



TSKB @ a Glance & Green/SRI Bond Issuance

November 2016



Türkiye Sınai Kalkınma Bankası

www.tskb.com.tr

TSKB at a glance

Overview

- Turkey's first private development bank
- Focused on promoting the development of the Turkish economy by providing LT investments for Turkish companies, primarily through FX loans
- Non-deposit taking institution, which primarily funds its lending from DFI's, guaranteed by the Turkish Treasury
- 67% of total LT funding base guaranteed by the Turkish Treasury
- Independent project appraisal process comprising of separate disciplines
- The lowest NPL ratio in Turkish Banking industry
- First and only Private Development Bank in Turkey
- **TRY 22.9 bn** asset size
- **360** employees, **2** branches
- **19th** bank in terms of Asset size
- **3.1%** market share in LTFC corporate loans
- **TRY 2.8 bn** MCAP*
- **58%** of free float belongs to **foreign funds**

*As of Oct, 27

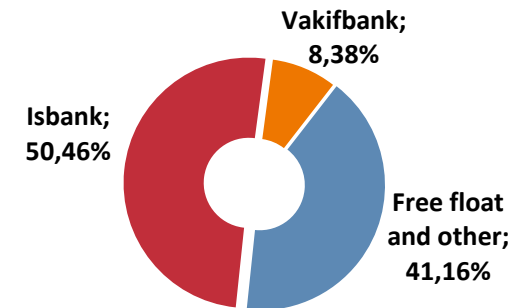
Main Subsidiaries

- Yatırım Finansman Securities
- TSKB REIT
- İş Leasing
- TSKB Real Estate Appraisal
- Escarus
- EIF

Ratings

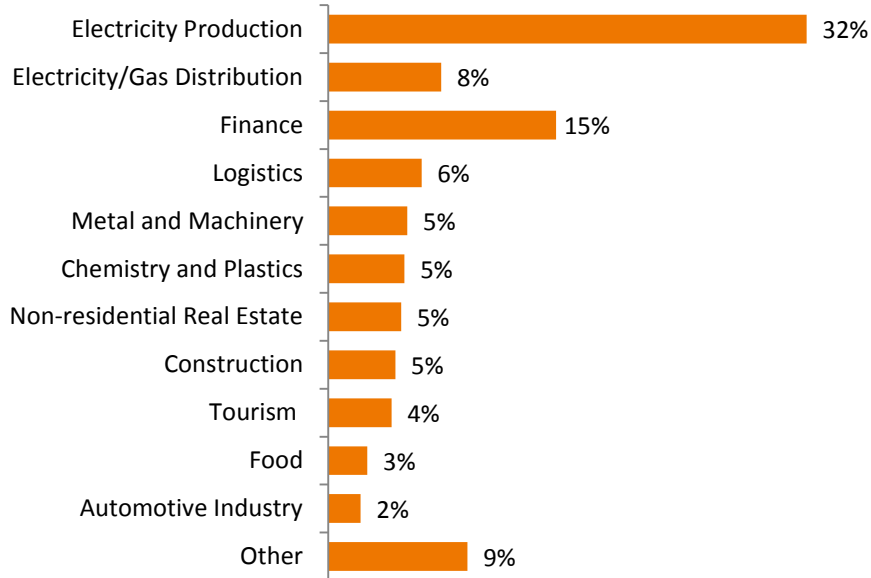
	TSKB	Turkey
Fitch	BBB-	BBB-
Moody's	Ba1	Ba1
SAHA	9.53/10	

Shareholder structure



Loan Portfolio & Outstanding DFIs

Loans Breakdown

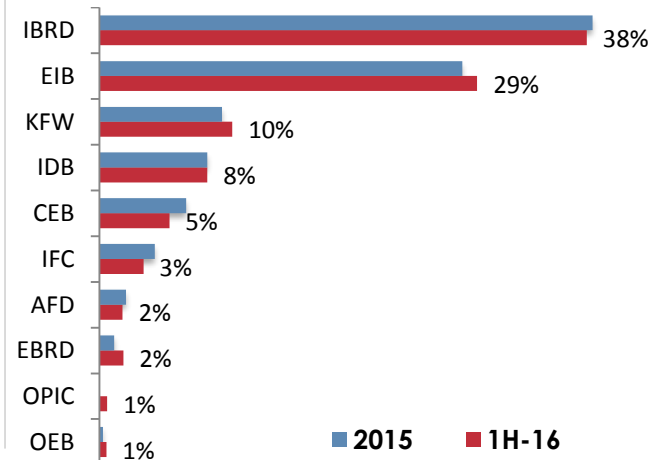


- **88%** foreign currency denominated
- **38%** in Euros, **50%** in USD
- **5.2 years** of average maturity

Loans by Type

- **66%** Investment Loans
- **27%** Working Capital Loans
- **7%** APEX
- No lending exposure to the public sector
- Average maturity of the loan book is 5.3 years
- 120 projects in energy efficiency and resource efficiency, contributing to 8% of the portfolio
- Medium term focus: Infrastructure, renewable energy, energy and resource efficiency, PPPs mostly in healthcare and education sectors, and Midcap & SME loans

Outstanding DFIs



Climate Mitigation Finance

Energy Efficiency

- Since 2009, 73 projects of 45 companies
- Projects' total investment amount: 1,050,000,000 USD
- Loans disbursed: 493,500,000 USD
- Total emissions will be reduced by 1,900,000 ton CO₂ equivalent
- 3,500,000 giga calories energy will be saved. This amount corresponds to approx. 350,000 household heat energy consumption/year.



Renewable Energy

- 167 renewable energy projects with a total capacity of 4,222 MW
- Total emissions to be reduced by 7,080,000 ton CO₂ equivalent annually
- Projects' total investment amount: 7.87 Billion USD
- Loans disbursed: 493,500,000 USD



Resource Efficiency

- Since 2014, 45 projects of 15 companies
- Total Energy savings: 1,424,205 Gcal/year (820,501 ton CO₂e/year)
- Projects' total investment amount: 481,33,066 USD
- Loans disbursed: 122,238,536 USD



Green / Sustainable Bond Issue

TSKB executed its own **Green / Sustainable Bond: The First in the Region**



- First Green Bond from Turkey and the wider CEEMEA region
 - Biggest FI Orderbook over the past 3 years
 - The first Turkish FI transaction that priced with a negative new issue premium
 - Biggest oversubscription for a Turkish FI deal x13
 - Received a demand of **4 billion dollars** from **317** institutional investors in the international markets
 - 44% of demand from the United Kingdom,
 - 39% from Continental Europe,
 - 9% from the USA off-shore funds
 - 8% from Asia and the Middle East.
- **Adherence to Green Bond Principles**
 - **Annual Allocation Reporting**
 - **Impact Reporting**
 - Financing/Refinancing of projects with below themes:
 - Direct and Indirect Climate Change Mitigation
 - Energy and Resource Efficiency
 - Renewable Energy: Hydro, Wind, Solar, Biomass
 - Clean Transport
 - Climate Change Adaptation
 - Sustainable Infrastructure
 - Healthcare Facilities
 - Education
 - Ports
 - Electricity Distribution Lines
- **2nd Party Opinion Provider:** Sustainalytics
 - JLM Banks: BNP Paribas, Citi, Commerz, HSBC, ING, Unicredit, Standard Chartered
 - **Green Investor Allocation:** Above 40%

EMEA Green/SRI Bond Deal of The Year 2016

TSKB WINS ANOTHER AWARD FOR BEING A FIRST



First ever "Green / Sustainable Bond" out of Turkey and CEEMEA region
300 million dollars of a size and 5 year tenor
attracted 13 times demand than the issue size
received the largest ever orderbook for a RegS only transaction out of Turkey.

We are proud of supporting private sector projects in renewable energy and
resource efficiency that reduce greenhouse gas emissions,
as well as socially responsible investments.

Most Innovative Green / SRI Bond Deal of the Year



1.



2.



3.

TSKB has been listed among the three nominees along with Apple and Starbucks,
in Global Capital's Green/SRI Awards

“Most Innovative Green / SRI Bond Deal of the Year”



TSKB Financial Institutions

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