

## **VakıfBank became the third largest bank in terms of asset size**

### **TL 506 billion support from VakıfBank to national economy**

**According to the unconsolidated financial results, VakıfBank became the third largest bank of Turkey with an asset size of TL 638 billion in the first nine months of 2020. Setting aside TL 1 billion 142 million tax provisions from its TL 5 billion 483 million gross income in the same period, VakıfBank delivered TL 4 billion 341 million net income. The support to the national economy through cash and non-cash loans reached TL 506 billion.**

VakıfBank announced its 3Q 2020 unconsolidated financial results to the public. Assessing the financial results of the Bank, VakıfBank's CEO Mr. Abdi Serdar Üstünsalih stated "As VakıfBank, we continue to serve our customers with high sense of responsibility and support national economy in any circumstances even in the pandemic period."

Remarking that VakıfBank became the third largest bank of Turkey with an asset size of TL 638 billion in the first nine months of 2020, Mr. Üstünsalih stated "Becoming the third largest bank of Turkey as a result of the great efforts of all my colleagues, from employees to top management makes us very proud. We successfully managed to increase our market share, in every field including cash and non-cash loans, deposits international money transactions and trade finance with a great effort." Mr. Üstünsalih continued his speech:

"Hereby, the support to the national economy through cash and non-cash loans reached TL 506 billion in the first nine months of 2020. As VakıfBank, we will continue to support national economy the same as before in the future."

#### **"The market share in cash loans reached 12%"**

Underlining that VakıfBank continued to support every segment of society from retail to SMEs and commercial customers with various campaigns, put into use in the first nine months of 2020, Mr. Üstünsalih continued his statement as follows:

"Total cash loans exceeded TL 411 billion with a quarterly and year to date increase of %11.3 and 49.7%, respectively. Aforesaid growth figures materialized above the sector averages. So, our

market share in total loans raised from 9% in 2019 to 10% and the market share in total assets reached 11% from 9%. These market share gainings are a clear indicator that we fulfilled our responsibility to support our customers and national economy in the best way.”

### **“Total deposits growth is well above the sector”**

Stating that VakıfBank also left behind a successful year in terms of funding, Mr. Üstünsalih said “The main funding source, total deposits reached TL 394 billion with a quarterly and year to date increase of %17.4 and %56.7, respectively. The annual and quarterly deposit growths are both well above the sector averages. Thus, our market share in total deposits reached %11.4 from %9.8 compared to 2019 year end. In the upcoming periods, our goal is to reach more customers by making our deposit base more granular. Accordingly, we continue to offer our customers alternative products.”

### **“The fastest growing bank in credit cards”**

Emphasizing that they offer customized products according to all ages, business and social preferences with alternative credit card products, Mr. Üstünsalih continued “Thanks to our understanding of innovative products and services, VakıfBank became the fastest growing bank of the sector in the field of credit cards. As of September-end, we made more than 1 million new credit cards available for our customers. We became the fastest growing bank of the sector in terms of credit card numbers with an increase of 20% compared to the previous year.

### **“Ongoing investment on digitalization”**

Stating that VakıfBank strengthened its alternative banking channels by accelerating digitalization during the coronavirus pandemic, Mr. Üstünsalih explained “As every year, we did not slow down our investments in digitalization this year, as well. As a result, the number of our digital banking customers increased by 44% compared to the same period of the previous year, and the volume of transactions made through digital platforms increased by 39%.

Underlining that they regularly develop projects to keep the digital channels up-to-date, Mr. Üstünsalih completed his words as follows:

“As a result of our efforts, we have added a new product put in practice for the first time in Turkey. Our credit card customers will now be able to pay with QR Code from POS machines of all banks with their smartphones. With this implementation, we totally saved our customers from passwords and carrying credit cards, as well as preventing unwanted situations such as card copying. Thanks to another innovative product, our mobile banking customers will now be able to withdraw money from other banks' ATMs with QR codes. Customers of other banks involved

in this project also could benefit from more than 4,000 VakıfBank ATMs across Turkey. As VakıfBank, we continue to provide solutions for the demands and needs of all our customers with our innovative approach.”

**Significant financial indicators of unconsolidated balance sheet of VakıfBank as of 30 September 2020**

Net Income Before Tax	TL 5,483 million
Net Income	TL 4,341 million
Total Assets	TL 638,070 million
Total Cash and Non-cash Loans	TL 505,941 million
Cash Loans	TL 411,216 million
Non-cash Loans	TL 94,725 million
Total Deposits	TL 394,206 million
Equity	TL 44,186 million
Funds Borrowed	TL 48,003 million
Securities Issued	TL 41,950 million