

2Q24 Earnings Presentation

DISTINGUIS H ED
PROFIT A BLE
RESI L IENT
RIS K CONSCIOUS
RELIA B LE
SUST A INABLE
NATIO N WIDE
MAR K ETMAKER

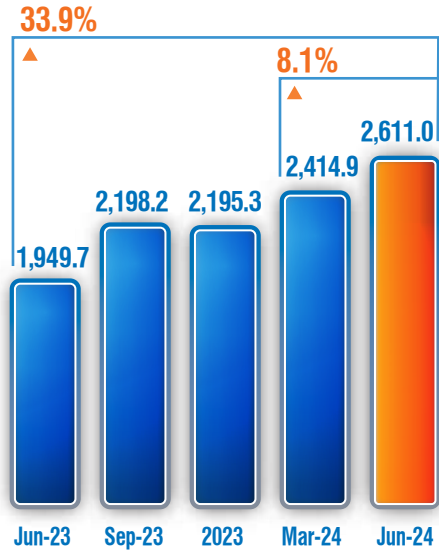
Total assets increased by 8.1% QoQ with the support of strong FX loan demand

> FX LCR is at 238%, well above the regulatory limit of 80%.

Asset Growth

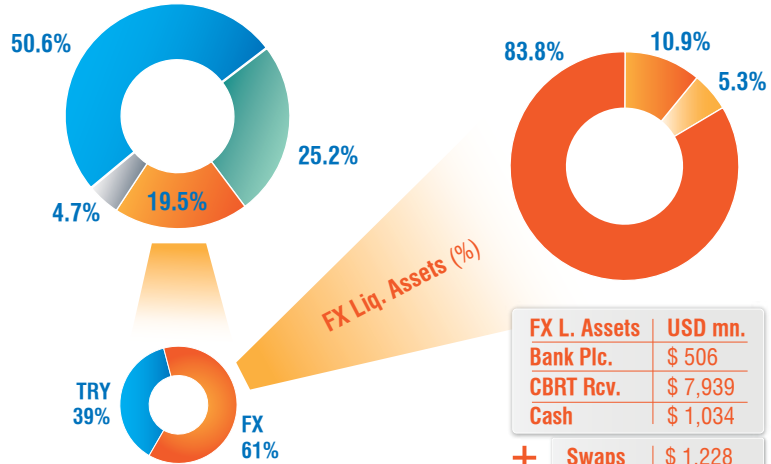
YoY 33.9% QoQ 8.1%

Total Asset Growth (TRY billion)



Asset Mix (%)

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



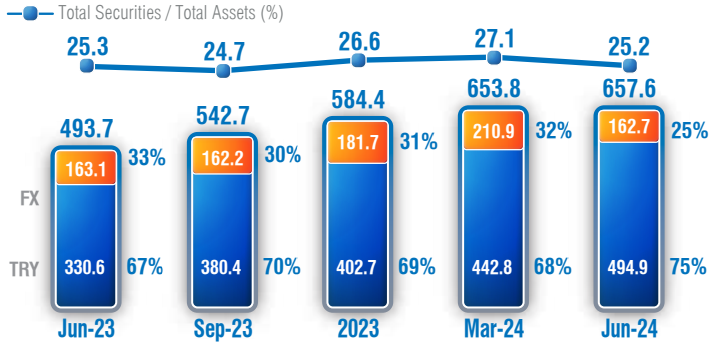
FX L. Assets	USD mn.
Bank Plc.	\$ 506
CBRT Rcv.	\$ 7,939
Cash	\$ 1,034

+ Swaps | \$ 1,228

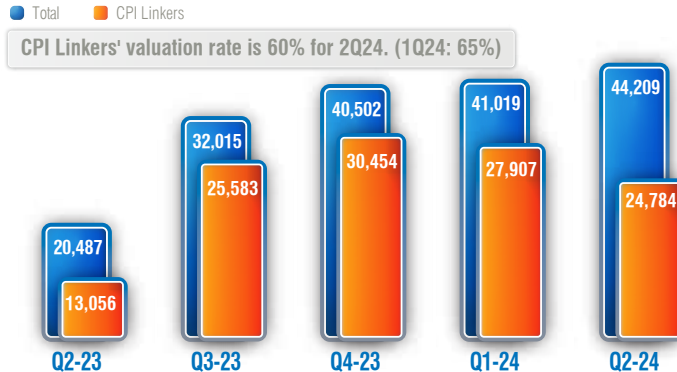
> FX wholesale funding (excluding bank deposits) due within 12 months = \$606 mn.

CPI-Linkers continued to support profitability during the first half of the year

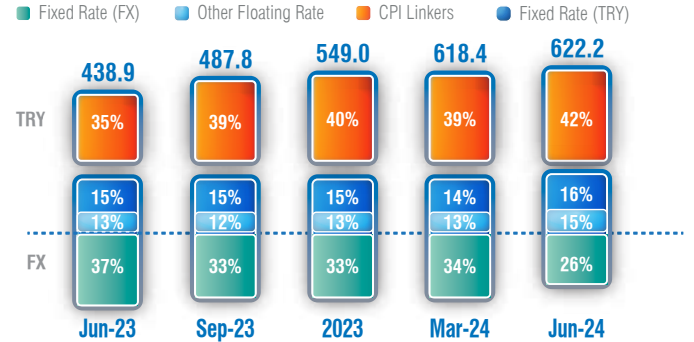
Total Securities Portfolio (TRY billion)



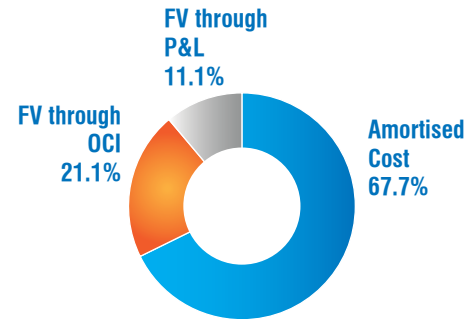
Interest Income on Securities (TRY million)



Securities Classification (TRY billion)^(*)



Securities Composition (%)



(*) Excluding borrowed securities

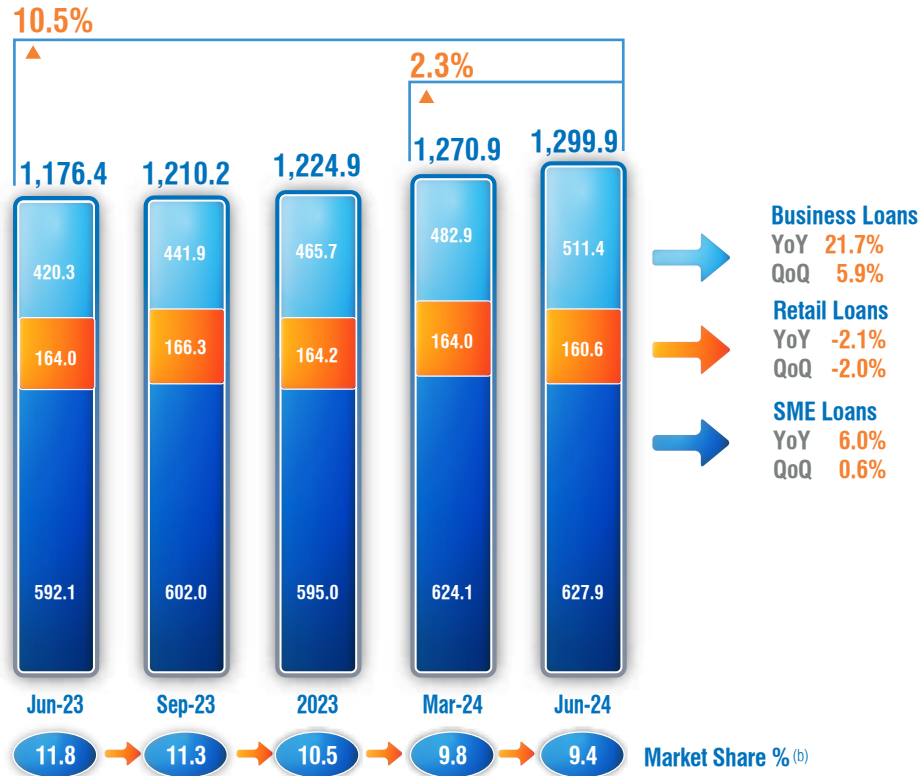
Increasing FX loan demand balanced the contracting TRY loan growth

(TRY billion)^(a)

Total Loans	
HALKBANK	B. Sector^(b)
YoY	YoY
10.5%	38.4%
QoQ	QoQ
2.3%	7.1%

TRY Loans	
HALKBANK	B. Sector^(b)
YoY	YoY
2.2%	33.3%
QoQ	QoQ
-2.2%	3.8%

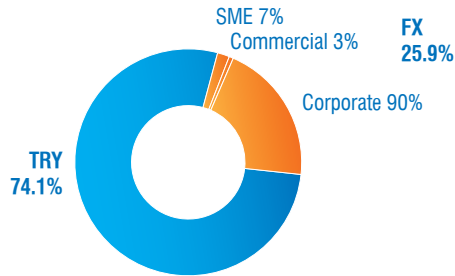
FX Loans	
HALKBANK	B. Sector^(b)
YoY	YoY
43.9%	48.6%
QoQ	QoQ
17.8%	13.7%
in USD terms	
YoY	YoY
14.5%	18.2%
QoQ	QoQ
16.3%	12.3%



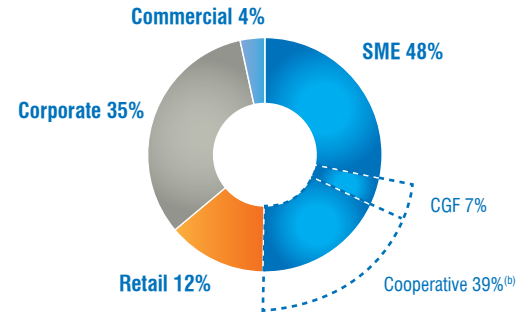
(a) Excluding interest accruals (b) BRSA monthly data as of Jun-24

Floating right exercise on the Cooperative loans also supported profitability

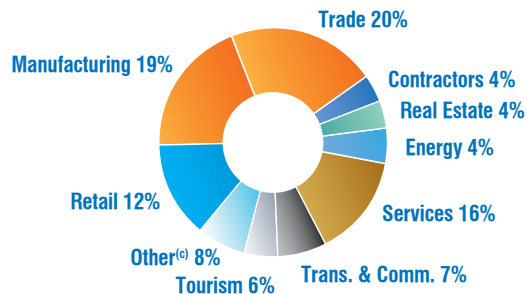
Loans by Currency (%)^(a)



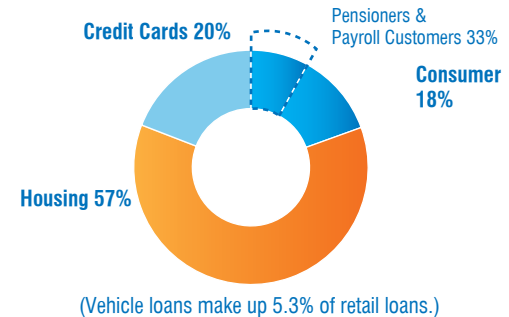
Loans by Customer Segmentation (%)^(a)



Sectoral Breakdown of Loans (%)



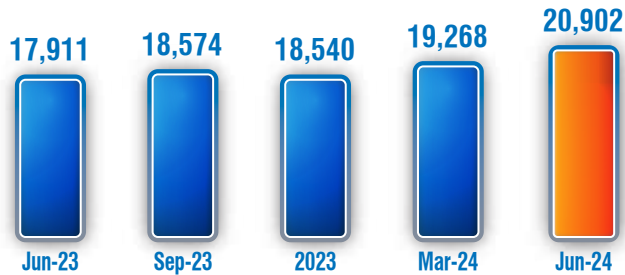
Retail Loans by Types (%)^(a)



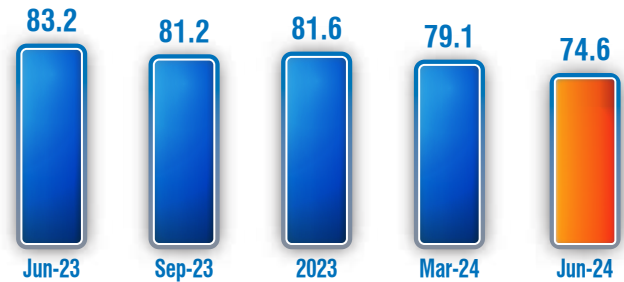
(a) Excluding interest accruals (b) Micro SMEs (c) Includes sectors below 3%.

Asset quality remains resilient despite accelerated rate hike cycle

NPL Portfolio (TRY million)

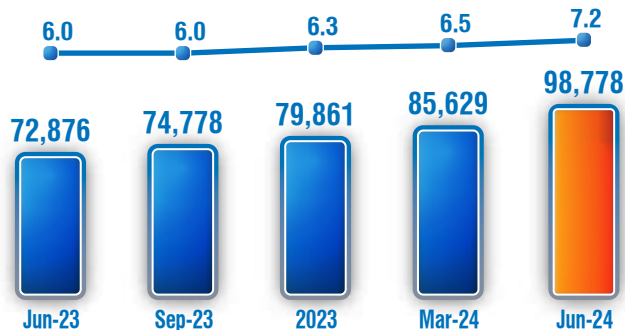


NPL Coverage (%)



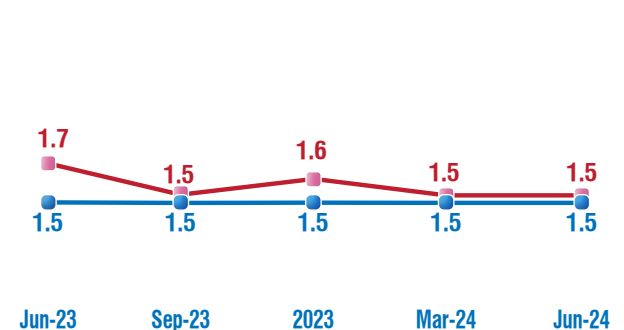
Loans under Close Watch (TRY million)

—●— Loans under close watch/Loans (%)



NPL/Total Loans (%)

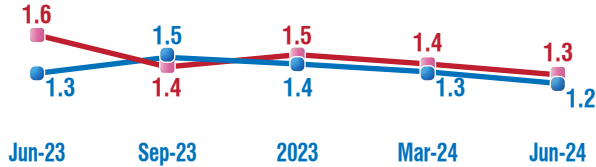
—●— Halkbank —■— Sector^(*)



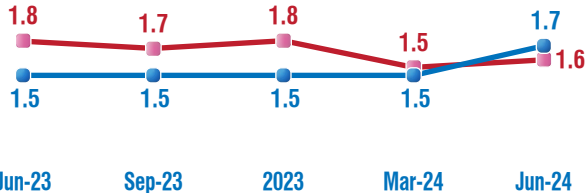
(*) BRSA monthly data as of Jun-24

NPL ratio by segments

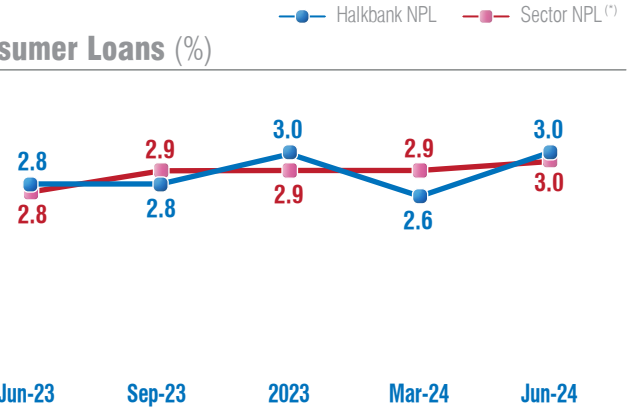
Corporate - Commercial (%)



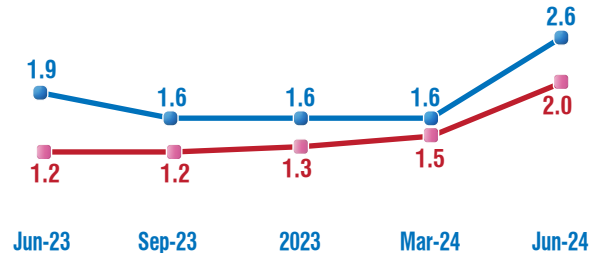
SME Loans (%)



Consumer Loans (%)



Credit Cards (%)



(*) BRSA monthly data as of Jun-24.

Resilient macro economic indicators reflected positively in our models which impacted our provisioning levels

Provisions and Reversals (TRY million)

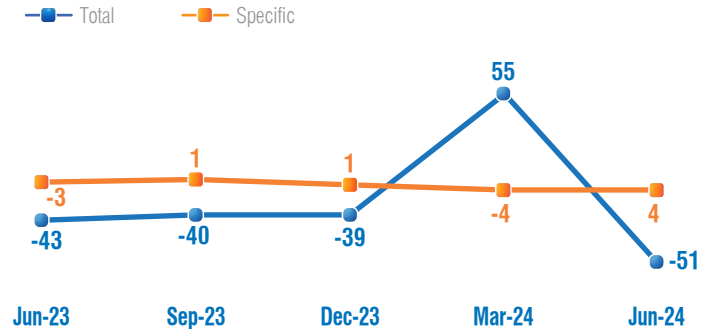
Quarterly

(TRY million)	Q2-23	Q3-23	Q4-23	Q1-24	Q2-24
S1 Provisions	-296	4	42	1,905	-1.894
S2 Provisions	0	495	-331	2,762	-2.610
S3 Provisions	648	829	491	932	1.246
Total Reversals	1,667	2,257	1,190	3,820	1.876
Net Total CoR (bps)	-48	-30	-31	55	-153

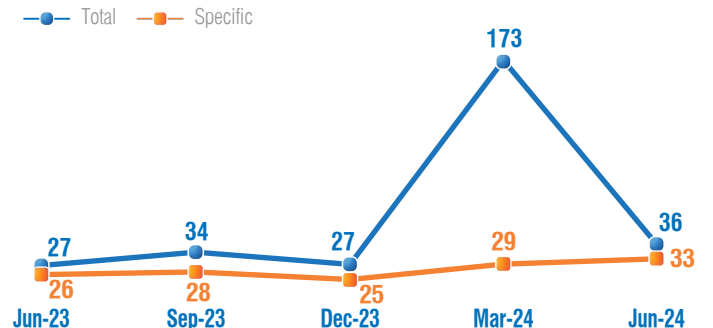
Coverage Ratios

	Jun-23	Sep-23	2023	Mar-24	Jun-24
Stage 1	1.06%	0.99%	0.94%	1.00%	0.76%
Stage 2	33.4%	31.2%	27.9%	27.0%	20.8%
Stage 3	83.2%	81.2%	81.6%	79.1%	74.6%
NPL (S1+S2+S3)	285.5%	268.6%	261.7%	262.3%	218.5%
Total Loans	4.22%	3.99%	3.82%	3.81%	3.34%

Net Cost of Risk (bps) (Cumulative)

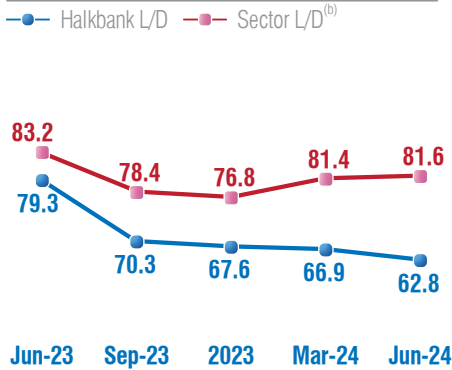


Gross Cost of Risk (bps) (Cumulative)

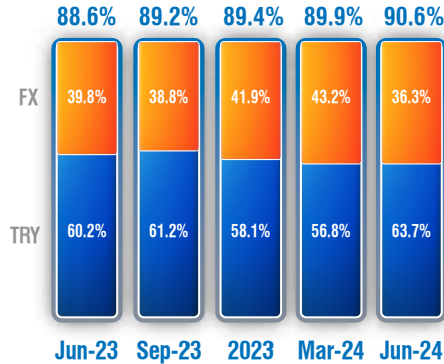


Closing CBRT swap funding facility increased our dependency on deposits

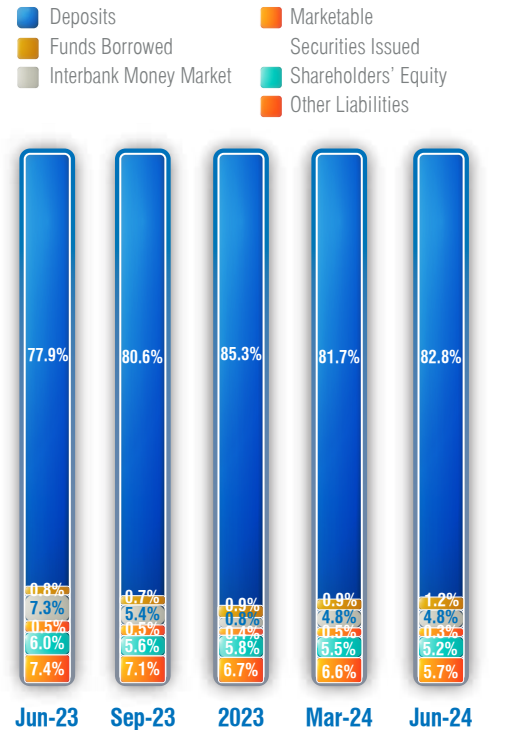
Loan to Deposit (%)



Composition of IBLs^(a)



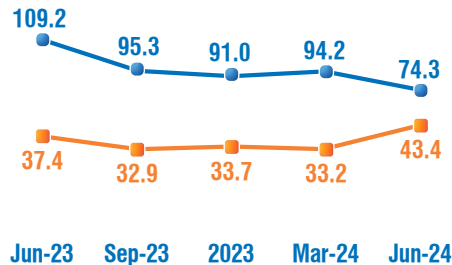
Liabilities Mix (%)



> Halkbank obtained USD 300 mn with a 5-year maturity wholesale funding from international market

> FX wholesale funding makes up 3.1% of total liabilities vs sector average^(b) of 17.1%.

TRY L/D vs FX L/D



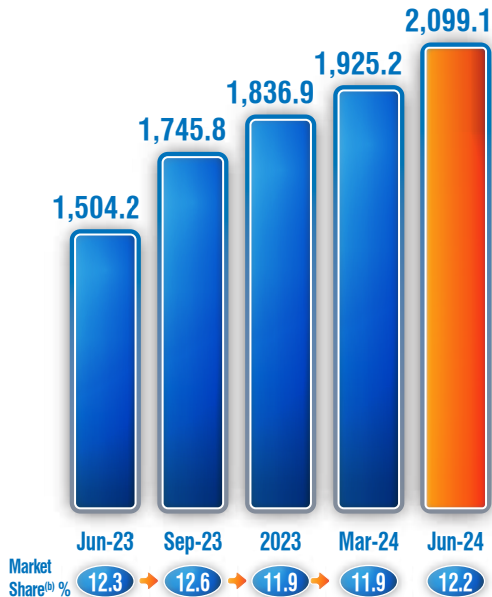
(a) Including interest accruals and excluding funds. Excluding demand deposits, the share of IBL is 69.6% in Haz-24.

(b) BRSA monthly data as of Jun-24, gross loans and including interbank deposits.

De-dollarisation trend is visible in the deposit market

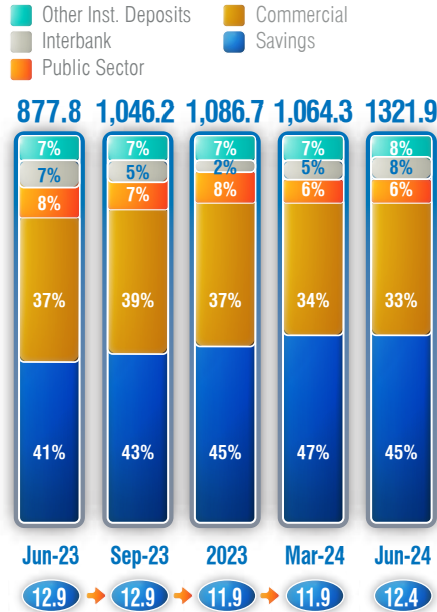
	HALKBANK	B. Sector ^(b)
YoY	39.5%	40.9%
QoQ	9.0%	6.8%

Total Deposits (TRY billion)^(a)



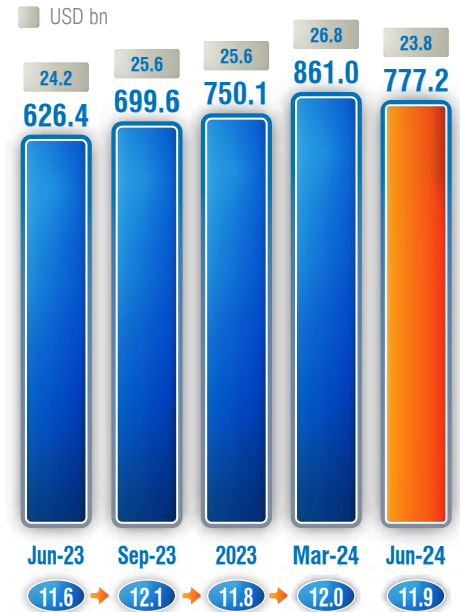
	HALKBANK	B. Sector ^(b)
YoY	50.6%	56.6%
QoQ	24.2%	19.3%

TRY Deposits (TRY billion)^(a)



	HALKBANK	B. Sector ^(b)
YoY	24.1%	21.1%
QoQ	-9.7%	-8.8%
in USD terms	YoY -1.3%	-3.6%
	QoQ -10.9%	-10.0%

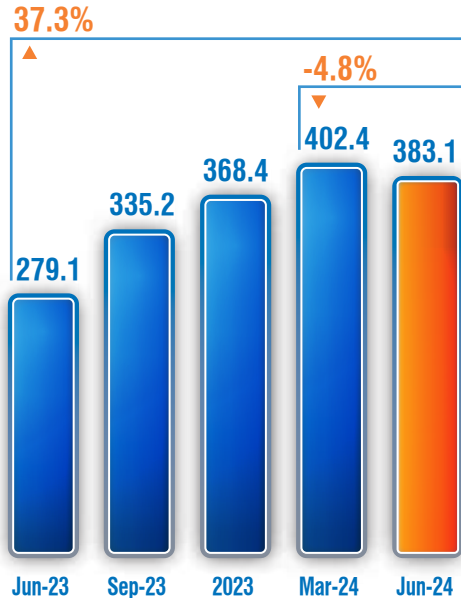
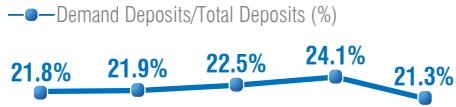
FX Deposits (TRY billion)^(a)



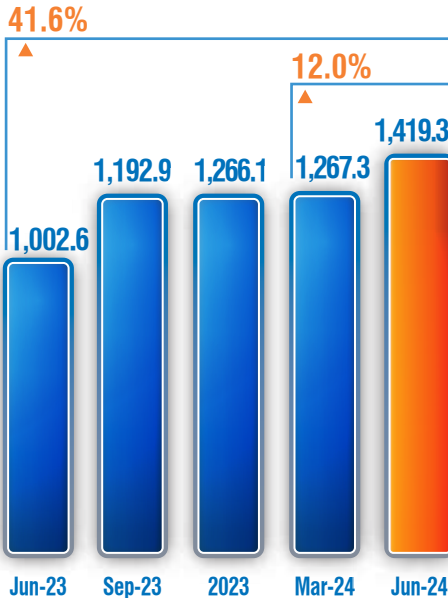
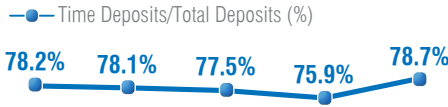
(a) Excluding interest accruals. (b) BRSA monthly data as of Jun-24, including interbank deposits.

Nearly two-thirds of our total deposits are comprised of TRY deposits

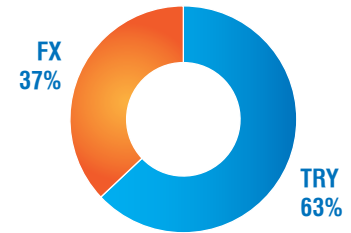
Demand Deposits (TRY billion)^(a)



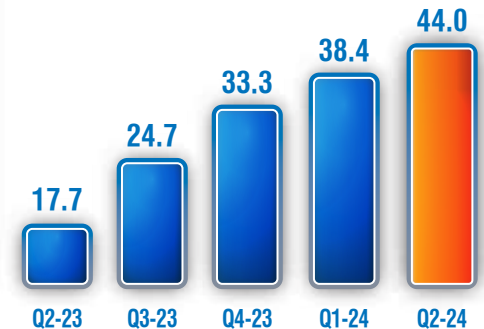
Time Deposits (TRY billion)^(a)



Deposits by Currency (%)^(b)



Cost of TRY Deposits (%)^(c)

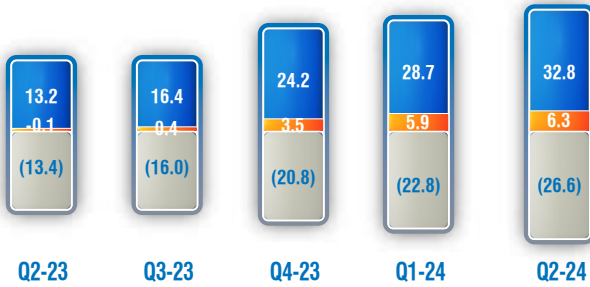


(a) Excluding interest accruals and interbank. (b) Excluding interest accruals. (c) Time & demand blended.

Cost – Yield – Spread

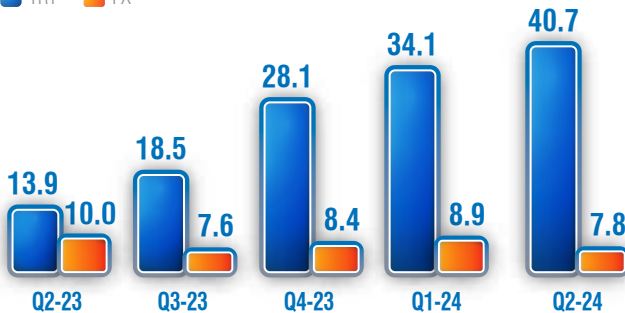
Blended Cost - Yield - Spread (%)

Yield on Loans Cost of Deposits(*) Spread



Yield on Loans (%)

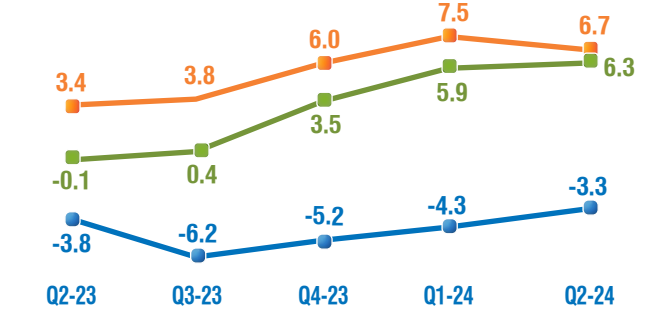
TRY FX



(*) Time & demand blended.

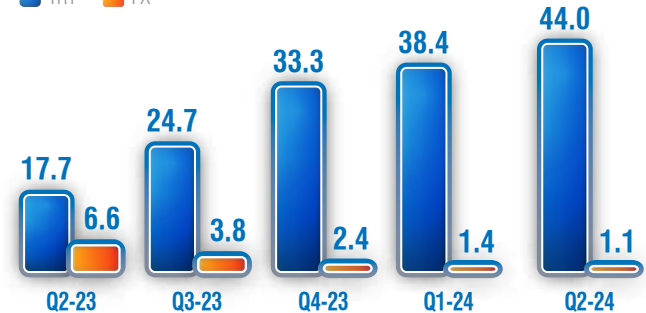
Spreads (%)

TRY Core FX Core Blended Core



Cost of Deposits (%) (*)

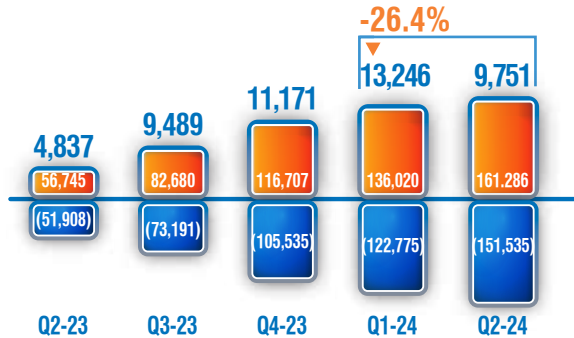
TRY FX



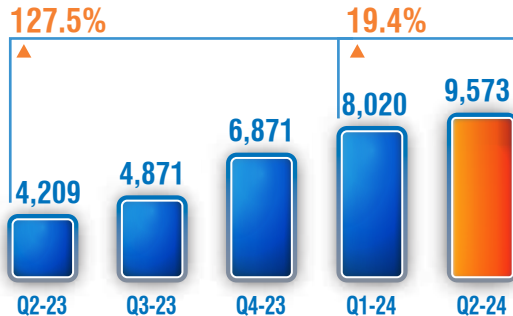
Net F&C increased by 19.4% QoQ and by 127.5% YoY

Net Interest Income (TRY million)

Interest Income Interest Expenses

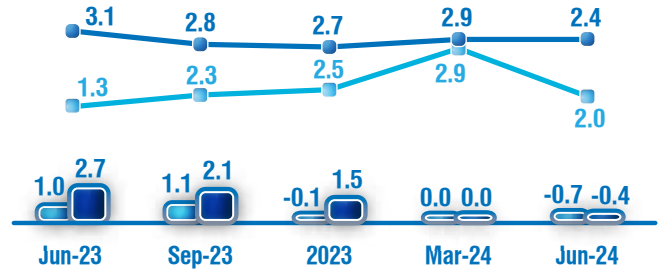


Net Fees & Commissions Income (TRY million)

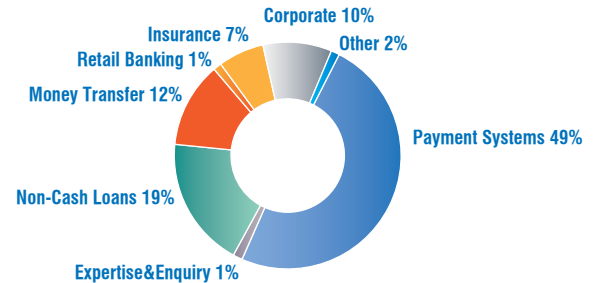


NIM (%)

YtD Quarterly Swap adj. (QoQ) Swap adj. (YtD)

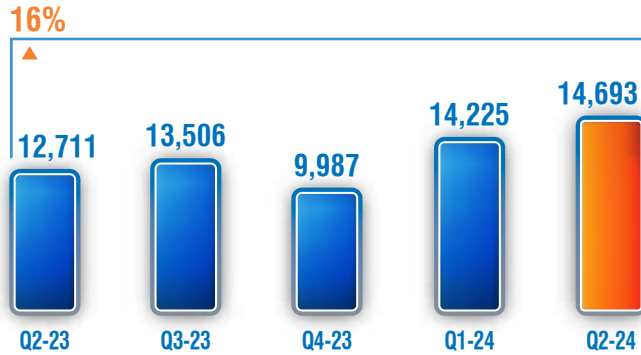


Breakdown of Fees & Commissions (%) (Cumulative)



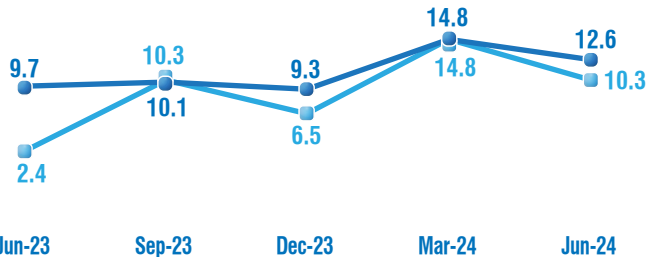
Details of profitability metrics

Total Operating Revenues (TRY million)^(a)

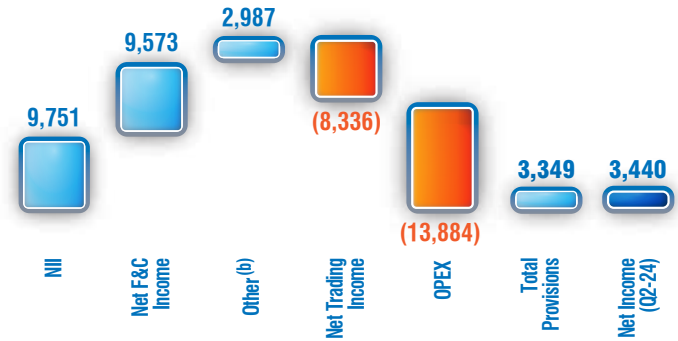


RoE (%)

● YtD ■ Quarterly



Q2-24 Revenue Walk (TRY million)



RoA (%)

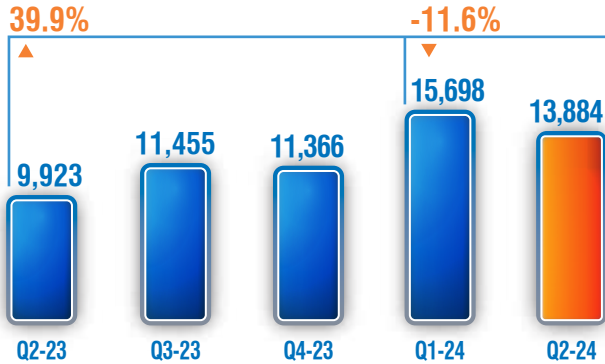
● YtD ■ Quarterly



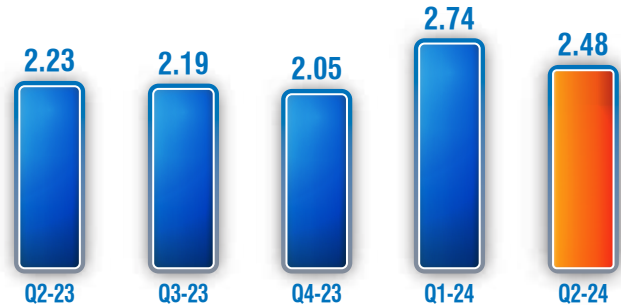
(a) Net Interest Income + Net Fees & Commissions + Net Trading Income + Other Operating Income (b) Other Operating Income + Tax Provisions + Dividend

State Saving Plan also enabled OPEX contraction

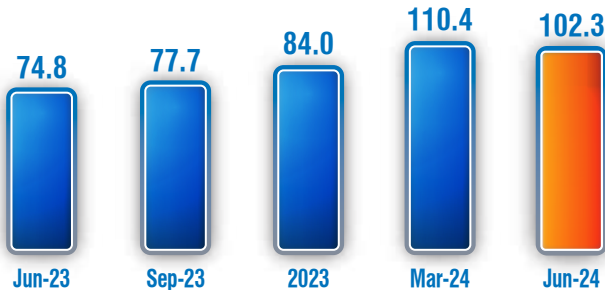
Operating Expenses (TRY million)



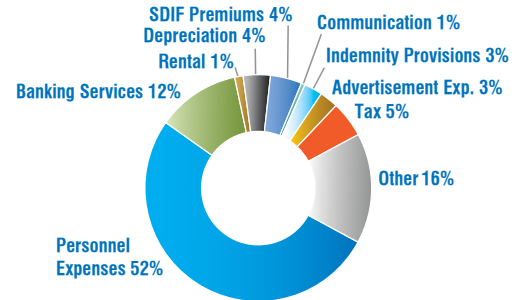
Operating Expenses / Average Assets (%)



Cost/Income (%)



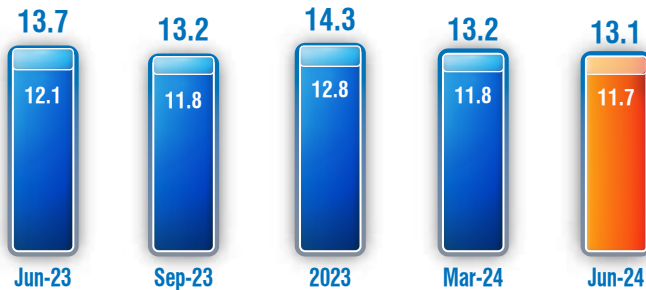
Breakdown of Operating Expenses (%)



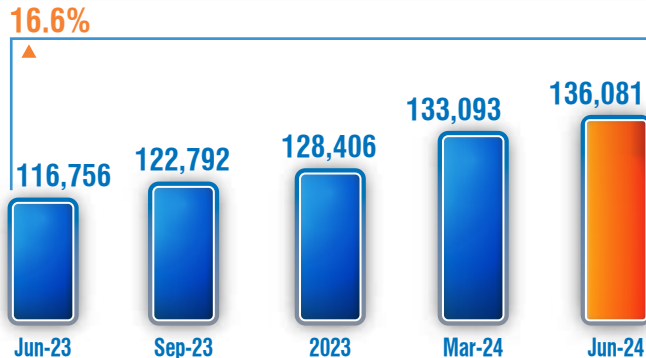
Solvency Ratios

CAR (%)

● Tier-I ● CAR



SHE (TRY million)



Details on Capital Ratio

Details on Capital Ratio (TRY mn)

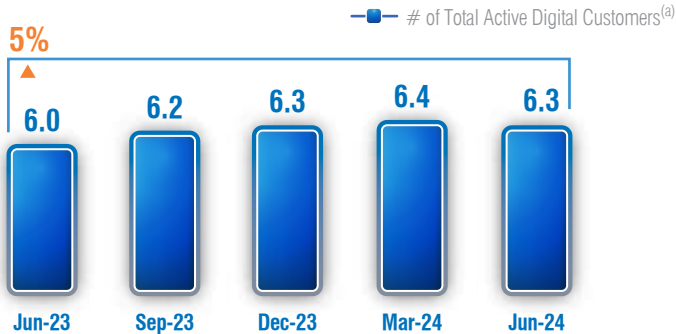
	Cons. Basel III Jun-24	Uncons. Basel III Jun-24
Credit Risk Base Amount (CRBA)	1,249,426	1,188,004
Market Risk Base Amount (MRBA)	109,151	92,437
Operational Risk Base Amount (ORBA)	95,339	86,059
Total Risk Weighted Assets (RWAs)	1,453,916	1,366,535
Regulatory Capital	197,759	178,548
CAR (%)	13.60	13.07
Tier-I (%)	12.26	11.69
Common Equity Tier-I (%)	10.10	9.40

Basel III Capital Requirements	Minimum	Capital Conservation Buffer	Counter Cyclical Buffer*	SIFI Buffer	Consolidated Regulatory Requirements
CAR (%)	8.00	2.50	0.08	1.00	11.58
Tier-I (%)	6.00	2.50	0.08	1.00	9.58
CET-I (%)	4.50	2.50	0.08	1.00	8.08

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

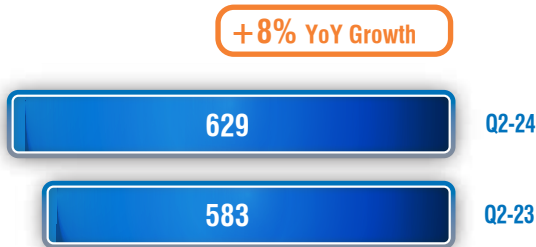
Details of digital customer base

Active Digital Customers by Types (Million)

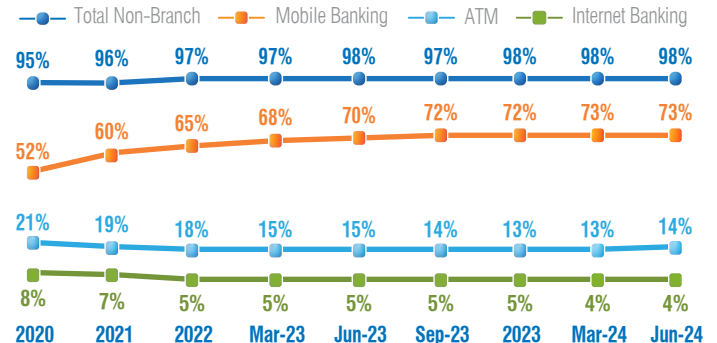


of active digital banking customers increased **5% YoY** and reached **6.3 million**

Digital Transactions Growth (Cumulative) (Million)^(b)



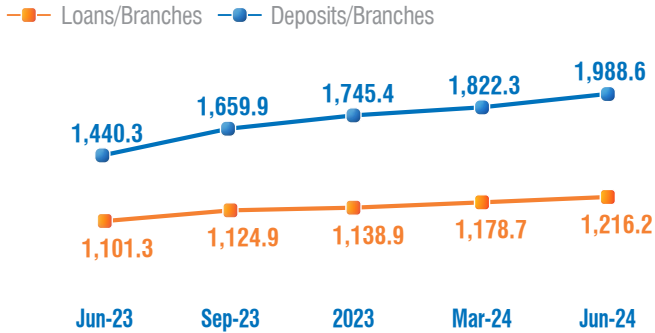
Evolution of Transactions per Channel (% Share)



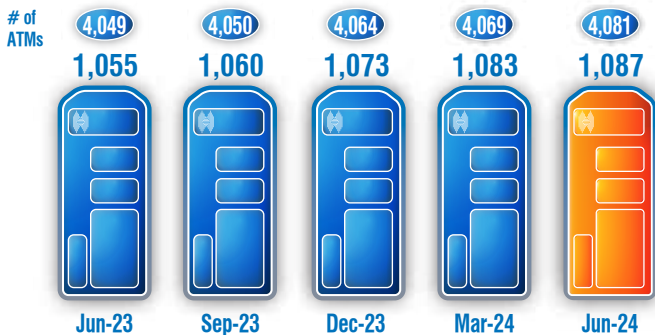
(a) Internet-only customers + Mobile-only customers + Those customers who use both internet and mobile (b) Total number of digital transactions (mobile and internet) on a yearly cumulative basis

Branch Network – Human Resources

Loans and Deposits per Branch (TRY million)

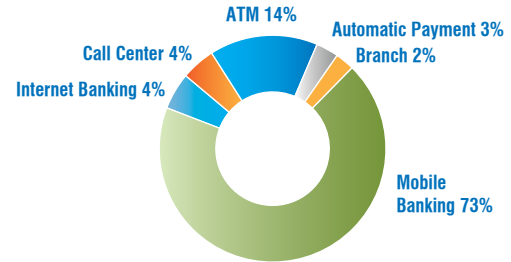


Branches^(*)

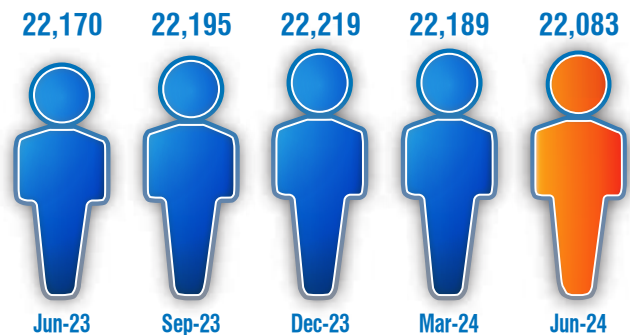


(*) Domestic branches

Breakdown of Banking Transactions (%)



Headcount



Annex

Halkbank	TRY Million	Market Share (%)
Total Assets	2,611,039	9.3
Loans ^(a)	1,299,926	9.4
TRY Loans	962,782	10.8
FC Loans	337,144	6.8
SME Loans	627,884	16.9
Corp. + Comml. L.	511,412	7.4
Retail Loans	160,631	5.0
Housing	91,783	20.5
GPLs	28,987	2.4
Credit Cards	31,424	2.1
Auto	8,436	9.3

Banking Sector Metrics ^(b)	H123	H124
Loan Growth (YtD, %)	32.0	18.6
Deposit Growth ^(c) (YtD, %)	32.1	11.5
LDR (%)	83.2	81.6
NPL (%)	1.7	1.5
CoR ^(d) (bps)	72	88
Macroeconomic Indicators	H123	Current
GDP Growth (%)	4.0	5.7 ^(e)
CPI (%)	47.8	61.8 ^(f)
Unemployment (%)	9.5	8.4 ^(g)
CBT Policy Interest Rate (%)	17.50	50.00

(b) BRSA monthly data as of Dec-23 and Jun-24.

(c) Including interbank deposits.

(d) S3 Provisions/Av. Gross Loans

(e) Turkish Statistical Institute (TSI), 2024/1.

(f) TSI, Jul-24.

(g) TSI, May-24.

(a) Excluding interest accruals.

Balance Sheet

In TRY million	H1-23	2023	Mar-24	H1-24	QoQ (%)	YtD (%)	YoY (%)
Cash and Balances Held with the Central Bank ^(a)	192,165	273,730	351,340	484,573	37.9	77	152.2
Banks & Money Market ^(b)	11,065	15,824	14,581	23,683	62.4	49.7	114.0
Securities ^(b)	493,729	584,393	653,759	657,599	0.6	12.5	33.2
Net Loans ^(b)	1,161,900	1,222,035	1,276,514	1,321,992	3.6	8.2	13.8
Gross NPL	17,911	18,540	19,268	20,902	8.5	12.7	16.7
NPL Net	1,349	1,800	2,318	3,635	56.8	101.9	169.5
Property and Equipment	15,962	21,547	22,215	24,564	10.6	14	53.9
Other Assets	74,924	77,758	96,469	98,629	2.2	26.8	31.6
Total Assets	1,949,743	2,195,287	2,414,878	2,611,039	8.1	18.9	33.9
Deposits ^(b)	1,519,498	1,872,848	1,973,555	2,161,565	9.5	15.4	42.3
Funds Borrowed ^(b)	15,882	16,992	21,376	31,383	46.8	84.7	97.6
Interbank Money Market ^(b)	143,293	20,182	116,965	124,890	6.8	518.8	(12.8)
Marketable Securities Issued	10,056	9,252	11,249	7,067	(37.2)	(23.6)	(29.7)
Funds	24	572	14	31	119.5	(94.5)	30.4
Other Liabilities	135,210	134,606	144,242	138,488	(4)	2.9	2.4
Provisions	9,025	12,429	14,384	11,533	(19.8)	(7.2)	27.8
Shareholders' Equity	116,756	128,406	133,093	136,081	2.2	6	16.6
Total Liabilities	1,949,743	2,195,287	2,414,878	2,611,039	8.1	18.9	33.9

(a) Reserve deposits monitored in balance with Central Bank

(b) Including interest accruals

Income Statement

In TRY million	H1-23	H1-24	YoY (%)	Q2-23	Q1-24	Q2-24	QoQ (%)	YoY (%)
Interest Income	105,604	297,307	181.5	56,745	136,020	161,286	18.6	184.2
On Loans	63,935	196,687	207.6	35,968	89,965	106,722	18.6	196.7
On Securities	41,040	85,228	107.7	20,487	41,019	44,209	7.8	115.8
Interest Expense	84,880	274,310	223.2	51,908	122,775	151,535	23.4	191.9
On Deposits	75,089	243,863	224.8	45,472	108,738	135,125	24.3	197.2
Net Interest Income	20,723	22,997	11	4,837	13,246	9,751	(26.4)	101.6
Net Fees and Commissions	7,206	17,593	144.2	4,209	8,020	9,573	19.4	127.5
Net Trading Income	(1,392)	(19,912)	1,330.50	(1,077)	(11,577)	(8,336)	(28)	674.1
Swap Cost	(2,568)	(26,464)	930.5	(1,148)	(13,207)	(13,257)	0.4	1,054.40
Other Operating Income	7,264	8,240	13.4	4,742	4,536	3,704	(18.3)	(21.9)
Reversal of Loan Loss Provisions	1,495	1,943	30	380	1,064	880	(17.3)	131.3
Total Operating Revenues	33,802	28,918	(14.4)	12,711	14,225	14,693	3.3	15.6
Operating Expenses	25,298	29,582	16.9	9,923	15,698	13,884	(11.6)	39.9
Net Operating Income	8,503	(664)	(107.8)	2,788	(1,473)	809	(154.9)	(71)
Provision for Loan Losses and Other Receivables	1,401	2,370	69.1	370	5,718	(3,349)	(158.6)	(1,005.00)
Stage 3 Provisions	1,337	2,178	63	648	932	1,246	33.7	92.4
Profit/(Losses) from Associates	44	971	N/A	43	850	121	N/A	N/A
Income Before Taxes	7,146	(2,063)	(128.9)	2,461	(6,341)	4,278	(167.5)	73.9
Provision for Tax	2,191	(10,321)	(570.9)	1,762	(11,159)	838	(107.5)	N/A
Net Income	4,955	8,258	66.7	699	4,818	3,440	(28.6)	392.3

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