1Q18 EARNINGS PRESENTATION

Based on BRSA Unconsolidated Financials
April 26th 2018
## ROBUST EARNINGS PERFORMANCE…

<table>
<thead>
<tr>
<th></th>
<th>1Q17</th>
<th>4Q17</th>
<th>1Q18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Income (TL million)</td>
<td>1.526</td>
<td>1.699</td>
<td>1.996</td>
</tr>
</tbody>
</table>

- **ROAA**: 2.4% vs. 2.1% in 2017
- **ROAE**: 18.3% vs. 16.6% in 2017
- **Leverage**: 6.7x vs. 6.9x in 2017

**Note**: In the calculation of average assets and average equity, 01.01.2018 restated balance sheet has been used instead of YE 2017.
...FURTHER REINFORCING SOLVENCY

SOLVENCY RATIOS

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>1Q18</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAR</td>
<td>16.2%</td>
<td>18.7%</td>
<td>18.0%</td>
</tr>
<tr>
<td>CET-I</td>
<td>15.2%</td>
<td>16.5%</td>
<td>15.8%</td>
</tr>
</tbody>
</table>

RWA / Assets: 82% 76% 81%

Impacts on CAR – 1Q18 vs. 2017

- Dividend Payment: -0.70%
- IFRS9 Transition Impact: +0.07%
- MIM Difference: -0.07%
- Currency Impact: -0.25%
- Operational Risk*: -0.30%
- Market & Credit Risk: -0.27%
- Other: +0.07%
- Net Income: +0.80%

Highest CET-1 ratio and highest dividend payment among peers

Peer 1
Peer 2
Garanti

1Q18 CAR: 18.0%

Note: Peers defined as Top-3 private banks.
WHAT LIES BENEATH THE PERFORMANCE

1. OUTSTANDING NIM MANAGEMENT
2. STRONG FEE GENERATION
3. CONTAINED OPEX GROWTH
4. PRUDENT PROVISIONING
5. ROBUST SUBSIDIARY CONTRIBUTION
CORE NIM EXPANSION DRIVEN BY…

**QUARTERLY NIM INCLUDING SWAP COSTS**

<table>
<thead>
<tr>
<th></th>
<th>4Q17</th>
<th>1Q18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Core NIM</td>
<td>5.6%</td>
<td>4.7%</td>
</tr>
<tr>
<td>CPI Impact</td>
<td>1.76%</td>
<td>0.80%</td>
</tr>
</tbody>
</table>

**CUMULATIVE**

- 16bps
- 4.5%
- 4.7%
- 4.8%
- 3.90%
- 1.07%
- 3.73%
- 0.71%
- 3.80%

**QUARTERLY CPI LINKERS’ INCOME** (TL million)

<table>
<thead>
<tr>
<th></th>
<th>4Q17</th>
<th>1Q18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans</td>
<td>380</td>
<td>+42</td>
</tr>
<tr>
<td>Deposits</td>
<td>-12</td>
<td>-22</td>
</tr>
<tr>
<td>Swaps</td>
<td>-22</td>
<td>+13</td>
</tr>
<tr>
<td>Repo Funding</td>
<td>-6</td>
<td>-7</td>
</tr>
<tr>
<td>Other Securities</td>
<td>+1</td>
<td>-8</td>
</tr>
<tr>
<td>Other Int. Income Items</td>
<td>+1</td>
<td>-8</td>
</tr>
<tr>
<td>Core NIM</td>
<td>389</td>
<td>389</td>
</tr>
</tbody>
</table>

**Impact of 1% higher CPI:**

- +TL175mn/yr to Net Income
- ~8bps impact on NIM

Note: In the calculation of average IEAs, 01.01.2018 restated balance sheet has been used instead of 2017YE. *Adjustment in annual CPI reading in the last quarter from 9% to 11.9% implies 20% rate for 4Q-only.
ACROSS THE BOARD GROWTH IN TL LOANS AND...

PERFORMING LOANS BREAKDOWN

- Credit Cards: 10.1% (vs. 2017: 10.4%)
- TL Business: 35.0% (vs. 2017: 34.6%)
- Consumer (excluding credit cards): 22.9% (vs. 2017: 23.1%)

TL 217bn

TL LOAN GROWTH: 4% QoQ
FC LOAN GROWTH (in US$): 0% QoQ

HEALTHY MARKET SHARE GAINS

- Consumer Loans excluding Credit Cards (TL billion):
  - 1Q17: 43.9
  - 2Q17: 45.1
  - 3Q17: 46.8
  - 4Q17: 48.2
  - 1Q18: 49.7
  - 3% 4% 3% 3%

- TL Business Banking Loans (TL billion):
  - 1Q17: 63.9
  - 2Q17: 69.5
  - 3Q17: 69.7
  - 4Q17: 72.1
  - 1Q18: 76.1
  - 9% 0% 3% 6%

- Consumer GPLs were the front-runners (+5% QoQ)
- Rational pricing stance preserved

Note: Business banking loans represent total loans excluding credit cards and consumer loans
*In 2017, Sector utilized TL200bn out of TL250bn CGF guarantee limit. In February, remaining TL50bn guarantee limit has been introduced. 1/3 of the sector’s limit will be used for the export-based sectors, 1/3 for investment loans and 1/3 for other purposes including women entrepreneurs, agriculture and working capital needs
WELL DIVERSIFIED FUNDING BASE
HEAVY WITH LOW COST & STICKY DEPOSITS

DEPOSITS

TL DEPOSITS GROWTH
\[ \uparrow 4\% \text{ QoQ} \]

FC DEPOSITS GROWTH (in US$)
\[ \uparrow 2\% \text{ QoQ} \]

DEMAND DEPOSITS vs. sector's 20\%\(^2\)
\[ 24\% \]

SME & RETAIL DEPOSITS\(^1\) share in TL Deposits
\[ 78\% \]

SWAPS & REPO

SUCCESSFUL DUAL CURRENCY BALANCE SHEET MANAGEMENT

NET SWAP FUNDING\(^1\)

<table>
<thead>
<tr>
<th>TL 23bn</th>
<th>1Q18 avg. @11.1%</th>
</tr>
</thead>
<tbody>
<tr>
<td>TL 17bn</td>
<td>4Q17 avg. @10.7%</td>
</tr>
</tbody>
</table>

TL REPO FUNDING\(^1\)

<table>
<thead>
<tr>
<th>TL 8bn</th>
<th>1Q18 avg. @12.6%</th>
</tr>
</thead>
<tbody>
<tr>
<td>TL 11bn</td>
<td>4Q17 avg. @11.9%</td>
</tr>
</tbody>
</table>

BORROWINGS

- In 1Q18, $125mn fresh MTN issuance with 1-yr maturity
- Total issuance in 2017 $5.9bn of which ~$2 bn fresh

1 Based on bank-only MIS data
2 Based on BRSA weekly data as of 30 March 2018, commercial banks only.

*Please see Appendix page 21 for details

INVESTOR RELATIONS | 1Q18 BRSA BANK-ONLY EARNINGS PRESENTATION
STELLAR FEE GROWTH BACKED BY DIVERSIFIED FEE SOURCES…

**NET FEES & COMMISSIONS**

<table>
<thead>
<tr>
<th>(TL million)</th>
<th>1Q17</th>
<th>1Q18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash &amp; Non-Cash Loans</td>
<td>875</td>
<td>1,169</td>
</tr>
</tbody>
</table>

**NET FEES & COMMISSIONS BREAKDOWN**

- **Payment systems**
  - Leading position in issuing & acquiring businesses
  - Strong merchant network & actively managed relations

- **Money transfer**
  - Leader in interbank money transfer: 14% market share
  - Leader in swift transactions: 17% market share

- **Insurance**
  - Leader in number of pension participants
  - Focus on digital-only products

- **Strong economic activity & growth in the quarter supported brokerage, cash & non-cash loan fees**

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1 Net Fees&Comm. breakdown is based on MIS data.
...AND FURTHER DIGITALIZED PROCESSES

**LEADING POSITION IN DIGITAL BANKING**
- 6.3 mn digital customers
- 5.5 mn mobile customers
- 3.8 mn mobile-only customers

**Active digital customers**
- 27% YoY

**Active mobile customers**
- 36% YoY

**95% OF GARANTI’S NON-CASH FINANCIAL TRANSACTIONS GO THROUGH DIGITAL CHANNELS**

**EFFECTIVE DIGITAL CHANNEL UTILIZATION**
- 1/3
  - SHARE OF DIGITAL SALES IN TOTAL SALES
- 43%
  - DIGITAL CHANNELS’ SHARE IN NON-CREDIT LINKED FEES

Active customer is defined as minimum one log-in in the last 3 months.
Definition of digital sales: Sales to customers that get in touch with digital at least once at any point throughout the process.
INVESTOR RELATIONS 1Q18 BRSA BANK-ONLY EARNINGS PRESENTATION

COMMITTED TO IMPROVE EFFICIENCY & OPERATIONAL EXCELLENCE

INCREASING EFFICIENCY

COST/INCOME

ROAE

1Q18

2017

2016

2015

10%

13%

16%

19%

39%

44%

49%

54%

OPERATING EXPENSES

(TL Million)

1Q17

1Q18

1.643

1.736

+6% 6%

Note: In the Cost/Income calculation, Income defined as NII + Net F&C +Trading gains/losses
– Provision for loans –Free Provisions set aside during the year+ Other income
+ Income from subsidiaries.

EMPLOYEES

Down by 4% YoY due to natural attrition

BRANCHES

Decreased by 27 YoY

6.3mio DIGITAL

Managing the largest digital customer base
### LOAN PORTFOLIO BREAKDOWN

**(Billion TL)**

<table>
<thead>
<tr>
<th></th>
<th>31.12.2017</th>
<th>01.01.2018</th>
<th>31.03.2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gross Loans</strong></td>
<td>214.0</td>
<td>214.0</td>
<td>223.1</td>
</tr>
<tr>
<td><strong>Group 3,4,5:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-performing</td>
<td>5.4</td>
<td>5.4</td>
<td>5.7</td>
</tr>
<tr>
<td><strong>Group 2:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Watchlist</td>
<td>16.6</td>
<td>18.0</td>
<td>37.5</td>
</tr>
<tr>
<td><strong>Group 1</strong></td>
<td>192.0</td>
<td>174.0</td>
<td>179.9</td>
</tr>
</tbody>
</table>

#### Coverage

<table>
<thead>
<tr>
<th></th>
<th>31.12.2017</th>
<th>01.01.2018</th>
<th>31.03.2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group 3,4,5:</td>
<td>80.6%</td>
<td>67.9%</td>
<td>70.0%</td>
</tr>
<tr>
<td>Group 2:</td>
<td>8.2%</td>
<td>9.4%</td>
<td>9.7%</td>
</tr>
<tr>
<td>Group 1:</td>
<td>0.8%</td>
<td>0.4%</td>
<td>0.5%</td>
</tr>
</tbody>
</table>

#### NPL Ratio

<table>
<thead>
<tr>
<th></th>
<th>31.12.2017</th>
<th>31.03.2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sector¹:</td>
<td>3.1%</td>
<td>3.0%</td>
</tr>
<tr>
<td>Garanti:</td>
<td>2.5%</td>
<td>2.5%</td>
</tr>
</tbody>
</table>

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1 Sector figures are per BRSA bank-only weekly data, commercial banks only
Sector NPL ratio includes TL 1.3bn NPL sale vs. no NPL sales at Garanti
**BUSINESS AS USUAL PROVISIONING FARES LOW. NET CoR PRESSURED WITH MACRO PARAMETER REVISION & CURRENCY DEPRECIATION**

### Net Expected Credit Loss

(Million TL, 1Q18)

<table>
<thead>
<tr>
<th>(-) Expected Credit Losses</th>
<th>1,617</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stage 1</td>
<td>380</td>
</tr>
<tr>
<td>Stage 2</td>
<td>749</td>
</tr>
<tr>
<td>Stage 3</td>
<td>488</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>(+) Provision Reversals under other income</th>
<th>860</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stage 1 &amp; 2</td>
<td>660</td>
</tr>
<tr>
<td>Stage 3</td>
<td>200</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>(=) Net Expected Credit Losses</th>
<th>757</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Annualized Net Expected Credit Losses</td>
<td>3,071</td>
</tr>
<tr>
<td>(b) Average Total Loans</td>
<td>214,744</td>
</tr>
</tbody>
</table>

Total Net CoR (a/b) = 143 bps

**Note:** In the calculation of average total loans, 01.01.2018 restated balance sheet has been used instead of YE 2017

**Neutral impact at bottom line (100% hedged)**

**Impact on Net CoR was 32bps in 1Q18**

**Neutral impact at bottom line, as provisions due to currency depreciation are 100% hedged (FX gain included in Net trading income line).**

* Including provisioning for a big-ticket file, classified under Stage-2.

**Update of macro parameters used in IFRS-9 model**
ROBUST CONTRIBUTION FROM SUBSIDIARIES

**SUBSIDIARIES’ INCOME**  
(TRY million)

1Q17 201  
2Q17 194  
3Q17 148  
4Q17 72  
1Q18 224

Subsidiaries’ contribution was strong in 1Q18 backed by:

- Better than expected business volumes across the board
- Loan recoveries & trading gains at foreign banking subsidiaries
IN SUMMARY

<table>
<thead>
<tr>
<th>Contribution to ROAA</th>
<th>Contribution to ROAE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>+</strong> 4.0%</td>
<td><strong>+</strong> 30.9%</td>
</tr>
<tr>
<td>NII INCLUDING SWAP COST</td>
<td></td>
</tr>
<tr>
<td><strong>+</strong> 1.5%</td>
<td><strong>+</strong> 11.2%</td>
</tr>
<tr>
<td>NET FEES &amp; COMMISSIONS</td>
<td></td>
</tr>
<tr>
<td><strong>-</strong> -2.2%</td>
<td><strong>-</strong> -16.7%</td>
</tr>
<tr>
<td>OPEX</td>
<td></td>
</tr>
<tr>
<td><strong>-</strong> -0.9%</td>
<td><strong>-</strong> -7.3%</td>
</tr>
<tr>
<td>NET EXPECTED CREDIT LOSS</td>
<td></td>
</tr>
<tr>
<td><strong>+</strong> 0.3%</td>
<td><strong>+</strong> +2.2%</td>
</tr>
<tr>
<td>SUBSIDIARIES’ INCOME</td>
<td></td>
</tr>
<tr>
<td><strong>-</strong> -0.3%</td>
<td><strong>-</strong> -2.0%</td>
</tr>
<tr>
<td>OTHERS*</td>
<td></td>
</tr>
</tbody>
</table>

**ROAA 2.4%**

**ROAE 18.3%**

*Net trading & FX gains, other income, other provisions and taxation are included in «Others» line.

Note: In the calculation of average assets and average equity, 01.01.2018 restated balance sheet has been used instead of YE 2017.
APPENDIX

Pg. 16  Disclaimer on new IFRS 9 standard
Pg. 17  Composition of Assets & Liabilities
Pg. 18  Securities Portfolio
Pg. 19  Retail Loans
Pg. 20  Loan-term Wholesale Funding
Pg. 21  Adjusted L/D and Liquidity Coverage Ratios
Pg. 22  Summary P&L
Pg. 23  Key Financial Ratios
The Bank has not restated comparative information for 2017 for financial instruments in the scope of IFRS 9. Total difference arising from the adoption of IFRS 9 has been recognized directly in prior periods’ profit/loss as of 1 January 2018 in the current period statement of changes in shareholders’ equity. In this context, the accompanying financial statements are not on a comparable basis. The transition impact on the financial statements regarding first time adoption of IFRS 9 as of 1 January 2018 is presented in 31.03.2018 dated financial statements in Note 3.28.

Impact of IFRS-9 Transition on Shareholders’ Equity (SHE) (Million TL)

<table>
<thead>
<tr>
<th>Pre - IFRS-9</th>
<th>Post - IFRS-9</th>
</tr>
</thead>
<tbody>
<tr>
<td>SHE Pre-IFRS 9 transition</td>
<td>SHE under IFRS 9</td>
</tr>
<tr>
<td>31.12.2017</td>
<td>01.01.2018</td>
</tr>
<tr>
<td>41.331</td>
<td>42.122</td>
</tr>
<tr>
<td>+454</td>
<td>-354</td>
</tr>
<tr>
<td>-59</td>
<td>+749</td>
</tr>
</tbody>
</table>
APPENDIX: COMPOSITION OF ASSETS & LIABILITIES

**ASSETS**
- Other: 66.4%
- Fixed Assets & Subs. Cash & Banks: 9.5%
- Balances with the CBT: 13.8%
- Securities: 4.7%
- Performing Loans: 3.5%

**LIABILITIES & SHE**
- Other: 9.6%
- SHE: 13.0%
- Interbank Money Market: 1.7%
- Borrowings¹: 17.4%
- Deposits: 58.4%

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¹ Includes funds borrowed, sub-debt & securities issued

**TL/FC MIX IN ASSETS**
- FC 38%
- TL 62%

**TL/FC MIX IN LIABILITIES & SHE**
- FC 49%
- TL 51%
Total Securities (TL billion) 14% of Total Assets

- Mar.17: 45.2 (29%) TL, 71%
- Haz.17: 44.5 (27%) TL, 73%
- Eyl.17: 45.1 (26%) TL, 74%
- Ara.17: 45.1 (26%) TL, 74%
- Mar.18: 45.1 (24%) TL, 76%

TL Securities (TL billion)

- Mar.17: 31.9 (1%) Fixed, 58% CPI
- Haz.17: 32.4 (3%) Fixed, 58% CPI
- Eyl.17: 33.5 (7%) Fixed, 57% CPI
- Ara.17: 35.9 (5%) Fixed, 55% CPI
- Mar.18: 34.2 (5%) Fixed, 57%

FC Securities (US$ billion)

- Mar.17: 3.7 (%6) FRNs
- Haz.17: 3.5 (%4) FRNs
- Eyl.17: 3.3 (1%) FRNs
- Ara.17: 3.3 (17%) FRNs
- Mar.18: 2.8 (5%) FRNs

Securities Composition

- Financial Assets Measured at FVTPL: 1.2%
- Financial Assets Measured at Amortised Cost: 51.2%
- Financial Assets Measured at FVOCI: 47.6%

Unrealized MtM loss (pre-tax)

- ~TL 283mn loss as of Mar’18 vs.
- ~TL 506mn loss as of Dec’17 vs.
- ~TL 309mn loss as of Sept’17
- ~TL 110mn loss as of Jun’17
- ~TL 147mn loss as of Mar’17

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

RETAIL LOANS
(TL billion) +13% YoY

82.4 85.0 87.6 90.0 92.9
60.0 61.7 64.4 66.1 67.7

Mar.17 Haz.17 Eyl.17 Ara.17 Mar.18

MORTGAGE LOANS
(TL billion) +6% YoY

23.2 23.5 23.8 24.3 24.6
22.2 22.6 23.0 23.4 23.7

Mar.17 Haz.17 Eyl.17 Ara.17 Mar.18

AUTO LOANS
(TL billion) +14% YoY

5.2 5.3 5.3 5.7 5.9
3.0 3.1 3.2 3.3 3.5
2.2 2.2 2.2 2.4 2.4

Mar.17 Haz.17 Eyl.17 Ara.17 Mar.18

GENERAL PURPOSE LOANS1
(TL billion) +16% YoY

34.8 36.5 37.4 38.3 40.4
15.4 16.2 15.8 15.8 16.8
19.5 20.3 21.6 22.4 23.5

Mar.17 Haz.17 Eyl.17 Ara.17 Mar.18

CREDIT CARD BALANCES
(TL billion) +15% YoY

19.1 19.7 21.0 21.7 22.0
3.0 3.1 3.4 3.8 4.0
16.2 16.6 17.6 17.9 18.0

Mar.17 Haz.17 Eyl.17 Ara.17 Mar.18

Note: (i) Sector figures used in market share calculations are based on bank-only BRSA weekly data as of 30.03.2018

1 Including other loans and overdrafts
2 Cumulative figures as of March 2018, as per Interbank Card Center data.

Market Shares*

<table>
<thead>
<tr>
<th>Loan Type</th>
<th>Mar’18</th>
<th>QoQ</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer Loans</td>
<td>22.2%</td>
<td>+25bps</td>
<td>#1</td>
</tr>
<tr>
<td>Cons. Mortgage</td>
<td>24.9%</td>
<td>+34bps</td>
<td>#1</td>
</tr>
<tr>
<td>Cons. Auto</td>
<td>46.5%</td>
<td>+169bps</td>
<td>#1</td>
</tr>
<tr>
<td>Consumer GPLs</td>
<td>18.8%</td>
<td>+58bps</td>
<td>#2</td>
</tr>
</tbody>
</table>

* Among private banks, rankings as of December 17

Pioneer in cards business

14.9%
19.3%
19.1%

# of CC customers
Issuing Volume
Acquiring Volume

INVESTOR RELATIONS | 1Q18 BRSA BANK-ONLY EARNINGS PRESENTATION

19
APPENDIX: LONG-TERM WHOLESALE FUNDING

Total issuance in 2017 $5.9 bn; of which, $2.2 bn fresh (new liquidity raised).
In 1Q18, $125mn fresh MTN issuance

- **Basel III compliant Tier II**
  - $750mn, 10NC5
  - Record subscription >$4bn
  - 6.125%, largest deal size and lowest coupon for Turkish Tier 2 Basel III compliant bond (2Q17)

- **Senior Unsecured**
  - $500mn, 6-yrs maturity @5.875% (1Q17)

- **Covered Bond**
  - TL 1,681 mn in 2017, 5-yrs avg. maturity

- **100% syndication roll-over**
  - $468mn @Libor+1.45% (2Q17)
  - €805.5mn @ Euribor+1.35% (2Q17)
  - $1.3bn equivalent: 100% rollover (4Q17)

- **DPR Securitization**
  - $725mn in 2017, 5-yrs maturity

- **Bilateral**
  - $475mn in 2017, 3-yrs avg. maturity

- **GMTN Program**
  - $48mn in 2017, 1-yr maturity
  - $125mn in 1Q18, 1-yr maturity
APPENDIX: ADJUSTED L/D AND LIQUIDITY COVERAGE RATIOS

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

<table>
<thead>
<tr>
<th>Total Loans / Deposits:</th>
<th>114%</th>
<th>Adjusted L/D</th>
<th>79%</th>
</tr>
</thead>
<tbody>
<tr>
<td>TL Loans / TL Deposits:</td>
<td>159%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FC Loans / FC Deposits:</td>
<td>71%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Liquidity Coverage Ratios (LCR) are well above minimum required levels

<table>
<thead>
<tr>
<th>Total LCR</th>
<th>140.5%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum Req. for 2018</td>
<td>90%</td>
</tr>
<tr>
<td>FC LCR</td>
<td>126.6%</td>
</tr>
<tr>
<td>Minimum Req. for 2018</td>
<td>70%</td>
</tr>
</tbody>
</table>
## APPENDIX: SUMMARY P&L

<table>
<thead>
<tr>
<th>TL Million</th>
<th>3M 18</th>
</tr>
</thead>
<tbody>
<tr>
<td>(+) Net Interest Income including Swap costs</td>
<td>3,220</td>
</tr>
<tr>
<td>(+) NII excluding CPI linkers' income</td>
<td>3,239</td>
</tr>
<tr>
<td>(+) Income on CPI linkers</td>
<td>548</td>
</tr>
<tr>
<td>(-) Swap Cost</td>
<td>-568</td>
</tr>
<tr>
<td>(+) Net Fees &amp; Comm.</td>
<td>1,169</td>
</tr>
<tr>
<td>(-) Net Expected Credit Loss</td>
<td>-757</td>
</tr>
<tr>
<td>(-) Expected Credit Loss</td>
<td>-1,617</td>
</tr>
<tr>
<td>(+) Provision Reversal under other Income</td>
<td>860</td>
</tr>
<tr>
<td>(-) OPEX</td>
<td>-1,736</td>
</tr>
<tr>
<td>(-) HR</td>
<td>-678</td>
</tr>
<tr>
<td>(-) Non-HR</td>
<td>-1,058</td>
</tr>
<tr>
<td>= CORE OPERATING INCOME</td>
<td>1,896</td>
</tr>
<tr>
<td>(+) Net Trading &amp; FX gains/losses</td>
<td>226</td>
</tr>
<tr>
<td>(+) Income on subsidiaries</td>
<td>224</td>
</tr>
<tr>
<td>(+) Other income</td>
<td>164</td>
</tr>
<tr>
<td>(+) Gains from asset sale</td>
<td>126</td>
</tr>
<tr>
<td>(+) Other</td>
<td>38</td>
</tr>
<tr>
<td>(-) Taxation and other provisions</td>
<td>-514</td>
</tr>
<tr>
<td>(-) Other Provision</td>
<td>-18</td>
</tr>
<tr>
<td>(-) Taxation</td>
<td>-496</td>
</tr>
<tr>
<td>= NET INCOME</td>
<td>1,996</td>
</tr>
</tbody>
</table>
### APPENDIX: KEY FINANCIAL RATIOS

**Profitability ratios**
- ROAE (Cumulative)\(^1\) 18.3%
- ROAA (Cumulative)\(^1\) 2.4%
- Cost/Income 40.9%
- Quarterly NIM incl. Swap costs 4.7%

**Liquidity ratios**
- Loans / Deposits 114%
- TL Loans / TL Deposits 159%
- Adj. Loans/Deposits (Loans adj. with on-balance sheet alternative funding sources) 79%
- TL Loans / (TL Deposits + TL Bonds + Merchant Payables) 135%
- FC Loans / FC Deposits 71%

**Asset quality ratios**
- NPL Ratio 2.5%
- Coverage Ratio
  - +Stage 1 0.5%
  - +Stage 2 9.7%
  - +Stage 3 70.0%
- Net Cost of Risk (bps) 143

**Solvency ratios**
- CAR 18.0%
- Common Equity Tier I Ratio 15.8%
- Leverage 6.7x

---

1 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).

Note: In the calculation of average assets, average IEAs and average equity, 01.01.2018 restated balance sheet has been used.
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