2017 PERFORMANCE EVALUATION AND PROJECTIONS
ORDINARY GENERAL MEETING OF SHAREHOLDERS
29 March 2018
OUR PURPOSE

TO BRING THE AGE OF OPPORTUNITY TO EVERYONE

OUR VALUES

CUSTOMER COMES FIRST
WE THINK BIG
WE ARE ONE TEAM
OUR STRATEGIC PRIORITIES

- CUSTOMER EXPERIENCE
- EMPLOYEE HAPPINESS
- EFFICIENCY
- DIGITALIZATION
- OPTIMAL CAPITAL UTILIZATION
- RESPONSIBLE & SUSTAINABLE DEVELOPMENT
THE MOST RECOMMENDED BANK BY CUSTOMERS

IN NET PROMOTER SCORE’ FOR TWO CONSECUTIVE YEARS

1 Please refer to disclaimer page for the information
Note: As per latest AON Hewitt Employee Engagement Study
**Ordinary General Meeting of Shareholders**

**DIGITALIZATION**

**WE SERVE THE LARGEST DIGITAL CUSTOMER BASE IN TURKEY**

- 6 mn digital customers
- 5 mn mobile customers
- 4 mn mobile-only customers

**1 OUT OF EVERY 4 CUSTOMERS USE GARANTI MOBILE & INTERNET BANKING**

- Market share in internet & mobile banking transactions: 1/4

**EFFECTIVE DIGITAL CHANNEL UTILIZATION**

- Share of digital sales in total sales: 1/3

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**Note:** Only active digital customer numbers are given. 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.

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BUSINESS MODEL REINFORCING

EFFICIENCY IMPROVEMENT

Note: Cost/Income calculation for 2017 is adjusted for the free provisions set aside during the year
OPTIMAL CAPITAL UTILIZATION

ROAE

<table>
<thead>
<tr>
<th>Year</th>
<th>ROAE</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>12.8%</td>
</tr>
<tr>
<td>2016</td>
<td>15.4%</td>
</tr>
<tr>
<td>2017</td>
<td>16.6%</td>
</tr>
</tbody>
</table>

CAR

<table>
<thead>
<tr>
<th>Year</th>
<th>CAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>13.5%</td>
</tr>
<tr>
<td>2016</td>
<td>14.7%</td>
</tr>
<tr>
<td>2017</td>
<td>16.8%</td>
</tr>
</tbody>
</table>

Dividend Payout

<table>
<thead>
<tr>
<th>Year</th>
<th>Payout</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>16.6%</td>
</tr>
<tr>
<td>2016</td>
<td>24.7%</td>
</tr>
<tr>
<td>2017</td>
<td>27.6%</td>
</tr>
</tbody>
</table>
100% of new PF commitments in Greenfield Energy Production Portfolio are Renewables.

30% Market Share in wind power projects

TL 9.3 BN Impact Investment

~ TL 20.3 MN Investments in Community Programs

The first and the only non-governmental organization focusing on the development of teachers in Turkey, REACHED 144,150 teachers IN 81 CITIES

TEACHERS ACADEMY FOUNDATION

~TL 20.3 MN Investments in Community Programs

RESPONSIBLE & SUSTAINABLE DEVELOPMENT

Sustainability Index

Corporate Governance Index

Garanti BBVA Group
 Ordinany General Meeting of Shareholders

OUR PURPOSE, VALUES & STRATEGIC PRIORITIES

2017 PERFORMANCE & OUR LEADING MARKET POSITION

2018 PROJECTIONS
## 2017 REALIZATIONS

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>DRIVERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>TL Loan growth</td>
<td>+20%</td>
<td>Business banking &amp; consumer loans</td>
</tr>
<tr>
<td>FC Loan growth (in US$)</td>
<td>-3%</td>
<td>Redemptions &amp; lack of demand</td>
</tr>
<tr>
<td>Net Cost of Risk</td>
<td>74 bps</td>
<td>Lower than expected inflows &amp; strong collections</td>
</tr>
<tr>
<td>NIM incl.swap costs</td>
<td>+23 bps</td>
<td>Active spread management &amp; higher than expected CPI</td>
</tr>
<tr>
<td>Fee Growth (YoY)</td>
<td>18%</td>
<td>Well diversified fee sources &amp; further digitalized processes</td>
</tr>
<tr>
<td>OPEX Growth (YoY)</td>
<td>8%</td>
<td>Committed to increase efficiency</td>
</tr>
</tbody>
</table>
OUR LEADING MARKET POSITION

- **Highest Net Income**
  - TL Million
  - Peer 1
  - Peer 2
  - Peer 3
  - 6,344

- **Highest NIM including Swap Cost**
  - 4.8%

- **Highest CAR**
  - 18.7%

- **Highest ROAA**
  - 2.1%

- **Highest Net Fees & Commissions / IEA & Non-cash Loans**
  - 1.2%

- **Highest ROAE**
  - 16.6%

- **2nd Lowest C/I**
  - 43.6%

- **Highest CET-I**
  - 16.5%

- **Highest Dividend Distribution**
  - 27.6%

Note: Figures are based on bank-only financials as of December 2017. Rankings are among private peers, namely Akbank, Isbank & YKB
Ordinary General Meeting of Shareholders

AGENDA

OUR PURPOSE, VALUES & STRATEGIC PRIORITIES

2017 PERFORMANCE & OUR LEADING MARKET POSITION

2018 PROJECTIONS
### 2018 PROJECTIONS

<table>
<thead>
<tr>
<th>Metric</th>
<th>Projections</th>
</tr>
</thead>
<tbody>
<tr>
<td>TL Loans (yoy)</td>
<td>~14 - 15%</td>
</tr>
<tr>
<td>FC Loans (in US$, yoy)</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 (yoy)</td>
<td>Flat</td>
</tr>
<tr>
<td>Fee Growth (yoy)</td>
<td>Low-teens</td>
</tr>
<tr>
<td>Opex Growth (yoy)</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:** Guidance is based on BRSA bank-only financials.
Garanti works to create sustainable value for all its stakeholders
DISCLAIMER STATEMENT

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Note: Net Promoter Score research is conducted by independent research agency Ipsos for Garanti Bank. According to the research results, Garanti has the highest Net Promoter Score, among retail customers representing its own profile, compared to peer group. Peer group consists of Garanti Bank, İş Bank, Akbank, Yapı Kredi Bank, QNB Finansbank and Denizbank. Research was conducted between October ’17 and January ’18. Main bank customers, who have communicated with the banks over the last 3 months, surveyed face to face in the representative cities of Turkey by quota sampling. Score is calculated as a weighted average of retail segments’ scores.

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