



Assessment of Financial Results of 2015  
-Ordinary General Meeting of Shareholders-

March 31, 2016

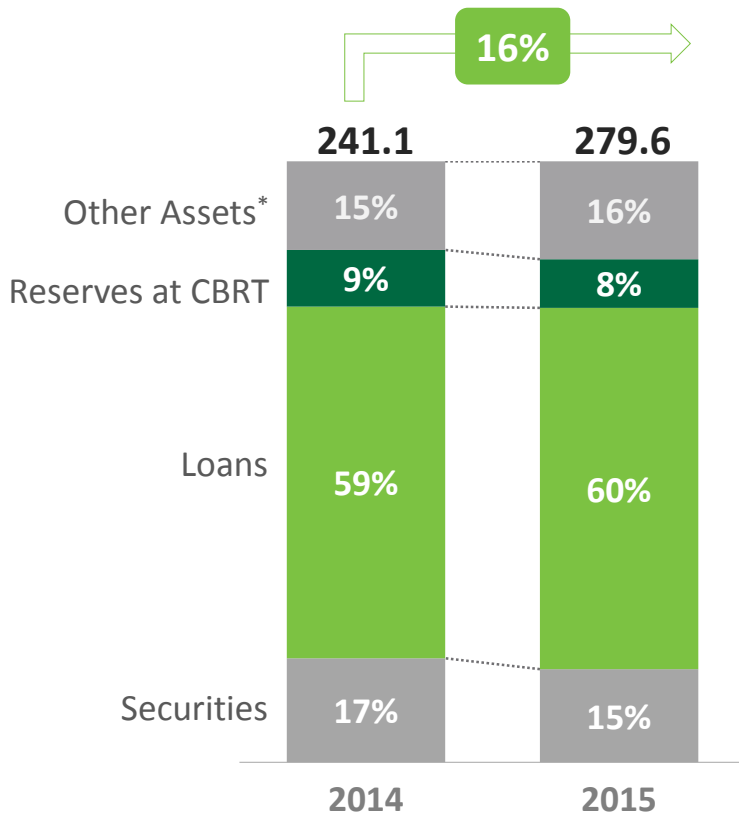
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# 2015 Overview

# Composition of assets continued to be customer driven

**Total Assets** (% , TL Billion)



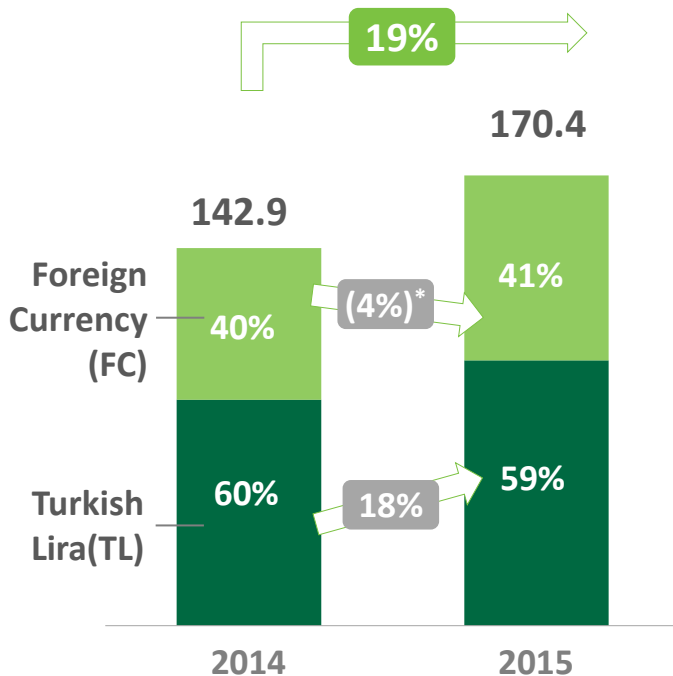
## Increasingly customer-driven asset mix

- Asset growth remained **lending driven** throughout 2015 with **strategic additions to securities portfolio**

\* Including accruals

# Continued support to the economy while preserving asset quality

## Performing Loans (TL Billion)



## Main driver of growth

- **Uninterrupted support to the economy via sustainable & healthy growth strategy**

	YoY Growth
+ TL Business Banking Loans <sup>1</sup>	29%
+ Consumer Loans	13%
+ Mortgages	21%
+ Auto Loans	19%

- **Stagnant FC lending growth in 2015 due to prevailing volatility & uncertainties**

Solidified  
asset quality

Total  
Coverage  
Ratio<sup>2</sup>:  
136%

- **Maintained below sector NPL ratio**  
Garanti: **2.7%\*\*** vs. Sector: 2.9%
- **Outstanding collection performance:**  
**+67% YoY**

\* In US\$ terms

\*\* Based on bank-only financials for fair comparison with sector

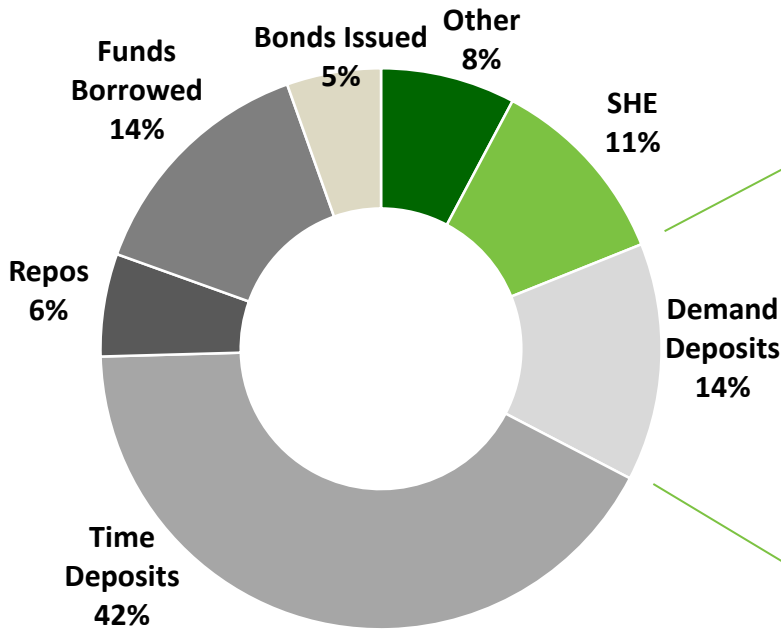
1 TL business banking loans; TL loans – TL retail loans

2 Includes specific, general and free provisions

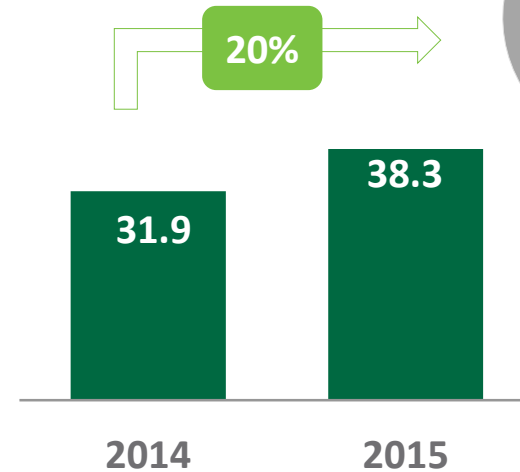
# Dynamically managed funding structure

## Deposit heavy mix reinforced with diversified funding sources

Composition of Liabilities (%)



Demand Deposits (TL billion)



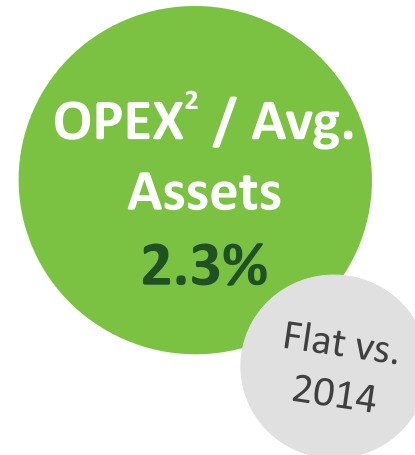
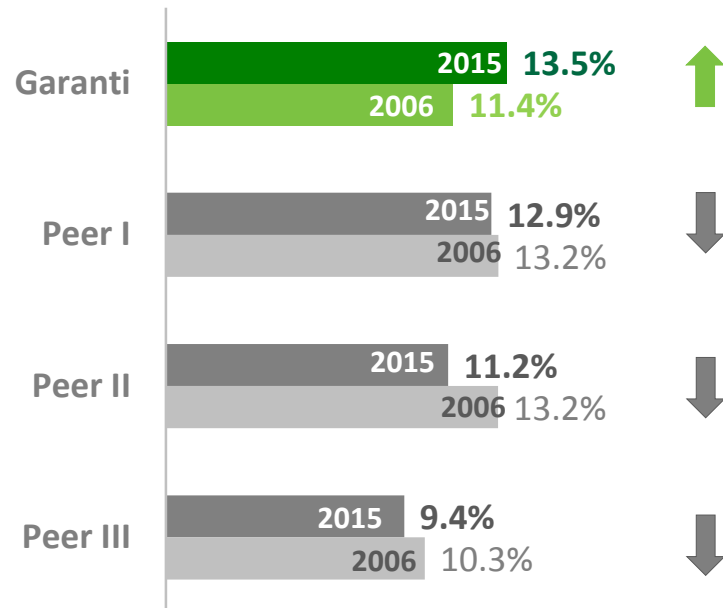
Above sector average  
**Demand/ Total Deposits**  
 25%

- Deposits/Liabilities: **56%**
- Total Deposits Growth: **+17%**

# Highest sustainable income generation capacity and efficient cost management

## Ordinary Banking Income<sup>1</sup>

% Market share



### #1 in Ordinary Banking Income

- Only bank among private peers gaining market share vs. 2006

### Efficient cost management

- Maintained **leadership** in per branch efficiencies

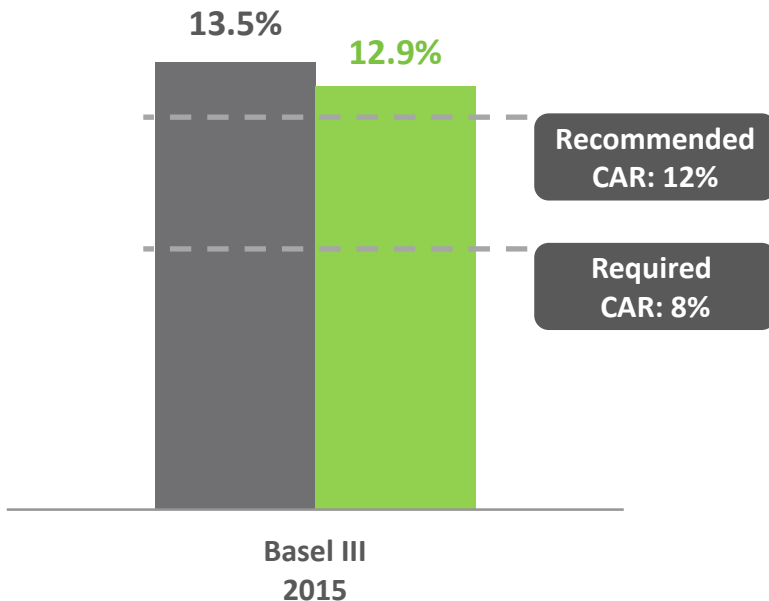
<sup>1</sup> BRSA bank-only financials for fair comparison. Sector figure is based on BRSA monthly data. Ordinary Banking Income defined as; net interest income adjusted with provisions for loans and securities, Net FX and trading gains + Net F&C  
<sup>2</sup> Excluding fee rebates and fines

# Capital generative growth strategy assures sound solvency ratios

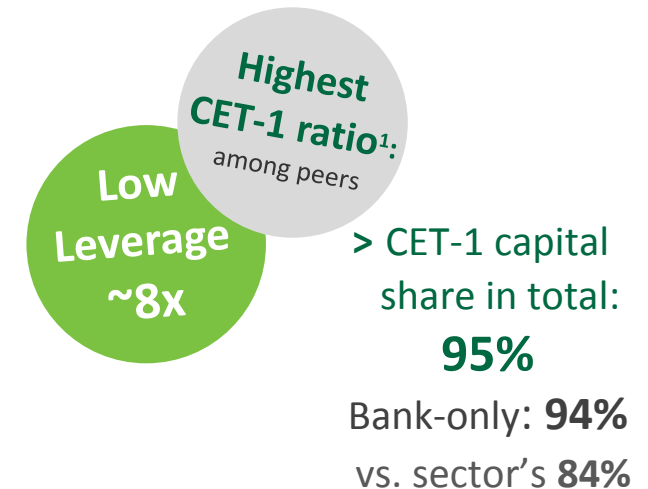
## Capital Adequacy

■ CAR

■ Common Equity Tier-I



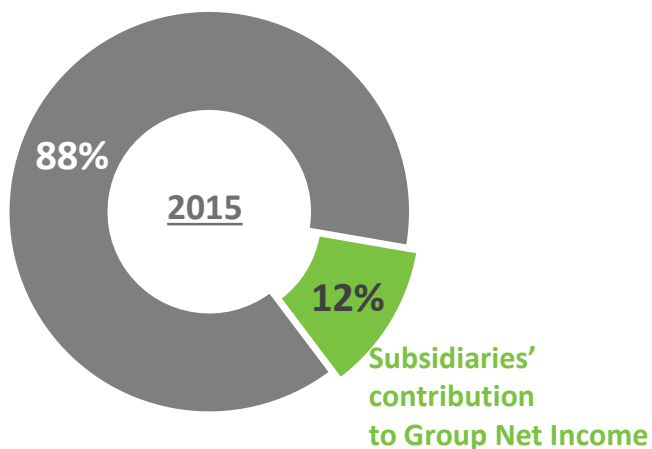
Strong capital base,  
strengthened by internal sources,  
supports growth potential



<sup>1</sup> Peers defined as Isbank, Akbank, YKB, Halkbank, Vakifbank, based on bank-only data

# Subsidiaries' contribution remains strong and is on an increasing trend

## Consolidated Net Income



Main contributors

### GarantiBank International N.V.

Net Income Contribution  
1.0%\*  
(excl. provisioning\*  
NI contribution: ~5%)

- 15<sup>th</sup> largest bank and 25 years of presence in the Netherlands

### Garanti Pension Company

Net Income Contribution  
5.4%

- Most profitable pension company for six consecutive years

### Garanti Leasing

Net Income Contribution  
3.1%

- #2 in terms of business volume of US\$800mn

### GarantiBank Romania

Net Income Contribution  
1.6%

- 10<sup>th</sup> largest bank and 18 years of presence in Romania

\* Contribution was suppressed since 2Q due to proactive risk approach



# Recurring strong results mirror our deep-rooted and solid strategy

## Highest profitability ratios among private banks

**2015  
Net Income  
TL 3.6bn**

**Return on  
Avg. Equity  
13%**

**Return on  
Avg. Assets  
1.4%**

### Strong performance despite regulatory charges & market volatility

- + Increased core banking revenues;**
  - *Well-managed NIM*
  - *Net Fees & Commissions performance*
- + Risk-return balance priority**
  - *Solid asset quality, outstanding collections performance*
- + Capital generative growth**
  - *CET-1 constitutes 95% of capital, highest CET-1 ratio\**
- + Disciplined cost management**
  - *Highest per branch efficiency ratios\**
- + Strong contribution from the subsidiaries: 12%**

\* Among peers, comparison is based on bank-only data. Peers defined as Isbank, Akbank, YKB, Halkbank, Vakifbank. Efficiency ratios are defined as banking revenues, assets, deposits and cash loans per branch.

# THANK YOU

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