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As of September 2018, there are 52 banks operating in Turkish Banking Sector as;
• 34 Deposit banks,
• 13 Development and Investment banks,
• 5 Participation banks.

Number of branches and personnel in banking sector decreased by 4 and 249, respectively when compared to the previous quarter (June 2018).

As of September 2018 period, number of branches realized as 11,594 while number of personnel realized as 208,629.
## Selected Balance Sheet Items

### ASSETS

<table>
<thead>
<tr>
<th></th>
<th>Total (Billion TL)</th>
<th>Changes (%)</th>
<th>Previous Quarter</th>
<th>Previous End of Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>CASH and CASH EQUIVALENTS*</td>
<td>482</td>
<td>63.2</td>
<td>84.1</td>
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<tr>
<td>REQUIRED RESERVES</td>
<td>167</td>
<td>-35.9</td>
<td>-26.2</td>
<td></td>
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<tr>
<td>LOANS</td>
<td>2,588</td>
<td>10.0</td>
<td>23.3</td>
<td></td>
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<tr>
<td>NON-PERFORMING LOANS (GROSS)</td>
<td>86</td>
<td>17.2</td>
<td>34.7</td>
<td></td>
</tr>
<tr>
<td>SECURITIES</td>
<td>489</td>
<td>13.4</td>
<td>21.9</td>
<td></td>
</tr>
<tr>
<td>OTHER ASSETS</td>
<td>485</td>
<td>46.6</td>
<td>79.8</td>
<td></td>
</tr>
<tr>
<td>TOTAL ASSETS</td>
<td>4,211</td>
<td>14.7</td>
<td>29.3</td>
<td></td>
</tr>
</tbody>
</table>

* Sum of Cash, Receivables from Central Bank, Money Market, and banks items

### LIABILITIES

<table>
<thead>
<tr>
<th></th>
<th>Total (Billion TL)</th>
<th>Changes (%)</th>
<th>Previous Quarter</th>
<th>Previous End of Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>DEPOSITS</td>
<td>2,137</td>
<td>12.5</td>
<td>24.9</td>
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<tr>
<td>DUE TO BANKS</td>
<td>686</td>
<td>18.1</td>
<td>44.4</td>
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<tr>
<td>FUNDS FROM REPO TRANSACTIONS</td>
<td>144</td>
<td>-31.4</td>
<td>46.1</td>
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<tr>
<td>SECURITIES ISSUED</td>
<td>205</td>
<td>16.4</td>
<td>40.7</td>
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<tr>
<td>EQUITIES</td>
<td>409</td>
<td>3.6</td>
<td>13.9</td>
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<tr>
<td>OTHER LIABILITIES</td>
<td>630</td>
<td>53.5</td>
<td>34.6</td>
<td></td>
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<tr>
<td>TOTAL LIABILITIES</td>
<td>4,211</td>
<td>14.7</td>
<td>29.3</td>
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</table>

### OFF-BALANCE SHEET ITEMS

<table>
<thead>
<tr>
<th></th>
<th>Total (Billion TL)</th>
<th>Changes (%)</th>
<th>Previous Quarter</th>
<th>Previous End of Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contingencies</td>
<td>889</td>
<td>16.7</td>
<td>35.0</td>
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<tr>
<td>Commitments</td>
<td>4,270</td>
<td>4.9</td>
<td>31.5</td>
<td></td>
</tr>
<tr>
<td>- Derivative Financial Instruments</td>
<td>3,518</td>
<td>6.7</td>
<td>38.4</td>
<td></td>
</tr>
<tr>
<td>- Other Commitments</td>
<td>752</td>
<td>-2.7</td>
<td>6.6</td>
<td></td>
</tr>
</tbody>
</table>

Total assets of Turkish Banking Sector increased by 14,7% to TL 4.211 billion in September 2018 when compared to the previous year-end.

Of off-balance sheet items,
- Contingencies decreased by 6,6%;
- Derivative financial assets decreased by 6,7%
in September 2018 when compared to the previous year-end.
The ratio of asset size of Turkish Banking Sector to GDP realized as 1.05 as of end-2017.
Selected Balance Sheet Figures

The ratio of FX assets in balance sheet to total assets realized as 46% while the ratio of total FX liabilities to total liabilities realized as 53%.

The share of FX loans in total loans is 42% while the ratio of FX deposit to total deposit is 52%.

The share of loans, securities and required reserves in total assets realized as 61%, 12% and 4%, respectively.

While deposit has the biggest share by 51% in total liabilities, share of payables to banks is 20% and funds from repo is 3%.

The share of equities in total liabilities is 10%.
Off-Balance Sheet Figures

Contingencies in Series

As of September 2018, size of contingencies realized as TL 889 billion.

Contingencies

As letters of guarantee is the biggest share in contingencies, share of letters of credit is 15%.
As of September 2018, derivative purchase amount realized as TL 1.772 billion and derivative sales amount realized as TL 1.746 billion.

45% of derivative transactions in off-balance sheet items is from swap money transactions, 31% from swap interest rate transactions and 8% is from forward exchange transactions.
Development of Main Figures

While loans in the third quarter of the year realized as TL 2.386 trillion, deposit realized as TL 2.137 trillion. Conversion ratio of deposit to loans is 1,12 as of September 2018.

*Total loans don’t include loans of development and investment banks.

Off-balance sheet FX position has a surplus of TL 192 billion while on-balance sheet FX position has a deficit of TL 187 billion and FX Net General Position has a surplus of approximately TL 5 billion.
In the income statement of banking sector, interest income realized as TL 256 billion and interest expense realized as TL 148 billion. As of September 2018, net income of Turkish Banking Sector is TL 42 billion.

Net income of September 2018 period increased in public, domestic private and foreign bank groups when compared to the same period of 2017.
ROE of Turkish banking sector realized lower in public and domestic private, higher foreign banks group when compared to the same period of the previous year.

ROA of Turkish banking sector as of September 2018 realized lower as to the same period of the previous year.
As of September 2018, total loans amount to TL 2.588 billion and TL 1.492 billion of the mentioned amount is comprised of TL loans while TL 1.096 billion is comprised of FX loans.

Share of commercial and corporate loans is 54%, share of SMEs loans is 26% and share of consumer loans (including credit cards) is 20% in total loans.
As of September 2018; commercial and corporate loans realized as TL 1.408 billion, SMEs loans as TL 663 billion while consumer loans and credit cards realized as TL 517 billion.

The share of wholesale trade and brokerage sector in total loans is 12.42% and share of construction sector is 8.17%.
According to operating classes, medium enterprises SMEs loans increased when compared to the previous quarter.

In September 2018 period, consumer loans increased as to the previous quarter and realized as TL 518 billion. Housing loans, credit cards as well as personal finance loans realized as TL 197 billion, TL 102 billion and TL 212 billion, respectively.
In consumer loans, the share of personal finance loans is 41%, housing loans 38% and share of credit cards is 20%.

Personal credit cards amount is the same when compared to the previous period and realized as TL 102 billion in September 2018.
As of September 2018, gross amount of NPLs is TL 86 billion.

NPLs to Loans ratio in banking sector realized as 3.22% in September 2018.
NPLs to Loans ratio in sectoral loans realized as 3.68% in wholesale trade and brokerage, 3.03% in construction sector and 3.10% in retail trade and personal products sector.

NPLs to Loans ratio of consumer loans (including personal credit cards) realized as 3.34% in September 2018 period.
Total securities increased when compared to the previous quarter and realized as TL 489 billion.

Distribution of Securities

64% of securities are comprised of Government bonds, 26% are Eurobonds issued by Treasury and 3% are comprised of Ijara certificates issued domestically and abroad by the treasury (sukuk).
TL 1.035 billion of total deposits is comprised of TL Deposits /Participation Funds, TL 1.062 billion comprised of FX Deposits Account/Participation Funds and TL 40 billion is comprised of precious metals accounts.

48% of total Deposits are TRY Deposits/Participation funds, 50% of FX Deposits/Participation funds and 2% of Precious Metals.
While 61% of deposits are comprised of natural person deposits, the share of commercial and other institutions deposits is 36% and share of official institutions' deposits is 3%.

The share of demand deposits in total deposits by their opening maturities is 22% and share of 1-3 month deposits is 54%.
Payables to banks amount to a total of TL 686 billion as TL 52 billion Turkish Lira and TL 634 billion FX.

Funds amount from Repo transactions increased when compared to the previous quarter and realized as TL 144 billion in September 2018.
Capital Adequacy

Capital adequacy ratio of Turkish Banking Sector realized as 18.08% in September 2018.

By bank ownership groups, capital adequacy of foreign banks is above the sector average by 19.40%.
By function groups, capital adequacy ratio realized as 17.67%, 17.91% and 24.68% for deposits banks, participation banks as well as development and investment banks, respectively.

In capital adequacy calculation, 90% of risk-weighted assets is comprised of amount subject to credit risk, 7% comprised of amount subject to operational risk and 3% comprised of amount subject to market risk.
In Turkish Banking Sector Main Financial Data publication prepared by the Banking Regulation and Supervision Agency (BRSA), statistical information on selected financial statements of banks are prepared by using non-consolidated temporary financial statements.

Gross Domestic Product (GDP) is the data on current prices published by Turkish Statistical Institute.

Resource of the information published is the periodical reports taken via Bank Reporting System and sent by banks on electronic media. Mentioned periodic information may change after its publication due to the updates made by various reasons.

Monetary amounts published, unless stated otherwise, is “TL Billion” and there may be differences in some sub-groups arising from arithmetic sum and rounding.

Detailed data by sector, bank groups and function groups can be accessed from Turkish Banking Sector Interactive Monthly Bulletin application.

Data and explanations on the scope of data in Interactive Monthly Bulletin are also valid for the data included in this publication.

Department of Data and System Management
Banking Regulation and Supervision Agency
September 2018