1Q08 Yapı Kredi Earnings Presentation

BRSA Consolidated

Istanbul, 15 May 2008

AGENDA

- **1Q08 Operating Environment**
- 1Q08 Results (BRSA Consolidated)
- Performance by Business Unit (Bank-only)
- Capital Increase
- Annex

In 1Q08, Yapı Kredi experienced a very positive performance despite an increasingly uncertain international and domestic environment

GLOBALLY:

- **Expansion in magnitude** of the **international financial turmoil**
  - **Tighter liquidity conditions**
  - **Continued uncertainty**
  - **Declining risk appetite**
- Continuation of **monetary easing by FED**
- **Commodity prices at all time high driving inflation upwards**
- **Depreciation of Dollar**
- **Deceleration** in **global economic growth**
  - Mainly **in developed economies**
  - **Emerging market economies** starting **to be threatened** as well

IN TURKEY:

- **Positive first quarter** due to decoupling
- **Still positive economic growth** (2008 outlook above 4%) despite **internal political issues, rising inflation and depreciation of YTL**
- Banking sector showed positive performance:
  - **Strong lending growth** (individual&corporate)
  - **Mild deposit competition** despite limitations on international funding
  - **Loans re-pricing upward** both on corporate and retail
  - **Sustained profitability**
  - **Continued branch network expansion**
  - **No significant signs of deterioration in asset quality**
  - Some **slowdown expected in 2Q08 in retail/SME lending** whilst ongoing **positive trend in corporate/commercial lending**

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Key events affecting YKB in 1Q08

- **Strenghtening of positive commercial momentum** with **strong performance** both in **corporate/ consumer** (especially general purpose loans and mortgages), **SME loan volumes** and **fee income**

- **Release of general provisions of ~YTL 185 mln** pursuant to **application of IBNR methodology to better track effective cost of risk,** thus **aligning standard coverage ratio to market levels**

- **Sale of YTL 532 mln of corporate, commercial** and **SME NPL portfolio, positively impacting the NPL ratio**, **CAR** and **RWAs**

- **Pension fund deficit provision of YTL 102 mln due to** adoption of **legislation positively settling potential contingent liability** related to **pension fund transfer**

- **YTL 49 mln of increase in tax expense** following repayment due to tax settlement with MoF

- **Launch of process** in February to **rationalise insurance business** with objective to **finalise by YE08**

- **Finalisation of KFS restructuring and launch of process** to **increase capital by YTL 920 mln through a rights offering (May 15)**

1Q08 Key performance highlights

1Q08 Results (BRSA Consolidated)

- **447 mln YTL** of **consolidated net income**, up 108% YoY (76% YoYN[(1)])
- **32.5% consolidated normalized[(1)] ROE,** up +8.6 pps YoYN[(1)], reported consolidated ROE 38.6%
- **1,295 mln YTL of revenues**, up 42% YoY (23% YoYN[(1)]), driven by strong commercial performance both in volumes and fees (+37% YoY at Group level, +40% YoY at Bank level)
- **Growth** significantly **above market in consumer** (+77% YoY) and **SME loans** (+78% YoY) resulting in additional **market share gains**
- **Cost / Income** at **49%** benefiting from positive gap between revenue and cost growth
- **Accelerated branch expansion plan on track** (+51 new openings in 1Q08, +110 since launch of plan in July 07)
- **NPL ratio down to 3.9%,** also driven by NPL portfolio sale and collections**,** with **75% provisioning coverage** (5.4% on a like-for-like basis)
- **Consolidated CAR** at **12.70%, bank-only CAR** at **14.61%**

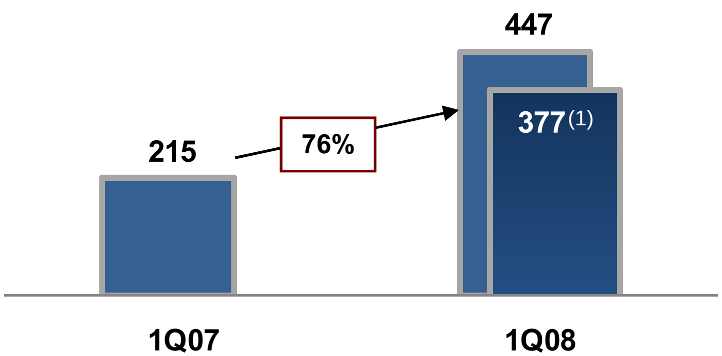
(1) Throughout the presentation, "N" refers to 1Q08 figures of YKB normalized to exclude the one-off effects of pension fund provision on costs (YTL 82 mln before tax - difference between one-off effect of pension fund provision and total pension fund provision is the increase in the deficit that refers to 1Q08), general provision release on revenues (YTL 185 mln) and tax settlement expense on tax provision (YTL 49 mln)

Normalizations, which were carried out in previous quarters so as to exclude the gross up effects of NPL write-offs and non-core fixed asset sales, are no longer needed since such effects are now netted off

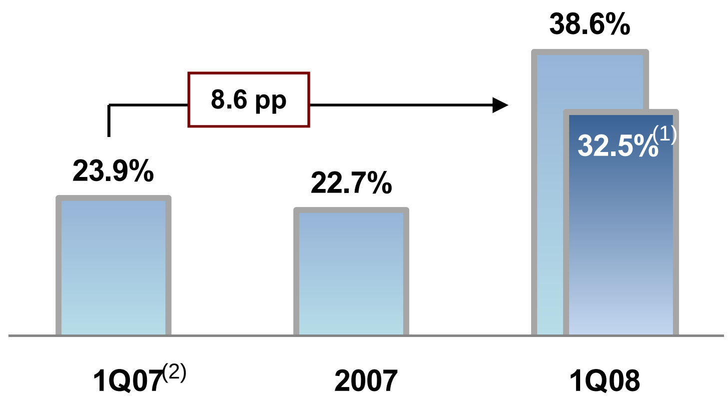
Key performance indicators

Consolidated Net Income

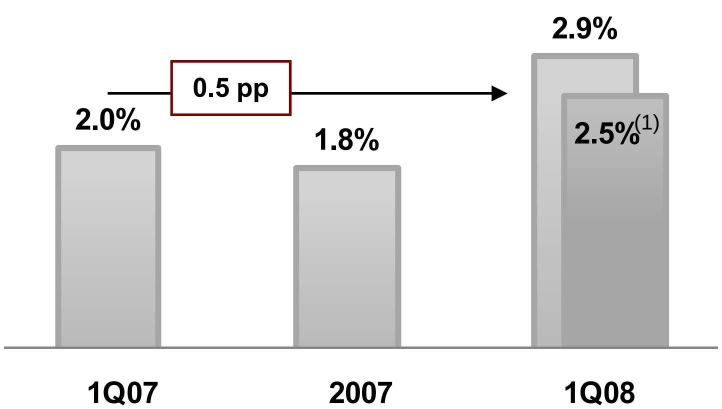
(mln YTL)



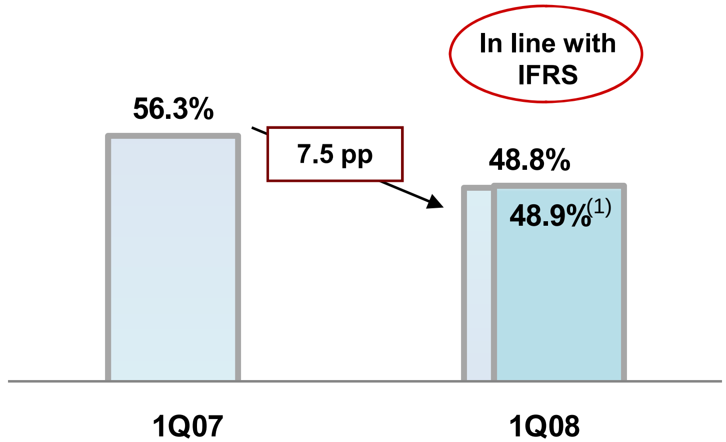
Consolidated ROE(*)



Consolidated ROA(**)



Cost / Income



(*) Calculations based on beginning of the year equity
(**) Calculations based on net income/end of period total assets
(1) Normalized to exclude the one-off effects of pension fund provisions on costs, general provision release on revenues and tax settlement expense on tax provisions
(2) Calculation based on restated equity and net income; ROE as of 1Q07 was 24.2% based on reported equity and net income

On a normalized basis, net profit up 76% YoY[1], confirming positive results of regained commercial focus and accelerated branch expansion plan

Income Statement, mln YTL	1Q07	1Q08	% YoY	%YoYN[1]
Total Revenues	**913**	**1,295**	**42%**	**23%**
Net Interest Income	559	675	21%	21%
Non-Interest Income	354	620	75%	27%
o/w Fees&Comm.	222	305	37%	37%
Operating Costs	**-515**	**-632**	**23%**	**7%**
HR	-215	-240	12%	12%
Non-HR*	-214	-255	19%	19%
Other**	-86	-137	59%	-36%
Operating Income	**398**	**663**	**66%**	**44%**
Provisions	-93	-88	-6%	9%
Pre-tax Income	**305**	**575**	**89%**	**55%**
Tax	-54	-129	141%	80%
Net Income	**251**	**446**	**77%**	**50%**
Minority Interest	-36	1	-104%	n.s.
Consolidated Net Income	**215**	**447**	**108%**	**76%**

- **Revenues up 42% YoY**, **23% if normalized**[1] driven by **21% YoY growth in net interest income** and **37% YoY growth in fees and commissions**
- **Costs up 23% YoY**, **7% if normalized**[1] driven by HR costs related to **accelerated branch expansion plan at Bank level**
- **Operating income up 66% YoY, 44% if normalized**[1]
- **Cost of risk at 0.99%, 1.16% if normalized**[1]

(1) Normalized to exclude the one-off effects of pension fund provisions on costs, general provision release on revenues and provisions and tax settlement expense on tax provisions
* Non-HR costs include HR related non-HR costs, advertising, rent, SDIF, taxes and depreciation
** Oher includes pension fund provisions and loyalty points on World cards

YapiKredi

Continued growth momentum in core banking activities, with further improvement of balance sheet mix

Balance Sheet *bln YTL*	1Q07	2007	1Q08	% YoY	%YTD
Total Assets	**51.1**	**56.4**	**61.0**	**19%**	**8%**
Loans	**22.1**	**28.7**	**31.9**	**44%**	**11%**
TL	*14.7*	*19.4*	*20.8*	*41%*	*7%*
FC	*7.4*	*9.3*	*11.1*	*50%*	*19%*
Securities	**15.9**	**14.5**	**14.7**	**-8%**	**1%**
Deposits	**29.3**	**33.7**	**36.2**	**23%**	**7%**
TL	*15.7*	*18.9*	*19.7*	*26%*	*4%*
FC	*13.7*	*14.8*	*16.5*	*20%*	*11%*
Shareholders' Equity	**4.1**	**5.0**	**5.1**	**24%**	**3%**
AUM	**5.7**	**6.8**	**6.6**	**17%**	**-3%**

Ratios	1Q07	2007	1Q08	∆YoY	∆YTD
Loans / Assets	43.3%	51.0%	52.4%	9.1 pp	1.4 pp
Securities / Assets	31.1%	25.8%	24.1%	-7.0 pp	-1.7 pp
Loans / Deposits	75.4%	85.2%	88.3%	12.9 pp	3.1 pp
CAR	14.01%	12.81%	12.70%	-1.31 pp	-0.11 pp
o/w Bank	12.97%	13.67%	14.61%	1.64 pp	0.94 pp

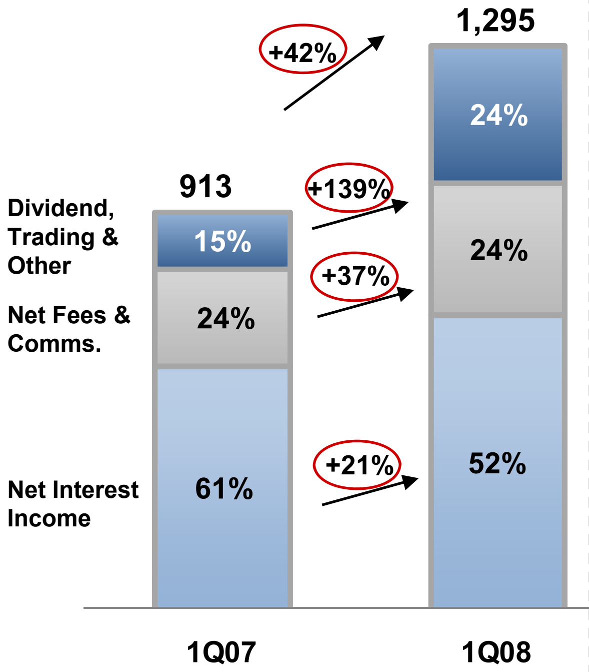
- **Loans up 11% YTD (44% YoY)** on the back of strong sector activity in 1Q
- **Loans/Assets up to 52%** while **securities weight in assets down to 24%**
- **Deposits up 7% YTD (23% YoY)** with **heavier weight of demand deposits over total at 17.2%** vs 16.6% in 1Q07
- **Loans / Deposits ratio at 88%** (+3 pp vs. YE07), **still at a comfortable level**
- **CAR at 12.7%** at **consolidated level**, **14.6%** at **bank level**

Note: Loan figures indicate performing loans

KOÇ UniCredit Group

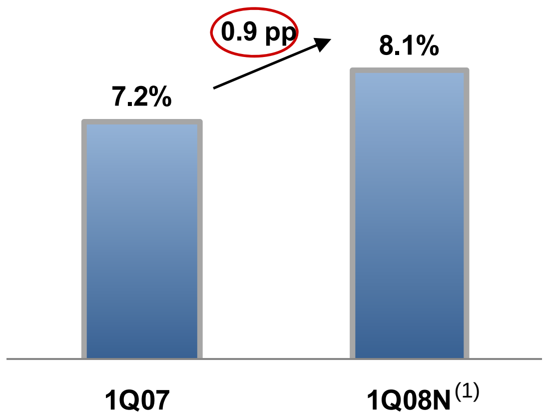
Strong fee growth & net interest income as main drivers of strong revenue performance confirming strength of commercial activity

Total Revenues
(mln YTL)



	% Comp	YoY Growth
Total	100%	23%
Dividend, Trading & Other	13%	10%
Net Fees & Comms.	27%	37%
Net Interest Income	60%	21%
	1Q08N(1)	

Revenues / Avg. IEAs



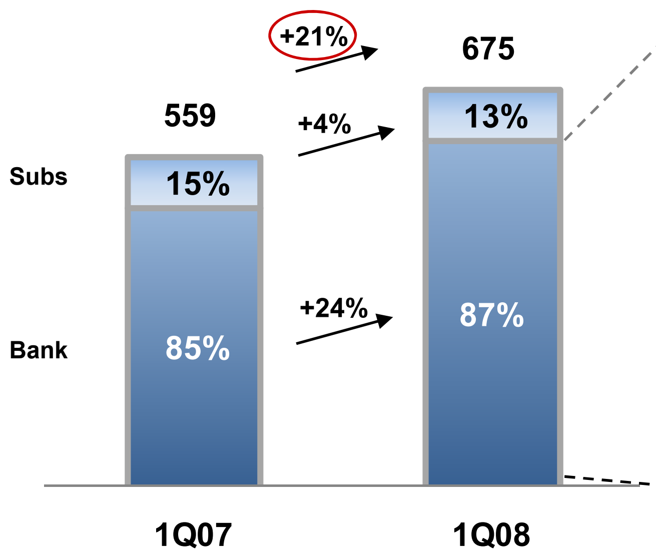
- **Revenue growth** mainly driven **by net interest income (+21% YoY)** and **net fees and commissions (+37% YoY)**
- Improved **revenue mix with higher share of fees at 27%**(1) and **net interest income at 60%**(1) **in total**
- **Enhanced revenue generation capability** with **Revenues / Avg. IEAs at 8.1%** (+0.9 pp YoY)

(1) Normalized to exclude the one-off effects on revenues of general provision release

Net interest income performance driven by strong volume growth and positive spread evolution in declining interest rate environment

Net Interest Income

(mln YTL)



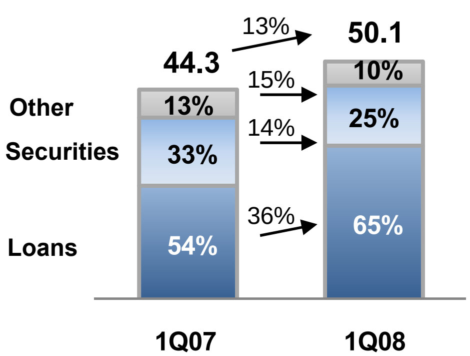
BANK[1]

		YoY Growth
IEA	Interest Income	+7%
	Avg. IEAs volume[2]	+7%
	Avg. Interest, %	-4 bps
IBL	Interest Expense	-0.8%
	Avg. IBLs volume[2]	+6%
	Avg. Interest, %	-60 bps
	Avg. Spread	+56 bps

BANK

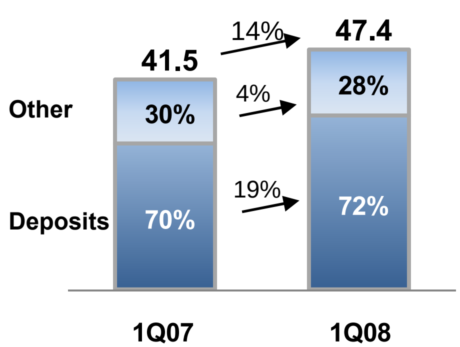
Interest Earning Assets[3]

(bln YTL)



Interest Bearing Liabilities[3]

(bln YTL)



- **Interest income up 7% YoY at Bank level**, driven by **volume growth**, with **increased weight** of **higher margin consumer** and **SME loans**
- **Interest expense down 0.8% YoY at Bank level**, driven by **improved cost of funding**
- **Improvement of the overall spread (+56 bps)**

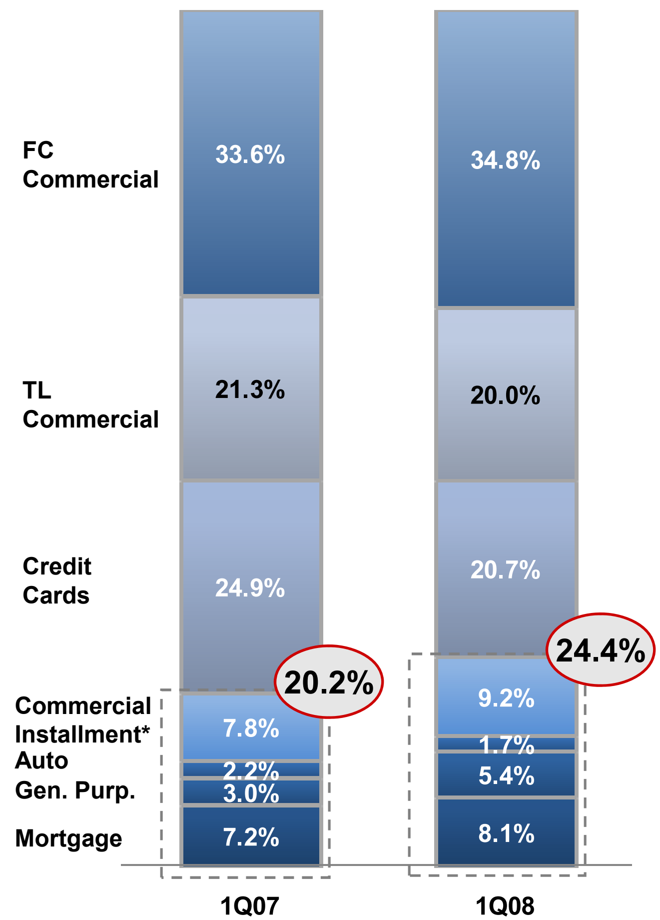
(1) Based on BRSA bank-only financials
(2) Average of 1Q08 and 2007 volumes
(3) End of period

Strong loan volume expansion mainly driven by higher margin TL consumer and SME loans

Consumer and Commercial Installment Loan Growth vs. Sector[1]

	1Q07	2Q07	3Q07	4Q07	1Q08
Consumer Loans	**-0.6%**	**8.0%**	**14.0%**	**20.4%**	**19.3%**
Sector	*5.0%*	*10.6%*	*10.3%*	*10.9%*	*9.5%*
Gen. Purpose	-1.7%	14.1%	25.8%	38.3%	30.7%
Sector	*9.1%*	*16.2%*	*13.2%*	*14.3%*	*10.8%*
Mortgage	2.8%	9.0%	12.5%	14.0%	15.5%
Sector	*5.2%*	*9.1%*	*10.6%*	*9.5%*	*10.3%*
Auto	-9.3%	-3.9%	0.2%	10.2%	6.7%
Sector	*-6.0%*	*-2.0%*	*-1.7%*	*2.6%*	*-1.4%*
Comm. Instl.*	**6.3%**	**11.7%**	**13.1%**	**17.3%**	**14.9%**
Sector	*3.5%*	*14.4%*	*6.1%*	*8.0%*	*8.0%*

Composition of Total Loans[2]

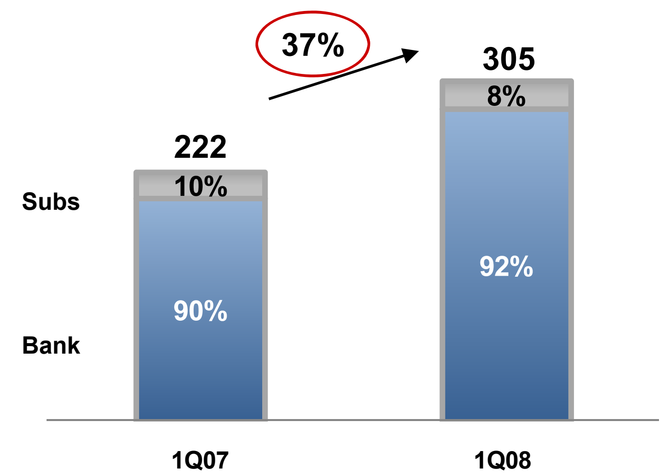


(1) Due to unavailability of consolidated data, sector figures are bank-only
(2) Total performing loans
* Proxy for SME loans as per BRSA reporting

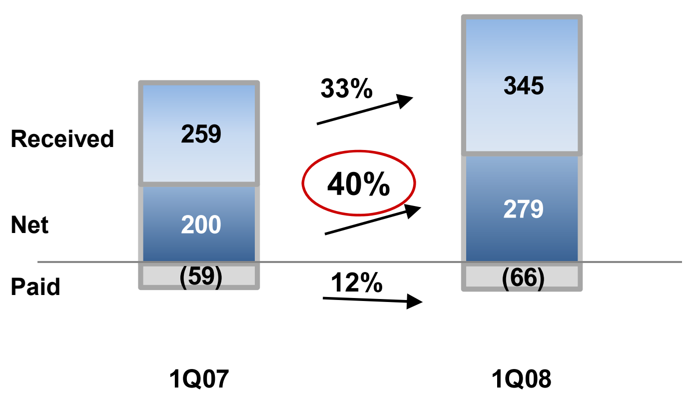
Noteworthy performance in fees & commissions mainly driven by credit cards and cash loan fees

1Q08 Results (BRSA Consolidated)

GROUP: Net Fees & Commissions[1]
(mln YTL)

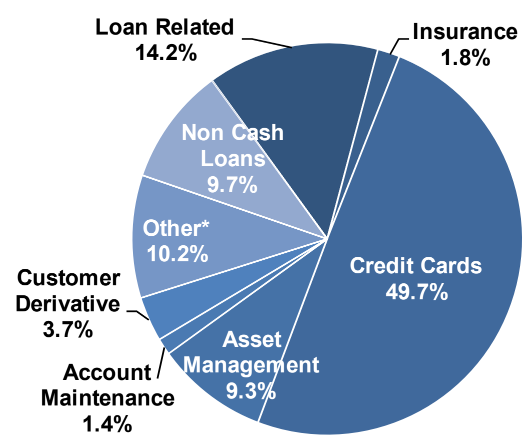


BANK: Net Fees & Commissions
(mln YTL)



- **Fees up 37% YoY at Group level**
- **Stronger performance at Bank level** at **40% YoY**, driven by fees on **credit cards**, **lending** and **asset management**
- **50%** of **Bank fees & commissions generated by credit cards**, **24% by lending** and **9% by asset management**

BANK: Composition of Fees & Commission Received (1Q08)



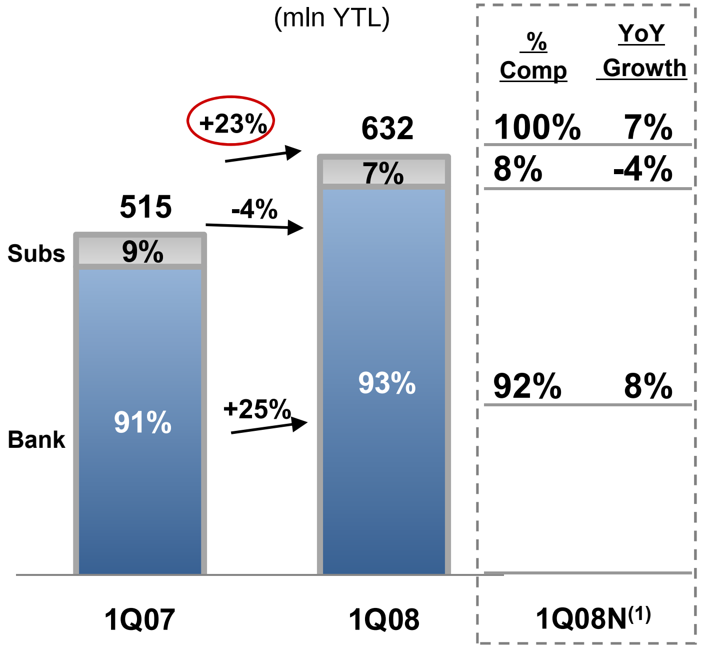
composition	1Q07
Credit Cards	54.6%
Non Cash Loans	12.2%
Asset Mng.	11.2%
Loan Related	5.2%
Account Maint.	2.6%
Insurance	1.3%
Cust. Derivat.	0.2%
Other*	12.7%

* Other includes money transfers, equity trading, campaign fees etc.

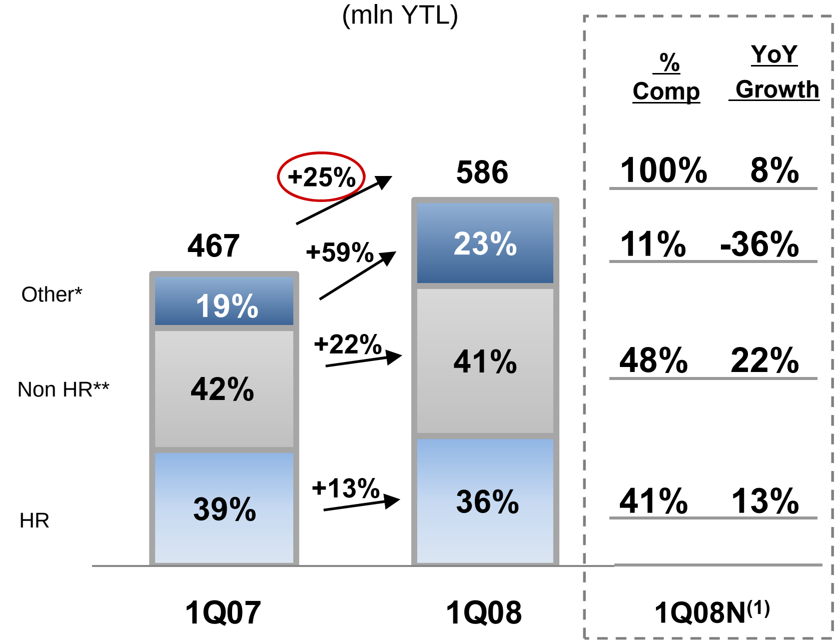
Costs mainly driven by accelerated branch opening plan at Bank level

1Q08 Results (BRSA Consolidated)

GROUP: Composition of Costs



BANK: Composition of Costs



- **Total Group costs, up 23% YoY**, **7% if normalized[(1)], driven by Bank costs** (up 25% YoY, 8% YoY if normalized[(1)])
- **Total Bank costs driven by 13% YoY increase in HR costs** and **22% YoY increase in non-HR costs**
- **Bank costs** impacted by **accelerated network expansion,** accompanied by **tight control on running costs** (0% growth target in '08 budget) as well as **ongoing efficiency measures (~250 headcount released from operational back-office in 1Q08 to be deployed in new branches)**
- **Other Bank costs up 59% YoY, -36% YoY if normalized[(1)]** driven by pension fund and loyalty points on World cards

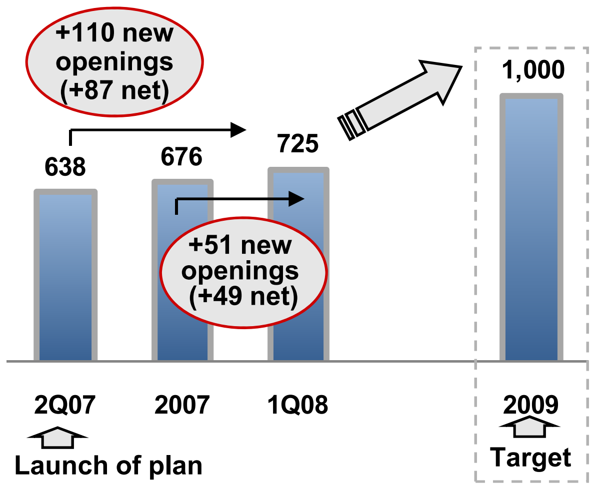
* Includes pension fund provision expense and loyalty points on Wold cards

** Non-HR costs include HR related non-HR costs, advertising, rent, SDIF, taxes and depreciation

(1) Normalized to exclude the one-off effects of pension fund provision

Accelerated branch opening plan on track, new branches positively contributing to value creation

No. of Bank Branches



Comparison with Accelerated Branch Opening Plan

No. of openings: 110
8% above plan

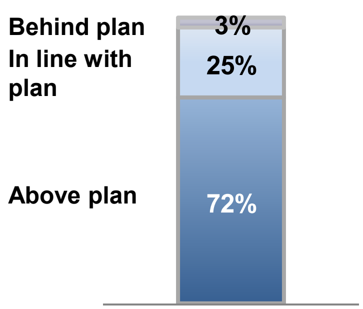
Total Cum. Revenues
30% above plan

Total Cust. Business[2]:
60% above plan

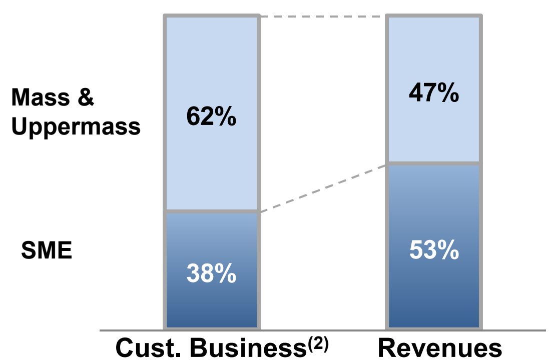
Total Costs
40% below plan

Performance of New Openings

(No. of Branches)



Contribution Mix from New Branches

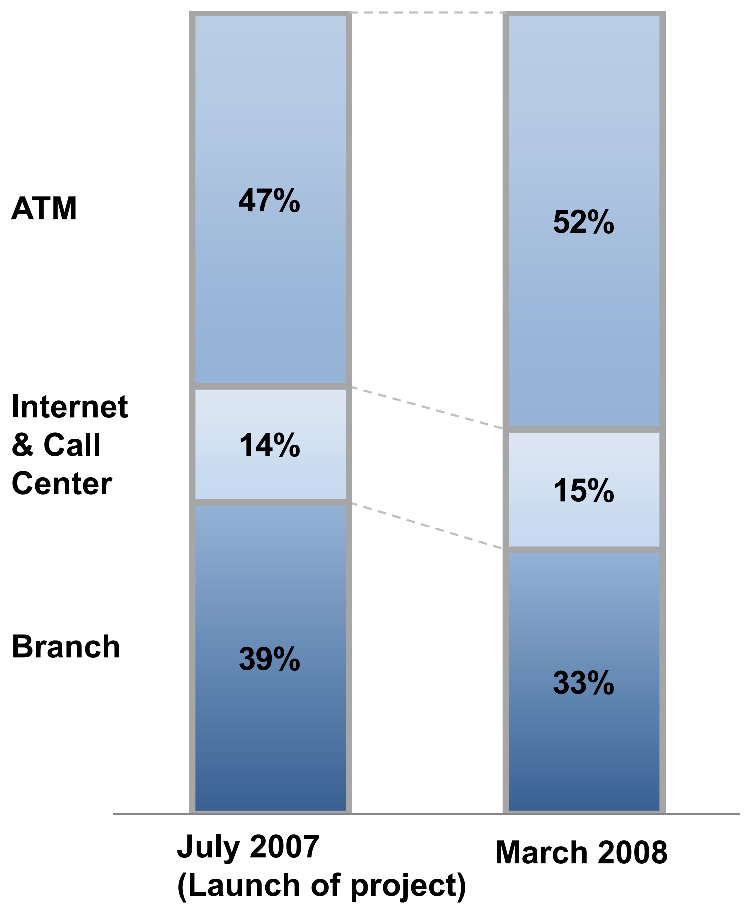


- **110 new openings since launch of plan** of which **51 in 1Q08**
- **~ 600 mln YTL total customer business generated** by new branch openings since launch (51% loans, 41% deposits, 8% AUM)
- **~1,300 additional recruitments to support the plan** since launch (of which **289 in 1Q08**)
- **Total Bank branches at 725[1]** covering 68 cities **as of end of 1Q** (61% in top 4 cities)
- **Of the new branch openings** in 1Q08, **37%** in **top 4 cities**, **63%** spreading **throughout the country**
- **9.2% market share** in terms of branches, **10% market share** in **top 10 cities**

Note: All numbers indicated on this page refer to Bank only. Total Group branches at 787 as of 1Q08 vs. 738 at YE07
(1) Including one off-shore branch in Bahrain
(2) Customer business: loans + deposits + AUM

Despite accelerated branch expansion, reduced share of branches in total transactions due to aggressive transaction migration to ADCs

Alternative Delivery Channel (ADC) Utilization* vs. Branch Utilization



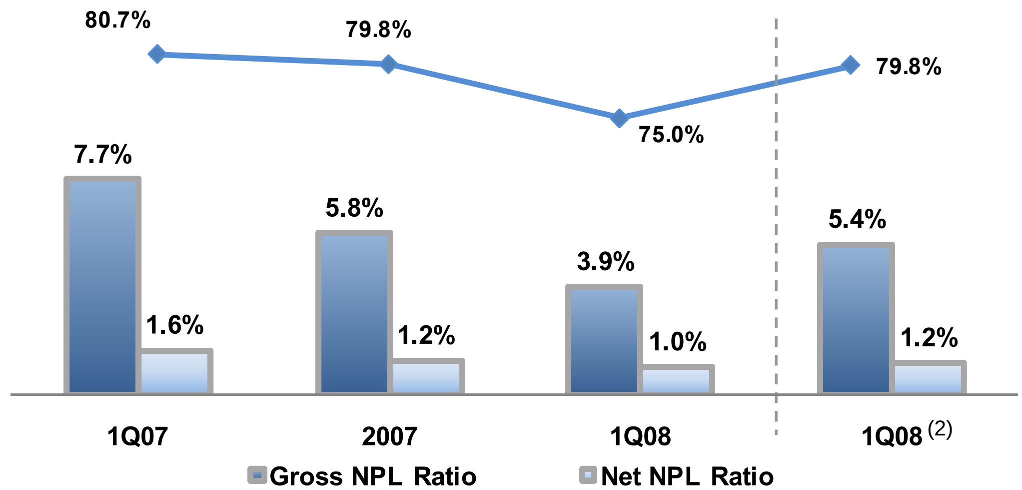
- **Positive performance of transaction migration project**
  - **Share of branch utilization decreased from 39% in July 07 to 33% in Mar 08**
  - **Share of ADC utilization increased from 61% in July 07 to 67% in Mar 08**
- **Total of 1,177 advanced ATMs (Tele24 Plus)** reached as of 1Q08 (Total # of ATMs: 2,040)
- **As a result of installation of advanced ATMS between July 07 and March 08:**
  - **66% increase in ATM usage for depositing cash**
  - **42% increase in ATM usage for credit card payments**
  - **20% increase in ATM usage for utility payments**
  - **7% increase in ATM usage for withdrawing cash**

* All migration transactions with no limits and all customer types

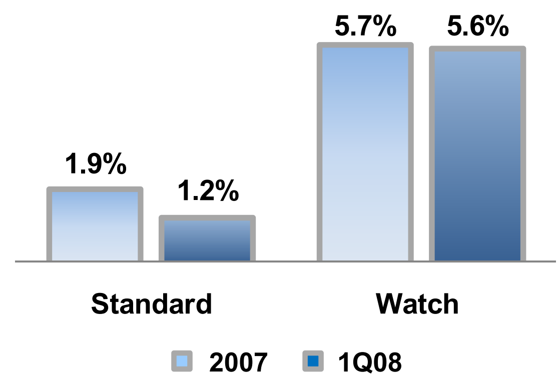
NPL ratio down to 3.9% driven by NPL sale and collections (5.4% on a like for like basis)

1Q08 Results (BRSA Consolidated)

Gross / Net NPL Ratio[1] & Coverage



General Provisioning



- **Sale of corporate, commercial** and **SME NPL portfolio** with **a gross value** of **YTL 429 mln** (nominal amount of YTL 532 mln including accruals) **for YTL 60.5 mln,** generating a **profit of ~YTL 10 mln**
- **Collection/sale** of **old large corporate NPL exposures** for **YTL 110 mln,** generating **profit of ~YTL 16 mln**
- **Release of general provisions** of **~YTL 185 mln** pursuant to **revision of IBNR methodology** to **better track effective cost of risk,** thus **aligning standard coverage ratio to market levels**
- **SME scorecard project** positively progressing, with expected **launch within 2008**
- **New NPLs in line with expectations** with no **signal of material deterioration in asset quality**

(1) Excludes factoring receivables and financial lease receivables
(2) Excluding effects of NPL sale and collections

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- **Performance by Business Unit (Bank-only)**
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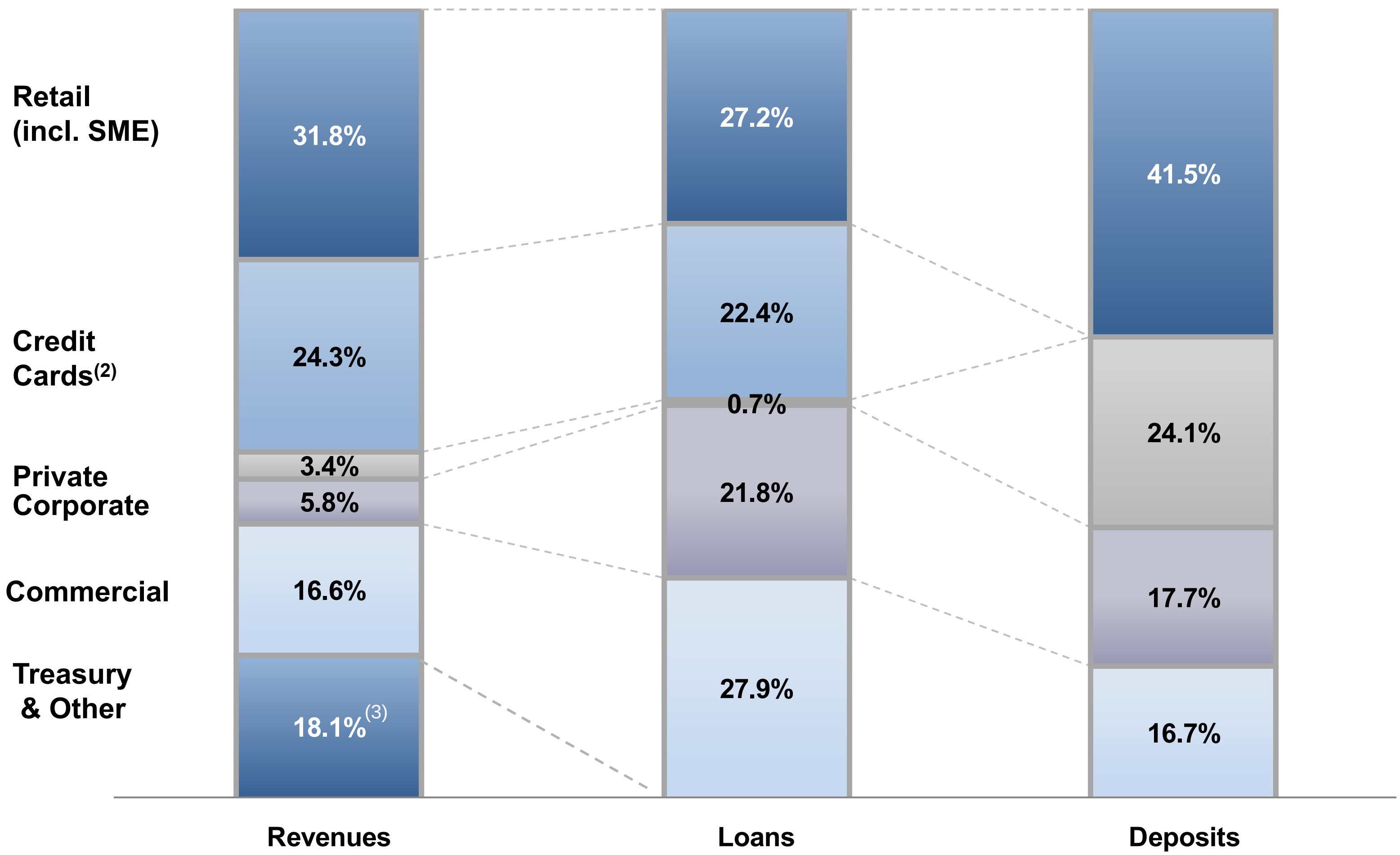
Diversified revenue composition driven by an increasingly retail focused loan portfolio and high quality deposit mix

Revenues & Volumes by Business Unit(1) 1Q08 (Bank-only)

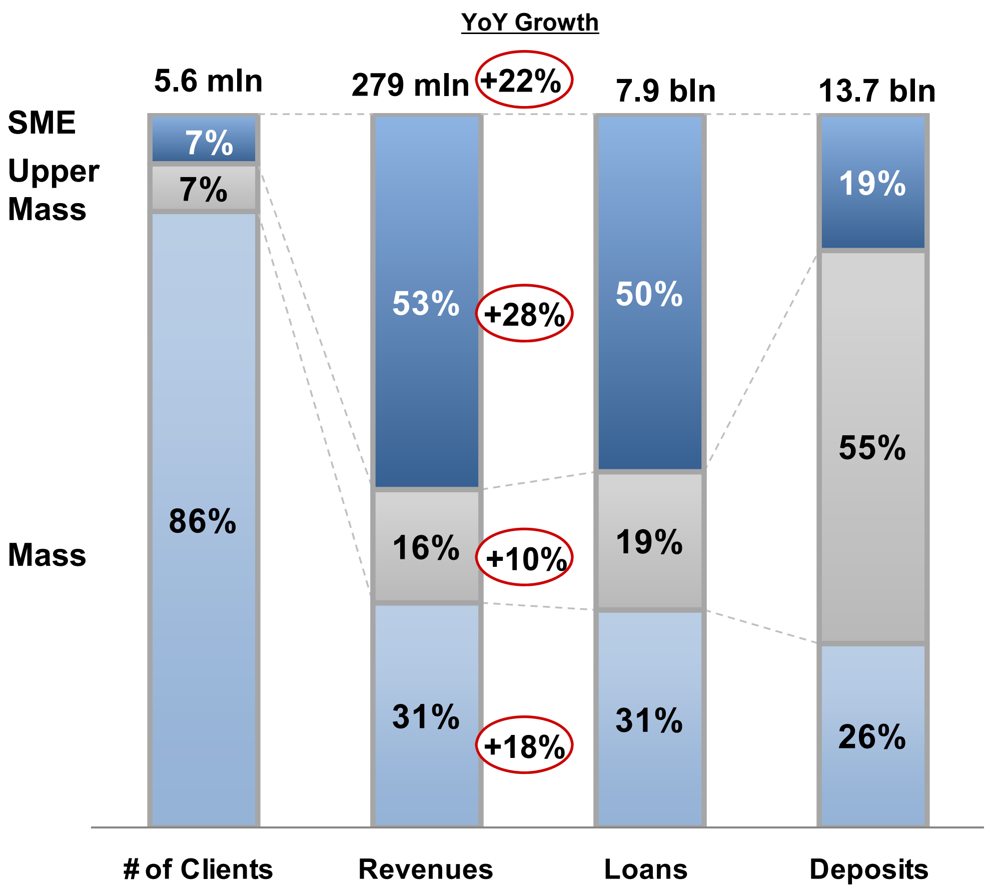


(1) Please refer to Annex for definitions of Business Units
(2) Net of loyalty point expenses on World cards
(3) Other revenues adjusted by NPL sales and collections for 1Q08
Note: Loan and deposit allocations based on monthly averages (source: MIS data)

More than half of retail banking revenues generated by SME business, constituting 7% of total retail clients

Retail Banking[1] - Composition of Active Clients & Total Revenues

(YTL, 1Q08)



- **~398 thousand active SME clients** generating **53% of total Retail revenues**
- **Highest rate of growth** on an annual basis driven **by SME segment (+28% YoY)**
- **Mass sub-segment** generating **31% of total Retail revenues with ~4.9 mln clients**
- **Mass sub-segment revenues growing** at **18% YoY**
- **Uppermass sub-segment** generates **16% of total Retail revenues**

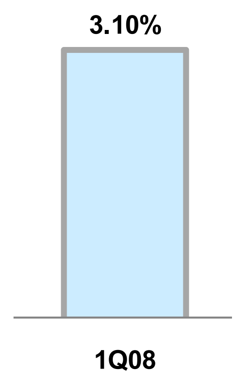
(1) Please refer to Annex for definitions of Business Units

Retail (Mass & Uppermass)

Retail (mass & uppermass) banking driven by accelerated branch expansion and aggressive growth in consumer lending, outperforming market and peers

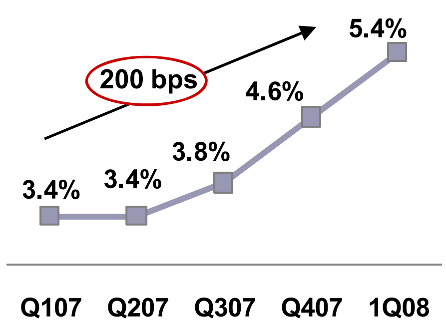
Mln YTL	1Q07	1Q08	YoY	YTD
Revenues	115	132	15%	-
Loans	2,303	3,949	72%	17%
Deposits	10,220	11,078	8%	1%
AUM (eop)	2, 320	2,580	11%	-3%
% of Dem. in R. Deposits	*15.9%*	*14.2%*	*-1.7 pp*	*-0.5 pp*
TL % in Retail Deposits	*62.0%*	*68.8%*	*6.8 pp*	*1.2 pp*
% of TL in Retail Loans	*100%*	*100%*	*0 pp*	*0 pp*

Revenues/ Cust. Business(1)

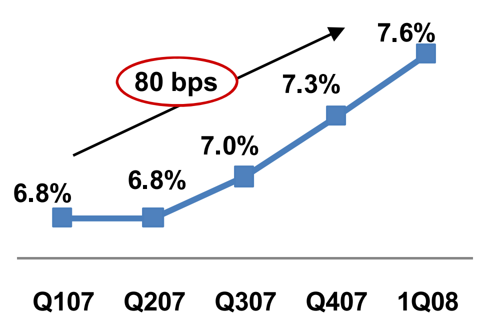


- **Retail banking revenues up 15% YoY** driven by **regained commercial momentum in consumer lending**(1) as well as **branch expansion**
- **Upward loan repricing** starting from February' 08
- **General purpose loan growth** mainly due to **implementation of CARMA**(2)
- **Auto loan market share** improving due to partnerships **(Ford Finans)**
- Ongoing **efforts on improving deposit pricing**

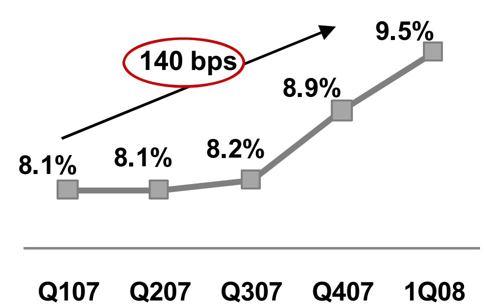
Gen. Purpose Loan Market Share(3)



Mortgage Market Share(3)



Auto Loan Market Share(3)

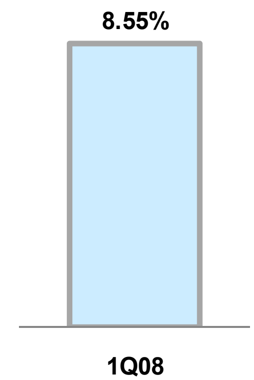


Note: all loan and deposit figures based on monthly averages except for revenues/customer business ratio which is based on 3-month average MIS data
(1) Customer business: loans + deposits + AUM
(2) CARMA= Centralized Automated Risk Management Approach based on loan offerings with pre-approved limits for ~ 1.3 mln existing customers
(3) Consumer lending includes loans that are granted to individuals only. Market shares based on BRSA bank-only figures

SME banking generating high revenue growth due to significant loan increase

Mln YTL	1Q07	1Q08	YoY	YTD
Revenues	114	147	28%	-
Loans	2,218	3,948	78%	13%
Deposits	2,269	2,595	14%	-11%
AUM (eop)	413	504	22%	-19%
% of Demand in SME Depos.	37.9%	36.7%	-1.2 pp	3.5 pp
% of TL in SME Deposits	60.2%	66.5%	6.3 pp	-1.1 pp
% of TL in SME Loans	95.8%	97.8%	2.0 pp	0.5 pp

Revenues/ (Customer Business[(1)])



- **SME banking revenues up 28% YoY** driven by **consistent focus in SME lending** as well as **branch expansion**
- **SME loans up 78% YoY** driven by **dedicated service model** and **unique product offerings**
- **Enhanced risk management** as a result of limitations on branch manager authority, **launch of new SME scorecard planned within 2008**
- **SME NPL ratio** under control **at ~3.8%**

Note: all loan and deposit figures based on monthly averages except for revenues/customer business ratio which is based on 3-month average
MIS data
(1) Customer business: loans + deposits + AUM

Significant revenue contribution by credit cards despite regulatory changes putting pressure on margins

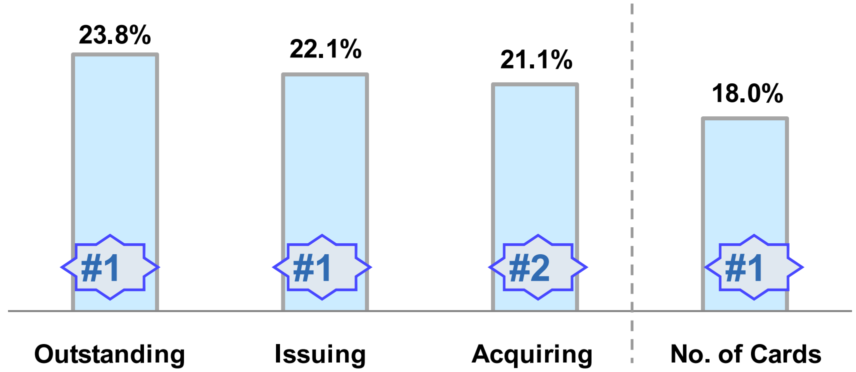
	1Q07	1Q08	YoY
Revenues *(mln YTL)*	211	246	16%
Net Revenues[1] *(mln YTL)*	174	213	23%
# of C. Cards[2] *(mln)*	6.4	6.9	9%
# of Merchants *(ths)*	~174	~215	23%
# of POS *(ths)*	~ 204	~260	27%
Revolving Ratio *(%)*	31.8	32.1	0.3 pp
Activation *(%)*	84.0	83.5	-0.5 pp

Credit Card Volumes & Market Shares[3]

Volumes (bln YTL):

6.5 9.0 8.6

Market Shares:



- **~332 thousand new World cards issued** in **1Q08**
- **Credit card revenues up 16% YoY** resulting in **continued leadership** in an environment with **margin compression** and **increased regulatory changes**
- Despite further regulation driven decline in credit card cap rate, credit card **profitability sustained in 1Q08** due to the combined effect of **higher revolving ratio at 32%** with **lower cost of funding**
- **Focus** on **optimizing loyalty point expenses**
- Continuing **expansion in Direct Sales Force** (217 as of March, +47 in 1Q08)
- **Co-branding agreements with Vakıfbank, Fortis and Anadolu Bank** planned **to be implemented starting from June 2008**

(1) Net of loyalty point expenses on World cards
(2) Including virtual cards (2007: 1.1 mln, 1Q08: 1.2 mln)
(3) Market shares based on bank-only 3-month cumulative figures

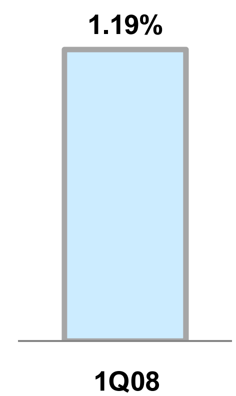
Private

Private banking significantly contributing to Bank's total asset gathering through new tailor-made product offerings

Performance by BU

Mln YTL	1Q07	1Q08	YoY	YTD
Revenues	21	30	38%	-
Loans	131	195	49%	6%
Deposits	6,848	7,937	16%	17%
AUM (eop)	1,477	1,961	33%	-0.4%
% of Demand in Private Deposits	4.6%	4.8%	0.2 pp	0.5 pp
TL % in Private Deposits	50.7%	51.4%	0.7 pp	2.5 pp
TL % in Private Loans	100%	100%	0 pp	0 pp

Revenues/ (Customer Business[(1)])



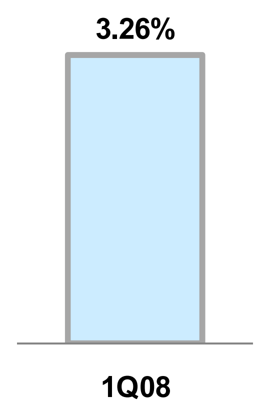
- **Private banking revenues up 38% YoY** driven by **growth in customer business**
- **Deposit volume growth up 16% YoY** (17% YTD) positively impacted by **performance of structured deposits** and **contributing 24% of Bank's total deposits** in 1Q08
- Launch of project in 1Q08 to **review strategic approach on affluent/private customer segments** and (i) **define new value proposition** and **enhanced service model** (ii) **review product offerings**

Note: all loan and deposit figures based on monthly averages except for revenues/customer business ratio which is based on 3-month average
MIS data
(1) Customer business: loans + deposits + AUM

Corporate banking mainly driven by volume growth, but ongoing repricing focus to improve return on capital

Mln YTL	1Q07	1Q08	YoY	YTD
Revenues	48	51	7%	-
Loans	4,893	6,345	30%	3%
Deposits	5,024	5,829	16%	22%
AUM (eop)	304	172	-44%	0.3%
% of Demand in Corp. Deposits	12.6%	11.1%	-1.5 pp	-5.5 pp
TL % in Corporate Deposits	53.8%	49.9%	-3.9 pp	-8.4 pp
TL % in Corporate Loans	28.1%	17.2%	-10.9 pp	-9.6 pp

Revenues/Loans



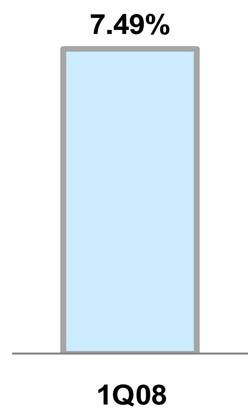
- **Corporate banking revenues up 7% YoY** driven by **strong loan growth at 30% YoY**
- **Upward loan repricing** starting from January of **on cash and non-cash lending** resulting in **loan growth at 3%YTD** and **revenues / loans ratio at 3.26%**
- Increasing **focus on cash management products** and **high margin areas including trade finance, project finance** and **acquisition finance**
- Leverage on **leasing and factoring products**
- **Review strategy on non-cash loans**, mainly **letter of credit** and **letter of guarantees** (4.5% YTD decline in letter of guarantees) due to revised regulatory environment

Note: all loan and deposit figures based on monthly averages except for revenues/loans ratio which is based on 3-month average.
MIS data

Commercial banking revenues driven by strong volume growth with increased focus on revenue oriented initiatives

Mln YTL	1Q07	1Q08	YoY	YTD
Revenues	116	145	25%	-
Loans	5,494	8,122	48%	8%
Deposits	4,443	5,484	23%	-5%
AUM (eop)	223	290	30%	-3%
% of Demand in Comm. Deposits	26.5%	24.8%	-1.7 pp	0.5 pp
TL % in Commercial Deposits	45.2%	49.6%	4.4 pp	3.4 pp
TL % in Commercial Loans	57.9%	50.7%	-7.2 pp	-3.9 pp

Revenues/Loans



- **Commercial banking revenues up 25% YoY** driven by **strong loan growth of 48% YoY**
- **Upward loan repricing** starting from Jan '08 due to **increased focus on revenues / RWAs**, resulting in **loan growth at 8% YTD** and **revenues / loans ratio at 7.49%**
- **Review strategy on non-cash loans**, mainly **letter of credit** and **letter of guarantees**
- Increasing **focus on cash management**, **trade finance**, **leasing** and **factoring**

Note: all loan and deposit figures based on monthly averages except for revenues/loans ratio which is based on 3-month average.
MIS data

AGENDA

- 1Q08 Operating Environment
- 1Q08 Results (BRSA Consolidated)
- Performance by Business Unit (Bank-only)
- **Capital Increase**
- Annex

On May 15, Yapı Kredi launched the process of capital increase through a rights offering

- Following the resolution of its Board of Directors on May 15, YKB launched the process **to increase its capital by YTL 920 mln through a rights offering**

- **The capital increase has the following rationale:**
  - **Reinvest proceeds of KFS restructuring** (~YTL 330 mln)
  - **Support long-term growth plan** and **leadership ambitions,** maintaining **sustainable ROE target in the range of 20%**
    - Performance in line with plan confirms viability of stated strategy & long term growth aspirations
    - Acceleration of growth confirms positive results of regained commercial focus and accelerated branch expansion plan
  - **Provide YKB with additional capital cushion** in light of rapidly changing regulatory environment and financial volatility
  - **Reduce high leverage,** increasing competitiveness through **realigning YKB's Tier I ratio with key competitors**
- **Further capital strenghtening from sale of insurance** (planned by year-end) will allow YKB to sustain growth **absorbing the impact of Basel II introduction** in January 2009 **without any additional capital increase**
- **CAR** expected **in excess of 13% at consolidated Group level** and **in excess of 14% at Bank-only level at year-end 2008**

Subject to regulatory approvals, the process is expected to be completed during 3Q08

Process Details:

- **Increase of YKB's paid-in capital** by YTL 920 mln in cash to YTL 4,347 **(within the Bank's registered capital of YTL 5 bln)**
- **No restrictions on pre-emptive rights:** All shareholders (including minorities) of YKB will be **invited** to **exercise their pre-emptive rights to subscibe shares at nominal value** (on a proportionate basis)
- **Koç Financial Services[1], controlling 81.8% of YKB's outstanding share capital,** will **fully participate proportionately with its share (~YTL750 mln)**
- **Minorities' share** in capital increase **at ~YTL170 mln**

Process Timetable[2]:

2008			
May	June	July	August
Launch of formal process & **application to BRSA** & other regulatory bodies	**Submission of prospectus** & **offering circular** to CMB & ISE	**Rights offering** and **subscription period**	**Completion** of **formal process** with obtainment of all approvals by mid Aug

(1) YKB's majority shareholder 50%-50% owned by UniCredit and Koç Holding
(2) Subject to regulatory approvals

AGENDA

- 1Q08 Operating Environment
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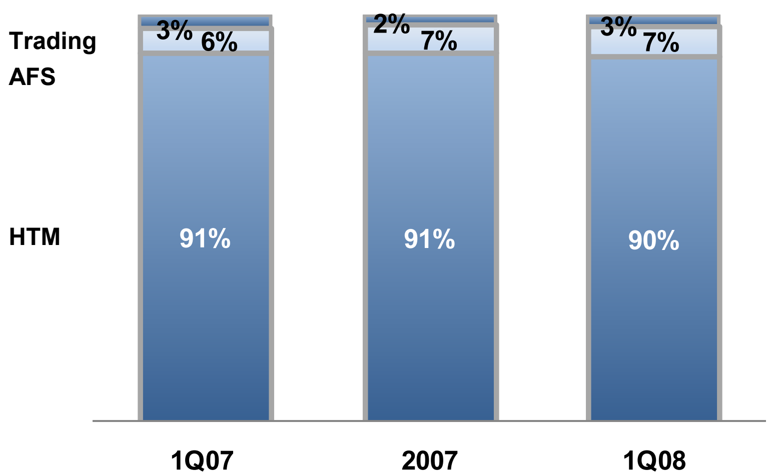
- Capital Increase
- **Annex**

Definitions of Business Units

- **Retail:**
  - **SME:** Companies with turnover less than 3 mln USD
  - **Uppermass:** Individuals with assets between 10K -70K USD
  - **Mass:** Individuals with assets less than 10K USD
- **Commercial:** Companies with annual turnover between 3-50 mln USD
- **Corporate:** Companies with annual turnover above 50 mln USD
- **Private:**
  - **Ultra High Net Worth:** Individuals with assets above 500K USD
  - **High Net Worth:** Individuals with assets between 150K - 500K USD
  - **Affluent:** Individuals with assets between 70K – 150K USD

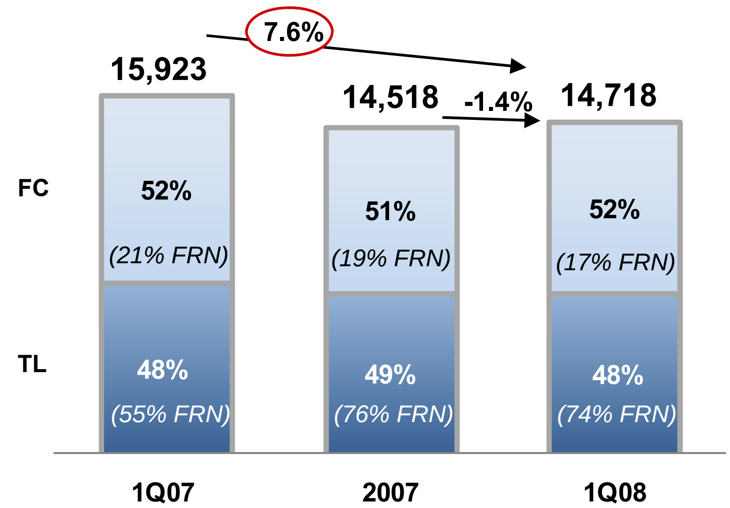
90% of securities portfolio invested in HTM in line with stable revenue generation and limited capital at risk

Securities Composition by Type



Securities Composition by Currency

(mln YTL)



- **HTM mix in total securities** even **higher at bank level at 95%**
- **FX open position is kept minimal**, restricted with VaR and position limits; monitored on a daily basis
- **8% decline in total securities YoY, share of securities in total assets declined to 24%** (vs. 31% in 1Q07)

FRN: Floating Rate Notes

International Funding

- **Syndications:** 1.5 bln USD outstanding
  - Sept 2008: USD 800 mln, Libor + 47.5 bps, 1 year. Refinance of maturing loan
  - Dec 2008: USD 700 mln, Libor + 62.5bps, 2 years. Refinance of maturing loan
- **Securitizations:** Largest issuance of 1.4 bln USD in Dec 2006 and March 2007 (7-8 year, 6 tranches, LIBOR+18 bps - 35 bps). No maturing loan or payment in 2008
- **Subloans:** €1,050 mln
  - €500 mln - YKB March 2006 (10NC5, Libor+2.00% p.a.)
  - €350 mln - Koçbank April 2006 (10NC5, Libor+2.25% p.a.)
  - €200 mln - YKB June 2007(10NC5, Libor+1.85% p.a.)
- **Sace Loan:** €100 mln March 2007 to support trade finance transactions (5 years, all-in Euribor+1.20% p.a.)

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