

The number of customers who prefer Garanti BBVA reached 17 million

Türkiye Garanti Bankası A.Ş., announced its financial statements dated June 30, 2019. Based on the consolidated financials, the Bank's **net income** in the first half of the year recorded as TL 3 billion 668 million 768 thousand. **Asset size** realized at TL 422 billion 284 million 856 thousand with 10% growth recorded compared the same period of last year and the Bank's contribution to the economy through cash and non-cash **loans** was TL 316 billion 120 million 722 thousand. Actively managing the funding base, deposits continued to be the main funding source with 62% share in the total funding base. Deposit base reached to TL 260 billion 60 million 882 thousand with 6% growth in the first half of the year. Preserving the strong capital stance, Bank's capital adequacy ratio was realized at 16.4%. The Bank delivered an **ROAE** (Return on Average Equity) of 15.3% and an **ROAA** (Return on Average Assets) of 1.8%.

Commenting on the topic, **Garanti BBVA CEO Fuat Erbil** stated that: "During the second quarter of 2019, a period of elections and continued elevated risk perception, we managed our balance sheet successfully while maintaining the sound asset quality, safe liquidity level and strong capital structure. Behind these successful results and profitability despite the challenging market conditions, there is a flawless functioning system where processes are designed and managed precisely and in which all our employees at every level contribute with high commitment and take responsibility. The increase in our number of customers is a concrete evidence of this. While our deposit base expanded by 6% compared to year-end, the number of customers who prefer Garanti BBVA reached 17 million. With the innovative steps we have taken, the number of digital customers reached nearly 8 million.

Owing it to our longstanding corporate structure, today, we are recognized by the leading global investment institutions as one of the few Turkish banks recommended as investable given our financial results and profitability. In this period, thanks to the success of our foreign borrowing program and our pioneering role in international banking, due to the foreign banks' high interest in the syndicated loan, we received a much higher demand than our target of 600 million USD. For over 9 years we contributed to the Turkish economy with the BBVA Group. Now, as Garanti BBVA, with our human-oriented and digitalization-based vision, we will continue to support the economy, society and bring the age of opportunities to everyone."

Emphasizing Garanti BBVA's contribution to Turkey's sustainable growth, **Erbil** said: "We play a pioneer and leading role in financing projects that are add value to our economy. In the same period, Garanti BBVA named as the **Best Project Finance House, Best Structured Finance House** and **Best Syndicated Loan House** in CEE Region (Central and Eastern Europe) by **EMEA Finance** for the fourth consecutive year. In times of high volatility, we maintain our firm stance and place importance in meeting all needs of our customers. In such periods where access to finance is crucial, we continue to support our female entrepreneurs to grow their businesses in a sustainable manner. Within the framework of the protocol we signed with IFC, we offered TL 390 million of financing to the use of women entrepreneurs. We will continue to work to add long-term sustainable value to all our stakeholders."

You may access Garanti BBVA earnings presentation regarding the BRSR consolidated financial results as of and for the period ending June 30, 2019 from Garanti BBVA Investor Relations website at www.garantibbvainvestorrelations.com

Selected Figures of Garanti BBVA's Consolidated Financial Statements (June 30, 2019)

Selected Balance Sheet Items	Current Period 30.Jun.2019	Prior Period 31.Dec.2018	Change Δ %
Total Assets	422,284,856	399,153,601	5.8%
Loans	265,859,567	256,009,555	3.8%
- Performing Loans	251,392,809	243,460,849	3.3%
- Non-Performing Loans	14,466,758	12,548,706	15.3%
Deposits	260,060,882	245,016,346	6.1%
Shareholders' Equity	50,556,856	46,886,842	7.8%

Selected P&L Items	Current Period 30.Jun.2019	Prior Period 30.Jun.2018	Change Δ %
Net Interest Income	9,898,161	8,599,854	15.1%
Operating Expenses	4,889,235	4,130,655	18.4%
- HR Cost	2,094,674	1,718,108	21.9%
- Other Operating Expenses	2,794,561	2,412,547	15.8%
Net Fees&Commissions	2,974,890	2,425,350	22.7%
Net Income	3,668,768	3,935,990	-6.8%

Highlights from Garanti BBVA's Consolidated Financials

- Return on Average Assets (ROAA) reached 1.8%.
- Return on Average Equity (ROAE) reached 15.3%.
- Contribution to the economy through cash and non-cash loans reached TL 316 billion 120 million 722 thousand.
- Total cash loans, TL loans and FC loans market shares realized at 10.2%, 10.5% ve 9.6% respectively.
- Total customer deposits grew by 7% year-to-date and deposits market share realized at 10.9%.
- Demand deposits' share in total deposits reached 30%.
- CAR (Capital Adequacy Ratio) realized at 16.4% well-above minimum required regulatory limit of 12.0%.
- NPL ratio realized at 5.7%.