



TO : Investment Community
FROM : Garanti Bank / Investor Relations
SUBJECT : Announcement regarding revision in expected inflation reading used in CPI-Linkers' valuation
DATE : May 26, 2017

Ref: Our public disclosure dated 11.01.2017

Although there is not a material change to our banks' future looking expectations referenced above, the 7% inflation expectation announced earlier to be used in CPI-Linkers' valuation was revised to 9%; in parallel to the upwards revision of CBRT's 2017 inflation forecast. The resulting impact will be reflected to the financial statements starting in May, and will be distributed equally on a monthly basis until the end of the year.

In contradiction between the Turkish and English versions of this public disclosure, the Turkish version shall prevail.

We declare that our above statements are in conformity with the principles included in the Board's Communiqué, Serial II Nr.15.1, that it exactly reflects the information we received; that the information complies with our records, books and documents; that we did our best to obtain the correct and complete information relative to this subject and that we are responsible for the declarations made in this regard.

Yours sincerely,
Garanti Bank

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