

## **Garanti Group Romania registered a RON 133 million net profit in the first 9 months**

**Bucharest, October 30<sup>th</sup>, 2018** – Garanti Group Romania, one of the most dynamic financial groups on the local market, composed of Garanti Bank, Garanti Leasing and Garanti Consumer Finance, registered, in the first nine months of the year, an increase of 11% in total asset volume, which currently exceeds RON 12 billion.

The Group has further recorded a consolidated net profit of RON 133 million in the first nine months of the year, increasing by over 7% from the same period last year, as well as consolidated net revenues of RON 426 million.

Garanti Bank, on a solo basis, contributed to this result with RON 108 million net profit at the end of September, increasing by 9.5% year-on-year. The improvement is due to increased core banking income and decreased operating expenses, as a result of continued focus on efficiency. Furthermore, the NPL ratio has continuously decreased and is considerably below the market average, while the NPL coverage rate by provisions reached over 60%.

The bank's business strategy of focusing on organic development and growing a healthy portfolio led to an increase in its loan volume reaching RON 7.52 billion, as of the end of the third quarter. Deposit volume increased to RON 7.9 billion, as of end September, where Retail and SME customer deposits increased more than 25% year on year.

Garanti Bank's risk indicators are currently at a comfortable level. The bank continues to be well capitalized, with a solid liquidity position and a low cost of risk, reflecting Garanti's sustainable business model.

"We have reached our 20-year milestone in Romania, and from this point forward the only way is up. The results obtained are a proof that we have managed to capitalize on our strengths and that we have a long-term commitment to the Romanian market. Further on, we want to continue to consolidate our position. We will keep our focus on our employees' and customers' satisfaction and on increasing the quality of our services", stated Ufuk Tandoğan, CEO Garanti Group Romania.

As an integrated financial services group, Garanti Group's non-banking institutions also showed solid results in Q3 2018; Garanti Leasing reached a RON 13.8 million net profit and Garanti Consumer Finance registered a net profit of RON 11.2 million.

Garanti Group Romania is held by Türkiye Garanti Bankası AS (TGB), the second largest private bank in Turkey. In Q3 2018, TGB posted a consolidated net income of TL 5.6 billion (EUR 806.2 million) and an asset size of TL 456.3 billion (EUR 65,7 billion), while its contribution to the economy through cash and non-cash lending totaled TL 354.7 billion (EUR 51 billion). TGB serves to its 16 million customers in corporate, commercial, SME, and consumer segments offering fully integrated financial services.



Spanish financial group Banco Bilbao Vizcaya Argentaria (BBVA) is the majority shareholder of TGB.

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### **About Garanti Group Romania**

Garanti Group consists of Garanti Bank, Garanti Leasing (the brand under which Motoractive IFN SA operates) and Garanti Consumer Finance (the brand under which Ralfi IFN SA operates). The two Non-Banking Financial Institutions complete Garanti Bank's offer with specific leasing products (financial leasing – vehicles, equipment, real estate – sale & lease-back) and fleet administration services, consumer credits, as well mortgage loans dedicated to real estate purchases or refinancing other loans. Garanti Group offers financial services on the local market to more than 500,000 clients.

Garanti Bank Romania offers a series of quality products and services for all business segments: retail, SME and corporate. Present in Romania since 1998, the bank has developed a solid portfolio of clients and expanded its national presence through branches and alternative channels, reaching an extended network of branches and intelligent ATMs that can be used by anyone, not just bank customers, for transactions with or without cards.

Earlier this year, Garanti Bank was named Superbrand, emerging from a list of over 1,500 brands analysed by Superbrands Romania. Moreover, in August, Garanti Bank was awarded by world-renowned magazine Global Finance, as "Best Consumer Digital Bank in Romania". The distinction was granted within the "2018 World's Best Consumer Digital Banks in Central and Eastern Europe Competition" and it is the 11th award that Garanti Bank receives from Global Finance in the past ten years.

For more information, please visit [www.garantibank.ro](http://www.garantibank.ro)

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