

H1 2022 Earnings Presentation

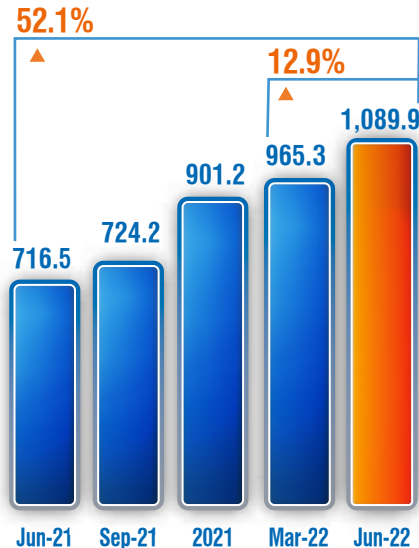
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PROFIT A BLE
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Total FX liquid assets outpaced the total FX wholesale debt due within 12 months

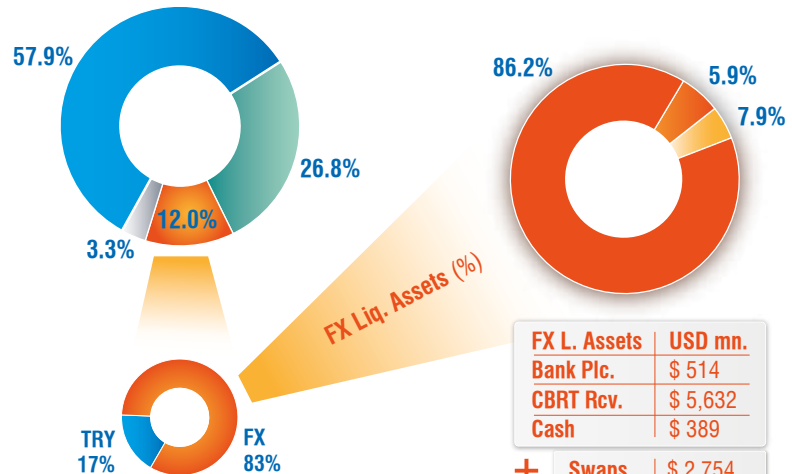
> FX LCR is at 342%, well above the regulatory limit of 80%.

Asset Growth YoY 52.1% QoQ 12.9%

Total Asset Growth (TRY billion)



Asset Mix (%)



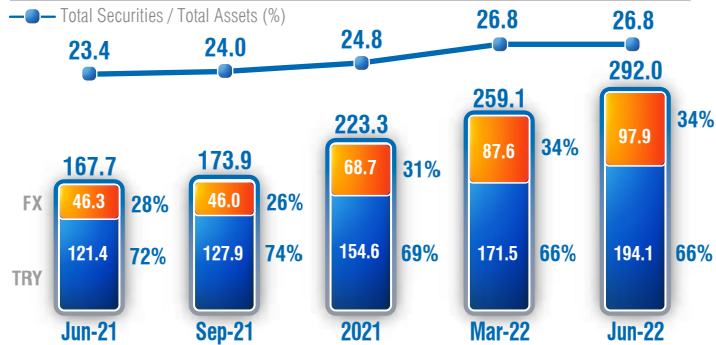
FX L. Assets	USD mn.
Bank Plc.	\$ 514
CBRT Rcv.	\$ 5,632
Cash	\$ 389

+ Swaps | \$ 2,754

> FX wholesale funding (excluding bank deposits) due within 12 months = \$390 mn.

Well performing CPI-linkers income due to both its valuation adjustment and growing portfolio

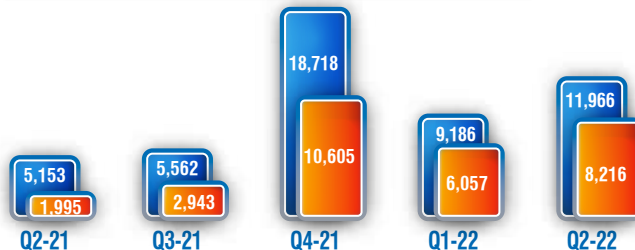
Total Securities Portfolio (TRY billion)



Interest Income on Securities (TRY million)

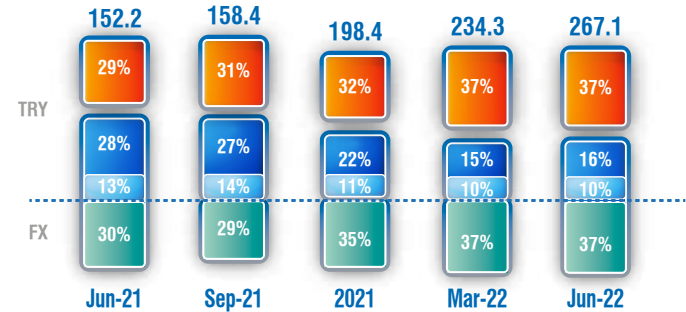
■ Total ■ CPI Linkers

CPI linkers' valuation rate was adjusted from 36% to 40% in 2Q22.
In 3Q22, the valuation rate has been updated to 60%.

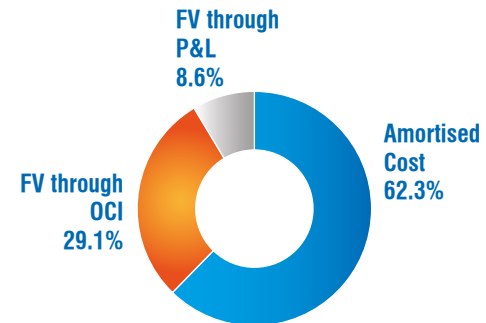


Securities Classification (TRY billion)(*)

■ Fixed Rate (FX) ■ Other Floating Rate ■ CPI Linkers ■ Fixed Rate (TRY)



Securities Composition (%)

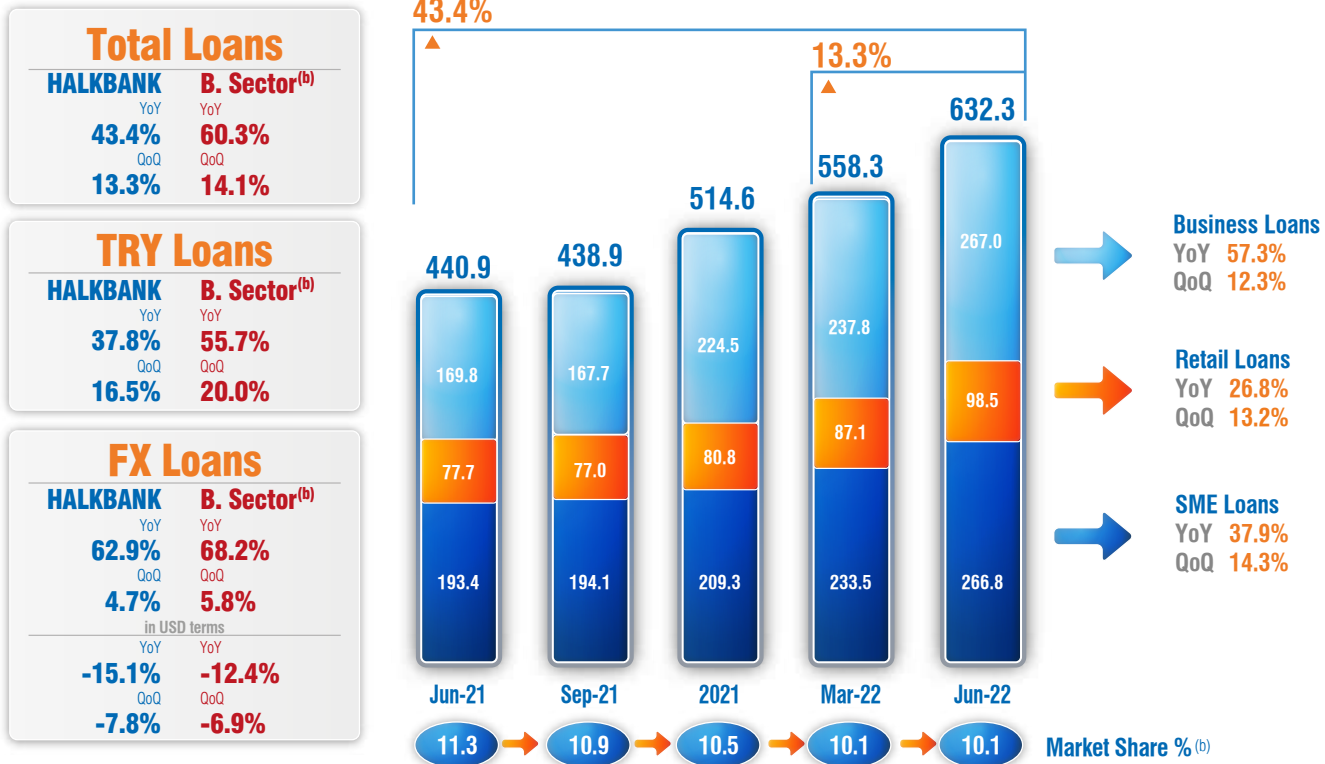


(*) Excluding borrowed securities

Moderate QoQ loan growth with a resilient market share

(TRY billion)^(a)

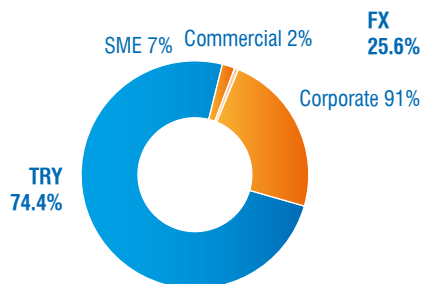
CGF Utilisation (TRY bn)	Mar-22	Jun-22
Current loan amount	39.9	38.5



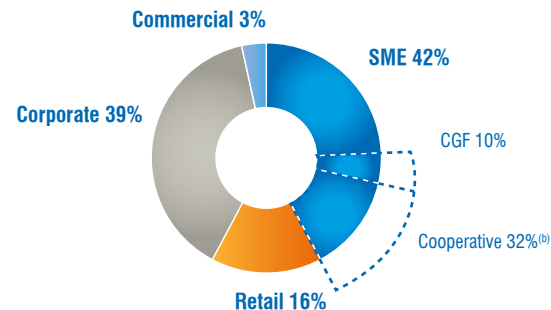
(a) Excluding interest accruals (b) BRSA monthly data as of Jun-22.

TRY loans increased its weight within the total loan book with the help of the ongoing contraction on FX loans

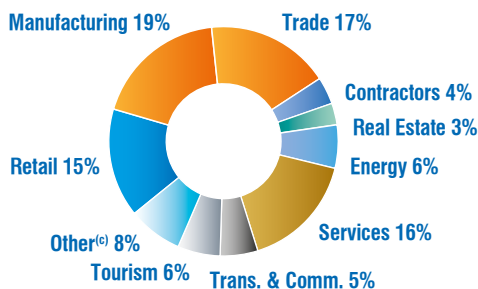
Loans by Currency (%)^(a)



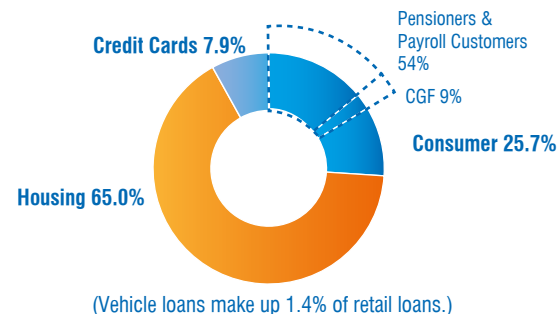
Loans by Customer Segmentation (%)^(a)



Sectoral Breakdown of Loans (%)



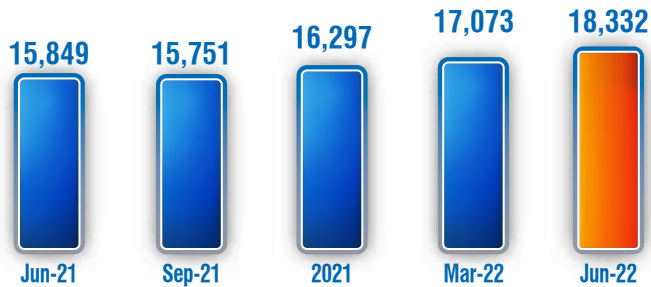
Retail Loans by Types (%)^(a)



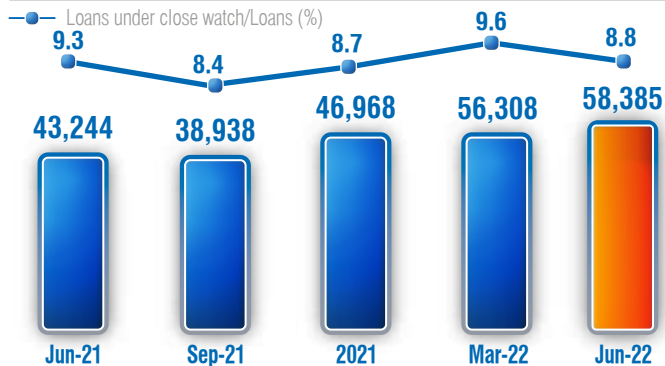
(a) Excluding interest accruals (b) Micro SMEs (c) Includes sectors below 3%.

NPL ratio continued to stay at a limited 2.8%

NPL Portfolio (TRY million)

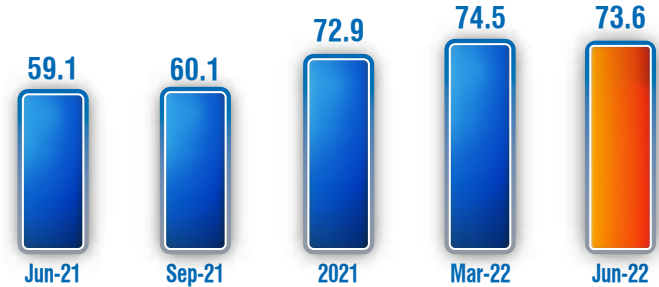


Loans under Close Watch (TRY million)

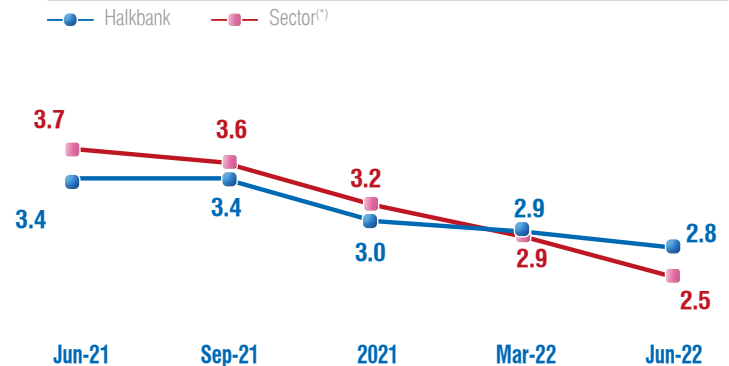


(*) BRSA monthly data as of Jun-22.

NPL Coverage (%)

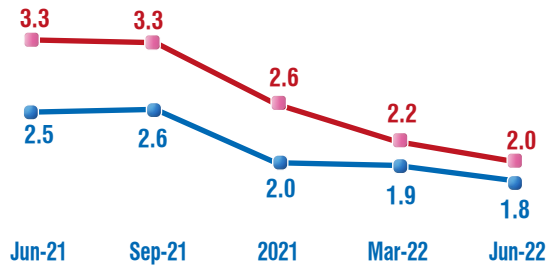


NPL/Total Loans (%)

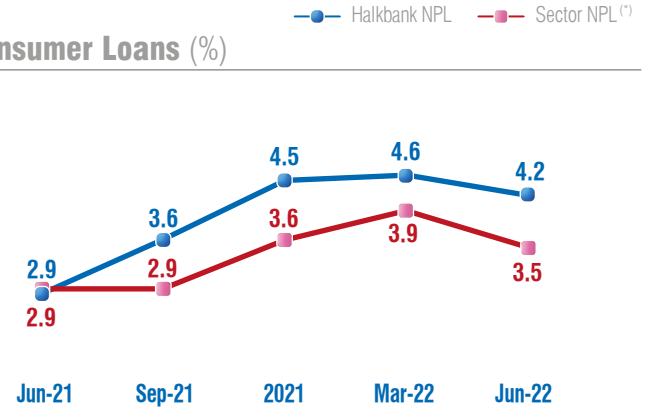


NPL ratio by segments

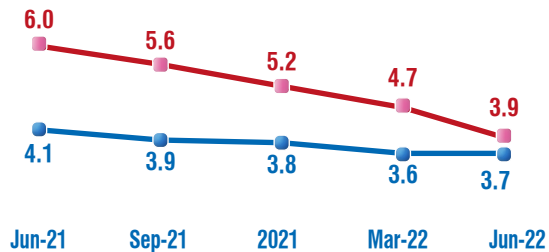
Corporate - Commercial (%)



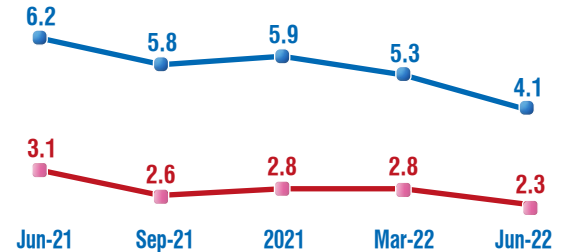
Consumer Loans (%)



SME Loans (%)



Credit Cards (%)



(*) BRSA monthly data as of Jun-22.

Provisioning on all segments gained momentum, S1 & S2 coverage has increased from the 1Q22 levels

Provisions and Reversals (TRY million)

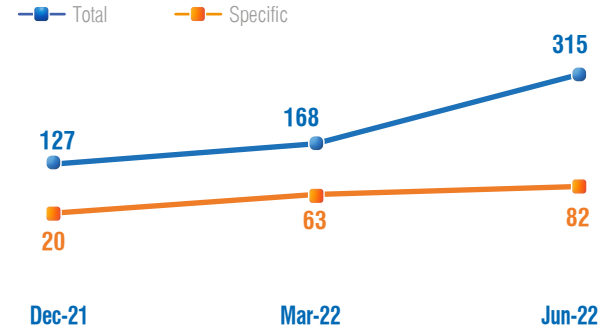
Quarterly

(TRY million)	Q2-21	Q3-21	Q4-21	Q1-22	Q2-22
S1 Provisions	-124	164	2,136	79	2,154
S2 Provisions	0	144	5,172	1,382	3,319
S3 Provisions	-135	397	2,885	1,294	2,002
Total Reversals	1,650	423	292	420	437
Net Total CoR (bps)	-167	24	784	168	453

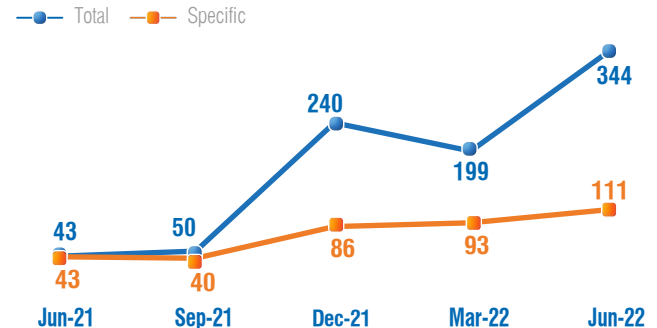
Coverage Ratios

	Jun-21	Sep-21	2021	Mar-22	Jun-22
Stage 1	0.40%	0.41%	0.76%	0.42%	0.66%
Stage 2	4.3%	5.0%	14.6%	17.3%	22.4%
Stage 3	59.1%	60.1%	72.9%	74.5%	73.6%
NPL (S1+S2+S3)	80.9%	83.1%	137.2%	144.0%	166.1%
Total Loans	2.76%	2.83%	4.14%	4.20%	4.60%

Net Cost of Risk (bps) (Cumulative)

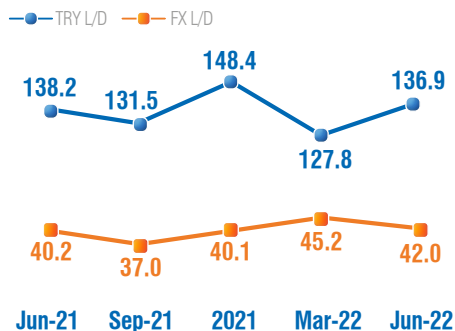
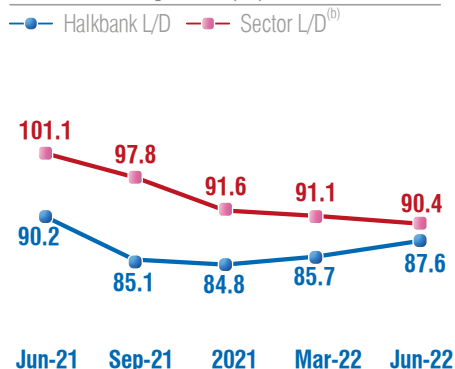


Gross Cost of Risk (bps) (Cumulative)

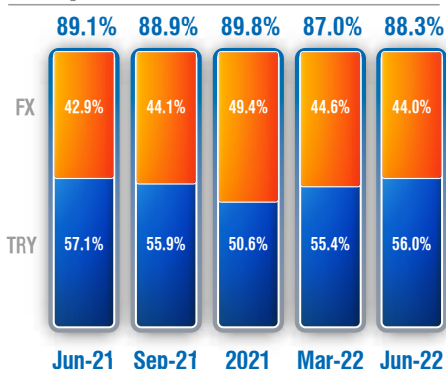


An increase in funding through interbank money market amid a marginal decline in the share of deposits

Loan to Deposit (%)

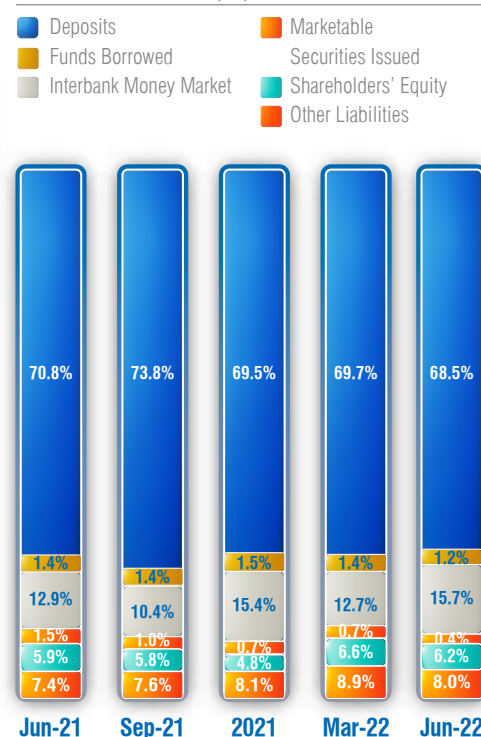


Composition of IBLs^(a)



> FX wholesale funding makes up 3.5% of total liabilities vs sector average^(b) of 17.9%.

Liabilities Mix (%)



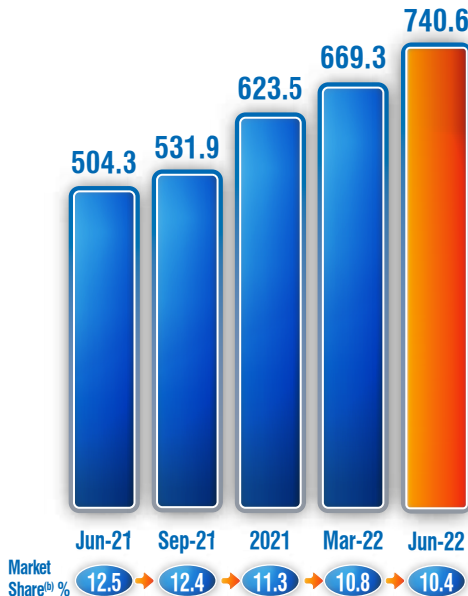
(a) Including interest accruals and excluding funds. Excluding demand deposits, the share of IBL is 68.9% in Jun-22.

(b) BRSA monthly data as of Jun-22, gross loans and including interbank deposits.

A steady increase in the share of public sector deposits within TRY deposit base

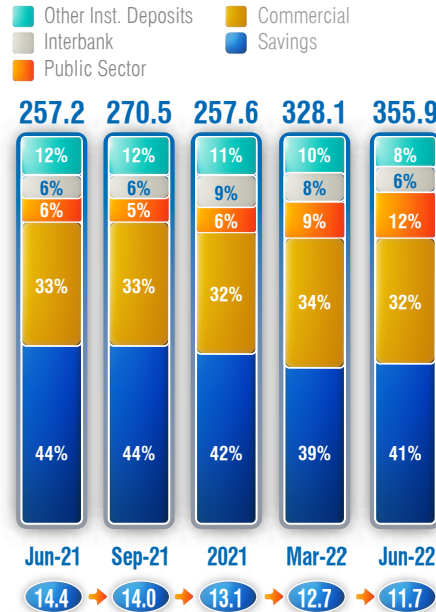
	HALKBANK	B. Sector^(b)
YoY	46.9%	77.0%
QoQ	10.7%	14.5%

Total Deposits (TRY billion)^(a)



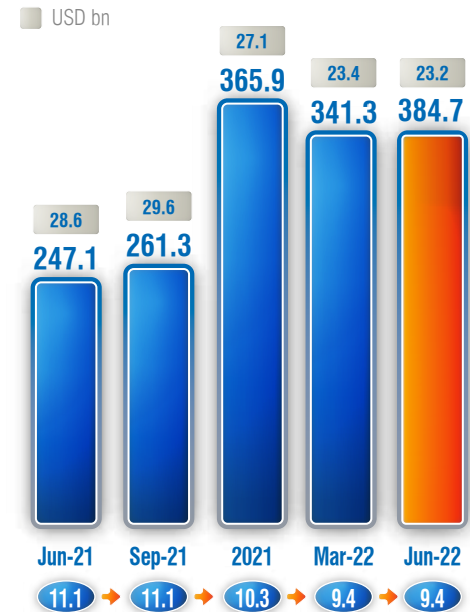
	HALKBANK	B. Sector^(b)
YoY	38.4%	70.0%
QoQ	8.5%	17.2%

TRY Deposits (TRY billion)^(a)



	HALKBANK	B. Sector^(b)
YoY	55.7%	82.5%
QoQ	12.7%	12.6%
in USD		
YoY	-18.9%	-4.9%
terms	QoQ	-0.8%
		-0.9%

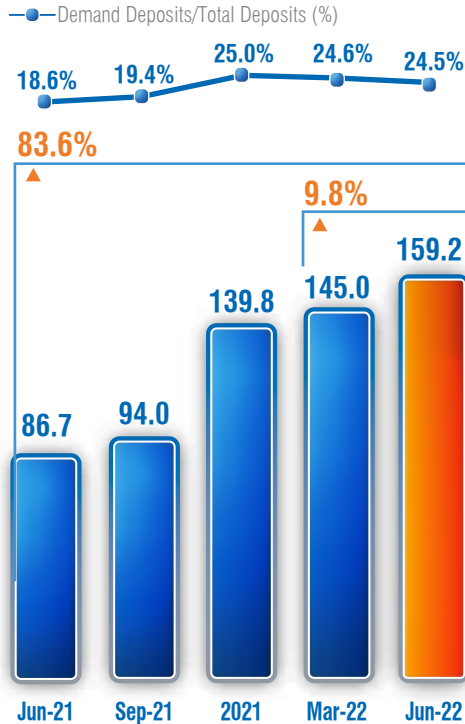
FX Deposits (TRY billion)^(a)



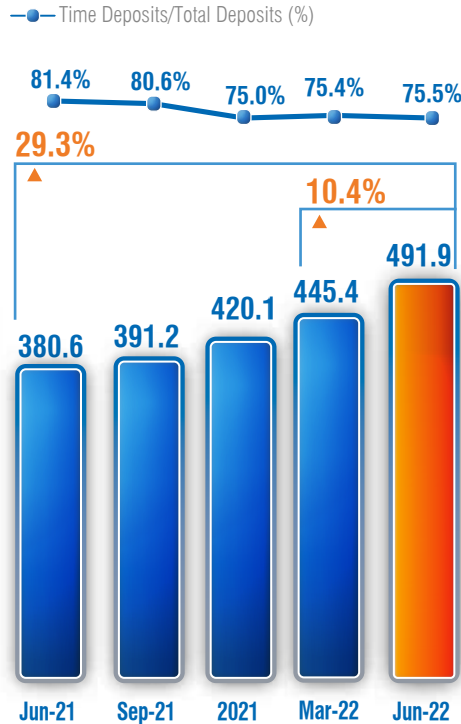
(a) Excluding interest accruals. (b) BRSA monthly data as of Jun-22, including interbank deposits.

Decreasing cost of TRY deposits

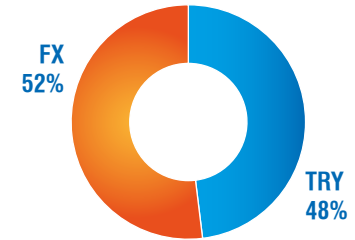
Demand Deposits (TRY billion)^(a)



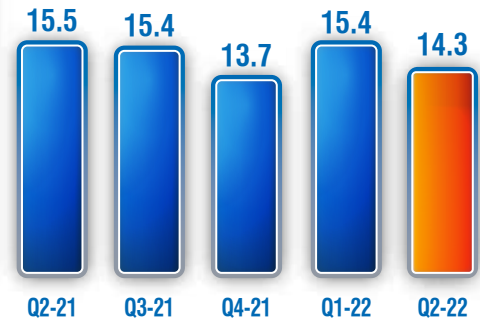
Time Deposits (TRY billion)^(a)



Deposits by Currency (%)^(b)



Cost of TRY Deposits (%)^(c)

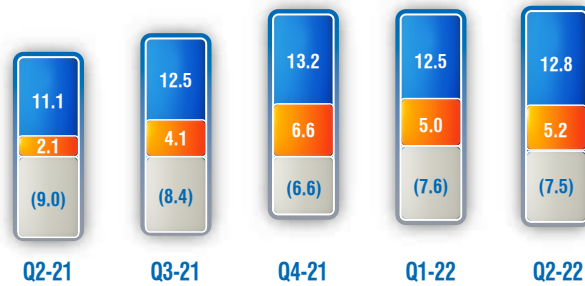


(a) Excluding interest accruals and interbank. (b) Excluding interest accruals. (c) Time & demand blended.

Cost – Yield – Spread

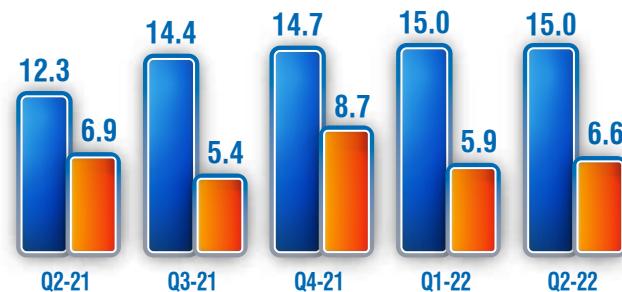
Blended Cost - Yield - Spread (%)

Yield on Loans Cost of Deposits^(*) Spread



Yield on Loans (%)

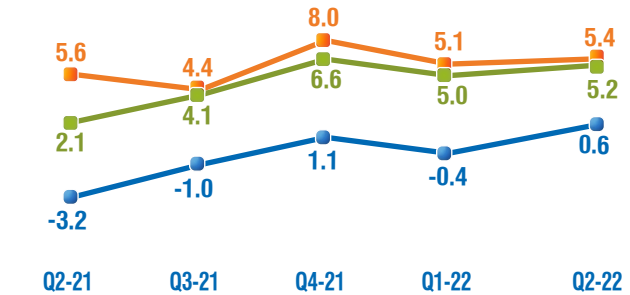
TRY FX



(*) Time & demand blended.

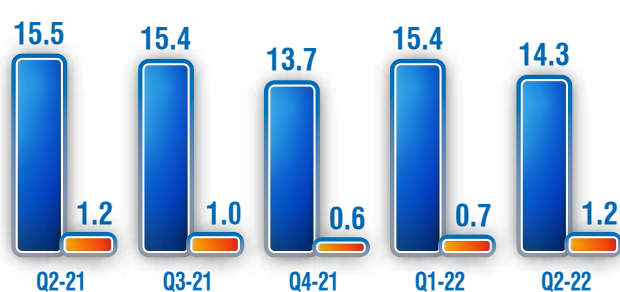
Spreads (%)

TRY Core FX Core Blended Core



Cost of Deposits (%)^(*)

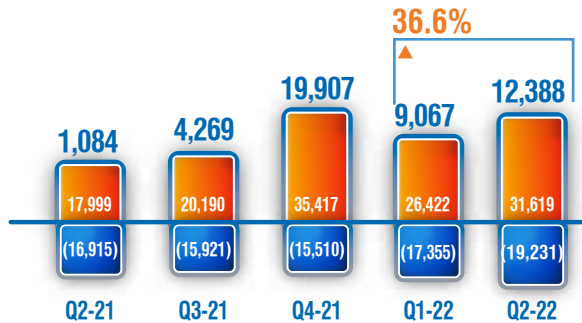
TRY FX



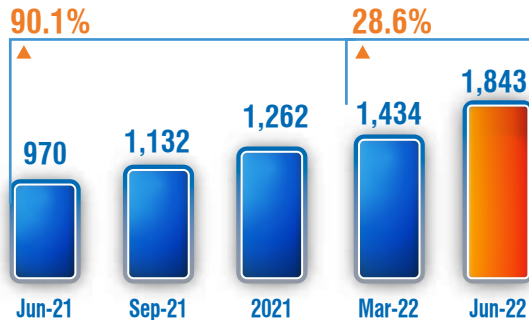
Swap adj. NIM widened by 93 bps QoQ, F&C income soared by 28.6% QoQ

Net Interest Income (TRY million)

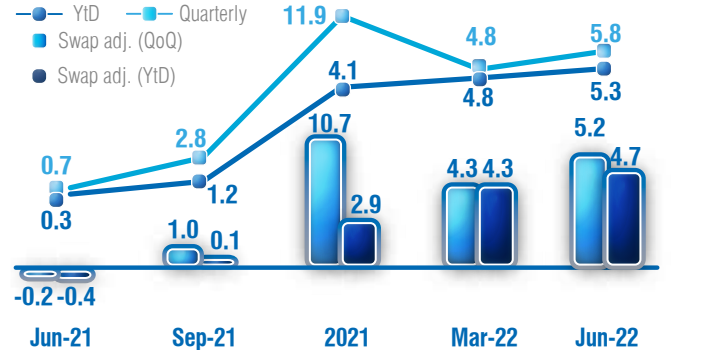
Interest Income Interest Expenses



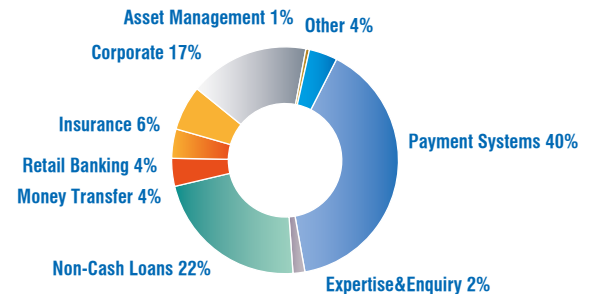
Net Fees & Commissions Income (TRY million)



NIM (%)

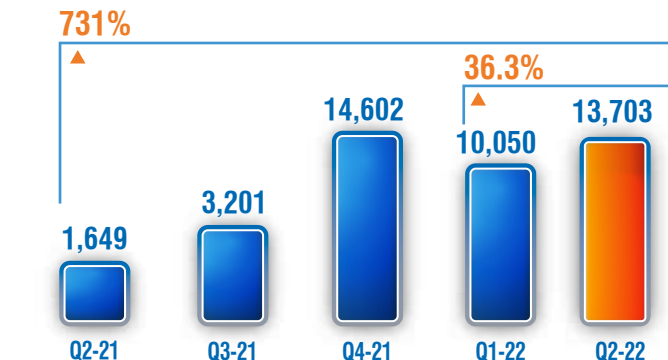


Breakdown of Fees & Commissions (%) (Cumulative)



Eye-catching performance from the core business compensates for higher provision expenses

Total Operating Revenues (TRY million)^(a)

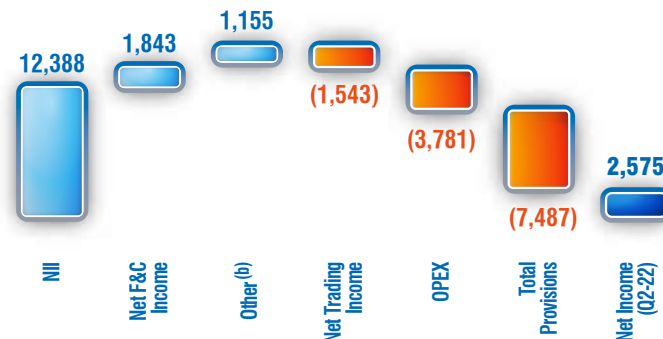


RoE (%)



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

Q2-22 Revenue Walk (TRY million)

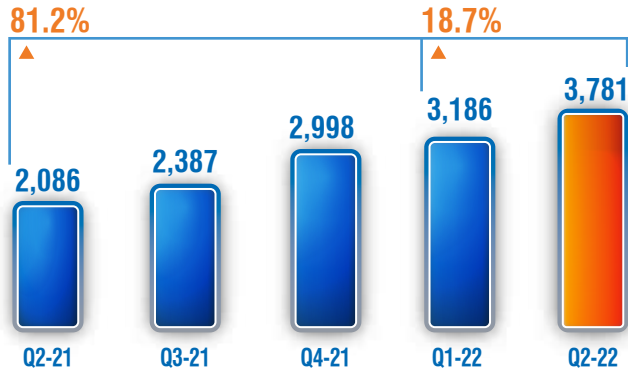


RoA (%)

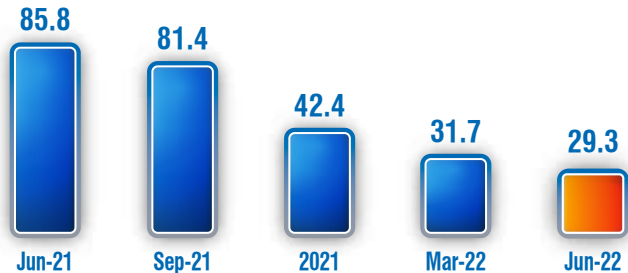


Cost/Income Ratio improved further to 29.3%

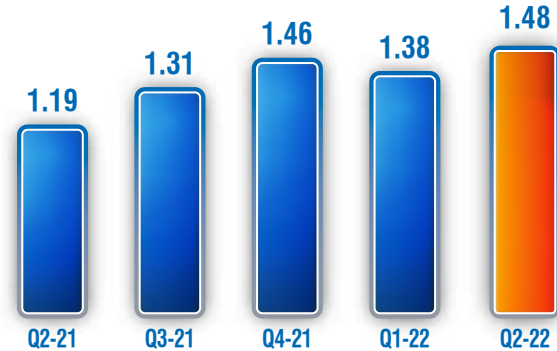
Operating Expenses (TRY million)



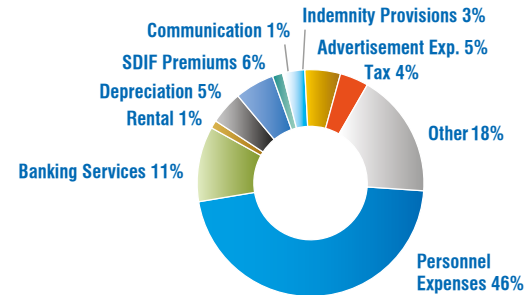
Cost/Income (%)



Operating Expenses / Average Assets (%)



Breakdown of Operating Expenses (%)



Solvency Ratios

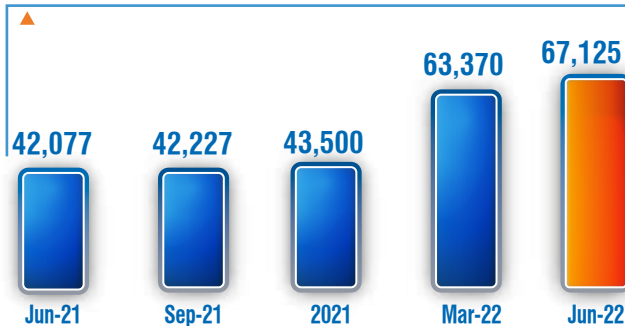
CAR (%)

● Tier-I ● CAR



SHE (TRY million)

59.5%



Details on Capital Ratio

Details on Capital Ratio (TRY mn)

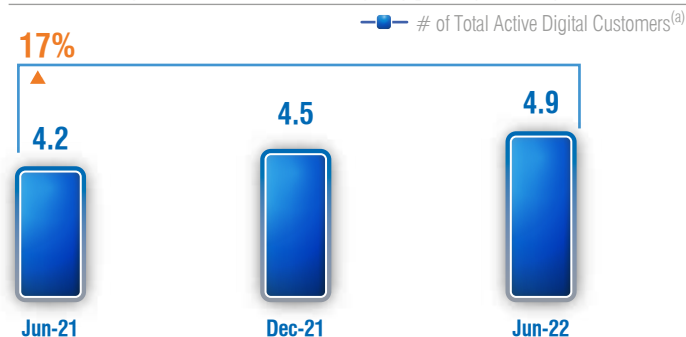
	Cons. Basel III Jun-22	Uncons. Basel III Jun-22
Credit Risk Base Amount (CRBA)	634,432	610,218
Market Risk Base Amount (MRBA)	23,486	18,230
Operational Risk Base Amount (ORBA)	29,467	27,691
Total Risk Weighted Assets (RWAs)	687,385	656,139
Regulatory Capital	95,874	96,313
CAR (%)	13.95	14.68
Tier-I (%)	11.95	12.63
Common Equity Tier-I (%)	9.68	10.26

Basel III Capital Requirements	Minimum	Capital Conservation Buffer	Counter Cyclical Buffer*	SIFI Buffer	Consolidated Regulatory Requirements
CAR (%)	8.00	2.50	0.06	1.00	11.56
Tier-I (%)	6.00	2.50	0.06	1.00	9.56
CET-I (%)	4.50	2.50	0.06	1.00	8.06

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

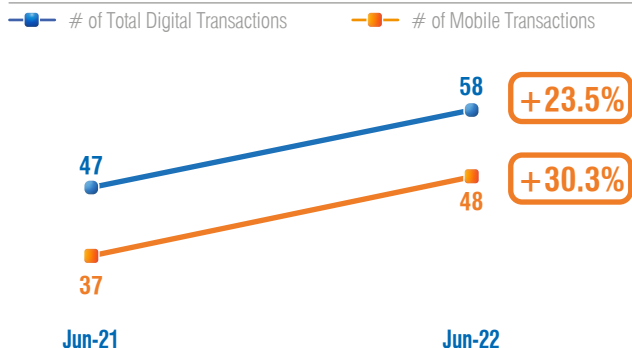
Continuous improvement in the digital transformation

Active Digital Customers by Types (Million)

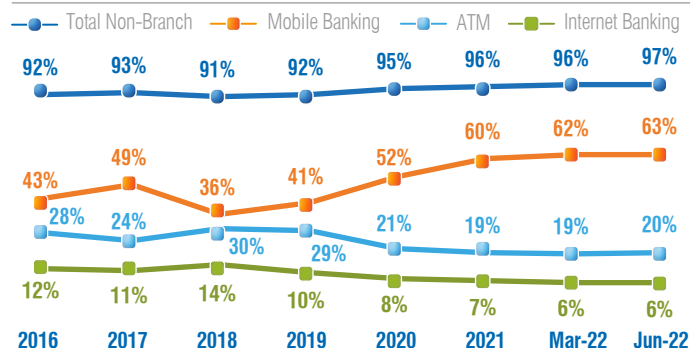


of active digital banking customers increased **17% YoY**, and reached **4.9 million**

Total Digital Transactions Growth (Million)^(b)



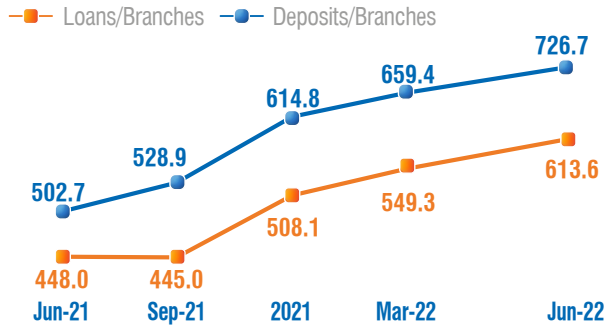
Evolution of Transactions per Channel (% Share)



(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)

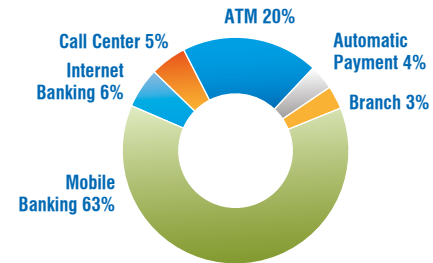


Branches^(*)

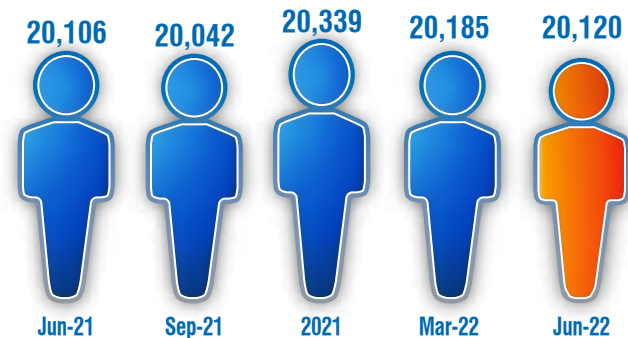


(*) Domestic branches

Breakdown of Banking Transactions (%)



Headcount



Annex

Halkbank	TRY Million	Market Share (%)
Total Assets	1,089,907	9.3
Loans ^(a)	632,335	10.1
TRY Loans	470,715	12.2
FC Loans	161,621	6.7
SME Loans	266,784	17.7
Corp. + Comml. L.	267,007	7.5
Retail Loans	98,544	8.2
Housing	64,032	18.5
GPLs	25,285	4.7
Credit Cards	7,832	2.7
Auto	1,395	5.8

(a) Excluding interest accruals.

Banking Sector Metrics ^(b)	H1-21	H1-22
Loan Growth (YtD, %)	9.5	28.1
Deposit Growth ^(c) (YtD, %)	11.2	28.8
LDR (%)	101.1	90.4
NPL (%)	3.7	2.5
CoR ^(d) (bps)	87	161
Macroeconomic Indicators	H1-21	Current
GDP Growth (%)	21.9	7.3 ^(e)
CPI (%)	17.5	79.6 ^(f)
Unemployment (%)	10.9	10.3 ^(g)
CBT Policy Interest Rate (%)	19.00	14.00

(b) BRSA monthly data as of Dec-21 and Jun-22.

(c) Including interbank deposits.

(d) S3 Provisions/Av. Gross

(e) Turkish Statistical Institute (TSI), 2022/1.

(f) TSI, Jul-22.

(g) TSI, Jun-22.

Balance Sheet

In TRY million	H1-21	2021	Mar-22	H1-22	QoQ (%)	YtD (%)	YoY (%)
Cash and Balances Held with the Central Bank ^(a)	71,107	123,424	103,861	122,063	17.5	(1.1)	71.7
Banks & Money Market ^(b)	3,063	3,534	5,000	9,147	82.9	158.8	198.6
Securities ^(b)	167,683	223,301	259,145	291,989	12.7	30.8	74.1
Net Loans ^(b)	452,057	517,225	560,825	630,753	12.5	21.9	39.5
Gross NPL	15,849	16,297	17,073	18,332	7.4	12.5	15.7
NPL Net	4,393	2,442	2,412	2,972	23.2	21.7	(32.3)
Property and Equipment	8,741	8,831	8,611	8,478	(1.5)	(4.0)	(3.0)
Other Assets	13,863	24,901	27,846	27,476	(1.3)	10.3	98.2
Total Assets	716,515	901,217	965,287	1,089,907	12.9	20.9	52.1
Deposits ^(b)	507,254	625,904	673,248	747,073	11.0	19.4	47.3
Funds Borrowed ^(b)	10,211	13,545	13,291	13,548	1.9	0.0	32.7
Interbank Money Market ^(b)	92,775	139,170	122,644	170,734	39.2	22.7	84.0
Marketable Securities Issued	11,086	6,413	6,698	4,125	(38.4)	(35.7)	(62.8)
Funds	27	139	15	14	(4.4)	(90.0)	(49.2)
Other Liabilities	51,272	69,136	82,625	82,900	0.3	19.9	61.7
Provisions	1,813	3,408	3,397	4,387	29.1	28.7	141.9
Shareholders' Equity	42,077	43,500	63,370	67,125	5.9	54.3	59.5
Total Liabilities	716,515	901,217	965,287	1,089,907	12.9	20.9	52.1

(a) Reserve deposits monitored in balance with Central Bank

(b) Including interest accruals

Income Statement

In TRY million	H1-21	H1-22	YoY (%)	Q2-21	Q1-22	Q2-22	QoQ (%)	YoY (%)
Interest Income	33,171	58,041	75.0	17,999	26,422	31,619	19.7	75.7
On Loans	23,763	36,286	52.7	12,478	16,876	19,410	15.0	55.6
On Securities	8,809	21,152	140.1	5,153	9,186	11,966	30.3	132.2
Interest Expense	32,187	36,586	13.7	16,915	17,355	19,231	10.8	13.7
On Deposits	21,190	25,612	20.9	11,123	12,052	13,560	12.5	21.9
Net Interest Income	984	21,455	2,079.9	1,084	9,067	12,388	36.6	1,043.2
Net Fees and Commissions	1,694	3,277	93.5	970	1,434	1,843	28.6	90.1
Net Trading Income	(2,816)	(2,559)	(9.1)	(2,174)	(1,016)	(1,543)	52.0	(29.0)
Swap Cost	(2,134)	(2,451)	14.9	(1,422)	(1,100)	(1,351)	22.8	(5.1)
Other Operating Income	5,132	1,580	(69.2)	1,770	565	1,015	79.6	(42.7)
Reversal of Loan Loss Provisions	2,674	854	(68.1)	623	417	437	4.9	(29.8)
Total Operating Revenues	4,994	23,753	375.7	1,649	10,050	13,703	36.3	730.8
Operating Expenses	4,285	6,966	62.6	2,086	3,186	3,781	18.7	81.2
Net Operating Income	708	16,787	2,270.4	(437)	6,865	9,922	44.5	N/A
Provision for Loan Losses and Other Receivables	986	10,536	968.3	(260)	3,050	7,487	145.5	N/A
Stage 3 Provisions	985	3,296	234.6	(135)	1,294	2,002	54.8	N/A
Profit/(Losses) from Associates	149	381	155.6	10	0	381	N/A	3,770.3
Income Before Taxes	(129)	6,631	N/A	(167)	3,815	2,816	(26.2)	N/A
Provision for Tax	(252)	2,031	N/A	(231)	1,790	241	(86.5)	N/A
Net Income	123	4,600	3,640.8	64	2,025	2,575	27.1	3,927.2

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