

TURKISH FINANCIAL SYSTEM AND PARTICIPATION BANKING

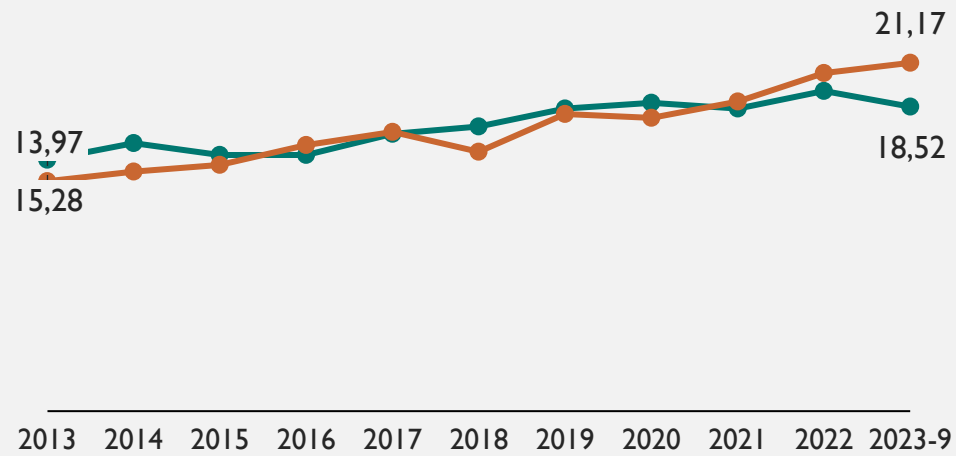
September 2023

Participation Banks Association of Türkiye
Banking Services Coordination Office

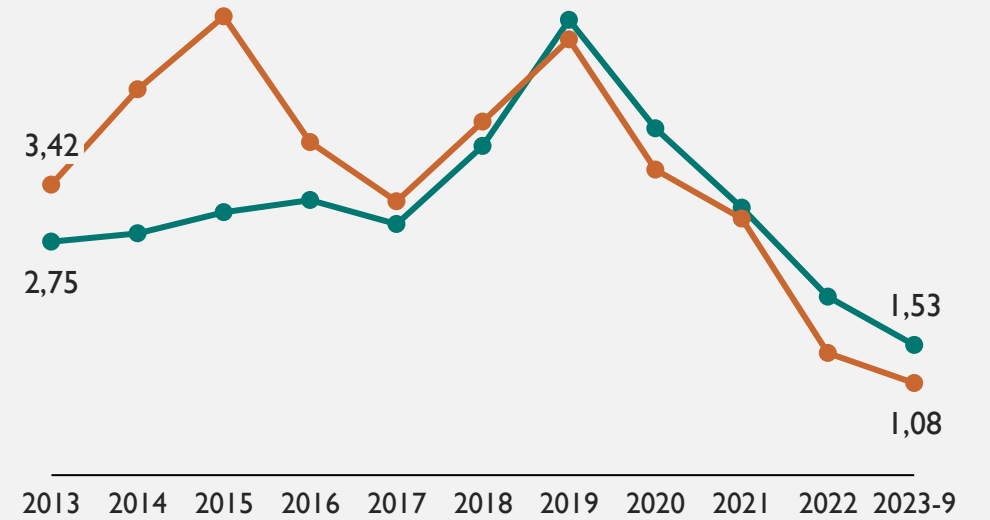
TKBB PARTICIPATION
BANKS
ASSOCIATION
OF TÜRKİYE
"Stronger Türkiye with Participation Banks"

	Participation Banks	Deposit Banks	Development and Investment Banks	Banking Sector
Total Number of Banks	8	32	17	57
Total Number of Branches	1.438	9.537	69	11.044
Total Number of Personnel	19.261	182.874	6.127	208.262

Change in Capital Adequacy Ratio



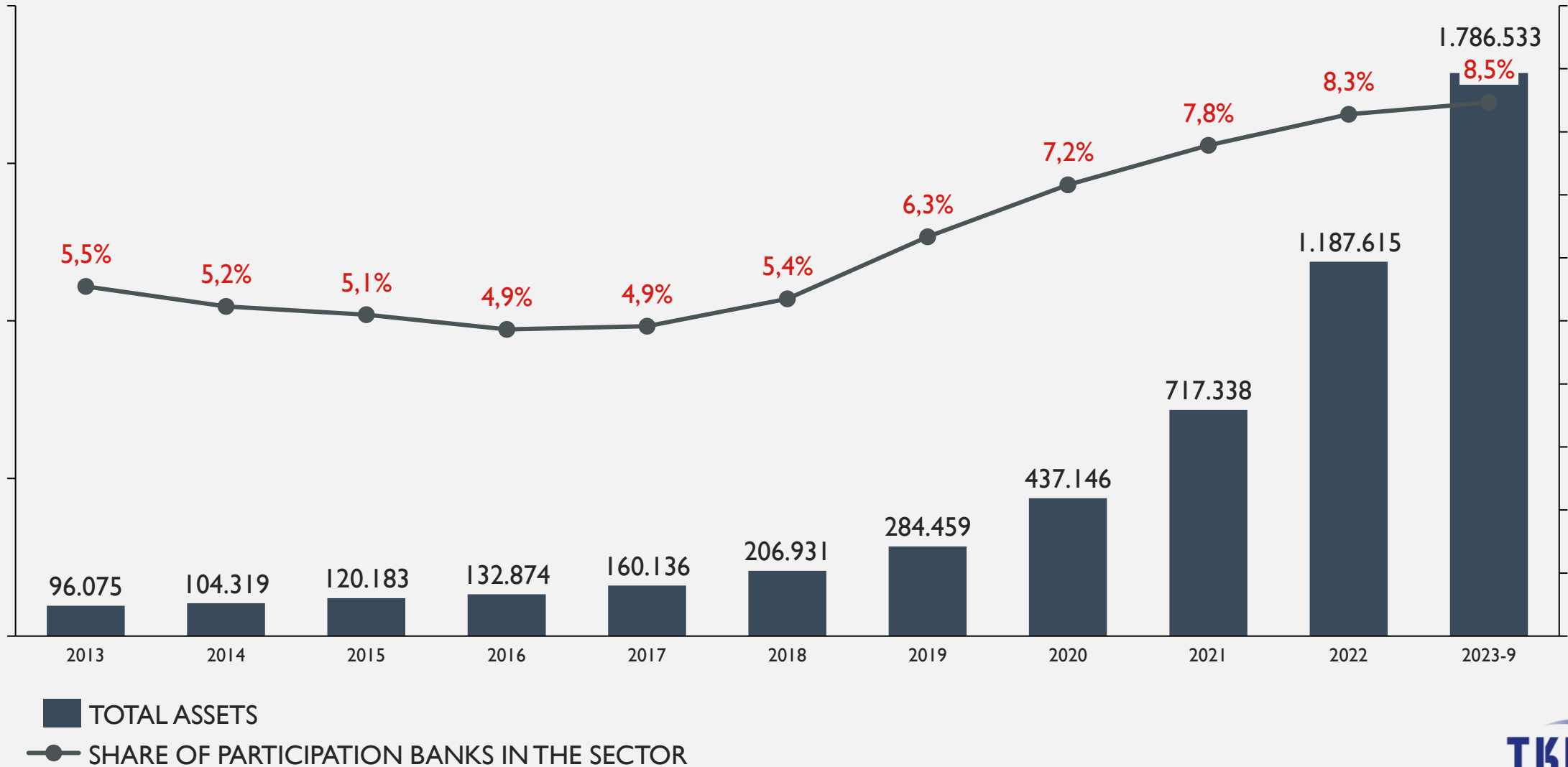
Change in Non-Performing Loans Ratio



	Participation Banks		Deposit Banks	Development and Investment Banks
	September 2023	December 2022		
Assets	8,5% ↑	8,3%	85,9%	5,6%
Collected Funds	10,0% ↓	10,1%	90,0%	0,0%
Disbursed Funds	8,2% ↑	8,2%	85,7%	6,1%
Shareholders' Equity	6,5% ↑	6,0%	86,2%	7,2%
Number of Branches	13,0% ↑	12,5%	86,4%	0,6%
Number of Personnel	9,2% ↑	8,7%	87,7%	2,9%
Number of ATMs	5,1% ↑	4,8%	94,9%	0,0%

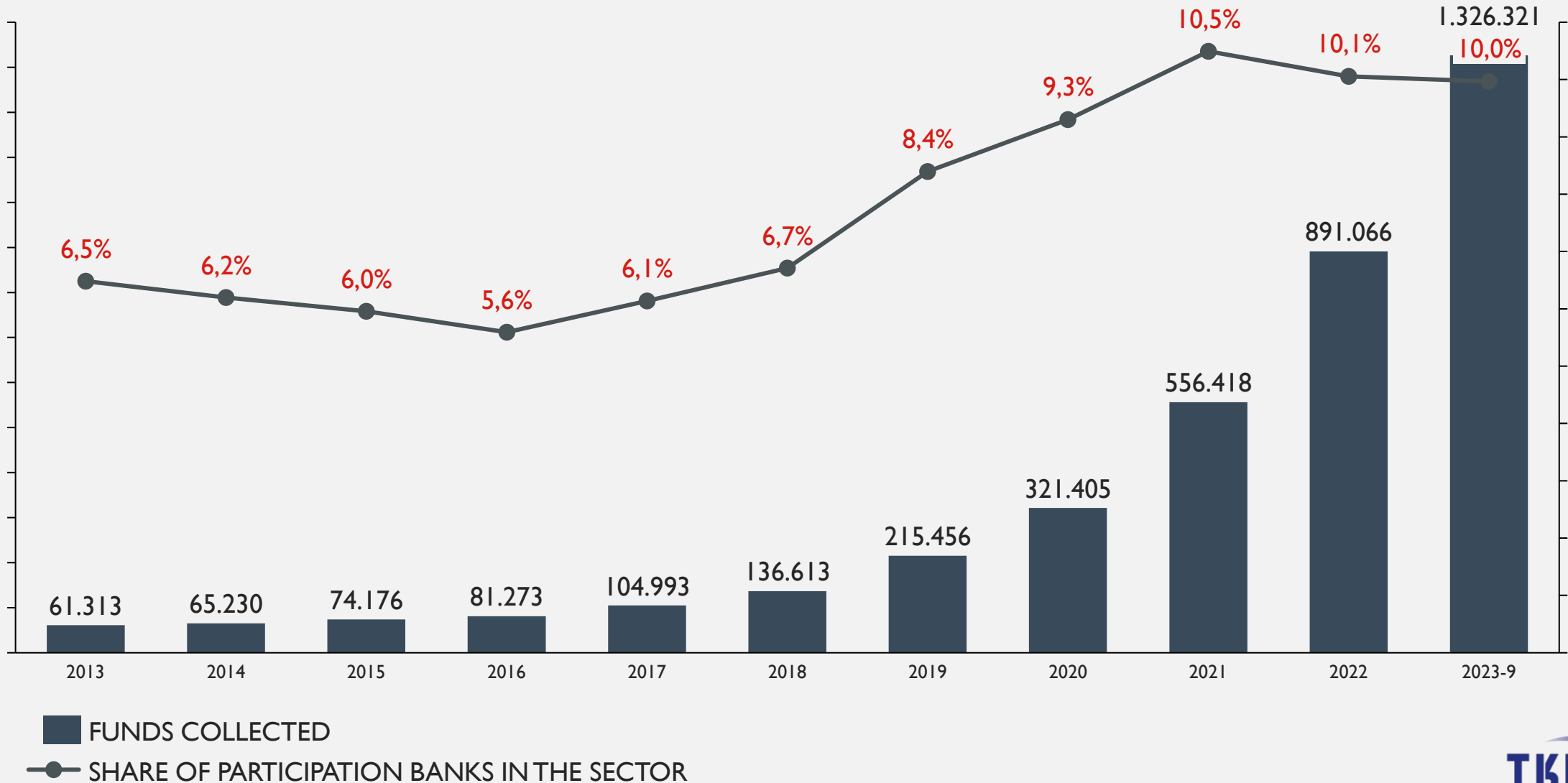
Development of Total Assets of Participation Banks (Million TRY)

September 2023



Development of Funds Collected by Participation Banks (Million TRY)

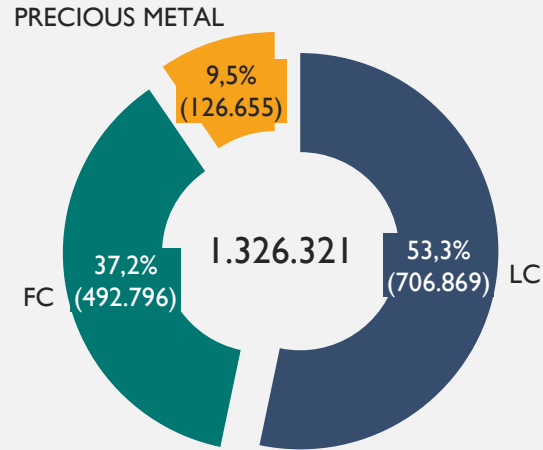
September 2023



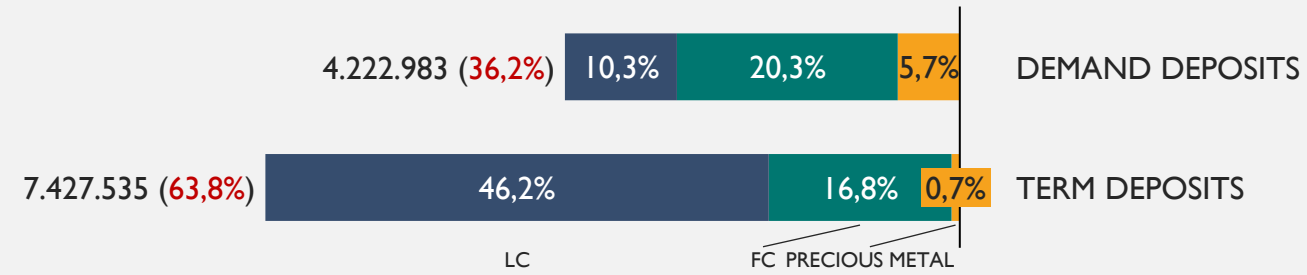
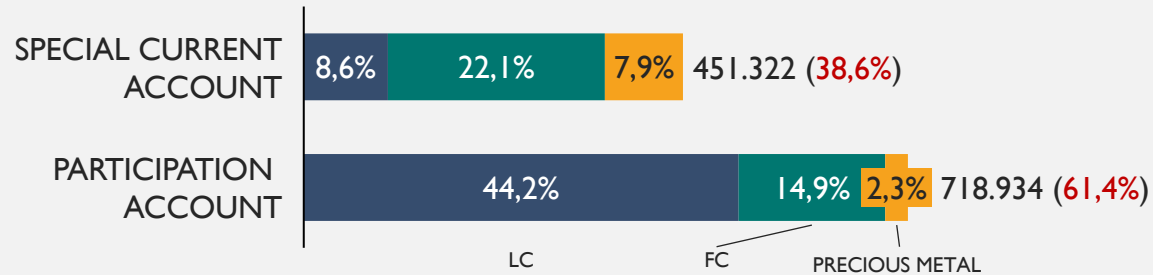
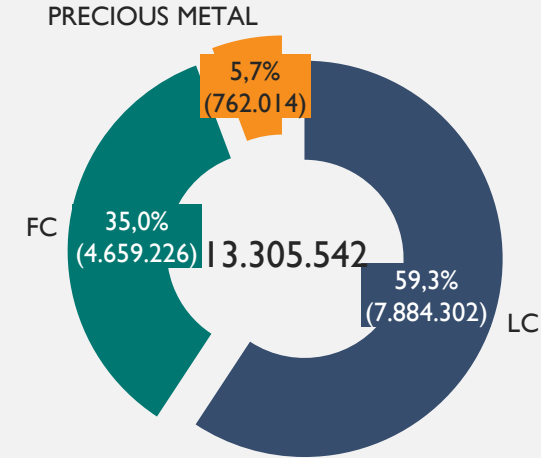
Distribution of Participation Banks' Collected Funds by Types and Term Structure

September 2023

PARTICIPATION BANKS

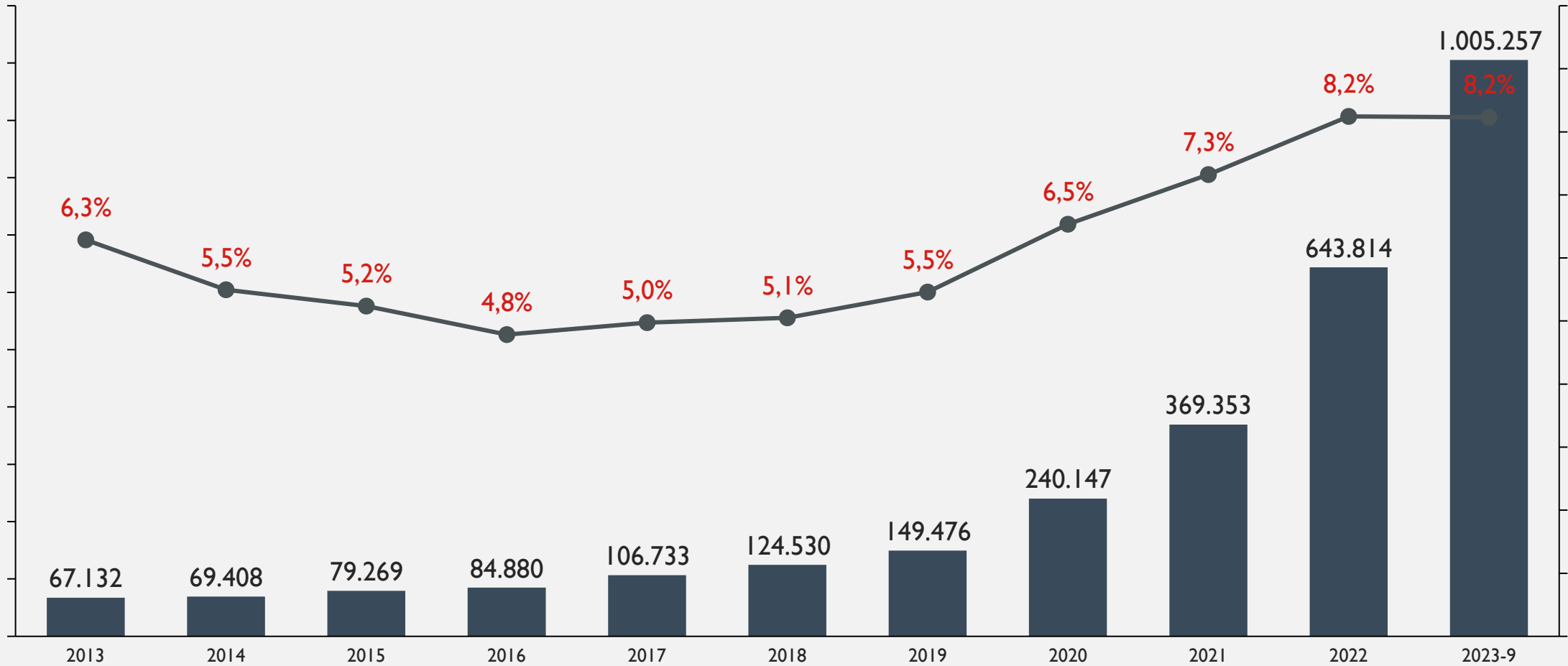


BANKING SECTOR



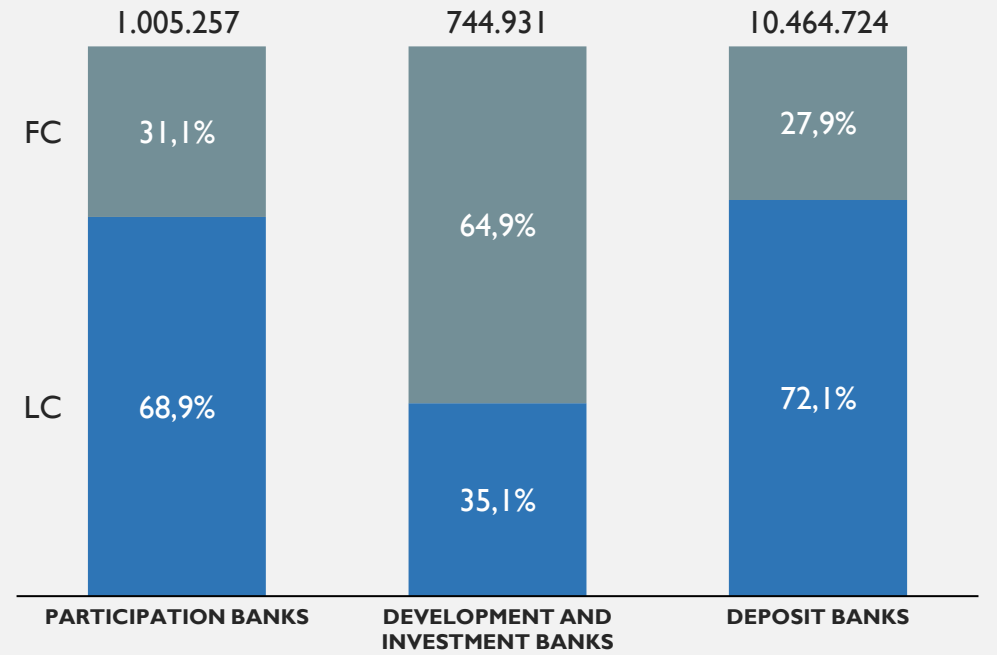
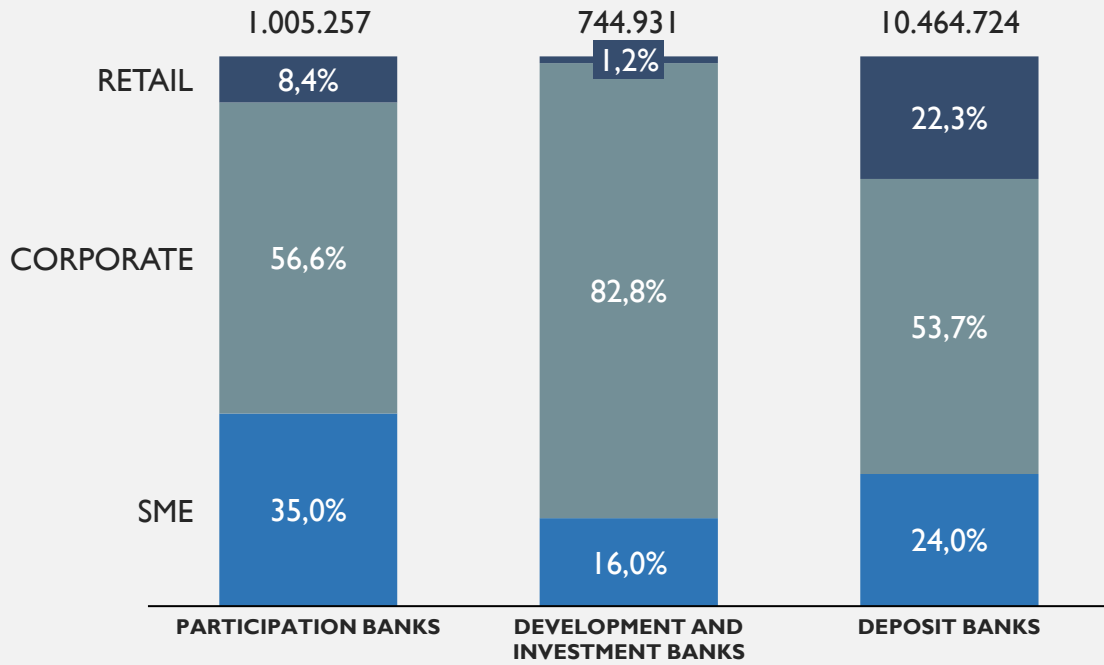
Development of Participation Banks' Allocated Funds (Million TRY)

September 2023



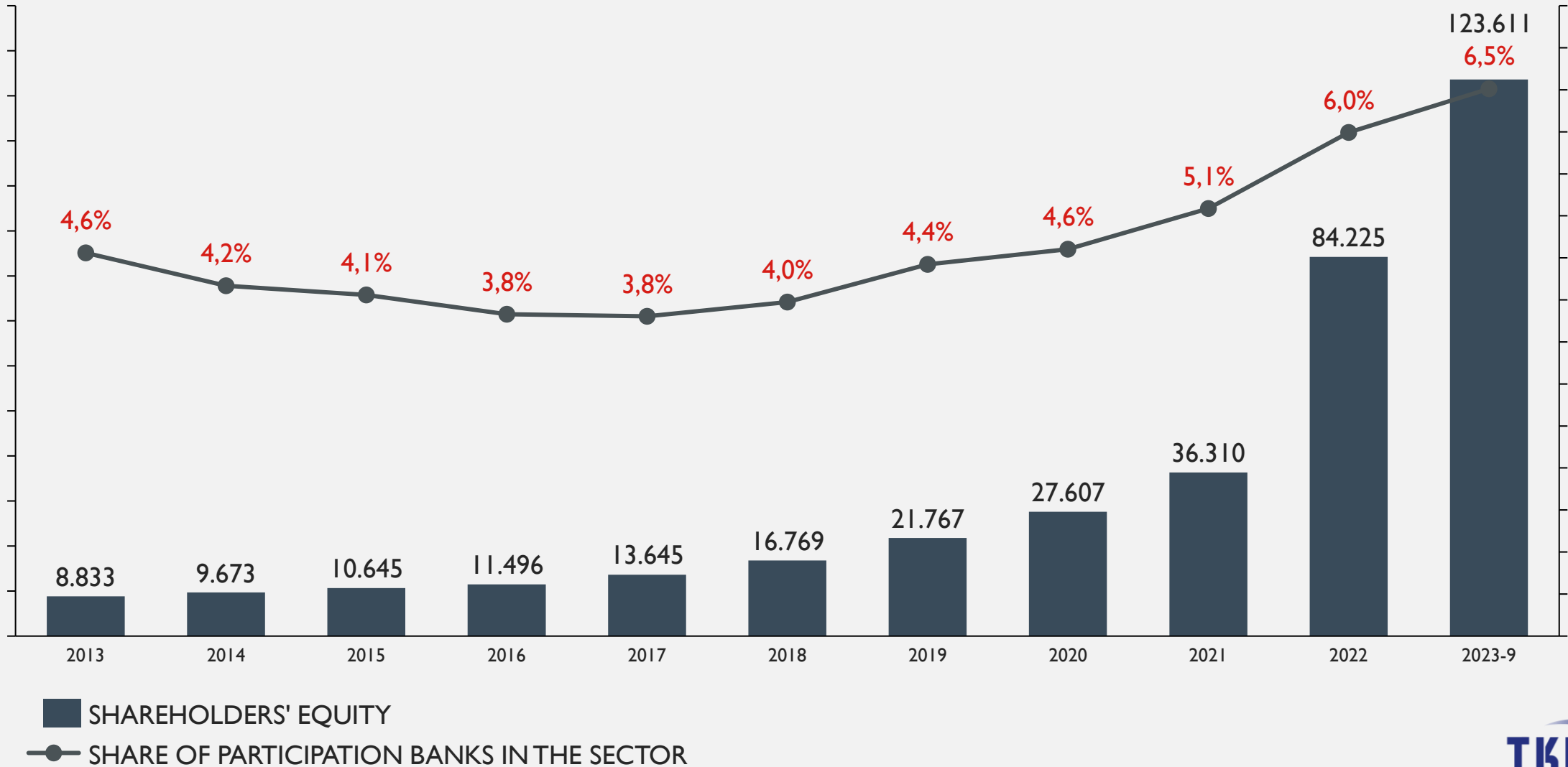
 FUNDS DISBURSED

 SHARE OF PARTICIPATION BANKS IN THE SECTOR



Development of Shareholders' Equity of Participation Banks (Million TRY)

September 2023



Selected Ratios

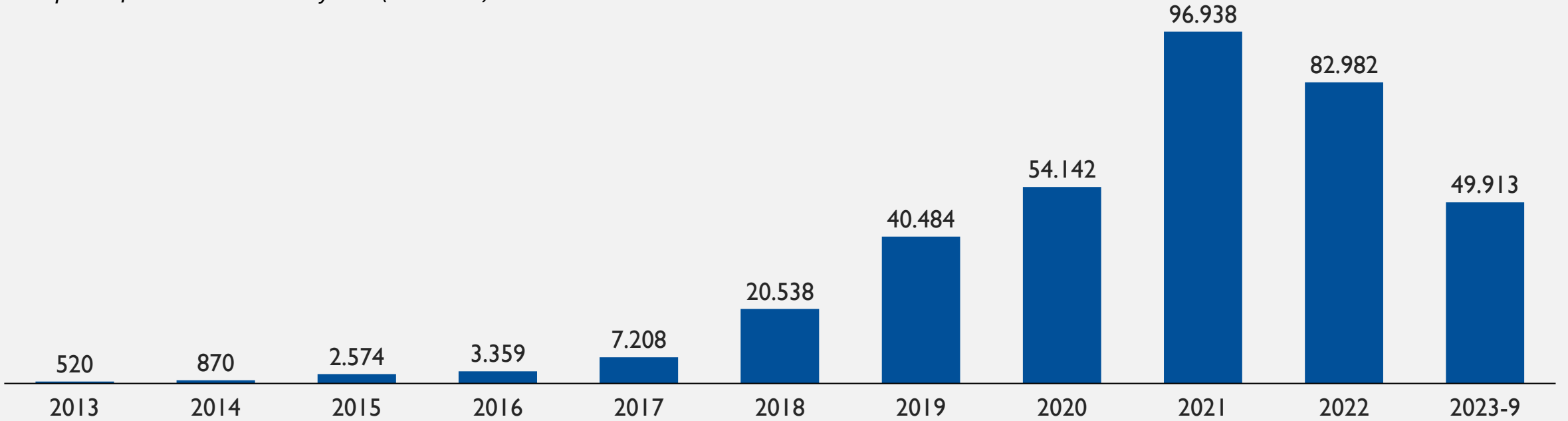
September 2023

RATIOS	PARTICIPATION BANKING			BANKING SECTOR		
	September 2023	December 2022	Change	September 2023	December 2022	Change
Non-Performing Loans (Gross) / Total Cash Loans (%)	1,08	1,43	↑ -24%	1,53	2,10	↑ -27%
Provision for Non-Performing Loans / Gross Non-Performing Loans (%)	101,73	99,78	↑ 2%	85,62	86,70	↓ -1%
Interest Sensitive Assets With Maturity of 3 Months / Interest Sensitive Liabilities With Maturity of 3 Months (%)	85,43	80,21	↑ 7%	97,79	94,21	↑ 4%
High Volume Deposit (Funds Collected) (1 Million Try And Over) / Total Deposit (Funds Collected)	76,48	69,40	↑ 10%	74,20	69,68	↑ 6%
(Off Balance Sheet Risks - Derivative Financial Instruments) / Total Assets (%)	22,01	20,07	↑ 10%	42,65	35,09	↑ 22%
Derivative Financial Instruments / Commitments (%)	69,37	76,36	↓ -9%	68,44	77,01	↓ -11%
Profit (Loss) Before Tax / Average Total Assets (%)	3,48	4,16	↓ -16%	3,11	4,85	↓ -36%
Net Income / Average Total Assets (%)	2,55	3,04	↓ -16%	2,48	3,66	↓ -32%
Net Income / Average Shareholder's Equity (%)	43,71	61,15	↓ -29%	30,35	49,92	↓ -39%
Total Interest (Profit Share) Income / Interest (Profit) Bearing Assets Average (%)	10,08	12,97	↓ -22%	9,81	12,66	↓ -22%
Total Interest (Profit Share) Expense / Interest (Profit) Bearing Liabilities Average (%)	8,62	8,99	↓ -4%	10,20	8,42	↑ 21%
Net Interest (Profit) Revenues (Expenses) / Average Total Assets (%)	3,15	5,59	↓ -44%	2,69	6,46	↓ -58%
Fees, Commission and Banking Services Revenues / Average Total Assets (%)	1,33	0,91	↑ 46%	1,52	1,48	↑ 3%
Fees, Commission and Banking Services Revenues / Total Revenues (%)	11,16	6,65	↑ 68%	11,25	9,22	↑ 22%
Operational Expenses / Average Total Assets (%)	1,56	1,57	↓ -1%	1,73	1,73	↓ 0%
Non Interest (Other) Revenues / Non Interest (Other) Expenses (%)	100,37	98,95	↑ 1%	100,72	98,04	↑ 3%
Fees, Commission and Banking Services Revenues / Operational Expenses (%)	85,69	58,04	↑ 48%	88,13	85,07	↑ 4%
Average Total Assets / Average Number of Total Staff (Thousand TL)	80.134	56.149	↑ 43%	85.055	58.072	↑ 46%
Total Deposit (Funds Collected) / Average Number of Total Staff (Thousand TL)	71.007	51.317	↑ 38%	63.968	43.523	↑ 47%
Profit (Loss) Before Tax / Average Total Number of Staff (Thousand TL)	2.789	2.333	↑ 20%	2.650	2.819	↓ -6%
Total Deposit (Funds Collected) / Average Number of Total Branches (Thousand TL)	939.986	661.028	↑ 42%	1.204.351	799.177	↑ 51%
Loans / Average Number of Total Branches (Thousand TL)	657.293	471.687	↑ 39%	993.836	702.497	↑ 41%
Total Number of Staff / Total Number of Branches (Person)	13	13	↑ 3%	19	19	↑ 1%
Weighted Average Maturity of Securities (Day)	1.072	1.173	↓ -9%	1.647	1.634	↑ 1%
Weighted Average Maturity of Securities Held for Trading (Day)	299	558	↓ -46%	857	961	↓ -11%
Total Cash Loans / Total Deposit (Funds Collected) (%)	69,93	71,36	↓ -2%	82,56	87,94	↓ -6%
Total Cash Loans / Total Deposit (Investment and Development Banks' Data Excluded) (%)	69,93	71,36	↓ -2%	77,17	82,42	↓ -6%
Total Securities / Total Deposit (Funds Collected) (%)	23,15	23,59	↓ -2%	26,85	26,74	↑ 0%
Demand Deposit (Funds Collected) / Total Deposit (Funds Collected) (%)	37,76	41,86	↓ -10%	34,63	35,45	↓ -2%
Regulatory Capital / Total Risk Weighted Assets (%)	21,17	20,26	↑ 5%	18,50	19,43	↓ -5%
Total Risk Weighted Assets (Net) / Total Risk Weighted Assets (Gross)	51,51	55,50	↓ -7%	57,68	59,79	↓ -4%
Foreign Assets / Total Shareholder's Equity (%)	1.321,15	1.279,43	↑ 3%	998,61	898,45	↑ 11%



Total Sukuk Transaction Volume
359 Billion ₺

Development of Total Sukuk Issuances by Years (Million TRY)





THANK YOU