



Türk Ekonomi Bankası

Q2'25 Earnings Presentation



TEB
BNP PARIBAS ORTAKLIĞI

TEB Overview

- One of Türkiye's oldest financial institutions, TEB commenced banking operations in 1927 based in İzmit and began as a small-scale regional bank
- In 2005, BNP Paribas, one of the leading banks in the world and currently operating in 65 countries, acquired shares of TEB.
- TEB is now the 7th largest private bank in Türkiye and provides banking products to Corporates, SME, retail and private banking customers through a national wide network
- TEB and its subsidiaries also undertakes factoring, asset management, portfolio management, investment banking and insurance activities
- TEB continues to make an increasingly greater effort in order to provide multidimensional support that will nourish Türkiye's economic and also social added-value growth

TEB Ratings

FitchRatings
March 21, 2025

	FCY	TRY	Outlook
Long Term	BB-	BB-	Stable
Short Term	B	B	
Shareholder Support Rating	bb-		

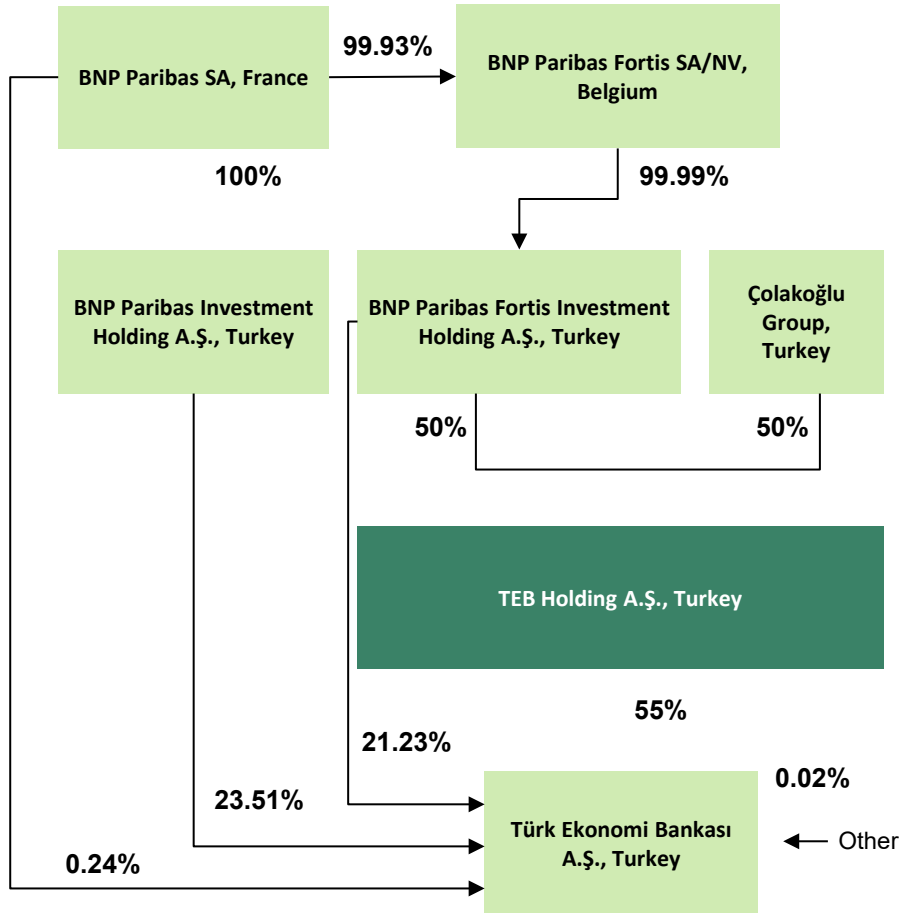
Moody's
July 23, 2024

	FCY	TRY	Outlook
Long Term	Ba3	Ba3	Positive
Short Term	NP	NP	
Adjusted BCA	ba3		



TEB Shareholding Structure

TEB Group Structure



TEB is a subsidiary of BNP Paribas which **directly or indirectly owns and controls 72.48%** of the Bank's shares and consolidates the Bank into its consolidated financial statements

Shareholder's Name/Title	Share within Paid-up Capital of TL 2,204,390,000.00
TEB Holding ⁽¹⁾	55.00%
BNP Paribas Yatırımlar Holding A.Ş.	23.51%
BNP Paribas Fortis Yatırımlar Holding A.Ş. (BNPP FY Holding) ⁽²⁾	21.23%
BNP Paribas	0.24%
Kocaeli Ticaret Odası	0.02%
TOTAL	100.00%

⁽¹⁾TEB Holding A.Ş. is jointly owned by the Çolakoğlu Group and the BNPP Group of Companies.

⁽¹⁾A total of 50% of the shares in TEB Holding A.Ş. are controlled by BNP Paribas Fortis Yatırımlar Holding A.Ş., while the other 50% of the shares are controlled by the Çolakoğlu Group.

⁽²⁾BNP Paribas Fortis Yatırımlar Holding A.Ş. is controlled by BNP Paribas Fortis NV/SA, which holds 100% of its shares.

⁽²⁾On the other hand, BNP Paribas S.A. fully controls the shares of BNPP Yatırımlar Holding A.Ş..



TEB Overview

- As of 30 June 2025, TEB's total assets reached TL 738 billion with 21% increase YtD.
- Loans reaching 54% of the Bank's total asset as an indicator of TEB's continuous support for both its customers and the economy.
- TEB's total lending realized as TL 397 billion as 30 June 2025 while the Bank's total deposits amounted to TL 491 billion.
- TEB's shareholders' equity was TL 49.2 billion as of 30 June 2025 with 17.62% capital adequacy ratio which was well above the 12% targeted ratio.
- TEB posted net of profit of TL 5.5 billion while achieving 23.8% RoE in a challenging quarter mainly due to higher TL deposits costs and lower CPI linkers' contribution in line with lower CPI expectations and together with 1.6% RoA.
- Fee and commission growth of 73.9% YoY thanks to higher transactions volumes as well as higher prices in payment systems in line with higher policy rates.
- NPL ratio has increased to 1.7%, mainly reflecting retail inflows, TEB well positioned for anticipated asset quality erosion.
- Securities portfolio posted a robust growth of 8% in YtD boosted by the fixed rate securities which was 63% of total securities.
- Operating expenses remained focus area due to inflation and material TL depreciation, OPEX grew by 56% YoY.
- Continuing growth in digital customer acquisition, reaching approximately 3.3 million digital active customers in CEPTETEB.



Financials Summary Unconsolidated

Summary Balance Sheet (TL mio)

	31.12.2024	30.06.2025	YtD Chg
Cash & Cash Equivalents	143,372	183,912	28%
Marketable Securities	100,203	108,695	8%
Loans (net)	326,201	396,577	22%
Other Assets	41,642	48,853	17%
Total Assets	611,418	738,036	21%
Deposit	405,610	490,761	21%
Funds Borrowed	25,762	36,472	42%
Repo	62,952	74,546	18%
Subordinated Debt	28,244	32,695	16%
Other Liabilities	44,945	54,405	21%
Shareholders Equity	43,904	49,158	12%
Liab.&Shr.Equity	611,418	738,036	21%

Summary Income Statement (TL mio)

	30.06.2024	30.06.2025	YoY Chg
Net Interest Income	13,005	17,393	33.7%
Gains/Losses From Derivatives and FX position	(2,213)	2,433	
Securities Trading Gain/ Loss	(38)	49	
Net Fee & Commissions	4,097	7,223	76.3%
Other Income	275	361	31.1%
Net Banking Income	15,125	27,458	81.5%
Cost of Risk	(70)	(3,917)	
Net Operating Income	15,056	23,541	56.4%
Other Operating Expense	(4,614)	(7,781)	68.6%
Personnel Expenses	(5,746)	(8,388)	46.0%
Other Provisions	1,252	(170)	
Dividend Income	23	49	119.1%
Tax Provisions	(901)	(1,765)	96.0%
Net Profit	5,070	5,486	8.2%



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Financials Summary Consolidated

Summary Balance Sheet (TL mio)

	31.12.2024	30.06.2025	YtD Chg
Cash & Cash Equivalents	144,297	184,793	28%
Marketable Securities	100,203	108,695	8%
Loans (net)	347,464	422,504	22%
Other Assets	43,819	51,092	17%
Total Assets	635,784	767,084	21%
Deposit	405,484	490,477	21%
Funds Borrowed	42,867	58,566	37%
Securities Issued	1,663	958	-42%
Repo	63,373	74,851	18%
Subordinated Debt	28,244	32,695	16%
Other Liabilities	46,388	55,434	20%
Shareholders Equity	47,766	54,102	13%
Liab.&Shr.Equity	635,784	767,084	21%

Summary Income Statement (TL mio)

	30.06.2024	30.06.2025	YoY Chg
Net Interest Income	14,269	19,193	34.5%
Gains/Losses From Derivatives and FX position	(2,204)	2,456	
Securities Trading Gain/ Loss	5	191	3920.5%
Net Fee & Commissions	4,559	7,927	73.9%
Other Income	291	403	38.3%
Net Banking Income	16,921	30,169	78.3%
Cost of Risk	(103)	(4,058)	
Net Operating Income	16,818	26,112	55.3%
Other Operating Expense	(4,853)	(8,137)	67.7%
Personnel Expenses	(6,195)	(9,073)	46.5%
Other Provisions	1,252	(170)	
Dividend Income	23	49	119.1%
Tax Provisions	(1,213)	(2,213)	82.4%
Net Profit	5,830	6,568	12.6%



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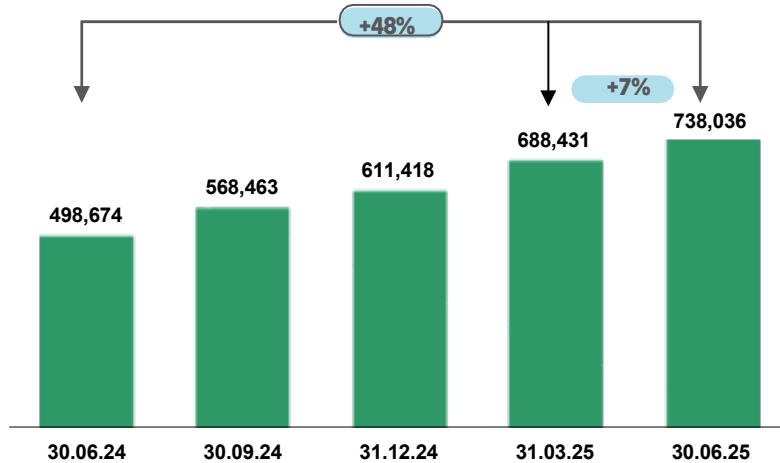
TEB is present in 70 cities in Türkiye and 4 are in Northern Cyprus.



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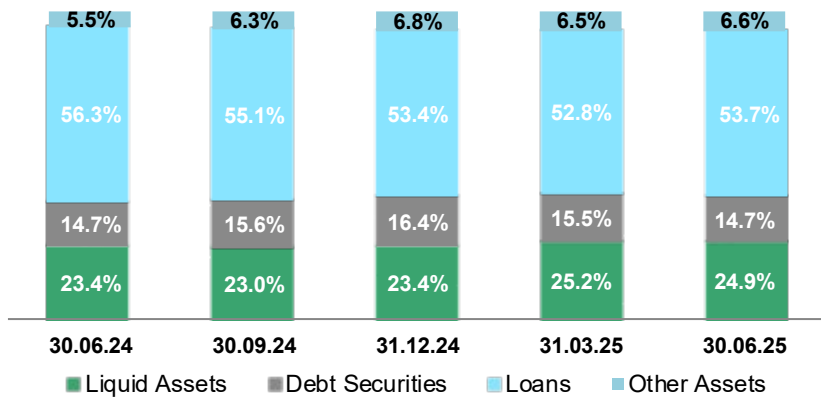
Sound & prudent balance sheet management

Balance Sheet Growth (TL mio)

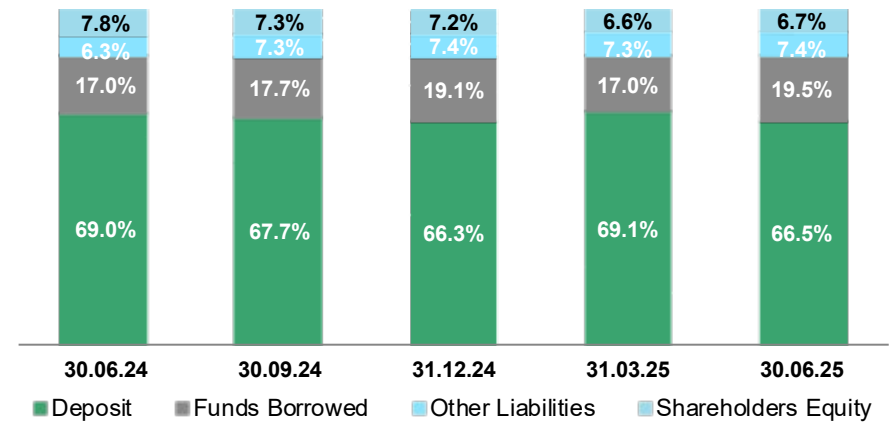


- Well balanced asset base grew :Assets growth continued through the expansion of loans and securities portfolios
- As of 30 June 2025, TEB had total loans of TL 397 bn, total deposits of TL 491 bn and total shareholders' equity of TL 49.1 bn.

Asset Compositions



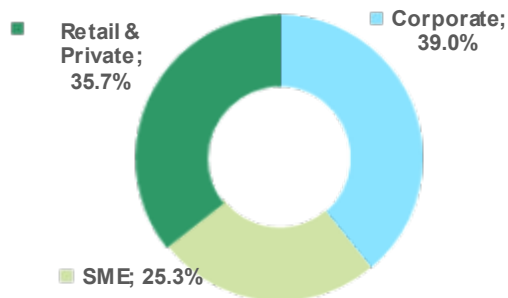
Liability Compositions



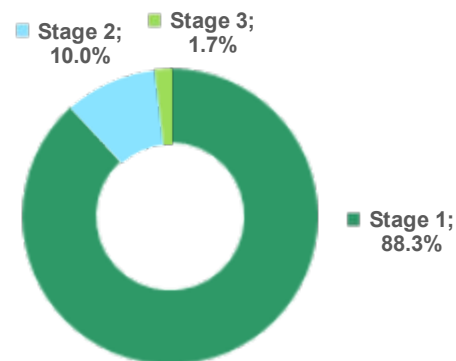
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Strong & balanced loan portfolio composition on the back of robust market share gains in loans despite tight monetary policy & regulations

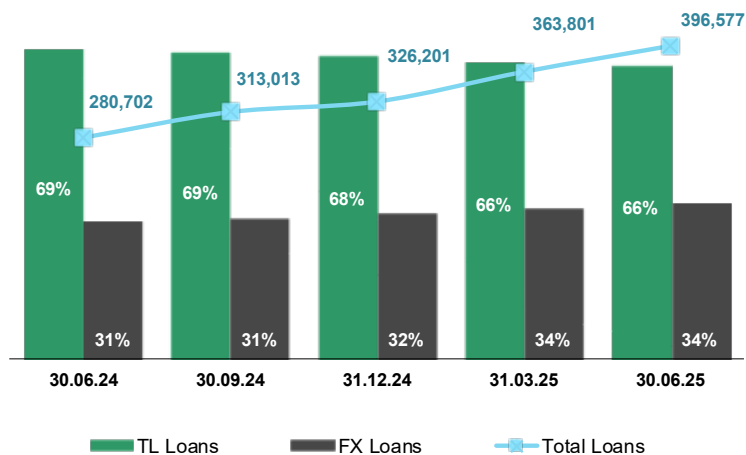
Performing Loans - Jun'25



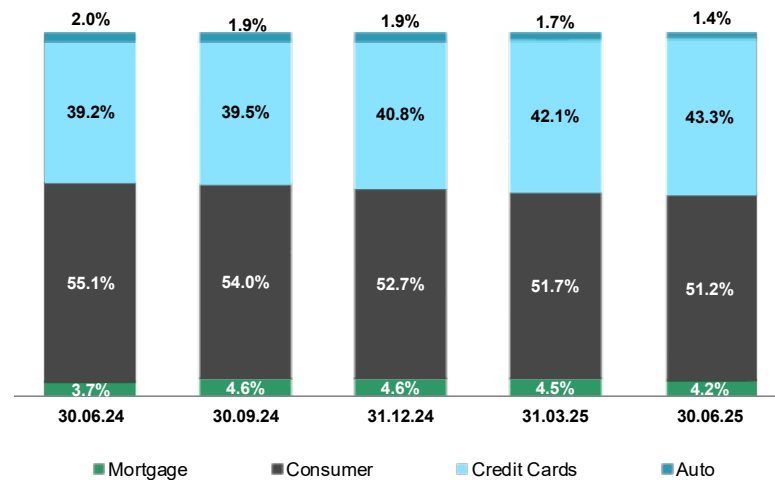
Loan Quality - Jun'25



Loan Composition by Currency (TL mio)



Breakdown of Retail Loans

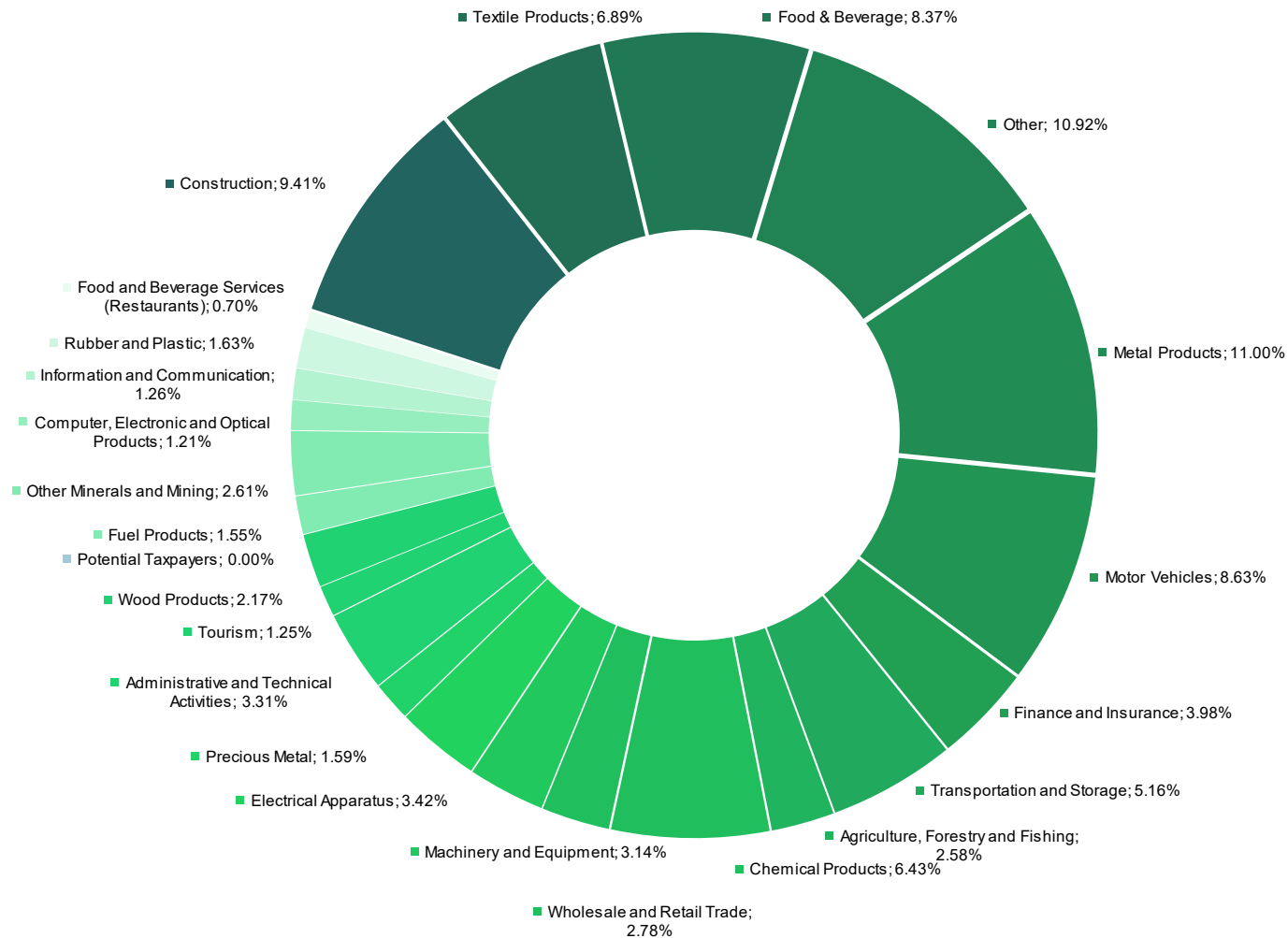


As of 30 June 2025, ESG cash loans constitute 7.3% of total cash loans of the Bank



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Maintained well-diversified loan portfolio(*)



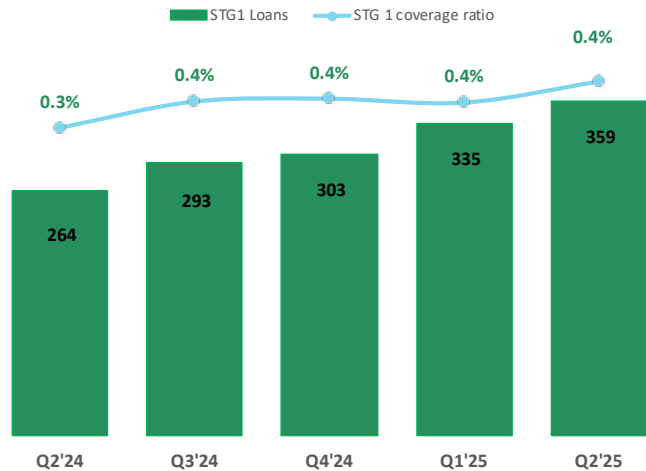
(*) incl. non-cash loans, excl. retail loans



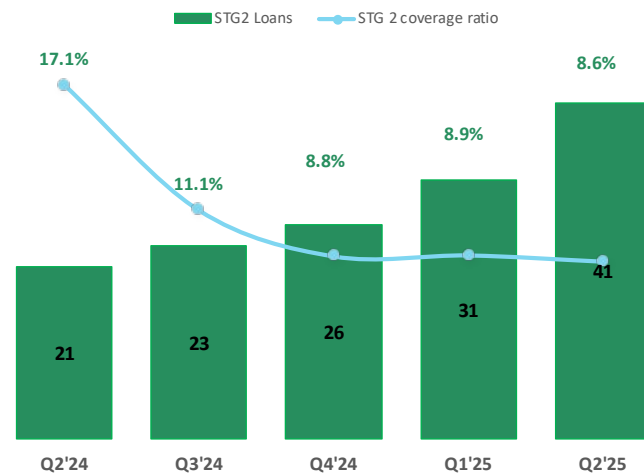
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Conservative provisioning stance and staging policies maintained

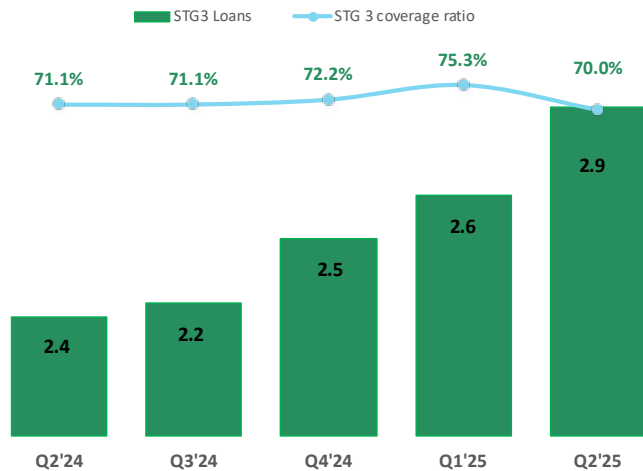
Stage 1 Loans & Coverage



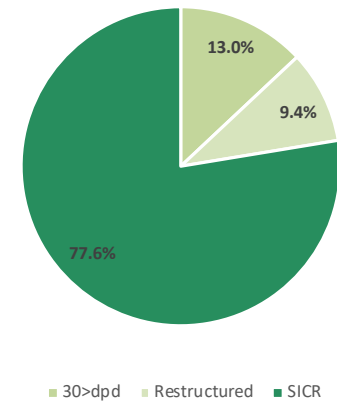
Stage 2 Loans & Coverage



Stage 3 Loans & Coverage



Stage 2 Composition



Loan Balance = 40.5 Mio TL

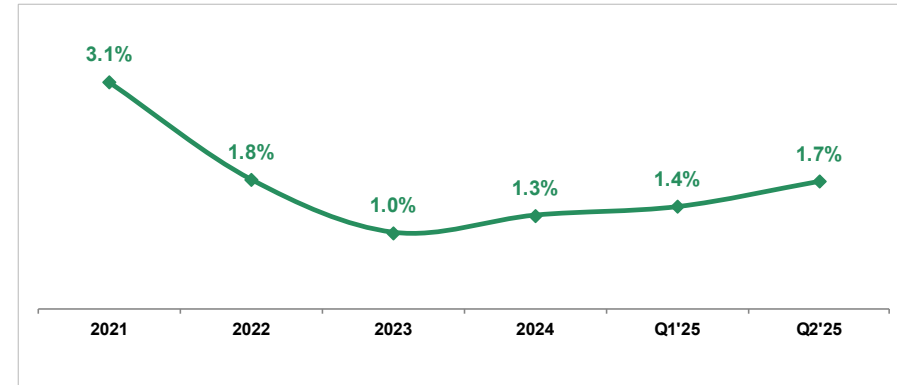


TEB (*)exc. non-cash loans, presented in billion TL
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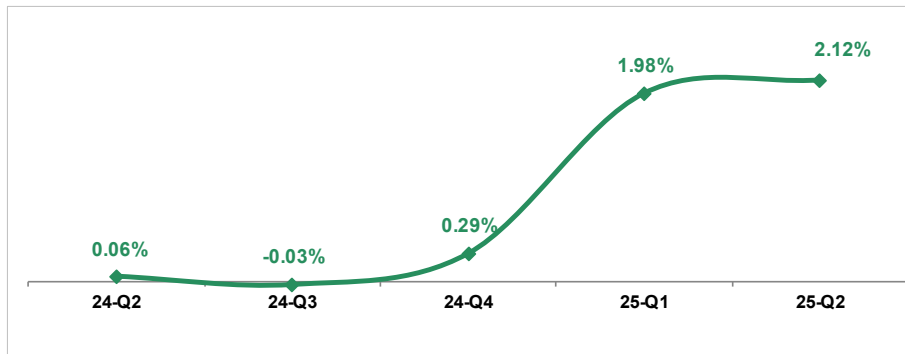
Prudent provisioning policy - NPL inflows continued in Retail segments

- NPL ratio has increased to 1.7% as at 2025-Q2 mainly on the back of growing NPL inflows in Retail (including cards); while having of 70.0% coverage as of 2025-Q2., leading to higher CoR.

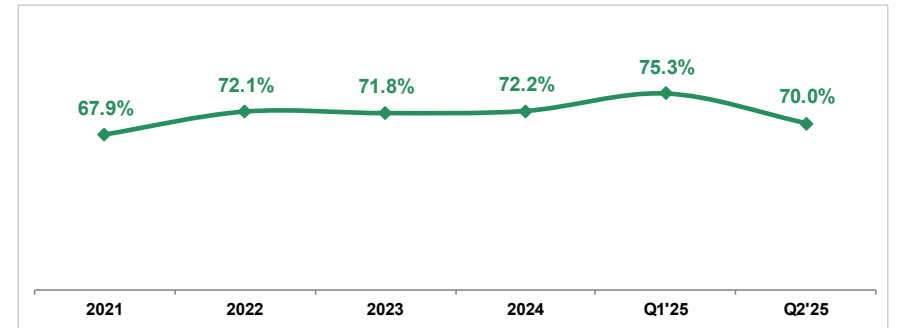
NPL Ratio



Cost of Risk



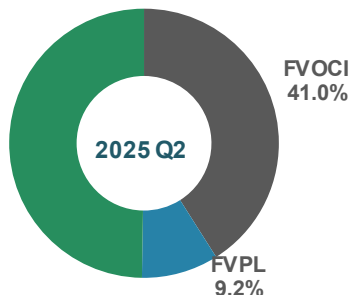
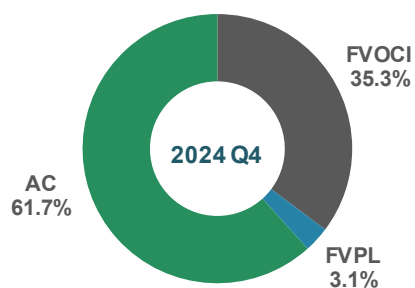
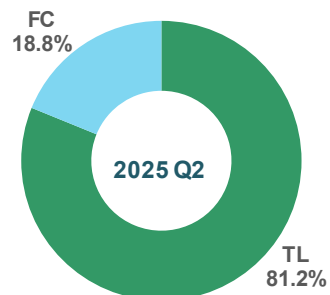
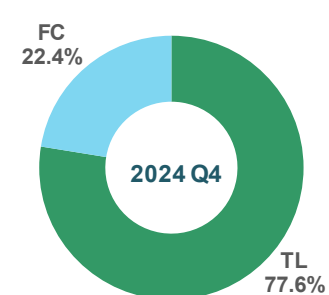
Coverage Ratio



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Relatively higher fixed rate securities in Marketable Securities portfolio

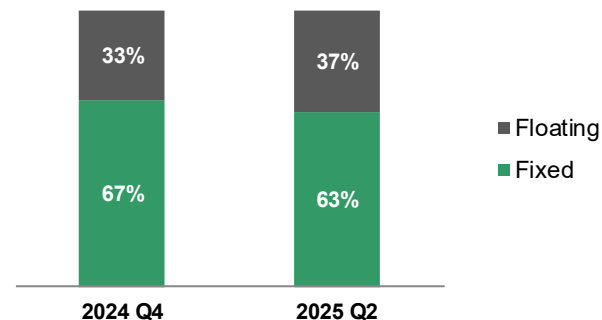
Total Securities Compositions



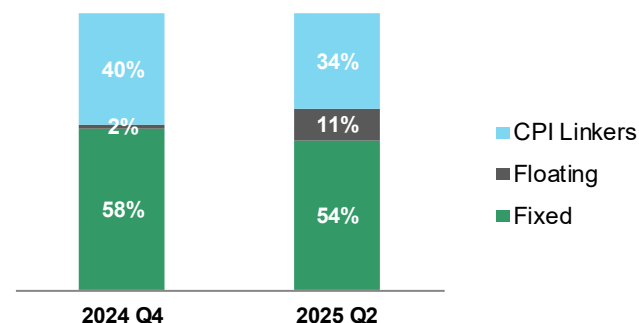
FVOCI: Financial Assets at Fair Value Through Other Comprehensive Income
 FVPL: Financial Assets at Fair Value Through Profit or Loss excluding Equity Shares AC:
 Financial Assets Measured at Amortised Cost

Interest Rate Compositions

Total Securities



TL Portfolio

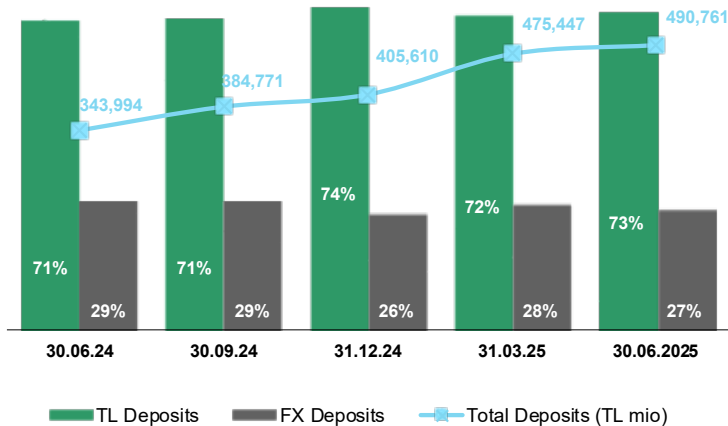


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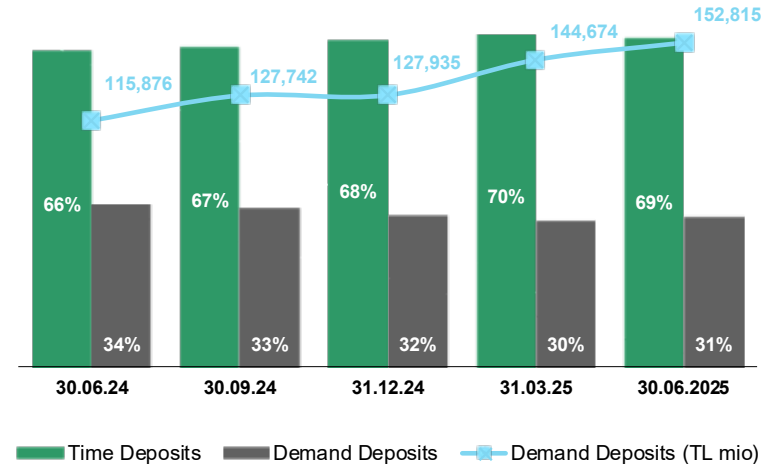
Strong growth in customer deposits

Focusing on and growth in TL deposits and with a solid TL demand deposits' base supports margin performance

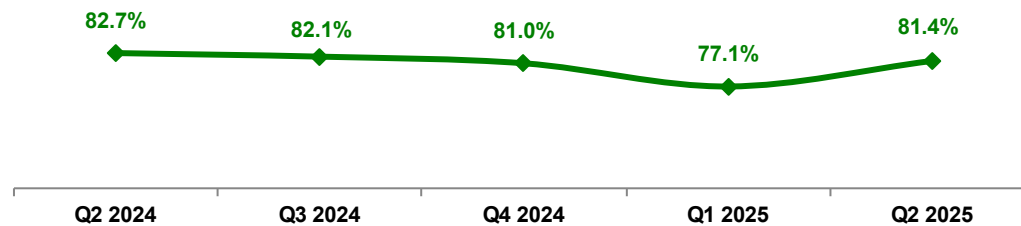
TL/FX Deposit Compositions



Time/Demand Deposit Compositions



Loan / Deposit Ratio



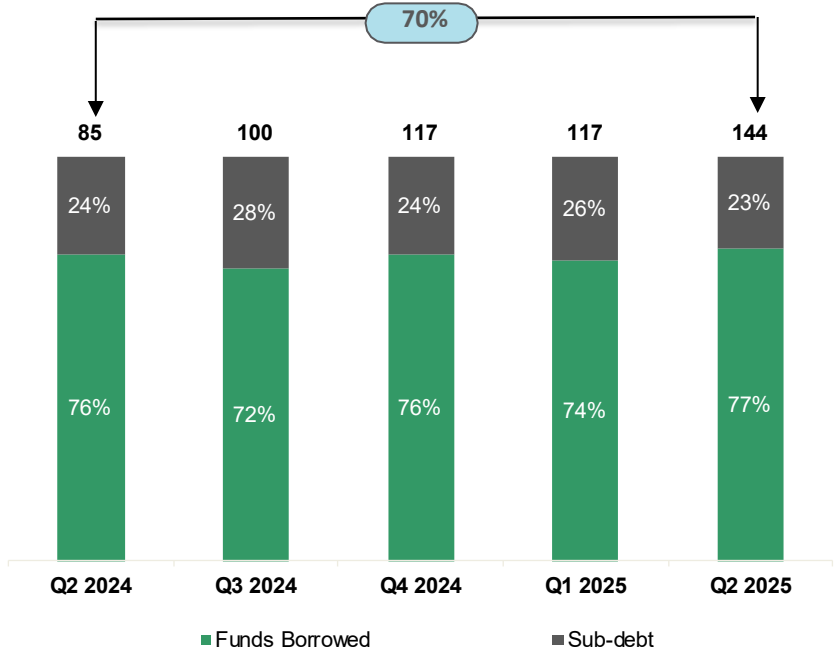
Low-level of LDR (81.4%) creates room for funding cost optimization & asset repricing.



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Healthy funding mix

Wholesale Borrowing By Type (TL bn)



LOW
LEVERAGE

HIGHLY LIQUID
BALANCE SHEET

WELL-DIVERSIFIED FUNDING
STRUCTURE

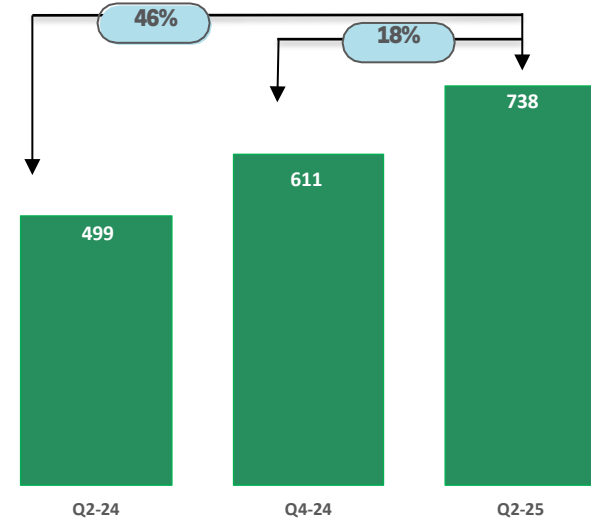
14x
Debt/Equity

\$735m
Short-term portion of
external debt

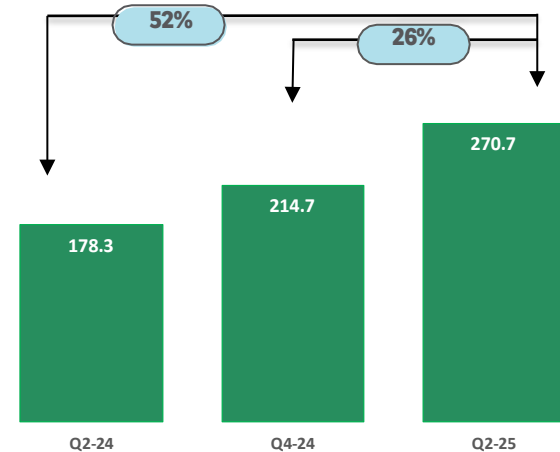
Cost-effective
Tier-2 issuance
Additional Tier 1 – AT1

USD 400m 9.375%
EUR 100m (6mEuribor+3.70%)
USD 300m 9.375%

TL Liabilities (TL bn)



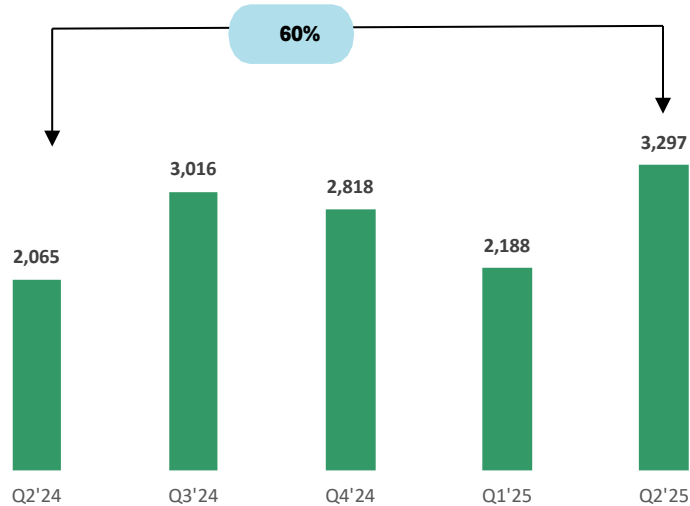
FC Liabilities (TL bn)



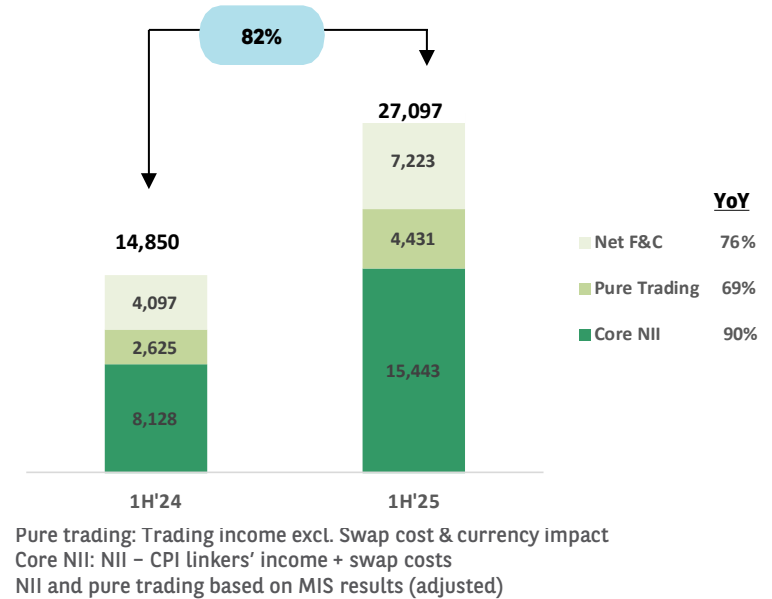
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Core Banking Revenue

NET INCOME (Quarterly) (TL mio)



CORE BANKING REVENUE (Quarterly) (TL mio)



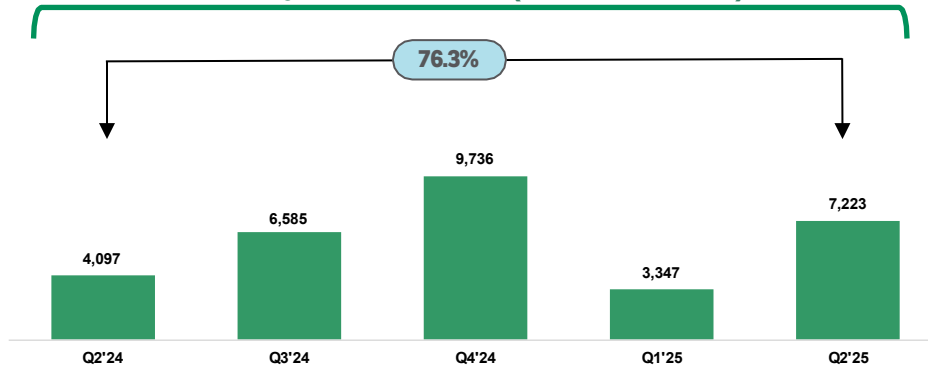
- Robust net fee income 76%(YoY) increased thanks to improvement in payment systems and fee charged.
- Despite pressure on spreads core NII increased 90% (YoY) thanks to well-structured balance sheet.
- Outstanding trading performance increased 69% (YoY).



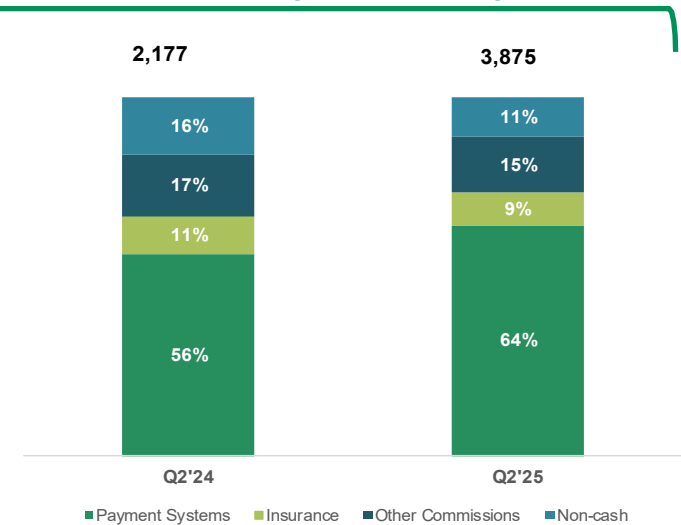
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Net Fees and Commissions

Net fee & Commissions (cumulative, TL mio)

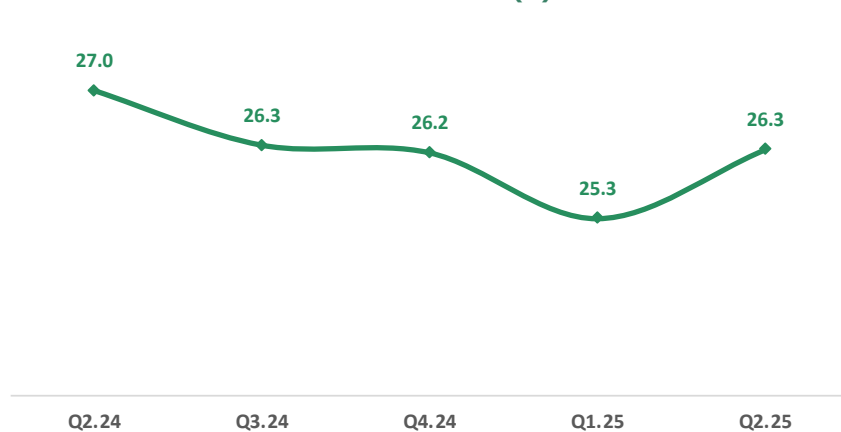


Net fee & Commissions (quarterly, TL mio)



Outstanding performance on net fees and commissions and commissions led the growth on the back of higher transaction volumes and prices in banking and payment systems.

Fees / Total Income (%)



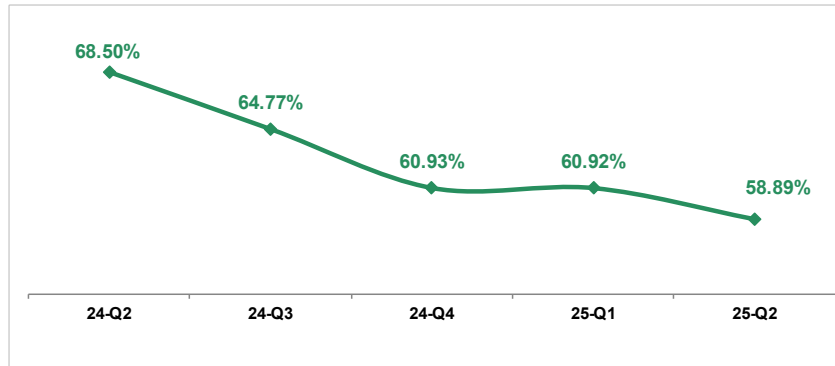
Fees / OpEx (%)



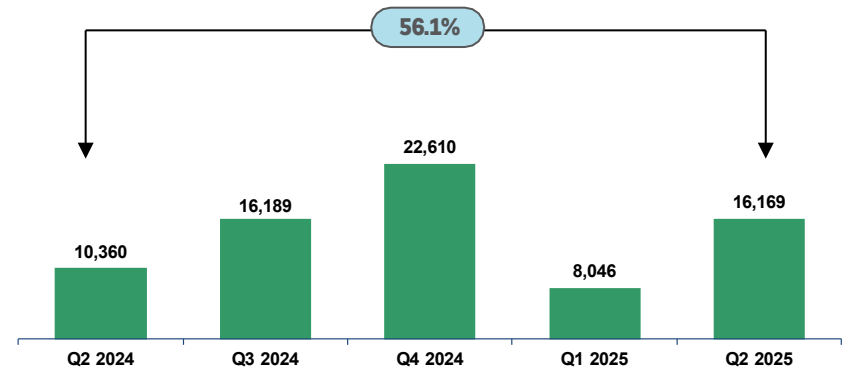
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Improved Cost Income due to higher NBI & OPEX management

Cost / Income



OPEX / TL (cumulative, TL mio)



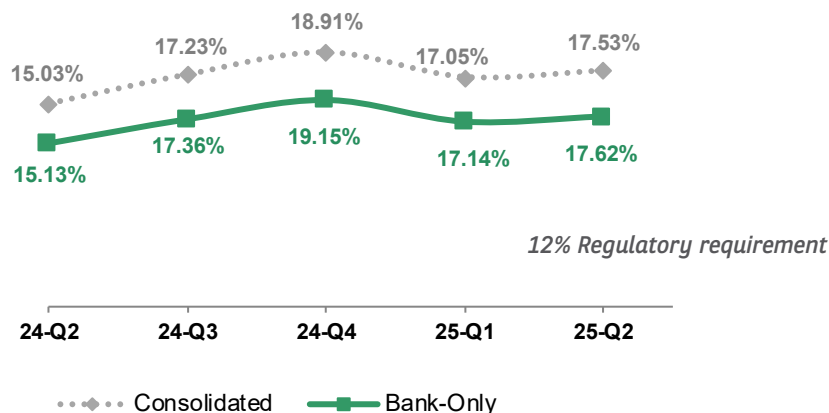
Successful cost control resulted in a good C/I ratio at 58.89%, despite upward pressures on costs from inflation and TL's depreciation.



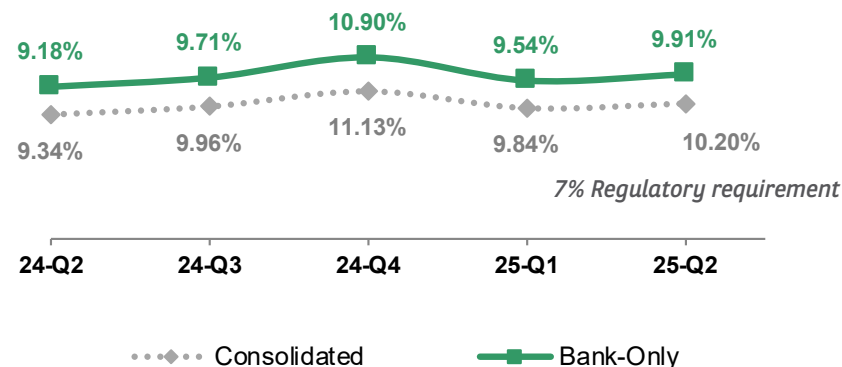
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Efficient capital management with regulatory capital in excess of minimum requirements

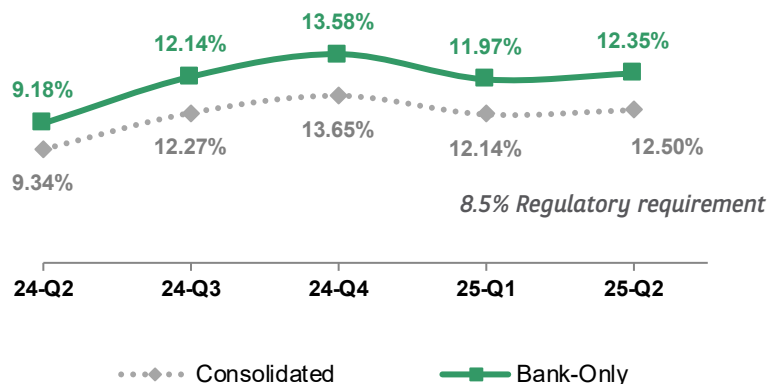
Capital Adequacy Ratio



CET1 Ratio



Tier 1 Ratio



USD 400 m 9.375% Inaugural 10NC5 Tier II Notes

On 17th of January 2024, TEB came to international Debt Capital Markets for the first time with an extraordinarily successful USD 400m 9.375% RegS-only Tier II offering.

Issue of EUR 100 m Tier 2 Notes due 2034

On 8th of May 2024, the Bank issued EUR 100m Basel-III Compliant Tier-2 bond subscribed to International Finance Corporation (IFC) with 10-year maturity, callable at the 5th year.

Issue of USD 300 m Additional Tier 1 (AT1) Perpetual Notes

On 11th of September 2024, TEB issued USD 300m Additional Tier 1 (AT1) Perpetual Notes in the international capital markets. The yield rate of the perpetual bond with early redemption feature in 5.5 years was realized at 9.375 percent.

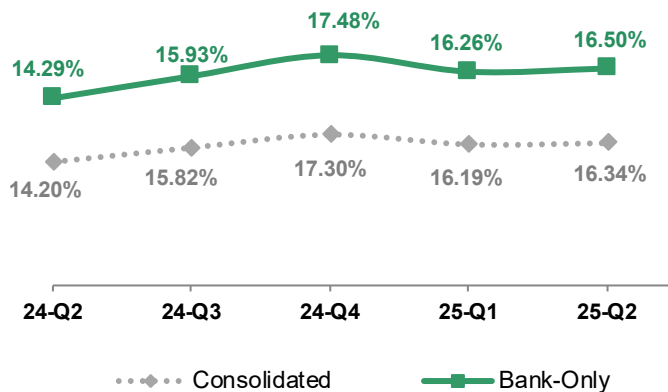


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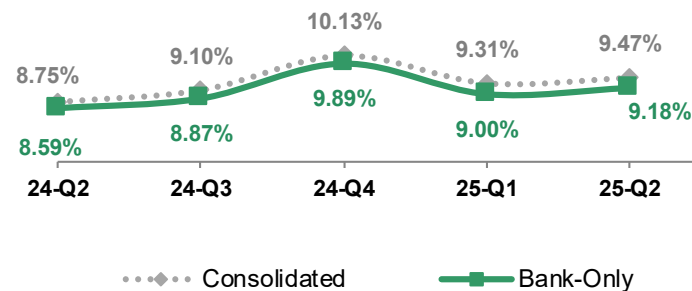
Efficient capital management with regulatory capital in excess of minimum requirements

CAR w/o Forbearance

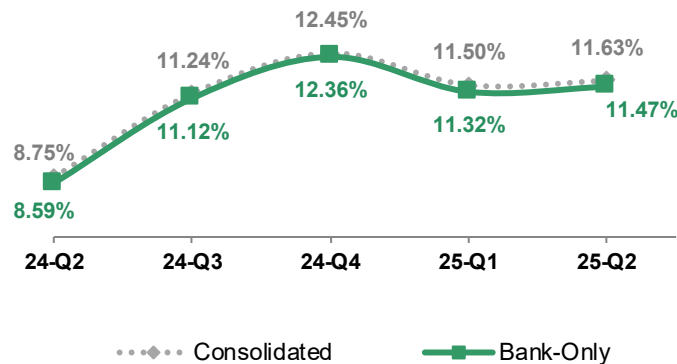
Strong capital buffers well above regulatory limits even without forbearance



CET1 w/o Forbearance



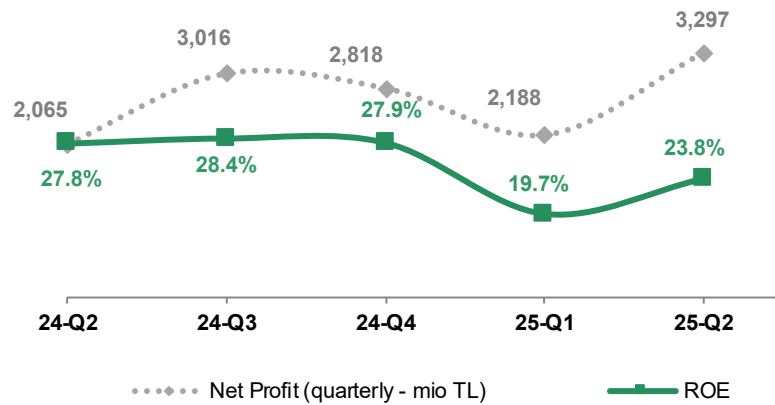
Tier 1 w/o Forbearance



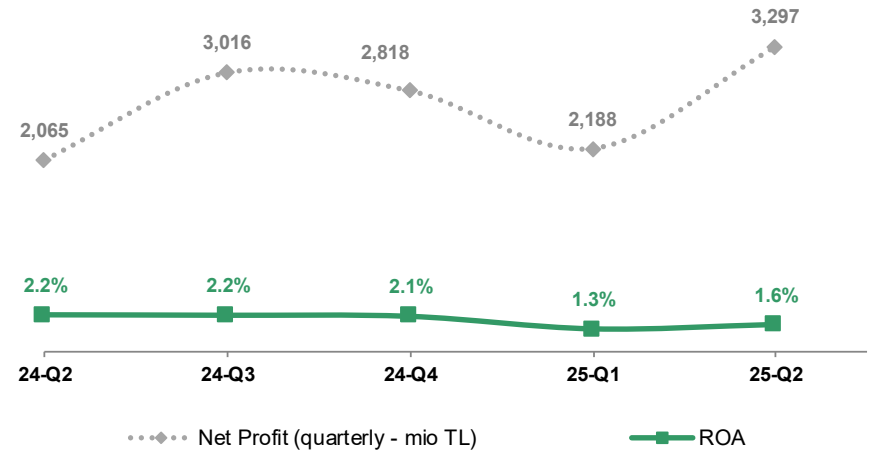
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Return On Equity / Asset

ROE



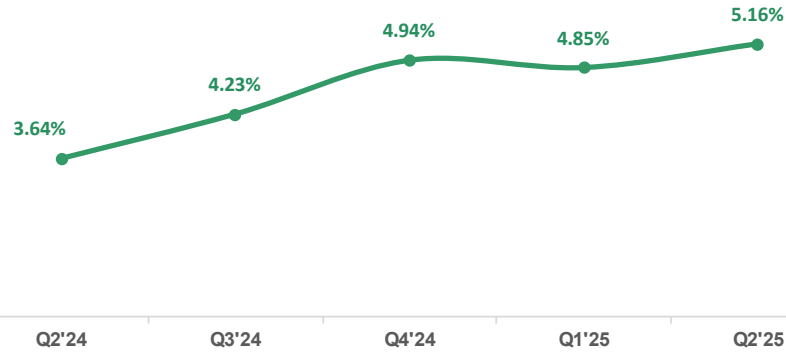
ROA



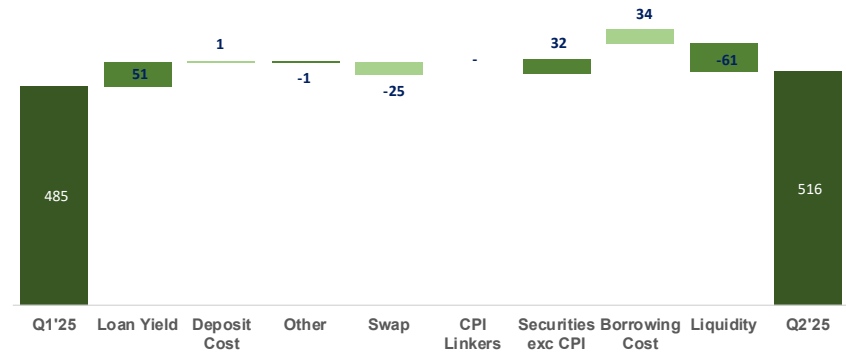
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NIM & Spreads

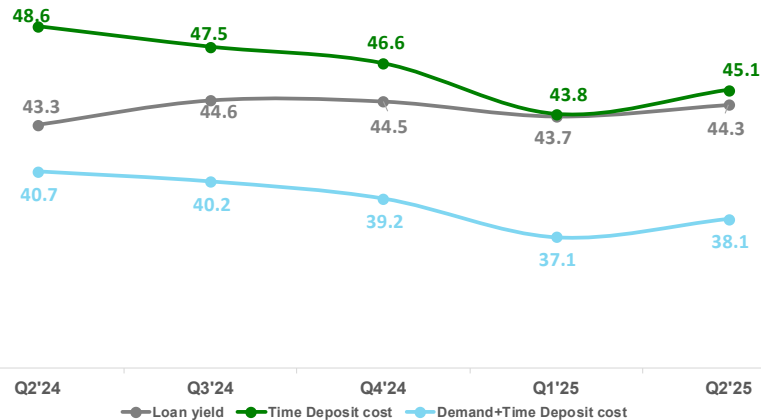
NIM



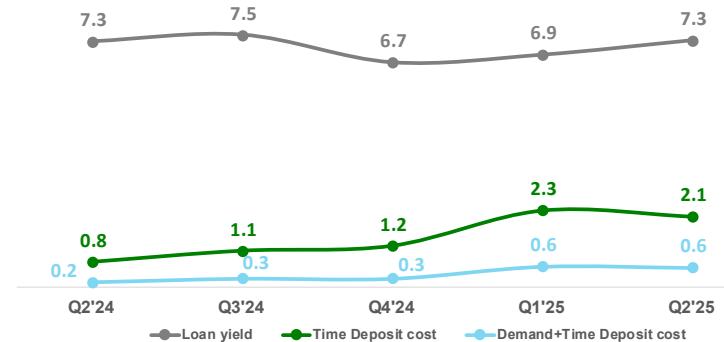
Spread WF



TL Interest Rates (% Quarterly)



FX Interest Rates (% Quarterly)



Recovery in NII and lending spreads, despite lagged rate cuts.



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Digital Banking in 2025-Q2

Client Base

11% YOY increase in active mobile clients, **3.262 million mobile active** clients

19 monthly **mobile logins per customer**

59% of bank's new customers acquired through **digital onboarding**

Migration Ratio

94% of all financial transactions over Digital Channels

77% personal loan sold through digital channels

24% of credit cards sold through digital channels

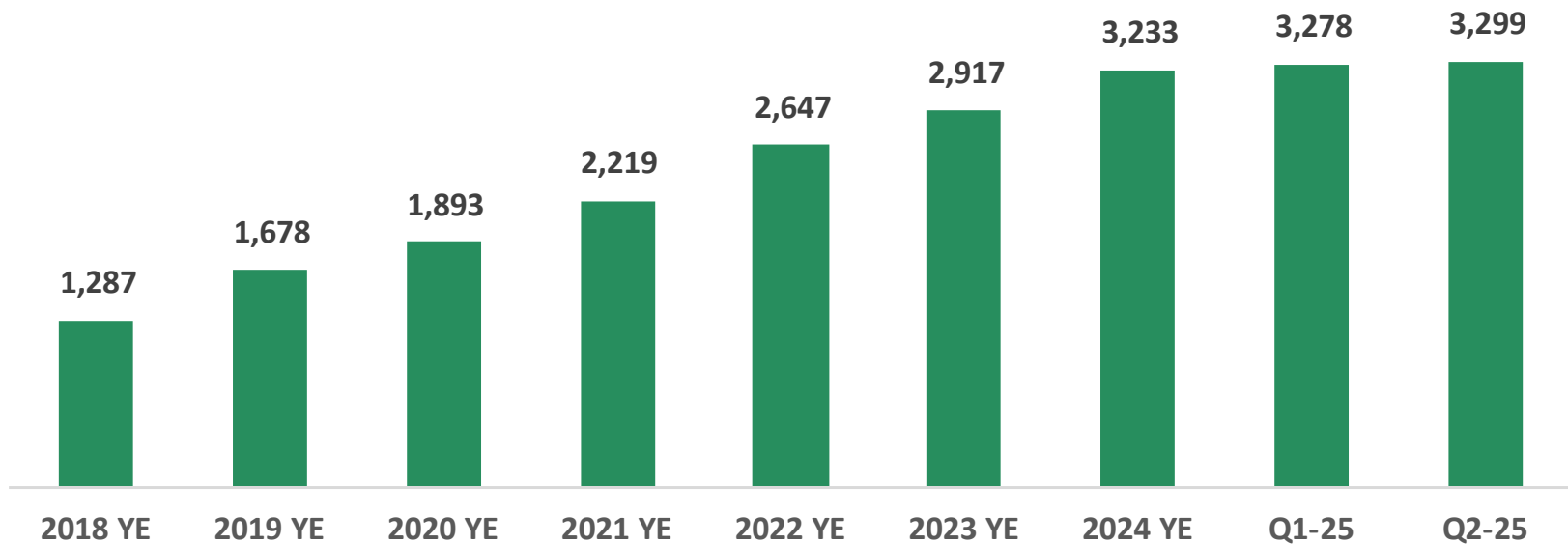
ATM Network

of ATM **1,518 with 2,75%** market share



Digital Banking in 2025-Q2

of Active Online Banking Clients* (000s)



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Environmental & Social Risk Management

All environmental & social assessments integrated into credit decision-making processes

1. Excluded Goods and Activities

- Clear exclusion criteria for goods, services and activities that are inconsistent with TEB's environmental & social standards certain activities

4. CBAM Analysis

- Sectors in scope: Cement, Iron and Steel, Aluminium, Fertilizer, Electricity, Hydrogen
- Identification of clients subject to CBAM to conduct relevant impact assessment on business

2. Selective approach to High Risk and Sensitive Sectors

- In line with national and international laws and the policies of the BNP Paribas Group
- Enhanced due diligence for high-risk and sensitive sectors based on environmental and social impact assessments
- High risk and sensitive sectors identification & restrictions on the acquisition and crediting of companies operating in these sectors

5. NZBA Analysis

- Sectors covered: Cement, Iron and Steel, Aluminium, Fertilizer, Power Generation, Oil & Gas, Automotive
- Client-level analysis and engagement to assess alignment with decarbonization targets & trajectory
- Risk-based & transaction-based thresholds to trigger deep dive client analysis

3. ESG Assessments

- Integrated ESG due diligence for all corporates as part of credit evaluation process
- Ongoing engagement with clients to improve client sustainability performance
- Systematic screening for material sustainability related events

6. Equator Principles

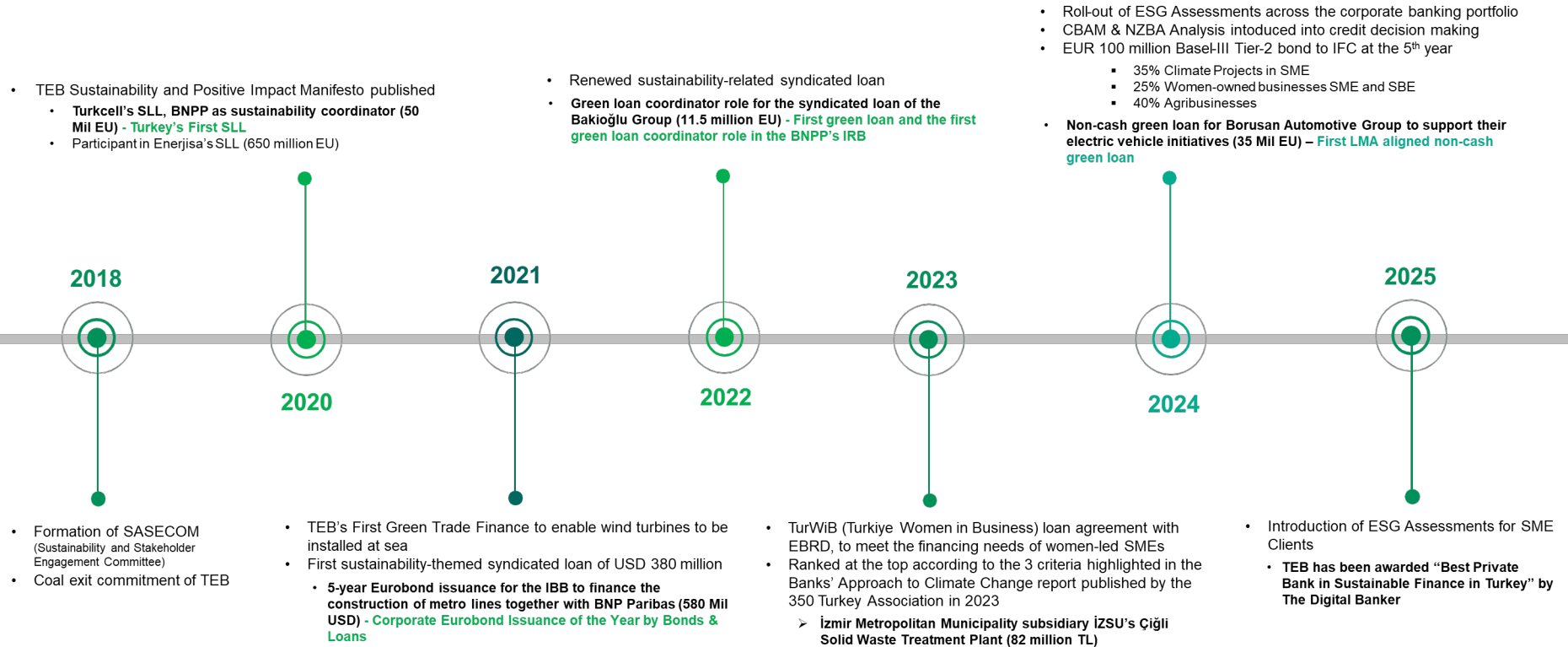
- Applied to large project finance and corporate loans
- Project categorization, risk identification, ongoing monitoring in line with EP4 Framework

1 & 2: Covers all business clients
3: Covers all corporate & CIB clients and partial SME coverage
4 & 5: Sector-based assessments
6: Project based assessments



TEB
BNP PARIBAS ORTAKLIĞI

Sustainable Finance Journey of TEB



TEB provides diverse products & services to support our clients' sustainability journey

ESG/Green Purpose Loan

SF Product

- Only applies to green investments
- Internal monitoring process
- Provide documents to prove the ESG purpose

Green Loan

SF Product

- Only applies to green investments
- Third party audit
- Green clauses specified in the contract

Sustainability Linked Loan

SF Product

- Applies to any investment
- Sustainability KPIs are set
- Third party audit
- Financial impact of the sustainability performance

Pure Player

Client Type

- Applies to any investment / loan utilization
- «Naturally green and social» clients identified prior to loan utilization

Social Purpose scope for ESG Purpose & Pure Players: Access to Essential Services, Health & Care, Housing, Education & Equal Opportunity, Access to Employment, Entrepreneurship Support, Access to Financial Products & Services



Green Loan aligned with LMA GL Principles

Financing horizon	Min. 2 years
Structure	Use of Proceed require to be Green Eligible
Reporting	Externally verified Use of Proceeds



SLL aligned with LMA SLL Principles

Financing horizon	Min. 2 years
Structure	Min. 3 KPIs
Reporting	KPIs annual verification by an independent auditor

Environmental Purpose scope for Green Purpose & Pure Players: Renewable Energy, Sustainable Hydrogen, Energy Efficiency and other Low Carbon Solutions, Clean Transportation, Carbon Capture & Sequestration, Mitigation and Adaptation Nuclear and Gas Activities, Sustainable Water, Circular Economy, Pollution Prevention and Control, Biodiversity

SME Green Transformation Package

SF Product

- Up to 2 million USD or TL equivalent
- Minimum 20% of the investment amount must be financed with equity contribution

Up to 5 years



Renewable Energy,
Energy Efficiency,
Waste Management,
Electric Vehicle



EV Loan

SF Product

WIB Loan

SF Product

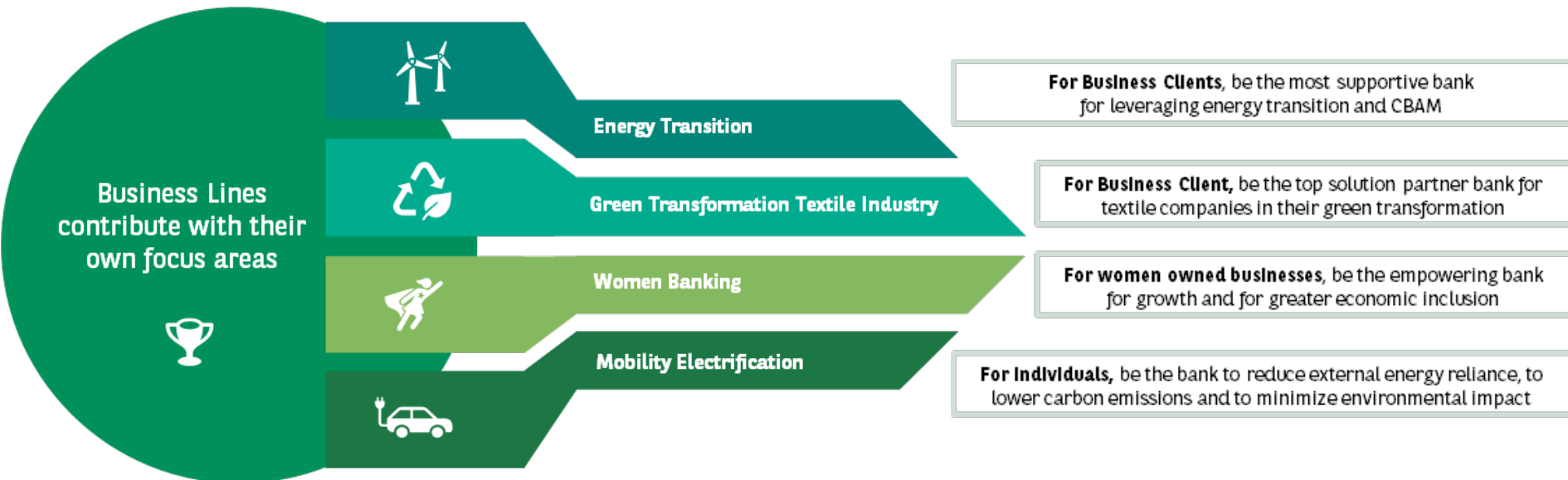
Green Mortgage

SF Product

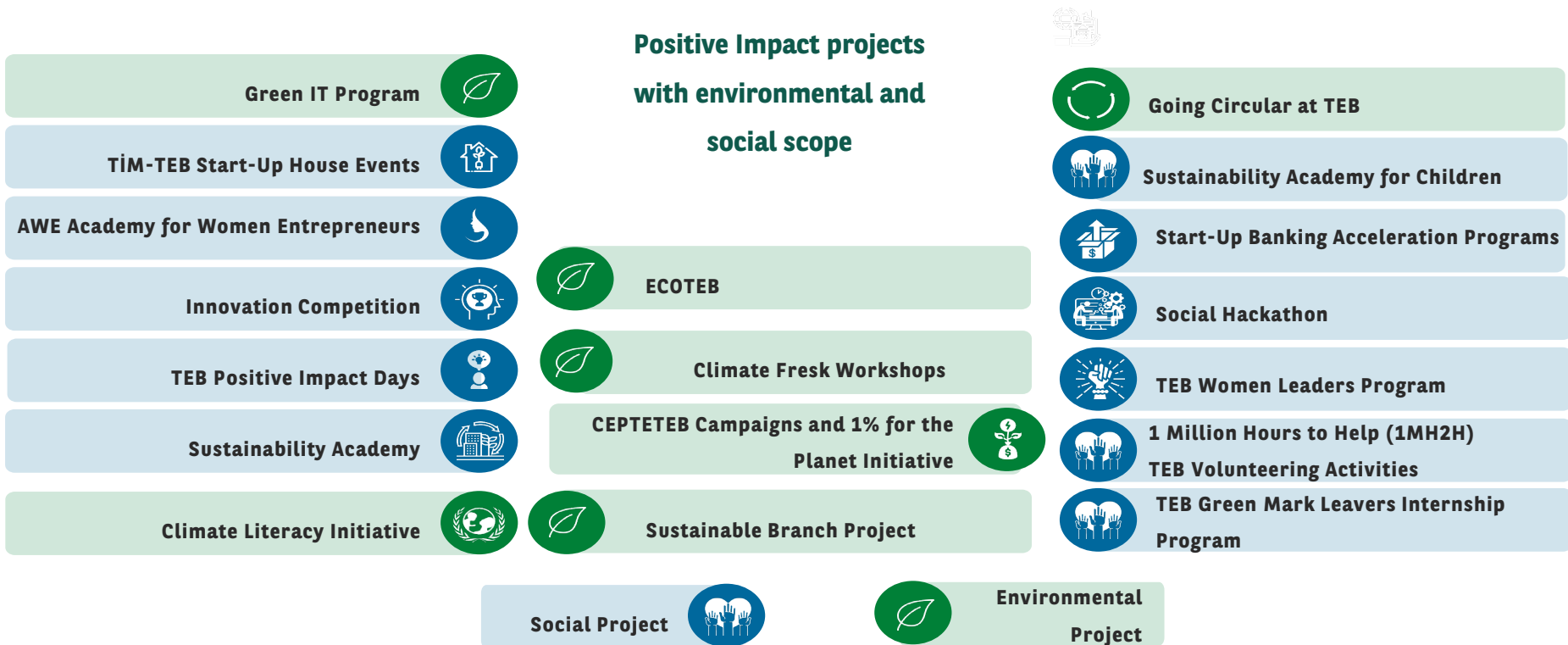


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Sustainable Finance Focus Areas



Diverse set of positive impact projects in collaboration with both internal and external stakeholders



Reducing environmental footprint is among our key priorities

Decrease in Consumption per FTE in 2018-24 (Q4)



Environmental Projects

