

Company name **Türkiye Vakıflar Ban**
 Headline **Notification Regarding Capital Increase**

RNS Number : 2354N
 Türkiye Vakıflar Bankası T. A. O.
 18 May 2020

**THIS ANNOUNCEMENT RELATES TO THE DISCLOSURE OF
 INFORMATION THAT QUALIFIED OR MIGHT HAVE QUALIFIED AS
 INSIDE INFORMATION WITHIN THE MEANING OF ARTICLE 7(1) OF
 THE MARKET ABUSE REGULATION (EU) 596/2014 (AS AMENDED)**

18 May 2020

Türkiye Vakıflar Bankası T.A.O.
 (the "Bank")
 Legal Entity Identifier (LEI): 789000KAIHOLSQKQ9858

Notification Regarding Capital Increase

On 11 May 2020, the Bank's Board decided to increase capital through a private placement of new shares to Turkey's sovereign wealth fund (*Türkiye Varlık Fonu*) (the "*Turkey Wealth Fund*"), which sale is expected to be completed on 20 May 2020. The Turkey Wealth Fund, which is indirectly controlled by the Ministry of Treasury and Finance of Turkey (the "*Turkish Treasury*"), is expected to acquire Class D shares for TL 7.0 billion. As a result of such transaction: (a) the Bank's paid-in capital will increase by TL 1.4 billion and the remainder of the purchase price will be added to the "share premium" line item, both of which will result in an increase to the Bank's Tier 1 common equity, (b) the Turkish Treasury's aggregate (direct and indirect) ownership and control of the Bank will increase from 58.51% to 73.44% and (c) the Turkish Treasury (via the Turkey Wealth Fund) will have control over the appointment of the director representing the Class D shareholders.

Upon the completion of such acquisition, the share capital of the Bank and the distribution of shares will be as follows:

Shareholders	Class of Shares	Share	Amount (TL)
Turkish Treasury (directly and indirectly).....	All	73.44%	2,868,354,458
<i>Turkish Treasury</i>	A	27.53%	1,075,058,640
<i>Turkish Treasury</i>	B	9.93%	387,673,328
<i>Turkey Wealth Fund</i>	D	35.99%	1,405,622,490
Non-affiliated foundations.....	B	0.06%	2,591,251
Vakıfbank Pension Fund.....	C	10.31%	402,552,666
Individuals and legal entities.....	C	0.04%	1,527,393
Free float (other than Turkey Wealth Fund)....	D	16.15%	630,596,723
Total		100.00%	3,905,622,490

The completion of any such transaction is contingent upon the receipt of additional corporate approvals, shareholder approvals, regulatory approvals and other preconditions. A further announcement might be made in due course if appropriate.

This announcement is released by the Bank and contains information that qualified or might have qualified as inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 (as amended, "MAR"), encompassing information relating to the aforementioned transaction. For the purposes of MAR and Article 2 of Commission Implementing Regulation (EU) 2016/1055, this announcement is made by Mr. Ali Tahan, the Bank's Senior Vice President, responsible for International Banking and Investor Relations.

For more information, please contact:

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