

1Q 2023 Earnings Presentation

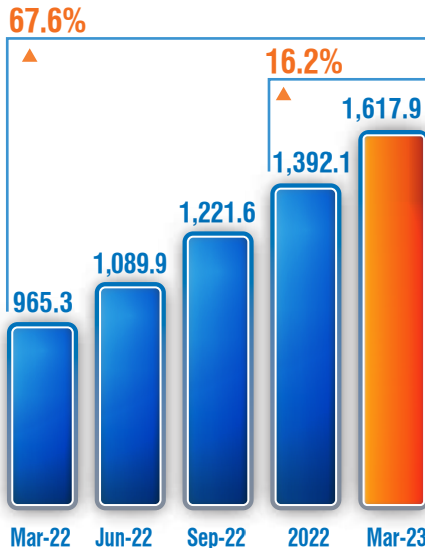
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PROFIT A BLE
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Total FX liquid assets continued to outpace the total FX wholesale debt due within 12 months

> FX LCR is at 454%, well above the regulatory limit of 80%.

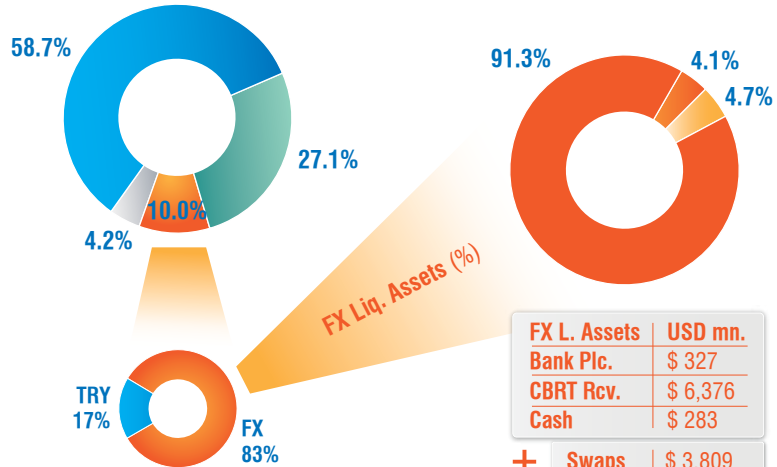
Asset Growth
 YoY **67.6%** QoQ **16.2%**

Total Asset Growth (TRY billion)



Asset Mix (%)

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



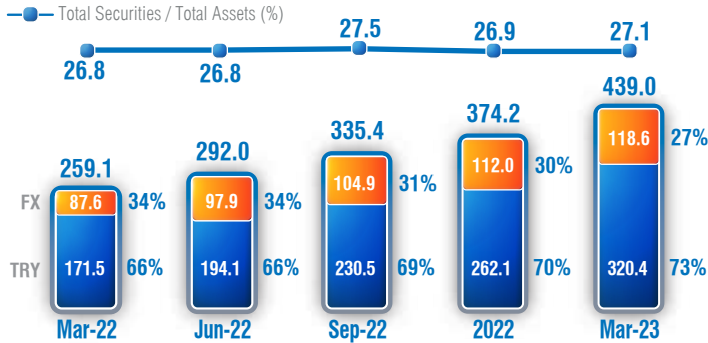
FX L. Assets	USD mn.
Bank Plc.	\$ 327
CBRT Rcv.	\$ 6,376
Cash	\$ 283

+ Swaps | \$ 3,809

> FX wholesale funding (excluding bank deposits) due within 12 months = \$441 mn.

Well-distributed securities portfolio

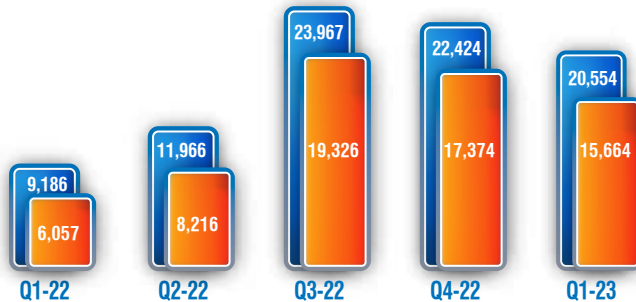
Total Securities Portfolio (TRY billion)



Interest Income on Securities (TRY million)

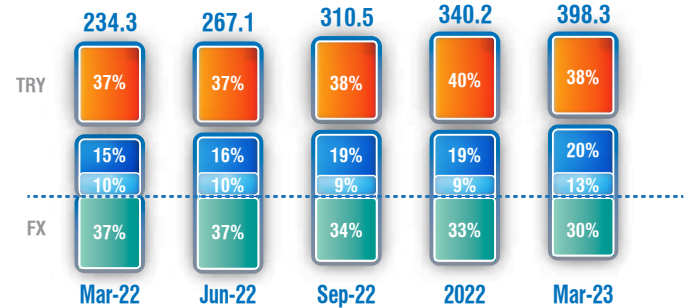
● Total ● CPI Linkers

CPI Linkers' valuation rate is 58% for 1Q23.

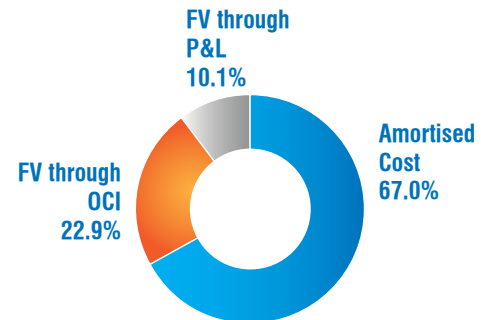


Securities Classification (TRY billion)^(*)

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



Securities Composition (%)



^(*) Excluding borrowed securities

SME backed selective loan growth, more than 1 pp increase in market share compared to the same quarter last year

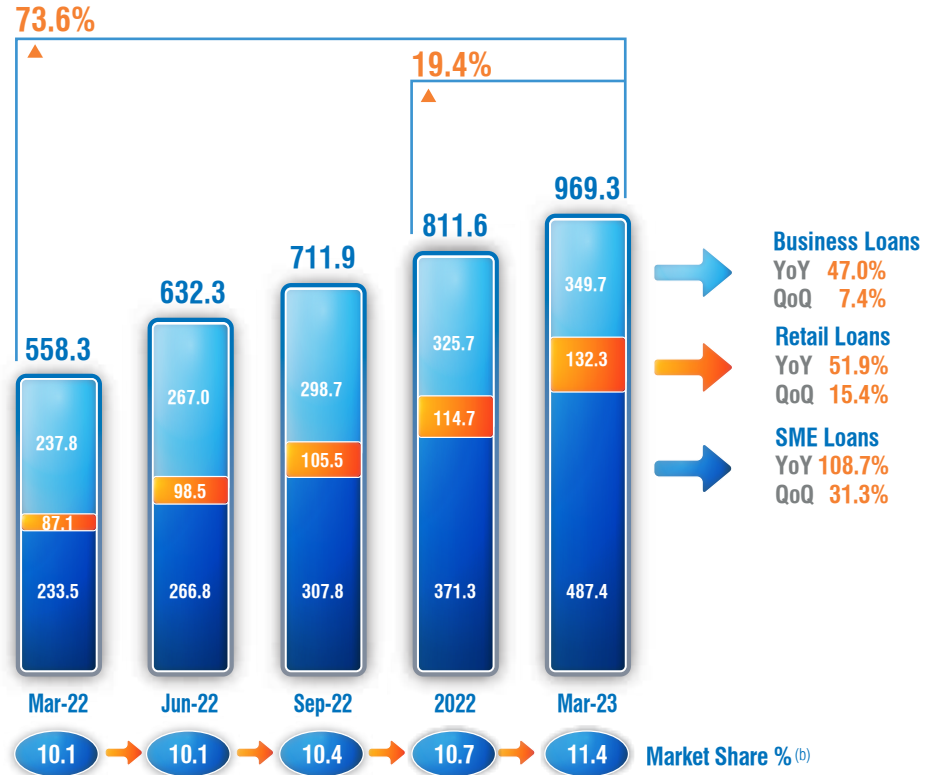
(TRY billion)^(a)

CGF Utilisation (TRY bn)	Dec-22	Mar-23
Current loan amount	30.6	48.3

Total Loans	
HALKBANK	B. Sector^(b)
YoY	YoY
73.6%	54.8%
QoQ	QoQ
19.4%	12.4%

TRY Loans	
HALKBANK	B. Sector^(b)
YoY	YoY
95.9%	86.1%
QoQ	QoQ
24.2%	17.3%

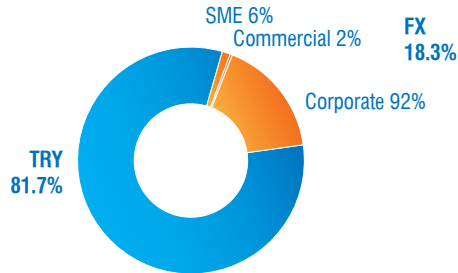
FX Loans	
HALKBANK	B. Sector^(b)
YoY	YoY
15.1%	10.5%
QoQ	QoQ
2.0%	2.1%
in USD terms	
YoY	YoY
-12.0%	-15.5%
QoQ	QoQ
-0.5%	-0.4%



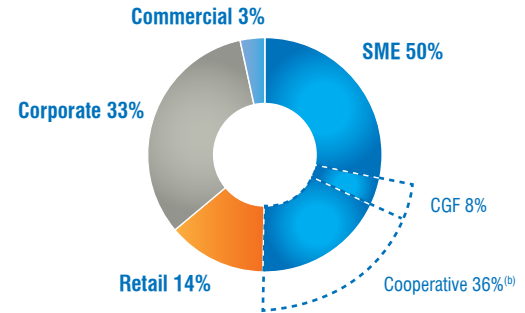
(a) Excluding interest accruals (b) BRSA monthly data as of Mar-23.

Leading SME segment peaked at a 50% share within the total loan book

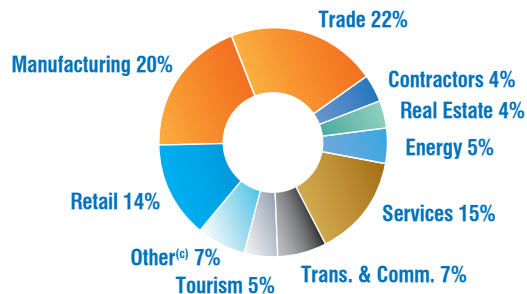
Loans by Currency (%)^(a)



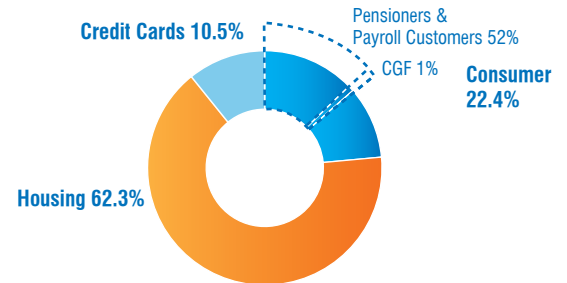
Loans by Customer Segmentation (%)^(a)



Sectoral Breakdown of Loans (%)



Retail Loans by Types (%)^(a)

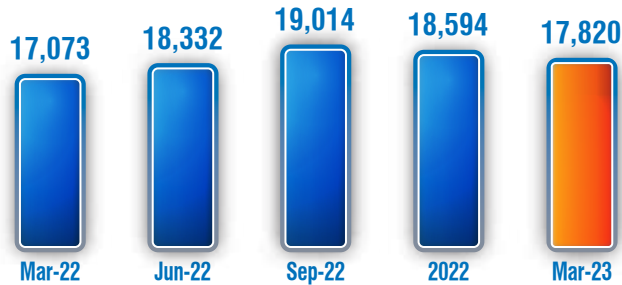


(Vehicle loans make up 4.8% of retail loans.)

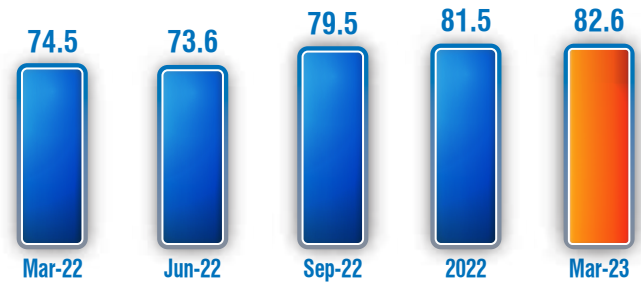
(a) Excluding interest accruals (b) Micro SMEs (c) Includes sectors below 3%.

Improved NPL ratio & NPL coverage reached up to 82.6%

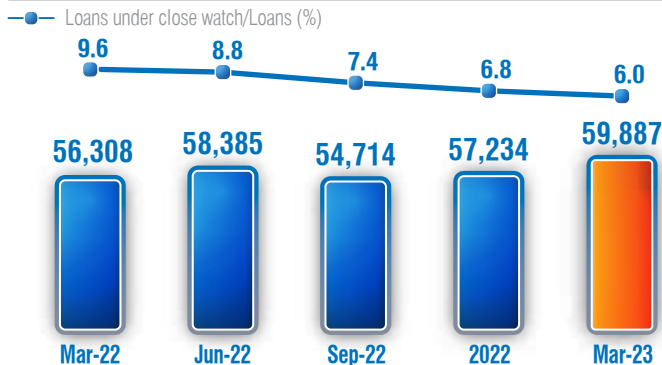
NPL Portfolio (TRY million)



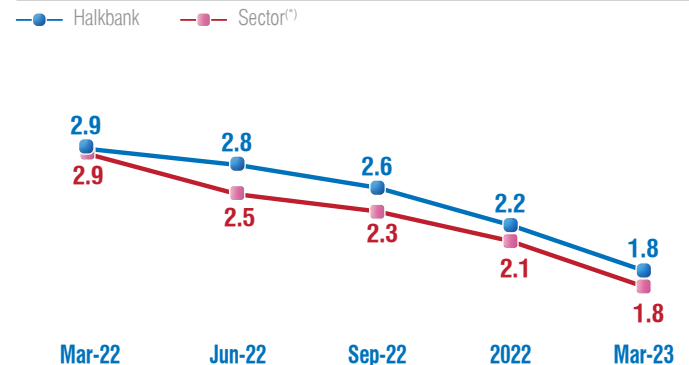
NPL Coverage (%)



Loans under Close Watch (TRY million)



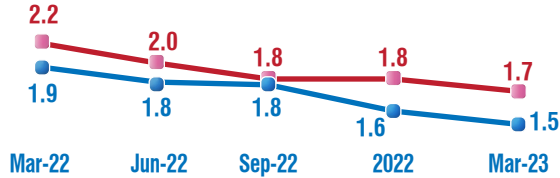
NPL/Total Loans (%)



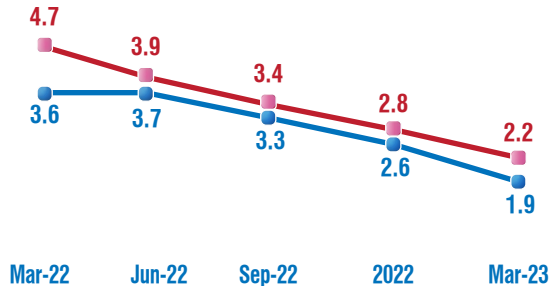
(*) BRSB monthly data as of Mar-23.

NPL ratio by segments

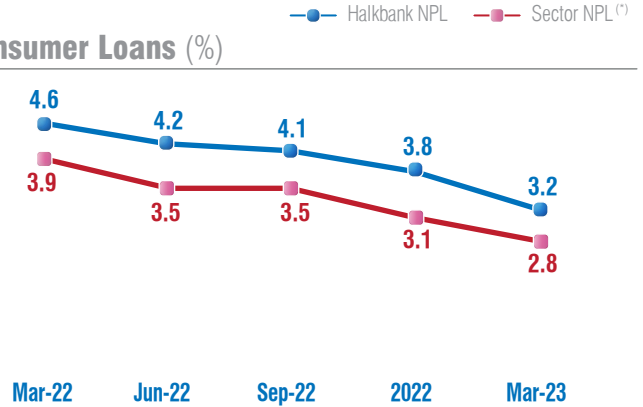
Corporate - Commercial (%)



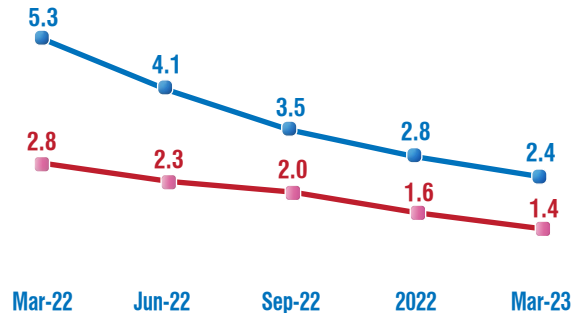
SME Loans (%)



Consumer Loans (%)



Credit Cards (%)



(*) BRSA monthly data as of Mar-23.

Total loan coverage stands at 5.24% thanks to the front-loaded provisioning from last year

Provisions and Reversals (TRY million)

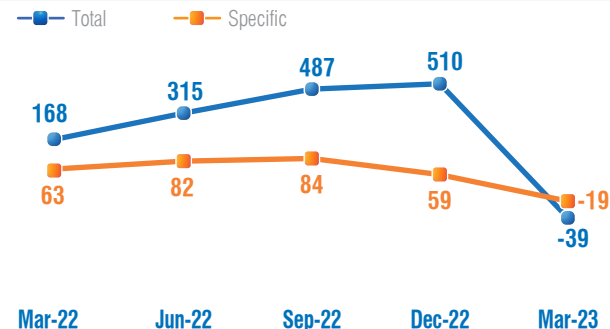
Quarterly

(TRY million)	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23
S1 Provisions	79	2,154	6,404	3,217	323
S2 Provisions	1,382	3,319	5,950	8,680	0
S3 Provisions	1,294	2,002	1,955	350	689
Total Reversals	420	437	347	304	1,894
Net Total CoR (bps)	168	453	789	630	-39

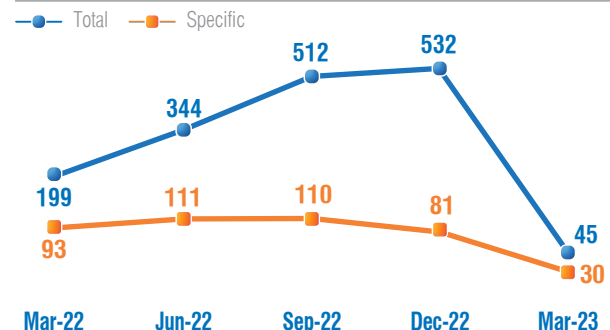
Coverage Ratios

	Mar-22	Jun-22	Sep-22	2022	Mar-23
Stage 1	0.42%	0.66%	1.39%	1.58%	1.34%
Stage 2	17.3%	22.4%	32.0%	45.4%	43.4%
Stage 3	74.5%	73.6%	79.5%	81.5%	82.6%
NPL (S1+S2+S3)	144.0%	166.1%	220.6%	286.7%	294.9%
Total Loans	4.20%	4.60%	5.65%	6.33%	5.24%

Net Cost of Risk (bps) (Cumulative)

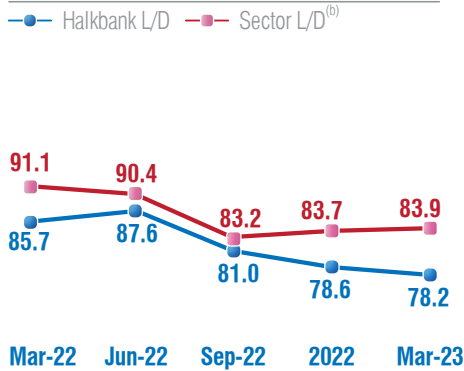


Gross Cost of Risk (bps) (Cumulative)

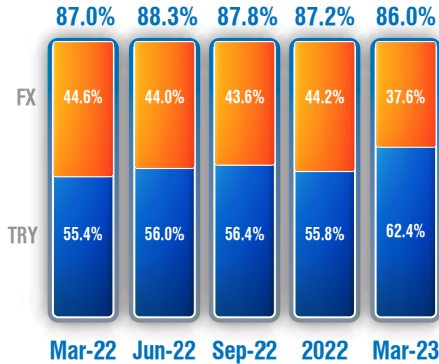


TRY LDR continued to improve amid a growing share of deposits

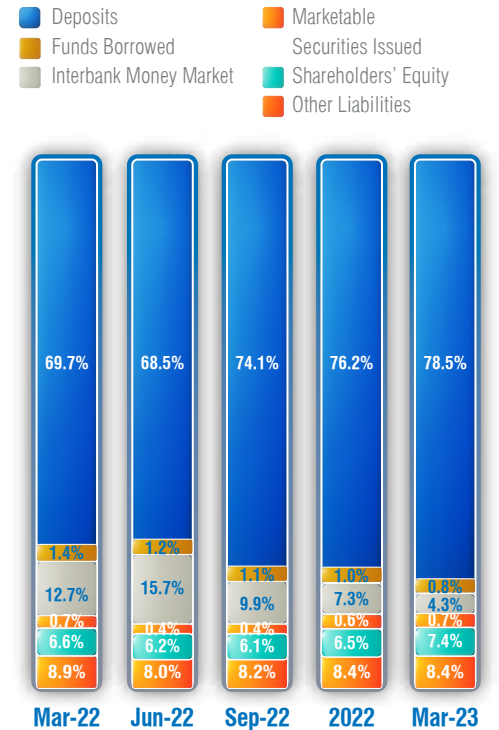
Loan to Deposit (%)



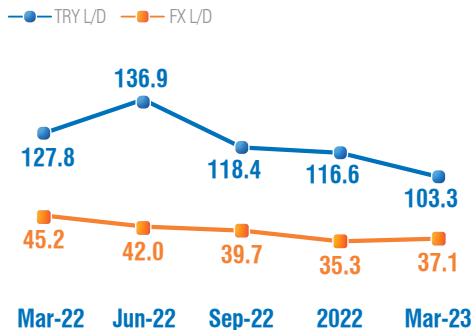
Composition of IBLs^(a)



Liabilities Mix (%)



> FX wholesale funding makes up 2.8% of total liabilities vs sector average^(b) of 14.2%.



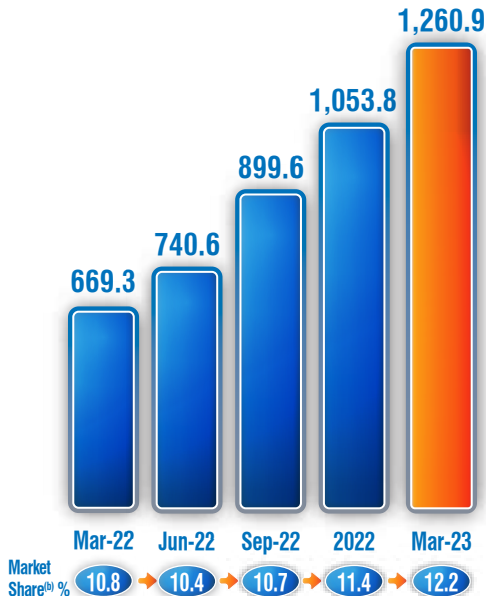
(a) Including interest accruals and excluding funds. Excluding demand deposits, the share of IBL is 63.6% in Mar-23.

(b) BRSA monthly data as of Mar-23, gross loans and including interbank deposits.

Strong TRY deposit growth, up by 39.3% QoQ

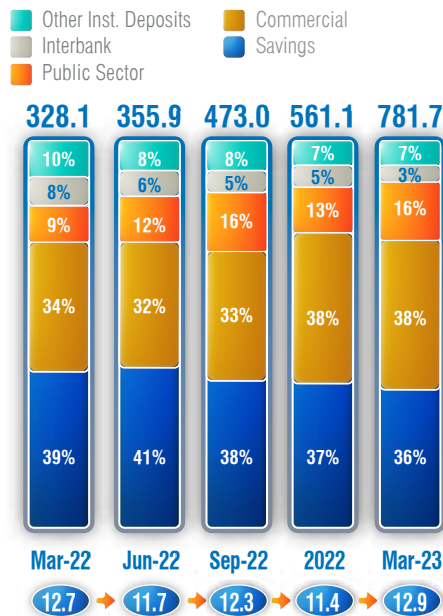
	HALKBANK	B. Sector ^(b)
YoY	88.4%	66.3%
QoQ	19.6%	11.7%

Total Deposits (TRY billion)^(a)



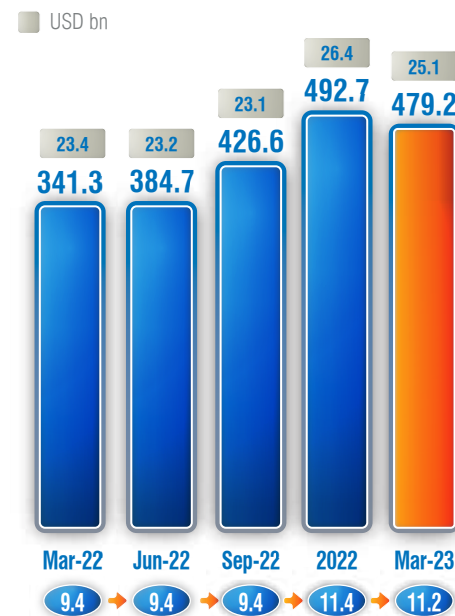
	HALKBANK	B. Sector ^(b)
YoY	138.3%	133.3%
QoQ	39.3%	22.8%

TRY Deposits (TRY billion)^(a)



	HALKBANK	B. Sector ^(b)
YoY	40.4%	18.5%
QoQ	-2.7%	-0.8%
in USD terms	YoY 7.3%	-9.5%
	QoQ -5.1%	-3.3%

FX Deposits (TRY billion)^(a)



(a) Excluding interest accruals. (b) BRSA monthly data as of Mar-23, including interbank deposits.

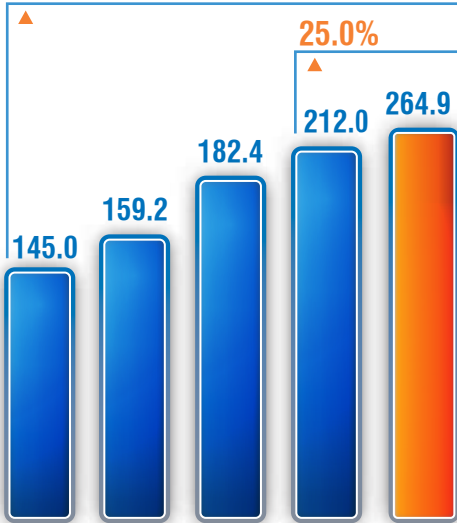
TRY deposits reached a 62% share within the total deposits

Demand Deposits (TRY billion)^(a)

—●— Demand Deposits/Total Deposits (%)



82.7%



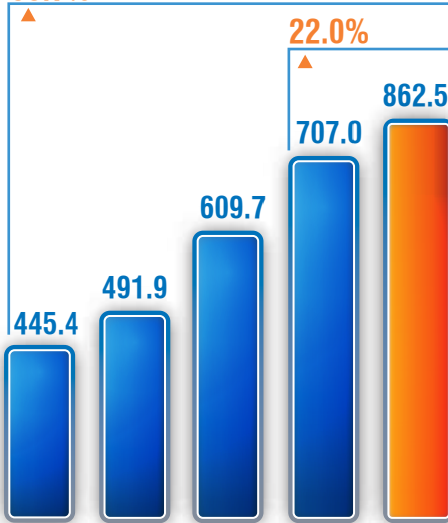
Mar-22 Jun-22 Sep-22 2022 Mar-23

Time Deposits (TRY billion)^(a)

—●— Time Deposits/Total Deposits (%)

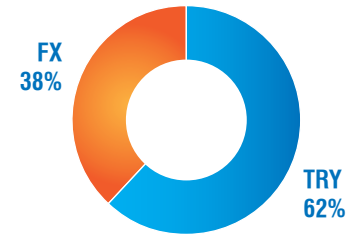


93.7%

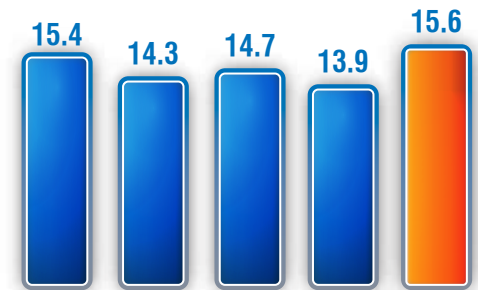


Mar-22 Jun-22 Sep-22 2022 Mar-23

Deposits by Currency (%)^(b)



Cost of TRY Deposits (%)^(c)



Q1-22 Q2-22 Q3-22 Q4-22 Q1-23

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

Cost – Yield – Spread

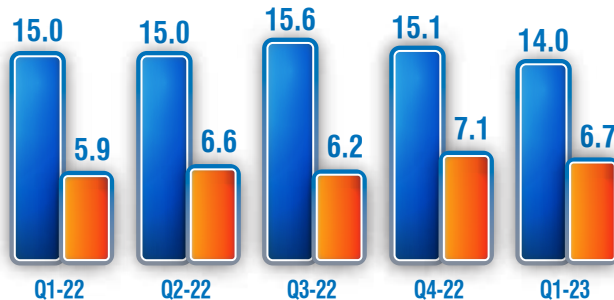
Blended Cost - Yield - Spread (%)

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



Yield on Loans (%)

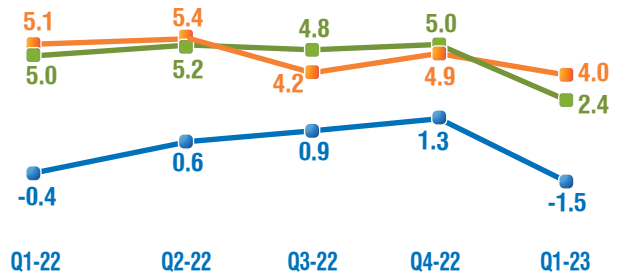
■ TRY
 ■ FX



(*) Time & demand blended.

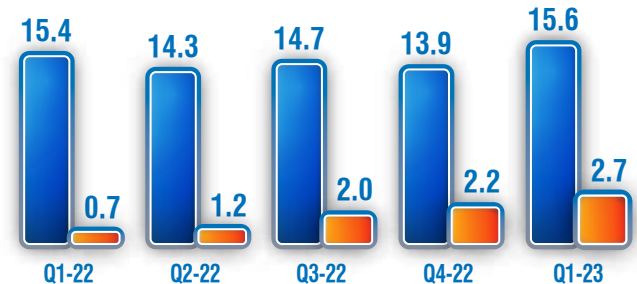
Spreads (%)

— TRY Core
 — FX Core
 — Blended Core



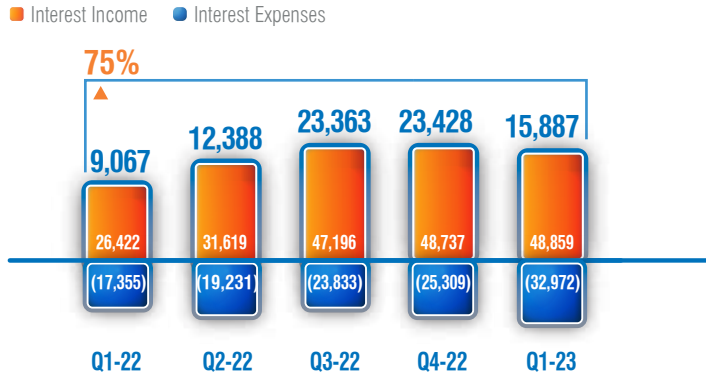
Cost of Deposits (%)^(*)

■ TRY
 ■ FX

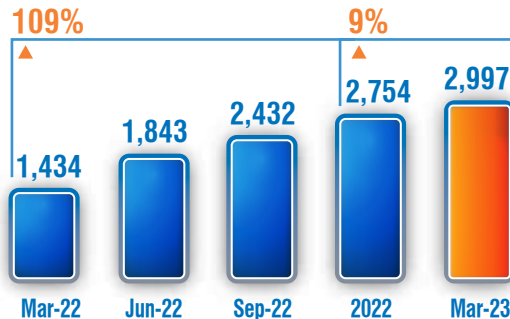


Eye-catching performance in F&C, up by 109% YoY

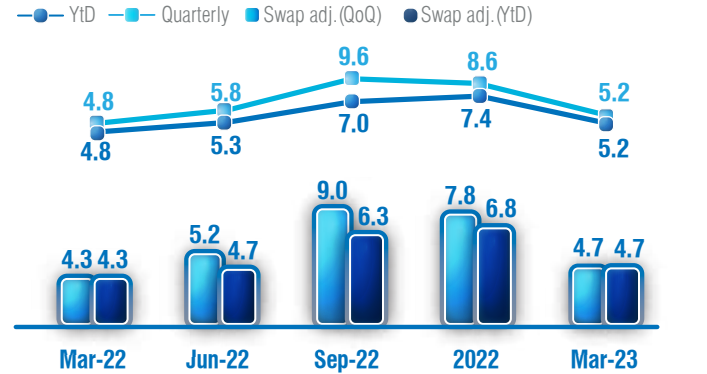
Net Interest Income (TRY million)



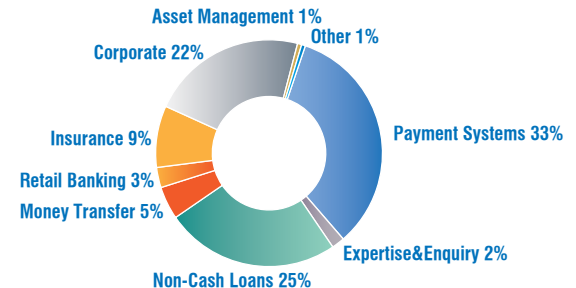
Net Fees & Commissions Income (TRY million)



NIM (%)

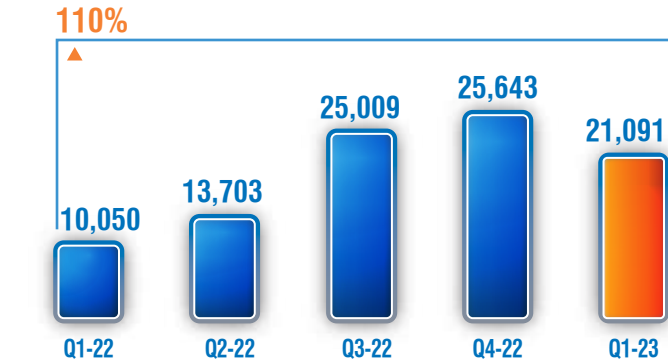


Breakdown of Fees & Commissions (%) (Cumulative)

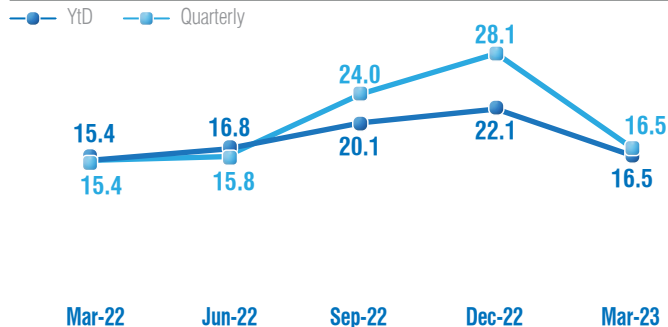


A strong operating revenue enabled a TRY 7 bn amounted earthquake donation, Quarterly net income posted TRY 4.256 mn

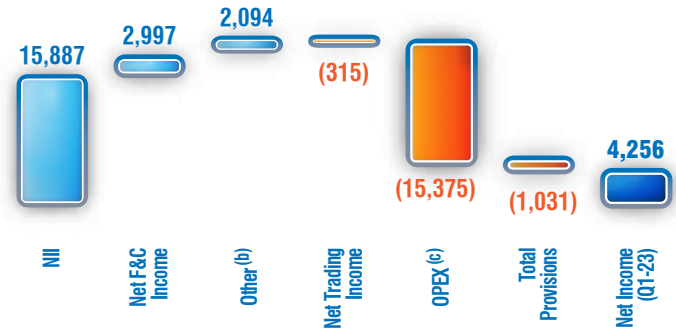
Total Operating Revenues (TRY million)^(a)



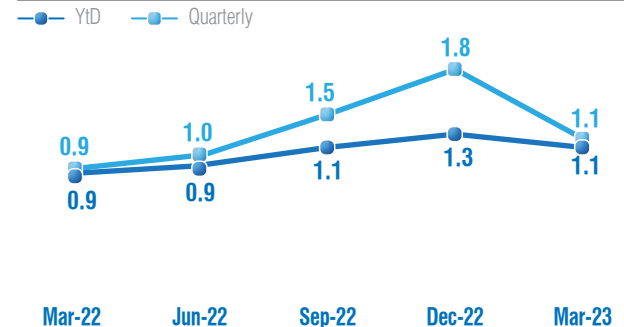
RoE (%)



Q1-23 Revenue Walk (TRY million)



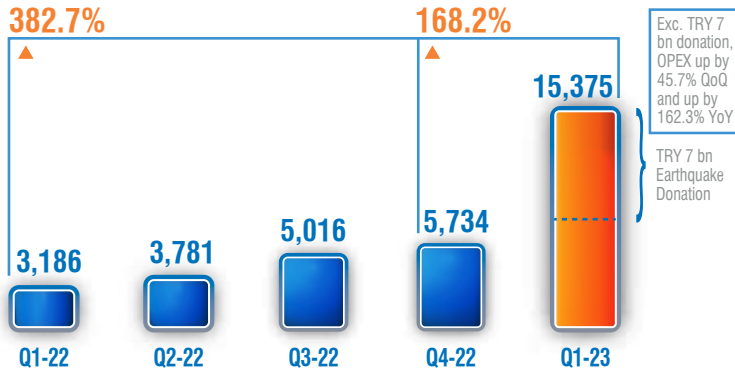
RoA (%)



(a) Net Interest Income + Net Fees & Commissions + Net Trading Income + Other Operating Income (b) Other Operating Income + Tax Provisions + Dividend (c) TRY 7 bn amounting earthquake donation included.

Earthquake donation weighed on OPEX as a one-off expense

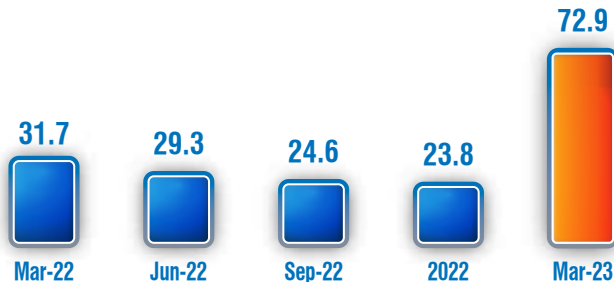
Operating Expenses (TRY million)



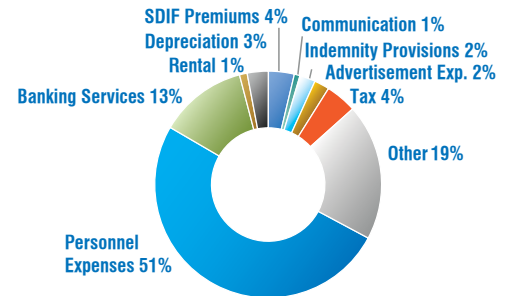
Operating Expenses / Average Assets (%)



Cost/Income (%)



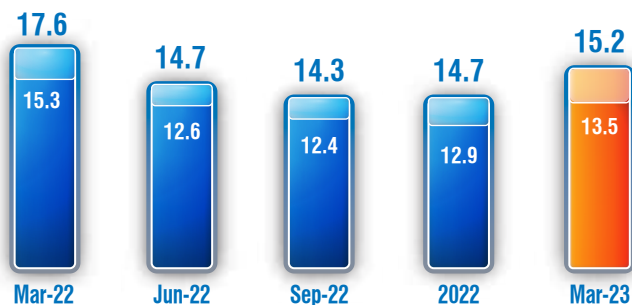
Breakdown of Operating Expenses (%)



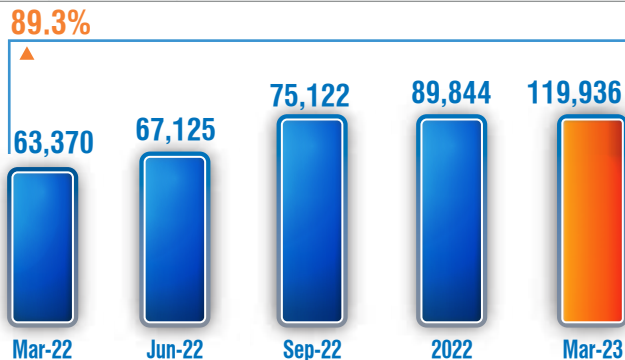
Solvency Ratios

CAR (%)

● Tier-I ● CAR



SHE (TRY million)



Details on Capital Ratio

Details on Capital Ratio (TRY mn)

	Cons. Basel III Mar-23	Uncons. Basel III Mar-23
Credit Risk Base Amount (CRBA)	954,924	918,939
Market Risk Base Amount (MRBA)	47,084	38,979
Operational Risk Base Amount (ORBA)	69,046	66,028
Total Risk Weighted Assets (RWAs)	1,071,054	1,023,945
Regulatory Capital	156,301	155,182

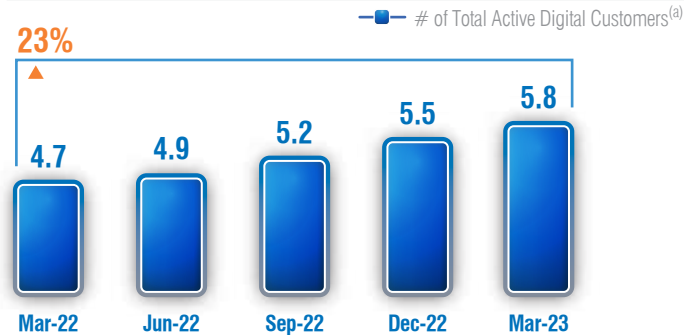
CAR (%)	14.59	15.16
Tier-I (%)	12.96	13.49
Common Equity Tier-I (%)	11.21	11.66

Basel III Capital Requirements	Minimum	Capital Conservation Buffer	Counter Cyclical Buffer*	SIFI Buffer	Consolidated Regulatory Requirements
CAR (%)	8.00	2.50	0.05	1.00	11.55
Tier-I (%)	6.00	2.50	0.05	1.00	9.55
CET-I (%)	4.50	2.50	0.05	1.00	8.05

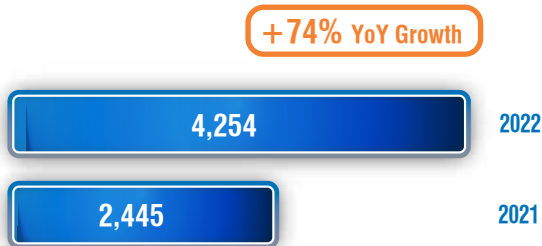
(*) Countercyclical Capital Buffer is 0.01% on an unconsolidated basis.

Ongoing transformation in digital banking mirrored within the numbers

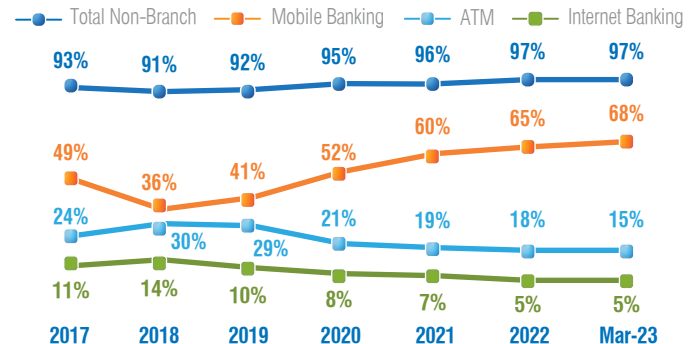
Active Digital Customers by Types (Million)



Digital Transactions Growth (Cumulative)^(b)



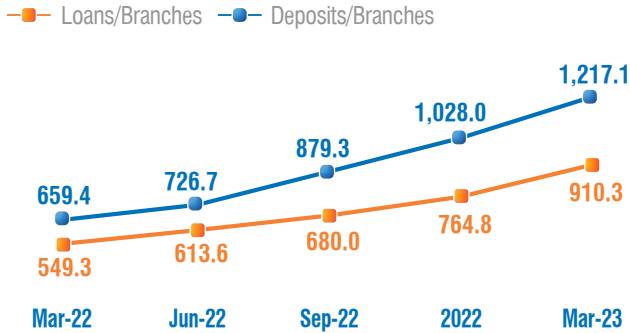
Evolution of Transactions per Channel (% Share)



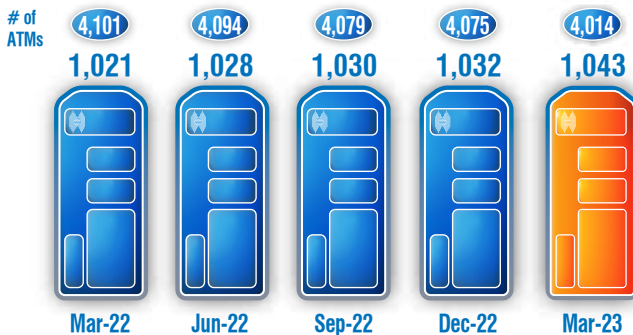
(a) Internet-only customers + Mobile-only customers + Those customers who use both internet and mobile (b) Total number of digital transactions on yearly cumulative basis

Branch Network – Human Resources

Loans and Deposits per Branch (TRY million)

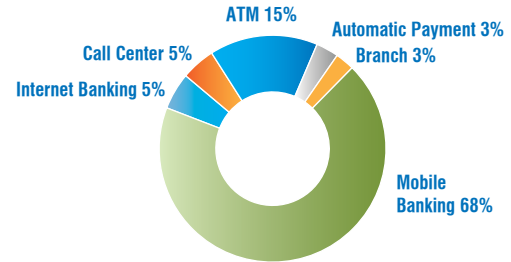


Branches^(*)

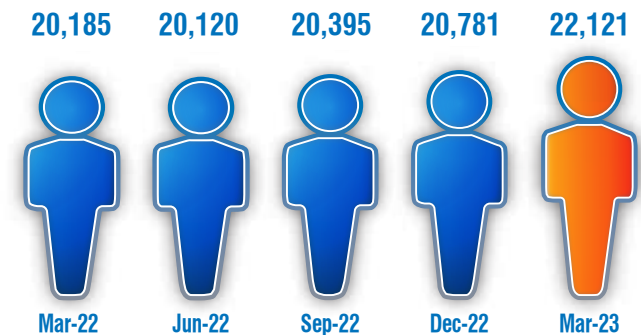


(*) Domestic branches

Breakdown of Banking Transactions (%)



Headcount



Annex

Halkbank	TRY Million	Market Share (%)
Total Assets	1,617,922	10.2
Loans ^(a)	969,292	11.4
TRY Loans	791,648	13.2
FC Loans	177,644	7.0
SME Loans	487,374	20.6
Corp. + Comml. L.	349,654	8.1
Retail Loans	132,264	7.2
Housing	82,431	21.0
GPLs	29,642	3.6
Credit Cards	13,867	2.4
Auto	6,324	9.8

Banking Sector Metrics ^(b)	1Q22	1Q23
Loan Growth (YtD, %)	12.3	12.4
Deposit Growth ^(c) (YtD, %)	12.5	11.7
LDR (%)	91.1	83.9
NPL (%)	2.9	1.8
CoR ^(d) (bps)	99	49
Macroeconomic Indicators	1Q22	Current
GDP Growth (%)	7.6	3.5 ^(e)
CPI (%)	61.1	43.7 ^(f)
Unemployment (%)	11.2	10.0 ^(g)
CBT Policy Interest Rate (%)	14.00	8.50

(b) BRSA monthly data as of Dec-22 and Mar-23.

(c) Including interbank deposits.

(d) S3 Provisions/Av. Gross Loans

(e) Turkish Statistical Institute (TSI), 2022/4.

(f) TSI, Apr-23.

(g) TSI, Mar-23.

(a) Excluding interest accruals.

Balance Sheet

In TRY million	Mar-22	2022	Mar-23	QoQ Change(%)	YoY Change(%)
Cash and Balances Held with the Central Bank ^(a)	103,861	158,994	153,081	(3.7)	47.4
Banks & Money Market ^(b)	5,000	7,177	8,393	16.9	67.9
Securities ^(b)	259,145	374,181	439,032	17.3	69.4
Net Loans ^(b)	560,825	789,308	949,486	20.3	69.3
Gross NPL	17,073	18,594	17,820	(4.2)	4.4
NPL Net	2,412	1,675	1,402	(16.3)	(41.9)
Property and Equipment	8,611	12,643	12,089	(4.4)	40.4
Other Assets	27,846	49,836	55,841	12.0	100.5
Total Assets	965,287	1,392,140	1,617,922	16.2	67.6
Deposits ^(b)	673,248	1,060,923	1,269,386	19.6	88.5
Funds Borrowed ^(b)	13,291	13,422	12,685	(5.5)	(4.6)
Interbank Money Market ^(b)	122,644	102,159	69,638	(31.8)	(43.2)
Marketable Securities Issued	6,698	8,976	10,858	21.0	62.1
Funds	15	238	23	(90.5)	56.0
Other Liabilities	82,625	107,862	127,454	18.2	54.3
Provisions	3,397	8,717	7,942	(8.9)	133.8
Shareholders' Equity	63,370	89,844	119,936	33.5	89.3
Total Liabilities	965,287	1,392,140	1,617,922	16.2	67.6

(a) Reserve deposits monitored in balance with Central Bank

(b) Including interest accruals

Income Statement

In TRY million	Q1-22	Q4-22	Q1-23	QoQ Change%	YoY Change%
Interest Income	26,422	48,737	48,859	0.3	84.9
On Loans	16,876	26,187	27,966	6.8	65.7
On Securities	9,186	22,424	20,554	(8.3)	123.8
Interest Expense	17,355	25,309	32,972	30.3	90.0
On Deposits	12,052	20,898	29,617	41.7	145.7
Net Interest Income	9,067	23,428	15,887	(32.2)	75.2
Net Fees and Commissions	1,434	2,754	2,997	8.8	109.1
Net Trading Income	(1,016)	(1,682)	(315)	(81.3)	(69.0)
Swap Cost	(1,100)	(2,118)	(1,420)	(33.0)	29.1
Other Operating Income	565	1,143	2,522	120.7	346.2
Reversal of Loan Loss Provisions	417	304	1,115	267.3	167.7
Total Operating Revenues	10,050	25,643	21,091	(17.7)	109.9
Operating Expenses	3,186	5,734	15,375	168.2	382.7
Net Operating Income	6,865	19,909	5,716	(71.3)	(16.7)
Provision for Loan Losses and Other Receivables	3,050	12,195	1,031	(91.5)	(66.2)
Stage 3 Provisions	1,294	350	689	97.0	(46.7)
Profit/(Losses) from Associates	0	44	1	(98.2)	N,A
Income Before Taxes	3,815	7,758	4,685	(39.6)	22.8
Provision for Tax	1,790	1,909	429	(77.5)	(76.0)
Net Income	2,025	5,849	4,256	(27.2)	110.1

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