TSKB

3Q26 Earnings review

Swap costs capped the margin, earnings beat expectations

Mücahid Yıldırım
Analyst
myildirim@sekeryatirim.com.tr
+90 (212) 334 3333 ext.150

Rating	Outperform
Target price (TRY)	19.84
Upside	122.9%
Previous rating	Outperform
Previous target price (TRY)	18.00

	TRY	US$
Close	8.90	0.18
BIST 100	11,165	225
US$/TRY (CBT Bid Rate):	49.70	
52 Week High:	13.85	0.32
52 Week Low:	8.16	0.16
Bloomberg Ticker:	TSKB.TI	
Number of Shares (Mn):	2,800	

	(TRY Mn)	(US$ Mn)
Current Mcap:	24,920	501
Free Float Mcap:	9,719	196
Avg. Daily Volume:	316	205

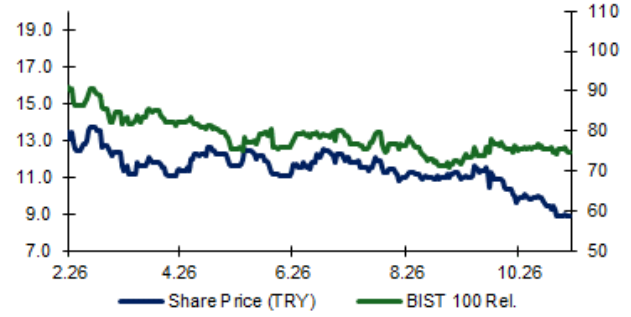
Expectations (TRY mn)	Actual	Seker	Diff.	Cons.	Diff.
Net income	2,695	2,510	7.4%	2,567	5.0%

3Q26	2Q26	3Q26	QoQ	3Q25	YoY
Net income (TRY mn)	2,952	2,695	-8.7%	2,810	-4.1%

Forecasts (TRY mn)	2023A	2024A	2025A	2026E	2027E
Net income	7,041	10,135	11,383	11,954	17,595
BV	21,412	32,479	45,651	56,361	70,967

Valuation	2023A	2024A	2025A	2026E	2027E
P/E (x)	2.6	3.4	2.2	2.1	1.4
P/BV (x)	0.86	1.05	0.55	0.44	0.35
ROAA	5.0%	4.9%	4.0%	3.2%	3.6%
ROAE	41.2%	38.1%	29.1%	23.8%	28.2%

Returns (%)	1 M	3M	6M	12M	YtD
TRY Return:	-11.4	-20.5	-25.7	-27.7	-24.5
US$ Return:	-13.0	-24.4	-32.8	-39.1	-34.9
BIST 100 Relative:	0.0	-2.5	-4.7	-29.6	-23.8



TSKB has reported a bank-only net profit of TRY 2.70bn in 3Q26, down 9% QoQ and 4% YoY but above both our estimate (TRY 2.51bn) and the market consensus (TRY 2.57bn). The quarterly decline reflects lower dividend income from subsidiaries, which fell from a seasonally strong TRY 1.09bn in 2Q26 to TRY 0.77bn; excluding subsidiary income, net profit rose 3% QoQ. 9M26 net profit declined 8% YoY to TRY 8.51bn, with an average ROE of 23.2%.

Swap-adjusted net interest income rose 3% QoQ to TRY 3.65bn. According to the bank, net interest income excluding CPI-linkers and swaps increased 39% QoQ, supported by money market transactions, but higher swap usage amid rising liquidity nearly tripled swap costs to TRY 1.96bn. Income from CPI-linkers was flat at TRY 0.79bn; CPI-linkers account for 41% of the TL securities portfolio, with floating-rate and fixed-rate securities making up 29% and 30%, respectively. The swap-adjusted quarterly NIM declined from 4.1% to 3.9%.

Net fees and commissions fell 4% QoQ but were up 74% YoY in 9M26, supported by commissions from IPO and fund-related activity. Trading income declined sharply. Other income again included a TRY 0.40bn free provision reversal, as in 2Q26, bringing total reversals in 9M26 to TRY 1.10bn; the bank has now fully released its free provision stock. Operating expenses fell 7% QoQ, and cost growth in 9M26 was 45% YoY.

Provisions decreased 25% QoQ to TRY 0.64bn. Net CoR stood at 0.9% in 3Q26 and 0.75% in 9M26 (33bps in 9M26 on the bank's definition, excluding currency impact). The NPL ratio was stable at 2.0%, total coverage stood at 4.3% and the share of Stage 2 loans at 7.2%.

FX-adjusted loans grew 8.1% YTD, driven by USD 1.8bn of long-term loan disbursements. On the funding side, the bank signed financing agreements of around USD 1.1bn with the World Bank in 3Q26, and total funding raised in 9M26, including Eurobonds, syndications and private placements, exceeded USD 1.8bn. Capital remains strong, with a CAR of 19.4% and a CET1 ratio of 14.2%.

TSKB kept its 2026 guidance unchanged. On the bank's figures, 9M26 results were in line with guidance across the board: FX-adjusted loan growth of 8.1% (guidance: low double digits), a NIM of 4.3% (~4.5%), fee growth of 74% (above 50%), an NPL ratio of 2.0% (~2.5%) and net CoR of 33bps (~50bps). As with Akbank, we are switching our valuation methodology for TSKB to a residual income (RI) model. Following our revisions, we raise our 12-month target price from TRY 18.00 to TRY 19.84 and maintain our Outperform rating, with 122.9% upside potential. The stock trades at 2.1x 2026E P/E and 0.44x P/BV.

Figure 1: Summary balance sheet

(Bank-only, TRYmn)	9M25	6M26	9M26	QoQ	YoY	YtD
Security portfolio	54,122	60,521	62,735	3.7%	15.9%	10.1%
Loans	216,815	268,621	282,372	5.1%	30.2%	20.3%
Total assets	**305,480**	**369,463**	**398,471**	**7.9%**	**30.4%**	22.0%
Banks and interbank borrowing	**255,993**	**312,951**	**338,531**	**8.2%**	**32.2%**	23.3%
TRY	13,656	16,192	16,950	4.7%	24.1%	n.m.
FC	242,338	296,759	321,581	8.4%	32.7%	18.8%
FC (in $)	5,840	6,374	6,575	3.1%	12.6%	4.1%
Shareholder's equity	42,705	50,251	52,914	5.3%	23.9%	15.9%
Total liabilities	**305,480**	**369,463**	**398,471**	**7.9%**	**30.4%**	**22.0%**

Source: Bank financials, Seker Invest Research

Figure 2: Summary income statement

(Bank-only, TRYmn)	3Q25	2Q26	3Q26	QoQ	YoY	Sep.25	Sep.26	YoY
Net interest income (Swap adj)	3,484	3,544	3,648	2.9%	4.7%	10,224	10,517	2.9%
Net fee and commission income	140	204	195	-4.3%	39.3%	302	525	73.9%
Dividends	513	1,087	768	-29.3%	49.8%	1,842	2,277	23.6%
Net trading gain/loss	492	350	105	-70.0%	-78.7%	1,354	970	-28.3%
Other operating income (Net)	386	800	430	-46.2%	11.3%	2,569	1,704	-33.7%
Provisions (net)	554	851	642	-24.6%	15.8%	42	1,522	n.m.
OPEX	808	1,225	1,142	-6.7%	41.3%	2,390	3,455	44.6%
Net operating profit before taxes	3,641	3,910	3,361	-14.0%	-7.7%	12,078	11,019	-8.8%
Tax provision	831	958	666	-30.5%	-19.8%	2,793	2,512	-10.1%
Net profit	**2,810**	**2,952**	**2,695**	**-8.7%**	**-4.1%**	**9,285**	**8,507**	**-8.4%**

Source: Bank financials, Seker Invest Research

Figure 3: Balance sheet ratios

Asset quality	3Q25	2Q26	3Q26	QoQ	YoY	YtD
NPL Ratio	0.8%	2.0%	2.0%	-0.1%	1.1%	-0.4%
Total CoR (Quarterly)	0.09%	1.25%	0.89%	-0.4%	0.8%	-3.5%
Total CoR (Cumulative)	0.03%	0.66%	0.75%	0.1%	0.7%	-0.2%
Stage 1 loans/Total loans	92.3%	90.7%	90.8%	0.1%	-1.5%	0.2%
Stage 2 loans/Total loans	6.9%	7.2%	7.2%	0.0%	0.3%	0.2%
Total provisions/NPL	418.4%	202.1%	210.0%	8.0%	-208.3%	24.2%
Total coverage/Gross Loans	3.6%	4.3%	4.3%	0.0%	0.6%	-0.2%
Capital adequacy and leverage	**3Q25**	**2Q26**	**3Q26**	**QoQ**	**YoY**	**YtD**
CET1	18.6%	13.9%	14.2%	0.3%	n.m.	n.m.
Tier I	24.1%	17.9%	18.3%	0.4%	n.m.	n.m.
CAR	25.2%	19.0%	19.4%	0.4%	n.m.	n.m.
Leverage	7.2	7.4	7.5	0.18	0.38	0.38
Currency breakdown	**3Q25**	**2Q26**	**3Q26**	**QoQ**	**YoY**	**YtD**
TRY Loans/Loans	5.3%	5.6%	5.8%	0.3%	0.6%	-0.8%
FX Loans /Loans	94.7%	94.4%	94.2%	-0.3%	-0.6%	0.8%

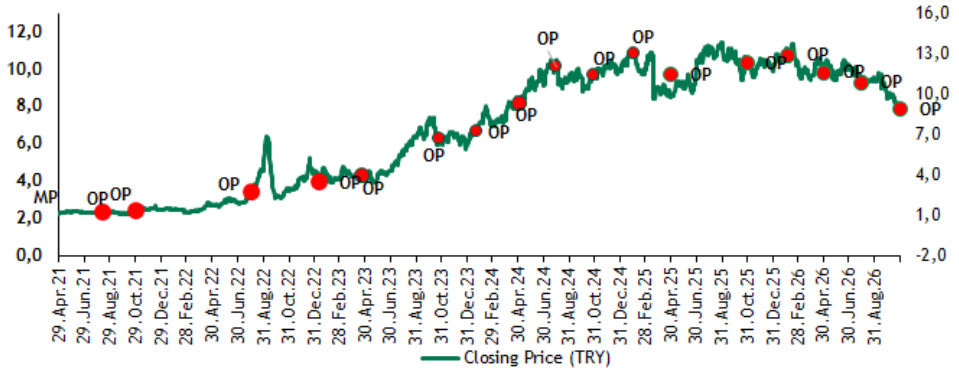
Source: Bank financials, Seker Invest Research

Note: 2025 capital ratios include BRSA forbearance measures (decision dated 19.12.2024); YoY and YtD changes are not on a like-for-like basis.

Figure 4: Profitability ratios (Quarterly)	3Q25	2Q26	3Q26	QoQ	YoY	YtD
ROAA	3.8%	3.3%	2.8%	-0.49%	-0.99%	0.15%
ROAE	27.4%	24.4%	20.9%	-3.54%	-6.47%	1.91%
NIM (Swap adj.)	4.92%	4.1%	3.9%	-0.16%	-0.98%	-0.99%
Figure 4: Profitability ratios (Cumulative)	**3Q25**	**2Q26**	**3Q26**	**QoQ**	**YoY**	**YtD**
ROAA	4.6%	3.3%	3.1%	-0.20%	-1.42%	-0.89%
ROAE	33.1%	24.5%	23.2%	-1.27%	-9.82%	-5.88%
NIM (Swap adj.)	5.3%	4.1%	4.0%	-0.06%	-1.25%	-1.15%
Core spreads (Blended)	**3Q25**	**2Q26**	**3Q26**	**QoQ**	**YoY**	**YtD**
Blended loan yield	10.1%	9.1%	9.1%	0.08%	-0.97%	-0.71%
Securities spreads (Blended)	**3Q25**	**2Q26**	**3Q26**	**QoQ**	**YoY**	**YtD**
Blended securities yield	22.6%	20.3%	19.6%	-0.64%	-3.00%	-1.38%
Breakdown of banking income	**3Q25**	**2Q26**	**3Q26**	**QoQ**	**YoY**	**YtD**
NII	69%	59%	71%	11.67%	1.42%	11.12%
Fees (Net)	3%	3%	4%	0.38%	1.00%	1.80%
Dividends	10%	18%	15%	-3.23%	4.70%	5.00%
Commercial profit /loss (net)	10%	6%	2%	-3.81%	-7.78%	-18.17%
Other operating income	8%	13%	8%	-5.01%	0.65%	0.25%
Efficiency ratios	**3Q25**	**2Q26**	**3Q26**	**QoQ**	**YoY**	**YtD**
Costs/Loans	1.5%	1.9%	1.7%	-0.22%	0.13%	-0.08%
Cost/Assets	1.1%	1.4%	1.2%	-0.18%	0.10%	-0.05%
Fees (net)/Loans	0.3%	0.3%	0.3%	-0.03%	0.02%	0.06%
Fees (net)/Assets	0.19%	0.23%	0.20%	-0.02%	0.01%	0.05%
Fees (net)/OPEX	17.3%	16.6%	17.1%	0.43%	-0.25%	4.35%

Source: Bank financials, Seker Invest Research

Historical Recommendation and Target Prices (TRY)



Source: Seker Invest Research

Date	Recommendation	Target Price (TRY)
22.Jan.18	Outperform (OP)	1,41
08.Jun.18	Outperform (OP)	1,30
30.Jul.18	Market Perform (MP)	0,94
09.Oct.18	Market Perform (MP)	0,87
17.Jan.19	Market Perform (MP)	0,83
07.Jun.19	Market Perform (MP)	0,76
05.Aug.19	Outperform (OP)	1,00
09.Oct.19	Outperform (OP)	1,19
14.Jan.20	Outperform (OP)	1,50
13.Apr.20	Outperform (OP)	1,16
03.May.20	Market Perform (MP)	1,05
03.Nov.20	Underperform (UP)	1,30
18.Jan.21	Market Perform (MP)	1,51
03.May.21	Market Perform (MP)	1,35
04.Aug.21	Outperform (OP)	1,80
01.Nov.21	Outperform (OP)	1,95
20.Jan.22	Outperform (OP)	2,35
02.Aug.22	Outperform (OP)	3,15
01.Nov.22	Outperform (OP)	4,60
12.Jan.23	Outperform (OP)	5,39
31.Jul.23	Outperform (OP)	7,30
31.Oct.23	Outperform (OP)	9,55
12.Jan.24	Outperform (OP)	10,89
02.May.24	Outperform (OP)	12,13
01.Aug.24	Outperform (OP)	18,18
31.Oct.24	Outperform (OP)	18,18
07.Jan.25	Outperform (OP)	18,18
28.Oct.25	Outperform (OP)	18,86
04.Feb.26	Outperform (OP)	20,06
30.Apr.26	Outperform (OP)	20,06
30.Jul.26	Outperform (OP)	18,00
30.Oct.26	Outperform (OP)	19,84

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

ŞEKER INVEST RESEARCH

Şeker Yatırım Menkul Değerler A.Ş.
Buyukdere Cad. No:171 Metrocity
A Blok Kat 4-5 34330 SİSLİ /IST
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.tr
Burak Demirbilek	**Utilities**	**+90 (212) 334 33 33-128**	bdemirbilek@sekeryatirim.com.tr
Atasav Can Tuglu	**Food & Beverages, Automotive, Retail, Aviation**	**+90 (212) 334 33 33-334**	atuglu@sekeryatirim.com.tr
Basak Kamber	**Glass, Pharmaceutical, Defense, Telcos, Cons. Dur.**	**+90 (212) 334 33 33-251**	bkamber@sekeryatirim.com.tr
M. Mucahid Yıldırım	**Banks, Insurance**	**+90 (212) 334 33 33-150**	myildirim@sekeryatirim.com.tr
Yusuf Kemal Erdekli	**Cement, Conglomerates, Real Estate**	**+90 (212) 334 33 33-115**	yerdekli@sekeryatirim.com.tr
O. Furkan Ozdemir	**Iron & Steel, Oil- Gas & Deriv.**	**+90 (212) 334 33 33-245**	oozdemir@sekeryatirim.com.tr

Economy & Politics

Abdulkadir Dogan	**Chief Economist**	**+90 (212) 334 91 04**	adogan@sekeryatirim.com.tr

Institutional Sales

Deniz Keskin	**Trader**	**+90 (212) 334 33 36**	dkeskin@sekeryatirim.com.tr
Kerim Culum	**Trader**	**+90 (212) 334 33 33-316**	kculum@sekeryatirim.com.tr

DISCLAIMER

I, Mücahid Yıldırım, hereby certify that the views expressed in this research accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in this report.

This report has been prepared by the Şeker Yatırım Menkul Değerler A.Ş. (Şeker Invest, Inc.) Research Team. The information and opinions contained herein have been obtained from and are based upon public sources that Şeker Invest considers to be reliable. No representation or warranty, express or implied, is made that such information is accurate or complete and should not be relied upon, as such. All estimates and opinions included in this report constitute our judgments as of the date of this report and are subject to change without notice. This report is for informational purposes only and is not intended as an offer or solicitation for the purchase or sale of a security. Investors must make their own investment decisions based on their specific investment objectives and financial position and using such independent advisors as they believe necessary. Şeker Invest may, from time to time, have a long or short position in the securities mentioned in this report and may solicit, perform or have performed investment banking, underwriting or other services (including acting as adviser, manager, underwriter or lender) for any company referred to in this report and may, to the extent permitted by law, have acted upon or used the information contained herein, or the research or analysis upon which it is based, before its publication. This report is for the use of intended recipients and may not be reproduced in whole or in part or delivered or transmitted to any other person without the prior written consent of Şeker Invest. By accepting this document you agree to be bound by the foregoing limitations.

Copyright © 2026 Şeker Invest