July 28, 2016

In the first half of 2016, Garanti's support to the economy through cash and non-cash lending exceeded TL 235 bn

Türkiye Garanti Bankası A.Ş., announced its financial statements dated June 30, 2016. Based on the consolidated financials, in the first half of 2016, the Bank posted a consolidated **net income** of TL 2 billion 605 million 286 thousand. With the **asset size** of TL 287 billion 247 million 695 thousand, Garanti's contribution to the economy through **cash and non-cash lending** reached TL 235 billion 119 million 598 thousand. The Bank delivered an **ROAE** (Return on Average Equity) of 16.0% and an **ROAA** (Return on Average Assets) of 1.8%.

Commenting on the financial results, **Garanti Bank CEO Fuat Erbil** stated: "We successfully completed the first half of 2016 in creating value for all our stakeholders. While increasing our support to the economy via our lending activities, with the trust of our customers we grew our deposits above sector. Since the beginning of the year, Garanti has been the choice of 500 thousand new customers. We greet over 150 thousand customers each day at our branches serving in every city of Turkey. In shaping the balance sheet through sustainable growth strategy, Garanti continued to strengthen its capital base and set even higher efficiency and excellence targets for its internationally certified operations. We strive to place ourselves in our customers lives and continue to reflect the innovative and human centric culture of Garanti in our products and services consistently through each and every channel. Having the highest number of digital banking customer base in Turkey, Garanti ensures its 1.3 million customers to perform banking transactions with ease every day, solely through digital channels. The Video Chat Loan service we started offering in April carries human touch to digital platforms, and allows access to information and experts anywhere as if you are at a branch. Increasing customer satisfaction and loyalty constitutes the base of our business model."

Touching upon Garanti's efforts in the area of women entrepreneurship surpassing its 10th year, **Erbil** said: "We maintain our uninterrupted support to pave the way of women entrepreneurs. With numerous projects materialized, we assume the leadership position of 'Women's Banking' activities today. Simultaneously we organize support programs for early stage entrepreneurs and SMEs of all sizes and from all sectors to access necessary resources, connect with their customers and open to global markets. To support entrepreneurial ecosystem and innovation, Garanti established an entrepreneurship base as part of GarantiPartners platform, which will be used as an office space, hosting entrepreneurs with valuable ideas from all sectors . With our entrepreneurship accelerator program GarantiPartners, we continue to work swiftly in order to make significant contributions to the entrepreneurship ecosystem. I would like to thank my colleagues who lead the sector and carry Garanti forward in every field, and our stakeholders who trust us."

Commenting on the recent developments in our country, Erbil said: "We believe that our country will come out stronger from all that was encountered with more powerful democracy and economy. During all these extraordinary days, there was no adverse impact on the sector and on Garanti. Being aware of the responsibility held in this critical period, as Garanti, we will continue to support our economy.

A&B İletişim A.Ş.
Valikonağı Caddesi 73/5 Nişantaşı 34371 İstanbul-TR
T:+90 212 233 22 38 F: +90 212 248 44 36
abtanitim@ab-pr.com www.ab-pr.com

Selected Figures of Garanti Bank's Consolidated Financial Statements (June 30, 2016)

Profit before Taxes and Provisions	TL 4,944.8 million	Cash Loans	TL 181,588.7 million
Profit before Taxes	TL 3,231.3 million	Non-Cash Loans	TL 53,530.9 million
Net Income	TL 2,605.3 million	Total Assets	TL 287,247.7 million
Deposits	TL 170,623.1 million	Shareholders' Equity	TL 33,300.6 million

Highlights from Garanti Bank's Consolidated Financials as of June 30, 2016

- Net income was TL 2 billion 605 million and 286 thousand.
- In compliance with the legal legislation and international regulations, a total amount of TL 2 billion 339 million 559 thousand was reserved for tax provisions, loans and other provisions.
- Total assets increased by 2.7% year-to-date and reached TL 287 billion 247 million 695 thousand.
- Return on Average Assets (ROAA) reached 1.8% as of June 30, 2016.
- Shareholders' equity increased by 6.7% year-to-date and reached TL 33.3 billion.
- Return on Average Equity (ROAE) reached 16.0% as of June 30, 2016.
- Contribution made to the real economy through cash and non-cash loans increased by 6.5% year-to-date and reached TL 235 billion 119 million 598 thousand as of June 30, 2016.
- Total loan market share and TL loan market share increased to 11.8% and 11.0% year-to-date respectively and FC loan market share realized at 13.6%.
- Mortgage loans market share increased to 14.5% and consumer loans market share increased to 14.7%.
- Total customer deposits increased by 11.6% year-to-date and reached TL 166 billion 531 million and 381 thousand, while market share in total customer deposits reached 12.3%.
- Capital base further strengthened and Capital adequacy ratio (CAR) reached 14.5%.
- Sound asset quality was preserved and non-performing loan (NPL) ratio remained below sector average.

You may access the earnings presentation regarding the BRSA consolidated financial results as of and for the period ending June 30,2016 in English from Garanti Bank Investor Relations website at www.garantiinvestorrelations.com

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