

# VakifBank issued the second Covered Bond of the year amounting TL 1.3 billion

Accelerating its operations with the vision of being the leading bank of the strong Turkey, VakifBank completed the issuance of Covered Bond with HSBC Bank PLC as an investor amounting TL 1.3 billion based on treasury transactions with 5 years maturity. Thus, total amount of issuances in 2017 under the Mortgage Covered Bond Programme exceeded TL 2.6 billion following the issuance of the first ever benchmark Euro-denominated Covered Bond of Turkey amounting Euro 500 million in 2016 and the issuance with an amount of TL 1.3 billion in October 2017. In addition, total amount of the long-term non-deposit TL funding reached to TL 3.2 billion with the issuances of TL denominated Covered Bond and subordinated bond in the last three months period.

**“In the last three months period, VakifBank procured TL 3.2 billion long-term bond issuance with three different transactions”**

Assessing the covered bond issuance with HSBC PLC as an investor in the amount of TL 1.3 billion, VakifBank’s CEO Mr. Mehmet Emin Özcan said “As I have often emphasized on different platforms before, extending the maturity of TL funding through non-deposit sources, providing diversified funding structure and reducing the interest rate pressure on TL deposits are among the priority targets of both economy management of the country and VakifBank. In the last three months period, VakifBank procured long term and cost effective funding amounting TL 3.2 billion in total with TL denominated Covered Bond and subordinated bond issuances through three different transactions. We will continue to support the national economy and to be the **“strength by real sector”** with a more solid and liquid balance-sheet structure through non-deposit TL funding sources by extending the average maturity.”

**“We will continue to provide long term and cost effective funding sources to Turkey under the Mortgage Covered Bond Programme in 2018”**

Underlying the pioneer and active position of VakifBank in the international capital markets as the bank to issue the first ever benchmark Euro-denominated Mortgage Covered Bond of Turkey under the Programme, CEO Mr. Özcan stated that “We made both Euro and TL denominated issuances with different structures under the Mortgage Covered Bond Programme since April 2016. VakifBank became the bank who has the highest amount of Covered Bond issuances among Turkish Banks with a total amount of approximately TL 5 billion as of now. We will continue to be the **“strength by national economy”** through providing long term and cost effective funding sources under the Mortgage Covered Bond Programme in 2018.