



# 9M21 EARNINGS PRESENTATION

Based on BRSA Consolidated Financials

October 27th, 2021

# TURKISH ECONOMY

**STRONG ECONOMIC ACTIVITY,**  
*backed by domestic demand,*  
*pressures* **INFLATION**

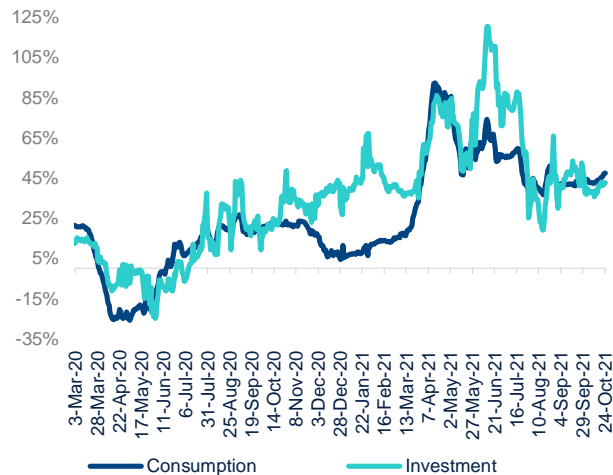
*Recovery in Tourism Revenues*  
*support* **CURRENT ACCOUNT**  
**DEFICIT**

**BUDGET DEFICIT REMAINS**  
*below the Maastricht Criteria*  
*with resilient tax revenues and*  
*controlled expenditures*



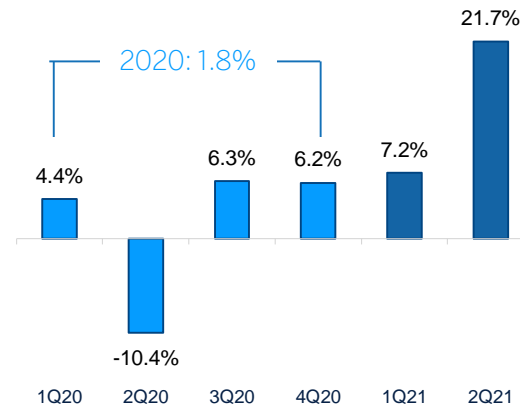
# DOMESTIC DEMAND KEEPS GROWING ON CONSUMPTION, ECONOMIC ACTIVITY HIGHER THAN EXPECTED SO FAR

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



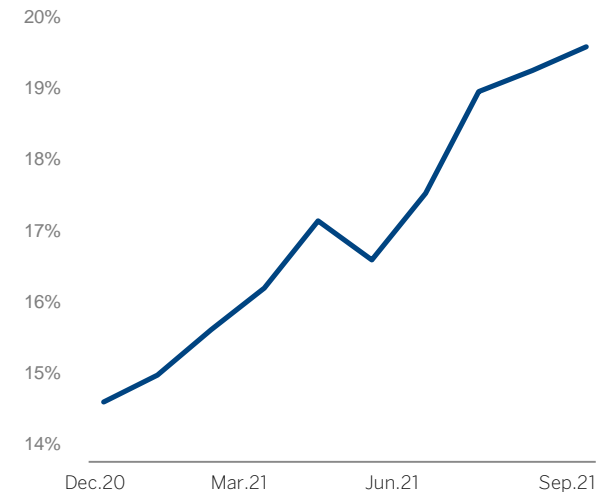
- Our big data proxies suggest that **domestic demand keeps growing on consumption**, whereas investment stays relatively weaker

## GDP GROWTH (YoY)



- The Turkish Economy grew by 14.3% in the first half of the year. **Economic activity in 3Q** was still **stronger than expected**

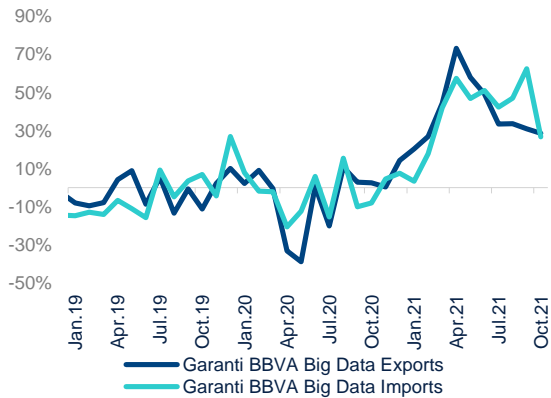
## CONSUMER INFLATION (ANNUAL)



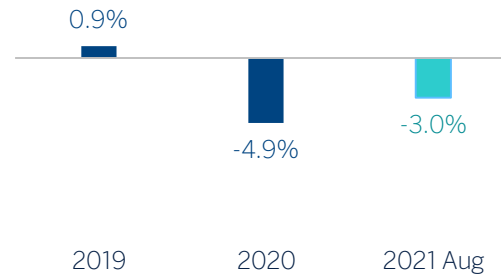
- Inflationary pressures remain high** on food inflation, cost push factors, worsening inflation expectations and still growing domestic demand

# EXPORTS EXPECTED TO REMAIN SUPPORTIVE LED BY RECOVERING EXTERNAL DEMAND AND TOURISM REVENUES

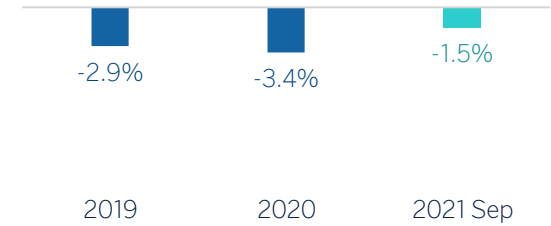
## BBVA EXPORTS & IMPORTS BIG DATA INDICES (YoY nominal)



## CURRENT ACCOUNT BALANCE / GDP



## CG BUDGET DEFICIT / GDP



- Exports remain supportive led by recovering external demand, though imports still surprise on the upside

- Current account deficit further shrinks to 3% of GDP in August
- Pressures on the CAD have increased due to higher energy bill and potential dollarization.

- Budget deficit to GDP realized at 1.5% in September, still boosted by strong tax revenues and relatively controlled expenditures.

# 9M21 FINANCIAL RESULTS



**PROVEN CAPABILITY TO  
GENERATE SUPERIOR ROAE**  
*consistently above inflation*

**HEALTHY MARKET SHARE GAINS**

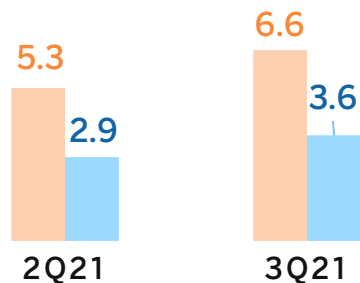
**PROACTIVELY SHAPED  
& WELL PROVISIONED ASSETS**

**UNRIVALED NII & FEE  
GENERATION CAPABILITY**

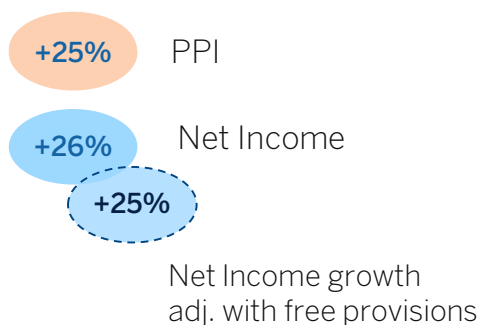
# A NEW RECORD HIGH IN QUARTERLY PROFITS

## PRE-PROVISION INCOME & NET INCOME (TL Billion)

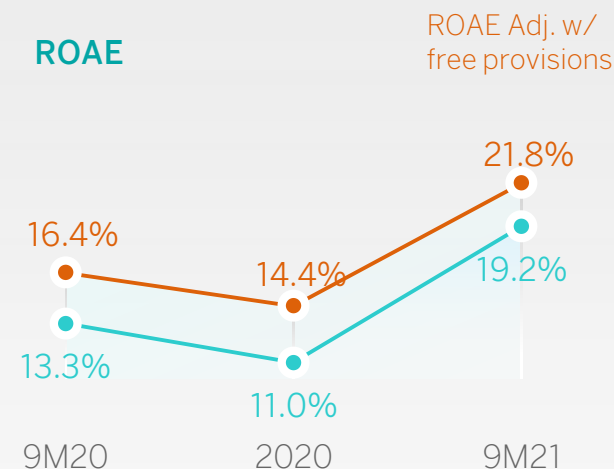
### QUARTERLY



### QOQ GROWTH



### ROAE

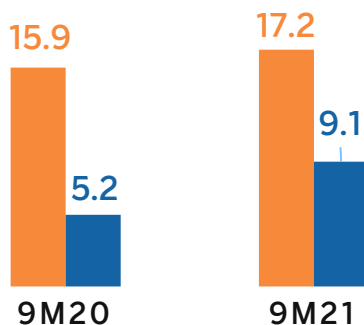


Free provisions in the quarter

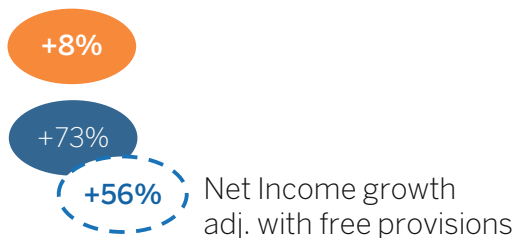
+0.8bn

+1.0bn

### CUMULATIVE



### YOY GROWTH



Free provisions in nine months

+1.83bn

+1.95bn

■ ROAA in 9M21 is 2.2% and 2.5% when adjusted with the free provisions.

■ Total free provisions on B/S reached TL 6.6bn.

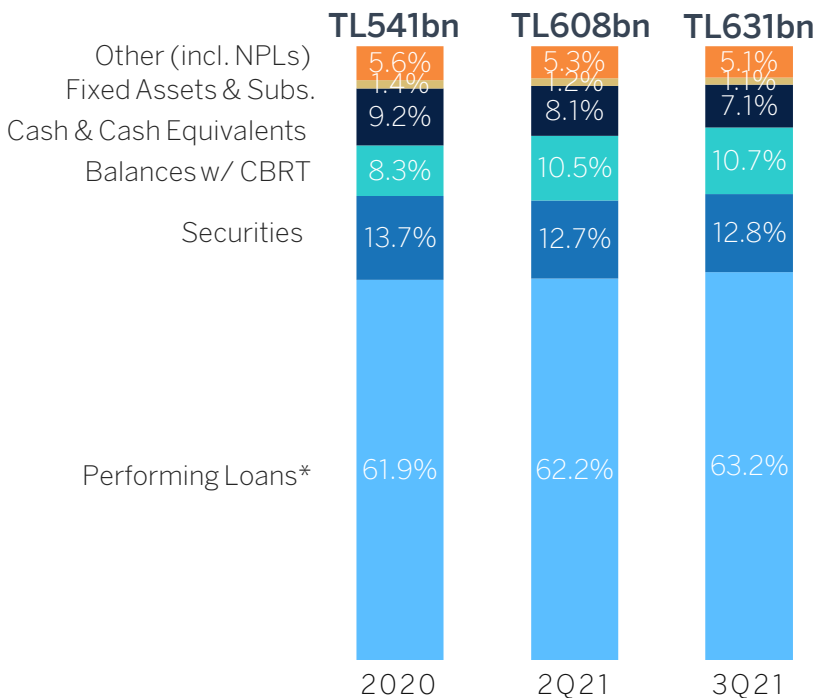
■ Visible NIM improvement since Q2 2021 upon TL loan repricing and growth as well as managed spread.

■ Sustained outstanding fee generation capability.

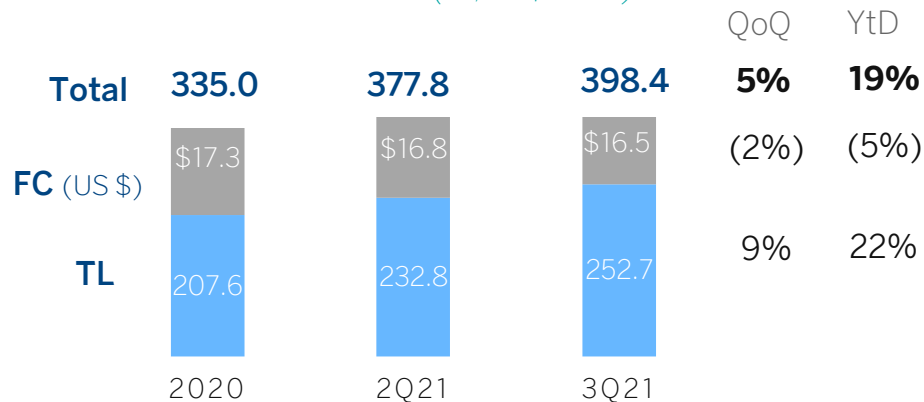
■ No ease in prudent provisioning, however, the need for further loan loss provisioning has come down.

# CUSTOMER DRIVEN ASSET GROWTH REINFORCES SUSTAINABLE REVENUE GENERATION CAPABILITY

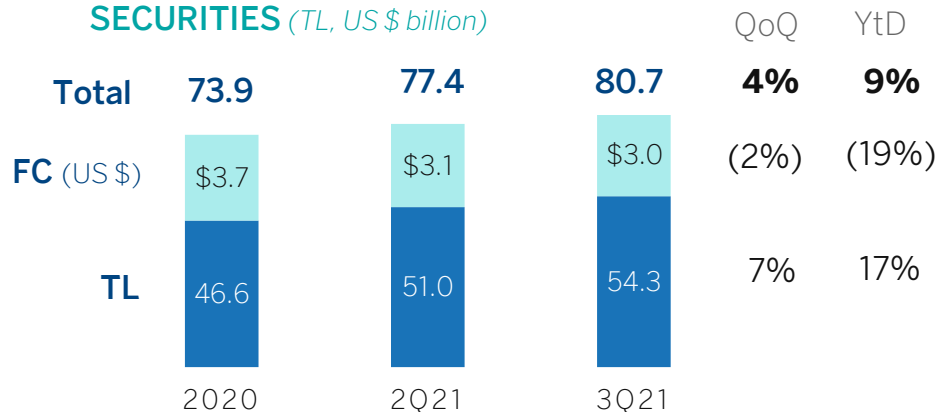
## ASSET BREAKDOWN



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



## SECURITIES (TL, US \$ billion)



### Profitable & Selective growth strategy:

Outperformed sector TL lending growth while actively managing spreads

### Strategically managed securities portfolio to help ride out volatility

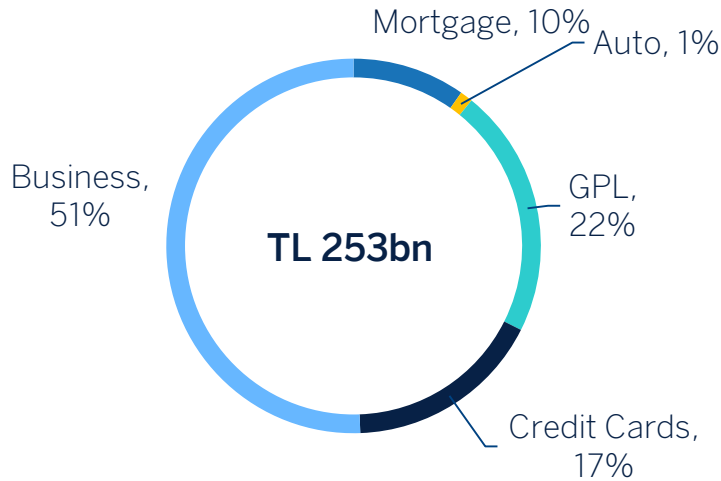
Opportunistic CPI & FRN Security additions in 3Q

\*Excludes leasing and factoring receivables

# SIGNIFICANT MARKET SHARE GAINS WITH RATIONAL PRICING

## TL PERFORMING LOANS

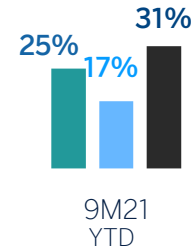
(63% of total performing loans)



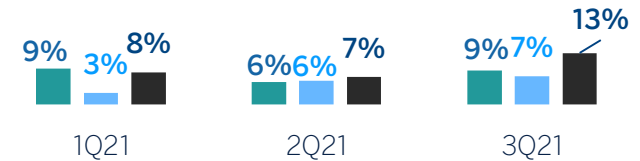
## TL PERFORMING LOAN GROWTH

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

ANNUAL



QUARTERLY



Market Share*	2020	9M21
TL Loans	9.6%	10.6%
Consumer (excl. CCs)	10.2%	11.7%
TL Business	8.3%	9.0%
Consumer GPL	11.1%	12.7%
Acquiring Volume	16.9%	17.2%
Issuing Volume	17.6%	17.4%

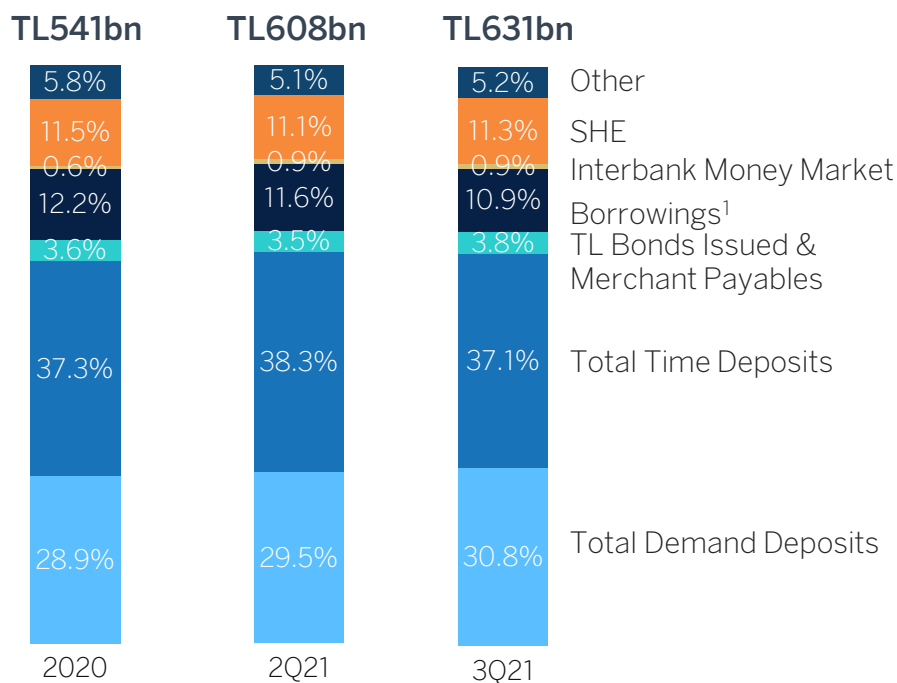
- **#1 rank in TL loans\*** among private banks
- Healthy growth in consumer lending while **keeping price discipline**
- 47% of GPLs are granted to salary customers.

\* Based on bank-only BRSA Weekly Data, among commercial banks and Interbank Card Center data  
TL loan market share ranking was as of June, per bank-only financials



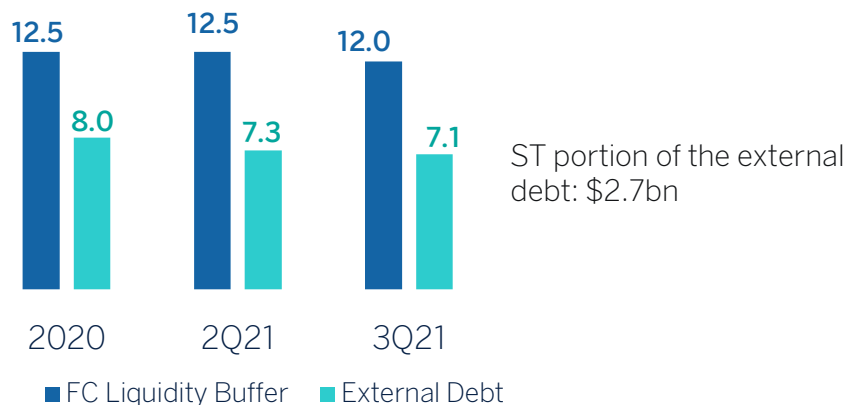
# SOLID FUNDING MIX REMAINS TO BE THE MAIN DIFFERENTIATOR

## LIABILITIES & SHE BREAKDOWN



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

(US\$ bn)



## LIQUIDITY COVERAGE RATIOS<sup>3</sup>

Total LCR	192%
Minimum Requirement	100%
FC LCR	362%
Minimum Requirement	80%

Low  
Leverage  
7.9x

Free Funds  
/ IEAs<sup>4</sup>  
34.5%  
vs Private Peer  
avg: 23%

<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

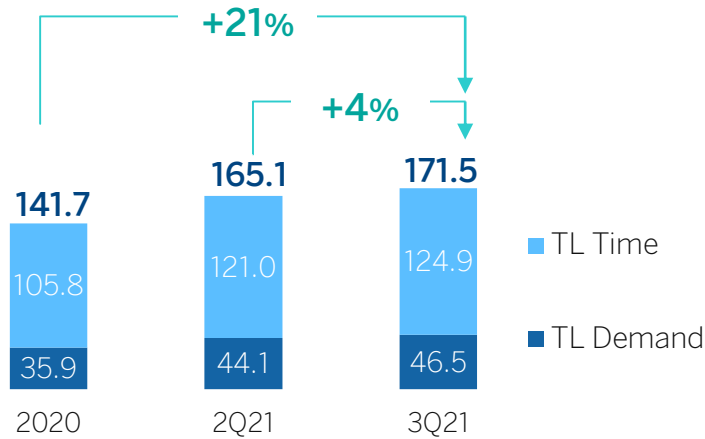
<sup>3</sup> Represents the average of September's last week.

<sup>4</sup> Free Funds=SHE-Reserve Requirement-Net NPL-Subsidiaries-Fixed Assets+Demand Deposits. Private Peer average represents June 2021 bank-only data.

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

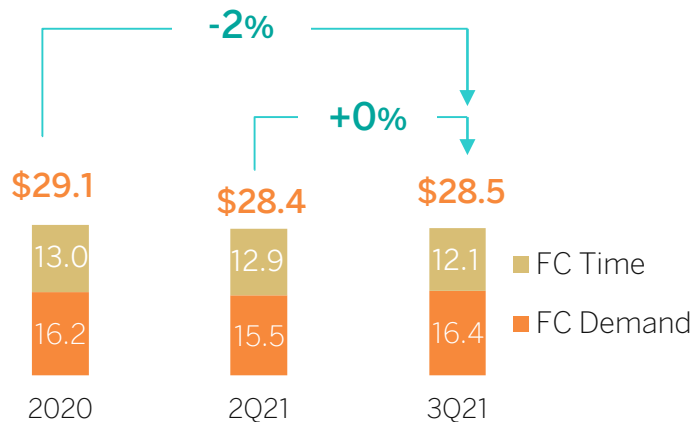
## TL CUST. DEPOSITS (in TL bn)

(40% of total deposits)



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

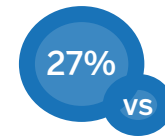
(60% of total deposits)



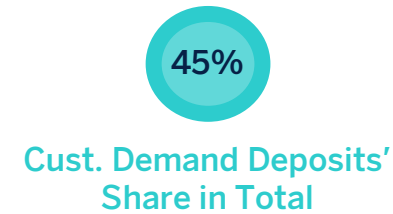
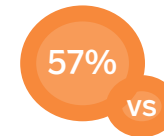
<sup>1</sup> Based on bank-only MIS data.  
Note: Sector data is based on BRSA weekly data, for commercial banks only

## EXPANDING ZERO-COST DEMAND DEPOSITS BASE

TL DEMAND DEPOSITS / TL CUST. DEPOSITS



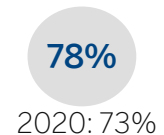
FC DEMAND DEPOSITS / FC CUST. DEPOSITS



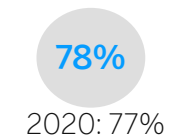
## RETAIL DEPOSITS DRIVEN GROWTH

YTD & QtD Increase in TL customer deposits was purely coming from stickier Retail & SME<sup>1</sup>

SME & Retail / TL Cust. Deposits

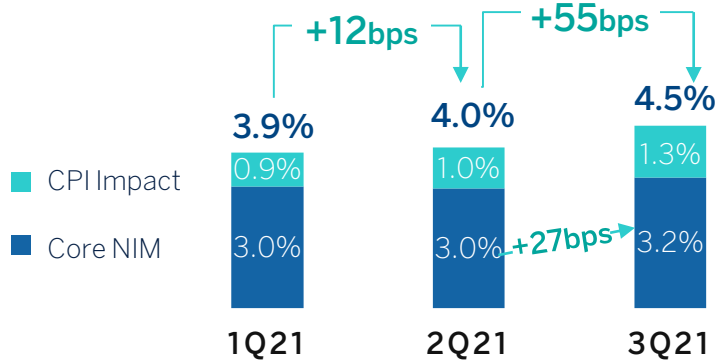


SME & Retail / FC Cust. Deposits

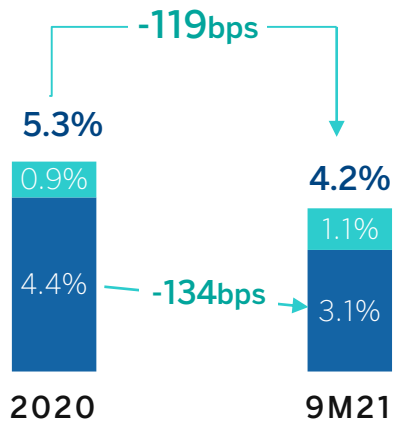


# A BILLION INCREASE IN QUARTERLY NII UNDERSCORES OUR SUPERIOR BALANCE SHEET MANAGEMENT

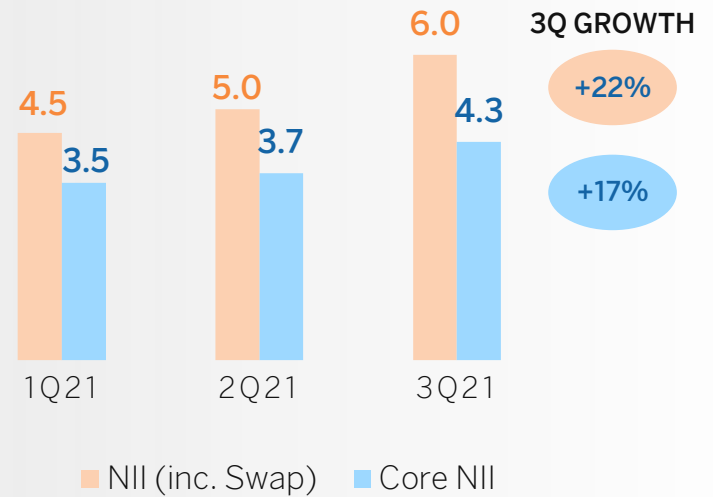
## QUARTERLY NIM INCL. SWAP COSTS



## CUMULATIVE NIM INCL. SWAP COSTS

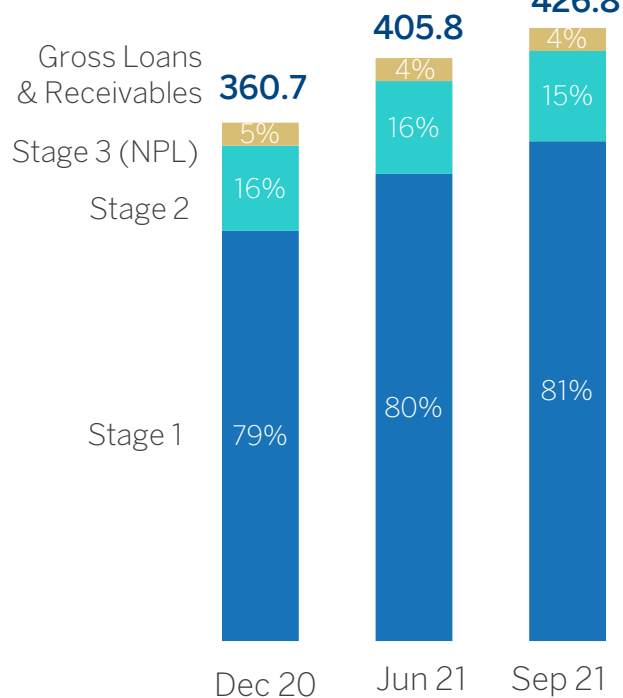


## NII (INCL. SWAP COSTS) & CORE NII (TL bn)

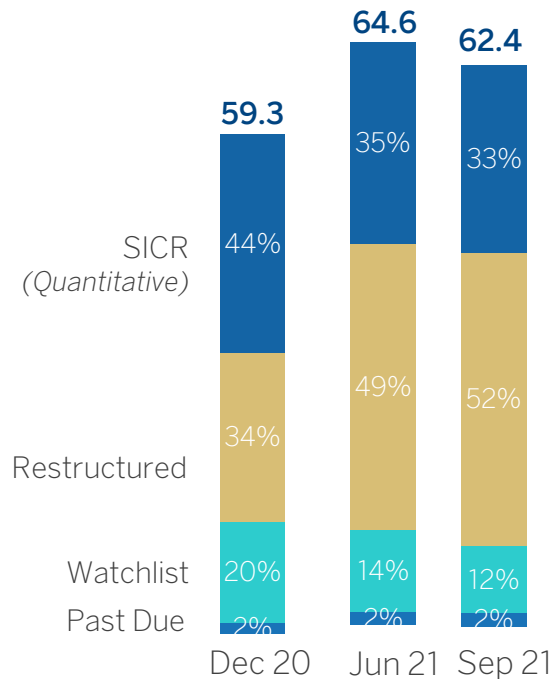


# EFFECTIVE AND PRUDENT RISK APPROACH PROVIDES RESILIENCE

**LOANS & RECEIVABLES BREAKDOWN<sup>1</sup>**  
(Billion TL)



**STAGE-2 BREAKDOWN<sup>1</sup>**  
(Billion TL)



- Higher than expected economic activity - both domestic & global - led to some relief in SICR
- 87% of SICR is not delinquent at all

**Stage 2 coverage 14.4% 16.7% 16.9%**

- 90-180 days files' balance TL 1.7 bn with 35% coverage at the end of 9M21, following the temporary measure on NPL recognition day\*

<sup>1</sup> Including Leasing & Factoring Receivables

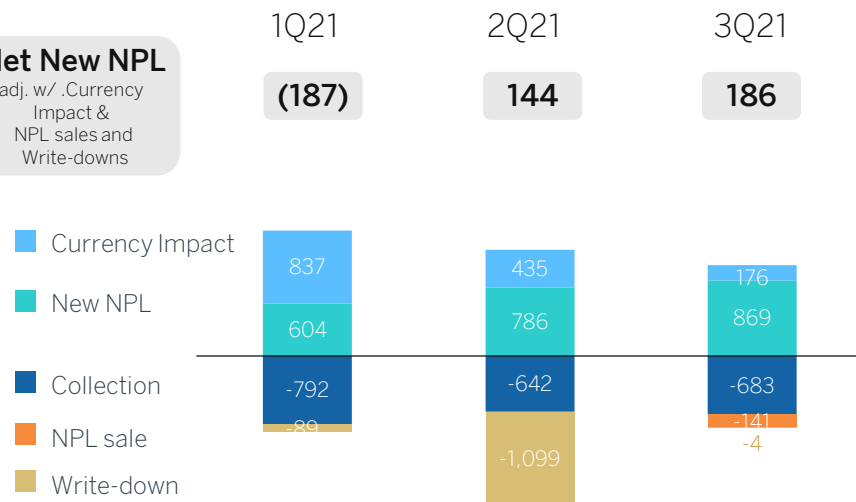
Note: SICR: Significant Increase in Credit Risk per our threshold for Probability of Default (PD) changes

\*Stage-2 past due definition changed to 90-180 days after regulation change of increased NPL recognition day to 180 days

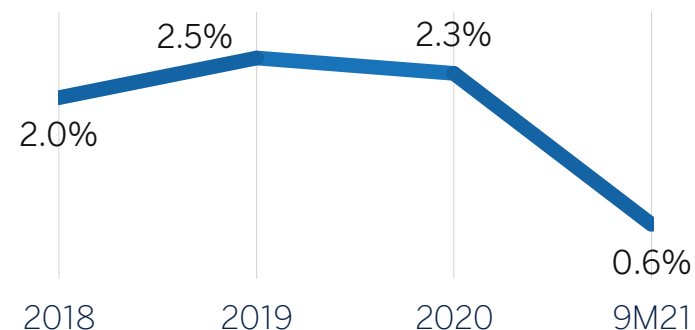
# LIMITED INFLOWS IN NET NEW NPLs, INCREASED COVERAGE, YET LOWER CoR

## NPL EVOLUTION<sup>1</sup> (TL million)

**Net New NPL**  
adj. w/ .Currency  
Impact &  
NPL sales and  
Write-downs



## NET CoR TREND excl. CURRENCY

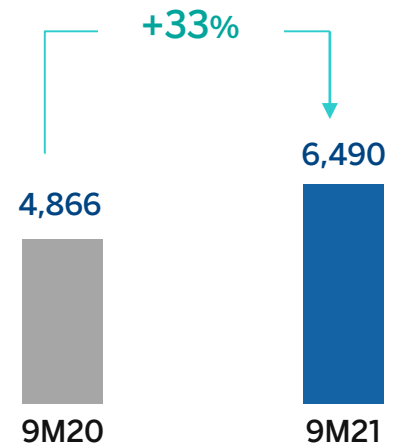


	1Q21	2Q21	3Q21	3Q21 (adj. w/WD)*
NPL (nominal TL bn)	16.7	16.2	16.4	22.3
NPL Ratio	4.4%	4.0%	3.8%	5.2%
NPL Coverage	66%	66%	69%	77%

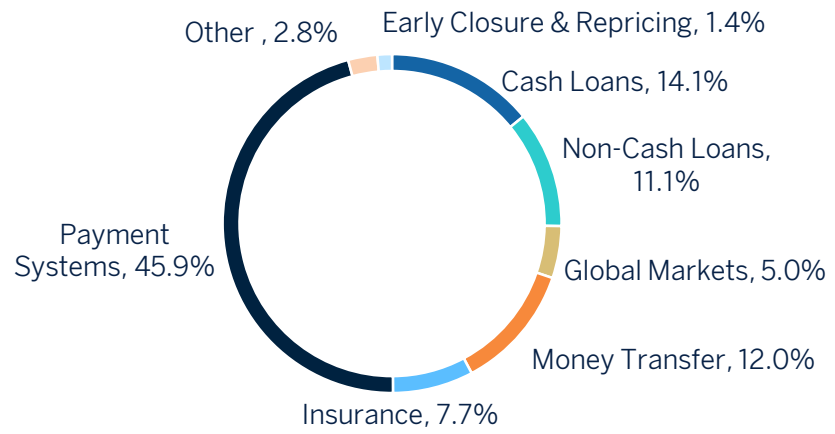
- Currency impact in 9M21 was 67bps fully hedged – no impact to bottom line.
- Quarterly Net CoR dropped notably (3Q21: 0.05%, 2Q21: 0.45% vs. 1Q21: 1.3%) after front loaded provisioning in previous periods.

# UNRIVALED FEE GENERATION CAPABILITY ON THE BACK OF RELATIONSHIP BANKING AND DIGITALIZATION

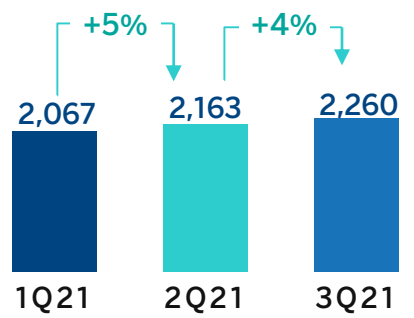
## NET FEES & COMMISSIONS (TL mn)



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



## QUARTERLY NET F&C in TL mn



## Annual Growth<sup>1</sup>

- |                |      |
|----------------|------|
| Payment System | +50% |
|----------------|------|

■ Higher interest rates and post-pandemic recovery in credit card volumes support payment systems fees
- |                |      |
|----------------|------|
| Money Transfer | +49% |
|----------------|------|

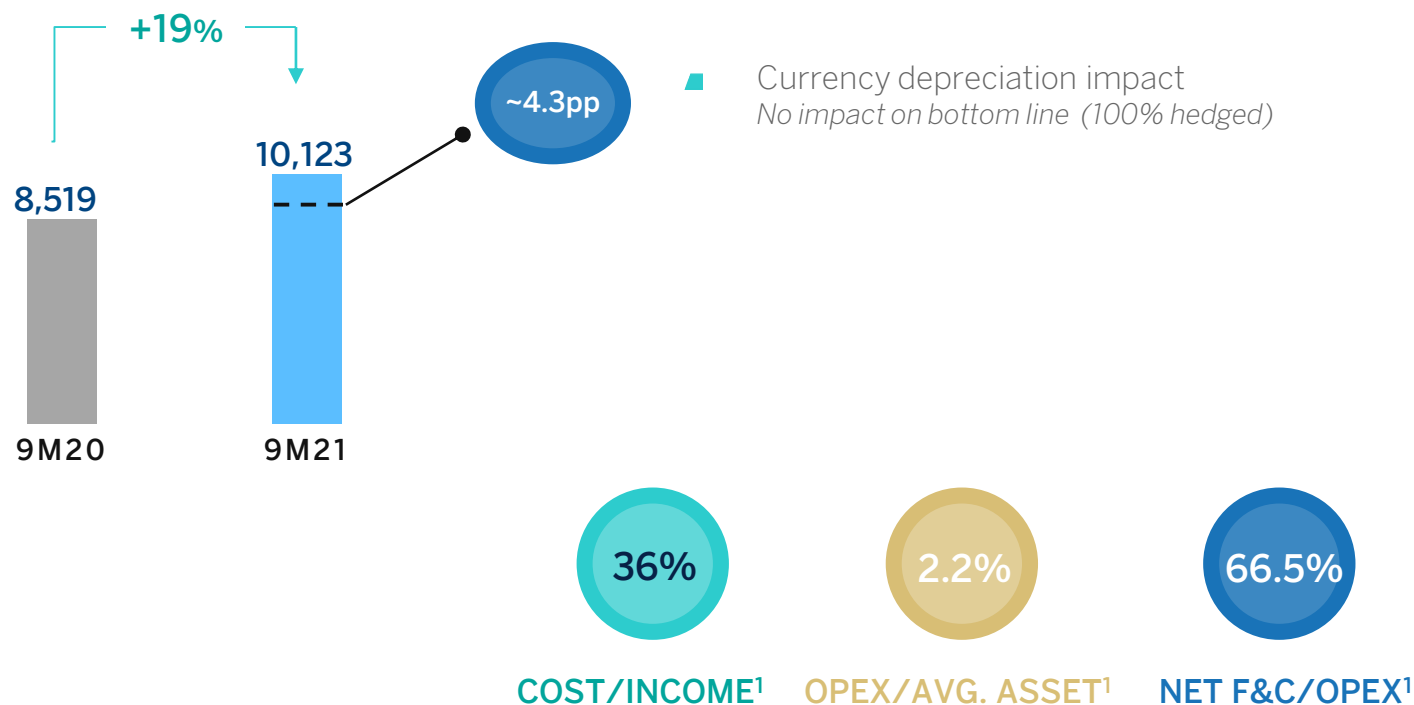
■ Boosted by growth in transaction numbers. Digital empowerment and unrivaled customer experience resulted in a 28% YoY increase in # of digital transactions.
- |             |      |
|-------------|------|
| Cash Loans* | +52% |
|-------------|------|

■ Expanding customer base with more effective and broader penetration

<sup>1</sup> Net Fees&Comm. breakdown is based on MIS data.  
 Some cash loan related fees, which were previously classified under 'other' are moved to 'cash loan fees as of 31.12.2020.  
 On a comparable basis; share of cash loan fees in 9M20: 12.8% and share of other fees: 3.3%  
 \*Excludes LYY related dividend income

# OPEX GROWTH MANAGED IN LINE WITH FULL YEAR GUIDANCE DESPITE CURRENCY DEPRECIATION

## OPERATING EXPENSES (TL Million)

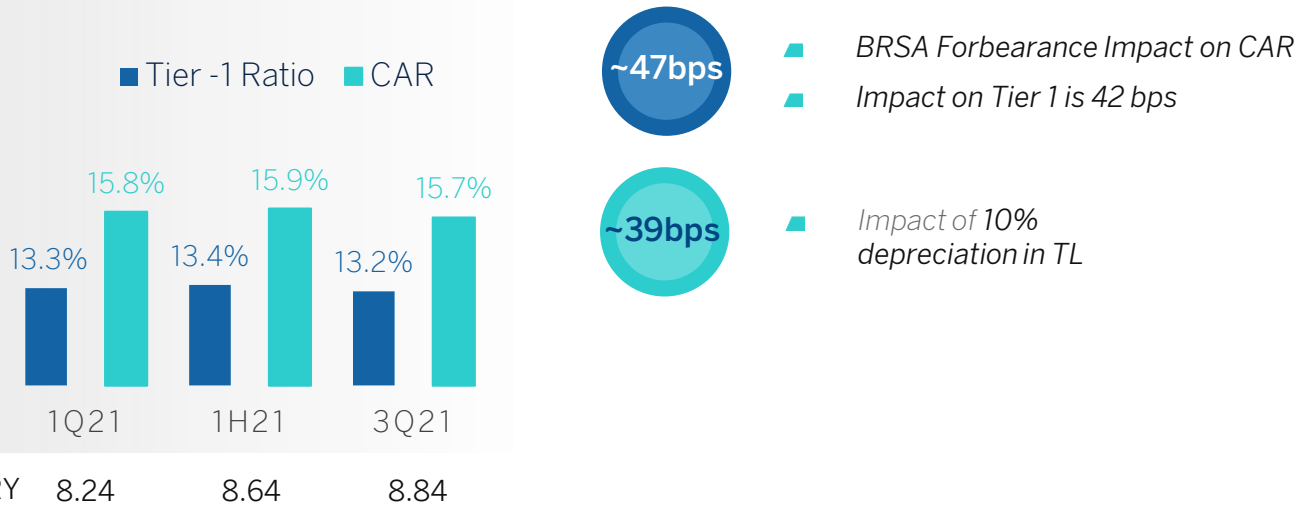


<sup>1</sup> OPEX excluding currency impact is used in the calculation of efficiency ratios.  
Income defined as NII inc. Swaps + Net F&C + Dividend Income + Subsidiary Income  
+ Net Trading Income (excludes swaps & currency hedge) + Other income (net of prov. Reversals)

# STRONG CAPITAL BUFFERS REMAIN WELL ABOVE THE REGULATORY LEVELS

## SOLVENCY RATIOS

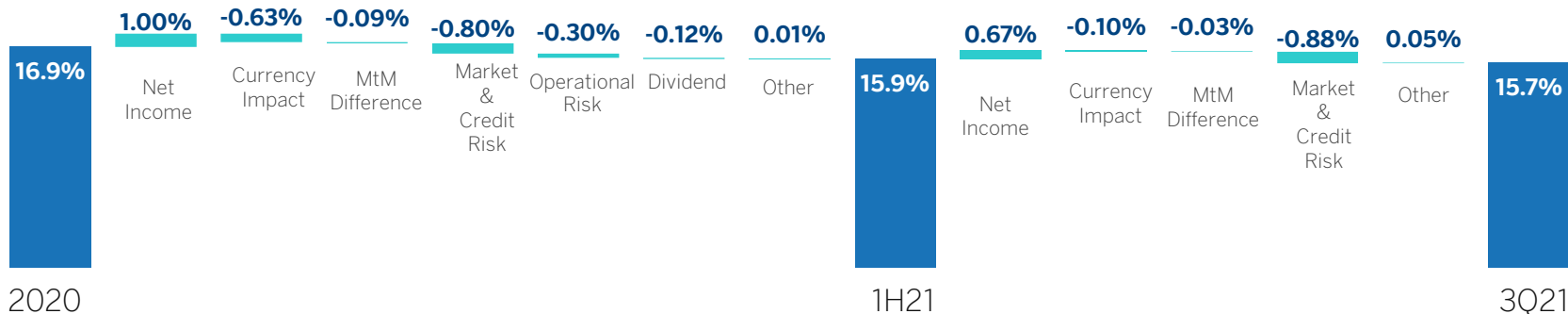
without BRSA's currency forbearance



TL  
19 bn

**EXCESS CAPITAL**  
(Consolidated w/o forbearance)

Taking into account minimum required level of 12.1% for 2021



1 Required Consolidated CAR level = 8.0% + SIFI Buffer for Group 2 (1.5%) + Capital Conservation Buffer (2.5%) + Counter Cyclical Buffer (0.125%); Required Consolidated Tier-1 = 6.0% + Buffers; Required Consolidated CET-1 = 4.5% + Buffers





# Continuous investments in **DIGITAL**, enriching CX & addressing global trends

**>10 MILLION MOBILE CUSTOMER**

*Highest digital & mobile customer base*

**SHARE OF BRANCH**

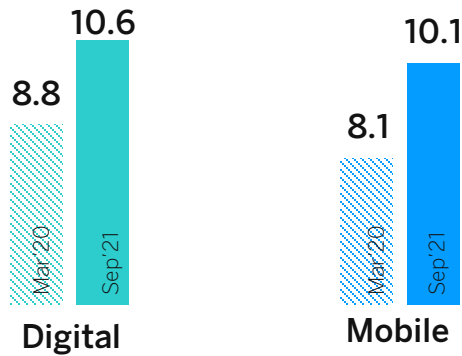
*in top transactions*

**CAME DOWN TO ~3% LEVELS**

# EMPOWER AND SERVE TO IMPROVE THE FINANCIAL HEALTH OF OUR CUSTOMERS

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

**+2.0 mn new customers**  
*both in digital and mobile*



**Exceeded 10 mn mobile customers!**

**+60%** Increase in the number of monthly logins since the beginning of 2020

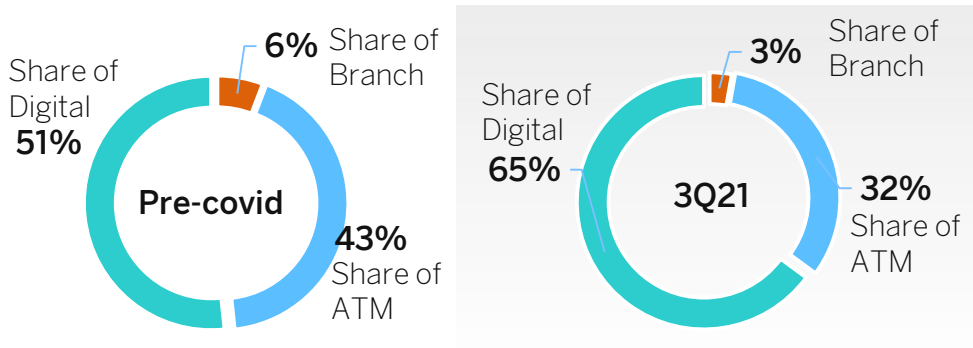
**19%** Market share in mobile financial transactions

**>80%** Share of digital in total sales (per unit)

**2.2x** More penetrable than non-digital

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

**79% increase** in digital transactions vs.  
**31% decline** in branch transactions



<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

# **SUSTAINABILITY**

## **is at the core of our strategy**

**BBVA 2025 PLEDGE 200BN €**

**'CARBON NEUTRAL BANK'**  
*as of 2020*

*First and only Turkish signatory*  
**UN NET ZERO BANKING  
ASSOCIATION (NZBA)**



# TRANSITION TO LOW CARBON ECONOMY

## Climate Change Action Plan

## E&S Risk Management

## Sustainable Finance



Prioritizing renewable energy projects and we putting a shadow price on carbon  
*Market Leader with 24.7% market share in RES financing*



Reducing deforestation



Creating Green Office Standards



Managing water-related risks



Environmental and Social Loan Policies in-line with Equator Principles



Environmental and Social Impact Assessment Model



Sectoral Principles



Innovative financing mechanisms such as; Green Loan, Sustainability-linked Loan etc.



Decarbonization of the Portfolio



Creating awareness and increasing capacity



Brain storming about the sectoral needs

Member of  
**Dow Jones Sustainability Indices**  
Powered by the S&P Global CSA

Only company from Turkey to be in place for 6 consecutive years



Only bank in Turkey



Only company from Turkey to be in place for five consecutive years



One of the two banks from Turkey listed in 2021

For more information please see ESG Analyst Data & Presentation on the IR website



# Appendix

Pg. 22 Sector Breakdown of Gross Loans

Pg. 23 FC Loan Breakdown

Pg. 24 Deferred Loans

Pg. 25 Maturity Profile & Liquidity Buffers

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

Pg. 27 Consumer Loans & TL Business  
Banking Loans

Pg. 28 Securities portfolio

Pg. 29 Summary Balance Sheet

Pg. 30 Summary P&L

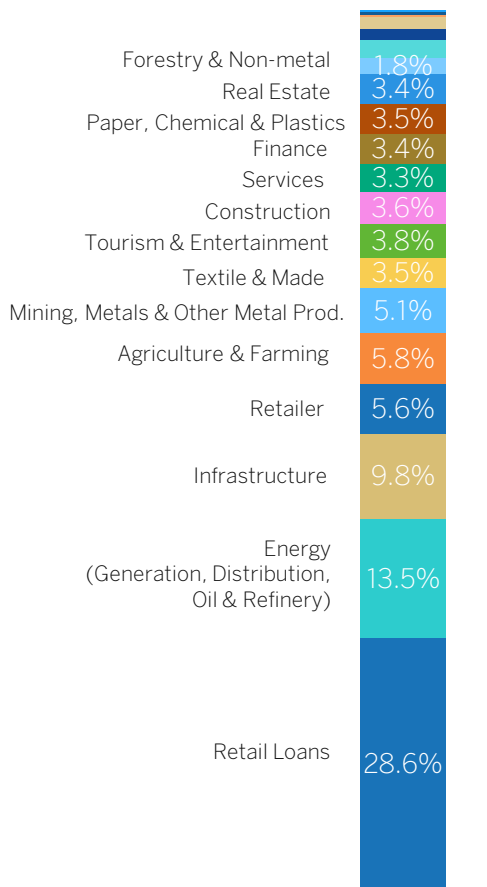
Pg. 31 Key Financial Ratios

Pg. 32 Quarterly & Cumulative Net  
Cost of Risk

# APPENDIX: SECTOR BREAKDOWN OF GROSS LOANS

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

TL 371.3bn



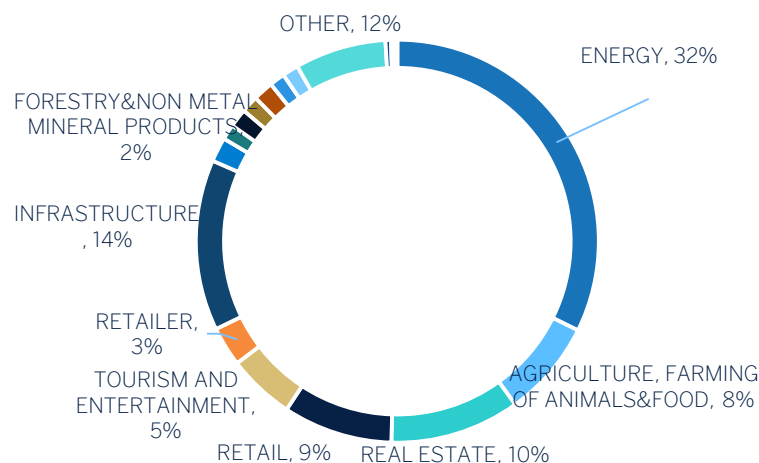
30.09.2021

### % OF SHARE IN

### COVERAGES

Key Sectors	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
RETAIL	82%	16%	2%	0,8%	6,4%	74,0%
ENERGY	66%	26%	8%	0,3%	22,3%	67,5%
CONSTRUCTION	89%	6%	5%	0,7%	15,1%	72,4%
TEXTILE & MADE	89%	7%	3%	0,5%	14,5%	74,8%
TOURISM & ENTATIRMENT	79%	18%	3%	0,4%	17,7%	65,5%
REAL ESTATE	53%	34%	13%	0,6%	38,6%	50,3%

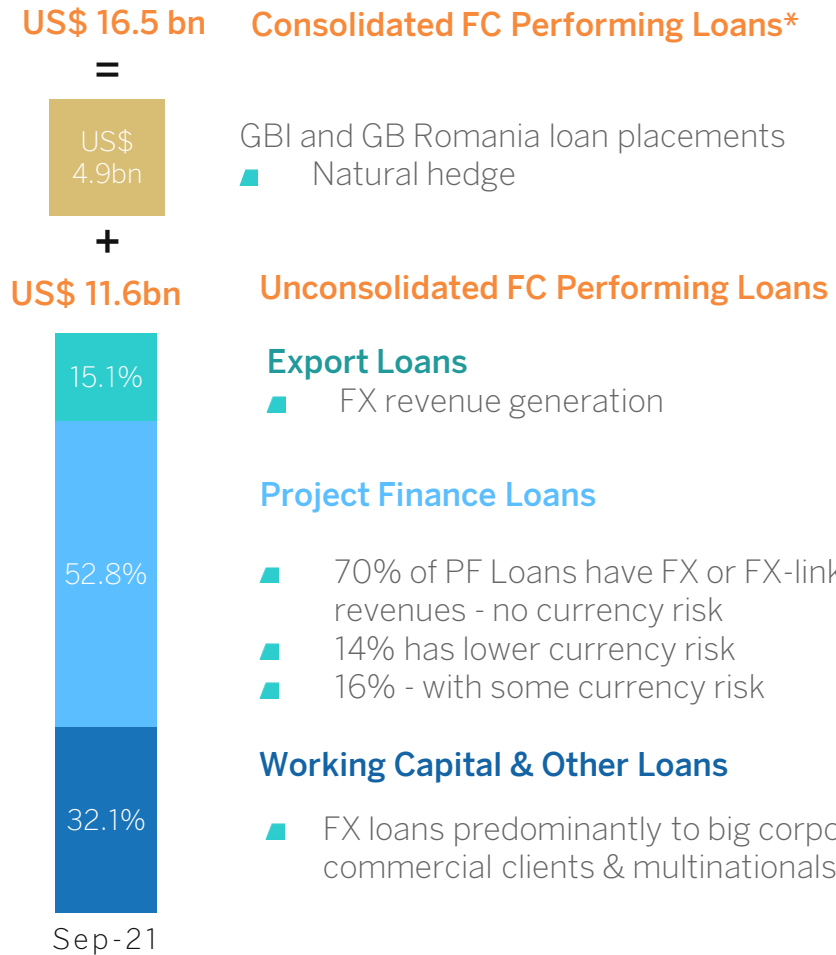
## SECTOR BREAKDOWN OF STAGE 2 EXCLUDING SICR<sup>1</sup>



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

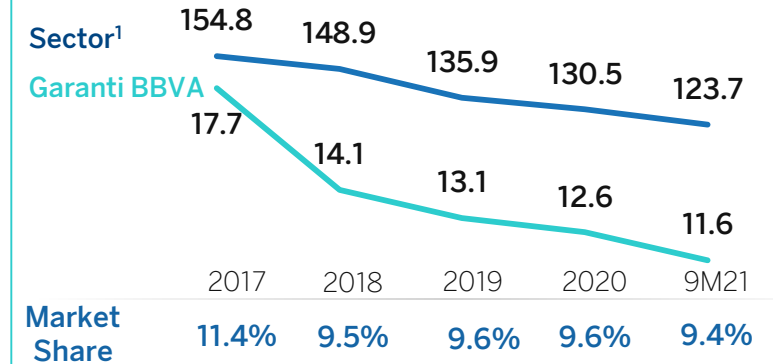
# CLOSELY MONITORED AND WELL-PROVISIONED FC LOANS

## FC PERFORMING LOANS (37% of total performing loans)



## MITIGATION OF FX RISK -- TIMELY DELEVERAGING

(in \$ bn)

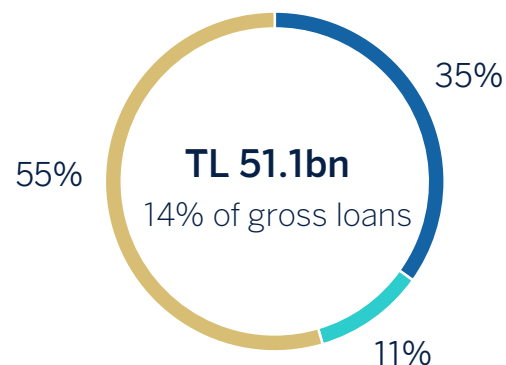


- Regular conduct of FX sensitivity analysis for proactive staging and provisioning

\*Excludes leasing and factoring receivables  
 1 Based on BRSA weekly data, commercial banks

# APPENDIX: DEFERRALS' PAYMENT EVOLUTION BETTER THAN EXPECTED

## TOTAL LOAN DEFERRALS GRANTED

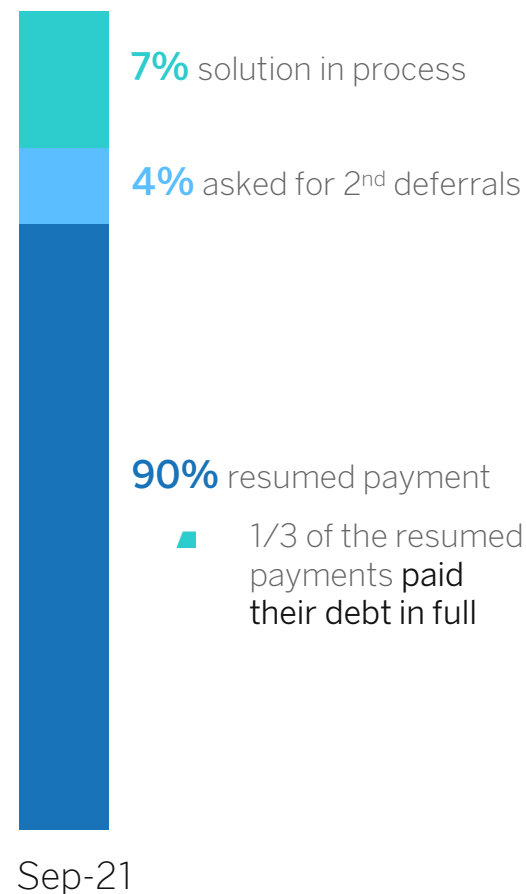


■ Retail (inc. CCs) ■ SME ■ Comm&Corp.

DEFERRALS' STAGING BREAKDOWN & COVERAGES	Share in Total	Coverage
Stage 1	39%	0.6%
Stage 2	57%	20%
Stage 3	4%	62%
<b>Total</b>		<b>15%</b>

## EXPIRED LOAN DEFERRALS' PAYMENT BEHAVIOR

94% of total deferrals



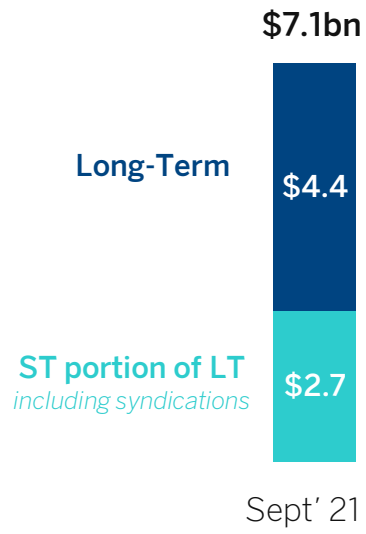
Note: Based on unconsolidated financials



# APPENDIX: COMFORTABLE LIQUIDITY & MANAGEABLE EXTERNAL DEBT STOCK

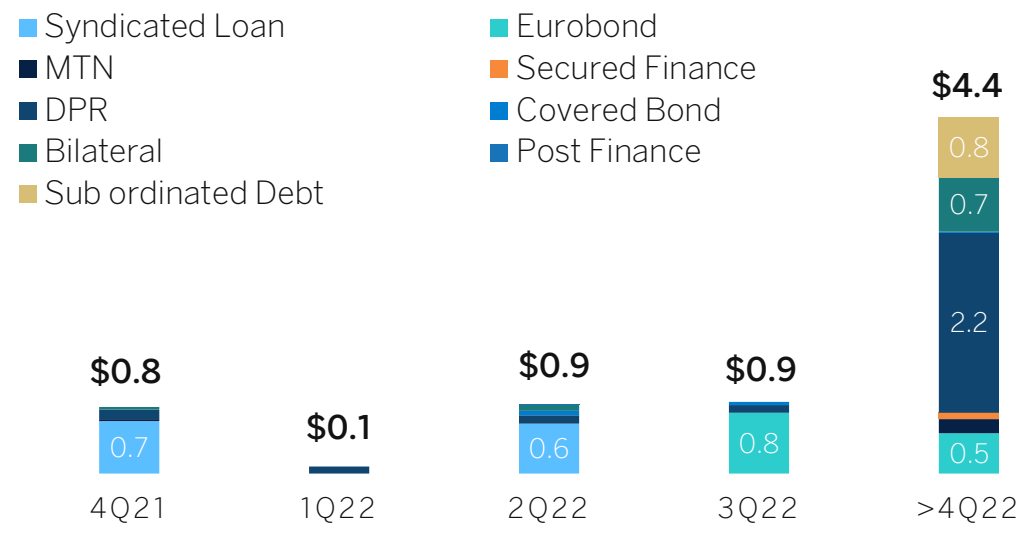
## GARANTI BBVA EXTERNAL DEBT<sup>1</sup>

(US\$ billion)



## MATURITY PROFILE OF EXTERNAL DEBT

(US\$ billion)



ST external dues



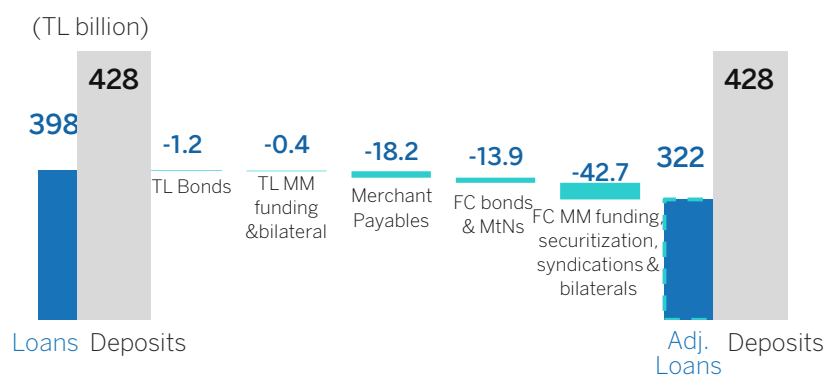
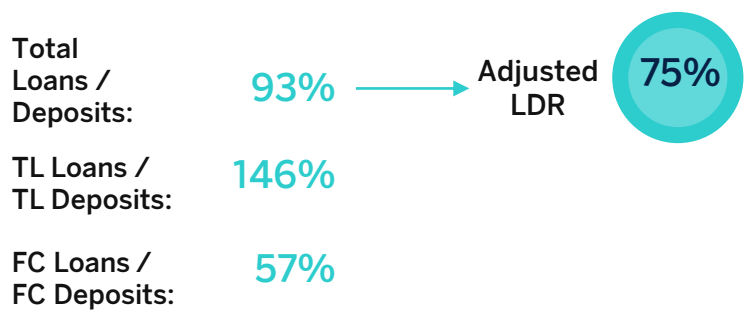
Comfortable FC liquidity buffer<sup>2</sup>



<sup>1</sup> Excludes cash collateralized borrowings  
<sup>2</sup> FC Liquidity Buffer includes FC reserves under ROM, swaps, money market placements, CBRT eligible unencumbered securities

# 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	192%
Minimum Requirement	100%
FC LCR	362%
Minimum Requirement	80%

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

## APPENDIX: CONSUMER & TL BUSINESS BANKING LOANS

Consumer & TL Business Banking Loans (TL billion)	Dec-19	Sep-20	Dec-20	Sep-21	QoQ (%)	YoY (%)
TL Business Banking	77.9	102.2	109.3	127.8	7.2	25.0
Cons. Mortgage Loans	22.4	24.9	25.2	29.3	5.7	17.4
Consumer Auto Loans	1.8	1.8	2.1	2.8	-3.0	52.5
Cons. General Purpose Loans <sup>1</sup>	32.4	43.1	45.0	58.1	9.8	34.9
Cons. Credit Card Balances	22.3	25.1	26.5	33.9	13.3	34.9

Market Shares <sup>3</sup>	Jun-21	Sep-21	QoQ Δ	Rank
Consumer Loans inc. Consumer CCs	12.7%	13.1%	40 bps	#1*
Cons. Mortgage Loans	9.2%	9.5%	37 bps	#1*
Consumer Auto Loans	28.3%	29.0%	67 bps	#1*
Cons. General Purpose Loans	12.2%	12.7%	48 bps	#2*
TL Business Banking	8.8%	9.0%	18 bps	#2*
# of CC customers <sup>2</sup>	13.2%	13.2%	2 bps	#1
Issuing Volume (Cumulative) <sup>2</sup>	17.3%	17.4%	13 bps	#1
Acquiring Volume (Cumulative) <sup>2</sup>	16.9%	17.2%	32 bps	#2

\* Rankings are among private banks as of June 21

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

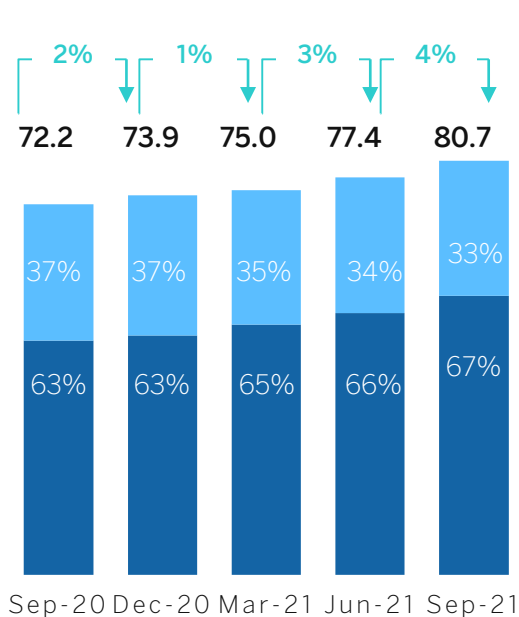
<sup>2</sup> Cumulative figures and rankings as of September 2021, as per Interbank Card Center data.

<sup>3</sup> Sector figures used in market share calculations are based on bank-only BRSA weekly data as of 01.10.2021, for commercial banks

# APPENDIX: SECURITIES PORTFOLIO

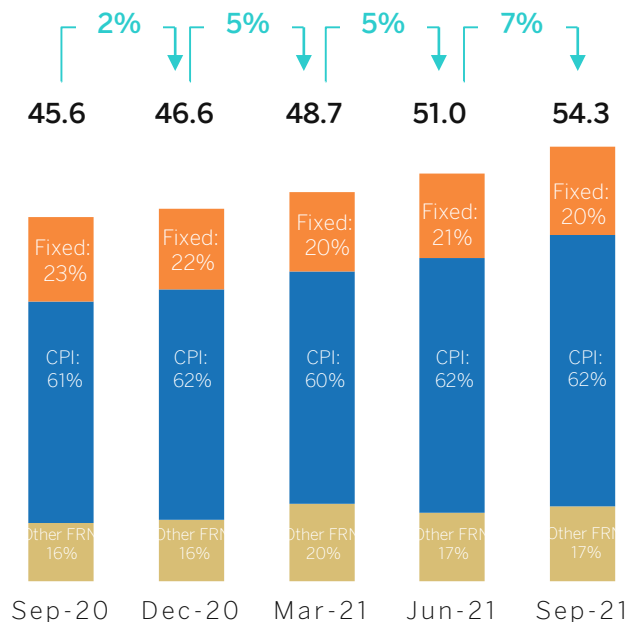
## TOTAL SECURITIES (TL billion)

13% of Total Assets

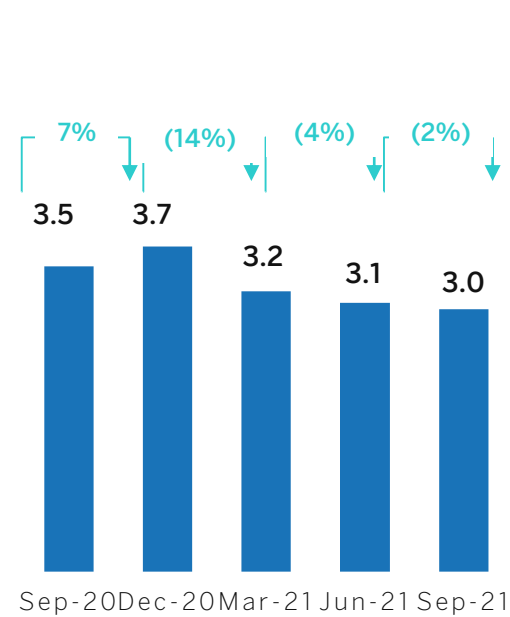


■ TL ■ FC

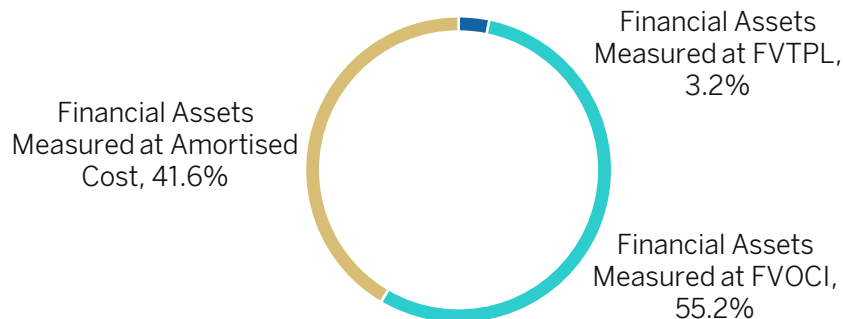
## TL SECURITIES (TL billion)



## 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	30.09.2020	31.12.2020	31.03.2021	30.06.2021	30.09.2021
Cash & Cash Equivalents	44,4	50,0	40,5	49,4	44,7
Balances at CBRT	34,2	44,7	56,6	64,0	67,8
Securities	72,2	73,9	75,0	77,4	80,7
Gross Loans + Leasing & Factoring receivables	356,5	360,7	382,6	405,8	426,8
<b>+TL Loans</b>	<b>206,3</b>	<b>215,5</b>	<b>227,2</b>	<b>240,2</b>	<b>260,2</b>
TL Loans NPL	10,4	7,8	7,7	7,4	7,5
info: TL Performing Loans	195,9	207,6	219,5	232,8	252,7
<b>+FC Loans (in US\$ terms)</b>	<b>18,2</b>	<b>18,3</b>	<b>17,5</b>	<b>17,7</b>	<b>17,4</b>
FC Loans NPL (in US\$)	1,2	1,0	1,0	0,9	0,9
info: FC Performing Loans (in US\$)	17,0	17,3	16,5	16,8	16,5
info: Performing Loans (TL+FC)	<b>326,3</b>	<b>335,0</b>	<b>355,6</b>	<b>377,8</b>	<b>398,4</b>
Fixed Assets & Subsidiaries	7,0	7,3	7,2	7,1	7,1
Other	11,5	4,4	6,8	4,1	3,7
<b>TOTAL ASSETS</b>	<b>525,9</b>	<b>540,9</b>	<b>568,8</b>	<b>607,8</b>	<b>630,8</b>
LIABILITIES & SHE	30.09.2020	31.12.2020	31.03.2021	30.06.2021	30.09.2021
Total Deposits	345,7	358,1	371,9	412,0	428,2
<b>+Demand Deposits</b>	<b>158,8</b>	<b>156,1</b>	<b>163,6</b>	<b>179,4</b>	<b>194,3</b>
TL Demand	40,5	36,0	40,3	45,0	49,0
FC Demand (in US\$ terms)	15,4	16,3	15,0	15,6	16,4
<b>+Time Deposits</b>	<b>186,8</b>	<b>202,0</b>	<b>208,2</b>	<b>232,6</b>	<b>233,9</b>
TL Time	90,0	106,3	103,7	120,6	123,9
FC Time (in US\$ terms)	12,6	13,0	12,7	13,0	12,4
Interbank Money Market	3,1	3,2	13,1	5,3	5,5
Bonds Issued	23,5	22,8	21,1	19,4	19,5
Funds Borrowed	52,8	49,4	53,2	56,4	55,0
Other liabilities	40,1	45,1	45,6	47,2	51,5
Shareholders' Equity	60,7	62,4	64,0	67,6	71,1
<b>TOTAL LIABILITIES &amp; SHE</b>	<b>525,9</b>	<b>540,9</b>	<b>568,8</b>	<b>607,8</b>	<b>630,8</b>

## APPENDIX: SUMMARY P&L

TL Million	QUARTERLY P&L			CUMULATIVE P&L		
	2Q21	3Q21	QoQ	9M20	9M21	YoY
(+) Net Interest Income including Swap costs	4.962	6.030	22%	16.137	15.485	-4%
(+) <i>NII excluding CPI linkers' income</i>	6.360	7.678	21%	16.051	19.889	24%
(+) <i>Income on CPI linkers</i>	1.262	1.719	36%	2.230	3.973	78%
(-) <i>Swap Cost</i>	-2.659	-3.367	27%	-2.145	-8.378	291%
(+) Net Fees & Comm.	2.163	2.260	4%	4.866	6.490	33%
(+) Net Trading & FX gains/losses (excl. Swap costs and currency hedge)	841	841	0%	1.916	3.176	66%
<i>info: Gain on Currency Hedge<sup>1</sup></i>	621	252	-59%	2.550	1.978	-22%
(+) Other income (excl. Prov. reversals & one-offs)	628	787	25%	1.550	1.895	22%
<b>= REVENUES</b>	<b>8.595</b>	<b>9.918</b>	<b>15%</b>	<b>24.468</b>	<b>27.046</b>	<b>11%</b>
(+) Non-recurring other income	16	145	<i>n.m</i>	0	305	<i>n.m</i>
(+) <i>Gain on asset sale</i>	16	145	<i>n.m</i>	0	305	<i>n.m</i>
(-) OPEX	-3.349	-3.494	4%	-8.519	-10.123	19%
(-) <i>HR</i>	-1.346	-1.408	5%	-3.267	-3.975	22%
(-) <i>Non-HR</i>	-2.003	-2.087	4%	-5.251	-6.148	17%
<b>= PRE-PROVISION INCOME</b>	<b>5.261</b>	<b>6.569</b>	<b>25%</b>	<b>15.950</b>	<b>17.228</b>	<b>8%</b>
(-) Net Expected Loss (excl. Currency impact)	-446	-56	-87%	-4.872	-1.712	-65%
(-) <i>Expected Loss</i>	-2.830	-2.001	-29%	-11.288	-10.147	-10%
<i>info: Currency Impact<sup>1</sup></i>	-621	-252	-59%	-2.550	-1.978	-22%
(+) <i>Provision Reversal under other Income</i>	1.763	1.692	-4%	3.866	6.457	67%
(-) Taxation and other provisions	-1.922	-2.878	50%	-5.838	-6.444	10%
(-) <i>Free Provision</i>	-800	-1.000	<i>n.m</i>	-1.830	-1.950	<i>n.m</i>
(-) <i>Taxation</i>	-687	-1.667	142%	-2.131	-3.023	42%
(-) <i>Other provisions (excl. free prov.)</i>	-435	-211	-51%	-1.876	-1.471	-22%
<b>= NET INCOME</b>	<b>2.893</b>	<b>3.634</b>	<b>26%</b>	<b>5.240</b>	<b>9.072</b>	<b>73%</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

	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21
<b>Profitability ratios</b>					
ROAE (Cumulative) <sup>1</sup>	13,3%	11,0%	16,7%	18,3%	19,2%
ROAA (Cumulative) <sup>1</sup>	1,6%	1,3%	1,9%	2,1%	2,2%
Cost/Income	34,8%	36,5%	37,8%	38,3%	37,0%
Quarterly NIM incl. Swap costs	5,3%	4,9%	3,9%	4,0%	4,5%
Quarterly NIM incl. Swap costs excl. CPI linkers	4,5%	3,5%	3,0%	3,0%	3,2%
Cumulative NIM incl. Swap costs	5,5%	5,3%	3,9%	3,9%	4,2%
Cumulative NIM incl. Swap costs excl. CPI linkers	4,7%	4,4%	3,0%	3,0%	3,1%
<b>Liquidity ratios</b>					
Loans / Deposits	94,4%	93,6%	95,6%	91,7%	93,0%
TL Loans / TL Deposits	150,1%	146,0%	152,4%	140,6%	146,2%
Adj. Loans/Deposits (Loans adj. with on-balance sheet alternative funding sources)	74%	74%	76%	74%	75%
TL Loans / (TL Deposits + TL Bonds + Merchant Payables)	131,7%	128,4%	135,8%	124,7%	128,5%
FC Loans / FC Deposits	60,6%	59,0%	59,7%	58,9%	57,0%
<b>Asset quality ratios</b>					
NPL Ratio	5,9%	4,5%	4,4%	4,0%	3,8%
Coverage Ratio	6,5%	5,8%	6,1%	5,8%	5,6%
+ Stage1	0,6%	0,8%	0,7%	0,6%	0,6%
+ Stage2	15,7%	14,4%	15,6%	16,7%	16,9%
+ Stage3	68,5%	63,4%	65,6%	65,6%	68,8%
Cumulative Net Cost of Risk (excluding currency impact, bps) <sup>2</sup>	202	231	132	87	58
<b>Solvency ratios</b>					
CAR (excl. BRSA Forbearance)	16,9%	16,9%	15,8%	15,9%	15,7%
Common Equity Tier I Ratio (excl. BRSA Forbearance)	14,2%	14,3%	13,3%	13,4%	13,2%
Leverage	7,7x	7,7x	7,9x	8,0x	7,9x

<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 1Q20, 2Q20, 3Q20 and 1Q21.

<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)

<b>Quarterly Net Expected Credit Loss</b>	<b>4Q20</b>	<b>1Q21</b>	<b>2Q21</b>	<b>3Q21</b>
<b>(-) Expected Credit Losses</b>	<b>3.043</b>	<b>5.316</b>	<b>2.830</b>	<b>2.001</b>
Stage 1	342	1.126	417	285
Stage 2	2.070	2.940	1.218	765
Stage 3	631	1.250	1.195	951
<b>(+) Provision Reversals under other income</b>	<b>519</b>	<b>3.002</b>	<b>1.763</b>	<b>1.692</b>
Stage 1	102	1.532	928	446
Stage 2	190	986	365	860
Stage 3	227	484	470	386
<b>(=) (a) Net Expected Credit Losses</b>	<b>2.524</b>	<b>2.314</b>	<b>1.067</b>	<b>309</b>
<b>(b) Average Gross Loans</b>	<b>358.607</b>	<b>371.651</b>	<b>394.203</b>	<b>416.294</b>
<b>(a/b) Quarterly Total Net CoR (bps)</b>	<b>280</b>	<b>253</b>	<b>109</b>	<b>29</b>
info: Currency Impact <sup>1</sup>	-24	121	63	24
<b>Total Net CoR excl. currency impact (bps)</b>	<b>304</b>	<b>132</b>	<b>45</b>	<b>5</b>

(Million TL)

<b>Cumulative Net Expected Credit Loss</b>	<b>9M21</b>
<b>(-) Expected Credit Losses</b>	<b>10.147</b>
Stage 1	1.829
Stage 2	4.923
Stage 3	3.395
<b>(+) Provision Reversals under other income</b>	<b>6.457</b>
Stage 1	2.905
Stage 2	2.211
Stage 3	1.341
<b>(=) (a) Net Expected Credit Losses</b>	<b>3.690</b>
<b>(b) Average Gross Loans</b>	<b>393.973</b>
<b>(a/b) Cumulative Total Net CoR (bps)</b>	<b>125</b>
info: Currency Impact <sup>1</sup>	67
<b>Total Net CoR excl. currency impact (bps)</b>	<b>58</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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