

Company Announcement

For immediate release
Türkiye Vakıflar Bankası T.A.O.
Sultan Selim Mahallesi
Eski Büyükdere Caddesi, No: 59
Kağıthane, İstanbul, 34415
Turkey
(the “Bank”)

6 February 2017

Re: Fitch and Standard & Poor’s rating action

THIS ANNOUNCEMENT RELATES TO THE DISCLOSURE OF INFORMATION THAT QUALIFIED OR MAY HAVE QUALIFIED AS INSIDE INFORMATION WITHIN THE MEANING OF ARTICLE 7(1) OF THE MARKET ABUSE REGULATION (EU) 596/2014 (“MAR”).

On 27 January 2017, Standard & Poor’s Credit Market Services Europe Limited (“**Standard & Poor’s**”) revised the credit rating outlook of Turkey from “stable” to “negative” and affirmed the foreign currency long-term sovereign credit rating of Turkey as “BB.” Following such outlook change, on 1 February 2017, Standard & Poor’s revised the outlook of the long-term counterparty credit ratings of five Turkish financial institutions, including the Bank. Following such revision, Standard & Poor’s announced the Bank’s ratings as follows:

Standard & Poor’s (1 February 2017)

Foreign Currency Counterparty Credit Ratings (Long Term/Outlook/Short Term)	BB / (Negative) / B
Foreign Currency Certificate of Deposit (Long Term/Outlook/Short Term)	BB / (Negative) / B
Turkey National Scale (Long Term/Short Term)	trAA- / trA-1
Bank Survivability Assessment	NR

On 27 January 2017, Fitch Ratings Limited (“**Fitch**”) downgraded Turkey’s sovereign credit rating and the issue ratings on Turkey’s senior unsecured foreign currency bonds, which ratings were considered an “investment grade” prior to the rating action. Following the revision of certain of Turkey’s ratings, on 2 February 2017, Fitch downgraded certain ratings of 18 financial institutions, including the Bank. Fitch announced the Bank’s ratings as follows:

Fitch (2 February 2017)

Long term Foreign Currency IDR	BB+ (Stable)
Short Term Foreign Currency	B
National Long Term Rating	AAA (tur) (Stable)
Support Rating	3
Support Rating Floor	BB+
Long term Local Currency IDR	BBB- (Stable)
Short term Local Currency	F3
Viability Rating	bb+

This announcement is released by the Bank and contains information that qualified or may have qualified as inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 (MAR), encompassing information relating to the rating action of Fitch and Standard & Poor’s. For the purposes of MAR and Article 2 of Commission Implementing Regulation (EU) 2016/1055, this announcement is made by Mustafa Turan, Senior Vice President at the Bank.

For further information please contact:

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