

Customer's choice Garanti, contributed TL 286 billion to the economy

Türkiye Garanti Bankası A.Ş., announced its financial statements dated December 31, 2017. With an **asset size** of TL 356 billion 331 million 667 thousand, Garanti's contribution to the economy through **cash and non-cash lending** reached TL 285 billion 548 million 679 thousand, based on the consolidated financials. The Bank posted a **net income** of TL 6 billion 387 million 974 thousand in 2017. The Bank delivered an **ROAE** (Return on Average Equity) of 16.6% and an **ROAA** (Return on Average Assets) of 1.9%.

Commenting on the financial results, Garanti Bank **CEO Fuat Erbil** stated that: "We successfully completed 2017 with higher value we created for the economy, our customers, our employees and all our stakeholders. Taking strength from our capital, we could grow in customer driven assets. While enabling 491 thousand people to become home owners and 385 thousand people to become car owners, we provided support to 1 million people with general purpose loans. In retail banking, we maintained our sector leadership among private banks. By placing customer satisfaction and experience at the core of our business model as our strategic priority, we came first among private peers in Net Promoter Score research. With efficiency, digitalization and continuous development focus, we design our products and services, and continue to lead change and transformation. Our new service model that enhances the lives of our customers and increases the preparedness of our employees will enable our value creation to be sustainable."

Touching upon Garanti Bank's international achievements, **Erbil** said: "We are selected as **"Best Retail Bank in Turkey"** by World Finance Magazine and **"Second best bank in Europe in Online Banking"** by Forrester Research. We achieved these results, by listening to our customers, by constantly analyzing their needs and expectations, by empowering our employees, and by preparing our services and business model for the future.

Beyond that, we act with the awareness of our responsibilities towards all our stakeholders. While preserving our **Leadership in CDP Climate Change Program in Turkey**, we became **the only financial institution worldwide to be included in the 2017 CDP Water A List**. I sincerely thank my colleagues who are driving this success; our customers who believe in us, trust us and walk with us on this path; our shareholders and all our stakeholders."

Selected Figures of Garanti Bank's Consolidated Financial Statements (December 31, 2017)

Profit before Taxes and Provisions*	TL 12,080.0 million	Cash Loans	TL 229,353.3 million
Profit before Taxes	TL 8,349.4 million	Non-Cash Loans	TL 56,195.4 million
Net Income	TL 6,388.0 million	Total Assets	TL 356,331.7 million
Deposits	TL 200,773.6 million	Shareholders' Equity	TL 41,606.0 million

Highlights from Garanti Bank's Consolidated Financials

- Net income was TL 6 billion 387 million and 974 thousand.
- In compliance with the legal legislation and international regulations, a total amount of TL 5 billion 692 million was reserved for tax provisions, loans and other provisions.*
- Total assets increased by 14.2% year-to-date and reached TL 356 billion 331 million 667 thousand.
- Return on Average Assets (ROAA) increased to 1.9%.
- Shareholders' equity increased by 16.2% year-to-date and reached TL 41.6 billion.
- Return on Average Equity (ROAE) increased to 16.6%.
- Contribution made to the real economy through cash and non-cash loans increased by 10.9% year-to-date and reached TL 285 billion 548 million 679 thousand as of December 31, 2017.
- Total loans, FC loans and TL loans market shares realized at 11.1%, 11.4% and 10.9%, respectively.
- Market share of "consumer mortgage loans" realized at 13.1% and market share of "consumer loans including credit cards" were 14.1%.
- Total customer deposits increased by 14.3% year-to-date and reached TL 199 billion 147 million and 738 thousand, while market share of total customer deposits was realized at 11.2%.
- Capital adequacy ratio (CAR) increased to 16.8%.
- Non-performing loan (NPL) ratio decreased to 2.64%.

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

You may access the earnings presentation regarding the BRSA unconsolidated financial results as of and for the period ending December 31, 2017 in English from Garanti Bank Investor Relations website at www.garantiinvestorrelations.com