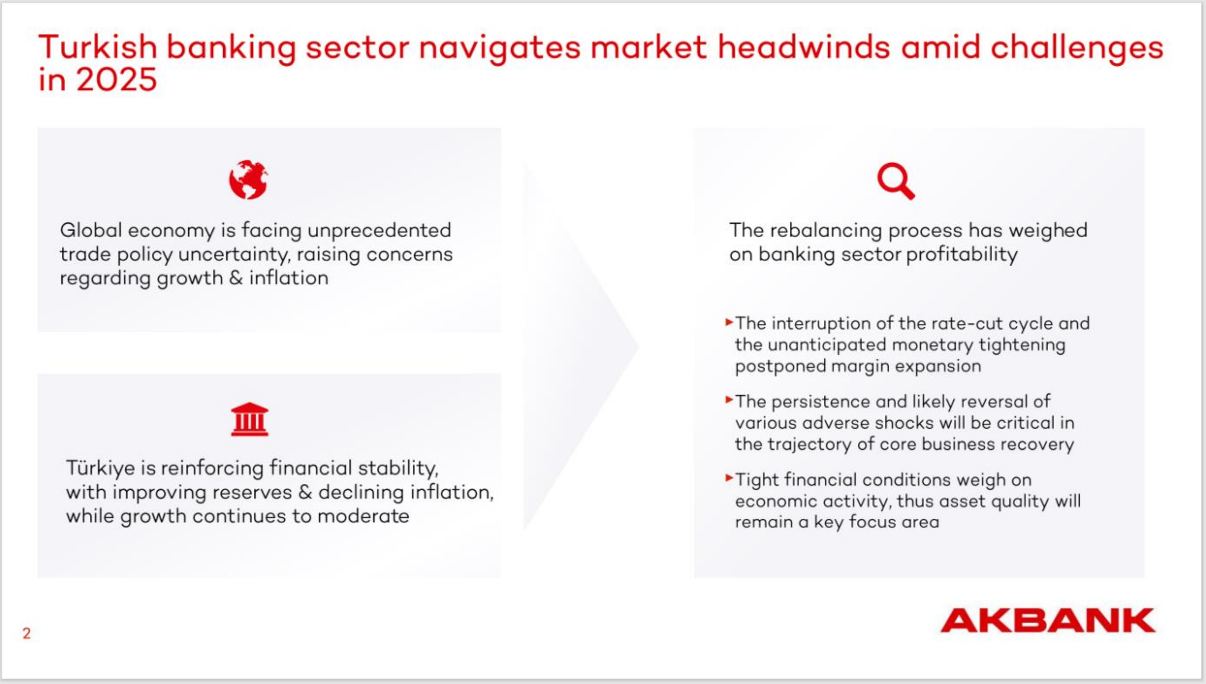
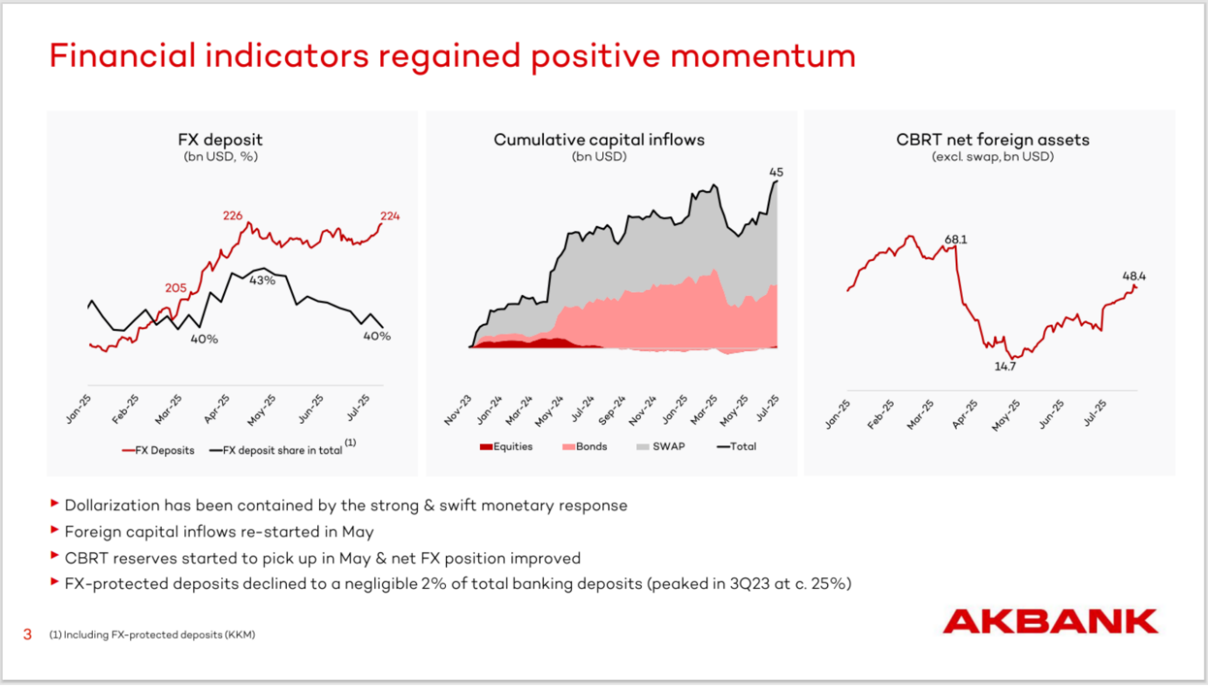
Participants:
Kaan Gür, CEO
Türker Tunalı, CFO
Ebru Güvenir, SVP IR & Sustainability

- **Dear Friends, this is Kaan Gür speaking, CEO of Akbank.**
- **Thank you for joining our second quarter earnings call.**



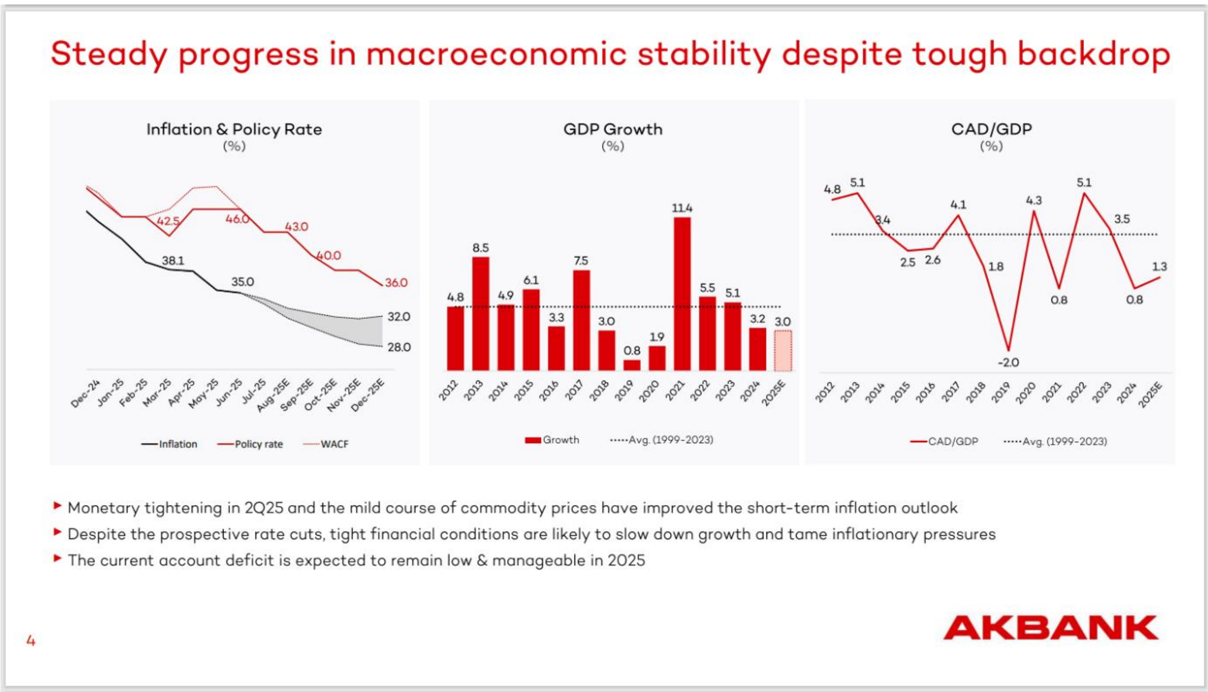
- **Now, before going deeper into the domestic outlook, I'd like to briefly touch upon the global backdrop and its repercussions.**
- **Global economy is facing various challenges mainly characterized by elevated level of uncertainty pertaining to trade policies and their potential impact on growth and inflation.**
- **Besides, fiscal concerns in advanced economies, particularly in the US and Japan, as well as geopolitical tensions have been major sources of volatility recently, amplifying the lingering difficulties.**
- **While financial markets are extremely sensitive to the news flow on tariffs and geopolitical tensions, recent positive developments on these fronts have supported global risk appetite and broad sentiment for emerging markets.**

- **Domestically, macroeconomic conditions in Q2 was challenging for the banking sector. Swift and strong monetary response against evolving political and global landscape had resulted in a sharp rise in the funding costs. This postponed the previously anticipated margin expansion, leading us to revise our full year guidance.**



- **Monetary measures have successfully restored financial stability, and the central bank re-started reserve accumulation in May.**

- **Now gross reserves have broadly reached pre-March levels, while net reserves remain somewhat short of this level, but steadily improving.**



- **Regarding macro trends, demand conditions and economic activity are moderating due to the tight financial conditions.**

- **We project a mild economic growth this year around 3%, with downside risks associated with monetary tightness and external outlook.**

- **Exchange rate stability, mild course of commodity prices and disinflationary support of demand conditions create a conducive environment for the continuance of the ongoing downtrend in inflation.**

- **We anticipate the recently-started rate cut cycle to resume in the rest of the year, while monetary conditions are likely to stay tighter than previously-projected.**

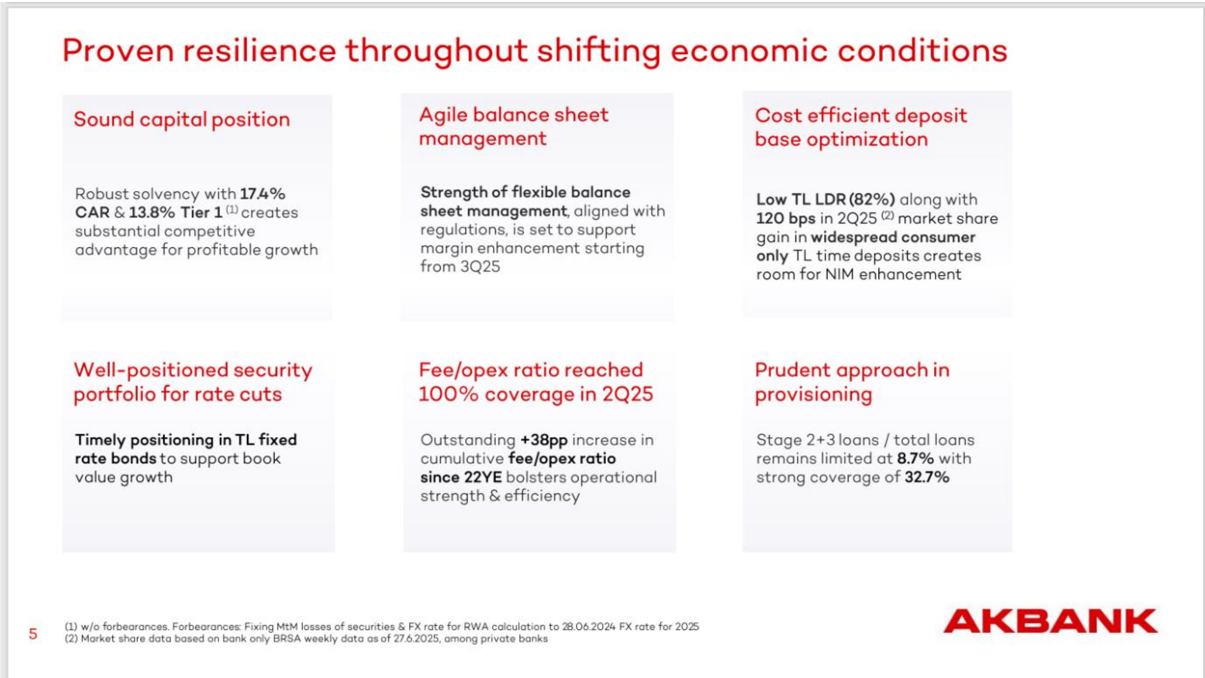
- **Looking forward to next year, we expect the disinflation process to continue, while the pace of this improvement will depend on the macro policy design.**

- **With a cautious and prudent approach, maintaining a tight monetary and fiscal policy mix is key for sustained disinflation.**

- **As Akbank, we acknowledge the short-term costs of disinflation, which we deem essential for a long-term and permanent improvement in the banking sector's operational environment and profitability.**

- **We will continue to closely monitor risks stemming from the global outlook, including rising protectionism and geopolitical tensions, as well as the domestic developments.**

- **Based on potential implications for the financial sector, we will adjust our positioning, accordingly.**



- **As we enter a pivotal phase in the cycle, I want to highlight 6 core strength areas that position us to maximize the opportunity in a rate-cut environment.**

- **Each one is a deliberate outcome of our strategy – and together, they give us a structural edge as the macro landscape shifts.**

- **First, capital and liquidity. We've maintained a fortress balance sheet. Capital levels are strong, liquidity is ample, giving us flexibility, optionality and ammunition.**

- **Second, agile balance sheet, aligned with regulation and market cycles. We've actively managed our asset and liability mix to stay ahead of the cycle–while remaining fully compliant with evolving regulatory requirements. This agility ensures we can respond quickly to market shifts without compromising prudence.**

- **Third, our funding mix. We moved fast to optimize our funding mix. We gained market share in wide-spread consumer deposits while high-cost deposits were actively reduced. This has already started to support margins.**

- **Fourth, our securities book has been tactically structured. We've extended duration and locked in yield where it counts. As rates fall, we expect meaningful margin tailwind from this positioning.**

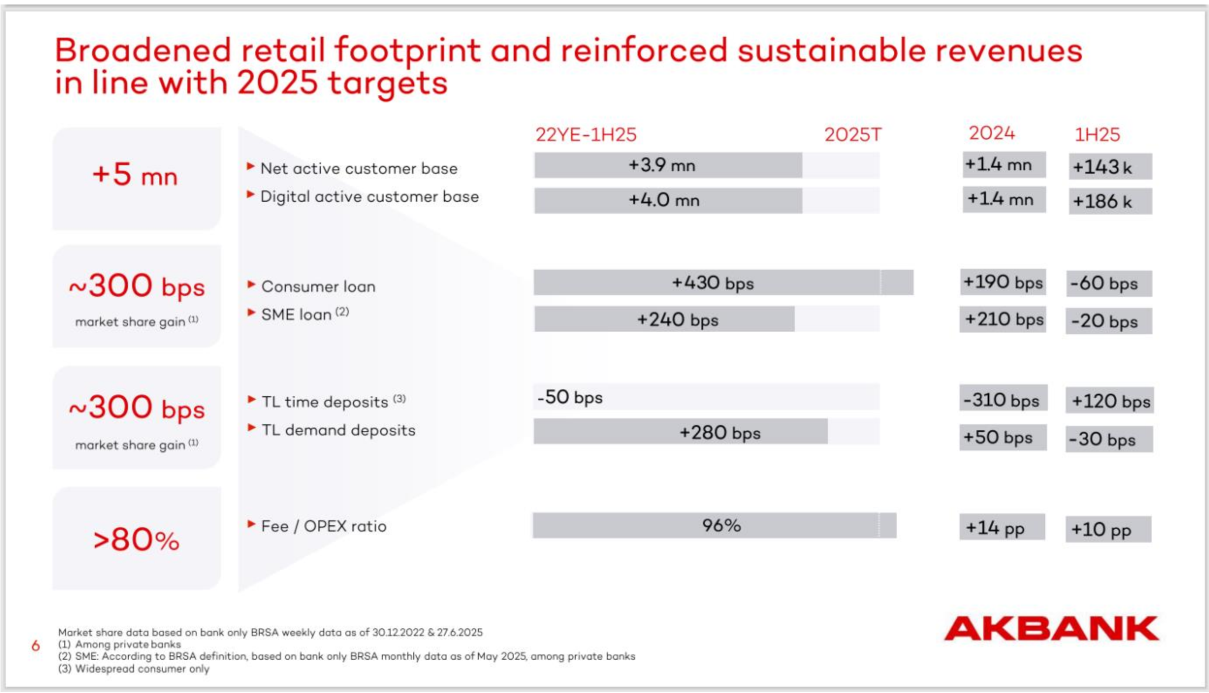
- **Fifth, efficiency is our advantage, with fees covering 100% of our costs in the second quarter. We have achieved a superior fee-to-opex ratio in the sector, which underscores the scalability of our operating model and the strength of non-interest income streams.**

- **Also important to underline that cost containment remains disciplined even as we invest selectively for future growth.**

- **I am very happy to share that our achievement in fee to opex has already significantly exceeded our 3 year objective, which we have shared in several occasions.**

- **Last but not least, risk is tightly controlled. Provisioning remains prudent. Coverage ratios are robust. We're focused on disciplined growth, anchored in risk-adjusted value creation, protecting returns for long-term shareholders.**

- **Everything we've built the capital, the funding structure, the portfolio is aligned to convert this easing cycle into margin expansion and sustainable value creation.**



- **Execution remains strong, with the majority of our 3 year strategic objectives well within reach or already delivered.**

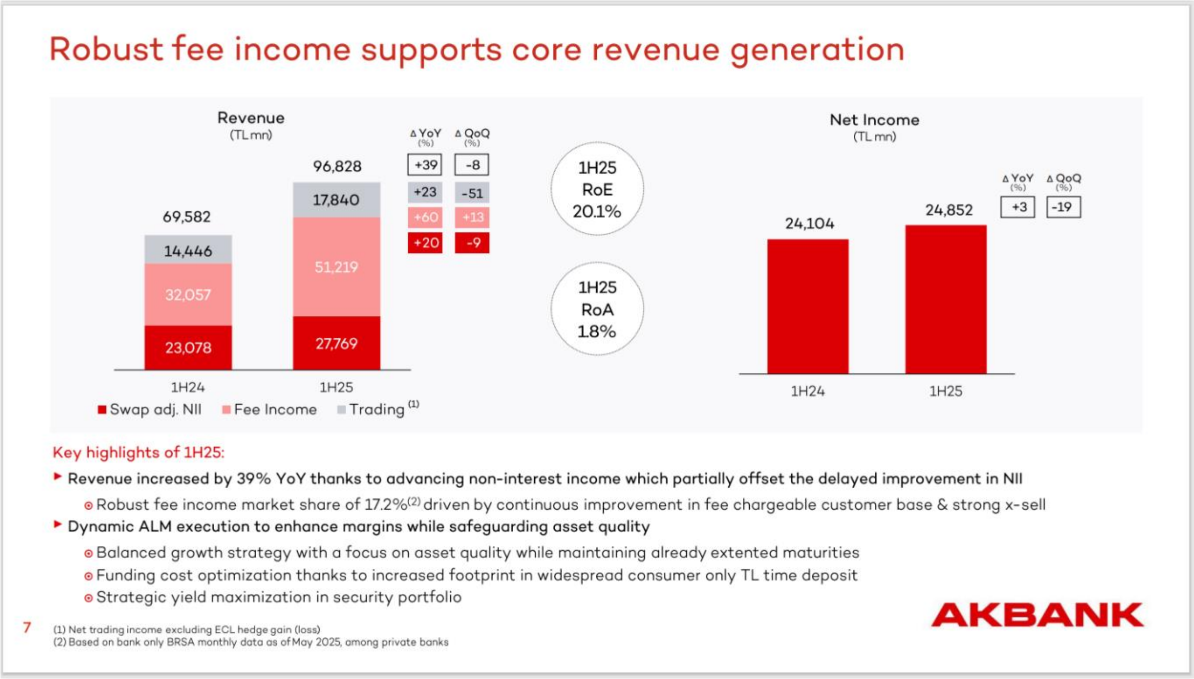
- **Our only shortfall is in TL time deposit market share, which I already mentioned in the previous slide as an outcome of our funding optimization as well as regulation-driven low TL LDR.**

- **Our journey never stops.**

- **Customer growth driven by retail and digital channels is accelerating fee-based and customer-driven revenues.**

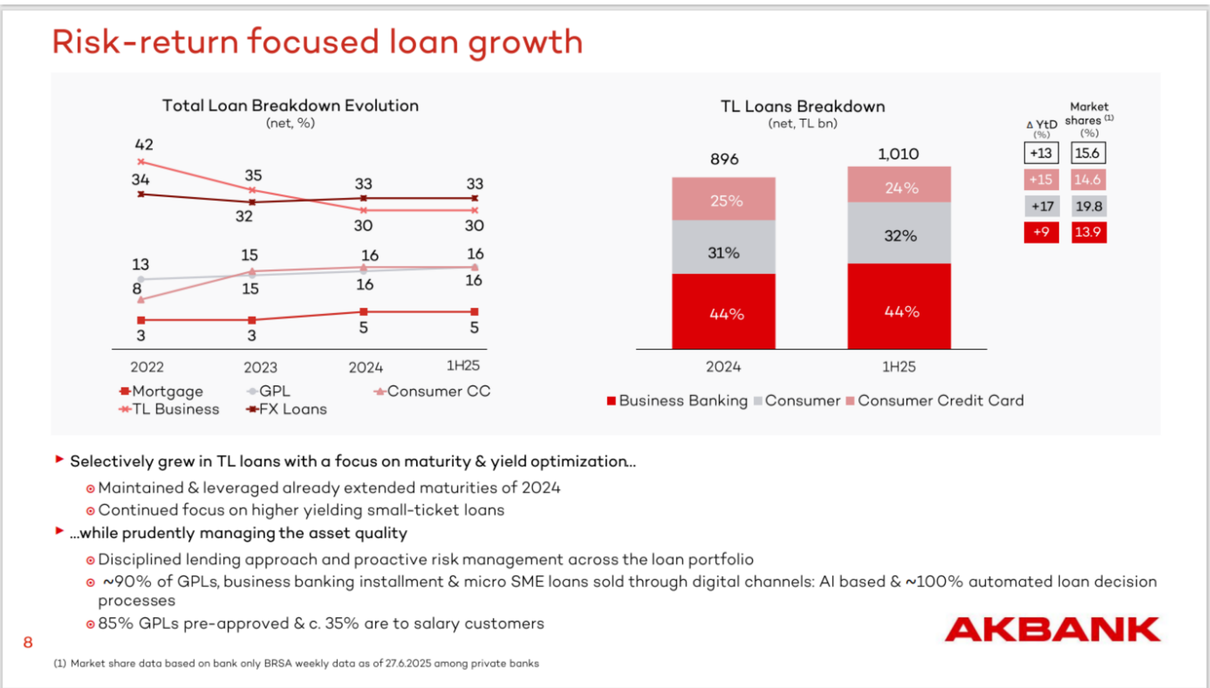
- **Backed by a well-structured, rate-sensitive balance sheet, this forms a scalable, resilient earnings platform with strong momentum and long-term growth potential.**

- **I'll now pass it over to Ebru to walk you through our 2Q results. Following that, Türker and I will be happy to answer any questions you have.**



- **Thank you Kaan Bey.**
- **Our 1H NI was up by 3% YOY to 24 billion 8 hundred and 52 million and resulting in an RoE of 20.1%, RoA of 1.8% for the 1H.**
- **During the same period, our revenues increased by 39% YOY to TL 96 billion 8 hundred and 28 million.**
- **As Kaan Bey just noted, our robust 60% YOY growth in fee income remained a key revenue anchor, partly offsetting the delayed recovery in NII.**
- **Strategic investments over the years, especially in digitalization, alongside deepening customer engagement and cross-sell efforts, continue to fuel steady growth in our recurring revenue stream.**
- **However, the unanticipated tightening in monetary policy triggered a downward revision in our NIM guidance since our margin evolution was directly linked to our rate cut expectations.**

- **Therefore, despite the mitigating factors such as robust fee income, disciplined cost management and well-controlled asset quality, a lower NIM trajectory has resulted in downward revision in our ROE guidance for the FY to above 25%.**



- **We achieved 13% YTD growth in TL loans, surpassing the TL 1 trillion mark, and remain committed to our full-year loan growth guidance of over 30% shared at the start of the year.**

- **Our loan composition breakdown remained unchanged YTD as we continued to pursue selective TL loan growth with a sharp focus on yield maximization and extended maturities.**

- **We leveraged our strong positioning in priority segments while remaining fully aligned with regulations.**

- **Risk discipline stayed intact.**

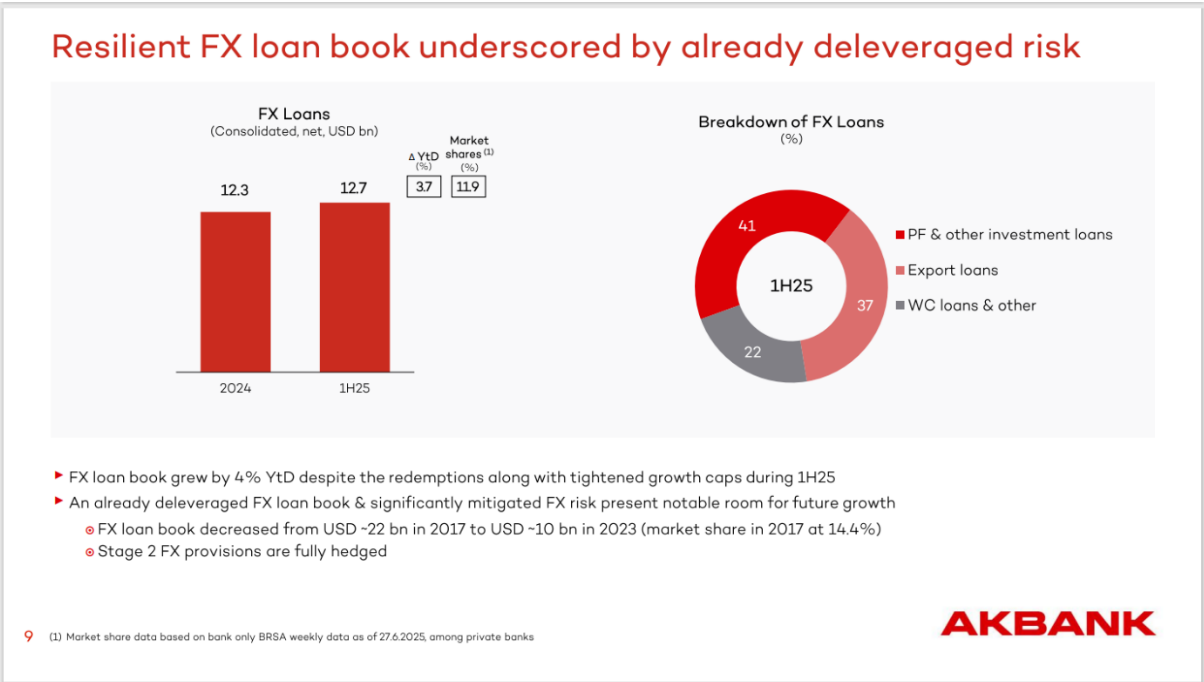
- **85% of our GPLs were pre-approved and 35% were to our salary customers.**

- **As you know, we extended the maturity profile of our loan book last year and maintained this positioning YTD.**

- **This has helps manage our duration gap effectively and positions us well as the rate cut cycle is re-initiated.**

- **We expect to start seeing NII uplift from Q3.**

- **Our risk-return focused loan strategy, supported by proactive ALM, is designed to support margin expansion and drive long-term value.**

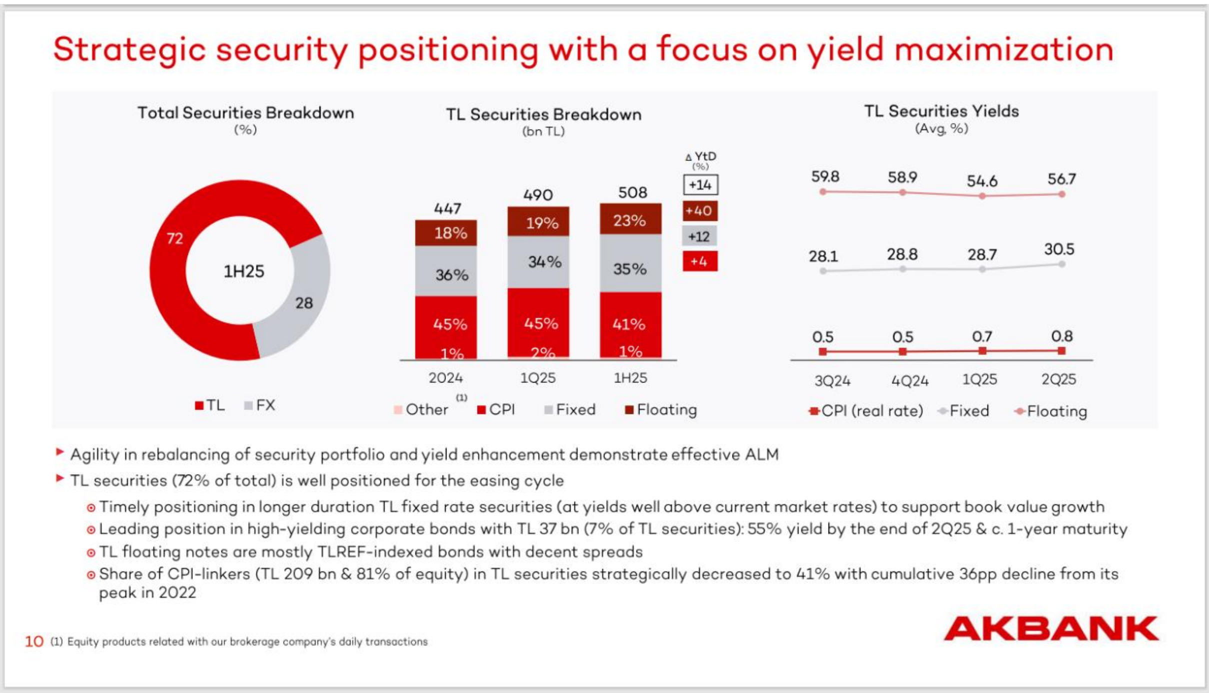


- **Our FX loan book grew 3.7%, building on the strong momentum from last year, which led us to reduce our full-year growth guidance to mid-single digit.**

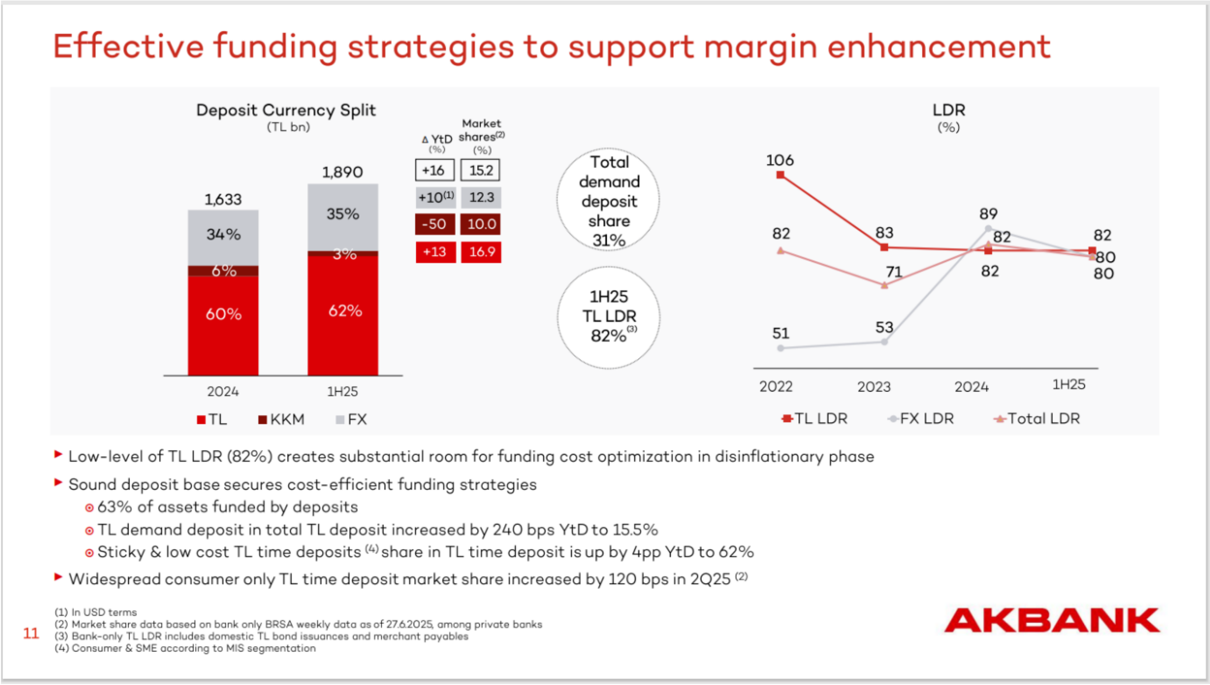
- **This year's slower performance reflects elevated redemptions and tighter regulatory growth caps.**

- **Our lean FX loan book, low risk exposure, and solid FX liquidity provide headroom for future expansion.**

- **We plan to leverage our strong presence in corporate and commercial banking to grow our share, particularly in investment focused loans.**



- **Moving onto the securities slide.**
- **Our securities portfolio grew 15% YTD, now accounting for 24% of total assets.**
- **Our TL securities were up by 14% YTD, while our FC securities increased by 9% in USD terms.**
- **We are well-positioned with long-duration, high-yielding TL fixed-rate securities and TL - Ref bonds offering wide spreads.**
- **We have also strategically decreased our CPI-linker exposure, which also has positive spread.**
- **Our proactive, yield-focused securities portfolio management has allowed us to swiftly adapt to shifting market conditions and remains a key driver of margin resilience going forward.**



- **On the funding side, we sustained our disciplined funding strategy with deposits continuing to serve as the primary source of funding.**

- **Our deposit base remains robust and well-diversified, representing 63% of total liabilities.**

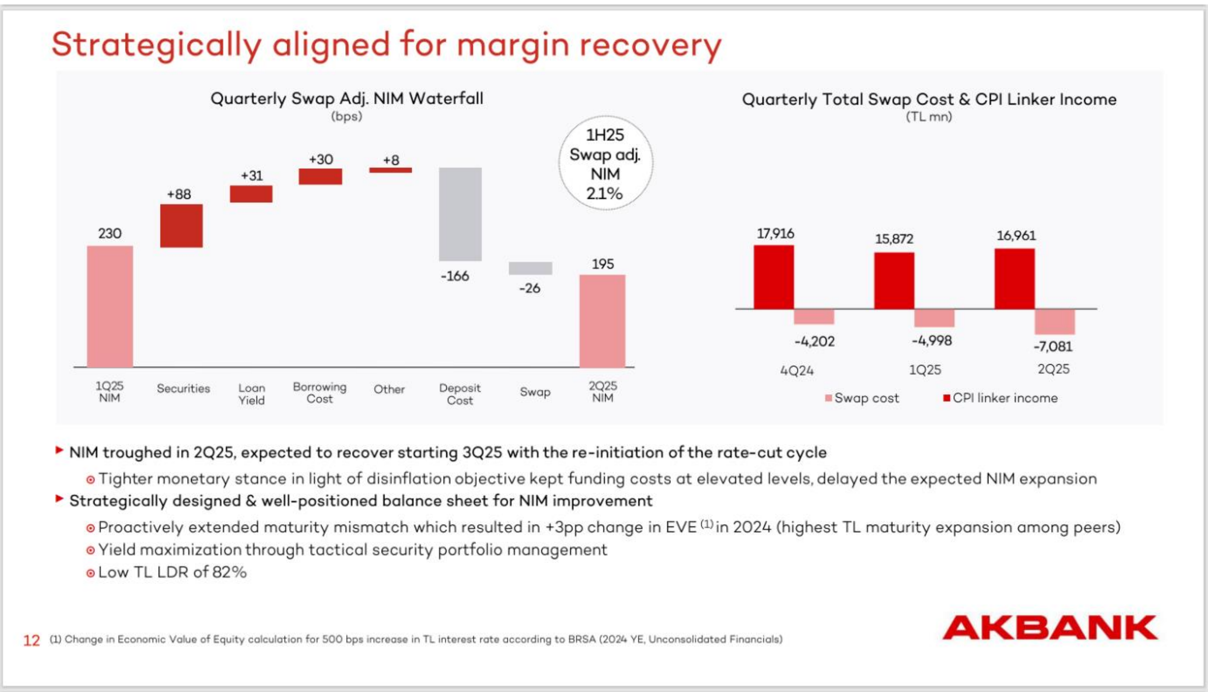
- **Our low-cost and sticky TL time deposits saw YTD increase of 4 pp, carrying the share in total to 62% as of 2Q25.**

- **Meanwhile, thanks to our strong franchise we tactically increased our market share in small-ticket widespread consumer only TL time deposit in 2Q25.**

- **Please also note that TL demand deposits' share in total TL deposits also increased by 240 bps YTD to 15.5%.**

- **On top of our strong & wide-spread deposit base, our TL LDR remains low at 82% offering substantial room for funding cost optimization in disinflationary phase.**

- **Moving onto the P&L.**



- **On the margin front, a strategically optimized balance sheet and timely actions to extend duration of the TL loan portfolio, enabled a solid start to the year, supported by favorable spread development.**

- **However, in 2Q25, margin pressure intensified due to the pause in rate cut cycle as well as the unexpected monetary tightening.**

- **As a result, swap-adjusted NIM contracted by 35 bps quarterly to 2% reaching its trough in 2Q25.**

- **The delay in the anticipated NIM improvement in 2Q25 can be attributed to 3 key factors.**

- **First, the CBRT increased the wholesale funding rate from 42.5% levels to 49%, resulting in 250bps effective increase in quarterly weighted average funding cost. This indicated an even tighter stance than the beginning of the year in real terms.**

- **Second, on the asset side, due to loan growth caps, the upward adjustment in loan pricing had limited impact on back book yields.**

- **Third, elevated reserve requirements continued to put pressure on margin evolution.**

- **To put this into figures, on average reserve requirements make up around 10% of TL assets & 20% of our FX assets.**

- **And, although we were eligible for maximum remuneration on this front, the interest earned for TL reserve requirements remained at low 30s, significantly below the TL funding rate, while for FX reserves we receive 0 remuneration.**

- **As Kaan Bey mentioned previously, we expect the rate cut cycle to continue during the 2H of the year, supporting recovery in quarterly NIM starting from 3Q25, with visible progress anticipated in 4Q25.**

- **As a reminder, our robust balance sheet remains well positioned to drive margin enhancement underpinned by 3 strategic actions:**

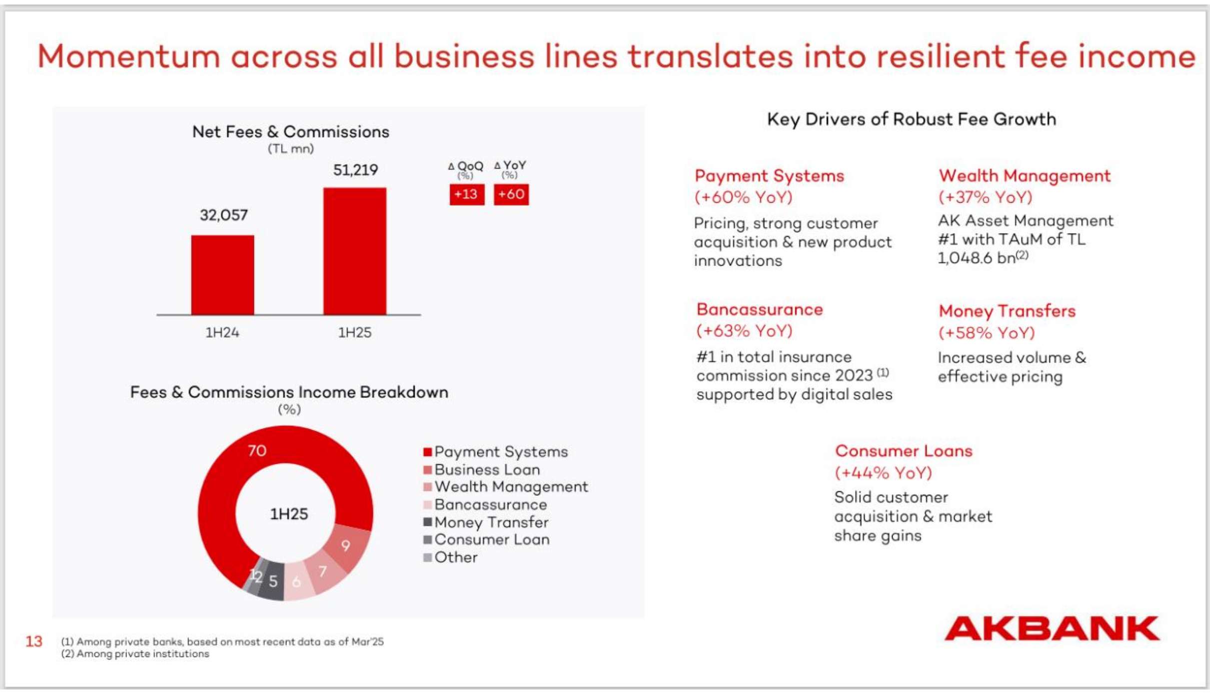
- **First, we restructured our balance sheet - by extending TL maturity mismatch last year – representing the highest TL maturity expansion among our peers, as reflected in YE financials.**

- **Second, on the funding side, we pursued cost optimization strategies through tactical increase in widespread TL time deposits market share & maintained low TL LDR of 82%, both of which, will enable margin support as disinflation unfolds.**

- **Third, on the securities side, we focused on yield maximization, and longer-duration, through targeted security portfolio management, which will also create substantial opportunity for NIM improvement in the upcoming period.**

- **Still, given that the monetary conditions are likely to remain tighter than previously expected, we are revising our year-end swap-adjusted NIM guidance to 3-3.5% range from around 5% level.**

- **As a reference, our YE policy rate expectation has also been revised up to 36% from 30.5%, which we had taken into consideration at the beginning of the year.**



- **Our fee income increased by a robust 60% YOY, reflecting our strong commitment to expanding the fee-generating customer base through innovative, customer-centric initiatives and diversified products offerings**

- **We have already achieved significant milestones in diversifying our fee base, demonstrated by solid contribution from all business lines.**

- **To name 3 of the key drivers:**

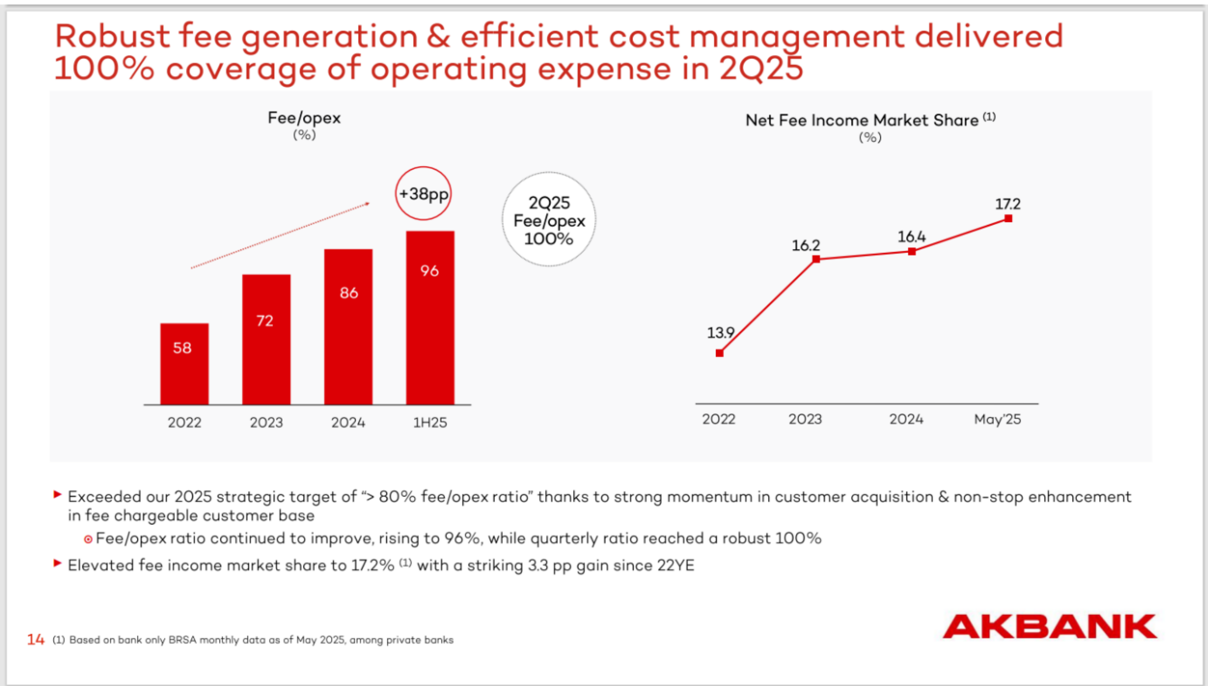
- **Starting with payment systems, the strong 60% YOY growth in payment systems was underpinned by more than just rate dynamics. It also reflects our effective customer engagement and extensive product capabilities.**

- **Second, bancassurance fees surged by 63% YOY as we maintained our number 1 position in total insurance** commission among private institutions since 2023. Digital bancassurance sales exceeded 70% of total sales, contributing further to growth.

- Third, money transfer fees rose by 58% YOY, reflecting higher transaction volumes and digital channel migration of transactions.

- These achievements led us to revise up our FY fee income growth guidance for 2025.

- Accordingly, we now project our fee income growth to remain robust at 60% for the full year.

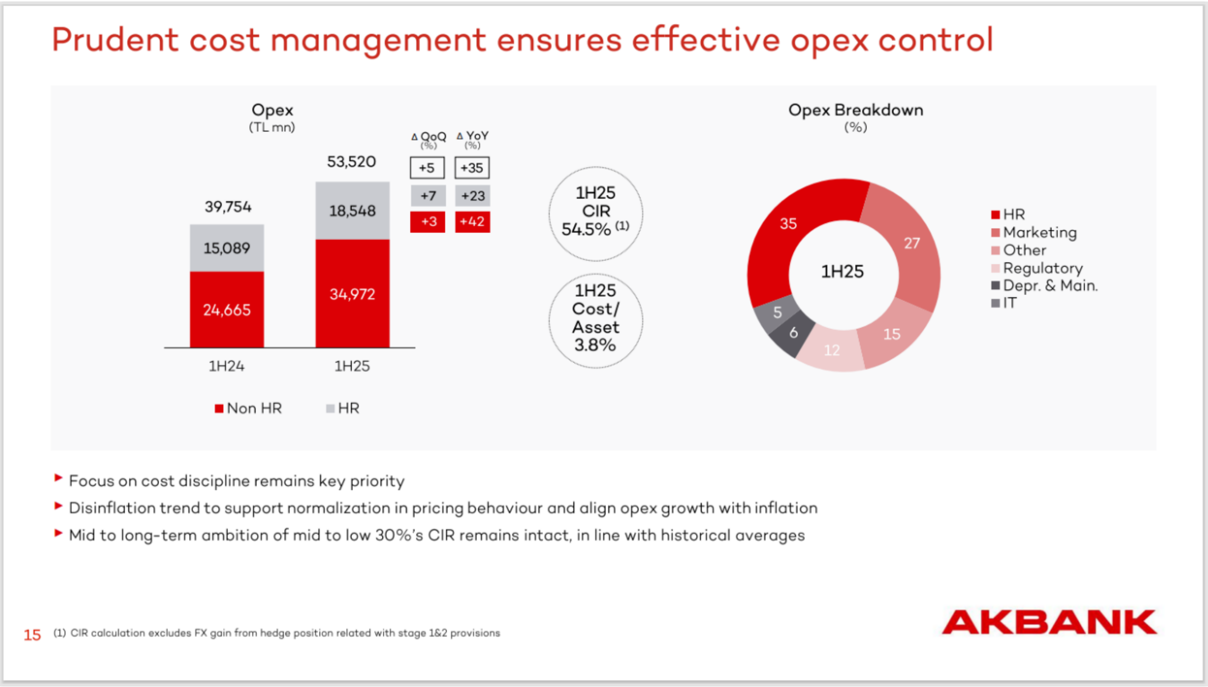


- I am delighted to share that we exceeded our 2025 strategic target to increase fee to opex ratio above 80%, thanks to strong customer acquisition and on-going improvement in fee chargeable customer base.

- With the fee income growth outpacing the opex growth once again, our quarterly fee to opex ratio reached 100%.

- **Building on last year's record-high fee income market share, we gained an additional 80 bps among private banks YTD as of May, bringing our share to 17.2%.**

- **This marks a 3.3pp increase since 2022, underscoring the strength of our customer acquisition strategy and our well-diversified fee income stream.**



- **Moving onto opex, focus on disciplined cost management remains a key priority.**

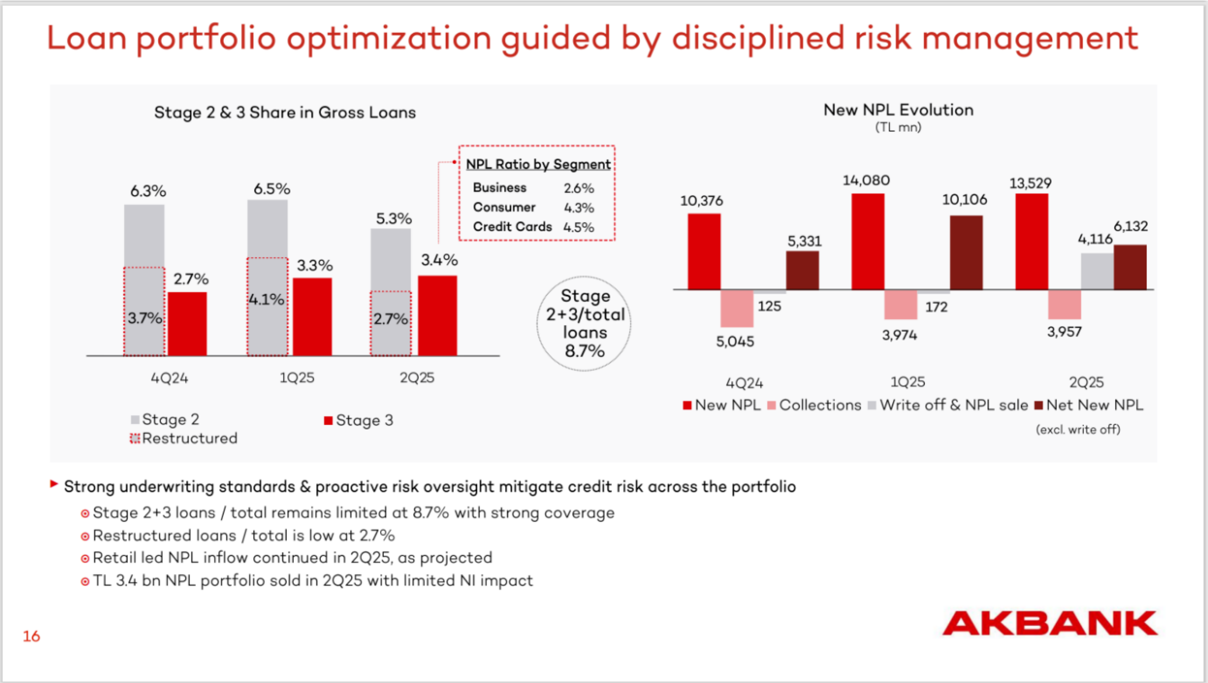
- **Operating expense rose by 35% YOY in 1H25.**

- **This realization is below our initial expectation, allowing for a positive adjustment to our full year guidance to around 40%.**

- **Our cost to assets ratio is at 3.8% as of 1H25.**

- **Meanwhile, our long-term ambition in CIR remains firmly in the mid to low 30% range, in line with historical averages, driven by a commitment to sustainable growth and enhanced operational**

efficiency as well as the normalization of pricing behavior, aligned with the ongoing disinflation trend.



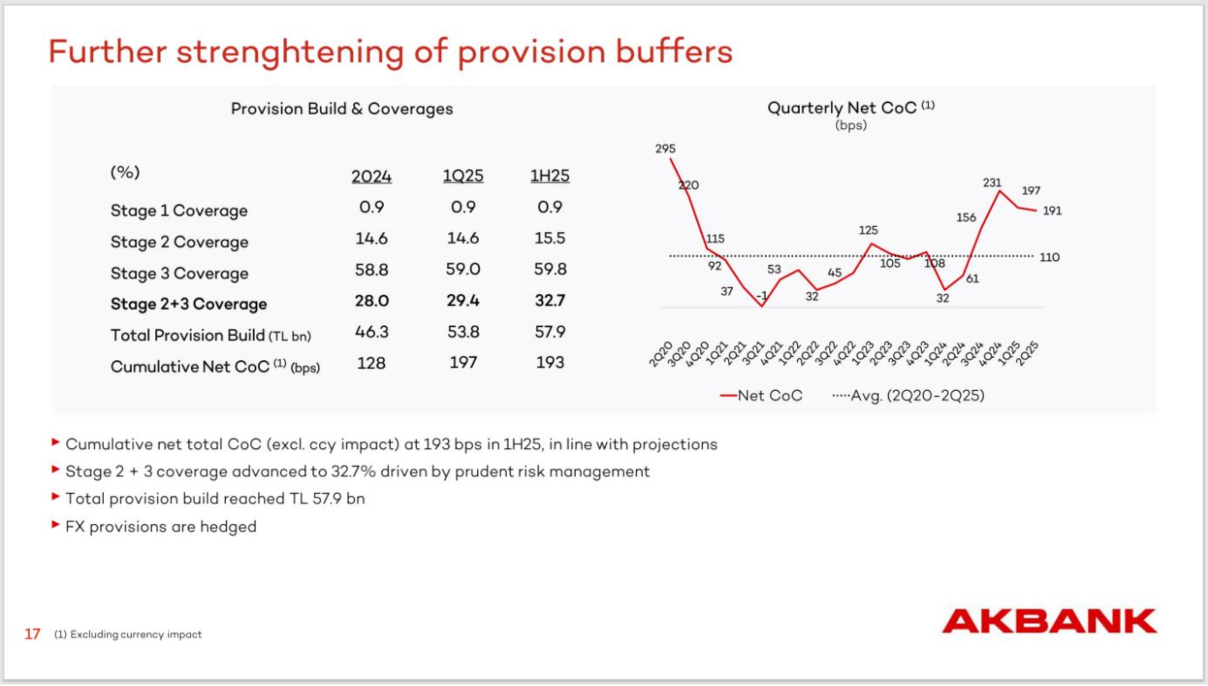
- **Moving onto asset quality.**

- **Retail led NPL inflows remain a persistent trend across the sector.**

- **During this time, our focus on optimizing loan portfolio through disciplined risk framework has enabled us to maintain sound asset quality supported by excellence in advanced analytical capabilities across retail segments, automated & AI based credit decision models, diligent tracking and individual assessment of our corporate & commercial loan portfolio as well as prudent provisioning.**

- **Our NPL ratio remained at 3.4%, within our FY guidance.**

- **Meanwhile, the share of Stage 2 + 3 loans–representing potentially problematic exposures–remains low at 8.7% of our gross portfolio.**
- **Please also note that restructured loans represent only 2.7% of total portfolio.**



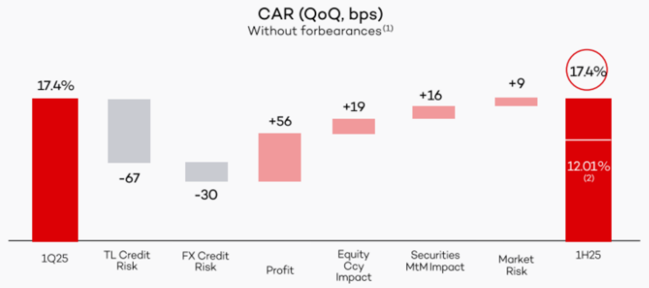
- **In 1H25, our total provisions reached almost TL 58 billion, thanks to our continuous provision reserve build-up.**

- **Meanwhile, our coverage ratio for Stage 2 + 3 loans stands strong at 32.7%, reflecting disciplined risk management practices.**

- **Excluding currency effects, our net total COC stood at 193 bps on a cumulative basis, consistent with trends over the past three quarters and in line with our 2025 projections.**

- **All in all, we expect our FY net total COC to remain within our guidance range of around 150-200 bps.**

Strong capital foundation enables profitable growth & strategic advantage



Sensitivity of Solvency Ratios (not linear) [3]
- 10% TL depreciation: c. 30 bps
- 100 bps TL interest rate increase: 9 bps [4]
- 1% NPL increase: c. 30 bps

(%, TL bn)	CAR	Excess Capital [5]	Tier 1	Excess Tier 1 [5]	CET-1	Excess CET-1 [5]
Without forbearances [1]	17.4%	105.7	13.8%	74.4	12.6%	80.2
With forbearances	19.4%	135.2	15.5%	101.0	14.2%	104.6

(1) w/o forbearances. Forbearances: Fixing MtM losses of securities & FX rate for RWA calculation to 28.06.2024 FX rate for 2025
(2) Min Basel III required: Including buffers (Capital Conservation Buffer: 2.50%, D-SIB Buffer: 1.50% Countercyclical Capital Buffer: 0.01%)
(3) Diminishing sensitivity for higher amount of changes
(4) Sensitivity calculation includes 20 bps real rate change for CPI-linkers (FVOCI)
(5) Basel III min. requirements: CAR: 12.01%, Tier-1: 10.01%, CET-1 8.51%

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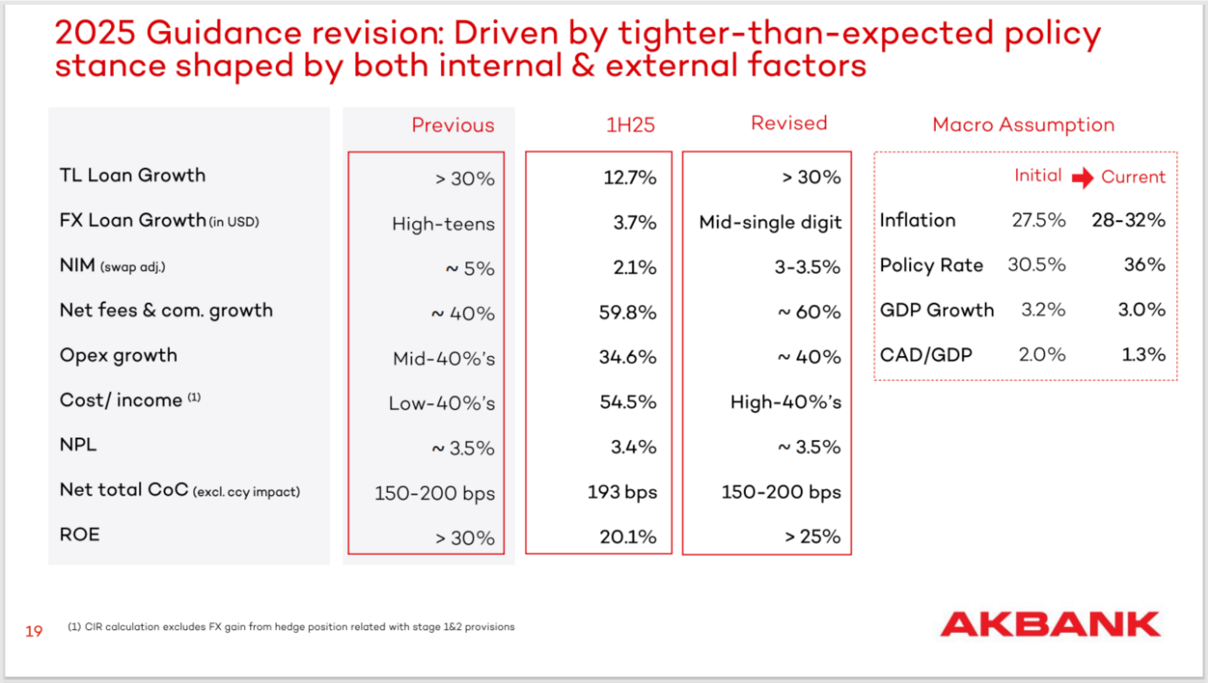
- **Our total capital, Tier 1 and CET 1 ratios without forbearances remain robust at 17.4%, 13.8% and 12.6% as of 2Q25.**

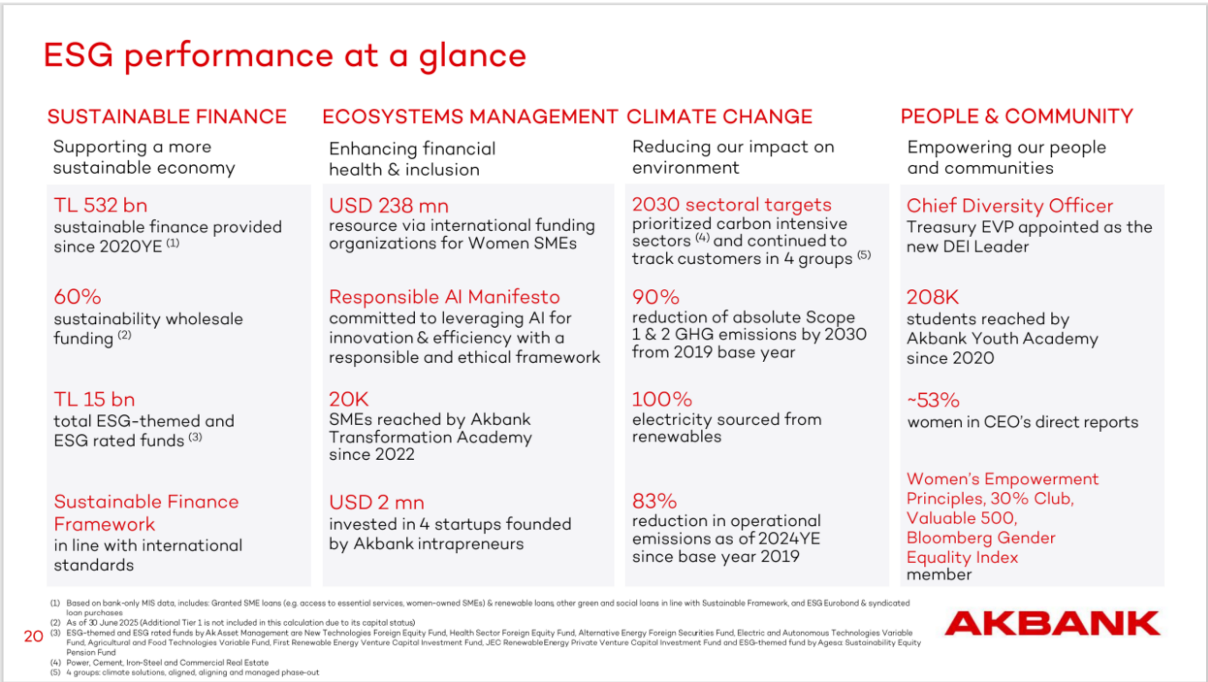
- **As for the sensitivity, 10% depreciation in TL results in around 30 bps decrease in our capital ratios while the impact diminishes for higher amount of changes.**

- **And, 100 bps increase in TL interest rate results in a 9 bps decline in our solvency ratios, again with diminishing impact.**

- **Strong capital reserves continue to safeguard against extraordinary market challenges and fluctuations, offering critical resources for long-term, profitable growth.**



- **On this slide, you may find the summary of our 1H25 performance as well as our revised guidance, which I shared in detail throughout the presentation.**



- **Before moving onto Q&A, I'd like to share a few highlights regarding our non-financial performance.**

- **As highlighted in our ESG video, we sustained strong momentum in Q2, advancing our Sustainable Action Plan with measurable results.**

- **We are on track with our long-term sustainability goals. Notably, we have reached 66% of our 2030 SF target as of Q2.**

- **As Akbank, we are pleased to be among the first institutions reporting under the ISSB standards, with Türkiye playing an active role in this transition.**

- **Our first Turkish Sustainability Reporting Standards Report, aligned with ISSB, has been published today.**

- **The English version will follow in August.**

- **These efforts reflect our continued commitment to building a low-carbon and inclusive economy in line with our long-term objectives.**

Thank you for joining us today.

Kaan Bey, would you kindly share your closing remarks.

Thank you Ebru.

Before we close, I want to reiterate that we remain in a position of strength.

Our well-structured balance sheet, disciplined execution, and proactive positioning will enable us to capture the early benefits of the evolving rate environment.

At the same time, customer growth as well deepening of relationships–particularly through digital and retail channels–is accelerating fee-based and customer-driven revenues.

This combination gives us a scalable, resilient earnings platform with clear visibility for sustainable, long-term value creation.

I would like to take this opportunity to thank all our employees for their dedication, hard work and consistent focus on execution.

And to all those who have joined us today, thanks for your trust and continued support.