

9M 2021 Earnings Presentation

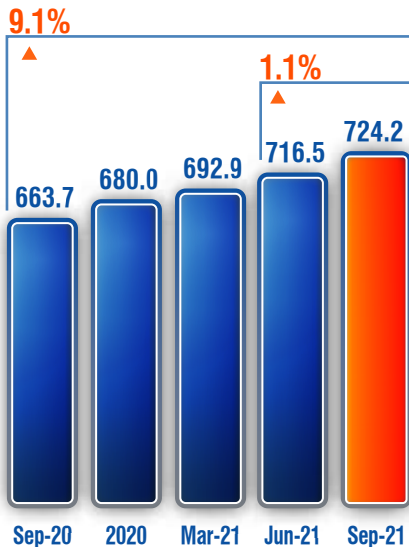
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PROFIT A BLE
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RIS K CONSCIOUS
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SUST A INABLE
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FX liquidity continued to rise while the total FX wholesale funding maturing in 12 months limited at USD 357 mn

> FX LCR is at 470%, well above the regulatory limit of 80%.

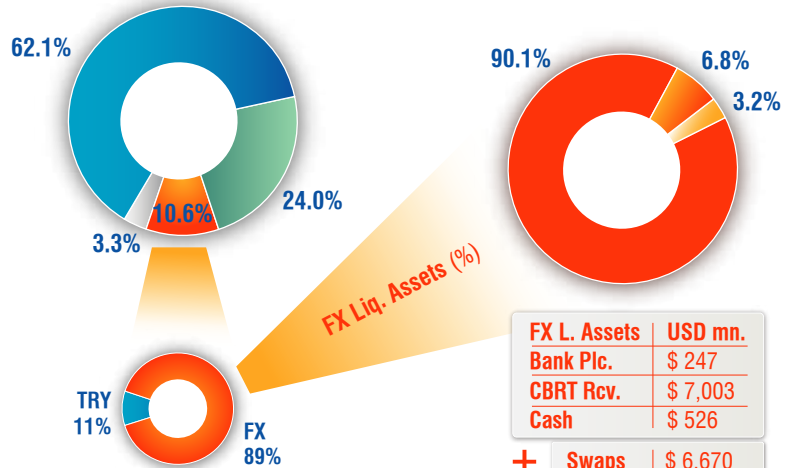
Asset Growth
 YoY **9.1%** QoQ **1.1%**

Total Asset Growth (TRY billion)



Asset Mix (%)

- Loans
- Securities
- Bank Placements
- CBRT Receivables
- Cash
- Liq. Assets
- Other Assets



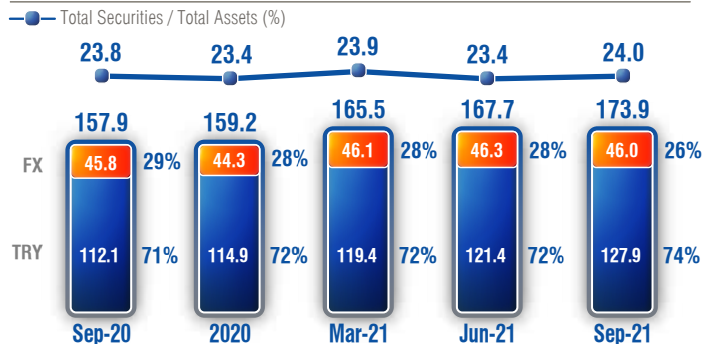
FX L. Assets	USD mn.
Bank Plc.	\$ 247
CBRT Rcv.	\$ 7,003
Cash	\$ 526

+ Swaps | \$ 6,670

FX wholesale funding (excluding bank deposits) due within 12 months = \$357 mn.

Boosted CPI linker gain driven by both its valuation adjustment and from the linkers' increased share within the total portfolio

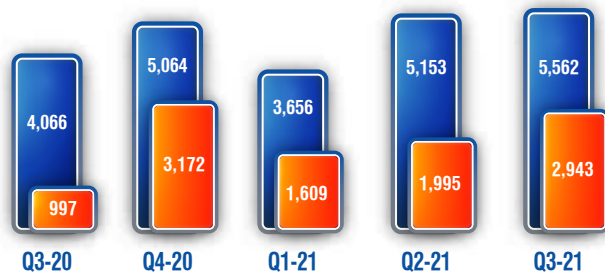
Total Securities Portfolio (TRY billion)



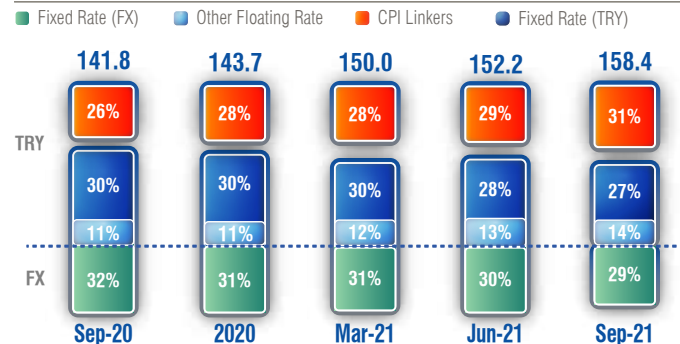
Interest Income on Securities (TRY million)

● Total ● CPI Linkers

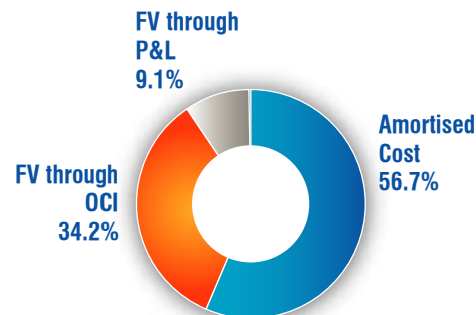
CPI Linkers' valuation rate has adjusted from 16% to 19% in 3Q21.



Securities Classification (TRY billion)^(*)



Securities Composition (%)



(*) Excluding borrowed securities

Balanced YoY loan growth backed by SME segment

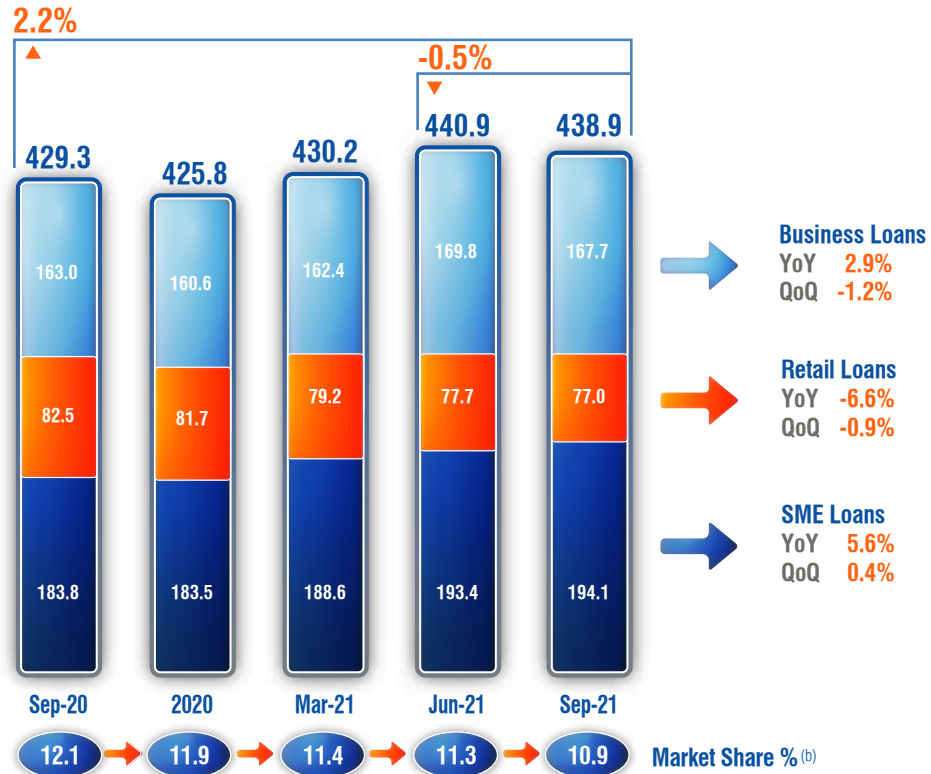
 (TRY billion)^(a)

CGF Utilization (TRY bn)	Jun-21	Sep-21
Current loan amount	50.5	44.3

Total Loans	
HALKBANK	B. Sector^(b)
YoY 2.2%	YoY 13.6%
QoQ -0.5%	QoQ 3.1%

TRY Loans	
HALKBANK	B. Sector^(b)
YoY 3.1%	YoY 13.7%
QoQ 0.1%	QoQ 4.5%

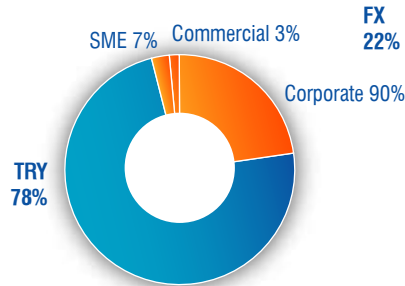
FX Loans	
HALKBANK	B. Sector^(b)
YoY -0.8%	YoY 13.4%
QoQ -2.5%	QoQ 0.7%
in USD terms	
YoY -13.2%	YoY -0.9%
QoQ -4.5%	QoQ -1.4%



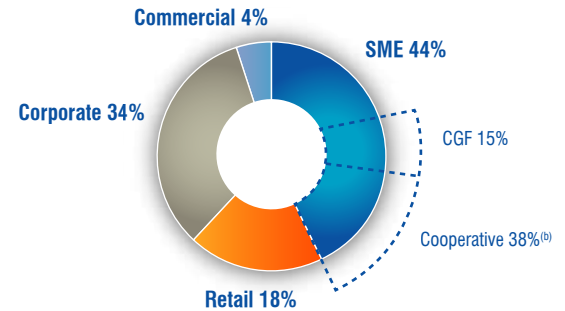
(a) Excluding interest accruals (b) BRSA monthly data as of Sep-21.

TRY and SME dominated & well-collateralised loan portfolio

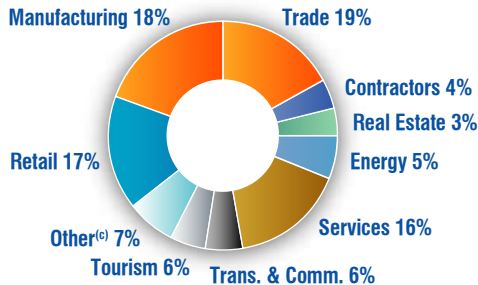
Loans by Currency (%)^(a)



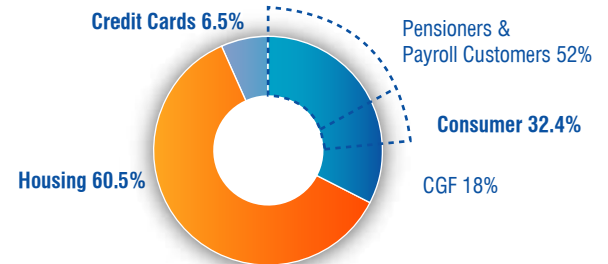
Loans by Customer Segmentation (%)^(a)



Sectoral Breakdown of Loans (%)



Retail Loans by Types (%)^(a)

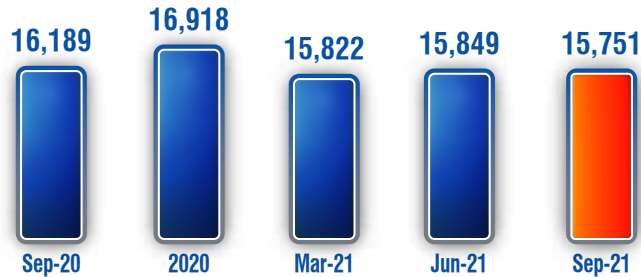


(Vehicle Loans make up 0.5% of Retail Loans.)

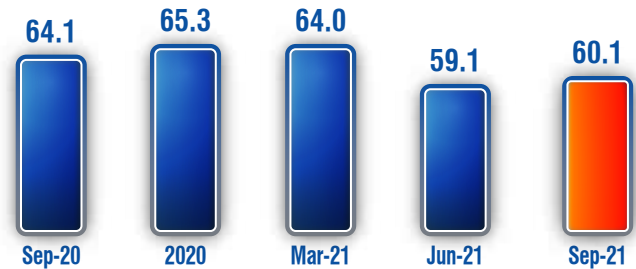
(a) Excluding interest accruals (b) Micro SMEs (c) Includes sectors below 3%.

Below sector NPL ratio maintained with an increasing coverage

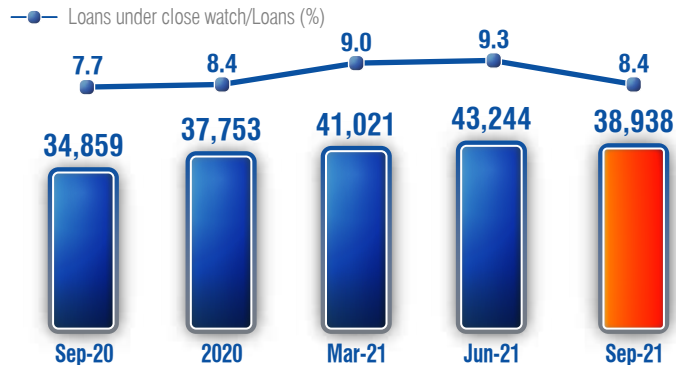
NPL Portfolio (TRY million)^(a)



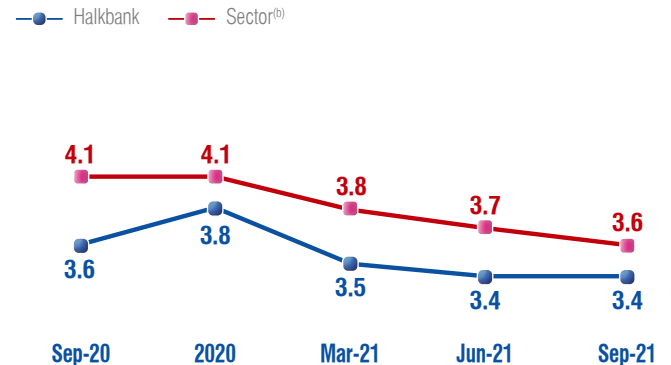
NPL Coverage (%)^(a)



Loans under Close Watch (TRY million)^(a)



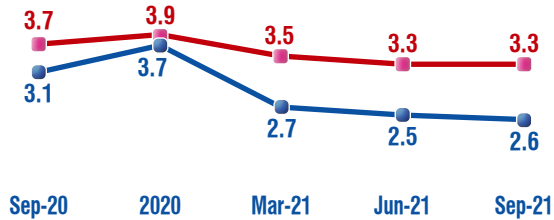
NPL/Total Loans (%)^(a)



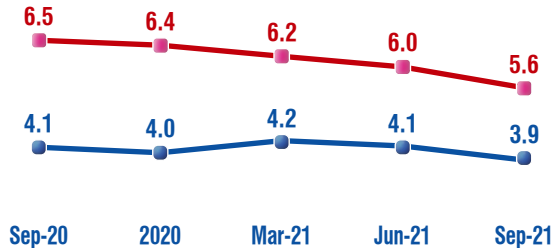
(a) Including interest accruals (b) BRSA monthly data as of Sep-21.

NPL ratio by segments

Corporate - Commercial (%)

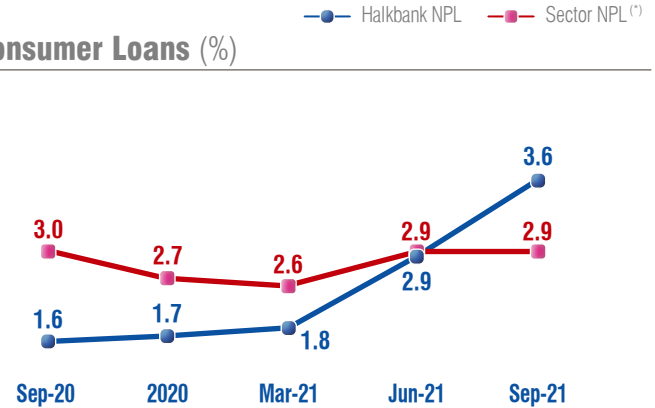


SME Loans (%)

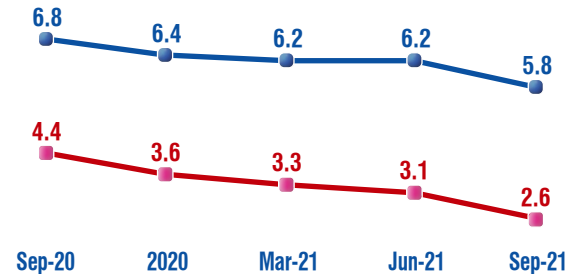


(*) BRSA monthly data as of Sep-21.

Consumer Loans (%)



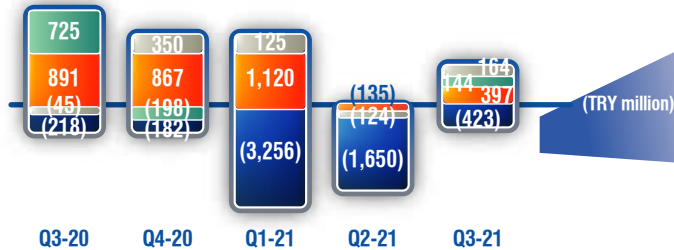
Credit Cards (%)



Asset quality dynamics on a quarterly basis

Provisions and Reversals (TRY million)

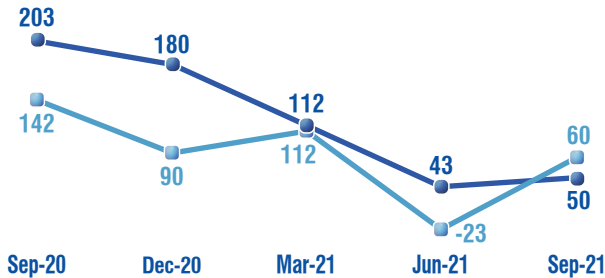
■ Provision Reversals
 ■ S1 Provisions
 ■ S2 Provisions
 ■ S3 Provisions



• Includes roughly a TRY 0.3 bn. NPL reversals due to the improvement in customers' scorings and roughly TRY 0.1 bn. of performing loan reversal due to collection performance.

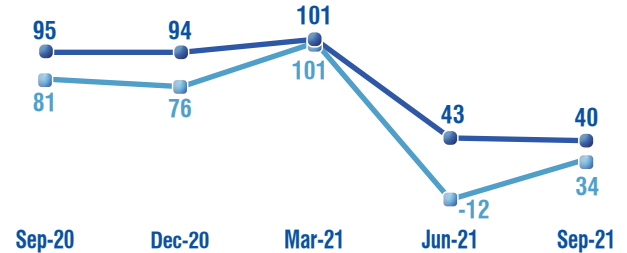
Gross Total Cost of Risk (bps)^(a)

● YtD
 ■ Quarterly



Gross Specific Cost of Risk (bps)^(b)

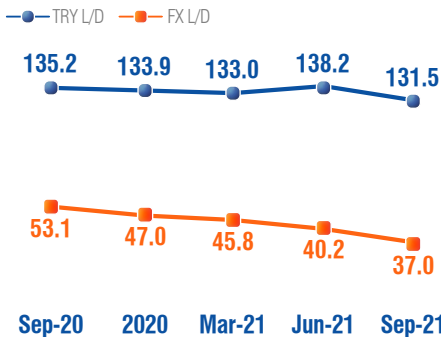
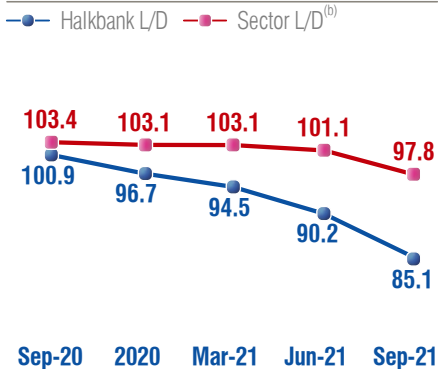
● YtD
 ■ Quarterly



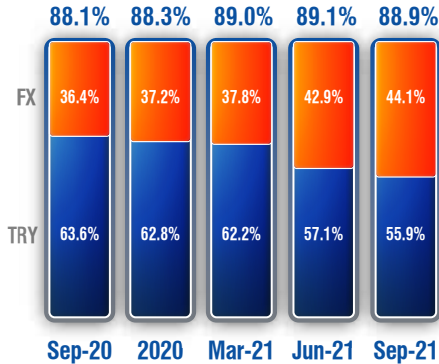
(a) Total Provisions / Average Gross Loans (b) S3 Provisions / Average Gross Loans

Steadily growing share of deposits mirrored in LDR, comfortably low at 85.1%

Loan to Deposit (%)

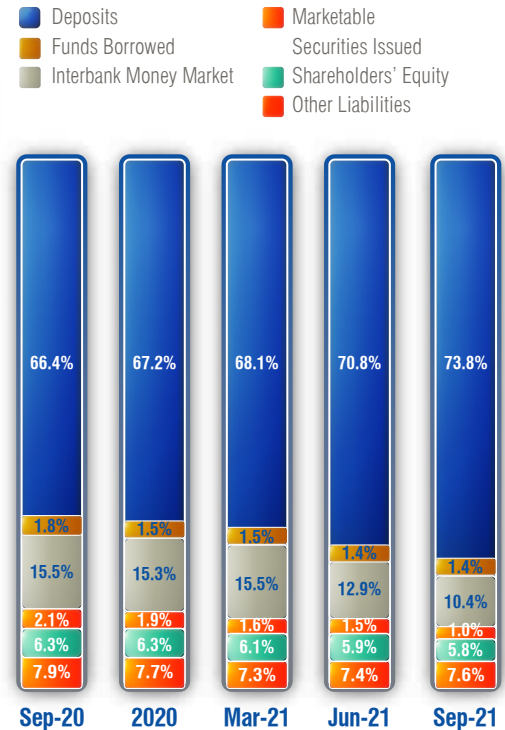


Composition of IBLs^(a)



> FX wholesale funding makes up 3.2% of total liabilities vs sector average^(b) of 18.4%.

Liabilities Mix (%)



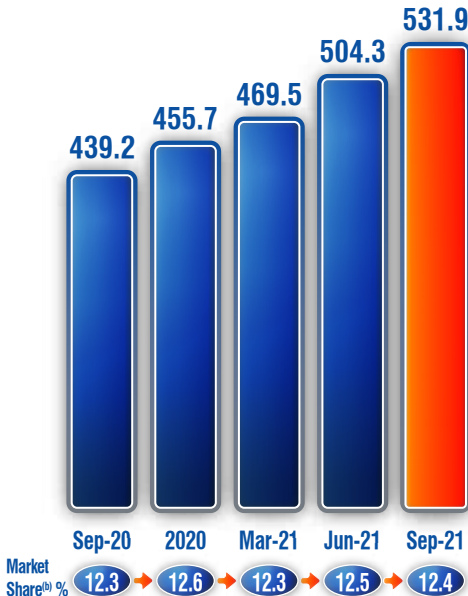
(a) Including interest accruals and excluding funds. Excluding demand deposits, the share of IBL is 73.4% in Sep-21.

(b) BRSA monthly data as of Sep-21, gross loans and including interbank deposits.

Expanded TRY deposit base in line with declining costs, preserved market share at 14%

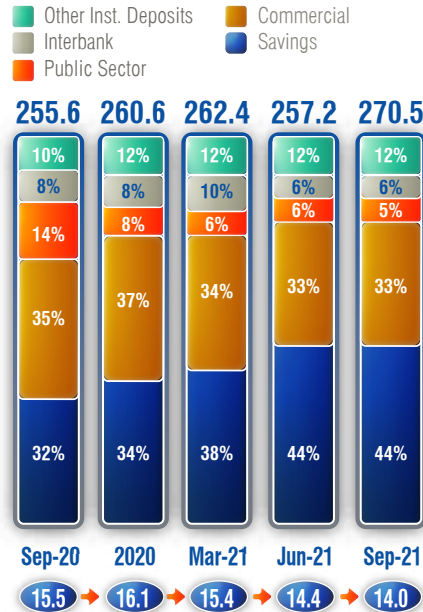
	HALKBANK	B. Sector ^(b)
YoY	21.1%	19.5%
QoQ	5.5%	6.5%

Total Deposits (TRY billion)^(a)



	HALKBANK	B. Sector ^(b)
YoY	5.8%	17.0%
QoQ	5.2%	7.8%

TRY Deposits (TRY billion)^(a)



	HALKBANK	B. Sector ^(b)
YoY	42.4%	21.6%
QoQ	5.8%	5.4%
in USD		
YoY	24.5%	6.3%
terms	QoQ	3.6%
		3.3%

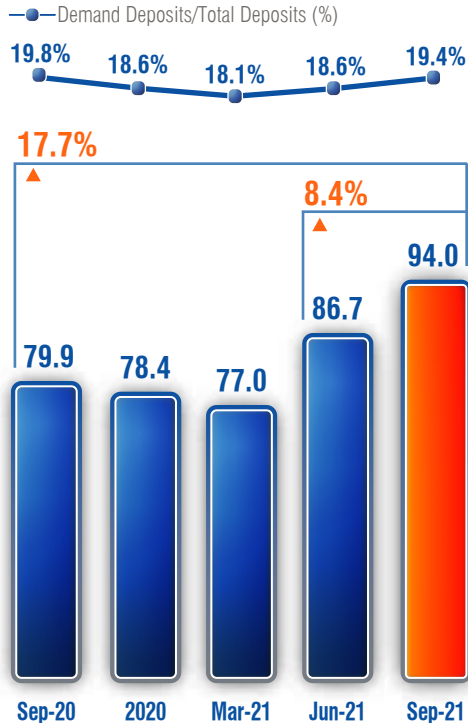
FX Deposits (TRY billion)^(a)



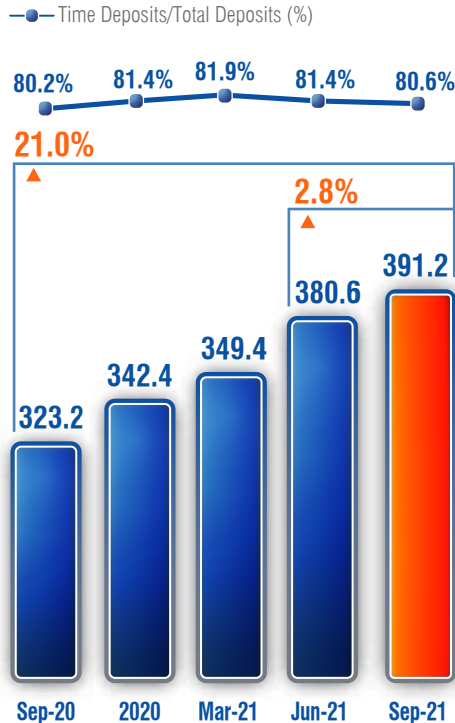
(a) Excluding interest accruals. (b) BRSA monthly data as of Sep-21, including interbank deposits.

Increasing share of demand deposits, 19.4%

Demand Deposits (TRY billion)^(a)



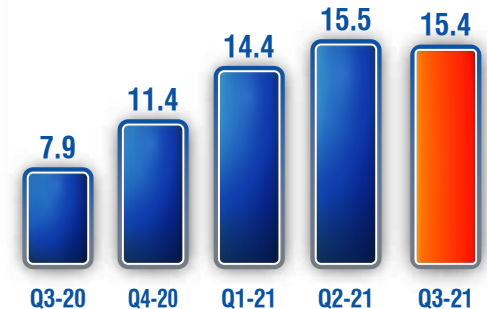
Time Deposits (TRY billion)^(a)



Deposits by Currency (%)^(b)



Cost of TRY Deposits (%)^(c)

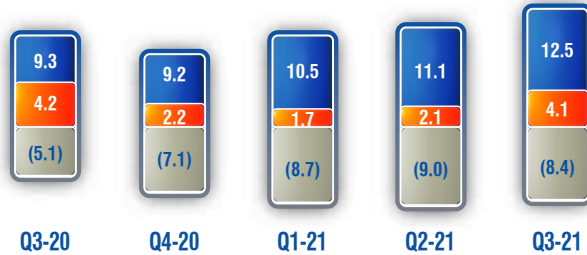


(a) Excluding interest accruals and interbank. (b) Excluding interest accruals. (c) Time & demand blended.

Cost – Yield – Spread

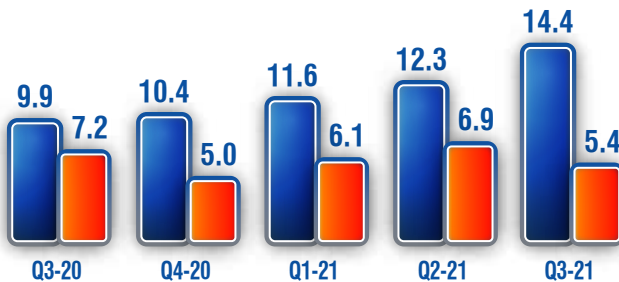
Blended Cost - Yield - Spread (%)

■ Yield on Loans
 ■ Cost of Deposits^(*)
 ■ Spread



Yield on Loans (%)

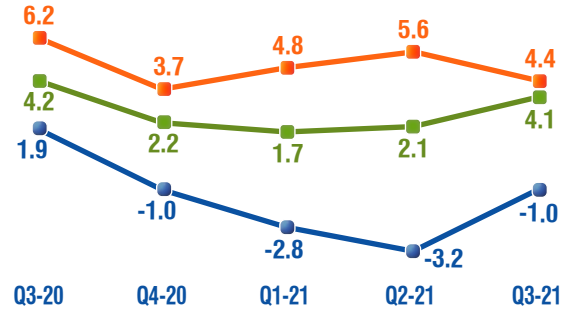
■ TRY
 ■ FX



(*) Time & demand blended.

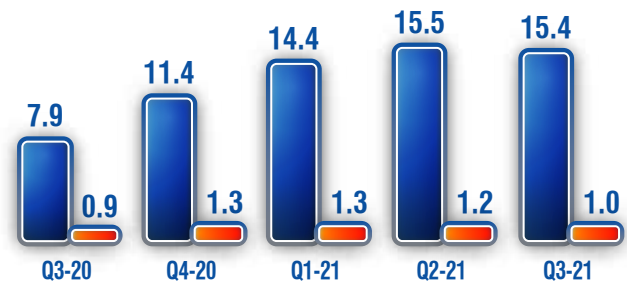
Spreads (%)

— TRY Core
 — FX Core
 — Blended Core



Cost of Deposits (%)^(*)

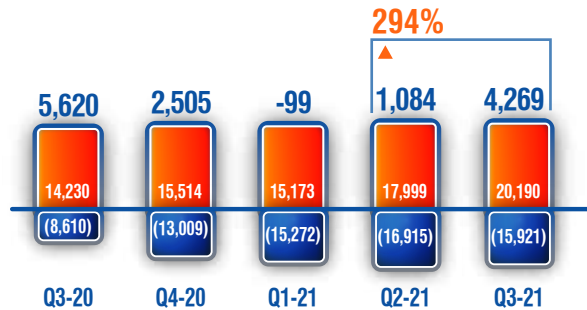
■ TRY
 ■ FX



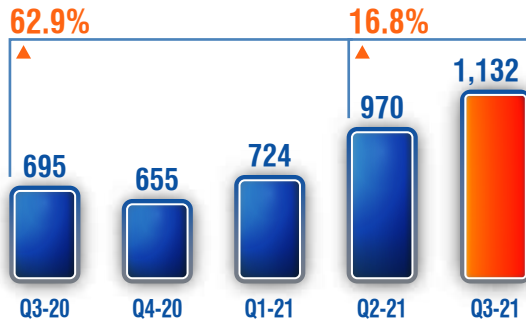
Improved NII accompanied by soaring F&C

Net Interest Income (TRY million)

Interest Income Interest Expenses

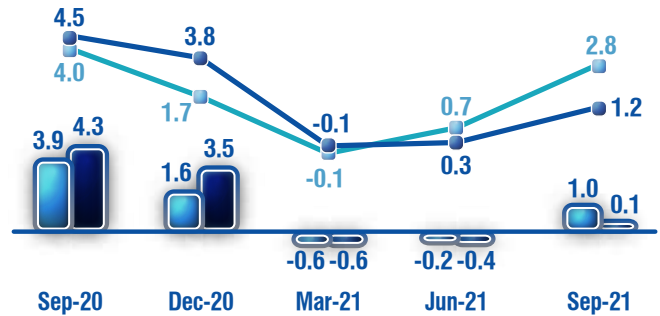


Net Fees & Commissions Income (TRY million)

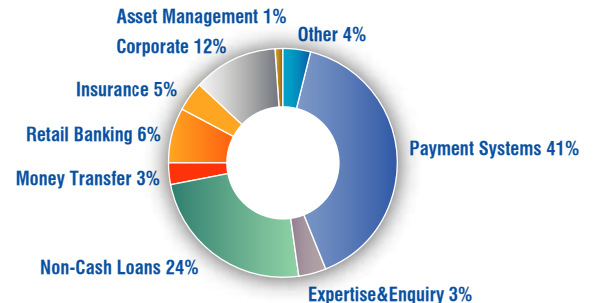


NIM (%)

YTD Quarterly Swap adj. (YTD) Swap adj. (QoQ)

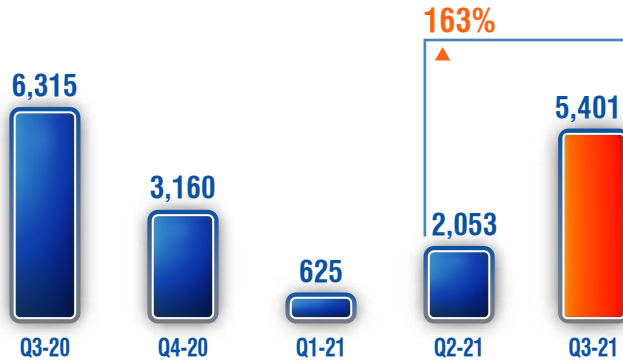


Breakdown of Fees & Commissions (%)

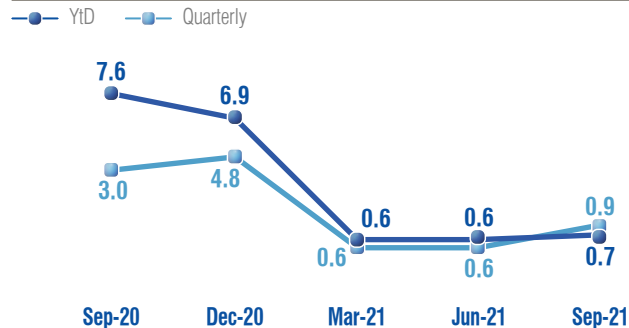


Details of profitability metrics

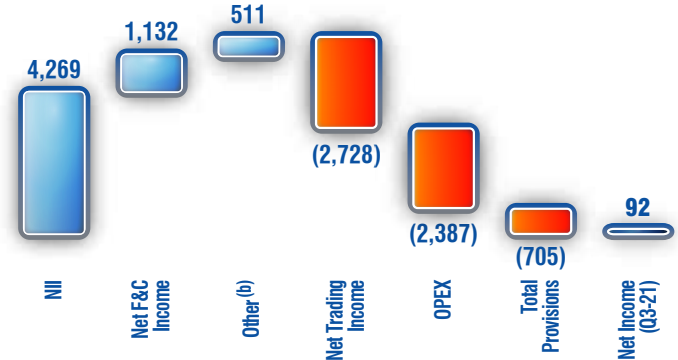
Core Operating Revenues (TRY million)^(a)



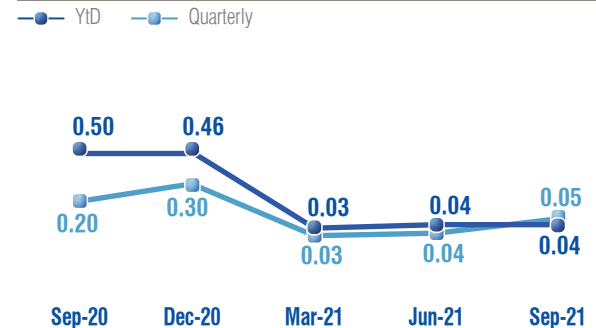
RoE (%)



Q3-21 Revenue Walk (TRY million)



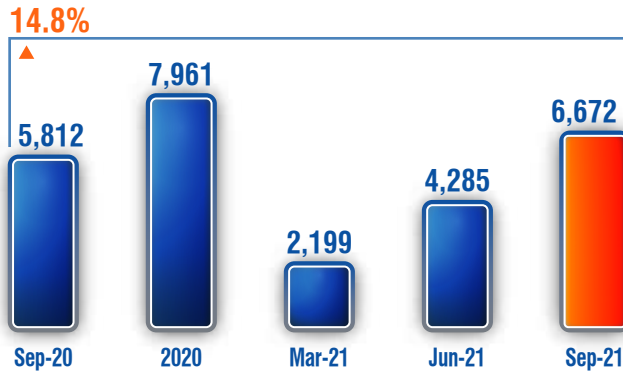
RoA (%)



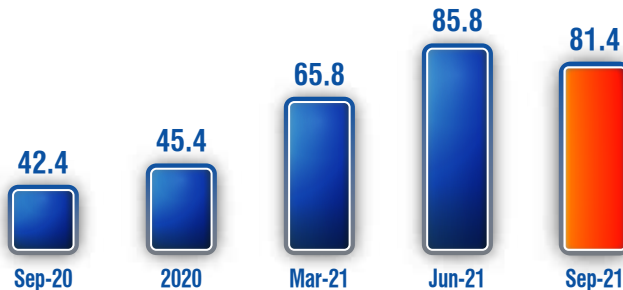
(a) Net Interest Income + Net Fees & Commissions (b) Other Operating Income + Tax Provisions + Dividend

Details of operating expenses

Operating Expenses (TRY million)^(*)

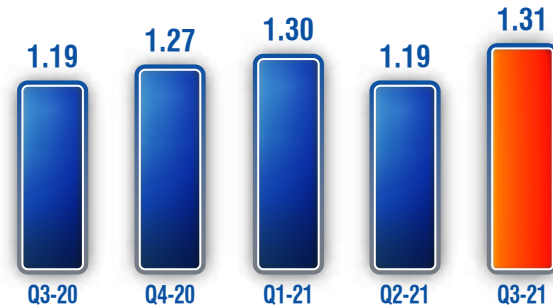


Cost/Income (%)^(*)

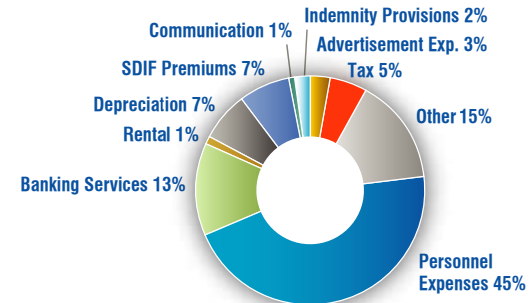


(*) Cumulative

Operating Expenses / Average Assets (%)



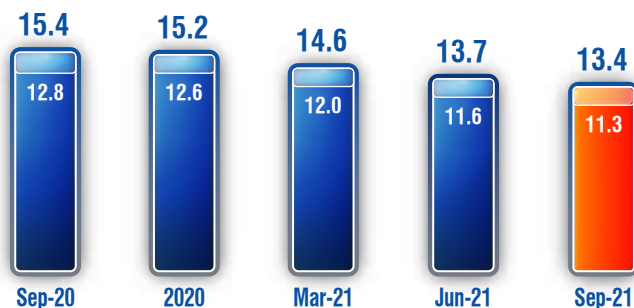
Breakdown of Operating Expenses (%)^(*)



Solvency Ratios

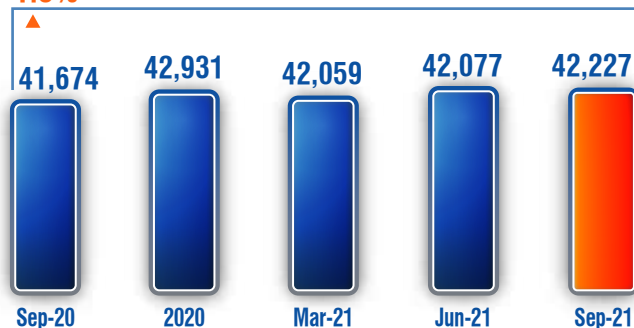
CAR (%)

● Tier-I ● CAR



SHE (TRY million)

▲ 1.3%



Details on Capital Ratio

Details on Capital Ratio (TRY mn)

	Cons. Basel III Sep-21	Uncons. Basel III Sep-21
Credit Risk Base Amount (CRBA)	426,821	412,371
Market Risk Base Amount (MRBA)	17,093	14,773
Operational Risk Base Amount (ORBA)	25,962	23,860
Total Risk Weighted Assets (RWAs)	469,875	451,003
Regulatory Capital	60,888	60,562
CAR (%)	12.96	13.43
Tier-I (%)	10.85	11.26
Common Equity Tier-I (%)	8.89	9.22

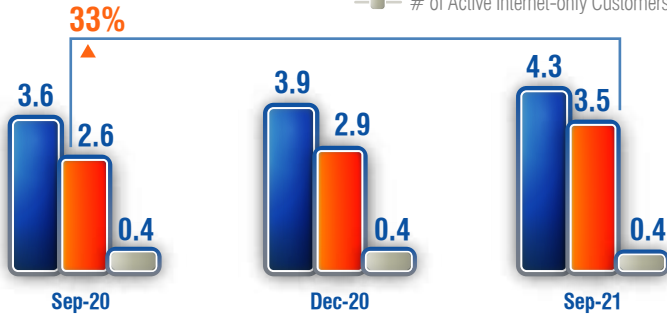
Basel III Capital Requirements	Minimum	Capital Conservation Buffer	Counter Cyclical Buffer*	SIFI Buffer	Consolidated Regulatory Requirements
CAR (%)	8.00	2.50	0.05	1.50	12.05
Tier-I (%)	6.00	2.50	0.05	1.50	10.05
CET-I (%)	4.50	2.50	0.05	1.50	8.55

(*) Countercyclical Capital Buffer is 0.01% on an unconsolidated basis.

Continuous improvement in digital reflected in the numbers

Active Digital Customers by Types (million)

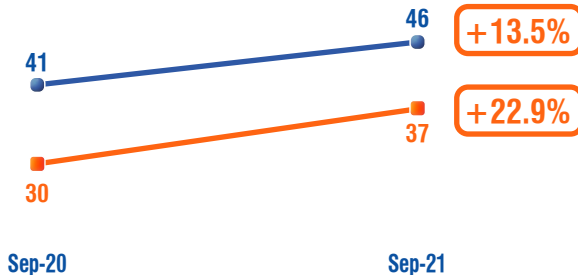
■ # of Total Active Digital Customers^(a)
■ # of Active Mobile-only Customers
 ■ # of Active Internet-only Customers



of active digital banking customers increased 20% YoY, and reached 4.3 million
 # of active mobile banking customers increased 33% YoY, and reached 3.5 million

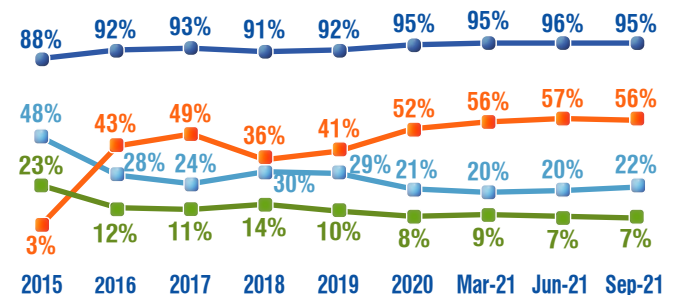
Total Digital Transactions Growth (Million)^(b)

■ # of Total Digital Transactions
 ■ # of Mobile Transactions



Evolution of Transactions per Channel (% Share)

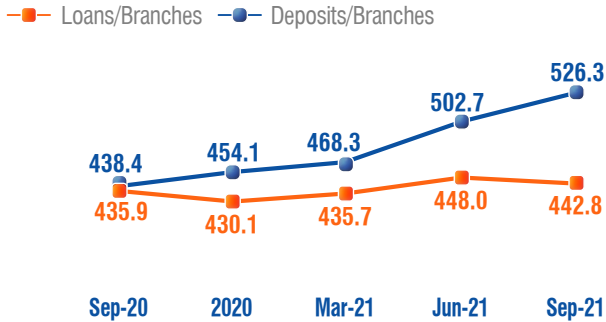
■ Total Non-Branch
 ■ Mobile Banking
 ■ ATM
 ■ Internet Banking



(a) Internet-only customers + Mobile-only customers + Those customers who use both internet and mobile (b) Internet Transactions + Mobile Transactions

Branch Network – Human Resources

Loans and Deposits per Branch (TRY million)

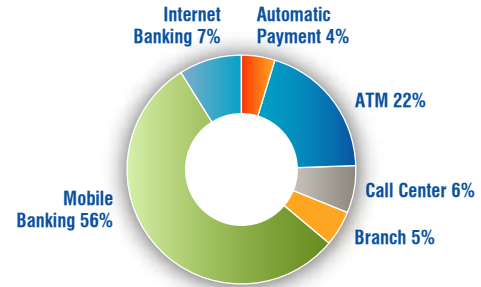


Branches^(*)

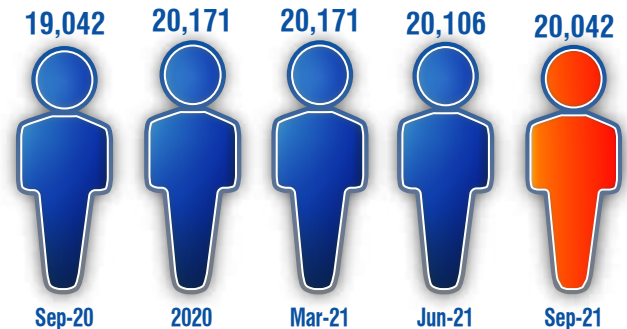


(*) Domestic branches

Breakdown of Banking Transactions (%)



Headcount



Annex

Halkbank	TRY Million	Market Share (%)
Total Assets	724,242	10.3
Loans ^(a)	438,907	10.9
TRY Loans	342,132	13.2
FC Loans	96,775	6.7
SME Loans	194,117	20.7
Corp. + Comml. L.	167,745	7.7
Retail Loans	77,045	8.3
Housing	46,638	16.5
GPLs	24,991	5.7
Credit Cards	5,011	2.7

Banking Sector Metrics ^(b)	9M-20	9M-21
Loan Growth (YtD, %)	33.9	12.9
Deposit Growth ^(c) (YtD, %)	33.8	18.4
LDR (%)	103.4	97.8
NPL (%)	4.1	3.6
CoR ^(d) (bps)	121	85
Macroeconomic Indicators	9M-20	Current
GDP Growth (%)	6,3	21.7 ^(e)
CPI (%)	11,8	19.9 ^(f)
Unemployment (%)	12,7	11.5 ^(g)
CBT Policy Interest Rate (%)	10,25	16.00

(b) BRSA monthly data as of Dec-20 and Sep-21.

(c) Including interbank deposits.

(d) S3 provisions/Av. Gross Loans

(e) Turkish Statistical Institute (TSI), 2021/2.

(f) TSI, Oct-21.

(g) TSI, Sep-21.

(a) Excluding interest accruals and including TRY 0.6 million amount of other loans.

Balance Sheet

In TRY million	Sep-20	2020	Jun-21	Sep-21	QoQ (%)	YtD (%)	YoY (%)
Cash and Balances Held with the Central Bank ^(a)	41,374	63,476	71,107	74,259	4.4	17.0	79.5
Banks & Money Market ^(b)	3,567	2,146	3,063	2,484	(18.9)	15.8	(30.4)
Securities ^(b)	157,898	159,200	167,683	173,880	3.7	9.2	10.1
Net Loans ^(b)	438,052	433,113	452,057	449,858	(0.5)	3.9	2.7
Gross NPL	16,189	16,918	15,849	15,751	(0.6)	(6.9)	(2.7)
NPL Net	5,812	5,869	6,489	6,284	(3.2)	7.1	8.1
Property and Equipment	8,211	8,450	8,741	8,521	(2.5)	0.8	3.8
Other Assets	14,573	13,641	13,863	15,241	9.9	11.7	4.6
Total Assets	663,675	680,026	716,515	724,242	1.1	6.5	9.1
Deposits ^(b)	440,615	457,286	507,254	534,754	5.4	16.9	21.4
Funds Borrowed ^(b)	11,685	10,387	10,211	9,837	(3.7)	(5.3)	(15.8)
Interbank Money Market ^(b)	102,844	103,956	92,775	75,670	(18.4)	(27.2)	(26.4)
Marketable Securities Issued	14,173	13,195	11,086	6,892	(37.8)	(47.8)	(51.4)
Funds	3,259	3,617	27	8	(69.2)	(99.8)	(99.7)
Other Liabilities	47,578	46,569	51,272	52,805	3.0	13.4	11.0
Provisions	1,847	2,084	1,813	2,050	13.1	(1.7)	11.0
Shareholders' Equity	41,674	42,931	42,077	42,227	0.4	(1.6)	1.3
Total Liabilities	663,675	680,026	716,515	724,242	1.1	6.5	9.1

(a) Reserve deposits monitored in balance with Central Bank

(b) Including interest accruals

Income Statement

In TRY million	Sep-20	Sep-21	YoY%	Q3-20	Q2-21	Q3-21	QoQ (%)	YoY (%)
Interest Income	38,225	53,361	39.6	14,230	17,999	20,190	12.2	41.9
On Loans	27,826	37,979	36.5	10,076	12,478	14,216	13.9	41.1
On Securities	10,206	14,371	40.8	4,066	5,153	5,562	7.9	36.8
Interest Expense	21,976	48,108	118.9	8,610	16,915	15,921	(5.9)	84.9
On Deposits	14,341	32,259	124.9	5,455	11,123	11,069	(0.5)	102.9
Net Interest Income	16,249	5,253	(67.7)	5,620	1,084	4,269	293.9	(24.0)
Net Fees and Commissions	1,960	2,826	44.2	695	970	1,132	16.8	62.9
Net Trading Income	(5,632)	(5,544)	(1.6)	(3,198)	(2,174)	(2,728)	25.5	(14.7)
Swap Cost	(887)	(4,873)	449.5	(173)	(1,422)	(2,740)	92.6	1,485.3
Other Operating Income	1,118	5,659	406.3	364	1,770	527	(70.2)	44.9
Reversal of Loan Loss Provisions	614	2,963	382.4	218	623	289	(53.6)	32.6
Total Operating Revenues	13,694	8,194	(40.2)	3,481	1,649	3,201	94.1	(8.1)
Operating Expenses	5,812	6,672	14.8	1,880	2,086	2,387	14.4	27.0
Net Operating Income	7,882	1,522	(80.7)	1,602	(437)	814	N/A	(49.2)
Provision for Loan Losses and Other Receivables	5,838	1,692	(71.0)	1,365	(260)	705	N/A	(48.3)
Stage 3 Provisions	2,713	1,382	(49.1)	891	(135)	397	N/A	(55.5)
Profit/(Losses) from Associates	511	150	(70.6)	4	10	1	(86.0)	(62.4)
Income Before Taxes	2,555	(19)	N/A	240	(167)	110	N/A	(54.3)
Provision for Tax	465	(235)	N/A	(75)	(231)	18	N/A	N/A
Net Income	2,090	215	(89.7)	315	64	92	44.1	(70.7)

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