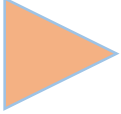
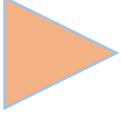
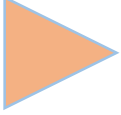
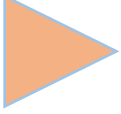
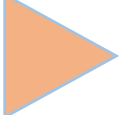




INVESTOR PRESENTATION

SEPTEMBER 2019

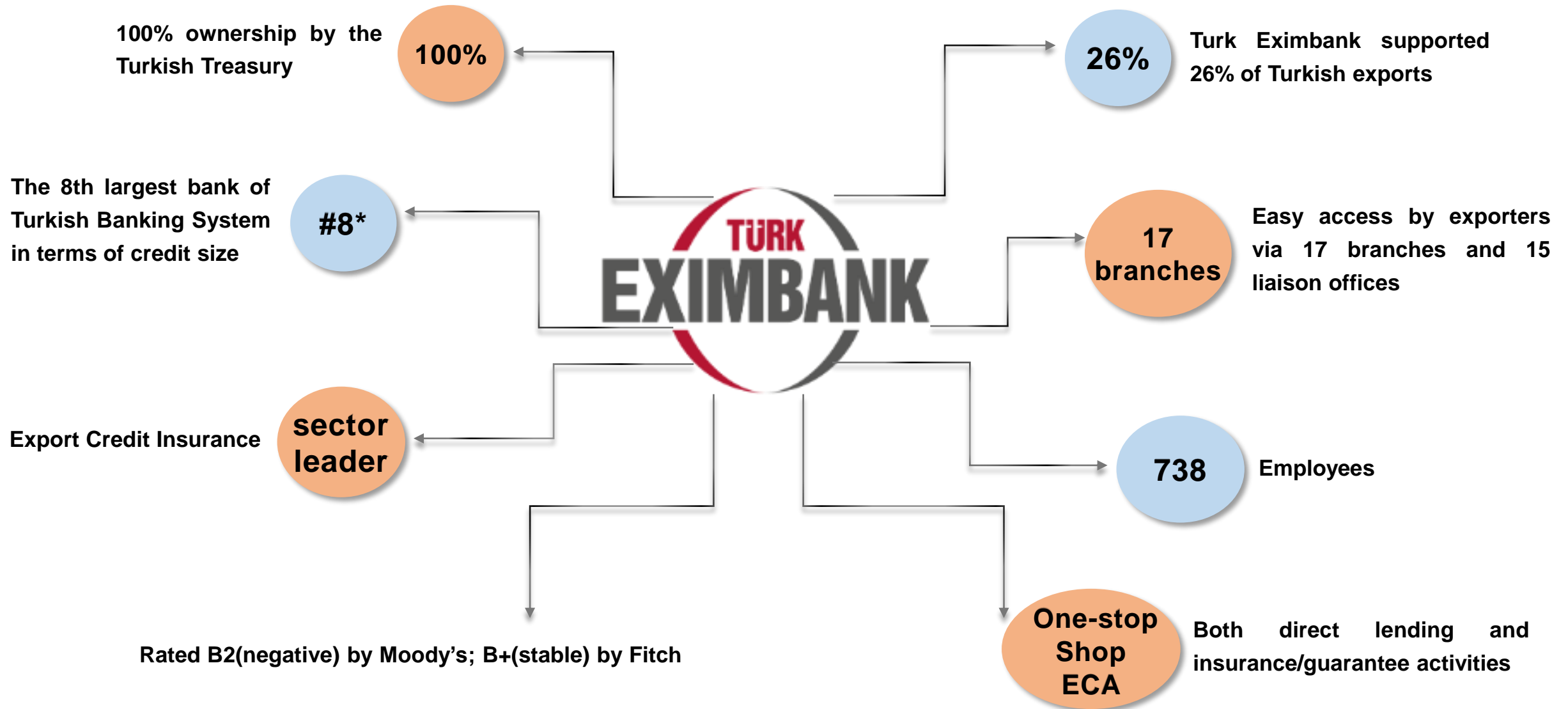
Contents

-  **Turk Eximbank Overview**
-  **Business Lines**
-  **Credit Risk Overview**
-  **Financial Highlights**
-  **Funding & Risk Management**

Turk Eximbank Overview



Turk Eximbank Overview



*(Source) The Banks Association of Turkey, as of 30.06.2019

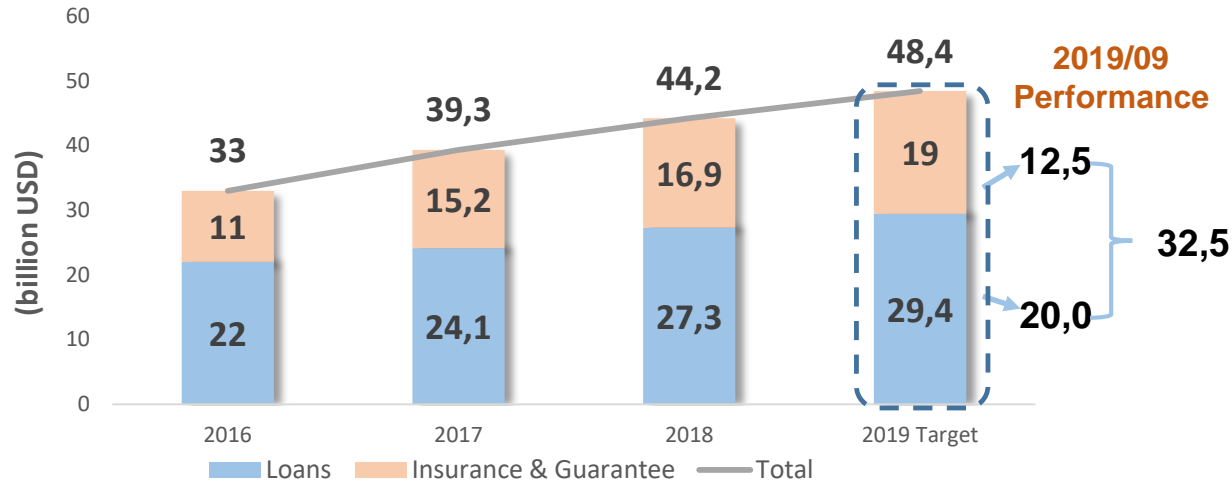
Sovereign Support for Turk Eximbank

- Losses incurred by Turk Eximbank under the credit, guarantee and insurance programs due to political risk are covered by Turkish Treasury
- Exempt from Corporate Tax and Stamp Tax
- Exempt from reserve requirement ratio

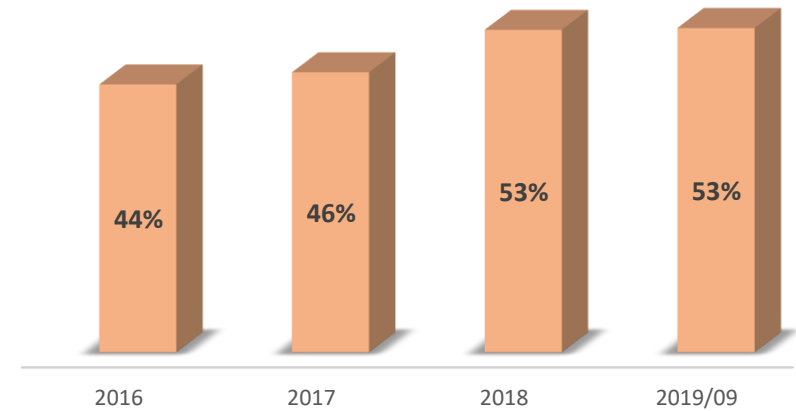
- Turkish Treasury guarantee for borrowings from supranational institutions such as World Bank, EIB, IDB and CEB
- Historical capital contributions and other financial support from Turkish Treasury (TL 6,5 billion capital contributions from the Treasury since 2006)
- All members of the Board (except General Manager) appointed by the General Assembly

Turk Eximbank Performance & Support

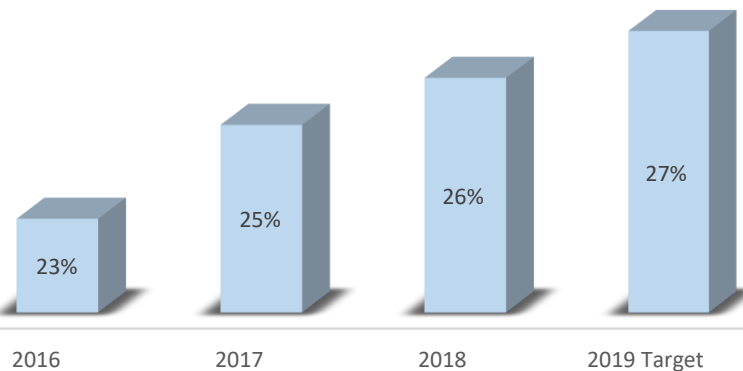
Performance and Target



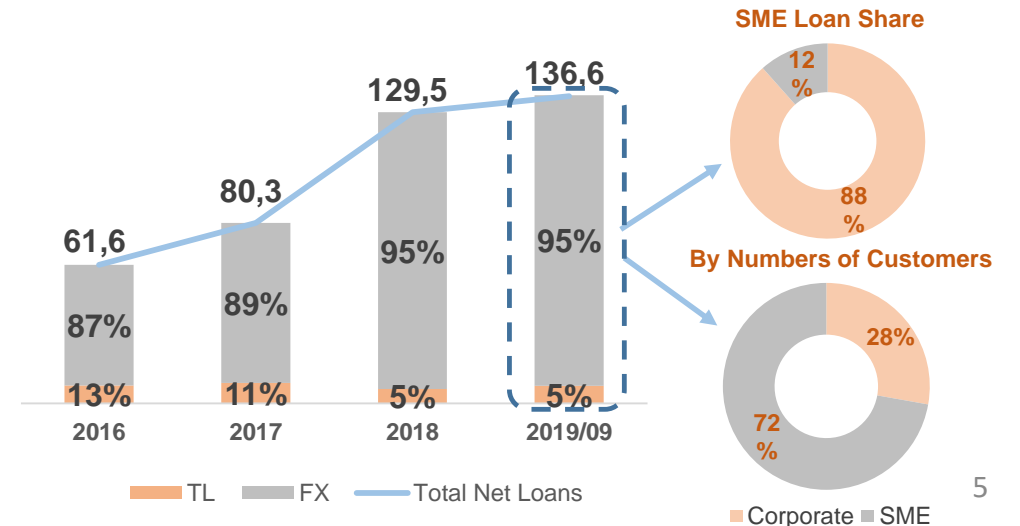
Market Share in Total Export Loans



Financial Support to Turkish Export



Total Net Loans (% share in total, TL billion)



Business Lines

Business Lines

Credits (30.09.2019)

Short-Term Credits

USD 17,1 billion

- Accounting for **71%** of total loans.
- Central Bank's rediscount facility accounting for **63%** of total loans.
- Short-term indirect lending via **36** of Turkey's **53** banks.
- Direct short-term credits – collateralized by Turkish Banks and Credit Guarantee Fund.

Medium & Long-Term Supplier Credits

USD 6,2 billion

- Accounting for **25%** of total loans.
- Collateralized by Turkish Banks and Credit Guarantee Fund.

Buyer's Credits

USD 909 million

- 4%** of total loans is Buyer's Credits.
- Extended to the importing countries of Turkish goods and services.

- Weight of loan under CGF guarantee **1,3%**

Insurance & Guarantee (30.09.2019)

Short-Term Credit Insurance (99%)

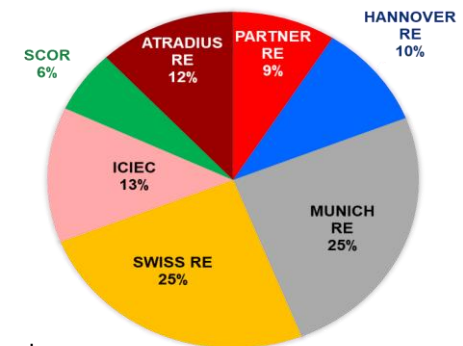
USD 12,4 billion*

- USD **11,1 billion*** – **89%** for overseas receivables of exporters.
- USD **1,3 billion*** – **10%** for domestic receivables of exporters.
- Holding **40%** of the commercial risks out of **90%** shipment coverage amounting to USD **1.710 million****.

Medium –Long Term Export Credit Insurance (1%)

USD 132 million*

REINSURANCE PANEL - 2019



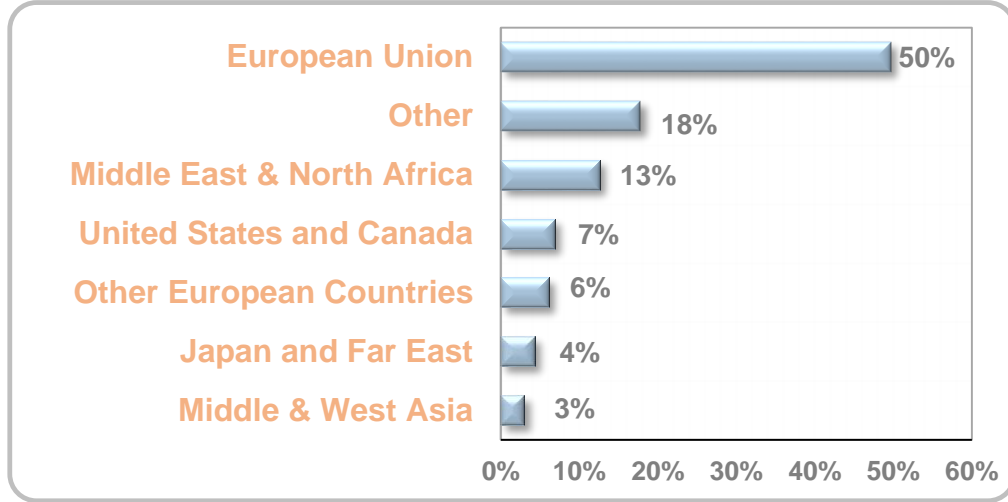
* On volume basis.

** "Other Guarantees" under off-balance sheet commitments (Exchange rate: USD/TL 5,6447)

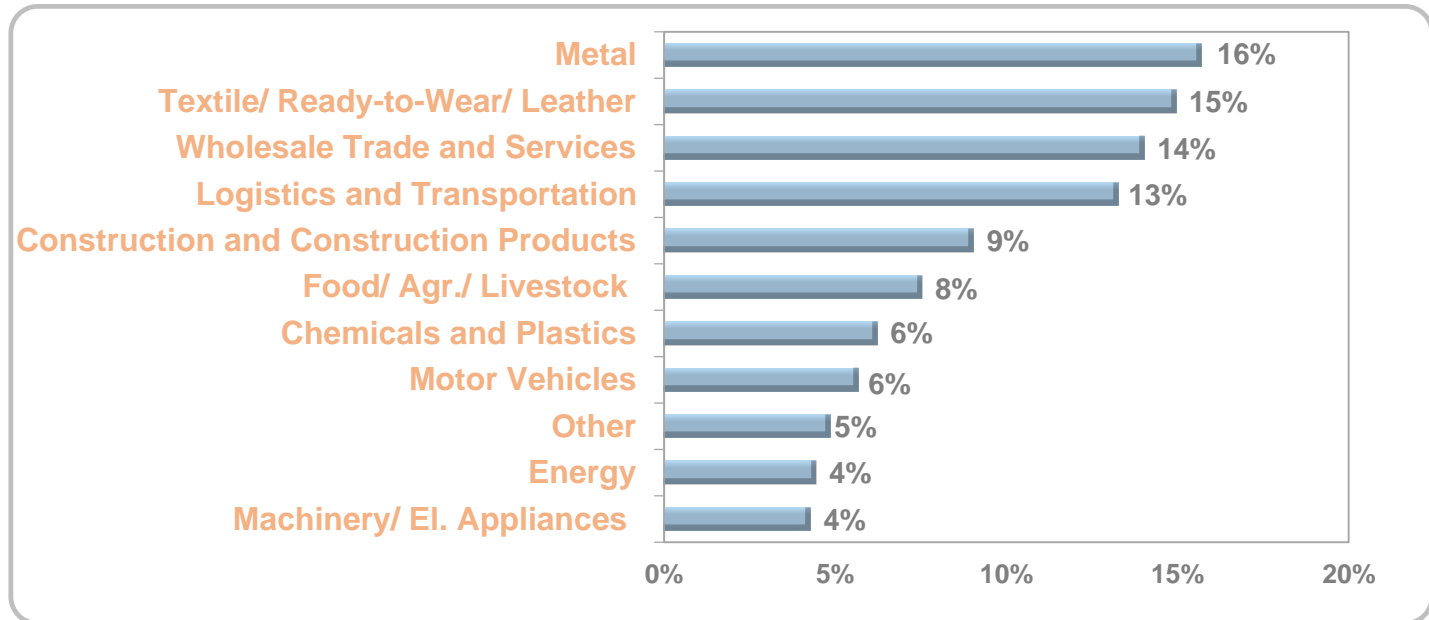
Product and Country Diversification

(in Total Loan Volumes)

By Destination



By Sector



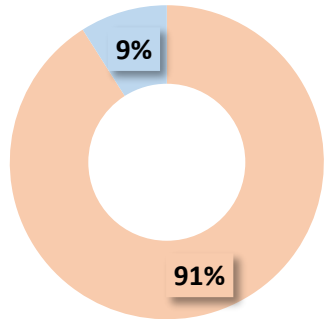
(Source) Internal accounts, as of 30 September 2019

Credit Risk Overview

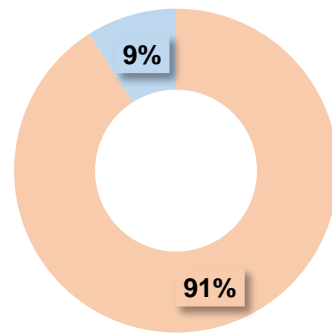
Credit Risk Overview

Loans by Customer Segment / Type

31 December 2018



30 September 2019



- Corporate Customers (Guaranteed by banks – Direct Lending)
- Domestic Financial Institutions (Indirect Lending)

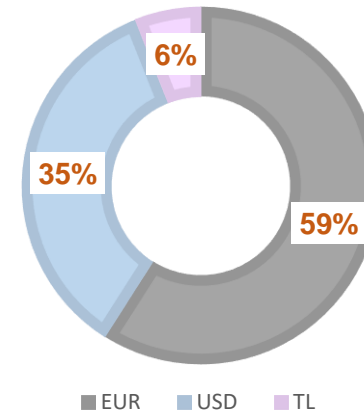
- Loans / Total Assets ratio is 87%.
- 20 largest clients represent 25% of the loan portfolio as of 30 September 2019 (24% as of 31 December 2018).
- Top 20 country risk exposures under export credit insurance programs constituted 68% of total insurance exposure as of 30 September 2019 (67% in 2018).



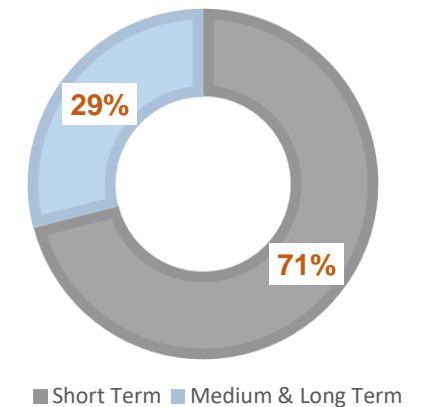
Loans by Currency / Maturity (30 September 2019)

- 94% of loans are Foreign Currency denominated (6% TL loans).
- 59% and 35% of total loans are denominated in EUR and USD respectively.

Currency Distribution

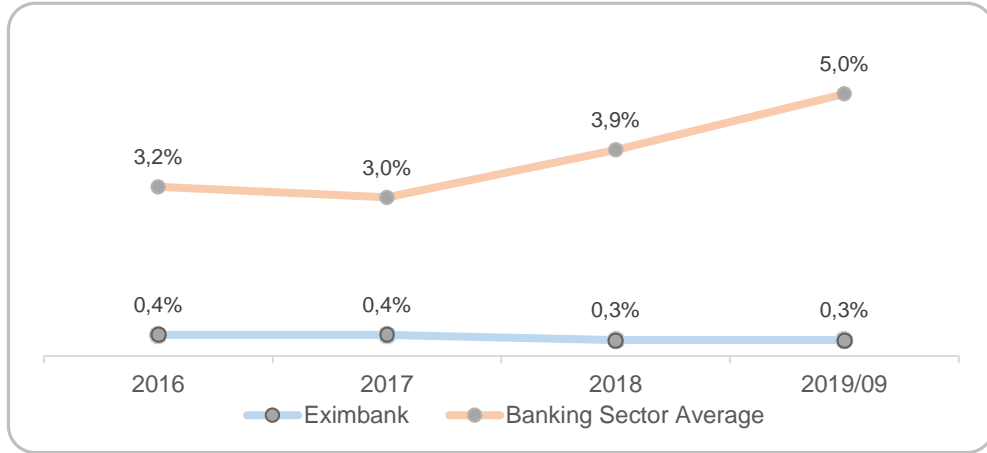


Maturity Distribution

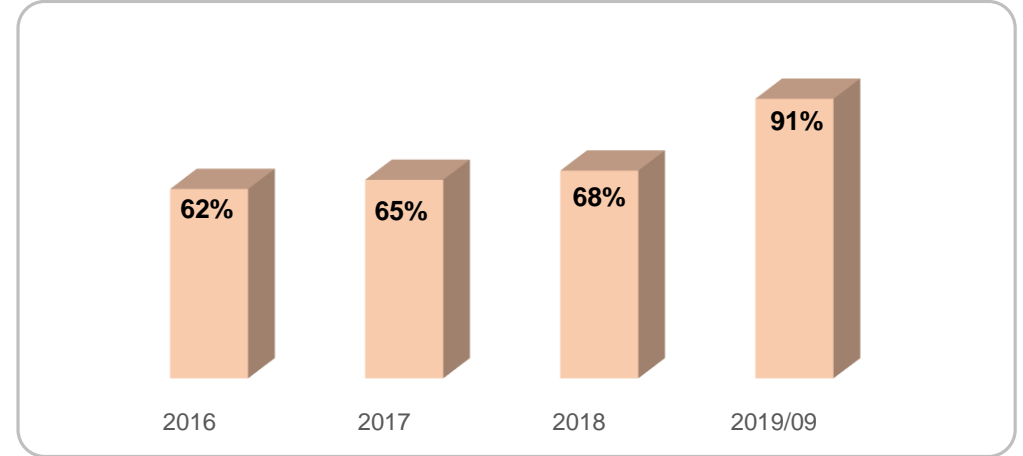


Asset Quality

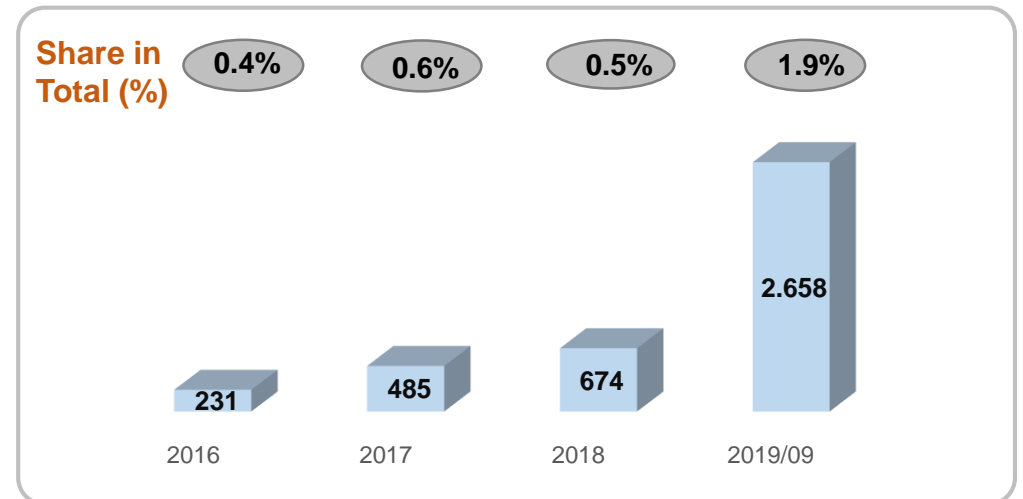
NPL (%)



NPL Coverage (%)



Stage II Loans (TL million)



Classification of Loans (30.09.2019)	Gross Amount (TL million)	Share in Total	Coverage Ratio	Provisions (-)
Stage I	133.962	97.8%	0.03%	37
Stage II	2.658	1.9%	0.2%	5
Stage III	414	0.3%	91.5%	378
Gross Loans	137.034	100%	0.3%	420

Restructured Loans*/Total Loans : **1,4%** (TL 1,9 billion)

*All collateralized by Turkish Bank guarantees & CGF

Financial Highlights

Assets and Liabilities Composition

Assets

(billion USD)

Liabilities

	September 2019	December 2018	Change
Cash and Cash Equivalents	2,4 (9%)	0,8 (3%)	197%
Securities Portfolio	0,7 (2%)	0,6 (2%)	19%
Loans	24,3 (87%)	24,6 (93%)	-1%
Other*	0,5 (2%)	0,4 (2%)	24%
Total Assets	27,9	26,4	6%

	September 2019	December 2018	Change
Borrowing from Central Bank	14,8 (53%)	14,3 (54%)	3%
Loans Borrowed	7,3 (26%)	6,3 (24%)	17%
Debt Securities in Issued (Eurobonds)	3,2 (11%)	3,3 (12%)	-3%
Subordinated Debt	0,7 (2%)	0,6 (2%)	20%
Shareholders' Equity	1,5 (6%)	1,4 (6%)	6%
Other**	0,7 (2%)	0,5 (2%)	24%
Total Liabilities	27,9	26,4	6%

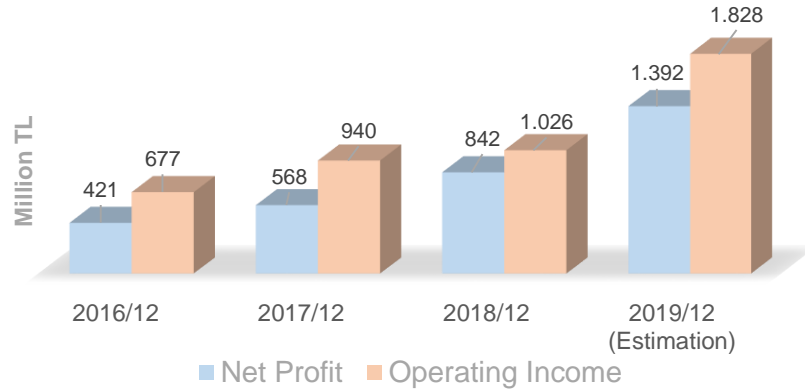
*Tangible assets, intangible assets, prepaid expenses and given cash collateral, miscellaneous receivables

** Money market funds, provisions, received cash collateral, prepaid income, miscellaneous payables

- As of 30 September 2019, total assets, loans, loans borrowed (excluding borrowing from CBRT) and shareholder's equity increased on TL basis by 13%, 6%, 20% and 14% respectively.

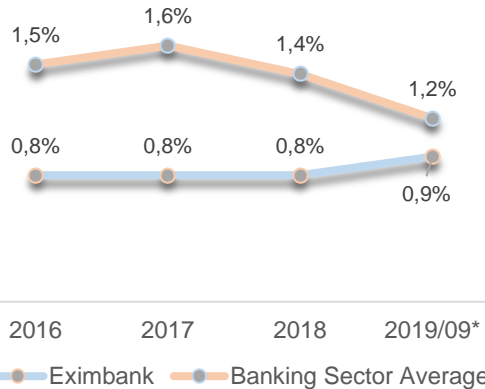
Profitability & NIM

Nominal Evolution of Profit

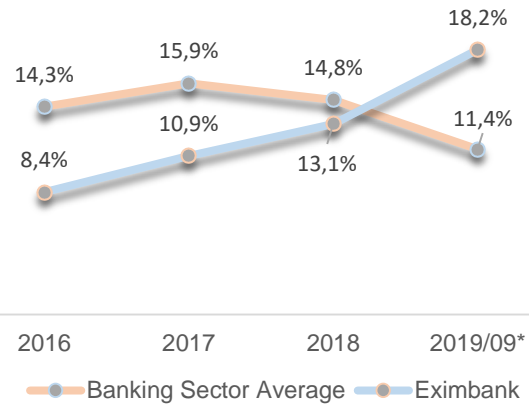


* Net profit TL 1,04 billion as of 30 September 2019 (increased by 80% compared to the same period of 2018)

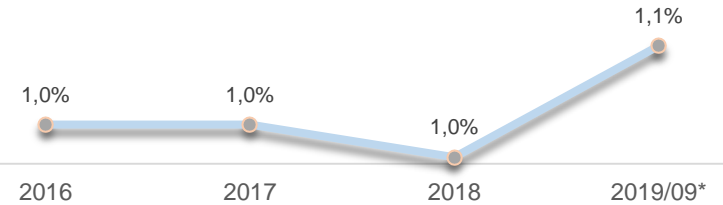
Return on Average Assets (ROAA)



Return on Average Equity (ROAE)



Net Margin on Total Interest Earning Assets (NIM)**

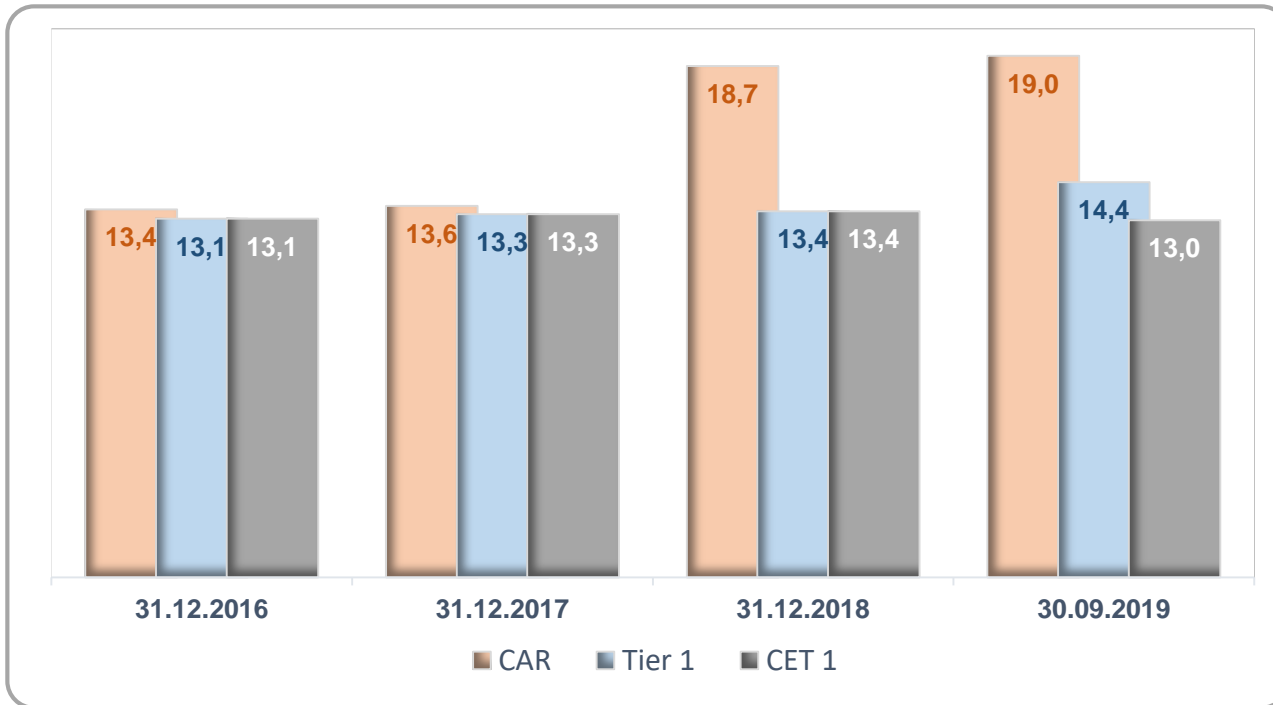


*Annualized

** Bank's total of net interest income and trading profit / loss divided by the average balance of the Bank's total interest earning assets.

Capitalization

Capital Ratios (%)



- TL 2,9 billion Tier 2 10NC5 domestic issuance in September 2018.
- EUR 150 million AT1 Subordinated Perpetual Loan in April 2019.

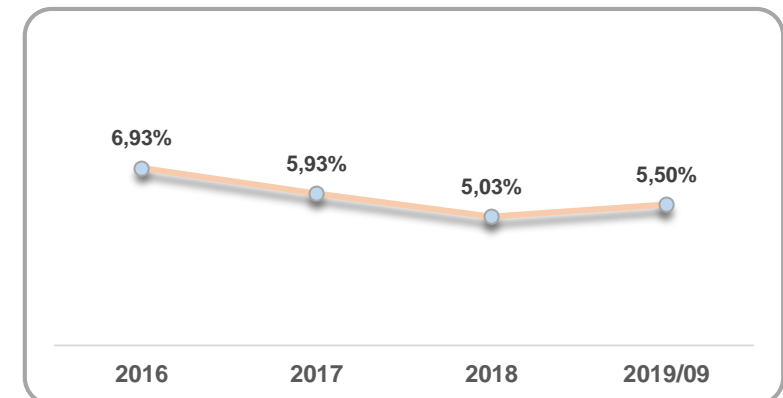


- As of January 12, 2017, registered capital of Turk Eximbank has been increased up to TL 10 billion deadline is until the end of 2021.
- Turkish Treasury made in April 2018, a cash capital contribution of TL 1 billion in addition to its TL 550 million and in August 2019, TL 810 million retained dividend as extraordinary reserves.
- Turk Eximbank's paid-in-capital is TL 7,16 billion.
- Profit is retained under the shareholder's equity.

- High level of Tier 1 : **14,4%**

- **76%** of Total Bank Capital is Tier 1 Capital

Leverage Ratio (%)



*Above the BRSA and Basel standard ratio of 3%.

Risk Management & Funding Structure

Strong Risk Management Culture

Market Risk

- TL assets (excluding Rediscount TL credits) funded by equity.
- Maintaining conservative net foreign exchange position ratio (close to square FX position).
- Assets and liabilities matching via cross-currency swaps, interest rate swaps or currency swaps.
- Maximum 20% threshold regarding the ratio of floating / fixed interest-bearing assets and liabilities mismatches.

Credit Risk

- Short-term export credits - collateralized by Turkish banks or Credit Guarantee Fund.
- 100% of political risk loss indemnification by Turkish Treasury for Buyer's Credits under sovereign guarantee.
- 60% of commercial risk of export credit insurance transferred to reinsurers.
- As per guaranteeing policy, since credits are mostly extended based on the risk of the domestic bank, the Bank can undertake risk of up to 20% of the cash and non-cash total credit risk amount for a single bank.

Liquidity Risk

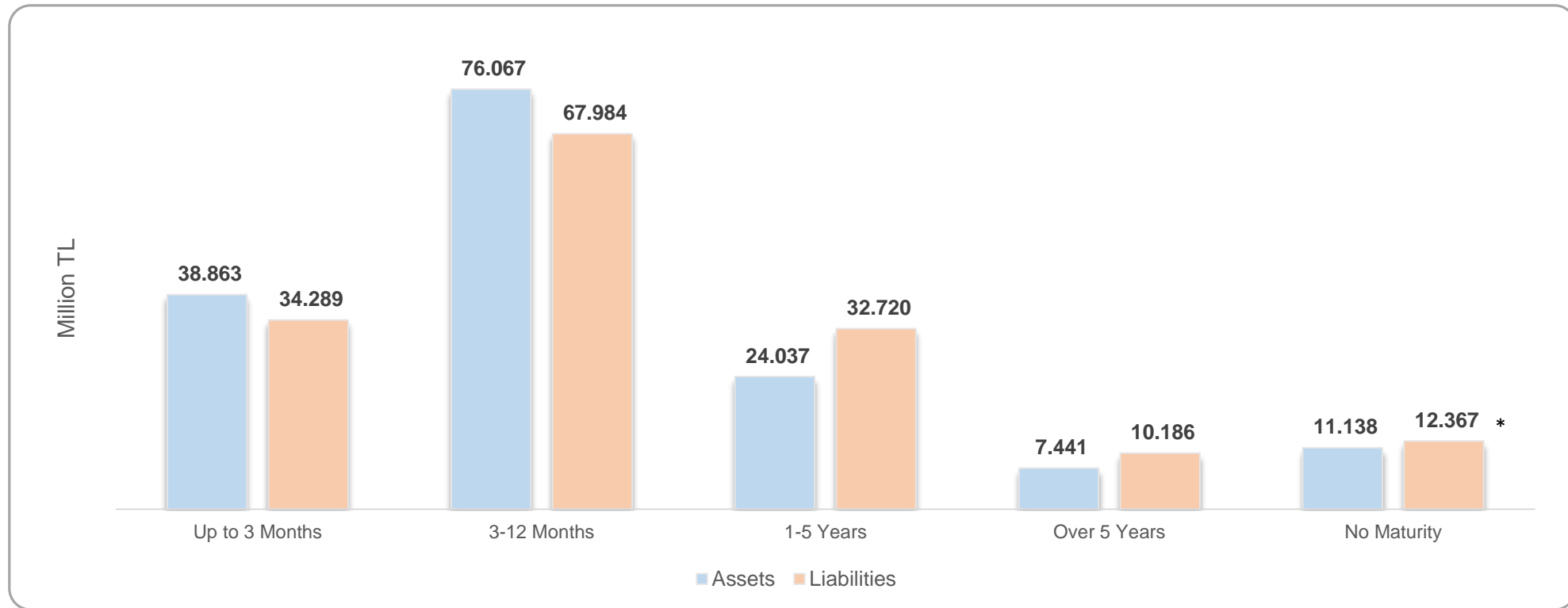
- Liquidity cushion – liquidity ratio regularly reported to BRSA.
- Short-term nature of receivables and even distribution of the receivables within a year.

Operational and Legal Risks

- Effective internal audit systems and IT system and independent external audit of these systems.
- Legal risk minimised by using standard forms of documentation.

Strong Liquidity Risk Management

30 September 2019



- Limited maturity mismatch.
- Average remaining maturity of interest bearing assets: 349 days as of 30 September 2019.
- Average remaining maturity of interest bearing liabilities: 581 days as of 30 September 2019.



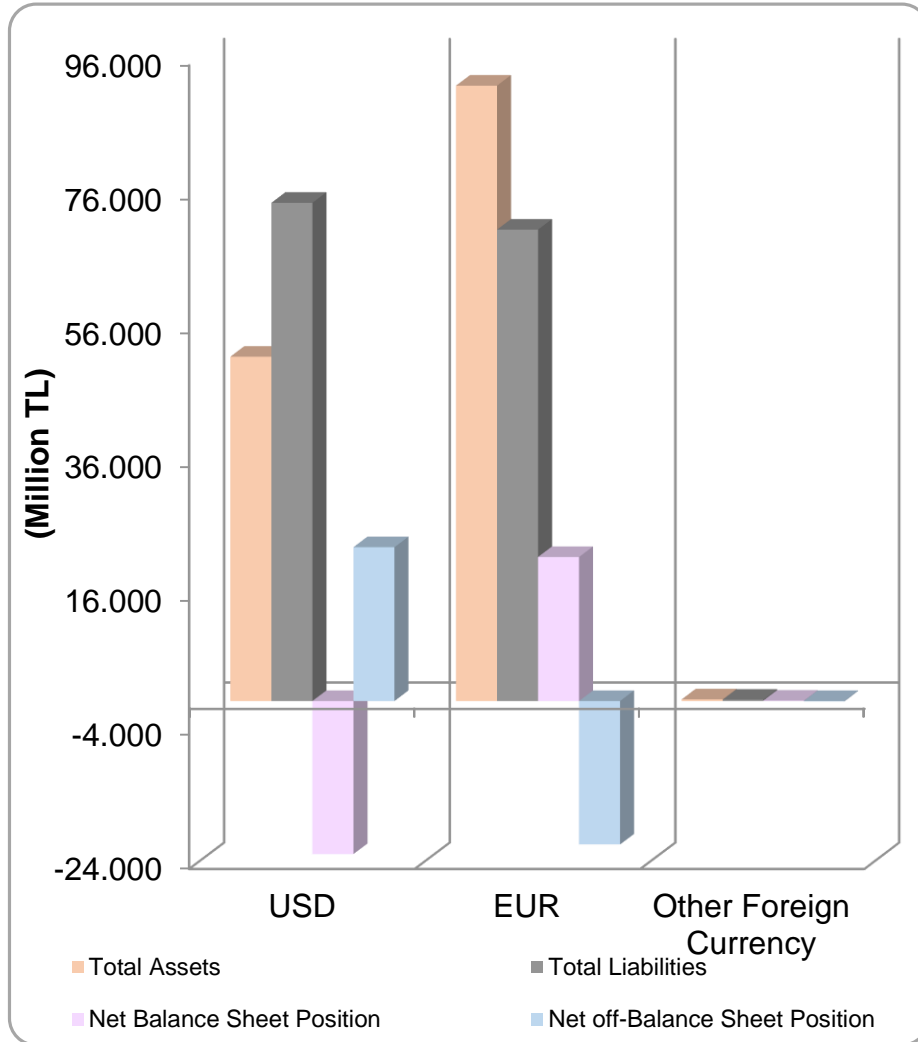
(Source) Turk Eximbank 2019.09 BRSA Financial Reports

* Includes the shareholders' equity amounting to TL 8.696 million.

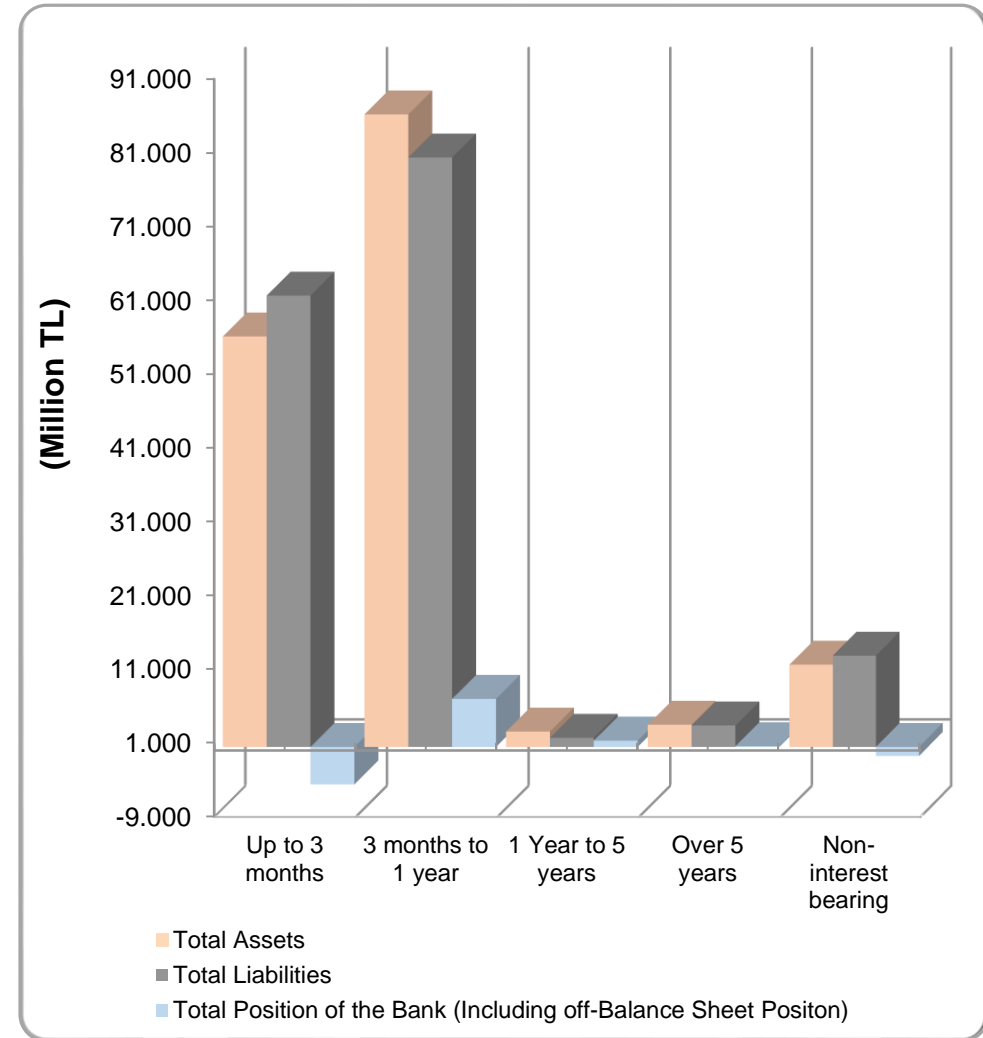
Currency & Interest Rate Risk

(30 September 2019)

Currency Risk



Interest Rate Risk (Repricing Analysis)*

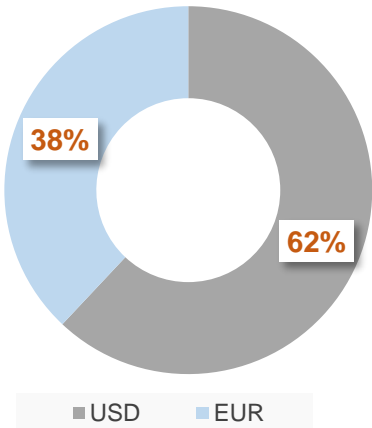


* Amounts of the Bank's assets and liabilities, classified in terms of periods remaining to contractual repricing dates
 Source: Turk Eximbank 2019.09 BRSA Financial Report

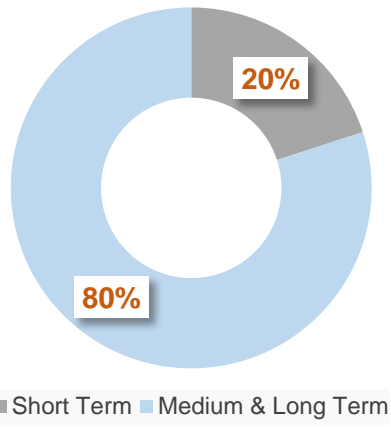
Funding

International Borrowings

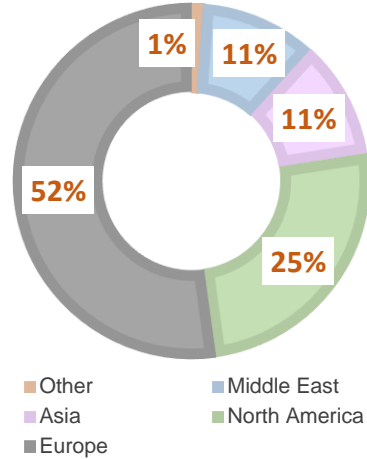
Currency Distribution



Maturity Distribution



Regional Distribution

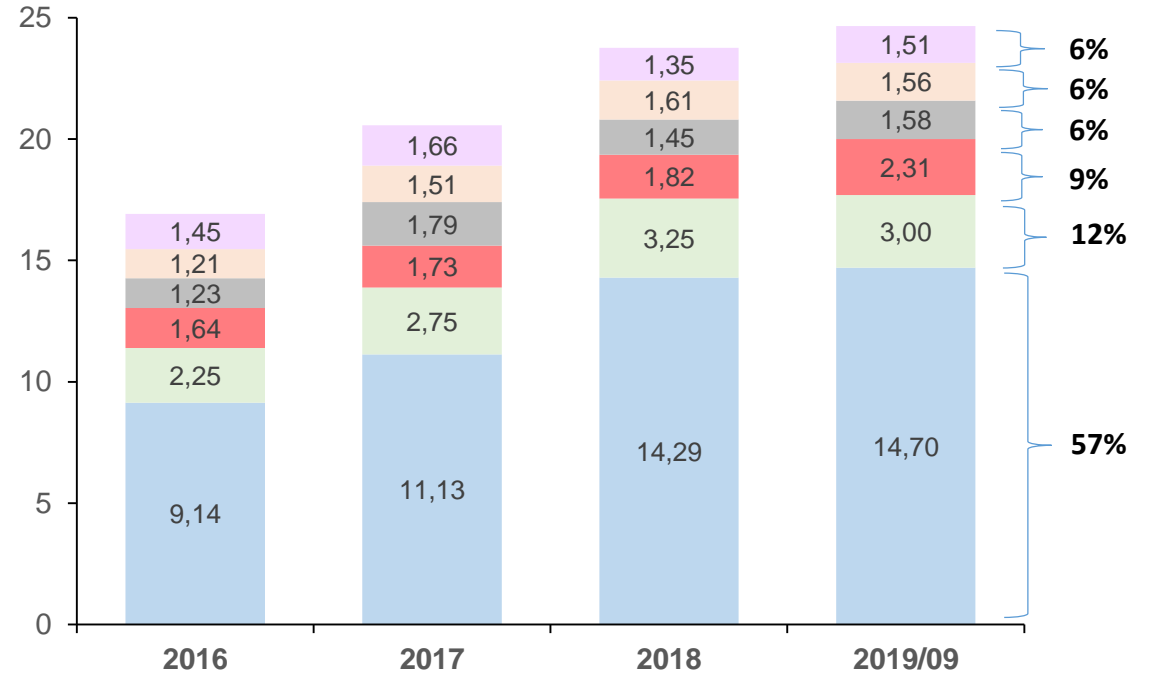


Funding Highlights

- Managing a total of USD 25,4 billion debt stock of which USD 14,7 billion is from CBRT.
- Borrowings from and under the guarantee of supranational institutions such as ITFC, IDB, EIB, IBRD, BSTDB, CEB, MIGA and ICIEC.
- Turkish Treasury guaranteed USD 1,56 billion.
- Diversification in different products.
- Good relationship with the international commercial banks (Top 15 Banks – ING Bank NV, ICBC, Standard Chartered Bank, Citibank, MUFG, Societe Generale, National Commercial Bank of Saudi Arabia, Mizuho Bank, China Development Bank, Sumitomo Mitsui Banking, BNP Paribas, Intesa Sanpaolo, Emirates NBD/Emirates Islamic, DZ Bank AG., Norddeutsche Landesbank G.)



Sources of Funding (billion USD)



- Bilateral Loans
- Borrowings from Supranationals under Turkish Treasury guarantee
- Syndicated Loans
- Borrowings guaranteed by Supranationals+unguaranteed borrowings from Supranationals
- Debt securities in issue (Eurobonds)
- Central Bank of Turkey (CBRT)

- Tier 2 TL 2.902 million, Subordinated Loan EUR 150 million

* Turk Eximbank's period-end buying exchange rates are used: USD/TL 5,6447 (2019.09), 5,2801 (2018.12), 3,775 (2017.12), 3,5208 (2016.12)



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