



INVESTOR RELATIONS RELEASE

YAPI KREDİ BECOMES THE FIRST TURKISH DEPOSIT BANK TO RAISE ADDITIONAL TIER 1 CAPITAL THROUGH USD-DENOMINATED BOND ISSUANCE

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OF AMERICA, CANADA, JAPAN, AUSTRALIA, TURKEY OR ANY OTHER JURISDICTION WHERE TO DO SO WOULD BE UNLAWFUL.

Yapı Kredi raised US\$ 650 million worth of additional Tier 1 capital. The transaction marked the first time additional Tier 1 capital that was raised by a Turkish deposit bank through the issuance of USD-denominated bonds with market participation.

Additional Tier 1 capital issuance, which is callable once every 5 years, conducted in the international markets also with the participation of Koç Holding and UniCredit, and the coupon rate for the transaction was set at 13.875 percent. The transaction once again confirmed the confidence of main shareholders and international investors in Yapı Kredi. The issuance further strengthened the Bank's capital structure. Based on its September financials, the transaction will boost Yapı Kredi's Tier 1 capital ratio by 115 basis points.

Commenting on the issuance, Yapı Kredi CEO Gökhan Erün said: "As Yapı Kredi, we successfully finalized the US\$ 650 million additional Tier 1 capital issuance with a view to maintain our strong capital position and further strengthen our healthy balance sheet structure. The robust demand for the transaction was very critical as it reflects the confidence in both Turkey and Yapı Kredi. We maintained our position as the pioneer bank with this transaction, which attracted 58 investors from 15 countries. We became the first Turkish deposit bank to raise USD-denominated additional Tier 1 capital through bond issuance with market participation. With the strength we derived from this successful transaction, which confirms international investors and our main shareholders' confidence in our country and our bank, we will increasingly continue our efforts to add more to Turkey also in 2019, marking our 75th anniversary."

The offering was managed by Citigroup Global Markets Limited, BofA Merrill Lynch, UniCredit Corporate & Investment Banking, J.P. Morgan Securities PLC and Société Générale SA.

This release is directed only at (i) persons who are outside the United Kingdom or (ii) persons with professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order") or (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2) of the Order (all such persons together being referred to as "relevant persons"). Any investment activity to which this communication relates will only be available to and will only be engaged with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.



This communication may be distributed in any member state of the European Economic Area which has implemented Directive 2003/71/EC (this Directive, as amended and as implemented in any member state, the "Prospectus Directive") only to persons who are qualified investors for the purposes of the Prospectus Directive in such member state, or to such other persons to whom this document may be addressed in compliance with all applicable laws, and no other persons may act on the basis of, or rely on, this document or any of its contents.

Istanbul, 11 January 2019

Enquiries:

Yapı Kredi Investor Relations

Tel: (90) (212) 339 770

Email: yapikredi_investorrelations@yapikredi.com.tr