



# 1Q23 EARNINGS PRESENTATION

Based on BRSA Unconsolidated Financials

April 27<sup>th</sup>, 2023

# TURKISH ECONOMY

*Uncertainty remains high due to upcoming* **ELECTIONS & IMPACT FROM EARTHQUAKES**

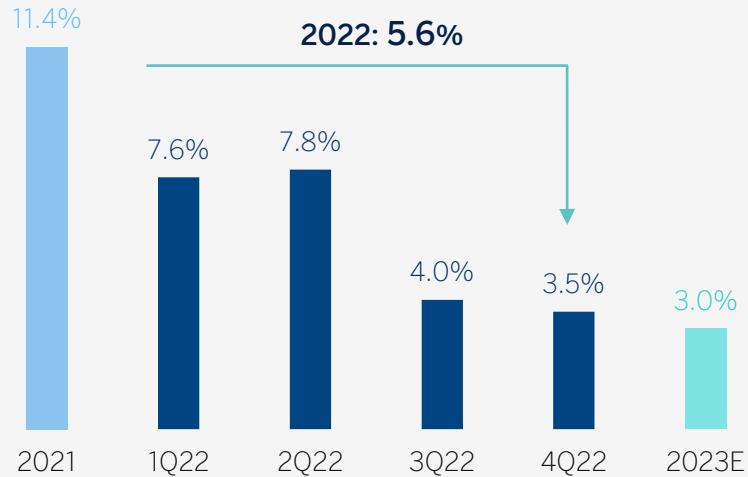
**ECONOMIC ACTIVITY** *is backed by*  
**FISCAL EXPANSION & SUPPORTIVE GLOBAL OUTLOOK**

**SLOW-DOWN IN INFLATION MIGHT BE LIMITED** *in the rest of the year after elections*

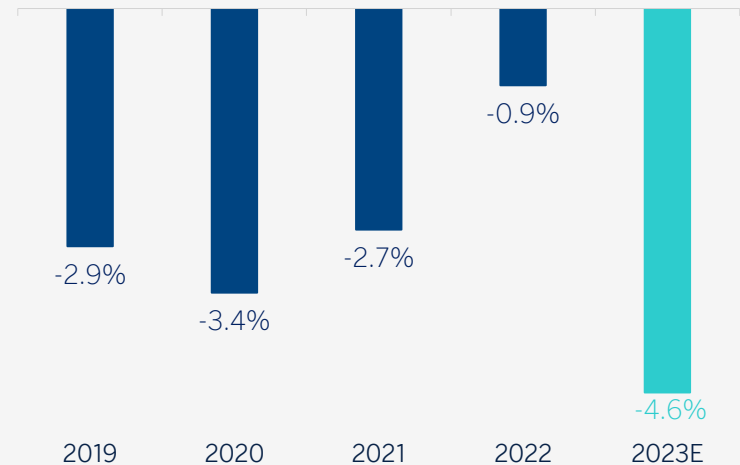


# GROWTH MOMENTUM REMAINS STRONG

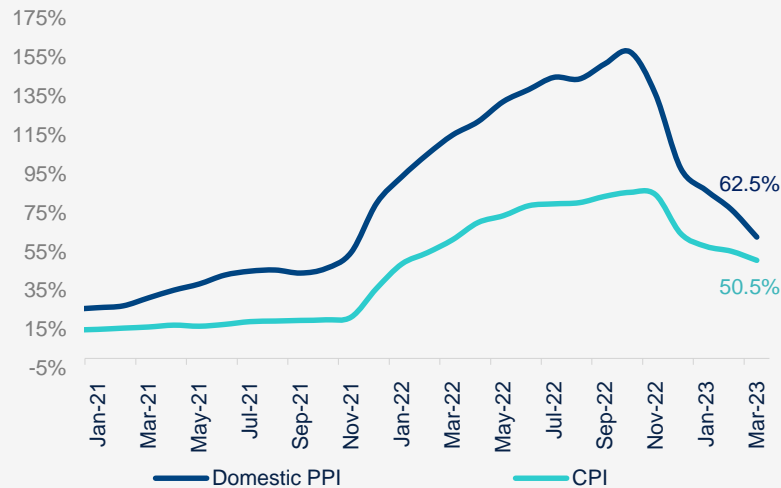
## GDP GROWTH (YoY)



## CG BUDGET BALANCE / GDP (year end)



## CONSUMER & PRODUCER INFLATION (YoY)



- Despite the negative impact from the devastating earthquakes, **fiscal expansion and supportive global growth outlook** help economic activity to run near its potential. **We maintain our 2023 GDP forecast at 3%.**
- Strong consumption, continuing cost push factors and supply disruptions in the quake region keep **upside risks on the inflation outlook.**
- **While direct impact on exports** due to the quakes might be limited, **reconstruction efforts will add pressure on the balance of payments.** We expect the CAD to reach 3.5% of GDP in 2023.
- **Budget deficit (2.6% of GDP in March) remains under control** despite expectations of a fast expansion.

# 1Q23 FINANCIAL RESULTS

*STRATEGICALLY MANAGED*  
LENDING GROWTH

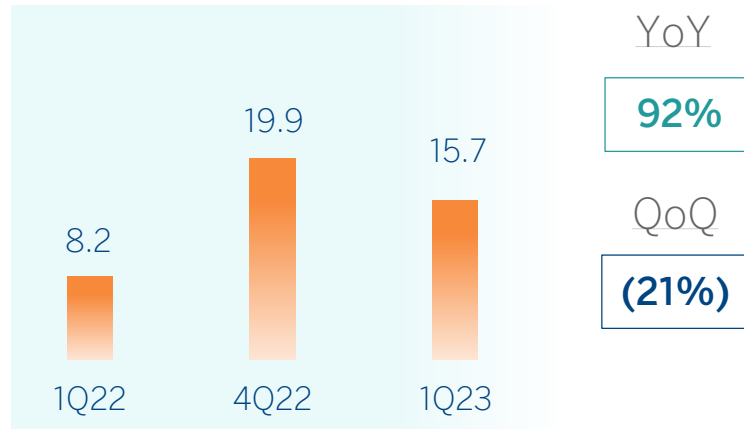
SUSTAINED IMPROVEMENT IN  
*CORE BANKING REVENUES*

NET COR *IN-LINE W/ GUIDANCE*  
*EVEN AFTER EARTHQUAKE*  
*RELATED IMPACTS*

CAPITAL *REMAINS STRONG*

# RESILIENT EARNINGS OUTPERFORMANCE AND IMPROVING CORE REVENUES EVEN IN A CHALLENGING REGULATORY ENVIRONMENT

## NET INCOME (QUARTERLY, TL bn)



## PERFORMANCE IN LINE WITH GUIDANCE

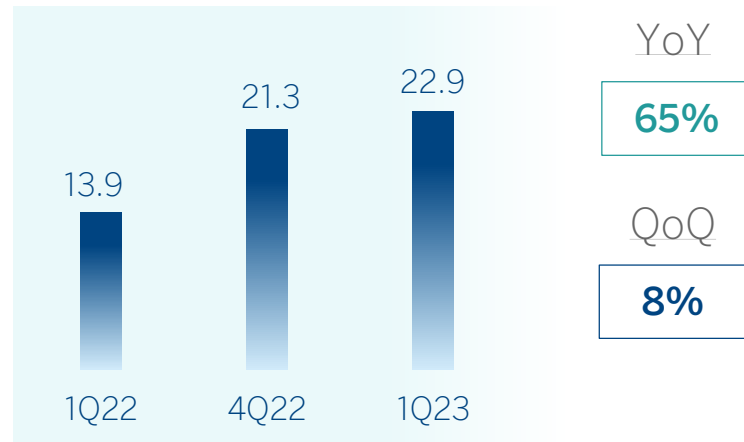
**1.6X YoY**  
**Core NII growth**  
 (incl. Swap excl. CPI income)

**2.1X YoY**  
**Fee & Comm. growth**

**2.4X YoY**  
**Subsidiary Income growth**

**OPEX growth** in line &  
 will converge to guidance by  
 year-end

## CORE BANKING REVENUE<sup>1</sup> (QUARTERLY, TL bn)



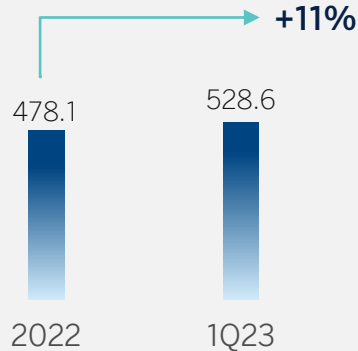
<sup>1</sup> Includes NII inc. swap exc. CPI, net fees and commissions, subsidiary income and net trading income exc. currency hedge and swap

# DISCIPLINED CAPITAL ALLOCATION ENSURES SUSTAINABLE...

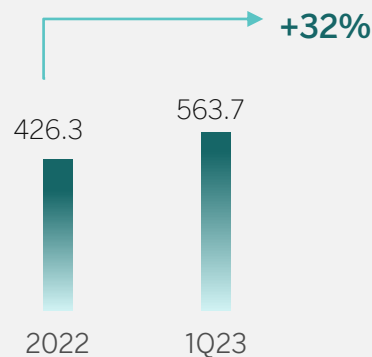
## GROWTH

Strategically managed loan growth and high quality funding

### TL PERFORMING LOANS (in TL bn)



### TL CUST. DEPOSITS (in TL bn)

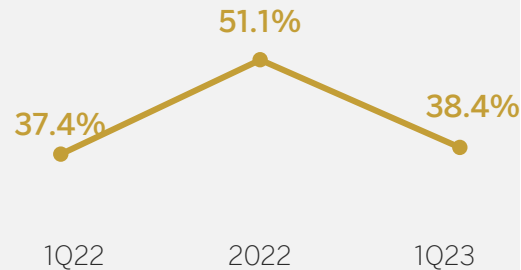


#1 in TL CUSTOMER DEPOSITS<sup>1</sup>

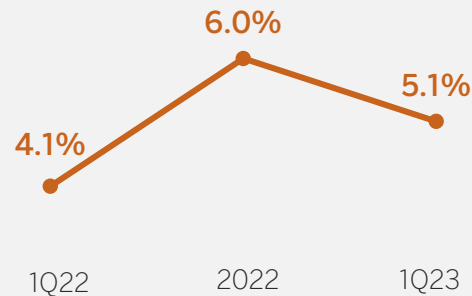
## PROFITABILITY

High RoE with low leverage suggests rock-solid balance sheet management

### ROAE



### ROAA



### LEVERAGE

6.5x

## STRENGTH

Liquid, highly provisioned & well capitalized

### LOAN-TO-CUST. DEPOSIT

TL: 94%, FC: 56%

### TOTAL COVERAGE RATIO

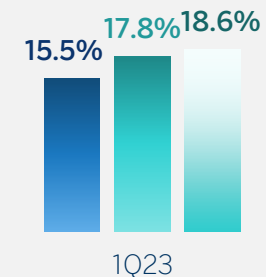
5.1% vs. NPL ratio: 2.4%

### TOTAL FREE PROVISIONS on B/S

TL 8.0bn

### CAPITAL RATIOS\*

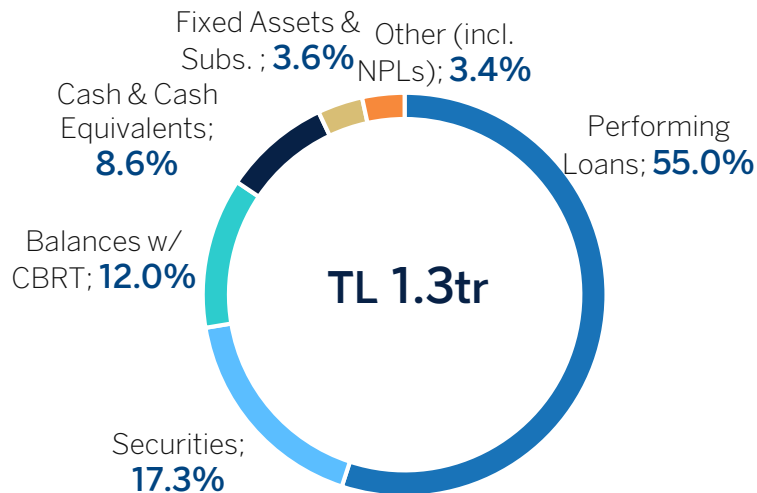
■ CET1 ■ CAR ■ CAR inc free prov.



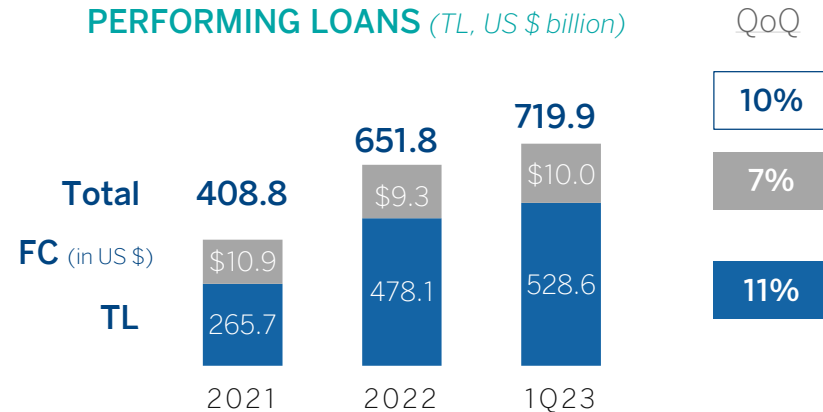
\*without BRSA's forbearance

# ASSET MIX CONTINUES TO BE CUSTOMER ORIENTED, INCREASE IN SECURITIES' WEIGHT LARGELY ATTRIBUTABLE TO THE REGULATIONS

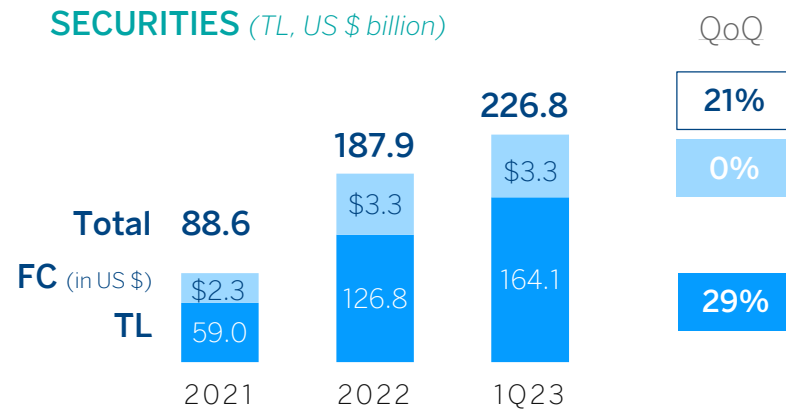
## ASSET BREAKDOWN



## PERFORMING LOANS (TL, US \$ billion)



## SECURITIES (TL, US \$ billion)



Asset growth **strategically managed**

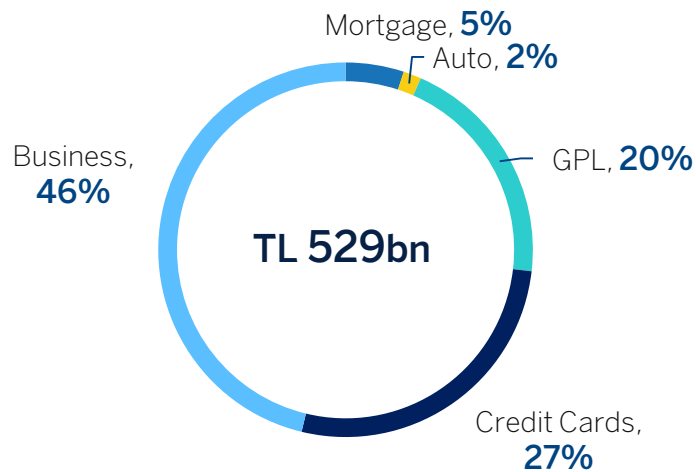
**Export loan driven** FC loan growth with attractive spreads

**TL securities' increase** in the quarter stems from regulatory requirements

# OUR STRATEGICALLY MANAGED LOAN GROWTH TARGET IN LIGHT OF THE REGULATORY FRAMEWORK LED TO SLOWDOWN IN LENDING

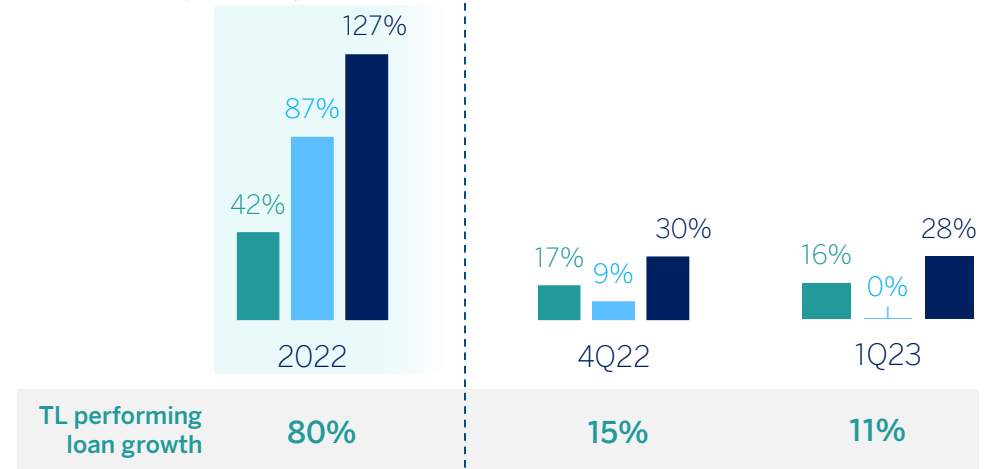
## TL PERFORMING LOAN BREAKDOWN

(73% of total performing loans)



## TL PERFORMING LOAN GROWTH

■ Consumer (exc. CCs) ■ TL Business ■ Credit Cards



## MARKET SHARE

(among private comm'l banks)

	2022	1Q23
TL loans	19.7%	19.5%
TL Business	18.4%	17.5%
SME loans	20.5%	20.2% <sup>1</sup>
Consumer (excl. CCs)	19.9%	20.0%
Consumer GPL	18.7%	18.7%
Credit Cards	22.9%	23.3%

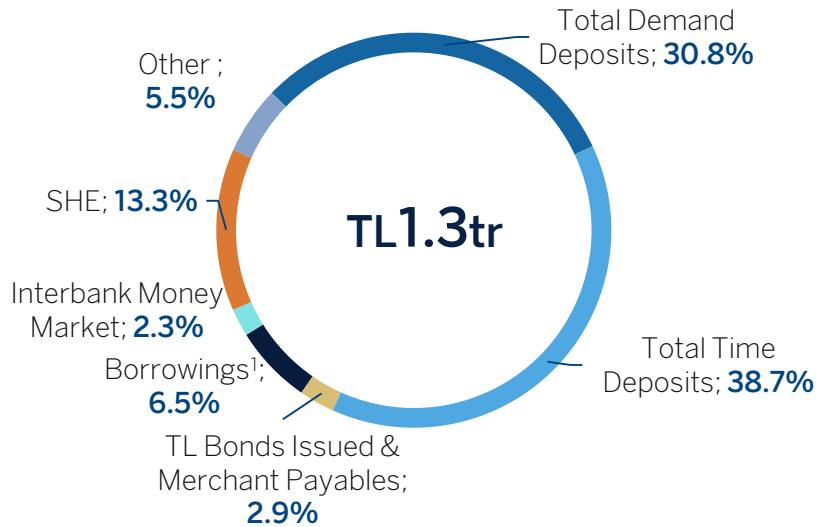
<sup>1</sup> As of February, per BRSA defined SME loans

- **Leading position** in TL loans, Consumer loans and Acquiring & Issuing volumes among private banks
- New consumer loan originations remained strong with **maintained focus on rational pricing**
- Salary customers share in outstanding GPL volume: 43%



# HIGHLY LIQUID & ACTIVELY MANAGED FUNDING PORTFOLIO

## LIABILITIES & SHE BREAKDOWN



LOW LEVERAGE

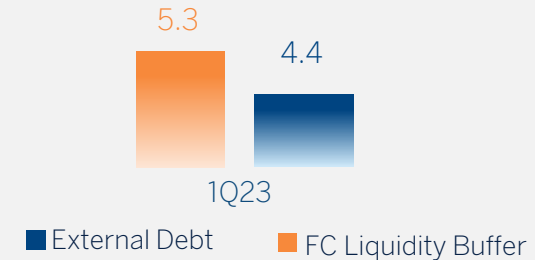
6.5x

FREE FUNDS / avg. IEAs<sup>3</sup>

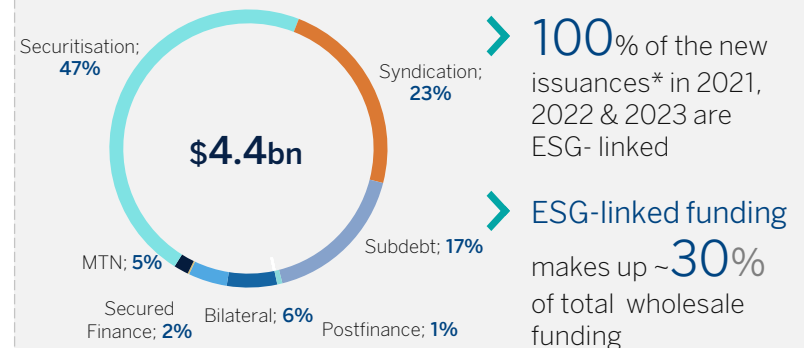
37%

## EXTERNAL DEBT VS. FC QUICK LIQUIDITY<sup>2</sup>

(US\$ bn)



## WHOLESALE FUNDING BREAKDOWN



<sup>1</sup> Includes funds borrowed, sub-debt & FC securities issued

<sup>2</sup> FC Liquidity Buffer includes FC reserves under ROM, swaps, money market placements, CBRT eligible unencumbered securities

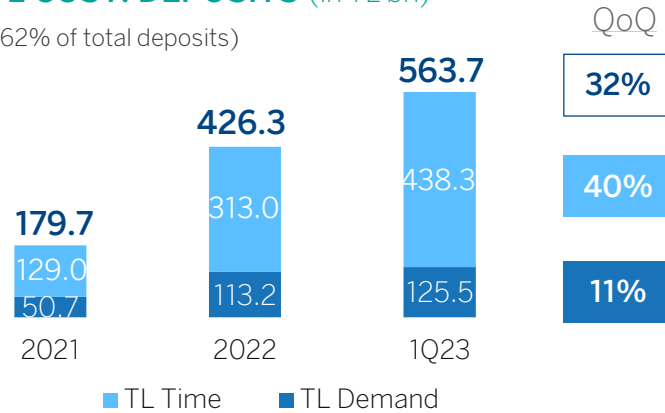
<sup>3</sup> Free Funds=SHE-Reserve Requirement-Net NPL-Subsidiaries-Fixed Assets + Demand Deposits.

\*Excludes secured finance transactions and MTN issuance.

# ACCELERATED INCREASE IN TL DEPOSIT BASE IS OWED TO ADDITIONAL REGULATIONS INCENTIVIZING LIRAIZATION

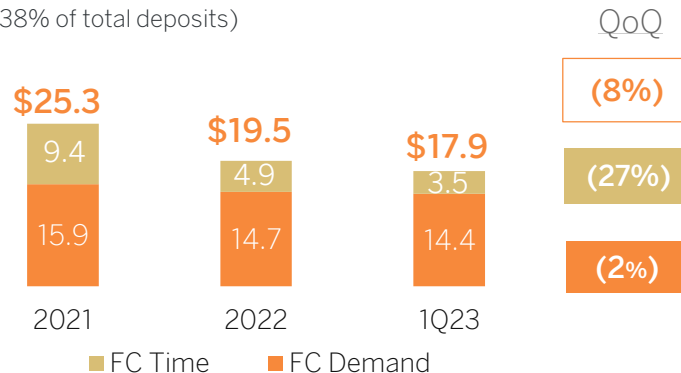
## TL CUST. DEPOSITS (in TL bn)

(62% of total deposits)



## FC CUST. DEPOSITS (in US\$ bn)

(38% of total deposits)



## STRONG ZERO-COST DEMAND DEPOSIT BASE

44%

Cust. demand deposits share in total

TL DEMAND DEPOSITS / TL CUST. DEPOSITS

22%

vs. private banks avg 20%

FC DEMAND DEPOSITS / FC CUST. DEPOSITS

80%

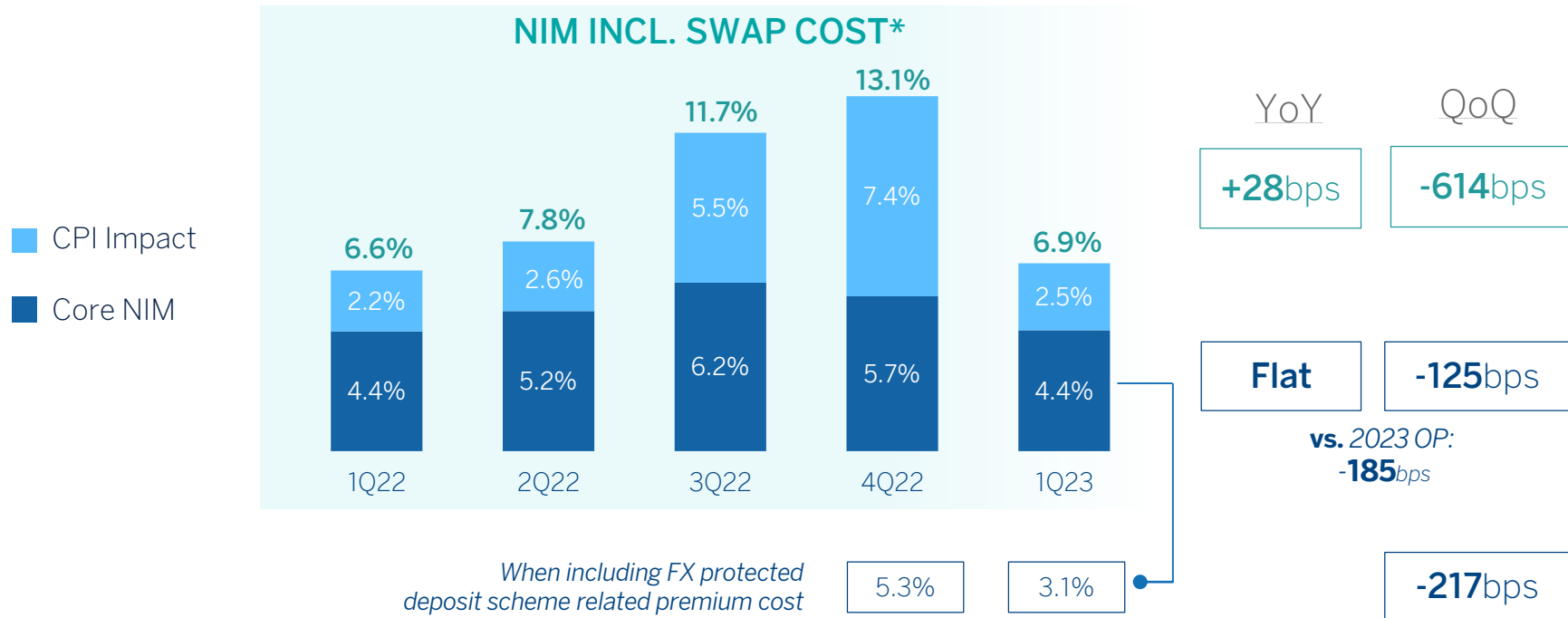
vs. private banks avg 67%

Note: Sector data is based on BRSA weekly data, for private banks only

**Highest TL demand deposit base** (among private banks as of Dec'22)  
**1.7% market share gain** in TL deposits, **TL LtD ratio fell below 100%**  
**Stickier** and **low-cost** deposit base supports margin performance

# ANTICIPATED MARGIN DROP FROM THE PEAK

WITH REGULATORY PRICE CAPS ON LENDING AND THE REMOVAL OF THE CAP ON THE FC PROTECTED DEPOSITS



- > Quarterly drop in Core NIM mainly due to the **regulatory price cap on TL commercial loans** and the related **decline in originations**.
- > High quality and **strategically managed TL lending** growth
- > **Well-managed TL Time deposit cost** due to diligent pricing

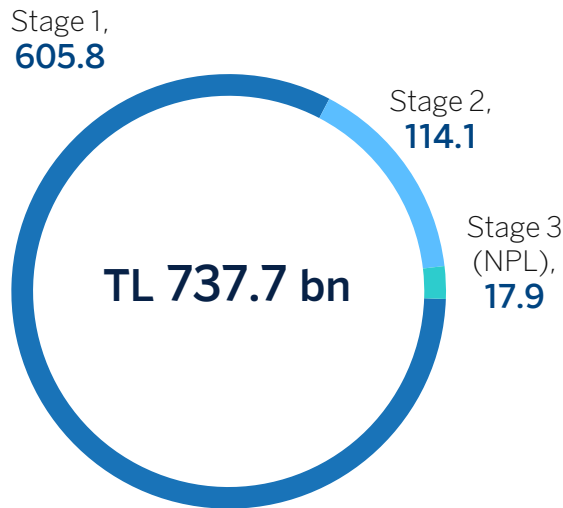
CPI est.  
used in  
valuation  
**35%**

# CONTINUED TO PRUDENTLY INCREASE PROVISIONS

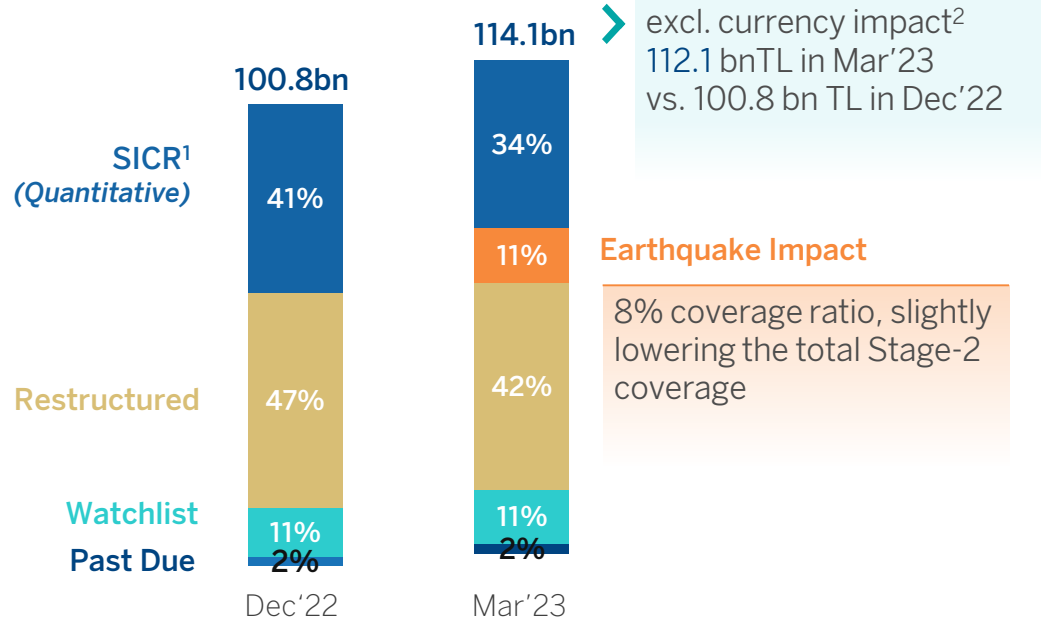
## MAINLY FOR THE PORTFOLIO AFFECTED BY THE DEVASTATING EARTHQUAKES

### LOAN PORTFOLIO BREAKDOWN

(TL Billion)



### STAGE-2 BREAKDOWN



15.5%

Stage-2 Share in Gross Loans vs. 15.1% in Dec'22

18.8%

Stage-2 Coverage vs. 20.0% in Dec'22

Stage-2 Total portfolio FC coverage **29%**; TL coverage: **9%**

93%

of the SICR Portfolio is non-delinquent

**Only 1%** of the 1Q22 SICR portfolio ended up in NPL in 1Q23

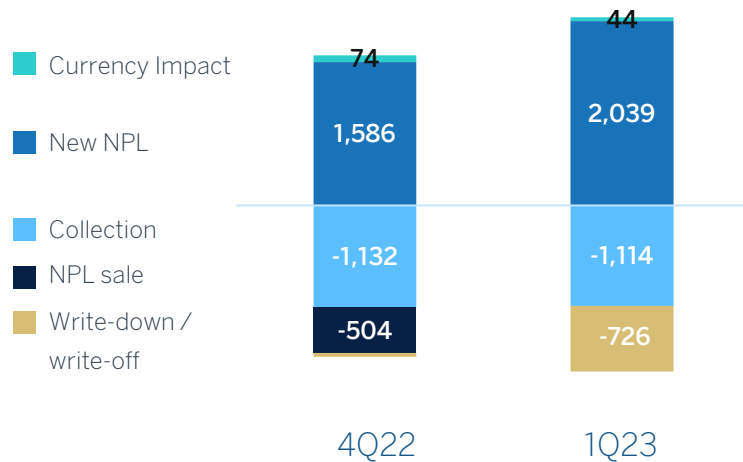
<sup>1</sup> SICR: Significant Increase in Credit Risk per our threshold for Probability of Default (PD) changes  
<sup>2</sup> 2022 balance sheet FX rates are taken into account when calculating Stage 2 base for December 2022 & March 2023

# STRONG RECOVERIES AND AN IMPROVING NPL RATIO, YET NO EASE IN PROVISIONING

## NPL EVOLUTION

(TL million)

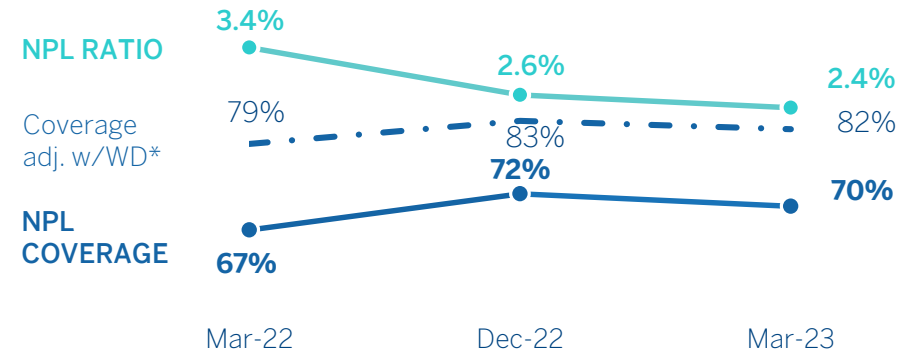
Net New NPL <i>Adj. w/ curr. impact, NPL sales &amp; write-downs</i>	454	925
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NPL (nominal TL bn)	17.6	17.9
NPL (adj. w /WD)	28.1	29.1

## NPL & COVERAGE RATIOS

(%)

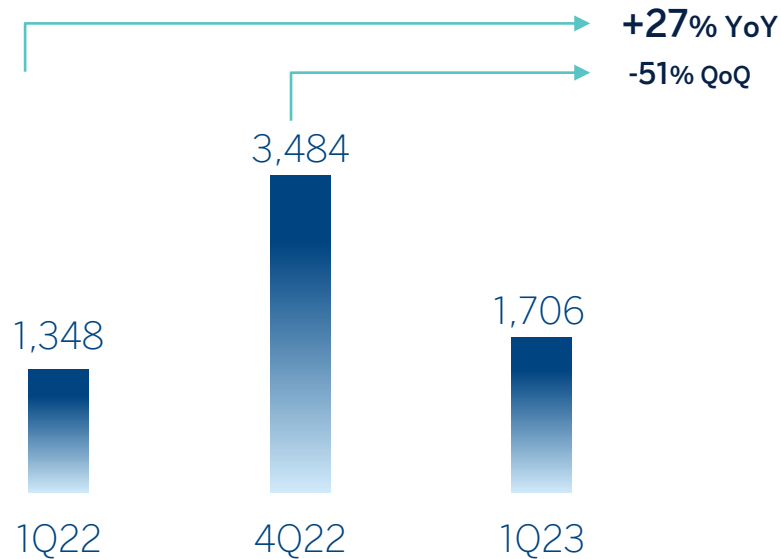


Total Provisions (TL bn)

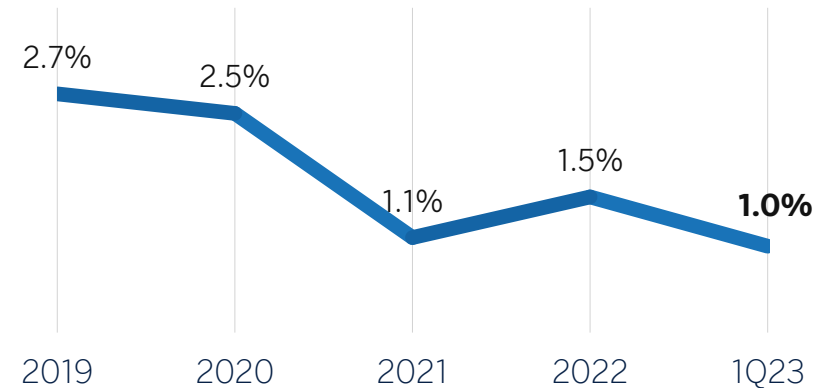
28.9	36.6	37.6
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# NET COR FARING IN LINE WITH GUIDANCE EVEN AFTER EARTHQUAKE RELATED ADDITIONAL PROVISIONS

NET PROVISIONS excl. CURRENCY (TL bn)



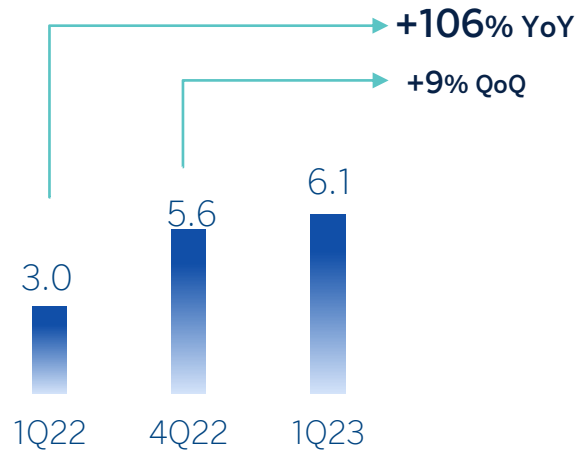
NET CoR TREND excl. CURRENCY\*



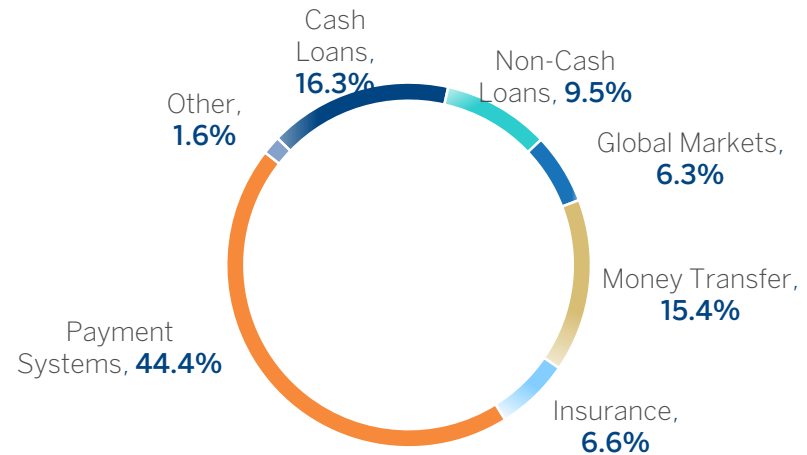
- > Currency depreciation impact: 44bps\*  
No impact on bottom line as it is 100% hedged
- > Earthquake-related prudent provisioning impact: 80bps

# SUSTAINED FEE GENERATION CAPABILITY OWED TO STRENGTH IN RELATIONSHIP BANKING & DIGITAL EMPOWERMENT

## NET FEES & COMMISSIONS (TL bn)



## NET F&C BREAKDOWN<sup>1</sup>



## OUTSTANDING FEE BASE

diversified fee sources - expanding customer base - increasing penetration

+110% YoY

Money Transfer

#1 in Money Transfer fees<sup>2</sup>

+114% YoY

Cash & Non-Cash Loans

+102% YoY

Payment System

#1 in Acquiring & Issuing Volume

<sup>1</sup> Net Fees&Comm. breakdown is based on bank-only MIS data.

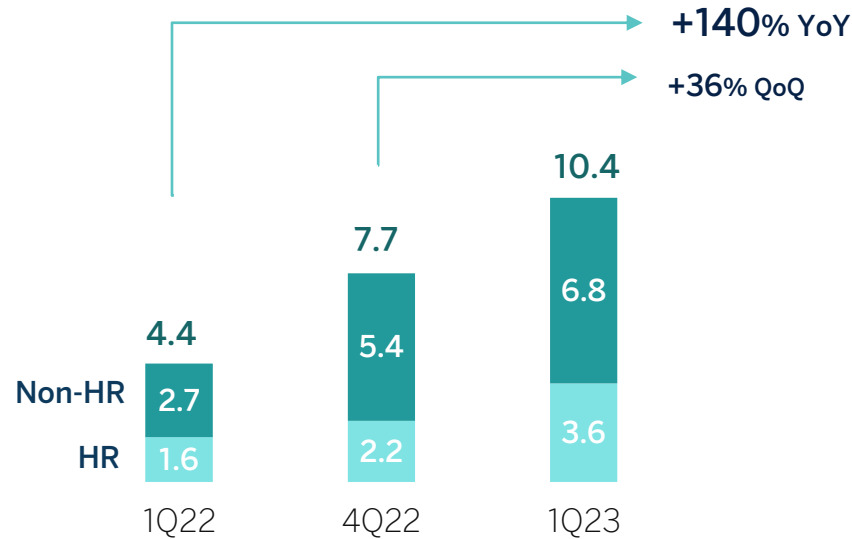
<sup>2</sup> As of December-end

Rankings are among private banks

# HIGH OPEX GROWTH IS DUE TO BASE EFFECT & WILL CONVERGE TO GUIDED LEVELS BY YEAR-END

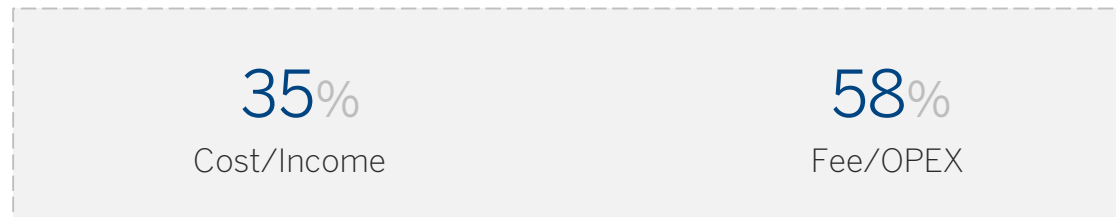
## OPERATING EXPENSES

(TL Bn)



**7%**  
Currency  
Depreciation  
Impact

■ No impact on bottom line  
(100% hedged).



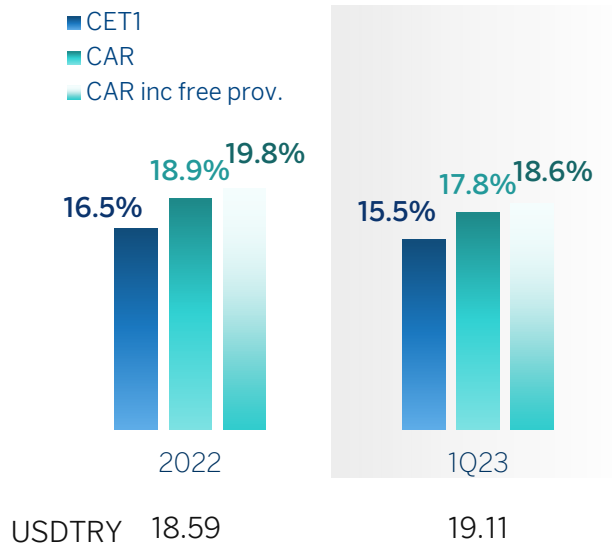
Note: Income defined as NII inc. Swaps + Net F&C + Dividend Income + Subsidiary Income + Net Trading Income (excludes swaps & currency hedge) + Other income (net of prov. Reversals)

High annual operating expenses increase driven **by multiple salary adjustments, earthquake related donations and relief efforts** as well as **SDIF premium increase vs. last year's low base**



# CAPITAL REMAINS STRONG – 1Q CAPITAL GENERATION COULD LARGELY COMPENSATE DIVIDEND & OPERATIONAL RISK IMPACTS

## SOLVENCY RATIOS *(without BRSA's forbearance)*



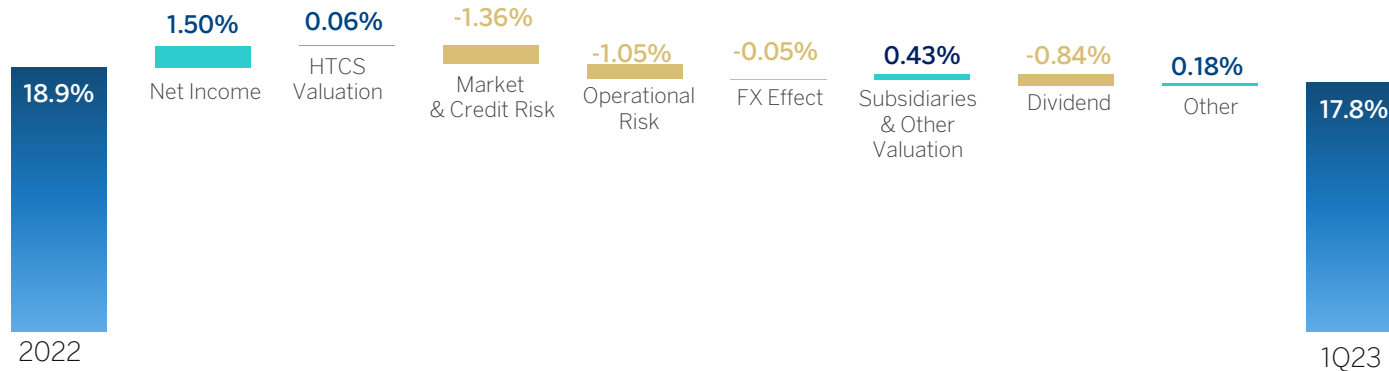
~24bps  
BRSA Forbearance Impact on **CAR**

~29bps  
CAR sensitivity to 10% TL depreciation

TL 44 bn  
Excess Capital (Consolidated & w/o forbearance)

TL 8.0 bn  
Total Free Provisions in the B/S

## CAR EVOLUTION *(Unconsolidated, without BRSA's forbearance)*



1 Required Consolidated CAR level = 8.0% + SIFI Buffer for Group 2 (1.5%) + Capital Conservation Buffer (2.5%) + Counter Cyclical Buffer (0.15%); Required Consolidated Tier-I = 6.0% + Buffers; Required Consolidated CET-1 = 4.5% + Buffers

# EXCEPTIONAL VALUE CREATION ALSO IN NON-FINANCIAL KPIs

*First Turkish bank to announce*  
**INTERIM DECARBONISATIONS TARGETS**  
*for 2030 to achieve Net Zero by 2050*

*Hub for other banks' accounts*  
**ONE OF THE PIONEERS OF OPEN  
BANKING IN TURKEY**

**13.4 MILLION MOBILE CUSTOMERS**  
*Highest digital & mobile customer base*



# GARANTI BBVA'S UNIQUE VALUE PROPOSITION (I/III)

PRACTICES FOR  
EMPLOYEE  
SATISFACTION AND  
WORK-LIFE BALANCE

**STRONG PERFORMANCE IN  
EMPLOYEE LOYALTY**

4.3 /5 poll results

**BLOOMBERG GENDER  
EQUALITY INDEX**

The only Turkish company that  
has been in place for  
7 consecutive years

**HYBRID WORKING  
MODEL**

40%/60%  
at office / home

CREATING  
SUSTAINABLE VALUE  
BEYOND SERVING THE  
LARGEST CUSTOMER  
BASE

**HIGHEST DIGITAL AND  
MOBILE CUSTOMER BASE**

13.7 million /digital banking customer

13.4 million /mobile customer

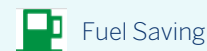
**DIGITAL'S SHARE IN  
TOTAL SALES**

89%

**OUR MOBILE TRANSACTION  
MARKET SHARE**

20%

**LAUNCHED  
«ECOLOGICAL STEPS»  
GAMIFICATION**



Fuel Saving



Awareness Tasks



Paper Saving



Electricity Saving

ACTIONS IN LINE WITH  
RESPONSIBLE  
BANKING PRINCIPLES

**CARBON NEUTRAL BANK**  
(Scope 1 & 2 and flight emissions\*)

Since 2020

**MOBILISATION IN  
SUSTAINABLE BUSINESS\***

57 billion TL (2018-1Q23)

**CONTRIBUTION TO COMMUNITY  
INVESTMENT IN 2022\***

71.7 million TL






# GARANTI BBVA'S UNIQUE VALUE PROPOSITION (II/III)

## FIRST TURKISH BANK TO ANNOUNCE INTERIM DECARBONISATIONS TARGETS FOR 2030 TO ACHIEVE NET ZERO BY 2050

### COMMITTED TO PORTFOLIO ALIGNMENT WITH THE PARIS AGREEMENT GOALS

#### 2030 decarbonization targets set in selected carbon-intensive industries

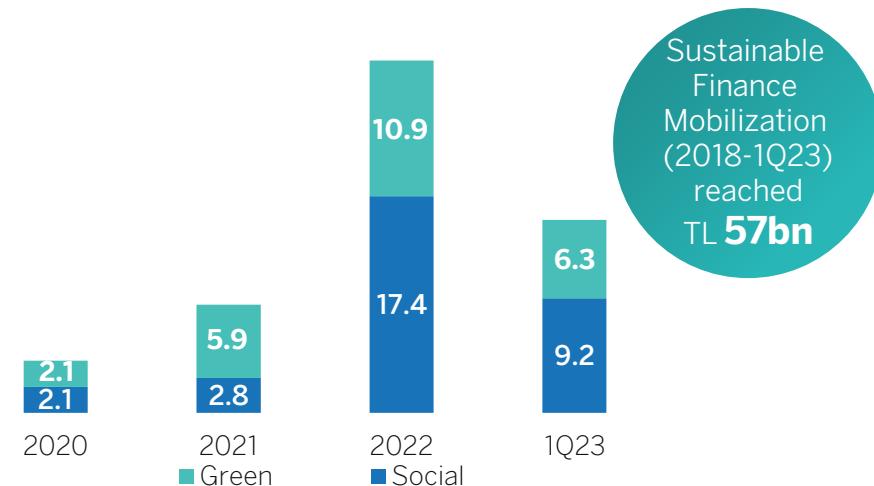
##### REDUCTION IN 2030

	Energy	-72% kgCO <sub>2</sub> e/MWh
	Automotive	-40% gCO <sub>2</sub> e/Km
	Iron & Steel	-10% kgCO <sub>2</sub> e/T <sub>iron&amp;steel</sub>
	Cement	-20% kgCO <sub>2</sub> e/T <sub>cement</sub>
	Coal	First Turkish bank announcing its <b>phase-out plan</b> by 2040

#### CARBON NEUTRAL BANK: as of 2020 (scope 1&2 and flight emissions\*)

First Turkish bank to become a signatory of 'UN – Convened' **NET ZERO BANKING ALLIANCE (NZBA)**

### CONTRIBUTION TO SUSTAINABLE FINANCE (TL bn)



100% of new electricity generation investments allocated to **RENEWABLE ENERGY** since 2014

# GARANTI BBVA'S UNIQUE VALUE PROPOSITION (III/III)

## OUR COMMITMENT TO ESG IS RECOGNIZED BY VARIOUS AGENCIES



Indices	DJSI	CDP CLIMATE CHANGE	CDP WATER	MSCI	Moody's ESG Credit Impact Score	FTSE4GOOD	SUSTAINALYTICS ESG RISK	BLOOMBERG GENDER EQUALITY INDEX
Scoring Range	0-100	A / D-	A / D-	AAA/CCC	1-5	0-5	0-40+	0-100
Score	<b>83</b>	<b>A</b>	<b>A-</b>	<b>BBB</b>	<b>2</b> Low-to-Neutral	<b>3.8</b>	<b>23.7</b>	<b>89.06</b>

**Only Bank From Türkiye** In The EM & **5th Highest Score** In Global Banking Sector

**Only Turkish Bank** to be included in the **Global A List**

Included in the Index **Since 2015**

Included in the Index **Since 2016**

**325th** of 1.005 Global Banks

Only Company from Türkiye to be Included in the Index for **7 Consecutive Years**

# Appendix

Pg. 23 Sector Breakdown of Gross Loans

Pg. 24 FC Loan Breakdown

Pg. 25 Maturity Profile of External Debt

Pg. 26 Adjusted L/D and Liquidity  
Coverage Ratios,

Pg. 27 Market Shares

Pg. 28 Securities Portfolio

Pg. 29 Summary Balance Sheet

Pg. 30 Summary P&L

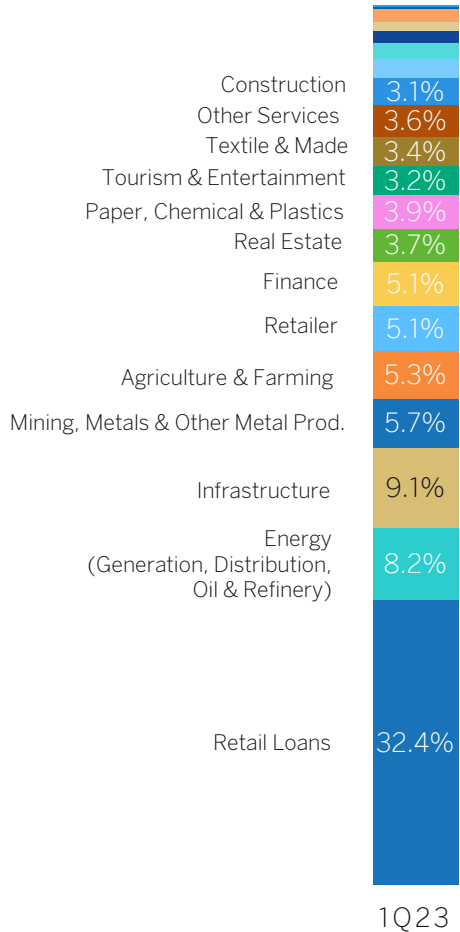
Pg. 31 Key Financial Ratios

Pg. 32 Quarterly & Cumulative Net  
Cost of Risk

# APPENDIX: SECTOR BREAKDOWN OF GROSS LOANS

## SECTOR BREAKDOWN OF GROSS LOANS<sup>1</sup>

TL 737.7bn

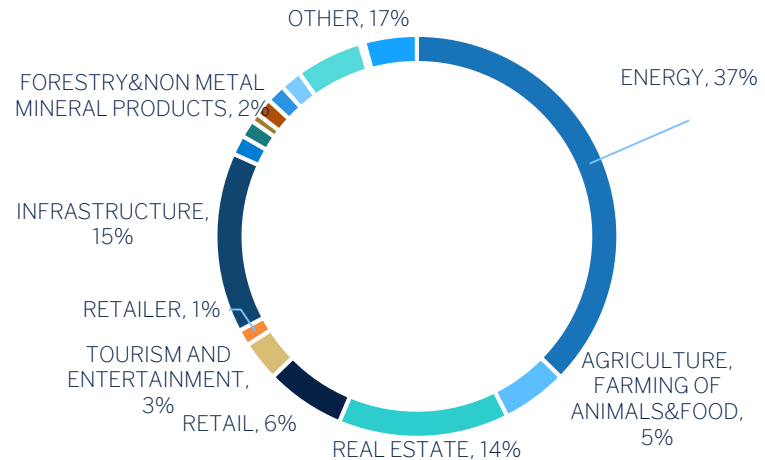


### % SHARE

### COVERAGE RATIO

Key Sectors	% SHARE			COVERAGE RATIO		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Retail	85%	12%	2%	0.6%	4.9%	61.6%
Energy	47%	47%	5%	0.4%	18.8%	76.5%
Construction	88%	10%	3%	0.8%	15.6%	80.2%
Textile & Made	89%	10%	2%	0.6%	12.8%	81.9%
Tourism & Entertainment	81%	16%	3%	0.6%	13.8%	71.6%
Real Estate	57%	34%	9%	0.4%	60.5%	62.8%

## SECTOR BREAKDOWN OF STAGE 2 EXCLUDING SICR<sup>1</sup>

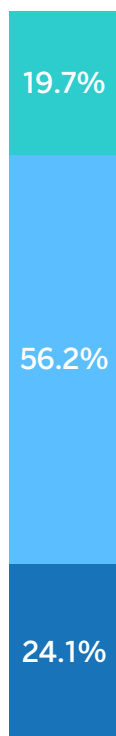


<sup>1</sup> Based on Bank-only MIS data

# APPENDIX: CLOSELY MONITORED AND WELL-PROVISIONED FC LOANS

## FC PERFORMING LOANS (27% of total performing loans)

US\$ 10.0 bn



### Export Loans

- FX revenue generation

### Project Finance Loans

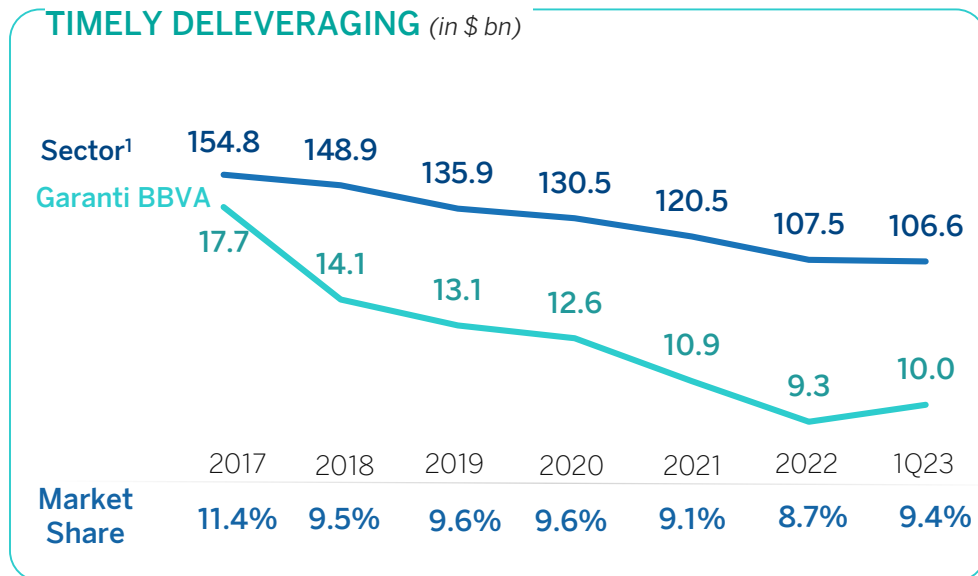
- 70% of PF Loans have FX or FX-linked revenues - no currency risk
- 4% has lower currency risk
- 26% - with some currency risk

### Working Capital & Other Loans

- FX loans predominantly to big corporate, commercial clients & multinationals

1Q23

## MITIGATION OF FX RISK - TIMELY DELEVERAGING (in \$ bn)



- Regular conduct of FX sensitivity analysis for proactive staging and provisioning

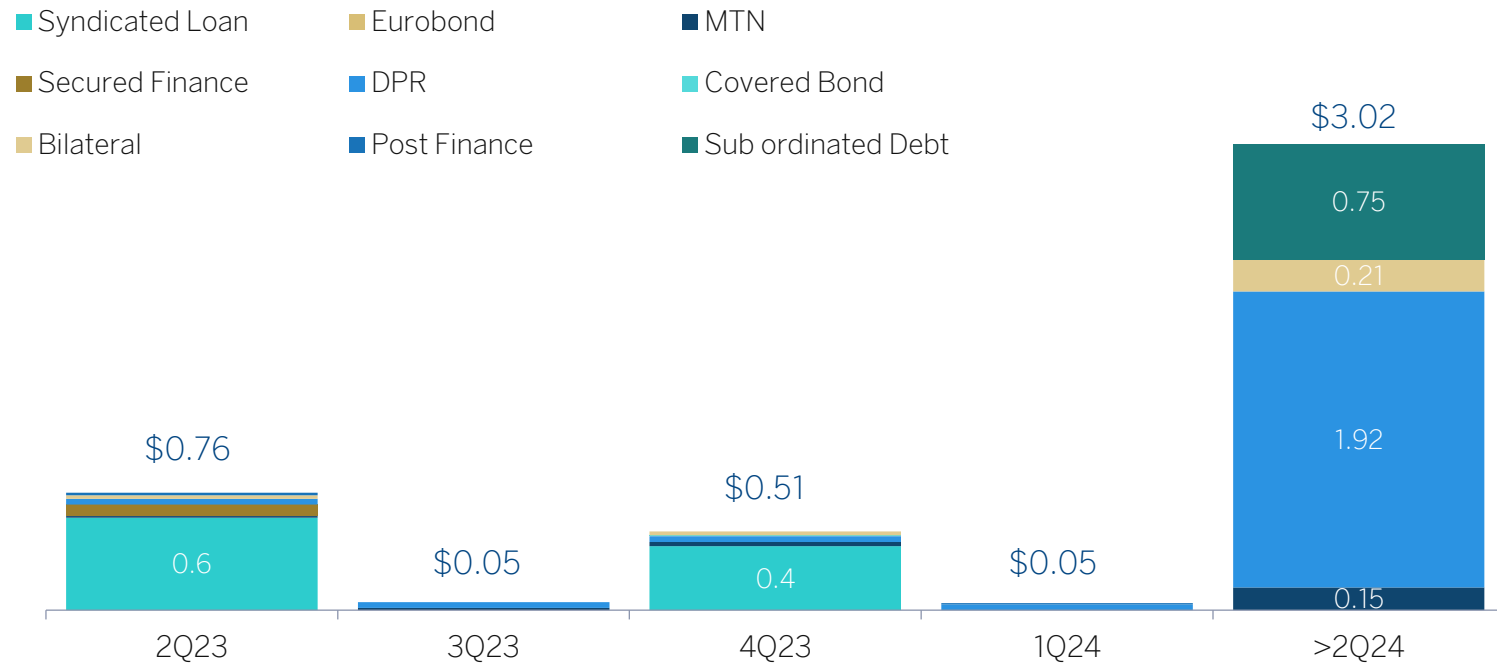
<sup>1</sup> Based on BRSA weekly data, commercial banks



# APPENDIX: MATURITY PROFILE OF EXTERNAL DEBT

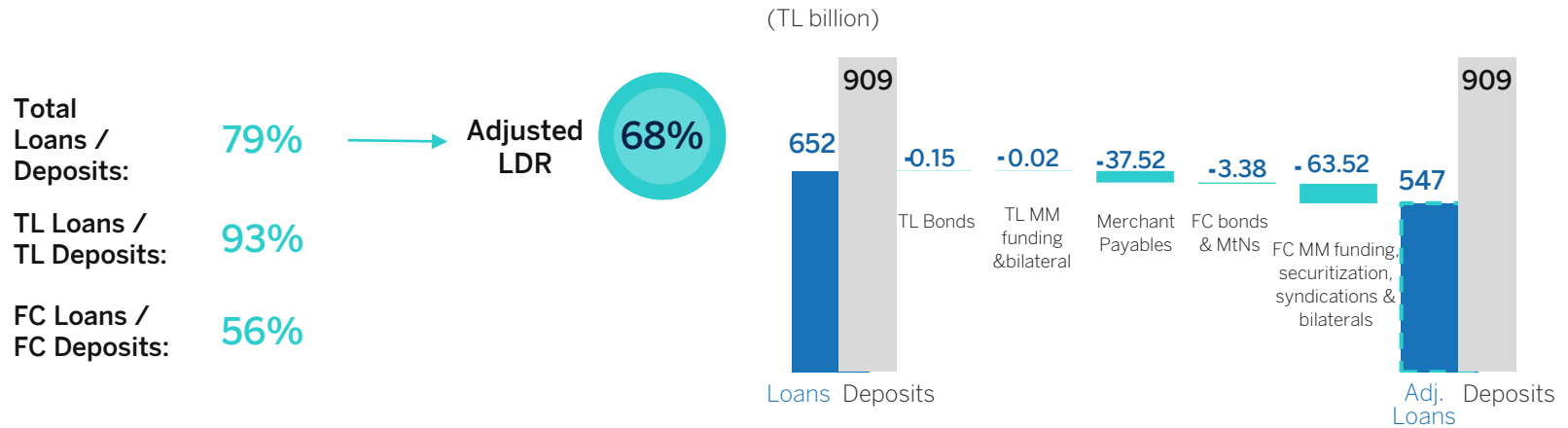
## MATURITY PROFILE OF EXTERNAL DEBT

(US\$ billion)



# APPENDIX: ADJUSTED LDR AND LIQUIDITY COVERAGE RATIOS

Loans funded via long-term on B/S alternative funding sources ease LDR



## LIQUIDITY COVERAGE RATIOS<sup>1</sup>

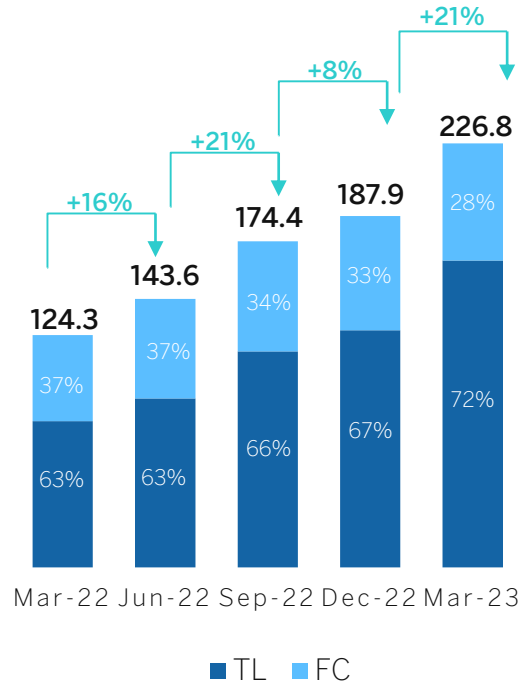
Total LCR	198%
Minimum Requirement	100%
FC LCR	576%
Minimum Requirement	80%

<sup>1</sup> Represents the average of March's last week.

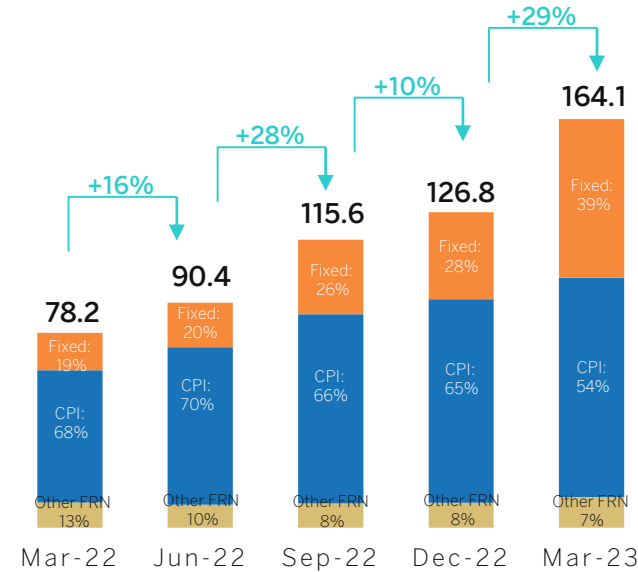
# APPENDIX: SECURITIES PORTFOLIO

## TOTAL SECURITIES (TL billion)

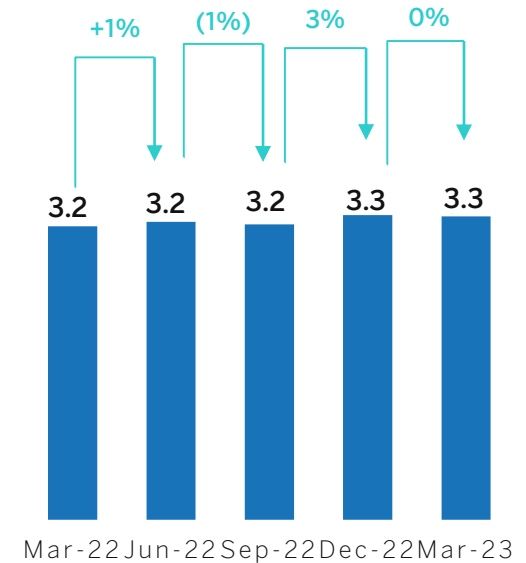
17% of Total Assets



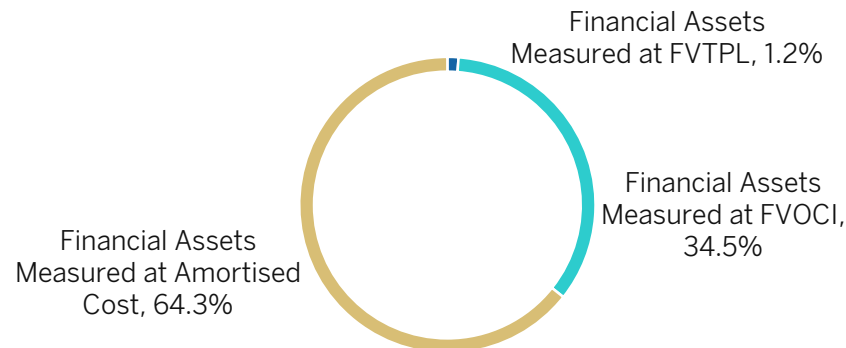
## TL SECURITIES (TL billion)



## FC SECURITIES (US\$ billion)



## SECURITIES COMPOSITION



Note: Fixed - Floating breakdown of securities are based on bank-only MIS data

## APPENDIX: MARKET SHARES

Market Shares <sup>1</sup>	Dec-22	Mar-23	QoQ Δ	Rank
<b>Consumer Loans inc. Consumer CCs</b>	14.0%	14.1%	7 bps	#1*
<b>Cons. Mortgage Loans</b>	7.1%	7.5%	40 bps	#2*
<b>Consumer Auto Loans</b>	15.2%	16.0%	85 bps	#2*
<b>Cons. General Purpose Loans</b>	14.1%	13.4%	-71 bps	#1*
<b>TL Business Banking</b>	8.4%	7.4%	-103 bps	#2*
<b># of CC customers<sup>2</sup></b>	13.6%	13.4%	-22 bps	#1
<b>Issuing Volume (Cumulative)<sup>2</sup></b>	17.7%	17.7%	-5 bps	#1
<b>Acquiring Volume (Cumulative)<sup>2</sup></b>	18.0%	17.0%	-107 bps	#1

\* Rankings are among private banks as of December 2022

1 Sector figures used in market share calculations are based on bank-only BRSA weekly data as of 31.03.2023, for commercial banks  
 2 Cumulative figures and rankings as of March 2023, as per Interbank Card Center data. Rankings are among private banks.

# APPENDIX: SUMMARY BALANCE SHEET

(TL billion)

ASSETS	31.03.2022	30.06.2022	30.09.2022	31.12.2022	31.03.2023
Cash & Cash Equivalents	90.6	110.5	134.7	116.7	112.2
Balances at CBRT	105.6	123.6	123.3	114.0	157.5
Securities	124.3	143.6	174.4	187.9	226.8
Gross Loans	491.2	553.0	602.2	669.4	737.7
<b>+TL Loans</b>	<b>317.6</b>	<b>378.3</b>	<b>431.1</b>	<b>494.5</b>	<b>544.8</b>
TL NPL	8.1	16.4	16.5	16.4	16.2
<i>info: TL Performing Loans</i>	309.5	361.9	414.6	478.1	528.6
<b>+FC Loans (in US\$ terms)</b>	<b>11.9</b>	<b>10.6</b>	<b>9.3</b>	<b>9.4</b>	<b>10.1</b>
FC NPL (in US\$ terms)	0.6	0.1	0.1	0.1	0.1
<i>info: FC Performing Loans (in US\$ terms)</i>	11.3	10.5	9.2	9.3	10.0
<i>info: Performing Loans (TL+FC)</i>	<b>474.4</b>	<b>535.6</b>	<b>584.6</b>	<b>651.8</b>	<b>719.9</b>
Fixed Assets & Subsidiaries	29.8	32.5	34.8	41.9	47.3
Other	9.7	18.4	23.4	22.2	26.4
<b>TOTAL ASSETS</b>	<b>851.2</b>	<b>981.7</b>	<b>1,092.9</b>	<b>1,152.2</b>	<b>1,307.9</b>
LIABILITIES & SHE	31.03.2022	30.06.2022	30.09.2022	31.12.2022	31.03.2023
Total Deposits	578.1	658.7	754.5	790.7	909.2
<b>+Demand Deposits</b>	<b>286.3</b>	<b>327.6</b>	<b>363.4</b>	<b>387.1</b>	<b>402.7</b>
TL Demand	60.3	74.7	90.6	114.0	126.3
FC Demand (in US\$ terms)	15.5	15.3	14.8	14.7	14.5
<b>+Time Deposits</b>	<b>291.8</b>	<b>331.1</b>	<b>391.1</b>	<b>403.5</b>	<b>506.6</b>
TL Time	172.9	203.6	243.7	313.3	439.1
FC Time (in US\$ terms)	8.2	7.7	8.0	4.9	3.5
Interbank Money Market	1.4	26.7	6.9	16.3	29.8
Bonds Issued	20.3	21.7	12.7	12.9	4.0
Funds Borrowed	76.9	79.5	87.9	81.9	80.7
Other liabilities	77.8	83.4	99.6	97.8	110.4
Shareholders' Equity	96.7	111.7	131.3	152.7	173.8
<b>TOTAL LIABILITIES &amp; SHE</b>	<b>851.2</b>	<b>981.7</b>	<b>1,092.9</b>	<b>1,152.2</b>	<b>1,307.9</b>

# APPENDIX: SUMMARY P&L

TL Million	QUARTERLY P&L			CUMULATIVE P&L		
	4Q22	1Q23	QoQ	3M22	3M23	YoY
(+) Net Interest Income including Swap costs	27,332	15,757	-42%	9,914	15,757	59%
(+) <i>NII excluding CPI linkers' income</i>	13,452	10,794	-20%	9,790	10,794	10%
(+) <i>Income on CPI linkers</i>	15,346	5,575	-64%	3,414	5,575	63%
(-) <i>Swap Cost</i>	-1,466	-612	-58%	-3,290	-612	-81%
(+) Net Fees & Comm. (excl. CBRT's administrative fine)	5,567	6,215	12%	2,950	6,215	111%
(+) Net Trading & FX gains/losses (excl. Swap costs and currency hedge)	2,237	4,022	80%	3,364	4,022	20%
<i>info: Gain on Currency Hedge<sup>1</sup></i>	968	757	-22%	1,992	757	-62%
(+) Income on subsidiary income	1,486	2,639	78%	1,110	2,639	138%
(+) Other income (excl. Prov. reversals & one-offs)	563	707	26%	375	707	89%
(+) Non-recurring other income	678	445	-34%	94	445	372%
(+) <i>Gain on asset sale &amp; Revaluation of real estate</i>	514	572	11%	94	572	507%
(+) <i>Gain on debt sale</i>	164	0	<i>n.m</i>	0	0	<i>n.m</i>
(+) <i>Administrative Fine</i>	0	-127	<i>n.m</i>	0	-127	<i>n.m</i>
(-) OPEX	-7,675	-10,448	36%	-4,356	-10,448	140%
(-) <i>HR</i>	-2,241	-3,627	62%	-1,638	-3,627	121%
(-) <i>Non-HR</i>	-5,433	-6,822	26%	-2,718	-6,822	151%
(-) Net Expected Loss (excl. Currency impact)	-3,484	-1,706	-51%	-1,348	-1,706	27%
(-) <i>Expected Loss</i>	-5,734	-9,714	69%	-6,681	-9,714	45%
<i>info: Currency Impact<sup>1</sup></i>	-968	-757	-22%	-1,992	-757	-62%
(+) <i>Provision Reversal under other Income</i>	1,281	7,251	466%	3,341	7,251	117%
(-) Taxation and other provisions	-6,802	-1,895	-72%	-3,894	-1,895	-51%
(-) <i>Free Provision</i>	0	0	<i>n.m</i>	0	0	<i>n.m</i>
(-) <i>Taxation</i>	-6,057	-1,876	-69%	-2,787	-1,876	-33%
(-) <i>Other provisions (excl. free prov.)</i>	-745	-19	-97%	-1,107	-19	-98%
<b>= NET INCOME</b>	<b>19,902</b>	<b>15,735</b>	<b>-21%</b>	<b>8,210</b>	<b>15,735</b>	<b>92%</b>

<sup>1</sup> Neutral impact at bottom line, as provision increase due to currency depreciation are 100% hedged (FX gain included in Net trading income line)

## APPENDIX: KEY FINANCIAL RATIOS

	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
<b>Profitability ratios</b>					
ROAE (Cumulative) <sup>1</sup>	37.4%	43.0%	49.0%	51.1%	38.4%
ROAA (Cumulative) <sup>1</sup>	4.1%	4.8%	5.6%	6.0%	5.1%
Cost/Income	24.5%	22.3%	21.0%	20.8%	35.1%
<b>Liquidity ratios</b>					
Loans / Deposits	82.1%	81.3%	77.5%	82.4%	79.2%
TL Loans / TL Deposits	132.7%	130.0%	124.0%	111.9%	93.5%
Adj. Loans/Deposits (Loans adj. with on-balance sheet alternative funding sources)	64%	64%	62%	68%	68%
TL Loans / (TL Deposits + TL Bonds + Merchant Payables)	119.2%	117.6%	112.8%	102.9%	87.7%
FC Loans / FC Deposits	47.8%	45.7%	40.5%	47.8%	55.6%
<b>Asset quality ratios</b>					
NPL Ratio	3.4%	3.2%	2.9%	2.6%	2.4%
Coverage Ratio	5.9%	5.7%	5.6%	5.5%	5.1%
+ Stage1	0.8%	0.9%	0.6%	0.7%	0.6%
+ Stage2	17.2%	18.7%	21.6%	20.0%	18.8%
+ Stage3	67.0%	69.0%	70.9%	72.2%	70.4%
Cumulative Net Cost of Risk (excluding currency impact, bps) <sup>2</sup>	119	117	129	155	98
<b>Solvency ratios</b>					
CAR (excl. BRSA Forbearance)	16.8%	17.1%	18.3%	18.9%	17.8%
Common Equity Tier I Ratio (excl. BRSA Forbearance)	13.9%	14.5%	15.8%	16.5%	15.5%
Leverage	7.8x	7.8x	7.3x	6.5x	6.5x

<sup>1</sup> Note: Excludes non-recurring items when annualizing Net Income for the remaining quarters of the year in calculating Return On Average Equity (ROAE) and Return On Average Assets (ROAA) for 1Q22, 2Q22, 3Q22 and 1Q23. Please refer to the Appendix: Summary P&L for non-recurring items

<sup>2</sup> Neutral impact at bottom line, as provision increase due to currency depreciation are 100% hedged (FX gain included in Net trading income line)

## APPENDIX: QUARTERLY & CUMULATIVE NET CoR

(Million TL)

Quarterly Net Expected Credit Loss	2Q22	3Q22	4Q22	1Q23
<b>(-) Expected Credit Losses</b>	<b>5,740</b>	<b>5,744</b>	<b>5,734</b>	<b>9,714</b>
Stage 1	1,380	262	1,730	3,110
Stage 2	2,767	4,534	2,836	5,566
Stage 3	1,592	1,472	1,168	1,039
<b>(+) Provision Reversals under other income</b>	<b>2,150</b>	<b>2,069</b>	<b>1,281</b>	<b>7,251</b>
Stage 1	1,343	1,011	54	3,852
Stage 2	424	397	542	2,610
Stage 3	383	661	686	789
<b>(=) (a) Net Expected Credit Losses</b>	<b>3,589</b>	<b>3,675</b>	<b>4,452</b>	<b>2,463</b>
<b>(b) Average Gross Loans</b>	<b>522,143</b>	<b>577,643</b>	<b>635,820</b>	<b>703,560</b>
<b>(a/b) Quarterly Total Net CoR (bps)</b>	<b>276</b>	<b>252</b>	<b>278</b>	<b>142</b>
info: Currency Impact <sup>1</sup>	160	106	60	44
<b>Total Net CoR excl. currency impact (bps)</b>	<b>115</b>	<b>147</b>	<b>217</b>	<b>98</b>

(Million TL)

Cumulative Net Expected Credit Loss	3M22
<b>(-) Expected Credit Losses</b>	<b>9,714</b>
Stage 1	3,110
Stage 2	5,566
Stage 3	1,039
<b>(+) Provision Reversals under other income</b>	<b>7,251</b>
Stage 1	3,852
Stage 2	2,610
Stage 3	789
<b>(=) (a) Net Expected Credit Losses</b>	<b>2,463</b>
<b>(b) Average Gross Loans</b>	<b>703,560</b>
<b>(a/b) Cumulative Total Net CoR (bps)</b>	<b>142</b>
info: Currency Impact <sup>1</sup>	44
<b>Total Net CoR excl. currency impact (bps)</b>	<b>98</b>

<sup>1</sup> Neutral impact at bottom line, as provisions due to currency depreciation are 100% hedged (FX gain included in Net trading income line)



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