



# 2021 EARNINGS PRESENTATION

Based on BRSA Consolidated Financials

February 2nd, 2022

# TURKISH ECONOMY

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

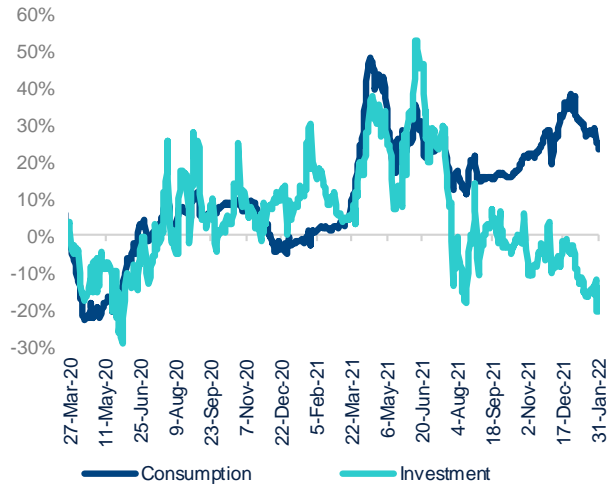
*Recovery in Tourism Revenues and*  
*growing export support* **CURRENT**  
**ACCOUNT DEFICIT**

**BUDGET DEFICIT REMAINS**  
*at manageable levels*



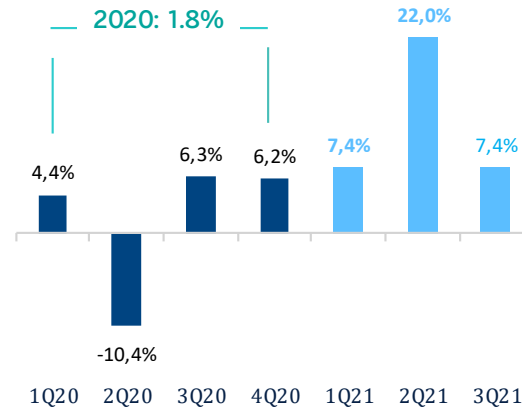
# GDP GROWTH REMAINS SOLID AT THE START OF THE YEAR, YET INFLATIONARY PRESSURES REMAIN HIGH

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



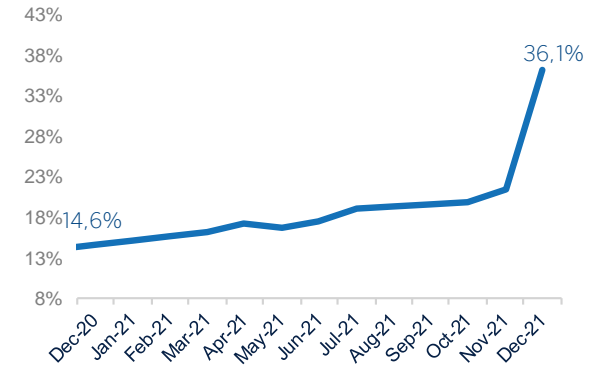
- **Consumption** remains **relatively strong**, while **investment becomes weaker** in January.
- In overall terms, economic activity **grows above potential**, also supported by **strong external demand**

## GDP GROWTH (YoY)



- The economy grew by 11.7% in the first three quarters of the year. **2021 GDP growth might have materialized at 11%.**

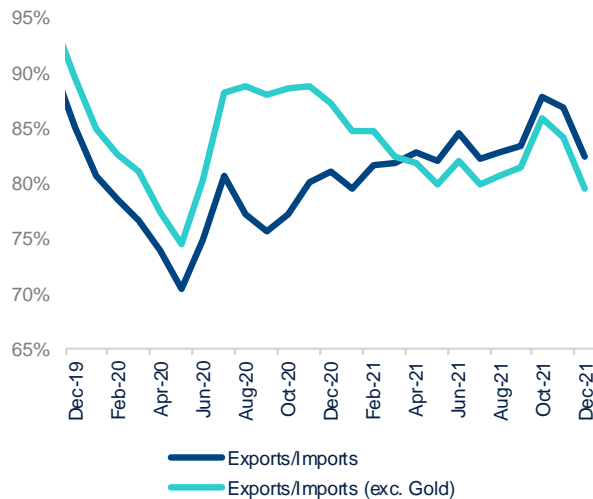
## CONSUMER INFLATION (ANNUAL)



- **Inflationary pressures will remain high** on currency depreciation, high cost push factors accompanied with high demand and worsening expectations.

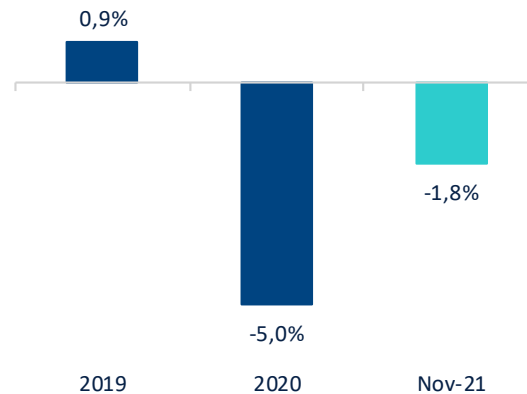
# STRONG EXPORTS & RECOVERING TOURISM REVENUES SUPPORT C/A BALANCE. BUDGET DEFICIT IS EXPECTED TO RISE

## GOOD EXPORTS / IMPORTS (3-month avg. coverage ratio)



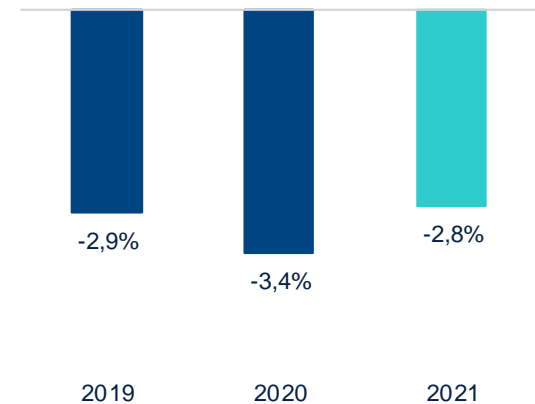
- Exports are expected to remain high as **external demand remains supportive**
- Imports might also stay solid especially led by the increasing energy bill

## CURRENT ACCOUNT BALANCE / GDP



- Strong exports** and **recovering tourism revenues** will help to maintain a shrinkage in the current account deficit
- However, **huge energy bill** and **expected normalization in gold imports** will make it hard to achieve a current account surplus

## CG BUDGET DEFICIT / GDP



- Budget deficit deteriorated on the back of an **acceleration in expenditures** in December 2021

# 2021 FINANCIAL RESULTS

**SOLID REVENUE STREAMS  
ENSURES SUPERIOR ROAE**  
*even in challenging times*

**UNRIVALED NII & FEE  
GENERATION CAPABILITY**

**PROACTIVELY SHAPED  
& WELL PROVISIONED ASSETS**

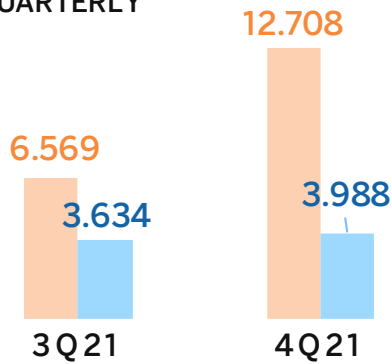
**INCREASED EFFICIENCY**

# SIGNIFICANT OUTPERFORMANCE IN EARNINGS VS. OPERATING PLAN

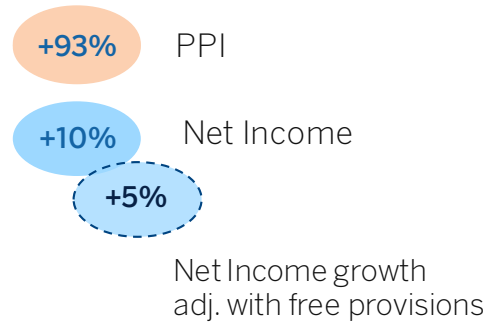
Free prov. adj. ROAE at 23% vs. OP expectation of 'Mid-to-High Teens'

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

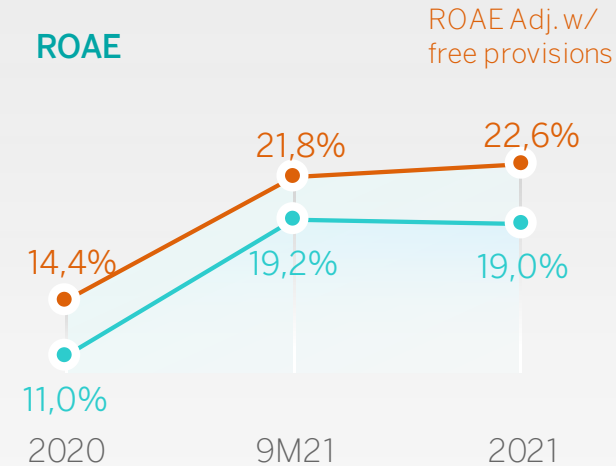
### QUARTERLY



### QOQ GROWTH



### ROAE

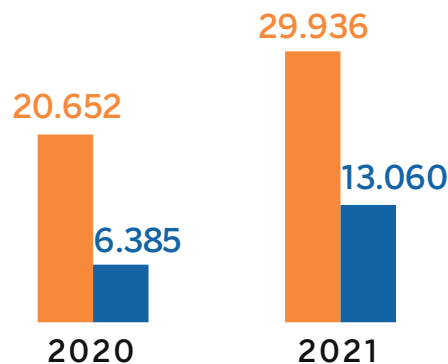


Free provisions in the quarter

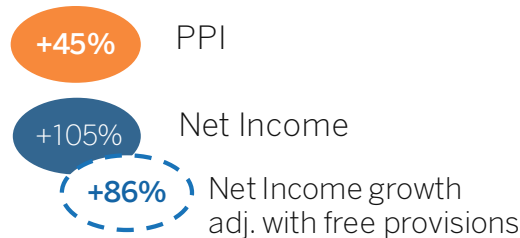
+1.0bn

+0.9bn

### CUMULATIVE



### YOY GROWTH



■ ROAA in 2021 is 2.0% and 2.5% when adjusted with the free provisions.

■ Total free provisions on B/S reached TL 7.5bn.

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

■ Unrivalled fee generation capability.

■ Further strengthened provisions in 4Q with highest cash coverage levels

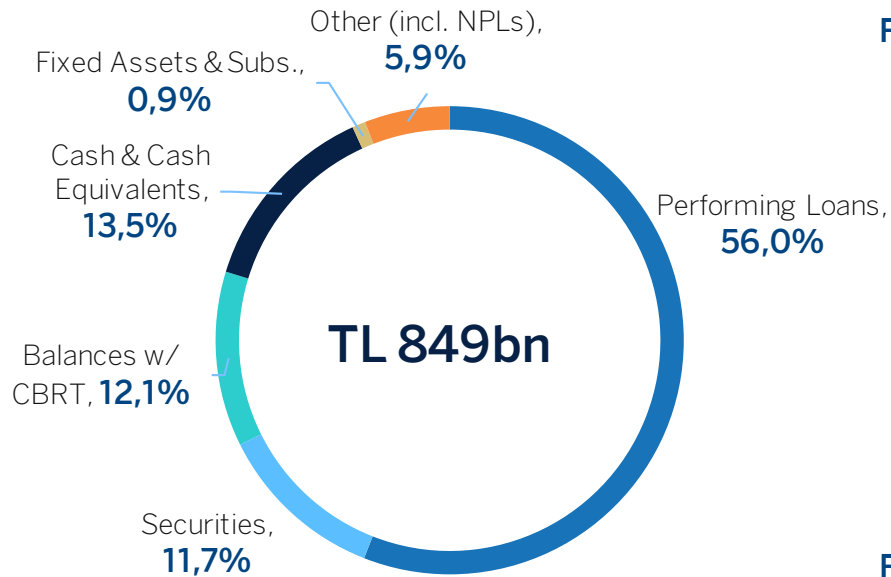
Free provisions in the year

+2.15bn

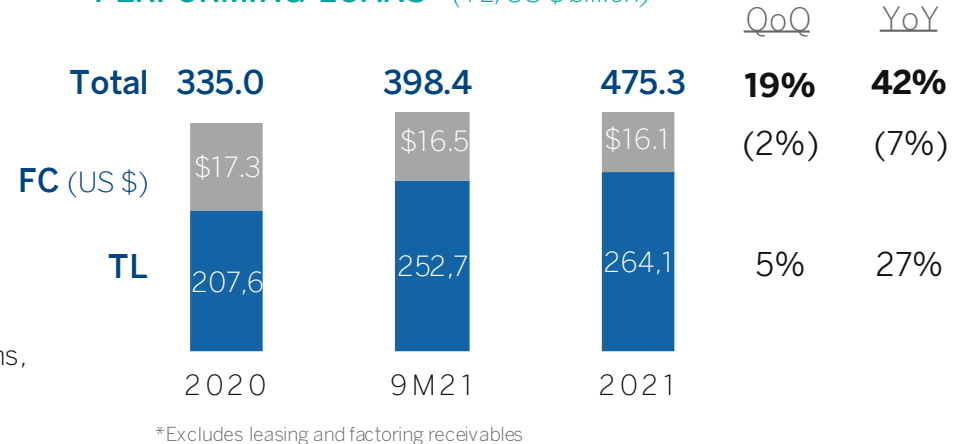
+2.85bn

# SUSTAINABLE GROWTH IN HIGHER YIELDING ASSETS FEED THE REVENUE STREAMS

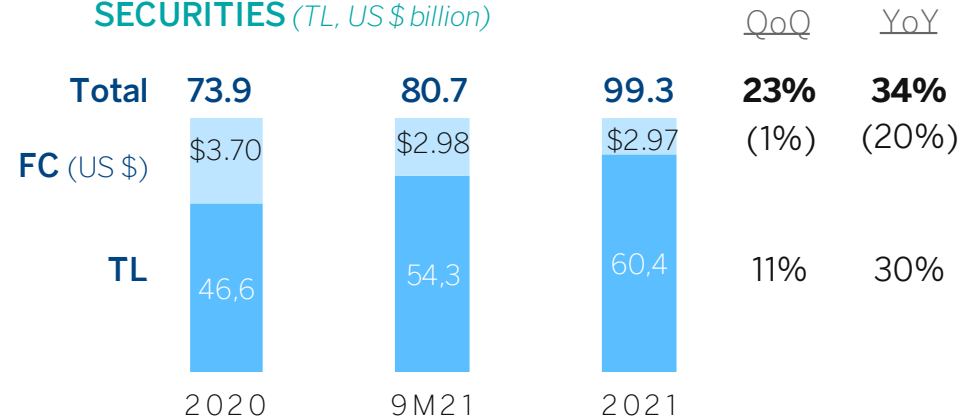
## ASSET BREAKDOWN



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



## SECURITIES (TL, US \$ billion)



Highest IEA share among peers as of Sep'21

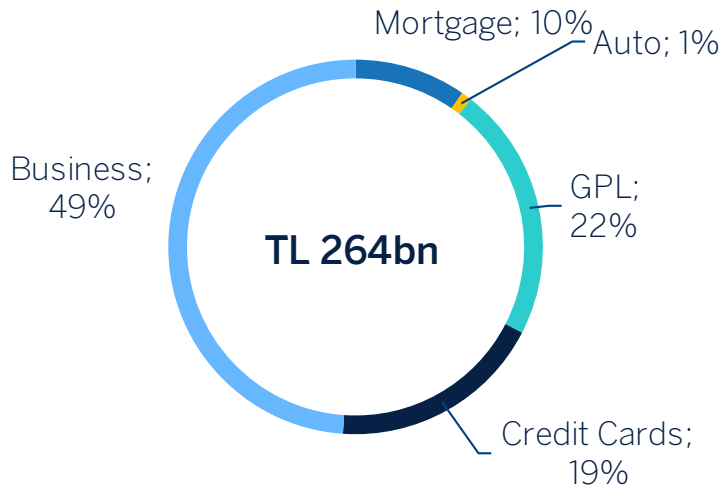
Across the board market share gain in TL lending in 2021 (27% vs. commercial banks' +21%)

Strategically managed securities portfolio to help ride out volatility

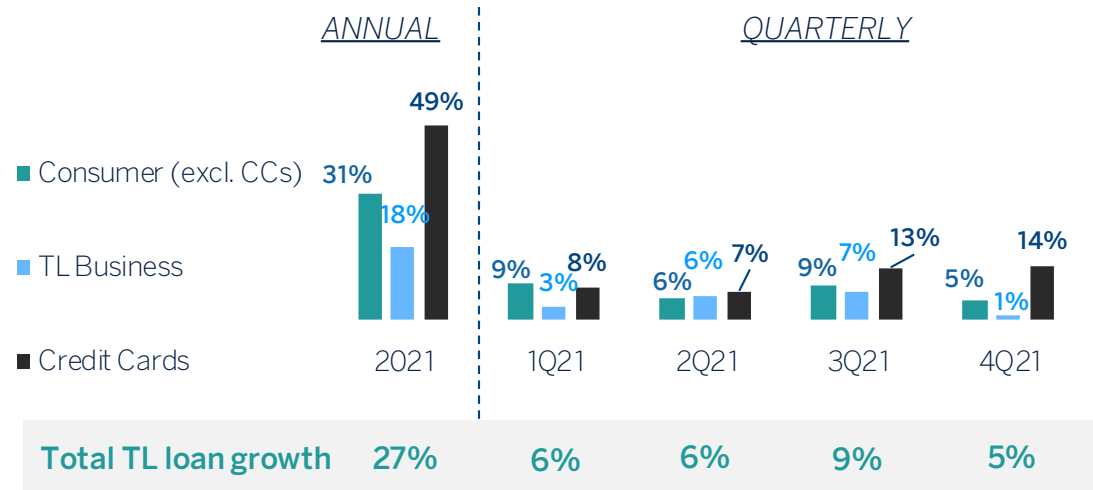
# OUTPERFORMED IN TL LENDING W/DYNAMIC SPREAD MANAGEMENT

Higher yielding assets, namely TL loans, now make up 56% of total loans

## TL PERFORMING LOANS



## TL PERFORMING LOAN GROWTH



Market Share*	2020	2021
TL Loans	9.6%	10.2%
Consumer (excl. CCs)	10.2%	11.7%
TL Business	8.3%	8.3%
Consumer GPL	11.1%	12.8%
Acquiring Volume	16.9%	17.4%
Issuing Volume	17.6%	17.5%

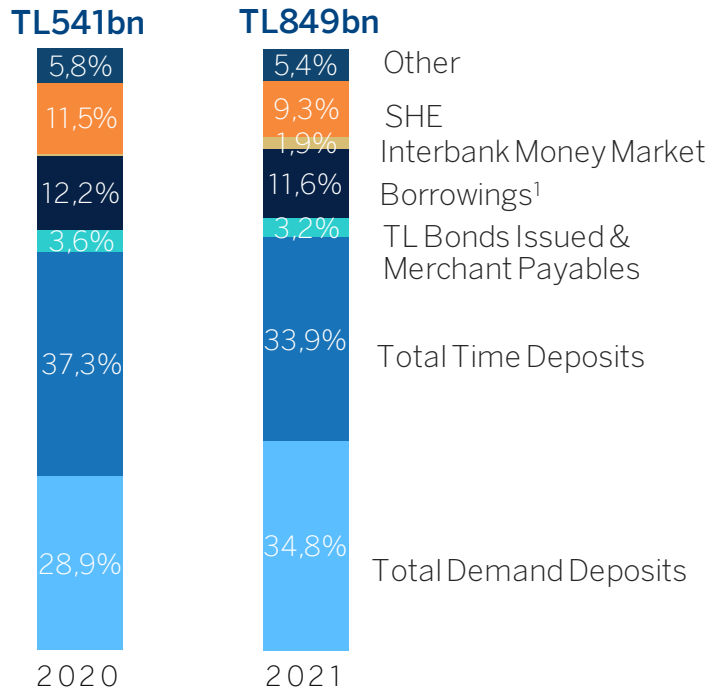
- **#1 rank<sup>1</sup> in TL loans** among private banks
- Solid Presence in credit card business
  - Acquiring volume & Issuing volume increased by 56% and 47%, respectively, **highest increase among private peers**
- **47% of GPLs** are granted to salary customers.

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



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

## LIABILITIES & SHE BREAKDOWN

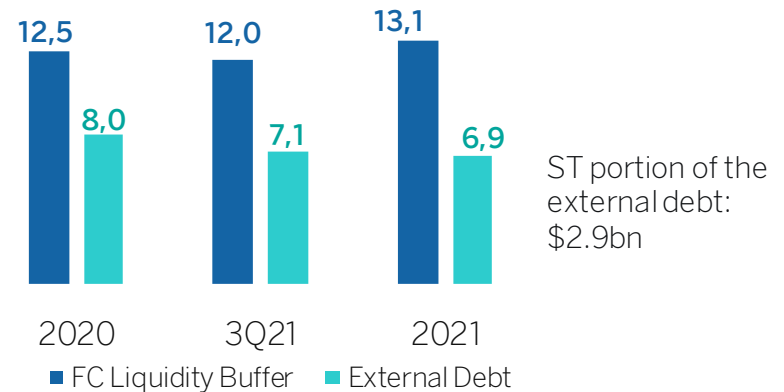


Low  
Leverage  
9.7x

Free Funds  
/ IEAs<sup>4</sup>  
37%  
vs 35% in Sep'21  
Private Peer avg: 20%

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

(US\$ bn)



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

Total LCR 219%

Minimum Requirement 100%

FC LCR 420%

Minimum Requirement 80%

<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

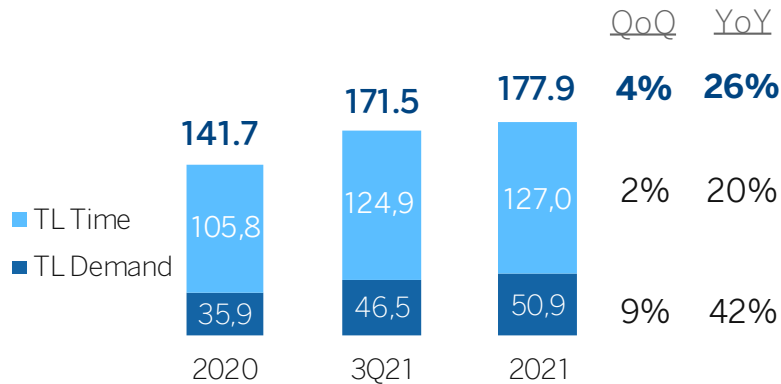
<sup>3</sup> Represents the average of December's last week.

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

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

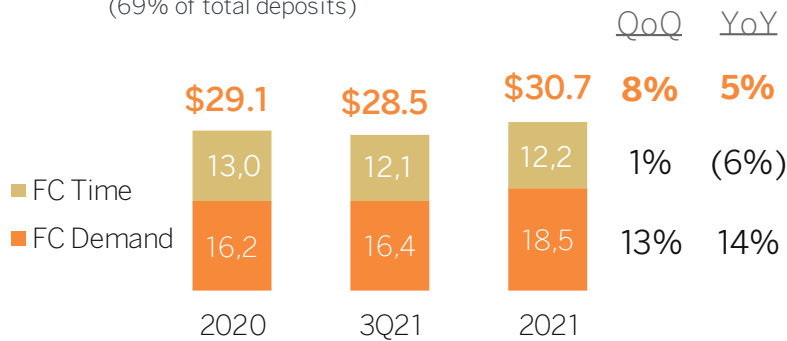
## TL CUST. DEPOSITS (in TL bn)

(31% of total deposits)



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

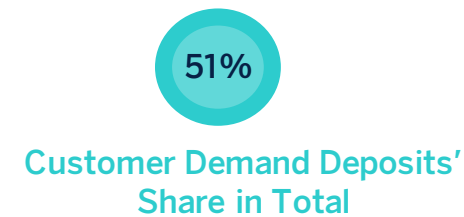
(69% of total deposits)



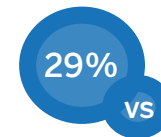
### HIGHEST TL DEPOSIT BASE, BOTH IN TIME & DEMAND

among private banks, as of Sep'21

### EXPANDING ZERO-COST DEMAND DEPOSITS BASE

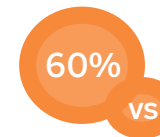


TL DEMAND DEPOSITS / TL CUST. DEPOSITS



Sector: 25%

FC DEMAND DEPOSITS / FC CUST. DEPOSITS



Sector: 45%

### STICKIER & LOW-COST DEPOSIT BASE

SME & Retail / TL Cust. Deposits<sup>1</sup>

**72%**

SME & Retail / FC Cust. Deposits<sup>1</sup>

**76%**

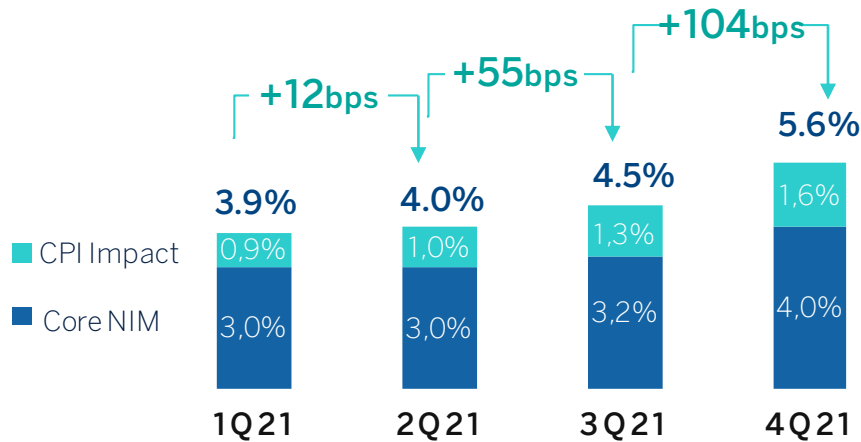
<sup>1</sup> Based on bank-only MIS data.

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

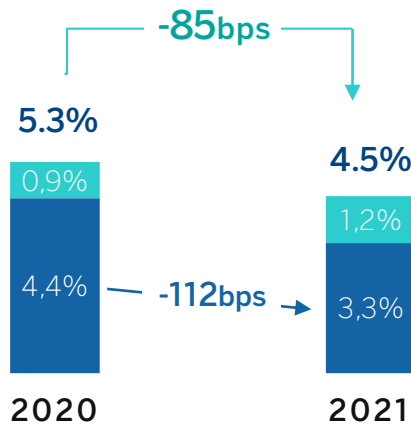
# HEALTHY LENDING ALONG WITH REDUCED FUNDING COSTS VISIBLY IMPROVED THE MARGIN IN 4Q21

Cumulative NIM guidance for 2021 perfectly met

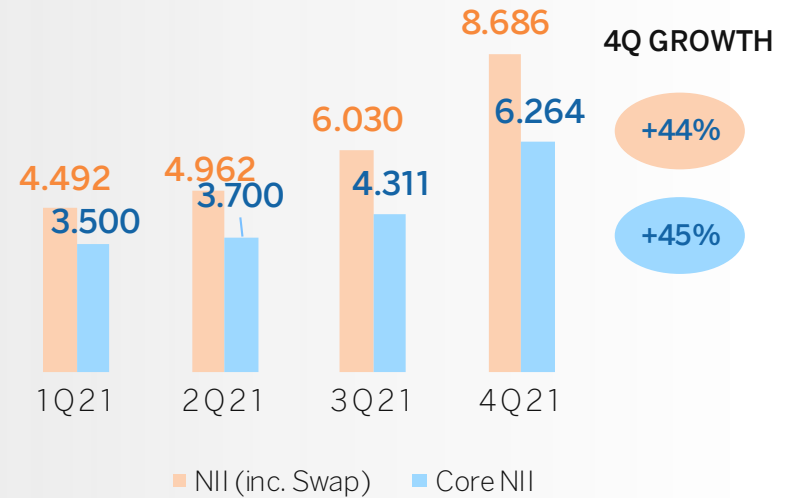
## QUARTERLY NIM INCL. SWAP COSTS



## CUMULATIVE NIM INCL. SWAP COSTS

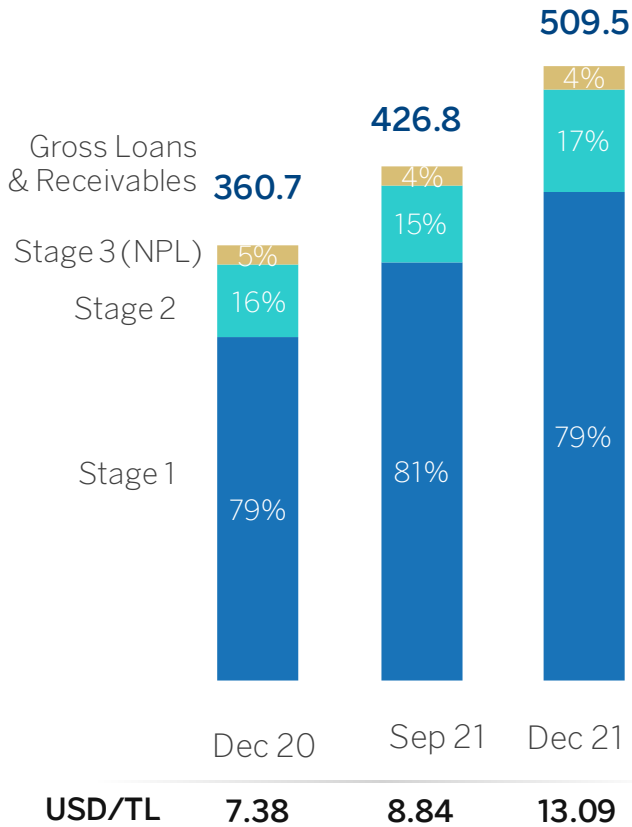


## NII (INCL. SWAP COST) & CORE NII (TL bn)

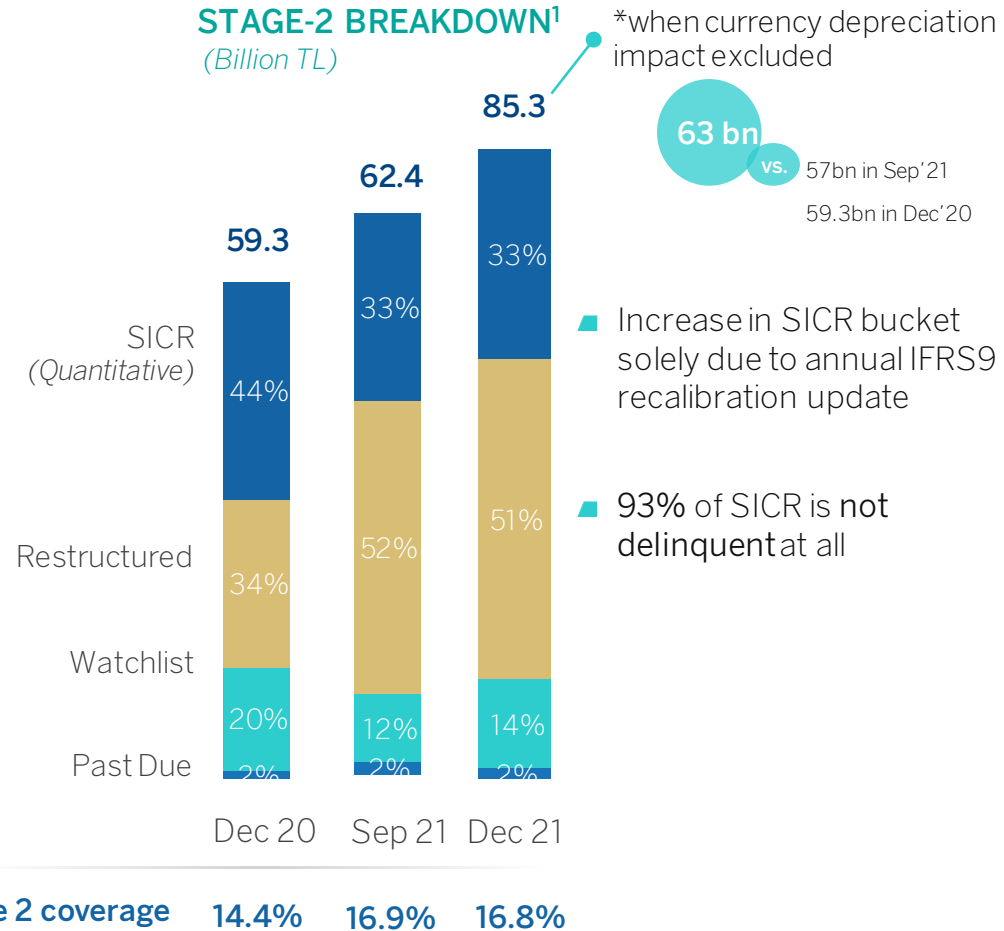


# MODEL RECALIBRATION ALONG WITH CURRENCY IMPACT LEAD TO A SURGE IN STAGE-2 PORTFOLIO & RELATED PROVISIONS

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



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



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

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

\* 2020 balance sheet FX rate (\$/TL:7.38) is taken into account when calculating Stage-2 base for Sep-21 & Dec-21

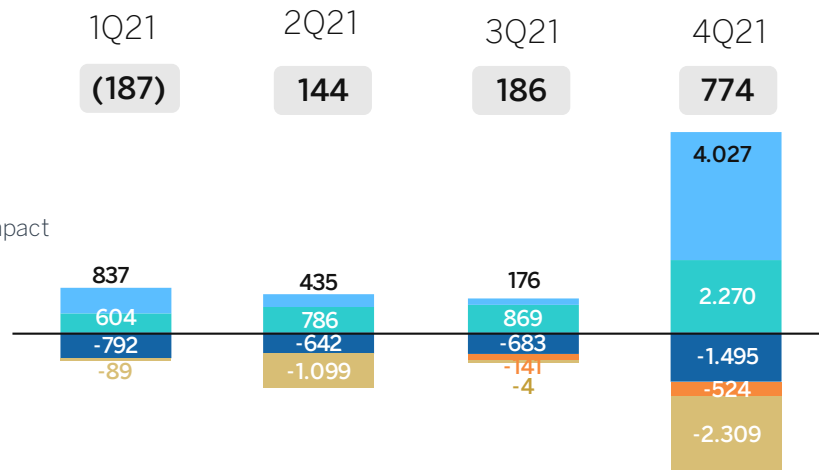
# NET COR ENDED THE YEAR BETTER THAN EXPECTED DESPITE FURTHER CAUTIOUS PROVISIONING

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

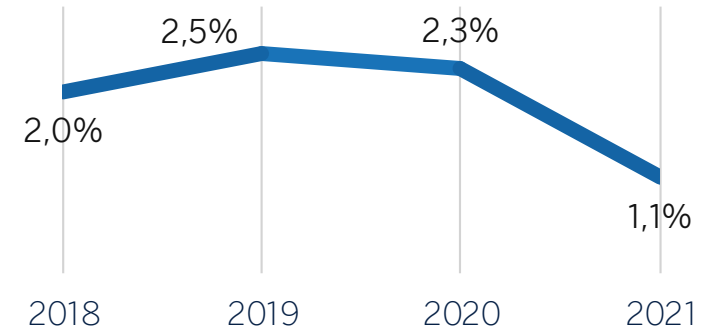
### Net New NPL

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

- Currency Impact
- New NPL
- Collection
- NPL sale
- Write-down



## NET CoR TREND excl. CURRENCY



	1Q21	2Q21	3Q21	4Q21	4Q21 (adj. w/ WD)*
NPL (nominal TL bn)	16.7	16.2	16.4	18.3	28.9
NPL Ratio	4.4%	4.0%	3.8%	3.6%	5.6%
NPL Coverage	66%	66%	69%	66%	79%

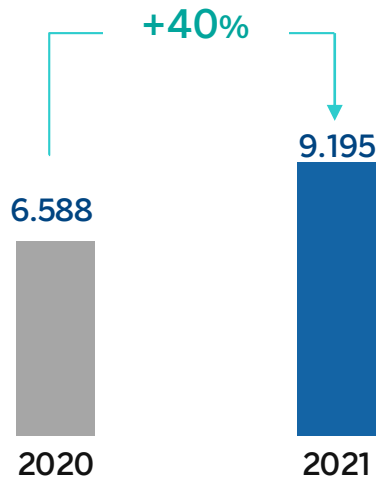
- Currency impact in 2021 was 194bps fully hedged – no impact to bottom line.
- Quarterly Net CoR (4Q21: 2.3%, 3Q21: 0.05%, 2Q21: 0.45% vs. 1Q21: 1.3%) increased in 4Q, in line with expectations, due to annual IFRS9 recalibration update.

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

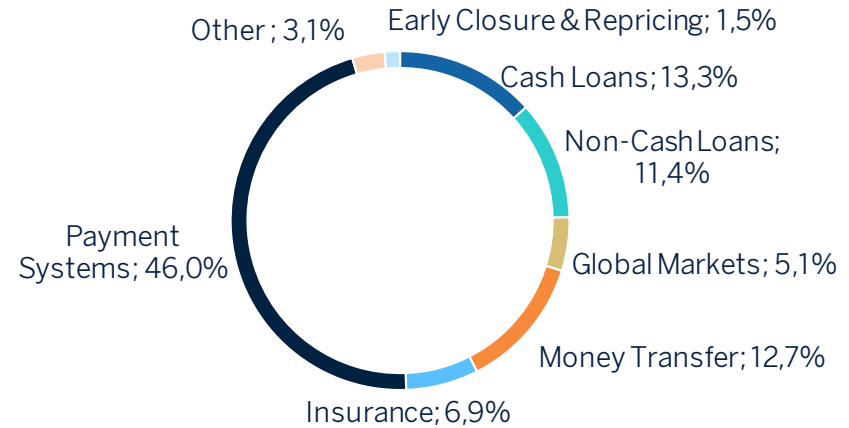
\* Adjusted with write-downs in 2019, 2020 and 2021

# HIGHER THAN EXPECTED ACTIVITY & CURRENCY MOVE RESULTED IN A NEW RECORD HIGH FEE GROWTH ON TOP OF THE HIGHEST BASE

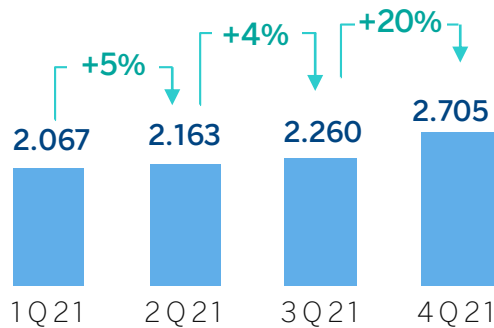
## NET FEES & COMMISSIONS (TLmn)



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



## QUARTERLY NET F&C in TLmn



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

Cash Loans*	+60%
Money Transfer	+59%
Payment System	+54%

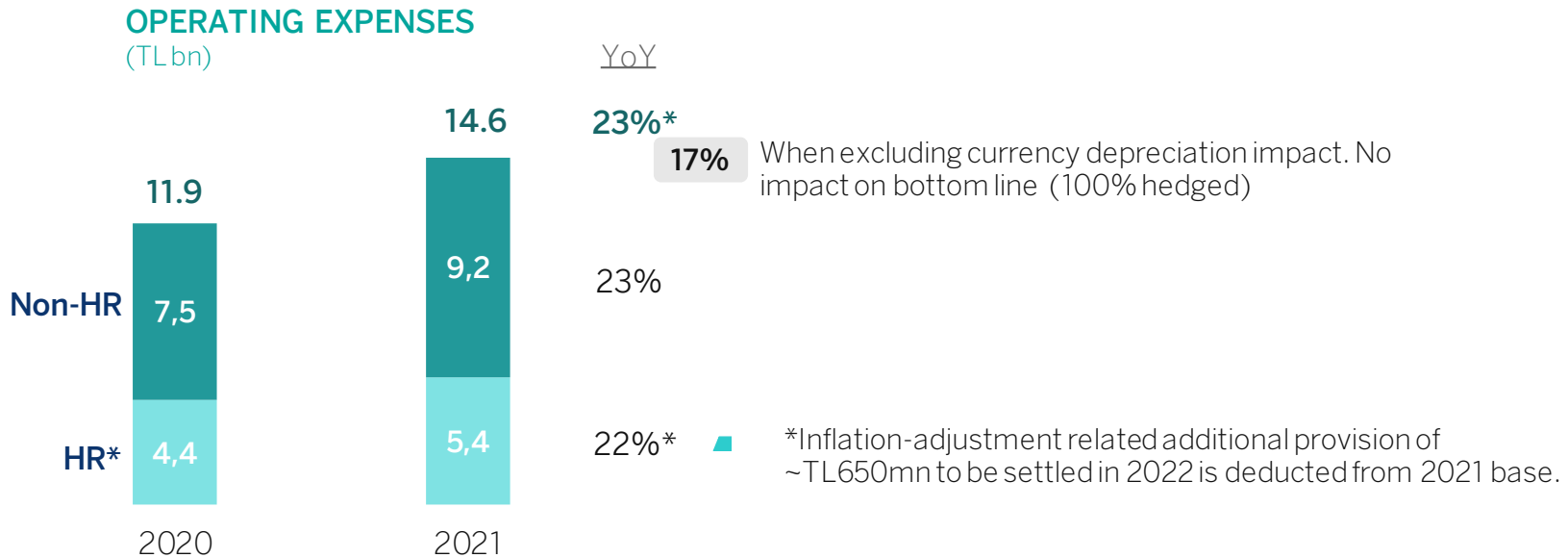
- Expanding customer base with **more effective and broader penetration**
- Boosted by growth in transaction numbers on top of the positive effects of 7/24 FAST system for local Money transfers.
- Digital empowerment and unrivaled customer experience** resulted in a 68% YoY increase in # of digital transactions.
- Acquiring volume **grew by 56% YoY** thanks to our credit card customer and merchant base – **highest among private peers.**

<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 2020: 12.1% and share of other fees: 3.7%

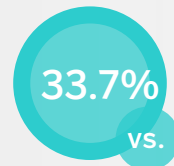
\*Excludes LYY related dividend income

# INCREASED EFFICIENCY EVEN IN A CHALLENGING ENVIRONMENT



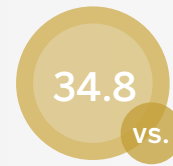
## SUSTAINABLE & IMPROVED EFFICIENCY RATIOS

### COST/INCOME



37% in Sep'21 vs.  
Private peer avg.<sup>1</sup> of 41%

### BANKING REVENUE/ BRANCH<sup>1</sup>



22.7 in Sep'21 vs.  
Private peer avg. of 16.4

### BANKING REVENUE/ EMPLOYEE<sup>1</sup>



1.1 in Sep'21 vs.  
Private peer avg. of 0.9

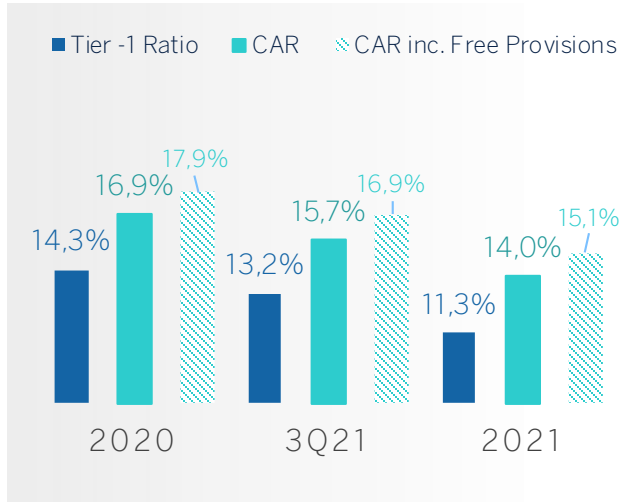
<sup>1</sup> Per bank-only financials for fair comparison. Peer bank figures are as of September 2021

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)  
Banking Revenue = NII – Swap Cost + Net Fees & Commissions

# STRONG CAPITAL BUFFERS REMAIN WELL ABOVE THE REGULATORY LEVELS

## SOLVENCY RATIOS

without BRSA's forbearance



**BRSA Forbearance**  
Impact on CAR  
Impact on CET-1: 2.3%



**CAR Sensitivity** to  
10% TL depreciation



Impact of **100% RW** on  
swap transaction w/ CBRT

**TL 12.5 bn**

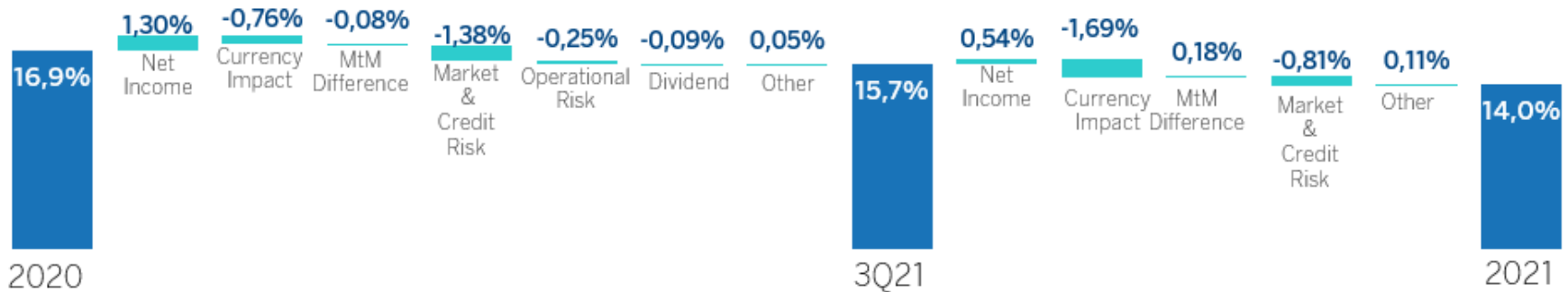
**EXCESS CAPITAL**  
(Consolidated w/o forbearance)

Taking into account minimum  
required level of 12.2% for 2021

**TL 7.5 bn**

**TOTAL FREE PROVISIONS**  
in the B/S

USDTRY 7.38 8.84 13.09



1 Required Consolidated CAR level = 8.0% + SIFI Buffer for Group 2 (1.5%) + Capital Conservation Buffer (2.5%) + Counter Cyclical Buffer (0.160%); Required Consolidated Tier-I = 6.0% + Buffers; Required Consolidated CET-1 = 4.5% + Buffers



# IN SUMMARY, SIGNIFICANT OUTPERFORMANCE IN 2021 EARNINGS

	2021 REVISED GUIDANCE	2021 REALIZATION	
TL Loans (YoY)	>20%	27%	Supported by the increase in domestic demand
FC Loans (in US\$, YoY)	Shrinkage	-7%	Redemptions & lack of demand
NPL Ratio	<4.5%	3.6%	Limited net new NPL inflows
Net Cost of Risk*	<150 bps	107 bps	Need for further loan provisioning has come down, with no ease in prudence
NIM Incl. Swap Cost	~100 bps contraction	85 bps contraction	Backed by dynamic spread management, timely growth and CPI linkers' income
Fee Growth (YoY)	~30%	40%	Higher activity & currency impact
OPEX Growth (YoY)	~CPI	>CPI	Inflation-adjustment related additional provision inflated 2021 base
<b>ROAE</b>	<b>Mid to High Teens</b>	<b>22.6%</b> (adjusted w/ free prov.)	<b>OUTPERFORMANCE</b>

\* Net CoR excludes currency impact, as it is 100% hedged bottom line

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

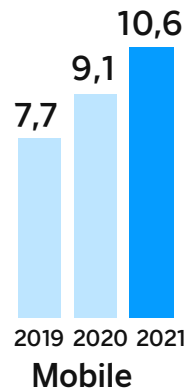
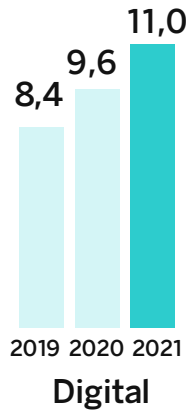
**>10.6 MILLION MOBILE CUSTOMERS**  
*Highest digital & mobile customer base*

**SHARE OF BRANCH**  
*in top transactions*  
**CAME DOWN TO ~3% LEVELS**

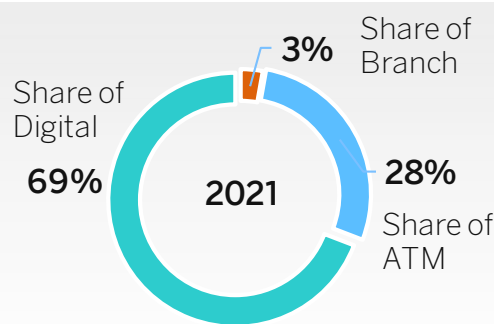
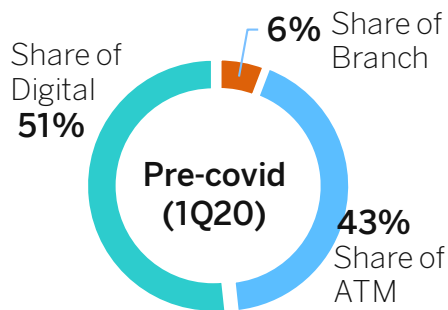
# EMPOWER AND SERVE TO IMPROVE THE FINANCIAL HEALTH OF OUR CUSTOMERS

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

**>+2.5 mn new customers**  
both in digital and mobile in past 2 yrs



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



**137% increase** in digital transactions vs.  
**14% decline** in branch transactions

Exceeded 11 mn digital customers!

**+130%** 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

<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

\*As of 30.09.2021

# SUSTAINABILITY

## is at the core of our strategy

**BBVA 2025 PLEDGE 200BN €**

**'CARBON NEUTRAL BANK'**

*as of 2020 (Scope 1&2)*

**NO COAL FINANCING as of 2021**

*Zero coal risk at least by 2040*

*First and only Turkish signatory*

**'UN – Convened' NET ZERO  
BANKING ALLIANCE (NZBA)**

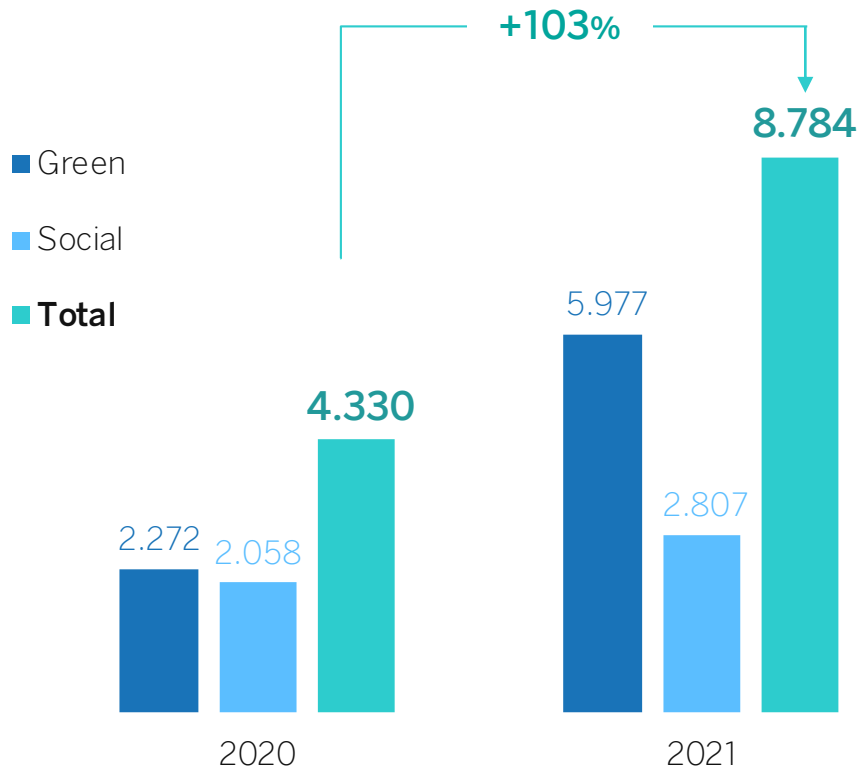
**NEW SOLUTIONS & ADVISORY ROLE**

*for corporates*



# TRANSITION TO LOW CARBON ECONOMY

## SUSTAINABLE FINANCE MOBILIZATION (TL mn)



### Solutions for our customer to ensure sustainable development



Green mortgages



Launch of shopping loans

(Rooftop solar panels, Building Insulation, E-bike)



Turkey's 1<sup>st</sup> Corporate Green Vehicle Package  
Green Auto Loans



Launch of 3 ESG-related funds



Two ESG-Linked Syndicated Loan deals in 2021



Garanti BBVA Climate Index

Turkey's 1<sup>st</sup> Climate Index



World's 1<sup>st</sup> Green IPO



1<sup>st</sup> Green Direct Debiting System in Turkey

### Managing our impact

- Focusing on internal education
- Collaboration with Turmepa to clean mucilage
- Data Center Cooling System Revision (172 ton oil saving – TL 1.8 mn)

Total financing provided so far to sustainable development on the basis of impact investment notion reached **TL 60 billion** at year-end 2021 with **more than 50 products**.

# 2022 OPERATING PLAN GUIDANCE

MODERATED TL LENDING  
GROWTH

STRONG & SUSTAINABLE  
REVENUE GENERATION

NORMALIZING COST OF RISK

COST GROWTH  
IN-LINE WITH AVG. INFLATION



# 2022 OPERATING PLAN GUIDANCE

	2022 OP
TL Loans (YoY)	>25%
FC Loans (in US\$, YoY)	Shrinkage
Net Cost of Risk*	<150bps
NIM Incl. Swap Cost	+50-75bps
Core NIM (NIM Incl. Swap excl. CPI)	Flattish
Fee Growth (YoY)	>25%
OPEX Growth (YoY)	~avg. CPI
<b>ROAE</b>	<b>&gt;20%</b>

\* Net CoR excludes currency impact, as it is 100% hedged bottomline

# Appendix

**PG. 25** Sector Breakdown of Gross Loans

**PG. 26** FC Loan Breakdown

**PG. 27** Deferred Loans

**PG. 28** Maturity Profile & Liquidity Buffers

**PG. 29** Adjusted L/D and Liquidity  
Coverage Ratios,

**PG. 30** Consumer Loans & TL Business  
Banking Loans

**PG. 31** Securities portfolio

**PG. 32** Summary Balance Sheet

**PG. 33** Summary P&L

**PG. 34** Key Financial Ratios

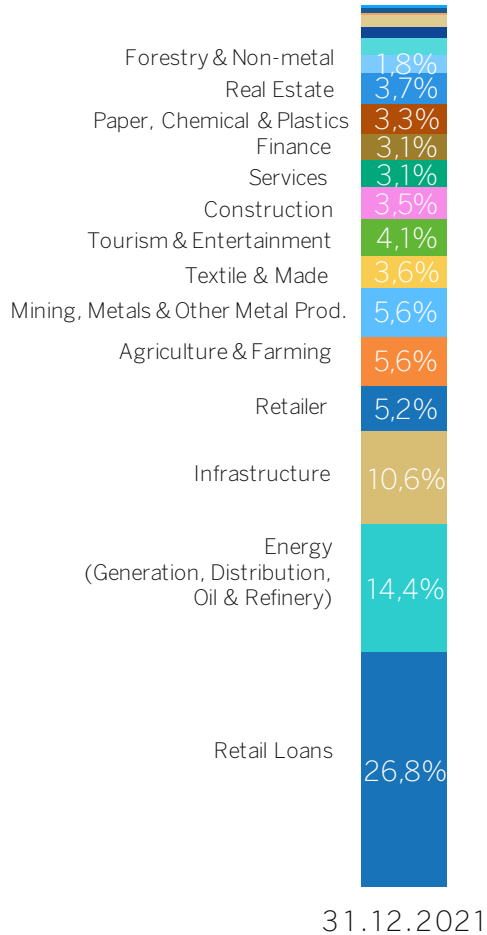
**PG. 35** Quarterly & Cumulative Net  
Cost of Risk



# APPENDIX: SECTOR BREAKDOWN OF GROSS LOANS

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

TL 424.9bn



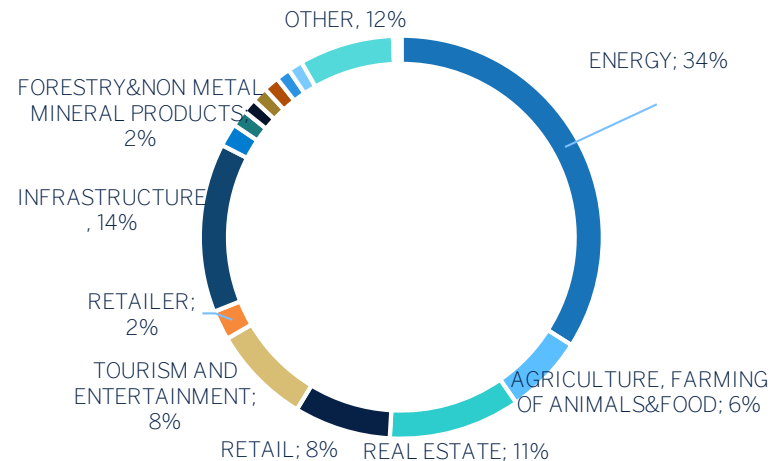
31.12.2021

### % OF SHARE IN

### COVERAGES

Key Sectors	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
RETAIL	85%	12%	2%	0,5%	4,6%	60,4%
ENERGY	62%	32%	6%	0,7%	22,0%	63,1%
CONSTRUCTION	85%	10%	5%	0,7%	10,8%	70,7%
TEXTILE & MADE	82%	14%	4%	1,3%	8,0%	73,4%
TOURISM & ENTERTAINMENT	53%	44%	3%	1,9%	12,6%	72,6%
REAL ESTATE	47%	39%	14%	0,5%	41,4%	63,1%

## 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

(44% of total performing loans)

**US\$ 16.1 bn Consolidated FC Performing Loans\***



**US\$ 10.9 bn FC Performing Loans**



### Project Finance Loans

- 70% of PF Loans have FX or FX-linked revenues - no currency risk
- 14% has lower currency risk
- 16% - with some currency risk

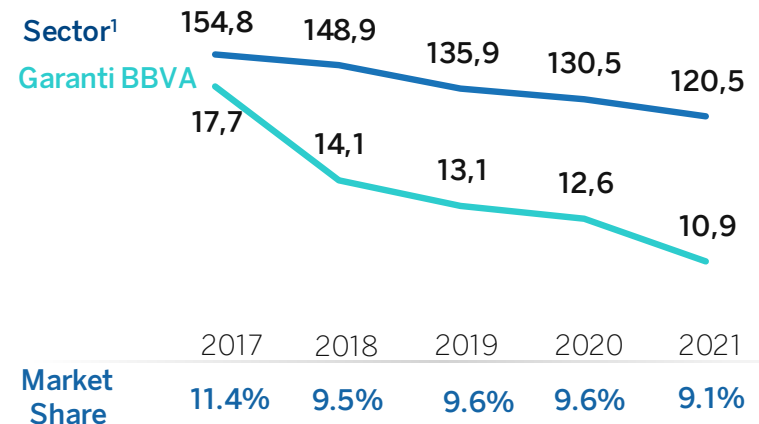
### Working Capital & Other Loans

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

Dec-21

## MITIGATION OF FX RISK -- TIMELY DELEVERAGING

(in \$ bn)

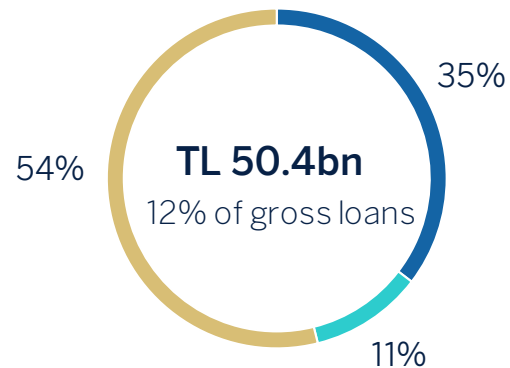


- Regular conduct of FX sensitivity analysis for proactive staging and provisioning

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

# APPENDIX: DEFERRALS' PAYMENT EVOLUTION BETTER THAN EXPECTED

## TOTAL LOAN DEFERRALS GRANTED

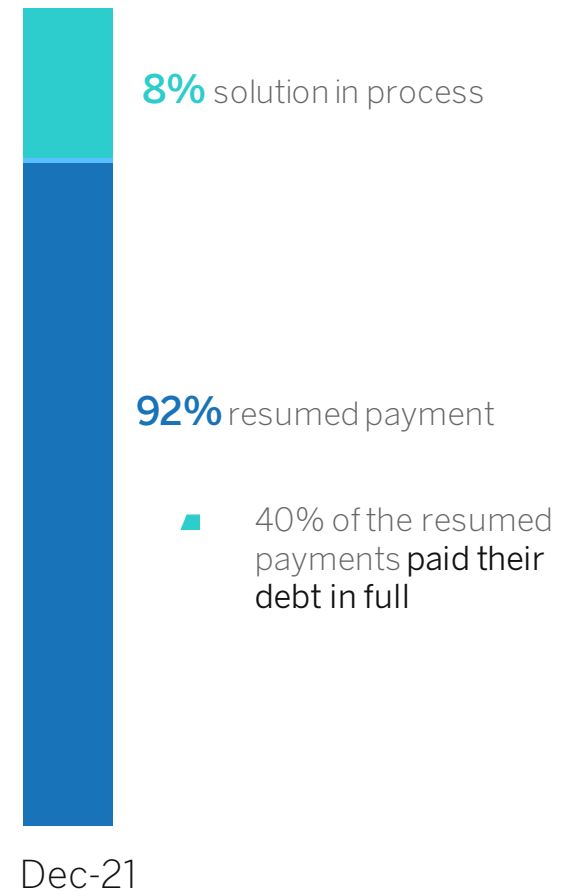


■ Retail (inc. CCs) ■ SME ■ Comm&Corp.

DEFERRALS' STAGING BREAKDOWN & COVERAGES	Share in Total	Coverage
Stage 1	42%	0.8%
Stage 2	55%	21%
Stage 3	3%	59%
<b>Total</b>		<b>14%</b>

## EXPIRED LOAN DEFERRALS' PAYMENT BEHAVIOR

95% of total deferrals

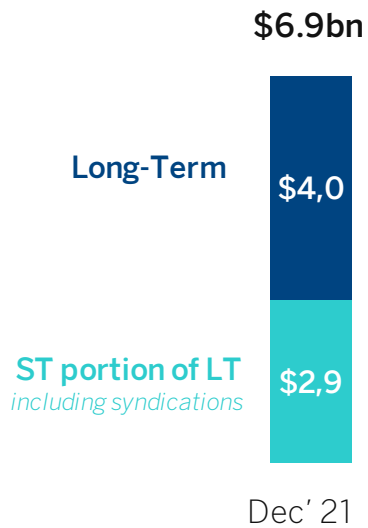


Note: Based on unconsolidated financials

# APPENDIX: COMFORTABLE LIQUIDITY & MANAGEABLE EXTERNAL DEBT STOCK

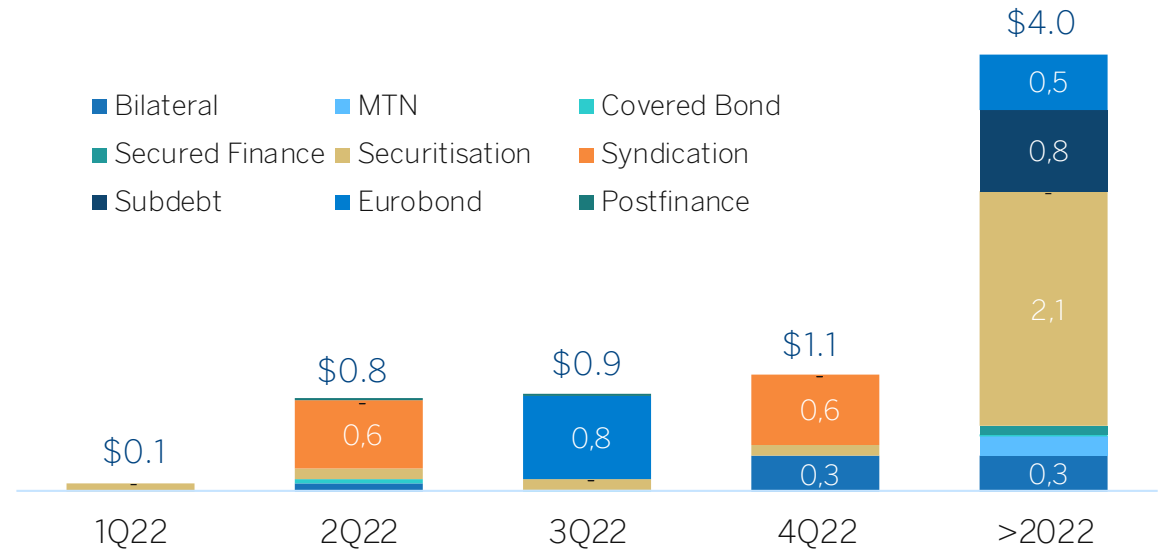
## GARANTI BBVA EXTERNAL DEBT<sup>1</sup>

(US\$ billion)



## MATURITY PROFILE OF EXTERNAL DEBT

(US\$ billion)



ST external dues

\$2.9bn

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

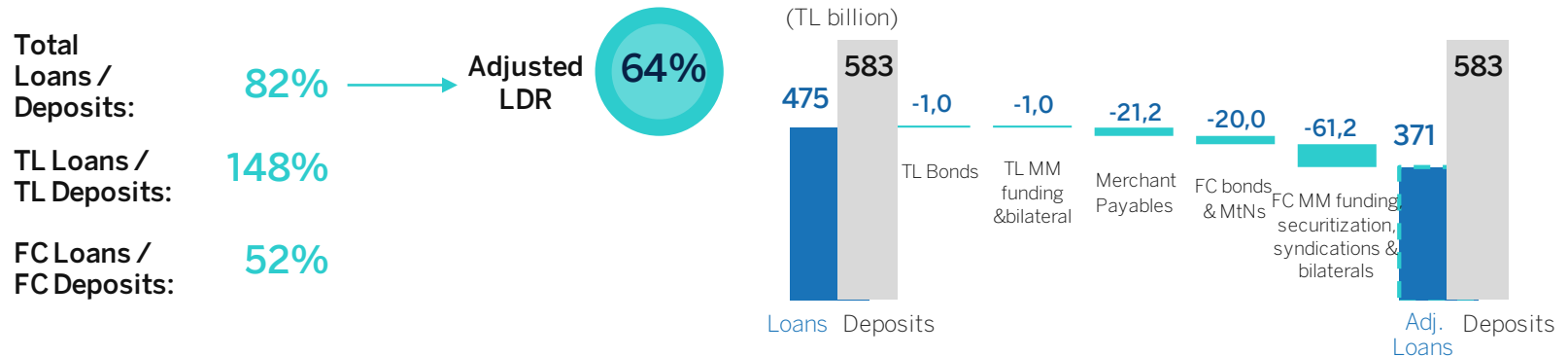
\$13.1bn

<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 219%

Minimum Requirement 100%

FC LCR 420%

Minimum Requirement 80%

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

## APPENDIX: CONSUMER & TL BUSINESS BANKING LOANS

Consumer & TL Business Banking Loans (TL billion)	Dec-19	Dec-20	Sep-21	Dec-21	QoQ (%)	YoY (%)
TL Business Banking	77.9	109.3	127.8	129.2	1.1	18.3
Cons. Mortgage Loans	22.4	25.2	29.3	32.3	10.2	28.0
Consumer Auto Loans	1.8	2.1	2.8	2.4	-12.7	15.0
Cons. General Purpose Loans <sup>1</sup>	32.4	45.0	58.1	63.6	9.5	41.5
Cons. Credit Card Balances	22.3	26.5	33.9	38.2	12.9	44.2

Market Shares <sup>3</sup>	Sep-21	Dec-21	QoQ Δ	Rank
Consumer Loans inc. Consumer CCs	13.1%	13.1%	5 bps	#1*
Cons. Mortgage Loans	9.5%	9.3%	-19 bps	#1*
Consumer Auto Loans	29.0%	28.3%	-67 bps	#1*
Cons. General Purpose Loans	12.7%	12.8%	9 bps	#1*
TL Business Banking	9.0%	8.3%	-70 bps	#2*
# of CC customers <sup>2</sup>	13.2%	13.3%	4 bps	#1
Issuing Volume (Cumulative) <sup>2</sup>	17.4%	17.5%	6 bps	#1
Acquiring Volume (Cumulative) <sup>2</sup>	17.2%	17.4%	22 bps	#2

\* Rankings are among private banks as of September 21

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

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

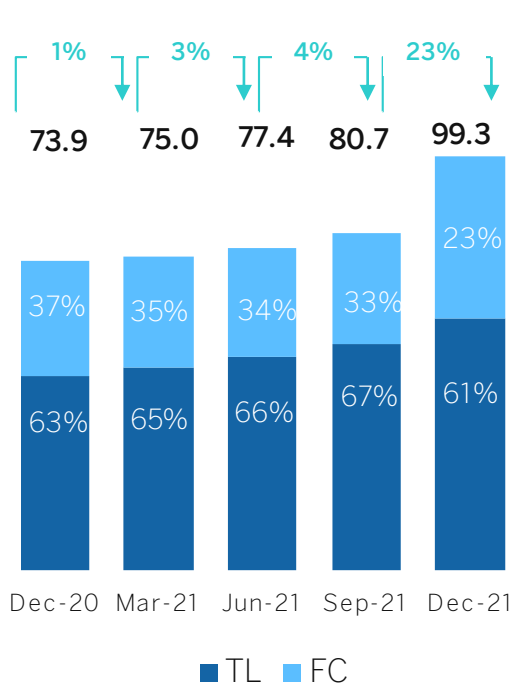
<sup>3</sup> Sector figures used in market share calculations are based on bank-only

BRSA weekly data as of 31.12.2021, for commercial banks

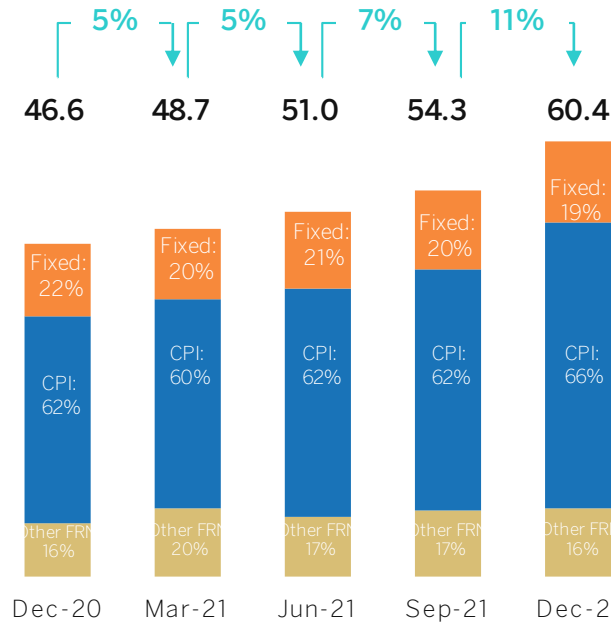
# APPENDIX: SECURITIES PORTFOLIO

## TOTAL SECURITIES (TL billion)

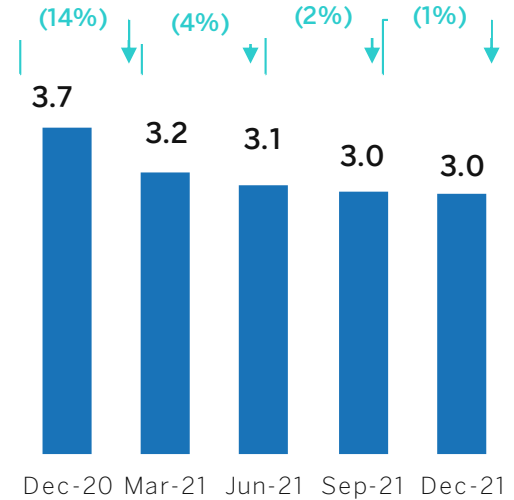
12% of Total Assets



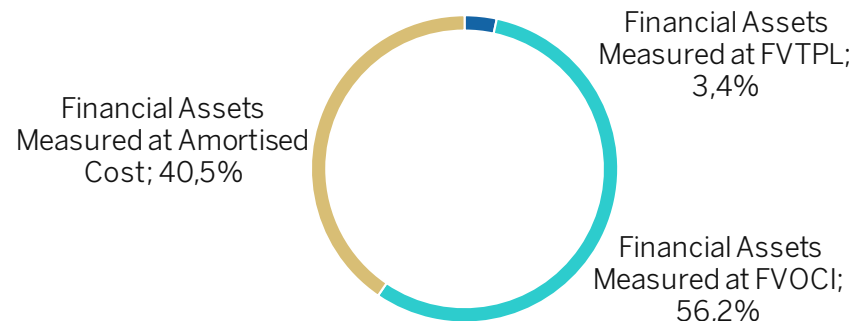
## TL SECURITIES (TL billion)



## 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	31.12.2020	31.03.2021	30.06.2021	30.09.2021	31.12.2021
Cash & Cash Equivalents	50,0	40,5	49,4	44,7	114,3
Balances at CBRT	44,7	56,6	64,0	67,8	102,7
Securities	73,9	75,0	77,4	80,7	99,3
Gross Loans + Leasing & Factoring receivables	360,7	382,6	405,8	426,8	509,5
<b>+TL Loans</b>	<b>215,5</b>	<b>227,2</b>	<b>240,2</b>	<b>260,2</b>	<b>272,3</b>
TL Loans NPL	7,8	7,7	7,4	7,5	8,1
info: TL Performing Loans	207,6	219,5	232,8	252,7	264,1
<b>+FC Loans (in US\$ terms)</b>	<b>18,3</b>	<b>17,5</b>	<b>17,7</b>	<b>17,4</b>	<b>16,8</b>
FC Loans NPL (in US\$)	1,0	1,0	0,9	0,9	0,7
info: FC Performing Loans (in US\$)	17,3	16,5	16,8	16,5	16,1
info: Performing Loans (TL+FC)	335,0	355,6	377,8	398,4	475,3
Fixed Assets & Subsidiaries	7,3	7,2	7,1	7,1	7,8
Other	4,4	6,8	4,1	3,7	15,8
<b>TOTAL ASSETS</b>	<b>540,9</b>	<b>568,8</b>	<b>607,8</b>	<b>630,8</b>	<b>849,4</b>
LIABILITIES & SHE	31.12.2020	31.03.2021	30.06.2021	30.09.2021	31.12.2021
Total Deposits	358,1	371,9	412,0	428,2	582,8
<b>+Demand Deposits</b>	<b>156,1</b>	<b>163,6</b>	<b>179,4</b>	<b>194,3</b>	<b>295,3</b>
TL Demand	36,0	40,3	45,0	49,0	52,1
FC Demand (in US\$ terms)	16,3	15,0	15,6	16,4	18,6
<b>+Time Deposits</b>	<b>202,0</b>	<b>208,2</b>	<b>232,6</b>	<b>233,9</b>	<b>287,5</b>
TL Time	106,3	103,7	120,6	123,9	126,4
FC Time (in US\$ terms)	13,0	12,7	13,0	12,4	12,3
Interbank Money Market	3,2	13,1	5,3	5,5	15,9
Bonds Issued	22,8	21,1	19,4	19,5	25,6
Funds Borrowed	49,4	53,2	56,4	55,0	78,7
Other liabilities	45,1	45,6	47,2	51,5	67,0
Shareholders' Equity	62,4	64,0	67,6	71,1	79,2
<b>TOTAL LIABILITIES &amp; SHE</b>	<b>540,9</b>	<b>568,8</b>	<b>607,8</b>	<b>630,8</b>	<b>849,4</b>



## APPENDIX: SUMMARY P&L

TL Million	QUARTERLY P&L			CUMULATIVE P&L		
	3Q21	4Q21	QoQ	2020	2021	YoY
(+) Net Interest Income including Swap costs	6.030	8.686	44%	21.671	24.171	12%
(+) <i>NII excluding CPI linkers' income</i>	7.678	9.780	27%	21.670	29.670	37%
(+) <i>Income on CPI linkers</i>	1.719	2.421	41%	3.723	6.395	72%
(-) <i>Swap Cost</i>	-3.367	-3.516	4%	-3.721	-11.894	220%
(+) Net Fees & Comm.	2.260	2.705	20%	6.588	9.195	40%
(+) Net Trading & FX gains/losses (excl. Swap costs and currency hedge)	841	5.354	537%	2.092	8.530	308%
<i>info: Gain on Currency Hedge<sup>1</sup></i>	252	6.122	2328%	2.332	8.099	247%
(+) Other income (excl. Prov. reversals & one-offs)	738	874	18%	2.188	2.769	27%
<b>= REVENUES</b>	<b>9.869</b>	<b>17.618</b>	<b>79%</b>	<b>32.539</b>	<b>44.665</b>	<b>37%</b>
(+) Non-recurring other income	194	207	<i>n.m</i>	0	512	<i>n.m</i>
(+) <i>Gain on asset sale</i>	194	207	<i>n.m</i>	0	512	<i>n.m</i>
(-) OPEX	-3.494	-5.117	46%	-11.887	-15.240	28%
(-) <i>HR</i>	-1.408	-2.071	47%	-4.420	-6.046	37%
(-) <i>Non-HR</i>	-2.087	-3.046	46%	-7.467	-9.194	23%
<b>= PRE-PROVISION INCOME</b>	<b>6.569</b>	<b>12.708</b>	<b>93%</b>	<b>20.652</b>	<b>29.936</b>	<b>45%</b>
(-) Net Expected Loss (excl. Currency impact)	-56	-2.760	4787%	-7.614	-4.473	-41%
(-) <i>Expected Loss</i>	-2.001	-10.809	440%	-14.331	-20.956	46%
<i>info: Currency Impact<sup>1</sup></i>	-252	-6.122	2328%	-2.332	-8.099	247%
(+) <i>Provision Reversal under other Income</i>	1.692	1.927	14%	4.385	8.384	91%
(-) Taxation and other provisions	-2.878	-5.960	107%	-6.652	-12.404	86%
(-) <i>Free Provision</i>	-1.000	-900	<i>n.m</i>	-2.150	-2.850	<i>n.m</i>
(-) <i>Taxation</i>	-1.667	-1.800	8%	-2.823	-4.823	71%
(-) <i>Other provisions (excl. free prov.)</i>	-211	-3.260	1443%	-1.679	-4.731	182%
<b>= NET INCOME</b>	<b>3.634</b>	<b>3.988</b>	<b>10%</b>	<b>6.385</b>	<b>13.060</b>	<b>105%</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

	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21
<b>Profitability ratios</b>					
ROAE (Cumulative) <sup>1</sup>	11,0%	16,7%	18,3%	19,2%	19,0%
ROAA (Cumulative) <sup>1</sup>	1,3%	1,9%	2,1%	2,2%	2,0%
Cost/Income	36,5%	37,8%	38,3%	37,0%	33,7%
Quarterly NIM incl. Swap costs	4,9%	3,9%	4,0%	4,5%	5,6%
Quarterly NIM incl. Swap costs excl. CPI linkers	3,5%	3,0%	3,0%	3,2%	4,0%
Cumulative NIM incl. Swap costs	5,3%	3,9%	3,9%	4,2%	4,5%
Cumulative NIM incl. Swap costs excl. CPI linkers	4,4%	3,0%	3,0%	3,1%	3,3%
<b>Liquidity ratios</b>					
Loans / Deposits	93,6%	95,6%	91,7%	93,0%	81,5%
TL Loans / TL Deposits	146,0%	152,4%	140,6%	146,2%	148,1%
Adj. Loans/Deposits (Loans adj. with on-balance sheet alternative funding sources)	74%	76%	74%	74%	64%
TL Loans / (TL Deposits + TL Bonds + Merchant Payables)	128,4%	135,8%	124,7%	128,5%	129,2%
FC Loans / FC Deposits	59,0%	59,7%	58,9%	57,0%	52,2%
<b>Asset quality ratios</b>					
NPL Ratio	4,5%	4,4%	4,0%	3,8%	3,6%
Coverage Ratio	5,8%	6,1%	5,8%	5,6%	5,8%
+ Stage1	0,8%	0,7%	0,6%	0,6%	0,7%
+ Stage2	14,4%	15,6%	16,7%	16,9%	16,8%
+ Stage3	63,4%	65,6%	65,6%	68,8%	66,4%
Cumulative Net Cost of Risk (excluding currency impact, bps) <sup>2</sup>	231	132	87	58	107
<b>Solvency ratios</b>					
CAR (excl. BRSA Forbearance)	16,9%	15,8%	15,9%	15,7%	14,0%
Common Equity Tier I Ratio (excl. BRSA Forbearance)	14,3%	13,3%	13,4%	13,2%	11,3%
Leverage	7,7x	7,9x	8,0x	7,9x	9,7x

<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 1Q21, 2Q21, 3Q21.

<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	1Q21	2Q21	3Q21	4Q21
<b>(-) Expected Credit Losses</b>	<b>5.316</b>	<b>2.830</b>	<b>2.001</b>	<b>10.809</b>
Stage 1	1.126	417	285	1.429
Stage 2	2.940	1.218	765	5.091
Stage 3	1.250	1.195	951	4.289
<b>(+) Provision Reversals under other income</b>	<b>3.002</b>	<b>1.763</b>	<b>1.692</b>	<b>1.927</b>
Stage 1	1.532	928	446	487
Stage 2	986	365	860	846
Stage 3	484	470	386	594
<b>(=) (a) Net Expected Credit Losses</b>	<b>2.314</b>	<b>1.067</b>	<b>309</b>	<b>8.882</b>
<b>(b) Average Gross Loans</b>	<b>371.651</b>	<b>394.203</b>	<b>416.294</b>	<b>468.140</b>
<b>(a/b) Quarterly Total Net CoR (bps)</b>	<b>253</b>	<b>109</b>	<b>29</b>	<b>753</b>
<b>info: Currency Impact<sup>1</sup></b>	<b>121</b>	<b>63</b>	<b>24</b>	<b>519</b>
<b>Total Net CoR excl. currency impact (bps)</b>	<b>132</b>	<b>45</b>	<b>5</b>	<b>234</b>

(Million TL)

Cumulative Net Expected Credit Loss	2021
<b>(-) Expected Credit Losses</b>	<b>20.956</b>
Stage 1	3.257
Stage 2	10.014
Stage 3	7.684
<b>(+) Provision Reversals under other income</b>	<b>8.384</b>
Stage 1	3.392
Stage 2	3.057
Stage 3	1.935
<b>(=) (a) Net Expected Credit Losses</b>	<b>12.572</b>
<b>(b) Average Gross Loans</b>	<b>417.071</b>
<b>(a/b) Cumulative Total Net CoR (bps)</b>	<b>301</b>
<b>info: Currency Impact<sup>1</sup></b>	<b>194</b>
<b>Total Net CoR excl. currency impact (bps)</b>	<b>107</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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