 9,155,089) after offsetting with prepaid taxes. If the differences arising between the book value and the tax base value of the assets subject to the current tax liability are related to the shareholders' equity account group, the current tax asset or liability is netted off by the relevant accounts in this group.

As of 30 June 2025, TL 19,411,235 (31 December 2024: TL 29,929,461) of total current period tax expense amounting to TL 21,562,139 (31 December 2024: TL 32,962,532) has been classified in the statement of profit or loss and TL (2,150,904) (31 December 2024: TL (3,033,071)) has been classified in equity.

5.2.10.1.2 Taxes payable

	Current Period	***Prior Period***
Corporate Taxes Payable	12,082,314	9,155,089
Taxation on Securities Income	7,247,760	3,608,101
Taxation on Real Estates Income	25,895	20,300
Banking Insurance Transaction Tax	4,811,761	4,408,473
Foreign Exchange Transaction Tax	91,994	59,424
Value Added Tax Payable	500,767	362,776
Others	1,076,029	1,031,785
Total	**25,836,520**	**18,645,948**

(Thousands of Turkish Lira (TL))

5.2.10.1.3 Premiums payable

	Current Period	*Prior Period*
Social Security Premiums-Employees	66,044	44,569
Social Security Premiums-Employer	33,936	33,831
Bank Pension Fund Premium-Employees	749	430
Bank Pension Fund Premium-Employer	999	559
Pension Fund Membership Fees and Provisions-Employees	-	-
Pension Fund Membership Fees and Provisions-Employer	-	-
Unemployment Insurance-Employees	20,709	15,588
Unemployment Insurance-Employer	47,111	38,319
Others	796	424
Total	**170,344**	**133,720**

5.2.10.2 Deferred tax liability

As of 30 June 2025, the deferred tax liability amounts to TL 127,449 (31 December 2024: TL 186,841).

5.2.11 Liabilities for assets held for sale and assets of discontinued operations

Not prepared in compliance with the Article 25 of the Communiqué “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

5.2.12 Subordinated debts

Not prepared in compliance with the Article 25 of the Communiqué “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

5.2.13 Other liabilities

	Current Period		*Prior Period*	
	TL	**FC**	**TL**	**FC**
Payables From Credit Card Transactions	127,222,007	1,332,587	109,815,357	878,879
Payables From Clearing Transactions	50,826,881	76,174	40,429,442	840,019
Other	21,055,137	19,187,570	19,233,429	14,736,210
Total	**199,104,025**	**20,596,331**	**169,478,228**	**16,455,108**

5.2.14 Shareholders’ equity

5.2.14.1 Paid-in capital

	Current Period	*Prior Period*
Common Shares	4,200,000	4,200,000
Preference Shares	-	-

5.2.14.2 Registered share capital system

Capital System	**Paid-in Capital**	**Ceiling per Registered Share Capital**
Registered Shares	4,200,000	25,000,000

5.2.14.3 Capital increases in current period

None.

5.2.14.4 Capital increases from capital reserves in current period

None.

5.2.14.5 Capital commitments for current and future financial periods

None.

5.2.14.6 Possible effect of estimations made for the Parent Bank’s revenues, profitability and liquidity on equity considering prior period indicators and uncertainties

None.

(Thousands of Turkish Lira (TL))

5.2.14.7 Information on privileges given to stocks representing the capital

None.

5.2.14.8 Securities value increase fund

Information on securities value increase fund classified as a part of income/expenses from valuation and/or reclassification of financial assets measured at FVOCI in the statement of changes in shareholders' equity, is as follows;

	Current Period		*Prior Period*	
	TL	**FC**	**TL**	**FC**
Investments in Associates, Subsidiaries and Joint-Ventures	-	-	-	-
Valuation Difference	-	-	-	-
Exchange Rate Difference	-	-	-	-
Financial Assets Measured at Fair Value through Other Comprehensive Income	**(616,811)**	**1,422,029**	**(23,492)**	**715,646**
Valuation Difference	(1,923,279)	1,422,029	(1,054,977)	715,646
Exchange Rate Difference	1,306,468	-	1,031,485	-
Total	**(616,811)**	**1,422,029**	**(23,492)**	**715,646**

5.2.14.9 Other Comprehensive Income/Expense Items not to be Recycled to Profit or Loss

	Current Period		*Prior Period*	
	TL	**FC**	**TL**	**FC**
Securities	1,600,963	1,214,297	1,398,568	767,944
Real Estates	28,611,639	496,243	25,261,265	381,386
Defined Benefit Plans' Actuarial Gains/Losses	(3,330,884)	-	(2,825,872)	-
Other	-	-	-	-
Total	**26,881,718**	**1,710,540**	**23,833,961**	**1,149,330**

5.2.14.10 Bonus shares of associates, subsidiaries and joint-ventures

	Current Period	*Prior Period*
İhracatı Geliştirme A.Ş.	73,422	36,704
Bankalararası Kart Merkezi A.Ş.	5,782	5,782
JCR Avrasya Derecelendirme A.Ş.	2,827	2,827
Yatırım Finansman Menkul Değerler AŞ	2,602	9
Yeni Gimat Gayrimenkul Yatırım Ortaklığı A.Ş.	860	860
Kömür İşletmeleri A.Ş.	745	745
Kredi Kayıt Bürosu AŞ	481	481
Dati Yatırım Holding A.Ş.	148	148
Doğuş Gayrimenkul Yatırım Ortaklığı AŞ	22	22
Total	**86,889**	**47,578**

5.2.14.11 Legal reserves

	Current Period	*Prior Period*
I. Legal Reserve	2,239,594	1,917,654
II. Legal Reserve	5,217,800	3,395,300
Special Reserves	111,114	85,362
Total	**7,568,508**	**5,398,316**

(Thousands of Turkish Lira (TL))

5.2.14.12 Extraordinary and other profit reserves

	Current Period	***Prior Period***
Legal Reserves allocated in compliance with the Decisions Made on the Annual General Assembly	253,392,473	182,535,258

5.2.14.13 Minority interest

	Current Period	***Prior Period***
Balance at Beginning of Period	**1,620,169**	**920,327**
Profit Share of Subsidiaries Net Profits	673,284	935,750
Prior Period Dividend Payment	(528,035)	(241,387)
Increase/(Decrease) in Minority Interest due to Sales	-	-
Others	11,476	5,479
Balance at End of Period	**1,776,894**	**1,620,169**

(Thousands of Turkish Lira (TL))

5.3 Consolidated off-balance sheet items

5.3.1 Off-balance sheet contingencies

5.3.1.1 Irrevocable credit commitments

The Bank and its consolidated financial subsidiaries have term asset purchase and sale commitments of TL 131,743,088 (31 December 2024: TL 71,218,325), commitments for cheque payments of TL 19,992,749 (31 December 2024: TL 14,208,207) and commitments for credit card limits of TL 1,421,905,181 (31 December 2024: TL 1,106,975,371).

5.3.1.2 Possible losses and commitments resulted from off-balance sheet items

	Current Period	***Prior Period***
Letters of Guarantee in Foreign Currency	241,535,267	170,290,959
Letters of Guarantee in TL	389,425,969	311,772,179
Letters of Credit	86,867,614	58,671,180
Bills of Exchange and Acceptances	8,815,537	8,433,493
Endorsements	26,452,400	19,617,000
Other Guarantees	4,150,987	3,539,092
Total	**757,247,774**	**572,323,903**

Expected losses for non-cash loans and irrevocable commitments

Current Period	***Stage 1***	***Stage 2***	***Stage 3***	***Total***
Balances at Beginning of Period	**2,628,100**	**2,652,026**	**2,370,145**	**7,650,271**
Additions during the Period (+)	2,541,888	1,801,662	265,532	4,609,082
Disposal (-)	(2,613,525)	(2,194,880)	(210,503)	(5,018,908)
Sales	-	-	-	-
Write-off	-	-	-	-
Transfer to Stage 1	1,139,446	(1,093,423)	(46,023)	-
Transfer to Stage 2	(611,851)	614,738	(2,887)	-
Transfer to Stage 3	(1,330)	(37,970)	39,300	-
Foreign Currency Differences	114,337	142,924	352,522	609,783
Balances at End of Period	**3,197,065**	**1,885,077**	**2,768,086**	**7,850,228**

Prior Period	***Stage 1***	***Stage 2***	***Stage 3***	***Total***
Balances at Beginning of Period	**2,020,918**	**4,811,362**	**3,451,985**	**10,284,265**
Additions during the Period (+)	4,226,833	4,502,917	406,486	9,136,236
Disposal (-)	(6,473,378)	(4,285,771)	(1,867,180)	(12,626,329)
Sales	-	-	-	-
Write-off	-	-	-	-
Transfer to Stage 1	3,383,932	(3,375,617)	(8,315)	-
Transfer to Stage 2	(592,568)	688,251	(95,683)	-
Transfer to Stage 3	(6,969)	(76,728)	83,697	-
Foreign Currency Differences	69,332	387,612	399,155	856,099
Balances at End of Period	**2,628,100**	**2,652,026**	**2,370,145**	**7,650,271**

Lifetime expected credit loss (Stage 3) of TL 5,120,992 (31 December 2024: TL 4,109,551) is made for unliquidated non-cash loans of TL 2,768,086 (31 December 2024: TL 3,444,224) recorded under the off-balance sheet items.

The detailed information for commitments, guarantees and sureties are provided under the statement of "off-balance sheet items".

(Thousands of Turkish Lira (TL))

5.3.1.3 Non-cash loans

	Current Period	*Prior Period*
Non-Cash Loans against Cash Risks	164,611,489	117,960,544
With Original Maturity of 1 Year or Less	34,157,547	17,030,679
With Original Maturity of More Than 1 Year	130,453,942	100,929,865
Other Non-Cash Loans	592,636,285	454,363,359
Total	**757,247,774**	**572,323,903**

5.3.1.4 Other information on non-cash loans

Not prepared in compliance with the Article 25 of the Communiqué “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

5.3.1.5 Non-cash loans classified under Stage I and II:

Not prepared in compliance with the Article 25 of the Communiqué “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

5.3.2 Financial derivative instruments

Not prepared in compliance with the Article 25 of the Communiqué “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

5.3.3 Credit derivatives and risk exposures on credit derivatives

Not prepared in compliance with the Article 25 of the Communiqué “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

5.3.4 Contingent liabilities and assets

Not prepared in compliance with the Article 25 of the Communiqué “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

5.3.5 Services rendered on behalf of third parties

Not prepared in compliance with the Article 25 of the Communiqué “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

(Thousands of Turkish Lira (TL))

5.4 Consolidated statement of profit or loss

5.4.1 Interest income

5.4.1.1 Interest income from loans (*)

	Current Period		Prior Period	
	TL	FC	TL	FC
Interest Income from Loans				
Short-term loans	143,456,179	11,220,718	105,907,188	9,074,059
Medium and long-term loans	87,260,525	15,512,189	42,222,256	11,947,420
Loans under follow-up	3,781,316	69,577	1,302,806	76,181
Interest Received from Resource Utilization Support Fund	-	-	-	-
Total	**234,498,020**	**26,802,484**	**149,432,250**	**21,097,660**

(*) Includes also fees and commissions income on cash loans.

5.4.1.2 Interest income from banks

	Current Period		Prior Period	
	TL	FC	TL	FC
Central Bank of Türkiye	8,345,461	-	1,698,093	39,980
Domestic Banks	3,369,804	6,558	874,874	5,981
Foreign Banks	304,233	2,327,075	10,810	2,512,867
Foreign Head Offices and Branches	-	-	-	-
Total	**12,019,498**	**2,333,633**	**2,583,777**	**2,558,828**

5.4.1.3 Interest income from securities portfolio

	Current Period		Prior Period	
	TL	FC	TL	FC
Financial Assets Measured at Fair Value through Profit or Loss	614,108	108,154	424,467	88,146
Financial Assets Measured at Fair Value through Other Comprehensive Income	15,662,253	1,515,526	10,919,934	1,076,330
Financial Assets Measured at Amortised Cost	21,165,110	2,651,898	20,906,142	2,368,138
Total	**37,441,471**	**4,275,578**	**32,250,543**	**3,532,614**

As disclosed in the accounting policies, the Bank values the CPI indexed government bonds in the securities portfolio according to the reference index at the issue date and the index calculated according to the expected inflation rate. The inflation rate used in the valuation is updated during the year when deemed necessary. As of 30 June 2025, the valuation of such securities has been calculated according to the annual inflation forecast of 28%. In case the CPI forecast increases or decreases by 1%, profit before taxes as of 30 June 2025 will increase or decrease by approximately TL 433,005.

5.4.1.4 Interest income received from associates and subsidiaries

	Current Period	Prior Period
Interest Received from Investments in Associates and Subsidiaries	1,998,631	1,477,853

(Thousands of Turkish Lira (TL))

5.4.2 Interest expenses

5.4.2.1 Interest expenses on funds borrowed (*)

	Current Period		*Prior Period*	
	TL	**FC**	**TL**	**FC**
Banks	**1,773,937**	**1,460,536**	**662,471**	**1,798,955**
Central Bank of Türkiye	228,851	-	-	-
Domestic Banks	688,874	186,215	535,835	224,723
Foreign Banks	856,212	1,274,321	126,636	1,574,232
Foreign Head Offices and Branches	-	-	-	-
Other Institutions	**-**	**2,494,414**	**-**	**2,544,704**
Total	**1,773,937**	**3,954,950**	**662,471**	**4,343,659**

(*) Also includes fees and commissions expenses on borrowings.

5.4.2.2 Interest expenses paid to associates and subsidiaries

	Current Period	*Prior Period*
Interest Paid to Investments in Associates and Subsidiaries	291,729	48,971

5.4.2.3 Interest expenses on securities issued

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

(Thousands of Turkish Lira (TL))

5.4.2.4 Maturity structure of interest expense on deposits

Current Period	Demand Deposits	Time Deposits						Total
		Up to 1 Month	1-3 Months	3-6 Months	6-12 Months	Over 1 Year	Accumulating Deposit Accounts	
Turkish Lira								
Bank Deposits	2,592	5,730,779	-	-	-	-	-	5,733,371
Saving Deposits	9,242	2,540,048	102,285,625	31,396,778	6,696,117	5,876,978	-	148,804,788
Public Sector Deposits	-	93,513	62,036	41	1	598	-	156,189
Commercial Deposits	859	30,808,860	22,036,334	7,559,790	10,287,548	1,671,586	-	72,364,977
Others	-	389,195	1,745,203	246,912	808,625	3,498,959	-	6,688,894
“7 Days Notice” Deposits	-	-	-	-	-	-	-	-
Total TL	**12,693**	**39,562,395**	**126,129,198**	**39,203,521**	**17,792,291**	**11,048,121**	**-**	**233,748,219**
Foreign Currency								
Foreign Currency Deposits	921,422	1,810,778	1,939,672	720,253	608,784	285,049	72	6,286,030
Bank Deposits	10,011	28,237	49,336	13,152	7	-	-	100,743
“7 Days Notice” Deposits	-	-	-	-	-	-	-	-
Precious Metal Deposits	-	-	1	1	8	272	-	282
Total FC	**931,433**	**1,839,015**	**1,989,009**	**733,406**	**608,799**	**285,321**	**72**	**6,387,055**
Grand Total	**944,126**	**41,401,410**	**128,118,207**	**39,936,927**	**18,401,090**	**11,333,442**	**72**	**240,135,274**

Prior Period	Demand Deposits	Time Deposits						Total
		Up to 1 Month	1-3 Months	3-6 Months	6-12 Months	Over 1 Year	Accumulating Deposit Accounts	
Turkish Lira								
Bank Deposits	1,506	904,901	-	-	-	-	-	906,407
Saving Deposits	6,879	1,459,112	37,596,060	27,790,527	33,447,427	10,834,307	-	111,134,312
Public Sector Deposits	-	951	5,051	15,802	-	-	-	21,804
Commercial Deposits	1,608	14,430,887	7,675,638	4,707,000	7,701,201	3,882,010	-	38,398,344
Others	-	197,259	758,496	316,554	319,465	1,485,890	-	3,077,664
“7 Days Notice” Deposits	-	-	-	-	-	-	-	-
Total TL	**9,993**	**16,993,110**	**46,035,245**	**32,829,883**	**41,468,093**	**16,202,207**	**-**	**153,538,531**
Foreign Currency								
Foreign Currency Deposits	651,815	1,606,129	580,285	658,878	467,193	96,364	102	4,060,766
Bank Deposits	3,786	13,351	14	-	1,196	6	-	18,353
“7 Days Notice” Deposits	-	-	-	-	-	-	-	-
Precious Metal Deposits	-	-	-	-	-	87	-	87
Total FC	**655,601**	**1,619,480**	**580,299**	**658,878**	**468,389**	**96,457**	**102**	**4,079,206**
Grand Total	**665,594**	**18,612,590**	**46,615,544**	**33,488,761**	**41,936,482**	**16,298,664**	**102**	**157,617,737**

(Thousands of Turkish Lira (TL))

5.4.2.5 Interest expense on money market transactions

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

5.4.2.6 Lease expenses

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

5.4.2.7 Interest expenses on factoring payables

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

5.4.3 Dividend income

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

5.4.4 Trading income/losses (net)

	Current Period	*Prior Period*
Income	**489,012,203**	**289,055,214**
Trading Account Income	3,760,914	2,070,290
Derivative Financial Instruments	33,828,045	26,919,911
Foreign Exchange Gains	451,423,244	260,065,013
Losses (-)	**484,788,269**	**287,300,013**
Trading Account Losses	2,520,425	2,358,410
Derivative Financial Instruments	47,607,825	41,819,461
Foreign Exchange Losses	434,660,019	243,122,142
Total	**4,223,934**	**1,755,201**

TL 2,381,301 (30 June 2024: TL 4,417,106) of foreign exchange gains and TL 1,935,984 (30 June 2024: TL 3,098,616) of foreign exchange losses are resulted from the exchange rate changes of derivative transactions.

5.4.5 Other operating income

The items under "other operating income" generally consists of collection or reversals of prior year expected credit losses, banking services related costs recharged to customers and income on custody services.

	Current Period	*Prior Period*
Prior Year Reversals	**22,884,894**	**22,308,933**
Stage 1 Provisions	8,942,728	8,214,860
Stage 2 Provisions	8,329,830	7,548,753
Stage 3 Provisions	4,815,555	5,837,687
Others	796,781	707,633
Income from term sale of assets	**878,972**	**1,059,421**
Others (*)(**)	**13,563,155**	**5,965,469**
Total	**37,327,021**	**29,333,823**

(*) Premium income from insurance business amounting to TL 9,256,326 (30 June 2024: TL 3,953,128) which is included in other operating income in the accompanying financial statements is presented in "others" line item.
(**) As of 30 June 2025, the collection amounting to TL 2,380,222 (30 June 2024: TL 282,979) has been performed from written-down loans.

(Thousands of Turkish Lira (TL))

5.4.6 Expected credit losses and other provisions

	Current Period	***Prior Period***
Expected Credit Losses	**42,322,730**	**28,815,569**
12-Month ECL (Stage 1)	*9,469,651*	6,492,415
Significant Increase in Credit Risk (Stage 2)	*10,580,722*	11,939,075
Impaired Credits (Stage 3)	*22,272,357*	10,384,079
Other Provisions	**251,756**	**67,452**
Impairment Losses on Securities	-	-
Financial Assets Measured at Fair Value through Profit or Loss	-	-
Financial Assets Measured at Fair Value through Other Comprehensive Income	-	-
Impairment Losses on Associates, Subsidiaries and Joint-ventures	-	-
Associates	-	-
Subsidiaries	-	-
Joint-ventures (business partnership)	-	-
Others	251,756	67,452
Total	**42,574,486**	**28,883,021**

5.4.7 Other operating expenses

	Current Period	***Prior Period***
Reserve for Employee Termination Benefits	604,283	421,631
Defined Benefit Plan Obligations	-	-
Impairment Losses on Tangible Assets	438	809
Depreciation Expenses of Tangible Assets	1,459,560	829,815
Impairment Losses on Intangible Assets	-	-
Impairment Losses on Goodwill	-	-
Amortisation Expenses of Intangible Assets	833,004	355,293
Decrease in Value of Equity Accounting Shares	-	-
Impairment Losses on Assets to be Disposed	842	-
Depreciation Expenses of Right-of-use Assets	677,601	473,505
Impairment Losses on Assets Held for Sale and Discontinued Assets	4,155	-
Other Operating Expenses	32,273,975	18,375,422
Operational Lease related Expenses (*)	*396,554*	*254,893*
Repair and maintenance expenses	*512,856*	*301,988*
Advertisement expenses	*2,975,959*	*1,300,131*
Other expenses	*28,388,606*	*16,518,410*
Loss on Sale of Assets	212,297	31,582
Others (**)	12,659,465	7,141,457
Total	**48,725,620**	**27,629,514**

(*) Includes lease related expenses out of the scope of TFRS 16.
(**) Includes Saving Deposits Insurance Fund related expenses of TL 2,513,407 (30 June 2024: TL 1,732,664) and insurance- business claim losses of TL 4,619,657 (30 June 2024: TL 1,704,341) in the current period.

5.4.8 Information on profit/loss before taxes from continued and discontinued operations

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

(Thousands of Turkish Lira (TL))

5.4.9 Information on provision for taxes for continued and discontinued operations

For the period ended 30 June 2025, on a consolidated basis, the Bank recorded a current tax expense of TL 21,562,139 (30 June 2024: TL 19,425,757) and a deferred tax income of TL 3,121,580 (30 June 2024: TL 5,933,504).

There is no amount from discontinued operations.

Deferred tax benefit/charge on timing differences

Deferred tax (benefit)/charge on timing differences	***Current Period***	***Prior Period***
Increase in Tax Deductible Timing Differences (+)	(3,571,180)	(3,440,890)
Decrease in Tax Deductible Timing Differences (-)	305,935	830,128
Increase in Taxable Timing Differences (-)	794,996	481,520
Decrease in Taxable Timing Differences (+)	(651,331)	(3,804,262)
Total	**(3,121,580)**	**(5,933,504)**

Deferred tax benefit/charge in the income statement arising on timing differences, tax losses and tax deductions and exemptions

Deferred tax (benefit)/charge arising on timing differences, tax losses and tax deductions and exemptions	***Current Period***	***Prior Period***
(Increase)/Decrease in Tax Deductible Timing Differences (net)	(3,265,245)	(2,610,762)
(Increase)/Decrease in Taxable Timing Differences (net)	143,665	(3,322,742)
(Increase)/Decrease in Tax Losses (net)	-	-
(Increase)/Decrease in Tax Deductions and Exemptions (net)	-	-
Total	**(3,121,580)**	**(5,933,504)**

5.4.10 Net operating profit/loss after taxes including net profit/loss from discontinued operations

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

5.4.11 Net profit/loss

5.4.11.1 Any further explanation on operating results needed for better understanding of bank's performance

None.

5.4.11.2 Any changes in estimations that might have a material effect on current and subsequent period results

None.

5.4.11.3 Minority interest's profit/loss

	Current Period	***Prior Period***
Net Profit/(Loss) of Minority Interest	673,284	434,383

5.4.12 Components of other items in income statement

The items in others under "Fees and commissions received" and "Fees and commissions paid" in the consolidated income statement include mainly fees and commissions related with credit card transactions and other banking services.

5.5 Consolidated statement of changes in shareholders' equity

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

5.6 Consolidated statement of cash flows

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

(Thousands of Turkish Lira (TL))

5.7 Related party risks

5.7.1 Transactions with Parent Bank's risk group;

5.7.1.1 Loans and other receivables

Current Period

Bank's Risk Group	Associates, Subsidiaries and Joint-Ventures		Bank's Direct and Indirect Shareholders		Other Components in Risk Group	
Loans and Other Receivables	**Cash**	**Non-cash**	**Cash**	**Non-cash**	**Cash**	**Non-cash**
Balance at beginning of period	15,783,416	752,580	256,834	4,004,845	300,178	21,959
Balance at end of period	21,249,991	878,136	574,286	8,280,779	161,420	31,250
Interest and Commission Income	**2,014,352**	**23**	**6,747**	-	**11,574**	-

Prior Period

Bank's Risk Group	Associates, Subsidiaries and Joint-Ventures		Bank's Direct and Indirect Shareholders		Other Components in Risk Group	
Loans and Other Receivables	**Cash**	**Non-cash**	**Cash**	**Non-cash**	**Cash**	**Non-cash**
Balance at beginning of period	5,132,114	73,259	636,221	3,877,104	323,370	20,995
Balance at end of period	15,783,416	752,580	256,834	4,004,845	300,178	21,959
Interest and Commission Income	**1,620,527**	**8**	**2,542**	-	**15,069**	-

5.7.1.2 Deposits

Bank's Risk Group	Associates, Subsidiaries and Joint-Ventures		Bank's Direct and Indirect Shareholders		Other Components in Risk Group	
Deposits	***Current Period***	***Prior Period***	***Current Period***	***Prior Period***	***Current Period***	***Prior Period***
Balance at beginning of period	813,736	553,605	68,988	183,626	18,390,219	10,504,227
Balance at end of period	3,209,896	813,736	250,040	68,988	20,081,517	18,390,219
Interest Expenses	**291,729**	**48,971**	**2,230**	**19,529**	**3,731,097**	**2,207,736**

5.7.1.3 Derivative transactions

Bank's Risk Group	Associates, Subsidiaries and Joint-Ventures		Bank's Direct and Indirect Shareholders		Other Components in Risk Group	
	Current Period	***Prior Period***	***Current Period***	***Prior Period***	***Current Period***	***Prior Period***
Transactions at Fair Value Through Profit/(Loss)						
Balance at beginning of period	11,210,436	12,009,441	149,843,168	76,674,283	429,005	-
Balance at end of period	10,743,702	11,210,436	168,176,288	149,843,168	2,180,564	429,005
Total Profit/(Loss)	**(362,949)**	**(158,923)**	**(275,665)**	**463,383**	**1,063**	-
Transactions for Hedging						
Balance at beginning of period	-	-	-	-	-	-
Balance at end of period	-	-	-	-	-	-
Total Profit/(Loss)	-	-	-	-	-	-

5.7.2 Bank's risk group

5.7.2.1 Relations with companies in risk group of/or controlled by the Bank regardless of nature of current transactions

Transactions with the risk group, are held under arm's-length conditions; terms are set according to the market conditions and in compliance with the Banking Law. The Bank's policy is to keep the balances and transaction volumes with the risk group at reasonable levels preventing any high concentration risk on balance sheet.

5.7.2.2 Concentration of transaction volumes and balances with risk group and pricing policy

The cash loans of the risk group amounting TL 5,645,203 (31 December 2024: TL 7,957,714) compose 0.25% (31 December 2024: 0.45%) of the Bank's total consolidated cash loans and 0.15% (31 December 2024: 0.27%) of the Bank's total consolidated assets. The total loans and similar receivables amounting TL 21,985,697 (31 December 2024: TL 16,340,428) compose 0.58% (31 December 2024: 0.54%) of the Bank's total consolidated assets. The non-cash loans of the risk group amounting TL 9,190,165 (31 December 2024: TL 4,779,384) compose 1.21% (31 December 2024: 0.84%) of the Bank's total consolidated non-cash loans TL 23,541,453 (31 December 2024: TL 19,272,942) compose 0.88% (31 December 2024: 0.89%) of the Bank's total consolidated deposits. There are no funds borrowed by the Bank and its consolidated financial subsidiaries from their risk group of the Bank's total consolidated funds borrowed. The pricing in transactions with the risk group companies is set on an arm's-length basis.

A total rent income of TL 3,953 (30 June 2024: TL2,450) was recognized for the real estates rented to the related parties.

Other income of TL 56,849 (30 June 2024: TL 21,103) for the IT services rendered and banking services fee income of TL 50,703 (30 June 2024: TL 22,638) were recognized from the related parties.

Operating expenses of TL 333,281 (30 June 2024: TL 46,230) for operational leasing services rendered by the related parties were recognized as expenses.

Including the payments related to resigners, the net payment provided or to be provided to the key management of the Bank and its consolidated financial subsidiaries amounts to TL 531,936 (30 June 2024: TL 362,264).

5.7.2.3 Other matters not required to be disclosed

None.

5.7.2.4 Transactions accounted for under equity method

None.

5.7.2.5 All kind of agreements signed like asset purchases/sales, service rendering, agencies, leasing, research and development, licenses, funding, guarantees, management services

The Bank has agency contracts with Garanti Yatırım Menkul Kıymetler AŞ and Garanti Emeklilik ve Hayat AŞ. Accordingly, all the branches of the Bank serve as agencies to sell the insurance products to customers. Agency services for trading of securities on behalf of the Bank's customers are rendered by specialized branches (Investment Centers).

Purchase of equipment for internal use are partly arranged through leasing.

5.8 Domestic, foreign and off-shore branches or equity investments, and foreign representative offices of Parent Bank

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

5.9 Matters arising subsequent to the balance sheet date

As of 1 July 2025, the Bank has completed the sale of the issuance of subordinated notes with 8 January 2036 maturity date and the nominal value of USD 500,000,000.

5.10 Other disclosures on activities

5.10.1 Information on international risk ratings

5.10.1.1 Parent Bank's international risk ratings

MOODY'S *(July 2024)*

Outlook	Positive
Long-Term FC Deposit	Ba3(Positive)
Long-Term TL Deposit	Ba3(Positive)
Short-Term FC Deposit	Not Prime
Short-Term TL Deposit	Not Prime
Baseline Credit Assessment - BCA	b1
Adjusted BCA	ba3
Senior Unsecured Rating (Regular Bond)	B2 (hyb)
Senior Unsecured Rating (Medium-Term Note Program)	(P) Ba3
National Scale Rating (NSR) Long Term Deposit	Aaa.tr
National Scale Rating (NSR) Short Term	TR-1

FITCH RATINGS *(May 2025)*

Long-Term FC	BB- / (Stable Outlook)
Short-Term FC	B
Long-Term TL	BB- / (Stable Outlook)
Short-Term TL	B
Viability Rating	bb-
Shareholder Support	bb-
Long term senior unsecured notes	BB-
Short term senior unsecured notes	B
Subordinated notes	B+

JCR EURASIA RATINGS *(September 2024)*

Long-Term National	AAA (tr) Stable Outlook
Short-Term National	J1+ (tr) / Stable Outlook
Long-Term International FC	BBB- / Stable Outlook
Short-Term NSR	BBB / Stable Outlook

5.10.1.2 International risk ratings of Garanti Bank International NV, a consolidated subsidiary

MOODY'S ***(June 2025) (*)***

Long-Term FC Deposit	Baa1
Short-Term FC Deposit	P-2
Baseline Credit Assessment	ba1
Adjusted Baseline Credit Assessment	baa3
Outlook	Stable
Long-Term Counterparty Risk Assessment	A3(cr)
Short-Term Counterparty Risk Assessment	P-2(cr)
Long-Term Counterparty Risk Rating	A3
Short-Term Counterparty Risk Rating	P-2

(*) Latest date in risk ratings or outlooks

5.10.1.3 International risk ratings of Garanti Faktoring, a consolidated subsidiary

FITCH RATINGS ***(February 2025)*** (*)

Foreign Currency	
Long-Term	BB-
Short-Term	B
Outlook	Stable
Turkish Lira	
Long-Term	BB-
Short-Term	B
Outlook	Stable
National	AA (tur)
Outlook	Stable
Support	-
Shareholder Support Ratings	bb-

(*) Latest date in risk ratings or outlooks

5.10.1.4 International risk ratings of Garanti Leasing, a consolidated subsidiary

FITCH RATINGS ***(February 2025)*** (*)

Foreign Currency	
Long-Term	BB-
Short-Term	B
Outlook	Stable
Turkish Lira	
Long-Term	BB-
Short-Term	B
Outlook	Stable
National	AA (tur)
Outlook	Stable
Support	-
Shareholder Support Ratings	bb-

(*) Latest date in risk ratings or outlooks

(Thousands of Turkish Lira (TL))

5.10.1.5 International risk ratings of Garanti Bank SA, a consolidated subsidiary

FITCH RATINGS *(March 2025)* (*)

Foreign Currency	
Long-Term IDR	BB
Short-Term IDR	B
Support Rating	bb-
Viability Rating	bb
Outlook	Stable

(*) Latest date in risk ratings or outlooks

5.10.1.6 International risk ratings of Garanti Yatırım Menkul Kıymetler A.Ş. , a consolidated subsidiary

JCR EURASIA RATINGS *(May 2025)* (*)

Long-Term International FC	BB
Long-Term International TL	BB
Short-Term NSR	J1+(tr) (Stable)
Long-Term NSR	AAA (tr) (Stable)

(*) Latest date in risk ratings or outlooks

5.10.2 Dividends

As per the decision made at the annual general assembly of shareholders of the Parent Bank on 27 March 2025, the distribution of the net profit of the year 2024, was as follows;

2024 PROFIT DISTRIBUTION TABLE	
2024 Net Profit	**92,174,994**
A- I. Legal reserve (Turkish Commercial Code 519/1) at 5%	
Undistributable funds	(13,856)
B- First dividend at 5% of the paid-in capital	(210,000)
C- Extraordinary reserves at 5% after above deductions	(4,598,250)
D- Second dividend to the shareholders	(18,224,999)
E- Extraordinary reserves	(67,305,389)
F- II. Legal reserve (Turkish Commercial Code 519/2)	(1,822,500)

5.10.3 Other disclosures

None.

6 Limited Review Report

6.1 Disclosure on limited review report

The consolidated financial statements of the Bank and its financial subsidiaries as of 30 June 2025, have been reviewed by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (a member firm of Ernst&Young Global Limited) and a limited review report dated 30 July 2025, is presented before the accompanying consolidated financial statements.

6.2 Disclosures and footnotes prepared by independent auditors

None.

7 Interim Activity Report

(Amounts are expressed in Turkish Lira (TL))

7.1 Summary financial information regarding the operating results for the current period, the comments of the chairman of the board of directors and the CEO

Türkiye Garanti Bankası A.Ş., announced its financial statements dated 30 June 2025. Based on the consolidated financials, the Bank's net income in the first 6 months of the year recorded as TL 53 billion 613 million 271 thousand. Asset size realized at TL 3 trillion 821 billion 709 million 468 thousand and the Bank's contribution to the economy through cash and non-cash loans was TL 2 trillion 950 billion 617 million 171 thousand. Actively managing the funding base, customer deposits continued to be the main funding source; 69.5% of assets are funded via customer deposits. Customer deposit base reached TL 2 trillion 655 billion 807 million 537 thousand with 26.7% growth in the first 6 months of the year. Preserving the strong capital stance, Bank's capital adequacy ratio was realized at 15.6%*. The Bank delivered an ROAE (Return on Average Equity) of 30.7% and an ROAA (Return on Average Assets) of 3.1%.
**Calculated without the forbearance introduced by BRSA*

Commenting on the topic, **Garanti BBVA, Chairman Süleyman Sözen** stated Geopolitical tensions, trade wars, climate change, and artificial intelligence continue to reshape the dynamics of the global economy. Amid heightened uncertainty and the effects of protectionist policies on markets, local developments also prompted the Central Bank of Turkey to take additional tightening measures as of mid-March. Over the past two years, the normalization process in the economy has led to a significant rebuilding of the monetary transmission mechanism. The Central Bank's strong commitment to fighting inflation has contributed to a decline in inflation, an accumulation of reserves, and reduced volatility in financial markets.
However, in the second quarter, the tighter-than-expected fiscal policy prolonged its impact, putting pressure on funding costs and, consequently, on margins. Despite this, at Garanti BBVA, we continued to generate a return on equity above the sector average, thanks to strong performance in other income streams and collections.

Looking ahead, in the absence of a significant new shock and under a scenario where disinflation continues, we anticipate that the Central Bank will proceed cautiously with the interest rate cut cycle it began in July. This is expected to have a positive effect not only on growth dynamics but also on margin trends. In line with the economic roadmap laid out by policymakers, we will continue operating with the perspective of supporting economic growth. As the rebalancing process in the economy continues to yield results, the sector will be able to better harness its potential across all areas.

At Garanti BBVA, we currently serve 28 million customers. With loans making up 57% of our total assets—significantly above the sector average of 50%—we clearly stand apart. In the coming period, we will continue to grow alongside our customers by creating long-term value. To this end, we are redefining the customer experience by leveraging the power of artificial intelligence and digitalization. Our digital channels are an integral part of our service model, and we continue to invest heavily in this area. Today, 99% of our banking transactions occur through non-branch channels, and the number of active customers using our digital platforms has surpassed 17 million. We are working on delivering personalized digital assistant services to our customers through generative AI.

One of our strategic priorities for 2025 is Sustainability. We reached our 2018–2025 target of TRY 400 billion in sustainable financing ahead of schedule, and in June, we announced a new commitment of TRY 3.5 trillion for the 2018–2029 period. We were the first bank to announce interim decarbonization targets for carbon-intensive sectors for 2030. In this context, we also support the transformation processes of our clients in sectors that are crucial for Turkey's development but are also high in carbon intensity.

At Garanti BBVA, we move forward with the goal of creating maximum value for all our stakeholders—especially the national economy—based on a customer-centric, sustainable growth-oriented banking approach and our extensive global experience. I would like to thank all my colleagues who have contributed to this success, as well as our valued customers, shareholders, and stakeholders who continue to walk this path with us in trust."

Garanti BBVA's General Manager Mahmut Akten commented: "The second quarter was marked by rising geopolitical tensions and growing uncertainty in global trade, which in turn weighed on monetary policy through a renewed wave of protectionism. In this environment, the Central Bank's committed and predictable stance underpinned confidence in the disinflation process and served as an important anchor for price stability. Nonetheless, additional regulatory measures continued to put pressure on sector profitability. Going forward, the pace of disinflation and policy moves—especially changes to the policy rate—will remain key in shaping sector dynamics."

Explaining how Garanti BBVA differentiated itself in this landscape during the second quarter of 2025, Akten said: "Higher funding costs suppressed margins across the sector, and we witnessed that contraction quarterly as well. Yet thanks to strong collections, the growing contribution of our subsidiaries and solid loan growth, we delivered a 30.7% ROAE. By gaining significant market share in mortgage, consumer and SME loans, we preserved our leadership in Turkish lira lending. In recent years we have made major progress in shifting our deposit mix in favour of the lira; Turkish lira time deposits grew 37% annually, and, as a result of our strong relationship banking model, we remain the largest private bank in both TL time and TL demand deposits."

Akten highlighted several successful external funding transactions: "In June we rolled-over our sustainability linked syndicated loan by 100%. On July 1st, we completed a US $500 million subordinated bond issuance—oversubscribed by four times—which will make a positive contribution to our capital in the next quarter. These successful transactions reflect both investors' confidence in our bank and our strong presence in international markets."

Akten drew particular attention to Garanti BBVA's focus on customer oriented growth, digitalisation and sustainability: "At Garanti BBVA, our priority is to deliver fast, seamless and holistic solutions. Radical Customer Perspective lies at the heart of our strategy, through which we redesign every process from the customer's point of view. We are building the next phase of digital banking: hyper personalised, real time, contextual experiences. Today 99 percent of all transactions are carried out through non branch channels and 86 percent of product sales originate digitally. The redesigned Garanti BBVA Mobile, with its real time advice, has become a personal finance coach in the pockets of more than 17 million active mobile customers. Our generative AI powered assistant UGI has engaged in over 63 million chats in the past year, providing context aware, personalised solutions to more than five million customers. Beyond retail banking, we have re imagined our digital services for SME and commercial clients. Through our newly established "KOBİ Benim Bankacım" (SME My Banker) unit, we are providing remote, personalized relationship banking services to corporate clients for the first time in the sector. This allows our clients to receive advisory services tailored to their specific line of business from anywhere, while also easily accessing our solutions designed to support and safeguard their financial health."

Sustainability remains another pillar: "We met our original 400 billion TL sustainable finance commitment for 2018-2025 ahead of schedule and have now announced a new 3.5 trillion TL target for 2018-2029. In line with our Responsible Banking strategy, we have signed the Equator Principles, strengthening our environmental and social risk management framework for project finance."

Akten concluded: "The trust our customers and stakeholders place in us is evident in our strong financial results and in our position as the most valuable bank in BIST 100. We will continue our balanced, TL focused growth, contributing to our country's economic and social development. I would like to thank my colleagues whose efforts made this success possible and all stakeholders who place their confidence in us.

(Thousands of Turkish Lira (TL))

"*You may access Garanti BBVA earnings presentations regarding the BRSA consolidated financial results from Garanti BBVA Investor Relations website at www.garantibbvainvestorrelations.com*

7.1.1 Selected Figures of Consolidated Financial Statements

Selected Balance Sheet Items (TL Thousand)	**Current Period 30.06.2025**	**Prior Period 31.12.2024**	**Change %**
Total Assets	3,821,709,468	3,002,579,379	27.3%
Loans*	2,253,442,573	1,776,363,816	26.9%
- Performing Loans	*2,193,369,397*	*1,738,553,379*	*26.2%*
- Non-Performing Loans	*60,073,176*	*37,810,437*	*58.9%*
Customer Deposits	2,655,807,537	2,096,355,514	26.7%
Shareholders' Equity	379,129,585	331,408,618	14.4%

** Excludes Leasing and Factoring receivables*

Selected P&L Items (TL Thousand)	**Current Period 30.06.2025**	**Prior Period 30.06.2024**	**Change %**
Net Interest Income	82,371,983	57,729,488	42.7%
Operating Expenses	76,364,963	45,191,720	69.0%
- HR Cost	27,639,343	17,562,206	57.4%
- Other Operating Expenses	48,725,620	27,629,514	76.4%
Net Fees&Commissions	65,469,805	41,832,932	56.5%
Net Income	53,613,271	44,589,810	20.2%

Selected Financial Ratios	**Current Period 30.06.2025**	**Prior Period 31.12.2024**	**Change** bps
Performing Loans/Assets	57.4%	57.9%	(51)
Deposits/Assets	69.5%	69.8%	(33)
Return on Average Equity	30.7%	32.8%	(207)
Return on Average Assets	3.1%	3.5%	(39)
Non-Performing Loans Ratio	2.6%	2.1%	50
Capital Adequacy Ratio*	15.6%	18.2%	(254)

** without BRSA's forbearance*

Market Shares*	**Current Period 30.06.2025**	**Prior Period 31.12.2024**	**Change** bps
Performing Loans	11.1%	11.1%	(7)
TL Performing Loans	12.5%	12.5%	1
FC Performing Loans	8.6%	8.7%	(9)
Customer Deposits	10.5%	10.2%	31
TL Customer Deposits	11.0%	10.4%	59
FC Customer Deposits	9.7%	10.0%	(27)

**Market Shares are calculated per bank-only financials, for fair comparison*

(Thousands of Turkish Lira (TL))

Garanti BBVA with Numbers[1]	Current Period 30.06.2025	Prior Period 31.12.2024	Change %
Branch Network	798	795	0.4%
Number of Employees	20,102	19,810	1.5%
ATM	6,026	5,820	3.5%
POS*	864,331	864,055	0.03%
Number of Customers	28,777,503	27,717,447	3.8%
Number of Digital Customers**	17,273,721	16,718,413	3.3%
Number of Credit Card Customers	12,516,619	11,825,995	5.8%

1 Subsidiaries are not included
**Includes shared and virtual POS.*
*** Active customers only -- min. 1 login or call per quarter*

7.2 The amendments in the Articles of Association during period of 01.01.2025-30.06.2025

There is no change during the period.

7.3 Announcements regarding important developments in the period of 01.01.2025-30.06.2025

Garanti BBVA's Annual Report, documents regarding ordinary general meeting of shareholders, information on board of directors and senior management, ratings and disclosures regarding important developments and other disclosures were announced and the disclosures were uploaded to the Public Disclosure Platform. Disclosures and all of the announcements are available at www.garantibbvainvestorrelations.com.

7.4 Assessment of financial information and risk management

You may find information regarding the assessment of financial position, profitability and debt payment capability, risk management explanations and ratings in the financial statements for the period ended 30 June 2025. Additionally, you may find detailed information in the earnings presentation regarding financial results of the related period published on Garanti BBVA Investor Relations website at www.garantibbvainvestorrelations.com.

You may find financial information on Garanti BBVA for the most recent five year period in the 2024 Integrated Annual Report that was published on the Public Disclosure Platform, the Bank's website, Garanti BBVA Investor Relations website and at https://www.garantibbvainvestorrelations.com/en/images/pdf/GarantiBBVA-2024-integrated-annual-report.pdf .

7.5 Information regarding management and corporate governance practices

You may access information about the activities of the Board of Directors, the Audit Committee,

the Credit Committee and the committees that are established pursuant to the Regulation on the Internal Systems of Banks under the framework of the risk management systems and are organized under the Board of Directors or to support the Board of Directors, chairman and members of the committees' names and surnames, fundamental duties and their attendance to the meetings from Garanti BBVA Investor Relations website at www.garantibbvainvestorrelations.com under the Committees section.

You may access the Corporate Governance Principles Compliance Report from Garanti BBVA Investor Relations website at www.garantibbvainvestorrelations.com under the Corporate Governance section.

7.6 Forward looking statements regarding the expectations

As per the Article 10 of the "Communiqué on Material Events Disclosure" (II-15.1) of Capital Markets Board, T. Garanti Bankası A.Ş. has announced it's forward looking statements regarding the expectations for the year 2025. You may access the related presentation that was published on the Public Disclosure Platform, the Bank's website and Garanti BBVA Investor Relations' website at www.garantibbvainvestorrelations.com in Operating Plan Guidance Presentations section.