

Halkbank's assets rose to 190 billion Turkish lira in the third quarter

*Tasked with the mission of providing continual support to a productive Turkey for the last 77 years, Halkbank increased the size of its total assets to 190 billion Turkish lira in the third quarter of 2015, up 22 percent from year-end 2014. In the same period, its net income reached 1.67 billion Turkish lira; total deposits 123 billion Turkish lira; and total loans 166 billion Turkish lira. Noting that the bank has been instrumental in long-lasting projects that have helped stabilize the economy in Turkey, **Halkbank General Manager Ali Fuat Taşkesenlioğlu** said, "Ranking among the top banking institutions in the world, most trusted by international financial circles, our bank has striven to add value to Turkey with its asset quality and profitable business." Also explaining that the bank has provided social and economic support thanks to its deep-rooted expertise and product versatility in the banking business in Turkey, **Taşkesenlioğlu** added; "We continue to build our strength in our strong financial standing, which has made us a most trusted institution in the international arena, thanks to the projects that we think shall benefit our country and its people. We are proud to be able to touch people's lives through the social projects we undertake."*

Continuing its operations along with its financial strategy focused on profitability and efficiency, Halkbank has generated strong results in the third quarter of the year, consistent with its 2015 targets. With a net income of 1.67 billion Turkish lira, Halkbank's total assets have gone up to 190 billion Turkish lira (up 22 percent from year-end 2014); total loans to 166 billion Turkish lira in the same period (up 23.2 percent from year-end 2014), and total deposits to 123 billion Turkish lira. Halkbank has also increased its commercial loans, including SME loans, to 100 billion Turkish lira (up 30.1 percent from year-end 2014), continuing to support a productive Turkey.

Pointing to the decline in the global trade in 2015 and the negative impact of the exchange rate on exports, **Taşkesenlioğlu** explained:

"While the global goods trade declined by 11 percent in the first seven months of the year, low commodities prices affected overall productivity in international trade. The US dollar's appreciation against major currencies has severely affected export volumes in many countries. Given the depressed demand in most of the target markets, changes in the dollar/euro rate has also negatively affected Turkey's agricultural and industrial exports. With the removal of the negative impact of the base effect in the exchange rates carried over from the previous year, we believe that the process in the future shall be much more promising as we go forward."

Halkbank has become a strong and trusted global bank

The Banker ranked Halkbank in 102nd place among the top 250 most trusted banks in the world. The survey was conducted in terms of financial soundness and credibility based on asset quality, liquidity, risk environment, and profitability. Proud about the confirmation of Halkbank's acclaimed strength in international markets once again, **Taşkesenlioğlu** noted, **"In the midst of deep uncertainty and volatility hanging over the world economy, the commendations we have received from international financial circles on our bank's performance and standing have greatly motivated us and reinvigorated our enthusiasm."**

Additional terms of security in SME-based commercial transactions

In an effort to help artisans in the country protect their assets and strength, and SMEs and entrepreneurs grow their business, Halkbank has continued to build up its operations with new products and services. This has included the introduction of the QR Coded Checks developed by the Credit Registry Bureau, of which Halkbank is one of the founders. Explaining that the bank's new QR system is intended to enhance payment security in the term purchases that SMEs in general make using forward dated checks, **Taşkesenlioğlu** added: **"Aimed at securing SMEs' rights in commercial transactions, the QR Coded Check application shall help make collections safe and controlled. Since these checks provide the ability to inquire about their issuers, we intend to help grow the credibility and circulation capabilities of these checks in the market."**

Halkbank: Named the Top Performing Bank in Visa Shopping

Halkbank has been awarded the top prize in the "Top Performing Bank in Visa Shopping" category, at the traditional Visa Awards Ceremony held by Visa Europe among member banks in Turkey. Expressing his satisfaction with the performance of Paraf, through which the bank offers its customers a world full of privileges, **Taşkesenlioğlu** continued to say: **"We are happy to reap the benefits of innovative work we have done with Paraf, our bank's dynamical brand. The number of Paraf cards, which has helped bring the Fastest Growing Bank in Visa Shopping award to Halkbank, reached 3.6 million at the end of September 2015, the number of its POS has gone up to 273,000, and the member merchants to 263,000. We plan to grow the Paraf family."**

Halkbank's social responsibility projects continue to expand

One of the strongest supporters of the real economy thanks to the financial value it has helped create, Halkbank has participated in the free tablet PC campaign organized by the T.R. Ministry of Family and Social Policies for the orphaned children of the fallen military personnel. **Taşkesenlioğlu** said on the subject, **"Since we aim to leverage Halkbank's 77 years of banking expertise and service experience in every aspect of our operations, we also place great emphasis on participating in projects aimed at contributing to our country and to the quality of life of our people. We work in close cooperation with both NGOs and government agencies. We shall continue to be at the center of every social responsibility project, which reflects the principals and values of Halkbank and makes the most effective use of our resources."**

HALKBANK Q3 (SEPTEMBER 2015) RESULTS

Million

	Sep-14	2014	Sep-15	Change from year-end 2014	% Change from year-end 2014
Cash Loans	96.111	101.767	126.450	24.683	24,3
Commercial Loans	71.904	76.545	99.595	23.050	30,1
Retail Loans	24.208	25.222	26.855	1.633	6,5
Non-Cash Loans	30.018	32.779	39.247	6.468	19,7
Total Loans	126.129	134.546	165.697	31.151	23,2
Cash Loans Market Share	7,9%	8,0%	8,4%	35 bps	
Securities	27.728	26.844	28.229	1.384	5,2
Deposits	101.462	103.708	122.903	19.195	18,5
Shareholders' Equity	15.648	16.536	18.192	1.656	10,0
Total Assets	149.809	155.423	189.686	34.263	22,0

	Sep-14	2014	Sep-15	Difference from September 2014	% Difference from September 2014
Net Income	1.764	2.206	1.667	(97)	(5,5)

	Sep-14	2014	Sep-15
Loans / Deposits	94,7%	98,1%	102,9%
Loans / Assets	64,2%	65,5%	66,7%
Non-Performing Loans / Total Loans	3,73%	3,55%	2,99%

Accruals included