



8 May 2018

## **Vakıf Katilim Bankası A.Ş.**

### **US\$ 145,000,000 & EURO 82,000,000 Dual Currency Syndicated Murabaha Financing Facility**

Vakıf Katilim has successfully closed a US\$ 246,000,000 (equivalent) Dual Currency Syndicated Murabaha Financing Facility. The Facility was signed on 30 April 2018 and it is Vakıf Katilim's debut transaction in the syndicated financing market.

Bank ABC, Emirates NBD Capital Limited, First Abu Dhabi Bank PJSC, Kuwait International Bank K.S.C., Mashreqbank psc, Sharjah Islamic Bank PJSC, Standard Chartered Bank and Warba Bank K.S.C.P as the Initial Mandated Lead Arrangers and Bookrunners were appointed to arrange the Dual Currency Syndicated Murabaha Financing Facility which was launched at US\$ 150,000,000 in general syndication. Bank ABC acted as sole Coordinator and First Abu Dhabi Bank PJSC is the Investment Agent on the Facility.

The Facility received a strong response from the market with 13 institutions participating from Bahrain, Kuwait, Saudi Arabia, United Arab Emirates, Albania and the United Kingdom. Due to the significant oversubscription, Vakıf Katilim decided to increase the facility size to US\$ 246,000,000 (equivalent).

The Facility has been structured as a Shariah compliant Murabaha Facility with a 370 days tenor.

The Facility has given Vakıf Katilim the opportunity to broaden and diversify its funding base and develop new bank relationships. The proceeds will be used to expand its financing activities in Turkey.

#### **About Vakıf Katilim Bankası A.Ş.**

Vakıf Katilim Bank (Vakıf Katilim) was founded as a joint stock company with TL 805 million of capital belonging to the Prime Ministry Directorate General of Foundations (99% Shareholder) with Banking Regulation and Supervision Agency (BRSA)'s establishment license dated February 27, 2015. The Bank obtained its operation license with the decision numbered 6729 taken by the Banking Regulation and Supervision Agency dated February 11, 2016, which was published

in issue number 29627 of the Official Gazette, dated February 17, 2016. Vakıf Katılım entered operation on February 24, 2016. The Bank is the youngest and the newest member of the participation banking sector, which has been active in Turkey for more than 30 years. The Bank is an institution that reflects the values of the “Foundation Culture” which has been kept alive by the General Directorate of Foundations, the Bank’s main founder, and which has been an important part of Turkish culture for centuries.

Vakıf Katılım has completed two years of activity and has a service platform, which has been continuously progressing with 724 employees, 63 branches in 31 cities and Alternative Distribution Channels (ADC). The Bank serves customers from the real sector micro enterprises and SMEs in its focus. Vakıf Katılım has realized a high degree of customer access in a short period of time. The Bank plans to grow by maintaining its investments in technology and in branch network and expanding its customer base. Vakıf Katılım combines the Foundation Culture and the principles of participation banking. The Bank aims to carry out its operations within the framework of being beneficial for its shareholders, customers and the whole of society in line with its mission. Vakıf Katılım is rated “BB+” with stable outlook by Fitch as of 22nd November 2017.

Turkey has a long term rating of BB+ with stable outlook by Fitch as of 20th January 2018, Ba2 with stable outlook by Moody’s as of 8th March 2018, and a long term investment grade rating of BBB- with stable outlook by JCR as of 1st December 2017.

Compared to the same period of the previous year, Vakıf Katılım balance sheet grew by 182% at the end of Q4 2017 with its total assets reaching to an amount of TRY 13,207 Million. The Bank had also enjoyed an increase in the shareholders' equity with TRY 1,108 Million from TRY 876 Million in the previous year.