

AKBANK

OVERWEIGHT

All-around robust results broadly in-line with expectations

October 23, 2025

Akbank reported TL14,064mn unconsolidated net income in 3Q25, slightly above the TL13,581mn consensus and in line with TL14,015mn Tera estimates. Akbank's net income increased by 26% q/q and by 56% y/y for a 21% ROE in 3Q25. As such, Akbank's net income rose by 17% y/y in 9M25 for an ROE of 20%. We observe that slightly lower than expected trading income and higher provision coverage were offset by better-than-expected fee income and opex. In summary, there was strong volume growth coupled with margin expansion, continued very strong rise in fees, and well-under-control costs, while CoR increased in 3Q25. Meanwhile, it is worth to note that Akbank's equity grew by 7% q/q, supported by MTM gains, indicating an annualized book value growth of 29%.

In detail, TL loan book expanded by 12% q/q in 3Q25, as the bank gained market share across-the-board, accompanied by some 5% q/q growth in FX loans. Deposits grew by 5% q/q in FX-adj. terms, with market share gains in demand deposits. Swap-adj. NIM expanded by 73bps q/q, driven by the drop in TL funding costs, accompanied by a mild contribution from the upward revision in the inflation utilized for CPI-linkers from 31% to 32.5%. Whereas, pure trading gains further declined. FX-adj. CoR increased q/q to 289bps in 3Q25, driven by retail NPL flows, restructurings, and coverage increases, as total loan coverage further increased to a peer-high 4.2%. As such, CoR reached 230bps in 9M25, running above the budget guidance. Fees continued growing by a very strong 79% y/y in 3Q25, driven by all segments; whereas, cost growth momentum was well under control at 33% y/y with relatively limited HR cost growth. Finally, pre-BRSA forbearance capital ratios inched down q/q, with consolidated CET-I reaching 12.4% as at end-3Q25.

Akbank management has not officially changed its previously-revised 2025 guidance, apart from further increasing its 2025-end policy rate forecast to 38.5% from 36.0%. Accordingly, the bank thinks that CoR is likely to remain slightly above guidance and that there are downside risks in NIM and ROE, even though the loan growth target is set to be exceeded. For the NIM trajectory, the management thinks that the gradual expansion may extend all the way until late 2026 as the rate cut cycle is now expected to take place more gradually. The verbal revisions are broadly in-line with our existing forecasts. Based on our estimates, the stock trades at undemanding multiples of 1.00x 2025E P/B & 4.8x 2025E P/E and 0.74x 2026E P/B & 2.9x 2026E P/E. With our 12M TP of TL90.59/share offering a 59% upside, including a 4% dividend yield, we maintain our Overweight rating for Akbank.

Price Data

Current Price (TL)	58.55
Current Mcap (TLmn)	304,460
12-mth Target Price (TL/share)	90.59
12-mth Target Mcap (TLmn)	471,048
12-mth Return Potential	55%
Dividend yield	4%

Financials (TL mn)	2023	2024	2025E	2026E
Swap-adj. NII	59,550	41,765	63,931	141,966
% ch y/y		-30	53	122
Net income	66,479	42,366	63,237	105,091
% ch y/y		-36	49	66
Shareholders equity	211,195	240,348	305,033	413,266
% ch y/y		14	27	35

Margins (%)	2023	2024	2025E	2026E
Swap-adj. NIM	4.4	2.1	2.4	4.1
Cost/income	34	64	61	51
Cost of risk	155	148	182	156
Ratios	2023	2024	2025E	2026E
P/E (TL, x)	1.9	6.7	4.8	2.9
P/B (TL, x)	0.60	1.19	1.00	0.74
ROAE (TL, %)	37.9	19.0	23.9	29.6

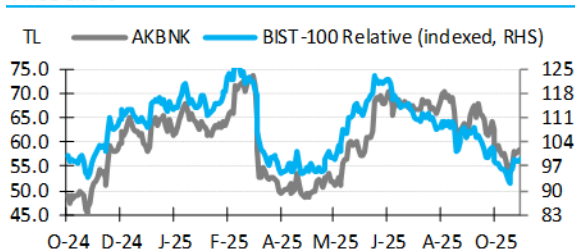
Stock Data

Ticker	AKBNK.IS	AKBNK.TI
Sector		Banking
# of Shares (mn)		5,200
3M Av. Trd. Vol. (mn)		US\$159.5
52-week Range	TL45.39 -	TL73.46

Market Data

BIST-100	10,608
TL/US\$	41.9042

Price Chart



Price Performance	1M	3M	6M	YoY
TL Absolute	-11%	-14%	9%	22%
BIST-100 Relative	-5%	-13%	-2%	0%

Major Shareholders

Sabancı Group	49%
Free float	51%

Akbank P&L (TLbn)	3Q24	2Q25	3Q25	Q/Q chg	Y/Y chg	Tera 3Q25E	Deviation
Interest income	126,499	157,714	163,694	4%	29%	160,713	2%
- of which: CPI-linkers	19,109	16,961	17,244	2%	-10%	17,300	0%
Interest expense	113,793	139,145	135,079	-3%	19%	130,739	3%
Net interest income	12,706	18,569	28,615	54%	125%	29,973	-5%
FX & Trading gains	744	-2,314	-8,251	n.m.	n.m.	-8,542	n.m.
- of which: swap cost	-3,680	-7,081	-11,286	59%	207%	-12,333	-8%
Net fees and commissions	18,662	25,802	33,433	30%	79%	30,291	10%
Dividends received	2,422	2,758	2,864	4%	18%	2,871	0%
Other operational income	3,461	1,352	1,216	-10%	-65%	1,524	-20%
Operating expenses	20,615	25,739	27,490	7%	33%	28,333	-3%
Total provisions	6,850	8,598	13,036	52%	90%	10,054	30%
Specific provisions	7,113	8,015	8,441	5%	19%	6,903	22%
General provisions	-268	602	4,595	663%	-1813%	3,126	47%
Other provisions	6	-20	0	n.m.	n.m.	25	n.m.
Income before tax	10,529	11,830	17,352	47%	65%	17,729	-2%
Income taxes	1,498	705	3,288	366%	119%	3,715	-11%
Net income	9,031	11,125	14,064	26%	56%	14,015	0%
ROAE (% bps)	16.0%	17.7%	21.0%	325	500	21.0%	-4

Source: Akbank, Rasyonet, Tera Yatirim estimates

AKBANK										
SUMMARY P&L (TLmn)	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Interest income	33,589	34,508	33,456	48,802	127,815	220,591	480,073	612,341	641,008	682,244
Loans	25,293	26,957	23,267	33,634	66,640	125,400	296,784	388,768	420,755	444,555
Securities	6,901	6,307	9,267	14,067	60,165	90,111	146,597	162,571	170,479	187,140
Cash, banks, other	1,394	1,245	923	1,102	1,010	5,079	36,693	61,002	49,775	50,548
Interest expense	19,023	18,795	13,926	25,967	50,944	157,044	415,028	520,994	465,080	464,992
Deposits	14,505	14,294	8,914	17,530	38,409	140,110	349,253	431,899	386,725	384,196
Money market	1,562	953	1,639	4,600	4,104	6,285	48,817	67,313	50,314	47,657
Other	2,956	3,548	3,373	3,837	8,431	10,649	16,958	21,782	28,040	33,139
Net interest income	14,566	15,713	19,531	22,835	76,872	63,547	65,045	91,347	175,929	217,252
FX & Trading gains	-336	-710	-619	6,449	15,060	37,118	-1,356	1,075	-6,584	-14,922
Net fees and commissions	3,450	4,634	3,866	5,233	10,316	30,832	69,162	109,699	133,067	149,223
Subsidiary income	310	647	961	1,563	3,106	7,317	9,669	11,608	13,927	15,320
Other operational income	986	819	1,373	2,244	3,736	6,138	11,132	7,355	10,575	13,944
Operational expenses	5,530	6,549	7,687	9,326	19,138	44,775	80,283	112,282	145,185	179,305
Total provisions	6,471	7,753	9,480	12,931	10,690	15,731	23,482	31,500	37,546	42,011
Loan loss provisions	5,885	6,077	4,556	3,933	3,461	6,383	18,134	26,016	29,670	33,803
General provisions	483	585	2,305	1,207	3,399	9,276	4,901	5,434	7,776	8,108
Non-loan related provisions	103	1,091	2,619	7,791	3,831	72	447	50	100	100
Income before tax	6,976	6,801	7,945	16,066	79,260	84,446	49,887	77,301	144,184	159,502
Income taxes	1,286	1,384	1,678	3,940	19,236	17,967	7,521	14,064	39,093	43,272
Net income	5,690	5,417	6,267	12,126	60,024	66,479	42,366	63,237	105,091	116,230

AKBANK										
RATIOS - MULTIPLES	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
PROFITABILITY										
ROAE	13.5%	11.0%	10.9%	17.9%	54.7%	37.9%	19.0%	23.9%	29.6%	25.6%
ROAA	1.67%	1.56%	1.51%	2.26%	6.67%	4.68%	1.98%	2.21%	2.87%	2.56%
NIM	4.42%	4.75%	4.97%	4.44%	8.99%	4.75%	3.22%	3.40%	5.11%	5.07%
Cost of risk	2.93%	3.01%	1.93%	1.32%	0.75%	0.90%	1.66%	1.76%	1.52%	1.37%
Cost to income	43.3%	45.5%	39.2%	28.4%	18.7%	34.1%	63.8%	61.2%	51.2%	54.1%
Effective tax rate	18.4%	20.3%	21.1%	24.5%	24.3%	21.3%	15.1%	18.2%	27.1%	27.1%
EFFICIENCY										
Cost / assets	1.69%	1.82%	1.72%	1.32%	1.78%	2.50%	3.19%	3.45%	3.55%	3.59%
Fees / costs	62.4%	70.8%	50.3%	56.1%	53.9%	68.9%	86.1%	97.7%	91.7%	83.2%
Deposit per branch (TLmn)	227	275	352	551	921	1,649	2,068	2,797	3,595	4,383
Loans per branch (TLmn)	237	257	331	484	761	1,196	1,800	2,375	3,065	3,796
Assets per branch (TLmn)	420	468	623	997	1,512	2,538	3,625	4,721	5,935	7,256
Employees per branch	17	17	17	17	18	18	18	19	19	20
Earnings per employee ('000s)	417	416	497	986	4,857	5,199	3,292	4,876	7,932	8,599
ASSET QUALITY										
NPL ratio	4.06%	7.05%	6.83%	4.90%	3.01%	2.37%	2.88%	3.49%	3.55%	3.54%
NPL provision coverage	58%	56%	62%	65%	67%	62%	59%	60%	64%	65%
Loans / Assets	56.5%	55.0%	53.1%	48.5%	50.3%	47.1%	49.7%	50.3%	51.6%	52.3%
TL loans / TL deposits	151.2%	147.2%	170.0%	156.0%	110.9%	85.7%	85.7%	86.5%	87.5%	89.2%
FX loans / FX deposits	65.4%	53.9%	48.5%	48.0%	49.2%	48.2%	76.6%	73.2%	74.8%	76.4%
IEA / Assets	95.0%	94.8%	95.6%	96.0%	94.2%	94.4%	94.0%	93.8%	94.3%	94.6%
IBL / Liabilities	82.7%	81.2%	81.9%	84.9%	79.3%	82.8%	85.3%	85.8%	85.2%	85.1%
VOLUME GROWTH (y/y)										
Assets (in TLmn)	3.7%	10.0%	23.7%	58.9%	51.7%	66.4%	40.6%	29.3%	25.7%	22.2%
TL loans (in TLmn)	-3.6%	15.0%	30.2%	28.6%	73.2%	60.3%	41.5%	31.9%	29.7%	23.4%
FX loans (in US\$mn)	-20.5%	-12.4%	-9.8%	-10.1%	-13.6%	-9.5%	40.2%	4.0%	6.1%	6.1%
TL deposits (in TLmn)	-13.7%	19.4%	12.8%	39.1%	153.0%	109.8%	36.4%	32.4%	29.9%	21.6%
FX deposits (in US\$mn)	-10.3%	7.1%	-1.7%	-7.1%	-15.4%	-12.2%	-16.8%	10.9%	4.2%	4.2%

AKBANK										
Balance Sheet (TLmn)	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
TL cash & banks	5,189	2,495	4,893	14,851	26,564	132,744	287,114	264,289	336,803	408,381
FX cash & banks	43,466	43,996	57,959	128,511	134,028	209,563	205,007	364,664	457,043	560,669
Total cash & banks	48,655	46,490	62,851	143,362	160,592	342,307	492,120	628,953	793,846	969,050
TL securities	47,771	59,718	74,698	118,562	205,413	351,890	466,373	583,054	698,414	838,636
FX securities	29,673	37,392	43,253	75,136	106,235	151,027	156,141	200,978	250,919	306,441
TL loans	115,206	129,409	167,895	218,470	389,146	626,292	885,172	1,162,698	1,505,865	1,858,305
FX loans	69,891	68,892	77,577	125,318	151,959	216,603	363,881	473,873	605,792	757,450
Participations	5,458	6,736	9,620	16,078	23,547	46,671	60,839	86,719	106,273	128,074
Property and equipment	4,663	6,434	7,298	7,466	18,345	28,235	46,499	51,049	55,989	61,442
Other	6,325	5,429	2,908	4,521	19,950	26,149	44,572	65,465	72,259	79,759
ASSETS	327,642	360,501	446,101	708,911	1,075,186	1,789,174	2,515,597	3,252,788	4,089,358	4,999,157
TL customer depo	75,720	90,380	101,923	141,778	358,722	752,467	1,026,304	1,359,215	1,765,060	2,145,442
FX customer depo	101,229	121,997	149,768	249,895	296,425	409,909	408,619	567,617	712,133	874,509
TL banks and other	9,593	6,505	10,166	44,713	37,838	17,675	272,766	198,030	178,137	219,590
FX banks and other	14,911	13,985	25,722	37,882	40,369	127,889	178,778	255,585	309,776	367,254
TL borrowed funds	15,959	12,986	19,560	31,465	14,972	14,264	14,255	18,124	19,125	20,341
FX borrowed funds	53,686	46,718	58,103	96,122	103,915	159,653	245,277	392,345	501,568	627,134
Other liabilities	12,735	13,548	17,941	31,102	69,344	96,122	129,249	156,840	190,294	230,000
LIABILITIES	283,833	306,119	383,182	632,956	921,587	1,577,979	2,275,249	2,947,755	3,676,092	4,484,270
EQUITY	43,809	54,382	62,919	75,955	153,600	211,195	240,348	305,033	413,266	514,887

AKBANK										
BS Composition	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
TL cash, banks, CB reserves	1.6%	0.7%	1.1%	2.1%	2.5%	7.4%	11.4%	8.1%	8.2%	8.2%
FX cash, banks, CB reserves	13.3%	12.2%	13.0%	18.1%	12.5%	11.7%	8.1%	11.2%	11.2%	11.2%
Liquid assets	14.9%	12.9%	14.1%	20.2%	14.9%	19.1%	19.6%	19.3%	19.4%	19.4%
TL securities	14.6%	16.6%	16.7%	16.7%	19.1%	19.7%	18.5%	17.9%	17.1%	16.8%
FX securities	9.1%	10.4%	9.7%	10.6%	9.9%	8.4%	6.2%	6.2%	6.1%	6.1%
Securities	23.6%	26.9%	26.4%	27.3%	29.0%	28.1%	24.7%	24.1%	23.2%	22.9%
TL loans	35.2%	35.9%	37.6%	30.8%	36.2%	35.0%	35.2%	35.7%	36.8%	37.2%
FX loans	21.3%	19.1%	17.4%	17.7%	14.1%	12.1%	14.5%	14.6%	14.8%	15.2%
Loans	56.5%	55.0%	55.0%	48.5%	50.3%	47.1%	49.7%	50.3%	51.6%	52.3%
Participations and subsidiaries	1.7%	1.9%	2.2%	2.3%	2.2%	2.6%	2.4%	2.7%	2.6%	2.6%
Property and equipment	1.4%	1.8%	1.6%	1.1%	1.7%	1.6%	1.8%	1.6%	1.4%	1.2%
Other	1.9%	1.5%	0.7%	0.6%	1.9%	1.5%	1.8%	2.0%	1.8%	1.6%
ASSETS (TLmn)	327,642	360,501	446,101	708,911	1,075,186	1,789,174	2,515,597	3,252,788	4,089,358	4,999,157
TL customer depo	26.7%	29.5%	26.6%	22.4%	38.9%	47.7%	45.1%	46.1%	48.0%	47.8%
FX customer depo	35.7%	39.9%	39.1%	39.5%	32.2%	26.0%	18.0%	19.3%	19.4%	19.5%
Retail customer funds	62.3%	69.4%	65.7%	61.9%	71.1%	73.7%	63.1%	65.4%	67.4%	67.3%
TL banks and other	3.4%	2.1%	2.7%	7.1%	4.1%	1.1%	12.0%	6.7%	4.8%	4.9%
FX banks and other	5.3%	4.6%	6.7%	6.0%	4.4%	8.1%	7.9%	8.7%	8.4%	8.2%
Banks and wholesale	8.6%	6.7%	9.4%	13.0%	8.5%	9.2%	19.8%	15.4%	13.3%	13.1%
TL borrowed funds	5.6%	4.2%	5.1%	5.0%	1.6%	0.9%	0.6%	0.6%	0.5%	0.5%
FX borrowed funds	18.9%	15.3%	15.2%	15.2%	11.3%	10.1%	10.8%	13.3%	13.6%	14.0%
Borrowed funds	24.5%	19.5%	20.3%	20.2%	12.9%	11.0%	11.4%	13.9%	14.2%	14.4%
Other liabilities	4.5%	4.4%	4.7%	4.9%	7.5%	6.1%	5.7%	5.3%	5.2%	5.1%
LIABILITIES (TLmn)	283,833	306,119	383,182	632,956	921,587	1,577,979	2,275,249	2,947,755	3,676,092	4,484,270
SHAREHOLDER EQUITY	13.4%	15.1%	14.1%	10.7%	14.3%	11.8%	9.6%	9.4%	10.1%	10.3%

Tera Yatirim Stock Ratings

Rating	Definition
OVERWEIGHT	The analyst expects that the stock will generate a return above that of the BIST-100 index over the next twelve months.
MARKETWEIGHT	The analyst expects that the stock will generate a return in line with that of the BIST-100 index over the next twelve months.
UNDERWEIGHT	The analyst expects that the stock will generate a return below that of the BIST-100 index over the next twelve months.

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