

Garanti's contribution to economy amounted to TL 311 billion

Türkiye Garanti Bankası A.Ş., announced its financial statements dated December 31, 2018. Based on the consolidated financials, Garanti's **asset size** amounted to TL 399 billion 153 million 601 thousand and its contribution to the economy through **performing cash and non-cash loans** amounted to TL 311 billion 176 million 277 thousand. The Bank delivered an **ROAE** (Return on Average Equity) of 15.0% and **ROAA** (Return on Average Assets) of 1.7%.

Commenting on the topic, **Garanti Bank's CEO Fuat Erbil** stated that: "2018 was a moving year for both our economy and the sector. While preserving our strong balance sheet structure with our **proactive management, competent human resource and prudent risk policies**, we continued to contribute to the economy. Given confidence in our **high capital adequacy ratio**, our contribution to the economy added up to TL 311 billion. We ended the year with **market share gains** amongst private banks in all the **TL lending** products. While maintaining our leading position in retail loans and credit cards, our **deposit-oriented and balanced approach** continued on the funding side. Since the beginning of the year, we improved our loan to deposit ratio by 14 percentage points. Within the framework of the borrowing program, we provided financing exceeding USD 1.3 billion from overseas markets in the last quarter. This was **the longest and the highest amount of borrowing of the last quarter of 2018**. While we take pride in our contribution to the country's economy, we will continue to support the market with the funding we have raised."

Expressing the pride for the recognitions of Garanti's efforts by international authorities, **Erbil** said; "Garanti was recognized as "**Turkey's Best Digital Bank**" and Garanti Mobile was recognized as "**Turkey's Best Mobile Application**" by World Finance Magazine for its innovative projects on customer experience and its digital transformation. In 2018, we have completed the transformation of all of our branches within the framework of the new branch and service model. With this new model, we aim to increase the efficiency of our field structure and offer faster solutions to our customers and provide a better quality of experience. In addition to our branches, we continue with our efforts to further integrate our digital channels to the new technologies. Regardless of the macro developments, we will continue to pioneer the transformation in the sector with our customers who are the basis of our strategy and with the investments in our business model. I would like to thank all my colleagues, all of our stakeholders who trust and support us."

You may access the earnings presentation regarding the BRSB consolidated financial results as of and for the period ending December 31, 2018 from Garanti Bank Investor Relations website at www.garantiinvestorrelations.com

Selected Figures of Garanti Bank's Consolidated Financial Statements (December 31, 2018)

Profit before Taxes and Provisions*	TL 19,749 million	Performing Cash Loans	TL 243,461 million
Profit before Taxes	TL 8,754 million	Non-Cash Loans	TL 67,715 million
Net Income	TL 6,707 million	Total Assets	TL 399,154 million
Deposits	TL 245,016 million	Shareholders' Equity	TL 46,887 million

Highlights from Garanti Bank's Consolidated Financials

- Net income was TL 6 billion 706 million and 605 thousand.
- In compliance with the legal legislation and international regulations, a total amount of TL 13 billion 042 million and 863 thousand was reserved for tax provisions, expected credit losses and other provisions*.
- Total assets reached TL 399 billion 153 million 601 thousand.
- Return on Average Assets (ROAA) reached 1.7%.
- Shareholders' equity reached TL 46 billion 886 million 842 thousand.
- Return on Average Equity (ROAE) reached 15.0%.
- Contribution made to the real economy through loans and non-cash lending reached TL 311 billion 176 million 277 thousand as of December 31, 2018.
- Total loans, FC loans and TL loans market shares realized at 10.6%, 10.0% and 11.0% respectively.
- Market share of "consumer mortgage loans" was 12.2% and market share of "consumer loans excluding credit cards" was 12.4 %.
- Total customer deposits reached TL 238 billion 854 million and 659 thousand, while market share in total customer deposits reached 11.1%.
- Capital adequacy ratio (CAR) realized at 16.52%.
- Non-performing loan (NPL) ratio realized at 5.18%.

* Reserve for Employee Termination Benefits, Impairment Losses on Tangible Assets and Impairment Losses on Assets to be Disposed are included in provisions.

Note: In the calculation of average assets and equity, 01.01.2018 restated balance sheet has been used. Bank-only figures are used in market share calculations for fair comparison.