## 2017 GUIDANCE VS. EXPECTATION

<table>
<thead>
<tr>
<th></th>
<th>2017 GUIDANCE</th>
<th>2017P</th>
<th>DRIVER</th>
</tr>
</thead>
<tbody>
<tr>
<td>TL LOANS</td>
<td>~15%</td>
<td>~20%</td>
<td>BEAT</td>
</tr>
<tr>
<td>FC LOANS (IN US$)</td>
<td>FLAT-TO-SLIGHTLY-UP</td>
<td>SHRINKAGE</td>
<td>LOWER</td>
</tr>
<tr>
<td>NET COST OF RISK</td>
<td>~110 BPS</td>
<td>~70 BPS</td>
<td>BEAT</td>
</tr>
<tr>
<td>NIM INCL.SWAP COSTS</td>
<td>FLATISH VS. 2016</td>
<td>EXPANSION</td>
<td>BEAT</td>
</tr>
<tr>
<td>FEE GROWTH (Y/Y)</td>
<td>10%</td>
<td>MID-TEENS</td>
<td>BEAT</td>
</tr>
<tr>
<td>OPEX GROWTH (Y/Y)</td>
<td>6% BELOW INFLATION</td>
<td>SINGLE DIGIT BELOW INFLATION</td>
<td>IN-LINE</td>
</tr>
<tr>
<td>ROAE</td>
<td>~15.5-16%</td>
<td>&gt;16%</td>
<td>BEAT</td>
</tr>
<tr>
<td>ROAA</td>
<td>~2%</td>
<td>&gt;2%</td>
<td>BEAT</td>
</tr>
</tbody>
</table>

Note: Based on BRSA bank-only financials
2017P: 2017 Provisional
LEADING MARKET POSITION

- **HIGHEST NIM INCLUDING SWAP COST**: Peer 1 - 4.6%
- **HIGHEST NET FEES & COMMISSIONS / IEA & NON-CASH LOANS**: Peer 3 - 1.2%
- **HIGHEST ROAE**: Peer 1 - 17.4%
- **HIGHEST ROAA**: Peer 2 - 2.2%
- **HIGHEST CAR**: Peer 3 - 18.9%
- **HIGHEST CET-I**: Peer 1 - 16.7%

Note: Financial KPIs based on bank-only financials as of September 2017
ASSET MIX — INCREASINGLY CUSTOMER DRIVEN

COMPOSITION OF ASSETS
(DECEMBER AVERAGES)

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017P</th>
<th>2018B</th>
</tr>
</thead>
<tbody>
<tr>
<td>OTHER*</td>
<td>22%</td>
<td>24%</td>
<td>23%</td>
</tr>
<tr>
<td>SECURITIES</td>
<td>14%</td>
<td>13%</td>
<td>12%</td>
</tr>
<tr>
<td>LOANS</td>
<td>64%</td>
<td>63%</td>
<td>64%</td>
</tr>
</tbody>
</table>

US$/TL

- 2016: 3.50
- 2017P: 3.89
- 2018B: 4.14

2018B

- ASSET GROWTH: ↑~10%
- TL LOAN GROWTH: ↑14-15%
- FC LOAN GROWTH (IN US$): FLAT

2017P

- ASSET GROWTH: >10%
- TL LOAN GROWTH: ~20%
- SHrinkage

*Other assets include Non-IEAs, Reserves & Other IEAs
LOAN STRATEGY -- BALANCED GROWTH IN TL LOANS

- Mortgage: ~11%
  - 2017P <10%
  - 2017P ~20%
- Credit Cards: ~13%
  - 2017P >10%
  - 2017P ~30%
- GPL: ~14%
- TL Business: ~17%
SOUND ASSET QUALITY & COMFORTABLE PROVISIONING

- **2018B**
  - **NPL RATIO**: ~3.0%
  - **COVERAGE**: ~140%
  - **NET TOTAL COR (BPS)**: ~100

- NPL INFLOWS TO NORMALIZE FROM ITS LOW BASE
- STRONG COLLECTION PERFORMANCE TO BE MAINTAINED
- NPL SALE TO CONTINUE DEPENDING ON MARKET CONDITIONS
FUNDING STRATEGY – WELL DIVERSIFIED MIX TO MANAGE DURATION MISMATCH & FUNDING COST

COMPOSITION OF LIABILITIES & SHE (DECEMBER AVERAGES)

- Bond Issued: 6% (2016), 6% (2017P), 7% (2018B)
- Funds Borrowed: 14% (2016), 13% (2017P), 13% (2018B)
- Repos: 5% (2016), 3% (2017P), 1% (2018B)
- Deposits: 57% (2016), 58% (2017P), 60% (2018B)
- SHE: 12% (2016), 13% (2017P), 14% (2018B)
- Other: 7% (2016), 7% (2017P), 6% (2018B)

US$/TL

2016: 3.50
2017P: 3.89
2018B: 4.14

SUCCESSFUL DUAL CURRENCY BALANCE SHEET MANAGEMENT

- 2018B
  - TL Customer Deposits: ~15%
  - FC Customer Deposits: ~5%

2017P
- MID-TO-HIGH TEENS
- LOW SINGLE DIGIT

SWAP FUNDING OPPORTUNISTIC UTILIZATION

- 100% SYNDICATION ROLL-OVER
- FOREIGN FUNDING DEPENDING ON MARKET OUTLOOK
WELL-DEFENDED MARGIN BACKED BY DYNAMIC BALANCE SHEET MANAGEMENT

TIMELY LOAN REPRICING
LOW-COST DEPOSIT FOCUS
STRONG DEMAND DEPOSIT BASE
SWAP UTILIZATION FOR MARGIN OPTIMIZATION
1% CHANGE IN CPI READING HAS ~8 BPS IMPACT ON NIM
SUSTAINED FEE GROWTH MOMENTUM ON TOP OF THE HIGHEST BASE

**NET FEES & COMMISSIONS**

- **2016**: MID-TEENS
- **2017P**: LOW-TEENS
- **2018B**: LOW-TEENS

**SHARE IN FEE BASE**

- **PAYMENT SYSTEMS**: LOW-TEENS YOY GROWTH
  - FURTHER STRENGTHENED RELATIONS WITH MERCHANTS TO SUPPORT
  - **54%**

- **CASH+/NON-CASH LOANS**: ~12% YOY GROWTH
  - **18%**

- **MONEY TRANSFER**: ~14-15% YOY GROWTH
  - FURTHER STRENGTHENED LEADING POSITION IN MONEY TRANSFER & SWIFT TRANSACTION
  - **13%**

- **INSURANCE**: ~20% YOY GROWTH
  - IMPROVEMENT IN NEW DIGITAL ONLY PRODUCTS (HEALTH INSURANCE, MODULAR CAR INSURANCE)
  - **7%**
Cost/Income calculation for 2017 is adjusted for the free provisions set aside during the year.
### IN SUMMARY

#### 2018 GUIDANCE

<table>
<thead>
<tr>
<th>Category</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>TL LOANS (Y/Y)</td>
<td>~14 - 15%</td>
</tr>
<tr>
<td>FC LOANS (IN USS. Y/Y)</td>
<td>FLAT</td>
</tr>
<tr>
<td>NET COST OF RISK</td>
<td>~100 BPS</td>
</tr>
<tr>
<td>NIM INCLUDING SWAP COST EXCL. CPI LINKERS (Y/Y)</td>
<td>FLAT</td>
</tr>
<tr>
<td>FEE GROWTH (Y/Y)</td>
<td>LOW-TEENS</td>
</tr>
<tr>
<td>OPEX GROWTH (Y/Y)</td>
<td>&lt;= CPI</td>
</tr>
<tr>
<td>ROAE</td>
<td>&gt; 16.5%</td>
</tr>
<tr>
<td>ROAA</td>
<td>&gt; 2.2%</td>
</tr>
</tbody>
</table>

Note: Based on BRSA bank-only financials

---

INVESTOR RELATIONS | 2018 OPERATING PLAN PRESENTATION

---
Türkiye Garanti Bankası A.Ş. (the “TGB”) has prepared this presentation document (the “Document”) thereto for the sole purposes of providing information which include forward looking projections and statements relating to the TGB (the “Information”). No representation or warranty is made by TGB for the accuracy or completeness of the Information contained herein. The Information is subject to change without any notice. Neither the Document nor the Information can construe any investment advise, or an offer to buy or sell TGB shares. This Document and/or the Information cannot be copied, disclosed or distributed to any person other than the person to whom the Document and/or Information delivered or sent by TGB or who required a copy of the same from the TGB. TGB expressly disclaims any and all liability for any statements including any forward looking projections and statements, expressed, implied, contained herein, or for any omissions from Information or any other written or oral communication transmitted or made available.