

VakıfBank delivered 1 billion 921 million net income in the first nine months of the year

VakıfBank delivered TL 1 billion 921 million net income in the first nine months of the year with TL 817 million net income in the third quarter of 2016. Growing faster than the sector in total loans, total deposits and total assets compared to the year-end 2015, VakıfBank's support to the economy through cash and non-cash loans reached TL 173 billion with TL 198 billion asset size. Total deposits and total equity reached TL 120 billion and TL 19 billion, respectively, while average return on equity and average return on asset for the nine months realized at 14.4% and 1.35%, respectively.

“Following 15 July, increasing support to the national economy by cutting the interest rates and faster growth than the sector in all loan segments”

Assessing the unconsolidated financial results of 3Q 2016 and expressing that in a quarter of 15 July traitor coup attempt happened, VakıfBank increased its support to the national economy through cash and non-cash loans, VakıfBank's CEO Mr. Halil Aydoğan stated “In such a difficult period, we are aware of the expectations of the government and our nation and as per the understanding of “compassionate banking”, we cut the rates for all loan segments, particularly for the residential mortgage loans following 15 July. As a result, total loans increased by 5.9% QoQ well above than the sector average of 2.5%. In addition, our market share in all cash and non-cash loan segments increased, not only in mortgage and GPC loans, but also in SME, corporate and commercial loans, either in TL and FX terms. I think that supporting the economy in such extraordinary terms is more meaningful and significant.”

“Among peer banks, VakıfBank ranks first with almost 70% share of total loans in total assets”

Noting that VakıfBank's total loans also increased faster than the sector average annually and year to date, CEO Mr. Aydoğan said “Consequently, the share of total loans in total assets approached 70% and this rate ranks first among peer banks. We will continue to support the national economy with our strong balance sheet, solid funding base and total equity of TL 19 billion.”

“Ongoing market share gaining in all key balance sheet items”

Indicating that VakıfBank grew faster than the sector not only in total loans but also in total assets and total deposits compared to the year-end 2015, CEO Mr. Aydoğan said “Particularly in the last quarter, total deposit growth realized at 5.1% quite better than the sector average

of 2.2%. TL deposit growth stands out in total deposit growth with a quarterly 8.1% increase. Market share gaining in all key balance sheet items makes us extremely gratified.”

“USD 4.5 billion international funding provided year to date”

Underlining that VakifBank is quite active in providing international funding after 15 July, Mr. Aydoğan stated “Particularly in the last one month following the sovereign downgrade of the credit rating agency Moody’s to non-investment grade, we provided USD 2 billion 225 million long term, cost-effective international funding via syndication, securitization transactions and Eurobond issuance. Thus, international borrowing amount approached USD 4.5 billion year to date. As a pioneer Turkish bank in the international capital markets, we will continue to support the blue chip projects that have significance for the sustainable growth of the country through the international funding we provide.”

Significant financial indicators of unconsolidated balance sheet of VakifBank dated September 30, 2016

Net Profit Before Tax	TL 2,423.3 million
Net Income	TL 1,921.0 million
Total Assets	TL 197,611.8 million
Total Cash and Non-cash Loans	TL 172,391.9 million
Cash Loans	TL 136,936.0 million
Non-cash Loans	TL 35,455.9 million
Total Deposits	TL 119,986.3 million
Equity	TL 18,782.8 million
Funds Borrowed	TL 17,859.6 million