

The Industrial Development Bank of Türkiye

*Earnings Presentation
4Q-25 Bank-only Results*



FTSE4Good



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Corporate Banking

Investment Banking

Advisory Services

>> Stellar year-end results aligned with targets

Financial Guidance (Bank Only)	YE25 Figures %	YE25 Guidance %
Growth		
FX Adjusted Loan Growth	11.2	Low Teens
Profitability		
Net Interest Margin	5.6	~5
Fees & Commissions Growth	-17	~ CPI
Return On Equity	29.3	~30
Efficiency		
OPEX Growth	53	> CPI
Solvency*		
Capital Adequacy Ratio	20.3	~21.0
Tier I Ratio	19.2	~20.0
Asset Quality		
NPL Ratio	2.4	< 2.5
Net Cost of Risk (excluding currency impact)	55 bps	<50 bps

*Excluding BRSA's measures



➤ Main developments that stood out in 4Q25

Accelerated qoq FX loan growth, with 12M new long term loan disbursements reaching **USD 2 bn**

Strong liquidity & well diversified funding capacity: With EUR 550 mn funding from KfW and IBRD Partial Guaranteed Loan, **funds secured** in 2025 **surpassed USD 1.8 bn**

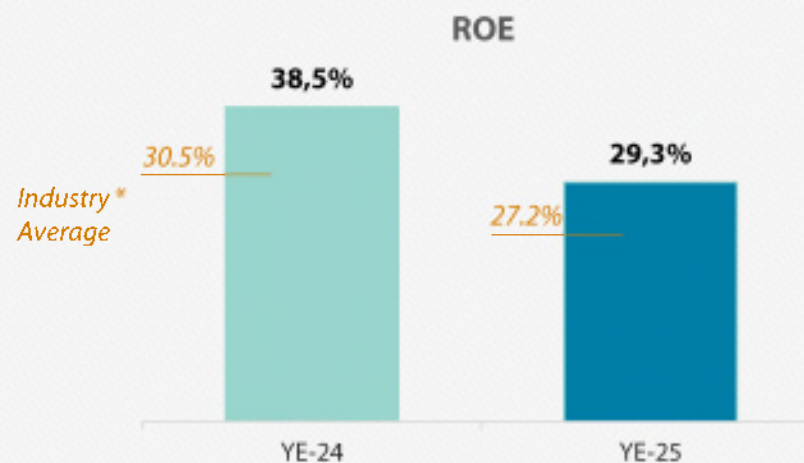
Outstanding profitability continued to differentiate from the sector **with 5.6% NIM**, and **29.3% ROE** on a cumulative basis.

Continued prudent stance, with coverage ratios above sector level and TL 1.1 bn free provision stock

Advisory and non-cash loan business generated fee income **in line with targets**

Comfortable solvency buffers supporting our growth strategy further

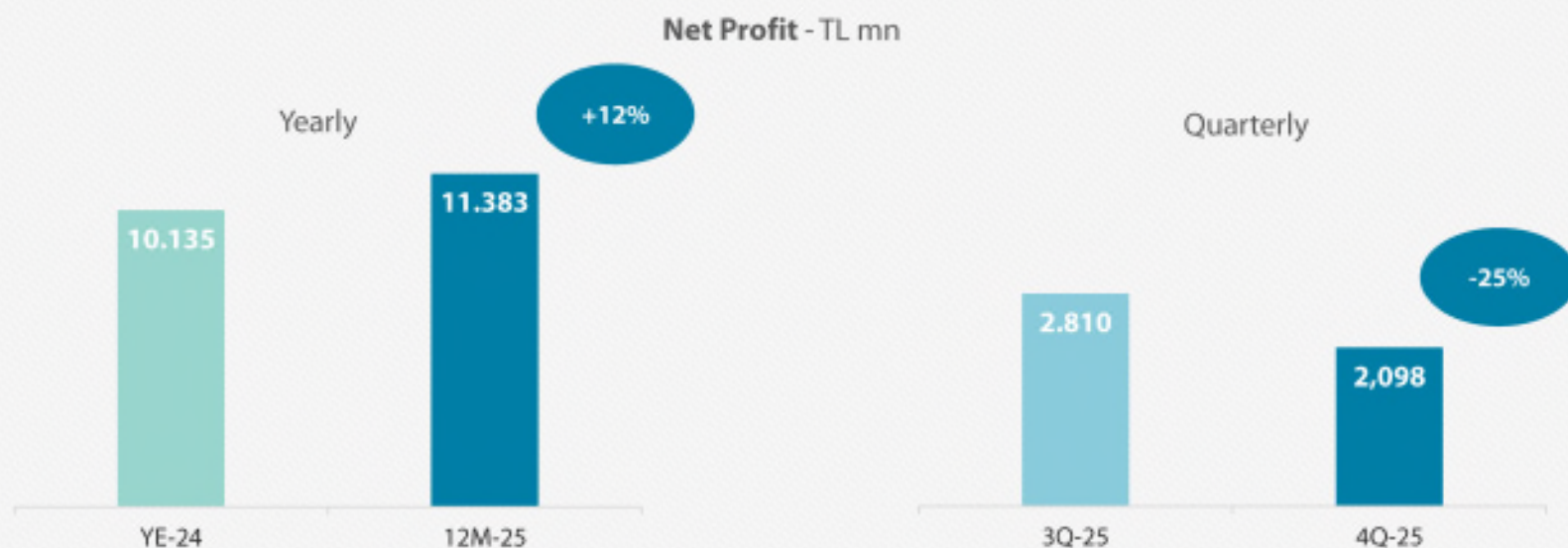
TSKB has continued to deliver above market ROEs for the last 3 consecutive years



c.32% ROE when free provision stock is released completely

Strong coverage base, free provision stock will further support profitability

- ✓ Total coverage ratio stands at 4.5%
- ✓ Stock of free provisions TL 1.1 bn



>> Core banking income demonstrated 37% yoy and 23% qoq expansion

TL mn	12M-24	12M-25	YoY	3Q-25	4Q-25	QoQ
Net Interest Income	11,968	14,646	22%	3,697	3,962	7%
Trading Income/Loss	1,143	1,986	74%	241	1,121	365%
Net Fees & Commissions	514	426	-17%	140	124	-11%
Other Income (Inc. Dividend)	895	2,836	217%	386	264	-32%
Banking Income	14,520	19,895	37%	4,464	5,470	23%
OPEX (-)	2,238	3,414	53%	821	988	20%
Net Banking Income	12,282	16,481	34%	3,643	4,482	23%
Provisions (-)*	884	4,358	393%	515	2,595	404%
Income From Participations	2,280	2,454	8%	513	613	20%
Tax Provisions (-)	3,544	3,194	-10%	831	402	-52%
Net Profit	10,135	11,383	12%	2,810	2,098	-25%

* Non-cash loan and cash loan provisions

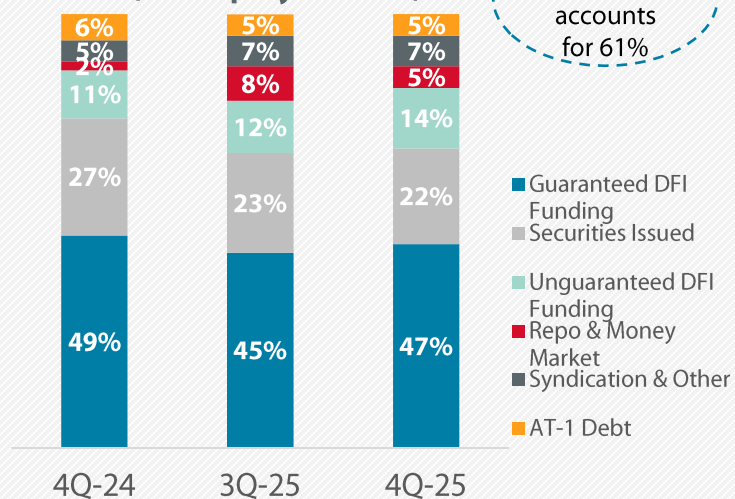
Based on MIS data

Interest expense of long and short term swaps, valuations of hedge positions for Eurobonds issued and exchange differences arising from discounts are adjusted under NII

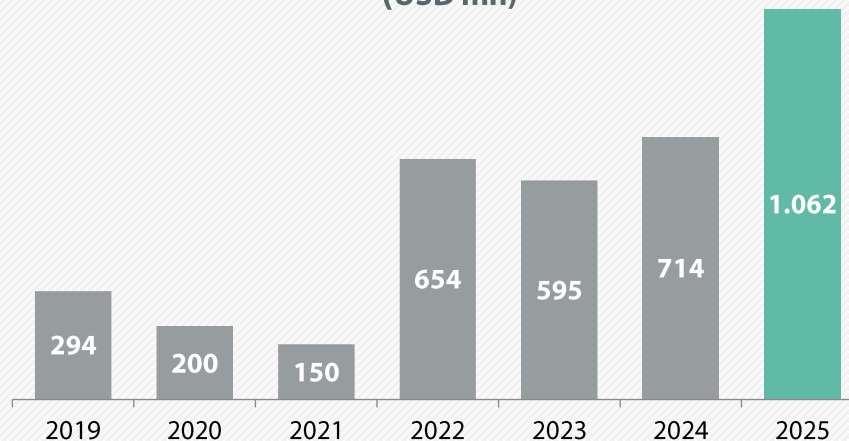
Provisions include Expected Credit Losses in the audited P&L excluding impairment expenses of marketable securities

>> Record high funding secured in 2025, exceeding USD 1.8 bn

Funding / Total Liabilities (exc. Equity & Other)



Yearly Multilateral Funding Agreements (USD mn)



Wholesale Funding in 2025

- ✓ **OPEC** | EUR 50 million (MOTF guaranteed)
- ✓ **AIIB** | USD 200 million (MOTF guaranteed)
 - ✓ **OeEB** | EUR 25 million
 - ✓ **EBRD** | EUR 75 million
- ✓ **Eurobond Issuance** | USD 350 million
- ✓ **Private Placements** | USD 30 million
- ✓ **Syndicated Loan** | USD 238 million
- ✓ **IBRD Partial Guaranteed Loan** | EUR 300 million (MOTF counter-guaranteed)
- ✓ **KfW** | EUR 250 million (MOTF guaranteed)

~ USD 982 mn & 100% MOTF Guaranteed
Non-Withdrawn DFI Funding

Climate + Environment	82%
Earthquake Related Green Recovery	18%

FX Liquidity Coverage Ratio

~578%

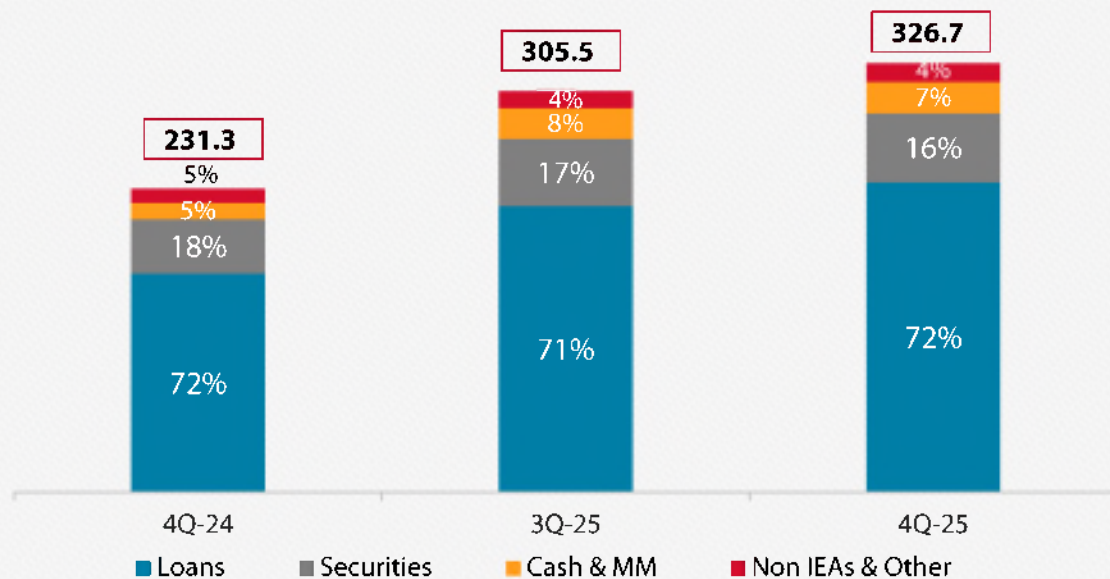
Maturity Profile of External Debt - USD mn



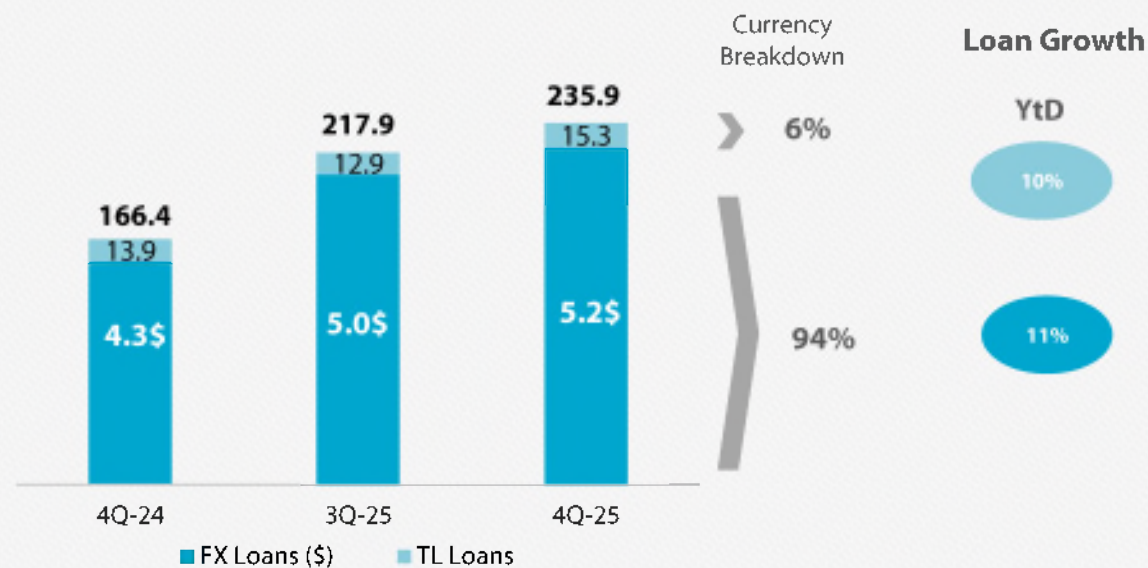
* USD 300 million AT-1 Eurobond has a call option in 2029.

>> Sustaining Growth Through a Healthy Asset Base

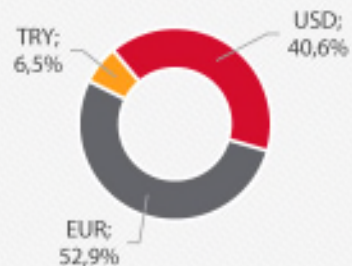
Asset Composition – TL bn



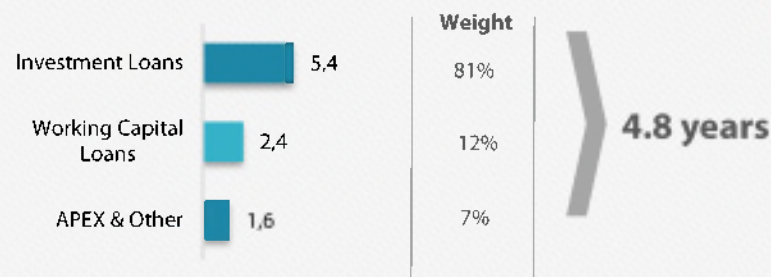
Total Loans – TL bn



4Q-25 Loans by Currency



Remaining Average Maturity - Years

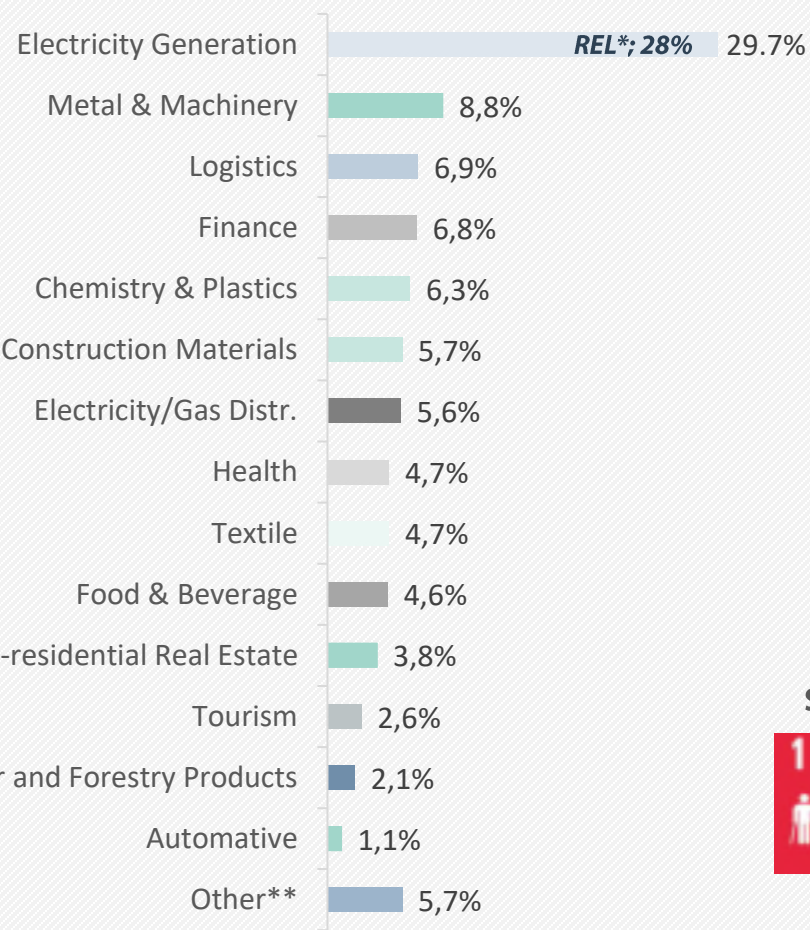


No Maturity Mismatch in the Balance Sheet

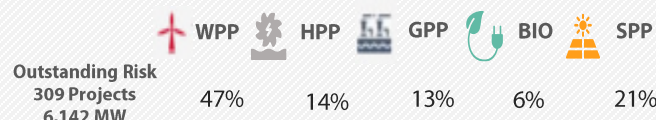


11.2% fx-adjusted loan growth was achieved, meeting the year-end guidance

Outstanding Loan Portfolio by sector 4Q-25



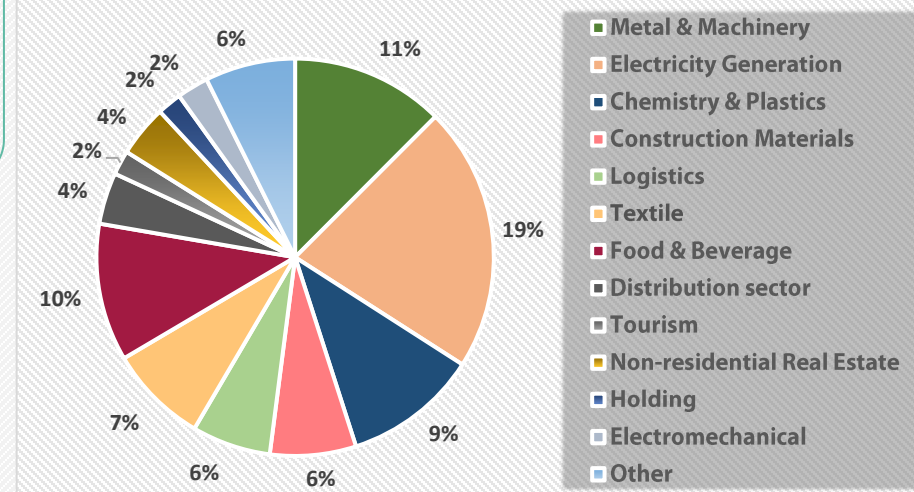
94% of which is Renewable Energy where 76% benefits feed in tariff & 6% is YEKA projects



Strategic focus

- Transition to Low Carbon Economy
 - Climate Adaptation
- Reconstruction of Earthquake-affected Regions
 - Inclusiveness
 - Good Job Creation

2025 Loan Disbursements



*Excluding finance sector

Substantially Supported SDGs through Loan Activities



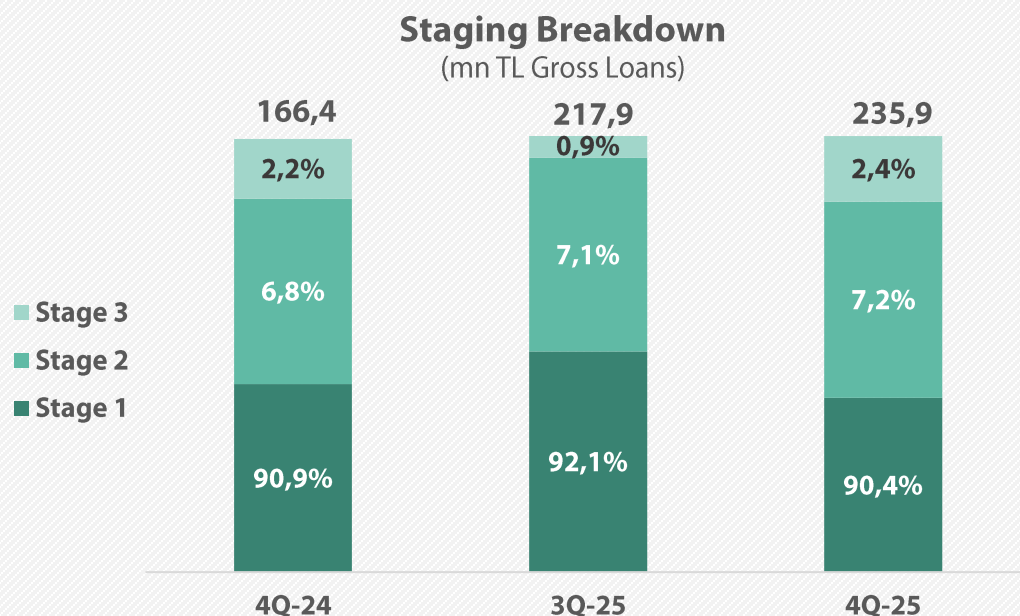
SDG-linked Loans account for **92.3%** of the portfolio.

Climate and Environment focused SDG-linked Loans account for **~60%** of the portfolio.

* Renewable Energy Loans

**Mining, Packaging, Electromechanical, Retail and others

>> Ratio of problematic loans stood at below 10%, which is likely to continue going forward



- %100 of Stage 2 & %33 of NPL portfolios are restructured
- Total NPL Coverage: **161%***
- Total Stage 2 Coverage: **99%****
- Total Free Provision Stock: **TL 1,100 mn**
 - 400 mn TL reversal in 1Q25
 - 350 mn TL reversal in 3Q25
 - 200 mn TL reversal in 4Q25

*All Stage 3 loans are converted to TL

**Hard collateral & provisions are taken into consideration

Total Provision* (mn TL)

Stage 1

Stage 2

Stage 3

Total Coverage

Stage 1

Stage 2

Stage 3

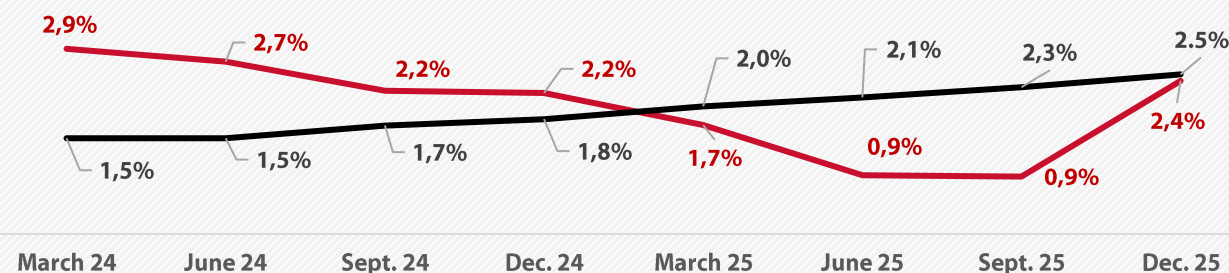
	4Q-24	3Q-25	4Q-25
Total Provision* (mn TL)	8,027	7,826	10,594
Stage 1	929	997	1,008
Stage 2	3,883	5,076	5,353
Stage 3	3,215	1,753	4,233

*Only cash loans are taken into consideration.

55 bps
Net CoR

(Excl. currency impact)

NPL/Total Loans (%)

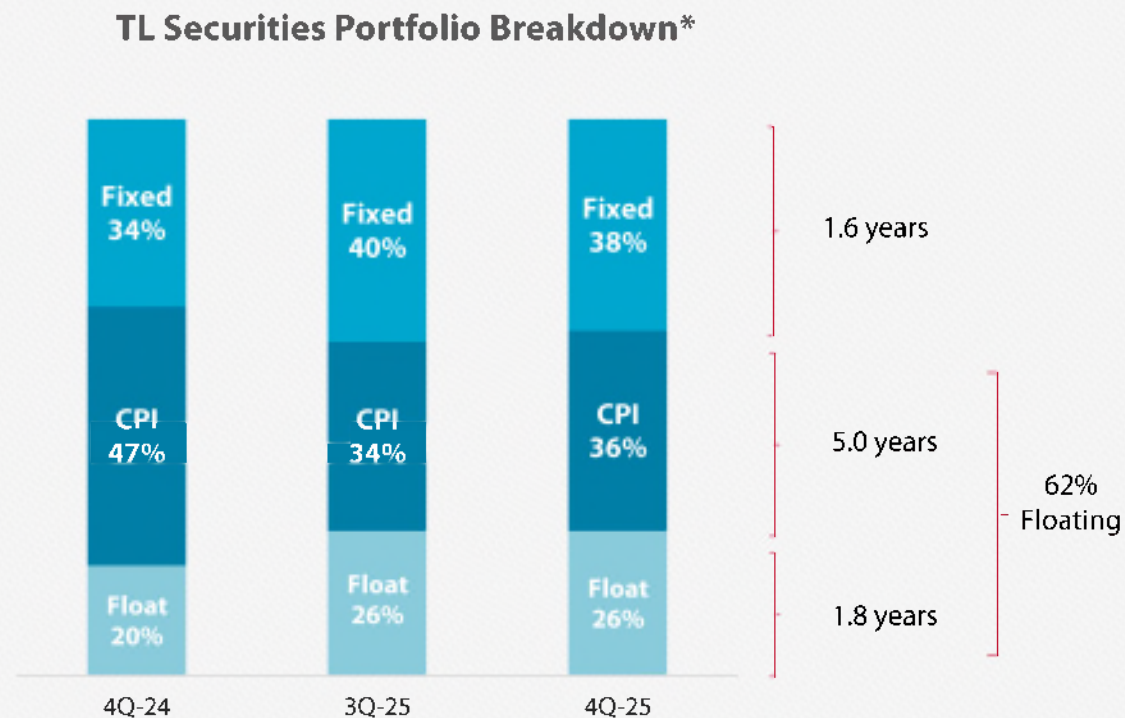
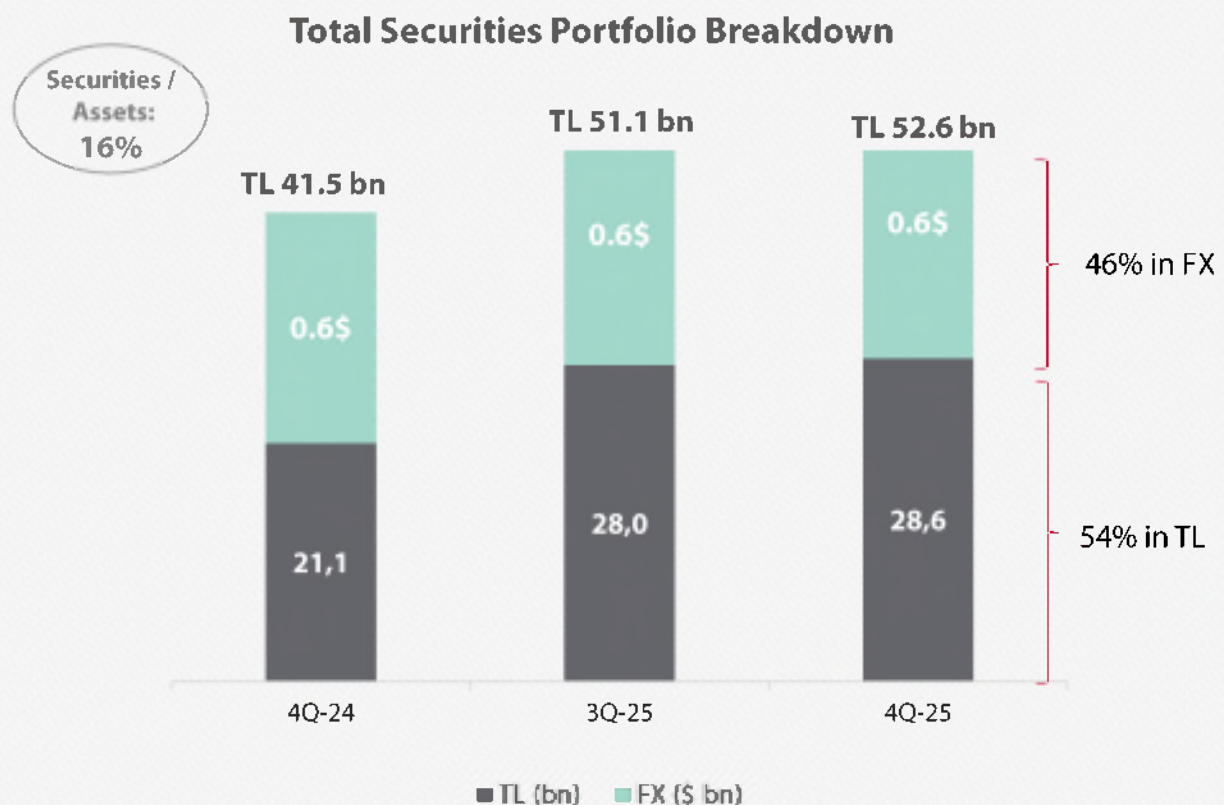


* BRSA montly data as of December-25

— TSKB — Sector*

TSKB

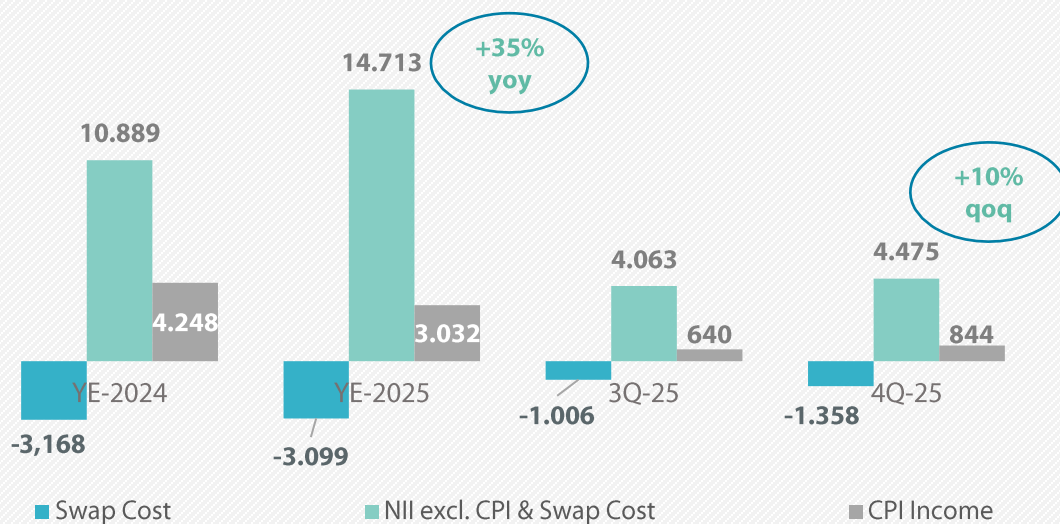
>> Strategically managed security portfolio generated a consistent contribution to NIM during 2025



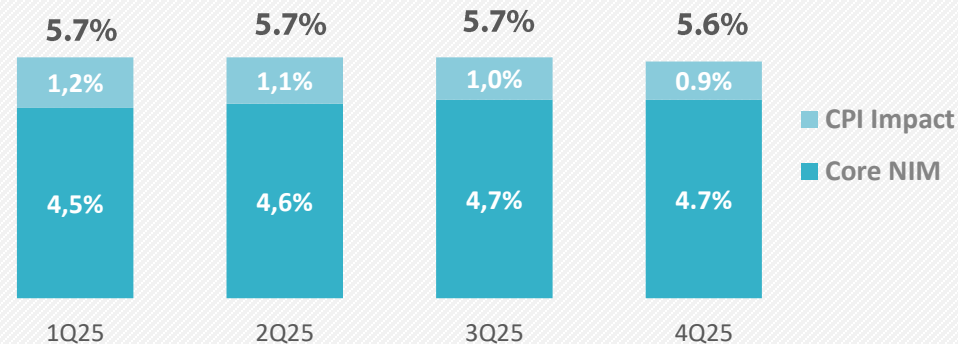
* Audit report values are taken into account

>> Core NIM expanded throughout the year, overbeating the expectations

Evolution of NIM Components (TL mn)

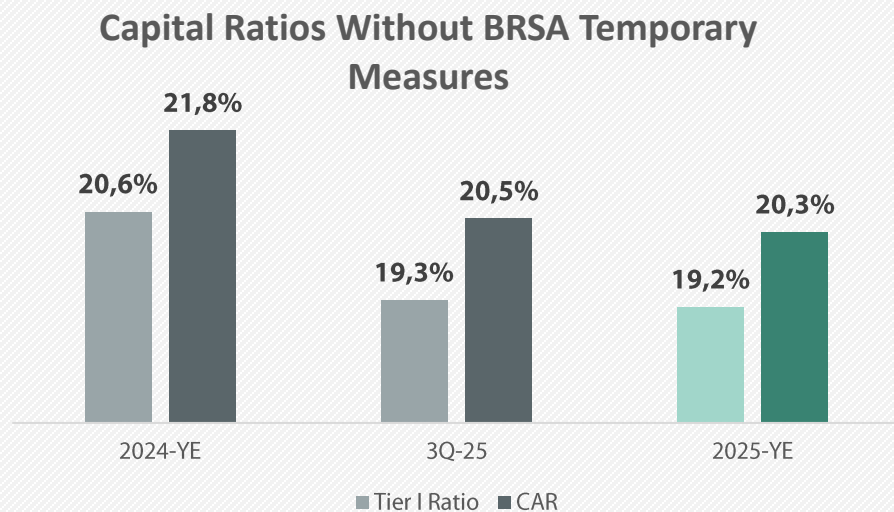


Annualized NIM

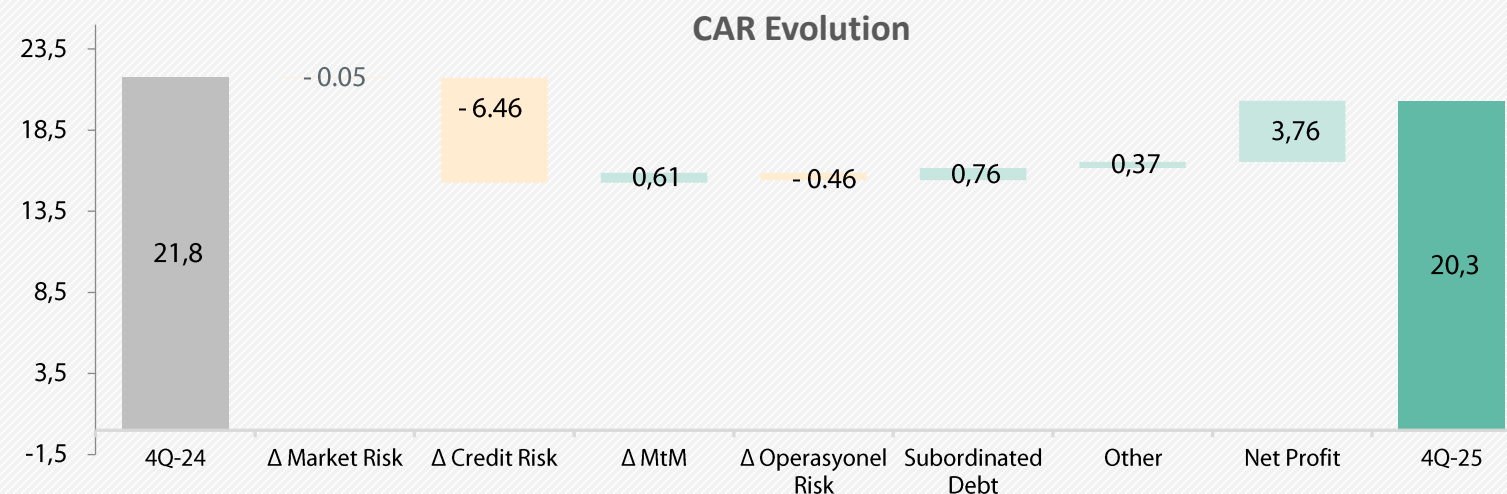
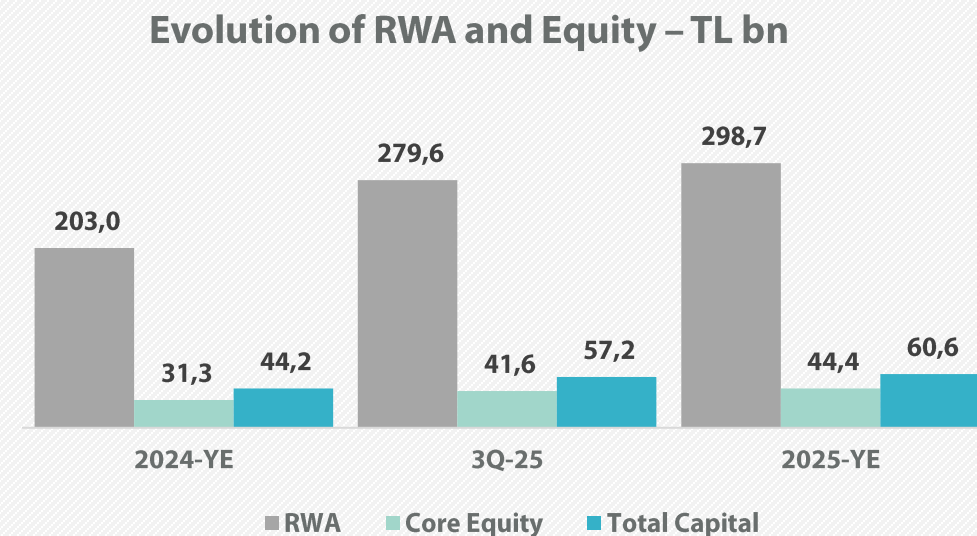


- ✓ **Strong and resilient NII generation continued during 2025**
 - Loan spreads stayed robust in contrast to the expected impact of increased competition
 - Front-loaded and ongoing security investments continue to contribute to NII
- ✓ **NII exc. CPI linker gains and swap costs was up by 35% yoy and 10% qoq**

>> Maintained Strong Solvency metrics supports our growth strategy



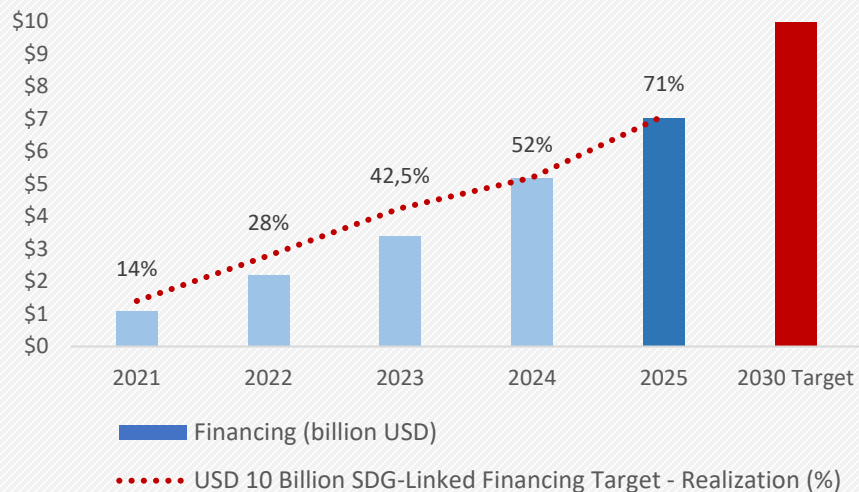
Reported Figures – CAR: 25.7% | Tier I: 24.6% | CET-I: 19.1%



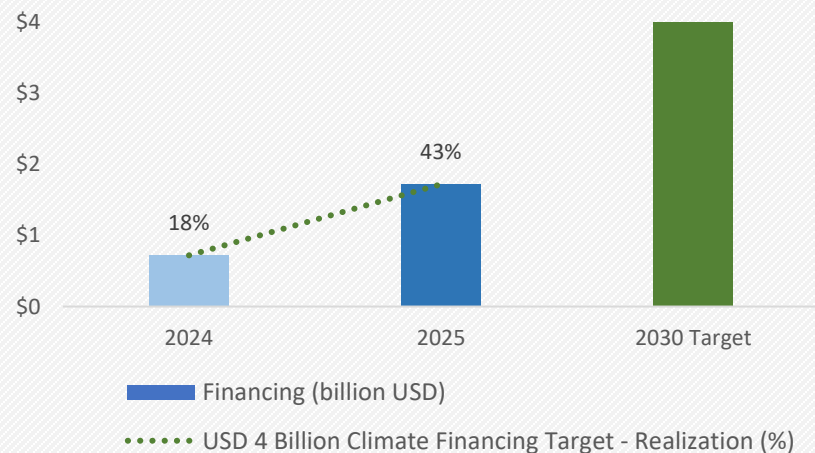
4Q25 Sustainable Banking Highlights

Sustainable Finance Targets

SDG-Linked Financing



Climate Financing

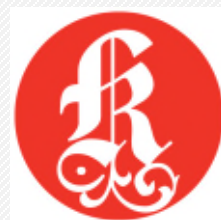


New

Adaptation Finance

Internally Developed AdapTool

In-depth quantitative and qualitative analyses of customers' exposure, adaptation capacity, and their corporate awareness of physical climate risks.



Corporate Knights

Global 100 List

39th place overall

Included for the **2nd consecutive year**

Ranked 1st among 4 international banks

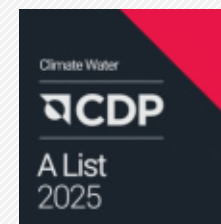
The only Turkish bank on the list

New

Youth Employment Finance

Internally Developed Toolkit

Toolkit to assess customers' status and commitments regarding policies and practices on inclusion, including recruitment, career development, training, and communication.

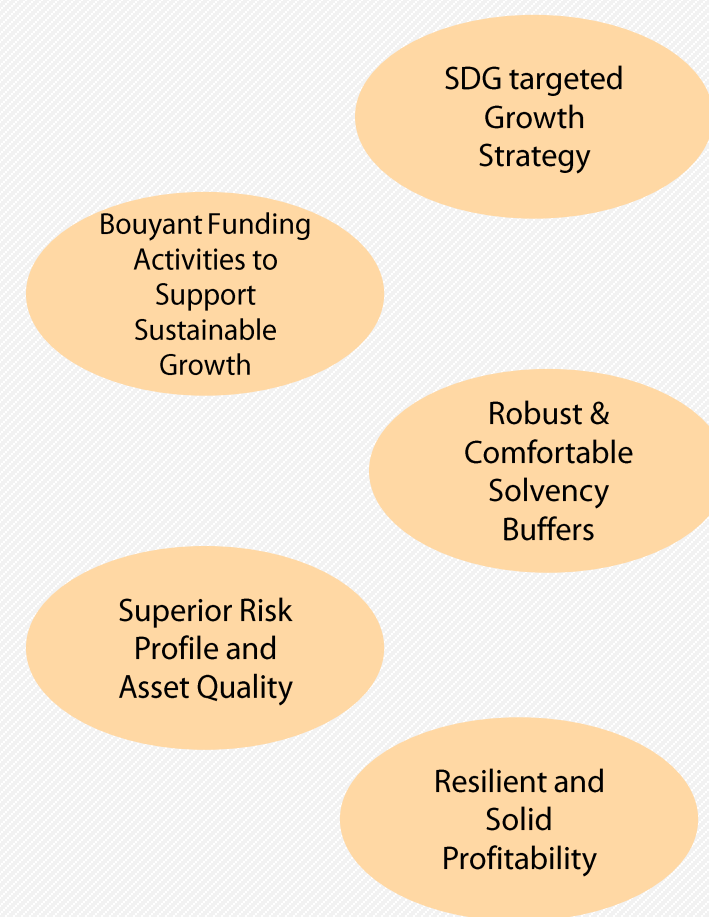


CDP

Global A list in **Climate Change** and **Water Security**
2nd reporting year for **Forest**

>> YE-26 Guidance: TSKB remains committed to its growth strategy, underpinned by its solid performance figures

Financial Guidance (Bank Only)	YE26 Guidance %
Growth	
FX Adjusted Loan Growth	Low Teens
Profitability	
Net Interest Margin	~4.5
Fees & Commissions Growth	> 50
Return On Equity	~ 25
Efficiency	
OPEX Growth	> Average CPI
Solvency	
Capital Adequacy Ratio	~19.0
Tier I Ratio	~18.0
Asset Quality	
NPL Ratio	~ 2.5
Net Cost of Risk (excluding currency impact)	~ 50 bps





Appendix



Appendix: Balance Sheet

TL mn	31.12.2024			30.09.2025			31.12.2025		
	TL	FX	TOTAL	TL	FX	TOTAL	TL	FX	TOTAL
Cash and Banks	1,928	10,553	12,480	12,244	11,194	23,438	9,818	14,142	23,961
Securities	22,207	19,275	41,483	28,048	23,090	51,138	28,567	24,011	52,579
Loans (Gross)	13,889	152,529	166,418	12,921	204,964	217,885	15,258	220,622	235,880
Provisions	- 3,534	- 4,513	- 8,047	- 1,879	- 6,020	- 7,898	- 4,319	- 6,295	- 10,614
Subsidiaries	9,619	892	10,511	11,941	1,187	13,128	13,094	1,212	14,306
Other	5,933	2,484	8,417	6,682	1,107	7,789	9,357	1,189	10,545
Total	50,041	181,219	231,260	69,957	235,522	305,480	71,775	254,882	326,657
ST Funds	-	9,040	9,040	-	18,023	18,023	-	19,112	19,112
LT Funds	-	114,224	114,224	-	145,381	145,381	-	168,180	168,180
Securities Issued	-	51,562	51,562	-	58,825	58,825	-	60,594	60,594
Repo & MM	1,980	2,037	4,017	13,322	7,140	20,462	3,717	8,641	12,358
Other	3,667	5,470	9,138	3,845	3,809	7,654	3,287	4,332	7,618
Subordinated Debt	-	10,801	10,801	-	12,429	12,429	-	13,143	13,143
Shareholders' Equity	32,282	197	32,479	42,260	446	42,705	45,152	499	45,651
Total	37,929	193,331	231,260	59,427	246,053	305,480	52,156	274,501	326,657



Appendix: Detailed Income Statement

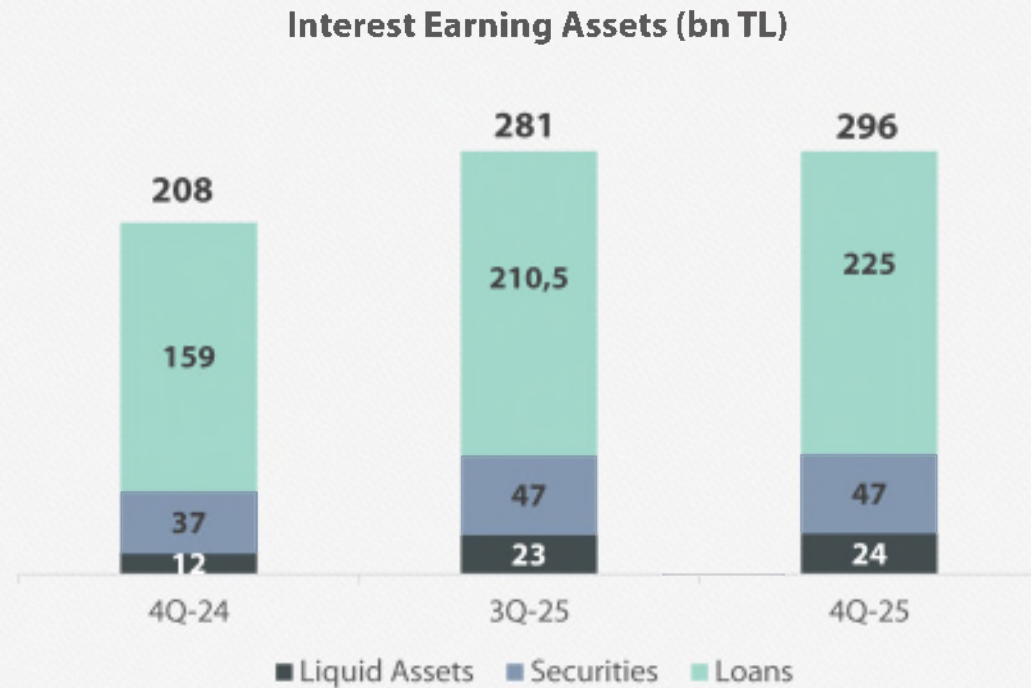
TL mn	12M-24	12M-25	YoY	3Q-25	4Q-25	QoQ
Net Interest Income inc. Swap Cost	11,968	14,646	22%	3,697	3,962	7%
NII exc. CPI & Swap cost	10,889	14,713	35%	4,063	4,475	10%
CPI Linkers Income	4,248	3,032	-29%	640	844	32%
Swap Costs (-)	3,168	3,099	-2%	1,006	1,358	35%
Net Fees & Commissions	514	426	-17%	140	124	-11%
Other Income	895	2,836	217%	386	264	-32%
Dividends	7	10	39%	0	0	-
Other	888	2,826	218%	386	264	-32%
Reversals from Free Provisions	-	950	n.m.	350	200	-43%
Trading & FX gains/losses	1,143	1,986	74%	241	1,121	365%
FX gains/losses	808	1,214	50%	138	732	431%
Trading & MtM gain/loss	335	772	130%	103	389	277%
Banking Income	14,520	19,895	37%	4,464	5,470	23%
OPEX (-)	2,238	3,414	53%	821	988	20%
Net Banking Income	12,282	16,481	34%	3,643	4,482	23%
Provisions	1,214	4,448	266%	515	2,615	408%
ECL (-)*	884	4,358	393%	515	2,595	404%
Free & Other Provisions	330	90	-73%	0	20	n.m.
Income From Subsidiaries	2,280	2,454	8%	513	613	20%
Pre-Tax Income	13,679	14,577	7%	3,641	2,499	-31%
Tax (-)	3,544	3,194	-10%	831	402	-52%
Net Income	10,135	11,383	12%	2,810	2,098	-25%

*n.m." is used for not meaningful.

** Non-cash loan and cash loan provisions



Appendix: Evolution of strategically managed Interest Earning Assets



- ✓ Interest Earning Assets were up by 5% QoQ and 42% YoY, which was driven by
 - High FX denomination
 - Growth strategy



Appendix: Stage 2 Loans Breakdown

Stage 2 Loans		
Sector	%	Coverage (%)
Electricity Generation	44	34
Non-residential Real Estate	32	23
Electricity/Gas Distribution	14	51
Telecom/Logistics	3	8
Automotive Supply Industry	3	30
Metal and Machinery	2	10
Health	1	50
Other	1	40
TOTAL	100	32

59% of Electricity
Generation loans
are Renewable



Appendix: Net Cost of Risk Calculation

Provisions (TL mn)	12M25
Stage 1*	120
Stage 2**	1,471
Stage 3	2,668
Reversals*** (TL mn)	-1,658
Net CoR	130bps
<i>Currency Impact</i>	<i>75bps</i>
Net CoR excl. Currency Impact	55bps

*Stage 1 provision costs are adjusted with TL 5.9 mn provisions set aside for securities.

**Stage 1&2 provisions are shown netted off by Stage 1&2 reversals.

***Reversals depicted in the table are attributable to Stage 3 Loans. (Collections are assumed as non-recurring one-off items and they are not annualized)

>> Appendix: ESG Ratings



FTSE4Good

Constituent company in
the FTSE4Good Index Series



Listed in Global 100 Most
Sustainable Corporations in the
World by Corporate Knights



SUSTAINALYTICS

Sustainalytics ESG Risk Rating

Negligible Risk Category

7.4

First place in Türkiye
12th place among global development banks



Sustainable
Fitch

Sustainable Fitch

3 (62/100)

First place in Türkiye
Above global average



LSEG DATA &
ANALYTICS

LSEG ESG Score

84

BIST Sustainability 25 Index
BIST Sustainability Index

S&P Global

S&P Global CSA

52

Newly joined

MSCI 

MSCI ESG Rating

Newly joined

Pending

FitchRatings

ESG Credit Relevance Score

3

Neutral-to-minimal

MOODY'S

ESG Credit Impact Score

2

Neutral-to-low



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