

Isbank

4Q24 Earnings review

Tops estimates

Sevgi Onur

Analyst

sonur@sekeryatirim.com.tr

+90 (212) 334 3333 ext.150

Isbank announced a net profit of TRY10,883mn in its 4Q24 bank only financial results, well above expectations, supported by tax gains and effective cost management. (+96% QoQ). This strongly beats our TRY6,660mn call and TRY7,424mn RT market expectation by 63% and 46%, respectively.

The bank's 12-month profit was TRY45,517mn, down 37% YoY amid significant pressure on margins. ROAE weakened to 15.8% in YE24 (Budget: ~30%) from 20.5% in 9M24.

Operating expenses were a positive surprise, coming in lower than expected. Fee and commission income and other banking income came in stronger than expected, while trading loss was higher than expected. TRY1bn tax revenue supported profitability.

The bank stands out with its strong quarterly rebound in NII. NIM (adjusted) improved strongly on a quarterly basis, from -1% to 0.2% in 4Q24. Cumulatively, it reached -0.6%, below competitors' and budget expectations of ~2%. Subsidiary income hiked a solid 34% QoQ TRY10.1bn, boosting profitability. The bank reported a trading loss of TRY542mn in 4Q24, slightly above our expectations, vs. a trading gain of TRY5.25bn in 3Q24.

The bank management announced its 2025 budget and forecasts a ROAE of ~30% (Seker: 20.9%) on the back of:

- 1) ~35% increase in TRY loans (Seker: +32%),
- 2) Swap adj. NIM: 450bps improvement (Seker: +350bps),
- 3) ~50% growth in fee and commission income (Seker: +40%),
- 4) Operating expenses: average CPI growth (Seker: +45%),
- 5) Net CoR: 200bps (Seker: 240bps), NPL ratio: ~3% (Seker: 2.9%). 2024: 101bps.

The bank's ~30% ROAE expectation is optimistic compared to our 20.9% call, and the 450bps improvement in margins is rather bullish vs our 350bps widening expectation. We model a very strong 56% YoY profit increase for the bank for 2025.

We expect a positive impact on the stock. Our target price of TRY21.47 offers 49% upside. We maintain our "Outperform" recommendation. The stock trades at 2025T P/E of 5.1x and P/B of 1.00x (7% discount to peers) and ROAE of 20.9%.

Rating	Outperform
Target price (TRY)	21.47
Upside	49%
Previous rating	Outperform
Previous target price (TRY)	21.47

	TRY	US\$
Close	14.43	0.40
BIST 100	9,878	274
US\$/TRY (CBT Bid Rate):	36.04	
52 Week High:	17.77	0.54
52 Week Low:	9.55	0.30
Bloomberg Ticker:	ISCTR.TI	

Number of Shares (Mn): 25,000

	(TRY Mn)	(US\$ Mn)
Current Mcap:	360,750	10,008
Free Float Mcap:	111,832	3,103
Avg. Daily Volume:	5,437	134

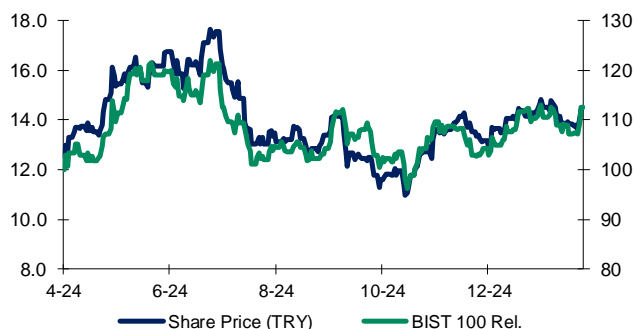
Expectations (TRY mn)	Actual	Seker	Diff.	Cons.	Diff.
Net income	10,833	6,660	63%	7,424	46%

	3Q24	4Q24	QoQ	4Q23	YoY
Net income (TRY mn)	5,534	10,833	96%	20,219	-46%

Forecasts (TRY mn)	2022A	2023A	2024A	2025E	2026E
Net income	61,538	72,265	45,517	70,939	102,337
BV	191,376	267,797	318,338	361,449	451,145

Valuation	2022A	2023A	2024A	2025E	2026E
P/E (x)	2.1	3.2	7.9	5.1	3.5
P/BV (x)	0.67	0.87	1.13	1.00	0.80
ROAA	5.3%	3.7%	1.6%	1.9%	2.1%
ROTE	44.5%	31.6%	15.6%	21.0%	25.3%

Returns (%)	1M	3M	6M	12M	YtD
TRY Return:	1.9	14.1	10.7	33.0	6.6
US\$ Return:	0.1	8.6	2.8	13.2	4.1
BIST 100 Relative:	0.2	8.8	10.1	22.2	6.1



Guidance FY25	Isbank	Our Expectation
TRY Loans	~35%	32%
NIM	+450 bps expansion	350 bps expansion
Fees and commissions	~50%	40%
OPEX	Avg. CPI	45%
NPL Ratio	~3%	2.9%
CoR	~200 bps	240bps
ROAE	~30%	20.9%

Source: Bank financials, Şeker Invest Research

- **The bank stands out with the strong quarterly recovery in margins.** The bank stands out positively with the strong recovery in net interest income. Swap adjusted NIM improved strongly by 120 basis points on a quarterly basis to 0.2%. On an annual basis, it weakened sharply by 410 basis points YoY to -0.6%. (AKBNK: 2.2%, GARAN: 3.7%, YKBANK: 0.7%). (Budget: ~2%). The loan-deposit spread also improved by 100 basis points on a quarterly basis. Swap funding cost rose by 7% quarterly to TRY7.3bn. CPI-linker yield was 41.3% (9A24: 45.4%), and revenues fell by 5% QoQ to TRY13.9bn. **For 2025, NIM adjusted for swaps is expected to improve by 450 points YoY.**

- **Decelerated fee and commission income growth QoQ.** The growth rate of fee and commission income slowed down from 13.2% in 3Q24 to 7.6% QoQ in 4Q24. Annual growth is at 115% YoY (AKBNK: 124%, GARAN: 131%, YKBANK: 112%). The Fee to OPEX ratio improved from 77.6% in 3Q24 to 78%. **A ~50% increase is expected for fee and commission income in 2025.**

- **Slowdown in TRY loan growth.** Quarterly increase in TRY loans slowed down from 9.6% in 3Q24 to 5.5%. This is in line with the 5.6% growth of private banks. FX loans (in \$ terms) fell by 0.2% (P.B: +1.6%). TL and FC loans market share fell by 20 basis points and 30 basis points on a quarterly basis to 10.1% and 10%, respectively. TL loans up by 40% YoY (Budget: ~50%), slightly above the 37.8% growth of private banks. YoY increase in FC loans is at 20.3% (P.B: 34%). **The bank models a ~35% growth in TL loans for 2025.**

Recovery in GPLs growth. Growth in total consumer loans slowed from 10% to 9% QoQ. The bank is in a favorable position in a falling interest rate environment with a very strong 320 basis point annual market share gain in mortgage loans YoY.

Mortgage loans increased by 4.9% QoQ after a strong 20.3% increase in 3Q24. Auto loans increased by 4.2% QoQ after a 10.2% decline in 3Q24. The growth rate of GPLs recovered from 3.8% in 3Q24 and reached 7.7% QoQ. The quarterly increase in overdraft loans also recovered slightly, rising from 21.9% to 22.2% QoQ.

A sharp slowdown in the growth rate of commercial installment loans. Contrary to the trend in the sector, the growth rate of commercial installment loans slowed down from 13.4% in 3Q24 to 6.4 QoQ. The bank lost 10 basis points of market share in this segment on an annual basis.

A slight recovery in credit card growth. Credit card growth increased from 10.7% in 3Q24 to 11.1% QoQ. The market share also increased by 60 basis points on an annual basis to 14.2%.

- **A slowdown in TRY deposit growth.** TRY deposit growth eased from 10.8% in 3Q24 to 7.1% QoQ (P.B: 7.9%). The FX side (in \$ terms) fell by 3.6% (P.B: -5.5%). The market share on the TRY side remained stable at 9.9% on an annual basis. On the FX side, it increased by 70 basis points to 13.8%.

TL LDR improved by 130 basis points QoQ, falling to a favorable 85% level compared to its competitors. On the negative side, the weight of demand deposits in total deposits fell by 140 basis points QoQ to 39.4%, but it is well above the sector average of 33.8%. The market share also increased by 10 basis points on an annual basis to 13.1%.

Increase in KKM market share. KKM decreased by 27.1% after the 21.8% decrease in 3Q24 (Sector: 25.3% decrease). KKM's weight in TL deposits decreased from 17.6% to 12%. The bank's CCC market share increased by 220 basis points on an annual basis to 12.9%.

- **Continuing slowdown in net NPL formation, strong performance in collections.** NPL ratio increased by 20 basis points on a quarterly basis to 2.1%, the lowest level among its competitors. It is slightly above the budget expectation of ~2%. (AKBNK: 2.9%, GARAN: 2.2%, YKBANK: 3.1%). The new NPL balance formation (net) fell to TRY4.6bn from TRY5.8bn in 3Q24. Collections are at a record high of TRY6bn.

Total CoR (net), adjusted for the currency impact is at 101 basis points (AKBNK: 128 basis points, GARAN: 89 basis points, YKBANK: 58 basis points). (Budget: ~100 basis points). The currency impact is 9bps. **For 2025, the total CoR (net) is modeled as ~200 basis points and the NPL ratio is ~3%.**

- **Annual increase in operating expenses is well behind its competitors.** The bank's operating expenses was flat quarterly basis. The annual increase rate is at 62%, the lowest level among banks that have announced their financials so far. (AKBNK: %79, GARAN: %95, YKBANK: %67). The C/I ratio was flat at 83%. **An increase in the average CPI level is budgeted for 2025.**

- **Visible recovery in capital adequacy ratio.** The bank's CAR and CET 1 capital adequacy ratios recovered by 160 and 150 basis points on a quarterly basis, rising to 19.7% and 16.6%, respectively.

Figure 1: Summary balance sheet

(Bank-only, TRYmn)	12M23	9M24	12M24	QoQ	YoY	YtD
Cash and cash equivalents	566,473	689,087	682,006	-1.0%	20.4%	20.4%
Cash and CBT	523,503	593,530	629,467	6.1%	20.2%	20.2%
Banks	43,259	95,924	52,929	-44.8%	22.4%	22.4%
Money markets	0	0	0	n.a	n.a	n.a
Security portfolio	472,418	614,365	653,869	6.4%	38.4%	38.4%
Financial Assets at Fair Value Through P&L	23,275	32,186	33,143	3.0%	42.4%	42.4%
Financial Assets at Fair Value Through Other Comprehensive Income	253,119	334,094	364,816	9.2%	44.1%	44.1%
Financial Assets Measured at Amortised Cost	196,023	248,085	255,911	3.2%	30.6%	30.6%
Derivative Financial Assets	18,970	17,761	16,165	-9.0%	-14.8%	-14.8%
Performing loans	1,147,371	1,551,309	1,622,484	4.6%	41.4%	41.4%
TRY loans	735,478	975,413	1,028,867	5.5%	39.9%	39.9%
FC loans	411,893	575,896	593,617	3.1%	44.1%	44.1%
FC loans (in \$)	14,011	16,893	16,853	-0.2%	20.3%	20.3%
Loans	1,172,291	1,581,199	1,656,913	4.8%	41.3%	41.3%
TRY loans	760,296	1,005,165	1,063,165	5.8%	39.8%	39.8%
FC loans	411,995	576,035	593,748	3.1%	44.1%	44.1%
Non-performing loans	24,920	29,890	34,429	15.2%	38.2%	38.2%
Expected Credit Loss	37,968	46,370	51,184	10.4%	34.8%	34.8%
12 Month Expected Credit Loss (Stage I)	4,365	5,646	6,562	16.2%	50.3%	50.3%
Significant Increase In Credit Risk (Stage II)	14,576	18,650	19,505	4.6%	33.8%	33.8%
Credit Impaired Losses (Stage III/Special Provision)	18,831	21,877	24,948	14.0%	32.5%	32.5%
Total assets	2,453,783	3,197,231	3,323,776	4.0%	35.5%	35.5%
Deposits	1,662,179	2,050,380	2,127,117	3.7%	28.0%	28.0%
TRY deposits	880,582	1,135,452	1,215,867	7.1%	38.1%	38.1%
FC deposits	781,596	914,928	911,250	-0.4%	16.6%	16.6%
FC deposits (in \$)	26,587	26,839	25,871	-3.6%	-2.7%	-2.7%
Funds borrowed	120,766	186,960	211,093	12.9%	74.8%	74.8%
MM	123,181	336,651	338,408	0.5%	174.7%	174.7%
Securities issued	68,486	70,894	55,606	-21.6%	-18.8%	-18.8%
Leasing debts	3,267	5,273	5,552	5.3%	69.9%	69.9%
Subordinated debt	39,871	45,324	46,985	3.7%	17.8%	17.8%
Shareholder's equity	267,797	290,554	318,338	9.6%	18.9%	18.9%
Total liabilities	2,453,783	3,197,231	3,323,776	4.0%	35.5%	35.5%

Source: Bank Financials, Şeker Invest Research

Figure 2: Summary income statement

(Bank-only, TRYmn)	4Q23	3Q24	4Q24	QoQ	YoY	Dec-23	Dec-24	YoY
Interest income	81,650	144,109	158,805	10.2%	94.5%	222,486	530,915	138.6%
Loans	56,599	94,259	102,705	9.0%	81.5%	149,493	351,038	134.8%
Reserve deposits	237	11,427	16,114	41.0%	6691.0%	775	38,907	4921.3%
Banks	269	1,155	1,407	21.8%	422.1%	809	3,679	354.6%
Securities	24,031	37,173	38,327	3.1%	59.5%	70,565	136,747	93.8%
Interest expense	65,509	143,049	149,992	4.9%	129.0%	155,413	496,464	219.4%
Deposits	54,945	103,035	107,770	4.6%	96.1%	122,027	365,124	199.2%
Funds borrowed	2,326	5,632	7,191	27.7%	209.1%	7,034	19,081	171.3%
Money market	3,340	30,716	31,608	2.9%	846.4%	7,965	94,486	1086.3%
Debt instruments	2,243	3,215	2,939	-8.6%	31.0%	7,409	11,725	58.3%
Net interest income	16,142	1,060	8,813	731.7%	-45.4%	67,073	34,451	-48.6%
Net fee and commission income	16,852	24,339	26,196	7.6%	55.4%	42,438	91,411	115.4%
Core revenues	32,994	25,399	35,009	37.8%	6.1%	109,511	125,861	14.9%
Dividend income	24	6	7	2.6%	-72.5%	65	102	56.3%
Commercial profit gain/loss	-1,091	5,250	-542	-110.3%	-50.3%	12,223	-8,862	-172.5%
Other operating income	2,381	4,087	5,546	35.7%	132.9%	13,587	23,950	76.3%
Gross operating income	34,308	34,741	40,019	15.2%	16.6%	135,386	141,052	4.2%
OPEX	20,256	33,073	33,132	0.2%	63.6%	72,229	117,149	62.2%
PPOP	14,052	1,668	6,888	312.9%	-51.0%	63,157	23,902	-62.2%
Expected Credit Loss	5,107	7,116	7,044	-1.0%	37.9%	15,906	23,480	47.6%
General Provisions	-184	2,950	1,833	-37.9%	-1096.2%	5,444	8,257	51.7%
Non Performing Loans (Stage III/Special Provision)	5,292	4,165	5,211	25.1%	-1.5%	10,463	15,223	45.5%
Other provisions	3,851	2	146	6488.8%	-96.2%	4,165	148	-96.4%
Personnel Expense	6,645	14,142	12,324	-12.9%	85.5%	25,307	46,194	82.5%
Other OPEX	13,611	18,931	20,807	9.9%	52.9%	46,922	70,955	51.2%
Net operating income	5,095	-5,449	-302	-94.5%	-105.9%	43,086	274	-99.4%
Income/loss from inv. under equity	12,121	7,563	10,119	33.8%	-16.5%	33,996	37,900	11.5%
Net operating income	17,216	2,113	9,817	364.5%	-43.0%	77,083	38,174	-50.5%
Tax provision	-3,003	-3,420	-1,015	-70.3%	-66.2%	4,818	-7,344	-252.4%
Net profit	20,219	5,534	10,833	95.7%	-46.4%	72,265	45,517	-37.0%

Source: Bank Financials, Şeker Invest Research

Figure 3: Balance sheet ratios

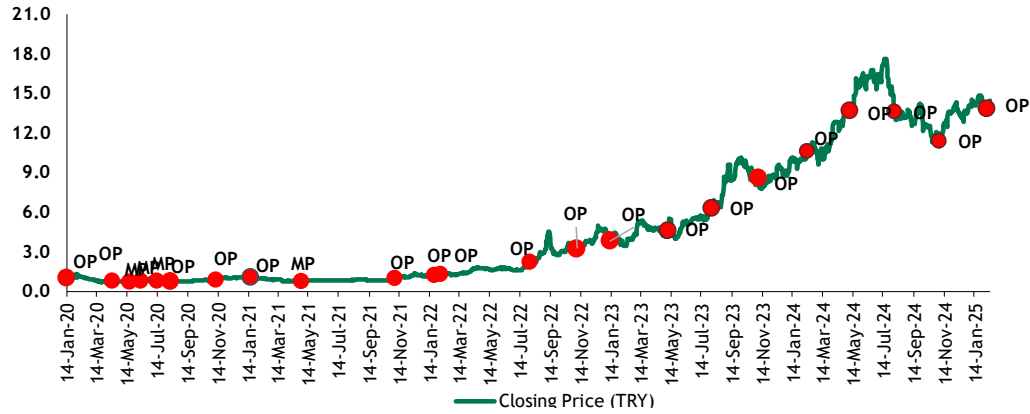
Balance sheet structure (as % of total assets)	4Q23	3Q24	4Q24	QoQ	YoY	YtD
Liquid Assets	34%	33%	33%	-0.5%	-1.9%	-1.9%
Securities	19%	19%	20%	0.5%	0.4%	0.4%
Loans	47%	49%	49%	0.3%	2.1%	2.1%
Deposits	68%	64%	64%	-0.1%	-3.7%	-3.7%
Funds borrowed	5%	6%	6%	0.5%	1.4%	1.4%
MM borrowing	5%	11%	10%	-0.3%	5.2%	5.2%
Securities issued	3%	2%	2%	-0.5%	-1.1%	-1.1%
Equity	11%	9%	10%	0.5%	-1.3%	-1.3%
IEA	68%	71%	70%	-0.7%	2.3%	2.3%
Securities portfolio mix	4Q23	3Q24	4Q24	QoQ	YoY	YtD
Financial Assets at Fair Value Through P&L	5%	5%	5%	-0.2%	0.1%	0.1%
Financial Assets at Fair Value Through Other Comprehensive Income	54%	54%	56%	1.4%	2.2%	2.2%
Financial Assets Measured at Amortised Cost	41%	40%	39%	-1.2%	-2.4%	-2.4%
Loan mix (as % of total loans) (Consumer+ Commercial instalment)	4Q23	3Q24	4Q24	QoQ	YoY	YtD
Mortgage loans	3.7%	4.1%	4.1%	0.1%	0.4%	0.4%
Auto loans	1.7%	1.2%	1.4%	0.2%	-0.3%	-0.3%
GPLs	19.1%	18.5%	18.7%	0.2%	-0.5%	-0.5%
Overdraft	2.1%	2.9%	3.4%	0.4%	1.2%	1.2%
Credit Cards	18.9%	20.2%	21.5%	1.3%	2.5%	2.5%
Corporate, Commercial and SME	54.4%	53.1%	51.0%	-2.1%	-3.4%	-3.4%
Funding structure	4Q23	3Q24	4Q24	QoQ	YoY	YtD
LDR	69%	76%	76%	0.6%	7.2%	7.2%
TRY LDR	84%	86%	85%	-1.3%	1.1%	1.1%
FC LDR	53%	63%	65%	2.2%	12.4%	12.4%
Demand deposits/Deposits	39%	40.8%	39.4%	-1.4%	0.9%	0.9%
Time deposits/Deposits	61%	59%	61%	1.4%	-0.9%	-0.9%
Asset quality	4Q23	3Q24	4Q24	QoQ	YoY	YtD
NPL Ratio	2.1%	1.9%	2.1%	0.2%	0.0%	0.0%
Stage 1 Coverage	0.4%	0.4%	0.4%	0.0%	0.0%	0.0%
Stage 2 Coverage	14.4%	14.0%	13.2%	-0.8%	-1.2%	-1.2%
NPL coverage	75.6%	73.2%	72.5%	-0.7%	-3.1%	-3.1%
ECL % of PPOP	36.3%	426.5%	102.3%	-324.3%	65.9%	65.9%
ECL % of RWA	1.4%	1.4%	1.4%	0.0%	0.0%	0.0%
Specific CoR (gross)	1.98%	1.12%	1.31%	0.2%	-0.7%	-0.7%
Specific CoR (Net)	1.31%	0.98%	0.81%	-0.2%	-0.5%	-0.5%
Total CoR (gross)	1.91%	1.92%	1.78%	-0.1%	-0.1%	-0.1%
Total CoR (net)	1.24%	1.78%	1.27%	-0.5%	0.0%	0.0%
NPL/Equity	9%	10%	11%	0.5%	1.5%	1.5%
Stage 1 loans/Total loans	89.3%	89.7%	89.0%	-0.7%	-0.2%	-0.2%
Stage 2 loans/Total loans	8.6%	8.4%	8.9%	0.5%	0.3%	0.3%
Restructured/Stage 2	57.7%	46.1%	49.0%	2.9%	-8.7%	-8.7%
Restructured loans/Total loans	5.0%	3.9%	4.4%	0.5%	-0.6%	-0.6%
Total provisions/NPL	152.4%	155.1%	148.7%	-6.5%	-3.7%	-3.7%
Total coverage/Gross Loans	3.2%	2.9%	3.1%	0.2%	-0.1%	-0.1%
Collections/New NPLs	39%	34%	57%	22.7%	17.8%	17.8%
Collections/Pre-tax income	20%	144%	62%	-82.4%	41.3%	41.3%
Capital adequacy and leverage	4Q23	3Q24	4Q24	QoQ	YoY	YtD
CET1	18.0%	15.1%	16.6%	1.5%	-1.4%	-1.4%
Tier I	18.0%	15.1%	16.6%	1.5%	-1.4%	-1.4%
CAR	21.6%	18.0%	19.7%	1.6%	-2.0%	-2.0%
Free Equity/Equity	-195%	-222%	-212%	9.6%	-17.1%	-17.1%
Leverage	9.2	11.0	10.4	-56.3%	127.8%	127.8%
Currency breakdown	4Q23	3Q24	4Q24	QoQ	YoY	YtD
TRY Loans/Loans	64.1%	62.9%	63.4%	0.5%	-0.7%	-0.7%
FC Loans /Loans	35.9%	37.1%	36.6%	-0.5%	0.7%	0.7%
TRY Deposits/Deposits	53.0%	55.4%	57.2%	1.8%	4.2%	4.2%
FC Deposits/Deposits	47.0%	44.6%	42.8%	-1.8%	-4.2%	-4.2%
TRY Securities/Securities	72.9%	71.4%	72.0%	0.6%	-0.9%	-0.9%
FC Securities/Securities	27.1%	28.6%	28.0%	-0.6%	0.9%	0.9%
Currency risk	4Q23	3Q24	4Q24	QoQ	YoY	YtD
Net FC position	-118,194	-83,230	-107,690	-24,460	10,504	10,504
Net FC position/Equity	-44.1%	-28.6%	-33.8%	-5.2%	10.3%	10.3%

Source: Bank financials, Seker Invest Research

Figure 4: Profitability ratios (Quarterly)	4Q23	3Q24	4Q24	QoQ	YoY	YtD
ROAA	3.6%	0.7%	1.3%	0.61%	-2.28%	-2.28%
ROAE	37.4%	7.9%	15.0%	7.10%	-22.36%	-22.36%
RoATE	38.4%	8.2%	15.6%	7.41%	-22.83%	-22.83%
RoRWA	6.0%	1.1%	2.2%	1.09%	-3.75%	-3.75%
PPOP Margin	0.8%	-1.4%	0.0%	1.39%	-0.84%	-0.84%
NIM	4.2%	0.2%	1.5%	1.35%	-2.68%	-2.68%
NIM (Swap adj.)	1.5%	-1.1%	0.3%	1.32%	-1.24%	-1.24%
NIM (Swap and CPI adj.)	-1.9%	-3.7%	-2.1%	1.56%	-0.25%	-0.25%
IEA yield	22.8%	29.4%	30.7%	1.24%	7.92%	7.92%
IBL cost	14.8%	24.4%	23.8%	-0.64%	8.94%	8.94%
IEA-IBL spread	6.9%	4.0%	5.6%	1.54%	-1.32%	-1.32%
Core spreads (TRY)	4Q23	3Q24	4Q24	QoQ	YoY	YtD
TRY loan yield	30.7%	40.3%	41.9%	1.62%	11.17%	11.17%
TRY deposit cost	29.9%	43.5%	41.7%	-1.84%	11.75%	11.75%
TRL loan-deposit spread	0.6%	-2.3%	0.2%	2.41%	-0.46%	-0.46%
Core spreads (FC)	4Q23	3Q24	4Q24	QoQ	YoY	YtD
FC loan yield	10.3%	8.9%	7.8%	-1.09%	-2.55%	-2.55%
FC deposit cost	0.5%	0.4%	0.3%	-0.08%	-0.18%	-0.18%
FC loan-deposit spread	9.8%	8.4%	7.4%	-1.00%	-2.35%	-2.35%
Core spreads (Blended)	4Q23	3Q24	4Q24	QoQ	YoY	YtD
Blended loan yield	22.9%	27.9%	28.5%	0.62%	5.63%	5.63%
Blended deposit cost	14.8%	22.9%	22.3%	-0.58%	7.45%	7.45%
Blended loan-deposit spread	7.0%	4.1%	5.1%	1.01%	-1.92%	-1.92%
Securities spreads (Blended)	4Q23	3Q24	4Q24	QoQ	YoY	YtD
Blended securities yield	23.5%	27.5%	26.5%	-1.06%	2.92%	2.92%
Blended deposit cost	14.8%	22.9%	22.3%	-0.58%	7.45%	7.45%
Blended securities-deposit spread	7.6%	3.8%	3.4%	-0.37%	-4.16%	-4.16%
Breakdown of banking income	4Q23	3Q24	4Q24	QoQ	YoY	YtD
NII	47%	3%	22%	18.97%	-25.03%	-25.03%
Fees (Net)	49%	70%	65%	-4.60%	16.34%	16.34%
Dividends	0%	0%	0%	0.00%	-0.05%	-0.05%
Commercial profit /loss (net)	-3%	15%	-1%	-16.47%	1.83%	1.83%
Other operating income	7%	12%	14%	2.10%	6.92%	6.92%
Interest income				0.00%	0.00%	0.00%
Loans/Interest Income	69%	65%	65%	-0.73%	-4.65%	-4.65%
Securities/Interest Income	29%	26%	24%	-1.66%	-5.30%	-5.30%
Interest expense				0.00%	0.00%	0.00%
Deposits/Interest expense	84%	72%	72%	-0.18%	-12.02%	-12.02%
Funds Borrowed/Interest expense	4%	4%	5%	0.86%	1.24%	1.24%
Efficiency ratios	4Q23	3Q24	4Q24	QoQ	YoY	YtD
Cost/Income	59.0%	95.2%	82.8%	-12.41%	23.75%	23.75%
Costs/Loans	7.8%	9.2%	8.6%	-0.59%	0.83%	0.83%
Cost/Assets	3.6%	4.4%	4.1%	-0.29%	0.50%	0.50%
Fees (net)/Loans	6.4%	6.7%	6.8%	0.05%	0.32%	0.32%
Fees (net)/Assets	3.0%	3.2%	3.3%	0.01%	0.24%	0.24%
Fees (net)/OPEX	83.2%	73.6%	79.1%	5.48%	-4.13%	-4.13%

Source: Bank financials, Seker Invest Research

Historical Recommendation and Target Prices (TRY)



Source: Seker Invest Research

Date	Recommendation	Target Price (TRY)
22-Jan-18	Market Perform (MP)	7.43
08-Jun-18	Market Perform (MP)	7.01
02-Aug-18	Market Perform (MP)	6.33
08-Nov-18	Market Perform (MP)	4.62
17-Jan-19	Market Perform (MP)	4.92
11-Feb-19	Market Perform (MP)	5.98
07-Jun-19	Market Perform (MP)	5.50
09-Aug-19	Market Perform (MP)	6.59
14-Jan-20	Outperform (OP)	8.53
13-Apr-20	Outperform (OP)	5.83
18-May-20	Market Perform (MP)	5.56
10-Jun-20	Market Perform (MP)	5.42
13-Jul-20	Market Perform (MP)	6.14
10-Aug-20	Outperform (OP)	6.50
09-Nov-20	Outperform (OP)	7.20
18-Jan-21	Outperform (OP)	8.80
07-May-21	Market Perform (MP)	7.05
08-Nov-21	Outperform (OP)	8.30
20-Jan-22	Outperform (OP)	12.30
08-Feb-22	Outperform (OP)	12.90
08-Aug-22	Outperform (OP)	8.15
07-Nov-22	Outperform (OP)	13.65
12-Jan-23	Outperform (OP)	16.40
10-May-23	Outperform (OP)	17.10
01-Aug-23	Outperform (OP)	19.90
08-Aug-23	Outperform (OP)	21.30
06-Nov-23	Outperform (OP)	32.50
12-Jan-24	Outperform (OP)	38.95
10-May-24	Outperform (OP)	18.52
07-Aug-24	Outperform (OP)	18.52
04-Oct-24	Outperform (OP)	17.65
07-Jan-25	Outperform (OP)	21.47

Source: Seker Invest Research

Basis for 12M Recommendations

Outperform:	The total return is expected to exceed the return of the BIST-100 by more than 10%.
Underperform:	The total return is expected to fall below the return of the BIST-100 by more than 10%.
Market Perform:	The total return is expected to be in line with the return of the BIST-100.

Source: Seker Invest Research

SEKER INVEST RESEARCH

Seker Yatirim Menkul Degerler A.S.
Buyukdere Cad. No: 171 Metrocity
A Blok Kat 4-5 34330 Sisli /Istanbul
TURKEY

TEL: +90 (212) 334 33 33
Fax: +90 (212) 334 33 34
E-mail: research@sekeryatirim.com
Web: <http://www.sekeryatirim.com/english/index.aspx>

For additional information, please contact:

Research

Kadir Tezeller	Head	+90 (212) 334 33 81	ktezeller@sekeryatirim.com
Burak Demirbilek	Utilities, Pharmaceutical, Defense Industry	+90 (212) 334 33 33-128	bdemirbilek@sekeryatirim.com
Sevgi Onur	Banks	+90 (212) 334 33 33-150	sonur@sekeryatirim.com
Engin Degirmenci	Glass, Cement	+90 (212) 334 33 33-201	edegirmenci@sekeryatirim.com
A. Can Tuglu	Food & Bev., Retail, Auto, Aviation,	+90 (212) 334 33 33-334	atuglu@sekeryatirim.com
Esra Uzun Ozbaskin	Telcos, Iron & Steel, Cons. Dur., Oil & Gas	+90 (212) 334 33 33-245	euzun@sekeryatirim.com
Basak Kamber	Glass	+90 (212) 334 33 33-251	bkamber@sekeryatirim.com

Economy & Politics

Abdulkadir Dogan	Economist	+90 (212) 334 91 04	adogan@sekeryatirim.com
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Institutional Sales

Batuhan Alpman	Head	+90 (212) 334 33 70	balpman@sekeryatirim.com
Deniz Keskin	Trader	+90 (212) 334 33 36	dkeskin@sekeryatirim.com
M. Kerim Culum	Trader	+90 (212) 334 33 33-316	kculum@sekeryatirim.com

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