

3Q24 Banks Earnings Preview

Earnings to decline 22% QoQ in 3Q24

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Akbank to kick-off the 3Q24 earnings season for Turkish banks on October 24.

Following a 13% QoQ earnings decline in 2Q24, we expect earnings for the Turkish banks under our coverage to fall by 22% QoQ in 3Q24, with a quarterly ROAE of 17%.

This would mean a 48% earnings decline YoY. Private deposit banks should post a 26% earnings decline QoQ on higher ECLs while state deposit banks should deliver 1% earnings growth QoQ.

Investors will be focused primarily on 1) the impact of worsening asset quality; 2) margin improvement and 3) any revisions to 2024 guidance details.

Key themes for 3Q24 are:

- 1) TRY loan growth higher at 5.7% QoQ, slower FC lending,
- 2) NIM (swap adj.) widening 90bps QoQ, recovery on TRY core spreads,
- 3) Plummeting swap funding costs (-55% QoQ), flattish CPI linker income (+3%),
- 4) Decelerated fee income growth,
- 5) Steep decline in trading loss 3QE: TRY2.8bn in 2Q24 vs. TRY45.2bn in 2Q24,
- 6) CoR (net) higher QoQ on accelerated net NPL inflows,
- 7) Steep rise in OPEX (Quarterly: 13%),
- 8) Lower subsidiary income (-27% QoQ) and higher effective tax rate.

Among the banks under our coverage, we predict TSKB being the only bank posting 2.3% QoQ and 36% YoY earnings growth boosted by a steep decline in ECL. We expect the highest QoQ earnings growth from VakifBank (+12.7%), with the support of the strong recovery in TL core spreads. Garanti BBVA should stand out with a limited earnings decline (-6.9% QoQ) on sustained margins.

We model the sharpest quarterly earnings drops for Is Bank and Yapi Kredi Bank (-60% and -30.6% QoQ). Yapi Kredi Bank stands out negatively with a whopping TRY9.2bn trading loss unlike its competitors that are set to declare trading gains. For Akbank, we model a limited 19.8% earnings decline QoQ with slight margin tightening QoQ. For the long term Akbank and Is Bank remain our top picks.

Net income forecasts for the coverage banks (Bank-only, TRY mn)

| Banks | 3Q23 | 2Q24 | 3Q24E | QoQ | YoY | Highlights | Date | Impact |
|--------------|----------------|---------------|---------------|---------------|---------------|---|--------|----------|
| AKBNK | 20,447 | 10,924 | 8,759 | -19.8% | -57.2% | Weakest NIM evolution among peers (Margin tightening QoQ) TRY500mn trading gain | 24-Oct | Negative |
| GARAN | 23,372 | 22,522 | 20,963 | -6.9% | -10.3% | Best-in-class ROAE at 32% among private banks TRY1.5bn trading gain | 30-Oct | Positive |
| HALKB | 3,096 | 3,440 | 2,637 | -23.3% | -14.8% | Best-in-class recovery of TL core spreads at 450bps QoQ Soaring ECL | 2W Nov | Negative |
| ISCTR | 20,548 | 15,103 | 6,046 | -60.0% | -70.6% | NIM in negative territory despite widening QoQ Peer-leading TRY6bn trading gain | 1W Nov | Negative |
| TSKB | 1,857 | 2,469 | 2,525 | 2.3% | 36.0% | Solid lending growth, lower ECL Decelerated fee growth | 31-Oct | Positive |
| VAKBN | 9,514 | 7,169 | 8,081 | 12.7% | -15.1% | TRY450mn trading gain, Soaring ECL Strong TL core spreads widening | 6-Nov | Positive |
| YKBK | 24,586 | 7,103 | 4,928 | -30.6% | -80.0% | Elevated TRY9.2bn trading loss, muted lending TRY core spreads improving by a solid 300bps QoQ | 31-Oct | Negative |
| Total | 103,420 | 68,730 | 53,940 | -21.5% | -47.8% | | | |

Source: Seker Invest Research

Akbank:

Our 3Q24 net income estimate is TRY8,759mn, indicating a 20% QoQ and rather steep 57% earnings decline YoY with a quarterly ROAE of 17%. A TRY500mn trading gain amid lower swap volumes, solid fee growth and a 200bps recovery in the TL core spreads are positive. However, NIM (adj.) is set to narrow by 25bps QoQ on high repo funding costs.

We forecast a TRY500mn trading gain in 3Q24, with the support of lower swap funding volumes vs. a TRY3bn trading loss in 2Q24.

9% quarterly growth in TL loans, supported by continued market share gains in consumer loans, a strong 7% increase in FX loans, 7% increase in TL and FX deposits, sustained 15% rise in fee income, and a limited 8% increase in OPEX are other important details. Additionally, we model the bank reversing TRY1.4bn of free provisions.

We model a 7% quarterly rise in CPI-linker revenues to TRY20.8bn, as the bank revised the rate for valuing them to 48% in 3Q24 vs. 45% in 2Q24. Swap funding costs should fall by 50% QoQ to 3.9 billion TL on lower volumes. NIM (adjusted) is set to narrow by a 25bps QoQ due to elevated repo funding costs, despite a solid 200bps recovery for the TL loan-deposit spread.

On the asset quality side, we model the CoC (including the currency impact, net) to increase amid a significant increase in new NPL formations (net), rising from 46 basis points to 90 basis points. Finally, we foresee the effective tax rate at a relatively high of 28-30%. **Negative.**

Garanti BBVA:

Our 3Q24 net income estimate is TRY20,963mn (-7% QoQ, -10% YoY). The bank stands out with its solid quarterly ROAE of 32%. The stable course of the core NIM on a quarterly basis, a TRY1.5bn trading gain and the strong trend maintained in fee growth are the main positives. Yet we expect the sharp rise in loan provisions and OPEX to suppress profitability. We model high single-digit growth and market share gains in TL loans, a strong 7% increase in FX loans, and 7% and 6% growth in TL and FX deposits. We anticipate that the rate of fee growth will be maintained significantly, easing slightly to 14% in 3Q24 from 15% in 2Q24. On the positive side, we model a TRY1.5bn trading gain in 3Q24 amid lower swap funding volumes vs. a TRY3.3bn trading loss in 2Q24.

Swap funding costs are expected to decline sharply by 50% on a quarterly basis to TRY6bn. The CPI linker contribution should rise strongly by 38% QoQ to TRY12.8bn, as the bank is set to use 45% in valuing its CPI linker portfolio, vs. 40% in 2Q24. On the positive side, core NIM is to remain stable on a quarterly basis.

On the asset quality side, CoR (adj. for the currency impact, net) is set to rise to 150 basis points. We model a 15% quarterly increase in OPEX and a slight increase in subsidiary revenues. We expect the tax rate to increase slightly to the 20-25% range. **Positive.**

HalkBank:

Our 3Q24 net income estimate is 2,637 million TL, indicating a 23% and 15% decline QoQ and YoY, making for a relatively weak 7.9% quarterly ROAE.

The bank stands out with a best-in-class recovery in TL loan-deposit spreads at 450bps QoQ. However, we expect NII to fall sharply by 30% quarterly on elevated MM funding costs. Soaring loan provisions should suppress profitability.

Other prominent details of the quarter include a muted 3% TL loan growth, 5% increase in FX loans, sharp 18% increase in TL deposits, 2% decline in FX deposits, a 12% increase in fee and commission income, and a limited 2% rise in OPEX. In addition, trading loss is set to decline sharply by 80% on a quarterly basis to TRY1.7bn amid lower swap funding costs.

Unlike other banks, we expect a 25% quarterly decline in CPI linker revenues and a sharp 75% decline in swap costs due to lower volumes. NIM (adj.) should improve by 130 basis points QoQ to 70bps. On the positive side, the bank stands out with the 450bps quarterly recovery in its TL loan-deposit spreads. On the asset quality side, cumulative CoR (net) should reach 65bps on soaring provisions. **Negative.**

Isbank:

Among the banks we follow, we expect the highest QoQ earnings decline from Isbank. Our 3Q24 profit expectation is 6,046 million TL. We model a steep 60% quarterly and 71% YoY earnings decline and a quarterly ROAE of 8.6%. Among the private deposit banks we follow, we model the sharpest QoQ decline NII for Is Bank, amid soaring TL deposits and MM funding.

NIM (adjusted) is to remain in negative territory despite the QoQ improvement. On the positive side, the bank stands out with a best-in-class TRY6bn trading gain, amid a sharp decline in swap funding costs.

The soaring OPEX and loan provisions are to weigh on profitability. Other important details of the quarter include a relatively strong 10% increase in TL loans, a 4% increase in FX loans, a sharp 11% increase in TL deposits, a 6% increase in FX deposits, and a strong 13% increase in fee income.

We expect the bank to announce an eye-catching TRY6bn trading gain, well above its competitors, due to plummeting swap funding costs, vs. a TRY6.8bn loss in 2Q24.

The bank diverges negatively due to its tumbling NII on 65% QoQ elevated TL deposits and repo funding. Since a different valuation method is used in CPI-linker valuation, we model a limited 3% rise in their revenues. Swap funding costs should decline significantly by 63% QoQ to TRY6.8bn, above the peer average. NIM (adjusted) is set to improve on a quarterly basis but remain in the negative zone.

On the asset quality side, we expect the cumulative CoR (net) to rise to 80-90bps. We anticipate that subsidiary income will decline to TRY5.5bn and strong tax revenues will support profitability. **Negative.**

VakifBank:

We expect the highest earnings growth for VakifBank (+12.7%) among coverage banks, with the support of a strong recovery in TL loan-deposit spreads. Our 3Q24 net income estimate is TRY8,081mn, up 13% QoQ, and down 15% YoY, and a quarterly ROAE of 17.6%. The main negatives of the quarter are the plunging other income and steep rise in new NPL formations.

Other important details of the quarter are 8% growth in TRY loans, a 10% rise in TRY deposits, a 3% decline in FX deposits, a steep 25% exit from FX protected deposits, strong fee growth (QoQ: 12%), a sharp decline in swap funding costs, and a limited 6% rise in OPEX. We expect the bank to book a TRY425mn trading gain with the support of FX gains.

Since the bank revised the rate in valuing CPI-indexed papers to 43.45% from 40% in 2Q24, we expect a 3% rise in CPI linker revenues to TRY21bn and a steep 62% QoQ decline in swap costs.

NIM (adjusted) is to widen 110bps QoQ, while the TRY loan-deposit spread is to rebound strongly by 270bps QoQ. CoR (net) should worsen visibly to 85bps with heavy NPL inflows. **Positive.**

Yapi Kredi Bank:

Among the banks we follow, we expect the second-highest earnings decline from Yapi Kredi Bank. Our 3Q24 net income estimate is TRY4,928mn, indicating a sharp 31% and 80% earnings decline QoQ and YoY respectively and relatively weak 11% ROAE on a quarterly basis.

Swap funding costs remain high despite decreasing volumes. In addition, the deterioration in asset quality, the slowdown in volumes and the sharp rise in operating expenses have dented profitability. On the positive side, NIM enters positive territory.

In parallel with lower utilization, swap funding costs should fall by 33% QoQ to 13 billion TL, but remain at high levels. We expect the trading loss to decrease sharply by 43% on a quarterly basis to 9.2 billion TL.

Flattish TL loan growth, strong growth in FX loans, slowdown in fee and commission income growth (+4%), solid TL demand deposits growth, visible worsening in asset quality and sharp rise in OPEX on salary increases (+15%) are other highlights of the quarter.

Despite the significant decline in the bank's swap funding volumes, swap funding costs should fell by 33% QoQ to 13 billion TL. We model a 15% QoQ rise in CPI linker revenues as the bank has revised the rate used in valuing them to 47% from 45%. NIM (adjusted) should widen by 30bps QoQ on a solid TL core spread widening of a 300bps QoQ.

On the asset quality side, we model the CoR (excluding the currency impact, net) rising to 25 basis points on accelerated new NPL formation on the consumer side. Lastly, we expect deferred tax gains to boost the bottom line. **Negative.**

TSKB:

Among the banks we follow, we expect the only earnings increase from TSKB on both a quarterly and annual basis. Our 3Q24 net income estimate of TRY2,525mn indicates 2% QoQ and 36% YoY growth with solid ROAE of 42%, exceeding that of its competitors. The main details of the quarter are decelerated fee and commission income on 5% growth QoQ, lower loan provisions and a lower NPL ratio. The trading loss will likely ease by 43% QoQ to TRY425mn on lower swap funding costs. Subsidiary income should normalize to TRY390mn. We model the effective tax rate of 28%. **Positive.**

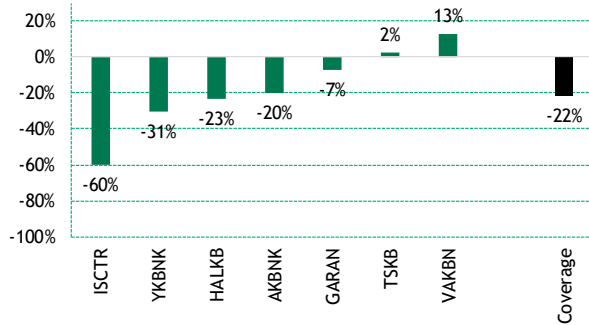
Aggregate forecasts for the coverage banks (Bank-only, TRYmn)

| | 2Q24 | 3Q24E | QoQ |
|--|----------------|----------------|---------------|
| Net interest income | 101,029 | 84,616 | -16.2% |
| <i>CPI linker income</i> | 104,317 | 107,728 | 3.3% |
| Net interest income exc. CPI linker income | -3,288 | -23,112 | 602.8% |
| Net fee income | 97,391 | 108,740 | 11.7% |
| Core revenues | 198,420 | 193,356 | -2.6% |
| Dividends | 453 | 76 | -83.2% |
| Commercial Profit/Loss (Net) | -45,427 | -2,842 | -93.7% |
| <i>Swap costs</i> | -82,756 | -37,656 | -54.5% |
| Other Operations Profit | 44,281 | 38,865 | -12.2% |
| Gross operating income | 219,289 | 229,455 | 4.6% |
| Expected Credit Loss | 30,412 | 53,580 | 76.2% |
| Other provisions | 1,269 | 260 | -79.5% |
| OPEX | 114,424 | 128,896 | 12.6% |
| Net operating profit | 51,623 | 46,719 | -9.5% |
| Income/loss from inv. under equity | 23,388 | 17,118 | -26.8% |
| Operating income before tax | 75,011 | 63,837 | -14.9% |
| Tax | 6,281 | 9,897 | 57.6% |
| Net income | 68,730 | 53,940 | -21.5% |
| | | | |
| NPL ratio | 1.90% | 2.14% | 0.24 |
| NIM | 3.56% | 2.79% | -0.77 |
| NIM (swap adj.) | 0.64% | 1.54% | 0.90 |
| NIM (CPI+swap adj.) | -2.96% | -1.97% | 0.99 |
| CoR (Net) | -0.06% | 1.30% | 1.36 |
| C/I Ratio | 52.18% | 56.17% | 4.00 |
| ROAE | 22.46% | 16.97% | -5.49 |
| ROAA | 1.77% | 1.34% | -0.43 |

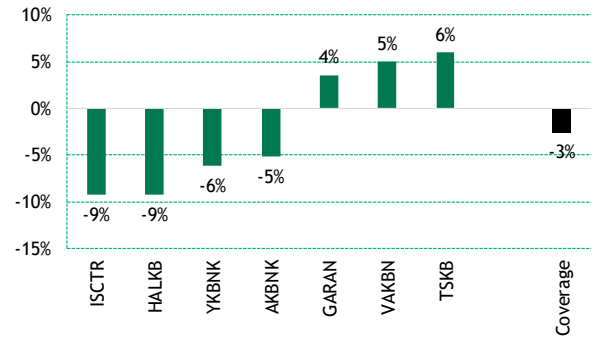
Source: Seker Invest Research

Selective Quarterly Indicators

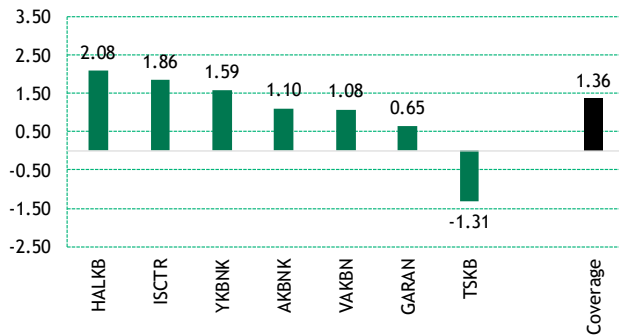
Net Income QoQ



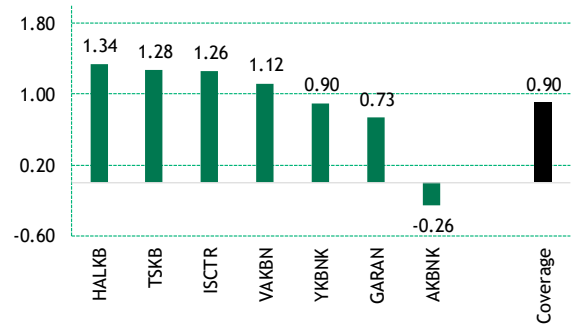
Core revenues evolution QoQ



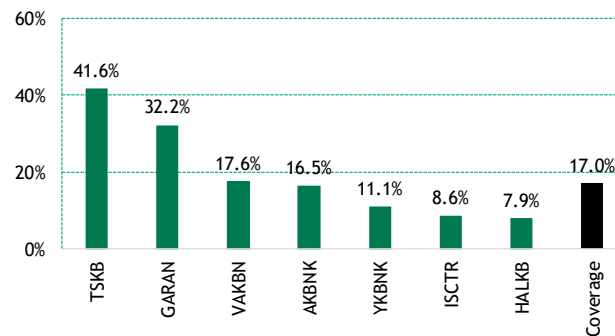
CoR evolution QoQ (bps)



NIM evolution QoQ (bps)



ROAE (Quarterly)



Source: Seker Invest Research

| AKBNK (Bank-only, TRYmn) | 2Q24 | 3Q24E | QoQ |
|------------------------------------|---------------|--------------|---------------|
| Net interest income | 17,136 | 13,024 | -24.0% |
| Net fee income | 16,001 | 18,401 | 15.0% |
| Dividends | 23 | 0 | n.a |
| Commercial Profit/Loss (Net) | -3,017 | 500 | -116.6% |
| Other operations profit | 2,255 | 4,062 | 80.1% |
| Gross operating income | 32,399 | 35,986 | 11.1% |
| Expected Credit Loss | 3,954 | 7,500 | 89.7% |
| Other provisions | 15 | 20 | 30.6% |
| OPEX | 19,017 | 20,539 | 8.0% |
| Net operating profit | 9,411 | 7,928 | -15.8% |
| Income/loss from inv. under equity | 2,429 | 2,500 | 2.9% |
| Net operating profit before taxes | 11,840 | 10,428 | -11.9% |
| Tax | 916 | 1,668 | 82.1% |
| Net profit | 10,924 | 8,759 | -19.8% |

| | | | |
|----------------|-----------|-----------|-------|
| TL loans | 783,464 | 853,976 | 9.0% |
| FC loans | 316,662 | 351,495 | 11.0% |
| FC loans in \$ | 9,642 | 10,311 | 6.9% |
| Total loans | 1,100,126 | 1,205,471 | 9.6% |

| | | | |
|-------------------|-----------|-----------|------|
| TL deposits | 905,673 | 969,070 | 7.0% |
| FC deposits | 497,921 | 532,775 | 7.0% |
| FC deposits in \$ | 15,161 | 15,628 | 3.1% |
| Total deposits | 1,403,594 | 1,501,845 | 7.0% |
| Total assets | 2,180,576 | 2,360,225 | 8.2% |

| | | | |
|---------------------|--------|--------|-------|
| NPL ratio | 2.28% | 2.41% | 0.13 |
| NIM (Swap adj.) | 2.38% | 2.13% | -0.26 |
| NIM (CPI+swap adj.) | -2.13% | -2.67% | -0.55 |
| CoR (net) bps | 0.70% | 1.80% | 1.10 |
| C/I Ratio | 58.7% | 57.1% | -1.62 |
| ROAE | 21.7% | 16.5% | -5.23 |
| ROAA | 2.1% | 1.6% | -0.58 |

Source: Seker Invest Research

| GARAN (Bank-only, TRYmn) | 2Q24 | 3Q24E | QoQ |
|------------------------------------|---------------|---------------|--------------|
| Net interest income | 26,195 | 24,886 | -5.0% |
| Net fee income | 21,502 | 24,512 | 14.0% |
| Dividends | 101 | 10 | n.a |
| Commercial Profit/Loss (Net) | -3,326 | 1,500 | -145.1% |
| Other operations profit | 11,650 | 9,000 | -22.7% |
| Gross operating income | 56,122 | 59,908 | 6.7% |
| Expected Credit Loss | 11,929 | 15,000 | 25.7% |
| Other provisions | 27 | 20 | -25.7% |
| OPEX | 20,445 | 23,512 | 15.0% |
| Net operating profit | 23,721 | 21,376 | -9.9% |
| Income/loss from inv. under equity | 4,871 | 5,500 | 12.9% |
| Net operating profit before taxes | 28,592 | 26,876 | -6.0% |
| Tax | 6,069 | 5,913 | -2.6% |
| Net profit | 22,522 | 20,963 | -6.9% |

| | | | |
|----------------|-----------|-----------|-------|
| TL loans | 960,694 | 1,037,550 | 8.0% |
| FC loans | 348,407 | 386,731 | 11.0% |
| FC loans in \$ | 10,609 | 11,344 | 6.9% |
| Total loans | 1,309,101 | 1,424,281 | 8.8% |

| | | | |
|-------------------|-----------|-----------|-------|
| TL deposits | 1,090,250 | 1,166,567 | 7.0% |
| FC deposits | 511,427 | 562,569 | 10.0% |
| FC deposits in \$ | 15,572 | 16,502 | 6.0% |
| Total deposits | 1,601,677 | 1,729,137 | 8.0% |
| Total assets | 2,313,106 | 2,488,862 | 7.6% |

| | | | |
|---------------------|-------|-------|-------|
| NPL ratio | 1.91% | 2.11% | 0.20 |
| NIM (Swap adj.) | 3.41% | 4.15% | 0.73 |
| NIM (CPI+swap adj.) | 1.18% | 1.32% | 0.15 |
| CoR (net) bps | 0.81% | 1.46% | 0.65 |
| C/I Ratio | 36.4% | 39.2% | 2.82 |
| ROAE | 38.2% | 32.2% | -5.97 |
| ROAA | 4.1% | 3.5% | -0.55 |

Source: Seker Invest Research

| HALKB (Bank-only, TRYmn) | 2Q24 | 3Q24E | QoQ |
|------------------------------------|--------------|--------------|---------------|
| Net interest income | 9,751 | 6,826 | -30.0% |
| Net fee income | 9,573 | 10,722 | 12.0% |
| Dividends | 121 | 50 | -58.6% |
| Commercial Profit/Loss (Net) | -8,336 | -1,667 | -80.0% |
| Other operations profit | 3,704 | 5,927 | 60.0% |
| Gross operating income | 14,814 | 21,857 | 47.5% |
| Expected Credit Loss | -3,258 | 3,300 | -201.3% |
| Other provisions | -91 | 0 | -100.0% |
| OPEX | 13,884 | 14,161 | 2.0% |
| Net operating profit | 4,278 | 4,396 | 2.7% |
| Income/loss from inv. under equity | 0 | 0 | n.a |
| Net operating profit before taxes | 4,278 | 4,396 | 2.7% |
| Tax | 838 | 1,758 | 109.8% |
| Net profit | 3,440 | 2,637 | -23.3% |
| | | | |
| TL loans | 1,025,020 | 1,055,771 | 3.0% |
| FC loans | 342,644 | 373,482 | 9.0% |
| FC loans in \$ | 10,433 | 10,956 | 5.0% |
| Total loans | 1,367,664 | 1,429,252 | 4.5% |
| | | | |
| TL deposits | 1,383,422 | 1,590,935 | 15.0% |
| FC deposits | 778,143 | 793,706 | 2.0% |
| FC deposits in \$ | 23,694 | 23,283 | -1.7% |
| Total deposits | 2,161,565 | 2,384,641 | 10.3% |
| Total assets | 2,611,039 | 2,823,711 | 8.1% |
| | | | |
| NPL ratio | 1.53% | 1.67% | 0.14 |
| NIM (Swap adj.) | -0.69% | 0.65% | 1.34 |
| NIM (CPI+swap adj.) | -5.46% | -2.66% | 2.81 |
| CoR (net) bps | -1.44% | 0.64% | 2.08 |
| C/I Ratio | 93.7% | 64.8% | -28.93 |
| ROAE | 10.6% | 7.9% | -2.72 |
| ROAA | 0.5% | 0.4% | -0.15 |

Source: Seker Invest Research

| ISCTR (Bank-only, TRYmn) | 2Q24 | 3Q24E | QoQ |
|------------------------------------|---------------|--------------|---------------|
| Net interest income | 8,580 | 3,000 | -65.0% |
| Net fee income | 21,504 | 24,300 | 13.0% |
| Dividends | 85 | 15 | -82.3% |
| Commercial Profit/Loss (Net) | -6,843 | 6,000 | -187.7% |
| Other operations profit | 6,929 | 7,000 | 1.0% |
| Gross operating income | 30,255 | 40,315 | 33.2% |
| Expected Credit Loss | 5,009 | 11,500 | 129.6% |
| Other provisions | 0 | 20 | 0.0% |
| OPEX | 25,405 | 31,249 | 23.0% |
| Net operating profit | -160 | -2,454 | 1434.4% |
| Income/loss from inv. under equity | 12,435 | 5,500 | -55.8% |
| Net operating profit before taxes | 12,275 | 3,046 | -75.2% |
| Tax | -2,828 | -3,000 | 6.1% |
| Net profit | 15,103 | 6,046 | -60.0% |
| | | | |
| TL loans | 915,407 | 1,006,947 | 10.0% |
| FC loans | 531,137 | 573,628 | 8.0% |
| FC loans in \$ | 16,173 | 16,827 | 4.0% |
| Total loans | 1,446,543 | 1,580,575 | 9.3% |
| | | | |
| TL deposits | 1,025,199 | 1,137,971 | 11.0% |
| FC deposits | 823,503 | 905,853 | 10.0% |
| FC deposits in \$ | 25,075 | 26,572 | 6.0% |
| Total deposits | 1,848,702 | 2,043,824 | 10.6% |
| Total assets | 2,886,231 | 3,093,917 | 7.2% |
| | | | |
| NPL ratio | 1.77% | 1.87% | 0.10 |
| NIM (Swap adj.) | -1.97% | -0.70% | 1.26 |
| NIM (CPI+swap adj.) | -4.76% | -3.38% | 1.39 |
| CoR (net) bps | 0.70% | 2.56% | 1.86 |
| C/I Ratio | 84.0% | 77.5% | -6.46 |
| ROAE | 23.4% | 8.6% | -14.71 |
| ROAA | 2.3% | 0.9% | -1.41 |

Source: Seker Invest Research

| TSKB (Bank-only, TRYmn) | 2Q24 | 3Q24E | QoQ |
|------------------------------------|--------------|--------------|-------------|
| Net interest income | 3,715 | 3,937 | 6.0% |
| Net fee income | 164 | 172 | 5.0% |
| Dividends | 2 | 0 | n.a |
| Commercial Profit/Loss (Net) | -749 | -425 | -43.2% |
| Other operations profit | 113 | 180 | 59.8% |
| Gross operating income | 3,244 | 3,865 | 19.1% |
| Expected Credit Loss | 261 | 180 | -31.0% |
| Other provisions | 0 | 0 | #DIV/0! |
| OPEX | 494 | 569 | 15.0% |
| Net operating profit | 2,489 | 3,116 | 25.2% |
| Income/loss from inv. under equity | 719 | 390 | -45.8% |
| Net operating profit before taxes | 3,208 | 3,506 | 9.3% |
| Tax | 739 | 982 | 32.8% |
| Net profit | 2,469 | 2,525 | 2.3% |

| | | | |
|----------------|---------|---------|-------|
| TL loans | 12,744 | 14,018 | 10.0% |
| FC loans | 137,972 | 144,871 | 5.0% |
| FC loans in \$ | 4,201 | 4,250 | 1.2% |
| Total loans | 150,716 | 158,889 | 5.4% |

| | | | |
|-------------------|---------|---------|------|
| TL deposits | 0 | 0 | n.a |
| FC deposits | 0 | 0 | n.a |
| FC deposits in \$ | 0 | 0 | n.a |
| Total deposits | 0 | 0 | n.a |
| Total assets | 207,185 | 219,765 | 6.1% |

| | | | |
|---------------------|-------|--------|-------|
| NPL ratio | 2.71% | 2.73% | 0.02 |
| NIM (Swap adj.) | 5.87% | 7.15% | 1.28 |
| NIM (CPI+swap adj.) | 3.96% | 5.03% | 1.07 |
| CoR (net) bps | 1.00% | -0.31% | -1.31 |
| C/I Ratio | 15.2% | 14.7% | -0.53 |
| ROAE | 46.0% | 41.6% | -4.39 |
| ROAA | 5.0% | 4.8% | -0.14 |

Source: Seker Invest Research

| VAKBN (Bank-only, TRYmn) | 2Q24 | 3Q24E | QoQ |
|------------------------------------|--------------|--------------|--------------|
| Net interest income | 18,626 | 18,812 | 1.0% |
| Net fee income | 10,506 | 11,766 | 12.0% |
| Dividends | 113 | 0 | -100.0% |
| Commercial Profit/Loss (Net) | -7,062 | 450 | -106.4% |
| Other operations profit | 11,395 | 5,697 | -50.0% |
| Gross operating income | 33,577 | 36,726 | 9.4% |
| Expected Credit Loss | 6,899 | 6,600 | -4.3% |
| Other provisions | 1,372 | 200 | -85.4% |
| OPEX | 17,643 | 18,702 | 6.0% |
| Net operating profit | 7,663 | 11,224 | 46.5% |
| Income/loss from inv. under equity | 0 | 0 | n.a |
| Net operating profit before taxes | 7,663 | 11,224 | 46.5% |
| Tax | 494 | 3,143 | 535.9% |
| Net profit | 7,169 | 8,081 | 12.7% |

| | | | |
|----------------|-----------|-----------|------|
| TL loans | 1,130,986 | 1,221,465 | 8.0% |
| FC loans | 600,847 | 642,906 | 7.0% |
| FC loans in \$ | 18,295 | 18,859 | 3.1% |
| Total loans | 1,731,833 | 1,864,371 | 7.7% |

| | | | |
|-------------------|-----------|-----------|-------|
| TL deposits | 1,449,998 | 1,594,998 | 10.0% |
| FC deposits | 702,318 | 709,341 | 1.0% |
| FC deposits in \$ | 21,385 | 20,808 | -2.7% |
| Total deposits | 2,152,316 | 2,304,339 | 7.1% |
| Total assets | 3,237,503 | 3,404,392 | 5.2% |

| | | | |
|---------------------|--------|--------|-------|
| NPL ratio | 1.40% | 2.00% | 0.60 |
| NIM (Swap adj.) | 1.26% | 2.38% | 1.12 |
| NIM (CPI+swap adj.) | -2.05% | -1.03% | 1.02 |
| CoR (net) bps | -0.27% | 0.81% | 1.08 |
| C/I Ratio | 52.5% | 50.9% | -1.62 |
| ROAE | 16.2% | 17.6% | 1.45 |
| ROAA | 0.9% | 1.0% | 0.06 |

Source: Seker Invest Research

| YKBNK (Bank-only, TRYmn) | 2Q24 | 3Q24E | QoQ |
|------------------------------------|--------------|--------------|---------------|
| Net interest income | 17,026 | 14,131 | -17.0% |
| Net fee income | 18,141 | 18,867 | 4.0% |
| Dividends | 10 | 1 | n.a |
| Commercial Profit/Loss (Net) | -16,094 | -9,200 | -42.8% |
| Other operations profit | 8,234 | 6,999 | -15.0% |
| Gross operating income | 27,317 | 30,798 | 12.7% |
| Expected Credit Loss | 5,617 | 9,500 | 69.1% |
| Other provisions | -55 | 0 | -100.0% |
| OPEX | 17,535 | 20,165 | 15.0% |
| Net operating profit | 4,220 | 1,134 | -73.1% |
| Income/loss from inv. under equity | 2,934 | 3,228 | 10.0% |
| Net operating profit before taxes | 7,154 | 4,362 | -39.0% |
| Tax | 52 | -567 | -1194.4% |
| Net profit | 7,103 | 4,928 | -30.6% |

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