

In the first nine months of 2017, 220 billion TL support to the economy from VakıfBank

According to the unconsolidated financial results, VakıfBank delivered TL 2 billion 822 million net income by setting aside TL 700 million tax provisions from its TL 3 billion 522 million gross income in the first nine months of the year. Carrying on its operations with the vision of being “the leading bank of the New Turkey”, VakıfBank’s support to the economy through cash and non-cash loans reached TL 220 billion together with its asset size of around 247 billion TL. In the first nine months of 2017, the Bank’s ROAE and ROAA materialized at 18.1% and 1.64%, respectively.

“We continue to support the economy steadily with our solid balance-sheet and strong capital structure”

Assessing VakıfBank’s financial performance in the first nine months of 2017, the CEO of VakıfBank Mr. Mehmet Emin ÖZCAN said “we successfully completed the first nine months of 2017 by combining our absolute customer satisfaction with our solid balance sheet and strong capital structure. While VakıfBank’s total cash loans exceeded TL 174 billion with an increase of 27% YoY which is above sector average, total assets reached TL 247 billion with an increase of 25% YoY. Additionally, total shareholder equity exceeded TL 22 billion with a YoY growth of %18. VakıfBank continues to be one of the leading banks in CGF lending with an originated loan amount of TL 20 billion. Standing by our SMEs and other segment customers, we increased our solid support to the national economy. We continued to create added value to shareholders and our national economy and in particular to our customers with our efficiency-oriented performance understanding”.

Continuous focus on reducing interest rate pressure on TL deposits

Indicating that total deposits continued to be the main funding source with a share of 59% in total liabilities, CEO Mr. Özcan carries on his words “ Total deposits reached TL 146 billion with an increase of %21.5 YoY. Among our priorities on the funding side are to have more granular deposit base and reduce the interest rate pressure on TL deposits by raising long-term and cost efficient non-deposit TL funding sources. Especially, the second target of the Bank is also the most significant issue for the government and the economy administration. As VakıfBank, we took important steps in that direction with the issuance of Basel-III compliant Tier II subordinated notes amounting TL 525 million with 10 years maturity in September, and the issuance of covered bond amounting TL 1.3 billion with 5.5 years maturity in October. We aim to continue similar activities in the upcoming periods.”

Above 44% year to date growth in mobile banking

Underlying that digital banking became one of the most important areas recently for VakifBank, Mr. ÖZCAN said “we are creating a simpler and user friendly platform for our customers by moving all of our processes and operations into mobile platforms. In the first nine months of 2017, more than 80% of all the transactions executed via non-branch channels and that shows us how significant and common digital banking among our customers. In the first nine months of 2017, number of our mobile banking customers exceeded TL 2 billion with the increase of above 44% since the beginning of the year. Digital banking gives new and great opportunities in our young and dynamic country. We aim to utilize our alternative distribution channels more actively, increase efficiency and strengthen our marketing capacity in digital platforms through the investments on that area.”

Significant financial indicators of unconsolidated balance sheet of VakifBank dated September 30, 2017:

Net Profit Before Tax	TL 3,522.5 million
Net Income	TL 2,822.1 million
Total Assets	TL 246,815.2 million
Total Cash and Non-cash Loans	TL 219,424.4 million
Cash Loans	TL 174,017.7 million
Non-cash Loans	TL 45,406.8 million
Total Deposits	TL 145,719.0 million
Equity	TL 22,232.3 million
Funds Borrowed	TL 27,502.1 million