

Kuveyt Turk Katilim Bankasi A.S

Full Rating Report

Ratings

Foreign Currency

Long-Term IDR	B+
Short-Term IDR	B

Local Currency

Long-Term IDR	BB-
Short-Term IDR	B

National

National Long-Term Rating	AA(tur)
Support Rating	4

Viability Rating	b+
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Sovereign Risk

Long-Term Foreign-Currency IDR	BB-
Long-Term Local-Currency IDR	BB-

Outlooks

Long-Term Foreign-Currency Rating	Negative
Long-Term Local-Currency Rating	Negative
Sovereign Long-Term Foreign-Currency IDR	Negative
National Long-Term Rating	Stable

Financial Data

Kuveyt Turk Katilim Bankasi A.S

	30 Jun 19	31 Dec 18
Total assets (USDm)	15,467	14,191
Total assets (TRYm)	89,096	75,013
Total equity (TRYm)	5,962	5,420
Net income (TRYm)	551	811
Gross financing growth (%)	11.5	24.3
Impaired financing/gross financing (%)	3.4	2.4
Operating profit/RWA (%)	2.8	2.5
Fitch Core Capital/weighted risks (%)	11.5	12.2
Financing/customer deposits (%)	76.6	88.8

Source: Fitch Ratings, Fitch Solutions

Related Research

[Fitch Affirms 3 Turkish Participation Banks \(October 2019\)](#)

[Fitch Downgrades 14 Turkish Banks; Outlook Negative \(July 2019\)](#)

[Fitch Downgrades Turkey to 'BB-'; Outlook Negative \(July 2019\)](#)

[Turkish Banks' Capital Adequacy Stress Test \(March 2019\)](#)

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Key Rating Drivers

Standalone Strength Drives Ratings: Kuveyt Turk Katilim Bankasi A.S's Long-Term Foreign-Currency (LTFC) Issuer Default Rating (IDR) reflects its exposure to the high-risk and volatile Turkish operating environment. This heightens risks to performance, asset quality, capitalisation, funding and liquidity. The rating also reflects the bank's limited franchise, although it is ranked first in the participation banking segment in Turkey, and high-risk appetite, balanced by its record of reasonable financial metrics.

Support, Intervention Risk: The LTFC IDR is underpinned by support from the bank's 62% shareholder, Kuwait Finance House (KFH, A/Stable). This reflects its strategic importance to and integration with KFH. The LTFC IDR is capped one notch below Turkey's as Fitch Ratings views intervention risk that would prevent the bank from servicing FC obligations to be higher than that of a sovereign default. The LTLC IDR is driven by support and is one notch above its LTFC IDR, reflecting lower government intervention risk in local currency.

Negative Outlooks: The Negative Outlooks reflect potential operating environment deterioration that could increase pressure on financial metrics but also the sovereign Outlook and the potential for increased intervention risk given pressure on Turkey's external finances.

Deterioration in Asset Quality: Kuveyt Turk has historically reported above-sector-average asset quality but ratios have deteriorated due to weaker growth, lira depreciation and high (now falling) lira interest rates. The shares of non-performing financing (NPF) and Stage 2 financing rose to 3.4% and 8.0% at end-1H19, respectively. Total reserves coverage of NPFs was 152% and reserves coverage of Stage 2 financing was about 24%. High SME exposure (20% of gross financing), construction lending (10%) and FC lending are additional sources of risk.

Adequate Capitalisation: The bank's Fitch Core Capital (FCC) ratio (end-1H19: 11.5%) has come under pressure from lira depreciation, which inflates FC risk-weighted assets (RWAs), and asset-quality weakening. The total capital ratio (16.3%) is underpinned by FC subordinated debt, which provides a partial hedge against lira depreciation. As an Islamic bank, it benefits from a preferential risk weighting of 50% on assets financed by profit share accounts, giving about 200bp uplift to its total capital ratio (end-1H19). Its strategy is to fund growth organically.

Moderate Wholesale Funding: Kuveyt Turk is mainly deposit-funded (88% of total funding at end-1H19). Wholesale funding (82% in FC) is moderate (12% of total funding; 11% net of parent funding). The bank typically has sufficient FC liquidity to cover maturing external funding due within a year and potential liquidity support from KFH provides additional comfort. The bank's end-1H19 liquidity coverage ratio was 311%.

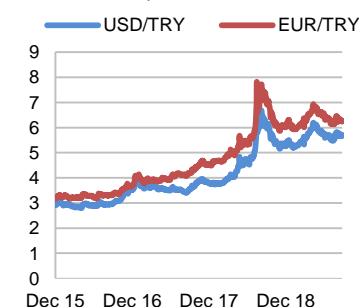
Rating Sensitivities

Operating Environment: A Viability Rating (VR) downgrade could result from a marked deterioration in the operating environment or weakening in the bank's capitalisation, asset quality or FC liquidity position, if not offset by shareholder support. It could also result from deposit instability that leads to pressure on the bank's liquidity and funding profiles.

Support; Country Risks: A VR downgrade would only result in negative action on the LTFC IDR if, at the same time, Fitch believes that KFH's ability or propensity to provide support has reduced. The Long-Term IDRs could be downgraded if Turkey is downgraded or Fitch believes the risk of government intervention in the banking sector has increased materially.

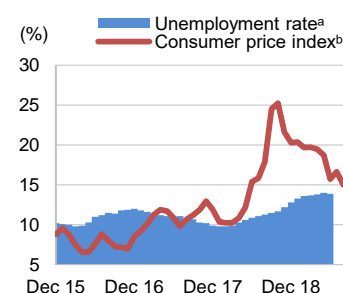
Exchange Rates

Dec 2015 - September 2019



Source: Fitch Ratings, Bloomberg

Operating Environment

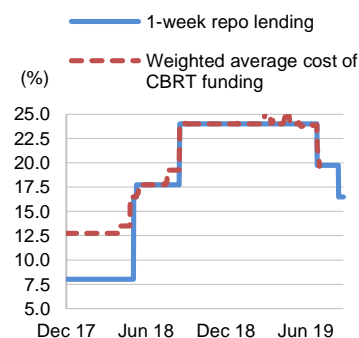


^a Seasonally adjusted

^b Annual rate of change (2003 = 100)

Source: Fitch Ratings, Turkstat

CBRT Rates



Source: Fitch Ratings, CBRT

Related Criteria

[Bank Rating Criteria \(October 2018\)](#)

[Short-Term Ratings Criteria \(May 2019\)](#)

Operating Environment

Turkey's sovereign rating of 'BB-/Negative' reflects weak external finances, manifest in a large external financing requirement, low foreign reserves and high net external debt. It also reflects high inflation, a record of economic volatility, and political and geopolitical risks. The rating is supported by Turkey's large and diversified economy with a vibrant private sector.

Challenging operating conditions continue to put pressure on the banking sector, with the economy adjusting to a sharp depreciation of the lira in 2018 (about 28% against the US dollar-euro basket rate). The authorities responded to market volatility by raising significantly weighted average funding rates by 11pp to 24% over the course of the year. However, since July 2019 the CBRT has cut its main policy (one-week repo auction) rate by 10pp (425bp in July, 325bp in September and 250bp in October), to 14%. The rate of unemployment has risen rapidly. The inflation rate has decreased from its peak but remains elevated, at 15.0% in August 2019.

Fitch forecasts GDP to contract by 0.3% in 2019, with growth reviving in 2020 (3.1%), as weaker investment sentiment offsets the more expansionary monetary policy this year.

In our view, monetary policy credibility is weak and potential mis-steps are a downside risk to the economic adjustment path in an environment where checks and balances have been eroded. A change in the trade-off between growth and inflation leading to cuts in interest rates that go beyond market expectations brings the risk of currency depreciation, which could add to stresses on corporate and bank balance sheets.

Participation banks accounted for 5.7% of banking sector assets, 4.9% of loans and 7.6% of deposits at end-1H19. The medium-term growth outlook for Islamic banking remains reasonable given its strategic importance to the Turkish authorities, its low base, the entrance of new state-owned participation banks to the market and the establishment of a centralised sharia board (aimed at facilitating product growth).

Company Profile

Kuveyt Turk is the largest participation Islamic bank in Turkey in terms of funds collected, funds extended and asset size. The bank was founded in 1989 and offers sharia-compliant Islamic financial products. It operates with 423 branches and 5,988 personnel (end-1H19). It has an off-shore branch in Bahrain along with a subsidiary in Germany (KT Bank AG), which comprises 4% of total assets.

Kuveyt Turk is majority-owned (62%) by Kuwaiti Finance House (KFH), the second largest bank in Kuwait with operations in six countries. Its second-largest shareholder (19%) is the General Directorate for Foundations, an arm of the Turkish government that is also majority owner of Türkiye Vakıflar Bankası T.A.O. (B+/Negative), a systemically important state-owned Turkish bank, and Vakıf Katılım Bankası A.S. (B+/Negative), a state-owned Turkish Islamic bank. The Islamic Development Bank (IDB: AAA/Stable) and the Public Institution for Social Security, a Kuwaiti pension and social security vehicle, each own a further 9% in Kuveyt Turk. The remaining 1% of shares is widely held.

Limited Franchise

Kuveyt Turk ranks first among Turkish participation banks (36% market share in terms of asset size) but its shares of banking sector assets and loans were a low 2.1% (ranked 12th) and 2.0%, respectively, at end-1H19.

At end-1H19, its total financing was split 66%/20%/14% between corporate and commercial, SME and retail customers. Kuveyt Turk is mainly deposit-funded. It relies on net finance income, as does the sector, and fee income is limited.

Management and Strategy

Stable Management

Management has a good degree of depth, stability and experience. KFH appoints five of the bank's supervisory board's nine members including Kuveyt Turk's chief executive. The remaining board members are appointed by the Turkish General Directorate for Foundations (two), the Islamic Development Bank (one) and the Kuwaiti Public Institution for Social Security (one).

Growth Strategy: Target Top 10 among Turkish Banks

The bank has reduced its growth, which has outpaced the sector since 2017, due to operating environment pressures, although its growth has remained above sector average. Kuveyt Turk posted 9% financing growth in foreign exchange (FX)-adjusted terms in 2018 (sector: 2%) and 7% in 1H19 (sector: 2%). It targets a further 10% increase in 2H19. The bank recorded about 10% growth in TL financing (sector: 5%) and 5% in FC (FX-adjusted terms; sector: -1%) in 1H19.

The bank's record of strategy execution has been in line with its stated goals in terms of gaining market share, return on equity (ROE) (14%-15% range) and asset-quality performance. NPFs amounted to a below sector average 3.4% at end-1H19, although asset-quality risks remain high, and ROE rose to 19.6% in 1H19 (sector average: 11.7%). The bank's capital adequacy ratios are above regulatory minimums. Refinancing risk can be considered lower than at many Turkish banks given Kuveyt Turk's moderate FC wholesale funding.

Risk Appetite

High Risk Appetite; Collateral Cover

Kuveyt Turk's operations are centralised. Authority for extending new loans is delegated across different levels within the bank, which depend on factors such as internal ratings, financing amount and collateralisation.

In line with Islamic banking practices, exposures are generally collateralised. The retail portfolio consists primarily (79%) of housing loans (lira-denominated, fixed rate) and to a smaller extent car loans. SME exposures are generally backed by mortgage collateral.

Credit risk is heightened by the bank's rapid growth, high construction and real estate lending (10% of total financing) and high FC financing (45%), given that not all customers are likely to be fully hedged. It continued to grow FC financing in 1H19, despite exchange-rate volatility.

However, single-name sectoral concentrations in the financing book are moderate. Financings are also largely monthly amortising, which helps with the timely detection of asset-quality problems. Average maturity of the financing portfolio was around 18-20 months at end-1H19. Project finance (8.5% of financing) has an average tenor of 8-to-10 years.

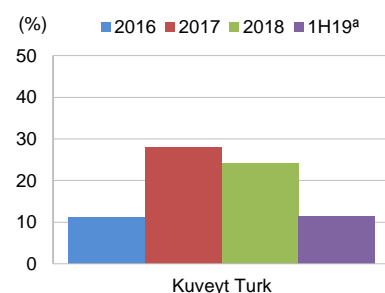
Market Risk

Kuveyt Turk is exposed to profit-sharing risk (interest-rate risk) as its liabilities reprice faster than its assets. This risk is mitigated by its high share (end-1H19: 90%) of monthly amortising financing, which limits the duration gap between assets and liabilities and facilitates repricing. Profit-sharing risk relative to equity was equal to a low +0.5%/-1.3% of equity at end-2018. This is based on the regulatory shock of a +500bp/-400bp change in lira rates and a +/-200bp change in FC rates. The bank's policy is to match assets and liabilities by tenor.

Structural FC risk is moderate, reflecting the bank's policy to match assets and liabilities by currency and hedge its position. At end-1H19, it maintained a small short open FC position equal to 0.4% of equity. At end-1H19, the bank calculated that a 10% increase/decrease in US dollar/lira would have resulted in a -0.1%/+0.1% change to equity.

Credit risk in the securities book (end-1H19: equal to 18% of total assets) is moderate, reflecting largely Turkish government sukuk exposure. The bank is exposed to mark-to-market losses

Gross Loan Growth FX Adj.



^a Not annualized
Source: Fitch Ratings, Fitch Solutions

through equity as securities are mainly held in the Fair Value through Other Comprehensive Income portfolio. Interbank exposures are primarily to the Central Bank of Turkey.

Financial Profile

Asset Quality

Key Asset-Quality Ratios

(%)	1H19	2018	2017	2016
Growth of gross financing	11.5	24.3	27.9	11.1
Impaired financing/gross financing	3.4	2.4	1.8	2.4
Financing loss allowances/impaired financing	151.8	163.7	93.4	78.3
Impaired financing less financing loss allowances/Fitch Core Capital	-16.9	-14.5	1.1	4.2
Financing impairment charges/average gross financing	3.4	3.1	1.8	1.3

Source: Fitch Ratings, Fitch Solutions

Kuveyt Turk has historically reported better asset-quality ratios than sector average, although partly flattered by growth. The NPF ratio deteriorated to 3.4% at end-1H19 (end-2018: 2.4%) due to higher inflows, reflecting the weaker growth outlook, the lira depreciation as well as problematic SME and construction exposures. Its NPF origination rate almost doubled to 4.2% in 1H19 (2018: 2.1%).

Stage 2 financing amounted to 9.7% at end-1H19, slightly below sector average, of which 36% was restructured and 35% overdue by 30 days. Reserves coverage was higher than at most Turkish banks with NPFs 76% covered by specific reserves and total NPF reserves coverage of 152% (sector: 107%).

Financing is mainly to non-retail borrowers with high exposure to the commercial and SME segments (1H19: 48% and 20% of total financing, respectively), which are among the most sensitive to the weaker growth outlook. Corporate segment financing comprised 18% of total financing. The financing book is reasonably diversified by borrower. At end-1H19, the top 25 cash exposures were equal to about 9% of customer loans (84% of FCC) and the 10 largest off-balance-sheet exposures to 26% of FCC.

Exposure to the risky construction and real estate sectors was 13% at end-1H19. Stage 2 and NPF ratios in these portfolios (32% and 25%, respectively) were higher than in the rest of the portfolio.

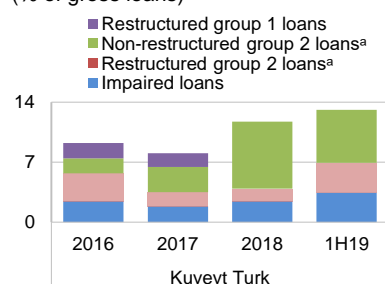
Project Finance

Project finance comprised 8.5% of financing at end-1H19. Exposures are typically long-term and in FC, heightening the credit risk given the lira depreciation and the fact not all exposures will be fully hedged. However, the slowly amortising nature of the portfolio means that asset quality problems are likely to feed through only gradually; there were zero NPFs in this portfolio at end-1H19 and 7% was in Stage 2.

The portfolio largely relates to small-ticket, energy-sector projects, 79% of which relates to renewable energy projects that largely benefit from a floor price set in US dollar guaranteed by the government, mitigating the credit risk. The remainder relates, among others, to construction and real estate, a sector that has suffered from a sharp decline in real estate prices. The bank has one large government-guaranteed infrastructure project finance exposure.

Securities, largely comprising FC government sukuk, made up 18% of total assets at end-1H19, a sharp increase compared with year-end (2018: 8%). This reflected FC deposit growth, in keeping with the sector trend of deposit dollarisation in 1H19.

Asset Quality (% of gross loans)



^a Stage 2 loans from 1Q18 onwards
Source: Fitch Ratings, BRSA, bank publications

Earnings and Profitability

Key Earnings and Profitability Ratios

(%)	1H19	2018	2017	2016
Net financing income/average earning assets	5.0	5.7	5.0	4.8
Non-financing expense/gross revenues	37.8	38.9	46.8	49.9
Financing and securities impairment charges/pre-impairment operating profit	56.9	58.5	47.4	38.0
Operating profit/average total assets	1.7	1.6	1.5	1.6
Operating profit/risk-weighted assets	2.8	2.5	2.3	2.3
Net income/average equity	19.6	16.0	14.6	15.5

Source: Fitch Ratings, Fitch Solutions

The bank has consistently reported above-sector-average ROE, albeit its leverage is high. This reflects its rapid growth, high share of zero-cost demand deposit and gold accounts (1H19: equal to about half of customer deposits), as well as swap-related trading gains (2018/1H19) where it was long TL, short FC. Its cost/income ratio was 38% in 1H19, in line with the sector average despite its fairly small size. The bank outperformed the sector in terms of its operating profit to RWAs ratio in 1H19 (2.8%; sector: 1.8%).

Revenue is highly reliant on net financing income (1H19: 66% of operating income). Fee income is limited (9%). Kuveyt Turk has an above-sector average net financing margin reflecting its large share of zero-cost deposits, which results in it reporting one of the lowest cost of deposits among Turkish banks (1H19: financing expense on customer deposits/average customer deposits was 4.8%). It saw a contraction in its net financing margin in 1H19, however, due to lower securities yields.

The bank's performance is likely to come under pressure due to margin tightening in the lower interest-rate environment and likely asset-quality weakening as financings season, although it is forecasting 16% ROE in the medium term.

Impairments are significant and absorbed a high 57%-59% of pre-impairment profit in 1H19/2018, while the cost of risk rose to a high 3.4% in 1H19 from 3.1% in 2018 and 1.8% in 2017.

Capitalisation and Leverage

Key Capitalisation and Leverage Ratios

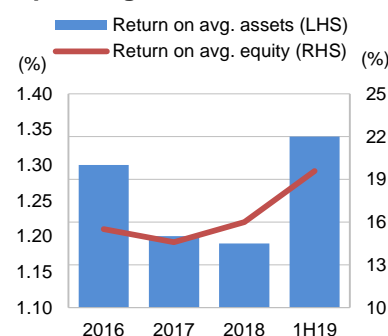
	1H19	2018	2017	2016
Fitch Core Capital/weighted risk	11.5	12.2	13.2	12.3
Tangible common equity/tangible assets	6.5	7.0	7.7	8.0
Core Tier 1 regulatory capital ratio	11.4	12.0	13.2	12.3

Source: Fitch Ratings, Fitch Solutions

As an Islamic bank, Kuveyt Turk is able to offset a portion of RWAs (loans financed directly by profit share accounts) on the basis of the "profit-sharing" concept for the purposes of its regulatory capital adequacy calculations. This reduces the risk-weighting on such assets by 50% and gives uplift to its capital ratios compared with conventional banks. At end-1H19, it resulted in about 200bp uplift to Kuveyt Turk's total capital adequacy ratio. This explains the bank's lower RWA density and higher leverage (1H19: equity/total assets: 6.7%) compared with conventional banks.

The bank's FCC ratio is only moderate and declined slightly to 11.5% at end-1H19 (2018: 12.2%), mainly reflecting the lira depreciation (which inflates FC RWAs), growth in total assets and, to a lesser extent, negative valuations of bonds in the Fair Value through Other Comprehensive Income portfolio in the higher interest-rate environment. The bank's total capital adequacy ratio also weakened (end-1H19: 16.3%; end-2018: 17.2%) but remained comfortably above the regulatory recommended minimum of 12%. NPFs are fully reserved, while pre-impairment profit (equal to 6.2% of gross loans (annualised) in 1H19) provides a solid buffer to absorb losses through the income statement.

Operating Performance



Source: Fitch Ratings, Fitch Solutions

Kuwait Finance House injected USD200 million into Kuveyt Turk in July 2019 in the form of additional Tier 1 capital. The bank's capital adequacy ratio is also supported by USD350 million of FC subordinated debt (from the market). Both instruments provide a partial hedge against lira depreciation.

The bank's strategy is to fund growth organically. Capital ratios remain sensitive to potential further lira depreciation and asset-quality deterioration.

Funding and Liquidity

Key Funding and Liquidity Ratios

(%)	1H19	2018	2017	2016
Financing/customer deposits	76.6	88.8	98.0	96.4
Interbank assets/interbank liabilities	1,670.8	2,154.8	3,420.7	4,250.0
Customer deposits/total funding (excluding derivatives)	88.0	82.1	78.1	73.8

Source: Fitch Ratings, Fitch Solutions

The bank's strategy is to be mainly deposit-funded. Deposits (excluding derivatives) comprised 88% of total funding at end-1H19 (2018: 82%) and were mainly made up of largely contractually short-term retail deposits, resulting in a granular deposit base. The bank's aim is to fund further financing growth with deposits. Its financing/deposits ratio was just 77% at end-1H19, significantly below the sector average (117%).

As an Islamic bank, deposit returns are linked to asset performance. This means it is unable to reprice deposits as quickly as conventional banks. However, it benefits from a high share of zero-cost demand and gold deposits. The launch of wakalah deposit funding in Turkey increases Islamic banks' ability to compete on pricing, although the bank is not currently offering this product.

FC deposits comprised a high 65% of customer deposits at end-1H19. Total deposits grew by 23% in FX-adjusted terms in 1H19, mainly driven by FC deposits (30% growth in FX-adjusted terms), as was the case for the sector.

Wholesale funding is moderate. It amounted to 12% of total funding at end-1H19 (2018: 18%) and was 82% in FC. Parent funding, including deposits and loans, is limited (1% of total funding).

The bank reported strong liquidity coverage ratios at end-1H19 (total liquidity coverage ratio: 311%; FC liquidity coverage ratio: 350%). The largely monthly amortising nature of financing supports the bank's liquidity. FC liquid assets - mainly comprising FC reserves under the reserve option mechanism, cash and FX swaps - typically cover FC wholesale funding falling due within 12 months. However, FC liquidity could come under pressure if there is prolonged market closure, although the presence of KFH provides some comfort in this respect.

Kuveyt Turk Katilim Bankasi A.S Income Statement

	30 Jun 2019			31 Dec 2018		31 Dec 2017		31 Dec 2016	
	6 Months - Interim USDm Reviewed - Unqualified	6 Months - Interim TRYth Reviewed - Unqualified	As % of Earning Assets	Year End TRYth Audited - Unqualified	As % of Earning Assets	Year End TRYth Audited - Unqualified	As % of Earning Assets	Year End TRYth Audited - Unqualified	As % of Earning Assets
1. Financing Income	549.5	3,165,481.0	8.69	5,320,728.0	8.82	3,483,593.0	7.44	2,861,611.0	7.35
2. Other Financing Income	94.4	543,754.0	1.49	722,437.0	1.20	383,745.0	0.82	279,501.0	0.72
3. Dividend Income	3.4	19,584.0	0.05	1,273.0	0.00	0.0	0.00	509.0	0.00
4. Gross Financing and Dividend Income	647.3	3,728,819.0	10.23	6,044,438.0	10.02	3,867,338.0	8.26	3,141,621.0	8.07
5. Financing Expense on Customer Deposits	263.9	1,520,262.0	4.17	1,999,488.0	3.31	1,170,351.0	2.50	913,453.0	2.35
6. Other Financing Expense	90.1	519,188.0	1.42	858,221.0	1.42	546,649.0	1.17	530,445.0	1.36
7. Total Financing Expense	354.1	2,039,450.0	5.60	2,857,709.0	4.74	1,717,000.0	3.67	1,443,898.0	3.71
8. Net Financing Income	293.3	1,689,369.0	4.64	3,186,729.0	5.28	2,150,338.0	4.59	1,697,723.0	4.36
9. Net Fees and Commissions	41.8	240,721.0	0.66	367,871.0	0.61	250,785.0	0.54	154,660.0	0.40
10. Net Gains (Losses) on Trading and Islamic Derivatives	105.2	606,180.0	1.66	539,144.0	0.89	288,332.0	0.62	330,734.0	0.85
11. Net Gains (Losses) on Assets at FV through Income Statement	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
12. Net Gains (Losses) on Other Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
13. Net Insurance/Takaful Income	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
14. Other Operating Income	7.3	42,125.0	0.12	46,873.0	0.08	44,987.0	0.10	98,573.0	0.25
15. Total Non-Financing Operating Income	154.3	889,026.0	2.44	953,888.0	1.58	584,104.0	1.25	583,967.0	1.50
16. Total Operating Income	447.6	2,578,395.0	7.08	4,140,617.0	6.86	2,734,442.0	5.84	2,281,690.0	5.86
17. Personnel Expenses	96.1	553,401.0	1.52	842,182.0	1.40	709,584.0	1.51	627,483.0	1.61
18. Other Operating Expenses	72.9	420,173.0	1.15	766,241.0	1.27	571,329.0	1.22	509,961.0	1.31
19. Total Non-Funding Expenses	169.0	973,574.0	2.67	1,608,423.0	2.67	1,280,913.0	2.73	1,137,444.0	2.92
20. Equity-accounted Profit/ Loss - Operating	1.3	7,364.0	0.02	7,715.0	0.01	4,104.0	0.01	2,423.0	0.01
21. Pre-impairment Operating Profit	279.9	1,612,185.0	4.42	2,539,909.0	4.21	1,457,633.0	3.11	1,146,669.0	2.95
22. Financing Impairment Charge	152.9	880,850.0	2.42	1,455,914.0	2.41	637,873.0	1.36	385,012.0	0.99
23. Securities and Other Credit Impairment Charges	6.3	36,438.0	0.10	29,589.0	0.05	52,779.0	0.11	50,100.0	0.13
24. Operating Profit	120.6	694,897.0	1.91	1,054,406.0	1.75	766,981.0	1.64	711,557.0	1.83
25. Equity-accounted Profit/ Loss - Non-operating	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
26. Goodwill Impairment	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
27. Non-recurring Income	n.a.	n.a.	-	0.0	0.00	45,977.0	0.10	0.0	0.00
28. Non-recurring Expense	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
29. Change in Fair Value of Own Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
30. Other Non-operating Income and Expenses	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
31. Pre-tax Profit	120.6	694,897.0	1.91	1,054,406.0	1.75	812,958.0	1.74	711,557.0	1.83
32. Tax expense	25.0	144,048.0	0.40	243,699.0	0.40	183,251.0	0.39	132,481.0	0.34
33. Profit/Loss from Discontinued Operations	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
34. Net Income	95.6	550,849.0	1.51	810,707.0	1.34	629,707.0	1.34	579,076.0	1.49
35. Change in Value of AFS Investments	4.7	26,977.0	0.07	(142,495.0)	(0.24)	30,871.0	0.07	(50,843.0)	(0.13)
36. Revaluation of Fixed Assets	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
37. Currency Translation Differences	7.4	42,534.0	0.12	89,577.0	0.15	14,106.0	0.03	57,726.0	0.15
38. Remaining OCI Gains/(losses)	(10.4)	(59,892.0)	(0.16)	21,533.0	0.04	(48,451.0)	(0.10)	(27,821.0)	(0.07)
39. Fitch Comprehensive Income	97.3	560,468.0	1.54	779,322.0	1.29	626,233.0	1.34	558,138.0	1.43
40. Memo: Profit Allocation to Non-controlling Interests	0.1	304.0	0.00	1,164.0	0.00	852.0	0.00	7,735.0	0.02
41. Memo: Net Income after Allocation to Non-controlling Interests	95.6	550,545.0	1.51	809,543.0	1.34	628,855.0	1.34	571,341.0	1.47
42. Memo: Common Dividends Relating to the Period	n.a.	n.a.	-	0.0	0.00	4,291.0	0.01	n.a.	-
43. Memo: Preferred Dividends Related to the Period	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-

Exchange rate

USD1 = TRY5.76025

USD1 = TRY5.2858

USD1 = TRY3.7753

USD1 = TRY3.5224

Kuveyt Turk Katilim Bankasi A.S

Balance Sheet

	30 Jun 2019		31 Dec 2018		31 Dec 2017		31 Dec 2016		
	6 Months - Interim USDm	6 Months - Interim TRYth	As % of Assets	Year End TRYth	As % of Assets	Year End TRYth	As % of Assets	Year End TRYth	As % of Assets
Assets									
A. Financing									
1. Residential Mortgage Financing	1,022.6	5,890,367.0	6.61	5,920,797.0	7.89	6,016,666.0	10.45	4,944,365.0	10.15
2. Other Mortgage Financing	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Other Consumer/ Retail Financing	268.1	1,544,082.0	1.73	1,267,070.0	1.69	1,102,313.0	1.91	782,999.0	1.61
4. Corporate & Commercial Financing	7,400.5	42,628,444.0	47.85	38,085,344.0	50.77	29,439,229.0	51.14	22,745,224.0	46.68
5. Other Financing	773.0	4,452,934.0	5.00	3,636,539.0	4.85	2,795,790.0	4.86	2,293,157.0	4.71
6. Less: Financing Loss Allowances	494.0	2,845,612.0	3.19	1,941,607.0	2.59	667,768.0	1.16	586,519.0	1.20
7. Net Financing	8,970.1	51,670,215.0	57.99	46,968,143.0	62.61	38,668,230.0	67.20	30,179,226.0	61.94
8. Gross Financing	9,464.1	54,515,827.0	61.19	48,909,750.0	65.20	39,353,998.0	68.36	30,765,745.0	63.14
9. Memo: Impaired Financing included above	325.5	1,875,187.0	2.10	1,185,840.0	1.58	715,060.0	1.24	748,614.0	1.54
10. Memo : Specific Financing Loss Allowances	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
B. Other Earning Assets									
1. Financing and Advances to Banks	904.4	5,209,686.0	5.85	6,896,927.0	9.19	3,572,074.0	6.21	4,780,380.0	9.81
2. Reverse Repos and Cash Collateral	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Islamic Derivatives	14.8	85,429.0	0.10	42,011.0	0.06	26,699.0	0.05	110,050.0	0.23
4. Trading Securities and at FV through Income	430.4	2,478,998.0	2.78	103,094.0	0.14	61,535.0	0.11	51,669.0	0.11
5. Available for Sale Securities	1,956.3	11,268,940.0	12.65	6,204,420.0	8.27	4,423,730.0	7.68	3,752,727.0	7.70
6. Held to Maturity Securities	463.4	2,669,095.0	3.00	37,156.0	0.05	0.0	0.00	0.0	0.00
7. Other Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
8. Total Securities	2,850.1	16,417,033.0	18.43	6,344,670.0	8.46	4,485,265.0	7.79	3,804,396.0	7.81
9. Memo: Government Securities included Above	2,763.6	15,919,253.0	17.87	5,937,193.0	7.91	4,139,767.0	7.19	3,368,940.0	6.91
10. Memo: Total Securities Pledged	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
11. Equity Investments in Associates	12.4	71,598.0	0.08	52,200.0	0.07	43,085.0	0.07	38,981.0	0.08
12. Investments in Property	5.1	29,592.0	0.03	29,671.0	0.04	25,419.0	0.04	0.0	0.00
13. Insurance/Takful Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
14. Other Earning Assets	0.0	0.0	0.00	0.0	0.00	n.a.	-	0.0	0.00
15. Total Earning Assets	12,757.0	73,483,553.0	82.48	60,333,622.0	80.43	46,838,772.0	81.37	38,913,033.0	79.86
C. Non-Earning Assets									
1. Cash and Due From Banks	2,173.5	12,520,188.0	14.05	10,611,921.0	14.15	9,024,719.0	15.68	8,325,814.0	17.09
2. Memo: Mandatory Reserves included above	1,551.6	8,937,482.0	10.03	6,962,019.0	9.28	6,469,624.0	11.24	5,678,250.0	11.65
3. Foreclosed Real Estate	75.9	437,354.0	0.49	270,382.0	0.36	117,006.0	0.20	47,975.0	0.10
4. Fixed Assets	128.6	740,742.0	0.83	457,187.0	0.61	416,049.0	0.72	445,172.0	0.91
5. Goodwill	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
6. Other Intangibles	35.5	204,715.0	0.23	200,765.0	0.27	168,965.0	0.29	140,466.0	0.29
7. Current Tax Assets	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
8. Deferred Tax Assets	71.3	410,878.0	0.46	380,683.0	0.51	138,710.0	0.24	118,111.0	0.24
9. Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Other Assets	225.4	1,298,491.0	1.46	2,758,426.0	3.68	860,481.0	1.49	735,464.0	1.51
11. Total Assets	15,467.4	89,095,921.0	100.00	75,012,986.0	100.00	57,564,702.0	100.00	48,726,035.0	100.00
Liabilities and Equity									
D. Remunerative Liabilities									
1. Total Customer Deposits	12,363.7	71,218,095.0	79.93	55,097,948.0	73.45	40,150,538.0	69.75	31,900,498.0	65.47
2. Deposits from Banks	54.1	311,804.0	0.35	320,073.0	0.43	104,425.0	0.18	112,480.0	0.23
3. Repos and Cash Collateral	n.a.	n.a.	-	n.a.	-	750,524.0	1.30	1,219,873.0	2.50
4. Commercial Paper and Short-term Borrowings	564.2	3,249,823.0	3.65	5,939,040.0	7.92	1,171,945.0	2.04	3,696,910.0	7.59
5. Customer Deposits and Short-term Funding	12,982.0	74,779,722.0	83.93	61,357,061.0	81.80	42,177,432.0	73.27	36,929,761.0	75.79
6. Senior Unsecured Securities	705.5	4,063,685.0	4.56	3,849,126.0	5.13	7,867,023.0	13.67	4,333,245.0	8.89
7. Subordinated Borrowings	359.8	2,072,793.0	2.33	1,901,210.0	2.53	1,360,338.0	2.36	1,981,646.0	4.07
8. Covered Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
9. Other Long-term Funding	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Total LT Funding	1,065.3	6,136,478.0	6.89	5,750,336.0	7.67	9,227,361.0	16.03	6,314,891.0	12.96
11. Memo: o/w matures in less than 1 year	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
12. Trading Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
13. Total Funding	14,047.3	80,916,200.0	90.82	67,107,397.0	89.46	51,404,793.0	89.30	43,244,652.0	88.75
14. Islamic Derivatives	37.3	214,917.0	0.24	170,163.0	0.23	151,492.0	0.26	257,556.0	0.53
15. Total Funding and Islamic Derivatives	14,084.7	81,131,117.0	91.06	67,277,560.0	89.69	51,556,285.0	89.56	43,502,208.0	89.28
E. Non-Commission Bearing Liabilities									
1. Fair Value Portion of Funding	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Credit Impairment Reserves	0.0	0.0	0.00	0.0	0.00	407,954.0	0.71	318,825.0	0.65
3. Reserves for Pensions and Other	139.7	804,538.0	0.90	800,522.0	1.07	387,466.0	0.67	264,179.0	0.54
4. Current Tax Liabilities	23.3	133,974.0	0.15	177,652.0	0.24	56,259.0	0.10	27,842.0	0.06
5. Deferred Tax Liabilities	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
6. Other Deferred Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
8. Insurance/Takful Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
9. Other Liabilities	184.8	1,064,535.0	1.19	1,337,718.0	1.78	545,923.0	0.95	609,161.0	1.25
10. Total Liabilities	14,432.4	83,134,164.0	93.31	69,593,452.0	92.78	52,953,887.0	91.99	44,722,215.0	91.78
F. Hybrid Capital									
1. Pref. Shares and Hybrid Capital accounted for as Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Pref. Shares and Hybrid Capital accounted for as Equity	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
G. Equity									
1. Common Equity	1,030.6	5,936,341.0	6.66	5,427,152.0	7.23	4,659,110.0	8.09	4,089,943.0	8.39
2. Non-controlling Interest	4.4	25,416.0	0.03	25,112.0	0.03	23,054.0	0.04	19,993.0	0.04
3. Securities Revaluation Reserves	n.a.	n.a.	-	(117,150.0)	(0.16)	(10,583.0)	(0.02)	(35,280.0)	(0.07)
4. Foreign Exchange Revaluation Reserves	n.a.	n.a.	-	173,232.0	0.23	n.a.	-	n.a.	-
5. Fixed Asset Revaluations and Other Accumulated OCI	n.a.	n.a.	-	(88,812.0)	(0.12)	(60,766.0)	(0.11)	(70,836.0)	(0.15)
6. Total Equity	1,035.0	5,961,757.0	6.69	5,419,534.0	7.22	4,610,815.0	8.01	4,003,820.0	8.22
7. Memo: Equity plus Pref. Shares and Hybrid Capital accounted for as E	1,035.0	5,961,757.0	6.69	5,419,534.0	7.22	4,610,815.0	8.01	4,003,820.0	8.22
8. Total Liabilities and Equity	15,467.4	89,095,921.0	100.00	75,012,986.0	100.00	57,564,702.0	100.00	48,726,035.0	100.00
9. Memo: Fitch Core Capital	999.4	5,757,042.0	6.46	5,218,769.0	6.96	4,441,850.0	7.72	3,863,354.0	7.93

Exchange rate

USD1 = TRY5.76025

USD1 = TRY5.2858

USD1 = TRY3.7753

USD1 = TRY3.5224

Kuveyt Turk Katilim Bankasi A.S

Summary Analytics

	30 Jun 2019 6 Months - Interim	31 Dec 2018 Year End	31 Dec 2017 Year End	31 Dec 2016 Year End
I. Financing Ratios				
1. Financing Income/ Average Earning Assets	11.04	10.83	9.04	8.88
2. Financing Income on Financing/ Average Gross Financing	12.30	11.32	9.89	9.76
3. Financing Expense on Customer Deposits/ Average Customer Deposits	4.82	4.11	3.24	3.14
4. Financing Expense/ Average Income-bearing Liabilities	5.47	4.67	3.66	3.66
5. Net Financing Income/ Average Earning Assets	5.00	5.71	5.03	4.80
6. Net Financing Income Less Fin. Impairment Charges/ Av. Earning Assets	2.39	3.10	3.53	3.71
7. Net Financing Income Less Preferred Stock Dividend/ Average Earning As:	5.00	5.71	5.03	4.80
II. Other Operating Profitability Ratios				
1. Operating Profit / Risk Weighted Assets	2.80	2.46	2.28	2.26
2. Non-Financing Expense/ Gross Revenues	37.76	38.85	46.84	49.85
3. Financing and securities impairment charges/ Pre-impairment Op. Profit	56.90	58.49	47.38	37.95
4. Operating Profit/ Average Total Assets	1.69	1.55	1.46	1.60
5. Non-Financing Income/ Gross Revenues	34.48	23.04	21.36	25.59
6. Non-Financing Expense/ Average Assets	2.37	2.37	2.44	2.55
7. Pre-impairment Op. Profit/ Average Equity	57.32	50.09	33.73	30.69
8. Pre-impairment Op. Profit/ Average Total Assets	3.92	3.74	2.77	2.57
9. Operating Profit/ Average Equity	24.70	20.79	17.75	19.04
III. Other Profitability Ratios				
1. Net Income/ Average Total Equity	19.58	15.99	14.57	15.50
2. Net Income/ Average Total Assets	1.34	1.19	1.20	1.30
3. Fitch Comprehensive Income/ Average Total Equity	19.93	15.37	14.49	14.94
4. Fitch Comprehensive Income/ Average Total Assets	1.36	1.15	1.19	1.25
5. Taxes/ Pre-tax Profit	20.73	23.11	22.54	18.62
6. Net Income/ Risk Weighted Assets	2.22	1.89	1.87	1.84
IV. Capitalization				
1. FCC/FCC-Adjusted Risk Weighted Assets	11.50	12.16	13.21	12.26
2. Tangible Common Equity/ Tangible Assets	6.48	6.98	7.74	7.95
3. Equity/ Total Assets	6.69	7.22	8.01	8.22
4. Basel Leverage Ratio	4.90	5.53	5.55	5.86
5. Common Equity Tier 1 Capital Ratio	11.39	12.01	13.17	12.29
6. Fully Loaded Common Equity Tier 1 Capital Ratio	n.a.	n.a.	n.a.	n.a.
7. Tier 1 Capital Ratio	11.39	12.01	13.07	12.11
8. Total Capital Ratio	16.28	17.22	17.32	18.19
9. Impaired Financing less Financing Loss Allowances/ Fitch Core Capital	(16.86)	(14.48)	1.06	4.20
10. Impaired Financing less Financing Loss Allowances/ Equity	(16.28)	(13.95)	1.03	4.05
11. Cash Dividends Paid & Declared/ Net Income	n.a.	0.00	0.68	n.a.
12. Risk Weighted Assets/ Total Assets	56.21	57.22	58.42	64.65
13. Risk Weighted Assets - Standardised/ Risk Weighted Assets	n.a.	n.a.	n.a.	n.a.
14. Risk Weighted Assets - Advanced Method/ Risk Weighted Assets	n.a.	n.a.	n.a.	n.a.
V. Financing Quality				
1. Impaired Financing/ Gross Financing	3.44	2.42	1.82	2.43
2. Growth of Gross Financing	11.46	24.28	27.91	11.14
3. Financing Loss Allowances/ Impaired Financing	151.75	163.73	93.39	78.35
4. Financing Impairment Charges/ Average Gross Financing	3.42	3.10	1.81	1.31
5. Growth of Total Assets	18.77	30.31	18.14	15.75
6. Financing Loss Allowances/ Gross Financing	5.22	3.97	1.70	1.91
7. Net Charge-offs/ Average Gross Financing	0.00	0.00	1.31	0.51
8. Impaired Fin. + Foreclosed Assets/ Gross Fin. + Foreclosed Assets	4.21	2.96	2.11	2.59
VI. Funding and Liquidity				
1. Financing/ Customer Deposits	76.55	88.77	98.02	96.44
2. Liquidity Coverage Ratio	310.65	231.99	251.31	120.96
3. Customer Deposits/ Total Funding (excluding derivatives)	88.01	82.10	78.11	73.77
4. Interbank Assets/ Interbank Liabilities	1,670.82	2,154.80	3,420.71	4,249.98
5. Net Stable Funding Ratio	n.a.	n.a.	n.a.	n.a.
6. Growth of Total Customer Deposits	29.26	37.23	25.86	13.75

Kuveyt Turk Katilim Bankasi A.S

Reference Data

	30 Jun 2019	31 Dec 2018	31 Dec 2017	31 Dec 2016	
	6 Months - Interim USDm	6 Months - Interim TRYth	As % of Assets	Year End TRYth	As % of Assets
A. Off-Balance Sheet Items					
1. Managed Securitized Assets Reported Off-Balance Sheet	n.a.	n.a.	-	n.a.	-
2. Other off-balance sheet exposure to securitizations	n.a.	n.a.	-	n.a.	-
3. Guarantees	1,927.1	11,100,774.0	12.46	10,722,106.0	14.29
4. Acceptances and documentary credits reported off-balance sheet	235.0	1,353,710.0	1.52	1,153,974.0	1.54
5. Committed Credit Lines	9,237.8	53,211,878.0	59.72	51,499,253.0	68.65
6. Other Contingent Liabilities	n.a.	n.a.	-	n.a.	-
7. Other Off-Balance Sheet items	5,376.1	30,967,597.0	34.76	23,383,818.0	31.17
8. Total Assets under Management	n.a.	n.a.	-	n.a.	-
B. Average Balance Sheet					
Average Financing	9,012.2	51,912,454.0	58.27	46,984,432.0	62.64
Average Earning Assets	11,825.0	68,115,148.0	76.45	55,803,832.0	74.39
Average Assets	14,407.0	82,988,197.0	93.14	67,981,422.0	90.63
Average Managed Assets (OBS)	n.a.	n.a.	-	n.a.	-
Average Remunerative Liabilities	13,062.1	75,240,945.0	84.45	61,245,223.0	81.65
Average Common equity	971.7	5,597,482.0	6.28	5,121,413.0	6.83
Average Equity	984.7	5,672,205.0	6.37	5,070,854.0	6.76
Average Customer Deposits	11,053.2	63,669,049.0	71.46	48,674,088.0	64.89
C. Maturities					
Asset Maturities:					
Financing & Advances < 3 months	3,021.0	17,401,476.0	19.53	16,859,910.0	22.48
Financing & Advances 3 - 12 Months	2,772.4	15,969,498.0	17.92	14,258,792.0	19.01
Financing & Advances 1 - 5 Years	2,909.0	16,756,700.0	18.81	13,881,644.0	18.51
Financing & Advances > 5 years	267.8	1,542,541.0	1.73	1,967,797.0	2.62
Debt Securities < 3 Months	n.a.	n.a.	-	n.a.	-
Debt Securities 3 - 12 Months	n.a.	n.a.	-	n.a.	-
Debt Securities 1 - 5 Years	n.a.	n.a.	-	n.a.	-
Debt Securities > 5 Years	n.a.	n.a.	-	n.a.	-
Advances to Banks < 3 Months	904.4	5,209,686.0	5.85	6,896,927.0	9.19
Advances to Banks 3 - 12 Months	0.0	0.0	0.00	0.0	0.00
Advances to Banks 1 - 5 Years	0.0	0.0	0.00	0.0	0.00
Advances to Banks > 5 Years	0.0	0.0	0.00	0.0	0.00
Liability Maturities:					
Retail Deposits < 3 Months	n.a.	n.a.	-	n.a.	-
Retail Deposits 3 - 12 Months	n.a.	n.a.	-	n.a.	-
Retail Deposits 1 - 5 Years	n.a.	n.a.	-	n.a.	-
Retail Deposits > 5 Years	n.a.	n.a.	-	n.a.	-
Other Deposits < 3 Months	11,351.7	65,388,914.0	73.39	50,819,899.0	67.75
Other Deposits 3 - 12 Months	745.0	4,291,543.0	4.82	3,376,815.0	4.50
Other Deposits 1 - 5 Years	266.9	1,537,638.0	1.73	901,234.0	1.20
Other Deposits > 5 Years	0.0	0.0	0.00	0.0	0.00
Deposits from Banks < 3 Months	54.1	311,718.0	0.35	319,986.0	0.43
Deposits from Banks 3 - 12 Months	0.0	0.0	0.00	1.0	0.00
Deposits from Banks 1 - 5 Years	0.0	86.0	0.00	86.0	0.00
Deposits from Banks > 5 Years	0.0	0.0	0.00	0.0	0.00
Senior Securities Maturing < 3 months	n.a.	n.a.	-	n.a.	-
Senior Securities Maturing 3-12 Months	n.a.	n.a.	-	n.a.	-
Senior Securities Maturing 1- 5 Years	n.a.	n.a.	-	n.a.	-
Senior Securities Maturing > 5 Years	n.a.	n.a.	-	n.a.	-
Total Senior Securities on Balance Sheet	n.a.	n.a.	-	n.a.	-
Fair Value Portion of Senior Securities	n.a.	n.a.	-	n.a.	-
Subordinated Securities Maturing < 3 months	n.a.	n.a.	-	n.a.	-
Subordinated Securities Maturing 3-12 Months	n.a.	n.a.	-	n.a.	-
Subordinated Securities Maturing 1- 5 Year	n.a.	n.a.	-	n.a.	-
Subordinated Securities Maturing > 5 Years	n.a.	n.a.	-	n.a.	-
Total Subordinated Securities on Balance Sheet	359.8	2,072,793.0	2.33	1,901,210.0	2.53
Fair Value Portion of Subordinated Securities	n.a.	n.a.	-	n.a.	-
D. Risk Weighted Assets					
1. Risk Weighted Assets	8,693.5	50,076,797.0	56.21	42,921,666.0	57.22
2. Fitch Core Capital Adjustments for Insurance and Securitisation Risk Weighted Assets	n.a.	n.a.	-	n.a.	-
3. Fitch Core Capital Adjusted Risk Weighted Assets	8,693.5	50,076,797.0	56.21	42,921,666.0	57.22
4. Other Fitch Adjustments to Risk Weighted Assets	n.a.	n.a.	-	n.a.	-
5. Fitch Adjusted Risk Weighted Assets	8,693.5	50,076,797.0	56.21	42,921,666.0	57.22
F. Fitch Core Capital Reconciliation					
1. Total Equity as reported (including non-controlling interests)	1,035.0	5,961,757.0	6.69	5,419,534.0	7.22
2. Fair value effect incl in own obligations/funding at fv on the B/S- CC only	0.0	0.0	0.00	0.0	0.00
3. Non-loss-absorbing non-controlling interests	0.0	0.0	0.00	0.0	0.00
4. Goodwill	0.0	0.0	0.00	0.0	0.00
5. Other intangibles	35.5	204,715.0	0.23	200,765.0	0.27
6. Deferred tax assets deduction	0.0	0.0	0.00	0.0	0.00
7. Net asset value of insurance/takaful subsidiaries	0.0	0.0	0.00	0.0	0.00
8. First loss tranches of off-balance sheet securitizations	0.0	0.0	0.00	0.0	0.00
9. Fund for general banking risks if not already included and readily convertible into equity	0.0	0.0	0.00	0.0	0.00
10. Fitch Core Capital	999.4	5,757,042.0	6.46	5,218,769.0	6.96

Exchange rate

USD1 = TRY5.76025

USD1 = TRY5.2858

USD1 = TRY3.7753

USD1 = TRY3.5224

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