



TO : **INVESTMENT COMMUNITY**
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SUBJECT : **Announcement regarding Fitch Credit Ratings**
DATE : **June 31, 2015**

Announcement regarding Fitch Credit Ratings

The rating actions announced by Fitch on the ratings of Türkiye Garanti Bankası A.S. are as follows:

Fitch Ratings has today upgraded Türkiye Garanti Bankası's (Garanti) Long-term Issuer Default Ratings (IDRs) to 'BBB' from 'BBB-', Short-term IDRs to 'F2' from 'F3' and National Rating to 'AAA(tur)' from 'AA+(tur)'. The Support Rating has changed to '2' from '3'. The ratings have all been removed from Rating Watch Positive.

Fitch stated that the rating action results from the change in control at Garanti that has occurred as a result of Banco Bilbao Vizcaya Argentaria (BBVA; A-/Stable) purchasing an additional 14.89% from Dogus Holding, a transaction announced in November 2014 and completed on 27 July 2015. Fitch mentioned that in so doing, BBVA has gained management control of the Bank despite holding only a 39.9% stake; Garanti will henceforth be fully consolidated in BBVA's accounts.

Upgrading Garanti's IDRs, National Rating and Support Rating, Fitch stated that the upgrade is a result of Fitch's belief that BBVA would provide support to its subsidiary, Garanti, if required. Fitch announced that the Support Rating Floor (SRF) was affirmed and withdrawn, as SRFs are only assigned to banks whose primary source of external support is considered to be the sovereign; this is no longer the case for Garanti.

Below is the full list of rating actions:

- Long-term FC and LC IDRs upgraded to 'BBB' from 'BBB-'; off RWP; Stable Outlook
- Short-term FC and LC IDRs: upgraded to 'F2' from 'F3'; off RWP; Stable Outlook
- National Long-term Rating: upgraded to 'AAA'(tur) from 'AA+(tur); off RWP; Stable Outlook

- Viability Rating of 'bbb-' unaffected
- Support Rating: changed to '2' from '3'; off RWP
- Support Rating Floor of 'BB-' affirmed and withdrawn
- Senior unsecured Long-term Rating upgraded to 'BBB' from 'BBB-'; off RWP
- Senior unsecured Short-term Rating upgraded to 'F2' from 'F3'; off RWP

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 VIII Nr. 54.. 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