Corporate Credit Rating

☐New ☒Update

Sector: Intermediary Institutions
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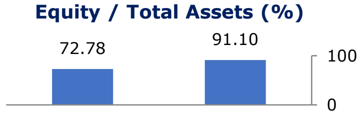
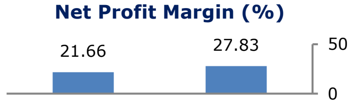
		Long Term	Short Term
ICRs (Issuer Credit Rating Profile)	National ICR	AAA (tr)	J1+ (tr)
	National ICR Outlooks	Stable	Stable
	International FC ICR	BB	-
	International FC ICR Outlooks	Stable	-
	International LC ICR	BB	-
	International LC ICR Outlooks	Stable	-
ISRs (Issue Specific Rating Profile)	National ISR	-	-
	International FC ISR	-	-
	International LC ISR	-	-
Sovereign*	Foreign Currency	BB (Stable)	-
	Local Currency	BB (Stable)	-

** Assigned by JCR on May 10, 2024*

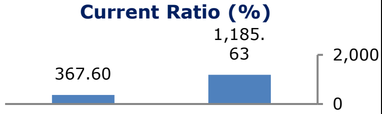
Equity / Total Assets (%)



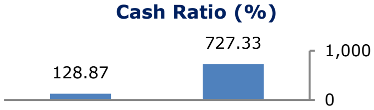
Net Profit Margin (%)



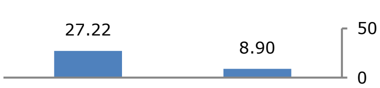
Current Ratio (%)



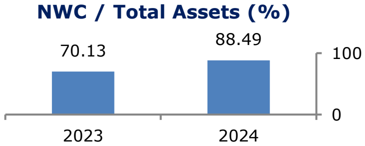
Cash Ratio (%)



Leverage Ratio (%)



NWC / Total Assets (%)



GARANTİ YATIRIM MENKUL KIYMETLER A.Ş.

JCR Eurasia Rating has evaluated the consolidated structure of **"Garanti Yatırım Menkul Kıymetler A.Ş."** in the investment level category with highest credit quality and affirmed the Long-Term National Issuer Credit Rating at **'AAA (tr)'** and the Short-Term National Issuer Credit Rating at **'J1+ (tr)'** with **'Stable'** outlooks. The Long-Term International Foreign and Local Currency ratings and outlooks were also determined as **'BB/Stable'** as parallel to sovereign ratings and outlooks of the Republic of Türkiye.

Garanti Yatırım Menkul Kıymetler A.Ş. (hereinafter referred to as **"Garanti Yatırım"** or **"the Company"** or **"the Group"**) was established on September 24, 1987, with an initial issued capital of TRY 1,000 under the name Döviz İşlem ve Ticaret Merkezi A.Ş., primarily for foreign currency transactions. On May 27, 1991, it was renamed Birleşik Menkul Kıymetler A.Ş., and its issued capital increased to TRY 10,000. At the same time, its business focus shifted to acting as an intermediary in transactions involving marketable securities and similar instruments in compliance with the Capital Market Law No. 6362 and related regulations of the Capital Markets Board of Türkiye (CMB).

Subsequently, the Company was renamed Garanti Menkul Yatırım Kıymetler A.Ş. on October 9, 1991, and later became Garanti Yatırım Menkul Kıymetler A.Ş. on July 26, 1999. Following the CMB's decision during meeting No. 35 on December 17, 2015, Garanti Yatırım's operating license was renewed, authorizing it to provide investment services and activities as a broadly authorized intermediary institution under the provisions of the "Communique on Principles of Investment Services and Activities and Ancillary Services" (III-37.1). The Broadly Authorized Intermediary Institution certificate was issued on January 22, 2016.

As of FYE2024, Garanti Yatırım employed 288 staff members (FYE2023: 284) and operated alongside its subsidiary, "Garanti Yatırım Ortaklığı A.Ş.". Garanti Yatırım is wholly owned by **Garanti Bankası A.Ş.** ("Garanti Bank" or "Garanti BBVA"), Türkiye's second-largest private bank. Established in 1946, Garanti BBVA reported consolidated assets of approximately TRY 3.50tr as of 1Q2025.

Key rating drivers, as strengths and constraints, are provided below.

Strengths	Constraints
• Improvement in profitability indicators, despite decrease in revenue in FY2024, • Strong capital adequacy base above legal requirements, • The advantages of operating as a subsidiary of a bank and leveraging the extensive nationwide branch network of Garanti BBVA, the parent company, to facilitate sustainable revenue generation, • Level of collaterals of common stocks supporting receivables portfolio, • A comprehensive range of services as a widely authorized intermediary institution, along with a strong position in the market, • Deep-rooted operating history as a group dating back to 1990s promoting its market perception, • Compliance regarding corporate governance implementations.	• Intensity of competition in Turkish capital markets, • Vulnerable nature of risk appetite and capital flows in emerging markets, • Uncertainty due to the nature of the investment processes, intricate and structured products increasing the risk levels and operational risks.

Considering the aforementioned points, the Group's Long-Term National Issuer Credit Rating has been affirmed at **'AAA (tr)'**. The Group's upward trend in profitability, strong funding and equity structure, the Group synergy and strong shareholder structure as well as sectoral concentration risk and existing risks in the markets and business environment have been evaluated as important indicators for the stability of the ratings and the outlooks for Long and Short-Term National Issuer Credit Ratings are determined as **'Stable'**. The Group's financial structure and operations in next years, attainability of the Group's budgeted projections, global macroeconomic environment and the impact of the decisions taken by the regulatory authorities on the sector will be closely monitored by JCR Eurasia Rating in the upcoming periods. The macroeconomic indicators in national and international markets, as well as market conditions and legal framework about the sector will be monitored as well.