



# 1H22 EARNINGS PRESENTATION

Based on BRSA Unconsolidated Financials

July 28<sup>th</sup>, 2022

# TURKISH ECONOMY

**STRONG ECONOMIC ACTIVITY,**  
*despite tighter global conditions*

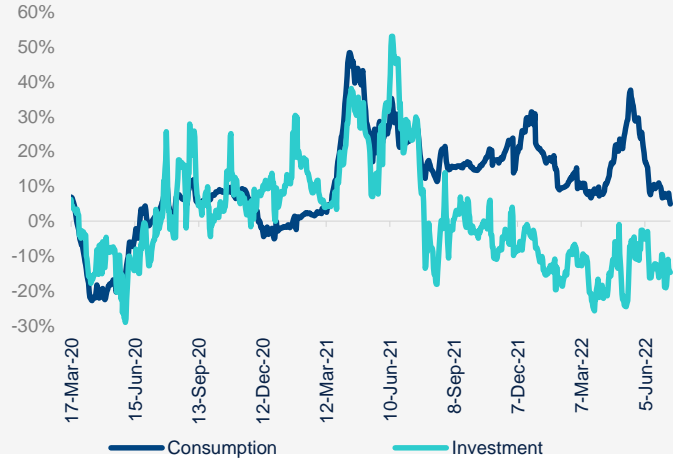
**UPSIDE RISKS ON INFLATION  
REMAIN HIGH**  
*on the back of  
loose domestic policies*

**POST PANDEMIC WORLD  
DEMAND REMAIN SUPPORTIVE**  
*for exports and tourism revenues*

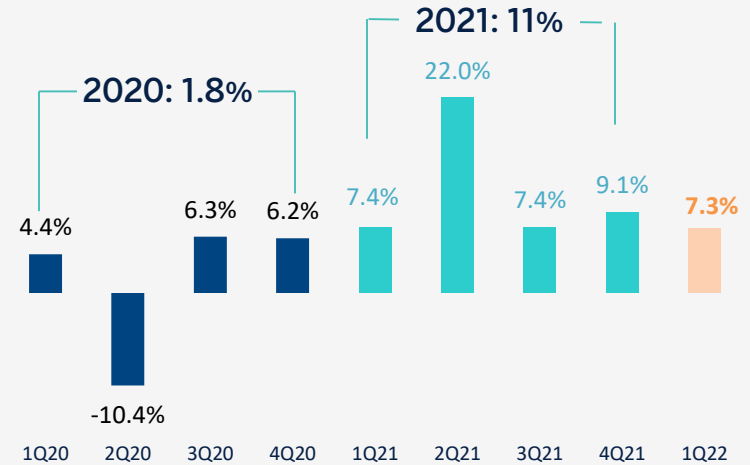


# ACTIVITY CONFIRMS AN UPWARD TREND DESPITE TIGHTER GLOBAL FINANCIAL CONDITIONS

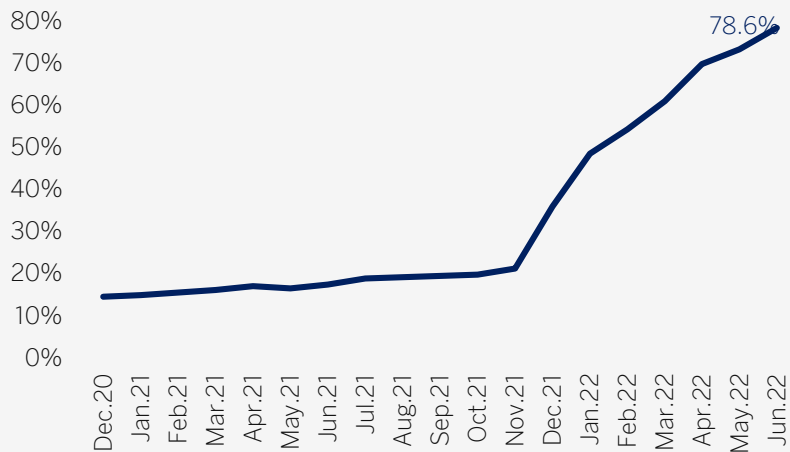
## BBVA CONSUMPTION & INVESTMENT BIG DATA INDICES (28-day cum. YoY real)



## GDP GROWTH (YoY)



## CONSUMER INFLATION (ANNUAL)



- GDP growth surprising to the upside. **Activity remains solid** on the back of continuing credit and fiscal impulses
- High global inflation and commodity prices, loose domestic policies and exchange rate depreciation **keep upside risks on the inflation outlook.**
- **Exports** supportive & **tourism revenues** stronger than expected.

# 1H22 FINANCIAL RESULTS

HEALTHY & STRONG  
LENDING GROWTH

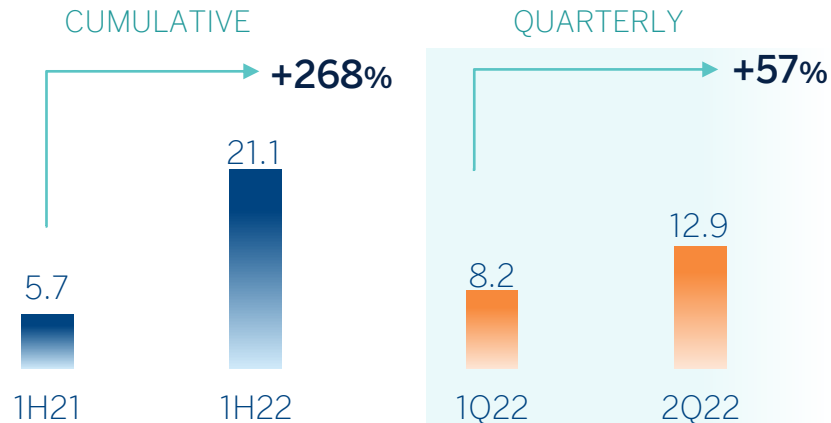
HIGHLY LIQUID & ACTIVELY  
MANAGED FUNDING MIX

INCREASED EFFICIENCY

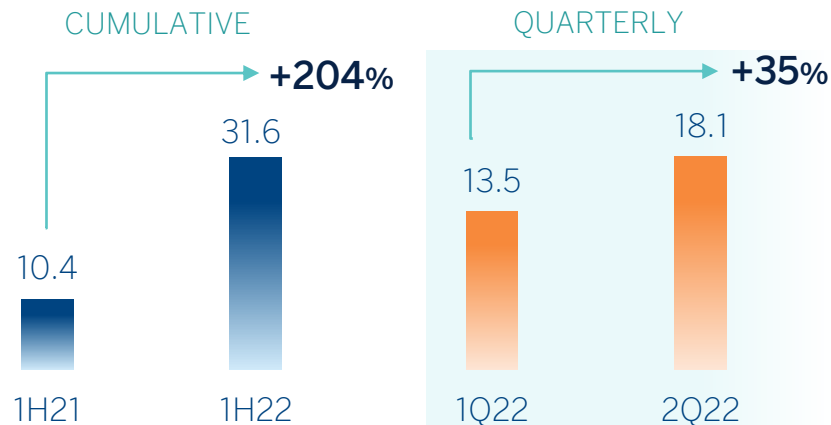
STRONG COLLECTION  
PERFORMANCE *continue to*  
*support* ASSET QUALITY

# A NEW RECORD & HIGH QUALITY EARNINGS

## NET INCOME (TL bn)



## PRE-PROVISION INCOME (TL bn)



## EARNINGS QUALITY BACKED BY;

**+168% YoY**  
NII (Swap cost inc.)  
growth

*backed by robust loan  
originations & low cost  
deposit base*

**+68% YoY**  
Fee & Comm.  
growth

*supported by the strong  
performance in payment  
systems, lending & transaction  
activity*

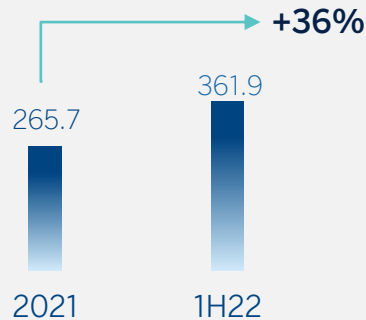
**+80% YoY**  
Subsidiary Income  
growth

*Strong contribution from the  
international subsidiaries,  
fleet management & securities  
business*

# REINSTATING OUR SOLID STANCE & WELL-PROVEN TRACK RECORD

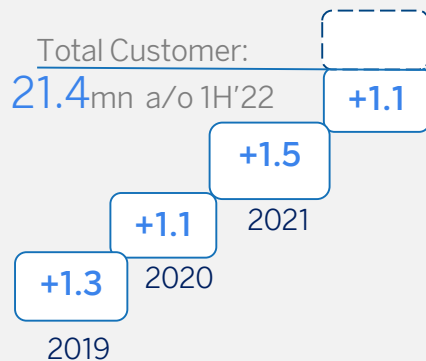
## GROWTH

### TL LOAN GROWTH (in TL bn)



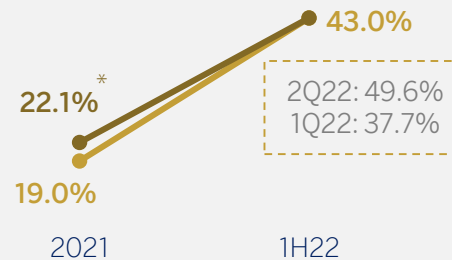
**#1** in TL LENDING  
(based on Mar'22 data)

### NEW CUSTOMER ACQUISITION (mn)

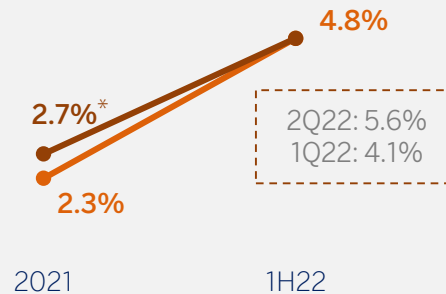


## PROFITABILITY

### ROAE



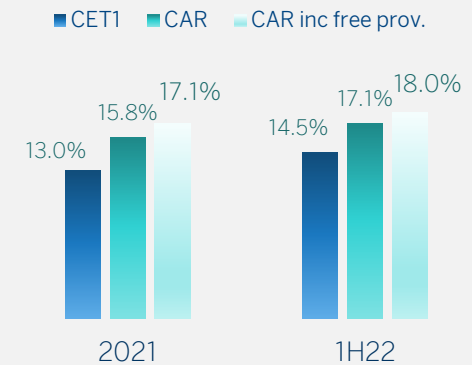
### ROAA



\*adj. w/ free prov.

## STRENGTH

### CAR & CET1 (excl. forbearances)



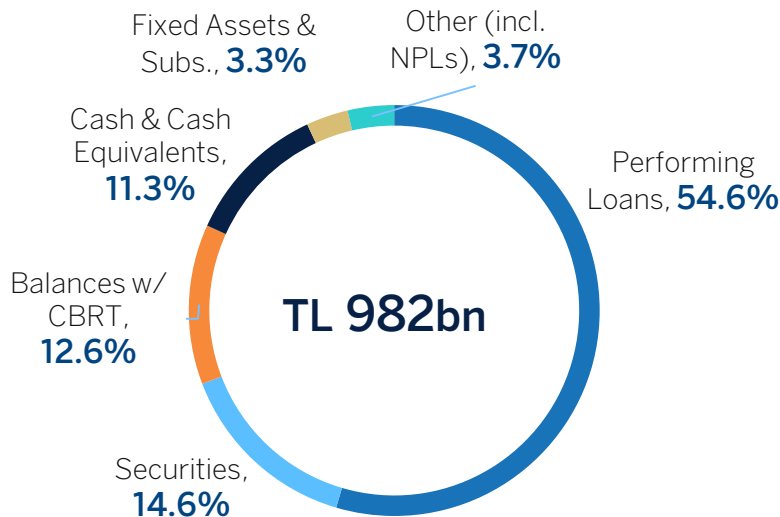
### TOTAL FREE PROVISIONS on B/S

**TL 7.5bn**

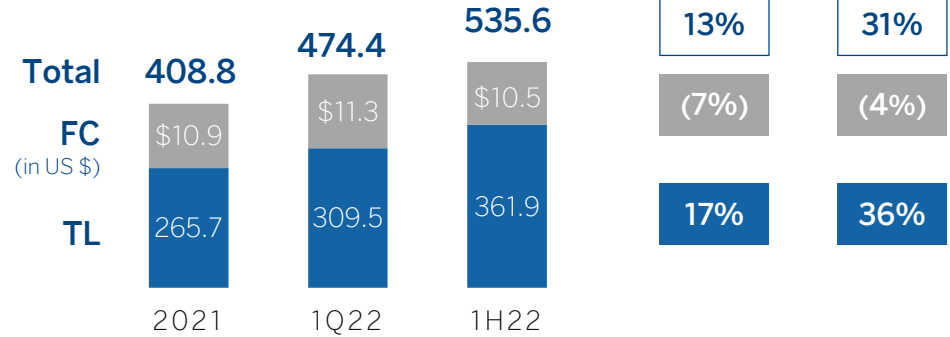
USD **9.6**bn FC liquidity buffer  
vs.  
TL **71**bn TL liquidity buffer

# STRATEGICALLY MANAGED ASSET GROWTH

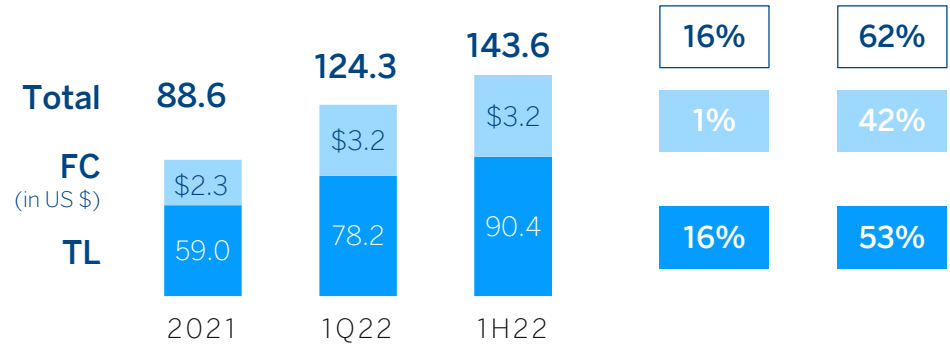
## ASSET BREAKDOWN



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



## SECURITIES (TL, US \$ billion)



Actively managing spreads with **profitable and selective** growth focus

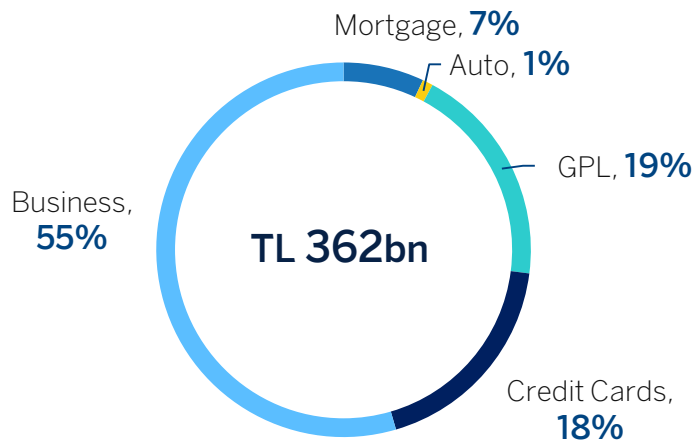
**Across the board growth in TL securities**

**New additions to the CPI linker portfolio** in order to offset the upcoming redemptions

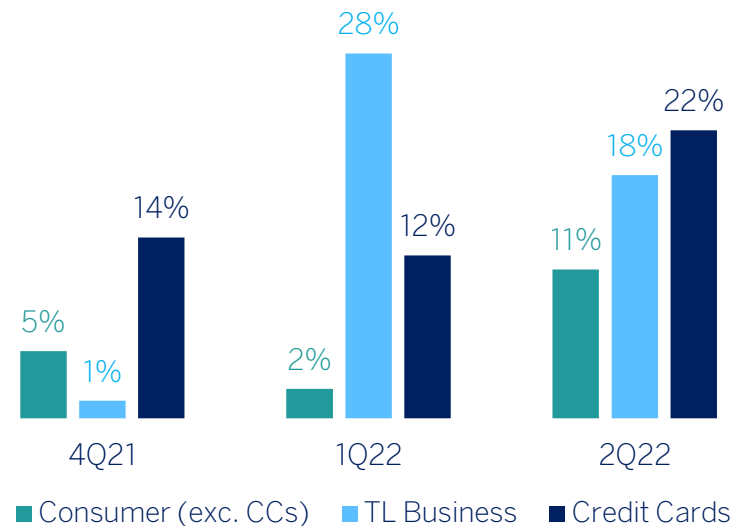
# STRONG GROWTH MOMENTUM MAINTAINED ACROSS THE BOARD WITH ACTIVE SPREAD MANAGEMENT

## TL PERFORMING LOAN BREAKDOWN

(68% of total performing loans)



## TL PERFORMING LOAN GROWTH

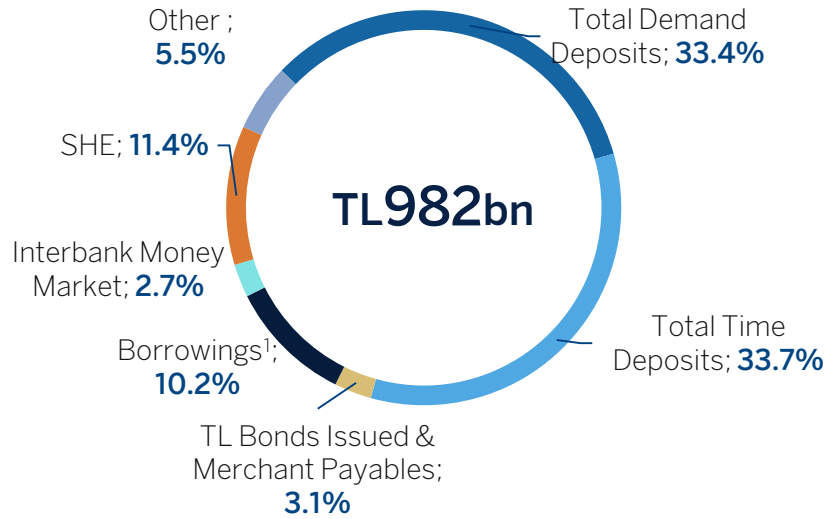


**Healthy growth in consumer lending** with preserved rational pricing stance  
**Short-term & selective growth focus** in TL business banking loans maintained



# HIGHLY LIQUID & ACTIVELY MANAGED FUNDING MIX REMAIN TO BE THE MAIN DIFFERENTIATOR

## LIABILITIES & SHE BREAKDOWN



### LOW LEVERAGE

7.8x

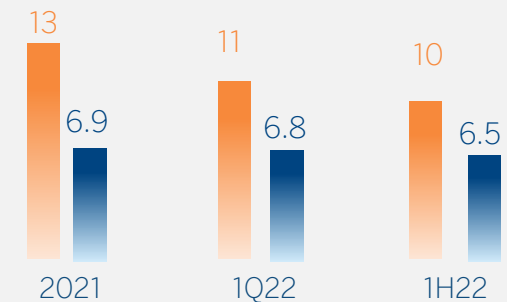
### FREE FUNDS / avg. IEAs<sup>3</sup>

41%

vs. private peers avg. of 25% in 1Q22

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

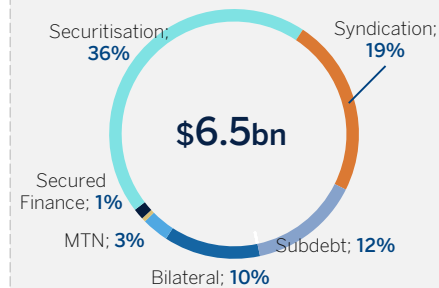
(US\$ bn)



■ External Debt

■ FC Liquidity Buffer

## WHOLESALE FUNDING BREAKDOWN



➤ 100% of our new issuances\* in 2021 & 2022 ESG-linked

➤ ESG-linked funding makes up ~25% of wholesale funding base

<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

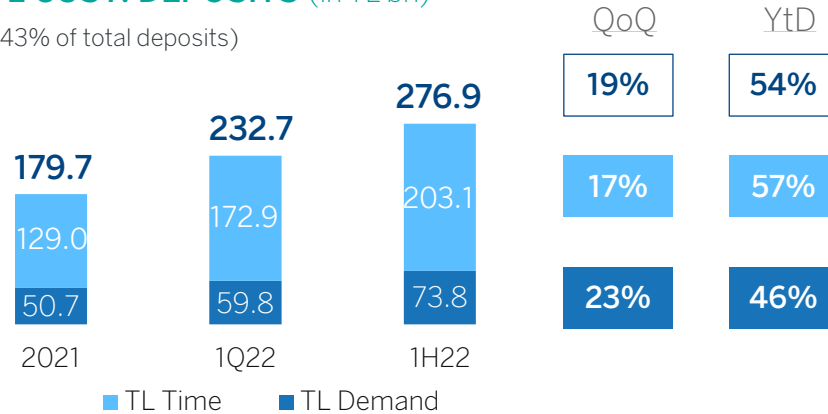
<sup>3</sup> Free Funds=SHE-Reserve Requirement-Net NPL-Subsidiaries-Fixed Assets+Demand Deposits.

\*Excludes secured finance transactions

# STRONG DEPOSIT GROWTH FROM A HIGH BASE REFLECTS CUSTOMERS' PREFERENCE

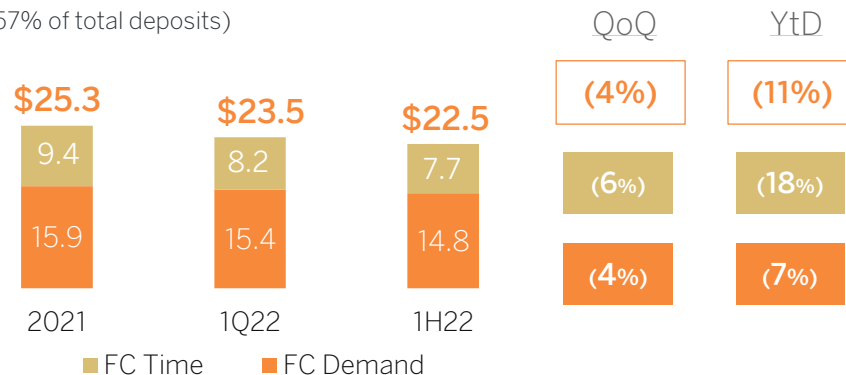
## TL CUST. DEPOSITS (in TL bn)

(43% of total deposits)



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

(57% of total deposits)



## EXPANDING ZERO-COST DEMAND DEPOSIT BASE

49%

Cust. demand deposits share in total

TL DEMAND DEPOSITS / TL CUST. DEPOSITS

27%

vs. private banks avg 21%

FC DEMAND DEPOSITS / FC CUST. DEPOSITS

66%

vs. private banks avg 47%

<sup>1</sup> Based on bank-only MIS data.

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

**Highest TL deposit base**, both in time & demand (*among private banks as of Mar'22*)

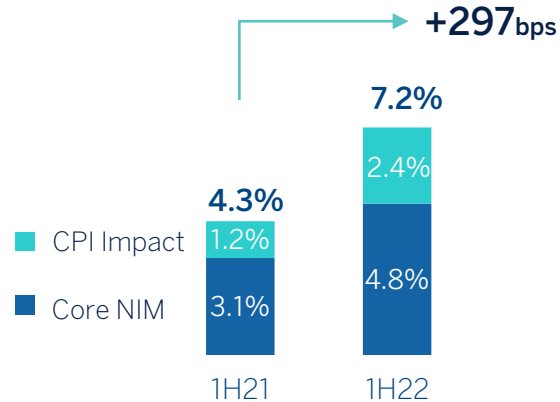
**Stickier** and **low-cost** deposit base – SME & retail customer deposits share in TL customer deposits: 73%<sup>1</sup>

**Decline in FC deposits** due to **FX protected TL time deposit scheme** (Market share: 10.8%)

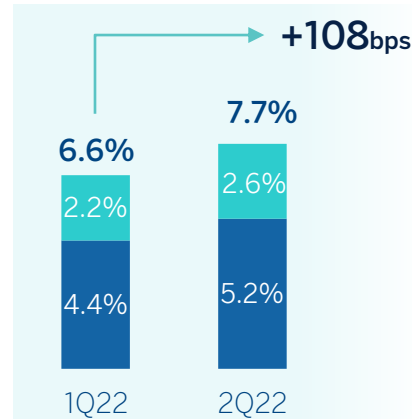
# SUPERIOR BALANCE SHEET MANAGEMENT MANIFESTED ITSELF IN MARGIN PERFORMANCE

## NIM INCL. SWAP COST\*

CUMULATIVE

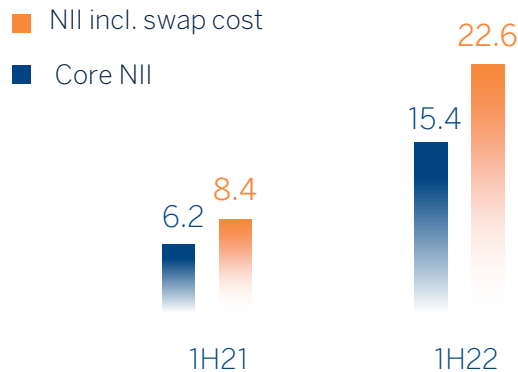


QUARTERLY

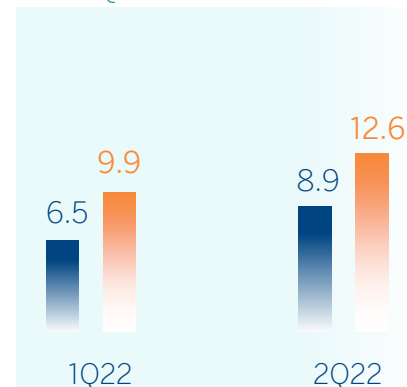


## NII INCL. SWAP COST & CORE NII (TL bn)

CUMULATIVE



QUARTERLY



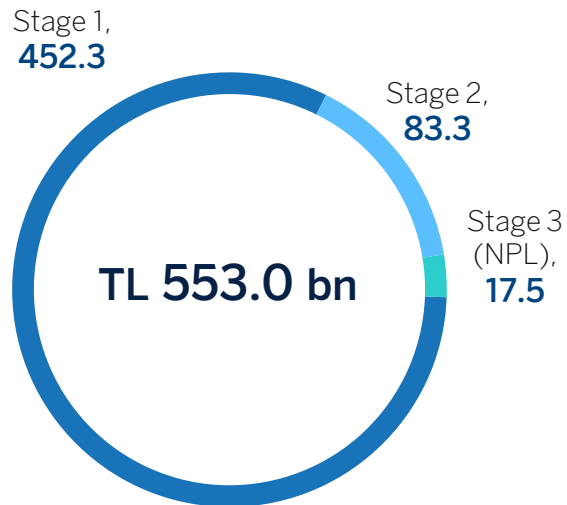
- Core NII increased by +2.4bn TL QoQ due to active repricing coupled with high lending growth
- TL loan-to-time deposit spreads: +205bps QoQ
- Well-managed deposit cost with maintained focused on stickier low cost deposit
- Duration gap hit its lowest level in 2Q
- CPI volume: 63bnTL in June  
CPI linkers valued with 45% in 2Q

\*Calculated based on bank only MIS data, using daily averages  
Core NII = NII - Swap Cost - CPI linkers income.

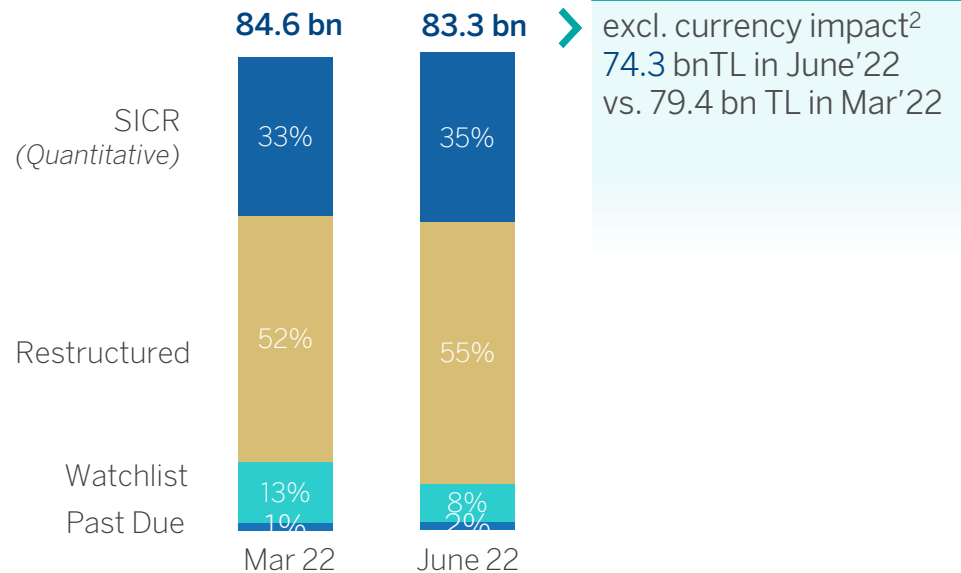
# HEALTHY LOAN PORTFOLIO WITH PROACTIVE STAGING

## LOAN PORTFOLIO BREAKDOWN

(TL Billion)



## STAGE-2 BREAKDOWN



18.7%

Stage-2 Coverage  
vs. 17% in Mar'22

15%

Stage-2 Share in Gross  
Loans  
vs. 17% in Mar'22

94%

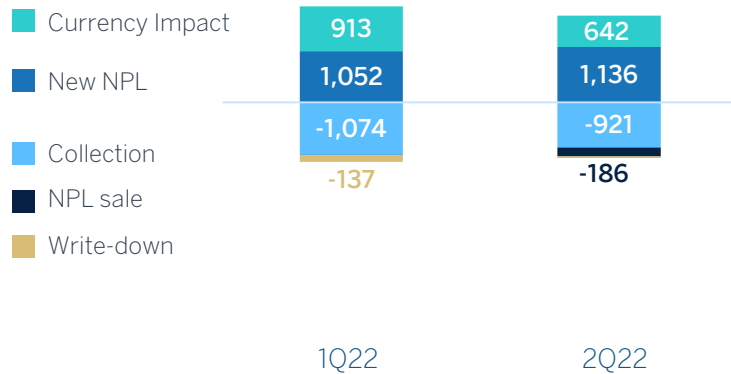
of the SICR Portfolio is  
non-delinquent

# SUSTAINED STRONG COLLECTION PERFORMANCE BACKED BY ECONOMIC ACTIVITY

## NPL EVOLUTION

(TL million)

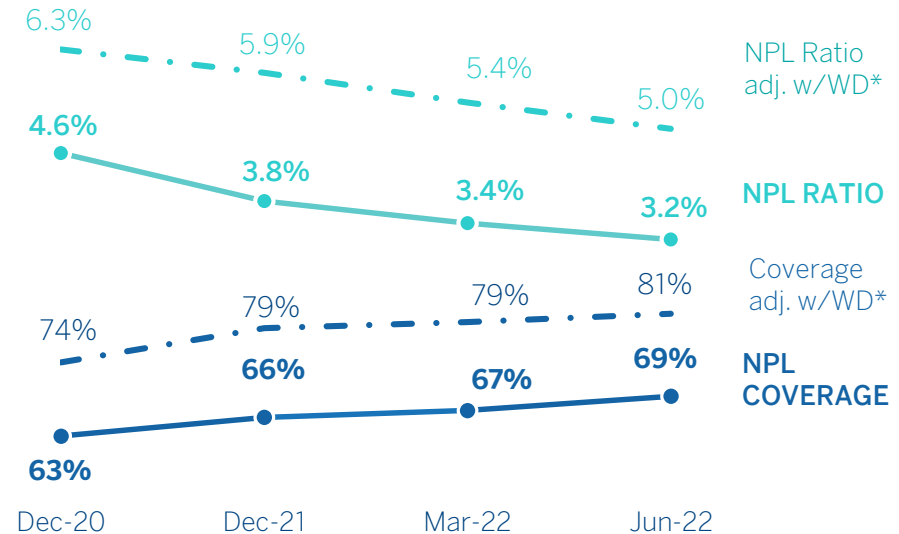
Net New NPL <i>Adj. w/ curr. impact, NPL sales &amp; write-downs</i>	(22)	215
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NPL (nominal TL bn)	16.8	17.5
NPL (Adj. w/WD)	27.0	28.0

## NPL & COVERAGE RATIOS

(%)



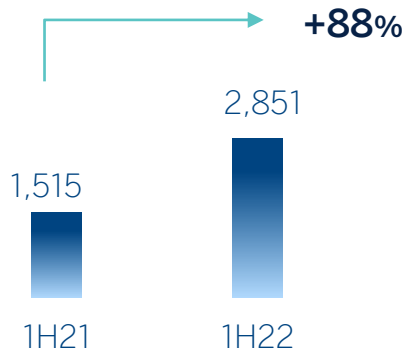
\*Adjusted with write-downs since 2019

Note: Collection figure for 1Q22 includes the loan moved to Stage-2, amounting TL123.5mn. LYY loan, which used to be recorded under Financial Assets measured at FVTPL, has been removed to off-balance sheet as of June 30, 2022 as liquidation process has not come to an end. During this reclassification, LYY loan amounting TL 7.6bn was first recorded as NPL, then written-down. Although this process has no impact on net NPL flow, it inflated the both lines. In the chart above, this impact is deducted from both NPL inflow and write-downs.

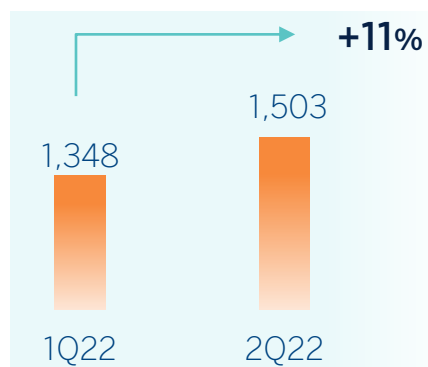
# NET COR FARING BETTER THAN INITIAL GUIDANCE

## NET PROVISIONS excl. CURRENCY (TL.bn)

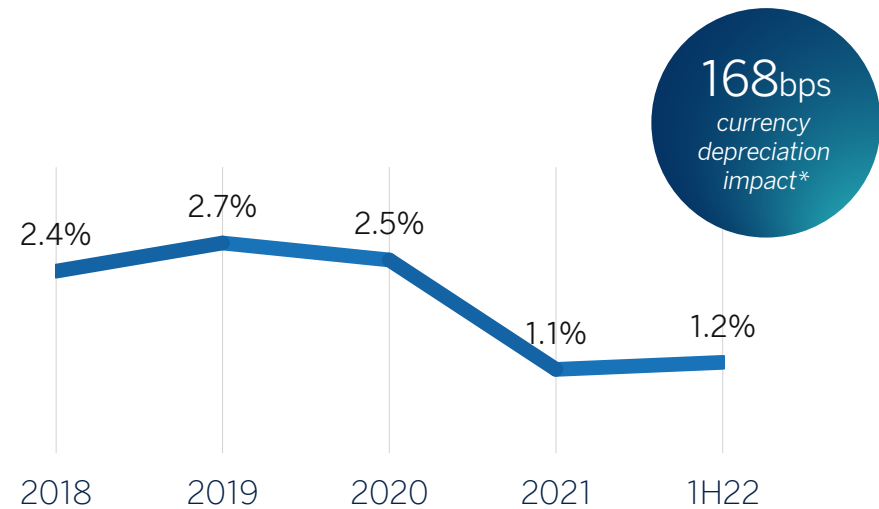
CUMULATIVE



QUARTERLY



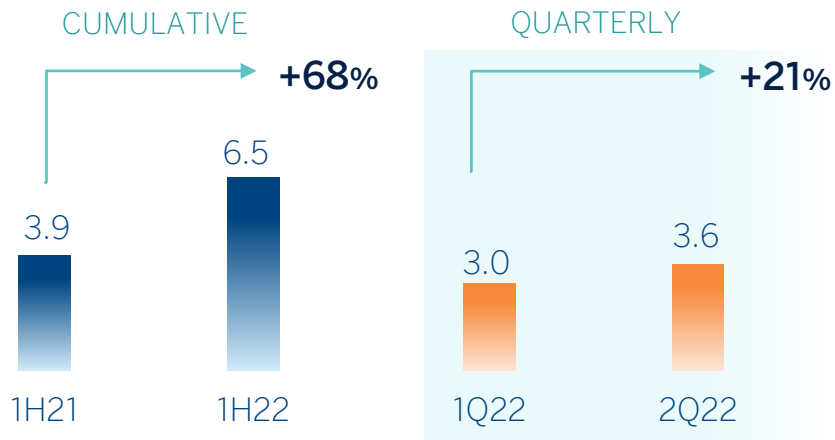
## NET CoR TREND excl. CURRENCY



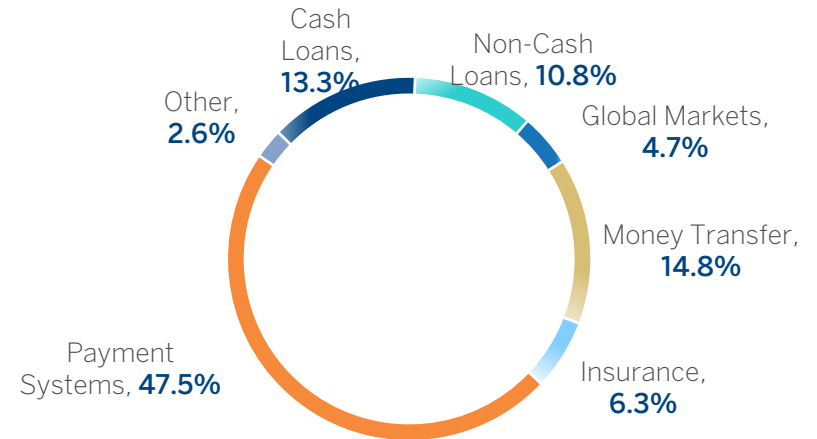
\*No impact on bottom line as it is 100% hedged

# SOLID FEE PERFORMANCE REMAINED UPON CONTINUING ROBUST ECONOMIC ACTIVITY

## NET FEES & COMMISSIONS (TL bn)



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



## HIGHEST FEE BASE

supported with diversified fee sources, expanding customer base and broader penetration

**+108%** YoY  
Money Transfer

**+68%** YoY  
Cash Loans\*

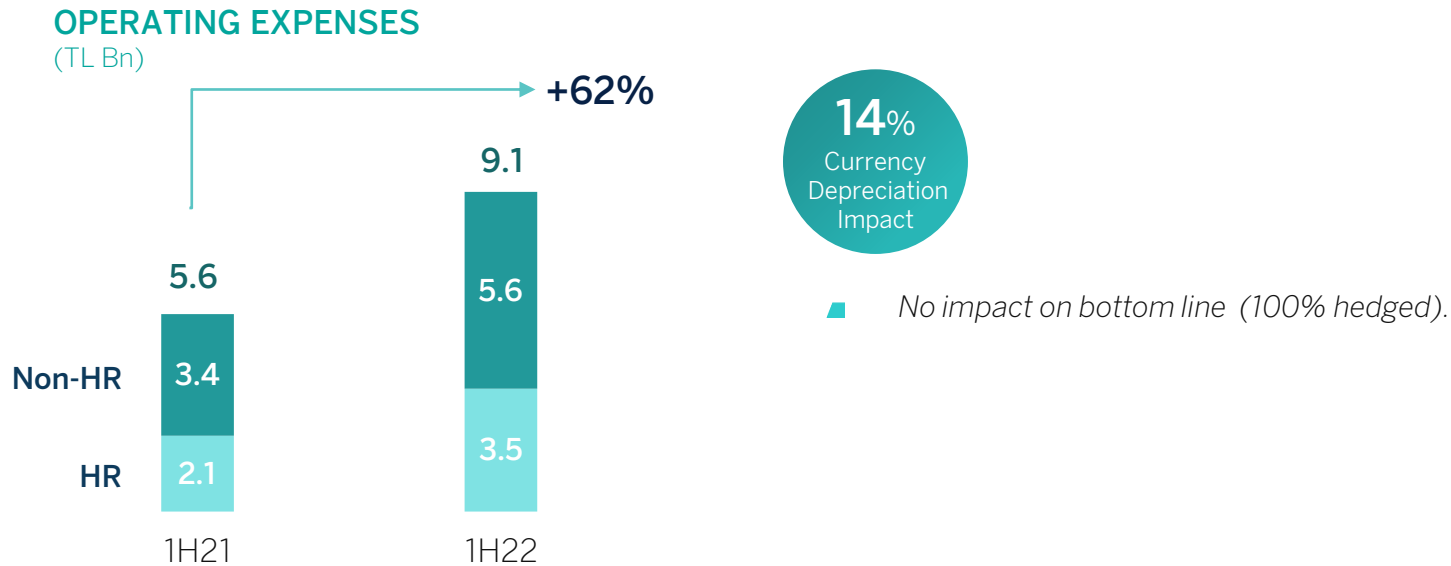
**+83%** YoY  
Payment System

**#1** in Acquiring & Issuing Volume

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

\* 1H21 base excludes LYY related dividend income

# FURTHER IMPROVEMENT IN EFFICIENCY



**22%**

Cost/Income

24.5% in Mar'22 vs.  
Private peer avg. of 25.9%

**72%**

Fee/OPEX

68% in Mar'22 vs. Private  
peer avg. of 59%

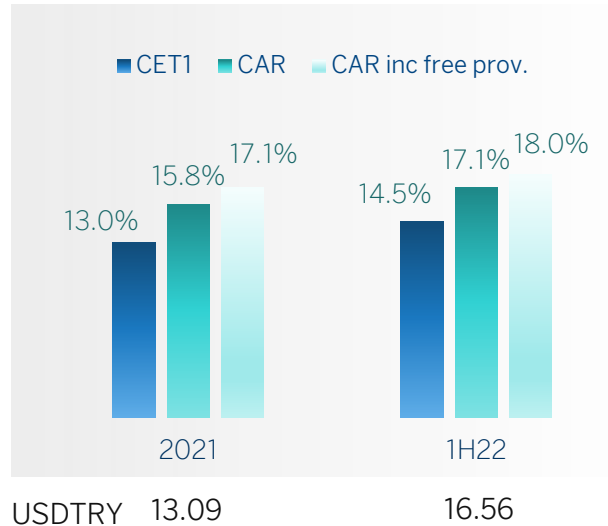
Note: Income defined as NII inc. Swaps + Net F&C + Dividend Income + Subsidiary Income + Net Trading Income (excludes swaps & currency hedge) + Other income (net of prov. Reversals)



# STRENGTHENED CAPITAL BUFFERS THANKS TO SUPERIOR INTERNAL CAPITAL GENERATION CAPACITY

## SOLVENCY RATIOS

without BRSA's forbearance



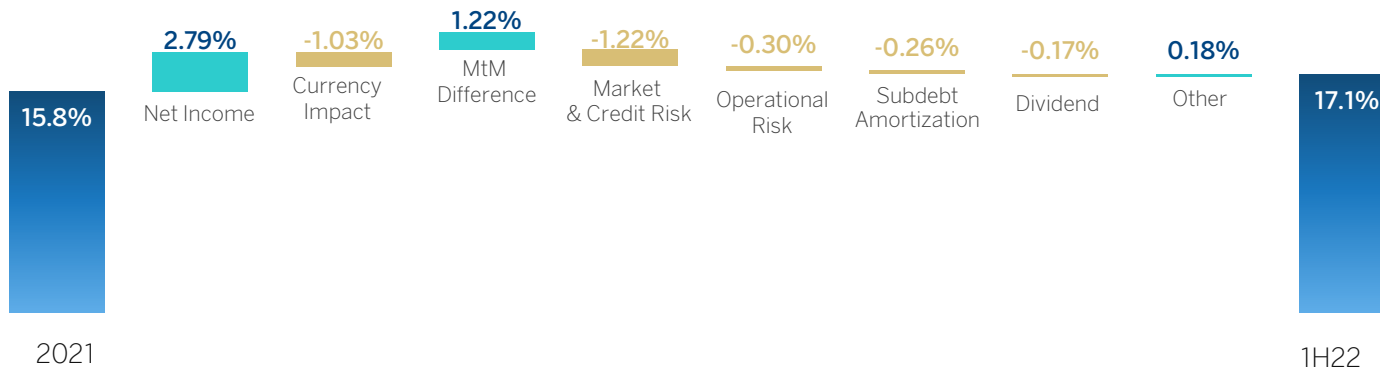
~1.3%  
BRSA Forbearance  
Impact on **CAR**

~43bps  
CAR sensitivity to  
10% TL  
depreciation

TL 25 bn  
Excess Capital  
(Consolidated & w/o  
forbearance)

TL 7.5 bn  
Total Free Provisions  
in the B/S

## CAR EVOLUTION



# STRONGER THAN EXPECTED PERFORMANCE & ECONOMIC ACTIVITY CALLED FOR A GUIDANCE REVISION

	2022 Initial Guidance	vs. 1H22 Actual	Expected trend in 2H	Revised guidance
TL Loans (YoY)	>25%	<b>36% YtD</b>	<ul style="list-style-type: none"> <li>Lending growth to slow-down due to tightening biased regulatory changes</li> </ul>	>50%
FC Loans (in US\$, YoY)	Shrinkage	<b>-4% YtD</b>		Shrinkage
Net Cost of Risk (excluding currency risk)	<150bps	<b>117bps</b>	<ul style="list-style-type: none"> <li>Net Provisioning may go up due to model update in 4Q</li> </ul>	<150bps
NIM Incl. Swap Cost	+50-75bps	<b>+297bps YoY<sup>1</sup></b>	<ul style="list-style-type: none"> <li>CPI linkers' support expected to be more visible in 4Q, yet macro prudential measures pressure funding cost</li> </ul>	+ >400bps*
Core NIM (NIM Incl. Swap excl. CPI)	Flattish	<b>+172bps YoY<sup>1</sup></b>		+ 175bps
Fee Growth (YoY)	>25%	<b>68% YoY</b>	<ul style="list-style-type: none"> <li>Fee growth to cut pace due to expected slowdown in economic activity</li> </ul>	> 60%
OPEX Growth (YoY)	~avg. CPI	<b>62% YoY</b>	<ul style="list-style-type: none"> <li>Inflation adjustments in salaries will be more visible in 2H</li> </ul>	< avg. CPI
<b>ROAE</b>	<b>&gt;20%</b>	<b>43%</b>		<b>&gt;45%</b>

\*Depends on October CPI reading

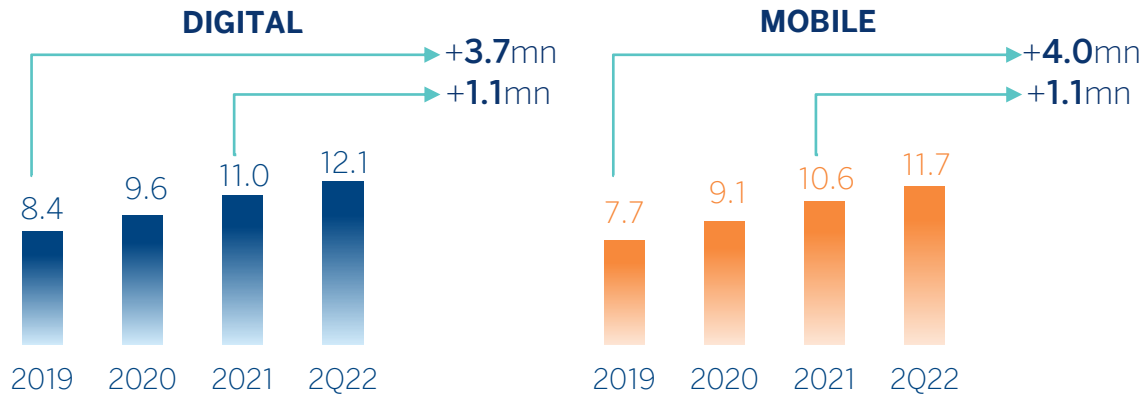
# Continuous investments in transformation, positioning **MOBILE** as the main gateway

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

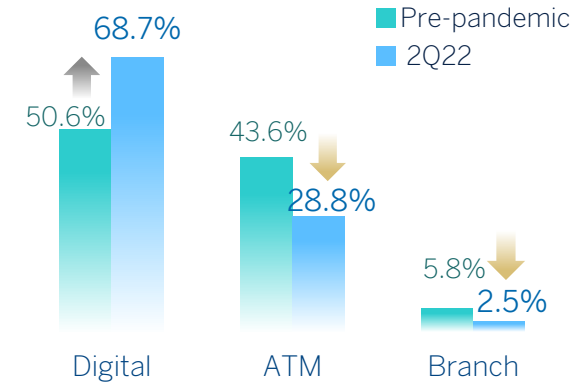
**SHARE OF BRANCH**  
*in top transactions*  
**FURTHER DECLINED TO 2.5%**

# GOING BEYOND JUST CONVENIENCE, CREATING VALUE FOR OUR CUSTOMERS' FINANCIAL WELLBEING

## NUMBER OF ACTIVE CUSTOMERS <sup>1</sup> (mn)



## CUSTOMER TRANSACTIONS <sup>2</sup>



## LEADING THE WAY IN DIGITALIZATION

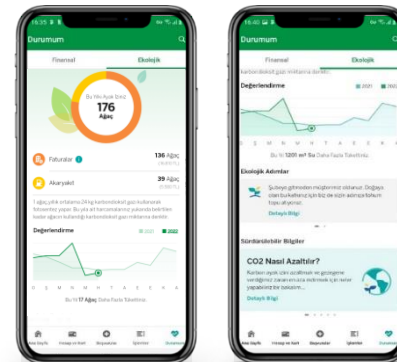
**19%**  
Market share in mobile financial transactions

**86%**  
Share of digital in total sales

**+132%**  
Increase mobile logins since the beginning of 2020

## CREATING VALUE BEYOND BANKING, "MY ECOLOGICAL STATUS" LAUNCHED RIGHT NEXT TO "FINANCIAL STATUS" IN THE APP

- Creating awareness around Carbon Foot Print
- Providing digital solutions and advice,
- Supporting customers to have positive impact



## DIGITAL SLIP

- Digital receipts for card transactions reducing paper consumption and Carbon Foot Print of our customers
- First in the Turkish banking sector

<sup>1</sup> Active: login in last 3 months

<sup>2</sup> Based on Top Transactions (i.e. Bill payment, Money transfer and FX transactions) that make up ~90% of total transactions

# Our **SUSTAINABILITY** commitment to build a strong and successful future

**BBVA 2025 PLEDGE 200BN €**

*First and only Turkish company to be included in the*  
**DOW JONES SUSTAINABILITY INDEX**  
*for the 7<sup>th</sup> consecutive years*  
*(Only Turkish bank included in the index)*

**'CARBON NEUTRAL BANK'**  
*as of 2020 (Scope 1&2)*

*First Turkish bank that announced*  
**COAL PHASE-OUT PLAN**

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

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



# SUSTAINABILITY DRIVEN BANKING

## CLIMATE CHANGE ACTION PLAN

OUR LONG STANDING COMMITMENT REMAINS

## COAL PHASE-OUT 2040

## PACTA

Managing our sustainability risk for carbon-intensive sectors with the PACTA methodology

## SUSTAINABLE FINANCE

USING THE POWER OF FINANCE TOWARDS A MORE SUSTAINABLE FUTURE

## SUSTAINABLE FINANCE

Sustainable finance TL **14** bn in 1H22 vs TL 8.8 bn\* in 2021

Climate finance TL **7.1 bn** in 1H22 vs TL 6 bn\* in 2021

## PLEDGE

Commitment to contribute to sustainable finance at least

**~7-10 bn€**

(2018-2025)

## 1<sup>st</sup> ESG DERIVATIVE TRANSACTION

## ESG-LINKED FUNDING

**~25%** of wholesale funding base

## GOVERNANCE

WELL PROVEN TRACK-RECORD, AWARDED "HIGHEST CORPORATE GOVERNANCE RATING SCORE" BY CORPORATE GOVERNANCE ASSOCIATION OF TURKEY

## DIVERSITY

**25%** Board of Directors female representation target by the end of 2025 on the Board of Directors

## ESG TARGET IN

## PREMIUM ELIGIBILITY CRITERIA

In-line with the Group KPI, for all employees at any level, starting with senior management.

# Appendix

Pg. 24 Sector Breakdown of Gross Loans

Pg. 25 FC Loan Breakdown

Pg. 26 Maturity Profile of External Debt

Pg. 27 Adjusted L/D and Liquidity  
Coverage Ratios,

Pg. 28 Consumer Loans & TL Business  
Banking Loans

Pg. 29 Securities Portfolio

Pg. 30 Summary Balance Sheet

Pg. 31 Summary P&L

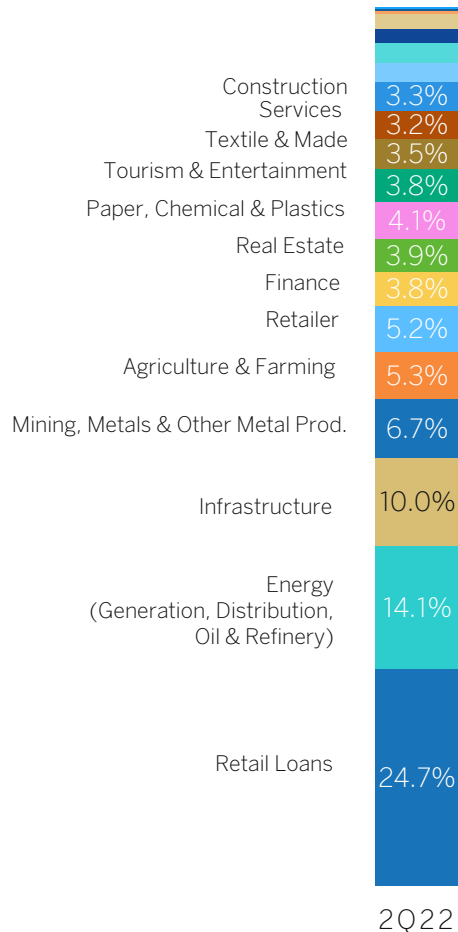
Pg. 32 Key Financial Ratios

Pg. 33 Quarterly & Cumulative Net  
Cost of Risk

# APPENDIX: SECTOR BREAKDOWN OF GROSS LOANS

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

TL 553.1bn

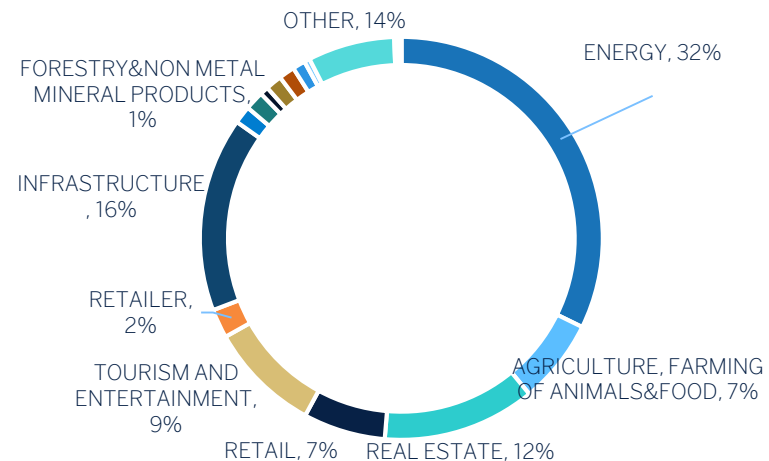


## % SHARE

## COVERAGE RATIO

Key Sectors	% SHARE			COVERAGE RATIO		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Retail	88%	10%	2%	0,5%	4,0%	61,3%
Energy	69%	26%	6%	0,7%	23,1%	70,4%
Construction	89%	8%	4%	0,8%	19,6%	74,1%
Textile & Made	85%	12%	3%	1,7%	7,8%	78,6%
Tourism & Entertainment	62%	35%	3%	2,1%	13,9%	77,4%
Real Estate	54%	34%	12%	0,7%	46,2%	63,0%

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



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

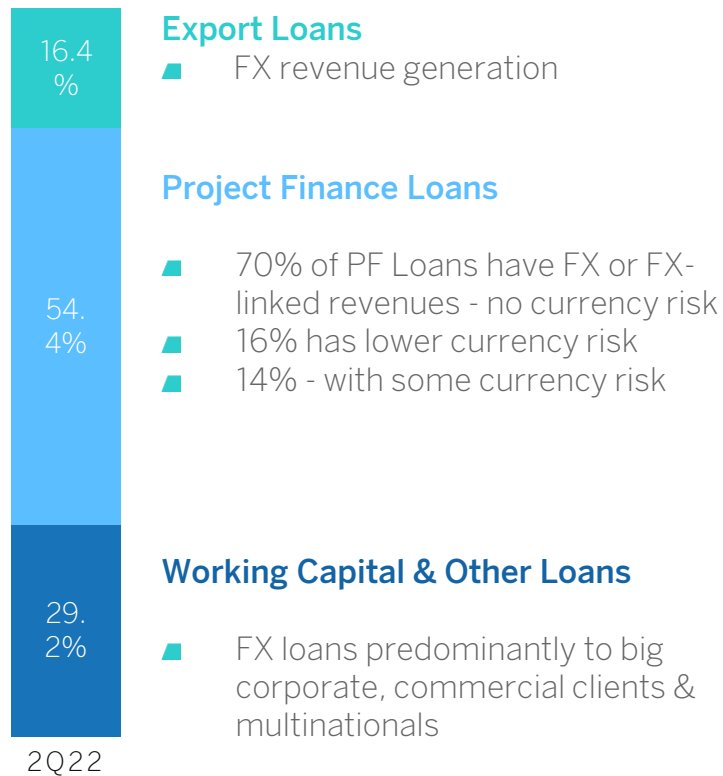


# APPENDIX: CLOSELY MONITORED AND WELL-PROVISIONED FC LOANS

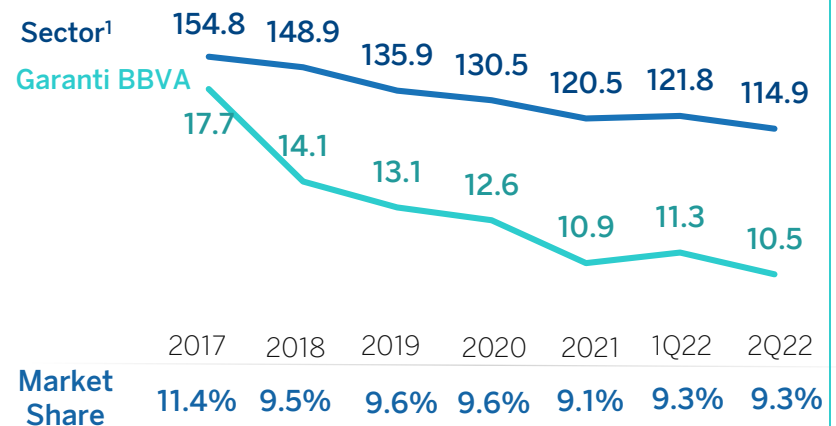
## FC PERFORMING LOANS

(32% of total performing loans)

US\$ 10.5 bn



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

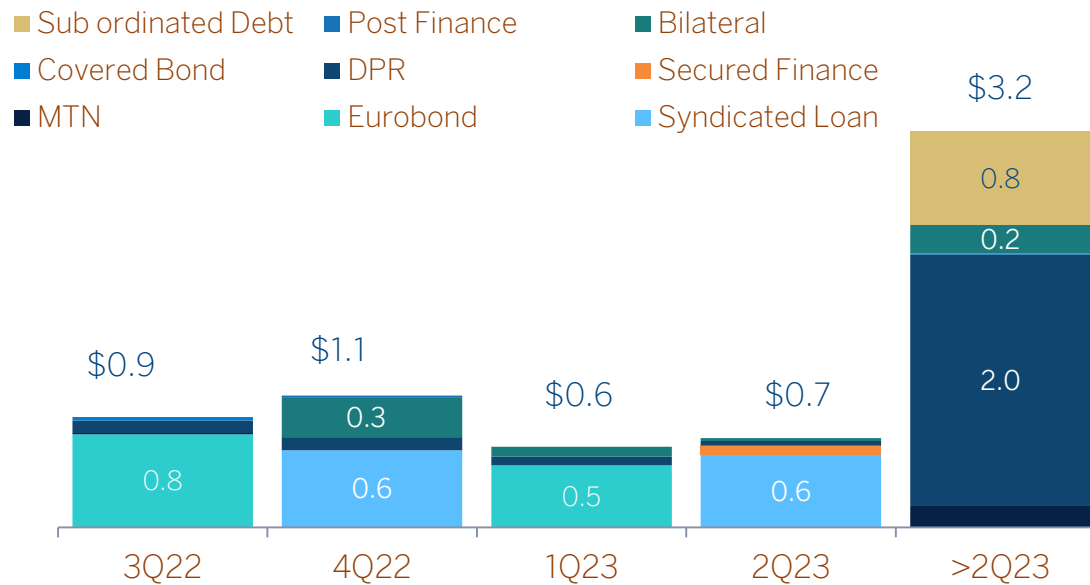


- Regular conduct of FX sensitivity analysis for proactive staging and provisioning

# 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

Total  
Loans /  
Deposits:

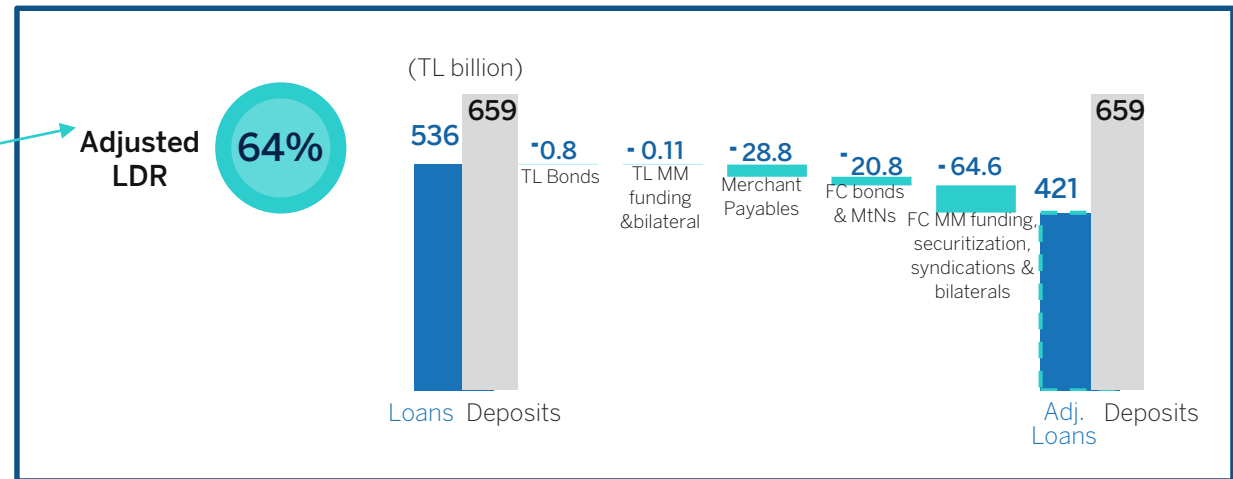
81%

TL Loans /  
TL Deposits:

130%

FC Loans /  
FC Deposits:

46%



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

Total LCR 198%

Minimum Requirement 100%

FC LCR 422%

Minimum Requirement 80%

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

## APPENDIX: CONSUMER & TL BUSINESS BANKING LOANS

Consumer & TL Business Banking Loans (TL billion)	Jun-21	Mar-22	Jun-22	QoQ (%)	YoY (%)
TL Business Banking	121.1	166.7	197.3	18.3	62.9
Cons. Mortgage Loans	23.2	25.3	25.3	-0.1	9.0
Consumer Auto Loans	2.9	2.5	3.3	34.5	15.6
Cons. General Purpose Loans <sup>1</sup>	49.4	60.2	69.3	15.0	40.2
Cons. Credit Card Balances	29.6	42.1	50.4	19.7	70.3

Market Shares <sup>3</sup>	Mar-22	Jun-22	QoQ Δ	Rank
Consumer Loans inc.				
Consumer CCs	13.1%	12.9%	-19 bps	#1*
Cons. Mortgage Loans	8.9%	7.9%	-94 bps	#1*
Consumer Auto Loans	25.2%	19.7%	-548 bps	#1*
Cons. General Purpose Loans	12.9%	13.1%	14 bps	#1*
TL Business Banking	9.0%	8.9%	-15 bps	#1*
# of CC customers <sup>2</sup>	13.3%	13.4%	10 bps	#1
Issuing Volume (Cumulative) <sup>2</sup>	17.7%	17.6%	-12 bps	#1
Acquiring Volume (Cumulative) <sup>2</sup>	17.8%	17.8%	-3 bps	#1

\* Rankings are among private banks as of March 2022

<sup>1</sup> Including other loans and overdrafts

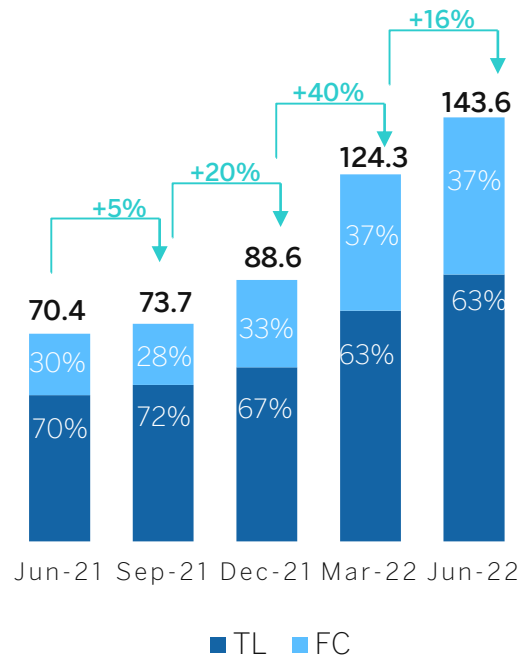
<sup>2</sup> Cumulative figures and rankings as of June 2022, as per Interbank Card Center data. Rankings are among private banks.

<sup>3</sup> Sector figures used in market share calculations are based on bank-only BRSA weekly data as of 01.07.2022, for commercial banks

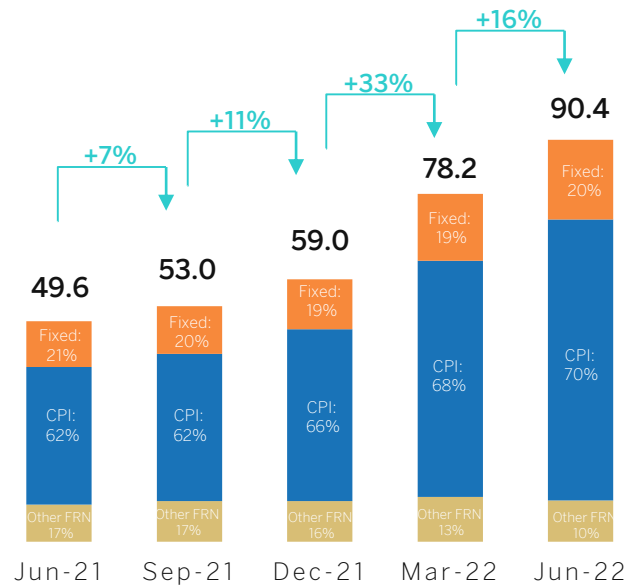
# APPENDIX: SECURITIES PORTFOLIO

## TOTAL SECURITIES (TL billion)

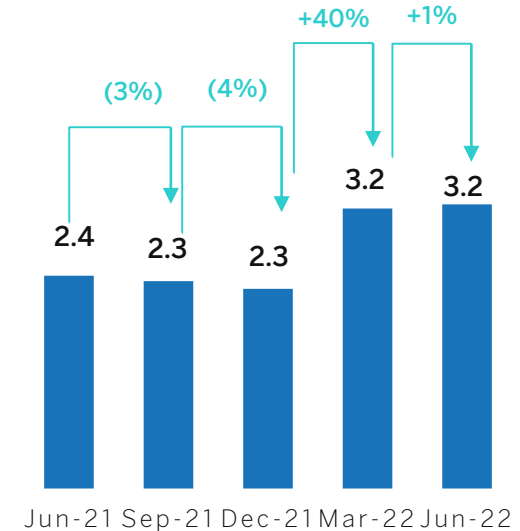
15% of Total Assets



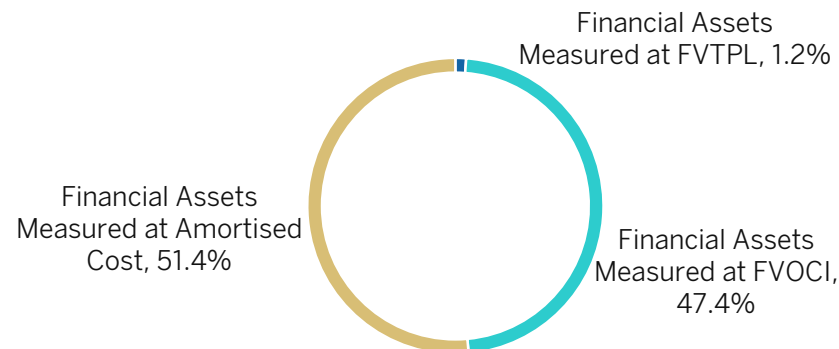
## TL SECURITIES (TL billion)



## FC SECURITIES (US\$ billion)



## SECURITIES COMPOSITION



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

# APPENDIX: SUMMARY BALANCE SHEET

(TL billion)

ASSETS	30.06.2021	30.09.2021	31.12.2021	31.03.2022	30.06.2022
Cash & Cash Equivalents	39.4	34.5	98.0	90.6	110.5
Balances at CBRT	64.0	67.8	102.7	105.6	123.6
Securities	70.4	73.7	88.6	124.3	143.6
Gross Loans	351.5	371.3	424.9	491.2	553.0
<b>+TL Loans</b>	<b>242.0</b>	<b>261.4</b>	<b>273.8</b>	<b>317.6</b>	<b>378.3</b>
TL NPL	7.4	7.5	8.1	8.1	16.4
<i>info: TL Performing Loans</i>	234.6	254.0	265.7	309.5	361.9
<b>+FC Loans (in US\$ terms)</b>	<b>12.7</b>	<b>12.4</b>	<b>11.5</b>	<b>11.9</b>	<b>10.6</b>
FC NPL (in US\$ terms)	0.8	0.8	0.6	0.6	0.1
<i>info: FC Performing Loans (in US\$ terms)</i>	11.9	11.6	10.9	11.3	10.5
<i>info: Performing Loans (TL+FC)</i>	<b>337.1</b>	<b>356.6</b>	<b>408.8</b>	<b>474.4</b>	<b>535.6</b>
Fixed Assets & Subsidiaries	19.5	20.4	26.8	29.8	32.5
Other	5.7	5.8	18.0	9.7	18.4
<b>TOTAL ASSETS</b>	<b>550.4</b>	<b>573.5</b>	<b>758.9</b>	<b>851.2</b>	<b>981.7</b>
LIABILITIES & SHE	30.06.2021	30.09.2021	31.12.2021	31.03.2022	30.06.2022
Total Deposits	368.6	385.5	513.2	578.1	658.7
<b>+Demand Deposits</b>	<b>157.0</b>	<b>171.7</b>	<b>260.5</b>	<b>286.3</b>	<b>327.6</b>
TL Demand	44.3	46.8	51.2	60.3	74.7
FC Demand (in US\$ terms)	13.1	14.1	16.0	15.5	15.3
<b>+Time Deposits</b>	<b>211.6</b>	<b>213.8</b>	<b>252.8</b>	<b>291.8</b>	<b>331.1</b>
TL Time	122.3	127.2	129.3	172.9	203.6
FC Time (in US\$ terms)	10.3	9.8	9.4	8.2	7.7
Interbank Money Market	1.3	1.4	9.6	1.4	26.7
Bonds Issued	15.5	16.4	21.8	20.3	21.7
Funds Borrowed	53.8	51.5	71.8	76.9	79.5
Other liabilities	43.8	47.9	62.4	77.8	83.4
Shareholders' Equity	67.3	70.9	80.0	96.7	111.7
<b>TOTAL LIABILITIES &amp; SHE</b>	<b>550.4</b>	<b>573.5</b>	<b>758.9</b>	<b>851.2</b>	<b>981.7</b>

# APPENDIX: SUMMARY P&L

TL Million	QUARTERLY P&L			CUMULATIVE P&L		
	1Q22	2Q22	QoQ	6M21	6M22	YoY
(+) Net Interest Income including Swap costs	9.914	12.647	28%	8.416	22.562	168%
(+) <i>NII excluding CPI linkers' income</i>	9.790	11.926	22%	11.126	21.716	95%
(+) <i>Income on CPI linkers</i>	3.414	3.719	9%	2.255	7.134	216%
(-) <i>Swap Cost</i>	-3.290	-2.998	-9%	-4.964	-6.288	27%
(+) Net Fees & Comm.	2.950	3.574	21%	3.874	6.525	68%
(+) Net Trading & FX gains/losses (excl. Swap costs and currency hedge)	3.364	3.984	18%	2.041	7.348	260%
<i>info: Gain on Currency Hedge<sup>1</sup></i>	1.992	2.087	5%	1.655	4.079	147%
(+) Income on subsidiary income	1,110	1,284	16%	1,330	2,395	80%
(+) Other income (excl. Prov. reversals & one-offs)	375	79	-79%	216	574	166%
<b>= REVENUES</b>	<b>17.714</b>	<b>21.569</b>	<b>22%</b>	<b>15.877</b>	<b>39.403</b>	<b>148%</b>
(+) Non-recurring other income	94	1.221	1199%	104	1.195	1046%
(+) <i>Gain on asset sale</i>	94	941	901%	104	1.035	893%
(+) <i>Gain on debt sale</i>	0	120	<i>n.m</i>	0	0	<i>n.m</i>
(+) <i>Administrative Fine Reversal</i>	0	160	<i>n.m</i>	0	160	<i>n.m</i>
(-) OPEX	-4.356	-4.691	8%	-5.586	-9.047	62%
(-) <i>HR</i>	-1.638	-1.842	12%	-2.145	-3.481	62%
(-) <i>Non-HR</i>	-2.718	-2.848	5%	-3.441	-5.566	62%
<b>= PRE-PROVISION INCOME</b>	<b>13.452</b>	<b>18.099</b>	<b>35%</b>	<b>10.396</b>	<b>31.551</b>	<b>204%</b>
(-) Net Expected Loss (excl. Currency impact)	-1.348	-1.503	11%	-1.515	-2.851	88%
(-) <i>Expected Loss</i>	-6.681	-5.740	-14%	-7.650	-12.421	62%
<i>info: Currency Impact<sup>1</sup></i>	-1.992	-2.087	5%	-1.655	-4.079	147%
(+) <i>Provision Reversal under other Income</i>	3.341	2.150	-36%	4.480	5.491	23%
(-) Taxation and other provisions	-3.894	-3.711	-5%	-3.144	-7.605	142%
(-) <i>Free Provision</i>	0	0	<i>n.m</i>	-950	0	<i>n.m</i>
(-) <i>Taxation</i>	-2.787	-2.724	-2%	-1.068	-5.511	416%
(-) <i>Other provisions (excl. free prov.)</i>	-1.107	-987	-11%	-1.126	-2.094	86%
<b>= NET INCOME</b>	<b>8.210</b>	<b>12.886</b>	<b>57%</b>	<b>5.737</b>	<b>21.096</b>	<b>268%</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

	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22
<b>Profitability ratios</b>					
ROAE (Cumulative) <sup>1</sup>	19.3%	19.3%	19.0%	37.4%	43.0%
ROAA (Cumulative) <sup>1</sup>	2.4%	2.4%	2.3%	4.1%	4.8%
Cost/Income	35.0%	34.1%	30.6%	24.5%	22.3%
<b>Liquidity ratios</b>					
Loans / Deposits	91.5%	92.5%	79.6%	82.1%	81.3%
TL Loans / TL Deposits	140.8%	145.9%	147.2%	132.7%	130.0%
Adj. Loans/Deposits (Loans adj. with on-balance sheet alternative funding sources)	72%	74%	60%	64%	64%
TL Loans / (TL Deposits + TL Bonds + Merchant Payables)	125.3%	128.6%	128.3%	119.2%	117.6%
FC Loans / FC Deposits	50.7%	48.5%	43.0%	47.8%	45.7%
<b>Asset quality ratios</b>					
NPL Ratio	4.1%	4.0%	3.8%	3.4%	3.2%
Coverage Ratio	6.1%	5.9%	6.3%	5.9%	5.7%
+ Stage1	0.6%	0.6%	0.7%	0.8%	0.9%
+ Stage2	17.0%	17.2%	17.0%	17.2%	18.7%
+ Stage3	65.6%	69.0%	66.0%	67.0%	69.0%
Cumulative Net Cost of Risk (excluding currency impact, bps) <sup>2</sup>	92	56	108	119	117
<b>Solvency ratios</b>					
CAR (excl. BRSA Forbearance)	17.6%	17.3%	15.8%	16.8%	17.1%
Common Equity Tier I Ratio (excl. BRSA Forbearance)	14.9%	14.6%	13.0%	13.9%	14.5%
Leverage	7.2x	7.1x	8.5x	7.8x	7.8x

<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 2Q21, 3Q21, 1Q22 and 2Q22. 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	3Q21	4Q21	1Q22	2Q22
<b>(-) Expected Credit Losses</b>	<b>1.759</b>	<b>10.119</b>	<b>6.681</b>	<b>5,740</b>
Stage 1	204	1.272	2.795	1,380
Stage 2	644	4.860	2.364	2,767
Stage 3	911	3.988	1.522	1,592
<b>(+) Provision Reversals under other income</b>	<b>1.584</b>	<b>1.727</b>	<b>3.341</b>	<b>2,150</b>
Stage 1	404	403	1.721	1,343
Stage 2	816	795	966	424
Stage 3	365	529	654	383
<b>(=) (a) Net Expected Credit Losses</b>	<b>175</b>	<b>8.392</b>	<b>3.340</b>	<b>3,589</b>
<b>(b) Average Gross Loans</b>	<b>361.397</b>	<b>398.084</b>	<b>458.047</b>	<b>522,143</b>
<b>(a/b) Quarterly Total Net CoR (bps)</b>	<b>19</b>	<b>836</b>	<b>296</b>	<b>276</b>
info: Currency Impact <sup>1</sup>	27	592	176	160
<b>Total Net CoR excl. currency impact (bps)</b>	<b>-8</b>	<b>244</b>	<b>119</b>	<b>115</b>

(Million TL)

Cumulative Net Expected Credit Loss	6M22
<b>(-) Expected Credit Losses</b>	<b>12.421</b>
Stage 1	4.176
Stage 2	5.131
Stage 3	3.115
<b>(+) Provision Reversals under other income</b>	<b>5.491</b>
Stage 1	3.065
Stage 2	1.390
Stage 3	1.037
<b>(=) (a) Net Expected Credit Losses</b>	<b>6.930</b>
<b>(b) Average Gross Loans</b>	<b>489.714</b>
<b>(a/b) Cumulative Total Net CoR (bps)</b>	<b>285</b>
info: Currency Impact <sup>1</sup>	168
<b>Total Net CoR excl. currency impact (bps)</b>	<b>117</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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