

# Financial Presentation

December 2024



- Rebalancing continues with tight monetary and fiscal policies
- More moderate FC lending growth under current regulatory environment
- Retail and SME driven TL loan growth
- Sound asset quality - Below sector and flattish NPL ratio of 1.3%
- Rebound in quarterly NIM, pulling the all year NIM upwards
- Ongoing fee & commission revenue generation contributing to profitability
- Above regulatory minimum, strong capital ratios

**TL**  
**5,385**  
**bn**

**Largest and oldest bank in Türkiye**  
**100%** owned by public through TWF  
**USD 154 bn.** bank only asset size  
~**17%** market share

**#1**

## Ongoing market leadership

- Assets
- Deposits
- Loans
- Shareholder's Equity

**1,781**

## Widest local and international geographic footprint with 1,781 branches<sup>(1)</sup>

- Operating in **20** countries with **127** service points<sup>(1)</sup>
- **28** Foreign Branches
- Only bank in **360** points in Türkiye
- Expanding global service network through foreign branches, rep. offices and subsidiary banks

**42<sup>(2)</sup> mn**

## Wide-ranging customer base

- Serving more than **42 mn** retail, SME and corporate customers
- Extensive customer acquisition through digital channels

**18.6%**

## Sound capital ratios and profitability

- Disciplined cost management
- Sustainable profitability
- Prudent risk management strategy, additional buffers and retained earnings to support capitalization and sustainable growth

**1.3%**

## Robust asset quality

- Limited NPL formation from business loans
- Retail segment driven NPL inflows as guided
- Ongoing NPL collection
- **68%** Stage 3 coverage ratio

**72%**

## Foremost provider of agricultural financing

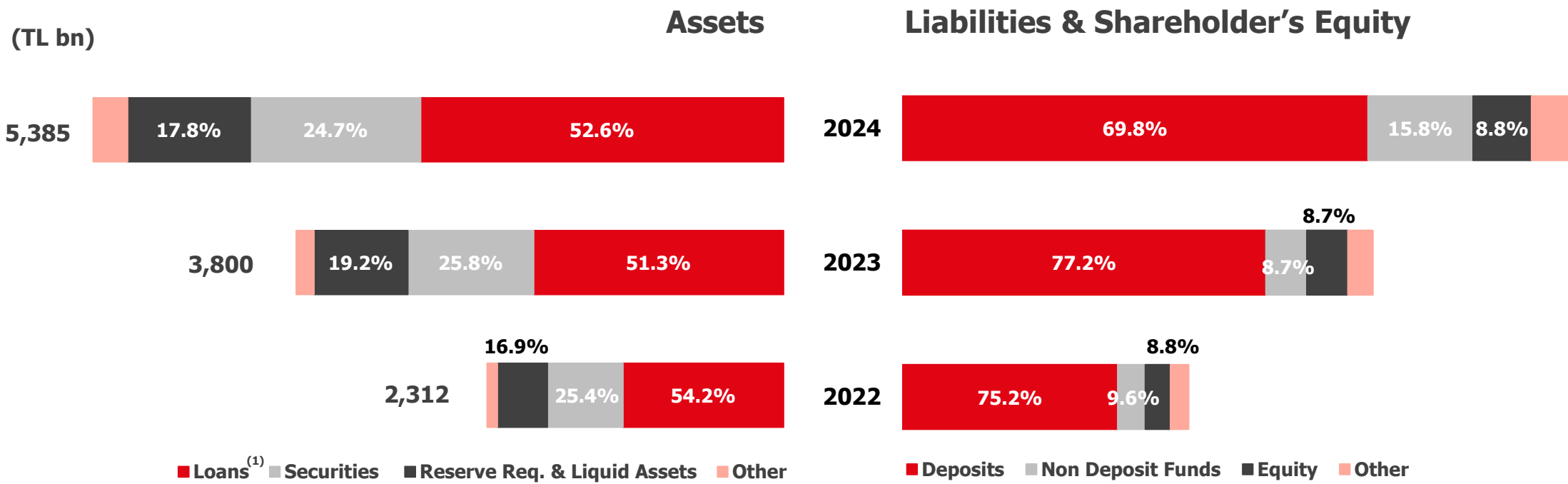
- Only deposit bank authorised for government subsidized agro-lending
- **72%** agro loan market share
- Sustainable agro financing strategy

**USD**  
**19 bn**

## Well managed domestic & international funding

- Granular and sticky deposit base
- Further diversified USD 19 bn FX external funding

(1) As of 31 Jan 2025  
(2) Number of customers with deposit accounts



Market Shares

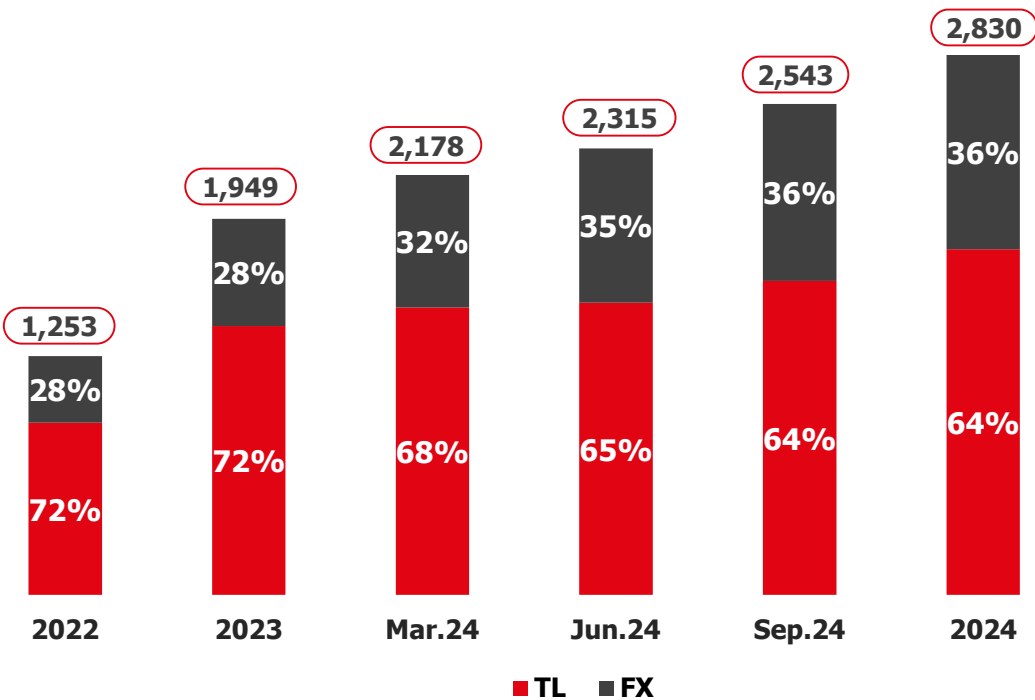


QoQ Δ	+27bps	+69bps	+23bps
YoY Δ	+33bps	+78bps	+4bps

(1) Performing loans

Total Loans<sup>(1)</sup> (TL bn, % share in total)

- TL loan growth mainly driven by SME and retail loans QoQ
- Moderate FC lending growth due to tighter regulations
- Selective lending policies → agro and manufacturing sectors constitute more than 50% of business loans



Loan Growth

	QoQ Δ	YoY Δ
Total Loans	11.3%	45.2%
Total Loans (FX adj.)	9.7%	36.5%
TL	10.1%	30.7%
FX(\$)	5.4%	50.8%
Corporate	10.1%	43.0%
Corp. (FX adj.)	7%	25.3%
SME <sup>(2)</sup>	13.0%	48.9%
Retail	15.9%	33.4%
Housing	16.8%	2.4%
GPL	13.9%	19.3%
Credit Card	12.6%	60.2%

Agro Loans

TL 601 bn	72% market share	0.2% agro NPL
940k agro customers	92% subsidized	0.1% subsidized NPL

GPL

19% of retail loans	5% market share	26% pensioner
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Credit Card

TL 179 bn outstanding	10% market share <sup>(3)</sup>	12 mn customers
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Housing Loans

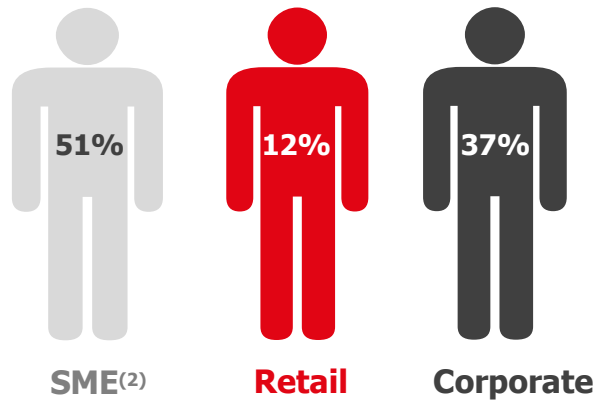
27% of retail loans	22% market share	36% LTV <sup>(4)</sup>
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CGF Guaranteed Loans

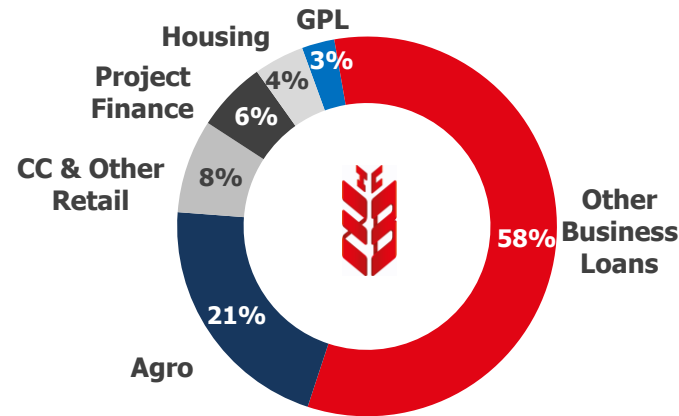
TL 31 bn outstanding	1% of cash loans	175k customers
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(1) Performing loans  
(2) SME customers are classified under commercial segment  
(3) Credit card turnover market share  
(4) Average rate for allocation in last four quarters

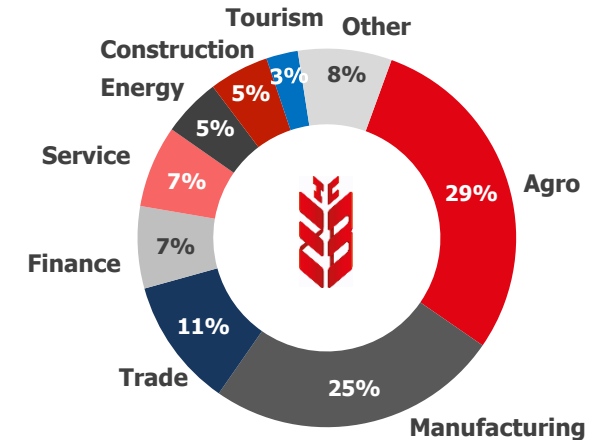
## Cash Loans by Customer Segment<sup>(1)</sup>



## Cash Loans by Product



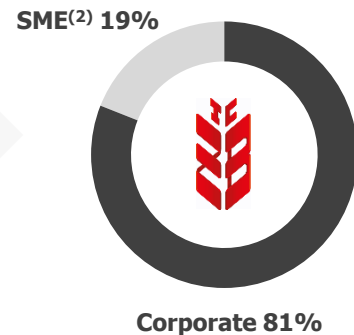
## Sector Breakdown of Cash Business Loans<sup>(1)</sup>



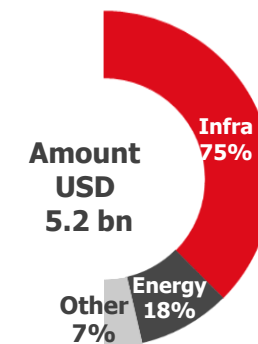
• Based on customer segmentation data, totals may differ from product classification

## FX Loans

- FX Loans Outstanding USD **29.1 bn**
- FX Loans/Total Loans **36%** in line with sector<sup>(3)</sup> average
- FX Loans NPL **1.0%**



## Sector Breakdown of Project Finance Loans



• Share of infrastructure projects with debt assumption **84%**

• Share of renewables in energy loans: **43%**

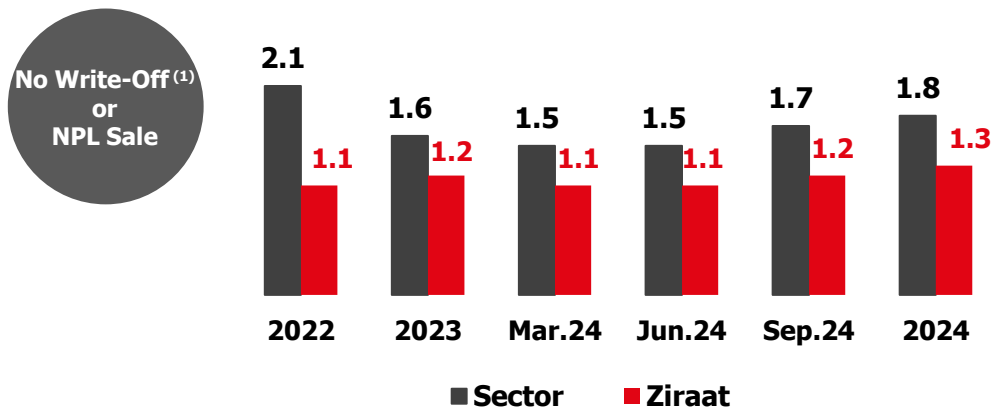
Amount  
USD  
5.2 bn

(1) Accruals and overseas branch lending are excluded from segment and/or sector distribution

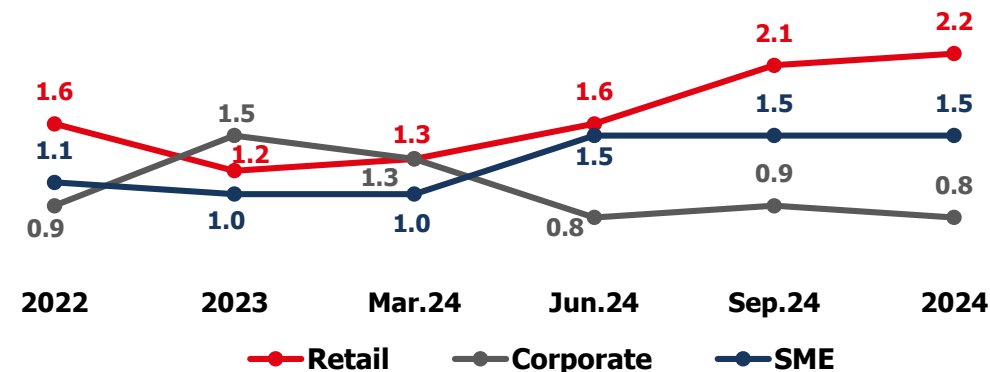
(2) SME customers are classified under commercial segment

(3) Sector: Deposit banks

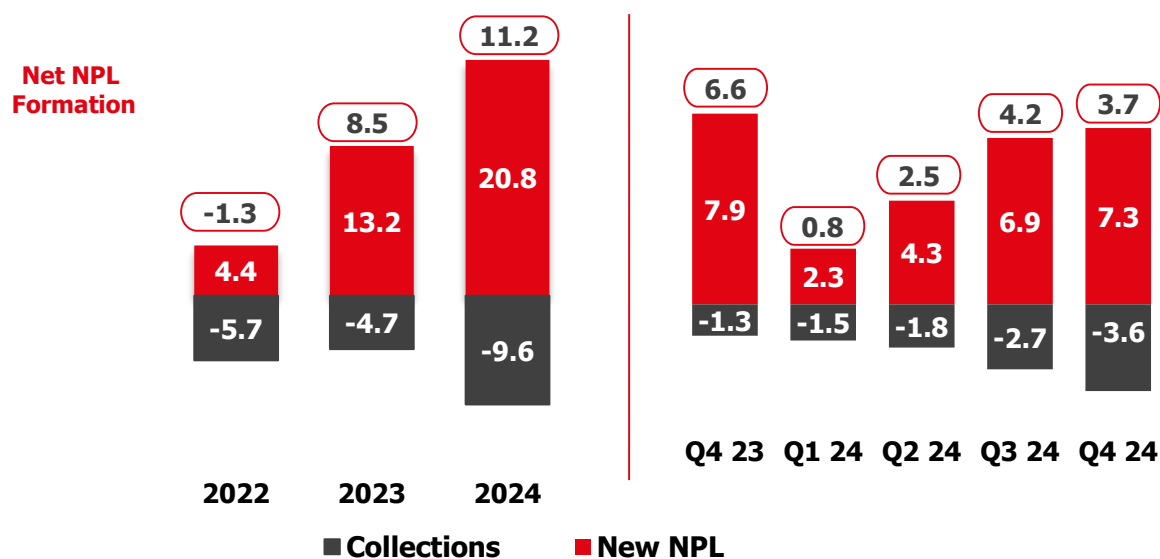
## NPL Ratios (%)



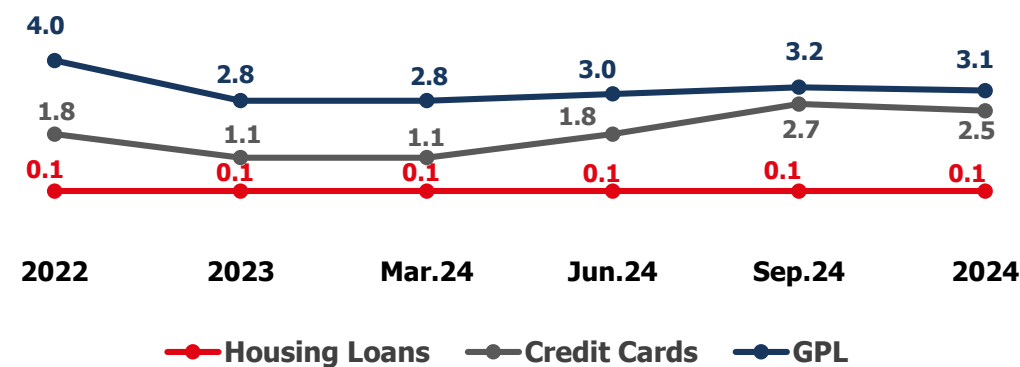
## NPL Ratios by Segment (%)



## New NPL & Collections (TL bn)

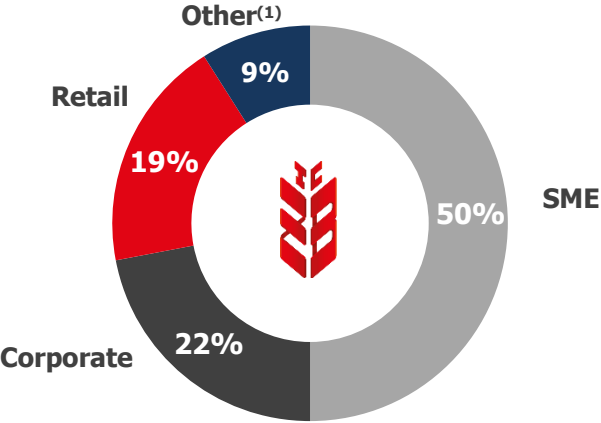


## Retail NPL Ratios by Product (%)

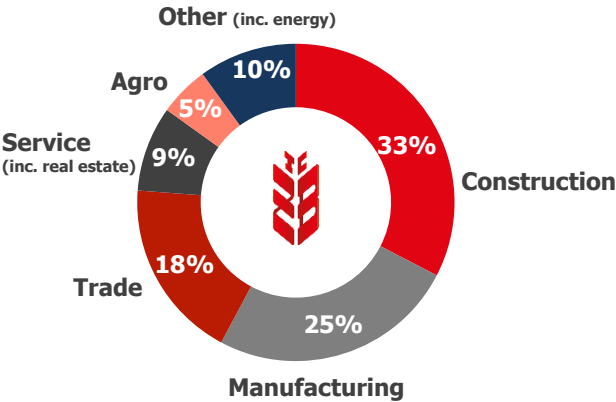


(1) Excluding earthquake related insignificant amounts

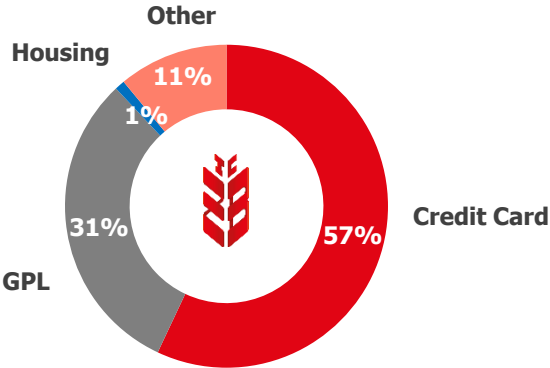
Total NPL by Segment



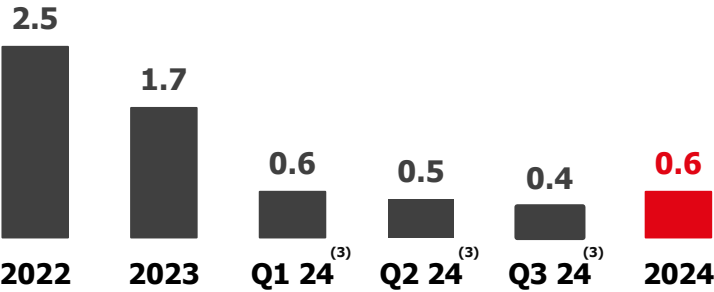
Business Loan NPL by Sector



Retail Loan NPL by Product



Cost of Risk<sup>(2)</sup> (%)

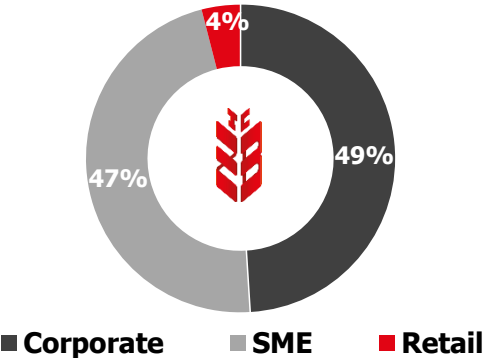


Restructured Loans  
in Total Loans: **5%**

Total Coverage<sup>(4)</sup>  
**243%**

**TL 9 bn** Total Free Provisions

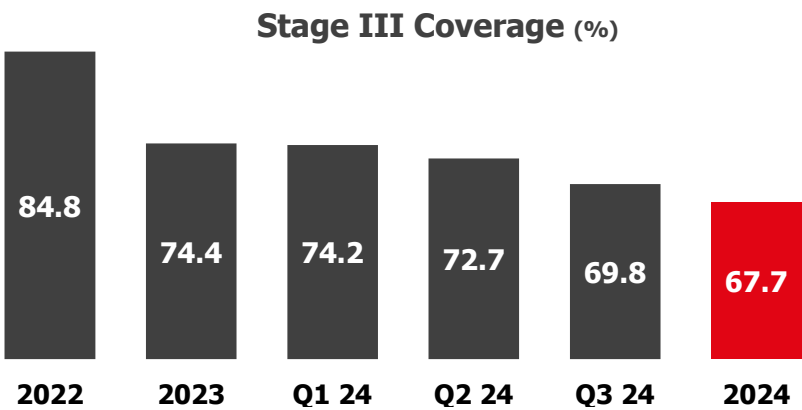
Restructured Loan by Segment



(1) Includes loans excluded from segment classification  
(2) CoR: Expected Credit Loss-Reversals / Average Loan Amount  
(3) Annualized figure  
(4) (S1 + S2 + S3 provisions) / NPL

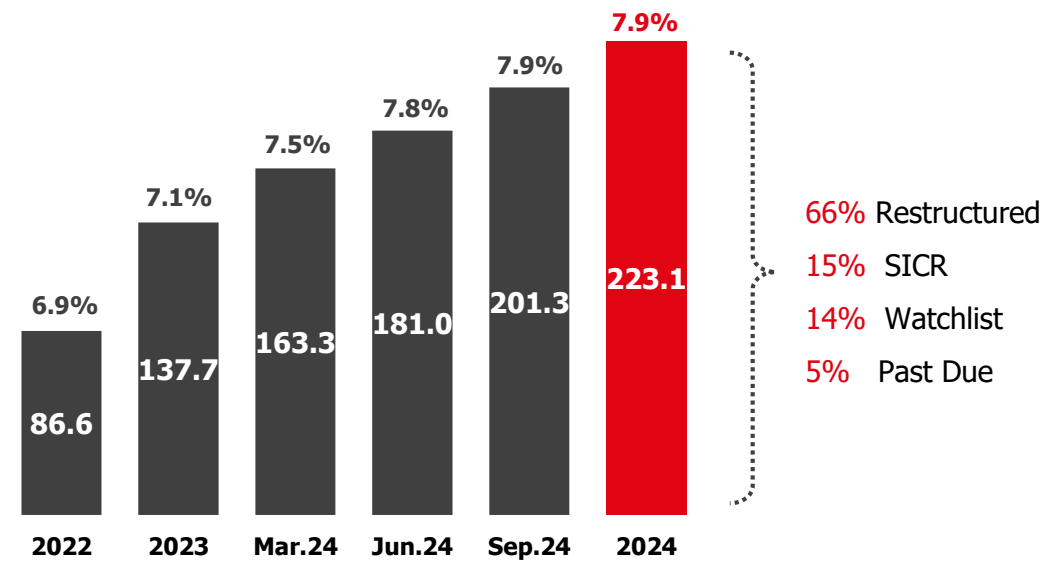


- Structurally low NPL generation arising from loan book dynamics
- Managable NPL inflow mainly from retail segment as foreseen
- High provisioning strategy in line with prudent asset quality and risk management strategy

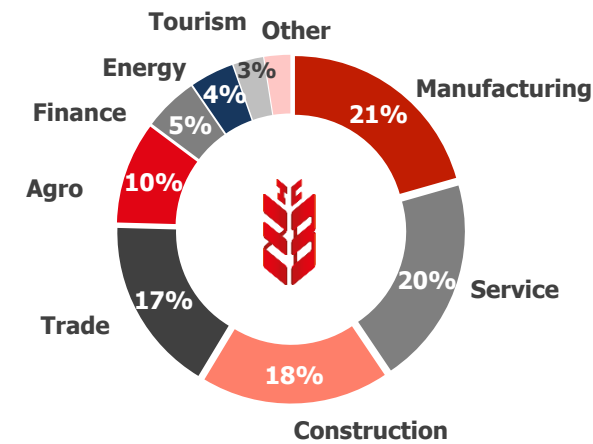


	Amount (TL bn)	Coverage	Change (QoQ)
Stage III	35.8	67.7%	-209 bps
Stage II	223.1	24.1%	-74 bps
Stage I	2,607	0.3%	+1 bps
TOTAL	2,866	3.0%	-6 bps

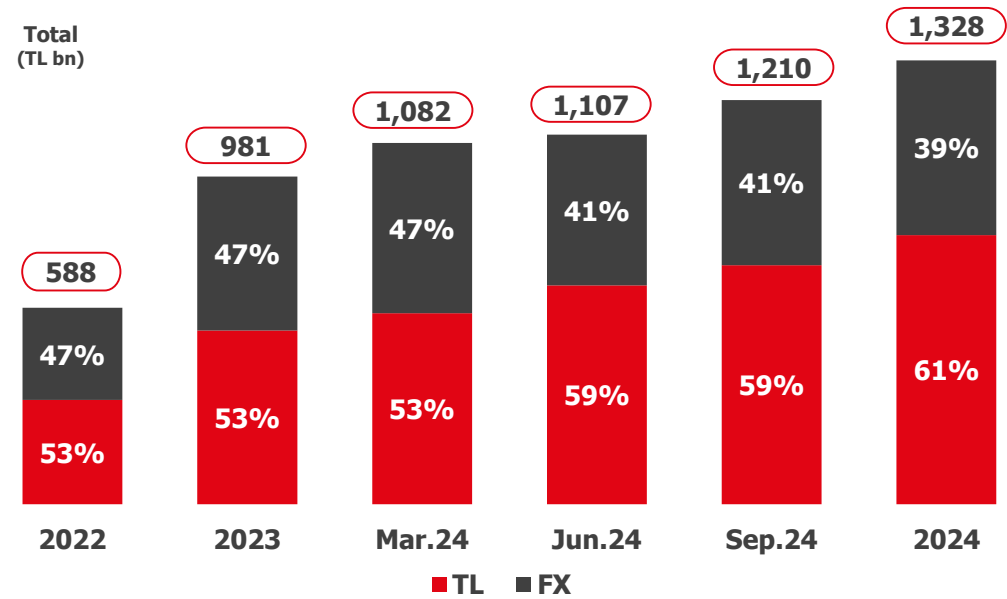
**Stage II Loans** (TL bn, % share in performing loan)



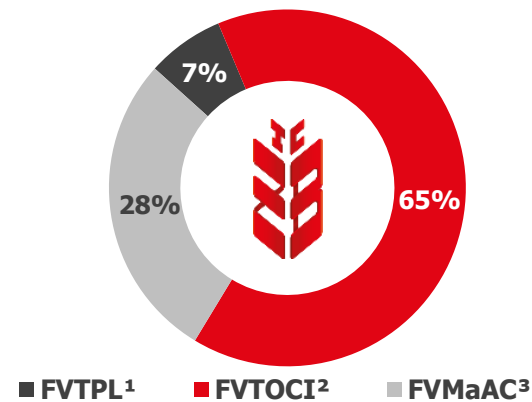
**Sector Breakdown of Stage II Business Loans**



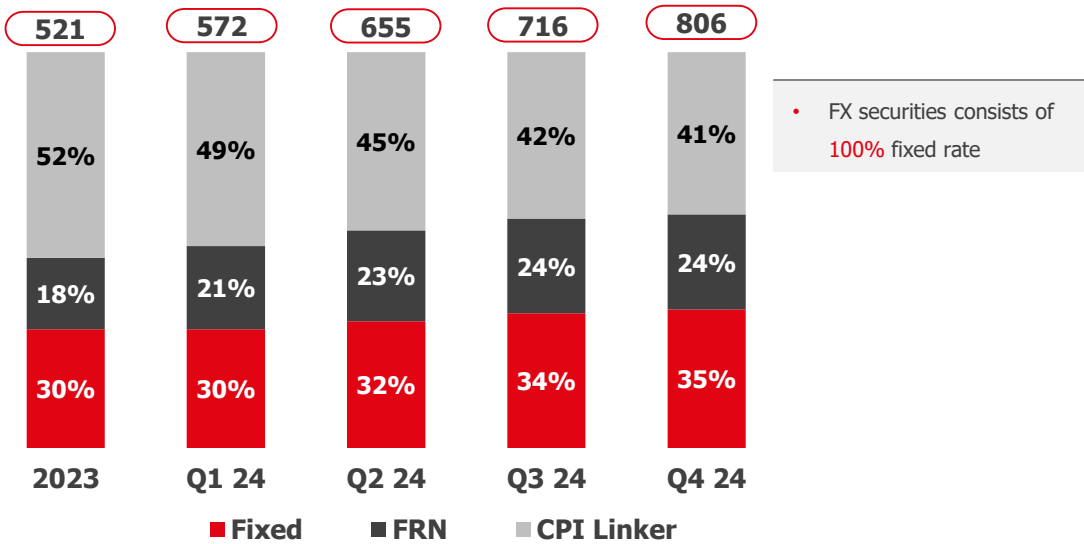
Total Securities (% share in total)



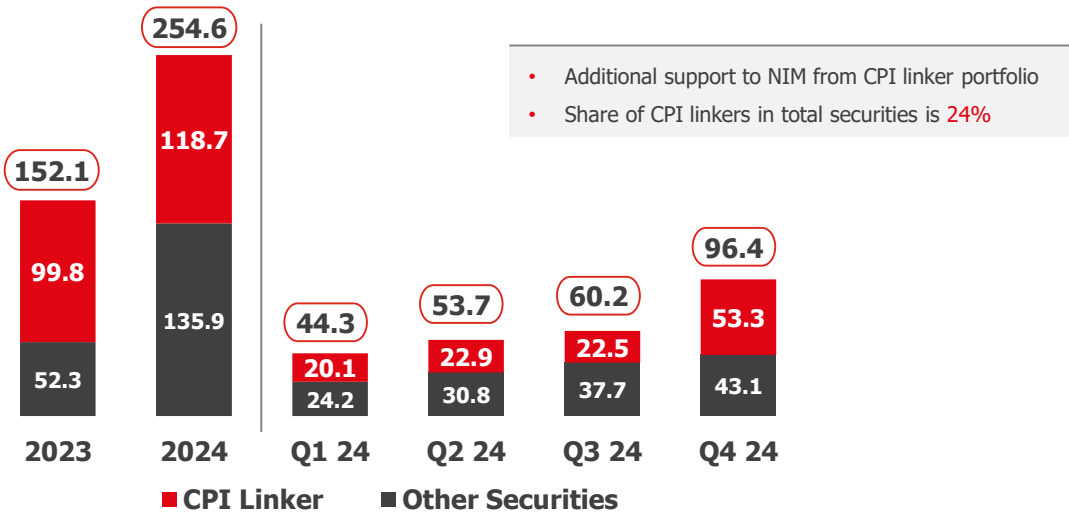
Breakdown of Total Securities (% share in total)



Breakdown of TL Securities<sup>(4)</sup> (% share in total)



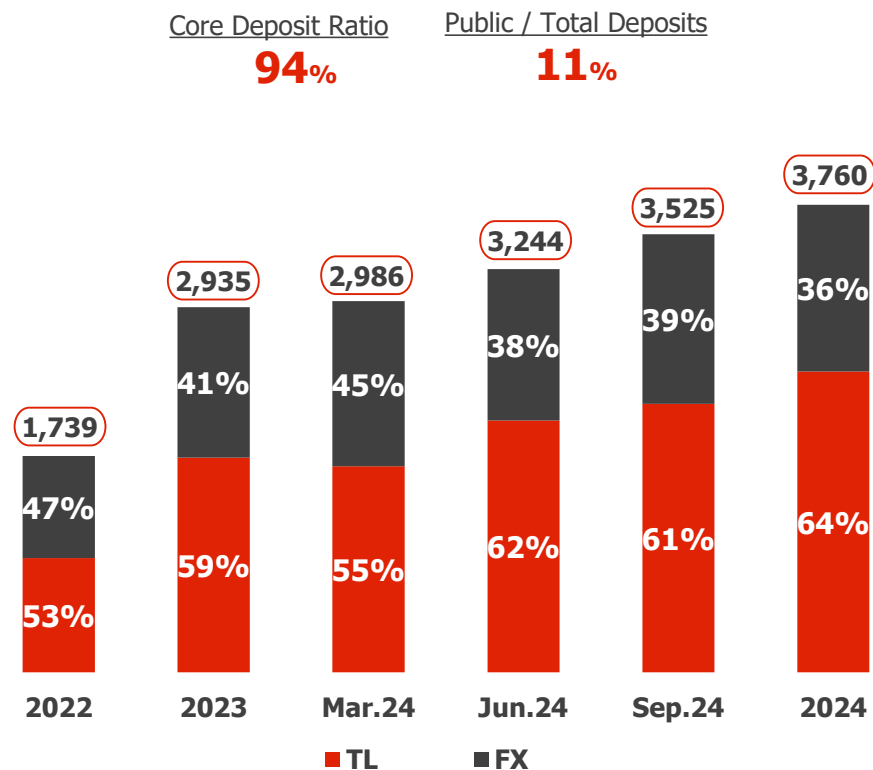
Interest Income from Securities (TL bn)



(1) FVTPL: Financial Assets measured at Fair Value Through Profit or Loss  
(2) FVTOCI: Financial Assets measured at Fair Value Through Other Comprehensive Income  
(3) FVMaAC: Financial Assets measured at Amortised Cost  
(4) Interest accruals included

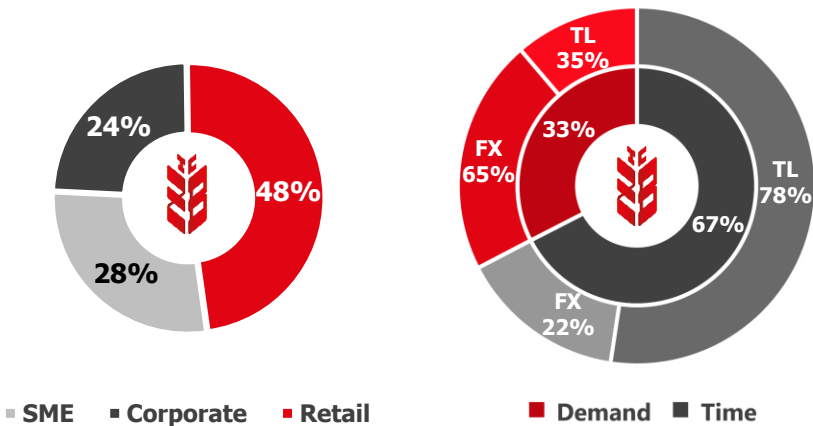
**Total Deposits<sup>(1)</sup>** (TL bn, % share in total)

- Granular and sticky deposit base, structurally high share of widespread retail segment
- Ongoing decreasing share of FX-linked deposit in total (7% as of Dec.24)
- 38% yearly increase in low cost demand deposits
- Stable funding structure through high core deposit ratio



**Deposit Growth**

	QoQ Δ	YoY Δ
Total Deposits	6.6%	28.1%
Total Deposit (FX adj.)	5.2%	20.5%
Customer Deposit <sup>(1)</sup>	7.1%	29.4%
TL	12.1%	40.1%
FX(\$)	-5.7%	-7.7%
Demand	2.2%	37.6%
Time	8.9%	24.0%



**TL Deposit Market Shares<sup>(2)</sup>**

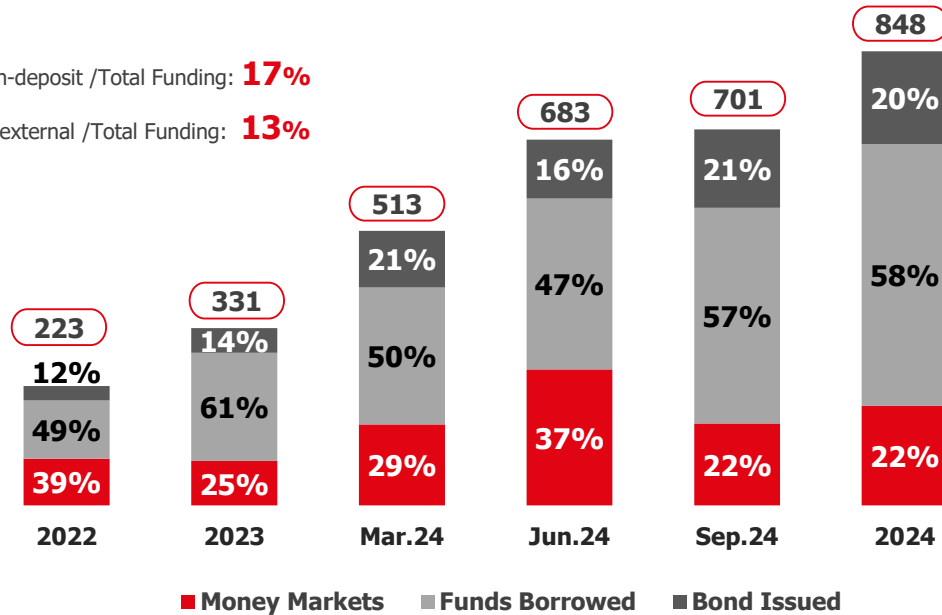


(1) Total deposits excluding bank deposits  
(2) Sector: Deposit Banks

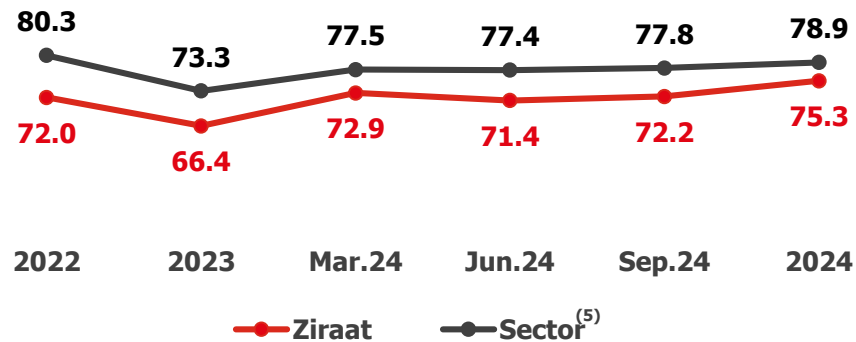
## Non-Deposit Funds (TL bn,% share in total)

Non-deposit /Total Funding: **17%**

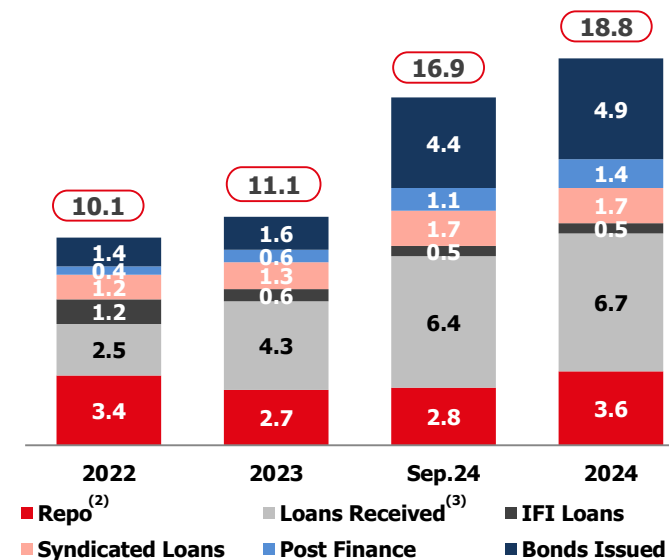
FX external /Total Funding: **13%**



## Loan to Deposit<sup>(4)</sup> (%)



## FX Non-Deposit Funding (USD bn)



**FX Liquidity USD 6.5 bn**

2.8 bn cash & CBRT

2.3 bn FX swap

1.4 bn unencumbered Securities

**FX LCR<sup>(1)</sup> 359.6%**

**Total LCR<sup>(1)</sup> 198.6%**

**USD 500 mn**  
5 yr Sustainable  
Eurobond Issuance

Jan.24

**USD 500 mn**  
10.25NC5.25 inaugural  
Tier 2 Issuance

Apr.24

**USD 250 mn**  
10 yr funding  
under DPR Programme

Jun.24

**USD 750 mn**  
5 yr Senior Unsecured  
Eurobond Issuance

Jan.25

**USD 1.7 bn**  
The largest sustainability  
themed single tranche  
Syndicated Loan

(1) LCR regulatory minimums; Total: 100%, FX: 80%

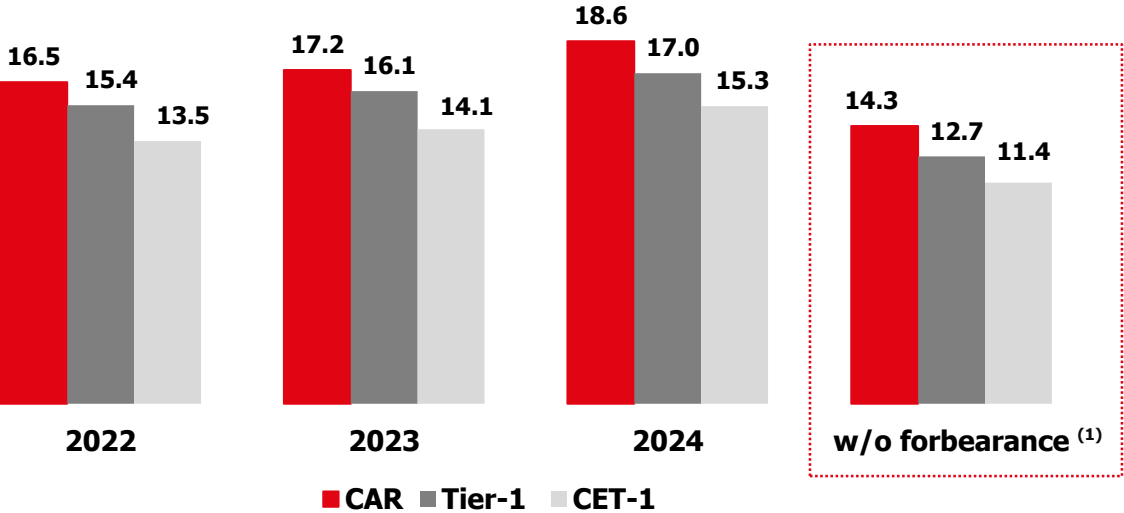
(2) Including DPR

(3) Including DPR, Bilateral and Secured Finance from International Counterparties

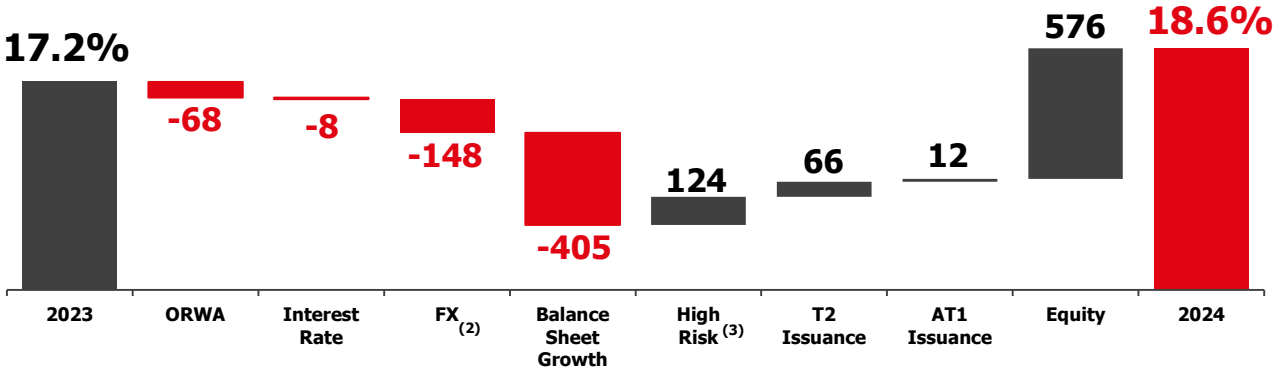
(4) Performing Loan/Total Deposit

(5) Sector: Deposit banks

Capital Ratios (%)



Change in CAR (YoY, bps)



Capital Ratio Requirements

	Solo	Cons.
CET1 Capital Ratio	4.5%	4.6%
Capital Conservation Buffer	2.5%	2.5%
Countercyclical Buffer	0.04%	0.08%
D-SIB Buffer <sup>(4)</sup>	-	2.0%
	7.0%	9.2%
Total CAR	10.5%	12.5%

Basel III Leverage **6.3%** vs regulatory min of **3.0%**

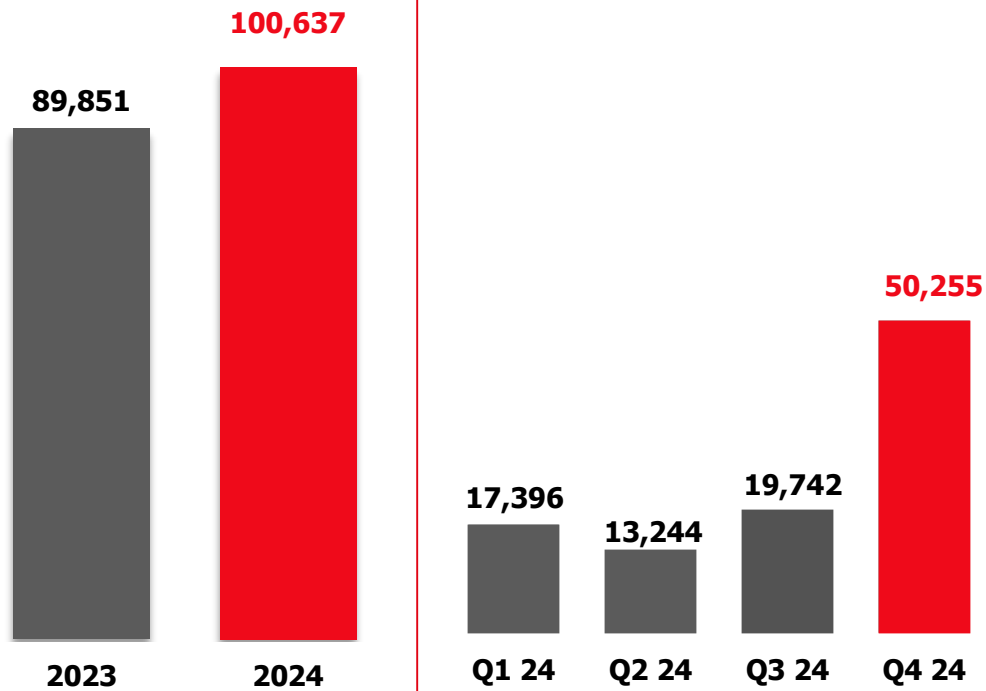
10% depreciation in TL **-50 bps** impact on CAR

100 bps increase in TL interest rate **-4 bps** impact on CAR

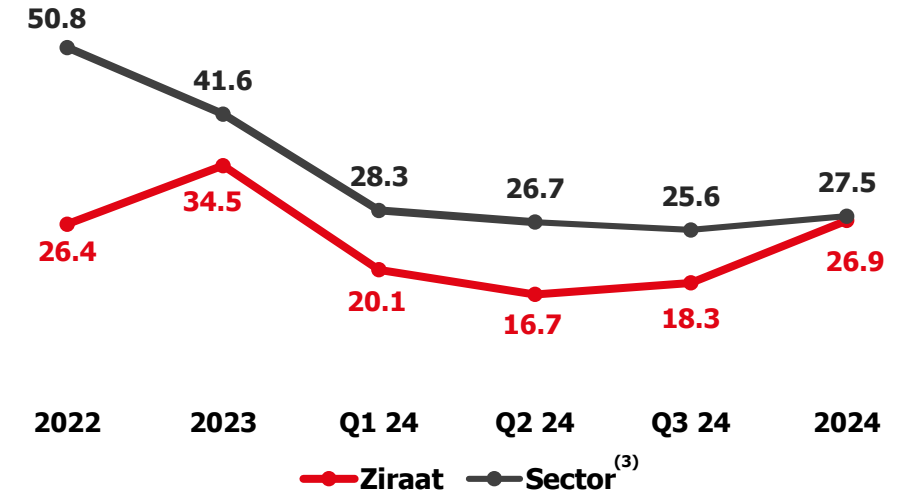
(1) BRSA forbearance measures are FX rate, MtM, 0% Risk Weighted, High Risk Weight for certain loans  
(2) Revaluation of FX denominated additional T1 and T2 capital issuances, regulatory FX change effect in credit risk and the FX volatility in the market regarding to market risk measurement.  
(3) High risk highlights the impact of removing the regulation on applying high risk weights to consumer and commercial loans in unselected sectors  
(4) D-SIB Buffer is applied only to consolidated ratios

## Net Profit (TL mn)

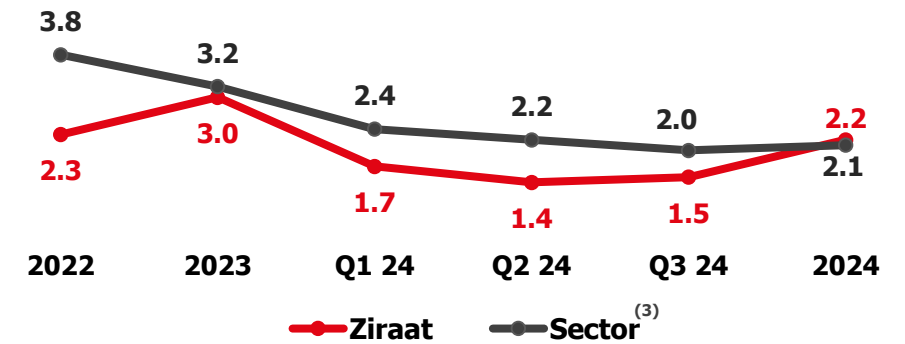
- Recovery in NIM, aligning with sector benchmarks
- Ongoing fee and commission income supported profitability
- Closing the year with enhanced profitability metrics



## Return on Equity<sup>(1)</sup> (%)



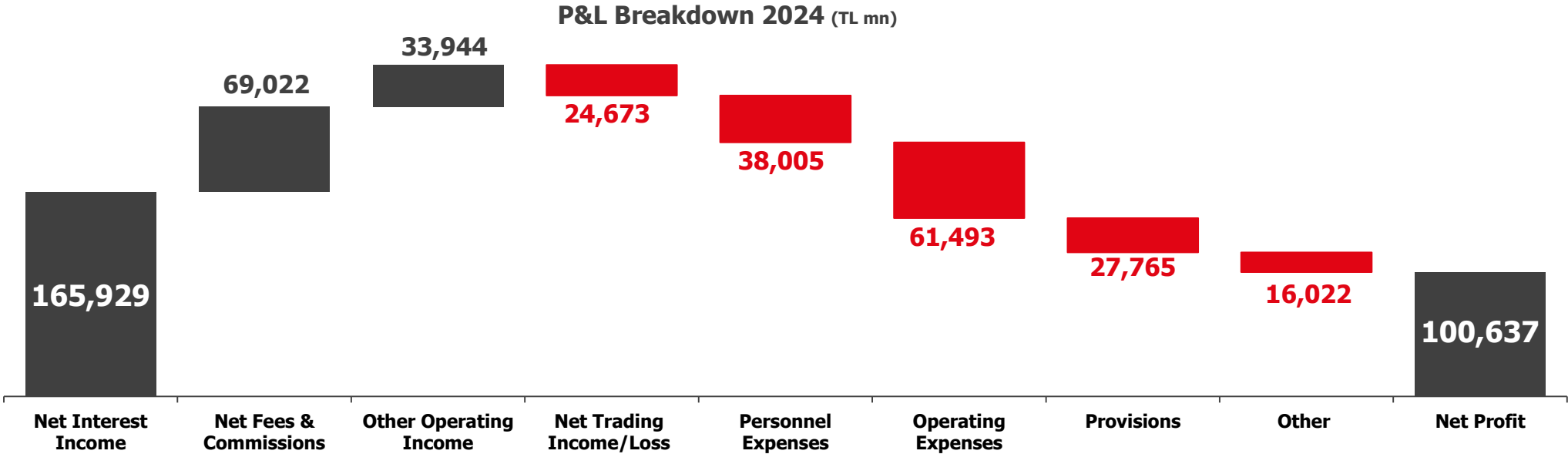
## Return on Assets<sup>(2)</sup> (%)



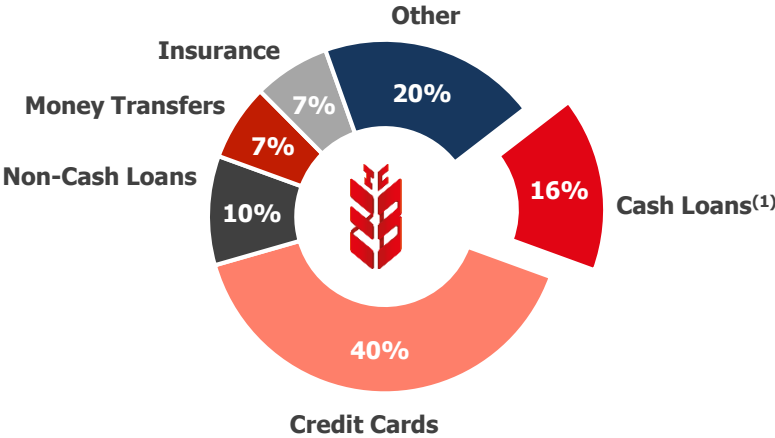
(1) Average shareholders' equity represents weekly averages

(2) Average total assets represent weekly averages

(3) Sector: Deposit Banks



**F&C Income Breakdown in 2024**



**F&C Growth (YoY)**

**Credit Cards**  
**200%**

**Money Transfers**  
**44%**

**Non-Cash Loans**  
**69%**

**Cash Loans**  
**179%**

**OPEX Growth (YoY)**

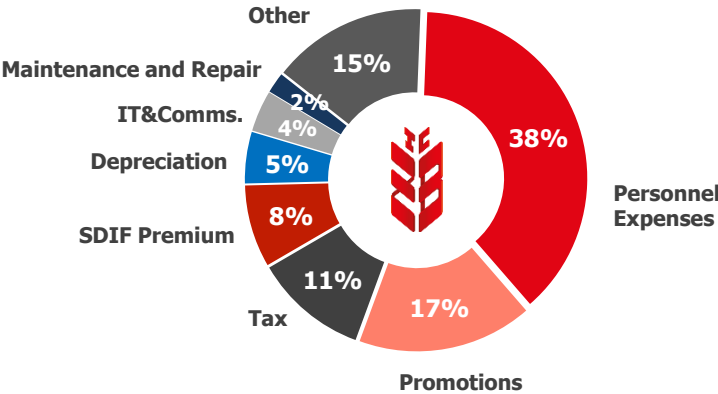
**Tax**  
**76%**

**Personnel Expenses**  
**68%**

**SDIF Premium**  
**51%**

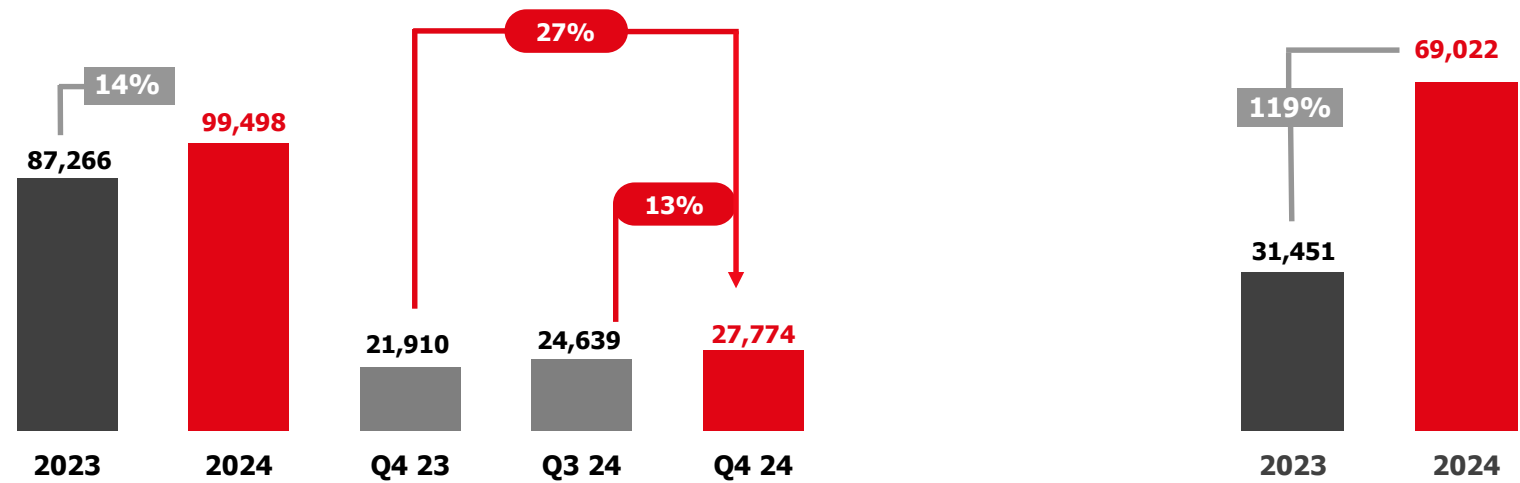
**Utility Expenses**  
**39%**

**OPEX Breakdown in 2024**

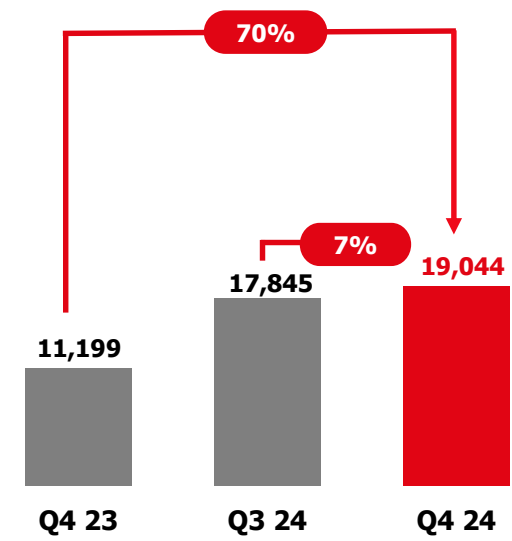


(1) Due to BRSA regulation, Fees & Commissions from cash loans are categorized under interest income

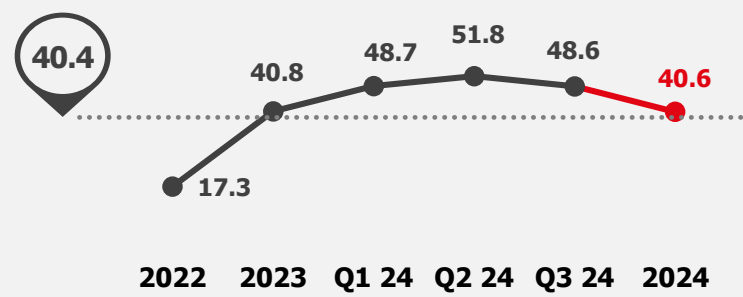
OPEX<sup>(1)</sup> (TL mn)



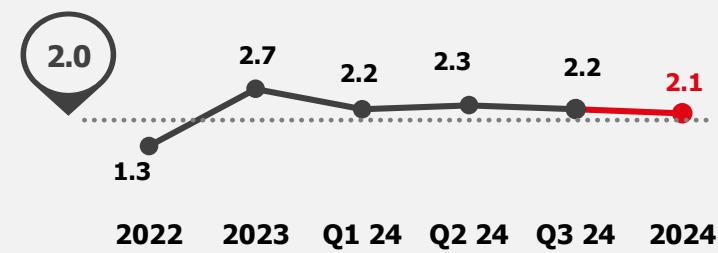
Net F&C (TL mn)



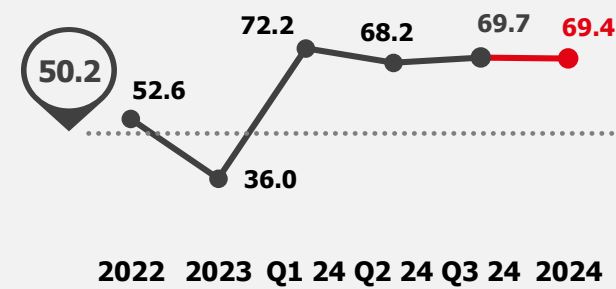
Cost/Income (%)



Cost/Avg. Assets (%)



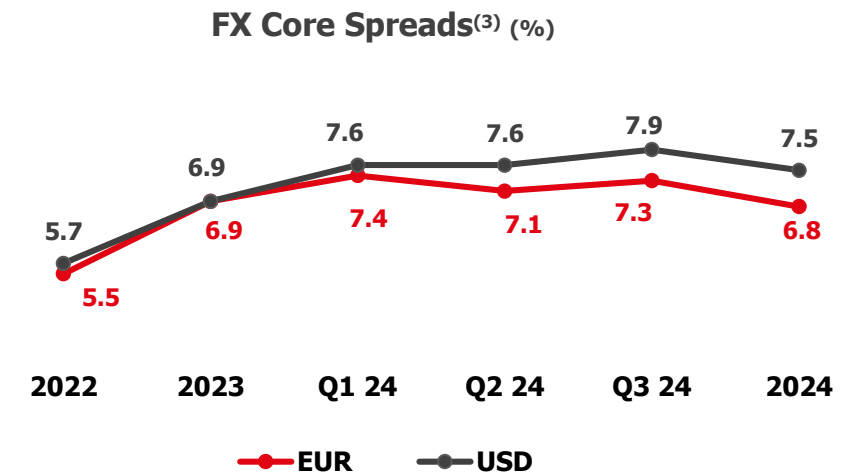
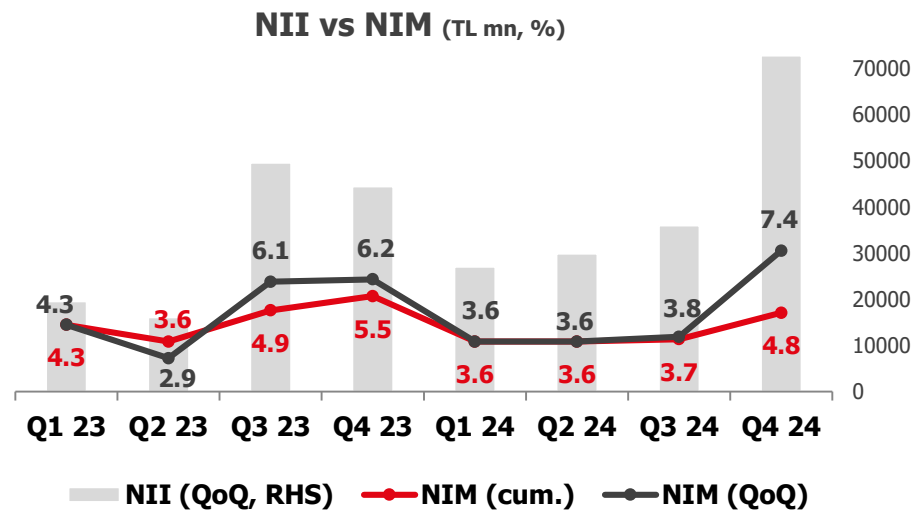
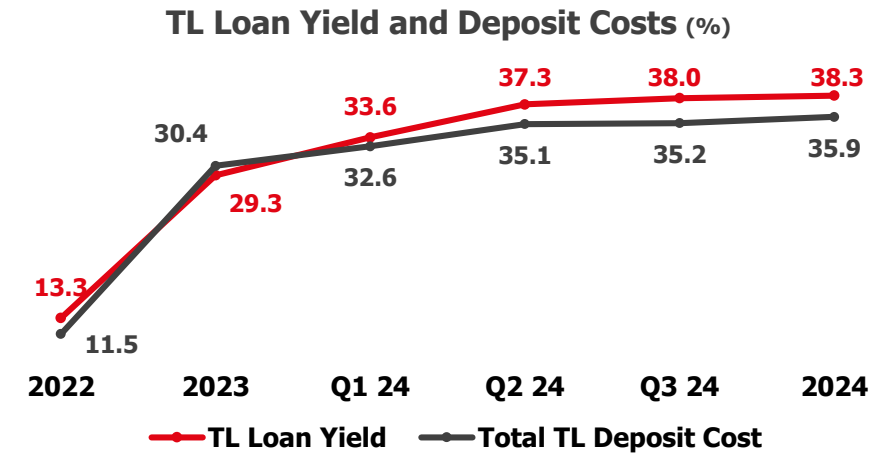
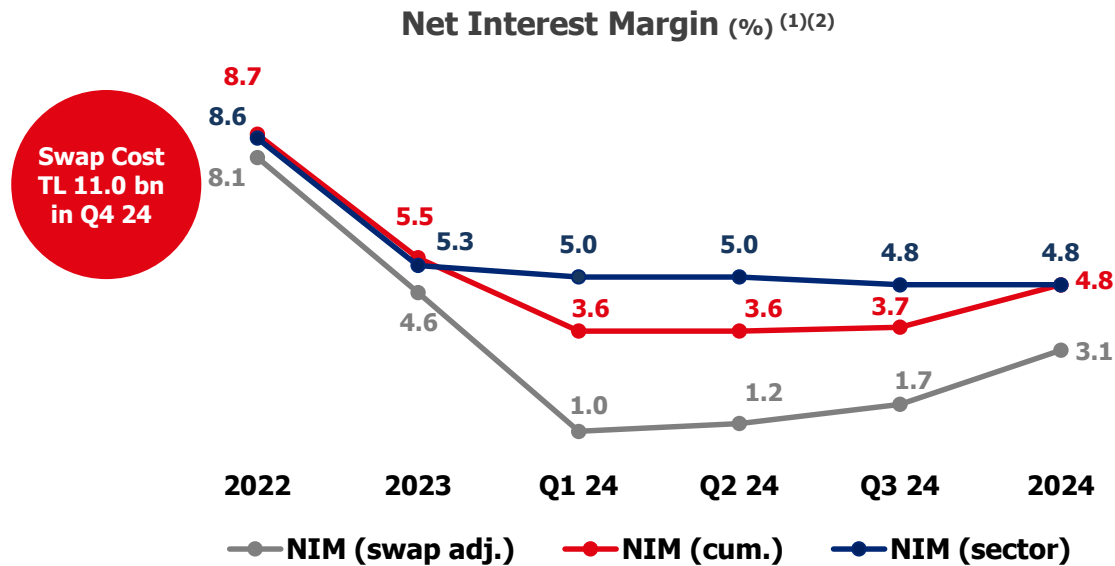
Fee/OPEX (%)



 Quarterly Average for Last 5 Years

(1) Includes personnel expenses and other provision expenses



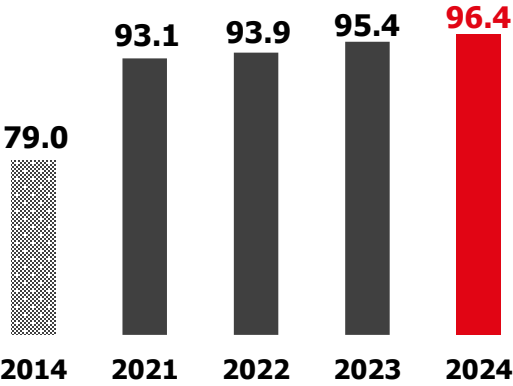


(1) Sector: Deposit banks  
(2) NIM = Net Interest Income / Avg. IEA  
(3) FX Loan - FX Deposit (Total)





# APPENDIX

- Digitalization & Efficiency
- Sustainability
- Ziraat Finance Group
- Balance Sheet Summary
- Income Statements Summary
- Key Financial Ratios

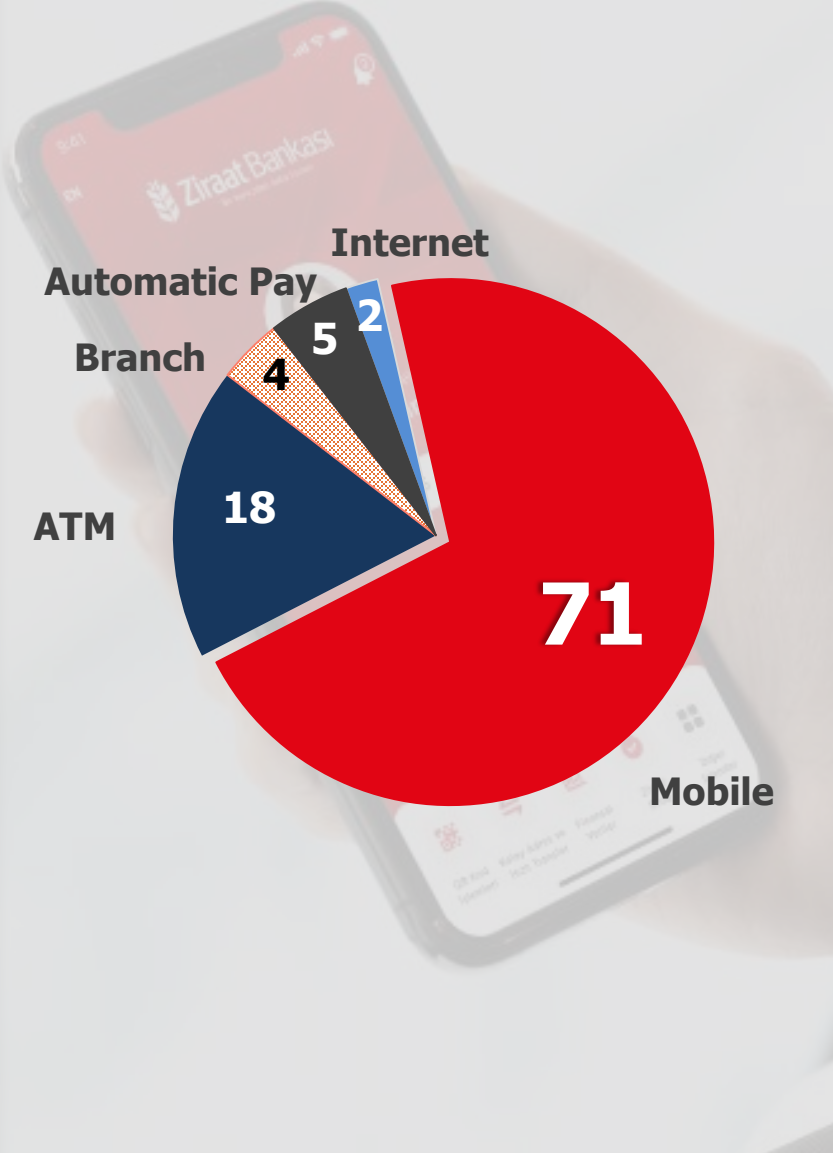
Non-Branch Channels Usage (%)



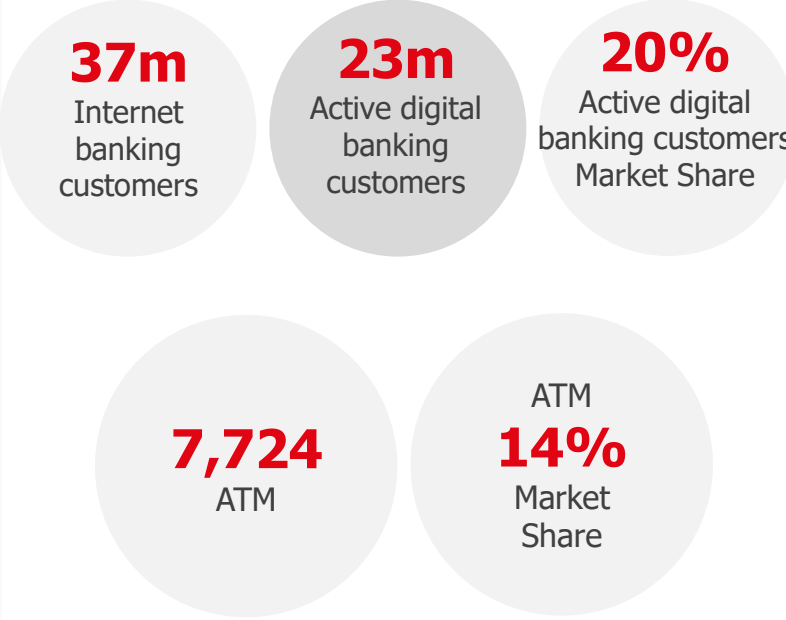
Key Digitalization Achievements

-  Digitalized credit processes for corporate customers
-  New Payment System "Ziraat Pay"
-  New Version "Ziraat Mobil" Application
-  Transformation of SMEs "Z-Dönüşüm"





Banking Transaction Channel Distribution (%)



Unique Service Delivery



Digitalization Plans

-  New Digital Bank "Ziraat Dinamik"
-  Metaverse Branch
-  Service Banking
-  Digital Banking Innovations For Children And Youth

Strategy

Aware of the responsibility of being "More Than a Bank" Ziraat assumes key roles in the country's sustainable development process.


Ziraat adopted its **Sustainability Policy** in 2014 and has a sustainability structure in place to guide the Policy's implementation.

**Ziraat Bank has updated its Sustainability Policy in 2023** in order to contribute to **Türkiye's 2053 Net-Zero emission target, Nationally Determined Contribution,**

and the global goal of keeping the increase in the global temperature below 2°C - or limit to 1.5°C if possible - as set out in the **Paris Climate Agreement**, which Türkiye is a stakeholder of.


This policy is shaped around Ziraat Bank's obligations to the environment, its customers and the community, and its duties as an employer, with the following pillars:

- (1) determining and implementing the Bank's targets in economic sustainability from a **short, medium and long-term ESG perspective;**
- (2) focus on sustainability, **banking products and services to all customers in practical, understandable, accessible and digitally focused format;**
- (3) providing finance to **address the pressures and challenges of tackling the climate change crisis and the transition to a low carbon economy;**
- (4) approach decision-making considering environmental and social issues and associated **potential risks and opportunities;**
- (5) continuous development and **integration of universally-accepted sustainability principles** into the Bank's business model and processes (i.e.: UN SDGs).



Ziraat Bank received CDP Climate Change and Water Security Scores for the first time in 2023. **Significant progress was obtained in 2024.**

Category	2023	2024
Water Security	A-	A
Climate Change	B	B



Renewable Energy Resource Guarantee System (**YEK-G**) Certificate was obtained for 2024 for **150,000 MWh.**

✓ **Sustainability Bond issuances**

**Jan 21: 600m USD, 5Y, 5.375% coupon**

**Jan 24: 500m USD, 5Y, 8.0 % coupon**

✓ **The Largest Sustainability Themed Single Tranche Syndicated Loan (April 2024, USD 1.7 bn) received by a financial institution in Türkiye.**

**Environmental and Social Impact Management Policy in Lending Activities adopted in 2020 and the policy model became fully operational in 2022.**

- Activities that will not be financed by the Bank have been determined
- Investment loan requests related to projects above a certain amount are subject to environmental and social risk assesment.



**Ziraat Towers Project** in Istanbul Finance Center awarded **LEED Platinum Certificate** with its environmentally friendly design, environmental sustainability mission and pioneering approach to smart applications with advanced technology. It also achieved a great success by winning the **"Excellence in Construction"** award from **CTBUH** (Council on Tall Buildings and Urban Habitat), which is a non-profit global organization targeting to create more sustainable and healthy cities.



In order to meet the electricity consumption of all of its service units, Ziraat Bankası is installing three Solar Power Plants Kayseri Pınarbaşı which have a total installed capacity of **64 MW** and **planned to be operational at full capacity in 2025.**

- Sustainable Loan Products Offered by Ziraat**
- Individual/corporate energy efficiency loans
  - Energy efficiency management loans
  - Green mortgage
  - Green car loan
  - Renewable energy loans
  - Wastewater treatment and recovery loans
  - Pressurized irrigation loans
  - Renewable energy in agriculture loans
  - Young farmer loan
  - Woman farmer loan
  - Golden hive loan
  - Rooftop solar energy loan
  - Agricultural SME loan
  - Heat insulation loan
  - Carbon reduction loan
  - Digital transformation & tech-support loan
  - Young entrepreneur loan
  - Woman entrepreneur loan

Presence in  
**20** countries,  
**127** service points



## Local Subsidiaries

- 🌾 Ziraat Katılım Bankası (Participation Banking)
- 🌾 Ziraat Yatırım (Securities Brokerage & Investment House)
- 🌾 Ziraat Portföy (Asset Management)
- 🌾 Ziraat GYO (Real Estate Investment Trust)
- 🌾 Ziraat Teknoloji (IT)
- 🌾 Ziraat GSYO (Venture Capital Investment Trust)
- 🌾 ZiraatPay (Electronic Money)
- 🌾 Ziraat Dinamik (Digital Banking)
- 🌾 Ziraat Finansal Kiralama (Leasing) ★

## Overseas Subsidiaries

- 🌾 Ziraat Bank Int. AG (Germany)
- 🌾 ZiraatBank BH d.d. (Bosnia)
- 🌾 Ziraat Bank Montenegro AD
- 🌾 Ziraat Bank Azerbaijan ASC
- 🌾 Ziraat Bank Moscow JSC
- 🌾 KZI Bank (Kazakhstan)
- 🌾 Turkmen Turkish JSC Bank
- 🌾 Ziraat Bank Uzbekistan JSC
- 🌾 JSC Ziraat Bank Georgia

## Overseas Branches and Representative Offices

- 🌾 United Kingdom
- 🌾 Greece
- 🌾 Bulgaria
- 🌾 Iraq
- 🌾 Saudi Arabia
- 🌾 Kosovo
- 🌾 Bahrain
- 🌾 Turkish Republic of Northern Cyprus
- 🌾 Egypt
- 🌾 United Arab Emirates
- 🌾 Algeria ★

TL bn	2023	Sep.24	2024	% Change QoQ	% Change YoY
CASH AND CASH EQUIVALENTS	731.3	958.4	957.2	0	31
SECURITIES	981.2	1,209.9	1,328.0	10	35
LOANS	1,971.6	2,575.0	2,866.2	11	45
Gross NPL	22.9	31.5	35.8	14	56
Expected Credit Loss (-)	67.9	79.8	87.0	9	28
OTHERS	116.3	205.6	233.4	14	101
<b>TOTAL ASSETS</b>	<b>3,800.4</b>	<b>4,948.9</b>	<b>5,384.9</b>	<b>9</b>	<b>42</b>
DEPOSITS	2,935.3	3,525.2	3,759.7	7	28
FUNDS BORROWED	200.2	402.7	488.9	21	144
INTERBANK MONEY MARKETS	83.4	152.8	186.3	22	123
PROVISIONS	35.1	28.1	30.6	9	-13
OTHERS	215.2	431.2	447.7	4	108
SHAREHOLDERS' EQUITY	331.2	408.9	471.7	15	42
<b>TOTAL LIABILITIES</b>	<b>3,800.4</b>	<b>4,948.9</b>	<b>5,384.9</b>	<b>-1</b>	<b>29</b>

TL mn	2023	2024	Q4 23	Q3 24	Q4 24	% Change QoQ	% Change YoY
<b>INTEREST INCOME</b>	<b>427,255</b>	<b>946,562</b>	<b>172,110</b>	<b>248,125</b>	<b>303,656</b>	<b>22</b>	<b>122</b>
-From Loans	264,247	617,014	107,691	163,990	179,025	9	133
-From Securities	152,125	254,644	61,551	60,247	96,411	60	67
<b>INTEREST EXPENSE</b>	<b>297,658</b>	<b>780,933</b>	<b>127,717</b>	<b>212,144</b>	<b>230,917</b>	<b>9</b>	<b>162</b>
-On Deposits	265,808	682,134	118,350	183,860	194,054	6	157
<b>NET INTEREST INCOME</b>	<b>129,597</b>	<b>165,629</b>	<b>44,393</b>	<b>35,982</b>	<b>72,739</b>	<b>102</b>	<b>28</b>
<b>NET FEES &amp; COMMISSIONS</b>	<b>31,451</b>	<b>69,022</b>	<b>11,199</b>	<b>17,845</b>	<b>19,044</b>	<b>7</b>	<b>119</b>
<b>OTHER OPERATING INCOME</b>	<b>33,258</b>	<b>33,944</b>	<b>4,685</b>	<b>5,925</b>	<b>7,695</b>	<b>30</b>	<b>2</b>
<b>EXPECTED CREDIT LOSS</b>	<b>30,670</b>	<b>27,765</b>	<b>5,213</b>	<b>5,952</b>	<b>10,652</b>	<b>79</b>	<b>-9</b>
-Stage 1 Provisions	3,120	4,955	-1,005	356	3,195	NM	59
-Stage 2 Provisions	15,369	9,427	-2,014	1,582	3,371	113	-39
-Stage 3 Provisions	12,181	13,383	8,232	4,014	4,086	2	10
<b>OTHER PROVISION EXPENSES</b>	<b>124</b>	<b>198</b>	<b>27</b>	<b>-125</b>	<b>-1,657</b>	<b>NM</b>	<b>60</b>
<b>OPEX<sup>(1)</sup></b>	<b>87,266</b>	<b>99,498</b>	<b>21,910</b>	<b>24,639</b>	<b>27,774</b>	<b>13</b>	<b>14</b>
<b>NET OPERATING PROFIT</b>	<b>95,568</b>	<b>117,571</b>	<b>27,007</b>	<b>26,177</b>	<b>60,798</b>	<b>132</b>	<b>23</b>
<b>NET PROFIT</b>	<b>89,851</b>	<b>100,637</b>	<b>34,715</b>	<b>19,742</b>	<b>50,255</b>	<b>155</b>	<b>12</b>

Source: Unconsolidated Financial Statements NM: Not meaningful

(1) OPEX includes personnel expenses



(%)	2023	Q1 24	Q2 24	Q3 24	2024
ROA <sup>(1)</sup>	3.0	1.7	1.4	1.5	2.2
ROE <sup>(2)</sup>	34.5	20.1	16.7	18.3	26.9
Cost / Income <sup>(3)</sup>	40.8	48.7	51.8	48.6	40.6
Fee / OPEX <sup>(4)</sup>	36.0	72.2	68.2	69.7	69.4
NIM (cum.) <sup>(5)</sup>	5.5	3.6	3.6	3.7	4.8
Loans <sup>(6)</sup> /Deposits	66.4	72.9	71.4	72.2	75.3
Loans/Assets	51.3	53.3	50.9	51.4	52.6
Securities/Assets	25.8	26.5	24.3	24.4	24.7
NPL	1.2	1.1	1.1	1.2	1.3
Stage III Coverage	74.4	74.2	72.7	69.8	67.7
CoR <sup>(7)</sup>	1.7	0.6	0.5	0.4	0.6
CAR	17.2	15.3	16.1	16.8	18.6
Leverage <sup>(8)</sup> (x)	10.5	10.4	10.9	11.1	10.4
# of					
Branches <sup>(9)</sup>	1,769	1,778	1,780	1,782	1,781
Employees	25,904	25,792	25,527	25,150	26,011
ATMs	7,487	7,555	7,612	7,656	7,724

(1) Average total assets represent weekly averages

(2) Average shareholders' equity represent weekly averages

(3) Includes dividend income

(4) Includes personnel expenses

(5) Average interest earning assets represent weekly averages

(6) Performing Loans

(7) Annualized figure

(8) Leverage = (Assets/Shareholders' Equity)-1

(9) Including foreign branches



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