

# Albaraka Türk's Net Profit for the First Quarter of 2024 was TL 614 Million

Albaraka Türk, the pioneer of participation banking in Türkiye, posted a profit of TL 614 million in the first quarter of 2024, up 19% YoY.

## Support for the Real Economy Continues, Asset Size Reached TL 260 Billion

Albaraka, Türkiye's first and leading participation bank, announced its financial results for the first quarter of 2024 on the Public Disclosure Platform (KAP). The Bank increased its funded credits in support of the real sector to TL 120.8 billion and its asset size reached TL 259.8 billion as of March 2024. In the first quarter of the year, the Bank increased its net profit share income by 55% to TL 2.2 billion compared to the same period of the previous year and realized a net profit of TL 614 million. Thus, Albaraka Türk increased its net profit by 19% in the first quarter compared to the same period of the previous year.

## Albaraka Türk Consistently Maintains Asset Quality Priority

The Bank decisively continues the steps it has taken to strengthen the asset quality implemented in 2023.

In the first quarter of the year, the size of funds collected through special current accounts and participation accounts reached TL 164.4 billion. The share of funds collected in liabilities amounted to 63%. Driven by the vision of sustainable profitability, Albaraka Türk's total shareholders' equity strengthened to TL 14 billion thanks to its increased profit generation capacity and solid balance sheet.

Albaraka Türk's non-performing credits (NPL) ratio, which stood at 1.65% at the end of 2023, declined to 1.58% as of March 2024, while the provisioning ratio for non-performing credits remained at 94.5%.

**“We will continue to operate successfully by maintaining the balance between growth and profitability”**

Sharing his views on the financial results, **Mr. Malek Temsah, CEO and Board Member of Albaraka Türk**, stated that they have seen the positive effects of the steps taken for sustainable revenue growth and further strengthening of the financial structure; and that they achieved a net profit of TL 614 million in the first quarter of 2024 with an increase of 19% compared to the same period of the previous year. He said that the increase in net profit share income and the developments in other income items contributed significantly to the success in net profit growth. Temsah noted that the non-performing credits ratio, which stood at 1.65% at the end of 2023, declined to 1.58% in the first quarter of 2024, adding that they have witnessed the positive results of their balance sheet strengthening activities. In addition, Temsah stated that the provision ratio for non-performing credits was preserved as 94.5% in the first quarter; “We will continue to operate successfully by maintaining the balance between growth and profitability,” he said.

**“We continue to take steps to become a bank that leads the society with our digitalization and sustainability efforts.”**

Stating that they grew TL funded credits by approximately 12% in the first quarter of 2024 compared to the end of 2023, Temsah said, “We act to meet the financial needs of our society with our strengthened financial structure; we continue to develop our activities to provide the best customer experience with our solution-oriented banking approach. We continue to take steps to become a bank that leads the sector and society with our digitalization and sustainability efforts.”