Yapı Kredi 2008 YE Earnings Presentation

BRSA Consolidated

İstanbul, 6 March 2009

AGENDA

- **2008 Operating Environment**
- 2008 Results (BRSA Consolidated)
- Performance by Business Unit (Bank-only)
- 2009 Outlook and Priorities
- Annex

Four very different quarters in terms of operating environment in 2008 with 4Q especially challenging in terms of increased volatility, uncertainty and sharp macro slowdown

		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Macro	GDP Growth (y/y)	6,7%	2,3%	0,5%	-5,5%
	Industrial Production (y/y)	7,3%	4,1%	-1,4%	-12,5%
	Central Bank O/N (eop)	15,3%	16,3%	16,8%	15,0%
	Consumer Confidence Index	82,0	75,0	80,7	69,9
	Current Account Deficit / GDP	-5,8%	-6,2%	-6,0%	-5,7%
	Inflation (eop, y/y)	9,2%	10,6%	11,1%	10,1%
Sector	Loan Growth	11%	8%	6%	2%
	Deposit Growth	8%	5%	3%	8%
	Loans/Deposits	82%	84%	87%	82%
	NPL Ratio	3,7%	3,8%	3,7%	4,0%
	Cost of Risk	2,0%	1,3%	1,6%	2,5%
	ROE	19,0%	21,4%	18,9%	16,6%
	CAR	16,0%	15,3%	16,1%	16,5%

1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Generally favorable operating environment with declining interest rates coupled with strong lending growth	Start of deterioration in global liquidity conditions not yet affecting Turkey but still less favorable operating environment in terms of interest rate evolution and macro fundamentals, mainly driven by domestic political uncertainty	Despite favorable outcome of AKP closure case, positive sentiment in Turkey dampened by intensifying global financial turmoil	High market volatility and uncertainty coupled with significant weakening of economic prospects and contraction in volumes in the banking sector

Key 2008 achievements

- **Improvement in profitability (ROAE at 24.1%[1]) driven by:**
  - Strong revenues (21% y/y, 15% if normalised[1]) resulting from increased commercial focus and excellent performance in fee income generation (30% y/y)
  - Outstanding cost management (9% y/y, 4% if normalised[1]) with improvement in cost/income
  - Improvement in average employee productivity driven by increased operational efficiency
- **Growth driven by branch expansion**
  - Highest number of branch openings in the sector (+185)
  - 27% y/y growth of the branch network vs 4% y/y growth in headcount at bank level
- **Continued attention to customer and employee satisfaction with clear improvement trend**
- **Significant improvement in ADCs bringing YKB to a leading position in innovation and technology**
- **Increased focus on key strategic segments/products, also through fine tuning of business model, resulting in market share gains**
  - Highest market share gains in consumer loans
  - Outstanding performance in credit cards in terms of profitability despite negative regulatory environment
- **Strong capital base, sound liquidity and funding position**
  - Consolidated CAR at 14.24% (15.74% at Bank level) including the impact of TL 920 mln capital increase
  - Secured USD 1 bln one-year syndicated loan facility in Sep 08 with all-in cost of Libor+0.75%
  - Strong and stable deposit base (72% of TL deposits contributed by individuals)
  - Comfortable loans/deposits ratio (88%)

Proven capability to combine profitability with growth through constant focus on revenues, customer satisfaction and efficiency

(1) Normalised to exclude the one-off effects of pension fund provisions on costs, general provision release on revenues and tax settlement expense on tax provisions in 1Q08. Also normalised to exclude one-off tax risk expense under other operating expenses in 4Q (reclassified from other provisions in 2Q). 2Q07 normalised to exclude the gross-up effect of Superonline write-off on revenues and provisions

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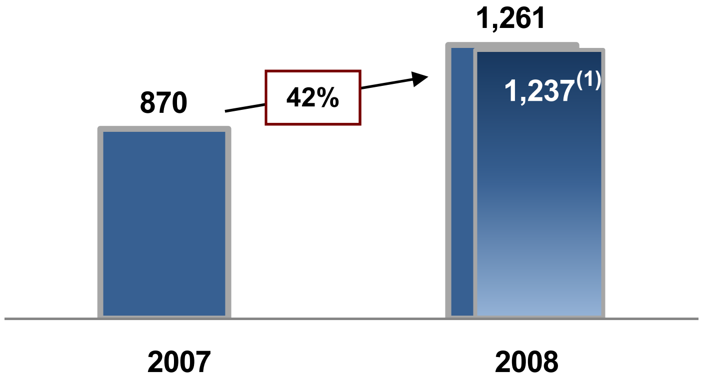
Key performance indicators

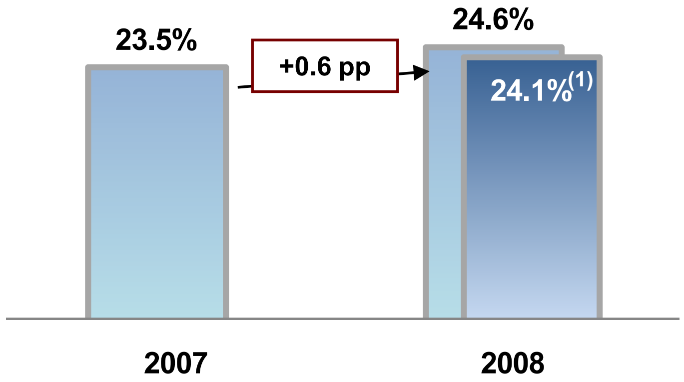
2008 Results (BRSA Consolidated)

Consolidated Net Income

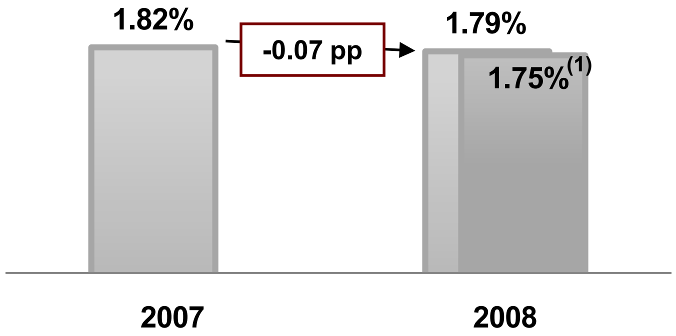
(mln TL)



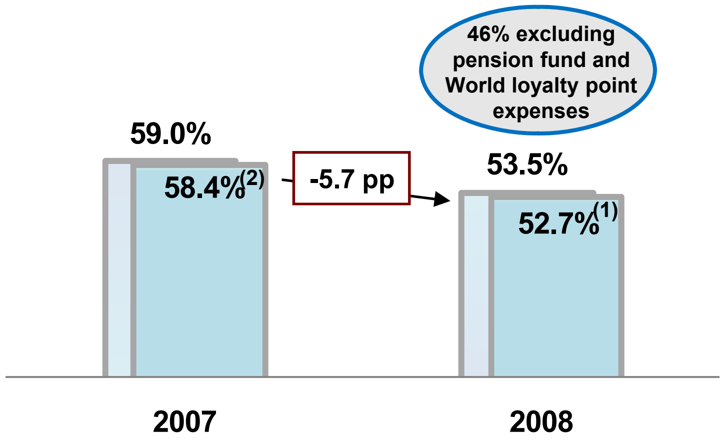
Consolidated ROAE(*)



Consolidated ROA(**)



Cost / Income



(*) Calculations based on the average of end of year equity (excluding current year profit) and prior year equity to reflect the effect of capital increase. Annualised

(**) Calculations based on net income/end of period total assets. Annualised

(1) Normalised to exclude the one-off effects of pension fund provisions on costs, general provision release on revenues and tax settlement expense on tax provisions in 1Q08. Also normalised to exclude one-off tax risk expense under other operating expenses in 4Q (reclassified from other provisions in 2Q)

(2) Normalised to exclude the gross-up effect of Superonline write-off on revenues and provisions in 2Q07

Consolidated net profit up 45% y/y driven by positive commercial performance, rigid cost management despite significant worsening of market conditions towards year-end

2008 Results (BRSA Consolidated)

Income Statement, mln TL	2007	2008	YoY%	%YoYN(1)
Total Revenues	**3,963**	**4,784**	**21%**	**15%**
Net Interest Income	2,473	2,824	14%	14%
Non-Interest Income	1,490	1,961	32%	17%
o/w Fees & Comms.	1,065	1,388	30%	30%
Operating Costs	**2,338**	**2,560**	**9%**	**4%**
HR	948	1,046	10%	10%
Non-HR*	1,077	1,207	12%	8%
Other**	314	307	-2%	-28%
Operating Income	**1,624**	**2,224**	**37%**	**31%**
Provisions	415	610	47%	37%
Pre-tax income	**1,209**	**1,614**	**33%**	**29%**
Tax	190	349	84%	66%
Net Income	**1,019**	**1,265**	**24%**	**22%**
Minority Interest	149	4	-97%	-97%
Consolidated Net Income	**870**	**1,261**	**45%**	**42%**

- **Revenues up 21% y/y,** 15% if normalised(1)
- **Revenue growth** driven by **14% y/y growth in net interest income (almost stable NIM)** and **30% y/y growth in fees and commissions**
- **Total Costs up 9% y/y**, 4% if normalised(1) **due to rigid cost management. Core cost base** (HR costs+non-HR costs) **up 11% y/y**, 9% y/y if normalised despite **accelerated branch expansion plan** at Bank level
- **Operating income** up **37% y/y,** 31% if normalised(1)
- **Cost of risk** at 1.39%, 1.43% if normalised(1) (+37 bps vs YE07)
- **Consolidated net income up 45% y/y,** 42% if normalised(1), **also driven by enlarged consolidation perimeter**(2)

(1) Normalised to exclude the one-off effects of pension fund provisions on costs, general provision release on revenues and tax settlement expense on tax provisions in 1Q08. Also normalised to exclude one-off tax risk expense under other operating expenses in 4Q (reclassified from other provisions in 2Q). 2Q07 normalised to exclude the gross-up effect of Superonline write-off on revenues and provisions

(2) Enlarged consolidation perimeter as a result of KFS restructuring, consolidating all financial subsidiaries under the umbrella of YKB

(*) 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 card

Healthy balance sheet evolution as a result of balanced growth in lending and deposit gathering. Strenghtened capitalisation (CAR at 14.2%) and sound liquidity position (L/D ratio at 88%)

2008 Results (BRSA Consolidated)

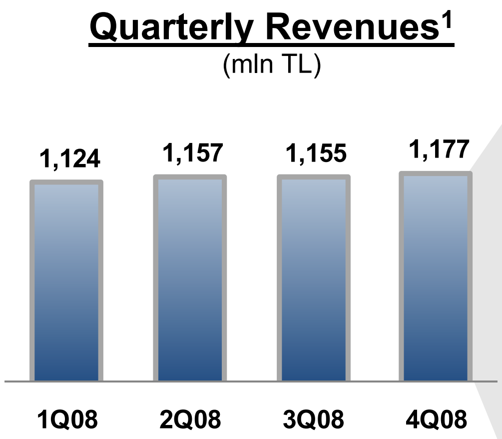
Balance Sheet, bln TL	2007	2008	% YoY
Total Assets	**56.1**	**70.9**	**26%**
Loans	**28.7**	**38.9**	**35%**
TL	19.4	24.8	28%
FC (in $)	8.2	9.6	16%
Securities	14.5	15.4	6%
Deposits	**33.7**	**44.0**	**31%**
TL	18.9	24.8	31%
FC (in $)	13.1	13.1	0%
Shareholders' Equity	**5.0**	**6.9**	**37%**
AUM	6.8	6.2	-9%

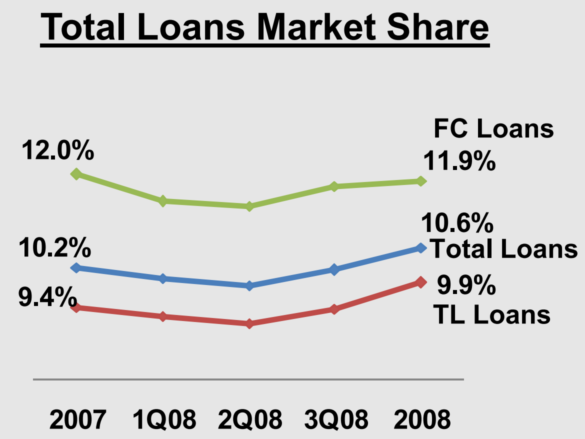
Ratios	2007	2008	Δ YoY *(pp)*
Loans/Assets	**51.2%**	**54.9%**	**3.7**
Securities /Assets	**25.9%**	**21.7%**	**(4.2)**
Loans/Deposits	**85.2%**	**88.4%**	**3.1**
Borrowings/Liabilities	**16.8%**	**14.8%**	**(2.0)**
Consolidated CAR*	**12.81%**	**14.24%**	**1.4**
Bank-only CAR*	**13.67%**	**15.74%**	**2.1**

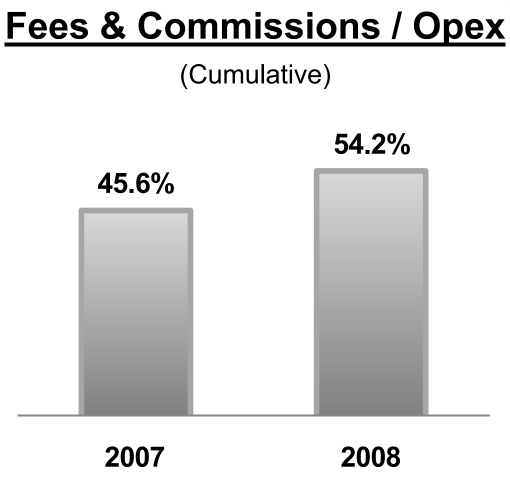
- **Above market growth in loans (+35% y/y)**
- **Loans/Assets up to 55%** (vs 51% at YE07) **while securities weight in assets down to 22%** (vs 26% at YE07)
- **Above market growth in deposits** (+31% y/y) **driven by TL**
- **Loans/Deposits ratio up to 88%** (vs 85% at YE07)**, at a comfortable level**
- **Wholesale Borrowings /Liabilities down to 14.8%** (vs 16.8% at YE07)**, despite TL devaluation**
- **Improvement in CAR* to 14.2% at Group level** and **15.7% at Bank level**

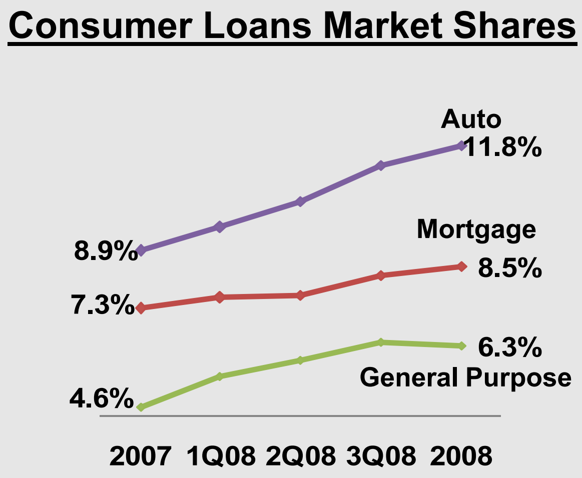
(*) 2008 CAR includes full impact of TL 920 mln cash capital increase
Note: Loan figures indicate performing loans

Through constant focus on revenues, customer satisfaction and efficiency, YKB managed to combine profitability and growth





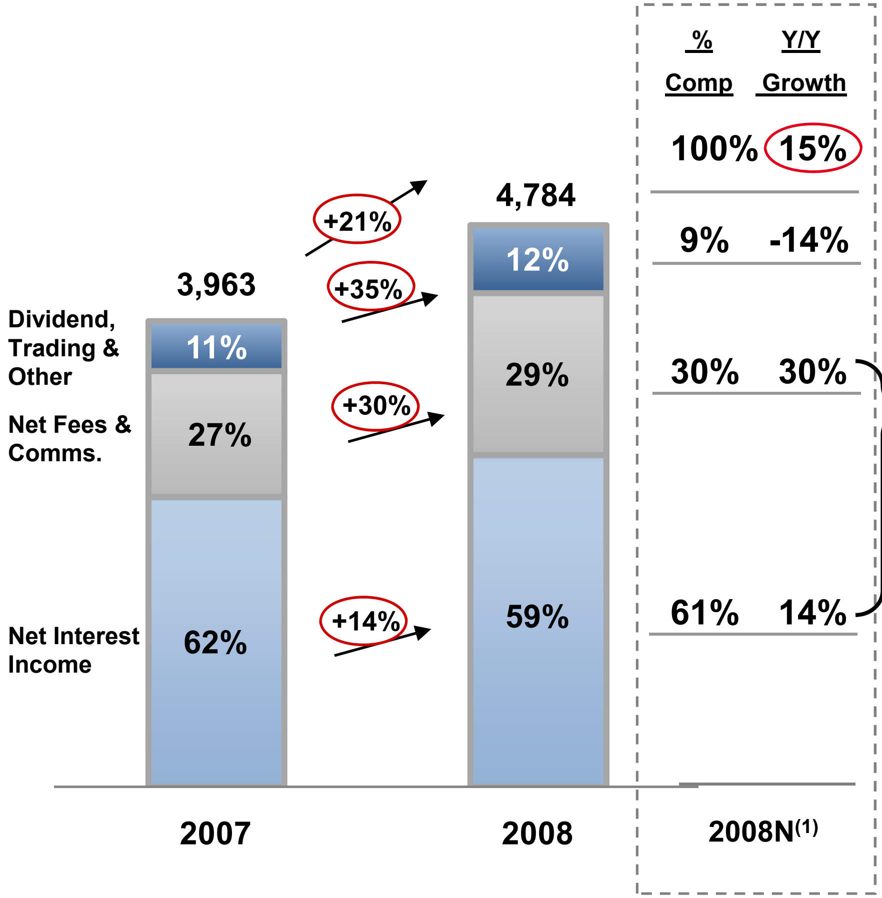


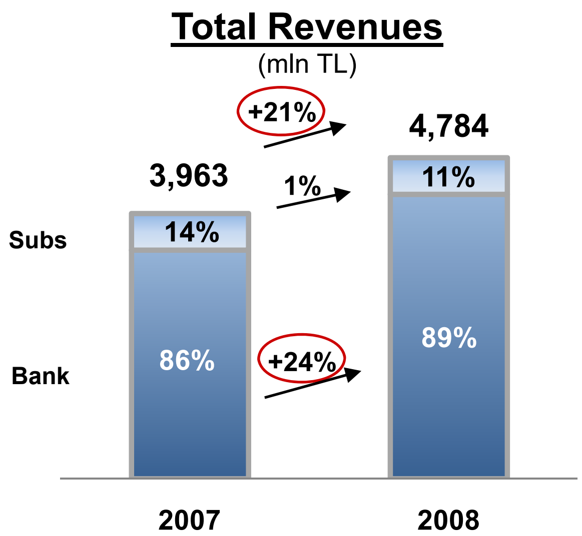


- Stable quarterly revenue performance despite four different and progressively deteriorating quarters
- Significant improvement in fees/opex ratio driven by sustained fee performance, efficiency enhancements and rigid cost management
- As a result, YKB managed to achieve both profitability and growth simultaneously as clearly indicated by market share gains

(1) Normalised to exclude the one-off effects of general provision release on revenues in 1Q08

Healthy growth and improvement in mix of revenues with increased share of fees and commissions





- **Total Group revenues up 21% y/y**, (15% if normalised[(1)]), **driven by Bank revenues** (24% y/y, 19% if normalised[(1)]), generated from **core commercial business**
- **Improved revenue mix** driven by **higher share of fees at 30%[(1)]** (vs 27% at YE07) and almost **stable share of net interest income at 61%[(1)], thanks to 19% growth in fees and net interest income**
- **Lower share of other income** (dividend, trading and other) **in total at 9%[(1)]** (vs. 11% at YE07), driven mainly by 39% decrease in trading income

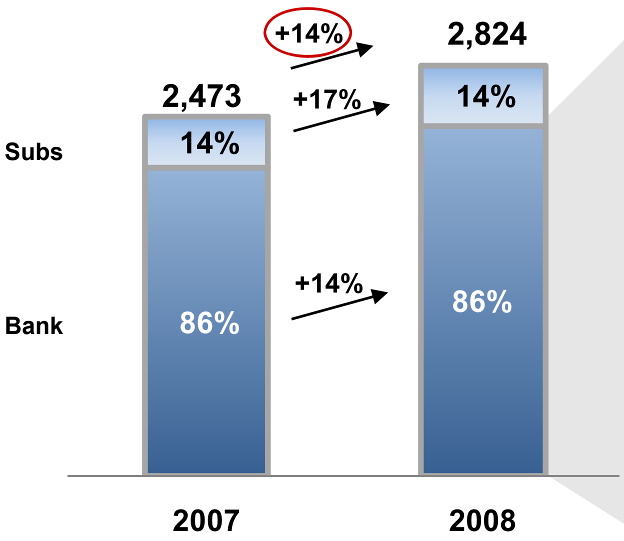
(1) Normalised to exclude the one-off effects on revenues of general provision release in 1Q08. 2Q07 normalised to exclude the gross-up effect of Superonline write-off on revenues

Cumulative NIM evolution almost stable in 2008 vs 2007 driven by upward repricing in loans and securities but impacted by increased cost of deposits in 2H08 due to interest rate hikes and strong liquidity pressure

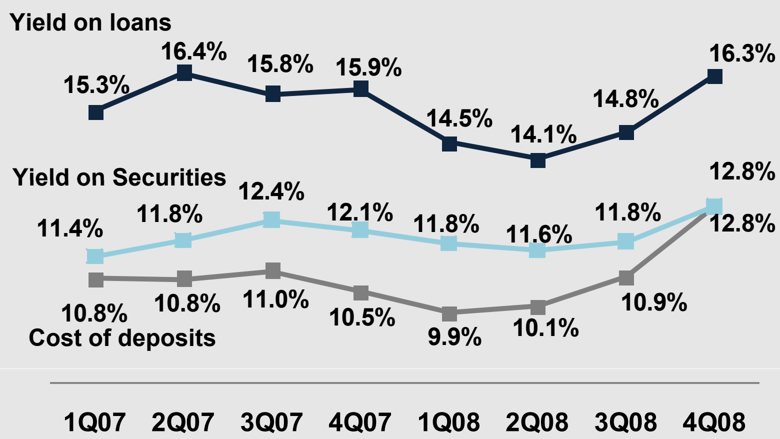
2008 Results (BRSA Consolidated)

Net Interest Income

(mln TL)

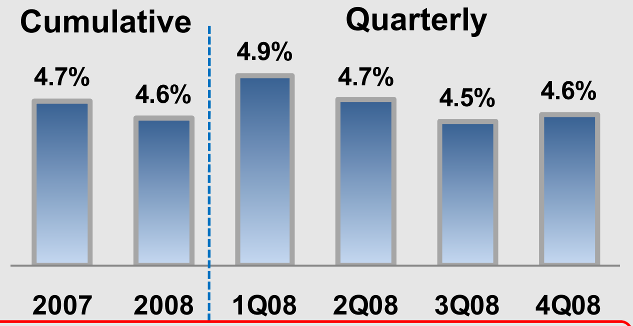


BANK: Spread Analysis[1]



BANK: NIM[1]

(Net interest income / Avg. IEAs)



	2007	2008	1Q08	2Q08	3Q08	4Q08
Benchmark Bond Rate (avg)	18.3%	19.4%	17.0%	19.9%	19.7%	21.0%

- **Net interest income** grew by **14% y/y** at Group level, driven by **14% y/y growth at Bank level and 17% y/y growth at Subs**
- **Bank cumulative NIM at 4.6% (almost stable vs 2007)** impacted by **higher cost of deposits but offset by higher yield on loans and securities due to upward repricing**
- **Despite liquidity pressure and significant LC interest rate hikes, 4Q showing positive trend with increased NIM due to heavy repricing on asset side**

(1) All calculations based on average volumes

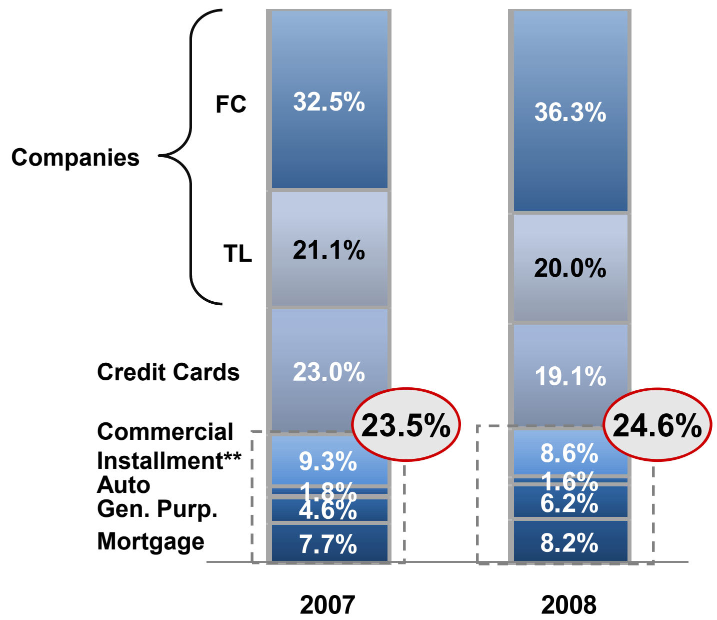
Above sector loan growth driven by focused approach on key products/segments, leading to further diversification of loan book. Significant slowdown in 4Q, but growth still above market

2008 Results (BRSA Consolidated)

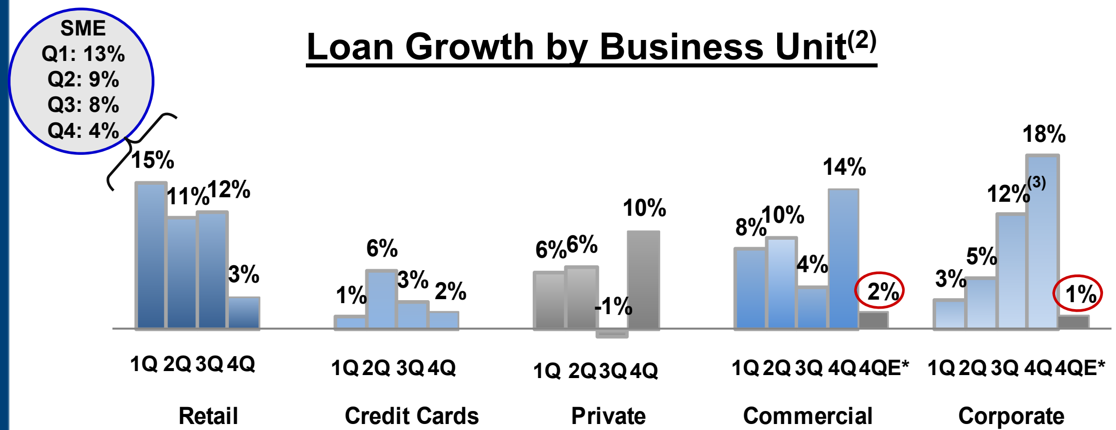
2008 Loan Growth vs Sector

	Y/Y		4Q vs 3Q	
	YKB	Sector[4]	YKB	Sector[4]
Total Loans	35%	30%	7%	2%
TL Loans	28%	21%	1%	-4%
FC Loans ($)	17%	14%	-3%	-8%
Consumer Loans	53%	24%	-1%	-2%
Housing Loans	43%	21%	2%	-2%
Auto Loans	21%	-9%	-5%	-10%
General Purpose	81%	32%	-3%	-1%
Credit Cards	13%	30%	2%	6%
Comm. Installment**	25%	16%	4%	-4%

Composition of Total Loans[1]



Loan Growth by Business Unit[2]



- **Further diversification of loan book** with **share of credit cards declining** in favor of **increasing share of small ticket retail loans**
- **4Q total loan growth of 7%**, mainly **attributable to FX effect** (1% q/q in TL loans, -3% q/q in FC loans in USD terms)

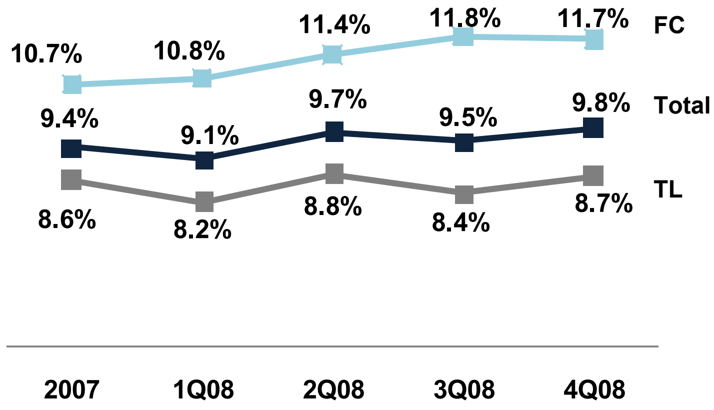
(1) Total performing loans as per BRSA consolidated figures
(2) Loan growth as per MIS data based on monthly averages. Please refer to Annex for definitions of Business Units
(3) Treasury driven for O/N placement of short-term liquidity in TL
(4) Sector data based on weekly BRSA unconsolidated figures
(*) Estimate excluding the effect of devaluation
(**) Proxy for SME loans as per BRSA reporting

Robust deposit growth, driven by local currency deposits further strenghtening the funding base. Solid and above sector growth in deposits in 4Q to further sustain liquidity

2008 Deposit Growth vs Sector

	Y/Y		4Q vs 3Q	
	YKB	Sector[1]	YKB	Sector[1]
Total Deposits	31%	27%	9%	8%
TL Deposits	31%	27%	9%	5%
FC Deposits ($)	-0.1%	-3%	-11%	-8%
Demand Deposits	11%	-1%	-8%	-12%
Time Deposits	35%	32%	13%	12%
Demand/Total Deposits	14%	13%	-	-

BANK: Deposit Market Shares

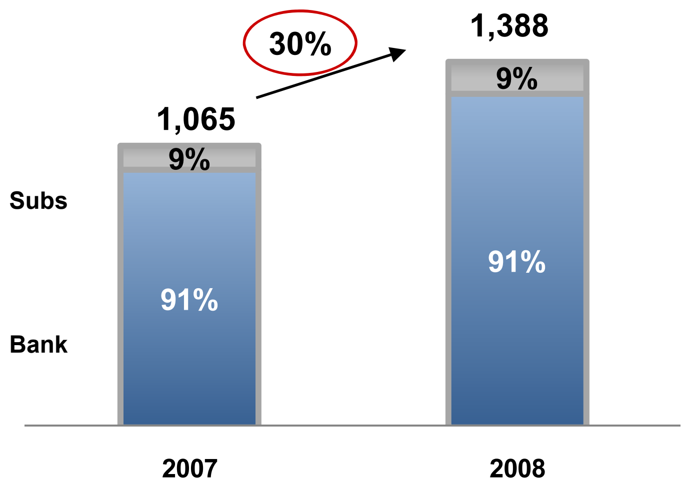


- **Healthy increase in deposit market shares in all categories as a result of focused approach**
- **Deposit growth in 4Q continued at a pace higher than the sector, especially in local currency**
- **Leveraging on a strong and loyal customer base, demand deposit growth of 11% at YKB vs -1% at sector level. Weight of demand deposits** over total at **14.3% (above sector)**

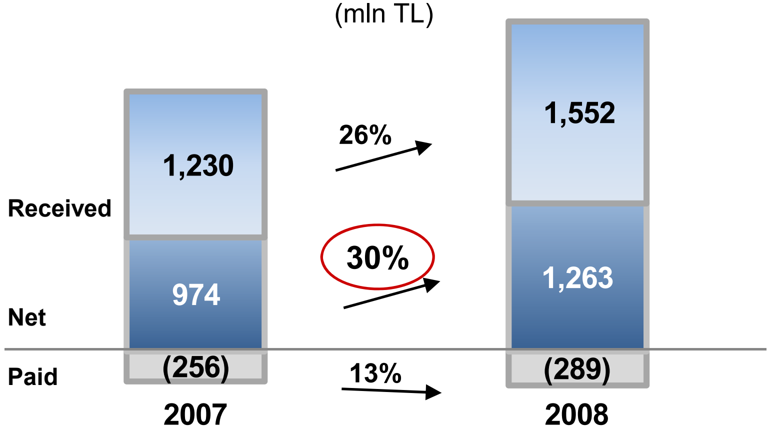
(1) Sector data based on weekly BRSA unconsolidated figures

Excellent performance in fees & commissions

GROUP: Net Fees & Commissions
(mln TL)

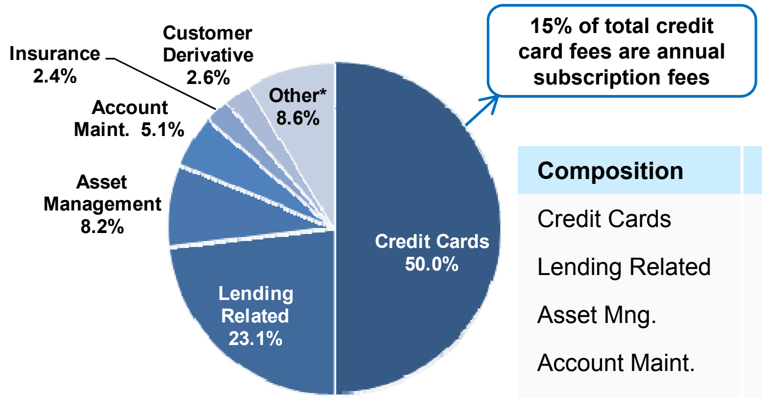


BANK: Net Fees & Commissions
(mln TL)



- Fees up 30% y/y at Group level
- Fees up at 30% y/y at Bank level, mainly driven by lending related fees
- 50% of Bank fees & commissions generated by credit cards, 23% by lending and 8% by asset management

BANK: Composition of Fees & Commission Received (2008)



Composition	2007
Credit Cards	53.3%
Lending Related	19.2%
Asset Mng.	9.9%
Account Maint.	4.6%
Insurance	2.6%
Cust. Derivat.	0.5%
Other*	9.9%

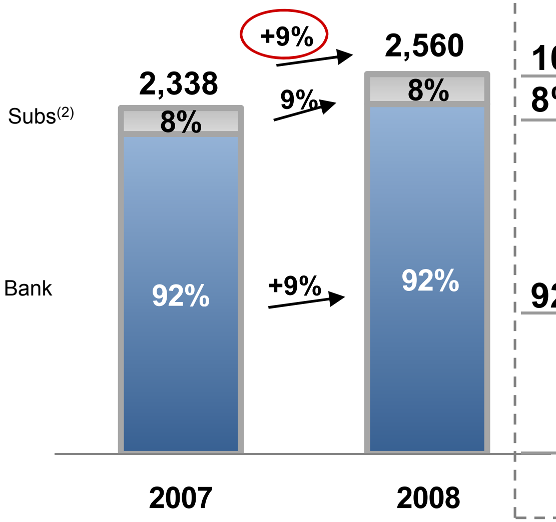
(*) Other includes money transfers, equity trading, campaign fees etc.

Despite highest number of branch openings in the sector, outstanding cost performance due to rigid cost management and strong efficiency efforts

2008 Results (BRSA Consolidated)

GROUP: Composition of Costs

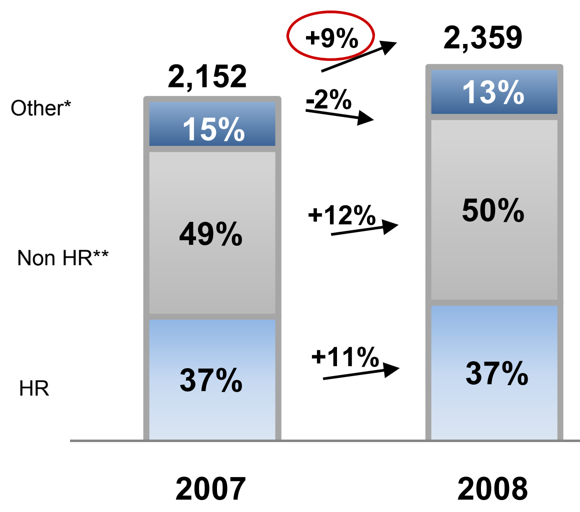
(mln TL)



2008N(1)	% Comp	YoY Growth
Total	100%	4%
Subs	8%	9%
Bank	92%	4%

BANK: Composition of Costs

(mln TL)



2008N(1)	% Comp	YoY Growth
Total	100%	4%
Other*	10%	-28%
Non HR**	51%	8%
HR	39%	11%

+9%

- **Total Group costs, up 9% y/y** (4% y/y if normalised(1)), **driven by Bank** (9% y/y, 4% y/y if normalised(1))
- **Total Bank costs driven by 11% y/y increase in HR costs** and **12% y/y increase in non-HR costs. Core cost base** (HR and Non-HR) **up 9% on a normalised basis despite accelerated branch expansion**
- **Bank costs** impacted by **branch network expansion** mitigated by **tight management of running costs** coupled with **strong efficiency efforts** (+750 headcount released from operational back-office and deployed in new branches)
- **Cost growth in 4Q fully anticipated** and **driven by some year-end seasonal pick up**
- **Other Bank costs down 2% y/y** (-28% if normalised(1)), driven by **one-off pension fund increase in 1Q08,** partially compensated by 29% y/y **decrease in World loyalty point expenses**

(*) Includes pension fund provision expense and loyalty points on Wold card
(**) Non-HR costs include HR related non-HR costs, advertising, rent, SDIF, taxes and depreciation
(1) Normalised to exclude the one-off effects of pension fund provision in 1Q08. Also normalised to exclude one-off tax risk expense under other operating expenses in 4Q (reclassified from other provisions in 2Q) .
(2) Including consolidation adjustments

Successful execution of branch network expansion in 2008 with new branches delivering positive results, put on temporary stand-by until market conditions stabilise

2008 Results (BRSA Consolidated)

YKB's Branch Network[1]

2007		2008
676 branches	+185 net openings	861 branches

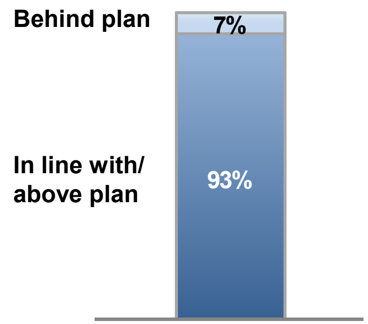
Net Openings	
1Q08:	+49
2Q08:	+66
3Q08:	+44
4Q08:	+26

Realisations vs Plan[2]

Revenues	32% above plan
Customer Business[4]:	47% above plan
Costs	16% below plan

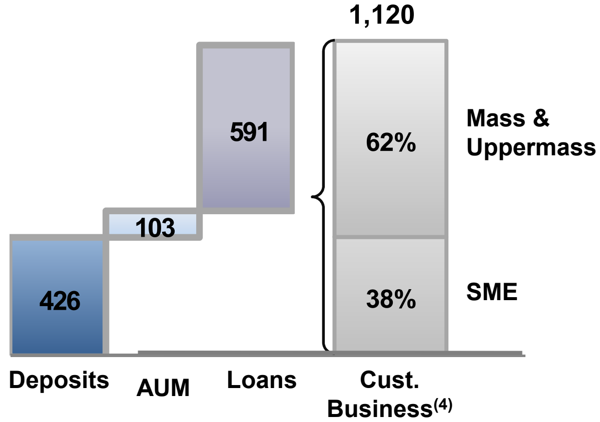
Performance of New Openings[2,3]

(No. of Branches)

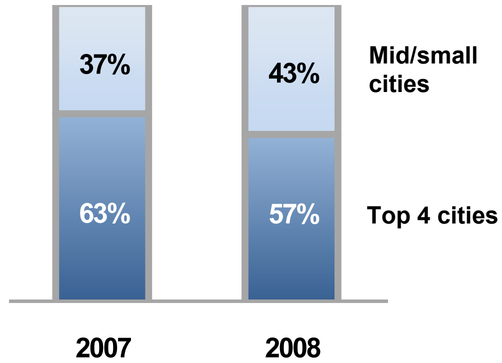


Customer Business Generation by New Openings since launch of plan[2]

(mln TL)



Territorial Distribution of Branches



- Fourth largest branch network with **861[1] branches** (vs 676 branches in 2007) and **9.9% market share covering 70 cities (57% in top 4 cities and 43% in mid/small cities)**
- **Highest number of net new branch openings (+185) in the sector in 2008; +223 net new openings since launch of plan in July 2007**
- While **YKB remains committed to long term growth,** as a result of **acceleration of global volatility, branch expansion plan for 2009** has been put on **temporary stand-by** until the market conditions stablilise

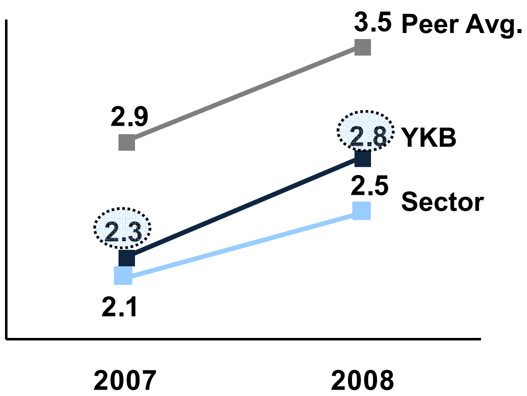
(1) Including one off-shore branch
(2) As of December 2008
(3) Including branches open for more than 2 months
(4) Customer business: loans + deposits + AUM

Branch expansion plan accompanied by a disciplined approach ensuring effective headcount management, cost containment and efficiency improvements

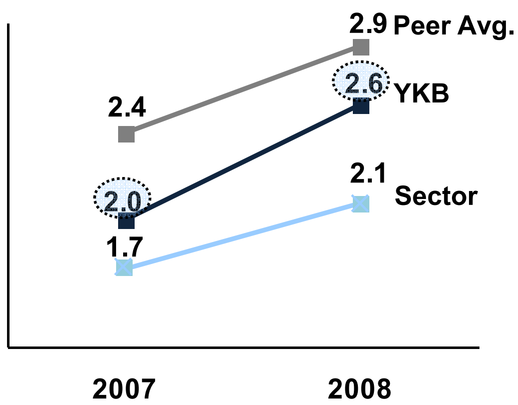
		2007	2008	YoY
YKB	No. of Branch	676	861	27%
	No. of Headcount	14,249	14,795	4%
Peer Avg.	No. of Branch	639	756	18%
	No. of Headcount	13,526	14,887	10%
Sector	No. of Branch	7,618	8,791	15%
	No. of Headcount	158,534	171,596	8%

Productivity Ratios

Deposits Per Employee, (mln TL)



Loans Per Employee, (mln TL)

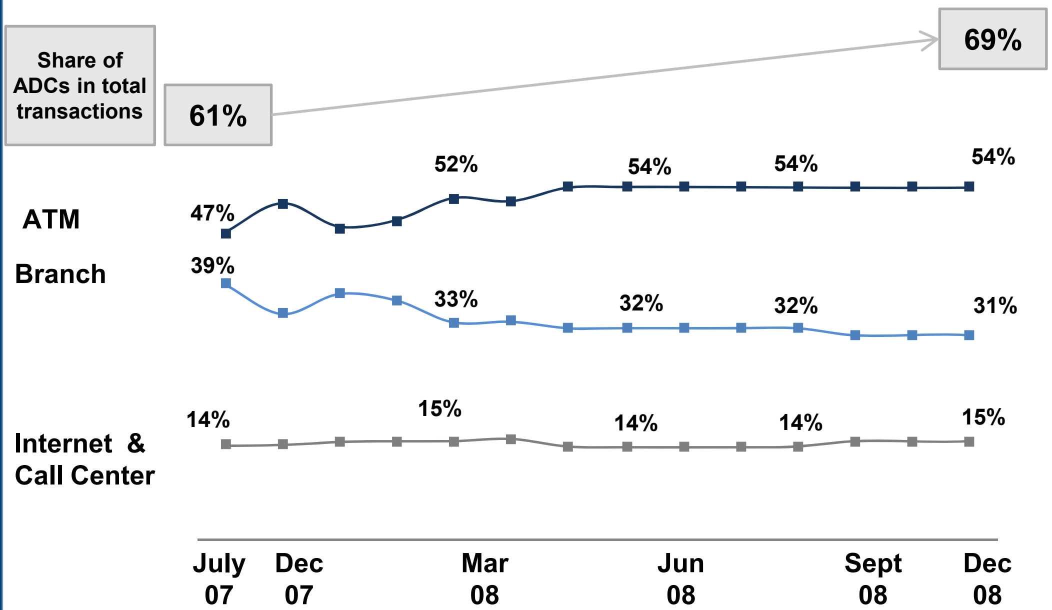


- **Lowest headcount growth at YKB in 2008 (+4% y/y) despite highest increase in number of branches (+27% y/y)**
- **Effective headcount management coupled with efficiency improvement** (including an accelerated release of ~750 headcount from operational back-office to be redeployed in new branches)
- **Significant improvement at YKB in per employee productivity** (deposits and loans) vs YE07 also **driven by increased operational efficiency. Further room for improvement in commercial effectiveness** (still below best practice)

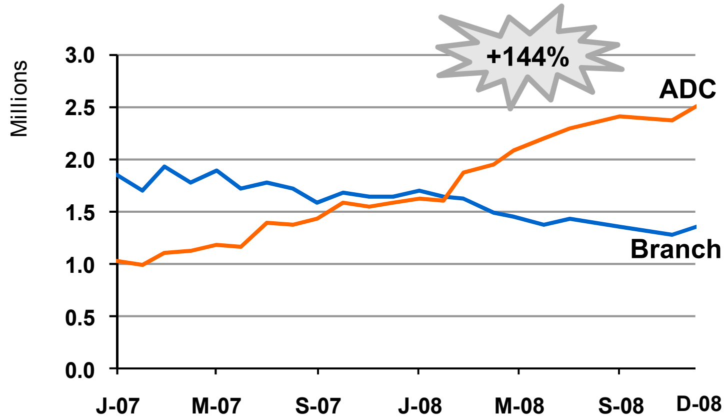
Note: all data based on BRSA bank-only financials

Incremental benefits achieved through the migration of transactions to alternative delivery channels

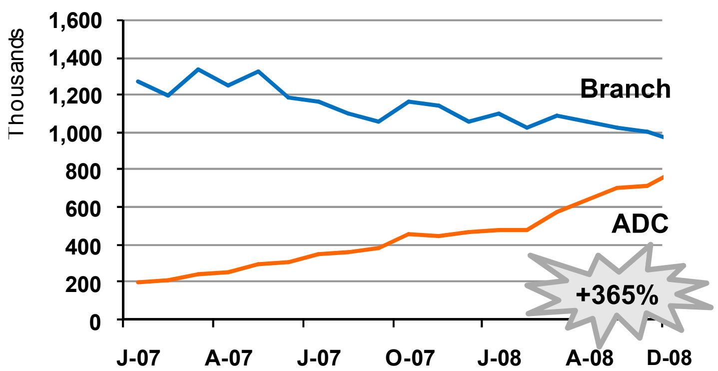
ADC Utilisation* vs Branch Utilisation



Credit Card Payments



Cash Depositing Transactions



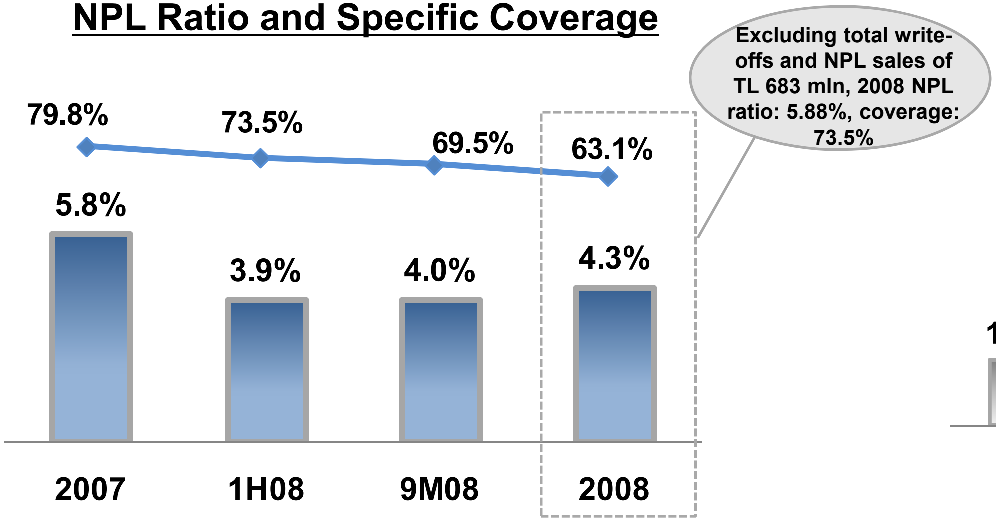
- **Increase in share of ADCs from 61% in Jul 07 to 69% in Dec 08; decrease in share of branches from 39% to 31% in the same period**
- **Extensive ATM deployment in 2008 moved YKB to 3rd position in terms of no. of ATMs with 10.9% market share** (Total no. of ATMs: 2,381)
- **Installation of 678 advanced ATMs in 2008, bringing the total number of advanced ATMs to 1,705, constituting 72% of total ATM network**
- **Introduction of innovative services: Barcode based ATM** bill payment system, **first in Turkey; Coin dispenser functionality to existing ATM network; Renewed corporate internet platform**
- **"Best Call Center" (2008 IMI Conferences), "Best Internet Bank" (PC Magazine) awards**

(*) All migration transactions with no limits and all customer types

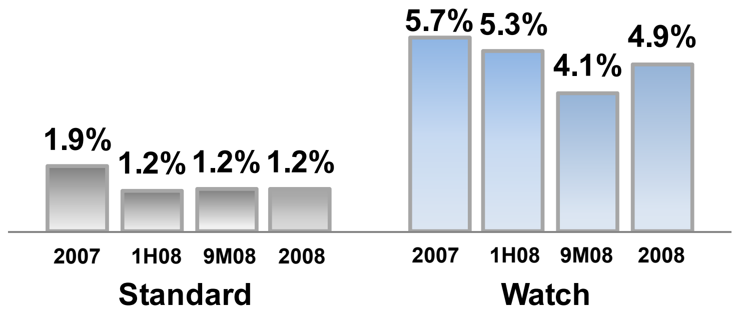
Improvement in asset quality in 2008 vs 2007, benefitting from portfolio disposal, write-offs and collections. Deterioration in 2H, accelerating in 4Q, driven by credit cards, SME and consumer loans

2008 Results (BRSA Consolidated)

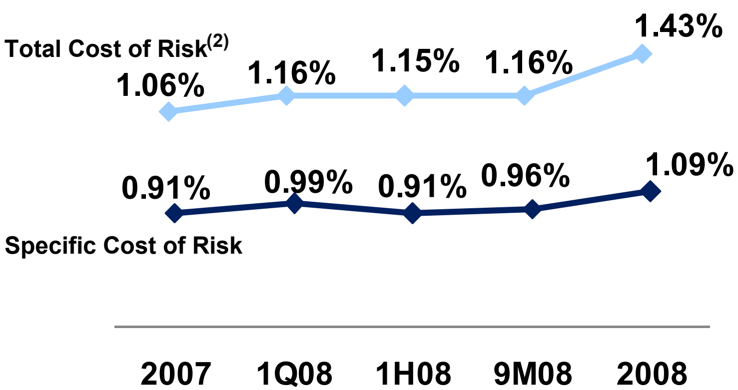
NPL Ratio and Specific Coverage



General Provisioning



Cost of Risk(1)



- **NPL ratio at 4.3% with improvement vs YE07 (5.8%) but deterioration vs 3Q08 (4.0%)**
- **New NPLs driven by credit cards, SMEs and consumer loans**
- **Normalised(2) total cost of risk at 1.43% (+27 bps vs 3Q08); specific cost of risk at 1.09% (+13 bps vs 3Q08)**
- **Given new market environment, asset quality/cost of risk becoming key areas of attention; more selective criteria** with regards to **underwriting** and **monitoring of loans; strenghtened collections process**
- **Classification/provisioning not yet taking advantage** of **new BRSA regulatory framework**

(1) Cost of risk = total loan loss provisions / total gross loans
(2) Normalised to exclude the one-off effect of general provision release in 1Q08

AGENDA

- 2008 Operating Environment
- 2008 Results (BRSA Consolidated)
- **Performance by Business Unit (Bank-only)**
- 2009 Outlook and Priorities
- Annex

All Business Units achieved their revenue targets despite being impacted by market deterioration and recorded significant customer satisfaction improvements

Performance by BU

Weight in Bank: Revenues	Weight in Bank: Customer Business**	Business Unit	Revenues (mln TL)	YoY (2008 – 2007)	vs. Budget	Customer Satisfaction (Improvement vs YE07)	Drivers of revenue growth
36%	35%	Retail	1,328	28%	+	★★★	■ **Improvement in commercial momentum** ■ **Branch expansion** and **customer focus** in **consumer** and **SME lending positively impacted** by **upward repricing**
24%	9%	Credit Cards*	874	10%	=	★	■ **Higher revolving ratio, profitability focus** and **risk-oriented approach,** offsetting **negative macro** and **regulatory environment** impacting **margins**
3%	14%	Private	127	38%	+	★★½	■ **Growth in customer business**, positively impacted by **structured products** ■ **Leverage on dedicated segment focus**
6%	21%	Corporate	231	13%	-	★★	■ Significant **repricing on cash** and **non-cash lending** to improve **return on capital** ■ **Selective volume growth** to **support existing core clients** in 4Q
18%	21%	Commercial	655	29%	+	★	■ **Volume growth** with **increased focus on revenue oriented initiatives** ■ **Upward repricing** and volume growth on **selected quality/lower risk core clients**

(*) Net of loyalty point expenses on World cards
(**) Customer business = Loans + Deposits + AUM
Note: all figures based on MIS data

Sustained profitability from subsidiaries in 2008 despite adverse market conditions

		Revenues (mln TL)	Revenue (y/y growth)	ROE	Key Highlights
Core Product Factories	YK Leasing	194	17%	27%	▪ **Despite a difficult year** due to **changes in tax regulations** and **macro slowdown, revenues still growing above 15%** ▪ **#2 in the sector with 14.9% market share**
Core Product Factories	YK Factoring	37	7%	28%	▪ **Healthy growth** supported by **both domestic** and **international business** as well as **customer acquisitions** ▪ **#1 in the sector** with **20.3% market share**
Core Product Factories	YK Yatırım	92*	3%	31%	▪ **Strong performance in equity trading** despite **adverse market conditions** leading to **increased profitability** and **market shares** ▪ **#1 in the sector** in terms of **total ISE transaction volume**
Core Product Factories	YK Portföy	74	8%	201%	▪ **Sustained profitability despite sectoral decrease in AUM volumes** impacting **revenue growth** ▪ **# 2 in the sector in mutual funds with 18.8% market share**
Insurance Subs	YK Sigorta	146	39% (17% N[1])	25%	▪ **Profitable growth** on the back of **healthy premia production** ▪ **#1 in the health insurance market with 21.7% market share** ▪ **In non-health branches,** following **successful restructuring, selective approach** to **ensure profitability** ▪ **Stronger cooperation** with **YKB's branch network**
Insurance Subs	YK Emeklilik	89	-19% (8% N[2])	20%	▪ **Continuous** and **strong growth in life insurance** ▪ **#5 in the life insurance sector with 7.0% market share** ▪ **#3 in the sector** with **private pension market share of 14.9%** ▪ **Stronger cooperation** with **YKB's branch network**
International Subs	YK Azerbaijan	17	42%	13% (26% N[3])	▪ **Strong performance** on the back of **organic growth efforts** and **providing support to Turkish YKB customers in the country**
International Subs	YK Moscow	28	33%	1%	▪ **Performance** mainly driven by **business generated by Turkish YKB customers**
International Subs	YK NV	49	8%	9%	

(1) Growth rate adjusted to exclude asset sale gains in 2008
(2) Growth rate adjusted to exclude gains from sale of YK Portföy shares YKB in 2007
(3) Based on average equity, to reflect effect of capital increase
* Including dividend income from YK Portföy
Note: YKB bank-format financials have been used for publicly traded subsidiaries instead of their announced financials for consistency purposes

AGENDA

- 2008 Operating Environment
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Early 2009 outlook

Macro

- Confirmation of slowdown / recession in last quarter of '08 likely to continue throughout '09
- CBT decreasing interest rates at a faster pace (-525 bps since Nov08); TL still relatively resilient
- Lower than anticipated inflation likely to trigger further interest rate cuts

Banking Sector

- Progressive deterioration in asset quality with faster pace (vs 4Q08) but still not incorporating full impact of recession
- Contraction in loans and deposits due to continued uncertainty resulting in low level of demand
- Better than expected revenue generation driven by favourable net interest margin evolution

Implications for YKB

Volumes

- Slight contraction in TL and FC loans (-2% ytd) in line with sector, driven by low demand in individual lending; above sector improvement in deposits (+5% ytd)
- Loan/deposit ratio at 86%, -2 pp vs YE08

Asset Quality

- NPL deterioration continuing, driven by credit cards, SME and consumer; corporate/commercial asset quality still relatively stable
- Prudent / more conservative approach in consumer, credit cards, SME and FX denominated lending
- Priority action/crash programs launched in monitoring / collections aimed at addressing asset quality deterioration as well as maintaining profitability

Funding/Liquidity

- Strong emphasis on liquidity through sustaining sound deposit base
- Long on liquidity both in terms of FX and TL with:
  - Further availability of repos and refinancing of TL Bonds
  - FX/TL Swap market
  - Still access to international markets
- Currently tapping the market for a new syndication loan to be optimally sized and timed

Profitability/Cost

- Revenues and net profit above budget due to positive NIM evolution
- Extra effort on headcount and cost management to compensate the increase in cost of risk

Note: All data as of end of February 2009

New organisational structure launched early Feb 09 aiming at further supporting 2009 performances of both Business Units and product factories

Rationale of Reorganisation:

- Exploit fully revenue synergies *(merger of certain SBUs)*
- Better functioning of the relationship between production and distribution
- Accelerate in more coordinated manner IT/ops support contribution to business

YapıKredi

Objectives and priorities in 2009

In light of the macroeconomic slowdown, YKB will continue to realign its strategy and priorities with a stronger emphasis on maintaining profitability vs growth

YKB will take advantage of this period in order to further improve its efficiency and productivity so as to be best positioned for growth when macroeconomic conditions stabilise

Continue to Focus on Long Term Actions to Achieve Sustainable Growth

- **Firm commitment to growth** also through **branch network expansion** once positive signals of recovery are visible
- **Maintaining major strategic projects** to **continue to foster efficiency**
- **Further improvement of divisionalised organisation through revised segmentation criteria/new and enhanced service model** (affluent banking, corporate and commercial banking)
- **Maintaining profitable growth of credit card business** (strengthen direct sales force, reduce merchant discounts, bonus point and installment expenses)
- **Optimisation of revenues/RWAs** (better pricing and capital allocation); **ongoing search for RWA optimisation measures** to reduce capital absorption
- **Continued focus on improvement** of **customer/employee satisfaction**
- **Productivity enhancements on existing network** through **better MIS tools** and **revised incentive systems**
- **Additional optimisation at operational level**
- **Continuation of transaction migration project with e-banking focus to increase efficiency**
- **Further systems integration to reduce running cost base** (migration of credit card operations to open platform)
- **Stronger collaboration among network and product factories** (better integrate insurance/bancassurance to increase cross sell)

AGENDA

- 2008 Operating Environment
- 2008 Results (BRSA Consolidated)
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AGENDA

- **Annex**
  - **Detailed Performance by Business Unit**
  - Other

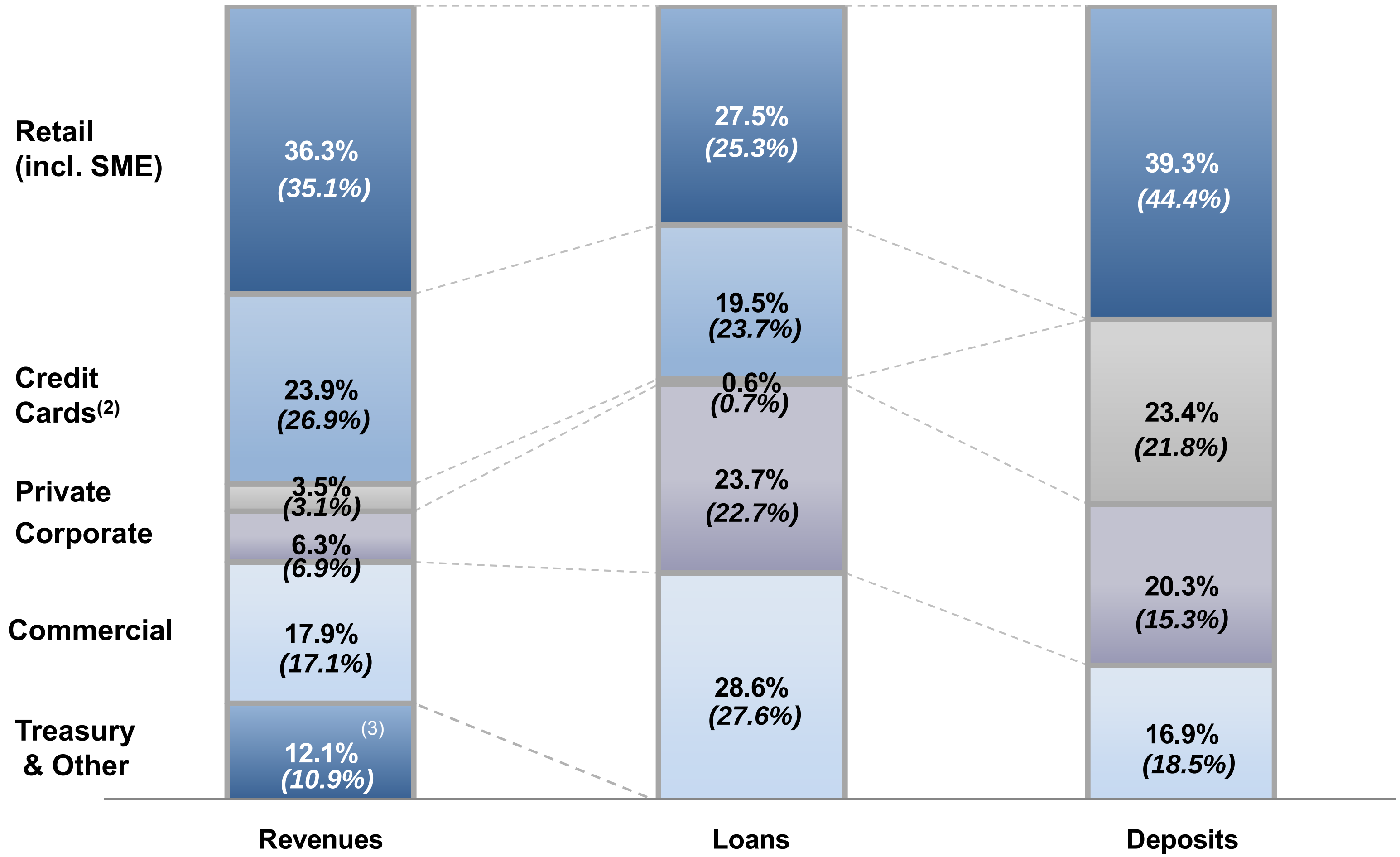
Definitions of Business Units

- **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

The 2008 segmentation criteria, used in this presentation, were revised on 1 Jan 2009 in the context of service model fine-tuning

Diversified revenue mix with retail focused loan and deposit portfolio

Revenues & Volumes by Business Unit(1) 2008 (Bank-only)



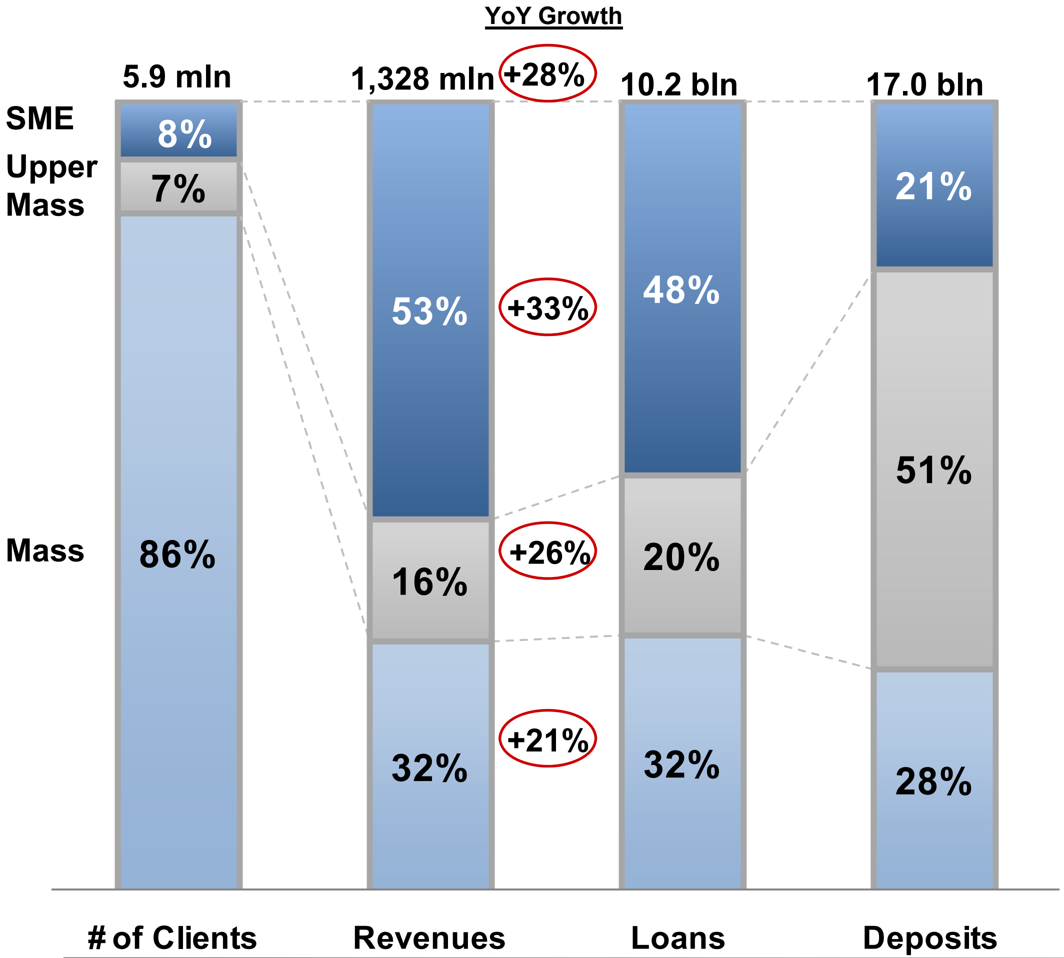
All figures expressed in paranthesis refer to 2007

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

53% of retail banking revenues generated by SME business, constituting 8% of total retail clients

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

(TL, 2008)



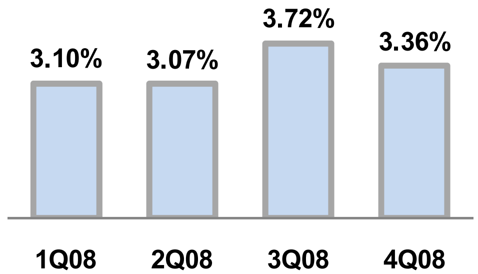
- **~450K active SME clients** generating **53% of total Retail revenues**
- **8% of total retail clients are SMEs generating 48% of loans and 21% of deposits**
- **Highest rate of revenue growth** on an annual basis driven **by SME segment (+33% y/y)**
- **Mass sub-segment** generating **32% of total Retail revenues with ~5 mln clients**
- **Mass sub-segment revenues growing** at **21% y/y**
- **Uppermass sub-segment** generates **16% of total Retail revenues**

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

Retail (mass & uppermass) banking revenues up 22% y/y driven by branch expansion and focused growth in consumer lending

Mln TL	2007	2008	YoY
Revenues	512	626	22%
Loans	3,371	5,361	59%
Deposits	10,928	13,362	22%
AUM (eop)	2,654	2,367	-11%
% of Demand in Retail Deposits	14.7%	12.7%	-2.0 pp
TL % in Retail Deposits	67.5%	73.5%	5.9 pp
% of TL in Retail Loans	100.0%	100.0%	0.0 pp

Revenues/ (Customer Business[(1)])



- **Significant above market growth in both lending (+59% y/y)** and **deposit gathering (+22% y/y)** as a result of **focused commercial efforts** on **key strategic segments/products** including the **launch of innovative products/projects** (i.e. mortgages, CARMA*) and the **introduction of the new affluent service model**
- **Upward loan repricing** starting from Feb 08 to **ensure positive value creation on all products** accompanied by strong **efforts on improving deposits while optimising pricing**
- **Strong emphasis on improving customer satisfaction** with **significant improvement in retail branches enhancing customer retention capability more than 20%** in 2008 based on **interviews with 49,000 customers** at **552 branches**
- **Consumer loan NPL ratio at 4.3%. Increased focus on asset quality** and **credit risk management in view of progressive market deterioration** starting from 3Q08

Note: all loan and deposit figures based on monthly averages except for revenues/customer business ratio which is based on 12-month average. MIS data
(1) Customer business: Loans + Deposits + AUM
* CARMA= Centralised Automated Risk Management Approach based on loan offerings with pre-approved limits

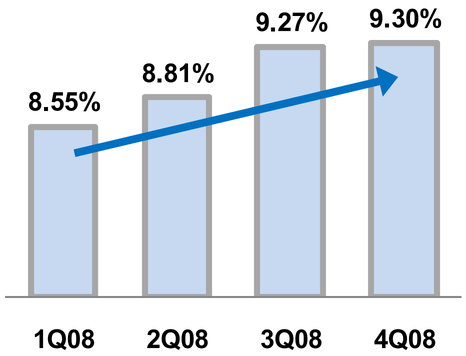
Retail (SME)

SME banking generating highest revenue growth among all segments; increased focus on asset quality from 2H08 onwards including more selective lending and better monitoring/collections

Performance by BU

Mln TL	2007	2008	YoY
Revenues	529	702	33%
Loans	3,484	4,848	39%
Deposits	2,930	3,608	23%
AUM (eop)	621	465	-25%
% of Demand in SME Deposits	33.2%	29.5%	-3.7 pp
TL % in SME Deposits	67.6%	73.3%	5.7 pp
% of TL in SME Loans	97.3%	96.7%	-0.7 pp

Revenues/ (Customer Business[1])



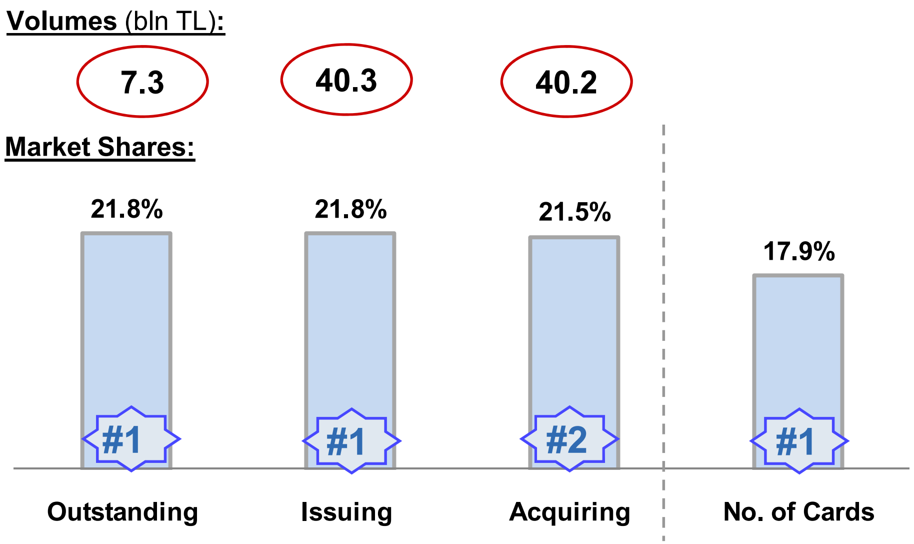
- **SME revenues up 33% y/y** driven by **lending focus (+39% y/y), upward loan repricing** (+220 bps in 4Q) as well as **branch expansion**
- **~71K SME clients acquired** in 2008 (total number of active SME clients: ~446K)
- **Dedicated service model** and **unique product offerings**
- **SME NPL ratio at 6.8%. Increased focus on asset quality** and **credit risk management** in **view of rapid growth achieved** in **SME segment** over the last 18 months and also **due to progressive market deterioration** starting from 2H08:
  - **limitations on branch manager authority**
  - **reinforcement** of **monitoring**, **work-out** and **collections** activities
  - completion of **SME scorecard project** (to be launched in 1H09)

Note: all loan and deposit figures based on monthly averages except for revenues/customer business ratio which is based on 12-month average. MIS data
(1)Customer business: Loans + Deposits + AUM

Credit cards, key pillar of retail strategy, achieved outstanding revenue performance due to profitability focus, despite negative macro and regulatory environment putting pressure on margins

Mln TL	2007	2008	YoY
Revenues	960	1,002	4%
Net Revenues[1] (mln TL)	796	874	10%
# of Credit Cards[2] (mln)	6.7	7.8	16%
# of merchants (ths)	205	259	26%
# of POS (ths)	246	312	27%
Revolving Ratio[3]	24.5%	26.8%	230 bps
Activation	83.9%	83.5%	-40 bps

Credit Card Volumes & Market Shares[4]



- **~1.4 mln new World cards** issued in 2008
- **Credit card net revenues[1] up 10% y/y** due to **higher revolving ratio and profitability focus**, despite **negative macro and regulatory environment** putting pressure on margins
- **Focus** on **review of installment** and **loyalty points expenses**
- Credit Card NPL ratio at 6.3%. **Increased asset quality concerns** determined **suspension of Direct Sales Force expansion in Sep 08 (+236 additions in first 9 months). 85 DSF employees out of 435 transferred to collections** (DSF as of end of Dec 08: 350)
- As a result of **co-branding agreements (Fortis, Vakıf, Anadolu), World branded cards in the market** reaching **~11mln,** making **World Turkey's largest credit cards brand network**

(1) Net of loyalty point expenses on World card
(2) Including virtual cards (2008 :1.5 mln, 2007: 1.1 mln)
(3) Excluding NPL
(4) Market shares and volumes based on bank-only 12-month cumulative figures

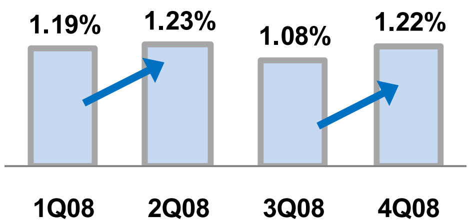
Private banking significantly contributing to Bank's total asset gathering growth through new tailor-made product offerings, leveraging on dedicated segment focus

Private

Performance by BU

Mln TL	2007	2008	YoY
Revenues	93	127	38%
Loans	184	227	23%
Deposits	6,816	10,104	48%
AUM (eop)	1,969	1,611	-18%
% of Demand in Priv. Deps.	4.3%	3.4%	-0.9 pp
TL % in Private Deposits	48.8%	58.9%	10.1 pp
% of TL in Private Loans	100.0%	100.0%	0.0 pp

Revenues/ (Customer Business[1])



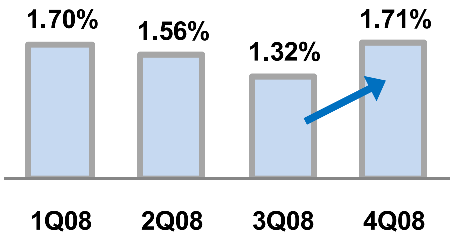
- **Private banking revenues up 38% y/y** driven by **growth in customer business**
- **Deposit volume growth up 48% y/y** positively impacted by **performance of structured products** coupled with **dedicated segment focus** and **overall private banking infrastructure. Private banking deposits** contribute **23% of Bank's total deposits**
- **Strong emphasis** on **cost of deposits while further increasing penetration**
- **18% y/y decline in AUM volume** due to **volatile environment** and **interest rate hikes**
- **Completion of project,** launched in 1Q08, to **review strategic approach on affluent/private customer segments** and **define new value proposition, enhanced service model,** and **review product offerings**
- Increased focus on **leveraging on product factories** in **distribution of asset management** and **brokerage products**

Note: all loan and deposit figures based on monthly averages except for revenues/customer business ratio which is based on 12-month average. MIS data
(1) Customer business: Loans + Deposits + AUM

Corporate banking revenues driven by significant upward repricing in 2H08, following pricing pressure impact in 1H08

Mln TL	2007	2008	YoY
Revenues	205	231	13%
Loans	6,165	8,810	43%
Deposits	4,769	8,775	84%
AUM (eop)	171	105	-39%
% of Demand in C. Deposits	16.7%	6.6%	-10.0 pp
TL % in Corp. Deposits	58.3%	38.4%	-19.9 pp
% of TL in Corp Loans	26.8%	19.1%	-7.7 pp

Revenues/ (Loans + Deposits)



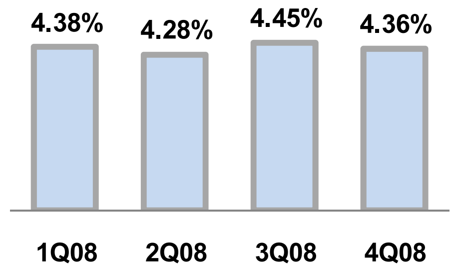
- **Corporate banking revenues up 13% y/y** driven by **significant upward loan repricing on cash and non-cash lending** especially in 1Q and 4Q with **selective volume growth**
- **Loan growth of 43% y/y and deposit growth of 84% y/y** (also impacted by TL devaluation), indicating **increased product and deposit penetration especially through supporting existing core clients** with a **focus on improving profitability/maintaining asset quality**
- Increasing **focus on cash management products** and **high margin areas including trade finance, project finance** and **acquisition finance;** leverage on **leasing and factoring products**
- **Reviewed strategy on non-cash loans**, mainly **letter of credit** and **letter of guarantees** (slight increase of 2.9% y/y in letter of guarantees) due to revised regulatory environment
- **Review of client relationships** to **create positive value generation; revenues/RWAs** as **key performance indicator**
- **Relatively sound asset quality (Corporate/Commercial NPL ratio at 2.5%) with focus on reviewing portfolios to manage exposures at risk through strenghtened collateral or eventually exits/restructuring**

Note: all loan and deposit figures based on monthly averages except for revenues/loans ratio which is based on 12-month average. MIS data

Commercial banking revenues driven by strong focus on revenue oriented initiatives including repricing focus and selected quality/lower risk clients

Mln TL	2007	2008	YoY
Revenues	**508**	**655**	**29%**
Loans	**7,504**	**10,629**	**42%**
Deposits	**5,758**	**7,293**	**27%**
AUM (eop)	**300**	**260**	**-13%**
% of Demand in Com. Deposits	**24.3%**	**22.4%**	**-1.9 pp**
TL % in Comm. Deposits	**53.0%**	**49.0%**	**-4.0 pp**
% of TL in Com. Loans	**54.6%**	**45.2%**	**-9.3 pp**

Revenues/ (Loans + Deposits)



- **Commercial banking revenues up 29% y/y** driven by **upward repricing on cash** and **non-cash lending** especially in 1Q and 4Q due to **increased focus on revenues / RWAs; loan growth (42% YTD)**
- **Reviewed strategy on non-cash loans**, mainly **letter of credit** and **letter of guarantees** due to **revised regulatory environment**
- Expanding **product specialist approach** (including **cash management products, trade finance** and **TMU)** to **increase penetration** and **revenues;** leverage on **leasing** and **factoring products**
- **Increase focus** on **structured sales approach** through client visits and product penetration targets
- **Strong emphasis** on **supporting existing core clients** while **selective acquisition of new clients** in **underpenetrated areas** with **sound risk approach**
- **Relatively sound asset quality (Corporate/Commercial NPL ratio at 2.5%) with focus on reviewing portfolios to manage exposures at risk through strenghtened collateral or eventually exits/restructuring**

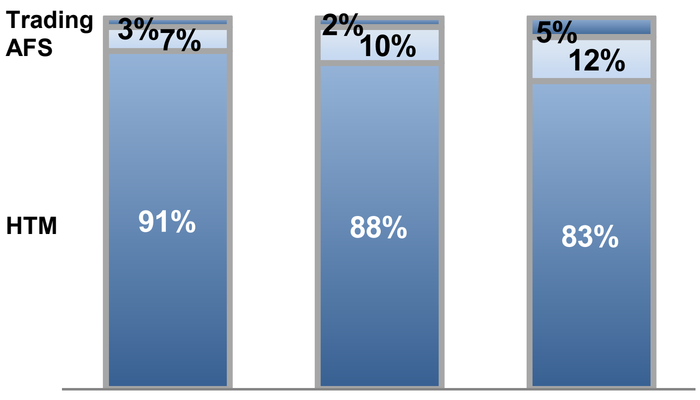
Note: all loan and deposit figures based on monthly averages except for revenues/loans ratio which is based on 12-month average. MIS data

AGENDA

- **Annex**
  - Detailed Performance by Business Unit
  - **Other**

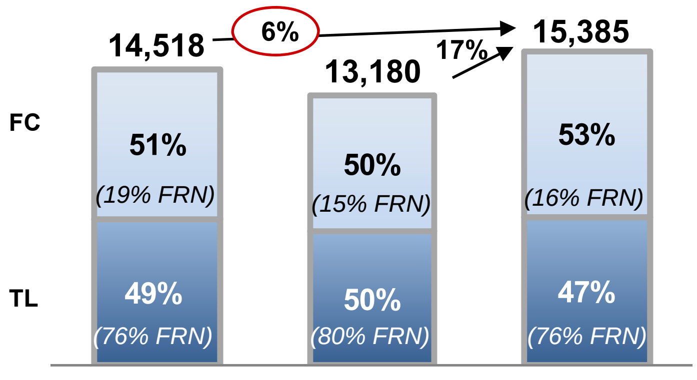
Decrease in share of securities in total assets vs 2007 with 83% of securities portfolio invested in HTM

Securities Composition by Type



Securities Composition by Currency

(mln TL)



- **Share of HTM decreasing to 83%** (vs. 91% at YE07), while **share of AFS increasing to 12%** (vs. 7% at YE07) to comply with **liquidity regulation**
- **Held to maturity (HTM) mix in total securities higher at bank level at 88%**
- **FX open position is kept minimal**, restricted with VaR and position limits; **monitored on a daily basis**
- **6% increase in total securities y/y, totally driven by FX effect** (+2% y/y in LC securities, -15% in FC securities in USD terms) **share of securities in total assets declined to 22%** (vs. 26% at YE07)

FRN: Floating Rate Notes

International Borrowings

Syndications	1bln USD outstanding ▪ Sept 09: ~USD 1 bln, Libor + 75 bps, 1 year ▪ Currently in the market for a new syndicated loan
Securitisations	1.4 bln USD outstanding resulting from market transactions concluded in Dec 06 and Mar 07 ▪ 7-8 year, 6 wrapped tranches, LIBOR+18 bps-35 bps + insurance premiums ▪ No principal repayment in ’09
Subloans	€1,050 mln outstanding ▪ €500 mln - YKB Mar 06 (10NC5, Libor+2.00% p.a.) ▪ €350 mln - Koçbank Apr 06 (10NC5, Libor+2.25% p.a.) ▪ €200 mln - YKB Jun 07(10NC5, Libor+1.85% p.a.)
Other	▪ Sace Loan: €100 mln in Jan 07 to support Italian trade finance transactions (5 years, all-in Euribor+1.20% p.a.) ▪ EIB Loan: €100 mln Jul 08 to support SMEs in Turkey (10 years). No principal repayment in ‘09 ▪ IBRD (World Bank) Loan: $35 mln 6 year loan signed in Nov 08 to be disbursed on a project basis (Libor+1,50% p.a.). No principal repayment in ’09

The KFS Group comprises Yapı Kredi, its domestic product factories and international subsidiaries

- Koç (L) – 50%
- UniCredit (L) – 50%
  - KOÇ FINANCIAL SERVICES
    - 81.8% – YapıKredi (L)
      - 94%[5] – YapıKredi Sigorta (L)
        - 100%[6] – YapıKredi Emeklilik
      - 99% – YapıKredi Leasing (L)
      - 100% – YapıKredi Faktoring
      - 100%[4] – YapıKredi Bank Azerbaijan
      - 100%[3] – YapıKredi Moscow
      - 100%[2] – YapıKredi Nederland
      - 99.98% – YapıKredi Yatırım
        - 99.97%[1] – YapıKredi Portföy Yönetimi

1.YKY: 87.3%, YKB: 12.6%
2.YKB: 67.24%, YK Holding BV: 32.76%
3.YKB: 99.84%, YKL: 0.16%
4.YKB: 99.8%, YKY: 0.10%, YKL: 0.10%
5.YKB: 74.01%, YKF: 7.95%, YKY: 11.99%
6.YKS: 99.93%, YKF: 0.04%, YKY: 0.04%

Other YKB subsidiaries:
(1.) **Yapı Kredi Investment Trust** Ownership: YKB:11.1%, YK Yatırım: 45%, Free Float: 44%
(2.) **BCP** (Banque de Commerce et de Placements). Ownership: YKB: 31%, Other: 69%
(3.) **Yapı Kredi Koray (REIT)** Ownership: YKB: 30%, Free Float: 45%, Others: 25% (non-financial sub., not consolidated)
(4.) **YK Kültür-Sanat Yayıncılık** (Culture, art and publishing). Ownership: YKB: 100% (non-Financial sub., not consolidated)

L = Listed
= % Total of Group's direct ownership

KOÇ UniCredit Group

Enquiries :

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