

Halkbank's balance sheet rises by 23.9% to 378.4 billion TRY

In 2018, Halkbank increased its total loans by 28 percent to 333.6 billion Turkish lira year-on-year. Total commercial loans including SME loans rose by 31.6 percent, reaching 288.9 billion Turkish lira in the same period. Halkbank boosted total deposits by 28.8 percent to 248.9 billion Turkish lira compared to the end of 2017, and strengthened its balance sheet by 23.9 percent to 378.4 billion Turkish lira. Halkbank also expanded its SME loans market share to 15.9 percent, aiming once again to be the biggest supporter of SMEs, artisans and tradespeople.

In 2018, which marked its 80th anniversary, Halkbank continued to support and add value to the Turkish economy. Continuing to develop all of its products and services with an innovative vision, Halkbank outperformed the industry average and moved up to third place by size of total loans. Increasing total deposits by 28.8 percent and expanding its market share to 11.5 percent, Halkbank maintained a strong resource structure and further enhanced its balance sheet quality.

Halkbank General Manager Osman Arslan pointed out that Halkbank continued its strong support of the Turkish economy by delivering tailor-made solutions to its customers, and added:

“Halkbank’s top priority is to communicate with, listen to, and correctly identify the needs of our customers and offer them specific solutions. With a performance worthy of our 80th anniversary, Halkbank was once again one of the strongest supporters of Turkish tradespeople and SMEs in 2018. Our selfless efforts, supported by our strong financial position, contributed to market stability. Halkbank has the honor of providing quality service to our people, whose name we proudly carry in the title of our bank. The significant rise in our total loans and total deposits has once again shown that we are one of the main providers of liquidity to the Turkish economy.”

15.9% market share in SME loans

Mentioning that Halkbank is one of the first banks to come to mind when businesses need cash or non-cash loans, **Arslan** highlighted the increase in market share in SME cash loans to 15.9 percent and said the following:

“We are committed to the New Economy Program, which stipulates coordination between the public sector, the finance sector, and the real economy. CGF-secured loans, SME Relief Loans extended in cooperation with the Union of Chambers and Commodity Exchanges of Turkey, and the export mobilization protocol signed with the Turkish Exporters’ Assembly are practical examples of what we have achieved through cooperation within the industry. Just as in SME Relief Loans and CGF-secured loans, we will continue to be among the top providers of SME Value Loans, which are expected to benefit 40,000 businesses. We will also contribute substantially to market stability with Halk Support Loan, which we have developed to

restructure credit card debts. In addition, many of our products such as the Housing Campaign, the Zoning Peace and the Paid Military Service Loan actualized with the support of other public banks have made major contributions to the boom in the domestic market. In cash loans, our priority this year will once again be SMEs, and our support of the Turkish economy will carry our country even further.”

Halkbank supports artisans and tradespeople

Mentioning that Halkbank provides uninterrupted support to artisans and tradespeople in line with its founding mission, **Arslan** announced that they will make 22 billion Turkish lira in loans available to artisans in the New Year and said:

“There is a very strong bond between tradespeople and Halkbank. Our bank’s main goal is to turn tradespeople into small business owners and turn small business owners into owners of industrial enterprises. Between 2002 and 2018, we made 93.5 billion Turkish lira in loans available to 1.8 million tradespeople and prevented hundreds of thousands of businesses from experiencing cash flow problems. In the previous year, 218,000 tradespeople benefited from loans worth almost 19 billion Turkish lira. In 2019, we will make 22 billion Turkish lira in loans available to 350,000 artisans and tradespeople.”

Productive Turkey’s productive bank

Arslan pointed out that Halkbank is very much in the field during its 80th anniversary year and often meets with representatives of the real economy. He stated the following:

“In the previous year, we came together with the business world at various events across the country, primarily at the Productive Turkey Meetings. As part of our face-to-face banking approach, we conducted Shared Wisdom Meetings in Organized Industrial Zones with high export capacity. We conducted meetings to strengthen the dialogue with representatives of the real economy together with the Union of Chambers and Commodity Exchanges of Turkey and the Banks Association of Turkey. In these events, which guided us in our efforts of supporting the business world, we learned the opinions of industry representatives about what we can do to develop the Turkish industry. We spent 2018 out in the field and contacted more than 5,000 tradespeople, SMEs and industrialists who share our goals. As Productive Turkey’s productive bank, we will spend 2019 out in the field as well. We have started the Productive Turkey Meetings in Eskişehir and Gaziantep. We will come together with industrialists, SMEs and tradespeople in at least six more provinces by the end of the first quarter.”

HALKBANK'S YEAR-END FINANCIAL RESULTS FOR FISCAL YEAR 2018

Million TRY

	2017	2018	YoY Change	YoY Change (%)
Cash Loans	202,137	250,546	48,409	23.9
Commercial Loans	160,934	205,842	44,908	27.9
Retail Loans	41,203	44,704	3,501	8.5
Non-Cash Loans	58,535	83,040	24,505	41.9
Total Loans	260,672	333,586	72,914	28.0
Cash Loans Market Share	9.5%	10.3%	80 bp	
Securities	48,903	74,557	25,654	52.5
Deposits	193,227	248,855	55,628	28.8
Shareholders' Equity	25,377	29,021	3,644	14.4
Total Assets	305,351	378,422	73,071	23.9

Accruals included

	2017	2018	YoY Change	YoY Change (%)
Net Profit	3,725	2,522	-1,204	-32.3