

**Türkiye Garanti Bankası AŞ And Its Subsidiaries**  
**Consolidated Statement of Financial Position**  
**For The Six-Month Period Ended 30 June 2022**

(Currency: Thousands of Turkish Lira (TL) in terms of the purchasing power of the Turkish Lira (TL) at 30 June 2022 unless otherwise indicated)

	<u>30 June 2022</u>	<u>31 December 2021</u>
<b>Assets</b>		
Cash and balances with central banks	167,606,418	194,874,376
Financial assets at fair value through profit or loss	4,138,377	11,108,659
Derivative financial assets	12,659,414	25,325,169
Loans and advances to banks	94,716,959	119,491,115
Loans and advances to customers	607,008,135	668,777,237
Investment securities	161,497,548	139,651,225
Equity investments	762,449	1,007,958
Assets held for sale	1,077,109	1,350,530
Investment properties	794,086	648,682
Tangible and intangible assets	20,524,730	19,818,930
Deferred tax asset	2,228,930	4,484,006
Other assets	39,338,430	34,472,834
<b>Total Assets</b>	<b><u>1,112,352,585</u></b>	<b><u>1,221,010,721</u></b>
<b>Liabilities</b>		
Deposits from banks	9,982,875	3,497,962
Deposits from customers	736,814,620	824,846,991
Loans and advances from banks and other institutions	48,795,991	63,838,237
Obligations under repurchase agreements and money market fundings	34,778,668	22,695,179
Debt securities issued	27,030,788	36,707,741
Financial liabilities at fair value through profit or loss	25,300,922	34,425,963
Derivative financial liabilities	17,948,490	19,116,326
Subordinated liabilities	13,538,616	15,532,951
Current tax liability	928,279	3,021,145
Deferred tax liability	971,339	781,222
Provisions	16,588,188	21,053,664
Other liabilities and accrued expenses	53,241,477	52,854,024
<b>Total Liabilities</b>	<b><u>985,920,253</u></b>	<b><u>1,098,371,406</u></b>
<b>Equity attributable to owners of the bank</b>		
Share capital	37,510,556	37,515,557
Share premium	74,760	74,759
Other reserves	11,557,689	6,833,964
Retained earnings	76,928,223	77,754,542
	<b><u>126,071,228</u></b>	<b><u>122,178,822</u></b>
<b>Non-controlling interests</b>	<b><u>361,104</u></b>	<b><u>460,493</u></b>
<b>Total Equity</b>	<b><u>126,432,332</u></b>	<b><u>122,639,315</u></b>
<b>Total Liabilities and Equity</b>	<b><u>1,112,352,585</u></b>	<b><u>1,221,010,721</u></b>
<b>Commitments and Contingencies</b>	<b>184,592,029</b>	<b>191,407,286</b>

## Türkiye Garanti Bankası AŞ And Its Subsidiaries

### Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income For The Six-Month Period Ended 30 June 2022

(Currency: Thousands of Turkish Lira (TL) in terms of the purchasing power of the Turkish Lira (TL) at 30 June 2022 unless otherwise indicated)

	1 January 2022- 30 June 2022	1 January 2021- 30 June 2021
<b>Statement of Profit or Loss:</b>		
Interest income:		
Interest on loans	39,722,502	36,102,533
Interest on securities	3,910,155	3,406,526
Interest on deposits at banks	2,232,422	1,358,309
Interest on reserve deposits	352,351	629,364
Interest on lease business	717,200	590,825
Interest on factoring business	564,960	1,009,122
Others	195,573	285,430
	47,695,163	43,382,109
Interest expense:		
Interest on saving, commercial and public deposits	(15,858,941)	(16,432,678)
Interest on borrowings, obligations under repurchase agreements, money market and swap fundings	(8,696,984)	(9,527,162)
Interest on debt securities issued	(1,231,543)	(1,878,181)
Interest on subordinated liabilities	(529,370)	(478,374)
Interest on bank deposits	(87,697)	(115,175)
Interest on lease business	(79,056)	(141,209)
Others	(755,774)	(3,281)
	(27,239,365)	(28,576,061)
<b>Net interest income before provisions for loans and other credit risks</b>	<b>20,455,798</b>	<b>14,806,049</b>
<b>Provisions for loans and other credit risks, net</b>	<b>(3,256,792)</b>	<b>(2,921,604)</b>
<b>Net interest income after provisions for loans and other credit risks</b>	<b>17,199,006</b>	<b>11,884,445</b>
Fees and commissions income	11,453,832	10,709,623
Fees and commissions expense	(3,273,856)	(2,325,408)
<b>Net fees and commissions income</b>	<b>8,179,976</b>	<b>8,384,215</b>
<b>Net trading income/(expense)</b>	<b>(12,624,387)</b>	<b>4,777,728</b>
<b>Foreign exchange gains/(losses), net</b>	<b>18,312,216</b>	<b>(3,034,930)</b>
Insurance business income	1,401,508	1,491,301
Insurance business expense	(663,590)	(534,399)
<b>Net insurance business income</b>	<b>737,918</b>	<b>956,903</b>
Gain on sale of assets	803,017	420,525
Other operating income	1,167,222	1,041,894
<b>Other operating income</b>	<b>1,970,239</b>	<b>1,462,418</b>
<b>Total operating Income</b>	<b>33,774,968</b>	<b>24,430,779</b>
Salaries and wages	(3,230,220)	(3,450,063)
Credit card reward and promotion expenses	(2,448,902)	(2,039,401)
Impairment losses, net	(60,593)	(1,749,882)
Employee benefits	(1,798,140)	(1,658,695)
Depreciation and amortisation	(705,686)	(839,830)
Taxes and duties other than income	(571,107)	(587,412)
Communication expenses	(257,000)	(289,406)
Other operating expenses	(2,606,724)	(2,962,201)
<b>Gain/(loss) on net monetary position, net</b>	<b>(7,113,021)</b>	<b>(4,344,108)</b>
<b>Total operating expenses</b>	<b>(18,791,393)</b>	<b>(17,920,997)</b>
<b>Profit/(loss) before tax</b>	<b>14,983,575</b>	<b>6,509,782</b>
Taxation charge	(13,045,530)	(3,254,833)
<b>Net profit/(loss) for the period</b>	<b>1,938,045</b>	<b>3,254,949</b>
<b>Other Comprehensive Income:</b>		
(items to be recycled subsequently to profit or loss)		
Foreign currency translation, net of tax	2,158,324	(689,942)
Fair value change on debt instruments measured at fair value through other comprehensive income, net of tax:		
Net change in fair values	8,307,936	1,958,536
Net amount reclassified to profit/loss	(88,323)	(330,941)
Cash flow hedges, net of tax:		
Effective portion of changes in hedge reserve	555,193	(884,203)
Net amount reclassified to profit/loss	91,553	163,530
Net investment hedge for foreign operations, net of tax	(650,092)	599,772
	10,374,590	816,752
(items not to be recycled subsequently to profit or loss)		
Fair value change on equity investments measured at fair value through other comprehensive income, net of tax:		
Net change in fair values	67,462	101,621
Net amount recycled to profit/loss	-	-
Change on revaluation surplus on tangible and intangible assets, net of tax	-	(8,258)
	67,462	93,364
Gain/(loss) on net monetary position, net	29,237,752	(377,384)
<b>Other comprehensive income for the period, net of tax</b>	<b>39,679,804</b>	<b>532,732</b>
<b>Total Comprehensive Income for the Period</b>	<b>41,617,849</b>	<b>3,787,682</b>
<b>Net profit/(loss) attributable to:</b>		
Equity holders of the Bank	1,928,589	3,187,016
Non-controlling interests	9,456	67,933
	1,938,045	3,254,949
<b>Total comprehensive income attributable to:</b>		
Equity holders of the Bank	41,519,884	3,395,092
Non-controlling interests	97,965	392,590
	41,617,849	3,787,682
<b>Weighted average number of shares with a face value of Kr 1 each</b>	<b>420 billions</b>	<b>420 billions</b>
<b>Basic and diluted earnings per share (full TL amount per TL 1 face value each)</b>	<b>0.459</b>	<b>0.759</b>

**Türkiye Garanti Bankası AŞ And Its Subsidiaries**  
Consolidated Statement of Changes in Shareholder's Equity  
For The Six-Month Period Ended 30 June 2022

(Currency: Thousands of Turkish Lira (TL) in terms of the purchasing power of the Turkish Lira (TL) at 30 June 2022 unless otherwise indicated)

	Other Reserves										
	Share Capital	Share Premium	to be recycled to profit or loss			not to be recycled to profit or loss			Retained Earnings	Non-Controlling Interests	Total Equity
			Fair Value Change on Debt Instruments	Hedge Reserve	Foreign Currency Translation Reserve	Fair Value Change on Equity Investments	Actuarial Gain/(Loss)	Revaluation Surplus on Tangible Assets			
<b>Balances at 1 January 2021</b>	5,146,371	11,880	238,064	(2,449,998)	5,599,887	66,878	(302,456)	2,106,936	52,156,269	247,690	62,821,521
Effect of Changes in Accounting Policies as per IAS 8	15,037,920	26,712	(138,668)	-	-	-	(149,782)	(2,009,138)	(9,440,073)	(126)	3,326,845
<b>Adjusted Balances at Beginning of Period</b>	<b>20,184,291</b>	<b>38,592</b>	<b>99,396</b>	<b>(2,449,998)</b>	<b>5,599,887</b>	<b>66,878</b>	<b>(452,238)</b>	<b>97,798</b>	<b>42,716,196</b>	<b>247,564</b>	<b>66,148,366</b>
Net unrealized gains from debt instruments measured at fair value through other comprehensive income	-	-	(385,224)	-	-	-	-	-	-	(1,042)	(386,266)
Net unrealized gains from equity investments measured at fair value through other comprehensive income	-	-	-	-	-	56,893	-	-	-	-	56,893
Net realized losses on debt instruments measured at fair value through other comprehensive income recycled to statement of profit or loss at disposal	-	-	(185,278)	-	-	-	-	-	-	-	(185,278)
Foreign currency translation	-	-	18,212	(609)	1,078,889	-	-	-	-	-	1,096,492
Net change on revaluation surplus on tangible and intangible assets	-	-	-	-	-	-	-	(4,623)	-	-	(4,623)
Net change on actuarial gain/(loss) related to employee benefits	-	-	-	-	-	-	-	-	-	-	-
Net gains on cash flow hedges	-	-	-	335,784	-	-	-	-	-	-	335,784
Net change on net investment hedge for foreign operations	-	-	-	(403,471)	-	-	-	-	-	-	(403,471)
Net profit/loss for the period	-	-	-	-	-	-	-	-	1,851,259	38,032	1,889,291
Gain/(loss) on net monetary position, net	818,888	3,262	(368,950)	(14,198)	-	-	(36,493)	208,363	10,740,696	(17,629)	11,333,939
<b>Total comprehensive income for the year</b>	<b>818,888</b>	<b>3,262</b>	<b>(921,240)</b>	<b>(82,494)</b>	<b>1,078,889</b>	<b>56,893</b>	<b>(36,493)</b>	<b>203,740</b>	<b>12,591,953</b>	<b>19,362</b>	<b>13,732,760</b>
Foreign currency translation for legal reserves	-	-	-	-	-	-	-	-	9,373	-	9,373
Dividends distributed	-	-	-	-	-	-	-	-	(623,439)	(47,133)	(670,572)
<b>Balances at 30 June 2021</b>	<b>21,003,179</b>	<b>41,854</b>	<b>(821,844)</b>	<b>(2,532,492)</b>	<b>6,678,776</b>	<b>123,771</b>	<b>(488,731)</b>	<b>301,538</b>	<b>54,694,083</b>	<b>219,793</b>	<b>79,219,927</b>
Current period (30 June 2022) purchasing power adjustment effect	16,512,363	32,905	(646,121)	(1,991,005)	5,250,747	97,307	(384,232)	237,064	42,999,611	172,798	62,281,437
<b>Adjusted Balances at 30 June 2021</b>	<b>37,515,542</b>	<b>74,759</b>	<b>(1,467,965)</b>	<b>(4,523,497)</b>	<b>11,929,523</b>	<b>221,078</b>	<b>(872,963)</b>	<b>538,602</b>	<b>97,693,694</b>	<b>392,591</b>	<b>141,501,364</b>
<b>Balances at 31 December 2021</b>	<b>26,353,729</b>	<b>52,516</b>	<b>(2,390,027)</b>	<b>(3,884,770)</b>	<b>11,194,648</b>	<b>259,472</b>	<b>(731,299)</b>	<b>352,660</b>	<b>54,620,598</b>	<b>323,485</b>	<b>86,151,012</b>
Current period (30 June 2022) purchasing power adjustment effect	11,161,828	22,243	(1,012,264)	(1,645,351)	4,741,368	109,896	(309,734)	149,365	23,133,944	137,008	36,488,303
<b>Adjusted Balances at Beginning of Period</b>	<b>37,515,557</b>	<b>74,759</b>	<b>(3,402,291)</b>	<b>(5,530,121)</b>	<b>15,936,016</b>	<b>369,368</b>	<b>(1,041,033)</b>	<b>502,025</b>	<b>77,754,542</b>	<b>460,493</b>	<b>122,639,315</b>
Net unrealized losses from debt instruments measured at fair value through other comprehensive income	-	-	8,308,897	-	-	-	-	-	-	(961)	8,307,936
Net unrealized gains from equity investments measured at fair value through other comprehensive income	-	-	-	-	-	67,462	-	-	-	-	67,462
Net realized losses on debt instruments measured at fair value through other comprehensive income recycled to statement of profit or loss at disposal	-	-	(88,323)	-	-	-	-	-	-	-	(88,323)
Foreign currency translation	-	-	(19,005)	(1,176)	2,178,505	-	-	-	-	-	2,158,324
Net change on revaluation surplus on tangible and intangible assets	-	-	-	-	-	-	-	-	-	-	-
Net change on actuarial gain/(loss) related to employee benefits	-	-	-	-	-	-	-	-	-	-	-
Net gains on cash flow hedges	-	-	-	646,745	-	-	-	-	-	-	646,745
Net change on net investment hedge for foreign operations	-	-	-	(650,092)	-	-	-	-	-	-	(650,092)
Net profit/loss for the period	-	-	-	-	-	-	-	-	1,928,589	9,456	1,938,045
Gain/(loss) on net monetary position, net	11,156,827	22,244	(3,436,261)	207,848	-	-	(279,830)	(177,765)	21,655,219	89,470	29,237,752
<b>Total comprehensive income for the year</b>	<b>11,156,827</b>	<b>22,244</b>	<b>4,765,308</b>	<b>203,325</b>	<b>2,178,505</b>	<b>67,462</b>	<b>(279,830)</b>	<b>(177,765)</b>	<b>23,583,808</b>	<b>97,965</b>	<b>41,617,849</b>
Foreign currency translation for legal reserves	-	-	-	-	-	-	-	-	31,145	-	31,145
Dividends distributed	-	-	-	-	-	-	-	-	(1,307,328)	(60,346)	(1,367,674)
<b>Balances at 30 June 2022</b>	<b>37,510,556</b>	<b>74,760</b>	<b>2,375,281</b>	<b>(3,681,445)</b>	<b>13,373,153</b>	<b>326,934</b>	<b>(1,011,129)</b>	<b>174,895</b>	<b>76,928,223</b>	<b>361,104</b>	<b>126,432,332</b>

**Türkiye Garanti Bankası AŞ And Its Subsidiaries**  
**Interim Condensed Consolidated Statement of Cash Flows**  
**For The Six-Month Period Ended 30 June 2022**

*(Currency: Thousands of Turkish Lira (TL) in terms of the purchasing power of the Turkish Lira (TL) at 30 June 2022 unless otherwise indicated)*

	<u>1 January 2022- 30 June 2022</u>	<u>1 January 2021- 30 June 2021</u>
<b>Cash flows from operating activities:-</b>		
Interests and commissions received	56,327,575	82,568,057
Interests and commissions paid	(15,939,507)	(53,341,404)
Other operating activities, net	9,186,226	(6,493,835)
Cash payments to employees and suppliers	<u>(12,111,870)</u>	<u>(10,769,042)</u>
	37,462,424	11,963,776
<b>(Increase)/decrease in operating assets:-</b>		
Loans and advances to banks	193,105,907	(84,534,402)
Balances with central banks	(67,736,455)	(3,018,251)
Financial assets at fair value through profit or loss	6,525,047	(4,679,699)
Loans and advances to customers	47,416,655	(313,982,687)
Other assets	7,061,777	(15,800,541)
<b>Increase/(decrease) in operating liabilities:-</b>		
Deposits from banks	6,484,951	2,005,261
Deposits from customers	(98,157,471)	344,663,125
Obligations under repurchase agreements and money market fundings	12,067,006	6,035,443
Other liabilities	(10,915,088)	33,692,156
<b>Net cash inflows from operating activities before taxes and duties paid</b>	<u><b>133,314,753</b></u>	<u><b>(23,655,818)</b></u>
<b>Income taxes and other duties paid</b>	<u><b>7,570,933</b></u>	<u><b>(2,095,369)</b></u>
<b>Net cash inflows/(outflows) from operating activities</b>	<u><b>140,885,686</b></u>	<u><b>(25,751,187)</b></u>
<b>Cash flows from investing activities:-</b>		
Net decrease/(increase) in investment securities	(13,583,208)	(61,299,659)
Interest received for investment securities	3,801,694	7,029,174
Increase in equity investments	(10,000)	(1)
Dividends received	69,179	24,089
Proceeds from sale of tangible and intangible assets	266,389	786,309
Purchase of tangible and intangible assets	1,249,228	(8,933,142)
<b>Net cash inflows from investing activities</b>	<u><b>(8,206,718)</b></u>	<u><b>(62,393,230)</b></u>
<b>Cash flows from financing activities:-</b>		
Increase in loans and advances from banks and other institutions, net	(33,550,130)	40,125,717
Cash obtained from debt securities issued	2,710,318	29,496,517
Cash used for repayment of debt securities issued	(7,244,540)	(11,233,840)
Payments for leases	(244,214)	(159,370)
Dividends paid	(1,435,400)	(654,690)
<b>Net cash (outflows)/inflows from financing activities</b>	<u><b>(39,763,966)</b></u>	<u><b>57,574,333</b></u>
<b>Effect of exchange rate changes</b>	<u><b>7,889,218</b></u>	<u><b>3,132,502</b></u>
<b>Inflation effect on cashflow</b>	<u><b>-146,051,867</b></u>	<u><b>62,820,562</b></u>
<b>Net increase in cash and cash equivalents</b>	<u><b>(45,247,647)</b></u>	<u><b>35,382,981</b></u>
Cash and cash equivalents at the beginning of the period	<u>174,339,390</u>	<u>91,523,312</u>
<b>Cash and cash equivalents at the end of the period</b>	<u><u><b>129,091,743</b></u></u>	<u><u><b>126,906,292</b></u></u>