

1Q 2022 Earnings Presentation

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PROFIT A BLE
RESI L IENT
RIS K CONSCIOUS
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MAR K ETMAKER

Gradual asset growth with a highly liquid balance sheet structure

> FX LCR is at 232%, well above the regulatory limit of 80%.

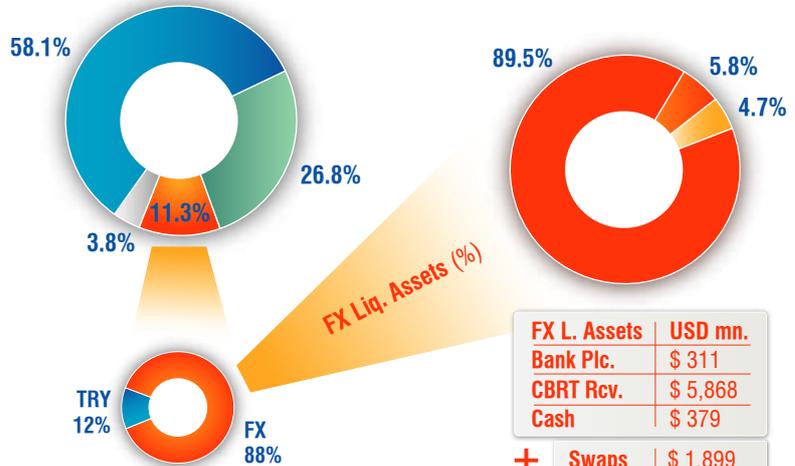
Asset Growth YoY 39.3% QoQ 7.1%

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.	\$ 311
CBRT Rcv.	\$ 5,868
Cash	\$ 379

+ Swaps | \$ 1,899

> FX wholesale funding (excluding bank deposits) due within 12 months = \$316 mn.

Impressive gain on CPI-linkers continued, their share within the portfolio increased to 37%

Total Securities Portfolio (TRY billion)



Interest Income on Securities (TRY million)

● Total ● CPI Linkers

CPI Linkers' valuation rate is 36% for 1Q22.

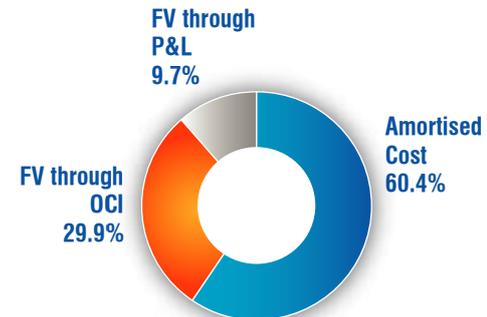


Securities Classification (TRY billion)^(*)

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



Securities Composition (%)



(*) Excluding borrowed securities

Balanced QoQ loan growth backed by the SME segment

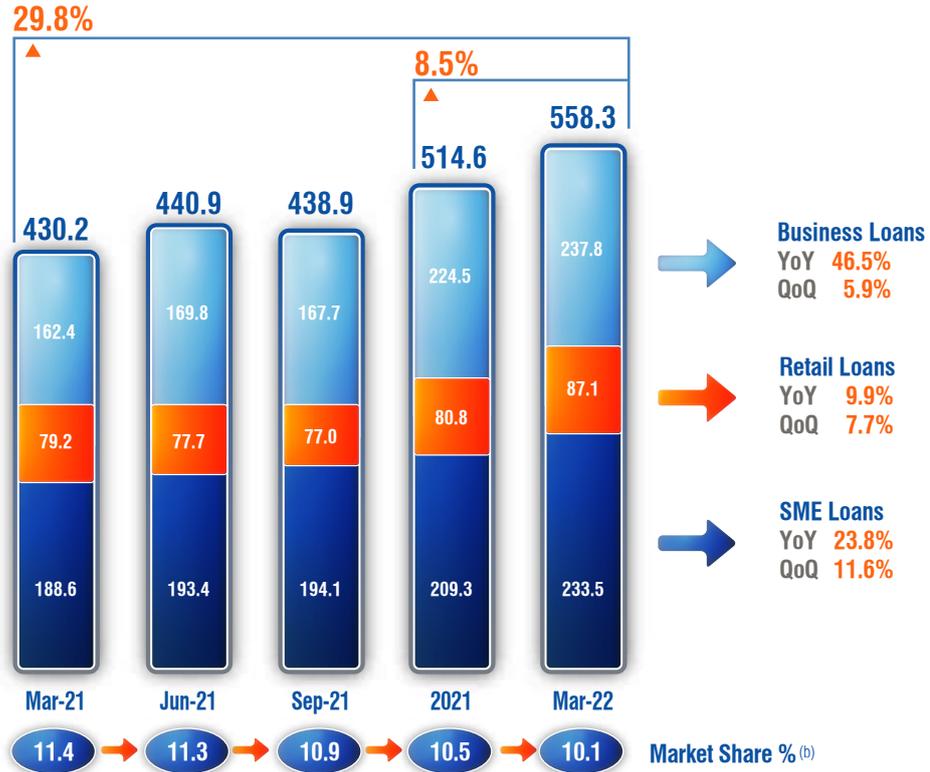
 (TRY billion)^(a)

CGF Utilisation (TRY bn)	Dec-21	Mar-22
Current loan amount	41.7	39.9

Total Loans	
HALKBANK	B. Sector^(b)
YoY	YoY
29.8%	45.7%
QoQ	QoQ
8.5%	12.3%

TRY Loans	
HALKBANK	B. Sector^(b)
YoY	YoY
20.5%	33.2%
QoQ	QoQ
9.8%	13.7%

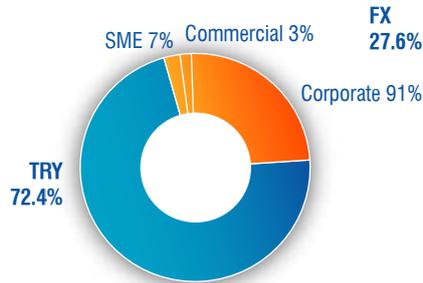
FX Loans	
HALKBANK	B. Sector^(b)
YoY	YoY
62.5%	67.9%
QoQ	QoQ
5.2%	10.3%
in USD terms	
YoY	YoY
-9.4%	-6.5%
QoQ	QoQ
-2.7%	2.1%



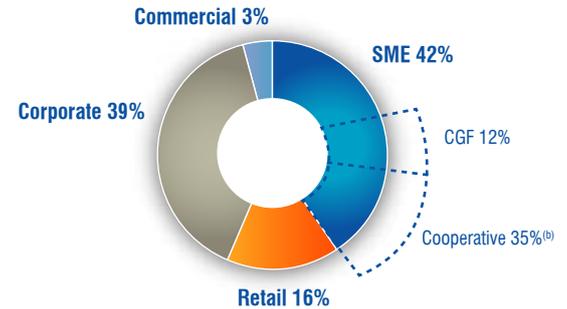
(a) Excluding interest accruals (b) BRSA monthly data as of Mar-22.

Well-collateralised and TRY dominant loan book

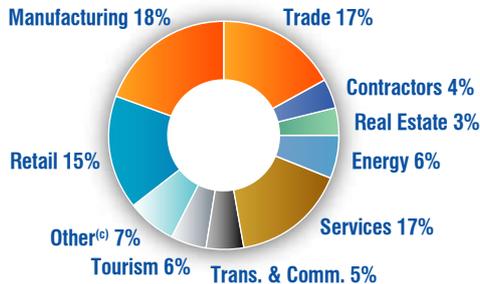
Loans by Currency (%)^(a)



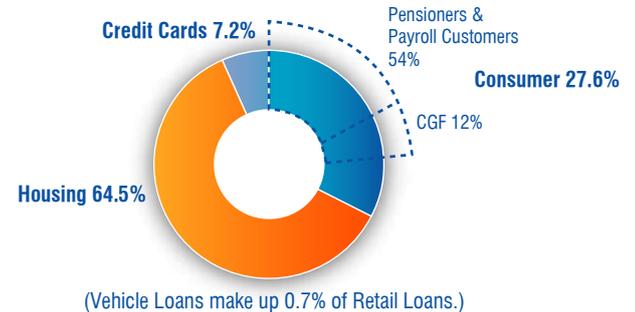
Loans by Customer Segmentation (%)^(a)



Sectoral Breakdown of Loans (%)



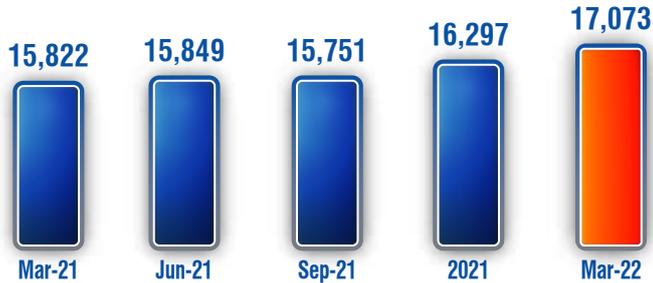
Retail Loans by Types (%)^(a)



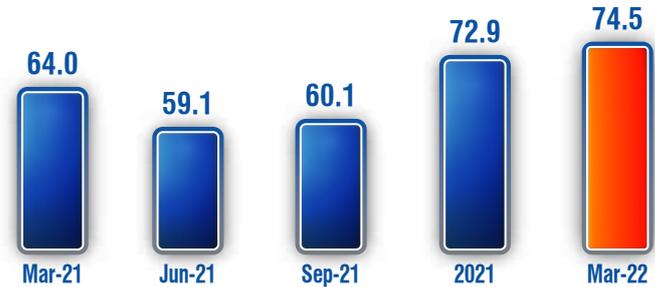
(a) Excluding interest accruals (b) Micro SMEs (c) Includes sectors below 3%.

NPL ratio remained strong at 2.9% with an improving coverage

NPL Portfolio (TRY million)



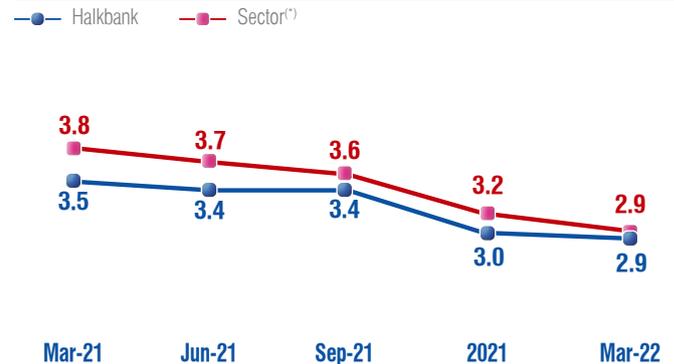
NPL Coverage (%)



Loans under Close Watch (TRY million)



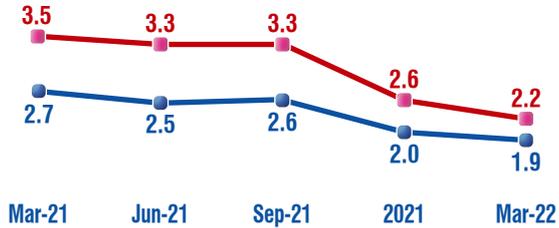
NPL/Total Loans (%)



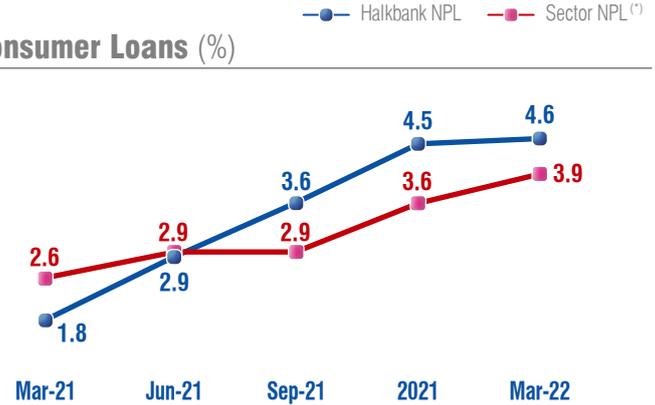
(*) BRSA monthly data as of Mar-22.

NPL ratio by segments

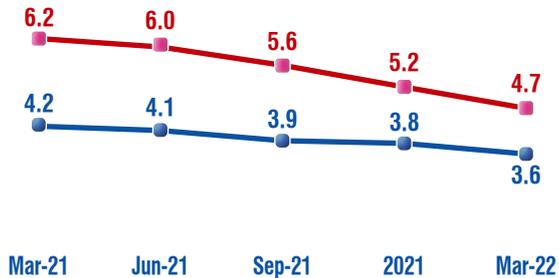
Corporate - Commercial (%)



Consumer Loans (%)



SME Loans (%)



Credit Cards (%)



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

Precautionary provisioning maintained, S2 and S3 coverage increased to a higher level than 21YE

Provisions and Reversals (TRY million)

Quarterly

(TRY million)	Q4-20	Q1-21	Q2-21	Q3-21	Q4-21	Q1-22
S1 Provisions	350	125	-124	164	2,136	79
S2 Provisions	-198	0	0	144	5,172	1,382
S3 Provisions	867	1,120	-135	397	2,885	1,294
Total Reversals	182	3,256	1,650	423	292	420
Net CoR (bps)	74	-181	-167	24	784	168

Net Cost of Risk (bps) (Cumulative)



Coverage Ratios

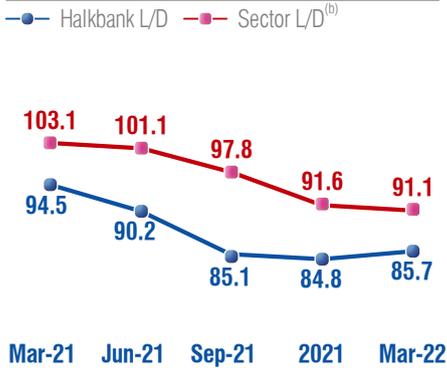
	2020	Mar-21	Jun-21	Sep-21	2021	Mar-22
Stage 1	0.57%	0.48%	0.40%	0.41%	0.76%	0.42%
Stage 2	8.8%	6.5%	4.3%	5.0%	14.6%	17.3%
Stage 3	65.3%	64.0%	59.1%	60.1%	72.9%	74.5%
NPL (S1+S2+S3)	98.3%	93.0%	80.9%	83.1%	137.2%	144.0%
Total Loans	3.70%	3.24%	2.76%	2.83%	4.14%	4.20%

Gross Cost of Risk (bps) Cumulative

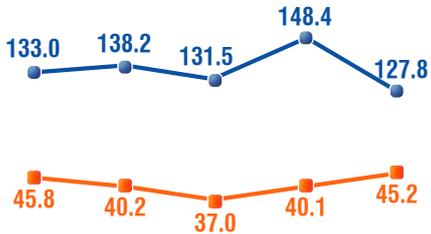


Improving TRY LDR which maintains a comfortable level of 127.8%

Loan to Deposit (%)

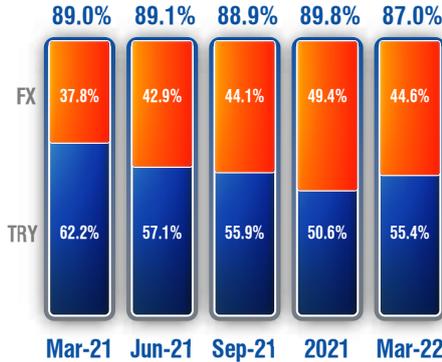


● TRY L/D ● FX L/D



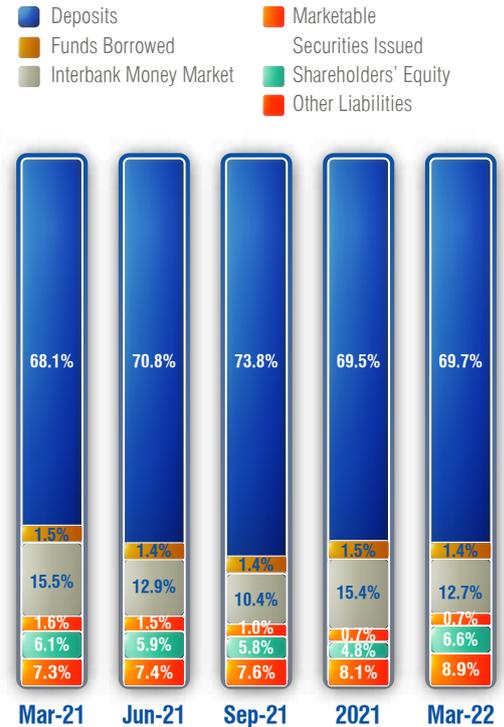
Mar-21 Jun-21 Sep-21 2021 Mar-22

Composition of IBLs^(a)



> FX wholesale funding makes up 3.6% of total liabilities vs sector average^(b) of 19.3%.

Liabilities Mix (%)



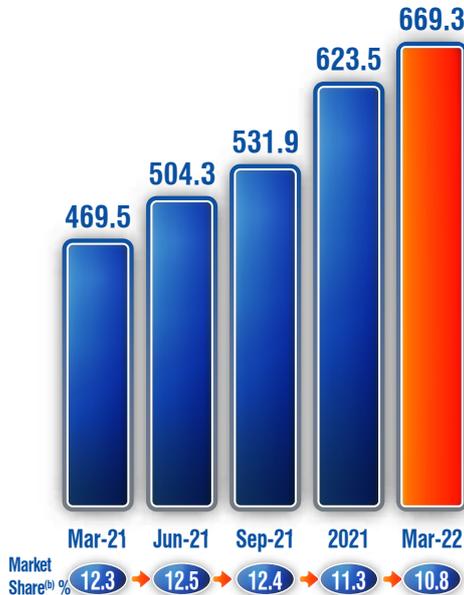
(a) Including interest accruals and excluding funds. Excluding demand deposits, the share of IBL is 68.1% in Mar-22.

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

Strong TRY deposit growth is supported by an increasing share of public sector deposits

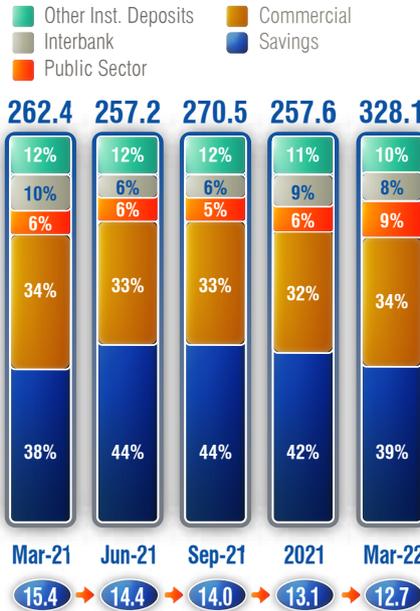
	HALKBANK	B. Sector ^(b)
YoY	42.6%	63.2%
QoQ	7.3%	12.5%

Total Deposits (TRY billion)^(a)



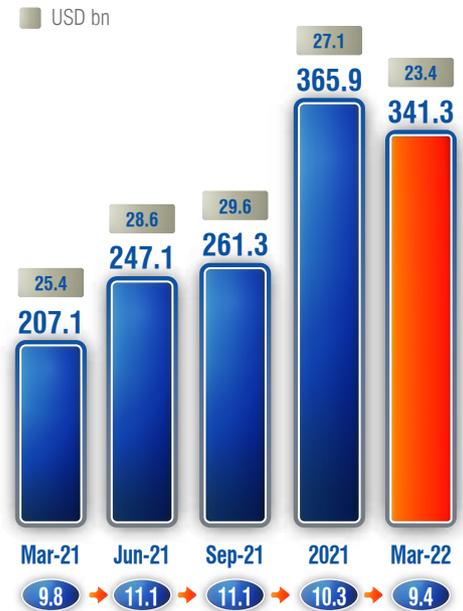
	HALKBANK	B. Sector ^(b)
YoY	25.0%	51.9%
QoQ	27.3%	31.5%

TRY Deposits (TRY billion)^(a)



	HALKBANK	B. Sector ^(b)
YoY	64.8%	72.3%
QoQ	-6.7%	1.9%
in USD terms	YoY -8.2%	-4.0%
	QoQ -13.7%	-5.7%

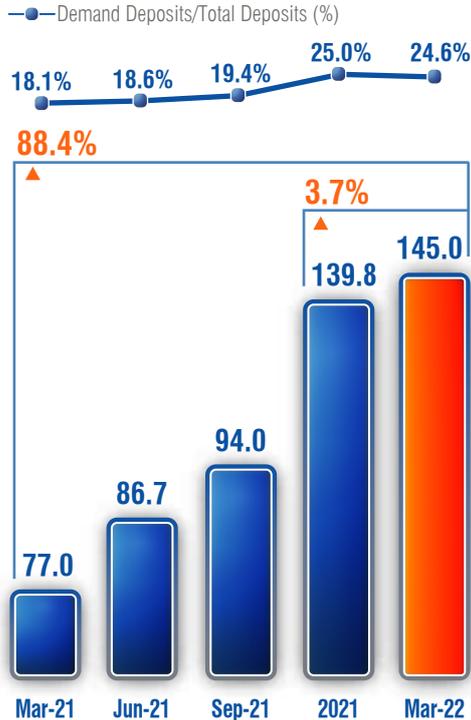
FX Deposits (TRY billion)^(a)



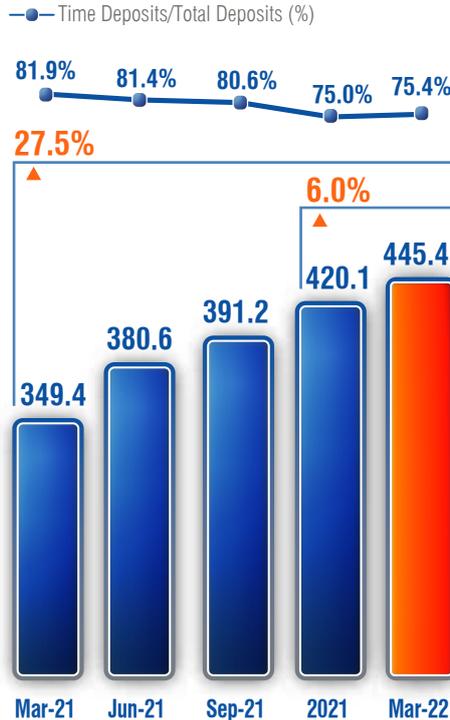
(a) Excluding interest accruals. (b) BRSA monthly data as of Mar-22, including interbank deposits.

TRY deposit book started to pick up, corresponding 49% of total deposits

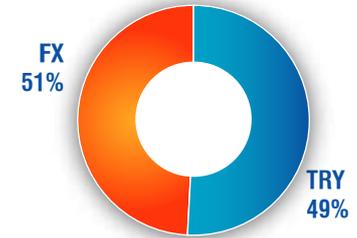
Demand Deposits (TRY billion)^(a)



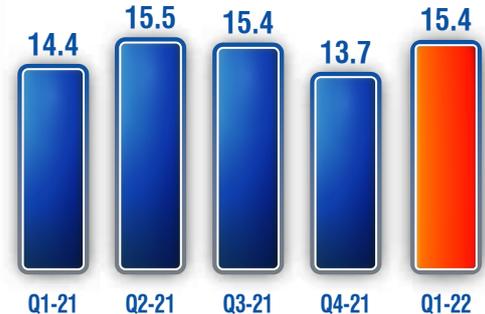
Time Deposits (TRY billion)^(a)



Deposits by Currency (%)^(b)



Cost of TRY Deposits (%)^(c)

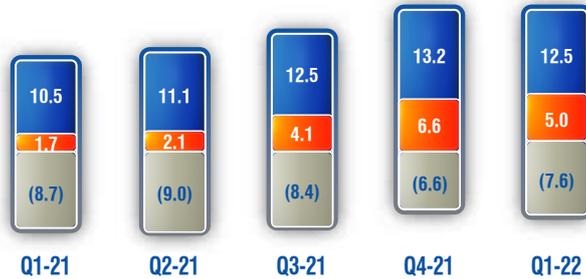


(a) Excluding interest accruals and interbank. (b) Excluding interest accruals. (c) Time & demand blended.

Cost – Yield – Spread

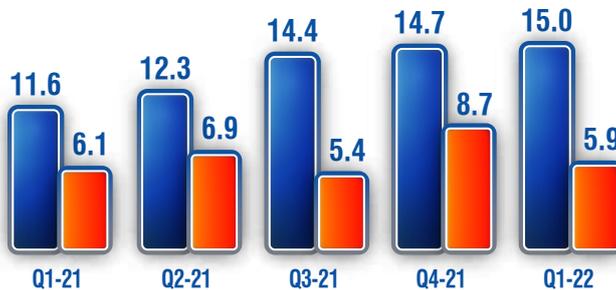
Blended Cost - Yield - Spread (%)

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



Yield on Loans (%)

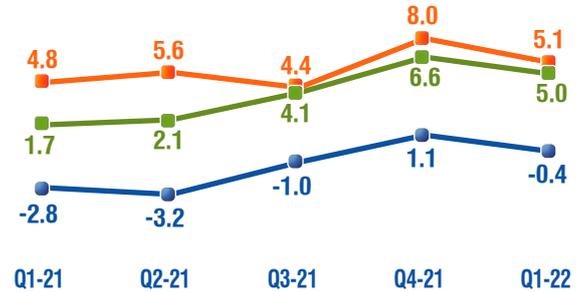
■ TRY
 ■ FX



(*) Time & demand blended.

Spreads (%)

— TRY Core
 — FX Core
 — Blended Core



Cost of Deposits (%)^(*)

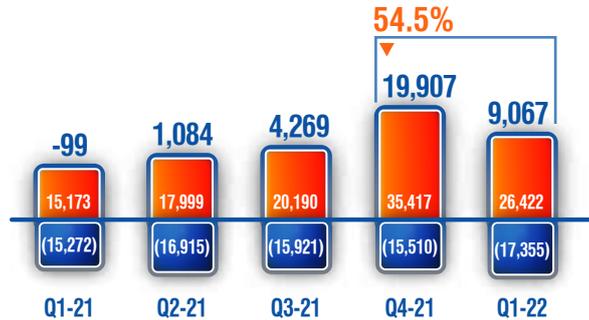
■ TRY
 ■ FX



Swap adj. NIM improved by 130 bps QoQ on a cumulative basis

Net Interest Income (TRY million)

Interest Income Interest Expenses



Net Fees & Commissions Income (TRY million)

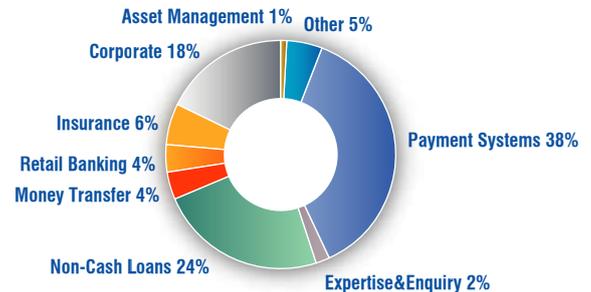


NIM (%)

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

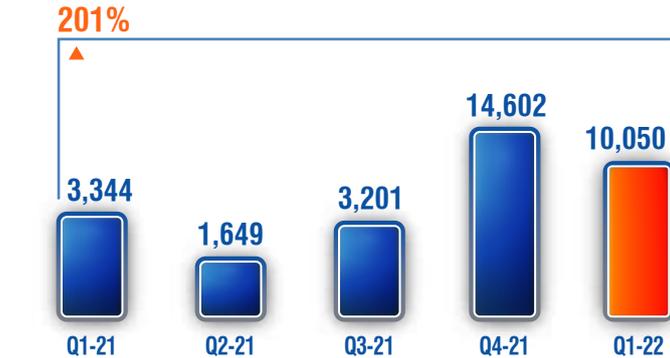


Breakdown of Fees & Commissions (%)

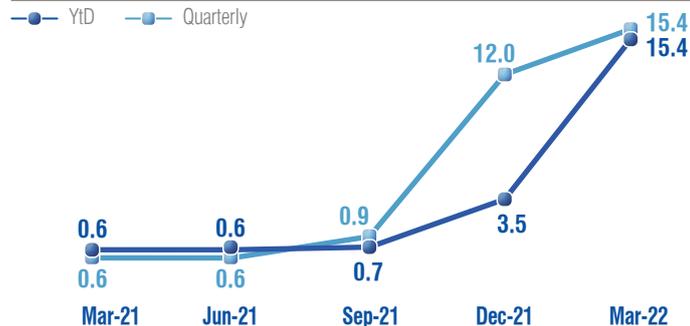


Strong operating revenue and a reduced trading loss generates a RoE at 15.4% QoQ

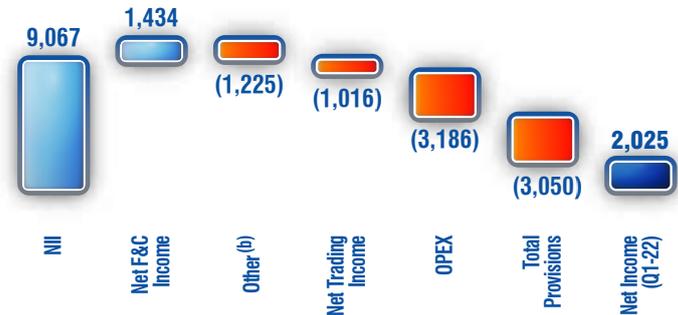
Total Operating Revenues (TRY million)^(a)



RoE (%)



Q1-22 Revenue Walk (TRY million)



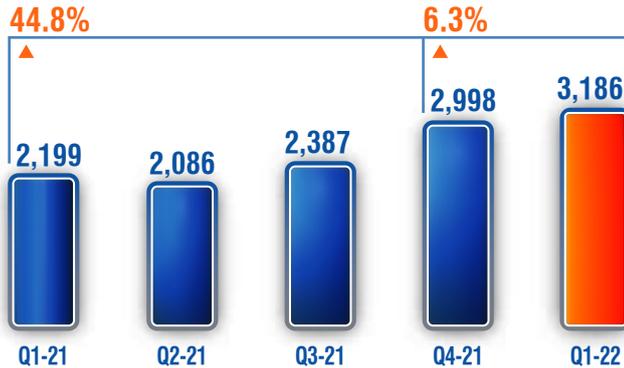
RoA (%)



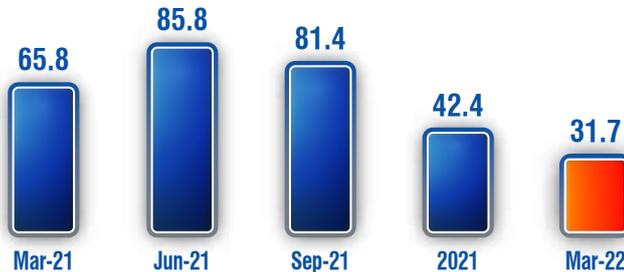
(a) Net Interest Income + Net Fees & Commissions + Net Trading Income + Other Operating Income (b) Other Operating Income + Tax Provisions

Normalised OPEX, Cost/Income Ratio improved to 31.7%

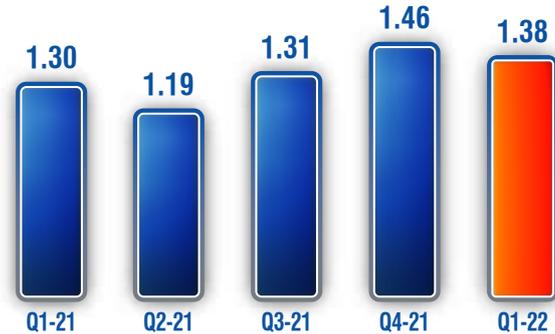
Operating Expenses (TRY million)



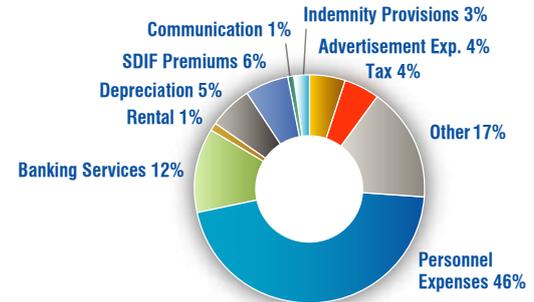
Cost/Income (%)



Operating Expenses / Average Assets (%)



Breakdown of Operating Expenses (%)



Solvency Ratios

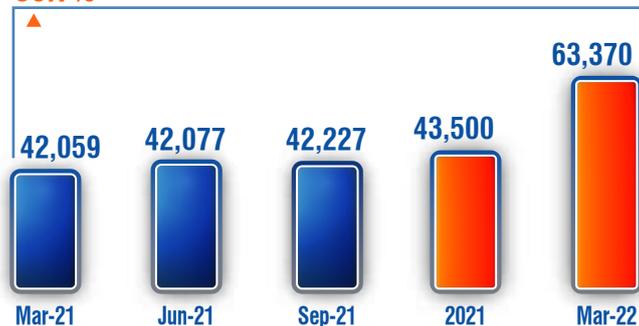
CAR (%)

● Tier-I ● CAR



SHE (TRY million)

50.7%



Details on Capital Ratio

Details on Capital Ratio (TRY mn)

	Cons. Basel III Mar-21	Uncons. Basel III Mar-22
Credit Risk Base Amount (CRBA)	491,692	476,256
Market Risk Base Amount (MRBA)	16,218	10,511
Operational Risk Base Amount (ORBA)	29,467	27,691
Total Risk Weighted Assets (RWAs)	537,377	514,458
Regulatory Capital	90,978	90,701

CAR (%)	16.93	17.63
Tier-I (%)	14.68	15.32
Common Equity Tier-I (%)	11.97	12.49

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.

Total active digital customers reached up to 4.7 million

Active Digital Customers by Types (Million)

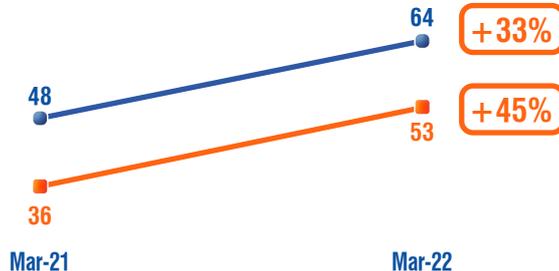
■ # of Total Active Digital Customers^(a)
■ # of Active Mobile-only Customers
 ■ # of Active Internet-only Customers



of active digital banking customers increased **19% YoY**, and reached **4.7 million**
 # of active mobile banking customers increased **29% YoY**, and reached **3.9 million**

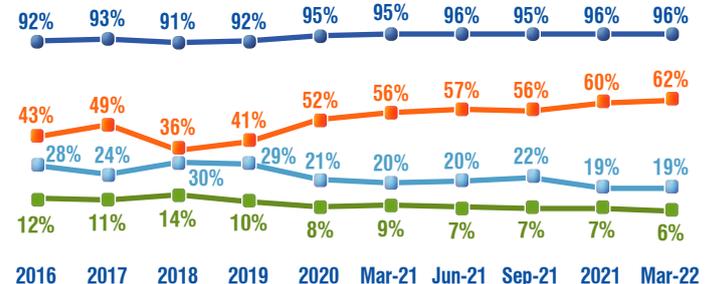
Total Digital Transactions Growth (Million)^(b)

■ # of Total Digital Transactions
 ■ # of Mobile Transactions



Evolution of Transactions per Channel (% Share)

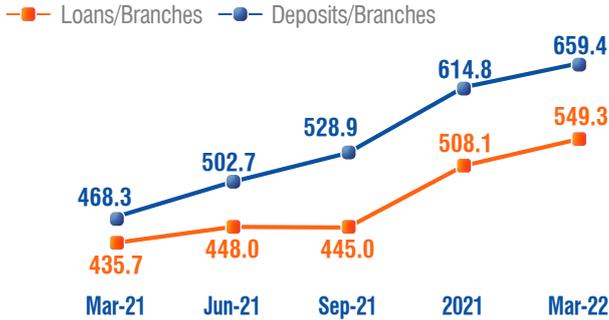
■ Total Non-Branch
 ■ Mobile Banking
 ■ ATM
 ■ Internet Banking



(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)

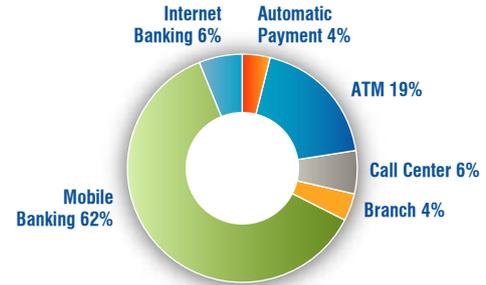


Branches^(*)



(*) Domestic branches

Breakdown of Banking Transactions (%)



Headcount



Annex

Halkbank	TRY Million	Market Share (%)
Total Assets	965,287	9.5
Loans ^(a)	558,338	10.1
TRY Loans	404,029	12.5
FC Loans	154,308	6.8
SME Loans	233,480	18.4
Corp. + Comml. L.	237,793	7.4
Retail Loans	87,064	8.4
Housing	56,175	18.1
GPLs	24,023	5.0
Credit Cards	6,299	2.7
Auto	0,568	3.9

Banking Sector Metrics ^(b)	1Q21	1Q22
Loan Growth (YtD, %)	5.6	12.3
Deposit Growth ^(c) (YtD, %)	5.3	12.5
LDR (%)	103.1	91.1
NPL (%)	3.8	2.9
CoR ^(d) (bps)	96	113
Macroeconomic Indicators	1Q21	Current
GDP Growth (%)	7.2	11.0 ^(e)
CPI (%)	16.2	70.0 ^(f)
Unemployment (%)	13.1	11.5 ^(g)
CBT Policy Interest Rate (%)	19.00	14.00

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

(c) Including interbank deposits.

(d) S3 provisions/Av. Gross Loans

(e) Turkish Statistical Institute (TSI), 2021/4.

(f) TSI, Apr-22.

(g) TSI, Mar-22.

(a) Excluding interest accruals.

Balance Sheet

In TRY million	Mar-21	2021	Mar-22	QoQ Change%	YoY Change%
Cash and Balances Held with the Central Bank ^(a)	62,042	123,424	103,861	(15.9)	67.4
Banks & Money Market ^(b)	3,507	3,534	5,000	41.5	42.6
Securities ^(b)	165,483	223,301	259,145	16.1	56.6
Net Loans ^(b)	438,769	517,225	560,825	8.4	27.8
Gross NPL	15,822	16,297	17,073	4.8	7.9
NPL Net	3,562	2,442	2,412	(1.2)	(32.3)
Property and Equipment	8,876	8,831	8,611	(2.5)	(3.0)
Other Assets	14,208	24,901	27,846	11.8	96.0
Total Assets	692,884	901,217	965,287	7.1	39.3
Deposits ^(b)	471,623	625,904	673,248	7.6	42.8
Funds Borrowed ^(b)	10,379	13,545	13,291	(1.9)	28.0
Interbank Money Market ^(b)	107,711	139,170	122,644	(11.9)	13.9
Marketable Securities Issued	10,751	6,413	6,698	4.4	(37.7)
Funds	80	139	15	(89.5)	(81.8)
Other Liabilities	48,418	69,136	82,625	19.5	70.7
Provisions	1,864	3,408	3,397	(0.3)	82.3
Shareholders' Equity	42,059	43,500	63,370	45.7	50.7
Total Liabilities	692,884	901,217	965,287	7.1	39.3

(a) Reserve deposits monitored in balance with Central Bank

(b) Including interest accruals

Income Statement

In TRY million	Q1-21	Q4-21	Q1-22	QoQ Change%	YoY Change%
Interest Income	15,173	35,417	26,422	(25.4)	74.1
On Loans	11,285	16,217	16,876	4.1	49.5
On Securities	3,656	18,718	9,186	(50.9)	151.2
Interest Expense	15,272	15,510	17,355	11.9	13.6
On Deposits	10,067	9,750	12,052	23.6	19.7
Net Interest Income	(99)	19,907	9,067	(54.5)	N/A
Net Fees and Commissions	724	1,262	1,434	13.6	98.0
Net Trading Income	(642)	(7,174)	(1,016)	(85.8)	58.3
Swap Cost	(711)	(2,034)	(1,100)	(45.9)	54.7
Other Operating Income	3,361	608	565	(7.1)	(83.2)
Reversal of Loan Loss Provisions	2,052	292	417	42.7	(79.7)
Total Operating Revenues	3,344	14,602	10,050	(31.2)	200.5
Operating Expenses	2,199	2,998	3,186	6.3	44.8
Net Operating Income	1,145	11,604	6,865	(40.8)	499.6
Provision for Loan Losses and Other Receivables	1,246	10,221	3,050	(70.2)	144.8
Stage 3 Provisions	1,120	2,885	1,294	(55.2)	15.5
Profit/(Losses) from Associates	139	42	0	N,A	N/A
Income Before Taxes	38	1,425	3,815	167.6	9,909.1
Provision for Tax	(21)	133	1,790	1,246.7	N/A
Net Income	59	1,293	2,025	56.7	3,330.5

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