

Q1 2024 Results Presentation

06 May 2024

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Results highlights

In an economic environment of decreasing interest margins, the Bank maintained a strong result by effective collection performance and non-funded income



Total
Income

20.2

TL bn

45%
y-o-y

(Q1-23: TL 13.9 bn)



Net Interest
Margin*
%

2.5%

(Q1-23: 4.8%)

(*swap adjusted)



Net Profit

11.7

TL bn

70%
y-o-y

(Q1-23: TL 6.9 bn)



Return on
Average Equity
%

49.1%

(Q1-23: 48.8%)



Common
Equity Tier 1
%

11.13%

(FY-23: 12.32%)

(w/o forbearance: 9.96%)



Cost to Income
%

49.2%

(Q1-23*: 33.2%)

(*excluding earthquake support
of TL 350 mn)



Capital Ratio
%

14.66%

(FY-23: 16.47%)

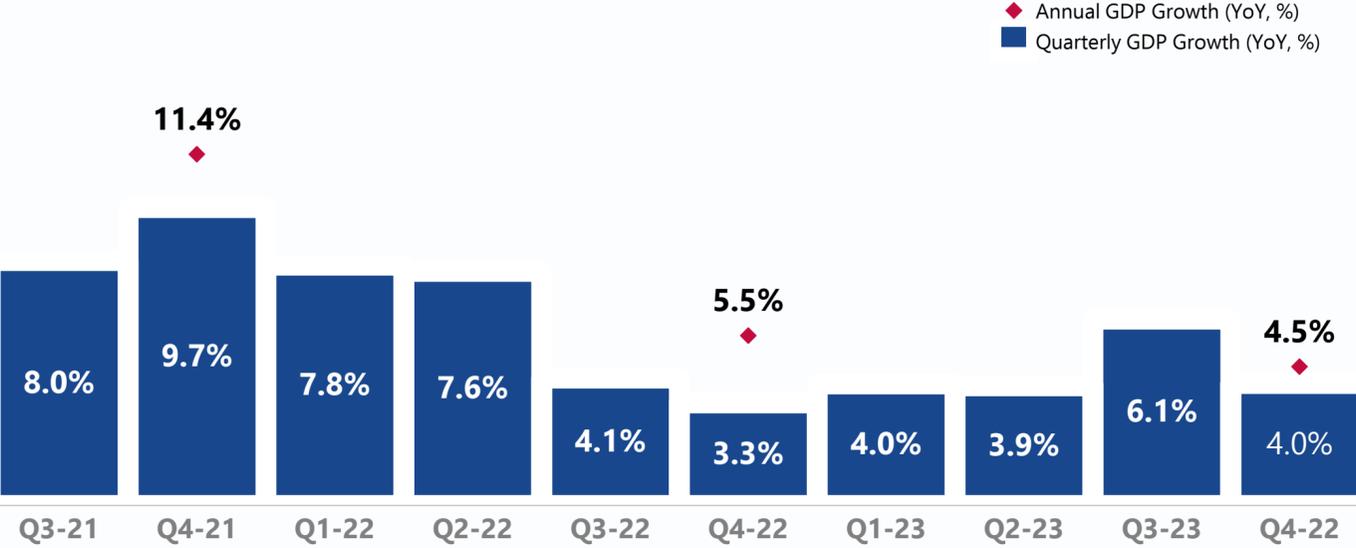
(w/o forbearance: 13.34%)

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Macroeconomic Outlook & Banking Sector

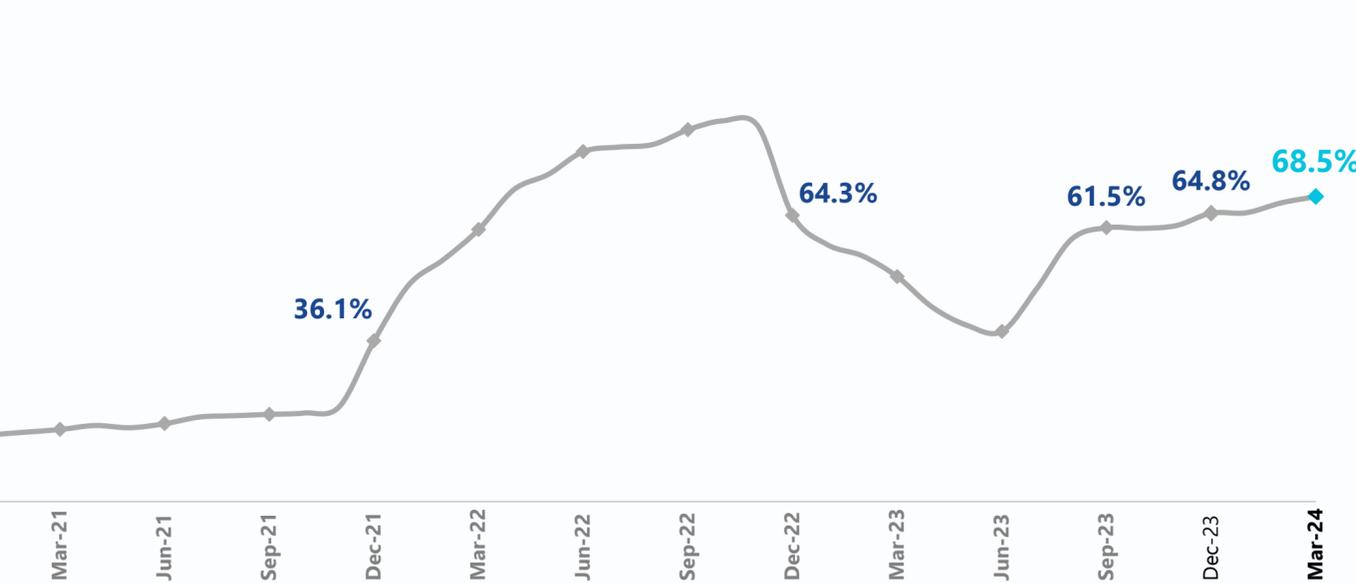
Balanced growth, gradual disinflation and moderation in external deficit

Economic Activity

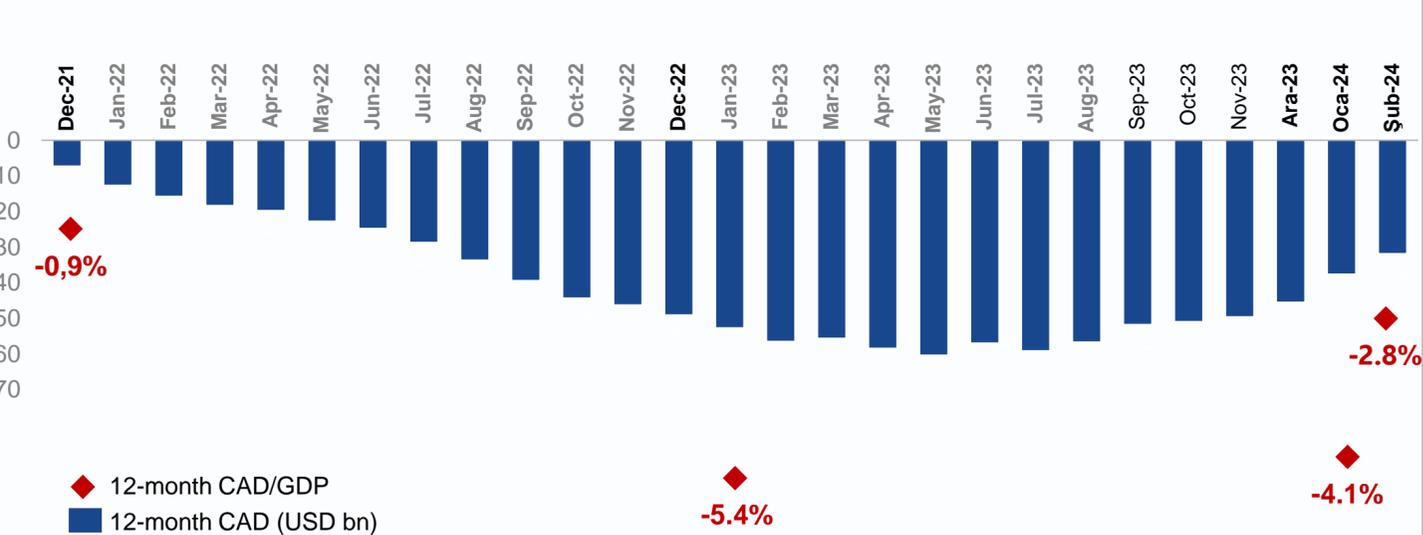


- Balanced growth with gradual moderation in domestic demand along with tighter monetary policy
- Increased inflation before the downward trend in 2H24
- Moderating domestic demand and decreasing gold imports to narrow current account deficit, better financing conditions
- Fiscal consolidation targets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

Inflation (CPI, YoY change)

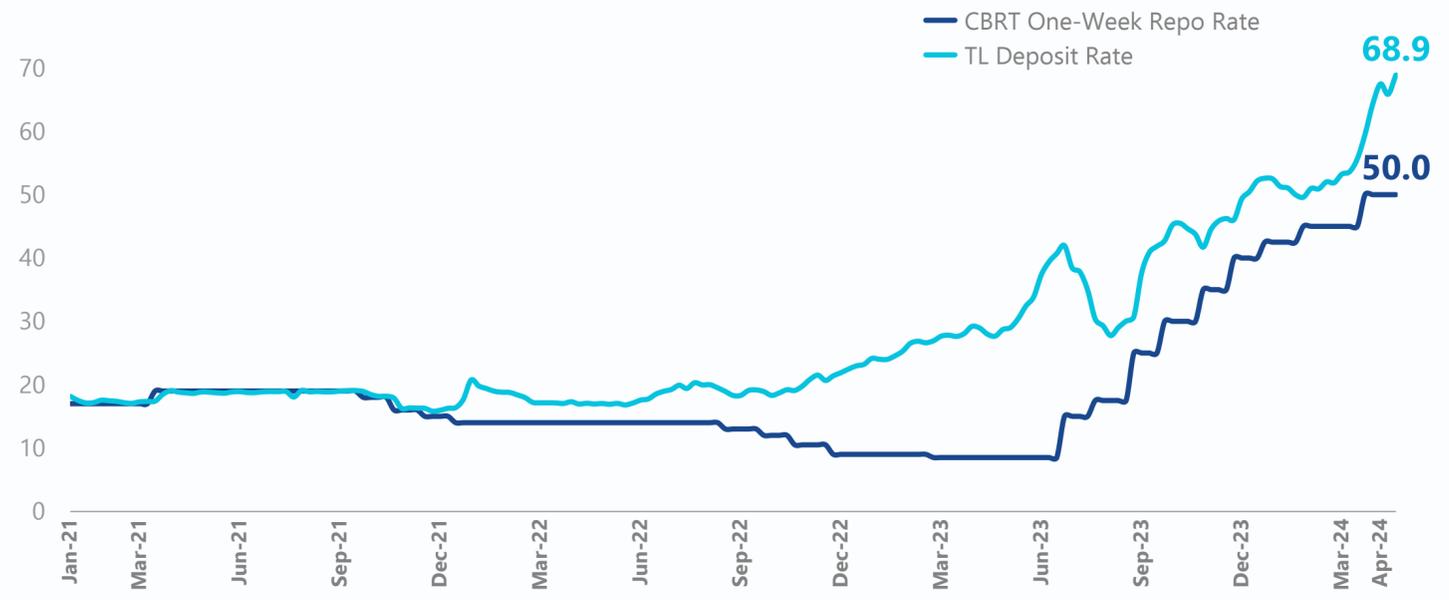


Current Account Deficit



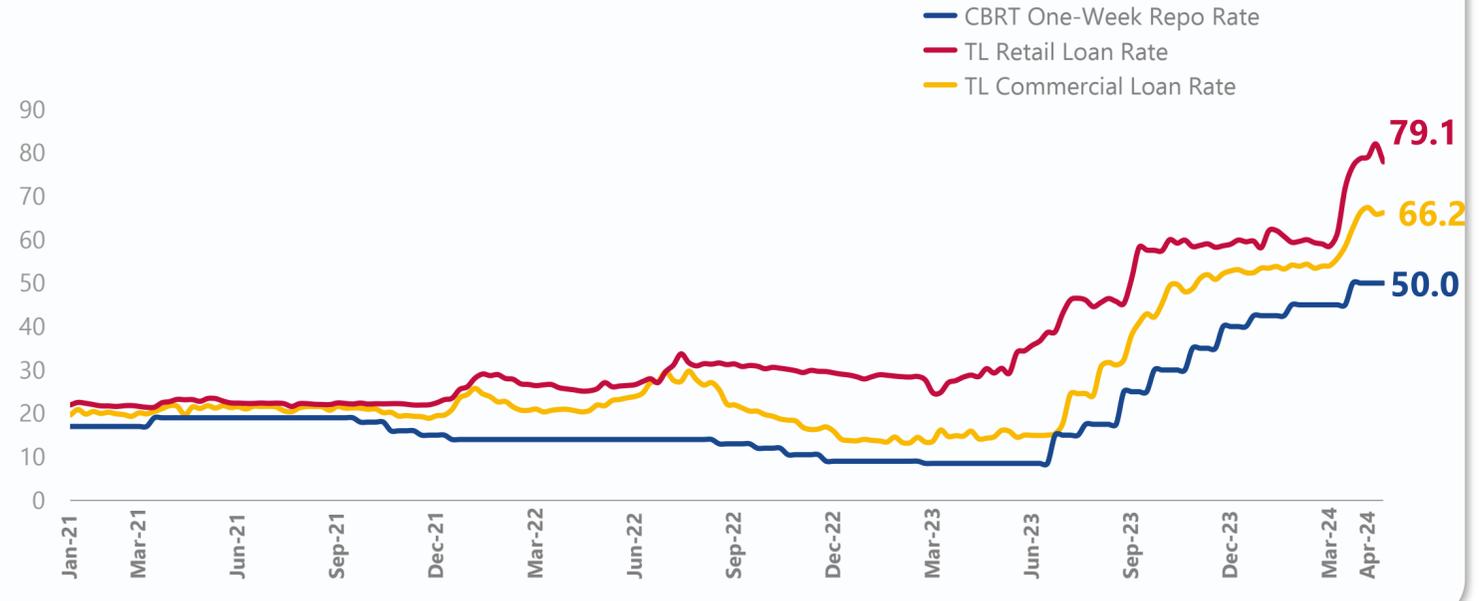
Higher interest rates, slower credit growth

TL Deposit Rate (%)

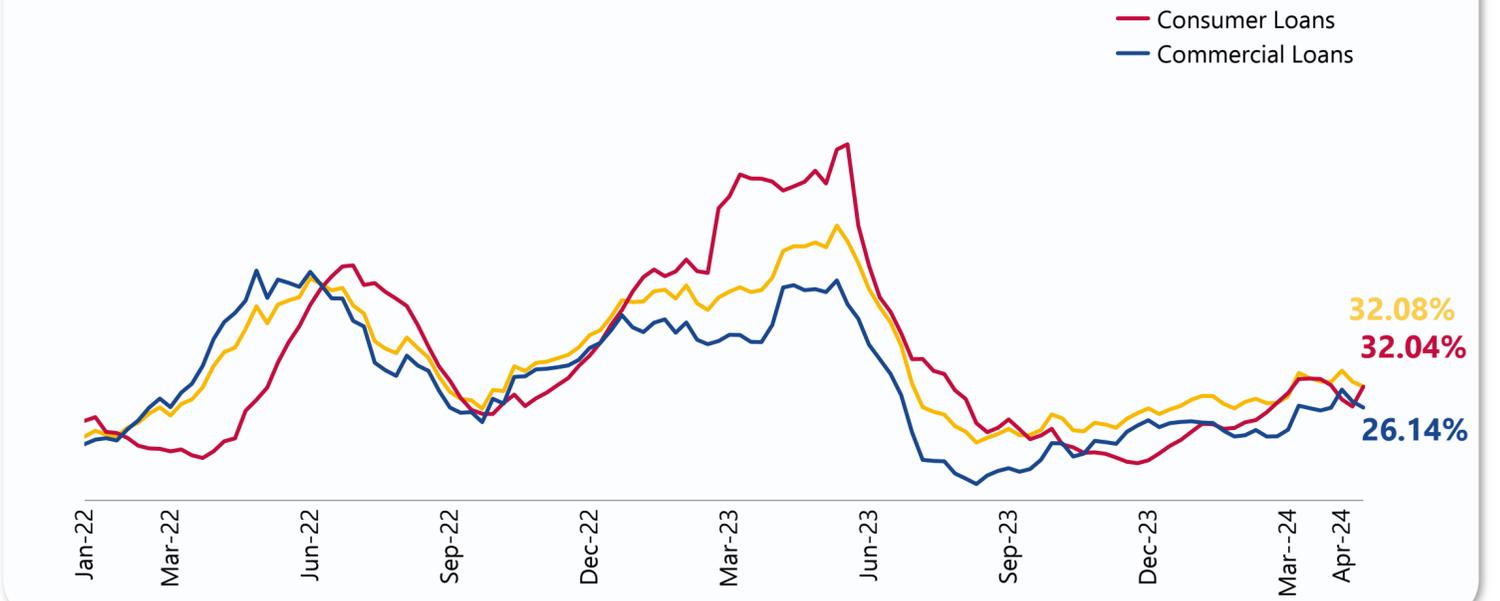


- Monetary tightening and simplification of regulations
- Higher deposit and loan rates, slower credit growth
- Gradual unwinding of FX-protected deposits
- Selective credit policies to rebalance growth composition

TL Loan Rates (%)



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

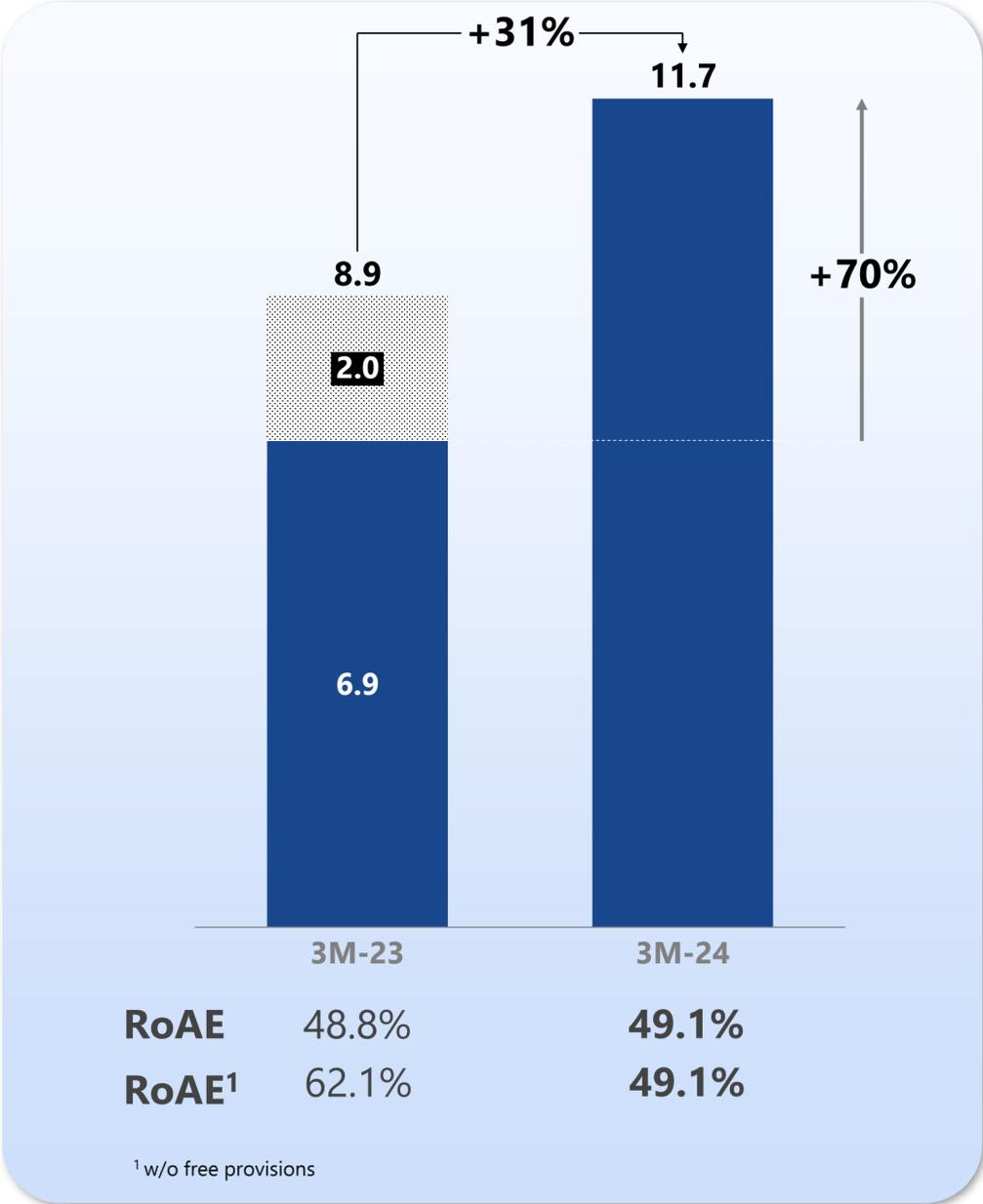
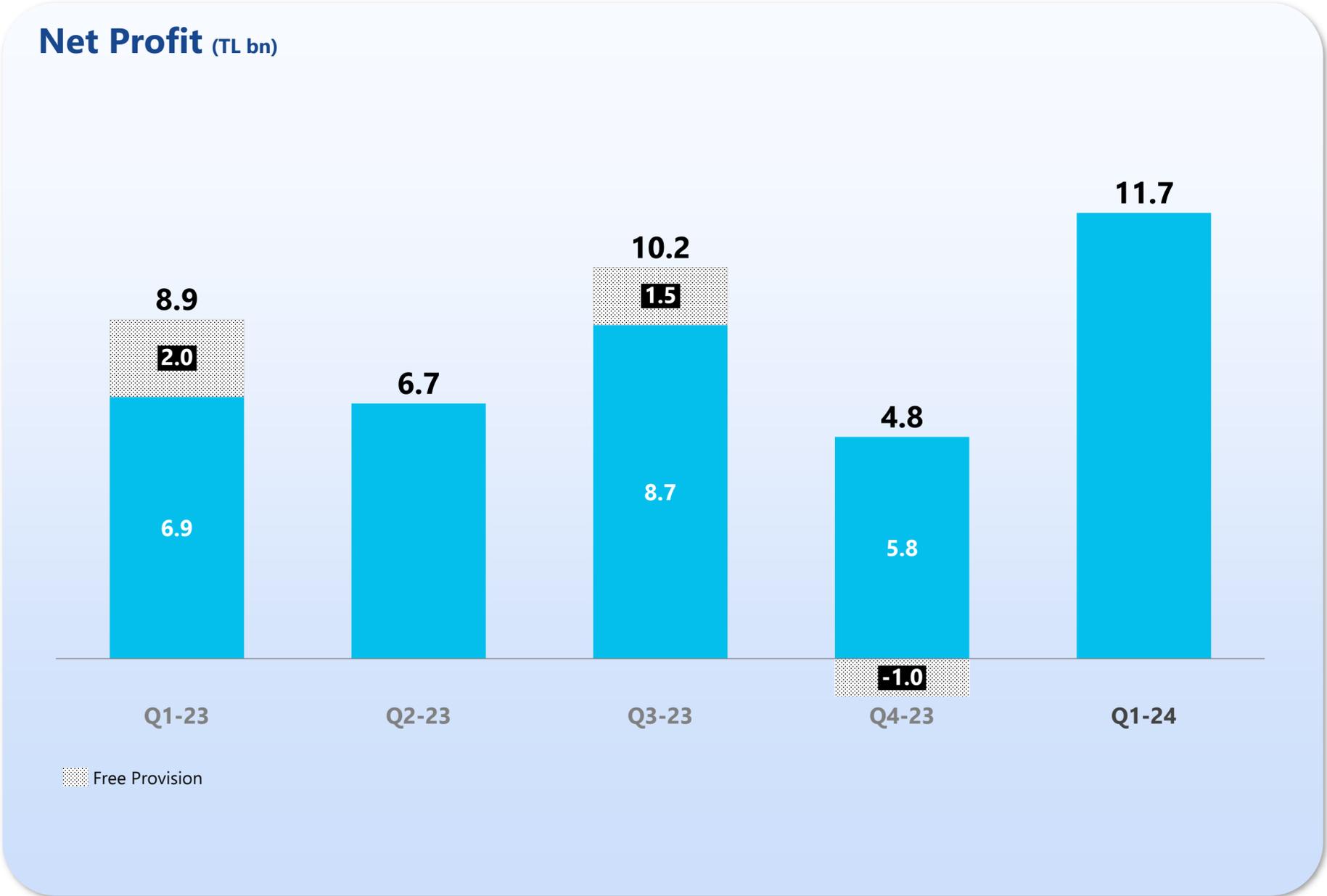


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Financial Performance

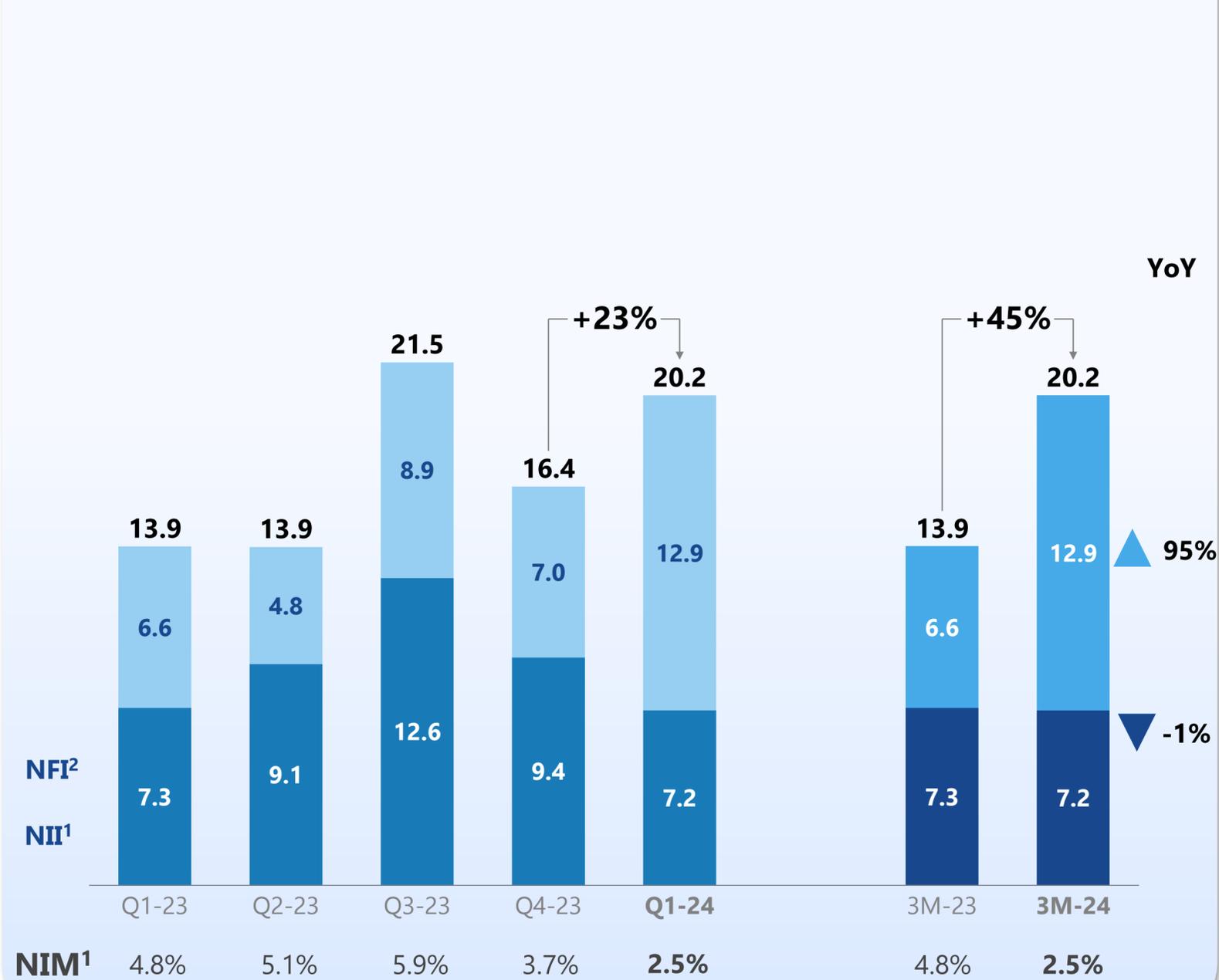
Strong profitability supported by non risk income with tripled commissions and collection performance

- Net profit increased by 70% as a result of 45% growth in total income and strong collections performance

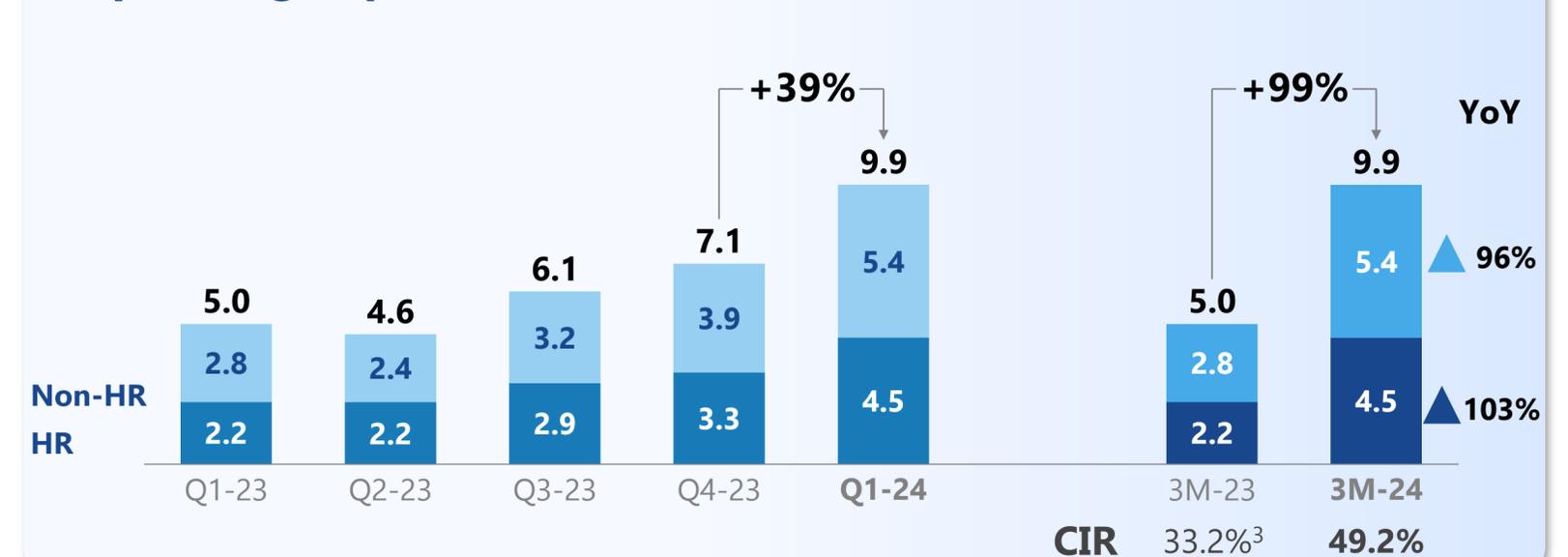


Total income backed by non risk income in a period of narrowing NIMs, mainly driven by tripled fees and commissions

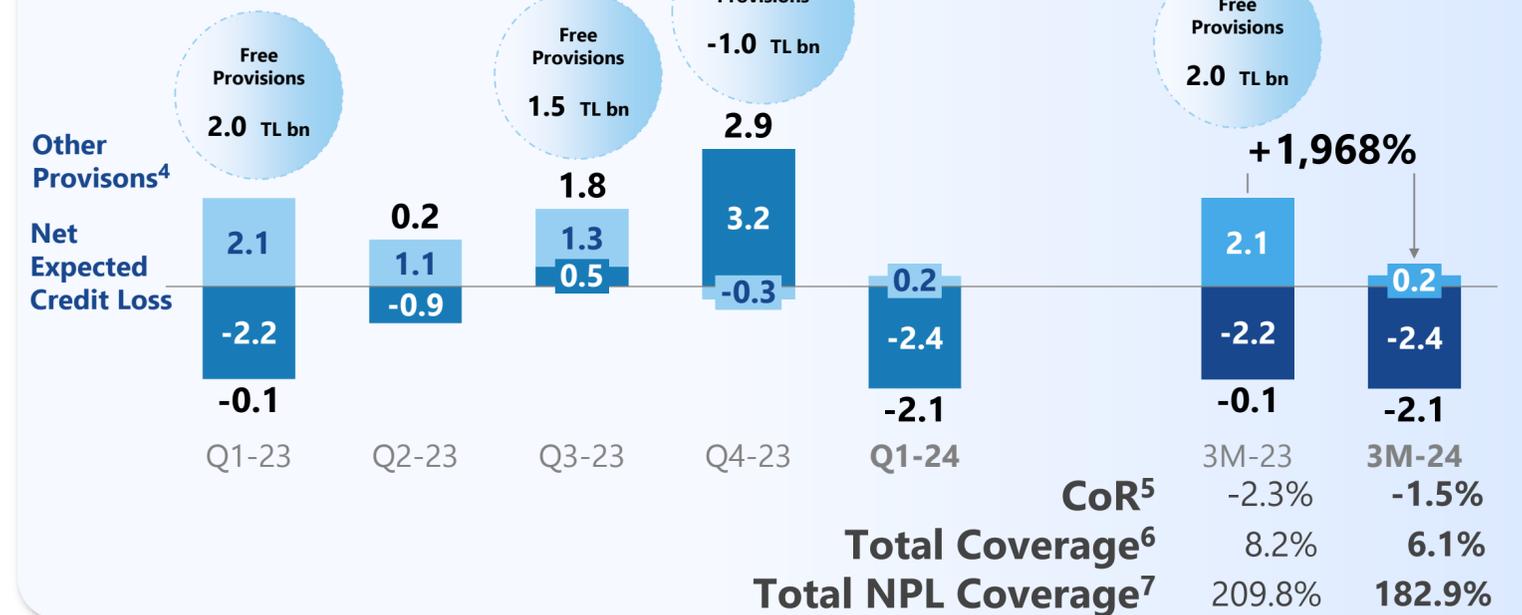
Total Income (TL bn)



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, Q1-23, Q3-23 and Q4-23 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

Continuing focus on non risk income and strong collection performance led to 70% increase in net profit in a stretched NIM environment with challenging market conditions

TL billion	3M-24	3M-23	Better / (Worse)
Net interest income ¹	7.2	7.3	(1%)
Non-funded income	12.9	6.6	95%
<i>Net Fees and Commissions</i>	<i>6.9</i>	<i>2.3</i>	<i>202%</i>
<i>Trading and FX Gains/Losses¹</i>	<i>4.1</i>	<i>2.3</i>	<i>76.7%</i>
<i>Other Income</i>	<i>1.9</i>	<i>2.0</i>	<i>(5%)</i>
Total income	20.2	13.9	45%
Operating expenses	-9.9	-5.0	(99%)
Pre-provision operating profit	10.2	9.0	14%
Total provisions	2.1	0.1	n.a.
<i>Net expected credit loss</i>	<i>2.4</i>	<i>2.2</i>	<i>n.a.</i>
<i>Other provisions</i>	<i>-0.2</i>	<i>-2.1</i>	<i>88%</i>
Operating profit	12.4	9.1	37%
Taxation charge	(0.7)	(2.2)	68%
Net profit²	11.7	6.9	70%
Cost: income ratio ³	49.2%	33.2%	-16.0 pp
Net interest margin ¹	2.5%	4.8%	-2.3 pp

Key Highlights

- 3M-24 net profit increased by **70%**, mainly due to non risk income with higher commissions and collection performance.
- NIM¹ narrowed by 230 bps with accelerated increase of TL funding offsetting the significant contribution of growth in loans in strategic and profitable segments.
 - **22%** y-t-d rise in SME loans⁶
 - **33%** y-t-d increased in Agri loans⁶ grew
 - Credit card loans⁶ grew by **12%** y-t-d,
- Net fees and commissions **tripled** as a result of solid contribution of payment systems with higher turnover and increased interchange fees as a result of the higher interest rates, bankassurance, brokerage and TMU performance.
- C/I ratio³ is **49.2%** as a result of operating in an inflationary environment and caps and limits on growth and pricing
- CoR realized at **-1.5%** due to strong collection performance.
 - Strategically managed loan growth, successful recovery amounts improved NPL ratio at **3.3%** with 69 bps decrease.
 - A strong level of Total NPL Coverage standing at **182.9%**.
- LDR increased to **81.6%**, 431 bps increase y-t-d with active balance sheet actions to manage the NIM under pressure with growth limits in loans and conversion targets in deposits resulting in higher customer rates.
- CAR at **14.66%**, CET-1 at **11.13%** and LCR at **212.4%**, demonstrating solid solvency and healthy liquidity levels.

¹ Swap adjusted ² 3M-23 Includes TL 3.8 mn loss from discontinued operations related to liquidation of Eurodeniz

³ 3M-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

NIM decreased to ~2.5% level mainly due to increased funding costs as a result of the general macroeconomic conditions and CBRT regulations and actions in an aim to stabilize the inflationary trends

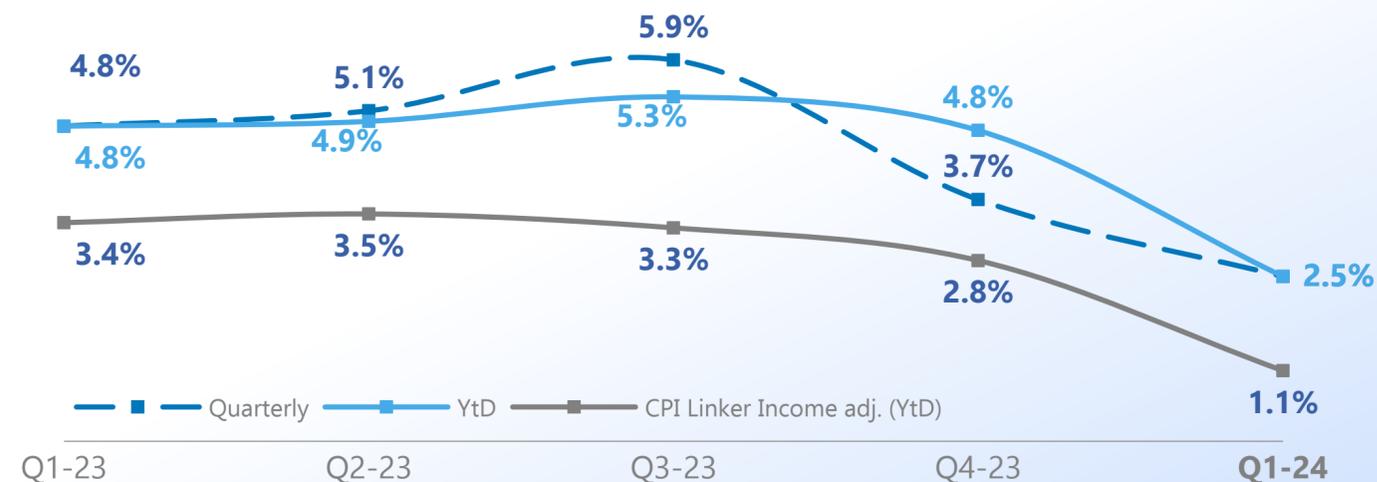
Net Interest Income¹ (TL bn)

- NII¹ contracted by 1% in Q1-24 y-o-y; mainly due to increased funding costs offsetting growth in balance sheet.

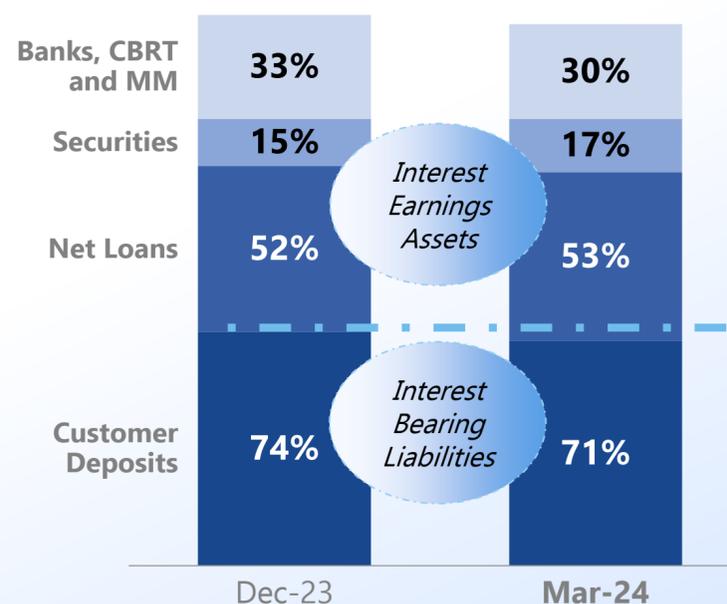


Net Interest Margin¹ (%)

➤ 3M-24 NIM¹ realized at 2.5%.



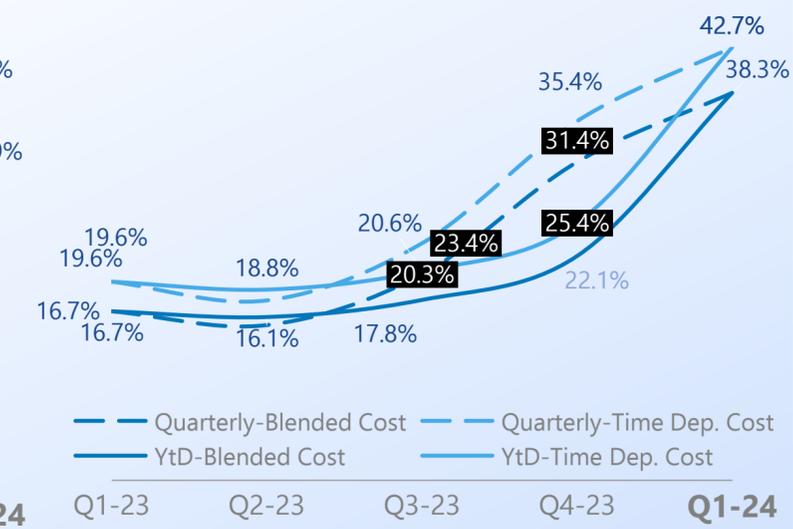
- Sum of liquid assets and securities share in total assets is parallel to year end with 47%, and loans consist 53% of total assets.



TL Loan Yields² (%)

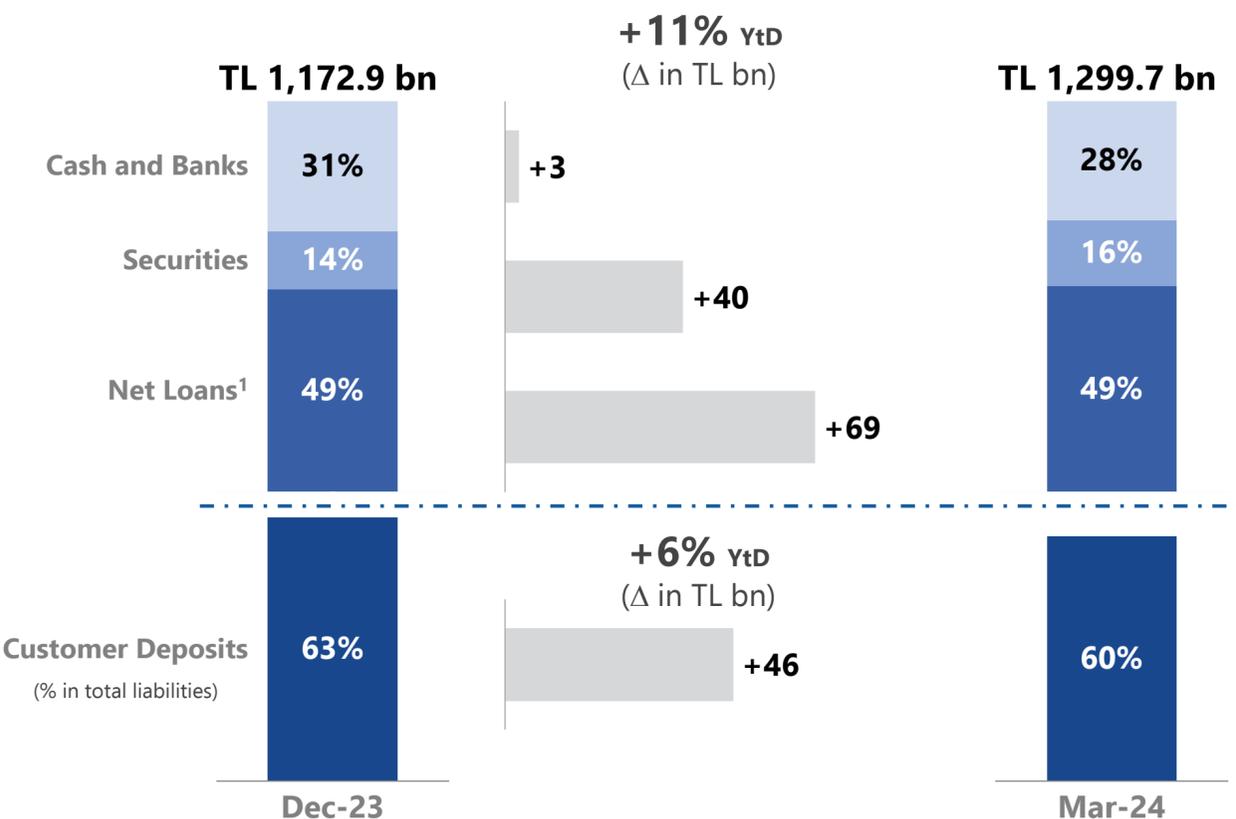


Cost³ of TL Customer Deposits (%)



¹ Swap adjusted ² Consolidated – Calculated with TL Performing Loans
³ Reflects MIS adjusted solo rates for Q1, Q2, Q3 and Q4 23, Q1 24

Assets growth continued through the expansion of loans and securities portfolios



- Total assets grew by **11% (+127 bn TL)**, led by selected TL loans growth, strategic positioning in securities and liquidity.
- Net Loans increased by **12% (+69 bn TL)**, mainly driven by the expansion in TL SME, AGRI, Consumer loans and credit cards
- Customer deposits surged by **6% (+46 bn TL)**, mainly by TL time deposits meeting the targets on deposit products and canalizing the customers to standard TL deposits.

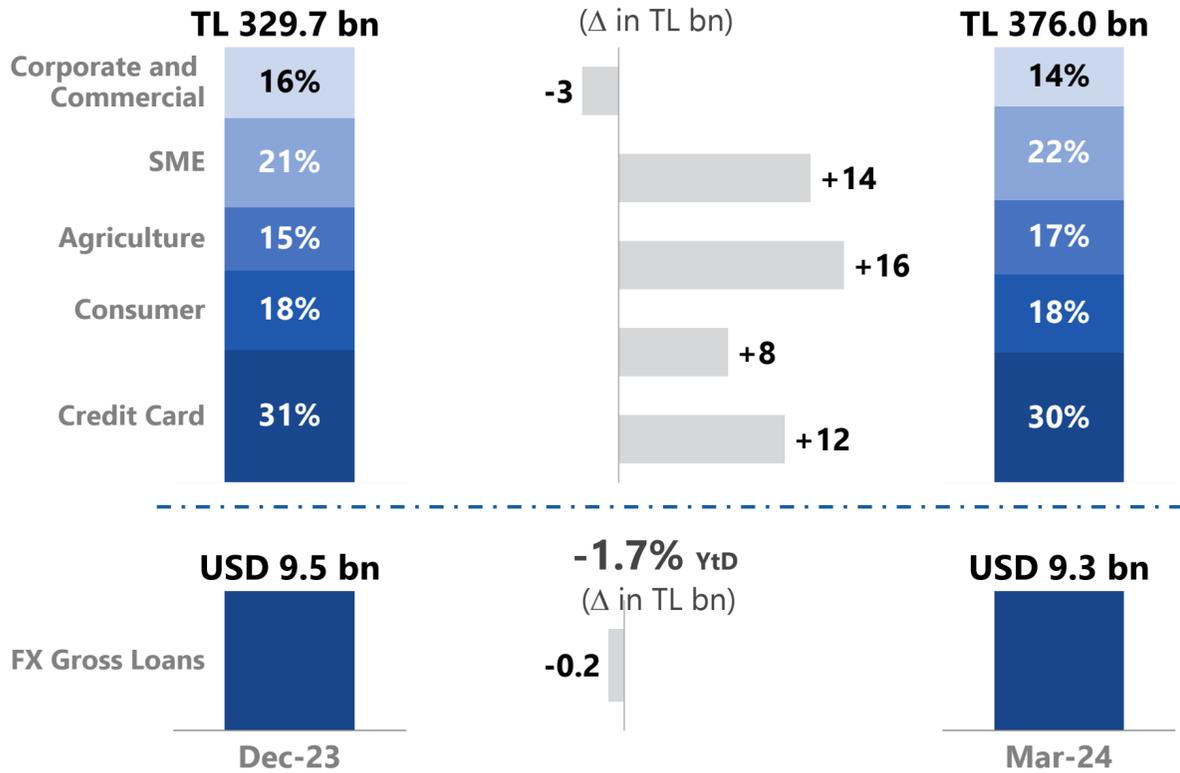
¹ Includes leasing and factoring receivables

<i>in TL bn</i>	Mar-24	YoY%	YtD%	Quarterly trend (last 5 quarters)
Assets	1,299.7	+87	+11	693.5, 877.7, 993.6, 1,172.9, 1,299.7
Net Loans ¹	639.3	+71	+12	374.7, 465.6, 493.9, 570.0, 639.3
Securities	201.9	+88	+24	107.3, 117.1, 130.7, 162.2, 201.9
Customer Deposits	783.8	+67	+6	468.2, 570.0, 644.4, 737.9, 783.8
Equity	100.3	+70	+11	59.1, 64.4, 75.1, 90.4, 100.3
Risk Weighted Assets (RWAs)	901.0	+73	+26	520.6, 570.0, 610.4, 716.5, 901.1

%	Mar-24	YoY (bps)	YtD (bps)	Quarterly trend (last 5 quarters)
CET1	11.13%	-19	-118	11.32%, 11.17%, 11.95%, 12.32%, 11.13%
CAR	14.66%	-61	-181	15.28%, 15.78%, 16.54%, 16.47%, 14.66%

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

TL Gross¹ Loans



- TL Gross¹ Loans increased by **14% (+46 bn TL)**, mainly driven by the expansion in credit card loans, SME loans and consumer loans.
- FX Gross¹ Loans increased by **7% (USD -0.2 bn)**, driven by commercial loans.

<i>in TL bn</i>	Mar-24	YoY%	YtD%	Quarterly trend (last 5 quarters)				
Gross Loans ¹	676.2	+67	+11	404.7	498.9	528.3	608.2	676.2
TL Gross Loans	376.0	+61	+14	233.5	259.8	278.1	329.7	376.0
Corporate and Commercial	50.8	+37	-5	37.0	38.3	37.7	53.3	50.8
SME	81.3	+51	+20	53.9	57.5	60.6	67.7	81.3
Agriculture	63.8	+45	+33	44.1	46.7	45.9	47.9	63.8
Consumer	67.9	+42	+13	47.9	51.1	55.4	60.2	67.9
Credit Card	112.3	+122	+12	50.6	66.2	78.6	100.6	112.3

<i>in USD bn</i>	Mar-24	YoY%	YtD%	Quarterly trend (last 5 quarters)				
FX Gross Loans	9.3	+4.0	-1.7	8.9	9.3	9.1	9.5	9.3

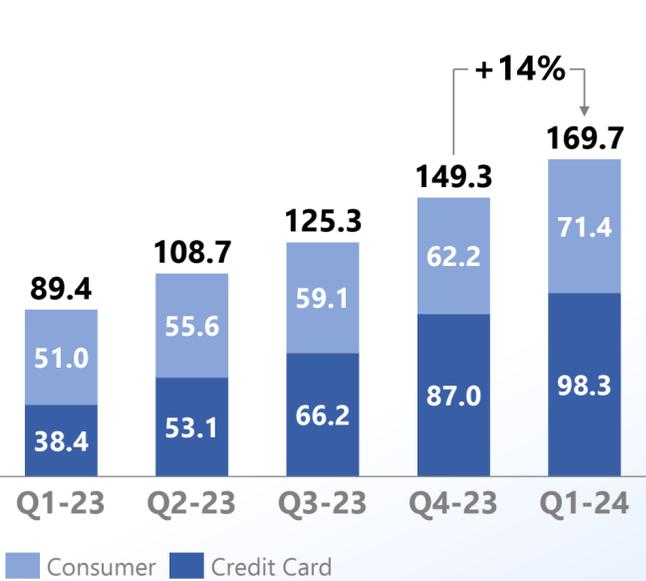
¹ Gross loans Include leasing and factoring receivables and given according to the Bank's own segmentation, FX indexed loans are included in FX loans
 SME Banking scale: Annual turnover below TL 250 mn (TL 125 -250 mn common with Commercial Banking). Commercial Banking scale: Annual turnover between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

TL Performing Loans

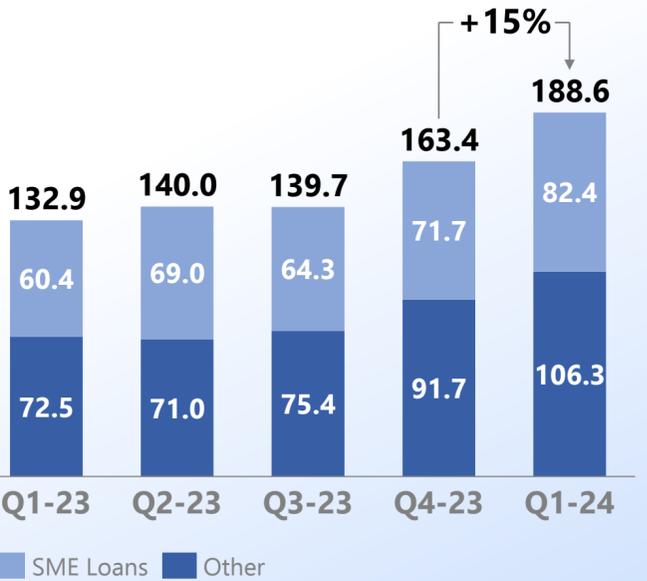
Highlights

- Total Loans¹ increased by **12% y-t-d**, mainly contributed by credit card loans, business loans and SME loans' expansion.
- TL loans growth of **15% y-t-d** was largely driven by, credit card loans, SME² loans and consumer loans growth.
- TL Retail loans were recorded **14% y-t-d** growths owing to outstanding performance of credit card loans of **13%**.
- TL Business loans surged by **15% y-t-d** mainly driven by commercial and SME² loans and the share in total to 53%.

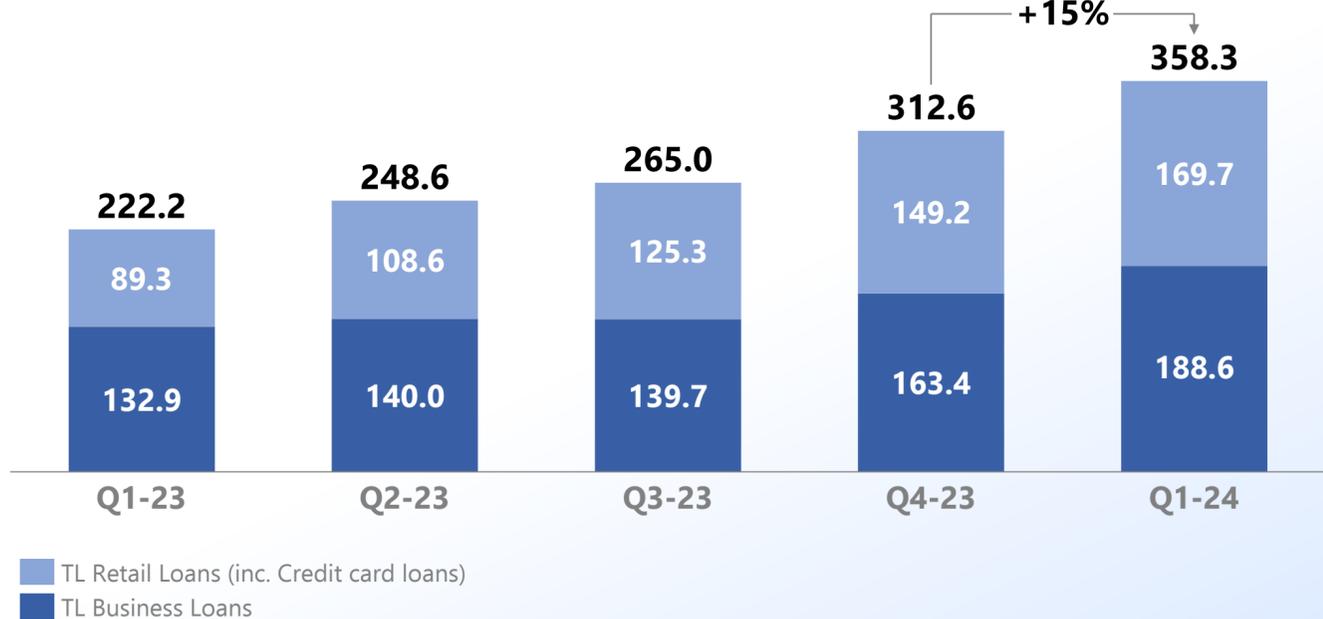
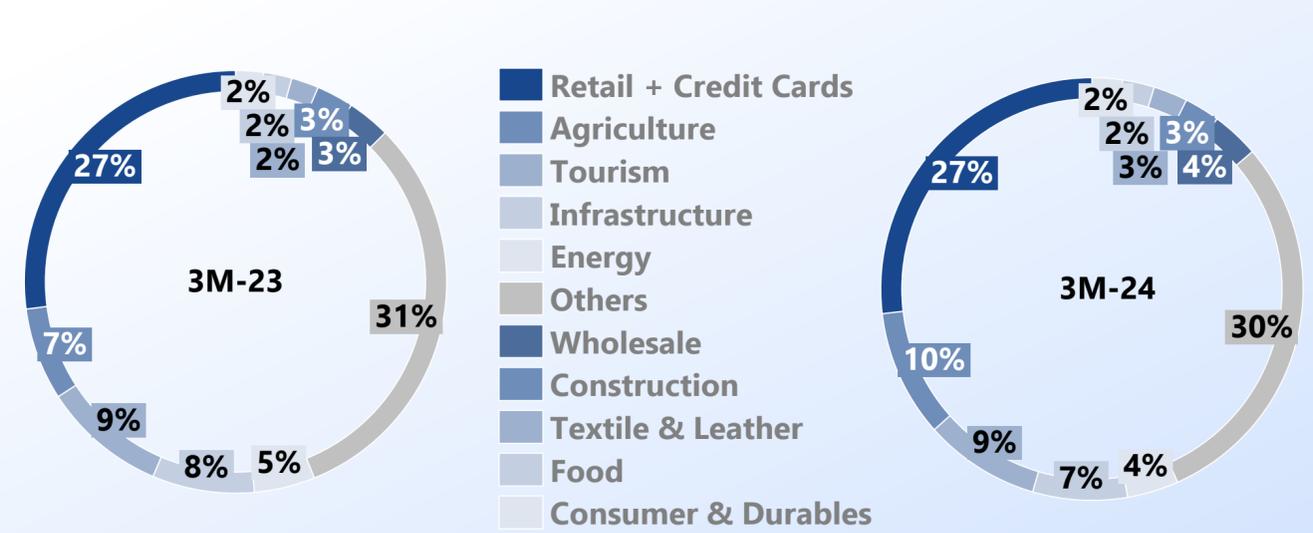
TL Retail Loans² (TL bn)



TL Business Loans² (TL bn)



Total Loans¹ by Sector



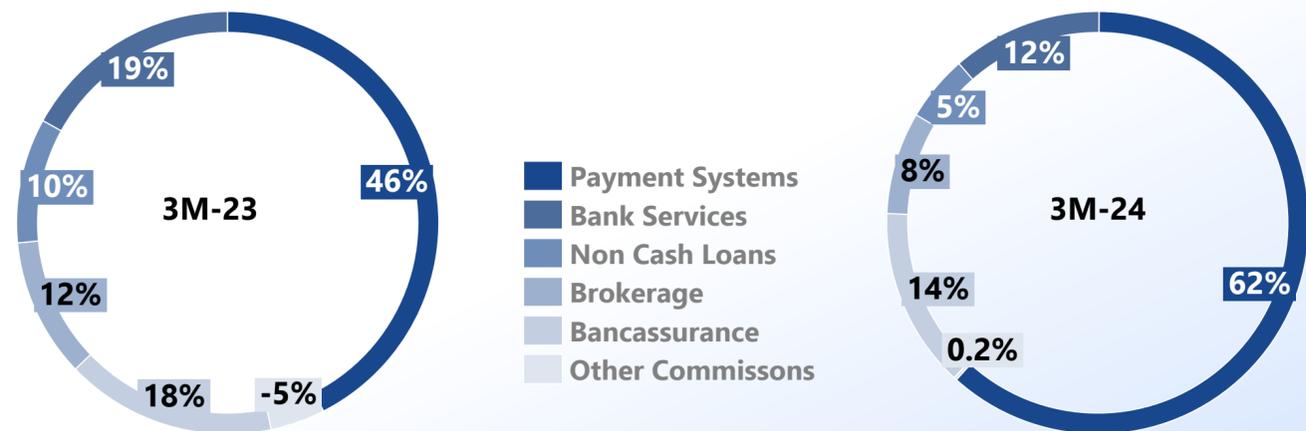
¹ Performing TL and FX cash loans ² Retail Loans: Consumer + Credit Card Loans (only individuals) Business Loans: SME (according to BRSA definition) + Corporate and Commercial + Agriculture Loans

Net Fees and Commissions

Highlights

- Net fees and commissions grew by **202%** in Q1-24, mainly due to improved payment systems, banking services fees, bankassurance and brokerage commissions with 303%, 89%, 138% and 104% increases, respectively.
- Net commissions constituted **34% of total income** (Q1-23: 16%), while covering **69% of operating expenses** (Q1-23: 46%).

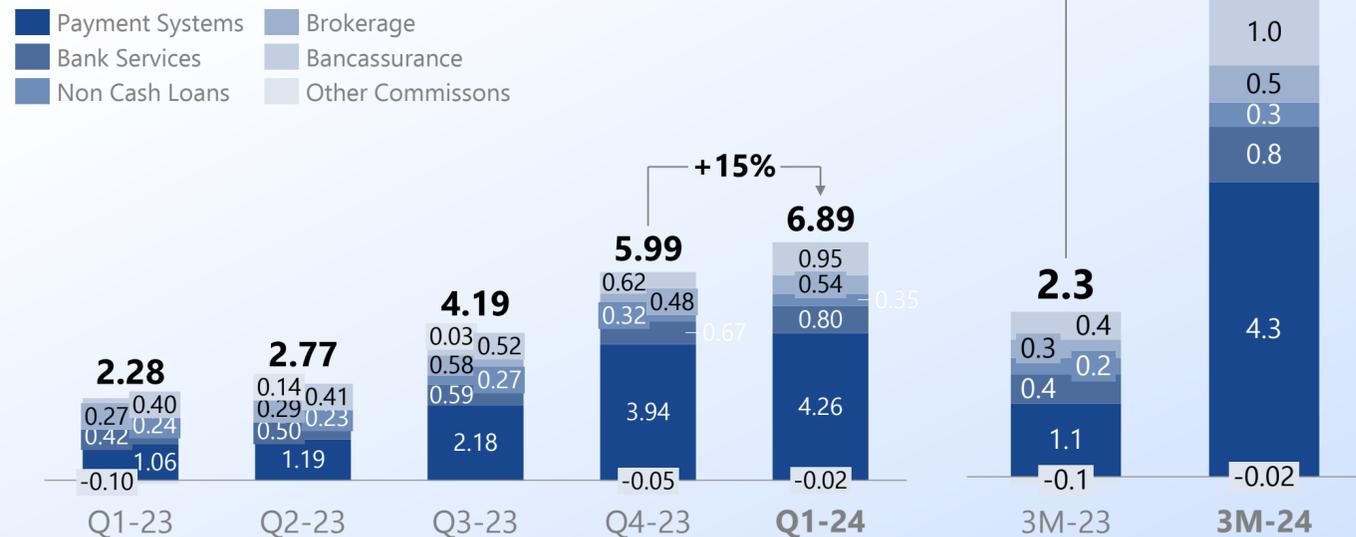
Breakdown of Net Fees and Commissions



QoQ Analysis

- Net fees and commissions grew by **15%**, mainly driven by payment systems fees, bank services fees and bankassurance commissions.
- Payment systems fees increased by **8%**.
- Bank services fees grew by **19%**.
- Bankassurance commissions recorded **53%** growth.

Net Fees and Commissions Income (TL bn)

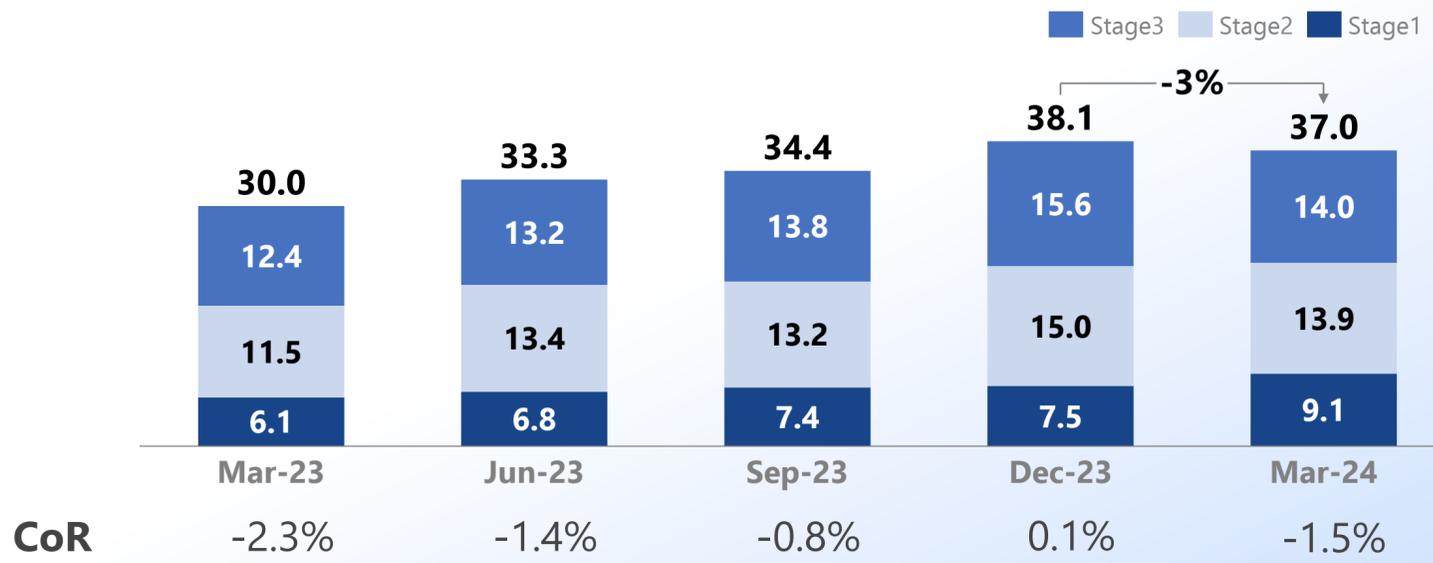


Healthy loan growth with an improvement in Stage 3 portfolio, easing but maintaining a certain level of provisioning

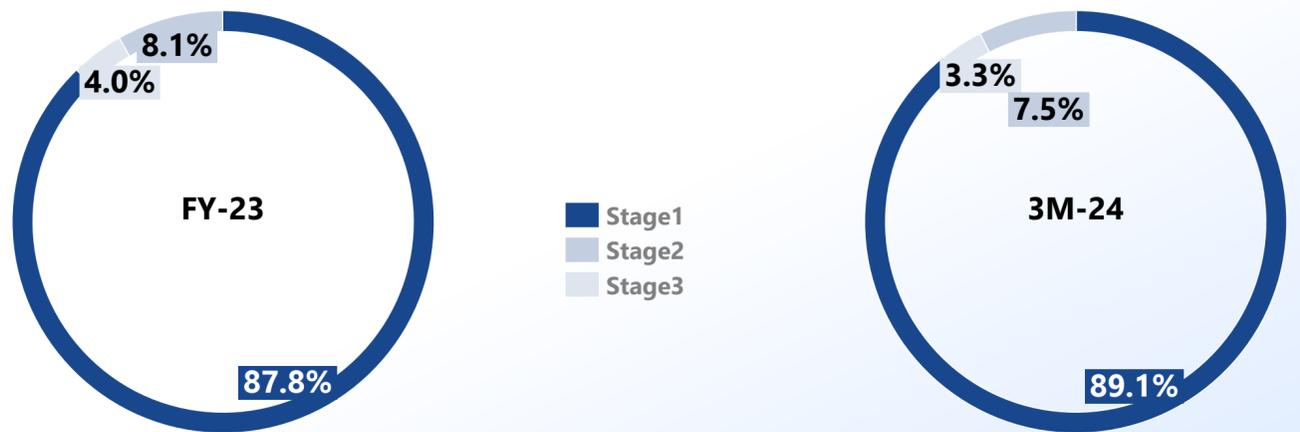
Highlights

- Stage 1 coverage ratio decreased to 1.5% from 1.8% as at previous year.
- Stage 2 coverage ratio increased to 27.2% from 23.1% as at previous year.
- Stage 3 coverage ratio decreased to 62.1% 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.

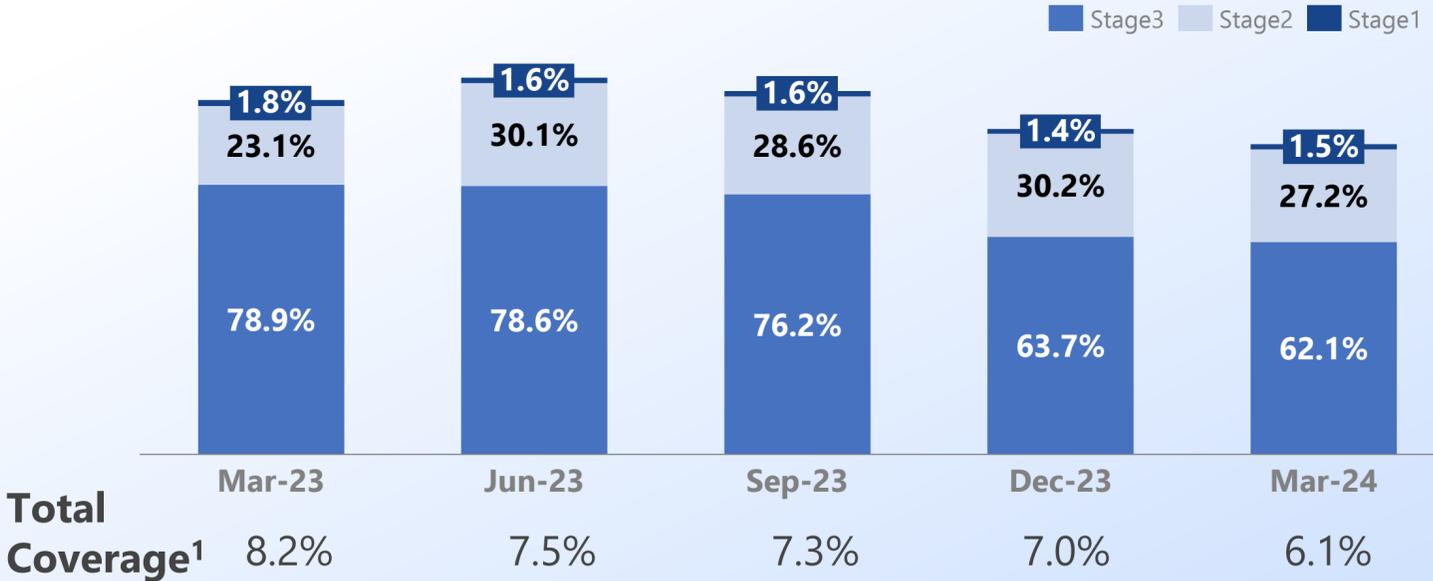
Provisions for Expected Credit Loss (TL bn)



Total Gross Loans



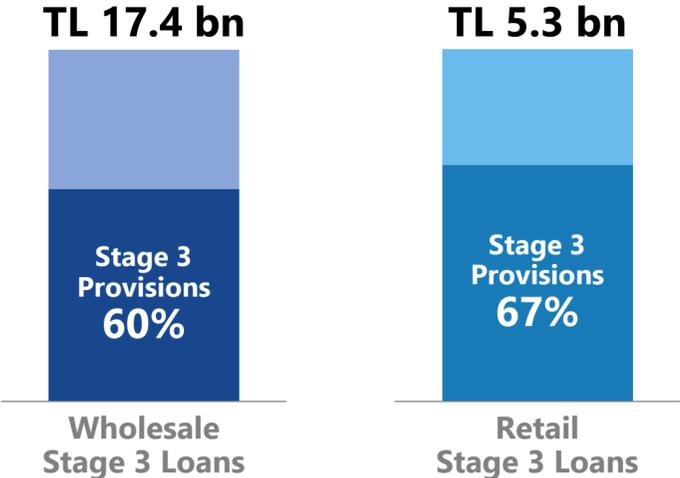
Coverage (%)



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

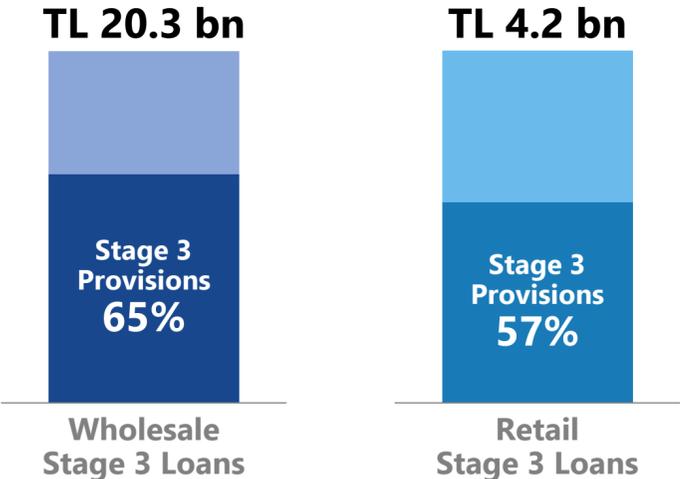
Strong collection performance and managed NPL generation improved NPL ratio at 3.3%

Mar 2024



Stage 3 Coverage
62%

Dec 2023



Stage 3 Coverage
64%

<i>in TL bn</i>	Mar-24	YoY (%)	YtD (%)	Quarterly trend (last 5 quarters)
Stage 3 Loans	22.6	+43	-8	15.8, 16.7, 18.2, 24.5, 22.6
Stage 3 Provisions	14.0	+13	-10	12.4, 13.2, 13.8, 15.6, 14.0
%	Mar-24	YoY (pp)	YtD (pp)	Quarterly trend (last 5 quarters)
Stage 3 Ratio (bps)	3.3%	-56	-69	3.9%, 3.4%, 3.4%, 4.0%, 3.3%
Stage 3 Coverage	62.1%	-17	-2	78.9%, 78.6%, 76.2%, 63.7%, 62.1%
Stage 3 Coverage ¹	75.6%	-16	-0.02	91.6%, 95.3%, 90.7%, 75.7%, 75.6%
Total NPL Coverage ²	182.9%	-27	+10	209.8%, 222.6%, 210.9%, 173.2%, 182.9%

- Stage 3 ratio reported to 3.3%, improving by 69 bps from 4.0% as at FY-23, due to successful 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 14.0 bn from TL 15.6 bn as at FY-23.
- Coverage ratios continued to be strong with our prudent provisioning approach; Stage 3 coverage ratio (including non-cash provisions) realized at 75.6%.

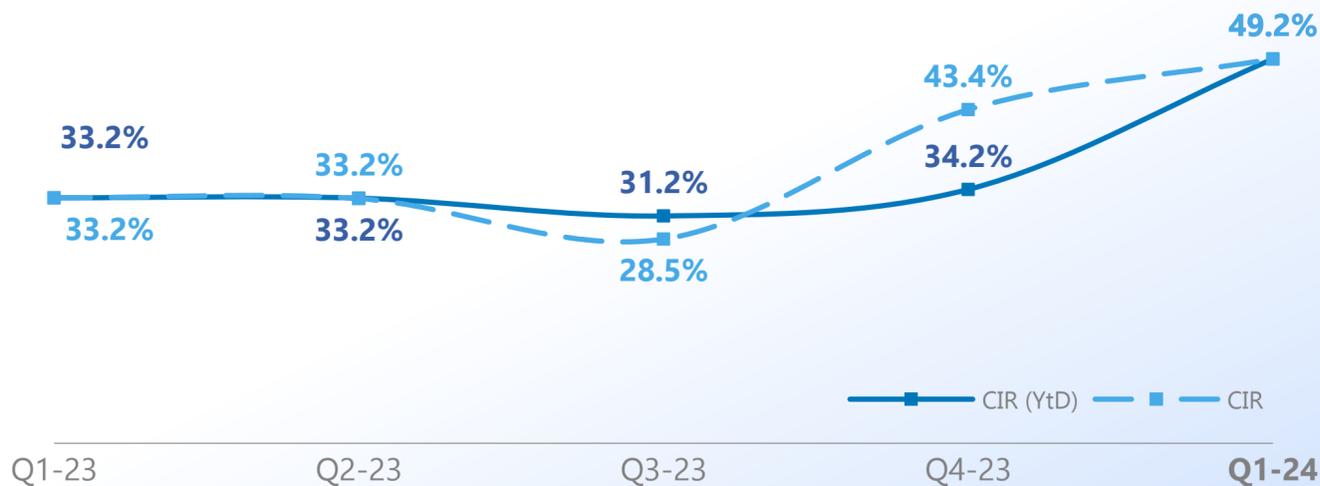
¹ Including non-cash provisions ² Provisions for expected credit loss including non-cash provisions / Stage 3 Loans

Operating Expenses

Highlights

- Operating expenses increased by **99%** in Q1-24, as a consequence of high inflation and TL's substantial depreciation
- HR costs went up by **103%** and non-HR cost boosted by **96%**, mainly due to ongoing inflationary environment.
- C/I ratio¹ stood at **49.2%** on ongoing inflationary trends with income performance.

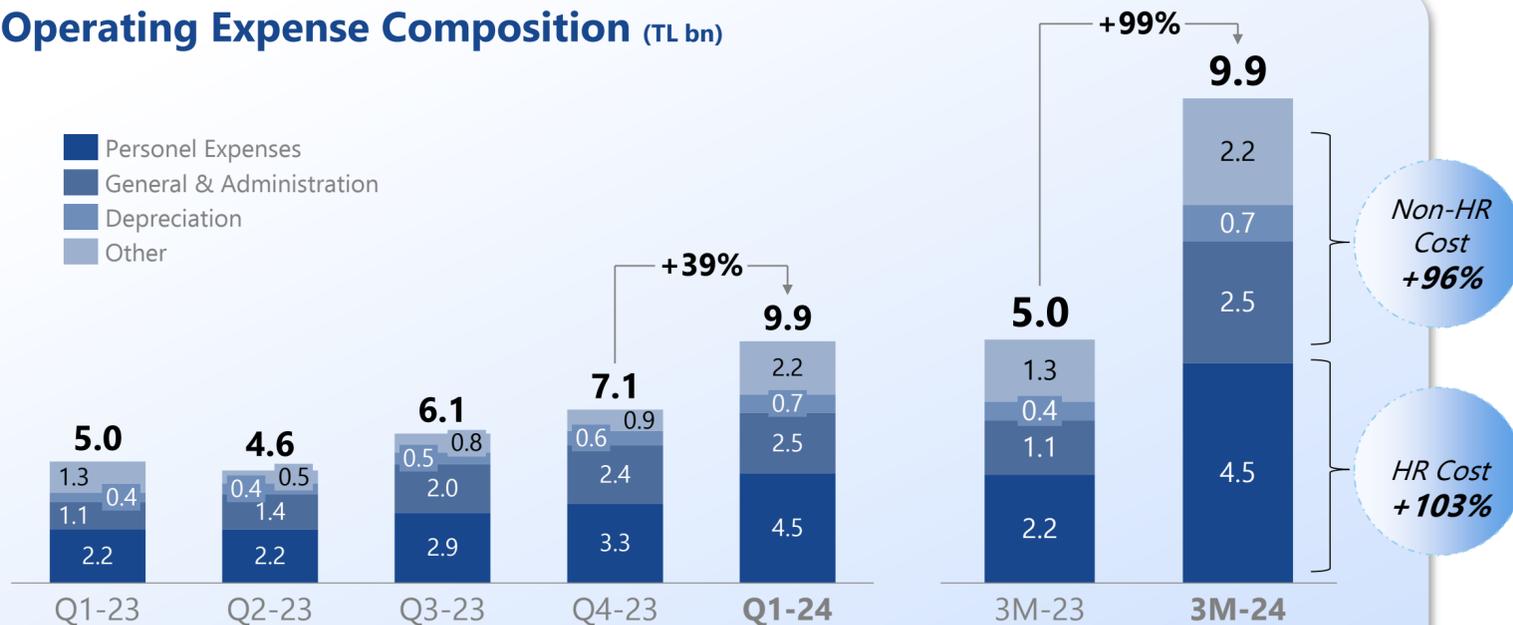
Cost to Income Ratio (%)¹



QoQ Analysis

- Operating expenses increased by **39%**, with **38%** and **41%** rises in HR and non-HR costs, respectively.
- DenizBank had **13,760 employees** (Q1-23: 14,079; -319) on consolidated basis as of March 31st, 2024.
- DenizBank standalone has **643 branches** (Q1-23: 671; -28) in Türkiye, Bahrain and Girne, while its subsidiary Deniz AG is operating 14 branches (Q1-23: 14) in Germany and Austria.

Operating Expense Composition (TL bn)



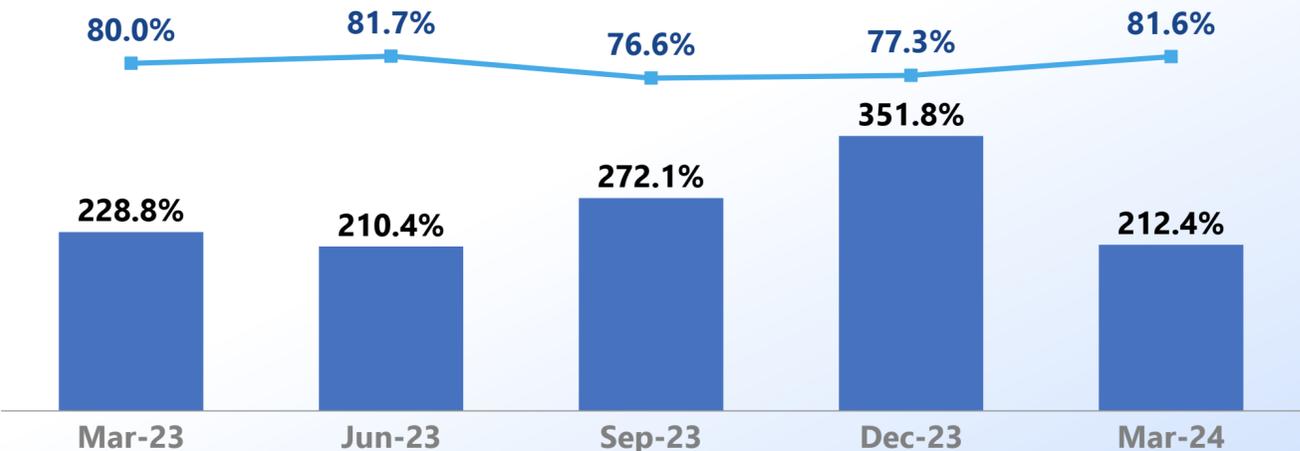
¹ Q1, Q2, Q3 and Q4 2023 y-t-d C/I ratios are adjusted; excludes earthquake support

Funding and Liquidity

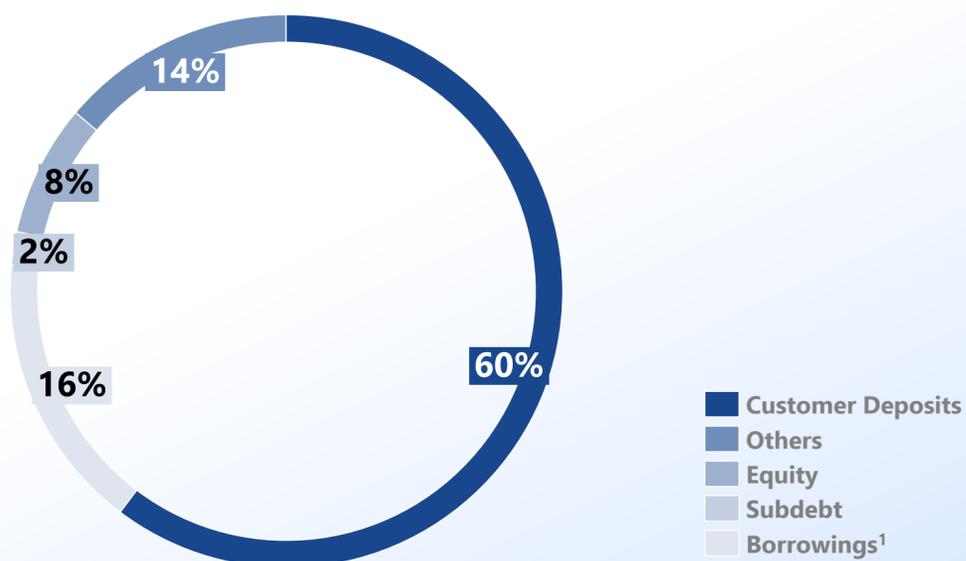
Highlights

- Consolidated LCR of 212.4%, unconsolidated LCR of 200.9% and Consolidated LDR of 81.6% reflect DenizBank's healthy liquidity.
- Liquid assets reached TL 368.5 bn, corresponding to 28% of total assets and 47% of customer deposits.
- As of Q1-24, TL 38.5 bn worth of securities with less than 1-year maturity were issued domestically.
- Deposit is the main source of funding and represents 60% of total liabilities.
- Borrowings¹ share in total liabilities of 16%, in line with the sector average.

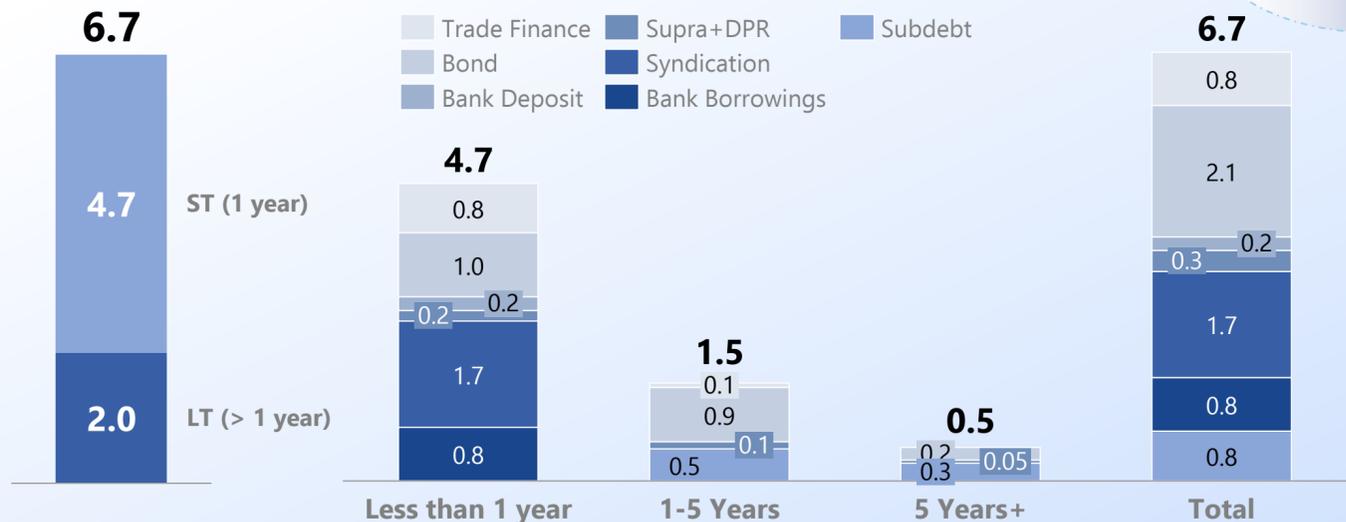
Loan to Deposit and Liquidity Coverage Ratio (%)



Composition of Liabilities



Trend in FX Borrowings by Tenor (USD bn)



FX Liquidity Buffer¹
USD 12.1 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

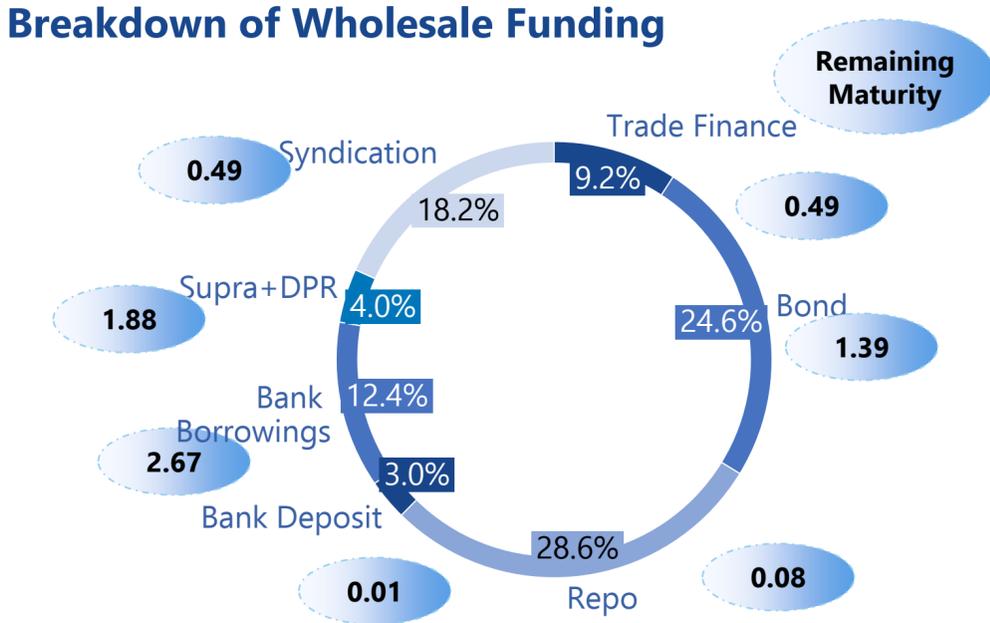
- USD 845 mn eq., signed on 14.11.2023
- 134% roll-over ratio with 48 participants from 22 countries
- Highest number of participants** of 2023 2H

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



Debt Capital Markets:

- Outstanding private placements issued under MTN: **USD 1,219 mn**, avg. tenor 12.9 months
- Total programme limit: **USD 5 bn**
 - USD 3 bn Conventional (o/w USD 1 bn for capital)
 - USD 2 bn **Green / Sustainable**
- Published **Sustainable Finance Framework**
 - Structuring banks: **ING & Standard Chartered**
 - SPO provider: **ISS Corporate Solutions**
 - Waiting for the right time for a **debut issuance**

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

DPR Securitization:

May 2023 Issuance:

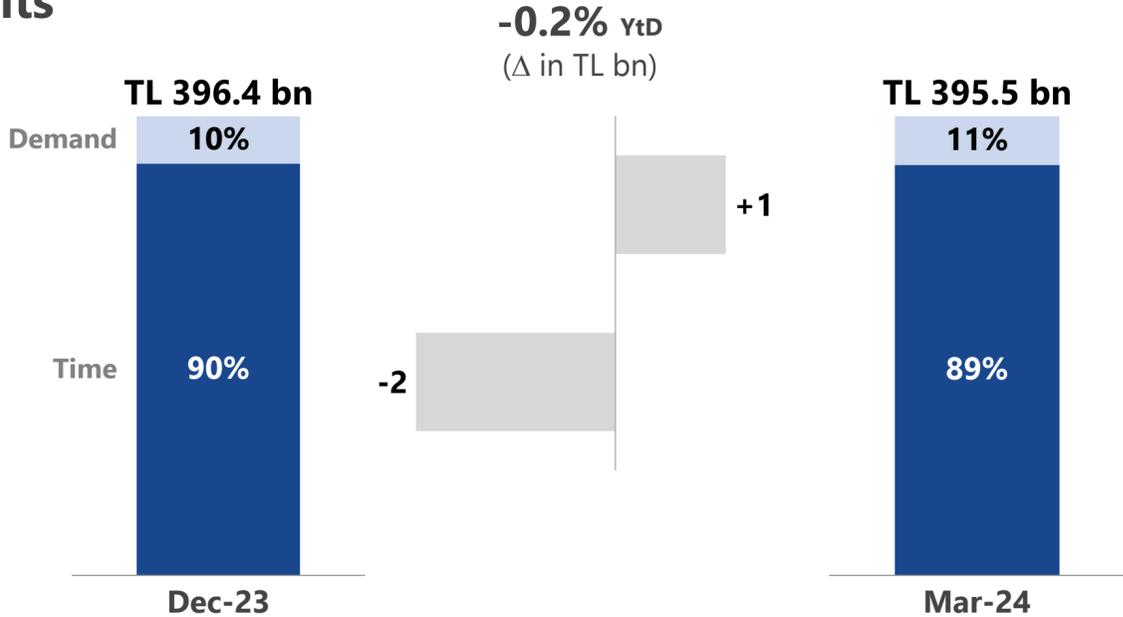
- USD 610 mn eq.**, tenor of up to **7 years** with **12 investors under 8 series**
- IFC:** USD 125 mn for agri and earthquake disaster relief,
- EBRD & CTF:** USD 143.2 mn for energy efficiency, women-SME and earthquake disaster relief
- Proparco:** USD 70 mn for energy efficiency and earthquake disaster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

Feb 2021 Issuance:

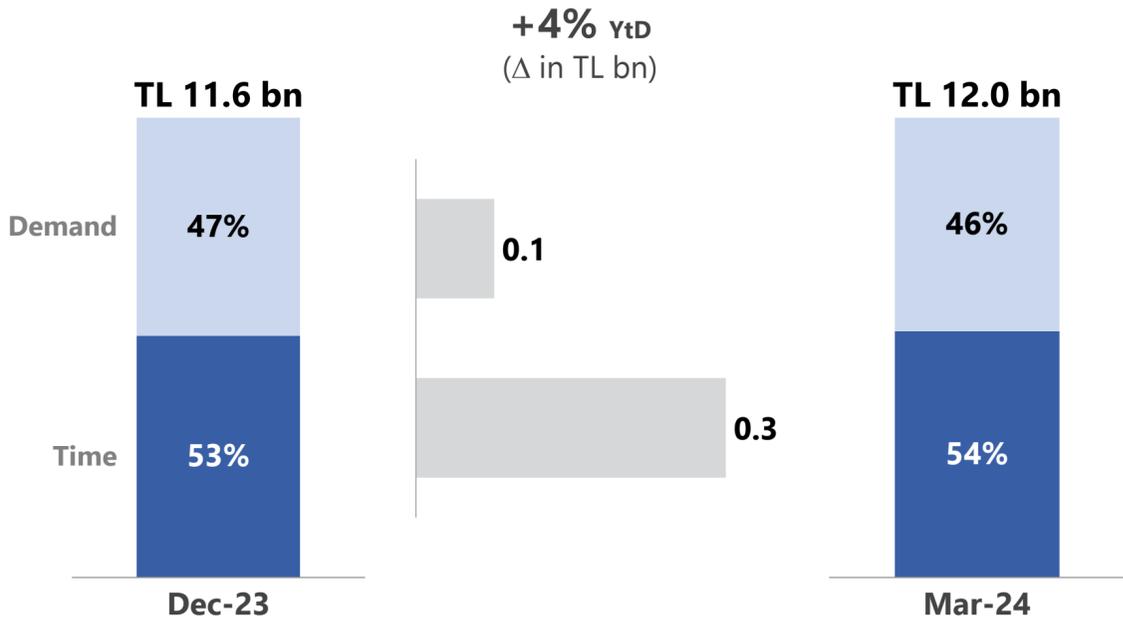
- USD 435 mn eq.**, tenor up to **7 years** with **13 investors under 9 series**
- IFC:** USD 150 mn for agri
- EBRD:** USD 100 mn for energy efficiency and women empowerment
- Recognized by *The Banker Magazine* as the **"Deal of the Year"** and by *Bonds and Loans - Turkey Awards* as the **"Structured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

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>	Mar-24	QoQ%	YoY%	Quarterly trend (last 5 quarters)				
TL Deposits	395.5	-0	+69	234.1	270.7	322.5	396.4	395.5
TL Demand	42.0	+3	+30	32.2	36.8	40.9	41.0	42.0
TL Time	353.5	-1	+75	201.9	233.9	281.6	355.4	353.5

<i>in USD bn</i>	Mar-24	QoQ%	YoY%	Quarterly trend (last 5 quarters)				
FX Deposits	12.0	+4	-2	12.2	11.6	11.8	11.6	12.0
FX Demand ¹	4.4	+5	-4	4.6	4.4	4.5	4.2	4.4
FX Time ¹	2.4	-7	-24	3.1	2.6	2.5	2.5	2.4
Foreign Subsidiaries	5.3	+9	+16	4.5	4.6	4.7	4.9	5.3

%	Mar-24	QoQ (bps)	YoY (bps)	Quarterly trend (last 5 quarters)				
LDR	81.6%	+431	+154	80.0%	81.7%	76.6%	77.3%	81.6%

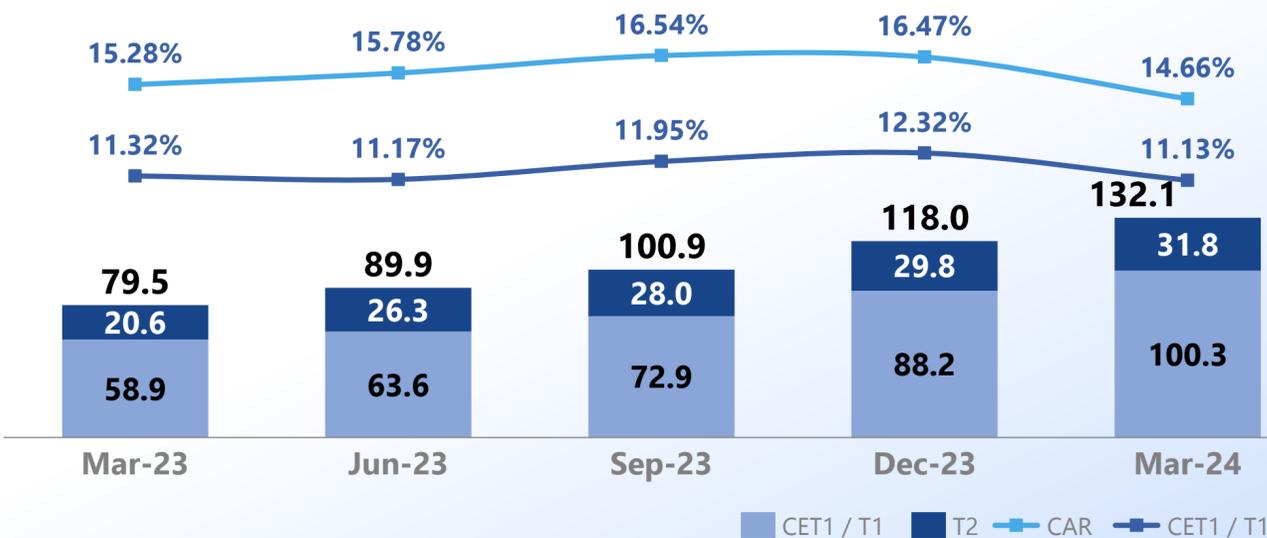
¹ FX Demand and Time Deposits are based on unconsolidated figures

Capital Adequacy

Highlights

- In the first quarter of the year, T1 and CAR kept its strong level of 11.1% and 14.7%, well above the legal limits. On y-o-y basis, the change was realized as -19 bps for T1 and -61 bps for CAR. The decrease is mainly due to BRSA's forbearance rule change for the new year, changing the FX rate used in CRWA calculation from year-end 2022 to end of June 2023 and annual update of operational risk amount.
- BRSA forbearances supported the capital adequacy: has respective positive impacts of 117 bps and 133 bps on T1 and CAR as of March 24.

Capitalisation (TL bn)



Capital Movements Table

TL million	CET1 / Tier1	Tier2	TOTAL
Capital as at 31-Dec-2023	88,244	29,757	118,001
Net Profit	11,639		11,639
Additional credit risk effect		1,254	1,254
Additional, subdebt effect (currency difference)		56	56
Change in reserves	(1,783)		(1,783)
Other	2,210	738	2,948
Capital as at 31-Mar-2024	100,310	31,805	132,115

Risk Weighted Assets (TL bn)



3

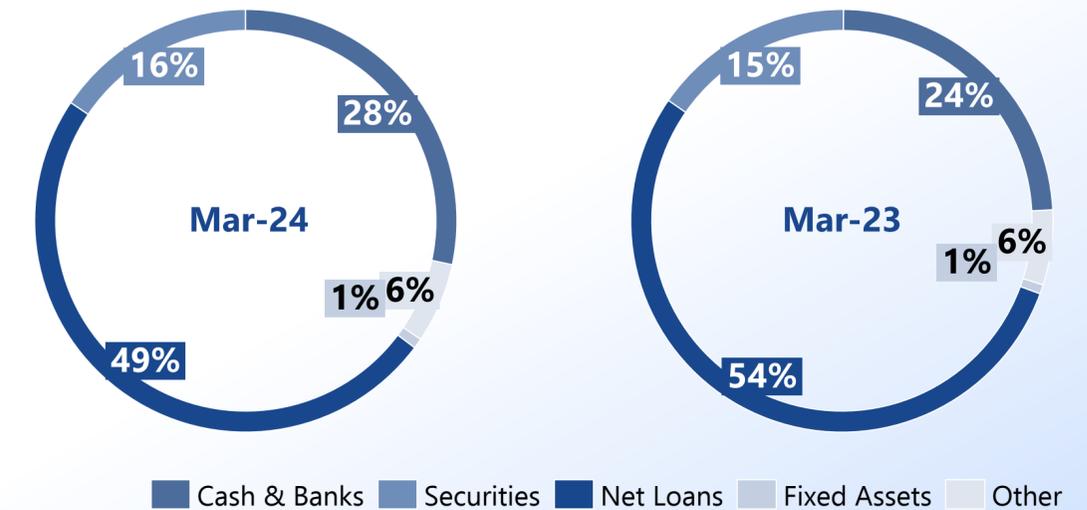
Appendix

Consolidated BRSA balance sheet

Assets (TL mn)	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Share	ΔYtD	ΔYoY
Cash & Banks	166,732	222,102	303,005	365,373	368,482	28%	0.9%	121%
Securities	107,331	117,078	130,696	162,180	201,913	16%	24%	88%
TL	61,681	54,376	71,854	80,403	90,203	6.9%	12%	46%
FX (USD mn)	2,383	2,428	2,149	2,778	3,460	8.6%	25%	45.2%
Net Loans¹	374,689	465,555	493,852	570,040	639,257	49%	12%	71%
TL	217,547	243,224	259,952	309,546	354,807	27%	15%	63%
FX (USD mn)	8,204	8,610	8,544	8,849	8,810	22%	-0.4%	7.4%
Gross Loans¹	404,707	498,901	528,293	608,163	676,236	52%	11%	67%
TL	233,508	259,818	278,126	329,736	376,043	29%	14%	61%
FX (USD mn)	8,938	9,258	9,138	9,458	9,298	23%	-1.7%	4.0%
Loan Loss Provision (Cash)	30,018	33,346	34,441	38,123	36,979	2.8%	-3.0%	23%
Fixed Assets	4,905	5,817	7,111	8,795	10,181	0.8%	16%	108%
Other	39,865	67,172	58,899	66,520	79,825	6.1%	20%	100%
Total Assets	693,522	877,724	993,563	1,172,907	1,299,659	100%	11%	87%

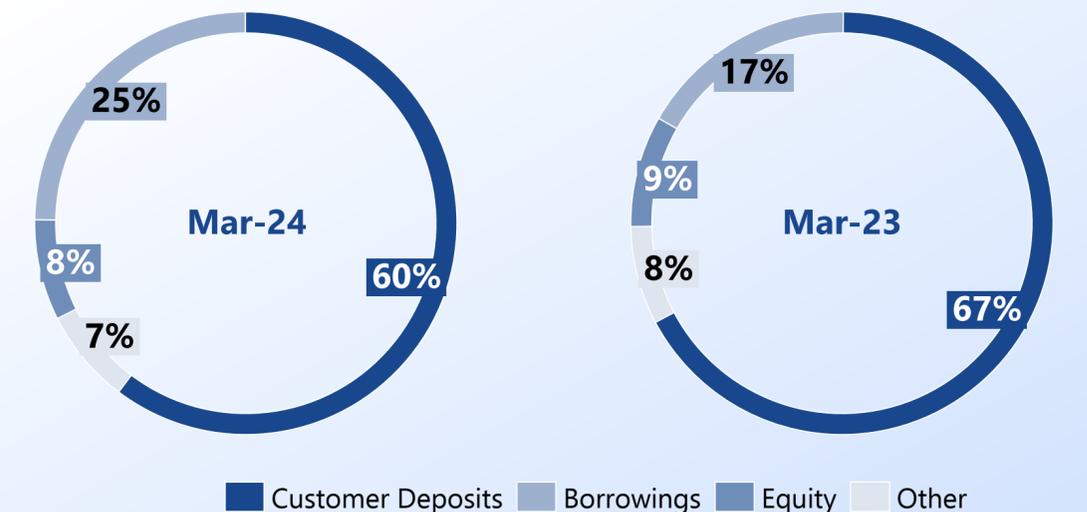
Liabilities and Equity (TL mn)	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Share	ΔYtD	ΔYoY
Customer Deposits	468,227	570,021	644,424	737,884	783,786	60%	6%	67%
TL	234,142	270,729	322,522	396,399	395,516	30%	0%	69%
FX (USD mn)	12,222	11,590	11,758	11,600	12,026	30%	4%	-2%
Demand Deposits	154,786	194,345	201,401	202,627	222,131	28%	10%	44%
TL	32,230	36,796	40,882	40,958	42,049	11%	3%	30%
FX (USD mn)	6,399	6,101	5,863	5,492	5,578	46%	2%	-12.8%
Time Deposits	313,441	375,676	443,023	535,258	561,655	72%	5%	79%
TL	201,912	233,933	281,640	355,441	353,466	89%	-1%	75%
FX (USD mn)	5,823	5,489	5,895	6,108	6,448	54%	6%	11%
Borrowings	116,762	184,050	205,977	261,406	321,010	25%	23%	175%
Securities Issued	10,463	26,898	29,325	46,495	72,625	5.6%	56%	594%
Funds Borrowed	66,482	92,658	99,401	126,403	129,535	10%	2%	95%
Repo	17,419	35,602	48,481	56,020	84,610	6.5%	51%	386%
Sub Debt	14,963	20,190	21,302	23,067	25,241	1.9%	9%	69%
Bank Deposits	7,435	8,703	7,468	9,421	8,999	0.7%	-4%	21%
Other	49,432	59,295	68,100	83,204	94,593	7.3%	14%	91%
Equity	59,101	64,358	75,062	90,414	100,269	7.7%	11%	70%
Total Liabilities and Equity	693,522	877,724	993,563	1,172,907	1,299,659	100%	11%	87%

Share in Total Assets (%)



■ Cash & Banks ■ Securities ■ Net Loans ■ Fixed Assets ■ Other

Share in Total Liabilities and Equity (%)



■ Customer Deposits ■ Borrowings ■ Equity ■ Other

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

Consolidated BRSA income statement

Income Statements (All figures are in TL mn)	Q1-23	Q2-23	Q3-23	Q4-23	Q1-24	ΔQoQ	3M-23	3M-24	ΔYoY
Net Interest Income (incl. Swap Cost)	7,301	9,107	12,649	9,380	7,209	-23%	7,301	7,209	-1%
Net Interest Income	7,005	8,813	12,703	11,003	9,655	-12%	7,005	9,655	38%
<i>Swap Cost</i>	295	294	-54	-1,623	-2,446	51%	295	-2,446	n.a.
Non-funded Income (excl. Swap Cost)	6,641	4,812	8,868	7,026	12,950	84%	6,641	12,950	95%
<i>Net Fees and Commissions</i>	2,280	2,770	4,186	5,991	6,888	15%	2,280	6,888	202%
<i>Trading and FX Gains/Losses (excl. Swap Cost)</i>	2,345	985	3,159	-1,043	4,145	n.a.	2,345	4,145	77%
<i>Other Income</i>	2,016	1,056	1,524	2,078	1,917	-8%	2,016	1,917	-5%
Total Operating Income	13,942	13,919	21,518	16,406	20,158	23%	13,942	20,158	45%
Operating Expenses	-4,985	-4,616	-6,132	-7,121	-9,927	39%	-4,985	-9,927	99%
<i>HR Expenses</i>	-2,212	-2,205	-2,883	-3,257	-4,499	38%	-2,212	-4,499	103%
<i>Non-HR Expenses</i>	-2,773	-2,411	-3,249	-3,864	-5,428	40%	-2,773	-5,428	96%
Pre-provision operating profit	8,957	9,303	15,386	9,285	10,231	10%	8,957	10,231	14%
Net expected credit loss	2,167	857	-464	-3,219	2,387	n.a.	2,167	2,387	n.a.
<i>Stage 1</i>	-1,229	52	-585	127	-1,247	n.a.	-1,229	-1,247	1%
<i>Stage 2</i>	1,002	1,476	683	-774	1,778	-330%	1,002	1,778	n.a.
<i>Stage 3</i>	2,394	-671	-561	-2,571	1,855	-172%	2,394	1,855	n.a.
Other Provisions	-2,064	-1,095	-1,350	295	-249	n.a.	-2,064	-249	-88%
Net Operating Profit	9,060	9,065	13,573	6,361	12,369	94%	9,060	12,369	37%
Tax	-2,212	-2,423	-4,835	-368	-703	91%	-2,212	-703	-68%
<i>Profit/Loss from Disct. Opr. ¹</i>	4	37	-1	-191		n.a.	4		n.a.
Net Profit	6,852	6,678	8,737	5,802	11,667	101%	6,852	11,667	70%

¹ Discontinued operations related to liquidation of Eurodeniz

Consolidated BRSA key financial ratios

Asset Quality	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	ΔYtD	ΔYoY
NPL Ratio	3.9%	3.4%	3.4%	4.0%	3.3%	-0.7 pp	-0.6 pp
NPL Coverage	78.9%	78.6%	76.2%	63.7%	62.1%	-1.5 pp	-17 pp
Total NPL Coverage¹	209.8%	222.6%	210.9%	173.2%	182.9%	+9.8 pp	-27 pp
Stage 2 Coverage	23.1%	30.1%	28.6%	30.2%	27.2%	-3.1 pp	+4.1 pp
Total Coverage²	8.2%	7.5%	7.3%	7.0%	6.1%	-0.9 pp	-2.1 pp
Cost of Risk³	-2.3%	-1.4%	-0.8%	0.1%	-1.5%	-1.6 pp	+0.8 pp
Profitability - YtD	Q1-23	Q2-23	Q3-23	Q4-23	Q1-24	ΔYtD	ΔYoY
NIM⁴ - Quarterly	4.8%	5.1%	5.9%	3.7%	2.5%	-1.2 pp	-2.3 pp
NIM⁴	4.8%	4.9%	5.3%	4.8%	2.5%	-2.2 pp	-2.3 pp
NIM	4.6%	4.7%	5.2%	4.9%	3.4%	-1.5 pp	-1.3 pp
Cost / Income⁵	33.2%	33.2%	31.2%	34.2%	49.2%	+15 pp	+16 pp
RoAA	4.2%	3.7%	3.7%	3.2%	3.8%	+0.6 pp	-0.4 pp
RoAE	48.8%	45.9%	47.0%	40.8%	49.1%	+8.3 pp	+0.3 pp
Capital	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	ΔYtD	ΔYoY
CET 1 Ratio	11.32%	11.17%	11.95%	12.32%	11.13%	-1.2 pp	-0.19 pp
CAR	15.28%	15.78%	16.54%	16.47%	14.66%	-1.8 pp	-0.6 pp
Funding and Liquidity	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	ΔYtD	ΔYoY
Loans/ Customer Deposits	80.0%	81.7%	76.6%	77.3%	81.6%	+4.3 pp	+1.5 pp
TL Loans/ TL Customer Deposits	92.9%	89.8%	80.6%	78.1%	89.7%	+12 pp	-3.2 pp
FX Loans/ FX Customer Deposits	67.1%	74.3%	72.7%	76.3%	73.3%	-3.0 pp	+6.1 pp
Cust. Deposits / Total Funding	80.0%	75.6%	75.8%	73.8%	70.9%	-2.9 pp	-9.1 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

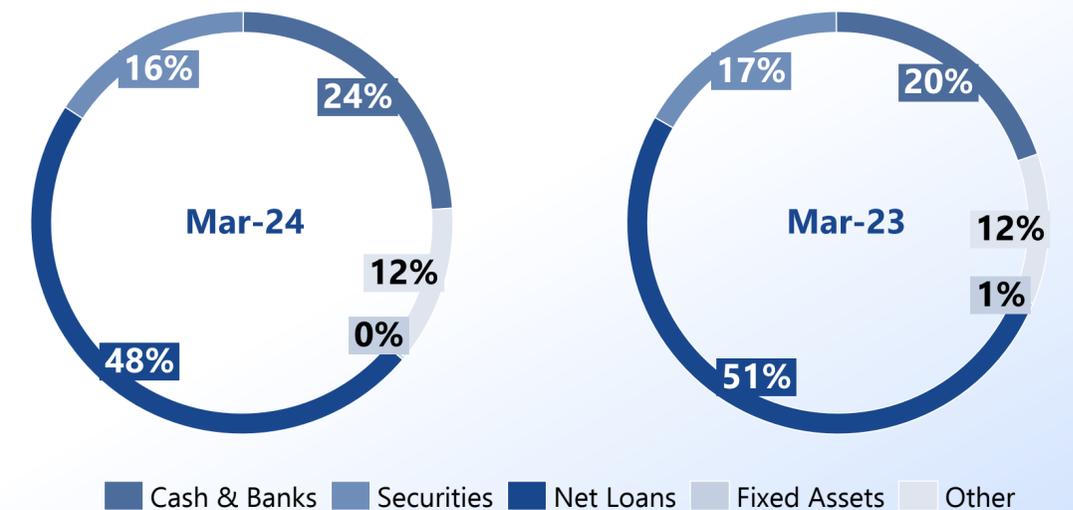
Standalone BRSA balance sheet

Assets (TL mn)	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Share	ΔYtD	ΔYoY
Cash & Banks	117,912	152,797	224,509	274,129	264,703	24%	-3%	124%
Securities	98,489	106,579	117,734	143,961	176,912	16%	23%	80%
TL	60,250	54,033	69,177	77,958	87,373	7.8%	12%	45%
FX (USD mn)	1,997	2,035	1,774	2,242	2,773	8.0%	24%	38.9%
Net Loans¹	305,828	371,811	401,377	465,558	534,682	48%	15%	75%
TL	210,497	230,525	246,897	285,287	325,445	29%	14%	55%
FX (USD mn)	4,977	5,471	5,643	6,124	6,481	19%	5.8%	30.2%
Gross Loans¹	331,674	400,759	431,848	500,458	568,588	51%	14%	71%
TL	226,060	246,702	264,629	304,926	346,146	31%	14%	53%
FX (USD mn)	5,514	5,966	6,108	6,642	6,890	20%	3.7%	24.9%
Loan Loss Provision	25,846	28,948	30,471	34,900	33,906	3.0%	-2.8%	31%
Fixed Assets	1,652	1,711	1,761	2,270	2,697	0.2%	19%	63%
Other	70,484	113,286	107,208	121,792	134,464	12.1%	10%	91%
Total Assets	594,365	746,184	852,589	1,007,709	1,113,457	100%	10%	87%

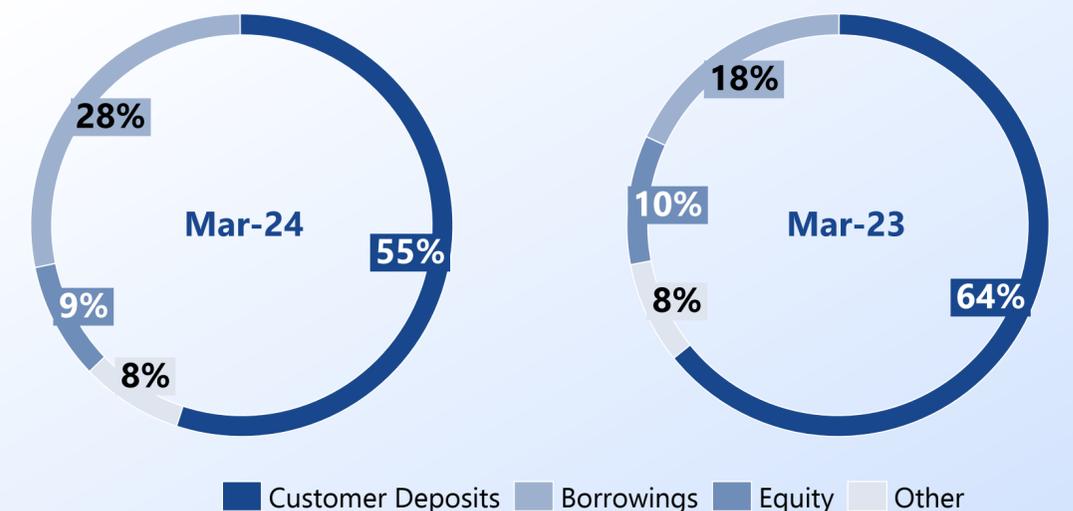
Liabilities and Equity (TL mn)	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Share	ΔYtD	ΔYoY
Customer Deposits	380,845	452,207	515,801	595,073	613,733	55%	3%	61%
TL	233,566	270,763	322,650	396,784	395,866	36%	0%	69%
FX (USD mn)	7,689	7,026	7,055	6,736	6,748	20%	0%	-12%
Demand Deposits	119,839	150,879	164,524	164,618	183,787	30%	12%	53%
TL	32,312	36,832	40,960	41,229	42,090	11%	2%	30%
FX (USD mn)	4,570	4,416	4,513	4,191	4,389	65%	5%	-4.0%
Time Deposits	261,006	301,328	351,277	430,455	429,945	70%	0%	65%
TL	201,254	233,931	281,691	355,555	353,776	89%	-1%	76%
FX (USD mn)	3,120	2,610	2,542	2,544	2,359	35%	-7%	-24%
Borrowings	108,185	174,435	199,629	245,627	312,694	28%	27%	189%
Securities Issued	5,063	6,448	7,351	20,260	40,111	3.6%	98%	692%
Funds Borrowed	63,090	105,321	117,143	142,407	154,625	14%	9%	145%
Repo	15,808	34,401	45,173	51,974	81,240	7.3%	56%	414%
Sub Debt	14,963	20,190	21,302	23,067	25,241	2.3%	9%	69%
Bank Deposits	9,262	8,076	8,660	7,920	11,476	1.0%	45%	24%
Other	46,616	55,611	62,555	77,063	87,240	7.8%	13%	87%
Equity	58,719	63,931	74,604	89,843	99,688	9.0%	11%	70%
Total Liabilities and Equity	594,365	746,184	852,589	1,007,709	1,113,457	100%	10%	87%

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)	Q1-23	Q2-23	Q3-23	Q4-23	Q1-24	ΔQoQ	3M-23	3M-24	ΔYoY
Net Interest Income (incl. Swap Cost)	5,906	7,242	10,394	6,770	4,282	-37%	5,906	4,282	-27%
Net Interest Income	5,641	6,991	10,473	8,362	6,342	-24%	5,641	6,342	12%
<i>Swap Cost</i>	265	251	-79	-1,592	-2,060	n.a.	265	-2,060	n.a.
Non-funded Income (excl. Swap Cost)	5,827	3,554	7,082	5,171	10,484	103%	5,827	10,484	80%
<i>Net Fees and Commissions</i>	2,016	2,489	3,605	5,517	6,323	15%	2,016	6,323	214%
<i>Trading and FX Gains/Losses (excl. Swap Cost)</i>	2,273	439	2,524	-1,444	3,421	-337%	2,273	3,421	51%
<i>Other Income</i>	1,538	626	953	1,098	739	-33%	1,538	739	-52%
Total Operating Income	11,733	10,796	17,475	11,941	14,766	24%	11,733	14,766	26%
Operating Expenses	-4,427	-4,138	-5,506	-6,402	-9,109	42%	-4,427	-9,109	106%
<i>HR Expenses</i>	-1,900	-1,889	-2,478	-2,733	-3,924	44%	-1,900	-3,924	106%
<i>Non-HR Expenses</i>	-2,527	-2,249	-3,028	-3,669	-5,185	41%	-2,527	-5,185	105%
Pre-provision operating profit	7,305	6,657	11,970	5,539	5,657	2%	7,305	5,657	-23%
Net expected credit loss	2,042	23	-775	-3,092	2,136	n.a.	2,042	2,136	n.a.
<i>Stage 1</i>	-1,318	-82	-703	215	-1,340	-724%	-1,318	-1,340	2%
<i>Stage 2</i>	1,056	219	568	-923	1,796	-295%	1,056	1,796	n.a.
<i>Stage 3</i>	2,304	-114	-640	-2,384	1,679	-170%	2,304	1,679	n.a.
Other Provisions	-2,059	-1,107	-1,346	310	-252	-181%	-2,059	-252	-88%
Profit from Inv. under equity method	1,377	2,684	2,688	2,577	4,793	86%	1,377	4,061	195%
Net Operating Profit	8,665	8,257	12,537	5,333	12,334	131%	8,665	12,334	42%
Tax	-1,843	-1,667	-3,819	563	-677	-220%	-1,843	-677	-63%
<i>Profit/Loss from Disct. Opr. ¹</i>	4	37	-1	-188		n.a.	4		n.a.
Net Profit	6,826	6,627	8,718	5,707	11,658	104%	6,826	11,658	71%

¹ Discontinued operations related to liquidation of Eurodeniz

Standalone BRSA key financial ratios

Asset Quality	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	ΔYtD	ΔYoY
NPL Ratio	4.3%	3.7%	4.0%	4.2%	3.4%	-0.9 pp	-1.0 pp
NPL Coverage	79.1%	78.8%	75.1%	67.7%	67.2%	-0.5 pp	-11.9 pp
Total NPL Coverage¹	201.1%	219.6%	199.8%	185.0%	198.8%	+14 pp	-2.4 pp
Stage 2 Coverage	26.3%	28.5%	27.7%	30.2%	26.7%	-3.5 pp	+0.4 pp
Total Coverage²	8.7%	8.2%	8.0%	7.8%	6.7%	-1.1 pp	-2.0 pp
Cost of Risk³	-2.6%	-1.2%	-0.5%	0.5%	-1.6%	-2.1 pp	+1.0 pp
Profitability - YtD	Q1-23	Q2-23	Q3-23	Q4-23	Q1-24	ΔYtD	ΔYoY
NIM⁴ - Quarterly	4.9%	5.1%	6.1%	3.3%	1.9%	-1.5 pp	-3.1 pp
NIM⁴	4.9%	5.0%	5.4%	4.7%	1.9%	-2.9 pp	-3.1 pp
NIM	4.7%	4.8%	5.3%	4.9%	2.8%	-2.2 pp	-2.0 pp
Cost / Income⁵	37.7%	36.5%	34.3%	38.7%	61.7%	+23 pp	+24 pp
RoAA	4.9%	4.4%	4.4%	3.7%	4.4%	+0.7 pp	-0.5 pp
RoAE	48.9%	45.9%	47.1%	40.8%	49.3%	+8.5 pp	+0.4 pp
Capital	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	ΔYtD	ΔYoY
CET 1 Ratio	12.54%	12.09%	12.99%	13.23%	12.04%	-1.2 pp	-0.50 pp
CAR	16.80%	16.99%	17.81%	17.20%	15.42%	-1.8 pp	-1.38 pp
Funding and Liquidity	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	ΔYtD	ΔYoY
Loans/ Customer Deposits	80.3%	82.2%	77.8%	78.2%	87.1%	+8.9 pp	+6.8 pp
TL Loans/ TL Customer Deposits	90.1%	85.1%	76.5%	71.9%	82.2%	+10 pp	-8 pp
FX Loans/ FX Customer Deposits	64.7%	77.9%	80.0%	90.9%	96.0%	+5 pp	+31 pp
Cust. Deposits / Total Funding	77.9%	72.2%	72.1%	70.8%	66.2%	-4.5 pp	-11.6 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

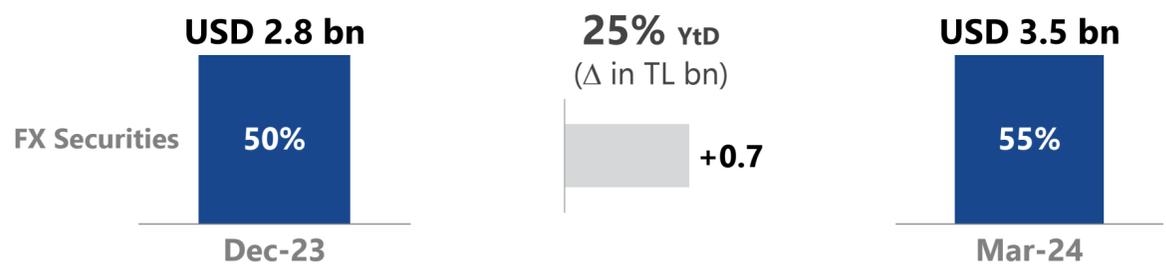
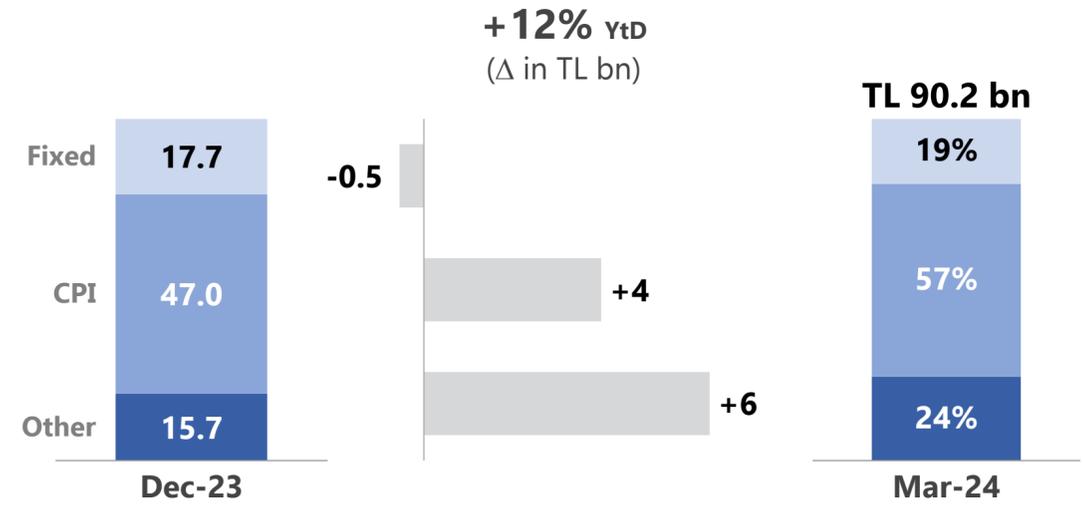
³ Net Expected Credit Loss / Avg. Total Loans

⁴ Swap adjusted

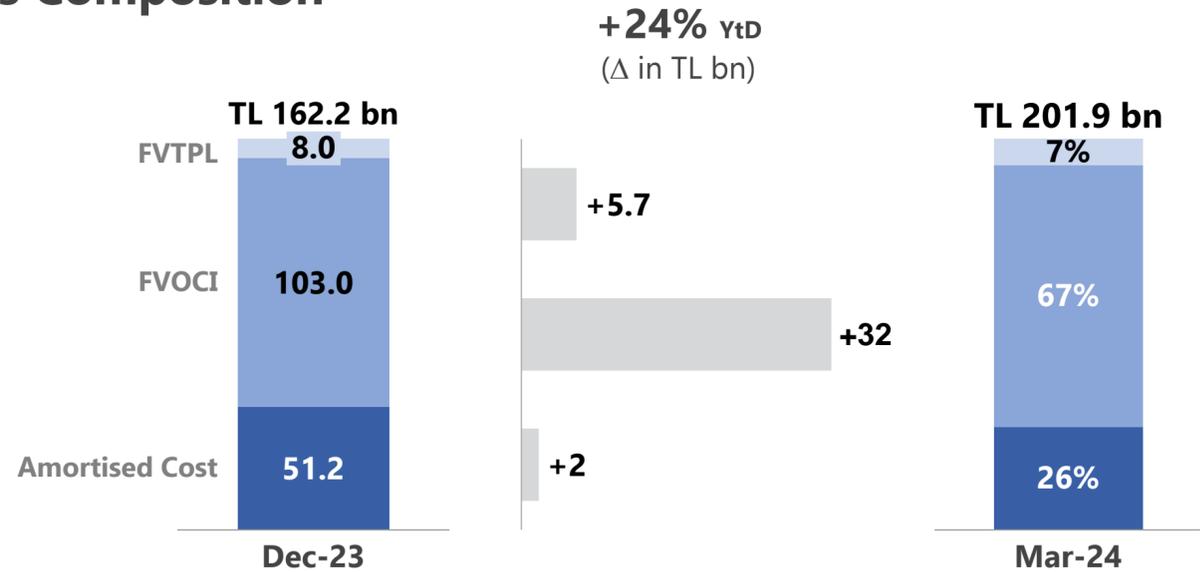
⁵ Q1, Q2, Q3 and Q4 2023 ratios are adjusted; excludes earthquake support

Securities share in total assets 15.5%

TL Securities



Securities Composition



<i>in TL bn</i>	Mar-24	QoQ%	YoY%	Quarterly trend (last 5 quarters)
Securities	201.9	+24	+88	117.1, 130.7, 162.2, 201.9
TL Securities	90.2	+12	+46	54.4, 71.9, 80.4, 90.2
Fixed	17.2	-3	+7	11.4, 16.3, 17.7, 17.2
CPI	51.0	+8	+38	35.1, 43.8, 47.0, 51.0
Other	22.1	+41	+156	7.9, 11.7, 15.7, 22.1

<i>in USD bn</i>	Mar-24	QoQ%	YoY%	Quarterly trend (last 5 quarters)
FX Securities	3.5	+25	+45	2.4, 2.1, 2.8, 3.5

%	Mar-24	QoQ (bps)	YoY (bps)	Quarterly trend (last 5 quarters)
Securities to Total Assets	15.5%	+171	+6	13.3%, 13.2%, 13.8%, 15.5%

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 "**Sustainable Finance Framework**"

Published "**Sustainability Report**" in compliance with "**GRI Standards**"

Organized "**12 panels**" with **17** different **counterparties** in "**COP28**"



2024 PROGRESS



Published first "**Integrated Annual Report**"

Appointed a "**Sustainability Champion**" under each department

Assessing **all loans** from an **E&S** perspective **except retail**

Assigning "**ESG-Related KPI's**" to Executive Vice Presidents



2024 TARGETS



Implementing "**Zero Waste Management System**" to **HQ** and **all Branches**

Calculation of financed emissions with "**PCAF methodology**"

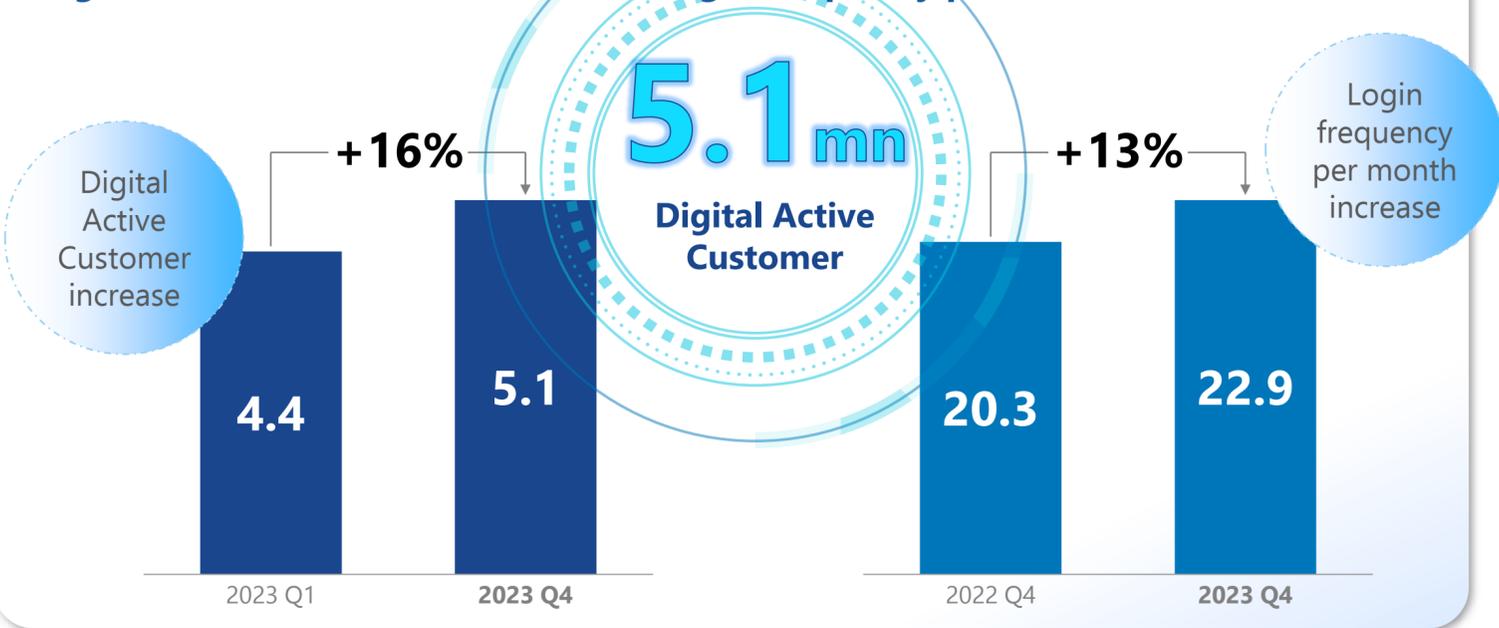
Developing "**Roadmap**" for "**Decarbonization Strategy**"

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

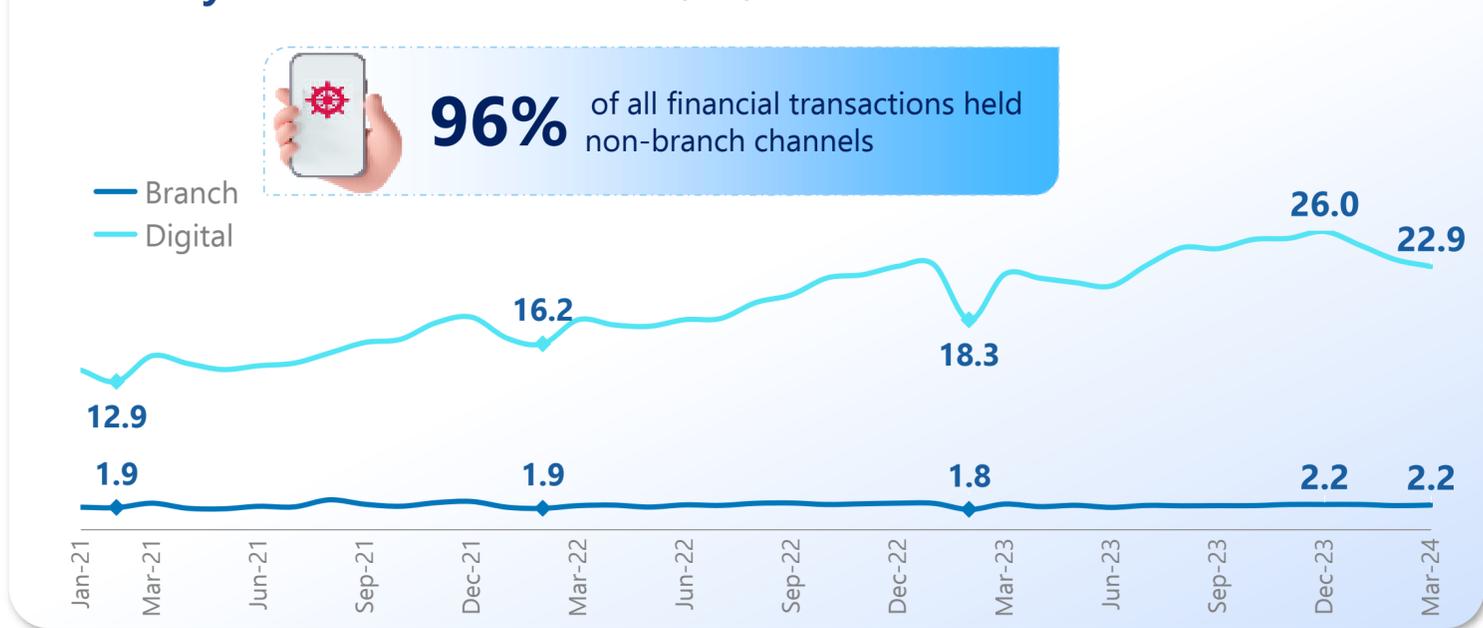
The journey to create efficiency by migrating services and everyday banking to digital now turned into sales driven digital experiences

Digital Active Customer

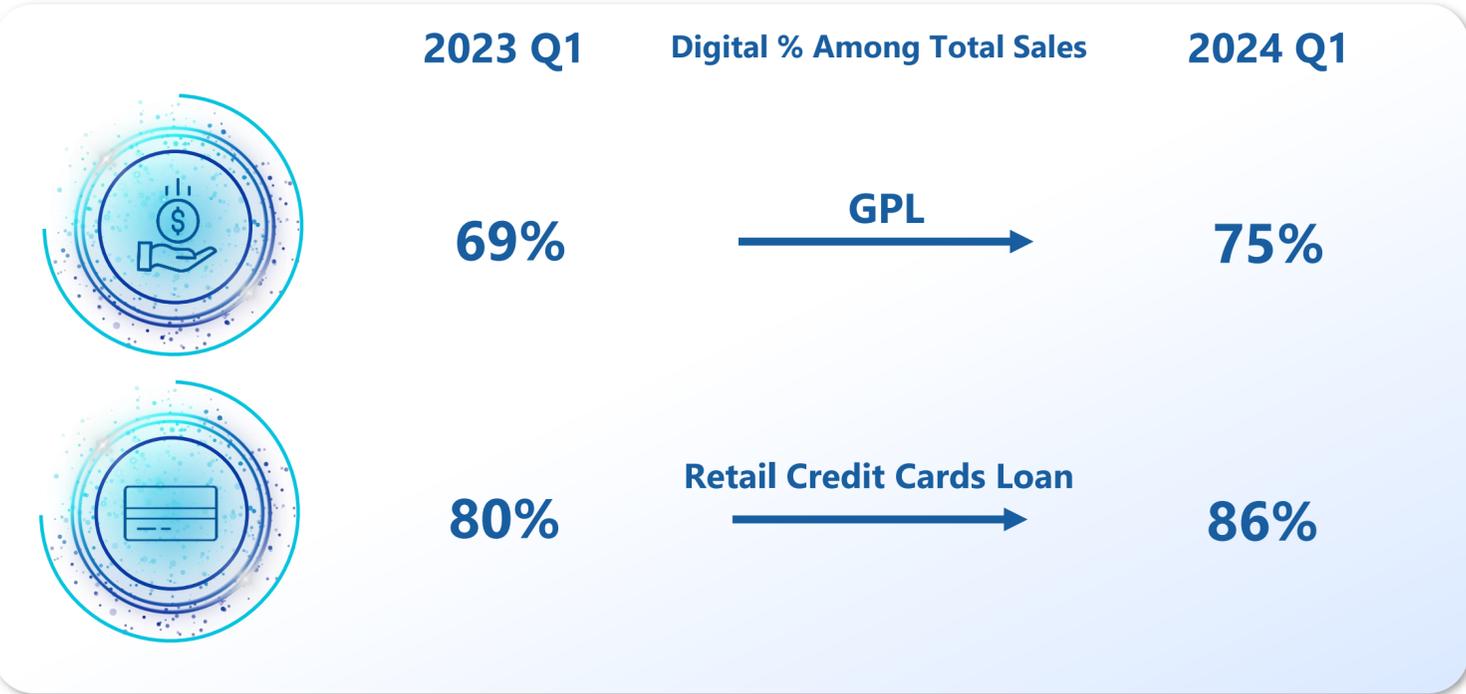
Digital Active customer number and login frequency per customer have increased



Monthly Financial Transactions (mn #)



Digital Sales



GPLs¹ via non-branch channels



¹ GPLs and card loans are included

FitchRatings

Fitch Ratings (08 Apr 2024)	Ratings	Outlook
Long-Term Issuer Default	B	Positive
Short-Term Issuer Default	B	-
Long-Term LC Issuer Default	B+	Positive
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'NİN YÜZÜNCÜ YILI
Sözlerinin izinde

Get in touch.

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