

July 25, 2025

## 2Q25 earnings start today after market close with Arcelik

Arcelik, which is among the companies under our coverage, is expected to announce its results today. Akbank, on the other hand, is expected to release its results on July 29. The deadline for non-financial companies and insurance firms to disclose their unconsolidated financial results is August 11, while the deadline for submitting consolidated financial results is August 19. We estimate a 9% YoY decline in the total net profit of the companies under our coverage in the second quarter. For 2Q25, we expect a limited 7% YoY increase in earnings for the banking sector, while we forecast a 22% YoY decline for non-financial companies.

## Earnings quality of banks set to drop in 2Q

The earnings season for banks will kick off with Akbank on July 29, followed by Garanti and Yapı Kredi. For 2Q25, we expect the banks under our coverage to post a 16% QoQ decline and a 4% YoY increase in net profits. Core revenues may rise 7% QoQ in 2Q, supported by strong fee income from merchant commissions. However, spreads may not be supportive of core revenues due to elevated funding costs during the quarter. Swap costs are likely to increase 20% QoQ, driven by rising FX loan funding needs in 2Q. We forecast fee income to grow 50% YoY (and 13% QoQ), backed by new loan disbursements and contributions from payment systems. The fee-to-OPEX ratio is expected to gradually normalize below the 100% level. On a quarterly basis, **Isbank** is expected to deliver the best profitability performance among the banks under our coverage in 2Q. However, adjusting for the reversal of general provisions in 1Q, **Albaraka** may outperform its peers in quarterly profit growth, pointing to a remarkable 46% QoQ increase in net profit in 2Q. Recall that Albaraka reversed TL7bn in general provisions in 1Q. On the other hand, **Yapı Kredi** and **Garanti** are expected to lead their peers in terms of annual profitability performance.

## Profitability appears strong among insurance companies

On a quarterly basis, **Anadolu Sigorta** is expected to deliver the highest earnings growth in 2Q, supported by strong gains from its investment portfolio. **Anadolu Hayat** is anticipated to record the second highest QoQ earnings growth, driven by robust life premium generation, solid growth in pension assets, and six-month revaluation gains.

## Non-financial companies should post a 22% YoY decline in net profit

Overall, the macroeconomic environment remained weak throughout the second quarter. Inflation came in at 6.0% in 2Q25, compared to 8.4% in 2Q24 and 10.1% in 1Q25. As a result, the negative impact of inflation accounting is expected to be more limited, particularly for holdings (due to the downward impact from the banking segment) and the retail sector. The second quarter provided a relatively favorable environment for exporters, as EUR/TRY and USD/TRY appreciated by 15.4% and 7.0%, respectively, which helped offset the inflationary effects. However, tight financial conditions negatively affected production and exports. Due to weak demand, companies were unable to fully reflect rising production costs in their prices.

In terms of YoY net profit growth, **PGSUS** and **MGROS** are expected to be the top performers among non-financial companies with positive 2Q25 net profits. In contrast, we anticipate declines in net profits for TTRAK, INDES, AKCNS, TAVHL, and CIMS.

## For EBITDA, we forecast a 9% YoY increase for non-financial companies

In terms of annual EBITDA growth, **PGSUS**, **TAVHL**, **BIMAS**, and **INDES** are expected to deliver the strongest performances within our coverage. On the other hand, TTRAK, AKCNS, DOAS, TOASO, and CCOLA are likely to post weaker YoY EBITDA growth in 2Q25.

## 2Q25E Earnings Preview (TLmn)

	2Q25E	2Q24	y/y	1Q25	q/q
<b>Non Financials</b>					
Revenues	1,181,001	1,028,048	15%	1,003,232	18%
EBITDA	149,564	137,689	9%	88,941	68%
Net Income	62,085	79,451	-22%	13,147	372%
<b>Financials</b>					
Net Income	65,381	61,249	7%	75,117	-13%

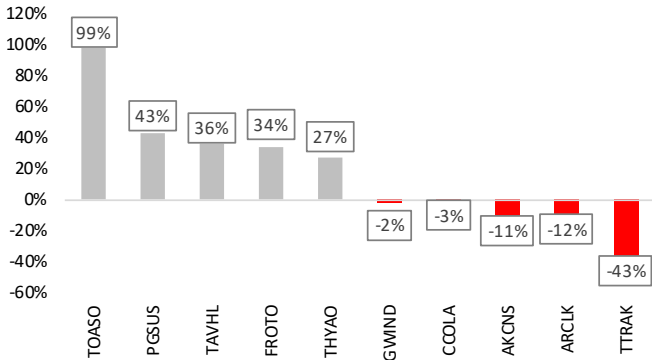
  

	2Q25E	2Q24	y/y	1Q25	q/q
<b>USDTRY</b>					
period end	39.81	32.89	21%	37.83	5%
average	38.74	32.36	20%	36.24	7%
<b>EURTRY</b>					
period end	46.69	35.19	33%	40.78	14%
average	43.92	34.85	26%	38.12	15%

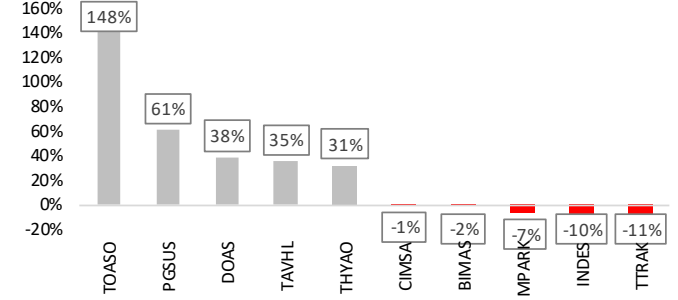
Source: OYAK Securities Estimates, Datastream , \*Banks plus insurance companies

## 2Q25E Top & Worst Performers Among Non-Financials (TL)

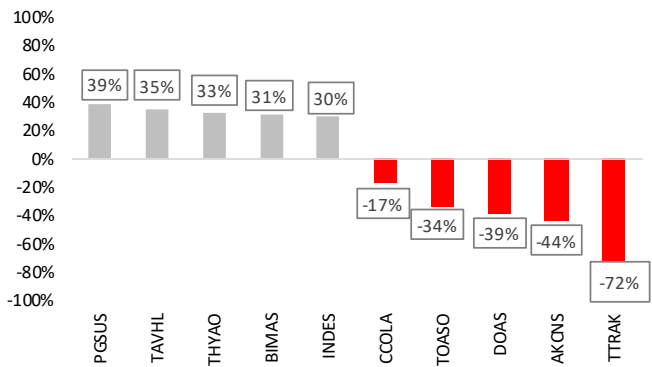
Revenue growth- Y/Y



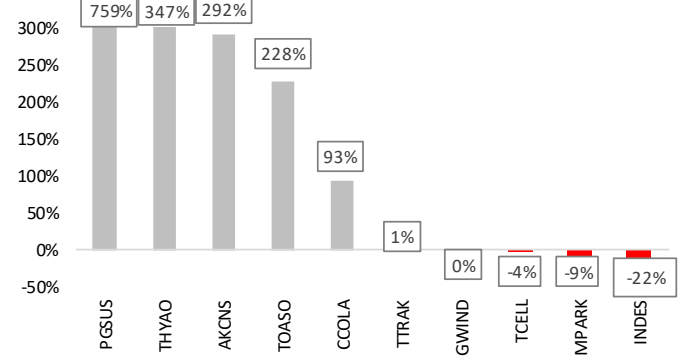
Revenue growth- Q/Q



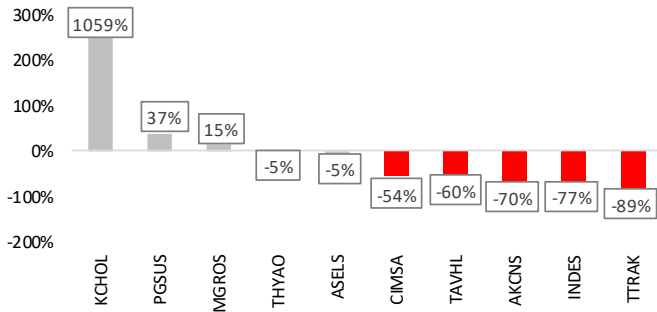
Ebitda growth-Y/Y



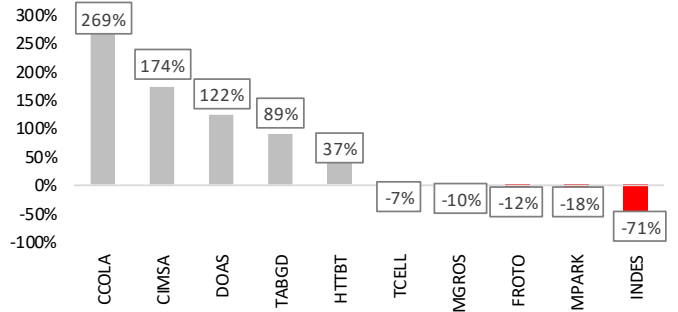
Ebitda growth-Q/Q



Net income growth-Y/Y



Net income growth-Q/Q



Source: OYAK Securities Estimates, base impact, inorganic expansion, divestitures, one-offs and seasonality may have impact on Y/Y and Q/Q changes.

## Summary of Coverage Universe (TLmn)

Financials											Net Income				
Banks	2Q25E	2Q24	1Q25	y/y	q/q	2Q25E	2Q24	1Q25	y/y	q/q					
AKBNK	11,046	10,924	13,727	1%	-20%										
GARAN	23,648	22,522	25,284	5%	-6%										
ISCTR	13,191	15,103	12,418	-13%	6%										
YKBNK	10,023	7,103	11,418	41%	-12%										
ALBRK	1,236	1,256	7,846	-2%	-84%										
Insurance	2Q25E	2Q24	1Q25	y/y	q/q										
ANHYT	1,317	1,167	1,043	13%	26%										
AGESA	1,232	603	1,125	104%	10%										
ANSGR	3,688	2,571	2,256	43%	63%										
Non-financials															
	Revenues					EBITDA					Net Income				
	2Q25E	2Q24	1Q25	y/y	q/q	2Q25E	2Q24	1Q25	y/y	q/q	2Q25E	2Q24	1Q25	y/y	q/q
AKCNS	5,616	6,297	4,555	-11%	23%	775	1,379	197	-44%	292%	269	906	-188	-70%	n.m.
AKSEN	9,172	8,075	10,208	14%	-10%	2,623	2,111	2,749	24%	-5%	829	974	423	-15%	96%
ARCLK	120,166	137,188	115,672	-12%	4%	6,901	6,307	6,067	9%	14%	-1,302	-584	-1,739	n.m.	n.m.
ASELS	28,180	26,074	24,160	8%	17%	6,738	6,768	5,451	0%	24%	2,911	3,075	2,411	-5%	21%
BIMAS	153,446	147,544	156,596	4%	-2%	6,453	4,939	5,600	31%	15%	3,692	6,106	2,868	-40%	29%
CIMSA	9,364	7,782	9,440	20%	-1%	1,695	1,927	1,160	-12%	46%	788	1,725	288	-54%	174%
CCOLA	47,945	49,428	38,330	-3%	25%	9,110	10,940	4,718	-17%	93%	4,990	7,304	1,352	-32%	269%
DOAS	61,686	52,583	44,565	17%	38%	4,324	7,066	3,051	-39%	42%	1,357	2,694	611	-50%	122%
DOHOL	0	0	0	n.m.	n.m.	0	0	0	n.m.	n.m.	-249	1,120	-551	n.m.	n.m.
FROTO	193,874	144,203	170,566	34%	14%	11,632	9,536	10,659	22%	9%	6,059	8,070	6,877	-25%	-12%
GWIND	597	610	589	-2%	1%	418	426	419	-2%	0%	161	257	142	-37%	14%
HTTBT*	394	355	366	11%	8%	166	160	142	4%	17%	95	107	70	-11%	37%
INDES	17,574	16,326	19,473	8%	-10%	545	420	695	30%	-22%	28	125	97	-77%	-71%
KCHOL	0	0	0	n.m.	n.m.	0	0	0	n.m.	n.m.	2,568	221	-1,500	1059%	n.m.
KLKIM	2,095	2,074	1,876	0	12%	415	437	351	-5%	18%	207	237	148	-13%	40%
MPARK	11,578	10,400	12,460	11%	-7%	2,825	2,562	3,121	10%	-9%	1,019	1,419	1,240	-28%	-18%
MGROS	92,036	86,886	83,148	6%	11%	5,261	4,575	3,908	15%	35%	935	816	1,040	15%	-10%
PGSUS*	37,955	26,573	23,588	43%	61%	11,198	8,077	1,304	39%	759%	5,477	3,997	-2,635	37%	n.m.
SAHOL	0	0	0	n.m.	n.m.	0	0	0	n.m.	n.m.	-628	-2,450	-3,116	n.m.	n.m.
TAVHL*	19,483	14,317	14,411	36%	35%	6,084	4,501	3,430	35%	77%	1,012	2,508	-1,738	-60%	n.m.
TABGD	10,262	10,167	9,238	1%	11%	2,043	2,396	1,539	-15%	33%	620	1,038	329	-40%	89%
TCELL	51,438	45,021	48,136	14%	7%	21,458	21,368	22,424	0%	-4%	3,032	3,922	3,267	-23%	-7%
THYAO*	232,336	182,875	176,712	27%	31%	45,408	34,265	10,167	33%	347%	28,774	30,395	-1,818	-5%	n.m.
TOASO	63,741	32,096	25,658	99%	148%	2,430	3,673	741	-34%	228%	838	1,738	-149	-52%	n.m.
TTRAK	12,062	21,174	13,487	-43%	-11%	1,061	3,854	1,050	-72%	1%	293	2,621	251	-89%	17%

Source: OYAK Securities Estimates, Datastream, \*excl. inflation accounting

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