



Investor Presentation with 3M'19 Financials

Executive summary

Turkey's growth story remains intact despite ongoing rebalancing

- The Turkish market presents a strong opportunity among emerging markets due to a large economy energized by a highly attractive demographic profile, which is resilient to negative developments
- Economic activity lost momentum from the second half of 2018, which rapidly reduced the external imbalances. The ongoing rebalancing could translate into a more stable macroeconomic background for the banking system to operate in the long run
- The CBRT commits to maintain the tight monetary policy stance until the inflationary outlook displays a significant improvement. The Treasury and Finance Ministry announced fiscal and regulatory measures in April 2019 to boost capitalization of the banking sector, stimulate private savings and reform the tax system

One of the Top Performing Banks in the Market

- QNB Finansbank is one of the strongest players in this market ranked 5th across most categories amongst privately owned banks
- QNB Finansbank has a very strong distribution network balanced between a branch footprint covering 99% of banking business in the market and best in market digital offerings
- QNB Finansbank has shown strong financial performance beyond its scale even in the most volatile market conditions, driven by differentiation, adaptability and bringing the right people together

Strong Shareholder Supports QNB Finansbank for Future Growth

- QNB stands out as the strongest rated main shareholder among Private Turkish Banks
- QNB is the largest bank in the Middle East and Africa by all critical measures and has the highest ratings among all banks with a presence in Turkey
- QNB's presence across a wide geography overlaps well with Turkey's key foreign trade partners, bringing opportunities in this area
- QNB Finansbank's launch of its new brand has been very successful, and is translating to successful expansion of its customer franchise in potential growth areas
- Following the QNB acquisition, QNB Finansbank has added a new growth chapter in its successful history, capturing Corporate and Commercial Banking market share, while sustaining its success in Retail and SME Banking

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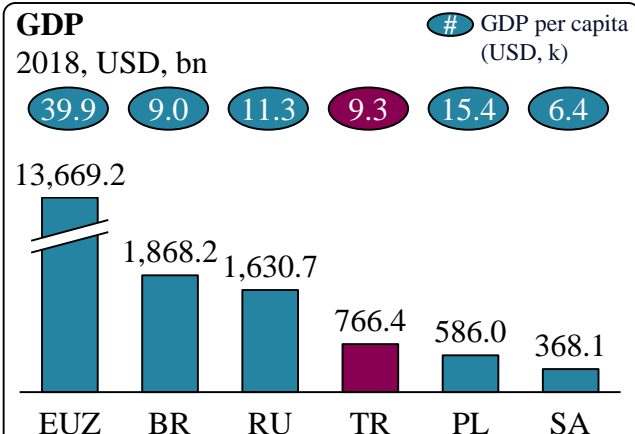
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| 3 | Loan-based Balance Sheet Delivering High Quality Earnings |
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Macro-economic Overview

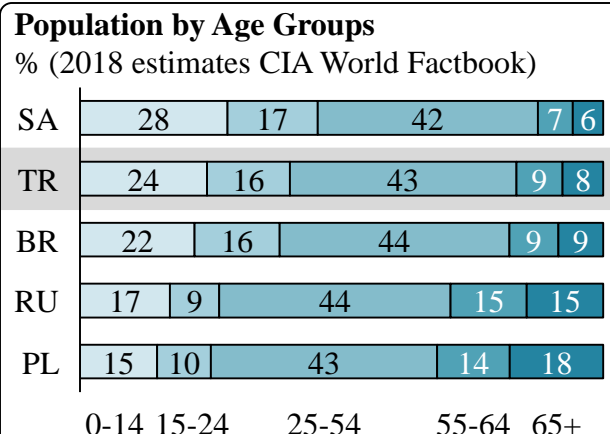
Structurally attractive Turkish economy and focus on fiscal discipline

EUZ: Eurozone
SA: South Africa
BR: Brazil
PL: Poland
RU: Russia
TR: Turkey

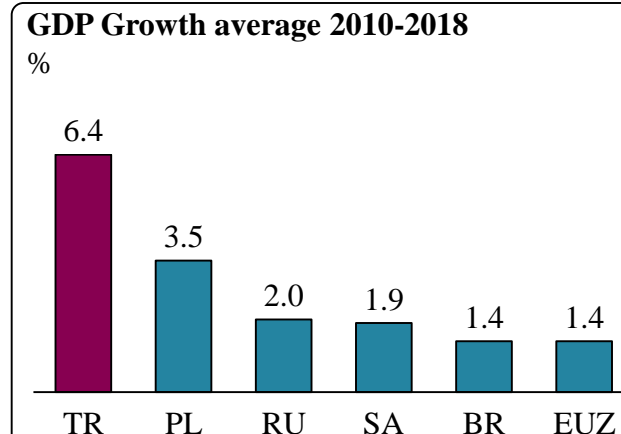
Large economy with low GDP / capita...



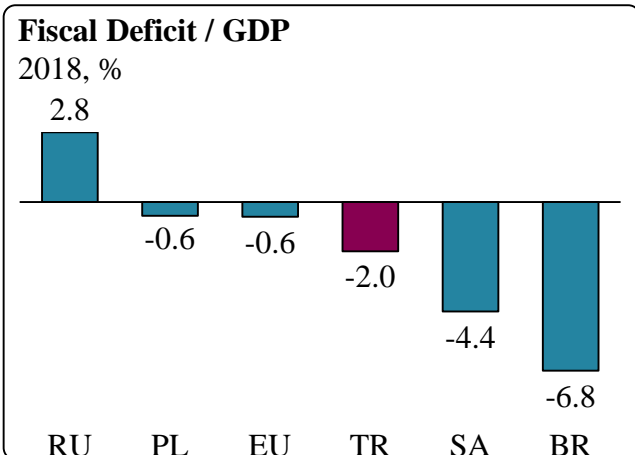
...and highly attractive demographic profile



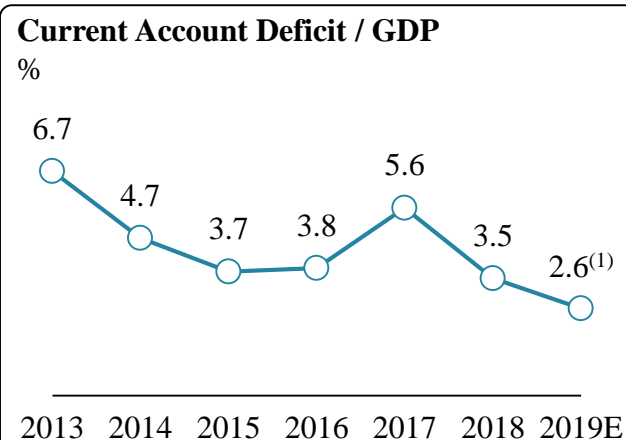
... generating high real GDP growth



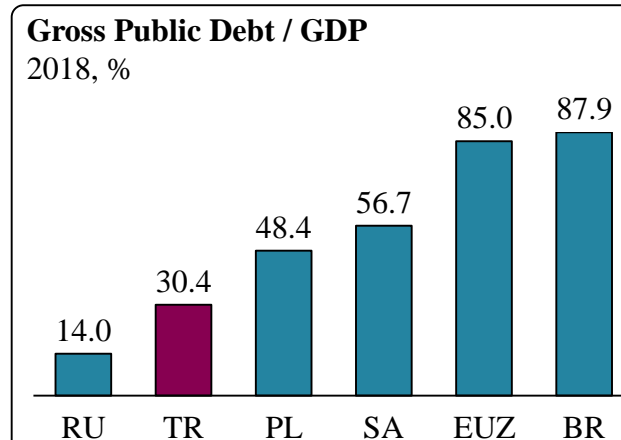
Low fiscal deficit...



... and improving external deficit...



... with low public debt

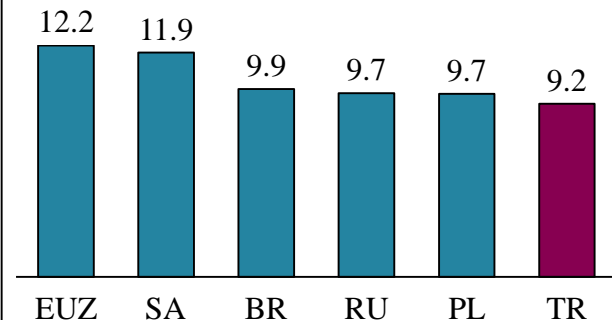


Sound banking system with inherent growth potential

EUZ: Eurozone PL: Poland
SA: South Africa RU: Russia
BR: Brazil TR: Turkey

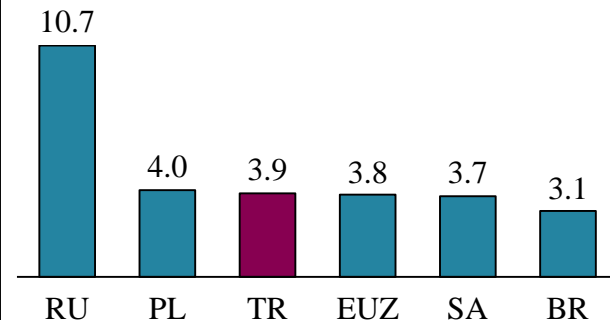
Relatively low leverage ratio...

Leverage ratio⁽¹⁾
Q4'18



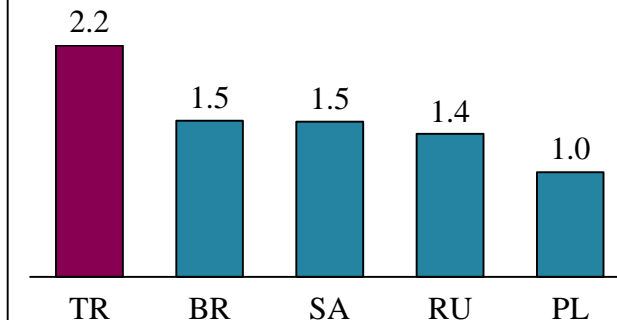
...and contained NPL levels...

NPL ratio⁽²⁾
Q4'18, %



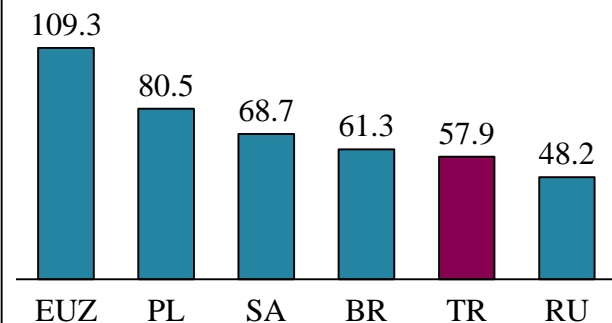
... with strong profitability characteristics

Banking Sector Pre-tax RoA⁽³⁾
2010-2018 average, %



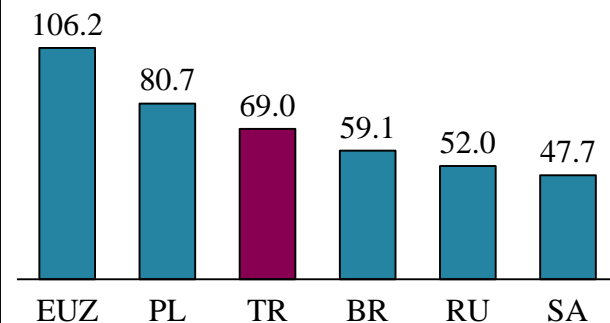
Further growth potential in deposits...

Deposits / GDP
Q4'18, %



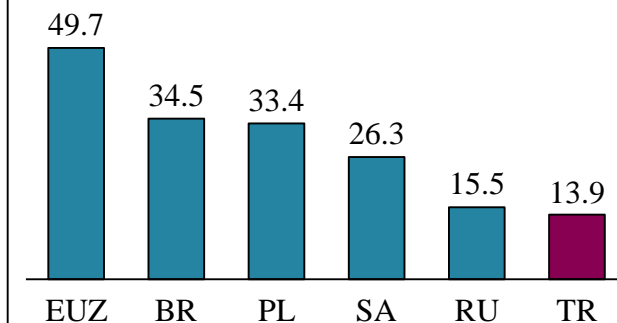
... feeding overall lending...

Loans / GDP
Q4'18, %



... as well as retail lending growth potential

Household debt / GDP
Q4'18, %



⁽¹⁾ RU: Q3'18, PL: Q3'18

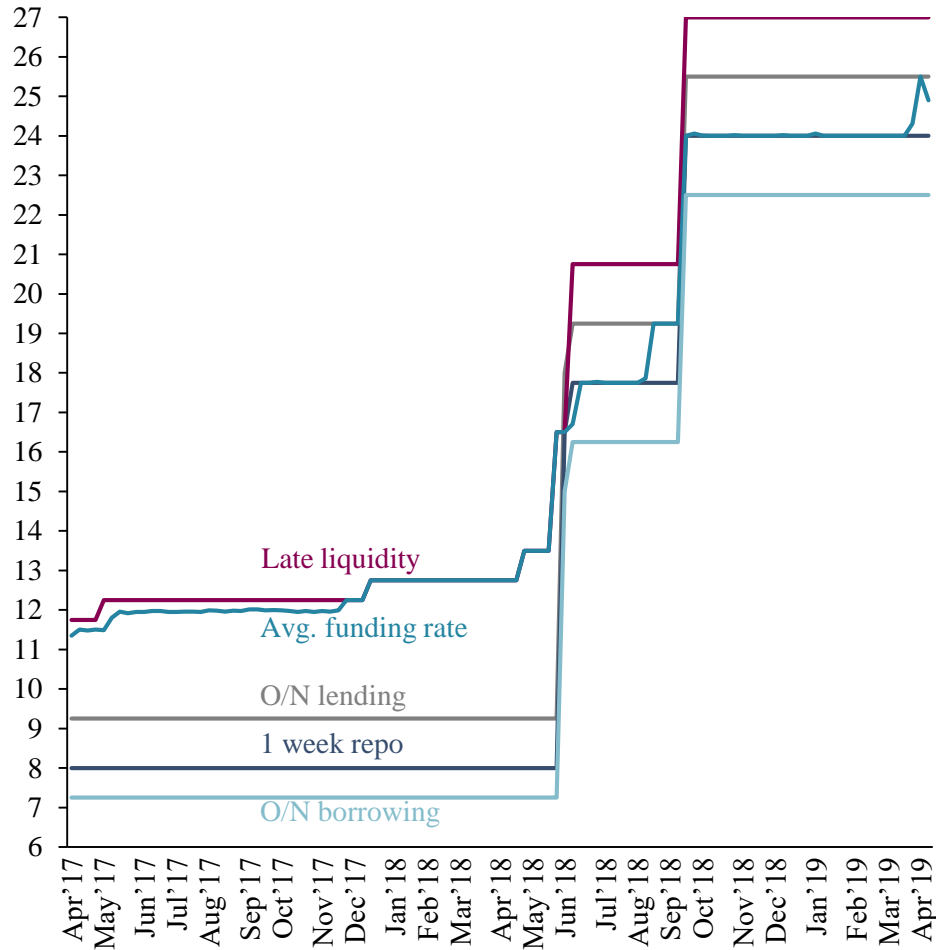
⁽²⁾ EUZ: Q4'18 (for significant institutions as designated by ECB), RU: Q3'18, PL: Q3'18

⁽³⁾ Latest data; Q3'18 for RU and PL; and Q4'18 for TR, SA and BR

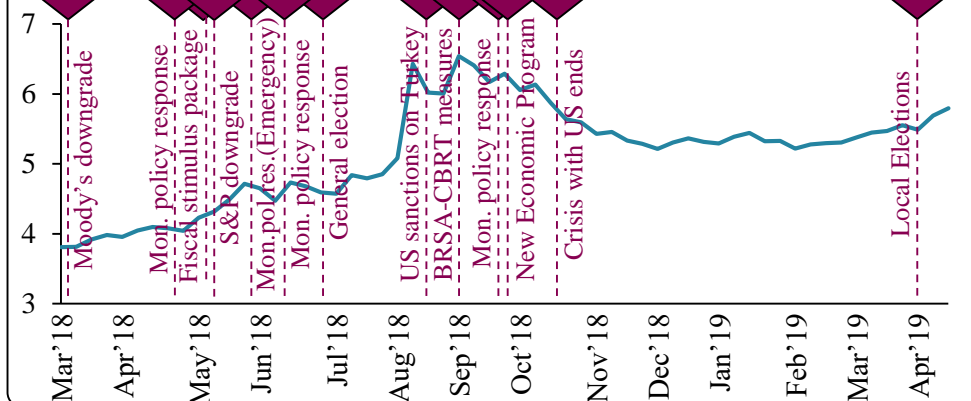
Source: Thomson Reuters - Data Stream, ECB, BRSA, Turkstat

CBRT's tight stance on interest rates maintained stability in the market

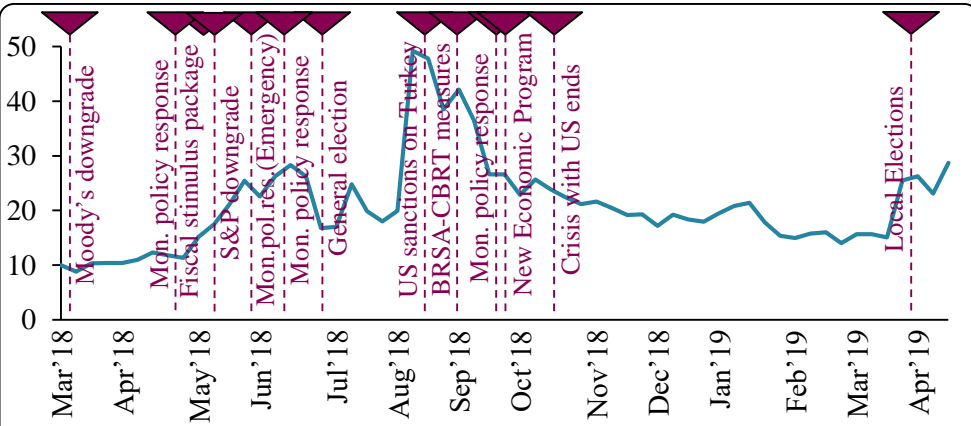
Central Bank rates



TRY against USD has stabilized after Central Bank rate hike



Similarly, options implied TRY volatility has eased

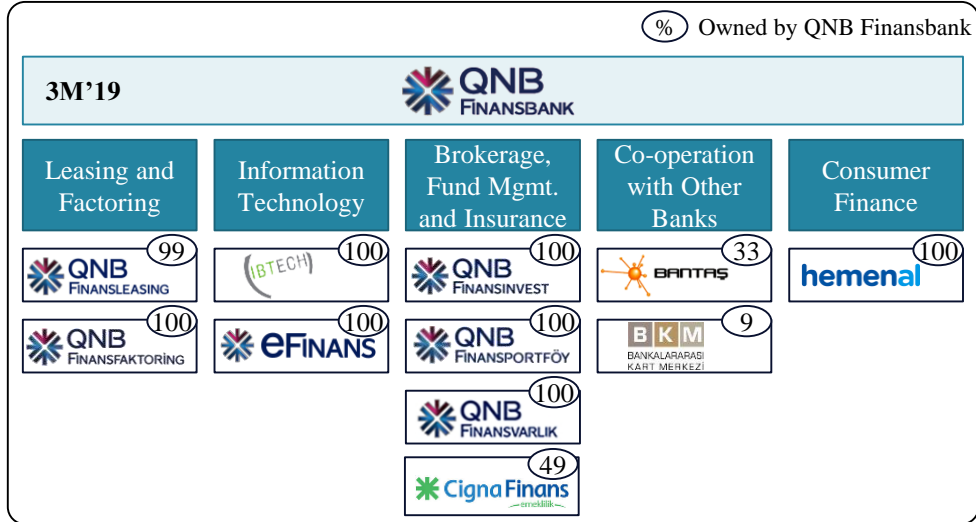


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QNB Finansbank and QNB Group at a Glance

QNB Finansbank: 5th Largest Privately Owned Universal Bank⁽¹⁾

QNB Finansbank group structure



Financial highlights

QNB Finansbank BRSA bank only financials

| TRY, bn | 3M'19 eop |
|-------------------------|-----------|
| Total assets | 169.8 |
| Net loans | 96.9 |
| Customer deposits | 87.2 |
| Shareholder's equity | 14.9 |
| Branches (#) | 543 |
| Active customers (mn) | 5.5 |
| Bank only employees (#) | 12,365 |

QNB Finansbank market positioning

Bank only, 12M'18

| | Numbers of Branches | Total Assets | Net Loans | Customer Deposits | Retail Loans ⁽²⁾ | Commercial Installment Loans |
|-----------------------|---------------------|--------------|------------|-------------------|-----------------------------|------------------------------|
| 1st | İşbank | İşbank | İşbank | İşbank | Garanti | İşbank |
| 2nd | Garanti | Garanti | Garanti | Garanti | İşbank | Yapı Kredi |
| 3rd | Yapı Kredi | Yapı Kredi | Yapı Kredi | Yapı Kredi | Yapı Kredi | Garanti |
| 4th | Akbank | Akbank | Akbank | Akbank | Akbank | |
| 5th | Denizbank | | | | | Denizbank |
| 6th | | Denizbank | Denizbank | Denizbank | Denizbank | Akbank |
| 7th | TEB | TEB | TEB | TEB | TEB | TEB |
| 8th | ING | ING | ING | ING | ING | ING |
| 9th | HSBC | HSBC | HSBC | HSBC | HSBC | HSBC |

Note: All information in the presentation is based on BRSA bank only data unless stated otherwise

⁽¹⁾ In terms of total assets, net loans, retail loans and customer deposits

⁽²⁾ Including overdraft

Source: BRSA bank only data; BAT

QNB Finansbank covers Turkey through a diverse distribution network and the market's only “pure digital bank”

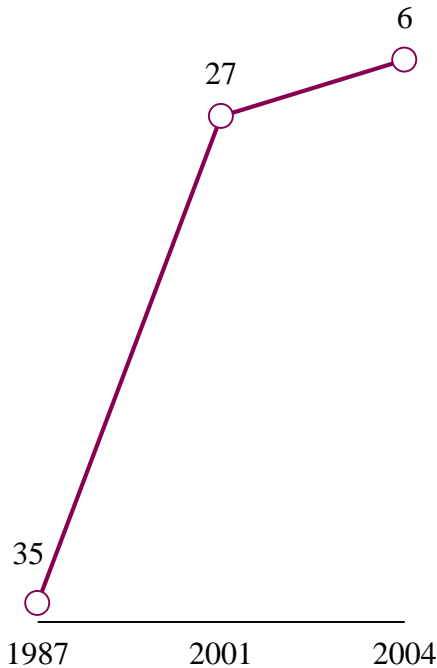


One of Turkey's top performers on the back of its flexible business model

1987-2004: Fast growth behind leadership in Corporate & Commercial Banking

Total Assets

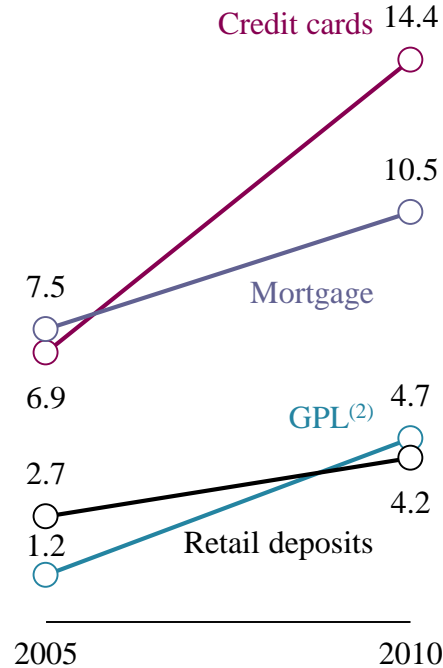
Ranking in Private Banks⁽¹⁾



2005-2011: Retail banking boom with market leading growth and success

Market share

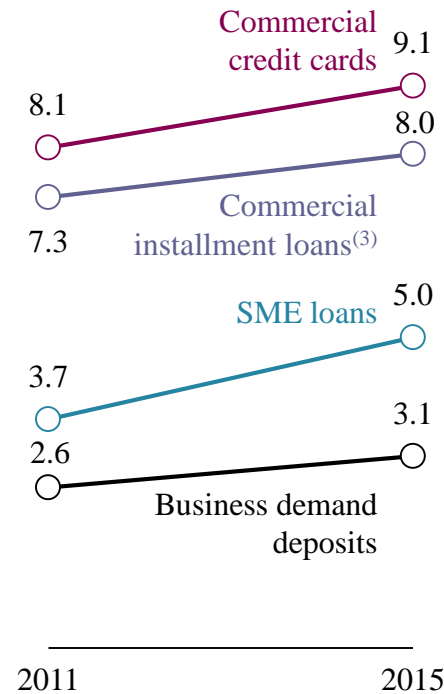
%



2012-2016: Business banking growth with productivity and risk focus

Market share

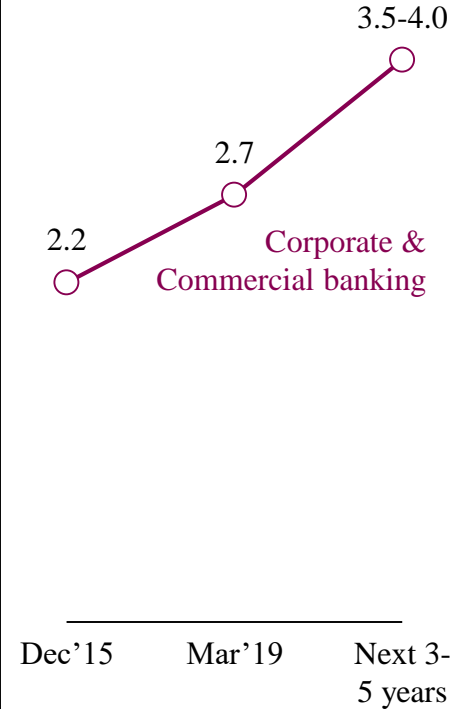
%



2016 beyond: Sustained success in Retail and SME while beating the market in Corporate & Commercial Banking

Market share

%



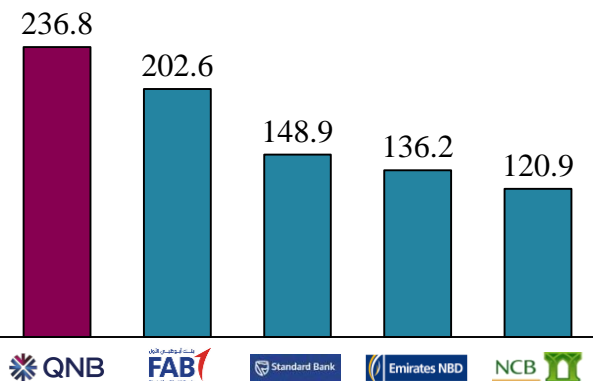
QNB’s ownership of Finansbank brings a strong support to one of market’s leading performers

| | QNB Finansbank | QNB Group (Q.P.S.C.) | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|----------------------------------|---|---|---------|-------|------|---|----------------------------|------|----------------|----------------------------------|----|---|---|---|--|---------|-------|-----|----|----------------------------|-----|----|---|-----|-----------------------------|-----|----|-----|-----|
| Shareholder Structure | <div><div>%</div><div><table><tr><td>Qatar National Bank Q.P.S.C.</td><td>99.88</td></tr><tr><td>Other</td><td>0.12</td></tr></table></div></div> | Qatar National Bank Q.P.S.C. | 99.88 | Other | 0.12 | <div><div>%</div><div><table><tr><td>Qatar Investment Authority</td><td>50.0</td></tr><tr><td>Private Sector</td><td>50.0</td></tr></table></div></div> | Qatar Investment Authority | 50.0 | Private Sector | 50.0 | | | | | | | | | | | | | | | | | | | |
| Qatar National Bank Q.P.S.C. | 99.88 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | 0.12 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Qatar Investment Authority | 50.0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Private Sector | 50.0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Ratings | <table><tr><td></td><td>Moody's</td><td>Fitch</td><td>CI</td></tr><tr><td>Foreign Currency Long-term Debt</td><td>Ba3</td><td>BB-</td><td>BB-</td></tr><tr><td>Foreign Currency Short-term Debt</td><td>NP</td><td>B</td><td>B</td></tr></table> | | Moody's | Fitch | CI | Foreign Currency Long-term Debt | Ba3 | BB- | BB- | Foreign Currency Short-term Debt | NP | B | B | <table><tr><td></td><td>Moody's</td><td>Fitch</td><td>S&P</td><td>CI</td></tr><tr><td>Foreign Currency Long-term</td><td>Aa3</td><td>A+</td><td>A</td><td>AA-</td></tr><tr><td>Foreign Currency Short-term</td><td>P-1</td><td>F1</td><td>A-1</td><td>A1+</td></tr></table> | | Moody's | Fitch | S&P | CI | Foreign Currency Long-term | Aa3 | A+ | A | AA- | Foreign Currency Short-term | P-1 | F1 | A-1 | A1+ |
| | Moody's | Fitch | CI | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Foreign Currency Long-term Debt | Ba3 | BB- | BB- | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Foreign Currency Short-term Debt | NP | B | B | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Moody's | Fitch | S&P | CI | | | | | | | | | | | | | | | | | | | | | | | | | |
| Foreign Currency Long-term | Aa3 | A+ | A | AA- | | | | | | | | | | | | | | | | | | | | | | | | | |
| Foreign Currency Short-term | P-1 | F1 | A-1 | A1+ | | | | | | | | | | | | | | | | | | | | | | | | | |
| Corporate Information | <ul style="list-style-type: none">• Focused on traditional banking activities, complemented by ancillary services (investment banking, brokerage, leasing, factoring, asset management)• Important partnerships in insurance with leading international institutions (Sompo Japan for basic insurance and Cigna for life insurance and private pensions) | <ul style="list-style-type: none">• Largest bank in Qatar by market cap, assets, loans, deposits and profit• Largest bank in MEA by total assets, loans, deposits and profit• Operating in more than 31 countries around the world across 3 continents• Serving a customer base of more than 24 million customers with 30K staff, 1.1K+ locations and 4.4K+ ATMs | | | | | | | | | | | | | | | | | | | | | | | | | | | |

QNB is the leading financial institution by all measures in the MEA region

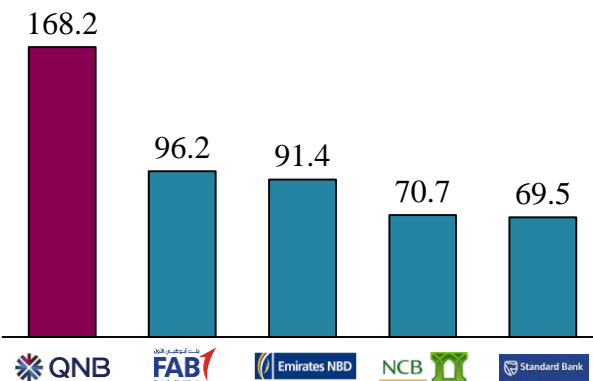
Total Assets

USD bn, Dec'18⁽¹⁾



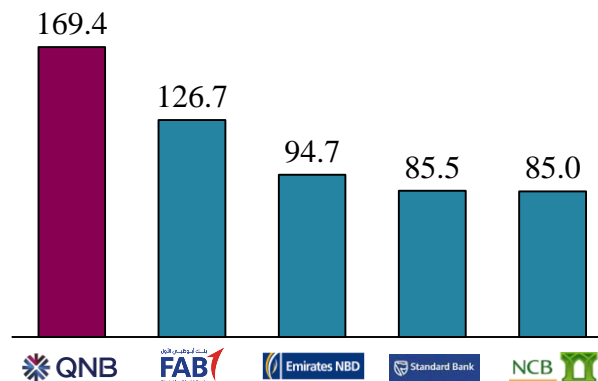
Loans

USD bn, Dec'18⁽¹⁾



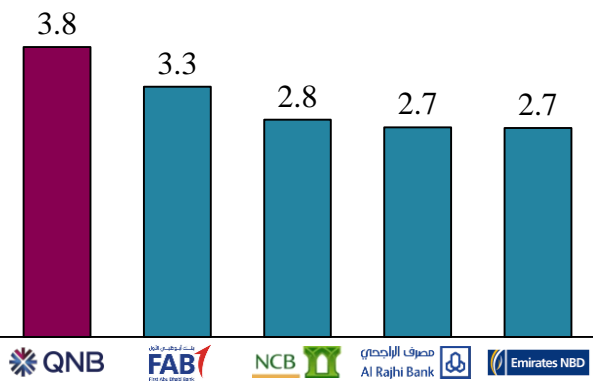
Deposits

USD bn, Dec'18⁽¹⁾



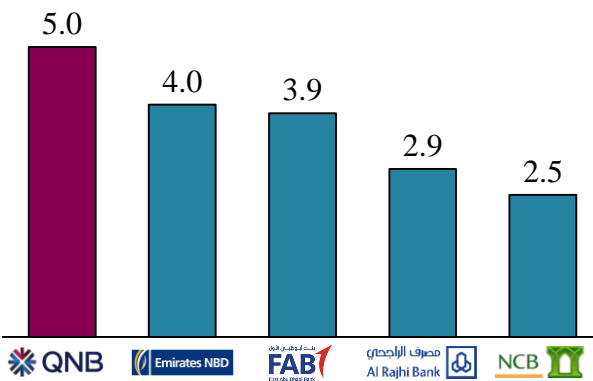
Net Profit

USD bn, Dec'18



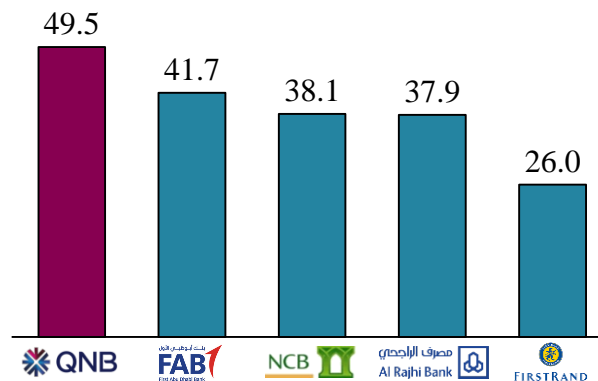
Top MEA Banking Brands

USD bn, Dec'18



Top MEA Banks by Market Cap

USD bn, Dec'18





QNB ownership brings a strong geographic reach to QNB Finansbank especially with important trade partners of Turkey

Middle East

| | | |
|---|---------------------|--|
|  | Qatar | |
|  | KSA |  |
|  | Jordan | |
|  | UAE |  |
|  | Syria | |
|  | Palestine | |
|  | Iraq |  |
|  | Oman | |
|  | Bahrain | |
|  | Kuwait | |
|  | Lebanon | |
|  | Yemen | |
|  | Iran ⁽¹⁾ |  |








Sub-Saharan Africa

| | | |
|--|-------------|--|
|  | South Sudan | |
|  | Togo | |

North Africa

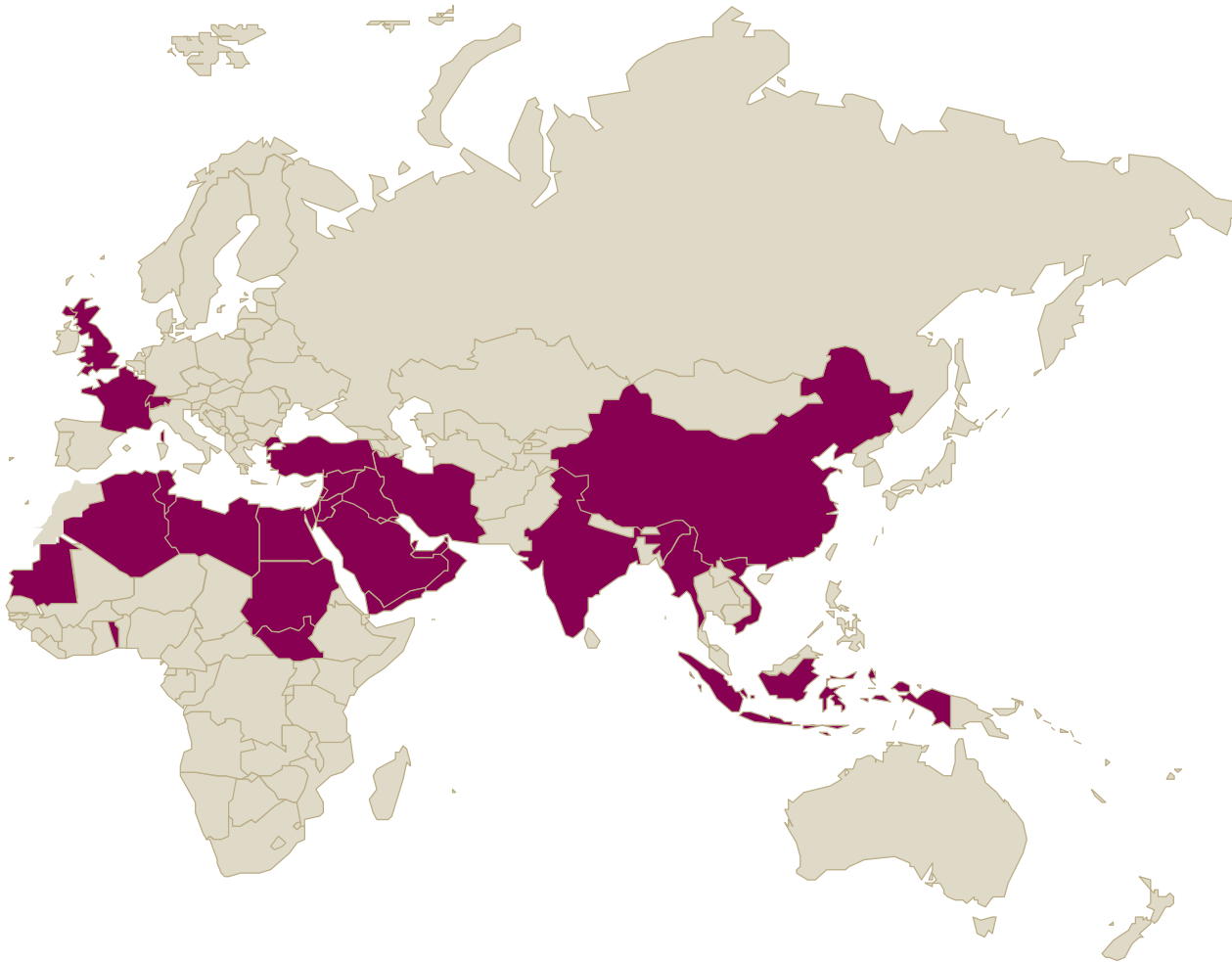
| | | |
|---|------------|---|
|  | Egypt |  |
|  | Libya | |
|  | Tunisia | |
|  | Sudan | |
|  | Algeria | |
|  | Mauritania | |

Europe

| | | |
|---|----------------|---|
|  | United Kingdom |  |
|  | France |  |
|  | Switzerland |  |
|  | Turkey | |

Asia

| | | |
|---|-----------|---|
|  | Indonesia |  |
|  | Singapore | |
|  | India |  |
|  | China |  |
|  | Vietnam |  |
|  | Myanmar | |



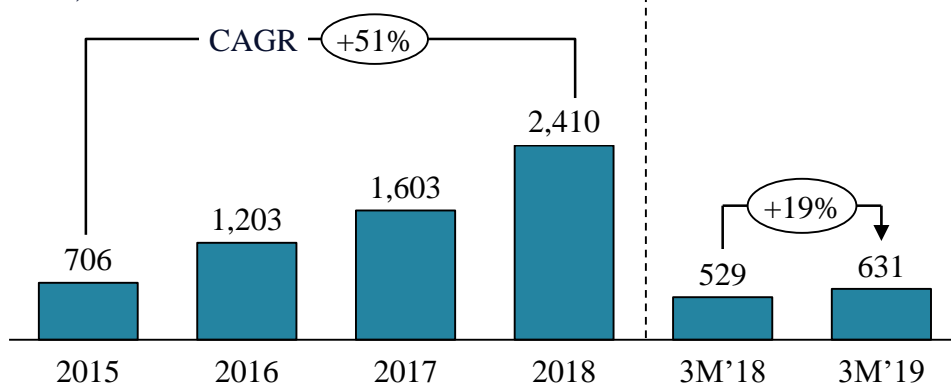
Financial Performance

A decorative graphic on the right side of the slide, consisting of a large, stylized arrow pointing to the right. The arrow is composed of two overlapping shapes: a dark blue outer layer and a lighter blue inner layer. The arrow's tail is at the bottom left, and it tapers to a point at the top right.

Strong profitability sustained with stable asset quality and comfortable capital position in a challenging backdrop

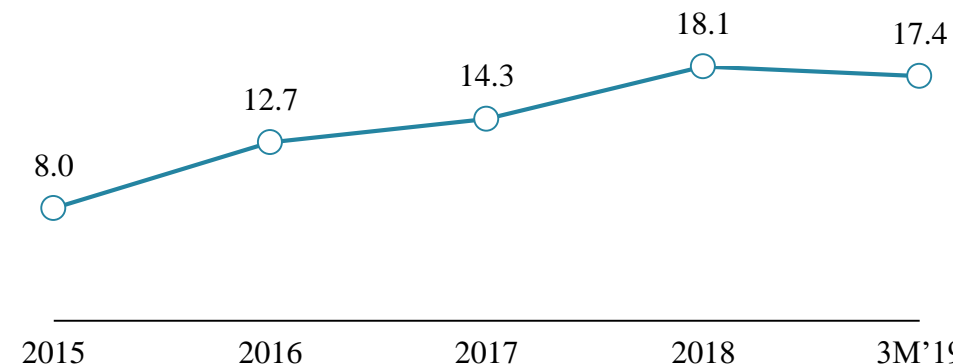
Robust profitability maintained in a challenging macro environment

Net Income
TRY, mn



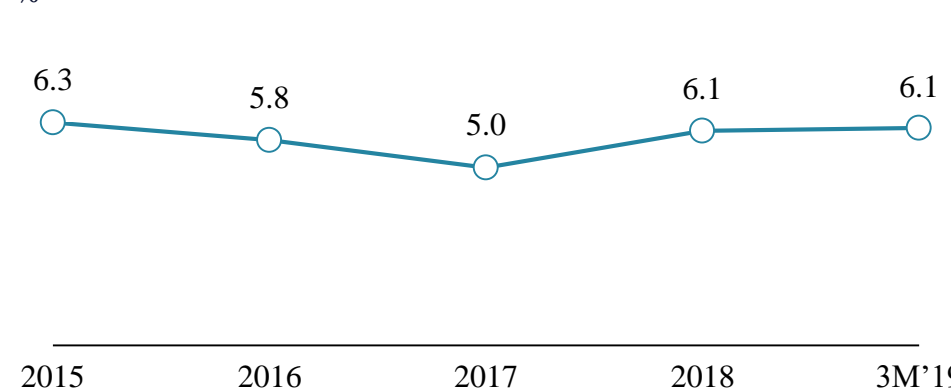
RoE proved its resilience once again

RoE
%



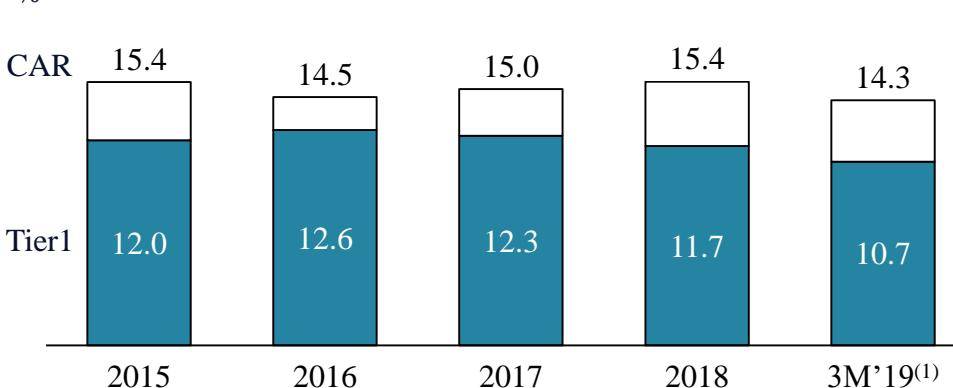
Prudent lending strategy has paid off with relatively stable NPL ratio

NPL Ratio
%



Comfortable capital adequacy with reserved buffers remain intact

CAR
%

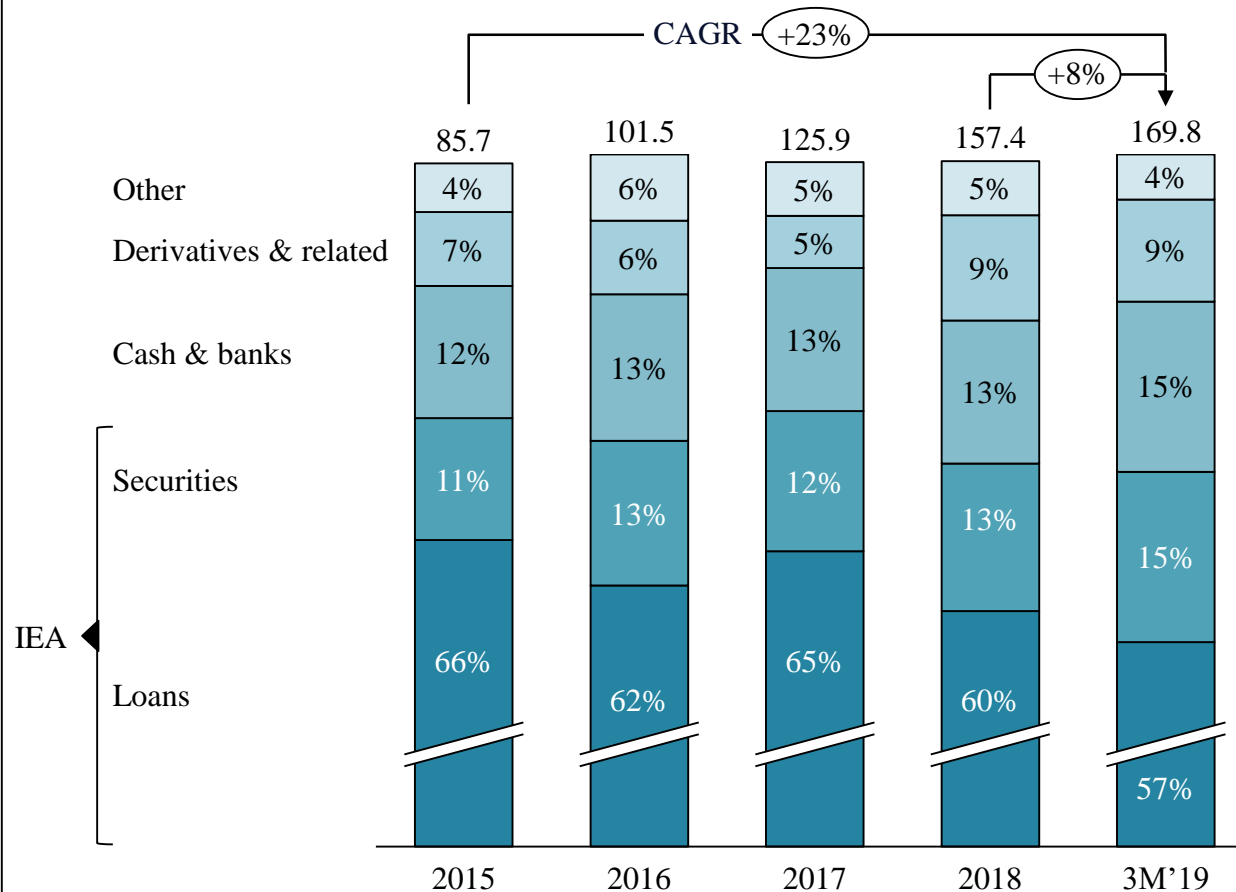


Total Assets reached TRY 170bn with a QoQ growth of 8%

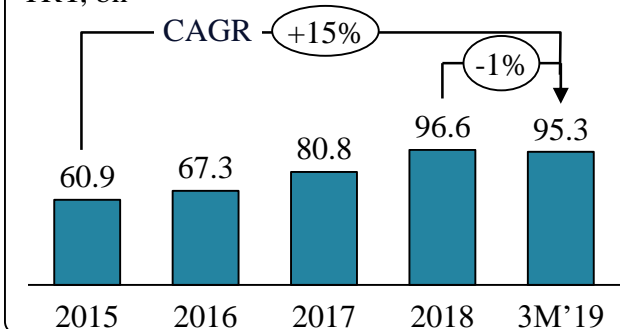
Proceeds from USD 500 mn Eurobond issuance in March 2019 led to a transient rise in cash & banks pending for maturing debt in April 2019, with the remaining growth largely driven by investment in securities

TRY assets remained flat due to weak demand conditions, ...

Total Assets
TRY, bn

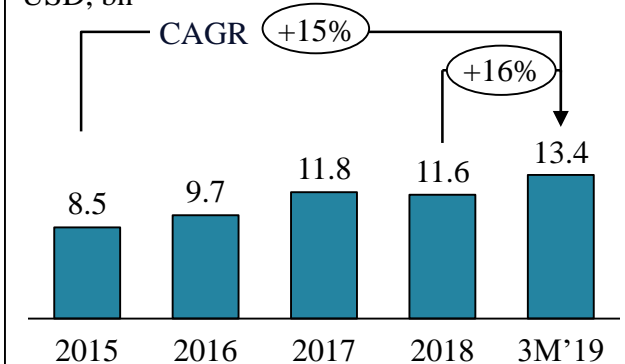


TRY Assets
TRY, bn



...while FC growth was driven by investments in fx securities and fx lending within the framework of committed projects

FX Assets⁽¹⁾
USD, bn

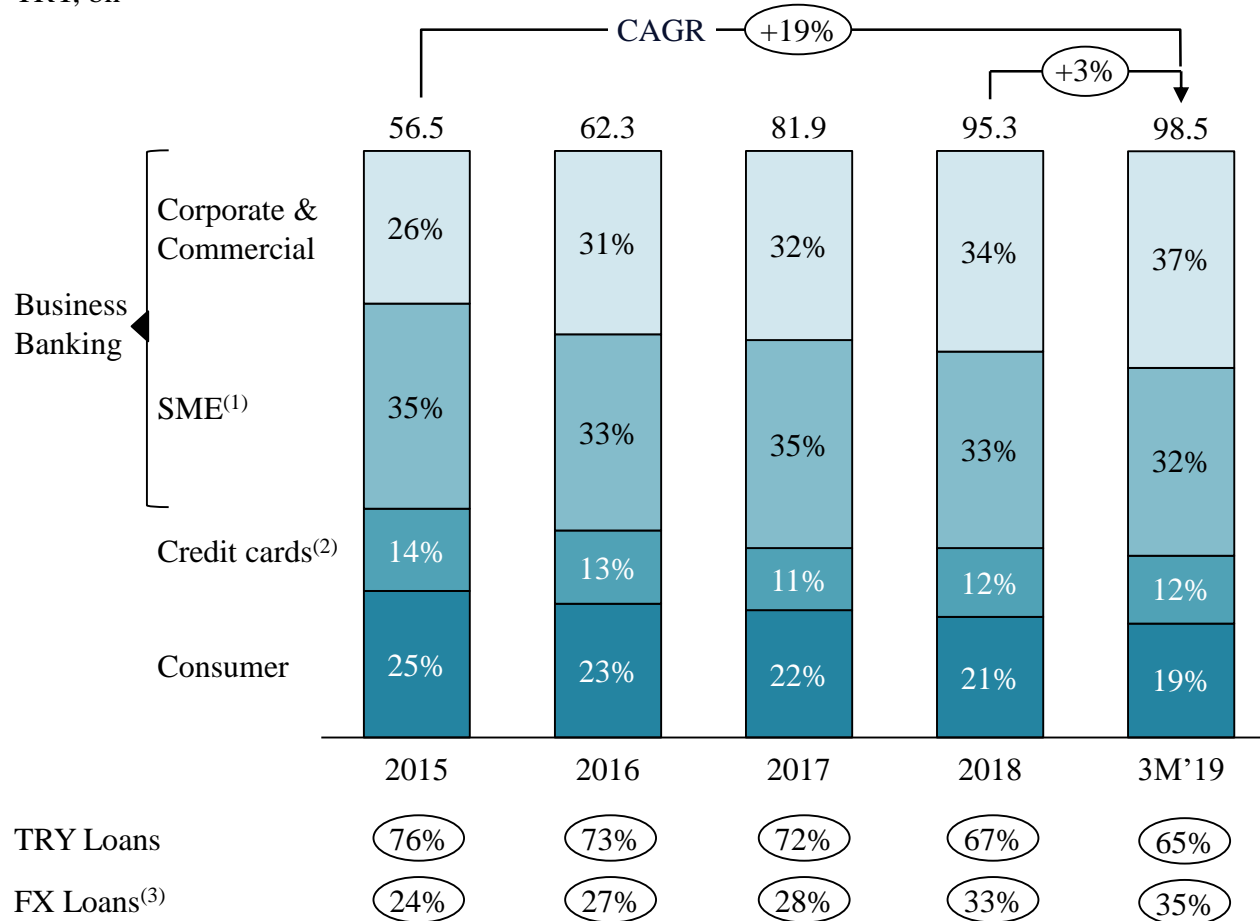


Selective loan growth of 3% on a QoQ basis

Performing loan growth of 3% QoQ mainly stemmed from fx project finance related Corporate & Commercial loans

Performing Loans by Segment and Currency

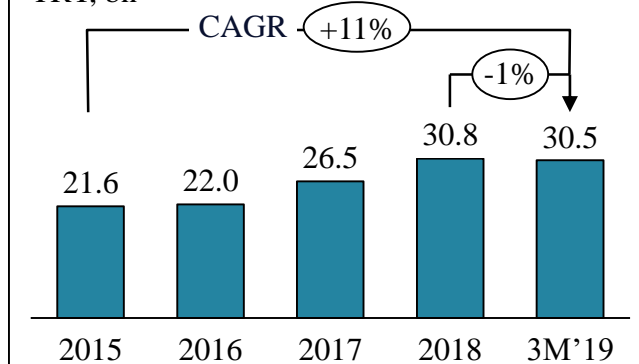
TRY, bn



Slight decline in Retail essentially due to redemptions in mortgage portfolio, ...

Retail Loans

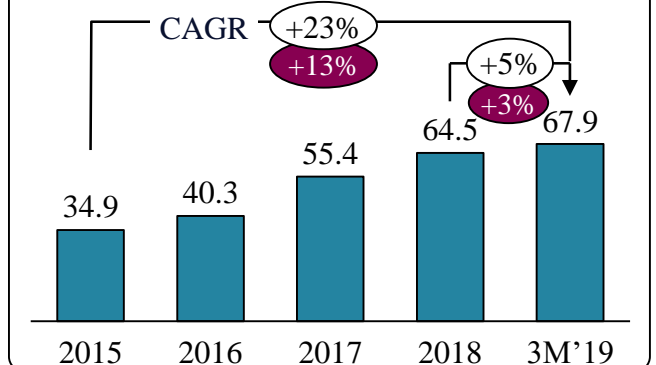
TRY, bn



... while Business loans strongly contributed to the loan growth in the quarter

Business Loans

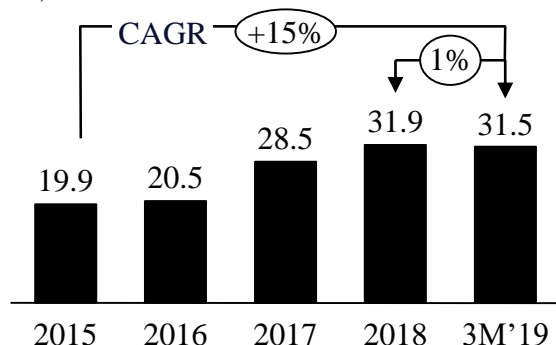
TRY, bn



Focus on asset quality and selective growth will continue to be the key drivers of the Bank throughout 2019...

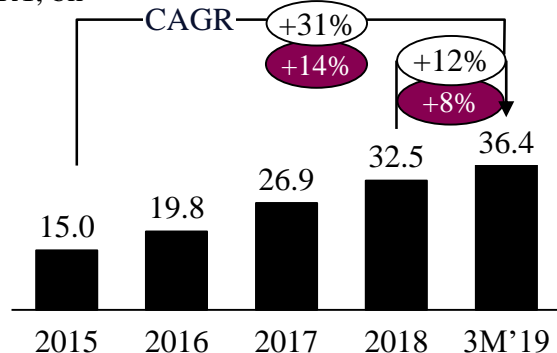
Prudent SME lending resulted in flat contribution to Business growth,...

SME Loans⁽¹⁾
TRY, bn



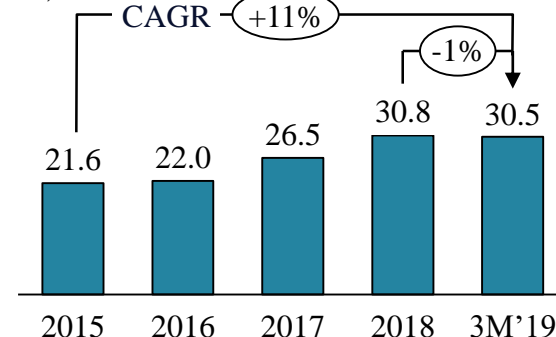
...as Corporate & Commercial determined the trend with a sound 12% growth

Corporate & Commercial Loans % FX rate adjusted
TRY, bn



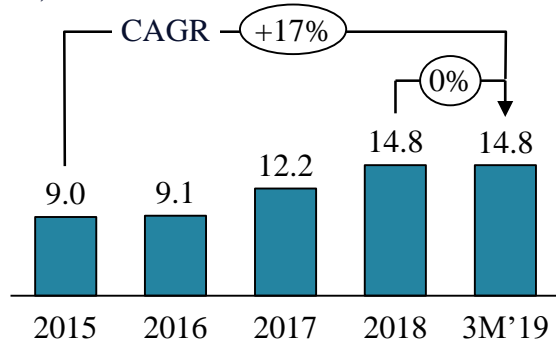
Selective Retail lending continued, though redemptions in mortgages offset the growth

Retail Loans
TRY, bn



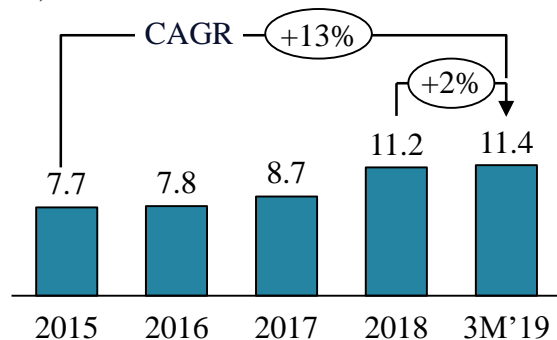
Slow start in GPLs...

General Purpose Loans⁽²⁾
TRY, bn



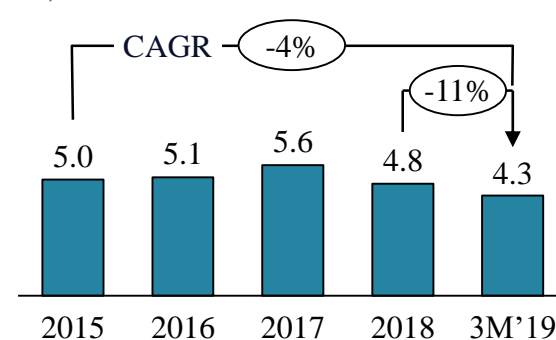
...and above-market growth in credit cards...

Credit Card Loans⁽³⁾
TRY, bn



... fell short of compensating for the redemptions in mortgage portfolio.

Mortgage Loans
TRY, bn

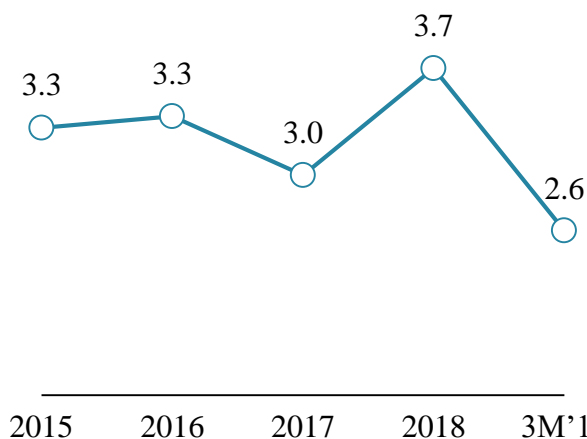


Well-managed asset quality with high coverage ratios

NPL additions/Average Loans back on a normal trend

NPL Additions / Average Loans

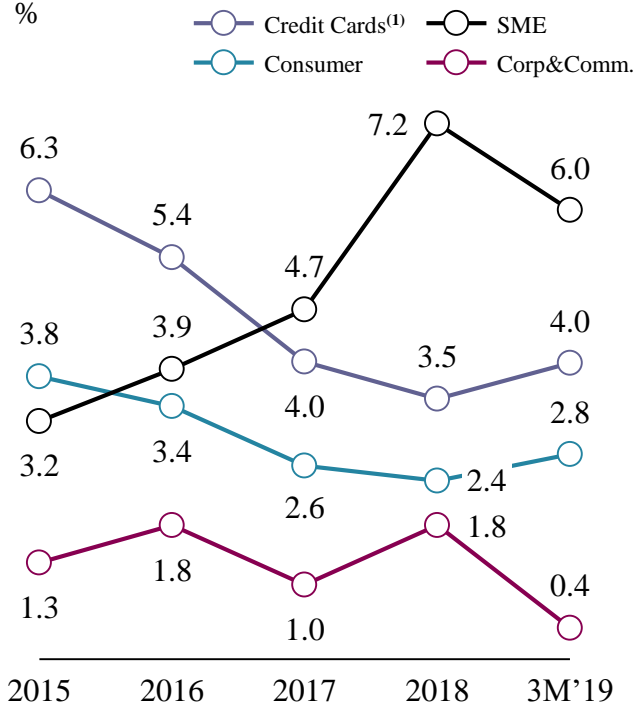
%



...thanks to improving Corporate & Commercial and still high yet improving SME NPLs, as Retail NPLs slightly picked-up.

NPL Additions / Average Loans by Segment

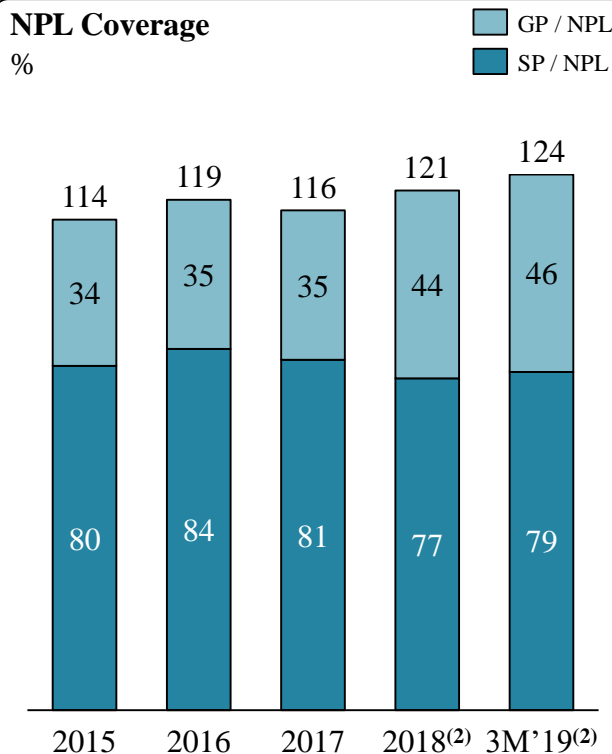
%



NPLs are well covered through general and specific provisions with coverage ratio continuing to increase in 2019.

NPL Coverage

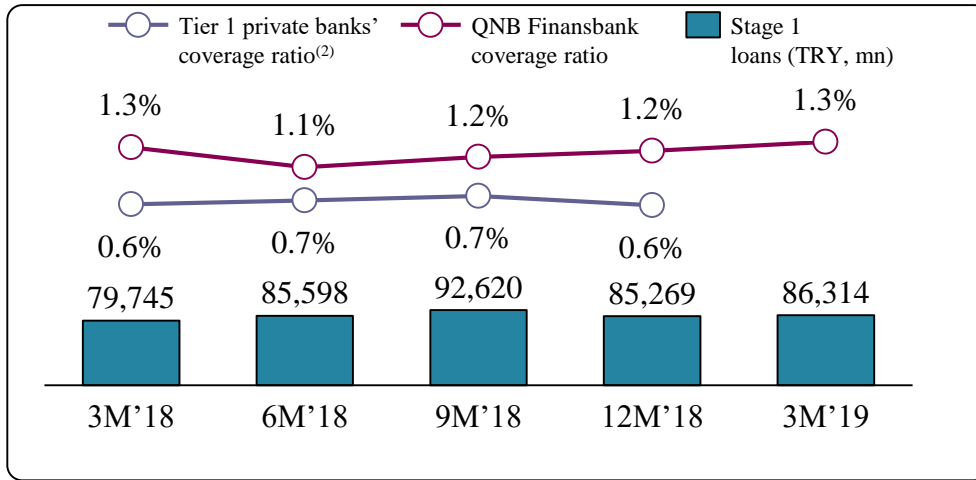
%



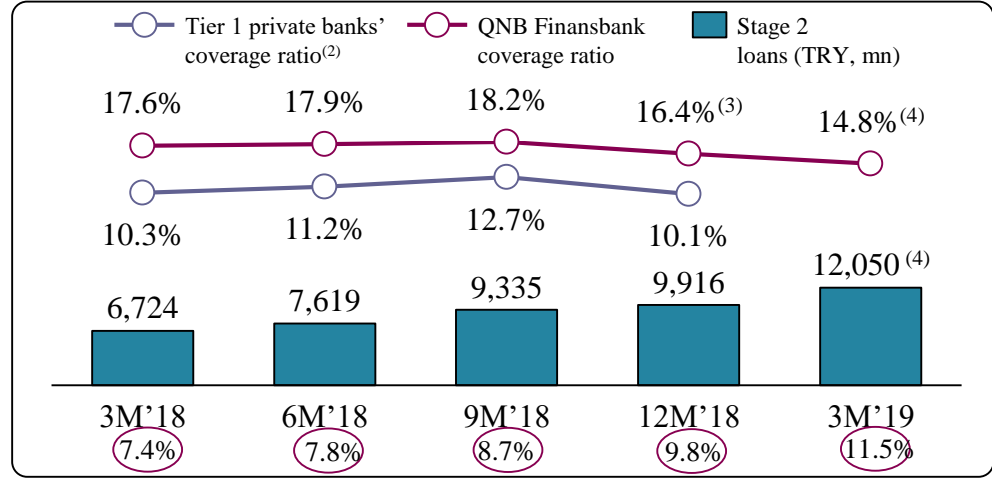
Prudent IFRS 9 staging & provisioning provides a buffer for a potential deterioration

as a % of gross loans⁽¹⁾
for the relevant period

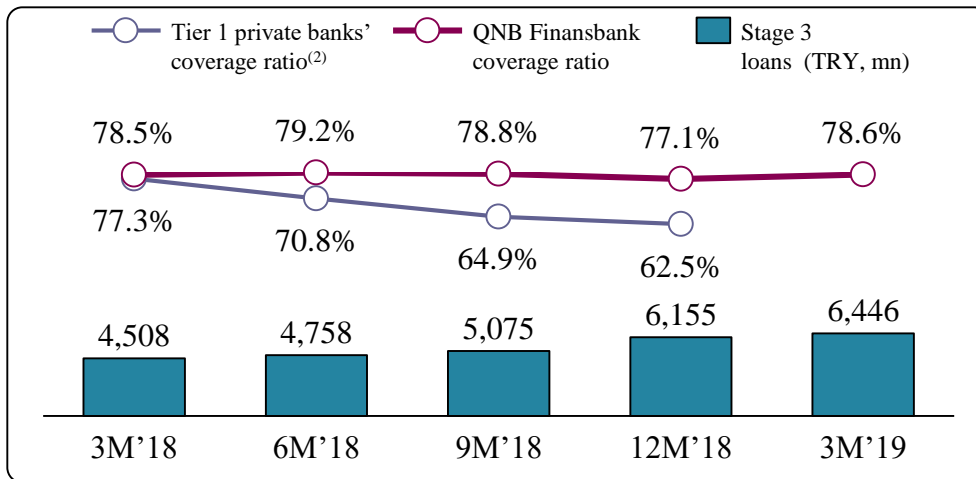
Provision coverage ratios well above our peers for standard and Stage 2 exposures, providing a buffer for a potential deterioration



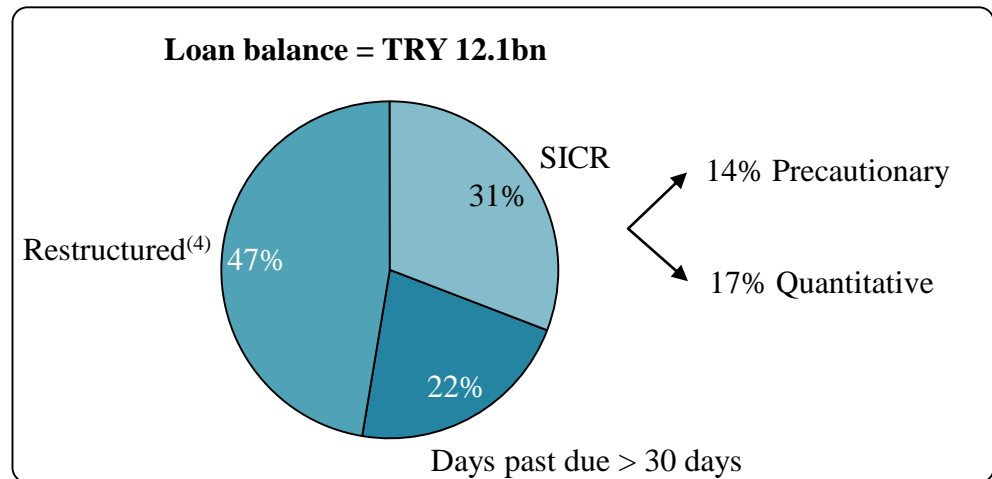
Pick-up in Stage 2 mainly stemmed from the restructuring of a large, highly-collateralized exposure



Conservative assessment of collaterals against NPLs led to higher coverage ratios than peers and also implied by the current collection performance.



~80% of total Restructured and SICR balance is non-delinquent



⁽¹⁾ Gross loans encompass the loans measured at FVTPL

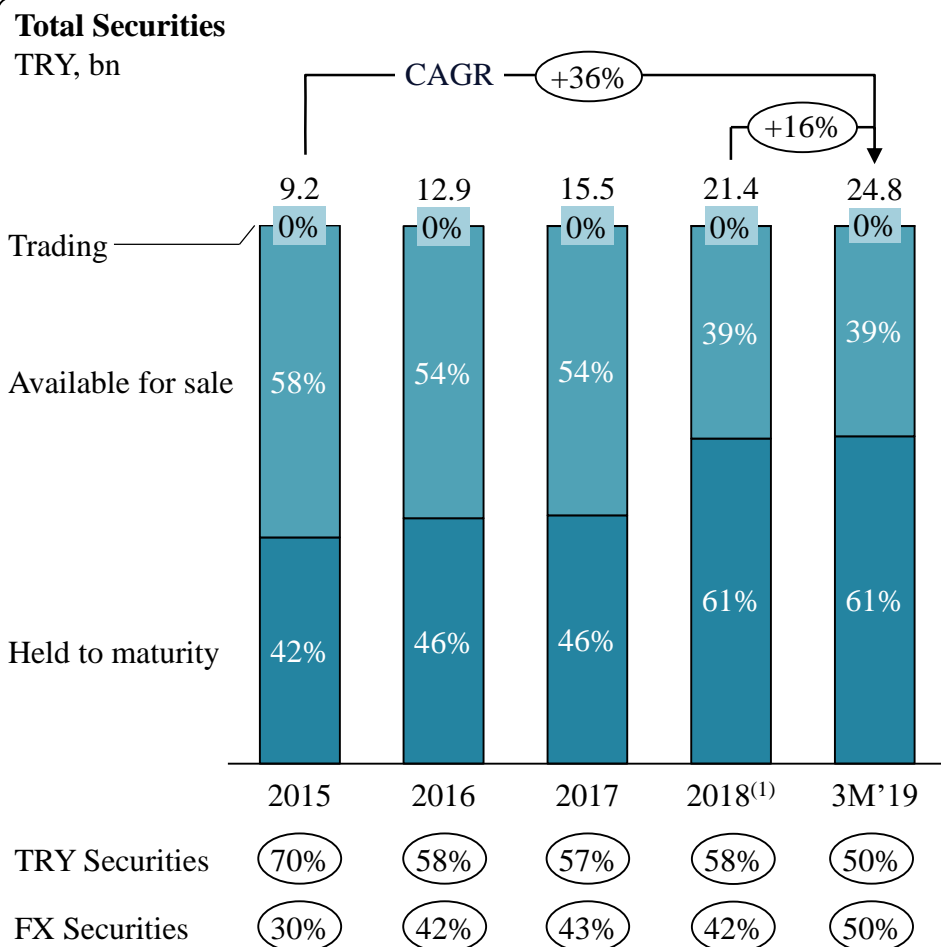
⁽²⁾ Ratio computed by dividing the sum of provisions for the relevant loan stage of individual banks by the sum of the loan balances of the related stage

⁽³⁾ Decline in coverage ratio partly technical due to reclassification of both exposure and related provision on ex-Otas exposure from amortized cost to FVTPL

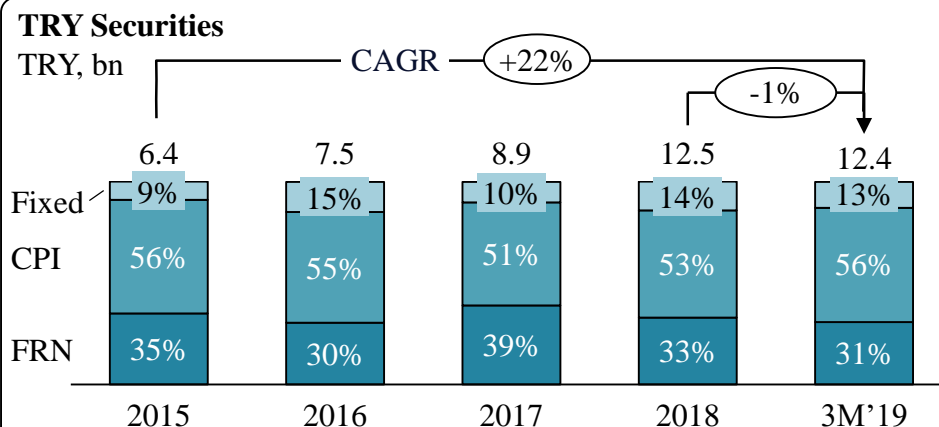
⁽⁴⁾ Restructure of a highly-collateralized file led to a rise in Stage 2, a simultaneous dilution in Stage 2 coverage ratio and an increase in the share of restructured in Stage 2

Securities portfolio reached TRY 24.8 bn, accounting for 15% of assets

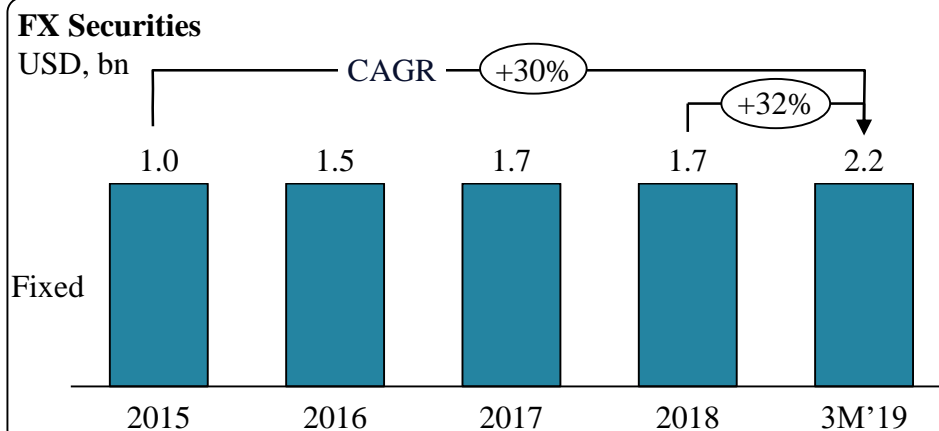
Growth in securities portfolio largely driven by FX government securities



87% of TRY securities are on an indexed/variable rate



Higher FX government securities investments during tight loan demand conditions

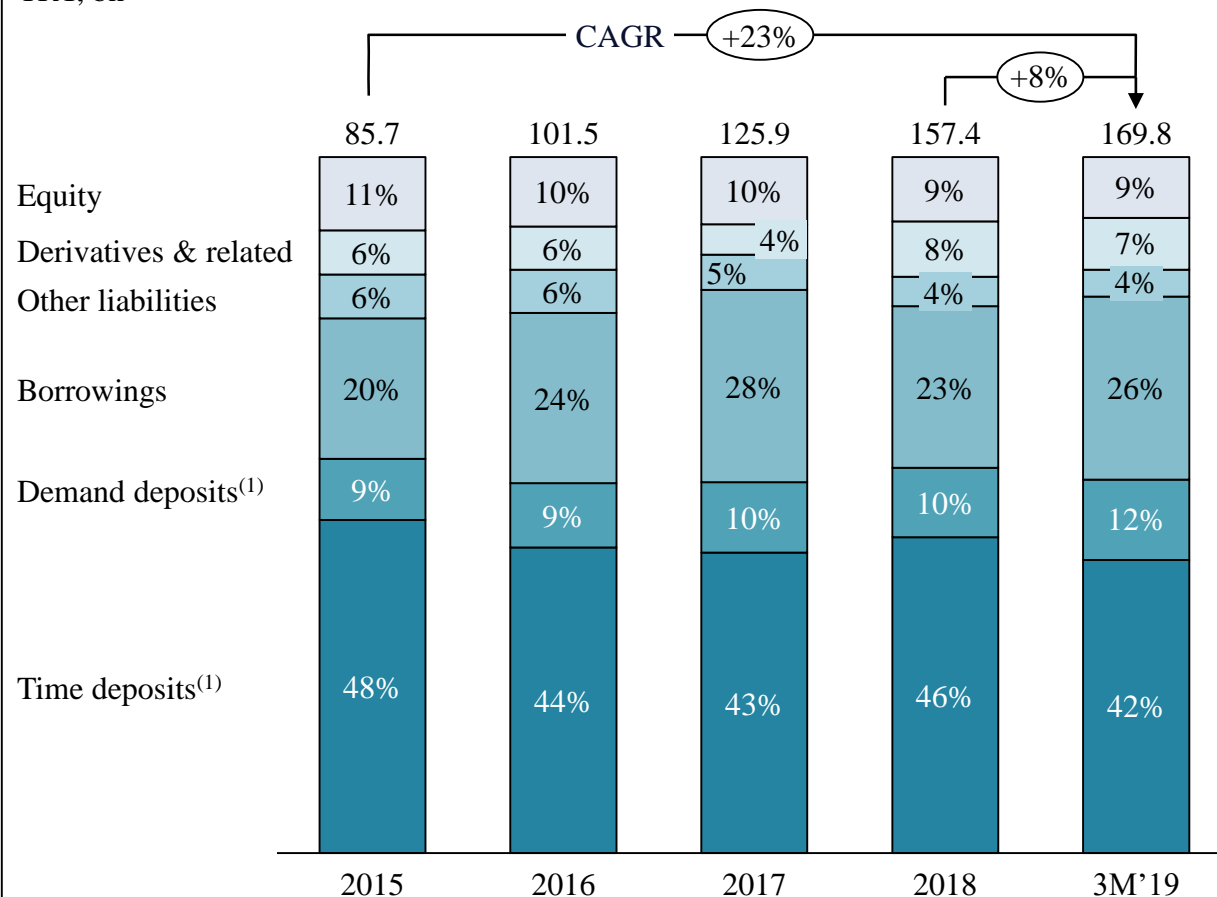


Well-diversified funding structure underpinned by solid deposit base

Use of diversified funding sources while leveraging strong shareholder support

Total Liabilities

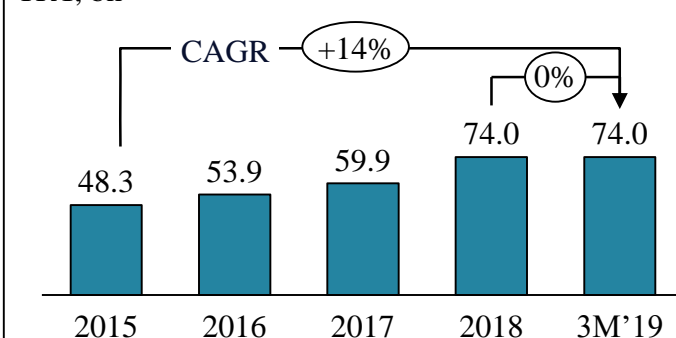
TRY, bn



TRY liabilities evolution essentially showed client funds shifting from TRY to FX

TRY Liabilities

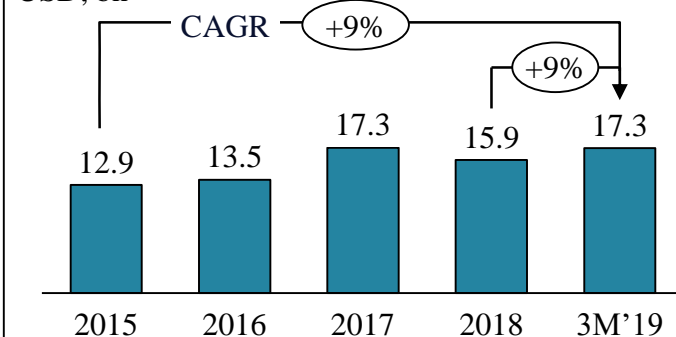
TRY, bn



USD 500 mn Eurobond issuance in March 2019 & dolarization in customer deposits accounted for the growth

FX Liabilities

USD, bn

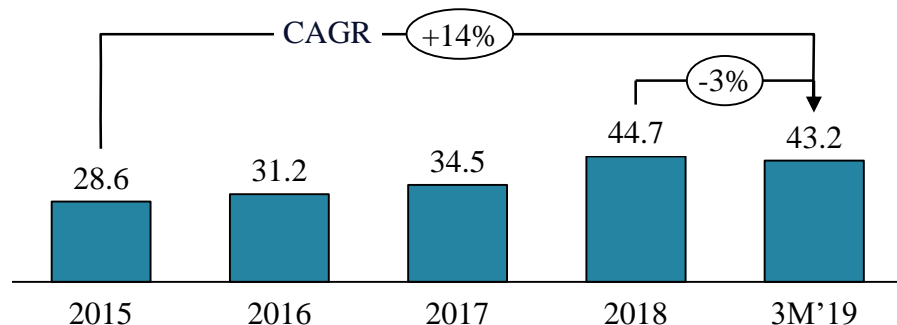


L/D ratio improves on the back of robust deposit expansion and selective loan growth

TRY customer deposit growth retreated on a QoQ basis with client appetite shifting to FX deposits

TRY customer deposits

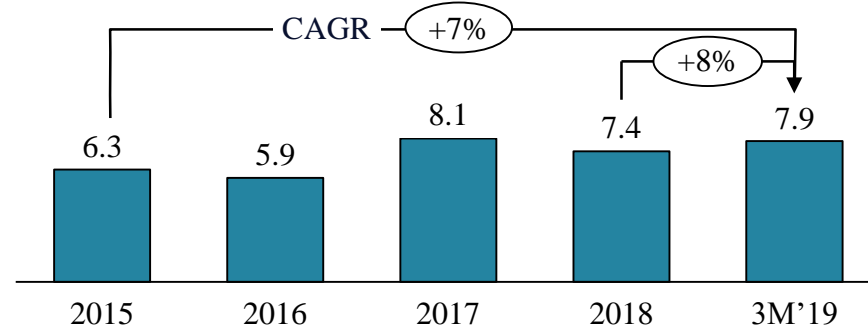
TRY, bn



FX customer deposit growth supported both retail and business segments

FX customer deposits⁽¹⁾

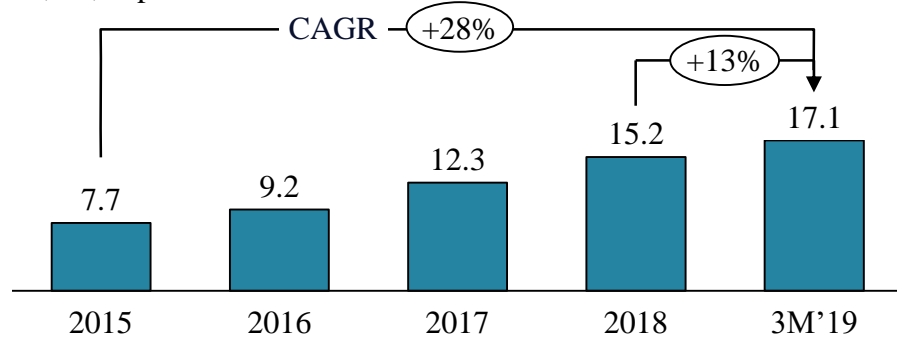
USD, bn



Sustained impressive growth in demand deposits

Customer demand deposits

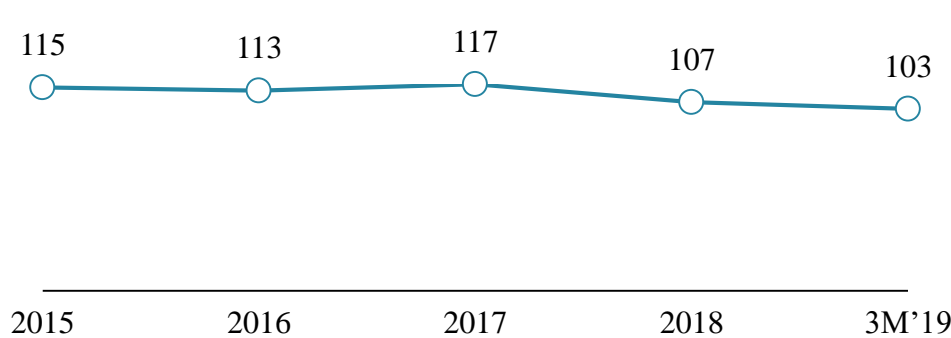
TRY, bn, aop



Significantly improving loan-to-deposit ratio thanks to robust deposit expansion and selective loan growth

Loan-to-deposit ratio⁽²⁾

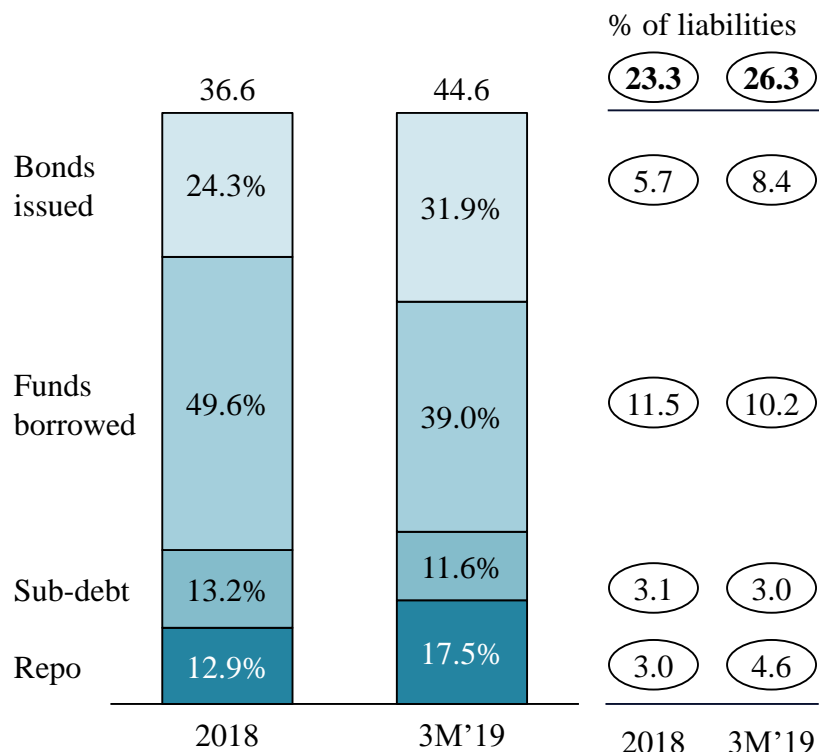
%



Strong FX liquidity position and tighter loan demand reduce the need for additional wholesale funding

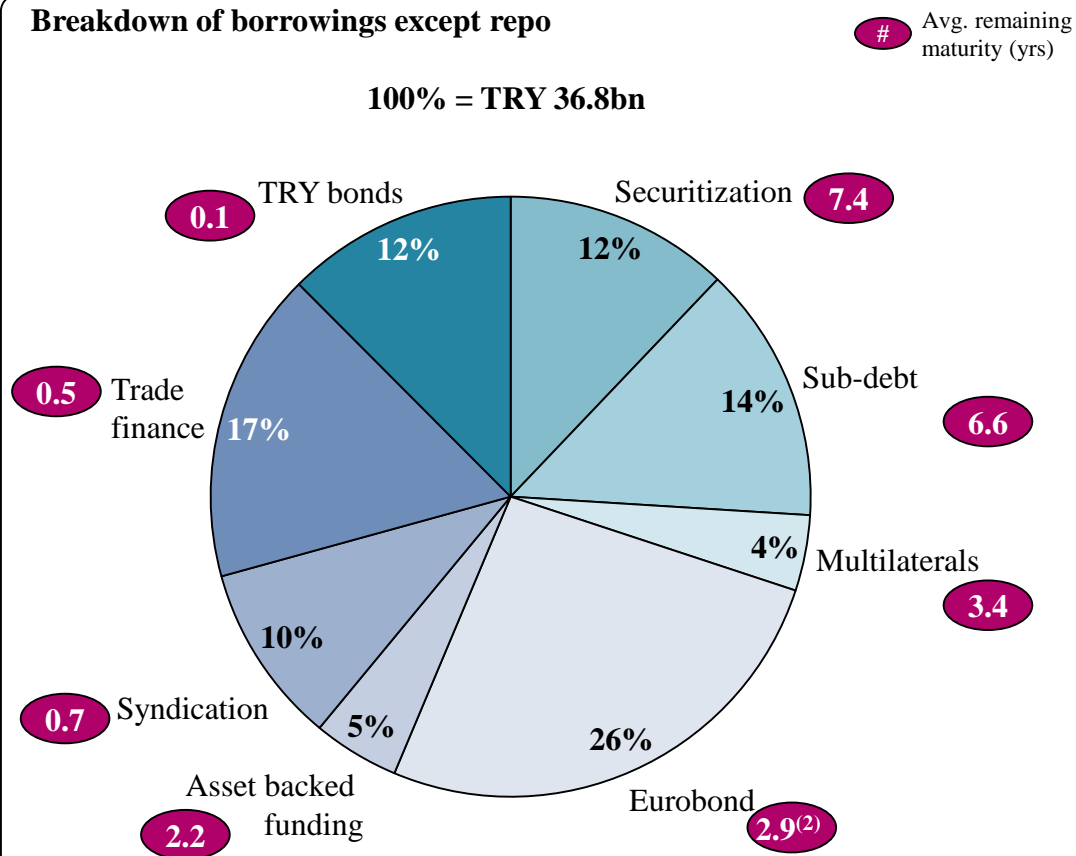
Temporary rise in wholesale fundings due to USD 500 mn Eurobond issuance in March 2019 pending for redemption in April 2019

Borrowings⁽¹⁾ by Type
TRY, bn, % of borrowings



Comfortable remaining maturity profile of borrowings retained

Breakdown of borrowings except repo



CAR remained sound and well above required levels

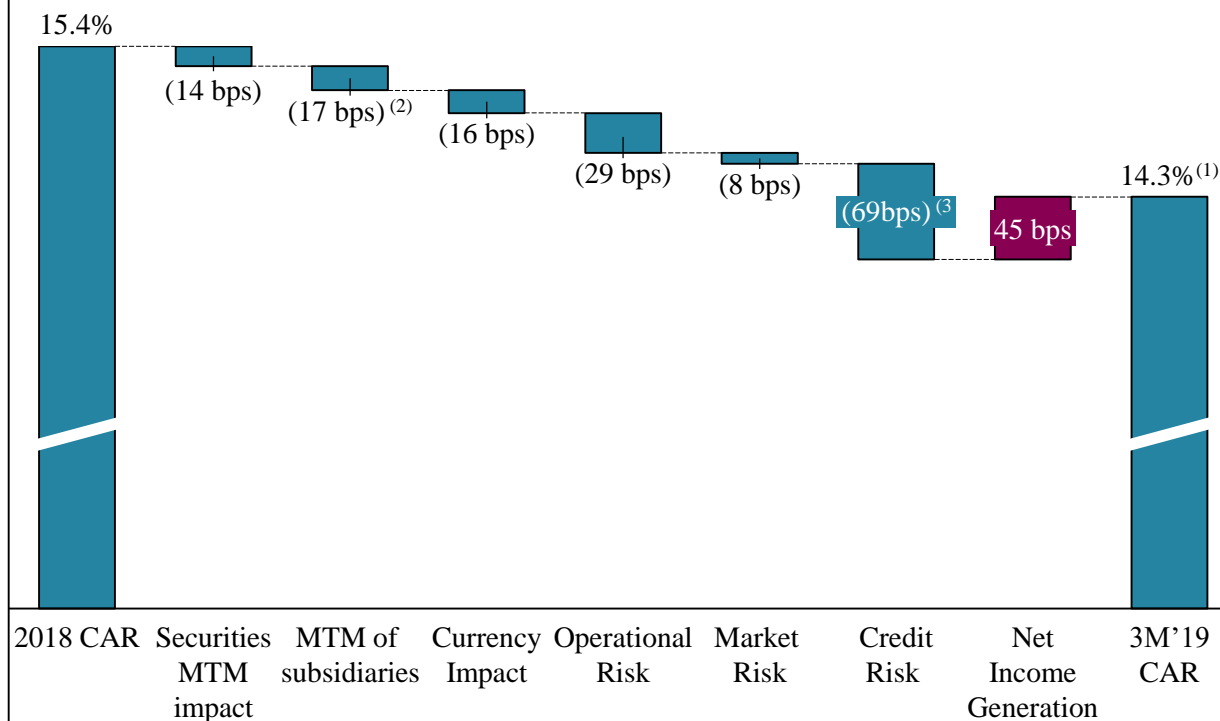
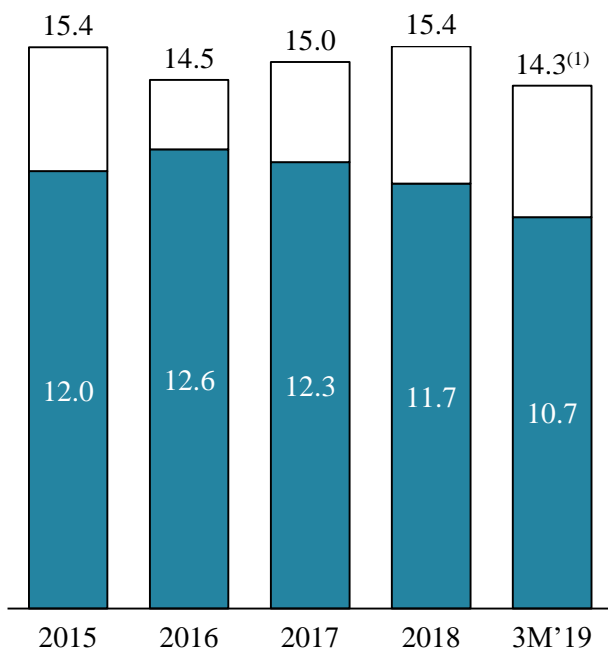
Capital adequacy at comfortable level with additional buffers

End of period CAR stood well above the minimum required level, reserved buffers remain intact

Capital Adequacy

%

Tier 1



⁽¹⁾ Potential conversion of USD 525 mn subloan into AT1 and USD 125 mn non-Basel III compliant into Basel III compliant subloan offer an additional capital buffers of ~220 bps for Tier I and ~120 bps for CAR

⁽²⁾ This impact mainly stemmed from MTM valuation of investments in publicly trading subsidiaries, and eliminated at consolidated level

⁽³⁾ Transient increase in the liquid assets with the prefinancing of Eurobond maturing in April 2019 accounted for 18bps of the impact

A structured approach to market and liquidity risk management

Focused ALM leads to low interest rate sensitivity

- TRY interest rate sensitivity is actively managed in the international swap market
- Hedge swap book stands at TRY 14.6 bn as of 3M'19
- Net change in Economic Value / Equity is constantly monitored under several scenarios
- Regulatory IRRBB ratio is at 4.0% as opposed to 20% limit; indicating a conservative interest rate position on the banking book (as of Mar'19)

Prudent management of liquidity risk

- Strong framework is in place to ensure sufficient short-term and long-term liquidity
- Total Regulatory Liquidity Coverage ratio is 143.4% as opposed to 100% limit, whereas FX Regulatory Liquidity coverage ratio is 246.8% as opposed to 80% limit.
- Continuous monitoring and reporting are in place to support effective management in addition to contingency plans for extreme situations

Low risk appetite for trading risks

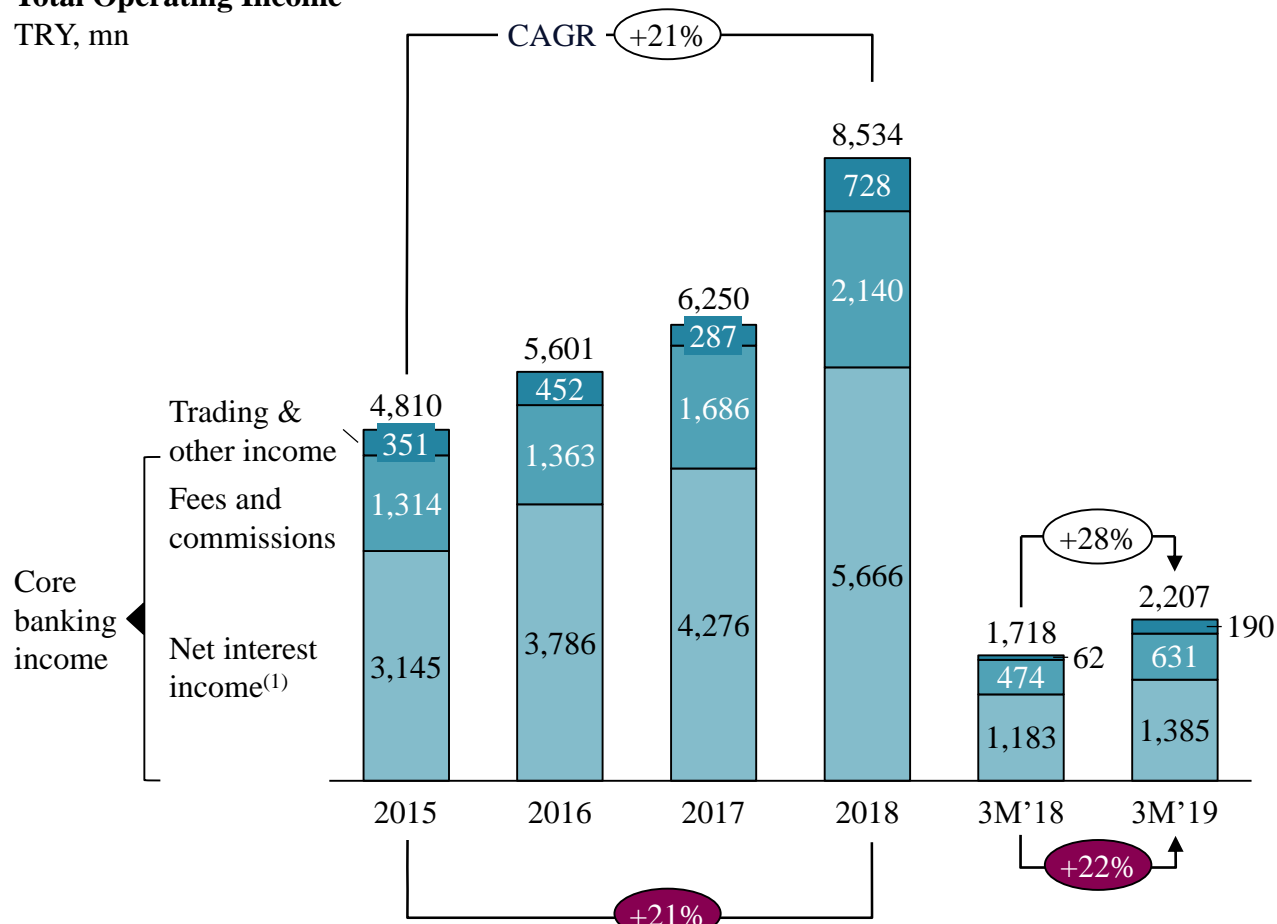
- Low trading risk appetite is reflected by the limit structure both on portfolio and product level
- Best-in-class measurement methodologies are in place with daily monitoring of all market risk metrics (VaR, sensitivities, etc.) in addition to stress tests and scenario analysis

Focus on core banking income generation

% Core banking growth

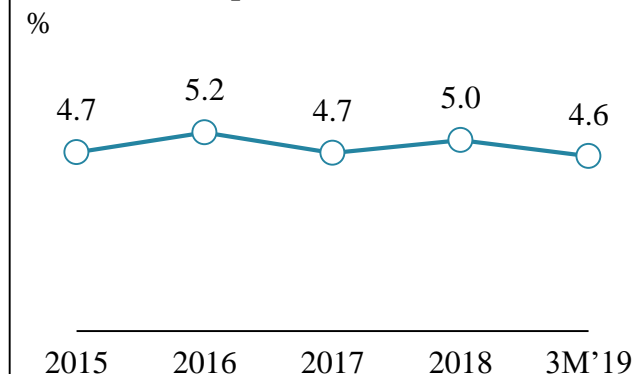
Operating income driven from core banking activities with strong YoY growth

Total Operating Income
TRY, mn



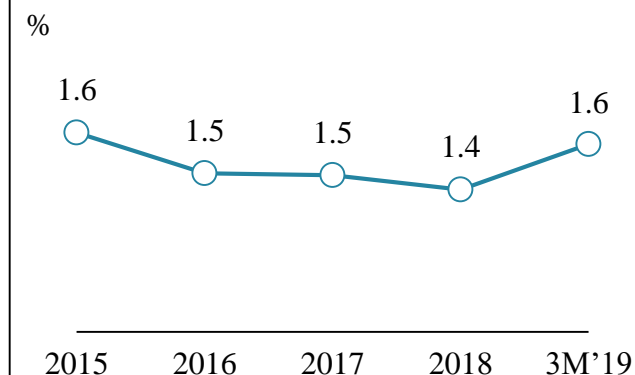
Resilient NIM despite cost of funding pressure in high interest rate environment

NIM after Swap



Improving fee generation thanks to contribution from payment services

Fees / Assets

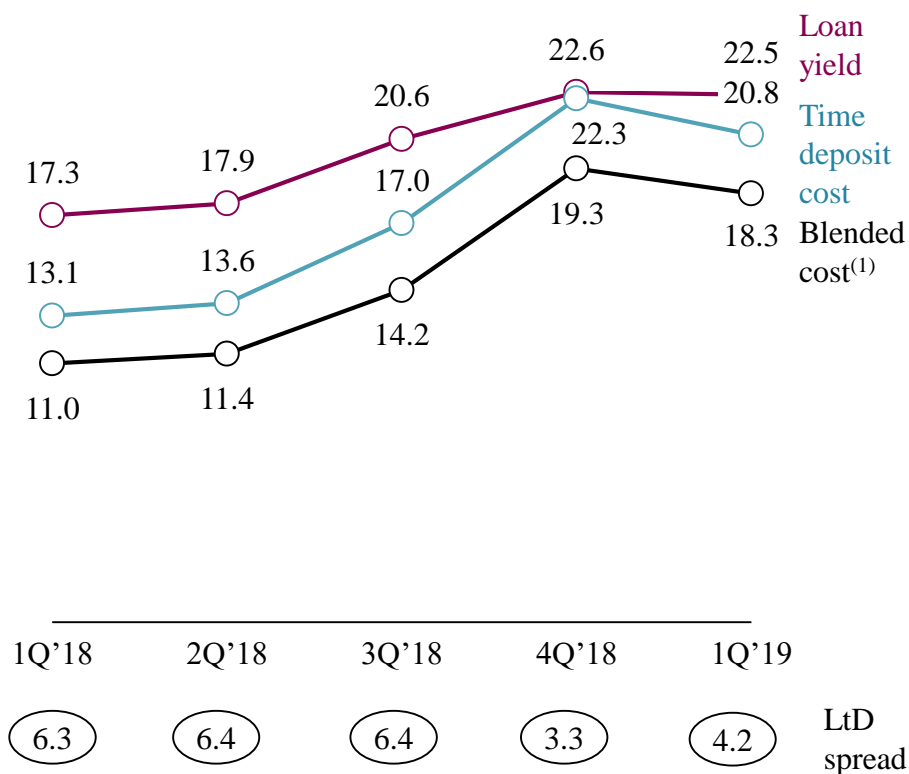


TRY spreads are under pressure due to high deposit costs, while FX spreads widened with the help of repricing variable rate loans and easing deposit costs

TRY spreads are improving from their bottom in mid Q4, though still below the historical mean

TRY Spread

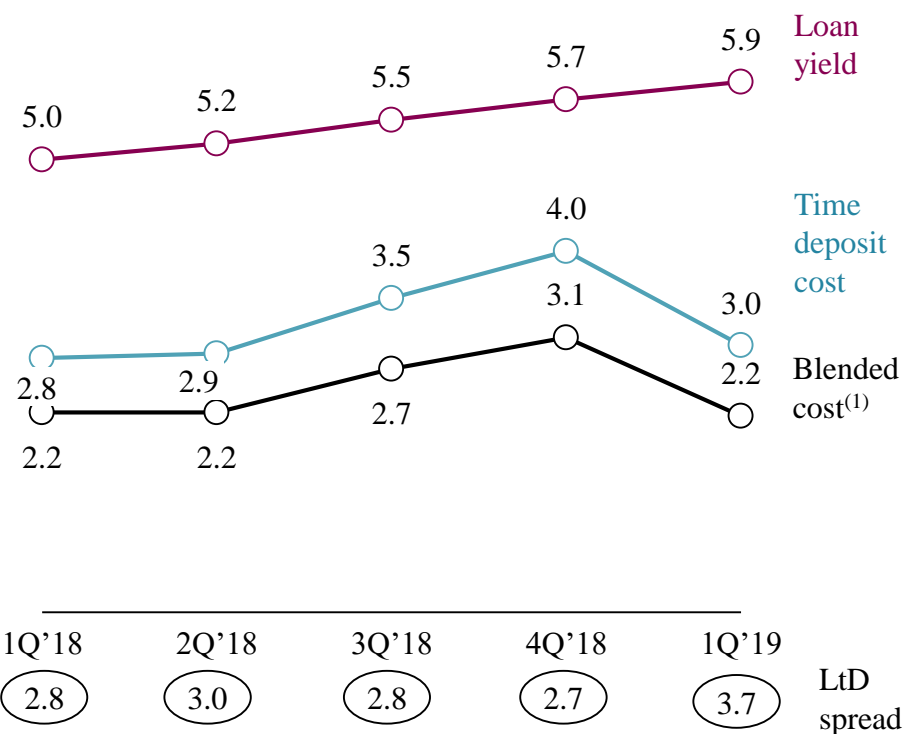
%, quarterly



Upward trend in FX spreads supported with ample FX deposit supply

FX Spread⁽²⁾

%, quarterly

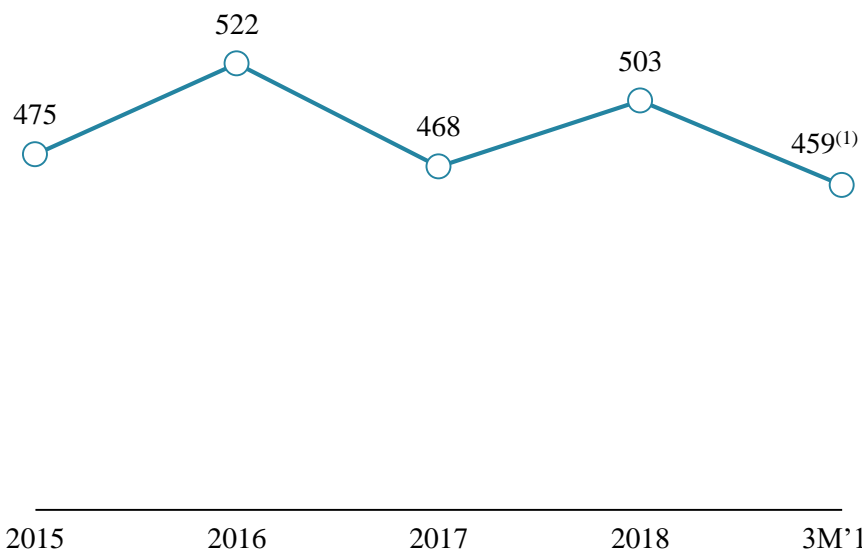


NIM back on track and in line with the lessening cost of funding

Robust NIM despite lower CPI contribution

Cumulative NIM after Swap

bps

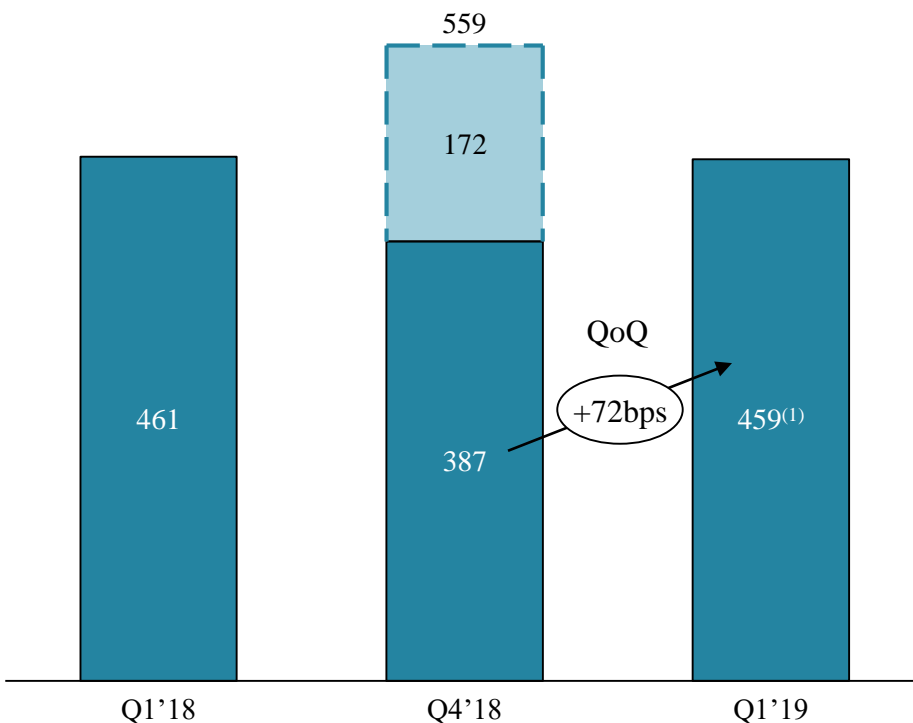


Quarterly spread expansion reflected in the Q1'19 NIM

Quarterly NIM after Swap

bps

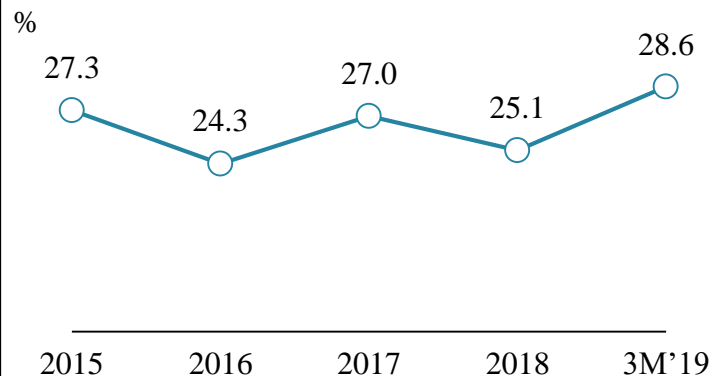
Impact due to retrospective adjustment of CPI linkers



Sustained improving fee generation mainly supported by the payment systems

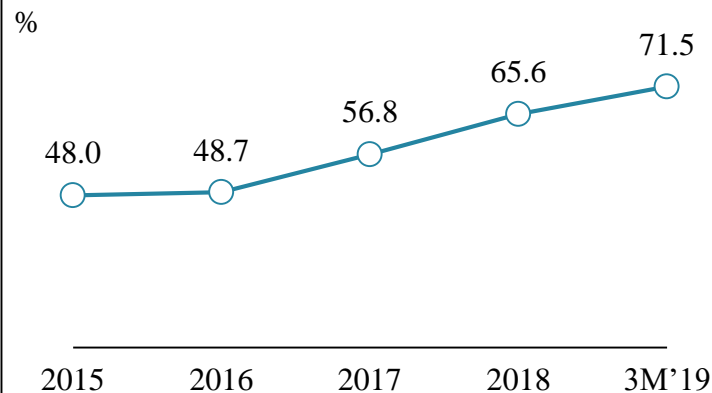
Leading contribution from fees to total income among peers

Fees / Total Income



Higher fee generation and effective cost management led to Fee/OPEX improvement

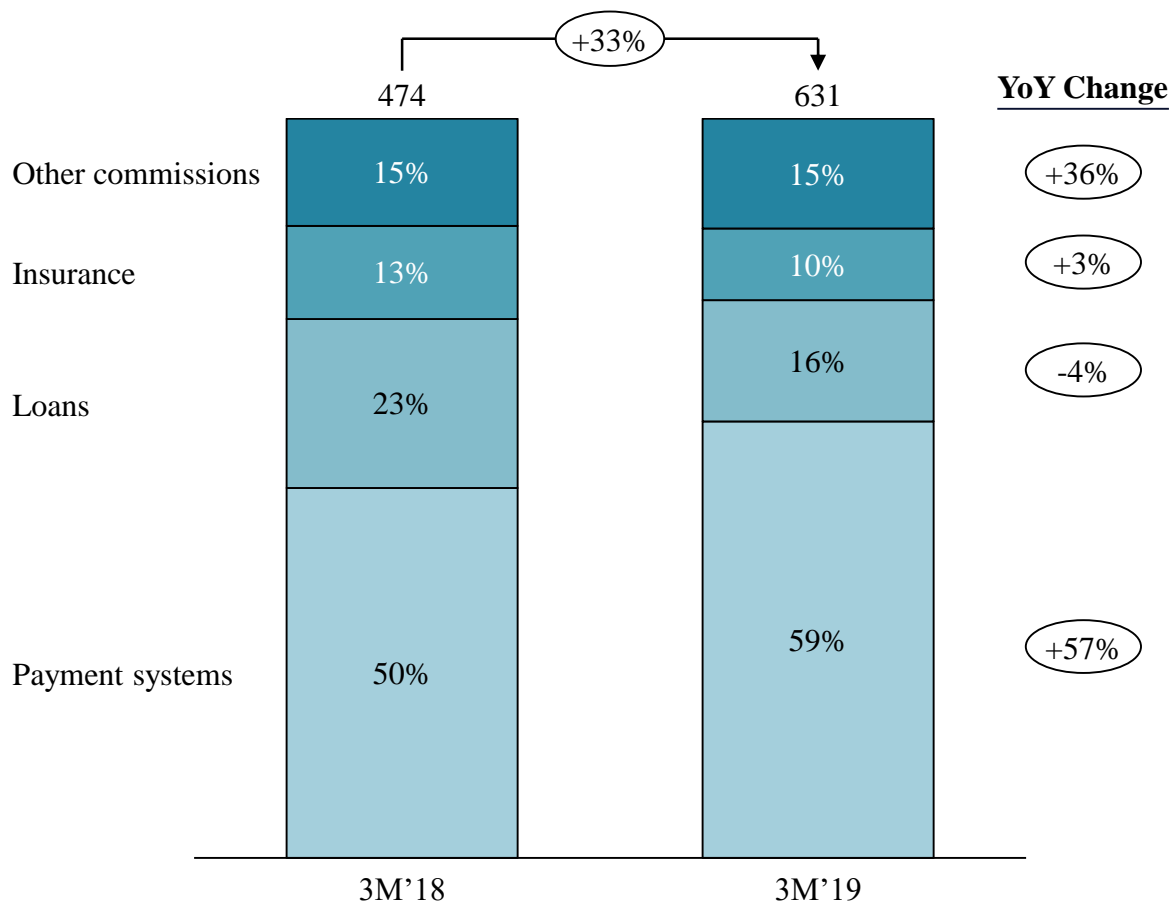
Fees / OPEX



33% YoY growth in fee generation driven by strong payment systems and value added service revenues

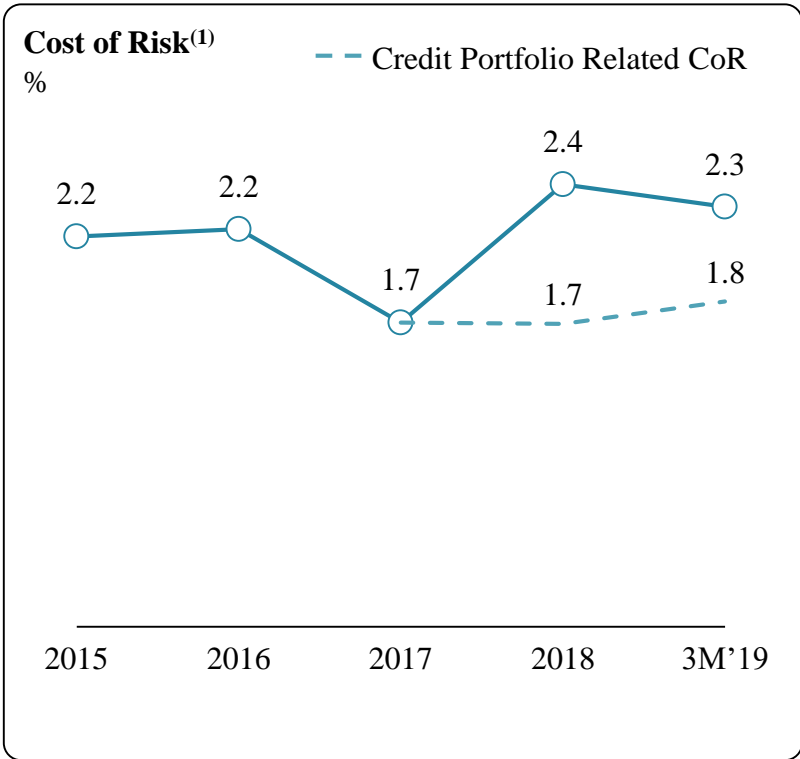
Cumulative Net Fees and Commissions

TRY, mn

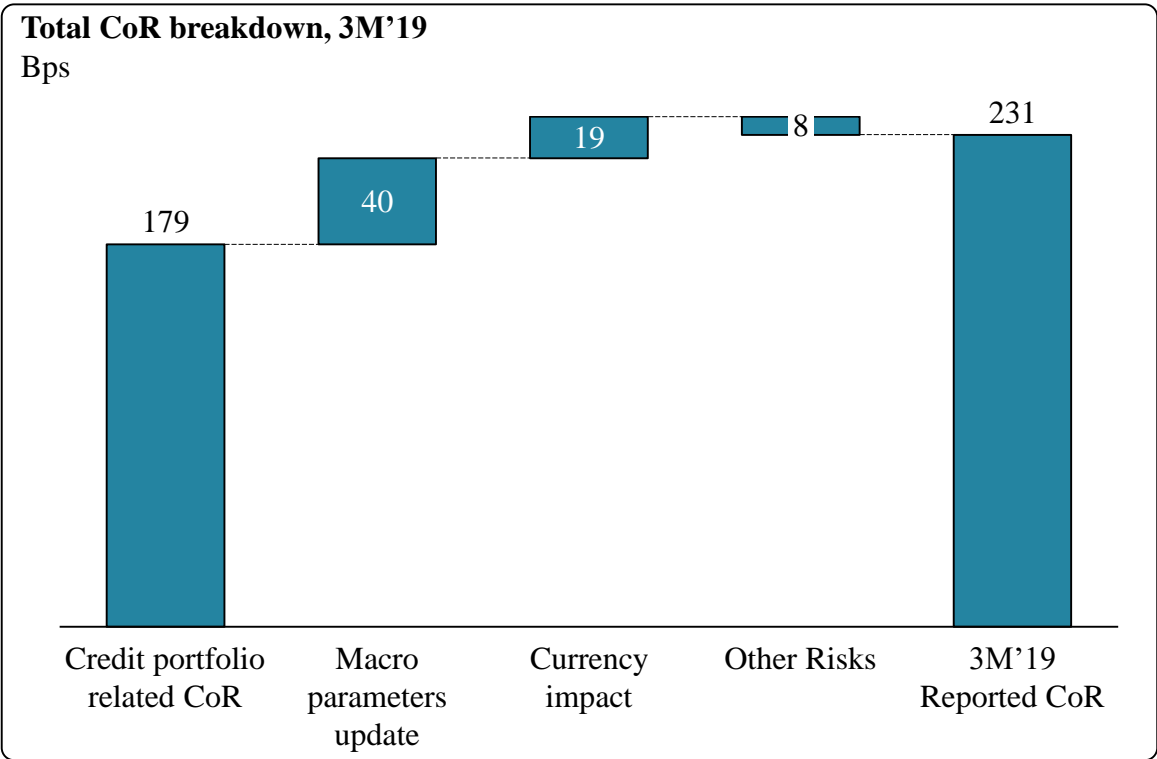


Measures taken in credit risk management paid off across the board; CoR mainly stemmed from currency and macro parameters' update

Stable cost of risk excluding macro scenario update and currency impact



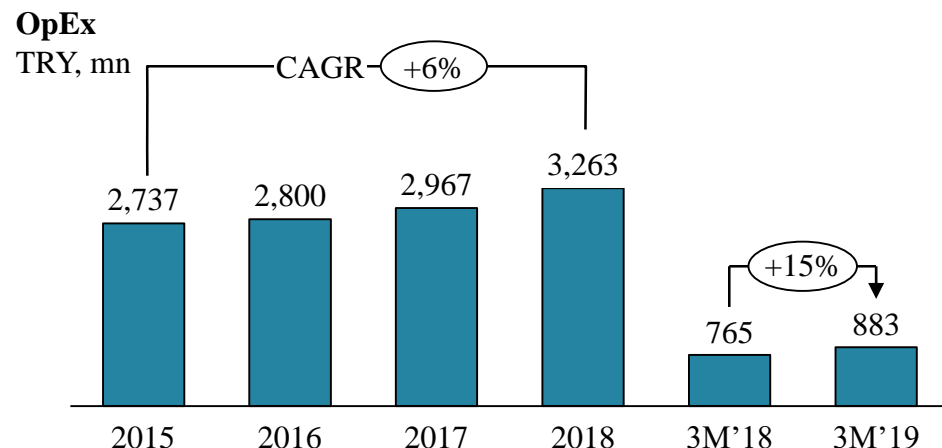
Currency and macro parameters are the main elements of CoR deterioration



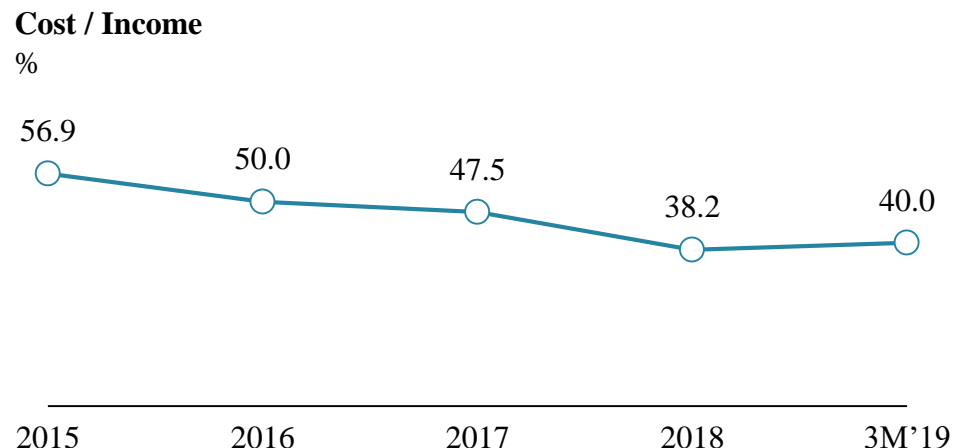
⁽¹⁾ IFRS 9 standards with regard to provisions implemented starting in January 1, 2018

Diligent focus on cost containment leading to improving efficiency metrics

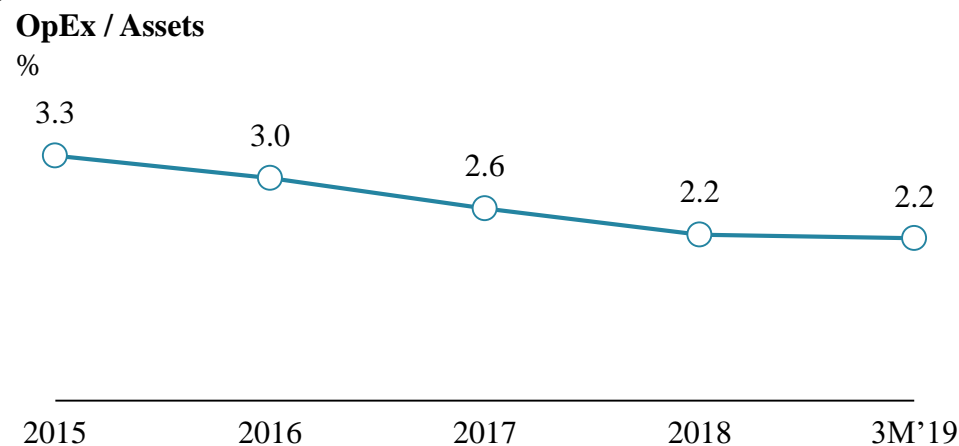
Operating expense growth sustained well below the inflation...



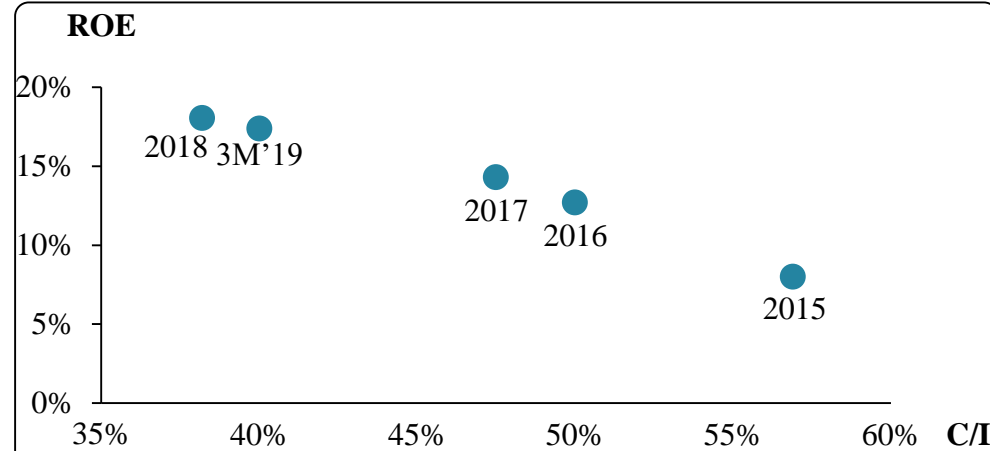
... leading to improvement in cost/income ratio...



... and below the growth in balance sheet.



Improvement in efficiency reflected in ROE performance



Key financial ratios

| | Bank only figures | 2015 | 2016 | 2017 | 2018 ⁽¹⁾ | 3M'18 ⁽¹⁾ | 3M'19 ⁽¹⁾ | ΔYoY |
|----------------------|---------------------------------|--------|--------|--------|---------------------|----------------------|----------------------|----------|
| Profitability | RoAE | 8.0% | 12.7% | 14.3% | 18.1% | 17.2% | 17.4% | +0.2pps |
| | RoAA | 0.9% | 1.3% | 1.4% | 1.6% | 1.6% | 1.6% | 0.0pps |
| | Cost / Income | 56.9% | 50.0% | 47.5% | 38.2% | 44.5% | 40.0% | -4.5pps |
| | NIM after swap expenses | 4.7% | 5.2% | 4.7% | 5.0% | 4.6% | 4.6% | 0.0pps |
| Liquidity | Loans / Deposits ⁽²⁾ | 115.1% | 113.2% | 116.8% | 106.8% | 116.1% | 103.0% | -13.1pps |
| | LCR | 88.5% | 86.2% | 102.7% | 117.5% | 115.3% | 127.5% | +12.2pps |
| Asset quality | NPL Ratio | 6.3% | 5.8% | 5.0% | 6.1% | 5.0% | 6.1% | +1.1pps |
| | Coverage ⁽³⁾ | 114.6% | 118.6% | 116.3% | 120.7% | 127.5% | 124.5% | -3.0pps |
| | Cost of Risk | 2.2% | 2.2% | 1.7% | 2.4% | 1.4% | 2.3% | +0.9pps |
| Solvency | CAR | 15.4% | 14.5% | 15.0% | 15.4% | 14.6% | 14.3% | -0.3pps |
| | Tier I Ratio | 12.0% | 12.6% | 12.3% | 11.7% | 12.1% | 10.7% | -1.4pps |
| | Liability/Equity | 9.5x | 10.0x | 10.4x | 10.8x | 10.6x | 11.4x | +0.8x |

Key strategies in 2019 and going forward

- **Core banking**, i.e., minimum market risk
- **Prudent credit risk management**
- **High liquidity** at all times
- Maintain selective **growth in Corporate & Commercial** and **SME** segments; normalize risk appetite only when strong macro recovery signals are observed
- **Selective growth in consumer** lending with general purpose loans and renewed emphasis on credit cards with “high card spend” – a driver of acquiring volume (an SME business)
- Continued emphasis on building a **stable deposit base** through new channels, offerings to untapped segments and customer groups (enpara.com)
- Leverage **wholesale funding opportunities** presented by strong shareholder structure
- Focus on **fee generation** and **operating expenses control** as well as continuing **improvement on cost of risk** front

Appendix

A decorative graphic on the right side of the page, resembling a folded book corner. It consists of a dark red outer layer and a lighter red inner layer, with a white diagonal line separating them. The layers are rounded at the top right corner.

QNB Finansbank BRSA Bank-Only Summary Financials⁽¹⁾

Income Statement

| TRY, mn | 2015 | 2016 | 2017 | 2018 | 3M'18 | 3M'19 | ΔYoY |
|---|--------------|--------------|--------------|--------------|--------------|--------------|------------|
| Net Interest Income (After Swap Expenses) | 3,145 | 3,786 | 4,276 | 5,666 | 1,183 | 1,385 | 17% |
| Net Fees & Commissions Income | 1,314 | 1,363 | 1,686 | 2,140 | 474 | 631 | 33% |
| Trading & Other Income | 351 | 452 | 287 | 728 | 62 | 190 | 208% |
| Total Operating Income | 4,810 | 5,600 | 6,250 | 8,534 | 1,718 | 2,207 | 28% |
| Operating Expenses | (2,737) | (2,800) | (2,967) | (3,263) | (765) | (883) | 15% |
| Net Operating Income | 2,073 | 2,800 | 3,282 | 5,270 | 953 | 1,324 | 39% |
| Provisions | (1,170) | (1,316) | (1,233) | (2,212) | (284) | (543) | 91% |
| Profit Before Tax | 903 | 1,484 | 2,049 | 3,059 | 669 | 781 | 17% |
| Tax Expenses | (197) | (280) | (446) | (649) | (140) | (150) | 7% |
| Profit After Tax | 706 | 1,203 | 1,603 | 2,410 | 529 | 631 | 19% |

Balance Sheet

| TRY, mn | 2015 | 2016 | 2017 | 2018 | 3M'19 | ΔYtD |
|--|---------------|----------------|----------------|----------------|----------------|-----------|
| Cash & Banks ⁽²⁾ | 10,313 | 14,925 | 17,291 | 19,808 | 25,075 | 27% |
| Securities | 9,197 | 12,950 | 15,543 | 21,368 | 24,767 | 16% |
| Net Loans | 57,273 | 62,923 | 82,683 | 94,018 | 96,907 | 3% |
| Fixed Asset and Investments ⁽³⁾ | 2,283 | 2,912 | 3,168 | 4,558 | 4,773 | 5% |
| Other Assets | 6,661 | 7,792 | 7,172 | 17,664 | 18,280 | 3% |
| Total Assets | 85,727 | 101,503 | 125,857 | 157,416 | 169,802 | 8% |
| Deposits | 48,566 | 53,939 | 67,032 | 87,090 | 91,107 | 5% |
| Customer Deposits | 47,009 | 51,966 | 65,297 | 83,413 | 87,168 | 5% |
| Bank Deposits | 1,557 | 1,973 | 1,735 | 3,678 | 3,939 | 7% |
| Borrowings | 17,278 | 24,821 | 34,798 | 36,602 | 44,603 | 22% |
| Bonds Issued | 4,336 | 4,312 | 7,914 | 8,904 | 14,237 | 60% |
| Funds Borrowed | 5,640 | 10,758 | 16,883 | 18,166 | 17,383 | (4%) |
| Sub-debt | 2,662 | 3,236 | 3,511 | 4,816 | 5,167 | 7% |
| Repo | 4,639 | 6,515 | 6,490 | 4,715 | 7,818 | 66% |
| Other | 10,860 | 12,617 | 11,872 | 19,152 | 19,232 | 0% |
| Equity | 9,024 | 10,126 | 12,155 | 14,572 | 14,858 | 2% |
| Total Liabilities & Equity | 85,727 | 101,503 | 125,857 | 157,416 | 169,802 | 8% |

QNB Finansbank BRSA Consolidated Summary Financials⁽¹⁾

Income Statement

| TRY, mn | 2015 | 2016 | 2017 | 2018 | 3M'18 | 3M'19 | ΔYoY |
|--|--------------|--------------|--------------|--------------|--------------|--------------|------------|
| Net Interest Income (After Swap Expenses) | 3,272 | 3,962 | 4,441 | 5,861 | 1,224 | 1,419 | 16% |
| Net Fees & Commissions Income | 1,387 | 1,445 | 1,783 | 2,252 | 507 | 657 | 30% |
| Trading & Other Income | 307 | 455 | 413 | 920 | 102 | 222 | 117% |
| Total Operating Income | 4,966 | 5,862 | 6,636 | 9,033 | 1,833 | 2,298 | 25% |
| Operating Expenses | (2,874) | (2,938) | (3,126) | (3,445) | (810) | (930) | 15% |
| Net Operating Income | 2,092 | 2,923 | 3,510 | 5,588 | 1,023 | 1,368 | 34% |
| Provisions | (1,207) | (1,390) | (1,269) | (2,317) | (296) | (544) | 84% |
| Profit Before Tax | 884 | 1,533 | 2,241 | 3,271 | 727 | 823 | 13% |
| Tax Expenses | (204) | (295) | (469) | (698) | (156) | (168) | 7% |
| Profit After Tax | 680 | 1,238 | 1,772 | 2,573 | 570 | 656 | 15% |

Balance Sheet

| TRY, mn | 2015 | 2016 | 2017 | 2018 | 3M'19 | ΔYtD |
|-------------------------------------|---------------|----------------|----------------|----------------|----------------|-----------|
| Cash & Banks ⁽²⁾ | 10,403 | 15,084 | 17,424 | 20,226 | 25,943 | 28% |
| Securities | 9,254 | 12,983 | 15,608 | 21,387 | 24,811 | 16% |
| Net Loans ⁽³⁾ | 58,865 | 65,452 | 88,286 | 100,377 | 102,536 | 2% |
| Fixed Assets & Investments | 3,467 | 2,243 | 2,427 | 3,467 | 3,918 | 13% |
| Other Assets | 6,060 | 8,564 | 7,450 | 18,045 | 18,551 | 3% |
| Total Assets | 88,049 | 104,326 | 131,195 | 163,500 | 175,758 | 7% |
| Deposits | 48,311 | 53,865 | 66,934 | 86,826 | 90,641 | 4% |
| Customer Deposits | 46,755 | 51,892 | 65,198 | 83,149 | 86,701 | 4% |
| Bank Deposits | 1,557 | 1,973 | 1,735 | 3,678 | 3,939 | 7% |
| Borrowings | 19,364 | 27,351 | 39,530 | 42,552 | 50,371 | 18% |
| Bonds Issued | 5,827 | 6,332 | 10,398 | 11,850 | 16,834 | 42% |
| Funds Borrowed | 6,066 | 11,164 | 18,622 | 20,552 | 20,268 | -1% |
| Sub-debt | 2,662 | 3,236 | 3,511 | 4,816 | 5,167 | 7% |
| Repo | 4,809 | 6,620 | 7,000 | 5,334 | 8,103 | 52% |
| Other | 10,968 | 12,806 | 12,302 | 19,518 | 19,624 | 1% |
| Equity | 9,405 | 10,304 | 12,428 | 14,603 | 15,122 | 4% |
| Total Liability & Equity | 88,049 | 104,326 | 131,195 | 163,500 | 175,758 | 7% |

Board of Directors

| Name | Position | Background |
|----------------------------|---|---|
| Dr. Ömer A. Aras | Chairman and QNB Finansbank Group CEO | <ul style="list-style-type: none"> • Founding member of Finansbank • Former CEO of Finansbank for 6 years |
| Sinan Şahinbaş | Vice Chairman | <ul style="list-style-type: none"> • Former CEO of Finansbank for 7 years • Previously worked at Treasury, Corp. Banking and Risk Mgmt. departments of Finansbank |
| Abdulla Mubarak Al-Khalifa | Member of the BoD | <ul style="list-style-type: none"> • QNB Acting Group Chief Executive Officer • Holds board membership at various QNB subsidiaries in Qatar, Egypt and Jordan |
| Ali Rashid Al-Mohannadi | Member of the BoD | <ul style="list-style-type: none"> • QNB Group Chief Operating Officer & Executive General Manager • Holds board membership at various QNB subsidiaries in Egypt and UAE |
| Ramzi Talat A Mari | Member of the BoD and Member of the Audit Committee | <ul style="list-style-type: none"> • QNB Group Chief Financial Officer • Holds board membership at various QNB subsidiaries in Qatar, Egypt and Jordan |
| Noor Mohd J. A. Al-Naimi | Member of the BoD and Member of the Audit Committee | <ul style="list-style-type: none"> • QNB Group General Manager Group Treasury • Assistant General Manager • Executive Manager • Holds board membership at QNB Alahli S.A.E |
| Fatma A Al-Suwaidi | Member of the BoD | <ul style="list-style-type: none"> • QNB Group Chief Risk Officer • Holds board membership at various QNB subsidiaries in Tunisia and UAE |
| Ali Teoman Kerman | Member of the BoD and Chairman of the Audit Committee | <ul style="list-style-type: none"> • Former Vice Undersecretary of Treasury • Former Vice President of BRSA • Former Board Member of SDIF • Board Member at Bahçeşehir University Graduate School of Business |
| Dr. Osman Reha Yolalan | Member of the BoD | <ul style="list-style-type: none"> • Current Vice President of Corporate Affairs at Tekfen Holding • Former CEO of Yapı Kredi • Part-time Professor at various universities |
| Durmuş Ali Kuzu | Member of the BoD and Member of the Audit Committee | <ul style="list-style-type: none"> • Former Vice President of BRSA • Experience at Vakıfbank, Emlakbank, Treasury, Public Oversight Institution |
| Temel Güzeloğlu | Member of the BoD and QNB Finansbank CEO | <ul style="list-style-type: none"> • Former EVP of Retail Banking and Strategy • Experience at Unilever, Citibank, McKinsey & Co. |

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