

Albaraka Türk Katılım Bankası Anonim Şirketi

**Consolidated financial statements
and related disclosures at September 30, 2020
together with limited review report**

*(Convenience translation of the limited review report and
financial statements originally issued in Turkish – see section three Note I.b)*

**Convenience translation of the auditor's report originally issued in Turkish
(See Note 1.b of Section Three)**

REVIEW REPORT ON INTERIM CONSOLIDATED FINANCIAL INFORMATION

To the Board of Directors of Albaraka Türk Katılım Bankası A.Ş.

Introduction

We have reviewed the consolidated statement of financial position of Albaraka Türk Katılım Bankası A.Ş. ("the Bank") and its subsidiaries (together will be referred as "the Group") at September 30, 2020 and the related consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in shareholders' equity, consolidated statement of cash flows and a summary of significant accounting policies and other explanatory notes to the consolidated financial statements for the nine-month-period then ended. The Bank Management is responsible for the preparation and fair presentation of these consolidated interim financial information in accordance with the "Regulation on Accounting Applications for Banks and Safeguarding of Documents" published in the Official Gazette no.26333 dated 1 November 2006, and other regulations on accounting records of Banks published by Banking Regulation and Supervision Agency ("BRSA") and circulars and interpretations published by Banking Regulation and Supervision Authority (together referred as BRSA Accounting and Financial Reporting Legislation) and Turkish Accounting Standard 34 "Interim Financial Reporting" principles for those matters not regulated by BRSA Legislation; together referred as "BRSA Accounting and Financial Reporting Legislation". Our responsibility is to express a conclusion on these consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim consolidated financial information consists of making inquiries, primarily of persons responsible for financial reporting process, and applying analytical and other review procedures. A review of interim consolidated financial information is substantially less in scope than an independent audit performed in accordance with the Independent Auditing Standards of Turkey and the objective of which is to express an opinion on the consolidated financial statements. Consequently, a review of the interim consolidated financial information does not provide assurance that the audit firm will be aware of all significant matters which would have been identified in an audit. Accordingly, we do not express an opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not give a true view of the consolidated financial position of Albaraka Türk Katılım Bankası A.Ş. at September 30, 2020, and the results of its operations and its consolidated cash flows for the nine-month-period then ended in all material aspects in accordance with the BRSA Accounting and Financial Reporting Legislation.


Report on other regulatory requirements arising from legislation

Based on our review, nothing has come to our attention that causes us to believe that the financial information provided in the accompanying interim activity report in Section VII, are not consistent, in all material respects, with the reviewed consolidated financial statements and disclosures.

Additional paragraph for convenience translation to English:

As explained in detail in Note I.b of Section Three, the effects of differences between accounting principles and standards set out by regulations in conformity with “BRSA Accounting and Financial Reporting Legislation” and the accounting principles generally accepted in countries in which the accompanying consolidated financial statements are to be distributed and International Financial Reporting Standards (“IFRS”) have not been quantified in the accompanying consolidated financial statements. Accordingly, the accompanying consolidated financial statements are not intended to present the financial position, results of operations and changes in financial position and cash flows in accordance with the accounting principles generally accepted in such countries and IFRS.

Giney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi
A member firm of Ernst & Young Global Limited



Emre Çelik, SMMM
Partner

November 19, 2020
İstanbul, Turkey

CONSOLIDATED FINANCIAL REPORT OF ALBARAKA TÜRK KATILIM BANKASI A.Ş. AS OF AND FOR THE NINE-MONTH ENDED SEPTEMBER 30, 2020

Parent Bank's headquarter address : Saray Mah. Dr. Adnan Büyükdeniz Cad. No: 6
34768 Ümraniye/İstanbul
Parent Bank's phone number and facsimile : 00 90 216 666 01 01 – 00 90 216 666 16 00
Parent Bank's website : www.albaraka.com.tr
Electronic mail contact info : albarakatürk@albarakatürk.com.tr

The consolidated interim financial report prepared in accordance with the Communiqué on Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks as regulated by the Banking Regulation and Supervision Agency is comprised of the following sections.

- GENERAL INFORMATION ABOUT THE PARENT BANK
- CONSOLIDATED FINANCIAL STATEMENTS OF THE PARENT BANK
- EXPLANATIONS ON THE ACCOUNTING PRINCIPLES APPLIED IN THE RELATED PERIOD
- INFORMATION ON FINANCIAL STRUCTURE AND RISK MANAGEMENT
- EXPLANATORY DISCLOSURES AND FOOTNOTES ON CONSOLIDATED FINANCIAL STATEMENTS
- LIMITED REVIEW REPORT
- INTERIM REPORT

Investments in subsidiaries, real estate investment funds, venture capital investment funds, security funds, joint ventures and associates whose financial statements have been consolidated in this consolidated financial report are as follows:

	Subsidiaries	Real Estate Investment Funds	Venture Capital Investment Funds	Security Funds	Joint Ventures	Associates
1.	Bereket Varlık Kiralama A.Ş.	Albaraka Portföy Yönetimi A.Ş. One Tower Gayrimenkul Yatırım Fonu	Albaraka Portföy Yönetimi A.Ş. Değer Girişim Sermayesi Yatırım Fonu	Albaraka Portföy Yönetimi A.Ş. Katılım Fonu	Katılım Emeklilik ve Hayat A.Ş.	-
2.	Albaraka Portföy Yönetimi A.Ş.	Albaraka Portföy Yönetimi A.Ş. Dükkan Gayrimenkul Yatırım Fonu	Albaraka Portföy Yönetimi A.Ş. Fintech Girişim Sermayesi Yatırım Fonu	Albaraka Portföy Yönetimi A.Ş. Kira Sertifikaları Katılım Fonu	-	-
3.	Insha Gmbh	Albaraka Portföy Yönetimi A.Ş. Batışehir Gayrimenkul Yatırım Fonu	Albaraka Portföy Yönetimi A.Ş. Start-Up Girişim Sermayesi Yatırım Fonu	Albaraka Portföy Yönetimi A.Ş. Kısa Vadeli Katılım Serbest Fon	-	-
4.	-	Albaraka Portföy Yönetimi A.Ş. Metropol Gayrimenkul Yatırım Fonu	Albaraka Portföy Yönetimi A.Ş. İnovasyon Girişim Sermayesi Yatırım Fonu	-	-	-

Bereket One Ltd and Albaraka Sukuk Ltd, which are not a subsidiaries of the Bank but over which the Bank has 100% controlling power, have been included in the consolidation due to the reason that these companies are "Structured Entity".

The consolidated financial statements and related disclosures and footnotes; presented in **thousands of Turkish Lira** unless otherwise indicated; have been prepared in accordance with the Communiqué on Accounting Applications of Banks and Safeguarding of Documents, Banking Regulation and Supervision Agency regulations, Turkish Accounting Standards, Turkish Financial Reporting Standards and the related appendices and interpretations and in compliance with the records of our Bank, have been reviewed and presented as attached.

November 19, 2020


Adnan Ahmed Yusuf ABDULMALEK
Chairman of the Board of Directors


Melikşah UTKU
General Manager


Mustafa ÇETİN
Assistant General Manager


Kemaleddin DİLBAZ
Financial Reporting Manager


Mustafa BÜYÜKBAÇI
Chairman of the Audit Committee


Mehmet Ali GÖKCE
Member of the Audit Committee


Mohamed Ali CHATTI
Member of the Audit Committee

Contact information of the personnel in charge of the addressing of questions about this financial report:
Name-Surname/Title : Bora ŞİMŞEK / Financial Reporting / Vice Manager
Telephone : 00 90 216 666 05 59
Facsimile : 00 90 216 666 16 11

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ALBARAKA TÜRK KATILIM BANKASI A.Ş.
NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2020

(Thousand of Turkish Lira (TL) unless otherwise stated)

SECTION ONE

General Information

I. History of the Parent Bank including its incorporation date, initial legal status and amendments to legal status:

Albaraka Türk Katılım Bankası Anonim Şirketi ("The Parent Bank") was incorporated on November 5, 1984 with the name of Albaraka Türk Özel Finans Kurumu A.Ş., based on the decision of the Council of Ministers numbered 83/7506 and dated December 16, 1983 regarding establishments of Special Finance Houses and obtained the operating permission from the Central Bank of Turkey with the letter numbered 10912 and dated January 21, 1985.

Special Finance Houses, operating in accordance with the Communiqués of Under Secretariat of Treasury and the Central Bank of Turkey based on the decision of Council of Ministers numbered 83/7506, have been subjected to the provisions of the Banking Law numbered 4389 with the change of law dated December 17, 1999 and numbered 4491. Special Finance Houses have been subjected to the provisions of "Communiqué Related to the Incorporation and Activities of Special Finance Houses" published in the Official Gazette dated September 20, 2001 numbered 24529 by the Banking Regulation and Supervision Agency ("BRSA"). "Communiqué Related to the Incorporation and Activities of Special Finance Houses" has been superseded by the "Communiqué Related to Credit Operations of Banks" published in the Official Gazette dated November 1, 2006 numbered 26333 and the Parent Bank operates in accordance with the Banking Law numbered 5411 published in the Official Gazette dated November 1, 2005 numbered 25983.

The decision regarding the change in the title of the Parent Bank, in relation with the provisions of the Banking Law numbered 5411, was agreed in the Extraordinary General Meeting dated December 21, 2005 and the title of the Parent Bank was changed as "Albaraka Türk Katılım Bankası A.Ş.". The change in the title was registered in Istanbul Trade Registry on December 22, 2005 and published in the Trade Registry Gazette dated December 27, 2005, numbered 6461.

The Parent Bank together with its consolidated ownerships is referred to as the "Group" in the accompanying consolidated financial statements.

The Parent Bank's head office is located in Istanbul and is operating through 227 (December 31, 2019: 228) local branches and 2 (December 31, 2019: 2) foreign branches and with 3.618 (December 31, 2019: 3.791) staff as of September 30, 2020. The Group has 3.641 (December 31, 2019: 3.811) staff as of September 30, 2020.

II. Shareholding structure, shareholders having direct or indirect, joint or individual control over the management and supervision of the Parent Bank and the disclosures on related changes in the current year, if any:

As of September 30, 2020, 36,29% (December 31, 2019: 54,06%) of the Parent Bank's shares are owned by Albaraka Banking Group, 15,38% (December 31, 2019: 0) owned by Dallah Albaraka Group, 7,84% (December 31, 2019: 7,84%) owned by Islamic Development Bank, 34,84% (December 31, 2019: 25,22%) of the shares are publicly traded and quoted at Borsa İstanbul. Rest belongs to different real persons and corporate entities.

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2020

(Thousand of Turkish Lira (TL) unless otherwise stated)

III. Explanation on the chairman and members of board of directors, members of audit committee, general manager and assistant general managers, their areas of responsibility and their shares in the Parent Bank, if any:

Title	Name and Surname	Administrative Function and Responsibility	Educational Degree	Ownership Percentage (%)
Chairman of the Board of Directors (BOD):	Adnan Ahmed Yusuf ABDULMALEK	Chairman of BOD	Master	(*) 0,0000
Members of BOD:	Süleyman KALKAN	II.Chairman of BOD (Independent)	Bachelor	-
	İbrahim Fayez Humaid ALSHAMSI	Member of BOD	Bachelor	(*) 0,0000
	Ghassan Ahmed M. AMODI	Independent Member of BOD	Bachelor	-
	Mustafa BÜYÜKABACI	Member of BOD	Master	-
	Dr. Mohamed Ali CHATTI	Independent Member of BOD	Doctorate	-
	Prof. Dr. Kemal VAROL	Member of BOD	Doctorate	-
	Mehmet Ali GÖKCE	Independent Member of BOD	Master	-
	Housseem BEN HAJ AMOR	Member of BOD	Bachelor	-
	Tawfig Shaker M. MUFTI	Member of BOD	Bachelor	-
General Manager:	Melikşah UTKU	Member of BOD/General Manager	Master	-
Assistant General Managers:	Turgut SİMİTÇİOĞLU	Assistant General Manager Responsible for Credit Risks	Master	-
	Fatih BOZ	Assistant General Manager Responsible for Credits	Master	-
	Mehmet Fatih YORULMAZ	Assistant General Manager Responsible for Marketing	Master	-
	Hasan ALTUNDAĞ	Assistant General Manager Responsible for Sales	Bachelor	-
	Malek Khodr TEMSAH	Assistant General Manager Responsible for Treasury and Financial Institutions	Master	-
	Mustafa ÇETİN	Assistant General Manager Responsible for Finance and Strategy	Bachelor	-
	Volkan EVCİL	Assistant General Manager Responsible for Central Operations	Bachelor	-
	Süleyman ÇELİK	Assistant General Manager Responsible for Human Values and Administrative Affairs	Bachelor	-
	Süleyman ÇELİK (Deputy)	Assistant General Manager Responsible for Information Technologies	Bachelor	-
Chief Legal Consultancy	Hasan AVŞAR	Chief Legal Consultant	Bachelor	-
Audit Committee:	Mustafa BÜYÜKABACI	Chairman of Audit Committee	Master	-
	Mehmet Ali GÖKCE	Member of Audit Committee	Master	-
	Dr. Mohamed Ali CHATTI	Member of Audit Committee	Doctorate	-

(*) The share amounts of these persons are between TL 1-10 (full).

Chairman and members of BOD, members of audit committee, general manager and assistant general managers own 0,0000% of the Parent Bank's share capital (December 31, 2019: 0,0000%).

IV. Information on the Parent Bank's qualified shareholders:

The Parent Bank's paid in capital amounting to TL 1.350.000 consists of 1.350.000.000 number of shares with a nominal value of TL 1 (full) for each share. TL 697.546 of the paid in capital is owned by qualified shareholders who are listed below:

Name/Commercial Name	Share amount (nominal)	Share ratio(*)	Paid shares	Unpaid shares
Albaraka Banking Group	489.961	36,29%	489.961	-
Dallah Albaraka Holding	207.585	15,38%	207.585	-

(*)Shares purchased from Stock Exchange is not included.

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2020

(Thousand of Turkish Lira (TL) unless otherwise stated)

V. Summary on the Parent Bank's service activities and field of operations:

The Parent Bank operates in accordance with the principles of interest-free banking as a participation bank. The Parent Bank mainly collects funds through current accounts and participation accounts based on profit and loss sharing agreements and investment agency agreements, which are only for legal entities. The Parent Bank lends such funds through corporate finance support, retail finance support, profit/loss sharing investment, finance lease, financing commodity against document and joint investments.

The Parent Bank classifies current and profit sharing accounts separately from other accounts in accordance with their maturities. Profit sharing accounts are classified under six different maturity groups; up to one month, up to three months (three months included), up to six months (six months included), up to one year (one year included), one year and more than one year (with monthly, quarterly, semi-annual and annual profit share payment) and accumulated participation accounts.

The Bank may determine the profit rate following operating the participation accounts or estimated rates for investment agencies. The rate of participation accounts' participation to the loss is one hundred percent.

The Parent Bank constitutes specific fund pools with minimum maturities of one month, to be allocated to individually predetermined projects for financing purposes. Profit sharing accounts, which are part of the funds collected for project financing purpose, are managed in accordance with their maturities and independently from other accounts and transfers from these accounts to any other maturity groups are not executed. Specific fund pools are liquidated at the end of the financing period.

In addition to its ordinary banking activities, the Parent Bank operates as an insurance agency on behalf of Bereket Sigorta, Anadolu Sigorta, Türkiye Sigorta, Allianz Sigorta, Unico Sigorta, Neova Sigorta, Ankara Sigorta, Coface Sigorta, Generali Sigorta, Bereket Katılım Sigorta, HDI Sigorta, as a private pension insurance agency on behalf of Anadolu Hayat Emeklilik, Avivasa Emeklilik Hayat and Katılım Emeklilik ve Hayat, and as a brokerage agency on behalf of Bizim Menkul Değerler A.Ş. and Oyak Yatırım Menkul Değerler A.Ş. through its branches, engages in purchase and sale of precious metals, provides intermediary services in quick money transfers, credit card and member business (P.O.S.) services. Moreover, the Bank is involved in providing non-cash loans that mainly comprise letters of guarantee, letters of credit and acceptances.

Moreover, the Parent Bank is involved in providing non-cash loans, which mainly comprise letters of guarantee, letters of credit and acceptances.

Transactions, which can be carried out by the Parent Bank, are not limited to the clauses listed above. If any activities other than those mentioned are considered as beneficial to the Parent Bank, the application must be recommended by the Board of Directors, approved by the General Assembly and authorized by relevant legal authorities, which then needs to be approved by the Ministry of Trade since such applications, are amendments in nature to the Article of Association. The application is included in the Article of Association after all necessary approvals are obtained.

VI. Differences between the Communiqué on Preparation of Consolidated Financial Statements of Banks and Turkish Accounting Standards with respect to consolidation and short explanation about the institutions subject to full or proportional consolidation and institutions, which are deducted from equity or not included in these three methods:

Albaraka Kültür Sanat ve Yayıncılık A.Ş. is controlled 51% by the Parent Bank, 49% by "İnovasyon Girişim Sermayesi Yatırım Fonu" which is controlled by the Parent Bank and it has not been consolidated since it is non-financial subsidiary. Albaraka Teknoloji Bilişim Sistemleri ve Pazarlama Ticaret A.Ş. and Insha Ventures Teknoloji Geliştirme ve Pazarlama A.Ş. which are the subsidiaries of "İnovasyon Girişim Sermayesi Yatırım Fonu" and Natura Gıda Sanayi ve Ticaret A.Ş., which is an subsidiary of "Değer Girişim Sermayesi Yatırım Fonu" controlled by the Parent Bank, Inooster Bilgi Teknolojileri A.Ş., Pedudi Bilişim Teknolojileri A.Ş., Tam Entegre Yazılım A.Ş., Kronnika Bilgi Teknolojileri A.Ş. and Vomsis Bilişim Teknolojileri A.Ş. which are associates of "Fintech Girişim Sermayesi Yatırım Fonu" controlled by Parent Bank, C.E.H ve Tic.A.Ş., which is an associate of Albaraka "Portföy Yönetimi A.Ş. Start-Up Girişim Sermayesi Yatırım Fonu" controlled by the Parent Bank have not been consolidated since they are non-financial subsidiaries and associates, respectively. The Parent Bank consolidated Katılım Emeklilik ve Hayat A.Ş., an entity under common control, and Bereket Varlık Kiralama A.Ş., Insha GmbH, Albaraka Portföy Yönetimi A.Ş. the subsidiaries of the Parent Bank, through equity method and full consolidation method, respectively.

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2020

(Thousand of Turkish Lira (TL) unless otherwise stated)

VI. Differences between the Communiqué on Preparation of Consolidated Financial Statements of Banks and Turkish Accounting Standards with respect to consolidation and short explanation about the institutions subject to full or proportional consolidation and institutions, which are deducted from equity or not included in these three methods (continued):

Real Estate Investment Funds "Albaraka Portföy Yönetimi A.Ş. One Tower Gayrimenkul Yatırım Fonu", "Albaraka Portföy Yönetimi A.Ş. Batışehir Gayrimenkul Yatırım Fonu", "Albaraka Portföy Yönetimi A.Ş. Dükkan Gayrimenkul Yatırım Fonu", "Albaraka Portföy Yönetimi A.Ş. Metropol Gayrimenkul Yatırım Fonu" and Venture Capital Investment Funds "Albaraka Portföy Yönetimi A.Ş. Değer Girişim Sermayesi Yatırım Fonu", "Albaraka Portföy Yönetimi A.Ş. Fintech Girişim Sermayesi Yatırım Fonu", "Albaraka Portföy Yönetimi A.Ş. Inovasyon Girişim Sermayesi Yatırım Fonu", Albaraka Portföy Yönetimi A.Ş. Start-Up Girişim Sermayesi Yatırım Fonu" and other security (investment) funds controlled by the Parent Bank along with Bereket One Ltd, and Albaraka Sukuk Ltd, which are not subsidiaries of the Parent Bank but over which the Parent Bank has 100% controlling power have been included in the consolidation due to the reason that these companies are "Structured Entity".

VII. The existing or potential, actual or legal obstacles on immediate transfer of equity or reimbursement of liabilities between the parent bank and its subsidiaries:

There is no immediate transfer of equity between the Parent Bank and its subsidiaries. There is no existing or potential, actual or legal obstacle to the reimbursement of liabilities between the Parent Bank and its subsidiaries.

SECTION TWO

The consolidated financial statements

- I. Consolidated balance sheet (Statement of financial position)
- II. Consolidated statement of off-balance sheet
- III. Consolidated statement of profit or loss
- IV. Consolidated statement of profit or loss and other comprehensive income
- V. Consolidated statement of changes in shareholders' equity
- VI. Consolidated statement of cash flows

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
AS OF SEPTEMBER 30, 2020
(Thousand of Turkish Lira (TL) unless otherwise stated)

ASSETS	Notes (Section Five-I)	Reviewed			Audited		
		CURRENT PERIOD September 30, 2020			PRIOR PERIOD December 31, 2019		
		TL	FC	Total	TL	FC	Total
I. FINANCIAL ASSETS (Net)		3.158.902	16.901.455	20.060.357	3.467.753	12.065.923	15.533.676
1.1 Cash and Cash Equivalents	(1)	1.614.197	12.559.119	14.173.316	2.519.444	10.453.621	12.973.065
1.1.1 Cash and Balances with Central Bank		651.200	9.492.698	10.143.898	1.426.702	7.369.207	8.795.909
1.1.2 Banks		998.262	3.066.905	4.065.167	1.109.920	3.084.627	4.194.547
1.1.3 Money Market Placements		-	-	-	-	-	-
1.1.4. Expected Credit Losses (-)		35.265	484	35.749	17.178	213	17.391
1.2 Financial Assets Measured at Fair Value through Profit/Loss (FVTPL)	(2)	748.577	3.331.699	4.080.276	134.498	437.979	572.477
1.2.1 Government Securities		583.527	3.307.998	3.891.525	99.148	435.174	534.322
1.2.2 Equity Securities		-	10.359	10.359	-	-	-
1.2.3 Other Financial Assets		165.050	13.342	178.392	35.350	2.805	38.155
1.3 Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)	(3)	734.079	1.010.637	1.744.716	813.673	1.174.064	1.987.737
1.3.1 Government Securities		721.684	1.000.253	1.721.937	813.658	1.150.767	1.964.425
1.3.2 Equity Securities		7.667	10.384	18.051	15	23.297	23.312
1.3.3 Other Financial Assets		4.728	-	4.728	-	-	-
1.4 Derivative Financial Assets	(5)	62.049	-	62.049	138	259	397
1.4.1 Derivative Financial Assets Measured at Fair Value through Profit/Loss		62.049	-	62.049	138	259	397
1.4.2 Derivative Financial Assets Measured at Fair Value through Other Comprehensive Income		-	-	-	-	-	-
II. FINANCIAL ASSETS MEASURED AT AMORTISED COST (NET)		22.655.362	21.526.836	44.182.198	16.998.174	14.745.234	31.743.408
2.1 Loans	(6)	22.276.903	19.678.001	41.954.904	17.019.728	13.617.465	30.637.193
2.2 Lease Receivables	(7)	274.356	28.642	302.998	227.356	16.322	243.678
2.3 Financial Assets Measured at Amortised Cost	(4)	1.061.467	2.512.534	3.574.001	638.021	1.356.298	1.994.319
2.3.1 Government Securities		1.061.467	2.512.534	3.574.001	638.021	1.296.462	1.934.483
2.3.2 Other Financial Assets		-	-	-	-	59.836	59.836
2.4 Expected Credit Losses (-)	(6)	957.364	692.341	1.649.705	886.931	244.851	1.131.782
III. ASSETS HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS (Net)	(8)	109.610	365	109.975	124.196	284	124.480
3.1 Asset Held for Resale		109.610	365	109.975	124.196	284	124.480
3.2 Assets of Discontinued Operations		-	-	-	-	-	-
IV. OWNERSHIP INVESTMENTS (Net)	(9)	311.464	-	311.464	286.470	-	286.470
4.1 Associates (Net)		4.705	-	4.705	8.258	-	8.258
4.1.1 Associates Consolidated Under Equity Accounting		-	-	-	-	-	-
4.1.2 Unconsolidated Associates		4.705	-	4.705	8.258	-	8.258
4.2 Subsidiaries (Net)		253.696	-	253.696	240.236	-	240.236
4.2.1 Unconsolidated Financial Investments in Subsidiaries		-	-	-	-	-	-
4.2.2 Unconsolidated Non-Financial Investments in Subsidiaries		253.696	-	253.696	240.236	-	240.236
4.3 Joint Ventures (Net)		53.063	-	53.063	37.976	-	37.976
4.3.1 Joint-Ventures Consolidated Under Equity Accounting		53.063	-	53.063	37.976	-	37.976
4.3.2 Unconsolidated Joint-Ventures		-	-	-	-	-	-
V. TANGIBLE ASSETS (Net)	(10)	1.497.706	21.630	1.519.336	1.496.680	19.905	1.516.585
VI. INTANGIBLE ASSETS (Net)	(11)	31.120	6.583	37.703	30.538	5.272	35.810
6.1 Goodwill		-	4.957	4.957	-	3.970	3.970
6.2 Others		31.120	1.626	32.746	30.538	1.302	31.840
VII. INVESTMENT PROPERTY (Net)	(12)	1.366.747	-	1.366.747	1.419.315	-	1.419.315
VIII. CURRENT TAX ASSET		427	-	427	1.231	-	1.231
IX. DEFERRED TAX ASSET	(13)	241.478	-	241.478	166.345	-	166.345
X. OTHER ASSETS	(14)	510.339	50.054	560.393	397.149	251.499	648.648
TOTAL ASSETS		29.883.155	38.506.923	68.390.078	24.387.851	27.088.117	51.475.968

The accompanying explanations and notes are an integral part of these financial statements.

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
AS OF SEPTEMBER 30, 2020
(Thousand of Turkish Lira (TL) unless otherwise stated)

LIABILITIES	Notes (Section Five-II)	Reviewed			Audited		
		CURRENT PERIOD September 30, 2020			PRIOR PERIOD December 31, 2019		
		TL	FC	Total	TL	FC	Total
I. FUNDS COLLECTED	(1)	16.531.284	35.778.750	52.310.034	14.672.926	25.066.274	39.739.200
II. FUNDS BORROWED	(2)	57.953	2.872.837	2.930.790	100.219	1.691.379	1.791.598
III. BORROWINGS FROM MONEY MARKETS		927.270	148.892	1.076.162	18.237	-	18.237
IV. SECURITIES ISSUED (Net)	(3)	3.475.476	-	3.475.476	2.519.419	-	2.519.419
V. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT AND LOSS		-	-	-	-	-	-
VI. DERIVATIVE FINANCIAL LIABILITIES	(4)	6.009	172	6.181	504	345	849
6.1 Derivative Financial Liabilities at Fair Value through Profit or Loss		6.009	172	6.181	504	345	849
6.2 Derivative Financial Liabilities at Fair Value through Other Comprehensive Income		-	-	-	-	-	-
VII. LEASE PAYABLES	(5)	310.126	14.227	324.353	287.755	12.905	300.660
VIII. PROVISIONS	(6)	155.156	1.806	156.962	134.069	1.627	135.696
8.1 Restructuring Reserves		-	-	-	-	-	-
8.2 Reserve for Employee Benefits		112.838	-	112.838	100.138	-	100.138
8.3 Insurance Technical Reserves (Net)		-	-	-	-	-	-
8.4 Other Provisions		42.318	1.806	44.124	33.931	1.627	35.558
IX. CURRENT TAX LIABILITY	(7)	69.047	5.548	74.595	69.726	4.874	74.600
X. DEFERRED TAX LIABILITY		-	-	-	-	-	-
XI. LIABILITIES FOR ASSETS HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS (Net)	(8)	-	-	-	-	-	-
11.1 Assets Held for Sale		-	-	-	-	-	-
11.2 Assets of Discontinued Operations		-	-	-	-	-	-
XII. SUBORDINATED LOANS	(9)	-	1.852.099	1.852.099	-	1.375.164	1.375.164
12.1 Loans		-	1.852.099	1.852.099	-	1.375.164	1.375.164
12.2 Other Debt Instruments		-	-	-	-	-	-
XIII. OTHER LIABILITIES	(10)	1.638.297	361.264	1.999.561	1.281.404	207.875	1.489.279
XIV. SHAREHOLDERS' EQUITY	(11)	4.181.258	2.607	4.183.865	3.995.233	36.033	4.031.266
14.1 Paid-In Capital		1.350.000	-	1.350.000	900.000	-	900.000
14.2 Capital Reserves		993.557	-	993.557	1.344.905	-	1.344.905
14.2.1 Share Premium		14.855	-	14.855	-	-	-
14.2.2 Share Cancellation Profits		-	-	-	-	-	-
14.2.3 Other Capital Reserves		978.702	-	978.702	1.344.905	-	1.344.905
14.3 Accumulated Other Comprehensive Income or Expenses that will not be Reclassified to Profit or Loss		238.299	-	238.299	243.404	-	243.404
14.4 Accumulated Other Comprehensive Income or Expenses that will be Reclassified to Profit or Loss		129.155	2.607	131.762	76.995	36.033	113.028
14.5 Profit Reserves		1.493.874	-	1.493.874	1.430.839	-	1.430.839
14.5.1 Legal Reserves		131.703	-	131.703	136.641	-	136.641
14.5.2 Status Reserves		-	-	-	-	-	-
14.5.3 Extraordinary Reserves		1.362.171	-	1.362.171	1.294.198	-	1.294.198
14.5.4 Other Profit Reserves		-	-	-	-	-	-
14.6 Profit or Loss		(176.146)	-	(176.146)	(158.346)	-	(158.346)
14.6.1 Prior Years Profit/(Loss)		(333.306)	-	(333.306)	(248.391)	-	(248.391)
14.6.2 Current Year Profit/(Loss)		157.160	-	157.160	90.045	-	90.045
14.7 Minority Shares		152.519	-	152.519	157.436	-	157.436
TOTAL LIABILITIES		27.351.876	41.038.202	68.390.078	23.079.492	28.396.476	51.475.968

The accompanying explanations and notes are an integral part of these consolidated financial statements.

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
CONSOLIDATED STATEMENT OF OFF- BALANCE SHEET
AS OF SEPTEMBER 30, 2020
(Thousand of Turkish Lira (TL) unless otherwise stated)

STATEMENT OF OFF-BALANCE SHEET	Notes (Section Five-III)	Reviewed			Audited		
		CURRENT PERIOD September 30, 2020			PRIOR PERIOD December 31, 2019		
		TL	FC	Total	TL	FC	Total
A. OFF BALANCE SHEET COMMITMENTS (I+II+III)		8.977.326	8.965.564	17.942.890	6.884.242	5.792.399	12.676.641
I. GUARANTEES AND SURETIES	(1)	5.099.380	5.492.149	10.591.529	5.128.502	5.302.936	10.431.438
1.1. Letters of Guarantees		5.057.316	3.860.871	8.918.187	5.099.099	3.619.295	8.718.394
1.1.1. Guarantees Subject to State Tender Law		825.198	81.763	906.961	697.926	62.581	760.507
1.1.2. Guarantees Given for Foreign Trade Operations		15	1.045.617	1.045.632	15	835.718	835.733
1.1.3. Other Letters of Guarantee		4.232.103	2.733.491	6.965.594	4.401.158	2.720.996	7.122.154
1.2. Bank Loans		-	18.275	18.275	-	14.463	14.463
1.2.1. Import Letter of Acceptances		-	18.275	18.275	-	14.463	14.463
1.2.2. Other Bank Acceptances		-	-	-	-	-	-
1.3. Letter of Credits		22.781	1.531.276	1.554.057	257	1.329.663	1.329.920
1.3.1. Documentary Letter of Credits		-	-	-	-	-	-
1.3.2. Other Letter of Credits		22.781	1.531.276	1.554.057	257	1.329.663	1.329.920
1.4. Prefinancing Given as Guarantee		-	-	-	-	-	-
1.5. Endorsements		-	-	-	-	-	-
1.5.1. Endorsements to the Central Bank of Turkey		-	-	-	-	-	-
1.5.2. Other Endorsements		-	-	-	-	-	-
1.6. Other Guarantees		-	81.727	81.727	-	339.515	339.515
1.7. Other Collaterals		19.283	-	19.283	29.146	-	29.146
II. COMMITMENTS	(1)	2.044.223	411.477	2.455.700	1.722.506	389.607	2.112.113
2.1. Irrevocable Commitments		2.040.223	411.477	2.451.700	1.722.506	389.607	2.112.113
2.1.1. Asset Purchase and Sale Commitments		169.371	411.477	580.848	47.797	389.607	437.404
2.1.2. Share Capital Commitment to Associates and Subsidiaries		-	-	-	-	-	-
2.1.3. Loan Granting Commitments		330.402	-	330.402	262.517	-	262.517
2.1.4. Securities Underwriting Commitments		-	-	-	-	-	-
2.1.5. Commitments for Reserve Deposit Requirements		-	-	-	-	-	-
2.1.6. Payment Commitment for Cheques		640.858	-	640.858	631.606	-	631.606
2.1.7. Tax And Fund Liabilities from Export Commitments		12.411	-	12.411	10.381	-	10.381
2.1.8. Commitments for Credit Card Expenditure Limits		886.254	-	886.254	769.342	-	769.342
2.1.9. Commitments for Promotions Related with Credit Cards and Banking Activities		386	-	386	335	-	335
2.1.10. Receivables From Short Sale Commitments of Marketable Securities		-	-	-	-	-	-
2.1.11. Payables for Short Sale Commitments of Marketable Securities		-	-	-	-	-	-
2.1.12. Other Irrevocable Commitments		541	-	541	528	-	528
2.2. Revocable Commitments		4.000	-	4.000	-	-	-
2.2.1. Revocable Loan Granting Commitments		-	-	-	-	-	-
2.2.2. Other Revocable Commitments		4.000	-	4.000	-	-	-
III. DERIVATIVE FINANCIAL INSTRUMENTS	(2)	1.833.723	3.061.938	4.895.661	33.234	99.856	133.090
3.1. Derivative Financial Instruments for Hedging Purposes		-	-	-	-	-	-
3.1.1. Fair Value Hedge		-	-	-	-	-	-
3.1.2. Cash Flow Hedge		-	-	-	-	-	-
3.1.3. Hedge of Net Investment in Foreign Operations		-	-	-	-	-	-
3.2. Held for Trading Transactions		1.833.723	3.061.938	4.895.661	33.234	99.856	133.090
3.2.1. Forward Foreign Currency Buy/Sell Transactions		49.068	57.694	106.762	33.234	41.953	75.187
3.2.1.1. Forward Foreign Currency Transactions-Buy		40.390	12.216	52.606	27.547	10.149	37.696
3.2.1.2. Forward Foreign Currency Transactions-Sell		8.678	45.478	54.156	5.687	31.804	37.491
3.2.2. Other Forward Buy/Sell Transactions		1.784.655	3.004.244	4.788.899	-	57.903	57.903
3.3. Other		-	-	-	-	-	-
B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)		81.289.660	23.838.869	105.128.529	72.616.853	16.137.385	88.754.238
IV. ITEMS HELD IN CUSTODY		4.277.829	7.112.586	11.390.415	3.812.406	3.053.641	6.866.047
4.1. Assets Under Management		1.928.629	-	1.928.629	1.522.915	-	1.522.915
4.2. Investment Securities Held in Custody		52.374	380.742	433.116	72	26.320	26.392
4.3. Cheques Received for Collection		1.471.567	258.773	1.730.340	1.480.111	285.800	1.765.911
4.4. Commercial Notes Received for Collection		520.126	93.138	613.264	543.651	76.306	619.957
4.5. Other Assets Received for Collection		103	-	103	103	-	103
4.6. Assets Received for Public Offering		-	-	-	-	-	-
4.7. Other Items Under Custody		268.065	648.307	916.372	210.617	341.146	551.763
4.8. Custodians		36.965	5.731.626	5.768.591	54.937	2.324.069	2.379.006
V. PLEDGED ITEMS		77.011.831	16.726.283	93.738.114	68.804.447	13.083.744	81.888.191
5.1. Marketable Securities		11.027.770	4.918.582	15.946.352	10.007.092	3.875.114	13.882.206
5.2. Guarantee Notes		1.164.348	191.389	1.355.737	1.223.615	193.710	1.417.325
5.3. Commodity		5.573.218	1.790.588	7.363.806	3.520.395	1.194.171	4.714.566
5.4. Warranty		-	-	-	-	-	-
5.5. Properties		55.052.630	7.440.398	62.493.028	51.035.646	5.913.841	56.949.487
5.6. Other Pledged Items		3.930.995	2.377.154	6.308.149	2.763.503	1.898.042	4.661.545
5.7. Pledged Items-Depository		262.870	8.172	271.042	254.196	8.866	263.062
VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES		-	-	-	-	-	-
TOTAL OFF BALANCE SHEET ACCOUNTS (A+B)		90.266.986	32.804.433	123.071.419	79.501.095	21.929.784	101.430.879

The accompanying explanations and notes are an integral part of these financial statements.

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AS OF SEPTEMBER 30, 2020

(Thousand of Turkish Lira (TL) unless otherwise stated)

STATEMENT OF PROFIT OR LOSS		Notes (Section Five-IV)	Reviewed CURRENT PERIOD January 1- September 30, 2020	Reviewed PRIOR PERIOD January 1- September 30, 2019	Reviewed CURRENT PERIOD July 1- September 30, 2020	Reviewed PRIOR PERIOD July 1- September 30, 2019
I. PROFIT SHARE INCOME	(1)		2.559.368	2.409.685	927.548	757.583
1.1 Profit Share on Loans			2.194.190	2.127.579	785.306	670.956
1.2 Income Received from Reserve Deposits			6.813	51.753	3.305	14.688
1.3 Income Received from Banks			1.110	2.118	604	559
1.4 Income Received from Money Market Placements			-	-	-	-
1.5 Income Received from Marketable Securities Portfolio			343.416	181.725	133.771	57.468
1.5.1 Financial Assets at Fair Value Through Profit and Loss			76.492	3.164	34.832	1.172
1.5.2 Financial Assets at Fair Value through Other Comprehensive Income			122.725	106.999	42.133	31.432
1.5.3 Financial Assets Measured at Amortised Cost			144.199	71.562	56.806	24.864
1.6 Finance Lease Income			11.802	43.235	4.012	12.291
1.7 Other Profit Share Income			2.037	3.275	550	1.621
II. PROFIT SHARE EXPENSE	(2)		1.303.309	1.944.991	451.326	635.923
2.1 Expense on Profit Sharing Accounts			803.781	1.250.248	244.421	422.595
2.2 Profit Share Expense on Funds Borrowed			190.492	166.788	66.702	47.194
2.3 Profit Share Expense on Money Market Borrowings			35.056	99.942	27.889	29.610
2.4 Profit Share Expense on Securities Issued			185.241	377.521	63.271	119.909
2.5 Finance Lease Expense			43.784	44.279	13.996	15.209
2.6 Other Profit Share Expense			44.955	6.213	35.047	1.406
III. NET PROFIT SHARE INCOME (I – II)			1.256.059	464.694	476.222	121.660
IV. NET FEES AND COMMISSIONS INCOME/EXPENSES			162.576	223.226	62.437	76.316
4.1 Fees and Commissions Received			281.002	293.178	103.773	98.429
4.1.1 Non-Cash Loans			97.403	94.639	33.012	31.737
4.1.2 Other	(3)		183.599	198.539	70.761	66.692
4.2 Fees and Commissions Paid (-)			118.426	69.952	41.336	22.113
4.2.1 Non-Cash Loans			156	290	50	123
4.2.2 Other	(3)		118.270	69.662	41.286	21.990
V. DIVIDEND INCOME	(4)		-	2.762	-	-
VI. TRADING INCOME/LOSS(net)	(5)		148.929	138.542	89.980	38.888
6.1 Capital Market Transaction Income/(Loss)			2.273	28.236	(7.604)	4.858
6.2 Profit/(Loss) from Derivative Financial Instruments			87.721	(25.947)	62.466	20.944
6.3 Foreign Exchange Income/(Loss)			58.935	136.253	35.118	13.086
VII. OTHER OPERATING INCOME	(6)		541.389	566.829	363.509	108.405
VIII. TOTAL OPERATING INCOME (III+IV+V+VI+VII)			2.108.953	1.396.053	992.148	345.269
IX. EXPECTED CREDIT LOSS (-)	(7)		913.989	494.388	552.733	91.827
X. OTHER PROVISION EXPENSES (-)			5.211	1.670	(17.144)	(5.586)
XI. PERSONNEL EXPENSES (-)			546.100	501.299	192.674	171.214
XII. OTHER OPERATING EXPENSES (-)	(8)		456.157	369.703	165.841	134.146
XIII. NET OPERATING INCOME/(LOSS) (VIII-IX-X-XI-XII)			187.496	28.993	98.044	(46.332)
XIV. EXCESS AMOUNT RECORDED AS GAIN AFTER MERGER			-	-	-	-
XV. PROFIT/(LOSS) ON EQUITY METHOD			15.779	10.017	6.053	2.524
XVI. PROFIT/(LOSS) ON NET MONETARY POSITION			-	-	-	-
XVII. PROFIT/(LOSS) FROM CONTINUED OPERATIONS BEFORE TAXES (XIII+...+XVI)	(9)		203.275	39.010	104.097	(43.808)
XVIII. TAX PROVISION FOR CONTINUED OPERATIONS (±)	(10)		44.039	8.551	17.834	(7.947)
18.1 Provision for Current Taxes			3.404	2.993	1.242	1.139
18.2 Deferred Tax Expense Effect (+)			254.890	159.746	153.072	24.780
18.3 Deferred Tax Income Effect (-)			214.255	154.188	136.480	33.866
XIX. NET INCOME/(LOSS) FROM CONTINUED OPERATIONS (XVII±XVIII)	(11)		159.236	30.459	86.263	(35.861)
XX. INCOME FROM DISCONTINUED OPERATIONS	(11)		-	-	-	-
20.1 Income from Assets Held For Sale			-	-	-	-
20.2 Income from Sale Of Associates, Subsidiaries And Jointly Controlled Entities (Joint Vent.)			-	-	-	-
20.3 Income from Other Discontinued Operations			-	-	-	-
XXI. LOSS FROM DISCONTINUED OPERATIONS (-)			-	-	-	-
21.1 Loss from Assets Held for Sale			-	-	-	-
21.2 Loss on Sale of Associates, Subsidiaries and Jointly Controlled Entities (Joint Vent.)			-	-	-	-
21.3 Loss from Other Discontinued Operations			-	-	-	-
XXII. PROFIT/(LOSS) ON DISCONTINUED OPERATIONS BEFORE TAXES (XXI-XXI)			-	-	-	-
XXIII. TAX PROVISION FOR DISCONTINUED OPERATIONS (±)			-	-	-	-
23.1 Provision for Current Taxes			-	-	-	-
23.2 Deferred Tax Expense Effect (+)			-	-	-	-
23.3 Deferred Tax Income Effect (-)			-	-	-	-
XXIV. NET PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXII±XXIII)			-	-	-	-
XXV. NET PROFIT/LOSS (XIX+XXIV)	(12)		159.236	30.459	86.263	(35.861)
25.1 Group's Income/Loss			157.160	25.545	86.034	(37.498)
25.2 Minority Shares Profit/Loss (-)			2.076	4.914	229	1.637
Earnings Per Share			0,120	0,028	0,070	(0,040)

The accompanying explanations and notes are an integral part of these financial statements.

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
AS OF SEPTEMBER 30, 2020

(Thousand of Turkish Lira (TL) unless otherwise stated)

PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	Reviewed	Reviewed
	CURRENT PERIOD January 1- September 30, 2020	PRIOR PERIOD January 1- September 30, 2019
I. CURRENT PERIOD PROFIT/LOSS	159.236	30.459
II. OTHER COMPREHENSIVE INCOME	26.218	44.465
2.1 Other Income/Expense Items not to be Recycled to Profit or Loss	(5.105)	(4.189)
2.1.1 Revaluation Surplus on Tangible Assets	(6.545)	(4.563)
2.1.2 Revaluation Surplus on Intangible Assets	-	-
2.1.3 Defined Benefit Plans' Actuarial Gains/Losses	-	-
2.1.4 Other Income/Expense Items not to be Recycled to Profit or Loss	-	-
2.1.5 Deferred Taxes on Other Comprehensive Income not to be Recycled to Profit or Loss	1.440	374
2.2 Other Income/Expense Items to be Recycled to Profit or Loss	31.323	48.654
2.2.1 Translation Differences	54.245	8.799
2.2.2 Income/Expenses from Valuation and/or Reclassification of Financial Assets Measured at Fair Value through Other Comprehensive Income	(29.387)	51.096
2.2.3 Gains/losses from Cash Flow Hedges	-	-
2.2.4 Gains/Losses on Hedges of Net Investments in Foreign Operations	-	-
2.2.5 Other Income/Expense Items to be Recycled to Profit or Loss	-	-
2.2.6 Deferred Taxes on Other Comprehensive Income to be Recycled to Profit or Loss	6.465	(11.241)
III. TOTAL COMPREHENSIVE INCOME (I+II)	185.454	74.924

The accompanying explanations and notes are an integral part of these financial statements.

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
AS OF SEPTEMBER 30, 2020
(Thousand of Turkish Lira (TL) unless otherwise stated)

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (Reviewed)							Other Comprehensive Income/Expense Items not to be Recycled to Profit or Loss			Other Comprehensive Income/Expense Items to be Recycled to Profit or Loss								
		Notes (Section Five-V)	Paid-in Capital	Share Premium	Share Cancellation Profits	Other Capital Reserves ^(*)	1	2	3	4	5	6	Profit Reserves	Prior Periods' Profit/Loss	Current Period's Net Profit/Loss	Total Equity Before Minority Shares	Minority Shares	Total Shareholders' Equity
CURRENT PERIOD (January 1 - September 30, 2020)																		
I.	Closing balance		900.000	-	-	1.344.905	270.910	(27.506)	-	73.496	39.532	-	1.430.839	(248.391)	90.045	3.873.830	157.436	4.031.266
II.	Correction made as per TAS 8		-	-	-	-	-	-	-	-	(8.999)	-	-	8.999	-	-	-	-
2.1.	Effect of Corrections		-	-	-	-	-	-	-	-	(8.999)	-	-	8.999	-	-	-	-
2.2.	Effect of Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	Adjusted Balances at Beginning Of Period (I+II)		900.000	-	-	1.344.905	270.910	(27.506)	-	73.496	30.533	-	1.430.839	(239.392)	90.045	3.873.830	157.436	4.031.266
IV.	Total Comprehensive Income		-	-	-	-	(5.105)	-	-	54.245	(22.922)	-	-	-	157.160	183.378	2.076	185.454
V.	Capital Increase in Cash		450.000	14.855	-	(464.855)	-	-	-	-	-	-	-	-	-	-	-	-
VI.	Capital Increase from Internal Sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Capital Reserves from Inflation Adjustments to Paid-in Capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Convertible Bonds		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Subordinated Liabilities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Others Changes		-	-	-	98.652	-	-	-	-	(3.590)	-	18	(120.942) ^(**)	-	(25.862)	(6.993)	(32.855)
XI.	Profit Distribution		-	-	-	-	-	-	-	-	-	-	63.017	27.028	(90.045)	-	-	-
11.1	Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2	Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	63.017	(63.017)	-	-	-	-
11.3	Others		-	-	-	-	-	-	-	-	-	-	-	90.045	(90.045)	-	-	-
Balances at end of the period (III+IV...+X+XI)			1.350.000	14.855	-	978.702	265.805	(27.506)	-	127.741	4.021	-	1.493.874	(333.306)	157.160	4.031.346	152.519	4.183.865

^(*) The Parent Bank has recognized perpetual additional tier 1 capital amounting to USD 205.000.000 issued through "Bereket One Ltd" under "other capital reserves " as per TAS 32: "Financial Instruments: Presentation" standart.

^(**) The Parent Bank has paid TL 138.241 in February and August 2020, the coupon payment amount of unmatured additional tier 1 capital Sukuk and has recognized it under "prior periods' profit / loss". TL 24.520, the deferred tax expense related to the payment has been recognized under "prior periods' profit/ loss" as well.

1. Tangible and Intangible Assets Revaluation Reserve,
2. Accumulated Gains/Losses on Remeasurements of Defined Benefit Plans,
3. Others (Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will not be Reclassified to Profit or Loss and Other Accumulated Amounts of Other Comprehensive Income that will not be Reclassified to Profit or Loss)
4. Exchange Differences on Translation,
5. Accumulated gains (losses) due to revaluation and/or reclassification of financial assets measured at fair value through other comprehensive income,
6. Others (Accumulated Gains or Losses on Cash Flow Hedges, Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will be Reclassified to Profit or Loss and Other Accumulated Amounts of Other Comprehensive Income that will be Reclassified to Profit or Loss)

The accompanying explanations and notes are an integral part of these financial statements.

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
AS OF SEPTEMBER 30, 2019
(Thousand of Turkish Lira (TL) unless otherwise stated)

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (Reviewed)						Other Comprehensive Income/Expense Items not to be Recycled to Profit or Loss			Other Comprehensive Income/Expense Items to be Recycled to Profit or Loss								
	Notes (Section Five-V)	Paid-in Capital	Share Premium	Share Cancellation Profits	Other Capital Reserves	1	2	3	4	5	6	Profit Reserve s	Prior Periods' Profit/Loss	Current Period's Net Profit/Loss	Total Equity Before Minority Shares	Minority Shares	Total Shareholders' Equity
PRIOR PERIOD (January 1 - September 30, 2019)																	
I. Closing balance		900.000	-	-	845.976	251.889	(17.181)	-	56.714	(28.781)	-	1.301.198	(178.311)	158.014	3.289.518	262.064	3.551.582
II. Correction made as per TAS 8		-	-	-	-	-	-	-	-	-	-	-	(17.304)	-	(17.304)	-	(17.304)
2.1. Effect of Corrections		-	-	-	-	-	-	-	-	-	-	-	(17.304)	-	(17.304)	-	(17.304)
2.2. Effect of Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Adjusted Balances at Beginning Of Period (I+II)		900.000	-	-	845.976	251.889	(17.181)	-	56.714	(28.781)	-	1.301.198	(195.615)	158.014	3.272.214	262.064	3.534.278
IV. Total Comprehensive Income		-	-	-	-	(4.563)	374	-	8.799	39.855	-	-	-	25.545	70.010	4.914	74.924
V. Capital Increase in Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Capital Increase from Internal Sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Capital Reserves from Inflation Adjustments to Paid-in Capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Convertible Bonds		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Subordinated Liabilities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Others Changes		-	-	-	18.226	-	-	-	-	-	-	478	(88.845) ^(*)	-	(70.141)	(82.312)	(152.453)
XI. Profit Distribution		-	-	-	-	-	-	-	-	-	-	129.771	28.243	(158.014)	-	-	-
11.1 Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2 Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	129.771	(129.771)	-	-	-	-
11.3 Others		-	-	-	-	-	-	-	-	-	-	-	158.014	(158.014)	-	-	-
Balances at end of the period (III+IV...+X+XI)		900.000	-	-	864.202^(*)	247.326	(16.807)	-	65.513	11.074	-	1.431.447	(256.217)	25.545	3.272.083	184.666	3.456.749

(*) The Parent Bank has recognized perpetual additional tier 1 capital amounting to USD 205.000.000 issued through "Bereket One Ltd" under "other capital reserves " as per TAS 32: "Financial Instruments: Presentation" standart.

(**) The Parent Bank has paid TL 112.284 in February and August 2019, the coupon payment amount of unmatured additional tier 1 capital Sukuk and has recognized it under "prior periods' profit / loss".

1. Tangible and Intangible Assets Revaluation Reserve,
2. Accumulated Gains/Losses on Remeasurements of Defined Benefit Plans,
3. Others (Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will not be Reclassified to Profit or Loss and Other Accumulated Amounts of Other Comprehensive Income that will not be Reclassified to Profit or Loss)
4. Exchange Differences on Translation,
5. Accumulated gains (losses) due to revaluation and/or reclassification of financial assets measured at fair value through other comprehensive income,
6. Others (Accumulated Gains or Losses on Cash Flow Hedges, Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will be Reclassified to Profit or Loss and Other Accumulated Amounts of Other Comprehensive Income that will be Reclassified to Profit or Loss)

The accompanying explanations and notes are an integral part of these financial statements.

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
CONSOLIDATED STATEMENT OF CASH FLOWS
AS OF SEPTEMBER 30, 2020
(Thousand of Turkish Lira (TL) unless otherwise stated)

STATEMENT OF CASH FLOWS	Notes (Section Five-VI)	Reviewed	Reviewed
		CURRENT PERIOD January 1- September 30, 2020	PRIOR PERIOD January 1- September 30, 2019
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1 Operating Profit Before Changes In Operating Assets And Liabilities		1.368.616	674.155
1.1.1 Profit Share Income Received		2.451.414	2.188.617
1.1.2 Profit Share Expense Paid		(751.896)	(1.190.734)
1.1.3 Dividend Received		-	-
1.1.4 Fees and Commissions Received		183.599	199.125
1.1.5 Other Income		512.707	303.057
1.1.6 Collections from Previously Written Off Loans		342.964	311.854
1.1.7 Payments to Personnel and Service Suppliers		(682.656)	(606.960)
1.1.8 Taxes Paid		(42.662)	(36.755)
1.1.9 Others		(644.854)	(494.049)
1.2 Changes In Operating Assets And Liabilities		(2.797.891)	4.916.942
1.2.1 Net (Increase) Decrease in Financial Assets at Fair Value Through Profit or Loss		(3.298.754)	(353.886)
1.2.2 Net (Increase) Decrease in Due From Banks and Other Financial Institutions		(509.495)	(477.354)
1.2.3 Net (Increase) Decrease in Loans		(10.675.906)	(1.287.768)
1.2.4 Net (Increase) Decrease in Other Assets		(620.055)	198.261
1.2.5 Net Increase (Decrease) in Bank Deposits		(1.006.416)	418.280
1.2.6 Net Increase (Decrease) in Other Deposits		13.013.231	5.932.192
1.2.7 Net Increase (Decrease) in Financial Liabilities Measured at Financial Assets at Fair Value Through Profit or Loss		-	-
1.2.8 Net Increase (Decrease) in Funds Borrowed		-	-
1.2.9 Net Increase (Decrease) in Matured Payables		-	-
1.2.10 Net Increase (Decrease) in Other Liabilities		299.504	487.217
I. Net Cash Flow From Banking Operations		(1.429.275)	5.591.097
B. CASH FLOWS FROM INVESTING ACTIVITIES			
II. Net cash flow from investing activities		(1.174.022)	(2.592.018)
2.1 Cash Paid For Acquisition of Investments, Associates and Subsidiaries		(708)	(155.221)
2.2 Cash Obtained From Disposal of Investments, Associates and Subsidiaries		18.000	-
2.3 Purchases of Property and Equipment		(112.474)	(302.723)
2.4 Disposals of Property and Equipment		227.099	83.038
2.5 Purchase of Financial Assets at Fair Value Through Other Comprehensive Income		(406.249)	(1.692.848)
2.6 Sale of Financial Assets at Fair Value Through Other Comprehensive Income		157.974	440.551
2.7 Purchase of Financial Assets Measured at Amortised Cost		(1.884.206)	(1.096.815)
2.8 Sale of Financial Assets Measured at Amortised Cost		826.542	132.000
2.9 Other		-	-
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III. Net Cash Flow From Financing Activities		1.377.824	(3.806.659)
3.1 Cash Obtained from Funds Borrowed and Securities Issued		20.422.501	16.739.292
3.2 Cash Used for Repayment of Funds Borrowed and Securities Issued		(18.841.316)	(20.374.656)
3.3 Issued Capital Instruments		-	-
3.4 Dividends Paid		-	-
3.5 Payments for Leases ^(*)		(65.121)	(59.010)
3.6 Other		(138.240)	(112.285)
IV. Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents		735.470	(44.212)
V. Net (Decrease) Increase in Cash and Cash Equivalents		(490.003)	(851.792)
VI. Cash and Cash Equivalents at the Beginning of the Period		7.189.681	7.109.859
VII. Cash and Cash Equivalents at the End of the Period		6.699.678	6.258.067

^(*) As of September 30, 2020, it includes the payments related to the leases recognized in the financial statements within the scope of "TFRS 16 - Leases", which is applied as of January 1, 2019.

The accompanying explanations and notes are an integral part of these financial statements.

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2020

(Thousand of Turkish Lira (TL) unless otherwise stated)

SECTION THREE

Accounting Policies

I. Explanations on basis of presentation:

a) The preparation of the financial statements and related notes and explanations in accordance with the Turkish Accounting Standards and Regulation on the Principles and Procedures Regarding Banks' Accounting Application and Safeguarding of Documents:

The consolidated financial statements are prepared within the scope of the "Regulation on Accounting Applications for Banks and Safeguarding of Documents" related with Banking Act numbered 5411 published in the Official Gazette numbered 26333 dated November 1, 2006 and in accordance with the regulations, communiqués, interpretations and legislations related to accounting and financial reporting principles published by the Banking Regulation and Supervision Agency ("BRSA"), and in case where a specific regulation is not prepared by BRSA, "Turkish Accounting Standards" ("TAS") and "Turkish Financial Reporting Standards" ("TFRS") and related appendices and interpretations put into effect by Public Oversight Accounting and Auditing Standards Authority ("POA") (all are referred as BRSA Accounting and Reporting Legislation). The format and content of the publicly announced consolidated financial statements and notes to these statements have been prepared in accordance with the "Communiqué on Publicly Announced Financial Statements, Explanations and Notes to These Financial Statements", published in Official Gazette numbered 28337, dated June 28, 2012, and amendments to this Communiqué. The Parent Bank maintains its books in Turkish Lira in accordance with the Banking Act, Turkish Commercial Code and Turkish Tax Legislation.

The consolidated financial statements have been prepared in TL, under the historical cost convention except for the financial assets, liabilities, revalued real estates and investment properties carried at fair value.

b) Additional paragraph for convenience translation:

The differences between accounting principles, as described in the preceding paragraphs, and accounting principles generally accepted in countries in which the accompanying consolidated financial statements are to be distributed and International Financial Reporting Standards ("IFRS") have not been quantified in the accompanying consolidated financial statements. Accordingly, the accompanying consolidated financial statements are not intended to present the financial position, results of operations and changes in financial position and cash flows in accordance with the accounting principles generally accepted in such countries and IFRS.

c) Accounting policies and valuation principles applied in the preparation of consolidated financial statements:

The accounting policies and valuation principles applied in the preparation of consolidated financial statements, are determined and applied in accordance with regulations, communiqués, explanations and circulars on accounting and financial reporting principles published by the BRSA, and in case where there is no special regulation made by the BRSA, in accordance with principles in the context of TAS and TFRS. As of September 30, 2020, ownership investment accounted using equity method is Katılım Emeklilik ve Hayat A.Ş. The subsidiaries, real estate funds, venture capital investment funds, security funds accounted using full consolidation method are Bereket Varlık Kiralama A.Ş., Insha GmbH, Albaraka Portföy Yönetimi A.Ş., Albaraka Portföy Yönetimi A.Ş. One Tower Gayrimenkul Yatırım Fonu, Albaraka Portföy Yönetimi A.Ş. Dükkan Gayrimenkul Yatırım Fonu, Albaraka Portföy Yönetimi A.Ş. Batışehir Gayrimenkul Yatırım Fonu, Albaraka Portföy Yönetimi A.Ş. Metropol Gayrimenkul Yatırım Fonu, Albaraka Portföy Yönetimi A.Ş. Değer Girişim Sermayesi Yatırım Fonu, Albaraka Portföy Yönetimi A.Ş. Fintech Girişim Sermayesi Yatırım Fonu, Albaraka Portföy Yönetimi A.Ş. İnovasyon Girişim Sermayesi Yatırım Fonu, Albaraka Portföy Yönetimi A.Ş. Start-Up Girişim Sermayesi Yatırım Fonu, Albaraka Portföy Yönetimi A.Ş. Katılım Fonu, Albaraka Portföy Yönetimi A.Ş. Kira Sertifikaları Katılım Fonu and Albaraka Portföy Yönetimi A.Ş. Kısa Vadeli Katılım Serbest Fonu respectively.

The Parent Bank has started to apply TFRS 16 Leases standard ("TFRS 16") published by Public Oversight Accounting and Auditing Standards Authority ("POA") in the accompanying financial statements starting from January 1, 2019.

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2020
(Thousand of Turkish Lira (TL) unless otherwise stated)

I. Explanations on basis of presentation (continued):

c) Accounting policies and valuation principles applied in the preparation of consolidated financial statements (continued):

The preparation of the consolidated financial statements according to BRSA Reporting and Accounting Legislation requires the Group's management to make estimates and assumptions related to assets and liabilities in the balance sheet and contingent issues as of the balance sheet date. Such estimates and assumptions include the fair value calculations of the financial instruments, provisions for the lawsuits, deferred tax assets and liabilities, impairment of the financial assets and revaluation of immovables and reviewed periodically and when adjustments are considered necessary they are reflected in the financial statements. The assumptions and estimates used are explained in the related notes. Accounting policies and evaluation principles in preparing Financial statements are determined and applied as per the principles stated in "BRSA Accounting and Financial Reporting Legislation" and consistent with the accounting policies applied for December 31, 2019 financial statements except that are stated in part Three, note VII.

The covid 19 pandemic showed up in China, spreaded in various countries and caused upper respiratory infections. The pandemic has affected economical conditions locally and globally in especially the countries, which are most exposed to it and caused operational malfunctions. As a result of World wide spread of the pandemic, like all over the World, the measurements have been taken in our country in order to prevent viral shedding. Beside these measurements, economical measurements are being taken to minimise the effects of pandemic for individuals and firms in the world and in our country.

While preparing September 30, 2020 mid-term financials, the bank has reflected the possible impacts of covid 19 pandemic to the estimates and assumptions used in preparing financial statements. The estimates and assumptions used in expected credit loss provisions are explained under information on expected credit losses.

d) Restatement of the financial statements according to the current purchasing power of money:

Accompanying financial statements are subjected to TAS 29 "Financial Reporting in Hyperinflationary Economies" until December 31, 2004 and with regard to this the BRSA explained with its decision numbered 1623 and dated April 21, 2005 and its circular dated April 28, 2005 that the conditions for applying inflation accounting was no longer applicable and accordingly inflation accounting has not been applied in the accompanying financial statements starting from January 1, 2005.

e) Comparative information and classifications:

The changes in accounting policies are applied retrospectively and previous term financial statements are restated. The Financial statements of the bank are prepared comparative to the previous term in order to determine its financial position and performans trends. If appropriate, the comparative information are restated in order to provide comparativeness to the statements of current term financial statements.

II. Explanations on strategy of using financial instruments and foreign currency transactions:

The Group creates its strategies on financial instruments considering its sources of financing. The main financing sources consist of current and profit sharing accounts. Other than current and profit sharing accounts, the Parent Bank's most important funding sources are its equity and borrowings from foreign financial institutions. The Parent Bank sustains its liquidity to cover matured liabilities by holding adequate level of cash and cash equivalents.

The Parent Bank's transactions in foreign currencies are accounted in accordance with the TAS 21 "Accounting Standard on the Effect of Changes in Foreign Currency Rates", and converted with the exchange rate ruling at the transaction date into Turkish Lira. Foreign currency assets and liabilities have been translated into Turkish Lira at the rate of exchange rates ruling at the balance sheet date announced by the Parent Bank. Gains or losses arising from foreign currency transactions and translation of foreign currency assets and liabilities are reflected in the income statement as foreign exchange gain or loss.

If the loans recognized in the foreign currency accounts are switched to non performing, they are continued to be recognized in the foreign currency accounts and evaluated with the current exchange rates.

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2020
(Thousand of Turkish Lira (TL) unless otherwise stated)

II. Explanations on strategy of using financial instruments and foreign currency transactions (continued):

The foreign currency exchange differences resulting from the translation of debt securities issued and monetary financial assets into Turkish Lira are included in the income statement.

The balance sheet items of the foreign branches and foreign subsidiary of the Parent Bank included in the financial statements are translated into Turkish lira at the exchange rate ruling at the balance sheet date announced by the Parent Bank. Income statement items are translated into Turkish lira by exchange rate ruling at the transaction date and all exchange differences arising from translation are accounted in other capital reserves under equity according to TAS 21.

Precious metals (gold and silver) accounted under assets and liabilities, which do not have fixed maturity, are translated into Turkish lira by using the buying rate at the balance sheet date announced by the Parent Bank and resulting evaluation differences are reflected as foreign exchange gain or loss.

There are no foreign currency differences capitalized by the Group.

III. Information on consolidated associates:

Consolidated financial statements are prepared in accordance with the decrees, notes and explanations set forth in Communiqué on "Preparation of Consolidated Financial Statements of Banks" published in the Official Gazette dated November 8, 2006, numbered 26340 and "Turkish Accounting Standard for Consolidated Financial Statements" ("TFRS 10").

a) Consolidation principles on joint ventures:

The joint venture is an entity in which the Parent Bank participates in its capital and has joint control and whose main operation is private pension and insurance and operates according to special legislation with permission and license and is established in Turkey. The related joint venture has been consolidated through equity method. Where necessary, accounting policies of the joint venture have been harmonized to ensure consistency with the policies adopted by the Parent Bank.

Equity method is an accounting method which foresees the increase or decrease of the book value of capital share in a joint venture from the changes in the participated joint venture's shareholders' equity during the period attributable to the portion of the investor and the deduction of the dividend received from the associate from the revised value of the joint venture amount.

The joint venture included in consolidation, its title, its place of incorporation, main activities and effective shareholding rates are as follows:

Title	Operation Center (City/Country)	Main Activities	Effective Rates (%)	Direct and Indirect Rates (%)
Katılım Emeklilik ve Hayat A.Ş.	Istanbul/Turkey	Private pension and insurance	50,00	50,00

b) Consolidation principles on subsidiaries:

Subsidiaries are the entities controlled directly or indirectly by the Parent Bank. Subsidiaries are consolidated using the full consolidation method considering materiality principle, taking account the operation results, size of asset and shareholders' equity. Financial statements of related subsidiaries are consolidated from the date when the control is transferred to the Parent Bank.

Control is accepted as when Parent Bank has power over its investee, or exposed to, or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the full consolidation method, 100% of subsidiaries' assets, liabilities, income, expense and off-balance sheet items are combined with the Parent Bank's assets, liabilities, and income, expense and off-balance sheet items. The carrying amount of the Group's investment in each subsidiary and the Group's portion of the cost value of the capital of each subsidiary are eliminated. Intragroup balances and intragroup transactions and resulting unrealized profits and losses are eliminated.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Parent Bank.

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2020
(Thousand of Turkish Lira (TL) unless otherwise stated)

III. Information on consolidated associates (continued):

b) Consolidation principles on subsidiaries (continued):

The subsidiaries included in consolidation, its title, its place of incorporation, main activities and effective shareholding rates are as follows:

Title	Operation Center (City/Country)	Main Activities	Effective Rates (%)	Direct and Indirect Rates (%)
Bereket Varlık Kiralama A.Ş.	Istanbul/Turkey	Sukuk Issue	100,00	100,00
Albaraka Portföy Yönetimi A.Ş.	Istanbul/Turkey	Investment Fund Foundation and Management	100,00	100,00
Insha GmbH	Berlin/Germany	Providing digital participation banking services with the banking license of Solarisbank AG in Germany, collecting funds with this license through mudaraba method and evaluating the funds in accordance with the principles of interest-free finance and contract signed.	100,00	100,00

c) Consolidation principles on investment funds:

The investment funds, founded by the Parent Bank's subsidiary "Albaraka Portföy Yönetimi A.Ş." over which the Group has control as per procedures and principles stated in TFRS 10 "Turkish Financial Reporting Standards on consolidated Financial Statements", are accounted as per full consolidation method. For investment funds over which the Parent Bank does not have full control, minority shares are calculated separately under income statement and shareholders' equity. The information on the funds is represented as follows:

Title	Operation Center (City/Country)	Main Activities	Effective Rates (%)	Direct and Indirect Rates (%)
Albaraka Portföy Yönetimi A.Ş. One Tower Gayrimenkul Yatırım Fonu	Istanbul/Turkey	Buy real estate and rights based on real estates, rent, lease and sell	90,28	90,28
Albaraka Portföy Yönetimi A.Ş. Dükkan Gayrimenkul Yatırım Fonu	Istanbul/Turkey	Buy real estate and rights based on real estates, rent, lease and sell	94,56	94,56
Albaraka Portföy Yönetimi A.Ş. Batışehir Gayrimenkul Yatırım Fonu	Istanbul/Turkey	Buy real estate and rights based on real estates, rent, lease and sell	87,41	87,41
Albaraka Portföy Yönetimi A.Ş. Metropol Gayrimenkul Yatırım Fonu	Istanbul/Turkey	Buy real estate and rights based on real estates, rent, lease and sell	100,00	100,00
Albaraka Portföy Yönetimi A.Ş. Değer Girişim Sermayesi Yatırım Fonu	Istanbul/Turkey	To invest in company shares that can be financially and institutionally structured and developed, and to terminate the investment in the development or further stages of the company through methods such as sales, merger, and public offering.	87,35	87,35
Albaraka Portföy Yönetimi A.Ş. Fintech Girişim Sermayesi Yatırım Fonu	Istanbul/Turkey	To invest in the initial stages of technology and innovation companies that provide products or services to Fintech venture companies or financial companies or to terminate the investment in the advanced stages by methods such as sale, merger and public offering.	98,04	98,04
Albaraka Portföy Yönetimi A.Ş. Inovasyon Girişim Sermayesi Yatırım Fonu	Istanbul/Turkey	To incorporate innovative fintech projects inside the Parent Bank as co-founder or make the fintech projects more flexible and active in present companies by becoming their partner ,to invest these companies' shares and terminate the investment in the development or advanced phase by sale, merger, public offer.	96,88	96,88
Albaraka Portföy Yönetimi A.Ş. Start-Up Girişim Sermayesi Yatırım Fonu ^(*)	Istanbul/Turkey	To invest in the initial stages or growth stages of new generation start-up companies or to be founder of them, to terminate the investment in the development or further stages of the company through methods such as sales, merger, and public offering.	0,00	100,00
Albaraka Portföy Yönetimi A.Ş. Katılım Fonu	Istanbul/Turkey	To direct the fund portfolio mainly to the domestic and / or foreign public and private sector lease certificates in foreign currency, to the other part of the portfolio to the gold, promises agreement, participation accounts and similar interest-free investment instruments.	22,22	22,22

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III. Information on consolidated associates (continued):

c) Consolidation principles on investment funds (continued):

Title	Operation Center (City/Country)	Main Activities	Effective Rates (%)	Direct and Indirect Rates (%)
Albaraka Portföy Yönetimi A.Ş. Kısa Sertifikaları Katılım Fonu	Istanbul/Turkey	Lease certificates issued by the public and private sectors, as well as shareholding interests, gold, participation accounts, promised contracts and other interest-free money and capital market instruments deemed appropriate by the Regulator.	54,90	54,90
Albaraka Portföy Yönetimi A.Ş. Kısa Vadeli Katılım Serbest Fonu(*)	Istanbul/Turkey	To direct the fund portfolio mainly to the domestic and / or foreign public and private sector lease certificates in foreign currency or gold based capital market instruments, participation accounts, promised contracts and other interest-free investment instruments approved by the Board to the portfolio between the range of 0% and 100%.	0,00	100,00

(*) Relevant funds are controlled by the funds which are consolidated and controlled by the Parent Bank that has indirect control over these funds.

d) Presentation of consolidated subsidiaries, associates and joint ventures in consolidated financial statements:

Turkish Lira denominated investments in consolidated associates and subsidiaries are accounted at cost value, less any impairment, in accordance with "Turkish Accounting Standards for Individual Financial Statements ("TAS 27")" in the consolidated financial statements.

In the consolidated financial statements, credit institutions, which are not included in consolidation, or subsidiaries, which are not financial institutions, are accounted at cost value, less any impairment in the consolidated financial statements.

If the cost amount exceeds the recoverable amount (the higher of an asset's fair value less costs of disposal and its value in use) the value of the related associates and subsidiaries is equal to the recoverable amount.

IV. Explanations on forward, option contracts and derivative instruments:

The derivative financial instruments of the Group generally consist of forward foreign currency, forward security and swap agreements. Derivative transactions portfolio may change as per market conditions in related terms. The Group records the spot foreign currency transactions in asset purchase and sale commitments.

The liabilities and receivables arising from the derivative transactions are recorded as off-balance sheet items at their contract values. The derivative transactions are initially recognized at fair value and presented in the financial statements at fair values recalculated in the subsequent reporting periods.

V. Explanations on profit share income and expenses:

Profit share income

Profit share income is accounted in accordance with the internal rate of return method, which is equal to the net present value of the future cash flows of the financial asset determined in TFRS 9 and reflected to the accrual basis.

Profit-loss Investment projects are recognized under the "Loans" account in the balance sheet. Profit and loss investment projects are subject to valuation periodically every year and positive differences related to valuation are represented under "Profit Share on Loans". Negative ones are represented under "Expected Credit Losses" account.

The Parent Bank has begun to calculate accrual for non-performing loans as of January 1, 2018. Net book value of non-performing receivables (Gross Book Value - Expected Loss Provision) is accounted at the gross book value of accruals with effective profit share rate.

Profit share expense

The Parent Bank records profit share expenses on accrual basis. The profit share expense accrual calculated in accordance with the unit value method on profit sharing accounts has been included under the account "Funds Collected" in the balance sheet.

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VI. Explanations on fees, commission income and expenses:

Other than commission income and fees and expenses for various banking services that are reflected as income/expense when collected/paid, fees and commission income and expenses are reflected to income statement depending on the term of the related transaction.

The commissions and fees other than those, whose amortised costs are integral part of their effective profit rate, are accounted for in accordance with the TFRS 15 Revenue From Contracts With Customers Standard.

In accordance with provisions of TAS and TFRS, the portion of the commission and fees which are related to the reporting period and collected in advance for cash and non-cash loans granted is reflected to the income statement by using the internal rate of return method and straight line methods, respectively over the commission period of the related loan, respectively. Fees and commissions collected in advance which are related to the future periods are recorded under the account "Unearned Revenues" and included in "Other Liabilities" in the balance sheet. The commission received from cash loans corresponding to the current period is presented in "Profit Share from Loans" in the income statement.

In the correspondence of BRSA dated June 8, 2012 and numbered B.02.1.BDK.0.13.00.0-91.11-12061, it has been stated that there is no objection to recording the commissions received from long term non-cash loans collected in quarterly periods or periods less than a quarter directly as income. Consequently, the Parent Bank records the related cash and non-cash loans commissions directly as income.

VII. Explanations on financial assets:

Financial assets are recognized or derecognized according to TFRS 9 section three: "Recognition and Derecognition". Financial assets are measured at fair value at initial recognition in the financial statements. During the initial recognition of financial assets other than "Financial Assets at Fair Value Through Profit or Loss", transaction costs are added to fair value or deducted from fair value. They are included in the balance sheet of the Parent Bank, if the Parent Bank is a legal party to these instruments.

On which category financial instruments shall be classified at initial recognition depends on both the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Assessment of business model:

As per TFRS 9, the Parent Bank's business model is determined at a level that reflects how groups of financial assets are managed together to achieve a particular business objective.

The Parent Bank's business model does not depend on management's intentions for an individual instrument. Accordingly, this condition is not a classification approach on the basis of a financial instrument but an evaluation by combining financial assets.

The Parent Bank's business models are divided into three categories. These categories are defined below:

a) The Business model whose objective is to hold assets in order to collect contractual cash flows:

A business model whose objective is to hold assets in order to collect contractual cash flows over the life of the instrument. The financial assets that are held within the scope of this business model are measured at amortised cost when the contractual terms of the financial asset meet the cash flow test that includes profit share payments arising only from principal and principal amount at specific dates.

b) The Business model whose objective is achieved by both collecting contractual cash flows and selling financial assets:

The Parent Bank may hold financial assets in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. Fair value changes of the financial assets that are held within the scope of this business model are accounted under other comprehensive income when the contractual terms of the financial asset meet the cash flows test that includes profit share payments arising only from principal and principal amount at specific dates.

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VII. Explanations on financial assets (continued):

c) Other business models:

Financial assets are measured at fair value through profit or loss if they are not held within a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

Contractual cash flows that contains solely payments of principal and profit share:

As per TFRS 9, the Parent Bank classifies a financial asset on the basis of its contractual cash flow characteristics if the financial asset is held within a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

Financial assets at the fair value through profit or loss:

Financial assets at fair value through profit/loss are financial assets other than the ones that are managed with business model that aims to hold to collect contractual cash flows or business model that aims to collect both the contractual cash flows and cash flows arising from the sale of the assets; and if the contractual terms of the financial asset do not lead to cash flows representing solely payments of principal and profit share at certain date; that are either acquired for generating a profit from short term fluctuations in prices or are financial assets included in a portfolio aiming to short-term profit making. Financial assets at the fair value through profit or loss are initially recognized at fair value and remeasured at their fair value after recognition. All gains and losses arising from these valuations are reflected in the income statement. The Parent Bank recognizes profit and loss investments under "loans" as per BRSA uniform chart of accounts and measures them at fair value considering TFRS 9 provisions.

The revaluation reports as of December 31, 2019 prepared by appraisers have been taken into consideration in measuring the fair values of the profit and loss sharing investments. These projects have not been revalued on the assumption that their cash flows do not change significantly as of September 30, 2020 and this assumption will be reassessed considering covid pandemia in the coming periods.

Financial assets at fair value through other comprehensive income:

In addition to financial assets within a business model that aims to hold to collect contractual cash flows and aims to hold to sell, financial asset with contractual terms that lead to cash flows are solely payments of principal and profit share at certain dates, they are classified as fair value through other comprehensive income.

Financial assets at fair value through other comprehensive income are recognized by adding transaction cost to acquisition cost reflecting the fair value of the financial asset. After the recognition, financial assets at fair value through other comprehensive income are remeasured at fair value. Profit share income calculated with effective profit share rate method arising from financial assets at fair value through other comprehensive income and dividend income from equity securities are recorded to income statement. "Unrealized gains and losses" arising from the difference between the amortized cost and the fair value of financial assets at fair value through other comprehensive income are not reflected in the income statement of the period until the acquisition of the value corresponding to the asset, sale of the asset, the disposal of the asset, and impairment of the asset and they are accounted under the "Accumulated Other Comprehensive Income or Expense to be Reclassified Through Profit or Loss" under shareholders' equity. The accumulated fair value differences that are reflected in shareholders' equity are reflected in the income statement when the stated securities are collected or disposed.

Equity securities, which are classified as financial assets at fair value through other comprehensive income are accounted for at fair value when they are traded in an organized market and / or the fair value can be reliably measured and these financial assets are not subject to expected losses recognition.

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VII. Explanations on financial assets (continued):

Financial assets measured at amortized cost:

Financial assets that are held for collection of contractual cash flows within the scope of business model where those cash flows represent solely payments of principal and profit share on certain dates are classified as financial assets measured at amortized cost.

Financial assets measured at amortized cost are initially recognized at acquisition cost including the transaction costs, which reflect the fair value of those instruments and subsequently recognized at amortized cost by using effective internal rate of return method. Profit share income obtained from financial assets measured at amortized cost is accounted in income statement.

Loans:

Loans are non derivative financial assets that have fixed or determinable payments terms and are not quoted in an active market. Stated loans are initially recognized at acquisition cost plus transaction costs presenting their fair value and thereafter measured at amortized cost using the “Effective Profit Share Rate (internal rate of return) Method”.

The Parent Bank’s all loans except profit and loss investments are recorded under the “Measured at Amortized Cost” account. As per BRSA uniform chart of accounts, the Parent Bank recognizes profit and loss investments under “loans” and considering TFRS 9 provisions, measures them at fair value.

Granted cash loans are accounted by using the relevant accounts in accordance with the principles set out in the “Uniform Chart of Accounts to be Applied by the Participation Banks” and published in the Official Gazette dated September 20, 2017 and numbered 30186.

The Parent Bank periodically evaluates the provisions allocated for loans and other receivables as per TFRS 9 retrospectively and as a result of those evaluations, if appropriate, updates the classification rules and parameters on allocation of provisions.

VIII. Explanations on expected credit losses:

The Parent Bank allocates impairment for expected loss on financial assets measured at amortized cost and measured at fair value through other comprehensive income. As of January 1, 2018, the Parent Bank recognizes provisions for impairment in accordance with TFRS 9 requirements according to the “Regulation on the Procedures and Principles for Classification of Loans by Banks and Provisions to be set aside” published in the Official Gazette dated 22 June 2016 numbered 29750. In this framework, as of January 1, 2018, method of provisions for impairment as set out in accordance with the related legislation of BRSA is changed by applying the expected credit loss model under TFRS 9.

The provisions written back are credited to “provision expenses”, and if such write backs are arising from previous year they are accounted under “other operating income”. The expected credit loss model includes instruments that are recorded at amortized cost or at fair value in other comprehensive income tables (such as bank deposits, loans and finance lease receivables) and, in addition, financial lease receivables that are not measured at fair value through profit or loss, credit commitments and financial guarantee contracts.

Because of the malfunction in economical and commercial operations, BRSA has taken decisions dated March 17, 2020 numbered 8948 and March 27, 2020 numbered 8970 within the context of clause 4 and 5 of the “Regulation on the Procedures and Principles for Classification of Loans by Banks and Provisions to be set aside” which will be valid as of March 17, 2020. As a result of those decisions, it has been determined that 30 days overdue will be 90 days to classify first group loans as second group loans and 90 days overdue will be 180 days to classify first and second group loans as non performing loans. All changes will be applied until december 31, 2020.

- Temporarily it is possible that loans which are not collected up to 90 days to be classified under first group, up to 180 days classified under second group.
- The Customers who have rescheduled loans have been enabled to postpone the installments without breaking existing rescheduled contracts within the mentioned period.
- In finalizing the Pro rata banks protocols, the operations which will take time will be extended with common accord.

As a result, the provisions to be allocated for such receivables will continue as per the risk models under TFRS 9 the banks use in calculating expected credit losses.

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VIII. Explanations on expected credit losses (continued):

As of September 30, 2020, under these flexibilities mentioned above, the Parent Bank has cash receivables amount to TL 502.954 over 30 days due and TL 89.648 over 90 days due, these receivables are classified under first and second group and TL 6.861 and TL 13.758 expected credit losses have been allocated respectively. In addition, the loan amounting to TL 806.871 which was classified as Stage 3 loan before September 30, 2020, has been classified as Stage 2 loan and provision allocations continued according to Stage 3 ECL methodology for those loans.

As stated under the note of significant estimates and assumptions in preparing financial statements, the Parent Bank has changed the parameters in allocating provisions by using the best estimates and assumptions for expected credit losses to reflect the possible impact of Covid 19 pandemic to its financial statements as of September 30, 2020. In provisioning parameters, base scenario rate has been updated as 80%, negative condition scenario rate has been updated as 20% and positive condition scenario has been cancelled. In addition, unemployment and real effective exchange rate parameters have been updated in macroeconomic scenarios Under this context, this approach used for the third quarter of 2020, will be reviewed in the coming reporting periods by considering the changes in outcomes of pandemic, credit portfolio and expectations related to the future.

The guiding principle of the expected credit loss model is to reflect the increase in credit risk of financial instruments or the general view of the recovery. The amount of allowance for the loss depends on the extent of the increase in credit risk since the initial issuance of the loan.

Expected credit loss is an estimate of the expected credit losses over the life of a financial instrument also the following aspects are important for the measurement.

- Probability-weighted and neutral amount determined by taking into account possible outcomes,
- Reasonable and supportable information on past events, current conditions and forecast of future economic conditions, at the time of reporting, without excessive cost and effort.

Provisions for these financial assets are calculated using two different approaches: 12-month expected loss and expected lifetime loss. Credit risk parameters used in the calculations are as follows:

Parameters used when calculating expected credit losses:

Probability of Default (PD):

PD refers to the likelihood that a loan will default within a specified time horizon. Based on TFRS 9, the Parent Bank uses two different PDs in order to calculate expected credit losses:

- 12-Months PD: As the estimated probability of default occurring within the next 12 months following the reporting date.
- Lifetime PD: As the estimated probability of default occurring over the remaining life of the financial instrument.

Loss Given Default (LGD):

If a loan default occurs, it represents the economic loss incurred on the loan. It is expressed as a percentage.

Exposure at Default (EAD):

For cash loans, it corresponds to the amount of loan granted as of the reporting date. For non-cash loans and commitments, it is the value calculated through using credit conversion factors. Credit conversion rate corresponds to the factor which adjust the potential increase of the exposure between the current date and the default date.

Financial Assets are divided into the following three categories depending on observable increases in their credit risks:

12 Month Expected Credit Losses (Stage 1):

For the financial assets at initial recognition or that do not have a significant increase in credit risk since initial recognition and the delay days do not exceed 30 days. Impairment for credit risk is recorded in the amount of 12-month expected credit losses. It is valid for all assets unless there is a significant deterioration in the quality of the loan. The expected 12 month loss values (within 12 months after the reporting date or within a shorter period if the life of a financial instrument is shorter than 12 months) are part of the estimation of loss of life expectancy.

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VIII. Explanations on expected credit losses (continued):

12 Month Expected Credit Losses (Stage 1) (continued):

The Parent Bank has applied to continue to classify the cash loans which are between 30 and 90 days overdue the cash loans which are between 30 and 90 days overdue the as per the decision by BRSA dated March 27, 2020 numbered 8970, which is valid from March 17, 2020 until December 31, 2020.

Significant Increase in Credit Risk (Stage 2):

In the event of a significant increase in credit risk since initial recognition, the financial asset is transferred to Stage 2. Impairment for credit risk is determined on the basis of the instrument's lifetime expected credit losses.

The Parent Bank classifies financial assets as Level 2 by considering the following criteria:

- Loans with a delay over 30 days but not exceed 90 days
- The data obtained from the early warning system and the evaluation that the Parent Bank will make in this case
- The Parent Bank management's conclusion that there is significant increase in credit risk. At this point the Parent Bank compares probability of default of the loan in its origination with current status.
- Loans for which the repayment amount is fully collateralized and the collateral falls below the net realizable value.

As per the decision by BRSA dated March 27, 2020 numbered 8970, which is from March 17, 2020 until December 31, 2020, the cash loans that are between 90 and 180 days overdue are classified under second group loans.

Default (Stage 3/Specific Provision):

If the following conditions exist in accordance with the Parent Bank's internal procedures, the related financial asset is evaluated as default:

- Loans past 90 days from the last installment date (In this case, default status starts on the 91st day.) In addition, as per the decision by BRSA dated March 17, 2020 numbered 8948, which is valid from March 17, 2020 until December 31, 2020, the definition of "default" is that the receivable is 180 days overdue.
- Loans restructured and classified as performing receivables, and restructured in the 1 year monitoring period at least once again and or loans whose principal / profit payment is 30 days overdue.

IX. Explanations on offsetting of financial instruments:

Financial instruments are offset when the Group has a legally enforceable right to net off the recognized amounts, and there is an intention to settle on net basis or realize the asset and settle the liability simultaneously. The sukuk investments issued by the Group which are repurchased has been offset in financial assets measured at fair value through other comprehensive income and subordinated loan accounts.

X. Explanations on sale and repurchase agreements and lending of securities:

Securities subject to repurchase agreement are classified as "Financial Assets Measured at Fair Value through Profit/Loss", "Financial Assets Measured at Fair Value through Other Comprehensive Income" and "Financial Assets Measured at Amortised Cost" according to the investment purposes of the Group and measured according to the portfolio to which they belong. Funds obtained from the related agreements are accounted under "Borrowings from Money Markets" in liabilities and the difference between the sale and repurchase price is accrued over the life of the agreements using the internal rate of return method. Profit share expense on such transactions is recorded under "Profit Share Expense on Money Market Borrowings" in the income statement.

XI. Explanations on assets held for sale and discontinued operations and liabilities related to these assets:

Assets held for sale (or disposal group) are measured at the lower of the carrying amount of assets and fair value less any cost to be incurred for disposal. In order to classify an asset as held for sale, the

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XI. Explanations on assets held for sale and discontinued operations and liabilities related to these assets (continued):

possibility of sale should be highly probable and the asset (or disposal group) should be available for immediate sale in its present condition. Highly saleable condition requires a plan designed by an

appropriate level of management regarding the sale of the asset to be disposed of together with an active program for the determination of buyers as well as for the completion of the plan. Also, the asset shall be actively marketed in conformity with its fair value.

In addition, the sale is expected to be recognized as a completed sale within one year after the classification date and the necessary transactions and procedures to complete the plan should demonstrate the fact that there is remote possibility of making any significant changes in the plan or cancellation of the plan.

The Group has assets that are possessed due to receivables and debtors' obligations to the Parent Bank and classified as assets held for sale. In the case that the Group has not disposed of such assets within a year of receipt or failed to produce a solid plan for sale of the assets, they are reclassified as fixed assets and are amortized. The Group transfers such assets from assets held for sale and discontinued operations to tangible assets.

A discontinued operation is a part of the Group's business which has been disposed of or classified as held for sale. The operating results of the discontinued operations are disclosed separately in the income statement. The Group has not any discontinued operations.

XII. Explanations on goodwill and other intangible assets:

Goodwill and other intangible assets are recorded at cost in accordance with TAS 38 "Turkish Accounting Standards for Intangible Assets". The Group's intangible assets consist of softwares, intangible rights and goodwill.

The costs of the intangible assets purchased before December 31, 2004 have been restated from the purchasing dates to December 31, 2004, the date the hyperinflationary period is considered to be ended. Intangible assets purchased after this date have been recorded at their historical costs. Intangible assets are amortised by the Parent Bank over their estimated economic useful lives in equal amounts on a straight-line basis. Useful lives of the Parent Bank's software have been determined as 3 to 4 years and other intangible assets' useful lives have been determined as 15 years.

If there is objective evidence of group impairment, the asset's recoverable amount is estimated in accordance with the TAS 36 "Turkish Accounting Standard for Impairment of Assets" and if the recoverable amount is less than the carrying value of the related asset, a provision for impairment loss is provided.

XIII. Explanations on tangible assets:

The cost of the tangible assets purchased before December 31, 2004 have been restated by inflationary index from the purchasing dates to December 31, 2004, the date the hyperinflationary period is considered to be ended. The tangible assets purchased after this date are recorded at their historical costs. Tangible assets are recorded at cost less accumulated depreciation and provision for impairment, if any in compliance with the ("TAS 16") "Turkish Accounting Standards for Tangible Assets" in the financial statements.

As of March 31, 2009, the Parent Bank has made a change in accounting policy and adopted revaluation model for real estates in accordance TAS 16 and reflected the results of appraisal reports prepared by an authorized real estate appraisal firm to the financial statements. As of December 31, 2019, the Parent Bank has revalued its immovables and reflected the results of appraisal reports prepared by an independent real estate appraiser firm using comparison of similar items method to the financial statements. The revaluation fund mentioned cannot be distributed as dividend to shareholders. Current period depreciation charge relating to the revaluation has been transferred to retained earnings from revaluation fund reserve.

There are no restrictions such as pledges, mortgages or any other restriction on tangible assets.

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XIII. Explanations on tangible assets (continued):

There are no changes in the accounting estimates which are expected to have an impact in the current or subsequent periods.

Depreciation is calculated on a straight-line basis. Depreciation rates used are determined by considering the estimated economic useful life of the assets. The annual rates used are as follows:

	Depreciation Rate %
Buildings	2
Motor vehicles	20 – 25
Furniture, fixture and office equipment	4 – 33
Safe-deposit boxes	2 – 20
Operational lease improvement costs (Leasehold improvements)	Leasing period - 5 years
Leased assets	1- 10 years

The depreciation of an asset held for a period less than a full financial year is calculated as a proportion of the full year depreciation charge from the date of acquisition to the financial year end. Leasehold improvements are depreciated over their estimated economic useful lives in equal amounts. The estimated economic useful lives cannot exceed the leasing period. In cases where the leasing period is not certain, the useful life is determined as five years. After January 1, 2010 in cases where leasing period is more than five years, the useful life is determined as five years.

If there is an indication for impairment, the Group estimates the recoverable amount of the tangible asset in accordance with TAS 36 “Turkish Accounting Standard for Impairment of Assets” and if the recoverable amount is less than its carrying value, provides for an impairment loss. Fixed assets which are carried at fair value in the financial statements are revalued by independent Capital Markets Board licensed firms in accordance with TFRS 13.

Gain or loss resulting from disposals of the tangible assets is calculated as the difference between the net proceeds from the sale and the net book value of the related asset.

The repair and maintenance costs of the tangible assets are capitalized, if the expenditure increases the economic life of the asset. Other repair and maintenance costs are expensed.

In accordance with TFRS 16, right-of-use asset is represented under tangible assets in the balance sheet.

XIV. Explanations on investment property:

Investment properties are retained in order to benefit for administrative purposes and production and supply of goods or services either or both obtain rental income or appreciation gain instead of selling them in ordinary workflow. Investment properties are accounted initially at cost then at fair value for the coming periods and changes are recognized in statement of profit or loss.

The cost includes the expenses directly associated with the purchase.

If the investment property is sold, all profits and losses incurred (referring the difference between sale price and carrying value of the asset) are recognized in statement of profit or loss. If the investment properties which are recognized as fixed assets beforehand are sold, their revaluation differences (if there are any) under equity are transferred to prior year profits.

If a real estate’s intended purpose amended and it is recognized again under fixed assets, the fair value at the date of the amendment becomes the cost for the next accounting transaction.

The revaluation reports as of December 31, 2019 prepared by appraisers have been taken into consideration in measuring the fair values of the investment properties. Investment Properties have not been revalued on the assumption that their cash flows do not change significantly as of September 30, 2020 and this assumption will be reassessed considering covid pandemia in the coming periods.

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XV. Explanations on leasing transactions:

Assets acquired under finance lease contracts are recorded both as an asset and as a liability at the beginning date of the lease. The basis for the determination of the balances recorded in the balance sheet as asset and liability is the lower of fair value of the leased asset at the inception of the lease and the present value of the lease payments. Finance charges arising from lease contracts are expensed in the related periods taking into consideration the internal rate of return over the period of the lease.

Assets acquired under finance lease contracts are depreciated over their useful lives and impairment provision is provided in case a decrease in recoverable amount has been determined. The Parent Bank, as a participation bank, acts as a lessor in finance leasing transactions. The Parent Bank presents finance leased assets as a receivable equal to the net investment in the lease. Financial income is based on a pattern reflecting a constant periodic rate of return on the net investment outstanding.

With the "TFRS 16 Leases" standard, which became effective as of 1 January 2019, the difference between the operating lease and financial lease was removed and the lease transactions were started to be recognised under "Tangible Fixed Assets" as an asset (tenure) and under "Lease Payables" as a liability.

TFRS 16 Leases standard abolishes the dual accounting model currently applied for lessees through recognizing finance leases in the balance sheet whereas not recognizing operational lease. Instead, it is set forth a single model similar to the accounting of finance leases (on balance sheet). For lessors, the accounting stays almost the same.

The Parent Bank has the exemption for not applying this standard to short-term leaseings (leases with a rental period of 12 months or less) or to leases where the underlying asset is of low value (eg personal computers, some office equipment, etc.). At the effective date of the lease, the Parent Bank measures its leasing liability at the present value of the lease payments not paid at that time and depreciates the existence of the right to use as of the same date and is amortized over the lease term. If this ratio can be determined easily, lease payments are discounted using the Parent Bank's average profit rate.

If the ratio cannot be easily determined, the Parent Bank uses its own alternative borrowing rate. The profit share expense on the lease liability and the depreciation charge of the right to use is recorded separately. The lessee re-measures the lease obligation if certain events occur (for example, changes in lease duration, forward lease payments due to changes in a particular index or rate, etc.). In this case, the lessee records the reassignment effect of the lease obligation as a correction on the right to use.

Right to use asset:

The right to use asset is first recognized by cost method and includes:

- The initial measurement amount of the lease obligation,
- The amount obtained by deducting all the rental incentives received from all lease payments made at or before the beginning of the lease;
- All initial direct costs incurred by the Parent Bank and

When applying the cost method, the existence of the right to use:

- Accumulated depreciation and accumulated impairment losses are deducted and
- Measures the restatement of the lease obligation at the restated cost.

While the Parent Bank is depreciating the right- to- use asset it utilizes the provisions for depreciation in TAS 16 Tangible Assets Standard.

The lease liabilities:

At the effective date of the lease, the Parent Bank measures its leasing liability at the present value of the lease payments not paid at that time. If this ratio can be determined easily, lease payments are discounted using the Parent Bank's average profit rate. If the ratio cannot be easily determined, the Parent Bank uses its own alternative borrowing rate.

The lease payments included in the measurement of the lease liability consist of the payments to be made for the right of use during the lease term of the underlying asset and the unpaid payments at the effective date of the lease.

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XV. Explanations on leasing transactions (continued):

After the effective date of the lease, the Parent Bank measures the leasing liability as follows:

- Increases the book value to reflect the profit share rate on the lease obligation,
- Reduces the book value to reflect the lease payments made
- Measures the book value to reflect reassessments and restructuring, or reflect the fixed lease payments, which is revised but inherently fixed. The profit rate on the lease liability for each period in the lease period is the amount calculated by applying a fixed periodic profit rate to the remaining balance of the lease liability.

XVI. Explanations on provisions and contingent liabilities:

Provisions and contingent liabilities, excluding the general and specific provisions for impairment on loans, are accounted in accordance with TAS 37: "Turkish Accounting Standard for Provisions, Contingent Liabilities and Contingent Assets".

Provisions are recognized when the Parent Bank has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

A provision for contingent liabilities arising from past events should be recognized in the same period of occurrence in accordance with the cut-off principle.

A liability is recognized as a contingent liability where a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of more than one events not wholly within the control of the Parent Bank; or a present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability and disclosed in the footnotes.

XVII. Explanations on liabilities regarding employee rights:

i) *Defined benefit plans:*

Provision for employee severance benefits has been accounted for in accordance with TAS 19 "Employee Benefits".

i) *Defined benefit plans (continued):*

In accordance with the existing social legislation in Turkey, the Group is required to make lump-sum termination indemnities including retirement and notice payments to each employee whose employment is terminated for reasons other than misconduct or due to resignation.

The retirement pay is calculated for every working year within the group over salary for 30 days or the official ceiling amount per year of employment and the notice pay is calculated for the relevant notice period time as determined based on the number of years worked for the Group.

The Group has reflected the retirement pay liability amount, which was calculated by an independent actuary, in the accompanying financial statements. According to TAS 19, The Group recognizes all actuarial gains and losses immediately through other comprehensive income. As of September 30, 2020, there is an actuarial loss amounts to TL 35.264 before deferred tax calculation. (December 31, 2019: TL 35.264 actuarial loss).

The Group, provision for the employees' unused vacations has been booked in accordance with TAS 19 and reflected to the financial statements.

There are no foundations, pension funds or similar associations of which the employees are members.

ii) *Defined contribution plans:*

The Group pays defined contribution plans to publicly administered Social Security Funds for its employees. The Group has not any further payment obligations other than this contribution share. The contributions are recognized as personnel expenses when they accrue.

iii) *Short term benefits to employees:*

In accordance with TAS 19, the Group measures the expected costs of the cumulative annual leaves as additional amounts anticipate to pay accumulated and unused rights as of reporting period.

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XVIII. Explanations on taxation:

Current tax:

The Group is subject to tax laws and legislation effective in Turkey.

While the corporate tax rate was at the rate of 20% since January 1, 2006, such rate has been set as 22% for the tax bases of the years 2018, 2019, and 2020 based on the legislation of the Amendment on Certain Tax Laws and Other Laws no. 7061. Furthermore, the Council of Ministers has been authorized to reduce the rate of 22% down to 20%.

Dividends paid to the resident institutions are not subject to withholding tax in Turkey. Withholding tax rate on the dividend payments other than these is 15%. Appropriation of the retained earnings to capital is not considered as profit distribution and accordingly is not subject to withholding tax.

The prepaid taxes are calculated based on quarterly profits of the Parent Bank using current rate which must be announced by the 14th day and paid by the 17th day of the second month following the taxed period. The prepaid taxes can be deducted from the annual corporate tax calculated on the annual corporate income. The remaining prepaid tax, if any after deduction, can be refunded in cash or deducted from other financial liabilities to the government.

A 75% portion of the capital gains derived from the sale of equity investments and a 50% portion of the capital gains derived from the sale of immovable properties held for at least two years is tax exempt, if such gains are added to paid-in capital or held in a special fund account under liability for five years.

In accordance with the tax legislation, tax losses can be carried forward to offset against future taxable income for up to five years. Tax losses cannot be carried back to offset profits from previous periods.

In accordance with the last paragraph of the first article of the law dated February 11, 1986 and numbered 3259 "Law related to granting tax exemption to Islamic Development Bank" dividends paid to Islamic Development Bank is exempt from corporate tax. Therefore, dividend distributed to Islamic Development Bank as a shareholder of the Parent Bank is exempt from corporate tax and income tax withholding.

In Turkey, there is no procedure for a final and definite agreement on tax assessments. Companies file their tax returns to their tax offices by the end of 25th of the fourth month following the close of the accounting period to which they relate. Tax returns are open for five years from the beginning of the year that follows the date of filing during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue reassessments based on their findings and carry out sectorial investigations.

Considering the participation accounts' part in general loan loss provision as expense for tax calculation, Finance Ministry initiated a sector-specific review. The relevant documents and calculations have been requested from the Parent Bank. As of report date, there is no information or written report transmitted to the Parent Bank.

As explained in detailed note under "XVII. Additional explanations on borrowings" , deferred tax is calculated for exchange difference and coupon payment for Tier 1 under equity and deferred tax expenses.

Deferred tax:

The Group calculates and accounts for deferred income taxes for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in these financial statements in accordance with ("TAS 12") "Turkish Accounting Standard for Income Taxes". Deferred tax asset is calculated on all temporary differences to the extent that is probable that taxable profit will be available and deferred tax liability is calculated for all temporary differences. Deferred tax asset and liabilities are shown in the accompanying financial statements on a net basis.

Deferred tax liabilities are calculated for all of the temporary differences whereas deferred tax assets resulting from temporary differences are recognized to the extent that it is probable that future taxable profit will be available against which the deferred tax assets can be utilized.

Deferred tax is measured at enacted tax rates prevailing in the period when the assets are realized or liabilities are settled, and the tax is recorded as income or expense in the income statement. Nonetheless, if the deferred tax is related to assets directly associated with the equity in the same or different period, it

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XVIII. Explanations on taxation (continued):

Deferred tax (continued):

is directly recognized in the equity accounts. According to a change in Corporate Tax Law, which were published in the Official Gazette dated December 5, 2017 and numbered 30261, Article 91, Corporate Tax has been increased to 22% from 20% in order to be applied to the profits of the institutions for the taxation periods of 2018, 2019 and 2020. The Parent Bank calculates deferred taxes using related ratios considering the realization period of the temporary differences.

Transfer pricing:

Transfer pricing is regulated through the article 13 of Corporate Tax Law titled “Disguised Profit Distribution by way of Transfer Pricing”. Detailed information for the practice regarding the subject is found in the “General Communiqué on Disguised Profit Distribution by way of Transfer Pricing”.

According to the related regulation, in the case of making purchase or sales of goods or services with related persons/corporations at a price that is determined against “the arm’s length principle”, the gain is considered to be distributed implicitly through transfer pricing and such distribution of gains is not deductible in calculation of corporate tax.

XIX. Additional explanations on borrowings:

The Group accounts its debt instruments in accordance with TFRS 9 “Financial Instruments”. In the following periods, all financial liabilities are carried at amortized cost by using the internal rate of return method. The Parent Bank has no borrowings that require hedging techniques for accounting and revaluation of debt instruments and liabilities representing the borrowings.

There are no debt securities issued by the Parent Bank. The Parent Bank has issued borrowings through its subsidiary Bereket Varlık Kiralama A.Ş. and its structured entities Bereket One Ltd. and Albaraka Sukuk Ltd.

The Parent Bank has subordinated loans borrowed through sukuk issuance, which has convertible nature to the shares.

Additional tier 1 capital borrowings:

Unmatured sukuk transaction in foreign currency is issued and included in the additional capital account by the Parent Bank’s structured entity “Bereket One Ltd.”. Stated transaction evaluated as non-monetary item and accounted over historical cost in Turkish Lira under equities in the “other capital reserves” accordance with TAS 32.

XX. Explanations on issued share certificates:

None.

XXI. Explanations on acceptances and availed drafts:

Acceptances and availed drafts are realized simultaneously by the Parent Bank with the payment dates of the customers and they are presented as commitments in the off-balance sheet accounts.

XXII. Explanations on government grants:

As of the balance sheet date, there are no government grants received by the Group.

XXIII. Explanations on segment reporting:

Business segment is a component of the Parent Bank that engages in business activities from which the Group may earn revenues and incur expenses, whose operating results are regularly reviewed by the Parent Bank’s chief operating decision makers to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial available.

Segment reporting is disclosed in Section Four, Note X.

XXIV. Explanations on other matters:

There is no other matter.

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SECTION FOUR

Information on Consolidated Financial Structure and Risk Management of the Group

I. Explanations on consolidated capital adequacy standard ratio:

Total capital and capital adequacy ratio have been calculated in accordance with the "Regulation on Equity of Banks" and "Regulation on Measurement and Assessment of Capital Adequacy of Banks". As of September 30, 2020, the Parent Bank's total capital has been calculated as TL 5.905.030 and capital adequacy standard ratio is 16,12%. As of December 31, 2019, the Parent Bank's total capital amounted to TL 5.182.122 and capital adequacy ratio was 15,91%. The Parent Bank's capital adequacy standard ratio is above the minimum ratio required by the legislation.

a) Information on consolidated capital:

	Current Period	Prior Period
COMMON EQUITY TIER 1 CAPITAL		
Paid-in capital following all debts in terms of claim in liquidation of the Bank	1.350.000	900.000
Share issue premiums	14.855	-
Reserves	1.160.568	1.182.456
Gains recognized in equity as per TAS	599.818	953.069
Profit	157.160	90.045
Current Period Profit	157.160	90.045
Prior Period Profit	-	-
Shares acquired free of charge from subsidiaries, affiliates and jointly controlled partnerships and cannot be recognized within profit for the period	-	-
Minority Share	-	-
Common Equity Tier 1 Capital Before Deductions	3.282.401	3.125.570
Deductions from Common Equity Tier 1 Capital		
Common Equity as per the 1 st clause of Provisional Article 9 of the Regulation on the Equity of Banks	-	-
Portion of the current and prior periods' losses which cannot be covered through reserves and losses reflected in equity in accordance with TAS	26.775	27.223
Improvement costs for operating leasing	22.156	24.273
Goodwill (net of related tax liability)	-	-
Other intangibles other than mortgage-servicing rights (net of related tax liability)	36.047	33.949
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-
Differences are not recognized at the fair value of assets and liabilities subject to hedge of cash flow risk	-	-
Communiqué Related to Principles of the amount credit risk calculated with the Internal Ratings Based Approach, total expected loss amount exceeds the total provision	-	-
Gains arising from securitization transactions	111.451	111.451
Unrealized gains and losses due to changes in own credit risk on fair valued liabilities	-	-
Defined-benefit pension fund net assets	-	-
Direct and indirect investments of the Bank in its own Common Equity	-	-
Shares obtained contrary to the 4 th clause of the 56 th Article of the Law	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Portion of mortgage servicing rights exceeding 10% of the Common Equity	-	-
Portion of deferred tax assets based on temporary differences exceeding 10% of the Common Equity	20.154	-
Amount exceeding 15% of the common equity as per the 2 nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks	-	-
Excess amount arising from the net long positions of investments in common equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital	-	-
Excess amount arising from mortgage servicing rights	-	-
Excess amount arising from deferred tax assets based on temporary differences	-	-
Other items to be defined by the BRSA	-	-
Deductions to be made from common equity due to insufficient Additional Tier I Capital or Tier II Capital	-	-
Total Deductions From Common Equity Tier 1 Capital	216.583	196.896
Total Common Equity Tier 1 Capital	3.065.818	2.928.674

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I. Explanations on consolidated capital adequacy standard ratio (continued):

a) Information on consolidated capital (continued):

	Current Period	Prior Period
ADDITIONAL TIER I CAPITAL		
Preferred Stock not Included in Common Equity and the Related Share Premiums	-	-
Debt instruments and premiums approved by BRSA	775.720	775.720
Debt instruments and premiums approved by BRSA(Temporary Article 4)	-	-
Third parties' share in the Additional Tier I capital	-	-
Third parties' share in the Additional Tier I capital (Temporary Article 3)	-	-
Additional Tier I Capital before Deductions	775.720	775.720
Deductions from Additional Tier I Capital	-	-
Direct and indirect investments of the Bank in its own Additional Tier I Capital	-	-
Investments of Bank to Banks that invest in Bank's additional equity and components of equity issued by financial institutions with compatible with Article 7.	-	-
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital	-	-
The Total of Net Long Position of the Direct or Indirect Investments in Additional Tier I Capital of Unconsolidated Banks and Financial Institutions where the Bank Owns more than 10% of the Issued Share Capital	-	-
Other items to be defined by the BRSA	-	-
Transition from the Core Capital to Continue to deduce Components	-	-
Goodwill and other intangible assets and related deferred tax liabilities which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Net deferred tax asset/liability which is not deducted from Common Equity Tier 1 capital for the purposes of the sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Deductions to be made from common equity in the case that adequate Additional Tier I Capital or Tier II Capital is not available (-)	-	-
Total Deductions From Additional Tier I Capital	-	-
Total Additional Tier I Capital	775.720	775.720
Total Tier I Capital (Tier I Capital=Common Equity+Additional Tier I Capital)	3.841.538	3.704.394
TIER II CAPITAL		
Debt instruments and share issue premiums deemed suitable by the BRSA	1.788.636	1.362.486
Debt instruments and share issue premiums deemed suitable by BRSA (Temporary Article 4)	-	-
Third parties' share in the Tier II Capital	-	-
Third parties' share in the Tier II Capital (Temporary Article 3)	-	-
Provisions (Article 8 of the Regulation on the Equity of Banks)	277.431	116.745
Tier II Capital Before Deductions	2.066.067	1.479.231
Deductions From Tier II Capital	-	-
Direct and indirect investments of the Bank on its own Tier II Capital (-)	-	-
Investments of Bank to Banks that invest on Bank's Tier 2 and components of equity issued by financial institutions with the conditions declared in Article 8.	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank (-)	-	-
Portion of the total of net long positions of investments made in Additional Tier I Capital item of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Other items to be defined by the BRSA (-)	-	-
Total Deductions from Tier II Capital	-	-
Total Tier II Capital	2.066.067	1.479.231
Total Capital (The sum of Tier I Capital and Tier II Capital)	5.907.605	5.183.625
The sum of Tier I Capital and Tier II Capital (Total Capital)	-	-
Deductions from Capital Loans granted contrary to the 50 th and 51 th Article of the Law	-	-
Net Book Values of Movables and Immovables Exceeding the Limit Defined in the Article 57, Clause 1 of the Banking Law and the Assets Acquired against Overdue Receivables and Held for Sale but Retained more than Five Years	-	-
Other items to be defined by the BRSA	2.575	1.503

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I. Explanations on consolidated capital adequacy standard ratio (continued):

a) Information on consolidated capital (continued):

	Current Period	Prior Period
In transition from Total Core Capital and Supplementary Capital (the capital) to Continue to Download Components		
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
The Sum of net long positions of investments in the Additional Tier 1 capital and Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
The Sum of net long positions of investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity, mortgage servicing rights, deferred tax assets arising from temporary differences which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
Total Capital (Total Core Capital and Supplementary Capital)	5.905.030	5.182.122
Total risk weighted amounts	36.632.699	32.572.892
Capital Adequacy Ratios		
Consolidated Core Capital Adequacy Ratio (%)	8,37	8,99
Consolidated Tier 1 Capital Adequacy Ratio (%)	10,49	11,37
Consolidated Capital Adequacy Ratio (%)	16,12	15,91
BUFFERS		
The total additional capital requirement ratio (a + b + c)	2,50	2,50
a) Capital conservation buffer requirement (%)	2,50	2,50
b) Bank specific counter-cyclical buffer requirement (%)	0,00	0,00
c) Systemic significant bank buffer ratio (%)	0,00	0,00
The ratio of Additional Common Equity Tier 1 capital which will be calculated by the first paragraph of the Article 4 of Regulation on Capital Conservation and Countercyclical Capital buffers to Risk Weighted Assets (%)	3,87	4,49
Amounts below the Excess Limits as per the Deduction Principles	-	-
Portion of the total of net long positions of investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	-
Portion of the total of investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	-
Amount arising from deferred tax assets based on temporary differences	-	-
Limits related to provisions considered in Tier II calculation	328.716	231.614
Limits related to provisions considered in Tier II calculation	-	-
General provisions for standard based receivables (before tenthousandtwentyfive limitation)	277.431	116.745
Up to 1.25% of total risk-weighted amount of general reserves for receivables where the standard approach used	277.431	116.745
Excess amount of total provision amount to credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	-
Excess amount of total provision amount to 0,6 % of risk weighted receivables of credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	-
Debt instruments subjected to Article 4 (to be implemented between January 1, 2018 and January 1, 2022)	-	-
Upper limit for Additional Tier I Capital subjected to temporary Article 4	-	-
Amounts Excess the Limits of Additional Tier I Capital subjected to temporary Article 4	-	-
Upper limit for Additional Tier II Capital subjected to temporary Article 4	-	-
Amounts Excess the Limits of Additional Tier II Capital subjected to temporary Article 4	-	-

(*) Amounts in this column represents the amounts of items that are subject to transition provisions.

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I. Explanations on consolidated capital adequacy standard ratio (continued):

In press release by BRSA dated March 23, 2020 it is stated that there are financial market turbulences as a result of Covid 19 pandemia. Because of this, in calculating credit risk as per "Regulation on Measurement and Assessment of Capital Adequacy of Banks", it is possible that the Exchange rates used for preparing December 31, 2019 financial statements can be used in calculating the revalued amounts of monetary and non monetary items and their specific provisions. The items, which are carried at cost, is out of scope. In addition, if the net revaluation amounts are negative for "Financial Assets Measured at Fair Value through Other Comprehensive Income", these negative amounts may not be considered in calculating equity calculated as per "Regulation on Equity of Banks". However, if the financial Assets Measured at Fair Value through Other Comprehensive Income acquired after March 23, 2020, then the existing clauses of the regulation is applied. As of March, the Parent Bank utilized the facilities mentioned above.

b) Details on subordinated liabilities:

Issuer	Albaraka Sukuk Ltd.	Bereket One Ltd.
Unique Identifier (CUSIP, ISIN etc.)	XS1301525207	XS17 72390628
Governing Law(s) of the Instrument	English Law	English Law
Special Consideration in the Calculation of Equity		
As of January 1, 2015 consideration to be subject to a 10% reduction application status	No	No
Eligible at Unconsolidated/Consolidated	Unconsolidated/Consolidated	Unconsolidated/Consolidated
Instrument Type	Sukuk Wakala	Sukuk Mudaraba
Amount recognized in regulatory capital (as of most recent reporting date)	TL 1.788.636	TL 775.720 ^(*)
Par Value of Instrument	TL 1.788.636	TL 775.720
Accounting Classification	Subordinated Loan	Equity
Original date of Issuance	November 30, 2015	February 20, 2018
Perpetual or dated	Dated	Undated
Maturity date	November 30, 2025	Undated
Issuer call subject to prior supervisory (BRSA) approval	Yes	Yes
Optional call date, contingent call dates and redemption amount	Last Payment Date: November 30, 2020 Total Repayment Amount of Profit Share: USD 131.250.000, Repayment Period: 6 months Principal Payment: USD 250.000.000	Last Payment Date: None First refund option date: February 20, 2023 Total Repayment Amount of Profit Share: USD 102.500.000 Repayment Period: 6 months Principal Payment: USD 205.000.000
Subsequent call dates	-	-
Profit Share/Dividends		
Fixed or floating profit share/dividend	Fixed	Fixed
Profit share rate and any related index	10,50%	10%
Existence of a dividend stopper	As per BRSA regulations and Communiqués it is payable	As per BRSA regulations and Communiqués it is payable
Fully discretionary, partially discretionary or mandatory	Mandatory	Optional
Existence of step up or other incentive to redeem	-	-
Noncumulative or cumulative	Cumulative	Noncumulative
Convertible or Non-convertible		
If convertible, conversion trigger	As per BRSA regulations and Communiqués it is convertible	As per BRSA regulations and Communiqués it is convertible
If convertible, fully or partially	As per BRSA approval it is convertible fully or partially	As per BRSA approval it is convertible fully or partially
If convertible, conversion rate	As per BRSA approval it is convertible and the rate may be determined.	As per BRSA approval it is convertible and the rate may be determined.
If convertible, mandatory or optional conversion	Subject to BRSA's approval.	Subject to BRSA's approval.
If convertible, specify instrument type convertible into	Share certificate	Share certificate
If convertible, specify issuer of instrument it converts into	-	-
Write-down feature		
If write-down, write-down trigger(s)	-	Non-sustainability-The ratio of Core Capital to below 5,125%
If write-down, full or partial	-	At least to ensure that the core capital ratio exceeds 5,125%
If write down, permanent or temporary	-	Permanent and Temporary
If temporary write-down, description of write-up mechanism	-	In case of the ratio of core capital exceeds 5,125%
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	After all creditors and participation fund owners	After participation fund owners, other borrowers and the debt instruments included in the Tier II capital calculation
In compliance with article number 7 and 8 of "Own fund regulation"	No	No
Details of incompliance with article number 7 and 8 of "Own fund regulation"	No	No

(*) Represented as historical cost.

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I. Explanations on consolidated capital adequacy standard ratio (continued):

c) Information on reconciliation of total capital and equity:

The difference between Total Capital and Equity in the consolidated balance sheet mainly arises from Stage 1 and Stage 2 expected credit losses, debt instruments and share issue premiums deemed suitable by the BRSA. In the calculation of Total Capital, Stage 1 and Stage 2 expected credit losses up to 1,25% of the credit risk is taken into consideration as Tier II Capital. On the other hand, in the calculation of the Total Capital, improvement costs for operating leases followed under tangible assets in the balance sheet, intangible assets and related deferred tax liabilities and other items defined by the regulator are taken into consideration as amounts deducted from Total Capital.

II. Explanations on consolidated credit risk:

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

III. Explanations on consolidated currency risk:

Foreign currency risk arises from the Group's possible exposure to the changes in foreign currencies.

- a)** The Parent Bank is exposed to currency risks as a market risk and tries to balance the currency risks by avoiding to keep any long or short positions. The currency risk of the Parent Bank is monitored on a daily basis. Net foreign currency position/shareholders' equity ratio is also controlled on a daily basis. All foreign currency assets, liabilities and foreign currency forward transactions are taken into consideration while capital requirement to be employed for foreign currency risk is calculated. Standard Method used in legal reporting and amount subject to risk is calculated on a monthly basis.
- b)** The Group does not have any derivative financial instruments held for hedging purposes.
- c)** As a result of the uncertainty and volatility in the markets, foreign currency position is kept at a balance, and accordingly, no currency risk is anticipated. The Parent Bank takes necessary measures to keep the currency risk at a minimum level.
- ç)** Foreign exchange buying rates of the last five working days before the balance sheet date as publicly announced by the Parent Bank are as follows:

	USD	EUR
As of September 30, 2020 - Balance sheet evaluation rate	7,732	9,069
As of September 29, 2020	7,808	9,163
As of September 28, 2020	7,750	9,038
As of September 25, 2020	7,617	8,854
As of September 24, 2020	7,606	8,852
As of September 23, 2020	7,683	8,966

- d)** The simple arithmetical average of the major foreign exchange buying rates of the Parent Bank for the thirty days before the balance sheet date is TL 7,526 for 1 USD (December 2019: TL 5,839), TL 8,869 for 1 EUR (December 2019: TL 6,487).

The Parent Bank is mainly exposed to EUR and USD currency risks.

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III. Explanations on consolidated currency risk (continued):

Information on currency risk of the Group:

	EUR	USD	Other FC ^(*)	Total
Current Period				
Assets				
Cash (cash in vault, foreign currency, money in transit, cheques purchased) and balances with the Central Bank of Republic of Turkey	2.558.059	4.745.241	2.189.398	9.492.698
Banks	721.222	1.021.489	1.324.194	3.066.905
Financial assets at fair value through profit and loss ^(**)	729.595	449.615	2.152.489	3.331.699
Money market placements	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	184.032	821.932	4.673	1.010.637
Loans and financial lease receivables ^(***)	6.421.549	13.907.193	600.519	20.929.261
Subsidiaries, associates and joint ventures	-	-	-	-
Financial Assets Measured at Amortised Cost	1.003.443	1.509.091	-	2.512.534
Derivative financial assets for hedging purposes	-	-	-	-
Tangible assets	-	-	21.630	21.630
Intangible assets	6.583	-	-	6.583
Other assets ^(****)	12.639	37.549	6.178	56.366
Total assets	11.637.122	22.492.110	6.299.081	40.428.313
Liabilities				
Current account and funds collected from banks via participation accounts	756.417	215.774	8.714	980.905
Other current and profit sharing accounts	8.553.681	20.334.646	5.909.518	34.797.845
Money market borrowings	145.026	3.866	-	148.892
Funds provided from other financial institutions and subordinated loans	1.671.020	3.053.916	-	4.724.936
Marketable securities issued	-	-	-	-
Miscellaneous payables	73.485	279.034	8.745	361.264
Derivative financial liabilities for hedging purposes	-	-	-	-
Other liabilities	338	15.567	5.848	21.753
Total liabilities	11.199.967	23.902.803	5.932.825	41.035.595
Net balance sheet position	437.155	(1.410.693)	366.256	(607.282)
Net off balance sheet position	(553.668)	1.648.226	349.187	1.443.745
Derivative financial instruments assets ^(*****)	46.518	2.034.138	377.924	2.458.580
Derivative financial instruments liabilities ^(*****)	600.186	385.912	28.737	1.014.835
Non-cash loans ^(*****)	2.229.616	3.210.446	52.087	5.492.149
Prior Period				
Total assets	8.735.547	17.727.324	2.781.751	29.244.622
Total liabilities	8.573.707	17.397.454	2.389.282	28.360.443
Net balance sheet position	161.840	329.870	392.469	884.179
Net off balance sheet position	(122.274)	61.052	9.191	(52.031)
Derivative financial instruments assets	34.622	163.856	20.238	218.716
Derivative financial instruments liabilities	156.896	102.804	11.047	270.747
Non-cash loans ^(*****)	2.052.218	3.212.326	38.392	5.302.936

(*) TL 2.127.911 (December 31, 2019: TL 1.324.944) of the balance in Cash (cash in vault, foreign currency, money in transit, cheques purchased) and balances with the Central Bank of Republic of Turkey in other FC column represent precious metals, TL 1.071.001 (December 31, 2019: TL 425.089) of the balance in Banks in other FC column represent precious metals accounts with banks, TL 5.657.689 (December 31, 2019: TL 2.192.902) of the balance in Other current and profit sharing accounts in other FC column represent precious metals deposits accounts.

(**) Derivative financial instruments are included.

(***) The balance includes foreign currency indexed loans and financial lease receivables of TL 1.914.959 (December 31, 2019: TL 2.154.914).

(****) Foreign currency indexed receivables from commission and fees of non-cash loans amounting to TL 6.431 (December 31, 2019: TL 1.591) is included in other assets.

(***** In the current period, derivative financial instruments assets include foreign currency purchase commitment in the amount of TL 175.788 (December 31, 2019: TL 174.881) and derivative financial instruments liabilities include foreign currency sale commitment in the amount of TL 235.689 (December 31, 2019: TL 214.726).

(***** Does not have any effect on the net off-balance sheet position.

Other issues related to currency risk:

Since the Parent Bank has issued unmaturred additional tier 1 capital amount to USD 205.000.000 (Historical cost: TL 775.720) and recognized under the equity as "Other Capital Reserves", this stated amount is not included in the above table.

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IV. Explanations on consolidated position risk of equity securities in banking book:

The Parent Bank does not have any associate and subsidiary quoted at Borsa İstanbul. “Albaraka Portföy Yönetimi A.Ş. One Tower Gayrimenkul Yatırım Fonu”, “Albaraka Portföy Yönetimi A.Ş. Dükkan Gayrimenkul Yatırım Fonu” and “Albaraka Portföy Yönetimi A.Ş. Batışehir Gayrimenkul Yatırım Fonu” which are managed and founded by Albaraka Portföy Yönetimi A.Ş. are traded in Borsa İstanbul under qualified trading market. Albaraka Portföy Yönetimi A.Ş. is the subsidiary of the Parent Bank.

V. Explanations on consolidated liquidity risk:

Liquidity Risk is managed by Asset and Liability Committee (“ALCO”) in line with risk management policies and risk appetite approved by the Board of Directors in order to take the necessary measures in a timely and correct manner against possible liquidity shortages that may result from market conditions and balance sheet structure of the Parent Bank. Under stressed conditions, liquidity risk is managed within the Contingency Funding Plan framework.

The Board of Directors reviews the liquidity risk management strategy, policy and practices and approves the liquidity strategy and policies within the framework of risk management strategy and policies, ensures the effective of practice of policies and integrations with Parent Bank’s risk management strategy. The Board of Directors determines the basic metrics in liquidity risk measurement and monitoring. The Board of Directors establishes risk appetite of the Parent Bank in liquidity risk management, identifies the risk limits in accordance with the risk appetite, and reviews it regularly.

ALCO takes necessary decisions which will be executed by related departments by assessing the liquidity risk that the Parent Bank is exposed to and considering the Parent Bank’s strategy and conditions of competition and pursues the implementations.

Risk Management Department defines the Parent Bank’s liquidity risk, measures and monitors the risks with liquidity risk measurement methods that are in comply with legal legislation, presents measurement results periodically to related departments, committees and senior management. Risk Management Department coordinates related parties in order to ensure compliance of risk management process in accordance with the Parent Bank’s risk profile, operation environment and strategic plan with regulations.

The liquidity risk analysis and the important early warning signals are reported periodically to related senior management. Additionally, analysis and monitored internal reserve limit ratios related to liquidity risk are presented in ALCO report. Reserve limit ratios and alert levels approved by the Board of Directors are monitored and reported regularly to related parties.

The Parent Bank’s funding management is carried out in compliance with the ALCO decisions in the direction of the Fund Transfer Pricing (FTP) committee. Funding and placement strategies are developed by assessing liquidity of the Parent Bank.

In liquidity risk management actions that will be taken and procedures are determined by considering normal economic conditions and stress conditions.

Diversification of assets and liabilities is assured to be able to continuously meet the obligations, also taking into account the relevant currencies. Funding sources are monitored actively during identification of concentration risk related to funding. The Parent Bank’s funding base of funds collected and other borrowing transactions are diversified in order to prevent the concentration of a particular funding source. Factors that could trigger the sudden and significant run off in funds or impair the accessibility of the funding sources are analyzed.

In the context of TL and foreign currencies liquidity management, the Parent Bank monitors the cash flows regarding assets and liabilities and forecasts the required liquidity in future periods. In cash flow analysis, stress is applied to items that affect the liquidity by volume and rate of change from a liquidity management point of view.

Liquidity risk exposed by the Parent Bank is managed by establishing risk appetite, effective control environment and closely monitoring by limits.

The results of liquidity risk stress testing are taken into consideration in the assessment of liquidity adequacy and identification of strategy, policy and procedures regarding liquidity risk and contingency funding plan is prepared within this framework. There exists “Liquidity Risk Management Contingency Funding Plan” in the Parent Bank including mechanisms to prevent increase in liquidity risk during normal and liquidity crisis scenarios for different conditions and levels.

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V. Explanations on consolidated liquidity risk (continued):

Available liquidity sources are determined by considering the liquidity squeezes. Within the framework of this plan, the Parent Bank monitors liquidity risk in terms of early warning indicators in each stress.

Consolidated liquidity coverage ratio:

		Rate of "Percentage to be taken into account" not Implemented Total Value ^(*)		Rate of "Percentage to be taken into account" Implemented Total Value ^(*)	
		TL+FC	FC	TL+FC	FC
	Current Period				
	HIGH QUALITY LIQUID ASSETS (HQLA)				
1	HIGH QUALITY LIQUID ASSETS			15.197.316	12.933.240
	CASH OUTFLOWS				
2	Retail and Small Business Funds Collected	30.025.172	19.023.495	2.760.416	1.902.350
3	Stable Funds Collected	4.842.033	-	242.102	-
4	Less stable Funds Collected	25.183.139	19.023.495	2.518.314	1.902.350
5	Unsecured Funding other than Retail and Small Business Customers Deposits	14.491.094	10.244.993	6.702.407	4.445.487
6	Operational Funds Collected	430.164	420.407	107.541	105.102
7	Non-Operational Funds Collected	4.514.985	2.684.529	2.179.381	1.350.856
8	Other Unsecured Funding	9.545.945	7.140.057	4.415.485	2.989.529
9	Secured funding			-	-
10	Other Cash Outflows	2.650.217	2.298.751	2.650.217	2.298.751
11	Liquidity needs related to derivatives and market valuation changes on derivatives transactions	2.650.217	2.298.751	2.650.217	2.298.751
12	Debts related to the structured financial products	-	-	-	-
13	Commitment related to debts to financial markets and other off balance sheet liabilities	-	-	-	-
14	Commitments that are unconditionally revocable at any time by the Bank and other contractual commitments	-	-	-	-
15	Other irrevocable or conditionally revocable commitments	10.832.008	5.136.675	1.029.562	614.011
16	TOTAL CASH OUTFLOWS			13.142.602	9.260.599
	CASH INFLOWS				
17	Secured Lending Transactions	-	-	-	-
18	Unsecured Lending Transactions	6.382.136	4.073.354	5.346.091	3.685.755
19	Other contractual cash inflows	2.655.381	2.085.558	2.655.381	2.085.558
20	TOTAL CASH INFLOWS	9.037.517	6.158.912	8.001.472	5.771.313
				Upper limit applied amounts	
21	TOTAL HQLA			15.197.316	12.933.240
22	TOTAL NET CASH OUTFLOWS			5.141.130	3.489.286
23	Liquidity Coverage Ratio (%)			295,60	370,66

(*) Average of the last three months of liquidity coverage ratios calculated considering weekly simple arithmetic averages.

As per "Regulation on Liquidity Coverage Ratio Calculation" published in the Official Gazette numbered 28948, dated March 21, 2014, the dates on which the minimum and maximum liquidity coverage ratios have been calculated for the last three months are as follows:

Liquidity Coverage Ratio (%)	Current Period	
	TL+FC	FC
Lowest	237,11	306,65
Date	July 31, 2020	August 31, 2020
Highest	399,04	496,69
Date	September 18, 2020	July 21, 2020
Average	295,60	370,66

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V. Explanations on consolidated liquidity risk (continued):

Consolidated liquidity coverage ratio (continued):

		Rate of "Percentage to be taken into account" not Implemented Total Value ^(*)		Rate of "Percentage to be taken into account" Implemented Total Value ^(*)	
		TL+FC	FC	TL+FC	FC
	Prior Period				
	HIGH QUALITY LIQUID ASSETS (HQLA)				
1	HIGH QUALITY LIQUID ASSETS			10.361.457	8.516.166
	CASH OUTFLOWS				
2	Retail and Small Business Funds Collected	22.450.697	13.529.899	2.031.991	1.352.990
3	Stable Funds Collected	4.261.572	-	213.079	-
4	Less stable Funds Collected	18.189.125	13.529.899	1.818.912	1.352.990
5	Unsecured Funding other than Retail and Small Business Customers Deposits	10.643.961	7.686.134	5.483.485	3.667.400
6	Operational Funds Collected	696.888	685.978	174.222	171.494
7	Non-Operational Funds Collected	3.938.906	2.714.637	2.086.080	1.494.592
8	Other Unsecured Funding	6.008.167	4.285.519	3.223.183	2.001.314
9	Secured funding			-	-
10	Other Cash Outflows	1.768.240	1.693.566	1.768.240	1.693.566
11	Liquidity needs related to derivatives and market valuation changes on derivatives transactions	1.768.240	1.693.566	1.768.240	1.693.566
12	Debts related to the structured financial products	-	-	-	-
13	Commitment related to debts to financial markets and other off balance sheet liabilities	-	-	-	-
14	Commitments that are unconditionally revocable at any time by the Bank and other contractual commitments	-	-	-	-
15	Other irrevocable or conditionally revocable commitments	10.265.642	4.849.421	915.024	540.638
16	TOTAL CASH OUTFLOWS			10.198.740	7.254.594
	CASH INFLOWS				
17	Secured Lending Transactions	-	-	-	-
18	Unsecured Lending Transactions	7.057.652	4.315.539	5.645.099	3.729.205
19	Other contractual cash inflows	1.782.202	1.210.989	1.782.202	1.210.989
20	TOTAL CASH INFLOWS	8.839.854	5.526.528	7.427.301	4.940.194
				Upper limit applied amounts	
21	TOTAL HQLA			10.361.457	8.516.166
22	TOTAL NET CASH OUTFLOWS			2.771.439	2.314.400
23	Liquidity Coverage Ratio (%)			373,87	367,96

(*) Average of the last three months of liquidity coverage ratios calculated considering weekly simple arithmetic averages.

As per "Regulation on Liquidity Coverage Ratio Calculation" published in the Official Gazette numbered 28948, dated March 21, 2014, the dates on which the minimum and maximum liquidity coverage ratios have been calculated for the last three months for 2019 are as follows:

Liquidity Coverage Ratio (%)	Prior Period	
	TL+FC	FC
Lowest	251,16	244,1
Date	November 10, 2019	October 20, 2019
Highest	490,24	543,8
Date	December 06, 2019	December 19, 2019
Average	373,87	367,96

Consolidated liquidity coverage ratio is calculated by comparing the high quality liquid assets owned by the Parent Bank to net cash outflow in 30 days maturity. Balance sheet accounts that are significant on the ratio can be listed as reserve requirements maintained at CBRT, marketable securities that are not subject to repurchase agreements or not given as collateral, banks receivables, funds collected, funds borrowed. The effect of these accounts on the liquidity coverage ratio is higher than other accounts, since these accounts have a higher share in liquid assets and net cash outflows.

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V. Explanations on consolidated liquidity risk (continued):

Consolidated liquidity coverage ratio (continued):

High quality liquid assets consist of cash, deposits in central banks and securities considered as high quality liquid assets. Reserve deposits are included in high quality liquid assets, limited by the amount that is allowed by central bank to use in liquidity shortages. The Parent Bank's high quality liquid assets are composed of 7,38% cash, 39,48% deposits in central banks and 53,14% securities considered as high quality liquid assets.

The Parent Bank's main funding sources are funds collected, funds borrowed, borrowings from money market, issued securities and subordinated loans. Funding source composition in report date is 84,86% funds collected, 15,14% funds borrowed, borrowings from money market, subordinated loans and securities issued.

Cash flows of derivatives that will take place within 30 days are taken into account in calculation of liquidity coverage ratio. Cash outflows of derivatives that arise from margin obligations, are reflected to the results in accordance with the methodology articulated in the related legislation.

The Parent Bank manages all the transactions with its foreign branches and subsidiaries consolidated in the framework of central bank, markets and related legislation of the country in which the institutions are located. Consolidated liquidity risk of the Parent Bank, its foreign branches and subsidiaries that are to be consolidated are managed within the regulatory limits and in accordance with group strategies. The liquidity positions of consolidated subsidiaries are continuously monitored by the Parent Bank.

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V. Explanations on consolidated liquidity risk (continued):

Presentation of assets and liabilities according to their remaining maturities:

	Demand	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Unallocated (***)****)	Total
Current Period								
Assets								
Cash (cash in vault, foreign currency, money in transit, cheques purchased) and balances with the Central Bank of Republic of Turkey	4.141.766	6.002.132	-	-	-	-	-	10.143.898
Banks	2.943.764	976.722	108.932	-	-	-	-	4.029.418
Financial Assets at Fair Value Through Profit and Loss ^(*)	216.901	136.729	28.972	2.528.343	1.226.380	5.000	-	4.142.325
Money Market Placements	-	-	-	-	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	22.779	2.750	205.146	583.074	930.967	-	-	1.744.716
Loans ^(**)	-	2.921.154	1.968.893	11.407.693	19.493.362	3.947.921	869.174	40.608.197
Financial Assets Measured at Amortised Cost	-	54.077	259.795	1.458.797	1.801.332	-	-	3.574.001
Other Assets ^(****)	-	137	1.925	15.422	137.659	218.638	3.773.742	4.147.523
Total Assets	7.325.210	10.093.701	2.573.663	15.993.329	23.589.700	4.171.559	4.642.916	68.390.078
Liabilities								
Current account and funds collected from banks via participation accounts	529.460	458.278	10.194	3.481	-	-	-	1.001.413
Other current and profit sharing accounts	21.287.324	24.397.559	3.634.228	1.931.395	58.115	-	-	51.308.621
Funds provided from other financial institutions and subordinated loans	-	1.453.247	908.997	627.694	4.315	1.788.636	-	4.782.889
Money Market Borrowings	-	1.076.162	-	-	-	-	-	1.076.162
Marketable securities issued	-	845.122	1.650.769	979.585	-	-	-	3.475.476
Miscellaneous payables	-	344.092	91.013	45.322	101	-	1.519.033	1.999.561
Other liabilities	775.720	-	169	4.117	105.101	200.733	3.660.116	4.745.956
Total Liabilities	22.592.504	28.574.460	6.295.370	3.591.594	167.632	1.989.369	5.179.149	68.390.078
Net Liquidity Gap	(15.267.294)	(18.480.759)	(3.721.707)	12.401.735	23.422.068	2.182.190	(536.233)	-
Net Off-Balance Sheet Position								
Financial Derivative Assets	-	21.137	29.676	5.734	-	-	-	56.547
Financial Derivative Liabilities	-	1.236.815	1.094.598	144.691	-	-	-	2.476.104
Non-Cash Loans	8.799.230	43.196	165.805	956.361	607.163	19.774	-	10.591.529
Prior Period								
Total Assets	7.272.197	8.764.833	1.790.763	8.280.918	17.649.474	2.569.486	5.148.297	51.475.968
Total Liabilities	14.670.714	21.272.295	6.471.392	2.481.000	437.433	1.562.226	4.580.908	51.475.968
Net Liquidity Gap	(7.398.517)	(12.507.462)	(4.680.629)	5.799.918	17.212.041	1.007.260	567.389	-
Net Off-Balance Sheet Position								
Financial Derivative Assets	-	113	(108)	243	-	-	-	248
Financial Derivative Liabilities	-	34.764	8.644	23.261	-	-	-	66.669
Non-Cash Loans	5.962.062	223.917	560.809	2.632.808	1.011.614	40.228	-	10.431.438

(*) Derivative financial instruments are included.

(**) Leasing receivables are included under loans. Unallocated amount represents the net non-performing loans

(***) Certain assets in the balance sheet that are necessary for the banking operations but cannot be readily convertible into cash in the near future, such as tangible assets, right of use of movables and real estates, investments in associates and subsidiaries, stationary supplies, prepaid expenses are included here.

(****) The unallocated other liabilities column consists of equity, provisions and (if any) deferred tax liabilities.

(*****) The balance represents investment property and other assets.

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VI. Explanations on consolidated leverage ratio:

	Current Period^(**)	Prior Period^(**)
Total assets in consolidated financial statements prepared in accordance with Turkish Accounting Standards ^(*)	65.725.926	49.128.437
The difference between total assets prepared in accordance with Turkish Accounting Standards and total assets in consolidated financial statements prepared in accordance with the communiqué "Preparation of Consolidated Financial Statements"	-	-
The difference between the amounts of derivative financial instruments and credit derivatives in consolidated financial statements prepared in accordance with the communiqué "Preparation of Consolidated Financial Statements" and risk amounts of such instruments	5.439.143	2.225.031
The difference between the amounts of securities or commodity financing transactions in consolidated financial statements prepared in accordance with the communiqué "Preparation of Consolidated Financial Statements" and risk amounts of such instruments	614.440	218.303
The difference between the amounts of off-balance items in consolidated financial statements prepared in accordance with the communiqué "Preparation of Consolidated Financial Statements" and risk amounts of such items	(196)	7.631
Other differences between the amounts in consolidated financial statements prepared in accordance with the communiqué "Preparation of Consolidated Financial Statements" and risk amounts of such items	-	-
Total Risk Amount	79.264.586	61.760.984

^(*) Consolidated financial statements prepared in compliance with the paragraph 6 of article 5 of the communiqué "Preparation of Consolidated Financial Statements".

^(**) Represents average of the three months.

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VI. Explanations on consolidated leverage ratio (continued):

As of September 30, 2020, consolidated leverage ratio of the Group calculated from the arithmetic average of the last three months is 4,83% (December 31, 2019: 5,32%). Leverage ratio is required to remain minimum 3% as per "Communiqué on Measurement and Evaluation for Leverage Ratios of Banks". The reason for the difference in leverage ratio between current and previous period is that increase in average total risk amount is higher than increase in average capital amount.

		Current Period^(*)	Prior Period^(*)
Balance sheet assets			
1	Balance sheet assets (excluding derivative financial assets and credit derivatives, including collaterals)	66.438.658	49.365.269
2	(Assets deducted from Core capital)	(59.645)	(58.234)
3	Total risk amount of balance sheet assets (sum of lines 1 and 2)	66.379.013	49.307.035
Derivative financial assets and credit derivatives			
4	Cost of replenishment for derivative financial assets and credit derivatives	31.013	5.672
5	Potential credit risk amount of derivative financial assets and credit derivatives	27.599	11.228
6	Total risk amount of derivative financial assets and credit derivatives (sum of lines 4 and 5)	58.612	16.900
Financing transactions secured by marketable security or commodity			
7	Risk amount of financing transactions secured by marketable security or commodity (excluding Balance sheet)	133.974	186.303
8	Risk amount arising from intermediary transactions	-	-
9	Total risk amount of financing transactions secured by marketable security or commodity (sum of lines 7 and 8)	133.974	186.303
Off-balance sheet transactions			
10	Gross notional amount of off-balance sheet transactions	12.689.387	12.250.746
11	(Correction amount due to multiplication with credit conversion rates)	3.600	-
12	Total risk of off-balance sheet transactions (sum of lines 10 and 11)	12.692.987	12.250.746
Capital and total risk			
13	Core Capital	3.821.587	3.288.556
14	Total risk amount (sum of lines 3, 6, 9 and 12)	79.264.586	61.760.984
Leverage ratio			
15	Leverage ratio (%)	4,83	5,32

(*) The average of the last three months in the related periods

VII. Explanations on presentation of consolidated financial assets and liabilities at fair value:

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

VIII. Explanations regarding the activities carried out on behalf and account of other persons:

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

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IX. Explanations on consolidated on risk management:

Notes and explanations in this section have been prepared in accordance with the Communiqué On Disclosures About Risk Management To Be Announced To Public By Banks that have been published in Official Gazette numbered 29511 dated October 23, 2015 and became effective as of June 30, 2016. Due Notes and explanations in this section have been prepared in accordance with the Communiqué On Disclosures About Risk Management To Be Announced To Public By Banks that have been published in Official Gazette numbered 29511 dated October 23, 2015 and became effective as of March 31, 2016. The following tables which have to be presented on a quarterly basis have not been presented dated September 30, 2020 since the Bank's use the standard approach for the calculation of capital adequacy:

- RWA flow statements of credit risk exposures under the Internal Rating-Based approach ("IRB").
- RWA flow statements of CCR exposures under the Internal Model Method.
- RWA flow statements of market risk exposures under an Internal Model Approach.

a. Consolidated risk management strategy and weighted amounts:

a.1. Risk management strategy:

Not prepared in compliance with the "Regulation on Calculation of Risk Management Disclosures".

a.2. Risk weighted amounts:

		Risk Weighted Amount		Minimum capital requirement
		Current Period	Prior Period	Current Period
1	Credit risk (excluding counterparty credit risk) (CCR)	31.597.652	29.462.092	2.527.812
2	Standardised approach (SA)	31.597.652	29.462.092	2.527.812
3	Internal rating-based (IRB) approach	-	-	-
4	Counterparty credit risk	17.368	2.396	1.389
5	Standardised approach for counterparty credit risk (SA-CCR)	17.368	2.396	1.389
6	Internal model method (IMM)	-	-	-
7	Basic risk weight approach to internal models equity position in the banking account	-	-	-
8	Investments made in collective investment companies – look-through approach	-	-	-
9	Investments made in collective investment companies – mandate-based approach	-	-	-
10	Investments made in collective investment companies – 1250% weighted risk approach	-	-	-
11	Settlement risk	-	-	-
12	Securitization positions in banking accounts	-	-	-
13	IRB ratings-based approach (RBA)	-	-	-
14	IRB Supervisory Formula Approach (SFA)	-	-	-
15	SA/simplified supervisory formula approach (SSFA)	-	-	-
16	Market risk	2.073.655	397.345	165.892
17	Standardised approach (SA)	2.073.655	397.345	165.892
18	Internal model approaches (IMM)	-	-	-
19	Operational Risk	2.944.024	2.711.059	235.522
20	Basic Indicator Approach	2.944.024	2.711.059	235.522
21	Standard Approach	-	-	-
22	Advanced measurement approach	-	-	-
23	The amount of the discount threshold under the equity (subject to a 250% risk weight)	-	-	-
24	Floor adjustment	-	-	-
25	Total (1+4+7+8+9+10+11+12+16+19+23+24)	36.632.699	32.572.892	2.930.615

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X. Explanations on consolidated business segments:

The Parent Bank operates in retail, commercial and corporate banking segments via profit/loss sharing method in accordance with its mission.

Current Period	Retail	Commercial and Corporate	Treasury	Undistributed	Total
Operating Income (Net)	(223.514)	1.739.462	633.706	118.609	2.268.263
Operating Expenses	(760.768)	(1.152.187)	(177.353)	25.320	(2.064.988)
Operating Income/Expenses	(984.282)	587.275	456.353	143.929	203.275
Profit/(Loss) Before Tax	(984.282)	587.275	456.353	143.929	203.275
Tax Expense	-	-	-	(44.039)	(44.039)
Current Year Profit/(Loss)	(984.282)	587.275	456.353	99.890	159.236
Total Assets	3.877.657	38.479.995	23.070.344	2.962.082	68.390.078
Total Liabilities	34.639.186	20.025.675	9.364.382	4.360.835	68.390.078

Prior Period	Retail	Commercial and Corporate	Treasury	Undistributed	Total
Operating Income (Net)	(553.235)	1.479.947	574.804	146.660	1.648.176
Operating Expenses	(536.537)	(780.361)	(305.762)	13.494	(1.609.166)
Operating Income/Expenses	(1.089.772)	699.586	269.042	160.154	39.010
Profit/(Loss) Before Tax	(1.089.772)	699.586	269.042	160.154	39.010
Tax Expense	-	-	-	(8.551)	(8.551)
Current Year Profit/(Loss)	(1.089.772)	699.586	269.042	151.603	30.459
Total Assets	2.574.413	28.499.436	17.385.810	3.016.309	51.475.968
Total Liabilities	26.441.681	15.314.905	5.744.992	3.974.390	51.475.968

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SECTION FIVE

Explanations and notes on the consolidated financial statements

I. Explanations and notes related to consolidated assets:

1. a) Cash and balances with the Central Bank of Republic of Turkey (CBRT):

	Current Period		Prior Period	
	TP	YP	TP	YP
Cash/Foreign currency	184.958	1.129.275	128.031	894.076
CBRT	384.182	7.271.623	1.167.687	5.902.132
Other ^(*)	82.060	1.091.800	130.984	572.999
Total	651.200	9.492.698	1.426.702	7.369.207

^(*) Includes precious metals amounting to TL 520.258 (December 31, 2019: TL 145.266) and cash in transit amounting to TL 653.602 (December 31, 2019: TL 558.717) as of September 30, 2020.

b) Information related to CBRT:

	Current Period		Prior Period	
	TP	YP	TP	YP
Unrestricted demand deposit	380.877	1.272.796	1.167.543	1.279.517
Unrestricted time deposit	-	-	-	-
Restricted time deposit ^(*)	3.305	5.998.827	144	4.622.615
Total	384.182	7.271.623	1.167.687	5.902.132

^(*) As of September 30, 2020, the reserve requirement held in standard gold is TL 1.607.653 (December 31: 2019: TL 1.179.678)

In accordance with the "Communiqué Regarding the Reserve Requirements numbered 2005/1", banks operating in Turkey are required to maintain reserves in CBRT for TL and foreign currency liabilities. According to the Communiqué Regarding the Reserve Requirements, reserve requirements can be maintained in TL, USD and/or EURO and standard gold.

As per the regulation by BRSA dated January 2, 2020, the commission is paid to CBRT from foreign exchange reserves kept at required reserves and foreign exchange call deposits.

As of September 30, 2020, the compulsory rates for the reserve deposits at the Central Bank of Turkey for Turkish Lira are implemented within an interval from 1% to 4% depending on maturity of deposits and the compulsory rates for the foreign currency liabilities are within an interval from 5% to 22% depending on maturity of deposits in relation to the credit growth ratio incentive.

The Parent Banks, which meet the conditions in the "Communiqué Regarding the Reserve Requirements" on real credit growth rates, will get the return at 8%, for the others, which do not meet the conditions in the mentioned Communiqué, will get the return at 0%.

c.1) Information on banks:

	Current Period		Prior Period	
	TP	YP	TP	YP
Banks				
Domestic ^(*)	998.262	1.257.664	1.109.920	840.053
Abroad	-	1.809.241	-	2.244.574
Foreign head offices and branches	-	-	-	-
Total	998.262	3.066.905	1.109.920	3.084.627

^(*) Includes blockaged amount TL 986.997 (December 31, 2019: TL 1.032.679) booked under TL accounts arising from POS transactions

c.2) Information on foreign bank accounts:

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

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1. Explanations and notes related to consolidated assets (continued):

2. Information on financial assets measured at fair value through profit/loss:

a. Information on financial assets measured at fair value through profit/loss subject to repurchase transactions, given as collateral/blocked:

As of September 30, 2020, nominal amounts subject to repurchase agreements is TL 20.698 (December 31, 2019: None).

As of September 30, 2020, the collateralized /blocked nominal amount is TL 891 (December 31, 2019: TL 895).

b. Information on financial assets measured at fair value through profit/loss:

	Current Period		Prior Period	
	TL	FC	TL	FC
Sukuk	748.360	3.310.176	100.556	436.059
Equity Securities	-	10.359	-	-
Others	217	11.164	33.942	1.920
Total	748.577	3.331.699	134.498	437.979

3. Information on financial assets measured at fair value through other comprehensive income:

a) Information on financial assets measured at fair value through other comprehensive income subject to repurchase transactions, given as collateral or blocked:

As of September 30, 2020, nominal amounts subject to repurchase agreements is TL 128.234 (December 31, 2019: None).

As of September 30, 2020, the collateralized /blocked nominal amount is TL 273.984 (December 31, 2019: TL 355.481).

b) Information on financial assets measured at fair value through other comprehensive income:

	Current Period	Prior Period
Debt securities	1.735.162	1.966.602
Quoted on a stock exchange	1.735.162	1.966.602
Unquoted	-	-
Investment Funds		
Quoted on a stock exchange	-	-
Unquoted	-	-
Share certificates	18.051	23.312
Quoted on a stock exchange	-	15.293
Unquoted	18.051	8.019
Impairment provision (-)	8.497	2.177
Total	1.744.716	1.987.737

4. Information on financial assets measured at amortised cost:

a) Information on financial assets measured at amortised cost subject to repurchase transactions, given as collateral or blocked:

As of September 30, 2020, nominal amounts subject to repurchase agreements is TL13.966 (December 31, 2019: None)

As of September 30, 2020, there is not any amount collateralized/blocked. (December 31, 2019: None)

b) Information on related to government securities measured at amortised cost:

	Current Period	Prior Period
Government Bonds	-	-
Treasury Bills	-	-
Other Government Securities ^(*)	3.574.001	1.934.483
Total	3.574.001	1.934.483

^(*) Consists of Sukuk certificates issued by Ministry of Treasury and Finance of Turkey.

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I. Explanations and notes related to consolidated assets (continued):

c) Information related to financial assets measured at amortised cost:

	Current Period	Prior Period
Debt Securities	3.574.001	1.994.319
Quoted on a stock exchange	3.574.001	1.994.319
Unquoted	-	-
Impairment provision (-)	-	-
Total	3.574.001	1.994.319

ç) Movements of the financial investments measured at amortised cost:

	Current Period	Prior Period
Balance at beginning of period	1.994.319	618.506
Foreign currency differences on monetary assets	507.417	32.804
Purchases during period (*)	1.884.206	1.442.377
Disposals through sales and redemptions(*)	(826.542)	(132.000)
Impairment provision (-)	-	-
Reclassifications	-	-
Income accruals	14.601	32.632
Closing balance	3.574.001	1.994.319

(*) Represented on nominal values

5. Information on derivative financial assets:

a) Table of positive differences related to derivative financial assets:

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	730	-	138	-
Swap Transactions	61.319	-	-	259
Futures Transactions	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
Total	62.049	-	138	259

The Parent Bank has not any derivative financial assets for hedging purposes. (December 31, 2019: None).

6. Information on loans:

a) Information on all types of loans and advances given to shareholders and employees of the Parent Bank:

	Current Period		Prior Period	
	Cash	Non-cash	Cash	Non-cash
Direct loans granted to shareholders	96.822	5.765	164.966	39.387
Corporate shareholders	92.313	5.765	164.690	39.037
Real person shareholders	4.509	-	276	350
Indirect loans granted to shareholders	1.173.341	6.129	632.926	27.308
Loans granted to employees	18.817	2.000	15.236	2
Total	1.288.980	13.894	813.128	66.697

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I. Explanations and notes related to consolidated assets (continued):

6. Information on loans:

b) Information on standart loans and loans under close monitoring including restructured or rescheduled loans:

b1) Detailed table for standard loans and loans under close monitoring including restructured or rescheduled loans:

Current Period		Loans Under Close Monitoring		
		Not under the scope of restructuring or rescheduling	Restructured	
Cash Loans	Standard loans		Loans with revised contract terms	Refinancing
Loans	36.279.832	2.031.024	1.153.116	559.747
Export loans	2.264.175	5.404	-	-
Import loans	2.612.874	27.598	40.912	-
Business loans	17.007.607	1.933.221	690.228	513.427
Consumer loans	3.630.728	54.605	17.736	-
Credit cards	403.860	2.768	-	-
Loans given to financial sector	1.681.837	-	-	-
Other ^(*)	8.678.751	7.428	404.240	46.320
Other receivables	-	-	-	-
Total	36.279.832	2.031.024	1.153.116	559.747

^(*) Details of other loans are provided below:

Commercial loans with installments	2.069.783
Other investment credits	901.733
Loans given to abroad	2.764.141
Profit and loss sharing investments ^(**)	3.115.054
Loans for purchase of marketable securities for customer	245.064
Other	40.964

Total **9.136.739**

^(**) As of September 30, 2020, the related balance represents profit and loss sharing investment projects (8 projects) which are real estate development projects in various regions of Istanbul and Ankara. Revenue sharing of profit and loss sharing investment projects is done within the framework of the signed contract between the Bank and the counterparty after the cost of the projects is clarified and net profit of projects is determined once the project/stages of the project are completed. In case the transaction subject to the profit and loss sharing investment project results in a loss, the Bank's share of loss is limited with the funds invested in the project by the Parent Bank. As of September 30, 2020, the profit and loss sharing investments are evaluated as financial assets measured at fair value through profit or loss.

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I. Explanations and notes related to consolidated assets (continued):

6. Information on loans (continued):

b) Information on standart loans and loans under close monitoring including restructured or rescheduled loans (continued):

b1) Detailed table for standard loans and loans under close monitoring including restructured or rescheduled loans (continued):

Prior Period		Loans Under Close Monitoring		
		Not Under the Scope of	Restructured	
Cash Loans	Standard Loans	Restructuring or Rescheduling	Amendments to the Terms of Contracts	Refinancing
Loans	24.762.658	2.829.986	268.876	553.950
Export loans	1.351.678	8.228	-	-
Import loans	1.602.342	78.351	-	-
Business loans	13.038.036	2.454.010	212.870	416.862
Consumer loans	2.315.782	112.732	2.183	-
Credit cards	380.272	5.548	-	-
Loans given to financial sector	47.640	-	-	-
Other ^(*)	6.026.908	171.117	53.823	137.088
Other receivables	-	-	-	-
Total	24.762.658	2.829.986	268.876	553.950

^(*) Details of other loans are provided below:

Commercial loans with installments	1.207.001
Other investment credits	458.318
Loans given to abroad	1.698.852
Profit and loss sharing investments ^(**)	2.673.428
Loans for purchase of marketable securities for customer	283.110
Other	68.227
Total	6.388.936

^(**) As of December 31, 2019, the related balance represents profit and loss sharing investment projects (8 projects) which are real estate development projects in various regions of Istanbul and Ankara. Revenue sharing of profit and loss sharing investment projects is done within the framework of the signed contract between the Parent Bank and the counterparty after the cost of the projects is clarified and net profit of projects is determined once the project/stages of the project are completed. In case the transaction subject to the profit and loss sharing investment project results in a loss, the Parent Bank's share of loss is limited with the funds invested in the project by the Parent Bank. As of December 31, 2019, the profit and loss sharing investments are evaluated as financial assets measured at fair value through profit or loss, and net profit amounts to TL 96.206 (TL 173.780 valuation profit, TL 59.028 valuation loss) between the total risk of the Bank and independent valuation reports of the related projects is reflected to the profit and loss statement. In addition to the fair value profit, as of December 31, 2019, the project sales profit accrual amounts to TL 15.716. In total, net profit from profit and loss sharing investments is TL 130.468.

b2. Information on expected credit losses for standard loans and loans under close monitoring:

Current Period	Standard Loans	Loans under close monitoring
12 Month Expected Credit Losses	184.577	-
Significant Increase in Credit Risk	-	403.117
Prior Period	Standard Loans	Loans under close monitoring
12 Month Expected Credit Losses	100.058	-
Significant Increase in Credit Risk	-	85.093

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I. Explanations and notes related to consolidated assets (continued):

6. Information on loans (continued):

c) Maturity analysis of cash loans:

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

ç) Information on consumer loans, retail credit cards, loans given to personnel and personnel credit cards:

Current Period	Short-term	Medium and long-term	Total
Consumer loans-TL	42.312	3.646.834	3.689.146
Housing loans	11.180	3.135.881	3.147.061
Vehicle loans	9.415	394.101	403.516
Consumer loans	21.717	116.852	138.569
Other	-	-	-
Consumer loans-FC indexed	-	-	-
Housing loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Consumer loans-FC	-	849	849
Housing loans	-	849	849
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Retail credit cards-TL	112.146	246	112.392
With installment	37.843	232	38.075
Without installment	74.303	14	74.317
Retail credit cards-FC	-	-	-
With installment	-	-	-
Without installment	-	-	-
Personnel loans-TL	10.688	2.386	13.074
Housing loans	-	463	463
Vehicle loans	134	1.772	1.906
Consumer loans	10.554	151	10.705
Other	-	-	-
Personnel loans-FC indexed	-	-	-
Housing loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Personnel loans-FC	-	-	-
Housing loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Personnel credit cards-TL	5.721	22	5.743
With installment	2.786	21	2.807
Without installment	2.935	1	2.936
Personnel credit cards-FC	-	-	-
With installment	-	-	-
Without-installment	-	-	-
Overdraft account-TL (real person)	-	-	-
Overdraft account-FC (real person)	-	-	-
Total	170.867	3.650.337	3.821.204

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I. Explanations and notes related to consolidated assets (continued):

ç) Information on consumer loans, retail credit cards, loans given to personnel and personnel credit cards (continued):

Prior Period	Short-term	Medium and long-term	Total
Consumer loans-TL	42.191	2.378.802	2.420.993
Housing loans	12.147	2.082.795	2.094.942
Vehicle loans	12.443	210.479	222.922
Consumer loans	17.601	85.528	103.129
Other	-	-	-
Consumer loans-FC indexed	-	-	-
Housing loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Consumer loans-FC	-	212	212
Housing loans	-	212	212
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Retail credit cards-TL	104.320	172	104.492
With installment	33.424	164	33.588
Without installment	70.896	8	70.904
Retail credit cards-FC	-	-	-
With installment	-	-	-
Without installment	-	-	-
Personnel loans-TL	7.948	1.544	9.492
Housing loans	-	11	11
Vehicle loans	140	827	967
Consumer loans	7.808	706	8.514
Other	-	-	-
Personnel loans-FC indexed	-	-	-
Housing loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Personnel loans-FC	-	-	-
Housing loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Personnel credit cards-TL	5.723	21	5.744
With installment	2.541	21	2.562
Without installment	3.182	-	3.182
Personnel credit cards-FC	-	-	-
With installment	-	-	-
Without-installment	-	-	-
Overdraft account-TL (Real Person)	-	-	-
Overdraft account-FC (Real Person)	-	-	-
Total	160.182	2.380.751	2.540.933

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I. Explanations and notes related to consolidated assets (continued):

d) Information on commercial loans with installments and corporate credit cards:

Current Period	Short-term	Medium and long-term	Total
Commercial installment loans-TL	93.609	1.558.919	1.652.528
Business loans	2.270	430.393	432.663
Vehicle loans	71.817	818.729	890.546
Consumer loans	19.522	309.797	329.319
Other	-	-	-
Commercial installment loans-FC indexed	-	139.385	139.385
Business loans	-	79.081	79.081
Vehicle loans	-	12.037	12.037
Consumer loans	-	48.267	48.267
Other	-	-	-
Commercial installment Loans-FC	1.366	276.504	277.870
Business loans	821	106.688	107.509
Vehicle loans	545	116.760	117.305
Consumer loans	-	53.056	53.056
Other	-	-	-
Corporate credit cards-TL	287.790	703	288.493
With installment	87.437	661	88.098
Without installment	200.353	42	200.395
Corporate credit cards-FC	-	-	-
With installment	-	-	-
Without installment	-	-	-
Overdraft account-TL (legal entity)	-	-	-
Overdraft account-FC (legal entity)	-	-	-
Total	382.765	1.975.511	2.358.276

Prior Period	Short-term	Medium and long-term	Total
Commercial installment loans-TL	58.262	756.177	814.439
Business loans	3.036	196.308	199.344
Vehicle loans	48.075	396.582	444.657
Consumer loans	7.151	163.287	170.438
Other	-	-	-
Commercial installment loans-FC indexed	-	199.773	199.773
Business loans	-	101.807	101.807
Vehicle loans	-	23.898	23.898
Consumer loans	-	74.068	74.068
Other	-	-	-
Commercial installment Loans-FC	4.714	188.075	192.789
Business loans	-	113.768	113.768
Vehicle loans	4.714	32.017	36.731
Consumer loans	-	42.290	42.290
Other	-	-	-
Corporate credit cards-TL	275.332	252	275.584
With installment	71.610	235	71.845
Without installment	203.722	17	203.739
Corporate credit cards-FC	-	-	-
With installment	-	-	-
Without installment	-	-	-
Overdraft account-TL (Legal Entity)	-	-	-
Overdraft account-FC (Legal Entity)	-	-	-
Total	338.308	1.144.277	1.482.585

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I. Explanations and notes related to consolidated assets (continued):

e) Allocation of loans by customers:

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

f) Breakdown of domestic and foreign loans:

	Current Period	Prior Period
Domestic loans	37.259.578	26.716.618
Foreign loans	2.764.141	1.698.852
Total	40.023.719	28.415.470

g) Loans granted to subsidiaries and associates:

	Current Period		Prior Period	
	TP	YP	TP	YP
Direct Loans Granted to Subsidiaries and Associates	9	-	3	-
Indirect Loans Granted to Subsidiaries and Associates	-	-	-	-
Total	9	-	3	-

ğ) Specific provisions for loans or provisions for default loans (stage 3):

	Current Period	Prior Period
Loans with limited collectability	213.358	250.661
Loans with doubtful collectability	326.635	114.063
Uncollectible loans	522.018	581.907
Total	1.062.011	946.631

Specific provisions in the amount of TL 1.062.011 (December 31, 2019: TL 946.631) comprise TL 360.254 (December 31, 2019: TL 418.351) of participation account share of loans provided from participation accounts.

h. Information on non-performing loans (net):

h.1) Information on non-performing and restructured loans:

	Group III Loans with limited collectability	Group IV Loans with doubtful collectability	Group V Uncollectable loans
Current period			
Gross amount before specific provisions	1.873	1.398	84.076
Restructured loans	1.873	1.398	84.076
Prior period			
(Gross amount before specific provisions)	1.645	42.080	92.590
Restructured loans and other receivables	1.645	42.080	92.590

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I. Explanations and notes related to consolidated assets (continued):

h.2) Movements of total non-performing loans:

	Group III	Group IV	Group V
	Loans with limited collectability	Loans with doubtful collectability	Uncollectable loans
Current Period			
Closing balance of prior period	466.434	319.648	1.435.641
Additions in the current period (+)	458.743	271.160	185.671
Transfers from other categories of non-performing loans (+)	-	637.588	394.138
Transfers to other categories of non-performing loans (-)	637.588	394.138	-
Collections in the current period (-)	20.077	59.843	263.044
Transfers to standard loans and write off(-)(*)	42.644	108.778	711.726
Dispose of (-)	-	-	-
Corporate and commercial loans	-	-	-
Retail loans	-	-	-
Credit cards	-	-	-
Other	-	-	-
Closing balance of the current period	224.868	665.637	1.040.680
Provisions (-)	213.358	326.635	522.018
Net balance at the balance sheet	11.510	339.002	518.662

(*)Includes loans amounting to TL 817.218 transferred to performing loans and written-off loans amounting to TL 45.930.

Non-performing loans in the amount of TL 1.931.185 comprise TL 803.397 of participation account share of loans provided from participation accounts.

	Group III	Group IV	Group V
	Loans and receivables with limited collectability	Loans and receivables with doubtful collectability	Uncollectable loans and receivables
Prior Period			
Closing balance of prior period	346.493	341.237	1.200.817
Additions in the current period (+)	982.060	80.672	177.977
Transfers from other categories of non-performing loans (+)	-	790.836	688.296
Transfers to other categories of non-performing loans (-)	790.836	688.296	-
Collections in the current period (-)	62.083	122.433	191.240
Transfers to standard loans and write off(-)(*)	9.200	82.368	440.209
Dispose of (-)	-	-	-
Corporate and commercial loans	-	-	-
Retail loans	-	-	-
Credit cards	-	-	-
Other	-	-	-
Closing balance of the current period	466.434	319.648	1.435.641
Specific provisions (-)	250.661	114.063	581.907
Net balance at the balance sheet	215.773	205.585	853.734

(*) According to change in "Regulation on the Procedures and Principles for Classification of Loans by Banks and Provisions to be set aside" published in the Official Gazette dated November 27, 2019 numbered 3096, the written off amount is TL 441.418 and its effect to NPL ratio is 131 basis point.

Non-performing loans in the amount of TL 2.221.723 comprise TL 1.120.746 of participation account share of loans provided from participation accounts.

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I. Explanations and notes related to consolidated assets (continued):

h.3) Non-performing loans and other receivables in foreign currencies:

	Group III	Group IV	Group V
	Loans with limited collectability	Loans with doubtful collectability	Uncollectable loans
Current period:			
Period end balance	172.913	387.097	50.756
Provision (-)	107.562	287.434	30.358
Net balance	65.351	99.663	20.398
Prior period:			
Period end balance	262.392	19.248	99.860
Specific provision (-)	162.380	5.990	48.339
Net balance	100.012	13.258	51.521

h.4) Gross and net amounts of non-performing loans according to user groups:

	Group III	Group IV	Group V
	Loans with limited collectability	Loans with doubtful collectability	Uncollectable loans
Current period (net)	11.510	339.002	518.662
Loans to individuals and corporates (gross)	224.868	665.637	1.040.680
Provision (-)	213.358	326.635	522.018
Loans to individuals and corporates (net)	11.510	339.002	518.662
Banks (gross)			
Provision (-)			
Banks (net)			
Other loans and receivables (gross)			
Provision (-)			
Other loans (net)			
Prior period (net)	215.773	205.585	853.734
Loans to individuals and corporates (gross)	466.434	319.648	1.435.641
Specific provision (-)	250.661	114.063	581.907
Loans to individuals and corporates (net)	215.773	205.585	853.734
Banks (gross)	-	-	-
Specific provision (-)	-	-	-
Banks (net)	-	-	-
Other loans (gross)	-	-	-
Specific provision (-)	-	-	-
Other loans (net)	-	-	-

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I. Explanations and notes related to consolidated assets (continued):

h.5) Information on accruals, valuation differences and related provisions calculated for non-performing loans for Banks which are providing expected credit loss according to TFRS 9:

	Group III	Group IV	Group V
	Loans with limited collectability	Loans with doubtful collectability	Uncollectable loans
Current Period (Net)	26.821	50.682	102.235
Profit Share Accruals and Valuation Differences	41.384	50.833	206.774
Provision (-)	14.563	151	104.539
Prior Period (Net)	19.373	43.571	180.590
Profit Share Accruals and Valuation Differences	25.237	58.290	279.633
Provision (-)	5.864	14.719	99.043

i) Liquidation policy for uncollectable loans:

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

i) Information on "Write-off" policies:

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

7. Information on lease receivables (net):

a) Presentation of remaining maturities of funds lent under finance lease method:

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than a year	47.008	38.190	54.436	36.045
1 to 4 years	180.849	167.788	137.190	126.827
More than 4 years	97.430	97.020	83.308	80.806
Total	325.287	302.998	274.934	243.678

b) Information on net investments through finance lease:

	Current Period	Prior Period
Financial lease receivables (Gross)	325.287	274.934
Unearned financial lease receivable (-)	22.289	31.256
Net receivable from financial leases	302.998	243.678

c) General explanation on finance lease contracts:

Finance lease contracts are realized in accordance with the related articles of Finance Lease, Factoring and Financing Companies Act numbered 6361. There are no restrictions due to finance lease contracts, no renewals or contingent rent payments that materially affect the financial statements.

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I. Explanations and notes related to consolidated assets (continued):

c) General explanation on finance lease contracts (continued):

Information on leasing receivables:

	Standard Loans	Loans Under Close Monitoring			
		Not Under the Scope of Restructuring or Rescheduling	Restructured		
			Loans with Revised Contract Terms	Refinancing	
Current Period					
Financial lease receivables (Net)	280.158	2.744	20.096	-	
Prior Period					
Financial lease receivables (Net)	231.435	10.337	1.906	-	

8. Information on assets held for sale and assets of discontinued operations:

Assets held for sale consist of tangible assets, which have been acquired due to non-performing loans.

	Current Period	Prior Period
Opening Balance	124.480	649.688
Additions	201.688	159.027
Disposals	(125.011)	(62.075)
Transfers (*)	(91.330)	(835.806)
Impairment Provision (-)/Reversal of Impairment Provision(*)	148	213.646
Net closing balance	109.975	124.480

(*) The transfers and impairments related to the transfers (if any) have been moved to assets to be sold under tangible assets.

As of September 30, 2020, TL 109.967 (December 31, 2019: TL 123.357) of the assets held for sale is comprised of real estates, TL 8 (December 31, 2019: TL 1.123) is comprised of other tangible assets. The Parent Bank has not any discontinued operations and assets of discontinued operations.

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I. Explanations and notes related to consolidated assets (continued):

9. Ownership investments:

a) Associates:

a.1) Information on unconsolidated associates:

The associates "Inooster Bilgi Teknolojileri A.Ş., Pedudi Bilişim Teknolojileri A.Ş., Tam Entegre Yazılım A.Ş., Kronnika Bilgi Teknolojileri A.Ş. and Vomsis Bilişim Teknolojileri A.Ş" of Parent Bank-controlled Albaraka Portföy Yönetimi A.Ş. Fintech Girişim Sermayesi Yatırım Fonu and the associate "C.E.H ve Tic. A.Ş" of Parent Bank-controlled Albaraka Portföy Yönetimi A.Ş. Start-Up Girişim Sermayesi Yatırım Fonu have not been consolidated since they are non-financial associates. The information related to those companies as of September 30, 2020 is as follows:

Title	Operation Center (City/Country)	Main Activities	Capital	(Fund) Share Percentage (%)	Fair value of the amount invested by the Fund
Inooster Bilgi Teknolojileri A.Ş	İstanbul / Turkey	Information Technologies	59	15	518
Pedudi Bilişim Teknolojileri A.Ş.	Kocaeli/ Turkey	Information Technologies	50	20	560
Tam Entegre Yazılım A.Ş.	İstanbul/Turkey	Information Technologies	50	30	240
Kronnika Bilgi Teknolojileri A.Ş.	İstanbul/Turkey	Information Technologies	100	20	2.174
Vomsis Bilişim Teknolojileri A.Ş.	Bursa/Turkey	Information Technologies	67	10	708
C.E.H ve Tic. A.Ş.	İstanbul/Turkey	Information Technologies	61	13	505

a.2) Information on consolidated associates:

As of balance sheet date, the Group does not have any consolidated associates.

b. Information on subsidiaries (net):

b.1) Information on unconsolidated subsidiaries:

The subsidiaries "Albaraka Teknoloji Bilişim Sistemleri. A.Ş. and İnsha Ventures Teknoloji Geliştirme ve Pazarlama A.Ş" of Parent Bank-controlled Albaraka Portföy Yönetimi A.Ş. İnovasyon Girişim Sermayesi Yatırım Fonu and the subsidiary "Albaraka Kültür Sanat ve Yayımcılık A.Ş" controlled 51% by the Parent Bank and 49% by Parent Bank-controlled Albaraka Portföy Yönetimi A.Ş. İnovasyon Girişim Sermayesi Yatırım Fonu have not been consolidated since they are non financial subsidiaries. The information related to those companies as of September 30, 2020 is as follows:

Title	Operation Center (City/Country)	Main Activities	Capital	(Fund) Share Percentage (%)	Fair value of the amount invested by the Fund
Albaraka Teknoloji Bilişim Sistemleri A.Ş.	İstanbul / Turkey	Information Technologies	18.000	100	18.000
İnsha Ventures Teknoloji Geliştirme ve Paz. A.Ş.	İstanbul / Turkey	Information Technologies	10.000	100	10.000
Albaraka Kültür Sanat ve Yayımcılık A.Ş	İstanbul / Turkey	Publication	7.000	49	3.460

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I. Explanations and notes related to consolidated assets (continued):

9. Ownership investments:

b.1) Information on unconsolidated subsidiaries (continued):

Natura Gıda Sanayi ve Ticaret A.Ş., which is an associate of “Değer Girişim Sermayesi Yatırım Fonu” controlled by the Parent Bank, has not been consolidated since it is a none financial entity.

Name	Address (City/Country)	Parent Bank's share percentage- If different voting percentage (%)	(Fund) Share Rate (%)
Natura Gıda Sanayi ve Ticaret A.Ş.	Istanbul/Turkey	-	81,90

The balances of Natura Gıda Sanayi ve Ticaret A.Ş. presented in the table below have been obtained from the audited financial statements as of December 31, 2018.

Total assets	Shareholders' equity	Total fixed assets	Dividend or profit share income	Income from marketable securities	Current period profit/loss	Prior years profit/loss
464.641	(380.893)	266.993	184	-	(217.713)	(499.859)

b.2) Information on consolidated subsidiaries:

i) Bereket Varlık Kiralama A.Ş. which is subject to consolidation by the Parent Bank founded on October 14, 2011, the purpose of which is to obtain rental income by taking over the assets of the source institution and leasing them back to the source institution, issue rent certificates based on said rental income and pass on the related assets to source institution by the end of the rental period. Bereket Varlık Kiralama A.Ş. has been founded to operate according to rulings of Turkish Trade Law about foundations of incorporations and complying with Communiqué on “Principles Related to Rent Certificates and Asset Leasing Companies” dated April 1, 2010 and numbered 27539 serial: 3 no:43 published in Official Gazette by Capital Markets Board of Turkey and other related regulations, upon BRSA's opinion dated September 22, 2011, numbered B.02.1.BDK.0.13.00.0-91.11-20564 and permission of Capital Markets Board of Turkey dated October 6, 2011 numbered 32/923. The founding capital of the Company is TL 50. As of September 30, 2020, the capital of the Company is TL 50. Bereket Varlık Kiralama A.Ş. is consolidated using full consolidation method as of September 30, 2020.

The balances of Bereket Varlık Kiralama A.Ş. presented in the table below have been obtained from unreviewed financial statements as of September 30, 2020.

Name	Address (City/Country)	Parent Bank's share percentage-If different voting percentage (%)	Risk share percentage of other shareholders (%)
Bereket Varlık Kiralama A.Ş.	Istanbul/Turkey	100,00	-

Total assets	Shareholders' equity	Total fixed assets	Dividend or profit share income	Income from marketable securities	Current period profit/loss	Prior years profit/loss	Fair value
3.807.642	172	-	-	-	15	107	-

ii) In the Board of Directors meeting dated February 25, 2015, the Parent Bank has taken a resolution on establishment a real estate portfolio management company with the name of “Albaraka Gayrimenkul Portföy Yönetimi A.Ş.” whose capital is TL 5.000. The company is registered on June 3, 2015 and the foundation of the company is published on Trade Registry Gazette dated June 9, 2015 numbered 8837.

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I. Explanations and notes related to consolidated assets (continued):

9. Ownership investments (continued):

b.2) Information on consolidated subsidiaries (continued):

The title of the company was changed to "Albaraka Portföy Yönetimi A.Ş." upon the decision of "2018 Extraordinary General Assembly" dated December 20, 2017. As of September 30, 2020, the capital of the company is TL 29.000. Albaraka Portföy Yönetimi A.Ş. is consolidated using full consolidation method as of September 30, 2020.

The balances of Albaraka Portföy Yönetimi A.Ş. presented in the table below have been obtained from unreviewed financial statements as of September 30, 2020.

Name		Address (City/Country)	Parent Bank's share percentage-If different voting percentage (%)	Risk share percentage of other shareholders (%)
Albaraka Portföy Yönetimi A.Ş.		Istanbul/Turkey	100,00	-

Total assets	Shareholders' equity	Total non- current assets	Dividend or profit share income	Income from marketable securities	Current period profit/loss	Prior years profit/loss	Fair value
44.674	42.696	851	2.379	-	12.000	412	-

iii) As of September 30, 2020, unreviewed financial statements of the Parent Bank's subsidiary "Insha GMBH" based in Berlin (Germany) established under "Europe Digital Banking Project" is as follows:

Name		Address (City/Country)	Parent Bank's share percentage-If different voting percentage (%)	Risk share percentage of other shareholders (%)
Insha GMBH		Berlin / Germany	100,00	-

Total assets	Shareholders' equity	Total fixed assets	Dividend or profit share income	Income from marketable securities	Current period profit/loss	Prior years profit/loss	Fair value
844.360 €	800.211 €	-	-	-	(954.293) €	(1.181.277) €	-

iv) Movement and Sectoral Information on consolidated subsidiaries:

	Current Period	Prior Period
Amount at the beginning of the period	23.711	11.307
Movements inside the term	(350)	12.404
Purchases/new incorporations/capital increases	(350)	12.404
Bonus shares	-	-
Profit received from current year share	-	-
Sales	-	-
Revaluation increases	-	-
Impairments	-	-
Amount at the end of the period	23.361	23.711
Capital commitments	-	-
Share of the capital at the end of the period (%)	100	100

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I. Explanations and notes related to consolidated assets (continued):

9. Ownership investments (continued):

b.2) Information on consolidated subsidiaries (continued):

	Current Period	Prior Period
Banks	-	-
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	-	-
Financing Companies	-	-
Other Financial Subsidiaries	23.361	23.711

c) Information on investments in joint- ventures:

c.1) Information on unconsolidated investments in joint-ventures:

The Group does not have unconsolidated investments in joint-ventures as of the balance sheet date.

c.2) Information on consolidated investments in joint- ventures:

The Parent Bank founded Katılım Emeklilik ve Hayat A.Ş. ("Company") – a private pension and insurance company – through equal partnership with Kuveyt Turk Katılım Bankası A.Ş. in the form of joint venture in accordance with Board of Directors' decision dated May 10, 2013 numbered 1186, and permission of BRSA dated September 24, 2013 numbered 4389041421.91.11-24049. The Company was registered on December 17, 2013 and noticed in Trade registry gazette dated December 23, 2013 and numbered 8470. As of September 30, 2020, Katılım Emeklilik ve Hayat A.Ş. has been consolidated by the Parent Bank using equity method. The financial data from unreviewed financial statements as of September 30, 2020 are below:

Joint-Ventures	The Parent Bank's shareholding percentage (%)	Group's shareholding percentage (%)	Current Assets	Non-Current Assets	Long Term Debts	Income	Expense
Katılım Emeklilik ve Hayat A.Ş.	50,00	50,00	248.795	3.496.032	3.515.913	175.677	(144.846)

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II. Explanations and notes related to consolidated assets (continued):

9. Ownership investments (continued):

c.3) Information on consolidated investment funds:

The financial information of the investment funds consolidated by the Parent Bank using full consolidation method as of September 30, 2020 are as follows:

Investment Funds	Share of Parent Bank (%)	Share of Group (%)	Investment Amount of the Parent Bank or the Group	Income	Expenses	Net Profit /(Loss)
Albaraka Portföy Yönetimi A.Ş. One Tower Gayrimenkul Yatırım Fonu ^(*)	90,28	90,28	362.513	28.432	18.532	9.900
Albaraka Portföy Yönetimi A.Ş. Batışehir Gayrimenkul Yatırım Fonu ^(*)	87,41	87,41	297.477	26.630	21.192	5.438
Albaraka Portföy Yönetimi A.Ş. Dükkan Gayrimenkul Yatırım Fonu ^(*)	94,56	94,56	372.286	18.619	10.579	8.040
Albaraka Portföy Yönetimi A.Ş. Metropol Gayrimenkul Yatırım Fonu ^(*)	100,00	100,00	263.246	7.633	3.494	4.139
Albaraka Portföy Yönetimi A.Ş. Değer Girişim Sermayesi Yatırım Fonu ^(*)	87,35	87,35	168.423	769	3.728	(2.959)
Albaraka Portföy Yönetimi A.Ş. Fintech Girişim Sermayesi Yatırım Fonu ^(*)	98,04	98,04	10.000	836	323	513
Albaraka Portföy Yönetimi A.Ş. Start-Up Girişim Sermayesi Yatırım Fonu ^(*)	0,00	100,00	7.000	589	35	554
Albaraka Portföy Yönetimi A.Ş. Inovasyon Girişim Sermayesi Yatırım Fonu ^(*)	96,43	100,00	28.000	66	197	(131)
Albaraka Portföy Yönetimi A.Ş. Katılım Fonu ^(*)	22,22	22,22	800	519	91	428
Albaraka Portföy Yönetimi A.Ş. Kira Sertifikaları Katılım Fonu ^(*)	54,90	54,90	700	85	37	48
Albaraka Portföy Yönetimi A.Ş. Kısa Vadeli Katılım Serbest Fonu ^(*)	0,00	99,01	247.644	7.447	1.560	5.887

^(*) Relevant financial data has been obtained from not-reviewed financial tables.

10. Information on tangible assets:

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

11. Information on intangible assets:

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

12. Information on investment property:

	Current Period		Prior Period	
	TL	FC	TL	FC
Investment properties ^(*)	1.366.747		1.419.315	-
Total	1.366.747		1.419.315	-

^(*) Includes investment properties of "Albaraka Portföy Yönetimi A.Ş. One Tower Gayrimenkul Yatırım Fonu", "Albaraka Portföy Yönetimi A.Ş. Dükkan Gayrimenkul Yatırım Fonu", "Albaraka Portföy Yönetimi A.Ş. Metropol Gayrimenkul Yatırım Fonu" "Albaraka Portföy Yönetimi A.Ş. Batışehir Gayrimenkul Yatırım Fonu".

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III. Explanations and notes related to consolidated assets (continued):

9. Ownership investments (continued):

13. Information related to deferred tax asset:

As of September 30, 2020, the Group calculated net deferred tax asset of TL 241.478 (December 31, 2019: TL 166.345) by netting off deferred tax asset of TL 327.095 (December 31, 2019: TL 229.707) and deferred tax liability of TL 85.617 (December 31, 2019: TL 63.362) on all tax deductible/taxable temporary differences arising between the carrying amounts and the tax base of assets and liabilities in the financial statements that will be considered in the calculation of taxable earnings in the future periods.

	Current Period	Prior Period
Rediscount on profit share and prepaid fees and commission income and unearned revenues	57.423	56.241
Provisions for retirement premium and vacation pay liabilities	22.800	20.147
Difference between carrying value and tax base of tangible assets (amortization differences)	30.754	20.010
Depreciation of tangible assets	42.783	42.801
Provisions for cases on trial	4.402	3.444
Revaluation difference of financial assets measured at fair value through other comprehensive income	-	-
Provisions	60.193	24.961
Leasing profit share expenses	20.492	11.832
Other	88.248	50.271
Deferred tax asset	327.095	229.707
Revaluation difference of property	19.787	21.063
Rediscount on profit share	12.597	8.445
Right of use assets	35.052	19.710
Other	18.181	14.144
Deferred tax liability	85.617	63.362
Deferred tax asset (net)	241.478	166.345

(*) Includes tax asset amounts to TL 86.472 calculated from financial losses (December 31, 2019: TL 50.128) out of related deferred tax assets, TL 50.128 and TL 36.344 arises from 2019 and 2020 years' financial losses respectively. Since the Bank has projections on that it will acquire adequate taxable income to deduct these amounts in the coming periods, it has recognized TL 86.472 as deferred tax asset.

(**) Includes Revaluation difference of financial assets measured at fair value through other comprehensive income amounting to TL 1.052 (December 31, 2019: TL 11.298) and deferred tax liability calculated for derivative financial instruments amounting to TL 13.651 (December 31, 2019: TL 87).

14. Information on other assets:

As of the balance sheet date, the Group's other assets balance is TL 560.393 (December 31, 2019: TL 648.648) and does not exceed 10% of balance sheet total excluding off balance sheet commitments.

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II. Explanations and notes related to consolidated liabilities:

1. Information on funds collected:

a) Information on maturity structure of funds collected:

Current Period	Demand	Up to 1 month	Up to 3 months	Up to 6 months	Up to 9 months	Up to 1 year	Over 1 year	Accumulated participation accounts	Total
I. Real Persons Current Accounts Non-Trade TL	2.401.452	-	-	-	-	-	-	-	2.401.452
II. Real Persons Participation Accounts Non-Trade TL	-	2.754.194	4.967.770	185.789	-	31.344	524.755	12.759	8.476.611
III. Current Account other-TL	2.759.795	-	-	-	-	-	-	-	2.759.795
Public Sector	56.251	-	-	-	-	-	-	-	56.251
Commercial Institutions	2.543.751	-	-	-	-	-	-	-	2.543.751
Other Institutions	130.087	-	-	-	-	-	-	-	130.087
Commercial and Other Institutions	19.391	-	-	-	-	-	-	-	19.391
Banks and Participation Banks	10.315	-	-	-	-	-	-	-	10.315
Central Bank of Turkey	-	-	-	-	-	-	-	-	-
Domestic Banks	2	-	-	-	-	-	-	-	2
Foreign Banks	10.264	-	-	-	-	-	-	-	10.264
Participation Banks	49	-	-	-	-	-	-	-	49
Other	-	-	-	-	-	-	-	-	-
IV. Participation Accounts-TL	-	517.825	2.231.616	50.443	-	35.806	57.563	173	2.893.426
Public Sector	-	56	96	-	-	-	-	-	152
Commercial Institutions	-	468.012	2.051.155	38.489	-	35.303	54.300	173	2.647.432
Other Institutions	-	49.453	180.318	1.788	-	503	3.263	-	235.325
Commercial and Other Institutions	-	304	20	-	-	-	-	-	324
Banks and Participation Banks	-	-	27	10.166	-	-	-	-	10.193
V. Real Persons Current Accounts Non-Trade FC	6.184.271	-	-	-	-	-	-	-	6.184.271
VI. Real Persons Participation Accounts Non-Trade FC	-	3.872.633	6.339.745	563.196	-	40.516	1.560.238	5.995	12.382.323
VII. Other Current Accounts FC	7.376.894	-	-	-	-	-	-	-	7.376.894
Residents in Turkey-Corporate	5.470.653	-	-	-	-	-	-	-	5.470.653
Residents Abroad-Corporate	1.387.095	-	-	-	-	-	-	-	1.387.095
Banks and Participation Banks	519.146	-	-	-	-	-	-	-	519.146
Central Bank of Turkey	-	-	-	-	-	-	-	-	-
Domestic Banks	-	-	-	-	-	-	-	-	-
Foreign Banks	513.165	-	-	-	-	-	-	-	513.165
Participation Banks	5.981	-	-	-	-	-	-	-	5.981
Other	-	-	-	-	-	-	-	-	-
VIII. Participation Accounts other- FC	-	763.291	3.249.636	126.834	-	17.054	19.507	1.251	4.177.573
Public sector	-	-	-	-	-	-	-	-	-
Commercial institutions	-	677.526	2.682.611	53.350	-	8.890	15.956	1.251	3.439.584
Other institutions	-	35.412	32.684	8	-	-	-	-	68.104
Commercial and Other Institutions	-	50.353	151.611	6.092	-	-	70	-	208.126
Banks and Participation Banks	-	-	382.730	67.384	-	8.164	3.481	-	461.759
IX. Precious Metals Deposits	3.094.372	679.069	1.733.792	61.143	-	14.583	73.545	1.185	5.657.689
X. Participation Accounts Special Fund Pools TL	-	-	-	-	-	-	-	-	-
Residents in Turkey	-	-	-	-	-	-	-	-	-
Residents Abroad	-	-	-	-	-	-	-	-	-
XI. Participation Accounts Special Fund Pools – FC	-	-	-	-	-	-	-	-	-
Residents in Turkey	-	-	-	-	-	-	-	-	-
Residents Abroad	-	-	-	-	-	-	-	-	-
Total (I+II+.....+IX+X+XI)	21.816.784	8.587.012	18.522.559	987.405	-	139.303	2.235.608	21.363	52.310.034

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II. Explanations and notes related to consolidated liabilities (continued):

1. Information on funds collected (continued):

a) Information on maturity structure of funds collected (continued):

Prior Period	Demand	Up to 1 month	Up to 3 months	Up to 6 months	Up to 9 months	Up to 1 year	Over 1 year	Accumulated participation accounts	Total
I. Real Persons Current Accounts									
Non-Trade TL	1.683.275	-	-	-	-	-	-	-	1.683.275
II. Real Persons Participation									
Accounts Non-Trade TL	-	2.908.832	5.077.473	207.355	-	34.125	401.888	13.686	8.643.359
III. Current Account other-TL	2.515.654	-	-	-	-	-	-	-	2.515.654
Public Sector	68.515	-	-	-	-	-	-	-	68.515
Commercial Institutions	2.345.346	-	-	-	-	-	-	-	2.345.346
Other Institutions	76.454	-	-	-	-	-	-	-	76.454
Commercial and Other Institutions	18.415	-	-	-	-	-	-	-	18.415
Banks and Participation Banks	6.924	-	-	-	-	-	-	-	6.924
Central Bank of Turkey	-	-	-	-	-	-	-	-	-
Domestic Banks	2	-	-	-	-	-	-	-	2
Foreign Banks	6.788	-	-	-	-	-	-	-	6.788
Participation Banks	134	-	-	-	-	-	-	-	134
Other	-	-	-	-	-	-	-	-	-
IV. Participation Accounts-TL	-	343.256	1.329.289	41.872	-	56.180	59.858	183	1.830.638
Public Sector	-	56	81	-	-	-	-	-	137
Commercial Institutions	-	300.413	1.140.561	38.821	-	55.674	57.009	183	1.592.661
Other Institutions	-	21.522	185.968	3.051	-	506	2.849	-	213.896
Commercial and Other Institutions	-	21.265	2.288	-	-	-	-	-	23.553
Banks and Participation Banks	-	-	391	-	-	-	-	-	391
V. Real Persons Current Accounts									
Non- Trade FC	3.978.509	-	-	-	-	-	-	-	3.978.509
VI. Real Persons Participation									
Accounts Non-Trade FC	-	3.281.952	5.189.583	463.346	-	30.296	1.062.696	1.388	10.029.261
VII. Other Current Accounts FC	4.839.287	-	-	-	-	-	-	-	4.839.287
Residents in Turkey-Corporate	3.240.586	-	-	-	-	-	-	-	3.240.586
Residents abroad-Corporate	811.306	-	-	-	-	-	-	-	811.306
Banks and Participation Banks	787.395	-	-	-	-	-	-	-	787.395
Central Bank of Turkey	-	-	-	-	-	-	-	-	-
Domestic Banks	-	-	-	-	-	-	-	-	-
Foreign Banks	781.931	-	-	-	-	-	-	-	781.931
Participation Banks	5.464	-	-	-	-	-	-	-	5.464
Other	-	-	-	-	-	-	-	-	-
VIII. Participation Accounts other-FC	-	498.817	2.893.485	612.470	-	6.545	14.971	27	4.026.315
Public Sector	-	-	-	-	-	-	-	-	-
Commercial Institutions	-	348.427	2.117.663	39.815	-	6.545	14.922	27	2.527.399
Other Institutions	-	4.130	49.904	6	-	-	-	-	54.040
Commercial and Other Institutions	-	65.806	173.495	4.626	-	-	49	-	243.976
Banks and Participation Banks	-	80.454	552.423	568.023	-	-	-	-	1.200.900
IX. Precious Metals Deposits	878.269	285.168	954.585	27.361	-	9.509	37.828	182	2.192.902
X. Participation Accounts Special									
Fund Pools TL	-	-	-	-	-	-	-	-	-
Residents in Turkey	-	-	-	-	-	-	-	-	-
Residents abroad	-	-	-	-	-	-	-	-	-
XI. Participation Accounts Special									
Fund Pools – FC	-	-	-	-	-	-	-	-	-
Residents in Turkey	-	-	-	-	-	-	-	-	-
Residents abroad	-	-	-	-	-	-	-	-	-
Total (I+II+.....+IX+X+XI)	13.894.994	7.318.025	15.444.415	1.352.404	-	136.655	1.577.241	15.466	39.739.200

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b) Information on participation fund under the guarantee of insurance:

b.1) Exceeding the limit of insurance fund:

Information on real persons' current and participation accounts not subject to trading transactions under the guarantee of insurance and exceeding the limit of Insurance Fund:

	Under the guarantee of Insurance	Under the guarantee of Insurance	Exceeding the guarantee of Insurance	Exceeding the guarantee of Insurance
	Current Period	Prior Period	Current Period	Prior Period
Real persons' current and participation accounts not subject to trading transactions				
Turkish Lira accounts	5.767.488	5.855.401	5.110.576	4.471.232
Foreign currency accounts	6.248.707	4.485.043	17.337.126	11.489.849
Foreign branches' deposits subject to foreign authorities insurance	-	-	-	-
Off-shore deposits under foreign authorities insurance	-	-	-	-

Funds collected by Participation Banks (except foreign branches) from current and participation accounts denominated in Turkish Lira or foreign currency up to a limit of maximum TL 150 (including both capital and profit shares) for each real person is under the guarantee of Saving Deposit Insurance Fund in accordance with the Banking Law numbered 5411.

b.2) Funds collected which are not under the guarantee of insurance fund:

Funds collected of real persons, which are not under the guarantee of insurance fund:

	Current Period	Prior Period
Foreign Branches' Profit Sharing Accounts and Other Accounts	101.341	40.415
Profit Sharing Accounts and Other Accounts of Controlling Shareholders and Profit Sharing Accounts and Other Accounts of Their Mother, Father, Spouse, and Children in Care	-	-
Profit Sharing Accounts and Other Accounts of Chairman and Members of Board Of Directors or Managers, General Manager and Assistant General Managers and Profit Sharing Accounts and Other Accounts of Their Mother, Father, Spouse, and Children in Care	18.418	16.974
Profit Sharing Accounts and Other Accounts in Scope of the Property Holdings Derived from Crime Defined in article 282 of Turkish Criminal Law no:5237 dated 26.09.2004	-	-
Profit Sharing Accounts in Participation Banks Established in Turkey in order to engage solely in Off-Shore Banking Activities	-	-

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II. Explanations and notes related to consolidated liabilities (continued):

2. Information on borrowings:

a.1) Information on types of borrowings:

	Current Period		Prior Period	
	TL	FC	TL	FC
Syndication Loans	-	-	-	-
Wakala Loans	-	2.390.365	-	978.465
Other	57.953	482.472	100.219	712.914
Total	57.953	2.872.837	100.219	1.691.379

a.2) Information on banks and other financial institutions:

	Current Period		Prior Period	
	TL	FC	TL	FC
Loans from CBRT	-	-	-	-
Loans from domestic banks and institutions	57.953	90.608	100.219	252.151
Loans from foreign banks, institutions and funds	-	2.782.229	-	1.439.228
Total	57.953	2.872.837	100.219	1.691.379

a.3) Maturity analysis of funds borrowed:

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-Term	57.953	2.318.472	100.219	1.129.603
Medium and Long-Term	-	554.365	-	561.776
Total	57.953	2.872.837	100.219	1.691.379

b) Additional disclosures on concentration areas of The Parent Bank's liabilities:

The Parent Bank does not have concentration on customer or sector group providing funds (December 31, 2019: None).

3. Information on securities issued:

	Current Period		Prior Period	
	TL	FC	TL	FC
Sukuk issued	3.475.476	-	2.519.419	-
Total	3.475.476	-	2.519.419	-

4. Information on derivative financial liabilities:

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward transactions	2.757	13	504	41
Swap transactions	3.252	159	-	304
Futures transactions	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
Total	6.009	172	504	345

The Parent Bank has not any derivative financial liabilities for hedging purposes (December 31, 2019: None).

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II. Explanations and notes related to consolidated liabilities (continued):

5. Lease payables:

	Current Period		Prior Period	
	TL	FC	TL	FC
Less than a year	4.286	-	6.291	-
1 to 5 years	105.101	839	81.724	1.199
Over 5 years	200.739	13.388	199.740	11.706
Total	310.126	14.227	287.755	12.905

6. Information on provisions:

a) Information on provisions for employee rights:

The Group's provisions for employee benefits consist of reserve for employee termination benefits amounting to TL 101.418 (December 31, 2019: TL 86.118), vacation pay liability amounting to TL 11.420 (December 31, 2019: TL 13.270), totalling to TL 112.838 (December 31, 2019: TL 99.388). Provisions for performance premium has not been allocated in the current period (December 31, 2019: TL 750). The Group has calculated the reserve for employee termination benefits using actuarial valuation methods as indicated in TAS 19. Accordingly, following actuarial assumptions were used in the calculation of the total liability.

	Current Period	Prior Period
Discount rate (%)	11,70	11,70
Estimated increase rate of salary ceiling (%)	8,90	8,90

Movement of the reserve for employment termination benefits in the balance sheet is as follows:

	Current Period	Prior Period
Prior period ending balance	86.118	62.219
Change in the period	25.087	20.565
Actuarial (gain)/loss	-	13.716
Paid during the period	(9.787)	(10.382)
Balance at the end of the period	101.418	86.118

b.) Other provisions:

	Current Period	Prior Period
Non-cash loans first and second stage expected loss provisions	15.077	11.047
Provisions allocated from profit shares to be distributed to profit sharing accounts	74	-
Third stage expected loss provision for unindemnified letter of guarantees	3.715	3.686
Third stage expected loss provision for cheques commitments	3.796	3.883
Provision for promotions related with credit cards and promotion of banking services	225	224
Provisions for cases on trial	20.008	15.655
Accrual for purchase and sale commitments	411	291
Other	818	772
Total	44.124	35.558

c) Information on provisions for foreign exchange losses on foreign currency indexed loans and financial lease receivables:

As of September 30, 2020, the Bank does not have provision for foreign exchange losses on foreign currency indexed loans and lease receivables (December 31, 2019: TL 901).

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II. Explanations and notes related to consolidated liabilities (continued):

7. Information on taxes payable:

a) Explanations on current tax liability:

a.1) Explanations on tax provisions:

As of September 30, 2020, the Group's corporate tax payable is TL 6.687 (December 31, 2019: TL 5.586) after offsetting prepaid corporate tax.

a.2) Information on taxes payable:

	Current Period	Prior Period
Corporate taxes payable	6.687	5.586
Banking insurance transaction tax	12.789	14.130
Taxation on securities income	17.280	24.408
Value added tax payable	1.450	1.872
Taxation on real estate income	576	1.230
Foreign exchange transaction tax	10.286	2.274
Income tax deducted from wages	10.606	10.442
Other	907	1.967
Total	60.581	61.909

a.3) Information on premiums:

	Current Period	Prior Period
Social security premiums-employee	6.036	5.520
Social security premiums-employer	6.691	5.994
Bank pension fund premium-employee	-	-
Bank pension fund premium-employer	-	-
Pension fund membership fees and provisions-employee	-	-
Pension fund membership fees and provisions-employer	-	-
Unemployment insurance-employee	429	392
Unemployment insurance-employer	858	785
Other	-	-
Total	14.014	12.691

8. Liabilities for assets held for sale and discontinued operations:

None (December 31, 2019: None).

9. Detailed explanations on number, maturity, profit share rate, creditor and option to convert to share certificates; if any; of subordinated loans:

	Current Period		Prior Period	
	TL	FC	TL	FC
Debt instruments to be included in calculation of	-	-	-	-
Subordinated loans	-	-	-	-
Subordinated debt instruments	-	-	-	-
Debt instruments to be included in calculation of Tier II	-	1.852.099	-	1.375.164
Subordinated loans	-	1.852.099	-	1.375.164
Subordinated debt instruments	-	-	-	-
Total	-	1.852.099	-	1.375.164

The Parent Bank has obtained subordinated loan on November 30, 2015 from the investors not resident in Turkey through its structured entity Albaraka Sukuk Ltd. amounting to USD 250.000.000 with 10 years maturity with a grace period of 5 years. The profit rate of the subordinated loan with grace period of 5 years with 10 years total maturity was determined as 10,5%. The Parent Bank has repurchased the sukuk issued in the amount of USD 18.671.000 and this amount is offset in Financial Assets Measured at Fair Value through Other Comprehensive Income and subordinated loans. The Parent Bank has realized unmatured additional Tier 1 Capital amount to USD 205.000.000 on February 20, 2018.

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II. Explanations and notes related to consolidated liabilities (continued):

10. Breakdown of items in other liabilities, which exceed 10% of the balance sheet total, and breakdown of items, which constitute at least 20% of grand total:

None (December 31, 2019: None).

11. Information on shareholders' equity:

a) Presentation of paid-in capital:

	Current Period	Prior Period
Common stock	1.350.000	900.000
Preferred stock	-	-

b) Paid-in capital amount, explanation as to whether the registered share capital system is applicable at the Parent Bank and if so, amount of the registered share capital ceiling:

In the Board of Directors meeting dated February 28, 2013, the Parent Bank has taken a resolution on transition to registered capital system. The application dated December 27, 2016 for the extension of the Registered Capital Ceiling to the Capital Markets Board was approved on January 10, 2017 and the registered capital ceiling was determined as TL 2.500.000 to be valid until December 31, 2021.

Share Capital System	Paid-in Capital	Ceiling
Registered Capital	1.350.000	2.500.000

c) Information on the share capital increases during the period and their sources; other information on increased capital in the current period:

As of December 31, 2019, the Parent Bank has completed capital increase through right issues and since the new capital had not been registered as of the related date, the increased amount TL 450.000 was represented under other capital reserves in equity. In 2020, following the registration, related amount has been transferred from other capital reserves to paid in capital.

ç) Information on share capital increases from capital reserves during the current period:

Capital increase through right issues amounts to TL 450.000 has been transferred from other capital reserves to paid in capital in 2020. The amount had been realized but not registered as of December 31, 2019.

d) Capital commitments in the last fiscal year and by the end of the following interim period, general purpose of these commitments and projected resources required to meet these commitments:

There are no capital commitments until the end of the last fiscal year and following interim period.

e) Estimated effects on the shareholders equity of the Parent Bank, of predictions to be made by taking into account previous period indicators regarding the Parent Bank's income, profitability and liquidity, and uncertainties regarding such indicators:

The Parent Bank continues its operations in a profitable manner and majority of the profits are kept in shareholders' equity through transfer to reserves. Moreover, the Parent Bank's shareholders' equity is invested in liquid and earning assets.

f) Information on privileges given to stocks representing the capital:

There is no privilege given to stocks representing the capital.

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II. Explanations and notes related to consolidated liabilities (continued):

11. Information on shareholders' equity (continued):

g) Information on marketable securities valuation reserve:

	Current Period		Prior Period	
	TL	FC	TL	FC
From investments in associates, subsidiaries, and joint ventures	-	-	-	-
Valuation difference (*)	1.414	2.607	3.499	36.033
Foreign exchange difference	-	-	-	-
Total	1.414	2.607	3.499	36.033

(*) The amount represents the net balance after deferred tax calculation.

ğ) Information on other capital reserves:

The Parent Bank has evaluated its perpetual sukuk transaction as non-monetary item as per TAS 32 which is issued by "Bereket One Ltd" quoted at Ireland Stock Exchange amount to USD 205.000.000 (Historical cost is TL 775.720) and compatible with Basel III criteria. In addition to this evaluation, considering BRSA's approval to add it to additional Tier 1 capital dated February 20, 2018, the Parent Bank recognized it in shareholders' equity under "other capital reserves" on historical cost. The settlement date of the sukuk transaction is February 20, 2023 and its yearly cost is 10% with every six-month payment. The Parent Bank has option to cancel the expense amounts. If the Parent Bank uses this option, it is not obligatory to pay the amount it has not paid in the following periods.

The coupon payment for the related transaction amounting to TL 310.576 (December 31, 2019: TL 172.336) has been recognized under prior years profit / loss.

h) Information on minority shares:

As of September 30, 2020, minority shares calculated for full-consolidated uncontrolled shares amount to TL 152.519 (December 31, 2019: TL 157.436).

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III. Explanations and notes related to consolidated off-balance sheet:

1. Explanations on consolidated off-balance sheet:

a) Type and amount of irrevocable loan commitments:

	Current Period	Prior Period
Commitments for credit card limits	886.254	769.342
Payment commitments for cheques	640.858	631.606
Asset purchase and sale commitments	580.848	437.404
Loan granting commitments	330.402	262.517
Tax and funds liabilities arising from export commitments	12.411	10.381
Commitments for promotions related with credit cards and banking activities	386	335
Other irrevocable commitments	541	528
Other revocable commitments	4.000	-
Total	2.455.700	2.112.113

b) Type and amount of possible losses and commitments arising from off-balance sheet items:

b.1) Non-cash loans including guarantees, bank acceptances, collaterals and others that are accepted as financial commitments and other letters of credit:

	Current Period	Prior Period
Letters of guarantees	8.918.187	8.718.394
Bank loans	18.275	14.463
Letters of credit	1.554.057	1.329.920
Other guaranties and sureties	101.010	368.661
Total	10.591.529	10.431.438

b.2) Revocable, irrevocable guarantees and other similar commitments and contingencies:

	Current Period	Prior Period
Letters of guarantees	8.918.187	8.718.394
Long standing letters of guarantees	5.659.682	5.448.790
Temporary letters of guarantees	295.067	371.560
Advance letters of guarantees	471.050	362.686
Letters of guarantees given to customs	469.383	366.118
Letters of guarantees given for obtaining cash loans	2.023.005	2.169.240
Sureties and similar transactions	101.010	368.661
Total	9.019.197	9.087.055

c) Within the non-cash loans

c.1) Total amount of non-cash loans:

	Current Period	Prior Period
Non-cash loans given against cash loans	2.023.005	2.169.240
With original maturity of 1 year or less	554.588	555.521
With original maturity of more than 1 year	1.468.417	1.613.719
Other non-cash loans	8.568.524	8.262.198
Total	10.591.529	10.431.438

c.2) Sectoral risk concentration of non-cash loans:

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

c.3) Information on the non-cash loans classified in Group I and Group II:

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

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III. Explanations and notes related to consolidated off-balance sheet (continued):

2. Explanations on derivative transactions:

Not prepared in compliance with the Article 25 of the Communiqué “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

3. Explanations on contingent assets and liabilities:

Not prepared in compliance with the Article 25 of the Communiqué “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

4. Explanations on services rendered on behalf of third parties:

The Group has not any operations like money placements on behalf of real persons or legal entities, charitable foundations, retirement insurance funds and other institutions.

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IV. Explanations and notes related to the consolidated statement of profit or loss:

1. Information on profit share income:

a) Information on profit share income received from loans:

	Current Period		Prior Period	
	TL	FC	TL	FC
Profit share received from loans^(*)				
Short Term Loans	344.709	92.257	407.362	117.891
Medium and Long-Term Loans	1.071.429	598.015	1.087.874 ^(**)	386.646
Profit Share on Non-Performing Loans	84.960	2.820	125.664	2.142
Premiums Received from Resource Utilization Support Fund	-	-	-	-
Total	1.501.098	693.092	1.620.900	506.679

^(*) Includes fees and commission income on cash loans.

^(**) Total TL 104.871 is the accrued profit from profit and loss investments and TL 70.609 of this profit is fair value profit.

b) Information on profit share income received from banks:

	Current Period		Prior Period	
	TL	FC	TL	FC
CBRT	6.813	-	22.932	28.821
Domestic Banks	723	387	502	1.616
Foreign Banks	-	-	-	-
Head Offices and Branches Abroad	-	-	-	-
Total	7.536	387	23.434	30.437

c) Information on profit share income received from marketable securities:

	Current Period		Prior Period	
	TL	FC	TL	FC
Financial Assets Measured at Fair Value through Profit/Loss	44.344	32.148	737	2.427
Financial Assets Measured at Fair Value through Other Comprehensive Income	66.930	55.795	64.403	42.596
Financial Assets Measured at Amortised Cost	83.709	60.490	58.252	13.310
Total	194.983	148.433	123.392	58.333

ç) Information on profit share income received from associates and subsidiaries:

None (September 30, 2019: None).

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IV. Explanations and notes related to the consolidated statement of profit or loss (continued):

2. Explanations on profit share expenses:

a) Distribution of profit share expense on funds collected based on maturity of funds collected:

Current Period		Profit sharing accounts						Accumulated profit sharing account	Total
Account name	Up to 1 month	Up to 3 months	Up to 6 months	Up to 9 months	Up to 1 year	More than 1 year			
TL									
Funds collected from banks through current and profit sharing accounts	-	3	166	-	-	-	-	169	
Real persons' non-trading profit sharing accounts	167.290	319.013	13.150	-	2.294	32.562	848	535.157	
Public sector profit sharing accounts	3	5	-	-	-	-	-	8	
Commercial sector profit sharing accounts	21.697	111.964	8.186	-	3.667	3.749	8	149.271	
Other institutions profit sharing accounts	1.918	9.503	141	-	32	206	-	11.800	
Total	190.908	440.488	21.643	-	5.993	36.517	856	696.405	
FC									
Banks	1.102	3.193	2.147	-	45	2	-	6.489	
Real persons' non-trading profit sharing accounts	22.642	37.312	3.675	-	290	13.095	14	77.028	
Public sector profit sharing accounts	-	-	-	-	-	-	-	-	
Commercial sector profit sharing accounts	3.787	14.712	714	-	51	153	6	19.423	
Other institutions profit sharing accounts	433	1.808	105	-	-	1	-	2.347	
Precious metals deposits	466	1.468	45	-	17	92	1	2.089	
Total	28.430	58.493	6.686	-	403	13.343	21	107.376	
Grand total	219.338	498.981	28.329	-	6.396	49.860	877	803.781	
Prior Period		Profit sharing accounts						Accumulated profit sharing account	Total
Account name	Up to 1 month	Up to 3 months	Up to 6 months	Up to 9 months	Up to 1 year	More than 1 year			
TL									
Funds collected from banks through current and profit sharing accounts	89	280	-	-	-	-	-	369	
Real persons' non-trading profit sharing accounts	253.376	430.390	14.918	-	2.805	47.978	1.339	750.806	
Public sector profit sharing accounts	8	26	-	-	-	-	-	34	
Commercial sector profit sharing accounts	30.893	187.643	24.010	-	6.492	12.319	4	261.361	
Other institutions profit sharing accounts	2.453	21.794	1.659	-	1.161	636	-	27.703	
Total	286.819	640.133	40.587	-	10.458	60.933	1.343	1.040.273	
FC									
Banks	3.177	11.636	3.363	-	-	-	-	18.176	
Real persons' non-trading profit sharing accounts	46.253	82.538	5.855	-	511	14.872	5	150.034	
Public sector profit sharing accounts	-	-	-	-	-	-	-	-	
Commercial sector profit sharing accounts	5.978	27.739	1.286	-	154	255	-	35.412	
Other institutions profit sharing accounts	418	3.196	101	-	-	1	-	3.716	
Precious metals deposits	342	1.923	72	-	65	224	11	2.637	
Total	56.168	127.032	10.677	-	730	15.352	16	209.975	
Grand total	342.987	767.165	51.264	-	11.188	76.285	1.359	1.250.248	

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IV. Explanations and notes related to the consolidated statement of profit or loss (continued):

a) Information on profit share expense paid to funds borrowed:

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks	297	43.651	2.434	41.400
CBRT	-	-	-	-
Domestic banks	-	2.966	-	5.415
Foreign banks	297	40.685	2.434	35.985
Head offices and branches abroad	-	-	-	-
Other institutions	5.931	140.613	8.349	114.605
Total	6.228	184.264	10.783	156.005

c) Profit share expense paid to associates and subsidiaries:

	Current Period		Prior Period	
	TL	FC	TL	FC
Profit share paid to investments in associates and subsidiaries	340	-	1.659	69
Total	340	-	1.659	69

ç) Profit share expenses paid to marketable securities issued:

	Current Period		Prior Period	
	TL	FC	TL	FC
Profit share expenses paid to marketable securities issued	185.241	-	319.490	58.031
Total	185.241	-	319.490	58.031

3. The Other Items in Net Fees and Commission Income / Expenses, which constitute at least 20% of the total of other items, if the total of other items in income statement exceed 10% of the total of income statement:

Other Fees and Commissions Received	Current Period	Prior Period
Member firm-POS fees and commissions	34.251	59.571
Clearing room fees and commissions	25.716	45.418
Commissions on money orders	20.666	13.690
Appraisal fees	13.217	6.246
Insurance and brokerage commissions	17.897	13.242
Checks and bills commissions	2.516	2.600
Safe deposit box commissions	1.872	1.578
Advocacy service commissions	2	3.500
Service pack commissions	5.510	12.225
Enquiry fees received	1.507	2.222
Fees and commissions from correspondent banks	2.237	1.997
Export credit commissions	4.983	2.085
Prepaid import commissions	13.517	9.116
Pledge Put and Mortgage Release Fees	3.190	1.221
Other	36.518	23.828
Total	183.599	198.539
Other Fees and Commissions Paid	Current Period	Prior Period
Funds borrowed fees and commissions	5.795	11.397
Credit cards fees and commissions	17.567	14.517
Member firm-POS fees and commissions	21.648	21.534
Fees and commissions for Swift, EFT and money orders	14.808	15.717
Required Reserves Commissions for CBRT in Foreign currency	45.327	-
Other	13.125	6.497
Total	118.270	69.662

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IV. Explanations and notes related to the consolidated statement of profit or loss (continued):

4. Information on dividend income:

	Current Period		Prior Period	
	TL	FC	TL	FC
Financial Assets Measured at Fair Value through Profit/Loss (FVTPL)	-	-	-	-
Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)	-	-	-	-
Other	-	-	2.762	-
Total	-	-	2.762	-

5. Explanations on trading income/loss (net):

	Current Period	Prior Period
Income	14.150.573	7.487.914
Income from capital market transactions	27.345	30.191
Income from derivative financial instruments	161.071	77.799
Foreign exchange income	13.962.157	7.379.924
Loss (-)	14.001.644	7.349.372
Loss on capital market transactions	25.072	1.955
Loss on derivative financial instruments	73.350	103.746
Foreign exchange losses	13.903.222	7.243.671
Trading Income/Loss (net)	148.929	138.542

6. Explanations related to other operating income:

	Current Period	Prior Period
Reversal of prior year provisions	408.070	372.166
Income from sale of assets	42.677	19.649
Communication income	10.473	7.968
Reversal of vacation pay expenses provision	-	-
Cheque book charges	1.532	1.333
Operating Lease Income	2.254	7.039
Real estate revaluation income ^(*)	10.970	87.797
Real estate rental income ^(*)	10.906	13.588
Real estate sales income ^(*)	44.274	9.092
Other income	10.233	48.197 ^(**)
Total	541.389	566.829

^(*) Represents the income from real estates' portfolio under real estate investment funds.

^(**) The balance includes TL 13.122 income arising from derivative's accounting and subjection to corporate income tax in the prior periods (this amount is deducted from banking and insurance transaction payable tax), TL 1.520 is the income deducted from banking and insurance transaction payable tax related to investment allowances.

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IV. Explanations and notes related to the consolidated statement of profit or loss (continued):

7. Informations on Expected Credit Losses:

	Current Period	Prior Period
Expected Credit Loss	891.175	429.109
12 month expected credit loss (stage 1)	95.149	46.589
Significant increase in credit risk (stage 2)	327.637	35.090
Non-performing loans (stage 3)	468.389	347.430
Marketable Securities Impairment Expense	-	-
Financial Assets Measured at Fair Value through Profit/Loss	-	-
Financial Assets Measured at Fair Value through Other Comprehensive Income	-	-
Impairment Provision for Associates, Subsidiaries and Joint Ventures	-	-
Associates	-	-
Subsidiaries	-	-
Joint ventures	-	-
Other (*)	22.814	65.279
Total	913.989	494.388

Expected credit losses amount to TL 913.989 (September 30, 2019: TL 494.388) includes TL 428.553 (September 30, 2019: TL 226.379) representing participation account share of expected credit losses of loans provided from participation accounts.

(*) Details of the "other" amount is as follows:

	Current Period	Prior Period
Expected credit losses 1st and 2nd group non-cash loans	4.186	5.052
Third stage expected loss provision for unindemnified non- cash loans	-	2.434
Expected credit losses (stage 1) for banks	18.358	11.656
Profit and loss sharing investments' fair value provision	-	44.402
Expected credit losses (stage 1) for other financial assets	270	-
Provision for expected losses for securities measured at amortized cost	-	1.735
Total	22.814	65.279

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IV. Explanations and notes related to the consolidated statement of profit or loss (continued):

8. Information on other operating expenses:

	Current Period	Prior Period
Provision for retirement pay liability	15.300	13.504
Deficit provision for pension fund	-	-
Impairment expenses of tangible assets	-	-
Depreciation expenses of tangible assets	83.121	73.658
Impairment expenses of intangible assets	-	-
Impairment expense of goodwill	-	-
Amortization expenses of intangible assets	14.764	13.714
Impairment provision for investments accounted for under equity method	-	-
Impairment expenses of assets to be disposed	-	-
Depreciation expenses of assets to be disposed	-	-
Impairment expenses of assets held for sale and assets of discontinued operations	-	-
Other business expenses	137.128	106.423
Leasing Expenses on TFRS 16 Exceptions	1.289	2.818
Maintenance and repair expenses	22.886	15.048
Advertisement expenses	4.457	7.392
Other expenses ^(*)	108.496	81.165
Loss on sale of assets	1.256	881
Other ^(**)	204.588	161.523
Total	456.157	369.703

^(*) Other expenses under "other business expenses" are provided as below:

	Current Period	Prior Period
Communication Expenses	19.986	19.059
Donations	12.357	6.407
Cleaning expenses	17.103	13.597
Heating, lighting and water expenses	12.302	10.489
Representation and Hosting expenses	4.888	5.582
Vehicle expenses	3.975	5.031
Lawsuit and court expenses	2.071	2.057
Movables Insurance Expenses	3.675	3.246
Stationery Expenses	2.208	2.355
Expense Share for Common Expenses	2.165	1.996
Group transportation costs	5.643	5.089
Other	22.123	6.257
Total	108.496	81.165

^(**) Details of "other" balance are provided as below:

	Current Period	Prior Period
Saving Deposit Insurance Fund	79.006	53.562
Taxes, Duties, Charges and Funds	43.373	35.449
Expertise and Information Expenses	17.069	5.944
Audit and Consultancy Fees	6.733	12.176
Institution and Union Participation Share Expense	11.754	10.025
Residence Expenses ^(*)	26.014	10.165
Shopping Mall expenses ^(*)	9.294	18.552
Other	11.345	15.650
Total	204.588	161.523

^(*) Represents the expenses from real estates' portfolio under real estate investment funds.

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IV. Explanations and notes related to the consolidated statement of profit or loss (continued):

9. Explanations on income/loss from continued operations before taxes:

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

10. Explanations on tax provision for continued and discontinued operations:

Since the Parent Bank has no discontinued operations, there is no tax provision for this purpose.

As of September 30, 2020, the Parent Bank has deferred tax income of TL 214.255 (September 30, 2019: TL 154.188) and deferred tax expense of TL 254.890 (September 30, 2019: TL 159.746). The current tax provision is TL 3.404 (September 30, 2019: TL 2.993).

11. Explanations on net income/loss from continued and discontinued operations:

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

12. Explanations on net income/loss:

a) The nature and amount of certain income and expense items from ordinary operations; if the disclosure for nature, amount and repetition rate of such items is required for a complete understanding of the Parent Bank's performance for the period:

None.

b) The effect of the change in accounting estimates to the net income/loss; including the effects on the future period:

None.

c) Income/loss of minority shares:

	Current Period	Prior Period
Net profit/(loss) of minority shares	2.076	4.914

V. Explanations and notes related to the consolidated statement of changes in shareholders' equity:

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

VI. Explanations and notes related to the consolidated statement of cash flows:

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

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VII. Explanations related to the risk group of the Parent Bank:

1. Information on the volume of transactions relating to the Parent Bank's risk group, outstanding loans and funds collected and income and expenses related to the period:

a) Current period:

Risk Group of the Parent Bank ^(*)	Investment in associates, subsidiaries and joint ventures (Business Partnerships)		Direct and indirect shareholders of the Parent Bank		Other real or legal persons included in the risk group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-Cash
Loans						
Balance at the beginning of the period	3	5	632.926	27.308	27	-
Balance at the end of the period	2	15	1.173.341	6.129	329	-
Profit share and commission income received	-	-	23.957	158	7	-

b) Prior period:

Risk Group of the Parent Bank ^(*)	Investment in associates, subsidiaries and joint ventures (Business Partnerships)		Direct and indirect shareholders of the Parent Bank		Other real or legal persons included in the risk group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash
Loans and other receivables						
Balance at the beginning of period	1	5	173.457	32.410	19	-
Balance at end of period	3	5	632.926	27.308	27	-
Profit share and commission income received	-	-	3.830	147	-	-

^(*) Defined under Banking Law numbered 5411 in article 49 and "Communiqué Related to Credit Operations of Banks" in article 4 published on November 1, 2006.

c.1) Information on current and profit sharing accounts of the Parent Bank's risk group:

Risk Group of the Parent Bank ^(*)	Investment in associates, subsidiaries and joint ventures (Business Partnerships)		Direct and indirect Shareholders of the Parent Bank		Other real or legal persons included in the risk group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Current and profit sharing accounts						
Balance at the beginning of period	13.955	19.653	831.442	604.631	11.073	7.106
Balance at the end of period	41.158	13.955	230.291	831.442	13.771	11.073
Profit share expense	333	2.233	2.510	6.663	190	283

^(*) As of September 30, 2020 wakala borrowings obtained from risk group of the Parent Bank through investment purpose wakala contracts amount to USD 53.213.516 and EUR 147.395.197 (December 31, 2019: USD 34.002.557 and EUR 65.082.069). The profit share expense relating to such borrowings for the period between January 1, 2019 September 30, 2020 is TL 5.980 (September 30, 2019: TL 10.617).

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VII. Explanations related to the risk group of the Parent Bank:

c.1) Information on current and profit sharing accounts of the Parent Bank's risk group (continued):

USD 155 million of the additional Tier I capital amounting to USD 205 million, which was realized on February 20, 2018, belongs to Albaraka Banking Group, the main shareholder of the Parent Bank. The related amount is accounted under other capital reserves in the financial statements.

c.2) Information on forward, option agreements, and other similar agreements with related parties:

The Group does not have forward and option agreements with the risk group of the Parent Bank.

As of September 30, 2020, the Group has paid TL 13.412 (September 30, 2019: TL 14.310) to top management.

VIII. Explanations related to consolidated domestic, foreign and offshore branches or investments and foreign representative offices:

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

IX. Explanations related to subsequent events:

The Parent Bank's digital banking initiative Insha operating in Germany, has signed share transfer agreement with Turk Holding on 25 million Euro company valuation for 10% share amounts to TL 2,5 million. The registration process still continues and shares will be transferred after registration.

With the Board of Directors' decision , as per the "Communique on Lease Certificates" numbered III-61.1 by Capital Market Board , Değer Asset Leasing Company has been established whose capital is TL 50 to realize corporate customers' lease certificates issuances.

X. Other Explanations

Other issues that have significant effect on the balance sheet or that are ambiguous and/or open to interpretation and require clarification:

None.

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SECTION SIX

Limited review report

I. Explanations on limited review report:

The Group's consolidated financial statements as of and for the period ended September 30, 2020 have been reviewed by "Gney Baėımsız Denetim ve Serbest Muhasebeci Mali Mavirlik A.." (the member of the Ernst & Young Global Ltd.) and the limited review report dated November 19, 2020 is presented at the beginning of the financial statements and related notes.

II. Other notes and explanations prepared by the independent auditors:

None.

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SECTION SEVEN

Information on Interim Report

I. General Information

1. Summary Information about Albaraka Türk Katılım Bankası A.Ş.:

Albaraka Türk Participation Bank, the first and the leading financial institution in interest free banking field in Turkey, has completed its establishment in 1984 and entered into service as of the beginning of the year of 1985. Albaraka Türk is continuing its activities subject to the Banking Law No. 5411. In the partnership structure of Albaraka Banking Group (ABG), one of the leading groups of Middle East, Islamic Development Bank (IDB) and Albaraka Türk, established under the leadership of a domestic industrial group serving to Turkish economy for more than a half century, share of the foreign partners is 62,12%, share of the domestic partners is 3,04% and publicly held share is 34,84%. Partnership structure of Albaraka Türk is the guarantee of the respect and trust we bear.

Albaraka Türk, collecting funds through current accounts and participation accounts and gaining the funds it contributes to the economy of the country by products as individual financing, corporate finance, financial leasing and profit-loss partnership on the basis of a project, is entitled to offer a variety of finance and banking services by interest free banking application.

Albaraka Türk has always aimed to achieve sustainable growth with the strategy of "adding value to your values" for all its stakeholders with its "reliable", "understandable", "responsible" and "transparent" approach to all its customers, including individual, corporate and SME segments in order to offer services and improve customer experience in all-inclusive participation banking system. With its competent and dynamic human resources and interest-free banking infrastructure, Albaraka Türk is a leader in its products and services without compromising on its quality and value.

Albaraka Türk, started with the vision of being the best regional bank in offering financial products and services in Gulf, Middle East and North Africa geographies where its main partner ABG is carrying out business, is rendering fast, qualified and safe foreign trade (import, export and foreign exchange) services to its customers in 80 countries from Singapore to England, South Africa to Morocco, Australia to Kazakhstan, by the wide correspondent net it has established with 1000 banks. Albaraka Türk, is an international Participation Bank adopted the mission of adding value to its customers, partners, employees and Turkey.

2. Capital and Shareholders' Structure:

Albaraka Türk's paid-up capital is TL 1.350.000 as of September 30, 2020.

Shareholders' Structure of Albaraka Türk as of September 30, 2020		
	Share amount (TL)	Ratio (%)
Foreign Shareholders	838.604	62,12
Albaraka Banking Group	489.961	36,29
Islamic Development Bank	207.585	15,38
Alharthy Family	105.861	7,84
Others	35.197	2,61
Local Shareholders	41.080	3,04
Publicly Listed	470.316	34,84
Total	1.350.000	100,00

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Information on Interim Report (continued):

3. The amendments in the articles of association during period of January 1, 2020 - September 30, 2020

The Articles of Association Amendment Text has been approved by the Capital Markets Board regarding the increase of the paid-in capital of our Bank from 900.000.000 TL to 1.350.000.000 TL by increasing 50% by paying all of it in cash(rights issue). The old and new text of the related Articles of Association are presented below.

OLD TEXT	NEX TEXT
<p>Bank's Capital Article 7:</p> <p>(1) The Bank has accepted the registered capital system pursuant to the provisions of the Capital Market Law, and switched to the registered capital system with the permission of the Capital Markets Board dated 06/03/2013 and numbered 7/259.</p> <p>(2) The upper limit of the registered capital of the Bank is TL 2.500.000.000 TL (two billion and five hundred million Turkish Liras), divided into 2.500.000.000 registered nominative shares with a value of TL 1 (One) Turkish Lira each.</p> <p>(3) The permission given by the Capital Markets Board in relation to the upper limit of the registered capital shall be in effect for a 5-year period between 2017-2021. Even if the upper limit of the registered capital is not reached until the end of 2021, in order to make a decision by the Board of Directors to increase the share capital after 2021, it is obligatory to obtain authorization for a new time period not to exceed 5 (five) years from the General Assembly for the previously permitted or a newly determined upper limit of the registered capital, after having been received the permission of Capital Markets Board. In case of failure in obtaining the said authorization, the Bank shall be deemed to be logged off from the registered capital system.</p> <p>(4) The Bank's issued share capital is 900.000.000 TL, and this amount has been fully paid in cash being free of collusion.</p> <p>(5) The shares representing the Bank's Capital shall be traced on the basis of the records within the framework of the principles of dematerialization (registration).</p>	<p>Bank's Capital Article 7:</p> <p>(1) The Bank has accepted the registered capital system pursuant to the provisions of the Capital Market Law, and switched to the registered capital system with the permission of the Capital Markets Board dated 06/03/2013 and numbered 7/259.</p> <p>(2) The upper limit of the registered capital of the Bank is TL 2.500.000.000 TL (two billion and five hundred million Turkish Liras), divided into 2.500.000.000 registered nominative shares with a value of TL 1 (One) Turkish Lira each.</p> <p>(3) The permission given by the Capital Markets Board in relation to the upper limit of the registered capital shall be in effect for a 5-year period between 2017-2021. Even if the upper limit of the registered capital is not reached until the end of 2021, in order to make a decision by the Board of Directors to increase the share capital after 2021, it is obligatory to obtain authorization for a new time period not to exceed 5 (five) years from the General Assembly for the previously permitted or a newly determined upper limit of the registered capital, after having been received the permission of Capital Markets Board. In case of failure in obtaining the said authorization, the Bank shall be deemed to be logged off from the registered capital system.</p> <p>(4) The Bank's issued share capital is 1.350.000.000 TL, and this amount has been fully paid in cash being free of collusion.</p> <p>(5) The shares representing the Bank's Capital shall be traced on the basis of the records within the framework of the principles of dematerialization (registration).</p>

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Information on Interim Report (continued):

4. Branch and Personnel Information:

As of September 30, 2020, total number of branches of the Bank is 229 and the total number of personnel is 3.618. Albaraka Türk carries out its activities with 227 domestic branches extended throughout the country and 2 branch abroad in Erbil and Baghdad.

5. Board of Directors Chairman and Members:

Name and surname	Administrative Function	Educational Degree	Start Date	Banking Experience
Adnan Ahmed Yusuf ABDULMALEK	Chairman of BOD	Master	2005	47
Süleyman KALKAN	Independent Member of BOD	Bachelor	2018	37
İbrahim Fayez Humaid ALSHAMSI	Member of BOD	Bachelor	2005	49
Ghassan Ahmed M. AMODI	Independent Member of BOD	Bachelor	2020	26
Mustafa BÜYÜKABACI	Member of BOD	Master	2017	28
Dr. Mohamed Ali CHATTI	Independent Member of BOD	Doctorate	2020	10
Prof.Dr.Kemal VAROL	Member of BOD	Doctorate	2013	11
Mehmet Ali GÖKCE	Independent Member of BOD	Master	2020	34
Housseem BEN HAJ AMOR	Member of BOD	Bachelor	2020	21
Tawfig Shaker M. MUFTI	Member of BOD	Bachelor	2020	27

(*) Mr. Wasim Ahmet Abdul Wahab, who joined the Board of Directors of our Bank in 2019, resigned from his post as a board member on January 22, 2020.

6. Top Management:

Name and Surname	Administrative Function	Educational Degree	Start Date	Banking Experience
Melikşah UTKU	Member of BOD and CEO	Master	2016	16
Turgut SİMİTCİOĞLU	Senior Assistant General Manager	Master	2017	30
Süleyman ÇELİK	Assistant General Manager	Bachelor	2017	31
Fatih BOZ	Assistant General Manager	Master	2017	22
Hasan ALTUNDAĞ	Assistant General Manager	Bachelor	2017	33
Malek Khodr TEMSAH	Assistant General Manager	Master	2017	17
Mustafa ÇETİN	Assistant General Manager	Bachelor	2018	23
Volkan EVCİL	Assistant General Manager	Bachelor	2017	30
Mehmet Fatih YORULMAZ	Assistant General Manager	Master	2017	3
Yasemin AYDIN	Director	Master	2020	18
Mehmet ULUDAĞ	Director	Master	2020	16

(*) Mr.Nevzat Bayraktar, Assistant General Manager, has resigned from his position as of 14.02.2020.

(*) At the Board of Directors meeting held on 03.07.2020, it was decided to appoint Mehmet Fatih Yorulmaz as Assistant General Manager, Yasemin Aydın and Mehmet Uludağ as Director.

7. Managers of Departments within Internal Systems

Name and Surname	Professional Experience (Years)	Duration of Services at Albaraka Türk (Years)	Length of Services in His Area (Years)	Education	Field of Responsibility
Ahmet UYSAL	16	15	13	Master	Inspection
Umut ÇAKMAK	16	15	16	Bachelor	Risk Management
Ahmet Faruk DEĞİRMENÇİ	13	13	13	Bachelor	Internal Control Regulation and Compliance
Ahmet KOÇ	24	24	10	Bachelor	

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Information on Interim Report (continued):

8. Committee Information After Distribution of Roles Among BOD:

AUDIT COMMITTEE	
Chairman:	Mustafa BÜYÜKABACI
Member:	Mehmet Ali GÖKCE
Member:	Mohamed Ali CHATTI
CREDIT COMMITTEE:	
Chairman:	Adnan Ahmed Yusuf ABDULMALEK
Member:	Süleyman KALKAN
Member:	Prof. Dr. Kemal VAROL
Member:	Melikşah UTKU
Reserve Member:	Mohamed Ali CHATTI
CORPORATE GOVERNANCE COMMITTEE:	
Chairman:	Süleyman KALKAN
Member:	Ibrahim Fayez Humaid ALSHAMSI
Member:	Mansur ÇELEPKOLU
REMUNERATION COMMITTEE:	
Chairman:	Adnan Ahmed Yusuf ABDULMALEK
Member:	Mustafa BÜYÜKABACI
Member:	Melikşah UTKU
SUSTAINABILITY AND SOCIAL RESPONSIBILITY COMMITTEE:	
Chairman:	Mehmet Ali GÖKCE
Member:	Ibrahim Fayez Humaid ALSHAMSI
EXECUTIVE COMMITTEE:	
Chairman:	Adnan Ahmed Yusuf ABDULMALEK
Vice Chairman:	Süleyman KALKAN
Member:	Mustafa BÜYÜKABACI
Member:	Mehmet Ali GÖKCE
Member:	Kemal VAROL
Member:	Melikşah UTKU
INFORMATION TECHNOLOGIES GOVERNANCE COMMITTEE	
Chairman:	Melikşah UTKU
Member:	Hood Hashem Ahmed HASHEM

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Information on Interim Report (continued):

II. Banks Financial Information and Evaluations:

1. Main Financial Figures:

ASSETS	Current Period	Prior Period
Cash and Balances with The Central Bank	10.143.898	8.795.909
Banks	4.065.167	4.194.547
Government Securities (Sukuk) (Net)	9.187.463	4.433.230
Loans and Receivables	41.954.904	30.637.193
Financial Leasing Receivables	302.998	243.678
Others	2.735.648	3.171.411
TOTAL ASSETS	68.390.078	51.475.968
LIABILITIES	Current Period	Prior Period
Funds Collected	52.310.034	39.739.200
Funds Borrowed	2.930.790	1.791.598
Subordinated Loans	3.475.476	2.519.419
Securities Issued (Net)	1.852.099	1.375.164
Shareholders' Equity	4.183.865	4.031.266
Others	3.637.814	2.019.321
TOTAL LIABILITIES	68.390.078	51.475.968
INCOME AND EXPENSE ITEMS	Current Period	Prior Period
Profit Share Income	2.559.368	2.409.685
Profit Share Expense	1.303.309	1.944.991
Net Profit Share Income/Expenses	1.256.059	464.694
Net Fees and Commissions Income/Expenses	162.576	223.226
Trading Income/Loss (Net)	148.929	138.542
Other Operating Income	541.389	566.829
Net Operating Income/ (Losses)	187.496	28.993
Tax Provision For Continued Operations (-+)	44.039	8.551
NET PROFIT/LOSSES	159.236	30.459
Earnings Per Share (Full TL)	0,120	0,028

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Information on Interim Report (continued):

2. Message from the Chairman of the Board of Directors:

Dear Stakeholders,

Since the beginning of 2020, the world has been experiencing its biggest health crisis after the Spanish flu. While the coronavirus is at the top of the agenda with the number of cases exceeding 40 million and the number of deaths exceeding 1 million; it also disrupts expectations for the near, middle and distant future. The fact that the second wave started especially in Europe and the fact that there was no significant decrease in the number of cases in the USA, India and Brazil makes it difficult for us to have a prediction about the course of the pandemic. The daily number of new cases, which started to come higher than the first wave, pushed European countries to take action. Some countries have gradually reintroduced their partial quarantine rules. Therefore, it is expected that quarantine rules will be tightened in the coming period. Although countries entered the path of recovery in June, the pace of recovery declined in September. In PMI data that measure the improvement compared to the previous month, it is seen that there is a pullback especially in the service sector. It is obvious that there will be no "V" type growth in a possible serious quarantine. While global central banks continue their balance sheet expansion activities, governments continue with fiscal stimulus packages. While the manufacturing industry is learning to live with the virus, we see a relative increase in capacity utilization rates and economic activities. However, the role of risks and uncertainties in making new investments is one of the factors that reduce growth. The service sector, on the other hand, is experiencing a more difficult process than the manufacturing industry. Especially, the fact that tourism came to a halt put airline companies in a difficult position. In addition, the decrease in the capacity of some places due to social distance is one of the factors that suppress recovery. While the Fed and ECB continue their balance sheet expansion activities, interest rates are not expected to enter an increase path before 2023. While other central banks cut interest rates, they also increased their balance sheets. In light of all this, while Europe and the US are experiencing an unprecedented contraction, a relative recovery is expected in the third quarter.

In Turkey, while there is a contraction level of 10 percent in the second quarter, not a contraction at this level, but a contraction close to zero or a growth close to zero is expected in the third quarter. On the foreign trade side, the drop in exports more than imports negatively affected growth and increased the demand for foreign exchange. Price increases in foreign exchange-driven imported goods had a negative impact on inflation. Before the pandemic, inflation was expected to decline in March and close the year in single or low double digits. However, inflation, which was 11.75 percent in September, is expected to be at these levels for the rest of the year. Therefore, the tightening moves and interest rate increases made by the CBRT since the beginning of August will raise the WAFC at the end of the year. We expect that the increase in interest rates will prevent the increase in the exchange rate. On the other hand 405 billion cubic meters of natural gas which was discovered in the Black Sea in the 3. quarter and revised upwards in October is expected to have a favorable effect on Turkey's balance of payments and the demand to foreign exchange in the coming years. The most important risk affecting the real sector domestically is the size of the second wave in the pandemic. While the real sector confidence index was realized as 105 in September, the fact that the capacity utilization rate realized at 74 percent provides a positive outlook in the manufacturing industry, high levels in the service sector confidence and volume indices have not yet been observed. In this period, the banking sector was one of the stakeholders that positively affected growth by supporting economic activity, especially with the credit mechanism, under the leadership of the public. Our bank acted in line with this trend and achieved growth especially in SME, housing and vehicle areas with many campaigns that encourage funding. During the crisis, it stood by the real sector by showing that the working principles of participation banking are more durable than the traditional banking model and carried out activities that added value to the real economy.

In the coming period, our bank will continue to invest in digitalization, which is the spirit of the times, and prepare for the future world. We, as Albaraka Turk, shall continue to meet financial needs of our customers as it has been in 35 years by increasing the energy needed for our growth with our management team professionalizing more every passing day with the awareness and responsibility of being the first and pioneer Participation Bank of Turkey, our young and dynamic human resource and the organization we have. Our Bank, as it was yesterday, will continue to take firm steps today and tomorrow by expanding its activities with the motto "There Is More" in line with its vision of "Becoming the Best Participation Bank in the World". Our Bank shall continue to be a pioneer in the sector with its employees and stakeholders; and shall serve for sustainable growth and development also in the forthcoming periods. Hereby, I'd like to take this opportunity to thank my colleagues, our customers, shareholders and all our stakeholders for their contribution in our success.

Respectfully Yours,

Adnan Ahmed Yusuf ABDULMALEK
Chairman of the Board of Directors

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Information on Interim Report (continued):

3. Message from the CEO

Dear Precious Stakeholders,

The coronavirus effects that emerged in the first quarter of 2020 are still manifesting themselves, the predictions for when this pandemic period will end are quite different. While the recovery in the general framework gained speed in the third quarter, the recovery rate returns to normal in September. With the increase of cases in Europe, quarantine conditions are brought to the agenda again, while a comprehensive quarantine is not expected as in the first wave. While monetary expansion moves continue on the monetary policy side, expansionary steps on the fiscal policy side are expected to continue to support economic activity. As of June, when the normalization process started in our country, economic activities were revived. Sectors were supported especially through loan growth and economic activity accelerated. In the banking sector, there was a significant loan growth in the third quarter until the beginning of September. This growth will increase profitability in the banking sector and decrease NPL figures in the first stage. In particular, the continued increase in economic activity will provide significant benefits in terms of loan repayments. The loan growth rate started to stabilize due to the updates made in the Asset Ratio and required reserves and the decisions taken by the CBRT and the interest rate increases which are also accompanied by the banks.

We, as Albaraka Turk, continue our contribution to the normalization process by responding quickly to the needs of the real sector, with the awareness of our responsibility. In the last quarter, we increased the limits of our commercial customers and stood by our SMEs with the SME Support Package. On the individual side, we helped many of our customers to buy housing and vehicles. In addition, thanks to our technological infrastructure, we continued to provide uninterrupted service to our customers by ensuring that our head office and branch staff can continue their work from time to time with remote access from anywhere. The importance of digital products and services has once again emerged during the epidemic process. As Albaraka Turk, we continue to support the entrepreneurship ecosystem by reacting urgently and decisively to this global crisis, both with our incubation center and our Venture Capital Investment Funds. We continue our work with the aim of offering all physical branch services in end-to-end digital environments, by catching the developments in the rapidly changing and renewed financial world and investing in the digital banking of the future. We believe that moves that will increase customer satisfaction, especially with applications such as Cash Simple, will carry our Bank forward in terms of digital banking. Our digital bank Insha, which was brought to life with the culture and knowledge gained in Albaraka Garaj, received an investment of ten percent with a valuation of 232 million TL from the firm called "Param", which has an electronic money account. With an investment of 23.2 million TL, Insha will accelerate access to new countries in Europe. In addition, with our experience in this field, we will continue to contribute to the sector in terms of digital banking in the following periods. In September, we were among the investors of the Bilişim Vadisi Venture Capital Investment Fund together with Vakıf Participation Bank in order to support such entrepreneurship practices. This 100 Million TL partnership will create a model that will support start-ups in terms of technology and will be one of the biggest funds in terms of venture capital. On the other hand, we made an important breakthrough in economic research. We broke new ground in participation banking in the field of economic research by sharing daily, weekly and monthly reports, sector and outlook reports with the site named Banknot.

Our Bank which is the Turkey's first participation bank and maintains its goal of becoming the world's best participation bank has prioritized the health of its employees during the epidemic process with an understanding that values people. The practices we carried out in order to ensure that our colleagues with whom we walked together were affected as little as possible from the pandemic were found successful as a result of the inspections carried out by TSI. Being the first bank to receive the TSE "Covid-19 Safe Service Certificate" for its head office building, our Bank serves its employees and customers with an understanding that prioritize health.

With the projects and progresses we have performed in accordance with the goal of "Being the Best Participation Bank of the World" we are continuing to show efforts to offer the best banking experience to our customers. As Albaraka Turk, with all our activities we have developed and increased in every field, we will continue our efforts diligently and devotedly in order for the participation banking in our country to reach its 2023 targets. I would like to express my warmest thanks to all our stakeholders who have not begrudged their contribution and supports in our efforts awarded with trust and support of our Customers.

Respectfully Yours,

Melikşah UTKU
Board Member and CEO

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Information on Interim Report (continued):

4. Activities in the Third Quarter of 2020:

- In the first nine months of 2020, our total assets have actualized as TL 68.390.078.
- In the first nine months of 2020, the funds our Bank has collected through “Special Current Accounts” and “Participation to Profit and Loss Accounts” has been TL 52.310.034 as of September 30, 2020.
- Participation accounts has been actualized TL 30.493.250 as of third quarter of 2020. Our Bank’s Fund Collecting Activities are carried out through our branches, our bank’s branches throughout the country and correspondent banks abroad.

TL and USD Equivalent	Current Period		Prior Period		Change (%)	
	TL Equivalent	USD Equivalent	TL Equivalent	USD Equivalent	TL	USD
TL Funds	16.531.284	2.138.035	14.672.926	2.475.190	12,67	(13,62)
Current Accounts	5.161.247	667.518	4.198.929	708.321	22,92	(5,76)
Participation Accounts	11.370.037	1.470.517	10.473.997	1.766.869	8,55	(16,77)
FC Funds	35.778.750	4.627.360	25.066.274	4.228.454	42,74	9,43
Current Accounts	16.655.537	2.154.104	9.696.065	1.635.639	71,78	31,70
Participation Accounts	19.123.213	2.473.256	15.370.209	2.592.815	24,42	(4,61)
TOTAL	52.310.034	6.765.395	39.739.200	6.703.644	31,63	0,92

TL and USD Equivalent	Current Period		Prior Period		Change (%)	
	TL Equivalent	USD Equivalent	TL Equivalent	USD Equivalent	TL	USD
Credits (*)	40.326.717	5.215.561	28.659.148	4.834.539	40,71	7,88
Non-performing Loans	1.931.185	249.765	2.221.723	374.785	(13,08)	(33,36)
Provisions	(1.062.011)	(137.353)	(946.631)	(159.688)	12,19	(13,99)
TOTAL	41.195.891	5.327.973	29.934.240	5.049.636	37,62	5,51

(*) Financial Leasing Receivables included.

The currency used in the preparation of the tables are as follows;

Balance Sheet Period	USD/TL
As of September 30, 2020	7,732
As of December 31, 2019	5,928

5. Evaluation on Financial Status, Profitability and Solvency:

- Our operating income has been TL 2.108.953.
- Our net profit share income has been TL 1.256.059, increasing by 170,30 %, and, net fees and commission revenues have been TL 162.576.
- Our net profit has been TL 159.236 for the first nine months of the year.
- As of September 30, 2020, our capital adequacy ratio is actualized as 16,12%, over the minimum ratio.

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Information on Interim Report (continued):

6. Announcements regarding important developments during January 1, 2020 - September 30, 2020 period:

- In the material event disclosure dated on 30.10.2019, it was announced that with the decision taken at the board of directors meeting on October 30, 2019, the General Directorate has been authorized in order to issue additional core capital lease certificates (sukuk) outside of Turkey. The sukuk is up to \$ 50 million or equivalent of other currencies (up to \$ 100M or equivalent with a new board decision) and can be sold to qualified investors and/or by private placement method or both method together. The type, maturity and return of the sukuk will be determined according to the market conditions at the date of issue. Within the scope of the relevant studies and processes, applications were submitted for the opinions and approvals of the Banking Regulation and Supervision Agency.
- Mr. Wasim Ahmet Abdul Wahab, who joined the Board of Directors of our Bank in 2019, resigned from his post as a board member.
- The Articles of Association Amendment Text has been approved by the Capital Markets Board regarding the increase of the paid-in capital of our Bank from 900.000.000 TL to 1.350.000.000 TL by increasing 50% by paying all of it in cash (rights issue).
- Mr.Nevzat Bayraktar, Assistant General Manager, has resigned from his position as of 14.02.2020.
- Capital Markets Board has approved the increase of the paid-in capital of our Bank from 900.000.000 TL to 1.350.000.000 TL by increasing 50% by paying all of it in cash(rights issue), and other necessary procedures have been completed. The new form of article 7 titled Bank's Capital of article of associations was registered by Trade Registry Office on 19.02.2020 and was announced on Turkey Trade Registry Gazette numbered 10023 on 25 February 2020.
- The credit rating service agreement between JCR Avrasya Rating A.Ş. (JCR Eurasia Rating) and our Company has been terminated mutually upon the request of our Bank. In addition we will receive a national credit rating service from the National Investor Services Rating company.
- The Corporate Governance Compliance Rating service contract between JCR Avrasya Rating A.Ş. (JCR Eurasia Rating) and our Company has been mutually terminated at the request of our bank. In addition, the Bank has signed an agreement with the National Investor Services Rating Corporation. The period of new contract is one year and will be valid between 03.03.2020 - 03.03.2021. The validity of the grading note taken based on the previous contract will expire on 11/07/2020.

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Information on Interim Report (continued):

- As announced in Public Disclosure Platform on February 19, 2020, our Bank's Ordinary General Meeting of Shareholders of was held on March 26, 2020 with the following agenda:

AGENDA:

1. Inauguration; formation of Presiding Council.
2. Authorizing the Presiding Council to sign the general assembly minutes of meeting.
3. Reading and discussing the Annual Report of the BoD about the fiscal year 2019.
4. Reading and discussing Auditor reports.
5. Reading, discussing and approving the Financial Statements.
6. Acquitting the Members of the BoD.
7. Discussing the BoD proposal about the utilization and distribution of the annual profit and dividends (ratios of sharing).
8. Discussing the fiscal rights and benefits of the Board members such as salary & wages, per diems, bonus & premiums and alike.
9. Electing new members for the BoD, as the offices of our current directors will expire; and determining their new terms of office.
10. Electing the Auditor.
11. In accordance with the Communiqué on Compliance with Principles and Standards of Participation Banking, submitting the Participation Banking Consultancy Committee members appointed by the Board of Directors for the approval of the General Assembly.
12. Permitting members of the BoD with respect to articles 395 and 396 of Turkish Commercial Code.
13. Authorizing the the Board of Directors within the framework of the paragraph 10 of the article 6 of the Regulation on Procedures and Principles regarding Acceptance and Withdrawal of Deposits and Participation Funds and Any Deposit, Participation Fund, The Bailed Goods and Receivable That Have Been Subjected to Prescription.
14. Approving within the scope of the article 19/2 of Regulation on Procedures and Principles for Classification of Loans and Provisions to be Set Aside.
15. Presenting information to shareholders on the subjects held in Capital Markets Board (CMB) Corporate Governance Communiqué principle no. 1.3.6
16. Presenting information to General Assembly about operations effected in scope of the Buy-back Program for bank's own shares in 2019,
17. Presenting information to General Assembly about donations made by bank in 2019,
18. Remarks and requests.

You may find Information Document, Profit Distribution Table, Minutes and Resolutions regarding Ordinary General Meeting of Shareholders held on March 26, 2020 from Albaraka Türk website Investor Relations section from following link:

<https://www.albaraka.com.tr/en/general-assembly-information-document.aspx>

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Information on Interim Report (continued):

- In the General Assembly Meeting held on 26.03.2020, it was decided to determine the number of members of the board of directors as 11, including the General Manager, who is the natural member of the board of directors and the term of the elected board members as 3 years. Apart from the General Manager, who is the natural member of the board of directors, 10 members of the board of directors, Mr. Adnan Ahmed Yusuf Abdulmalek, Mr. Mustafa Büyükabacı, Mr. İbrahim Fayez Humaid Alshamsi, Mr. Kemal Varol, Mr. Süleyman Kalkan, Mr. Mohamed Ali Chattı, Mr. Mehmet Ali Gökce, Mr. Housseem Ben Haj Amor, Mr. Tawfig Shaker M. Mutfi, Mr. Ghassan Ahmed M. Amodi were appointed as board member. From these Members; Mr. Süleyman Kalkan, Mr. Mohamed Ali Chattı, Mr. Mehmet Ali Gökce and Mr. Ghassan Ahmed M. Amodi were appointed as independent board members.
- At the General Assembly Meeting held on 26.03.2020, Güney Bağımsız Denetim ve SMMM A.Ş. was selected as an independent audit firm/auditor.
- The registration process of the decisions of the Ordinary General Assembly Meeting held on 26 March 2020 has been completed by the Istanbul Chamber of Commerce on 8 April 2020.
- In the report of National Investors Rating dated 05/06/2020, our Bank's CMB Corporate Governance Principles Compliance Rating Score was determined as 9.09.
- Within the frame of the Buyback Program accepted at the Ordinary General Assembly Meeting held on 25.03.2015. A total of 9,211,341 sales of the repurchased Albaraka Türk Katılım Bankası A.Ş.'s shares in the price range of 1.58-1.60 were carried out by our partnership. With this transaction, our company's share in Albaraka Türk Katılım Bankası A.Ş. capital decreased to 0.00%.
- The National Investor Services Rating company has affirmed our Bank's National Credit Rating as A+(tr)/A1(tr) and the outlook as Stable.
- Islamic International Rating Agency (IIRA) has affirmed our Bank's International Foreign Currency Credit Rating at BB+/A3, the International Local Currency Credit Rating at BBB-/A3 and the outlook as negative.
- Within the scope of the decisions taken by our bank's board of directors, the following matters have been decided; Hasan ALTUNDAĞ has been appointed as the Assistant General Manager responsible for sales, and Mehmet Fatih YORULMAZ has been appointed as the Assistant General Manager in charge of Marketing; the Ombudsman structure will be established and will operate directly under the General Director; the Strategic Planning Unit and the Chief Economist Unit will be merged and a new unit, called the Strategic Planning and Economic Research Unit, will operate directly under the General Manager; by merging the Construction and Real Estate Unit and the Administrative Affairs Unit, a new directorate called the Administrative Affairs and Purchasing Unit will continue to operate under the business line of the above-mentioned two directorates.
- It has been decided to appoint Ms. Yasemin Aydın, our Bank's Digital Channels and Payment Systems Development Manager, as the Director responsible for Digital Channels and Payment Systems Development Department, Payment Systems Operations Manager and Call Center Management, and Mr. Mehmet Uludağ, Commercial and SME Sales Manager, as the Director responsible for the Ombudsman structure.
- It was decided to establish a new company by the Innovation Venture Capital Investment Fund under Albaraka Pörföy Management A.Ş. in order to explore new business areas in the finance industry, transform these business areas into fintechs and develop new income models; and it was decided to change the name of the Sustainability and Social Responsibility Committee to the Sustainability Committee.
- Pursuant to the "Lease Certificates Communiqué" numbered III-61.1 of the Capital Markets Board, it was decided to establish a Special Purpose Vehicle Company with the title of Value Special Purpose Vehicle with a capital of TL 50,000, in accordance with national regulations in order to realize the lease certificate of corporate customers.
- Due to the fact that the asset ratio of our Bank is below the rate determined in the decision of the Banking Regulation and Supervision Agency dated 18.04.2020 and numbered 9000, it has been decided to impose an administrative fine of 20,638,020 TL on our bank. The said Administrative fine

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will be paid using a 25% discount in advance payment in accordance with the relevant legislation, without prejudice to our legal rights.

- Our Bank's Sustainability Report for 2019 has been published in the attachment. The Turkish and English Sustainability Reports can be found on our website <https://www.albaraka.com.tr/>.
- The Capital Markets Board has given an appropriate opinion on the text of the articles of association prepared for the establishment of Value Special Purpose Vehicle Company by Albaraka Türk Katılım Bankası A.Ş.
- All of the shares of our subsidiary Albaraka Teknoloji Bilişim Sistemleri ve Paz. Tic. A.Ş. was sold to the Innovation Venture Capital Investment Fund under Albaraka Portföy Yönetimi A.Ş.
- Within the scope of the decision taken by our Bank's board of directors, it has been decided to make a commitment of up to 35.000.000 TL (Thirty Five Million Turkish lira) for the purchase of the shares of the Bilişim Vadisi Venture Capital Investment Fund which will be founded and managed by our subsidiary Albaraka Portföy Yönetimi A.Ş.
- The issues that took place during the period January 1, 2020 - September 30, 2020 were announced to the public and uploaded to the Public Disclosure Platform as notifications. All of these announcements are shared in the Investor Relations section of the Albaraka Türk website.
<https://www.albaraka.com.tr/ozel-durum-aciklamalari.aspx>