

AKBANK T.A.Ş.

**PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
STATEMENTS AND RELATED DISCLOSURES
AT 30 JUNE 2022 TOGETHER WITH
AUDITOR'S REVIEW REPORT**

**(Convenience translation of publicly announced consolidated
financial statements, related disclosures and auditor's review report
originally issued in Turkish, See Note. I.b of Section three)**

AUDITOR'S REVIEW REPORT ON INTERIM FINANCIAL INFORMATION

(Convenience translation of the independent auditor's review report originally issued in Turkish, See Note I of Section Three)

To the General Assembly of Akbank T.A.Ş.;

Introduction

We have reviewed the consolidated balance sheet of Akbank T.A.Ş. ("the Bank") and its consolidated subsidiaries (collectively referred to as "the Group") at 30 June 2022 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 for the six-month-period then ended. The Bank Management is responsible for the preparation and fair presentation of interim financial information in accordance with the Banking Regulation and Supervision Agency ("BRSA") Accounting and Financial Reporting Legislation which includes "Regulation on Accounting Applications for Banks and Safeguarding of Documents" published in the Official Gazette no.26333 dated 1 November 2006, and other regulations on accounting records of Banks published by Banking Regulation and Supervision Agency and circulars and interpretations published by BRSA and Turkish Accounting Standard 34 "Interim Financial Reporting" for those matters not regulated by the aforementioned regulations. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Limited Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial reporting process, and applying analytical and other review procedures. A review of interim financial information is substantially less in scope than an independent audit performed in accordance with the Independent Auditing Standards and the objective of which is to express an opinion on the financial statements. Consequently, a review of the interim financial information does not provide assurance that the audit firm will be aware of all significant matters which would have been identified in an audit. Accordingly, we do not express an opinion.

Basis for the Qualified Conclusion

As mentioned in Section Five Part II h.4 (i) of Explanations and Notes to the Consolidated Financial Statements; the accompanying consolidated financial statements as of 30 June 2022 include a free provision amounting to TL 1.400.000 thousand provided in prior years by the Bank management which is not within the requirements of BRSA Accounting and Financial Reporting Legislation.

Qualified Conclusion

Based on our review, except for the effects of the matter on the consolidated financial statements described in the basis for the qualified conclusion paragraph above, nothing has come to our attention that causes us to believe that the accompanying consolidated financial information do not present fairly in all material respects the financial position of Akbank T.A.Ş. and its consolidated subsidiaries at 30 June 2022 and the results of its operations and its cash flows for the six-month period then ended in accordance with the BRSA Accounting and Financial Reporting Legislation.

Report on other regulatory requirements arising from legislation

Based on our review, nothing has come to our attention that causes us to believe that the financial information provided in the accompanying interim activity report in Section Seven, is not consistent with the reviewed consolidated financial statements and disclosures in all material respects.

Additional Paragraph for Convenience Translation:

BRSA Accounting and Financial Reporting Legislation explained in detail in Section Three differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board including the application of IAS 29 - Financial Reporting in Hyperinflationary Economies as of 30 June 2022. Accordingly, the accompanying consolidated financial statements are not intended to present fairly the consolidated financial position, results of operations, changes in equity and cash flows of the Group in accordance with IFRS.

PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.

Zeynep Uras, SMMM
Partner

Istanbul, 27 July 2022

**CONVENIENCE TRANSLATION
OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS, RELATED DISCLOSURES
ORIGINALLY ISSUED IN TURKISH,
SEE NOTE I.b OF SECTION THREE**

**THE CONSOLIDATED FINANCIAL REPORT OF
AKBANK T.A.Ş. AS OF 30 JUNE 2022**

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The consolidated financial report for the six-month-period, prepared in accordance with "Communiqué on the Financial Statements and the Related Policies and Disclosures to be Publicly Announced" as regulated by the Banking Regulation and Supervision Agency, is consist of the sections listed below.

- **Section One** - GENERAL INFORMATION ABOUT THE PARENT BANK
- **Section Two** - CONSOLIDATED FINANCIAL STATEMENTS OF THE PARENT BANK
- **Section Three** - EXPLANATIONS ON ACCOUNTING POLICIES
- **Section Four** - INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP
- **Section Five** - INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS
- **Section Six** - INTERIM REVIEW REPORT
- **Section Seven** - INTERIM ACTIVITY REPORT

Investments in associates, joint ventures and subsidiaries whose financial statements have been consolidated in this reporting package are as follows:

	Subsidiaries	Investments in Associates	Joint Ventures
1.	Ak Finansal Kiralama A.Ş.	-	-
2.	Ak Yatırım Menkul Değerler A.Ş.	-	-
3.	Ak Portföy Yönetimi A.Ş.	-	-
4.	Akbank AG	-	-
5.	AkÖde Elektronik Para ve Ödeme Hizmetleri A.Ş.	-	-

A.R.T.S. Ltd., which is not subsidiary of the Bank has been included in the consolidation due to the reason that this company is "Structured Entity"

The accompanying consolidated financial statements and notes to these financial statements for six-month period which are expressed, unless otherwise stated, in thousands of Turkish Lira (TL), have been prepared based on the accounting books of the Bank in accordance with the Regulation on Accounting Applications for Banks and Safeguarding of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards, and the related appendices and interpretations on these, and have been independently reviewed.

27 July 2022

Suzan SABANCI DİNÇER Chairman of the Board of Directors	Eyüp ENGİN Head of the Audit Committee	Levent DEMIRAĞ Member of the Audit Committee	S. Hakan BİNBAŞGİL CEO	Türker TUNALI Executive Vice President	Gökhan KAZCILAR Senior Vice President
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Contact information of the personnel in charge of addressing questions regarding this financial report:

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AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2022

[Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.]

SECTION ONE GENERAL INFORMATION ABOUT THE BANK

I. PARENT BANK'S FOUNDATION DATE, START-UP STATUS, HISTORY REGARDING THE CHANGES IN THIS STATUS:

Akbank T.A.Ş. ("the Bank", "the Parent Bank" or "Akbank") was established on 30 January 1948 as a private commercial bank, in accordance with the decision of the Council of Ministers, No.3/6710 and is authorized to perform all economic, financial and commercial activities, which are allowed by the laws of the Turkish Republic ("T.C."). The status of the Bank has not changed since its foundation.

II. EXPLANATION ABOUT THE PARENT BANK'S CAPITAL STRUCTURE, SHAREHOLDERS OF THE BANK WHO ARE IN CHARGE OF THE MANAGEMENT AND/OR AUDITING OF THE BANK DIRECTLY OR INDIRECTLY, CHANGES IN THESE MATTERS (IF ANY) AND THE GROUP THAT THE PARENT BANK BELONGS TO:

The Bank's shares have been quoted on the Borsa Istanbul ("BIST") since 1990. In 1998, 4,03% of the outstanding share capital of the Bank was offered and sold in an international offering outside of Turkey in the form of Ordinary Shares and American Depository Receipts ("ADRs"). As of 30 June 2022, approximately 51% of the shares are publicly traded, including the ADRs (31 December 2021: 51%).

The major shareholder of the Parent Bank, directly or indirectly, is Sabancı Group.

III. EXPLANATION ON THE BOARD OF DIRECTORS, MEMBERS OF THE AUDIT COMMITTEE, PRESIDENT AND EXECUTIVE VICE PRESIDENTS, IF AVAILABLE, SHARES OF THE PARENT BANK THEY POSSESS AND THEIR AREAS OF RESPONSIBILITY:

Title	Name	Responsibility	Education
Chairman:	Suzan SABANCI DİNÇER	Chairman of the Board of Directors	Graduate
Board of Directors:	Eyüp ENGİN	Vice Chairman and Executive Board Member	Undergraduate
	A. Fuat AYLA	Executive Board Member	Undergraduate
	Ş. Yaman TÖRÜNER	Board Member	Undergraduate
	Emre DERMAN	Board Member	Graduate
	N. Orhun KÖSTEM	Board Member	Graduate
	K. Özgür DEMİRTAŞ	Board Member	PhD
	Mehmet Tuğrul BELLİ	Board Member	Graduate
	Levent DEMİR AĞ	Board Member	Undergraduate
	S. Hakan BİNBAŞGİL	Board Member and CEO	Graduate
CEO:	S. Hakan BİNBAŞGİL	CEO	Graduate
Head of Internal Audit:	Savaş KÜLCÜ	Head of Internal Audit	Graduate
Executive Vice Presidents:	Bülent OĞUZ	SME Banking	Graduate
	H. Burcu CİVELEK YÜCE	Consumer Banking and Digital Solutions	Graduate
	Ege GÜLTEKİN	Credit Monitoring and Follow-up	Graduate
	Levent ÇELEBİOĞLU	Corporate and Investment Banking	Undergraduate
	N. İlker ALTINTAŞ	Technology and Operation	PhD
	Mehmet Hakan TUGAL	Commercial Banking	Graduate
	Türker TUNALI	Financial Management	Undergraduate
	Şahin Alp KELER	Private Banking and Wealth Management	PhD
	Yunus Emre ÖZBEN	Credit Allocation	Graduate
	Zeynep ÖZTÜRK ŞARSEL	Special Credits	Graduate
	Gamze Şebnem MURATOĞLU	Treasury	Graduate
	Pınar ANAPA	People and Culture	Graduate
Internal Audit Committee:	Eyüp ENGİN	Head of the Audit Committee	Undergraduate
	Levent DEMİR AĞ	Member of the Audit Committee	Undergraduate

The shares of individuals above are insignificant in the Parent Bank.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

IV. INFORMATION ON THE INDIVIDUAL AND CORPORATE SHAREHOLDERS HAVING CONTROL SHARES OF THE PARENT BANK:

Name/Commercial Title	Share Amounts (Nominal)	Share Percentages	Paid-in Capital (Nominal)	Unpaid Portion
Hacı Ömer Sabancı Holding A.Ş.	2.119.027	40,75%	2.119.027	-

V. INFORMATION ON THE PARENT BANK'S SERVICE TYPES AND FIELDS OF OPERATION:

The Bank's core business activities consist of consumer banking, SME banking, commercial banking, corporate-investment banking and private banking and wealth management, foreign exchange, money markets, securities transactions (treasury transactions) and international banking services. In addition to regular banking operations, the Bank also provides insurance intermediary services as an agency of Aksigorta A.Ş. and AgeSA Hayat ve Emeklilik A.Ş. via its branch network. As of 30 June 2022, the Bank has 710 branches dispersed throughout the country and 1 branch operating abroad (31 December 2021: 710 branches and 1 branch operating abroad). As of 30 June 2022, the Bank has 12.230 employees (31 December 2021: 12.184).

The Parent Bank and its subsidiaries, Ak Finansal Kiralama A.Ş., Ak Yatırım Menkul Değerler A.Ş., AK Portföy Yönetimi A.Ş., Akbank AG, AkÖde Elektronik Para ve Ödeme Hizmetleri A.Ş. and together with A.R.T.S. Ltd., which is not subsidiary of the Bank, this company is a "Structured Entity", has been included in the scope of consolidation. The Parent Bank together with its consolidated subsidiaries are referred to as the "Group".

As at 30 June 2022, the Group employed 12.716 people (31 December 2021: 12.606).

VI. A SHORT EXPLANATION ON THE DIFFERENCES BETWEEN THE COMMUNIQUE ON CONSOLIDATED FINANCIAL STATEMENT REPORTING AND THE CONSOLIDATION PROCEDURES REQUIRED BY TURKISH ACCOUNTING STANDARDS AND ABOUT INSTITUTIONS THAT ARE SUBJECT TO FULL CONSOLIDATION, PROPORTIONAL CONSOLIDATION, BY WAY OF DEDUCTION FROM CAPITAL OR THOSE THAT ARE SUBJECT TO NONE:

The Bank sees no difference between the Communiqué on Consolidated Financial Reporting and the consolidation procedures required by Turkish Accounting Standards. Information in regards to consolidated subsidiaries and consolidation methods are given in Section III. Note III.

VII. EXISTING OR POTENTIAL, ACTUAL OR LEGAL OBSTACLES TO IMMEDIATE TRANSFER OF CAPITAL BETWEEN PARENT BANK AND ITS SUBSIDIARIES AND REPAYMENT OF DEBTS:

None.

**SECTION TWO
CONSOLIDATED FINANCIAL STATEMENTS**

AKBANK T.A.Ş.

I. CONSOLIDATED BALANCE SHEET AS OF 30 JUNE 2022 (STATEMENT OF FINANCIAL POSITION)

(Amounts are expressed in thousands of Turkish Lira (TL).)

ASSETS	Note (Section Five)	CURRENT PERIOD (30/06/2022)			PRIOR PERIOD (31/12/2021)		
		TL	FC	Total	TL	FC	Total
I. FINANCIAL ASSETS (Net)		114.742.185	263.468.716	380.210.901	93.693.309	215.419.445	309.112.754
1.1 Cash and Cash Equivalents		19.201.741	164.418.893	183.820.434	14.832.928	133.372.157	148.205.085
1.1.1 Cash and Balances with Central Bank	(I-a)	18.086.523	118.632.377	136.718.900	11.895.572	79.991.200	91.886.772
1.1.2 Banks	(I-d)	310.805	45.986.917	46.297.722	88.953	53.381.733	53.470.686
1.1.3 Money Markets		804.660	-	804.660	2.848.612	-	2.848.612
1.1.4 Expected Loss Provision [-]		247	401	648	209	776	985
1.2 Financial Assets at Fair Value Through Profit or Loss	(I-b)	3.957.083	815.211	4.772.294	2.449.329	8.360.046	10.809.375
1.2.1 Government Debt Securities		407.284	141.139	548.423	241.562	337.168	578.730
1.2.2 Equity Instruments		1.129.168	320.829	1.449.997	791.398	282.498	1.073.896
1.2.3 Other Financial Assets		2.420.631	353.243	2.773.874	1.416.369	7.740.380	9.156.749
1.3 Financial Assets at Fair Value Through Other Comprehensive Income	(I-e)	51.583.597	84.154.111	135.737.708	35.882.021	64.429.401	100.311.422
1.3.1 Government Debt Securities		50.226.409	62.117.559	112.343.968	34.746.069	43.909.234	78.655.303
1.3.2 Equity Instruments		15.770	109	15.879	15.770	109	15.879
1.3.3 Other Financial Assets		1.341.418	22.036.443	23.377.861	1.120.182	20.520.058	21.640.240
1.4 Derivative Financial Assets	(I-c, I-I)	41.999.764	13.880.501	55.880.265	40.529.031	9.257.841	49.786.872
1.4.1 Derivative Financial Assets at Fair Value Through Profit or Loss		23.238.597	12.551.411	35.790.008	27.285.795	9.068.516	36.354.311
1.4.2 Derivative Financial Assets at Fair Value Through Other Comprehensive Income		18.761.167	1.329.090	20.090.257	13.243.236	189.325	13.432.561
II. FINANCIAL ASSETS MEASURED AT AMORTISED COST (Net)		366.626.549	205.931.863	572.558.412	265.854.861	172.485.499	438.340.360
2.1 Loans	(I-f)	325.405.652	191.506.773	516.912.425	236.628.155	160.122.040	396.750.195
2.2 Lease Receivables	(I-k)	2.194.141	7.193.250	9.387.391	1.921.249	6.116.852	8.038.101
2.3 Factoring Receivables		-	-	-	-	-	-
2.4 Other Financial Assets Measured at Amortised Cost	(I-g)	55.537.490	11.908.749	67.446.239	42.169.862	10.415.698	52.585.560
2.4.1 Government Debt Securities		55.537.490	10.739.656	66.277.146	42.169.862	9.446.135	51.615.997
2.4.2 Other Financial Assets		-	1.169.093	1.169.093	-	969.563	969.563
2.5 Expected Credit Loss [-]		16.510.734	4.676.909	21.187.643	14.864.405	4.169.091	19.033.496
III. ASSETS HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (Net)	(I-o)	332.521	-	332.521	232.296	-	232.296
3.1 Held for Sale Purpose		332.521	-	332.521	232.296	-	232.296
3.2 Related to Discontinued Operations		-	-	-	-	-	-
IV. EQUITY INVESTMENTS		18.957	-	18.957	18.129	-	18.129
4.1 Investments in Associates (Net)	(I-h)	18.957	-	18.957	18.129	-	18.129
4.1.1 Associates Valued Based on Equity Method		-	-	-	-	-	-
4.1.2 Unconsolidated Associates		18.957	-	18.957	18.129	-	18.129
4.2 Subsidiaries (Net)	(I-i)	-	-	-	-	-	-
4.2.1 Unconsolidated Financial Subsidiaries		-	-	-	-	-	-
4.2.2 Unconsolidated Non-Financial Subsidiaries		-	-	-	-	-	-
4.3 Joint Ventures (Net)	(I-j)	-	-	-	-	-	-
4.3.1 Joint Ventures Valued Based on Equity Method		-	-	-	-	-	-
4.3.2 Unconsolidated Joint Ventures		-	-	-	-	-	-
V. PROPERTY AND EQUIPMENT (Net)		4.401.929	80.202	4.482.131	5.821.035	73.801	5.894.836
VI. INTANGIBLE ASSETS (Net)		2.040.669	17.214	2.057.883	1.485.784	13.818	1.499.602
6.1 Goodwill		-	-	-	-	-	-
6.2 Other		2.040.669	17.214	2.057.883	1.485.784	13.818	1.499.602
VII. INVESTMENT PROPERTY (Net)	(I-m)	-	-	-	-	-	-
VIII. CURRENT TAX ASSET		5.666.927	163.583	5.830.510	-	124.001	124.001
IX. DEFERRED TAX ASSET	(I-n)	69.922	-	69.922	78.560	73.610	152.170
X. OTHER ASSETS (Net)	(I-p)	10.982.190	2.758.188	13.740.378	6.225.787	1.198.395	7.424.182
TOTAL ASSETS		508.881.849	472.419.766	981.301.615	373.409.761	389.388.569	762.798.330

The accompanying explanations and notes form an integral part of these financial statements.

SECTION TWO
CONSOLIDATED FINANCIAL STATEMENTS

AKBANK T.A.Ş.
I. CONSOLIDATED BALANCE SHEET AS OF 30 JUNE 2022 (STATEMENT OF FINANCIAL POSITION)

(Amounts are expressed in thousands of Turkish Lira (TL).)

LIABILITIES	Note (Section Five)	CURRENT PERIOD (30/06/2022)			PRIOR PERIOD (31/12/2021)		
		TL	FC	Total	TL	FC	Total
I. DEPOSITS	(II-a)	250.529.032	370.996.351	621.525.383	151.449.396	302.101.183	453.550.579
II. FUNDS BORROWED	(II-c)	1.721.846	73.577.015	75.298.861	676.304	59.296.736	59.973.040
III. MONEY MARKETS		19.538.340	35.055.465	54.593.805	35.756.717	28.880.744	64.637.461
IV. SECURITIES ISSUED (Net)	(II-d)	8.002.922	25.670.111	33.673.033	9.452.458	20.830.603	30.283.061
4.1 Bills		5.070.530	-	5.070.530	7.058.313	-	7.058.313
4.2 Asset Backed Securities		-	-	-	-	-	-
4.3 Bonds		2.932.392	25.670.111	28.602.503	2.394.145	20.830.603	23.224.748
V. FUNDS		-	-	-	-	-	-
5.1 Borrower Funds		-	-	-	-	-	-
5.2 Other		-	-	-	-	-	-
VI. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		-	-	-	-	-	-
VII. DERIVATIVE FINANCIAL LIABILITIES	(II-b, II-g)	18.318.545	3.933.336	22.251.881	22.005.962	3.676.720	25.682.682
7.1 Derivative Financial Liabilities at Fair Value Through Profit or Loss		18.086.940	3.933.335	22.020.275	21.729.706	3.463.705	25.193.411
7.2 Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income		231.605	1	231.606	276.256	213.015	489.271
VIII. FACTORING LIABILITIES		-	-	-	-	-	-
IX. LEASE LIABILITIES (Net)	(II-f)	648.306	58.878	707.184	537.500	52.860	590.360
X. PROVISIONS	(II-h)	4.209.589	419.235	4.628.824	3.183.878	173.415	3.357.293
10.1 Restructuring Provisions		-	-	-	-	-	-
10.2 Reserve for Employee Benefits		1.224.127	4.388	1.228.515	773.481	3.268	776.749
10.3 Insurance Technical Provisions (Net)		-	-	-	-	-	-
10.4 Other Provisions		2.985.462	414.847	3.400.309	2.410.397	170.147	2.580.544
XI. CURRENT TAX LIABILITY	(II-i)	876.042	123.787	999.829	2.143.416	261.075	2.404.491
XII. DEFERRED TAX LIABILITY	(II-i)	4.944.502	238.636	5.183.138	171.474	282.831	454.305
XIII. LIABILITIES FOR ASSETS HELD FOR SALE AND RELATED TO THE DISCONTINUED OPERATIONS (Net)		-	-	-	-	-	-
13.1 Held for Sale Purpose		-	-	-	-	-	-
13.2 Related to Discontinued Operations		-	-	-	-	-	-
XIV. SUBORDINATED DEBT INSTRUMENTS	(II-j)	-	14.967.863	14.967.863	-	18.725.534	18.725.534
14.1 Loans		-	-	-	-	-	-
14.2 Other Debt Instruments		-	14.967.863	14.967.863	-	18.725.534	18.725.534
XV. OTHER LIABILITIES	(II-e)	18.222.873	26.515.974	44.738.847	12.692.318	14.487.893	27.180.211
XVI. SHAREHOLDERS' EQUITY	(II-k)	115.243.073	(12.510.106)	102.732.967	84.846.514	(8.887.201)	75.959.313
16.1 Paid-in capital		5.200.000	-	5.200.000	5.200.000	-	5.200.000
16.2 Capital Reserves		5.320.613	-	5.320.613	5.320.613	-	5.320.613
16.2.1 Share Premium		3.505.742	-	3.505.742	3.505.742	-	3.505.742
16.2.2 Share Cancellation Profits		-	-	-	-	-	-
16.2.3 Other Capital Reserves		1.814.871	-	1.814.871	1.814.871	-	1.814.871
16.3 Accumulated Other Comprehensive Income or Loss Not Reclassified Through Profit or Loss		2.231.326	16.699	2.248.025	2.627.256	16.699	2.643.955
16.4 Accumulated Other Comprehensive Income or Loss Reclassified Through Profit or Loss		23.915.580	(12.526.805)	11.388.775	13.199.125	(8.903.900)	4.295.225
16.5 Profit Reserves		57.238.548	-	57.238.548	45.953.298	-	45.953.298
16.5.1 Legal Reserves		2.058.326	-	2.058.326	1.933.583	-	1.933.583
16.5.2 Status Reserves		-	-	-	-	-	-
16.5.3 Extraordinary Reserves		55.003.132	-	55.003.132	43.869.490	-	43.869.490
16.5.4 Other Profit Reserves		177.090	-	177.090	150.225	-	150.225
16.6 Income or (Loss)		21.337.006	-	21.337.006	12.546.222	-	12.546.222
16.6.1 Prior Periods' Income or (Loss)		180.472	-	180.472	419.031	-	419.031
16.6.2 Current Period Income or (Loss)		21.156.534	-	21.156.534	12.127.191	-	12.127.191
16.7 Minority Interest		-	-	-	-	-	-
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		442.255.070	539.046.565	981.301.615	322.915.937	439.882.393	762.798.330

The accompanying explanations and notes form an integral part of these financial statements.

AKBANK T.A.S.
II. CONSOLIDATED OFF-BALANCE SHEET COMMITMENTS AS OF 30 JUNE 2022

(Amounts are expressed in thousands of Turkish Lira (TL).)

	Note (Section Five)	CURRENT PERIOD (30/06/2022)			PRIOR PERIOD (31/12/2021)		
		TL	FC	Total	TL	FC	Total
A. OFF-BALANCE SHEET COMMITMENTS (I+II+III)		472.489.712	1.063.178.031	1.535.867.743	335.848.174	890.327.061	1.226.175.237
I. GUARANTEES AND WARRANTIES	(III)	51.957.359	70.326.397	122.283.756	32.763.085	55.573.031	88.336.116
1.1 Letters of Guarantee		40.480.919	42.234.651	82.715.570	26.591.294	31.957.346	58.548.640
1.1.1 Guarantees Subject to State Tender Law		1.226.542	5.497.671	6.724.213	1.155.719	3.175.131	4.330.850
1.1.2 Guarantees Given for Foreign Trade Operations		-	2.684.043	2.684.043	-	2.607.611	2.607.611
1.1.3 Other Letters of Guarantee		39.254.377	34.052.937	73.307.314	25.435.575	26.174.604	51.610.179
1.2 Bank Acceptances		-	257.799	257.799	-	159.525	159.525
1.2.1 Import Letter of Acceptance		-	257.799	257.799	-	159.525	159.525
1.2.2 Other Bank Acceptances		-	-	-	-	-	-
1.3 Letters of Credit		167.336	20.297.810	20.465.146	49.289	15.121.137	15.170.426
1.3.1 Documentary Letters of Credit		167.336	18.680.907	18.848.243	49.289	13.538.638	13.587.927
1.3.2 Other Letters of Credit		-	1.616.903	1.616.903	-	1.582.499	1.582.499
1.4 Prefinancing Given as Guarantee		-	-	-	-	-	-
1.5 Endorsements		-	-	-	-	-	-
1.5.1 Endorsements to the Central Bank of Turkey		-	-	-	-	-	-
1.5.2 Other Endorsements		-	-	-	-	-	-
1.6 Purchase Guarantees for Securities Issued		-	-	-	-	-	-
1.7 Factoring Guarantees		-	20.808	20.808	-	23.003	23.003
1.8 Other Guarantees		2.881.568	7.494.616	10.376.184	100.457	8.295.370	8.395.827
1.9 Other Collaterals		8.427.536	20.713	8.448.249	6.022.045	16.650	6.038.695
II. COMMITMENTS	(III)	82.744.252	27.412.783	110.157.035	68.584.861	21.771.973	90.356.834
2.1 Irrevocable Commitments		80.752.926	25.735.457	106.488.383	66.901.506	20.434.428	87.335.934
2.1.1 Asset Purchase Commitments		2.964.852	16.336.525	19.301.377	7.164.528	14.387.946	21.552.474
2.1.2 Deposit Purchase and Sales Commitments		-	-	-	-	-	-
2.1.3 Share Capital Commitments to Associates and Subsidiaries		-	-	-	-	-	-
2.1.4 Loan Granting Commitments		18.000.836	9.394.048	27.394.884	13.266.649	6.041.228	19.307.877
2.1.5 Securities Issue Brokerage Commitments		-	-	-	-	-	-
2.1.6 Commitments for Reserve Requirements		-	-	-	-	-	-
2.1.7 Commitments for Cheque Payments		4.415.879	-	4.415.879	3.394.242	-	3.394.242
2.1.8 Tax and Fund Liabilities from Export Commitments		6.596	-	6.596	5.934	-	5.934
2.1.9 Commitments for Credit Card Limits		44.143.311	-	44.143.311	34.314.098	-	34.314.098
2.1.10 Commitments for Credit Cards and Banking Services Promotions		119.984	-	119.984	130.112	-	130.112
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		11.101.468	4.884	11.106.352	8.625.943	5.254	8.631.197
2.2 Revocable Commitments		1.991.326	1.677.326	3.668.652	1.683.355	1.337.545	3.020.900
2.2.1 Revocable Loan Granting Commitments		1.562.888	-	1.562.888	1.364.856	-	1.364.856
2.2.2 Other Revocable Commitments		428.438	1.677.326	2.105.764	318.499	1.337.545	1.656.044
III. DERIVATIVE FINANCIAL INSTRUMENTS		337.988.101	965.438.851	1.303.426.952	234.500.230	812.982.057	1.047.482.287
3.1 Hedging Derivative Financial Instruments		43.105.954	158.326.583	201.432.537	38.163.770	122.991.616	161.155.386
3.1.1 Fair Value Hedges		2.127.161	81.130.409	83.257.570	2.471.040	56.739.869	59.210.909
3.1.2 Cash Flow Hedges		40.978.793	77.196.174	118.174.967	35.692.730	66.251.747	101.944.477
3.1.3 Foreign Net Investment Hedges		-	-	-	-	-	-
3.2 Trading Derivative Financial Instruments		294.882.147	807.112.268	1.101.994.415	196.336.460	689.990.441	886.326.901
3.2.1 Forward Foreign Currency Buy/Sell Transactions		38.208.699	58.703.167	96.911.866	15.801.559	38.750.364	54.551.923
3.2.1.1 Forward Foreign Currency Transactions-Buy		37.886.292	10.951.149	48.837.441	15.557.894	10.535.813	26.093.707
3.2.1.2 Forward Foreign Currency Transactions-Sell		322.407	47.752.018	48.074.425	243.665	28.214.551	28.458.216
3.2.2 Swap Transactions Related to Foreign Currency and Interest Rates		230.175.043	614.367.733	844.542.776	161.801.483	543.959.385	705.760.868
3.2.2.1 Foreign Currency Swap-Buy		22.290.766	237.236.136	259.526.902	15.706.203	196.139.083	211.845.286
3.2.2.2 Foreign Currency Swap-Sell		129.001.801	152.956.099	281.957.900	87.850.694	138.975.680	226.826.374
3.2.2.3 Interest Rate Swap-Buy		39.441.238	112.087.749	151.528.987	29.122.293	104.422.311	133.544.604
3.2.2.4 Interest Rate Swap-Sell		39.441.238	112.087.749	151.528.987	29.122.293	104.422.311	133.544.604
3.2.3 Foreign Currency, Interest Rate and Securities Options		10.077.394	46.290.424	56.368.018	10.342.841	43.949.193	54.292.034
3.2.3.1 Foreign Currency Options-Buy		5.609.149	10.778.211	16.387.360	6.157.981	6.456.188	12.614.169
3.2.3.2 Foreign Currency Options-Sell		3.575.970	13.059.637	16.635.607	3.577.964	10.137.361	13.715.325
3.2.3.3 Interest Rate Options-Buy		-	11.226.388	11.226.388	-	13.677.822	13.677.822
3.2.3.4 Interest Rate Options-Sell		-	11.226.388	11.226.388	-	13.677.822	13.677.822
3.2.3.5 Securities Options-Buy		8.970	-	8.970	19.962	-	19.962
3.2.3.6 Securities Options-Sell		883.305	-	883.305	586.934	-	586.934
3.2.4 Foreign Currency Futures		16.158.813	15.355.813	31.514.626	8.206.775	8.114.789	16.321.564
3.2.4.1 Foreign Currency Futures-Buy		15.124.676	973.126	16.097.802	8.206.775	-	8.206.775
3.2.4.2 Foreign Currency Futures-Sell		1.034.137	14.382.687	15.416.824	-	8.114.789	8.114.789
3.2.5 Interest Rate Futures		-	-	-	-	-	-
3.2.5.1 Interest Rate Futures-Buy		-	-	-	-	-	-
3.2.5.2 Interest Rate Futures-Sell		-	-	-	-	-	-
3.2.6 Other		262.198	72.394.931	72.657.129	183.802	55.216.710	55.400.512
B. CUSTODY AND PLEDGES RECEIVED (IV+V+VI)		1.373.354.513	992.042.875	2.365.397.388	1.097.960.080	807.574.292	1.905.534.372
IV. ITEMS HELD IN CUSTODY		104.527.405	115.377.735	219.905.140	91.801.403	87.054.819	178.856.222
4.1 Customer Fund and Portfolio Balances		23.547.543	12.430.264	35.977.807	17.288.136	6.693.055	23.981.191
4.2 Investment Securities Held in Custody		23.873.863	24.566.280	48.440.143	24.979.275	19.165.189	44.144.464
4.3 Cheques Received for Collection		47.936.258	10.624.921	58.561.179	41.556.021	8.993.088	50.549.109
4.4 Commercial Notes Received for Collection		8.686.092	11.149.223	19.835.315	7.595.783	10.212.171	17.807.954
4.5 Other Assets Received for Collection		-	-	-	-	-	-
4.6 Assets Received for Public Offering		-	-	-	-	-	-
4.7 Other Items Under Custody		483.649	56.607.047	57.090.696	382.188	41.991.316	42.373.504
4.8 Custodians		-	-	-	-	-	-
V. PLEDGES RECEIVED		344.263.635	271.918.949	616.182.584	262.975.066	227.759.703	490.734.769
5.1 Marketable Securities		452.514	6.778.268	7.230.782	449.676	4.510.927	4.960.603
5.2 Guarantee Notes		878.774	1.790.405	2.669.179	797.853	1.391.005	2.188.858
5.3 Commodity		370.408	581.831	952.239	347.908	305.712	653.620
5.4 Warranty		-	-	-	-	-	-
5.5 Immovables		223.467.459	209.268.310	432.735.769	182.144.809	170.646.985	352.791.794
5.6 Other Pledged Items		119.094.480	53.500.135	172.594.615	79.234.820	50.905.074	130.139.894
5.7 Pledged Items-Depository		-	-	-	-	-	-
VI. ACCEPTED BILL, GUARANTEES AND WARRANTIES		924.563.473	604.746.191	1.529.309.664	743.183.611	492.759.770	1.235.943.381
TOTAL OFF-BALANCE SHEET COMMITMENTS (A+B)		1.846.044.225	2.055.220.906	3.901.265.131	1.433.808.256	1.697.901.353	3.131.709.609

The accompanying explanations and notes form an integral part of these financial statements.

SECTION TWO
CONSOLIDATED FINANCIAL STATEMENTS

AKBANK T.A.S.

III. CONSOLIDATED INCOME STATEMENT FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in thousands of Turkish Lira (TL).)

INCOME AND EXPENSE ITEMS		Note	CURRENT PERIOD	CURRENT PERIOD	PRIOR PERIOD	PRIOR PERIOD
		(Section Five)	(01/01-30/06/2022)	(01/04-30/06/2022)	(01/01-30/06/2021)	(01/04-30/06/2021)
I.	INTEREST INCOME	(IV-a)	48.202.345	27.593.211	21.427.825	11.665.182
1.1	Interest on Loans	(IV-a-1)	28.348.097	15.719.085	15.203.448	8.128.128
1.2	Interest on Reserve Requirements		282.414	41.238	339.828	210.803
1.3	Interest on Banks	(IV-a-2)	76.753	56.738	87.992	39.801
1.4	Interest on Money Market Transactions		107.801	25.622	94.092	26.041
1.5	Interest on Marketable Securities Portfolio	(IV-a-3)	18.811.983	11.439.596	5.373.612	3.089.835
1.5.1	Fair Value Through Profit or Loss		38.639	14.363	12.283	7.321
1.5.2	Fair Value Through Other Comprehensive Income		7.376.609	4.113.341	2.787.110	1.583.485
1.5.3	Measured at Amortised Cost		11.396.735	7.311.892	2.574.219	1.499.029
1.6	Financial Lease Interest Income		457.283	247.578	256.081	136.061
1.7	Other Interest Income		118.014	63.354	72.772	34.513
II.	INTEREST EXPENSE (-)	(IV-b)	19.896.349	10.846.010	11.897.826	6.327.906
2.1	Interest on Deposits	(IV-b-4)	13.964.762	7.794.660	8.001.756	4.269.659
2.2	Interest on Funds Borrowed	(IV-b-1)	1.066.344	629.043	557.320	296.951
2.3	Interest Expense on Money Market Transactions		2.548.391	1.328.422	2.141.548	1.124.984
2.4	Interest on Securities Issued	(IV-b-3)	1.794.751	834.756	1.139.411	605.457
2.5	Interest on Leases		49.860	26.144	43.037	21.569
2.6	Other Interest Expenses		472.241	232.985	14.754	9.286
III.	NET INTEREST INCOME (I - II)		28.305.996	16.747.201	9.529.999	5.337.276
IV.	NET FEES AND COMMISSIONS INCOME		4.627.343	2.579.359	2.809.624	1.347.962
4.1	Fees and Commissions Received		6.010.610	3.354.836	3.490.492	1.725.890
4.1.1	Non-cash Loans		423.943	216.454	285.826	141.804
4.1.2	Other		5.586.667	3.138.382	3.204.666	1.584.086
4.2	Fees and Commissions Paid (-)		1.383.267	775.477	680.868	377.928
4.2.1	Non-cash Loans		2.339	1.049	1.264	246
4.2.2	Other		1.380.928	774.428	679.604	377.682
V.	DIVIDEND INCOME		52.534	23.632	9.582	4.188
VI.	TRADING INCOME / (LOSS) (Net)	(IV-c)	9.004.767	5.440.689	145.788	(474.565)
6.1	Trading Gains / (Losses) on Securities		1.070.598	715.505	357.251	189.909
6.2	Gains / (Losses) on Derivative Financial Transactions		(6.112.712)	(1.532.719)	(509.033)	(6.320.525)
6.3	Foreign Exchange Gains / (Losses)		14.046.881	6.257.903	297.570	5.656.051
VII.	OTHER OPERATING INCOME	(IV-d)	2.062.264	1.154.103	1.246.493	483.967
VIII.	GROSS OPERATING INCOME (III+IV+V+VI+VII)		44.052.884	25.944.984	13.761.486	6.698.828
IX.	EXPECTED CREDIT LOSS (-)	(IV-e)	3.553.034	1.642.119	2.056.782	861.724
X.	OTHER PROVISION EXPENSES (-)	(IV-e)	4.226.655	2.294.328	1.757.376	553.711
XI.	PERSONNEL EXPENSE (-)		2.718.522	1.346.445	1.695.682	885.805
XII.	OTHER OPERATING EXPENSES (-)	(IV-f)	4.940.104	2.711.818	2.631.562	1.354.367
XIII.	NET OPERATING INCOME/(LOSS) (VIII-IX-X-XI-XII)		28.614.569	17.950.274	5.600.084	3.043.221
XIV.	EXCESS AMOUNT RECORDED AS INCOME AFTER MERGER		-	-	-	-
XV.	INCOME/(LOSS) FROM INVESTMENTS IN SUBSIDIARIES CONSOLIDATED BASED ON EQUITY METHOD		-	-	-	-
XVI.	INCOME/(LOSS) ON NET MONETARY POSITION		-	-	-	-
XVII.	PROFIT/LOSS BEFORE TAX FROM CONTINUED OPERATIONS (XIII+...+XVI)		28.614.569	17.950.274	5.600.084	3.043.221
XVIII.	TAX PROVISION FOR CONTINUED OPERATIONS (±)	(IV-h)	7.458.035	4.842.998	1.465.661	936.947
18.1	Current Tax Provision		3.864.860	(6.791.245)	1.068.156	969.063
18.2	Deferred Tax Expense Effect (+)		5.645.647	5.138.652	911.252	59.719
18.3	Deferred Tax Income Effect (-)		2.052.472	(6.495.591)	513.747	91.835
XIX.	CURRENT PERIOD PROFIT/LOSS FROM CONTINUED OPERATIONS (XVII±XVIII)		21.156.534	13.107.276	4.134.423	2.106.274
XX.	INCOME FROM DISCONTINUED OPERATIONS		-	-	-	-
20.1	Income from Non-current Assets Held for Sale		-	-	-	-
20.2	Profit from Sales of Associates, Subsidiaries and Joint Ventures		-	-	-	-
20.3	Income from Other Discontinued Operations		-	-	-	-
XXI.	EXPENSES FOR DISCONTINUED OPERATIONS (-)		-	-	-	-
21.1	Expenses for Non-current Assets Held for Sale		-	-	-	-
21.2	Loss from Sales of Associates, Subsidiaries and Joint Ventures		-	-	-	-
21.3	Expenses for Other Discontinued Operations		-	-	-	-
XXII.	PROFIT/LOSS BEFORE TAX FROM DISCONTINUED OPERATIONS (XX-XXI)		-	-	-	-
XXIII.	TAX PROVISION FOR DISCONTINUED OPERATIONS (±)		-	-	-	-
23.1	Current Tax Provision		-	-	-	-
23.2	Deferred Tax Expense Effect (+)		-	-	-	-
23.3	Deferred Tax Income Effect (-)		-	-	-	-
XXIV.	CURRENT PERIOD PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXII±XXIII)		-	-	-	-
XXV.	NET INCOME/(LOSS) (XIX+XXIV)		21.156.534	13.107.276	4.134.423	2.106.274
25.1	Income/(Loss) from the Group		21.156.534	13.107.276	4.134.409	2.106.267
25.2	Income/(Loss) from Minority Interest	(IV-g)	-	-	14	7
Earning/(Loss) per share (in TL full)			0,04069	0,02521	0,00795	0,00405

The accompanying explanations and notes form an integral part of these financial statements.

AKBANK T.A.Ş.**IV. CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2022**

(Amounts are expressed in thousands of Turkish Lira (TL).)

	CURRENT PERIOD (30/06/2022)	PRIOR PERIOD (30/06/2021)
I. CURRENT PERIOD INCOME/LOSS	21.156.534	4.134.423
II. OTHER COMPREHENSIVE INCOME	6.796.678	878.164
2.1 Not Reclassified Through Profit or Loss	(296.872)	(24.880)
2.1.1 Property and Equipment Revaluation Increase/Decrease	(35.752)	2.719
2.1.2 Intangible Assets Revaluation Increase/Decrease	-	-
2.1.3 Defined Benefit Plan Remeasurement Gain/Loss	(265.432)	(33.819)
2.1.4 Other Comprehensive Income Items Not Reclassified Through Profit or Loss	828	-
2.1.5 Tax Related Other Comprehensive Income Items Not Reclassified Through Profit or Loss	3.484	6.220
2.2 Reclassified Through Profit or Loss	7.093.550	903.044
2.2.1 Foreign Currency Translation Differences	2.056.917	1.005.027
2.2.2 Valuation and/or Reclassification Income/Expense of the Financial Assets at Fair Value through Other Comprehensive Income	4.353.261	(662.439)
2.2.3 Cash Flow Hedge Income/Loss	3.709.469	1.498.401
2.2.4 Foreign Net Investment Hedge Income/Loss	(1.797.009)	(951.076)
2.2.5 Other Comprehensive Income Items Reclassified Through Profit or Loss	-	-
2.2.6 Tax Related Other Comprehensive Income Items Reclassified Through Profit or Loss	(1.229.088)	13.131
III. TOTAL COMPREHENSIVE INCOME (I+II)	27.953.212	5.012.587

The accompanying explanations and notes form an integral part of these financial statements.

SECTION TWO
CONSOLIDATED FINANCIAL STATEMENTS

AKBANK T.A.Ş.

V. CONSOLIDATED STATEMENT OF CHANGES IN THE SHAREHOLDERS' EQUITY FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in thousands of Turkish Lira (TL)).

	Note (Section Five)	Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss						Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss						Prior Period Profit or (Loss)	Current Period Profit or (Loss)	Total Equity Except from Minority Interest	Minority Interest	Total Shareholders' Equity
		Paid-in Capital	Share Premiums	Share Cancellation Profits	Other Capital Reserves	Accumulated Revaluation Increase/Decrease of Property and Equipment	Accumulated Remeasurement Gain/Loss of Defined Benefit Plan	Other (Investments Valued by Equity Method in Other Comprehensive Income Not Classified Through Profit or Loss and Other Accumulated Amounts of Other Comprehensive Income Items Not Reclassified Through Other Profit or Loss)	Foreign Currency Translation Differences	Accumulated Revaluation and/or Remeasurement Gain/Loss of the Financial Assets at Fair Value Through Other Comprehensive Income	Other (Cash Flow Hedge Gain/Loss, Investments Valued by Equity Method in Other Comprehensive Income Classified Through Profit or Loss and Other Accumulated Amounts of Other Comprehensive Income Items Reclassified Through Other Profit or Loss)	Profit Reserves	Other Profit or (Loss)					
CURRENT PERIOD																		
(31/03/2022)																		
I. Prior Period End Balance		5.200.000	3.505.742	-	1.814.871	2.997.829	(363.456)	9.582	9.878.486	(1.803.369)	(3.779.892)	45.953.298	419.031	12.127.191	75.959.313	-	75.959.313	
II. Corrections and Accounting Policy Changes Made According to TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2.1 Effects of Corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2.2 Effects of the Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
III. Adjusted Beginning Balance (I-II)		5.200.000	3.505.742	-	1.814.871	2.997.829	(363.456)	9.582	9.878.486	(1.803.369)	(3.779.892)	45.953.298	419.031	12.127.191	75.959.313	-	75.959.313	
IV. Total Comprehensive Income		-	-	-	-	(120.919)	(176.781)	828	2.056.917	3.403.372	1.633.261	-	-	21.156.534	27.953.212	-	27.953.212	
V. Capital Increase by Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
VI. Capital Increase by Internal Sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
VII. Paid-in capital inflation adjustment difference		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
VIII. Convertible Bonds to Shares		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
IX. Subordinated Debt Instruments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
X. Increase/Decrease by Other Changes		-	-	-	-	(99.058)	-	-	-	-	-	355.030	(223.930)	-	32.042	-	32.042	
XI. Profit Distribution		-	-	-	-	-	-	-	-	-	-	10.930.220	(14.629)	(12.127.191)	(1.211.600)	-	(1.211.600)	
11.1 Dividends paid	(V-a)	-	-	-	-	-	-	-	-	-	-	-	-	(1.211.600)	(1.211.600)	-	(1.211.600)	
11.2 Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	10.930.220	(14.629)	(10.915.591)	-	-	-	
11.3 Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Period-End Balance (I+II+III+...+XI)		6.200.000	3.505.742	-	1.814.871	2.777.852	(540.237)	10.410	11.935.403	1.600.003	(2.146.631)	57.238.548	180.472	21.156.534	102.732.967	-	102.732.967	

The accompanying explanations and notes form an integral part of these financial statements.

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V. CONSOLIDATED STATEMENT OF CHANGES IN THE SHAREHOLDERS' EQUITY FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in thousands of Turkish Lira (TL)).

	Note (Section Five)	Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss										Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss					Total Equity Except from Minority Interest	Total Shareholders' Equity
		Paid-in Capital	Share Premiums	Share Cancellation Profits	Other Capital Reserves	Accumulated Revaluation Increase/Decrease of Property and Equipment	Accumulated Remeasurement Gain/Loss of Defined Benefit Plan	Other (Investments Valued by Equity Method in Other Comprehensive Income Not Classified Through Profit or Loss and Other Accumulated Amounts of Other Comprehensive Income Items Not Reclassified Through Other Profit or Loss)	Foreign Currency Translation Differences	Accumulated Revaluation and/or Remeasurement Gain/Loss of the Financial Assets at Fair Value Through Other Comprehensive Income	Other (Cash Flow Hedge Gain/Loss, Investments Valued by Equity Method in Other Comprehensive Income Classified Through Profit or Loss and Other Accumulated Amounts of Other Comprehensive Income Items Reclassified Through Other Profit or Loss)	Profit Reserves	Prior Period Profit or (Loss)	Current Period Profit or (Loss)	Minority Interest	Minority Interest		
PRIOR PERIOD																		
(30/06/2021)																		
I. Prior Period End Balance		5.200.000	3.505.742	-	1.814.871	3.016.534	(236.474)	9.582	4.740.828	467.159	(2.563.528)	40.117.963	591.573	6.259.625	62.923.875	182	62.924.057	
II. Corrections and Accounting Policy Changes Made According to TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2.1 Effects of Corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2.2 Effects of the Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
III. Adjusted Beginning Balance (I-II)		5.200.000	3.505.742	-	1.814.871	3.016.534	(236.474)	9.582	4.740.828	467.159	(2.563.528)	40.117.963	591.573	6.259.625	62.923.875	182	62.924.057	
IV. Total Comprehensive Income		-	-	-	-	2.175	(27.055)	-	1.005.027	(531.389)	429.406	-	-	4.134.409	5.012.573	14	5.012.587	
V. Capital Increase by Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
VI. Capital Increase by Internal Sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
VII. Paid-in capital inflation adjustment difference		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
VIII. Convertible Bonds to Shares		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
IX. Subordinated Debt Instruments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
X. Increase/Decrease by Other Changes		-	-	-	-	(29.248)	-	-	-	-	-	-	29.248	-	-	-	-	
XI. Profit Distribution		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11.1 Dividends paid		-	-	-	-	-	-	-	-	-	-	-	5.806.087	(172.542)	(6.259.625)	(626.080)	(626.080)	
11.2 Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	-	-	-	(626.080)	-	(626.080)	
11.3 Other		-	-	-	-	-	-	-	-	-	-	-	5.806.087	(172.542)	(5.633.545)	-	-	
Period-End Balance (I+II+III+...+XI)		5.200.000	3.505.742	-	1.814.871	2.989.461	(263.529)	9.582	5.745.855	(64.230)	(2.134.122)	45.953.298	419.031	4.134.409	67.310.368	196	67.310.564	

The accompanying explanations and notes form an integral part of these financial statements.

SECTION TWO
CONSOLIDATED FINANCIAL STATEMENTS

AKBANK T.A.Ş.

VI. CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts are expressed in thousands of Turkish Lira (TL)).

	Note (Section Five)	CURRENT PERIOD (30/06/2022)	PRIOR PERIOD (30/06/2021)
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1		1.994.865	7.102.606
1.1.1	Interest received	35.144.004	19.758.594
1.1.2	Interest paid	(17.435.012)	(11.332.456)
1.1.3	Dividend received	52.534	9.582
1.1.4	Fees and commissions received	6.110.359	3.494.082
1.1.5	Other income	(7.338.304)	(1.956.425)
1.1.6	Collections from previously written-off loans and other receivables	2.181.263	1.516.970
1.1.7	Cash Payments to personnel and service suppliers	(2.952.142)	(1.805.840)
1.1.8	Taxes paid	(10.903.361)	(1.118.412)
1.1.9	Other	(2.864.476)	(1.463.489)
1.2	Changes in operating assets and liabilities	11.710.714	10.847.742
1.2.1	Net Increase/Decrease in Financial Assets at Fair Value Through Profit or Loss	15.236.137	(1.708.304)
1.2.2	Net (increase) / decrease in due from banks and other financial institutions	139.105	(5.816.742)
1.2.3	Net (increase) / decrease in loans	(130.556.197)	(27.860.018)
1.2.4	Net (increase) / decrease in other assets	(67.594.426)	(1.626.338)
1.2.5	Net increase / (decrease) in bank deposits	27.483.491	(1.164.995)
1.2.6	Net increase / (decrease) in other deposits	138.290.096	35.051.361
1.2.7	Net Increase/Decrease in Financial Liabilities at Fair Value Through Profit or Loss	-	-
1.2.8	Net increase / (decrease) in funds borrowed	15.916.837	3.802.802
1.2.9	Net increase / (decrease) in payables	-	-
1.2.10	Net increase / (decrease) in other liabilities	12.795.671	10.169.976
I.	Net cash provided from banking operations	13.705.579	17.950.348
B. CASH FLOWS FROM INVESTING ACTIVITIES			
II.	Net cash provided from investing activities	(29.405.113)	(11.347.164)
2.1	Cash paid for acquisition of investments, associates and subsidiaries	-	-
2.2	Cash obtained from disposal of investments, associates and subsidiaries	-	-
2.3	Purchases of property and equipment	(1.539.135)	(242.868)
2.4	Disposals of property and equipment	39.337	63.531
2.5	Purchase of Financial Assets at Fair Value Through Other Comprehensive Income	(46.050.435)	(24.383.430)
2.6	Sale of Financial Assets at Fair Value Through Other Comprehensive Income	15.521.240	10.067.606
2.7	Purchase of Financial Assets Measured at Amortised Cost	(8.306.655)	(10.055.158)
2.8	Sale of Financial Assets Measured at Amortised Cost	5.311.730	12.925.076
2.9	Other	5.618.805	278.079
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III.	Net cash provided from financing activities	(1.865.884)	5.853.493
3.1	Cash obtained from funds borrowed and securities issued	14.984.691	18.679.743
3.2	Cash used for repayment of funds borrowed and securities issued	(15.455.951)	(12.047.642)
3.3	Issued equity instruments	-	-
3.4	Dividends paid	(1.211.600)	(626.080)
3.5	Payments for finance leases	(183.024)	(152.528)
3.6	Other	-	-
IV.	Effect of change in foreign exchange rate on cash and cash equivalents	8.790.825	2.022.025
V.	Net increase in cash and cash equivalents (I+II+III+IV)	(8.774.593)	14.478.702
VI.	Cash and cash equivalents at beginning of the period	48.616.116	13.495.306
VII.	Cash and cash equivalents at end of the period	39.841.523	27.974.008

The accompanying explanations and notes form an integral part of these financial statements.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**SECTION THREE
EXPLANATIONS ON ACCOUNTING POLICIES**

I. EXPLANATIONS ON BASIS OF PRESENTATION:

a. The preparation of the consolidated financial statements and related notes and explanations in accordance with the Turkish Accounting Standards and Regulation on Accounting Applications for Banks and Safeguarding of Documents:

The consolidated financial statements are prepared within the scope of the "Regulation on Accounting Applications for Banks and Safeguarding of Documents" related with Banking Law numbered 5411 published in the Official Gazette no.26333 dated 1 November 2006 and in accordance with the regulations, communiqués, interpretations and legislations related to accounting and financial reporting principles published by the Banking Regulation and Supervision Agency ("BRSA"), and in case where a specific regulation is not made by BRSA, Turkish Accounting Standard 34 ("TAS 34") Interim Financial Reporting Standard and "Turkish Financial Reporting Standards" ("TFRS") and related appendices and interpretations put into effect by Public Oversight Accounting and Auditing Standards Authority ("POA"). The format and content of the publicly announced consolidated financial statements and notes to these statements have been prepared in accordance with the "Communiqué on Publicly Announced Financial Statements, Explanations and Notes to These Financial Statements" and "Communiqué On Disclosures About Risk Management To Be Announced To Public By Banks" and amendments to this Communiqué. The Bank maintains its books in Turkish Lira in accordance with the Banking Law, Turkish Commercial Code and Turkish Tax Legislation.

The consolidated financial statements have been prepared in TL, under the historical cost convention except for the financial assets and liabilities carried at fair value. Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.

The preparation of consolidated financial statements in conformity with TFRS requires the use of certain critical accounting estimates by the Bank management to exercise its judgment on the assets and liabilities of the balance sheet and contingent issues as of the balance sheet date. These estimates, which include the fair value calculations of financial instruments and impairments of financial assets are being reviewed regularly and, when necessary, suitable corrections are made and the effects of these corrections are reflected to the income statement. Assumptions and estimates that are used in the preparation of the accompanying financial statements are explained in the following related disclosures.

Explanation for convenience translation to English:

The differences between accounting principles, as described in these preceding paragraphs and accounting principles generally accepted in countries in which consolidated financial statements are to be distributed and International Financial Reporting Standards ("IFRS") have not been quantified in these consolidated financial statements. Accordingly, these consolidated financial statements are not intended to present the financial position, results of operations and changes in financial position and cash flows in accordance with the accounting principles generally accepted in such countries and IFRS.

b. Accounting policies and valuation principles used in the preparation of the financial statements:

Accounting policies and valuation principles adopted when preparing financial statements are in line with the legislation, communiqué, explanation and circular released by BRSA concerning accounting and financial reporting, and, for matters which are not regulated by the foregoing, with the provisions of TAS/TFRS (together "BRSA Accounting and Financial Reporting Legislation) put into force by Public Oversight, Accounting and Auditing Standards Authority (POA).

On 20 January 2022, the Public Oversight Authority made a statement on the Implementation of Financial Reporting in High Inflation Economies within the Scope of Turkish Financial Reporting Standards, Financial Reporting Standard for Large and Medium Sized Enterprises. Accordingly, it has been stated that businesses applying TFRS do not need to make any adjustments in their financial statements for 2021 within the scope of TAS 29 Financial Reporting in High Inflation Economies.

As of the preparation date of the financial statements, no new announcement has been made by the Public Oversight Authority in this context, and no inflation adjustment has been made within the scope of TAS 29 Financial Reporting Standard in Hyperinflationary Economies in the financial statements dated 30 June 2022.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2022

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The tension between Russia and Ukraine since the beginning of 2022 has turned into a crisis and continues as of the date of the report. The Group does not operate in either country, and the crisis is not expected to have a direct impact on the Group's operations. The developments are followed and their estimated effects are evaluated within the scope of the relevant accounting standards and reflected in the financial statements.

c. Items Subject to different accounting policies in the preparation of consolidated financial statements:

There are no items subject to different accounting policies in the preparation of these consolidated financial statements.

II. EXPLANATIONS ON STRATEGY OF USING FINANCIAL INSTRUMENTS AND EXPLANATIONS ON FOREIGN CURRENCY TRANSACTIONS:

The Group's core business activities include consumer banking, SME banking, commercial banking, and corporate-investment banking and private banking and wealth management, foreign exchange, money markets, securities transactions (Treasury transactions) and international banking services. The Group performs financial leasing transactions through Ak Finansal Kiralama A.Ş. By nature, the Group's activities are principally related to the use of financial instruments. As the main funding source, the Group accepts deposits from customers for various periods and invests these funds in high quality assets with high interest margins. Other than deposits, the Group's most important funding sources are equity, marketable securities issued, money market borrowings and mostly borrowings from foreign financial institutions. The Group follows an asset-liability management strategy that mitigates risk and increases earnings by balancing the funds borrowed and the investments in various financial assets. The main objective of asset-liability management is to limit the Group's exposure to liquidity risk, interest rate risk, currency risk and credit risk while increasing profitability and strengthening the Group's equity. The Asset-Liability Committee ("ALCO") manages the assets and liabilities within the trading limits on the level of exposure placed by the Executive Risk Committee ("ERC").

Foreign currency denominated monetary assets and liabilities have been evaluated by buying exchange rates of last period for the Parent Bank and by the exchange rates of the Central Bank of the Republic of Turkey for domestic subsidiaries. Gains and losses arising from such transactions are recognized in the income statement under the account of "Net foreign exchange income/expense". Assets and liabilities of foreign subsidiaries are translated into Turkish lira using the foreign exchange rates prevailing at the balance sheet date, income and expenses of foreign subsidiaries are translated into Turkish Lira at the average exchange rates and all resulting exchange differences are accounted in the shareholders' equity under "Other profit reserves".

As of 30 June 2022, for the Parent Bank foreign currency denominated balances are translated into TL using the exchange rates of TL 16,6614 and TL 17,3701 for USD and EURO respectively.

III. EXPLANATIONS ON EQUITY INVESTMENTS:

Consolidated financial statements are prepared in accordance with the "Turkish Financial Reporting Standard for Consolidated Financial Statements" ("TFRS 10") and "Communiqué on Preparation of Consolidated Financial Statements of Banks" published in the Official Gazette no.26340 dated 8 November 2006.

Consolidation principles for subsidiaries:

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

Subsidiaries are consolidated using the full consolidation method. Financial statements of related subsidiaries are consolidated from the date when the control is transferred to the 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 Bank's returns.

In the full consolidation method, 100% of subsidiaries' assets, liabilities, income, expense and off-balance sheet items are combined with the Parent Bank's assets, liabilities, income, expense and off-balance sheet items.

The carrying amount of the Group's investment in each subsidiary and the Group's portion of the cost value of the capital of each subsidiary are eliminated. Intragroup balances and intragroup transactions and resulting unrealized profits and losses are eliminated. Minority interests in the net income of consolidated subsidiaries are identified and adjusted against the income of the

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Group in order to arrive at the net income attributable to the Group and presented separately in the Group's income. Minority interests are presented in the consolidated balance sheet, in the shareholders' equity.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The Parent Bank and its subsidiaries, Ak Finansal Kiralama A.Ş., Ak Yatırım Menkul Değerler A.Ş., AK Portföy Yönetimi A.Ş., Akbank AG, AkÖde Elektronik Para ve Ödeme Hizmetleri A.Ş. and together with A.R.T.S. Ltd., which is not subsidiary of the Bank, this company is a "Structured Entity", has been included in the scope of consolidation. The Parent Bank together with its consolidated subsidiaries are referred to as the "Group".

Ak Yatırım Menkul Değerler A.Ş. was established on 11 December 1996 to trade in capital markets in accordance with Capital Market Law. This company is delivering intermediary services in capital markets, discretionary portfolio management, derivative transactions, repurchase and reverse repurchase agreements with authorizations given by the Capital Markets Board for each transaction.

Ak Finansal Kiralama A.Ş. was established in 1988 for leasing operations and all kinds of agreements and transactions related to these operations.

Ak Portföy Yönetimi A.Ş. was established on 28 June 2000 and manages its own investment (mutual) funds and AgeSA Hayat ve Emeklilik A.Ş. and some of the pension funds established by Axa Hayat Emeklilik A.Ş., Allianz Hayat Emeklilik A.Ş. and Allianz Yaşam Emeklilik A.Ş., The company also is managing both individual and institutional customers' portfolios, it continues investing in the Fund SICAV 2 Turkey on the international market and founder of 1 Sompö Japan in money market funds management activities.

Akbank AG operates in Germany, providing corporate, consumer and private banking services.

Aköde Elektronik Para ve Ödeme Hizmetleri A.Ş., 100% owned by the Bank, has been established on 19 February 2018 to provide payment services and electronic money issuance under the Law No. 6493 on Payment and Securities Settlement Systems, Payment Services and Electronic Money Institutions registered in the trade registry.

A.R.T.S. Ltd. is a "Structured Entity" which was established in November 1999 for the purpose of supplying long-term financing.

IV. EXPLANATIONS ON FORWARD TRANSACTIONS, OPTIONS AND DERIVATIVE INSTRUMENTS:

The Group's major derivative instruments consists of foreign currency and interest rate swaps, cross currency swaps, currency options and currency forwards.

The Bank classifies its derivative instruments as "Derivative Financial Assets Measured at Fair Value Through Profit and Loss" in accordance with "IFRS 9 Financial Instruments" (IFRS 9).

Liabilities and receivables arising from the derivative instruments are followed in the off-balance sheet accounts at their contractual values.

Derivative instruments are remeasured at fair value after initial recognition. In accordance with the classification of the derivative instrument, if the fair value of a derivative financial instrument is positive, it is recorded to the account "Derivative Financial Assets Measured at Fair Value Through Profit and Loss" or "Derivative Financial Assets Measured at Fair Value Through Other Comprehensive Income"; if the fair value difference is negative, it is disclosed in "Derivative Financial Liabilities Measured at Fair Value Through Profit and Loss" or "Derivative Financial Liabilities Measured at Fair Value Through Other Comprehensive Income". Differences in the fair value of trading derivative instruments are accounted as income/loss from derivative financial transactions under "trading income/loss" item in the income statement. The basis on accounting of derivative instruments for hedging purposes are explained in Note VIII of Section Four. The fair values of the derivative financial instruments are calculated using quoted market prices or by using discounted cash flow models.

As of 30 June 2022, the Group has no embedded derivative instruments (31 December 2021: None).

V. EXPLANATIONS ON INTEREST INCOME AND EXPENSE:

Interest income and expenses are recognized in the income statement by using the "Effective interest rate method". Starting from 1 January 2018, Group has started to calculate interest accrual on non-performing loans. Net book value of the non-performing

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2022

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loans (Gross Book Value – Expected Credit Loss) are rediscounted with effective interest rate and recognized with the gross book value of the non-performing loan. Non-performing loans rediscounts are evaluated on customer basis and are discontinued if there is in case of low collectibility.

VI. EXPLANATIONS ON FEE AND COMMISSION INCOME AND EXPENSES:

Fees and commission income/expenses are primarily recognized on an accrual basis or "Effective interest rate method" and TFRS 15 "Revenue from Contracts with Customers" according to the nature of the fee and commission, except for certain commission income and fees for various banking services which are recorded as income at the time of collection. Contract based fees or fees received for services such as the purchase and sale of assets on behalf of a third party or legal person are recognized as income at the time of collection.

VII. EXPLANATIONS ON FINANCIAL ASSETS:

The Group categorizes its financial assets as "Fair Value Through Profit/Loss", "Fair Value Through Other Comprehensive Income" or "Measured at Amortized Cost". Such financial assets are recognized or derecognized according to TFRS 9 Financial Instruments Part 3 Issued for classification and measurement of the financial instruments published in the Official Gazette No. 29953 dated 19 January 2017 by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Financial assets are measured at fair value at initial recognition in the financial statements. During the initial recognition of financial assets other than "Financial Assets at Fair Value Through Profit or Loss", transaction costs are added to fair value or deducted from fair value.

Classification and measurement of financial assets

According to TFRS 9 requirements, classification and measurement of financial assets will depend on the business model within which financial assets are managed and their contractual cash flow characteristics whether the cash flows represent solely payments of principal and interest.

Assessment whether contractual cash flows are solely payments of principal and interest:

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, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group will consider the contractual terms of the instrument. This will include 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 consider:

- Contingent events that would change the amount and timing of cash flows;
- Leverage features;
- Prepayment and extension terms;
- Terms that limit the Bank's claim to cash flows from specified assets
- Features that modify consideration for the time value of money – e.g. periodic reset of interest rates.

The Group fulfills the on-balance sheet classification and measurement criteria by applying the procedures described above for all financial assets.

Upon initial recognition, each financial asset will be classified as either fair value through profit or loss, amortised cost or fair value through other comprehensive income.

The Group recognize a financial asset into financial statements when it becomes a party to the contractual terms of a financial instrument. During the first recognition of a financial asset into the financial statements, business model determined by Bank management and the nature of contractual cash flows of the financial asset are taken into consideration.

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(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

When the business model determined by the Group management is changed, all financial assets affected by this change are reclassified and the reclassification is applied in the future. In this case, no adjustment is made for the gain, loss or interest rates previously recognized in the financial statements.

a. Financial assets at the fair value through profit or loss:

Financial assets at fair value through profit/loss" are financial assets other than the ones that are managed with business model that aims to hold to collect contractual cash flows or business model that aims to collect both the contractual cash flows and cash flows arising from the sale of the assets; and if the contractual terms of the financial asset do not lead to cash flows representing solely payments of principal and interest at certain date; that are either acquired for generating a profit from short-term fluctuations in prices or are financial assets included in a portfolio aiming to short-term profit making. Financial assets at the fair value through profit or loss are initially recognized at fair value and remeasured at their fair value after recognition. All gains and losses arising from these valuations are reflected in the income statement.

b. Financial assets at fair value through other comprehensive income

In addition to financial assets within a business model that aims to hold to collect contractual cash flows and aims to hold to sell, financial asset with contractual terms that lead to cash flows are solely payments of principal and interest at certain dates, they are classified as fair value through other comprehensive income.

Financial assets at fair value through other comprehensive income are recognized by adding transaction cost to acquisition cost reflecting the fair value of the financial asset. After the recognition, financial assets at fair value through other comprehensive income are remeasured at fair value. Interest income calculated with effective interest rate method arising from financial assets at fair value through other comprehensive income and dividend income from equity securities are recorded to income statement.

"Unrealized gains and losses" arising from the difference between the amortized cost and the fair value of financial assets at fair value through other comprehensive income are not reflected in the income statement of the period until the acquisition of the asset, sale of the asset, the disposal of the asset, and impairment of the asset and they are accounted under the "Accumulated other comprehensive income or expense to be reclassified through profit or loss" under shareholders' equity. When these securities are collected or disposed of, the related fair value differences accumulated in the shareholders' equity are transferred to the income statement.

Equity instruments classified as financial assets at fair value through other comprehensive income are accounted at their fair values. Exceptionally, cost can be an appropriate estimation method in determining fair value. This is only possible if there is insufficient recent information on the measurement of fair value or if fair value can be measured by more than one method and the cost reflects the fair value estimate in the best way. In the case of using this method, the accumulated fair value differences will not be reflected in the income statement.

During initial recognition the Bank can choose in an irrevocable was to record the changes of the fair value of the investment in an equity instrument that is not held for trading purposes in the other comprehensive income. In the case of this preference, the dividend from the investment is taken into the financial statements as profit or loss.

c. Financial assets measured at amortized cost:

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are classified as financial assets measured at amortized cost.

Financial assets measured at amortized cost are initially recognized at acquisition cost including the transaction costs, which reflect the fair value of those instruments and subsequently recognized at amortized cost by using effective interest rate method. Interest income obtained from financial assets measured at amortized cost is accounted in income statement.

"Fair value through other comprehensive income" and "measured at amortized cost" securities portfolio of the Group include Consumer Price Indexed (CPI) Bonds. These securities are valued and accounted using the effective interest rate method based on the real coupon rates and the reference inflation index at the issue date and the estimated inflation rate. 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. The Bank also sets the estimated inflation rate accordingly. The estimated inflation rate used is updated as needed within the year.

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In this context, the valuation of these securities was made according to an annual inflation forecast of 50,00% as of 30 June 2022. At the end of the year, the real inflation rate is used.

d. Derivative Financial Assets:

The major derivative instruments utilized by the Group are foreign currency and interest rate swaps, cross currency swaps, currency options and currency forwards.

Derivative financial instruments of the Group are classified under "IFRS 9 Financial Instruments" ("IFRS 9"), "Derivative Financial Assets Designated at Fair Value through Profit or Loss".

Payables and receivables arising from the derivative instruments are recorded in the off-balance sheet accounts at their contractual values.

Derivative transactions are valued at their fair values subsequent to their acquisition. In accordance with the classification of derivative financial instruments, if the fair value is positive, the amount is classified as "Derivative Financial Assets Designated at Fair Value Through Profit or Loss" or "Derivative Financial Assets Designated at Fair Value Through Other Comprehensive Income", if the fair value is negative, the amount is classified as "Derivative Financial Liabilities Designated at Fair Value Through Profit or Loss" or "Derivative Financial Liabilities Designated at Fair Value Through Other Comprehensive Income". The fair value differences of derivative financial instruments are recognized in the income statement under trading profit/loss line in profit/loss from derivative financial transactions. The principles for the recognition of derivative transactions intended for hedging purposes are disclosed in the note numbered VIII of Section Four. The fair value of derivative instruments is calculated by taking into account the market value of the derivatives or by using the discounted cash flow model. When inactive market conditions exist, observable inputs used in the determination of fair values are adjusted using appropriate assumptions and considering the volume and level of activity in the markets.

e. Loans

Loans are financial assets that have fixed or determinable payments terms and are not quoted in an active market. Loans are initially recognized at acquisition cost plus transaction costs presenting their fair value and thereafter measured at amortized cost using the "Effective Interest Rate (internal rate of return) Method".

1. Loans measured at amortized cost:

These financial assets are divided into three categories depending on the gradual increase in credit risk observed since their initial recognition:

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 is 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 is transferred to Stage 2. Impairment for credit risk is determined based on 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 expected credit losses are recognized.

2. Loans measured at fair value through profit or loss:

Loans at fair value through profit and loss, terms of the contract for loans, if at certain dates it does not result in cash flows involving interest payments arising from the principal and principal balances, it is recorded at fair value and is subject to fair value assessment following the recognition. Gains and losses resulting from the valuation are included in profit/loss accounts.

In certain circumstances, restructuring or altering the contractual cash flows of a financial instrument may result in the disposal of the existing financial asset in accordance with IFRS 9. A revised financial asset is considered as a new financial asset when the

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change in the financial asset is once excluded from the financial statement and the revised financial asset is recognized in accordance with TFRS 9.

The Bank assesses whether the new financial asset contains solely payments of principal and interest when the new conditions for the instrument have determined that there are significant changes compared to the initial conditions in the relevant contracts.

In the event that the contractual conditions for the financial asset do not result in cash flows that include solely payments of principal and interest on certain dates, the related financial asset is recognized with its fair value and is subject to valuation.

Significant increase in credit risk:

If the credit risk of financial assets determined to be significantly increasing, afore-mentioned assets are transferred to the stage II. For stage I loans, expected loss (provision) amounts are calculated for 1-year and for stage II loans expected loss (provision) is calculated for the remaining life of the loan.

In addition, the key considerations in determining whether a significant increase in the credit risk of financial asset and transferring it to stage 2, but are not limited with these, the following;

- Past due date is 30 or more
- Restructuring of loans
- If the loan classified as under follow-up
- Assessment of significant increase in the probability of impairment based on rating notes.

Definition of increase in the probability of default is the comparison between the probability of default on loan's opening date, obtained from bank's internal rating-based credit rating models and probability of default on reporting date. If the loan's estimated probability of default on reporting date exceeds the threshold values determined, it is considered to be worsening of the probability of default.

Definition of Default:

The Bank considers that there is a default on the relevant debt in the following two cases:

1. Objective Default Definition: It means that the debt is overdue by more than 90 days. The definition of default, which is applicable to the Bank and its consolidated financial institutions, is based on the criteria that the debt is overdue by more than 90 days.
2. Subjective Default Definition: It means the determination that the debt will not be paid. If it is determined that the borrower cannot fulfill its debts related to the loan, regardless of whether there is a balance in delay or the number of days of delay, the debtor is considered in default.

Write-off Policy:

Within the framework of the provisions of the "Regulation Amending the Regulation on the Procedures and Principles Regarding the Classification of Loans and Provisions for These" published in the Official Gazette dated 6 July 2021 and numbered 31533 the portion of the loans that are classified under "Fifth Group-Loans with a Loss Qualification" and for which a lifetime expected loan loss provision or special provision is made due to the default of the borrower, for which there are no reasonable expectations for the recovery of the loans, within the scope of TFRS 9, as of the first reporting period (interim or year-end reporting period) following their classification in this Group, deducted from the records within the period deemed appropriate by the bank, taking into account the situation of the debtor. In determining the cluster within this scope, the following indicators are used;

- In the corporate, commercial, SME and consumer segment follow-up portfolio, with very low or no collection expectation
- Monitored in the 5th group as of the last reporting period,
- Having a provision rate of 90% or more,
- No active payment plans
- No Credit Guarantee Fund (CGF) secured loan

Loans and provision ratio of 100% all abusive and fraudulent tracking accounts are included in the deletion of the active account.

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The process of write-off the loans is an accounting practice and does not result in waiving the right to receivable regarding the related loans. Existing administrative and legal follow-up processes regarding the loans deducted from the record are continued. Partial write-off transactions mean that the financial asset will be repaid at a certain rate by the debtor, and the remaining amount after the payment or the part within the Bank that is classified under group 5 and has no reasonable expectations for its recovery will be removed from the financial statements. Regarding the write-off (asset disposal) process; the effect of the amount written off during the period and the amount written off on the NPL ratio is disclosed in the footnotes of the financial statements.

VIII. EXPLANATIONS ON EXPECTED CREDIT LOSSES:

The Group allocates impairment for expected loss on financial assets measured at amortised cost and measured at fair value through other comprehensive income.

As of 1 January 2018, the Group recognize provisions for impairment in accordance with TFRS 9 requirements according to the "Regulation on the Procedures and Principles for Classification of Loans by Banks and Provisions to be set aside" published in the Official Gazette dated 22 June 2016 numbered 29750. The expected credit loss estimates are required to be unbiased, probability-weighted and include supportable information about past events, current conditions, and forecasts of future economic conditions.

Expected Credit Loss (ECL) Calculation – Input and Forecasting Methodologies

Expected Credit Loss (ECL) is calculated as 12 months or lifetime, depending on whether there is a significant increase in credit risk after initial recognition or whether an asset is considered as a credit loss. Expected Credit Loss is calculated by using the Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD) components.

- Exposure at Default: Specifies the amount of risk that the borrower should pay in case of default. It is kept in the system by constantly calculated until the maturity of the borrower. The amount of extra risk that can be incurred in the event of default is included in the calculations by using the credit conversion rate (CCR) calculated for the irrevocable commitment products.

- Probability of Default (PD): PD indicates the probability of default due to inability of the borrower to meet its debt obligations. It has been calculated for 12 months or lifetime depends on increase on borrower's credit risk. Calculation of the lifetime default rate is carried out by drawing the actual default rate figures to the long term using various functions, based on historical data.

- Loss Given Default (LGD): In case of default of the borrower, Loss Given Default has been calculated as dividing Expected Credit Loss to Exposure at Default (EAD). LGD models includes data such as product type, customer segment, collateral structure, customer repayment performance.

Expected Credit Loss is calculated over the remaining maturity using the PD, LGD and EAD components. Calculated values are discounted on a monthly basis using the original effective interest rate or an approximate value of the discount rate. The expected credit loss value is calculated for all customers over the maturity period. However, for those who do not have a significant increase in credit risk, the 12-month ECL is taken into account, and for those with a significant increase in credit risk, the ECL value calculated over the remaining period is taken into account.

Within the scope of TFRS 9, models of Probability of default (PD), Lost given default (LGD) and Exposure at default (EAD) have been developed. The models used by the IRB "[Internal Rating Based Approach]" are taken into account when creating these models. The models developed under TFRS 9 have a detailed segment structure. Loans that have similar characteristics are segmented in order to reflect the expected credit losses collectively in financial reports. When creating the segmentation structure, the following information of the loans is taken into consideration.

1. Customer type (retail or corporate / commercial)
 2. Product type
 3. IRB rating notes /scores
 4. Customer credit performance
 5. Collateral type
 6. Collection Period
 7. Exposure at default
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In addition, in the calculation of Expected Credit Loss in accordance with TFRS 9, certain part of commercial and corporate loans are subject to individual assessment on a customer basis due to internal policies. This calculation is made by discounting the expected cash flows from the customer or the collateral sales to their present value with the effective interest rate.

The Parent Bank reflected the possible effects of COVID-19 on its cash flow estimates in the calculation of the Expected Credit Loss provision for the loans it is subject to individual assessment, taking into account the reasonable and relevant information available. Within the scope of individual evaluations, regional developments are also taken into account as well as sectoral risks.

Macro-economic indicators are taken into account in determining the PD component in the expected credit loss calculation. Macro-economic indicators vary on a product-by-product basis for individual products and on a segment basis for commercial products. Future macroeconomic forecasts are reflected in the ECLs using more than one scenario.

The risk parameters used in the TFRS 9 calculations include prospective macroeconomic information. While macroeconomic information is included, models and estimates reflecting the relationships between model risk parameters and macroeconomic variables are taken into consideration. The main macroeconomic indicator of these estimation models are the Gross Domestic Product (GDP) growth rate. Macroeconomic estimation models include more than one scenario and the related scenarios are taken into account in the expected credit loss calculations.

Expected Credit Loss (ECL) calculations are reviewed at least once a year, and there has been no change in the macroeconomic model used in the process during the reporting period.

Within the scope of the effects of COVID-19's Expected Credit Loss (ECL) calculations, the macroeconomic model data and scenario weights used in the process are also reviewed at the end of the interim period and updates are made if deemed necessary. No revisions were made to the scenario weights after the review. Expected Credit Loss (ECL) calculations are reviewed at least once a year, and there has been no change in the macroeconomic model used in the process during the reporting period.

- The expected credit loss calculation is made by considering 3 different scenarios the best, the worst, and the base.

Within the scope TFRS 9, macroeconomic expectations directly affect provisions (Expected Credit Loss-ECL). Related impact is realized when the default ratio of the Bank moves the default rate calculated for each maturity up or down. The main parameters of default ratio model are macroeconomic variables and the provision figures change when prospective estimations are revised.

The PD values subject to the ECL calculation have been obtained for the following portfolios.

Consumer/Commercial	Portfolio
Retail	Consumer
Retail	Automotive
Retail	Mortgage
Retail	Credit Card
Retail	Overdraft Account
Commercial	Micro
Commercial	Company
Commercial	Commercial
Commercial	Corporate

In prospective expectations, 3 scenarios are being used as the base, the worst and the best. Final provisions are calculated by weighting on the possibilities given to the scenarios.

IX. EXPLANATIONS ON OFFSETTING FINANCIAL INSTRUMENTS:

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 recognized amounts and there is an intention to collect/pay the related financial assets and liabilities on a net basis, or to realize the asset and settle the liability simultaneously.

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X. EXPLANATIONS ON SALES AND REPURCHASE AGREEMENTS AND SECURITIES LENDING TRANSACTIONS:

Securities subject to repurchase agreements ("Repos") are classified as "Financial assets at fair value difference through profit or loss", "Financial assets at fair value difference through other comprehensive income" and "Measured at amortised cost" in the balance sheet according to the investment purposes and measured according to the portfolio of the Bank to which they belong. Funds obtained under repurchase agreements are accounted under "Funds provided under repurchase agreements" in liability accounts and differences between the sale and repurchase prices determined by these repurchase agreements are accrued evenly over the life of the repurchase agreement using the "Effective interest (internal return) method".

Funds given against securities purchased under agreements to resell ("Reverse repos") are accounted under "Receivables from money market" in the balance sheet. The difference between the purchase and resell price determined by these repurchase agreements is accrued evenly over the life of repurchase agreements using the "Effective interest rate method".

The Group has securities lending transactions amounting TL 1.502.231 as of 30 June 2022 (31 December 2021: TL 1.024.696).

XI. EXPLANATIONS ON ASSETS HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (NET):

Assets held-for-sale consist of tangible assets that were acquired due to non-performing receivables, and are accounted in the financial statements in accordance with the regulations of "Turkish Financial Reporting Standard for Assets Held for Sale and Discontinued Operations (TFRS 5)".

The Group has no discontinued operations.

XII. EXPLANATIONS ON GOODWILL AND OTHER INTANGIBLE ASSETS:

The Group does not have any goodwill items that should be reflected in the consolidated financial statements.

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 depreciation and the provision for value decreases.

Intangibles are amortised over three to fifteen years (their estimated useful lives) using the straight-line method. The useful life of the asset is determined by assessing the expected useful time of the asset, technical, technological and other kinds of wear and tear and all required maintenance expenses necessary to utilize the economic benefit from the asset.

XIII. 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. Subsequently, property and equipment is carried at cost less accumulated depreciation and provision for value decrease.

The Group has started to account properties under the tangible assets with their revalued amount instead of cost values in accordance with "TAS 16 Plant and Equipment". The revaluation difference arising from the valuations made by the appraisal firms authorized by Capital Markets Board ("CMB") and BRSA is accounted in Investment Properties Revaluation Differences line under the Shareholders' Equity.

As of each reporting date, the Bank evaluates whether there is any indication that its assets may be impaired; If such indication exists, it estimates the recoverable amount of the related asset in accordance with TAS 36 - Impairment in Assets and if the recoverable amount is below the book value of the related asset, it reserves provision for impairment.

Depreciation is calculated over the cost of property and equipment using the straight-line method over estimated useful lives. The estimated useful lives are stated below:

Buildings	50 years
Vault	5-50 years
Transportation Vehicles	5 years
Other property and equipments	3-15 years

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 revenue.

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Expenditures for the repair and renewal of property and equipment are recognized as expense. The capital expenditures incurred in order to increase the capacity of the tangible asset or to increase the future benefit of the asset are capitalized on the cost of the tangible asset. Capital expenditures include the cost components that increase the useful life, or the capacity of the asset, increase the quality of the product or decrease its costs.

XIV. EXPLANATIONS ON LEASING TRANSACTIONS:

With the "IFRS 16 Leases" standard, which became effective as of 1 January 2019, the difference between the operating lease and financial lease was removed and the lease transactions were started to be recognised under "Tangible Fixed Assets" as an asset (tenure) and under "Liabilities from Leasing" as a liability.

The Group performs financial leasing operations as a "Lessor" through Ak Finansal Kiralama A.Ş. which is a consolidated subsidiary. The asset subject to the financial leasing is presented in the balance sheet as receivable equal to the net leasing amount. Interest income is recognized over the term of the lease using the net investment method that reflects a constant periodic rate of return and the unearned portion is followed under unearned interest income account.

XV. EXPLANATIONS ON PROVISIONS AND CONTINGENT LIABILITIES:

Provisions and contingent liabilities are accounted in accordance with the "Turkish Accounting Standard for Provisions, Contingent Liabilities and Contingent Assets" ("TAS 37").

Provisions are recognized 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. A provision for contingent liabilities arising from past events should be recognized in the same period of occurrence in accordance with the periodicity principle.

A liability is recognized as a contingent liability where a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of more than one events not wholly within the control of the Group; or a present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability and disclosed in the footnotes.

XVI. EXPLANATIONS ON CONTINGENT ASSETS:

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 in the Group, the asset and the related income are recognized in the financial statements in which the change occurs.

XVII. EXPLANATIONS ON OBLIGATIONS RELATED TO EMPLOYEE RIGHTS:

a. Employment termination benefits and vacation rights:

Obligations related to employment termination and vacation rights are accounted in accordance with "Turkish Accounting Standard for Employee Rights" ("TAS 19").

Under the Turkish Labor Law, the Bank and its subsidiaries operating in Turkey are required to pay a specific amount to the employees who have retired or whose employment is terminated other than the reasons specified in the Turkish Labor Law. According to the related regulation, the Bank is obliged to pay termination benefits for employees who retire, quit for their military service obligations, who have been dismissed as defined in the related regulation or who have completed at least one year of service. The reserve for employment termination benefits represents the present value of the estimated total reserve for the future probable obligation of the Group arising from this liability. In accordance with TAS 19, actuarial gains and losses are recognized in equity.

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b. Retirement Rights:

The Bank's personnel are members of the "Akbank T.A.Ş. Personnel Pension Fund Foundation" ("Pension Fund") established in accordance with the Social Security Law numbered 506, temporary article No.20. The financial statements of the Pension Fund have been audited as of year-ends by an independent actuary in accordance with the 38th article of the Insurance Supervisory Law and the "Actuarial Regulation" based on the same article.

Temporary 23rd article paragraph ("the paragraph") 1 of the Banking Law No 5411 published in the Official Gazette no 25983 dated 1 November 2005 envisaged that Banks would transfer their pension funds to the Social Security Institution ("SSI") within three years following the publication date of the Banking Law, and regulated the principles of this transfer. The first paragraph of the related article was rescinded as from the 30 June 2007, the publication date of the decision of the Constitutional Court dated 22 March 2007. The reasoned decree regarding the rescission of the mentioned paragraph was published in the Official Gazette numbered 26731, dated 15 December 2007.

Following the publication of the reasoned decree of the Constitutional Court, Turkish Grand National Assembly commenced to work on a new law regarding the transfer of the members of funds to the Social Security Institution; the related articles of the Social Security Law ("New Law") numbered 5754 regarding the transfer of the funds, were ratified by the TGNA General Meeting on 17 April 2008 and came into effect following the publication on the Official Gazette numbered 26870, dated 8 May 2008.

The main opposition party had appealed to the Constitutional Court for the cancellation of some of the articles of the New Law including transfer of the Funds to the SSI on 19 June 2008. The Constitution Court has dismissed the appeal with the decision taken in the meeting dated 30 March 2011. The reasoned decision has been published on the Official Gazette numbered 28156 dated 28 December 2011.

The New Law was requiring that present value of post-employment benefits at the transfer date shall be calculated by a commission consisting of the representatives of SSI, Ministry of Finance, Undersecretariat of Treasury, Undersecretariat of State Planning Organization, BRSA, SDIF and banks and funds, by using a technical discount rate of 9,8 percent taking into consideration the transferrable contributions and payments of the funds including any monthly payment differences paid by the funds above the limits within the framework of SSI regulations. Accordingly, the transfer required by the New Law was to be completed until 8 May 2011. According to the decision of the Council of Ministers published on the Official Gazette dated 9 April 2011 no. 27900, the time frame for related transfer has been extended for two years. Within the postponement right granted to the Council of Ministers through the change in the first clause of the 20th provisional article of the "Social Insurance and General Health Insurance Law no. 5510" published on the Official Gazette no. 28227 dated 8 March 2012, the transfer process has been postponed for one more year with the decision of the Council of Ministers published on the Official Gazette no. 28987 dated 30 April 2014. The Council of Ministers has been lastly authorized to determine the transfer date 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 23 April 2015 and numbered 29335. According to paragraph (I) of Article 203 of Law no. 703 which published on the Official Gazette no. 30473 dated 9 July 2018, the phrase, placed in 20th provisional article of Social Insurance and General Health Insurance Law no.5510, "Council of Ministers" is authorized to determine the date of transfer to the Social Security Institution has been replaced with "President".

According to the New Law, following the transfer of the members of the fund to the SSI, the funds and institutions will continue to provide the non-transferrable social benefits and payments which are included in the articles of association of the fund.

As of 31 December 2021, the Group has made a provision in the financial statements for the all technical deficit amounted TL 294.503 determined by the report prepared by an actuary registered in the actuaries register. This amount has been classified as other provision item. This amount has been classified as other provision item.

The consolidated affiliates do not have the above mentioned retirement benefit plans for their employees. The retirement related benefits of the employees of the consolidated affiliates are subject to the Social Security Institution and other defined contribution plans.

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XVIII. EXPLANATIONS ON TAXATION:

a. Current Tax:

As of 30 June 2022, the current corporate tax rate is 25%. In accordance with the Law No. 7316 published in the Official Gazette dated April 22, 2021, starting from the declarations that must be submitted as of 1/7/2021 and to be valid for the taxation period starting from 1/1/2021, the corporate tax rate is 25% for the taxation period of 2021, this rate was determined as 23% for the taxation period of 2022. However, with the publication of the Law No. 7394 in the Official Gazette dated 15 April 2022, banks, consumer finance companies, factoring and financial leasing companies, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies the corporate tax rate for pension companies has been permanently increased to 25%, and this change will be valid for returns to be submitted after 1 July 2022. Therefore, as of the first quarter of 2022, the tax rate to be taken into account in the calculation of corporate tax has been 23%, and the tax rate to be applied to the cumulative earnings of 2022 in the second quarter and following periods of 2022 is taken into account as 25%.

The corporate tax rate is applied to tax base which is calculated by adding certain non deductible expenses for tax purposes and deducting certain exemptions (like dividend income) and exclusion of deductions on accounting income. If there is no dividend distribution, no further tax charges are made.

Dividends paid to non-resident corporations, which have a place of business in Turkey or are resident corporations, are not subject to withholding tax. Otherwise, dividends paid are subject to withholding tax at the rate of 10%. An increase in capital via issuing bonus shares is not considered as profit distribution and thus does not incur withholding tax.

Corporations calculate advance tax with their current rate on quarterly profits and pay until the evening of the same day by declaring until the 17th day of the second month following that period. Advance tax paid by corporations which is for the current period is credited against the annual corporation tax calculated on their 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.

A 75% portion of the capital gains derived from the sale of equity investments and a 50% portion of the capital gains derived from the sale of immovable properties held for at least two years is tax exempt, if such gains are added to paid-in capital or held in a special fund account under liability for five years.

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

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns until the last day of the following fourth month after the closing of the accounting year to which they relate. Tax returns are open for five years from the beginning of the year following the date of filing 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.

Current tax, related to items recognized directly in equity is also credited or charged directly to equity.

As of the end of the 2021 calendar year, the conditions sought for inflation adjustment in the calculation of corporate tax have been fulfilled, within the framework of the repeated provision of Article 298/A of the Tax Procedure Law. However, with the regulation made with the Law No. 7352 dated 20 January 2022, the application of inflation adjustment in the calculation of corporate tax was postponed to 2023. According to this; TPL financial statements for the 2021 and 2022 accounting periods, including the provisional tax periods, will not be subject to inflation adjustment, and for the 2023 accounting period; will not be subject to inflation adjustment as of the provisional tax periods, and the TPL financial statements dated 31 December 2023 will be subject to inflation adjustment regardless of whether the inflation adjustment conditions are met or not. Profit/loss difference arising from inflation adjustment in VUK financial statements will be shown in previous years' profit/loss accounts and will not affect the corporate tax base.

Information on taxation in foreign subsidiaries are given below:

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German-resident corporations (i.e. corporations with legal or business centers located in Germany) are subject to corporate taxation in Germany over their total income. Regardless of any profit distribution corporate tax is levied at 15% over total income. Effective corporate tax rate is 15,825% since an additional solidarity tax of 5,5% is applied over the calculated corporate tax. In addition to that, trade income tax is applied on the basis of local governments. Akbank AG moved its headquarters from Frankfurt am Main to Eschborn as of June 2020, and the commercial income tax rate, which was applied at the level of 16% until 1 July 2020, decreased to 11.5% as of 1 July 2020. Accordingly, as of July 1, 2020, when all tax types (corporate tax, solidarity tax and commercial income tax) of Akbank AG are considered, the tax burden is at the level of 27.4%.

b. Deferred Tax:

The Group calculates and accounts for deferred income taxes for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in these financial statements in accordance with "Turkish Accounting Standard for Income Taxes" ("TAS 12") and the related decrees of the BRSA concerning income taxes. In accordance with the Law No. 7316 published in the Official Gazette dated 22 April 2021, starting from the declarations that must be submitted as of 7 January 2021 and to be valid for the taxation period starting from 1 January 2021, the corporate tax rate is 25% for the taxation period of 2021, and this rate will be applied as 23% for the taxation period of 2022, this rate was applied as 20% for the taxation periods of 2023. However, with the publication of the Law No. 7394 in the Official Gazette dated 15 April 2022, the corporate tax rate has been permanently increased to 25% for banks, consumer finance companies, factoring and financial leasing companies, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies, and pension companies. In this context, as of the first quarter of 2022, the tax rate to be taken into account in the calculation of corporate tax is 23%, and the tax rate to be applied to the cumulative earnings of 2022 in the second quarter and following periods of 2022 will be considered as 25%. As of 30 June 2022, the deferred tax is calculated over 25% and 31 December 2021, for the items subject to deferred tax calculation, enacted tax rates, which are valid in accordance with the tax legislation in effect, are used as of the reporting dates, in accordance with their lives.

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

Deferred tax asset had not been provided over provisions for possible risks and general loan loss provisions according to the circular of BRSA numbered BRSA.DZM.2/13/1-a-3 and dated 8 December 2004. Deferred tax rate calculation has started to be measured over temporary expected provision losses differences according to TFRS 9 articles from 1 January 2018. Deferred tax calculation is not made for free provisions.

Calculated deferred tax receivables and deferred tax liabilities have shown in net balances in the financial statements separately for domestic and international branches and for different subsidiaries subject to consolidation. Net balances of deferred tax assets and liabilities from companies are shown separately in assets and liabilities.

Deferred tax, related to items recognized directly in equity is also credited or charged directly to equity.

XIX. EXPLANATIONS ON BORROWINGS:

Debt instruments with different characteristics such as syndicated and securitized borrowings and post-financing obtained from foreign financial institutions, marketable securities issued in domestic and foreign markets and money market borrowings are major funding source of the Group. Mentioned borrowings are carried initially at acquisition cost and subsequently recognized at the discounted value calculated using by "Effective interest rate method".

XX. EXPLANATIONS ON ISSUANCE OF SHARE CERTIFICATES:

There is no share certificate issuance in 2022.

XXI. EXPLANATIONS ON AVALIZED DRAFTS AND ACCEPTANCES:

Avalized drafts and acceptances shown as liabilities against assets are included in the off-balance sheet commitments.

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XXII. EXPLANATIONS ON GOVERNMENT GRANTS:

As of 30 June 2022 and 31 December 2021, there is no government grant for the Bank.

XXIII. EXPLANATIONS ON SEGMENT REPORTING:

An operating segment is a component of an entity;

- that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity),
- whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and
- for which discrete financial information is available.

Reporting according to the operational segments is presented in Note IX of Section Four.

XXIV. 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.

Under the Turkish Commercial Code, legal reserves consist of first legal reserve and second legal reserve. First legal reserve, appropriated at the rate of 5%, until the total reserve is equal to 20% of issued and fully paid-in share capital. Second legal reserve, appropriated at the rate of 10% of distributions in excess of 5% of issued and fully paid-in share capital, but Holding companies are not subject to such transaction. According to the Turkish Commercial Code, legal reserves can only be used to compensate accumulated losses and cannot be used for other purposes unless they exceed 50% of paid-in capital

The Ordinary General Assembly Meeting of the Bank was held on 28 March 2022. In the Ordinary General Assembly, it was decided to distribute TL 1.211.600 cash dividend over the TL 12.125.908 net income from 2021 operations to the Bank's shareholders. It was also resolved in the General Assembly to transfer TL 654 to special funds account under other capital reserves, to allocate TL 95.160 as legal and TL 10.818.494 as extraordinary reserves.

XXV. EARNINGS PER SHARE:

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

	Current Period	Prior Period
	30 June 2022	30 June 2021
Net Profit for the Period of the Group	21.156.534	4.134.409
Average Number of Issued Common Shares (Thousand)	520.000.000	520.000.000
Earnings Per Share (Amounts presented as full TL)	0,04069	0,00795

In Turkey, companies can increase their share capital by making a pro-rata distribution of shares ("Bonus shares") to existing shareholders from retained earnings. For the purpose of earnings per share computations, the weighted average number of shares outstanding during the year has been adjusted in respect of bonus shares issued without a corresponding change in resources by giving them a retroactive effect for the year in which they were issued and for each earlier period. In case bonus shares are distributed after the balance sheet date but before the preparation of the financial statements, earnings per share is calculated considering the new number of shares.

The number of rights issued in 2022: None (2021: None).

XXVI. RELATED PARTIES:

Parties defined in Article 49 of the Banking Law No.5411 are deemed as related parties. Transactions with related parties are presented in Note VI of Section Five.

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XXVII. CASH AND CASH EQUIVALENT ASSETS:

For the purposes of the cash flow statement, cash includes cash effectives, cash in transit, purchased cheques and demand deposits including balances with the Central Bank; and cash equivalents include interbank money market placements, time deposits at banks with original maturity periods of less than three months and investments on marketable securities other than common stocks.

XXVIII. RECLASSIFICATIONS:

None.

XXIX. DISCLOSURES OF TFRS 16 LEASES:

TFRS 16 "Leases" Standard

Group – lessee :

The Group assesses whether the contract has the quality of a lease or whether the lease includes the transaction at the beginning of a contract. In case the contract is transferred for a certain period of time to control the use of the asset defined for a price, it is either leased or includes a lease. The Group reflects the existence of a right of use and a lease liability to the financial statements at the effective date of the lease.

Right of use assets:

The right to use asset is first recognized by cost method and includes:

- a) The initial measurement amount of the lease obligation,
- b) the amount obtained by deducting all the rental incentives received from all lease payments made at or before the beginning of the lease;
- c) all initial direct costs incurred by the Group

When Group applying the cost method, the existence of the right to use:

- a) accumulated depreciation and accumulated impairment losses are deducted and
- b) Measures the restatement of the lease obligation at the restated cost.

The Group applies the provisions of depreciation regulated under the TAS 16 Tangible Assets Standards, while depreciating the rights of use assets.

The Lease Obligations:

At the effective date of the lease, the Group measures its leasing liability at the present value of the lease payments not paid at that time. Lease payments are discounted using the Group's average borrowing interest rates.

The lease payments included in the measurement of the lease liability consist of the payments to be made for the right of use during the lease term of the underlying asset and the unpaid payments at the effective date of the lease.

After the effective date of the lease, the Group measures the leasing liability as follows:

- a) Increase the book value to reflect the interest on the lease obligation
- b) Reduces the book value to reflect the lease payments made and
- c) The book value is measured to reflect reassessments and restructuring, or reflect to fixed lease payments as of revised nature.

The interest on the lease liability for each period in the lease period is the amount calculated by applying a fixed periodic interest rate to the remaining balance of the lease liability.

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Details based on the asset with regard to the recognised right of use is as follows:

	30 June 2022	31 December 2021
Real estate	968.429	840.297
Total right of use asset	968.429	840.297

Details of depreciation expense based on the asset with regard to the recognised right of use is as follows:

	30 June 2022	31 December 2021
Real estate	374.588	369.603
Total right of use asset depreciation expense	374.588	369.603

Lease agreements for vehicles and ATMs, which are determined as low value by the Bank with short-term lease agreements with a duration of 12 months or less, have been evaluated within the scope of the exemption granted by the standard. Within this scope, TL 84.897 has been paid in the relevant period.

The right and obligation of the lessee to use assets classified as finance leases has been measured at the carrying amount of such assets before the transition period.

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SECTION FOUR
INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP

I. EXPLANATIONS ON EQUITY:

Total capital amount and Capital adequacy ratio have been calculated in accordance with the "Regulation on Equity of Banks" and "Regulation on Measurement and Assessment of Capital Adequacy of Banks". Additionally, calculated according to BRSA regulations dated 28 April 2022, numbered 10188. As of 30 June 2022 based on recent regulation changes;

1) In the calculation of the amount based on credit risk, the CBRT exchange rate for 31 December 2021 can be used when calculating the valuation amounts in foreign currency,

2) In case the net valuation differences of the securities owned by banks and acquired before 21 December 2021 in the "Securities at Fair Value through Other Comprehensive Income" portfolio are negative, these differences may not be taken into account in the equity amount.

As of 30 June 2022, taking into consideration the above-mentioned regulations, the current period equity of the Group has been calculated as TL 123.523.603 (31 December 2021: TL 100.459.590), and the capital adequacy ratio is 20,37% (31 December 2021: 21,14%). This ratio is above the minimum ratio required by the legislation.

a. Information about total consolidated capital items:

	Current Period 30 June 2022	Amounts related to treatment before 1/1/2014(*)
COMMON EQUITY TIER 1 CAPITAL		
Paid-in capital following all debts in terms of claim in liquidation of the Bank	7.014.871	
Share issue premiums	3.505.742	
Reserves	57.238.548	
Gains recognized in equity as per TAS	21.215.475	
Profit	21.337.006	
Current Period Profit	21.156.534	
Prior Period Profit	180.472	
Shares acquired free of charge from subsidiaries, affiliates and jointly controlled partnerships and cannot be recognized within profit for the period	10.409	
Minorities' Share	-	
Common Equity Tier 1 Capital Before Deductions	110.322.051	
Deductions from Common Equity Tier 1 Capital		
Common Equity as per the 1st clause of Provisional Article 9 of the Regulation on the Equity of Banks	2.755	
Portion of the current and prior periods' losses which cannot be covered through reserves and losses reflected in equity in accordance with TAS	1.710.633	
Improvement costs for operating leasing	50.708	
Goodwill (net of related tax liability)	-	
Other intangibles other than mortgage-servicing rights (net of related tax liability)	1.747.443	1.747.443
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	
Differences are not recognized at the fair value of assets and liabilities subject to hedge of cash flow risk	4.902.216	
Communiqué Related to Principles of the amount credit risk calculated with the Internal Ratings Based Approach, total expected loss amount exceeds the total provision	-	
Gains arising from securitization transactions	-	
Unrealized gains and losses due to changes in own credit risk on fair valued liabilities	-	
Defined-benefit pension fund net assets	-	
Direct and indirect investments of the Bank in its own Common Equity	-	
Shares obtained contrary to the 4th clause of the 56th Article of the Law	-	
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank	-	
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	
Portion of mortgage servicing rights exceeding 10% of the Common Equity	-	
Portion of deferred tax assets based on temporary differences exceeding 10% of the Common Equity	-	
Amount exceeding 15% of the common equity as per the 2nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks	-	
Excess amount arising from the net long positions of investments in common equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital	-	
Excess amount arising from mortgage servicing rights	-	
Excess amount arising from deferred tax assets based on temporary differences	-	
Other items to be defined by the BRSA	-	
Deductions to be made from common equity due to insufficient Additional Tier I Capital or Tier II Capital	-	
Total Deductions From Common Equity Tier 1 Capital	8.413.755	
Total Common Equity Tier 1 Capital	101.908.296	

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	Current Period 30 June 2022	Amounts related to treatment before 1/1/2014(*)
ADDITIONAL TIER I CAPITAL		
Preferred Stock not Included in Common Equity and the Related Share Premiums	-	
Debt instruments and premiums approved by BRSA	-	
Debt instruments and premiums approved by BRSA (Temporary Article 4)	-	
Third parties' share in the Additional Tier I capital	-	
Third parties' share in the Additional Tier I capital (Temporary Article 3)	-	
Additional Tier I Capital before Deductions	-	
Deductions from Additional Tier I Capital		
Direct and indirect investments of the Bank in its own Additional Tier I Capital	-	
Investments of Bank to Banks that invest in Bank's additional equity and components of equity issued by financial institutions with compatible with Article 7.	-	
Total of Net Long Positions of the Investments in Equity Items of Consolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital	-	
The Total of Net Long Position of the Direct or Indirect Investments in Additional Tier I Capital of Consolidated Banks and Financial Institutions where the Bank Owns more than 10% of the Issued Share Capital	-	
Other items to be defined by the BRSA	-	
Transition from the Core Capital to Continue to deduce Components		
Goodwill and other intangible assets and related deferred tax liabilities which will not be 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 (-)	-	
Deductions to be made from common equity in the case that adequate Additional Tier I Capital or Tier II Capital is not available (-)	-	
Total Deductions From Additional Tier I Capital	-	
Total Additional Tier I Capital	-	
Total Tier I Capital (Tier I Capital+Common Equity+Additional Tier I Capital)	101.908.296	
TIER II CAPITAL		
Debt instruments and share issue premiums deemed suitable by the BRSA	14.874.698	
Debt instruments and share issue premiums deemed suitable by BRSA (Temporary Article 4)	-	
Third parties' share in the Tier II Capital	-	
Third parties' share in the Tier II Capital (Temporary Article 3)	-	
Provisions (Article 8 of the Regulation on the Equity of Banks)	6.784.330	
Tier II Capital Before Deductions	21.659.028	
Deductions From Tier II Capital		
Direct and indirect investments of the Bank on its own Tier II Capital (-)	-	
Investments of Bank to Banks that invest on Bank's Tier 2 and components of equity issued by financial institutions with the conditions declared in Article 8.	-	
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank (-)	-	
Portion of the total of net long positions of investments made in Additional Tier I Capital item of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	
Other items to be defined by the BRSA (-)	-	
Total Deductions from Tier II Capital	-	
Total Tier II Capital	21.659.028	
Total Capital (The sum of Tier I Capital and Tier II Capital)	123.567.324	
Deductions from Total Capital		
Deductions from Capital Loans granted contrary to the 50th and 51th Article of the Law	-	
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	-	
Other items to be defined by the BRSA	43.721	
In transition from Total Core Capital and Supplementary Capital (the capital) to Continue to Deduct Components		
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not be 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	-	
The Sum of net long positions of 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, where the bank does not own more than 10% of the issued common share capital of the entity which will not be 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	-	
The Sum of net long positions of investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity, mortgage servicing rights, deferred tax assets arising from temporary differences which will not be 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	-	

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	Current Period 30 June 2022	Amounts related to treatment before 1/1/2014 (*)
TOTAL CAPITAL		
Total Capital (Total of Tier I and Tier II Capital)	123.523.603	
Total Risk Weighted Amounts	606.357.581	
Capital Adequacy Ratios		
Core Capital Adequacy Ratio (%)	16,81%	
Tier 1 Capital Adequacy Ratio (%)	16,81%	
Capital Adequacy Ratio (%)	20,37%	
BUFFERS		
Total additional Common Equity Tier 1 Capital requirement ratio (a+b+c)	4,02%	
a) Capital conservation buffer requirement (%)	2,50%	
b) Bank specific total common equity tier 1 capital ratio (%)	0,02%	
c) Systemic significant bank buffer ratio (%)	1,50%	
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 (%)	8,81%	
Amounts below the Excess Limits as per the Deduction Principles		
Portion of the total of net long positions of investments in equity items of Consolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	
Portion of the total of investments in equity items of Consolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	
Amount arising from mortgage-servicing rights	-	
Amount arising from deferred tax assets based on temporary differences	(5.113.216)	
Limits related to provisions considered in Tier II calculation		
General provisions for standard based receivables (before tenthousandtwentyfive limitation)	9.059.157	
Up to 1.25% of total risk-weighted amount of general reserves for receivables where the standard approach used	6.784.330	
Excess amount of total provision amount to credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	
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	-	
Debt instruments subjected to Article 4 (to be implemented between January 1, 2018 and January 1, 2022)		
Upper limit for Additional Tier I Capital subjected to temporary Article 4	-	
Amounts Excess the Limits of Additional Tier I Capital subjected to temporary Article 4	-	
Upper limit for Additional Tier II Capital subjected to temporary Article 4	-	
Amounts Excess the Limits of Additional Tier II Capital subjected to temporary Article 4	-	

(*) Amounts in this column represents the amounts of items that are subject to transition provisions in accordance with the temporary Articles of "Regulations regarding to changes on Regulation on Equity of Banks" and taken into consideration at the end of transition process.

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	Prior Period 31 December 2021	Amounts related to treatment before 1/1/2014 (*)
COMMON EQUITY TIER 1 CAPITAL		
Paid-in capital following all debts in terms of claim in liquidation of the Bank	7.014.871	
Share issue premiums	3.505.742	
Reserves	45.953.298	
Gains recognized in equity as per TAS	15.140.267	
Profit	12.546.222	
Current Period Profit	12.127.191	
Prior Period Profit	419.031	
Shares acquired free of charge from subsidiaries, affiliates and jointly controlled partnerships and cannot be recognized within profit for the period	9.581	
Minorities' Share	-	
Common Equity Tier 1 Capital Before Deductions	84.169.981	
Deductions from Common Equity Tier 1 Capital		
Common Equity as per the 1st clause of Provisional Article 9 of the Regulation on the Equity of Banks	1.657	
Portion of the current and prior periods' losses which cannot be covered through reserves and losses reflected in equity in accordance with TAS	3.788.030	
Improvement costs for operating leasing	54.376	
Goodwill (net of related tax liability)	-	
Other intangibles other than mortgage-servicing rights (net of related tax liability)	1.190.380	1.190.380
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	
Differences are not recognized at the fair value of assets and liabilities subject to hedge of cash flow risk	2.263.951	
Communiqué Related to Principles of the amount credit risk calculated with the Internal Ratings Based Approach, total expected loss amount exceeds the total provision	-	
Gains arising from securitization transactions	-	
Unrealized gains and losses due to changes in own credit risk on fair valued liabilities	-	
Defined-benefit pension fund net assets	-	
Direct and indirect investments of the Bank in its own Common Equity	-	
Shares obtained contrary to the 4th clause of the 56th Article of the Law	-	
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank	-	
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	
Portion of mortgage servicing rights exceeding 10% of the Common Equity	-	
Portion of deferred tax assets based on temporary differences exceeding 10% of the Common Equity	-	
Amount exceeding 15% of the common equity as per the 2nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks	-	
Excess amount arising from the net long positions of investments in common equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital	-	
Excess amount arising from mortgage servicing rights	-	
Excess amount arising from deferred tax assets based on temporary differences	-	
Other items to be defined by the BRSA	-	
Deductions to be made from common equity due to insufficient Additional Tier I Capital or Tier II Capital	-	
Total Deductions From Common Equity Tier 1 Capital	7.298.394	
Total Common Equity Tier 1 Capital	76.871.587	

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	Prior Period 31 December 2021	Amounts related to treatment before 1/1/2014 (*)
ADDITIONAL TIER I CAPITAL		
Preferred Stock not Included in Common Equity and the Related Share Premiums	-	
Debt instruments and premiums approved by BRSA	-	
Debt instruments and premiums approved by BRSA (Temporary Article 4)	-	
Third parties' share in the Additional Tier I capital	-	
Third parties' share in the Additional Tier I capital (Temporary Article 3)	-	
Additional Tier I Capital before Deductions	-	
Deductions from Additional Tier I Capital		
Direct and indirect investments of the Bank in its own Additional Tier I Capital	-	
Investments of Bank to Banks that invest in Bank's additional equity and components of equity issued by financial institutions with compatible with Article 7.	-	
Total of Net Long Positions of the Investments in Equity Items of Consolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital	-	
The Total of Net Long Position of the Direct or Indirect Investments in Additional Tier I Capital of Consolidated Banks and Financial Institutions where the Bank Owns more than 10% of the Issued Share Capital	-	
Other items to be defined by the BRSA	-	
Transition from the Core Capital to Continue to deduce Components		
Goodwill and other intangible assets and related deferred tax liabilities which will not be 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 (-)	-	
Deductions to be made from common equity in the case that adequate Additional Tier I Capital or Tier II Capital is not available (-)	-	
Total Deductions From Additional Tier I Capital	-	
Total Additional Tier I Capital	-	
Total Tier I Capital (Tier I Capital=Common Equity+Additional Tier I Capital)	76.871.587	
TIER II CAPITAL		
Debt instruments and share issue premiums deemed suitable by the BRSA	18.509.855	
Debt instruments and share issue premiums deemed suitable by BRSA (Temporary Article 4)	-	
Third parties' share in the Tier II Capital	-	
Third parties' share in the Tier II Capital (Temporary Article 3)	-	
Provisions (Article 8 of the Regulation on the Equity of Banks)	5.101.472	
Tier II Capital Before Deductions	23.611.327	
Deductions From Tier II Capital		
Direct and indirect investments of the Bank on its own Tier II Capital (-)	-	
Investments of Bank to Banks that invest on Bank's Tier 2 and components of equity issued by financial institutions with the conditions declared in Article 8.	-	
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank (-)	-	
Portion of the total of net long positions of investments made in Additional Tier I Capital item of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	
Other items to be defined by the BRSA (-)	-	
Total Deductions from Tier II Capital	-	
Total Tier II Capital	23.611.327	
Total Capital (The sum of Tier I Capital and Tier II Capital)	100.482.914	
Deductions from Total Capital		
Deductions from Capital Loans granted contrary to the 50th and 51th Article of the Law	-	
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	-	
Other items to be defined by the BRSA (-)	23.324	
In transition from Total Core Capital and Supplementary Capital (the capital) to Continue to Deduct Components		
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not be 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	-	
The Sum of net long positions of 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, where the bank does not own more than 10% of the issued common share capital of the entity which will not be 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	-	
The Sum of net long positions of investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity, mortgage servicing rights, deferred tax assets arising from temporary differences which will not be 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	-	

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	Prior Period 31 December 2021	Amounts related to treatment before 1/1/2014 (*)
TOTAL CAPITAL		
Total Capital (Total of Tier I and Tier II Capital)	100.459.590	
Total Risk Weighted Amounts	475.307.435	
Capital Adequacy Ratios		
Core Capital Adequacy Ratio (%)	16,17%	
Tier 1 Capital Adequacy Ratio (%)	16,17%	
Capital Adequacy Ratio (%)	21,14%	
BUFFERS		
Total additional Common Equity Tier 1 Capital requirement ratio (a+b+c)	4,02%	
a) Capital conservation buffer requirement (%)	2,50%	
b) Bank specific total common equity tier 1 capital ratio (%)	0,02%	
c) Systemic significant bank buffer ratio (%)	1,50%	
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	8,17%	
Amounts below the Excess Limits as per the Deduction Principles		
Portion of the total of net long positions of investments in equity items of Consolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	
Portion of the total of investments in equity items of Consolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	
Amount arising from mortgage-servicing rights	-	
Amount arising from deferred tax assets based on temporary differences	(302.135)	
Limits related to provisions considered in Tier II calculation		
General provisions for standard based receivables (before tenthousandtwentyfive limitation)	7.642.859	
Up to 1.25% of total risk-weighted amount of general reserves for receivables where the standard approach used	5.101.472	
Excess amount of total provision amount to credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	
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	-	
Debt instruments subjected to Article 4 (to be implemented between January 1, 2018 and January 1, 2022)		
Upper limit for Additional Tier I Capital subjected to temporary Article 4	-	
Amounts Excess the Limits of Additional Tier I Capital subjected to temporary Article 4	-	
Upper limit for Additional Tier II Capital subjected to temporary Article 4	-	
Amounts Excess the Limits of Additional Tier II Capital subjected to temporary Article 4	-	

(*) Amounts in this column represents the amounts of items that are subject to transition provisions in accordance with the temporary Articles of "Regulations regarding to changes on Regulation on Equity of Banks" and taken into consideration at the end of transition process.

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b. Information about instruments that will be included in total capital calculation:

	Current Period 30 June 2022
Details on Subordinated Liabilities:	
Issuer	AKBANK T.A.Ş.
Identifier(s) (CUSIP, ISIN vb.)	XS1772360803 / US00972BAC37
Governing law (s) of the instrument	Subject to British Common Law and in terms of certain articles to Turkish Regulations. It is issued within the scope of the Debt Instruments Disclosure of the Capital Markets Board and the Regulation on Equities of Banks of the BRSA.
Regulatory treatment	
Subject to 10% deduction as of 1/1/2015	No
Eligible on unconsolidated and /or consolidated basis	Unconsolidated and Consolidated
Instrument type	Subordinated Liabilities (Securities)
Amount recognized in regulatory capital (Currency in mil, as of most recent reporting date)	6.657 million TL (in full TL amount)
Nominal value of instrument	6.657 million TL (in full TL amount)
Accounting classification of the instrument	Subordinated Loans (347011 Accounting Number)
Issuance date of instrument	27 February 2018
Maturity structure of the instrument (demand/maturity)	Maturity
Original maturity of the instrument	10 Year 60 day (Maturity date: 27 April 2028)
Issuer call subject to prior supervisory (BRSA) approval	Yes
Optional call date, contingent call dates and redemption amount	There is an early repayment option on 27.04.2023. The reimbursement amount is 6.657 million TL (in full TL amount)
Subsequent call dates, if applicable	-
Coupon/dividend payment	
Fixed or floating coupon/dividend payments	Fixed
Coupon rate and any related index	6,8%
Existence of any dividend payment restriction	None
Fully discretionary, partially discretionary or mandatory	None
Existence of step up or other incentive to redeem	None
Noncumulative or cumulative	Noncumulative
Convertible or non-convertible into equity shares	
If convertible, conversion trigger (s)	None
If convertible, fully or partially	None
If convertible, conversion rate	None
If convertible, mandatory or optional conversion	None
If convertible, type of instrument convertible into	None
If convertible, issuer of instrument to be converted into	None
Write-down feature	
If bonds can be written-down, write-down trigger(s)	Due to the losses incurred, where the Bank is at the point at which the BRSA may determine pursuant to Article 71 of the Banking Law that: (i) its operating license is to be revoked and the Bank is liquidated or (ii) the rights of all of its shareholders (except to dividends), and the management and supervision of the Bank, are to be transferred to the SDIF on the condition that losses are deducted from the capital of existing shareholders (occurrence of either condition means the issuer has become non-viable), or (iii) it is probable that the Issuer will become non-viable; then the bonds can be written-down.
If bond can be written-down, full or partial	Partially or fully
If bond can be written-down, permanent or temporary	Continuously
If temporary write-down, description of write-up mechanism	There are no any temporary write-up mechanisms.
Position in subordination hierarchy in case of liquidation (instrument type immediately senior to the instrument)	In priority of receivables, it comes after the debt instruments which are non-subordinated loans.
In compliance with article number 7 and 8 of " Own fund regulation "	The instrument is in compliance with article number 8.
Details of incompliances with article number 7 and 8 of " Own fund regulation "	The instrument is not in compliant with article numbered 7.

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**Current Period
30 June 2022**

Details on Subordinated Liabilities:	
Issuer	AKBANK T.A.Ş
Identifier(s) [CUSIP, ISIN vb.]	XS2355183091 / US00971YAJ91
Governing law (s) of the instrument	Subject to British Common Law and in terms of certain articles to Turkish Regulations. It is issued within the scope of the Debt Instruments Disclosure of the Capital Markets Board and the Regulation on Equities of Banks of the BRSA.
Regulatory treatment	
Subject to 10% deduction as of 1/1/2015	No
Eligible on unconsolidated and /or consolidated basis	Unconsolidated and Consolidated
Instrument type	Subordinated Liabilities (Securities)
Amount recognized in regulatory capital (Currency in mil, as of most recent reporting date)	8.329 million TL (in full TL amount)
Nominal value of instrument	8.329 million TL (in full TL amount)
Accounting classification of the instrument	Subordinated Loans (347011 Accounting Number)
Issuance date of instrument	22 June 2021
Maturity structure of the instrument (demand/maturity)	Maturity
Original maturity of the instrument	10 Year (Maturity date: 22 June 2031)
Issuer call subject to prior supervisory (BRSA) approval	Yes
Optional call date, contingent call dates and redemption amount	There is an early repayment option on 22.06.2026. The reimbursement amount is 8.329 million TL (in full TL amount)
Subsequent call dates, if applicable	-
Coupon/dividend payment	
Fixed or floating coupon/dividend payments	Fixed
Coupon rate and any related index	6,8%
Existence of any dividend payment restriction	None
Fully discretionary, partially discretionary or mandatory	None
Existence of step up or other incentive to redeem	None
Noncumulative or cumulative	Noncumulative
Convertible or non-convertible into equity shares	
If convertible, conversion trigger (s)	None
If convertible, fully or partially	None
If convertible, conversion rate	None
If convertible, mandatory or optional conversion	None
If convertible, type of instrument convertible into	None
If convertible, issuer of instrument to be converted into	None
Write-down feature	
If bonds can be written-down, write-down trigger(s)	Due to the losses incurred, where the Bank is at the point at which the BRSA may determine pursuant to Article 71 of the Banking Law that: (i) its operating license is to be revoked and the Bank is liquidated or (ii) the rights of all of its shareholders (except to dividends), and the management and supervision of the Bank, are to be transferred to the SDIF on the condition that losses are deducted from the capital of existing shareholders (occurrence of either condition means the issuer has become non-viable), or (iii) it is probable that the Issuer will become non-viable; then the bonds can be written-down.
If bond can be written-down, full or partial	Partially or fully
If bond can be written-down, permanent or temporary	Continuously
If temporary write-down, description of write-up mechanism	There are no any temporary write-up mechanisms.
Position in subordination hierarchy in case of liquidation (instrument type immediately senior to the instrument)	In priority of receivables, it comes after the debt instruments which are non-subordinated loans.
In compliance with article number 7 and 8 of " Own fund regulation "	The instrument is in compliance with article number 8.
Details of incompliance with article number 7 and 8 of " Own fund regulation "	The instrument is not in compliant with article numbered 7.

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- c. The difference between Total Capital and Equity in the unconsolidated balance sheet mainly arises from expected credit loss provisions arising from loans classified under stage I and stage II and subordinated loans. In the calculation of Total Capital, up to 1,25% of expected credit loss from stage 1 and stage 2 over the credit risk amount and subordinated loans with nominal amounts, by reducing 20% each year if the remaining maturity is 100% less than 5 year, are taken into consideration as Tier II Capital. Additionally, the losses reflected to equity under TAS which is subject to deduction from TIER I capital are determined by excluding the losses from cash flow hedging. On the other hand, in the calculation of the Total Capital, improvement costs for operating leases followed under tangible assets in the balance sheet, intangible assets and related deferred tax liabilities, other items defined by the regulator are taken into consideration as amounts deducted from Total Capital.

II. EXPLANATIONS ON CURRENCY RISK:

The difference between the Group's foreign currency denominated and foreign currency indexed assets and liabilities is defined as the "Net Foreign Currency Position" and is the basis of currency risk. Foreign currency denominated assets and liabilities, together with purchase and sale commitments, give rise to foreign exchange exposure. The Bank keeps the foreign exchange exposure amount within the limits set by the ERC. The ERC, taking into account the economic conditions and market developments, sets a limit for the size of a foreign exchange exposure. Those limits are individually determined and followed for both the net overall foreign currency position and for the foreign exchange exposure. Derivative financial instruments like forward foreign exchange contracts and currency swaps are used as tools for foreign exchange exposure management.

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

	USD	EURO
Balance Sheet Evaluation Rate	TL 16,6614	TL 17,3701
1.Day bid rate	TL 16,6614	TL 17,3701
2.Day bid rate	TL 16,6690	TL 17,5221
3.Day bid rate	TL 16,6189	TL 17,5858
4.Day bid rate	TL 16,6460	TL 17,6057
5.Day bid rate	TL 17,3478	TL 18,2753

The simple arithmetic average of the Parent Bank's foreign exchange bid rates for the last thirty days preceding the balance sheet date for major foreign currencies are presented in the table below:

USD : TL 16,9948
EURO : TL 17,9799

As of 31 December 2021;

	USD	EURO
Balance Sheet Evaluation Rate	TL 13,3290	TL 15,0867

Information related to Group's Currency Risk:

The table below summarizes the Group's net foreign currency position, categorized by currency. Foreign currency indexed assets are classified as Turkish Lira assets according to the Uniform Chart of Accounts. In currency risk calculation, foreign currency indexed assets are considered as foreign currency items. In accordance with the "Communiqué on Calculation of Foreign Currency Net Position/Capital Standard Ratio by banks in stand-alone and consolidated basis"; prepaid expenses in assets and and shareholders' equity in liabilities are excluded in the currency risk calculation. Therefore, there are

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differences between the amounts of foreign currency denominated assets and liabilities demonstrated on the table below and the amounts on the balance sheet.

Current Period – 30 June 2022	EURO	USD	Other FC	Total
Assets				
Cash Equivalents and Central Bank (*)	42.147.621	72.315.225	4.169.531	118.632.377
Banks (*****)	16.845.400	24.896.323	4.245.194	45.986.917
Financial Assets at Fair Value through Profit or Loss	26.071	789.140	-	815.211
Interbank Money Market Placements	-	-	-	-
Financial Assets measured at other comprehensive income	7.921.327	74.413.972	1.818.812	84.154.111
Loans (**)	115.141.731	83.898.614	61.578	199.101.923
Investments in Associates, Subsidiaries and Joint Ventures	-	-	-	-
Financial assets measured at amortised cost	-	11.908.749	-	11.908.749
Hedging Derivative Financial Assets	449.519	2.434.912	944.851	3.829.282
Tangible Assets (Net)	62.602	17.600	-	80.202
Intangible Assets (Net)	17.214	-	-	17.214
Other Assets (***)	1.825.954	6.329.248	8.658	8.163.860
Total Assets	184.437.439	277.003.783	11.248.624	472.689.846
Liabilities				
Bank Deposits (****)	7.463.682	13.196.001	2.410.323	23.070.006
Foreign Currency Deposits (****)	108.295.854	199.063.162	40.567.329	347.926.345
Funds from Interbank Money Market	2.751.408	32.304.057	-	35.055.465
Borrowings	16.015.168	57.561.847	-	73.577.015
Marketable Securities Issued (Net) (*****)	175.680	40.462.294	-	40.637.974
Miscellaneous Payables	1.728.341	23.406.238	153.377	25.287.956
Hedging Derivative Financial Liabilities	-	99.929	-	99.929
Other Liabilities	2.296.111	3.506.838	99.012	5.901.961
Total Liabilities	138.726.244	369.600.366	43.230.041	551.556.651
Net on Balance Sheet Position	45.711.195	(92.596.583)	(31.981.417)	(78.866.805)
Net off-Balance Sheet Position (*****)	(41.634.625)	87.026.804	32.605.259	77.997.438
Financial Derivative Assets	48.311.544	231.972.545	41.713.777	321.997.866
Financial Derivative Liabilities	89.946.169	144.945.741	9.108.518	244.000.428
Non-cash Loans	30.323.895	36.953.107	3.049.395	70.326.397
Prior Period - 31 December 2021				
Total Assets	154.567.876	224.746.295	10.428.984	389.743.155
Total Liabilities	116.637.805	295.612.013	36.519.776	448.769.594
Net on-Balance Sheet Position	37.930.071	(70.865.718)	(26.090.792)	(59.026.439)
Net off-Balance Sheet Position (*****)	(37.437.819)	74.066.886	26.769.543	63.398.610
Financial Derivative Assets	48.984.350	180.257.991	33.595.547	262.837.888
Financial Derivative Liabilities	86.422.169	106.191.105	6.826.004	199.439.278
Non-cash Loans	23.411.989	30.269.443	1.891.599	55.573.031

(*) Of the Cash Equivalents and Central Bank and Other FC, TL 3.331.553 (31 December 2021: TL 2.152.617) are precious metal deposit account in demand.

(**) The foreign currency indexed loans balance in the Turkish Lira accounts is TL 401.900 (31 December 2021: TL 470.265).

(***) Derivative financial assets and expected credit losses are classified under other assets. The expected loss amount of foreign currency indexed loans balance is TL 8.483 (31 December 2021: TL 10.333). Prepaid assets amounted TL 123.338 (31 December 2021: TL 105.347) is excluded in the financial statements.

(****) Of Bank Deposits Other FC of the TL 44.167 (31 December 2021: TL 36.900) and the foreign currency deposits TL 30.992.544 (31 December 2021: TL 25.869.116) are precious metal deposit account in demand.

(*****) Securities issued as subordinated loan classified under subordinated loans in the balance sheet are included.

(*****) Presents the net balance of receivables and payables from derivative transactions. Foreign Exchange spot dealings shown under "Asset purchase commitments" in the financial statements are included in the net off-balance sheet position.

(*****) Derivative collaterals given to foreign banks are included.

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III. EXPLANATIONS ON INTEREST RATE RISK:

"Interest Rate Risk" can be defined as the impact of interest rate changes on interest-sensitive asset and liability items of both on and off-balance sheets of the Group. The ERC sets limits for the interest rate sensitivity of on and off-balance sheet items and the sensitivity is closely monitored and reported weekly. In the case of high market fluctuations, daily transaction based reporting and analyses are made.

The Group manages the interest rate risk on a portfolio basis and tries to minimize the risk effect on the profitability, financial exposure and cash flows by applying different strategies. Basic methods such as using fixed or floating interest rates for different portfolios and maturities, setting the fixed margin in floating rates, or varying the rates for the short or long-term positions are applied actively.

a. Interest rate sensitivity of assets, liabilities and off-balance sheet items (based on repricing dates)

Current Period - 30 June 2022	Up to 1 Month	1 - 3 Months	3 - 12 Months	1 - 5 Years	5 Years and Over	Non-Interest Bearing	Total
Assets							
Cash Equivalents and Central Bank	14.472.475	-	-	-	-	122.246.425	136.718.900
Banks [****]	1.336.828	2.854.652	[134.618]	-	-	42.240.860	46.297.722
Financial Assets at Fair Value Through Profit or Loss	153.991	217.789	161.338	82.141	84.108	4.072.927	4.772.294
Interbank Money Market Placements	804.502	-	-	-	-	158	804.660
Financial Assets at measured Fair Value Other Comprehensive Income	12.877.387	17.556.589	20.357.546	68.570.592	15.210.334	1.165.260	135.737.708
Loans (*)	153.128.185	81.821.376	162.729.426	96.324.660	13.716.620	18.579.549	526.299.816
Financial Assets measured at amortised cost	27.558.818	3.330.238	26.446.341	9.898.324	212.518	-	67.446.239
Other Assets (**)	12.541.773	27.967.732	17.596.472	2.540.807	329.849	2.247.643	63.224.276
Total Assets	222.873.959	133.748.376	227.156.505	177.416.524	29.553.429	190.552.822	981.301.615
Liabilities							
Bank Deposits	28.403.095	8.127.400	1.616.165	-	-	3.261.546	41.408.206
Other Deposits	235.358.107	103.409.705	31.324.130	6.591.554	1.416.187	202.017.494	580.117.177
Funds from Interbank Money Market	38.276.950	10.511.241	5.449.818	355.796	-	-	54.593.805
Miscellaneous Payables	6.808.404	8.422.759	6.279.217	1.072.457	45.890	14.188.827	36.817.554
Marketable Securities Issued (Net) (***)	801.706	4.784.432	9.809.942	18.166.785	15.048.399	29.632	48.640.896
Borrowings	3.534.596	30.803.314	38.002.489	2.958.462	-	-	75.298.861
Other Liabilities (****)	7.975.306	7.793.338	6.879.444	1.458.838	774.669	119.543.521	144.425.116
Total Liabilities	321.158.164	173.852.189	99.361.205	30.603.892	17.285.145	339.041.020	981.301.615
Balance Sheet Long Position	-	-	127.795.300	146.812.632	12.268.284	-	286.876.216
Off-balance Sheet Short Position	[98.284.205]	[40.103.813]	-	-	-	[148.488.198]	[286.876.216]
Off-balance Sheet Long Position	10.299.190	41.172.125	100.214	-	195.622	-	51.767.151
Off-balance Sheet Short Position	[229.923]	[1.217.297]	[23.475.143]	[1.584.981]	-	-	[26.507.344]
Total Position	[88.214.938]	[148.985]	104.420.371	145.227.651	12.463.906	[148.488.198]	25.259.807

(*) Included lease receivables. Non-performing loans are shown in the "non-interest bearing" column. Interest rediscount started to be calculated for non-performing loans as of 1 January 2018, said amount was indicated on "without interest" column since there is no other suitable column in the above table.

(**) Derivative financial assets and expected credit losses are classified under other assets.

(***) Securities issued as subordinated loan classified under subordinated loans in the balance sheet are included.

(****) Shareholders' equity is presented under "Other liabilities" item at "Non-interest bearing" column.

(*****) Derivative collaterals given to foreign banks are included.

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Prior Period – 31 December 2021	Up to 1 Month	1 – 3 Months	3 – 12 Months	1 – 5 Years	5 Years and Over	Non-Interest Bearing	Total
Assets							
Cash Equivalents and Central Bank	9.933.401	-	-	-	-	81.953.371	91.886.772
Banks [****]	2.992.146	2.076.501	-	-	-	48.402.039	53.470.686
Financial Assets at Fair Value Through Profit or Loss	30.652	98.071	7.556.598	327.949	126.846	2.669.259	10.809.375
Interbank Money Market Placements	2.824.281	-	24.331	-	-	-	2.848.612
Financial Assets at measured Fair Value Other Comprehensive Income	9.667.116	11.104.373	17.998.624	40.291.809	20.411.046	838.454	100.311.422
Loans (*)	122.541.079	47.125.051	105.914.109	91.546.596	19.264.874	18.396.587	404.788.296
Financial Assets measured at amortised cost	16.202.199	2.776.285	24.752.525	8.685.943	168.608	-	52.585.560
Other Assets (**)	11.868.541	25.847.384	13.042.659	1.338.342	214.229	[6.213.548]	46.097.607
Total Assets	176.059.415	89.027.665	169.288.846	142.190.639	40.185.603	146.046.162	762.798.330
Liabilities							
Bank Deposits	5.629.678	5.071.644	1.358.720	-	-	1.776.500	13.836.542
Other Deposits	176.541.029	71.291.625	21.226.188	8.241.038	1.339.945	161.074.212	439.714.037
Funds from Interbank Money Market	45.919.880	8.558.647	8.365.439	1.793.495	-	-	64.637.461
Miscellaneous Payables	3.016.018	5.749.678	4.243.520	178.528	-	9.865.885	23.053.629
Marketable Securities Issued (Net) [***]	2.628.561	2.796.048	9.775.391	15.119.756	18.660.721	28.118	49.008.595
Borrowings	11.111.804	28.533.912	17.453.011	2.874.313	-	-	59.973.040
Other Liabilities [****]	6.015.255	11.211.814	8.821.026	844.408	685.224	84.997.299	112.575.026
Total Liabilities	250.862.225	133.213.368	71.243.295	29.051.538	20.685.890	257.742.014	762.798.330
Balance Sheet Long Position	-	-	98.045.551	113.139.101	19.499.713	-	230.684.365
Balance Sheet Short Position	[74.802.810]	[44.185.703]	-	-	-	[111.695.852]	(230.684.365)
Off-balance Sheet Long Position	8.894.376	31.553.850	8.400	-	144.887	-	40.601.513
Off-balance Sheet Short Position	[686.639]	[138.595]	[19.448.449]	[11.308]	-	-	(20.284.991)
Total Position	(66.595.073)	(12.770.448)	78.605.502	113.127.793	19.644.600	(111.695.852)	20.316.522

(*) Securities issued as subordinated loan classified under subordinated loans in the balance sheet are included.

(**) Shareholders' equity is presented under "Other liabilities" item at "Non-interest bearing" column.

(***) Included lease receivables. Non-performing loans are shown in the "non-interest bearing" column. Interest rediscount started to be calculated for non-performing loans as of 1 January 2018, said amount was indicated on "without interest" column since there is no other suitable column in the above table.

(****) Derivative financial assets and expected credit losses are classified under other assets.

(*****) Derivative collaterals given to foreign banks are included.

Average interest rates for monetary financial instruments (%):

Average interest rates in the above tables are the weighted average rates of the related balance sheet items.

Current Period - 30 June 2022	EURO	USD	Yen	TL
Assets				
Cash Equivalents and Central Bank	-	-	-	-
Banks	0,93	1,23	-	20,10
Financial Assets at Fair Value Through Profit or Loss	6,81	8,60	-	19,97
Interbank Money Market Placements	-	-	-	18,95
Financial Assets at Fair Value Other Comprehensive Income	2,94	4,98	3,09	27,17
Loans	4,30	6,29	-	20,28
Financial Assets measured at amortised cost	-	6,02	-	45,07
Liabilities				
Bank Deposits (**)	1,11	3,63	-	23,86
Other Deposits (**)	0,51	1,92	0,01	14,23
Funds from Interbank Money Market	-	1,71	-	14,66
Miscellaneous Payables	-	0,76	-	-
Marketable Securities Issued (Net) (*)	4,00	6,13	-	18,07
Borrowings	2,00	4,01	-	25,91

(*) Securities issued as subordinated loan classified under subordinated loans in the balance sheet are included.

(**) Demand deposit balances are included in average interest rate calculation.

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Prior Period – 31 December 2021	EURO	USD	Yen	TL
Assets				
Cash Equivalents and Central Bank	-	-	-	8,50
Banks	0,07	0,24	-	19,78
Financial Assets at Fair Value Through Profit or Loss	2,48	6,66	-	18,76
Interbank Money Market Placements	-	-	-	17,07
Financial Assets at Fair Value Other Comprehensive Income	2,88	5,32	3,09	18,35
Loans	3,86	4,97	-	17,62
Financial Assets measured at amortised cost	-	5,89	-	20,90
Liabilities				
Bank Deposits (**)	0,20	1,16	-	17,60
Other Deposits (**)	0,12	0,44	-	14,67
Funds from Interbank Money Market	0,12	0,82	-	14,06
Miscellaneous Payables	-	0,08	-	-
Marketable Securities Issued (Net) (*)	4,00	6,31	-	17,54
Borrowings	2,20	2,50	-	20,14

(*) Securities issued as subordinated loan classified under subordinated loans in the balance sheet are included.

(**) Demand deposit balances are included in average interest rate calculation.

IV. EXPLANATIONS ON POSITION RISK OF EQUITY SECURITIES:

The Bank doesn't have any subsidiaries and affiliates that are traded on the "BIST".

V. EXPLANATIONS ON LIQUIDITY RISK MANAGEMENT AND LIQUIDITY COVERAGE RATIO:

The liquidity risk of the Bank is the risk of being unable to fulfill its payment obligations on time due to not having enough cash sources or cash inflows to finance its cash outflows fully and on time due to cash flow instabilities. Liquidity risk arises from situations in which the Bank is unable to meet the cash outflows with its cash sources and borrowing opportunities over collateralizing marketable securities, in case of sudden fund withdrawals by the individual/institutional funders of the Bank.

a) Information on risk capacity of the Bank, responsibilities and structure of liquidity risk management, the Bank's internal liquidity risk reporting, communication between the Board of Directors and business lines on liquidity risk strategy, policy and application:

The Bank's liquidity and funding policy is to own sufficient liquidity reserve and funding opportunities to meet Bank's liabilities even in cases of stress, resulting from the market conditions or other conditions specific to the Bank.

The Bank has capacity to meet a high risk with broad and stable deposit, strong base capital structure and diversified foreign borrowing sources and is capable of providing additional liquidity with high quality liquid securities in its portfolio and available limits at both the Central Bank of Turkey and other Money markets.

Management of liquidity risk is shared by the ERC, ALCO, Treasury Department and Risk Management Department. The ERC determines the liquidity management policies and the appropriate liquidity risk level in line with the Bank's risk appetite and monitors whether the liquidity risk is managed under the framework of determined policies and within the defined limits.

The different categories of defined limits are;

- Limits related to wholesale funding sources,
- Limits related to liquid asset buffer,
- Limits related to the cash inflows coverage capacity to cash outflows,
- Limits related to cash outflow coverage capacity in the stress environment.

ALCO takes decision to use alternative funding sources, pricing of obtained funds and granted loans, and other decisions of Daily liquidity management. Treasury Department ensures that the Bank meets its short, middle and long term liabilities, with the transactions made in accordance with ALCO decisions order to utilize excess funding or close the funding gap, occurring on foreign currencies or maturity terms. Risk Management Department measures and monitors the liquidity risk, with the reports

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prepared and analyses made, and informs the top management. Liquidity risk reporting consists of periodic and special purpose reports prepared to be discussed in the ERC and ALCO meetings, stress tests, scenario analyses, risk limit compliance reports and legal liquidity reports.

b) Information on the centralization degree of liquidity management and funding strategy and the functioning between the Bank and the Bank's subsidiaries:

Each of the Bank's subsidiaries within the consolidation scope manages its own liquidity. Nevertheless, there are defined limits related to the funding amount that the Bank will provide to a subsidiary, in case of liquidity issues. Cumulative liquidity gap resulted in stress scenarios of subsidiaries, should not exceed the fund limits provided by the Bank.

c) Information on the Bank's funding strategy including the policies on funding types and variety of maturities:

The Bank targets to obtain additional funding sources besides the strong capital structure, from the most possible diversified, long term stable sources, considering cost factors. In this direction, concentration ratios such as share of retail funding sources in total funding sources, share of deposits of high amount in total deposit, share of borrowings made from the market in total market volume are monitored and limited with the applied risk limits. Treasury Unit performs necessary work to obtain long term foreign funding.

d) Information on liquidity management on the basis of currencies constituting a minimum of five percent of the Bank's total liabilities:

Almost all of the Bank's liabilities are in TL, USD or EUR currencies and TL funds comprise of mainly equity and deposits. The Bank's liquidity in TL is managed with repurchase agreements made at CBRT/BIST using high quality securities owned by the Bank. Together with keeping the main purpose as using liabilities in TL in funding assets in TL, foreign currency liabilities are used in creating assets in TL using foreign exchange swaps, when necessary. Liquidity management is performed in the scope of internal risk limits, such as short term borrowing limits from markets determined by the Bank, market concentration limits, liquidity stress scenario, and cumulative liquidity gap.

Foreign currency funds are obtained through foreign exchange deposit accounts, foreign based, foreign currency loans, securities issued and repurchase agreements. Foreign currency liquidity management is performed using internal risk limits defined for liquidity buffer kept at correspondent banks and monitored daily in the scope of the Bank's risk limits, and cumulative gap in the scope of liquidity stress scenario, and other risk limits defined for wholesale funding and concentration. The Bank has available foreign currency borrowing limits at CBRT/BIST and other banks.

e) Information on liquidity risk mitigation techniques:

Liquidity risk is mitigated by using techniques such as maintaining high quality liquid asset buffer to cover possible fund outflows, diversification of funding sources so far as possible and inclusion to the base, homogenizing the maturity distribution of repayments as far as possible, obtaining limits from funding institutions to use when necessary and ensuring that a determined portion of funding sources are comprised of deposit.

f) Information on the use of stress tests:

In cases of negative conditions such as an impairment in the securities in the Bank's portfolio, inability to replace short and long term borrowings, fast cash outflow, increase in non-performing loan ratio, high margin calls, the extent and duration of sufficient liquidity is analyzed by the stress tests made by the Risk Management Department. Risk limits determined according to analysis results exist within the Bank. It is ensured that the necessary actions are taken by sharing the analysis results and risk limit compliance status with the ALCO, ERC and related business units. The effects of cash inflows and outflows under different stress scenarios have been studied and evaluated.

g) General information on urgent and unexpected liquidity situation plans:

Necessary strategy and procedures for the management of possible liquidity crisis are determined with the Liquidity Contingency Plan, which is approved and reviewed every year by the ERC. The actions to be taken favor the benefits of depositors, creditors of the Bank and shareholders. In case one or several emergency situations occur, Bank's Liquidity

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Contingency Plan is put into use. After Liquidity Contingency Plan is put into use, Liquidity Contingency Management Committee is responsible from the determination of actions to be taken.

Liquidity Coverage Ratio:

	Rate of "Percentage to be taken into account" not Implemented Total value (*)		Rate of "Percentage to be taken into account" Implemented Total value (*)	
	TL+FC	FC	TL+FC	FC
Current Period - 30 June 2022				
HIGH QUALITY LIQUID ASSETS (HQLA)				
1			218.921.106	125.533.823
CASH OUTFLOWS				
2	345.508.773	213.531.310	32.258.626	21.353.131
3	45.846.780	-	2.292.427	-
4	299.661.993	213.531.310	29.966.199	21.353.131
Unsecured Funding other than Retail and Small Business				
5	213.369.057	121.662.862	115.717.543	70.564.294
6	-	-	-	-
7	187.297.777	101.516.998	101.516.998	50.419.175
8	26.071.280	20.145.864	23.436.280	20.145.119
9			1.593.794	1.593.794
10	22.449.241	36.895.959	8.352.116	25.109.752
11				
	6.792.196	23.810.076	6.792.196	23.810.076
12	10.582	-	10.582	-
13	15.646.463	13.085.883	1.549.338	1.299.676
14	1.499.940	-	74.997	-
15	138.609.633	52.166.413	6.930.482	2.608.321
16	TOTAL CASH OUTFLOWS		164.927.558	121.229.292
CASH INFLOWS				
17	291.761	-	-	-
18	67.887.053	40.566.110	52.126.573	36.946.046
19	4.691.879	44.315.273	4.691.573	44.315.116
20	TOTAL CASH INFLOWS	72.870.693	84.881.383	56.818.146
			56.818.146	81.261.162
Upper limit applied amounts				
21	TOTAL HQLA STOCK		218.921.106	125.533.823
22	TOTAL NET CASH OUTFLOWS		108.109.412	39.968.130
23	Liquidity Coverage Ratio (%)		202,50	314,08

(*) Simple arithmetic average calculated for the last three months of values calculated by taking the simple arithmetic average was used for calculating the average in last days of the related last three months.

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Prior Period - 31 December 2021	Rate of "Percentage to be taken into account" not Implemented Total value (*)		Rate of "Percentage to be taken into account" Implemented Total value (*)	
	TL+FC	FC	TL+FC	FC
HIGH QUALITY LIQUID ASSETS (HQLA)				
1 High quality liquid assets			135.002.709	91.871.013
CASH OUTFLOWS				
2 Retail and Customers Deposits	266.126.330	158.886.240	24.738.322	15.888.624
3 Stable deposits	37.523.600	-	1.878.049	-
4 Less stable deposits	228.602.730	158.886.240	22.860.273	15.888.624
Unsecured Funding other than Retail and Small Business				
5 Customers Deposits	132.159.544	81.974.779	72.793.987	46.158.058
6 Operational deposits	2.804	-	701	-
7 Non-Operational Deposits	113.456.186	70.496.035	55.929.439	34.679.820
8 Other Unsecured Funding	18.700.554	11.478.744	16.863.847	11.478.238
9 Secured funding			555.152	555.152
10 Other Cash Outflows	16.760.672	24.777.364	8.013.944	16.305.718
11 Liquidity needs related to derivatives and market valuation changes on derivatives transactions	7.081.793	15.407.987	7.081.793	15.407.987
12 Debts related to the structured financial products	10.356	-	10.356	-
13 Commitment related to debts to financial markets and other off balance sheet liabilities	9.668.523	9.369.377	921.795	897.731
14 Commitments that are unconditionally revocable at any time by the Bank and other contractual commitments	1.215.000	-	60.750	-
15 Other irrevocable or conditionally revocable commitments	102.099.327	35.668.573	5.104.966	1.783.429
16 TOTAL CASH OUTFLOWS			111.267.121	80.690.981
CASH INFLOWS				
17 Secured Lending Transactions	626.658	-	-	-
18 Unsecured Lending Transactions	52.663.347	33.214.083	39.048.058	27.819.755
19 Other contractual cash inflows	5.894.295	27.638.100	5.876.880	27.637.791
20 TOTAL CASH INFLOWS	59.184.300	60.852.183	44.924.938	55.457.546
			Upper limit applied amounts	
21 TOTAL HQLA STOCK			135.002.709	91.871.013
22 TOTAL NET CASH OUTFLOWS			66.342.183	25.233.435
23 Liquidity Coverage Ratio (%)			203,49	364,08

(*) Simple arithmetic average calculated for the last three months of values calculated by taking the simple arithmetic average was used for calculating the average in last days of the related last three months.

Liquidity coverage ratio is calculated by comparing the high quality liquid assets owned by the Bank to net cash outflow in one month maturity. Balance sheet accounts that are significant on the ratio can be listed as reserve requirements maintained at CBRT, marketable securities that are not subject to repurchase agreements or not given as collateral, corporate deposits, bank deposits, foreign funds and borrowings from banks. The effect of these accounts on the liquidity coverage ratio is higher than other accounts, since these accounts have a higher share in liquid assets and net cash outflows.

Periodic increases are observed in the liquidity coverage ratio during the weeks where the foreign currency reserve option is used in reserve requirements in CBRT, high amounts are maintained in bank placements or repurchase agreement volume decreases, on the other hand, fluctuations may occur in the liquidity coverage ratio during the weeks where the share of corporate or bank funds increase, or long term foreign funds which are replaced when due, such as syndicated loans are due in one month. Despite these fluctuations, it is observed that the ratio does not decrease below 196% during the period and remain at a quite higher level than the legal lower limit.

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Although the derivative transactions create net cash flow of small amount in terms of total liquidity coverage ratio, fluctuations in foreign currency derivative transactions, especially in foreign exchange swaps cause the foreign currency liquidity coverage ratio to be affected.

The Bank's high quality liquid assets mainly comprise of CBRT accounts by 47% and securities issued by Treasury of Republic of Turkey by 42%. Funding sources are mainly distributed between individual and retail deposits by 57%, corporate deposits by 27%, borrowings from banks by 4% and collateralized borrowings such as repurchase agreements by 7%.

Cash outflow amounting to TL 501 million (in full TL amount) is calculated based on the change of margin call amounts of derivative transactions during the last two years.

Akbank AG, part of the consolidation group and has an effect on liquidity coverage ratio in respect of its size, is subject to legal liquidity ratio projected by regulatory authority situated in its business location. In respect of its long term deposit insurance and borrowing structure which is hard to withdraw before maturity because of legal regulations, consolidated liquidity coverage ratio is higher than unconsolidated ratio.

In accordance with the "Regulation On Calculation of Bank's Liquidity Coverage Ratio", published in Official Gazette no. 28948, dated 21 March 2014, liquidity coverage ratio is calculated for the last three months are presented below.

	Current Period - 30 June 2022	
	TL+FC	FC
April	199,37	226,66
May	215,85	342,72
June	196,75	368,52

	Prior Period - 31 December 2021	
	TL+FC	FC
October	172,77	237,55
November	203,94	342,34
December	240,93	414,82

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Breakdown of assets and liabilities according to their outstanding maturities:

Current Period – 30 June 2022	Demand	Up to 1 Month	1 – 3 Months	3 – 12 Months	1 – 5 Years	5 Years and Over	Unallocated	Total
Assets								
Cash Equivalents and Central Bank Banks (*****)	61.260.275	75.417.387	41.238	-	-	-	-	136.718.900
Financial Assets at Fair Value Through Profit or Loss	42.240.860	3.702.327	505.897	(151.362)	-	-	-	46.297.722
Interbank Money Market Placements	4.072.927	157.062	13.470	228.064	216.663	84.108	-	4.772.294
Financial Assets measured at other comprehensive income	1.018	803.484	-	-	-	-	158	804.660
Loans (*)	1.165.260	-	5.879.898	5.535.119	100.639.563	22.517.868	-	135.737.708
Financial Assets measured at amortised cost	20.297	107.504.844	84.522.074	132.869.777	133.716.676	49.106.896	18.559.252	526.299.816
Other Assets (**)	-	-	3.966.281	8.895.224	17.533.856	37.050.878	-	67.446.239
Other Assets (**)	1.769.551	7.681.202	5.142.433	9.459.163	20.007.904	18.657.781	506.242	63.224.276
Total Assets	110.530.188	195.266.306	100.071.291	156.835.985	272.114.662	127.417.531	19.065.652	981.301.615
Liabilities								
Bank Deposits	3.261.546	28.403.095	8.127.400	1.616.165	-	-	-	41.408.206
Other Deposits	202.017.494	235.358.107	103.426.700	31.375.118	6.523.571	1.416.187	-	580.117.177
Borrowings	-	827.917	2.682.210	42.203.793	27.772.282	1.812.659	-	75.298.861
Funds from Interbank Money Market	-	36.296.593	7.583.119	4.076.225	4.657.510	1.980.358	-	54.593.805
Marketable Securities Issued (Net) (***)	-	817.769	4.798.001	9.809.942	18.166.785	15.048.399	-	48.640.896
Miscellaneous Payables	1.590.950	3.864.682	2.604.880	6.565.519	7.596.250	1.905.732	12.689.541	36.817.554
Other Liabilities (****)	19.292.050	10.580.577	2.676.173	7.205.801	7.858.067	2.657.878	94.154.570	144.425.116
Total Liabilities	226.162.040	316.148.740	131.898.483	102.852.563	72.574.465	24.821.213	106.844.111	981.301.615
Net Liquidity Excess / (Gap)	(115.631.852)	(120.882.434)	(31.827.192)	53.983.422	199.540.197	102.596.318	(87.778.459)	-
Net Off-balance sheet Position								
Financial Derivative Assets	-	2.262.377	910.962	3.426.640	7.254.112	11.405.716	-	25.259.807
Financial Derivative Liabilities	-	196.055.631	121.345.645	100.808.883	164.224.480	91.409.141	-	673.843.780
Non-cash Loans (*****)	-	3.758.284	3.441.415	37.616.592	34.239.426	43.228.039	-	122.283.756
Prior Period - 31 December 2021								
Total Assets	102.086.794	135.723.436	67.345.764	127.137.314	217.427.803	102.541.315	10.535.904	762.798.330
Total Liabilities	180.019.917	237.448.571	90.501.970	83.705.905	66.057.817	30.465.077	74.599.073	762.798.330
Net Liquidity Excess/ (Gap)	(77.933.123)	(101.725.135)	(23.156.206)	43.431.409	151.369.986	72.076.238	(64.063.169)	-
Net Off-balance sheet Position								
Financial Derivative Assets	-	3.671.295	(1.045.631)	2.999.363	6.624.981	8.066.514	-	20.316.522
Financial Derivative Liabilities	-	111.889.315	104.345.394	100.094.580	145.801.006	82.455.429	-	544.585.724
Financial Derivative Liabilities	-	108.218.020	105.391.025	97.095.217	139.176.025	74.388.915	-	524.269.202
Non-cash Loans (*****)	-	4.192.156	942.840	25.186.870	23.209.406	34.804.844	-	88.336.116

(*) Included lease receivables. The non-performing loans is presented "Unallocatable" column.

(**) Assets that are necessary for banking activities and that cannot be liquidated in the short-term, such as fixed and intangible assets, derivative financial assets, investments, subsidiaries, stationery, pre-paid expenses and loans under follow-up, are shown in this column. Expected credit losses are included.

(***) Securities issued as subordinated loan classified under subordinated loans in the balance sheet are included.

(****) Shareholders' Equity is presented under "Other Liabilities" item in the "Unallocated" column.

(*****) Amounts related to Letters of Guarantee represent contractual maturity and related amounts. Amounts are demand and can be withdrawn optional.

(*****) Derivative collaterals given to foreign banks are included.

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VI. EXPLANATIONS ON LEVERAGE RATIO:

a. Information on subjects that causes difference in leverage ratio between current and prior periods:

As of 30 June 2022, the leverage ratio of the Group calculated from 3 months average amounts is 8,50% (31 December 2021: 8,39%). This ratio is above the minimum ratio which is 3%.

b. Comparison table of total assets and total risk amounts in the financial statements prepared in accordance with TAS:

	Current Period 30 June 2022 (**)	Prior Period 31 December 2021 (**)
1 Total assets in the consolidated financial statements prepared in accordance with TAS (*)	929.334.294	714.955.819
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	-	-
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	6.341.377	6.262.339
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	(63.495.123)	(66.599.227)
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	(3.333.784)	(2.595.815)
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	276.466.736	213.162.595
7 Total Risk	1.145.313.500	865.185.711

(*) 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.

(**) Three months average values in the related periods.

c. Disclosure of Leverage ratio template:

	Current Period 30 June 2022 (*)	Prior Period 31 December 2021 (*)
Balance sheet Assets		
1 Balance sheet assets (excluding derivative financial assets and credit derivatives, including collaterals)	876.336.020	671.754.783
2 (Assets deducted from Core capital)	-	-
3 Total risk amount of balance sheet assets (sum of lines 1 and 2)	876.336.020	671.754.783
Derivative financial assets and credit derivatives		
4 Cost of replenishment for derivative financial assets and credit derivatives	29.853.644	23.941.998
5 Potential credit risk amount of derivative financial assets and credit derivatives	6.341.377	6.262.339
6 Total risk amount of derivative financial assets and credit derivatives (sum of lines 4 and 5)	36.195.021	30.204.337
Financing transactions secured by marketable security or commodity		
7 Risk amount of financing transactions secured by marketable security or commodity	5.280.718	5.125.027
8 Risk amount arising from intermediary transactions	-	-
9 Total risk amount of financing transactions secured by marketable security or commodity (sum of lines 7 and 8)	5.280.718	5.125.027
Off-balance sheet transactions		
10 Gross notional amount of off-balance sheet transactions	230.835.525	160.697.379
11 (Correction amount due to multiplication with credit conversion rates)	(3.333.784)	(2.595.815)
12 Total risk of off-balance sheet transactions (sum of lines 10 and 11)	227.501.741	158.101.564
Capital and total risk		
13 Core Capital	97.297.546	72.556.470
14 Total risk amount (sum of lines 3, 6, 9 and 12)	1.145.313.500	865.185.711
Leverage ratio		
15 Leverage ratio	8,50	8,39

(*) Three months average values.

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VII. EXPLANATIONS ON RISK MANAGEMENT TARGET AND POLICIES:

Notes and explanations in this section have been prepared in accordance with the Communiqué on Disclosures about Risk Management to be announced to Public by Banks that have been published in Official Gazette no. 29511 on 23 October 2015 and became effective as of 31 March 2016. Due to usage of standard approach for the calculation of capital adequacy ratio by the Bank, tables, which have to be prepared within the scope of Internal Rating-Based (IRB) approach, are not presented.

In the event of unexpected negative economic conditions, stress tests are carried out regularly considering the exchange rate and interest rate shocks and the deterioration of the loan portfolio at different stress rates.

Overview of RWA

	Risk Weighted Amount		Minimum capital requirement
	Current Period 30 June 2022	Prior Period 31 December 2021	Current Period 30 June 2022
1 Credit risk (excluding counterparty credit risk) (CCR)	501.502.933	377.040.902	40.120.235
2 Standardized approach (SA)	501.502.933	377.040.902	40.120.235
3 Internal rating-based (IRB) approach	-	-	-
4 Counterparty credit risk	40.326.246	30.395.595	3.226.100
5 Standardized approach for counterparty credit risk (SA-CCR)	40.326.246	30.395.595	3.226.100
6 Internal model method (IMM)	-	-	-
7 Basic risk weight approach to internal models equity position in the banking account	-	-	-
8 Investments made in collective investment companies – look-through approach	-	-	-
9 Investments made in collective investment companies – mandate-based approach	917.235	680.479	73.379
10 Investments made in collective investment companies – 1250% weighted risk approach	-	-	-
11 Settlement risk	-	800	-
12 Securitization positions in banking accounts	-	-	-
13 IRB ratings-based approach (RBA)	-	-	-
14 IRB Supervisory Formula Approach (SFA)	-	-	-
15 SA/simplified supervisory formula approach (SSFA)	-	-	-
16 Market risk	12.069.069	26.350.720	965.526
17 Standardized approach (SA)	12.069.069	26.350.720	965.526
18 Internal model approaches (IMM)	-	-	-
19 Operational Risk	51.542.098	40.838.939	4.123.368
20 Basic Indicator Approach	51.542.098	40.838.939	4.123.368
21 Standard Approach	-	-	-
22 Advanced measurement approach	-	-	-
23 The amount of the discount threshold under the equity (subject to a 250% risk weight)	-	-	-
24 Floor adjustment	-	-	-
25 Total (1+4+7+8+9+10+11+12+16+19+23+24)	606.357.581	475.307.435	48.508.608

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b. Credit Risk Explanations:

1. Credit quality of assets:

	Current Period – 30 June 2022	Gross carrying values of (according to TAS)		Allowances/ impairments	Net values
		Defaulted exposures	Non-defaulted exposures		
1	Loans	18.559.252	507.740.564	21.157.125	505.142.691
2	Debt Securities	-	203.762.411	226.097	203.536.314
3	Off-balance sheet exposures	1.789.689	226.982.450	647.204	228.124.935
4	Total	20.348.941	938.485.425	22.030.426	936.803.940

	Prior Period – 31 December 2021	Gross carrying values of (according to TAS)		Allowances/ impairments	Net values
		Defaulted exposures	Non-defaulted exposures		
1	Loans	18.227.817	386.560.479	19.014.504	385.773.792
2	Debt Securities	-	160.622.109	162.632	160.459.477
3	Off-balance sheet exposures	1.544.171	174.127.879	653.180	175.018.870
4	Total	19.771.988	721.310.467	19.830.316	721.252.139

2. Changes in stock of defaulted loans and debt securities:

	Current Period 30 June 2022	Prior Period 31 December 2020	
1	Defaulted loans and debt securities at end of the previous reporting period	18.227.817	17.880.294
2	Loans and debt securities that have defaulted since the last reporting period	15.247.803	4.891.485
3	Returned to non-defaulted status	74.780	78.299
4	Amounts written off	12.735.105	1.557.732
5	Other changes	2.106.483	2.907.931
6	Defaulted loans and debt securities at end of the reporting period (1+2-3-4±5)	18.559.252	18.227.817

3. Credit risk mitigation techniques – overview:

Current Period – 30 June 2022	Exposures unsecured of (according to TAS)	Exposures secured by collateral	Exposures secured by collateral, of which secured amount	Exposures secured by financial guarantees	Financial guarantees, of which secured amount	Exposures secured by credit derivatives	Exposures secured by credit derivatives, of which secured amount	
								1
2	Debt Securities	203.536.314	-	-	-	-	-	-
3	Total	693.809.146	14.869.859	13.259.636	7.693.919	6.595.110	-	-
4	Of which defaulted	18.559.252	-	-	-	-	-	-

Prior Period – 31 December 2021	Exposures unsecured of (according to TAS)	Exposures secured by collateral	Exposures secured by collateral, of which secured amount	Exposures secured by financial guarantees	Financial guarantees, of which secured amount	Exposures secured by credit derivatives	Exposures secured by credit derivatives, of which secured amount	
								1
2	Debt Securities	160.459.477	-	-	-	-	-	-
3	Total	536.475.668	9.757.601	8.471.027	1.113.349	936.284	-	-
4	Of which defaulted	18.227.817	-	-	-	-	-	-

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4. Standardised approach – Credit risk exposure and Credit Risk Mitigation (CRM) effects:

Current Period - 30.12.2022		Exposures before credit conversion factor and CRM		Exposures post-credit conversion factor and CRM		RWA and RWA density	
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
Asset classes							
1	Exposures to central governments or central banks	286.110.662	431.161	292.705.772	265.559	204.398	%0,07
2	Exposures to regional governments or local authorities	101.158	4.871	101.158	4.871	53.014	%50,00
3	Exposures to public sector entities	262.237	184.715	255.838	76.891	332.729	%100,00
4	Exposures to multilateral development banks	-	-	-	-	-	-
5	Exposures to international organisations	-	-	-	-	-	-
6	Exposures to institutions	55.152.306	22.440.953	55.133.929	5.632.019	19.722.642	%32,46
7	Exposures to corporates	311.401.122	109.480.773	296.244.283	60.695.154	315.748.811	%88,46
8	Retail exposures	94.405.607	75.150.210	89.968.846	7.504.162	76.037.632	%78,01
9	Exposures secured by residential property	12.540.465	412.002	12.523.139	180.350	4.446.221	%35,00
10	Exposures secured by commercial real estate	19.950.201	3.387.432	19.950.201	2.004.573	13.346.353	%60,79
11	Past-due loans	6.093.831	-	6.093.831	-	4.935.242	%80,99
12	Higher-risk categories by the Agency Board	33.535.561	1.144.222	33.321.005	530.201	50.533.631	%149,28
13	Collateralized securities	-	-	-	-	-	-
14	Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-
15	Exposures in the form of units or shares in collective investment undertakings (CIUs)	848.695	-	848.695	-	848.695	%100,00
16	Other assets	27.936.352	-	27.936.352	-	15.664.672	%56,07
17	Investments in equities	545.958	-	545.958	-	545.958	%100,00
18	Total	848.884.155	212.636.339	835.629.007	76.893.780	502.419.998	%55,06

Prior Period - 31.12.2021		Exposures before credit conversion factor and CRM		Exposures post-credit conversion factor and CRM		RWA and RWA density	
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
Asset classes							
1	Exposures to central governments or central banks	175.158.196	8.280.789	176.094.480	132.500	252.584	%0,14
2	Exposures to regional governments or local authorities	134.452	-	134.452	-	67.226	%50,00
3	Exposures to public sector entities	322.159	162.129	316.458	64.822	381.280	%100,00
4	Exposures to multilateral development banks	-	-	-	-	-	-
5	Exposures to international organisations	-	-	-	-	-	-
6	Exposures to institutions	53.493.840	12.743.045	53.483.096	3.462.613	17.476.827	%30,69
7	Exposures to corporates	213.556.846	66.439.719	205.465.888	36.452.650	235.381.812	%97,30
8	Retail exposures	82.657.121	59.806.176	81.480.215	6.376.392	67.566.458	%76,91
9	Exposures secured by residential property	11.717.212	292.510	11.701.470	125.110	4.139.303	%35,00
10	Exposures secured by commercial real estate	12.682.057	2.194.420	12.682.057	1.301.773	8.501.516	%60,80
11	Past-due loans	6.450.940	-	6.450.940	-	5.171.145	%80,16
12	Higher-risk categories by the Agency Board	17.953.908	939.438	17.846.647	421.546	27.205.804	%148,92
13	Collateralized securities	-	-	-	-	-	-
14	Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-
15	Exposures in the form of units or shares in collective investment undertakings (CIUs)	546.622	-	546.622	-	546.622	%100,00
16	Other assets	19.412.171	-	19.412.171	-	10.622.144	%54,72
17	Investments in equities	408.077	-	408.077	-	408.077	%100,00
18	Total	594.493.601	150.858.226	586.022.573	48.337.406	377.720.798	%60,02

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5. Standardised Approach – Exposures by asset classes and risk weights:

Current Period - 30.06.2022												Total risk amount(*)
Asset Classes / Risk Weight	%0	%10	%20	%25	%35	%50	%75	%100	%150	%250	Other	
1 Exposures to central governments or central banks	291.982.485	-	966.751	-	-	22.095	-	-	-	-	-	292.971.331
2 Exposures to regional governments or local authorities	-	-	-	-	-	106.029	-	-	-	-	-	106.029
3 Exposures to public sector entities	959	-	-	-	-	-	-	331.770	-	-	-	332.729
4 Exposures to multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
5 Exposures to international organisations	-	-	-	-	-	-	-	-	-	-	-	-
6 Exposures to institutions	302.193	-	35.113.047	-	-	25.301.350	-	49.358	-	-	-	60.765.948
7 Exposures to corporates	2.816.829	-	42.400.300	-	-	38.858.970	-	260.668.528	-	-	12.194.810	356.939.437
8 Retail exposures	3.777.322	-	-	-	-	-	81.964.178	11.731.508	-	-	-	97.473.008
9 Exposures secured by residential property	-	-	-	-	12.703.489	-	-	-	-	-	-	12.703.489
10 Exposures secured by commercial real estate	-	-	-	-	-	17.216.839	-	4.737.935	-	-	-	21.954.774
11 Past-due loans	-	-	-	-	-	3.119.808	-	2.171.392	802.631	-	-	6.093.831
12 Higher-risk categories by the Agency Board	-	-	-	-	10.792	-	-	461.534	33.378.880	-	-	33.851.206
13 Collateralized securities	-	-	-	-	-	-	-	-	-	-	-	-
14 Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
15 Exposures in the form of units or shares in collective investment undertakings (CIUs)	-	-	-	-	-	-	-	848.695	-	-	-	848.695
16 Investments in equities	-	-	-	-	-	-	-	545.958	-	-	-	545.958
17 Other assets	11.761.354	-	637.905	-	-	-	-	15.537.093	-	-	-	27.936.352
18 Total	310.641.142	-	79.118.003	-	12.714.281	84.625.091	81.964.178	297.083.771	34.181.511	-	12.194.810	912.522.787

(*) Total credit risk exposure amount after Credit Conversion Factor (CCF) and Credit Risk Mitigation (CRM)

Prior Period - 31.12.2021												Total risk amount(*)
Asset Classes / Risk Weight	%0	%10	%20	%25	%35	%50	%75	%100	%150	%250	Other	
1 Exposures to central governments or central banks	175.324.520	-	625.319	-	-	254.119	-	-	-	-	23.022	176.226.980
2 Exposures to regional governments or local authorities	-	-	-	-	-	134.452	-	-	-	-	-	134.452
3 Exposures to public sector entities	-	-	-	-	-	-	-	381.280	-	-	-	381.280
4 Exposures to multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
5 Exposures to international organisations	-	-	-	-	-	-	-	-	-	-	-	-
6 Exposures to institutions	311.230	-	36.288.172	-	-	20.254.289	-	91.957	61	-	-	56.945.709
7 Exposures to corporates	-	-	2.021.784	-	-	9.838.599	-	230.058.155	-	-	-	241.918.538
8 Retail exposures	-	-	-	-	-	-	81.160.597	6.696.010	-	-	-	87.856.607
9 Exposures secured by residential property	-	-	-	-	11.826.580	-	-	-	-	-	-	11.826.580
10 Exposures secured by commercial real estate	-	-	-	-	-	10.964.630	-	3.019.200	-	-	-	13.983.830
11 Past-due loans	-	-	-	-	-	3.614.626	-	1.781.279	1.055.035	-	-	6.450.940
12 Higher-risk categories by the Agency Board	-	-	-	-	16.052	1	-	356.048	17.896.092	-	-	18.268.193
13 Collateralized securities	-	-	-	-	-	-	-	-	-	-	-	-
14 Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
15 Exposures in the form of units or shares in collective investment undertakings (CIUs)	-	-	-	-	-	-	-	546.622	-	-	-	546.622
16 Investments in equities	-	-	-	-	-	-	-	408.077	-	-	-	408.077
17 Other assets	8.789.900	-	156	-	-	-	-	10.622.115	-	-	-	19.412.171
18 Total	184.425.650	-	38.935.431	-	11.842.632	45.060.716	81.160.597	253.960.743	18.951.188	-	23.022	634.359.979

(*) Total credit risk exposure amount after Credit Conversion Factor (CCF) and Credit Risk Mitigation (CRM)

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c. Counterparty Credit Risk (CCR) Explanations:

1. Analysis of counterparty credit risk exposure by approach:

	Replacement cost	Potential future exposure	EEPE (*)	Alpha used for computing regulatory exposure at default	Exposure at default post CRM	RWA
Current Period - 30.06.2022						
1	Standardised Approach (for derivatives)	33.913.734	7.146.155	1,4	41.059.889	20.836.535
2	Internal Model Method (for derivatives, Repo Transactions, Marketable Securities or EMTIA lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)	-	-	-	-	-
3	Simple Approach for credit risk mitigation (for derivatives, Repo Transactions, Marketable Securities or EMTIA lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)	-	-	-	-	-
4	Comprehensive Approach for credit risk mitigation (for derivatives, Repo Transactions, Marketable Securities or EMTIA lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)	-	-	-	12.131.674	3.639.617
5	VaR for for derivatives, Repo Transactions, Marketable Securities or EMTIA lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit	-	-	-	12.131.674	3.639.617
6	Total					24.476.152

(*) Effective Expected Positive Exposure

	Replacement cost	Potential future exposure	EEPE (*)	Alpha used for computing regulatory exposure at default	Exposure at default post CRM	RWA
Prior Period - 31.12.2021						
1	Standardised Approach (for derivatives)	26.427.321	5.292.620	1,4	31.719.941	16.279.148
2	Internal Model Method (for derivatives, Repo Transactions, Marketable Securities or EMTIA lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)	-	-	-	-	-
3	Simple Approach for credit risk mitigation (for derivatives, Repo Transactions, Marketable Securities or EMTIA lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)	-	-	-	-	-
4	Comprehensive Approach for credit risk mitigation (for derivatives, Repo Transactions, Marketable Securities or EMTIA lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)	-	-	-	8.589.834	2.706.966
5	VaR for for derivatives, Repo Transactions, Marketable Securities or EMTIA lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit	-	-	-	8.589.834	2.706.966
6	Total					18.986.114

(*) Effective Expected Positive Exposure

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2. Credit valuation adjustment (CVA) capital charge:

	Current Period - 30.06.2022		Prior Period - 31.12.2021	
	Exposure at default post-CRM	RWA	Exposure at default post-CRM]	RWA
Total portfolios subject to the Advanced CVA capital charge				
1 (i) Value at Risk (VaR) component (including the 3×multiplier)	-	-	-	-
2 (ii) Stressed VaR component (including the 3×multiplier)	-	-	-	-
3 All portfolios subject to the Standardised CVA capital charge	41.059.889	15.713.720	31.719.941	11.372.409
4 Total subject to the CVA capital charge	41.059.889	15.713.720	31.719.941	11.372.409

3. Standardised approach of CCR exposures by regulatory portfolio and risk weights:

Current Period - 30.06.2022

Risk Weight	0%	10%	20%	50%	75%	100%	150%	Other	Total credit exposure (*)
Regulatory portfolio									
Claims from central governments and central banks	4.876.623	-	-	-	-	-	-	-	-
Claims from regional and local governments	-	-	-	-	-	-	-	-	-
Claims from administration and non commercial entity	-	-	-	-	-	319	-	-	319
Claims from multilateral development banks	-	-	-	-	-	-	-	-	-
Claims from international organizations	-	-	-	-	-	-	-	-	-
Claims from institutions	-	-	14.561.370	22.142.640	-	-	-	-	13.983.594
Corporates	-	-	1.020.849	524.272	-	9.894.103	-	-	10.360.409
Retail portfolios	-	-	-	-	166.999	-	-	-	125.249
Other claims(**)	-	-	-	-	-	-	4.387	-	6.581
Total	4.876.623	-	15.582.219	22.666.912	166.999	9.894.422	4.387	-	24.476.152

[*] Total credit exposure: the amount relevant for the capital requirements calculation, having applied CRM techniques.

[**] Other receivables: Includes the amounts excluded in counterparty credit risk reported in CCR8.

Prior Period - 31.12.2021

Risk Weight	0%	10%	20%	50%	75%	100%	150%	Other	Total credit exposure (*)
Regulatory portfolio									
Claims from central governments and central banks	7.108.305	-	-	-	-	-	-	-	-
Claims from regional and local governments	-	-	-	-	-	-	-	-	-
Claims from administration and non commercial entity	-	-	-	-	-	159	-	-	159
Claims from multilateral development banks	-	-	-	-	-	-	-	-	-
Claims from international organizations	-	-	-	-	-	-	-	-	-
Claims from institutions	-	-	7.970.732	15.286.995	-	-	-	-	9.237.644
Corporates	-	-	196.992	20	-	9.582.041	-	-	9.621.449
Retail portfolios	-	-	-	-	159.913	-	-	-	119.935
Other claims(**)	-	-	-	-	-	-	4.618	-	6.927
Total	7.108.305	-	8.167.724	15.287.015	159.913	9.582.200	4.618	-	18.986.114

[*] Total credit exposure: the amount relevant for the capital requirements calculation, having applied CRM techniques.

[**] Other receivables: Includes the amounts excluded in counterparty credit risk reported in CCR8.

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4. Composition of collateral for CCR exposure:

Related table is not presented due to not having derivative collaterals which is considered in the calculation of capital adequacy ratio.

5. Credit derivatives exposures:

	Current Period - 30.06.2022		Prior Period - 31.12.2021	
	Protection bought	Protection sold	Protection bought	Protection sold
Nominal				
Single-name credit default swaps	2.865.761	-	2.292.588	-
Index credit default swaps	-	-	-	-
Total return swaps	-	13.329.120	-	11.329.650
Credit options	-	-	-	-
Other credit derivatives	-	-	-	-
Total notionals	2.865.761	13.329.120	2.292.588	11.329.650
Fair values				
Positive fair value (asset)	353.263	5.225.847	243.166	4.456.373
Negative fair value (liability)	-	-	-	-

6. Exposures to central counterparties (CCP):

	Current Period - 30.06.2022		Prior Period - 31.12.2021	
	Exposure at default (post-CRM)	RWA	Exposure at default (post-CRM)	RWA
1 Exposure to Qualified Central Counterparties (QCCPs) (total)		136.544		37.654
2 Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	4.103.193	136.374	1.056.438	37.071
3 (i) OTC Derivatives	4.103.193	136.374	1.056.438	37.071
4 (ii) Exchange-traded Derivatives	-	-	-	-
5 (iii) Securities financing transactions	-	-	-	-
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	75.489	170	25.902	583
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	-	-	-	-

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d. Securitization Explanations:

The Bank has no securitization transactions.

e. Market Risk Explanations:

Standardised approach:

	Current Period	Prior Period
	30.06.2022	31.12.2021
	RWA	RWA
Outright products (*)		
1 Interest rate risk (general and specific)	4.103.675	3.293.288
2 Equity risk (general and specific)	2.698.863	1.896.013
3 Foreign exchange risk	4.692.030	20.824.872
4 Commodity risk	22.963	2.659
Options		
5 Simplified approach	-	-
6 Delta-plus method	551.538	333.888
7 Scenario approach	-	-
8 Securitisation	-	-
9 Total	12.069.069	26.350.720

(*) Outright products refer to positions in products that are not optional.

VIII. EXPLANATIONS ON HEDGE TRANSACTIONS:

The Group hedges its TL and foreign denominated fixed rate financial assets with cross currency swaps and interest rate swaps. Within the scope of fair value hedge, fair value changes of hedging instrument and hedged item are accounted in the income statement. As long as the hedge relationship is effective, fair value change of the hedged item is disclosed together with its related asset or liability in the balance sheet for TL denominated fixed rate mortgage loans. Fair value changes which have already been booked in equity, have been reclassified from equity to income statement for TL and FC denominated fixed rate financial assets measured at fair value through other comprehensive income.

The Group hedges against its cash flow risk stemming from foreign currency denominated floating rate financial liabilities with interest rate and cross currency swaps. Within the scope of cash flow hedge accounting, effective part of the fair value changes of the hedging instrument are accounted in equity under "Cash Flow Hedge Gain/Loss, Shares of Investments Valued by Equity Method in Other Comprehensive Income Classified Through Profit or Loss and Other Accumulated Amounts of Other Comprehensive Income Items Reclassified Through Other Profit or Loss" whereas ineffective part is accounted in the income statement. At instances when cash flows relating to hedged item (interest expense) affect the income statement, profit/loss of the related hedging item is taken out of the equity and reflected on the income statement.

Prospective tests are performed at the inception of the hedge relationships and both prospective and retrospective tests are performed at each reporting period-end regularly by using "Dollar off-set method". In this method, changes in the fair value of the hedged item and changes in the fair value of the hedging instruments between the designation date and each reporting period-end are compared and effectiveness ratio is calculated. In the determination of the fair values of hedging instruments and hedged item, market yield curves are used. Hedge accounting principles are applied by assessing the calculated effectiveness ratio within the scope of TAS 39.

When the hedging instrument expires, is executed or sold and when the hedge relationship becomes ineffective or is discontinued as a result of the hedge relationship being revoked due to ineffectiveness of efficiency tests;

- The hedging gains and losses that were previously recognized under equity are transferred to profit or loss when the cash flows of the hedged item are realized,

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- Adjustments made to the carrying amount of the hedged item are transferred to profit and loss with straight line method for portfolio hedges or with effective interest rate method for micro hedges.

In case the hedged item is derecognized, hedge accounting is discontinued and within context of fair value hedge accounting, adjustments made to the value of the hedged item are accounted in income statement.

The replacement or rollover of a hedging instrument into another hedging instrument is not an expiration or termination if such replacement or rollover is part of the entity's documented hedging strategy.

The Group also applies net investment risk hedging in order to hedge its foreign currency risk from its investments abroad. The effective part of the fair value change of the hedging instrument in the hedging transaction in question was accounted in the "Accumulated Other Comprehensive Income or Expenses to be Reclassified in Profit or Loss" account under equity.

Within the scope of the Major Indicative Interest Rates Reform in 2022, new alternative interest rates will be used instead of the current benchmark interest rates, especially Libor. In addition to floating rate assets such as securities indexed to benchmark interest rates and loans, Banks' financial statements include liabilities such as securities issued, borrowed loans and derivative transactions, and off-balance sheet instruments. With the regulations published in September 2019 and December 2020 regarding the implementation of the aforementioned reform, early implementation of the amendments was permitted, while temporary exemption was given to the applications related to the determination of cash flows of hedge accounting and the termination of transactions. A working group was established to evaluate the impact of the interest rate reform on the financial statements and to adapt to reform. Reform changes have not been implemented early and developments are followed by the working group.

The average remaining maturity of the floating-rate USD Libor-Indexed borrowings directly affected by the interest rate reform is 2,8 years and the remaining amount is USD 840.262. Foreign currency interest swap transactions were made to hedge the cash flow risk of the aforementioned borrowing and subject to hedge accounting. There is no hedge accounting transaction terminated under the published exceptions.

As of 30 June 2022, contractual amounts of derivative financial instruments designated as hedging instruments and the net fair values carried in the balance sheet of the Bank are summarized in the following table:

	Current Period 30 June 2022			Prior Period 31 December 2021		
	Notional Amount	Assets	Liabilities	Notional Amount	Assets	Liabilities
Interest Rate and Cross Currency Swaps						
-TL	43.105.954	18.886.577	240.916	38.163.770	15.412.862	331.573
-FC	158.326.583	3.829.282	99.929	122.991.616	776.704	694.631
Total	201.432.537	22.715.859	340.845	161.155.386	16.189.566	1.026.204

1. Explanations on Accounting Net Investment Hedge:

The Group has been using hedge against fair value strategy to hedge against foreign currency risk born of EUR 787 million (31 December 2021: EUR 787 million) which represents share premiums and paid-in-capital of Akbank AG, one of its subsidiaries. EUR 787 million of syndication loans used by the Group have been classified as "hedge instruments."

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2. Explanations on Fair Value Hedge:

Current Period: 30.06.2022

Hedging Instrument	Hedged Item	Risk Exposure	Fair Value Difference of Hedging Instrument	Fair Value Difference of Hedged Items (*)	Ineffective Portion (**)
Interest Rate Swap	Fixed interest rate FC Loans	Interest rate and currency risk	119.257	(119.806)	(549)
Interest Rate Swap	Fixed interest rate FC financial assets at other comprehensive income	Interest rate risk	1.114.990	(1.175.796)	(60.806)
Cross-currency swap	Fixed interest rate FC financial assets at fair value through other comprehensive income, FC borrowings	Interest rate and currency risk	(103.052)	103.268	216
Cross-currency swap	Fixed interest rate TL Commercial Loans, FC borrowings	Interest rate and currency risk			
Interest Rate Swap	Fixed interest rate TL Securities Issued	Interest rate risk	7.853	(10.521)	(2.668)

(*) Includes fair value differences arising from changes in foreign exchange rates for hedges against interest rate and foreign currency from the interest rate and foreign exchange risks.

(**) Represents the cumulative amounts booked under "Gains/Losses on Derivative Financial Transactions" and "Gains/Losses on Foreign Exchange Transactions" since the beginning of hedge accounting.

Prior Period - 31 December 2021

Hedging Instrument	Hedged Item	Risk Exposure	Fair Value Difference of Hedging Instrument	Fair Value Difference of Hedged Items (*)	Ineffective Portion (**)
Interest Rate Swap	Fixed interest rate FC financial assets at other comprehensive income	Interest rate risk	(293.557)	255.051	(38.506)
Cross-currency swap	Fixed interest rate FC financial assets at fair value through other comprehensive income, FC borrowings	Interest rate and currency risk	39.753	(39.469)	284
Cross-currency swap	Fixed interest rate TL financial assets at fair value through other comprehensive income, FC borrowings	Interest rate and currency risk	(91.345)	84.039	(7.306)
Interest Rate Swap	Fixed interest rate TL Commercial Loans	Interest rate risk	44	(187)	(143)
Cross-currency swap	Fixed interest rate TL Commercial Loans, FC borrowings	Interest rate and currency risk	8.600	(8.558)	42
Interest Rate Swap	Fixed interest rate TL Securities Issued	Interest rate risk	(46.140)	49.696	3.556

(*) Includes fair value differences arising from changes in foreign exchange rates for hedges against interest rate and foreign currency from the interest rate and foreign exchange risks.

(**) Represents the cumulative amounts booked under "Gains / (Losses) on Derivative Financial Transactions" and "Gains/ (Losses) on Foreign Exchange Transactions" since the beginning of hedge accounting.

In addition, when the hedging instrument expires, is executed or sold and when the hedge relationship becomes ineffective or is discontinued as a result of the hedge relationship being revoked due to ineffectiveness of efficiency tests with the information related discontinuous transactions are given below:

- As of 30 June 2022, related to fair value hedge transactions, the remaining net amount after amortization of the fair value change of the hedged items since the beginning of hedge accounting is TL 1.241 (31 December 2021: TL 2.779).

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3. Explanations on Cash Flow Hedge:

Hedging instrument	Hedged item	Nature of risk hedged	Hedging instrument FV		Net gain/(loss) recognized in OCI during the period	Net gain/(loss) reclassified to income statement during the year	Ineffective portion recognized in income statement (Net)
			Assets	Liabilities			
Interest Rate Swap	Floating-rate long Term FC funds borrowed	Cash Flow risk due to changes in interest rate of funds	267.042	-	366.856	(78.882)	12.584
Cross Currency Swap	Short term FC commercial deposits	Cash Flow risk due to changes in interest rate of funds	16.333.890	-	641.259	(335.802)	31.326
Interest Rate Swap	Short term TL deposits	Cash Flow risk due to changes in interest rate of funds	2.427.028	6.810	1.432.780	50.142	8.413
Interest Rate Swap	Short term FC deposits	Cash Flow risk due to changes in interest rate of funds	1.062.048	-	840.649	(17.247)	836
Interest Rate Swap	Floating-rate TL financial assets at fair value through other comprehensive income	Cash Flow risk due to changes in interest rate of funds	249	224.796	212.385	166.948	(5.761)

In addition, when the hedging instrument expires, is executed or sold and when the hedge relationship becomes ineffective or is discontinued as a result of the hedge relationship being revoked with the information related discontinuous transactions are given below:

- As of 30 June 2022, related to cash flow hedge transactions, there is no remaining before tax amount in equity after amortization of the fair value change of the hedging instruments, from the beginning of hedge accounting (31 December 2021: TL 34.396).

IX. EXPLANATIONS ON BUSINESS SEGMENTS:

The Group operates consumer banking, SME banking, commercial banking, and corporate-investment and private banking and wealth network providing services to customers in accordance with the Bank's organizational structure.

The profitability system generating segment information provides profitability information on the basis of account customer, customer relationship manager, branch segment and product. This information is made available to the branch and Head Office personnel through a web-based management reporting system.

Consumer banking offers a variety of retail services such as deposit accounts, retail loans, commercial installment loans, credit cards, insurance products and asset management services. The consumer banking products and services also include bank cards, investment funds trading, automatic payment services, foreign currency trading, safe deposit box rentals, cheques, money transfers, investment banking, telephone and internet banking.

Corporate banking, commercial banking and SME banking, provide financial solutions and banking services to large, medium and small size corporate and commercial customers. The products and services offered to corporate and commercial customers include TL and foreign currency denominated working capital loans financing for investments, foreign trade financing, derivative instruments for hedging purposes of foreign currency and interest risk, letters of credit, foreign currency trading, corporate finance services and deposit and cash management services. In addition, the Bank provides timely and permanent solutions for corporate customers' working capital management, delivers cash management services tailored based on customers' requests that include collection and payment services and liquidity and information management. Project finance loans are provided within the context of investment banking activities. In the scope of private banking, The Bank serves the members of the high-income customers who have expectations for upper-class service quality both in banking and investment transactions. Within the scope of international banking activities, activities are also being carried out

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE**

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in order to provide long-term funding, to provide funding under a price reflecting the country's risk, to diversify funding resources and to form an international investor base on this area.

The Treasury Unit conducts TL and FC spot and forward transactions, treasury bonds, government bonds, Eurobond and private sector bond transactions and also derivative trading activities within determined limits. These transactions are performed according to the Bank's requirements. In addition to marketing and pricing activities for the branch network of Treasury products and customers, foreign trade financing, foreign exchange and TL "clearing" services are also carried out for customers.

Other operations includes activities of Ak Finansal Kiralama A.Ş., Ak Yatırım Menkul Değerler A.Ş., Ak Portföy Yönetim A.Ş., Akbank AG and AkÖde Elektronik Para ve Ödeme Hizmetleri A.Ş as subsidiaries of the Bank in consolidation.

Information on business segments as of 30 June 2022 and 31 December 2021 presented in the following tables. Explanations on business segments are prepared on the basis of data obtained from Bank Management Reporting System.

	Consumer Banking	Commercial Banking, SME Banking, Corporate Banking and Private Banking	Treasury	Other and Unallocated	Group's Total Activities
Current Period - 30 June 2022					
Operating Income	6.859.932	11.813.494	18.304.101	7.022.823	44.000.350
Profit from Operating Activities	1.269.748	8.995.096	17.864.377	432.814	28.562.035
Income from Subsidiaries	-	-	-	52.534	52.534
Profit before Tax	1.269.748	8.995.096	17.864.377	485.348	28.614.569
Tax Expense	-	-	-	(7.458.035)	(7.458.035)
Net Profit for the Period	1.269.748	8.995.096	17.864.377	(6.972.687)	21.156.534
Segment Assets	156.113.400	426.216.403	344.011.621	18.188.978	944.530.402
Investments in Associates.	-	-	-	18.957	18.957
Undistributed Assets	-	-	-	36.752.256	36.752.256
Total Assets					981.301.615
Segment Liabilities	310.430.112	283.200.301	216.739.298	17.870.197	828.239.908
Undistributed Liabilities	-	-	-	50.328.740	50.328.740
Shareholders' Equity	-	-	-	102.732.967	102.732.967
Total Liabilities					981.301.615

	Consumer Banking	Commercial Banking, SME Banking, Corporate Banking and Private Banking	Treasury	Other and Unallocated	Group's Total Activities
Prior Period - 31 December 2021 (*)					
Operating Income	5.964.609	4.145.936	(1.045.004)	4.666.363	13.731.904
Profit from Operating Activities	2.188.971	3.129.991	(1.297.739)	1.569.279	5.590.502
Income from Subsidiaries	-	-	-	9.582	9.582
Profit before Tax	2.188.971	3.129.991	(1.297.739)	1.578.861	5.600.084
Tax Expense	-	-	-	(1.465.661)	(1.465.661)
Net Profit for the Period	2.188.971	3.129.991	(1.297.739)	113.200	4.134.423
Segment Assets	149.235.137	292.940.200	284.100.942	13.581.758	739.858.037
Investments in Associates.	-	-	-	18.129	18.129
Undistributed Assets	-	-	-	22.922.164	22.922.164
Total Assets					762.798.330
Segment Liabilities	282.729.655	161.813.650	199.440.835	13.509.258	657.493.398
Undistributed Liabilities	-	-	-	29.345.619	29.345.619
Shareholders' Equity	-	-	-	75.959.313	75.959.313
Total Liabilities					762.798.330

(*) 30 June 2021 amounts are used for income statement accounts.

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**SECTION FIVE
INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS**

I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS

a. Information related to cash equivalents and the account of the Central Bank of the Republic of Turkey (the "CBRT"):

1. Information on cash equivalents and the account of the CBRT:

	Current Period 30 June 2022		Prior Period 31 December 2021	
	TL	FC	TL	FC
Cash/Foreign Currency	2.397.976	7.219.863	1.953.656	7.989.466
The CBRT (*)	15.688.547	109.657.864	9.941.916	71.850.576
Other (**)	-	1.754.650	-	151.158
Total	18.086.523	118.632.377	11.895.572	79.991.200

(*) Precious metal account amounting to TL 2.345.082 are included in FC (31 December 2021: TL 2.001.693).

(**) Precious metal account amounting to TL 986.472 are included in FC (31 December 2021: TL 150.924).

2. Information related to the account of the CBRT:

	Current Period 30 June 2022		Prior Period 31 December 2021	
	TL	FC	TL	FC
Unrestricted Demand Deposits	652	-	8.574	-
Unrestricted Time Deposits	-	-	-	-
Restricted Time Deposits	-	-	-	-
Reserve Requirement	15.687.895	109.657.864	9.933.342	71.850.576
Total	15.688.547	109.657.864	9.941.916	71.850.576

3. Explanation on reserve requirements:

In accordance with the "Communiqué Regarding the Reserve Requirements no. 2013/15, the Bank is required to maintain reserves in CBRT for TL and foreign currency liabilities. The reserve requirements can be maintained as TL, USD, EUR and standard gold. According to the Communiqué on Required Reserves published in the Official Gazette dated 01.07.2021 and numbered 31528, the facility for maintain Turkish lira reserve requirements in foreign currency was terminated as of October 1, 2021.

The required reserve rates for TL liabilities vary between 3% and 8% for TL deposits and other liabilities according to their maturities as of 30 June 2022 (31 December 2021: 3% and 8% for all TL liabilities). The reserve rates for foreign currency liabilities vary between 5% and 31% for deposit and other foreign currency liabilities according to their maturities as of 30 June 2022 (31 December 2021: 5% and 26% for all foreign currency liabilities).

b. Financial Assets at Fair Value Through Profit or Loss

As of 30 June 2022, financial assets at fair value through profit or loss given as collateral/blocked (31 December 2021: None); and there are no financial assets subject to repo transactions (31 December 2021: None).

Other Financial Assets:

In the previous period, syndication loans extended to Ojer Telekomünikasyon A.Ş. were restructured. Within this scope, a pledge was established in favor of lenders in order to establish collateral for these loans. LYY Telekomünikasyon A.Ş., which was established as a special-purpose company in which 192.500.000.000 Group A shares, which constitute 55% of

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Türk Telekom's issued capital, are all direct or indirect partners. The acquisition of the company (formerly Levent Yapılandırma Yönetimi A.Ş.) was completed on 21 December 2018. The Bank has participated in LYY Telekomünikasyon A.Ş. with a 35.56% share in the receivables from OTAŞ.

Later on, at the Ordinary General Assembly Meeting of LYY Telekomünikasyon A.Ş. which was held on 23 September 2019, it was decided to convert some of the loan into capital and add it to the capital of LYY Telekomünikasyon A.Ş. The nominal value of their shares in TL increased from 18 TL to 1.416.090 TL. This amount is classified in the financial statements under the line "Assets for Sale and Discontinued Operations".

As of 10 March 2022, LYY Telekomünikasyon A.Ş. signed a share transfer agreement with the Turkey Wealth Fund regarding the sale of all of its shares within Türk Telekomünikasyon A.Ş. In this context, Türk Telekomünikasyon A.Ş. the sale and transfer of 192.500.000.000 Group A registered shares, corresponding to 55% of its capital, to the Turkish Wealth Fund for a price of 1.650.000.000 USD, was realized on 30 June 2022. In addition, pursuant to the Agreement, the amount corresponding to the 55% share to which LYY transferred from the dividend amount decided to be distributed by the General Assembly based on the independently audited 2021 consolidated financial statements of Türk Telekomünikasyon A.Ş. and has paid to LYY Telekomünikasyon A.Ş.

LYY used the remaining amount from the sales amount, excluding the part required for its liabilities, to pay off its debts to the banks. Receivables amounting to TL 12.626.511, which was accounted for under "Other Financial Assets" under "Financial Assets at Fair Value Through Profit and Loss" after collection and fully provisioned, was classified as non-performing loans as of 30 June 2022, since there is no reasonable expectation for its recovery, it has been deducted from the records together with the amount of special provisions set aside within the scope of TFRS 9.

The amount converted to capital, TL 1.416.090, continues to be accounted for under "Assets Held for Sale and Related to Discontinued Operations" until the liquidation process is completed (31 December 2021: TL 1.416.090).

TL 1.806.962 (31 December 2021: TL 1.313.971) of other financial assets consist Fourth Real Estate Investment Fund of Ak Portföy Yönetimi A.Ş. established by Ak Portföy Yönetimi A.Ş. and the fund is followed at its fair value and the related valuation differences are recognized in profit or loss.

c. Trading derivative financial assets:

Table of positive differences related to derivative financial assets (*)

	Current Period 30 June 2022		Prior Period 31 December 2021	
	TL	FC	TL	FC
Forward Transactions	1.669.873	8.124	754.772	6.673
Swap Transactions	21.264.514	9.809.103	24.336.484	8.202.873
Futures Transactions	-	-	-	-
Options	178.800	233.992	24.913	271.591
Other	-	-	-	-
Total	23.113.187	10.051.219	25.116.169	8.481.137

(*) Excluding hedging derivatives financial assets.

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d. Information on banks account and foreign banks:

Information on banks account:

	Current Period 30 June 2022		Prior Period 31 December 2021	
	TL	FC	TL	FC
Banks				
Domestic	310.805	470.767	87.915	166.356
Foreign (*)	-	45.516.150	1.038	53.215.377
Head Quarters and Branches Abroad	-	-	-	-
Total	310.805	45.986.917	88.953	53.381.733

(*) Includes collateral of TL 12.930.527 for derivative transactions made with foreign banks (31 December 2021: TL 11.435.331).

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

1. As of 30 June 2022, financial assets fair value through other comprehensive income subject to repurchase agreements amounting to TL 36.043.730 (31 December 2021: TL 40.231.789); and those given as collateral/blocked amounting to TL 27.662.840 (31 December 2021: TL 29.582.153).

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

	Current Period 30 June 2022		Prior Period 31 December 2021	
	Debt Securities			
Quoted at Stock Exchange (*)		145.725.576		104.943.943
Unquoted at Stock Exchange		142.612.590		101.816.497
Share Certificates		3.112.986		3.127.446
Quoted at Stock Exchange		15.879		15.879
Unquoted at Stock Exchange		-		-
Impairment Provision (-)		15.879		15.879
Total		10.003.747		4.648.400
Total		135.737.708		100.311.422

(*) Investment funds are included.

f. Information related to loans:

1. Information on all types of loans and advances given to shareholders and employees of the Bank:

	Current Period 30 June 2022		Prior Period 31 December 2021	
	Cash	Non-cash	Cash	Non-cash
Direct Loans Granted to Shareholders				
Corporate Shareholders	450.000	159	-	159
Real Person Shareholders	450.000	159	-	159
Indirect Loans Granted to Shareholders	-	-	-	-
Loans Granted to Employees	10.800.332	4.354.861	9.574.170	2.829.869
Total	238.252	-	177.638	-
Total	11.488.584	4.355.020	9.751.808	2.830.028

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2. Information on the first and second group loans and other receivables including loans that have been restructured or rescheduled (*):

(i). Loans at amortised cost (*)

Current Period – 30 June 2022	Loans and other receivables under follow up			
	Standard Loans and Other Receivables	Loans and Receivables Not Subject to restructuring	Restructured Loans and Receivables	
Loans and Receivables with Revised Contract Terms			Refinance	
Cash Loans				
Non-specialized Loans				
Loans given to enterprises	71.267.254	1.508.511	515.230	6.875.886
Export Loans	64.489.153	95.040	13.438	59.609
Import Loans	2.222.594	-	-	-
Loans Given to Financial Sector	32.752.116	35	-	265
Consumer Loans	70.159.450	2.198.841	1.119.351	202.545
Credit Cards	36.666.694	828.320	1.364.703	-
Other	189.525.980	73.951	5.645.601	20.155.997
Specialized Loans	-	-	-	-
Other Receivables	-	-	-	-
Total	467.083.241	4.704.698	8.658.323	27.294.302

(*) The balances of loans at fair value profit or loss has not been included. Included lease receivables.

Expected Credit Loss Stage I and Stage II (*)	Standard Loans	Current Period	Standard Loans	Prior Period
		30 June 2022		31 December 2021
		Loans under Follow-up		Loans under Follow-up
12 Month Expected Credit Losses	2.298.614	-	1.635.408	-
Significant Increase in Credit Risk	-	6.332.695	-	5.579.947
Total	2.298.614	6.332.695	1.635.408	5.579.947

(*) Included expected credit losses of lease receivables.

Aging analysis for overdue receivables:

	Current Period	Prior Period
	30 June 2022	31 December 2021
30-60 days overdue	1.034.692	1.348.709
60-90 days overdue	774.461	891.877
More than 90 days overdue	6.030	7.791
Total	1.815.183	2.248.377

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3. Information on consumer loans, personal credit cards, personnel loans and personnel credit cards:

Current Period – 30 June 2022	Short-term	Medium and Long-term	Total
Consumer Loans-TL	5.906.230	64.505.145	70.411.375
Mortgage Loans	26.998	14.248.722	14.275.720
Automotive Loans	26.966	777.460	804.426
Consumer Loans	5.852.266	49.478.963	55.331.229
Other	-	-	-
Consumer Loans- Indexed to FC	-	263	263
Mortgage Loans	-	263	263
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Loans-FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Credit Cards-TL	29.789.259	1.218.091	31.007.350
With Installment	9.643.428	1.217.544	10.860.972
Without Installment	20.145.831	547	20.146.378
Consumer Credit Cards-FC	30.494	-	30.494
With Installment	1	-	1
Without Installment	30.493	-	30.493
Personnel Loans-TL	12.454	118.086	130.540
Mortgage Loans	-	4.561	4.561
Automotive Loans	-	695	695
Consumer Loans	12.454	112.830	125.284
Other	-	-	-
Personnel Loans- Indexed to FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Loans-FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TL	107.135	62	107.197
With Installment	44.248	62	44.310
Without Installment	62.887	-	62.887
Personnel Credit Cards-FC	515	-	515
With Installment	-	-	-
Without Installment	515	-	515
Credit Deposit Account-TL (Real Person)	3.138.009	-	3.138.009
Credit Deposit Account-FC (Real Person)	-	-	-
Total Consumer Loans	38.984.096	65.841.647	104.825.743

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[Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.]

Prior Period – 31 December 2021	Short-term	Medium and Long-term	Total
Consumer Loans-TL	2.659.206	55.312.555	57.971.761
Mortgage Loans	13.863	13.558.860	13.572.723
Automotive Loans	12.340	311.999	324.339
Consumer Loans	2.633.003	41.441.696	44.074.699
Other	-	-	-
Consumer Loans- Indexed to FC	-	321	321
Mortgage Loans	-	321	321
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Loans-FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Credit Cards-TL	23.723.629	1.101.725	24.825.354
With Installment	7.522.539	1.101.003	8.623.542
Without Installment	16.201.090	722	16.201.812
Consumer Credit Cards-FC	17.283	-	17.283
With Installment	-	-	-
Without Installment	17.283	-	17.283
Personnel Loans-TL	7.277	90.425	97.702
Mortgage Loans	-	3.814	3.814
Automotive Loans	-	125	125
Consumer Loans	7.277	86.486	93.763
Other	-	-	-
Personnel Loans- Indexed to FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Loans-FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TL	79.650	41	79.691
With Installment	27.030	41	27.071
Without Installment	52.620	-	52.620
Personnel Credit Cards-FC	245	-	245
With Installment	-	-	-
Without Installment	245	-	245
Credit Deposit Account-TL (Real Person)	2.639.476	-	2.639.476
Credit Deposit Account-FC (Real Person)	-	-	-
Total Consumer Loans	29.126.766	56.505.067	85.631.833

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2022

[Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.]

4. Information on commercial installment loans and corporate credit cards:

Current Period – 30 June 2022	Short-term	Medium and Long-term	Total
Commercial Installment Loans-TL	7.092.832	23.253.245	30.346.077
Mortgage Loans	33.263	1.365.631	1.398.894
Automotive Loans	735.516	6.875.368	7.610.884
Consumer Loans	6.324.053	15.012.246	21.336.299
Other	-	-	-
FC Indexed Commercial Installment Loans	-	12.481	12.481
Mortgage Loans	-	2.307	2.307
Automotive Loans	-	1.205	1.205
Consumer Loans	-	8.969	8.969
Other	-	-	-
Commercial Installment Loans-FC	14.713	1.036.696	1.051.409
Mortgage Loans	-	1.869	1.869
Automotive Loans	243	112.874	113.117
Consumer Loans	14.470	921.953	936.423
Other	-	-	-
Corporate Credit Cards-TL	7.605.337	102.160	7.707.497
With Installment	3.688.002	102.089	3.790.091
Without Installment	3.917.335	71	3.917.406
Corporate Credit Cards-FC	6.664	-	6.664
With Installment	1	-	1
Without Installment	6.663	-	6.663
Credit Deposit Account-TL (Legal Person)	953.212	-	953.212
Credit Deposit Account-FC (Legal person)	-	-	-
Total	15.672.758	24.404.582	40.077.340
Prior Period – 31.12.2021	Short-term	Medium and Long-term	Total
Commercial Installment Loans-TL	3.083.080	13.411.389	16.494.469
Mortgage Loans	9.287	6.175	15.462
Automotive Loans	227.399	301	227.700
Consumer Loans	2.846.394	13.404.913	16.251.307
Other	-	-	-
FC Indexed Commercial Installment Loans	-	15.076	15.076
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	15.076	15.076
Other	-	-	-
Commercial Installment Loans-FC	35.587	948.327	983.914
Mortgage Loans	-	-	-
Automotive Loans	839	-	839
Consumer Loans	34.748	948.327	983.075
Other	-	-	-
Corporate Credit Cards-TL	5.167.673	66.011	5.233.684
With Installment	2.290.396	65.972	2.356.368
Without Installment	2.877.277	39	2.877.316
Corporate Credit Cards-FC	4.635	-	4.635
With Installment	-	-	-
Without Installment	4.635	-	4.635
Credit Deposit Account-TL (Legal Person)	875.173	-	875.173
Credit Deposit Account-FC (Legal person)	-	-	-
Total	9.166.148	14.440.803	23.606.951

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(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

5. Distribution of domestic and foreign loans (*): Loans are classified according to the locations of the customers.

	Current Period 30 June 2022	Prior Period 31 December 2021
Domestic Loans	518.201.709	397.413.785
Foreign Loans	8.098.107	7.374.511
Total	526.299.816	404.788.296

(*): Included leasing receivables.

6. Loans granted to investments in associates and subsidiaries: None.

7. Credit-Impaired Losses (Stage III / Special Provision) (*):

	Current Period 30 June 2022	Prior Period 31 December 2021
Loans and Other Receivables with Limited Collectibility	438.732	1.157.104
Loans and Other Receivables with Doubtful Collectibility	2.051.715	723.136
Uncollectible Loans and Receivables	10.035.369	9.918.909
Total	12.525.816	11.799.149

(*): Included leasing receivables.

8. Information on non-performing loans (Net):

8. (i) Information on non-performing loans restructured or rescheduled and other receivables:

	III. Group Loans and Other Receivables with Limited Collectibility	IV. Group Loans and Other Receivables with Doubtful Collectibility	V. Group Uncollectible Loans and Other Receivables
Current Period: 30 June 2022			
(Gross Amounts Before Specific Provisions)	46.403	100.721	1.635.192
Rescheduled Loans and Other Receivables	46.403	100.721	1.635.192
Prior Period: 31 December 2021			
(Gross Amounts Before Specific Provisions)	50.000	66.001	1.720.918
Rescheduled Loans and Other Receivables	50.000	66.001	1.720.918

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

8. (ii) Information on the movement of total non-performing loans (*):

	III. Group	IV. Group	V. Group
	Loans and Other	Loans and Other	Uncollectible Loans
	Receivables with	Receivables with	and Other
	Limited Collectibility	Doubtful Collectibility	Receivables
Prior Period End Balance: 31 December 2021	1.780.068	1.068.687	15.379.062
Additions (+)	1.984.703	72.065	13.191.035
Transfers from Other Categories of Non-Performing Loans (+)	-	2.816.201	932.696
Transfers to Other Categories of Non-Performing Loans (-)	2.816.201	932.696	-
Collections (-)	320.052	309.461	1.551.750
Write-offs (-) (**)	9.478	6.268	12.718.557
Sold Portfolio	-	-	802
Corporate and Commercial Loans	-	-	579
Consumer Loans	-	-	6
Credit Cards	-	-	217
Other	-	-	-
Balance at the End of the Period	619.040	2.708.528	15.231.684
Specific Provisions (-)	438.732	2.051.715	10.035.369
Net Balance at Balance Sheet	180.308	656.813	5.196.315

(*) Included leasing receivables.

(**) In the current period, the fifth section of the report "b. Information on financial assets at fair value through profit or loss", LYY Telecommunication receivables amounting to TL 12.626.511, which is reported as financial assets at fair value through profit or loss, is classified as non-performing receivables, together with its 100% specific provision. Since there is no reasonable expectation regarding its recovery, it has been deducted from the records in the scope of the "Regulation on the Procedures and Principles for Classification of Loans and Provisions to be Provided". The effect of the accounting write-off under TFRS 9 on the NPL ratio is 226 basis points. (31 December 2021: TL 1.450.497 and its effect on the NPL ratio is 34 basis points.

8. (iii) Information on non-performing loans granted as foreign currency loans:

	III. Group	IV. Group	V. Group
	Loans and Other	Loans and Other	Uncollectible Loans
	Receivables with	Receivables with	and Other
	Limited	Doubtful	Receivables
	Collectibility	Collectibility	Receivables
Current Period: 30 June 2022			
Balance at the End of the Period	76.285	1.323.843	5.683.326
Specific Provision (-)	33.870	990.589	3.051.593
Net Balance on Balance Sheet	42.415	333.254	2.631.733
Prior Period: 31 December 2021			
Balance at the End of the Period	1.086.945	212.374	5.756.000
Specific Provision (-)	675.570	127.818	3.155.195
Net Balance at Balance Sheet	411.375	84.556	2.600.805

In Parent Bank, non-performing loans granted as foreign currency are followed under TL accounts of balance sheet.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

8. (iv) Breakdown of non-performing loans according to their gross and net values (*):

	III. Group	IV. Group	V. Group
	Loans and Other Receivables with Limited Collectibility	Loans and Other Receivables with Doubtful Collectibility	Uncollectible Loans and Other Receivables
Current Period (Net): 30 June 2022			
Loans granted to corporate entities and real persons (Gross)	619.040	2.708.528	15.231.684
Specific Provision Amount (-)	438.732	2.051.715	10.035.369
Loans granted to corporate entities and real persons (Net)	180.308	656.813	5.196.315
Banks (Gross)	-	-	-
Specific Provision Amount (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Advances Receivables (Gross)	-	-	-
Specific Provision Amount (-)	-	-	-
Other Loans and Advances Receivables (Net)	-	-	-
Prior Period (Net): 31 December 2021			
Loans granted to corporate entities and real persons (Gross)	1.780.068	1.068.687	15.379.062
Specific Provision Amount (-)	1.157.104	723.136	9.918.909
Loans granted to corporate entities and real persons (Net)	622.964	345.551	5.460.153
Banks (Gross)	-	-	-
Specific Provision Amount (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Advances Receivables (Gross)	-	-	-
Specific Provision Amount (-)	-	-	-
Other Loans and Advances Receivables (Net)	-	-	-

(*) Included leasing receivables.

8. (v) Information on the collection policy of non-performing loans and other receivables (*):

	III. Group	IV. Group	V. Group
	Loans and Other Receivables with Limited Collectibility	Loans and Other Receivables with Doubtful Collectibility	Uncollectible Loans and Other Receivables
Current Period: 30 June 2022			
Interest accruals and valuation differences	54.190	172.542	3.856.316
Provision (-)	37.706	131.971	2.340.019
Prior Period: 31 December 2021			
Interest accruals and valuation differences	78.530	119.421	3.490.421
Provision (-)	55.145	82.141	2.089.348

(*) Included leasing receivables.

9. Information on the collection policy of non-performing loans and other receivables:

Non-performing loans and other receivables are collected through legal follow-up and liquidation of collaterals.

10. Information on the write-off policy: Disclosed in Note VII of Section Three.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

g. Financial assets measured at amortised cost:

1. Information on financial subject to repurchase agreements and those given as collateral/blocked:

	Current Period 30 June 2022		Prior Period 31 December 2021	
	TL	FC	TL	FC
Given as collateral/blocked	34.661.591	-	7.895.351	90.724
Subject to repurchase agreements	8.261.632	10.522.165	16.631.679	8.933.136
Total	42.923.223	10.522.165	24.527.030	9.023.860

2. Information about Government debt securities:

	Current Period 30 June 2022	Prior Period 31 December 2021
Government debt	64.663.902	50.326.448
Treasury bonds	-	-
Other government debts	1.613.244	1.289.549
Total	66.277.146	51.615.997

3. Information on financial assets measured at amortised cost:

	Current Period 30 June 2022	Prior Period 31 December 2021
Debt Securities	67.532.977	52.663.336
Quoted at stock exchange	67.532.977	52.663.336
Not quoted at stock exchange	-	-
Impairment (-)	86.738	77.776
Total	67.446.239	52.585.560

4. The movement of financial assets at amortised costs:

	Current Period 30 June 2022	Prior Period 31 December 2021
Balance at the Beginning of the Period	52.585.560	41.885.059
Foreign Currency Differences on Monetary Assets	2.337.329	4.555.125
Purchases During Year	8.306.655	17.887.458
Disposals Through Sales and Redemptions	(5.311.731)	(15.853.468)
Impairment Provision	(8.962)	(39.254)
Change in Amortised Cost	9.537.388	4.150.640
Balance at the End of the Period	67.446.239	52.585.560

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2022

[Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.]

h. Information on investments in associates (Net):

1. Non-consolidated associates:

1 (i). Reasons for being out of consolidation for non-consolidated associates: In accordance with the Communiqué on Preparation of Consolidated Financial Statements of Banks they have been left out of the scope of consolidation.

1 (ii). Information about non-consolidated associates:

Title	Address (City / Country)	Bank's share percentage- If different voting percentage (%)	Bank's risk group share percentage (%)
1 Bankalararası Kart Merkezi A.Ş.	Istanbul/Turkey	4,89	4,89
2 Kredi Kayıt Bürosu A.Ş.	Istanbul/Turkey	9,09	9,09
3 JCR Avrasya Derecelendirme A.Ş.	Istanbul/Turkey	2,86	2,86
4 Birleşik İpotek Finansmanı A.Ş.	Istanbul/Turkey	8,33	8,33

1 (iii). Main financial figures of associates, in the order of the above table:

The financial figures stated below have been obtained from the financial statements date 31 March 2022 (*).

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income from Marketable Securities Portfolio	Current Period Profit/ Loss	Prior Period Profit/Loss	Fair Value
1	523.295	425.003	102.640	12.822	-	53.059	27.999	-
2	640.044	144.049	327.673	6.577	-	16.137	14.770	-
3	104.324	86.888	31.175	4.486	-	58.825	2.467	-
4	60.080	56.943	3.026	1.872	-	4.570	895	-

(*) In the table above, 31 December 2021 financial data of JCR Avrasya Rating A.Ş. is used.

1 (iv). Movement schedule for non-consolidated subsidiaries:

	Current Period 30 June 2022	Prior Period 31 December 2021
Balance at the Beginning of the Period	18.129	14.795
Movements During the Period		
Purchases (*)	-	3.334
Bonus Shares and Contributions to Capital	828	-
Dividends from Current Year Income	-	-
Sales/Liquidation	-	-
Revaluation Increase	-	-
Impairment Provision (-)	-	-
Balance at the End of the Period	18.957	18.129
Capital Commitments	-	-
Share Percentage at the End of the Period (%)	-	-

(*) The mentioned amounts are due to the increase of the capital of Birleşik İpotek Finansmanı A.Ş., an 8,33% subsidiary of the Bank, by TL 40.000 for the previous period.

2. Consolidated subsidiaries within the current period: None.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

i. Information on subsidiaries (Net):

1. Information related to shareholders' equity of major subsidiaries:

The following amounts have been obtained from the financial statements as of 30 June 2022 prepared in accordance with legislation in which companies are subject to.

	Ak Finansal Kiralama A.Ş.	Ak Yatırım Menkul Değerler A.Ş.	Ak Portföy Yönetimi A.Ş.	Akbank AG	AkÖde A.Ş.
Paid in Capital	360.007	96.802	10.534	740.648	72.000
Share Premium	-	-	-	-	-
Reserves	968.183	76.251	50.028	11.622.752	(13)
Gains recognized in equity as per TAS	(765)	(8.092)	(609)	-	(13)
Profit/Loss	226.463	1.520.557	179.884	3.285.486	(39.467)
- Net Current Period Profit	226.463	461.707	136.454	633.676	(36.806)
- Prior Year Profit/Loss	-	1.058.850	43.430	2.651.810	(2.661)
Development Cost of Operating Lease (-)	37	906	-	1.702	-
Remaining other intangible assets after offset with the related deferred tax liability excluding mortgage servicing rights (-)	5.308	12.764	146	16.313	-
Total Common Equity	1.548.543	1.671.848	239.691	15.630.871	32.507
Total Additional Tier I Capital	-	-	-	-	-
Portion of Goodwill and Other Intangible Assets and Related Deferred Tax Liabilities not deducted from the Common Equity as per the 1st Clause of Provisional Article 2 of the "Regulation on the Equity of Banks" (-)	-	-	-	-	-
Total Tier I Capital	1.548.543	1.671.848	239.691	15.630.871	32.507
Tier II Capital	94.655	488	-	152.412	-
CAPITAL	1.643.198	1.672.336	239.691	15.783.283	32.507
Deductions from Capital	-	-	-	-	-
TOTAL CAPITAL	1.643.198	1.672.336	239.691	15.783.283	32.507

The Bank's subsidiaries, included in the consolidated calculation of capital requirement, do not have additional capital requirements.

2. Non-consolidated subsidiaries: None.

3. Consolidated subsidiaries:

Title	Address (City / Country)	Bank's Share Percentage-If Different Voting Percentage (%)	Bank's Risk Group Share Percentage (%)
1 Ak Finansal Kiralama A.Ş.	Istanbul/Turkey	100,00	100,00
2 Ak Yatırım Menkul Değerler A.Ş.	Istanbul/Turkey	100,00	100,00
3 Ak Portföy Yönetimi A.Ş.	Istanbul/Turkey	100,00	100,00
4 Akbank AG	Frankfurt/Germany	100,00	100,00
5 AkÖde Elektronik Para ve Ödeme Hizmetleri A.Ş.	Istanbul/Turkey	100,00	100,00

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE**

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2022

[Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.]

4. Main financial figures of consolidated subsidiaries, in the order of the above table:

The following amounts have been obtained from the financial statements as of 30 June 2022 prepared in accordance with legislation in which companies are subject to.

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income from Marketable Securities Portfolio	Current Period Profit/ Loss	Prior Period Profit/Loss	Fair Value
1	13.354.510	1.553.888	33.603	502.422	2.897	226.463	94.108	-
2	6.270.331	1.685.518	24.415	276.761	401.493	461.707	246.616	-
3	293.703	239.837	4.799	11.908	8.952	136.454	74.609	-
4	67.583.771	15.648.886	79.817	851.172	190.923	633.676	284.153	-
5	154.685	32.507	1.681	3.098	-	(36.806)	(18.949)	-

Though not being the subsidiary of the Bank, A.R.T.S Ltd. which was established in November 1999 respectively in connection with rising long-term financing, is included in the full scope of consolidation as "Structured Entity"

5. Movement schedule for consolidated subsidiaries:

	Current Period 30 June 2022	Prior Period 31 December 2021
Balance at the Beginning of the Period	16.060.130	9.605.628
Movements During the Period		
Additions (*)	-	10.180
Bonus Shares and Contributions to Capital	-	-
Dividends from Current Year Income	1.422.380	1.557.517
Sales/Liquidation	-	-
Revaluation Increase (**)	1.678.126	4.886.805
Revaluation/Impairment	-	-
Balance at the End of the Period	19.160.636	16.060.130
Capital Commitments	-	-
Share Percentage at the End of the Period (%)	-	-

(*) The mentioned amounts arise from the net increase of TL 10.000 in the capital of AkÖde Elektronik Para ve Dağıtım Hizmetleri A.Ş., which is the Bank's 100% subsidiary, when the capital decrease made during the previous period is taken into account and due to the acquisition of 0.01% share of Ak Finansal Kiralama A.Ş.

(**) Amounts refer to revaluation differences arising from accounting of financial associates and subsidiaries under the equity method as explained in the Note III of the Section Three

6. Sectoral information on consolidated financial subsidiaries and the related carrying amounts:

Subsidiaries	Current Period 30 June 2022	Prior Period 31 December 2021
Banks	15.648.886	13.215.503
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	1.553.888	1.327.425
Finance Companies	-	-
Other Financial Subsidiaries	1.957.862	1.517.202

7. Subsidiaries quoted to a stock exchange: None (31 December 2021: None).

j. Information on joint ventures: None (31 December 2021: None).

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[Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.]

k. Information on finance lease receivables (Net):

	Current Period 30 June 2022		Prior Period 31 December 2021	
	Gross	Net	Gross	Net
2022	2.238.385	1.987.689	-	-
2023	3.018.155	2.556.326	3.146.461	2.754.364
2024 and following years	4.867.455	4.406.546	5.393.114	4.824.465
Total	10.123.995	8.950.561	8.539.575	7.578.829

l. Information on the hedging derivative financial assets:

	Current Period 30 June 2022		Prior Period 31 December 2021	
	TL	FC	TL	FC
Fair Value Hedge	125.410	2.500.192	2.169.626	587.379
Cash Flow Hedge	18.761.167	1.329.090	13.243.236	189.325
Net Investment Hedge in a foreign operation	-	-	-	-
Total	18.886.577	3.829.282	15.412.862	776.704

m. Information on the investment properties: None (31 December 2021: None).

n. Information on deferred tax asset:

As of 30 June 2022, the Group has TL 69.922 deferred tax asset (31 December 2021: TL 152.170). Temporary differences subject to deferred tax calculation result from mainly the differences between the book values, tax values and debts of fixed assets and financial assets, and provision for employee rights.

Deferred tax assets and liabilities, which are accounted for the temporary differences arising between applicable accounting policies and valuation principles and tax legislation in the Bank and in consolidated subsidiaries, are presented as net on an individual entity level. As noted in Note XVIII of Section Three, for the purposes of consolidated financial statements deferred taxes arising from different consolidated subsidiaries are presented separately in assets and liabilities. There are no carry forward tax losses that can be used as deductions for the tax calculation. An explanation about the net deferred tax liability is given in Note II-i-2 of Section Five.

o. Information on property and equipment held for sale and related to discontinued operations:

	Current Period 30 June 2022	Prior Period 31 December 2021
Cost	332.521	232.296
Accumulated Depreciation (-)	-	-
Net Book Value	332.521	232.296

	Current Period 30 June 2022	Prior Period 31 December 2021
Opening Balance Net Book Value	232.296	250.778
Additions	195.692	200.398
Disposals (-), net	95.242	217.363
Impairment (-)	225	1.517
Depreciation (-)	-	-
Closing Net Book Value	332.521	232.296

p. Information on other assets: Other assets amounting to TL 13.740.378 (31 December 2021: TL 7.424.182) on the balance sheet and do not exceed 10% of the total assets, excluding the off-balance sheet commitments.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2022

[Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.]

II. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED LIABILITIES

a. Information on deposits:

1. Information on maturity structure of the deposits: There are no seven-day notification deposits.

1 (i). Current Period – 30 June 2022:

	Demand	Up to 1 Month	1 – 3 Months	3 – 6 Months	6 Months – 1 Year	1 Year and Over	Deposits Cumulative	Total
Saving Deposits	21.569.662	12.243.530	47.223.272	41.461.704	3.188.498	2.205.364	6.300	127.898.330
Foreign Currency Deposits	126.198.831	38.914.462	113.320.023	6.439.600	4.390.576	27.668.561	1.750	316.933.803
Residents in Turkey	111.018.575	36.036.256	107.508.983	5.981.648	2.467.162	5.474.097	1.750	268.488.471
Residents Abroad	15.180.256	2.878.206	5.811.040	457.952	1.923.414	22.194.464	-	48.445.332
Public Sector Deposits	2.667.329	2.811	52.044	1.175	4.036	45	-	2.727.440
Commercial Deposits	22.250.401	34.069.401	15.454.016	1.370.562	20.722.471	785.548	-	94.652.399
Other Institutions Deposits	503.706	829.614	5.283.181	149.115	112.038	35.007	-	6.912.661
Precious metals Deposits	28.827.565	89.193	511.689	14.819	1.385.883	163.395	-	30.992.544
Interbank Deposits	3.261.546	18.159.466	16.568.607	1.667.352	1.751.235	-	-	41.408.206
The CBRT	30.345	-	-	-	-	-	-	30.345
Domestic Banks	16.908	17.538.898	649.675	(10.717)	1.749.150	-	-	19.943.914
Foreign Banks	596.423	620.568	15.918.932	1.678.069	2.085	-	-	18.816.077
Participation Banks	2.617.870	-	-	-	-	-	-	2.617.870
Other	-	-	-	-	-	-	-	-
Total	205.279.040	104.308.477	198.412.832	51.104.327	31.554.737	30.857.920	8.050	621.525.383

1 (ii). Prior period - 31 December 2021:

	Demand	Up to 1 Month	1 – 3 Months	3 – 6 Months	6 Months – 1 Year	1 Year and Over	Deposits Cumulative	Total
Saving Deposits	16.220.310	17.312.806	52.488.212	290.188	819.167	1.662.919	6.767	88.800.369
Foreign Currency Deposits	105.075.415	32.031.939	90.898.217	2.873.107	6.479.328	27.459.363	1.310	264.818.679
Residents in Turkey	92.359.711	31.343.567	84.498.360	2.586.257	2.723.389	4.760.770	1.310	218.273.364
Residents Abroad	12.715.704	688.372	6.399.857	286.850	3.755.939	22.698.593	-	46.545.315
Public Sector Deposits	1.428.883	8.524	36.624	322	2.600	96	-	1.477.049
Commercial Deposits	13.742.954	22.459.071	15.814.287	194.541	349.210	204.301	-	52.764.364
Other Institutions Deposits	409.829	528.784	3.029.456	616.258	909.300	490.833	-	5.984.460
Precious metals Deposits	24.196.677	52.845	363.534	-	1.116.370	139.690	-	25.869.116
Interbank Deposits	1.776.500	984.914	7.736.003	1.980.405	1.358.720	-	-	13.836.542
The CBRT	-	-	-	-	-	-	-	-
Domestic Banks	13.266	326.586	628.901	-	1.358.720	-	-	2.327.473
Foreign Banks	373.197	658.328	7.107.102	1.980.405	-	-	-	10.119.032
Participation Banks	1.390.037	-	-	-	-	-	-	1.390.037
Other	-	-	-	-	-	-	-	-
Total	162.850.568	73.378.883	170.366.333	5.954.821	11.034.695	29.957.202	8.077	453.550.579

Foreign exchange-protected deposit instrument, the operating rules of which are determined by the Ministry of Treasury and Finance and the CBRT, and which ensures that TL deposits are valued with interest rates and are protected against foreign exchange rates, is offered to bank customers. As of 30 June 2022, TL deposit amount includes TL 79.125.475 (31 December 2021: 4.875.953 TL) thousand TL deposits within this scope.

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2. Information on saving deposits insurance:

Information on saving deposits under the guarantee of the saving deposits insurance fund and amounts exceeding the limit of the deposit insurance fund: The deposit amounts of the consolidated subsidiaries located abroad are subject to local insurance regulations and are not included in the table below.

	Under the Guarantee of Deposit Insurance		Exceeding the Limit of Deposit Insurance	
	Current Period 30 June 2022	Prior Period 31 December 2021	Current Period 30 June 2022	Prior Period 31 December 2021
Saving Deposits	54.564.992	36.088.544	73.333.341	52.711.668
Foreign Currency Saving Deposits	31.615.912	26.052.560	148.012.386	121.287.412
Other Deposits in the Form of Saving Deposits	11.105.686	8.767.847	16.807.475	14.796.515
Foreign Branches' Deposits under Foreign Authorities' Insurance	-	-	-	-
Off-shore Banking Regions' Deposits under Foreign Authorities' Insurance	-	-	-	-

3. Saving deposits of real persons which are not under the guarantee of saving deposit insurance fund:

	Current Period 30 June 2022	Prior Period 31 December 2021
Foreign Branches' Deposits and other accounts	64	40
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 and Children in care	2.213.837	2.457.795
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 26.09.2004	-	-
Saving Deposits in Deposit Banks Established in Turkey solely to Engage in Off-shore Banking Activities	-	-

b. Information on trading derivative financial liabilities:

Table of derivative financial liabilities (*):

	Current Period 30 June 2022		Prior Period 31 December 2021	
	TL	FC	TL	FC
Forward Transactions	2.136.608	-	3.902.610	-
Swap Transactions	15.941.018	3.418.770	17.767.991	2.418.025
Futures Transactions	-	-	-	-
Options	3	414.637	3.788	564.064
Other	-	-	-	-
Total	18.077.629	3.833.407	21.674.389	2.982.089

(*) Excluding hedge transactions.

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c. Information on borrowings:

1. Information on banks and other financial institutions:

	Current Period 30 June 2022		Prior Period 31 December 2021	
	TL	FC	TL	FC
Borrowings from the CBRT	-	-	-	-
From Domestic Banks and Institutions	1.721.846	4.379.905	676.304	4.015.282
From Foreign Banks, Institutions and Funds	-	69.197.110	-	55.281.454
Total	1.721.846	73.577.015	676.304	59.296.736

2. Information on maturity structure of borrowings:

	Current Period 30 June 2022		Prior Period 31 December 2021	
	TL	FC	TL	FC
Short-term	243.006	3.923.863	188.156	2.094.685
Medium and Long-term	1.478.840	69.653.152	488.148	57.202.051
Total	1.721.846	73.577.015	676.304	59.296.736

Securitized borrowings procured via A.R.T.S. Ltd. ("Structured Entity") are included in external funding sources of the Bank. Under the securitization program agreements, the Bank has sold foreign trade and customer receivables to A.R.T.S. Ltd.

3. The liabilities providing the funding sources of the Group are deposits, borrowings, marketable securities issued and money market borrowings. Deposits are the most important funding source of the Group and the diversification of these deposits by number and type of depositors with a stable structure does not create any risk concentration. The borrowings are composed of funds such as syndicated and securitized borrowings and post-financing obtained from different financial institutions with different maturity-interest structures and characteristics. There is no risk concentration in any of the funding sources of the Group.

d. Information on securities issued (Net):

	Current Period 30 June 2022		Prior Period 31 December 2021	
	TL	FC	TL	FC
Bank bills	5.070.530	-	7.058.313	-
Bonds	2.932.392	25.670.111	2.394.145	20.830.603
Total	8.002.922	25.670.111	9.452.458	20.830.603

e. Information on other foreign liabilities:

Other foreign liabilities amounting to TL 7.921.290 under "Other Liabilities" (31 December 2021: TL 4.126.582) and do not exceed 10% of the total balance sheet.

f. Information on financial leasing agreements:

With the "IFRS 16 Leases" standard valid from 1 January 2019, the difference between operating leases and finance leases has been eliminated and the lease transactions have been expressed under the "Lease Payables" as liability by lessees.

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Liabilities incurred due to financial leasing agreements:

	Current Period 30 June 2022		Prior Period 31 December 2021	
	Gross	Net	Gross	Net
Less Than 1 Year	177.067	78.476	149.709	67.943
Between 1-4 Years	465.125	254.299	384.315	208.890
More Than 4 Years	516.260	374.409	435.079	313.527
Total	1.158.452	707.184	969.103	590.360

g. Information on the hedging derivative financial liabilities:

	Current Period 30 June 2022		Prior Period 31 December 2021	
	TL	FC	TL	FC
Fair Value Hedge	9.311	99.928	55.317	481.616
Cash Flow Hedge	231.605	1	276.256	213.015
Net Investment Hedge in a foreign operation	-	-	-	-
Total	240.916	99.929	331.573	694.631

h. Information on provisions:

1. Information on reserves for employee rights:

According to Turkish Labor Law, the Bank is required to pay termination benefits to each employee who has completed at least one year of service and whose employment is terminated without due cause, is called up for military service, dies or who retires.

The compensation amount equals to one month's salary of an employee for each year of service, but this amount is limited up to severance limit decided by law. This liability is not subject to any funding legally and there is no funding requirement.

The reserve has been calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of its employees. TAS 19 requires actuarial valuation methods to be developed to estimate the enterprise's obligation for such benefits. Accordingly, the following actuarial assumptions were used in the calculation of the total liability:

	Current Period 30 June 2022	Prior Period 31 December 2021
Discount Rate (%)	3,54	3,54
Rate for the Probability of Retirement (%)	95,35	95,35

The principal actuarial assumption is that the current 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.

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Movements in the reserve for employment termination benefits during the period are as follows:

	Current Period	Prior Period
	30 June 2022	31 December 2021
Prior Period Closing Balance	620.807	428.234
Recognized as an Expense During the Period	74.684	97.827
Actuarial Loss / (Gain)	265.432	158.728
Paid During the Period	(32.778)	(63.982)
Balance at the End of the Period	928.145	620.807

As of 30 June 2022, the Group has allocated vacation liability amounting to TL 300.370 (31 December 2021: TL 155.942).

2. Information on provisions related with foreign currency difference of foreign indexed loans:

As of 30 June 2022, the Bank has no provision related to foreign currency differences of foreign indexed loans (31 December 2021: None) and the related prior period amount is offset with the balance of foreign currency indexed loans.

3. Information on provisions for non-cash loans that are non-funded and non-transformed into cash: Expected loss provisions for non-cash loans that are non-funded and non-transformed into cash amounting to TL 626.116 as of 30 June 2022 (31 December 2021: TL 641.035).

4. Information on other provisions:

(i).Information on free provision for possible risks: TL 1.400.000 (31 December 2021: TL 1.400.000).

(ii). Information on provisions for banking services promotion: The Group has provision for credit cards and banking services promotion activities amounting to TL 127.301 (31 December 2021: TL 85.010).

i. Explanations on tax liability:

1. Explanations on tax liability:

Tax calculations of the Group are explained in Note XVIII of Section Three. As of 30 June 2022, the remaining tax liability after the deduction of taxes paid is TL 254.696 (31 December 2021: TL 1.486.717).

1 (i). Information on taxes payable:

	Current Period	Prior Period
	30 June 2022	31 December 2021
Corporate Taxes Payable	254.696	1.486.717
Taxation on Marketable Securities	190.031	206.958
Property Tax	3.856	2.502
Banking Insurance Transaction Tax (BITT)	357.258	301.097
Foreign Exchange Transaction Tax	30.392	69.469
Value Added Tax Payable	30.822	61.155
Other	118.468	267.362
Total	985.523	2.395.260

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1 (ii). Information on premium payables:

	Current Period 30 June 2022	Prior Period 31 December 2021
Social Security Premiums – Employee	2.957	1.908
Social Security Premiums – Employer	1.506	357
Bank Social Aid Pension Fund Premium- Employee	3	3
Bank Social Aid Pension Fund Premium – Employer	3	3
Pension Fund Membership Fees and Provisions - Employee	-	-
Pension Fund Membership Fees and Provisions - Employer	-	-
Unemployment Insurance – Employee	3.404	2.389
Unemployment Insurance – Employer	6.268	4.448
Other	165	123
Total	14.306	9.231

2. Information on deferred tax liability:

As of 30 June 2022, Turkish Lira deferred tax liability of the Group amounts to TL 5.183.138 (31 December 2021: TL 454.305). An explanation about the net deferred tax asset is given in Note I-n of Section Five.

j. Information on subordinated loan (*):

	Current Period 30 June 2022		Prior Period 31 December 2021	
	TL	FC	TL	FC
Debt Instruments subject to common equity	-	-	-	-
Subordinated Loans	-	-	-	-
Subordinated Debt Instruments	-	-	-	-
Debt Instruments subject to tier 2 equity	-	14.967.863	-	18.725.534
Subordinated Loans	-	-	-	-
Subordinated Debt Instruments	-	14.967.863	-	18.725.534
Total	-	14.967.863	-	18.725.534

(*). Explanation about the subordinated loans is given in Note I-b of Section Four.

k. Information on shareholders' equity:

1. Presentation of paid-in capital:

	Current Period 30 June 2022	Prior Period 31 December 2021
Common Stock	5.200.000	5.200.000
Preferred Stock	-	-

2. Amount of paid-in-capital, explanations as to whether the registered share capital system is applied, if so the amount of registered share capital ceiling:

Capital System	Paid-in capital	Ceiling
Registered Share Capital	5.200.000	10.000.000

3. Capital increases and sources in the current period and other information based on increased capital shares: None.

4. Information on share capital increases from capital reserves during the current period: None.

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5. Information on capital commitments, the purpose and the sources until the end of the fiscal year and the "subsequent interim period: None.
6. The effects of anticipations based on the financial figures for prior periods regarding the Group's income, profitability and liquidity, and possible effects of these future assumptions on the Group's equity due to uncertainties at these indicators:

The Group has been continuing its operations with high profitability and has been retaining most of its net profit in the equity, either by increasing its capital or transferring it into reserves. On the other hand, only a small part of the equity is allocated to investment such as associates and fixed assets, thus giving a chance for considerably high free capital which provides funds for liquid and interest bearing assets. Considering all these factors, the Group continues to its operations with strong shareholders' equity.

7. Information on privileges given to shares representing the capital: None.
8. Information on marketable securities value increase fund:

	Current Period 30 June 2022		Prior Period 31 December 2021	
	TL	FC	TL	FC
From Investments in Associates, Subsidiaries, and Joint Ventures	-	-	-	-
Valuation Difference	8.019.215	(6.614.790)	1.021.928	(2.968.937)
Foreign Currency Differences	-	-	-	-
Total	8.019.215	(6.614.790)	1.021.928	(2.968.937)

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III. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED OFF-BALANCE SHEET ACCOUNTS

Explanations on off-balance sheet commitments:

1. Type and amount of irrevocable commitments: 19.301.377 asset purchase commitments (31 December 2021: TL 21.552.473), TL 44.143.311 commitments for credit card limits (31 December 2021: TL 34.314.098) and TL 4.415.879 commitments for cheque books (31 December 2021: TL 3.394.242).

2. Type and amount of probable losses and obligations arising from off-balance sheet items:

The Group has no probable losses arising from off-balance sheet items. Obligations arising from the off-balance sheet are disclosed in "Off-balance sheet commitments".

2 (i). Non-cash loans including guarantees, bank acceptances, collaterals and others that are accepted as financial commitments and other letter of credits:

	Current Period	Prior Period
	30 June 2022	31 December 2021
Bank Acceptance Loans	257.799	159.525
Letters of Credit	20.465.146	15.170.426
Other Guarantees and Warranties	18.845.241	14.457.525
Total	39.568.186	29.787.476

2 (ii). Revocable, irrevocable guarantees and other similar commitments and contingencies:

	Current Period	Prior Period
	30 June 2022	31 December 2021
Revocable Letters of Guarantee	4.245.880	3.007.119
Irrevocable Letters of Guarantee	38.806.713	28.770.082
Letters of Guarantee Given in Advance	10.749.080	5.813.769
Guarantees Given to Customs	3.314.910	3.047.435
Other Letters of Guarantee	25.598.987	17.910.235
Total	82.715.570	58.548.640

3. Information on non-cash loans:

Total amount of non-cash loans:

	Current Period	Prior Period
	30 June 2022	31 December 2021
Non-cash Loans Given against Cash Loans	36.243.911	26.184.515
With Original Maturity of 1 Year or Less Than 1 Year	15.678.632	9.852.927
With Original Maturity of More Than 1 Year	20.565.279	16.331.588
Other Non-cash Loans	86.039.845	62.151.601
Total	122.283.756	88.336.116

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IV. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED INCOME STATEMENT

a. Information on interest income:

1. Information on interest income on loans (*):

	Current Period 30 June 2022		Prior Period 30 June 2021	
	TL	FC	TL	FC
Short-term Loans	12.765.179	964.814	5.832.704	480.055
Medium and Long-term Loans	10.568.812	3.488.843	6.566.149	2.043.706
Interest on Loans Under Follow-Up	560.449	-	280.834	-
Premiums Received from the Resource Utilization Support Fund	-	-	-	-
Total	23.894.440	4.453.657	12.679.687	2.523.761

(*): Fee and commission income from cash loans are included.

2. Information on interest income on banks:

	Current Period 30 June 2022		Prior Period 30 June 2021	
	TL	FC	TL	FC
From the CBRT	-	1.184	-	-
From Domestic Banks	12.273	5.796	40.161	32.895
From Foreign Banks	36	57.464	177	14.759
From Headquarters and Branches Abroad	-	-	-	-
Total	12.309	64.444	40.338	47.654

3. Information on interest income on marketable securities:

	Current Period 30 June 2022		Prior Period 30 June 2021	
	TL	FC	TL	FC
From Financial Assets at Fair Value through Profit or Loss	31.007	7.632	5.606	6.677
Financial Assets at Fair Value through Other Comprehensive Income	5.534.415	1.842.194	1.908.697	878.413
Financial Assets Measured at Amortised Cost	11.079.329	317.406	2.388.045	186.174
Total	16.644.751	2.167.232	4.302.348	1.071.264

As stated in the Note VII of Section Three, there are bonds indexed to consumer prices ("CPI") in the securities portfolios of the Bank whose fair value difference is reflected to other comprehensive income and measured with their amortized cost. The mentioned securities are valued and accounted for according to the effective interest method based on the index calculated based on the real coupon rates and the reference inflation index on the issue date and the estimated inflation rate. The reference indices used in the calculation of the actual coupon payment amounts of these securities are created according to the CPI of two months ago. The Bank determines the estimated inflation rate accordingly. The estimated inflation rate used is updated during the year when deemed necessary. In this context, as of 30 June 2022, the valuation of these securities was made according to an annual inflation forecast of 50%. As of 30 June 2022, in case of the CPI estimate increases or decreases by 1%, the profit before tax will increase by approximately TL 284 million (full amount) or decrease by the same amount.

4. Information on interest income received from associates and subsidiaries: None.

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b. Information on interest expense:

1. Information of interest expense on borrowings (*):

	Current Period 30 June 2022		Prior Period 30 June 2021	
	TL	FC	TL	FC
Banks	98.512	831.380	32.094	443.344
The CBRT	-	-	-	-
Domestic Banks	98.512	17.741	31.762	26.519
Foreign Banks	-	813.639	332	416.825
Headquarters and Branches Abroad	-	-	-	-
Other Institutions	-	136.452	-	81.882
Total	98.512	967.832	32.094	525.226

(*): Fee and commission expense from cash loans are included.

2. Information on interest expense given to associates and subsidiaries: None.

3. Information on interest expense given to securities issued:

	Current Period 30 June 2022		Prior Period 30 June 2021	
	TL	FC	TL	FC
Interest expense on securities issued	513.337	1.281.414	529.797	609.614

4. Maturity structure of the interest expense on deposits :

There are no seven-day notification deposits.

Current Period - 30.06.2022	Demand Deposits	Time Deposits					Total
		Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	1 Year and Over	
TL							
Bank Deposits	-	351.046	123.929	-	-	-	474.975
Saving Deposits	-	1.087.439	4.930.349	1.031.362	146.600	116.412	7.312.162
Public Sector Deposits	-	441	2.966	43	282	2	3.734
Commercial Deposits	-	2.215.294	1.117.860	45.317	1.239.002	36.259	4.653.732
Other Deposits	-	82.588	339.424	17.769	44.488	22.157	506.426
Total	-	3.736.808	6.514.528	1.094.491	1.430.372	174.830	12.951.029
FC							
Foreign Currency Deposits	2.228	183.696	438.259	26.335	20.133	181.338	851.989
Bank Deposits	19	4.617	103.417	35.596	14.686	-	158.335
Precious Metals Deposits	-	66	1.078	17	1.752	496	3.409
Total	2.247	188.379	542.754	61.948	36.571	181.834	1.013.733
Grand Total	2.247	3.925.187	7.057.282	1.156.439	1.466.943	356.664	13.964.762

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Prior Period - 30.06.2021	Demand Deposits	Time Deposits					Total
		Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	1 Year and Over	
TL							
Bank Deposits	-	81.931	135.627	-	-	-	217.558
Saving Deposits	-	832.835	3.855.747	235.618	74.905	69.510	5.068.615
Public Sector Deposits	-	503	2.225	37	26	11	2.802
Commercial Deposits	-	1.057.251	694.305	27.527	16.829	24.350	1.820.262
Other Deposits	-	22.622	153.621	3.527	32.287	19.403	231.460
Total	-	1.995.142	4.841.525	266.709	124.047	113.274	7.340.697
FC							
Foreign Currency Deposits	2.914	88.873	355.082	18.682	27.151	92.760	585.462
Bank Deposits	46	2.696	58.778	5.848	6.101	-	73.469
Precious Metals Deposits	-	67	513	41	1.203	304	2.128
Total	2.960	91.636	414.373	24.571	34.455	93.064	661.059
Grand Total	2.960	2.086.778	5.255.898	291.280	158.502	206.338	8.001.756

c. Information on trading profit/loss (Net):

	Current Period 30 June 2022	Prior Period 30 June 2021
Profit	1.495.060.961	944.974.476
Income From Capital Market Transactions	1.779.423	536.465
Income From Derivative Financial Transactions (*)	56.626.003	23.581.350
Foreign Exchange Gains	1.436.655.535	920.856.661
Loss (-)	1.486.056.194	944.828.688
Loss from Capital Market Transactions	708.825	179.214
Loss from Derivative Financial Transactions (*)	62.738.715	24.090.383
Foreign Exchange Loss	1.422.608.654	920.559.091
Total (Net)	9.004.767	145.788

(*) The net profit resulting from the foreign exchange differences related to derivative financial transactions is TL (297.765) (30 June 2021: TL 2.311.826).

d. Explanations on other operating income:

Other Operating Income" in the Income Statement mainly includes collections from receivables for which provision has been allocated in prior periods and provisions that have been set aside in prior periods and reversed in the current year with the sale from non-performing loans portfolio.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2022

[Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.]

e. Provision expenses related to loans and other receivables of the Group:

Expected provision expense:

	Current Period 30 June 2022	Prior Period 30 June 2021
Expected Credit Loss	3.553.034	2.056.782
12 month expected credit loss (Stage 1)	668.460	452.132
Significant increase in credit risk (Stage 2)	719.820	291.754
Non-performing loans (Stage 3)	2.164.754	1.312.896
Marketable Securities Impairment Expense	1.074	-
Financial Assets at Fair Value through Profit or Loss	1.074	-
Financial Assets at Fair Value through Other Comprehensive Income	-	-
Investments in Associates and Subsidiaries Securities		
Value Decrease	-	-
Investments in Associates	-	-
Subsidiaries	-	-
Joint Ventures	-	-
Other (*)	4.225.581	1.757.376
Total	7.779.689	3.814.158

(*) Includes provisions for impairment losses on assets held for sale and related to discontinued operations, impairment losses on financial assets at fair value difference through profit or loss, lawsuit provision expenses and free provision expense.

f. Information related to other operating expenses:

	Current Period 30 June 2022	Prior Period 30 June 2021
Reserve for Employee Termination Benefits	41.906	13.594
Bank Social Aid Fund Deficit Provision	-	-
Impairment Expenses of Fixed Assets	-	-
Depreciation Expenses of Fixed Assets	318.922	256.352
Impairment Expenses of Intangible Assets	-	-
Goodwill Impairment Expenses	-	-
Amortization Expenses of Intangible Assets	215.521	133.596
Impairment Expenses of Equity Participations for which Equity Method is Applied	-	-
Impairment Expenses of Assets Held for Resale	225	477
Depreciation Expenses of Assets Held for Resale	-	-
Impairment Expenses of Fixed Assets Held for Sale	-	-
Other Operating Expenses	3.361.310	1.616.448
Leasing Expenses on TFRS 16 Exceptions	84.897	65.578
Maintenance Expenses	47.964	25.880
Advertisement Expenses	153.808	87.574
Other Expenses	3.074.641	1.437.416
Loss on Sales of Assets	173	3.818
Other	1.002.047	607.277
Total	4.940.104	2.631.562

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

g. Information on income/loss from minority interest:

	Current Period	Prior Period
	30 June 2022	30 June 2021
Income/(loss) from minority interest	-	14

h. Information on tax provision of continued and discontinued operations:

As of 30 June 2022, the Group has a current tax expense of TL 3.864.860 (30 June 2021: TL 1.068.156), deferred tax expense of TL 5.645.647 (30 June 2021: TL 911.252) and deferred tax income of TL 2.052.472 (30 June 2021: TL 513.747). The Group's current tax expense of TL 187.573 (30 June 2021: TL 105.673) and deferred tax income of TL 60.399 (30 June 2021: TL 4.821 income) belong to Akbank AG, its subsidiary operating in Germany.

The Group has no discontinued operations.

i. Other figures on profit and loss statement:

"Other Fee and Commission Income" in the Income Statement mainly consists of commissions received from credit card, money transfer and insurance transactions.

V. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED STATEMENT OF CASH FLOWS

Disclosures are not prepared in accordance with the Article 25 of the "Communiqué on the Financial Statements and the Related Policies and Disclosures to be Publicly Announced".

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

VI. EXPLANATIONS AND NOTES RELATED TO RISK GROUP THAT THE GROUP BELONGS TO:

Information on the volume of transactions relating to the Group's risk group, outstanding loan and deposit transactions and profit and loss of the period:

1. Current Period – 30 June 2022:

Group's Risk Group	Investments in Associates, Subsidiaries and Joint Ventures (Business Partnerships)		Direct and Indirect Shareholders of the Group		Other Real and Legal Persons that have been included in the Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
	Loans					
Balance at the Beginning of the Period	-	-	9.574.170	2.830.028	77.741	94.948
Balance at the End of the Period	-	-	11.250.332	4.355.020	145.231	116.149
Interest and Commission Income Received	-	-	536.228	8.682	3.504	1.348

2. Prior Period – 31 December 2021:

Group's Risk Group	Investments in Associates, Subsidiaries and Joint Ventures (Business Partnerships)		Direct and Indirect Shareholders of the Group		Other Real and Legal Persons that have been included in the Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
	Loans and Other Receivables					
Balance at the Beginning of the Period	-	-	7.661.495	2.175.351	2.134	1.576
Balance at the End of the Period	-	-	9.574.170	2.830.028	77.741	94.948
Interest and Commission Income Received (*)	-	-	301.355	5.210	272	13

(*) 30 June 2021 balances used for income/expense accounts.

3. Information on deposits of the Group's risk group:

Bank's Risk Group	Investments in Associates, Subsidiaries and Joint Ventures (Business Partnerships)		Direct and Indirect Shareholders of the Bank		Other Real and Legal Persons that have been included in the Risk Group	
	Current		Current		Current	
	Period 30.06.2022	Prior Period 31.12.2021	Period 30.06.2022	Prior Period 31.12.2021	Period 30.06.2022	Prior Period 31.12.2021
Balance at the Beginning of the Period	-	-	9.970.604	5.935.731	960.273	633.839
Balance at the End of the Period	-	-	14.065.140	9.970.604	1.019.952	960.273
Interest expense on Deposits (*)	-	-	351.984	224.339	27.276	21.162

(*) 30 June 2021 balances used for income/expense accounts.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

4. Information on forward and option agreements and other similar agreements made with the Group's risk group:

Bank's Risk Group	Investments in Associates, Subsidiaries and Joint Ventures (Business Partnerships)		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
	30.06.2022	31.12.2021	30.06.2022	31.12.2021	30.06.2022	31.12.2021
Transactions at Fair Value Through Profit or Loss						
Beginning of the Period	-	-	23.469.742	10.166.262	-	-
Balance at the End of the Period	-	-	20.737.816	23.469.742	-	-
Total Income/Loss (*)	-	-	(161.659)	5.108	-	-
Transactions for Hedging Purposes						
Beginning of the Period	-	-	-	-	-	-
Balance at the End of the Period	-	-	-	-	-	-
Total Income/Loss (*)	-	-	-	-	-	-

(*) 30 June 2021 balances used for income/expense accounts.

Figures presented in the table above show the total of "sale" and "purchase" amounts of the related transactions. Accordingly, as a result of the nature of these transactions, the difference between the "sale" and "purchase" transactions affects the net exposure of the Group. As of 30 June 2022, the net exposure for direct and indirect shareholders of the Group is TL (605.712) (31 December 2021: TL (2.354.032)).

5. Information regarding benefits provided to the Group's key management:

In the first six months of 2022, benefits provided to the Bank's key management amounting to TL 123.222 (30 June 2021: TL 71.467).

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

VII. EXPLANATIONS AND NOTES RELATED TO SUBSEQUENT EVENTS

Fitch Credit Ratings has downgraded Turkey's Long Term Foreign Currency Issuer Default Ratings (IDR) to "B" from "B+" with Negative Outlook, on July 8th, 2022. Following this revision, Fitch Ratings has also revised Long Term Foreign and Local Currency IDRs of Akbank T.A.Ş. to "B-" from "B" and "B" from "B+", respectively. The agency also has downgraded the Bank's Viability Rating to "b" from "b+". In addition, the Long Term Senior Unsecured Notes and Subordinated notes of the Bank have also been downgraded to "B-" from "B" and to "CCC" from "B-", respectively. Akbank T.A.Ş.'s current ratings are provided below:

	Previous	Current
Long Term Foreign Currency IDR	B / Negative Outlook	B- / Negative Outlook
Long Term Local Currency IDR	B+ / Negative Outlook	B / Negative Outlook
Short Term Foreign Currency IDR	B	B
Short Term Local Currency IDR	B	B
Viability Rating	b+	b
National Long Term Rating	A+(tur) /Negative Outlook	A+(tur) /Negative Outlook
Long Term Senior Unsecured Notes	B	B-
Subordinated Notes	B-	CCC+

**SECTION SIX
EXPLANATIONS ON AUDITOR'S REVIEW REPORT**

I. EXPLANATIONS ON AUDITOR'S REVIEW REPORT

The consolidated financial statements for the interim period ended 30 June 2022 have been reviewed by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. The audit report dated 27 July 2022 is presented preceding the consolidated financial statements.

II. EXPLANATIONS AND NOTES PREPARED BY INDEPENDENT AUDITORS

None.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

SECTION SEVEN (*)
EXPLANATIONS ON INTERIM ACTIVITY REPORT

Message from the Chairman of the Board:

The world economy is going through a new crisis after the Covid-19 pandemic. The Russia-Ukraine war, financial tightening, stagflation risks, the latest lockdowns in China along with the negative supply shocks due to higher commodity prices are putting downward pressure on the post pandemic economic recovery. International institutions are lowering their global growth forecasts for 2022. The World Bank in its global economic prospects report revised down its global growth projection from 4,1% to 2,9%. The World Bank also expects several years of above average inflation and below average growth emphasizing the likelihood of a stagflationary environment.

With the ongoing negative supply shocks, global inflation reached its highest levels in the last few decades. With inflation becoming permanent in developed countries, central banks are gradually reducing their accommodative stance and have started to tighten their monetary policies. The tightening stance is expected to continue in 2023. Major central banks are now in a more challenging period with rising stagflationary risks. Emerging markets are also exposed to a more challenging environment; in which they experience higher risks of capital outflows due to strengthening of the dollar and tighter financial conditions.

Fed has increased the policy rate by 150 basis points to 1,50%-1,75% since March. In June's meeting, the Fed raised its inflation forecast for 2022YE, while lowering its growth expectations. The Fed is expected to continue its rate hikes in its upcoming meetings until the year end.

The European Central Bank (ECB) has also started its normalization process. The bank provided its forward guidance on interest rates by signaling two increases for July and September which will be the first rate hike in 11 years. The ECB also revised down its medium-term growth outlook and announced that they are accelerating the design of a new instrument to deal with fragmentation risks within the region.

Since December 2021, the Bank of England (BoE) also raised its policy rate by 115 basis points to 1,25%; highest level of the last 13 years. Moreover, the BoE states that they are ready to act forcefully to contain inflation if necessary. The Bank of Japan, on the other hand, has kept its monetary policy unchanged. In contrast with the global monetary tightening wave, quantitative easing continues in Japan. The BoJ expects the rise in inflation caused by high energy and food prices to be temporary, while assessing demand conditions for the economy as weak for monetary policy tightening.

On domestic front, the Turkish economy grew by 7,3% in the first quarter of 2022 with solid contributions from private consumption expenditures and net exports. The contribution of investments to GDP in 1Q22 was limited by the contraction in construction investments. On the other hand, the machinery-equipment investments continued to increase strongly. Leading economic indicators for 2Q2022 point out that the growth in economic activity continues with some loss of momentum. On external balances side; imports have continued to increase strongly due to the elevated levels in commodity prices, especially in energy. Exports have also kept its strong momentum, and despite the positive trend in tourism revenues, downside risks to global growth in general, keep upside risks on the current account balance alive.

Inflation and inflation expectations continue to remain elevated due to the recent uptrend in global food and energy prices. The CBRT states that the increase in inflation is driven rising energy costs, temporary effects of pricing formation that are not supported by economic fundamentals and strong negative supply shocks caused by the rise commodity prices. The CBRT kept the policy rate unchanged at 14%, while emphasizing the liraization strategy.

In January-June period, the central government budget balance posted a surplus of TRY 93.6 billion. The upside trend of loans in the banking sector continues. The amount of capital in currency protected deposit system reached to TRY1,040 billion, according to the latest BRSA data. As of May, NPL ratio in banking sector was 2,6% and capital adequacy ratio stood at 18%.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

Looking forward, geopolitical developments, risks related to new Covid variants, supply shortages that may arise due to China's zero Covid policy, commodity prices developments, global inflation outlook and monetary policies of major central banks will be closely watched.

Message from the CEO:

Global supply chain problems, which started with the pandemic and increased due to geopolitical factors, continue to have a significant impact all over the world. While this situation causes a rise in global energy and food prices, it also shows that global inflation will be one of the primary economic challenges for a long time. Despite these global uncertainties, the Turkish banking sector maintains its strong foundations. Akbank also continues to support the Turkish economy with its sound financials and effective risk management.

In the first half of 2022, the loan support we provided to the economy increased to a total of TL 639 billion with TL 517 billion in cash loans. Our deposits reached TL 622 billion, while our assets reached TL 981 billion. With our strong capital adequacy ratio of 20,4%, we continued to support the growth and development of the real sector. Akbank reported a consolidated net profit of TL 21 billion 156 million, after TL 7 billion 458 million tax provisions.

Our customer acquisition accelerated with the positive impact of the digital onboarding process that started in mid-2021. With this process, we started to gain one in two of our customers from Akbank Mobile. In the last quarter, we achieved the highest customer growth of all time at Akbank on a quarterly basis. Our new customer acquisition has tripled compared to the same period last year. We are pleased that our customers choose our innovative products and services. I would like to take this opportunity to extend my deep gratitude to our employees for their strong performance in the first half of 2022, and to our stakeholders, especially our customers, for the trust they place in us.

(*) Amounts in section seven expressed in full Turkish Lira ("TL") amount unless otherwise stated.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2022

[Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.]

A. INTRODUCTION

1. Changes in the Articles of Association during the period:

There have been no changes in the Articles of Association during the period.

2. Important Issues and Transactions during the period

As of date 4 January 2022 Consumer Banking and Digital Solutions' and 'SME Banking' business units have been established at our Bank.

In this new organisation structure;

- Strategy, Digital Banking and Payment Systems Executive Vice President Burcu Civelek Yüce will assume the responsibility of Consumer Banking and Digital Solutions Executive Vice President position,
- Retail Banking Executive Vice President Bülent Oğuz will assume the responsibility of SME Banking Executive Vice President position.

Fitch Ratings has downgraded Turkey's Long Term Foreign and Local Currency Issuer Default Ratings (IDR) to "B+" from "BB-", and the country ceiling to "B+" from "BB-" on February 11, 2022. Following this revision, Fitch Ratings has revised Long Term Foreign Currency IDR and Long Term Senior Unsecured Notes of Akbank T.A.Ş from "B+" to "B" on February 25, 2022.

The agency also placed Bank's Viability Rating, Long Term Local Currency IDR and Subordinated Notes on "Rating Watch Negative"

As of date 28 March 2022, the dividend to be distributed from 2021 net profit of TL 12.125.907.749,04 will be as follows;

Notification Regarding Dividend Payment

- Gross TL 260.000.000 equal to 5% of Bank's paid-in capital of TL 5.200.000.000 as of December 31, 2021 will be allocated as primary cash gross dividend; and gross TL 951.600.000 will be allocated as secondary cash gross dividend. Total gross dividend of TL 1.211.600.000 equal to 23,30%of the paid in capital, will be distributed to shareholders,

- Cash dividend payment to start from 30th of March, 2022,

- In accordance with the first paragraph clause (e) of article 5 of the Corporate Tax Law, TL 653.818,83 which is exempt from corporate tax to be allocated to a "Special Fund Account" and after allocating TL 95.160.000 to Legal Reserves, the remaining profit will be retained under Extraordinary Reserves.

In reference to our public disclosure dated 10.03.2022, it was announced that LYY Telekomünikasyon A.Ş. ("LYY") and Türkiye Wealth Fund ("TVF") had signed the share transfer agreement ("Agreement") on March 10, 2022 regarding the sale of 192.500.000.000 Group A registered shares of Türk Telekomünikasyon A.Ş. ("TTKOM") which represent 55% of paid-in capital for USD 1.650.000.000.

In this context, the sale and transfer of 192.500.000.000 Group A TTKOM registered shares which represent 55% of paid-in capital for USD 1.650.000.000 to TVF was completed on March 31, 2022.

In addition, as per the Agreement, TTKOM's dividend amount corresponding to the shares which represent 55% of paid-in capital based on audited consolidated financial statements for the year end 2021, determined today at TTKOM's 2021 Shareholders' General Assembly, has been paid to LYY.

Fitch Ratings has affirmed Long Term Foreign Currency IDR of Akbank T.A.Ş at "B" with "Negative Outlook" on March 31, 2022. The agency also also affirmed the Bank's Viability Rating at "b+" and Long Term Local Currency IDR at "B+" and removed it from "Rating Watch Negative". The outlooks of Long Term Local Currency IDR and National Long Term Rating are placed on "Negative" mirroring the sovereign outlook.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2022

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Resolutions of the Ordinary General Assembly of our Bank that was held on March 28, 2022 have been registered at the Istanbul Trade Registry Office on April 01, 2022.

According to Shareholders' Ordinary General Assembly held on 28.03.2022, PWC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. has been appointed as the independent audit firm for the year 2022 and registration has been completed by Istanbul Trade Registry Office on 01.04.2022, announced at the T. Trade Registry Gazette in its issue with date and number 01.04.2022 / 10550.

Akbank has secured a multi-currency syndicated term loan facility from international markets, comprised of 2 tranches: USD 342.5 million and EUR 329.3 million with 367 days maturity. All-in cost for the tranches are Sofr+2,75% p.a. and Euribor+2,10% p.a. respectively.

Reference: Public disclosure dated 14.04.2022.

In reference to our public disclosure, it had been announced that our request on the revision of the decision was accepted by the Council of State against the decision of the Competition Board regarding the administrative fine imposed on Akbank, and the file was sent to the court of first instance to be re-decided. The court of first instance has decided to persist its decision, and our Bank appealed the persistence judgment of the court of first instance before the Plenary Session of the Administrative Law Chamber of the Council of State, and the Plenary Session of the Administrative Law Chamber of the Council of State accepted our Bank's appeal. The application for correction of the decision made by the Competition Authority to the the Plenary Session of the Administrative Law Chamber of the Council of State was rejected.

In the decision of the Ankara 2nd Administrative Court, subject to appeal, it was decided that the annulment action filed by our Bank against the decision of the Competition Board about the administrative fine imposed on Akbank, was accepted. The legal process is ongoing and the necessary process for the refund of the relevant fine has been initiated by our Bank.

B. BANKING SECTOR SECOND QUARTER OVERVIEW

In the the first six months of 2022, loan growth in the sector was 26,6% and deposit growth on the funding side was 29,1%.

C. CONSOLIDATED FINANCIAL RESULTS AND SECOND QUARTER OVERVIEW

1. Main Balance Sheet Items (TL Million):

	30.06.2022	31.12.2021
	Consolidated	Consolidated
	Financial Results	Financial Results
Total Assets	981.302	762.798
Loans	516.912	396.750
Deposits	621.525	453.551
Equity	102.733	75.959
Net Income (30.06.2021)	21.157	4.134

2. Main Financial Ratios (%):

	30.06.2022	31.12.2021
	Consolidated	Consolidated
	Financial Results	Financial Results
Loan / Total Assets	52,7	52,0
Deposit / Total Assets	63,3	59,5
Return on Equity (30.06.2021)	47,1	12,8
Return on Assets(30.06.2021)	4,9	1,6
NPL Ratio (*)	3,5	4,5
Capital Adequacy Ratio	20,4	21,1
Earnings Per Share (TL) (30.06.2021)	0,04069	0,00795

(*) Excluded leasing receivables.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

3. Akbank 2Q22 Results Overview:

Akbank reported a gross profit of TL 28.615 million, setting aside TL 7.458 million of tax provisions, reporting a net unconsolidated profit of TL 21.157 million in the first six months of the year.

Capital adequacy ratio of the bank has realized at 20,04% in this period.

As of 30 June 2022, Akbank's consolidated total asset realized at TL 981 billion, loans are TL 517 billion and total deposits are TL 622 billion.

Akbank's NPL ratio realized at 3,5% as of 30 June 2022.

4. Bank's Expectations for 2022:

Banks' forward-looking consolidated expectations which was announced publicly on 27 July 2022 are stated below:

2022 Guidance Outlook (%)

TL Loan Growth	> 50%
FX Loan Growth (in USD)	Shrinkage
ROE	~ 50%
NIM (Swap ad.)	~7,0%
Net fees&comm. growth	> 65%
Opex growth	Avg. CPI
Cost/income (*)	< 25%
NPL (**)	~ 4%
Net total CoC (excl. ccy impact)	~ 100 bps

(*) CIR calculation excludes FX gain from hedge position related with stage 1&2 provisions and LYY exposure.

(**) Including potential write-off & NPL sales.