

## **VakıfBank obtained an 8 year term fresh funding with an amount of TL 550 million VakıfBank continues to obtain “Turkish Lira” fund from abroad**

Innovative and pioneer bank of Turkey in the international debt capital markets, VakıfBank issued TL 396 million covered bond with 8 year maturity under mortgage backed covered bond programme. The investor of the issuance, which was a private placement, was an international investment bank and total international funding amount reached TL 550 million together with Total Return Swaps (TRS) embedded treasury transactions.

### **Covered bond issuance with the longest maturity so far**

Expressing that VakıfBank made successful covered bond issuances in Euro and TL in Turkey and abroad under the mortgage backed covered bond programme established in 2016, VakıfBank’s CEO Mr. Mehmet Emin Özcan said,

“Under the programme, while the maturity of the previous issuances was generally 5 years, aforesaid transaction has a maturity of 8 years. Therefore, this issuance has the feature of having the longest maturity up until now. This kind of cost effective and long term international funding is quite useful in terms of contracting the duration mismatch which is a structural problem of the banking sector. As being the most active bank in covered bond issuances by far, our leading position in the sector has been clinched with the aforesaid longest term new issuance. I would like to take this opportunity to thank all the banks, participating this issuance and treasury transactions once more.”

### **“We will continue to be the strength on the side of national economy”**

Remarking that the cost of covered bond issuances is comparatively lower than the other funding sources thanks to its collateralized structure, Mr. Özcan completed his words as follows:

“VakıfBank will continue to provide long term and cost effective funding sources, both in TL and FX, via covered bond issuances that the Bank is pioneer and other structured finance products and be the strength on the side of national economy by offering these funding sources to the use of our real economy.”