

# Yapı Kredi Investor Presentation



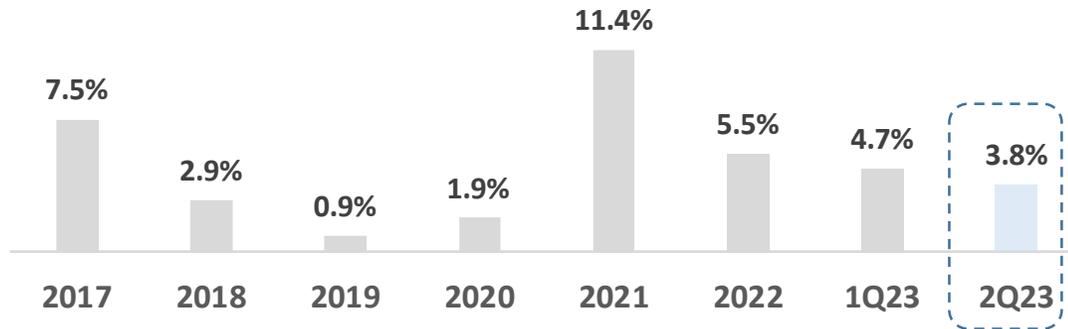
*November 2023*

# ■ **Macroeconomic Overview**

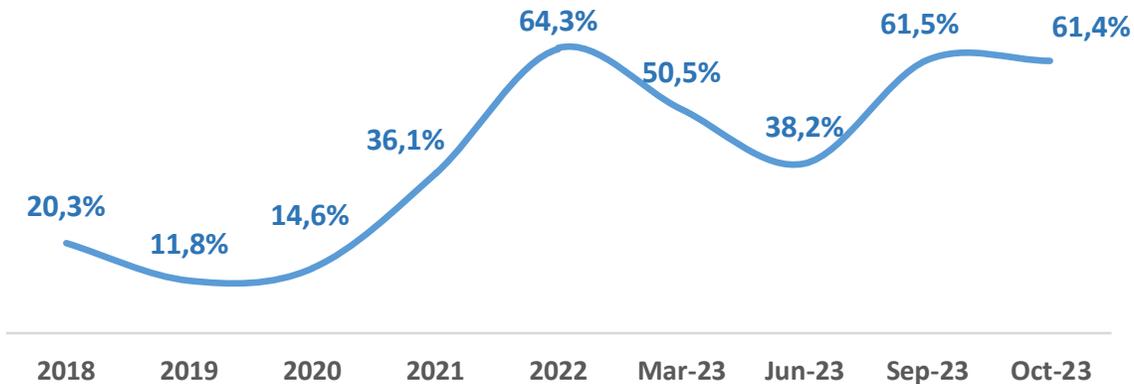
- Turkish Banking Sector
- Shareholder Structure
- Yapı Kredi at a Glance – Key Financial Figures
- Financial Performance
- Sustainability Approach
- Annex

# Macro trends & Demographics

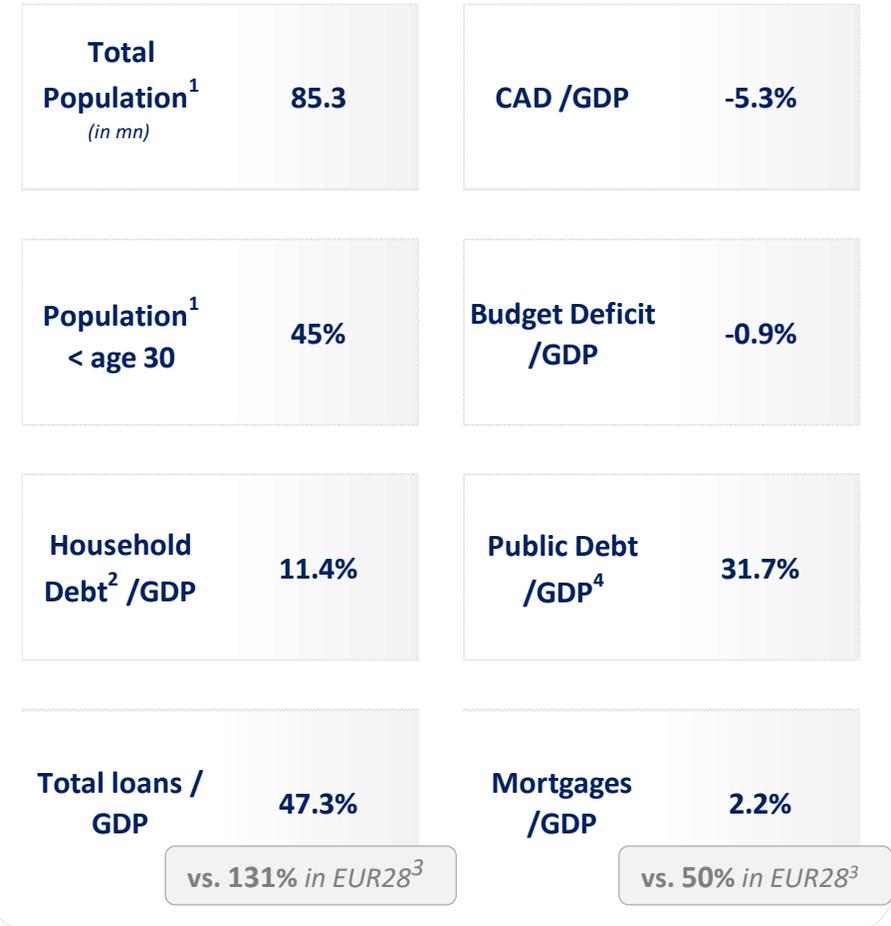
## GDP – 12 month rolling



## Inflation - YoY



## Turkey statistics



1. Source: TUIK, as of 2022-end.

2. Source: CBRT, as of December-end, 2022

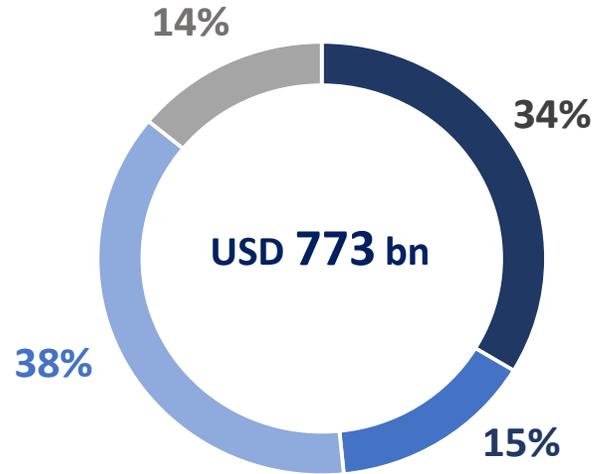
3. Source: ECB, as of 2022-end.

4. Source: Ministry of Treasury and Finance, ratio as of December-end, 2022.

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# Turkish Banking Sector

## Asset Breakdown of Banking System<sup>1</sup>



### # of Banks<sup>2</sup>

- 29 {
  - Top 4 Private Banks
  - Other Private Banks
- 3 — ■ State Banks
- 22 — ■ Participation & Development & Inv. Banks

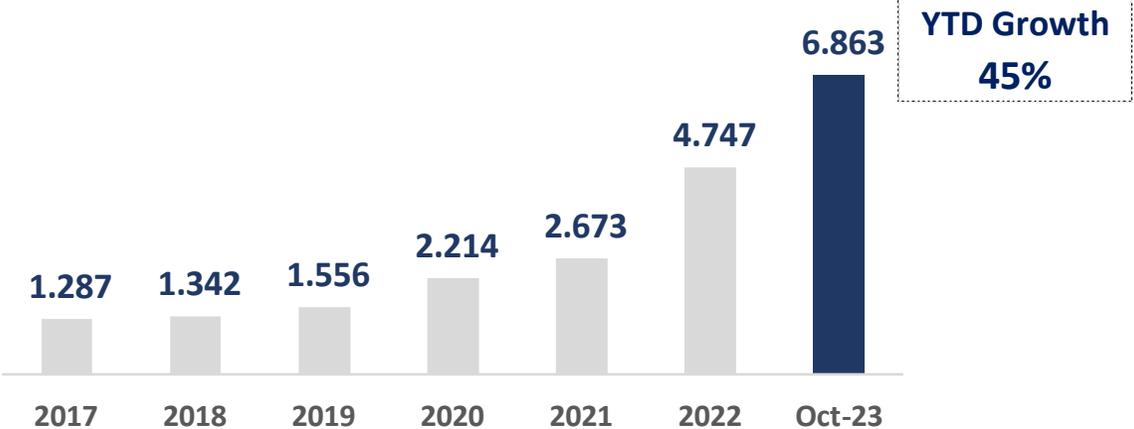
Top 10 Banks <sup>3</sup>	Market Share		Free Float	Foreign Direct Ownership
	Assets	Loans		
<b>Private</b>				
Isbank	9,9%	9,3%	33,6%	
Garanti BBVA	8,3%	8,8%	13,9%	BBVA (85.97%)
Akbank	7,6%	7,2%	50,8%	
<b>Yapı Kredi</b>	<b>7,4%</b>	<b>7,1%</b>	<b>38,8%</b>	
QNB Finansbank	4,1%	4,8%	0,12%	QNB (99.88%)
DenizBank	4,0%	3,9%	-	Emirates NBD (100%)
TEB	1,7%	1,7%	-	BNP Paribas (72.5%)
<b>State</b>				
Ziraat Bank	15,9%	17,3%	-	
VakıfBank	11,6%	12,9%	6,0%	
Halk Bankası	10,4%	11,5%	8,5%	

**Yapı Kredi is the 4th largest private bank in Turkey with total assets worth USD 57bn.**

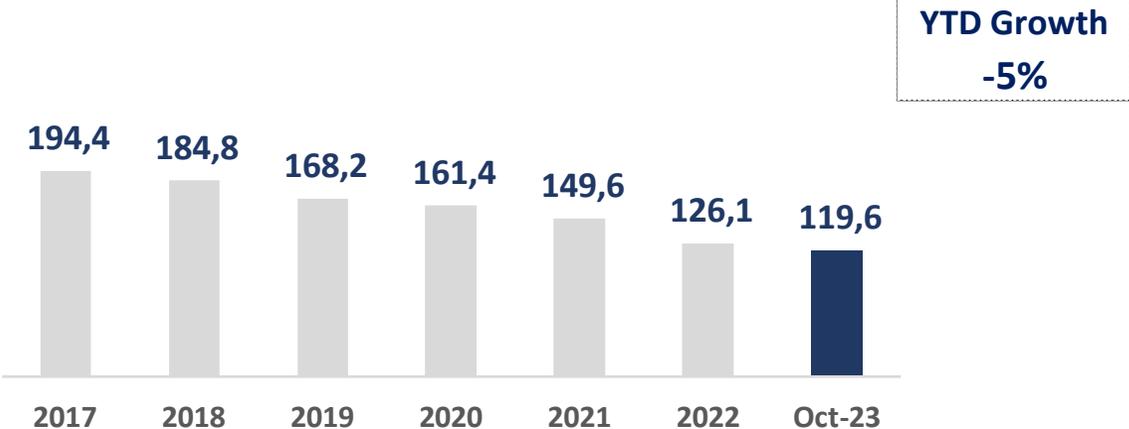
1. Based on BRSA monthly data, as of September 2023.  
 2. Based on TBB data, as of June 30, 2023.  
 3. Based on BRSA bank-only financials, as of September-end, 2023.

# Turkish Banking Sector – Commercial Banks

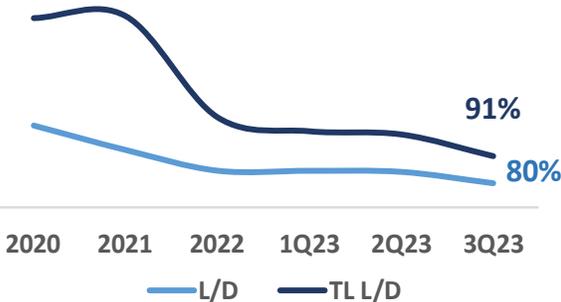
**TL Performing Loans<sup>1</sup> (TL bn)**



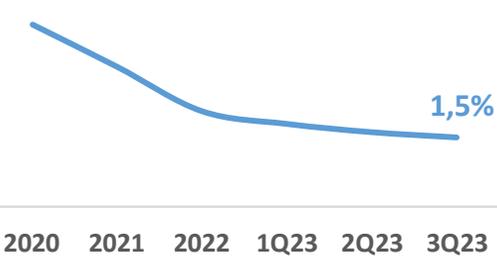
**FC Performing Loans<sup>1</sup> (USD bn)**



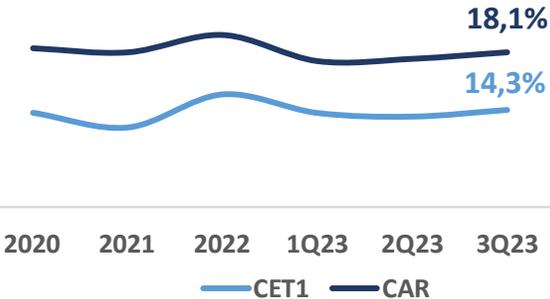
**L/D Ratios<sup>2</sup>**



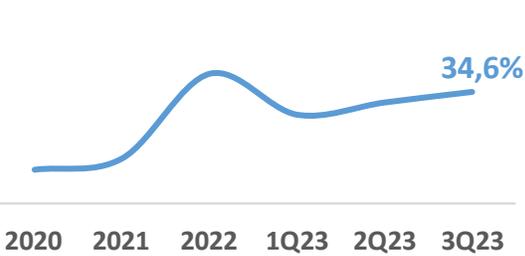
**NPL Ratio<sup>2</sup>**



**Capital Ratios<sup>2</sup>  
incl. forbearances**



**RoAE<sup>2</sup>**



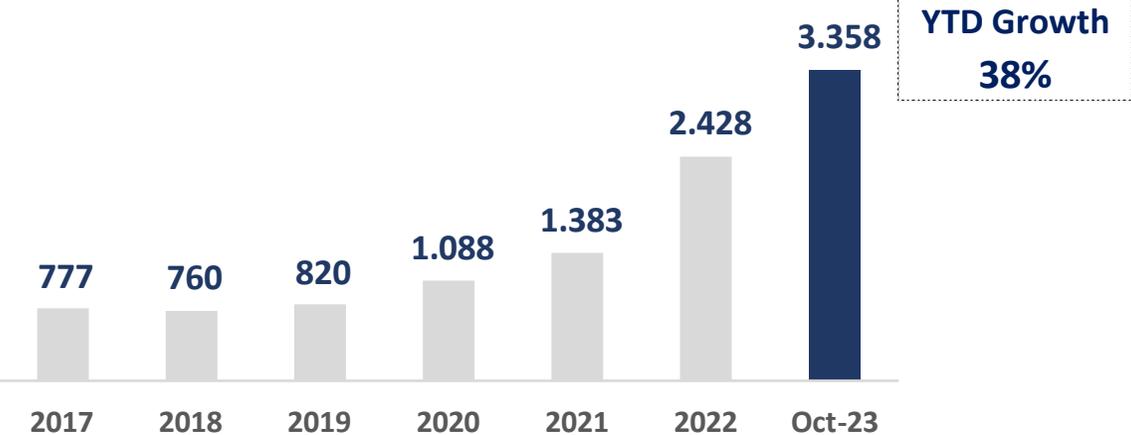
Notes: Commercial banks' figures

1. Based on BRSA weekly data, as of October 27, 2023

2. Based on BRSA monthly data, as of September 2023

# Turkish Banking Sector – Private Banks

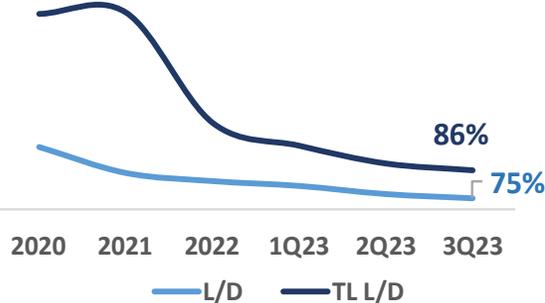
**TL Performing Loans<sup>1</sup> (TL bn)**



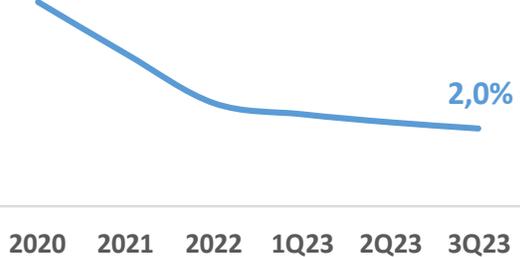
**FC Performing Loans<sup>1</sup> (USD bn)**



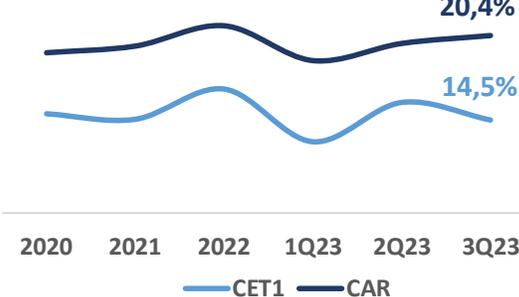
**L/D Ratios<sup>2</sup>**



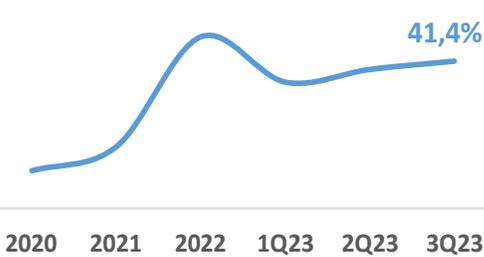
**NPL Ratio<sup>2</sup>**



**Capital Ratios<sup>2</sup>  
incl. forbearances**



**RoAE<sup>2</sup>**



Notes: Private banks' figures

1. Based on BRSA weekly data, as of October 27, 2023

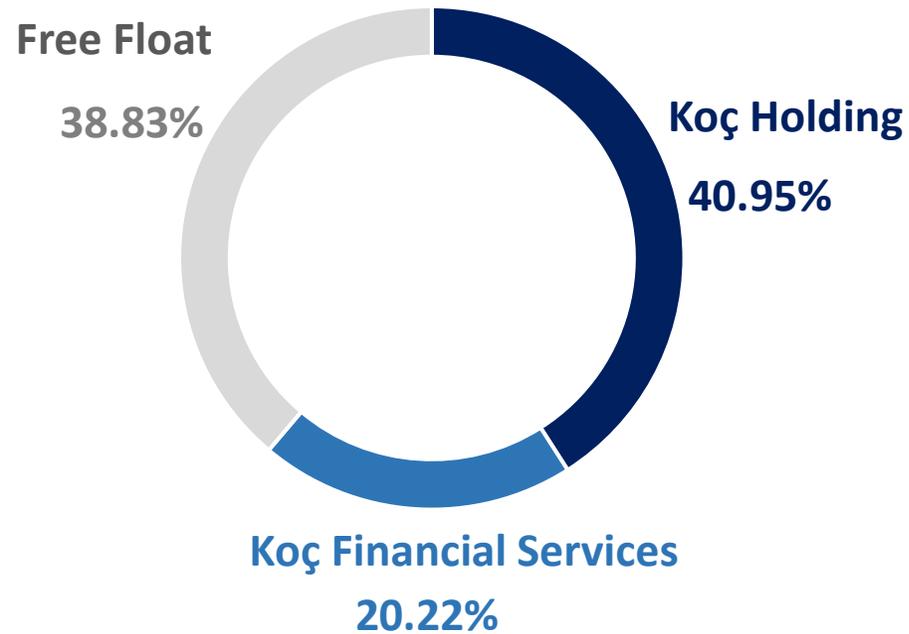
2. Based on BRSA monthly data, as of September 2023

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# Yapı Kredi Ownership Structure

*Koç Holding: Stable, long-term focused majority shareholder*

## Ownership Structure



**Largest exporting group in Turkey:**  
~7% of Turkey's total exports

Koç Holding	9M23
Total Assets (TL mln)	2,331,225
Revenues (TL mln)	886,318
Net Income (TL mln)	73,675

**Koç Holding Ratings: Moody's: B3 / S&P: B**

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# Yapı Kredi: A leading financial services group

## Yapı Kredi in Numbers<sup>1</sup>

Number of Branches	796	Employees	15.584
Number of ATM's	4,891	Digital Banking Active Customer Penetration	92%
POS Terminals	>1.2mn		

## Subsidiaries



15.2%<sup>2</sup> market share on the basis of market share in equities



Advanced product management expertise with a 9.2%<sup>3</sup> market share



Solidly positioned in the sector with a 10.4%<sup>4</sup> market share



A leading institution with 18.4%<sup>4</sup> market share



Strong transaction capabilities in foreign trade and structured commodity finance



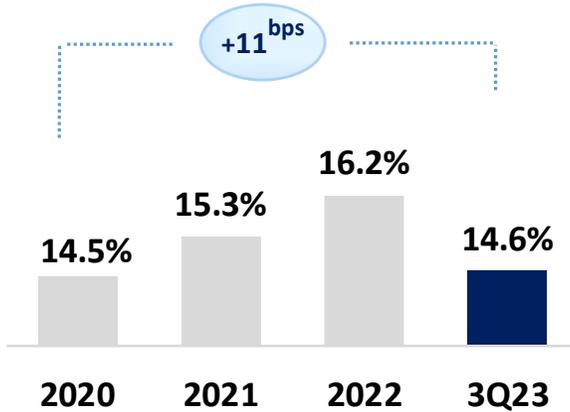
Investments in digital products and channels

Notes:  
 1. As of Sep-end, 2023  
 2. Market share based on Takasbank data as of June'23  
 3. Market share based on Borsa Istanbul data as of Sep'23  
 4. Leasing and Factoring market shares based on Association of Financial Institution data as of June'23

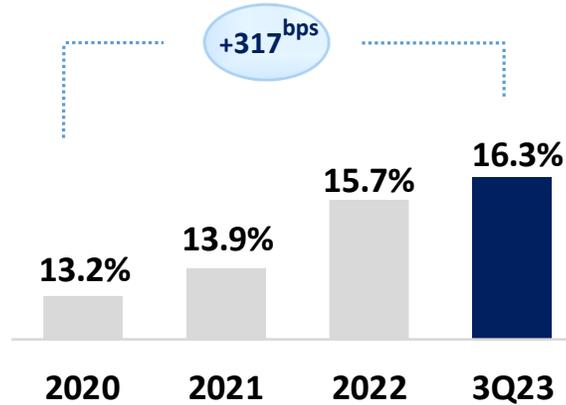


# Market share gains in lucrative products, empowering profitability

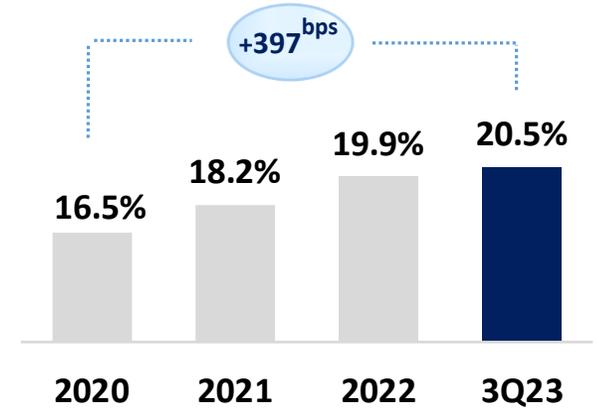
### TL Customer Deposits



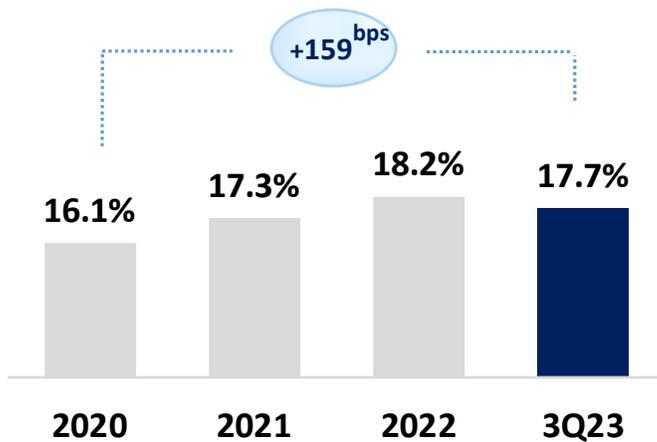
### Individual Demand Deposits



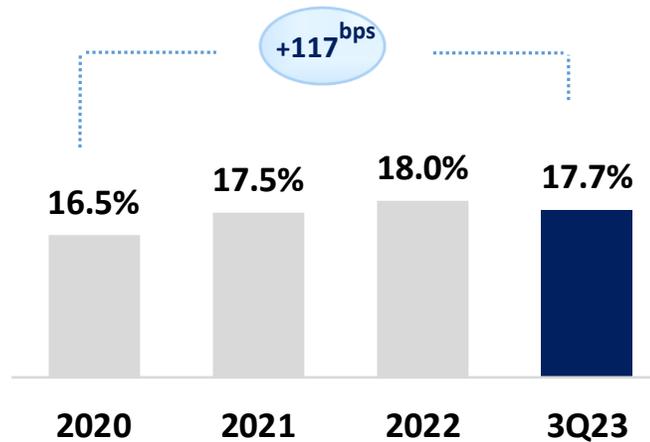
### Individual TL Demand Deposits



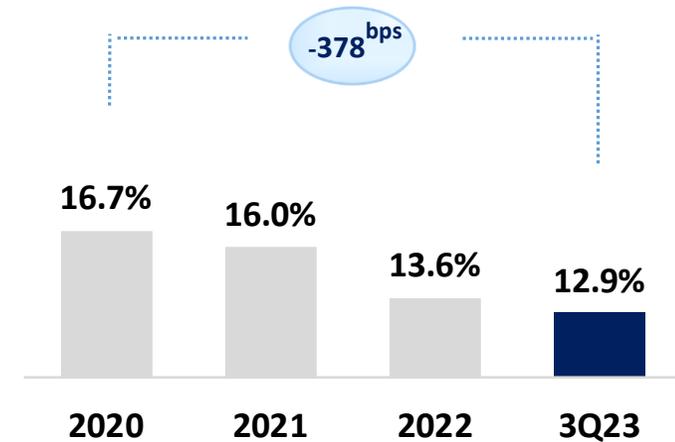
### Consumer Loans



### General Purpose Loans



### FC Loans



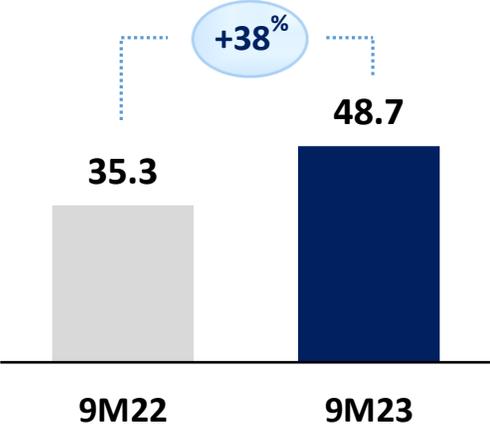
Notes:  
Market Shares among Private Banks  
Based on BRSA weekly data, FC Loans exclude loans provided to financial institutions.

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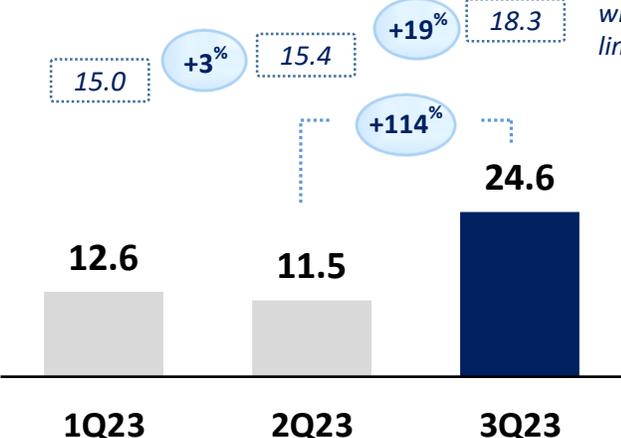
# Timely and pioneer ALM strategies resulted in top notch bottom line

## Net Profit (TL bln)

Cumulative



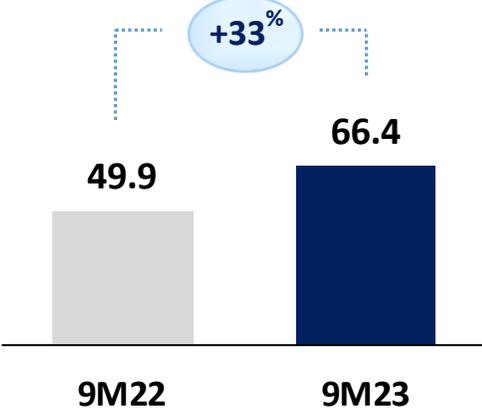
Quarterly



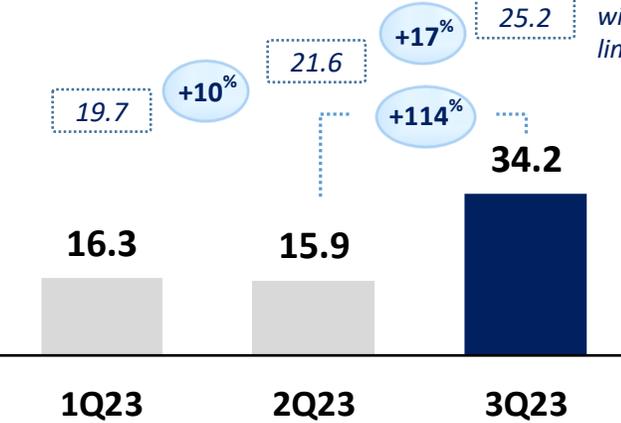
Normalized with linkers<sup>1</sup>

## Pre-provision Profit<sup>2</sup> (TL bln)

Cumulative



Quarterly



Normalized with linkers<sup>1</sup>

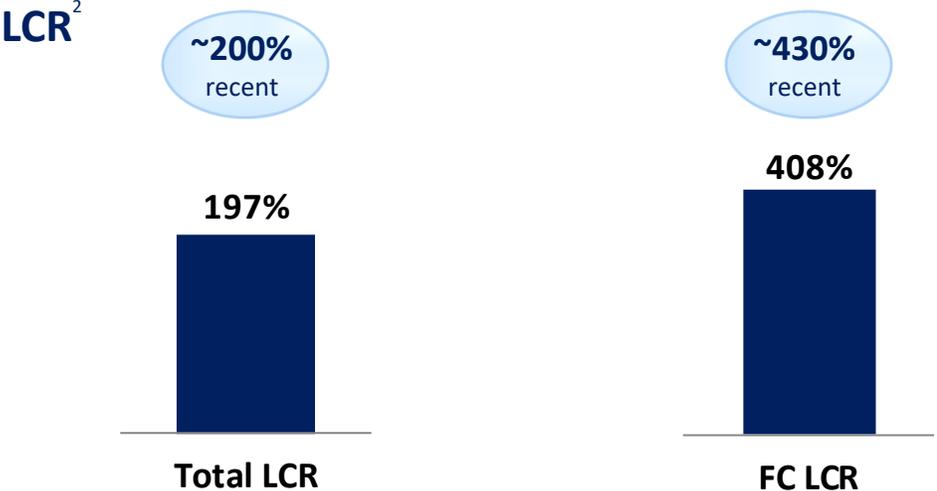
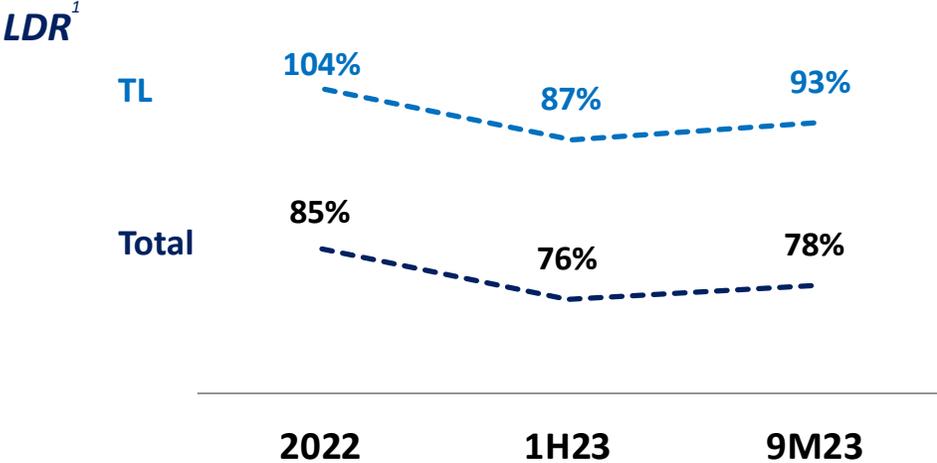
**RoTE**  
46%

**RoA**  
4.5%

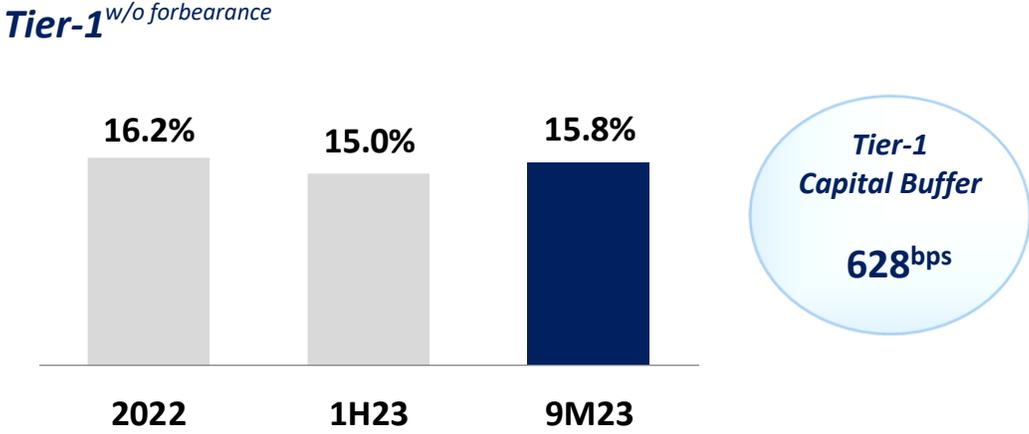
Notes:  
1. CPI reading: 9M23: 60%, 1H23: 40%; 1Q23: 45%; 2. PPP (Pre-Provision Profit): NII+ Fees + Opex + Net Trading + Subsidiary & Dividend income – ECL hedge – collections

# Robust fundamentals preserved and utilized for exceptional profitability

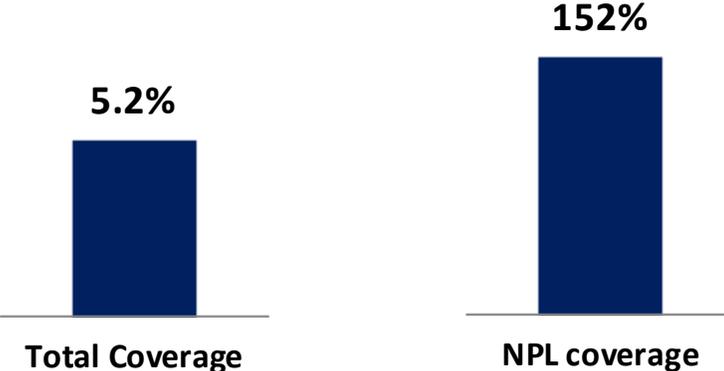
## Enhanced liquidity



## Resilient capital



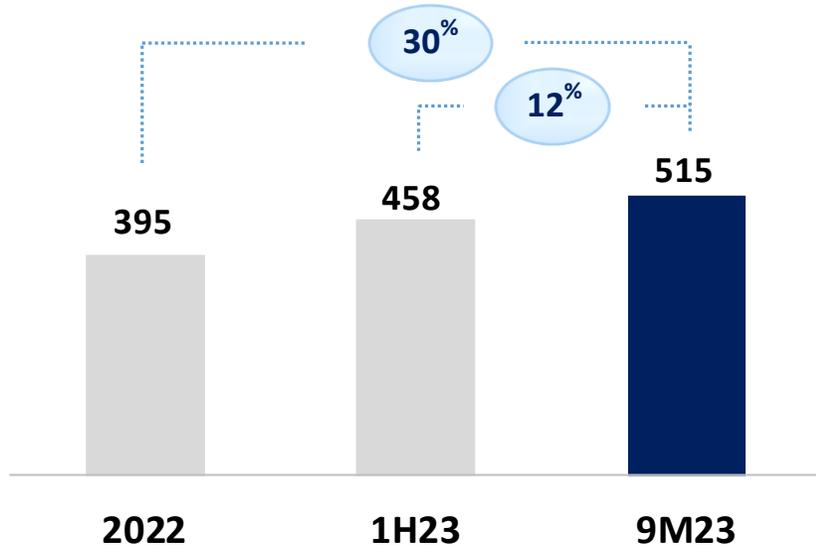
## Conservative Loan Loss Provisioning<sup>3</sup>



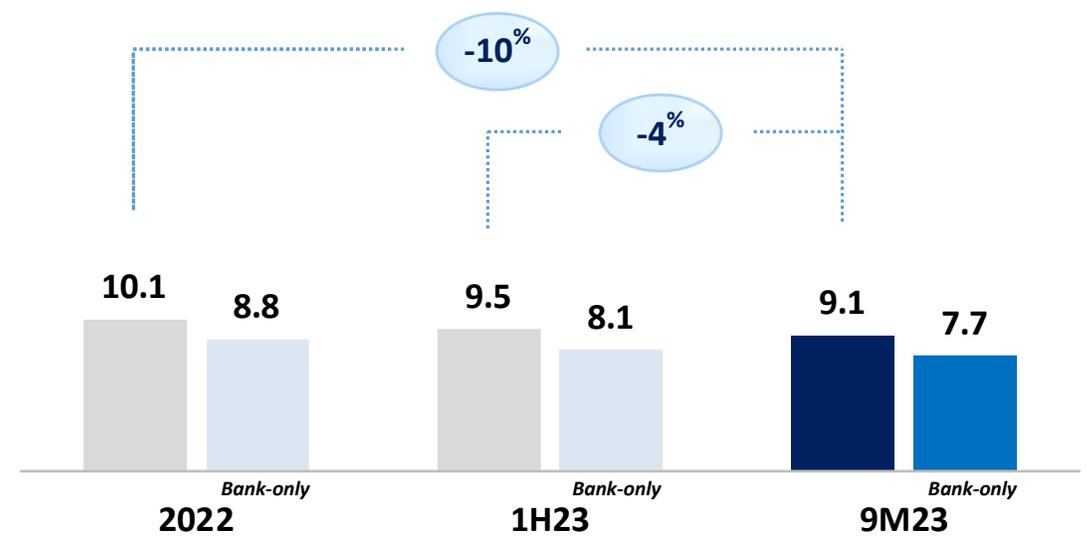
Notes:  
 1. LDR= Loans / (Deposits + TL Bonds)  
 2. 3 months average  
 3. Based on Bank-only BRSA financials

# Lucrative lending strategy pays off with ongoing loan yield improvement

## TL Performing Loans<sup>1</sup> (TL bln)



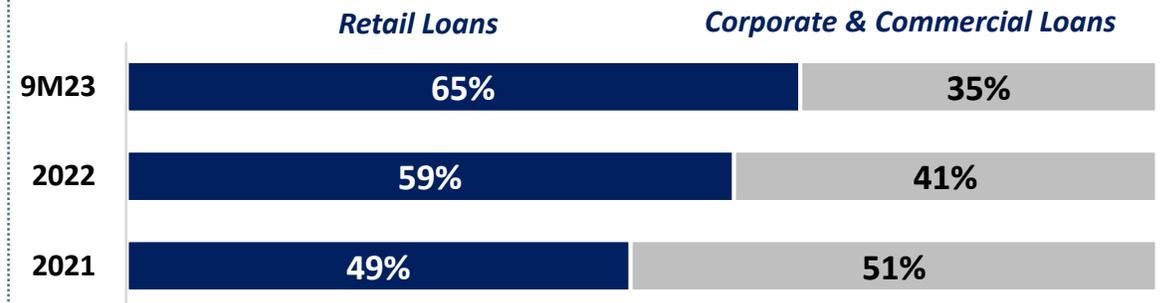
## FC Performing Loans<sup>1</sup> (US\$ bln)



## Best in class TL Loan Yield<sup>2</sup> among Peers

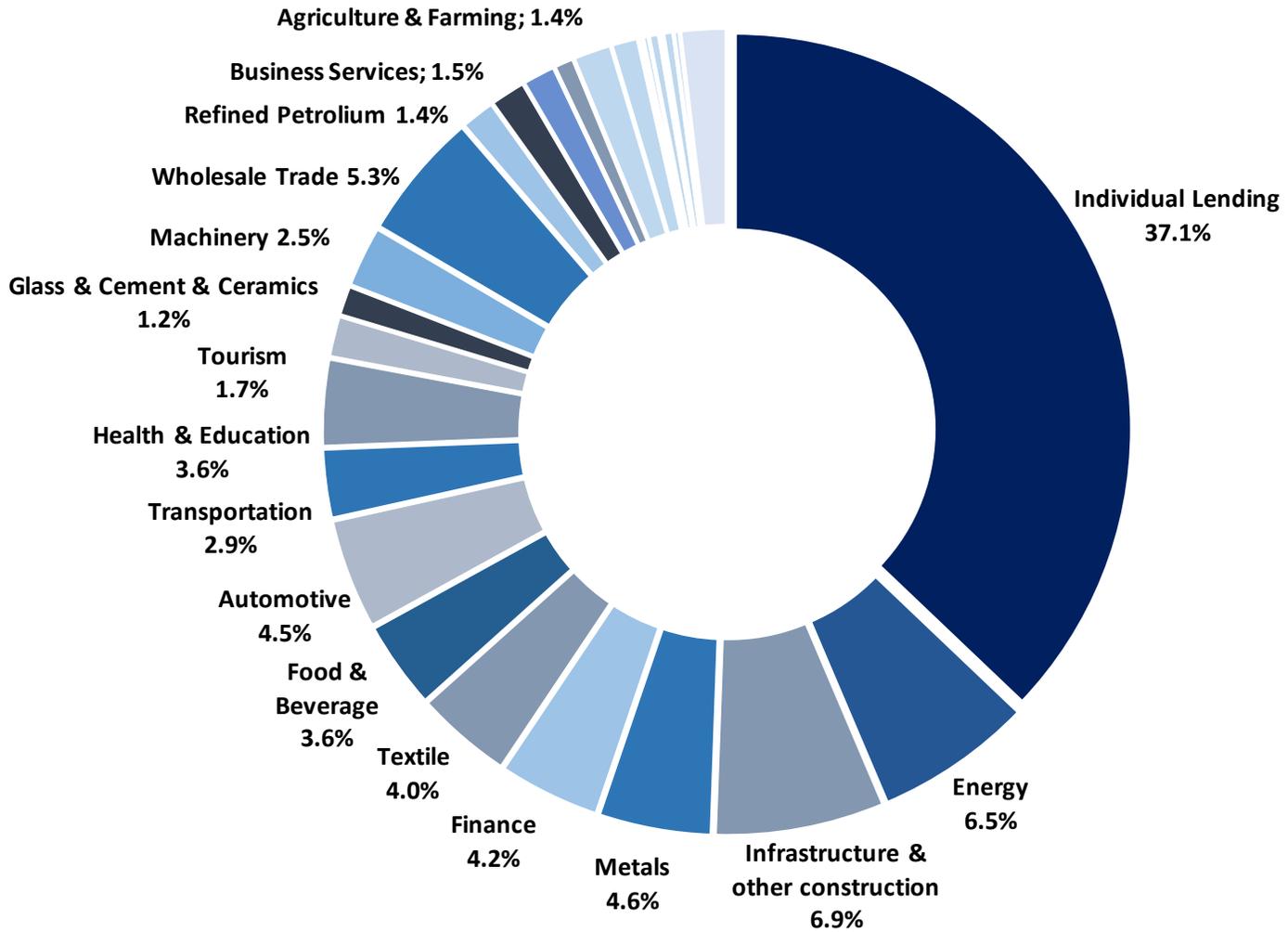


## Loan Breakdown (FX adjusted<sup>3</sup>)



Notes:  
 1. Loans exclude loans provided to financial institutions  
 2. Credit card related differences adjusted  
 3. Based on 2020 FX rate and MIS data, Retail loans include individuals, SME and credit cards.

# Sectoral breakdown of loans

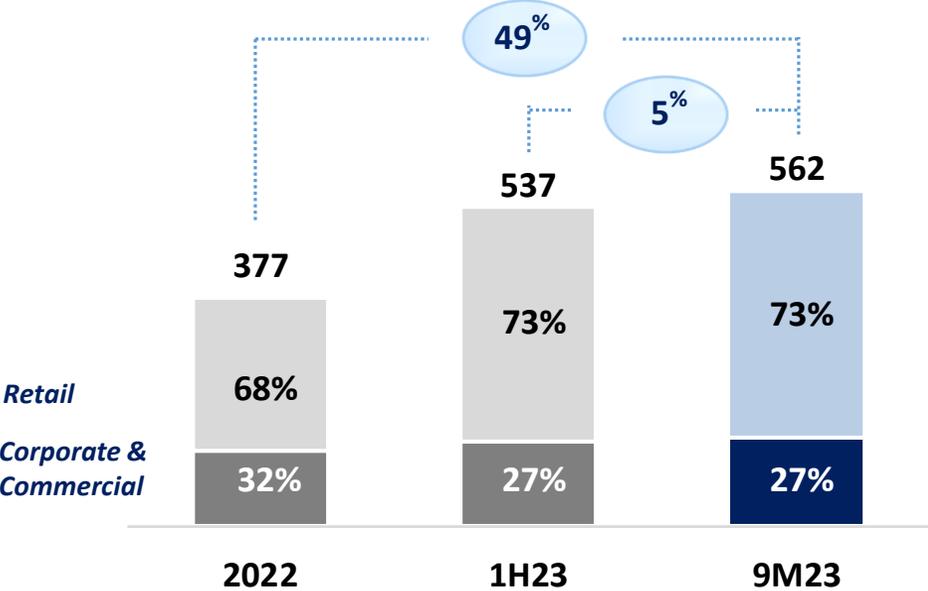


- *The Share of Energy Loans in total down by 7 pp since 2018*
- *The Share of Infrastructure and Other Construction in total down by 3 pp since 2018*
- *Energy Sector total coverage at 18%, 50% of the loans are under Stage 2*
- *Energy Sector Risky Stage 2 files' coverage at 24%*
- *8% share of SMEs in cash loans*

Notes:  
Based on MIS Data, Loans include gross cash and non-cash loans

# Strong demand deposit growth in a higher rate era thanks to intact customer base

## TL Customer Deposits (TL bln)



### Market share<sup>1</sup> gains via small ticket focus

#### Demand Deposit

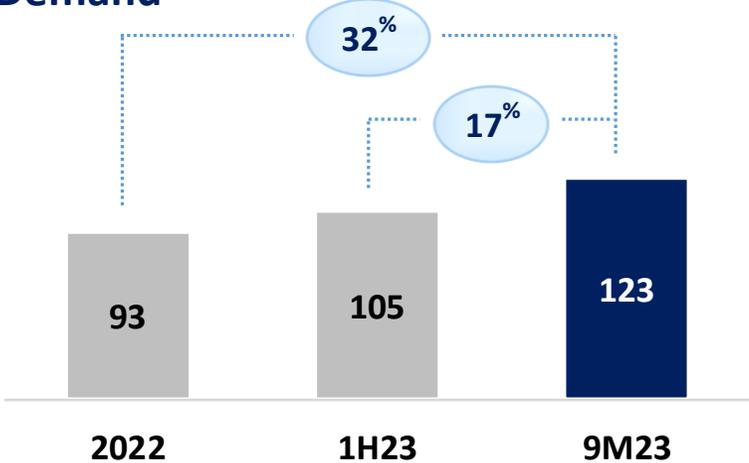
**+15 bps**  
q/q  
**+37 bps**  
ytd

#### Individual TL Demand Deposit

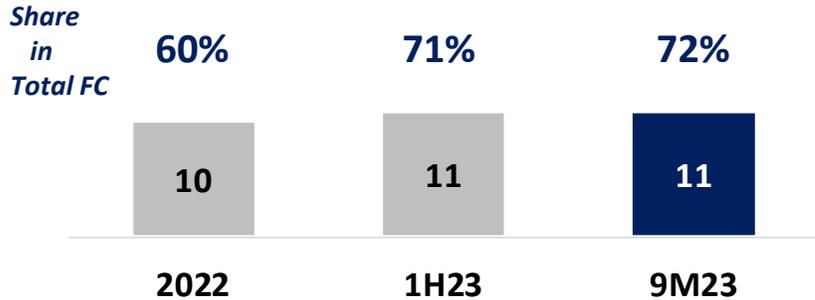
**+134 bps**  
q/q  
**+58 bps**  
ytd

## Customer Demand Deposits

### TL Demand



### FC Demand (USD bln)



### Share of Demand

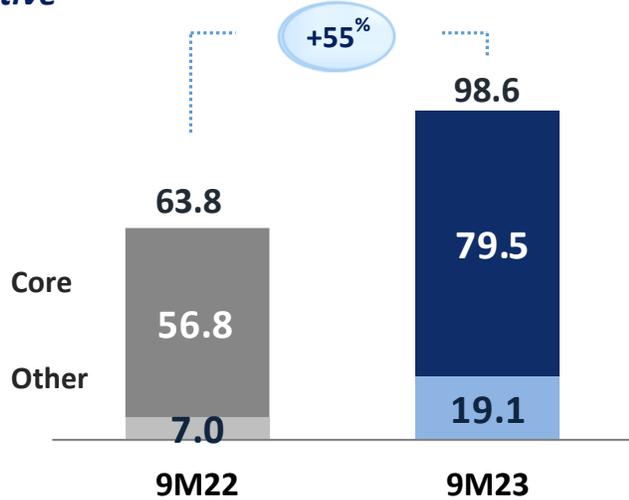
**TL: 22%**  
**+238 bps q/q**  
**Total: 43%**  
**+164 bps q/q**

1. Market share among private banks as based on 29 September 2023 BRSA weekly sector data

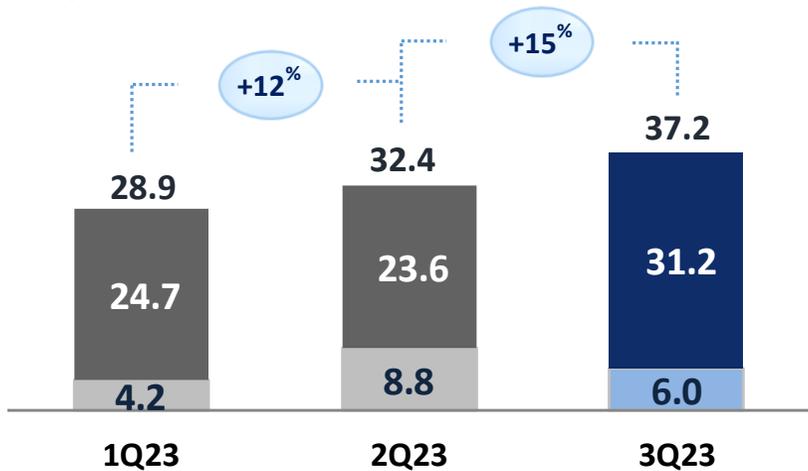
# Sustainable core revenue generation supporting the top-line

## Revenues<sup>1;2</sup> (TL bln)

Cumulative

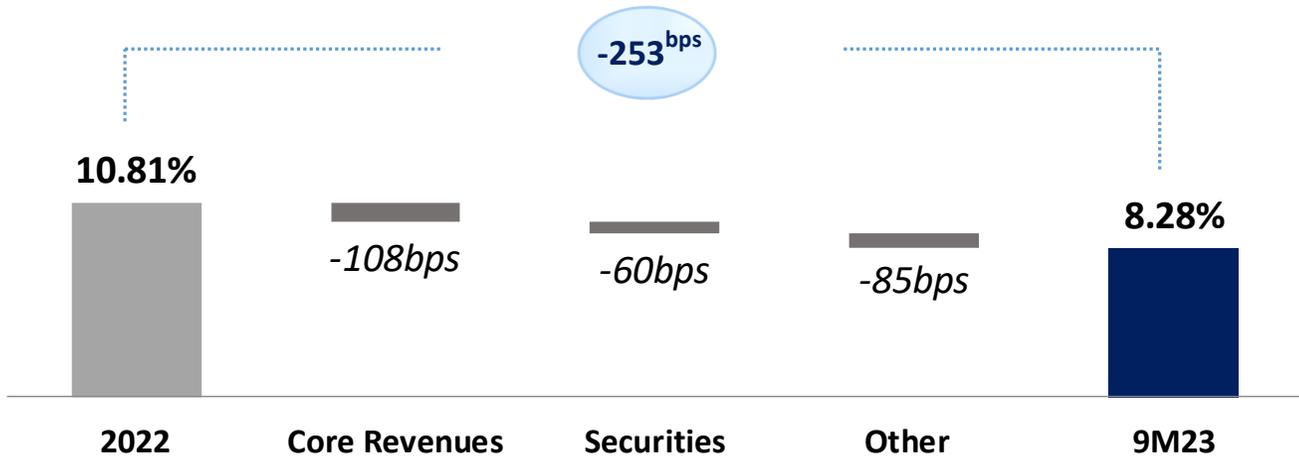


Quarterly (normalized with linkers)<sup>3</sup>

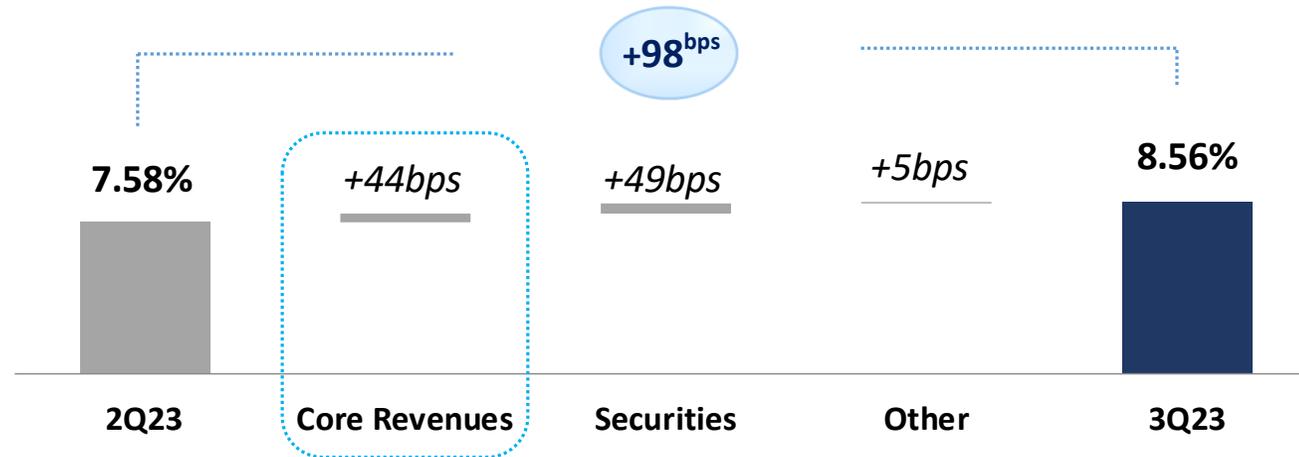


## Core Revenue Margin Evolution<sup>4</sup>

Cumulative



Quarterly (normalized with linkers)



Notes:

1. Revenues and other revenues exclude ECL collection income and trading income to hedge FC ECL 2. Core Revenues = NII + swap costs + net fee income 3. Reported 1Q23: 25.6 billion TL 2Q23: 26.8 billion TL 3Q23: 46.2 billion TL 4. Based on Bank-Only financials

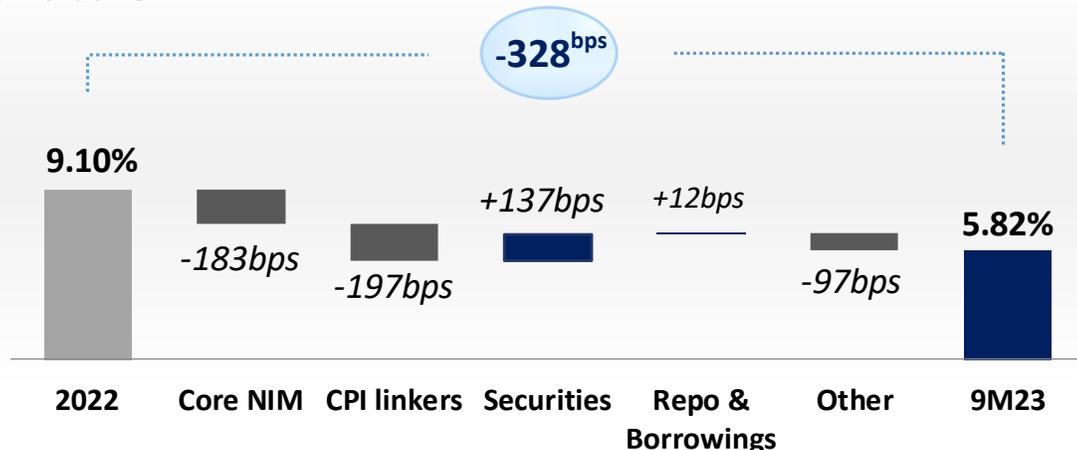


# Remarkable spread expansion

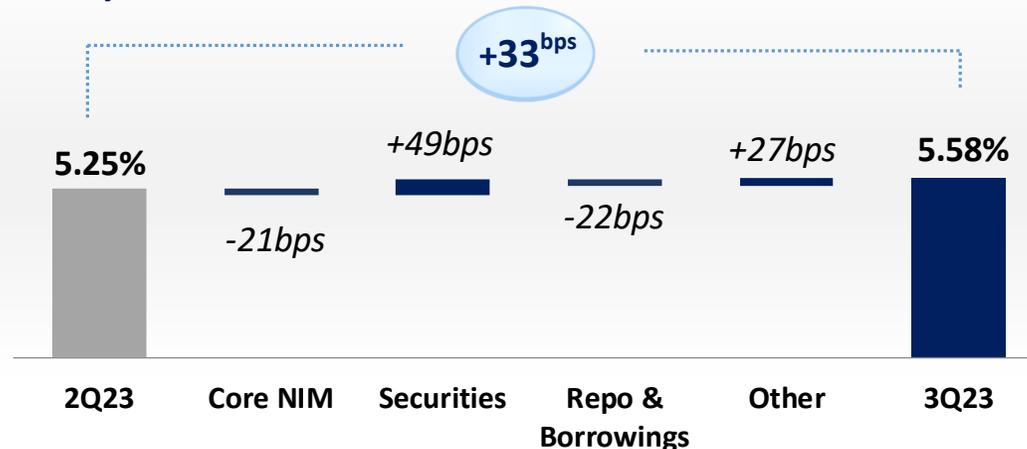
Pioneer ALM strategy: ~200bps below sector average pricing for TL deposits during quarter

## NIM Evolution

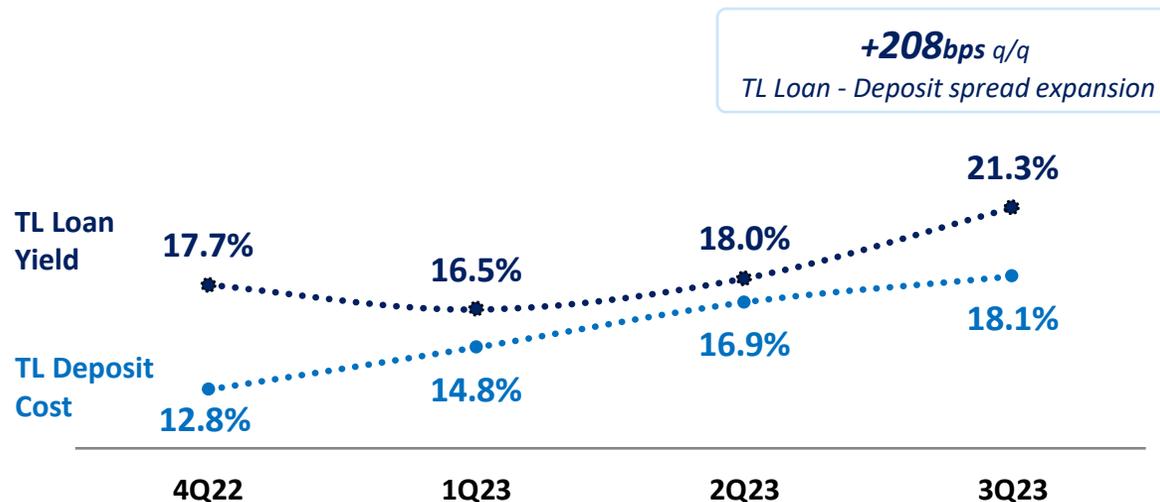
Cumulative



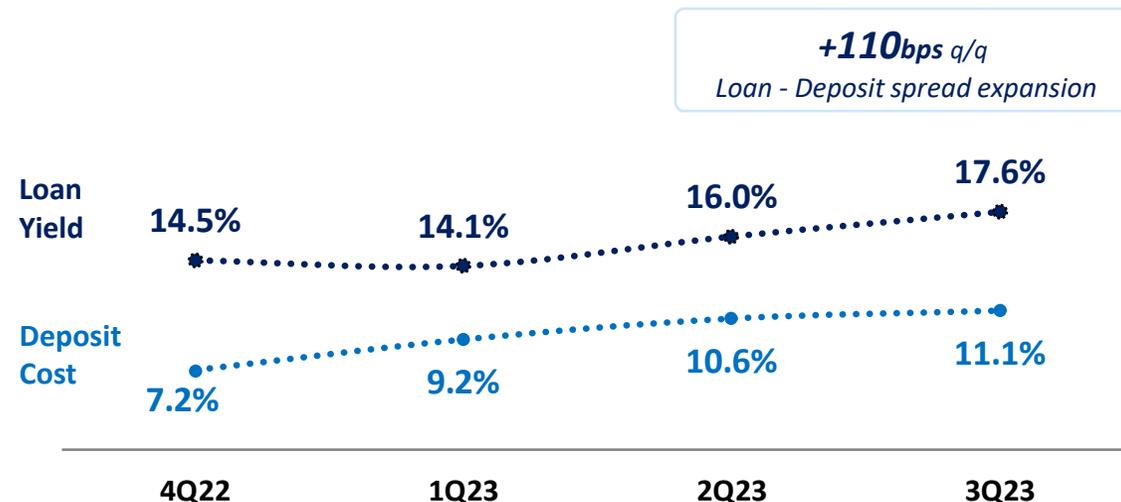
Quarterly (normalized with linkers)



## TL Loan - Deposit Spread (quarterly)

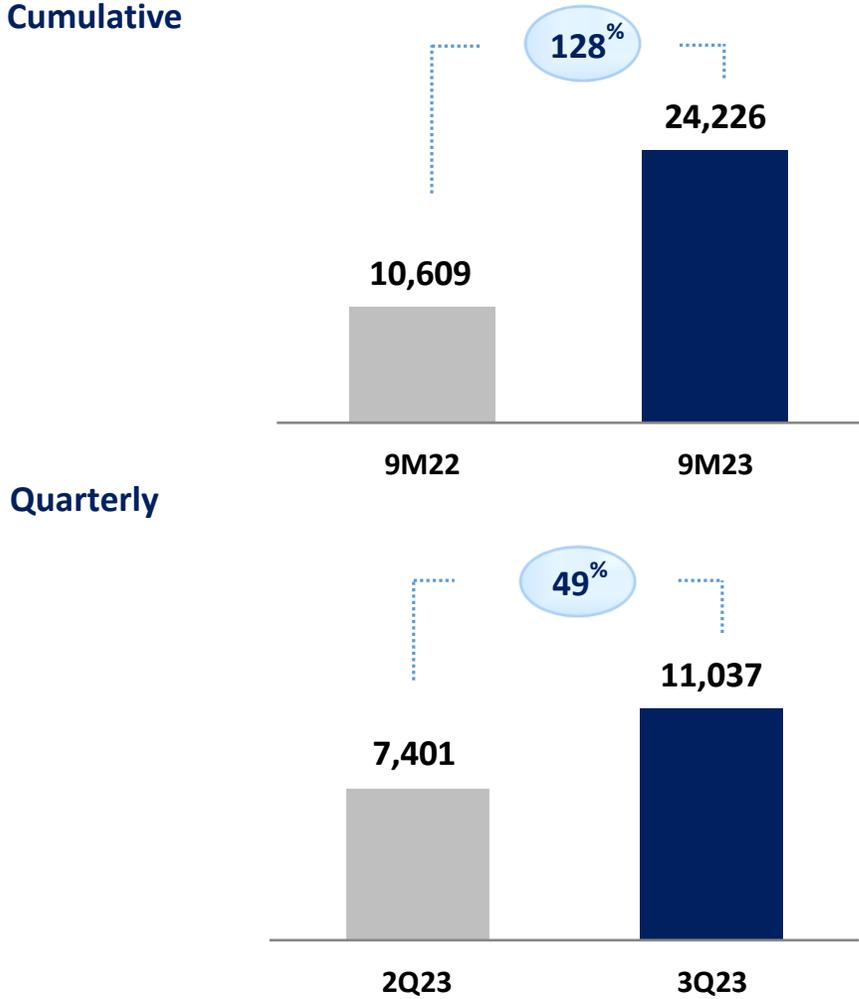


## Blended Loan - Deposit Spread (quarterly)

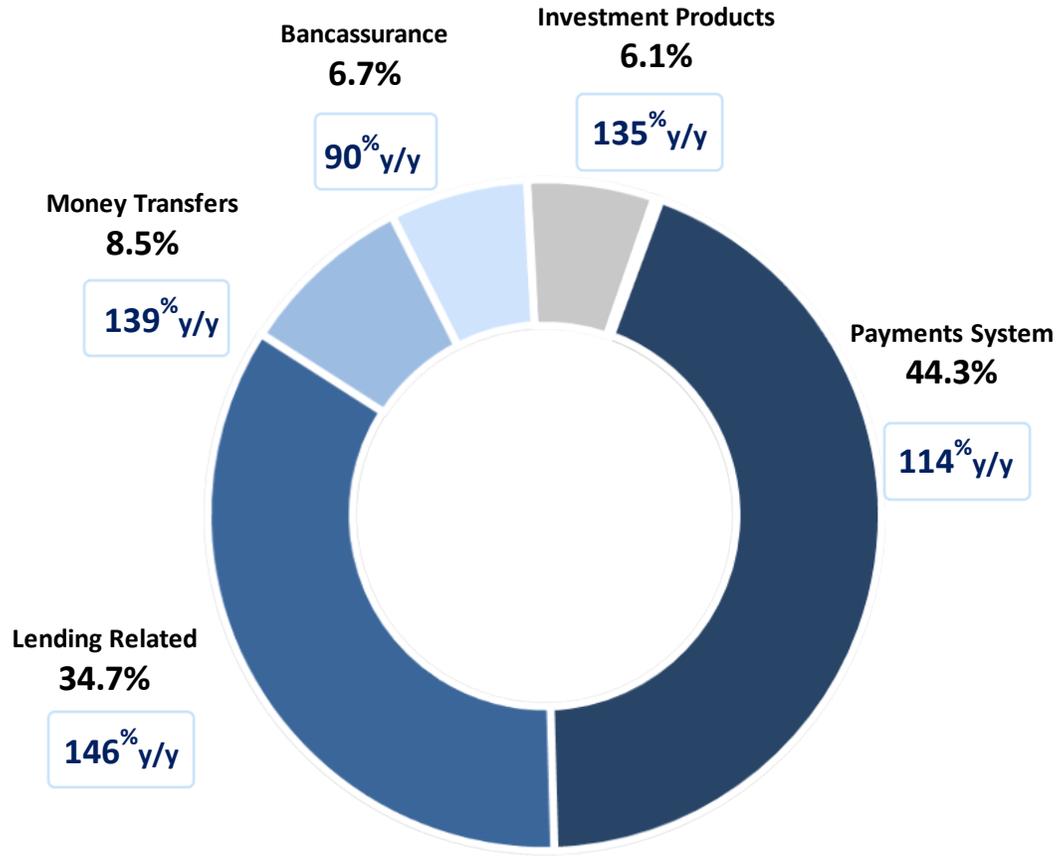


# Stellar fee performance continues with an eye-catching 49% q/q increase

## Net Fee & Commission Income (TL mln)

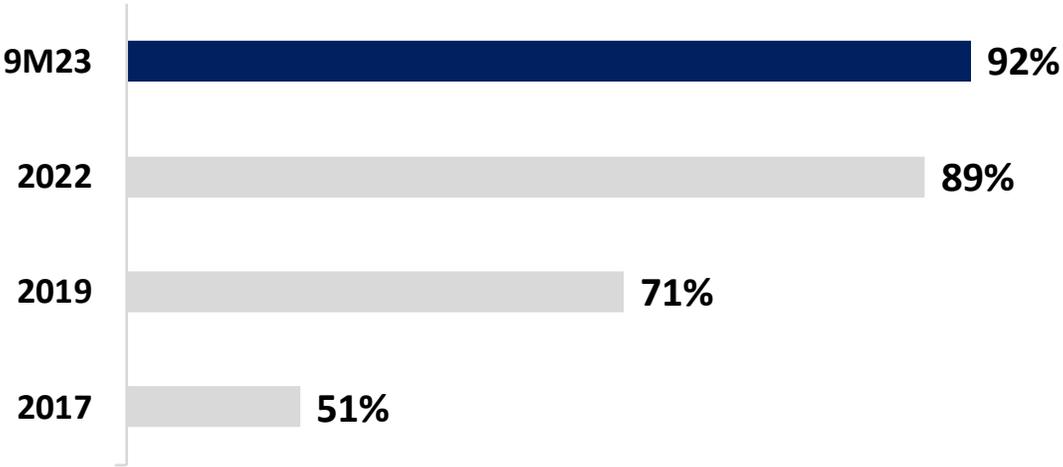


## Net Fee & Commissions Composition<sup>1</sup>

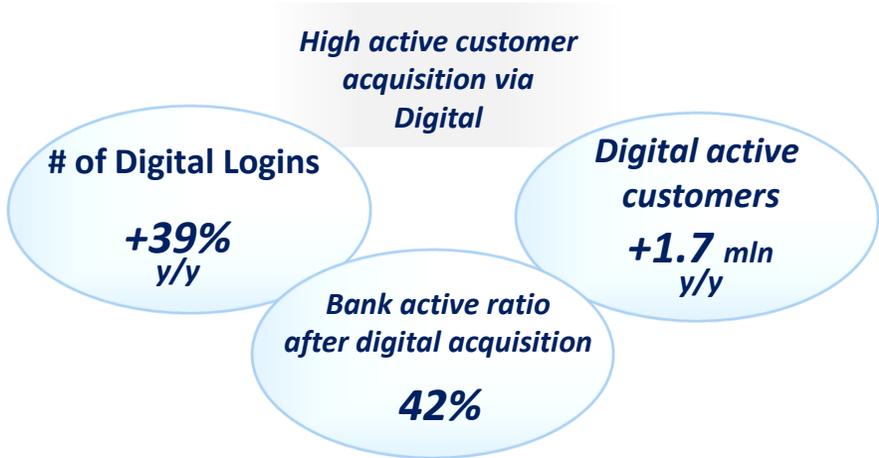


Notes:  
1. Based on Bank-Only financials

## Digital Customer Penetration



## Sales via Digital Channels



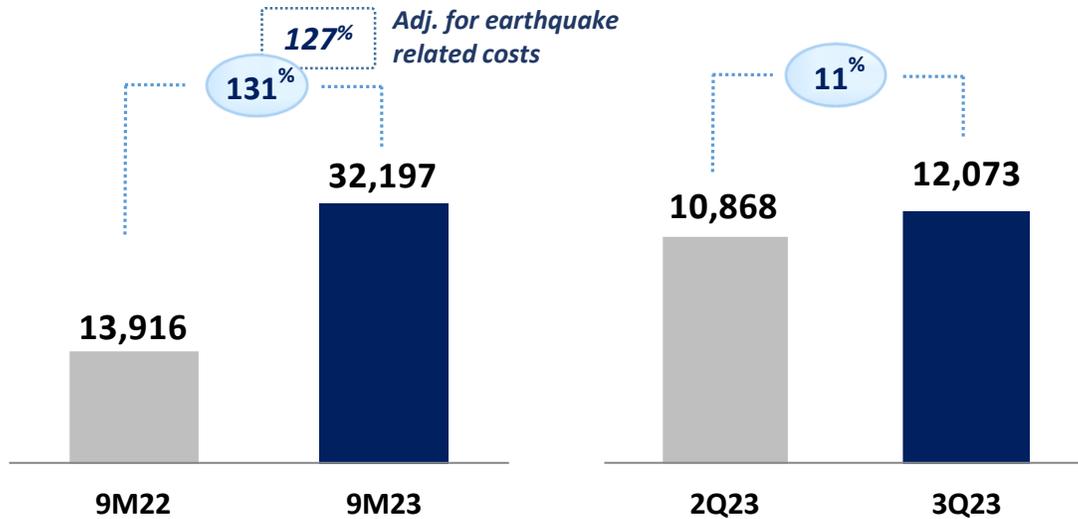
## Digital Transaction Volumes



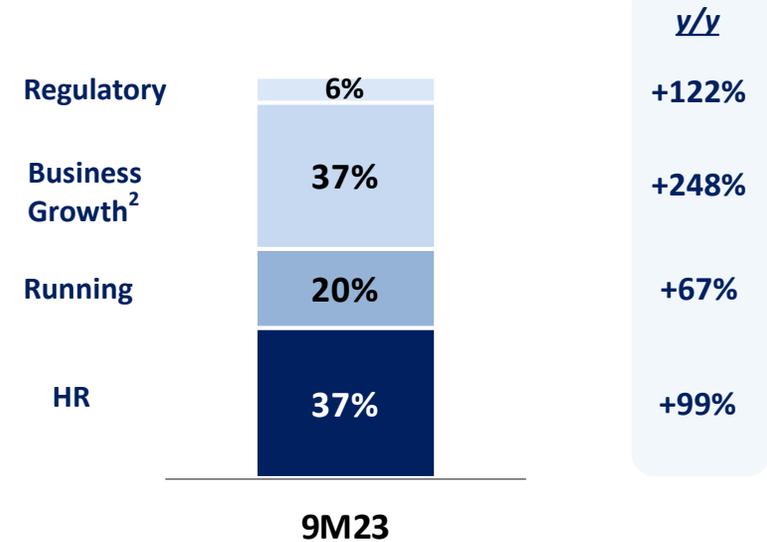
Notes:  
Based on MIS data as of 9M23

# Inflation driven cost growth, best-in-class efficiency

## Operating Costs (TL mln)



## Cost Breakdown<sup>1,3</sup>



## Strong efficiency KPIs

Fees / Opex

75%

Cost / Avg. Assets

3.0%

Cost / Income

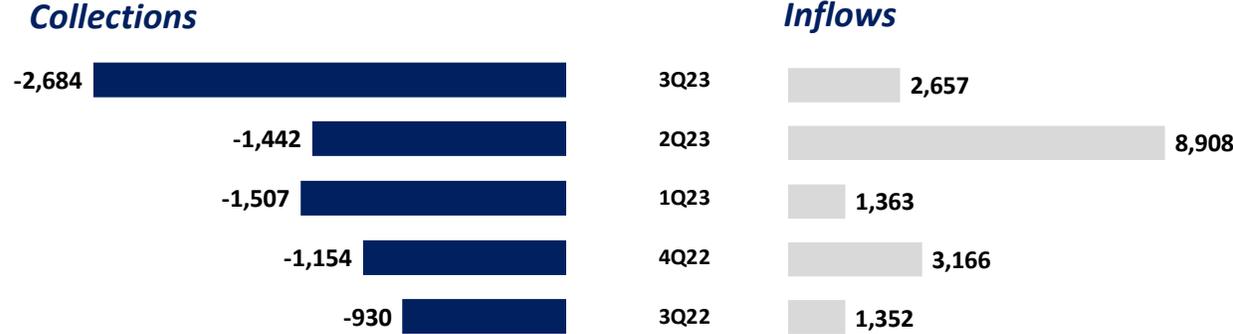
28%

Notes:

1. Based on Bank-only financials, MIS data
2. Including customer acquisition costs, World points and advertisement
3. Earthquake related costs are excluded

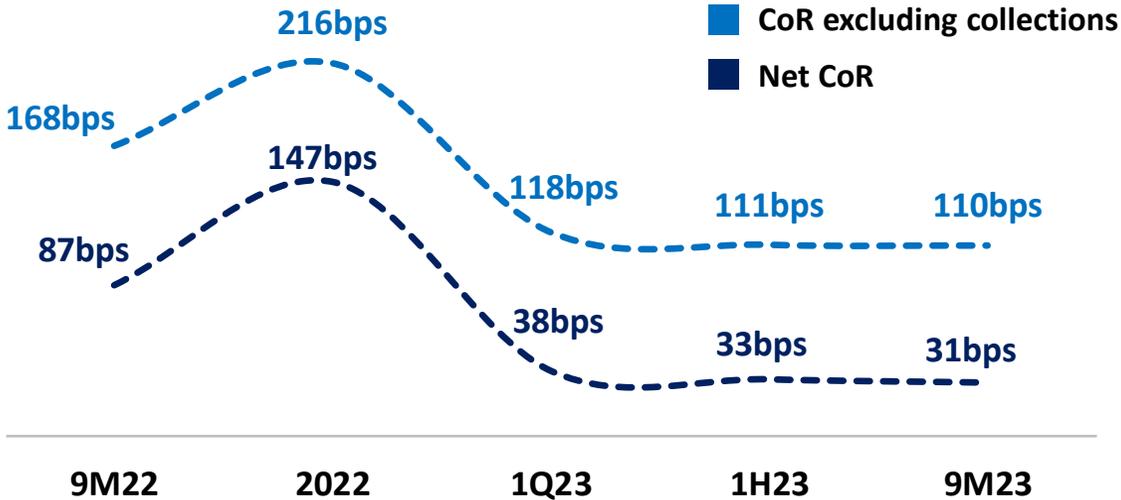
# Sound collections resulting in negative net NPL inflows supporting CoR

## Quarterly Net NPL Formation<sup>1;2</sup> (TL mln)

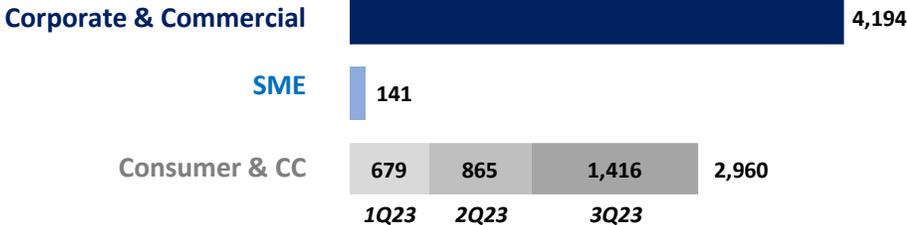


	3Q22	4Q22	1Q23	2Q23	3Q23
Net NPL Inflow	422	2,012	-144	7,466	-27
NPL Ratio	3.4%	3.4%	3.2%	3.7%	3.4%

## Cost of Risk (cumulative)



## 9M23 Net NPL Inflow Breakdown



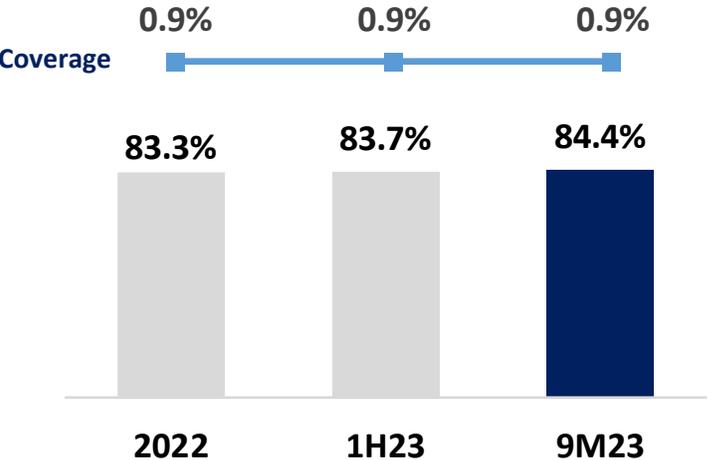
## 9M23 Net CoR Composition



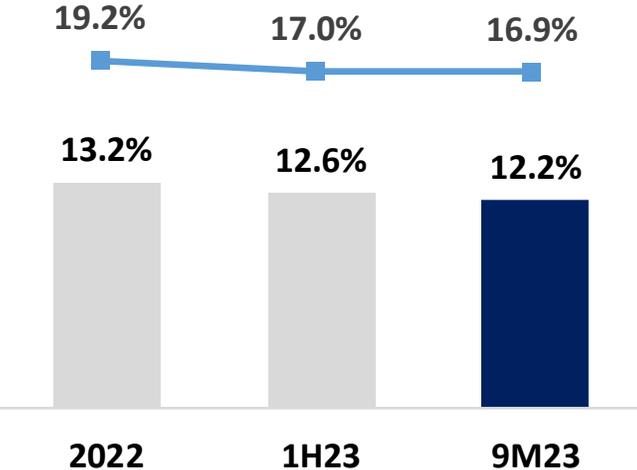
Notes:  
 1. Based on Bank-only BRSA financials  
 2. Excluding the positive impact of NPL sales & write-offs ; 2Q23 NPL Sale amount: 1,756 million TL which was fully covered

# Staging and coverages

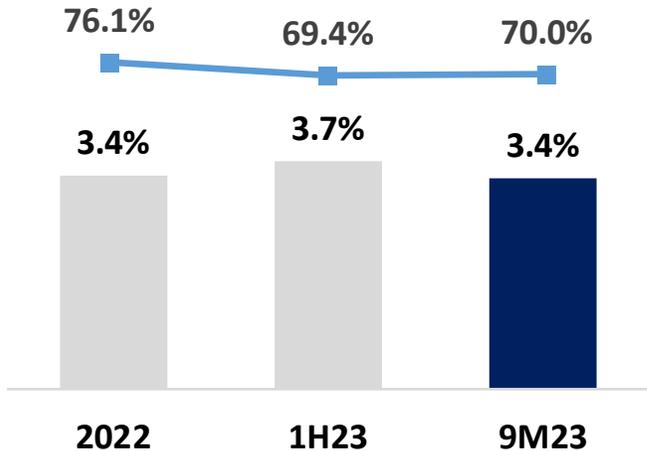
## Stage I



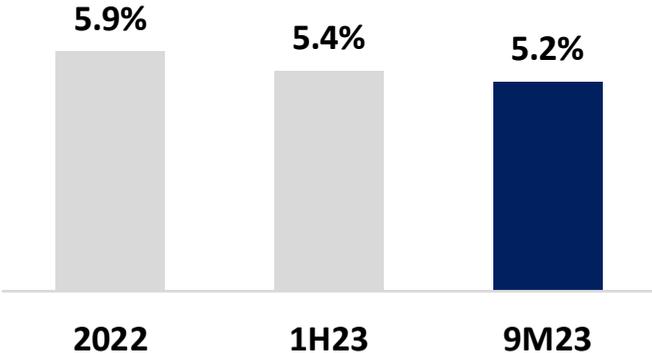
## Stage II



## Stage III



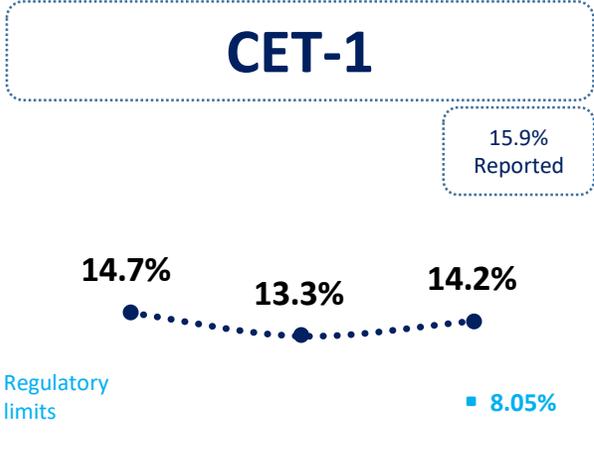
## Total Coverage



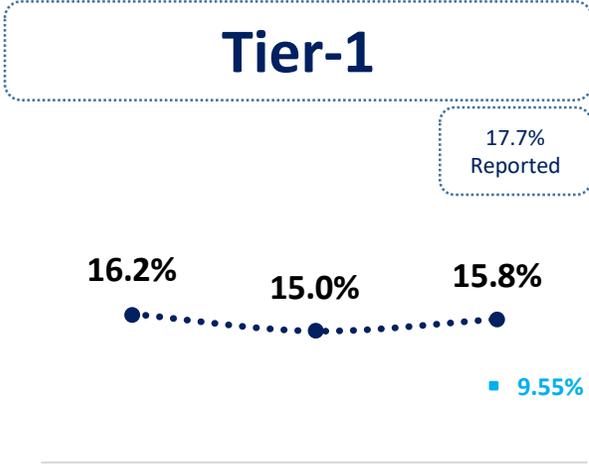
Note:  
Based on Bank-only BRSA financial

# Ongoing internal capital generation further supports capital ratios

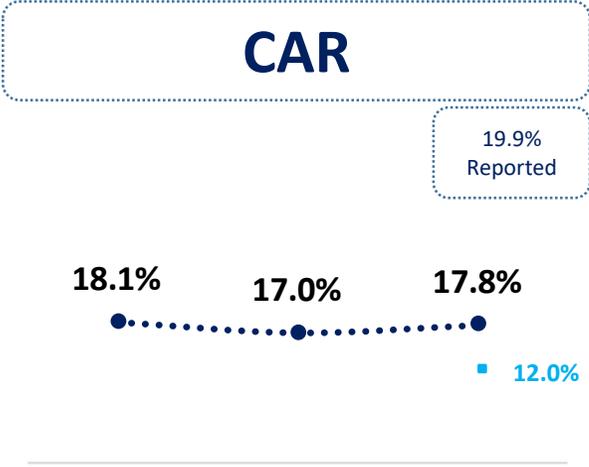
## CET-1



## Tier-1

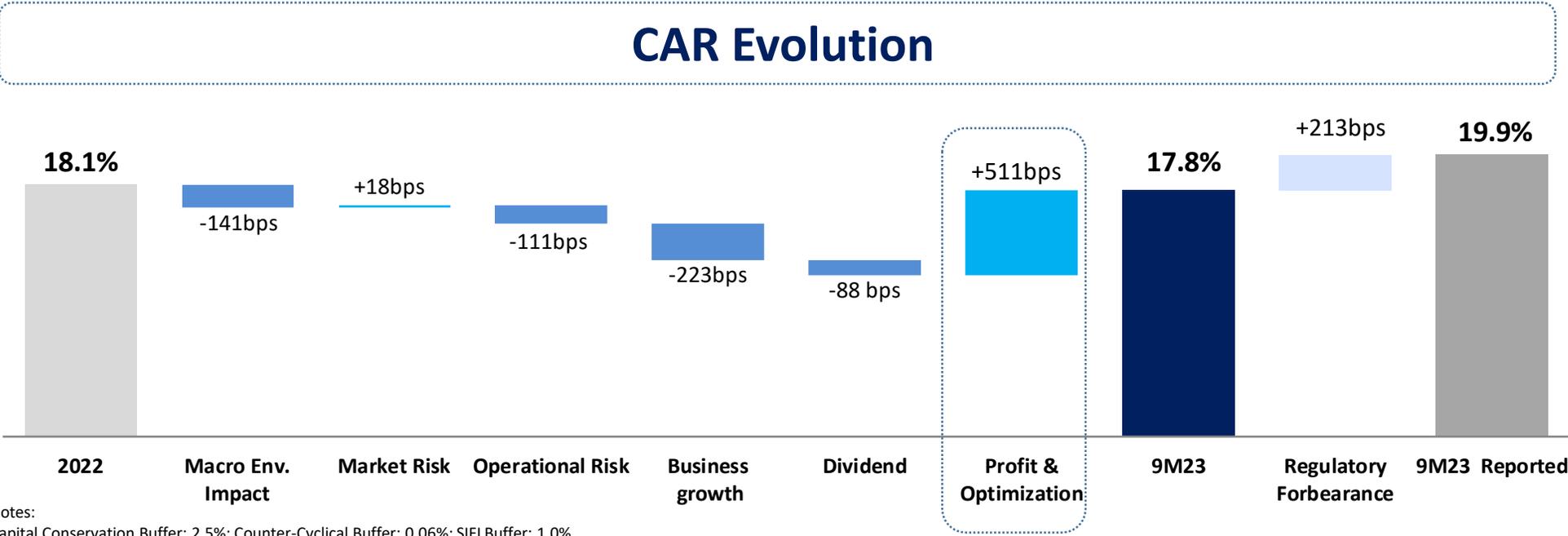


## CAR



**+100bps TL interest rate**  
 impact on capital ratios  
**~-20 bps**

## CAR Evolution



**~580 bps and above**  
 buffers  
 vs. regulatory thresholds  
*supported by*  
**Strong Internal Capital**  
**Generation**

Notes:  
 Capital Conservation Buffer: 2.5%; Counter-Cyclical Buffer: 0.06%; SIFI Buffer: 1.0%

# Details of main borrowings

International	Syndications	<p>~ US\$ 1.05 bln</p> <ul style="list-style-type: none"> <li>Nov'22: US\$ 210 mln and € 249 mln, all-in cost at SOFR+ 4.25% and Euribor+ 4.00% for 367 days. 23 banks from 14 countries <i>Sustainability linked</i></li> <li>Jun'23: US\$ 201,5 mln and € 353,4 mln, all-in cost at SOFR+ 4.25% and Euribor+ 4.00% for 367 days. 35 banks from 21 countries <i>Social Loan</i></li> </ul>
	AT1	<p>~US\$ 650 mln outstanding</p> <ul style="list-style-type: none"> <li>Jan'19: US\$ 650 mln market transaction, callable every 5 years, perpetual, 13.875% (coupon rate)</li> </ul>
	Subordinated Transactions	<p>~US\$ 770 mln outstanding</p> <ul style="list-style-type: none"> <li>Dec'13: US\$ 270 mln, 10NC5, 7.72% – Basel III Compliant</li> <li>Jan'21: US\$ 500 mln market transaction, 10NC5, 7.875% (coupon rate)- Basel III Compliant</li> </ul>
	Foreign and Local Currency Bonds / Bills	<p>US\$ 1.50 bln Eurobonds</p> <ul style="list-style-type: none"> <li>Jun'17: US\$ 500 mln, 5.85% (coupon rate), 7 years</li> <li>Mar'19: US\$ 500 mln, 8.25% (coupon rate), 5.5 years</li> <li>Sep'23: US\$ 500 mln, 9.25% (coupon rate), 5 years- <i>Sustainable</i> </li> </ul>
	Covered Bond	<p>TL 800 mln outstanding</p> <ul style="list-style-type: none"> <li>Mar'19: Mortgage-backed with 5 years maturity</li> <li>Dec'19: Mortgage-backed with 5 years maturity</li> </ul>
	DPRs	<p>US\$ 3.09 bln total outstanding:</p> <ul style="list-style-type: none"> <li>Sep'23: US\$ 714.4 mln and € 100 mln with maturities varying between 5 and 8 years and with 6 different investors </li> <li>Oct'23: US\$ 175 mln with 5 years maturity and with 2 different investors </li> </ul>
Domestic	Local Currency Bonds / Bills	<p>TL 6.84 bln total</p> <ul style="list-style-type: none"> <li>Jul'23: TL 1,76 bln, 4-month maturity </li> <li>Aug'23: TL 1,68 bln, 5-month maturity </li> <li>Sep'23: TL 3,40 bln, 3-month maturity </li> </ul>
	Subordinated Bonds	<p>TL 800 mln total</p> <ul style="list-style-type: none"> <li>Jul'19: TL 500 mln, 10-year maturity, TLREF index + 193 bps</li> <li>Oct'19: TL 300 mln, 10-year maturity, TLREF index + 130 bps</li> </ul>

# 2023 Guidance

		2023	9M23	Potential/Risk
Volumes	TL Loan Growth	< 40%	30%	✓
	FC Loan Growth	Reduction	-10%	✓
Revenues	NIM	≥ 5%	5.8%	↑ Upside potential
	Fee Growth	> 90%	128%	↑ Upside potential
Costs	Cost growth	< 120%	131%	✓
Asset Quality	Total CoR	~ 100bps	31bps	↓ Downside potential

**2023 RoTE: >30%**

↑ *Upside potential*

**Inf. Acc. 2023 RoTE: mid-to-low teens**



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- Sustainability Approach**
- Annex

# Sustainability

## Climate Change Mitigation



- Committed to **Net-Zero Banking Alliance (NBZA)** in July 2023
- Measuring **Scope-3 Category 15: Investments emissions** according to PCAF since 2021
- Committed to SBTi since July 2021
- Completion of first climate risk analysis of the loan portfolio
- Thermal Coal-related Power & Mining **phase out**
- Yapı Kredi Leasing & Arçelik Cooperation **Solar Panel Installations**
- Launch of the **WWF Green Office Programme**



## Sustainable Finance



### ESG-Linked Products & Services

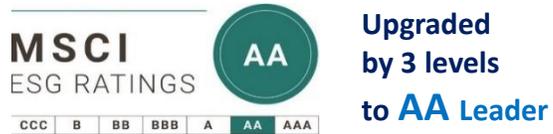
- The goal of reaching a total of **20 thousand** women entrepreneurs in 5 years with advantageous products/services under UN Women Generation Equality Forum
- Nature Friendly Mortgage & Auto loans
- Sustainability-Linked Loans
- ESG-Linked Investment Funds
- ESG Advisory Services



**Sustainability-Linked Funding**  
~30% of Total Wholesale  
**Renewable Energy Loans ~50%**  
of Total Energy Portfolio

## Ratings

### Leader in Turkey, Best-in-Class Globally



### Best Among the Top Tier-1 Turkish Banks



Risk Rating  
Score: **15.9**  
**Low Risk**

### CDP Climate Change A- Leadership Score



### 1 of 5 Companies in Turkey



Total ESG  
score: **67**

## Indices & Initiatives



First Turkish Bank to become a signatory



FTSE4Good

Founding Signatory of:



PRINCIPLES FOR  
RESPONSIBLE  
BANKING



Global Compact  
Network Türkiye

# Our Sustainability Milestones

## 2014

- Yapı Kredi was included in the Borsa İstanbul (BIST) Sustainability Index
- The Bank established its Sustainability Committee



## 2015

- First Sustainability Report
- An independent audit was performed for the first time on selected indicators of the Sustainability Report



## 2016

- Yapı Kredi prepared its first response to the CDP Climate Change Program.
- Yapı Kredi joined the WEPs platform created under the partnership of the United Nations Global Compact Agreement and (UN Women)



## 2017

- Yapı Kredi was included in the FTSE4Good Emerging Index
- The Bank became a founding signatory of the Global Compact Turkey's Declaration on Sustainable Finance



## 2018

- Yapı Kredi issued its first report under the Carbon Disclosure Project (CDP) Water Safety Program
- The Bank participated in the Business World Against Domestic Violence Project

## 2019

- Yapı Kredi became one of the founding signatories of the Principles for Responsible Banking (PRB) of the United Nations Environment Programme Finance Initiative (UNEP FI)

## 2020

- Yapı Kredi published its First Integrated Report
- First green bond
- The Bank was ranked among the CDP 2020 Water Security Program Leaders of Turkey by receiving the highest ranking (A-(Leadership))

## 2021

- Yapı Kredi became one of the supporters of the TCFD
- Yapı Kredi published its First Integrated Annual Report
- The Bank became one of the five companies from Turkey included in the 2021 Bloomberg Gender Equality Index
- The Bank launched its electric/hybrid vehicle loan program

## 2022

- The Bank was ranked among the CDP 2021 Water Security Program Leaders of Turkey
- S&P Global 2022 Sustainability Yearbook

# STEP: A new Program to trigger our customers' behaviors towards sustainability

## Reducing Paper Consumption

Digital on-boarding  
E-statement & E-receipt  
Digital contracts / documents

## Sustainable Products

Nature Friendly Mortgage  
Electric Vehicle Loan  
ESG Mutual Funds

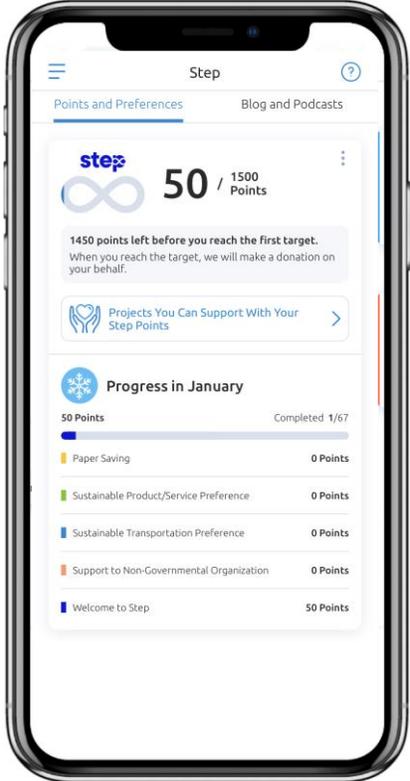
## Conscious Consumption

Sustainable Brand Preferences  
(Shopping from STEP Member Businesses)

## Sustainable Life Style

Transportation preferences  
Daily step tracking  
NGO donations

## + STEP Points



## Donation to NGOs



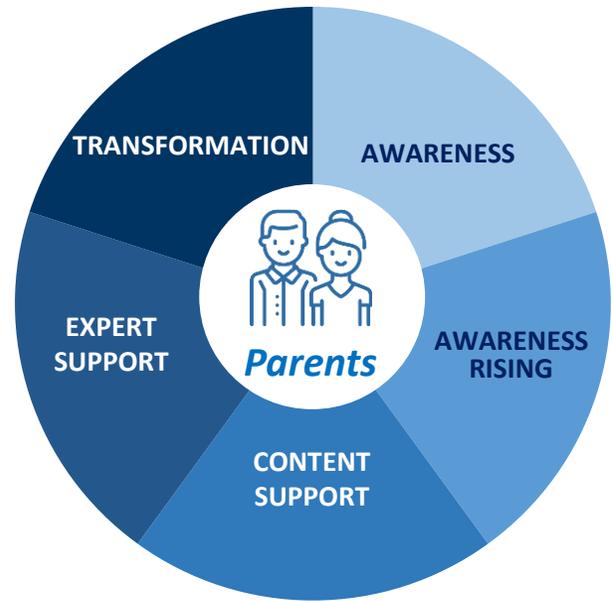
## Leading Sustainability Transformation

- Creating awareness
- Driving the demand for sustainable products

Contributing to environment, climate & education



Notes:  
STEP: Sustainable Preference Program  
NGO: Non-Governmental Organization



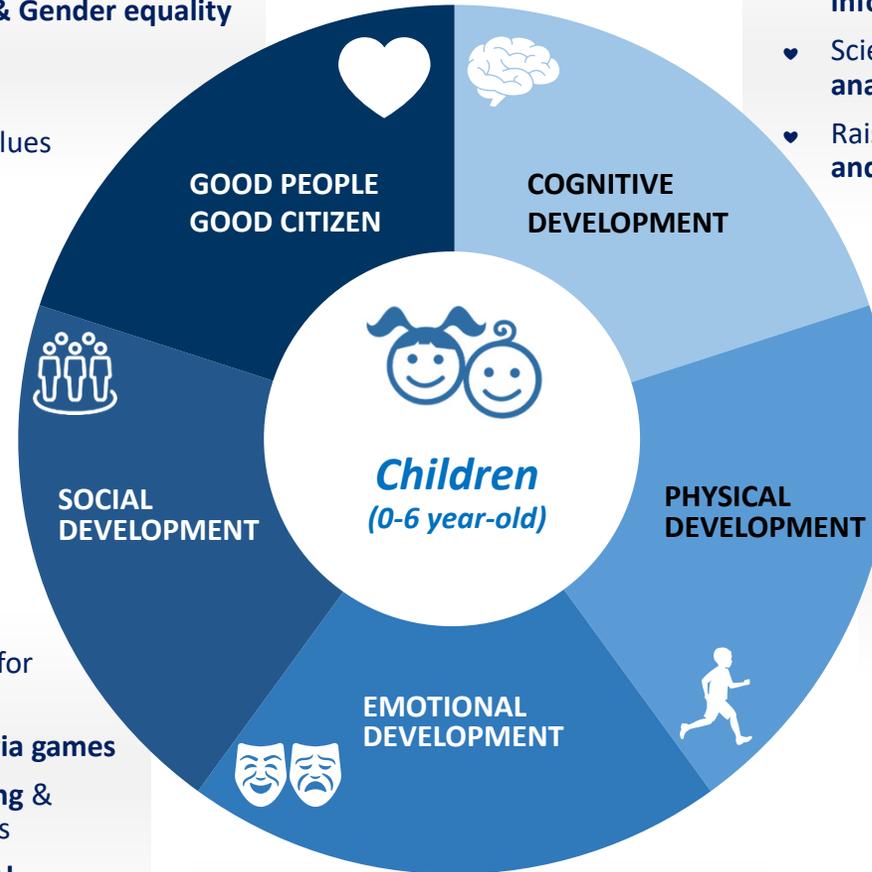
Please Click here to watch the launch movie

Web:

<https://yapikrediyarinarakartopu.com.tr>

- ♥ Sustainability & Gender equality awareness
- ♥ Non-violence
- ♥ Basic ethical values

- ♥ Support self-awareness for **better self expression**
- ♥ **Interaction with peers via games**
- ♥ Focus on **problem-solving & decision-making** abilities
- ♥ Strengthen **interpersonal communication skills**



- ♥ Focus on comprehending their own and others' emotions
- ♥ Increase **ability to cope with family problems**

- ♥ Increase ability to **use and produce information**
- ♥ Scientific support to **improve analytical intelligence**
- ♥ Raising awareness on **mathematics and digitalization**

- ♥ Strengthen **physical coordination**
- ♥ **Healthy and balanced nutrition** awareness
- ♥ Participation in **physical activities**
- ♥ **Language skills** and participation in oral activities

# Snowball for the Future

*Pre-school Educational Development Programme - Launch Movie*



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# Macro environment and banking sector

## Macro Environment

	2021	2022	9M23
<b>GDP Growth (y/y)<sup>1</sup></b>	11.4%	5.5%	<b>3.9%</b>
<b>CPI Inflation (y/y)</b>	36.1%	64.3%	<b>61.5%</b>
<b>CAD<sup>2</sup>/GDP<sup>3</sup></b>	-0.9%	-5.4%	<b>-5.5%</b>
<b>Budget Deficit/GDP<sup>3</sup></b>	-2.6%	-0.9%	<b>-2.8%</b>
<b>USD/TL (eop)</b>	12.98	18.70	<b>27.38</b>
<b>2Y Benchmark Bond Rate (eop)</b>	22.7%	8.8%	<b>24.0%</b>

## Banking Sector - Private Banks

	2021	2022	9M23
<b>Loan Growth (ytd)</b>	<b>40%</b>	<b>52%</b>	<b>35%</b>
TL	27%	76%	35%
FC (USD)	-9%	-15%	-8%
<b>Cust. Deposit Growth (ytd)</b>	<b>58%</b>	<b>59%</b>	<b>47%</b>
TL	28%	152%	64%
FC (USD)	1%	-20%	-12%
<b>NPL Ratio</b>	<b>4.0%</b>	<b>2.7%</b>	<b>2.1%</b>
<b>CAR<sup>4</sup></b>	<b>19.6%</b>	<b>21.6%</b>	<b>20.2%</b>
<b>RoTE<sup>4</sup></b>	<b>17.4%</b>	<b>48.2%</b>	<b>38.0%</b>

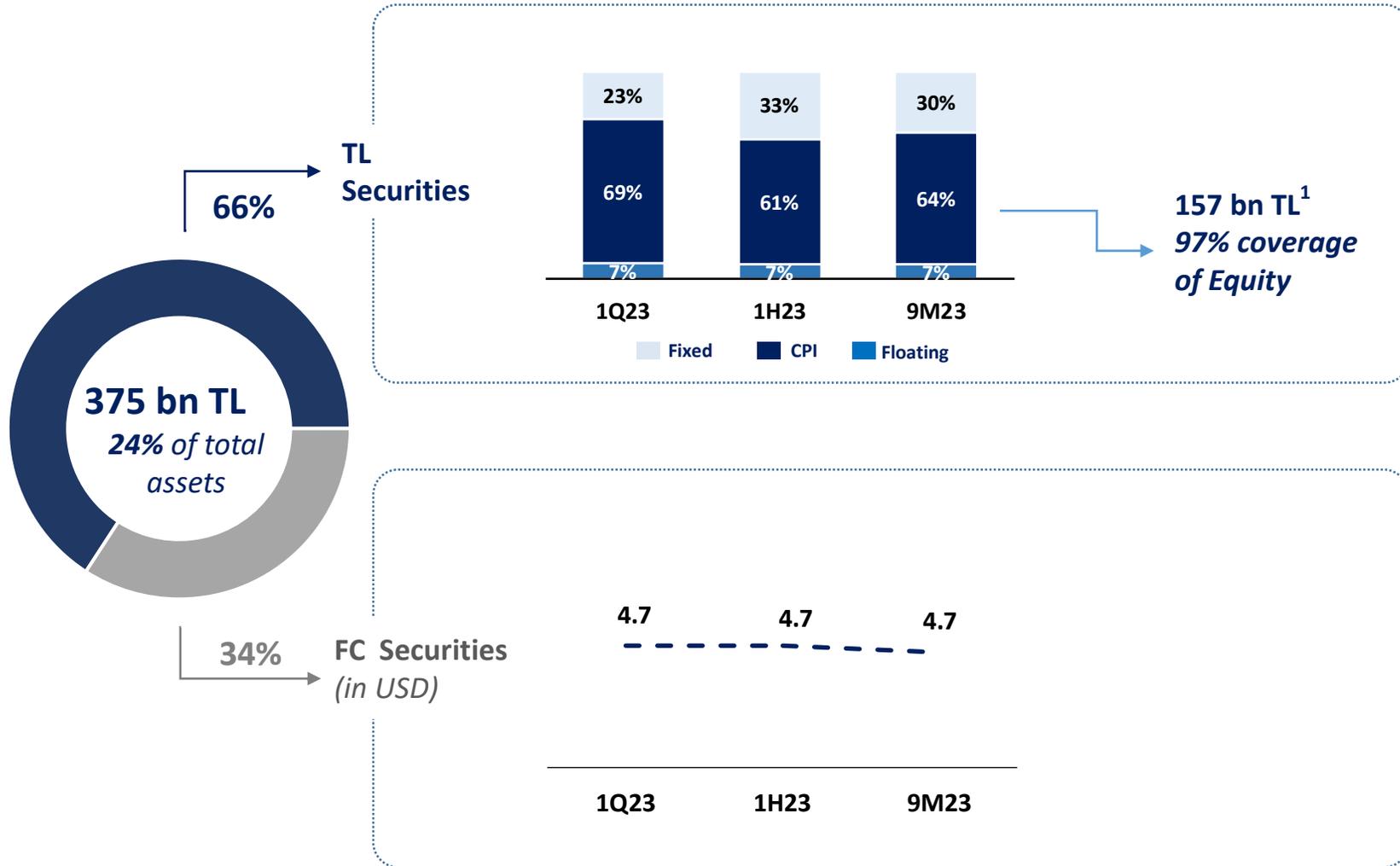
Notes:

All macro data as of September 2023 unless otherwise stated

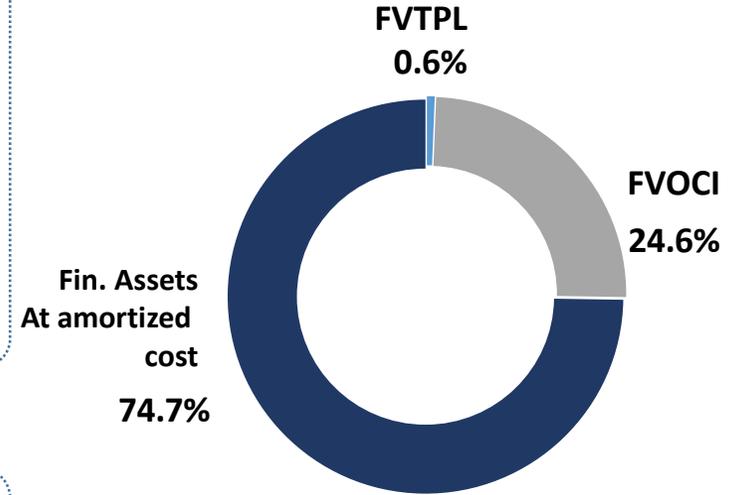
Banking sector volumes based on BRSA weekly data as of 29 September 2023

- As of 1H23
- CAD indicates Current Account Deficit as of August'23
- 9M23 GDP Forecast
- As of August 2023; CAR includes regulatory forbearances

# Securities portfolio



## Securities Classification



**m-t-m**  
**unrealized gain/loss<sup>2</sup>**  
**-1.3 bln TL**

*Mainly due to the valuation change of the linkers*  
*(+2.3 bln TL in 1H23)*

Notes:  
Based on Bank-Only financials

1. Including Accruals
2. Net of tax

# Consolidated balance sheet

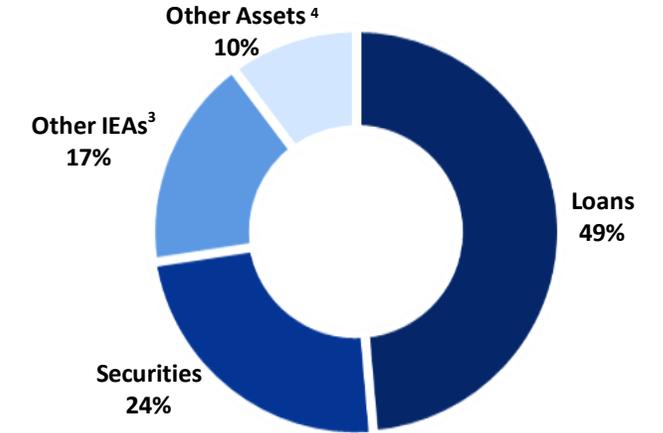
TL bln	9M22	2022	1H23	9M23	q/q	ytd
<b>Total Assets</b>	<b>1,093</b>	<b>1,184</b>	<b>1,482</b>	<b>1,678</b>	<b>13%</b>	<b>42%</b>
<b>Loans<sup>1</sup></b>	<b>544</b>	<b>584</b>	<b>702</b>	<b>763</b>	<b>9%</b>	<b>31%</b>
TL Loans	342	395	458	515	12%	30%
FC Loans (\$)	11	10	9	9	-4%	-10%
<b>Securities</b>	<b>214</b>	<b>250</b>	<b>332</b>	<b>386</b>	<b>16%</b>	<b>54%</b>
TL Securities	127	158	201	248	23%	56%
FC Securities (\$)	5	5	5	5	-1%	3%
<b>Customer Deposits</b>	<b>617</b>	<b>695</b>	<b>941</b>	<b>984</b>	<b>5%</b>	<b>42%</b>
TL Customer Deposits	293	377	537	562	5%	49%
FC Customer Deposits (\$)	18	17	16	15	-1%	-9%
<b>Borrowings</b>	<b>226</b>	<b>219</b>	<b>252</b>	<b>317</b>	<b>26%</b>	<b>44%</b>
TL Borrowings	20	24	20	23	11%	-7%
FC Borrowings (\$)	11	10	9	11	20%	3%
<b>Shareholders' Equity</b>	<b>113</b>	<b>126</b>	<b>139</b>	<b>162</b>	<b>16%</b>	<b>28%</b>
<b>Assets Under Management</b>	<b>104</b>	<b>135</b>	<b>173</b>	<b>206</b>	<b>19%</b>	<b>52%</b>
<b>Loans/(Deposits+TL Bills)</b>	<b>87%</b>	<b>85%</b>	<b>76%</b>	<b>78%</b>		
<b>CAR<sup>2</sup></b>	<b>17.6%</b>	<b>18.1%</b>	<b>17.0%</b>	<b>17.8%</b>		
<b>Tier-I<sup>2</sup></b>	<b>15.5%</b>	<b>16.2%</b>	<b>15.0%</b>	<b>15.8%</b>		
<b>Common Equity Tier-I<sup>2</sup></b>	<b>13.9%</b>	<b>14.7%</b>	<b>13.3%</b>	<b>14.2%</b>		

## Notes:

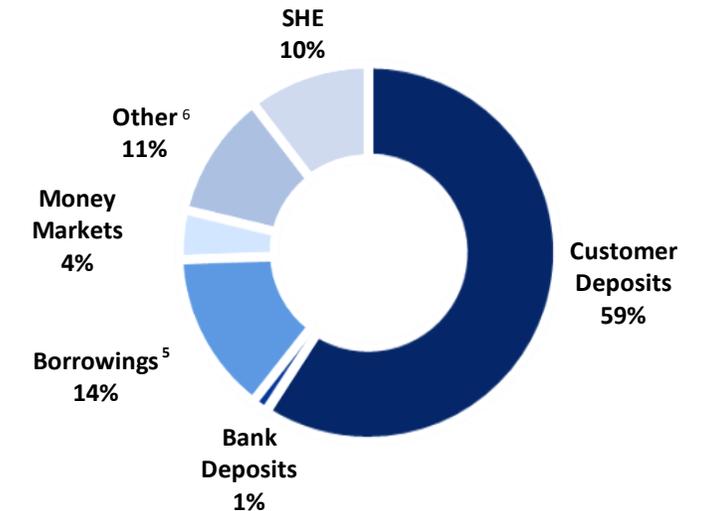
- Loans indicate performing loans excluding loans provided to financial institutions. TL and FC Loans are adjusted for the FX indexed loans
- Excluding regulatory forbearances
- Other interest earning assets (IEAs) include Balances with the Central Bank Turkey, banks and other financial institutions, money markets, factoring receivables, financial lease receivables
- Other assets include investments in associates, subsidiaries, joint ventures, hedging derivative financial assets, property and equipment, intangible assets, tax assets, assets held for resale and related to discontinued operations (net) and other

- Borrowings: include funds borrowed, marketable securities issued (net), subordinated loans. Intragroup funding / Total exposures is limited to cash excluding Business Related (i.e. Trade Finance), Repos and loro/nostro accounts
- Other liabilities: other provisions, hedging derivatives, deferred and current tax liability and other

## Assets – Bank Only



## Liabilities – Bank Only



# Consolidated income statement

TL million	3Q22	2Q23	3Q23	y/y	q/q	9M22	9M23	y/y
<b>Net Interest Income including swap costs</b>	<b>21,377</b>	<b>10,588</b>	<b>29,189</b>	<b>37%</b>	<b>176%</b>	<b>46,199</b>	<b>55,304</b>	<b>20%</b>
o/w NII	21,299	8,906	29,554	39%	232%	47,857	53,457	12%
o/w CPI-linkers <sup>1</sup>	13,029	8,282	24,237	86%	193%	26,179	42,184	61%
o/w Swap costs	78	1,682	-365	n.m.	n.m.	-1,658	1,847	n.m.
<b>Fees &amp; Commissions</b>	<b>4,225</b>	<b>7,401</b>	<b>11,037</b>	<b>161%</b>	<b>49%</b>	<b>10,609</b>	<b>24,226</b>	<b>128%</b>
<b>Core Revenues</b>	<b>25,603</b>	<b>17,989</b>	<b>40,226</b>	<b>57%</b>	<b>124%</b>	<b>56,808</b>	<b>79,530</b>	<b>40%</b>
<b>Operating Costs</b>	<b>5,852</b>	<b>10,868</b>	<b>12,073</b>	<b>106%</b>	<b>11%</b>	<b>13,916</b>	<b>32,197</b>	<b>131%</b>
<b>Core Operating Income</b>	<b>19,750</b>	<b>7,121</b>	<b>28,153</b>	<b>43%</b>	<b>295%</b>	<b>42,892</b>	<b>47,333</b>	<b>10%</b>
<b>Trading and FX gains/losses</b>	<b>3,970</b>	<b>12,904</b>	<b>6,288</b>	<b>58%</b>	<b>-51%</b>	<b>10,358</b>	<b>22,738</b>	<b>120%</b>
Trading excl. ECL hedge	2,894	8,506	5,403	87%	-36%	6,189	16,997	175%
ECL hedging	1,076	4,397	884	-18%	-80%	4,169	5,741	38%
<b>Other income</b>	<b>137</b>	<b>321</b>	<b>600</b>	<b>338%</b>	<b>87%</b>	<b>801</b>	<b>2,083</b>	<b>160%</b>
o/w income from subs	72	113	370	413%	227%	170	880	418%
<b>Pre-provision Profit</b>	<b>23,858</b>	<b>20,345</b>	<b>35,041</b>	<b>47%</b>	<b>72%</b>	<b>54,052</b>	<b>72,154</b>	<b>33%</b>
<b>ECL net of collections</b>	<b>2,348</b>	<b>4,955</b>	<b>1,458</b>	<b>-38%</b>	<b>-71%</b>	<b>7,745</b>	<b>7,517</b>	<b>-3%</b>
ECL (excl. currency impact)	1,271	558	573	-55%	3%	3,576	1,776	-50%
o/w Collections/Provision Reversals (-)	-1,200	-3,498	-2,480	107%	-29%	-7,300	-11,737	61%
<b>Provisions for Risks and Charges &amp; Other</b>	<b>28</b>	<b>57</b>	<b>33</b>	<b>18%</b>	<b>-43%</b>	<b>305</b>	<b>113</b>	<b>-63%</b>
<b>Pre-tax Income</b>	<b>21,482</b>	<b>15,332</b>	<b>33,550</b>	<b>56%</b>	<b>119%</b>	<b>46,002</b>	<b>64,523</b>	<b>40%</b>
Tax	5,347	3,856	8,964	68%	132%	10,686	15,820	48%
<b>Net Income</b>	<b>16,135</b>	<b>11,477</b>	<b>24,586</b>	<b>52%</b>	<b>114%</b>	<b>35,316</b>	<b>48,703</b>	<b>38%</b>
<b>RoTE</b>	<b>64%</b>	<b>34%</b>	<b>66%</b>	<b>2pp</b>	<b>32pp</b>	<b>55%</b>	<b>46%</b>	<b>-9pp</b>
<b>RoA</b>	<b>6.2%</b>	<b>3.4%</b>	<b>6.2%</b>	<b>3bps</b>	<b>286bps</b>	<b>5.0%</b>	<b>4.5%</b>	<b>-49bps</b>
<b>CoR (excl. currency impact)</b>	<b>0.87%</b>	<b>0.30%</b>	<b>0.27%</b>	<b>-60bps</b>	<b>-2bps</b>	<b>0.91%</b>	<b>0.31%</b>	<b>-60bps</b>

Notes:

n.m.: not meaningful

1. Interest income from CPI linkers includes only inflation impact on principal amount and does not include the interest income from fixed coupon rate

# Bank-only income statement

TL million	3Q22	2Q23	3Q23	y/y	q/q	9M22	9M23	y/y
<b>Net Interest Income including swap costs</b>	<b>20,569</b>	<b>9,184</b>	<b>27,288</b>	<b>33%</b>	<b>197%</b>	<b>44,200</b>	<b>50,780</b>	<b>15%</b>
<i>o/w NII</i>	20,705	7,601	27,703	34%	264%	46,412	49,132	6%
<i>o/w CPI-linkers<sup>1</sup></i>	13,029	8,282	24,237	86%	193%	26,179	42,184	61%
<i>o/w Swap costs</i>	-136	1,584	-415	206%	n.m.	-2,212	1,648	n.m.
<b>Fees &amp; Commissions</b>	<b>3,840</b>	<b>6,583</b>	<b>9,765</b>	<b>154%</b>	<b>48%</b>	<b>9,623</b>	<b>21,493</b>	<b>123%</b>
<b>Core Revenues</b>	<b>24,410</b>	<b>15,768</b>	<b>37,053</b>	<b>52%</b>	<b>135%</b>	<b>53,823</b>	<b>72,272</b>	<b>34%</b>
<b>Operating Costs</b>	<b>5,562</b>	<b>10,394</b>	<b>11,454</b>	<b>106%</b>	<b>10%</b>	<b>13,124</b>	<b>30,702</b>	<b>134%</b>
<b>Core Operating Income</b>	<b>18,848</b>	<b>5,374</b>	<b>25,599</b>	<b>36%</b>	<b>376%</b>	<b>40,698</b>	<b>41,570</b>	<b>2%</b>
<b>Trading and FX gains/losses</b>	<b>3,792</b>	<b>12,311</b>	<b>6,083</b>	<b>60%</b>	<b>-51%</b>	<b>9,924</b>	<b>21,862</b>	<b>120%</b>
Trading excl. ECL hedge	2,716	7,914	5,199	91%	-34%	5,755	16,121	180%
<i>ECL hedging</i>	1,076	4,397	884	-18%	-80%	4,169	5,741	38%
<b>Other income</b>	<b>973</b>	<b>2,035</b>	<b>2,566</b>	<b>164%</b>	<b>26%</b>	<b>2,798</b>	<b>6,996</b>	<b>150%</b>
<i>o/w income from subs</i>	902	1,824	2,357	161%	29%	2,200	5,786	163%
<b>Pre-provision Profit</b>	<b>23,613</b>	<b>19,720</b>	<b>34,248</b>	<b>45%</b>	<b>74%</b>	<b>53,420</b>	<b>70,428</b>	<b>32%</b>
<b>ECL net of collections</b>	<b>2,387</b>	<b>4,942</b>	<b>1,585</b>	<b>-34%</b>	<b>-68%</b>	<b>7,777</b>	<b>7,699</b>	<b>-1%</b>
ECL (excl. currency impact)	1,311	545	701	-46%	29%	3,608	1,958	-46%
<i>o/w Collections/Provision Reversals (-)</i>	-1,112	-3,358	-2,338	110%	-30%	-7,060	-11,305	60%
<b>Provisions for Risks and Charges &amp; Other</b>	<b>18</b>	<b>23</b>	<b>25</b>	<b>40%</b>	<b>11%</b>	<b>276</b>	<b>71</b>	<b>-74%</b>
<b>Pre-tax Income</b>	<b>21,208</b>	<b>14,755</b>	<b>32,638</b>	<b>54%</b>	<b>121%</b>	<b>45,367</b>	<b>62,659</b>	<b>38%</b>
Tax	5,073	3,279	8,052	59%	146%	10,052	13,956	39%
<b>Net Income</b>	<b>16,135</b>	<b>11,476</b>	<b>24,586</b>	<b>52%</b>	<b>114%</b>	<b>35,315</b>	<b>48,702</b>	<b>38%</b>
<b>RoTE</b>	<b>64%</b>	<b>34%</b>	<b>66%</b>	<b>2pp</b>	<b>32pp</b>	<b>55%</b>	<b>46%</b>	<b>-9pp</b>
<b>RoA</b>	<b>6.6%</b>	<b>3.6%</b>	<b>6.7%</b>	<b>10bps</b>	<b>308bps</b>	<b>5.0%</b>	<b>4.5%</b>	<b>-49bps</b>
<b>CoR (excl. currency impact)</b>	<b>0.98%</b>	<b>0.32%</b>	<b>0.37%</b>	<b>-61bps</b>	<b>5bps</b>	<b>1.00%</b>	<b>0.38%</b>	<b>-62bps</b>

Notes:

n.m.: not meaningful

1. Interest income from CPI linkers includes only inflation impact on principal amount and does not include the interest income from fixed coupon rate

# ECL details

TL million	3Q22	2Q23	3Q23	9M22	9M23
<b>Provisions</b>	<b>3,547</b>	<b>8,453</b>	<b>3,937</b>	<b>15,045</b>	<b>19,255</b>
<i>Stage-1</i>	<i>1,363</i>	<i>1,745</i>	<i>954</i>	<i>3,486</i>	<i>4,867</i>
<i>Stage-2</i>	<i>1,086</i>	<i>991</i>	<i>1,035</i>	<i>4,683</i>	<i>5,270</i>
<i>Stage-3</i>	<i>1,098</i>	<i>5,716</i>	<i>1,949</i>	<i>6,876</i>	<i>9,118</i>
Currency Impact	-1,076	-4,397	-884	-4,169	-5,741
Provision Reversals	-655	-2,015	-780	-4,229	-7,184
Collections	-545	-1,483	-1,700	-3,070	-4,554
<b>ECL</b>	<b>1,271</b>	<b>558</b>	<b>573</b>	<b>3,576</b>	<b>1,776</b>

Notes:  
Based on consolidated financials.

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