Yapı ve Kredi Bankası A.Ş.

Publicly announced consolidated financial statements and related disclosures at December 31, 2024 together with independent auditor's report

(Convenience translation of publicly announced consolidated financial statements and audit report originally issued in Turkish)

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

Independent Auditors' Report on Audit of Consolidated Financial Statements

To the General Assembly of Yapı ve Kredi Bankası A.Ş.

Opinion

We have audited the consolidated statement of financial position of Yapı ve Kredi Bankası A.Ş. ("the Bank") and its subsidiaries (collectively referred as "Group") as of December 31, 2024 and the related consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in shareholders' equity, consolidated statement of cash flows and a summary of significant accounting policies and other explanatory notes to the consolidated financial statements.

In our opinion the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024 and consolidated financial performance and consolidated cash flows for the year then ended 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 November 1, 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 Financial Reporting Standards ("TFRS") for those matters not regulated by the aforementioned regulations.

Basis for Opinion

Our audit was conducted in accordance with "Regulation on independent audit of the Banks" published in the Official Gazette no.29314 dated April 2, 2015, by BRSA (BRSA Independent Audit Regulation) and Independent Auditing Standards ("ISA") which are the part of Turkish Auditing Standards issued by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with of Code of Ethics for Independent Auditors (Code of Ethics) published by POA and have fulfilled our other responsibilities in accordance with the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

As of December 31, 2023, the consolidated financial statements of the Group, prepared in accordance with the "BRSA Accounting and Financial Reporting Legislation", were audited by another audit firm. The independent audit firm expressed an unqualified opinion in its independent audit report dated February 2, 2024.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. Key audit matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How the Key Audit Matter is addressed in our audit
Financial impact of TFRS 9 "Financial Instruments" standard and recognition of classification, measurement and impairment on financial assets and related important disclosures	
As presented in Section 3, disclosure 8, the Group recognizes expected credit losses of financial assets in accordance with TFRS 9 Financial Instruments standard. We considered impairment of financial assets as a key audit matter since: - Amount of on and off-balance sheet items that are subject to expected credit loss calculation is material to the financial statements - There are complex and comprehensive requirements of TFRS 9 - The classification of the financial assets is based on the Group's business model and characteristics of the contractual cash flows in accordance with TFRS 9 and significant judgment is used on the assessment of the business model and identification of the complex contractual cash flow characteristics of financial instruments - Policies implemented by the management include compliance risk to the regulations and other practices - Processes of TFRS 9 are advanced and complex - Judgements and estimates used in expected credit loss, complex and comprehensive - Disclosure requirements of TFRS 9 are comprehensive and complex.	Our audit procedures included among others include: - Evaluating the appropriateness of accounting policies as to the requirements of TFRS 9, Group's past experience, local and global practices - Reviewing and testing of processes which are used to calculate expected credit losses by involving our Information technology and process audit specialists - Evaluation of the reasonableness and appropriateness of key judgments and estimates determined by management and the methods, judgments and data sources used in calculating expected loss, taking into account standard requirements, industry and global practices - Reviewing the appropriateness of criteria in order to identify the financial assets having solely payments of principal and interest and checking the compliance to the Group's Business model - Reviewing the Group's classification and measurement models of the financial instruments and comparing with TFRS 9 requirements - Evaluating the alignment of the significant increase in credit risk determined during the calculation of expected credit losses, default definition, restructuring definition, probability of default, loss given default, exposure at default and macro-economic variables that are determined by the financial risk management experts with the Group's past performance, regulations, and other processes that has forward looking estimations - Assessing the completeness and the accuracy of the data used for expected credit loss calculation. - Testing the mthematical accuracy of expected credit loss calculation on sample basis - Evaluating the judgments and estimates used for post-model adjustment process - Evaluating the necessity and accuracy of the updates made or required updates after the modeling process - Auditing of TFRS 9 disclosures.

Pension Fund Obligations	*How the Key Audit Matter is addressed in our audit*
The Bank's defined benefit pension plan (the"Plan") is managed by "Yapı ve Kredi Bankası Anonim Şirketi Mensupları Yardım ve Emekli Sandığı" (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. As a legal entity, the Fund provides retirement and post-retirement benefits to all eligible employees. As disclosed in Section 3, disclosure 16.2 to the consolidated financial statements, the Plan is composed of benefits which are subject to transfer to Social Security Foundation ("SSF") as per the Social Security Law No. 5510 provisional article 20, and other social rights and pension benefits provided by the Bank that are not transferable to SSF. The Council of Ministers has been authorized to determine the transfer date. Following the transfer, the non-transferable social rights and pension benefits provided under the Plan will be covered by the funds and the institutions that employ the funds' members. As of December 31, 2024, the Bank's transferrable liabilities are calculated by an independent actuary using the actuarial assumptions regulated by Law, and in accordance with the Decision of the Council of Ministers announced in the Official Gazette dated 15 December 2006 and No.26377. As of December 31,2024, the Bank's non- transferrable liabilities are also calculated by independent actuary. The valuation of the Pension Fund liabilities requires judgement in determining appropriate assumptions such as defining the transferrable social benefits, discount rates, salary increases, inflation levels, demographic assumptions, and the impact of changes in Pension Plan. Management uses independent actuaries to assist in assessing the uncertainty around these assumptions. Considering the subjectivity of key judgements and assumptions, plus the uncertainty around the transfer date and basis of the transfer calculation given the fact that the technical interest rate is prescribed under the law, we considered this to be a key audit matter.	It has been addressed whether there have been any significant changes in regulations governing pension liabilities, employee benefits plans during the period, that could lead to adjust the valuation of employee benefits. Support from actuarial auditor of another entity who is in the same audit network within our firm, has been taken to assess the appropriateness of the actuarial assumptions and calculations performed by the external actuary. Furthermore, the accuracy and adequacy of the footnotes in the consolidated financial statements of the Group have been evaluated.

Responsibilities of Management and Directors for the Consolidated Financial Statements

Group management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the BRSA Accounting and Reporting Legislation and for such internal control as management determines is necessary to enable the preparation of the financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

In an independent audit, the responsibilities of us as independent auditors are:

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with BRSA Independent Audit Regulation and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with BRSA Independent Audit Regulation and ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion(The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control).

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with government with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1) In accordance with Article 402 paragraph 4 of the Turkish Commercial Code ("TCC") no 6102; no significant matter has come to our attention that causes us to believe that the Bank's bookkeeping activities and financial statements for the period January 1 – December 31, 2024, are not in compliance with the TCC and provisions of the Bank's articles of association in relation to financial reporting.

2) In accordance with Article 402 paragraph 4 of the TCC; the Board of Directors submitted to us the necessary explanations and provided required documents within the context of audit.

The engagement partner who supervised and concluded this independent auditor's report is Emre Çelik.

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

Emre Çelik, SMMM
Partner

January 31, 2025
Istanbul, Türkiye

Convenience translation of publicly announced consolidated year end financial statements and audit report originally issued in Turkish

THE CONSOLIDATED YEAR END FINANCIAL REPORT OF YAPI VE KREDI BANKASI A.Ş. AS OF DECEMBER 31, 2024

Address	**:** Yapı Kredi Plaza D Blok Levent 34330 İstanbul
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Website	**:** www.yapikredi.com.tr
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The consolidated financial report for the year end which is prepared in accordance with the "Communiqué Related to Publicly Announced Financial Statements of Banks and Explanations and Notes Related to these Financial Statements" as regulated by the Banking Regulation and Supervision Agency includes the following sections.

- **GENERAL INFORMATION ABOUT THE PARENT BANK**
- **CONSOLIDATED FINANCIAL STATEMENTS OF THE PARENT BANK**
- **EXPLANATIONS ON ACCOUNTING POLICIES APPLIED IN THE RELATED PERIOD**
- **INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP**
- **EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS**
- **OTHER EXPLANATIONS**
- **INDEPENDENT AUDITOR'S REPORT**

Investments in subsidiaries and associates, whose financial statements have been consolidated in these consolidated financial statements are as follows.

Subsidiaries	**Associates**
1. Yapı Kredi Finansal Kiralama A.O.	1. Banque de Commerce et de Placements S.A.
2. Yapı Kredi Faktoring A.Ş.	2. Allianz Yaşam ve Emeklilik A.Ş.
3. Yapı Kredi Yatırım Menkul Değerler A.Ş.	
4. Yapı Kredi Portföy Yönetimi A.Ş.	
5. Yapı Kredi Holding B.V.	
6. Yapı Kredi Bank Nederland N.V.	
7. Stichting Custody Services YKB	
8. Yapı Kredi Bank Azerbaijan CJSC	
9. Yapı Kredi Bank Deutschland OHG	

Although Yapı Kredi Diversified Payment Rights Finance Company (the Structured Entity) is not a subsidiary of the Bank, it has been included in the consolidation since the Bank has 100% control.

The accompanying consolidated financial statements, related disclosures and footnotes which have been independently audited and presented in this report are prepared in accordance with the Regulation on Accounting Applications for Banks and Safeguarding of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards, the related statements and guidances, and in compliance with the financial records of the Bank, and unless stated otherwise, presented in **thousands of Turkish Lira** (TL).

Y. Ali KOÇ **Chairman of the Board of Directors**	**Gökhan ERÜN** **Executive Director and CEO**	**Demir KARAASLAN** **Chief Financial Officer**	**Barış SAVUR** **Financial Reporting and Accounting Executive Vice President**

Dr. Ahmet ÇİMENOĞLU **Chairman of the Audit Committee**	**Nevin İPEK** **Member of the Audit Committee**

Contact information of the personnel in charge of the addressing of questions about this financial report:

Name-Surname / Title	**:** Deniz MÜDERRİSOĞLU / International Reporting and Consolidation Manager
Telephone	**:** 0212 339 62 35
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(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Section One

General Information

1. History of the Parent Bank including its incorporation date, initial legal status and amendments to legal status:

Yapı ve Kredi Bankası A.Ş. ("the Bank", "Yapı Kredi" or "the Parent Bank"), was established and started operations on September 9, 1944 with the permission of the Council of Ministers No. 3/6710 as a private capital commercial bank authorised to perform all banking, economic, financial and commercial activities which are allowed by the laws of the Turkish Republic. The statute of the Bank has not changed since its incorporation.

2. Explanation about the Parent Bank's capital structure, shareholders holding directly or indirectly, collectively or individually, the management and controlling power and changes in current year, if any and explanations on the controlling Group of the Bank:

The Parent Bank's publicly traded shares are traded on the Borsa Istanbul ("BIST") since 1987. As of December 31, 2024, 38,83% of the shares of the Bank are publicly traded (December 31, 2023 - 38,83%). 40,95% of the shares out of the remaining 61,17% is owned by Koç Finansal Hizmetler A.Ş. ("KFS") which is owned by Koç Group, 20,22% is owned by Koç Holding A.Ş.

KFS was established on March 16, 2001 to combine Koç Group finance companies under one organisation and it became the main shareholder of Koçbank in 2002. On October 22, 2002, Koç Group established a strategic partnership with UniCredit Group ("UCG") over KFS.

In 2005, the Bank's shares that were owned by Çukurova Group Companies and the Saving Deposits Insurance Fund ("SDIF") were purchased by Koçbank. In 2006, Koçbank purchased additional shares of the Bank from BIST and an investment fund and, during the same year, all rights, receivables, debts and liabilities of Koçbank were transferred to the Bank pursuant the merger of the two banks. As a result of the merger and the share transfer procedures in 2007 and of a capital increase by TL 920 million in 2008, KFS shares in the Parent Bank increased to 81,80%. KFS shares increased to 81,90% with the capital increase by TL 4,1 billion in 2018.

As of November 30, 2019, Koç Group and UCG have reached a deal to exchange their shares in the Parent Bank and KFS.

Accordingly, all the shares of KFS, which was a joint venture, were transferred to Koç Group. Besides, after the shares were transferred, KFS held 40,95%, UCG held 31,93% directly and Koç Group held a total of 49,99% directly and indirectly of the Parent Bank shares and became controlling shareholder.

In addition, as of February 6, 2020, UniCredit also announced the placement of an 11,93% shares in Parent Bank to institutional investors. The transaction completed on February 13, 2020. As a result UCG held directly 20,00% of the Parent Bank shares.

In year 2021, UCG completed the sale of 2,00% shares in stock market and for the sale of remaining 18,00% shares UCG came to an agreement with Koç Group as per the Share Sale and Purchase Agreement relating to the sale of the Parent Bank publicly disclosed on November 30, 2019. Accordingly, it was announced that Koç Group used its right of first offer for the sale of the Parent Bank shares which were planned to be sold by UCG on November 9, 2021. The sale of the relevant shares was completed on April 1, 2022, and Koç Holding A.Ş.'s share ratio increased from 9,02% to 27,02%.

As of July 28, 2023, Koç Holding A.Ş sold its 6,81% share in the Bank to institutional investors through off-exchange sale. After the sale, shareholding of Koç Holding A.Ş in the Bank decreased to 20,22%.

In 2006 and 2007, with the acquisition of Yapı Kredi and its subsidiaries, KFS Group launched structural reorganisation and the following subsidiaries is still under the control of group were legally merged:

Merging entities		Merger date	Merged entity
Yapı Kredi	Koçbank	October 2, 2006	Yapı Kredi
Yapı Kredi Finansal Kiralama A.O. ("Yapı Kredi Leasing")	Koç Leasing	December 25, 2006	Yapı Kredi Leasing
Yapı Kredi Faktoring A.Ş. ("Yapı Kredi Faktoring")	Koç Faktoring	December 29, 2006	Yapı Kredi Faktoring
Yapı Kredi Portföy Yönetimi A.Ş. ("Yapı Kredi Portföy")	Koç Portföy	December 29, 2006	Yapı Kredi Portföy
Yapı Kredi Yatırım Menkul Değerler A.Ş. ("Yapı Kredi Menkul")	Koç Yatırım	January 12, 2007	Yapı Kredi Menkul
Yapı Kredi Bank Nederland N.V. ("Yapı Kredi NV")	Koçbank Nederland N.V.	July 2, 2007	Yapı Kredi NV

3. Explanations regarding the board of directors, members of the audit committee, Chief Executive Officer and executive vice presidents, and their areas of responsibility and shares if any:

As of December 31, 2024 the Parent Bank's Board of Directors, Members of the Audit Committee, General Manager and Assistant General Managers are as follows:

Board of Directors Members:

Name	Responsibility
Y. Ali KOÇ	Chairman
Levent ÇAKIROĞLU	Vice Chairman
Gökhan ERÜN	Executive Director and CEO
A. Ümit TAFTALI	Member
Ahmet ÇİMENOĞLU	Independent Member
Ahmet Fadıl ASHABOĞLU	Member
Kemal UZUN	Member
Nevin İPEK	Independent Member
Polat ŞEN	Member
Virma SÖKMEN	Independent Member

Audit Committee Members:

Name	Responsibility
Ahmet ÇİMENOĞLU	Chairman
Nevin İPEK	Member

General Manager:

Name	Responsibility
Gökhan ERÜN	Executive Director and CEO

Assistant General Managers:

Name	Responsibility
Abdullah GEÇER	Internal Audit
Akif Cahit ERDOĞAN	Commercial and SME Banking Management
Demir KARAASLAN	Financial Planning and Administration
Hakan KAYA	Chief Legal Officer
Mehmed Erendiz Kürşad KETECİ	Strategy Management
Mehmet Erkan AKBULUT	Corporate Banking
Mehmet Erkan ÖZDEMİR	Compliance, Internal Control and Risk Management / Consumer Relations Coordination Officer
Nursezil KÜÇÜK KOÇAK	Credits
Özden ÖNALDI	Human Resources, Organization and Internal Services Management
Saruhan YÜCEL	Treasury Management
Serkan ÜLGEN	Retail Banking
Uğur Gökhan ÖZDİNÇ	Technology, Data and Process Management
Yakup DOĞAN	Limitless Banking

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

4. Information on the individual and corporate shareholders having control shares of the Parent Bank:

Name/Commercial title	Share amounts (nominal)	Share percentage (%)	Paid-in capital (nominal)	Unpaid portion
Koç Finansal Hizmetler A.Ş.	3.459.065.642,23	40,95	3.459.065.642,23	-
Koç Holding A.Ş	1.707.666.574,00	20,22	1.707.666.574,00	-

Koç Finansal Hizmetler A.Ş. is owned by Koç Group and Temel Ticaret ve Yatırım A.Ş.

5. Summary information on the Parent Bank's activities and service types:

The Parent Bank's activities summarized in the section 3 of the articles of association are as follows:

The Parent Bank's purpose and subject matter in accordance with the Banking Law, regulations and existing laws include:

- The execution of all banking activities,
- The execution of all economic and financial activities which are allowed by the regulation,
- The execution of the representation, attorney and agency activities related to the subjects written above,
- The purchase and sale of share certificates, bonds and all the capital market instruments, in accordance with Capital Market Law and regulations.

In case of necessity for performing activities which are useful and required but that are not specified in the articles of association, a Board of Directors' proposal is to be presented to the General Assembly. With the approval of the General Assembly the proposal becomes applicable, subject to the approvals required by law.

As of December 31, 2024, the Parent Bank has 771 branches operating in Türkiye and 1 branch in overseas (December 31, 2023 - 779 branches operating in Türkiye, 1 branch in overseas).

As of December 31, 2024, the Parent Bank has 14.402 employees (December 31, 2023 - 15.009 employees). The Parent Bank together with its consolidated subsidiaries is referred to as the "Group" in these consolidated financial statements. As of December 31, 2024 the Group has 15.311 employees (December 31, 2023 – 15.954 employees).

6. Differences between the communiqué on preparation of consolidated financial statements of Banks and Turkish Accounting Standards and short explanation about the entities subject to full consolidation or proportional consolidation and entities which are deducted from equity or entities which are not included in these three methods:

According to Communiqué of the Preparation Consolidated Financial Statements and Turkish Accounting Standards, Banque de Commerce et de Placements SA, the associate of the Bank is consolidated through "Equity Method" in the accompanying consolidated financial statements of the Group. Allianz Yaşam ve Emeklilik A.Ş., on which the Bank has indirect participation, is also consolidated through "Equity Method" in the consolidated financial statements of the Group.

Yapı Kredi Kültür Sanat Yayıncılık Tic. ve San. A.Ş., Enternasyonal Turizm Yatırım A.Ş., Yapı Kredi Teknoloji A.Ş. and Yapı Kredi Finansal Teknolojiler A.Ş., which are subsidiaries, and Tanı Pazarlama ve İletişim Hizmetleri A.Ş., which is an associate of the Bank are not consolidated into the Bank's consolidated financial statements in accordance with Communiqué on Preparation of Consolidated Financial Statements since these entities are not financial institutions.

All other subsidiaries are fully consolidated.

7. The existing or potential, actual or legal obstacles on the immediate transfer of shareholder's equity between the Bank and its subsidiaries or reimbursement of liabilities:

None.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Section Two - Consolidated financial statements

1. Consolidated balance sheet (Statement of Financial Position)

				Current Period (31/12/2024)			Prior Period (31/12/2023)	
	ASSETS	**Note (Section Five)**	**TL**	**FC**	**Total**	**TL**	**FC**	**Total**
I.	**FINANCIAL ASSETS (Net)**		**331.294.428**	**301.020.584**	**632.315.012**	**187.169.634**	**268.576.594**	**455.746.228**
1.1	**Cash and Cash Equivalents**	**1.1**	**219.513.565**	**259.413.668**	**478.927.233**	**109.175.552**	**225.692.721**	**334.868.273**
1.1.1	Cash and Balances with Central Bank		210.221.739	205.294.473	415.516.212	102.042.895	176.996.594	279.039.489
1.1.2	Banks	1.4	9.402.784	54.343.315	63.746.099	7.448.998	49.373.178	56.822.176
1.1.3	Money Markets Receivables	1.4.3	-	-	-	-	-	-
1.1.4	Expected Credit Losses (-)		110.958	224.120	335.078	316.341	677.051	993.392
1.2	**Financial Assets Measured at Fair Value Through Profit Or Loss**	**1.2**	**1.203.080**	**1.700.282**	**2.903.362**	**625.664**	**1.651.821**	**2.277.485**
1.2.1	Government debt securities		-	292.948	292.948	-	718.268	718.268
1.2.2	Share certificates		9.264	-	9.264	36.894	-	36.894
1.2.3	Other financial assets		1.193.816	1.407.334	2.601.150	588.770	933.553	1.522.323
1.3	**Financial Assets Measured at Fair Value Through Other Comprehensive Income**	**1.5,1.6**	**104.395.790**	**29.293.722**	**133.689.512**	**66.083.694**	**30.934.295**	**97.017.989**
1.3.1	Government debt securities		104.125.343	29.036.704	133.162.047	65.889.312	30.866.338	96.755.650
1.3.2	Share certificates		204.694	22.563	227.257	182.074	15.031	197.105
1.3.3	Other financial assets		65.753	234.455	300.208	12.308	52.926	65.234
1.4	**Derivative Financial Assets**	**1.3**	**6.181.993**	**10.612.912**	**16.794.905**	**11.284.724**	**10.297.757**	**21.582.481**
1.4.1	Derivative financial assets measured at fair value through profit or loss		5.637.670	8.771.398	14.409.068	9.426.817	6.834.841	16.261.658
1.4.2	Derivative financial assets measured at fair value through other comprehensive income		544.323	1.841.514	2.385.837	1.857.907	3.462.916	5.320.823
II.	**FINANCIAL ASSETS MEASURED AT AMORTISED COST (Net)**		**1.119.765.719**	**588.148.948**	**1.707.914.667**	**861.701.438**	**407.169.774**	**1.268.871.212**
2.1	**Loans**	**1.7**	**873.801.596**	**430.397.373**	**1.304.198.969**	**672.837.877**	**274.714.800**	**947.552.677**
2.2	**Receivables From Leasing Transactions (Net)**	**1.12**	**13.288.115**	**26.997.956**	**40.286.071**	**11.199.597**	**21.251.429**	**32.451.026**
2.3	**Factoring Receivables**		**17.789.116**	**6.593.152**	**24.382.268**	**9.631.438**	**3.170.335**	**12.801.773**
2.4	**Financial Assets Measured at Amortised Cost**	**1.8**	**250.375.315**	**137.550.062**	**387.925.377**	**199.363.011**	**118.750.083**	**318.113.094**
2.4.1	Government debt securities		241.778.828	122.375.621	364.154.449	195.162.658	107.609.515	302.772.173
2.4.2	Other financial assets		8.596.487	15.174.441	23.770.928	4.200.353	11.140.568	15.340.921
2.5	**Expected Credit Losses (-)**		**35.488.423**	**13.389.595**	**48.878.018**	**31.330.485**	**10.716.873**	**42.047.358**
III.	**ASSETS HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (Net)**	**1.17**	**560.125**	**59.186**	**619.311**	**1.026.116**	**48.608**	**1.074.724**
3.1	Held for Sale Purposes		560.125	59.186	619.311	1.026.116	48.608	1.074.724
3.2	Related to Discontinued Operations		-	-	-	-	-	-
IV.	**INVESTMENTS IN ASSOCIATES, SUBSIDIARIES AND JOINT VENTURES**		**1.577.432**	**7.820.018**	**9.397.450**	**969.654**	**6.170.284**	**7.139.938**
4.1	**Investments in Associates (Net)**	**1.9**	**1.545.116**	**7.820.018**	**9.365.134**	**937.338**	**6.170.284**	**7.107.622**
4.1.1	Consolidated based on Equity Method		1.506.670	7.820.018	9.326.688	898.892	6.170.284	7.069.176
4.1.2	Unconsolidated		38.446	-	38.446	38.446	-	38.446
4.2	**Subsidiaries (Net)**	**1.10**	**32.316**	**-**	**32.316**	**32.316**	**-**	**32.316**
4.2.1	Unconsolidated Financial Subsidiaries		-	-	-	-	-	-
4.2.2	Unconsolidated Non-Financial Subsidiaries		32.316	-	32.316	32.316	-	32.316
4.3	**Joint Ventures (Net)**	**1.11**	**-**	**-**	**-**	**-**	**-**	**-**
4.3.1	Consolidated based on Equity Method		-	-	-	-	-	-
4.3.2	Unconsolidated		-	-	-	-	-	-
V.	**PROPERTY AND EQUIPMENT (Net)**	**1.13**	**30.515.068**	**417.471**	**30.932.539**	**18.545.494**	**330.171**	**18.875.665**
VI.	**INTANGIBLE ASSETS (Net)**	**1.14**	**3.170.046**	**233.175**	**3.403.221**	**1.906.331**	**130.179**	**2.036.510**
6.1	Goodwill		-	-	-	-	-	-
6.2	Other		3.170.046	233.175	3.403.221	1.906.331	130.179	2.036.510
VII.	**INVESTMENT PROPERTY (Net)**	**1.15**	**-**	**-**	**-**	**-**	**-**	**-**
VIII.	**CURRENT TAX ASSETS**		**4.228.487**	**-**	**4.228.487**	**-**	**-**	**-**
IX.	**DEFERRED TAX ASSETS**	**1.16**	**13.185.424**	**1.102**	**13.186.526**	**9.144.125**	**-**	**9.144.125**
X.	**OTHER ASSETS (Net)**	**1.18**	**98.992.057**	**52.891.514**	**151.883.571**	**63.210.215**	**37.274.783**	**100.484.998**
	TOTAL ASSETS		**1.603.288.786**	**950.591.998**	**2.553.880.784**	**1.143.673.007**	**719.700.393**	**1.863.373.400**

Yapı ve Kredi Bankası A.Ş.
Consolidated financial statements as of December 31, 2024 and 2023
(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

1. Consolidated balance sheet (Statement of Financial Position)

					Current Period (31/12/2024)			Prior Period (31/12/2023)
	LIABILITIES	**Note (Section Five)**	**TL**	**FC**	**Total**	**TL**	**FC**	**Total**
I.	**DEPOSITS**	**2.1**	**812.228.502**	**562.028.901**	**1.374.257.403**	**638.781.576**	**470.104.100**	**1.108.885.676**
II.	**BORROWINGS**	**2.3.1**	**91.489.493**	**205.840.908**	**297.330.401**	**12.417.695**	**148.617.148**	**161.034.843**
III.	**MONEY MARKETS PAYABLES**		**179.579.140**	**16.431.455**	**196.010.595**	**26.232.069**	**37.150.431**	**63.382.500**
IV.	**MARKETABLE SECURITIES ISSUED (Net)**	**2.3.3**	**10.527.536**	**140.642.182**	**151.169.718**	**10.624.884**	**86.415.115**	**97.039.999**
4.1	Bills		10.198.915	51.438.572	61.637.487	10.221.955	10.933.847	21.155.802
4.2	Asset backed Securities		-	17.806.761	17.806.761	-	16.325.139	16.325.139
4.3	Bonds		328.621	71.396.849	71.725.470	402.929	59.156.129	59.559.058
V.	**FUNDS**		-	-	-	-	-	-
5.1	Borrower Funds		-	-	-	-	-	-
5.2	Other		-	-	-	-	-	-
VI.	**FINANCIAL LIABILITIES MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS**	**2.3.4**	**-**	**75.234.394**	**75.234.394**	**453.424**	**70.713.576**	**71.167.000**
VII.	**DERIVATIVE FINANCIAL LIABILITIES**	**2.2**	**13.383.546**	**5.582.709**	**18.966.255**	**4.800.528**	**6.865.933**	**11.666.461**
7.1	Derivative liabilities measured at fair value through profit or loss		13.383.546	5.582.709	18.966.255	4.768.194	6.865.933	11.634.127
7.2	Derivative liabilities measured at fair value through other comprehensive income		-	-	-	32.334	-	32.334
VIII.	**FACTORING PAYABLES**		-	-	-	-	-	-
IX.	**LEASE PAYABLES (Net)**	**2.5**	**5.046.173**	**353.613**	**5.399.786**	**3.175.033**	**226.472**	**3.401.505**
X.	**PROVISIONS**	**2.6**	**20.857.723**	**716.643**	**21.574.366**	**19.703.473**	**2.212.485**	**21.915.958**
10.1	Provisions for Restructuring		-	-	-	-	-	-
10.2	Provisions for Employee Benefits	2.6.1	3.922.614	14.281	3.936.895	4.043.583	8.849	4.052.432
10.3	Insurance Technical Provisions (Net)		-	-	-	-	-	-
10.4	Other Provisions	2.6.3	16.935.109	702.362	17.637.471	15.659.890	2.203.636	17.863.526
XI.	**CURRENT TAX LIABILITIES**	**2.7**	**9.443.366**	**246.863**	**9.690.229**	**7.714.490**	**324.719**	**8.039.209**
XII.	**DEFERRED TAX LIABILITIES**		**-**	**6.810**	**6.810**	**-**	**14.044**	**14.044**
XIII.	**LIABILITIES FOR PROPERTY AND EQUIPMENT HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (Net)**	**2.8**	-	-	-	-	-	-
13.1	Held for Sale		-	-	-	-	-	-
13.2	Related to Discontinued Operations		-	-	-	-	-	-
XIV.	**SUBORDINATED DEBT**	**2.9**	**1.301.664**	**60.629.934**	**61.931.598**	**1.260.412**	**35.585.727**	**36.846.139**
14.1	Loans		-	-	-	-	-	-
14.2	Other Facilities		1.301.664	60.629.934	61.931.598	1.260.412	35.585.727	36.846.139
XV.	**OTHER LIABILITIES**	**2.4**	**132.329.936**	**17.165.747**	**149.495.683**	**80.183.528**	**20.915.545**	**101.099.073**
XVI.	**SHAREHOLDERS' EQUITY**	**2.10**	**191.341.717**	**1.471.829**	**192.813.546**	**175.109.341**	**3.771.652**	**178.880.993**
16.1	Paid in Capital		8.447.051	-	8.447.051	8.447.051	-	8.447.051
16.2	Capital Reserves		2.268.850	-	2.268.850	2.217.533	-	2.217.533
16.2.1	Share premium		556.937	-	556.937	556.937	-	556.937
16.2.2	Share Cancellation Profits		-	-	-	-	-	-
16.2.3	Other Capital Reserves		1.711.913	-	1.711.913	1.660.596	-	1.660.596
16.3	Other accumulated comprehensive income that will not be reclassified in profit or loss		6.620.513	77.931	6.698.444	2.757.098	18.091	2.775.189
16.4	Other accumulated comprehensive income that will be reclassified in profit or loss		(230.396)	1.435.305	1.204.909	6.241.084	3.794.968	10.036.052
16.5	Profit Reserves		143.574.250	(41.407)	143.532.843	85.795.111	(41.407)	85.753.704
16.5.1	Legal Reserves		3.473.904	-	3.473.904	2.496.040	-	2.496.040
16.5.2	Statutory reserves		-	-	-	-	-	-
16.5.3	Extraordinary Reserves		140.065.092	(41.407)	140.023.685	83.291.290	(41.407)	83.249.883
16.5.4	Other Profit Reserves		35.254	-	35.254	7.781	-	7.781
16.6	Profit or loss		30.656.777	-	30.656.777	69.648.790	-	69.648.790
16.6.1	Prior years' profits or losses		1.639.954	-	1.639.954	1.639.954	-	1.639.954
16.6.2	Current period net profit or loss		29.016.823	-	29.016.823	68.008.836	-	68.008.836
16.7	Minority interest		4.672	-	4.672	2.674	-	2.674
	TOTAL LIABILITIES		**1.467.528.796**	**1.086.351.988**	**2.553.880.784**	**980.456.453**	**882.916.947**	**1.863.373.400**

Yapı ve Kredi Bankası A.Ş.
Consolidated financial statements as of December 31, 2024 and 2023
(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

2. Consolidated off-balance sheet commitments

					Current Period (31/12/2024)			Prior Period (31/12/2023)
	Off-balance sheet commitments	**Note (Section Five)**	**TL**	**FC**	**Total**	**TL**	**FC**	**Total**
A.	**Off-balance sheet commitments (I+II+III)**		**2.063.658.228**	**1.742.657.307**	**3.806.315.535**	**1.377.735.472**	**1.287.107.925**	**2.664.843.397**
I.	**Guarantees and warranties**	**3.1.2.1,2**	**280.167.247**	**269.241.397**	**549.408.644**	**178.712.756**	**209.915.836**	**388.628.592**
1.1.	Letters of guarantee	3.1.2.2	261.058.918	178.626.002	439.684.920	168.195.708	135.987.496	304.183.204
1.1.1.	Guarantees subject to state tender law		2.740.324	1.737.545	4.477.869	1.332.708	2.060.608	3.393.316
1.1.2.	Guarantees given for foreign trade operations		92.074.311	173.381.096	265.455.407	61.431.962	132.294.378	193.726.340
1.1.3.	Other letters of guarantee		166.244.283	3.507.361	169.751.644	105.431.038	1.632.510	107.063.548
1.2.	Bank acceptances		-	3.164.183	3.164.183	-	2.178.212	2.178.212
1.2.1.	Import letter of acceptance		-	3.164.183	3.164.183	-	2.178.212	2.178.212
1.2.2.	Other bank acceptances		-	-	-	-	-	-
1.3.	Letters of credit		45.163	63.737.737	63.782.900	1.257.810	52.820.441	54.078.251
1.3.1.	Documentary letters of credit		45.163	63.727.501	63.772.664	1.257.810	52.811.454	54.069.264
1.3.2.	Other letters of credit		-	10.236	10.236	-	8.987	8.987
1.4.	Prefinancing given as guarantee		-	-	-	-	-	-
1.5.	Endorsements		-	-	-	-	-	-
1.5.1.	Endorsements to the Central Bank of the Republic of Türkiye		-	-	-	-	-	-
1.5.2.	Other endorsements		-	-	-	-	-	-
1.6.	Purchase guarantees for Securities issued		-	-	-	-	-	-
1.7.	Factoring guarantees		-	-	-	-	5.516	5.516
1.8.	Other guarantees		19.063.166	15.796.931	34.860.097	9.259.238	14.616.454	23.875.692
1.9.	Other warranties		-	7.916.544	7.916.544	-	4.307.717	4.307.717
II.	**Commitments**		**1.424.646.503**	**138.934.512**	**1.563.581.015**	**769.222.726**	**96.391.913**	**865.614.639**
2.1.	Irrevocable commitments	3.1.1	1.408.265.714	94.870.707	1.503.136.421	745.298.795	50.977.243	796.276.038
2.1.1.	Asset purchase and sale commitments		11.334.397	92.109.874	103.444.271	24.291.833	48.351.915	72.643.748
2.1.2.	Deposit purchase and sales commitments		-	-	-	-	-	-
2.1.3.	Share capital commitments to associates and subsidiaries		-	-	-	-	-	-
2.1.4.	Loan granting commitments		162.430.150	589.329	163.019.479	95.342.486	1.364.146	96.706.632
2.1.5.	Securities issue brokerage commitments		-	-	-	-	-	-
2.1.6.	Commitments for reserve requirements		-	-	-	-	-	-
2.1.7.	Commitments for checks payments		10.835.555	-	10.835.555	8.435.319	-	8.435.319
2.1.8.	Tax and fund liabilities from export commitments		4.749	-	4.749	600	-	600
2.1.9.	Commitments for credit card expenditure limits		968.083.268	-	968.083.268	512.438.126	-	512.438.126
2.1.10.	Commitments for credit cards and banking services promotions		76.560	-	76.560	75.249	-	75.249
2.1.11.	Receivables from short sale commitments of marketable securities		-	-	-	-	-	-
2.1.12.	Payables for short sale commitments of marketable securities		-	-	-	-	-	-
2.1.13.	Other irrevocable commitments		255.501.035	2.171.504	257.672.539	104.715.182	1.261.182	105.976.364
2.2.	Revocable commitments		16.380.789	44.063.805	60.444.594	23.923.931	45.414.670	69.338.601
2.2.1.	Revocable loan granting commitments		16.380.789	43.526.072	59.906.861	23.923.931	44.917.545	68.841.476
2.2.2.	Other revocable commitments		-	537.733	537.733	-	497.125	497.125
III.	**Derivative financial instruments**		**358.844.478**	**1.334.481.398**	**1.693.325.876**	**429.799.990**	**980.800.176**	**1.410.600.166**
3.1	Derivative financial instruments held for hedging		6.150.000	35.896.539	42.046.539	16.250.000	69.660.818	85.910.818
3.1.1	Fair value hedges		-	3.820.124	3.820.124	-	4.329.397	4.329.397
3.1.2	Cash flow hedges		6.150.000	32.076.415	38.226.415	16.250.000	65.331.421	81.581.421
3.1.3	Hedges for investments made in foreign countries		-	-	-	-	-	-
3.2	Trading transactions		352.694.478	1.298.584.859	1.651.279.337	413.549.990	911.139.358	1.324.689.348
3.2.1	Forward foreign currency purchase and sale transactions		71.733.823	82.283.713	154.017.536	19.883.186	30.414.692	50.297.878
3.2.1.1	Forward foreign currency purchase transactions		12.337.757	61.452.452	73.790.209	17.296.886	8.665.180	25.962.066
3.2.1.2	Forward foreign currency sale transactions		59.396.066	20.831.261	80.227.327	2.586.300	21.749.512	24.335.812
3.2.2	Currency and interest rate swaps		253.282.672	894.720.341	1.148.003.013	365.879.522	659.114.296	1.024.993.818
3.2.2.1	Currency swap purchase transactions		296.085	191.916.920	192.213.005	1.656.173	254.707.486	256.363.659
3.2.2.2	Currency swap sale transactions		93.505.587	110.341.047	203.846.634	206.159.349	61.505.462	267.664.811
3.2.2.3	Interest rate swap purchase transactions		79.740.500	296.231.187	375.971.687	79.032.000	171.450.674	250.482.674
3.2.2.4	Interest rate swap sale transactions		79.740.500	296.231.187	375.971.687	79.032.000	171.450.674	250.482.674
3.2.3	Currency, interest rate and securities options		15.752.451	36.608.527	52.360.978	11.839.558	16.047.066	27.886.624
3.2.3.1	Currency purchase options		4.887.351	18.318.819	23.206.170	8.616.333	3.264.989	11.881.322
3.2.3.2	Currency sale options		10.865.100	13.988.297	24.853.397	3.223.225	8.548.016	11.771.241
3.2.3.3	Interest rate purchase options		-	4.301.411	4.301.411	-	4.234.061	4.234.061
3.2.3.4	Interest rate sale options		-	-	-	-	-	-
3.2.3.5	Securities purchase options		-	-	-	-	-	-
3.2.3.6	Securities sale options		-	-	-	-	-	-
3.2.4	Currency futures		11.037.994	9.557.292	20.595.286	3.911.219	3.564.171	7.475.390
3.2.4.1	Currency purchase futures		19.620	9.542.510	9.562.130	1.600.319	2.207.453	3.807.772
3.2.4.2	Currency sale futures		11.018.374	14.782	11.033.156	2.310.900	1.356.718	3.667.618
3.2.5	Interest rate futures		-	-	-	-	-	-
3.2.5.1	Interest rate purchase futures		-	-	-	-	-	-
3.2.5.2	Interest rate sale futures		-	-	-	-	-	-
3.2.6	Other		887.538	275.414.986	276.302.524	12.036.505	201.999.133	214.035.638
B.	**Custody and pledges received (IV+V+VI)**		**2.351.470.750**	**787.425.481**	**3.138.896.231**	**2.413.797.494**	**521.245.537**	**2.935.043.031**
IV.	**Items held in custody**		**403.748.130**	**131.626.795**	**535.374.925**	**778.841.067**	**111.811.540**	**890.652.607**
4.1.	Assets under management		161.814.516	73.077.971	234.892.487	639.837.516	50.839.161	690.676.677
4.2.	Securities held in custody		56.565.682	55.933.123	112.498.805	14.441.395	58.773.202	73.214.597
4.3.	Checks received for collection		149.667.722	114.867	149.782.589	101.113.507	110.796	101.224.303
4.4.	Commercial notes received for collection		35.642.066	2.000.146	37.642.212	23.390.505	1.649.954	25.040.459
4.5.	Other assets received for collection		-	397.747	397.747	-	349.289	349.289
4.6.	Securities received for public offering		-	-	-	-	-	-
4.7.	Other items under custody		58.144	102.941	161.085	58.144	89.138	147.282
4.8.	Custodians		-	-	-	-	-	-
V.	**Pledges received**		**1.900.352.335**	**569.976.070**	**2.470.328.405**	**1.594.272.909**	**332.008.830**	**1.926.281.739**
5.1.	Marketable securities		133.967.935	992.899	134.960.834	133.979.206	832.813	134.812.019
5.2.	Guarantee notes		22.849.215	3.888.983	26.738.198	22.539.349	3.185.520	25.724.869
5.3.	Commodity		8.270	-	8.270	5.864	-	5.864
5.4.	Warrant		-	-	-	-	-	-
5.5.	Immovables		993.881.069	6.052.203	999.933.272	756.332.461	4.625.304	760.957.765
5.6.	Other pledged items		749.645.846	558.979.247	1.308.625.093	681.416.029	323.312.549	1.004.728.578
5.7.	Depositories receiving pledged items		-	62.738	62.738	-	52.644	52.644
VI.	**Accepted independent guarantees and warranties**		**47.370.285**	**85.822.616**	**133.192.901**	**40.683.518**	**77.425.167**	**118.108.685**
	Total off-balance sheet commitments (A+B)		**4.415.128.978**	**2.530.082.788**	**6.945.211.766**	**3.791.532.966**	**1.808.353.462**	**5.599.886.428**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3. Consolidated statements of profit or loss

	Income and expense items	Note (Section Five)	Current Period (01/01/2024 - 31/12/2024)	Prior Period (01/01/2023 - 31/12/2023)
I.	**INTEREST INCOME**	**4.1**	**478.646.927**	**232.944.677**
1.1	Interest on Loans	4.1.1	299.202.563	132.052.261
1.2	Interest Received from Reserve Deposits		28.208.251	56.141
1.3	Interest Received from Banks	4.1.2	13.632.196	6.879.475
1.4	Interest Received from Money Market Transactions		380.812	446.212
1.5	Interest Received from Marketable Securities Portfolio	4.1.3	120.720.073	84.363.783
1.5.1	Financial Assets Measured at Fair Value Through Profit or Loss		178.325	126.273
1.5.2	Financial Assets Measured at Fair Value Through Other Comprehensive Income		36.662.391	23.077.897
1.5.3	Financial Assets Measured at Amortised Cost		83.879.357	61.159.613
1.6	Financial Lease Income		7.582.427	4.536.796
1.7	Other Interest Income		8.920.605	4.610.009
II.	**INTEREST EXPENSE (-)**	**4.2**	**390.000.295**	**153.527.562**
2.1	Interest on Deposits	4.2.6	261.351.231	118.733.607
2.2	Interest on Funds Borrowed	4.2.1	31.117.602	11.483.741
2.3	Interest expense on money market transactions	4.2.4	67.761.324	5.987.085
2.4	Interest on Securities Issued	4.2.3	27.212.781	15.447.769
2.5	Interest on Lease Payables		617.341	350.743
2.6	Other Interest Expense	4.2.5	1.940.016	1.524.617
III.	**NET INTEREST INCOME/EXPENSE (I - II)**		**88.646.632**	**79.417.115**
IV.	**NET FEES AND COMMISSIONS INCOME/EXPENSE**		**77.698.428**	**38.160.316**
4.1	Fees and Commissions Received		117.248.888	53.176.158
4.1.1	Non-cash Loans		5.089.606	3.483.545
4.1.2	Other	4.12	112.159.282	49.692.613
4.2	Fees and Commissions Paid		39.550.460	15.015.842
4.2.1	Non-cash Loans		140.031	114.590
4.2.2	Other	4.12	39.410.429	14.901.252
V	**DIVIDEND INCOME**	**4.3**	**112.077**	**66.864**
VI.	**TRADING PROFIT/LOSS (Net)**	**4.4**	**(45.433.585)**	**21.288.402**
6.1	Trading Gains/Losses on Securities		3.486.331	3.956.534
6.2	Derivative Financial Transactions Gains/Losses		(21.586.693)	33.325.280
6.3	Foreign Exchange Gains/Losses		(27.333.223)	(15.993.412)
VII.	**OTHER OPERATING INCOME**	**4.6**	**28.987.836**	**17.706.326**
VIII.	**GROSS PROFIT FROM OPERATING ACTIVITIES (III+IV+V+VI+VII)**		**150.011.388**	**156.639.023**
IX.	**ALLOWANCE FOR EXPECTED CREDIT LOSSES (-)**	**4.5**	**36.404.436**	**24.224.659**
X.	**OTHER PROVISION EXPENSES (-)**	**4.5**	**89.127**	**151.802**
XI.	**PERSONNEL EXPENSES (-)**		**30.021.689**	**18.296.354**
XII.	**OTHER OPERATING EXPENSES (-)**	**4.7**	**51.301.014**	**30.561.094**
XIII.	**NET OPERATING PROFIT/LOSS (VIII-IX-X-XI-XII)**		**32.195.122**	**83.405.114**
XIV.	**SURPLUS WRITTEN AS GAIN AFTER MERGER**		**-**	**-**
XV.	**PROFIT/LOSS FROM EQUITY METHOD APPLIED SUBSIDIARIES**		**1.498.790**	**1.623.787**
XVI.	**NET MONETARY POSITION GAIN/LOSS**		**-**	**-**
XVII.	**PROFIT/LOSS BEFORE TAXES FROM CONTINUING OPERATIONS (XIII+...+XVI)**	**4.8**	**33.693.912**	**85.028.901**
XVIII.	**PROVISION FOR TAXES ON INCOME FROM CONTINUING OPERATIONS (±)**	**4.9**	**4.674.920**	**17.018.737**
18.1	Current Tax Provision		3.978.651	12.077.111
18.2	Expense effect of deferred tax (+)		696.269	4.941.626
18.3	Income effect of deferred tax (-)		-	-
XIX.	**NET PROFIT/LOSS FROM CONTINUING OPERATIONS (XVII±XVIII)**		**29.018.992**	**68.010.164**
XX.	**INCOME FROM DISCONTINUED OPERATIONS**		**-**	**-**
20.1	Income from assets held for sale		-	-
20.2	Profit from sale of associates, subsidiaries and joint ventures		-	-
20.3	Other income from discontinued operations		-	-
XXI.	**EXPENSES FROM DISCONTINUED OPERATIONS (-)**		**-**	**-**
21.1	Expenses on assets held for sale		-	-
21.2	Losses from sale of associates, subsidiaries and joint ventures		-	-
21.3	Other expenses from discontinued operations		-	-
XXII.	**PROFIT/LOSS BEFORE TAXES FROM DISCONTINUED OPERATIONS (XX - XXI)**		**-**	**-**
XXIII.	**TAX PROVISION FOR DISCONTINUED OPERATIONS (±)**		**-**	**-**
23.1	Current tax provision		-	-
23.2	Expense effect of deferred tax (+)		-	-
23.3	Income effect of deferred tax (-)		-	-
XXIV.	**NET PROFIT/ LOSS FROM DISCONTINUED OPERATIONS (XXII±XXIII)**		**-**	**-**
XXV.	**NET PROFIT/LOSS (XIX+XXIV)**	**4.10**	**29.018.992**	**68.010.164**
25.1	Group`s profit/loss		29.016.823	68.008.836
25.2	Minority shares	4.11	2.169	1.328
	Earnings/(loss) per share (full TL)		0,0344	0,0805

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

4. Consolidated statement of profit or loss and other comprehensive income

		Current Period (31/12/2024)	Prior Period (31/12/2023)
I.	**PROFIT / (LOSS)**	**29.018.992**	**68.010.164**
II.	**OTHER COMPREHENSIVE INCOME**	**(4.907.888)**	**(7.495.466)**
2.1	**Other comprehensive income that will not be reclassified to profit or loss**	**3.923.255**	**808.918**
2.1.1.	Gains (losses) on Revaluation of Property, Plant and Equipment	8.377.677	6.066.155
2.1.2.	Gains (losses) on Revaluation of Intangible Assets	-	-
2.1.3.	Gains (losses) on Remeasurements of Defined Benefit Plans	(3.757.809)	(7.858.335)
2.1.4.	Other Components of Other Comprehensive Income That Will Not Be Reclassified to Profit Or Loss	(40.745)	120.025
2.1.5.	Taxes Relating To Components Of Other Comprehensive Income That Will Not Be Reclassified To Profit Or Loss	(655.868)	2.481.073
2.2.	**Other Comprehensive Income That Will Be Reclassified to Profit or Loss**	**(8.831.143)**	**(8.304.384)**
2.2.1.	Exchange Differences on Translation	3.804.780	9.026.107
2.2.2.	Valuation and/or Reclassification Profit or Loss from Financial Assets Measured at Fair Value Through Other Comprehensive Income	(14.104.327)	(14.555.030)
2.2.3.	Income (loss) Related with Cash Flow Hedges	(1.555.289)	(2.561.933)
2.2.4.	Income (loss) Related with Hedges of Net Investments in Foreign Operations	(2.352.798)	(6.343.565)
2.2.5.	Other Components of Other Comprehensive Income that will be Reclassified to Other Profit or Loss	(27.252)	(29.851)
2.2.6.	Taxes Relating To Components Of Other Comprehensive Income That Will Be Reclassified To Profit Or Loss	5.403.743	6.159.888
III.	**TOTAL COMPREHENSIVE INCOME (LOSS) (I+II)**	**24.111.104**	**60.514.698**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

5. Consolidated statement of changes in shareholders’ equity

Current Period (31/12/2024)					Other Accumulated Comprehensive Income That Will Not Be Reclassified In Profit or Loss			Other Accumulated Comprehensive Income That Will Be Reclassified In Profit or Loss								
Changes in shareholder’s equity	Paid in capital	Share premium	Share certificate cancellation profits	Other capital reserves	1	2	3	4	5	6	Profit reserves	Prior period net income/(loss)	Current period net income/(loss)	Total equity except minority interest	Minority Interest	Total shareholders’ equity
I. Balance at the beginning of the period	**8.447.051**	**556.937**	**-**	**1.660.596**	**10.912.237**	**(8.268.035)**	**130.987**	**19.723.960**	**(2.937.085)**	**(6.750.823)**	**85.753.704**	**1.639.954**	**68.008.836**	**178.878.319**	**2.674**	**178.880.993**
II. Adjustment in accordance with TAS 8	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Effect of adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2. Effect of changes in accounting policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. New balance (I+II)	**8.447.051**	**556.937**	**-**	**1.660.596**	**10.912.237**	**(8.268.035)**	**130.987**	**19.723.960**	**(2.937.085)**	**(6.750.823)**	**85.753.704**	**1.639.954**	**68.008.836**	**178.878.319**	**2.674**	**178.880.993**
IV. Total comprehensive income (loss)	**-**	**-**	**-**	**-**	**6.594.466**	**(2.630.466)**	**(40.745)**	**3.804.780**	**(9.873.010)**	**(2.762.913)**	**-**	**-**	**29.016.823**	**24.108.935**	**2.169**	**24.111.104**
V. Capital increase in cash	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
VI. Capital increase through internal reserves	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
VII. Issued capital inflation adjustment difference	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
VIII. Convertible bonds	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
IX. Subordinated debt	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
X. Increase (decrease) through other changes	**-**	**-**	**-**	**22.620**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**22.620**	**-**	**22.620**
XI. Profit distribution	**-**	**-**	**-**	**28.697**	**-**	**-**	**-**	**-**	**-**	**-**	**57.779.139**	**-**	**(68.008.836)**	**(10.201.000)**	**(171)**	**(10.201.171)**
11.1. Dividends distributed	-	-	-	-	-	-	-	-	-	-	-	-	(10.201.000)	(10.201.000)	(171)	(10.201.171)
11.2. Transfers to legal reserves	-	-	-	28.697	-	-	-	-	-	-	57.779.139	-	(57.807.836)	-	-	-
11.3. Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Period end balance (III+IV+…..+X+XI)	**8.447.051**	**556.937**	**-**	**1.711.913**	**17.506.703**	**(10.898.501)**	**90.242**	**23.528.740**	**(12.810.095)**	**(9.513.736)**	**143.532.843**	**1.639.954**	**29.016.823**	**192.808.874**	**4.672**	**192.813.546**

1. Tangible assets revaluation reserve,
2. Accumulated gains / losses on remeasurements of defined benefit plans,
3. Other comprehensive income of associates and joint ventures accounted for using equity method that will not be reclassified to profit or loss and other accumulated amounts of other comprehensive income that will not be reclassified to profit or loss,
4. Exchange differences on translation reserve,
5. Accumulated gains (losses) due to revaluation and/or reclassification of financial assets measured at fair value through other comprehensive income,
6. Accumulated gains or losses on cash flow hedges, other comprehensive income of associates and joint ventures accounted for using equity method that will be reclassified to profit or loss and net investment hedges.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

5. Consolidated statement of changes in shareholders' equity

Prior Period (31/12/2023)					Other Accumulated Comprehensive Income That Will Not Be Reclassified In Profit or Loss			Other Accumulated Comprehensive Income That Will Be Reclassified In Profit or Loss								
Changes in shareholder's equity	Paid in capital	Share premium	Share certificate cancellation profits	Other capital reserves	1	2	3	4	5	6	Profit reserves	Prior period net income/(loss)	Current period net income/(loss)	Total equity except minority interest	Minority Interest	Total shareholders' equity
I. Balance at the beginning of the period	**8.447.051**	**556.937**	**-**	**1.608.754**	**4.912.389**	**(2.967.272)**	**21.154**	**10.697.853**	**7.771.069**	**(128.486)**	**40.956.310**	**1.639.954**	**52.744.689**	**126.260.402**	**1.537**	**126.261.939**
II. Adjustment in accordance with TAS 8	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Effect of adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2. Effect of changes in accounting policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. New balance (I+II)	**8.447.051**	**556.937**	**-**	**1.608.754**	**4.912.389**	**(2.967.272)**	**21.154**	**10.697.853**	**7.771.069**	**(128.486)**	**40.956.310**	**1.639.954**	**52.744.689**	**126.260.402**	**1.537**	**126.261.939**
IV. Total comprehensive income (loss)	**-**	**-**	**-**	**-**	**5.999.848**	**(5.300.763)**	**109.833**	**9.026.107**	**(10.708.154)**	**(6.622.337)**	**-**	**-**	**68.008.836**	**60.513.370**	**1.328**	**60.514.698**
V. Capital increase in cash	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
VI. Capital increase through internal reserves	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
VII. Issued capital inflation adjustment difference	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
VIII. Convertible bonds	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
IX. Subordinated debt	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
X. Increase (decrease) through other changes	**-**	**-**	**-**	**15.547**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**15.547**	**-**	**15.547**
XI. Profit distribution	**-**	**-**	**-**	**36.295**	**-**	**-**	**-**	**-**	**-**	**-**	**44.797.394**	**-**	**(52.744.689)**	**(7.911.000)**	**(191)**	**(7.911.191)**
11.1. Dividends distributed	-	-	-	-	-	-	-	-	-	-	-	-	(7.911.000)	(7.911.000)	(191)	(7.911.191)
11.2. Transfers to legal reserves	-	-	-	36.295	-	-	-	-	-	-	44.797.394	-	(44.833.689)	-	-	-
11.3. Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Period end balance (III+IV+…..+X+XI)	**8.447.051**	**556.937**	**-**	**1.660.596**	**10.912.237**	**(8.268.035)**	**130.987**	**19.723.960**	**(2.937.085)**	**(6.750.823)**	**85.753.704**	**1.639.954**	**68.008.836**	**178.878.319**	**2.674**	**178.880.993**

1. Tangible assets revaluation reserve,
2. Accumulated gains / losses on remeasurements of efined benefit plans,
3. Other comprehensive income of associates and joint ventures accounted for using equity method that will not be reclassified to profit or loss and other accumulated amounts of other comprehensive income that will not be reclassified to profit or loss,
4. Exchange differences on translation reserve,
5. Accumulated gains (losses) due to revaluation and/or reclassification of financial assets measured at fair value through other comprehensive income,
6. Accumulated gains or losses on cash flow hedges, other comprehensive income of associates and joint ventures accounted for using equity method that will be reclassified to profit or loss and net investment hedges.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

6. Consolidated statement of cash flows

		(Notes section Five)	Current Period (31/12/2024)	Prior Period (31/12/2023)
A.	**CASH FLOWS FROM BANKING OPERATIONS**			
1.1	**Operating profit before changes in operating assets and liabilities**		**31.157.377**	**61.085.199**
1.1.1	Interest received		418.997.750	160.531.428
1.1.2	Interest paid		(388.540.625)	(130.164.847)
1.1.3	Dividend received		112.077	66.864
1.1.4	Fees and commissions received		117.248.888	53.176.158
1.1.5	Other income		4.676.882	31.733.510
1.1.6	Collections from previously written-off loans and other receivables		11.667.593	9.713.886
1.1.7	Cash Payments to personnel and service suppliers		(79.359.261)	(46.274.062)
1.1.8	Taxes paid		(7.982.470)	(11.282.997)
1.1.9	Other	6.3	(45.663.457)	(6.414.741)
1.2	**Changes in operating assets and liabilities subject to banking operations**		**4.157.800**	**99.533.367**
1.2.1	Net (increase) decrease in financial assets measured at fair value through profit or loss		(583.076)	(8.904)
1.2.2	Net (increase) decrease in due from banks		(107.238.550)	(92.012.519)
1.2.3	Net (increase) decrease in loans		(396.296.087)	(345.125.157)
1.2.4	Net (increase) decrease in other assets		(60.104.492)	(25.975.200)
1.2.5	Net increase (decrease) in bank deposits		(6.225.251)	21.908.371
1.2.6	Net increase (decrease) in other deposits		274.371.797	365.314.129
1.2.7	Net increase (decrease) in financial liabilities measured at fair value through profit or loss		6.261.623	31.230.408
1.2.8	Net increase (decrease) in funds borrowed		254.798.475	157.740.572
1.2.9	Net increase (decrease) in matured payables		-	-
1.2.10	Net increase (decrease) in other liabilities	6.3	39.173.361	(13.538.333)
I.	**Net cash provided from banking operations**		**35.315.177**	**160.618.566**
B.	**CASH FLOWS FROM INVESTING ACTIVITIES**			
II.	**Net cash provided from investing activities**		**(50.043.415)**	**(84.084.831)**
2.1	Cash paid for the purchase of associates, subsidiaries and joint ventures		(321.400)	-
2.2	Cash obtained from the sale of associates, subsidiaries and joint ventures		-	-
2.3	Cash paid for the purchase of tangible and intangible asset		(4.936.258)	(2.835.045)
2.4	Cash obtained from the sale of tangible and intangible asset		1.129.551	188.820
2.5	Cash paid for the purchase of financial assets measured at fair value through other comprehensive income		(79.078.530)	(27.656.036)
2.6	Cash obtained from the sale of financial assets measured at fair value through other comprehensive income		41.704.181	10.788.203
2.7	Cash paid for the purchase of financial assets at amortised cost		(29.958.564)	(70.084.788)
2.8	Cash obtained from sale of financial assets at amortised cost		21.417.605	5.514.015
2.9	Other		-	-
C.	**CASH FLOWS FROM FINANCING ACTIVITIES**			
III.	**Net cash flows from financing activities**		**50.890.334**	**(27.875.266)**
3.1	Cash obtained from funds borrowed and securities issued		244.104.520	105.335.415
3.2	Cash outflow from funds borrowed and securities issued		(181.124.505)	(124.153.391)
3.3	Equity instruments issued		-	-
3.4	Dividends paid		(10.201.171)	(7.911.191)
3.5	Payments for finance lease liabilities		(1.888.510)	(1.146.099)
3.6	Other		-	-
IV.	**Effect of change in foreign exchange rate on cash and cash equivalents**	**6.3**	**23.103.883**	**50.742.058**
V.	**Net increase (decrease) in cash and cash equivalents**		**59.265.979**	**99.400.527**
VI.	**Cash and cash equivalents at beginning of the period**	**6.1**	**228.510.865**	**129.110.338**
VII.	**Cash and cash equivalents at end of the period**	**6.1**	**287.776.844**	**228.510.865**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

7. Profit distribution[(1),(2)]

		Current Period (31/12/2024)	Prior Period (31/12/2023)
I.	**Distribution of current year income**		
1.1	Current year income	29.727.083	82.551.277
1.2	Taxes and duties payable (-)	710.260	14.542.441
1.2.1	Corporate tax (income tax)	115.614	9.370.801
1.2.2	Income withholding tax	-	-
1.2.3	Other taxes and duties	594.646	5.171.640
A.	**Net income for the year (1.1-1.2)**	**29.016.823**	**68.008.836**
1.3	Prior year losses (-)	-	-
1.4	First legal reserves (-)	-	-
1.5	Other statutory reserves (-)	-	-
B.	**Net income available for distribution [(A+(1.3+1.4+1.5)]**	**29.016.823**	**68.008.836**
1.6	First dividend to shareholders (-)	-	422.353
1.6.1	To owners of ordinary shares	-	422.353
1.6.2	To owners of privileged shares	-	-
1.6.3	To owners of preferred shares	-	-
1.6.4	To profit sharing bonds	-	-
1.6.5	To holders of profit and loss sharing certificates	-	-
1.7	Dividends to personnel (-)	-	-
1.8	Dividends to board of directors (-)	-	-
1.9	Second dividend to shareholders (-)	-	9.778.647
1.9.1	To owners of ordinary shares	-	9.778.647
1.9.2	To owners of privileged shares	-	-
1.9.3	To owners of preferred shares	-	-
1.9.4	To profit sharing bonds	-	-
1.9.5	To holders of profit and loss sharing certificates	-	-
1.10	Second legal reserves (-)	-	977.865
1.11	Statutory reserves (-)	-	-
1.12	Extraordinary reserves	-	56.773.802
1.13	Other reserves	-	-
1.14	Special funds	-	56.169
II.	**Distribution of reserves**		
2.1	Appropriated reserves	-	-
2.2	Second legal reserves (-)	-	-
2.3	Dividends to shareholders (-)	-	-
2.3.1	To owners of ordinary shares	-	-
2.3.2	To owners of privileged shares	-	-
2.3.3	To owners of preferred shares	-	-
2.3.4	To profit sharing bonds	-	-
2.3.5	To holders of profit and loss sharing certificates	-	-
2.4	Dividends to personnel (-)	-	-
2.5	Dividends to board of directors (-)	-	-
III.	**Earnings per share**		
3.1	To owners of ordinary shares (Full TL)	0,0344	0,0805
3.2	To owners of ordinary shares (%)	-	-
3.3	To owners of privileged shares	-	-
3.4	To owners of privileged shares (%)	-	-
IV.	**Dividend per share**		
4.1	To owners of ordinary shares (Full TL)	-	0,0121
4.2	To owners of ordinary shares (%)	-	120,7640
4.3	To owners of privileged shares	-	-
4.4	To owners of privileged shares (%)	-	-

(1) Profit Distribution Statement has been prepared according to unconsolidated financial statements of the Parent Bank.
(2) Regarding profit distribution, the authorized body of the Bank is the General Assembly and the annual general assembly meeting has not been held as of the date of preparation of these financial statements. Since the dividend distribution proposal for 2024 has not yet been prepared by the Board of Directors, only the distributable profit is stated in the profit distribution table.

Section Three - Accounting policies

1. Explanations on basis of presentation:

The Parent Bank maintains its books of accounts in Turkish Lira in accordance with the Banking Act No. 5411 ("Banking Act"), which is effective from November 1, 2005, the Turkish Commercial Code ("TCC") and Turkish Tax Legislation.

The consolidated financial statements are prepared in accordance with the "Regulation on the Principles and Procedures Regarding Banks Accounting Applications and Safeguarding of Documents" published in the Official Gazette No. 26333 dated November 1, 2006 and other communiqués, interpretations and legislations published by the Banking Regulation and Supervision Agency ("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 published by BRSA. The format and the details of the publicly announced financial statements and related disclosures to these statements have been prepared in accordance with the "Communiqué Related to Publicly Announced Financial Statements of Banks and Explanations and Notes Related to these Financial Statements" and changes and notes to this communiqué published in the Official Gazette No. 28337 dated June 28, 2012.

The accompanying consolidated financial statements and notes to these financial statements are expressed in thousands of Turkish Lira (TL), unless otherwise stated.

The financial statements of subsidiaries operating abroad have been prepared in accordance with legislations and regulations of the country in which they are operating, however in order to provide fair presentation according to TFRS, necessary adjustments and reclassifications are reflected to those financial statements.

The accompanying consolidated financial statements are prepared in accordance with the historical cost basis (restated for the changes in the general purchasing power of TL until December 31, 2004), except for financial assets and liabilities measured at fair value through profit or loss, financial assets measured at fair value through other comprehensive income, derivative financial assets/liabilities, buildings and art objects and paintings in tangible assets. Besides, the carrying values of assets carried at amortized cost but subject to fair value hedge are adjusted to reflect the fair value changes related to the hedged risks.

The accounting policies and valuation principles employed for the preparation of consolidated financial statements are in compliance with TFRS requires the use of certain accounting estimates by the Group management to exercise its judgment on the assets and liabilities on the balance sheet and contingent assets and liabilities as of the balance sheet date. These estimates are being reviewed regularly and, when necessary, suitable corrections are made and the effects of these corrections are explained in the related notes and reflected to the income statement.

The preparation and fair presentation of the financial statement and used principles of valuation in accordance with "Accounting and Reporting Legislation" published in the regulation, communique, interpretations and circular published by BRSA and If no specific regulation has been made by BRSA, it has been determined and applied according to the principles of TFRS.

On November 23, 2023, POA announced that entities reporting under TFRS should begin implementing "TAS 29 - Financial Reporting in Hyperinflationary Economies" standard in their financial statements from periods ending on and after December 31, 2023. Besides, regulatory and auditing bodies that are authorized in their respective areas have flexibility to determine alternative transition dates for the application of TAS - 29.

Within the scope of decisions dated December 12, 2023 numbered 10744 and December 5, 2024 numbered 11021 respectively by the BRSA, banks, financial leasing, factoring, financing, savings financing, and asset management companies are not subject to inflation adjustments in their financial statements required under TAS 29 in 2023, 2024 and 2025.

2. Explanations on strategy of using financial instruments and foreign currency transactions:

The general strategy of the Group in using financial instruments is to sustain an optimal balance between the yield of the instruments and their risks. The most important funding source of the Group is deposits. For non-deposit items, the Group maintains longer-term funding structure especially through long-term foreign borrowings. Funds obtained from deposits and other sources are invested in quality financial assets in order to keep currency, interest rate and liquidity risks within the limits determined by the asset-liability strategy. The currency, interest and liquidity risks of on-balance sheet and off-balance sheet assets and liabilities are managed in accordance with the risk limits accepted by the Group and the related legal limits. Derivative instruments are mainly utilised for liquidity needs and for mitigating currency and interest rate risks. The position of the Group as a result of foreign currency activities is being held at minimum levels and the currency risk exposure is monitored within limits determined levels by the Board of Directors under the context of Banking Act.

Foreign currency denominated monetary assets and liabilities are translated with the Parent Bank exchange rates prevailing at the balance sheet date. Gains and losses arising from such valuations are recognised in the income statement under the account of "Foreign exchange gains or losses", except for valuation differences arising from foreign currency participations, subsidiaries and foreign currency non-performing loans.

The Group hedges part of the currency translation risk of net investments in foreign operations through currency borrowings. The effective portion of the foreign exchange difference of these financial liabilities is recognised in "Other accumulated comprehensive income that will be reclassified in profit or loss" in equity.

In order to eliminate the inconsistency in the recognition, the Group, might classify its financial liabilities as the financial liabilities classified at fair value through profit/loss upon the initial recognition.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3. Information on consolidation principles:

3.1. Consolidation principles applied:

The consolidated financial statements have been prepared in accordance with the procedures listed in the "Communiqué related to the Regulation on the Preparation of the Consolidated Financial Statements of Banks" published in the Official Gazette No. 26340 dated November 8, 2006 and "TFRS 10 - Consolidated Financial Statements".

3.1.1. Consolidation principles of subsidiaries:

Subsidiaries are the entities controlled directly or indirectly by the Parent Bank.

Control is defined as the power over the investee, exposure or rights to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the Parent Bank's returns.

Subsidiaries are consolidated with full consolidation method by considering the results of their activities and the size of their assets and shareholders' equity. Financial statements of the related subsidiaries are included in the consolidated financial statements from the date control is transferred to the Group and they are taken out of consolidation scope when control no longer exists. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

In accordance with the full consolidation method, balance sheet, income statement and off balance sheet items of the subsidiaries have been consolidated line by line with the balance sheet, income statement and off balance sheet of the Parent Bank. The book value of the investments of the Group in each subsidiary has been netted off with the portion of each subsidiary's capital that belongs to the Group. Unrealized gains and losses and balances resulting from the transactions among the entities included in consolidation have been eliminated. In the consolidated balance sheet and income statement, minority interest has been presented separately from the shares of the Group shareholders.

The subsidiaries included in consolidation, their title, their place of incorporation, their main activities and their effective shareholding rates are as follows:

Title	Incorporation (City/ Country)	Main activities	Effective rates (%) December 31, 2024	Direct and indirect rates (%) December 31, 2024
Yapı Kredi Leasing	Istanbul/Türkiye	Leasing	99,99	99,99
Yapı Kredi Faktoring	Istanbul/ Türkiye	Factoring	99,96	99,96
Yapı Kredi Menkul	Istanbul/ Türkiye	Investment Management	99,98	99,98
Yapı Kredi Portföy	Istanbul/ Türkiye	Portfolio Management	99,95	99,97
Yapı Kredi Holding B.V.	Amsterdam/Netherlands	Financial Holding	100,00	100,00
Yapı Kredi Bank NV	Amsterdam/Netherlands	Banking	100,00	100,00
Yapı Kredi Azerbaijan	Baku /Azerbaijan	Banking	100,00	100,00
Yapı Kredi Bank Deutschland OHG (1)	Frankfurt/Germany	Banking	100,00	100,00
Stiching Custody Services YKB	Amsterdam/Netherlands	Custody services	100,00	100,00
Yapı Kredi Diversified Payment Rights Finance Company (2)	George Town/ Cayman Islands	Special Purpose Company	-	-

(1) The acquisition of all shares of Bankhaus J. Faisst OHG, which has banking licenses in Germany, was completed on July 23, 2024. The title of Bankhaus J. Faisst OHG was changed to Yapı Kredi Bank Deutschland OHG on August 1, 2024. The Bank owns all shares of Yapı Kredi Deutschland GmbH and Yapı Kredi Beteiligungsgesellschaft mbH which are shareholders of Yapı Kredi Bank Deutschland OHG. In accordance with the provisional accounting of TFRS 3 "Business Combinations" standard, the net assets of Yapı Kredi Bank Deutschland OHG have been provisionally recognised in the consolidated financial statements as of December 31, 2024.

(2) It is a special purpose entity established for securitization transactions and is included in the consolidation although it is not a subsidiary of the Parent.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.1.2. Consolidation principles of associates:

The associates are entities in which the Parent Bank participates in their capital and has significant influence on them, although the Parent Bank has no capital or management control, is established in domestic and abroad. The related associates are consolidated with equity method.

Significant influence refers to the participation power on the constitution of the financial and management policies of the participated associate.

Equity method is an accounting method which foresees the increase or decrease of the book value of capital share in an associate from the changes in the participated associate's shareholders' equity during the period attributable to the portion of the investor and the deduction of the dividend received from the associate from the revised value of the associate amount.

The associates included in consolidation, their title, their place of incorporation, their main activities and their effective shareholding rates are as follows:

Title	(City/ Country)	Main activities	Effective rates % December 31, 2024	Direct and indirect rates % December 31, 2024
Banque de Commerce et de Placements S.A.	Geneva/Switzerland	Banking	30,67	30,67
Allianz Yaşam ve Emeklilik A.Ş.	Istanbul/Türkiye	Insurance	20,00	20,00

3.1.3. Transactions with minority shareholders:

The Group applies a policy of treating transactions with minority interests as transactions within the Group. The difference between the acquisition cost and net asset acquired is recognised under equity. Disposals from minority interests are also considered as equity transactions and result in changes in the equity of the Group.

3.1.4. Presentation of unconsolidated subsidiaries, associates and joint ventures in consolidated financial statements:

Turkish Lira denominated investments in unconsolidated associates, subsidiaries and joint ventures are accounted at cost value, less any impairment, in accordance with "TAS 27 - Individual Financial Statements" in the consolidated financial statements.

Foreign currency denominated investments in unconsolidated associates, subsidiaries and joint ventures are accounted at their original foreign currency costs translated into Turkish Lira using the exchange rates prevailing at the transaction date less impairment, if any.

When the cost of associates, subsidiaries and joint ventures is higher than the net realizable value, the carrying amount is reduced to the net realizable or fair value considering whether the value decrease is temporary or permanent and the ratio of the value decrease.

4. Explanations on forward and option contracts and derivative instruments:

The Group's derivative transactions mainly consist of money and interest rate swaps, forward foreign exchange purchase and sale transactions and options.

Derivative instruments are measured at fair value on initial recognition and subsequently remeasured at their fair values. As a result, the fair value of derivatives is reflected as net liability or net asset on a contract by contract basis. The accounting method applied to the income or loss arising from derivative instruments depends on whether the derivative is being used for hedging purposes or not and depends on the type of item being hedged.

At the transaction date, the Group documents the relationship between hedging instruments and hedged items, together with the risk management policies and the strategies on hedging transactions. Besides, the Group regularly documents the effectiveness of the hedging instruments in offsetting the changes in the fair value of the hedged items.

Changes in the fair value of derivative instruments subject to fair value hedges are recognized under profit or loss accounts together with the variation in the fair value of hedged items. The changes of fair value of derivative transactions for fair value hedge are classified in "Derivative Financial Transactions Gains/Losses" account. In the balance sheet, changes in the fair value of hedged assets and liabilities, during the period in which the hedge is effective, are shown with the related assets and liabilities.

The ineffective portion of the mentioned hedging transactions is reflected to the income statement. If the underlying hedge does not conform to the hedge accounting requirements, according to the adjustments made to the carrying value (amortized cost) of the hedged item, for which the risk is hedged by a portfolio hedge, are amortized with the straight line method within the time to maturity and recognized in profit or loss accounts. Fair value adjustments are recognized directly in the income statement in an event of repayment and/or unwinding and/or the recognition of the hedged item.

The Parent Bank hedges its cash flow risk arising from foreign currency and Turkish Lira floating interest rate liabilities by using interest rate and currency swaps. The effective portion of the fair value changes of the hedging instruments are recorded in "Other accumulated comprehensive income that will be reclassified in profit or loss" under shareholders' equity. These funds are transferred to profit or loss from equity when the cash flows of the hedged items (interest expense) impact the income statement.

In case the cash flow hedge accounting is discontinued due to the expiry, realization for sale of the hedging instrument, or due to the results of the effectiveness test the amounts accounted under shareholders' equity are transferred to the profit or loss accounts as these cash flows of the hedged item are realized (considering the original maturity of the hedging instrument).

Some of the trading purpose derivative transactions, even though they provide effective economic hedges under the Group's risk management policy, do not qualify for hedge accounting under the specific rules in "TFRS 9- Financial Instruments" and are therefore treated as "Derivative financial assets measured at fair value through profit or loss".

"Derivative financial assets measured at fair value through profit or loss" are measured at fair value. If the fair value of derivative financial instruments is positive, it is disclosed under the main account "Derivative financial assets measured at fair value through profit or loss" and if the fair value difference is negative, it is disclosed under "Derivative financial liabilities measured at fair value through profit or loss". Fair value changes are recorded under "Derivative Financial Transactions Gains/ (Losses)" in the income statement.

The fair values of the derivative financial instruments are calculated using quoted market prices or by using discounted cash flow models.

Parameters used for the valuation of the option portfolio of the Parent Bank are determined by market risk management and the confirmation of the accuracy of fair value calculations are monitored periodically by market risk management.

Liabilities and receivables arising from the derivative instruments are followed in the off-balance sheet accounts as their contractual values. Embedded derivatives are separated from the host contract and accounted as derivative instruments according to "TFRS 9 – Financial Instruments"; in case, (i) the related embedded derivative's economic features and risks are not closely related to the host contract, (ii) another instrument that has the same contract conditions with the embedded derivative satisfies the definition of a derivative instrument and (iii) the hybrid instrument is not carried at fair value through profit or loss.

Credit derivatives are capital market tools designed to transfer credit risk from one party to another.

As of December 31, 2024, the Parent Bank's credit derivatives portfolio included total return swaps.

Credit linked notes are bonds that have repayments depending on a credit event or the credit risk evaluation of a reference asset or asset pool. Depending on whether the reference assets are included in the balance sheet of the issuer or the owner of the assets, these transactions can be accounted by the party assuming the credit risk as insurance or as an embedded derivative. As per the Bank's management evaluation, the embedded derivatives included in the credit linked notes are separated from the host contracts in accordance with "TFRS 9 - Financial Instruments" and recorded and evaluated as credit default swaps. The bond itself (host contract) is valued in accordance with the valuation principles of the category it is classified.

Total return swaps are contracts, in which the seller commits to pay the contract value for all cash flows of the reference assets of the seller and the changes of the market values of these reference assets to the buyer during the contract maturity and bear all the decreases in the market value of these reference assets. The Bank uses the total return swaps to generate long term funding.

Market risks of these products are monitored using the Parent Bank's internal modeling system for the Value-at-Risk and basis points sensitivity analysis; the liquidity risks are monitored using the short term liquidity report on daily and the long term liquidity report on monthly basis.

According to the regulations of BRSA, currency exchange transactions which are realized at value date in the initial phase of currency swaps are recorded and followed as irrevocable commitments in off-balance sheet accounts until the value date.

A Credit Valuation Adjustment (CVA) is applied to the Bank's over-the-counter derivative exposures to take into account the counterparty's risk of default when measuring the fair value of the derivative. CVA is the mark-to-market cost of protection required to hedge credit risk from counterparties in the Bank's over-the-counter derivatives portfolio. The Bank calculates CVA based on collective provisioning methodology calculated in accordance with Turkish Financial Reporting Standards, "TFRS 9 – Financial Instruments", comprising the product of Exposure, Probability of Default (PD) and Loss Given Default (LGD). CVA is calculated based on the exposure of each counterparty.

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 stale, the Bank makes an adjustment to the transactions or quoted prices and reflects this adjustment to the fair value measurement. In this context, the Bank determines the point within the range that is most representative of fair value under current market conditions.

5. Explanations on interest income and expense:

Interest income and expenses are recognized in the income statement on an accrual basis by using the effective interest method periodically.

Retrospective rediscount calculation and foreign exchange evaluation is performed for non-performing loans, and accrued interest and rediscounts as of transfer to non-performing loan accounts are accounted under loan accrual/rediscount accounts as per Uniform Chart of Accounts ('UCA'). The Bank ceases accruing interest after non-performing loan classification. In place of that, interest amount representing the time value of future collections is recognized under interest income instead of provision expense.

6. Explanations on fee and commission income and expenses:

Fees and commissions received as a result of the service agreements or arising from negotiating or participating in the negotiation of a transaction on behalf of a third party are recognized either in the period when the transaction is realized or deferred based on the type of the underlying transaction. Other commission income and fees from various banking services are recorded as income at the time of realization.

Except for fees and commissions that are integral part of the effective interest rates of financial instruments measured at amortized costs, the fees and commissions are accounted for in accordance with TFRS 15 - "Revenue from Contract with Customers".

7. Explanations on financial assets:

As of January 1, 2018, the Group has applied TFRS 9 and classifies its financial assets in the following measurement categories:

- Fair value through profit or loss (FVPL)
- Fair value through other comprehensive income (FVOCI)
- Financial assets measured at amortised cost

According to TFRS 9 classification of financial assets is based on two criterias; business model under which the financial asset is being managed and contractual cash flows representing solely payments of principal and interest of the financial asset. This evaluation incorporates whether there is any clause that may change timing or amount of contractual cash flows of the financial asset.

Classification of financial assets reflects the business model of how the Group manages the assets in order to generate cash flows. Bank's business model may be to collect solely the contractual cash flows from the assets or to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable, then the financial assets are classified as part of 'other' business model and measured at FVPL.

Factors considered by the Group in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.

Securities held for trading are held principally for the purpose of selling in the near term or are part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. These securities are classified in the 'other' business model and measured at FVPL.

The Parent Bank owns Consumer Price Indexed (CPI) Government Bonds which are classified under "Fair value through other comprehensive income" and "measured at amortised cost" securities portfolio. The reference indices used in calculating the actual coupon payment amounts of these assets are based on the Consumer Price Index (CPI) of prior two months.

Assessment of the business model

The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective.

The business model does not depend on management's intentions for an individual instrument. Accordingly, this condition is not a single instrument basis approach for classification and should be determined on a higher level of aggregation.

During the assessment of the business model for management of financial assets, all relevant evidences at the assessment date have been taken into consideration. Such relevant evidence includes below:

- How the performance of the portfolio is evaluated and reported to the Group's management;
- The stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets with duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- How managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
- The risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed;
- The frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved and how cash flows are realised.

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

- Business model whose objective is to hold assets in order to collect contractual cash flows

Financial assets that are held within 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. That is, the Group manages the assets held within the portfolio to collect those particular contractual cash flows.

Although the objective of Group's business model may be to hold financial assets in order to collect contractual cash flows, the Group does not need to hold all of those instruments until the maturity. Thus Group's business model can be to hold financial assets to collect contractual cash flows even when sales of financial assets occur or are expected to occur in the future.

The business model may be to hold assets to collect contractual cash flows even if the Group sells financial assets when there is an increase in the assets' credit risk. The Group considers reasonable and supportable information, including forward looking information in order to determine whether there has been an increase in the assets' credit risk. Regardless of their frequency and value, sales due to an increase in the assets' credit risk are not inconsistent with a business model whose objective is to hold financial assets to collect contractual cash flows because the credit quality of financial assets is relevant to the Group's ability to collect contractual cash flows.

- A business model whose objective is achieved by both collecting contractual cash flows and selling financial assets

The Group may hold financial assets in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. In this type of business model, the Group's management has made a decision on both collecting contractual cash flows and selling financial assets are necessary for achieving the objective of the business model. There are various objectives that may be consistent with this type of business model. For example, the objective of the business model may be to manage liquidity needs on daily basis, to maintain a particular interest yield profile or to match the duration of the financial assets to the duration of the liabilities funding those assets. To achieve such an objective, the Group will both collect contractual cash flows and sell financial assets.

Compared to a business model whose objective is to hold financial assets to collect contractual cash flows, this business model will typically involve greater frequency and value of sales. This is because selling financial assets is integral to achieving the business model's objective instead of being only incidental to it.

- 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.

A portfolio of financial assets that is managed and whose performance is evaluated on a fair value basis is neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets. The Group is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions.

Assessment of whether contractual cash flows are solely payments of principal and interest (SPPI)

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs.

In assessing whether the contractual cash flows are SPPI, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

In making the assessment, the Group considers:

- Contingent events that would change the amount and timing of cash flows;
- Leverage features;
- Prepayment and extension terms;
- Terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse loans); and
- Features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

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.

7.1. Financial assets measured at fair value through profit or loss:

Financial assets, which are classified as "Financial assets measured at fair value through profit or loss", are trading financial assets and are either acquired for generating profit from short-term fluctuations in the price or dealer's margin, or are the financial assets included in a portfolio in which a pattern of short-term profit making exists independent from the acquisition purpose.

Trading financial assets are initially recognized at fair value and are subsequently re-measured at their fair value. However, if fair values cannot be obtained from active market transactions, it is assumed that the fair value cannot be measured reliably and fair values are calculated by alternative models. All gains and losses arising from these valuations are recognized in the income statement. Interest earned while holding financial assets is reported as interest income and dividends received are included separately in dividend income.

The principles regarding the accounting of derivative financial instruments are explained in detail in Note 4 of this section.

7.2. Financial assets measured at amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, are measured at amortised cost. These financial assets are initially recognized at total of acquisition and transaction cost. After their initial recognition they are carried at "Amortized cost" using the "Effective interest method".

7.3. Loans:

Loans are financial assets raised through lending without having the intention to trade in the short term. Loans are non derivative financial assets with fixed or determinable payments and fixed maturities that are not quoted on active market. Loans are recognized initially at cost including transaction costs (which reflect fair values) and subsequently carried at the amortized cost using the "effective interest method". The expenses incurred for the assets received as collateral are not considered as transaction costs and are recognized in the expense accounts.

Retail, commercial and corporate loans included in cash loans are accounted for with their original maturities in accounts which are mentioned in the UCA. Foreign currency indexed loans are initially measured at local currency accounts with the foreign exchange rate prevailing at date of the initial recognition and re-valued with the relevant foreign currency rates prevailing at the date of the financial statements. Increase or decrease in the value of the principal amount of the loan due to changes in foreign exchange rates is accounted in the related income and expense accounts. Repayment amounts are translated with the foreign exchange rates prevailing at the repayment dates and the valuation differences are accounted for in foreign exchange gain/loss accounts.

The Parent Bank provides provision for expected credit losses based on the assessments and estimates of the management, by considering the "Communiqué Related to Principles and Procedures on Determining the Qualifications of Banks' Loans and Other Receivables and the Provision for These Loans and Other Receivables" ("Provisioning Regulation") published in the Official Gazette No. 29750 dated June 22, 2016 and in line with "TFRS 9 - Financial Instruments". In this context, the management estimates are determined, on the basis of the prudence principle and Bank credit risk policies, considering the general structure of the loan portfolio, the financial conditions of the customers, non-financial information and the economic conjuncture.

As of December 31, 2024, the Bank has made its classifications in accordance with the TFRS 9 standard and reflected them in its financial statements. In this context; the Group has evaluated many reasonable and supportable qualitative and quantitative data in assessing whether there is a significant increase in credit risk in the classification of loans according to stages and determining the moment when the default situation occurs. It has classified the loans according to their stages according to its best judgment under the current conditions.

Expected Credit Losses are accounted for as an expense in the accounting period they are incurred. If there is a subsequent collection from a receivable that was already provisioned in previous years, the recovery amount is classified under "Other operating income". The write off policy is described in the explanations and notes related to assets, fifth section.

7.4. Financial assets measured at fair value through other comprehensive income:

Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at fair value through other comprehensive income (FVOCI).

Financial assets measured at fair value through other comprehensive income are subsequently re-measured at fair value. When fair values based on market prices cannot be observed reliably, the financial assets at fair value through other comprehensive income are carried at fair values determined by using alternative models. "Unrealized gains and losses" arising from changes in the fair value of financial assets classified as financial assets at fair value through other comprehensive income are recognized in the shareholders' equity as "Other accumulated comprehensive income that will be reclassified in profit or loss", until the related assets are impaired or disposed. When these financial assets are disposed or impaired, the related fair value differences accumulated in the shareholders' equity are transferred to the income statement. Interest and dividends received from financial assets at fair value through other comprehensive income are recorded in interest income and dividend income as appropriate.

Interest income on financial assets at fair value through other comprehensive income are calculated by effective interest rate method and are accounted for in interest income account. At the time of sale of financial assets at fair value through other comprehensive income before the maturity, the difference between the profit, which is the difference between the cost and sales price of the financial assets, and the interest income accrual are accounted under "Profit/losses from capital market transactions".

7.5. Equity instruments measured at fair value through other comprehensive income:

At initial recognition, Group can make an irrevocable election to present in other comprehensive income subsequent changes in the fair value of an equity instrument within the scope of TFRS 9. Such election is made on an instrument basis. Fair value differences recognized in other comprehensive income are not transferred to profit or loss in the following periods and transferred to prior years' profit/loss. The equity instruments measured at fair value through other comprehensive income, are not subject to impairment calculation.

8. Explanations on impairment of financial assets:

The Parent Bank assesses the expected credit losses ("ECL") related with its debt instrument assets carried at amortised cost and at fair value through other comprehensive income, with the exposure arising from loan commitments and financial guarantee contracts on a forward-looking basis. The Parent Bank recognises a loss allowance for such losses at each reporting date. The measurement of expected credit losses reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money;
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The measurement of the expected credit loss allowance:

The measurement of the expected credit loss allowance for financial assets measured at amortised cost and at fair value through other comprehensive income is an area that requires the use of advanced models and significant assumptions about future economic conditions and credit behaviour.

These financial assets will be divided into three categories depending on the gradual increase in credit risk observed since their initial recognition. Impairment shall be recognized on outstanding amounts in each category, as follows:

Stage 1:

For the financial assets at initial recognition or that do not have a significant increase in credit risk since initial recognition. Impairment for credit risk will be recorded in the amount of 12-month expected credit losses.

Stage 2:

In the event of a significant increase in credit risk since initial recognition, the financial asset will be transferred to this stage. Impairment for credit risk will be determined on the basis of the instrument's lifetime expected credit losses.

Stage 3:

Stage 3 includes financial assets that have objective evidence of impairment at the reporting date. For these assets, lifetime ECL are recognized and interest revenue is calculated on the net carrying amount.

Life-time expected credit loss is calculated on an individual or collective basis for the financial assets in stage 2 and stage 3.

General provisions represent ECLs for the first stage and the second stage, specific provisions represent ECLs for the third stage.

The Parent Bank has developed specific models for calculating the expected loss; such models are based on the parameters of PD, LGD and EAD and on the effective interest rate. In particular:

- The PD (Probability of Default), represents the customer's probability of more than 90 days delay, within 12-months;
- The LGD (Loss Given Default), represents the percentage of the estimated loss, and thus the expected rate of recovery, at the date of occurrence of the default event of the credit exposure;
- The EAD (Exposure at Default), represents the measure of the exposure at the time of the event of default of the credit exposure;
- The Effective interest rate is the discount rate that expresses of the time value of money.

Such parameters are calculated starting from the corresponding parameters used for IRB preparation purposes, with specific adjustments in order to ensure consistency between accounting and regulatory treatment despite different regulatory requirements.

The main adjustments aimed at:

- Removal of prudency principal used for IRB preparation phase;
- Introducing "point-in-time" adjustments to replace "through-the-cycle" adjustments required for IRB preparation phase (TFRS-9 parameters developed over these parameters.);
- With reference to lifetime PD, through-the-cycle PD curves obtained by adjusting observed cumulated default rates were calibrated in order to reflect point-in-time on portfolio default rates.

Recovery rate incorporated into through-the-cycle LGD was adjusted in order to remove prudency principle and to reflect the most updated trend of recovery rates discounted at effective interest rate or at its best approximation.

The lifetime EAD has been obtained by converting the 1 year regulatory or managerial model to life-time, removing margin of prudency and including the expected discounted cash flow.

The stage allocation model is a key aspect of the accounting model required to calculate expected credit losses which is aimed at transferring credit exposures from Stage 1 to Stage 2.

With reference to the quantitative component of the model for stage allocation, the Parent Bank has adopted a statistical approach based on a quantiles regression whose objective is to define a threshold in terms of maximum variation acceptable between the PD at the time of origination and the PD assessed at the reporting date.

The stage allocation model was based on a combination of relative and absolute elements. The main elements were:

- Comparison, for each transaction, between the PD measured at the time of recognition and PD as at the reporting date, both calculated according to internal models, through thresholds set in a way considering all key variables of each transaction that can affect the Bank's expectation of PD changes over time;
- Absolute elements such as the backstops required by law;
- Additional internal evidence.

Significant increase in credit risk

In the assessment of significant increase in credit risk quantitative and qualitative assessments are made;

Quantitative Assessment:

As a result of quantitative assessment, related financial asset is classified as stage 2 (Significant Increase in Credit Risk) when any of the following criterias are satisfied.

As of reporting date:

- Lifetime expected credit losses shall be recognized on a transaction base, when more than 30 days past due status is passed. The Parent Bank can abandon this estimation when it has reasonable and supportable information about customers' contractual repayments.
- In case a loan has been restructured, it will be followed up under Stage 2 during the follow-up period mentioned in the related regulations. The loan can be transferred back to Stage 1 at end of the follow-up period if there is no significant deterioration.
- Provisions on non-funded non cash loans are evaluated as significant increase in credit risk.

Qualitative Assessment:

The probability of significant increase in credit risk under qualitative assessment is based on the comparison of probability of default of a loan in the origination and as of reporting date.

The Group uses distribution regression on segment basis in order to calculate the thresholds used in defining the significant increase in credit risk.

Low credit risk

Financial instruments defined as low risk for TFRS 9 are;

- Receivables from Central Bank of the Republic of Türkiye ("CBRT");
- Loans with counterparty of Treasury of the Republic of Türkiye;
- The issued securities or guaranteed marketable securities from central banks of the countries where Group's subsidiaries, associates are resident;
- Bank placements;
- Other money market transactions;
- Transactions of Group's associates and subsidiaries.

Forward Looking Macroeconomic Information:

Forward-looking macroeconomic information is incorporated into credit risk parameters during assessment of significant increase in credit risk and expected credit loss calculation.

For the calculation of expected credit loss, Bank uses macroeconomic estimation method which is developed during creation of various scenarios. Macroeconomic variables prevailing during these estimates are gross domestic product (GDP) and unemployment rate.

When expected credit losses are estimated in accordance with the forward looking macroeconomic information, the Bank evaluates three scenarios (base, pessimistic and optimistic) with various weights based. The Bank has reviewed the macroeconomic model used in the process and has been the subject of provision calculations using the data considered to reflect the current situation in the best way.

In the light of macroeconomic expectations, the Parent Bank reflected the calculations made to its financial statements considering the probability of default values and the possible changes in the exposure at default. In this context, the Bank has measured the effect of the change in macroeconomic data used in the calculation of expected credit loss such as gross domestic product and unemployment rate, on the non performing loans under different scenarios and reflected the increase coefficient, which was considered to be the most accurate, to its provision calculations by projecting it on the loan parameters within the range of NPL ratio obtained throughout the calculations.

9. Explanations on offsetting financial assets:

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when the Group has a legally enforceable right to offset the recognised amounts and there is an intention to collect/pay related financial assets and liabilities on a net basis, or to realise the asset and settle the liability simultaneously.

10. Explanations on sales and repurchase agreements and securities lending transactions:

Securities subject to repurchase agreements ("Repo") are classified as "Financial assets at fair value through profit or loss", "Financial assets measured at fair value through other comprehensive income" and "Financial assets measured at amortised cost" according to the investment purposes of the Group and measured according to the portfolio to which they belong.

Funds obtained from repurchase agreements are accounted under "Money market funds" in liabilities and the difference between the sale and repurchase price is accrued over the life of the repurchase agreements using the "Effective interest method". Interest expense on repo transactions are recorded under "Interest expense on money market transactions" in the income statement.

Funds given against securities purchased under agreements to resell ("reverse repo") are accounted under "Receivables from money markets" on the balance sheet. The difference between the purchase and determined resell price is accrued over the life of repurchase agreements using the effective interest method.

The Group has no securities lending transactions.

11. Information on assets held for sale and related to discontinued operations and explanations on liabilities related with these assets:

According to the "TFRS-5 Non-current 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.

A discontinued operation is a part of the Group's business classified as sold or held for sale. The operating results of the discontinued operations are disclosed separately in the income statement.

12. Explanations on goodwill and other intangible assets:

12.1. Goodwill:

The excess of the cost of an acquisition over the fair value of the Group's share of the identifiable assets, liabilities or contingent liabilities of the acquired subsidiary at the date of acquisition of the control is recorded as goodwill and represents a payment made by the acquirer in anticipation of future economic benefits from assets that are not capable of being individually identified and separately recognised. The acquirer also recognises assets that are capable of being individually identified and separately recognised, intangible assets (e.g. credit card brand value, deposit base and customer portfolio) and contingent liabilities at fair value, irrespective of whether the asset had been recognised by the acquire before the business combination, if it can be distinguished from the goodwill and if the asset's fair value can be measured reliably.

As of December 31, 2024, there is no goodwill (December 31, 2023 - None).

12.2. Other intangible assets:

Intangible assets are measured at cost on initial recognition and any directly attributable costs of setting the asset to work for its intended use are included in the initial measurement. Subsequently, intangible assets are carried at historical costs after the deduction of accumulated amortization and the provision for impairment.

The Group evaluates the possibility of existence of impairment of intangible assets at the end of each reporting period. If there is an evidence of impairment, the Group estimates a recoverable amount in accordance with the "TAS 36 - Impairment of Assets". The recoverable amount is the higher of net sales price or the value in use. When the book value of another intangible asset exceeds the recoverable amount, the related asset is considered to be impaired. If there is no evidence of impairment, there is no need to estimate the recoverable amount.

Intangibles are amortized over their estimated useful lives using the straight-line method. The useful life of the asset is determined by assessing the expected useful life of the asset, technical, technological and other kinds of obsolescence and all required maintenance expenses necessary to utilise the economic benefit from the asset.

13. Explanations on property and equipment:

Property and equipment is measured at its cost when initially recognized and any directly attributable costs of setting the asset in working order for its intended use are included in the initial measurement in accordance with "TAS 16-Property, Plant and Equipment". Subsequently, properties and equipments, except art objects, paintings and buildings, are carried at cost less accumulated depreciation and provision for impairment.

The Group adopted fair value accounting method for its buildings since March 31, 2015 in tangible assets in accordance with "TAS 16 - Property, Plant and Equipment".

The depreciation rate for buildings is 2-4%; for movables and movables acquired under financial leasing depreciation is calculated over estimated useful life by using the straight-line method. The depreciation charge for items remaining in property and equipment for less than a full accounting period at the balance sheet date is calculated in proportion to the period the item remained in property and equipment.

In accordance with "TAS 36 - Impairment of Assets", where the carrying amount of an asset is greater than its estimated "recoverable amount", it is written down to its "recoverable amount" and the provision for impairment is charged to the income statement.

Gains and losses on the disposal of property and equipment are determined by deducting the net book value of the property and equipment from its sales proceeds.

Expenditures for the repair and maintenance of property and equipment are recognised as expense. The capital expenditures made in order to increase the capacity of the tangible asset or to increase its future benefits are capitalised on the cost of the tangible asset. The capital expenditures include the cost components which are used either to increase the useful life or the capacity of the asset or the quality of the product or to decrease the costs.

14. Explanations on leasing transactions:

The Group performs leasing transactions in the capacity of the lessee and lessor.

14.1. Accounting of leasing operations according to lessee:

The Group has adopted "TFRS 16 - Leases" in the accounting of leasing transactions.

In accordance with "TFRS 16 - Leases", the Group calculates "right-of-use" amount using the present value of the lease payments of fixed asset at the beginning of the leasing period and recognizes under "property and equipment". Unpaid leasing payments are calculated at their net present value and recognized under "lease payables" in liabilities. Lease payments are discounted using related borrowing rates.

Fixed assets that are subject to leasing is amortised on the basis of leasing period. Interest expense related to lease payables is classified under "interest on lease payables" under "interest expense" and exchange rate changes are classified under "foreign exchange gains/losses". Leasing payments are deducted from lease payables.

14.2. Accounting of leasing operations according to lessee:

Assets that are subject to financial leasing are reflected as a receivable equal to the net leasing amount in the consolidated financial statements. Interest income is earned to form a fixed periodical interest rate on net investment amount of the related leased asset by the lessor and the portion relating to subsequent periods is followed in the unearned interest income account.

14.2.1. Provision for doubtful lease receivables

The lease receivables provision for the impairment of investments in direct finance leases is established based on a credit review of the receivables portfolio. The Group has set this provision in accordance with the TFRS 9 rules.

Finance lease receivables and accounts receivables that cannot be recovered are written off and charged against the allowance for the impairment of lease and accounts receivables. Such receivables are written off after all the necessary legal proceedings have been completed and the amount of loss is finally determined. Recoveries of amounts previously provided for are treated as a reduction from the provision for the impairment of the lease receivable and are recognized as income.

15. Explanations on provisions, contingent assets and liabilities:

Provisions and contingent liabilities, except for the expected credit loss recognized for financial instruments within the scope of TFRS 9 standards, are accounted in accordance with "TAS – 37 Provisions, Contingent Liabilities and Contingent Assets".

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions for contingent liabilities arisen from past events are recognised in the period of occurrence in accordance with the "Matching principle".

A provision is recognised when it is probable that the contingent event will occur and a reliable estimate can be made. When a reliable estimate of the amount of obligation cannot be made, or it is not probable that an outflow of resources will be required to settle the obligation, it is considered that a "contingent" liability exists and it is disclosed in the related notes to the financial statements.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are not recognized in financial statements since this may result in the recognition of income that may never be realized. Contingent assets are disclosed where an inflow of economic benefits is probable. Contingent assets are assessed continually to ensure that developments are appropriately reflected in 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 period in which the change occurs.

16. Explanations on obligations related to employee benefits:

16.1. Employee benefits

Obligations related to employee termination and vacation rights are accounted for in accordance with "TAS 19 - Employee Benefits" and are classified under "Provisions for employee benefits" account in the balance sheet.

Under the Turkish Labour Law, the Group is required to pay a specific amount to the employees who have retired or whose employment is terminated other than for the reasons specified in the Turkish Labour Law. The reserve for employee termination represents the present value of the estimated total liability for the future probable obligation of the Group determined by using certain actuarial assumptions. Actuarial gains and losses are accounted for under equity in accordance with the "TAS – 19 Employee Benefits" standard.

16.2. Pension rights

The Parent Bank's personnel are members of the Yapı ve Kredi Bankası Anonim Şirketi Mensupları Yardım ve Emekli Sandığı Vakfı ("the Fund") which was established in accordance with the 20th temporary article of the Social Security Law No. 506. As of December 31, 2024, the defined benefit obligations of the Fund have calculated in the actuarial valuation report prepared by the registered actuary.

Temporary article 23th paragraph 1 of the Banking Act published in the Official Gazette No 25983 dated November 1, 2005 stated that foundations like the Fund are to be transferred to the Social Security Institution ("SSI") within three years beginning from the publication date of the article.

The article of the Law related to the transfer was cancelled (pursuant to the application by the President on November 2, 2005) by the decision of Constitutional Court (decision no: E.2005/39, K. 2007/33 dated March 22, 2007) published in the Official Gazette No. 26479 dated March 31, 2007, and the effect of the law article was suspended from the date of the publication of the decision.

The reasoning of the Constitutional Court regarding the abrogation of the corresponding article was published in the Official Gazette dated December 15, 2007, No 26731. With the publication of the reasoning of the decision, the Grand National Assembly of Türkiye ("GNAT") started to work on new legal arrangements regarding the transfer of the fund members to SSI and the related articles of the "Law Regarding the Changes in Social Insurance and General Health Insurance Law and Other Related Laws and Regulations" No 5754 ("the New Law") regulating the transfer of the funds were approved by the GNAT on April 17, 2008. The New Law was published in the Official Gazette No. 26870 dated May 8, 2008. With the new law, the banks' pension funds will be transferred to SSI within three years from the date of publication of the decree and this period can be extended for a maximum of two years with the decision of the Council of Ministers. The transfer period was extended for another two years with the decision of the Council of Ministers No. 2011/1559 published in the Official Gazette dated April 9, 2011. According to the "Amendment of Social Insurance and General Health Insurance Law No. 6283" published in the Official Gazette dated March 8, 2012, Council of Ministers was authorized to increase the two-year extension period mentioned above to four years.

According to the decision of The Council of Ministers dated February 24, 2014, the transfer date is set as May 2015. The Council of Ministers was authorized to determine the transfer date of pension funds in accordance with the last amendment in the first paragraph of the 20th provisional article of Law No.5510 implemented by the Law No. 6645 on Amendment of the Occupational Health and Safety Law and Other Laws and Decree Laws published in the Official Gazette dated April 23, 2015 and numbered 29335. The president was authorized to determine the transfer date of pension funds in accordance with the last amendment by the Law No. 30473 published in the Official Gazette dated July 9, 2018.

A commission (whose members are the representatives of the SSI, Ministry of Treasury and Finance of the Republic of Türkiye, State Planning Organization, BRSA, Saving Deposit Insurance Fund ("SDIF"), one member representing the Fund and one member representing the Fund members) is in charge of the calculation of the value of the payment that would need to be made to SSI to settle the obligation using a technical interest rate of 9,8% by law taking into consideration income and expenses by insurance branches of the funds and the excess of salaries and income paid by the funds over the salaries and income to be paid in accordance with the SSI arrangements which should not be less than SSI arrangements, related to the members of the Fund as of the date of the transfer including the members who have left the scheme.

In accordance with the New Law, after the transfer to SSI, any social rights and payments to Fund members and their beneficiaries which are not provided although they are included in the Fund Title Deed will continue to be provided by the Fund and the employers of the Fund members.

The Parent Bank accounts for a provision for the technical deficit based on the report prepared by a registered actuary in accordance with the rates determined by the New Law and in accordance with the "TAS 19 - Employee Benefits" standard.

16.3. Short term benefits of employee:

Within the scope of "TAS 19 - Employee Benefits", the Group measures the expected costs of accumulated paid leaves as expected payments it will make due to unused leave rights as at the end of the reporting date.

17. Explanations on taxation:

17.1. Current tax:

The corporate tax rate is 20% in accordance with the article number 32 of the New Corporate Tax Law no.5520 which is published in the official Gazette dated June 21, 2006 and numbered 26205. In accordance with the 11 and 14th articles of the Law numbered 7316 on "Amendment of Law on Collection Procedure of Public Receivables and Certain Laws" published in the Official Gazette dated April 22, 2021 and numbered 31462, corporate tax rate will be applied as 25% for enterprises' corporate income belonging to the taxation periods of 2021 and 23% for enterprises' corporate income belonging to the taxation periods of 2022. Standard corporate tax rate for financial sector is increased to 25% starting from the declarations as of July 1, 2022 and to be valid for the taxation periods of 2022 according to the Law numbered 7394 published in the Official Gazette No. 31810 dated April 15, 2022. In accordance with the Law numbered 7456 which is published in Official Gazette dated July 15, 2023 and numbered 32249, corporate tax rate is increased to 30% for banks starting from the declarations of October 1, 2023 and to be valid for the taxation periods from January 1, 2023.

Corporate tax rate business income tax in accordance with the laws of the institutions to be added as unacceptable the reduction of costs in the tax laws, exemptions and reductions to the tax base found as a result of the reduction that will be applied.

Under the additional articles added to the Corporate Tax Law by Law No. 7524 dated August 2, 2024, the earnings of affiliates of multinational enterprise groups are subject to a global minimum corporate tax rate of at least 15%.

Turkish tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, provisions for taxes, as reflected in these consolidated financial statements, have been calculated on a separate-entity basis.

Dividends paid to non-resident corporations, which have a place of business in Türkiye or to resident corporations are not subject to withholding tax. Dividends paid to individuals and institutions other than those listed above are subject to a withholding tax of 10% until December 22, 2024, and 15% thereafter. An increase in capital via issuing bonus shares is not considered as profit distribution and no withholding tax incurs in such a case.

In accordance with the Corporate Tax Law, three quarterly temporary corporate tax statements are submitted in total in the first nine months of reporting year. Advance tax is declared and paid by the 17th day of the second month following each calendar quarter end.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Advance tax paid by corporations for the current period is credited against the annual corporation tax calculated on the annual corporate income in the following year. Despite the offset, if there is temporary prepaid tax remaining, this balance can be refunded or used to offset any other financial liabilities to the government.

75% of the profits arising from the sale of equity shares that are held for at least two years, before November 27, 2024 and 50% thereafter are exempt from tax if they are added to the capital as defined in the Corporate Tax Law or kept in equity for five years.

In accordance with the Law numbered 7456 which is published in the Official Gazette dated July 15, 2023 and numbered 32249, the tax exemption on profits from the sales of immovables has been terminated as of July 15, 2023. For immovables that were a part of company's assets before the date of July 15, 2023, the exemption rate on profits arising from their sales has been set as 25%.

Under the Turkish Corporate Tax Law, losses can be carried forward to offset against future taxable income for up to five years. Losses cannot be carried back to offset profits from previous periods.

Tax returns are required to be filled and delivered to the related tax office until the last evening of the fourth month following the balance sheet date and the accrued tax is paid same day. Tax returns are open for 5 years from the beginning of the year following the balance sheet date and during this period the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their findings.

Non-monetary items on the financial statements must have been restated for inflation according to the repeated article 298/A of Tax Procedure Law. In law numbered 7352 published on January 29, 2022 in the Official Gazette numbered 31734, 2021 and 2022 accounting periods including advance tax periods are deemed as the periods in which the requirements for inflation adjustment are not met. In the fiscal year of 2023, quarterly advance tax periods were not subject to inflation adjustment, but the financial statements prepared in accordance with Tax Procedure Law are subject to inflation adjustment regardless of whether the conditions for inflation adjustment are met. Profit/loss difference arising from inflation adjustment is recognized in retained earnings but has no effect on the corporate tax base. The profit/loss differences arising from the inflation adjustment for the accounting periods in 2024 and 2025, including the temporary tax periods, will not be taken into account in the determination of taxable income. The President is authorized to extend the determined tax periods by one accounting period.

Tax rates that are used in tax calculations before the exemptions by foreign subsidiaries by taking current tax regulations in their countries into consideration as of December 31, 2024 are as follows:

Netherlands	25,80%
Azerbaijan	20,00%
Germany	15,83%

Amendments to Tax Procedure Law was published with the Law numbered 7338 published in the Official Gazette dated October 26, 2021. These amendments provide the opportunity to revalue the real estates and depreciable assets.

With the change in the communiqué published in the Official Gazette on January 14, 2023, conditions have been clarified for the taxpayers, who are subject to different accounting and financial reporting standards rules than those determined by the General Communiqué on Accounting System Implementation, is able to benefit from the revaluation specified in paragraph (Ç) of the duplicate article 298 and temporary article 32 in Law Numbered 213.

Within the scope of the temporary article 32 of the Tax Procedure Law Numbered 213, depreciable assets were revalued and additional tax amount of 2% is levied over the revaluation difference. Assets that are included in the scope pursuant to paragraph (Ç) of the duplicate article 298 are valued with the revaluation rate announced in the relevant year and no tax is levied over this revaluation increase.

17.2. Deferred tax:

The Group calculates and accounts for deferred income taxes for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in these financial statements in accordance with "TAS 12 - Income Taxes" and in accordance with BRSA's explanations and circulars and the tax legislation. The Group calculates deferred tax on deductible temporary differences, to the extent that future taxable income is estimated to be available.

In the deferred tax calculation, the enacted tax rate is used as of the balance sheet date by estimating when the temporary differences will be taxable / deductible in accordance with the current tax legislation.

Deferred tax liabilities are recognized for all resulting temporary differences whereas deferred tax assets resulting from temporary differences are recognized to the extent that future taxable profit will be available against which the deferred tax asset can be utilised.

Deferred tax assets and liabilities of subsidiaries subject to consolidation have been netted of in their standalone financial statements in accordance with "TAS 12 - Income Taxes". The calculated deferred tax asset and deferred tax liability are presented as net in these financial statements.

Tax effects of the transactions that are directly accounted under equity are also reflected to equity.

17.3. Transfer pricing:

The article no.13 of the Corporate Tax Law No.5520 describes the issue of transfer pricing under the title of "Disguised profit distribution" by way of transfer pricing (previously included as "Disguised profit" in the Corporate Tax Law No.5422). "The General Communiqué on Disguised Profit Distribution by Way of Transfer Pricing" published at November 18, 2007/26704, explains the application related issues on this topic effective from January 1, 2007, also taking into account the regulations in Article 41 of the Income Tax Law.

"Arm's length principle", which is the basis for the transfer pricing rule, is the pricing system to be followed for purchase or sale activities between related parties for any product or service transactions as if the transaction is realized with any other third party. 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 discussed in the relevant section of this communiqué, 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.

18. Explanations on borrowings:

The financial liabilities classified at fair value through profit/loss, trading and derivative financial liabilities are valued with their fair values and the other financial liabilities are carried at "amortized cost" including costs of transactions using the "effective interest method".

The Group classifies some of its financial liabilities as the financial liabilities classified at fair value through profit/loss in order to eliminate the accounting mismatch at the initial recognition. For the related liabilities until the maturity, the Bank presents interest expenses paid and the difference between amortized cost and acquisition cost in the interest expense, the difference between the fair value of the financial liabilities and amortized cost presents under the trading gain/(loss) in the income statement.

The Group utilises various hedging techniques to minimise the currency, interest rate and liquidity risks of its financial liabilities. No convertible bonds have been issued. Also, Group obtains funds by issuing bonds and bills.

19. Explanations on issuance of share certificates:

When shares are issued above their nominal value, the excess over the nominal value is accounted under shareholders' equity as "Share premium".

20. Explanations on confirmed bills of exchange and letter of acceptances:

Confirmed bills of exchange and acceptances are included in the "Off-balance sheet commitments".

21. Explanations on government grants:

None (December 31, 2023 - None).

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

22. Profit reserves and profit distribution:

Retained earnings as per the statutory financial statements other than legal reserves are available for distribution, subject to the legal reserve requirement referred to below. Legal reserves consist of first and second reserves as foreseen in the TCC. The TCC specifies that the first legal reserve is appropriated at the rate of 5% until the total reserve is equal to 20% of paid-in capital and that the second legal reserve is appropriated at the rate of 10% of distributions in excess of 5% of paid-in capital; however holding companies are not subject to this application. According to the Turkish Commercial Code, legal reserves can only be used to compensate for accumulated losses and cannot be used for other purposes unless they exceed 50% of paid-in capital.

No dividend payments of the Parent Bank were announced after the balance sheet date.

23. Earnings per share:

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

	Current Period	**Prior Period**
Net income/(loss) to be appropriated to ordinary shareholders	29.016.823	68.008.836
Weighted average number of issued ordinary shares (thousand)	844.705.128	844.705.128
Earnings per share (full TL)	**0,0344**	**0,0805**

In Türkiye, companies can increase their share capital by making a pro-rata distribution of shares ("bonus shares") to existing shareholders from retained earnings. These bonus shares are treated as issued shares in earnings per share computations. For the purpose of earnings per share computations, the weighted average number of shares outstanding during the year is adjusted in respect of bonus shares issued without a corresponding change in resources by giving them a retroactive effect. 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.

No bonus shares were issued during 2024 (2023 - None).

24. 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/affiliated 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 7 of Section Five.

25. Explanations on operating segments:

Information about operating segments which are determined in line with "TFRS 8 - Operating Segments" together with organizational and internal reporting structure of the Bank, are disclosed in Note 12 of Section Four.

26. Explanations on other matters:

None.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Section Four - Information related to financial position of the Group

1. Explanations on consolidated equity:

The calculation of the own funds and the capital adequacy standard ratio are performed in accordance with the communiqués such as "Regulation Regarding the Measurement and Evaluation of Banks' Capital Adequacy Ratio", "Regulation Credit Risk Mitigation Techniques", "Regulation on calculation of Risk-Weighted Amounts of Securitization" and "Regulation Regarding Banks' Shareholders' Equity".

The consolidated capital adequacy ratio of the Group is 17,32% (December 31, 2023 - 19,12%) and the Parent Bank is 18,55% (December 31, 2023 – 20,28%).

1.1. Information on equity:

	Current Period	Prior Period
COMMON EQUITY TIER 1 CAPITAL		
Paid-in Capital	8.447.051	8.447.051
Share premiums	556.937	556.937
Retained earnings	145.190.447	87.382.611
Other comprehensive income and other disclosed reserves which defined in the Turkish Accounting Standards	43.187.698	33.904.404
Profit	30.656.777	69.648.790
Net profit of the period	29.016.823	68.008.836
Profit of the previous years	1.639.954	1.639.954
Shares acquired free of charge from subsidiaries, affiliates and jointly controlled subsidiaries and cannot be recognised within profit for the period	54.309	31.689
Minority interest	4.672	2.674
Common Equity Tier 1 capital before regulatory deductions	**228.097.891**	**199.974.156**
Common Equity Tier 1 capital: regulatory deductions		
Valuation adjustments	-	-
The sum of the net loss for the current period and the previous years which could not be absorbed by the retained earnings and losses recognised in equity in accordance with TAS	24.311.665	21.093.163
Leasehold improvements for operating leasing	865.790	520.942
Goodwill (net of related tax liability)	-	-
Other intangibles other than mortgage-servicing rights (net of related tax liability)	3.069.583	1.804.260
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-
Cash-flow hedge reserve	1.534.172	2.888.940
Total expected losses calculated according to the Internal Ratings Based Approach that exceed total provision	5.700.289	-
Securitization gain on sale	-	-
Gains and losses due to changes in own credit risk on fair valued liabilities	-	-
Defined-benefit pension fund net assets	-	-
Investments in own capital	-	-
Credits extended contrary to the fourth paragraph of Articles 56 of the Banking Law	-	-
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	-
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank owns more than 10% of the issued share capital (amount above 10% threshold)	-	-
Mortgage servicing rights (amount above 10% threshold)	-	-
Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-	-
Amount exceeding the 15% threshold (-) of the common equity Tier 1 in accordance with the second paragraph of the provisional article 2 in the regulation regarding the Banks' Shareholders' Equity	-	-
The amount above threshold for the investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank owns more than 10% of the issued share capital	-	-
The amount above threshold for mortgage servicing rights	-	-
The amount above threshold for deferred tax assets arising from temporary differences	-	-
National specific regulatory adjustments which shall be determined by the BRSA	-	-
Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-	-
Total regulatory deductions to Common equity Tier 1	**35.481.499**	**26.307.305**
Common Equity Tier 1 capital (CET1)	**192.616.392**	**173.666.851**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

ADDITIONAL TIER 1 CAPITAL	**Current Period**	**Prior Period**
Preferred shares that are not included in Common Equity Tier 1 capital and related shares issue premiums	-	-
Eligible debt instruments and relevant share issue premiums that are approved by the BRSA	17.640.150	19.134.830
Eligible debt instruments and relevant share issue premiums that are approved by the BRSA (For the purposes of the Provisional Article 4 of the Regulation on Banks' Own Funds)	-	-
Third parties' share in the Additional Tier I capital	-	-
Third parties' share in the Additional Tier I capital (Temporary Article 3)	-	-
Additional Tier 1 capital before regulatory deductions	**17.640.150**	**19.134.830**
Additional Tier 1 capital: regulatory deductions		
Investments in own Additional Tier 1 instruments	-	-
Reciprocal cross-holdings in Additional Tier 1 instruments	-	-
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	-	-
Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	-
National specific regulatory adjustments which shall be determined by the BRSA	-	-
Regulatory Adjustments which will be deducted from Tier 1 capital during the transition period		
Goodwill and other intangible assets and related deferred tax liabilities which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Net deferred tax asset/liability which is not deducted from Common Equity Tier 1 capital for the purposes of the sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	-
Total regulatory adjustments to Additional Tier 1 capital	**-**	**-**
Total Additional Tier 1 capital	**17.640.150**	**19.134.830**
Total Tier 1 capital (Tier 1 capital = Common Equity Tier 1 capital + Additional Tier 1 capital)	**210.256.542**	**192.801.681**
TIER 2 CAPITAL		
Eligible debt instruments and relevant share issue premiums that are approved by the Agency	41.212.345	15.519.100
Eligible debt instruments and relevant share issue premiums that are approved by the Agency (For the purposes of the Provisional Article 4 of the Regulation on Banks' Own Funds)	-	-
Shares of Third Parties in Additional Tier I Capital	-	-
Shares of Third Parties in Additional Tier I Capital (Covered by Temporary Article 3)	-	-
Provisions (Article 8 of the Regulation on the Equity of Banks)	1.267.281	5.086.750
Tier 2 capital before regulatory adjustments	**42.479.626**	**20.605.850**
Tier 2 capital: regulatory adjustments		
Direct and indirect investments of the Bank on its own Tier 2 Capital (-)	-	-
Investments of the Bank to banks that invest on the Bank's Tier 2 and components of equity issued by financial institutions with the conditions declared in Article 8	-	-
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold) (-)	-	-
Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions) (-)	-	-
National specific regulatory adjustments which shall be determined by the BRSA	-	-
Total regulatory adjustments to Tier 2 capital	**-**	**-**
Total Tier 2 capital	**42.479.626**	**20.605.850**
Total Capital (The sum of Tier 1 capital and Tier 2 capital)	**252.547.121**	**213.264.762**
The Sum of Tier 1 Capital and Tier 2 Capital (Total Capital)		
Credits extended contrary to the provisions of Articles 50 and 51 of the Banking Law	24.375	19.261
Net Book Values of Movables and Immovables Exceeding the Limit Defined in the Article 57, Clause 1 of the Banking Law and the Assets Acquired against Overdue Receivables and Held for Sale but Retained more than Five Years [(1)]	-	-
National specific regulatory adjustments which shall be determined by the BRSA	164.672	123.508
Regulatory Adjustments which will be deducted from Total Capital during the transition period		
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold) which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Significant investments in the Additional Tier 1 capital and Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold) which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions(amount above 10% threshold), mortgage servicing rights (amount above 10% threshold), deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability) which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

OWN FUNDS	**Current Period**	**Prior Period**
Total Capital (The sum of Tier 1 capital and Tier 2 capital) (2)	252.547.121	213.264.762
Total Risk Weighted Assets (3)	1.458.076.711	1.115.540.871
CAPITAL ADEQUACY RATIOS		
Common Equity Tier 1 Capital Adequacy Ratio (%)	13,21	15,57
Tier 1 Capital Adequacy Ratio (%)	14,42	17,28
Capital Adequacy Ratio (%)	17,32	19,12
BUFFERS		
Institution specific buffer requirement of the Bank (a+b+c)	3,556	3,551
a)Capital conservation buffer requirement (%)	2,500	2,500
b)Bank's specific countercyclical buffer requirement (%)	0,056	0,051
c)Systemically important Bank buffer	1,000	1,000
The ratio of Additional Common Equity Tier 1 capital which will be calculated by the first paragraph of the Article 4 of Regulation on Capital Conservation and Countercyclical Capital buffers to Risk Weighted Assets (%)	8,420	11,068
Amounts below the thresholds for deduction (before risk weighting)		
Non-significant investments in the capital of other financials	1.449.439	972.927
Significant investments in the common stock of financials	9.326.688	7.069.176
Mortgage servicing rights (net of related tax liability)	-	-
Deferred tax assets arising from temporary differences (net of related tax liability)	13.179.716	16.986.235
Applicable caps on the inclusion of provisions in Tier 2 capital		
General provisions for standard based receivables (before ten thousand twenty five limitation)	1.810.401	5.230.279
Up to 1,25% of total risk-weighted amount of general provisions for receivables where the standard approach used	1.267.281	2.456.027
Excess amount of total provision amount to credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	3.758.179
Excess amount of total provision amount to 0,6% of risk weighted receivables of credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	2.630.723

(1) According to the "Regulation Regarding to changes on Regulation on Banks' Shareholders' Equity" published in Official Gazette No.30121 on July 11, 2017, related article has been abolished.
(2) In the calculation of Capital Adequacy Ratios, the negative valuation differences on securities acquired before January 1, 2024 classified under "securities at fair value through other comprehensive income" are not taken into consideration in the calculation of own funds according to BRSA numbered no: 10747 dated December 12, 2023.
(3) In the calculation of credit risk, foreign exchange rate is the rate that used in the preparation of financial statements as of June 26, 2023, according to BRSA numbered no: 10747 dated December 12, 2023.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

1.2. Information on debt instruments included in the calculation of equity:

	1	2	3	4	5
Lender (1,2), Issuer (3,4,5)	Yapı ve Kredi Bankası A.Ş.	Yapı ve Kredi Bankası A.Ş.	Yapı ve Kredi Bankası A.Ş.	Yapı ve Kredi Bankası A.Ş.	Yapı ve Kredi Bankası A.Ş.
Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	XS2796491681 / US984848AS09	XS2741069996 / US984848AR26	XS2286436451 / US984848AN12	TRSYKBK62914	TRSYKBK92911
Governing law(s) of the instrument	English Law /Turkish Law	English Law /Turkish Law	English Law /Turkish Law	BRSA /CMB / Turkish Law	BRSA /CMB / Turkish Law
Regulatory treatment					
Transitional Basel III rules	No	No	No	No	No
Eligible at stand-alone / consolidated	Stand-alone –Consolidated	Stand-alone –Consolidated	Stand-alone -Consolidated	Stand-alone -Consolidated	Stand-alone -Consolidated
Instrument type (types to be specified by each jurisdiction)	Bond	Bond	Bond	Bond	Bond
Amount recognised in regulatory capital (Currency in mil, as of most recent reporting date)	17.640	22.932	17.640	400	240
Par value of instrument	17.640	22.932	17.640	500	300
Accounting classification	Liability – Subordinated Loans- amortised cost	Liability – Subordinated Loans- amortised cost	Liability – Subordinated Loans- amortised cost	Liability – Subordinated Loans- amortised cost	Liability – Subordinated Loans- amortised cost
Original date of issuance	April 4, 2024	January 17, 2024	January 22, 2021	July 3, 2019	October 3, 2019
Perpetual or dated	Perpetual	Dated	Dated	Dated	Dated
Original maturity date	-	10 years	10 years	10 years	10 years
Issuer call subject to prior supervisory approval	Yes	Yes	Yes	Yes	Yes
Optional call date, contingent call dates and redemption amount	In case of not calling within the period of April 4, 2029 - July 4,2029, call option is available every six months following the coupon payment dates	5 years	5 years	After 5th year	After 5th year
Subsequent call dates, if applicable	-	-	-	After 5th year	After 5th year
Coupons / dividends					
Fixed or floating dividend/coupon	Fixed	Fixed	Fixed	Floating	Floating
Coupon rate and any related index	First 5 years 9,743% fixed, second 5 years U.S. five year treasury bond rate +549,90 basis points	First 5 years 9,25% fixed, second 5 years U.S. five year treasury bond rate +527,80 basis points	First 5 years 7,875% fixed, second 5 years U.S. five year treasury bond rate +741,50 basis points	TLREF index change +1,93 %	TLREF index change + 1,30%
Existence of a dividend stopper	No interest accrue after the date of value decrease for the decreased amount	No interest accrue after the date of value decrease for the decreased amount	No interest accrue after the date of value decrease for the decreased amount	No interest accrue after the date of value decrease for the decreased amount	No interest accrue after the date of value decrease for the decreased amount
Fully discretionary, partially discretionary or mandatory	Discretionary	Mandatory	Mandatory	Mandatory	Mandatory
Existence of step up or other incentive to redeem	-	-	-	-	-
Noncumulative or cumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative
Convertible or non-convertible					
If convertible, conversion trigger (s)	-	-	-	-	-
If convertible, fully or partially	-	-	-	-	-
If convertible, conversion rate	-	-	-	-	-
If convertible, mandatory or optional conversion	-	-	-	-	-
If convertible, specify instrument type convertible into	-	-	-	-	-
If convertible, specify issuer of instrument it converts into	-	-	-	-	-
Write-down feature					
If write-down, write-down trigger(s)	In case of default/ Common Equity Tier 1 capital adequacy ratio of the bank falls below 5,125%	In case of default	In case of default	In case there is a possibility that the official authorization of the Bank is cancelled or the Bank shares are transferred to SDIF	In case there is a possibility that the official authorization of the Bank is cancelled or the Bank shares are transferred to SDIF
If write-down, full or partial	Partial and complete	Partial and complete	Partial and complete	Partial and complete	Partial and complete
If write-down, permanent or temporary	Temporary	Permanent	Permanent	Permanent	Permanent
If temporary write-down, description of write-up mechanism	In case of cancellation of default/ Common Equity Tier 1 capital adequacy ratio of the bank is higher than 5,125%	-	-	-	-
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	After the senior creditors, and the TIER 2	After the senior creditors, before the TIER 1 subdebt, same with TIER 2	After the senior creditors, before the TIER 1 subdebt, same with TIER 2	After the senior creditors, before the TIER 1 subdebt, same with TIER 2	After the senior creditors, before the TIER 1 subdebt, same with TIER 2
In compliance with article number 7 and 8 of "Own fund regulation"	No	No	No	No	No
Details of incompliances with article number 7 and 8 of "Own fund regulation"	-	-	-	-	-

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

1.3. There are differences between the figures in the own funds and their corresponding amounts in the balance sheet. Within this context; gains that are related to cash flow hedge transactions are not considered in the own funds. The subordinated liabilities are considered after the adjustments made in accordance with the ninth paragraph of the eight article of the "Regulation Regarding Banks' Shareholders' Equity". In addition, the negative valuation differences on securities acquired before January 1, 2024 classified under "securities at fair value through other comprehensive income" are not taken into consideration in the calculation of own funds according to BRSA numbered no: 10747 dated December 12, 2023.

1.4. Exposures subject to countercyclical capital buffer:

The exposures subject to countercyclical capital buffer table prepared in accordance with the communiqué "Regulation on Capital Conservation and Countercyclical Capital buffers of Banks" published in the Official Gazette no. 28812 dated November 5, 2013 is presented below:

Consolidated private sector receivables:

Country	RWAs of Banking Book for Private Sector Lending	RWAs of Trading Book	Total
Türkiye	1.037.794.163	-	1.037.794.163
Netherlands	9.735.750	-	9.735.750
Azerbaijan	4.193.972	-	4.193.972
Malta	3.899.157	-	3.899.157
Italy	3.605.029	-	3.605.029
Germany	3.409.170	-	3.409.170
Switzerland	3.038.972	-	3.038.972
France	2.341.418	-	2.341.418
Luxembourg	2.277.863	-	2.277.863
Marshall Islands	2.111.778	-	2.111.778
England	2.050.406	-	2.050.406
United States of America	1.306.482	-	1.306.482
Macedonia	1.148.465	-	1.148.465
Spain	1.065.712	-	1.065.712
Austria	889.065	-	889.065
Czech Republic	781.079	-	781.079
Other	4.120.778	-	4.120.778
Total	**1.083.769.259**	**-**	**1.083.769.259**

2. Explanations on Consolidation Credit Risk:

As of June 30, 2021, the Bank has started to calculate its credit risk, which is subject to the regulatory capital adequacy ratio reporting, with the Internal Rating-Based (IRB) approach. Foundation IRB approach is used for the corporate exposure class and advanced IRB approach is used for the retail exposure class as determined by "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks".

2.1. Credit risk is the loss or the risk of the Parent Bank in case a counterparty cannot fulfill its obligations stated in agreements where the Parent Bank is at a side. The Parent Bank identifies loan limits for each customer considering statutory regulations, the internal scoring system, financial analysis reports and geographical and industry concentration and considering credit policies determined by Board of the Directors each year. The limits defined by the Board of Directors for each correspondent bank are followed-up daily by Treasury Management for the transactions related with placements with domestic and correspondent banks or treasury operations such as forward buy and sell transactions. Moreover, daily positions and limit controls of each Treasury Management employee who is authorised for transactions in the market are controlled by the system. During the loan granting process, liquid collaterals are preferred to the greatest extent possible. Collaterals and guarantees must be obtained during credit underwriting based on credit worthiness, customers' financial status, and credit type .While granting of long term project finance loans, long term projections of the companies are analyzed both by financial analysis specialists and head office. Also the pricing of these commitments are decided by coordination with Treasury Management. The Parent Bank also monitors limitations on single borrower and group of borrowers in accordance with the regulations.

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Rating system used for Medium Sized Entities (ME), Small and Medium Sized Entities (SME) and Corporate/Commercial customers is also used for defining the authorization level for loan granting. Thus, customers with a low rating are assigned to higher authority levels, whereas customers with a high rating are assigned to lower authority levels. By using this methodology it is aimed to establish risk based optimization in the loan processes.

Probability of default of a customer is calculated through this internally developed rating system. The rating concentration of Corporate/Commercial, ME and SME customers according to Parent Bank's rating system is as follows:

	Current Period	Prior Period
Strong	57,6%	46,2%
Standard	24,3%	41,3%
Below standard	18,1%	12,6%

The Parent Bank takes following criterias into consideration for the identification of default:

- The loan is overdue more than 90 days,
- The borrower is not able to pay at least one of the loans he received from the Bank (cross default),
- Having a negative intelligence and bad-record for the borrower in the market,
- Deterioration of the creditworthiness of the borrower.

The Group sets aside expected credit loss in accordance with the Provisioning Regulation within the scope of "provisions" and "value adjustments".

Total amount of exposures after offsetting transactions but before applying credit risk mitigations and the average exposure amounts that are classified in different risk groups and types, are disclosed below for the relevant period:

Risk classifications:	Current Period Risk Amount(1)	Average Risk Amount(1)
Exposures to central governments or central banks	820.741.073	744.970.477
Exposures to banks and financial institutions	400.983.565	348.607.602
Corporate exposures - Other	587.391.701	511.799.532
Specialised Lending	106.704.669	114.051.782
Corporate exposures - SME	177.791.934	197.171.819
Retail Exposures - Other	491.952.083	401.799.835
Retail exposures - Qualifying revolving	633.779.280	547.378.708
Retail exposures - SME	264.562.692	207.373.253
Investments in equities	9.163.208	8.345.091
Other Items	124.641.382	115.057.954
Total	**3.617.711.587**	**3.196.556.053**

(1) Includes credit risk amounts of total exposure before applying credit risk mitigations.

2.2. The Parent Bank has control limits over the positions of forwards, options and similar agreements. These positions are measured and managed by following their market values and by taking potential risk into considerations throughout their maturities, in accordance with Counterparty Credit Risk management. Limits are also calculated and dynamically managed by taking these potential risks into considerations. Daily market value calculations, limit controls, collateral assessments are performed and reported to the relevant departments within the Bank.

The Group may use its rights, as stated in the derivative agreements based on which the Group realizes derivative transactions, in order to eliminate the risks that may arise due to being exposed to severe risk levels arising from fluctuations in the market.

2.3. In line with the Provisioning Regulation, if the cash risk of a customer is classified as nonperforming, the non-cash risk is also classified as nonperforming under the same group where the cash risks were already followed and specific provision is reserved.

Restructured loans are also classified and followed up according to the regulation on provisions considering the Bank's credit risk policies. Accordingly, the financial position and commercial operations of related customers are monitored, their principal and interest payments are followed up with the restructured repayment schedule and the necessary precautions are taken.

2.4. The Group's banking activities in foreign countries and credit transactions are subject to periodical follow-up in terms of the economic conditions of the related country and the evaluation of the creditworthiness of the customers and financial institutions. No material credit risk have been observed in scope of these operations.

2.5. In terms of credit risk;

- The proportion of the Parent Bank's top 100 and 200 cash loan balances in total cash loans is 21% and 25%. (December 31, 2023- 23% and 27%).
- The proportion of the Parent Bank's top 100 and 200 non-cash loan balances in total non-cash loans is 34% and 45%. (December 31, 2023- 37% and 47%).
- The proportion of the Parent Bank's cash and non-cash loan balances with the first 100 and 200 customers comprises of 25% and 31% of total cash loans and non-cash loans. (December 31, 2023- 27% and 33%).

2.6. The Group provided a general loan loss provision amounting to TL 23.379.113 (December 31, 2023 - TL 26.041.720).

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

2.7. Risk profile according to the geographical concentration:

	Risk Classifications[1],[2]										
	1	2	3	4	5	6	7	8	9	10	Total
Current Period											
Domestic	799.406.262	297.647.498	552.101.248	105.112.423	173.300.724	489.394.323	632.830.133	264.544.004	410.554	124.641.382	3.439.388.551
EU countries	18.330.620	78.090.345	22.209.389	1.507.210	3.512.361	420.994	569.685	9.368	296.466	-	124.946.438
OECD countries [3]	-	885.294	3.322.396	-	-	27.576	41.380	2.393	-	-	4.279.039
Off-shore banking regions	-	-	689.819	-	29.665	1.952	1.982	-	-	-	723.418
USA, Canada	339.799	20.468.673	3.135.891	-	1.037	95.867	111.630	3.442	1.030.085	-	25.186.424
Other countries	2.664.392	3.891.755	5.932.958	85.036	948.147	2.011.371	224.470	3.485	-	-	15.761.614
Investment and associates, subsidiaries and joint ventures	-	-	-	-	-	-	-	-	7.426.103	-	7.426.103
Undistributed Assets / Liabilities [4]	-	-	-	-	-	-	-	-	-	-	-
Total	**820.741.073**	**400.983.565**	**587.391.701**	**106.704.669**	**177.791.934**	**491.952.083**	**633.779.280**	**264.562.692**	**9.163.208**	**124.641.382**	**3.617.711.587**

(1) Risk classifications in the "Regulation on Measurement and Evaluation of Capital Adequacy of Banks" is used.
(2) Includes credit risk amounts of total exposure before credit risk mitigation.
(3) OECD Countries other than EU countries, USA and Canada.
(4) Assets and liabilities are not allocated on a consistent basis.

1- Exposures to central governments or central banks
2- Exposures to banks and financial institutions
3- Corporate exposures - Other
4- Specialised Lending
5- Corporate exposures – SME
6- Retail Exposures - Other
7- Retail exposures - Qualifying revolving
8- Retail exposures – SME
9- Investments in equities
10- Other Items

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

	Risk Classifications[(1),(2)]										
	1	2	3	4	5	6	7	8	9	10	Total
Prior Period											
Domestic	554.008.754	83.170.523	318.425.595	90.587.243	164.726.279	256.303.463	401.521.423	151.430.608	21.470	82.545.573	2.102.740.931
EU countries	10.566.798	67.953.727	13.166.645	1.346.242	3.458.016	157.414	431.876	4.210	410	-	97.085.338
OECD countries [(3)]	-	772.758	2.928.751	-	46.715	10.968	35.412	1.738	-	-	3.796.342
Off-shore banking regions	-	-	1.139.968	-	29.660	619	2.296	45	-	-	1.172.588
USA, Canada	131.196	19.397.500	1.114.307	-	122.851	44.508	92.121	1.548	592.966	-	21.496.997
Other countries	687.679	6.597.665	4.903.833	1.173.767	305.018	1.145.670	228.777	1.783	-	-	15.044.192
Investment and associates, subsidiaries and joint ventures	-	-	-	-	-	-	-	-	4.702.527	-	4.702.527
Undistributed Assets / Liabilities [(4)]	-	-	-	-	-	-	-	-	-	-	-
Total	**565.394.427**	**177.892.173**	**341.679.099**	**93.107.252**	**168.688.539**	**257.662.642**	**402.311.905**	**151.439.932**	**5.317.373**	**82.545.573**	**2.246.038.915**

(1) Risk classifications in the "Regulation on Measurement and Evaluation of Capital Adequacy of Banks" is used.
(2) Includes credit risk amounts of total exposure before credit risk mitigation.
(3) OECD Countries other than EU countries, USA and Canada.
(4) Assets and liabilities are not allocated on a consistent basis.

1- Exposures to central governments or central banks
2- Exposures to banks and financial institutions
3- Corporate exposures - Other
4- Specialised Lending
5- Corporate exposures – SME
6- Retail Exposures - Other
7- Retail exposures - Qualifying revolving
8- Retail exposures – SME
9- Investments in equities
10- Other Items

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

2.8. Risk profile according to sectors and counterparties:

	1	2	3	4	5	6	7	8	9	10	TL	FC	Total
						Risk Classifications[(1),(2)]							
Agricultural	**1.042**	**-**	**16.307.375**	**-**	**3.228.730**	**-**	**-**	**12.937.764**	**-**	**-**	**24.227.871**	**8.247.040**	**32.474.911**
Farming and raising livestock	1.042	-	11.336.153	-	2.806.657	-	-	11.775.792	-	-	21.268.524	4.651.120	25.919.644
Forestry	-	-	2.817.682	-	377.620	-	-	1.047.961	-	-	2.732.518	1.510.745	4.243.263
Fishing	-	-	2.153.540	-	44.453	-	-	114.011	-	-	226.829	2.085.175	2.312.004
Manufacturing	**19.517**	**-**	**335.782.778**	**57.136.219**	**94.787.662**	**-**	**-**	**117.967.050**	**1.827**	**-**	**377.989.576**	**227.705.477**	**605.695.053**
Mining	-	-	5.073.574	15.294	466.621	-	-	559.041	-	-	1.366.584	4.747.946	6.114.530
Production	7.454	-	315.361.236	2.029.437	74.082.147	-	-	115.802.510	1.827	-	349.067.546	158.217.065	507.284.611
Electric, gas and water	12.063	-	15.347.968	55.091.488	20.238.894	-	-	1.605.499	-	-	27.555.446	64.740.466	92.295.912
Construction	**28**	**2.009.595**	**31.132.768**	**28.474.569**	**28.344.144**	**-**	**-**	**27.166.127**	**-**	**-**	**69.431.650**	**47.695.581**	**117.127.231**
Services	**799.372.045**	**340.734.549**	**147.786.822**	**21.093.881**	**50.528.840**	**-**	**-**	**104.836.564**	**8.588.527**	**94.295.100**	**1.142.246.108**	**424.990.220**	**1.567.236.328**
Wholesale and retail trade	7	-	38.312.063	-	16.975.771	-	-	35.861.126	43	-	74.982.058	16.166.952	91.149.010
Hotel, food and beverage services	16	-	14.974.852	169.715	9.860.317	-	-	11.767.701	-	-	19.891.552	16.881.049	36.772.601
Transportation and telecommunication	-	-	20.746.522	4.961.057	8.981.513	-	-	13.141.692	-	-	24.660.851	23.169.933	47.830.784
Financial institutions	791.572.691	340.676.900	35.433.263	290.503	951.754	-	-	3.539.457	8.588.484	94.295.100	949.007.498	326.340.654	1.275.348.152
Real estate and renting services	55	-	9.648.645	7.369.230	4.336.371	-	-	4.340.269	-	-	18.846.532	6.848.038	25.694.570
Professional services	-	-	-	-	-	-	-	-	-	-	-	-	-
Education services	34.733	-	626.352	-	243.760	-	-	666.017	-	-	1.498.093	72.769	1.570.862
Health and social services	7.764.543	57.649	28.045.125	8.303.376	9.179.354	-	-	35.520.302	-	-	53.359.524	35.510.825	88.870.349
Other	**21.348.441**	**58.239.421**	**56.381.958**	**-**	**902.558**	**491.952.083**	**633.779.280**	**1.655.187**	**572.854**	**30.346.282**	**1.175.626.458**	**119.551.606**	**1.295.178.064**
Total	**820.741.073**	**400.983.565**	**587.391.701**	**106.704.669**	**177.791.934**	**491.952.083**	**633.779.280**	**264.562.692**	**9.163.208**	**124.641.382**	**2.789.521.663**	**828.189.924**	**3.617.711.587**

(1) Risk classifications in the "Regulation on Measurement and Evaluation of Capital Adequacy of Banks" will be used.
(2) Includes credit risk amounts of total exposure before credit risk mitigation.

1- Exposures to central governments or central banks
2- Exposures to banks and financial institutions
3- Corporate exposures - Other
4- Specialised Lending
5- Corporate exposures – SME
6- Retail Exposures - Other
7- Retail exposures - Qualifying revolving
8- Retail exposures – SME
9- Investments in equities
10- Other Items

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

2.9. Risk profile according to remaining maturities:

Risk classifications[1]	1 month	1-3 months	3-6 months	6-12 months	1 year and over	Total
Exposures to central governments or central banks	285.887.114	99.770.271	11.090.880	3.678.249	420.283.525	820.710.039
Exposures to banks and financial institutions	278.649.376	37.935.388	22.746.728	18.380.195	28.354.098	386.065.785
Corporate exposures - Other	48.407.752	74.999.730	73.307.128	134.427.207	255.802.454	586.944.271
Specialised lending	765.887	1.216.982	540.039	5.086.734	99.095.027	106.704.669
Corporate exposures - SME	8.175.343	14.947.147	18.764.436	43.204.225	91.555.954	176.647.105
Retail exposures - Other	2.464.749	287.012.912	22.089.267	66.715.868	98.147.359	476.430.155
Retail exposures - Qualifying revolving	10.503	414.266.936	2.326	50	163.360.570	577.640.385
Retail exposures - SME	7.781.504	110.988.532	16.486.949	40.805.227	75.856.509	251.918.721
Investments in equities	-	-	-	-	-	-
Other items	425.917	-	-	-	-	425.917
Total	**632.568.145**	**1.041.137.898**	**165.027.753**	**312.297.755**	**1.232.455.496**	**3.383.487.047**

(1) Includes credit risk amounts of total exposure before applying credit risk mitigations.

2.10. Risk balances according to risk weights:

Total exposure amount before and after applying risk mitigation techniques and total amounts deducted from the capital which are calculated in accordance with the Appendix-1 of the "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks" are presented below.

	Risk Weights	0%-20%	20%-35%	35%-50%	50%-75%	75%-100%	100%-250%	250%	1250%	Total	Deduction's from the shareholders' equity
1	Total exposure before credit risk mitigation	1.783.996.177	524.172.737	200.965.664	397.846.304	232.961.285	469.850.770	7.918.650	-	3.617.711.587	4.124.420
2	Total exposure after credit risk mitigation	1.622.111.677	506.123.520	201.089.596	397.174.657	231.674.071	467.221.948	7.918.650	-	3.433.314.119	4.124.420

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

2.11. Information according to sectors and counterparties:

For loans which are classified as impaired loans due to delay of collection of principal or interest by 90 days and above and/or negative risk assessments of creditworthiness of the debtor; “Specific Provision” is set aside in the accompanying financial statements as of December 31, 2024.

For loans which are classified as past due but not impaired loans due to delay of collection of principal or interest up to 90 days; “General Provision” is set aside in the accompanying financial statements as of December 31, 2024.

Sectors / Counterparties	Loans		Provisions
	Impaired Loans (TFRS 9)		
	Significant increase in credit risk (Stage 2)	Credit – Impaired (Stage 3)	Expected Credit Losses (TFRS 9)
Agricultural	**674.108**	**417.611**	**289.208**
Farming and raising livestock	493.240	351.244	231.900
Forestry	169.412	51.311	41.552
Fishing	11.456	15.056	15.756
Manufacturing	**57.316.937**	**10.516.847**	**13.959.209**
Mining	35.230	60.325	45.471
Production	12.389.277	6.515.041	5.185.192
Electric, gas and water	44.892.430	3.941.481	8.728.546
Construction	**13.809.074**	**7.623.261**	**5.896.857**
Services	**34.248.070**	**6.462.872**	**5.734.345**
Wholesale and retail trade	1.813.191	1.556.245	1.121.093
Hotel, food and beverage services	3.749.944	704.047	496.953
Transportation and telecommunication	6.214.964	1.085.086	995.971
Financial institutions	146.652	308.024	28.689
Real estate and renting services	8.393.720	1.973.489	1.467.990
Education services	26.630	9.944	9.523
Health and social services	13.902.969	826.037	1.614.126
Other	**49.169.318**	**22.465.896**	**18.674.199**
Total	**155.217.507**	**47.486.487**	**44.553.818**

2.12. Information about value adjustments and changes in the loan impairment:

		Opening balance	Provision amounts set aside during the period	Reversal of provisions	Other adjustments(1)	Closing balance
1	Specific provisions	21.249.734	23.029.315	(10.868.239)	(5.684.099)	27.726.711
2	General provisions (value adjustments)	26.041.720	13.375.121	(16.063.682)	25.954	23.379.113

(1) The figure represents the written off loans, foreign exchange differences and also includes non performing loan sales.

3. Explanations on Consolidated Risk Management:

3.1. General Information on Risk Management and Risk Weighted Amount

3.1.1. Risk management approach of the Bank

Risk management strategy of the Group ensures using the capital at an optimum level and provide sustainable growth in this framework through measurement of risks in accordance with international standards and local regulations and taking risk-return balance into consideration in the framework of sustainable growth. Risk management approach of the Group is based on strong risk management techniques of ISEDES (Evaluation Process of Internal Capital Adequacy) and prospective planning and capital evaluation depending upon risk profile.

A prospective capital planning approach is adopted for the Bank to carry out its operations if certain losses are incurred as a result of unexpected events or deteriorations in markets. The best international practices are utilized for the determination, measurement, analysis and control of risks. The process regarding identification of risks and determination of appropriate measurement method has a dynamic structure in which the risk management is improved through inspiring from advanced international practices and analyses updated in line with its business evolution. A risk appetite framework integrated to budget process, has been developed in order to carry out related activities at an optimum level while reaching predefined budget target of the Bank and therefore an appropriated risk positions are ensured to be taken.

Risk appetite, as an integral part of the main pillar and a crucial instrument of the Bank Management, is implemented in order to ensure the execution of Bank's activities in an ideal manner through taking appropriate risk positions at an acceptable level of risk. Risk appetite, is integrated to management and budget processes of the Bank with performance indicators which are sensitive to risk.

Risk appetite indicators, targets, limits and critical thresholds are determined by the Executive Committee with the joint recommendation of Compliance, Internal Control and Risk Management, Financial Planning and Administration Management. Possible changes which may occur in economic conditions are taken into consideration during the determination of aforementioned limits and thresholds.

Determined risk appetite indicators consists of capital adequacy, liquidity, assets quality, financial risk and operational risk ratios of the Bank and senior management ensures the Bank to carry out its activities in the range of such targets and critical thresholds. Senior management should be informed to take emergency precautions if the critical thresholds are exceeded. Monitoring and periodical reporting to senior management is performed by the related units in order to implement risk appetite framework.

The Bank implements internal policies and procedures that are audited and approved at least once a year by the Board of Directors in order to manage market risks arising from on-balance sheet and off-balance sheet liabilities. Based on the principles mentioned in Regulatory Authority's directives and best practice guidelines, internal policies determine responsibilities and practitioners for identification, measurement, monitoring and reporting of the risks in line with the risk appetite and needs of the Bank; lay the groundwork for granting limits in the Bank; and guide the actions to be taken in case of risk appetite is exceeded.

The Credit Policy Directive, which reflects the general framework of the Parent Bank's credit allocation activities, is updated at least annually and implemented with the approval of the Board of Directors. Credit Policy Directive is based on improving asset quality, supporting effective risk management and compliance with legal practices. In addition, it includes management of lending activities according to the Bank's common standards, limitations and principles.

The main purpose of the credit risk management is to identify, measure and mitigate credit risk, react in a timely manner and take necessary actions with the help of efficient and well-functioning rating/scoring models, strategies and processes. The main strategies include topics like effective implementation of the Credit Policy Directive to reinforce the sustainability of common risk management approach, steering of the loan portfolio toward less risky sectors, avoidance of excessive concentration in Group exposures while strictly obeying statutory limits, focus on customers with better credit ratings, avoidance of transactions bearing high credit and reputational risk, managing country risk in line with established strategy, policy and rules, timely updates to senior management about all developments in credit risk area to ensure effective credit risk management, performing credit stress tests and participating in credit risk regulatory processes.

Risk Management reports to Board of Directors in organisation structure via Audit Committee. Risk Management organisation is divided into "Market Risk Management", "Credit Risk Strategy, Modelling and Reporting Management" and "Risk Validation" units.

In the process of market risk management, related business and risk units perform their activities within the scope of the principles determined by internal policies such as the Financial Markets Policy, Liquidity Policy, Liquidity Risk Limit Management Policy, Liquidity Emergency Policy, Interest Rate Risk Policy, Interest Rate Risk Limit Management Policy, Hedge Policy, Financial Investment Risk Policy, Immovables Risk Policy, Derivatives Policy, Independent Price Verification Policy, Policy due to inclusion on Financial assets where fair value change is reflected to income statement, Market Risk Stress Test Policy.

Value at Risk, Basis Point Value (interest rate sensitivity), and Credit Basis Point Value (credit spread sensitivity) are risk metrics calculated via internal models and used in measurement of market risks. Risk measures are monitored at product, portfolio and account (Financial assets where fair value change is reflected to income statement and Financial assets where fair value change is reflected to other comprehensive income statement) basis. Performance of internal models is measured by backtesting of the model's outputs. In addition, transaction limits are used at specific products.

Liquidity Risk measurement methods; consists of both short term risk metrics such as Liquidity Coverage Ratio, Short Term Liquidity, Intraday Liquidity, and Early Warning Indicators and long-term risk metrics such as the Net Stable Funding Ratio and the funding concentration structure. With various scenario analyzes aimed at stressing the liquidity, it is examined how the possible deterioration scenarios that can be observed in the parameters of the market or institution-specific or both cases affect the liquidity position of the Bank.

Measurements performed via internal models in the context of market risk management are reported to the Bank's Top Management, Treasury, Financial Reporting and Credit Monitoring Units (for the Counterparty Credit Risk process) on a daily basis and to the Board of Directors and Executive Committee on a monthly basis.

Stress tests, provide a prospective point of view during risk management, budget and capital planning processes through reviewing the impact of events or changes in markets, which have a low possibility to occur under normal conditions but may result in losses to Bank in case they occur. The Bank performs stress tests to measure impacts of temporary or continuous deteriorations in market risk factors on income statement and to make capital plans. Scenarios, having basis, medium and high stress levels, aim to measure impacts of adverse conditions across the country on the economic value of the Bank through risk factors. Other important risk elements such as Fixed Assets held by the Bank and financial investment risks faced through its subsidiaries, as well as price movements, are reviewed during stress test processes as well.

Stress test studies are made with the active participation of senior management and impact of the stress test to the general risk profile of the Bank is reported. Senior management participates in establishing of stress test's scenario, analyzing of its results, through determination of the scope and approach of the scenario, guidance of required directions and review of results and recommendation of action plans. Stress scenarios, up-to-date estimations and crisis scenarios are prepared by Research and Analytics Department.

The Parent Bank reduces market risk exposure within scope of its commercial activities through derivative instruments and makes an effort to control impacts of the risks on capital through hedge accounting implementation. It holds foreign exchange positions to manage residual positions as a result of banking activities through performing a conservative approach to exchange risk and manages its end of day positions at a minimum level.

For the detection and mitigation of risks, Operational and Reputational Risk Management defines policies and strategies and determines, reports and monitors actions to reduce potential operational and reputational risks via loss data, key risk indicators, scenario analysis and risk assessments. Operational Risk Management Policy and Reputational Risk Policy is updated every year and approved by the Board of Directors.

Business Continuity Management Policy aims at reducing the risks that may endanger the continuity of Banks operations to a minimum level and ensuring critical product and services in case of unexpected events in an acceptable period. Bank's resilience against unexpected events is increased through the Crisis Communication Plan, Emergency Response Plan, Business Recovery Plan and Crisis Communication Plan. Business Continuity Policy and Plans are regularly updated and approved by the Board of Directors.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Risk validation management is an independent team that reports directly to the Assistant General Manager of Compliance, Internal Control and Risk Management and responsible for the controls of all models, data and processes carried out within the scope of risk management. In addition to statistical practices, validation unit is also responsible for the compliance with the regulations, legal practices and internal policies. The risk validation unit is divided into three sub-units; regulatory risk validation unit, strategic risk validation unit and rating models validation unit. Legal risk validation unit is responsible for IRB models, TFRS 9 and credit risk validation in the second structural pillar. Strategic risk validation unit is responsible for strategy validation, managerial models, market risk validation and validation of other risk types as part of the second structural pillar. Rating models validation unit is responsible of validation activities of marketing models, macroeconomic forecasting models, project financing models and operational risk models.

3.1.2 Overview of Risk Weighted Assets

		Risk Weighted Assets		Minimum Capital Requirements
		Current Period	**Prior Period**	**Current Period**
1	**Credit risk (excluding counterparty credit risk) (CCR)**	**1.240.744.211**	**976.167.760**	**99.259.537**
2	Of which standardised approach (SA)	195.455.322	126.209.397	15.636.426
3	Of which internal rating-based (IRB) approach	1.045.288.889	849.958.363	83.623.111
4	**Counterparty credit risk**	**10.256.788**	**14.257.094**	**820.543**
5	Of which standardised approach for counterparty credit risk (SA-CCR)	10.256.788	14.257.094	820.543
6	Of which internal model method (IMM)	-	-	-
7	**Equity positions in banking book under market-based approach**	-	-	-
8	**Equity investments in funds - look-through approach**	**306.034**	**40.504**	**24.483**
9	**Equity investments in funds - mandate-based approach**	-	-	-
10	**Equity investments in funds - fall-back 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**	**18.634.498**	**14.512.699**	**1.490.760**
17	Of which standardised approach (SA)	18.634.498	14.512.699	1.490.760
18	Of which internal model approaches (IMM)	-	-	-
19	**Operational risk**	**169.906.912**	**99.403.270**	**13.592.553**
20	Of which Basic Indicator Approach	169.906.912	99.403.270	13.592.553
21	Of which Standardised Approach	-	-	-
22	Of which Advanced Measurement Approach	-	-	-
23	**Amounts below the thresholds for deduction (subject to 250% risk weight)**	**18.228.268**	**11.159.544**	**1.458.261**
24	**Floor adjustment**	-	-	-
25	**TOTAL (1+4+7+8+9+10+11+12+16+19+23+24)**	**1.458.076.711**	**1.115.540.871**	**116.646.137**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.2. Linkages between financial statements and risk amounts:

3.2.1 Differences and matching between asset and liabilities' carrying values in financial statements and risk amounts in capital adequacy calculation:

			Carrying values of items in accordance with TAS				
Current Period	**Carrying values in financial statements prepared as per TAS**	**Carrying values in consolidated Financial statements prepared as per TAS but in compliance with the communiqué "Preparation of Consolidated Financial**	**Subject to credit risk**	**Subject to counterparty credit risk**	**Subject to the Securitisation framework**	**Subject to market risk**	**Not subject to capital requirements or subject to deduction from capital**
Assets							
Financial Assets (Net)	632.236.414	632.315.012	615.562.237	79.428.096	-	6.573.011	-
Loans(Net)	1.710.492.362	1.707.914.667	1.754.912.752	178.287.340	-	-	189.047
Assets Held For Resale and Related To Discontinued Operations (Net)	619.311	619.311	619.311	-	-	-	-
Investment in Subsidiaries, Associates, Joint ventures (Net)	9.353.496	9.397.450	9.397.450	-	-	-	-
Property and Equipment (Net)	11.379.692	30.932.539	30.066.749	-	-	-	865.790
Intangible Assets (Net)	3.403.583	3.403.221	333.638	-	-	-	3.069.583
Tax Asset	19.143.487	17.415.013	17.415.013	-	-	-	-
Other Assets	153.149.027	151.883.571	157.422.589	-	-	-	-
TOTAL ASSETS	**2.539.777.372**	**2.553.880.784**	**2.585.729.739**	**257.715.436**	**-**	**6.573.011**	**4.124.420**
Liabilities							
Deposits	1.567.775.360	1.374.257.403	-	-	-	-	1.374.257.403
Borrowings	297.330.401	297.330.401	-	-	-	-	297.330.401
Money Markets	2.492.673	196.010.595	-	187.538.791	-	-	8.471.804
Marketable Securities Issued (Net)	151.169.718	151.169.718	-	-	-	-	151.169.718
Financial liabilities measured at fair value through profit or loss	75.234.394	75.234.394	-	-	-	-	75.234.394
Derivative Financial Liabilities	18.966.255	18.966.255	-	-	-	9.286.365	18.966.255
Lease Payables (Net)	5.399.786	5.399.786	-	-	-	-	5.399.786
Provisions	18.087.389	21.574.366	-	-	-	-	21.574.366
Tax Liability	864.469	9.697.039	-	-	-	-	9.697.039
Subordinated Loans	61.931.598	61.931.598	-	-	-	-	61.931.598
Other Liabilities	161.350.596	149.495.683	-	-	-	-	149.495.683
Shareholder's Equity	179.174.733	192.813.546	-	-	-	-	192.813.546
TOTAL LIABILITIES	**2.539.777.372**	**2.553.880.784**	**-**	**187.538.791**	**-**	**9.286.365**	**2.366.341.993**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

			Carrying values of items in accordance with TAS				
Prior Period	**Carrying values in financial statements prepared as per TAS**	**Carrying values in consolidated Financial statements prepared as per TAS but in compliance with the communiqué "Preparation of Consolidated Financial**	**Subject to credit risk**	**Subject to counterparty credit risk**	**Subject to the Securitisation framework**	**Subject to market risk**	**Not subject to capital requirements or subject to deduction from capital**
Assets							
Financial Assets (Net)	455.720.462	455.746.228	434.438.871	47.431.898	-	7.773.186	-
Loans(Net)	1.271.034.971	1.268.871.212	1.309.536.213	54.309.640	-	-	142.769
Assets Held For Resale and Related To Discontinued Operations (Net)	1.074.724	1.074.724	1.074.724	-	-	-	-
Investment in Subsidiaries, Associates, Joint ventures (net)	7.095.983	7.139.938	7.139.938	-	-	-	-
Property and Equipment (Net)	7.346.361	18.875.665	18.354.723	-	-	-	520.942
Intangible Assets (Net)	2.036.914	2.036.510	232.250	-	-	-	1.804.260
Tax Asset	12.619.979	9.144.125	9.144.125	-	-	-	-
Other Assets	97.914.082	100.484.998	102.855.372	-	-	-	-
TOTAL ASSETS	**1.854.843.476**	**1.863.373.400**	**1.882.776.216**	**101.741.538**	**-**	**7.773.186**	**2.467.971**
Liabilities							
Deposits	1.156.824.801	1.108.885.676	-	-	-	-	1.108.885.676
Borrowings	161.034.843	161.034.843	-	-	-	-	161.034.843
Money Markets	15.443.345	63.382.500	-	46.966.613	-	-	16.415.887
Marketable Securities Issued (Net)	97.039.999	97.039.999	-	-	-	-	97.039.999
Financial liabilities measured at fair value through profit or loss	71.167.000	71.167.000	-	-	-	-	71.167.000
Derivative Financial Liabilities	11.666.461	11.666.461	-	-	-	5.784.015	11.666.461
Lease Payables (Net)	3.401.505	3.401.505	-	-	-	-	3.401.505
Provisions	17.355.126	21.915.958	-	-	-	-	21.915.958
Tax Liability	4.547.009	8.053.253	-	-	-	-	8.053.253
Subordinated Loans	36.846.139	36.846.139	-	-	-	-	36.846.139
Other Liabilities	108.720.868	101.099.073	-	-	-	-	101.099.073
Shareholder's Equity	170.796.380	178.880.993	-	-	-	-	178.880.993
TOTAL LIABILITIES	**1.854.843.476**	**1.863.373.400**	**-**	**46.966.613**	**-**	**5.784.015**	**1.816.406.787**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.2.2. Main sources of differences between regulatory exposure amounts and carrying values in financial statements:

	Current Period	Total	Subject to Credit Risk	Subject to the Securitisation	Subject To Counterparty Credit Risk	Subject To Market Risk
1	Assets carrying value amount under scope of regulatory Consolidation (As note 3.2.1 of Section 4)	2.850.018.186	2.585.729.739	-	257.715.436	6.573.011
2	Liabilities carrying value amount under scope of regulatory Consolidation (As note 3.2.1 of Section 4)	196.825.156	-	-	187.538.791	9.286.365
3	**Total net amount under scope of regulatory consolidation**	**2.653.193.030**	**2.585.729.739**	**-**	**70.176.645**	**(2.713.354)**
4	**Off-Balance Sheet Amounts**	**2.063.010.216**	**1.072.184.984**	**-**	**-**	**-**
5	Differences in valuations	-	-	-	-	-
6	Differences due to different netting rules (other than those already included in row 2)	-	-	-	-	-
7	Differences due to consideration of provisions					
8	Differences resulted from the BRSA's applications	-	(284.023.961)	-	(8.403.311)	21.347.852
9	Differences due to risk reduction	-	(2.349.977)	-	-	-
	Risk Amounts	**-**	**3.371.540.785**	**-**	**61.773.334**	**18.634.498**

	Prior Period	Total	Subject to Credit Risk	Subject to the Securitisation	Subject To Counterparty Credit Risk	Subject To Market Risk
1	Assets carrying value amount under scope of regulatory Consolidation (As note 3.2.1 of Section 4)	1.992.290.940	1.882.776.216	-	101.741.538	7.773.186
2	Liabilities carrying value amount under scope of regulatory Consolidation (As note 3.2.1 of Section 4)	52.750.628	-	-	46.966.613	5.784.015
3	**Total net amount under scope of regulatory consolidation**	**1.939.540.312**	**1.882.776.216**	**-**	**54.774.925**	**1.989.171**
4	**Off-Balance Sheet Amounts**	**1.199.671.668**	**598.578.148**	**-**	**-**	**-**
5	Differences in valuations	-	-	-	-	-
6	Differences due to different netting rules (other than those already included in row 2)	-	-	-	-	-
7	Differences due to consideration of provisions	-	-	-	-	-
8	Differences resulted from the BRSA's applications	-	(307.485.367)	-	(15.827.813)	12.523.528
9	Differences due to risk reduction	-	(731.622)	-	-	-
	Risk Amounts	**-**	**2.173.137.375**	**-**	**38.947.112**	**14.512.699**

3.2.3 Disclosures regarding differences between exposures valued in accordance with TAS and risk exposures:

Main difference between amounts reported in financial statements and valuated in accordance with TAS and amounts valuated in accordance with TAS in scope of TAS in the framework of legal consolidation is that non-financial subsidiaries are not included in consolidation in scope of legal consolidation.

Group's financial instruments subject to fair value measurement are valued using Mark-to-Market or Mark-to-Model approach based on their product types. Implementation of valuation methodologies is carried out in accordance with the "Fair Value Measurement" policies in line with the prudent valuation principles set out in the annex of the Directive on Measurement and Assessment of Banks' Capital Adequacy. The Group uses market prices for bonds and futures contracts traded in organized markets, while it often uses platforms generating Mark-to-Model value for derivative transactions traded in OTC markets. Mark-to-Market or Mark-to-Model valuations are made on a daily basis so that changes in the market can be reflected in the Group's financials with the same frequency.

The Independent Price Control process (IPV) is designed to draw the errors or deviations that may occur in the valuations to the minimum level, to calculate the correct profit / loss and risk, through verification, comparison and approval of market prices and model inputs regularly with independent and different sources. The purpose of the IPV is to ensure that the data used for bank valuations are generated on a daily basis from a highly representative, adequately liquid and accurate instruments. All these processes have a clear, integrated and complementary approach that is in line with the objectives of the Bank.

The fair value of an instrument is recognized through the utilization of quotations for securities and derivatives in active markets. In instances where quotations are not available, the price is determined by using generally accepted pricing models for market operations.

Credit valuation adjustments (CVA) are also made by taking into account the possible changes in the credit value of the counterparties of the transactions made within the scope of counterparty credit risk (CCR). Credit valuation adjustments represent the current market value of the Parent Bank's credit risk arising from the failure to fulfil any of the obligations specified in the contract with the counterparty. Changes in the credit risk of all counterparties arising from derivative transactions due to market conditions are also included in regulatory capital adequacy calculations.

3.3. Explanations on credit risk

3.3.1. General information regarding credit risk

3.3.1.1. General qualitative information regarding credit risk

Credit Policy is prepared to be well-structured in line with the BRSA loan management guidebook.

Credit Policy is revised at least once a year, approved by Board of Directors, announced within the bank and implemented in accordance with the appropriate procedures in banks. During the review of credit policies, economic conjuncture, the bank's capital adequacy ratio and amendments in related regulation are taken into consideration. Key elements such as target markets, portfolio structure and concentration, large exposures, credit limit applications, approval authorities are determined in the credit policies. In the policies, key messages are provided based on principles of prudence, continuity about the customers' worthiness, specific sectors, segments and products for growth in accordance with the defined credit strategies.

Credit Risk Management Section is established to manage the credit risk of the Bank by determining, measuring, monitoring, evaluating and reporting the risks. In order to improve the asset quality of the Bank, the main roles and responsibilities of the section are composed of performing periodical analyses on credit portfolio trend, calculating credit risk cost based on segments and executing compliance activities between risk management practices with Basel requirements.

Credit Risk Management consists of two sub-units: Credit Risk Strategies and Operational Risk Management and Credit Risk Planning, Modeling and Reporting Management.

Credit Risk Strategies and Operational Risk Management is responsible for developing underwriting, monitoring, collection and workout strategies and following the actions taken in accordance with the Bank's risk appetite in terms of credit risk. The unit takes an active role in the development of these strategies by conducting risk analysis, determining the rules to be used in decision trees, putting them into practice through decision support systems, and running the flow smoothly. The unit is also responsible for definition of the operational and reputational risk policies, implementation of measurement, monitoring and reporting systems, identification of the key risk indicators, and performance of scenario analyses. The unit carries out the activities regarding Basel compliance, operational risk models setting and development, operational risk weighted asset calculation and risk based insurance activities.

The unit is responsible for the studies on Information Systems risk inventory, coordination of the Support Services Risk Management Program and setting up the relevant monitoring systems and management, as well as development of the Business Continuity Management Policy and Plans and continuous updating of these policy and plans. The unit also ensures the actions taken under business continuity and the coordination and control of Business Continuity Management projects and budget.

Credit Risk Planning, Modeling and Reporting Management is responsible for preparation of credit risk budgeting and credit risk reporting activities of the Bank, calculation of loan loss provisions; identification of the Credit Policy according to risk appetite of the Bank, implementation of the policy throughout the Banks and its subsidiaries, support to all units in the Bank for the related topics. The units establishes a common risk culture on group basis and performs process analyses of credit and risk management functions in subsidiaries to ensure standard risk management practices and establishes action plans for the standardization of all gaps within the group. The unit prepares reports for assessment of credit risk and for the preparation of various and comprehensive concentrations and forecasts on asset quality trends for the Bank, performs necessary calculations to measure the risk profile of the bank and ensures that the country risk is identified.

The unit is also responsible for taking part in the model development processes of PD, EAD, LGD models which are in the scope of IRB communique (issued by BRSA – using internal rating based approach for credit risk calculations) and giving opinions as the ultimate authority, supervising the rating systems, monitoring the performance, analysing the results regularly, ensuring the proper functioning of the rating systems, leading the studies for the areas that need improvement and the deficiencies identified, informing the BRSA about the changes made in the rating systems and the relevant units within the Bank, evaluating model use test, ensuring dissemination of the models in the bank internal processes within the scope requested by the BRSA and monitoring the projects carried out in the Bank within the scope of Basel for commercial customers.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

This business unit is also responsible for taking part in the development processes of operational models used in underwriting, monitoring, collection, etc. processes and monitoring their performance.

ISEDES report is prepared in accordance with the related guide of BRSA and submitted to the approval of the Board of Directors. The report mainly includes the Bank's approach for the review of risks and capital in order to preserve capital adequacy of the Bank with respect to its current and future activities and information on management structure and applied approaches.

Regular supervision and controls are performed to ensure that credit process is carried out in compliance with the Bank credit policies and procedures, loans are extended in accordance with principles and procedures determined by the Board of Directors and loans are reported properly with the information of maturity, quantity and qualification to top management.

Activities carried out by units within scope of internal systems are employed as a tool to define weak points regarding the credit risk management process, policy and procedures and to determine the transactions that are not compliant with limits, policy and procedures.

Issues that are observed during the examinations is being regularly reported to top management and Audit Committee considering importance level.

Summary of the activities of units within the scope of internal systems are effectively utilized by the management and actions are taken in order to prevent repetition of weaknesses and conflicts regarding credit management.

3.3.1.2. Credit quality of assets

		Gross carrying values of as per TAS		Allowances/ impairement	Net values
	Current Period	**Defaulted exposures**	**Non-defaulted exposures**		
1	Loans	40.998.850	1.327.868.458	48.721.495	1.320.145.813
2	Debt Securities	-	524.325.382	200.175	524.125.207
3	Off-balance sheet exposures	6.487.637	2.046.057.428	1.552.700	2.050.992.365
4	**Total**	**47.486.487**	**3.898.251.268**	**50.474.370**	**3.895.263.385**

		Gross carrying values of as per TAS		Allowances/ impairement	Net values
	Prior Period	**Defaulted exposures**	**Non-defaulted exposures**		
1	Loans	28.587.292	964.218.184	41.314.247	951.491.229
2	Debt Securities	-	417.410.688	969.230	416.441.458
3	Off-balance sheet exposures	2.028.872	1.182.875.758	3.294.465	1.181.610.165
4	**Total**	**30.616.164**	**2.564.504.630**	**45.577.942**	**2.549.542.852**

3.3.1.3. Changes in stock of defaulted loans and debt securities

		Current Period	Prior Period
1	**Defaulted loans and debt securities at end of the previous reporting period**	**30.616.164**	**23.697.763**
2	Loans and debt securities that have defaulted since the last reporting period	40.308.186	19.230.377
3	Returned to non-defaulted status (-)	5.929.621	78.940
4	Amounts written off (-)	5.684.099	3.160.395
5	Other changes	(11.824.143)	(9.072.641)
6	**Defaulted loans and debt securities at end of the reporting period (1+2-3-4±5)**	**47.486.487**	**30.616.164**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.3.1.4. Additional disclosure related to the credit quality of assets

According to the BRSA Regulation "Regulation on the procedures and principles for the determination of qualification of loans and other receivables by Banks and provision to be set aside" in the cases:

- For which recovery of principal or interest or both delays for more than ninety days from their terms or due dates or;
- Which have limited means for total recovery because debtors' equity or guarantees extended by them are found inadequate to cover payment of debts on respective terms and are likely to lead to losses in case any such problems observed are not solved or;
- For which debtors have suffered deterioration in their creditworthiness and credits have suffered weakness consequently or;
- For which it is believed that recovery by banks of principal or interest or both would delay for more than ninety days from their terms or due dates due to reasons such as problems encountered by debtors over operating capital financing or additional liquidity creation,

Loans and receivables are classified as non performing loans and are transferred to non performing loan accounts. Within the scope of the same regulation, these loans are set aside for the expected credit loss according to the internal models developed by the Bank.

In accordance with the regulation; in the event that failure to meet payment obligations towards banks stems from temporary liquidity difficulties related to the loans and other receivables as part of the principles of classification, loans and other receivables including any overdue interest may be restructured or subject to a new redemption plan for the purpose of providing debtors with liquidity capability and ensuring recovery of receivables by Bank.

3.3.1.4.1. Exposures provisioned against by major regions [1]:

	Current Period	Prior Period
Domestic	1.783.314.570	1.269.494.528
USA, Canada	2.398.517	2.690.295
European Union (EU) Countries	52.387.069	36.355.587
OECD Countries	7.864.937	7.035.652
Off-Shore Banking Regions	1.098	1.297
Other Countries	22.281.531	21.646.770
Total	**1.868.247.722**	**1.337.224.129**

(1) Breakdown of cash, non-cash and non-performing loans with respect to geographical regions are provided.

3.3.1.4.2. Exposures provisioned against by major sectors [1]:

	Current Period	Prior Period
Agricultural	**34.592.846**	**23.887.467**
Farming and raising livestock	26.485.917	16.711.429
Forestry	4.457.046	4.768.164
Fishing	3.649.883	2.407.874
Manufacturing	**708.143.009**	**515.000.536**
Mining and Quarrying	14.527.003	6.151.661
Production	568.431.672	403.237.781
Electricity, Gas, Water	125.184.334	105.611.094
Construction	**187.508.698**	**134.966.274**
Services	**406.562.941**	**316.609.287**
Wholesale and retail trade	97.580.968	87.802.548
Hotel, food and beverage services	39.850.335	26.486.418
Transportation and telecommunication	59.362.244	47.908.798
Financial institutions	87.158.230	74.582.570
Real estate and leasing services	29.162.357	20.114.763
Education services	1.669.440	1.888.718
Health and social services	91.779.367	57.825.472
Other	**531.440.228**	**346.760.565**
Total	**1.868.247.722**	**1.337.224.129**

(1) Breakdown of cash loans, non cash loans and non performing loans by sector is as in the above table.

3.3.1.4.3. Receivables according to remaining maturities:

Receivables according to remaining maturities are explained Note 7 of Section 4.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.3.1.4.4. Exposures provisioned against by major sectors:

Information on the amount of receivables and provisions provided for on the sector basis are disclosed in Note 2 of Section 4.

3.3.1.4.5. Exposures provisioned against by major regions:

The distribution of the specific provisions is predominantly domestic and a provision amounting to TL 39.354.132 (December 31, 2023- TL 27.308.756) has been set aside for the risk at an amount of TL 26.010.862 (December 31, 2023- TL 19.231.599).

3.3.1.4.6. Aging analysis for overdue receivables [(1)]:

	Current Period	Prior Period
1-30 days	13.248.249	4.974.940
31-60 days	10.301.814	3.713.089
61-90 days	6.379.622	2.215.461
Total	**29.929.685**	**10.903.490**

(1) Overdue receivables under close monitoring represent over due of cash loans.

Loans under close monitoring amounting to TL 118.607.586 (December 31, 2023- 93.840.655) are not overdue.

3.3.1.4.7. Breakdown of restructured receivables based on whether or not provisions are allocated:

Provisions are recognized for all non-performing loans in accordance with Provisioning Regulation.

Credit Class	Current Period	Prior Period
Loans restructured from loans and other receivables under close monitoring	93.451.947	48.266.305
Loans restructured from loans under legal follow-up	9.823.075	8.233.007
Total	**103.275.022**	**56.499.312**

3.3.1.4.8. Informations related to expected credit losses for loans:

Current Period	Stage 1	Stage 2	Stage 3	Total
Begining of the period	**6.038.668**	**15.558.739**	**19.716.840**	**41.314.247**
Additions	2.996.289	14.822.412	22.849.576	40.668.277
Disposals (-)	7.566.765	9.872.350	12.482.034	29.921.149
NPL sales (-)	-	-	5.667.321	5.667.321
Write offs (-)	-	-	16.778	16.778
Transfer to stage 1	3.510.629	(3.508.361)	(2.268)	-
Transfer to stage 2	(132.242)	497.727	(365.485)	-
Transfer to stage 3	(1.602)	(2.665.002)	2.666.604	-
Exchange differences	357.828	1.908.695	77.696	2.344.219
End of the period	**5.202.805**	**16.741.860**	**26.776.830**	**48.721.495**

Prior Period	Stage 1	Stage 2	Stage 3	Total
Begining of the period	**4.761.203**	**15.674.510**	**16.592.805**	**37.028.518**
Additions	4.175.875	7.334.241	11.328.634	22.838.750
Disposals (-)	6.194.917	10.139.907	6.609.971	22.944.795
NPL sales (-)	-	-	3.047.039	3.047.039
Write offs (-)	-	-	113.356	113.356
Transfer to stage 1	2.957.649	(2.957.057)	(592)	-
Transfer to stage 2	(1.013.946)	1.142.965	(129.019)	-
Transfer to stage 3	(362)	(1.480.803)	1.481.165	-
Exchange differences	1.353.166	5.984.790	214.213	7.552.169
End of the period	**6.038.668**	**15.558.739**	**19.716.840**	**41.314.247**

3.3.2. Credit risk mitigation

3.3.2.1. Qualitative disclosure on credit risk mitigation techniques

The Parent Bank employs on-balance sheet netting and/or general netting agreements for specific capital market transactions for credit risk mitigation, with the condition of meeting the requirements of having implemented corresponding system supported methods and processes and clear documentation of the required documents.

The Parent Bank may use assets and liabilities as an on balance sheet netting instrument considering them as cash collateral.

The capital requirements may be determined on the base of net exposure of assets and liabilities, if the following conditions are met:

- The agreement should provide the Bank the authorization to monitor the receivable of the payee over a single value after netting all payables and receivables even though there is no such indicator for the counterparty showing bankruptcy or financial difficulty in accordance with the regulations of governments.
- The Bank is provided the authority of netting and monitoring the risk over a single value even the counterparty is not in bankruptcy case of a bankruptcy of one counterparty, the other counterparty should have the authority to terminate all contracts under the agreement
- The agreement should provide the facility to monitor the receivable of the payee over a single value after netting all payables and receivables in case of the termination of all contracts

In the policies and procedures regarding the assessment and management of the collaterals as part of collateralized lending, credit risk mitigation techniques aims at:

- Determination of general and specific requirements for the improvement and optimization of collateral systems, processes, strategies and procedures;
- Valuation of collateral taking into consideration the local regulations and procedures;
- Provision of the soundness, legal enforceability and maintenance of ratable collateral based on a legal framework;
- Determination of the level of the collateral haircut taking the local conditions and the process of risk management into consideration;
- Regular monitoring of the collateral value;
- Differentiation between counterparty (economic) and country (political) risk aspects,
- Mitigation of concentration risks, correlation risks and residual risks through recognition of collateral;
- Improvement in the quality of strategic business and overall Bank management
- Clear definition of roles and responsibilities
- Determination of acceptable collaterals and collateral related conditions (list of collateral) / (non-parametric condition list)

In the calculations regarding credit risk mitigation, the Bank performs risk mitigation within the regulations set out in the Credit Risk Mitigation Techniques Notification dated September 6, 2014 and numbered 29111 and uses a comprehensive financial guarantee method for its financial collaterals. With the comprehensive financial collateral method, the relevant volatility adjustments specified in the regulation made on the value of the financial collaterals that are used in calculating the capital requirements.

The credit policies establish an operational connection between Bank's activities and its risk capacity and covers the main business areas in accordance with target portfolio structure, risk targets regarding expected and unexpected loss in line with risk capacity and limits relating to risk concentration. Limits are ensured to be compliant with restrictions determined by related regulation and regulatory authorities. Bank uses an integrated approach in concentration risk management, in which all risk concentrations are identified, monitored and evaluated. Therefore, besides the loans to individuals and companies, also the concentrations of market, sector, country and segment are being taken into consideration. Bank pays utmost attention to any concentration of the credit and market risks on a specific counterparty or risk classification in accordance with policies and internal procedures.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.3.2.2. Credit risk mitigation techniques – overview

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
Loans	1.220.533.394	99.612.419	79.079.909	1.507.124	1.255.959	-	-
Debt securities	524.125.207	-	-	-	-	-	-
Total	**1.744.658.601**	**99.612.419**	**79.079.909**	**1.507.124**	**1.255.959**	**-**	**-**
Of which defaulted	13.125.457	1.096.563	627.614	546.177	221.265	-	-

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
Loans	878.000.046	73.491.183	56.236.768	1.689.445	1.416.070	-	-
Debt securities	416.441.458	-	-	-	-	-	-
Total	**1.294.441.504**	**73.491.183**	**56.236.768**	**1.689.445**	**1.416.070**	**-**	**-**
Of which defaulted	4.960.584	3.909.868	2.867.556	446.094	256.814	-	-

3.3.3. Credit risk under standardised approach

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

An international rating firm, Fitch Ratings' external risk ratings are used to determine the risk weights of the risk categories as per the Article 6 of the "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks". The international risk ratings are used for all the exposures to central governments/central banks, for Financial Institutions, Corporations, Regional Governments, Administrative Bodies and for Multinational Development Banks asset classes of which the counterparty resides in foreign countries.

Exposures to central governments and central banks which are not rated by Fitch Ratings are included in the calculation of capital adequacy as unrated. Receivables from residents in Türkiye are classified as unrated.

Fitch Ratings' risk ratings as per the credit quality grades and the risk weights according to exposure categories are presented below:

Credit Quality Grade	Fitch Ratings	Claims on sovereigns and Central Banks	Claims on administrative bodies and other non-commercial undertakings	Claims on banks and intermediary institutions: Contractual maturity of claims under 3 months	Claims on banks and intermediary institutions: Contractual maturity of claims over 3 months	Claims on corporates
1	AAA AA+ AA AA-	0%	20%	20%	20%	20%
2	A+ A A-	20%	50%	20%	50%	50%
3	BBB+ BBB BBB-	50%	100%	20%	50%	100%
4	BB+ BB BB-	100%	100%	50%	100%	100%
5	B+ B B-	100%	100%	50%	100%	150%
6	CCC+ CCC CCC- CC C D	150%	150%	150%	150%	150%

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.3.3.2. Standardised approach – Credit risk exposure and credit risk mitigation (CRM) effects

	Current Period	Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
	Asset classes	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	Exposures to central governments or central banks	796.301.041	389.702	797.778.265	164.505	488.133	0,06%
2	Exposures to regional governments or local authorities	2.944.892	27.855	2.939.316	12.997	1.476.157	50,00%
3	Exposures to public sector entities	2.850.915	790.175	2.850.899	171.049	3.021.948	100,00%
4	Exposures to multilateral development banks	1.284.245	304.168	1.284.245	153.310	-	-
5	Conditional and unconditional receivables from banks and brokerage houses	144.715.077	70.412.322	144.665.091	13.523.423	54.774.775	34,63%
6	Exposures to institutions	109.818.911	79.224.688	106.896.663	26.677.130	118.448.658	88,68%
7	Exposures to corporates	12.935.473	3.679.910	12.483.774	165.202	9.486.732	75,00%
8	Retail exposures	117.468	15.984	117.468	7.992	44.522	35,49%
9	Exposures secured by residential property	158.915	848.714	158.915	449.357	367.838	60,47%
10	Exposures secured by commercial real estate	483.497	-	342.075	-	226.448	66,20%
11	Past-due loans	561.109	1.505.472	481.073	109.536	885.914	150,00%
12	Higher-risk categories by the Agency Board	307.745	-	307.745	-	306.034	99,44%
13	Investments in equities	9.165.600	-	9.165.600	-	20.102.560	219,33%
14	Other assets	26.339.291	-	26.339.291	-	4.359.905	16,55%
	Total	**1.107.984.179**	**157.198.990**	**1.105.810.420**	**41.434.501**	**213.989.624**	**18,65%**

	Prior Period	Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
	Asset classes	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	Exposures to central governments or central banks	545.163.047	122	546.835.931	56.364	287.212	0,05%
2	Exposures to regional governments or local authorities	1.259.026	-	1.253.450	-	626.725	50,00%
3	Exposures to public sector entities	2.123.825	298.265	2.123.767	99.798	2.223.565	100,00%
4	Exposures to multilateral development banks	1.243.438	114.614	1.243.438	62.453	-	-
5	Conditional and unconditional receivables from banks and brokerage houses	106.015.441	26.234.321	106.014.580	10.301.824	43.098.237	37,05%
6	Exposures to institutions	62.039.774	67.058.960	60.852.405	13.510.149	65.252.818	87,75%
7	Exposures to corporates	8.601.810	2.201.861	7.835.685	135.356	6.001.208	75,29%
8	Retail exposures	28.489	21.301	28.189	10.620	13.612	35,07%
9	Exposures secured by residential property	2.222	467.970	2.222	233.985	124.928	52,89%
10	Exposures secured by commercial real estate	210.223	-	124.541	-	87.066	69,91%
11	Past-due loans	2.637.225	702.518	2.465.934	8.859	3.712.602	150,02%
12	Higher-risk categories by the Agency Board	54.376	-	54.376	-	40.504	74,49%
13	Investments in equities	5.317.372	-	5.317.372	-	12.013.099	225,92%
14	Other assets	15.662.657	-	15.662.657	-	3.927.869	25,08%
	Total	**750.358.925**	**97.099.932**	**749.814.547**	**24.419.408**	**137.409.445**	**17,75%**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.3.3.3. Standard Approach: Receivables by risk classes and risk weights

Current Period

	Asset classes/ Risk weight	0%	10%	20%	35%	50%	75%	100%	150%	200%	250%	1250%	Total credit risk exposure amount (after CCF and CRM)
1	Exposures to central governments or central banks	796.966.504	-	-	-	976.266	-	-	-	-	-	-	797.942.770
2	Exposures to regional governments or local authorities	-	-	-	-	2.952.313	-	-	-	-	-	-	2.952.313
3	Exposures to public sector entities	-	-	-	-	-	-	3.021.948	-	-	-	-	3.021.948
4	Exposures to multilateral development banks	1.437.555	-	-	-	-	-	-	-	-	-	-	1.437.555
5	Conditional and unconditional receivables from banks and brokerage houses	-	-	85.443.517	-	70.117.850	-	2.627.147	-	-	-	-	158.188.514
6	Exposures to institutions	-	-	267.940	-	29.821.566	-	103.484.287	-	-	-	-	133.573.793
7	Exposures to corporates	-	-	-	-	-	12.648.976	-	-	-	-	-	12.648.976
8	Retail exposures	-	-	-	123.932	-	1.528	-	-	-	-	-	125.460
9	Exposures secured by residential property	-	-	-	-	480.868	-	127.404	-	-	-	-	608.272
10	Exposures secured by commercial real estate	-	-	-	-	231.254	-	110.821	-	-	-	-	342.075
11	Past-due loans	-	-	-	-	-	-	-	590.609	-	-	-	590.609
12	Higher-risk categories by the Agency Board	1.264	-	240	-	510	-	305.731	-	-	-	-	307.745
13	Investments in equities	-	-	-	-	-	-	1.874.293	-	-	7.291.307	-	9.165.600
14	Other assets	21.979.386	-	-	-	-	-	4.359.905	-	-	-	-	26.339.291
	Total	**820.384.709**	**-**	**85.711.697**	**123.932**	**104.580.627**	**12.650.504**	**115.911.536**	**590.609**	**-**	**7.291.307**	**-**	**1.147.244.921**

Prior Period

	Asset classes/ Risk weight	0%	10%	20%	35%	50%	75%	100%	150%	200%	250%	1250%	Total credit risk exposure amount (after CCF and CRM)
1	Exposures to central governments or central banks	546.418.906	-	-	-	372.353	-	101.036	-	-	-	-	546.892.295
2	Exposures to regional governments or local authorities	-	-	-	-	1.253.450	-	-	-	-	-	-	1.253.450
3	Exposures to public sector entities	-	-	-	-	-	-	2.223.565	-	-	-	-	2.223.565
4	Exposures to multilateral development banks	1.305.891	-	-	-	-	-	-	-	-	-	-	1.305.891
5	Conditional and unconditional receivables from banks and brokerage houses	-	-	65.340.931	-	41.890.845	-	9.084.628	-	-	-	-	116.316.404
6	Exposures to institutions	-	-	236.679	-	17.840.786	-	56.285.089	-	-	-	-	74.362.554
7	Exposures to corporates	-	-	-	-	-	7.879.339	91.702	-	-	-	-	7.971.041
8	Retail exposures	-	-	-	38.738	-	71	-	-	-	-	-	38.809
9	Exposures secured by residential property	-	-	-	-	222.559	-	13.648	-	-	-	-	236.207
10	Exposures secured by commercial real estate	-	-	-	-	74.951	-	49.590	-	-	-	-	124.541
11	Past-due loans	-	-	-	-	-	-	-	2.473.968	825	-	-	2.474.793
12	Higher-risk categories by the Agency Board	3.129	-	8.038	-	8.625	-	34.584	-	-	-	-	54.376
13	Investments in equities	-	-	-	-	-	-	853.554	-	-	4.463.818	-	5.317.372
14	Other assets	11.734.788	-	-	-	-	-	3.927.869	-	-	-	-	15.662.657
	Total	**559.462.714**	**-**	**65.585.648**	**38.738**	**61.663.569**	**7.879.410**	**72.665.265**	**2.473.968**	**825**	**4.463.818**	**-**	**774.233.955**

3.3.3.4. Explanations on the use of IRB Models

In the development of internal models;

- As the owners of the probability of default (PD), loss given default (LGD) and exposure at default (EAD) models used in capital adequacy calculations, credit risk control and modeling units (individual and commercial) are responsible for the development and implementation processes of the models, also the regular monitoring and updating of the models,
- In case of need, advanced analytics unit is responsible for the development of the PD, LGD, EAD models,
- Validation unit is responsible for performing the initial and periodic validation of the models and providing the regular validation report.

When the development of the models is completed and following the approval of the validation unit, they are submitted to the approval of the credit committee and the Board of Directors. The models can be got into use after the necessary approvals are obtained from the relevant committees.

Performance monitoring of the model, which has been developed and put into use, is carried out by the credit risk control and modeling units and the validation unit. Performance monitoring of the models is carried out through the credit risk control unit report prepared quarterly by the credit risk control and modeling teams and annual periodic validation studies. In addition, every month before the models are run, certification checks are carried out and the accuracy of the data used in the model is confirmed.

Re-development, re-train or re-calibration of the models can be done according to the performance monitoring results of the models in use.

In accordance with the IRB communiqué (issued by BRSA – using internal rating based approach for credit risk calculations) as published in the Official Gazette dated October 23, 2015 numbered 29511, all IRB models and validation processes are audited annually by the Internal Audit Department. The scope of audits consists of three main areas: governance and validation, rating systems and quantification of risks and usage testing. Audit processes include reviewing IRB models for compliance with all minimum requirements, as well as validation of models. In this framework, initial, periodic, data and process validation activities are examined and validation findings are also taken into account within the scope of relevant model audits.

Reports on credit risk models are prepared in order to explain the structure, process and performance of the rating system, the areas that need improvement, the activities to complete the identified deficiencies, and to monitor the credit risk. Commercial credit risk control and modeling and retail credit risk control and modeling units are responsible for reporting. The related report includes the risk profile according to grades, migrations between grades, comparison of the estimations of risk parameters and observed values, and analysis of the effectiveness of the override process. If there is a rating override for project finance loans in the relevant reporting period, the reasons for the change are also included.

For the capital calculation, BRSA allowed the use of PD and EAD models in the corporate receivables class, the PD, LGD and EAD models in the retail receivables class, and the use of the slotting method in project finance loans.

89% of the Parent bank's total risk weighted assets amount is calculated with the IRB approach. 8% of the total risk weighted assets amount is in portfolios such as receivables from central governments or financial institutions that do not have an IRB approach permit. The corporate and commercial portfolio is under the Foundation IRB approach, 90% of which is calculated with the IRB approach. The retail portfolio is under the Advanced IRB approach and 99% of it is calculated with the IRB approach. The slotting approach is used for all project finance risks.

There are application and behavior PD Models for both corporate and retail receivables classes. Application models are the models that work at the moment in the Bank's proactive channel when a customer applies for a loan to the Bank. Behavioral models are run at the end of each month for customers with limits or risks in the bank (it is required to be older than six months in the retail portfolio).

- Individual portfolio PD application models consist of five models that work separately for each product in case the customer makes an application and in the Bank's proactive channel, while Behavior PD model is a model that consists of nine different segments.
- Individual portfolio EAD models consist of five different models that vary according to the limit usage rate and risk amount for the customer's credit card and overdraft products, while LGD models consist of five models with eleven different segments in terms of risk amount breakdown by product.
- SME portfolio PD application and behavior models consists of four different segments, which vary according to the customer's information such as turnover, customer type, sector information and risk center limit. The customer can only proceed from one of these segments.
- The same model is used for application and behavior in the corporate/commercial portfolio PD calculation. The model consists of four different segments that vary according to the customer's balance sheet type, turnover and risk center limit. The customer can only proceed from one of these segments.
- Corporate/commercial/SME portfolio EAD model consists of twelve different segments that vary according to the portfolio, limit, risk, limit usage rate and limit gap information for the customer's commercial overdraft, commercial credit card, non-cash (check, letter of guarantee, letter of credit) products. Five of the twelve segments are for the corporate/commercial portfolio and seven are for the SME portfolio. LGD Model consists of seven different segments that vary according to turnover, risk amount and collateral information at the customer level.

Bank's PD models are developed using logistic regression. At least five years of data are used while developing the model in accordance with the articles specified in the communique. For the initial validation activities, out-of-sample (OOS) and out-of-time (OOT) data is separated. As stated in the Communique, the PD of the best grade can be at least 0,03%.

Due to the use of minimum five-year data during model development and the higher default rates during the model development period compared to the current period, the calculated PD value especially for the individual portfolio differs relatively from the observed DR.

The PD model is used in underwriting strategies, provision calculations and economic capital calculations as well as capital calculations.

Specialized loans can be defined as portfolios with low default rates. PD calculation is not made for specialized loans, the classification method is used.

While developing the LGD model, the gross LGD approach was used. At least 5-7 years of data are used while developing the model in accordance with the articles specified in the communique. For the initial validation activities, out-of-sample (OOS) and out-of-time (OOT) data is separated. As stated in the communique, it has been ensured that the LGD value of mortgage loans is at least 10%. The downturn period effect for the individual portfolio is added as a conservatism margin:

- A random sample is selected one thousand times, with the LGD values calculated for the performing and default groups equal to the number of observations for each product.
- In each sample, the average of LGD values for the performing and default groups is calculated.
- LGD averages calculated in the previous step were ordered for all segments and groups, and the 75th percentile was determined as LGD with a conservatism margin added.
- In order to reflect the effect of the downturn period, the 90th percentile was chosen after the LGD averages were ranked for all segments and groups.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

For Commercial LGD model, the total collection amount in the first year when the customers entered the liquidation process was calculated and this amount was deducted from the default amount of the following year. Thus, the default amounts remaining in the following years spent by the customer in the liquidation process are reflected. The annual collection has been made taking into account these default amounts. Thus, the year in which the collection rate was bad in the economic cycle was taken into account. The through-the-cycle (TtC) LGD of the annual calculated LGD values was found. The year with the largest percentage difference of the annual LGD values from the calculated TtC LGD was determined as the downturn year, and the related percentage difference was determined as the downturn period coefficient.

The saturation point values used for the time between the default event and the closing of the receivable are as follows.

Product / Portfolio	**Saturation Point**
Consumer loan	74
Auto loan	30
Overdraft	42
Mortgage	33
Credit card	50
Commercial portfolio	73
SME portfolio	68
Corporate portfolio	50

EAD model begins by associating defaulted loans with the 12-month risk and limit information before the default date. A random observation month is selected from the 12-month period from the date of default by the customer, and the EAD parameters are calculated accordingly. In product segmentation, arithmetic mean EAD ratios were calculated by considering business requirements and statistical significance. The last step is to add a conservatism margin as required in the Basel and IDD communiqué to create the final model.

As a result of the analysis made for individual credit cards and overdraft products, it was decided to use the 60th and 70th percentiles for the conservatism margin and downturn period effect ratios, respectively, in risk conversion factor (RCF), limit conversion factor (LCF) and Non-limit conversion factor (NLCF).

For business card and commercial overdraft products, five quantile is added over the model output for the conservatism margin and the model output for the downturn period effect.

As a result of the analysis made for noncash products, it was decided to use the 70th and 80th percentiles for the conservatism margin and downturn period effect ratios, respectively, in RCF, LCF and NLCF.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.3.3.5. Counterparty Credit Risk Amounts by Portfolio and PD Ranges

Current Period													
Foundation IRB	**PD Range**	**On-balance sheet amount**	**Off-balance sheet amount**	**Average CCF**	**Exposures post-CCF and CRM**	**Average PD**	**Number of Customers**	**Average LGD**	**Average Maturity**	**Risk Weighted Assets**	**RWA Density**	**Expected Loss**	**Provisions**
	0-0,15	117.107.414	287.309.991	52,81%	268.822.718	0,07%	32.453	43,81%	1,61	48.946.465	18,21%	86.799	90.484
	0,15-0,25	23.664.219	38.273.326	49,79%	42.719.601	0,20%	27.358	43,54%	1,40	14.932.201	34,95%	39.398	69.345
	0,25-0,5	38.956.705	51.298.628	47,90%	63.530.531	0,36%	9.267	42,78%	1,35	29.870.086	47,02%	102.859	218.105
	0,5-0,75	21.820.484	28.525.564	43,48%	34.223.053	0,62%	11.360	43,12%	1,39	21.770.669	63,61%	96.003	85.411
Exposures to corporates	0,75-2,5	101.645.380	70.832.065	47,15%	135.041.387	1,56%	18.835	42,15%	1,58	122.771.145	90,91%	949.584	1.149.449
	2,5-10	36.011.999	30.306.606	33,43%	46.144.847	5,03%	11.533	42,02%	1,43	60.741.314	131,63%	1.044.152	779.273
	10-100	15.872.947	2.263.979	46,41%	16.923.674	22,74%	1.786	42,89%	1,15	37.723.599	222,90%	1.731.591	1.478.565
	100 (default)	9.024.288	4.204.388	23,71%	10.021.104	100,00%	4.523	43,74%	2,50	-	-	7.218.386	5.423.050
	Subtotal	**364.103.436**	**513.014.547**	**49,38%**	**617.426.915**	**3,08%**	**113.310**	**43,12%**	**1,54**	**336.755.479**	**54,54%**	**11.268.772**	**9.293.682**
Advanced IRB	**PD Range**	**On-balance sheet amount**	**Off-balance sheet amount**	**Average CCF**	**Exposures post-CCF and CRM**	**Average PD**	**Number of Customers**	**Average LGD**	**Average Maturity**	**Risk Weighted Assets**	**RWA Density**	**Expected Loss**	**Provisions**
	0-0,15	20.187.962	150.878.983	60,52%	111.493.146	0,10%	1.846.005	50,85%	-	3.510.553	3,15%	54.701	38.778
	0,15-0,25	26.446.519	206.577.278	60,29%	150.997.583	0,19%	2.217.561	50,91%	-	8.429.196	5,58%	148.051	91.252
	0,25-0,5	8.830.978	50.546.442	61,93%	40.132.257	0,33%	620.270	51,52%	-	3.495.130	8,71%	67.870	38.590
	0,5-0,75	26.193.955	115.915.956	61,61%	97.610.901	0,64%	1.365.978	51,52%	-	14.519.729	14,88%	324.262	142.222
Qualifying Revolving Retail Exposures	0,75-2,5	41.300.599	128.825.371	61,58%	120.625.344	1,46%	1.975.018	51,65%	-	33.181.820	27,51%	908.649	398.806
	2,5-10	60.732.593	55.248.141	60,24%	94.012.202	5,29%	2.199.938	50,77%	-	61.211.676	65,11%	2.517.972	1.135.148
	10-100	16.607.274	2.025.260	66,28%	17.949.527	31,15%	442.099	50,28%	-	28.639.189	159,55%	2.815.406	1.093.085
	100 (default)	958.193	225	56,61%	958.320	100,00%	34.028	65,93%	-	105.461	11,00%	623.896	108.227
	Subtotal	**201.258.073**	**710.017.656**	**60,92%**	**633.779.280**	**2,28%**	**10.653.635**	**51,15%**	**-**	**153.092.754**	**24,16%**	**7.460.807**	**3.046.108**
	0-0,15	15.147.096	72.130.720	51,94%	52.608.689	0,09%	173.088	51,05%	-	6.385.746	12,15%	24.097	28.392
	0,15-0,25	10.228.250	29.912.008	52,36%	25.890.774	0,20%	168.704	50,92%	-	5.595.062	21,86%	25.914	31.746
	0,25-0,5	16.681.393	34.292.133	48,54%	33.326.112	0,35%	140.665	52,37%	-	10.745.935	32,37%	60.854	32.581
	0,5-0,75	12.600.099	18.909.278	51,67%	22.369.848	0,63%	121.843	50,89%	-	9.676.169	44,00%	70.481	53.846
Retail SME Exposures	0,75-2,5	42.637.183	39.507.384	48,44%	61.774.770	1,46%	244.614	50,58%	-	37.509.198	61,02%	451.313	183.571
	2,5-10	33.384.896	14.058.849	46,38%	39.905.717	5,14%	184.289	49,68%	-	31.127.280	77,97%	1.009.932	355.233
	10-100	14.571.863	2.905.696	39,05%	15.706.572	22,60%	58.890	48,73%	-	17.516.932	111,27%	1.725.548	489.076
	100 (default)	4.535.901	862.542	22,80%	4.732.592	100,00%	46.374	72,38%	-	835.547	17,13%	3.359.005	3.794.414
	Subtotal	**149.786.681**	**212.578.610**	**50,11%**	**256.315.074**	**4,54%**	**949.628**	**51,12%**	**-**	**119.391.869**	**46,70%**	**6.727.144**	**4.968.859**
	0-0,15	21.543.544	115.076.921	54,88%	84.696.111	0,10%	213.133	49,01%	-	10.524.842	12,55%	39.657	28.982
	0,15-0,25	33.291.262	109.555.318	56,49%	95.183.018	0,19%	319.867	50,49%	-	19.642.220	21,13%	90.428	59.369
	0,25-0,5	11.891.957	26.053.016	56,42%	26.591.473	0,33%	90.109	50,87%	-	7.880.629	30,19%	43.594	25.131
	0,5-0,75	43.080.439	56.298.969	56,65%	74.972.388	0,64%	340.537	52,78%	-	33.861.963	45,95%	248.614	117.094
Other Retail Exposures	0,75-2,5	64.377.655	40.885.932	56,68%	87.552.547	1,53%	468.800	54,61%	-	58.406.512	67,33%	722.513	325.630
	2,5-10	66.850.104	12.447.193	58,00%	74.069.558	5,24%	581.867	56,38%	-	65.634.190	88,76%	2.181.812	941.868
	10-100	19.928.195	309.580	64,72%	20.128.560	31,06%	200.198	59,03%	-	32.260.149	160,78%	3.648.992	1.391.614
	100 (default)	23.278.516	15.746	47,72%	23.286.030	100,00%	237.090	72,09%	-	1.991.599	8,39%	16.628.826	14.932.639
	Subtotal	**284.241.672**	**360.642.675**	**56,08%**	**486.479.685**	**7,44%**	**2.451.154**	**53,66%**	**-**	**230.202.104**	**47,87%**	**23.604.436**	**17.822.327**
	Total (All portfolios)	**635.286.426**	**1.283.238.941**	**57,77%**	**1.376.574.039**	**4,48%**	**12.628.863**	**51,71%**	**-**	**502.686.727**	**36,52%**	**37.792.387**	**25.837.294**
Other Items	**Subtotal**	**124.549.103**	**-**	**-**	**124.549.103**	**-**	**2**	**-**	**-**	**105.194.125**	**84,42%**	**-**	**-**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Prior Period

Foundation IRB	PD Range	On-balance sheet amount	Off-balance sheet amount	Average CCF	Exposures post-CCF and CRM	Average PD	Number of Customers	Average LGD	Average Maturity	Risk Weighted Assets	RWA Density	Expected Loss	Provisions
Exposures to corporates	0-0,15	60.459.577	157.551.108	53,96%	145.471.871	0,07%	29.052	43,84%	1,55	28.877.094	19,85%	46.099	87.554
	0,15-0,25	9.117.793	19.516.113	58,83%	20.599.449	0,20%	30.457	42,50%	1,39	7.435.044	36,09%	18.971	28.513
	0,25-0,5	30.596.048	39.379.179	47,03%	49.114.159	0,35%	12.249	42,19%	1,41	26.054.609	53,05%	77.969	102.971
	0,5-0,75	15.039.696	15.013.430	55,42%	23.360.385	0,62%	17.450	41,93%	1,31	16.147.057	69,12%	65.291	44.217
	0,75-2,5	90.547.804	55.148.384	46,55%	116.216.670	1,50%	23.424	41,41%	1,62	111.805.360	96,20%	786.764	4.760.783
	2,5-10	27.030.614	35.698.001	39,04%	40.966.132	4,96%	13.603	41,70%	1,38	55.418.918	135,28%	913.498	775.777
	10-100	9.899.941	5.259.687	32,76%	11.623.197	16,07%	1.772	39,97%	1,28	22.924.696	197,23%	840.563	578.838
	100 (default)	15.324.300	903.284	25,38%	15.553.528	100,00%	5.265	39,30%	2,50	-	0,00%	11.515.408	10.850.391
	Subtotal	**258.015.773**	**328.469.186**	**50,20%**	**422.905.391**	**5,12%**	**128.264**	**42,33%**	**1,54**	**268.662.778**	**63,53%**	**14.264.563**	**17.229.044**

Advanced IRB	PD Range	On-balance sheet amount	Off-balance sheet amount	Average CCF	Exposures post-CCF and CRM	Average PD	Number of Customers	Average LGD	Average Maturity	Risk Weighted Assets	RWA Density	Expected Loss	Provisions
Qualifying Revolving Retail Exposures	0-0,15	25.707.849	111.544.486	51,83%	83.516.266	0,10%	1.133.505	47,26%	-	2.971.538	3,56%	38.112	10.238
	0,15-0,25	29.801.222	123.629.624	51,85%	93.898.096	0,19%	1.639.783	47,10%	-	5.926.095	6,31%	85.184	22.561
	0,25-0,5	9.665.225	30.061.480	51,96%	25.284.343	0,33%	443.249	47,10%	-	2.527.327	10,00%	39.206	10.320
	0,5-0,75	27.051.529	72.821.293	52,02%	64.933.990	0,64%	1.128.864	47,12%	-	11.161.780	17,19%	196.473	41.094
	0,75-2,5	36.196.415	75.518.871	52,19%	75.606.560	1,47%	1.681.608	46,88%	-	24.264.197	32,09%	521.149	130.861
	2,5-10	36.488.561	29.003.465	53,02%	51.865.033	5,07%	1.839.194	46,25%	-	39.166.255	75,52%	1.211.055	380.544
	10-100	6.540.405	833.800	55,50%	7.003.192	30,05%	370.458	45,26%	-	12.472.298	178,09%	954.807	314.049
	100 (default)	204.371	94	57,01%	204.425	100,00%	9.701	57,77%	-	25.182	12,32%	116.685	16.957
	Subtotal	**171.655.577**	**443.413.113**	**52,02%**	**402.311.905**	**1,69%**	**8.246.362**	**46,96%**	**-**	**98.514.672**	**24,49%**	**3.162.671**	**926.624**
Retail SME Exposures	0-0,15	6.879.695	30.229.750	47,88%	21.354.651	0,09%	124.663	50,53%	-	2.863.704	13,45%	9.835	19.530
	0,15-0,25	5.764.203	14.224.618	48,65%	12.684.863	0,20%	146.699	50,35%	-	3.096.519	25,11%	12.398	18.884
	0,25-0,5	10.350.266	20.656.841	43,28%	19.291.472	0,35%	138.012	52,17%	-	6.671.069	34,81%	35.127	40.171
	0,5-0,75	8.204.354	10.360.482	47,57%	13.132.535	0,63%	122.579	50,97%	-	6.549.872	51,91%	40.557	37.429
	0,75-2,5	28.906.888	25.854.504	43,50%	40.152.417	1,48%	250.860	50,37%	-	26.828.923	67,58%	293.752	201.612
	2,5-10	22.950.320	9.442.108	43,03%	27.013.261	5,10%	183.354	49,36%	-	23.108.981	85,71%	672.808	384.188
	10-100	7.632.927	1.911.269	37,02%	8.340.424	20,13%	48.314	48,04%	-	9.360.660	112,01%	805.953	325.249
	100 (default)	2.326.572	573.610	22,49%	2.455.562	100,00%	44.614	78,16%	-	349.125	13,77%	1.892.187	2.534.893
	Subtotal	**93.015.225**	**113.253.182**	**45,39%**	**144.425.185**	**4,41%**	**873.533**	**50,84%**	**-**	**78.828.853**	**55,09%**	**3.762.617**	**3.561.956**
Other Retail Exposures	0-0,15	3.254.468	17.629.219	83,92%	18.049.567	0,10%	1.326.660	57,84%	-	2.714.628	15,80%	9.608	7.697
	0,15-0,25	11.923.996	26.069.337	84,05%	33.834.905	0,19%	1.605.158	58,44%	-	8.775.889	28,24%	35.200	22.171
	0,25-0,5	5.060.483	9.985.549	84,23%	13.471.619	0,32%	514.520	58,32%	-	5.279.857	41,06%	24.467	13.680
	0,5-0,75	23.564.427	19.748.700	84,52%	40.255.802	0,65%	1.117.343	59,20%	-	26.482.179	69,20%	147.112	49.121
	0,75-2,5	42.563.465	20.638.506	85,14%	60.135.400	1,51%	1.522.653	60,03%	-	61.908.558	105,44%	533.509	153.905
	2,5-10	59.100.241	6.504.176	88,89%	64.881.989	5,48%	1.388.250	60,87%	-	94.859.825	147,20%	2.149.861	522.859
	10-100	14.716.666	164.905	123,11%	14.919.684	30,44%	299.833	61,59%	-	35.956.173	242,87%	2.770.537	763.429
	100 (default)	8.963.115	7.467	36,56%	8.965.846	100,00%	174.674	75,80%	-	672.225	7,26%	6.742.747	6.311.746
	Subtotal	**169.146.861**	**100.747.859**	**84,73%**	**254.514.812**	**7,49%**	**7.935.175**	**60,37%**	**-**	**236.649.334**	**96,52%**	**12.413.041**	**7.844.608**
	Total (All portfolios)	**433.817.663**	**657.414.154**	**55,89%**	**801.251.902**	**3,93%**	**11.764.765**	**51,21%**	**-**	**413.992.859**	**51,67%**	**19.338.329**	**12.333.188**
Other Items	**Subtotal**	**82.549.994**	**-**	**-**	**82.549.994**	**-**	**2**	**-**	**-**	**66.709.358**	**80,76%**	**-**	**-**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.3.3.6. IRB: The effect of credit derivatives used as CRM technique on RWA

	Current Period	**RWA – PRE Credit**	**Actual RWA**
1	Exposures to central governments or central banks -Foundation IRB	-	-
2	Exposures to central governments or central banks -Advanced IRB	-	-
3	Exposures to banks and financial institutions - Foundation IRB	-	-
4	Exposures to banks and financial institutions - Advanced IRB	-	-
5	Exposures to corporates -Foundation IRB	337.875.902	337.875.902
6	Exposures to corporates - Advanced IRB	-	-
7	Specialised Lending - Foundation IRB	-	-
8	Specialised Lending - Advanced IRB	101.082.350	101.082.350
9	Retail exposures - Qualifying revolving	153.092.754	153.092.754
10	Retail exposures - secured by real estate	3.851.927	3.851.927
11	Retail exposures - SME	118.336.072	118.336.072
12	Retail Exposures - Other	227.406.344	227.406.344
13	Investments in equities - Foundation IRB	-	-
14	Investments in equities - Advanced IRB	-	-
15	Purchased Receivables - Foundation IRB	-	-
16	Purchased Receivables - Advanced IRB	-	-
17	Other Items - Advanced IRB	105.194.125	105.194.125
	Total	**1.046.839.474**	**1.046.839.474**

	Prior Period	**RWA – PRE Credit**	**Actual RWA**
1	Exposures to central governments or central banks -Foundation IRB	-	-
2	Exposures to central governments or central banks -Advanced IRB	-	-
3	Exposures to banks and financial institutions - Foundation IRB	-	-
4	Exposures to banks and financial institutions - Advanced IRB	-	-
5	Exposures to corporates -Foundation IRB	270.495.684	270.495.684
6	Exposures to corporates - Advanced IRB	-	-
7	Specialised Lending - Foundation IRB	-	-
8	Specialised Lending - Advanced IRB	101.324.821	101.324.821
9	Retail exposures - Qualifying revolving	98.514.672	98.514.672
10	Retail exposures - secured by real estate	3.734.310	3.734.310
11	Retail exposures - SME	77.802.811	77.802.811
12	Retail Exposures - Other	233.942.348	233.942.348
13	Investments in equities - Foundation IRB	-	-
14	Investments in equities - Advanced IRB	-	-
15	Purchased Receivables - Foundation IRB	-	-
16	Purchased Receivables - Advanced IRB	-	-
17	Other Items - Advanced IRB	66.709.358	66.709.358
	Total	**852.524.004**	**852.524.004**

3.3.3.7. RWA Movement Table Under IRB Approach [(1)]

		Current Period	**Prior Period**
1	Previous Period Closing Amount	849.958.363	556.692.068
2	Changes in Volume	334.808.972	215.651.230
3	Changes in Asset Quality	(44.867.320)	38.370.235
4	Model Updates	-	(36.176.926)
5	Policy and Regulatory Changes	(94.611.126)	75.421.756
6	Purchasing and Selling	-	-
7	FX Difference	-	-
8	Other	-	-
9	**Current Period Closing Amount**	**1.045.288.889**	**849.958.363**

(1) Counterparty credit risk is not included in the table.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

3.3.3.8. IRB: Back-testing of probability of default in each asset class

Asset classes	PD Range	Equivalent External Rating	Weighted Average PD	Mean PD By Borrower	Number of Borrowers Prior Period	Number of Borrowers Current Period	Borrowers in default within the year	Borrowers in default for the first time within the year	Average historical annual default rate
Corporate exposures - 1	0% - 0,14%	AAA to A+	0,06%	0,07%	28.034	31.425	15	1	0,03%
Corporate exposures - 2	0,14% - 0,41%	A to A-	0,26%	0,24%	43.384	37.468	55	19	0,07%
Corporate exposures - 3	0,41% - 1,17%	BBB+ to BBB-	0,71%	0,76%	26.968	19.041	120	31	0,21%
Corporate exposures - 4	1,17 %- 3,22%	BB+ to BB-	1,78%	2,03%	18.470	15.135	217	73	0,67%
Corporate exposures - 5	3,22% - 15,08%	B+ to B-	5,46%	6,33%	9.601	7.855	418	149	2,40%
Corporate exposures - 6	15,08%- 33,77%	CCC+ to CCC-	23,15%	26,61%	1.257	1.371	214	58	11,27%
Corporate exposures - 7	33,77% - 99,999%	CC	44,52%	43,57%	76	116	7	30	13,87%
Corporate exposures - 8	100%	D	100,00%	100,00%	5.265	4.523	-	-	-
	Subtotal	**Subtotal**	**3,07%**	**6,71%**	**128.447**	**113.432**	**1.046**	**361**	**0,72%**

Asset classes	PD Range	Equivalent External Rating	Weighted Average PD	Mean PD By Borrower	Number of Borrowers Prior Period	Number of Borrowers Current Period	Borrowers in default within the year	Borrowers in default for the first time within the year	Average historical annual default rate
Retail exposures - Qualifying revolving - 1	0% - 0,14%	AAA to A+	0,10%	0,10%	1.133.422	1.846.005	620	18	0,03%
Retail exposures - Qualifying revolving - 2	0,14% - 0,41%	A to A-	0,22%	0,22%	2.082.893	2.837.656	2.401	140	0,06%
Retail exposures - Qualifying revolving - 3	0,41% - 1,17%	BBB+ to BBB-	0,78%	0,78%	1.847.882	2.222.095	9.586	1.076	0,25%
Retail exposures - Qualifying revolving - 4	1,17 %- 3,22%	BB+ to BB-	2,29%	2,35%	1.675.623	2.023.419	28.011	3.793	0,80%
Retail exposures - Qualifying revolving - 5	3,22% - 15,08%	B+ to B-	7,14%	7,40%	1.185.894	1.340.065	70.115	16.090	3,02%
Retail exposures - Qualifying revolving - 6	15,08%- 33,77%	CCC+ to CCC-	31,37%	31,37%	310.947	399.345	60.485	1.692	13,28%
Retail exposures - Qualifying revolving - 7	33,77% - 99,999%	CC	-	-	-	-	-	-	15,49%
Retail exposures - Qualifying revolving - 8	100%	D	100,00%	100,00%	9.701	34.028	-	-	-
	Subtotal	**Subtotal**	**2,28%**	**3,31%**	**8.246.362**	**10.653.635**	**171.218**	**22.809**	**2,11%**

Asset classes	PD Range	Equivalent External Rating	Weighted Average PD	Mean PD By Borrower	Number of Borrowers Prior Period	Number of Borrowers Current Period	Borrowers in default within the year	Borrowers in default for the first time within the year	Average historical annual default rate
Retail exposures - SME - 1	0% - 0,14%	AAA to A+	0,08%	0,09%	110.864	154.875	71	6	0,04%
Retail exposures - SME - 2	0,14% - 0,41%	A to A-	0,27%	0,25%	279.200	308.927	439	77	0,11%
Retail exposures - SME - 3	0,41% - 1,17%	BBB+ to BBB-	0,74%	0,76%	203.568	204.743	1.044	195	0,36%
Retail exposures - SME - 4	1,17 %- 3,22%	BB+ to BB-	1,83%	2,08%	204.472	201.022	2.566	640	0,96%
Retail exposures - SME - 5	3,22% - 15,08%	B+ to B-	6,25%	6,55%	164.981	161.636	6.178	1.248	2,91%
Retail exposures - SME - 6	15,08%- 33,77%	CCC+ to CCC-	20,49%	23,65%	24.868	31.168	3.806	504	12,18%
Retail exposures - SME - 7	33,77% - 99,999%	CC	44,79%	46,36%	6.955	11.811	1.504	258	14,72%
Retail exposures - SME - 8	100%	D	100,00%	100,00%	44.478	46.250	-	-	-
	Subtotal	**Subtotal**	**4,54%**	**8,42%**	**873.544**	**949.633**	**15.608**	**2.928**	**1,31%**

Asset classes	PD Range	Equivalent External Rating	Weighted Average PD	Mean PD By Borrower	Number of Borrowers Prior Period	Number of Borrowers Current Period	Borrowers in default within the year	Borrowers in default for the first time within the year	Average historical annual default rate
Retail Exposures - Other -1	0% - 0,14%	AAA to A+	0,10%	0,10%	1.319.081	210.803	580	91	0,02%
Retail Exposures - Other- 2	0,14% - 0,41%	A to A-	0,22%	0,22%	2.094.436	403.720	3.194	793	0,08%
Retail Exposures - Other- 3	0,41% - 1,17%	BBB+ to BBB-	0,76%	0,77%	1.810.147	526.046	11.267	4.637	0,30%
Retail Exposures - Other- 4	1,17 %- 3,22%	BB+ to BB-	2,30%	2,34%	1.382.833	486.532	28.527	13.564	0,97%
Retail Exposures - Other- 5	3,22% - 15,08%	B+ to B-	6,95%	7,12%	822.884	373.577	50.773	17.587	3,13%
Retail Exposures - Other- 6	15,08%- 33,77%	CCC+ to CCC-	31,32%	31,32%	284.196	196.201	57.853	10.358	14,36%
Retail Exposures - Other- 7	33,77% - 99,999%	CC	-	-	-	-	-	-	2,34%
Retail Exposures - Other- 8	100%	D	100,00%	100,00%	174.507	236.948	-	-	-
	Subtotal	**Subtotal**	**7,44%**	**11,01%**	**7.888.084**	**2.433.827**	**152.194**	**47.030**	**1,19%**

Asset classes	PD Range	Equivalent External Rating	Weighted Average PD	Mean PD By Borrower	Number of Borrowers Prior Period	Number of Borrowers Current Period	Borrowers in default within the year	Borrowers in default for the first time within the year	Average historical annual default rate
Other Items - 1	-	-	-	-	2	2	-	-	-

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

3.3.3.9. IRB - Specialized lending and equity investments subject to the simple risk weight approach

Current Period

Specialised Lendings (Besides High-volatility Commercial Real Estates)

								Risk Amount			RWA Amount		
Category	**Remaining Maturity**	**On-balance sheet amount**	**Off-balance sheet amount**	**Counterparty credit risk**	**Risk Weight**	**Project Finance**	**Object Finance**	**Commodities Finance**	**Income Producing Real Estate**	**Total**	**Credit Risk**	**Counter Party Credit Risk**	**Expected Losses**
Strong	<2,5 year	-	-	44.732	50%	44.732	-	-	-	44.732	-	22.366	-
	≥2,5 year	16.708.194	2.089.216	300.343	70%	17.435.444	-	-	-	17.435.444	11.994.571	210.240	69.742
Good	<2,5 year	4.584.675	2.128.042	172.246	70%	5.000.665	60.250	-	292.564	5.353.479	3.626.863	120.572	21.414
	≥2,5 year	26.694.100	8.697.115	15.574	90%	31.387.927	287.175	-	-	31.675.102	28.493.574	14.018	253.401
Satisfactory		48.781.026	1.743.152	54.432	115%	30.964.047	1.592.242	-	16.661.229	49.217.518	56.537.549	62.597	1.378.091
Weak		-	-	-	250%	-	-	-	-	-	-	-	-
Default		2.597.870	43.999	-	-	1.911.443	-	-	695.416	2.606.859	-	-	1.303.429
Total		**99.365.865**	**14.701.524**	**587.327**		**86.744.258**	**1.939.667**	**-**	**17.649.209**	**106.333.134**	**100.652.557**	**429.793**	**3.026.077**

Prior Period

Specialised Lendings (Besides High-volatility Commercial Real Estates)

								Risk Amount			RWA Amount		
Category	**Remaining Maturity**	**On-balance sheet amount**	**Off-balance sheet amount**	**Counterparty credit risk**	**Risk Weight**	**Project Finance**	**Object Finance**	**Commodities Finance**	**Income Producing Real Estate**	**Total**	**Credit Risk**	**Counter Party Credit Risk**	**Expected Losses**
Strong	<2,5 year	302.209	-	2.269	50%	304.478	-	-	-	304.478	151.104	1.135	-
	≥2,5 year	12.946.602	-	212.690	70%	13.159.292	-	-	-	13.159.292	9.062.621	148.883	52.637
Good	<2,5 year	4.763.454	2.735.752	370.817	70%	5.115.539	70.568	-	507.164	5.693.271	3.725.718	259.572	22.773
	≥2,5 year	27.691.400	8.575.230	209.127	90%	31.947.121	1.051.471	-	-	32.998.592	29.510.518	188.215	263.989
Satisfactory		32.111.099	1.792.411	116.217	115%	27.941.076	1.321.337	-	3.393.370	32.655.783	37.420.502	133.648	914.362
Weak		8.285.342	18.698	-	250%	8.289.162	-	-	-	8.289.162	20.722.905	-	663.133
Default		-	32.666	-	-	6.675	-	-	-	6.675	-	-	3.337
Total		**86.100.106**	**13.154.757**	**911.120**		**86.763.343**	**2.443.376**	**-**	**3.900.534**	**93.107.253**	**100.593.368**	**731.453**	**1.920.231**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.4. Explanation on counterparty credit risk

3.4.1. Qualitative evaluation for Counterparty Credit Risk

Counterparty Credit Risk (CCR) is organized under Market Risk Management and is functioning within the scope of "Regulation on the Measurement and Evaluation of the Capital Adequacy of Banks". These functions include counterparty credit risk calculations within general risk appetite and control process of risk management policies for CCR.

Credit limits under CCR are defined within the scope of internal model method, specified in "Regulation on the Measurement and Evaluation of the Capital Adequacy of Banks - Appendix 2", considering various stress scenarios.

General policies for collaterals and provisions under credit risk management are also valid for CCR. Exposure and collateral values are calculated on a daily basis. In order to mitigate the counterparty credit risk, international framework agreements (ISDA, CSA, GMRA, etc.) are being used through collateral and margin call mechanisms.

In case of a downgrade in credit note, the amount of additional collateral the Bank has to provide is calculated periodically under several stress scenarios.

3.4.2. Assessment of Counterparty Credit Risk according to the models of measurement

	Current Period	Revaluation Cost	Potential credit risk exposure	EEPE[(1)]	Alpha used for computing regulatory EAD	Exposure after credit risk mitigation	Risk Weighted Amounts
1	Standart Approach-CCR	12.313.438	-	-	1,40	12.313.438	5.435.000
2	Internal Model Approach			-	-	-	-
3	Simplified Standardised Approach for Credit Risk Mitigation					-	-
4	Comprehensive Method for Credit Risk Mitigation					6.372.190	1.275.024
5	Value at Risk for Repo Transactions, Securities or Commodity lending or borrowing transactions					-	-
	Total						**6.710.024**

	Prior Period	Revaluation Cost	Potential credit risk exposure	EEPE[(1)]	Alpha used for computing regulatory EAD	Exposure after credit risk mitigation	Risk Weighted Amounts
1	Standart Approach-CCR	20.007.429	-	-	1,40	20.007.429	7.076.800
2	Internal Model Approach			-	-	-	-
3	Simplified Standardised Approach for Credit Risk Mitigation					-	-
4	Comprehensive Method for Credit Risk Mitigation					11.441.715	3.073.002
5	Value at Risk for Repo Transactions, Securities or Commodity lending or borrowing transactions					-	-
	Total						**10.149.802**

(1) Effective expected positive exposure

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.4.3. Credit valuation adjustment (CVA) capital charge

		Current Period		Prior period	
		Exposure (After credit risk mitigation methods)	Risk Weighted Amounts	Exposure (After credit risk mitigation methods)	Risk Weighted Amounts
	Total portfolio value with comprehensive approach CVA capital adequacy	-	-	-	-
1	(i) Value at risk component (3*multiplier included)	-	-	-	-
2	(ii) Stressed Value at Risk (3*multiplier included)	-	-	-	-
3	Total portfolio value with simplified approach CVA capital adequacy	12.313.438	2.504.925	20.007.429	3.813.850
	Total amount of CVA capital adequacy	**12.313.438**	**2.504.925**	**20.007.429**	**3.813.850**

3.4.4. Standardised approach – CCR exposures by regulatory portfolio and risk weights

	Current Period											
	Risk Weights/Risk Classes	**0%**	**2%**	**4%**	**10%**	**20%**	**35%**	**50%**	**75%**	**100%**	**150%**	**Total credit risk[1]**
1	Central governments and central banks receivables	8.652	-	-	-	-	-	-	-	-	-	8.652
2	Local governments and municipalities receivables	-	-	-	-	-	-	-	-	-	-	-
3	Administrative and non commercial receivables	-	-	-	-	-	-	-	-	25	-	25
4	Multilateral Development Bank receivables	-	-	-	-	-	-	-	-	-	-	-
5	Banks and Intermediary Institutions receivables	-	-	-	-	9.744.258	-	5.476.128	-		-	15.220.386
6	Corporate receivables	-	-	-	-	-	-	76.559	-	430.463	-	507.022
7	Retail receivables	-	-	-	-	-	-	-	5.007	-	-	5.007
8	Mortgage receivables	-	-	-	-	-	-	-	-	-	-	-
9	Non performing receivables	-	-	-	-	-	-	-	-	-	-	-
10	High risk defined receivables	-	-	-	-	-	-	-	-	-	-	-
11	Investments in equities	-	-	-	-	-	-	-	-	-	-	-
12	Other receivables	-	-	-	-	-	-	-	-	-	-	-
	Total	**8.652**	**-**	**-**	**-**	**9.744.258**	**-**	**5.552.687**	**5.007**	**430.488**	**-**	**15.741.092**

	Prior Period											
	Risk Weights/Risk Classes	**0%**	**2%**	**4%**	**10%**	**20%**	**35%**	**50%**	**75%**	**100%**	**150%**	**Total credit risk[1]**
1	Central governments and central banks receivables	5.224.021	-	-	-	-	-	-	-	-	-	5.224.021
2	Local governments and municipalities receivables	-	-	-	-	-	-	-	-	-	-	-
3	Administrative and non commercial receivables	-	-	-	-	-	-	-	-	-	-	-
4	Multilateral Development Bank receivables	-	-	-	-	-	-	-	-	-	-	-
5	Banks and Intermediary Institutions receivables	-	-	-	-	13.793.910	-	7.974.107	-	668.606	-	22.436.623
6	Corporate receivables	-	-	-	-	-	-	-	-	169.415	-	169.415
7	Retail receivables	-	-	-	-	-	-	-	405	-	-	405
8	Mortgage receivables	-	-	-	-	-	-	-	-	-	-	-
9	Non performing receivables	-	-	-	-	-	-	-	-	-	-	-
10	High risk defined receivables	-	-	-	-	-	-	-	-	-	-	-
11	Investments in equities	-	-	-	-	-	-	-	-	-	-	-
12	Other receivables	-	-	-	-	-	-	-	-	-	-	-
	Total	**5.224.021**	**-**	**-**	**-**	**13.793.910**	**-**	**7.974.107**	**405**	**838.021**	**-**	**27.830.464**

(1) Includes credit risk amounts of total exposure after applying credit risk mitigations.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.4.5. Counterparty Credit Risk Amounts by Portfolio and PD Ranges

Current Period

Foundation IRB	PD Range	Exposures post CRM	Average PD	Number of Customers	Average LGD	Average Maturity	Risk Weighted Assets	RWA Density
Exposures to corporates	0-0,15	1.232.417	0,05%	86	45,00%	1,23	166.315	13,50%
	0,15-0,25	45.230	0,21%	5	45,00%	1,00	14.658	32,41%
	0,25-0,5	346.291	0,34%	15	45,00%	1,37	166.897	48,20%
	0,5-0,75	189.765	0,62%	3	45,00%	1,98	141.490	74,56%
	0,75-2,5	226.381	1,29%	9	45,00%	1,04	196.220	86,68%
	2,5-10	314.391	3,33%	3	45,00%	2,37	434.843	138,31%
	10-100	-	-	-	-	-	-	-
	100 (default)	-	-	-	-	-	-	-
	Subtotal	**2.354.475**	**0,70%**	**121**	**45,00%**	**1,44**	**1.120.423**	**47,59%**

Advanced IRB	PD Range	Exposures post CRM	Average PD	Number of Customers	Average LGD	Average Maturity	Risk Weighted Assets	RWA Density
Qualifying Revolving Retail Exposures	0-0,15	-	-	-	-	-	-	-
	0,15-0,25	-	-	-	-	-	-	-
	0,25-0,5	-	-	-	-	-	-	-
	0,5-0,75	-	-	-	-	-	-	-
	0,75-2,5	-	-	-	-	-	-	-
	2,5-10	-	-	-	-	-	-	-
	10-100	-	-	-	-	-	-	-
	100 (default)	-	-	-	-	-	-	-
	Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Retail-SME Exposures	0-0,15	2.536	0,11%	4	46,26%	-	311	12,26%
	0,15-0,25	-	-	-	-	-	-	-
	0,25-0,5	198	0,38%	1	45,83%	-	59	29,89%
	0,5-0,75	-	-	-	-	-	-	-
	0,75-2,5	-	-	-	-	-	-	-
	2,5-10	-	-	-	-	-	-	-
	10-100	-	-	-	-	-	-	-
	100 (default)	-	-	-	-	-	-	-
	Subtotal	**2.734**	**0,13%**	**5**	**46,23%**	**-**	**370**	**13,54%**
Other Retail Exposures	0-0,15	-	-	-	-	-	-	-
	0,15-0,25	-	-	-	-	-	-	-
	0,25-0,5	-	-	-	-	-	-	-
	0,5-0,75	-	-	-	-	-	-	-
	0,75-2,5	-	-	-	-	-	-	-
	2,5-10	-	-	-	-	-	-	-
	10-100	-	-	-	-	-	-	-
	100 (default)	-	-	-	-	-	-	-
	Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Total (All portfolios)	**2.734**	**0,13%**	**5**	**46,23%**	**-**	**370**	**13,54%**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

Prior Period									
Foundation IRB	**PD Range**	**Exposures post CRM**	**Average PD**	**Number of Customers**	**Average LGD**	**Average Maturity**	**Risk Weighted Assets**	**RWA Density**
Exposures to corporates	0-0,15	996.585	0,07%	112	43,59%	1,80	204.461	20,52%
	0,15-0,25	47.347	0,21%	3	44,99%	1,00	15.341	32,40%
	0,25-0,5	15.427	0,37%	14	44,69%	1,15	7.349	47,64%
	0,5-0,75	67.087	0,62%	7	34,76%	1,00	32.175	47,96%
	0,75-2,5	1.549.917	1,66%	36	44,98%	1,61	1.551.813	100,12%
	2,5-10	19.472	3,25%	10	44,80%	1,00	21.767	111,79%
	10-100	14	12,36%	1	-	1,00	-	-
	100 (default)	-	-	-	-	-	-	-
	Subtotal	**2.695.849**	**1,03%**	**183**	**44,21%**	**1,65**	**1.832.906**	**67,99%**

Advanced IRB	**PD Range**	**Exposures post CRM**	**Average PD**	**Number of Customers**	**Average LGD**	**Average Maturity**	**Risk Weighted Assets**	**RWA Density**
Qualifying Revolving Retail Exposures	0-0,15	-	-	-	-	-	-	-
	0,15-0,25	-	-	-	-	-	-	-
	0,25-0,5	-	-	-	-	-	-	-
	0,5-0,75	-	-	-	-	-	-	-
	0,75-2,5	-	-	-	-	-	-	-
	2,5-10	-	-	-	-	-	-	-
	10-100	-	-	-	-	-	-	-
	100 (default)	-	-	-	-	-	-	-
	Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Retail-SME Exposures	0-0,15	10.592	0,05%	6	53,37%	-	866	8,18%
	0,15-0,25	186	0,21%	1	45,83%	-	37	20,05%
	0,25-0,5	603	0,38%	1	50,48%	-	199	32,92%
	0,5-0,75	-	-	-	-	-	-	-
	0,75-2,5	330	1,72%	3	43,46%	-	180	54,43%
	2,5-10	-	-	-	-	-	-	-
	10-100	-	-	-	-	-	-	-
	100 (default)	-	-	-	-	-	-	-
	Subtotal	**11.711**	**0,12%**	**11**	**52,83%**	**-**	**1.282**	**10,94%**
Other Retail Exposures	0-0,15	-	-	-	-	-	-	-
	0,15-0,25	-	-	-	-	-	-	-
	0,25-0,5	-	-	-	-	-	-	-
	0,5-0,75	-	-	-	-	-	-	-
	0,75-2,5	-	-	-	-	-	-	-
	2,5-10	-	-	-	-	-	-	-
	10-100	-	-	-	-	-	-	-
	100 (default)	-	-	-	-	-	-	-
	Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Total (All portfolios)	**11.711**	**0,12%**	**11**	**52,83%**	**-**	**1.282**	**10,94%**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.4.6. Composition of collateral for CCR exposure

		Collaterals for Derivatives				Collaterals or Other Transactions	
	Current Period	**Collaterals Taken**		**Collaterals Given**		**Collaterals Taken**	**Collaterals Given**
		Segregated	**Unsegregated**	**Segregated**	**Unsegregated**		
1	Cash-domestic currency	-	-	-	-	171.333.829	-
2	Cash-foreign currency	-	-	-	-	12.175.791	-
3	Domestic sovereign debts	-	-	-	-	-	205.093.339
4	Other sovereign debt	-	-	-	-	-	16.468.763
5	Government agency debt	-	-	-	-	-	-
6	Corporate debts	-	-	-	-	-	-
7	Equity securities	-	-	-	-	-	-
8	Other collateral	-	-	-	-	-	-
	Total	**-**	**-**	**-**	**-**	**183.509.620**	**221.562.102**

		Collaterals for Derivatives				Collaterals or Other Transactions	
	Prior Period	**Collaterals Taken**		**Collaterals Given**		**Collaterals Taken**	**Collaterals Given**
		Segregated	**Unsegregated**	**Segregated**	**Unsegregated**		
1	Cash-domestic currency	-	-	-	-	10.141.150	-
2	Cash-foreign currency	-	-	-	-	23.442.947	-
3	Domestic sovereign debts	-	-	-	-	-	10.529.941
4	Other sovereign debt	-	-	-	-	-	34.325.510
5	Government agency debt	-	-	-	-	-	-
6	Corporate debts	-	-	-	-	-	-
7	Equity securities	-	-	-	-	-	-
8	Other collateral	-	-	-	-	-	-
	Total	**-**	**-**	**-**	**-**	**33.584.097**	**44.855.451**

3.4.7. Credit derivatives exposures

	Current Period		Prior Period	
	Protection Bought	**Protection Sold**	**Protection Bought**	**Protection Sold**
Nominal				
Single-name credit default swaps	-	-	-	-
Index credit default swaps	-	-	-	-
Total return swaps	-	74.908.138	-	71.331.874
Credit Options	-	-	-	-
Other Credit Derivatives	-	-	-	-
Total Nominal	**-**	**74.908.138**	**-**	**71.331.874**
Rediscount Amount	**-**	**(340.032)**	**-**	**(1.298.906)**
Positive rediscount amount (asset)	-	2.589.576	-	2.449.816
Negative rediscount amount (liabilities)	-	(2.929.608)	-	(3.748.722)

3.4.8. Exposures to central counterparties

		Current Period		Prior Period	
		Exposure at default (post-CRM)	**RWA**	**Exposure at default (post-CRM)**	**RWA**
1	**Exposure to Qualified Central Counterparties (QCCPs) (Total)**		**1.041.839**		**293.442**
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	-	-	-	-
3	(i) OTC Derivatives	9.576.160	371.608	7.354.368	290.570
4	(ii) Exchange-traded Derivatives	-	-	-	-
5	(iii) Securities financing transactions	31.853.846	637.077	-	-
6	(iv) Netting sets where cross-product netting has been approved	-	-	-	-
7	Segregated initial margin	-		-	
8	Non-segregated initial margin	-	-	-	-
9	Pre-funded default fund contributions	1.657.700	33.154	143.600	2.872
10	Unfunded default fund contributions	-	-	-	-
11	**Exposures to non-QCCPs (Total)**	-	-	-	-
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which)	-	-	-	-
13	(i) OTC Derivatives	-	-	-	-
14	(ii) Exchange-traded Derivatives	-	-	-	-
15	(iii) Securities financing transactions	-	-	-	-
16	(iv) Netting sets where cross-product netting has been approved	-	-	-	-
17	Segregated initial margin	-		-	
18	Non-segregated initial margin	-	-	-	-
19	Pre-funded default fund contributions	-	-	-	-
20	Unfunded default fund contributions	-	-	-	-

3.5. Securitisations

None.

3.6. Explanations on consolidated market risk

3.6.1. Qualitative disclosure on market risk

Market Risk Management department monitors the interest rate, exchange rate, stock, commodity and credit spread risks arising from the main financial activities of the Group on a daily basis and measures the probability of loss that may arise from the related risks by using internal model. Risks measured are regularly reported to the business units, their compliance with Bank's risk appetite is monitored and impacts on capital requirement are analyzed. By taking into account the distinction between banking and trading portfolios, analyses and measurements enable Market Risk Management to determine specific limits on sub-portfolio / product levels.

Market risks that the Group is exposed to are assessed and managed by a triple structure consisting of Treasury, Financial Planning and Market Risk Management Units. The Board of Directors, the Executive Committee and the Audit Committee have primary responsibility for management of such risks. Both Top management and the sub-units are responsible for managing the risks taking into account constraints and targets such as Bank's interest rate sensitivity, liquidity constraints, funding sources, budget targets, medium and long-term capital planning and profitability of the products in operation.

Models, strategies and processes that are accurate and integrated in accordance with risks the Group is or may be exposed to have been established. Automated reporting and validation activities are carried out for effective analysis, monitoring and control mechanisms. Risk management infrastructure integrated with day-to-day activities enabling monitor and measurement independently from executive activities; and supports business and decision-making processes has been established. Policies, processes, targets, roles / responsibilities, and regular trainings are the main elements of the Bank's dissemination of risk culture and awareness. Systems and structures compatible with international best practices and in line with the risk appetite are available for risk management.

The Group implements internal policies and procedures that are reviewed and approved at least once a year by the Board of Directors in order to manage market risks arising from on and off-balance sheet liabilities. Based on the principles mentioned in Regulatory Authority's directives and best practice guidelines, internal policies determine responsibilities and practitioners for identification, measurement, monitoring and reporting of the risks in line with the risk appetite and needs of the Group; lay the groundwork for granting limits in the Bank; and guide the actions to be taken in case of risk appetite is exceeded.

Market Risk Management organization consists of 4 sub-units; Market Risk Analysis, Asset-Liability Management and Affiliates Coordination, Counterparty Risk and Collateral Management and Risk Methodologies and Market Data Analysis units.

Market Risk Analysis unit; carry out the activities such as measuring and setting limits for risks arising from Financial assets where fair value change is reflected to income statement and Financial assets where fair value change is reflected to other comprehensive income statement using advanced internal methods (Value at Risk, Base Point Value Sensitivity etc.), complying policies and procedures with new regulations and best practices, product-based risk analysis, developing risk measurement and valuation techniques and applying stress tests.

Asset Liability Management and Subsidiaries Coordination unit; enables the Bank to measure the liquidity risk, manage the structural interest rate exposure, manage the protection procedures and the protection accounting processes used to reduce the risk of re-pricing. Follows the concentration of the bank's funding side. Also paves the way for implementation of Bank-side risk applications and risk culture in the Bank's subsidiaries, plays an active role in risk appetite determination and coordination processes.

Counterparty Risk and Collateral Management Unit calculates the exposures of over the counter (OTC) derivative transactions via internal model method and manages the inclusion of these exposures into the monitoring and the credit underwriting processes.

The Risk Methodologies and Market Data Analysis unit provides unbiased management of all market data related to treasury products under the risk management framework. The unit is responsible for the verification of fair values, and transfer of related data sources to the banking system.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.6.2. Market risk under standardised approach

		Current Period Risk Weighted Asset	Prior Period Risk Weighted Asset
	Outright products	**17.999.136**	**14.480.549**
1	Interest rate risk (general and specific)	5.781.863	1.934.339
2	Equity risk (general and specific)	81.900	73.775
3	Foreign exchange risk	10.440.235	12.264.147
4	Commodity risk	1.695.138	208.288
	Options	**635.362**	**32.150**
5	Simplified approach	-	-
6	Delta-plus method	635.362	32.150
7	Scenario approach	-	-
8	Securitisation	-	-
	Total	**18.634.498**	**14.512.699**

3.7. Explanations on Operational Risk

The Bank calculates the amount subject to operational risk based on "Basic Indicator Method" by using 2023, 2022 and 2021 year-end gross income balances of the Bank, in accordance with Section 3 of the "Regulation Regarding Measurement and Evaluation of Banks' Capital Adequacy Ratio", published in the Official Gazette No. 29511 dated October 23, 2015, namely "The Calculation of the Amount Subject to Operational Risk". As of December 31, 2024, the total amount subject to operational risk is TL 169.906.912 (December 31, 2023 - TL 99.403.270) and the amount of the related capital requirement is TL 13.592.553 (December 31, 2023 - TL 7.952.262).

Current Period	**2 Prior Period Value**	**1 Prior Period Value**	**Current Period value**	**Total / Total number of years for**	**Rate (%)**	**Total**
Gross Income	32.434.838	102.553.996	136.862.225	90.617.020	15,00%	13.592.553
Amount subject to operational risk (Total*12,5)						**169.906.912**

Prior Period	**2 Prior Period Value**	**1 Prior Period Value**	**Current Period value**	**Total / Total number of years for**	**Rate (%)**	**Total**
Gross Income	24.056.398	32.434.838	102.553.996	53.015.077	15,00%	7.952.262
Amount subject to operational risk (Total*12,5)						**99.403.270**

3.8. Interest rate risk arising from banking accounts:

Interest rate risk means possible losses on financial structure or equity of the Bank by movements in interest rates. Changes in interest rates affect the Bank's earnings by changing the level of net interest incomes, other interest sensitive incomes and operating expenses. The change in interest rates also affects the underlying values of the Bank's assets for active, passive and off-balance sheet items by changing the economic values of future cash flows (and in some cases, the cash flows themselves).

Interest rate risk has three main reasons:

- Repricing Risk: It is caused by the inconsistency in pricing of active and passive items.
- Yield Curve Risk: It results from the variation of the curve and shape of the yield curve.
- Basis Risk: It's due to the low correlation of the earned and paid interest yields of different financial instruments with peer revaluation structure.

The customer's prepayment risk (option risk) is indirectly taken into account in managing and following the interest rate risk by following a specific risk protection rate.

Within the scope of the interest rate risk arising from banking accounts, the core deposit analysis for demand deposits is carried out according to the maximum maturity structure of the same regulation. In core deposit analysis, it is possible to distribute demand deposits up to 3 times using behavioral models reviewed once a year.

In addition, Consumer Price Index bonds model and early payment model in real estate and consumer loans are also considered in the calculation of interest rate risk.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Interest rate risk is monitored weekly through internal reports and reports made to the Executive Board on a monthly basis.

In accordance with the "Regulation on Measurement and Evaluation of the Interest Rate on Banking Accounts by Standard Shock Method", the economic value differences arising from fluctuations in interest rates are stated in the table below as of December 31, 2024, based on the significant currencies of the Parent Bank.

		Current Period		Prior Period	
Currency	**Applied shock (+/- x basis points)**	**Gains/Losses**	**Gains/Equity-Losses/Equity**	**Gains/Losses**	**Gains/Equity-Losses/Equity**
TRY	(+)500bp	(13.534.702)	(5,36)%	(12.799.786)	(6,02)%
TRY	(-)400bp	12.957.787	5,13%	12.614.309	5,94%
EUR	(+)200bp	98.768	0,04%	1.547.843	0,73%
EUR	(-)200bp	99.000	0,04%	(1.554.431)	(0,73)%
USD	(+)200bp	(3.868.967)	(1,53)%	(6.799.301)	(3,20)%
USD	(-)200bp	5.188.412	2,06%	8.458.759	3,98%
Total (For negative shocks)		**18.245.199**	**7,23%**	**19.518.637**	**9,19%**
Total (For positive shocks)		**(17.304.901)**	**(6,86)%**	**(18.051.244)**	**(8,50)%**

4. Explanations on consolidated currency risk:

The difference between the Group's foreign currency denominated and foreign currency indexed on- and off-balance sheet assets and liabilities is defined as the "Net Foreign Currency Position" and it is the basis of currency risk. Cross currency risk is also taken into consideration for the currency risk calculations and measurements.

The Group keeps the amount of currency risk exposure within the related legal limits and follows the exchange position on a daily/regular basis. In addition, although the internal exchange position limit is lower when compared to the related legal limit, there has not been any limit exceeding during the period. As an instrument of currency risk management, derivatives such as swap and forwards are used to reduce risk whenever needed. In order to guard against extreme volatility during the year stress tests are applied. Value at risk method is used for the measurement of foreign exchange risk.

The details of hedging of the foreign currency debt instruments and net foreign currency investment risk with derivative instruments are disclosed in section four Note 10.

The Parent Bank's publicly announced foreign exchange bid rates as of the date of the financial statements and for the last five working days prior to that date are as follows:

(Exchange rates presented as full TL)	USD	EUR
Balance sheet evaluation rate:	**35,2803**	**36,7362**
First day current bid rate	35,2233	36,7429
Second day current bid rate	35,1368	36,6134
Third day current bid rate	35,2033	36,6076
Fourth day current bid rate	35,2162	36,6592
Fifth day current bid rate	35,1814	36,5693
Arithmetic average of the last 31 days:	**34,9254**	**36,5796**
Evaluation rate as of prior period:	**29,4382**	**32,5739**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Information on currency risk of the Group:

Current Period	EUR	USD	Other FC[4]	Total
Assets				
Cash (Cash in hand, effectives, cash in transit, cheques purchased) and balances with the CBRT	70.673.522	100.266.772	34.265.342	205.205.636
Banks	21.438.054	31.749.985	1.019.993	54.208.032
Financial assets measured at fair value through profit or loss	4.619	1.695.663	-	1.700.282
Money market placements	-	-	-	-
Financial assets measured at fair value through other comprehensive income	1.552.911	26.153.820	1.586.991	29.293.722
Loans [1]	228.771.125	197.570.367	24.413.319	450.754.811
Investments in associates, subsidiaries and joint ventures	-	-	7.820.018	7.820.018
Financial assets measured at amortised cost	24.515.407	112.956.982	-	137.472.389
Hedging derivative financial assets	337.148	1.661.634	-	1.998.782
Tangible assets	50.219	-	367.252	417.471
Other assets [2]	15.771.779	38.490.244	4.533.569	58.795.592
Total assets	**363.114.784**	**510.545.467**	**74.006.484**	**947.666.735**
Liabilities				
Bank deposits	247.733	345.057	3.081	595.871
Foreign currency deposits	198.549.653	231.203.086	131.680.291	561.433.030
Funds from money market	4.324.218	12.107.237	-	16.431.455
Funds borrowed from other financial institutions	68.613.612	136.311.452	915.844	205.840.908
Marketable securities issued	21.173.083	117.276.773	2.192.326	140.642.182
Miscellaneous payables	2.159.650	2.588.121	94.906	4.842.677
Hedging derivative financial liabilities	-	-	-	-
Other liabilities[3]	10.943.927	143.650.931	484.897	155.079.755
Total liabilities	**306.011.876**	**643.482.657**	**135.371.345**	**1.084.865.878**
Net on balance sheet position	**57.102.908**	**(132.937.190)**	**(61.364.861)**	**(137.199.143)**
Net off balance sheet position[5]	**(56.546.595)**	**129.307.823**	**71.191.937**	**143.953.165**
Derivative financial assets	77.493.100	231.715.891	74.860.328	384.069.319
Derivative financial liabilities	134.039.695	102.408.068	3.668.391	240.116.154
Net position	**556.313**	**(3.629.367)**	**9.827.076**	**6.754.022**
Non-cash loans	**110.884.130**	**138.345.494**	**20.011.773**	**269.241.397**
Prior Period				
Total assets	255.027.481	414.453.251	47.601.572	717.082.304
Total liabilities	272.169.829	514.700.398	92.266.219	879.136.446
Net on balance sheet position	**(17.142.348)**	**(100.247.147)**	**(44.664.647)**	**(162.054.142)**
Net off balance sheet position[5]	**17.561.107**	**99.250.354**	**52.600.859**	**169.412.320**
Financial derivative assets	45.738.572	215.805.488	55.456.249	317.000.309
Financial derivative liabilities	28.177.465	116.555.134	2.855.390	147.587.989
Net position	**418.759**	**(996.793)**	**7.936.212**	**7.358.178**
Non-cash loans	**94.171.639**	**101.713.626**	**14.030.571**	**209.915.836**

(1) Includes FX indexed loans amounting to TL 78.252 (December 31, 2023 - TL 115.545) which have been disclosed as TL in the financial statements.
(2) Does not include foreign currency prepaid expenses amounting to TL 2.770.340 (December 31, 2023 - TL 2.603.455) and intangible assets amounting to TL 233.175 (December 31, 2023 - TL 130.179).
(3) Does not include provisions for employee benefits and foreign currency other comprehensive income / expense under equity.
(4) Other FC column also includes gold balance.
(5) Forward transactions classified as commitments are also included.

Currency risk sensitivity analysis:

The table below represents the sensitivity of the Parent Bank to 15% change of currency exchange rates (USD and EUR).

15% change is the assumption of parity change that may be faced in a possible fluctuation used in the Bank's stress test scenarios.

	Current Period	Prior Period
Change in currency exchange rates [1]	**Profit/loss effect [2]**	**Profit/loss effect [2]**
(+) 15%	39.171	(890.153)
(-) 15%	404.689	1.335.195

(1) Represents the balances of the Parent Bank.
(2) Excluding tax effect

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

5. Explanations on consolidated interest rate risk:

The monitoring of interest rate sensitive assets and liabilities of the Parent Bank, including sensitivity analysis regarding the effect of interest rate fluctuations on the financial statements, is performed by the risk management department for all interest sensitive instruments over carrying values. The results are presented monthly to the Asset and Liability Management function of the Executive Committee. By using sensitivity and scenario analyses, the possible effects by interest rate volatility are analyzed. In these analyses possible losses are calculated for the change in fair value of interest sensitive products by applying shock tests to interest rates.

Sensitivity analyses are also calculated daily within Market Risk reporting on the basis of maturity and foreign exchange types and reported to Senior Management by checking them against the determined limits.

The Parent Bank utilizes TL/FC and TL/TL interest rate and money swap transactions in order to limit the interest and foreign currency risk arising from short-term deposit and long-term consumer loans within the balance sheet.

5.1. 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[(1)]							
Cash (cash in hand, effectives, cash in transit, cheques purchased) and balances with the CBRT	146.735.078	-	-	-	-	268.646.273	415.381.351
Banks	8.070.244	6.958.426	15.124.610	2.355.195	-	31.037.407	63.545.882
Financial assets measured at fair value through profit or loss	890.310	16.032	1.716	48.096	227.104	1.720.104	2.903.362
Receivables from money markets	-	-	-	-	-	-	-
Financial assets measured at fair value through other comprehensive income	18.037.277	28.586.084	17.618.319	21.130.495	48.084.455	232.882	133.689.512
Loans [(2)]	437.667.078	141.992.392	434.873.369	262.266.128	51.069.491	(7.722.645)	1.320.145.813
Financial assets measured at amortised cost	155.877.466	19.639.592	24.674.553	94.054.356	93.679.410	(156.523)	387.768.854
Other assets	1.793.159	3.538.945	9.713.164	5.701.841	3.498.267	206.200.634	230.446.010
Total assets	**769.070.612**	**200.731.471**	**502.005.731**	**385.556.111**	**196.558.727**	**499.958.132**	**2.553.880.784**
Liabilities							
Bank deposits	10.758.819	4.674.741	9.412.120	437.593	-	1.284.464	26.567.737
Other deposits	552.111.792	149.781.199	36.502.262	12.040.656	819.807	596.433.950	1.347.689.666
Funds from money market	195.188.819	511.906	309.870	-	-	-	196.010.595
Miscellaneous payables	-	-	-	-	-	114.319.178	114.319.178
Marketable securities issued	11.604.386	37.401.316	48.537.963	53.626.053	-	-	151.169.718
Funds borrowed from other financial institutions	85.701.782	133.167.178	65.775.629	11.667.296	1.018.516	-	297.330.401
Other liabilities[(3)]	5.008.495	82.805.988	4.816.593	40.644.897	27.931.102	259.586.414	420.793.489
Total liabilities	**860.374.093**	**408.342.328**	**165.354.437**	**118.416.495**	**29.769.425**	**971.624.006**	**2.553.880.784**
Balance sheet long position	**-**	**-**	**336.651.294**	**267.139.616**	**166.789.302**	**-**	**770.580.212**
Balance sheet short position	**(91.303.481)**	**(207.610.857)**	**-**	**-**	**-**	**(471.665.874)**	**(770.580.212)**
Off-balance sheet long position	-	-	12.732.735	-	-	-	12.732.735
Off-balance sheet short position	(19.443.100)	(4.469.149)	-	(40.130)	(3.422.888)	-	(27.375.267)
Total position	**(110.746.581)**	**(212.080.006)**	**349.384.029**	**267.099.486**	**163.366.414**	**(471.665.874)**	**(14.642.532)**

Prior Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non-interest bearing	Total
Assets[(1)]							
Cash (cash in vault, effectives, cash in transit, cheques purchased) and balances with the CBRT	796.857	-	-	-	-	277.525.514	278.322.371
Banks	7.894.323	4.662.863	10.678.590	373.948	-	32.936.178	56.545.902
Financial assets measured at fair value through profit or loss	534.394	11.969	40.278	247.444	418.577	1.024.823	2.277.485
Receivables from money markets	-	-	-	-	-	-	-
Financial assets measured at fair value through other comprehensive income	13.925.366	23.094.851	7.900.225	15.874.169	36.025.229	198.149	97.017.989
Loans [(2)]	249.835.663	137.691.185	358.456.250	168.967.675	49.267.411	(12.726.955)	951.491.229
Financial assets measured at amortised cost	112.202.776	14.546.012	20.154.922	74.460.872	96.748.512	(733.111)	317.379.983
Other assets	2.848.975	4.119.986	5.147.413	8.385.957	4.391.565	135.444.545	160.338.441
Total assets	**388.038.354**	**184.126.866**	**402.377.678**	**268.310.065**	**186.851.294**	**433.669.143**	**1.863.373.400**
Liabilities							
Bank deposits	15.781.925	7.077.792	8.395.079	119.974	-	1.142.440	32.517.210
Other deposits	361.903.553	149.263.334	101.815.385	9.352.054	645.977	453.388.163	1.076.368.466
Funds from money market	44.219.323	17.590.790	1.572.387	-	-	-	63.382.500
Miscellaneous payables	-	-	-	-	-	76.967.991	76.967.991
Marketable securities issued	8.903.015	26.077.890	37.597.921	24.461.173	-	-	97.039.999
Funds borrowed from other financial institutions	13.604.788	82.645.097	49.705.478	14.033.578	1.045.902	-	161.034.843
Other liabilities[(3)]	21.879.217	74.859.404	3.127.149	18.237.145	4.772.460	233.187.016	356.062.391
Total liabilities	**466.291.821**	**357.514.307**	**202.213.399**	**66.203.924**	**6.464.339**	**764.685.610**	**1.863.373.400**
Balance sheet long position	**-**	**-**	**200.164.279**	**202.106.141**	**180.386.955**	**-**	**582.657.375**
Balance sheet short position	**(78.253.467)**	**(173.387.441)**	**-**	**-**	**-**	**(331.016.467)**	**(582.657.375)**
Off-balance sheet long position	2.510.256	4.486.984	14.152.531	-	-	-	21.149.771
Off-balance sheet short position	-	-	-	(12.721.888)	(12.278.303)	-	(25.000.191)
Total position	**(75.743.211)**	**(168.900.457)**	**214.316.810**	**189.384.253**	**168.108.652**	**(331.016.467)**	**(3.850.420)**

(1) Expected credit losses are presented in the "Non-interest bearing" column of the relevant financial item.
(2) Non-performing loans are presented in the "Non-interest bearing" column after being offset by expected credit losses.
(3) Shareholders' equity is presented under the "Non-interest bearing".

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

5.2. Average interest rates for monetary financial instruments:

The following average interest rates of the Group are calculated by weighting the rates with their principal amounts outstanding as of the balance sheet date.

Current Period	EUR	USD	Yen	TL
	%	%	%	%
Assets				
Cash (cash in vault, effectives, cash in transit, cheques purchased) and balances with the CBRT (1)	-	-	-	34,79
Banks	3,60	2,36	-	48,26
Financial assets measured at fair value through profit or loss	3,65	5,12	-	-
Receivables from money markets	-	-	-	-
Financial assets measured at fair value through other comprehensive income	4,68	6,24	-	36,24
Loans	6,69	8,23	-	49,44
Financial assets measured at amortised cost	3,56	6,48	-	34,85
Liabilities				
Bank deposits (2)	0,25	2,99	-	45,26
Other deposits (2)	0,90	1,16	-	32,62
Funds from money market	3,55	3,63	-	41,81
Miscellaneous payables	-	-	-	-
Marketable securities issued	4,53	7,04	-	50,16
Funds borrowed from other financial institutions	5,05	6,45	-	44,92

Prior Period	EUR	USD	Yen	TL
	%	%	%	%
Assets				
Cash (cash in vault, effectives, cash in transit, cheques purchased) and balances with the Central Bank of the Republic of Türkiye	-	-	-	-
Banks	6,09	6,46	-	42,08
Financial assets measured at fair value through profit or loss	5,98	5,75	-	-
Receivables from money markets	-	-	-	-
Financial assets measured at fair value through other comprehensive income	4,12	7,67	-	38,38
Loans	7,66	8,99	-	40,63
Financial assets measured at amortised cost	3,05	6,45	-	39,55
Liabilities				
Bank deposits (2)	3,94	5,72	-	39,50
Other deposits (2)	0,78	0,82	-	19,03
Funds from money market	5,74	5,56	-	40,77
Miscellaneous payables	-	-	-	-
Marketable securities issued	6,86	8,14	-	36,74
Funds borrowed from other financial institutions	6,66	8,07	-	41,97

(1) In accordance with the CBRT's article dated February 5, 2024 and numbered 198, interest rates were taken into account that applied to some of the required reserves established in TL, in accordance with the conditions specified in the instruction.
(2) Demand deposit balances are included in average interest rate calculation.

6. Explanations on share certificates position risk from banking book:

None.

7. Explanations on consolidated liquidity risk management, liquidity coverage ratio and net stable funding ratio:

Liquidity risk is defined as risk of unexpected loss to be occurred or Group to have difficulties in raising funds while meeting maturing liabilities. Liquidity management is daily monitored in the Bank under Treasury Management and Risk Management. The liquidity policy of the Group is approved by the Bank's Board of Directors. Treasury Management is responsible for carrying out transactions which are appropriate to Bank's policy, monitoring of liquidity position and submitting necessary reports to executives. Treasury management contributes to determine strategies and operating actions for the management of the liquidity position in addition to prepare funding plan and contingency funding plan of the Bank. Liquidity risk is evaluated with liquidity gap analysis, liquidity stress tests and supplementary precautions/measurements. Liquidity Gap analysis are performed for two different periods as short-term and long-term. Going concern scenario and structural positions are reported monthly. This reporting constitutes the basis of monitoring and management of liquidity position.

The Parent Bank does not function as a central funding institution in its relations with its subsidiaries. Intra-group liquidity management and funding strategies are limited with related legal boundaries and monitored regularly via various reports. Intraday liquidity is also monitored closely by the bank in its best effort.

The Parent Bank issues an annual funding plan in order to sustain funding in a consistent and balanced way. Funding plan have to be updated at least annually and approved by the Executive Committee since it is complied with budgeting process and risk appetite frameworks. The primary purpose of the funding plan is to provide a reliable balance between assets and liabilities.

Both short-term liquidity and medium/long-term (structural) liquidity measurement and reporting for all types of currencies are periodically made in Bank and its subsidiaries. There are limits which are predetermined and approved by the Board of Directors on the basis of all major currencies for each period.

The Parent Bank mainly uses derivative transactions as managing liquidity risk and monitors cash inflow and outflow periods in the framework of funding plan balancing the distribution among currencies.

The Parent Bank aims to reduce the risks to the lowest level if required via measuring possible risks in liquidity with stress tests. Stress tests make it possible for the Bank to reinterpret analysis of its liquidity position according to scenarios depending on possible cases and tail risks except for crisis situations. Liquidity Stress Test methodology makes a similar approach with Liquidity Coverage Ratio (LCR) template and hence allows the overview of the results in line with Basel approaches. The Parent Bank applies and reports liquidity stress tests consisting of different scenarios and maturity segments both on unconsolidated and consolidated level and the results are compared with both liquidity stress tests and other liquidity limit and trigger levels set, with different frequencies (weekly, monthly etc.) according to the scenarios.

"Liquidity Contingency Plan" is applied if the Parent Bank needs more liquidity than its daily liquidity need because of possible financial events in future. Duties and responsibilities are defined in detail in the aforementioned plan. Both the liquidity policy and liquidity contingency policy are in line with BRSA best practice documents on liquidity risk management. The abovementioned policies and the thresholds (limits etc.) covered within liquidity risk management framework are updated and approved at least annually.

Funding sources of the Group mainly consist of deposits which constitute 54% of total liabilities of the Bank (December 31, 2023 – 59%) and also include repo, secured loans, syndication, securitization, bond/security issuance and other instruments including subordinated loans and borrowings.

The Parent Bank calculates and reports the LCR in full compliance with the regulations. LCR is a metric measuring the adequacy of unencumbered free liquid assets owned by banks (called high quality liquid assets) to meet expected net cash outflows over the next 30 days. The metric is an important Basel regulation that measures short-term liquidity and is closely monitored in the Bank. In addition to LCR, the Bank has also measures the Net Stable Funding Rate (NSFR), which is considered another complementary element and provides another important medium / long-term liquidity risk measurement. In accordance with the Regulation on Calculation of Banks' Net Stable Funding Ratio, published in the Official Gazette dated May 26, 2023 and numbered 32202, the relevant metric has started to be followed up within the framework of legal regulations. These two metrics are also included within the Risk Appetite Indicators and closely monitored at the Bank.

High quality liquid assets mentioned in LCR calculation consist of cash, effective money, CBRT accounts and reserves and government bonds issued by Ministry of Treasury and Finance of the Republic of Türkiye treated as high quality liquid assets.

Cash outflows from derivative transactions in liquidity coverage ratio calculation are based on inclusion of net cash flows with maturity of 30 days in the calculation. Additionally, transactions having a margin possibility are included in liquidity coverage ratio calculation by taking the largest outflow amount according to the negative values of net margin flows realized in the last 24 months in respect of 30 days period or for liability into consideration as cash outflow.

Secured funding consists of repo and other secured borrowings. A large part of securities which are subject to the aforementioned funding transactions consist of Sovereign Bonds issued by Ministry of Treasury and Finance of the Republic of Türkiye and transactions are carried out in both CBRT market and interbank market.

The Parent Bank manages all the transactions made before its foreign branches and partnership in the framework of central bank, markets and related legislation of the country in which the institutions are located. Legal lending limits and high limit transactions are closely monitored in this framework.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

All cash inflow and outflow items related to liquidity profile of the bank are included in liquidity coverage ratio tables below for the last three months.

	Unweighted Amounts[(1)]		Weighted Amounts[(1)]	
Current Period	**TL+FC**	**FC**	**TL+FC**	**FC**
High Quality Liquid Assets				
High Quality Liquid Assets			480.626.520	217.794.298
Cash Outflows				
Retail and Small Business Customers Deposits	**879.738.869**	**323.267.253**	**77.442.272**	**31.846.705**
Stable deposits	210.632.311	9.600.404	10.531.616	480.020
Less stable deposits	669.106.558	313.666.849	66.910.656	31.366.685
Unsecured Funding other than Retail and Small Business Customers Deposits	**502.795.063**	**194.419.196**	**296.660.503**	**108.388.122**
Operational deposits	-	-	-	-
Non-Operational deposits	348.043.952	151.402.291	164.354.764	65.371.217
Other Unsecured funding	154.751.111	43.016.905	132.305.739	43.016.905
Secured funding			**2.652.388**	**-**
Other Cash Outflows	**2.656.236**	**3.481.738**	**2.656.236**	**3.481.738**
Liquidity needs related to derivatives and market valuation changes on derivatives transactions	2.656.236	3.481.738	2.656.236	3.481.738
Debts related to the structured financial products	-	-	-	-
Commitment related to debts to financial markets and other off balance sheet liabilities	-	-	-	-
Commitments that are unconditionally revocable at any time by the Bank and other contractual commitments	**541.055.991**	**253.067.717**	**27.052.800**	**12.653.386**
Other irrevocable or conditionally revocable commitments	**1.451.888.252**	**91.296.553**	**103.575.707**	**22.496.322**
Total Cash Outflows			**510.039.906**	**178.866.273**
Cash Inflows				
Secured Lending Transactions	-	-	-	-
Unsecured Lending Transactions	206.676.452	57.232.763	132.056.484	47.150.249
Other contractual cash inflows	1.921.671	35.142.515	1.921.671	35.142.515
Total Cash Inflows	**208.598.123**	**92.375.278**	**133.978.155**	**82.292.764**
			Capped Amounts	
Total High Quality Liquid Assets			**480.626.520**	**217.794.298**
Total Net Cash Outflows			**376.061.751**	**96.573.509**
Liquidity Coverage Ratio (%)			**127,81**	**225,52**

(1) Simple arithmetic averages of monthly consolidated liquidity coverage ratios for the last three months are used.

Foreign currency and total liquidity coverage ratios for the last three months of current period are presented in the table below.

Current Period	**TL+FC (%)**	**FC (%)**
October 2024	127,86	207,86
November 2024	124,67	210,11
December 2024	131,39	285,28

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

	Unweighted Amounts[(1)]		Weighted Amounts[(1)]	
Prior Period	**TL+FC**	**FC**	**TL+FC**	**FC**
High Quality Liquid Assets				
High Quality Liquid Assets			444.921.023	195.493.470
Cash Outflows				
Retail and Small Business Customers Deposits	**686.593.230**	**270.729.748**	**61.980.490**	**26.692.777**
Stable deposits	133.576.647	7.603.956	6.678.832	380.198
Less stable deposits	553.016.583	263.125.792	55.301.658	26.312.579
Unsecured Funding other than Retail and Small Business Customers Deposits	**374.217.199**	**152.245.229**	**236.940.845**	**86.224.237**
Operational deposits	-	-	-	-
Non-Operational deposits	250.017.022	119.023.968	126.644.444	53.002.976
Other Unsecured funding	124.200.177	33.221.261	110.296.401	33.221.261
Secured funding			**1.985**	**-**
Other Cash Outflows	**3.642.170**	**3.642.170**	**3.642.170**	**3.642.170**
Liquidity needs related to derivatives and market valuation changes on derivatives transactions	3.642.170	3.642.170	3.642.170	3.642.170
Debts related to the structured financial products	-	-	-	-
Commitment related to debts to financial markets and other off balance sheet liabilities	-	-	-	-
Commitments that are unconditionally revocable at any time by the Bank and other contractual commitments	**384.517.221**	**193.393.677**	**19.225.861**	**9.669.684**
Other irrevocable or conditionally revocable commitments	**690.700.951**	**68.704.451**	**55.860.731**	**16.398.913**
Total Cash Outflows			**377.652.082**	**142.627.781**
Cash Inflows				
Secured Lending Transactions	-	-	-	-
Unsecured Lending Transactions	144.645.440	48.862.239	99.304.404	41.853.457
Other contractual cash inflows	946.200	62.083.519	946.200	62.083.519
Total Cash Inflows	**145.591.640**	**110.945.758**	**100.250.604**	**103.936.976**
			Capped Amounts	
Total High Quality Liquid Assets			**444.921.023**	**195.493.470**
Total Net Cash Outflows			**277.401.478**	**38.690.805**
Liquidity Coverage Ratio (%)			**160,39**	**505,27**

(1) Simple arithmetic averages of monthly consolidated liquidity coverage ratios for the last three months are used.

Foreign currency and total liquidity coverage ratios for the last three months of prior period are presented in the table below.

Prior Period	**TL+FC (%)**	**FC (%)**
October 2023	177,44	380,57
November 2023	157,18	485,65
December 2023	150,16	487,70

With the framework of the regulation, NSFR is closely monitored and reported on monthly and three-month average basis. NSFR is defined as the amount of available stable funding relative to the amount of required stable funding. In addition to the Group's capital available stable funding mainly consists of retail and corporate deposits and other borrowings which are taken into account at different rates in accordance with the regulation. Required stable funding is calculated by the amount of receivables, such as loans and government bonds, categorized by the counterparty type, residual maturity and encumbrance status. Within this framework, the required stable fund amount refers to the portion of the Group's on-balance sheet assets and off-balance sheet liabilities that expected to be refunded. In accordance with the regulation, the three-month simple arithmetic average of the calculated NSFR for the periods of March, June, September and December cannot be less than 100%.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Three-month simple arithmetic mean as of most recent quarter is 117,30%. The ratio and main items constituting the Group's NSFR as of most recent period shown in the table below.

Compared to current and prior period NSFR, the decrease is primarily due to changes in the amount and maturity structure of loans and deposits.

		Unweighted Amount According to Residual Maturity				
	Current period	**Non Maturity**	**Residual maturity of less than 6 months**	**Residual maturity of six months and longer but less**	**Residual maturity of one year or more**	**Total Weighted Amount**
	Available stable funding					
1	**Capital Instruments**	**229.365.172**	-	-	**59.012.495**	**288.377.667**
2	Tier 1 Capital and Tier 2 Capital	229.365.172	-	-	59.012.495	288.377.667
3	Other Capital Instruments	-	-	-	-	-
4	**Real-person and Retail Customer Deposits**	**422.220.211**	**464.696.409**	**13.605.963**	**11.992.097**	**833.126.709**
5	Stable Deposits	118.650.771	118.619.348	-	-	225.406.613
6	Less Stable Deposits	303.569.440	346.077.061	13.605.963	11.992.097	607.720.096
7	**Other Obligations**	**89.876.878**	**1.003.005.997**	**110.791.874**	**171.625.129**	**450.665.751**
8	Operational deposits	-	-	-	-	-
9	Other obligations	89.876.878	1.003.005.997	110.791.874	171.625.129	450.665.751
10	**Liabilities equivalent to interconnected assets**					
11	**Other Liabilities**	-		**(26.401.019)**		-
12	Derivative liabilities			(26.642.791)		
13	All other liabilities not included in the above categories	-	241.772	-	-	-
14	**Available stable funding**					**1.572.170.127**
	Required stable funding					
15	**High Quality Liquid Assets**					**163.264.183**
16	**Deposits held at financial institutions for operational purposes**	-	-	-	-	-
17	**Performing Loans**	-	**890.061.738**	**205.485.715**	**333.183.962**	**789.629.075**
18	Encumbered loans to financial institutions, where the loan is secured against Level 1 assets	-	-	-	-	-
19	Unencumbered loans to financial institutions or encumbered loans that are not secured against Level 1 assets	-	94.850.971	10.382.797	3.162.179	22.581.223
20	Loans to corporate customers, real persons and or retail customers, central banks, other than credit agencies and/or financial institutions	-	787.389.226	192.259.203	315.349.617	755.507.024
21	Loans with a risk weight of less than or equal to 35%	-	-	-	3.625.846	2.356.800
22	Residential mortgages	-				
23	Residential mortgages with a risk weight of less than or equal to 35%	-	880.335	554.875	4.652.564	3.024.166
24	Securities that are not in default and do not qualify as HQLA and exchange-traded equities	-	6.941.206	2.288.840	10.019.602	8.516.662
25	**Assets equivalent to interconnected liabilities**					
26	**Other Assets**	**286.976.429**		**37.698.776**		**324.015.587**
27	Physical traded commodities, including gold	4.397.452				3.737.834
28	Initial margin posted or given guarantee fund to central counterparty			-		-
29	Derivative Assets			36.125.762		36.125.762
30	Derivative Liabilities before the deduction of the variation margin			1.573.014		1.573.014
31	Other Assets not included above	282.578.977	-	-	-	282.578.977
32	**Off-balance sheet commitments**		**2.000.920.141**	-	-	**100.046.007**
33	**Total Required stable funding**					**1.376.954.852**
34	**Net Stable Funding Ratio (%)**					**114,18**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Three-month simple arithmetic mean as of most recent quarter is 134,27%. The ratio and main items constituting the Group's NSFR as of previous period shown in the table below.

		Unweighted Amount According to Residual Maturity				
	Prior period	**Non Maturity**	**Residual maturity of less than 6 months**	**Residual maturity of six months and longer but less**	**Residual maturity of one year or more**	**Total Weighted Amount**
	Available stable funding					
1	**Capital Instruments**	**205.060.906**	**-**	**-**	**34.653.930**	**239.714.836**
2	Tier 1 Capital and Tier 2 Capital	205.060.906	-	-	34.653.930	239.714.836
3	Other Capital Instruments	-	-	-	-	-
4	**Real-person and Retail Customer Deposits**	**340.444.370**	**398.990.941**	**8.744.631**	**9.008.161**	**689.503.236**
5	Stable Deposits	78.056.461	82.622.394	-	-	152.644.913
6	Less Stable Deposits	262.387.909	316.368.547	8.744.631	9.008.161	536.858.323
7	**Other Obligations**	**65.665.614**	**591.656.296**	**100.620.186**	**147.936.499**	**375.385.739**
8	Operational deposits	-	-	-	-	-
9	Other obligations	65.665.614	591.656.296	100.620.186	147.936.499	375.385.739
10	**Liabilities equivalent to interconnected assets**					
11	**Other Liabilities**	**-**		**(21.308.033)**		**-**
12	Derivative liabilities			(21.533.799)		
13	All other liabilities not included in the above categories	-	225.766	-	-	-
14	**Available stable funding**					**1.304.603.811**
	Required stable funding					
15	**High Quality Liquid Assets**					**111.517.033**
16	**Deposits held at financial institutions for operational purposes**	**-**	**-**	**-**	**-**	**-**
17	**Performing Loans**	**851.427**	**555.429.415**	**167.635.376**	**319.371.241**	**599.256.296**
18	Encumbered loans to financial institutions, where the loan is secured against Level 1 assets	-	-	-	-	-
19	Unencumbered loans to financial institutions or encumbered loans that are not secured against Level 1 assets	-	85.208.770	8.830.231	393.713	17.590.144
20	Loans to corporate customers, real persons and or retail customers, central banks, other than credit agencies and/or financial institutions	-	466.461.099	157.240.120	302.945.351	569.354.158
21	Loans with a risk weight of less than or equal to 35%	-	-	17.423	3.329.889	2.175.753
22	Residential mortgages	-	1.107.094	790.860	6.576.784	4.274.910
23	Residential mortgages with a risk weight of less than or equal to 35%	-	1.107.094	790.860	6.576.784	4.274.910
24	Securities that are not in default and do not qualify as HQLA and exchange-traded equities	851.427	2.652.452	774.165	9.455.393	8.037.084
25	**Assets equivalent to interconnected liabilities**					
26	**Other Assets**	**186.032.150**		**34.422.634**		**220.125.472**
27	Physical traded commodities, including gold	2.195.408				1.866.096
28	Initial margin posted or given guarantee fund to central counterparty			-		-
29	Derivative Assets			33.663.214		33.663.214
30	Derivative Liabilities before the deduction of the variation margin			759.420		759.420
31	Other Assets not included above	183.836.742	-	-	-	183.836.742
32	**Off-balance sheet commitments**		**1.176.589.539**	**-**	**-**	**58.829.477**
33	**Total Required stable funding**					**989.728.278**
34	**Net Stable Funding Ratio (%)**					**131,81**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Breakdown of assets and liabilities according to their remaining maturities:

Current Period	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Unclassified	Total
Assets[1]								
Cash (cash in vault, effectives, cash in transit, cheques purchased) and Balances with the CBRT	240.322.356	175.193.855	-	-	-	-	(134.860)	415.381.351
Banks	31.237.624	8.070.244	6.958.426	15.124.610	2.355.195	-	(200.217)	63.545.882
Financial assets measured at fair value through profit or loss	1.163.280	-	16.032	1.716	48.096	227.104	1.447.134	2.903.362
Receivables from money markets	-	-	-	-	-	-	-	-
Financial assets measured at fair value through other comprehensive income	-	1.695.943	1.385.605	10.143.093	57.662.887	62.569.102	232.882	133.689.512
Loans[2]	-	423.701.894	152.702.030	419.944.769	262.192.332	69.327.433	(7.722.645)	1.320.145.813
Financial assets measured at amortised cost	-	27.130.670	6.926.849	6.689.695	233.167.007	114.011.156	(156.523)	387.768.854
Other assets	101.624.157	1.968.267	7.378.021	5.519.555	6.352.039	3.502.437	104.101.534	230.446.010
Total assets	**374.347.417**	**637.760.873**	**175.366.963**	**457.423.438**	**561.777.556**	**249.637.232**	**97.567.305**	**2.553.880.784**
Liabilities								
Bank deposits	1.284.464	10.758.819	4.674.741	9.412.120	437.593	-	-	26.567.737
Other deposits	596.433.950	552.111.792	149.781.199	36.502.262	12.040.656	819.807	-	1.347.689.666
Funds borrowed from other financial institutions	-	81.566.737	52.606.557	143.808.057	18.124.839	1.224.211	-	297.330.401
Funds from money market	-	195.188.819	511.906	309.870	-	-	-	196.010.595
Marketable securities issued	-	11.604.350	18.808.309	51.103.142	69.653.917	-	-	151.169.718
Miscellaneous payables	147.385	104.715.342	3.610.043	2.761.984	-	-	3.084.424	114.319.178
Other liabilities[3]	31.704.529	4.921.292	16.467.533	12.965.167	73.807.037	77.173.060	203.754.871	420.793.489
Total liabilities	**629.570.328**	**960.867.151**	**246.460.288**	**256.862.602**	**174.064.042**	**79.217.078**	**206.839.295**	**2.553.880.784**
Net liquidity gap	**(255.222.911)**	**(323.106.278)**	**(71.093.325)**	**200.560.836**	**387.713.514**	**170.420.154**	**(109.271.990)**	**-**
Net Off-Balance Sheet Position	**-**	**(1.320.077)**	**(7.857.248)**	**(9.380.911)**	**(311.501)**	**4.227.205**	**-**	**(14.642.532)**
Derivative Financial Assets	-	185.585.459	163.391.329	208.688.167	193.885.987	87.790.730	-	839.341.672
Derivative Financial Liabilities	-	186.905.536	171.248.577	218.069.078	194.197.488	83.563.525	-	853.984.204
Non-Cash Loans	**-**	**21.352.704**	**60.785.658**	**253.704.604**	**83.881.100**	**14.672.954**	**115.011.624**	**549.408.644**

Prior Period								
Total assets	286.181.678	350.387.477	139.745.134	379.359.366	439.893.065	215.144.221	52.662.459	1.863.373.400
Total liabilities	476.859.709	533.736.633	237.728.130	250.373.764	114.711.448	56.668.645	193.295.071	1.863.373.400
Net liquidity gap	**(190.678.031)**	**(183.349.156)**	**(97.982.996)**	**128.985.602**	**325.181.617**	**158.475.576**	**(140.632.612)**	**-**
Net Off-Balance Sheet Position	**-**	**1.140.517**	**(4.879.082)**	**(4.588.862)**	**328.095**	**4.148.912**	**-**	**(3.850.420)**
Derivative Financial Assets	-	175.018.979	138.317.598	121.211.477	171.066.627	97.760.192	-	703.374.873
Derivative Financial Liabilities	-	173.878.462	143.196.680	125.800.339	170.738.532	93.611.280	-	707.225.293
Non-Cash Loans	**-**	**19.480.824**	**42.807.682**	**168.848.563**	**59.930.945**	**12.247.532**	**85.313.046**	**388.628.592**

(1) Expected credit losses are presented in the "Unclassified" column of the relevant financial item.
(2) Non-performing loans are presented in the "Unclassified" column after being offset by expected credit losses.
(3) Shareholders' equity is presented in the "Unclassified" column.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Breakdown of financial liabilities according to their remaining contractual maturities:

The maturity distribution of values at contracted maturity date of non-derivative financial liabilities is presented below. Maturity segments also include the interests of related assets and liabilities.

Current Period(1)	Demand and up to 1 month	1-3 months	3-12 months	1-5 years	Above 5 years	Total
Liabilities						
Deposits	1.179.622.810	165.569.995	49.221.325	12.484.592	826.934	1.407.725.656
Borrowings	86.402.536	56.589.396	150.081.867	20.340.454	1.865.400	315.279.653
Financial liabilities measured at fair value through profit or loss	-	4.264.486	11.025.253	50.749.428	34.325.730	100.364.897
Funds from money market	195.453.110	512.283	310.605	-	-	196.275.998
Subordinated loans	2.614.535	98.590	2.845.274	39.694.074	52.201.614	97.454.087
Marketable securities issued	11.644.432	19.292.812	52.122.430	89.993.920	-	173.053.594
Total	**1.475.737.423**	**246.327.562**	**265.606.754**	**213.262.468**	**89.219.678**	**2.290.153.885**

Prior Period(1)	Demand and up to 1 month	1-3 months	3-12 months	1-5 years	Above 5 years	Total
Liabilities						
Deposits	842.966.632	169.799.311	123.957.464	9.482.601	648.355	1.146.854.363
Borrowings	11.631.093	44.746.588	91.280.801	24.222.201	1.491.973	173.372.656
Financial liabilities measured at fair value through profit or loss	-	3.724.714	11.053.243	43.265.390	37.731.249	95.774.596
Funds from money market	44.350.548	16.756.520	3.241.694	-	-	64.348.762
Subordinated loans	21.041.873	86.317	834.082	5.299.462	18.504.795	45.766.529
Marketable securities issued	9.108.486	10.532.193	40.611.517	48.767.094	-	109.019.290
Total	**929.098.632**	**245.645.643**	**270.978.801**	**131.036.748**	**58.376.372**	**1.635.136.196**

(1) Maturities of non-cash loans are described in Note 3 of Section 5.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

8. Explanations on consolidated leverage ratio:

The main reason for decrease in leverage ratio for the current period is the increase in total risk amount.

The summary information for the comparison of total assets in consolidated financials prepared in accordance with TAS and total exposures:

		Current Period[(2)]	Prior Period[(2)]
1	Total assets in the consolidated financial statements prepared in accordance with TAS[(1)]	2.486.950.762	1.782.911.988
2	Differences between the total assets in the consolidated financial statements prepared in accordance with TAS and the total assets in the consolidated financial statements prepared in accordance with Communique on Preparation of Consolidated Financial Statements of the Banks	14.196.554	5.696.132
3	Differences between the balances of derivative financial instruments and the credit derivatives in the consolidated financial statements prepared in accordance with the Communique on Preparation of Consolidated Financial Statements of the Banks and their risk exposures	7.708.267	21.568.363
4	Differences between the balances of securities financing transactions in the consolidated financial statements prepared in accordance with the Communique on Preparation of Consolidated Financial Statements of the Banks and their risk exposures	(188.756.915)	(42.657.037)
5	Differences between off- balance sheet items in the consolidated financial statements prepared in accordance with the Communique on Preparation of Consolidated Financial Statements of the Banks and their risk exposures	(66.661.674)	(63.168.751)
6	Other differences in the consolidated financial statements prepared in accordance with the Communique on Preparation of Consolidated Financial Statements of the Banks and their risk exposures	209.085.122	51.451.562
7	Total Risks	4.566.167.989	2.932.796.487

(1) The consolidated financial statements prepared in accordance with the sixth paragraph of the Article 5 in the Communique on Preparation of Consolidated Financial Statements of the Banks.

(2) The arithmetic average of the last three months in the related periods.

		Current Period[(1)]	Prior Period[(1)]
	On-Balance sheet exposures		
1	On-Balance sheet assets (Excluding derivative financial instruments and credit derivatives, including collaterals)	2.504.546.858	1.790.307.010
2	(Asset amounts deducted in determining Tier 1 capital)	(26.367.945)	(19.534.130)
3	Total on-Balance sheet exposures	2.478.178.913	1.770.772.880
	Derivative financial instruments and credit derivatives		
4	Replacement cost of derivative financial instruments and credit derivatives	8.174.532	11.757.100
5	Potential credit risk of derivative financial instruments and credit derivatives	7.708.267	21.568.363
6	Total derivative financial instruments and credit derivatives exposure	15.882.799	33.325.463
	Securities financing transaction exposure		
7	Total risk of gross securities financing transactions (excluding on-balance sheet exposure)	36.030.054	16.285.046
8	Agent transaction exposures	-	-
9	Total securities financing transaction exposures	36.030.054	16.285.046
	Off-balance sheet items		
10	Off-balance sheet exposure at gross notional amount	2.102.737.897	1.175.581.849
11	(Adjustments for conversion to credit equivalent amounts)	(66.661.674)	(63.168.751)
12	Total risk of off-balance sheet items	2.036.076.223	1.112.413.098
	Capital and total exposure		
13	Tier 1 capital	210.255.861	184.543.914
14	Total exposures	4.566.167.989	2.932.796.487
15	**Leverage ratio (%)**	**4,61**	**6,30**

(1) The arithmetic average of the last three months in the related periods.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

9. Explanations on the presentation of financial assets and liabilities at fair values:

The following table summarises the carrying values and fair values of some financial assets and liabilities of the Group. The carrying value represents the acquisition costs and accumulated interest accruals of corresponding financial assets or liabilities.

	Book value		Fair value	
	Current period	**Prior period**	**Current period**	**Prior period**
Financial assets	**1.954.228.296**	**1.464.758.735**	**1.901.769.668**	**1.479.763.469**
Money markets receivables	-	-	-	-
Banks	63.746.099	56.822.176	63.886.473	56.962.050
Financial assets at fair value through other comprehensive income	133.689.512	97.017.989	133.689.512	97.017.989
Financial assets measured at amortised cost	387.925.377	318.113.094	341.310.805	300.731.388
Loans	1.368.867.308	992.805.476	1.362.882.878	1.025.052.042
Financial liabilities	**2.074.242.692**	**1.551.941.648**	**2.084.141.582**	**1.551.390.735**
Bank deposits	26.567.737	32.517.210	26.557.391	32.509.234
Other deposits	1.347.689.666	1.076.368.466	1.347.459.672	1.069.081.744
Funds borrowed from other financial institutions	297.330.401	161.034.843	299.568.553	164.302.780
Financial liabilities measured at fair value through profit or loss	75.234.394	71.167.000	75.234.394	71.167.000
Subordinated loans	61.931.598	36.846.139	66.372.958	36.968.295
Marketable securities issued	151.169.718	97.039.999	154.629.436	100.393.691
Miscellaneous payables	114.319.178	76.967.991	114.319.178	76.967.991

The fair values of deposits, banks, securities issued and funds borrowed from other financial institutions are determined by calculating the discounted cash flows using the current market interest rates.

The fair value of held-to-maturity assets is determined based on market prices or when this price is not available, based on market prices quoted for other securities subject to the same redemption qualifications in terms of interest, maturity and other similar conditions.

The expected fair value of loans and receivables is determined by calculating the discounted cash flows using the current market interest rates for the loans with fixed interest rates. For the loans with floating interest rates (such as overdrafts and credit card receivables), it is assumed that the carrying value approaches to the fair value.

TFRS 13, "Fair Value Measurement", requires classification of line items at fair value presented at the financial statements according to the defined levels. These levels depend on the observability of data used for fair value calculations. Classification for fair value is generated as followed below:

Level 1: Assets or liabilities with prices recorded (unadjusted) in active markets

Level 2: Assets or liabilities that are excluded in the Level 1 of recorded prices directly observable by prices or indirectly observable derived through prices observable from similar assets or liabilities

Level 3: Assets and liabilities where no observable market data can be used for valuation

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

According to these classification principles stated, the Group's classification of financial assets and liabilities carried at their fair value are as follows:

Current Period	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at fair value through profit or loss	1.465.492	1.437.870	-	2.903.362
Financial assets measured at fair value through other comprehensive income	133.456.630	88.853	-	133.545.483
Derivative financial assets	-	16.794.905	-	16.794.905
Total assets	**134.922.122**	**18.321.628**	**-**	**153.243.750**
Financial liabilities at fair value through profit or loss	-	75.234.394	-	75.234.394
Derivative financial liabilities	-	18.966.255	-	18.966.255
Total liabilities	**-**	**94.200.649**	**-**	**94.200.649**

Prior Period	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at fair value through profit or loss	1.318.932	958.553	-	2.277.485
Financial assets measured at fair value through other comprehensive income	96.755.650	131.623	-	96.887.273
Derivative financial assets	-	21.582.481	-	21.582.481
Total assets	**98.074.582**	**22.672.657**	**-**	**120.747.239**
Financial liabilities at fair value through profit or loss	-	71.167.000	-	71.167.000
Derivative financial liabilities	-	11.666.461	-	11.666.461
Total liabilities	**-**	**82.833.461**	**-**	**82.833.461**

The Group classify its buildings carried at their fair value within property and equipment under level 3.

10. Explanations on hedge accounting:

The Group applies the following hedge accounting models:

- Fair value Hedge ("FVH")
- Cash Flow Hedge ("CFH")
- Net Investment Hedge ("NIH")

If the fair value of the hedging instrument within fair value hedge ("FVH") is positive it is classified under, "Derivative financial assets measured at fair value through profit or loss"; if the fair value is negative, it is classified under "Derivative financial liabilities measured at fair value through profit or loss".

If the fair value of the hedging instrument under hedge of cash flow hedge ("CFH") is positive, it is classified under "Derivative financial assets measured at fair value through other comprehensive income "if the fair value is negative, it is classified under "Derivative financial liabilities measured at fair value through other comprehensive income".

Cross currency interest rate swaps and interest rate swaps are used as hedging instrument in FVH. Interest rate swaps, currency swaps and cross currency swaps are used as hedging instrument in CFH.

Contractual amounts and the fair values as at December 31, 2024 of these hedging instruments are presented in the table below:

	Current Period			**Prior Period**		
Hedging instrument	**Notional(1)**	**Asset**	**Liability**	**Notional(1)**	**Asset**	**Liability**
Interest rate swap / Currency swap / Cross currency interest rate swap (CFH)	19.113.208	2.385.837	-	40.790.710	5.320.823	32.334
Interest rate swap / Cross currency interest rate swap (FVH)	1.910.062	157.268	-	2.161.865	200.069	358
Total	**21.023.270**	**2.543.105**	**-**	**42.952.575**	**5.520.892**	**32.692**

(1) Only the "sell" legs of the related derivatives are presented with the addition of the "buy" legs of these derivatives amounting to TL 21.023.269 (December 31, 2023 - TL 42.958.243) the total notional of derivative financial assets amounting to TL 42.046.539 (December 31, 2023 - TL 85.910.818) is accounted for in off-balance sheet under "Hedging Derivative Financial Instruments" line item.

The fair valuation methodology of the derivatives presented in the above table is disclosed in detail in the accounting principles section of these financial statements in Section 3 Part 4.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

10.1 Fair value hedge accounting:

The Group has hedged the possible fair value effects of changes in market interest rates and foreign exchange rates on some of its fixed rate foreign currency borrowings by using interest rate swaps, cross-currency interest rate swaps.

The impact of application of FVH accounting is summarized below;

Current Period						
Type of hedging instrument	**Hedged item (asset and liability)**	**Nature of hedged risks**	**Fair value difference / adjustment of the hedged item(1)**	**Net fair value of the hedging instrument(2)**		**Net gain/(loss) recognised in the income statement (Derivative financial transactions gains/losses)(3)**
				Asset	**Liability**	
Interest rate swaps	Funds Borrowed	Fixed interest and changes in foreign exchange rate risk	143.162	157.268	-	6.434

Prior Period						
Type of hedging instrument	**Hedged item (asset and liability)**	**Nature of hedged risks**	**Fair value difference / adjustment of the hedged item(1)**	**Net fair value of the hedging instrument(2)**		**Net gain/(loss) recognised in the income statement (Derivative financial transactions gains/losses)(3)**
				Asset	**Liability**	
Interest rate swaps/ Cross currency interest rate swaps	Funds Borrowed	Fixed interest and changes in foreign exchange rate risk	187.123	200.069	358	5.366

(1) The amount refers to the fair value of the hedged item calculated for some of fixed interest loan portfolios and foreign currency funds borrowed in accordance with hedge accounting effectiveness tests. The foreign exchange rate changes of foreign currency fundings and cross-currency swaps are reflected to the income statement in foreign exchange gains / losses line item.
(2) The amounts include the foreign exchange differences and net straight line interest accruals of the related derivatives.
(3) Ineffective portion of the mentioned hedging transaction is amounting to TL 14.749 gain (December 31, 2023 – TL 22.012 gain).

At the inception date, the Group documents the relationship between the hedging instruments and hedged items required by the FVH accounting application in accordance with "TAS 39- Financial Instruments: Recognition and Measurement" and its own risk management policies and principles. Every individual relationship is approved and documented in the same methodology. In accordance with "TAS 39- Financial Instruments: Recognition and Measurement", the effectiveness tests of the relationships are performed in accordance with the Group's risk management policies. In the effectiveness tests, the fair values of the hedged item are calculated using the same assumptions used in calculation of fair values of the derivatives.

The effectiveness tests are performed prospectively and retrospectively on a monthly basis and the effectiveness of risk relationships are measured. At the inception date the effectiveness tests are performed prospectively. If the underlying hedge does not conform to the FVH accounting requirements (out of the 80% - 125% effectiveness range) or if the management voluntarily decides to discontinue the hedging relation, the adjustments made to the carrying value (amortized cost) of the hedged item are amortized with the straight line method and recognized in the profit or loss accounts within the remaining maturity. In addition if the hedging instrument is sold or closed before its maturity, the amount of the fair value adjustments of the hedged items are amortized to profit or loss accounts with the straight line method within the remaining maturity.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

10.2 Cash flow hedge accounting:

The Group apply macro and micro cash flow hedge accounting in order to hedge its cash flow risk from floating interest rate liabilities. The hedging instruments are USD, EUR and TL interest rate swaps, currency swaps and cross currency swaps with floating receive, fixed pay legs, and the hedged item is the cash outflows due to financing of interests of repricing and exchange rate changes USD, EUR and TL deposits, lease receivables, borrowings and repos.

The of application of CFH accounting is summarized below:

Current Period						
Type of hedging instrument	**Hedged item (asset and liability)**	**Nature of hedged risks**	**Net fair value of the hedging instrument**		**Net gain/(loss) recognized in hedging funds(1)**	**Net gain/(loss) reclassified to equity(2)(3)**
			Asset	**Liability**		
Interest rate swaps/ currency swaps/Cross currency interest rate swaps	Customer deposits, repos, lease receivables and borrowings	Cash flow risk due to the changes in the interest rates	2.385.837	-	2.138.858	(1.088.702)

Prior Period						
Type of hedging instrument	**Hedged item (asset and liability)**	**Nature of hedged risks**	**Net fair value of the hedging instrument**		**Net gain/(loss) recognized in hedging funds(1)**	**Net gain/(loss) reclassified to equity(2)(3)**
			Asset	**Liability**		
Interest rate swaps/ currency swaps/Cross currency interest rate swaps	Customer deposits, repos, lease receivables and borrowings	Cash flow risk due to the changes in the interest rates	5.320.823	32.334	3.227.560	(2.151.990)

(1) Includes deferred tax impact.
(2) Includes tax and foreign exchange differences.
(3) The ineffective portion of the mentioned hedging transaction is TL 668.781 gain (December 31, 2023 – TL 594.177 gain).

The Group documents the relationship between the hedging instruments and hedged items required by the CFH accounting application in accordance with "TAS 39 - Financial Instruments: Recognition and Measurement" and its own risk management policies and principles. Every individual relationship is approved and documented in the same way. In accordance with "TAS 39 - Financial Instruments: Recognition and Measurement", the effectiveness tests of the relationships are performed in accordance with the Bank's risk management policies.

The effectiveness tests are performed on a monthly basis and the effectiveness of risk relationships are measured. If the underlying hedge does not conform to the CFH accounting requirements (out of the 80% - 125% effectiveness range) or if the management voluntarily decides to discontinue the hedging relation or the hedging instrument is sold or closed before its maturity, the cumulative gain or loss on the hedging instrument that has been recognised in other comprehensive income from the period when the hedge was effective shall remain separately in equity until the forecast transaction occurs or is no longer expected to occur. When the hedged forecasted transactions are no longer expected to occur, the net cumulative gain or loss is reclassified from other comprehensive income to profit or loss.

10.3 Hedge From Foreign Net Investment Risk:

The Group hedges part of the currency translation risk of net investments in foreign operations through foreign currency borrowings. The Group's Euro denominated borrowing is designated as a hedge of the net investment in the Group's certain EUR denominated subsidiaries. The total amount of the borrowing designated as a hedge of the net investment at December 31, 2024 is EUR 665 million (December 31, 2023 - EUR 528 million).

11. Explanations on the activities carried out on behalf of others and fiduciary transactions:

The Group carries out trading, custody, management and consulting services on behalf of customers and on their account. The Group has no fiduciary transactions.

12. Explanations on consolidated operating segments:

The Group carries out its banking operations through three main business units:

- Retail Banking
- Corporate Banking
- Commercial and SME Banking.

The Parent Bank's Retail Banking activities include card payment systems, individual, individual portfolio, blue class, private banking. Retail Banking products and services offered to customers include card payment systems, consumer loans (including general purpose loans, auto loans, mortgages), commercial installment loans, time and demand deposits, gold banking, investment accounts, life and non-life insurance products and payroll services. In addition, customers who receive their monthly salary/SSI payments through our bank are offered privileges covering various banking transactions. Card payment systems cover the management of products, services, campaigns for member merchants as well as the sales and activities for a variety of customer types. Crystal, Play, Adios and Taksitçi are the other card brands providing services for the different segments within the World brand, shopping and marketing platform of the Parent Bank. Through its Blue Class and Private Banking activities, the Bank serves high net worth customers and delivers investment products to this customer segment. Among the products and services offered to Private Banking customers are time deposit products, mutual funds, foreign exchange, gold and equity trading.

Also, personal art advisory, inheritance advisory, real estate advisory, tax advisory, education and philanthropic advisory are offered within the Private Banking and Wealth Management activities.

Corporate, Commercial and SME Banking segment is organized into three subgroups: Corporate Banking for large-scale, international and multinational companies and Commercial Banking for medium-sized enterprises and SME Banking for SME companies. Corporate and Commercial Banking, has a product range of working capital finance, trade finance, project finance, domestic and international non-cash loans such as letters of credit and letters of guarantee, cash management, internet banking, financial advisory and equity management advisory. SME Banking offer to customers SME loans and SME banking packages products.

The Group's widespread branch network and alternative distribution channels including ATMs, telephone banking, internet banking and mobile banking are utilized to serve customers in all segments. Foreign operations include the Group's banking operations in the Netherlands, Germany and Azerbaijan. Treasury, Asset – Liability Management and other operations, mainly consist of treasury management's results, operations of supporting business units and other unallocated transactions.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

Major balance sheet and income statement items based on operating segments:

The below table is prepared in accordance with the Management Information System (MIS) data of the Bank.

Current Period	Retail banking	Corporate banking	Commercial and SME banking	Other foreign operations	Other domestic operations	Treasury, Asset-Liability Management and Other	Consolidation adjustments[1]	Total operations of the Group
Operating income	80.808.175	18.505.872	53.650.523	5.207.028	13.828.351	55.044.989	(222.216)	226.822.722
Operating expenses	(50.733.840)	(1.236.406)	(11.723.803)	(1.658.682)	(3.240.827)	(126.368.335)	222.216	(194.739.677)
Net operating income / (expense)	**30.074.335**	**17.269.466**	**41.926.720**	**3.548.346**	**10.587.524**	**(71.323.346)**	**-**	**32.083.045**
Dividend income[2]	-	-	-	-	-	112.077	-	112.077
Profit/loss from equity accounted subsidiaries[2]	-	-	-	-	-	1.498.790	-	1.498.790
Profit before tax	**30.074.335**	**17.269.466**	**41.926.720**	**3.548.346**	**10.587.524**	**(69.712.479)**	**-**	**33.693.912**
Tax expense[2]	-	-	-	-	-	(4.674.920)	-	(4.674.920)
Net period income	**30.074.335**	**17.269.466**	**41.926.720**	**3.548.346**	**10.587.524**	**(74.387.399)**	**-**	**29.018.992**
Minority interest (-)	-	-	-	-	-	(2.169)	-	(2.169)
Group income/loss	**30.074.335**	**17.269.466**	**41.926.720**	**3.548.346**	**10.587.524**	**(74.389.568)**	**-**	**29.016.823**
Segment assets	537.745.837	223.352.741	385.324.156	142.901.231	87.174.684	1.178.837.704	(10.853.019)	2.544.483.334
Investments in associates, subsidiaries and joint ventures	-	-	-	-	-	9.397.450	-	9.397.450
Total assets	**537.745.837**	**223.352.741**	**385.324.156**	**142.901.231**	**87.174.684**	**1.188.235.154**	**(10.853.019)**	**2.553.880.784**
Segment liabilities	828.940.954	127.143.741	250.655.068	115.990.556	68.147.950	981.041.988	(10.853.019)	2.361.067.238
Shareholders’ equity	-	-	-	-	-	192.813.546	-	192.813.546
Total liabilities	**828.940.954**	**127.143.741**	**250.655.068**	**115.990.556**	**68.147.950**	**1.173.855.534**	**(10.853.019)**	**2.553.880.784**

Prior Period	Retail banking	Corporate banking	Commercial and SME banking	Other foreign operations	Other domestic operations	Treasury, Asset-Liability Management and Other	Consolidation adjustments[1]	Total operations of the Group
Operating income	58.498.456	12.586.936	42.970.047	3.212.925	8.820.138	30.621.739	(138.082)	156.572.159
Operating expenses	(26.116.281)	(5.583.817)	(7.048.449)	(968.739)	(2.052.751)	(31.601.954)	138.082	(73.233.909)
Net operating income / (expense)	**32.382.175**	**7.003.119**	**35.921.598**	**2.244.186**	**6.767.387**	**(980.215)**	**-**	**83.338.250**
Dividend income[2]	-	-	-	-	-	66.864	-	66.864
Profit/loss from equity accounted subsidiaries[2]	-	-	-	-	-	1.623.787	-	1.623.787
Profit before tax	**32.382.175**	**7.003.119**	**35.921.598**	**2.244.186**	**6.767.387**	**710.436**	**-**	**85.028.901**
Tax expense[2]	-	-	-	-	-	(17.018.737)	-	(17.018.737)
Net period income	**32.382.175**	**7.003.119**	**35.921.598**	**2.244.186**	**6.767.387**	**(16.308.301)**	**-**	**68.010.164**
Minority interest (-)	-	-	-	-	-	(1.328)	-	(1.328)
Group income/loss	**32.382.175**	**7.003.119**	**35.921.598**	**2.244.186**	**6.767.387**	**(16.309.629)**	**-**	**68.008.836**
Segment assets	380.947.485	185.429.804	244.868.623	98.276.152	65.182.560	889.638.296	(8.109.458)	1.856.233.462
Investments in associates, subsidiaries and joint ventures	-	-	-	-	-	7.139.938	-	7.139.938
Total assets	**380.947.485**	**185.429.804**	**244.868.623**	**98.276.152**	**65.182.560**	**896.778.234**	**(8.109.458)**	**1.863.373.400**
Segment liabilities	618.836.337	92.977.510	239.218.000	79.190.818	53.466.953	608.767.747	(7.964.958)	1.684.492.407
Shareholders’ equity	-	-	-	-	-	178.880.993	-	178.880.993
Total liabilities	**618.836.337**	**92.977.510**	**239.218.000**	**79.190.818**	**53.466.953**	**787.648.740**	**(7.964.958)**	**1.863.373.400**

(1) Consolidation adjustments include transactions with subsidiaries and investments consolidated in these financial statements.
(2) Related items expenses have not been distributed based on operating segments and have been presented under “Treasury, Asset-Liability Management and Other”.

13. Explanations on fees for services received from independent auditor[1]:

	Current Period	Prior Period
Independent audit fee	51.001	22.630
Tax advisory services fee	1.583	935
Other assurance services fee	11.075	9.245
Total	**63.659**	**32.810**

(1) Value added tax (VAT) excluded amounts are presented.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Section Five - Explanations and notes related to consolidated financial statements

1. Explanations and notes related to consolidated assets:

1.1. Information related to cash and the account of the Central Bank:

1.1.1. Information on cash and the account of the CBRT:

	Current Period		Prior Period	
	TL	**FC**	**TL**	**FC**
Cash	5.667.508	15.576.820	3.656.106	18.521.163
The CBRT(1)	204.554.231	162.373.691	98.386.789	142.963.897
Other	-	27.343.962	-	15.511.534
Total	**210.221.739**	**205.294.473**	**102.042.895**	**176.996.594**

(1) The balance of gold amounting to TL 29.862.248 is accounted for under the Central Bank foreign currency account (December 31, 2023 – TL 17.611.624).

1.1.2. Information on the account of the CBRT:

	Current Period		Prior Period	
	TL	**FC**	**TL**	**FC**
Unrestricted demand amount (1)	143.217.836	66.730.541	86.406.051	59.857.962
Unrestricted time amount	-	-	-	-
Restricted time amount	-	-	-	-
Reserve requirement(2)	61.336.395	95.643.150	11.980.738	83.105.935
Total	**204.554.231**	**162.373.691**	**98.386.789**	**142.963.897**

(1) The TL reserve requirement has been classified in "Central Bank Demand Unrestricted Account" based on the correspondence with BRSA letter as of January 3, 2008.
(2) The Group keeps TL, USD, EUR and Gold reserve deposits for its TL and FX liabilities at Central Bank accounts in accordance with the legislation of the Central Bank numbered 2013/15, "Decree on Reserve Deposits".

1.2. Information on financial assets measured at fair value through profit or loss:

The Group does not have financial assets measured at fair value through profit or loss subject to repo transactions and given as collateral/blocked (December 31, 2023 - None).

1.3. Information on derivative financial assets:

1.3.1. Positive differences related to derivative financial assets held for trading:

	Current Period		Prior Period	
	TL	**FC**	**TL**	**FC**
Forward transactions	634.054	431.244	814.178	9.974
Swap transactions	4.624.581	8.080.939	8.577.577	6.623.625
Futures transactions	180.556	-	4.012	-
Options	198.479	101.947	31.050	1.173
Other	-	-	-	-
Total	**5.637.670**	**8.614.130**	**9.426.817**	**6.634.772**

1.3.2. Positive differences related to derivative financial assets held for hedging:

	Current Period		Prior Period	
	TL	**FC**	**TL**	**FC**
Fair value hedges(1)	-	157.268	-	200.069
Cash flow hedges(1)	544.323	1.841.514	1.857.907	3.462.916
Hedges for investments made in foreign countries	-	-	-	-
Total	**544.323**	**1.998.782**	**1.857.907**	**3.662.985**

(1) Explained in Note 10 of section 4.

1.4. Information on banks:

1.4.1. Information on banks:

	Current Period		Prior Period	
	TL	**FC**	**TL**	**FC**
Banks				
Domestic	9.320.887	21.066.090	7.448.997	14.461.451
Foreign	81.897	33.277.225	1	34.911.727
Head quarters and foreign branches	-	-	-	-
Total	**9.402.784**	**54.343.315**	**7.448.998**	**49.373.178**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

1.4.2. Information on foreign banks account:

	Unrestricted amount		Restricted amount	
	Current Period	**Prior Period**	**Current Period**	**Prior Period**
EU countries	5.927.373	6.773.643	145.077	123.554
USA, Canada	23.657.632	25.004.236	3.015.362	2.358.509
OECD countries (1)	58.478	109.226	-	-
Off-shore banking regions	2.374	1.708	-	-
Other	552.826	540.852	-	-
Total	**30.198.683**	**32.429.665**	**3.160.439**	**2.482.063**

(1) OECD countries except EU countries, USA and Canada.

1.4.3. Information on money markets receivables:

As of December 31, 2024 the Group has no money market receivables (December 31, 2023 – None).

1.5. Information on financial assets at fair value through other comprehensive income which are subject to repurchase agreements and given as collateral / blocked:

As of December 31, 2024 financial assets measured at fair value through other comprehensive income given as repo transactions amounting to TL 48.049.321 (December 31, 2023 – TL 10.388.515). The securities subject to collateral/blocked are TL 29.478.473 (December 31, 2023 - TL 16.848.459).

1.6. Information on financial assets at fair value through other comprehensive income:

	Current Period	**Prior Period**
Debt securities	140.572.120	101.757.174
Quoted on stock exchange	140.566.495	101.756.131
Not quoted	5.625	1.043
Share certificates	272.695	242.543
Quoted on stock exchange	4.980	4.183
Not quoted	267.715	238.360
Impairment (-)(1)	7.155.303	4.981.728
Total	**133.689.512**	**97.017.989**

(1) Includes the negative differences between the acquisition cost and the market price, related to the securities portfolio.

1.7. Explanations on loans:

1.7.1. Information on all types of loans or advance balances given to shareholders and employees of the Group:

	Current Period		Prior Period	
	Cash	**Non-cash**	**Cash**	**Non-cash**
Direct loans granted to shareholders	-	-	-	-
Corporate shareholders	-	-	-	-
Real person shareholders	-	-	-	-
Indirect loans granted to shareholders	**19.895**	**629.218**	**35.697**	**1.304.299**
Loans granted to employees	**1.367.797**	**4.888**	**923.666**	**3.906**
Total	**1.387.692**	**634.106**	**959.363**	**1.308.205**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

1.7.2. Information on the first and second group loans and other receivables and loans and other receivables that have been restructured or rescheduled:

		Loans under close monitoring		
			Loans under restructuring	
Cash Loans	**Standard Loans**	**Not under the scope of restructuring**	**Modifications on agreement conditions**	**Refinancing**
Non-specialised loans	**1.117.492.953**	**52.901.327**	**5.544.650**	**87.907.297**
Loans given to enterprises	292.826.941	9.218.914	5.356.649	55.707.975
Export loans	153.794.454	3.932.584	141.444	841.757
Import loans	-	-	-	-
Loans given to financial sector	28.456.136	-	-	-
Consumer loans	193.200.969	18.243.211	12.835	8.725.002
Credit cards	292.169.421	17.202.823	-	13.537.691
Other	157.045.032	4.303.795	33.722	9.094.872
Specialised loans	-	-	-	-
Other receivables	**61.838.234**	**2.183.997**	-	-
Total	**1.179.331.187**	**55.085.324**	**5.544.650**	**87.907.297**

	Standard loans	Loans under close monitoring
12-month provisions for possible losses	5.202.805	-
Significant increase in credit risk	-	16.741.860
Total	**5.202.805**	**16.741.860**

1.7.3. Loans according to their maturity structure:

		Loans under close monitoring	
	Standard Loans	**Not under the scope of restructuring**	**Agreement conditions modified**
Short-term loans	729.953.679	34.970.907	12.455.459
Medium and long-term loans	449.377.508	20.114.417	80.996.488
Total	**1.179.331.187**	**55.085.324**	**93.451.947**

1.7.4. Information on loans by types and specific provisions

1.7.4.1. Information on loans by types and specific provisions:

Current Period	**Corporate, commercial and other loans**	**Consumer loans**	**Credit cards**	**Financial Leasing**	**Factoring**	**Total**
Standard loans	632.122.563	193.200.969	292.169.421	38.502.467	23.335.767	1.179.331.187
Watch list	88.631.712	26.981.048	30.740.514	1.362.536	821.461	148.537.271
Loans under legal follow-up	19.979.869	11.796.193	8.576.680	421.068	225.040	40.998.850
Specific provisions (-)	10.256.012	10.092.705	5.932.512	296.237	199.364	26.776.830
Total	**730.478.132**	**221.885.505**	**325.554.103**	**39.989.834**	**24.182.904**	**1.342.090.478**

Prior Period	**Corporate, commercial and other loans**	**Consumer loans**	**Credit cards**	**Financial Leasing**	**Factoring**	**Total**
Standard loans	446.488.989	161.695.287	208.229.437	31.201.599	11.858.727	859.474.039
Watch list	78.977.088	12.180.852	11.935.978	847.295	802.932	104.744.145
Loans under legal follow-up	19.351.247	6.500.634	2.193.165	402.132	140.114	28.587.292
Specific provisions (-)	12.246.986	5.503.201	1.590.788	276.276	99.589	19.716.840
Total	**532.570.338**	**174.873.572**	**220.767.792**	**32.174.750**	**12.702.184**	**973.088.636**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

1.7.4.2. Specific provisions on loans:

Current Period	Corporate, commercial and other loans	Consumer loans	Credit cards	Financial leasing receivables	Factoring receivables	Total
Opening balance	**12.246.986**	**5.503.201**	**1.590.788**	**276.276**	**99.589**	**19.716.840**
Allowance for impairment	6.065.440	9.109.579	7.382.375	184.700	107.482	22.849.576
Amount recovered during the period (-)	7.475.528	892.897	1.630.896	176.156	7.706	10.183.183
Loans written off during the period as uncollectible (-)	604.525	3.663.512	1.416.062	-	-	5.684.099
Exchange difference	23.639	36.334	6.306	11.417	-	77.696
Total	**10.256.012**	**10.092.705**	**5.932.511**	**296.237**	**199.365**	**26.776.830**

Prior Period	Corporate, commercial and other loans	Consumer loans	Credit cards	Financial leasing receivables	Factoring receivables	Total
Opening balance	**10.587.775**	**4.284.070**	**1.281.113**	**367.751**	**72.096**	**16.592.805**
Allowance for impairment	4.377.284	5.639.691	1.098.481	164.787	48.391	11.328.634
Amount recovered during the period (-)	1.914.351	2.703.959	342.854	276.355	20.898	5.258.417
Loans written off during the period as uncollectible (-)	904.702	1.795.697	459.996	-	-	3.160.395
Exchange difference	100.980	79.096	14.044	20.093	-	214.213
Total	**12.246.986**	**5.503.201**	**1.590.788**	**276.276**	**99.589**	**19.716.840**

1.7.4.3. Fair value of collaterals:

Current Period	Corporate, commercial and other loans	Consumer loans	Credit cards	Financial Leasing	Factoring	Total
Watch List	60.130.419	934.668	-	1.362.536	-	62.427.623
Loans under legal follow-up	8.077.566	369.890	-	421.068	-	8.868.524
Total	**68.207.985**	**1.304.558**	**-**	**1.783.604**	**-**	**71.296.147**

Prior Period	Corporate, commercial and other loans	Consumer loans	Credit cards	Financial Leasing	Factoring	Total
Watch List	42.290.303	319.802	-	847.295	-	43.457.400
Loans under legal follow-up	7.759.063	103.889	-	402.132	-	8.265.084
Total	**50.049.366**	**423.691**	**-**	**1.249.427**	**-**	**51.722.484**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

1.7.5. Information on consumer loans, individual credit cards, personnel loans and personnel credit cards:

	Short-term	Medium and long-term	Total
Consumer loans-TL	**69.801.501**	**67.343.683**	**137.145.184**
Real estate loans	15.438	14.790.955	14.806.393
Automotive loans	4.752.130	7.416.543	12.168.673
Consumer loans	65.033.933	45.136.185	110.170.118
Other	-	-	-
Consumer loans-FC indexed	**-**	**26.828**	**26.828**
Real estate loans	-	26.828	26.828
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Consumer loans-FC	**81.784**	**2.155.865**	**2.237.649**
Real estate loans	5.118	959.859	964.977
Automotive loans	516	-	516
Consumer loans	34.587	1.159.685	1.194.272
Other	41.563	36.321	77.884
Individual credit cards-TL	**276.414.811**	**8.251.506**	**284.666.317**
With installments	99.565.762	7.763.866	107.329.628
Without installments	176.849.049	487.640	177.336.689
Individual credit cards-FC	**959.664**	**185.988**	**1.145.652**
With installments	26.828	165.301	192.129
Without installments	932.836	20.687	953.523
Personnel loans-TL	**345.868**	**236.841**	**582.709**
Real estate loans	-	1.696	1.696
Automotive loans	6.454	3.687	10.141
Consumer loans	339.414	231.458	570.872
Other	-	-	-
Personnel loans-FC indexed	**-**	**-**	**-**
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Personnel loans-FC	**1.383**	**148.317**	**149.700**
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	1.383	148.317	149.700
Other	-	-	-
Personnel credit cards-TL	**582.296**	**3.579**	**585.875**
With installments	209.250	3.579	212.829
Without installments	373.046	-	373.046
Personnel credit cards-FC	**6.345**	**2.332**	**8.677**
With installments	21	2.332	2.353
Without installments	6.324	-	6.324
Credit deposit account-TL (Real Person)[(1)]	**80.039.906**	**-**	**80.039.906**
Credit deposit account-FC (Real Person)	**41**	**-**	**41**
Total	**428.233.599**	**78.354.939**	**506.588.538**

(1) TL 90.176 of the credit deposit account belongs to the loans used by personnel.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

1.7.6. Information on installment based commercial loans and corporate credit cards:

	Short-term	Medium and long-term	Total
Commercial installments loans-TL	**9.542.704**	**108.644.623**	**118.187.327**
Business loans	-	918.049	918.049
Automotive loans	2.241.098	26.225.064	28.466.162
Consumer loans	7.301.606	81.501.510	88.803.116
Commercial installments loans-FC indexed	-	-	-
Business loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Corporate credit cards-TL	**36.259.814**	**221.422**	**36.481.236**
With installment	9.313.753	219.898	9.533.651
Without installment	26.946.061	1.524	26.947.585
Corporate credit cards-FC	**22.140**	**38**	**22.178**
With installment	-	-	-
Without installment	22.140	38	22.178
Credit deposit account-TL (legal person)	**12.038.039**	**-**	**12.038.039**
Total	**57.862.697**	**108.866.083**	**166.728.780**

1.7.7. Distribution of domestic and foreign loans(1):

	Current Period	Prior Period
Public	23.022.589	25.863.648
Private	1.304.845.869	938.354.536
Total	**1.327.868.458**	**964.218.184**

(1) Non-performing loans are not included.

1.7.8. Distribution of domestic and foreign loans(1):

Distribution has been disclosed based on the location where the customers operate:

	Current Period	Prior Period
Domestic loans	1.273.973.963	916.706.846
Foreign loans	53.894.495	47.511.338
Total	**1.327.868.458**	**964.218.184**

(1) Non-performing loans are not included.

1.7.9. Loans granted to associates and subsidiaries:

	Current Period	Prior Period
Direct loans granted to associates and subsidiaries	777.318	46.775
Indirect loans granted to associates and subsidiaries	-	-
Total	**777.318**	**46.775**

1.7.10. Information on credit-impaired (Stage 3):

	Current Period	Prior Period
Loans and other receivables with limited collectability	6.175.464	2.075.684
Loans and other receivables with doubtful collectability	10.317.828	6.932.381
Uncollectible loans and other receivables	10.283.538	10.708.775
Total	**26.776.830**	**19.716.840**

1.7.11. Information on non-performing loans (net):

1.7.11.1. Information on non-performing loans restructured or rescheduled, and other receivables:

	III. Group	IV. Group	V. Group
	Loans with limited collectibility	Loans with doubtful collectibility	Uncollectible loans
Current Period			
(Gross amounts before provisions)	**1.788.723**	**2.274.003**	**5.760.349**
Restructured loans	1.788.723	2.274.003	5.760.349
Prior Period			
(Gross amounts before provisions)	**587.712**	**809.841**	**6.835.454**
Restructured loans	587.712	809.841	6.835.454

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

1.7.11.2. Information on the movement of total non-performing loans:

	III. Group	IV. Group	V. Group
	Loans with limited collectibility	**Loans with doubtful collectibility**	**Uncollectible loans**
Prior Period	**3.176.600**	**10.496.595**	**14.914.097**
Additions (+)	29.152.579	2.081.694	4.615.148
Transfers from other categories of non-performing loans (+)	-	18.808.920	12.363.142
Transfer to other categories of non- performing loans (-)	18.808.920	12.363.142	-
Collections (-)	3.555.840	3.817.391	10.588.635
FX valuation differences	3.678	156	204.268
Write-offs (-)			16.778
Sale (-)	-	-	5.667.321
Corporate and commercial loans	-	-	604.525
Consumer loans	-	-	3.646.878
Credit cards	-	-	1.415.918
Other	-	-	-
Current Period	**9.968.097**	**15.206.832**	**15.823.921**
Provision (-)	6.175.464	10.317.828	10.283.538
Net balance on balance sheet	**3.792.633**	**4.889.004**	**5.540.383**

TL 5.994.895 of non-performing loans, some of which were written off in previous periods, were sold to various asset management companies, by the decisions of the board of directors for TL 1.907.300.

1.7.11.3. Information on non-performing loans granted as foreign currency loans:

	III. Group	IV. Group	V. Group
	Loans with limited collectibility	**Loans with doubtful collectibility**	**Uncollectible loans**
Current Period			
Period end balance	134.056	1.371.808	8.074.492
Provision (-)	95.980	1.008.982	4.106.869
Net balance on-balance sheet	**38.076**	**362.826**	**3.967.623**
Prior Period			
Period end balance	187.982	6.885.068	8.013.781
Provision (-)	177.722	4.353.764	4.985.900
Net balance on-balance sheet	**10.260**	**2.531.304**	**3.027.881**

1.7.11.4. Information on the gross and net amounts of the non-performing loans according to types of borrowers:

	III. Group	IV. Group	V. Group
	Loans with limited collectibility	**Loans with doubtful collectibility**	**Uncollectible loans**
Current Period (net)	**3.792.633**	**4.889.004**	**5.540.383**
Loans granted to real persons and corporate entities (gross)	9.968.097	15.206.832	15.739.758
Provision amount (-)	6.175.464	10.317.828	10.199.375
Loans granted to real persons and corporate entities (net)	3.792.633	4.889.004	5.540.383
Banks (gross)	-	-	774
Provision amount (-)	-	-	774
Banks (net)	-	-	-
Other loans (gross)	-	-	83.389
Provision amount (-)	-	-	83.389
Other loans (net)	-	-	-
Prior Period (net)	**1.100.916**	**3.564.214**	**4.205.322**
Loans granted to real persons and corporate entities (gross)	3.176.600	10.496.595	14.829.423
Provision amount (-)	2.075.684	6.932.381	10.624.101
Loans granted to real persons and corporate entities (net)	1.100.916	3.564.214	4.205.322
Banks (gross)	-	-	774
Provision amount (-)	-	-	774
Banks (net)	-	-	-
Other loans (gross)	-	-	83.900
Provision amount (-)	-	-	83.900
Other loans (net)	-	-	-

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

1.7.11.5. Information on interest accruals, rediscounts and valuation differences calculated for non-performing loans and their provisions:

	III. Group Loans with limited collectibility	IV. Group Loans with doubtful collectibility	V. Group Uncollectible loans
Current Period (net)	**718.936**	**788.929**	**208.601**
Interest accruals and rediscounts and valuation differences	1.621.905	2.316.775	1.681.252
Provision amount (-)	902.969	1.527.846	1.472.651
Prior Period (net)	**132.452**	**195.355**	**199.668**
Interest accruals and rediscounts and valuation differences	327.091	605.675	1.610.291
Provision amount (-)	194.639	410.320	1.410.623

1.7.12. Explanation on liquidation policy for uncollectible loans and receivables:

Uncollectible loans and receivables, which are classified in accordance with the Provisioning Regulation, are collected through legal follow-up, voluntary payments and liquidation of collaterals.

1.7.13. Explanation on "Write-off" policies:

In order to ensure the liquidation of non-performing loans and other receivables related to the liquidation policy, to provide the maximum collection all possible alternatives within the framework of the legislation are applied, and in case of collection, liquidation or receivables with no possibility of restructuring, the legal follow-up and conversion of collaterals into cash method is applied.

The receivables that are determined to be uncollectible in the Legal Follow-up process regarding the write-off policy can be deleted by the resolution of the Board of Directors by fulfilling the requirements in the relevant laws, regulations and internal directives.

Besides, in accordance with the changes on "Provisioning Regulation" published in the Official Gazette No. 30961 dated November 27, 2019 by BRSA, the Parent Bank, during the period deemed appropriate under TFRS 9, may write off part of the loans in appropriate meantime for which the Parent Bank has no reasonable expectation of recovery and that are classified under group 5 with a life time expected credit loss due to the default of debtor, in an appropriate timeline starting from the following reporting date that the loan is classified in group 5. Write off is only an accounting application in accordance with the related change in the regulation and it does not result in waive from the Parent Bank's right to receive.

1.8. Information on financial assets at amortized cost:

1.8.1. Information on financial assets measured at amortised cost which are subject to repurchase agreements and given as collateral / blocked:

As of December 31, 2024 financial assets measured at amortised cost given as repo transactions amounting to TL 180.828.762 (December 31, 2023 – TL 53.304.273). The securities subject to collateral/blocked are TL 145.381.386 (December 31, 2023 – TL 122.737.604).

1.8.2. Information on public sector debt securities measured at amortized cost:

	Current Period	Prior Period
Government bond	364.154.449	302.772.173
Treasury bill	-	-
Other debt securities	23.770.928	15.340.921
Total	**387.925.377**	**318.113.094**

1.8.3. Information on financial assets measured at amortized cost:

	Current Period	Prior Period
Debt securities	401.241.146	326.959.503
Quoted on stock exchange	401.241.146	326.959.503
Not quoted	-	-
Impairment (-)(1)	13.315.769	8.846.409
Total	**387.925.377**	**318.113.094**

(1) Includes amortization of the premiums paid during the purchase of the securities throughout the maturity of the securities.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

1.8.4. Movement of financial assets measured at amortized cost within the period:

	Current Period	Prior Period
Beginning balance	**318.113.094**	**168.826.257**
Foreign currency differences on monetary assets(1)	65.740.684	88.902.326
Purchases during year	29.958.564	70.084.788
Disposals through sales and redemptions(-)	21.417.605	5.514.015
Impairment (-)(2)	4.469.360	4.186.262
Period end balance	**387.925.377**	**318.113.094**

(1) Also includes the changes in the interest income accruals.
(2) Includes amortization of the premiums paid during the purchase of the securities throughout the maturity of the securities.

1.9. Information on investments in associates (net):

1.9.1. Information on unconsolidated investments in associates:

No	Description	Address (City/ Country)	The Parent Bank's shareholding percentage - if different voting percentage (%)	Bank's risk group shareholding percentage (%)
1	Tanı Pazarlama ve İletişim Hizmetleri A.Ş. (1)	Istanbul/Türkiye	38,05	38,05
2	Kredi Kayıt Bürosu(2)	Istanbul/ Türkiye	18,18	18,18
3	Bankalararası Kart Merkezi A.Ş(2)	Istanbul/ Türkiye	4,89	4,89

1.9.2. Main financial figures of the investments in associates in the order of the above table:

No	Total assets	Shareholders' equity	Total fixed assets	Interest Income	Income from marketable securities portfolio	Current period profit / loss	Prior period profit / loss	Market Value
1	285.792	(484.872)	176.073	600	-	(253.542)	(228.814)	-
2	3.029.243	827.801	842.178	202.322	-	517.710	128.363	-
3	5.664.287	5.036.126	1.180.498	1.069.126	-	1.409.365	3.530.564	-

(1) At the extraordinary general assembly meeting of Tanı Pazarlama ve İletişim Hizmetleri A.Ş. dated January 13, 2025, it was decided to increase the capital to TL 171.717. After the capital increase, the Parent Bank's share increased to 38,17%.
(2) Financial statement information is September 30, 2024.

1.9.3. Consolidated investments in associates:

1.9.4. Information on consolidated investments in associates:

No	Description	Address (City/ Country)	The Parent Bank's shareholding percentage - if different voting percentage (%)	Other Shareholders' shareholding percentage (%)(1)
1	Banque de Commerce et de Placements S.A.	Geneva/ Switzerland	30,67	-
2	Allianz Yaşam ve Emeklilik A.Ş.	Istanbul/ Türkiye	-	20,00

(1) The other shareholders represent the consolidated Group companies.

1.9.5. Main financial figures of the consolidated investments in associates in order of the above table:

No	Total assets	Shareholders' equity	Total fixed assets	Interest Income	Income from marketable securities portfolio	Current period profit / loss	Prior period profit / loss	Market Value
1	149.195.838	27.503.516	103.386	7.485.908	1.194.144	1.729.531	1.166.474	-
2	22.478.970	6.632.456	628.880	4.930.769	-	3.474.513	2.060.756	-

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

1.9.6. Movement of consolidated investments in associates:

	Current Period	Prior Period
Balance at the beginning of the period	**7.069.176**	**3.526.931**
Movements during the period	**2.257.512**	**3.542.245**
Purchases	-	-
Bonus shares obtained profit from current year's share	-	-
Profit from current year's income	1.498.790	1.623.787
Sales(-)	-	-
Foreign exchange gain/(loss) items from the foreign subsidiaries(1)	1.025.838	2.123.083
Impairment (-)(2)	267.116	204.625
Balance at the end of the period	**9.326.688**	**7.069.176**
Capital commitments	-	-
Shareholding percentage at the end of the period (%)	-	-

(1) Includes the differences in the other comprehensive income related with the equity method accounting.
(2) Includes dividend income received in the current period.

1.9.7. Information on sectors and the carrying amounts of consolidated investments in associates:

	Current Period	Prior Period
Banks	7.820.018	6.170.284
Insurance companies	1.506.670	898.892
Total	**9.326.688**	**7.069.176**

1.9.8. Investments in associates quoted on stock exchange:

None (December 31, 2023-None).

1.10. Information on subsidiaries (net):

There is no deficit of regulatory limits on capital structure of the subsidiaries which are included in the consolidated capital adequacy ratio calculation in accordance with the capital adequacy ratio limits.

1.10.1. Information on shareholders' equity of the significant subsidiaries:

	Yapı Kredi Yatırım Menkul Değerler A.Ş.	Yapı Kredi Faktoring A.Ş.	Yapı Kredi Finansal Kiralama A.O.	Yapı Kredi Portföy Yönetimi A.Ş.	Yapı Kredi Bank Nederland N.V.
Core capital					
Paid in Capital	98.918	130.000	389.928	32.642	112.442
Inflation adjustment to share capital	-	-	-	-	-
Share premium	-	-	-	-	-
Other Capital Reserves	117.569	-	(217.104)	-	-
Other comprehensive income that will not be classified under profit or loss	16.116	(21.438)	(43.268)	(7.512)	-
Other comprehensive income that will be classified under profit or loss	(281)	-	25.796	-	15.853.378
Legal Reserves	98.890	26.000	79.305	44.228	-
Extraordinary Reserves	3.879.330	1.619.575	5.351.463	-	3.477.456
Other Profit Reserves	-	-	-	-	-
Income or Loss	3.528.400	1.176.312	2.449.649	1.798.512	2.396.101
Current Year Income/Loss	3.598.346	1.176.312	2.361.234	1.435.891	2.396.101
Prior Years' Income/Loss	(69.946)	-	88.415	362.621	-
Leasehold improvements (-)	-	1.965	510	249	39
Intangible assets (-)	88.480	50.348	89.115	3.720	32.916
Total Tier I capital	**7.650.462**	**2.878.136**	**7.946.144**	**1.863.901**	**21.806.422**
Tier II capital	**25.160**	**88.104**	**247.868**	**-**	**145.889**
Capital	**7.675.622**	**2.966.240**	**8.194.012**	**1.863.901**	**21.952.311**
Deductions from the capital	-	-	-	-	-
Total shareholders' equity	**7.675.622**	**2.966.240**	**8.194.012**	**1.863.901**	**21.952.311**

The above information is based on the information extracted from the individual financial statements of subsidiaries, used for consolidated financial statements of the Bank as of December 31, 2024.

The internal capital adequacy for the subsidiaries is calculated with the model and approaches used in the Parent Bank within the scope of the consolidated ICAAP report.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Paid-in capital is a capital which have been disclosed as Turkish Lira in the articles of incorporation and registered in trade register.

Inflation adjustment to share capital is the adjustment difference arising from inflation accounting.

Extraordinary Reserves are the reserves which represent the remaining net income of the previous periods after providing the legal reserves in accordance with the General Assembly of the Bank.

Legal reserves are the income reserves that are provided according to the first paragraph and the third subparagraph of the second paragraph of the article No 466 and No 467 of the Turkish Commercial Code No. 6762 allocated as capital reserves separated from annual profit according to the laws of foundation.

1.10.2. Unconsolidated subsidiaries:

1.10.2.1. Information on unconsolidated subsidiaries

Since the subsidiaries below are not financial subsidiaries, the related subsidiaries are unconsolidated and are carried at restated cost.

	Description	Address (City/ Country)	The Parent Bank's shareholding percentage - if different voting percentage (%)	Bank's risk group shareholding percentage (%)
1	Yapı Kredi-Kültür Sanat Yayıncılık Tic. ve San. A.Ş.	Istanbul/ Türkiye	100,00	100,00
2	Enternasyonal Turizm Yatırım A.Ş.	Istanbul/ Türkiye	99,99	99,99
3	Yapı Kredi Teknoloji A.Ş.	Istanbul/ Türkiye	100,00	100,00
4	Yapı Kredi Finansal Teknolojiler A.Ş.	Istanbul/ Türkiye	100,00	100,00

1.10.2.2. Main financial figures of the subsidiaries in order of the above table:

	Total assets	Shareholders' equity	Total fixed assets	Interest Income	Income from marketable securities portfolio	Current period profit / loss	Prior period profit / loss	Market Value
1	346.636	121.136	18.565	587	-	1.500	13.663	-
2	1.106.540	1.093.396	908.123	15.947	-	(26.706)	11.586	-
3	293.709	160.028	20.171	31.418	-	94.182	23.018	-
4	25.015	25.015	-	-	-	-	-	-

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

1.10.3. Consolidated subsidiaries:

1.10.3.1. Information on consolidated subsidiaries:

	Subsidiary	Address (City/ Country)	The Parent Bank's shareholding percentage - if different voting percentage (%)	Bank's risk group shareholding percentage (%)
1	Yapı Kredi Holding B.V.	Amsterdam/Nederlands	100,00	100,00
2	Yapı Kredi Menkul	Istanbul/ Türkiye	99,98	100,00
3	Yapı Kredi Faktoring	Istanbul/ Türkiye	99,95	100,00
4	Yapı Kredi Leasing	Istanbul/ Türkiye	99,99	99,99
5	Yapı Kredi Portföy	Istanbul/ Türkiye	12,65	99,99
6	Yapı Kredi Bank NV (1)	Amsterdam/Nederlands	67,24	100,00
7	Yapı Kredi Azerbaycan	Bakü/Azerbaijan	99,80	100,00
8	Yapı Kredi Bank Deutschland OHG	Frankfurt/Germany	-	100,00

(1) Includes the balances for Stiching Custody Services YKB.

Although Yapı Kredi Diversified Payment Rights Finance Company ("Special Purpose Entity") which is established for future flow transactions of Yapı Kredi is not a subsidiary, it is included in the consolidation.

1.10.3.2. Main financial figures of the consolidated subsidiaries in the order of the above table:

	Total assets	Shareholders' equity	Total fixed assets	Interest income	Income from marketable securities portfolio	Current period profit / loss	Prior period profit /loss	Market value
1	127.541	124.786	-	-	-	13.557	1.363	-
2	16.032.521	7.738.942	249.084	5.954.365	51.081	3.598.346	2.745.676	-
3	24.649.029	2.930.449	67.568	5.972.967	-	1.176.312	745.302	-
4	45.851.080	8.035.769	102.395	7.678.446	-	2.361.234	1.492.394	-
5	2.176.429	1.867.870	17.345	594.366	-	1.435.891	584.162	-
6	124.815.758	21.839.377	83.134	6.780.589	585.858	2.396.101	1.528.686	-
7	15.472.317	2.460.897	567.512	801.866	114.418	251.282	134.512	-
8	2.532.961	2.532.961	-	-	-	-	-	-

1.10.4. Movement schedule of consolidated subsidiaries:

	Current Period	Prior Period
Balance at the beginning of the period	**31.525.881**	**17.905.733**
Movements during the period	**15.908.700**	**13.620.148**
Purchases (1)	2.466.063	-
Free shares obtained profit from current years share	-	-
Share of current year income	11.000.725	6.974.755
Sales (-)	-	-
Revaluation increase/decrease (2)	2.695.483	6.915.441
Impairment (-)(3)	253.571	270.048
Balance at the end of the period	**47.434.581**	**31.525.881**
Capital commitments	-	-
Shareholding percentage at the end of the period (%)	-	-

(1) Includes the acquisition cost and capital increase of Yapı Kredi Bank Deutschland OHG.
(2) Includes the differences in the other comprehensive income related with the equity method accounting.
(3) Includes dividend income received in the current period.

1.10.5. Sectoral information on financial subsidiaries and the related carrying amounts:

	Current Period	Prior Period
Banks	19.674.428	13.390.646
Insurance companies	-	-
Factoring companies	2.929.054	1.758.494
Leasing companies	8.035.274	5.694.593
Finance companies	-	-
Other financial subsidiaries	16.795.825	10.682.148
Total financial subsidiaries	**47.434.581**	**31.525.881**

1.10.6. Subsidiaries quoted on stock exchange:

None (December 31, 2023 - None).

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

1.11. Information on joint ventures (net):

1.11.1. Unconsolidated joint ventures:

None (December 31, 2023 - None).

1.12. Information on lease receivables (net):

1.12.1. Breakdown according to maturities:

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	24.379.298	18.792.886	17.780.312	13.141.356
Between 1- 4 years	22.903.666	19.853.717	20.306.566	17.261.168
More than 4 years	1.705.293	1.639.468	2.222.712	2.048.502
Total	**48.988.257**	**40.286.071**	**40.309.590**	**32.451.026**

1.12.2. Information for net investments in finance leases:

	Current Period		Prior Period	
	TL	FC	TL	FC
Gross lease receivables	18.541.399	30.446.858	16.152.056	24.157.534
Unearned financial income from leases (-)	5.253.284	3.448.902	4.952.459	2.906.105
Amount of cancelled leases (-)	-	-	-	-
Total	**13.288.115**	**26.997.956**	**11.199.597**	**21.251.429**

1.13. Information on tangible assets:

	Immovable	Leased fixed assets	Vehicles	Right of use assets (1)	Other tangible fixed assets	Total
Prior Period						
Cost	13.354.475	175.015	38.104	4.647.427	5.089.254	23.304.275
Accumulated depreciation (-)	954.949	137.891	7.825	1.334.681	1.993.264	4.428.610
Net book value	**12.399.526**	**37.124**	**30.279**	**3.312.746**	**3.095.990**	**18.875.665**
Current Period						
Net book value at beginning of the period	**12.399.526**	**37.124**	**30.279**	**3.312.746**	**3.095.990**	**18.875.665**
Additions (2)	8.465.409	15.986	2.039	3.882.714	2.897.429	15.263.577
Disposals (-), net	206.092	6	16	713.229	9.934	929.277
Reversal of impairment, net	-	-	-	-	-	-
Impairment (-)	-	-	-	-	-	-
Depreciation (-)	204.540	6.209	7.644	1.284.972	833.804	2.337.169
Foreign exchange differences, net	-	550	192	35.669	23.332	59.743
Net book value at end of the period	**20.454.303**	**47.445**	**24.850**	**5.232.928**	**5.173.013**	**30.932.539**
Cost at the end of the period	21.436.734	183.620	40.532	7.446.579	7.837.799	36.945.264
Accumulated depreciation at the period end (-)	982.431	136.175	15.682	2.213.651	2.664.786	6.012.725
Net book value	**20.454.303**	**47.445**	**24.850**	**5.232.928**	**5.173.013**	**30.932.539**

(1) Includes branch and ATM leases accounted within the scope of TFRS 16.

(2) As of September 30, 2024 the Parent Bank is revalued its land and buildings and the revaluation increase amounting to TL 8.377.677 is presented in additions.

As of December 31, 2024, the Parent Bank had no total provision for impairment (December 31, 2023 – None) for the property and equipment.

1.14. Information on intangible assets:

	Current Period	Previous Period
Balance at the beginning of the period	**2.036.510**	**1.359.987**
Additions during the period	1.933.072	1.012.701
Unused and disposed items (-)	150	4.060
Provision for goodwill impairment (-)	-	-
Amortization expenses (-)	590.919	384.169
Translation differences	24.708	52.051
Balance at the end of the period	**3.403.221**	**2.036.510**

1.15. Information on investment property:

None (December 31, 2023 - None).

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

1.16. Information on deferred tax:

	Current Period		Prior Period	
	Tax base	**Deferred tax**	**Tax base**	**Deferred tax**
Expected credit loss	22.825.703	6.847.711	25.741.762	7.722.528
Provision for pension fund	12.990.997	3.897.299	10.027.806	3.008.342
Provision for employee benefit	3.936.895	1.182.983	4.052.432	1.218.193
Derivative financial liabilities	2.668.360	901.965	-	-
Subsidiaries, investment in associates and share certificates	122.117	36.635	122.117	36.635
Other	55.189.956	16.510.050	15.700.617	4.657.122
Total deferred tax asset	**97.734.028**	**29.376.643**	**55.644.734**	**16.642.820**
Valuation difference of securities portfolio	19.338.849	5.801.886	5.694.240	1.708.272
Property, equipment and intangibles, net	15.530.975	4.280.572	5.910.152	1.263.971
Derivative financial assets	-	-	9.951.417	2.935.118
Other	20.546.085	6.114.469	5.552.218	1.605.378
Total deferred tax liability	**55.415.909**	**16.196.927**	**27.108.027**	**7.512.739**
Deferred tax asset / (liability) net	**42.318.119**	**13.179.716**	**28.536.707**	**9.130.081**

There is a deferred tax asset amounting to TL 13.186.526 and deferred tax liability amounting to TL 6.810 as of December 31, 2024 reflected in the consolidated financial statements after the deferred tax assets and liabilities of each entity in consolidation has been netted off in their standalone financial statements as per TAS 12 (December 31, 2023 - TL 9.144.125 deferred tax asset and TL 14.044 deferred tax liability).

1.17. Movement schedule of assets held for sale and related to discontinued operations:

	Current Period	Prior Period
Net book value at the beginning of the period	**1.074.724**	**1.085.705**
Additions [(1)]	447.507	108.526
Disposals (-), net	913.353	150.197
Impairment reversal	-	-
Impairment (-)	-	-
Translation differences	10.433	30.690
Net book value at the end of the period	**619.311**	**1.074.724**
Cost at the end of the period	620.788	1.077.106
Accumulated depreciation at the end of the period (-)	1.477	2.382
Net book value at the end of the period	**619.311**	**1.074.724**

(1) In current period, the carrying value of asset held for sale with a right of repurchase is TL 364.652 (December 31, 2023 – TL 16.000). The total net carrying value of asset held for sale with a right of repurchase is TL 381.622 (December 31, 2023 – TL 882.752).

As of December 31, 2024, the Group booked impairment provision on assets held for sale with an amount of TL 2.120 (December 31, 2023 – TL 2.120).

1.18. Information on other assets:

As of December 31, 2024, other assets do not exceed 10% of the total assets.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

2. Explanations and notes related to consolidated liabilities:

2.1. Information on deposits:

2.1.1. Information on maturity structure of deposits/collected funds(1):

Current Period	Demand	Up to 1 month	1-3 Month	3-6 Month	6 Month-1 Year	1 Year and over	Accumulative savings account	Total
Saving deposits	144.470.202	17.323.130	258.638.922	102.032.614	3.233.356	6.002.945	122	531.701.291
Foreign currency deposits	278.393.135	59.945.083	70.428.369	8.612.083	15.349.024	15.296.777	-	448.024.471
Residents in Türkiye	243.966.468	45.818.030	64.578.669	3.361.479	3.464.233	1.544.915	-	362.733.794
Residents abroad	34.426.667	14.127.053	5.849.700	5.250.604	11.884.791	13.751.862	-	85.290.677
Public sector deposits	16.706.597	1.255.896	103.176	5.728	32	-	-	18.071.429
Commercial deposits	53.476.521	34.060.193	122.572.554	12.155.406	987.259	976.002	-	224.227.935
Other institutions deposits	1.399.255	1.671.798	7.539.883	1.642.771	2.163	111	-	12.255.981
Precious metals vault	101.988.240	-	9.865.208	-	1.283.932	271.179	-	113.408.559
Bank deposits	1.284.464	9.607.768	3.595.913	4.443.791	5.729.291	1.906.510	-	26.567.737
The CBRT	-	-	-	-	-	-	-	-
Domestic banks	71.492	8.839.149	2.588.656	4.443.791	5.729.291	1.906.510	-	23.578.889
Foreign banks	1.018.579	768.619	1.007.257	-	-	-	-	2.794.455
Participation banks	194.393	-	-	-	-	-	-	194.393
Other	-	-	-	-	-	-	-	-
Total	**597.718.414**	**123.863.868**	**472.744.025**	**128.892.393**	**26.585.057**	**24.453.524**	**122**	**1.374.257.403**

Prior Period	Demand	Up to 1 month	1-3 Month	3-6 Month	6 Month-1 Year	1 Year and over	Accumulative savings account	Total
Saving deposits	71.511.573	12.327.501	180.557.819	67.064.162	63.658.295	4.046.974	189	399.166.513
Foreign currency deposits	256.921.928	46.294.507	56.538.991	9.577.938	10.072.916	12.503.350	-	391.909.630
Residents in Türkiye	228.614.999	36.860.459	49.196.792	5.996.874	1.815.433	860.103	-	323.344.660
Residents abroad	28.306.929	9.434.048	7.342.199	3.581.064	8.257.483	11.643.247	-	68.564.970
Public sector deposits	5.846.024	3.115.835	119.870	18.835	1.508	-	-	9.102.072
Commercial deposits	53.894.753	23.519.689	76.366.803	17.454.437	27.091.967	2.032.242	-	200.359.891
Other institutions deposits	755.091	919.243	4.980.443	1.066.252	521.736	169	-	8.242.934
Precious metals vault	64.458.794	-	1.854.413	-	1.070.896	203.323	-	67.587.426
Bank deposits	1.142.440	6.681.561	13.579.519	4.878.101	5.732.620	502.969	-	32.517.210
The CBRT	-	-	-	-	-	-	-	-
Domestic banks	56.021	6.626.558	1.264.438	4.878.101	5.732.620	502.969	-	19.060.707
Foreign banks	626.041	55.003	12.315.081	-	-	-	-	12.996.125
Participation banks	460.378	-	-	-	-	-	-	460.378
Other	-	-	-	-	-	-	-	-
Total	**454.530.603**	**92.858.336**	**333.997.858**	**100.059.725**	**108.149.938**	**19.289.027**	**189**	**1.108.885.676**

(1) Within the scope of the "Decision on Supporting Deposit and Participation Accounts Against Exchange Rate Increases (Decision No: 5206)" published in the Official Gazette dated February 24, 2022 and numbered 31760, and the CBRT's communiqués numbered 2021/14, 2021/16, 2022/7 and 2022/11, the "Currency protected TL deposit" which provide protection against foreign currency exchange rate changes for TL deposits, as of the reporting date amounting to TL 103.853.980 (December 31, 2023 – TL 222.335.968).

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

2.1.2. Information on deposits insurance:

2.1.2.1. Information on deposits under the guarantee of the deposits insurance fund and exceeding the limit of deposit insurance fund:

	Under the guarantee of deposit insurance		Exceeding limit of the deposit insurance	
Saving deposits	**Current Period**	**Prior Period**	**Current Period**	**Prior Period**
Deposits	238.996.994	141.654.843	292.953.701	257.622.518
Foreign currency saving deposits	110.153.866	89.012.805	170.971.417	162.954.856
Other deposits	54.169.543	32.917.070	42.563.627	27.761.034
Foreign branches' deposits under foreign authorities' insurance	-	-	-	-
Off-shore banking regions' deposits under foreign authorities' insurance	-	-	-	-

	Under the guarantee of deposit insurance		Exceeding limit of the deposit insurance	
Legal entities' deposits	**Current Period**	**Prior Period**	**Current Period**	**Prior Period**
Deposits	25.466.779	22.152.450	170.832.378	163.557.160
Foreign currency saving deposits	9.311.763	7.476.116	209.231.935	144.343.906
Other deposits	1.726.029	1.068.231	14.947.758	5.845.003
Foreign branches' deposits under foreign authorities' insurance	-	-	-	-
Off-shore banking regions' deposits under foreign authorities' insurance	-	-	-	-

2.1.2.2. Deposits which are not under the guarantee of saving deposit insurance fund:

	Current Period	Prior Period
Foreign branches' deposits and other accounts	9.631.366	3.338.299
Saving deposits and other accounts of controlling shareholders and deposits of their mother, father, spouse, children in care	-	-
Saving deposits and other accounts of president and members of board of directors CEO and vice presidents and deposits of their mother, father, spouse, children in care	1.938.844	618.144
Saving deposits and other accounts in scope of the property holdings derived from crime defined in article 282 of Turkish criminal law no:5237 dated September 26, 2004	-	-
Saving deposits in deposit bank which is established in Türkiye in order to engage in off-shore banking activities solely	-	-

2.2. Information on trading derivative financial liabilities:

2.2.1. Negative differences table for derivative financial liabilities held for trading:

	Current Period		Prior Period	
	TL	**FC**	**TL**	**FC**
Forward transactions	2.628.614	46.795	180.708	67.847
Swap transactions	10.439.634	5.448.798	4.485.127	6.782.595
Futures transactions	652	-	10.023	-
Options	314.646	87.116	92.336	15.133
Other	-	-	-	-
Total	**13.383.546**	**5.582.709**	**4.768.194**	**6.865.575**

2.2.2. Negative differences table for derivative financial liabilities held for hedging:

	Current Period		Prior Period	
	TL	**FC**	**TL**	**FC**
Fair value hedges (1)	-	-	-	358
Cash flow hedges (1)	-	-	32.334	-
Hedges for investments made in foreign countries	-	-	-	-
Total	**-**	**-**	**32.334**	**358**

(1) Explained in Note 10 of section 4.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

2.3. Information on banks and other financial institutions:

2.3.1. Information on borrowings:

	Current Period		Prior Period	
	TL	FC	TL	FC
CBRT borrowings	200.580	-	-	-
From domestic banks and institutions	16.397.406	12.399.471	11.757.504	10.615.941
From foreign banks, institutions and funds	74.891.507	193.441.437	660.191	138.001.207
Total	**91.489.493**	**205.840.908**	**12.417.695**	**148.617.148**

2.3.2. Information on maturity structure of borrowings:

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-term	89.170.574	48.209.689	9.920.235	30.605.554
Medium and long-term	2.318.919	157.631.219	2.497.460	118.011.594
Total	**91.489.493**	**205.840.908**	**12.417.695**	**148.617.148**

2.3.3. Information on marketable securities issued

	Current Period		Prior Period	
	TL	FC	TL	FC
Bills	10.198.915	51.438.572	10.221.955	10.933.847
Asset backed securities (1)	-	17.806.761	-	16.325.139
Bonds (2)	328.621	71.396.849	402.929	59.156.129
Total	**10.527.536**	**140.642.182**	**10.624.884**	**86.415.115**

(1) The Group obtains borrowings via its structured entity, Diversified Payment Rights Finance Company, with future flow transactions which is founded on its future money transfers within its funding program.
(2) Does not include mortgage backed securities as of December 31, 2024 (December 31, 2023 – TL 402.929).

2.3.4. Information on financial liabilities fair value through profit or loss:

The Group classified some of its financial liabilities as the financial liabilities classified at fair value through profit/loss in order to eliminate the accounting mismatch at the initial recognition in accordance with TFRS 9. As of December 31, 2024, the total amount of financial liabilities classified as fair value through profit/loss is TL 75.234.394 (December 31, 2023 – TL 71.167.000) with an accrued interest expense of TL 240.214 (December 31, 2023 - TL 564.874 income) and with a fair value difference of TL 1.006.678 recognized as an expense (December 31, 2023 - TL 1.398.345 expense). On the other hand, the nominal amounts of the total return swaps and bond forwards which are closely related with these financial liabilities as of December 31, 2024 are TL 75.308.138 (December 31, 2023 – TL 71.731.874) with a fair value differences amounting to TL 340.032 liability (December 31, 2023 – TL 1.247.239 liability). The mentioned total return swaps have 9 year maturity in average.

2.4. Information on other liabilities:

As of December 31, 2024, other liabilities do not exceed 10% of the total balance sheet commitments.

2.5. Information on lease payables:

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	1.912.283	1.339.630	1.092.047	780.132
Between 1-4 Years	3.476.032	2.423.761	2.139.774	1.533.116
More than 4 Years	2.330.079	1.636.395	1.513.897	1.088.257
Total	**7.718.394**	**5.399.786**	**4.745.718**	**3.401.505**

2.6. Information on provisions:

2.6.1. Information on provision for employee benefits:

In accordance with Turkish Labour Law, the reserve for employment termination benefits is calculated as the present value of the probable future obligation in case of the retirement of employees. "TAS 19 - Employee Benefits" necessitates actuarial valuation methods to calculate the liabilities of enterprises.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

The following actuarial assumptions were used in the calculation of total liabilities:

	Current Period	Prior Period
Discount rate (%)	3,38	2,90
Possibility of being eligible for retirement (%)	94,59	94,92

The principal actuarial assumption is that the maximum liability will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the effects of future inflation. As the annual ceiling is revised semi-annually, the ceiling of full TL 46.655,43 effective from January 1, 2025 has been taken into consideration in calculating the provision for employee benefit.

Movement of employment termination benefits liability in the balance sheet:

	Current Period	Prior Period
Prior period ending balance	**3.283.393**	**2.845.025**
Changes during the period	549.652	339.285
Recognized in equity	960.004	829.753
Paid during the period	(1.882.889)	(730.670)
Balance at the end of the period	**2.910.160**	**3.283.393**

In addition, the Group has accounted for unused vacation provision amounting to TL 1.026.735 as of December 31, 2024 (December 31, 2023 – TL 769.039).

2.6.2. Information on provisions related with the foreign currency difference of foreign currency indexed loans:

None (December 31, 2023 – None).

2.6.3. Information on other provisions:

	Current Period	Prior Period
Pension fund provision	12.990.997	10.027.806
Provisions on non-funded non cash loans	917.318	1.508.223
Generic provisions on non cash loans	635.382	1.786.242
Provision for lawsuits	360.446	346.390
Provisions for credit cards and promotion campaigns related to banking services	257.637	195.116
Other	2.475.691	3.999.749
Total	**17.637.471**	**17.863.526**

Pension fund provision:

The Parent Bank has set aside provision amounting to TL 12.990.997 (December 31, 2023 – TL 10.027.806) for the technical deficit based on the report prepared by a registered actuary within the framework of the transfer assumption, taking into account the technical interest rate of 9,8%, CSO 1980 mortality table and calculation methods determined by the New Law. The Bank accounted pension fund provision in accordance with "TAS 19 - Employee Benefits" standard. Accordingly, in the calculation of pension fund provision the change arises,

- As a result of service cost and interest is recognized under income statement,
- Actuarial gains and losses, including the effect of differences between assumptions and actual outcomes, are recognized in shareholders' equity.

In the calculation of the defined benefit obligation for transferrable benefits, mainly fixed and specific assumptions are used within the framework of the New Law. However, the final obligation amount that the Bank will bear at the transfer may vary depending on factors such as the discount rate, inflation and salary increase and number of participants and attrition rate.

	Current Period	Prior Period
Opening balance	**10.027.806**	**2.945.243**
Amount recognized under equity	2.797.805	7.028.582
Contributions paid by the Bank	(3.446.953)	(1.818.809)
Income statement charge	3.612.339	1.872.790
Closing balance	**12.990.997**	**10.027.806**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

The amounts recognized in the balance sheet are determined as follows:

	Current Period	Prior Period
Present value of funded obligations	24.385.065	18.119.593
- Pension benefits transferable to SSI	44.527.683	11.186.741
- Post employment medical benefits transferable to SSI	(20.142.618)	6.932.852
Fair value of plan assets	(11.394.068)	(8.091.787)
Provision for the actuarial deficit of the pension fund	**12.990.997**	**10.027.806**

The principal actuarial assumptions used were as follows:

	Current Period	Prior Period
Discount rate		
- Pension benefits transferable to SSI	9,80%	9,80%
- Post employment medical benefits transferable to SSI	9,80%	9,80%

Mortality rate: Average life expectation is defined according to CSO 1980 mortality table.

Plan assets are comprised as follows:

	Current Period		Prior Period	
	Amount	**%**	**Amount**	**%**
Bank placements	3.106.696	27	2.312.910	29
Government bonds and treasury bills	4.715.055	41	3.667.312	45
Premises and equipment	2.486.826	22	1.583.398	20
Other	1.085.491	10	528.167	6
Total	**11.394.068**	**100**	**8.091.787**	**100**

	Current Period	Prior Period
Opening balance of plan assets	**8.091.787**	**5.274.286**
Contributions paid by the Bank	3.446.953	1.818.809
Contributions paid by the employee	2.618.122	1.380.995
Other	(2.762.794)	(382.303)
Closing balance	**11.394.068**	**8.091.787**

2.7. Explanations on tax liability:

2.7.1. Information on taxes payable:

	Current Period	Prior Period
Banking Insurance Transaction Tax ("BITT")	4.461.175	1.900.419
Corporate Tax Payable	864.104	4.532.965
Taxation of Marketable Securities Income	2.783.714	563.484
Value Added Tax Payable	157.036	122.517
Foreign Exchange Transaction Tax	37.266	23.308
Property Tax	18.893	11.526
Other	829.405	536.658
Total	**9.151.593**	**7.690.877**

2.7.2. Information on premium payables:

	Current Period	Prior Period
Social security premiums - employee	5.890	8.731
Social security premiums - employer	7.658	15.642
Bank pension fund premiums - employee	196.652	124.465
Bank pension fund premiums - employer	286.384	172.801
Pension fund deposit and provisions - employee	-	-
Pension fund deposit and provisions - employer	-	-
Unemployment insurance - employee	13.923	8.884
Unemployment insurance - employer	28.129	17.809
Other	-	-
Total	**538.636**	**348.332**

2.8. Liabilities for property and equipment held for sale and related to discontinued operations (net):

None (December 31, 2023 - None).

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

2.9. Information on subordinated debt[1]:

	Current Period		Prior Period	
	TL	FC	TL	FC
Debt instruments to be included in additional capital calculation	**-**	**18.481.048**	**-**	**20.355.837**
Subordinated loans	-	-	-	-
Subordinated debt	-	18.481.048	-	20.355.837
Debt instruments to be included in contribution capital calculation	**1.301.664**	**42.148.886**	**1.260.412**	**15.229.890**
Subordinated loans	-	-	-	-
Subordinated debt	1.301.664	42.148.886	1.260.412	15.229.890
Total	**1.301.664**	**60.629.934**	**1.260.412**	**35.585.727**

(1) Subordinated loans are explained in detail in the Note "Information on debt instruments included in the calculation of equity" in section four.

2.10. Information on shareholders' equity:

2.10.1. Presentation of paid-in capital:

	Current Period	Prior Period
Common shares	8.447.051	8.447.051
Preferred shares	-	-

2.10.2. Amount of paid-in capital, disclosure of whether the Bank's registered capital system is applied and if applied registered capital ceiling:

Capital System	Paid-In Capital	Registered Share Capital Ceiling
Registered Capital System	8.447.051	15.000.000

2.10.3. Information on the share capital increases during the period and the sources:

None (December 31, 2023– None).

2.10.4. Information on transfers from capital reserves to capital during the current period:

None (December 31, 2023 - None).

2.10.5. Information on capital commitments, until the end of the fiscal year and the subsequent interim period:

None (December 31, 2023 - None).

2.10.6. Information on prior period's indicators on the Group's income, profitability and liquidity, and possible effects of these future assumptions on the Bank's equity due to uncertainties of these indicators:

The interest, liquidity, and foreign exchange risk related to on-balance sheet and off-balance sheet assets and liabilities are managed by the Parent Bank within several risk and legal limits.

2.10.7. Privileges on the corporate stock:

None (December 31, 2023 - None).

2.10.8. Information on value increase fund of marketable securities:

	Current Period		Prior Period	
	TL	FC	TL	FC
From investments in associates, subsidiaries, and joint ventures	-	-	-	-
Revaluation difference	-	-	-	-
Foreign currency difference	-	-	-	-
Financial assets at fair value through other comprehensive income[1]	**(11.635.422)**	**(1.174.673)**	**(4.186.802)**	**1.249.717**
Revaluation difference	(11.635.422)	(1.174.673)	(4.186.802)	1.249.717
Foreign currency differences	-	-	-	-
Total	**(11.635.422)**	**(1.174.673)**	**(4.186.802)**	**1.249.717**

(1) Includes tax effect related to foreign currency valuation differences in TL column.

2.10.9. Information on minority interest:

	Current Period	Prior Period
Period opening balance	**2.674**	**1.537**
Current period income/(loss)	2.169	1.328
Dividends paid	(171)	(191)
Period ending balance	**4.672**	**2.674**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3. Explanations and notes related to consolidated off-balance sheet accounts

3.1. Information on off balance sheet commitments:

3.1.1. The amount and type of irrevocable commitments:

	Current Period	Prior Period
Commitments on credit card limits	968.083.268	512.438.126
Asset purchase and sale commitments	103.444.271	72.643.748
Loan granting commitments	163.019.479	96.706.632
Commitments for cheques	10.835.555	8.435.319
Other irrevocable commitments	257.753.848	106.052.213
Total	**1.503.136.421**	**796.276.038**

3.1.2. Type and amount of probable losses and obligations arising from off-balance sheet items:

Obligations arising from off-balance sheet are disclosed in "Off-balance sheet commitments". The Group set aside general provision for its non-cash loans amounting to TL 635.382 (December 31, 2023 - TL 1.786.242) and specific provision amounting to TL 6.487.637 (December 31, 2023 - TL 2.028.872) for non-cash loans which are not indemnified yet amounting to TL 917.318 (December 31, 2023 - TL 1.508.223).

3.1.2.1. Non-cash loans including guarantees, bank acceptance loans, collaterals that are accepted as financial guarantees and other letter of credits:

	Current Period	Prior Period
Bank acceptance loans	3.164.183	2.178.212
Letter of credits	63.782.900	54.078.251
Other guarantees and collaterals	42.776.641	28.188.925
Total	**109.723.724**	**84.445.388**

3.1.2.2. Guarantees, suretyships and other similar transactions:

	Current Period	Prior Period
Temporary letter of guarantees	12.704.409	5.075.662
Definite letter of guarantees	221.159.067	147.977.407
Advance letter of guarantees	51.321.060	44.721.720
Letter of guarantees given to customs	12.930.452	7.917.628
Other letter of guarantees	141.569.932	98.490.787
Total	**439.684.920**	**304.183.204**

3.1.3. Information on non-cash loans:

3.1.3.1. Total amount of non-cash loans:

	Current Period	Prior Period
Non-cash loans given against cash loans	138.249.475	96.627.631
With original maturity of 1 year or less than 1 year	22.761.592	9.930.139
With original maturity of more than 1 year	115.487.883	86.697.492
Other non-cash loans	411.159.169	292.000.961
Total	**549.408.644**	**388.628.592**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.1.3.2. Information on sectoral concentration of non-cash loans:

	Current Period				Prior Period			
	TL	(%)	FC	(%)	TL	(%)	FC	(%)
Agricultural	**7.048.901**	**2,52**	**5.623.621**	**2,09**	**4.459.418**	**2,50**	**5.619.898**	**2,68**
Farming and raising livestock	6.414.429	2,30	3.925.507	1,46	3.822.365	2,14	3.008.408	1,43
Forestry	572.613	0,20	1.578.604	0,59	497.454	0,28	2.571.808	1,23
Fishing	61.859	0,02	119.510	0,04	139.599	0,08	39.682	0,02
Manufacturing	**142.103.511**	**50,72**	**165.055.179**	**61,30**	**96.468.975**	**53,98**	**127.433.628**	**60,70**
Mining	980.784	0,35	1.765.419	0,66	556.194	0,31	650.363	0,31
Production	124.043.588	44,27	141.482.181	52,54	84.673.111	47,38	108.972.931	51,91
Electric, gas and water	17.079.139	6,10	21.807.579	8,10	11.239.670	6,29	17.810.334	8,48
Construction	**51.077.502**	**18,23**	**45.534.225**	**16,91**	**29.337.700**	**16,42**	**37.951.490**	**18,08**
Services	**79.003.235**	**28,20**	**50.287.362**	**18,68**	**47.700.383**	**26,68**	**37.856.688**	**18,04**
Wholesale and retail trade	21.019.660	7,50	11.354.286	4,22	13.787.213	7,71	6.747.216	3,21
Hotel, food and beverage services	4.687.843	1,67	4.020.032	1,49	2.097.811	1,17	3.245.848	1,55
Transportation and telecommunication	8.248.263	2,94	10.497.692	3,90	4.539.026	2,54	10.591.194	5,05
Financial institutions	31.509.766	11,26	13.523.172	5,03	20.202.345	11,30	7.983.138	3,80
Real estate and renting services	2.832.220	1,01	2.238.504	0,83	1.210.701	0,68	1.513.316	0,72
Education services	403.278	0,14	140.509	0,05	356.684	0,20	143.348	0,07
Health and social services	10.302.205	3,68	8.513.167	3,16	5.506.603	3,08	7.632.628	3,64
Other	**934.098**	**0,33**	**2.741.010**	**1,02**	**746.280**	**0,42**	**1.054.132**	**0,50**
Total	**280.167.247**	**100,00**	**269.241.397**	**100,00**	**178.712.756**	**100,00**	**209.915.836**	**100,00**

3.1.3.3. Information non-cash loans classified in Group I and Group II:

Current Period	**Group I**		**Group II**	
	TL	**FC**	**TL**	**FC**
Non-cash loans				
Letters of guarantee	256.712.647	170.095.562	3.602.132	3.027.327
Bank acceptances	-	3.082.400	-	-
Letters of credit	45.163	63.545.565	-	50.777
Endorsements	-	-	-	-
Underwriting commitments	-	-	-	-
Factoring guarantees	-	-	-	-
Other commitments and contingencies	19.048.166	23.711.267	-	-
Total	**275.805.976**	**260.434.794**	**3.602.132**	**3.078.104**

Prior Period	**Group I**		**Group II**	
	TL	**FC**	**TL**	**FC**
Non-cash loans				
Letters of guarantee	162.235.291	126.817.624	5.644.786	7.838.812
Bank acceptances	-	2.103.028	-	22.795
Letters of credit	1.257.810	52.240.693	-	572.300
Endorsements	-	-	-	-
Underwriting commitments	-	-	-	-
Factoring guarantees	-	5.516	-	-
Other commitments and contingencies	9.246.038	18.922.466	10.700	-
Total	**172.739.139**	**200.089.327**	**5.655.486**	**8.433.907**

3.1.3.4. Maturity distribution of non cash loans:

Current Period(1)	**Indefinite**	**Up to 1 year**	**1-5 years**	**Above 5 years**	**Total**
Letter of credit	-	44.777.071	18.992.583	13.246	63.782.900
Letter of guarantee	110.010.546	86.033.734	221.016.089	22.624.551	439.684.920
Bank acceptances	-	2.789.527	374.656	-	3.164.183
Other	5.001.078	20.546.246	5.346.505	11.882.812	42.776.641
Total	**115.011.624**	**154.146.578**	**245.729.833**	**34.520.609**	**549.408.644**

Prior Period(1)	**Indefinite**	**Up to 1 year**	**1-5 years**	**Above 5 years**	**Total**
Letter of credit	-	38.045.151	16.022.047	11.053	54.078.251
Letter of guarantee	81.805.739	51.188.834	152.460.723	18.727.908	304.183.204
Bank acceptances	-	2.145.223	32.989	-	2.178.212
Other	3.507.307	9.031.933	3.641.804	12.007.881	28.188.925
Total	**85.313.046**	**100.411.141**	**172.157.563**	**30.746.842**	**388.628.592**

(1) The distribution is based on the original maturities.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.2. Information on derivative financial instruments:

	Current Period	**Prior Period**
Types of trading transactions		
Foreign currency related derivative transactions (I)	618.732.028	605.454.301
Forward foreign currency purchase and sale transactions	154.017.536	50.297.878
Currency swap purchase and sale transactions	396.059.639	524.028.470
Currency futures	20.595.286	7.475.390
Currency purchase and sale options	48.059.567	23.652.563
Interest related derivative transactions (II)	756.244.785	505.199.409
Forward interest rate agreements	-	-
Interest rate swap purchase and sale transactions	751.943.374	500.965.348
Interest rate purchase and sale options	4.301.411	4.234.061
Interest rate futures	-	-
Other trading derivative transactions (III)	276.302.524	214.035.638
A. Total trading derivative transactions (I+II+III)	**1.651.279.337**	**1.324.689.348**
Types of derivative transactions for hedging purposes		
Transactions for fair value hedge	3.820.124	4.329.397
Transactions for cash flow hedge	38.226.415	81.581.421
Transactions for foreign net investment hedge	-	-
B. Total hedging related derivatives	**42.046.539**	**85.910.818**
Total derivative transactions (A+B)	**1.693.325.876**	**1.410.600.166**

3.3. Information on credit derivatives and risk exposures:

The Group has no credit default swaps in derivative portfolio for the period ended December 31, 2024.

Derivative portfolio includes total return swap that has a nominal amount of TL 149.816.276 (total of buy and sell leg) as of December 31, 2024 (December 31, 2023 – TL 142.663.748).

3.4. Information on contingent liabilities and assets:

The Group has recorded a provision of TL 360.446 (December 31, 2023 – TL 346.390) for litigations against the Group and has accounted for it in accompanying consolidated the financial statements under the "Other provisions" account. Except for the claims where provisions are recorded, management considers as remote the probability of a negative result in ongoing litigations and therefore does not foresee any cash outflows for such claim.

3.5. Information on services on behalf of others:

The Bank's activities such as intermediation and custody to serve the investment needs of customers are followed up under off balance sheet accounts.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

4. Explanations and notes related to consolidated income statement:

4.1. Information on interest income:

4.1.1. Information on interest income on loans:

	Current Period		Prior Period	
	TL	**FC**	**TL**	**FC**
Short-term loans(1)	155.060.797	9.283.881	48.659.762	4.063.070
Medium/long-term loans(1)	103.626.181	22.045.289	58.997.850	17.063.155
Interest on loans under follow-up	9.186.415	-	3.268.424	-
Premiums received from resource utilisation support fund	-	-	-	-
Total	**267.873.393**	**31.329.170**	**110.926.036**	**21.126.225**

(1) Includes fees and commissions received for cash loans.

4.1.2. Information on interest income on banks:

	Current Period		Prior Period	
	TL	**FC**	**TL**	**FC**
From the CBRT	3.450.700	6.381	76.667	63.600
From domestic banks	4.962.945	656.401	2.662.470	721.333
From foreign banks	12.051	4.543.718	232	3.355.173
Headquarters and branches abroad	-	-	-	-
Total	**8.425.696**	**5.206.500**	**2.739.369**	**4.140.106**

4.1.3. Information on interest income on marketable securities:

	Current Period		Prior Period	
	TL	**FC**	**TL**	**FC**
Financial assets measured at fair value through profit or loss	-	178.325	-	126.273
Financial assets measured at fair value through other comprehensive income	34.994.763	1.667.628	20.902.145	2.175.752
Financial assets measured at amortised cost	76.953.813	6.925.544	57.140.619	4.018.994
Total	**111.948.576**	**8.771.497**	**78.042.764**	**6.321.019**

4.1.4. Information on interest income received from associates and subsidiaries:

	Current Period	Prior Period
Interests received from associates and subsidiaries	688.435	158.937
Total	**688.435**	**158.937**

4.2. Information on interest expense:

4.2.1. Information on interest expense on borrowings:

	Current Period		Prior Period	
	TL	**FC**	**TL**	**FC**
Banks	17.918.111	12.969.241	3.040.512	8.344.448
The CBRT	-	-	-	-
Domestic banks	5.178.540	1.127.321	2.864.071	706.078
Foreign banks	12.739.571	11.841.920	176.441	7.638.370
Headquarters and foreign branches	-	-	-	-
Other institutions	-	230.250	-	98.781
Total(1)	**17.918.111**	**13.199.491**	**3.040.512**	**8.443.229**

(1) Includes fees and commissions related to borrowings.

4.2.2. Information on interest expense to associates and subsidiaries:

	Current Period	Prior Period
Interests paid to associates and subsidiaries	421.866	245.330
Total	**421.866**	**245.330**

4.2.3. Information on interest expense to marketable securities issued:

	Current Period		Prior Period	
	TL	**FC**	**TL**	**FC**
Interest expense to marketable securities issued	6.459.120	20.753.661	3.258.656	12.189.113
Total	**6.459.120**	**20.753.661**	**3.258.656**	**12.189.113**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

4.2.4. Information on interest expense on money market transactions:

	Current Period		Prior Period	
	TL	FC	TL	FC
Interest expense on money market transactions	66.369.476	1.391.848	4.722.113	1.264.972
Total	**66.369.476**	**1.391.848**	**4.722.113**	**1.264.972**

4.2.5. Information on other interest expense:

As of December 31, 2024, commission expense amounting to TL 1.867.822 (December 31, 2023 – TL 1.505.590) has been recognized in other interest expenses within the scope of 30th article of the CBRT Tariff Schedule titled "Communiqué on Required Reserve and Foreign Currency Deposit Accounts".

4.2.6. Maturity structure of the interest expense on deposits:

		Time Deposit							
Account name	Demand Deposit	Up to 1 month	Up to 3 months	Up to 6 months	Up to 1 Year	More than 1 year	Accumulating deposit	Total	Prior Period
TL									
Bank deposits	71.752	3.120.207	3.257.797	21.345	7.539	-	-	6.478.640	2.306.673
Saving deposits	-	3.783.028	89.987.696	42.698.636	27.605.290	2.197.086	25	166.271.761	76.586.441
Public sector deposits	-	323.033	48.312	6.092	671	-	-	378.108	195.319
Commercial deposits	226	10.203.377	39.061.269	7.837.851	8.083.459	767.037	-	65.953.219	25.800.463
Other deposits	-	688.351	14.964.581	1.939.261	406.505	15.236	-	18.013.934	11.420.814
Deposits with 7 days notification	-	-	-	-	-	-	-	-	-
Total	**71.978**	**18.117.996**	**147.319.655**	**52.503.185**	**36.103.464**	**2.979.359**	**25**	**257.095.662**	**116.309.710**
FC									
Foreign currency deposits	30.112	1.367.751	848.848	209.596	516.832	451.675	-	3.424.814	1.759.656
Bank deposits	326.399	301.992	188.169	-	-	-	-	816.560	659.056
Deposits with 7 days notification	-	-	-	-	-	-	-	-	-
Precious metal vault	-	509	12.757	-	863	66	-	14.195	5.185
Total	**356.511**	**1.670.252**	**1.049.774**	**209.596**	**517.695**	**451.741**	**-**	**4.255.569**	**2.423.897**
Grand total	**428.489**	**19.788.248**	**148.369.429**	**52.712.781**	**36.621.159**	**3.431.100**	**25**	**261.351.231**	**118.733.607**

4.3. Information on dividend income:

	Current Period	Prior Period
Financial assets measured at fair value through profit or loss	105.999	44.794
Financial assets measured at fair value through other comprehensive income	6.055	22.070
Other	23	-
Total	**112.077**	**66.864**

4.4. Information on trading profit/loss (net):

	Current Period	Prior Period
Profit	**242.505.881**	**202.129.516**
Gain from capital market transactions	3.669.337	4.006.532
Derivative financial transaction gains	115.623.311	96.914.208
Foreign exchange gains	123.213.233	101.208.776
Loss (-)	**287.939.466**	**180.841.114**
Loss from capital market transactions	183.006	49.998
Derivative financial transaction losses	137.210.004	63.588.928
Foreign exchange loss	150.546.456	117.202.188
Net trading profit/loss	**(45.433.585)**	**21.288.402**

The net gain resulting from the foreign exchange differences related to derivative financial transactions is TL 40.093.341 (December 31, 2023 – TL 35.650.282 gain).

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

4.5. Allowance for expected credit losses and other provisions:

	Current Period	Prior Period
Allowance for expected credit losses	**36.404.436**	**24.224.659**
12-month expected credit losses (Stage 1)	921.435	7.649.175
Significant increase in credit risk (Stage 2)	12.453.686	4.877.343
Non-performing loans (Stage 3)	23.029.315	11.698.141
Impairment provisions for financial assets	-	-
Financial assets measured at fair value through profit or loss	-	-
Financial assets measured at fair value through other comprehensive income	-	-
Impairment provisions related to investments in associates, subsidiaries and jointly controlled partnerships (Joint ventures)	-	-
Associates	-	-
Subsidiaries	-	-
Jointly controlled partnerships (joint ventures)	-	-
Other	**89.127**	**151.802**
Total	**36.493.563**	**24.376.461**

4.6. Information on other operating income:

"Other Operating Income" in the statement of profit or loss mainly includes collections from receivables for which Specific / General provision has been allocated in prior periods.

4.7. Information related to other operating expenses:

	Current Period	Prior Period
Reserve for employee termination benefits	549.652	339.285
Provision expense for pension fund	165.386	53.981
Impairment losses of property and equipment	-	-
Depreciation expenses of property and equipment	2.337.169	1.329.970
Impairment losses of intangible assets	-	-
Goodwill impairment losses	-	-
Amortization expenses of intangible assets	590.919	384.169
Impairment losses of equity participations for which equity method is applied	-	-
Impairment losses of assets held for sale	-	-
Depreciation expenses of assets held for sale	-	-
Impairment losses of fixed assets held for sale and assets related to discontinued operations	-	-
Other operating expenses	37.652.367	23.143.792
TFRS 16 exempt lease expenses	343.833	194.815
Repair and maintenance expenses	1.295.529	751.220
Advertising expenses	1.026.247	847.892
Other expense	34.986.758	21.349.865
Loss on sales of assets	-	9.635
Other	10.005.521	5.300.262
Total	**51.301.014**	**30.561.094**

4.8. Information on income/loss before taxes from continuing operations and discontinued operations:

Income before tax includes net interest income amounting to TL 88.646.632 (December 31, 2023 – TL 79.417.115) net fee and commission income amounting to TL 77.698.428 (December 31, 2023 – TL 38.160.316), personnel expenses amounting to TL 30.021.689 (December 31, 2023 - TL 18.296.354) and total other operating expense amounting to TL 51.301.014 (December 31, 2023 – TL 30.561.094).

As of December 31, 2024, the Group has no profit before taxes from discontinued operations (December 31, 2023 – None).

4.9. Provision for taxes on income from continuing operations and discontinued operations:

As of December 31, 2024, the Group has current tax expense amounting to TL 3.978.651 (December 31, 2023 – TL 12.077.111 expense) and deferred tax expense amounting to TL 696.269 (December 31, 2023 – TL 4.941.626 expense).

	Current Period	Prior Period
Profit before tax	33.693.912	85.028.901
Tax calculated at statutory rate	10.108.174	25.508.670
Nondeductible expenses, discounts and other, net	(5.433.254)	(8.489.933)
Total	**4.674.920**	**17.018.737**

4.10. Information on net profit/loss for the period:

4.10.1. The characteristics, dimension and recurrence of income or expense items arising from ordinary banking transactions do not require any additional explanation to understand the Group's current period performance.

4.10.2. The effect of the change in an estimate of financial statement items to profit / loss is not likely to affect subsequent periods.

4.11. Income/loss of minority interest:

	Current Period	Prior Period
Income/(loss) of minority interest	2.169	1.328

4.12. Other items in statement of profit or loss:

"Other fees and commissions received" and "Other fees and commissions paid" in profit or loss mainly include commissions and fees related to credit cards and banking transactions.

5. Explanations and notes related to consolidated statement of changes in shareholders' equity

5.1. Information on dividends:

Authorised body for profit distribution of the current period is General Assembly. As of the preparation date of these financial statements, annual ordinary meeting of the General Assembly has not been held yet.

5.2. Information on increase/decrease amounts resulting from merger:

None.

5.3. Information on equity share premiums:

The details regarding property and equipment valuation differences are disclosed in section 3 note 19.

5.4. Explanations on property and equipment valuation differences:

Group, adopted fair value accounting method for its buildings and art objects and paintings in tangible assets in accordance with TAS 16 "Property, Plant and Equipment". As of December 31, 2024, revaluation gain under shareholders' equity is amounting to TL 17.506.703 (December 31, 2023 – TL 10.912.237).

5.5. Explanations related to accumulated remeasurement gains/losses of defined benefit plans:

Accumulated remeasurement gains/losses of defined benefit plans are accounted under equity. As of December 31, 2024 actuarial loss under shareholders' equity regarding to employee benefits are amounting to TL 3.043.382 (December 31, 2023 - TL 2.371.380), actuarial loss related to pension fund provision is amounting to TL 7.855.119 (December 31, 2023 - TL 5.896.655).

5.6. Explanations on financial assets at fair value through other comprehensive income:

"Unrealized gains and losses" arising from changes in the fair value of financial assets classified as financial assets at fair value through other comprehensive income are recognized in the shareholders' equity until the related assets are impaired or disposed.

5.7. Hedging transactions:

The Parent Bank applies cash flow hedge accounting in order to hedge the risk of cash flow of its liabilities. In the scope of this application, the derivative financial instruments are specified as floating rate and fixed rate interest payment USD, EUR and TL interest rate swaps, hedging liabilities as the USD, EUR and TL customer deposits, repos, cash outflows due to re-pricing of loans because of the expected interest rate financing. In this context, fair value change of the effective portion of derivative financial instruments accounted under "Other accumulated comprehensive income that will be reclassified in profit or loss", taking into account tax effects. Such amount as of December 31, 2024 is TL 2.138.858 gain (December 31, 2023 – 3.227.560 gain).

The Group's Euro denominated borrowing is designated as a hedge of the net investment in the Group's certain EUR denominated subsidiaries. The total amount of the borrowing designated as a hedge of the net investment at December 31, 2024 is EUR 665 million (December 31, 2023 – EUR 528 million). The foreign exchange loss of TL 11.665.991 (December 31, 2023 – TL 10.019.031 loss), net of tax, on translation of the borrowing to Turkish Lira at the statement of financial position date is recognized in "hedging reserves" in equity.

5.8. Information on other capital and profit reserves:

Other capital and profit reserves in general comprise of legal reserves and extraordinary reserves.

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

6. Explanations and notes related to consolidated statement of cash flows:

6.1. Information on cash and cash equivalent:

6.1.1. Components of cash and cash equivalents and the accounting policy applied in their determination:

Cash and foreign currency balances together with demand deposits at banks including the unrestricted amounts of CBRT are defined as "Cash"; money market placements and time deposits in banks with original maturities of less than three months are defined as "Cash Equivalents".

6.1.2. Effect of a change in the accounting policies:

None.

6.1.3. Reconciliation of cash and cash equivalent items with balance sheet and cash flow statements:

6.1.3.1. Cash and cash equivalents at the beginning of period:

	Current Period	Prior Period
Cash	**216.391.689**	**113.279.228**
Cash and effectives	22.177.269	13.177.534
Demand deposits in banks	194.214.420	100.101.694
Cash equivalents	**12.119.176**	**15.831.110**
Interbank money market	-	2.513.158
Deposits in bank	12.119.176	13.317.952
Total cash and cash equivalents	**228.510.865**	**129.110.338**

6.1.3.2. Cash and cash equivalents at the end of the period:

	Current Period	Prior Period
Cash	**273.412.029**	**216.391.689**
Cash and effectives	21.244.328	22.177.269
Demand deposits in banks	252.167.701	194.214.420
Cash equivalents	**14.364.815**	**12.119.176**
Interbank money market	-	-
Deposits in bank	14.364.815	12.119.176
Total cash and cash equivalents	**287.776.844**	**228.510.865**

6.2. Information on cash and cash equivalents those are not in use due to legal limitations and other reasons:

As of December 31, 2024, the Group's cash and cash equivalents those are not in use due to legal limitations and other reasons, including reserve requirements is amounting to TL 371.115.284 (December 31, 2023 - TL 244.424.260).

6.3. Explanations on other items in the statement of cash flows and the effects of the change in foreign exchange rates on cash and cash equivalents :

Decrease in "Other account" amounting to TL 45.663.457 (December 31, 2023 – TL 6.414.741 decrease) which is classified under "Operating profit before changes in operating assets and liabilities" includes fee and commissions given, other operating expenses excluding personnel expenses and foreign exchange gains/losses.

Increase in "Net increase/decrease in other liabilities" amounting to TL 39.173.361 (December 31, 2023 - TL 13.538.333 decrease) which is classified under "Changes in operating assets and liabilities" mainly arises from changes in miscellaneous payables, subordinated loans and other liabilities.

The effects of the change in foreign exchange rates on cash and cash equivalents are calculated as an increase approximately of TL 23.103.883 as of December 31, 2024 (December 31, 2024 - TL 50.742.058 increase).

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

7. Explanations and notes related to Group's risk group:

7.1. The volume of transactions relating to the Group's risk group, outstanding loan and deposit transactions and profit or loss of the period:

7.1.1. Information on loans of the Group's risk group:

Current Period	**Associates, subsidiaries and joint ventures**		**Direct and indirect shareholders of the Group**		**Other real and legal persons that have been included in the risk group**	
Group's risk group [(1) (2)]	**Cash**	**Non-cash**	**Cash**	**Non-cash**	**Cash**	**Non-cash**
Loans						
Balance at the beginning of the period	75.482	89.510	35.697	1.304.299	18.315.042	9.439.424
Balance at the end of the period	1.050.288	38.238	19.895	629.218	19.193.000	24.548.964
Interest and commission income received	**688.435**	**124**	**5.038**	**2.363**	**6.577.381**	**131.130**

Prior Period	**Associates, subsidiaries and joint ventures**		**Direct and indirect shareholders of the Group**		**Other real and legal persons that have been included in the risk group**	
Group's risk group [(1) (2)]	**Cash**	**Non-cash**	**Cash**	**Non-cash**	**Cash**	**Non-cash**
Loans						
Balance at the beginning of the period	46.501	1.784	176.501	903.139	12.012.206	5.772.850
Balance at the end of the period	75.482	89.510	35.697	1.304.299	18.315.042	9.439.424
Interest and commission income received	**158.937**	**274**	**42.651**	**6.574**	**4.386.974**	**64.978**

(1) Defined in subsection 2 of the 49th article of Banking Act No. 5411.
(2) The information in table above includes marketable securities and due from banks as well as loans.

7.1.2. Information on deposits of the Group's risk group:

Group's risk group [(1) (2)]	**Associates, subsidiaries and joint ventures**		**Direct and indirect shareholders of the Bank**		**Other real and legal persons that have been included in the risk group**	
Deposit	**Current Period**	**Prior Period**	**Current Period**	**Prior Period**	**Current Period**	**Prior Period**
Beginning of the period	1.152.088	570.543	30.457.645	27.832.583	123.741.795	70.401.031
End of the period	990.656	1.152.088	47.747.658	30.457.645	139.529.625	123.741.795
Interest expense on deposits	**421.866**	**245.330**	**6.802.234**	**2.167.942**	**14.538.926**	**4.353.728**

(1) Defined in subsection 2 of the 49th article of the Banking Act No. 5411.
(2) The information in table above includes borrowings and repo transactions as well as deposits.

7.1.3. Information on forward and option agreements and other derivative instruments with the Group's risk group:

Group's risk group [(1)]	**Associates, subsidiaries and joint ventures**		**Direct and indirect shareholders of the Bank**		**Other real and legal persons that have been included in the risk group**	
	Current Period	**Prior Period**	**Current Period**	**Prior Period**	**Current Period**	**Prior Period**
Transactions at fair value through profit or loss						
Beginning of the period[(2)]	-	-	19.721.860	1.886.536	5.382.691	1.273.964
End of the period[(2)]	-	-	-	19.721.860	12.693.289	5.382.691
Total profit / loss[(3)]	**-**	**-**	**7.298**	**(35.811)**	**1.407.941**	**108.119**
Transactions for hedging purposes						
Beginning of the period[(2)]	-	-	-	-	-	-
End of the period[(2)]	-	-	-	-	-	-
Total profit / loss	**-**	**-**	**-**	**-**	**-**	**-**

(1) Defined in subsection 2 of the 49th article of the Banking Act No. 5411.
(2) The balances at the beginning and end of the periods are disclosed as the total of buy and sell amounts of derivative financial instruments.

7.2. Information regarding benefits provided to the Group's top management:

Salaries and benefits paid to the Group's top management amount to TL 755.086 as of December 31, 2024 (December 31, 2023 – TL 565.684).

8. Explanations and notes related to the domestic, foreign, off-shore branches or associates and foreign representatives of the Parent Bank:

	Number	Number of Employees			
Domestic Branch	771	14.399			
			Country of incorporation		
Foreign Representation Office	-	-	-		
				Total assets	Statutory share capital
Foreign Branch	1	3	Bahrain	45.582.153	-
Off-Shore Banking Region Branch	-	-		-	-

9. Explanations and notes related to subsequent events :

None.

Section Six- Other Explanations

1. Other explanations on the Parent Bank's operations

None.

Section Seven - Independent auditor's report

1. Explanations on independent auditor's report

The consolidated financial statements for the period ended December 31, 2024 have been audited by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. The independent auditor's audit report dated January 31, 2025 is presented preceding the consolidated financial statements.

2. Explanations and notes prepared by independent auditor

None.