



Q1'2021 Investor Presentation

Albaraka Türk Participation Bank
06 May 2021

Agenda

1 Financial Highlights

2 Market Comparison

3 Appendix



Balance Sheet

(Million TRL)	Q4'20	Q1'21	YtD (%)
Total Assets	69.316	74.658	7,71
Total Funded Credits (Net)	40.583	43.317	6,74
Total NPLs	2.045	2.218	8,45
Deposits (incl. Interbank)	51.613	55.929	8,36
Shareholder's Equity	4.044	4.091	1,17

Income Statement

(Million TRL)	Q1'20	Q1'21	YoY (%)
Net Profit Share Income	373	259	-30,1
Net Fees & Commissions	61	78	27,1
Provisions for Loan Loss	243	233	-4,15
Operating Expenses*	308	337	9,48
Net Profit	12	55	359

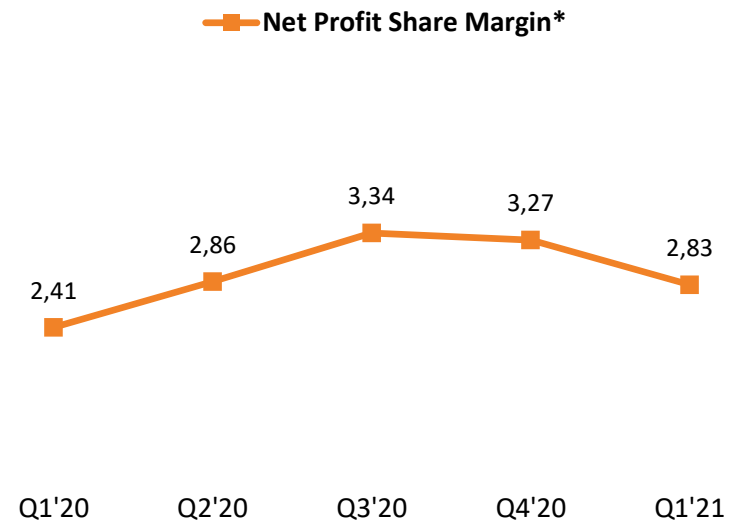
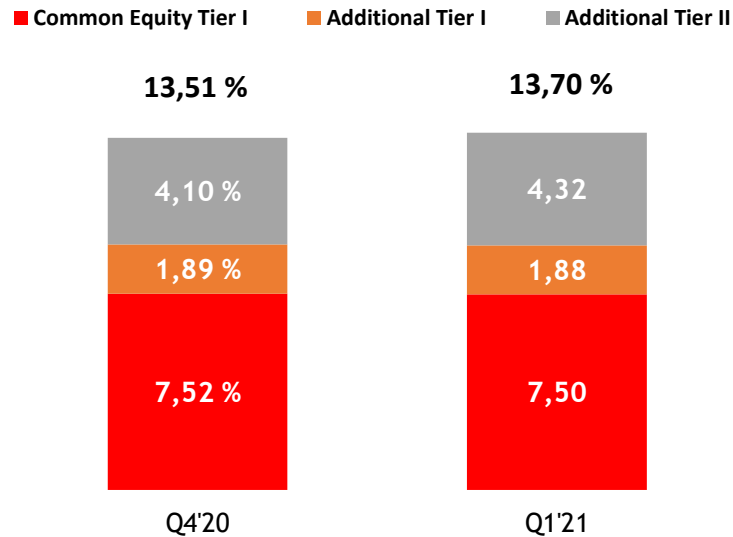
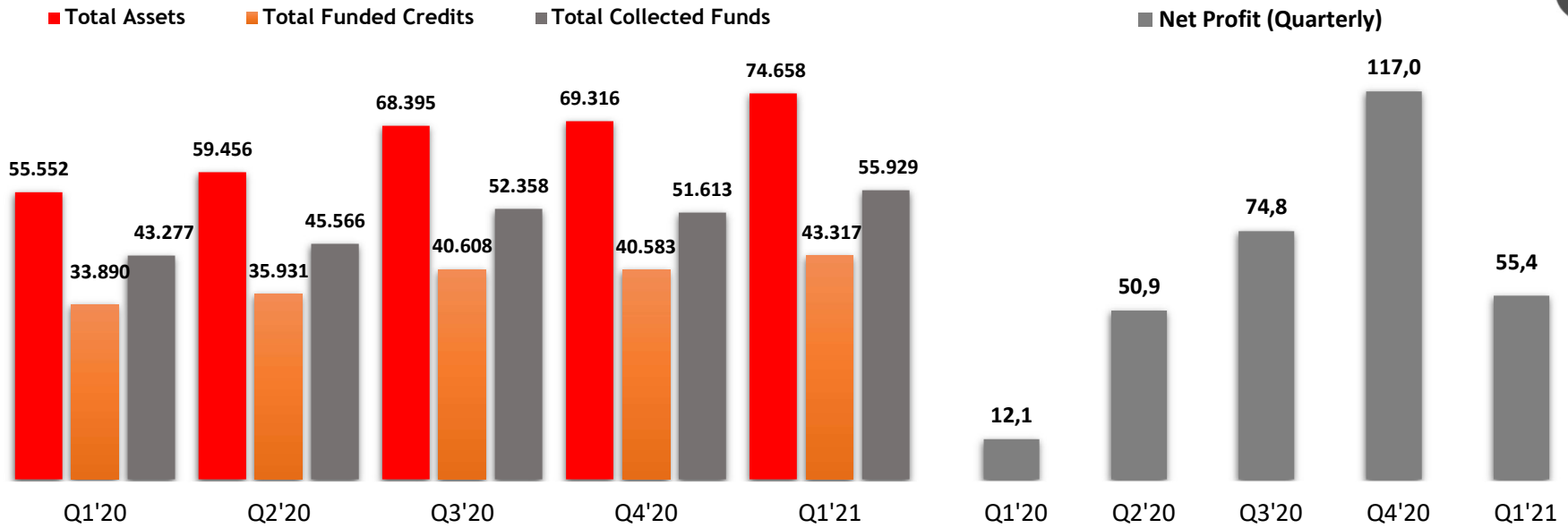
* including personnel expenses

Key Ratios

%	Q4'20	Q1'21	YtD (bps)
CAR	13,51	13,70	19
Tier 1	9,41	9,38	-3
NPL	4,82	4,91	9
Provisioning Stage III	61,02	60,28	-74
Net Profit Share Margin	3,27	2,83	-44
Cost/Income	45,47	52,44	697

4

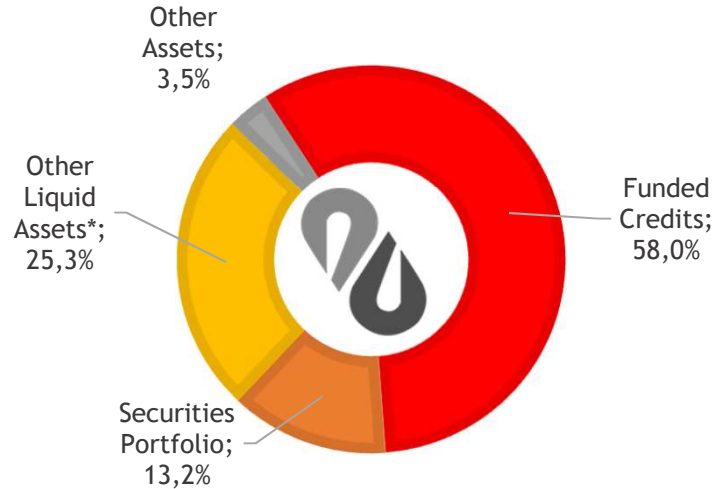
Q1'21 Main Highlights (Million TRL)



* Trailing for last 4 quarters

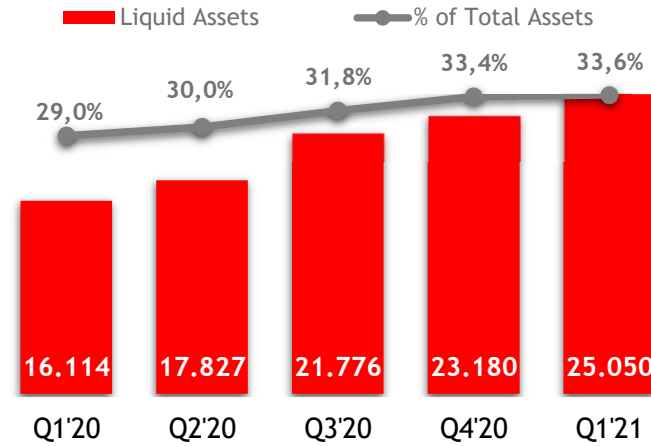


Composition of Total Assets (Q1'21)



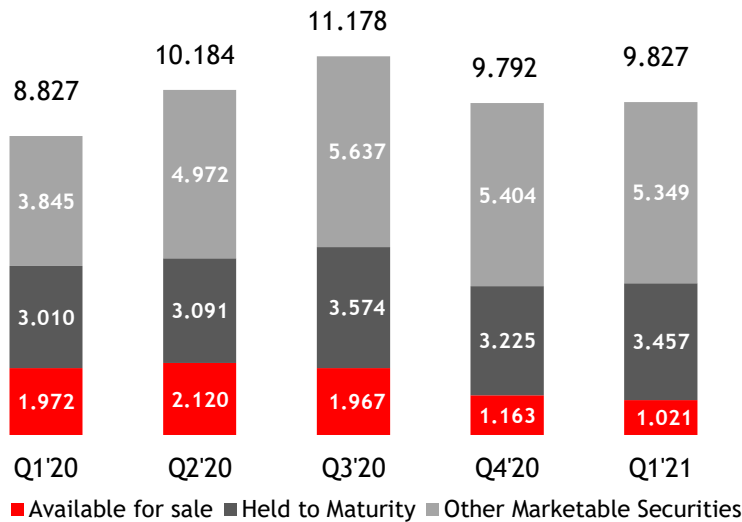
* Other Liquid Assets includes Cash and Cash Equivalents and Derivative Financial Assets

Liquid Assets (Million TRL)

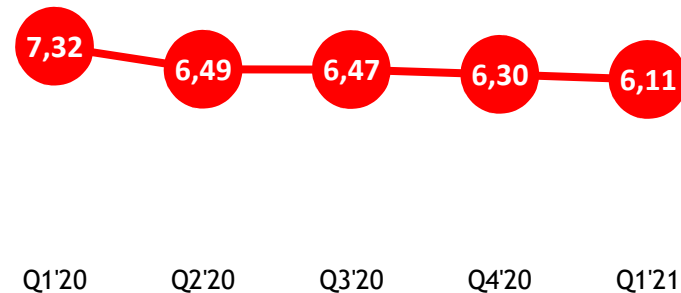


*Liquid Assets includes Cash and Cash Equivalents, Financial Assets Measured at Fair Value through Profit/Loss, Financial Assets Measured at Fair Value through Other Comprehensive Income.

Total Securities Portfolio (Million TRL)



Securities Yield (%)



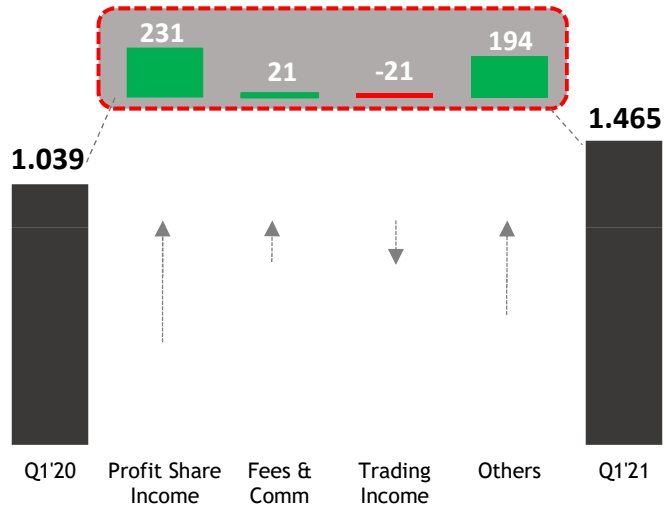
(*) Profit share income received from securities for the last 4Q/5Q average securities

6

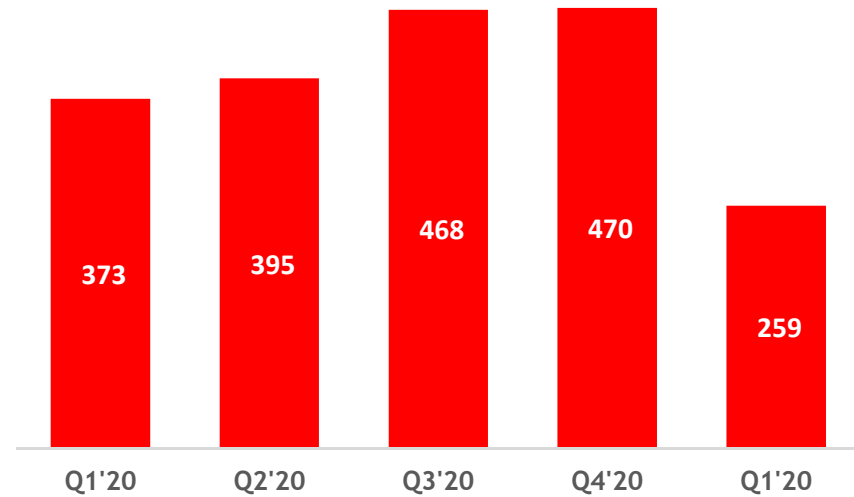
Operation Performance Breakdown



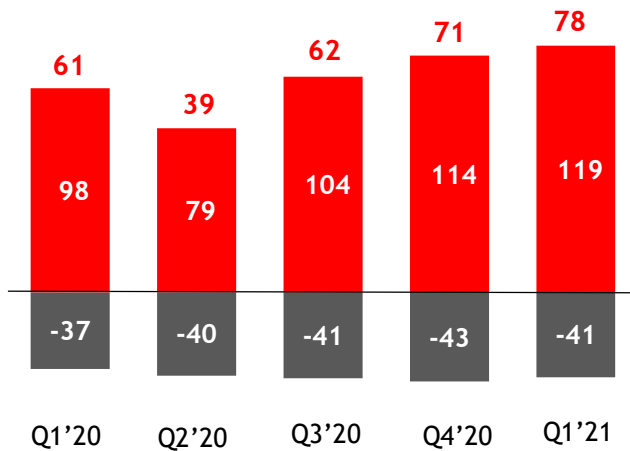
Key Movements in Income (Million TRL)



Net Profit Share Income (Quarterly, Million)

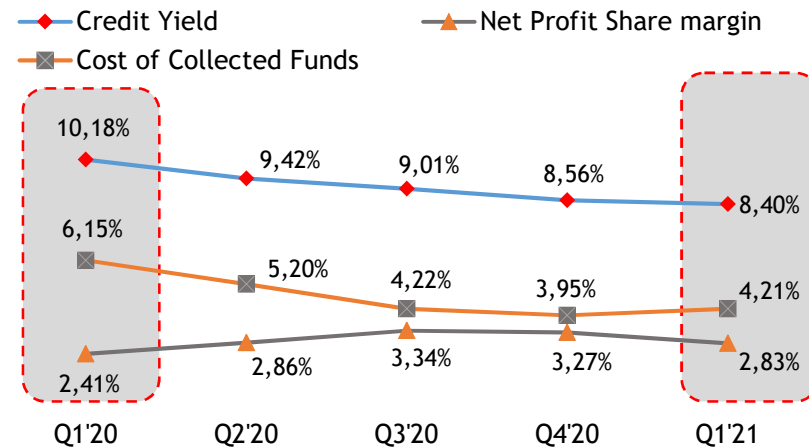


Net Fees and Commission Income (Quarterly, Million)



■ Fees and Commissions Received ■ Fees and Commissions Paid

Cost & Yield Movement (%)



7 Funded Credits Portfolio



Total Funded Credits (including financial leasing, million)

	Q1'20	Q4'20	Q1'21	YoY	YtD
TL Credits, TL	15.707	21.321	21.564	37,5%	1,3%
FC Credits, \$*	2.453	2.632	2.519	2,7%	-4,3%
FC Indexed, \$*	319	167	135	-57,7%	-19,2%
Total Credits, TL	33.890	40.583	43.317	27,8%	6,7%

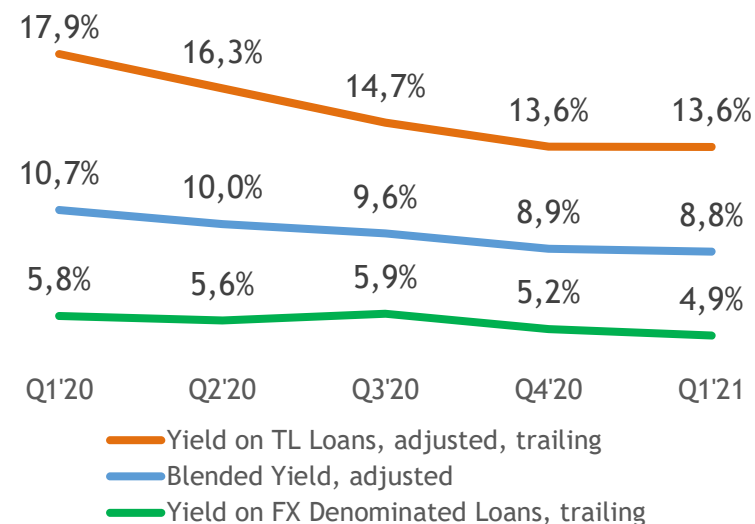
*USD equivalent

Composition of Total Funded Credits (%)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21
Corporate Credits	58,3	60,0	60,1	60,4	65,2
SME Credits	32,7	30,8	30,4	29,9	25,3
Retail Credits	9,1	9,3	9,5	9,7	9,5

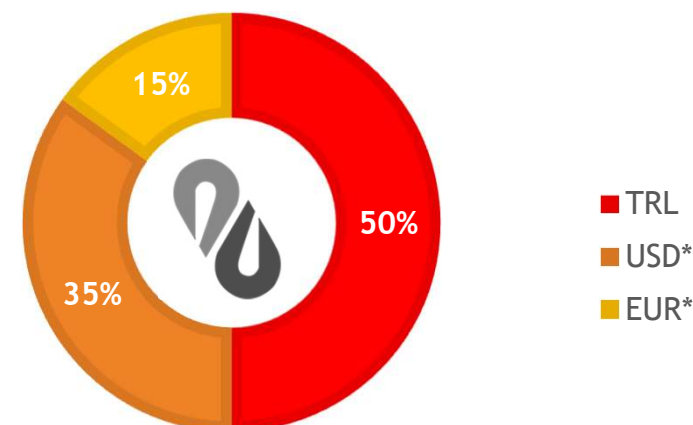
According to BRSA definition

Yield on Performing Credits (%)



Profit share income received from credits for the last 4Q/5Q average credits

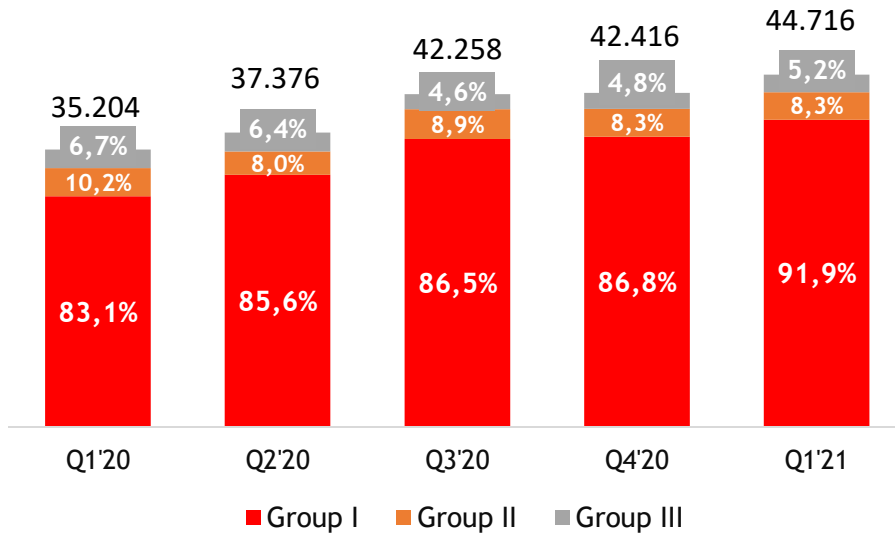
Currency Composition of Total Funded Credits* (Q1'21)



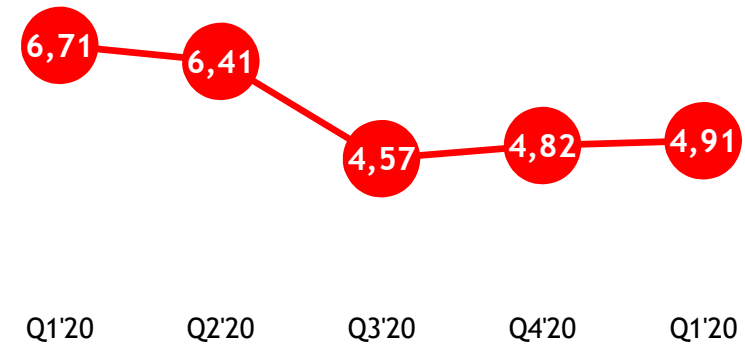
*Including USD & EUR indexed credits



Gross Funded Credits by Groups (including financial leasing, million)

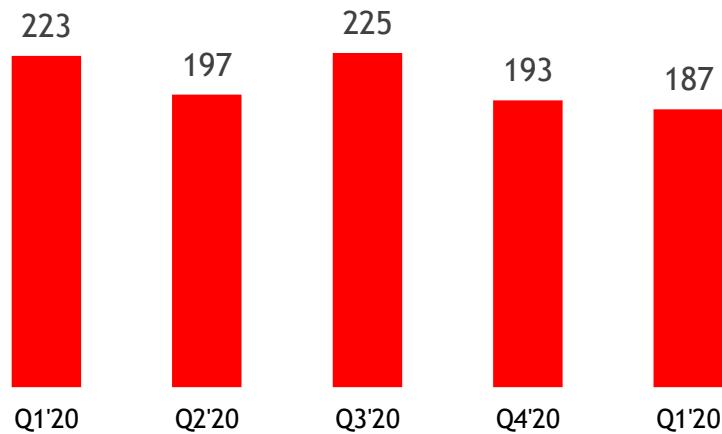


NPL Ratio (%)



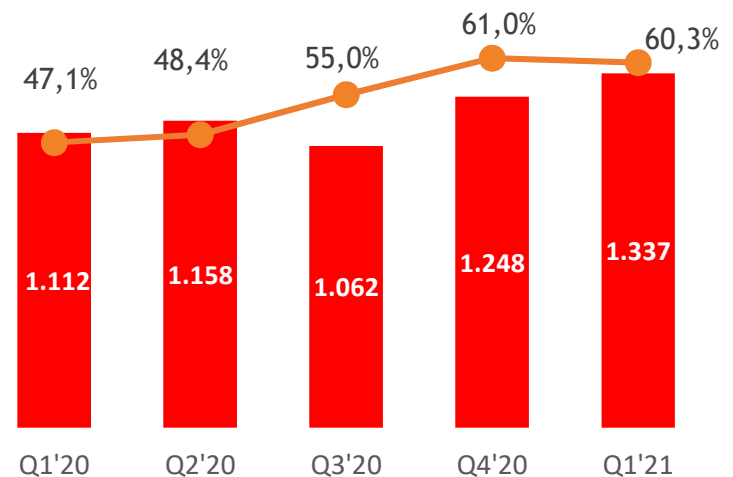
Including financial leasing & accruals and discounts

Cost of Risk (bps)



Specific provisions for credits for last 4Q/ 5Q average credits

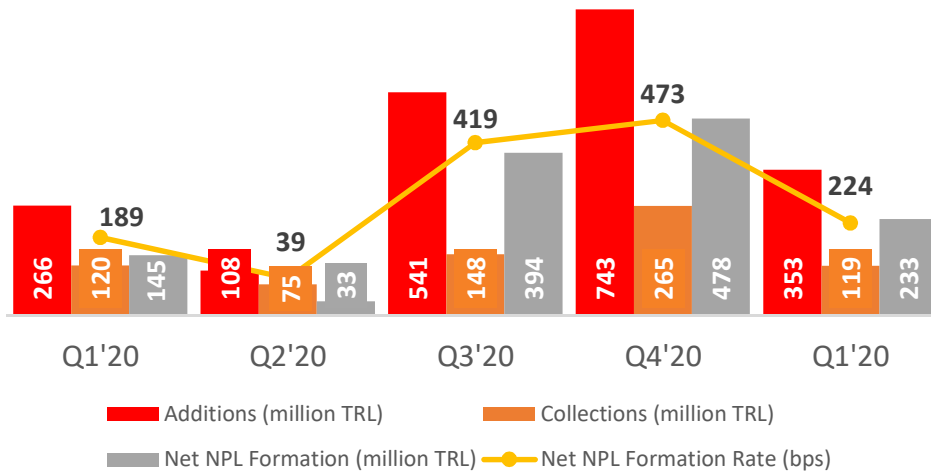
Provisioning (Stage III)



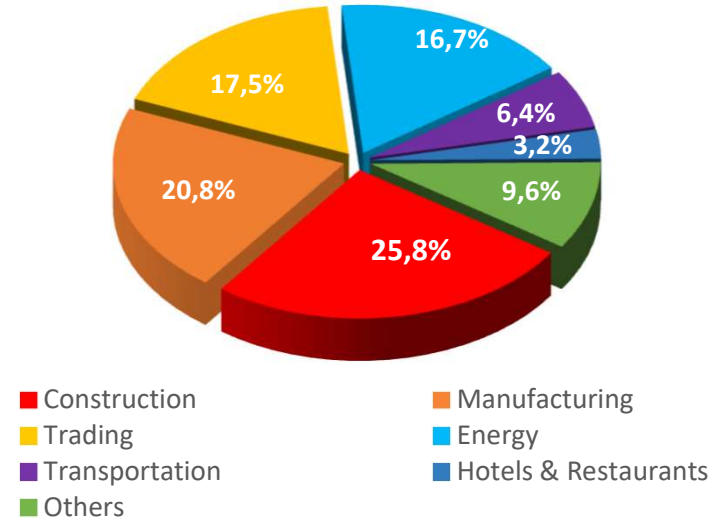
■ Lifetime ECL Impaired Credits (Stage 3) (Million TRL) ● Provisioning Ratio (%)



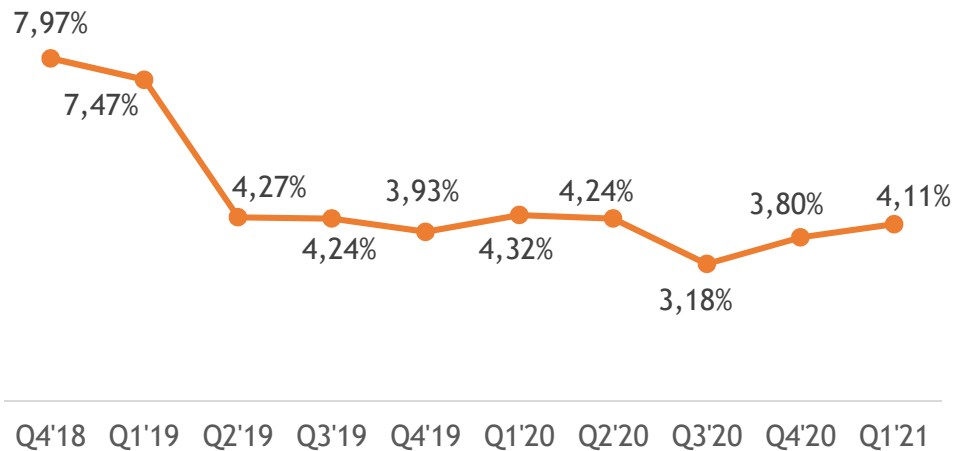
NPL Formation Trend (Quarterly)



NPL Sector Distribution (Q1'21)

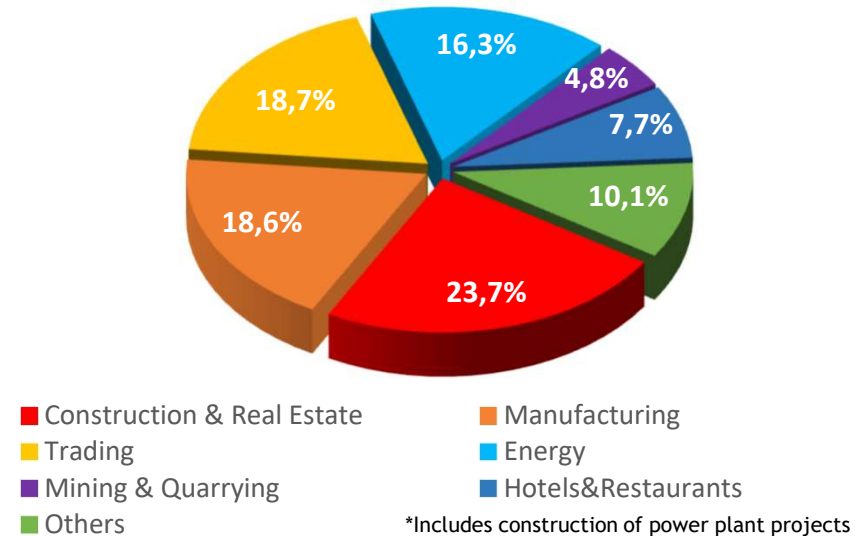


Percentage of NPLs in Albaraka to NPLs of Our Customers in All Banks



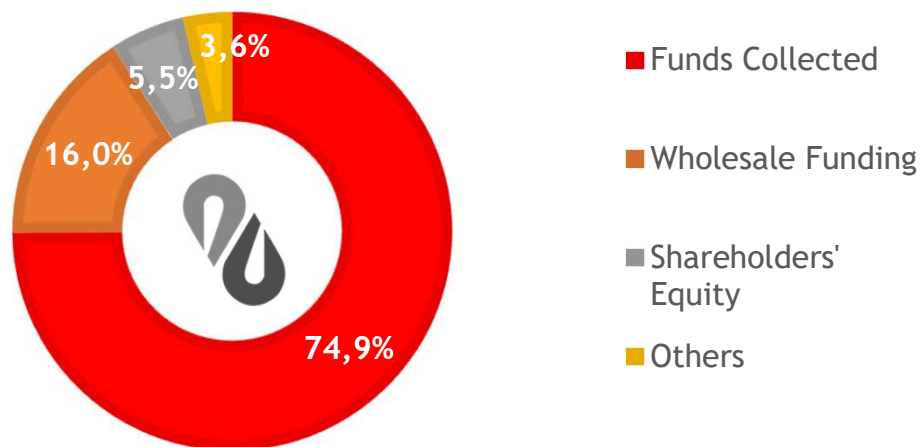
source: KKB

Stage II Credits Sector Distribution (Q1'21)



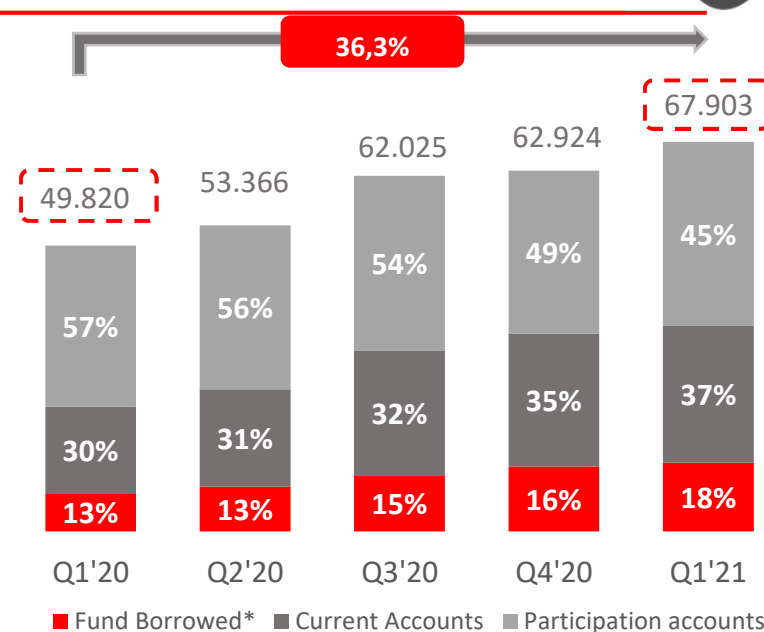
10 Funding Profile

Composition of Total Liabilities (Q1'21,%)



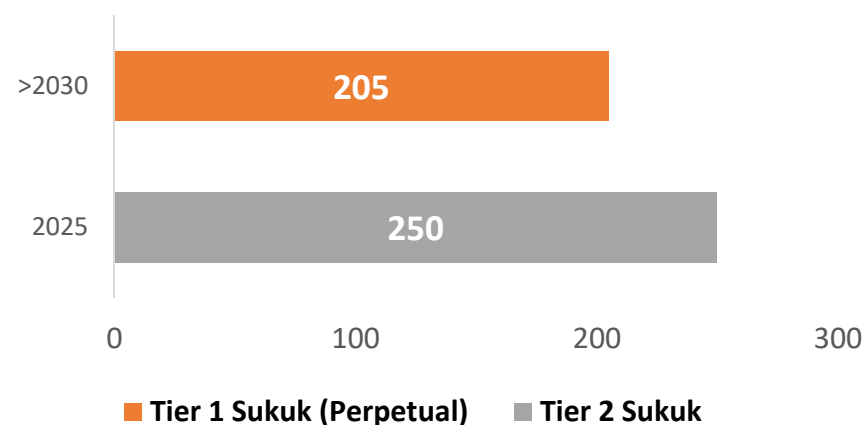
(Million TRL)	Q4'20	Q1'21	YtD Growth %
Funds Collected (incl. Bank deposits)	51.613	55.929	8,4
Wholesale Funding	11.311	11.974	5,9
Funds Borrowed	7.302	8.871	21,5
Syndicated Loans	-	-	-
Wakala	2.211	2.375	7,4
Issued Lease Certificates & Sukuk	4.243	5.737	35,2
Other	848	758	-10,5
Sub-Ordinated Debt (Tier 2)	1.733	1.976	14,1
Borrowings From Money Market	2.276	1.126	-50,6
Shareholders' Equity	4.044	4.091	1,2
Paid in Capital	1.350	1.350	0,0
Other Liabilities	2.348	2.348	13,5
Total Liabilities	68.395	74.658	7,7

Composition of Funding Base (Million TRL)



*Fund Borrowed includes Funds Borrowed, Borrowings from Money Market and Subordinated Loans

Maturity Profile of Liabilities (Million USD)



11 Funding Profile (Collected Funds)

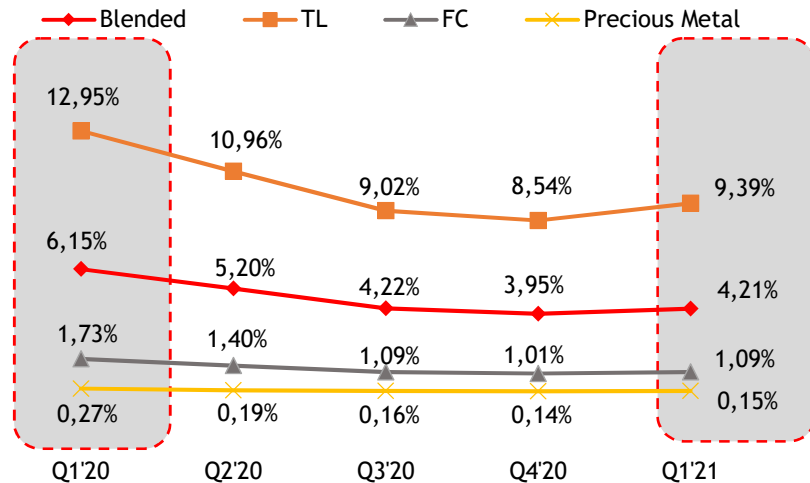


Total Funds Collected (Million TRL)

	Q4'20	Q1'20	YtD
Funds Collected	51.613	55.929	8,4%
Current Accounts	23.159	23.874	3,1%
Current Accounts TL	4.635	5.892	27,1%
Current Accounts, FC, \$	2.520	2.194	-12,9%
Participation Accounts	28.454	32.055	12,7%
Participation Accounts TL	10.830	10.891	0,6%
Participation Accounts FC, \$	2.397	2.582	7,7%

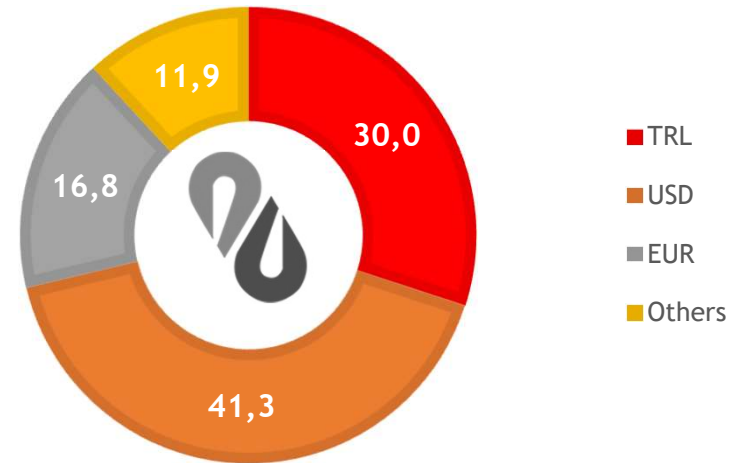
*USD equivalent of FC accounts

Cost of Funds Collected*

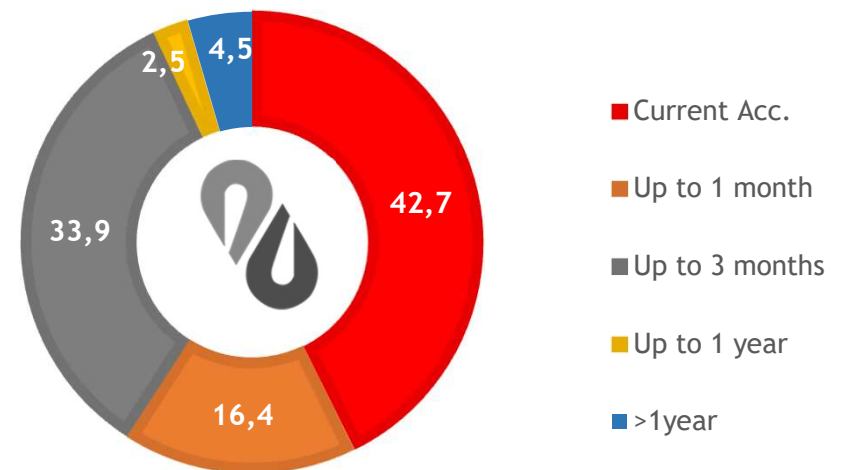


*Profit share expense to depositors for the last 4Q/5Q average participation accounts

Currency Composition of Funds Collected (Q1'21,%)



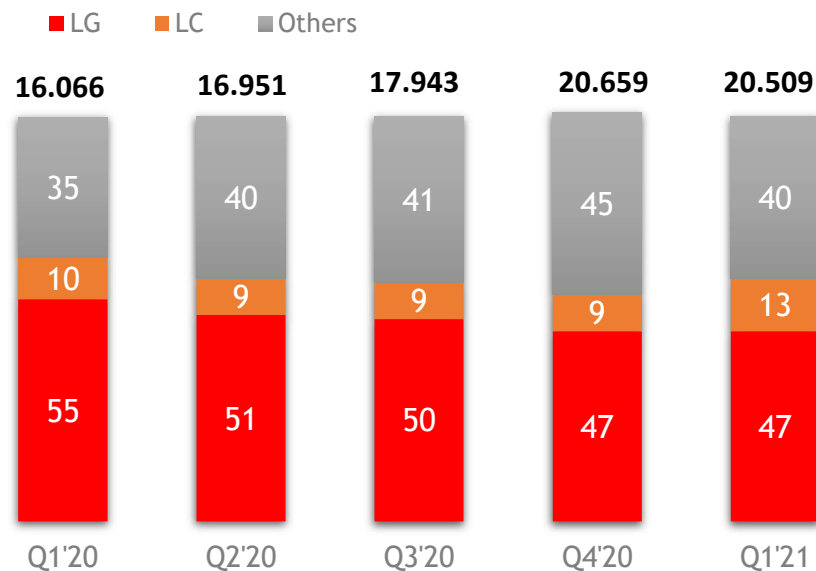
Maturity Composition of Funds Collected (Q1'21,%)



12 Off Balance Sheet Growth

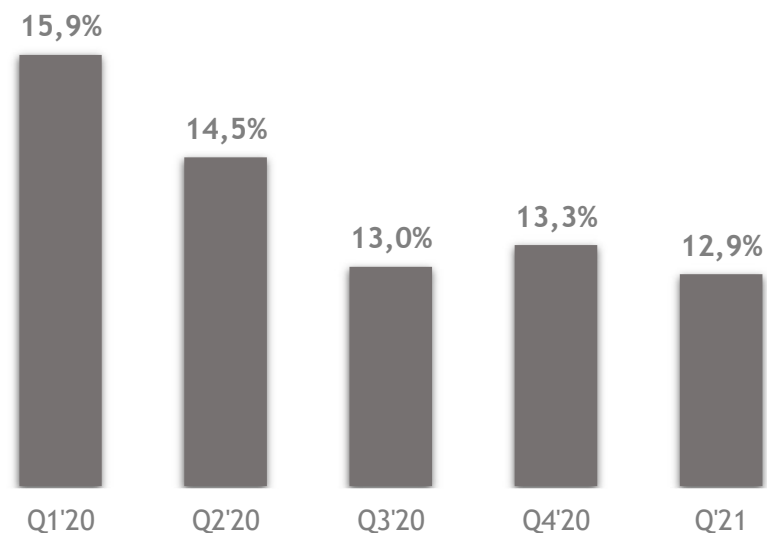


Off Balance Sheet Composition (%)



LGs*-to-Total Assets

*Below 20% of LGs to Total Assets is targeted



Guarantees & Sureties (TRL million)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Growth (%)	
						YoY	YtD
Letter of Guarantee	8.826	8.636	8.918	9.203	9.645	9,3%	4,8%
Letter of Credit	1.662	1.519	1.554	1.771	2.577	55,1%	45,5%
Others*	369	283	119	148	114	-69,1%	-23,0%
Total:	10.857	10.438	10.592	11.122	12.336	13,6%	10,9%

*Revocable credit limits not included.

13 Income- Cost Dynamics



(Million TRL)	Yearly			Notes
	Q1'20	Q1'21	%	
Net Profit Share Income	373	259	-30,5	Profit Share income increased by 28,6% While Profit share Expenses decreased by 79,1% YoY. Upward cost of funding led to weaker Net Profit Share Income.
Net Fee Income	61	78	27,1	Circa 27,1 % Y-o-Y expansion in this line item is mostly stemming from suspension of CBRT commissions on required reserves.
Net Trading Income	26	5	-79,4	Decline on this item, is mostly stemming from swap positions . Which will be closed in the upcoming weeks.
Other Income	106	300	183,4	Reversal of prior year provisions increased by 209%
Provisioning	243	234	-4,1	Stage 3 Coverage Ratio has been remained above 60%
Personnel Expenses	179	188	4,9	Below CPI which is 16,19 %
Other Costs	129	149	15,9	Increase in other expenses, which is below CPI, is stemming from legal dues (Taxes, Duties, Charges etc.)
Net Profit	12	55	359	

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3 Appendix

16 Financial Ratios - Sector Comparison



Percent %	Q4'20			Q1'21		
	Albaraka Türk	Participation Banks	Banking Sector	Albaraka Türk	Participation Banks	Banking Sector
CAR	13,51	17,79	18,76	13,70	16,62	17,99
NPL Ratio	4,82	3,51	4,03	4,91	3,35	3,75
Provisioning Ratio (Stage 3)	61,02	82,91	74,82	60,28	84,45	76,27
Loan/Deposits	78,63	75,56	104,05	77,45	76,01	104,36
Asset Yield	6,87	7,31	8,64	6,78	7,38	8,57
Asset Spread	3,45	3,81	4,12	3,03	3,50	3,60
Net Profit Share Margin	3,27	4,14	4,46	2,83	3,86	3,97
Op Costs / Avg. Assets	2,07	1,80	1,79	1,97	1,73	1,69
Cost/Income*	45,47	34,56	34,22	52,44	36,37	34,05
Credits / Branches (000*TRL)	176,449	197.961	337.123	188.355	211.501	356.854
Staff / Branches	14,74	13,43	18,16	14,55	13,48	18,14
CA / Deposits	44,87	45,22	32,60	42,69	43,43	32,09

*Cost: Operating Costs, Income: NPSI, Net Fees and Commissions Income, Other Income Net Trading Income

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18 Summary Balance Sheet

(Million TRL)	Q4'20	Q1'21	Growth (%)
Cash and Balances with Central Bank	13.235	15.811	19,5
Banks	3.413	2.898	-15,1
Financial Assets	9.792	9.827	0,4
Funded Credits	40.583	43.317	6,7
<i>Cash Credits</i>	40.011	42.498	6,2
<i>NPL</i>	2.045	2.218	8,5
<i>Provisions (Stage III)</i>	1.248	1.337	7,1
<i>Net Financial Leasing Receivables</i>	360	434	20,5
Associates	43	43	0,0
Fixed Assets	1.428	1.471	3,0
Assets Held For Sale and Investment	131	128	-2,3
Other Assets (inc. Tax Assets)	710	1.008	41,9
Total Assets	69.317	74.658	7,7
Funds Collected	51.613	55.929	8,4
Funds Borrowed	7.302	8.871	21,5
Debts	4.423	3.595	-18,7
Provisions (inc. Taxes)	201	195	-3,2
Tier II Sukuk	1.733	1.978	14,1
Shareholders' Equity	4.044	4.091	1,2
<i>Capital</i>	1.350	1.350	0,0
<i>Capital Reserves (inc. Premium)</i>	961	1.003	4,4
<i>Profit Reserves</i>	1.493	1.744	16,8
Total Liabilities	69.317	74.658	7,7

19 Summary Income Statement



(Million TRL)	Q1'20	Q1'21	Growth (%)
Profit Share Income	809	1.040	28,6
Profit Share Expense	436	781	79,1
Net Profit Share Income	373	259	-30,5
Net Fees and Commissions Income	61	78	27,1
<i>Fees and Commissions Received</i>	98	119	20,9
<i>Fees and Commissions Paid</i>	37	41	10,6
Net Trading Income	26	5	-79,4
Other Operating Income	106	301	183
Total Operating Profit	387	455	17,6
Provisions for Loan Losses and Other Receivables	243	233	-4,1
Personnel Expenses	179	188	4,9
Other Operating Expenses	129	149	15,9
Operating Profit Before Tax	15	73	384
Tax Provision	3	17	486
Net Profit	12	55	359

THANK YOU

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