



# 9M22 EARNINGS PRESENTATION

Based on BRSA Unconsolidated Financials

October 27<sup>th</sup>, 2022

# TURKISH ECONOMY

**GLOBAL DEMAND WEAKENS,**  
*counter-cyclical policies expected to  
support domestic economy*

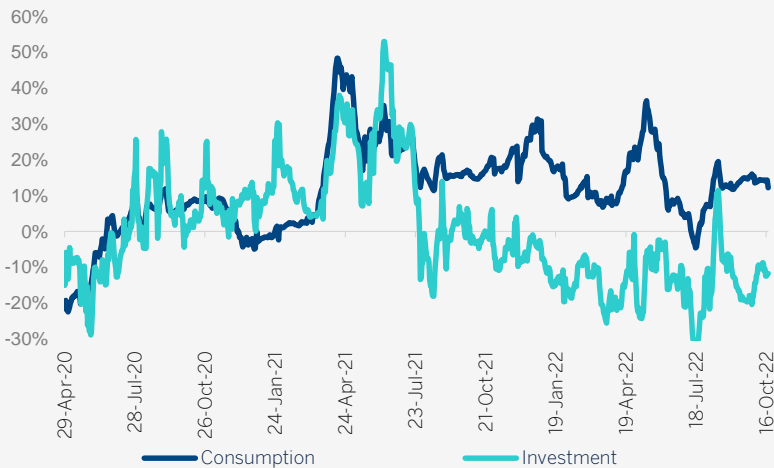
**ECONOMIC ACTIVITY** *on the back  
of employment gains and strong  
consumption*

**INFLATION REMAIN HIGH**  
*led by loose domestic policies and  
cost-push factors*

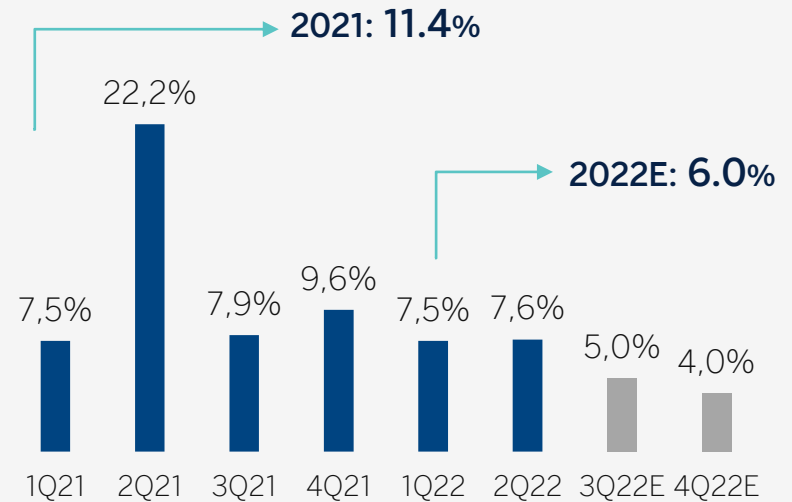


# ACTIVITY DECELERATES BUT Milder THAN EXPECTED SO FAR

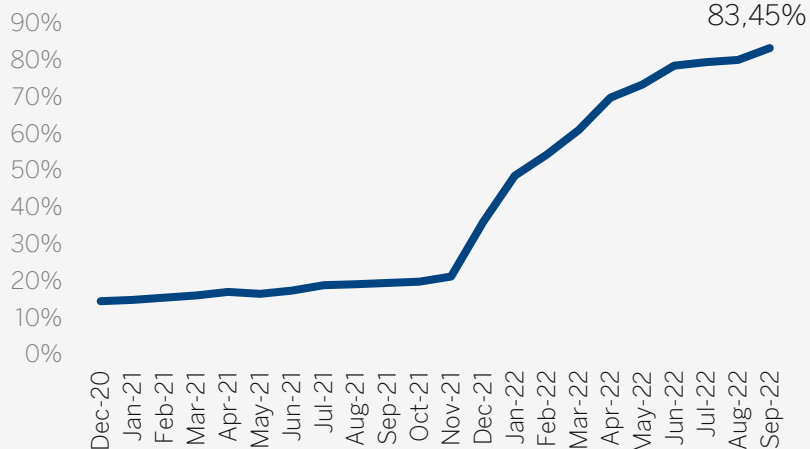
## GARANTI BBVA CONSUMPTION & INVESTMENT BIG DATA INDICES (28-day cum. YoY real)



## GDP GROWTH (YoY)



## CONSUMER INFLATION (ANNUAL)



- **GDP growth deceleration milder than expected so far**, led by loose economic policies, solid lending activity, very strong tourism season and other counter-cyclical policies
- **Exports lose momentum** due to weaker global demand. **Fiscal policy is envisaged to offset** a very fast deceleration ahead of the election
- Above potential growth rates, high global inflation and commodity prices and worsening expectations keep **upside risks on the inflation outlook**

# 9M22 FINANCIAL RESULTS

HEALTHY & STRONG  
LENDING GROWTH

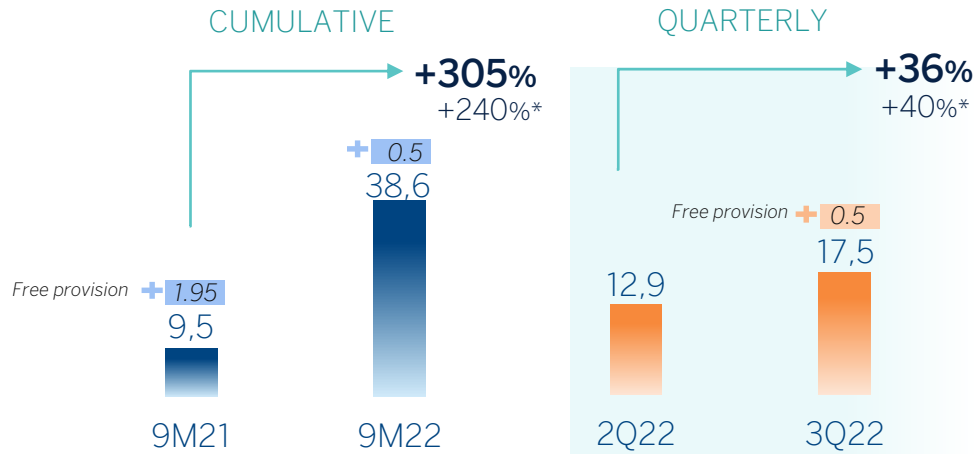
SUPERIOR CORE NIM GENERATION  
CAPABILITY -- *OUR LEGACY*

*BETTER THAN EXPECTED* NET  
NPL INFLOW BACKED BY  
STRONG ECONOMIC ACTIVITY

COST / INCOME  
*AT ALL TIME LOW*

# A NEW RECORD IN EARNINGS -- ACCELERATED PACE IN HIGH QUALITY REVENUE GENERATION

## NET INCOME (TL bn)



## EARNINGS QUALITY BACKED BY CORE REVENUE GROWTH;

**+179%** YoY

Core NII growth  
(incl. Swap excl. CPI income)

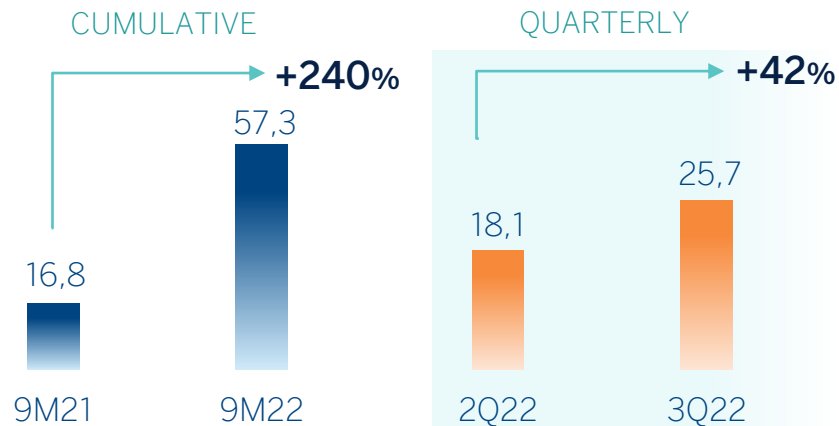
*backed by increasing  
loan to deposit spreads*

**+83%** YoY

Fee & Comm.  
growth

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

## PRE-PROVISION INCOME (TL bn)



## VS. WELL-MANAGED COST GROWTH

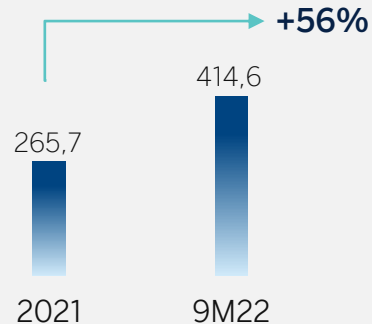
**+79%** YoY

OPEX growth

# CAPITAL GENERATIVE & SUSTAINABLE GROWTH STRATEGY

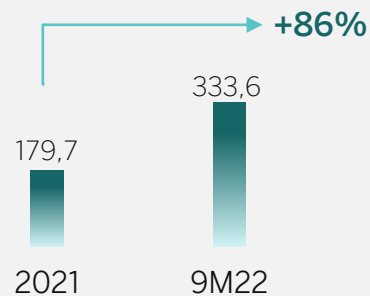
## GROWTH

### TL PERFORMING LOANS (in TL bn)



**#1** in TL LENDING<sup>1</sup>  
(based on June '22 data)

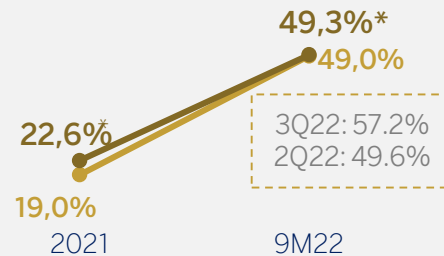
### TL CUST. DEPOSITS (in TL bn)



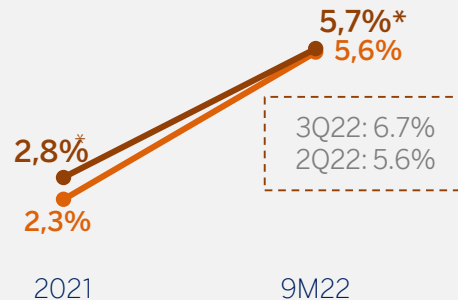
**#1** in TL TIME & DEMAND DEPOSITS<sup>1</sup>  
(based on June '22 data)

## PROFITABILITY

### ROAE



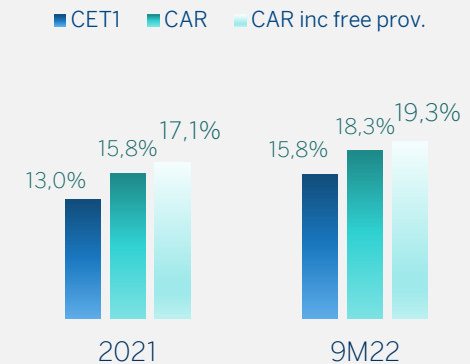
### ROAA



\*adj. w/ free provisions

## STRENGTH

### CAR & CET1 (excl. forbearances)



### TOTAL FREE PROVISIONS

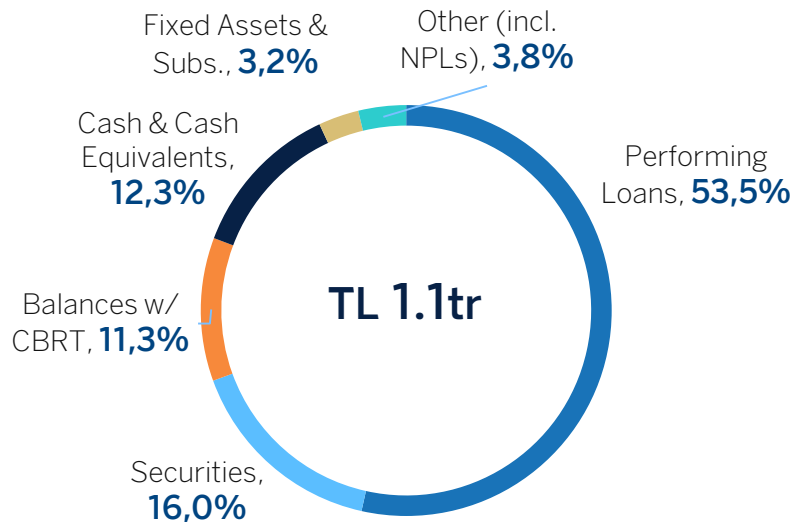
on B/S

**TL 8.0bn**

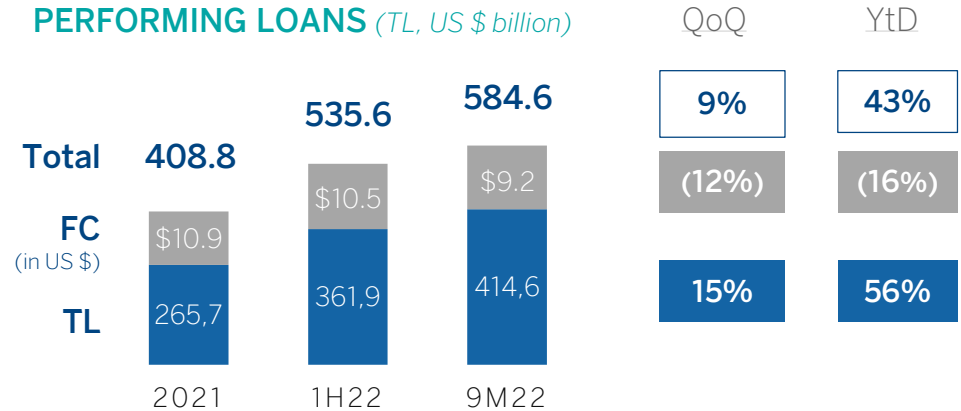
USD **5.6**bn FC external debt  
vs.  
USD **10.2**bn FC liquidity buffer

# ASSET GROWTH FOCUS REMAINS TO BE PRIMARILY CUSTOMER DRIVEN

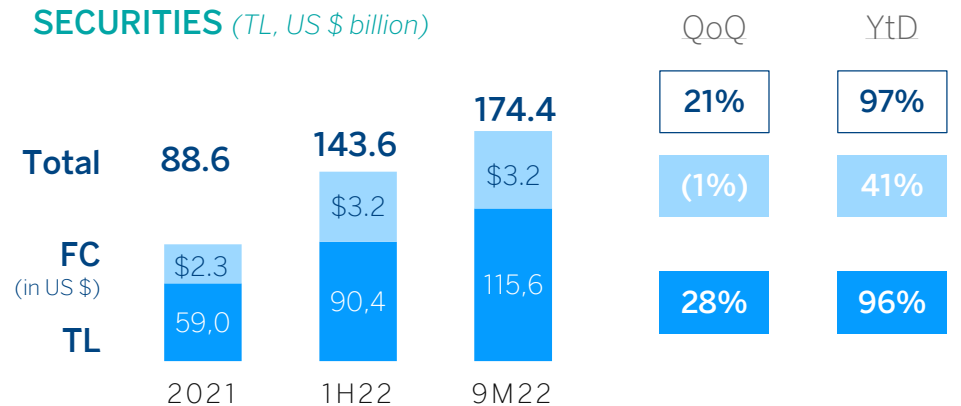
## ASSET BREAKDOWN



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



## SECURITIES (TL, US \$ billion)



**Profitable and selective** TL loan growth

**Further decline in FC loans** reduced the weighted of performing loans in assets

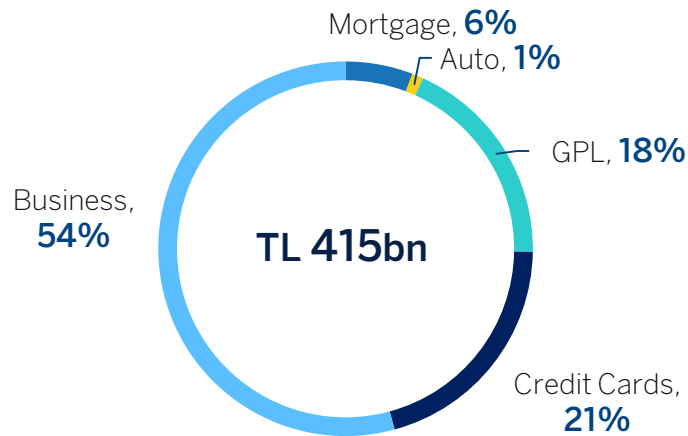
Increase in TL fixed rate securities due to regulatory requirement

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

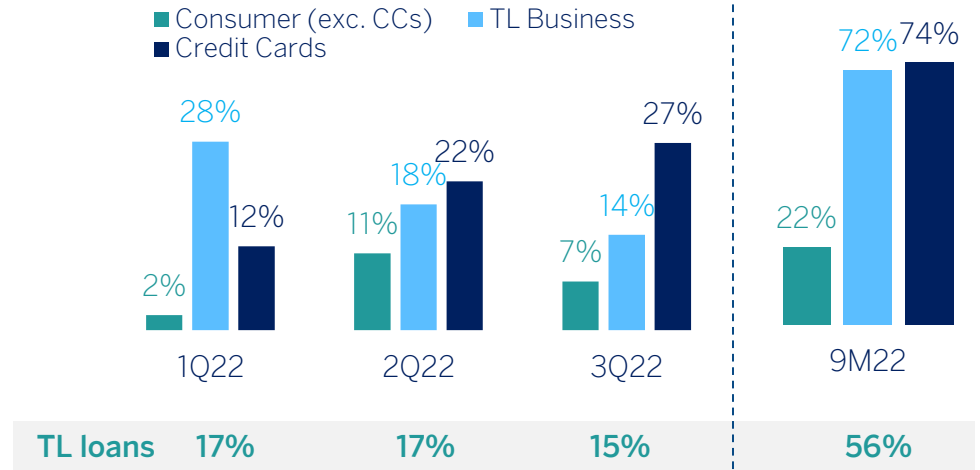
# GROWTH IN LINE WITH MACRO-PRUDENTIAL POLICIES

## TL PERFORMING LOAN BREAKDOWN

(71% of total performing loans)



## TL PERFORMING LOAN GROWTH



## MARKET SHARE

(among private comm'l banks)

	2021	1H22	9M22
TL loans	19.2%	19.2%	19.4%
TL Business	17.5%	18.0%	18.2%
SME loans	17.7%	17.2%	18.5% <sup>1</sup>
Consumer (excl. CCs)	21.0%	20.4%	20.3%
Consumer GPL	18.5%	18.3%	18.6%
Acquiring Volume	24.1%	24.5%	24.8%

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

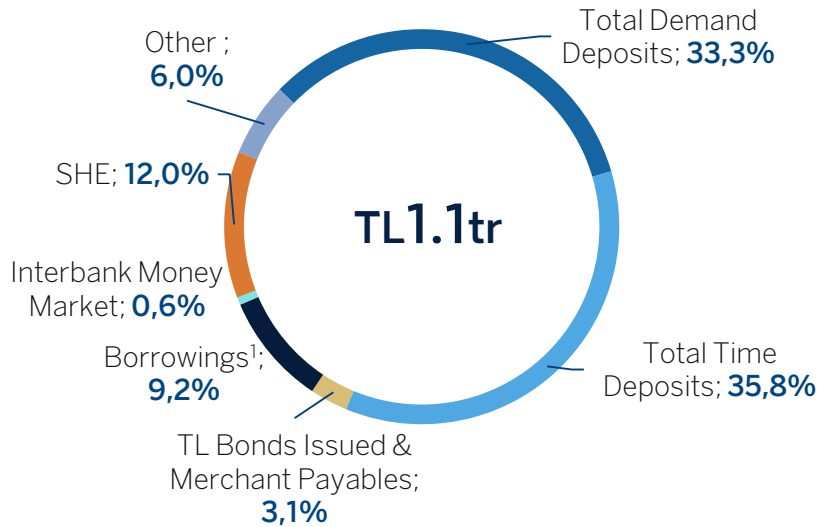
\*as of June 2022.

- **#1 rank\*** in TL loans, Consumer loans and Acquiring & issuing volumes among private banks
- Market share gains in Consumer GPL and SME loans, with maintained focus on **rational pricing**
- 46% of GPLs are granted to salary customers.



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

## LIABILITIES & SHE BREAKDOWN



## LOW LEVERAGE

7.3x

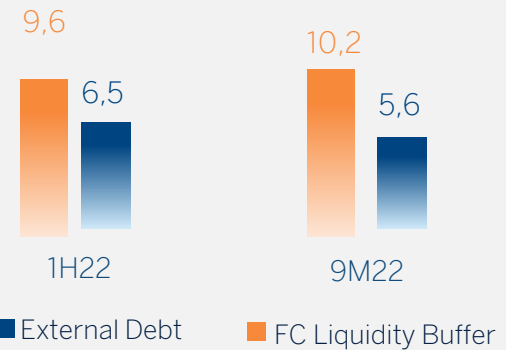
## FREE FUNDS / avg. IEAs<sup>3</sup>

46%

vs. private peers avg.  
of 26% in 1H22

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

(US\$ bn)



## WHOLESALE FUNDING BREAKDOWN



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

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

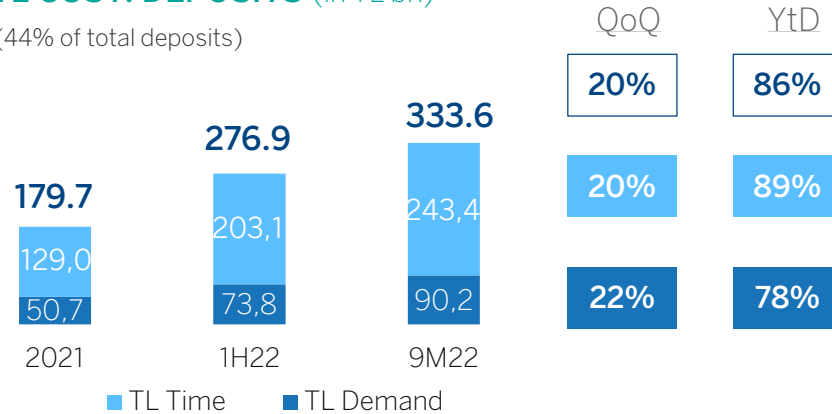
<sup>3</sup> Free Funds=SHE-Reserve Requirement-Net NPL-Subsidiaries-Fixed Assets+Demand Deposits.

\*Excludes secured finance transactions and MTN issuance in the amount of £ 8 mn is excluded from the figures.

# FURTHER SIGNIFICANT GROWTH IN TL DEMAND DEPOSITS VERIFIES CUSTOMERS' PREFERENCE

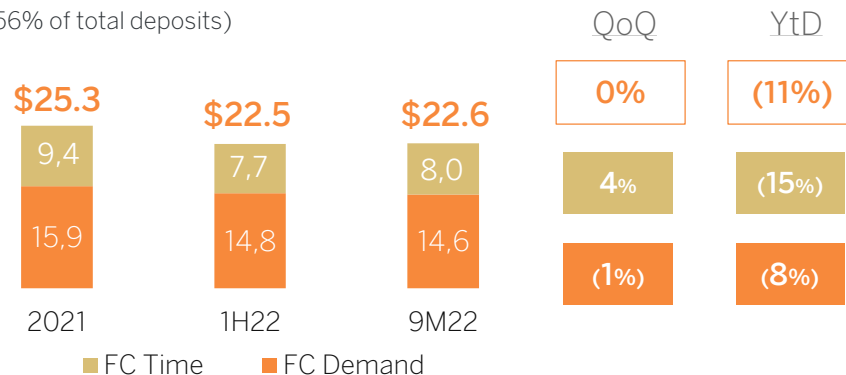
## TL CUST. DEPOSITS (in TL bn)

(44% of total deposits)



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

(56% of total deposits)



## STRONG ZERO-COST DEMAND DEPOSIT BASE

48%

Cust. demand deposits  
share in total

TL DEMAND DEPOSITS /  
TL CUST. DEPOSITS

27%

vs. private banks  
avg 22%

FC DEMAND DEPOSITS /  
FC CUST. DEPOSITS

65%

vs. private banks  
avg 53%

<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 June'22*)

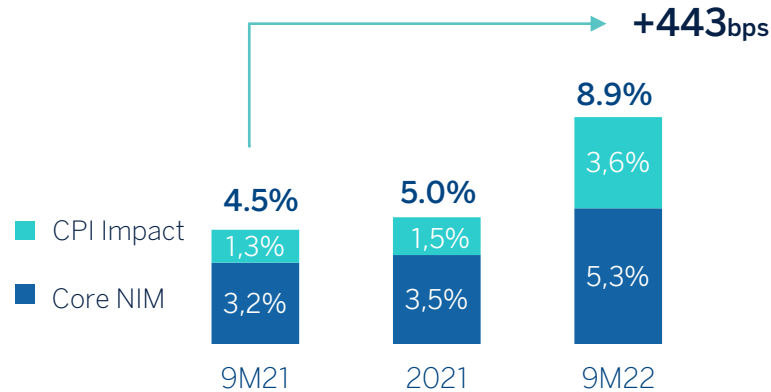
**Solid increase** in TL demand deposits

**Stickier** and **low-cost** deposit base supports our margin performance

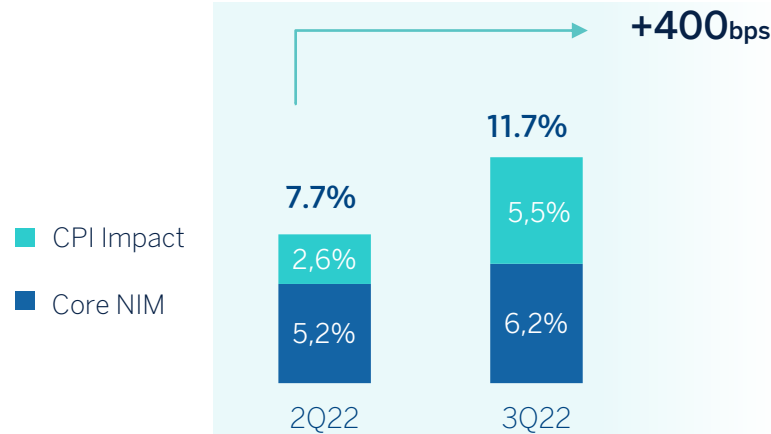
# SUPERIOR CORE MARGIN GENERATION CAPABILITY -- OUR LEGACY

## NIM INCL. SWAP COST\*

CUMULATIVE



QUARTERLY



## CORE NET INTEREST INCOME AT HISTORIC HIGH W/ SIGNIFICANT GROWTH:

**+3.1bn** TL QoQ

**+17.6bn** TL YoY

- > **High quality** and **healthy** TL lending growth
- > **Effective** assets & liabilities management with diligent pricing and **diversified funding** portfolio
- > **Expanding customer base:**
- > **Robust capital level**, enabling profitable growth

\*Calculated based on bank only MIS data, using daily averages

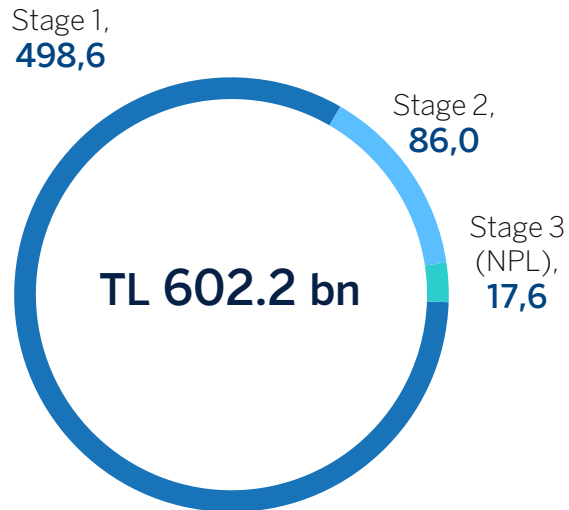
Core NII= NII + Swap Cost – CPI linkers income. For CPI linkers' income and swap costs please refer to Appendix page 30-Summary P&L:

CPI volume: 76bnTL in September. CPI linkers valued with 75% in 3Q (9M:45%).

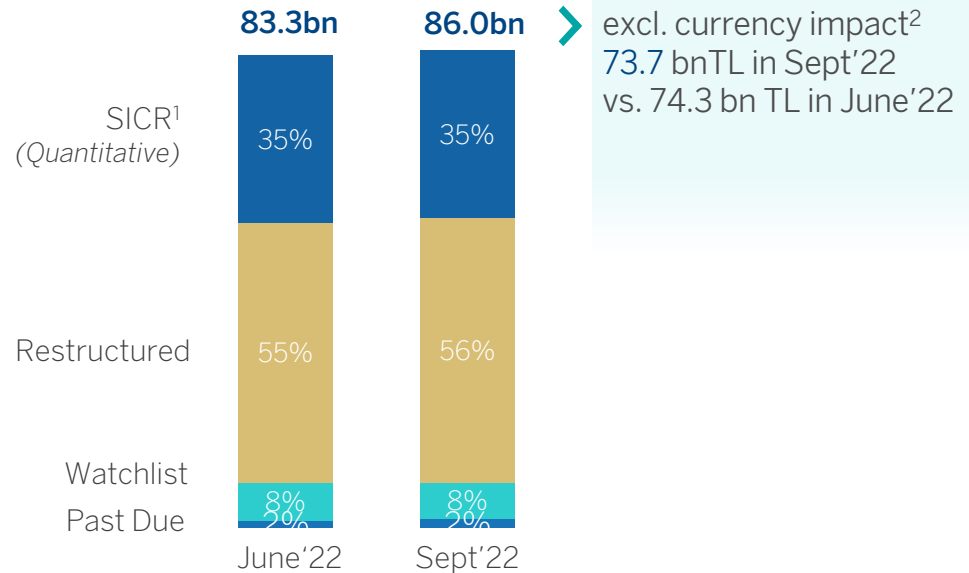
# HEALTHY LOAN PORTFOLIO WITH PROACTIVE & HIGHLY PRUDENT PROVISION BUILD UP

## LOAN PORTFOLIO BREAKDOWN

(TL Billion)



## STAGE-2 BREAKDOWN



14%

Stage-2 Share in Gross Loans  
vs. 15% in June'22

21.6%

Stage-2 Coverage  
vs. 18.7% in June'22

93%

of the SICR Portfolio  
is non-delinquent

# FURTHER INCREASE IN COVERAGES WITH BETTER THAN EXPECTED NET NPL INFLOW

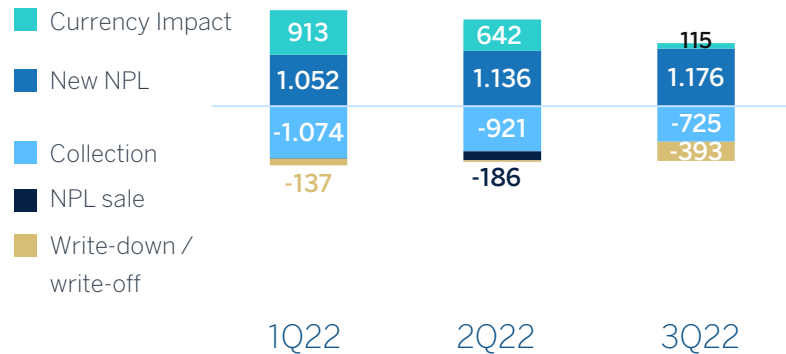
## NPL EVOLUTION

(TL million)

### Net New NPL

Adj. w/ curr. impact, NPL sales & write-downs

(22)                      215                      451



NPL (nominal TL bn)                      16.8                      17.5                      17.6

NPL (adj. w /WD)                      27.0                      28.0                      28.6

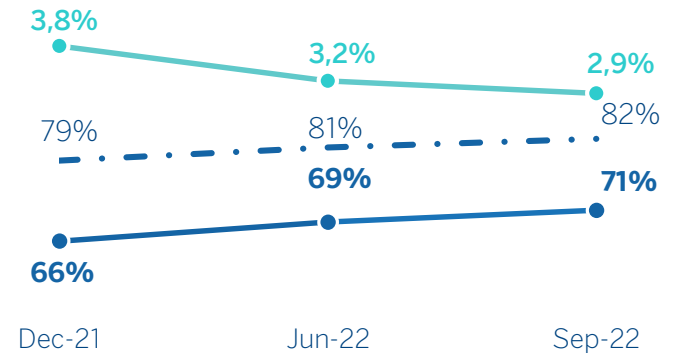
## NPL & COVERAGE RATIOS

(%)

### NPL RATIO

Coverage adj. w/WD\*

### NPL COVERAGE



Total Provisions (TL bn)

26.7                      31.6                      34.0

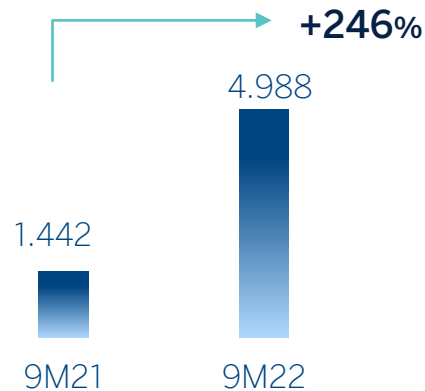
\*Adjusted with write-downs since 2019

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.

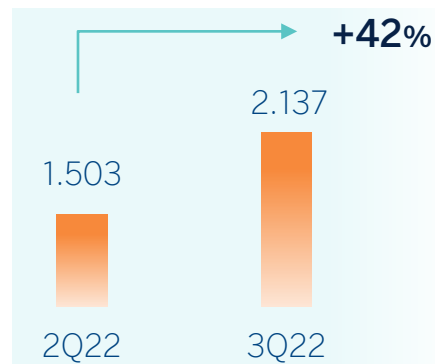
# NET COR FARING BETTER THAN GUIDANCE

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

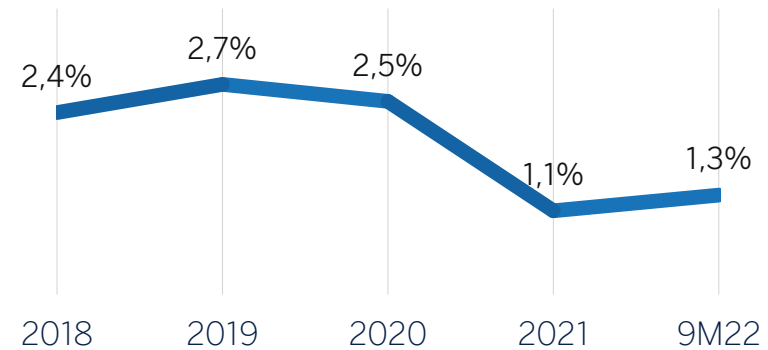
CUMULATIVE



QUARTERLY



## NET CoR TREND excl. CURRENCY

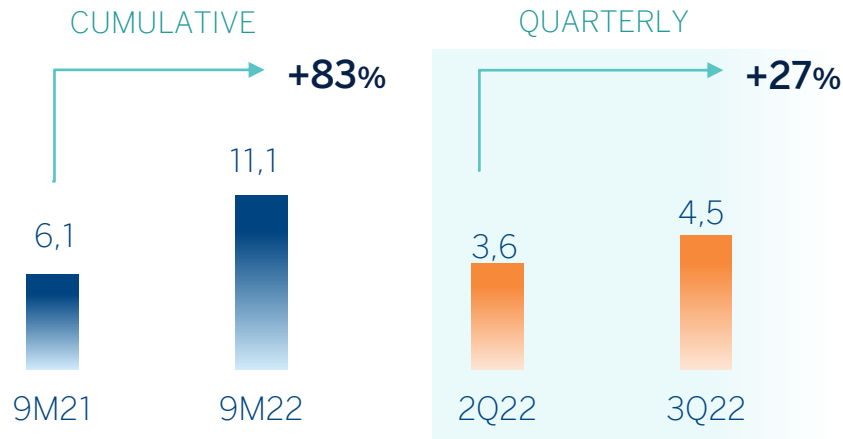


➤ Currency depreciation impact: 145bps\*  
No impact on bottom line as it is 100% hedged

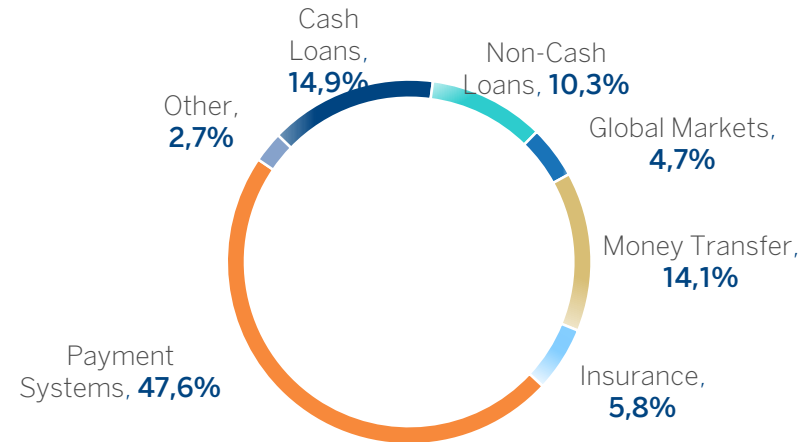
Provision increase in 3Q22 is due to **macro model adjustments**  
Significant increase in 9M net provisions relates to the **low base of 9M21**. Normalization with model recalibration took place in 4Q21.

# ROBUST FEE GROWTH PARALLEL TO HIGH ECONOMIC ACTIVITY

## NET FEES & COMMISSIONS (TL bn)



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



## OUTSTANDING FEE BASE

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

**+115%** YoY

Money Transfer

**#1** in Money Transfer fees

**+111%** YoY

Cash Loans\*

**#1** in TL lending

**+90%** YoY

Payment System

**#1** in Acquiring & Issuing Volume

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

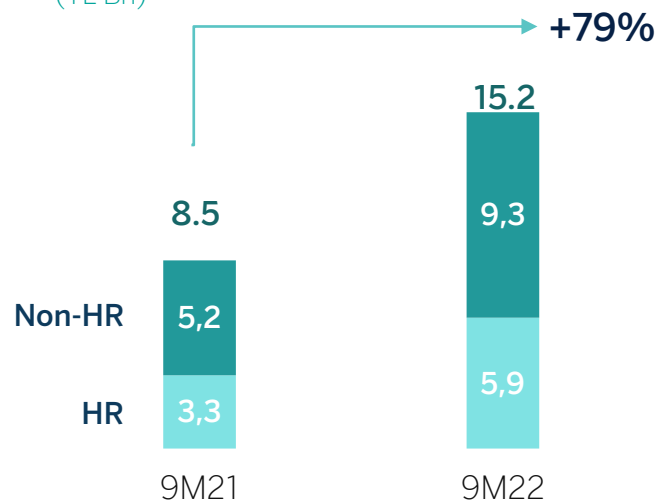
\* 9M21 base excludes LYY related dividend income

Rankings are among private banks

# COST / INCOME AT ALL TIME LOW

## OPERATING EXPENSES

(TL Bn)



**16%**  
Currency  
Depreciation  
Impact

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

**21%**

Cost/Income

33.6% in Sep'21 vs.  
Private peer avg. of 42%

**73%**

Fee/OPEX

71% in Sep'21 vs. Private  
peer avg. of 62%

**91%**

Total compounded salary  
increase in 2022  
Above avg. inflation

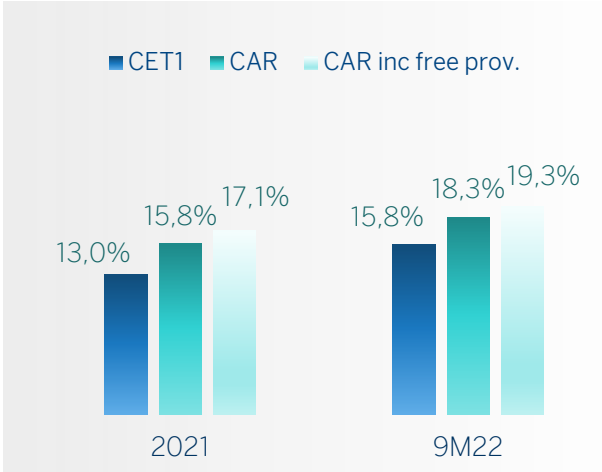
Note: Income defined as NII inc. Swaps + Net F&C + Dividend Income + Subsidiary Income + Net Trading Income (excludes swaps & currency hedge) + Other income (net of prov. Reversals)



# STRENGTHENED CAPITAL BUFFERS

## SOLVENCY RATIOS

without BRSA's forbearance



USDTRY 13.09

18.45

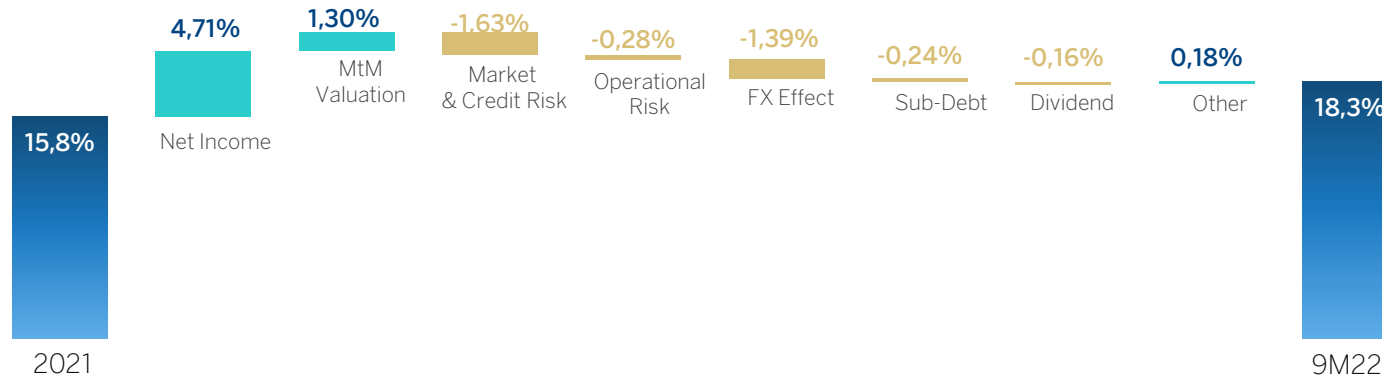
~1.6%  
BRSA Forbearance Impact on **CAR**

~40bps  
CAR sensitivity to 10% TL depreciation

TL 38 bn  
Excess Capital (Consolidated & w/o forbearance)

TL 8.0 bn  
Total Free Provisions in the B/S

## CAR EVOLUTION



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

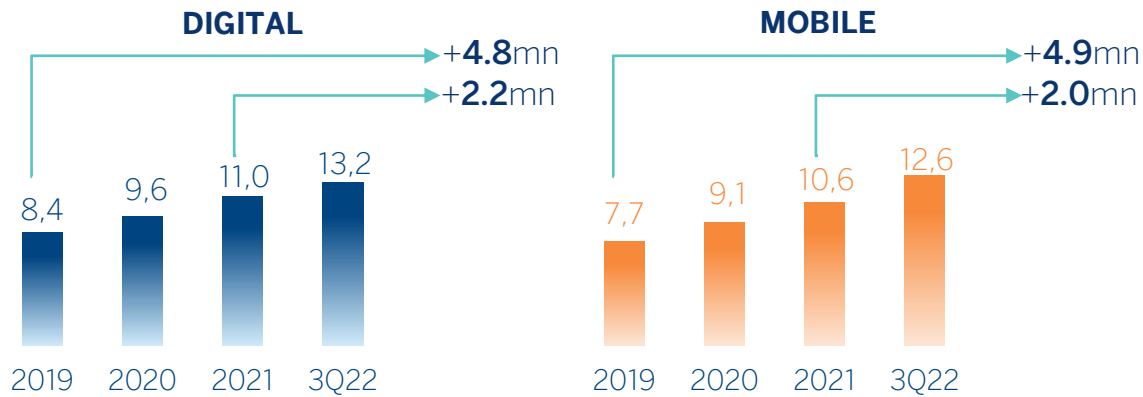
# Continuous investments in transformation, positioning **MOBILE** as the main gateway

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

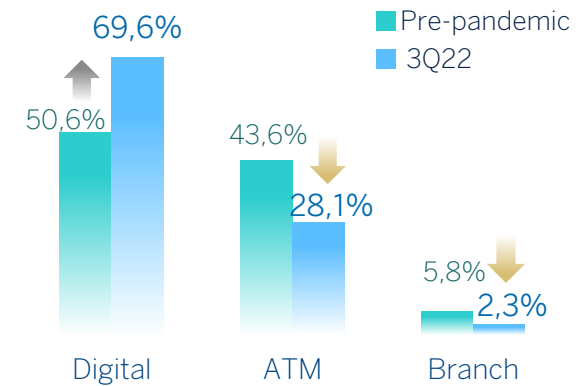
**SHARE OF BRANCH**  
*in top transactions*  
**FURTHER DECLINED TO 2.3%**

# GOING BEYOND JUST CONVENIENCE, CREATING VALUE FOR OUR CUSTOMERS

## 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

+139%

Increase mobile logins since the beginning of 2020

<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

**NEW: BBVA 2025 PLEDGE 300BN €**

*First Turkish company to be included in the*  
**DOW JONES SUSTAINABILITY INDEX**  
*for the 7<sup>th</sup> consecutive years*

**'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

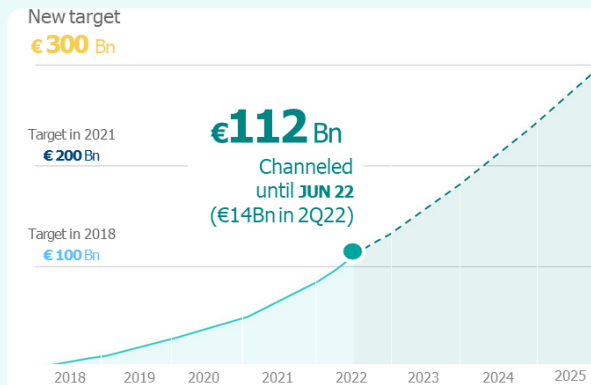
## PACTA

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

## SUSTAINABLE FINANCE

USING THE POWER OF FINANCE TOWARDS A MORE SUSTAINABLE FUTURE

BBVA TRIPLD ITS SUSTAINABLE FINANCING TARGET as **300 bn€** on October 2022



## GARANTI BBVA PLEDGE

Commitment to contribute to sustainable finance  
~TL 150 bn  
(2018-2025)

## 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. 23** Sector Breakdown of Gross Loans

**PG. 24** FC Loan Breakdown

**PG. 25** Maturity Profile of External Debt

**PG. 26** Adjusted L/D and Liquidity  
Coverage Ratios,

**PG. 27** Consumer Loans & TL Business  
Banking Loans

**PG. 28** Securities Portfolio

**PG. 29** Summary Balance Sheet

**PG. 30** Summary P&L

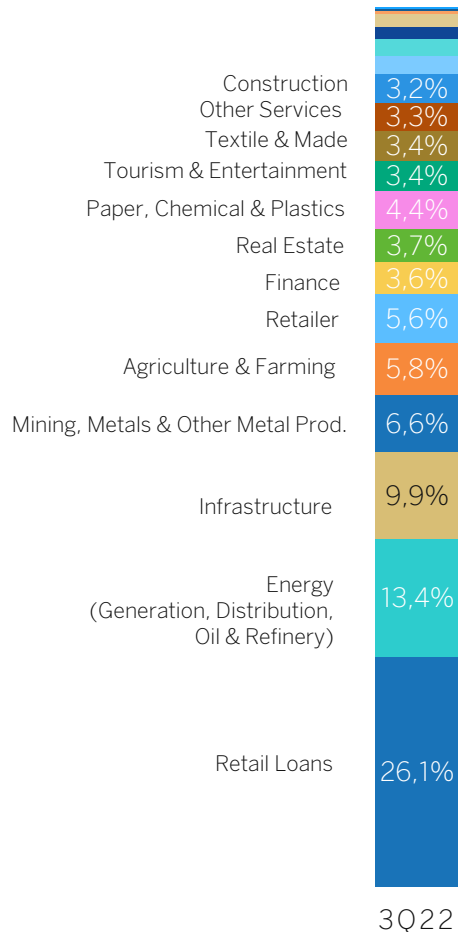
**PG. 31** Key Financial Ratios

**PG. 32** Quarterly & Cumulative Net  
Cost of Risk

# APPENDIX: SECTOR BREAKDOWN OF GROSS LOANS

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

TL 602.2bn

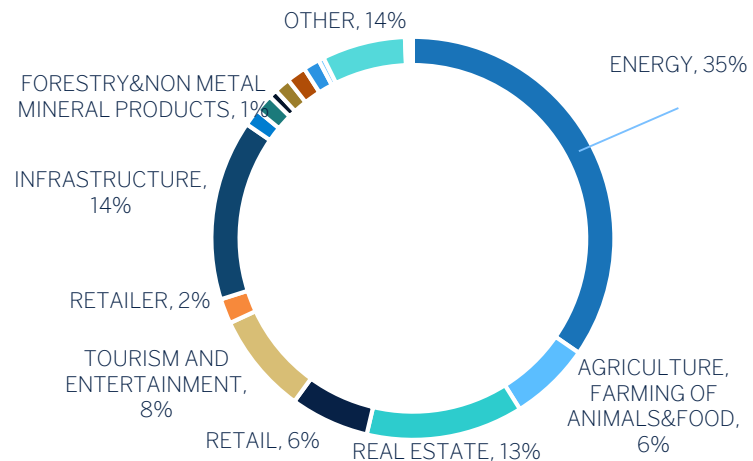


## % SHARE

## COVERAGE RATIO

Key Sectors	% SHARE			COVERAGE RATIO		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Retail	87%	11%	2%	0.6%	4.7%	62.7%
Energy	68%	26%	5%	0.3%	27.6%	77.2%
Construction	87%	10%	4%	0.4%	19.2%	74.3%
Textile & Made	87%	11%	2%	0.6%	10.0%	81.1%
Tourism & Entertainment	70%	28%	3%	0.8%	16.5%	83.7%
Real Estate	56%	33%	11%	0.3%	61.5%	63.0%

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



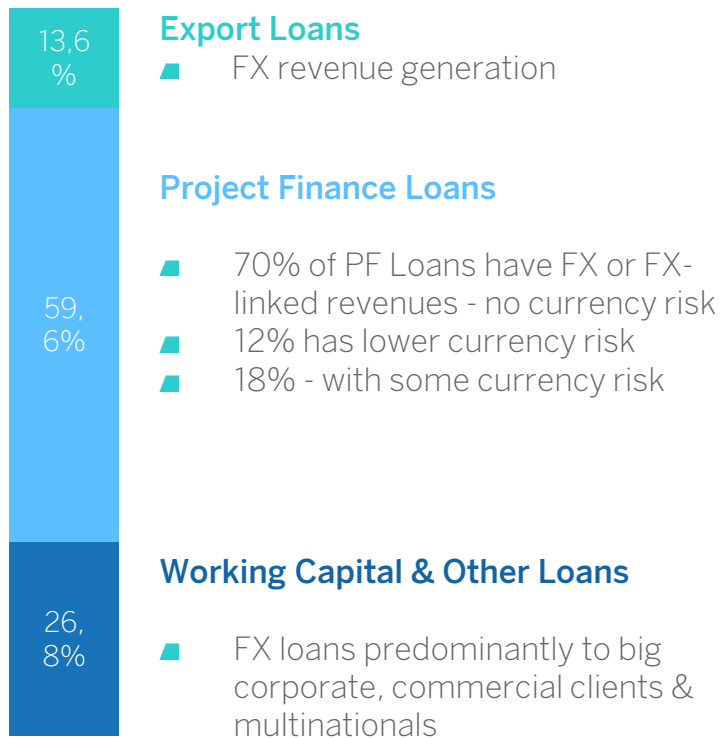
<sup>1</sup> Based on Bank-only MIS data

# APPENDIX: CLOSELY MONITORED AND WELL-PROVISIONED FC LOANS

## FC PERFORMING LOANS

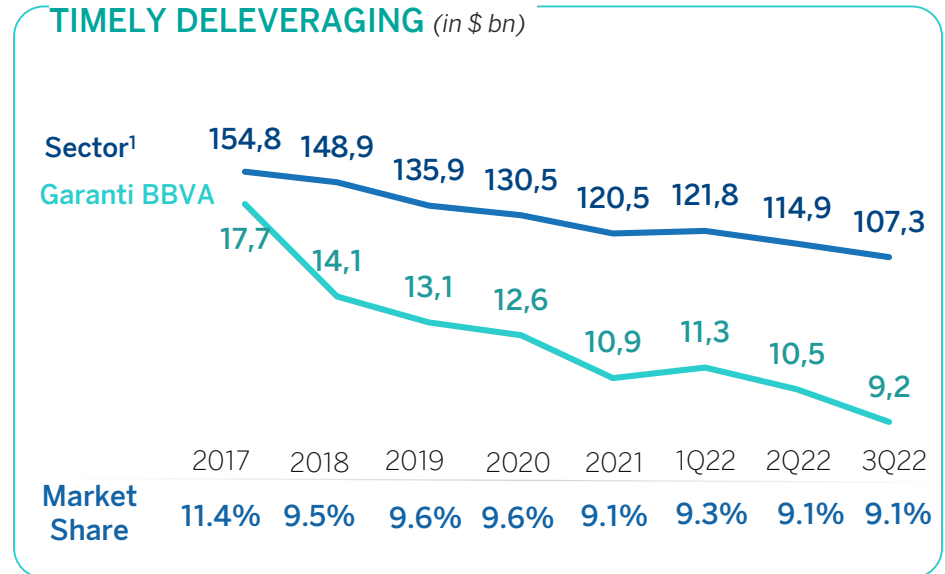
(29% of total performing loans)

US\$ 9.1 bn



9M22

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



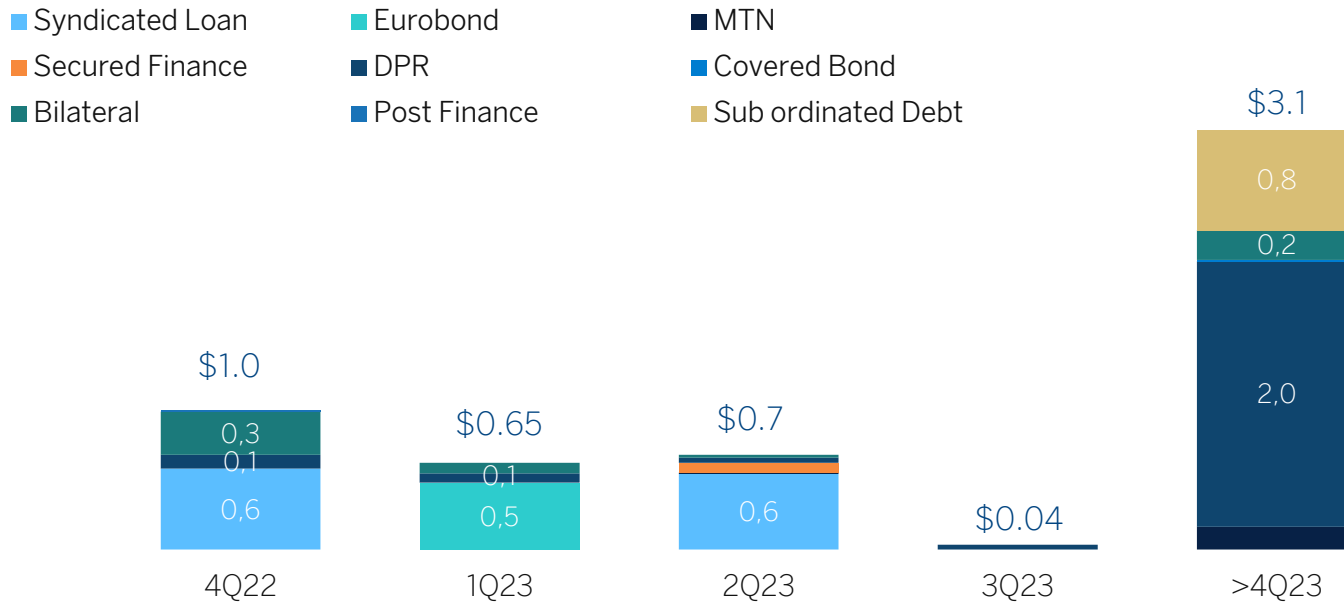
- Regular conduct of FX sensitivity analysis for proactive staging and provisioning



# 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:

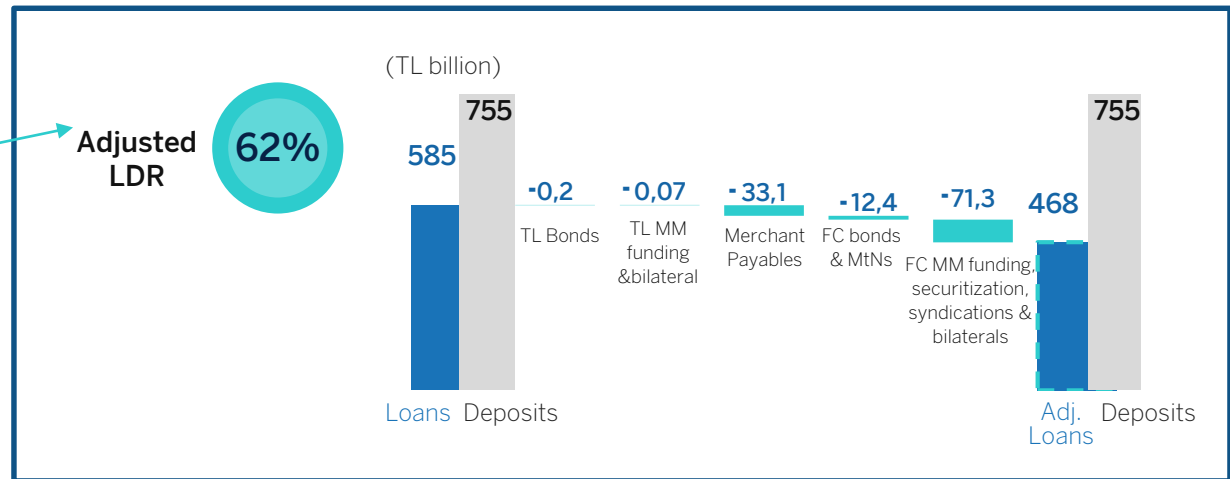
77%

TL Loans /  
TL Deposits:

124%

FC Loans /  
FC Deposits:

40%



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

Total LCR 231%

Minimum Requirement 100%

FC LCR 498%

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)	Sep-21	Jun-22	Sep-22	QoQ (%)	YoY (%)
TL Business Banking	129.1	197.3	224.8	13.9	74.1
Cons. Mortgage Loans	24.7	25.3	24.2	-4.4	-2.1
Consumer Auto Loans	2.8	3.3	4.1	23.0	46.5
Cons. General Purpose Loans <sup>1</sup>	54.5	69.3	76.6	10.5	40.5
Cons. Credit Card Balances	33.6	50.4	64.7	28.4	92.9

Market Shares <sup>3</sup>	Jun-22	Sep-22	QoQ Δ	Rank
Consumer Loans inc. Consumer CCs	12.9%	13.5%	54 bps	#1*
Cons. Mortgage Loans	7.9%	7.4%	-50 bps	#1*
Consumer Auto Loans	19.7%	17.5%	-225 bps	#1*
Cons. General Purpose Loans	13.1%	13.5%	46 bps	#1*
TL Business Banking	8.9%	8.9%	2 bps	#2*
# of CC customers <sup>2</sup>	13.4%	13.6%	17 bps	#1
Issuing Volume (Cumulative) <sup>2</sup>	17.6%	17.7%	10 bps	#1
Acquiring Volume (Cumulative) <sup>2</sup>	17.8%	18.0%	27 bps	#1

\* Rankings are among private banks as of June 2022

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

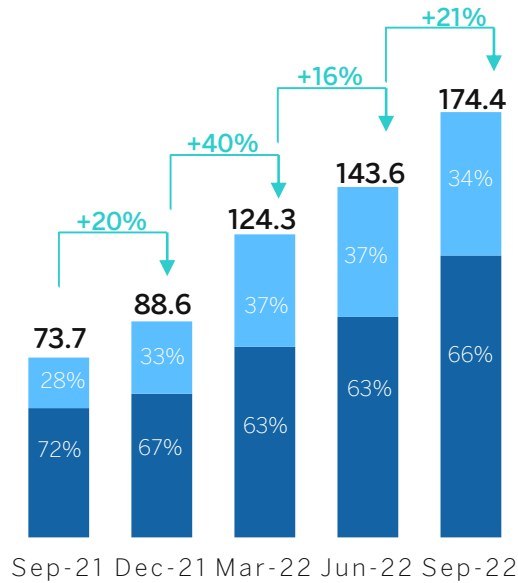
<sup>2</sup> Cumulative figures and rankings as of September 2022, as per Interbank Card Center data. Rankings are among private banks.

<sup>3</sup> Sector figures used in market share calculations are based on bank-only BRSA weekly data as of 30.09.2022, for commercial banks

# APPENDIX: SECURITIES PORTFOLIO

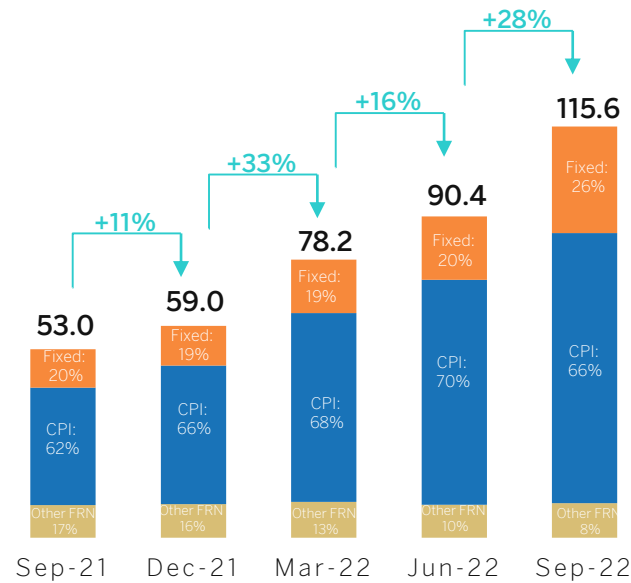
## TOTAL SECURITIES (TL billion)

16% of Total Assets

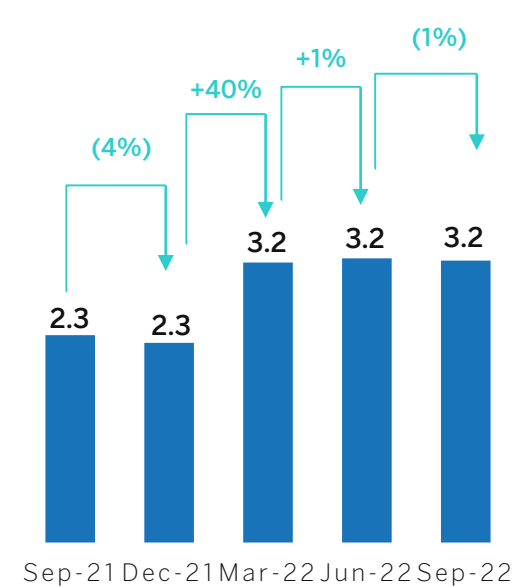


■ TL ■ FC

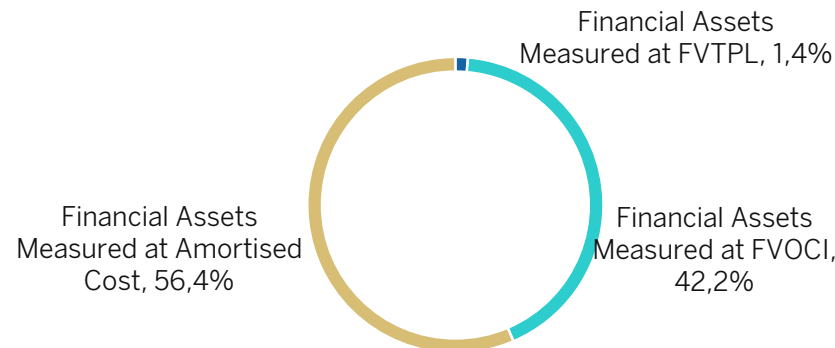
## TL SECURITIES (TL billion)



## 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	30.09.2021	31.12.2021	31.03.2022	30.06.2022	30.09.2022
Cash & Cash Equivalents	34.5	98.0	90.6	110.5	134.7
Balances at CBRT	67.8	102.7	105.6	123.6	123.3
Securities	73.7	88.6	124.3	143.6	174.4
Gross Loans	371.3	424.9	491.2	553.0	602.2
<b>+TL Loans</b>	<b>261.4</b>	<b>273.8</b>	<b>317.6</b>	<b>378.3</b>	<b>431.1</b>
TL NPL	7.5	8.1	8.1	16.4	16.5
<i>info: TL Performing Loans</i>	254.0	265.7	309.5	361.9	414.6
<b>+FC Loans (in US\$ terms)</b>	<b>12.4</b>	<b>11.5</b>	<b>11.9</b>	<b>10.6</b>	<b>9.3</b>
FC NPL (in US\$ terms)	0.8	0.6	0.6	0.1	0.1
<i>info: FC Performing Loans (in US\$ terms)</i>	11.6	10.9	11.3	10.5	9.2
<i>info: Performing Loans (TL+FC)</i>	<b>356.6</b>	<b>408.8</b>	<b>474.4</b>	<b>535.6</b>	<b>584.6</b>
Fixed Assets & Subsidiaries	20.4	26.8	29.8	32.5	34.8
Other	5.8	18.0	9.7	18.4	23.4
<b>TOTAL ASSETS</b>	<b>573.5</b>	<b>758.9</b>	<b>851.2</b>	<b>981.7</b>	<b>1,092.9</b>
LIABILITIES & SHE	30.09.2021	31.12.2021	31.03.2022	30.06.2022	30.09.2022
Total Deposits	385.5	513.2	578.1	658.7	754.5
<b>+Demand Deposits</b>	<b>171.7</b>	<b>260.5</b>	<b>286.3</b>	<b>327.6</b>	<b>363.4</b>
TL Demand	46.8	51.2	60.3	74.7	90.6
FC Demand (in US\$ terms)	14.1	16.0	15.5	15.3	14.8
<b>+Time Deposits</b>	<b>213.8</b>	<b>252.8</b>	<b>291.8</b>	<b>331.1</b>	<b>391.1</b>
TL Time	127.2	129.3	172.9	203.6	243.7
FC Time (in US\$ terms)	9.8	9.4	8.2	7.7	8.0
Interbank Money Market	1.4	9.6	1.4	26.7	6.9
Bonds Issued	16.4	21.8	20.3	21.7	12.7
Funds Borrowed	51.5	71.8	76.9	79.5	87.9
Other liabilities	47.9	62.4	77.8	83.4	99.6
Shareholders' Equity	70.9	80.0	96.7	111.7	131.3
<b>TOTAL LIABILITIES &amp; SHE</b>	<b>573.5</b>	<b>758.9</b>	<b>851.2</b>	<b>981.7</b>	<b>1,092.9</b>

# APPENDIX: SUMMARY P&L

TL Million	QUARTERLY P&L			CUMULATIVE P&L		
	2Q22	3Q22	QoQ	9M21	9M22	YoY
(+) Net Interest Income including Swap costs	12,647	23,148	83%	13,836	45,710	230%
(+) <i>NII excluding CPI linkers' income</i>	11,926	14,575	22%	18,180	36,291	100%
(+) <i>Income on CPI linkers</i>	3,719	11,096	198%	3,973	18,230	359%
(-) <i>Swap Cost</i>	-2,998	-2,523	-16%	-8,317	-8,811	6%
(+) Net Fees & Comm.	3,574	4,536	27%	6,060	11,060	83%
(+) Net Trading & FX gains/losses (excl. Swap costs and currency hedge)	3,984	2,633	-34%	2,810	9,981	255%
<i>info: Gain on Currency Hedge<sup>1</sup></i>	2,087	1,538	-26%	1,902	5,617	195%
(+) Income on subsidiary income	1,284	1,437	12%	1,938	3,832	98%
(+) Other income (excl. Prov. reversals & one-offs)	79	150	90%	436	604	38%
<b>= REVENUES</b>	<b>21,569</b>	<b>31,905</b>	<b>48%</b>	<b>25,080</b>	<b>71,187</b>	<b>184%</b>
(+) Non-recurring other income	1,221	29	-98%	290	1,345	363%
(+) <i>Gain on asset sale</i>	941	29	-97%	290	1,064	267%
(+) <i>Gain on debt sale</i>	120	0	<i>n.m</i>	0	120	<i>n.m</i>
(+) <i>Administrative Fine Reversal</i>	160	0	<i>n.m</i>	0	160	<i>n.m</i>
(-) OPEX	-4,691	-6,187	32%	-8,521	-15,234	79%
(-) <i>HR</i>	-1,842	-2,449	33%	-3,325	-5,930	78%
(-) <i>Non-HR</i>	-2,848	-3,738	31%	-5,196	-9,305	79%
<b>= PRE-PROVISION INCOME</b>	<b>18,099</b>	<b>25,747</b>	<b>42%</b>	<b>16,849</b>	<b>57,298</b>	<b>240%</b>
(-) Net Expected Loss (excl. Currency impact)	-1,503	-2,137	42%	-1,442	-4,988	246%
(-) <i>Expected Loss</i>	-5,740	-5,744	0%	-9,408	-18,165	93%
<i>info: Currency Impact<sup>1</sup></i>	-2,087	-1,538	-26%	-1,902	-5,617	195%
(+) <i>Provision Reversal under other Income</i>	2,150	2,069	-4%	6,064	7,560	25%
(-) Taxation and other provisions	-3,711	-6,099	64%	-5,865	-13,703	134%
(-) <i>Free Provision</i>	0	-500	<i>n.m</i>	-1,950	-500	<i>n.m</i>
(-) <i>Taxation</i>	-2,724	-5,526	103%	-2,592	-11,037	326%
(-) <i>Other provisions (excl. free prov.)</i>	-987	-72	-93%	-1,323	-2,166	64%
<b>= NET INCOME</b>	<b>12,886</b>	<b>17,511</b>	<b>36%</b>	<b>9,541</b>	<b>38,607</b>	<b>305%</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-21	Dec-21	Mar-22	Jun-22	Sep-22
<b>Profitability ratios</b>					
ROAE (Cumulative) <sup>1</sup>	20.2%	19.0%	37.4%	43.0%	49.0%
ROAA (Cumulative) <sup>1</sup>	2.5%	2.3%	4.1%	4.8%	5.6%
Cost/Income	33.6%	30.6%	24.5%	22.3%	21.0%
<b>Liquidity ratios</b>					
Loans / Deposits	92.5%	79.6%	82.1%	81.3%	77.5%
TL Loans / TL Deposits	145.9%	147.2%	132.7%	130.0%	124.0%
Adj. Loans/Deposits (Loans adj. with on-balance sheet alternative funding sources)	74%	60%	64%	64%	62%
TL Loans / (TL Deposits + TL Bonds + Merchant Payables)	128.6%	128.3%	119.2%	117.6%	112.8%
FC Loans / FC Deposits	48.5%	43.0%	47.8%	45.7%	40.5%
<b>Asset quality ratios</b>					
NPL Ratio	4.0%	3.8%	3.4%	3.2%	2.9%
Coverage Ratio	5.9%	6.3%	5.9%	5.7%	5.6%
+ Stage1	0.6%	0.7%	0.8%	0.9%	0.6%
+ Stage2	17.2%	17.0%	17.2%	18.7%	21.6%
+ Stage3	69.0%	66.0%	67.0%	69.0%	70.9%
Cumulative Net Cost of Risk (excluding currency impact, bps) <sup>2</sup>	56	108	119	117	129
<b>Solvency ratios</b>					
CAR (excl. BRSA Forbearance)	17.3%	15.8%	16.8%	17.1%	18.3%
Common Equity Tier I Ratio (excl. BRSA Forbearance)	14.6%	13.0%	13.9%	14.5%	15.8%
Leverage	7.1x	8.5x	7.8x	7.8x	7.3x

<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 ,3Q21, 1Q22 , 2Q22 and 3Q22. 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	4Q21	1Q22	2Q22	3Q22
<b>(-) Expected Credit Losses</b>	<b>10,119</b>	<b>6,681</b>	<b>5,740</b>	<b>5,744</b>
Stage 1	1,272	2,795	1,380	262
Stage 2	4,860	2,364	2,767	4,534
Stage 3	3,988	1,522	1,592	1,472
<b>(+) Provision Reversals under other income</b>	<b>1,727</b>	<b>3,341</b>	<b>2,150</b>	<b>2,069</b>
Stage 1	403	1,721	1,343	1,011
Stage 2	795	966	424	397
Stage 3	529	654	383	661
<b>(=) (a) Net Expected Credit Losses</b>	<b>8,392</b>	<b>3,340</b>	<b>3,589</b>	<b>3,675</b>
<b>(b) Average Gross Loans</b>	<b>398,084</b>	<b>458,047</b>	<b>522,143</b>	<b>577,643</b>
<b>(a/b) Quarterly Total Net CoR (bps)</b>	<b>836</b>	<b>296</b>	<b>276</b>	<b>252</b>
info: Currency Impact <sup>1</sup>	592	176	160	106
<b>Total Net CoR excl. currency impact (bps)</b>	<b>244</b>	<b>119</b>	<b>115</b>	<b>147</b>

(Million TL)

Cumulative Net Expected Credit Loss	9M22
<b>(-) Expected Credit Losses</b>	<b>18,165</b>
Stage 1	3,914
Stage 2	9,665
Stage 3	4,586
<b>(+) Provision Reversals under other income</b>	<b>7,560</b>
Stage 1	4,075
Stage 2	1,787
Stage 3	1,697
<b>(=) (a) Net Expected Credit Losses</b>	<b>10,605</b>
<b>(b) Average Gross Loans</b>	<b>517,845</b>
<b>(a/b) Cumulative Total Net CoR (bps)</b>	<b>274</b>
info: Currency Impact <sup>1</sup>	145
<b>Total Net CoR excl. currency impact (bps)</b>	<b>129</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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