

## Garanti BBVA supports sustainable development with TL 322 bn contribution to the economy

**Türkiye Garanti Bankası A.Ş.**, announced its financial statements dated December 31, 2019. Based on the consolidated financials, in 2019, the Bank's **net income** recorded was TL 6 billion 241 million 390 thousand. **Asset size** realized at TL 428 billion 554 million 148 thousand and the Bank's contribution to the economy through performing cash and non-cash **loans** reached TL 321 billion 964 million 117 thousand. Actively managing the funding base, deposits continued to be the main funding source; 65% of assets are funded via deposits. Customer deposit base reached TL 274 billion 608 million 574 thousand with 15% growth in the year. Preserving the strong capital stance, Bank's consolidated capital adequacy ratio was realized at 17.8%. The Bank delivered an **ROAE** (Return on Average Equity) of 12.4% and an **ROAA** (Return on Average Assets) of 1.5%.

Commenting on the topic, **Garanti BBVA CEO Recep Baştuğ** stated that: "We ended 2019 with a more positive picture than initially expected in terms of our economy, our sector and our bank. It was a successful year in terms of both meeting our financial targets and our non-financial performance indicators.

With interest rates coming down, muted lending activity in the first 9 months of the year was replaced by a significant loan growth in the last quarter; accordingly our leadership among private banks further strengthened. Thanks to our broad customer base, we increased our deposits and recorded an across the board, healthy growth in lending with real sector focus.

In 2019, we maintained our leadership position in TL loans among private banks with our relationship banking based customer-oriented approach, in which we have been a pioneer for years. In the coming period, our aim is to outperform the sector in terms of growth. We believe, the expected increase in investment appetite will enable us in achieving these goals. We will continue to be the bank that creates the highest value for its country, customers and shareholders with the effective use of its capital. "

Emphasizing the importance of continuous investments in customers and business model, **Baştuğ said**, "In the upcoming period, as always, we will continue to stand by our customers. We will prioritize the issue of sustainability in our bank and our business model to raise awareness and to support our customers and our country in this regard. To protect our customers' financial health, we provided all kinds of support and assistance necessary and we will continue to do so. We have seen the benefit of our strategy of providing the right product to the right customer and we will follow the same approach in the coming years. Our efforts on becoming their reliable partner and consultant will continue. I would like to thank all my colleagues and all our stakeholders who trust and support us. "

You may access Garanti BBVA earnings presentation regarding the BRSA consolidated financial results as of and for the period ending December 31, 2019 from Garanti BBVA Investor Relations website at [www.garantibbvainvestorrelations.com](http://www.garantibbvainvestorrelations.com)

### Selected Figures of Garanti BBVA's Consolidated Financial Statements (December 31, 2019)

Selected Financial Ratios	Current Period 31.Dec.2019	Prior Period 31.Dec.2018	Change Δ bps
Performing Loans/Assets	428,554,148	399,153,601	7.4%
Deposits/Assets	277,506,599	256,009,555	8.4%
Return on Average Equity	259,207,022	243,460,849	6.5%
Return on Average Assets	18,299,577	12,548,706	45.8%
Cumulative Net Interest Margin (incl. swap costs)	277,277,325	244,237,777	13.5%
Non-Performing Loans Ratio*	54,050,747	46,886,842	15.3%

Selected P&L Items	Current Period 31.Dec.2019	Prior Period 30.Sep.2018	Change Δ %
Net Interest Income	20,673,425	20,876,933	-1.0%
Operating Expenses	10,309,076	8,768,985	17.6%
- HR Cost	4,187,991	3,645,278	14.9%
- Other Operating Expenses	6,121,085	5,123,707	19.5%
Net Fees&Commissions	6,273,573	5,102,687	22.9%
Net Income	6,241,390	6,706,605	-6.9%

### Highlights from Garanti BBVA's Consolidated Financials

- Return on Average Assets (ROAA) reached 1.5%.
- Return on Average Equity (ROAE) reached 12.4%.
- Contribution to the economy through cash and non-cash loans reached TL 321 billion 964 million 117 thousand.
- Total cash loans, TL loans and FC loans market shares realized at 10.1%, 10.3% ve 9.6%, respectively.
- Total customer deposits grew by 15% annually and deposits market share realized at 10.4%.
- Demand deposits' share in total deposits reached 32%.
- CAR (Capital Adequacy Ratio) realized at 17.8% well-above minimum required regulatory limit of 12.6%.
- NPL ratio realized at 6.8%.