

Garanti BBVA funds 63% of its assets with deposits Mirroring customers' trust!

Türkiye Garanti Bankası A.Ş., announced its financial statements dated September 30, 2019. Based on the consolidated financials, in the first nine months of the year, the Bank's **net income** recorded was TL 4 billion 998 million 460 thousand. **Asset size** was realized at TL 411 billion 161 million 696 thousand and the Bank's contribution to the economy through cash and non-cash **loans** was TL 302 billion 634 million 414 thousand. Actively managing the funding base, deposits continued to be the main funding source; 63% of assets are funded via deposits. Customer deposit base reached TL 253 billion 907 million 148 thousand with 6% growth in the first 9 months of the year. Preserving the strong capital stance, Bank's capital adequacy ratio was realized at 18.1%. The Bank delivered an **ROAE** (Return on Average Equity) of 13.5% and an **ROAA** (Return on Average Assets) of 1.6%.

Commenting on the topic, **Garanti BBVA CEO Recep Baştuğ** stated that: "Third quarter of the year was a period that we observed the beginning of the recovery in loan demand, as a consequence of the significant improvement in inflation and its respective reflection on drop in interest rates. Going forward, the increase in loan demand will be even more visible. Committed to managing our balance sheet with sustainable growth strategy, we have further strengthened our capital base. With this confidence, we will continue to support the real economy by meeting the increasing demand. With our knowledge, experience and strong presence in the real sector, we will maintain our leadership amongst private banks in Turkish Lira lending.

Emphasizing that the principles of honesty, accountability and transparency are an integral part of Garanti BBVA culture and the assurance of its sustainable existence, **Baştuğ** said: "This year, we are once again entitled to be included in the **Dow Jones Sustainability Index**, which evaluates the sustainability performance of corporate firms worldwide. **We are the only Turkish company to be included in the index for five consecutive years.** Recognizing that our impact and the value we create is not limited to banking, we will keep working with our focus on sustainable development to create continuous value for our stakeholders."

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

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

Selected Financial Ratios	Current Period 30.Sep.2019	Prior Period 31.Dec.2018	Change Δ bps
Performing Loans/Assets	59.1%	61.0%	-192
Deposits/Assets	62.7%	61.4%	133
Return on Average Equity	13.5%	15.0%	-149
Return on Average Assets	1.6%	1.7%	-10
Cumulative Net Interest Margin (incl. swap costs)	5.0%	5.3%	-24
Non-Performing Loans Ratio*	6.7%	5.2%	155

Selected P&L Items	Current Period 30.Sep.2019	Prior Period 30.Sep.2018	Change Δ %
Net Interest Income	15,089,955	13,974,256	8.0%
Operating Expenses	7,397,184	6,237,127	18.6%
- <i>HR Cost</i>	3,137,761	2,593,185	21.0%
- <i>Other Operating Expenses</i>	4,259,423	3,643,942	16.9%
Net Fees&Commissions	4,637,015	3,752,240	23.6%
Net Income	4,998,460	5,629,870	-11.2%

Highlights from Garanti BBVA's Consolidated Financials

- Return on Average Assets (ROAA) reached 1.6%.
- Return on Average Equity (ROAE) reached 13.5%.
- Contribution to the economy through cash and non-cash loans reached TL 302 billion 634 million 414 thousand.
- Total cash loans, TL loans and FC loans market shares realized at 9.9%, 10.2% ve 9.4% respectively.
- Total customer deposits grew by 6% year-to-date and deposits market share realized at 10.3%.
- Demand deposits' share in total deposits reached 31%.
- CAR (Capital Adequacy Ratio) realized at 18.1% well-above minimum required regulatory limit of 12.6%.
- NPL ratio realized at 6.7%.