

FY 2023 Results Presentation

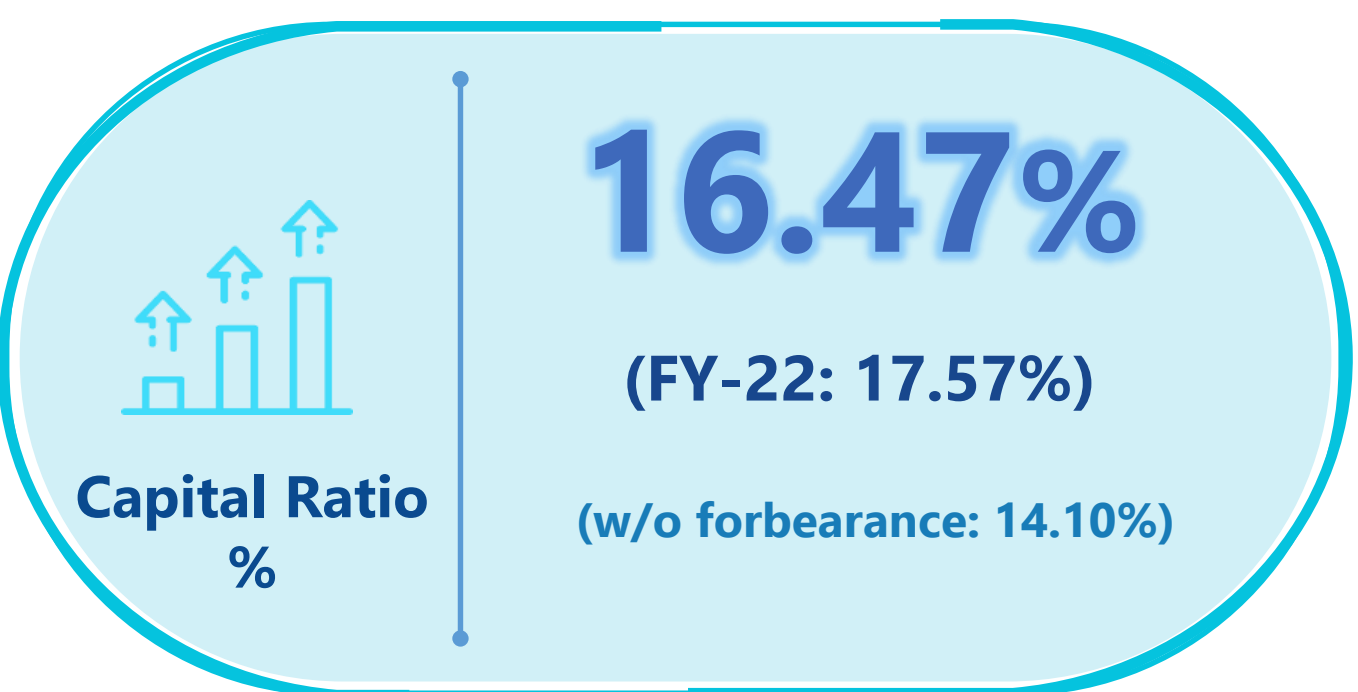
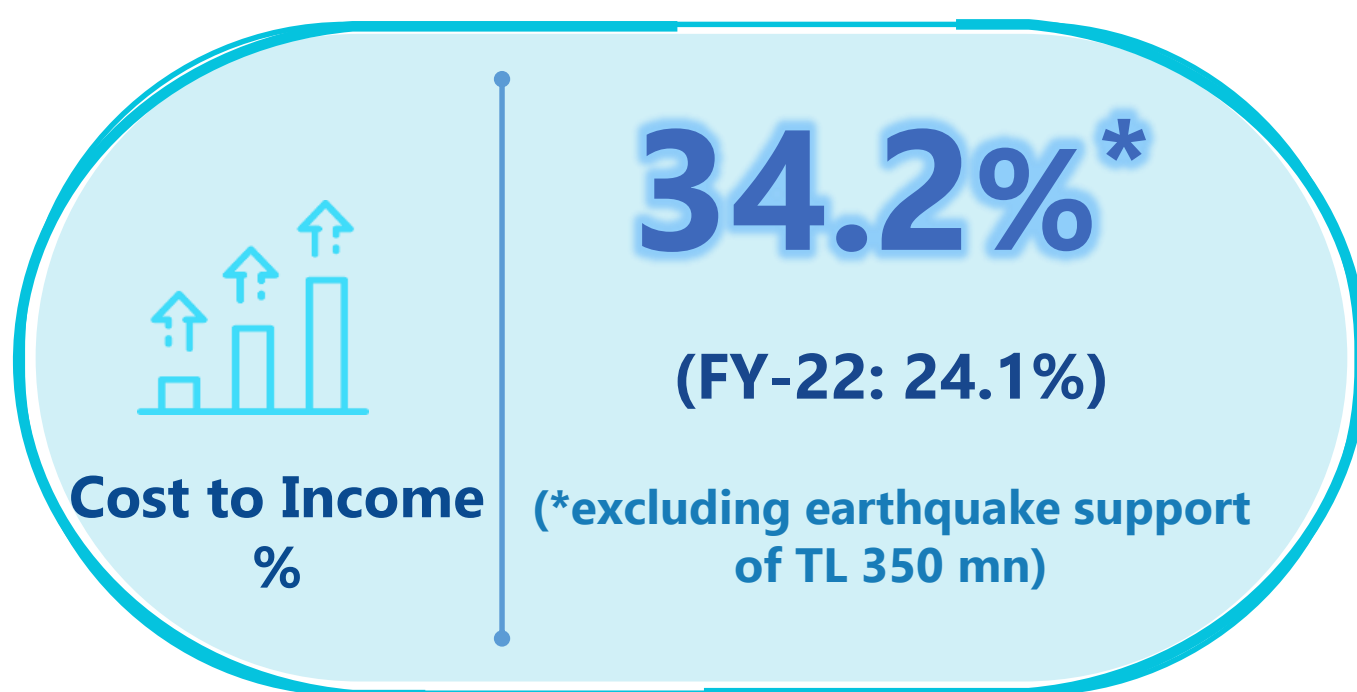
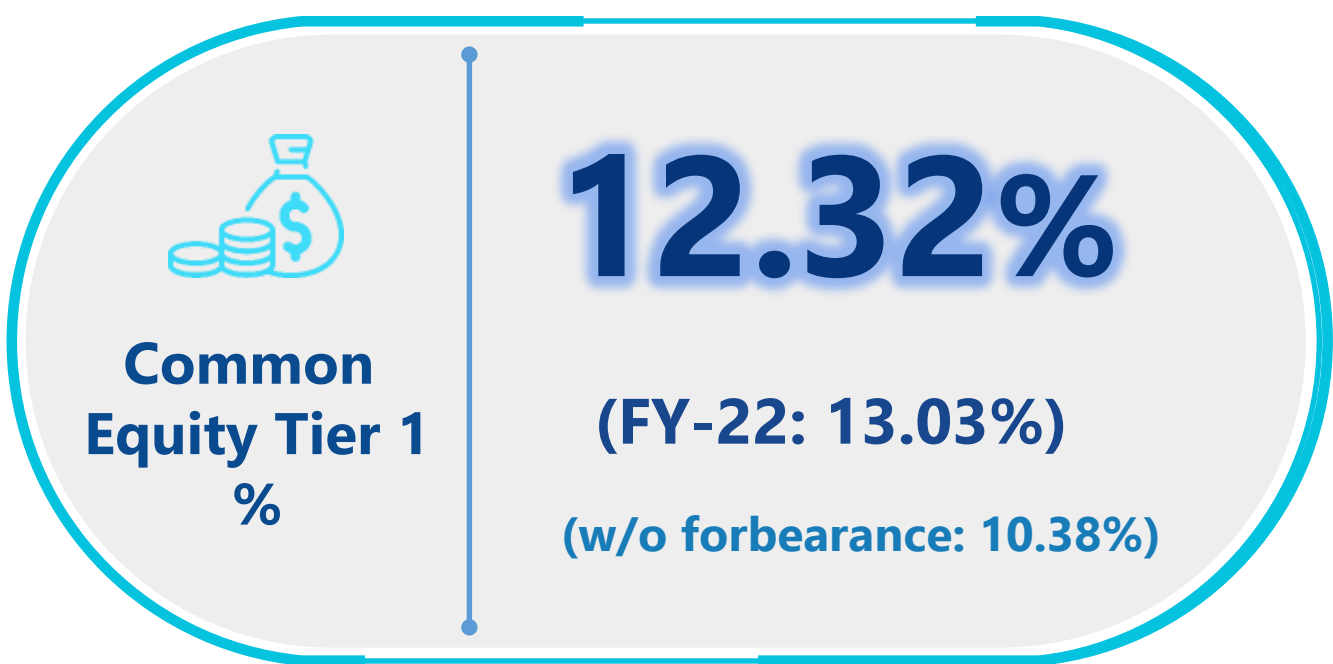
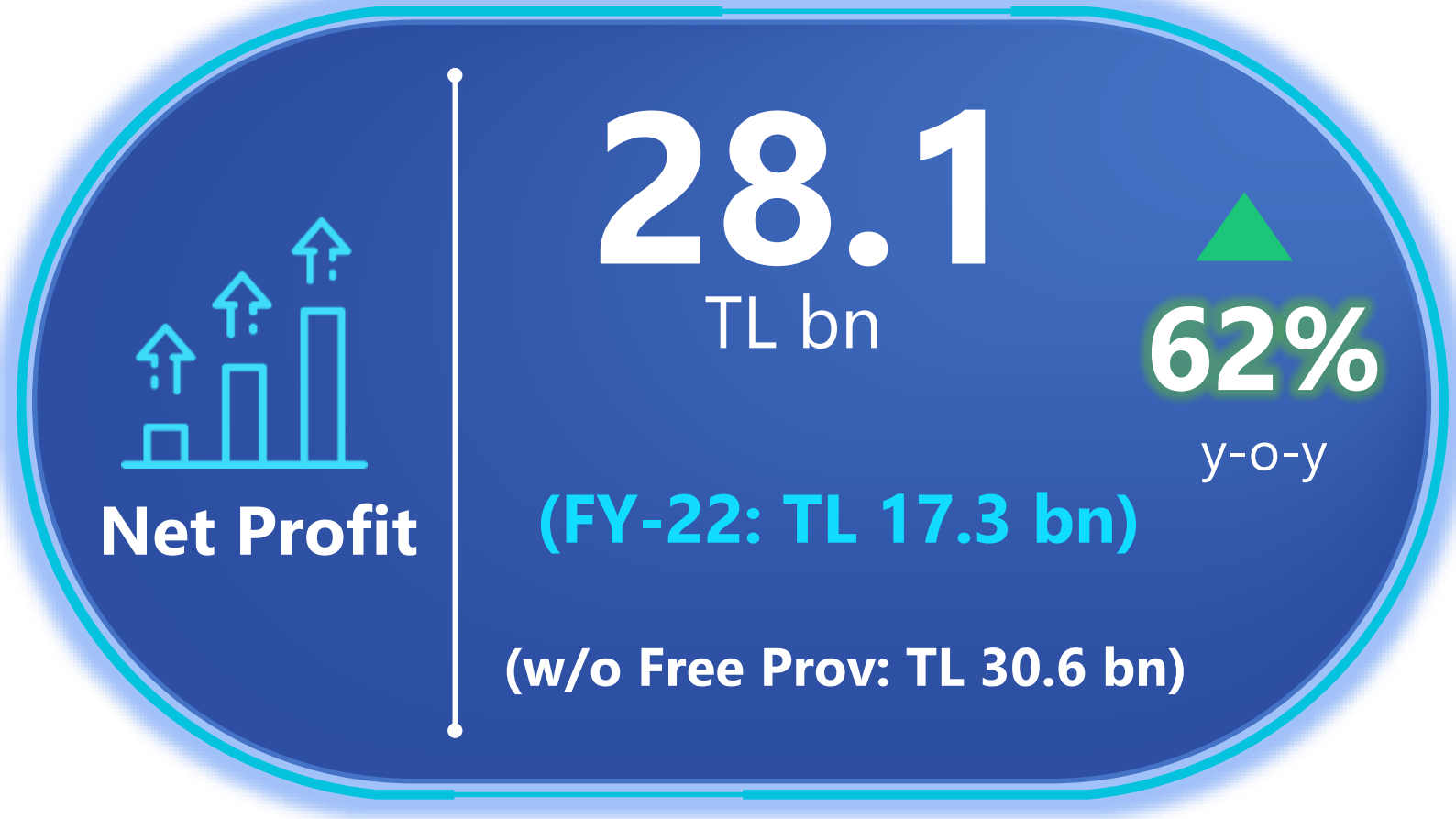
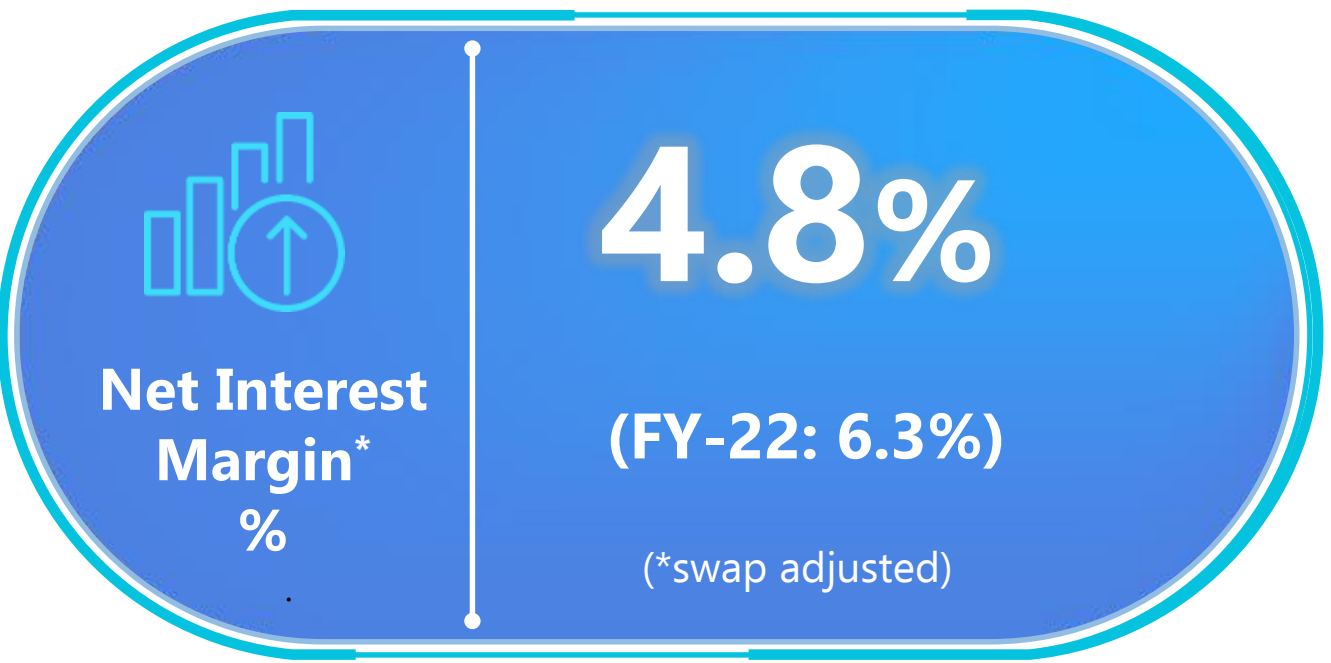
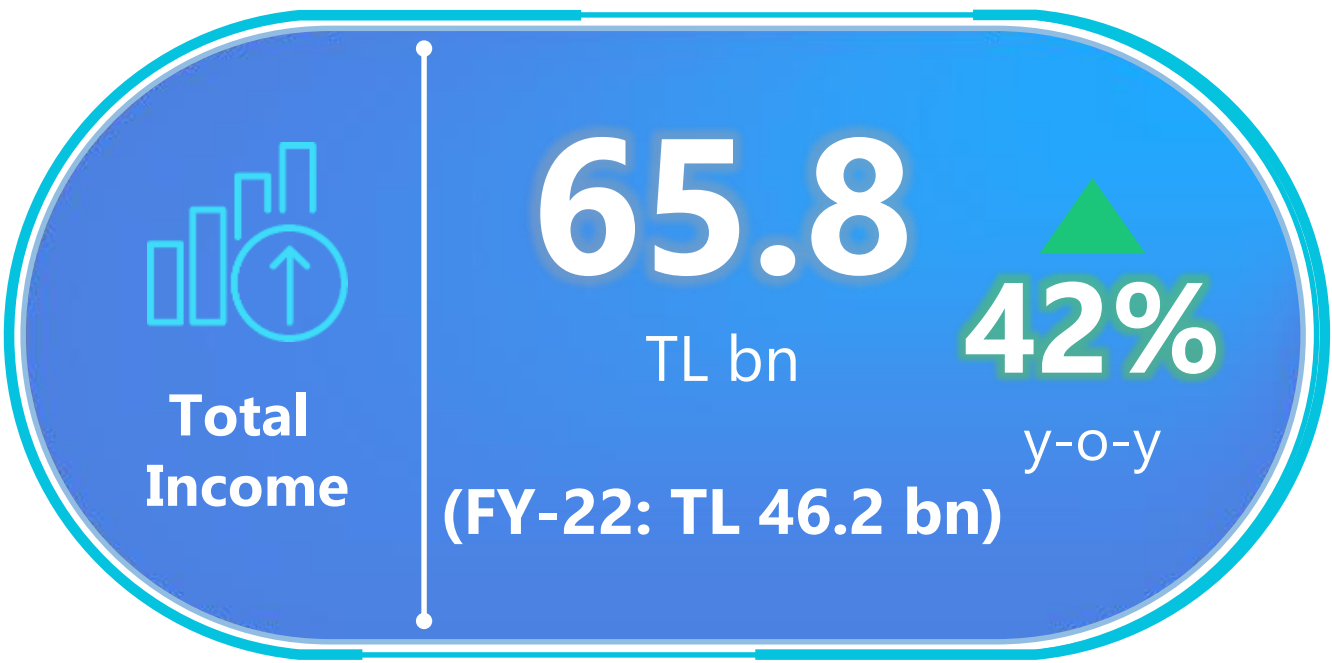
23 January 2024

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2. Financial Performance
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Results highlights

Retaining sound asset quality, strong capital ratios and resilient balance sheet structure in a challenging regulatory and economic environment

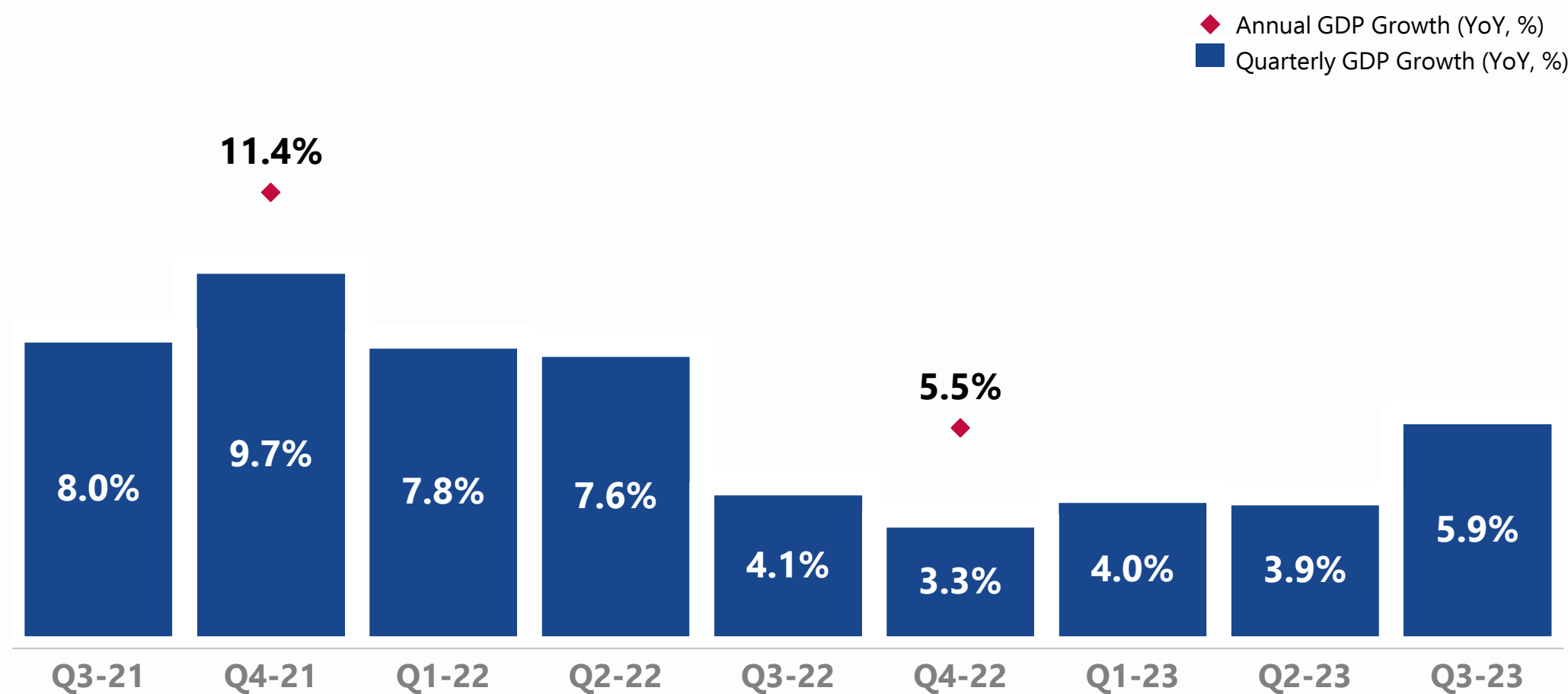


1

Macroeconomic Outlook & Banking Sector

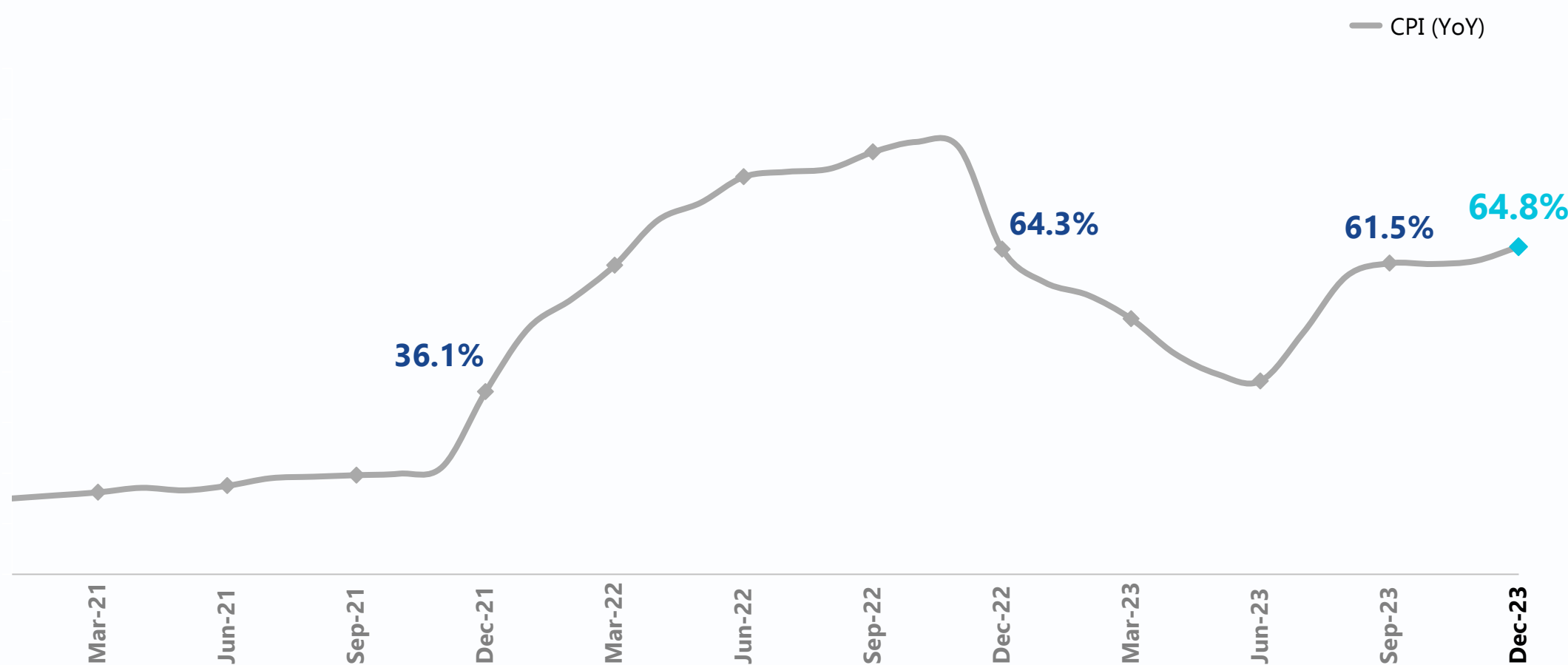
Balanced growth, gradual disinflation and moderation in external deficit

Economic Activity

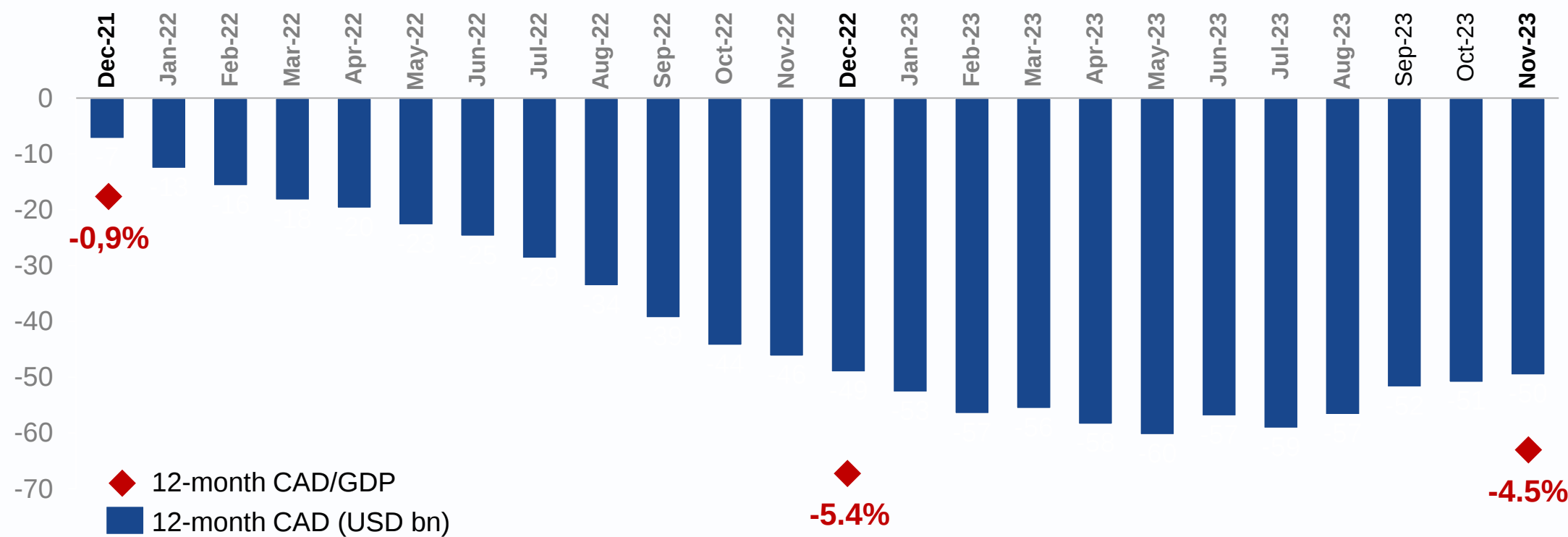


- Balanced growth with gradual moderation in domestic demand along with tighter monetary policy
- Increased inflation before the downward trend in 2H24
- Moderating domestic demand and decreasing gold imports to narrow current account deficit, better financing conditions
- Fiscal consolidation targets excluding disaster spending

Inflation (CPI, YoY change)

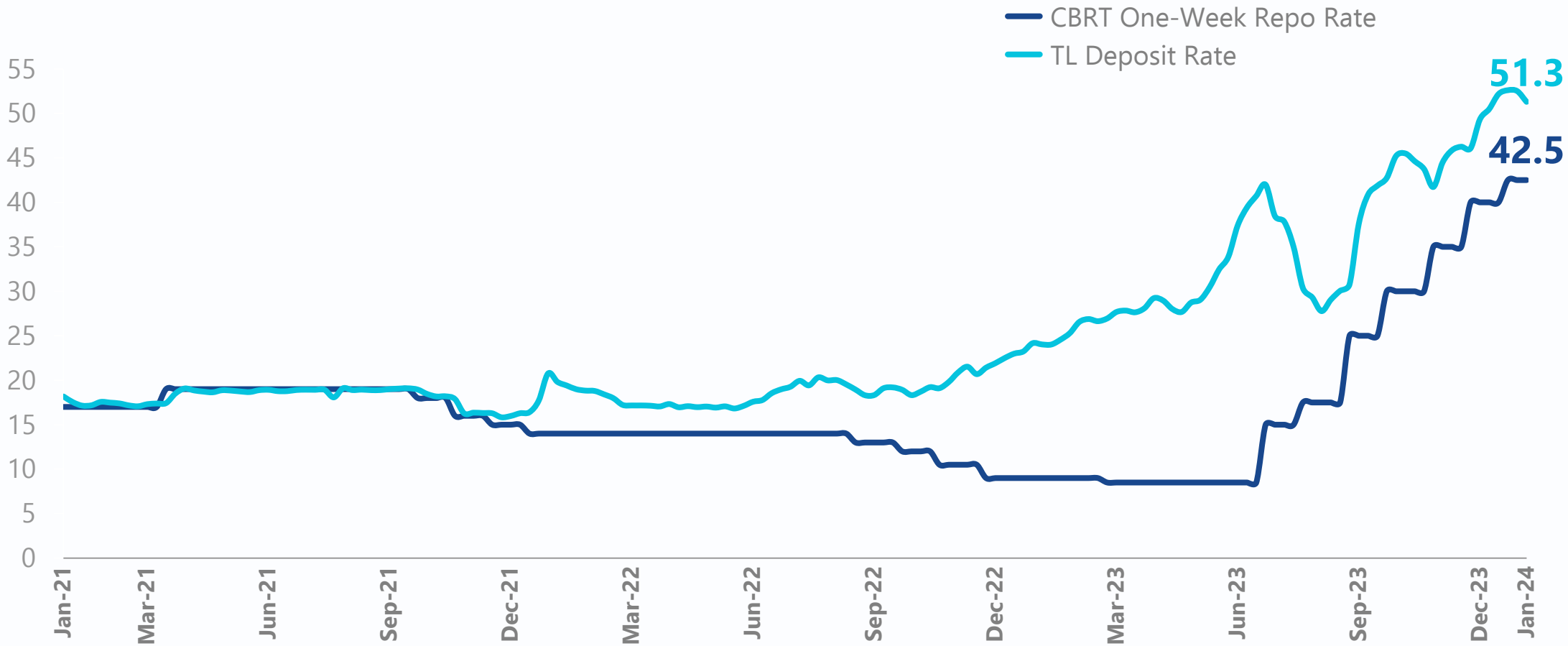


Current Account Deficit



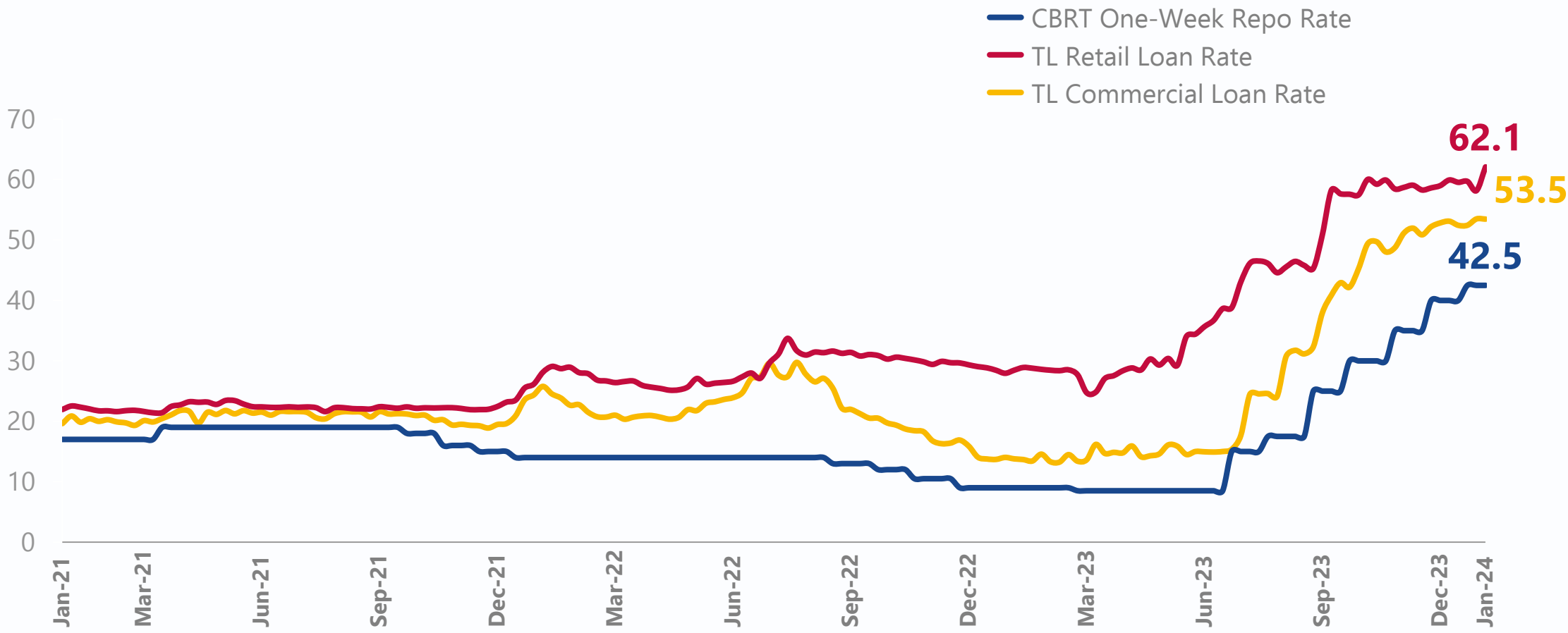
Higher interest rates, slower credit growth

TL Deposit Rate (%)

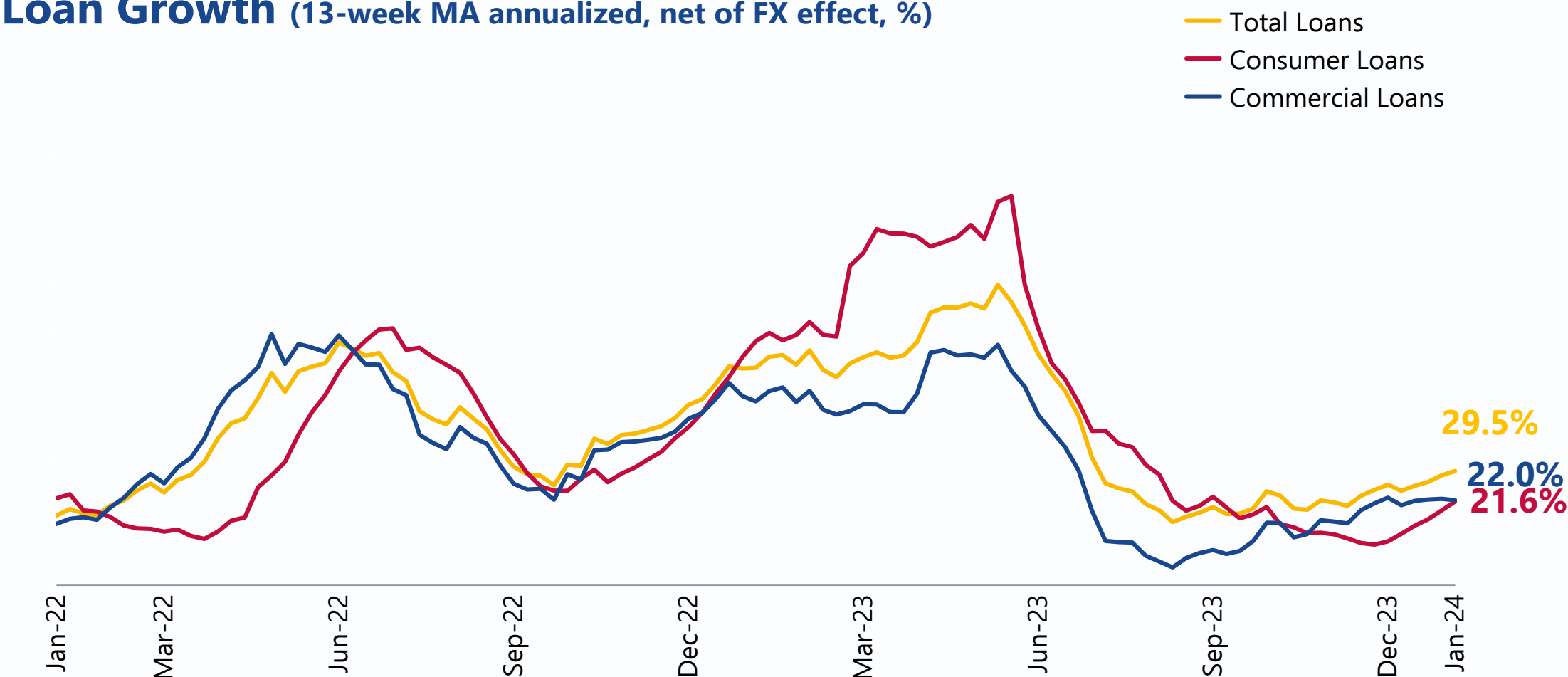


- Monetary tightening and simplification of regulations
- Higher deposit and loan rates, slower credit growth
- Gradual unwinding of FX-protected deposits
- Selective credit policies to rebalance growth composition

TL Loan Rates (%)



Loan Growth (13-week MA annualized, net of FX effect, %)



2

Financial Performance

Prudent risk management minimizing the risks while meeting the regulatory framework and focus on non risk income resulting in overperforming income

Income Statement (All figures are in TL bn)	FY-23	FY-22	Better / (Worse)
Net interest income ¹	38.4	29.9	29%
Non-funded income	27.3	16.3	67%
Total income	65.8	46.2	42%
Operating expenses	-22.9	-11.1	(105%)
Pre-provision operating profit	42.9	35.1	22%
Total provisions	-4.9	-11.4	57%
Operating profit	38.1	23.7	61%
Taxation charge	(9.8)	(6.4)	(55%)
<i>Profit/Loss from Disct. Opr.²</i>	(0.2)	0	n.a.
Net profit	28.1	17.3	62%
Cost: income ratio ³	34.2%	24.1%	+10.1 pp
Net interest margin ¹	4.8%	6.3%	-1.5 pp

Balance Sheet (All figures are in TL bn)	Dec-23	Dec-22	Better / (Worse)
Total Assets	1,172.9	625.0	88%
Gross Loans ⁴	608.2	374.2	63%
Deposits	737.9	417.0	77%
CET-1 (%)	12.32%	13.03%	-0.7 pp
LDR (%) ⁵	77.3%	82.2%	-5.0 pp
NPL ratio (%)	4.0%	4.7%	-0.7 pp

¹ Swap adjusted ² FY-23 Includes TL 151 mn loss from discontinued operations related to liquidation of Eurodeniz

³ FY-23 ratios is adjusted; excludes earthquake support ⁴ Includes leasing and factoring receivables

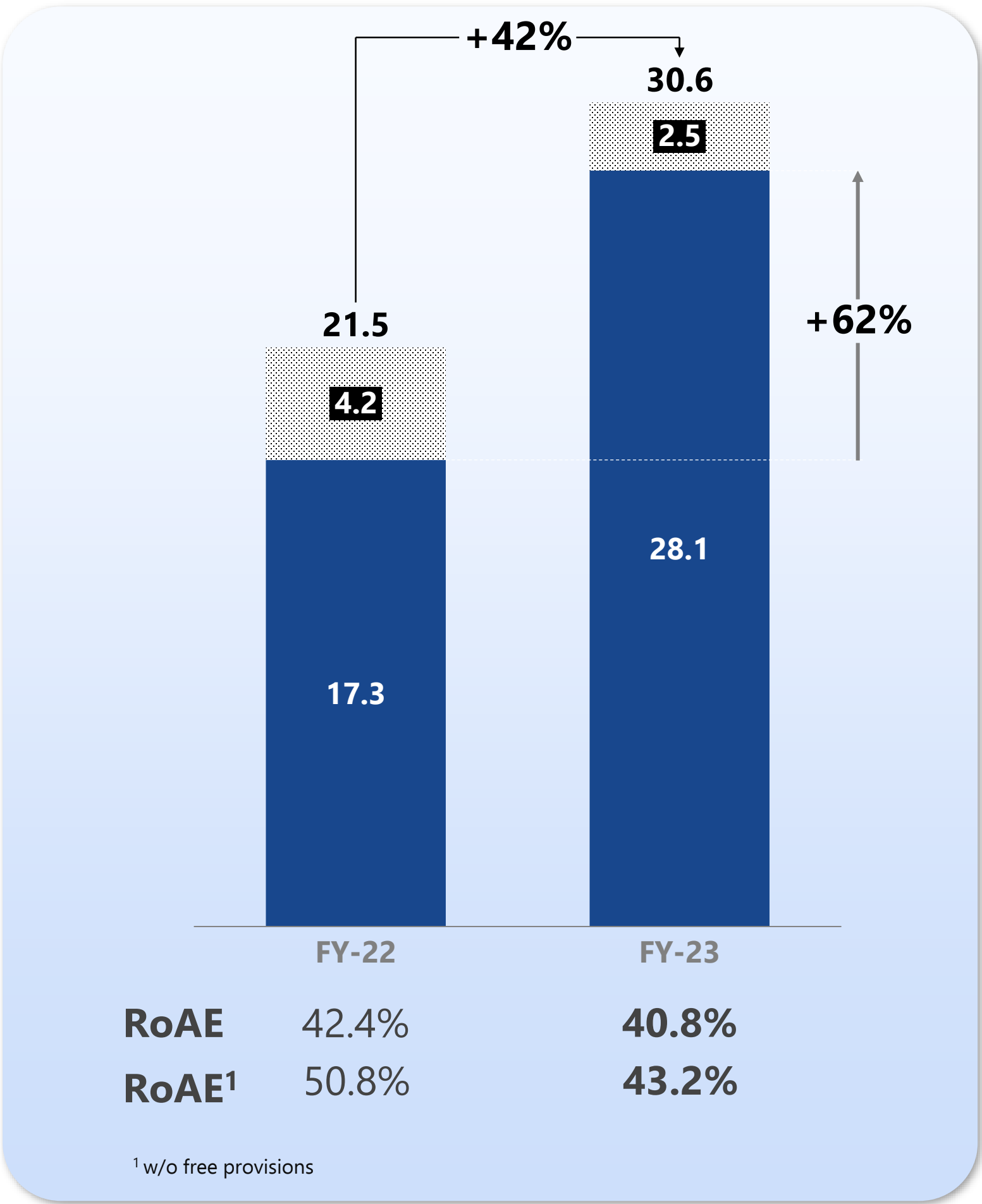
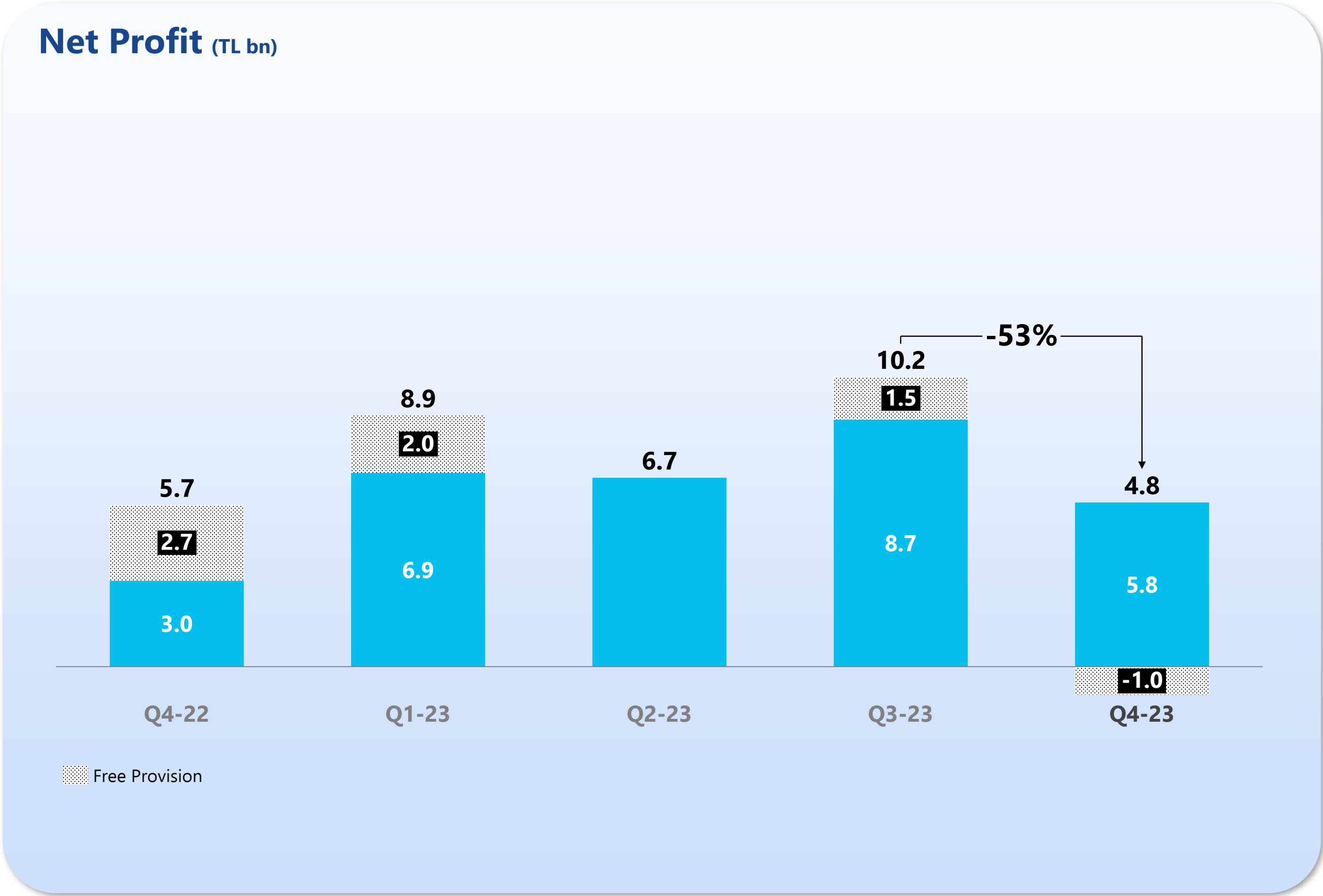
⁵ Loan to Deposit Ratio ⁶ According to the Bank's own segmentation of gross loans

Key Highlights

- FY-23 net profit increased by **62%**, mainly due to solid performances of net interest income, non-funded income and strong collection performance.
- NII¹ increased by **29%** on the back of growth in selected TL loans and strategic positioning in securities with a balanced weight of CPI linkers.
 - Credit card loans⁶ grew by **137%**,
 - while a **51%** rise was recorded in SME loans⁶.
- Net fees and commissions income rose by **130%**,
 - mainly supported by the strong performance in payment systems, brokerage, and bancassurance commissions, and treasury transactions (TMU) and asset management income.
- Other income including provision reversals due to collections contributed **67%** growth of non-funded income.
- C/I ratio³ is **34.2%** in continuing inflationary environment with overperformance of income.
- CoR improved considerably due to strong collection performance.
 - Solid loan growth, managed NPL generation and successful collection amounts kept NPL ratio at 4.0% with 71 bps decrease.
 - A strong level of Total NPL Coverage standing at **173.2%**.
- 139%** growth in TL deposits resulted a **77%** rise in total deposits,
 - TL time deposits were up by 156%, meeting the targets on deposit products and transition to standard TL deposits.
- CAR at **16.47%**, CET-1 at **12.32%**, LCR at **351.8%**, and LDR at **77.3%**, demonstrating solid solvency and healthy liquidity levels.

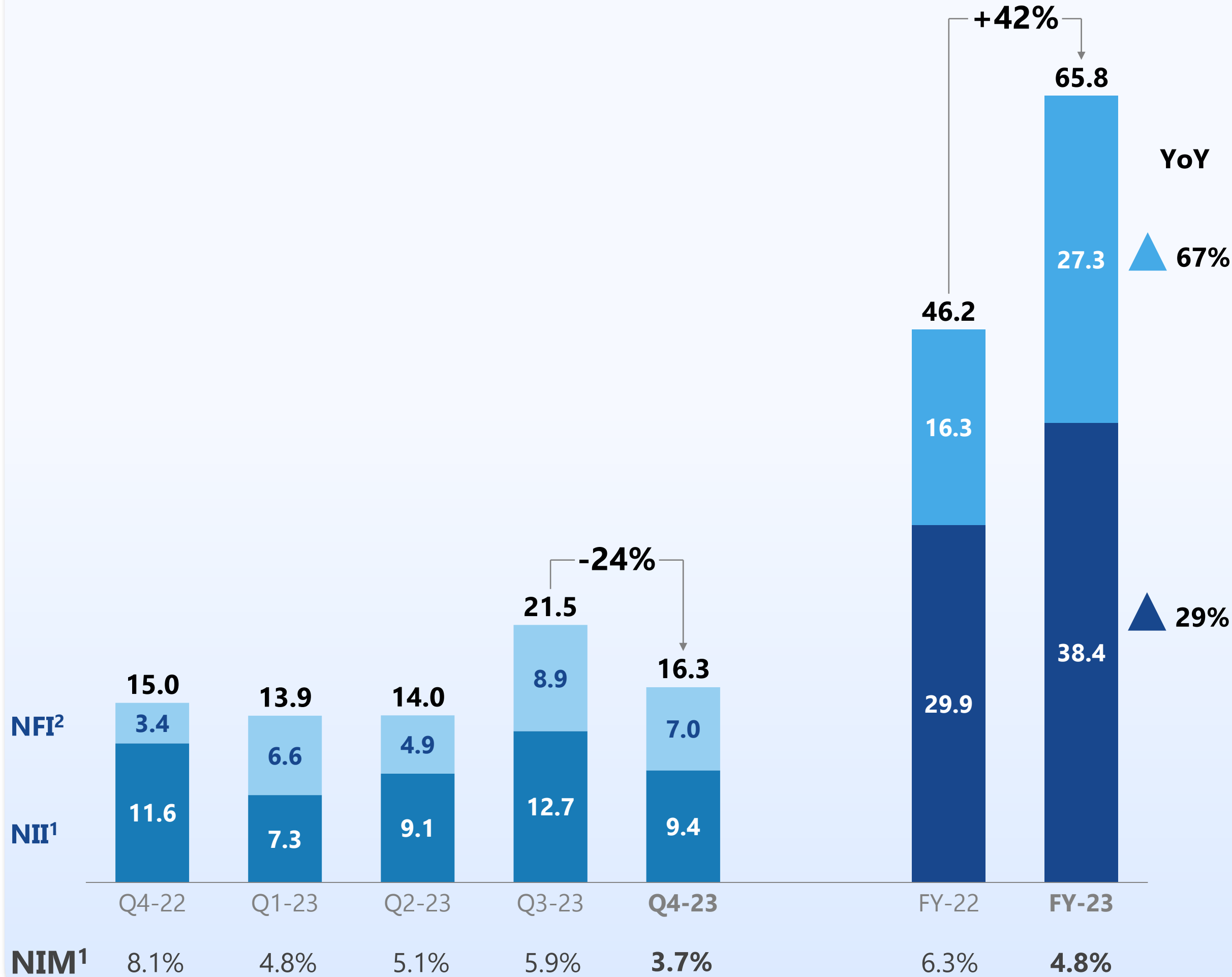
Profitability sustained by the increase both in net interest income with volumes growth and solid performance of non-funded income

- Net profit increased by 62% as a result of 42% growth in total income and strong collections performance, despite maintaining prudent provisioning with TL 2.5 bn additional free provision.

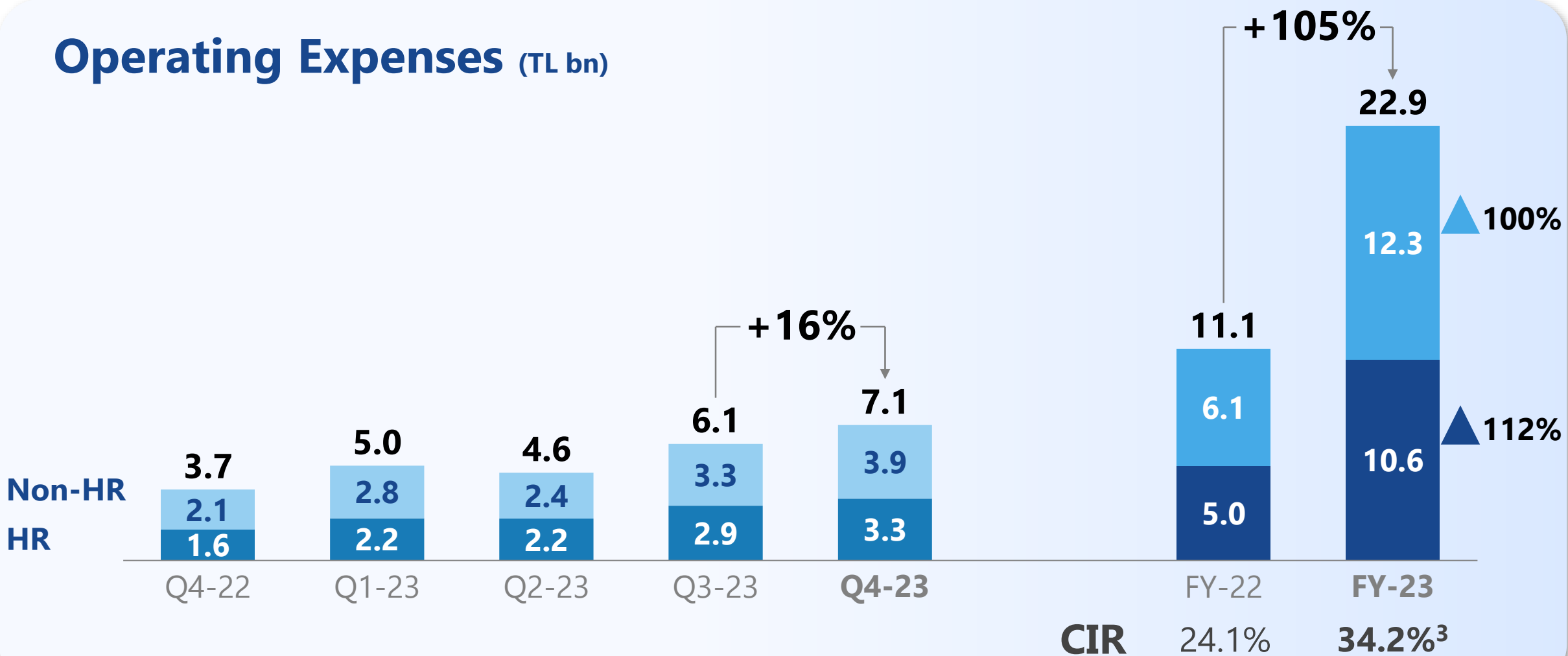


Performance upside supported by volumes growth, robust non-risk fees and commissions, treasury transactions (TMU) income and lower provisions with overperforming collections

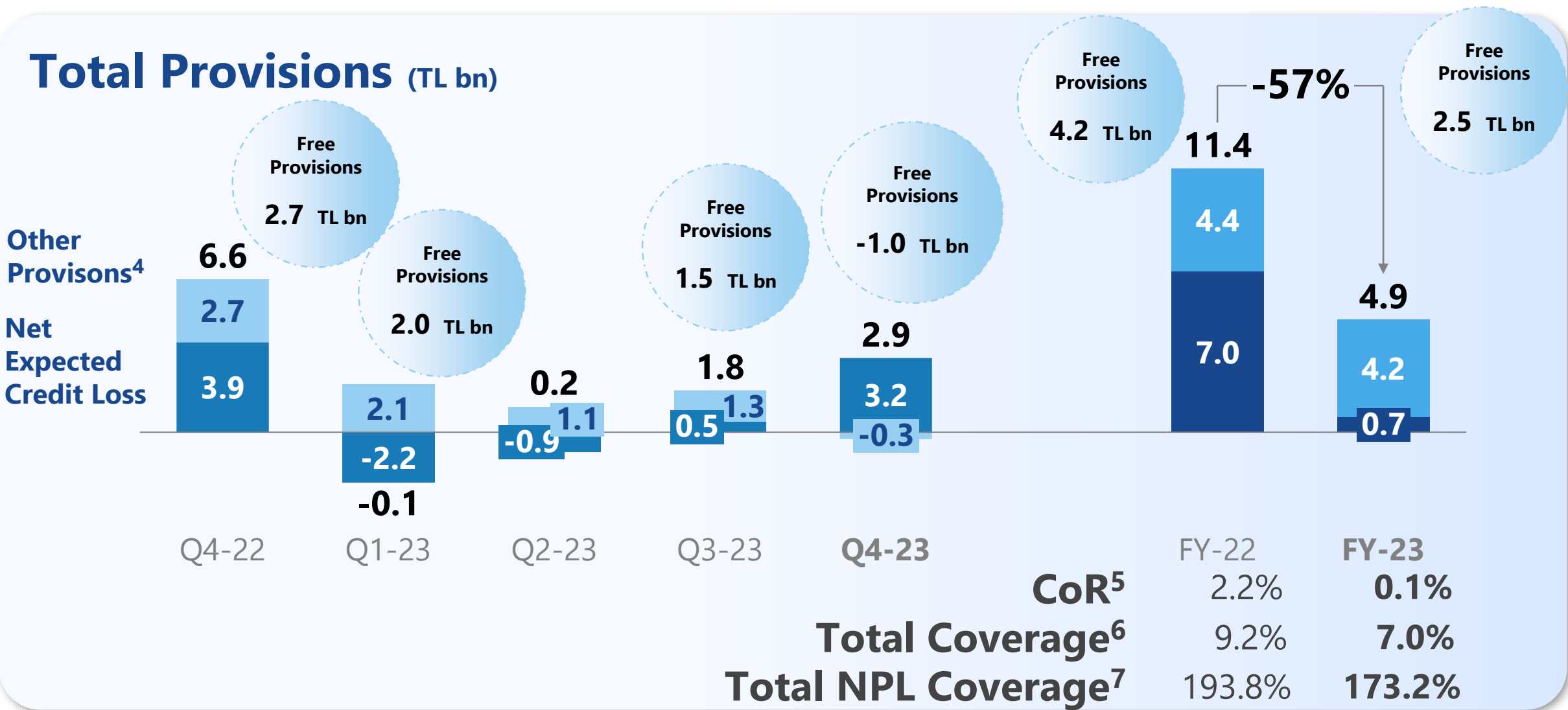
Total Income (TL bn)



Operating Expenses (TL bn)



Total Provisions (TL bn)

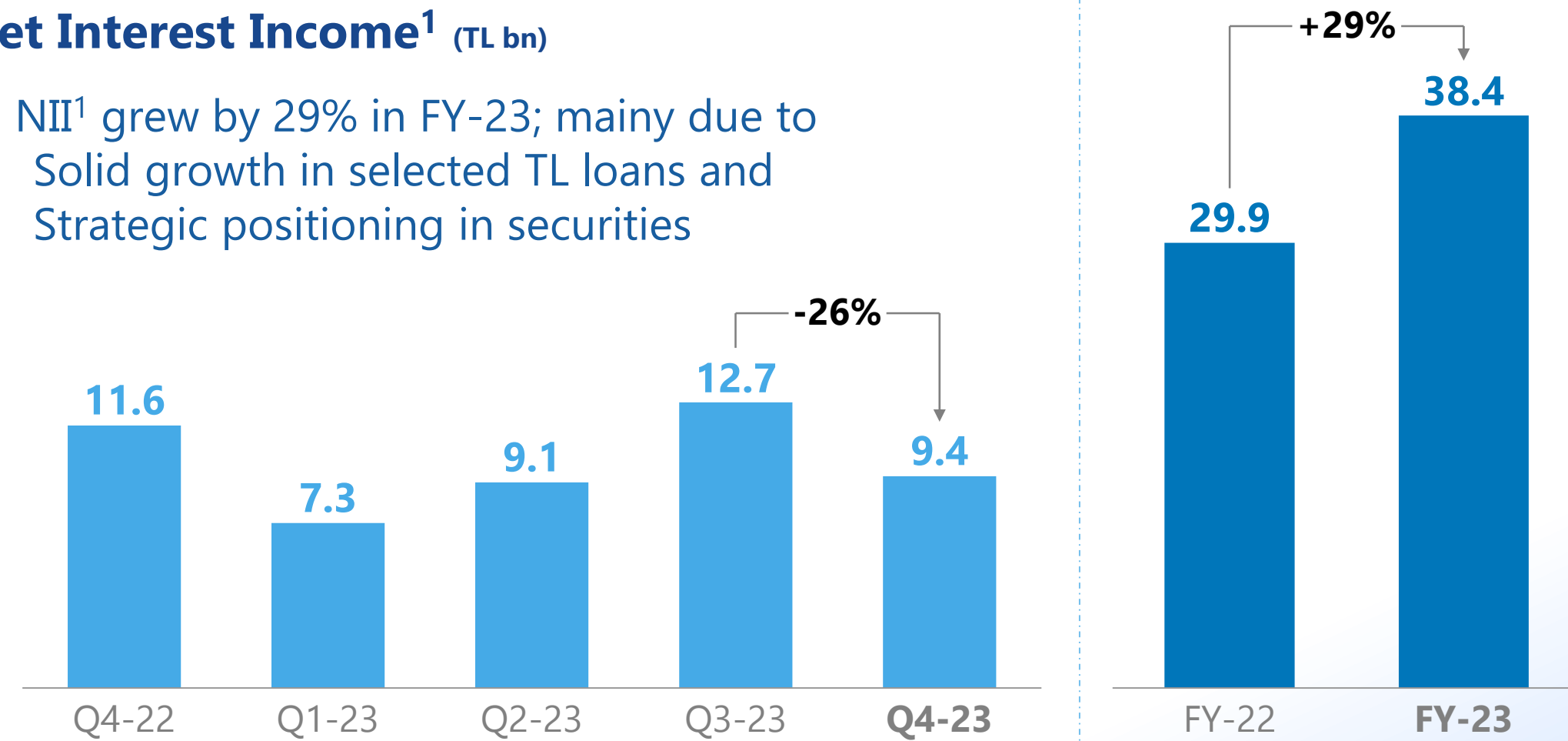


¹ Swap adjusted ² Non-Funded Income: Includes net fees and commissions income, trading and FX gains/losses, other income, and excludes swap costs
³ Excludes earthquake support ⁴ Includes free provisions for, Q4-22, Q1-23 and Q3-23 ⁵ Net expected credit loss / Avg. Total Loans ⁶ Provisions for expected credit loss incl. non-cash provisions / Total loans incl. leasing and factoring receivables ⁷ Provisions for expected credit loss incl. non-cash provisions / NPL

NIM¹ stood at ~ 5% with contribution of attentive loan growth and strategic positioning in securities with the right weight of CPI linkers despite increased funding costs

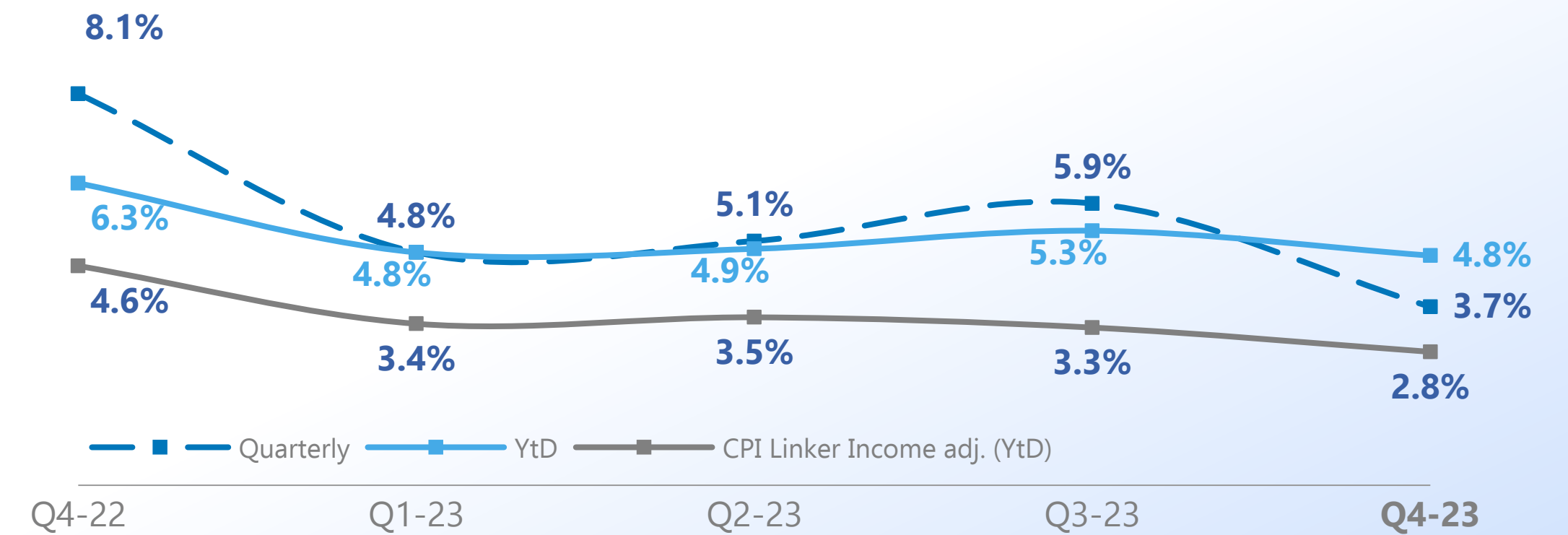
Net Interest Income¹ (TL bn)

- NII¹ grew by 29% in FY-23; mainly due to
 - 1) Solid growth in selected TL loans and
 - 2) Strategic positioning in securities

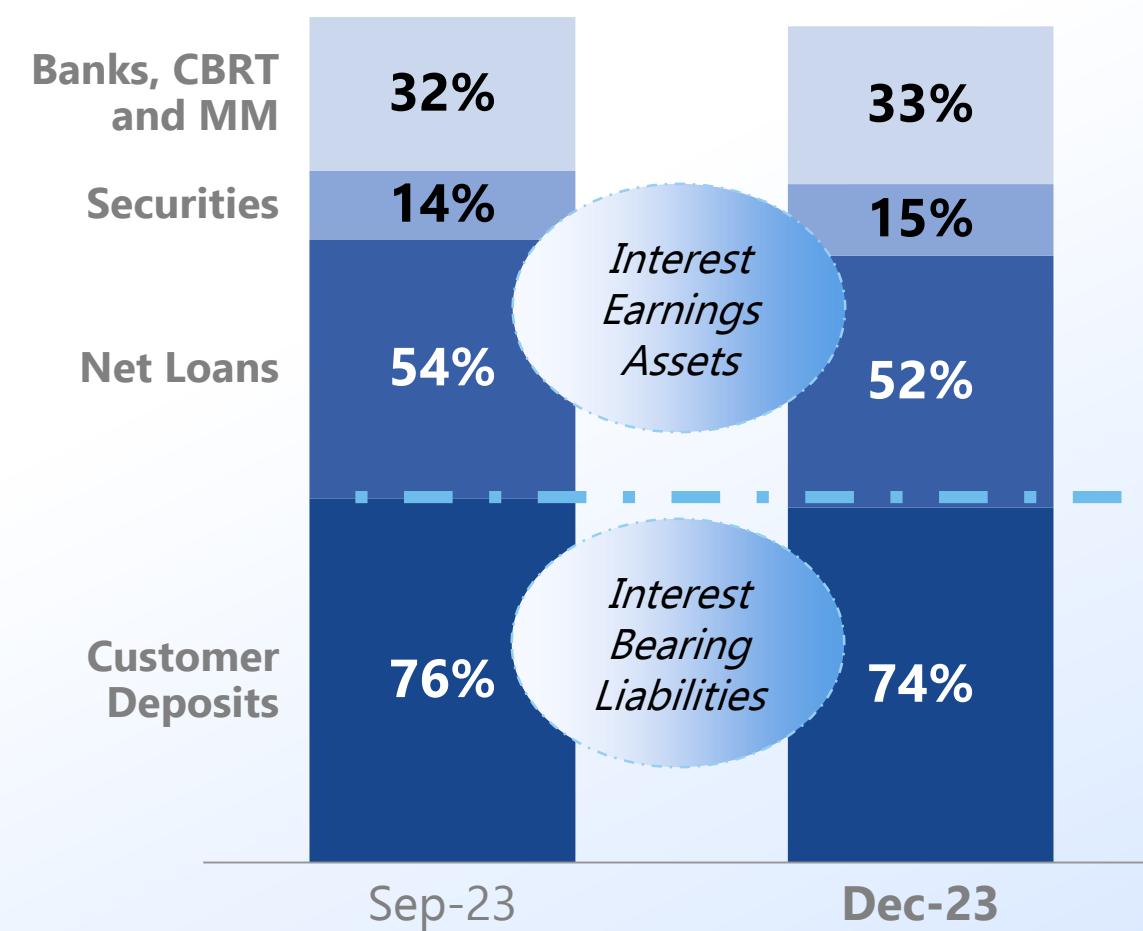


Net Interest Margin¹ (%)

➤ FY-23 NIM¹ realized at 4.8%.



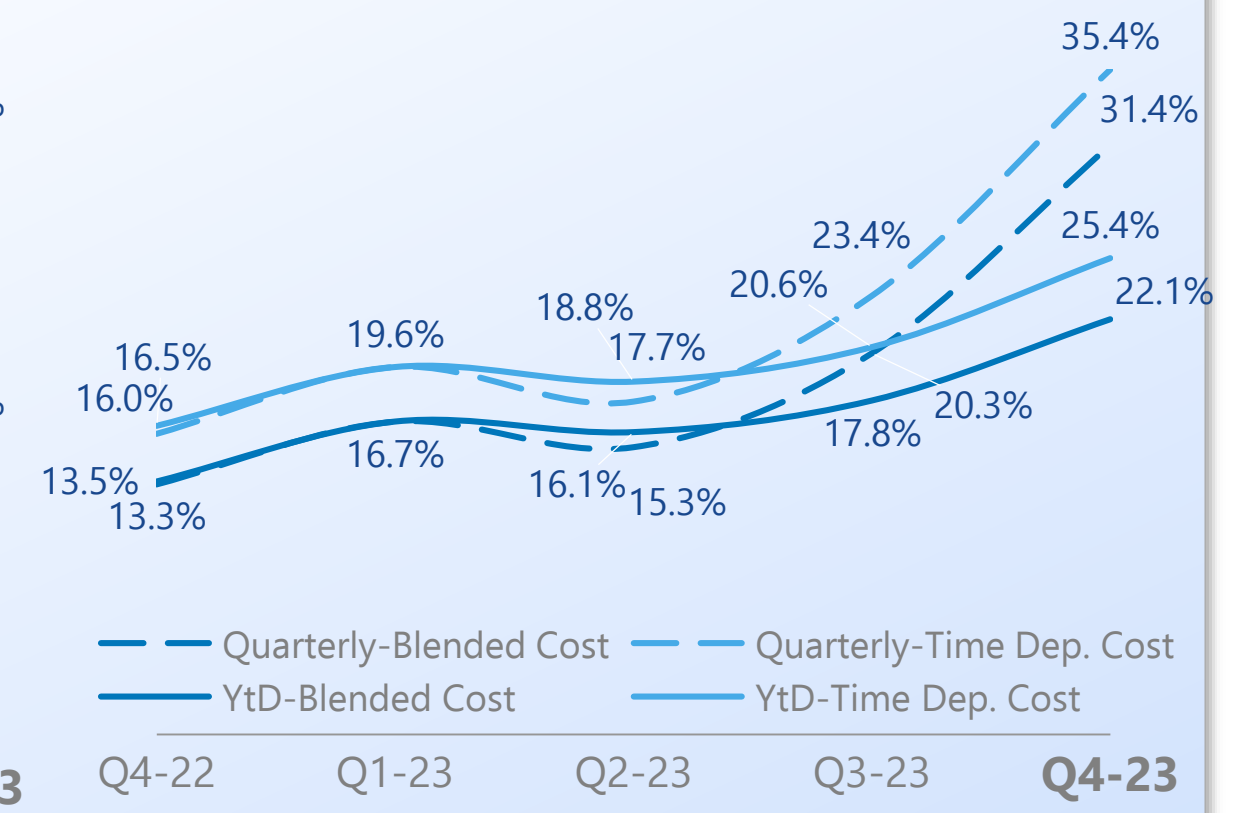
- Banks, CBRT and Money Market Placements increased by TL 63.3 bn, while securities rose by TL 31.5 bn q-o-q in Q4-23. Net Loans share decreased to 52% with the increased volume of liquid assets in asset composition.



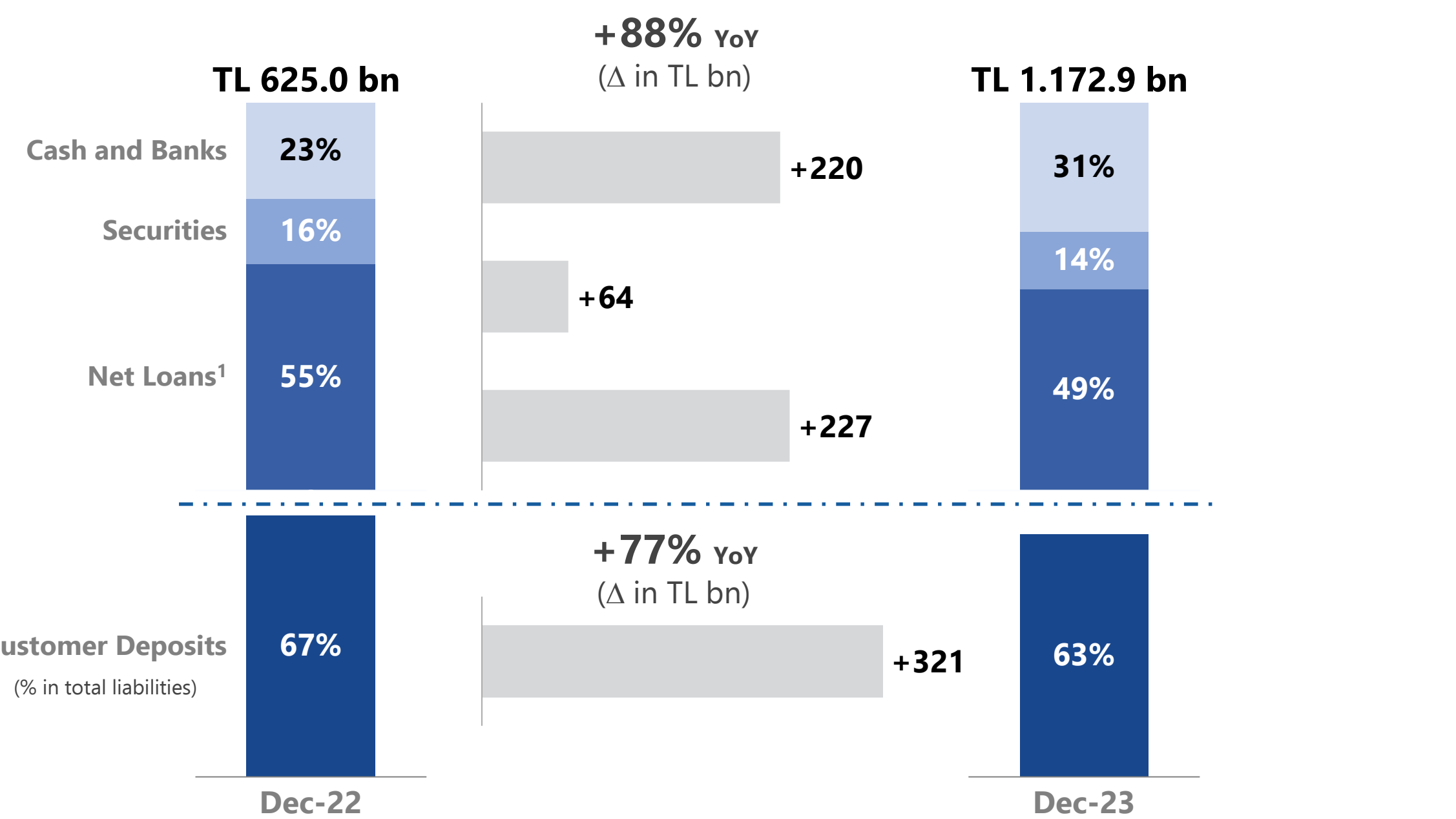
TL Loan Yields² (%)



Cost³ of TL Customer Deposits (%)



Assets growth continued through the expansion of loans, money market and securities portfolios



- Total assets grew by **88% (+548 bn TL)**, led by selected TL loans growth, strategic positioning in securities and liquidity.
- Net Loans increased by **66% (+227 bn TL)**, mainly driven by the expansion in TL business, credit cards and FX commercial loans.
- Customer deposits surged by **77% (+321 bn TL)**, mainly by TL time deposits meeting the targets on deposit products and canalizing the customers to standard TL deposits.

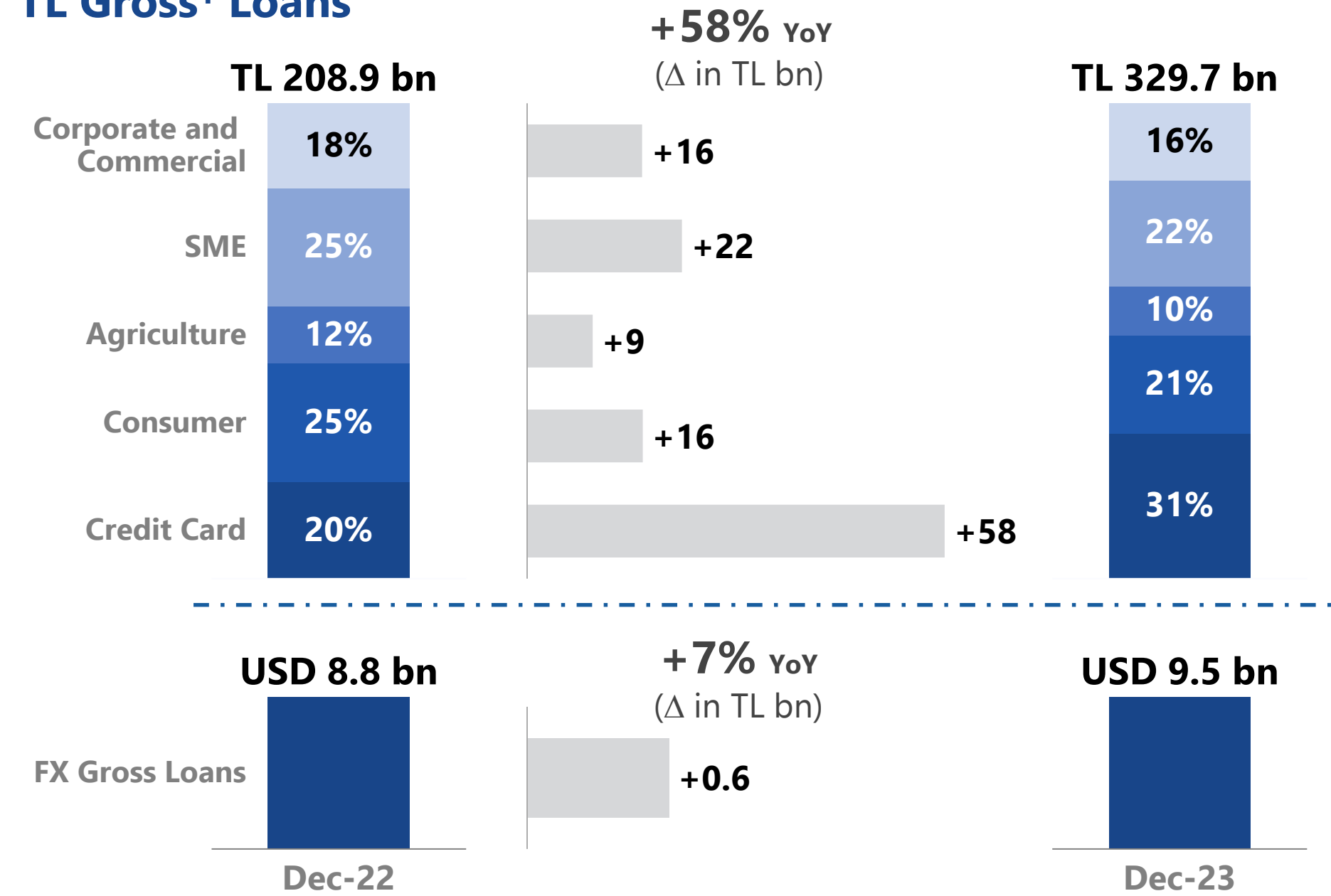
¹ Includes leasing and factoring receivables

in TL bn	Dec-23	QoQ%	YoY%	Quarterly trend (last 5 quarters)				
Assets	1,172.9	+18	+88	625.0	693.5	877.7	993.6	1,172.9
Net Loans ¹	570.0	+15	+66	342.7	374.7	465.6	493.9	570.0
Securities	162.2	+24	+65	98.4	107.3	117.1	130.7	162.2
Customer Deposits	737.9	+15	+77	417.0	468.2	570.0	644.4	737.9
Equity	90.4	+20	+65	54.9	59.1	64.4	75.1	90.4
Risk Weighted Assets (RWAs)	716.5	+17	+69	423.6	520.6	570.0	610.4	716.5

%	Dec-23	QoQ (bps)	YoY (bps)	Quarterly trend (last 5 quarters)				
CET1	12.32%	+37	-72	13.03%	11.32%	11.17%	11.95%	12.32%
CAR	16.47%	-7	-110	17.57%	15.28%	15.78%	16.54%	16.47%

TL Gross¹ Loans growth led by credit card loans, SME loans and consumer loans performances

TL Gross¹ Loans



- TL Gross¹ Loans increased by **58% (+121 bn TL)**, mainly driven by the expansion in credit card loans, SME loans and consumer loans.
- FX Gross¹ Loans increased by **7% (USD +0.6 bn)**, driven by commercial loans.

¹ Gross loans Include leasing and factoring receivables and given according to the Bank's own segmentation, FX indexed loans are included in FX loans
SME Banking scale: Annual turnover below TL 250 mn (TL 125 -250 mn common with Commercial Banking). Commercial Banking scale: Annual turnover between TL125-250 mn.and Corporate Banking scale: Annual turnover above TL 250 mn. Credit Card Loans include commercial cards

<i>in TL bn</i>	Dec-23	QoQ%	YoY%	Quarterly trend (last 5 quarters)				
Gross Loans ¹	608.2	+15	+63	374.2	404.7	498.9	528.3	608.2
TL Gross Loans	329.7	+19	+58	208.9	233.5	259.8	278.1	329.7
Corporate and Commercial	53.3	+42	+43	37.3	37.0	38.3	37.7	53.3
SME	73.5	+10	+41	52.0	59.7	63.5	66.9	73.5
Agriculture	34.1	+19	+36	25.0	28.3	30.1	28.6	34.1
Consumer	68.2	+3	+31	52.1	57.9	61.6	66.4	68.2
Credit Card	100.6	+28	+137	42.5	50.6	66.2	78.6	100.6

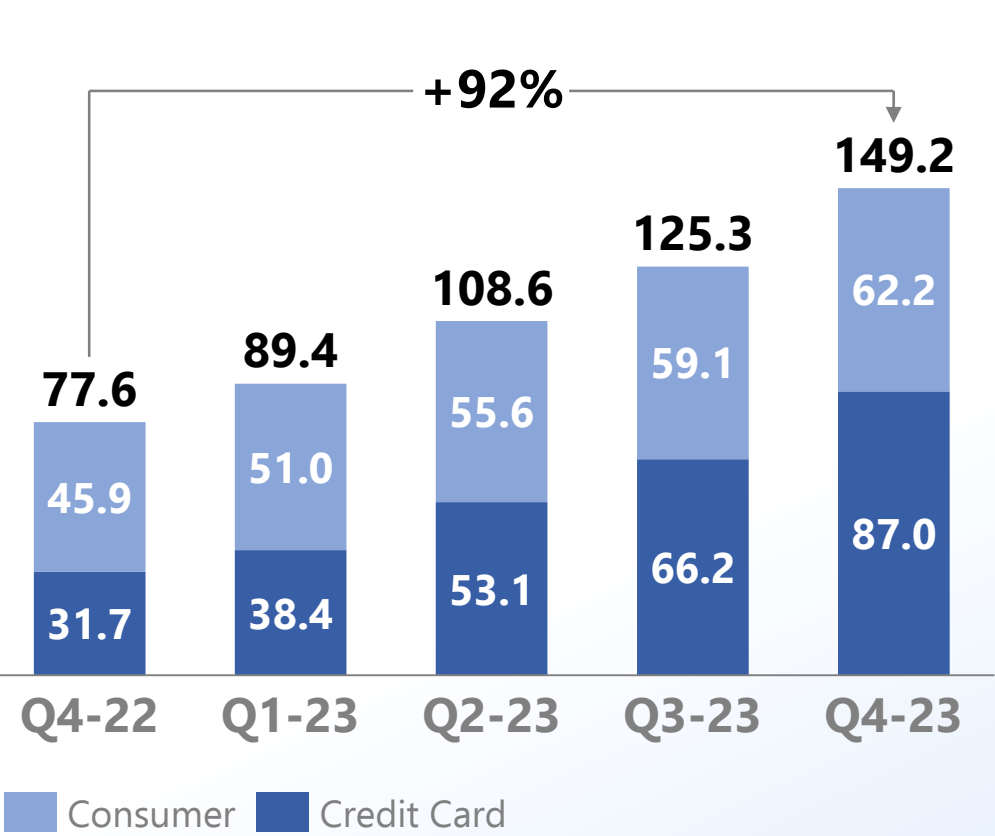
<i>in USD bn</i>	Dec-23	QoQ%	YoY%	Quarterly trend (last 5 quarters)				
FX Gross Loans	9.5	+3.5	+7.0	8.8	8.9	9.3	9.1	9.5

TL Performing Loans

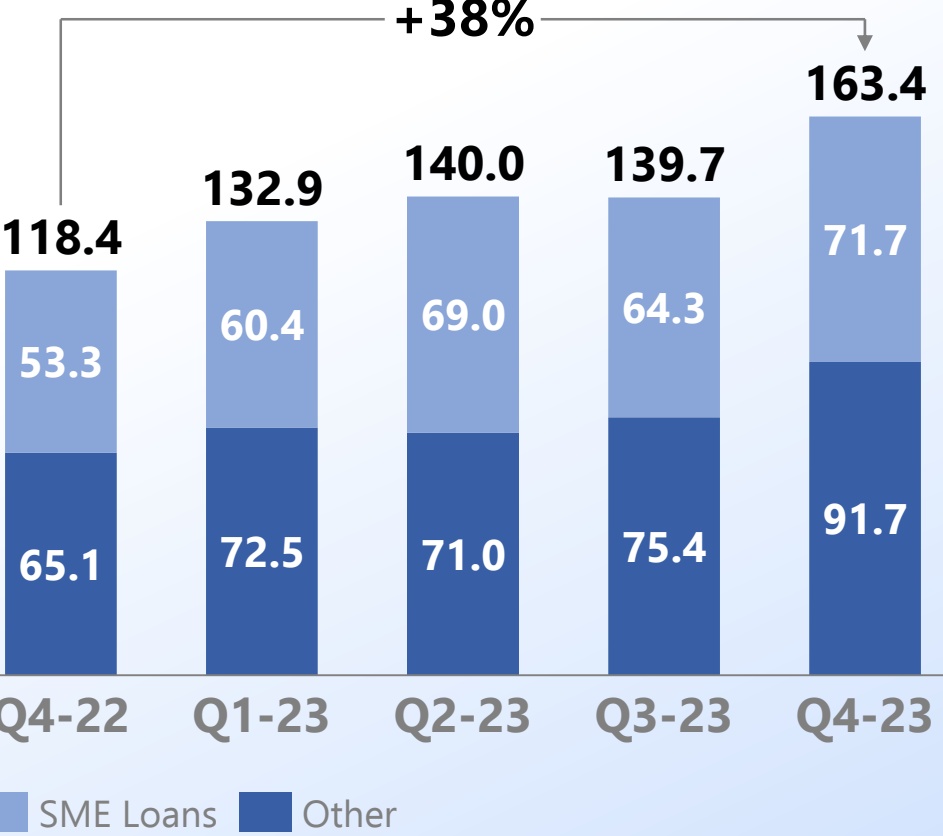
Highlights

- Total Loans¹ increased by **64% y-o-y**, mainly contributed by credit card loans, business loans and SME loans' expansion.
- TL loans growth of **60% y-o-y** was largely driven by, credit card loans, SME² loans and consumer loans growth.
- TL Retail loans were recorded **92% y-o-y** growths owing to outstanding performance of credit card loans of **175%**.
- TL Business loans surged by **38% y-o-y** mainly driven by commercial and SME² loans and the share in total to 52%.

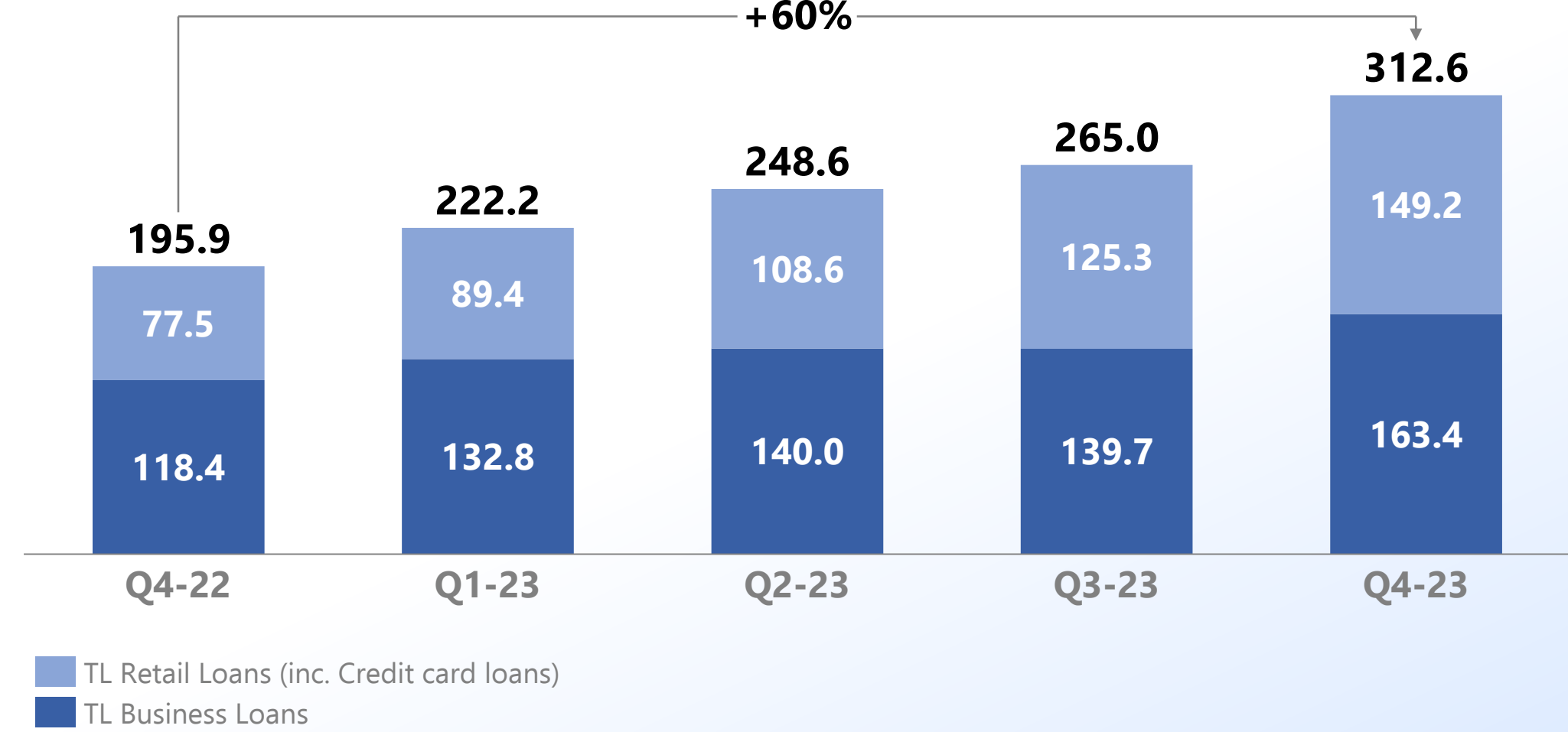
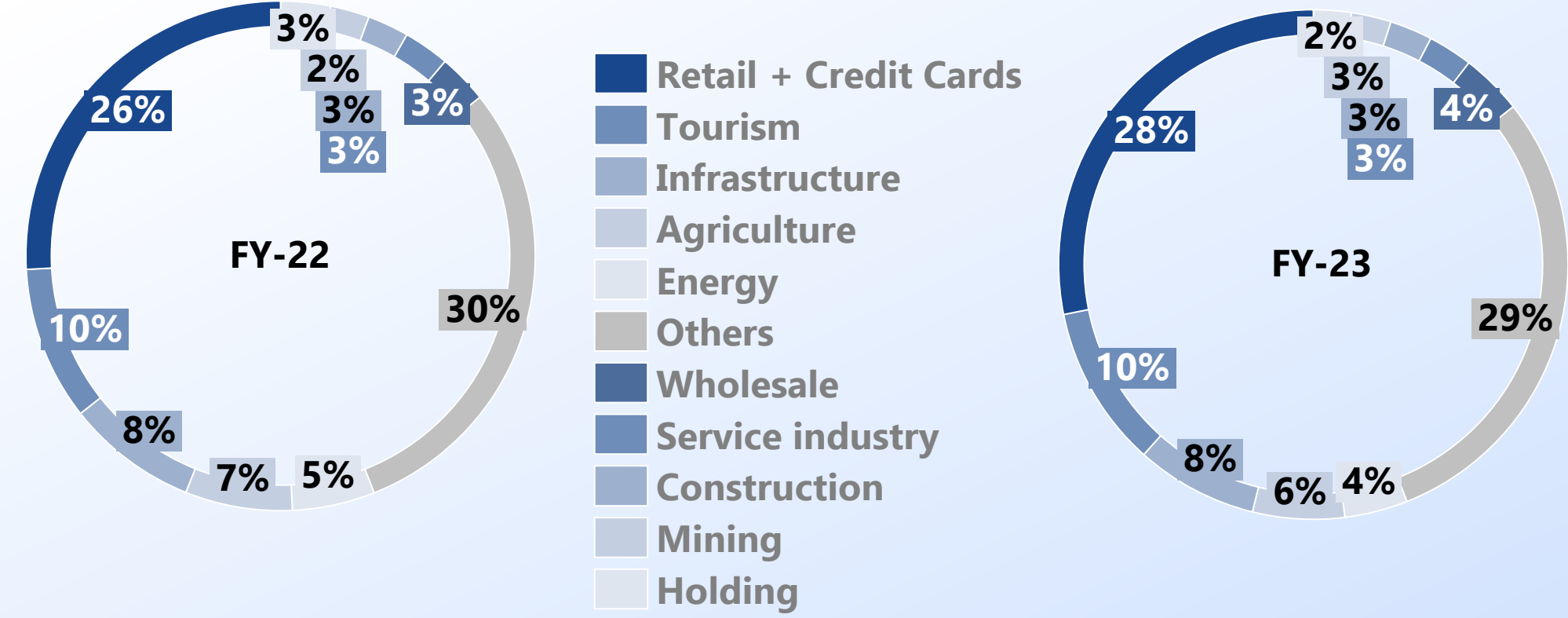
TL Retail Loans² (TL bn)



TL Business Loans² (TL bn)



Total Loans¹ by Sector



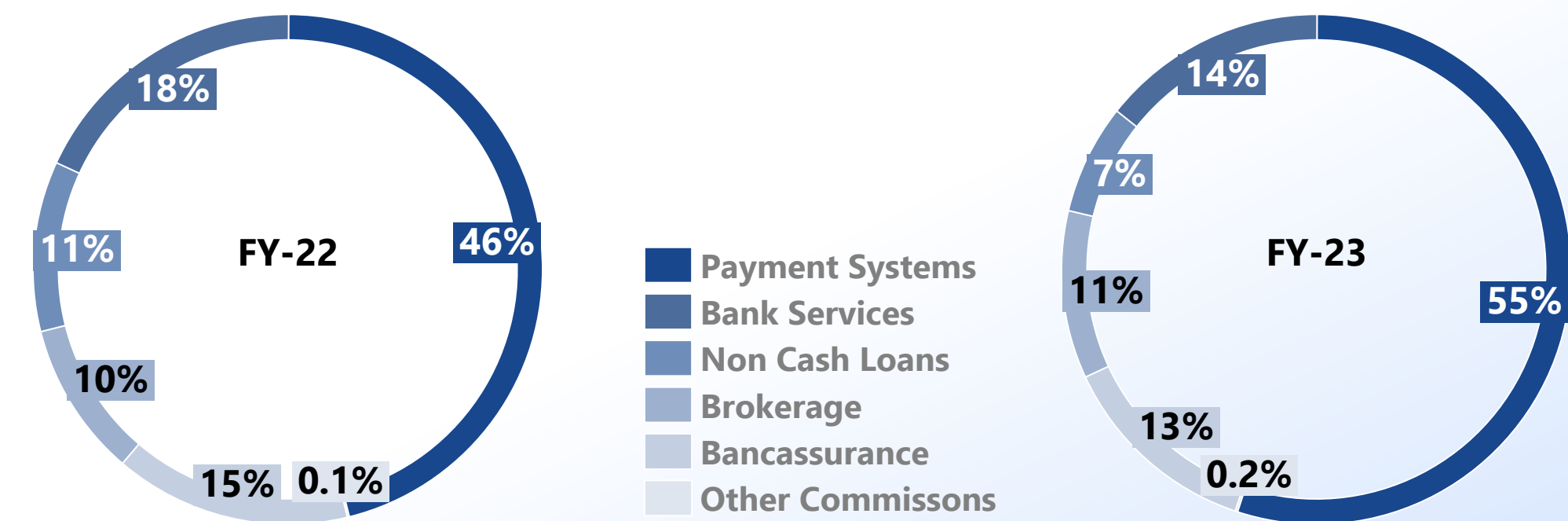
¹ Performing TL and FX cash loans ² Retail Loans: Consumer + Credit Card Loans (only individuals) Business Loans: SME (according to BRSA definition) + Corporate and Commercial + Agriculture Loans

Net Fees and Commissions

Highlights

- Net fees and commissions grew by **130%** in FY-23, mainly due to improved payment systems, banking services fees, brokerage and bankassurance commissions with 174%, 82%, 149% and 98% increases, respectively.
- Net commissions constituted **23% of total income** (FY-22: 14%), while covering **67% of operating expenses** (FY-22: 60%).

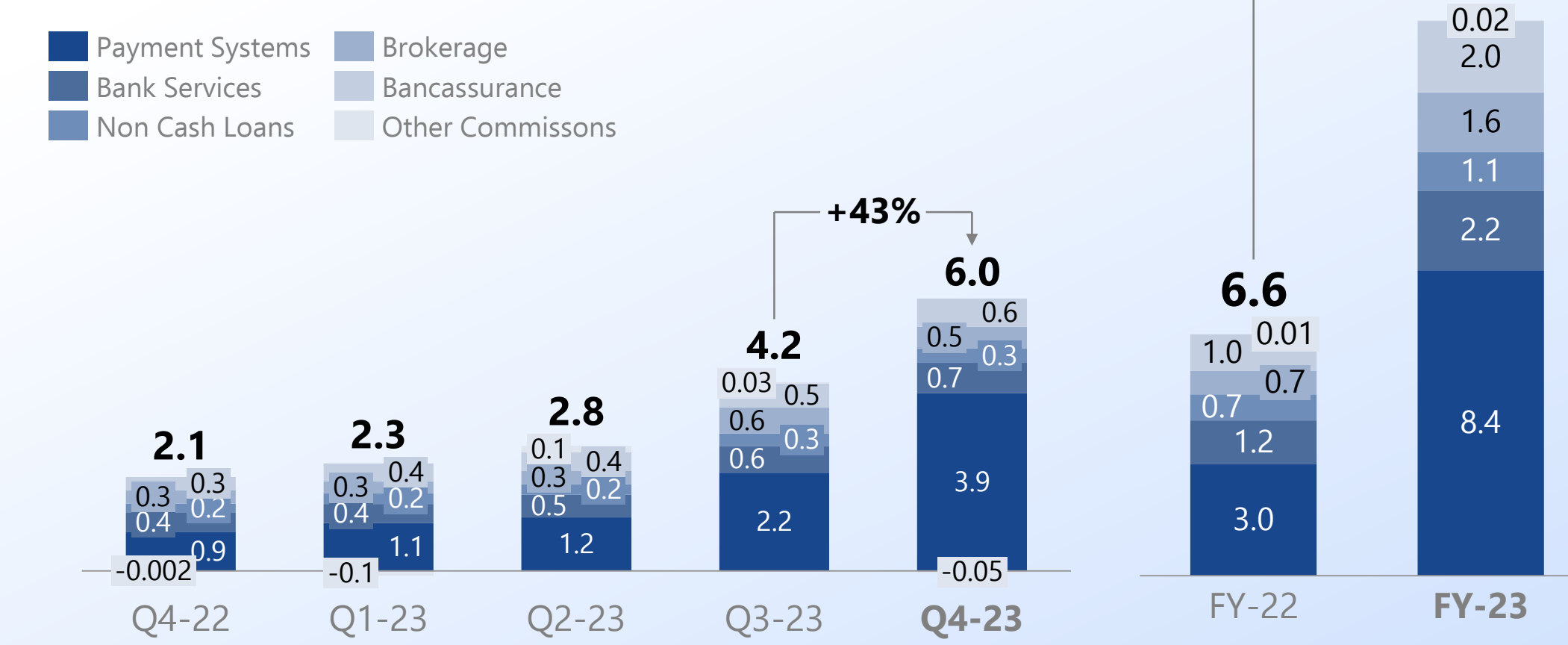
Breakdown of Net Fees and Commissions



QoQ Analysis

- Net fees and commissions grew by **43%**, mainly driven by payment systems fees, bank services fees and bankassurance commissions.
- Payment systems fees increased by **81%**.
- Bank services fees grew by **14%**.
- Bankassurance commissions recorded **19%** growth.

Net Fees and Commissions Income (TL bn)

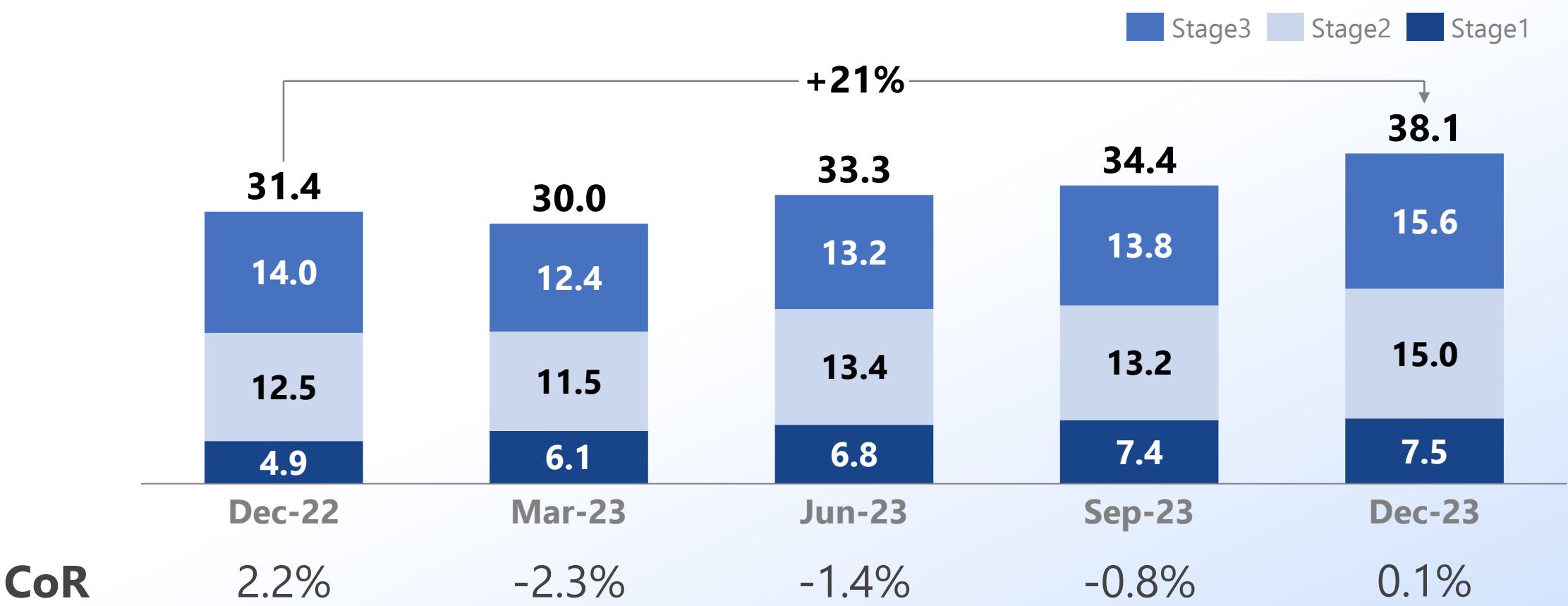


Healthy loan growth with an improvement in Stage 3 portfolio, maintaining prudent provisioning

Highlights

- Stage 1 coverage ratio decreased to 1.4% from 1.6% as at previous year.
- Stage 2 coverage ratio decreased to 30.2% from 31.8% as at previous year.
- Stage 3 coverage ratio decreased to 63.7% from 78.9 as at previous year.
- Despite the end of COVID-19, provisions for weakly customers continue to be closely evaluated.
- Buffer for uncertainties in the international markets and increased interest rate in Türkiye is kept.

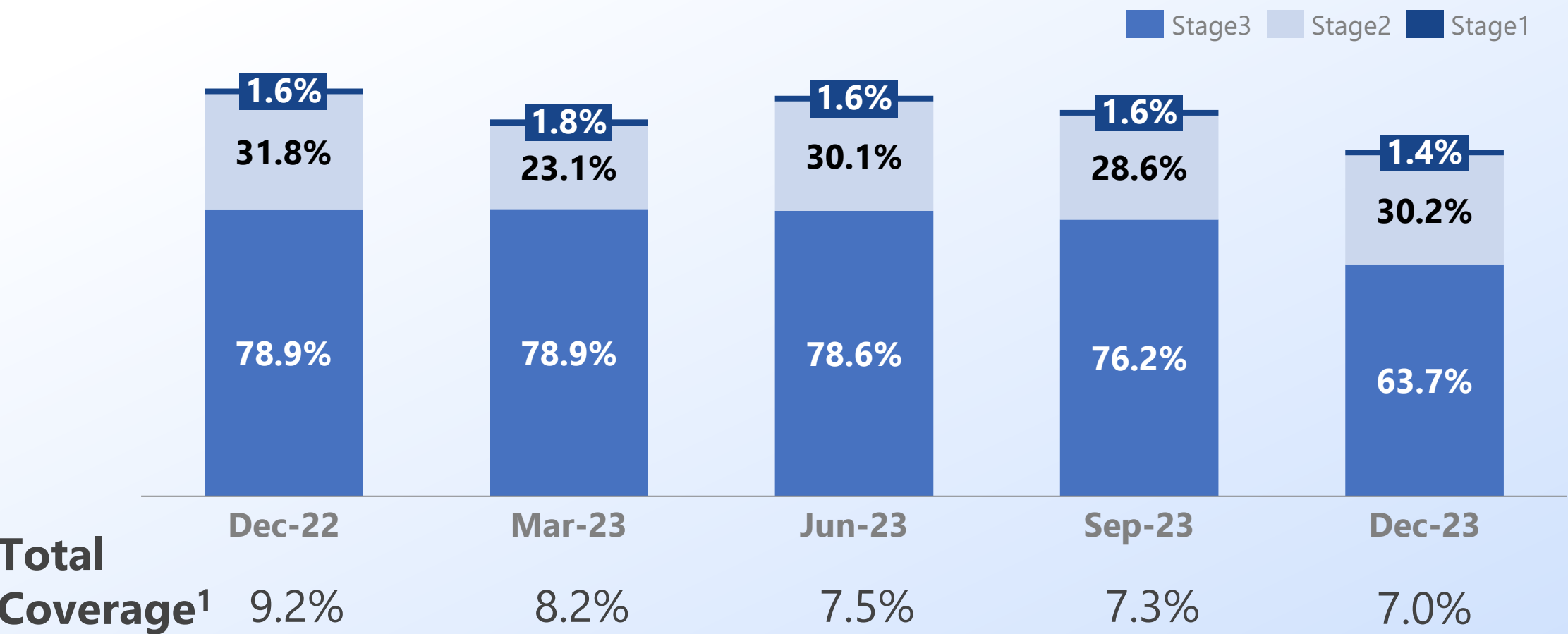
Provisions for Expected Credit Loss (TL bn)



Total Gross Loans

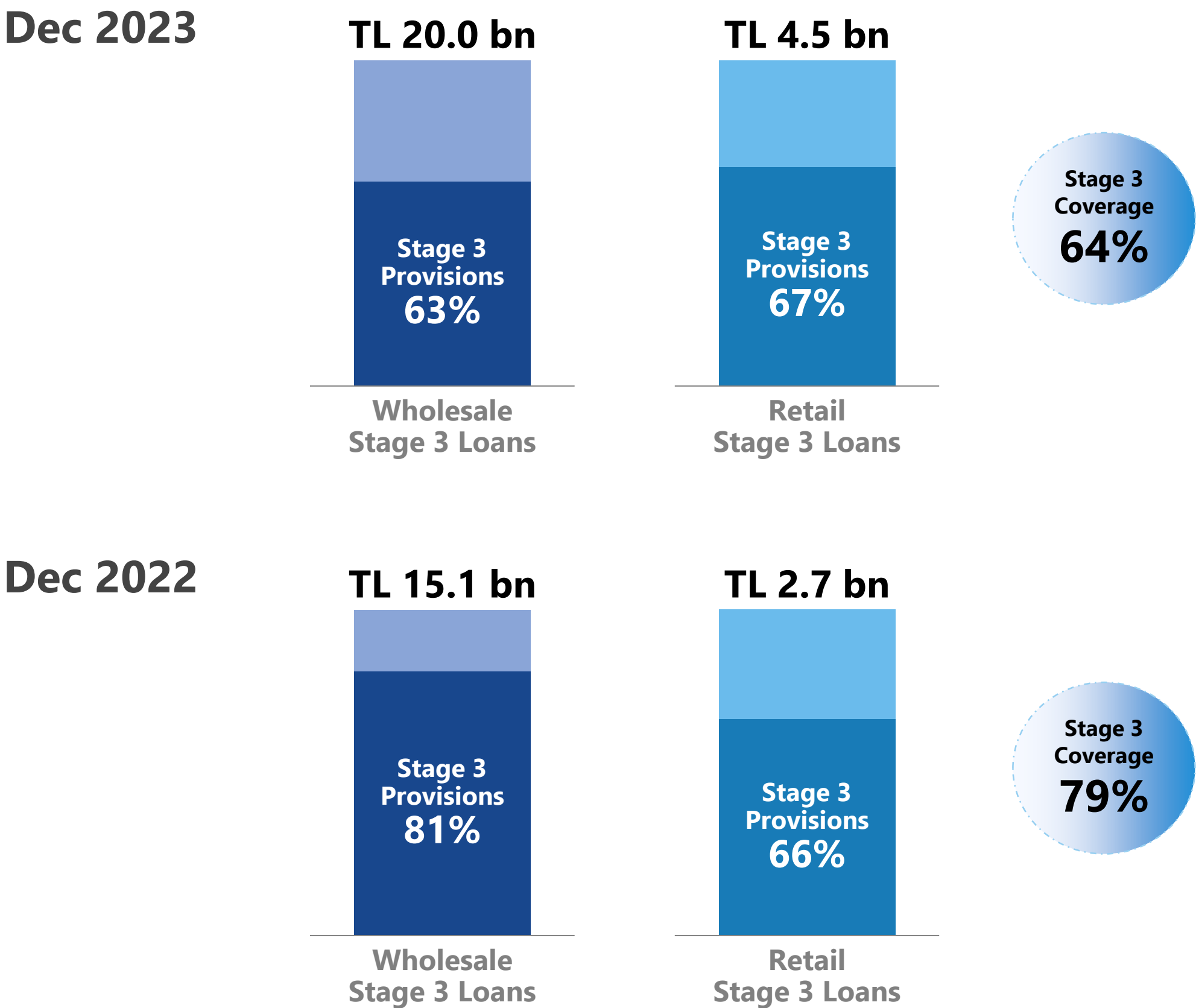


Coverage (%)



¹ Provisions for expected credit loss including non-cash provisions/ Total Loans including factoring and leasing receivables

Strong collection performance and managed NPL generation kept NPL ratio at 4.0%



<i>in TL bn</i>	Dec-23	QoQ (%)	YoY (%)	Quarterly trend (last 5 quarters)				
Stage 3 Loans	24.5	+35	+38	17.8	15.8	16.7	18.2	24.5
Stage 3 Provisions	15.6	+13	+11	14.0	12.4	13.2	13.8	15.6

%	Dec-23	QoQ (pp)	YoY (pp)	Quarterly trend (last 5 quarters)				
Stage 3 Ratio (bps)	4.0%	+59	-71	4.7%	3.9%	3.4%	3.4%	4.0%
Stage 3 Coverage	63.7%	-13	-15	78.9%	78.9%	78.6%	76.2%	63.7%
Stage 3 Coverage ¹	75.7%	-15	-14	89.9%	91.6%	95.3%	90.7%	75.7%
Total NPL Coverage ²	173.2%	-38	-21	193.8%	209.8%	222.6%	210.9%	173.2%

- Stage 3 ratio reported to 4.0%, improving by 71 bps from 4.7% as at FY-22, due to successfull recovery amounts, managed NPL generation and solid loan growth.
- Due to the improvement in NPL portfolio, Stage 3 provisions eased by a lower rate to TL 15.6 bn from TL 14.0 bn as at previous year.
- Coverage ratios continued to be strong with our prudent provisioning approach; Stage 3 coverage ratio (including non-cash provisions) realized at 75.7%.

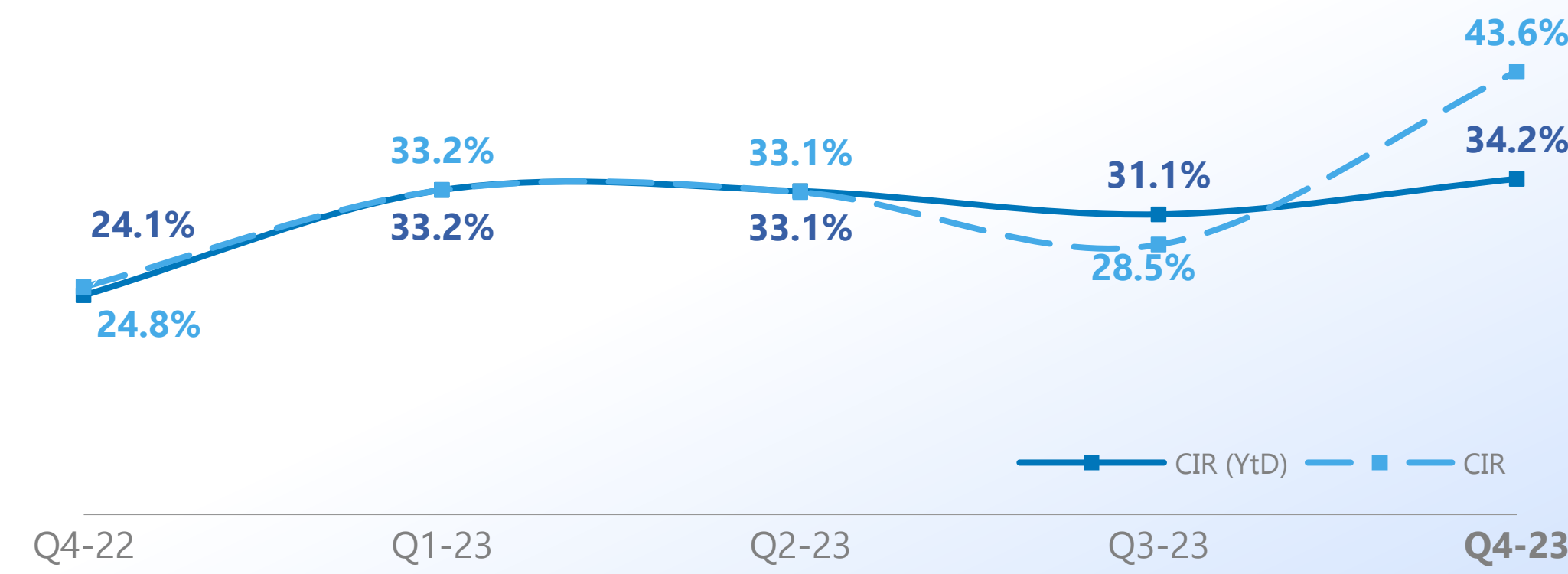
¹ Including non-cash provisions ² Provisions for expected credit loss including non-cash provisions / Stage 3 Loans

Operating Expenses

Highlights

- Operating expenses increased by **105%** in FY-23, as a consequence of high inflation and TL's substantial depreciation, which magnified FX-denominated costs.
- HR costs went up by **112%** and non-HR cost boosted by **100%**, mainly due to ongoing inflationary environment.
- C/I ratio¹ stood at **34.2%** on ongoing inflationary trends with income performance.

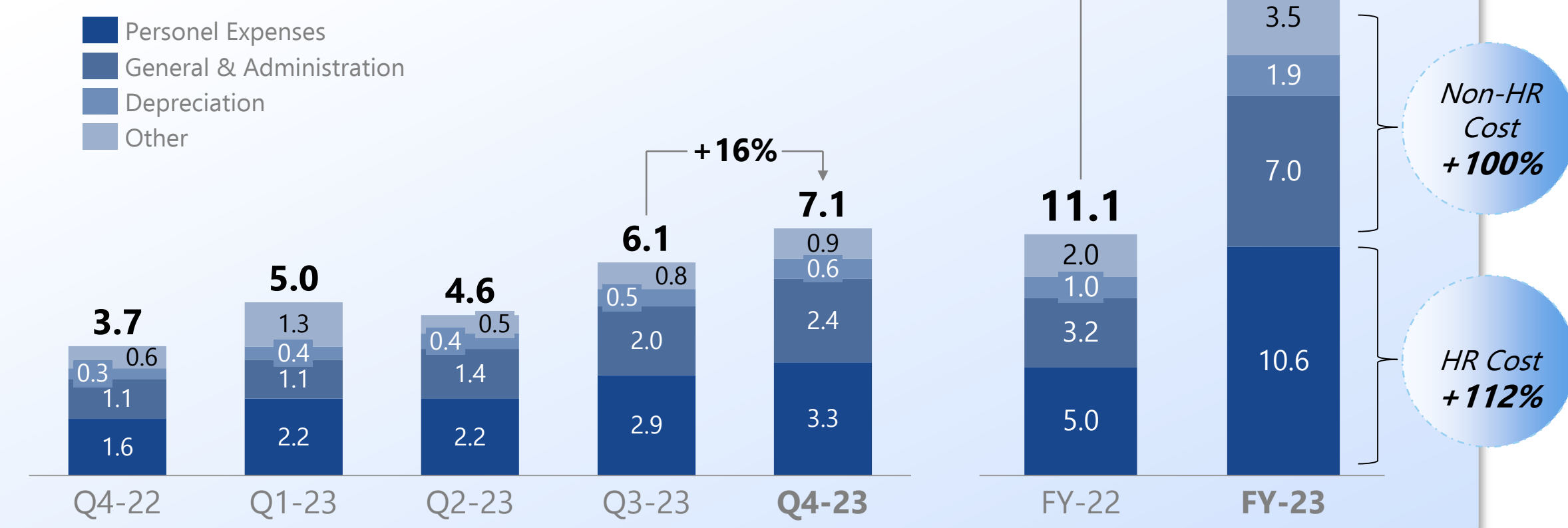
Cost to Income Ratio (%)¹



QoQ Analysis

- Operating expenses increased by **16%**, with **13%** and **19%** rises in HR and non-HR costs, respectively.
- DenizBank had **13,749 employees** (FY-22: 14,137; -388) on consolidated basis as of December 31st, 2023.
- DenizBank standalone has **641 branches** (FY-22: 671; -30) in Türkiye, Bahrain and Kyrenia, while its subsidiary Deniz AG is operating 14 branches (FY-22: 20; -6) in Germany and Austria.

Operating Expense Composition (TL bn)



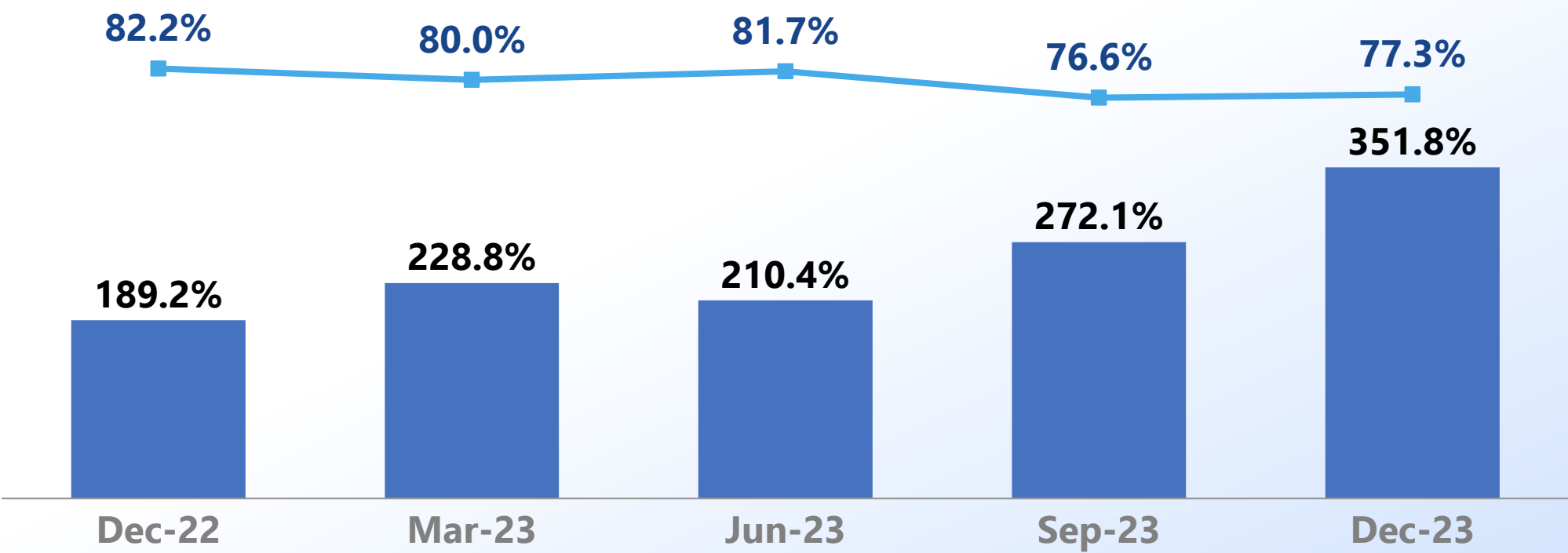
¹ Q1, Q2, Q3 and Q4 2023 y-t-d C/I ratios are adjusted; excludes earthquake support

Funding and Liquidity

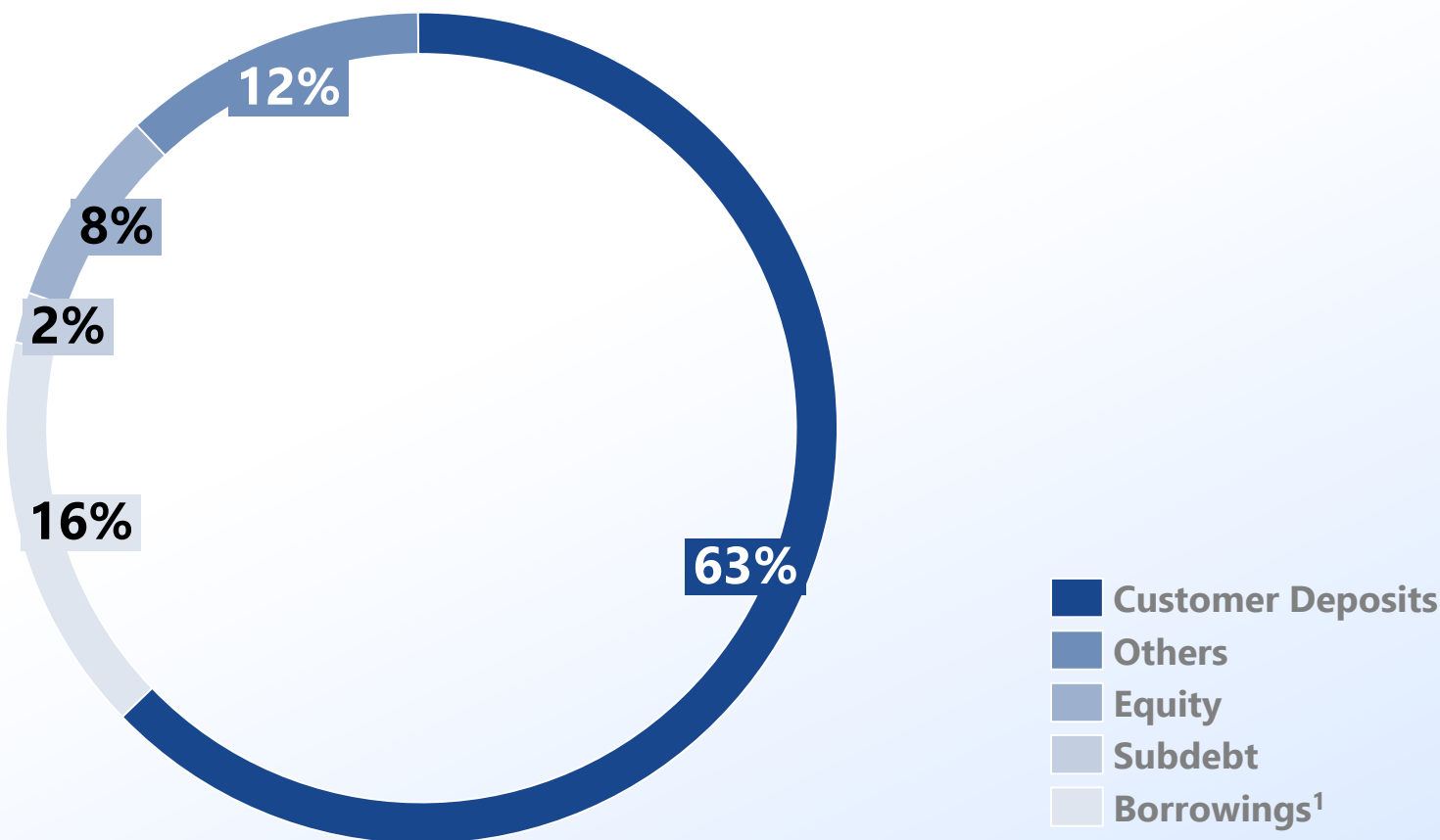
Highlights

- Consolidated LCR of 351.8%, unconsolidated LCR of 426.8% and Consolidated LDR of 77.3% reflect DenizBank's healthy liquidity.
- Liquid assets reached TL 365.4 bn, corresponding to 31% of total assets and 50% of customer deposits.
- As of Q4-23, TL 23.7 bn worth of securities with less than 1-year maturity were issued domestically.
- Deposit is the main source of funding and represents 63% of total liabilities.
- Borrowings¹ share in total liabilities of 16%, in line with the sector average.

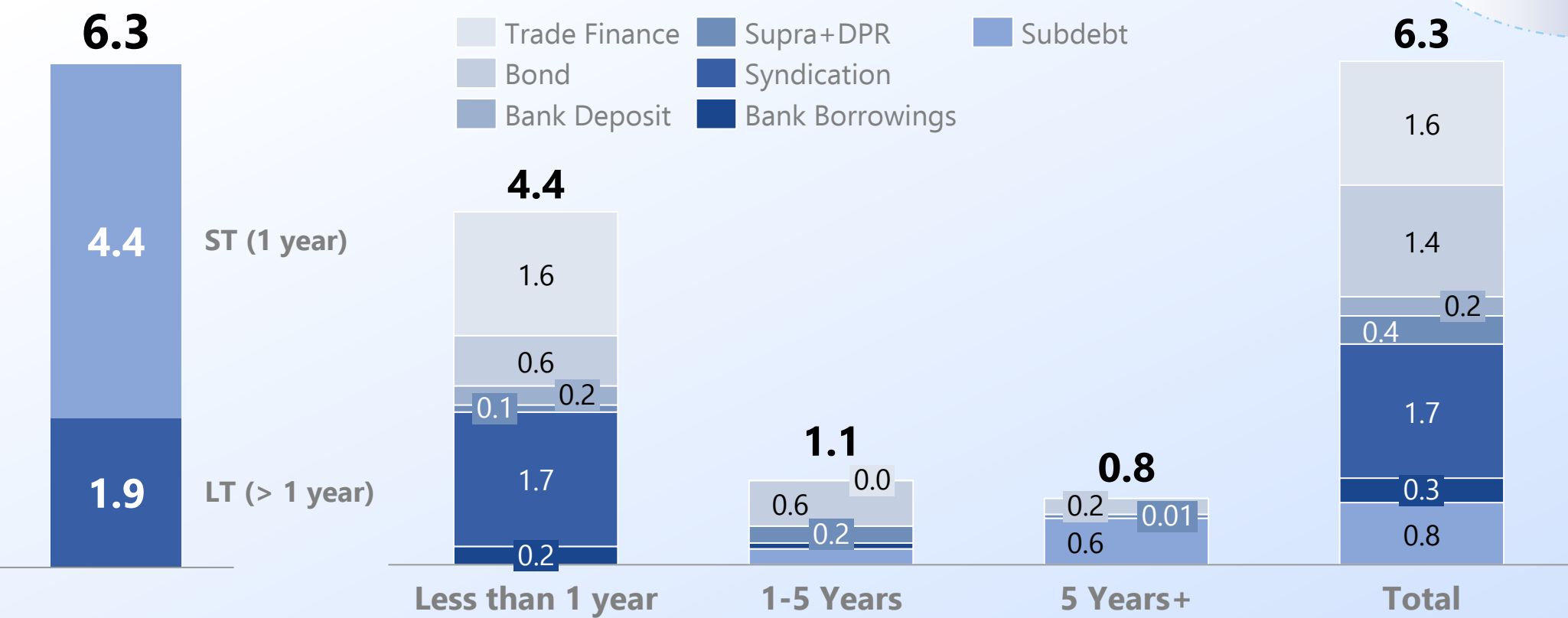
Loan to Deposit and Liquidity Coverage Ratio (%)



Composition of Liabilities



Trend in FX Borrowings by Tenor (USD bn)



FX Liquidity Buffer¹
USD 9.7 bn

¹ Excluding Repo ² FX Liquidity Buffer: FX Cash + FX Money market placements (including Central Banks) + FX reserve requirements + FX unencumbered securities + Swaps

Strategy is to diversify the wholesale funding mix and lengthen the maturity profile

Syndicated Loan Facilities:

- Total size of facilities **USD 1.65 bn eq.**

Nov 2023 Dual Currency Syndicated Loan – ESG Linked

- USD 845 mn eq., signed on 14.11.2023
- 134% roll-over ratio with 48 participants from 22 countries
- **Highest number of participants** of 2023 2H

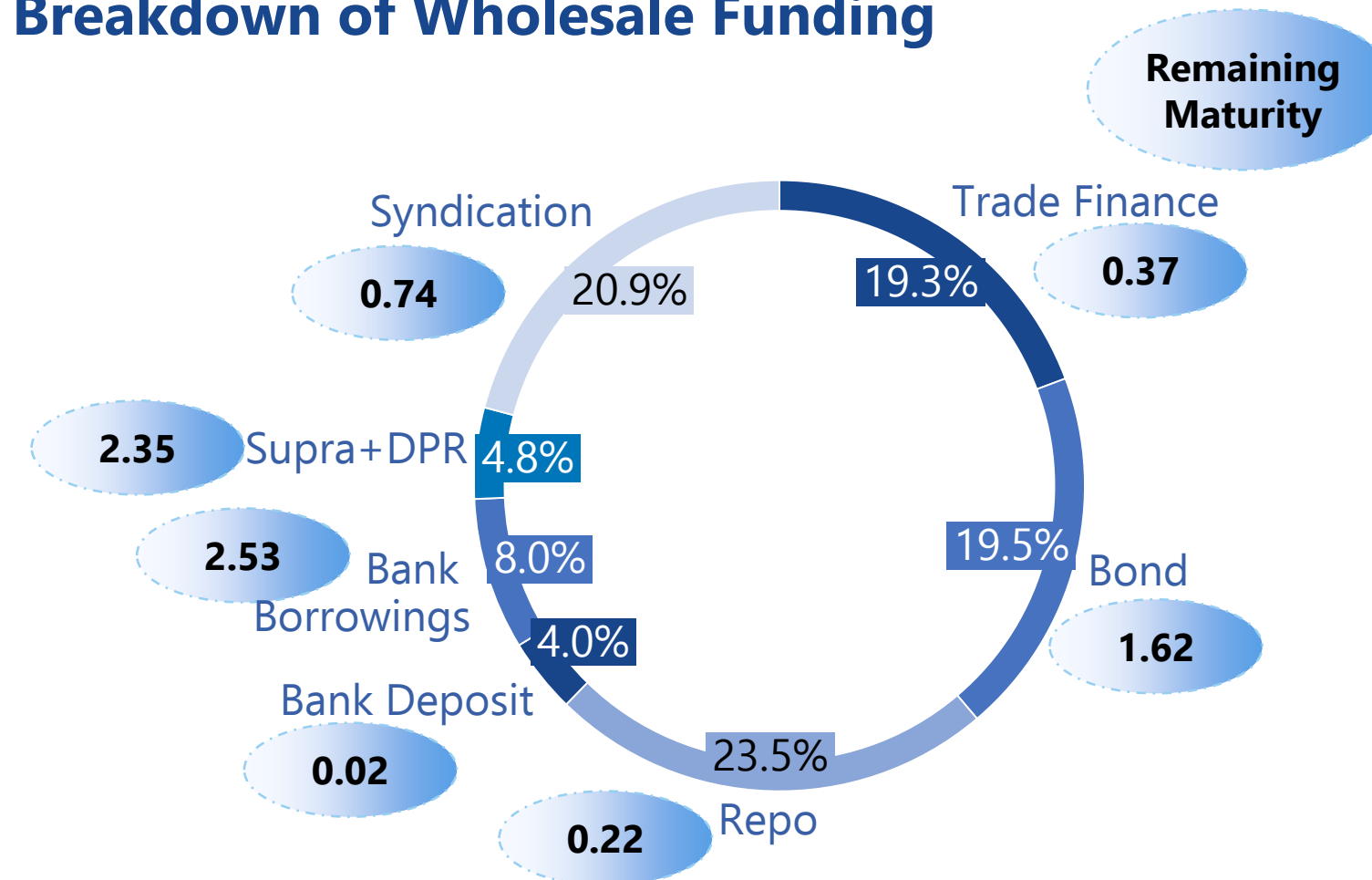
Debut Murabaha Term Financing:

- USD 285 mn eq. signed on 14.09.2023

Jun 2023 Triple Currency Syndicated Loan – ESG Linked

- USD 529 mn eq., signed on 08.06.2023
- 117% roll over ratio, **highest in the sector**
- Participation of 22 banks from 13 countries

Breakdown of Wholesale Funding



Debt Capital Markets:

- **USD 808 mn eq. private placement issued** in 2023, outstanding: **USD 674 mn.**
- Published **Sustainable Finance Framework**
 - Structuring banks: **ING & Standard Chartered**
 - SPO provider: **ISS Corporate Solutions**
- Waiting for the right time for a **debut issuance**

DPR Securitization:

May 2023 Issuance:

- **USD 610 mn eq.**, tenor of up to **7 years** with **12 investors under 8 series**
- **IFC:** USD 125 mn for agri and earthquake disaster relief,
- **EBRD & CTF:** USD 143.2 mn for energy efficiency, women-SME and earthquake disaster relief
- **Proparco:** USD 70 mn for energy efficiency and earthquake disaster relief

Feb 2021 Issuance:

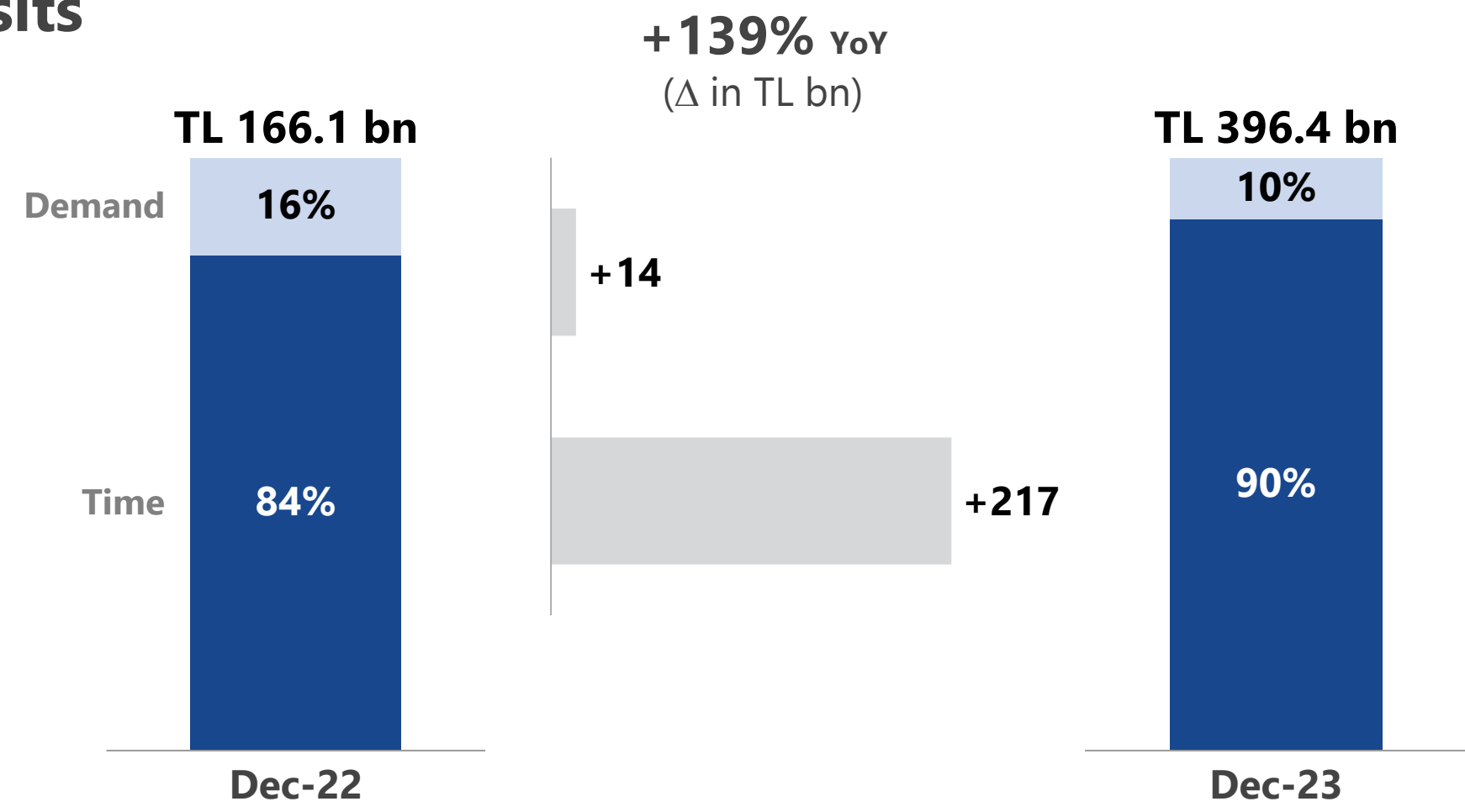
- **USD 435 mn eq.**, tenor up to **7 years** with **13 investors under 9 series**
- **IFC:** USD 150 mn for agri
- **EBRD:** USD 100 mn for energy efficiency and women empowerment
- Recognized by *The Banker Magazine* as the **"Deal of the Year"** and by *Bonds and Loans - Turkey Awards* as the **"Structured Finance Deal of the Year"**

Supranationals:

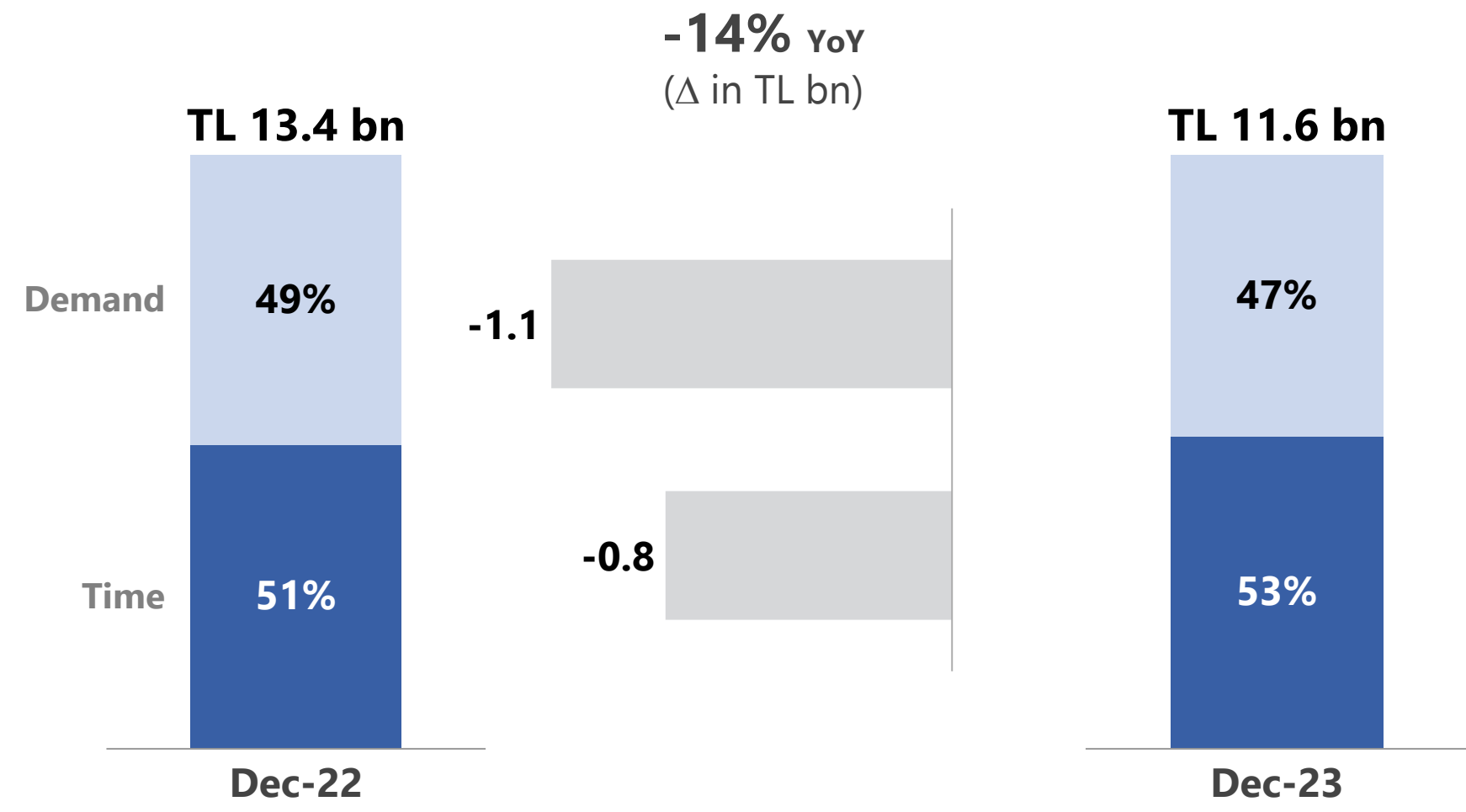
- **USD 1.3 bn** new facilities signed under ENBD ownership
- Maturities differ up to **7 years**
- From **Supranationals & IFIs** such as EBRD, EFSE, IFC, Proparco, GGF, World Bank & IBRD
- **Use of proceeds:** financing SMEs, municipalities, farmers, energy efficiency and renewable energy projects, women empowerment and individuals & companies affected by the earthquake disaster
- In 2023: **USD 290 mn supra funding** as disaster response relief from EBRD, IFC, EFSE & Proparco

Management of deposits in TL products compliant with the regulatory framework while canalizing the customers to standard TL deposits

TL Deposits



FX Deposits



<i>in TL bn</i>	Dec-23	QoQ%	YoY%	Quarterly trend (last 5 quarters)
TL Deposits	396.4	+23	+139	166.1 234.1 270.7 322.5 396.4
TL Demand	41.0	+0	+50	27.3 32.2 36.8 40.9 41.0
TL Time	355.4	+26	+156	138.8 201.9 233.9 281.6 355.4

<i>in USD bn</i>	Dec-23	QoQ%	YoY%	Quarterly trend (last 5 quarters)
FX Deposits	11.6	-1	-14	13.4 12.2 11.6 11.8 11.6
FX Demand ¹	4.2	-7	-3	4.3 4.6 4.4 4.5 4.2
FX Time ¹	2.5	+0	-44	4.5 3.1 2.6 2.5 2.5
Foreign Subsidiaries	4.9	+3	+7	4.6 4.5 4.6 4.7 4.9

%	Dec-23	QoQ (bps)	YoY (bps)	Quarterly trend (last 5 quarters)
LDR	77.3%	+62	-495	82.2% 80.0% 81.7% 76.6% 77.3%

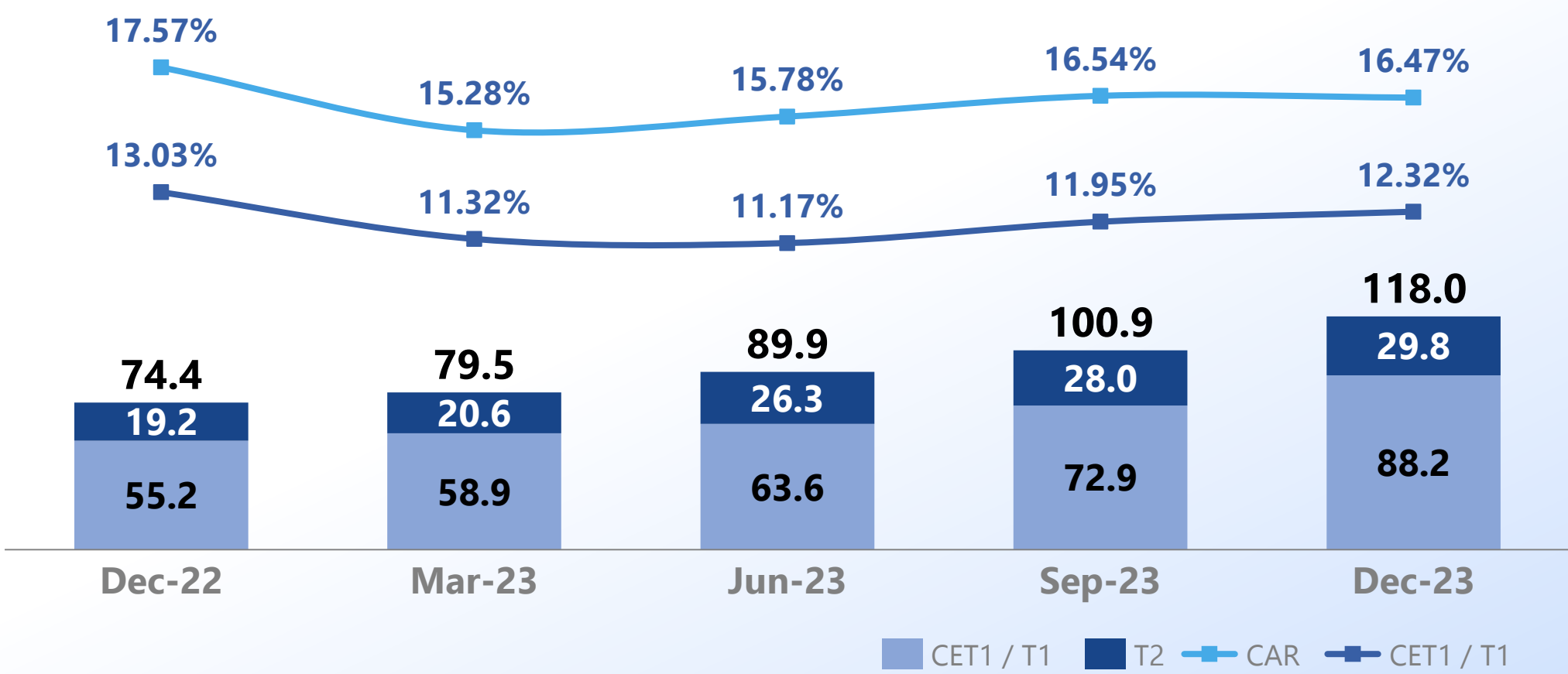
¹ FX Demand and Time Deposits are based on unconsolidated figures

Capital Adequacy

Highlights

- In the fourth quarter of the year, T1 increased by 37 basis points and CAR kept its strong level of 16.5%, due to the impact of strong profit figures. On y-o-y basis, the change was realized as -71 bps for T1 and -110 bps for CAR. The decrease is mainly due to BRSA's regulatory rule change in the first quarter of this year, changing the FX rate used in CRWA calculation from year-end 2021 to year-end 2022.
- BRSA forbearances supported the capital adequacy: has respective positive impacts of 194 bps and 237 bps on T1 and CAR as of December 23.

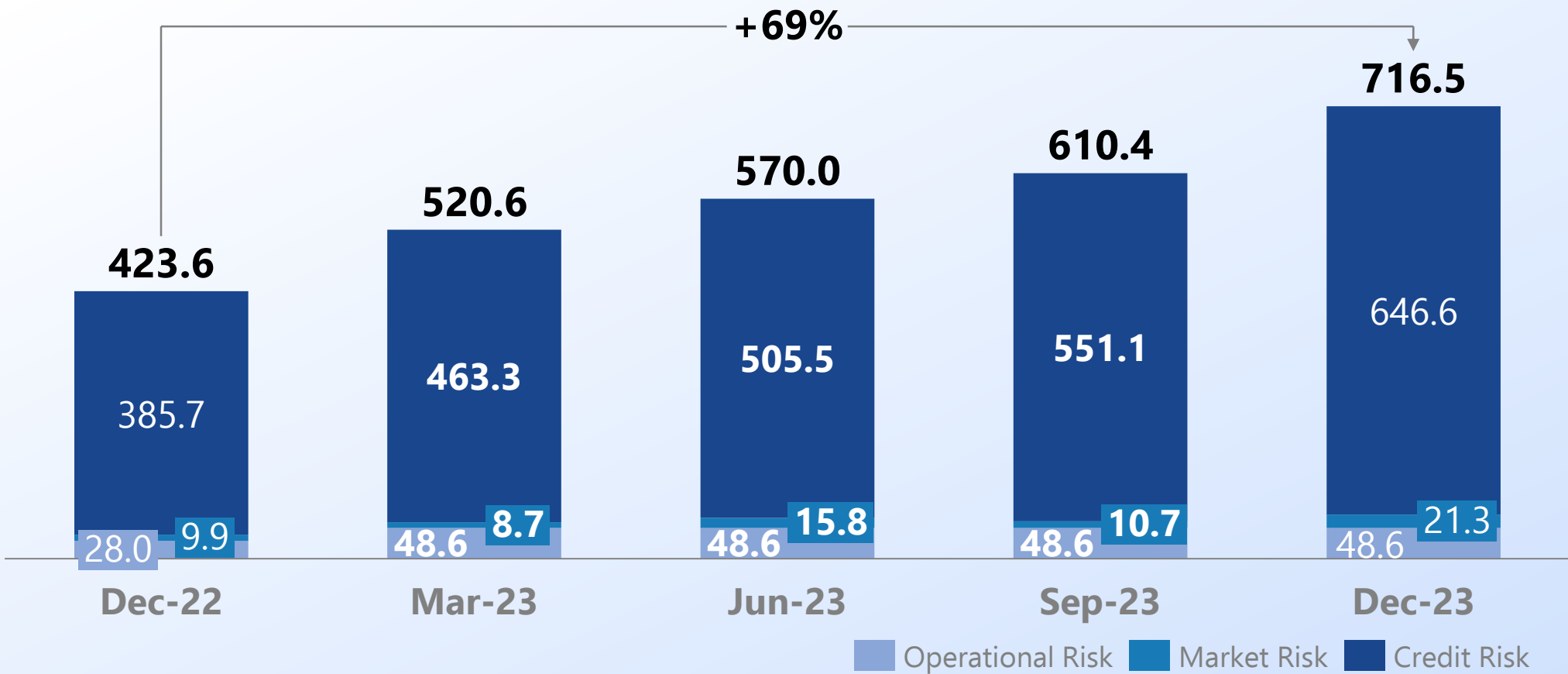
Capitalisation (TL bn)



Capital Movements Table

TL million	CET1 / Tier1	Tier2	TOTAL
Capital as at 31-Dec-2022	55,210	19,218	74,428
Net Profit	27,874		27,874
Additional credit risk effect		4,207	4,207
Additional, subdebt effect (currency difference)		7,257	7,257
Change in reserves	7,676		7,676
Other	(2,516)	(925)	(3,441)
Capital as at 31-Dec-2023	88,244	29,757	118,001

Risk Weighted Assets (TL bn)



3 >> Appendix

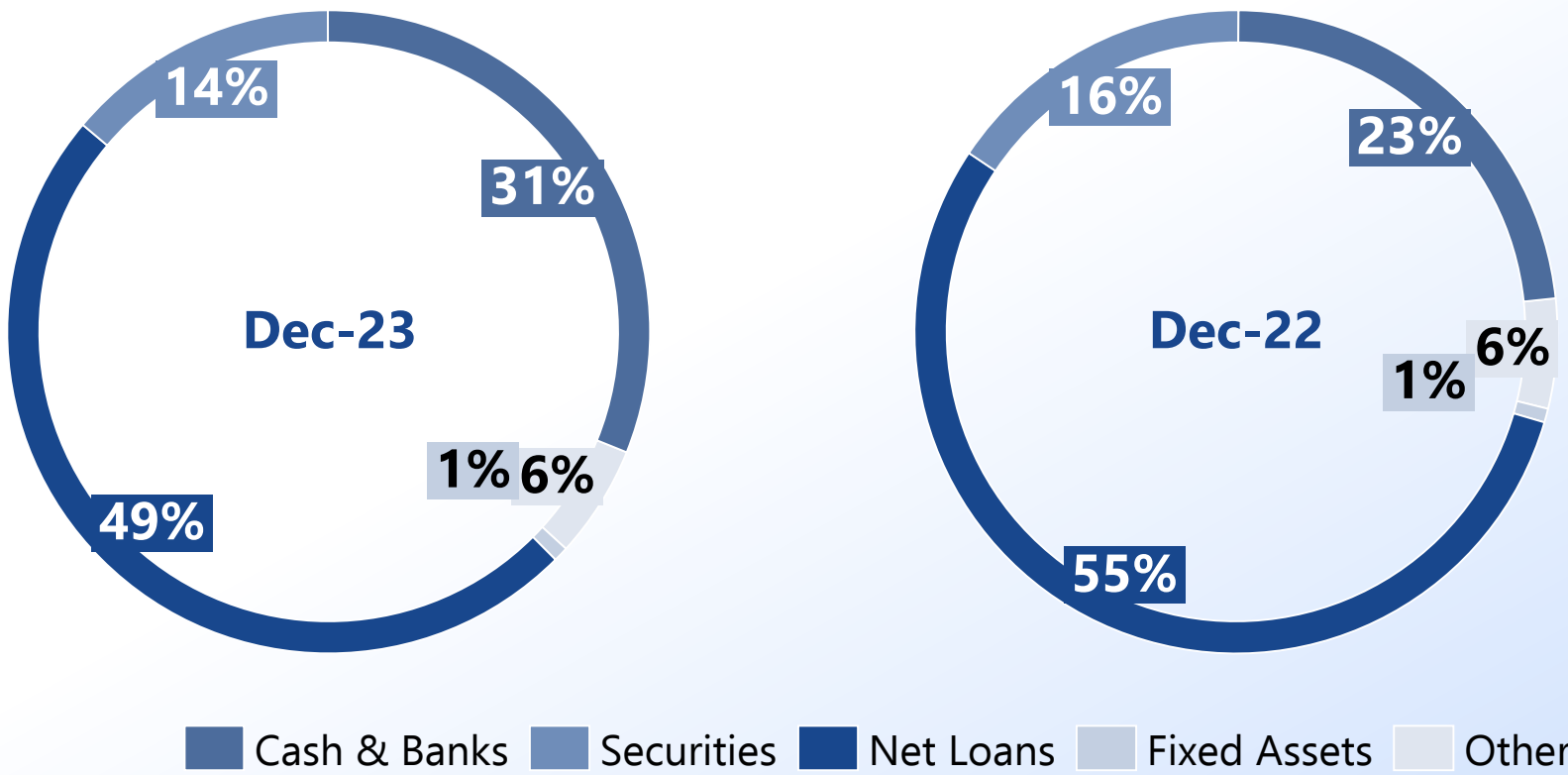
Consolidated BRSA balance sheet

Assets (TL mn)	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Share	ΔYoY
Cash & Banks	145,042	166,732	222,102	303,005	365,373	31%	152%
Securities	98,397	107,331	117,078	130,696	162,180	14%	65%
TL	53,749	61,681	54,376	71,854	80,403	6.9%	50%
FX (USD mn)	2,388	2,383	2,428	2,149	2,778	7.0%	16.3%
Net Loans ¹	342,748	374,689	465,555	493,852	570,040	49%	66%
TL	192,367	217,547	243,224	259,952	309,546	26%	61%
FX (USD mn)	8,042	8,204	8,610	8,544	8,849	22%	10.0%
Gross Loans ¹	374,157	404,707	498,901	528,293	608,163	52%	63%
TL	208,927	233,508	259,818	278,126	329,736	28%	58%
FX (USD mn)	8,837	8,938	9,258	9,138	9,458	24%	7.0%
Loan Loss Provision (Cash)	31,409	30,018	33,346	34,441	38,123	3.3%	21%
Fixed Assets	4,358	4,905	5,817	7,111	8,795	0.7%	102%
Other	34,457	39,865	67,172	58,899	66,520	5.7%	93%
Total Assets	625,001	693,522	877,724	993,563	1,172,907	100%	88%

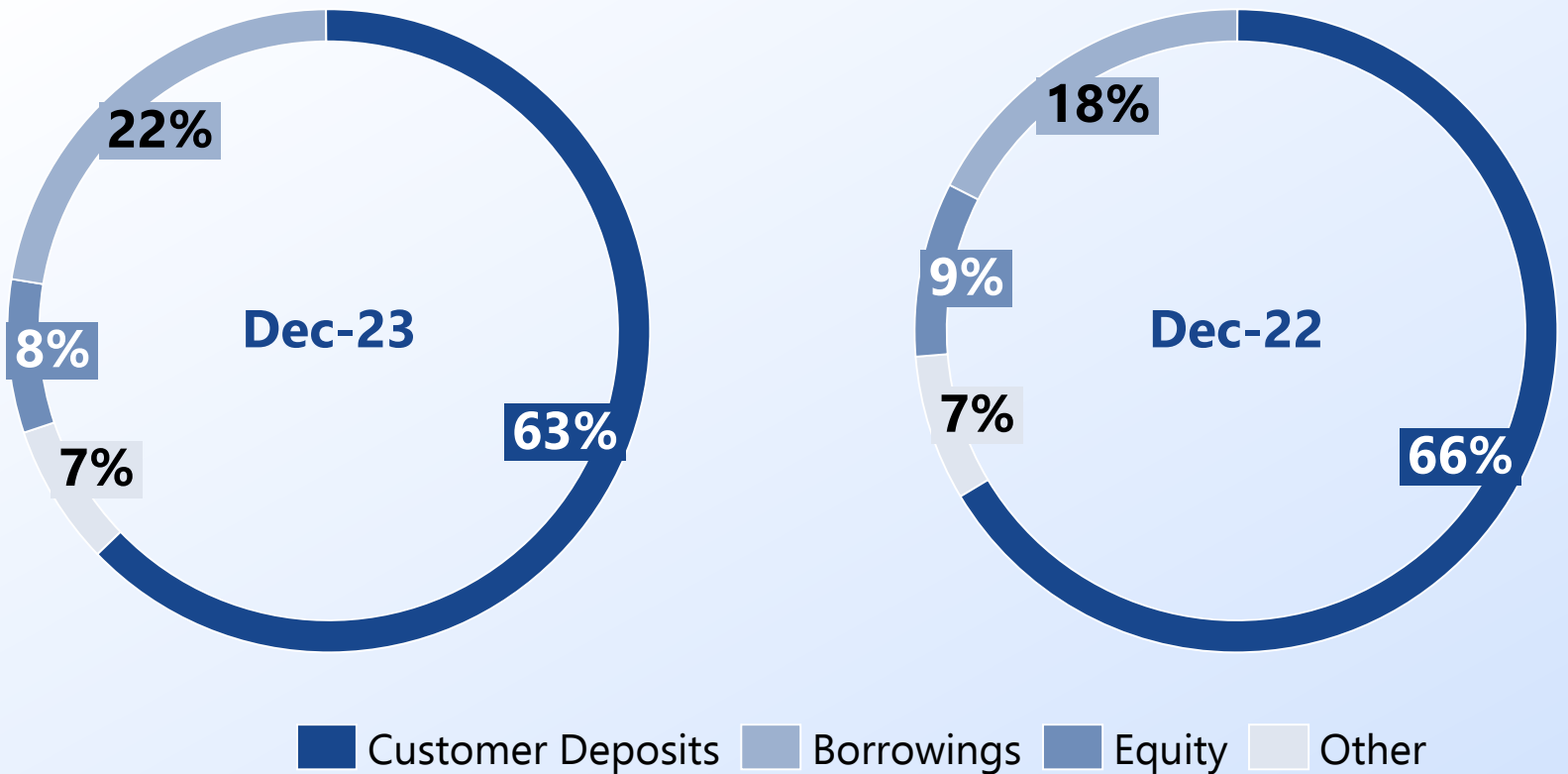
Liabilities and Equity (TL mn)	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Share	ΔYoY
Customer Deposits	416,969	468,227	570,021	644,424	737,884	63%	77%
TL	166,057	234,142	270,729	322,522	396,399	34%	139%
FX (USD mn)	13,419	12,222	11,590	11,758	11,600	29%	-14%
Demand Deposits	149,818	154,786	194,345	201,401	202,627	27%	35%
TL	27,298	32,230	36,796	40,882	40,958	10%	50%
FX (USD mn)	6,552	6,399	6,101	5,863	5,492	47%	-16.2%
Time Deposits	267,151	313,441	375,676	443,023	535,258	73%	100%
TL	138,760	201,912	233,933	281,640	355,441	90%	156%
FX (USD mn)	6,866	5,823	5,489	5,895	6,108	53%	-11%
Borrowings	109,862	116,762	184,050	205,977	261,406	22%	138%
Securities Issued	8,799	10,463	26,898	29,325	46,495	4.0%	428%
Funds Borrowed	50,582	66,482	92,658	99,401	126,403	11%	150%
Repo	13,482	17,419	35,602	48,481	56,020	4.8%	316%
Sub Debt	14,561	14,963	20,190	21,302	23,067	2.0%	58%
Bank Deposits	22,438	7,435	8,703	7,468	9,421	0.8%	-58%
Other	43,308	49,432	59,295	68,100	83,204	7.1%	92%
Equity	54,863	59,101	64,358	75,062	90,414	7.7%	65%
Total Liabilities and Equity	625,001	693,522	877,724	993,563	1,172,907	100%	88%

¹ Includes leasing and factoring receivables, FX indexed loans are included in FX loans

Share in Total Assets (%)



Share in Total Liabilities and Equity (%)



Consolidated BRSA income statement

Income Statements (All figures are in TL mn)	Q4-22	Q1-23	Q2-23	Q3-23	Q4-23	ΔQoQ	ΔYoY	FY-22	FY-23	ΔYoY
Net Interest Income (incl. Swap Cost)	11,628	7,302	9,109	12,651	9,375	-26%	-19%	29,879	38,437	29%
Net Interest Income	11,758	7,007	8,815	12,704	10,999	-13%	-6%	31,673	39,524	25%
Swap Cost	-129	295	294	-54	-1,623	n.a.	n.a.	-1,794	-1,087	n.a.
Non-funded Income (excl. Swap Cost)	3,390	6,647	4,862	8,881	6,958	-22%	105%	16,345	27,348	67%
Net Fees and Commissions	2,081	2,280	2,770	4,186	5,991	43%	188%	6,620	15,227	130%
Trading and FX Gains/Losses (excl. Swap Cost)	440	2,350	1,035	3,171	-1,109	-135%	-352%	7,484	5,446	-27%
Other Income	869	2,017	1,057	1,524	2,076	36%	139%	2,242	6,674	198%
Total Operating Income	15,018	13,949	13,970	21,532	16,334	-24%	9%	46,224	65,784	42%
Operating Expenses	-3,725	-4,987	-4,617	-6,133	-7,116	16%	91%	-11,125	-22,854	105%
HR Expenses	-1,629	-2,213	-2,205	-2,883	-3,255	13%	100%	-4,983	-10,556	112%
Non-HR Expenses	-2,096	-2,774	-2,412	-3,250	-3,861	19%	84%	-6,142	-12,297	100%
Pre-provision operating profit	11,293	8,962	9,353	15,398	9,218	-40%	-18%	35,099	42,931	22%
Net expected credit loss	-3,899	2,167	857	-463	-3,219	n.a.	-17%	-6,972	-658	n.a.
Stage 1	-657	-1,229	52	-585	127	n.a.	-119%	-1,248	-1,636	31%
Stage 2	973	1,002	1,476	683	-774	-213%	n.a.	536	2,386	n.a.
Stage 3	-4,214	2,394	-671	-561	-2,571	358%	-39%	-6,260	-1,408	n.a.
Other Provisions	-2,725	-2,064	-1,095	-1,350	295	n.a.	n.a.	-4,447	-4,215	-5%
Net Operating Profit	4,670	9,065	9,114	13,585	6,294	-54%	35%	23,680	38,058	61%
Tax	-1,637	-2,213	-2,436	-4,848	-341	-93%	-79%	-6,354	-9,838	55%
Profit/Loss from Disct. Opr. ¹	1	0	0	0	-151	n.a.	n.a.	1	-151	n.a.
Net Profit	3,037	6,852	6,678	8,737	5,802	-34%	91%	17,326	28,069	62%

¹ Discontinued operations related to liquidation of Eurodeniz

Consolidated BRSA key financial ratios

Asset Quality	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	ΔQoQ	ΔYoY
NPL Ratio	4.7%	3.9%	3.4%	3.4%	4.0%	+0.6 pp	-0.7 pp
NPL Coverage	78.9%	78.9%	78.6%	76.2%	63.7%	-12.5 pp	-15.2 pp
Total NPL Coverage¹	193.8%	209.8%	222.6%	210.9%	173.2%	-38 pp	-21 pp
Stage 2 Coverage	31.8%	23.1%	30.1%	28.6%	30.2%	+1.6 pp	-1.6 pp
Total Coverage²	9.2%	8.2%	7.5%	7.3%	7.0%	-0.3 pp	-2.2 pp
Cost of Risk³	2.2%	-2.3%	-1.4%	-0.8%	0.1%	+0.9 pp	-2.1 pp
Profitability - YtD	Q4-22	Q1-23	Q2-23	Q3-23	Q4-23	ΔQoQ	ΔYoY
NIM⁴ - Quarterly	8.1%	4.8%	5.1%	5.9%	3.7%	-2.2 pp	-4.4 pp
NIM⁴	6.3%	4.8%	4.9%	5.3%	4.8%	-0.5 pp	-1.5 pp
NIM	6.7%	4.6%	4.7%	5.2%	4.9%	-0.3 pp	-1.8 pp
Cost / Income⁵	24.1%	33.2%	33.1%	31.1%	34.2%	+3.1 pp	+10.1
RoAA	3.4%	4.2%	3.7%	3.7%	3.2%	-0.5 pp	-0.2 pp
RoAE	42.4%	48.8%	45.9%	47.0%	40.8%	-6.2 pp	-1.6 pp
Capital	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	ΔQoQ	ΔYoY
CET 1 Ratio	13.03%	11.32%	11.17%	11.95%	12.32%	+0.4 pp	-0.7 pp
CAR	17.57%	15.28%	15.78%	16.54%	16.47%	-0.1 pp	-1.1 pp
Funding and Liquidity	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	ΔQoQ	ΔYoY
Loans/ Customer Deposits	82.2%	80.0%	81.7%	76.6%	77.3%	+0.6 pp	-5.0 pp
TL Loans/ TL Customer Deposits	115.8%	92.9%	89.8%	80.6%	78.1%	-2.5 pp	-38 pp
FX Loans/ FX Customer Deposits	59.9%	67.1%	74.3%	72.7%	76.3%	+3.6 pp	+16 pp
Cust. Deposits / Total Funding	79.1%	80.0%	75.6%	75.8%	73.8%	-1.9 pp	-5.3 pp

¹ Provisions for expected credit loss including non-cash loan provisions / NPL

² Provisions for expected credit loss including non-cash loan provisions / Total loans including leasing and factoring receivables

³ Net Expected Credit Loss / Avg. Total Loans

⁴ Swap adjusted

⁵ Q1, Q2, Q3 & Q4 2023 ratios are adjusted; excludes earthquake support

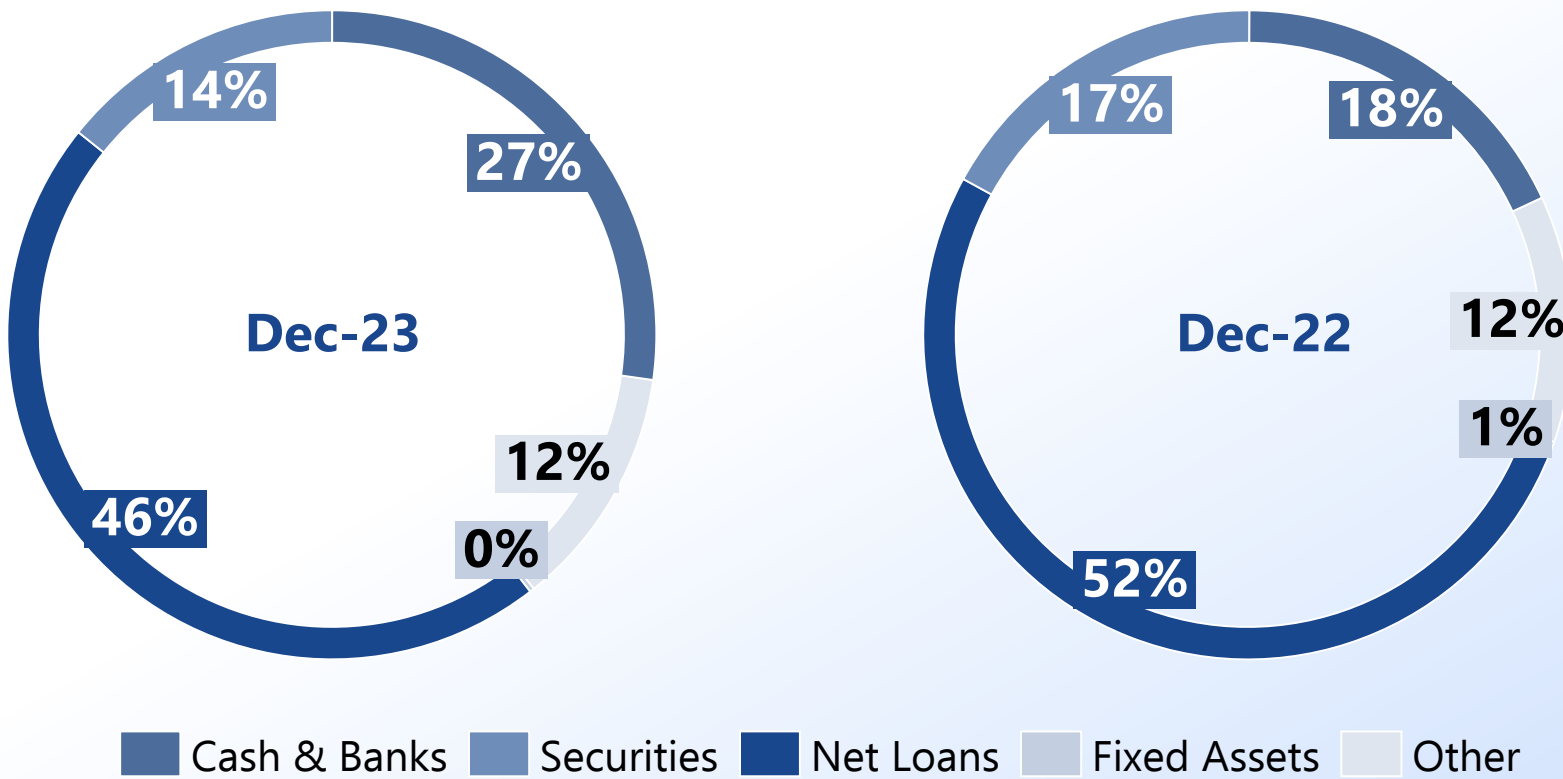
Standalone BRSA balance sheet

Assets (TL mn)	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Share	ΔYoY
Cash & Banks	94,602	117,912	152,797	224,509	274,129	27%	190%
Securities	90,035	98,489	106,579	117,734	143,961	14%	60%
TL	52,780	60,250	54,033	69,177	77,958	7.7%	48%
FX (USD mn)	1,992	1,997	2,035	1,774	2,242	6.5%	12.5%
Net Loans ¹	273,839	305,828	371,811	401,377	465,558	46%	70%
TL	186,384	210,497	230,525	246,897	285,287	28%	53%
FX (USD mn)	4,677	4,977	5,471	5,643	6,124	18%	30.9%
Gross Loans ¹	301,068	331,674	400,759	431,848	500,458	50%	66%
TL	202,503	226,060	246,702	264,629	304,926	30%	51%
FX (USD mn)	5,271	5,514	5,966	6,108	6,642	19%	26.0%
Loan Loss Provision	27,229	25,846	28,948	30,471	34,900	3.5%	28%
Fixed Assets	1,469	1,652	1,711	1,761	2,270	0.2%	55%
Other	66,350	70,484	113,286	107,208	121,792	12.1%	84%
Total Assets	526,295	594,365	746,184	852,589	1,007,709	100%	91%

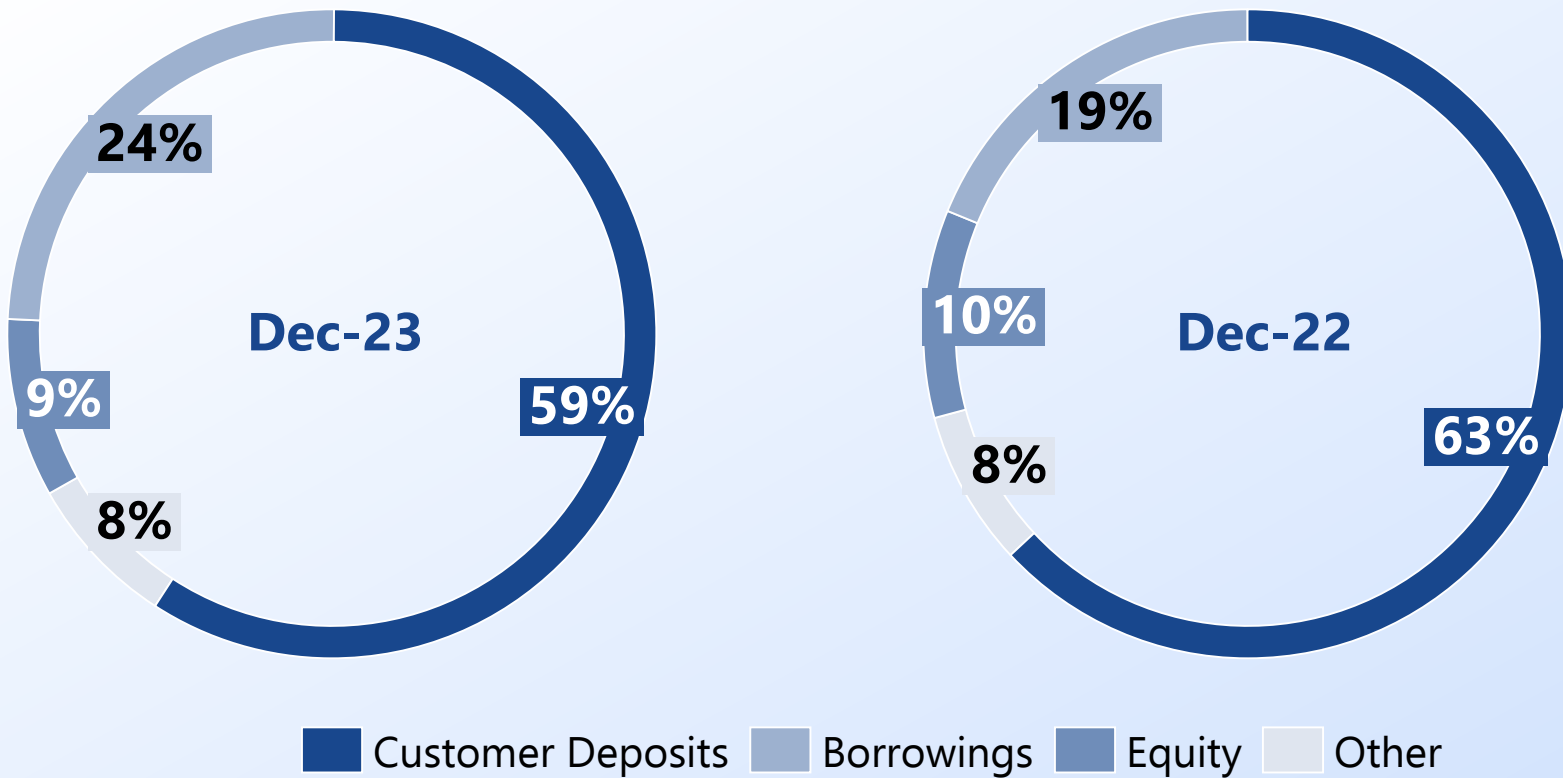
Liabilities and Equity (TL mn)	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Share	ΔYoY
Customer Deposits	331,937	380,845	452,207	515,801	595,073	59%	79%
TL	166,227	233,566	270,763	322,650	396,784	39%	139%
FX (USD mn)	8,862	7,689	7,026	7,055	6,736	20%	-24%
Demand Deposits	108,209	119,839	150,879	164,524	164,618	28%	52%
TL	27,318	32,312	36,832	40,960	41,229	10%	51%
FX (USD mn)	4,326	4,570	4,416	4,513	4,191	62%	-3.1%
Time Deposits	223,727	261,006	301,328	351,277	430,455	72%	92%
TL	138,909	201,254	233,931	281,691	355,555	90%	156%
FX (USD mn)	4,536	3,120	2,610	2,542	2,544	38%	-44%
Borrowings	98,961	108,185	174,435	199,629	245,627	24%	148%
Securities Issued	2,241	5,063	6,448	7,351	20,260	2.0%	804%
Funds Borrowed	47,977	63,090	105,321	117,143	142,407	14%	197%
Repo	12,517	15,808	34,401	45,173	51,974	5.2%	315%
Sub Debt	14,561	14,963	20,190	21,302	23,067	2.3%	58%
Bank Deposits	21,664	9,262	8,076	8,660	7,920	0.8%	-63%
Other	40,887	46,616	55,611	62,555	77,063	7.6%	88%
Equity	54,511	58,719	63,931	74,604	89,843	8.9%	65%
Total Liabilities and Equity	526,295	594,365	746,184	852,589	1,007,709	100%	91%

¹ FX indexed loans are included in FX loans

Share in Total Assets (%)



Share in Total Liabilities and Equity (%)



Standalone BRSA income statement

Income Statements (TL mn)	Q4-22	Q1-23	Q2-23	Q3-23	Q4-23	ΔQoQ	ΔYoY	FY-22	FY-23	ΔYoY
Net Interest Income (incl. Swap Cost)	10,403	5,906	7,242	10,394	6,770	-35%	-35%	26,433	30,311	15%
Net Interest Income	10,618	5,641	6,991	10,473	8,362	-20%	-21%	28,497	31,466	10%
<i>Swap Cost</i>	<i>-215</i>	<i>265</i>	<i>251</i>	<i>-79</i>	<i>-1,592</i>	n.a.	640%	<i>-2,064</i>	<i>-1,155</i>	n.a.
Non-funded Income (excl. Swap Cost)	2,281	5,830	3,605	7,094	5,105	-28%	124%	13,120	21,634	65%
<i>Net Fees and Commissions</i>	<i>1,736</i>	<i>2,016</i>	<i>2,489</i>	<i>3,605</i>	<i>5,517</i>	53%	218%	<i>5,857</i>	<i>13,626</i>	133%
<i>Trading and FX Gains/Losses (excl. Swap Cost)</i>	<i>292</i>	<i>2,276</i>	<i>490</i>	<i>2,535</i>	<i>-1,510</i>	-160%	-617%	<i>6,270</i>	<i>3,791</i>	-40%
<i>Other Income</i>	<i>253</i>	<i>1,538</i>	<i>626</i>	<i>953</i>	<i>1,098</i>	15%	334%	<i>993</i>	<i>4,216</i>	325%
Total Operating Income	12,683	11,736	10,847	17,487	11,875	-32%	-6%	39,553	51,945	31%
Operating Expenses	-3,376	-4,427	-4,138	-5,506	-6,402	16%	90%	-9,723	-20,473	111%
<i>HR Expenses</i>	<i>-1,383</i>	<i>-1,900</i>	<i>-1,889</i>	<i>-2,478</i>	<i>-2,733</i>	10%	98%	<i>-4,166</i>	<i>-9,000</i>	116%
<i>Non-HR Expenses</i>	<i>-1,992</i>	<i>-2,527</i>	<i>-2,249</i>	<i>-3,028</i>	<i>-3,669</i>	21%	84%	<i>-5,556</i>	<i>-11,473</i>	106%
Pre-provision operating profit	9,307	7,309	6,709	11,982	5,472	-54%	-41%	29,830	31,471	6%
Net expected credit loss	-3,463	2,042	23	-775	-3,092	n.a.	-11%	-6,721	-1,803	n.a.
<i>Stage 1</i>	<i>-236</i>	<i>-1,318</i>	<i>-82</i>	<i>-703</i>	<i>215</i>	-131%	-191%	<i>-891</i>	<i>-1,888</i>	112%
<i>Stage 2</i>	<i>1,043</i>	<i>1,056</i>	<i>219</i>	<i>568</i>	<i>-923</i>	-263%	n.a.	<i>632</i>	<i>920</i>	n.a.
<i>Stage 3</i>	<i>-4,270</i>	<i>2,304</i>	<i>-114</i>	<i>-640</i>	<i>-2,384</i>	272%	-44%	<i>-6,462</i>	<i>-835</i>	n.a.
Other Provisions	-2,719	-2,059	-1,107	-1,346	310	-123%	n.m	-4,440	-4,203	-5%
Profit from Inv. under equity method	1,273	1,378	2,683	2,689	2,576	-4%	102%	3,887	1,378	-65%
Net Operating Profit	4,398	8,670	8,307	12,550	5,266	-58%	20%	22,557	34,793	54%
Tax	-1,485	-1,844	-1,680	-3,832	590	-115%	-140%	-5,412	-6,766	25%
<i>Profit/Loss from Disct. Opr. ¹</i>	<i>27</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>-149</i>	n.a.	n.a.	<i>27</i>	<i>-149</i>	n.a.
Net Profit	2,940	6,826	6,627	8,718	5,707	-35%	94%	17,173	27,878	62%

¹ Discontinued operations related to liquidation of Eurodeniz

Standalone BRSA key financial ratios

Asset Quality	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	ΔQoQ	ΔYoY
NPL Ratio	5.5%	4.3%	3.7%	4.0%	4.2%	+0.3 pp	-1.3 pp
NPL Coverage	79.9%	79.1%	78.8%	75.1%	67.7%	-7.4 pp	-12.2 pp
Total NPL Coverage¹	181.3%	201.1%	219.6%	199.8%	185.0%	-15 pp	+3.7 pp
Stage 2 Coverage	29.6%	26.3%	28.5%	27.7%	30.2%	+2.5 pp	+0.6 pp
Total Coverage²	10.0%	8.7%	8.2%	8.0%	7.8%	-0.1 pp	-2.2 pp
Cost of Risk³	2.7%	-2.6%	-1.2%	-0.5%	0.5%	+0.9 pp	-2.3 pp
Profitability - YtD	Q4-22	Q1-23	Q2-23	Q3-23	Q4-23	ΔQoQ	ΔYoY
NIM⁴ - Quarterly	9.3%	4.9%	5.1%	6.1%	3.3%	-2.7 pp	-6.0 pp
NIM⁴	7.4%	4.9%	5.0%	5.4%	4.7%	-0.7 pp	-2.7 pp
NIM	8.0%	4.7%	4.8%	5.3%	4.9%	-0.4 pp	-3.0 pp
Cost / Income⁵	24.6%	34.7%	36.4%	34.2%	38.7%	+4.5 pp	+14 pp
RoAA	4.1%	4.9%	4.4%	4.4%	3.7%	-0.6 pp	-0.3 pp
RoAE	42.3%	48.9%	45.9%	47.1%	40.8%	-6.3 pp	-1.5 pp
Capital	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	ΔQoQ	ΔYoY
CET 1 Ratio	14.12%	12.54%	12.09%	12.99%	13.23%	+0.2 pp	-0.89 pp
CAR	18.94%	16.80%	16.99%	17.81%	17.20%	-0.61 pp	-1.73 pp
Funding and Liquidity	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	ΔQoQ	ΔYoY
Loans/ Customer Deposits	82.5%	80.3%	82.2%	77.8%	78.2%	+0.4 pp	-4.3 pp
TL Loans/ TL Customer Deposits	112.1%	90.1%	85.1%	76.5%	71.9%	-4.6 pp	-40 pp
FX Loans/ FX Customer Deposits	52.8%	64.7%	77.9%	80.0%	90.9%	+10.9 pp	+38 pp
Cust. Deposits / Total Funding	77.0%	77.9%	72.2%	72.1%	70.8%	-1.3 pp	-6.3 pp

¹ Provisions for expected credit loss including non-cash loan provisions / NPL

² Provisions for expected credit loss including non-cash loan provisions / Total loans including leasing and factoring receivables

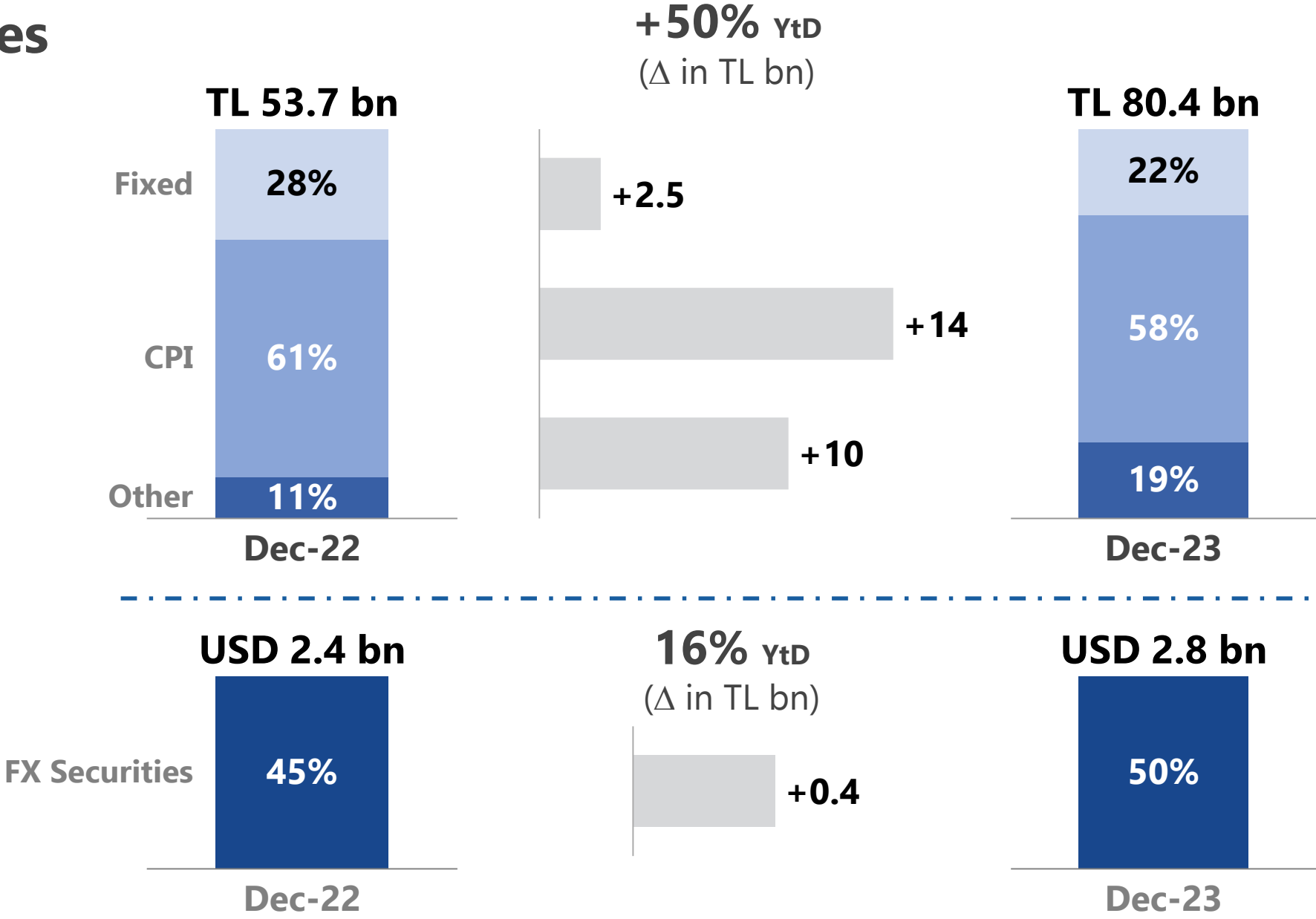
³ Net Expected Credit Loss / Avg. Total Loans

⁴ Swap adjusted

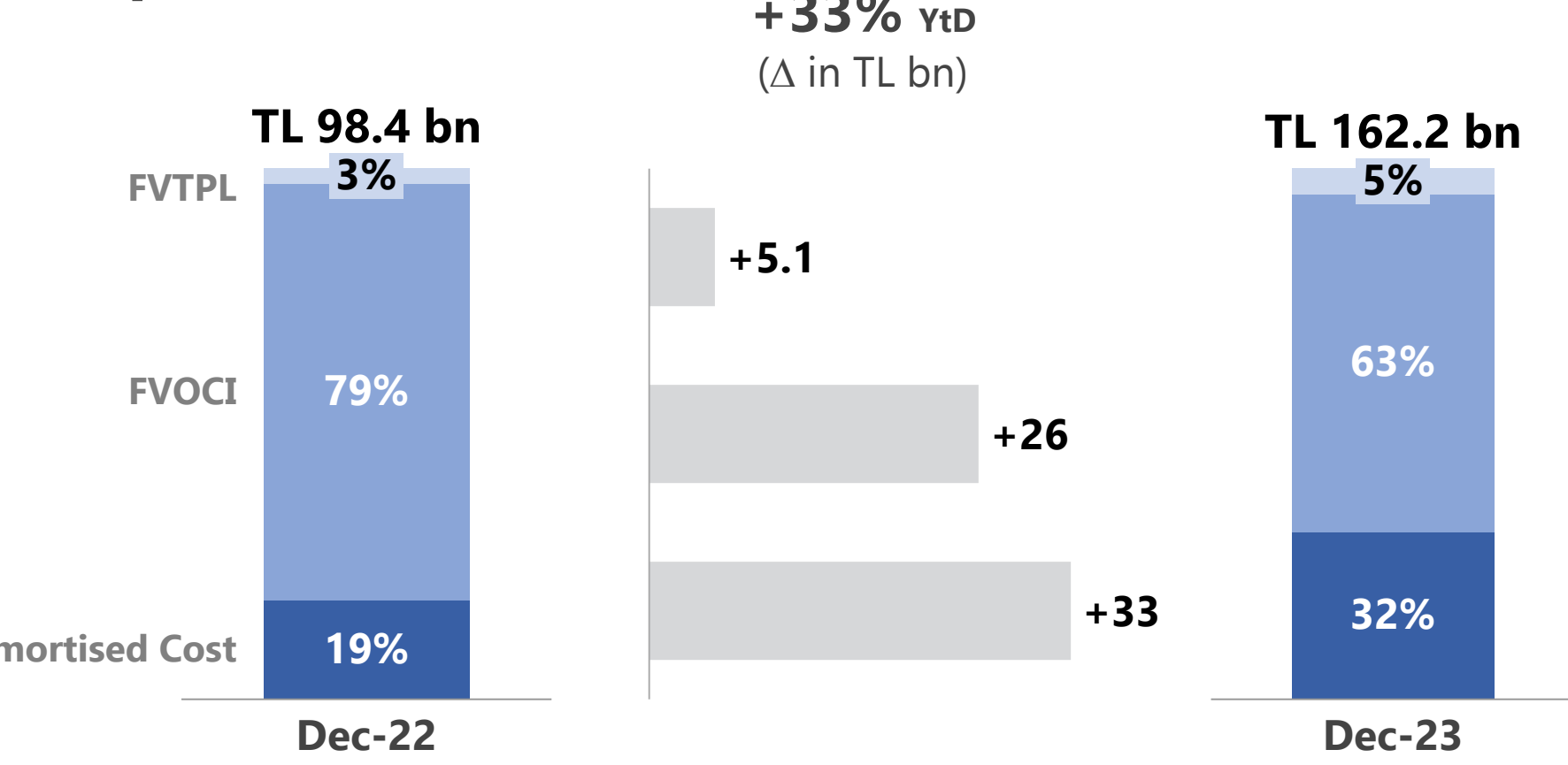
⁵ Q1, Q2, Q3 and Q4 2023 ratios are adjusted; excludes earthquake support

Securities share in total assets 13.8%

TL Securities



Securities Composition



<i>in TL bn</i>	Dec-23	QoQ%	YoY%	Quarterly trend (last 5 quarters)				
Securities	162.2	+24	+65	98.4	107.3	117.1	130.7	162.2
TL Securities	80.4	+12	+50	53.7	61.7	54.4	71.9	80.4
Fixed	17.7	+9	+16	15.3	16.1	11.4	16.3	17.7
CPI	47.0	+7	+43	32.8	37.0	35.1	43.8	47.0
Other	15.7	+34	+176	5.7	8.6	7.9	11.7	15.7

<i>in USD bn</i>	Dec-23	QoQ%	YoY%	Quarterly trend (last 5 quarters)				
FX Securities	2.8	+29	+16	2.4	2.4	2.4	2.1	2.8

%	Dec-23	QoQ (bps)	YoY (bps)	Quarterly trend (last 5 quarters)				
Securities to Total Assets	13.8%	+67	-192	15.7%	15.5%	13.3%	13.2%	13.8%

DenizBank Sustainability Vision: Facilitating Sustainability Transformation with Innovative Finance: *A Bank for All and Beyond*



2023 ACCOMPLISHMENTS



«**Calculated and Verified**» DenizBank's «**GHG Emissions**»

Reported to «**CDP**» on «**Climate Change**» and «**Water Security**»

Invested in «**ERGUVAN**», a climate action platform, through «**Deniz Ventures**»

Conducted «**Gap, Stakeholder and Materiality Analyses**»

Became the «**First Turkish Bank**» to be a member of «**PCAF**»

Established DenizBank's «**Sustainable Finance Framework**»

Published «**Sustainability Report**» in compliance with «**GRI Standards**»

Organized «**12 panels**» with **17** different counterparties in «**COP28**»



2024 TARGETS



Publishing DenizBank's first «**Integrated Annual Report**»

Assigning «**Climate-Related KPI's**» to Executive Vice Presidents

Implementing «**Zero Waste Management System**» to HQ and all Branches

Appointing a «**Sustainability Champion**» under each department

Integrating «**Climate Risks and Opportunities**» to DenizBank's business processes

Developing «**Roadmap**» to set our «**Decarbonization Strategy**»

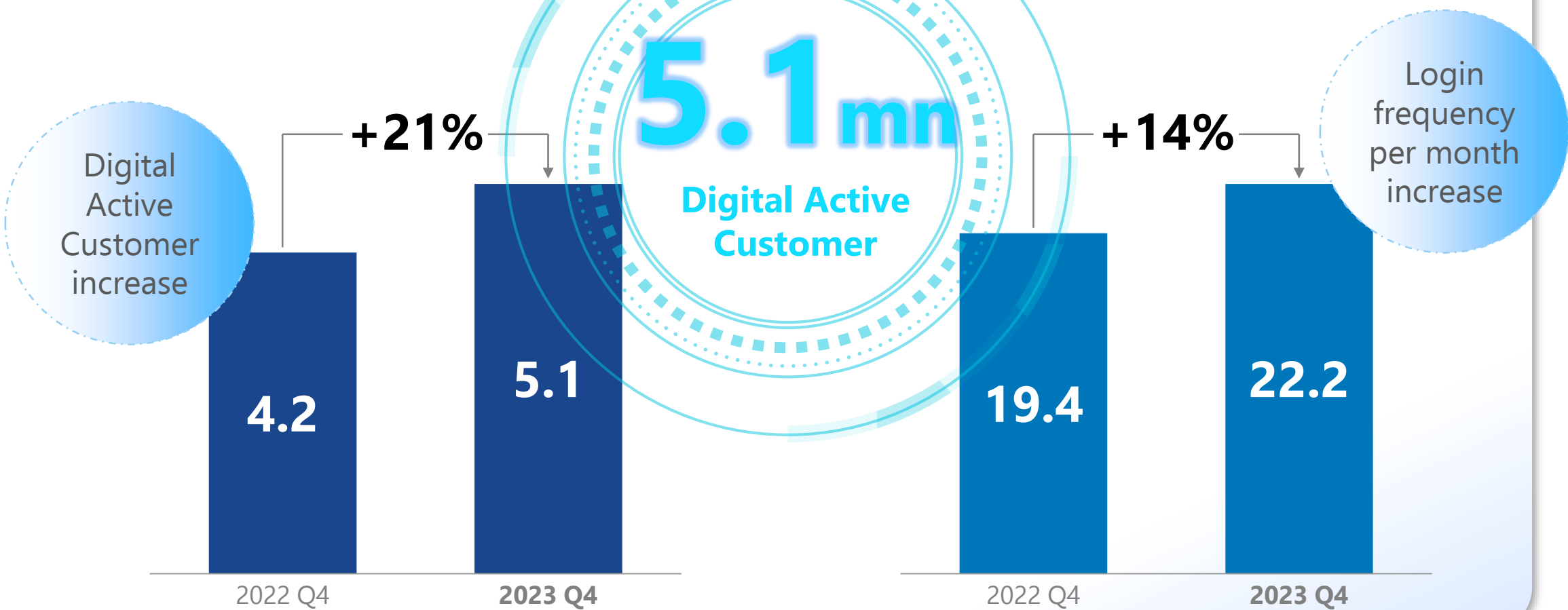
Assessing all loans from an E&S perspective except retail

Creating a «**Roadmap**» to comply with «**EU's CSRD**» by 2025 which will effect DenizBank via DBAG

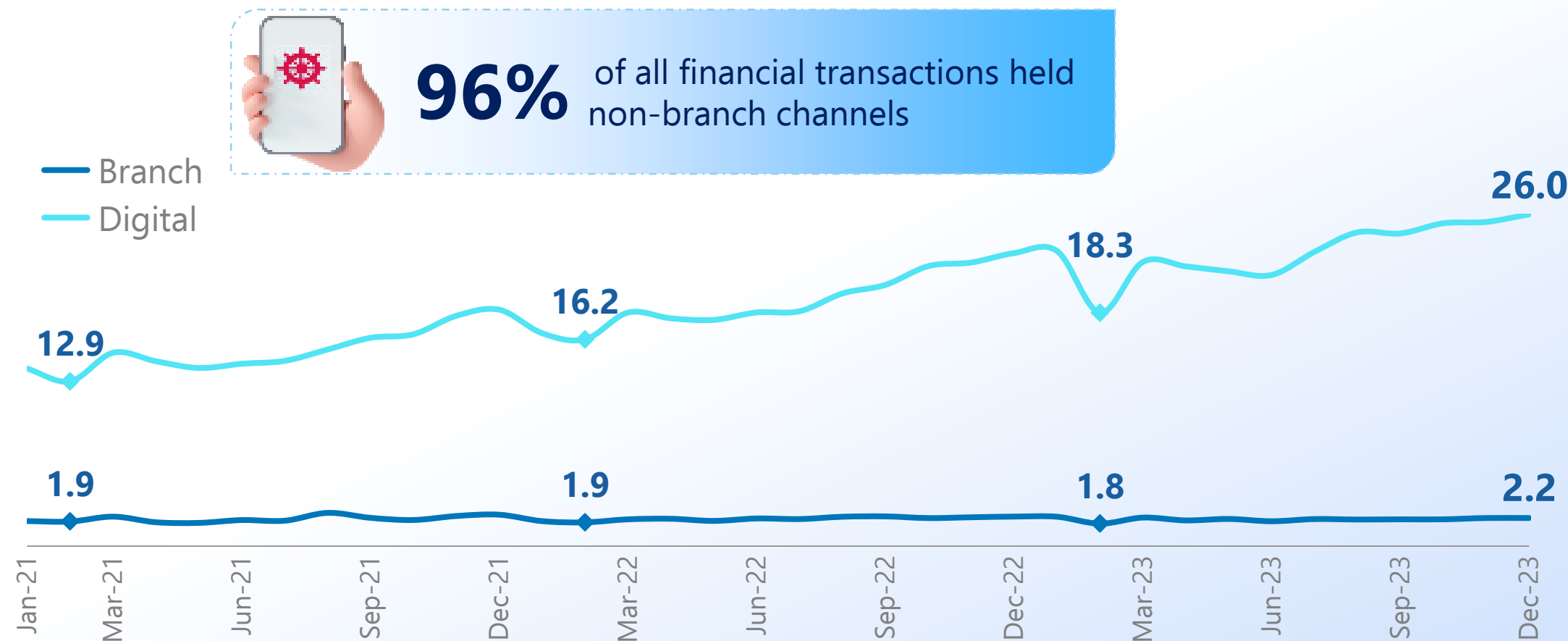
The journey to create efficiency by migrating services and everyday banking to digital now turned into sales driven digital experiences

Digital Active Customer

Digital Active customer number and login frequency per customer have increased

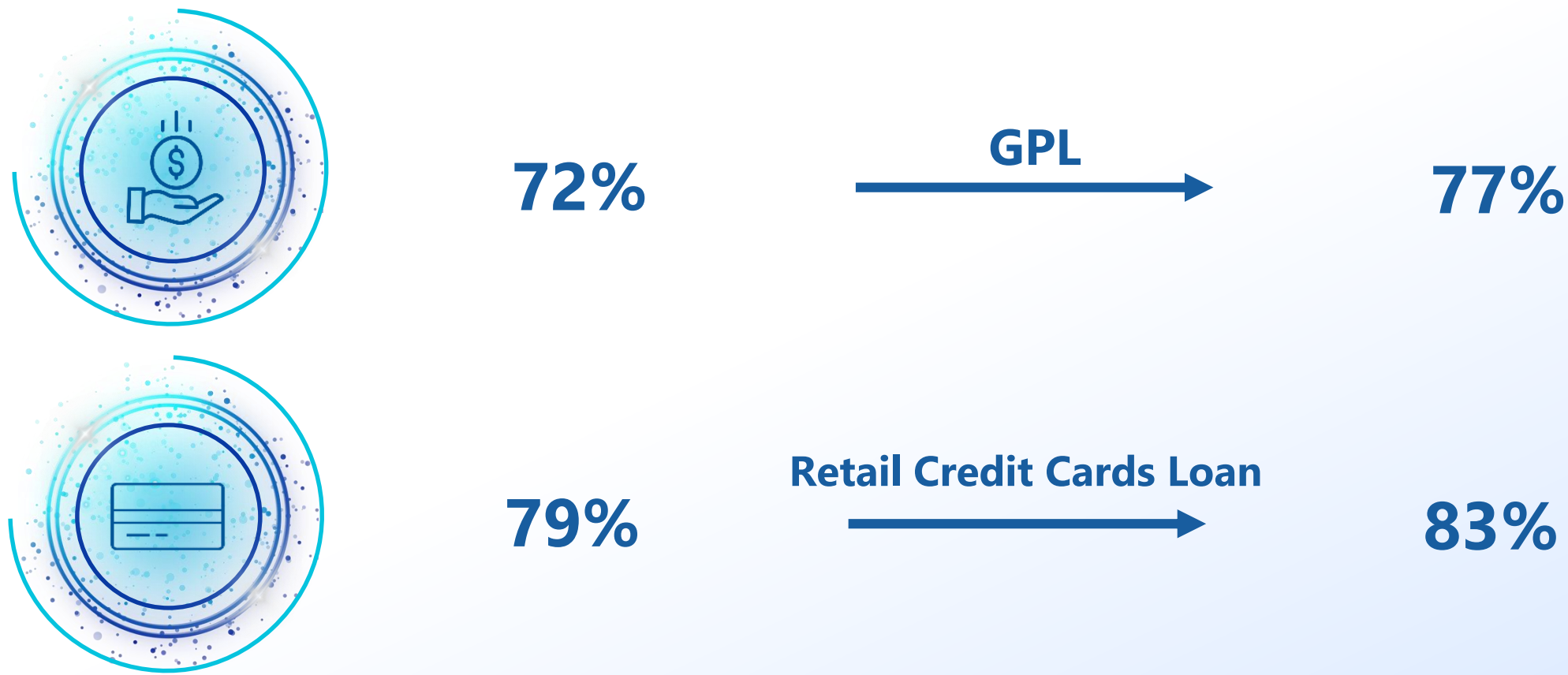


Monthly Financial Transactions (mn #)

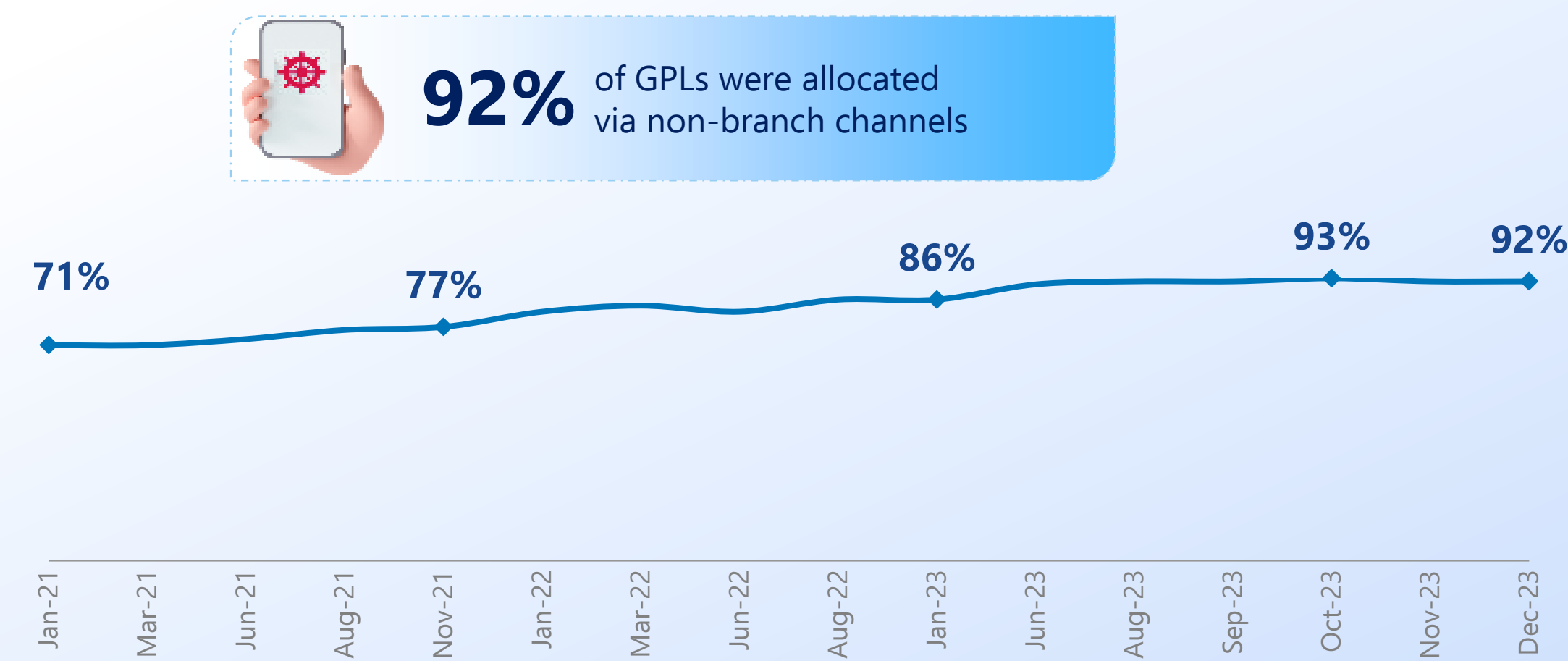


Digital Sales

2022 Q4 Digital % Among Total Sales 2023 Q4



GPLs¹ via non-branch channels



¹ GPLs and card loans are included

FitchRatings

Fitch Ratings (22 Sep 2023)	Ratings	Outlook
Long-Term Issuer Default	B-	Stable
Short-Term Issuer Default	B	-
Long-Term LC Issuer Default	B	Stable
Short-Term LC Issuer Default	B	-
Viability Rating	b-	-
Shareholder Support	b-	-
National Long-Term Credit	AA(tur)	Stable

MOODY'S

Moody's Ratings (17 Jan 2024)	Ratings	Outlook
Long-Term FC Bank Deposits	B2	Positive
Short-Term FC Bank Deposits	NP	-
Long-Term LC Bank Deposits	B1	Positive
Short-Term LC Bank Deposits	NP	-
Baseline Credit Assessment	caa1	-
Adjusted Baseline Credit Assessment	b1	-
Long-Term Counterparty Risk Assessment	B2	-

“CREATE
OPPORTUNITIES
TO PROSPER”

100
MILLÎ MÜCADELE’İN YÜZÜNCÜ YILI
Sözlerinin izinde

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