Türkiye Garanti Bankası Anonim Şirketi

Publicly Announced Unconsolidated 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)

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

Independent Auditors' Report on Review of Unconsolidated Interim Financial Information

To the Board of Directors of Türkiye Garanti Bankası Anonim Şirketi

Introduction

We have reviewed the unconsolidated statement of financial position of Türkiye Garanti Bankası Anonim Şirketi ("the Bank") at June 30, 2025 and the related unconsolidated statement of profit or loss, unconsolidated statement of profit or loss and other comprehensive income, unconsolidated statement of changes in shareholders' equity, unconsolidated statement of cash flows and a summary of significant accounting policies and other explanatory notes to the unconsolidated financial statements for the six months period then ended. The Bank Management is responsible for the preparation and fair presentation of interim unconsolidated 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 unconsolidated 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 unconsolidated financial statements do not give a true view of the unconsolidated financial position of Türkiye Garanti Bankası Anonim Şirketi as at June 30, 2025 and the results of its operations and its unconsolidated cash flows for the six months period then ended in all material respects in accordance with the BRSA Accounting and Financial Reporting Legislation.

Shape the future
with confidence

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 financial information provided in the accompanying interim activity report in Section VII, are not consistent with the reviewed unconsolidated 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
UNCONSOLIDATED FINANCIAL REPORT
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

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The unconsolidated financial report for the six month period 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 the Bank
2. Unconsolidated Financial Statements of the Bank
3. Disclosures Related to Accounting Policies Applied in the Related Period
4. Financial Position and Risk Management Applications of the Bank
5. Disclosures and Footnotes on Unconsolidated Financial Statements
6. Limited Review Report
7. Interim Activity Report

The unconsolidated 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:
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Interim Activity Report

1 General Information

1.1 History of the 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 offices abroad (31 December 2024: 787 domestic branches, 7 foreign branches and 1 representative offices). The Bank's head office is located in Istanbul.

1.2 Bank's shareholder structure, management and internal audit, direct and indirect shareholders, change in shareholder structure during the period and information on bank's 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 agreements 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.

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.

(Thousands of Turkish Lira (TL))

1.3 Information on the bank's Board of Directors chairman and members, audit committee members,chief executive officer, executive vice presidents and their responsibilities and 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 the Bank's qualified shareholders

Name / 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 the 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 Current or likely actual or legal barriers to immediate transfer of equity or repayment of debts between the bank and its subsidiaries

None.

2 Unconsolidated Financial Statements

(Convenience Translation of Financial Statements Originally Issued in Turkish)

Türkiye Garanti Bankası Anonim Şirketi
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)**		**420,875,906**	**439,917,362**	**860,793,268**	**295,812,837**	**309,791,151**	**605,603,988**
1.1	**Cash and Cash Equivalents**	**5.1.1**	**314,302,843**	**387,698,167**	**702,001,010**	**205,460,972**	**273,948,215**	**479,409,187**
1.1.1	Cash and Balances with Central Bank		307,875,861	221,884,446	529,760,307	201,171,324	158,823,932	359,995,256
1.1.2	Banks		6,938,959	152,238,902	159,177,861	4,605,801	95,131,177	99,736,978
1.1.3	Money Market Placements		-	13,925,165	13,925,165	-	20,243,465	20,243,465
1.1.4	Expected Credit Losses (-)		**511,977**	**350,346**	**862,323**	**316,153**	**250,359**	**566,512**
1.2	**Financial Assets Measured at Fair Value through Profit/Loss (FVTPL)**	**5.1.2**	**2,352,294**	**4,608,738**	**6,961,032**	**4,676,489**	**4,689,737**	**9,366,226**
1.2.1	Government Securities		1,954,309	3,375,469	5,329,778	4,313,275	3,549,749	7,863,024
1.2.2	Equity Securities		217,592	119,155	336,747	164,950	106,731	271,681
1.2.3	Other Financial Assets		180,393	1,114,114	1,294,507	198,264	1,033,257	1,231,521
1.3	**Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)**	**5.1.3**	**97,390,953**	**41,059,484**	**138,450,437**	**81,015,596**	**23,507,949**	**104,523,545**
1.3.1	Government Securities		97,175,716	36,996,982	134,172,698	80,245,508	20,702,662	100,948,170
1.3.2	Equity Securities		215,237	3,626,552	3,841,789	327,138	2,805,287	3,132,425
1.3.3	Other Financial Assets		-	435,950	435,950	442,950	-	442,950
1.4	**Derivative Financial Assets**	**5.1.4**	**6,829,816**	**6,550,973**	**13,380,789**	**4,659,780**	**7,645,250**	**12,305,030**
1.4.1	Derivative Financial Assets Measured at FVTPL		6,829,816	6,550,973	13,380,789	4,659,780	7,338,110	11,997,890
1.4.2	Derivative Financial Assets Measured at FVOCI		-	-	-	-	307,140	307,140
II.	**FINANCIAL ASSETS MEASURED AT AMORTIZED COST**		**1,520,180,559**	**563,483,597**	**2,083,664,156**	**1,323,665,375**	**435,619,564**	**1,759,284,939**
2.1	**Loans**	**5.1.5**	**1,377,088,100**	**518,596,598**	**1,895,684,698**	**1,159,698,132**	**402,327,513**	**1,562,025,645**
2.2	**Lease Receivables**	**5.1.6**	-	-	-	-	-	-
2.3	**Other Financial Assets Measured at Amortised Cost**	**5.1.7**	**195,118,923**	**61,289,108**	**256,408,031**	**201,058,415**	**52,077,665**	**253,136,080**
2.3.1	Government Securities		192,547,951	53,017,620	245,565,571	196,050,799	46,391,977	242,442,776
2.3.2	Other Financial Assets		2,570,972	8,271,488	10,842,460	5,007,616	5,685,688	10,693,304
2.4	**Expected Credit Losses (-)**		**52,026,464**	**16,402,109**	**68,428,573**	**37,091,172**	**18,785,614**	**55,876,786**
III.	**ASSETS HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS (Net)**	**5.1.8**	**4,173,471**	-	**4,173,471**	**3,743,846**	-	**3,743,846**
3.1	Asset Held for Resale		4,173,471	-	4,173,471	3,743,846	-	3,743,846
3.2	Assets of Discontinued Operations		-	-	-	-	-	-
IV.	**INVESTMENTS IN ASSOCIATES,SUBSIDIARIES AND JOINT VENTURES**		**46,330,899**	**63,346,333**	**109,677,232**	**33,556,668**	**46,322,305**	**79,878,973**
4.1	**Associates (Net)**	**5.1.9**	**207,519**	-	**207,519**	**168,208**	-	**168,208**
4.1.1	Associates Consolidated Under Equity Accounting		-	-	-	-	-	-
4.1.2	Unconsolidated Associates		207,519	-	207,519	168,208	-	168,208
4.2	**Subsidiaries (Net)**	**5.1.10**	**46,123,380**	**63,346,333**	**109,469,713**	**33,388,460**	**46,322,305**	**79,710,765**
4.2.1	Unconsolidated Financial Investments in Subsidiaries		44,255,942	63,346,333	107,602,275	32,274,666	46,322,305	78,596,971
4.2.2	Unconsolidated Non-Financial Investments in Subsidiaries		1,867,438	-	1,867,438	1,113,794	-	1,113,794
4.3	**Joint Ventures (Net)**	**5.1.11**	-	-	-	-	-	-
4.3.1	Joint-Ventures Consolidated Under Equity Accounting		-	-	-	-	-	-
4.3.2	Unconsolidated Joint-Ventures		-	-	-	-	-	-
V.	**TANGIBLE ASSETS (Net)**	**5.1.12**	**37,343,950**	**1,873**	**37,345,823**	**32,681,254**	**1,547**	**32,682,801**
VI.	**INTANGIBLE ASSETS (Net)**	**5.1.13**	**4,417,132**	-	**4,417,132**	**2,790,450**	-	**2,790,450**
6.1	Goodwill		-	-	-	-	-	-
6.2	Others		4,417,132	-	4,417,132	2,790,450	-	2,790,450
VII.	**INVESTMENT PROPERTY (Net)**	**5.1.14**	**5,329,842**	-	**5,329,842**	**4,572,379**	-	**4,572,379**
VIII.	**CURRENT TAX ASSET**		**3,510,170**	-	**3,510,170**	-	-	-
IX.	**DEFERRED TAX ASSET**	**5.1.15**	**23,463,958**	-	**23,463,958**	**20,195,258**	-	**20,195,258**
X.	**OTHER ASSETS (Net)**	**5.1.16**	**106,999,517**	**6,663,179**	**113,662,696**	**93,001,066**	**5,918,775**	**98,919,841**
	TOTAL ASSETS		**2,172,625,404**	**1,073,412,344**	**3,246,037,748**	**1,810,019,133**	**797,653,342**	**2,607,672,475**

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

Türkiye Garanti Bankası Anonim Şirketi
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			PRIOR PERIOD 31 December 2024		
			TL	FC	Total	TL	FC	Total
I.	**DEPOSITS**	**5.2.1**	**1,466,636,111**	**749,909,817**	**2,216,545,928**	**1,255,711,774**	**565,661,489**	**1,821,373,263**
II.	**FUNDS BORROWED**	**5.2.2**	**3,774,614**	**56,097,591**	**59,872,205**	**2,836,563**	**45,984,686**	**48,821,249**
III.	**MONEY MARKET FUNDS**	**5.2.3**	**35,856,339**	**62,008,500**	**97,864,839**	**86,075**	**32,540,628**	**32,626,703**
IV.	**SECURITIES ISSUED (NET)**	**5.2.4**	**-**	**81,421,131**	**81,421,131**	**732**	**24,698,706**	**24,699,438**
4.1	Bills		-	7,423,557	7,423,557	732	12,052,200	12,052,932
4.2	Asset Backed Securities		-	-	-	-	-	-
4.3	Bonds		-	73,997,574	73,997,574	-	12,646,506	12,646,506
V.	**FUNDS**		-	-	-	-	-	-
5.1	Borrowers' Funds		-	-	-	-	-	-
5.2	Others		-	-	-	-	-	-
VI.	**FINANCIAL LIABILITIES MEASURED AT FVTPL**	**5.2.5**	**-**	**62,583,271**	**62,583,271**	**-**	**56,646,374**	**56,646,374**
VII.	**DERIVATIVE FINANCIAL LIABILITIES**	**5.2.6**	**9,032,453**	**7,899,180**	**16,931,633**	**10,318,865**	**3,879,039**	**14,197,904**
7.1	Derivative Financial Liabilities Measured at FVTPL		9,032,453	7,899,180	16,931,633	10,313,091	3,879,039	14,192,130
7.2	Derivative Financial Liabilities Measured at FVOCI		-	-	-	5,774	-	5,774
VIII.	**FACTORING PAYABLES**		-	-	-	-	-	-
IX.	**LEASE PAYABLES (Net)**	**5.2.7**	**4,662,888**	**176,239**	**4,839,127**	**2,248,995**	**178,706**	**2,427,701**
X.	**PROVISIONS**	**5.2.8**	**14,872,278**	**4,581,264**	**19,453,542**	**12,896,024**	**4,550,237**	**17,446,261**
10.1	Restructuring Reserves		-	-	-	-	-	-
10.2	Reserve for Employee Benefits		7,446,963	504,171	7,951,134	6,828,170	329,477	7,157,647
10.3	Insurance Technical Provisions (Net)		-	-	-	-	-	-
10.4	Other Provisions		7,425,315	4,077,093	11,502,408	6,067,854	4,220,760	10,288,614
XI.	**CURRENT TAX LIABILITY**	**5.2.9**	**23,419,867**	**42,243**	**23,462,110**	**16,435,197**	**77,156**	**16,512,353**
XII.	**DEFERRED TAX LIABILITY**		-	-	-	-	-	-
XIII.	**LIABILITIES FOR ASSETS HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS (Net)**	**5.2.10**	-	-	-	-	-	-
13.1	Asset Held for Sale		-	-	-	-	-	-
13.2	Assets of Discontinued Operations		-	-	-	-	-	-
XIV.	**SUBORDINATED DEBTS**	**5.2.11**	**-**	**77,546,431**	**77,546,431**	**799,475**	**65,207,077**	**66,006,552**
14.1	Borrowings		-	-	-	-	-	-
14.2	Other Debt Instruments		-	77,546,431	77,546,431	799,475	65,207,077	66,006,552
XV.	**OTHER LIABILITIES**	**5.2.12**	**195,033,782**	**12,879,912**	**207,913,694**	**165,205,473**	**11,782,887**	**176,988,360**
XVI.	**SHAREHOLDERS' EQUITY**	**5.2.13**	**376,041,210**	**1,562,627**	**377,603,837**	**328,432,477**	**1,493,840**	**329,926,317**
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		24,436,455	1,710,860	26,147,315	21,747,891	1,149,647	22,897,538
16.4	Other Comprehensive Income/Expense Items to be Recycled to Profit or Loss		30,836,279	(148,233)	30,688,046	21,161,107	344,193	21,505,300
16.5	Profit Reserves		262,104,046	-	262,104,046	188,327,757	-	188,327,757
16.5.1	Legal Reserves		5,584,600	-	5,584,600	3,762,100	-	3,762,100
16.5.2	Status Reserves		-	-	-	-	-	-
16.5.3	Extraordinary Reserves		256,245,099	-	256,245,099	184,299,730	-	184,299,730
16.5.4	Other Profit Reserves		274,347	-	274,347	265,927	-	265,927
16.6	Profit/Loss		53,679,996	-	53,679,996	92,211,288	-	92,211,288
16.6.1	Prior Periods' Profit/Loss		69,851	-	69,851	36,294	-	36,294
16.6.2	Current Period's Net Profit/Loss		53,610,145	-	53,610,145	92,174,994	-	92,174,994
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**2,129,329,542**	**1,116,708,206**	**3,246,037,748**	**1,794,971,650**	**812,700,825**	**2,607,672,475**

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

Türkiye Garanti Bankası Anonim Şirketi
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)			**3,100,928,061**	**1,840,372,044**	**4,941,300,105**	**2,178,575,577**	**1,384,819,417**	**3,563,394,994**
I.	**GUARANTEES AND SURETIES**	**5.3.1**	**416,883,368**	**305,197,580**	**722,080,948**	**332,094,808**	**215,022,766**	**547,117,574**
1.1.	Letters of guarantee		389,425,969	229,611,404	619,037,373	311,772,179	161,765,298	473,537,477
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	4,830,907	22,267,167	14,283,714	3,864,882	18,148,596
1.1.3.	Other letters of guarantee		371,989,709	218,876,877	590,866,586	297,488,465	152,898,901	450,387,366
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	66,536,628	67,387,021	287,205	44,838,199	45,125,404
1.3.1.	Documentary letters of credit		-	-	-	-	-	-
1.3.2.	Other letters of credit		850,393	66,536,628	67,387,021	287,205	44,838,199	45,125,404
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		-	388,617	388,617	-	404,200	404,200
1.9.	Other sureties		-	-	-	-	-	-
II.	**COMMITMENTS**	**5.3.1**	**1,856,308,141**	**96,949,351**	**1,953,257,492**	**1,386,549,699**	**78,828,037**	**1,465,377,736**
2.1.	Irrevocable commitments		1,855,542,505	90,288,805	1,945,831,310	1,386,202,874	75,019,497	1,461,222,371
2.1.1.	Asset purchase and sale commitments		37,889,801	78,343,706	116,233,507	4,537,560	63,366,297	67,903,857
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 affiliates		-	39	39	-	30	30
2.1.4.	Loan granting commitments		379,423,213	4,455,161	383,878,374	263,107,344	4,592,432	267,699,776
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		1,415,674,109	-	1,415,674,109	1,102,359,106	-	1,102,359,106
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		765,636	6,660,546	7,426,182	346,825	3,808,540	4,155,365
2.2.1.	Revocable loan granting commitments		765,636	6,649,346	7,414,982	346,825	3,798,880	4,145,705
2.2.2.	Other revocable commitments		-	11,200	11,200	-	9,660	9,660
III.	**DERIVATIVE FINANCIAL INSTRUMENTS**	**5.3.2**	**827,736,552**	**1,438,225,113**	**2,265,961,665**	**459,931,070**	**1,090,968,614**	**1,550,899,684**
3.1.	Derivative financial instruments held for risk management		-	109,866,236	109,866,236	1,000,000	47,123,472	48,123,472
3.1.1.	Fair value hedges		-	109,866,236	109,866,236	-	43,668,672	43,668,672
3.1.2.	Cash flow hedges		-	-	-	1,000,000	3,454,800	4,454,800
3.1.3.	Net foreign investment hedges		-	-	-	-	-	-
3.2.	Trading derivatives		827,736,552	1,328,358,877	2,156,095,429	458,931,070	1,043,845,142	1,502,776,212
3.2.1.	Forward foreign currency purchases/sales		74,561,965	91,001,889	165,563,854	43,216,189	47,375,312	90,591,501
3.2.1.1.	Forward foreign currency purchases		41,676,817	40,636,979	82,313,796	23,630,176	21,238,600	44,868,776
3.2.1.2.	Forward foreign currency sales		32,885,148	50,364,910	83,250,058	19,586,013	26,136,712	45,722,725
3.2.2.	Currency and interest rate swaps		727,286,886	979,035,859	1,706,322,745	373,423,749	750,891,455	1,124,315,204
3.2.2.1.	Currency swaps-purchases		42,404,270	326,594,523	368,998,793	11,127,128	198,400,989	209,528,117
3.2.2.2.	Currency swaps-sales		141,651,374	316,945,189	458,596,563	68,786,031	223,586,859	292,372,890
3.2.2.3.	Interest rate swaps-purchases		271,615,071	167,748,073	439,363,144	147,569,045	163,588,103	311,157,148
3.2.2.4.	Interest rate swaps-sales		271,616,171	167,748,074	439,364,245	145,941,545	165,315,504	311,257,049
3.2.3.	Currency, interest rate and security options		25,886,567	43,004,554	68,891,121	42,289,180	55,674,665	97,963,845
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		-	-	-	-	-	-
3.2.3.6.	Security put options		-	-	-	-	-	-
3.2.4.	Currency futures		1,134	2,637	3,771	1,952	5,010	6,962
3.2.4.1.	Currency futures-purchases		1,134	2,637	3,771	1,952	-	1,952
3.2.4.2.	Currency futures-sales		-	-	-	-	5,010	5,010
3.2.5.	Interest rate futures		-	-	-	-	345,480	345,480
3.2.5.1.	Interest rate futures-purchases		-	-	-	-	-	-
3.2.5.2.	Interest rate futures-sales		-	-	-	-	345,480	345,480
3.2.6.	Others		-	215,313,938	215,313,938	-	189,553,220	189,553,220
B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)			**6,617,695,325**	**7,078,505,908**	**13,696,201,233**	**5,177,264,420**	**5,568,054,948**	**10,745,319,368**
IV.	**ITEMS HELD IN CUSTODY**		**712,335,058**	**580,099,507**	**1,292,434,565**	**608,948,687**	**393,707,680**	**1,002,656,367**
4.1.	Customers' securities held		413,856,662	5,760,854	419,617,516	348,036,303	215,463	348,251,766
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		138,318,881	31,431,862	169,750,743	108,343,869	22,569,962	130,913,831
4.4.	Commercial notes received for collection		14,180,801	7,784,460	21,965,261	12,339,322	7,932,679	20,272,001
4.5.	Other assets received for collection		520,159	143,828,707	144,348,866	732,966	117,294,678	118,027,644
4.6.	Assets received through public offering		-	973,431	973,431	-	838,386	838,386
4.7.	Other items under custody		162,377	17,305,489	17,467,866	515,514	13,497,692	14,013,206
4.8.	Custodians		-	-	-	-	-	-
V.	**PLEDGED ITEMS**		**5,905,360,267**	**6,498,406,401**	**12,403,766,668**	**4,568,315,733**	**5,174,347,268**	**9,742,663,001**
5.1.	Securities		46,353,603	41,782,931	88,136,534	33,796,727	36,076,983	69,873,710
5.2.	Guarantee notes		26,035,508	75,156,821	101,192,329	25,205,243	62,322,970	87,528,213
5.3.	Commodities		336,941	-	336,941	545,489	-	545,489
5.4.	Warranties		-	-	-	-	-	-
5.5.	Real estates		2,162,428,324	998,243,554	3,160,671,878	1,594,389,768	681,217,828	2,275,607,596
5.6.	Other pledged items		3,670,205,891	5,383,223,095	9,053,428,986	2,914,378,506	4,394,729,487	7,309,107,993
5.7.	Pledged items-depository		-	-	-	-	-	-
VI.	**CONFIRMED BILLS OF EXCHANGE AND SURETIES**		-	-	-	-	-	-
	TOTAL OFF-BALANCE SHEET ITEMS (A+B)		**9,718,623,386**	**8,918,877,952**	**18,637,501,338**	**7,355,839,997**	**6,952,874,365**	**14,308,714,362**

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

(Convenience Translation of Financial Statements Originally Issued in Turkish)

Türkiye Garanti Bankası Anonim Şirketi

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**	**328,766,652**	**213,413,635**	**168,128,342**	**116,695,928**
1.1	Interest income on loans		242,693,050	159,930,036	126,875,687	87,490,824
1.2	Interest income on reserve deposits		34,824,830	11,209,042	18,664,689	7,767,771
1.3	Interest income on banks		9,608,733	2,736,234	1,008,018	742,493
1.4	Interest income on money market transactions		1,403,387	3,639,111	776,973	1,525,579
1.5	Interest income on securities portfolio		39,809,045	34,871,014	20,614,302	18,467,506
1.5.1	Financial assets measured at FVTPL		666,360	505,141	402,128	269,118
1.5.2	Financial assets measured at FVOCI		15,946,804	11,351,096	8,696,333	5,952,550
1.5.3	Financial assets measured at amortised cost		23,195,881	23,014,777	11,515,841	12,245,838
1.6	Financial lease interest income		-	-	-	-
1.7	Other interest income		427,607	1,028,198	188,673	701,755
II.	**INTEREST EXPENSE**	**5.4.2**	**265,580,152**	**167,556,267**	**135,369,192**	**90,500,601**
2.1	Interest on deposits		235,511,787	154,625,410	120,345,690	81,965,472
2.2	Interest on funds borrowed		4,340,123	4,225,245	2,258,529	1,972,788
2.3	Interest on money market transactions		20,803,351	5,331,302	10,058,830	4,536,653
2.4	Interest on securities issued		4,216,104	1,777,718	2,320,526	993,449
2.5	Lease interest expense		580,072	221,146	335,130	118,671
2.6	Other interest expenses		128,715	1,375,446	50,487	913,568
III.	**NET INTEREST INCOME (I - II)**		**63,186,500**	**45,857,368**	**32,759,150**	**26,195,327**
IV.	**NET FEES AND COMMISSIONS INCOME/EXPENSES**	**5.4.12**	**64,190,535**	**40,234,663**	**34,481,893**	**21,502,079**
4.1	Fees and commissions received		90,116,493	58,835,990	47,964,822	31,869,991
4.1.1	Non-cash loans		2,807,102	2,127,326	1,475,907	1,120,009
4.1.2	Others		87,309,391	56,708,664	46,488,915	30,749,982
4.2	Fees and commissions paid		25,925,958	18,601,327	13,482,929	10,367,912
4.2.1	Non-cash loans		2,797	2,375	1,405	1,195
4.2.2	Others		25,923,161	18,598,952	13,481,524	10,366,717
V.	**DIVIDEND INCOME**	**5.4.3**	**245,171**	**105,544**	**238,908**	**100,611**
VI.	**NET TRADING INCOME/LOSSES (Net)**	**5.4.4**	**6,314,997**	**1,548,695**	**1,214,804**	**(3,326,231)**
6.1	Trading account income/losses		1,339,771	(783,196)	(328,775)	(429,672)
6.2	Income/losses from derivative financial instruments		(10,303,940)	(14,536,968)	(10,823,200)	(12,758,968)
6.3	Foreign exchange gains/losses		15,279,166	16,868,859	12,366,779	9,862,409
VII.	**OTHER OPERATING INCOME**	**5.4.5**	**26,013,566**	**23,979,697**	**11,398,834**	**11,650,416**
VIII.	**TOTAL OPERATING PROFIT (III+IV+V+VI+VII)**		**159,950,769**	**111,725,967**	**80,093,589**	**56,122,202**
IX.	**EXPECTED CREDIT LOSSES (-)**	**5.4.6**	**39,654,244**	**26,874,356**	**17,196,946**	**11,929,151**
X.	**OTHER PROVISIONS (-)**	**5.4.6**	**232,552**	**38,479**	**52,705**	**26,911**
XI.	**PERSONNEL EXPENSES (-)**		**24,271,114**	**15,047,349**	**12,341,336**	**7,684,779**
XII.	**OTHER OPERATING EXPENSES (-)**	**5.4.7**	**41,538,329**	**24,101,567**	**22,730,544**	**12,760,396**
XIII.	**NET OPERATING PROFIT/LOSS (VIII-IX-X-XI-XII)**		**54,254,530**	**45,664,216**	**27,772,058**	**23,720,965**
XIV.	**INCOME RESULTED FROM MERGERS**		-	-	-	-
XV.	**INCOME/LOSS FROM INVESTMENTS UNDER EQUITY ACCOUNTING**		**12,902,320**	**9,372,627**	**7,141,797**	**4,870,638**
XVI.	**GAIN/LOSS ON NET MONETARY POSITION**		-	-	-	-
XVII.	**OPERATING PROFIT/LOSS BEFORE TAXES (XIII+...+XVI)**	**5.4.8**	**67,156,850**	**55,036,843**	**34,913,855**	**28,591,603**
XVIII.	**PROVISION FOR TAXES OF CONTINUED OPERATIONS (±)**	**5.4.9**	**13,546,705**	**10,198,041**	**6,588,056**	**6,069,291**
18.1	Current tax charge		16,575,560	16,191,693	9,906,678	9,327,728
18.2	Deferred tax charge (+)		923,293	1,051,014	(1,164,419)	(225,374)
18.3	Deferred tax credit (-)		(3,952,148)	(7,044,666)	(2,154,203)	(3,033,063)
XIX.	**NET OPERATING PROFIT/LOSS AFTER TAXES (XVII±XVIII)**	**5.4.10**	**53,610,145**	**44,838,802**	**28,325,799**	**22,522,312**
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**	**53,610,145**	**44,838,802**	**28,325,799**	**22,522,312**
					-	
	Earnings per Share		0.12764	0.10676	0.06744	0.05362

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

(Convenience Translation of Financial Statements Originally Issued in Turkish)

Türkiye Garanti Bankası Anonim Şirketi
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**	**53,610,145**	**44,838,802**
II.	**OTHER COMPREHENSIVE INCOME**	**12,432,523**	**2,782,999**
2.1	**Other Income/Expense Items not to be Recycled to Profit or Loss**	**3,249,777**	**3,836,098**
2.1.1	Revaluation Surplus on Tangible Assets	2,615,434	4,010,439
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	842,531	241,197
2.1.5	Deferred Taxes on Other Comprehensive Income not to be Recycled to Profit or Loss	513,257	167,610
2.2	**Other Income/Expense Items to be Recycled to Profit or Loss**	**9,182,746**	**(1,053,099)**
2.2.1	Translation Differences	14,382,855	2,464,333
2.2.2	Income/Expenses from Valuation and/or Reclassification of Financial Assets Measured at FVOCI	(931,501)	(2,060,014)
2.2.3	Gains/losses from Cash Flow Hedges	51,324	(1,633,325)
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	(500,220)	(141,701)
2.2.6	Deferred Taxes on Other Comprehensive Income to be Recycled to Profit or Loss	1,918,019	1,419,630
III.	**TOTAL COMPREHENSIVE INCOME (I+II)**	**66,042,668**	**47,621,801**

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

(Convenience Translation of Financial Statements Originally Issued in Turkish)

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

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

	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	Total Shareholders' Equity
	PRIOR PERIOD															
	(01/01/2024-30/06/2024)															
I.	**Balances at Beginning of Period**		4,200,000	11,880	-	772,554	14,533,730	(1,919,016)	1,479,019	29,423,468	3,752,722	(8,884,831)	114,095,795	87,331,720	-	244,797,041
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	14,533,730	(1,919,016)	1,479,019	29,423,468	3,752,722	(8,884,831)	114,095,795	87,331,720	-	244,797,041
IV.	**Total Comprehensive Income**		-	-	-	-	3,990,411	(408,203)	253,890	2,464,333	(1,460,990)	(2,056,442)	-	-	44,838,802	47,621,801
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**		-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI.	**Profit Distribution**		-	-	-	-	-	-	-	-	-	-	74,231,962	(87,331,720)	-	(13,099,758)
11.1	Dividends		-	-	-	-	-	-	-	-	-	-	-	(13,099,758)	-	(13,099,758)
11.2	Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	74,214,262	(74,214,262)	-	-
11.3	Others		-	-	-	-	-	-	-	-	-	-	17,700	(17,700)	-	-
	Balances at end of the period (III+IV+…+X+XI)		4,200,000	11,880	-	772,554	18,524,141	(2,327,219)	1,732,909	31,887,801	2,291,732	(10,941,273)	188,327,757	-	44,838,802	279,319,084
	CURRENT PERIOD															
	(01/01/2025-30/06/2025)															
I.	**Balances at Beginning of Period**		4,200,000	11,880	-	772,554	23,175,310	(2,759,912)	2,482,140	33,869,258	(1,268,121)	(11,095,837)	188,327,757	92,211,288	-	329,926,317
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	23,175,310	(2,759,912)	2,482,140	33,869,258	(1,268,121)	(11,095,837)	188,327,757	92,211,288	-	329,926,317
IV.	**Total Comprehensive Income**		-	-	-	-	2,991,469	(505,012)	763,320	14,382,855	(719,404)	(4,480,705)	-	-	53,610,145	66,042,668
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**		-	-	-	-	-	-	-	-	-	-	-	69,851	-	69,851
XI.	**Profit Distribution**		-	-	-	-	-	-	-	-	-	-	73,776,289	(92,211,288)	-	(18,434,999)
11.1	Dividends		-	-	-	-	-	-	-	-	-	-	-	(18,434,999)	-	(18,434,999)
11.2	Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	73,762,433	(73,762,433)	-	-
11.3	Others		-	-	-	-	-	-	-	-	-	-	13,856	(13,856)	-	-
	Balances at end of the period (III+IV+…+X+XI)		4,200,000	11,880	-	772,554	26,166,779	(3,264,924)	3,245,460	48,252,113	(1,987,525)	(15,576,542)	262,104,046	69,851	53,610,145	377,603,837

Türkiye Garanti Bankası Anonim Şirketi
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**	**48,097,067**	**32,729,888**
1.1.1	Interests received		319,273,221	187,874,449
1.1.2	Interests paid		(265,206,373)	(141,500,380)
1.1.3	Dividend received		245,171	105,544
1.1.4	Fees and commissions received		90,116,493	58,835,990
1.1.5	Other income		3,820,916	2,932,593
1.1.6	Collections from previously written-off receivables		5,971,759	1,549,324
1.1.7	Cash payments to personnel and service suppliers		(59,743,067)	(34,319,693)
1.1.8	Taxes paid		(10,695,551)	(14,790,784)
1.1.9	Others		(35,685,502)	(27,957,155)
1.2	**Changes in operating assets and liabilities**	**5.6**	**36,972,524**	**(55,304,113)**
1.2.1	Net (increase) decrease in financial assets measured at FVTPL		2,408,639	831,642
1.2.2	Net (increase) decrease in due from banks		(102,932,339)	(107,331,977)
1.2.3	Net (increase) decrease in loans		(335,982,210)	(237,268,836)
1.2.4	Net (increase) decrease in other assets		(15,701,794)	(15,684,953)
1.2.5	Net increase (decrease) in bank deposits		(37,669,338)	18,631,655
1.2.6	Net increase (decrease) in other deposits		435,946,466	194,836,809
1.2.7	Net increase (decrease) in financial liabilities measured at FVTPL		(1,337,143)	-
1.2.8	Net increase (decrease) in funds borrowed		66,112,040	68,753,990
1.2.9	Net increase (decrease) in matured payables		-	-
1.2.10	Net increase (decrease) in other liabilities		26,128,203	21,927,557
I.	**Net cash flow from banking operations**	**5.6**	**85,069,591**	**(22,574,225)**
B.	**CASH FLOWS FROM INVESTING ACTIVITIES**			
II.	**Net cash flow from investing activities**	**5.6**	**(27,476,857)**	**(43,064,922)**
2.1	Cash paid for purchase of associates, subsidiaries and joint-ventures		(7,465,000)	(1,248,000)
2.2	Cash obtained from sale of associates, subsidiaries and joint-ventures		-	-
2.3	Purchases of tangible assets		(6,260,079)	(2,361,379)
2.4	Sales of tangible assets		4,334,702	742,813
2.5	Cash paid for purchase of financial assets measured at FVOCI		(76,790,502)	(37,097,842)
2.6	Cash obtained from sale of financial assets measured at FVOCI		55,059,702	29,244,627
2.7	Cash paid for purchase of financial assets measured at amortised cost		(3,941,143)	(42,783,732)
2.8	Cash obtained from sale of financial assets measured at amortised cost		7,585,463	10,438,591
2.9	Others		-	-
C.	**CASH FLOWS FROM FINANCING ACTIVITIES**			
III.	**Net cash flow from financing activities**	**5.6**	**52,470,998**	**11,862,007**
3.1	Cash obtained from funds borrowed and securities issued		94,517,540	34,904,353
3.2	Cash used for repayment of funds borrowed and securities issued		(22,418,356)	(9,317,052)
3.3	Equity instruments issued		-	-
3.4	Dividends paid		(18,434,999)	(13,099,758)
3.5	Payments for financial leases		(1,193,187)	(625,536)
3.6	Others		-	-
IV.	**Effect of translation differences on cash and cash equivalents**	**5.6**	**9,664,488**	**3,628,767**
V.	**Net increase/(decrease) in cash and cash equivalents (I+II+III+IV)**	**5.6**	**119,728,220**	**(50,148,373)**
VI.	**Cash and cash equivalents at beginning of period**	**5.6**	**187,741,096**	**288,260,766**
VII.	**Cash and cash equivalents at end of period (V+VI)**	**5.6**	**307,469,316**	**238,112,393**

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

3 Accounting Policies

3.1 Basis of presentation

The Bank prepares its 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 unconsolidated financial statements are prepared in accordance with the historical cost basis except for financial assets and liabilities measured at fair value through profit/loss, financial assets measured at fair value through other comprehensive income, real estates and subsidiaries accounted based on equity method.

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 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 3.28.

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 Bank'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 Bank'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 (TFRSs) 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 unconsolidated 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 Bank has not applied the related standard in the unconsolidated financial statements of its subsidiary Garanti Emeklilik and Hayat.

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 Bank's 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 has access to longer-term borrowings via borrowings from abroad.

In order to manage the interest rate risk arising from short-term deposits, the Bank is 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 of the Bank 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 statement of profit or loss. 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.

The Bank may classify its 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 Bank's 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 management of 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 evaluated with the Bank's spot purchase rates and the differences are recorded as foreign exchange gain or loss in the statement of profit or loss.

In the unconsolidated financial statements, the subsidiaries are accounted for using the equity method in accordance with the Communiqué published on the Official Gazette dated 9 April 2015 No. 29321 related to the amendments to the Turkish Accounting Standard 27 (TAS 27) "Separate Financial Statements" within the frame of Turkish Accounting Standard 28 (TAS 28) for "Investments in Associates and Joint Ventures".

In this context, foreign subsidiaries' asset and liability items in the balance sheet are translated into Turkish Lira by using foreign exchange rates as of the balance sheet date whereas income and expense items are translated into Turkish Lira by using average foreign exchange rates for the related period. Foreign exchange differences arising from translation of income and expense items and other equity items are accounted under capital reserves under Shareholders' Equity.

From 1 September 2015, it has been started to apply net investment hedge amounting to EUR 530,583,575 (31 December 2024: EUR 530,583,575) 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 21,539,255 (31 December 2024: TL 15,801,525), 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 Investments in associates and subsidiaries

In the unconsolidated financial statements, the subsidiaries are accounted for using the equity method in accordance with Turkish Accounting Standard 27 (TAS 27) "Separate Financial Statements" within the frame of Turkish Accounting Standard 28 (TAS 28) for "Investments in Associates and Joint Ventures".

In accordance with the TAS 28 through the equity method, the carrying value of subsidiaries are accounted in the financial statements with respect to the Bank's share in these investments' net asset value. While the Bank's share on profits or losses of financial subsidiaries are accounted in the Bank's Statement of Profit or Loss, the Bank's share in other comprehensive income of subsidiaries are accounted in the Bank's Statement of Other Comprehensive Income.

Associates are accounted at fair value in the financial statements in accordance with TFRS 9.

3.4 Forwards, options and other derivative transactions

3.4.1 Derivative financial assets

Derivative financial assets measured at fair value through profit/loss

The Bank's 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 statement of profit or loss at the date they incur. The changes in their fair values are recorded on balance sheet under "Derivative Financial Assets measured at Fair Value through Profit/Loss" or "Derivative Financial Liabilities measured at Fair Value through Profit/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 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 recorded under 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 does 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 Bank's 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. The Bank enters 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, Group was applying hedge accounting in accordance with TAS 39 until 1 January 2025.

As of 1 January 2025, the Bank has 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 Bank 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 Bank 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 instruments measured at fair value through other comprehensive income

The Bank enters 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 Other Comprehensive Income or Expense to be Recycled to Profit/Loss in Shareholders' Equity, and the ineffective portion is recognised in Statement of Profit or Loss. The changes recognised 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 discontinues 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 performs 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

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, the Bank identifies 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, The Bank amortises 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 of the period after the acquisition is recorded as interest income in the financial statements.

If the expectation for the cash flows from financial asset is revised for reasons other than the credit risk, the change is reflected in the carrying amount of asset and in the related Statement of Profit or Loss line and is amortized over the estimated life of financial asset.

If the financial asset is impaired and classified as a non-performing receivable, the Bank applies 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.

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

The Bank shall recognise a financial asset or a financial liability in its statement of financial position when, and only when, the 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 at 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, the Bank measures financial assets or financial liabilities at fair value. At initial recognition, financial asset or liability excluding the ones at fair value through profit or loss are accounted 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 business model

As per TFRS 9, the Bank's business model is determined at a level that reflects how groups of financial assets are managed together to achieve a particular business objective.

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

The Bank's 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: the Bank may hold 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 are 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, the Bank classifies a financial asset 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

The Bank classified all its financial assets 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/loss.

Financial investments and loans measured at amortised cost

The Bank may measure its financial investments and loans 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 loss calculated for the relevant financial assets in accordance with TFRS 9 is presented in Note 5.1.7.5.

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 loss calculated for the relevant financial assets in accordance with TFRS 9 is presented in Note 5.1.5.11.

Financial assets measured at fair value through other comprehensive income

As per TFRS 9, the 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 related 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 costs by using the discounting method with effective interest rate that approximates to fair value, of return for floating-rate securities; and by using valuation models or discounted cash flow techniques for fixed-rate securities. Unrecognised gain/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 Statement of Profit or Loss.

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 the sale of such debt securities 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 sales price and the recognized interest income is transferred to "Trading Income/Losses".

The Bank also owns 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 for according to the effective interest rate method which is calculated based on 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 guide. The estimated inflation rate according to the Central Bank of Türkiye's and the Bank's expectations, is updated during the year when it is considered necessary.

Equity instruments measured at fair value through other comprehensive income

At initial recognition, the Bank may make 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. The Bank makes the election on an instrument by instrument basis.

Amounts presented in other comprehensive income shall not be subsequently transferred to profit/loss. However, the cumulative gain or loss shall be transferred to prior periods' profit/loss. Dividends on such investments are recognised in profit/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 statement of profit or loss. Interest income earned on trading securities and the difference between their acquisition costs and amortized costs are recorded as interest income in the statement of profit or loss. The differences between the amortized costs and the fair values of such securities are recorded under trading account income/losses in the statement of profit or loss. In cases where such securities are sold before their maturities, the gains/losses on such sales are recorded under trading account income/losses.

The Bank classifies certain loans and securities issued at their origination dates, as financial assets/liabilities at fair value through profit/ loss, irrevocably 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 increase 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

The Bank recognises a loss allowance for expected credit losses 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/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, the Bank shall assess whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Bank shall use 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, the Bank shall measure 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, the Bank measures loss allowance regarding such instrument at an amount equal to lifetime expected credit losses.

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

The Bank 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 Bank’s aforementioned policy is presented in Note 3.8.3.The Bank’s 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

The Bank calculates expected credit losses 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 within a specified time horizon, which is usually set at 12 months, given certain characteristics. Based on TFRS 9, the Bank uses 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.

The Bank uses internal rating systems 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, the Bank considers three scenarios (base scenario, bad scenario, good scenario). Each of these three scenarios is associated with different probability of default and loss given 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 the Bank has 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. The Bank calculates 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, the Bank calculates 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, the Bank accounts lifetime expected credit losses. The methodology is similar to stage 2 and the probability of default is taken into account as 100%.

The Bank considers 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 in the Bank 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 the Bank considers that a debt is unlikely to be paid. Whenever the Bank considers 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 of 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, the Bank Group's financial instruments 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 Bank's common credit risk characteristics include, but are not limited to, the following:

- Customer type (retail or commercial / corporate)
- 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, the Bank assesses a certain portion of commercial and corporate loans individually in accordance with the internal policies in the calculation of the expected credit losses based on TFRS 9. The Bank makes such calculation 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, the Bank shall consider 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. The Bank makes such assessment 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 Bank's internal policies, TFRS 9 models are updated once a year. The related model update was made in the last quarter of 2024 and the Bank has calculated expected credit losses based on the updated model.

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 draw down 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 that the Bank became 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

The Bank shall apply 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 in accordance with TFRS 9. 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 offers 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 the Bank is exposed to credit losses with the contractual notice. For this reason, the Bank calculates 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 Bank's reduction or removal of undrawn limits.

When determining the period over which the Bank is expected to be exposed to credit risk, but for which expected credit losses would not be mitigated by the Bank's normal credit risk management actions, the Bank considers 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 the Bank expects to take once the credit risk on the financial instrument has increased, such as the reduction or removal of undrawn limits.

The Bank calculates expected credit losses on the revolving products of retail and corporate customers by considering 3-5 years.

The Bank makes assessment of significant increase in credit risk of revolving loans by considering qualitative and quantitative criteria considered for other credit products as explained in Note 3.8.3.

3.8.2 Forward-looking macroeconomic information

The Bank incorporates forward-looking macroeconomic information into credit risk parameters during assessment of significant increase in credit risk and expected credit loss calculation. The incorporation of forward-looking information into the Bank's credit risk parameters consists of the following steps:

Step 1: The Bank makes 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, the Bank applies the methods of credit risk parameters reflection and forward-looking impact inclusion into the parameters.

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

(Thousands of Turkish Lira (TL))

The 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.

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

The Bank makes qualitative and quantitative assessments regarding assessment of significant increase in credit risk.

Qualitative assessment:

The Bank classifies 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.

The Bank classifies 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 fulfil its contractual cash flow obligations.

The Bank is not considering 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 Bank's other financial instruments or relative to the credit risk of the jurisdiction within which the Bank operates.

If the Bank determines that a financial instrument has a low credit risk as of the reporting date, it assumes that the credit risk on the financial instrument has not increased significantly following its first recognition in the financial statements.

The Bank makes 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 the Bank defines 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 November 27, 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 TFRS9, 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 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 has a legally enforceable right 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 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 the Bank retains control of the asset, the Bank continues to recognize the remaining portion of the asset and liabilities arising from such asset.

When the Bank retains 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 financial assets without any change in contractual terms

The Bank derecognises 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, the Bank shall reclassify 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 changes its business model for managing financial assets.

3.9.4 Restructuring and refinancing of financial instruments

The Bank may change 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 by the Bank 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, at 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, at least 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 one 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 Bank management’s future intentions, either at market prices or using discounting method with internal rate of return. The 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 Market 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 Market Funds” and the related expense accruals are accounted.

3.11 Assets held for sale, 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 Bank's business classified as sold or held-for-sale. The operating results of the discontinued operations are disclosed separately in statement of profit or loss. The Bank has no discontinued operations.

3.12 Goodwill and other intangible assets

The Bank's intangible assets consist of software, intangible rights and other intangible assets.

Goodwill and other intangible assets are recorded at cost in compliance 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's intention to complete and use the intangible asset,

- 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 by the Bank over their estimated useful lives based on their inflation adjusted costs on a straight-line basis. Estimated useful lives of the Bank's intangible assets 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.

(Thousands of Turkish Lira (TL))

3.13 Tangible assets

The cost of the tangible 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 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 expense.

There are no restrictions such as pledges, mortgages or any other restriction on tangible assets. The depreciation rates and the 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 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 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 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 Bank measures the right-of-use asset applying a cost model. To apply the cost model, the Bank measures the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses; and adjusted for any remeasurement of the lease liability.

The Bank applies the depreciation requirements in TAS 16 “Property, Plant and Equipment” in depreciating real assets considered as right-of-use asset.

The Bank applies TAS 36 “Impairment of Assets” 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 lease. The rent payments for leases that meet the conditions of exemptions stated in TFRS 16, are recognized as expense in related periods’ statement of profit or loss over the lease term in accordance with periodicity principle.

Based on TFRS 16, at the commencement date, the Bank measures the lease liability 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 Bank measures the lease liability 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.

After the commencement date, the Bank remeasures the lease liability to reflect changes to the lease payments. The Bank recognises the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

The Bank remeasures the lease liability 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, the Bank uses an unchanged discount rate.

For a lease modification that is not accounted for as a separate lease, at the effective date of the lease modification, the Bank remeasures the lease liability 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 Bank decreases the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease. The Bank recognises any gain or loss relating to the partial or full termination of the lease in profit or loss. A corresponding adjustment to the right-of-use asset is made for all other lease modifications.

(Thousands of Turkish Lira (TL))

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. If an inflow of economic benefits to the Bank has become probable, then the contingent asset is disclosed in the footnotes to 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 labour law in Türkiye, the Bank is required to pay certain amounts to the employees retired or fired except for resignations or misbehaviours specified in the Turkish Labour Law.

Accordingly, the Bank 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%

The above rates are effective rates, whereas the rates applied for the calculation differ according to the employees' 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 TAS 19.

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.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 by the employees and the employer as required by Social Security Law numbered 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, are 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-years 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.

3.18 Taxation

3.18.1 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 6/2/2023, 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. By the Presidential Decree published in the Official Gazette No. 32760 dated 22 December 2024, some withholding rates in Articles 15 and 30 of the Corporate Tax Law No. 5520 have been redetermined.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 10% from 15% by the Presidential Decree 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 earnings.

In accordance with the tax legislation, 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.

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. With the Presidential Decree published in the Official Gazette dated 27 November 2024 and numbered 32735, it was determined that this exemption rate would be applied as 50%.

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 period 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 are 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 21/11/2012, payment and electronic money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies.

With the Communiqué Amending the General Communiqué on Tax Procedure Law (order no. 537) published in the Official Gazette numbered 32073 on 14 January 2023, the procedures and principles of the articles allowing the revaluation of real estates and depreciation units have been redrawn. By taking into consideration aforementioned Communiqué, the Bank, has been revaluated real estate and depreciation units within its balance sheet by providing conditions in the provisions of Tax Procedure Law’s provisional Article 32 and duplicated Article 298/ç until 30 September 2023. Since the financial statements are subject to inflation adjustment as of 31 December 2023, real estates and depreciation units are not subject to revaluation as of 31 December 2023. Corporate tax is calculated by taking into account of real estates and depreciation units’ amortized values until 30 September 2023.
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 is 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.

3.18.2 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 3.18.1, 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 6/2/2023, 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 temporary article 33 of the Tax Procedure Law, the tax effects arising from the inflation adjustment of the financial statements dated 30 June 2025 are included in the deferred tax calculation as of 30 June 2025regardless of whether the conditions for inflation adjustment are met.

If transactions and events are recorded in the statement of profit or loss, then the related tax effects are also recognized in the statement of profit or loss. 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 are reported as net in the financial statements.

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 would 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 Bank.

3.18.3 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 at 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.

3.19 Funds borrowed

The 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.

3.20 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 "Share Premium" under Shareholders' Equity.

3.21 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.

3.22 Government incentives

As of 30 June 2025, the Bank does not have any government incentives or grants. (31 December 2024: None.)

(Thousands of Turkish Lira (TL))

3.23 Segment reporting

The 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.

The Bank provides service packages to its corporate, commercial and retail customers including deposit, 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 Bank also utilizes alternative delivery channels intensively.

The 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 type of branches to export-revenue earning sectors like tourism and textile and exporters of Türkiye's traditional agricultural products.

Additionally, the 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, cheque books, Turkish Lira and foreign currency deposits, investment accounts, internet banking and call-center, debit cards and bill payment modules.

Retail banking customers form a wide-spread 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 is as follows:

Current Period	**Retail Banking**	**Corporate/ Commercial Banking**	**Investment Banking**	**Other**	**Total Operations**
Net Interest Income	58,086,776	72,380,678	(96,970,261)	29,689,307	63,186,500
Net Fees And Commıssıons Income	55,750,962	9,574,855	46,532	(1,181,814)	64,190,535
Dividend Income	-	-	-	245,171	245,171
Net Tradıng Income/Losses (Net)	2,082,330	4,251,573	3,433,887	(3,452,793)	6,314,997
Other Operatıng Income (*)	2,174,335	3,530,912	121,071	194,455	6,020,773
Expected Credit Losses (-) (*)	(19,037,826)	(2,315,685)	(271,641)	1,963,701	(19,661,451)
Other Provisions (-)	-	-	-	(232,552)	(232,552)
Personnel and Other Operating Expenses (-)	(39,335,770)	(12,947,217)	(2,003,681)	(11,522,775)	(65,809,443)
Income/Loss From Investments Under Equıty Accountıng	-	-	-	12,902,320	12,902,320
Net Operating Profit	**59,720,807**	**74,475,116**	**(95,644,093)**	**28,605,020**	**67,156,850**
Provision for Taxes	-	-	-	(13,546,705)	(13,546,705)
Net Profit	**59,720,807**	**74,475,116**	**(95,644,093)**	**15,058,315**	**53,610,145**
Segment Assets	721,354,187	1,105,901,935	1,066,754,928	242,349,466	3,136,360,516
Investments in Associates and Subsidiaries	-	-	-	109,677,232	109,677,232
Total Assets	**721,354,187**	**1,105,901,935**	**1,066,754,928**	**352,026,698**	**3,246,037,748**
Segment Liabilities	1,491,790,319	835,753,630	419,394,740	121,495,222	2,868,433,911
Shareholders' Equity	-	-	-	377,603,837	377,603,837
Total Liabilities and Shareholders'	**1,491,790,319**	**835,753,630**	**419,394,740**	**499,099,059**	**3,246,037,748**

Prior Period	**Retail Banking**	**Corporate/ Commercial Banking**	**Investment Banking**	**Other**	**Total Operations**
Net Interest Income	31,489,892	48,762,905	(74,467,944)	40,072,515	45,857,368
Net Fees And Commıssıons Income	33,323,833	7,067,589	(13,337)	(143,422)	40,234,663
Dividend Income	-	-	-	105,544	105,544
Net Tradıng Income/Losses (Net)	2,046,910	2,413,562	(2,736,744)	(175,033)	1,548,695
Other Operatıng Income (*)	2,385,871	364,939	63,238	1,361,933	4,175,981
Expected Credıt Losses (-) (*)	(11,624,169)	1,133,987	1,398,399	2,021,143	(7,070,640)
Other Provisions (-)	-	-	-	(38,479)	(38,479)
Personnel and Other Operatıng Expenses (-)	(25,869,097)	(8,163,446)	(1,286,011)	(3,830,362)	(39,148,916)
Income/Loss From Investments Under Equıty Accountıng	-	-	-	9,372,627	9,372,627
Net Operating Profit	**31,753,240**	**51,579,536**	**(77,042,399)**	**48,746,466**	**55,036,843**
Provision for Taxes	-	-	-	(10,198,041)	(10,198,041)
Net Profit	**31,753,240**	**51,579,536**	**(77,042,399)**	**38,548,425**	**44,838,802**
Segment Assets	603,445,811	902,703,046	821,732,843	199,911,802	2,527,793,502
Investments in Associates and Subsidiaries	-	-	-	79,878,973	79,878,973
Total Assets	**603,445,811**	**902,703,046**	**821,732,843**	**279,790,775**	**2,607,672,475**
Segment Liabilities	1,232,413,492	643,283,025	304,127,157	97,922,484	2,277,746,158
Shareholders' Equity	-	-	-	329,926,317	329,926,317
Total Liabilities and Shareholders'	**1,232,413,492**	**643,283,025**	**304,127,157**	**427,848,801**	**2,607,672,475**

(*) 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.

3.24 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

3.25 Earnings per share

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

	Current Period	***Prior Period***
Distributable net profit	53,610,145	44,838,802
Average number of issued common shares (thousand)	420,000,000	420,000,000
Earnings per share (amounts presented full TL)	0.12764	0.10676

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.There are no bonus shares issued in 2025.

3.26 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.

3.27 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 interbank 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.

3.28 Other disclosures

None.

(Thousands of Turkish Lira (TL))

4 Financial Position and Results of Operations and Risk Management

4.1 Total capital

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

4.1.1 Components of 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	262,104,046	188,327,757
Other Comprehensive Income according to TAS	77,715,574	59,651,923
Profit	53,679,996	92,211,288
Current Period's Profit	53,610,145	92,174,994
Prior Periods' Profit	69,851	36,294
Bonus Shares from Associates, Subsidiaries and Joint-Ventures not Accounted in Current Period's Profit	88,232	48,921
Common Equity Tier I Capital Before Deductions	**398,572,282**	**345,224,323**
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 (-)	20,277,966	14,263,461
Leasehold Improvements on Operational Leases (-)	538,183	405,012
Goodwill Netted with Deferred Tax Liabilities	-	-
Other Intangible Assets Netted with Deferred Tax Liabilities Except Mortgage Servicing Rights	4,417,132	2,790,450
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 (-)	-	-
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	**25,233,281**	**17,458,923**
Total Common Equity Tier I Capital	**373,339,001**	**327,765,400**
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)	-	-
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)	**373,339,001**	**327,765,400**
TIER II CAPITAL	-	-
Debt Instruments and the Related Issuance Premiums Defined by the BRSA	54,581,355	52,444,200
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)	24,958,876	19,917,615
Total Deductions from Tier II Capital	**79,540,231**	**72,361,815**
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	-	-
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	**79,540,231**	**72,361,815**
Total Equity (Total Tier I and Tier II Capital)	**452,879,232**	**400,127,215**
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	2,299

(Thousands of Turkish Lira (TL))

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)	**452,876,678**	**400,124,230**
Total Risk Weighted Assets	**2,351,138,980**	**1,825,083,072**
CAPITAL ADEQUACY RATIOS		
CET1 Capital Ratio (%)	15.88	17.96
Tier I Capital Ratio (%)	15.88	17.96
Capital Adequacy Ratio (%)	19.26	21.92
BUFFERS		
Total Additional CET1 Capital Requirement Ratio (a+b)	2.53	2.52
a) Capital Conservation Buffer Ratio (%)	2.50	2.50
b) Bank-specific Counter-Cyclical Capital Buffer Ratio (%)	0.03	0.02
Additional CET1 Capital Over Total Risk Weighted Assets Ratio Calculated According to the Article 4 of Capital Conservation and Counter-Cyclical Capital Buffers Regulation (%)	9.88	11.96
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	23,463,958	20,195,258
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)	37,299,074	38,405,405
General Loan Provisions for Exposures in Standard Approach Limited by 1.25% of Risk Weighted Assets	24,958,876	19,917,615
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	-	-

(Thousands of Turkish Lira (TL))

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 is not taken into account, the capital adequacy ratio is at 17.96% as of 30 June 2025.

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

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))

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	56,835,361	690,479	57,525,840	Items not included in the calculation as per Regulation's Article 9-1-f
Other Comprehensive Income/Expense Items not to be Recycled to Profit/Loss	26,147,315	-	26,147,315	
Other Comprehensive Income/Expense Items to be Recycled to Profit/Loss	30,688,046	690,479	31,378,525	Items not included in the calculation as per Regulation's Article 9-1-f
Profit Reserves	262,104,046	-	262,104,046	
Profit or Loss	53,679,996	-	53,679,996	
Prior Periods' Profit/Loss	69,851	-	69,851	
Current Period Net Profit/Loss	53,610,145	-	53,610,145	
Deductions from Common Equity Tier I Capital (-)	-		4,955,315	Deductions from Common Equity Tier 1 Capital as per the Regulation
Common Equity Tier I Capital	**377,603,837**		**373,339,001**	
Subordinated Debts	-		-	
Deductions from Tier I Capital (-)	-		-	Deductions from Tier 1 Capital as per the Regulation
Tier I Capital	-		**373,339,001**	
Subordinated Debts			54,581,355	
12 Month ECL (Stage 1) and Lifetime ECL Significant Increase in Credit Risk (Stage 2)			24,958,876	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			**79,540,231**	
Deductions from Total Capital (-)			2,554	Deductions from Capital as per the Regulation
Total			**452,876,678**	

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*	*Explanationofdifferences*
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	44,402,838	1,034,545	45,437,383	Items not included in the calculation as per Regulation's Article 9-1-f
Other Comprehensive Income/Expense Items not to be Recycled to Profit/Loss	22,897,538	-	22,897,538	
Other Comprehensive Income/Expense Items to be Recycled to Profit/Loss	21,505,300	1,034,545	22,539,845	Items not included in the calculation as per Regulation's Article 9-1-f
Profit Reserves	188,327,757	-	188,327,757	
Profit or Loss	92,211,288	-	92,211,288	
Prior Periods' Profit/Loss	36,294	-	36,294	
Current Period Net Profit/Loss	92,174,994	-	92,174,994	
Deductions from Common Equity Tier I Capital (-)	-		3,195,462	Deductions from Common Equity Tier 1 Capital as per the Regulation
Common Equity Tier I Capital	**329,926,317**		**327,765,400**	
Subordinated Debts	-		-	
Deductions from Tier I Capital (-)	-		-	Deductions from Tier 1 Capital as per the Regulation
Tier I Capital	-		**327,765,400**	
Subordinated Debts			52,444,200	
12 Month ECL (Stage 1) and Lifetime ECL Significant Increase in Credit Risk (Stage 2)			19,917,615	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			**72,361,815**	
Deductions from Total Capital (-)			2,985	Deductions from Capital as per the Regulation
Total			**400,124,230**	

(Thousands of Turkish Lira (TL))

4.2 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 Currency risk

Foreign currency position limit is set in compliance with the legal standard ratio of net foreign currency position. As of 30 June 2025, the Bank's net 'on balance sheet' foreign currency short position amounts to TL 38,374,536 (31 December 2024: TL 16,079,170 balance sheet short position), net 'off-balance sheet' foreign currency balance sheet long position amounts to TL 72,618,143 (31 December 2024: TL 43,629,910 balance sheet long position), while net foreign currency balance sheet long position amounts to TL 34,243,607 (31 December 2024: TL 27,550,740 balance sheet long position).

The foreign currency position risk of the Bank 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. 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 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**
Foreign currency purchase rates at balance sheet date	46.6610	39.7490
Exchange 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

	EUR	**USD**
Last 30-days arithmetical average rates	45.4113	39.3675

(Thousands of Turkish Lira (TL))

The Bank’s currency risk:

Current Period	**EUR**	**USD**	**Other FCs**	**Total**
Assets				
Cash (Cash on Hand, Money in Transit, Purchased Cheques) and Balances with the Central Bank of Türkiye	56,273,258	87,647,764	77,963,424	221,884,446
Banks	84,398,013	56,853,222	10,987,667	152,238,902
Financial Assets Measured at Fair Value through Profit/Loss	415,916	4,192,822	-	4,608,738
Money Market Placements	4,673,779	9,251,386	-	13,925,165
Financial Assets Measured at Fair Value through Other Comprehensive Income	567,621	40,304,077	187,786	41,059,484
Loans (*)	294,582,469	213,131,236	10,989,392	518,703,097
Investments in Associates, Subsidiaries and Joint-Ventures	63,346,333	-	-	63,346,333
Financial Assets Measured at Amortised Cost	1,034,668	58,308,010	1,946,430	61,289,108
Derivative Financial Assets Held for Hedging Purpose	-	1,162,442	-	1,162,442
Tangible Assets	-	1,873	-	1,873
Intangible Assets	-	-	-	-
Other Assets (**)	(9,559,649)	4,003,449	61,380	(5,494,820)
Total Assets	**495,732,408**	**474,856,281**	**102,136,079**	**1,072,724,768**
Liabilities				
Bank Deposits	2,145,715	10,089,122	128,167	12,363,004
Foreign Currency Deposits	240,637,708	298,021,226	25,694,675	564,353,609
Money Market Funds	11,633,244	45,907,978	4,467,278	62,008,500
Other Fundings (***)	17,733,761	100,947,101	-	118,680,862
Securities Issued (****)	11,252,726	140,495,179	7,219,657	158,967,562
Miscellaneous Payables	1,950,090	5,034,707	315,683	7,300,480
Derivative Financial Liabilities Held for Hedging Purpose	-	-	-	-
Other Liabilities (*****)	4,593,986	8,944,808	173,886,493	187,425,287
Total Liabilities	**289,947,230**	**609,440,121**	**211,711,953**	**1,111,099,304**
Net ‘On Balance Sheet’ Position	**205,785,178**	**(134,583,840)**	**(109,575,874)**	**(38,374,536)**
Net ‘Off-Balance Sheet’ Position	**(165,056,459)**	**128,209,249**	**109,465,353**	**72,618,143**
Derivative Financial Assets	50,266,688	322,715,667	114,158,195	487,140,550
Derivative Financial Liabilities	215,323,147	194,506,418	4,692,842	414,522,407
Non-Cash Loans	**205,785,178**	**(134,583,840)**	**(109,575,874)**	**(38,374,536)**
Prior Period				
Total Assets	**350,196,400**	**382,448,015**	**63,527,513**	**796,171,928**
Total Liabilities	**207,940,216**	**463,242,103**	**141,068,779**	**812,251,098**
Net ‘On Balance Sheet’ Position	**142,256,184**	**(80,794,088)**	**(77,541,266)**	**(16,079,170)**
Net ‘Off-Balance Sheet’ Position	**(113,462,528)**	**80,461,762**	**76,630,676**	**43,629,910**
Derivative Financial Assets	20,948,515	209,390,010	100,474,361	330,812,886
Derivative Financial Liabilities	134,411,043	128,928,248	23,843,685	287,182,976
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 balance sheet are presented above under the related foreign currency codes.

(**) Includes expected credit losses in accordance with TFRS 9.

(***) Includes funds presented under financial liabilities amounting TL 62,583,271 (31 December 2024: TL 56,646,374) measured at fair value through profit or loss in balance sheet.

(****) Includes securities issued as subordinated loan presented under subordinated debts in 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 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	-	-	-	-	292,582,736	529,760,307
Banks	71,000,886	-	-	-	-	88,176,975	159,177,861
Financial Assets Measured at Fair Value through Profit/Loss	204,958	37,715	2,613,139	2,158,879	740,976	1,205,365	6,961,032
Money Market Placements	13,908,913	-	-	-	-	16,252	13,925,165
Financial Assets Measured at Fair Value through Other Comprehensive Income	11,430,913	1,319,252	3,789,090	48,362,166	36,539,369	37,009,647	138,450,437
Loans	774,865,770	183,636,944	455,469,688	290,665,801	134,772,586	56,273,909	1,895,684,698
Financial Assets Measured at Amortised Cost	30,945,055	2,331,686	18,525,446	102,251,124	46,645,492	55,709,228	256,408,031
Other Assets (**)	-	-	-	-	-	245,670,217	245,670,217
Total Assets	**1,139,534,066**	**187,325,597**	**480,397,363**	**443,437,970**	**218,698,423**	**776,644,329**	**3,246,037,748**
Liabilities							
Bank Deposits	11,721,315	-	-	-	-	7,466,747	19,188,062
Other Deposits	969,056,599	266,004,066	66,674,687	1,458,399	-	894,164,115	2,197,357,866
Money Market Funds	90,866,931	2,303,888	4,411,964	-	-	282,056	97,864,839
Miscellaneous Payables	-	-	-	-	-	144,913,888	144,913,888
Securities Issued (***)	1,192,470	4,372,390	73,832,065	25,407,508	49,686,250	4,476,879	158,967,562
Other Fundings	95,850,963	291,618	12,784,054	11,692,299	1,727,915	108,627	122,455,476
Other Liabilities	144,616	367,538	1,043,668	2,943,316	339,990	500,450,927	505,290,055
Total Liabilities	**1,168,832,894**	**273,339,500**	**158,746,438**	**41,501,522**	**51,754,155**	**1,551,863,239**	**3,246,037,748**
On Balance Sheet Long Position	**-**	**-**	**321,650,925**	**401,936,448**	**166,944,268**	**-**	**890,531,641**
On Balance Sheet Short Position	**(29,298,828)**	**(86,013,903)**	**-**	**-**	**-**	**(775,218,910)**	**(890,531,641)**
Off-Balance Sheet Long Position	**89,095,077**	**138,254,099**	**127,560,066**	**119,713,008**	**25,178,370**	**-**	**499,800,620**
Off-Balance Sheet Short Position	**(113,938,388)**	**(135,405,642)**	**(138,918,923)**	**(85,244,296)**	**(28,916,345)**	**-**	**(502,423,594)**
Total Position	**(54,142,139)**	**(83,165,446)**	**310,292,068**	**436,405,160**	**163,206,293**	**(775,218,910)**	**(2,622,974)**

(*) Interest accruals are also included in non-interest bearing column.
(**) Includes expected credit losses in accordance with TFRS 9.
(***) Includes subordinated securities issued and presented under subordinated debts in 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	-	-	-	-	185,684,591	359,995,256
Banks	63,801,813	-	-	-	-	35,935,165	99,736,978
Financial Assets at Fair Value through Profit/Loss	191,946	87,334	1,733,356	5,615,450	949,522	788,618	9,366,226
Money Market Placements	20,196,459	-	-	-	-	47,006	20,243,465
Financial Assets Measured at Fair Value through Other Comprehensive Income	14,981,410	1,241,412	3,697,123	23,156,243	22,926,346	38,521,011	104,523,545
Loans	669,435,746	140,317,350	398,277,279	216,508,297	102,708,134	34,778,839	1,562,025,645
Financial Assets Measured at Amortised Cost	31,320,660	3,341,502	8,669,136	100,785,146	52,317,413	56,702,223	253,136,080
Other Assets (**)	-	-	-	-	-	198,645,280	198,645,280
Total Assets	**974,238,699**	**144,987,598**	**412,376,894**	**346,065,136**	**178,901,415**	**551,102,733**	**2,607,672,475**
Liabilities							
Bank Deposits	54,693,916	-	-	-	-	2,622,459	57,316,375
Other Deposits	692,915,796	217,818,871	91,237,846	3,395,996	-	758,688,379	1,764,056,888
Money Market Funds	32,602,127	170	-	-	-	24,406	32,626,703
Miscellaneous Payables	-	-	-	-	-	124,218,937	124,218,937
Securities Issued (***)	2,019,041	9,533,159	11,461,299	40,656,606	25,911,000	1,124,885	90,705,990
Other Fundings	83,511,993	441,253	18,028,905	1,912,101	1,500,000	73,371	105,467,623
Other Liabilities	76,430	186,792	535,360	1,405,933	223,186	430,852,258	433,279,959
Total Liabilities	**865,819,303**	**227,980,245**	**121,263,410**	**47,370,636**	**27,634,186**	**1,317,604,695**	**2,607,672,475**
On Balance Sheet Long Position	**108,419,396**	**-**	**291,113,484**	**298,694,500**	**151,267,229**	**-**	**849,494,609**
On Balance Sheet Short Position	**-**	**(82,992,647)**	**-**	**-**	**-**	**(766,501,962)**	**(849,494,609)**
Off-Balance Sheet Long Position	**55,733,386**	**86,773,707**	**103,650,337**	**62,426,906**	**38,161,953**	**-**	**346,746,289**
Off-Balance Sheet Short Position	**(43,437,802)**	**(97,275,890)**	**(106,153,630)**	**(68,526,222)**	**(33,951,274)**	**-**	**(349,344,818)**
Total Position	**120,714,980**	**(93,494,830)**	**288,610,191**	**292,595,184**	**155,477,908**	**(766,501,962)**	**(2,598,529)**

(*) Interest accruals are also included in non-interest bearing column
(**) Includes expected credit losses in accordance with TFRS 9.
(***) Includes subordinated securities issued and presented under subordinated debts in 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	2.02	2.02	-	54.07
Financial Assets Measured at Fair Value Through Profit/Loss	4.48	6.44	-	44.11
Money Market Placements	1.89	4.02	-	-
Financial Assets Measured at Fair Value Through Other Comprehensive Income	3.44	6.82	-	31.73
Loans	6.63	8.35	-	64.97
Financial Assets Measured at Amortised Cost	3.59	6.62	-	21.68
Liabilities				
Bank Deposits	1.82	5.40	-	57.32
Other Deposits	0.14	0.32	-	45.22
Money Market Funds	4.00	4.44	-	58.42
Miscellaneous Payables	-	-	-	-
Securities Issued	3.27	6.56	-	-
Other Fundings	2.45	6.27	-	35.73

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	3.00	2.28		58.32
Financial Assets Measured at Fair Value Through Profit/Loss	4.25	5.84	-	40.96
Money Market Placements	-	4.17	-	-
Financial Assets Measured at Fair Value Through Other Comprehensive Income	5.49	6.54	-	38.21
Loans	6.75	8.45	-	64.76
Financial Assets Measured at Amortised Cost	4.00	6.67	-	26.33
Liabilities				
Bank Deposits	3.04	4.63	-	62.76
Other Deposits	0.10	0.18	-	44.41
Money Market Funds	1.75	3.62	-	19.27
Miscellaneous Payables	-	-	-	-
Securities Issued	2.76	7.08	-	62.47
Other Fundings	3.26	6.76	-	39.52

(Thousands of Turkish Lira (TL))

4.5 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**	**108,302,418**	**108,302,418**	**4,256,890**
	Quoted Securities	1,983,550	1,983,550	4,256,890
2	**Investment in Shares- Grade B**	**1,639,224**	**1,639,224**	**3,686,313**
	Quoted Securities	1,613,783	1,613,783	3,686,313
3	**Investment in Shares- Grade C**	**4,170,919**	**4,170,919**	**-**
	Quoted Securities	-	-	-
4	**Investment in Shares- Grade D**	**154,238**	**154,238**	**-**
	Quoted Securities	-	-	-
5	**Investment in Shares- Grade E**	**3,489**	**3,489**	**-**
	Quoted Securities	-	-	-
6	**Investment in Shares- Grade F**	**165**	**165**	**-**
	Quoted Securities	-	-	-

(*) The balances are as per the results of equity accounting application.

Prior Period		Comparison		
Equity Securities (shares)		**Carrying Value**	**Fair Value(*)**	**Market Value**
1	**Investment in Shares- Grade A**	**78,978,270**	**78,978,270**	**3,632,442**
	Quoted Securities	1,518,980	1,518,980	3,632,442
2	**Investment in Shares- Grade B**	**1,263,682**	**1,263,682**	**3,165,016**
	Quoted Securities	1,238,242	1,238,242	3,165,016
3	**Investment in Shares- Grade C**	**3,228,824**	**3,228,824**	**-**
	Quoted Securities	-	-	-
4	**Investment in Shares- Grade D**	**117,519**	**117,519**	**-**
	Quoted Securities	-	-	-
5	**Investment in Shares- Grade E**	**1,014**	**1,014**	**-**
	Quoted Securities	-	-	-
6	**Investment in Shares- Grade F**	**48**	**48**	**-**
	Quoted Securities	-	-	-

(*) The balances are as per the results of equity accounting application.

(Thousands of Turkish Lira (TL))

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 Portfolio		Gains/Losses in Current Period	Revaluation Surpluses		Unrealised Gains and Losses	
			Total	**Amount in Tier I Capital(*)**	**Total**	**Amount in Tier I Capital(*)**
1	Private Equity Investments	-	-	-	-	-
2	Quoted Shares	-	3,459,117	3,459,117	-	-
3	Other Shares	-	74,329,213	74,329,213	-	-
	Total	**-**	**77,788,330**	**77,788,330**	**-**	**-**

(*) The balances are as per the results of equity accounting application.

Prior Period Portfolio		Gains/Losses in Current Period	Revaluation Surpluses		Unrealised Gains and Losses	
			Total	**Amount in Tier I Capital(*)**	**Total**	**Amount in Tier I Capital(*)**
1	Private Equity Investments	-	-	-	-	-
2	Quoted Shares	-	2,730,906	2,730,906	-	-
3	Other Shares	-	57,668,688	57,668,688	-	-
	Total	**-**	**60,399,594**	**60,399,594**	**-**	**-**

(*) The balances are as per the results of equity accounting application.

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	3,812,571	3,812,571	305,006
3	Other Shares	110,457,882	94,071,061	7,525,685
	Total	**114,270,453**	**97,883,632**	**7,830,691**

	Prior Period			
	Portfolio	**Carrying Value**	**RWA Total**	**Minimum Capital Requirement**
1	Private Equity Investments	-	-	-
2	Quoted Shares	3,084,359	3,084,359	246,749
3	Other Shares	80,504,998	69,753,456	5,580,276
	Total	**83,589,357**	**72,837,815**	**5,827,025**

4.6 Liquidity risk management, liquidity coverage ratio and net stabled 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 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 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 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 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 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 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 Bank's liquidity management. Each subsidiary controlled by the 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 Bank by considering the operations, risk profile and regulations of the related subsidiary.

The 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 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 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 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 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. Morover, 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 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. Most of the swap transactions made for TL funding are carried out with foreign banks within legal 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 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 in the second quarter of 2025.

The Bank keeps a strong liquidity buffer due to possible liquidity risks. Excess liquidity is used in foreign currency swap auctions held with the CBRT and utilized as overnight reverse repurchase transactions in BİST, in which, the collateral received by the bank is HQLA securities issued Republic of Turkiye 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 LCR calculation 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. The Bank's high quality liquid assets are composed of 3.42% cash, 76.93% deposits in central banks and 19.65% securities considered as high quality liquid assets.

The Bank's main funding sources are deposits, funds borrowed, money market borrowings and securities issued. Funding source composition as of report date is 80.87% deposits, 8.04% funds borrowed and money market borrowings, 5.80% securities issued and 5.29% other liabilities.

In LCR calculation, 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 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 (Average) (*)		Total Weighted Value (Average) (*)	
		TL+FC	**FC**	**TL+FC**	**FC**
High-Quality Liquid Assets				**692,527,428**	**320,570,739**
1	Total high-quality liquid assets (HQLA)	692,527,428	320,570,739	692,527,428	320,570,739
Cash Outflows					
2	Retail deposits and deposits from small business customers, of which:	1,443,268,971	504,960,977	126,016,193	49,895,422
3	Stable deposits	366,214,092	12,013,509	18,310,705	600,675
4	Less stable deposits	1,077,054,879	492,947,468	107,705,488	49,294,747
5	Unsecured wholesale funding, of which:	692,174,913	283,284,136	395,376,107	155,824,653
6	Operational deposits	-	-	-	-
7	Non-operational deposits	533,218,905	230,162,846	285,295,592	103,040,899
8	Unsecured funding	158,956,008	53,121,290	110,080,515	52,783,754
9	Secured wholesale funding				
10	Other cash outflows of which:	2,339,797,744	249,129,593	182,962,654	63,199,806
11	Outflows related to derivative exposures and other collateral requirements	12,630,650	32,032,174	12,630,489	32,043,759
12	Outflows related to restructured financial instruments	-	-	-	-
13	Payment commitments and other off-balance sheet commitments granted for debts to financial markets	2,327,167,094	217,097,419	170,332,165	31,156,047
14	Other revocable off-balance sheet commitments and contractual obligations	10,902	10,902	545	545
15	Other irrevocable or conditionally revocable off-balance sheet obligations	77,777,350	76,659,952	3,888,868	3,832,998
16	**Total Cash Outflows**			**708,244,367**	**272,753,424**
Cash Inflows					
17	Secured receivables	-	-	-	-
18	Unsecured receivables	308,461,951	90,865,751	205,976,334	74,825,552
19	Other cash inflows	15,377,690	62,491,330	15,436,816	62,551,326
20	**Total Cash Inflows**	**323,839,641**	**153,357,081**	**221,413,150**	**137,376,878**
21	**Total HQLA**			**692,527,428**	**320,570,739**
22	**Total Net Cash Outflows**			**486,831,217**	**135,376,546**
23	**Liquidity Coverage Ratio (%)**			**144.64**	**246.01**

(*) The average of last three months' liquidity coverage ratio calculated by weekly simple averages.

The table below presents highest, lowest and average liquidity coverage ratios of the second quarter of 2025:

Current Period	Highest	Date	Lowest	Date	Average
TL+FC	184.20	25.04.2025	114.12	26.05.2025	144.64
FC	406.10	25.04.2025	140.94	02.04.2025	246.01

(Thousands of Turkish Lira (TL))

Prior Period		Total Unweighted Value (Average) (*)		Total Weighted Value (Average) (*)	
		TL+FC	**FC**	**TL+FC**	**FC**
High-Quality Liquid Assets				**552,796,883**	**248,234,721**
1	Total high-quality liquid assets (HQLA)	552,796,883	248,234,721	552,796,883	248,234,721
Cash Outflows					
2	Retail deposits and deposits from small business customers, of which:	1,189,464,391	406,853,241	105,911,882	40,275,358
3	Stable deposits	260,691,141	8,199,323	13,034,557	409,966
4	Less stable deposits	928,773,250	398,653,918	92,877,325	39,865,392
5	Unsecured wholesale funding, of which:	529,903,936	215,192,332	296,543,218	126,489,010
6	Operational deposits	-	-	-	-
7	Non-operational deposits	412,911,233	152,190,432	217,413,245	63,792,968
8	Unsecured funding	116,992,703	63,001,900	79,129,973	62,696,042
9	Secured wholesale funding			-	-
10	Other cash outflows of which:	1,825,191,196	195,196,852	143,352,106	53,984,693
11	Outflows related to derivative exposures and other collateral requirements	11,062,999	30,530,640	11,062,999	30,530,640
12	Outflows related to restructured financial instruments	-	-	-	-
13	Payment commitments and other off-balance sheet commitments granted for debts to financial markets	1,814,128,197	164,666,212	132,289,107	23,454,053
14	Other revocable off-balance sheet commitments and contractual obligations	9,468	9,468	472	472
15	Other irrevocable or conditionally revocable off-balance sheet obligations	59,861,470	57,288,778	2,993,074	2,864,439
16	**Total Cash Outflows**			**548,800,752**	**223,613,972**
Cash Inflows					
17	Secured receivables	-	-	-	-
18	Unsecured receivables	265,659,656	68,946,589	173,556,474	53,634,981
19	Other cash inflows	9,682,611	37,379,205	9,682,611	37,379,205
20	**Total Cash Inflows**	**275,342,267**	**106,325,794**	**183,239,085**	**91,014,186**
21	**Total HQLA**			**552,796,883**	**248,234,721**
22	**Total Net Cash Outflows**			**365,561,667**	**132,599,789**
23	**Liquidity Coverage Ratio (%)**			**152.22**	**191.15**

(*) The average of last three months' liquidity coverage ratio calculated by weekly simple averages.

The table below presents highest, lowest and average liquidity coverage ratios of the last quarter of 2024:

Prior Period	Highest	Date	Lowest	Date	Average
TL+FC	182.76	05.10.2024	130.69	04.12.2024	152.22
FC	260.00	19.12.2024	124.69	01.10.2024	191.15

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 assets and 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 of Türkiye	214,246,909	293,635,117	21,372,998	505,283	-	-	-	529,760,307
Banks	88,167,582	71,010,279	-	-	-	-	-	159,177,861
Financial Assets Measured at Fair Value through Profit/Loss	870,586	20,163	33,823	2,625,531	2,347,331	1,063,598	-	6,961,032
Money Market Placements	-	13,925,165	-	-	-	-	-	13,925,165
Financial Assets Measured at Fair Value through Other Comprehensive Income	3,841,789	197,740	480,577	8,305,802	72,048,126	53,576,403	-	138,450,437
Loans	13,061,080	524,776,683	263,667,739	521,353,090	410,679,506	67,396,881	94,749,719	1,895,684,698
Financial Assets Measured at Amortised Cost	-	1,421,275	1,802,690	30,560,655	133,949,602	88,673,809	-	256,408,031
Other Assets (*)	48,338,619	9,070,227	849,370	4,218,611	4,531,678	2,623,195	176,038,517	245,670,217
Total Assets	**368,526,565**	**914,056,649**	**288,207,197**	**567,568,972**	**623,556,243**	**213,333,886**	**270,788,236**	**3,246,037,748**
Liabilities								
Bank Deposits	7,427,776	11,760,286	-	-	-	-	-	19,188,062
Other Deposits	894,164,116	969,044,395	266,001,950	66,655,959	1,488,301	3,145	-	2,197,357,866
Other Fundings	-	9,153,351	330,417	31,897,732	13,760,211	67,313,765	-	122,455,476
Money Market Funds	-	91,072,568	2,308,200	4,484,071	-	-	-	97,864,839
Securities Issued (**)	-	1,236,575	4,446,899	74,794,574	25,597,818	52,891,696	-	158,967,562
Miscellaneous Payables	144,913,826	62	-	-	-	-	-	144,913,888
Other Liabilities (***)	51,474,314	17,895,858	5,733,552	4,310,281	8,579,942	1,881,327	415,414,781	505,290,055
Total Liabilities	**1,097,980,032**	**1,100,163,095**	**278,821,018**	**182,142,617**	**49,426,272**	**122,089,933**	**415,414,781**	**3,246,037,748**
Liquidity Gap	**(729,453,467)**	**(186,106,446)**	**9,386,179**	**385,426,355**	**574,129,971**	**91,243,953**	**(144,626,545)**	**-**
Net Off-Balance Sheet Position	**-**	**(3,120,932)**	**(1,449,445)**	**1,162,856**	**(537,152)**	**(83,943)**	**-**	**(4,028,616)**
Derivative Financial Assets	-	340,214,752	143,076,275	150,376,197	39,609,652	4,663,224	-	677,940,100
Derivative Financial Liabilities	-	343,335,684	144,525,720	149,213,341	40,146,804	4,747,167	-	681,968,716
Non-Cash Loans	-	126,182,622	9,696,517	11,427,646	1,967,865	-	2,526,063,790	2,675,338,440
Prior Period								
Total Assets	**227,851,726**	**719,795,636**	**255,368,726**	**492,712,597**	**518,273,170**	**188,017,330**	**205,653,290**	**2,607,672,475**
Total Liabilities	**878,419,923**	**823,281,472**	**245,312,836**	**151,395,514**	**41,040,581**	**105,133,732**	**363,088,417**	**2,607,672,475**
Liquidity Gap	**(650,568,197)**	**(103,485,836)**	**10,055,890**	**341,317,083**	**477,232,589**	**82,883,598**	**(157,435,127)**	**-**
Net Off-Balance Sheet Position	**-**	**51,832**	**274,556**	**913,429**	**(1,474,628)**	**50,932**	**-**	**(183,879)**
Derivative Financial Assets	-	246,995,248	100,969,608	69,839,136	30,762,175	4,684,286	-	453,250,453
Derivative Financial Liabilities	-	246,943,416	100,695,052	68,925,707	32,236,803	4,633,354	-	453,434,332
Non-Cash Loans	-	76,228,819	5,927,574	9,753,915	1,304,648	-	1,919,280,354	2,012,495,310

(*) Includes expected credit losses in accordance with TFRS 9.
(**) Includes securities issued having qualification of subordinated loan presented under subordinated debts in balance sheet.
(***) Shareholders’ equity is included in “other liabilities” line under “undistributed” column.

(Thousands of Turkish Lira (TL))

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.

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 six months and longer but less than one year	Residual maturity of one year or more	
Available stable funding						
1	Capital Instruments	444,823,128	-	-	54,581,355	499,404,483
2	Tier 1 Capital and Tier 2 Capital	444,823,128	-	-	54,581,355	499,404,483
3	Other Capital Instruments	-	-	-	-	-
4	Real-person and Retail Customer Deposits	641,942,932	817,144,530	12,087,004	147,904	1,342,544,122
5	Stable Deposits	165,147,330	201,547,039	373,307	12,097	348,725,785
6	Less Stable Deposits	476,795,602	615,597,491	11,713,697	135,807	993,818,337
7	Other Obligations	260,086,002	480,977,901	19,244,250	70,952,184	394,925,051
8	Operational deposits	-	-	-	-	-
9	Other Obligations	260,086,002	480,977,901	19,244,250	70,952,184	394,925,051
10	Liabilities equivalent to interconnected assets					
11	Other Liabilities					221,021
12	Derivative liabilities		-			
13	All other equity not included in the above categories	350,231,623	-	-	-	221,021
14	**Available stable funding**					**2,237,094,676**
Required stable funding						
15	High Quality Liquid Assets					79,359,621
16	Deposits held at financial institutions for operational purposes	-	-	-	-	-
17	Performing Loans	76,561,999	1,077,236,966	287,284,553	483,528,761	1,106,846,816
18	Encumbered loans to financial institutions, where the loan is secured against Level 1 assets	-	-	-	-	9,889,767
19	Unencumbered loans to financial institutions or encumbered loans that are not secured against Level 1 assets	71,849,624	13,860,495	11,286,577	11,559,586	30,059,393

(Thousands of Turkish Lira (TL))

20	Loans to corporate customers, real persons and or retail customers, central banks, other than credit agencies and/or financial institutions	-	1,055,335,298	269,427,566	415,083,687	1,016,031,449
21	*Loans with a risk weight of less than or equal to 35%*	-	3,271,169	484,885	2,864,512	3,739,960
22	Residential mortgages	-	5,209,564	4,596,349	50,537,812	37,752,534
23	*Residential mortgages with a risk weight of less than or equal to 35%*	-	5,209,564	4,596,349	50,537,812	37,752,534
24	Securities that are not in default and do not qualify as HQLA and exchange-traded equities	4,712,375	2,831,609	1,974,061	6,347,675	13,113,672
25	Assets equivalent to interconnected liabilities					
26	Other Assets	-	-	-	-	369,060,801
27	Physical traded commodities, including gold	27,763,207				27,763,207
28	Initial margin posted or given guarantee fund to central counterparty		-			-
29	Derivative Assets		8,622,680			8,622,680
30	Derivative Liabilities before the deduction of the variation margin		1,217,352			1,217,352
31	Other Assets not included above	370,309,821	-	-	-	331,457,562
32	Off-balance sheet commitments		180,158,276	235,047,451	2,134,685,181	127,494,545
33	**Total Required stable funding**					**1,682,761,782**
34	**Net Stable Funding Ratio (%)**					**132.94**

As of 30 June 2025, NSFR is calculated as 132.94% (31 December 2024: 136.59%). Considering the amounts to which the consideration rate is applied, Capital items corresponds to 22.3% of Available Stable Funding amount (31 December 2024: 23.4%) and Real Person and Retail Customer Deposits corresponds to 60.0% of Available Stable Funding amount. (31 December 2024: 60.8%), 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 65.8% (31 December 2024: 67.2%) 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.
NSFR ratio development in the second quarter of 2025 is shown in the table below.

Period	*Ratio*
30 April 2025	136.25%
31 May 2025	134.74%
30 June 2025	132.94%
3 Month Average	134.64%

(Thousands of Turkish Lira (TL))

Previous 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 six months and longer but less than one year	Residual maturity of one year or more	
Available stable funding						
1	Capital Instruments	378,610,685	-	-	52,444,200	431,054,885
2	Tier 1 Capital and Tier 2 Capital	378,610,685	-	-	52,444,200	431,054,885
3	Other Capital Instruments	-	-	-	-	-
4	Real-person and Retail Customer Deposits	518,293,872	694,258,456	13,277,490	2,516,722	1,118,539,257
5	Stable Deposits	131,517,144	128,625,401	390,872	13,999	247,520,045
6	Less Stable Deposits	386,776,728	565,633,055	12,886,618	2,502,723	871,019,212
7	Other Obligations	194,487,076	387,868,939	19,994,531	62,166,811	289,847,035
8	Operational deposits	-	-	-	-	-
9	Other Obligations	194,487,076	387,868,939	19,994,531	62,166,811	289,847,035
10	Liabilities equivalent to interconnected assets					
11	Other Liabilities					16,892
12	Derivative liabilities		904,302			
13	All other equity not included in the above categories	242,050,985	-	-	-	16,892
14	**Available stable funding**					**1,839,458,069**
Required stable funding						
15	High Quality Liquid Assets					62,658,568
16	Deposits held at financial institutions for operational purposes	-	-	-	-	-
17	Performing Loans	25,035,185	922,208,505	258,686,996	374,341,965	904,470,775
18	Encumbered loans to financial institutions, where the loan is secured against Level 1 assets	-	20,243,465	-	-	9,959,768
19	Unencumbered loans to financial institutions or encumbered loans that are not secured against Level 1 assets	25,035,185	9,131,003	12,023,915	9,279,826	26,997,835
20	Loans to corporate customers, real persons and or retail customers, central banks, other than credit agencies and/or financial institutions	-	885,300,470	241,372,109	316,522,195	828,768,311
21	*Loans with a risk weight of less than or equal to 35%*	-	16,895,679	4,001,645	2,895,554	12,330,772
22	Residential mortgages	-	4,229,369	3,586,684	41,129,665	30,642,309
23	*Residential mortgages with a risk weight of less than or equal to 35%*	-	4,229,369	3,586,684	41,129,665	30,642,309
24	Securities that are not in default and do not qualify as HQLA and exchange-traded equities	-	3,304,198	1,704,288	7,410,278	8,102,551
25	Assets equivalent to interconnected liabilities					
26	Other Assets	-	-	-	-	282,817,169
27	Physical traded commodities, including gold	16,300,705				16,300,705
28	Initial margin posted or given guarantee fund to central counterparty		-			-
29	Derivative Assets		7,236,109			7,236,109
30	Derivative Liabilities before the deduction of the variation margin		991,944			991,944
31	Other Assets not included above	258,288,411	-	-	-	258,288,411
32	Off-balance sheet commitments		176,884,009	147,754,218	1,610,014,680	96,732,645
33	**Total Required stable funding**					**1,346,679,157**
34	**Net Stable Funding Ratio (%)**					**136.59**

(Thousands of Turkish Lira (TL))

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

Period	*Ratio*
31 October 2024	144.93%
30 November 2024	136.99%
31 December 2024	136.59%
3 Month Average	139.50%

4.7 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 leverage ratio calculated by taking average of end of month leverage ratios for the last three-month periods is 6.20% (31 December 2024: 6.93%). While the capital increased by 12.99% mainly as a result of increase in net profits, total risk amount increased by 26.34%. Therefore, the current period leverage ratio decreased by 73 basis points compared to prior period.

On-balance sheet assets		*Current Period (*)*	*Prior Period (*)*
1	On-balance sheet items (excluding derivative financial instruments and credit derivatives but including collateral)	3,134,761,115	2,552,614,926
2	(Assets deducted in determining Tier I capital)	(4,687,043)	(2,911,990)
3	Total on-balance sheet risks (sum of lines 1 and 2)	3,130,074,072	2,549,702,936
Derivative financial instruments and credit derivatives			
4	Replacement cost associated with all derivative instruments and credit derivatives	12,850,678	9,605,248
5	Add-on amounts for PFE associated with all derivative instruments and credit derivatives	71,684,099	65,232,913
6	Total risks of derivative financial instruments and credit derivatives (sum of lines 4 to 5)	84,534,777	74,838,161
Securities or commodity financing transactions (SCFT)			
7	Risks from SCFT assets (excluding on-balance sheet)	14,190,330	11,242,864
8	Risks from brokerage activities related exposures	-	-
9	Total risks related with securities or commodity financing transactions (sum of lines 7 to 8)	14,190,330	11,242,864
Other off-balance sheet transactions			
10	Gross notional amounts of off-balance sheet transactions	2,542,449,329	1,931,591,790
11	(Adjustments for conversion to credit equivalent amounts)	(5,575,604)	(3,665,337)
12	Total risks of off-balance sheet items (sum of lines 10 and 11)	2,536,873,725	1,927,926,453
Capital and total risks			
13	Tier I capital	357,422,377	316,344,769
14	Total risks (sum of lines 3, 6, 9 and 12)	5,765,672,904	4,563,710,414
Leverage ratio			
15	Leverage ratio	6.20	6.93

(*)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 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) (*)	1,969,345,161	1,574,318,437	157,547,613
2	Of which standardised approach (SA)	1,969,345,161	1,574,318,437	157,547,613
3	Of which internal rating-based (IRB) approach	-	-	-
4	Counterparty credit risk	27,364,884	19,090,788	2,189,191
5	Of which standardised approach for counterparty credit risk (SA-CCR)	27,364,884	19,090,788	2,189,191
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	-	-	-
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	67,942,500	43,902,656	5,435,400
17	Of which standardised approach (SA)	67,942,500	43,902,656	5,435,400
18	Of which internal model approaches (IMM)	-	-	-
19	Operational risk	286,486,435	187,771,191	22,918,915
20	Of which basic indicator approach	286,486,435	187,771,191	22,918,915
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)**	**2,351,138,980**	**1,825,083,072**	**188,091,119**

(*) 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 “Regulation on Calculation of Risk Management Disclosures”.

4.10.3 Credit risk

4.10.3.1 General information on credit risk

4.10.3.1.1 General qualitative information on credit risk

The 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. 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 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 credit 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, Corporate and Commercial Loans Restructuring, Wholesale Recovery, Retail Collection, Commercial Risk Strategies Retail Loans Evaluations, Retail Risk Strategies, Retail & SME Loans Risk Governance, Risk Planning Monitoring and Reporting, Credit Risk Management Advanced Analytics Discipline, Risk Projects, Validation, Credit Risk Control, Risk Management Control.

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, 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.

(Thousands of Turkish Lira (TL))

The Risk Management measures, monitors and reports credit risks by using validated probability of defaults obtained from the 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.

The 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. 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 Bank's credit risk policies, rules and procedures

4.10.3.1.2 Credit quality of assets

	Current Period	*Gross carrying value as per TAS*		*Allowances/amortisation and impairments*	*Net values*
		Defaulted	*Non-defaulted*		
1	Loans	56,817,805	2,477,700,698	37,167,333	2,497,351,170
2	Debt securities	-	391,016,679	-	391,016,679
3	Off-balance sheet exposures	4,890,709	759,331,451	2,743,410	761,478,750
4	**Total**	**61,708,514**	**3,628,048,828**	**39,910,743**	**3,649,846,599**

	Prior Period	*Gross carrying value as per TAS*		*Allowances/amortisation and impairments*	*Net values*
		Defaulted	*Non-defaulted*		
1	Loans	35,056,401	1,961,053,958	23,376,930	1,972,733,429
2	Debt securities	-	354,527,201	-	354,527,201
3	Off-balance sheet exposures	4,109,552	572,294,727	2,353,321	574,050,958
4	**Total**	**39,165,953**	**2,887,875,886**	**25,730,251**	**2,901,311,588**

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**	**35,056,401**	**21,653,653**
2	Loans and debt securities defaulted since the last reporting period	37,496,354	37,525,097
3	Receivables back to non-defaulted status	-	-
4	Amounts written off	(4,884,801)	(12,715,086)
5	Other changes (Collections and fx differences)	(10,850,149)	(11,407,263)
6	**Defaulted loans and debt securities at end of the reporting period**	**56,817,805**	**35,056,401**

4.10.3.1.4 Additional disclosure related to the credit quality of assets

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

(Thousands of Turkish Lira (TL))

4.10.3.2 Credit risk mitigation

4.10.3.2.1 Qualitative disclosure on credit risk mitigation techniques

The 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.

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.

Within the context of capital adequacy ratio calculation, The 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 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	2,438,692,129	58,659,041	49,631,488	1,106,431	1,106,431	-	-
2	Debt securities	391,016,679	-	-	-	-	-	-
3	**Total**	**2,829,708,808**	**58,659,041**	**49,631,488**	**1,106,431**	**1,106,431**	**-**	**-**
4	Of which defaulted(*)	56,817,805	-	-	-	-	-	-

(*)The defaulted amount is given as gross.

	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	1,895,338,961	77,394,468	70,215,801	1,604,290	1,604,290	-	-
2	Debt securities	354,527,201	-	-	-	-	-	-
3	**Total**	**2,249,866,162**	**77,394,468**	**70,215,801**	**1,604,290**	**1,604,290**	**-**	**-**
4	Of which defaulted(*)	35,056,401	-	-	-	-	-	-

(*)The defaulted amount is given as gross.

(Thousands of Turkish Lira (TL))

4.10.3.3 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

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 and JCR Avrasya Derecelendirme A.Ş. international 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. According to BRSA decision No.8875 dated 21 February 2020, for the assigment of risk weights to TL denominated receivables from domestic Banks, brokerage houses and Corporates JCR Avrasya Derecelendirme A.Ş. international ratings are used. Other domestic receivables are considered as unrated in the calculation of capital adequacy.

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:

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%

(Thousands of Turkish Lira (TL))

4.10.3.3.2 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	888,629,890	9,322,293	889,736,321	6,193,785	18,304,743	2.04%
2	Exposures to regional and local governments	8,605,233	97,191	8,605,233	48,596	4,326,914	50.00%
3	Exposures to administrative bodies and non-commercial entities	1,536,850	521,994	1,533,422	92,468	1,625,891	100.00%
4	Exposures to multilateral development banks	729,493	162	729,493	-	-	-
5	Exposures to international organizations	-	-	-	-	-	-
6	Exposures to banks and brokerage houses	122,310,120	87,016,797	112,167,105	24,451,201	39,931,497	29.23%
7	Exposures to corporates	709,683,771	695,379,365	685,929,930	350,403,510	937,225,550	90.44%
8	Retail exposures	893,362,356	1,729,978,142	890,547,479	35,763,993	694,733,594	75.00%
9	Exposures secured by residential property	62,690,344	168,119	62,679,041	90,677	21,969,401	35.00%
10	Exposures secured by commercial property	56,244,287	17,609,300	56,103,307	10,977,077	42,512,883	63.38%
11	Past-due items	19,134,953	2,278	19,134,954	-	13,621,443	71.19%
12	Exposures in high-risk categories	1,780,545	2,296,680	1,682,779	1,074,467	3,565,542	129.32%
13	Exposures in the form of bonds secured by mortgages	-	-	-	-	-	-
14	Short-term exposures to banks, brokerage houses and corporates	-	-	-	-	-	-
15	Exposures in the form of collective investment undertakings	-	-	-	-	-	-
16	Other exposures	130,924,999	-	130,924,999	-	94,162,226	71.92%
17	Shares	97,365,477	-	97,365,477	-	97,365,477	100.00%
18	**Total**	**2,992,998,318**	**2,542,392,321**	**2,957,139,540**	**429,095,774**	**1,969,345,161**	**58.16%**

(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	694,767,517	676,954	696,371,807	215,509	18,146,446	2.61%
2	Exposures to regional and local governments	5,691,880	94,223	5,691,880	47,112	2,869,495	50.00%
3	Exposures to administrative bodies and non-commercial entities	994,937	455,733	993,550	115,602	1,109,153	100.00%
4	Exposures to multilateral development banks	16	496	16	-	-	-
5	Exposures to international organizations	-	-	-	-	-	-
6	Exposures to banks and brokerage houses	84,309,219	73,606,862	70,324,123	15,454,310	26,342,061	30.71%
7	Exposures to corporates	586,500,370	509,722,220	549,858,034	256,744,346	714,593,485	88.59%
8	Retail exposures	739,460,295	1,336,233,035	733,438,555	35,692,379	576,844,425	75.00%
9	Exposures secured by residential property	50,857,097	219,751	50,844,616	116,361	17,836,342	35.00%
10	Exposures secured by commercial property	43,841,824	14,124,293	43,761,020	8,396,866	32,577,405	62.46%
11	Past-due items	11,580,533	692	11,580,527	-	8,104,653	69.99%
12	Exposures in high-risk categories	13,829,759	1,709,335	13,829,670	869,873	26,722,849	181.79%
13	Exposures in the form of bonds secured by mortgages	-	-	-	-	-	-
14	Short-term exposures to banks, brokerage houses and corporates	-	-	-	-	-	-
15	Exposures in the form of collective investment undertakings	-	-	-	-	-	-
16	Other exposures	103,764,700	-	103,764,701	-	76,781,961	74.00%
17	Shares	72,390,162	-	72,390,162	-	72,390,162	100.00%
18	**Total**	**2,407,988,309**	**1,936,843,594**	**2,352,848,661**	**317,652,358**	**1,574,318,437**	**58.95%**

(Thousands of Turkish Lira (TL))

4.10.3.3.3 Exposures by asset classes and risk weights

	Current Period ***Regulatory portfolio***	***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	838,046,727	-	-	49,473,231	-	-	103	-	8,410,045	-	-	-	895,930,106
2	Exposures to regional and local government	-	-	-	-	-	-	8,653,829	-	-	-	-	-	8,653,829
3	Exposures to administrative bodies and non-commercial entities	-	-	-	-	-	-	-	-	1,625,891	-	-	-	1,625,891
4	Exposures to multilateral development banks	729,493	-	-	-	-	-	-	-	-	-	-	-	729,493
5	Exposures to international organizations	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Exposures to banks and brokerage houses	-	584,153	-	103,913,468	-	-	25,967,128	-	6,153,556	-	-	-	136,618,305
7	Exposures to corporates	-	-	-	54,495,228	-	-	111,023,415	-	870,814,797	-	-	-	1,036,333,440
8	Retail exposures	-	-	-	12	-	-	261	926,310,949	249	-	-	-	926,311,471
9	Exposures secured by residential property	-	-	-	-	-	62,769,718	-	-	-	-	-	-	62,769,718
10	Exposures secured by commercial property	-	-	-	-	-	-	49,135,000	-	17,945,383	-	-	-	67,080,383
11	Past-due items	-	-	-	-	-	-	11,027,026	-	8,107,930	-	-	-	19,134,956
12	Exposures in high-risk categories	-	-	-	-	-	-	481,916	-	181,159	2,093,551	-	620	2,757,246
13	Exposures in the form of bonds secured by mortgages	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Short term exposures to banks, brokerage houses and corporates	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Exposures in the form of collective investment undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Shares	-	-	-	-	-	-	-	-	97,365,477	-	-	-	97,365,477
17	Other exposures	36,760,914	-	-	2,324	-	-	-	-	94,161,761	-	-	-	130,924,999
18	**Total**	**875,537,134**	**584,153**	**-**	**207,884,263**	**-**	**62,769,718**	**206,288,678**	**926,310,949**	**1,104,766,248**	**2,093,551**	**-**	**620**	**3,386,235,314**

(Thousands of Turkish Lira (TL))

	Prior Period	***0%***	***2%***	***10%***	***20%***	***25%***	***35%***	***50%***	***75%***	***100%***	***150%***	***250%***	***Others***	***Total risk amount (post-CCF and CRM)***
	Regulatory portfolio													
1	Exposures to sovereigns and their central banks	643,370,128	-	-	43,838,385	-	-	70	-	9,378,733	-	-	-	696,587,316
2	Exposures to regional and local government	-	-	-	-	-	-	5,738,992	-	-	-	-	-	5,738,992
3	Exposures to administrative bodies and non-commercial entities	-	-	-	-	-	-	-	-	1,109,152	-	-	-	1,109,152
4	Exposures to multilateral development banks	16	-	-	-	-	-	-	-	-	-	-	-	16
5	Exposures to international organizations	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Exposures to banks and brokerage houses	-	343,888	-	64,088,633	-	-	15,656,912	-	5,689,000	-	-	-	85,778,433
7	Exposures to corporates	-	-	-	57,837,667	-	-	91,477,513	-	657,287,200	-	-	-	806,602,380
8	Retail exposures	-	-	-	1	-	-	15,150	769,115,709	74	-	-	-	769,130,934
9	Exposures secured by residential property	-	-	-	-	-	50,960,977	-	-	-	-	-	-	50,960,977
10	Exposures secured by commercial property	-	-	-	-	-	-	39,160,960	-	12,996,926	-	-	-	52,157,886
11	Past-due items	-	-	-	-	-	-	6,951,752	-	4,628,775	-	-	-	11,580,527
12	Exposures in high-risk categories	-	-	-	-	-	-	389,967	-	180,711	12,656,336	-	1,472,529	14,699,543
13	Exposures in the form of bonds secured by mortgages	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Short term exposures to banks, brokerage houses and corporates	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Exposures in the form of collective investment undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Shares	-	-	-	-	-	-	-	-	72,390,162	-	-	-	72,390,162
17	Other exposures	26,979,465	-	-	4,093	-	-	-	-	76,781,143	-	-	-	103,764,701
18	**Total**	**670,349,609**	**343,888**	**-**	**165,768,779**	**-**	**50,960,977**	**159,391,316**	**769,115,709**	**840,441,876**	**12,656,336**	**-**	**1,472,529**	**2,670,501,019**

(Thousands of Turkish Lira (TL))

4.10.4 Counterparty credit risk

4.10.4.1 Qualitative disclosure on 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 Risk and Credit Risk Control units 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 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)	9,918,317	7,000,535		1.4	23,686,392	11,073,186
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)					15,725,654	6,545,027
5	Value-at-Risk (VaR) for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions					-	-
6	**Total**						**17,618,213**

(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)	7,017,384	4,469,490		1.4	16,081,623	6,763,150
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)					6,818,944	4,488,065
5	Value-at-Risk (VaR) for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions					-	-
6	**Total**						**11,251,215**

4.10.4.3 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	23,686,392	9,746,670	16,081,623	7,839,573
4	**Total subject to the CVA capital obligation**	**23,686,392**	**9,746,670**	**16,081,623**	**7,839,573**

(Thousands of Turkish Lira (TL))

4.10.4.4 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	1,998,366	-	-	-	-	-	-	-	-	1,998,366
Exposures to regional and local governments	-	-	-	-	-	-	-	-	-	-
Exposures to administrative bodies and non-commercial entities	-	-	-	-	-	-	30	-	-	30
Exposures to multilateral development banks	118,887	-	-	-	-	-	-	-	-	118,887
Exposures to international organizations	-	-	-	-	-	-	-	-	-	-
Exposures to banks and brokerage houses	-	3,395,390	-	13,767,610	8,802,663	-	408,889	-	-	26,374,552
Exposures to corporates	-	36,885	-	767,392	544,304	-	9,525,771	-	-	10,874,352
Retail exposures	-	-	-	-	-	45,858	-	-	-	45,858
Other assets	-	-	-	-	-	-	-	-	-	-
Total	**2,117,253**	**3,432,275**	**-**	**14,535,002**	**9,346,967**	**45,858**	**9,934,690**	**-**	**-**	**39,412,045**

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	-	-	-	-	-	-	11	-	-	11
Exposures to multilateral development banks	155,358	-	-	-	-	-	-	-	-	155,358
Exposures to international organizations	-	-	-	-	-	-	-	-	-	-
Exposures to banks and brokerage houses	-	1,428,208	-	6,923,235	7,149,522	-	19,608	-	-	15,520,573
Exposures to corporates	-	8,955	-	987,166	357,938	-	5,856,467	-	-	7,210,526
Retail exposures	-	-	-	-	-	14,099	-	-	-	14,099
Other assets	-	-	-	-	-	-	-	-	-	-
Total	**155,358**	**1,437,163**	**-**	**7,910,401**	**7,507,460**	**14,099**	**5,876,086**	**-**	**-**	**22,900,567**

(Thousands of Turkish Lira (TL))

4.10.4.5 Collaterals for CCR

Current Period	***Collateral for derivative transactions***				***Collateral for other transactions***	
	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	-	-	-	-	35,674,928	-
Cash-foreign currency	-	-	-	-	61,474,209	-
Domestic sovereign debts	-	-	-	-	-	107,361,754
Other sovereign debts	-	-	-	-	-	-
Government agency debts	-	-	-	-	-	-
Corporate debts	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**97,149,137**	**107,361,754**

Prior Period	***Collateral for derivative transactions***				***Collateral for other transactions***	
	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	-	-	-	-	85,933	-
Cash-foreign currency	-	-	-	-	26,514,966	-
Domestic sovereign debts	-	-	-	-	-	30,895,197
Other sovereign debts	-	-	-	-	-	-
Government agency debts	-	-	-	-	-	-
Corporate debts	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**26,600,899**	**30,895,197**

4.10.4.6 Credit derivatives

	Current Period		***Prior Period***	
	Protection bought	***Protection sold***	***Protection bought***	***Protection sold***
Notionals				
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)	-	-

4.10.4.7 Exposures to central counterparties

	Current Period		*Prior Period*	
	EAD (post-CRM)	*RWA*	*EAD (post-CRM)*	*RWA*
Exposures to QCCPs (total)		**60,627**		**28,743**
Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	-	-	-	-
(i) OTC derivatives	3,031,373	60,627	1,437,162	28,743
(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 Securitisations

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

(Thousands of Turkish Lira (TL))

4.10.6 Market risk

4.10.6.1 Qualitative disclosure on market risk

Market risk is managed in accordance with the strategies and policies defined by the 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 Risk and Structural Risk Control Unit monitors the activities of Treasury Unit 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.

4.10.6.2 Market risk under standardised approach

		RWA	
		Current Period	*Prior Period*
	Outright products	**66,859,175**	**43,147,643**
1	Interest rate risk (general and specific)	12,741,663	10,126,913
2	Equity risk (general and specific)	1,502,862	1,155,918
3	Foreign exchange risk	40,880,162	29,703,162
4	Commodity risk	11,734,488	2,161,650
	Options	**1,083,325**	**755,013**
5	Simplified approach	-	-
6	Delta-plus method	1,083,325	755,013
7	Scenario approach	-	-
8	Securitisation	-	-
9	**Total**	**67,942,500**	**43,902,656**

4.10.7 Operational risk

Not prepared in compliance with the "Regulation on Calculation of Risk Management Disclosures".

4.10.8 Banking book interest rate risk

Not prepared in compliance with the "Regulation on Calculation of Risk Management Disclosures".

(Thousands of Turkish Lira (TL))

5 Disclosures and Footnotes on Unconsolidated Financial Statements

5.1 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	7,583,091	15,715,087	6,455,138	15,085,024
Central Bank of Türkiye	300,290,770	178,343,447	194,716,186	127,432,845
Others	2,000	27,825,912	-	16,306,063
Total	**307,875,861**	**221,884,446**	**201,171,324**	**158,823,932**

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.

(Thousands of Turkish Lira (TL))

5.1.1.2 Banks

	Current Period		*Prior Period*	
	TL	**FC**	**TL**	**FC**
Banks				
Domestic banks	995,690	1,007,961	588,919	632,292
Foreign banks	5,943,269	151,230,941	4,016,882	94,498,885
Foreign head offices and branches	-	-	-	-
Total	**6,938,959**	**152,238,902**	**4,605,801**	**95,131,177**

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.

5.1.1.3 Receivables from reserve repo transactions

	Current Period		*Prior Period*	
	TL	**FC**	**TL**	**FC**
Domestic Transactions	**-**	**-**	**-**	**-**
Central Bank of Türkiye	-	-	-	-
Banks	-	-	-	-
Others	-	-	-	-
Foreign Transactions	**-**	**13,925,165**	**-**	**20,243,465**
Central banks	-	-	-	-
Banks	-	13,925,165	-	20,243,465
Others	-	-	-	-
Total	**-**	**13,925,165**	**-**	**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	**566,512**	**-**	**-**	**566,512**
Additions during the Period (+)	1,320,538	-	-	1,320,538
Disposals (-)	(1,095,454)	-	-	(1,095,454)
Transfer to 12 month ECL (Stage1)	-	-	-	-
Transfer to lifetime ECL Significant Increase in Credit Risk (Stage 2)	-	-	-	-
Transfer to lifetime ECL Impaired Credits (Stage 3)	-	-	-	-
Foreign Currency Differences	70,727	-	-	70,727
Balances at End of Period	**862,323**	**-**	**-**	**862,323**

Prior Period	*Stage 1*	*Stage 2*	*Stage 3*	*Total*
Balances at Beginning of Period	**1,934,639**	**-**	**-**	**1,934,639**
Additions during the Period (+)	2,572,087	1	-	2,572,088
Disposals (-)	(4,049,749)	(2)	-	(4,049,751)
Transfer to 12 month ECL (Stage1)	3	(3)	-	-
Transfer to lifetime ECL Significant Increase in Credit Risk (Stage 2)	(4)	4	-	-
Transfer to lifetime ECL Impaired Credits (Stage 3)	-	-	-	-
Foreign Currency Differences	109,536	-	-	109,536
Balances at End of Period	**566,512**	**-**	**-**	**566,512**

(Thousands of Turkish Lira (TL))

5.1.2 Information on financial assets measured 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

None.

5.1.2.2 Financial assets measured at fair value through profit or loss

	Current Period		*Prior Period*	
	TL	**FC**	**TL**	**FC**
Government Securities	1,954,309	3,375,469	4,313,275	3,549,749
Equity Securities	217,592	119,155	164,950	106,731
Other Financial Assets (*)	180,393	1,114,114	198,264	1,033,257
Total	**2,352,294**	**4,608,738**	**4,676,489**	**4,689,737**

(*) 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	10,887,604	19,434,886	11,522,643	7,447,396
Assets subject to Repurchase Agreements	21,462,862	5,744,239	2,943,284	3,687,078
Total	**32,350,466**	**25,179,125**	**14,465,927**	**11,134,474**

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

	Current Period	*Prior Period*
Debt Securities	**102,223,632**	**66,447,630**
Quoted at Stock Exchange	102,223,632	66,447,630
Unquoted at Stock Exchange	-	-
Common Shares/Investment Fund	**35,135**	**28,033**
Quoted at Stock Exchange	4,491	4,491
Unquoted at Stock Exchange	30,644	23,542
Value Increase/Impairment Losses (-)	**36,191,670**	**38,047,882**
Total	**138,450,437**	**104,523,545**

Expected losses of TL 214,938 (31 December 2024: TL 160,368) are accounted under shareholders' equity for financial assets measured at fair value through other comprehensive income.

(Thousands of Turkish Lira (TL))

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	1,238,269	543,821	925,597	151,438
Swap Transactions	5,173,525	4,667,087	3,536,684	6,960,619
Futures	-	-	-	405
Options	418,022	177,623	197,499	78,875
Others	-	-	-	-
Total	**6,829,816**	**5,388,531**	**4,659,780**	**7,191,337**

5.1.4.2 Derivative financial assets held for hedging purpose

Derivative Financial Assets Held for Hedging Purpose	*Current Period*		*Prior Period*	
	TL	**FC**	**TL**	**FC**
Fair Value Hedges	-	1,162,442	-	146,773
Cash Flow Hedges	-	-	-	307,140
Net Foreign Investment Hedges	-	-	-	-
Total	**-**	**1,162,442**	**-**	**453,913**

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	109,866,236	1,162,442	-	48,123,472	453,913	103,077
-TL	-	-	-	1,000,000	-	5,774
-FC	109,866,236	1,162,442	-	47,123,472	453,913	97,303
Total	**109,866,236**	**1,162,442**	**-**	**48,123,472**	**453,913**	**103,077**

5.1.4.3 Fair value hedge accounting

Current Period				**Net Fair Value Change of Hedging Item**		**Statement of profit or loss**
Hedging Item	**Hedged Item**	**Type of Risk**	**Fair Value Change of Hedged Item**	**Asset**	**Liability**	**Effect (gains/losses from derivative financial instruments)**
Interest Rate Swaps	Fixed-rate securities	Interest rate risk	(61,552)	85,250	-	(24,838)
Interest Rate Swaps	Fixed-rate securities issued	Interest rate risk	(2,902,198)	1,077,192	-	(1,735,395)

Prior Period				**Net Fair Value Change of Hedging Item**		**Statement of profit or loss**
Hedging Item	**Hedged Item**	**Type of Risk**	**Fair Value Change of Hedged Item**	**Asset**	**Liability**	**Effect (gains/losses from derivative financial instruments)**
Interest Rate Swaps	Fixed-rate commercial loans	Interest rate risk	(98,237)	146,773	-	(27,423)
Interest Rate Swaps	Fixed-rate securities	Interest rate risk	7,692	-	(97,303)	(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 Statement of Profit/Loss in the Period**	**Ineffective Portion (net) Accounted under Statement of Profit/Loss**
			Asset	**Liability**			
Interest Rate Swaps	Floating-rate deposit	Cash flow risk resulted from change in market interest rates	-	-	-	-	-
Currency Swaps	Expected investment /Operational expenses	Cash flow risk resulted from foreign currency exchange rates	-	-	-	-	-
Currency Swaps	Mile payments	Cash flow risk resulted from foreign currency exchange rates	-	-	-	-	-
Spot Position	Mile payments	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 238,939.

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 Statement of Profit/Loss in the Period**	**Ineffective Portion (net) Accounted under Statement of Profit/Loss**
			Asset	**Liability**			
Interest Rate Swaps	Floating-rate deposit	Cash flow risk resulted from change in market interest rates	307,140	-	146,362	77,402	24,669
Currency Swaps	Expected investment /Operational expenses	Cash flow risk resulted from foreign currency exchange rates	-	(5,774)	29,954	27,207	-
Currency Swaps	Mile payments	Cash flow risk resulted from foreign currency exchange rates	-	-	(292,869)	-	-
Spot Position	Mile payments	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 (1,004,885) and the part of this amount recycled to income statement is TL (4,949).

(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	**-**	**8,189,585**	**-**	**4,004,767**
Corporates	-	8,189,585	-	4,004,767
Individuals	-	-	-	-
Indirect Lendings to Shareholders	**14,482**	**-**	**8,420**	**-**
Loans to Employees	**3,161,139**	**3,158**	**2,429,857**	**1,523**
Total	**3,175,621**	**8,192,743**	**2,438,277**	**4,006,290**

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

Current Period Cash Loans (*)	**Performing Loans**	**Loans under Follow-up**		
		Non-restructured	**Restructured**	
			Revised Contract Terms	**Refinanced**
Loans	**1,629,067,493**	**147,276,459**	**56,425,555**	**6,097,386**
Working Capital Loans	164,169,211	13,687,582	171,049	1,723,855
Export Loans	147,792,439	9,086,851	31,371	71,763
Import Loans	-	-	-	-
Loans to Financial Sector	41,716,247	605,674	-	-
Consumer Loans	318,770,101	28,249,125	5,996,467	10,210
Credit Cards	429,415,906	45,686,843	21,911,703	-
Others	527,203,589	49,960,384	28,314,965	4,291,558
Specialization Loans	-	-	-	-
Other Receivables	-	-	-	-
Total	**1,629,067,493**	**147,276,459**	**56,425,555**	**6,097,386**

(*) Non-performing loans are not included.

Prior Period **Cash Loans (*)**	**Performing Loans**	**Loans under Follow-up**		
		Non-restructured	**Restructured**	
			Revised Contract Terms	**Refinanced**
Loans	**1,333,880,944**	**143,172,015**	**46,109,239**	**3,807,046**
Working Capital Loans	126,194,280	8,459,821	326,238	824,112
Export Loans	126,950,879	7,801,254	30,426	30,058
Import Loans	-	-	-	-
Loans to Financial Sector	37,537,200	4,533,114	-	-
Consumer Loans	242,863,131	36,474,381	3,276,691	10,603
Credit Cards	368,789,962	35,576,406	16,267,012	-
Others	431,545,492	50,327,039	26,208,872	2,942,273
Specialization Loans	-	-	-	-
Other Receivables	-	-	-	-
Total	**1,333,880,944**	**143,172,015**	**46,109,239**	**3,807,046**

(*) Non-performing loans are not included.

(Thousands of Turkish Lira (TL))

Current Period	**Corporate/ Commercial Loans**		**Consumer Loans**		**Total**	
	TL	**FC**	**TL**	**FC**	**TL**	**FC**
Performing Loans (Stage 1)	514,788,855	451,763,364	659,526,650	2,988,624	1,174,315,505	454,751,988
Loans under Follow-up (Stage 2)	58,750,137	62,425,543	88,571,582	52,138	147,321,719	62,477,681
Total Stage 1 and 2 Loans	**573,538,992**	**514,188,907**	**748,098,232**	**3,040,762**	**1,321,637,224**	**517,229,669**
Expected Credit losses-Stage 1-2 (-)	6,457,177	15,243,123	9,140,136	1,894	15,597,313	15,245,017
Total Non-performing Loans (Stage 3)	**21,421,422**	**1,213,791**	**34,029,454**	**153,138**	**55,450,876**	**1,366,929**
Expected Credit losses-Stage 3 (-)	13,572,658	941,705	22,552,079	100,891	36,124,737	1,042,596

Prior Period	**Corporate/ Commercial Loans**		**Consumer Loans**		**Total**	
	TL	**FC**	**TL**	**FC**	**TL**	**FC**
Performing Loans (Stage 1)	445,885,883	346,617,541	539,339,606	2,037,914	985,225,489	348,655,455
Loans under Follow-up (Stage 2)	57,741,032	52,481,590	82,814,764	50,914	140,555,796	52,532,504
Total Stage 1 and 2 Loans	**503,626,915**	**399,099,131**	**622,154,370**	**2,088,828**	**1,125,781,285**	**401,187,959**
Expected Credit losses-Stage 1-2 (-)	5,619,578	17,787,483	8,685,470	1,782	14,305,048	17,789,265
Total Non-performing Loans (Stage 3)	**22,941,887**	**1,080,161**	**10,974,960**	**59,393**	**33,916,847**	**1,139,554**
Expected Credit losses-Stage 3 (-)	15,417,630	859,994	7,060,301	39,005	22,477,931	898,999

	Current Period		***Prior Period***	
	Performing Loans	**Loans Under Follow-Up**	**Performing Loans**	**Loans Under Follow-Up**
12-Month ECL (Stage 1)	9,372,270		8,034,698	-
Significant Increase in Credit Risk (Stage 2)		21,470,060	-	24,059,615

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

Collaterals received for loans under follow-up;

Current Period	**Corporate/ Commercial Loans**	**Consumer Loans**	**Credit Cards**	**Total**
Loans Collateralized by Cash	3,613,851	16,684	-	3,630,535
Loans Collateralized by Mortgages/Shares/Credit Guarantee Fund Sureties	50,344,176	6,555,877	-	56,900,053
Loans Collateralized by Pledged Assets	8,721,683	474,559	-	9,196,242
Loans Collateralized by Cheques and Notes	601,197	4,409	-	605,606
Loans Collateralized by Other Collaterals	38,460,995	14,585,963	-	53,046,958
Unsecured Loans	6,203,150	12,618,310	67,598,546	86,420,006
Total	**107,945,052**	**34,255,802**	**67,598,546**	**209,799,400**

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	36,476,345	11,170,517	-	47,646,862
Loans Collateralized by Pledged Assets	6,419,925	1,055,947	-	7,475,872
Loans Collateralized by Cheques and Notes	581,522	4,120	-	585,642
Loans Collateralized by Other Collaterals	38,019,411	17,929,731	-	55,949,142
Unsecured Loans	11,539,037	9,583,192	51,843,418	72,965,647
Total	**101,483,207**	**39,761,675**	**51,843,418**	**193,088,300**

(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	2,103,254	5,264,148	7,288,786	14,656,188
61-90 days	1,859,196	2,074,122	3,725,648	7,658,966
Others	103,982,602	26,917,532	56,584,112	187,484,246
Total	**107,945,052**	**34,255,802**	**67,598,546**	**209,799,400**

Prior Period	Corporate/ Commercial Loans	Consumer Loans	Credit Cards	Total
31-60 days	1,114,213	5,099,098	6,319,351	12,532,662
61-90 days	660,287	2,064,646	2,880,581	5,605,514
Others	99,708,707	32,597,931	42,643,486	174,950,124
Total	**101,483,207**	**39,761,675**	**51,843,418**	**193,088,300**

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 Bank.

(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
Other	-	-	-
Consumer Loans – FC-indexed	**-**	**84,911**	**84,911**
Housing Loans	-	84,911	84,911
Automobile Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
Consumer Loans – FC	**4,381**	**197,161**	**201,542**
Housing Loans	-	97,770	97,770
Automobile Loans	386	46,669	47,055
General Purpose Loans	3,995	52,722	56,717
Other	-	-	-
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	**2,788,548**	**-**	**2,788,548**
With Installment	-	-	-
Without Installment	2,788,548	-	2,788,548
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
Other	-	-	-
Personnel Loans - FC-indexed	-	-	-
Housing Loans	-	-	-
Automobile Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
Personnel Loans – FC	-	-	-
Housing Loans	-	-	-
Automobile Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
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	**50,672**	**-**	**50,672**
With Installment	-	-	-
Without Installment	50,672	-	50,672
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	**553,260,406**	**197,878,588**	**751,138,994**

(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
Other	-	-	-
Consumer Loans – FC-indexed	**-**	**89,462**	**89,462**
Housing Loans	-	89,462	89,462
Automobile Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
Consumer Loans – FC	**5,372**	**121,166**	**126,538**
Housing Loans	-	50,650	50,650
Automobile Loans	-	52,191	52,191
General Purpose Loans	5,372	18,325	23,697
Other	-	-	-
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	**1,930,699**	**-**	**1,930,699**
With Installment	-	-	-
Without Installment	1,930,699	-	1,930,699
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
Other	-	-	-
Personnel Loans - FC-indexed	**-**	**-**	**-**
Housing Loans	-	-	-
Automobile Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
Personnel Loans – FC	**-**	**-**	**-**
Housing Loans	-	-	-
Automobile Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
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	**31,591**	**-**	**31,591**
With Installment	-	-	-
Without Installment	31,591	-	31,591
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	**490,309,488**	**133,933,710**	**624,243,198**

(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
Other	-	-	-
Installment-based Commercial Loans - FC-indexed	**-**	**20,222**	**20,222**
Real Estate Loans	-	19,738	19,738
Automobile Loans	-	-	-
General Purpose Loans	-	484	484
Other	-	-	-
Installment-based Commercial Loans – FC	**29,003**	**4,035,849**	**4,064,852**
Real Estate Loans	-	-	-
Automobile Loans	15,324	3,979,776	3,995,100
General Purpose Loans	13,679	56,073	69,752
Other	-	-	-
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	**133,933,716**	**121,330,413**	**255,264,129**

(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
Other	-	-	-
Installment-based Commercial Loans - FC-indexed	**-**	**21,964**	**21,964**
Real Estate Loans	-	21,122	21,122
Automobile Loans	-	-	-
General Purpose Loans	-	842	842
Other	-	-	-
Installment-based Commercial Loans – FC	**51,481**	**3,190,993**	**3,242,474**
Real Estate Loans	-	-	-
Automobile Loans	33,545	3,148,070	3,181,615
General Purpose Loans	17,936	42,923	60,859
Other	-	-	-
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	**112,754,993**	**98,520,390**	**211,275,383**

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	1,821,751,969	1,513,526,206
Foreign Loans	17,114,924	13,443,038
Total	**1,838,866,893**	**1,526,969,244**

(*) Non-performing loans are not included.

(Thousands of Turkish Lira (TL))

5.1.5.8 Loans to associates and subsidiaries

	Current Period	*Prior Period*
Direct Lending	17,354,937	17,470,735
Indirect Lending	-	-
Total	**17,354,937**	**17,470,735**

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

	Current Period	*Prior Period*
Substandard Loans - Limited Collectibility	9,411,202	6,419,145
Doubtful Loans	14,375,976	6,810,298
Uncollectible Loans	13,380,155	10,147,487
Total	**37,167,333**	**23,376,930**

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)	3,236,412	4,007,852	6,421,689
Restructured Loans and Receivables	3,236,412	4,007,852	6,421,689
Prior Period			
(Gross Amounts before Provisions)	1,711,379	1,500,536	5,014,117
Restructured Loans and Receivables	1,711,379	1,500,536	5,014,117

Movements in non-performing loans groups

	Group III	Group IV	Group V
Current Period	Substandard Loans	Doubtful Loans	Uncollectible Loans
Balances at End of Prior Period	**11,237,070**	**10,465,844**	**13,353,487**
Additions (+)	35,888,546	292,568	1,315,339
Transfer from Other NPL Categories (+)	-	25,216,492	7,014,455
Transfer to Other NPL Categories (-)	25,216,731	7,014,216	99
Collections during the Period (-)	5,263,083	3,614,222	2,164,005
Write down / Write-offs (-)(*)(**)	-	-	236,237
Debt Sale (-) (***)	27,391	2,924,755	1,696,418
Corporate and Commercial Loans	16,115	503,713	153,118
Retail Loans	1,823	742,893	672,393
Credit Cards	9,453	1,678,149	870,907
Other(****)	-	-	-
Foreign Currency Differences	8,473	5,243	177,445
Balances at End of Period	**16,626,884**	**22,426,954**	**17,763,967**
Provisions (-)	9,411,202	14,375,976	13,380,155
Net Balance on Balance Sheet	**7,215,682**	**8,050,978**	**4,383,812**

(Thousands of Turkish Lira (TL))

Prior Period	**Group III**	**Group IV**	**Group V**
	Substandard Loans	**Doubtful Loans**	**Uncollectible Loans**
Balances at End of Prior Period	**5,634,614**	**3,968,074**	**12,050,965**
Additions (+)	35,565,274	198,823	1,761,000
Transfer from Other NPL Categories (+)	-	22,697,242	9,337,733
Transfer to Other NPL Categories (-)	24,586,400	7,448,575	-
Collections during the Period (-)	4,866,366	3,335,286	3,428,074
Write down / Write-offs (-)(*) (**)	-	-	2,901,915
Debt Sale (-) (***)	510,217	5,628,244	3,674,710
Corporate and Commercial Loans	12,001	235,263	230,719
Retail Loans	240,915	2,324,006	1,980,306
Credit Cards	257,301	3,068,975	1,463,685
Other	-	-	-
Foreign Currency Differences	165	13,810	208,488
Balances at End of Period	**11,237,070**	**10,465,844**	**13,353,487**
Provisions (-)	6,419,145	6,810,298	10,147,487
Net Balance on Balance Sheet	**4,817,925**	**3,655,546**	**3,206,000**

(*) Includes loans for which 100% provision is provided during the corresponding period.

(**) As the details are explained in the section 3.8.5 Disclosures on write down policy, the Bank has written down its Fifth Group-Loss Loans amounting to TL 14,217,214 as of 30 June 2025 (31 December 2024: TL 15,217,104). As of 30 June 2025, the Bank's NPL ratio is measured as 3% (31 December 2024: 2.24%) instead of 3.72% (31 December 2024: 3.19%) when the calculation is made by taking into account the loans written down In the current period, the collection amounting to TL 2,177,092 (31 December 2024: TL 450,706) 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	**1,353,478**	**535,784**	**5,871,335**
Provisions (-)	571,843	259,804	4,416,127
Net Balance at Balance Sheet	**781,635**	**275,980**	**1,455,208**
Prior Period			
Balance at End of Period	**9,855**	**63,158**	**6,200,490**
Provisions (-)	3,537	38,232	4,665,062
Net Balance at Balance Sheet	**6,318**	**24,926**	**1,535,428**

(Thousands of Turkish Lira (TL))

Gross and net non-performing loans as per customer categories

	Group III Substandard Loans	Group IV Doubtful Loans	Group V Uncollectible Loans
Current Period (Net)	**7,215,682**	**8,050,978**	**4,383,812**
Loans to Individuals and Corporates (Gross)	16,626,884	22,426,954	17,763,967
Provision (-)	9,411,202	14,375,976	13,380,155
Loans to Individuals and Corporates (Net)	7,215,682	8,050,978	4,383,812
Banks (Gross)	-	-	-
Provision (-)	-	-	-
Banks (Net)	-	-	-
Other loans (gross)	-	-	-
Provision (-)	-	-	-
Other Loans (Net)	-	-	-
***Prior Period* (Net)**	**4,817,925**	**3,655,546**	**3,206,000**
Loans to Individuals and Corporates (Gross)	11,237,070	10,465,844	13,353,487
Provision (-)	6,419,145	6,810,298	10,147,487
Loans to Individuals and Corporates (Net)	4,817,925	3,655,546	3,206,000
Banks (Gross)	-	-	-
Provision (-)	-	-	-
Banks (Net)	-	-	-
Other loans (gross)	-	-	-
Provision (-)	-	-	-
Other Loans (Net)	-	-	-

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

	Group III Substandard Loans	Group IV Doubtful Loans	Group V Uncollectible Loans
Current Period (Net)	**1,066,299**	**1,305,230**	**647,209**
Interest accruals and valuation differences	2,502,238	3,709,648	2,099,531
Provision (-)	1,435,939	2,404,418	1,452,322
Prior Period (Net)	**781,445**	**574,077**	**333,580**
Interest accruals and valuation differences	1,835,651	1,670,914	1,068,892
Provision (-)	1,054,206	1,096,837	735,312

Collaterals received for non-performing loans

Current Period	**Corporate/ Commercial Loans**	**Consumer Loans**	**Credit Cards**	**Total**
Loans Collateralized by Cash	90,636	369	-	91,005
Loans Collateralized by Mortgages	11,608,823	380,381	-	11,989,204
Loans Collateralized by Pledged Assets	671,292	40,386	-	711,678
Loans Collateralized by Cheques and Notes	66,670	1,787	-	68,457
Loans Collateralized by Other Collaterals	6,340,264	8,559,754	-	14,900,018
Unsecured Loans	1,130,882	5,453,164	22,473,397	29,057,443
Total	**19,908,567**	**14,435,841**	**22,473,397**	**56,817,805**

(Thousands of Turkish Lira (TL))

Prior Period	Corporate/ Commercial Loans	Consumer Loans	Credit Cards	Total
Loans Collateralized by Cash	76,735	524	-	77,259
Loans Collateralized by Mortgages	6,436,282	296,880	-	6,733,162
Loans Collateralized by Pledged Assets	672,083	36,939	-	709,022
Loans Collateralized by Cheques and Notes	77,361	1,449	-	78,810
Loans Collateralized by Other Collaterals	4,667,645	5,948,294	-	10,615,939
Unsecured Loans	852,680	3,142,569	12,846,961	16,842,209
Total	**12,782,786**	**9,426,655**	**12,846,961**	**35,056,401**

5.1.5.11 *Expected credit loss for loans*

Current Period	*Stage 1*	*Stage 2*	*Stage 3*	*Total*
Balances at End of Prior Period	**8,034,698**	**24,059,615**	**23,376,930**	**55,471,243**
Additions during the Period (+)	8,181,892	12,142,036	16,339,589	36,663,517
Disposals (-)	(9,076,405)	(10,356,216)	(5,015,269)	(24,447,890)
Debt Sales (-)	-	-	(3,387,271)	(3,387,271)
Write-offs (-)	-	-	(236,237)	(236,237)
Transfer to Stage1	5,684,248	(5,658,925)	(25,323)	-
Transfer to Stage 2	(3,768,317)	3,787,822	(19,505)	-
Transfer to Stage 3	(70,710)	(5,915,990)	5,986,700	-
Foreign Currency Differences	386,864	3,411,718	147,719	3,946,301
Balances at End of Period	**9,372,270**	**21,470,060**	**37,167,333**	**68,009,663**

Prior Period	*Stage 1*	*Stage 2*	*Stage 3*	*Total*
Balances at End of Prior Period	**4,776,616**	**26,622,678**	**14,645,696**	**46,044,990**
Additions during the Period (+)	13,681,360	36,434,560	13,820,576	63,936,496
Disposals (-)	(15,168,601)	(27,893,948)	(4,783,481)	(47,846,030)
Debt Sales (-)	-	-	(6,906,094)	(6,906,094)
Write-offs (-)	-	-	(2,901,915)	(2,901,915)
Transfer to Stage 1	8,820,075	(8,795,126)	(24,949)	-
Transfer to Stage 2	(4,172,412)	4,192,632	(20,220)	-
Transfer to Stage 3	(63,443)	(9,306,799)	9,370,242	-
Foreign Currency Differences	161,103	2,805,618	177,075	3,143,796
Balances at End of Period	**8,034,698**	**24,059,615**	**23,376,930**	**55,471,243**

5.1.5.12 *Liquidation policy for uncollectible loans and receivables*

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

None.

(Thousands of Turkish Lira (TL))

5.1.7 Financial assets measured at amortised cost

5.1.7.1 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	32,118,422	33,478,190	25,792,585
Investments subject to Repurchase	81,263,106	17,349,289	14,155,329	17,882,404
Total	**120,633,827**	**49,467,711**	**47,633,519**	**43,674,989**

5.1.7.2 Government securities measured at amortised cost

	Current Period	*Prior Period*
Government Bonds	235,188,367	232,042,406
Treasury Bills	1,173,354	873,644
Other Government Securities	9,203,850	9,526,726
Total	**245,565,571**	**242,442,776**

5.1.7.3 Financial assets measured at amortised cost

	Current Period	*Prior Period*
Debt Securities	**202,597,868**	**197,954,334**
Quoted at Stock Exchange	195,440,428	191,991,673
Unquoted at Stock Exchange	7,157,440	5,962,661
Valuation Increase/(Decrease)	**53,810,163**	**55,181,746**
Total	**256,408,031**	**253,136,080**

5.1.7.4 Movement of financial assets measured at amortised cost

	Current Period	*Prior Period*
Balances at Beginning of Period	**253,136,080**	**207,253,322**
Foreign Currency Differences On Monetary Assets	8,287,853	11,720,248
Purchases during the Period	3,941,144	65,073,580
Disposals through Sales/Redemptions	(7,585,463)	(48,972,719)
Valuation Effect	(1,371,583)	18,061,649
Balances at End of Period	**256,408,031**	**253,136,080**

5.1.7.5 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	**405,543**	-	-	**405,543**
Additions during the Period (+)	63,668	-	-	63,668
Disposal (-)	(64,508)	-	-	(64,508)
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Foreign Currency Differences	14,207	-	-	14,207
Balances at End of Period	**418,910**	-	-	**418,910**

(Thousands of Turkish Lira (TL))

Prior Period	***Stage 1***	***Stage 2***	***Stage 3***	***Total***
Balances at End of Prior Period	**1,055,093**	**-**	**-**	**1,055,093**
Additions during the Period (+)	378,957	1,629	-	380,586
Disposal (-)	(1,067,858)	(310)	-	(1,068,168)
Transfer to Stage 1	1,380	(1,380)	-	-
Transfer to Stage 2	(61)	61	-	-
Transfer to Stage 3	-	-	-	-
Foreign Currency Differences	38,032	-	-	38,032
Balances at End of Period	**405,543**	**-**	**-**	**405,543**

5.1.8 Assets held for sale and assets of discontinued operations

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

	Current Period	***Prior Period***
End of Prior Period		
Cost	**3,745,952**	**2,124,413**
Accumulated Depreciation (-)	**(2,106)**	**(2,106)**
Net Book Value	**3,743,846**	**2,122,307**
End of Current Period		
Additions	763,215	1,832,812
Disposals (Cost)	(333,116)	(204,215)
Disposals (Accumulated Depreciation)	368	-
Impairment Losses	(842)	(7,058)
Depreciation Expense for Current Period (-)	-	-
Cost	**4,175,209**	**3,745,952**
Accumulated Depreciation (-)	**(1,738)**	**(2,106)**
Net Book Value	**4,173,471**	**3,743,846**

(*) 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.

5.1.8.2 Investments in subsidiaries and associates to be disposed

None.

5.1.9 Investments in associates

5.1.9.1 Investments in associates

	Associate	**Address (City/ Country)**	**Bank's Share – If Different, Voting Rights (%)**	**Bank's Risk Group Share (%)**
1	Bankalararası Kart Merkezi A.Ş. (2)	İstanbul / Türkiye	4.98	4.98
2	Yatırım Finansman Menkul Değerler A.Ş. (2)	İstanbul / Türkiye	0.77	0.77
3	İstanbul Takas ve Saklama Bankası A.Ş. (2)	İstanbul / Türkiye	4.95	4.97
4	Borsa İstanbul A.Ş. (1)	İstanbul / Türkiye	0.30	0.34
5	KKB Kredi Kayıt Bürosu A.Ş. (2)	İstanbul / Türkiye	9.09	9.09
6	TCMB (1)	Ankara / Türkiye	2.48	2.48
7	Kredi Garanti Fonu A.Ş (2)	Ankara / Türkiye	1.49	1.49
8	JCR Avrasya Derecelendirme A.Ş. (2)	İstanbul / Türkiye	2.86	2.86
9	Birleşik İpotek Finansmanı A.Ş. (2)	İstanbul / Türkiye	8.33	8.33
10	İhracatı Geliştirme A.Ş. (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	7,529,589	6,669,221	1,552,515	533,996	-	647,012	586,017	-
2	8,370,601	1,351,849	281,739	270	2,112	960	6,886	-
3	232,028,657	16,307,626	575,017	2,708,805	289,669	2,579,472	1,654,125	-
4	211,783,090	29,627,947	6,007,032	2,495,402	-	12,595,644	6,319,881	-
5	3,952,982	1,483,623	1,026,902	187,324	188	420,310	190,914	-
6	8,585,994,365	(1,498,735,096)	2,770,603	444,575,016	48,877,097	(700,354,115)	(818,182,864)	-
7	10,066,743	5,590,676	65,312	341,064	-	1,194,725	205,880	-
8	752,135	588,685	23,440	30,114	7,751	60,876	(15,193)	-
9	279,495	215,998	4,909	671	30,557	15,742	6,413	-
10	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.

5.1.9.2 Movement of investments in associates

	Current Period	*Prior Period*
Balance at Beginning of Period	**168,208**	**127,014**
Movements during the Period	**39,311**	**41,194**
Acquisitions	-	-
Bonus Shares Received	39,311	22,620
Dividends from Current Year Profit	-	-
Sales	-	-
Increase in Market Values	-	-
Impairment Reversals/(Losses)	-	18,574
Balance at End of Period	**207,519**	**168,208**
Capital Commitments	**-**	**-**
Share Percentage at the End of Period (%)	**-**	**-**

(Thousands of Turkish Lira (TL))

5.1.9.3 Sectoral distribution of investments and associates

Investments in Associates	***Current Period***	***Prior Period***
Banks	25,557	25,557
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	-	-
Finance Companies	-	-
Other Associates	181,962	142,651

5.1.9.4 Quoted associates

None.

5.1.9.5 Valuation methods of investments in associates

Investments in Associates	***Current Period***	***Prior Period***
Valued at Cost	-	-
Valued at Fair Value	207,519	168,208

5.1.9.6 Investments in associates sold during the current period

None.

5.1.9.7 Investments in associates acquired during the current period

None.

(Thousands of Turkish Lira (TL))

5.1.10 Investments in subsidiaries

5.1.10.1 Information on capital adequacy of major subsidiaries

The Bank does not have any capital needs for its subsidiaries included in the calculation of its consolidated capital adequacy standard ratio. Information on capital adequacy of major subsidiaries is presented below.

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**

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**

(Thousands of Turkish Lira (TL))

5.1.10.2 Investments in subsidiaries

	Subsidiary	Address (City/ Country)	Bank's Share – If Different, Voting Rights (%)	Bank's Risk Group Share (%)
1	Garanti Ödeme Sistemleri A.Ş.	İstanbul / Türkiye	100.00	100.00
2	Garanti Kültür A.Ş.	İstanbul / Türkiye	100.00	100.00
3	Tasfiye Halinde Garanti Konut Finansmanı Danışmanlık Hizmetleri A.Ş. (1)	İstanbul / Türkiye	100.00	100.00
4	Garanti Finansal Kiralama A.Ş.	İstanbul / Türkiye	100.00	100.00
5	Garanti Faktoring A.Ş.	İstanbul / Türkiye	84.91	81.84
6	Garanti Yatırım Menkul Kıymetler A.Ş.	İstanbul / Türkiye	100.00	100.00
7	Garanti Portföy Yönetimi A.Ş.	İstanbul / Türkiye	100.00	100.00
8	Garanti Emeklilik A.Ş.	İstanbul / Türkiye	84.91	84.91
9	Garanti Bank International Nv	Amsterdam / Hollanda	100.00	100.00
10	Garanti Holding Bv	Amsterdam / Hollanda	100.00	100.00
11	Garanti Ödeme Ve Elektronik Para Hizmetleri A.Ş.	İstanbul / Türkiye	89.80	100.00
12	Garanti BBVA Finansal Teknoloji A.Ş.	İstanbul / Türkiye	100.00	100.00

Financial data presented in the table below 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	1,162,076	899,204	50,415	165,916	-	294,363	191,511	-
2	14,054	4,001	1,552	-	-	777	111	-
3	2,967	1,548	-	410	-	-	(525)	-
4	54,588,911	20,460,663	192,673	3,149,408	-	2,984,919	1,840,138	-
5	19,533,973	3,581,932	135,118	1,647,691	-	409,462	693,057	-
6	12,473,078	11,324,709	319,629	3,009,395	53,505	2,396,238	2,296,325	-
7	2,945,604	2,129,458	99,255	468,776	-	1,038,296	400,829	-
8	23,466,478	6,215,346	338,214	1,926,882	853,061	3,275,361	1,954,177	-
9	426,404,610	42,886,872	1,887,018	15,028,747	369,497	2,374,006	1,757,752	-
10	18,352,984	18,349,952	-	-	-	(2,146)	(1,506)	-
11	1,028,746	944,138	283,160	117,514	804	(72,902)	(31,534)	-
12	2,191,885	2,190,422	-	15,565	-	6,625	17,673	-

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

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

(Thousands of Turkish Lira (TL))

5.1.10.3 Movement of investments in subsidiaries

	Current Period	*Prior Period*
Balances at Beginning of Period	**79,710,765**	**56,809,903**
Movements during the Period	**29,758,948**	**22,900,862**
Acquisitions (*)	7,465,000	1,248,000
Bonus Shares Received (**)	50,000	260,263
Earnings from Current Year Profit	12,902,320	18,823,381
Sales/Liquidations	-	-
Reclassification of Shares	-	-
Increase/(Decrease) in Market Values	(5,041,227)	(1,876,572)
Currency Differences on Foreign Subsidiaries	14,382,855	4,445,790
Impairment Reversals/(Losses)	-	-
Balance at End of Period	**109,469,713**	**79,710,765**
Capital Commitments	**-**	**-**
Share Percentage at the End of Period (%)	**-**	**-**

(*) In previous period,

- Capital of Garanti BBVA Finansal Teknolojiler A.Ş. amounting to TL 448,000 has been increased to TL 1,296,000 through paid-in capital increase with the Board of Directors Decision No. 4 dated 3 June 2024.

- 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. t he 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 Bank's share capital in Garanti Ödeme ve Elektronik Para Hizmetleri A.Ş. has increased to 80.53%.

In current period,

- Garanti Ödeme ve Elektronik Para Hizmetleri A.Ş.'s Board of Directors decision dated 10 February 2025 and numbered 2025/3 increased the Company's capital from TL 655,000 to TL 1,250,000 through a rights issue. The Bank participated in the capital increase through rights issue with 595,000,000 shares with a nominal value of TL 1 (full amount) for a total of TL 595,000. The Bank's capital share in Garanti Ödeme ve Elektronik Para Hizmetleri A.Ş. increased to 89.80%.

- Garanti Finansal Kiralama A.Ş.'s Board of Directors decision dated 5 May 2025 and numbered 2025/18 increased the Company's capital from TL 350,000 to TL 6,350,000 through a rights issue. The Bank participated in the capital increase through rights issue with 6,000,000,000 shares with a nominal value of TL 1 (full amount) for a total of TL 6,000,000.

- Garanti BBVA Finansal Teknolojiler A.Ş.'s Board of Directors decision dated 6 May 2025 and numbered 7 increased the Company's capital from TL 1,296,000 to TL 2,166,000 through a rights issue. The Bank participated in the capital increase through rights issue with 870,000,000 shares with a nominal value of TL 1 (full amount) for a total of TL 870,000.

(**) Garanti Portföy Yönetim A.Ş.'s Board of Directors decision dated 24 January 2025 and numbered 2025/5 increased the Company's capital from TL 50,000 to TL 100,000 through a capital increase through bonus issue from internal resources.

5.1.10.4 Sectoral distribution of investments in subsidiaries

Subsidiaries	*Current Period*	*Prior Period*
Banks	42,886,903	30,933,039
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	37,512,677	29,047,569

5.1.10.5 Quoted consolidated investments in subsidiaries

	Current Period	*Prior Period*
Quoted at Domestic Stock Exchange	3,383,928	2,596,458
Quoted at Foreign Stock Exchange	-	-

(Thousands of Turkish Lira (TL))

5.1.10.6 Valuation methods of investments in subsidiaries

Subsidiaries	***Current Period***	***Prior Period***
Valued at Cost	-	-
Valued at Fair Value (*)	109,469,713	79,710,765

(*) The balances are as per the results of equity accounting application.

5.1.10.7 Investments in subsidiaries disposed during the current period

None.

5.1.10.8 Investments in subsidiaries acquired during the current period

None.

5.1.11 Investments in Joint-Ventures

None.

5.1.12 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.

5.1.13 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.

5.1.14 Investment property

	Current Period	***Prior Period***
Net Book Value at Beginning Period	**4,572,379**	**3,071,140**
Additions	14,812	12,973
Disposals	-	(8,375)
Transfers	(71,524)	(379,858)
Fair Value Change	814,175	1,876,499
Net Book Value at End of Period	**5,329,842**	**4,572,379**

The investment property is held for operational leasing purposes. The Bank account its 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.

(Thousands of Turkish Lira (TL))

5.1.15 Deferred tax asset

As of 30 June 2025, the Bank has a deferred tax asset of TL 23,463,958 (31 December 2024:TL 20,195,258) calculated as the net amount remaining after netting of tax deductible timing differences and taxable timing differences.

As of 30 June 2025, the Bank has no deferred tax assets calculated on financial losses or tax deductions and exemptions; however, the Bank has a deferred tax asset of TL 28,947,169 (31 December 2024:TL 25,443,633) calculated on all taxable temporary differences arising between the carrying amounts and the taxable amounts of assets and liabilities on the financial statements that are to be considered in the calculation of taxable earnings in the future periods and on tax losses, which is presented as netted-off with a deferred tax liability of TL 5,483,211 (31 December 2024: TL 5,248,375).

For the cases where such differences 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 (*)	10,962,077	3,288,023	9,238,402	2,770,921
Stages 1&2 Credit Losses	36,957,867	11,058,665	38,117,026	11,411,766
Differences between the Carrying Values and Taxable Values of Financial Assets (**)(****)	8,071,431	2,780,491	3,132,289	1,141,973
Revaluation Differences on Real Estates	6,175,833	2,304,886	4,476,913	1,820,618
Differences Between Book Value and Tax Value of Fixed Assets (***)(****)	8,002,007	2,400,602	6,001,990	1,800,597
Other	5,437,637	1,631,291	4,148,772	1,249,383
Deferred Tax Asset	**75,606,852**	**23,463,958**	**65,115,392**	**20,195,258**

(*) 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' 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
(****) Deferred tax effect arising from differences between inflation-adjusted tax value and book value is included.

5.1.16 Other Assets

	Current Period		***Prior Period***	
	TL	**FC**	**TL**	**FC**
Derivative Financial Assets (Derivative Guarantees)	834,568	1,802,852	377,847	1,447,733
Receivables From Clearing Transactions	45,370,718	330,481	43,759,697	965,905
Prepaid Expenses(*)	52,364,059	126,845	41,023,520	1,703
Cash Guarantees Given	40,664	2,529,154	38,708	2,315,572
Receivables From Forward Sale of Assets	302,500	-	-	-
Other(**)	8,087,008	1,873,847	7,801,294	1,187,862
Total	**106,999,517**	**6,663,179**	**93,001,066**	**5,918,775**

(*)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 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	**140,856,937**	**-**	**17,677,036**	**576,974,345**	**113,920,351**	**32,453,343**	**18,143,132**	**1,224**	**900,026,368**
Foreign Currency Deposits	**480,990,707**	**-**	**31,775,119**	**45,242,833**	**1,990,751**	**2,524,739**	**1,786,277**	**43,183**	**564,353,609**
Residents in Türkiye	453,072,802	-	31,342,652	42,096,217	1,814,176	2,324,591	951,897	43,113	531,645,448
Residents in Abroad	27,917,905	-	432,467	3,146,616	176,575	200,148	834,380	70	32,708,161
Public Sector Deposits	**22,135,247**	**-**	**8,117,282**	**240,316**	**464**	**13**	4,498	-	**30,497,820**
Commercial Deposits	**76,973,668**	**-**	**212,711,646**	**103,453,151**	**28,044,426**	**65,589,518**	**5,270,763**	-	**492,043,172**
Other	**1,891,966**	**-**	**3,543,295**	**10,487,528**	**364,556**	**3,643,598**	**17,312,750**	-	**37,243,693**
Precious Metal Deposits	**171,315,591**	**-**	**-**	**580,195**	**356,853**	**83,466**	**857,099**	-	**173,193,204**
Bank Deposits(*)	**7,427,776**	**-**	**11,760,286**	**-**	**-**	**-**	**-**	**-**	**19,188,062**
Central Bank of Türkiye	2,863,872	-	-	-	-	-	-	-	2,863,872
Domestic Banks	22,021	-	2,611,611	-	-	-	-	-	2,633,632
Foreign Banks	4,533,187	-	9,148,675	-	-	-	-	-	13,681,862
Special Financial Institutions	8,696	-	-	-	-	-	-	-	8,696
Other	-	-	-	-	-	-	-	-	-
Total(**)	**901,591,892**	**-**	**285,584,664**	**736,978,368**	**144,677,401**	**104,294,677**	**43,374,519**	**44,407**	**2,216,545,928**

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	**113,650,657**	**-**	**16,721,590**	**375,120,379**	**173,228,041**	**28,810,994**	**53,817,417**	**917**	**761,349,995**
Foreign Currency Deposits	**394,746,181**	**-**	**18,245,365**	**30,043,286**	**1,665,812**	**2,445,755**	**1,441,093**	**37,914**	**448,625,406**
Residents in Türkiye	370,151,658	-	17,094,841	27,410,423	1,493,833	2,281,010	709,552	37,219	419,178,536
Residents in Abroad	24,594,523	-	1,150,524	2,632,863	171,979	164,745	731,541	695	29,446,870
Public Sector Deposits	**16,134,707**	**-**	**1,562**	**202,363**	**270**	**12**	-	-	**16,338,914**
Commercial Deposits	**71,366,685**	**-**	**122,894,306**	**118,360,123**	**35,578,662**	**33,399,168**	**11,025,937**	-	**392,624,881**
Other	**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(*)	**2,121,947**	**-**	**55,194,428**	**-**	**-**	**-**	**-**	**-**	**57,316,375**
Central Bank of Türkiye	6,679	-	-	-	-	-	-	-	6,679
Domestic Banks	40,962	-	54,198,856	-	-	-	-	-	54,239,818
Foreign Banks	2,047,604	-	995,572	-	-	-	-	-	3,043,176
Special Financial Institutions	26,702	-	-	-	-	-	-	-	26,702
Other	-	-	-	-	-	-	-	-	-
Total(**)	**712,778,149**	**-**	**215,228,401**	**531,137,391**	**212,285,923**	**69,429,899**	**80,474,669**	**38,831**	**1,821,373,263**

(*) Includes Interbank precious metal accounts.

(**)As of 30 June 2025, the 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 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 (TL)	344,085,669	238,073,997	552,494,142	520,392,071
Foreign Currency Saving Deposits	130,401,541	105,205,535	166,135,548	143,661,642
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 (TL)	48,004,638	38,933,428	480,020,946	383,496,393
Foreign Currency Commercial Deposits	16,041,535	10,696,346	241,014,889	183,948,866
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 (Prior period is 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	33,338	26,234
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	663,317	377,169
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	15,881,154	13,822,046
Deposits and Other Accounts held by Main Shareholder with Qualified Shareholders and Corporates Under Their Control	14,308,568	10,263,717
Official Institutions Deposits and Other Accounts	30,590,862	15,932,467
Credit and Financial Institutions Deposits	184,237,002	127,457,912

(Thousands of Turkish Lira (TL))

5.2.2 Funds borrowed

	Current Period		***Prior Period***	
	TL	**FC**	**TL**	**FC**
Central Bank of Türkiye	1,786,231	-	1,500,000	-
Domestic Banks and Institutions	1,988,383	2,934,427	1,336,563	2,349,380
Foreign Banks, Institutions and Funds	-	53,163,164	-	43,635,306
Total	**3,774,614**	**56,097,591**	**2,836,563**	**45,984,686**

5.2.2.1 Maturities of funds borrowed

	Current Period		***Prior Period***	
	TL	**FC**	**TL**	**FC**
Short-Term	2,869,294	7,549,374	2,294,542	4,051,743
Medium and Long-Term	905,320	48,548,217	542,021	41,932,943
Total	**3,774,614**	**56,097,591**	**2,836,563**	**45,984,686**

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

	Current Period		***Prior Period***	
	TL	**FC**	**TL**	**FC**
Domestic Transactions	**35,856,132**	**43,683,189**	**84,161**	**23,869,839**
Financial Institutions and Organizations	35,791,094	43,683,189	816	23,869,839
Other Institutions and Organizations	20,673	-	33,824	-
Individuals	44,365	-	49,521	-
Foreign Transactions	**207**	**18,325,311**	**1,914**	**8,670,789**
Financial Institutions and Organizations	-	18,325,311	-	8,670,789
Other Institutions and Organizations	-	-	1,349	-
Individuals	207	-	565	-
Total	**35,856,339**	**62,008,500**	**86,075**	**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	-	-	7,293,060	73,037,085
Cost	-	-	7,293,060	73,028,340
Carrying Value	-	-	7,423,557	73,997,574

Prior Period	**TL**		**FC**	
	Short-Term	**Medium and Long-Term**	**Short-Term**	**Medium and Long-Term**
Nominal	12,400	-	11,837,911	12,535,736
Cost	732	-	11,837,911	12,529,018
Carrying Value	732	-	12,052,200	12,646,506

5.2.5 Financial liabilities measured at fair value through profit/loss

	Current Period		***Prior Period***	
	TL	**FC**	**TL**	**FC**
Funds Borrowed	-	62,583,271	-	56,646,374
Total	**-**	**62,583,271**	**-**	**56,646,374**

In accordance with TFRS 9, the 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 liabilities amounted to TL (370,754) (31 December 2024: TL (1,267,178)) and the corresponding gains/losses 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 62,583,271 (31 December 2024: TL 56,646,374).

5.2.6 Derivative financial liabilities

5.2.6.1 Negative differences on derivative financial liabilities measured at FVTPL

	Current Period		***Prior Period***	
	TL	**FC**	**TL**	**FC**
Forward Transactions	489,681	89,451	1,026,727	110,765
Swap Transactions	8,142,894	7,672,147	8,859,336	3,610,632
Futures	-	-	-	-
Options	399,878	137,582	427,028	60,339
Others	-	-	-	-
Total	**9,032,453**	**7,899,180**	**10,313,091**	**3,781,736**

(Thousands of Turkish Lira (TL))

5.2.6.2 Derivative financial liabilities held for hedging purpose

Derivative Financial Liabilities held for Hedging Purpose	***Current Period***		***Prior Period***	
	TL	**FC**	**TL**	**FC**
Fair Value Hedges	-	-	-	97,303
Cash Flow Hedges	-	-	5,774	-
Net Foreign Investment Hedges	-	-	-	-
Total	**-**	**-**	**5,774**	**97,303**

5.2.7 Lease liabilities (Net)

5.2.7.1 Operational and financial lease liabilities

	Current Period		***Prior Period***	
	Gross	**Net**	**Gross**	**Net**
Up to 1 Year	2,524,768	1,547,448	1,288,345	790,194
1-4 Years	4,472,576	2,741,274	2,051,916	1,258,524
More than 4 Years	898,025	550,406	617,899	378,983
Total	**7,895,369**	**4,839,128**	**3,958,160**	**2,427,701**

As of 30 June 2025, the weighted average of the incremental borrowing interest rates applied to TL, EUR and USD lease liabilities presented in the statement of financial position of the Bank are 34.1%, 0.2% and 3.0% (31 December 2024: 34.4%, 0.2% and 2.9%) respectively.

5.2.8 Provisions

5.2.8.1 Reserve for employee severance indemnity

	Current Period	***Prior Period***
Balances at Beginning of Period	**2,770,380**	**2,222,135**
Expenses During the Period	568,703	892,513
Actuarial Gain/Loss	-	46,815
Payments During the Period	(103,316)	(391,083)
Balances at End of Period	**3,235,767**	**2,770,380**

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

None.

5.2.8.3 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))

5.2.8.4 Other provisions

	Current Period	*Prior Period*
Reserve for Employee Benefits	7,951,134	7,157,647
Provision for Promotion Expenses of Credit Cards	2,387,168	1,454,969
Provision for Lawsuits	936,001	677,273
Provision for Non-Cash Loans	7,750,014	7,566,051
Other Provisions	429,225	590,321
Total	**19,453,542**	**17,446,261**

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 for 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)=(5))	**4,516,257**	**4,990,468**

(Thousands of Turkish Lira (TL))

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 statement of profit or loss	173,707	263,232
Amount recognized in the shareholders' equity	721,445	1,154,465
Balance at End of Period	-	-

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

	31.12.2024	**31.12.2024**
	%	**%**
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 are as follow:

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 rate +0.5%	-	8.10	8.10
Medical inflation rate -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

(Thousands of Turkish Lira (TL))

5.2.9 Tax liability

5.2.9.1 Current tax liability

5.2.9.1.1 Tax liability

As of 30 June 2025, the corporate tax liability amounts to TL 10,110,733 (31 December 2024: TL 7.418.521 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 14,384,048 of total current period tax expense amounting to TL 16,575,560 (31 December 2024: TL 25,676,611) has been classified in the statement of profit or loss and TL (2,191,512) (31 December 2024: (TL 3,050,077)) has been classified in equity.

5.2.9.1.2 Taxes payable

	Current Period	*Prior Period*
Corporate Taxes Payable	10,110,733	7,418,521
Taxation on Securities Income	7,247,760	3,608,101
Taxation on Real Estates Income	25,895	20,300
Banking Insurance Transaction Tax	4,681,302	4,313,487
Foreign Exchange Transaction Tax	91,994	59,424
Value Added Tax Payable	444,625	347,836
Others	796,750	698,205
Total	**23,399,059**	**16,465,874**

5.2.9.1.3 Premiums

	Current Period	*Prior Period*
Social Security Premiums-Employees	1,290	1,025
Social Security Premiums-Employer	1,590	1,260
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	19,108	14,185
Unemployment Insurance-Employer	38,551	28,628
Others	764	392
Total	**63,051**	**46,479**

5.2.9.2 Deferred tax liability

As of balance sheet date, the Bank has no deferred tax liability.

5.2.10 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.

(Thousands of Turkish Lira (TL))

5.2.11 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.

5.2.12 Other liabilities

	Current Period		*Prior Period*	
	TL	**FC**	**TL**	**FC**
Payables from credit card transactions	127,222,007	1,185,553	109,815,357	802,819
Payables from clearing transactions	50,826,881	76,174	40,429,442	840,019
Other	16,984,894	11,618,185	14,960,674	10,140,049
Total	**195,033,782**	**12,879,912**	**165,205,473**	**11,782,887**

5.2.13 Shareholders' equity

5.2.13.1 Paid-in capital

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

5.2.13.2 Registered share capital system

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

5.2.13.3 Capital increases in current period

None.

5.2.13.4 Capital increases from capital reserves in current period

None.

5.2.13.5 Capital commitments for current and future financial periods

None.

5.2.13.6 Possible effect of estimations made for the parent bank's revenues, profitability and liquidity on equity considering prior period indicators and uncertainties

None.

5.2.13.7 Information on privileges given to stocks representing the capital

None.

5.2.13.8 Securities value increase fund

	Current Period		*Prior Period*	
	TL	**FC**	**TL**	**FC**
Investments in Associates, Subsidiaries and Joint-Ventures	**48,424,096**	**(363,125)**	**34,070,722**	**6,656**
Valuation difference	171,983	(363,125)	201,464	6,656
Exchange rate difference	48,252,113	-	33,869,258	-
Financial Assets Measured at Fair Value through Other Comprehensive Income	**(668,875)**	**1,475,932**	**11,432**	**891,976**
Valuation difference	(1,975,343)	1,475,932	(1,020,052)	891,976
Exchange rate difference	1,306,468	-	1,031,484	-
Total	**47,755,221**	**1,112,807**	**34,082,154**	**898,632**

(Thousands of Turkish Lira (TL))

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

	Current Period		Prior Period	
	TL	**FC**	**TL**	**FC**
Securities	1,605,446	1,277,368	1,403,052	817,399
Real Estates	26,166,779	433,492	23,175,310	332,248
Defined Benefit Plans' Actuarial Gains/Losses	(3,264,924)	-	(2,759,912)	-
Other	(70,846)	-	(70,559)	-
Total	**24,436,455**	**1,710,860**	**21,747,891**	**1,149,647**

5.2.13.10 Bonus shares of associates, subsidiaries and joint-ventures

	Current Period	*Prior Period*
Bankalararası Kart Merkezi A.Ş.	5,782	5,782
Garanti Yatırım Menkul Değerler AŞ	942	942
Yeni Gimat Gayrimenkul Yatırım Ortaklığı A.Ş.	860	860
JCR Avrasya Derecelendirme A.Ş.	2,827	2,827
İhracatı Geliştirme A.Ş.	73,422	36,704
Kredi Kayıt Bürosu AŞ	481	481
Garanti Ödeme Sistemleri AŞ	401	401
Kömür İşletmeleri A.Ş.	745	745
Doğuş Gayrimenkul Yatırım Ortaklığı AŞ	22	22
Yatırım Finansman Menkul Değerler AŞ	2,602	9
Dati Yatırım Holding A.Ş.	148	148
Total	**88,232**	**48,921**

5.2.13.11 Legal reserves

	Current Period	*Prior Period*
I. Legal Reserve	961,534	961,534
II. Legal Reserve	4,623,066	2,800,566
Special Reserves	-	-
Total	**5,584,600**	**3,762,100**

5.2.13.12 Extraordinary and other profit reserves

	Current Period	*Prior Period*
Legal reserves that was allocated to be in compliance with the decisions made on the Annual General Assembly	256,519,446	184,565,657

(Thousands of Turkish Lira (TL))

5.3 Off-Balance Sheet Items

5.3.1 Off-balance sheet contingencies

5.3.1.1 Irrevocable credit commitments

The Bank has term asset purchase and sale commitments of TL 116,233,507 (31 December 2024: TL 67,903,857), commitments for cheque payments of TL 19,992,749 (31 December 2024: TL 14,208,207) and commitments for credit card limits of TL 1,415,674,109 (31 December 2024: TL 1,102,359,106).

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

	Current Period	*Prior Period*
Letters of Guarantee in Foreign Currency	229,611,404	161,765,298
Letters of Guarantee in TL	389,425,969	311,772,179
Letters of Credit	67,387,021	45,125,404
Bills of Exchange and Acceptances	8,815,537	8,433,493
Endorsements	26,452,400	19,617,000
Other Guarantees	388,617	404,200
Total	**722,080,948**	**547,117,574**

Expected losses for non-cash loans and irrevocable commitments

Current Period	*Stage 1*	*Stage 2*	*Stage 3*	*Total*
Balances at Beginning of Period	**2,571,008**	**2,641,722**	**2,353,321**	**7,566,051**
Additions during the Period (+)	2,446,633	1,764,912	251,407	4,462,952
Disposals (-)	(2,486,083)	(2,176,431)	(202,178)	(4,864,692)
Sales (-)	-	-	-	-
Write-offs (-)	-	-	-	-
Transfer to Stage 1	1,133,802	(1,089,782)	(44,020)	-
Transfer to Stage 2	(610,387)	611,403	(1,016)	-
Transfer to Stage 3	(1,322)	(36,981)	38,303	-
Foreign Currency Differences	98,858	139,252	347,593	585,703
Provisions at End of Period	**3,152,509**	**1,854,095**	**2,743,410**	**7,750,014**

Prior Period	*Stage 1*	*Stage 2*	*Stage 3*	*Total*
Balances at Beginning of Period	**1,943,216**	**4,780,967**	**3,444,224**	**10,168,407**
Additions during the Period (+)	4,017,280	4,459,000	392,702	8,868,982
Disposals (-)	(6,213,671)	(4,239,829)	(1,858,123)	(12,311,623)
Sales (-)	-	-	-	-
Write-offs (-)	-	-	-	-
Transfer to Stage 1	3,347,449	(3,342,251)	(5,198)	-
Transfer to Stage 2	(579,493)	673,883	(94,390)	-
Transfer to Stage 3	(1,023)	(74,939)	75,962	-
Foreign Currency Differences	57,250	384,891	398,144	840,285
Provisions at End of Period	**2,571,008**	**2,641,722**	**2,353,321**	**7,566,051**

Lifetime expected credit loss (Stage 3) of TL 4,890,709 (31 December 2024: TL 4,109,551) is made for unliquidated non-cash loans of TL 2,743,410 (31 December 2024: TL 2,353,320) 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	163,292,030	117,397,522
With Original Maturity of 1 Year or Less	32,838,088	16,467,657
With Original Maturity of More Than 1 Year	130,453,942	100,929,865
Other Non-Cash Loans	558,788,918	429,720,052
Total	**722,080,948**	**547,117,574**

5.3.1.4 Sectoral risk concentration of 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 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 received from loans				
Short-term loans	133,433,198	7,012,768	101,677,354	5,338,868
Medium and long-term loans	87,076,973	11,375,444	42,179,633	9,408,289
Loans under follow-up	3,772,799	21,868	1,298,619	27,273
Premiums Received from Resource Utilization Support Fund	-	-	-	-
Total	**224,282,970**	**18,410,080**	**145,155,606**	**14,774,430**

(*) Includes also the fee and commission 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	2,254	-	65,592	3
Foreign Banks	216,964	1,044,054	15,706	916,860
Foreign Head Offices and Branches	-	-	-	-
Total	**8,564,679**	**1,044,054**	**1,779,391**	**956,843**

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	559,523	106,837	416,994	88,147
Financial Assets Measured at Fair Value through Other Comprehensive Income	14,855,773	1,091,031	10,614,547	736,549
Financial Assets Measured at Amortised Cost	21,165,110	2,030,771	20,906,142	2,108,635
Total	**36,580,406**	**3,228,639**	**31,937,683**	**2,933,331**

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	2,558,622	3,033,619

(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	**570,836**	**1,274,873**	**248,615**	**1,431,926**
Central Bank of Türkiye	228,851	-	-	-
Domestic Banks	324,718	96,795	248,615	40,980
Foreign Banks	17,267	1,178,078	-	1,390,946
Foreign Head Offices and Branches	-	-	-	-
Other Institutions	-	2,494,414	-	2,544,704
Total	**570,836**	**3,769,287**	**248,615**	**3,976,630**

(*) Also includes the fee and commission 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	2,854,794	1,384,551

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.

5.4.2.4 Maturity structure of interest expense on deposits

Current Period		Time Deposits						
Account Description	**Demand Deposits**	**Up to 1 Month**	**1-3 Months**	**3-6 Months**	**6-12 Months**	**1 Year and Over**	**Accumulating Deposit Accounts**	**Total**
Turkish Lira								
Bank Deposits	2,595	5,736,204	-	-	-	-	-	5,738,799
Saving Deposits	-	2,435,859	101,903,223	31,227,101	6,648,414	5,876,952	-	148,091,549
Public Sector Deposits	-	93,513	62,036	41	1	598	-	156,189
Commercial Deposits	-	31,768,918	22,718,224	7,309,578	10,611,368	1,724,207	-	74,132,295
Other	-	389,195	1,745,203	246,912	808,625	3,498,959	-	6,688,894
“7 Days Notice” Deposits	-	-	-	-	-	-	-	-
Total TL	**2,595**	**40,423,689**	**126,428,686**	**38,783,632**	**18,068,408**	**11,100,716**	**-**	**234,807,726**
Foreign Currency								-
Foreign Currency Deposits	-	412,324	222,036	6,025	48,580	3,436	72	692,473
Bank Deposits	-	11,306	-	-	-	-	-	11,306
“7 Days Notice” Deposits	-	-	-	-	-	-	-	-
Precious Metal Deposits	-	-	1	1	8	272	-	282
Total FC	**-**	**423,630**	**222,037**	**6,026**	**48,588**	**3,708**	**72**	**704,061**
Grand Total	**2,595**	**40,847,319**	**126,650,723**	**38,789,658**	**18,116,996**	**11,104,424**	**72**	**235,511,787**

(Thousands of Turkish Lira (TL))

Prior Period		Time Deposits						
Account Description	**Demand Deposits**	**Up to 1 Month**	**1-3 Months**	**3-6 Months**	**6-12 Months**	**1 Year and Over**	**Accumulating Deposit Accounts**	**Total**
Turkish Lira								
Bank Deposits	1,509	906,492	-	-	-	-	-	908,001
Saving Deposits	-	1,443,266	37,588,179	27,787,754	33,391,894	10,834,285	-	111,045,378
Public Sector Deposits	-	951	5,051	15,802	-	-	-	21,804
Commercial Deposits	-	14,844,742	7,903,385	4,830,311	7,923,728	3,974,532	-	39,476,698
Other	-	197,259	758,496	316,554	319,465	1,485,890	-	3,077,664
"7 Days Notice" Deposits	-	-	-	-	-	-	-	-
Total TL	**1,509**	**17,392,710**	**46,255,111**	**32,950,421**	**41,635,087**	**16,294,707**	**-**	**154,529,545**
Foreign Currency								-
Foreign Currency Deposits	-	7,854	3,268	81	72,519	1,852	102	85,676
Bank Deposits	-	10,102	-	-	-	-	-	10,102
"7 Days Notice" Deposits	-	-	-	-	-	-	-	-
Precious Metal Deposits	-	-	-	-	-	87	-	87
Total FC	**-**	**17,956**	**3,268**	**81**	**72,519**	**1,939**	**102**	**95,865**
Grand Total	**1,509**	**17,410,666**	**46,258,379**	**32,950,502**	**41,707,606**	**16,296,646**	**102**	**154,625,410**

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 Interest expense on lease 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.

5.4.2.7 Interest expenses on factoring payables

None.

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.

(Thousands of Turkish Lira (TL))

5.4.4 Trading income/losses

	Current Period	*Prior Period*
Income	**441,046,586**	**274,801,099**
Trading Account Income	3,200,566	772,631
Gains from Derivative Financial Instruments	27,966,412	20,817,982
Foreign Exchange Gains	409,879,608	253,210,486
Losses (-)	**434,731,589**	**273,252,404**
Trading Account Losses	1,860,795	1,555,827
Losses from Derivative Financial Instruments	38,270,352	35,354,950
Foreign Exchange Losses	394,600,442	236,341,627
Total	**6,314,997**	**1,548,695**

TL 12,076,369 (30 June 2024: TL 3,831,228) of foreign exchange gains and TL 4,485,893 (30 June 2024: TL 2,790,399) of foreign exchange losses are resulted from the exchange rate changes of derivative financial transactions.

5.4.5 Other operating income

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

	Current Period	*Prior Period*
Reversal of Prior Years' Provisions	**20,531,098**	**20,414,284**
Stage 1 Provisions	7,946,818	7,364,039
Stage 2 Provisions	7,643,858	7,046,898
Stage 3 Provisions	4,402,117	5,392,779
Others	538,305	610,568
Revenues from Sale of Assets	**869,009**	**1,056,129**
Others (*)	**4,613,459**	**2,509,284**
Total	**26,013,566**	**23,979,697**

(*) In the current period, the collection amounting to TL 2,177,092 (30 June 2024: TL 223,432) 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	**39,654,244**	**26,874,356**
12-Month ECL (Stage 1)	8,822,610	5,966,227
Lifetime ECL Significant Increase in Credit Risk (Stage 2)	9,001,658	10,921,339
Lifetime ECL Impaired Credits (Stage 3)	21,829,976	9,986,790
Other Provisions	**232,552**	**38,479**
Impairment Losses on Securities	-	-
Financial Assets Measured at Fair Value through Profit/Loss	-	-
Financial Assets Measured at Fair Value through Other Comprehensive Income	-	-
Impairment Losses on Associates, Subsidiaries and Joint-ventures	-	-
Associates	-	-
Subsidiaries	-	-
Joint-ventures	-	-
Others	232,552	38,479
Total	**39,886,796**	**26,912,835**

5.4.7 Other operating expenses

	Current Period	*Prior Period*
Reserve for Employee Termination Benefits	568,703	394,708
Defined Benefit Obligation	-	-
Impairment Losses on Tangible Assets	-	-
Depreciation Expenses of Tangible Assets	1,411,177	786,906
Impairment Losses on Intangible Assets	-	-
Impairment Losses on Goodwill	-	-
Amortisation Expenses of Intangible Assets	522,767	198,132
Impairment Losses on Investments Accounted under Equity Method	-	-
Impairment Losses on Assets to be Disposed	842	-
Depreciation Expenses of Right-of-use Assets	558,121	385,841
Impairment Losses on Assets Held for Sale	-	-
Other Operating Expenses	31,059,944	17,498,812
Operational Lease related Expenses (*)	353,299	230,312
Repair and Maintenance Expenses	397,501	208,533
Advertisement Expenses	2,746,822	1,222,323
Other Expenses	27,562,322	15,837,644
Loss on Sale of Assets	212,096	29,620
Others (**)	7,204,679	4,807,548
Total	**41,538,329**	**24,101,567**

(*) Includes lease related expenses out of the scope of TFRS 16.
(**) Includes Saving Deposits Insurance Fund related expenses of TL 2,396,645 (30 June 2024: TL 1,619,404) 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 from continued and discontinued operations

As of 30 June 2025, the Bank recorded a tax expense of TL 16,575,560 (30 June 2024: tax expense of TL 16,191,693) and a deferred tax expense of TL 3,028,855 (30 June 2024: deferred tax income of TL 5,993,652).

Deferred tax benefit/charge on timing differences:

Deferred tax benefit/(charge) on timing differences	***Current Period***	***Prior Period***
Increase in tax deductible timing differences (+)	(3,372,428)	(3,243,536)
Decrease in tax deductible timing differences (-)	172,686	587,468
Increase in taxable timing differences (-)	750,607	463,546
Decrease in taxable timing differences (+)	(579,720)	(3,801,130)
Total	**(3,028,855)**	**(5,993,652)**

Deferred tax benefit/charge in the statement of profit/loss 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)	(3,199,742)	(2,656,068)
(Increase)/Decrease in Taxable Timing Differences (net)	170,887	(3,337,584)
(Increase)/Decrease in Tax Losses (net)	-	-
(Increase)/Decrease in Tax Deductions and Exemptions (net)	-	-
Total	**(3,028,855)**	**(5,993,652)**

5.4.10 Information on net profit/loss 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.

5.4.11 Net profit/loss

5.4.11.1 Any further explanation on operating results needed for better understanding of the 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.

5.4.12 Components of other items in statement of profit/loss

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

(Thousands of Turkish Lira (TL))

5.5 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 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.

5.7 Related Party Risks

5.7.1 Transactions with the 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	25,112,005	5,160,634	62,722	4,004,767	88,739	17,158
Balance at end of period	60,117,339	5,893,172	52,452	8,189,585	137,971	25,808
Interest and Commission Income	**2,791,618**	**9,636**	**36**	**-**	**2,714**	**-**

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	18,831,820	5,818,234	486,087	3,876,580	26,577	17,480
Balance at end of period	25,112,005	5,160,634	62,722	4,004,767	88,739	17,158
Interest and Commission Income	**3,199,152**	**14,999**	**219**	**-**	**1,810**	**-**

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	10,162,617	6,218,932	68,988	183,626	17,954,001	10,062,389
Balance at end of period	13,690,227	10,162,617	250,040	68,988	19,494,467	17,954,001
Interest Expense	**2,611,330**	**1,216,549**	**462**	**160**	**3,709,960**	**2,202,020**

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	
Transactions at Fair Value Through Profit/(Loss):	***Current Period***	***Prior Period***	***Current Period***	***Prior Period***	***Current Period***	***Prior Period***
Balance at beginning of period	36,739,638	30,112,236	133,750,535	58,710,468	429,005	-
Balance at end of period	53,484,576	36,739,638	158,894,516	133,750,535	-	429,005
Total Profit/(Loss)	**545,827**	**(664,739)**	**(270,808)**	**441,851**	**3,459**	**-**
Transactions for Hedging:						-
Balance at beginning of period	-	-	-	-	-	-
Balance at end of period	-	-	-	-	-	-
Total Profit/(Loss)	**-**	**-**	**343**	**-**	**-**	**-**

5.7.2 The 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 17,369,418 (31 December 2024: 19,327,560) compose 0.92% (31 December 2024: 1.24%) of the Bank's total cash loans and 0.54% (31 December 2024: 0.74%) of the Bank's total assets. The total loans and similar receivables amounting TL 60,307,762 (31 December 2024: TL 25,263,466) compose 1.86 % (31 December 2024: 0.97%) of the Bank's total assets. The non-cash loans of the risk group amounting TL 14,108,565 (31 December 2024: TL 9,182,559) compose 1.95 % (31 December 2024: 1.68 %) of the Bank's total non-cash loans.

The deposits of the risk group amounting TL 33,434,733 (31 December 2024: TL 28,185,605) compose 1.51% (31 December 2024: 1.55%) of the Bank's total deposits.

The funds borrowed by the Bank from its risk group amounting TL 71,559,807 (31 December 2024: TL 65,334,459) compose 58.44% (31 December 2024: 61.95%) of the Bank's total funds borrowed. The pricing in transactions with the risk group companies is set on an arm's-length basis.

The credit card ("POS") payables to the related parties, amounted to TL 2,138,140 (31 December 2024: TL 1,658,601).

A total rent income of TL 58,743 (31 December 2024: TL 38,302) was recognized for the real estates rented to the related parties.

Operating income for TL 1,061,264 (30 June 2024: TL 607,171) were incurred for the IT services rendered by the related parties. Banking services income of TL 175,625 (30 June 2024: TL 103,875) were recognized from the related parties.

Insurance brokerage fee of TL 2,959,431 (30 June 2024: TL 1,289,447), shares brokerage fee of TL 462,826 (30 June 2024: TL 648,443), and fixed-rate securities brokerage fee of TL 23,180 (30 June 2024: TL 30,061) were received from the subsidiaries.

Operating expenses of TL 297,878 (30 June 2024: TL 44,191) 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 amounts to TL 284,844 as of (30 June 2024: TL 203,169).

5.7.2.3 Other matters not required to be disclosed

None.

5.7.2.4 Transactions accounted for under equity method

Please refer to Note 5.1.10 investments in subsidiaries.

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 the Bank's internal use are partly arranged through leasing.

(Thousands of Turkish Lira (TL))

5.8 Domestic, foreign and off-shore branches or equity investments, and foreign representative offices

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 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 of the Bank

5.10.1 Bank's latest 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

(Thousands of Turkish Lira (TL))

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 report

The unconsolidated financial statements of the Bank as of 30 June 2025, have been audited by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş (a member firm of Ernst & Young Global Limited) and the independent auditors' report dated 30 July 2025, is presented before the accompanying 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 unconsolidated financials, the Bank's **net income** in the first 6 months of the year recorded as TL 53 billion 610 million 145 thousand. **Asset size** reached to TL 3 trillion 246 billion 37 million 748 thousand and the Bank's contribution to the economy through **cash and non-cash loans** increased to TL 2 trillion 560 billion 947 million 841 thousand. Actively managing the funding base, customer deposits continued to be the main funding source with 67.7% share in the total funding base. Customer deposit base reached TL 2 trillion 197 billion 360 million 853 thousand with 24.6% growth in the first 6 months of the year. Preserving the strong capital stance, Bank's capital adequacy ratio was realized at 18.0%*. The Bank delivered an **ROAE** (Return on Average Equity) of 30.6% and an **ROAA** (Return on Average Assets) of 3.6%.

**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.

(Thousands of Turkish Lira (TL))

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."

You may access Garanti BBVA earnings presentations regarding the BRSA unconsolidated financial results from Garanti BBVA Investor Relations website at www.garantibbvainvestorrelations.com

7.1.1 Selected Figures of Unconsolidated Financial Statements

Selected Balance Sheet Items (TL Thousand)	**Current Period 30.06.2025**	**Prior Period 31.12.2024**	**Change %**
Total Assets	3,246,037,748	2,607,672,475	24.5%
Loans	1,895,684,698	1,562,025,645	21.4%
- Performing Loans	*1,838,866,893*	*1,526,969,244*	*20.4%*
- Non-Performing Loans	*56,817,805*	*35,056,401*	*62.1%*
Customer Deposits	2,197,360,853	1,764,056,889	24.6%
Shareholders' Equity	377,603,838	329,926,317	14.5%

Selected P&L Items (TL Thousand)	**Current Period 30.06.2025**	**Prior Period 30.06.2024**	**Change %**
Net Interest Income	63,186,500	45,857,368	37.8%
Operating Expenses	65,809,443	39,148,916	68.1%
- HR Cost	*24,271,114*	*15,047,349*	*61.3%*
- Other Operating Expenses	*41,538,329*	*24,101,567*	*72.3%*
Net Fees&Commissions	64,190,535	40,234,663	59.5%
Net Income	53,610,145	44,838,802	19.6%

(Thousands of Turkish Lira (TL))

Selected Financial Ratios	**Current Period 30.06.2025**	**Prior Period 31.12.2024**	**Change** (bps)
Performing Loans/Assets	56.6%	58.6%	(191)
Deposits/Assets	67.7%	67.6%	4
Return on Average Equity	30.6%	32.6%	(205)
Return on Average Assets	3.6%	4.0%	(40)
Non-Performing Loans Ratio	3.0%	2.2%	75
Capital Adequacy Ratio	18.0%	20.3%	(238)

** 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*

Garanti BBVA with Numbers	**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%

**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.