

Albaraka Türk's Unconsolidated Net Profit for the First Half of 2025 Reached TRY 9 Billion 102 Million

Albaraka Türk, Türkiye's first and pioneering participation bank, realized a profit of TL 9 billion 102 million in the first half of 2025 according to unconsolidated financial results.

Strong Balance Sheet Structure Maintained with High Asset Quality

Albaraka Türk announced its financial results for the first half of 2025 by reporting to the Public Disclosure Platform (KAP). Support for the real sector continues, funded credits increased by 29% compared to the end of 2024 and by 61% compared to the same period of the previous year, reaching TRY 192.2 billion. Asset size reached TL 350.7 billion.

Albaraka Türk decisively continues to take steps to strengthen its asset quality. The NPL ratio, recorded at 1.36% at the end of 2024, stood at 1.41% as of June 2025, while the provisioning ratio for non-performing credits remained high at 85.9%.

The total volume of funds collected through current and participation accounts reached TRY 246 billion in the first half of the year. Despite high funding costs being one of the sector's main agenda items, the share of funds collected via current accounts in total funds stood at 46.5%, supporting the bank's strong funding structure.

Stable Growth in Profitability Supported Capital Adequacy

Sharing his views on the financial results, Albaraka Türk's General Manager and Board Member Malek Temsah stated: "While continuing our operations in accordance with the principles of participation banking, we achieved significant growth compared to the same period of the previous year despite the tight policy environment. Our solo net profit increased by 386% in the first half of 2025 compared to the same period last year, reaching TRY 9 billion 102 million. Excluding the free provisions we canceled in the first quarter of this year to support our capital and balance sheet, we achieved a 12% profit increase compared to the first half of last year and reached TRY 2.1 billion solo net profit."

Malek Temsah added: “In line with our vision and mission, we continue our operations at full speed in 2025. In compliance with the principles and values of participation finance, we are strengthening our customer-centric approach to best meet the needs of our clients. On this journey, we are taking significant steps in digitalization, maintaining our commitment to making financial services more accessible and innovative. We are expanding our sustainability-focused projects and continue to fulfill our responsibilities to society and the environment.”

“As for our expectations for the upcoming period; we anticipate that the interest rate cut process by the CBRT will reduce funding costs and consequently increase our net profit margin. We believe that this development will positively contribute to our bank’s operations both in terms of profitability and credit expansion.”