

VakıfBank delivered TL 1.07 billion net income in the first nine months of the year

VakıfBank delivered TL 1.07 billion net profit in the first nine months of the year with a TL 347,7 million net profit in the third quarter of 2014. While the Bank's quarterly net income increased by 35.6% compared to the same period of last year, the Bank's total assets, total loans and total deposits reached to above TL 147 billion, TL 97 billion and TL 89 billion with an increase of 16%, 19% and 16%, respectively.

VakıfBank's CEO, Mr. Halil Aydođan assessed the unconsolidated financial results as of third quarter and expressed his pleasure regarding the amount of the sources provided to the economy through cash and non-cash loans which reached to TL 124.7 billion. Mr. Aydođan stated "VakıfBank achieved a faster loan growth in this quarter compared to the first half of the year. VakıfBank's quarterly loan growth realized at 6.4% which is above the sector average, so that total loans grew by 12.6% year to date. I am very pleased that the share of loans in total assets, which is the core business of the Bank, exceeded 66% and our leadership in this field has continued."

Strong growth in project finance

Stating that quarterly loan growth came mainly from project finance, commercial and SME segments, Mr. Aydođan said, "This is the definite indicator of the support provided by VakıfBank to the real economy. Project finance loans reached to USD 6.2 billion, increasing by 8.8% quarterly in real terms. We will maintain our leading position in project finance, particularly in blue chip energy and infrastructure projects.

Ongoing improvement in asset quality

Pointing out that ongoing improvement in the asset quality is another field which VakıfBank differentiates from the sector successfully, Mr. Aydođan said, "Without any asset sale or write off, NPL ratio of the Bank continued to decrease through higher collections than last year and declining new NPL inflows.

VakıfBank achieved these profitability figures by increasing the coverage ratio further conservatively which is already above the sector, in an environment that the coverage ratio of the sector decreased.

We expect asset quality improvement and outperforming success of VakıfBank to continue."

Solid funding base

Mr. Aydođan continued to his speech, "There were significant improvements regarding the Bank's funding structure in a period that we grow in loans. Total deposits reached to TL 89 billion, increasing by 16% year on year. We continue to provide new sources to Turkey in different currencies with relatively longer term through private placements to foreign investors. VakıfBank successfully renewed the syndication loan facility in September with a 110% roll over ratio which is above the sector average thanks to the strong business relationship with the corresponding banks and allocated it for the financial needs of real sector."

Significant financial indicators of unconsolidated balance sheet of VakıfBank dated September 30, 2014

Net Profit Before Tax	TL 1.373,8 million
Net Profit	TL 1.070,5 million
Total Assets	TL 147.265,7 million
Total Cash and Non-cash Loans	TL 124.672,6 million
Cash Loans	TL 97.397,7 million
Non-cash Loans	TL 27.274,9 million
Total Deposits	TL 89.197,4 million
Equity	TL 13.681,6 million
Funds Borrowed	TL 11.303,1 million