



# 1H24 EARNINGS PRESENTATION

Based on BRSA Unconsolidated Financials

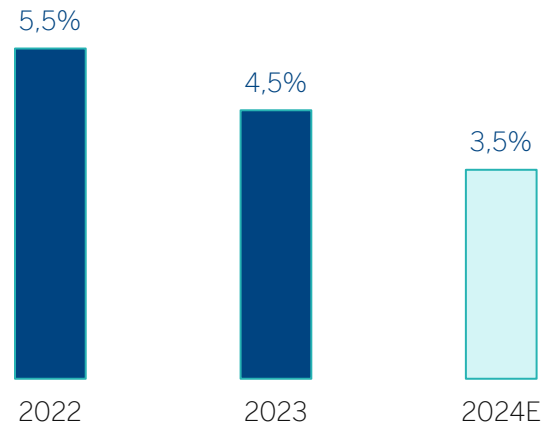
July 30<sup>th</sup>, 2024



# MACRO RECAP

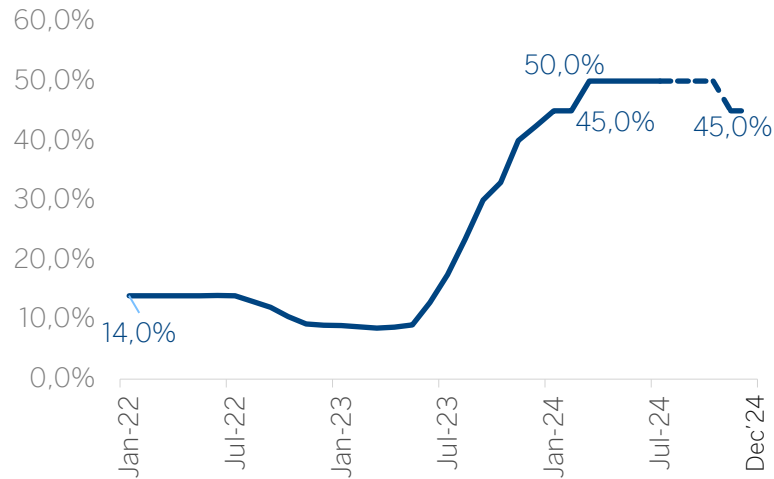
# TURKISH ECONOMY (I/II)

## GDP GROWTH (YoY)



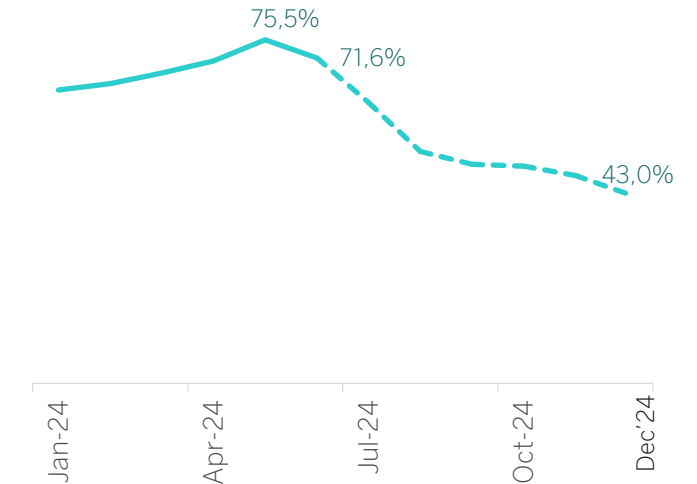
- We nowcast nearly 4% y/y and 0% q/q GDP growth for 2Q24. Therefore, the annual GDP growth in 1H24 will get closer to 5%.
- Considering the strong performance of 1H24, risks are tilted slightly to the **upside for our 2024 GDP forecast of 3.5%**.

## CBRT FUNDING RATE



- We expect the **CBRT to keep 50% policy rate till late 4Q24**. Monetary stance would be tightened further via other tools (liquidity management & credit policies)
- Depending on the success on inflation, **the CBRT would remain restrictive longer than we expect in our baseline**.

## CONSUMER INFLATION (% YoY)

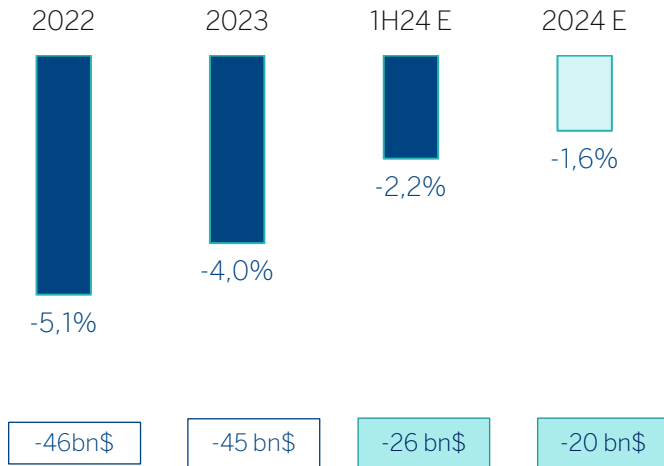


- **Inflation trend has started to weaken more clearly in June.**
- **We forecast consumer inflation to decline below 50% by September on strong favorable base effects and finish the year at 43%.**

[Click here to view our latest macro forecast](#)

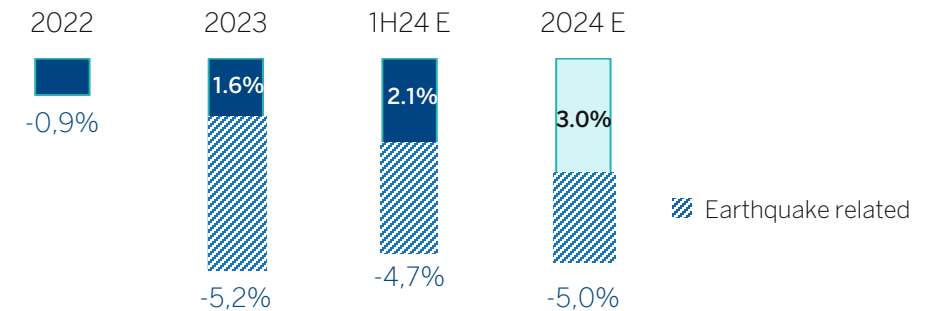
# TURKISH ECONOMY (II/II)

## CA DEFICIT / GDP (year end)



- ▲ **Rebalancing in the economy in favor of net exports** reduces the pressure from external financing
- ▲ **We expect current account deficit to diminish to below 2% of GDP in 2024**, with improving net trade deficit, strong tourism revenues and lower gold imports on top of de-dollarization.

## BUDGET DEFICIT / GDP (year end)



- ▲ Excluding earthquake spending, **budget deficit was 1.6% of GDP in 2023**, far below the Maastricht criteria of 3%.
- ▲ Public Debt /GDP was **29.5% as of 2023YE** vs. Emerging Market (avg.): 68.9%; Advanced economies: 111% (IMF Fiscal Monitor)
- ▲ The Government aims to keep the budget deficit to GDP ratio **below 5% in 2024 and 3% in 2025**.

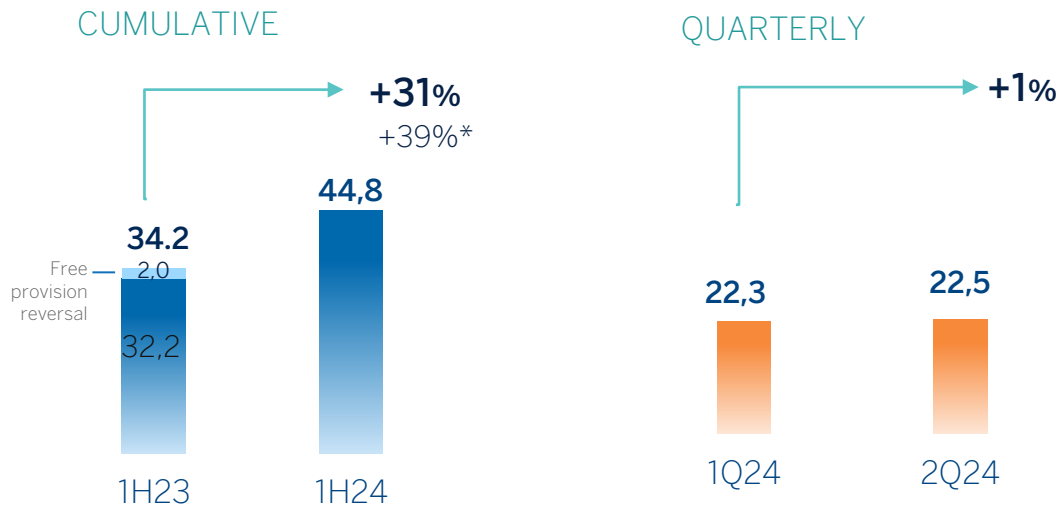
[Click here to view our latest macro forecast](#)



# 1H24 FINANCIALS

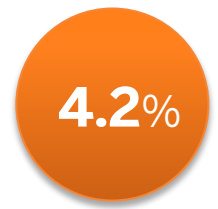
# UNRIVALED LEADERSHIP IN CORE BANKING – THE PILLAR OF OUR SUSTAINABLE REVENUE GENERATION CAPABILITY

## NET INCOME (TL bn)

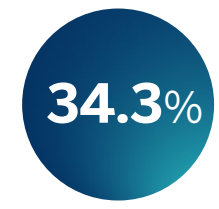


\*adj w/free provision reversal

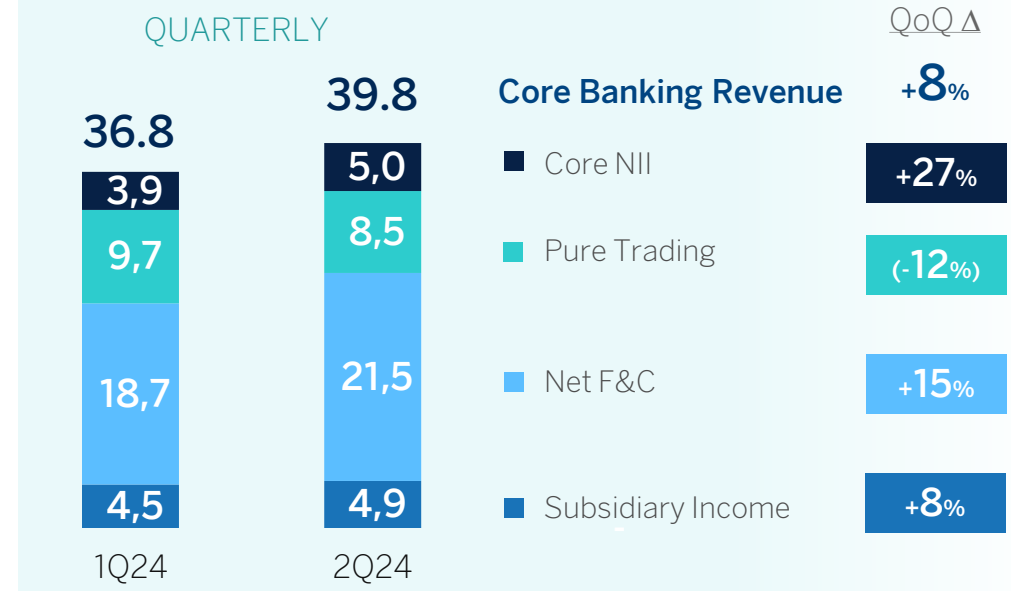
**1H24 ROAA**



**1H24 ROAE**



## CORE BANKING REVENUE (TL bn)

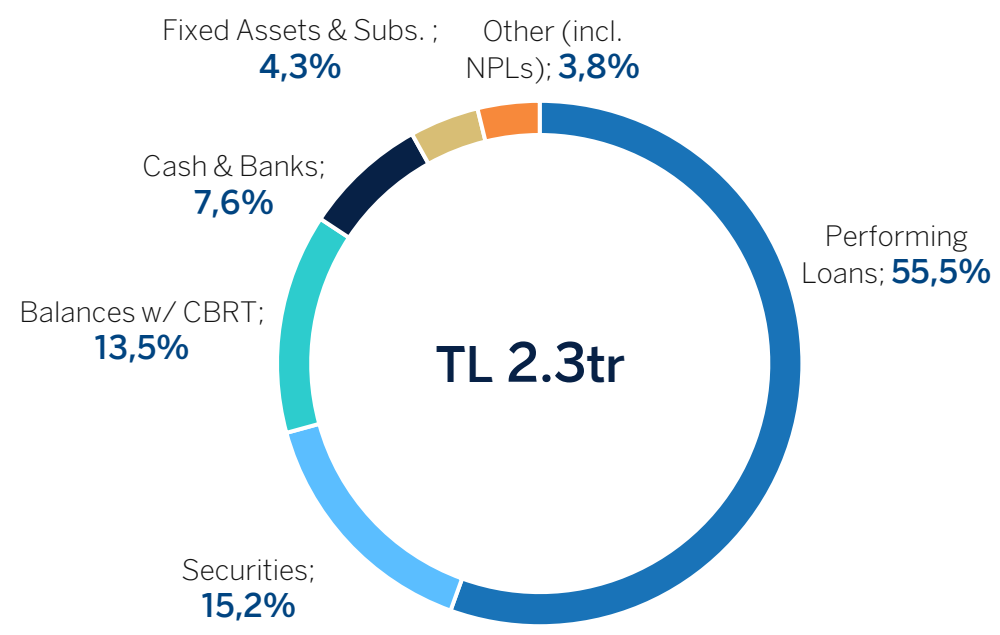


Pure trading: Trading income excl. Swap cost & currency hedge.  
Core NII: NII – CPI linkers' income + swap costs

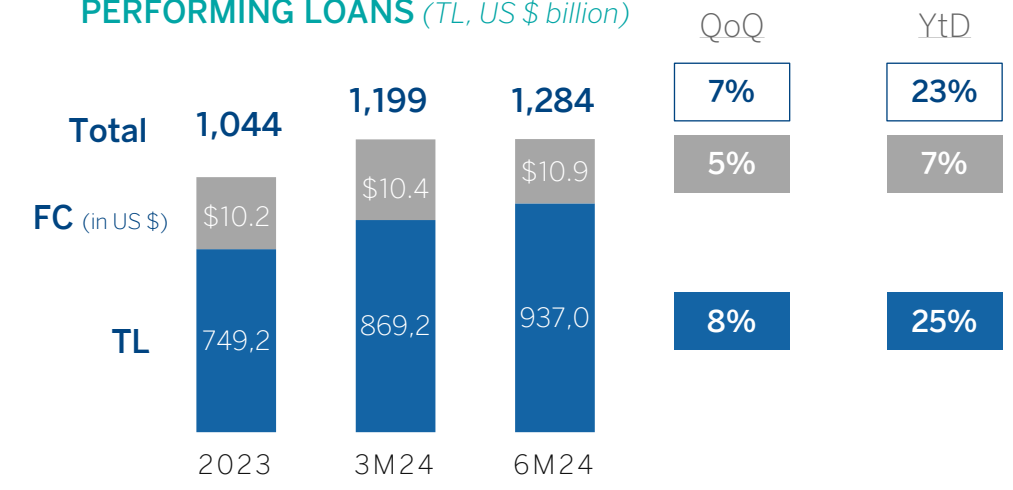
**Rising incremental spreads** are expected to be more visible in the second half.  
**FX transaction gains remained strong**, supporting trading.  
**Payment system fees continue to drive the fee growth**, albeit the slowdown in TL lending.

# CUSTOMER DRIVEN ASSET MIX REMAINS TO BE THE MAIN DIFFERENTIATOR

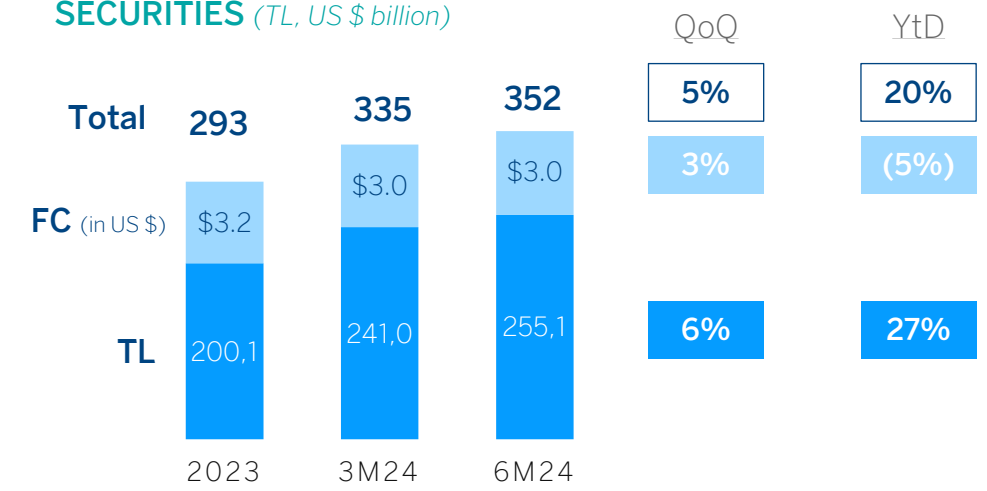
## ASSET BREAKDOWN



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



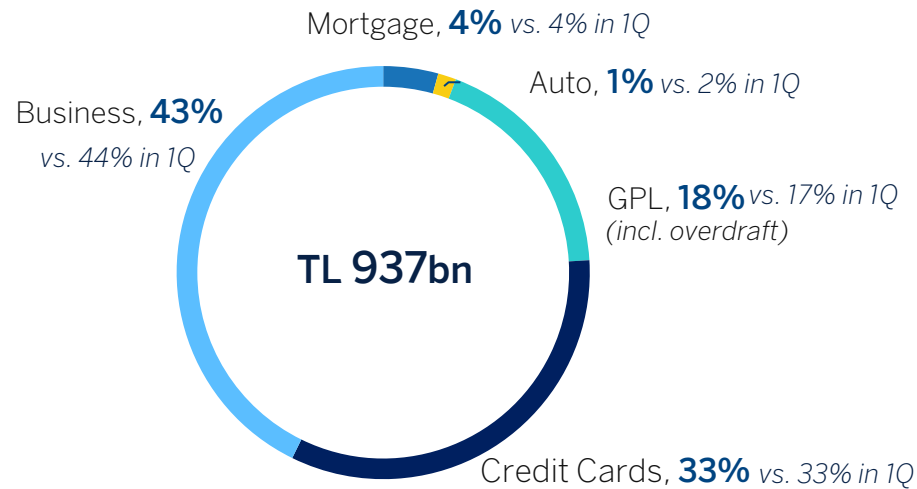
## SECURITIES (TL, US \$ billion)



# NAVIGATING THROUGH THE INTENDED SLOWDOWN IN TL LENDING

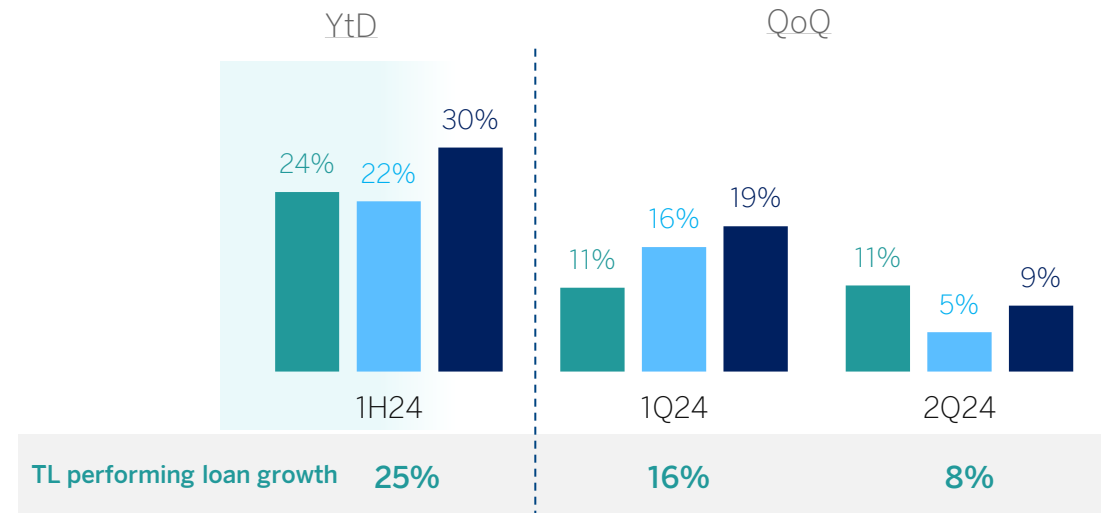
## TL PERFORMING LOAN BREAKDOWN

(73% of total performing loans)



## TL PERFORMING LOAN GROWTH

■ Consumer (exc. CCs) ■ TL Business ■ Credit Cards



### MARKET SHARE

(among private comm'l banks)

	1Q24	2Q24
TL loans	20.7%	20.7%
TL Business	20.5%	20.3%
Consumer (excl. CCs)	19.9%	20.1%
Consumer GPL (incl. overdraft)	18.3%	18.7%
Credit Cards	21.8%	21.9%

- **Maintained leadership\* in TL lending**
- Selective and profitable growth strategy preserved
- #1 in both Issuing & Acquiring volumes in the quarter
- Salary customers share in outstanding GPL volume: **44%**

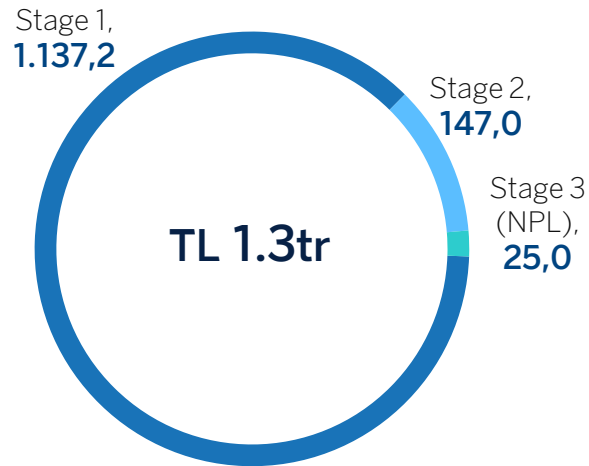
\*As of March 2024.

Sector figures used in market share calculations are based on bank-only BRSA weekly data as of 28.06.2024, for private commercial banks.

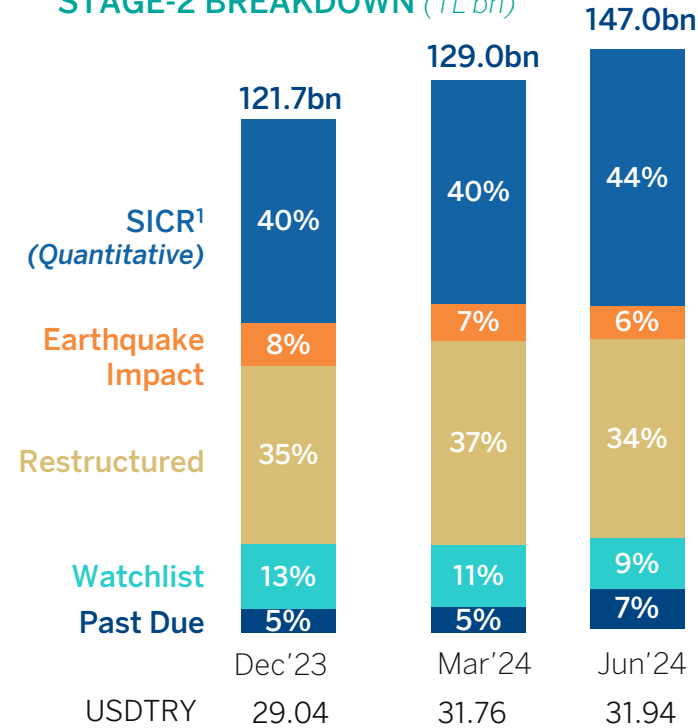


# PRUDENT APPROACH MAINTAINED: CLOSELY WATCHED STAGE-2 PORTFOLIO WITH HIGH COVERAGE RATIOS

LOAN PORTFOLIO BREAKDOWN (TL bn)



STAGE-2 BREAKDOWN (TL bn)



excl. currency impact<sup>2</sup>  
 143bn TL in Jun'24  
 125.1 bn TL in Mar'24

**11.2%**

Stage-2 Share in Gross Loans  
vs. **10.6%** in Mar'24

**19.2%**

Stage-2 Coverage vs. **21.5%** in Mar'24

*Stage-2 total portfolio FC coverage **43%**; TL coverage: **8%***

**82%**

of the SICR Portfolio is non-delinquent

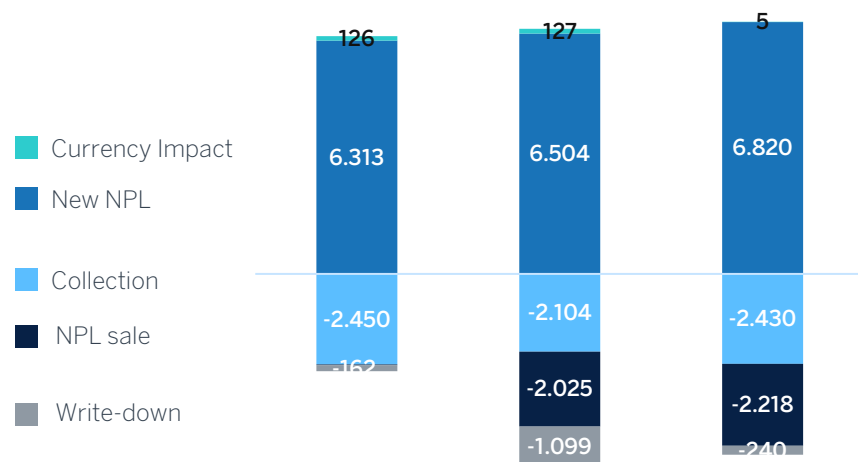
***Only 2.9%** of the 2Q23 SICR portfolio ended up in NPL in 2Q24*

<sup>1</sup> SICR: Significant Increase in Credit Risk per our threshold for Probability of Default (PD) changes  
<sup>2</sup> 2023 balance sheet FX rates are taken into account when calculating Stage 2 base for March and June 2024

# NPL FLOW FARING AS EXPECTED: STRONG COLLECTION PERFORMANCE REMAINS SUPPORTIVE

## NPL EVOLUTION (TL mn) QUARTERLY

Net NPL Flow	3,770	1,404	1,937
Net NPL Flow Adj. w/ curr. impact, & write-downs	<b>3,826</b>	<b>4,400</b>	<b>4,390</b>



NPL (nominal TL bn)	4Q23	1Q24	2Q24	2Q24 (adj. w/ WD*)
	21.7	23.1	25.0	38.7
NPL Ratio	2.0%	1.9%	1.9%	2.9%

## COVERAGE RATIOS

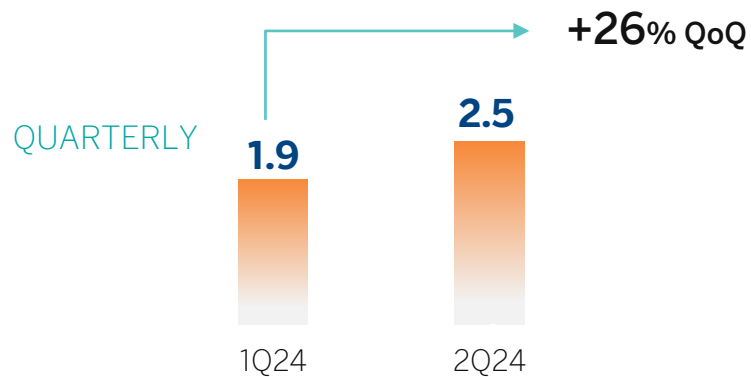
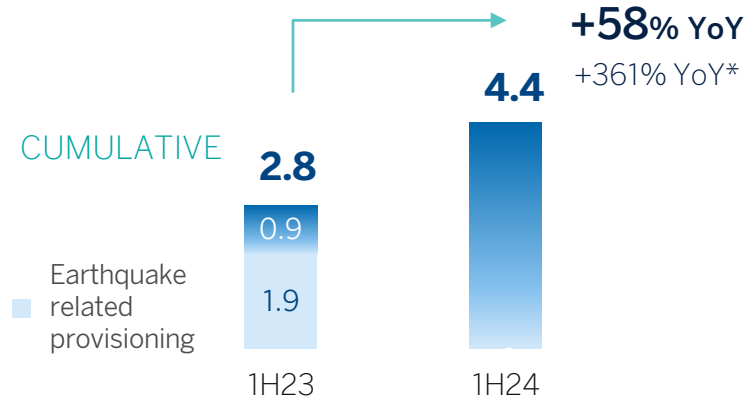
	1Q24	2Q24	2Q24 (adj. w/ WD*)
<b>Total Provision</b> (Balance sheet, TL bn)	<b>48.1</b>	<b>50.0</b>	<b>63.7</b>
+Stage-1	5.3	5.7	
+Stage-2	27.8	28.1	
+Stage-3	15.0	16.0	29.8
<b>Total Coverage</b>	<b>3.9%</b>	<b>3.8%</b>	<b>4.8%</b>
+Stage-1	0.5%	0.5%	
+Stage-2	21.5%	19.2%	
+Stage-3	65.2%	64.0%	76.8%

\*Adjusted with write-downs since 2019

NPL inflow mainly consists of **unsecured consumer loans**, as expected  
 In 1H24, 4.2bn TL NPL sold for a total of 1.9bn TL

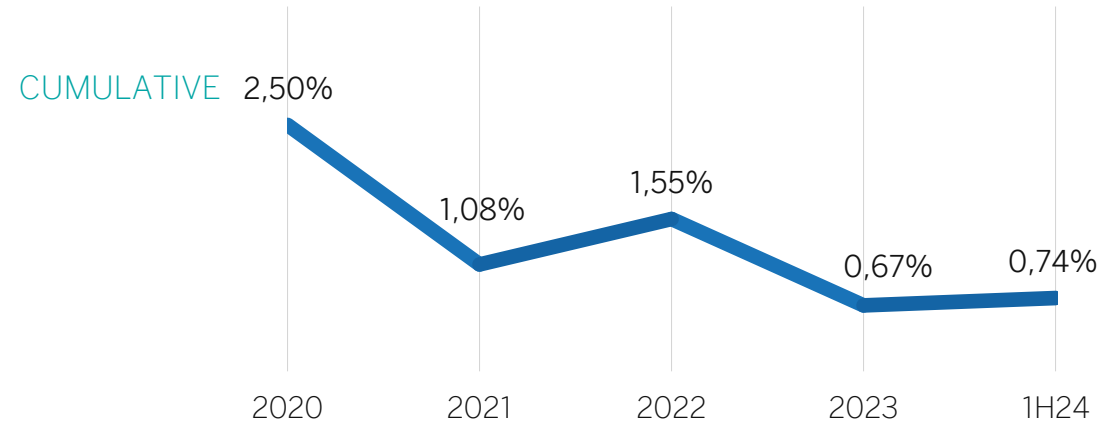
# COMMITMENT TO ROBUST PROVISIONING SOLIDIFIES OUR FINANCIAL POSITION

NET PROVISIONS excl. CURRENCY (TL bn)



\*Excluding Earthquake-related prudent provisioning impact

NET CoR TREND excl. CURRENCY



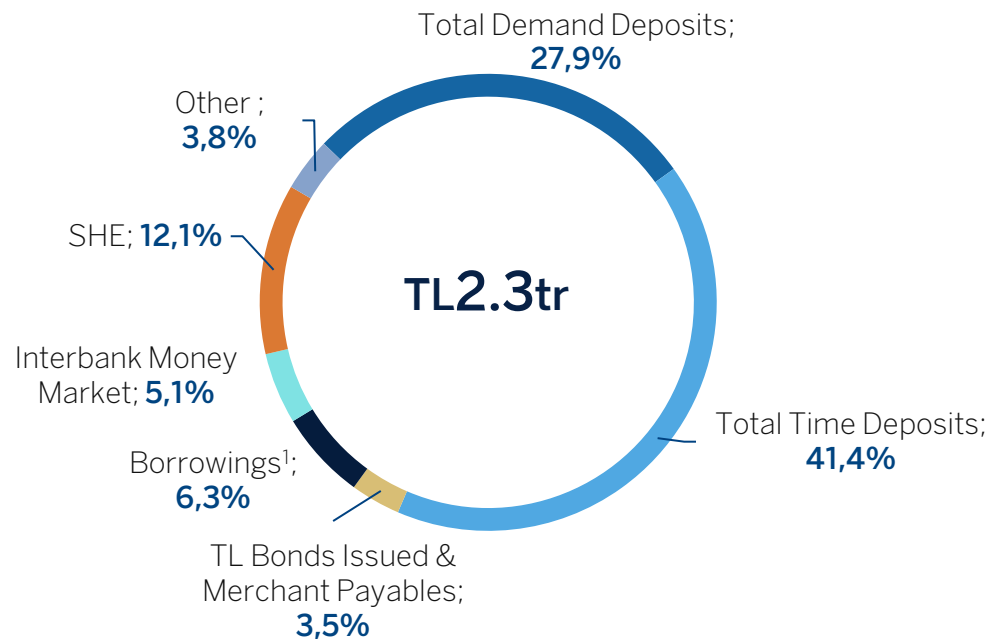
➤ Currency depreciation impact: 44bps  
No impact on bottom line as it is 100% hedged

Normalizing, however still low net CoR mainly with the support of **commercial lending recoveries.**

# STRATEGIC FUNDING APPROACH

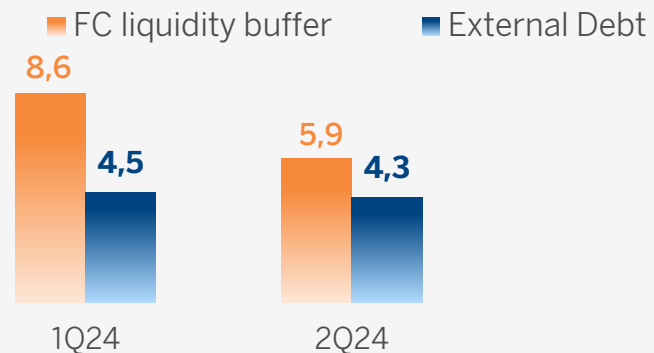
## - THE BACKBONE OF OUR SUCCESS

### LIABILITIES & SHE BREAKDOWN

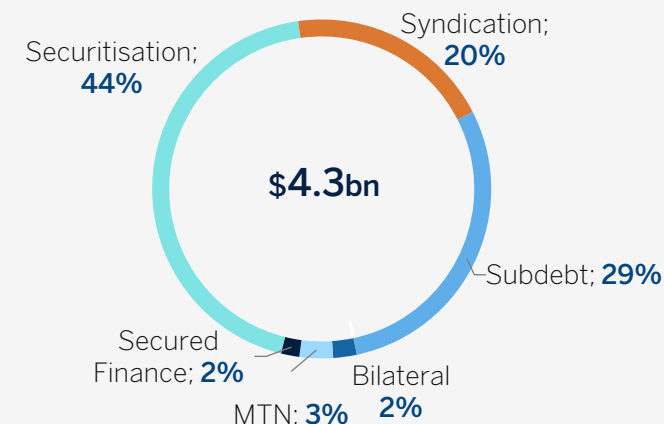


### EXTERNAL DEBT VS. FC QUICK LIQUIDITY<sup>2</sup>

(US\$ bn)



### WHOLESALE FUNDING BREAKDOWN



### LOW LEVERAGE

**7.3x**  
Debt / Equity

### HIGHLY LIQUID BALANCE SHEET

**\$1.2bn**  
Short-term portion of external debt

**\$5.9bn**  
FC Liquidity Buffer

### WELL-DIVERSIFIED FUNDING STRUCTURE

**24%**  
ESG-linked fundings share in total wholesale funding. **100%** of the new issuances\* since 2021 are ESG-linked

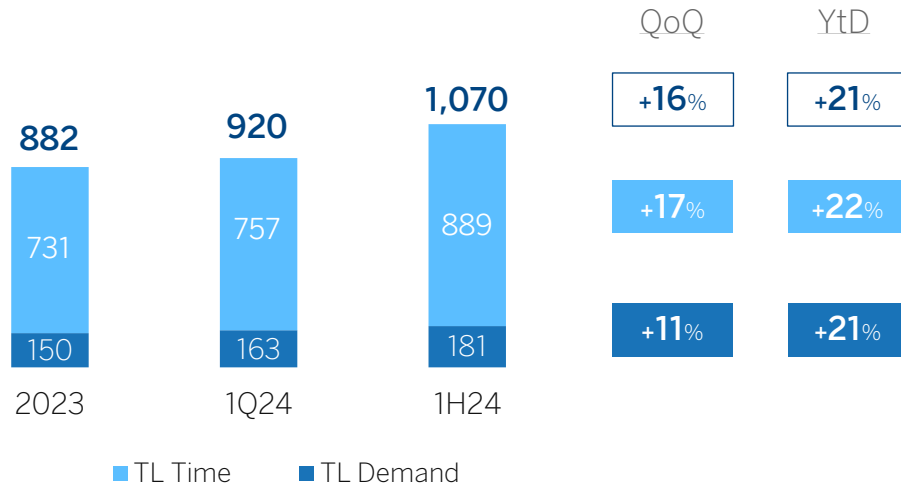
<sup>1</sup> Includes funds borrowed, sub-debt & FC securities issued  
<sup>2</sup> FC Liquidity Buffer includes FC reserves under ROM, swaps, money market placements, CBRT eligible unencumbered securities  
 \*Excludes secured finance transactions and MTN issuance.

# ACCELERATED CONVERSION TO STANDARD TL DEPOSITS

## FC DEPOSITS' SHARE IN TOTAL AT ITS HISTORIC LOW

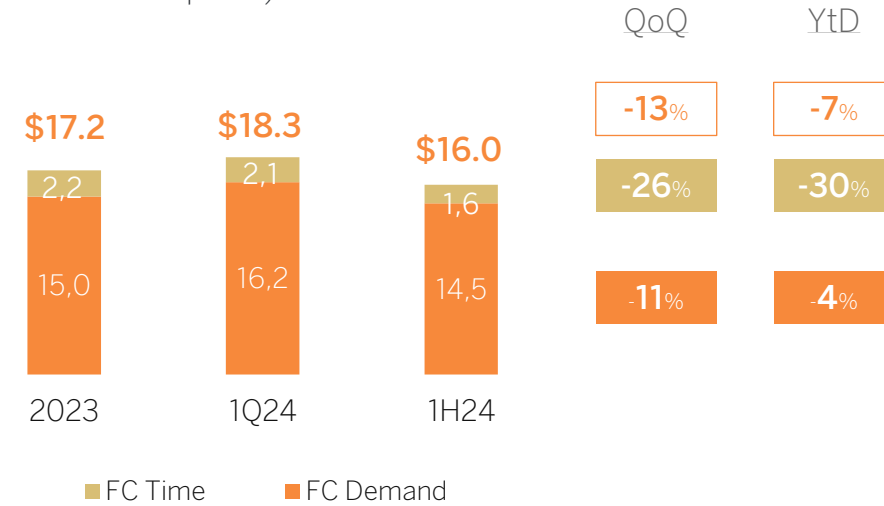
### TL CUST. DEPOSITS (TL bn)

(68% of total deposits)



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

(32% of total deposits)



#### STRONG ZERO-COST DEMAND DEPOSIT BASE

41%

Cust. demand deposits share in total  
vs. sector: 34%

#### DECLINING SHARE OF FC-PROTECTED DEPOSITS

~35%

Share in TL Time deposits  
Down from 70% at the end of Sep'23

## NIM INCL. SWAP COST<sup>1</sup>

## NET INTEREST INCOME INCL. SWAP COST (TL BILLION)

CUMULATIVE

QUARTERLY

2Q vs. 1Q

CPI Impact

Core NIM

5.1%\*

3,1%

1,9%

2023

3.1%

2,1%

1,0%

1H24

3.1%

2,1%

1,0%

1Q24

3.1%

2,0%

1,1%

2Q24

Flat

+9 bps

NII Incl. Swap cost

20.3

12.3

14.3

CPI Income

NII excl. CPI

Swap Cost

15,3

8,6

-3,6

4Q23

20.3

15,3

8,6

-3,6

4Q23

8,4

11,3

-7,3

1Q24

12.3

8,4

11,3

-7,3

1Q24

9,3

16,9

-11,9

2Q24

14.3

9,3

16,9

-11,9

2Q24

Core NII  
TL: 5.0bn

Core NII  
TL: 3.9bn

Core NII  
TL: 4.9bn

\* Including KKM related additional remuneration for 1H23, booked under trading line

- **Improving core NII** even in a challenging quarter owed to;
  - Timely loan growth, repricing & duration gap management
  - Effective management of funding costs
  - Full utilization of CBRT's remuneration potential

➤ **On track with full year NIM guidance**

➤ CPI estimate used in CPI linker valuation remained at **40%**.

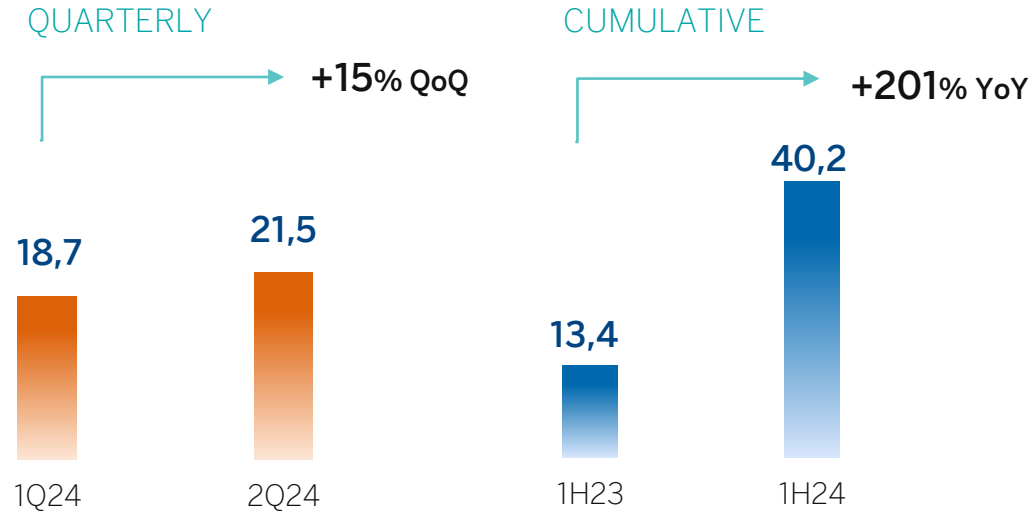
By far the **highest level** among peers

Core NIM = NIM incl. Swap cost excluding CPI linker income

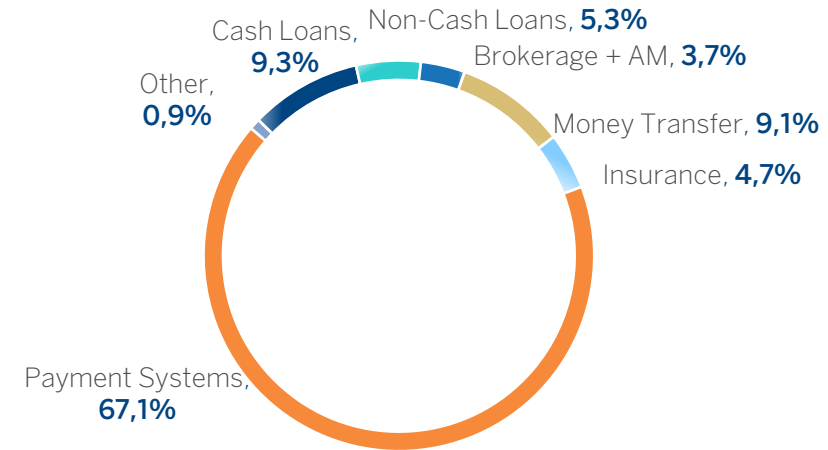
<sup>1</sup> Calculated based on unconsolidated BRSA financials. TL reserves are taken into account in the calculation of IEAs.. 1H23 NIM includes KKM related additional remuneration booked under trading line

# PAYMENT SYSTEM FEES CONTINUE TO DRIVE THE FEE GROWTH

## NET FEES & COMMISSIONS (TL bn)



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



### SOLID PRESENCE IN CREDIT CARD BUSINESS

**+4.6x** YoY  
Payment Systems Fees

**#1** in Issuing Volume  
CC customers and  
Acquiring Volume in the quarter

### WELL DIVERSIFIED & LUCRATIVE FEE BASE

**#1** in TL Cash &  
TL Non-Cash Loans  
(as of 31.03.2024)

**#1** in Money Transfer fees

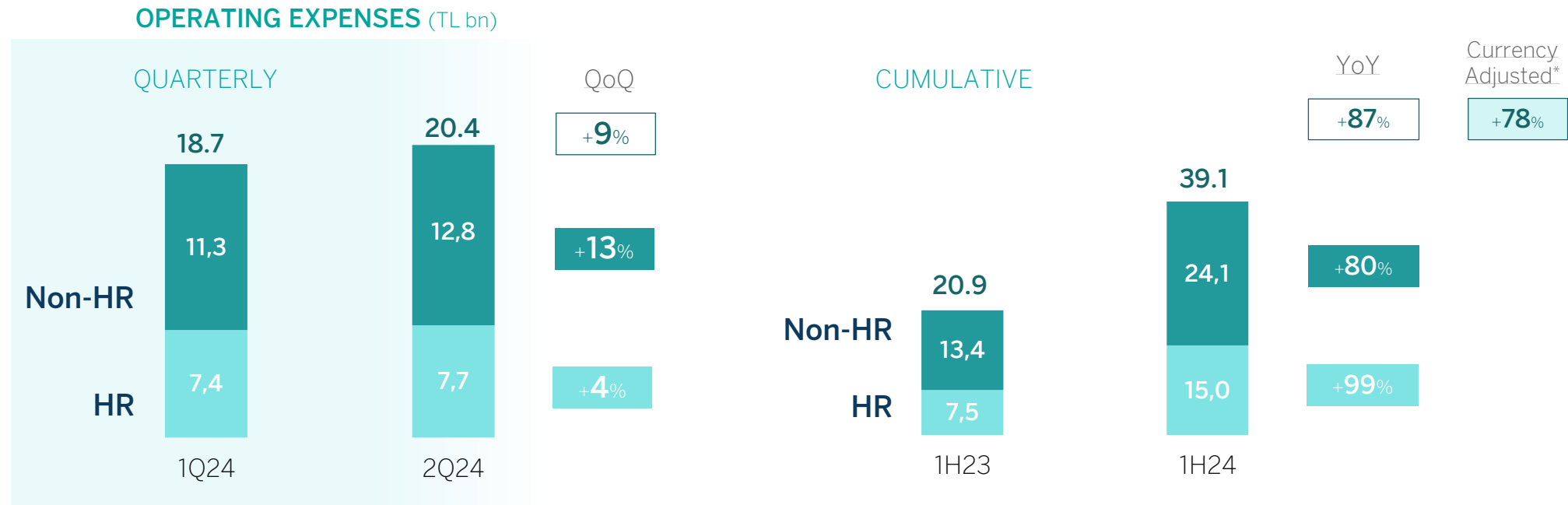
### INCREASING DIGITAL CUSTOMER PENETRATION

**15.9**mn  
Digital active customers  
Mobile-only customers: 13.5mn

**90%**  
Digital sales in total sales

<sup>1</sup> Net Fees&Comm. breakdown is based on bank-only MIS data. Rankings are among private banks

# OPEX GROWTH IN LINE WITH EXPECTATIONS



**DISCIPLINED COST MANAGEMENT WILL CONTINUE TO DIFFERENTIATE OUR EFFICIENCY RATIOS**

COST / INCOME	FEES / OPEX	OPEX / AVG. ASSETS
40%	103%	3.7%

\*100% of currency linked expenses are hedged, thus no impact on bottom-line

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, free provision reversals and one-off income)

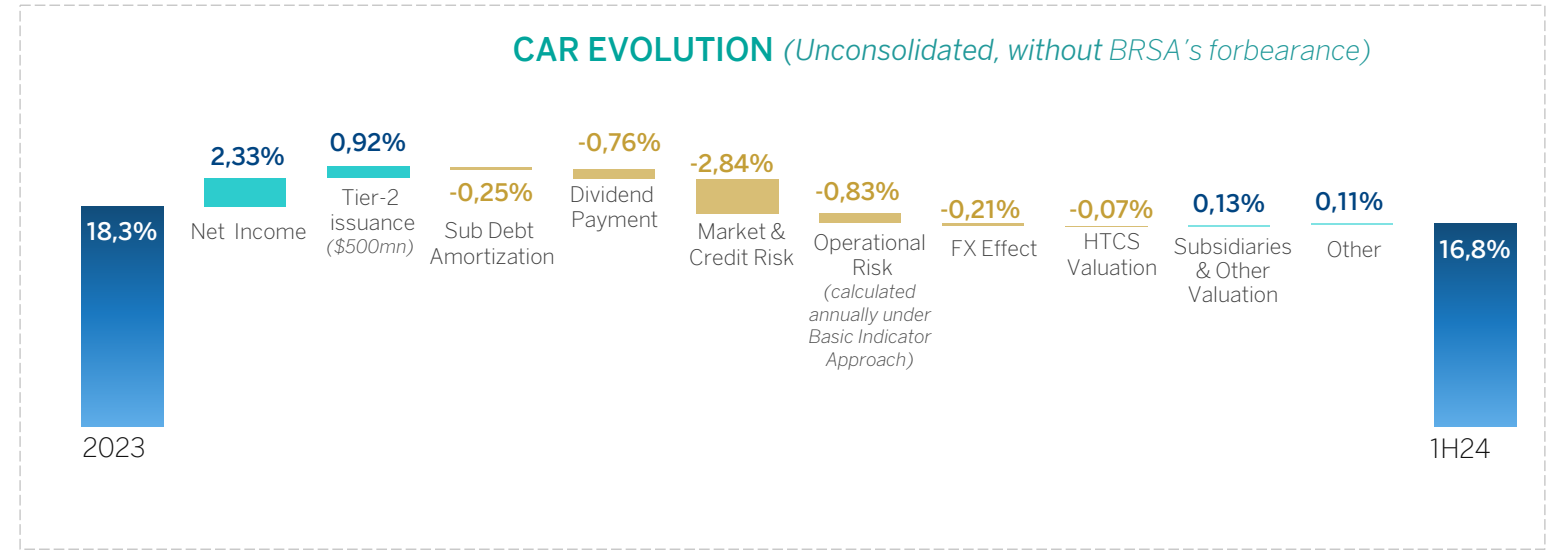


# CAPITAL REMAINS STRONG

## SOLVENCY RATIOS *(without BRSA's forbearance)*



## CAR EVOLUTION *(Unconsolidated, without BRSA's forbearance)*



- ~21,7bps CAR sensitivity to 10% TL depreciation
- ~1% BRSA Forbearance Impact on CAR
- TL 65 bn Excess Capital (Consolidated & w/o forbearance)

1 Required Consolidated CAR level = 8.0% + SIFI Buffer for Group 2 (1.5%) + Capital Conservation Buffer (2.5%) + Counter Cyclical Buffer (0.14%); Required Consolidated Tier-I = 6.0% + Buffers; Required Consolidated CET-1 = 4.5% + Buffers

# 1H24 IN SUMMARY... A GOLD MEDAL WINNER IN FINANCIAL PENTATHLON

1	<p><b>SUSTAINED &amp; SEQUENTIALLY INCREASING CORE BANKING REVENUES FEED THE HIGHEST NET INCOME</b></p>	<p><b>NET INCOME</b>  <b>44.8</b>bn TL in 1H24                  alludes to <b>34%</b> ROAE w/ lowest leverage</p>	<p><b>HIGH QUALITY EARNINGS</b>  <b>+59%</b> yoy growth in core banking revenue</p>
2	<p><b>FEES FULLY COVER OPEX</b></p>	<p><b>NET FEES &amp; COMMISSIONS</b>  <b>40.2</b>bn TL in 1H24  <b>Tripled</b> YoY</p>	<p><b>FEES / OPEX</b>  <b>103%</b> in 1H24</p>
3	<p><b>COMMITMENT TO ROBUST PROVISIONING SOLIDIFIES OUR FINANCIAL POSITION</b></p>	<p><b>NET CoR (excl. currency)</b>  <b>74</b>bps in 1H24</p>	<p><b>TOTAL PROVISION ON B/S</b>  <b>49.9</b>bn TL                  Highest among private banks</p>
4	<p><b>STRONG CAPITAL</b></p>	<p><b>CAR</b>                  (w/o BRSA's forbearance)  <b>16.8%</b></p>	<p><b>EXCESS CAPITAL</b>                  (consolidated, w/o BRSA's forbearance)  <b>65</b>bn TL</p>
5	<p><b>CONTINUED PROGRESS IN BUSINESS GROWTH</b></p>	<p><b># of CUSTOMERS</b>                  Every <b>1 out of 2</b> bank customers                  has an account with Garanti BBVA</p>	<p><b>ACTIVE DIGITAL CUSTOMERS</b>  <b>15.9</b>mn                  Highest in the sector</p>

Unmatched leadership will be sustained through agility & financial resilience.



# Q&A SESSION

# Appendix

PG. 21 Sector Breakdown of Gross Loans

PG. 22 FC Loan Breakdown

PG. 23 Maturity Profile of External Debt

PG. 24 Adjusted L/D and Liquidity  
Coverage Ratios,

PG. 25 Market Shares

PG. 26 Securities Portfolio

PG. 27 Summary Balance Sheet

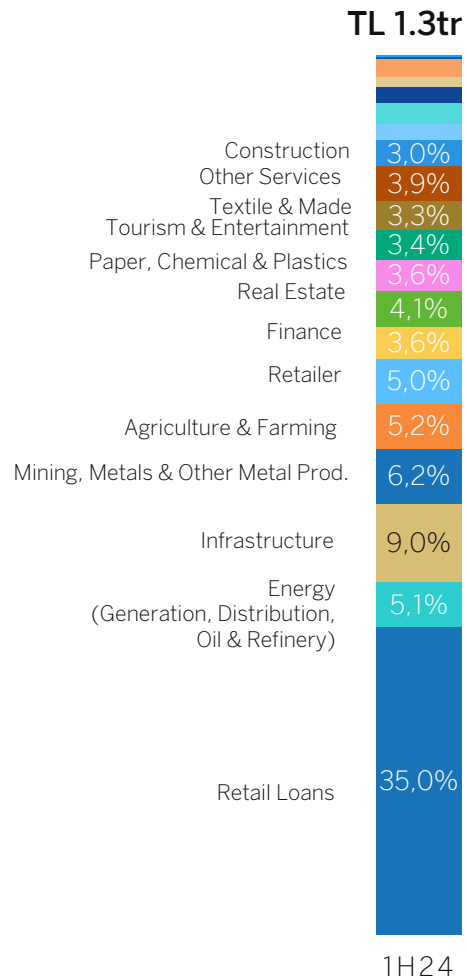
PG. 28 Summary P&L

PG. 29 Key Financial Ratios

PG. 30 Quarterly & Cumulative Net  
Cost of Risk

# APPENDIX: SECTOR BREAKDOWN OF GROSS LOANS

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



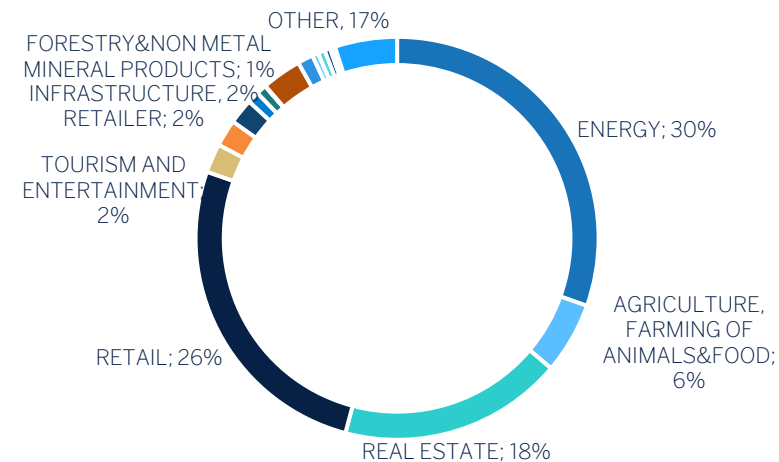
<sup>1</sup> Based on Bank-only MIS data

### % SHARE

### COVERAGE RATIO

Key Sectors	% SHARE			COVERAGE RATIO		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Retail	84%	13%	3%	0.6%	6.6%	57.3%
Energy	59%	38%	3%	0.3%	30.8%	80.6%
Construction	90%	6%	4%	0.3%	11.5%	53.8%
Textile & Made	89%	8%	2%	0.5%	13.2%	75.0%
Tourism & Entertainment	89%	9%	2%	0.5%	7.9%	72.7%
Real Estate	69%	29%	1%	0.3%	62.0%	62.6%

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

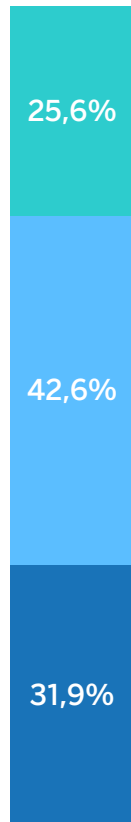


# APPENDIX: CLOSELY MONITORED AND WELL-PROVISIONED FC LOANS

## FC PERFORMING LOANS

(28% of total performing loans)

US\$ 10.9 bn



### Export Loans

- FX revenue generation

### Project Finance Loans

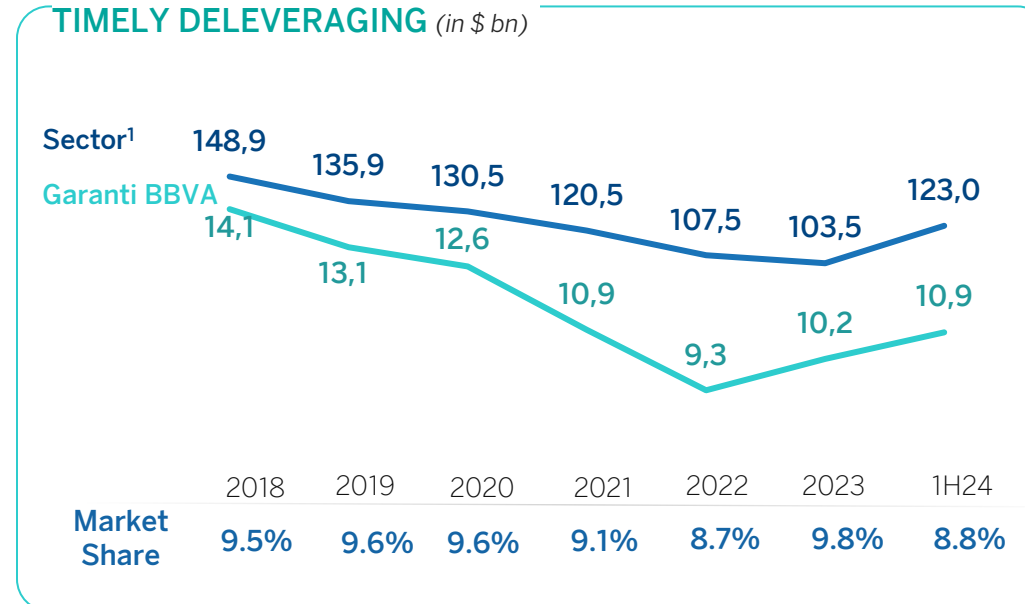
- 67.0% of PF Loans have FX or FX-linked revenues - no currency risk
- 24.0% has lower currency risk
- 9.0% - with some currency risk

### Working Capital & Other Loans

- FX loans predominantly to big corporate, commercial clients & multinationals

1H24

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



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

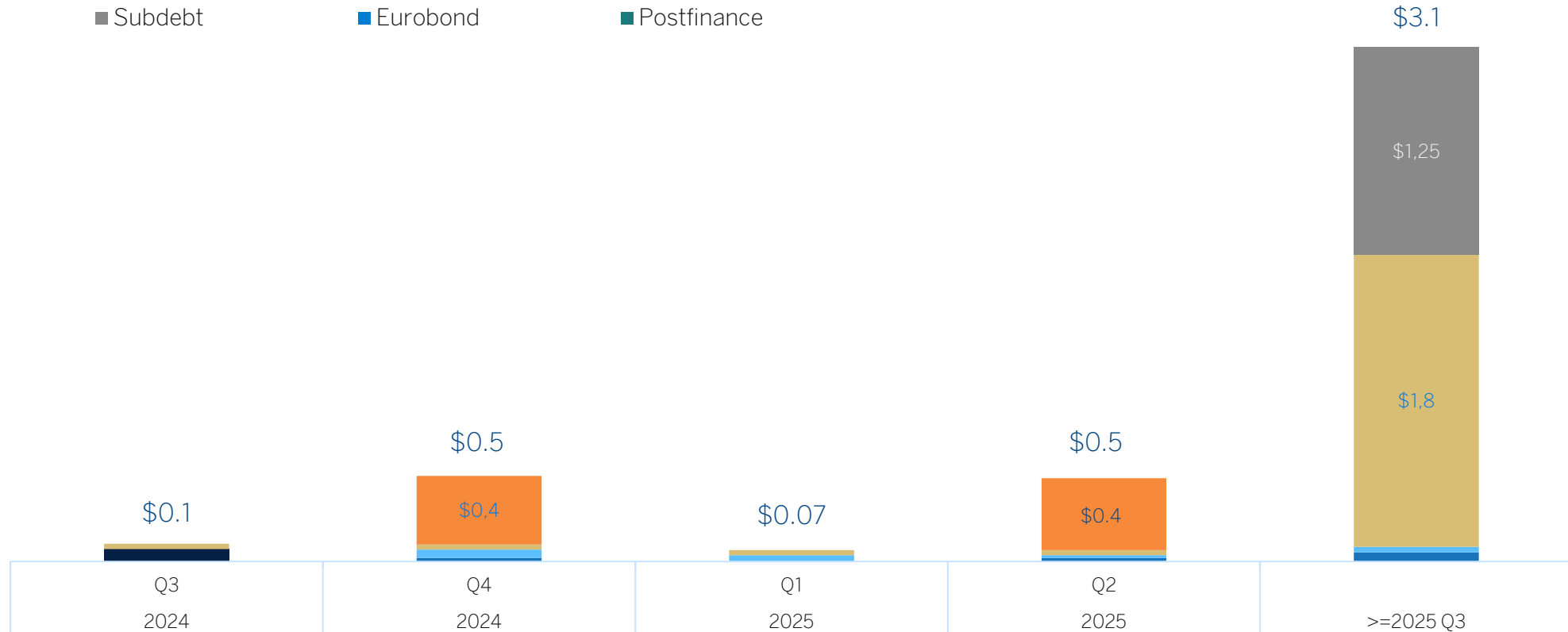
<sup>1</sup> Based on BRSA weekly data , commercial banks

# APPENDIX: MATURITY PROFILE OF EXTERNAL DEBT

## MATURITY PROFILE OF EXTERNAL DEBT

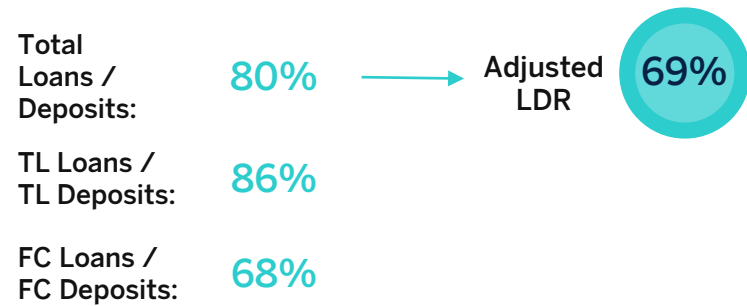
(US\$ billion)

- Bilateral
- MTN
- Covered Bond
- Secured Finance
- Securitisation
- Syndication
- Subdebt
- Eurobond
- Postfinance

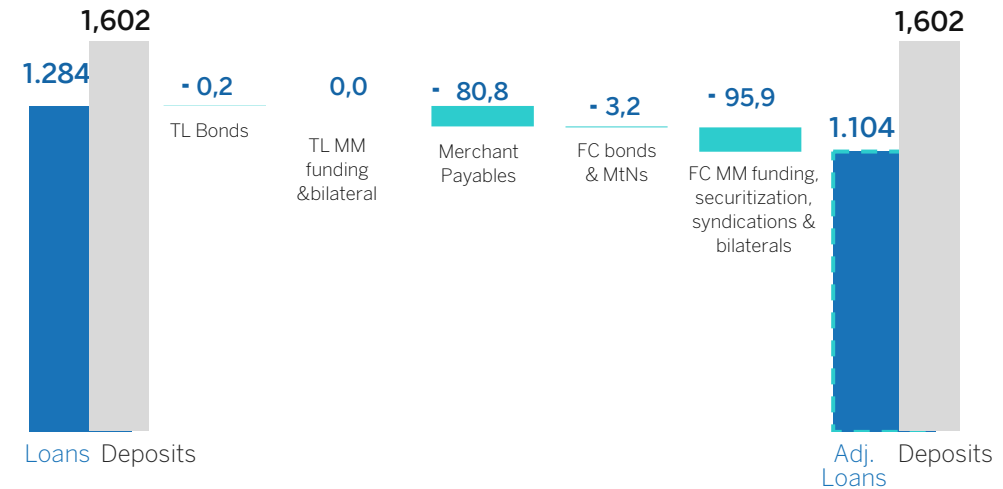


# APPENDIX: ADJUSTED LDR AND LIQUIDITY COVERAGE RATIOS

Loans funded via long-term on B/S alternative funding sources ease LDR



(TL billion)



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

Total LCR	174%
Minimum Requirement	100%
FC LCR	166%
Minimum Requirement	80%

<sup>1</sup> Represents the average of June's last week.



# APPENDIX: MARKET SHARES

Market Shares <sup>1</sup>	Dec-23	Mar-23	Jun-24	QoQ $\Delta$	Rank
<b>Consumer Loans inc. Consumer CCs</b>	14,9%	15,3%	15,7%	39 bps	#1*
<b>Cons. Mortgage Loans</b>	8,8%	9,5%	10,0%	53 bps	#3*
<b>Consumer Auto Loans</b>	18,4%	18,9%	19,1%	19 bps	#2*
<b>Cons. General Purpose Loans</b>	14,0%	14,2%	14,7%	50 bps	#3*
<b>TL Business Banking</b>	8,1%	8,9%	9,2%	23 bps	#2*
<b># of CC customers<sup>2</sup></b>	13,5%	13,5%	13,7%	17 bps	#1
<b>Issuing Volume (Cumulative)<sup>2</sup></b>	17,2%	16,5%	16,7%	14 bps	#1
<b>Acquiring Volume (Cumulative)<sup>2</sup></b>	16,8%	16,3%	16,5%	14 bps	#2

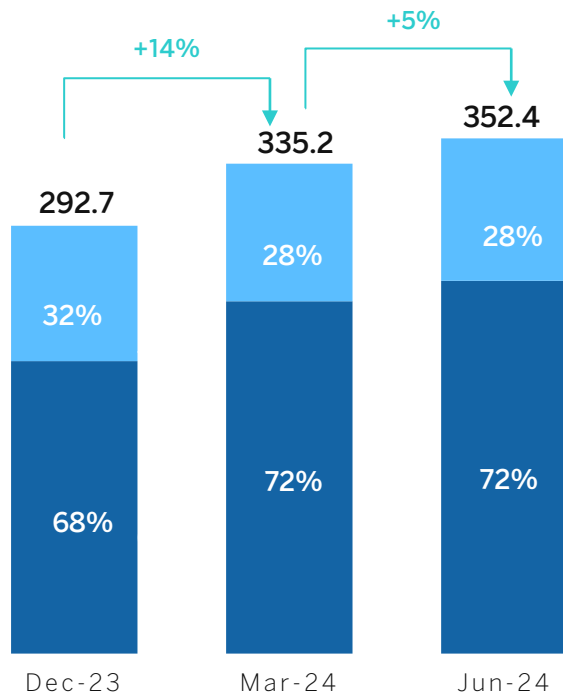
\* Rankings are among private banks as of March 2024

<sup>1</sup> Sector figures used in market share calculations are based on bank-only BRSA weekly data as of 28.06.2024, for commercial banks  
<sup>2</sup> Cumulative figures and rankings as of June 2024, as per Interbank Card Center data. Rankings are among private banks.

# APPENDIX: SECURITIES PORTFOLIO

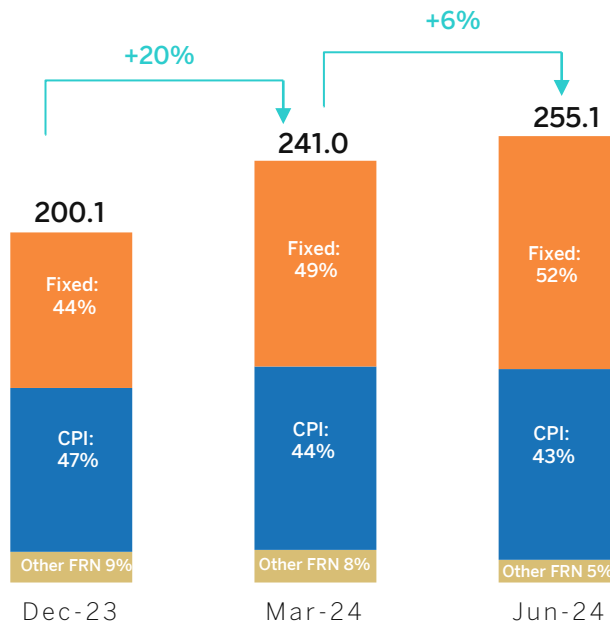
## TOTAL SECURITIES (TL billion)

15% of Total Assets

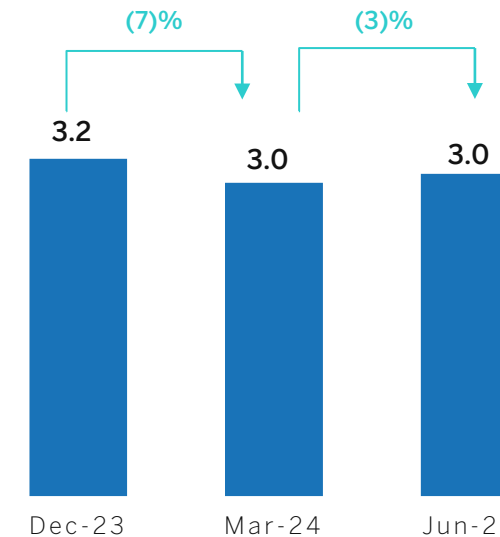


■ TL ■ FC

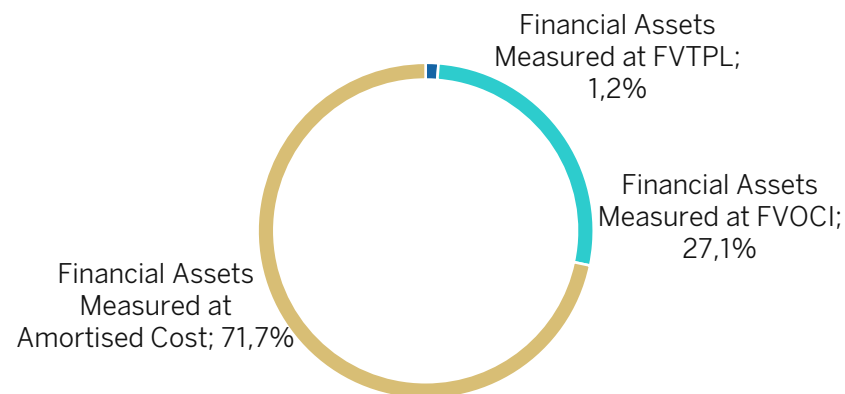
## TL SECURITIES (TL billion)



## FC SECURITIES (US\$ billion)



## SECURITIES COMPOSITION



Note: Fixed - Floating breakdown of securities are based on bank-only financials

# APPENDIX: SUMMARY BALANCE SHEET

(TL billion)

ASSETS	30.06.2023	30.09.2023	31.12.2023	31.03.2024	30.06.2024
Cash & Cash Equivalents	208.4	108.5	140.7	118.8	176.5
Balances at CBRT	149.9	284.2	291.7	334.8	313.1
Securities	244.5	264.6	292.7	335.2	352.4
Gross Loans	884.2	966.4	1066.1	1222.3	1309.1
<b>+TL Loans</b>	<b>628.3</b>	<b>699.3</b>	<b>767.8</b>	<b>891.0</b>	<b>960.7</b>
TL NPL	17.3	16.5	18.6	21.7	23.7
info: TL Performing Loans	611.0	682.8	749.2	869.2	937.0
<b>+FC Loans (in US\$ terms)</b>	<b>10.0</b>	<b>9.9</b>	<b>10.3</b>	<b>10.4</b>	<b>10.9</b>
FC NPL (in US\$ terms)	0.1	0.1	0.1	0.0	0.0
info: FC Performing Loans (in US\$ terms)	9.9	9.9	10.2	10.4	10.9
info: Performing Loans (TL+FC)	<b>865.5</b>	<b>948.5</b>	<b>1044.5</b>	<b>1199.3</b>	<b>1284.1</b>
Fixed Assets & Subsidiaries	60.9	66.5	80.7	87.2	98.8
Other	121.4	52.7	58.1	66.7	63.2
<b>TOTAL ASSETS</b>	<b>1,669.4</b>	<b>1,743.0</b>	<b>1,930.1</b>	<b>2,165.0</b>	<b>2,313.1</b>
LIABILITIES & SHE	30.06.2023	30.09.2023	31.12.2023	31.03.2024	30.06.2024
Total Deposits	1219.6	1251.6	1383.7	1505.8	1601.7
<b>+Demand Deposits</b>	<b>511.0</b>	<b>553.9</b>	<b>587.1</b>	<b>681.0</b>	<b>644.3</b>
TL Demand	138.3	150.5	150.9	164.1	182.5
FC Demand (in US\$ terms)	14.5	15.0	15.0	16.3	14.5
<b>+Time Deposits</b>	<b>708.6</b>	<b>697.7</b>	<b>796.6</b>	<b>824.8</b>	<b>957.3</b>
TL Time	630.9	632.1	731.6	757.8	907.7
FC Time (in US\$ terms)	3.0	2.4	2.2	2.1	1.6
Interbank Money Market	36.2	38.6	43.5	80.1	116.9
Bonds Issued	5.5	5.7	5.2	6.1	4.5
Funds Borrowed	100.6	105.9	115.7	141.9	141.3
Other liabilities	119.9	126.9	137.2	175.6	169.4
Shareholders' Equity	187.6	214.3	244.8	255.3	279.3
<b>TOTAL LIABILITIES &amp; SHE</b>	<b>1,669.4</b>	<b>1,743.0</b>	<b>1,930.1</b>	<b>2,165.0</b>	<b>2,313.1</b>

# APPENDIX: SUMMARY P&L

TL Million	QUARTERLY P&L			CUMULATIVE P&L		
	1Q24	2Q24	QoQ	1H23	1H24	YoY
(+) Net Interest Income including Swap costs	12,334	14,299	16%	31,433	26,633	-15%
(+) <i>NII excluding CPI linkers' income</i>	11,251	16,867	50%	20,380	28,118	38%
(+) <i>Income on CPI linkers</i>	8,412	9,328	11%	11,405	17,740	56%
(-) <i>Swap Cost</i>	-7,328	-11,897	62%	-352	-19,224	5368%
(+) Net Fees & Comm.	18,733	21,502	15%	13,372	40,235	201%
(+) Net Trading & FX gains/losses (excl. Swap costs and currency hedge)	9,663	8,476	-12%	9,147	18,138	98%
<i>info: Gain on Currency Hedge<sup>1</sup></i>	2,540	95	-96%	8,548	2,635	-69%
(+) Income on subsidiary income	4,502	4,871	8%	5,566	9,373	68%
(+) Other income (excl. Prov. reversals & one-offs)	930	869	-7%	1,203	2,765	130%
(+) Non-recurring other income	966	1,517	57%	2,834	1,517	-46%
(+) <i>Gain on asset sale &amp; Revaluation of real estate</i>	0	1,463	n.m	961	1,463	52%
(+) <i>Administrative Fine / Reversal</i>	0	0	n.m	-127	0	n.m
(+) <i>Free Provision Reversal</i>	0	0	n.m	2,000	0	n.m
(-) OPEX	-18,704	-20,445	9%	-20,902	-39,149	87%
(-) <i>HR</i>	-7,363	-7,685	4%	-7,548	-15,047	99%
(-) <i>Non-HR</i>	-11,341	-12,760	13%	-13,354	-24,102	80%
(-) Net Expected Loss (excl. Currency impact)	-1,967	-2,470	26%	-2,816	-4,436	58%
(-) <i>Expected Loss</i>	-14,945	-11,929	-20%	-20,634	-26,874	30%
<i>info: Currency Impact<sup>1</sup></i>	-2,540	-95	-96%	-8,548	-2,635	-69%
(+) <i>Provision Reversal under other Income</i>	10,439	9,365	-10%	9,270	19,803	114%
(-) Taxation and other provisions	-4,140	-6,096	47%	-5,631	-10,237	82%
(-) <i>Free Provision</i>	0	0	n.m	0	0	n.m
(-) <i>Taxation</i>	-4,129	-6,069	47%	-5,584	-10,198	83%
(-) <i>Other provisions (excl. free prov.)</i>	-12	-27	133%	-47	-38	-18%
<b>= NET INCOME</b>	<b>22,316</b>	<b>22,522</b>	<b>1%</b>	<b>34,205</b>	<b>44,839</b>	<b>31%</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

	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24
<b>Profitability ratios</b>					
ROAE (Cumulative) <sup>1</sup>	38.6%	41.2%	44.9%	35.9%	34.3%
ROAA (Cumulative) <sup>1</sup>	4.8%	5.1%	5.6%	4.4%	4.2%
Cost/Income	34.4%	32.6%	32.3%	39.7%	40.3%
<b>Liquidity ratios</b>					
Loans / Deposits	71.0%	75.8%	75.5%	79.6%	80.2%
TL Loans / TL Deposits	79.4%	87.2%	84.9%	94.3%	85.9%
Adj. Loans/Deposits (Loans adj. with on-balance sheet alternative funding sources)	61%	65%	64%	68%	69%
TL Loans / (TL Deposits + TL Bonds + Merchant Payables)	75.4%	81.9%	79.1%	86.9%	80.0%
FC Loans / FC Deposits	56.5%	56.7%	58.9%	56.5%	67.9%
<b>Asset quality ratios</b>					
NPL Ratio	2.1%	1.9%	2.0%	1.9%	1.9%
Coverage Ratio	4.9%	4.5%	4.3%	3.9%	3.8%
+ Stage1	0.5%	0.5%	0.5%	0.5%	0.5%
+ Stage2	20.8%	20.8%	21.9%	21.5%	19.2%
+ Stage3	70.2%	69.6%	67.6%	65.2%	64.0%
Cumulative Net Cost of Risk (excluding currency impact, bps) <sup>2</sup>	74	66	67	69	74
<b>Solvency ratios</b>					
CAR (excl. BRSA Forbearance)	17.7%	18.3%	18.3%	17.1%	16.8%
Common Equity Tier I Ratio (excl. BRSA Forbearance)	15.5%	16.1%	16.2%	14.2%	14.4%
Leverage	7.9x	7.1x	6.9x	7.5x	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, 2Q23, 3Q23, 1Q24 and 2Q24.

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	3Q23	4Q23	1Q24	2Q24
<b>(-) Expected Credit Losses</b>	<b>6,496</b>	<b>8,196</b>	<b>14,945</b>	<b>11,929</b>
Stage 1	1,162	2,274	4,582	1,384
Stage 2	3,542	1,024	5,276	5,645
Stage 3	1,792	4,898	5,087	4,900
<b>(+) Provision Reversals under other income</b>	<b>4,384</b>	<b>3,264</b>	<b>10,439</b>	<b>9,365</b>
Stage 1	2,317	1,931	4,861	2,503
Stage 2	516	322	2,556	4,491
Stage 3	1,550	1,011	3,021	2,371
<b>(=) (a) Net Expected Credit Losses</b>	<b>2,112</b>	<b>4,932</b>	<b>4,507</b>	<b>2,564</b>
<b>(b) Average Gross Loans</b>	<b>925,333</b>	<b>1,016,279</b>	<b>1,144,229</b>	<b>1,265,714</b>
<b>(a/b) Quarterly Total Net CoR (bps)</b>	<b>91</b>	<b>193</b>	<b>158</b>	<b>81</b>
info: Currency Impact <sup>1</sup>	39	123	89	3
<b>Total Net CoR excl. currency impact (bps)</b>	<b>51</b>	<b>69</b>	<b>69</b>	<b>78</b>

(Million TL)

Cumulative Net Expected Credit Loss	6M24
<b>(-) Expected Credit Losses</b>	<b>26,874</b>
Stage 1	5,966
Stage 2	10,921
Stage 3	9,987
<b>(+) Provision Reversals under other income</b>	<b>19,803</b>
Stage 1	7,364
Stage 2	7,047
Stage 3	5,392
<b>(=) (a) Net Expected Credit Losses</b>	<b>7,071</b>
<b>(b) Average Gross Loans</b>	<b>1,199,186</b>
<b>(a/b) Cumulative Total Net CoR (bps)</b>	<b>119</b>
info: Currency Impact <sup>1</sup>	44
<b>Total Net CoR excl. currency impact (bps)</b>	<b>74</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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